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United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 92d CONGRESS, FIRST SESSION

SENATE—*Tuesday, November 16, 1971*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God and Father of us all, who hast given us the gift of this another day, help us to use it wisely and well. Spare us from wasting time on the wrong things or things which do not matter much. Furnish us with clear minds, pure hearts, and dedicated spirits. Keep us ever close to Thee, enlarging our energies and refining our judgments. Help us to be cheerful when things go wrong, persevering when things are difficult, serene when things are irritating. May our compensation be found in work done for a nation aspiring to be better. At the close of day, may we rest in fellowship with Thee and our fellow men.

In Thy holy name, we pray. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, November 15, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXEMPTING POTATOES FOR PROCESSING FROM MARKETING ORDERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 423, S. 2672.

The PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

S. 2672, to permanently exempt potatoes for processing from marketing orders.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2672

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8c(2) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 and subsequent legislation, is amended as follows:

(1) In clause (A) after the words "vegetables (not including vegetables, other than asparagus, for canning or freezing", insert the words "and not including potatoes for canning, freezing, or other processing"; and

(2) In clause (B) after the words "fruits and vegetables for canning or freezing," insert the words "including potatoes for canning, freezing, or other processing".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–429), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION

This bill makes permanent the existing provisions which exempts all potatoes for processing from marketing orders.

Potatoes for canning and freezing have always been exempt from marketing orders under section 8c(2) of the Agricultural Adjustment Act, as reenacted by the Agricultural Marketing Agreement Act of 1937. On February 20, 1970, this exemption was extended to potatoes for other processing, but only for a 2-year period. The bill would make this extension to potatoes for other processing permanent. Potato products are marketed nationally and the competitive disadvantage accorded processors located in order areas and subject to such orders is such as to require exemption of all potatoes for processing.

The Senate and House reports on the legislation approved February 20, 1970, to provide for the 2-year exemption contained the following definition of "other processing."

The term "other processing" is intended to include only that preparation of potatoes for market which involves the application of heat or cold to such an extent that the natural form or stability of the commodity undergoes a substantial change. This occurs in dehydration and in the manufacture of shoestring potatoes and potato chips. The act of peeling, cooling, slicing, or dicing, or the application of material to prevent oxidation does not constitute "other processing."

COST ESTIMATE

In accordance with section 252 of the Legislative Reorganization Act of 1970 the committee estimates that no costs would be incurred in carrying out the bill in the current fiscal year or any of the 5 succeeding fiscal years. The attached report from the Department of Agriculture estimates the annual cost of administering any new order * * * for processing would approximate $25,000. By exempting all potatoes for processing from marketing order authority, the bill would save this amount for any order that might otherwise be issued.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Wisconsin (Mr. PROXMIRE) is now recognized for not to exceed 15 minutes.

THE PHASE II ECONOMIC PROGRAM

Mr. PROXMIRE. Mr. President, for 5 weeks, the Joint Economic Committee, of which I am chairman, has held extensive hearings on the new economic program of President Nixon. We went into considerable detail. A number of outstanding economists appeared, representing a broad variety of viewpoints. We also heard from business leaders, labor leaders, and people who had great experience in administering wage and price controls during World War II and the Korean war. I believe that we obtained a broad and substantial background from these hearings.

In addition, in the past week or so, the Committee on Banking, Housing and Urban Affairs has had hearings on the administration's proposed new program for phase II, and has had several sessions in marking up that legislation.

PHASE II NEEDS BIG OVERHAUL

In view of this background I must say this morning that I have come to the painful conclusion that phase II—the wage and price control program as it has been enunciated by the Wage and Price Board—will do far more harm than good for our economy. The newly announced price regulations are so complex and confusing that they will slow business expansion when we need it urgently.

This is not to fault much of the President's action. The 90-day freeze may well have served a useful purpose, and I support it. The President is right in moving away from the freeze toward a general system of decontrol.

But neither the President nor Congress nor the commissions set up by the President seem to have recognized that the heart of the inflation problem has

been and remains the extraordinary power over prices and wages of big corporations and unions in fields where prices are administered, not determined, by the marketplace.

Everyone agrees that the great generality of American firms operates in competitive circumstances where the forces of supply and demand determine prices.

Right now, supply greatly—and I mean very greatly—exceeds demand. The economic situation should result in stable or lower prices. After all, with 25 percent of our manufacturing plants idle, with nearly 5 million potential workers looking for employment, America can now supply almost anything. But demand is deficient.

What this means is that the controls over the great majority of American wage earners and the vast majority of firms may be cosmetic or psychological; but that has nothing to do with the simple economic facts of life. We just do not need them.

Furthermore, there are basic weaknesses in the determinations of the President's boards that could have a harmful effect on our immensely productive economic system.

RESTRAINT ON PROFIT MARGINS TORPEDOES BUSINESS EFFICIENCY

Restraints on profit margins—and I can understand the political appeal of that kind of restraint—destroy the prime discipline of the free enterprise system: the drive to hold down costs in order to increase profits.

This restraint on profit margins has a quick superficial political appeal. That is, if wage rates are to be held down, why should not profit rates? The answer is they should not be held down.

It is true, of course, that profits should be made to bear their fair share of the burdens of stabilizations; but the way to do that is to hold down or even roll back prices, not to freeze profit margins.

The consequence of Government action to prevent the widening of profit margins is to torpedo the main reason why businessmen fight to hold down costs.

Why should any businessman cut corners and work night and day to increase his efficiency, if the resulting increase in his profit margins simply results in a governmental refusal to permit him to follow the pricing policies the market will permit him to follow?

The prime superiority of the free economic system in contrast with socialist systems is exactly that the cost reduction discipline is tougher and more emphatic in the free system.

We see again and again that when we have negotiated contracts as compared with competitive contracts, the costs are always higher. We do not have the costs of competition holding down prices.

The Price Commission ruling destroys the discipline that we have built into our economic system. It insinuates a softer way. It tells the businessman to relax, ease up on his drive for efficiency, let costs rise, because he can under the Price Commission's orders reflect those higher costs in higher prices.

So his profit margins will be the same whether he knocks himself out to hold down costs or just relaxes and lets nature take its course, which means less efficiency, less productivity, and, of course, ultimately higher prices.

A basic fallacy of the Price Commission's policies is that it is applying the profit margin rule to individual companies. The result is that the efficient firm can enjoy no greater improvement in its profit margins than the inefficient firm.

COMMISSION COURSES OF ACTION

What the Commission should do is this:

First. It should exempt competitive industries where price and wage behavior has been reasonably stable. I would suggest, for example, that any industry in which prices have risen less than 2 percent in the past year would be exempt; and where wages have risen less than 5 percent, wage earners would be exempt from the mandatory effect of the law. They could and should be influenced by the voluntary guidelines, as they were in the first part of the last decade—in the early 1960's.

This would eliminate millions of firms and tens of millions of individuals who have not been an inflation problem and who are simply confused and hamstrung by redtape.

Second. The Commission should apply the profit rate criteria to entire industries—not to individual firms. This would mean that broad categories of prices—such as in steel and autos—could be stabilized, but individual firms would continue to have an incentive to cut their costs in order to increase their profit margins.

EXEMPT STATE AND LOCAL WORKERS

Third. The Board has wisely and necessarily exempted all Federal workers and left the determination of their wages to the President and Congress. It should follow suit for the millions of State and local workers. The present restriction arrogates to a Federal Government that has made much of the importance of keeping critical decisions close to the people and to their local governments, a decision that State and local governments are every bit as able to make.

Again, the Federal guidelines of 5.5 percent for wage increases should be suggested, and the President should use the great moral force of his office to urge State and local governments to support the national stabilization efforts. It makes no sense for us to exempt Federal workers under the control of Congress at a time when all State and local workers are under the control of State legislatures or are under mandatory Federal law.

Fourth. The Price and Wage Boards should work as rapidly as possible to put themselves out of business. With every month—in fact, with every week—that passes, the mischief of bureaucratic controls of our immensely productive free system will become worse.

VIOLATIONS WILL MULTIPLY

Violations will multiply. There is very little patriotic motivation, perhaps none of the kind there was in the country's only previous experiments with controls, and these controls are far more complex than in World War II or the Korean war.

Furthermore there is a pitfully inadequate enforcement staff, considering the size of the country and the nearly universal coverage of regulations.

Witnesses who enforced the World War II and Korean regulations testified before the committee that in order to do anything like an adequate job we would need well over 100,000 enforcement officials at work. To try to get along with 3,000 officials, of course, is commendatory. We like to hold down bureaucracy. However, we cannot do it if we apply this program universally. We have a simple choice: either to provide the enforcement machinery or to provide what I am suggesting; namely, exemption for those businesses and individuals that have not, cannot, and will not contribute significantly to inflation. Discontent and disaffection with the exceptions in the law will be especially cruel and painful for the majority of Americans who will conscientiously try to abide by it.

Consumer enforcement of price standards will become a bitter joke. How in the world can a consumer determine the productivity of a firm when in most cases the firm itself cannot be sure?

Honest businessmen who want to comply with the law are going to feel in serious jeopardy without an army of cost accountants, economists, and lawyers that only big firms can support.

The President and Congress should set a goal of 6 months for the end of a control system that is sure to engender confusion, inefficiency, and a slowing down of our economic system.

Fortunately, the present law has only 6 months to run. It will expire next April 30. Congress should not renew it at this time. It should put pressure on the administration to find a way to end the program and follow up with a strictly voluntary wage-price guideline approach after next April 30.

The fight against inflation can be far better fought in the long run by more reliance on the free economic system that has so well served the Nation.

The efficiency of our great productive economy, regard for the law, and the fight against inflation are all at stake in this decision.

Mr. President, yesterday the Wall Street Journal published a highly perceptive editorial about the President's phase II economic program.

Although there is widespread public support for the President's efforts to control inflation, many businessmen and labor unions are having serious second thoughts about the fairness, clarity and effectiveness of the phase II guidelines.

For a country committed to free enterprise, it is somewhat surprising that businessmen, economists and financial writers have hailed the imposition of price and wage controls with such enthusiasm.

The phase II guidelines represent a critical departure from our economic system. The Economic Stabilization Act gives the President virtually dictatorial power to control prices and wages without even little restraint from the Congress.

The editorial from the Wall Street Journal is evidence that some financial writers are beginning to rethink and reevaluate the President's new economic policy.

Most people would agree that vigorous action is needed to break the back of inflation; however I seriously wonder whether mandatory price and wage controls need to be imposed on the entire economy, from the giant corporation to the corner drugstore.

These comprehensive controls seem to be particularly inappropriate in view of the meager enforcement staff contemplated by the administration.

If we are to have price and wage controls, there is considerable merit to imposing these controls on the highly concentrated segments of our economy where the forces of competition are not effective.

Mr. President I ask unanimous consent to insert into the RECORD the editorial from the Wall Street Journal.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 15 ,1971]

WHAT'S A NICE COUNTRY LIKE THIS DOING HERE?

Phase 2 is barely beginning, and yet there is considerable disillusionment with the whole setup, in contrast to the euphoria that greeted the announcement of the new economic policy in August. Perhaps the present mood will lead to more thoughtful discussion of the ultimate meaning and direction of that policy.

So far the disenchantment results mostly from practical or technical considerations. In the past few weeks confusion and uncertainty have ruled the economy; it has become all too evident how many pitfalls lie ahead. The possibilities for error, the inevitability of inequity, the sheer volume of decisionmaking and the nit-picking nature thereof—the grounds for depression are legion.

Not least, of course, many businessmen and union leaders are unhappy with what they regard as niggardly guidelines announced for, respectively, price and wage increases.

Over all broods the justifiable question whether such a program is likely to work, in the stated sense of significantly curbing inflation in a rising economy with decreasing unemployment. It is a pretty ramshackle bureaucratic structure for achieving those goals, and the goals themselves may be, at least to a degree, inherently inconsistent with one another. So if Phase 2 doesn't work in a reasonable time, what then?

It is an ominous question, for part of the trouble with the new economic policy is that it sets the precedent of wage-price controls in peacetime. That precedent having been set, it will be easier for the government to proceed to harsher measures if Phase 2 is a bust.

This is why we think it particularly important for people to examine the political-philosophical implications of the administration's economic program. In other words, what's a nice free country like the U.S. doing messing around with peacetime controls, the very trappings of economic regimentation, anyway?

Some—not many as yet—are saying that what it is doing is heading down the road to socialism. No doubt that is excessive rhetoric for the time being, since no one in the administration seems to be seriously advocating government ownership of the means of production. They are, however, emphatically practicing control, and it's not inconceivable that the distance from control to collectivism could gradually grow shorter.

In any event, and whatever road the nation is now on, it is plainly one leading away from the splendid tradition of economic freedom. And that fact, we suggest, must have political meaning in the broad philosophical sense and quite possibly in the partisan sense as well. To dispose of the latter first, it takes no great profundity to see that if the new economic policy is in fact a failure in the months ahead, the President and his party could be in trouble in next year's election.

As for the broader political aspect, there are those who pooh-pooh the notion that these economic controls are even a potential threat to the American's liberties in general. Well, we suppose they don't necessarily absolutely have to be a threat. But surely it is an awesome risk.

Whether we look back to the corporate state of Mussolini, the totalitarianisms of Hitler and Stalin and his successors or even to older tyrannies, we find that economics and politics are conceptually and pragmatically intertwined. Indeed, it would be passing strange if there were to be a society where people could not speak or move freely but still could do business on a free-enterprise basis. It strikes us as just about impossible.

By the same token, economic freedom has served America well, not only in fueling its tremendous growth over the years but in expanding the individual's whole area of liberty which, in turn, enhances the individual's economic capacity. Again, an inextricable intermingling.

We do not contend that the connection is now unquestionably doomed; only that the connection exists and has been impaired. It will require great care to ensure that economic policy does not in time come to have unpleasant political reverberations.

Mr. President, I yield the floor.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a 15-minute period for the transaction of routine morning business, with each Senator being limited therein to 3 minutes.

Is there morning business?

QUORUM CALL

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. WEICKER. Mr. President, I ask unanimous consent that during the debate on the Percy amendment to H.R. 10947, Timothy Brosnahan and Robert Thompson, members of my staff, be authorized to be on the floor of the Senate with the exception of times when the Senate is engaged in rollcall votes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RELIEF OF ORLEANS, VT.

Mr. BYRD of West Virginia. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 708.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 708) for the relief of the village of Orleans, Vt., which was, on page 1, line 4, before "title", insert, "former".

Mr. BYRD of West Virginia. Mr. President, I move that the Senate concur in the amendment of the House of Representatives. This request has been cleared with the majority leader.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON DISPOSITION OF FOREIGN EXCESS PERSONAL PROPERTY

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a report relative to disposition of foreign excess personal property located in areas outside the United States, Puerto Rico, and the Virgin Islands, for the fiscal year 1971 (with an accompanying report); to the Committee on Government Operations.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Consumer and Marketing Service's Enforcement of Federal Sanitation Standards at Poultry Plants Continues to be Weak," Department of Agriculture, dated November 16, 1971 (with an accompanying report); to the Committee on Government Operations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Appropriations, with an amendment:

H.J. Res. 946. Joint resolution making further continuing appropriations for the

fiscal year 1972, and for other purposes (Rept. No. 92–453).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. Res. 194. An original resolution opposing the suspension of deportation of Mong Wah Leong (Rept. No. 92–454);

S. 247. A bill for the relief of Albert G. Feller and Flora Feller (Rept. No. 92–455);

S. 1089. A bill for the relief of Robert Rexroat (Rept. No. 92–456);

S. 1675. A bill for the relief of Antonio Plamera (Rept. No. 92–457);

S. 1925. A bill for the relief of Harold Donald Koza (Rept. No. 92–458);

H.R. 3383. An act for the relief of Mrs. Mauricia A. Buensalido and her minor children, Raymond A. Buensalido and Jacqueline A. Buensalido (Rept. No. 92–459);

H.R. 1536. An act for the relief of Ruth V. Hawley, Marvin E. Krell, Alaine E. Benic, and Gerald L. Thayer (Rept. No. 92–460);

H.R. 1867. An act for the relief of Bernadette Han Brundage (Rept. No. 92–461);

H.R. 1899. An act for the relief of Mrs. Maria G. Orsini (nee Mari) (Rept. No. 92–462);

H.R. 1931. An act for the relief of Jesus Manuel Cabral (Rept. No. 92–463);

H.R. 1962. An act for the relief of Dah Mi Kim (Rept. No. 92–464);

H.R. 1970. An act for the relief of Mrs. Andree Simone Van Moppes and her son, Alain Van Moppes (Rept. No. 92–465);

H.R. 2087. An act for the relief of Park Ok Soo and Noh Mi Ok (Rept. No. 92–466);

H.R. 2107. An act for the relief of Jose Bettencourt de Simas (Rept. No. 92–467);

H.R. 2108. An act for the relief of Nemesio Gomez-Sanchez (Rept. No. 92–468);

H.R. 2408. An act for the relief of Louis A. Gerbert (Rept. No. 92–469);

H.R. 2706. An act for the relief of Miguelito Ybut Benedicto (Rept. No. 92–470);

H.R. 2803. An act for the relief of In Kyong Yi (Rept. No. 92–471);

H.R. 2814. An act for the relief of Rea Republica Ramos (Rept. No. 92–472);

H.R. 3041. An act for the relief of Mary James Kates, owner of the Gladewater Daily Mirror (Rept. No. 92–473);

H.R. 3062. An act for the relief of Ronnie B. (Mallt) Morris and Henry B. (Mallt) Morrie (Rept. No. 92–474);

H.R. 3425. An act for the relief of Helen Tziminadis (Rept. No. 92–475);

H.R. 3475. An act for the relief of Paul Anthony Kelly (Rept. No. 92–476);

H.R. 5022. An act for the relief of The American Journal of Nursing (Rept. No. 92–477); and

H.R. 7085. An act for the relief of Eugene M. Sims, Senior (Rept. No. 92–478).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1481. A bill for the relief of Jose Amaral de Souza (Rept. No. 92–479).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 641. A bill for the relief of Luis C. Guerrero, Guadelupe Guerrero, and Alfredo Guerrero (Rept. No. 92–480);

S. 1299. A bill for the relief of Dr. Biman K. Kastagir (Rept. No. 92–481);

S. 1435. A bill for the relief of Dr. Alfredo B. Soliva (Rept. No. 92–482);

S. 2048. A bill for the relief of Jun Juen Chiu Yee (Jun Juen McNeely Yee) (Rept. No. 92–483); and

H.R. 5419. An act for the relief of Corbie F. Cochran, Jr. (Rept. No. 92–484).

EXECUTIVE REPORT OF A COMMITTEE

As in executive session, the following favorable report of a nomination was submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Phillip V. Sanchez, of California, to be Director of the Office of Economic Opportunity, vice Frank Charles Carlucci III, resigned.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that today, November 16, 1971, he presented to the President of the United States the following enrolled bills:

S. 1026. An act to amend the Small Reclamation Projects Act of 1956, as amended;

S. 2216. An act to amend the Investment Company Act of 1940, as amended; and

S. 2339. An act to provide for the disposition of judgment funds on deposit to the credit of the Pueblo of Laguna in Indian Claims Commission, docket number 227, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. EAGLETON:

S. 2861. A bill to amend title II of the Social Security Act to reduce from 20 to 10 years the length of time a divorced woman's marriage to an insured individual must have lasted in order for her to qualify for wife's or widow's benefits on his wage record. Referred to the Committee on Finance.

By Mr. HARRIS:

S. 2862. A bill for the relief of M. Sgt. Ronald W. Bell, U.S. Air Force. Referred to the Committee on the Judiciary.

By Mr. HARRIS (for himself, Mr. BAYH, Mr. CRANSTON, and Mr. HART):

S. 2863. A bill to provide for the creation of an Authority to be known as the Reclamation Lands Authority to carry out the congressional intent respecting the excess land provisions of the Federal Reclamation Act of June 17, 1902. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARRIS (for himself, Mr. BAYH, Mr. CRANSTON, and Mr. HART):

S. 2863. A bill to provide for the creation of an Authority to be known as the Reclamation Lands Authority to carry out the congressional intent respecting the excess land provisions of the Federal Reclamation Act of June 17, 1902. Referred to the Committee on Interior and Insular Affairs.

THE RECLAMATION LANDS AUTHORITY ACT

Mr. HARRIS. Mr. President, I send to the desk for appropriate reference, for myself and Mr. BAYH, Mr. CRANSTON, and Mr. HART, a bill designed to carry out the congressional intent respecting the excess land provisions of the Federal Reclamation Act of June 17, 1902.

Our predecessors in Congress, recognizing that irrigation is essential to American agriculture, wisely chose to make a public investment in irrigation when they passed this historic 1902 act. Just as wisely, they sought to assure that the benefits of Federal irrigation projects—which would literally transform desert wastelands in the West into the richest agricultural areas in the world—would accrue to small homesteaders rather than land speculators or monopolists. The Reclamation Act stated that landholders could receive federally subsidized water for farms of 160 acres or less, or 320 acres in the case of a man and wife, provided that they live on, or very near, their land. In 1926, Congress strengthened the 1902 act by providing that any federally irrigated holdings in excess of the 160-acre limitation had to be sold within 10 years at preirrigation prices.

Critics of the acreage limitation provision, both in 1902 and today, insist that huge farms are necessary for their efficiency. That is a myth. The giant agribusinesses are efficient only in stifling farm competition and in tapping the Federal Treasury for subsidies. One hundred and sixty acres of prime irrigated farmland, or 320 acres in the case of man and wife, are more than enough to support a prosperous family farm.

Mr. President, the men who championed the Federal Reclamation Act of 1902 were visionary Americans. They understood that land and water, America's greatest resources, were not boundless, and that they must be protected from the few who would monopolize their use.

Delegates to the irrigation Congress in the 1890's, which sought to enlist the Federal Government in irrigation projects, repeated a warning given to Americans by the English historian T. B. Macaulay:

> Your national safeguard lies in your boundless public domain . . . But the time will come when this heritage will have been consumed, this safeguard will have vanished. You will have your crowded Birminghams and Manchesters, and then will come the test of your institutions.

Congressman Oscar W. Underwood of Alabama, who was instrumental in the passage of the Reclamation Act, sounded this same theme when he pointed to the decline of free land and the beginnings of urbanization. In a statement supporting the Reclamation Act, which has a peculiarly modern ring, he said to the applause of the House of Representatives:

> The farm boys in the East want farms of their own. I (the Reclamation Act) gives them a place where they can go and build homes without being driven into the already overcrowded cities to seek employment.
>
> It will provide a place for the mechanic and wage-earner to go when the battle for their daily wages becomes too strenuous in the overcrowded portions of the East. . . . If this policy is not undertaken now, this great Western desert will ultimately be acquired by individuals and great corporations. . . .
>
> I believe the passage of this bill is in the interest of the man who earns his bread by his daily toil. It gives him a place where he can go and be free and independent; it gives him an opportunity to be an owner of the soil and to build a home. These are the class of men we must rely on for the safety of the nation. In times of peace they pay the taxes and maintain the Government; in times of peril and strife they are the bulwark of the nation, and it is justice to them that this legislation be enacted into law.

And President Theodore Roosevelt, who signed the Reclamation Act into law and insisted upon its 160-acre provision, said:

> We have a right to dispose of the land with a proviso as to the use of the water running over it, designed to secure that use for the people as a whole and to prevent it from ever being absorbed by a small monopoly.

Mr. President, those men were fighting to carry out the Jeffersonian vision of agrarian democracy. They wanted to see an America peopled by prosperous and independent men, free of the control of the baronial landed classes.

Today, nearly two centuries after Jefferson and 70 years after the passage of the Federal Reclamation Act, agrarian democracy exists only as a myth. America's land, once publicly owned, and the federally financed water used to irrigate much of it, are illegally in the control of large land interests.

Not surprisingly, Mr. President, the large land interests in this country have always opposed the Reclamation Act's antimonopoly provisions. The railroads, land speculators, and giant agribusinesses have employed various strategies to get around the 160-acre limitation. What is surprising is the Federal Government's acquiescence in what amounts to a giant land steal and a raid on the public treasury.

Federal reclamation has delivered water to 8 million acres with an annual crop value of $1.7 billion. Congress has appropriated or authorized spending $10 billion on reclamation projects. The amount of the subsidy to Western landowners for irrigation has been estimated to range from $600 to $2,000 per acre.

This money, supplied by the average taxpayer, is buying water for hundreds of thousands of acres of land owned by giant corporations while independent family farmers have not been able to get access to irrigated land. California—the home of the giant agribusinesses—provides a typical example of where the taxpayer's money is being spent. California's Imperial Valley produces about $250 million annually of cotton, sugar beets, lettuce, alfalfa, and other crops. What makes the Imperial Valley so fertile and productive is water brought from the Colorado River by a network of dams and canals built by the Federal Government at a cost of over $200 million.

Because of the Government's outrageous record of nonenforcement of the Reclamation Act, more than half of the irrigated acreage in the Imperial Valley is held by owners of more than 160 acres, and two-thirds of it by absentees. Agribusiness giants such as Purex, United Fruit, and the Irvine Land Co., which owns 10,000 acres in the valley, are reaping huge profits because of the water subsidy. Federally subsidized water is also being delivered to lands in California owned by Tenneco, Getty Oil, Standard Oil of California, and the Southern Pacific Railroad.

The record elsewhere is no better. In the Pacific Northwest, federally dammed water from the Columbia River will soon flow to the vast lands held by Boeing Aircraft, Burlington Northern, Utah and Idaho Sugar, and Amfac of Hawaii.

Increasingly, the giant agribusinesses are taking control of American agriculture, and they leave no room on the land for the independent family farmers who have been disappearing from rural America at the rate of 800,000 a year.

I do not think the Congress of the United States ever intended to subsidize Boeing Aircraft or Standard Oil in their farming ventures. I certainly hope not.

Mr. President, it is time to put an end to this outrage. At a time when 70 percent of our people are packed onto less than 2 percent of the land, when our cities are on the verge of collapse because of overcrowding, unemployment and welfare, it is essential that we give people a chance to make a living in rural America. But America has no national rural policy for people. Instead, we have allowed vested economic interests, guided by nothing nobler than profit, to determine the future shape of this Nation.

The bill I am introducing today, the Reclamation Lands Authority Act, could be the beginning of a national rural policy. The emphasis of that policy is to serve people and the public interest, not a few large corporations.

The bill, which has been introduced in the House of Representatives by several California Congressmen, requires the Federal Government to buy "excess" land at a preproject market price and to lease or sell it at a postproject market price. This mechanism is greatly preferable to a simple enforcement of the 1902 law. For in that case those purchasing the land at the preirrigation prices called for in the law could receive the enormous windfall now in the hands of the giant corporations.

The American taxpayer has built and paid for the irrigation system that has made our land in the West so valuable. Therefore, he should reap at least part of the gains.

The profits from the sale, lease or use of these lands are to be placed in an education, conservation, and economic opportunity fund. Seventy percent of the revenues from the fund are to be earmarked as grants for public education, following our historic heritage of financing education with land grants. Ten percent of the funds will go into the already existing land and water conservation fund. The remaining 20 percent of the fund shall be made available upon specific appropriation by Congress for the development of public facilities servicing project areas, for promoting economic opportunities of veterans and persons living in substandard conditions and for such environmental and ecological benefits as Congress may authorize.

To administer this program, the bill creates a Reclamation Lands Authority as an independent agency under a board of three members, appointed by and responsible to the President.

The Authority is empowered to determine the uses for which purchased excess lands may be sold, leased or made available for public purposes, and is charged with attaching such conditions to any use of the land "as will preserve open spaces and agricultural greenbelts and into her respects preserve an environment of beauty, health and attractive quality for now and for the future."

The Authority is also charged with encouraging "effective regional, State and local planning of land usage and environmental adjustment in the areas where excess lands are located."

Mr. President, the Reclamation Lands Act provides the chance for us to rekindle the spirit that made America the land of opportunity. This bill would give the independent family farmer, the veteran, and the economically disadvantaged from both our cities and rural areas a chance to start all over again. It would enable us to finance public education—the strength of any free society—with funds created by public water and land development. And it would mark the day when Americans realize that our limited land and water resources cannot be left in the hands of big business.

I would hope that each of my colleagues will give this proposal the serious consideration it merits, and I welcome their cosponsorship of it. Furthermore, I would hope that the Interior Committee will be able to hold hearings on this proposal in the near future.

Mr. President, I ask unanimous consent that at this point the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2863

A bill to provide for the creation of an Authority to be known as the Reclamation Lands Authority to carry out the congressional intent respecting the excess lands provisions of the Federal Reclamation Act of June 17, 1902

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Reclamation Lands Authority Act".

STATEMENT OF PURPOSE

SEC. 2(a) The Congress declares that it shall be the purpose of this Act to reaffirm the historic purpose of the Federal Reclamation Act, especially as it applies to the development and use of excess lands, and to make that intent and purpose operative in the national interest and the direct benefit of its citizens.

(b) The Congress further declares that it shall be the purpose of this Act to make such disposal and uses of these excess lands as will improve the environment of the Nation through the use of these natural resources to provide resident ownership and operation of family-sized farms, to open new opportunities for veterans and to create open spaces, protect the natural beauty and quality of the habitat of all living things within Federal reclamation project areas, and to provide by the application of the net revenues from the sale or lease of said excess irrigated or irrigable lands to the demonstrated needs of public education and community development, and for other purposes consistent with the historic purpose of the Federal reclamation law.

SEC. 3. To effect these expressed purposes and others which may become imperative as the Nation faces its responsibilities and opportunities to create a healthful environment consistent with the ecological needs of the land entrusted to our care, there is hereby created by a body corporate to administer the excess lands resulting from the enforcement of the provisions of the Federal Reclamation Act of June 17, 1902 (32 Stat. 388) as amended and supplemented, to be designated as the Reclamation Lands Authority (hereinafter referred to as the "Authority").

SEC. 4. To administer the purposes expressed in this Act and enforce the laws pertaining to excess land as prescribed in the

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Federal Reclamation Act of June 17, 1902 (32 Stat. 388), as amended and supplemented, the Authority shall be an independent agency responsible to the President, and subject to all laws pertaining to accountability and report. It shall be directed and its activities managed by a Board of three members, appointed by the President by and with the consent of the United States Senate. Their terms shall be staggered, in such a manner as to provide an eight-year term for the designated Chairman, a five-year term for one member, and a three-year term for the other member. They may be reappointed. Their salaries shall be fixed by the President in keeping with the accepted schedule of remuneration for heads of important Government agencies. The Board shall organize itself and its operations, shall select its officials, agents, and employees in keeping with Civil Service standards and practices and said employees shall be included in the Federal roster to share in all legal benefits of Federal Government employment and to be subject to such requirements as to ability and conduct as are thereby prescribed.

SEC. 6. The principal place of business of the Authority shall be located at a place of accessibility within the region of excess lands which it administers.

SEC. 6. Immediately upon the passage of this Act into law, the Authority shall be provided by the Department of the Interior a listing of all irrigated and irrigable lands administered under reclamation laws, denoting specific compliances and failure to comply, declaring noncompliance as excess lands to which all titles, claims, access, entry, and control shall transfer to the Authority forthwith, to be sold, leased, or managed according to the determination and within the purpose of the Act. Such a listing and transfer of lands subject to reclamation law shall be provided the Authority at six-month intervals.

SEC. 7. The Board of Directors of the Authority shall have power and it is hereby conferred upon it, to adopt and enforce all the necessary bylaws, orders, rules and regulations required to effectuate the will of Congress as expressed in this Act.

SEC. 8. The Authority shall have such powers as are conferred on Government corporations generally, and specifically shall have the power of eminent domain. Except as otherwise specifically provided in this Act, the Authority—

(a) shall have succession to its corporate name;

(b) may sue and be sued in its corporate name;

(c) may adopt and use a corporate seal, which shall be judicially noticed;

(d) may make contracts and enter into agreements as herein authorized;

(e) may adopt, amend, and repeal bylaws or provisions thereof; and

(f) may purchase, lease, or accept, hold and use such real and personal property as it deems necessary or convenient in the transaction of its duly authorized business, and may dispose of any property, real or personal, to which it has title according to its authority under this Act.

SEC. 9. In the development of its purpose and the exercise of its duties, the Board of Directors shall select a treasurer and as many assistant treasurers as it deems proper. Board members and treasurers shall be bonded, giving such bonds for the safekeeping of the securities and moneys entrusted as are required by law, and in the case of subordinate officials as the Board shall determine.

SEC. 10. Any member of the Board may be removed from office at any time by the passage of a concurrent resolution of the Senate and House of Representatives, said concurrent resolution stating in specific terms the reason for such action.

SEC. 11. The powers of eminent domain residing in the Board by this Act shall extend to the purchase of any real estate or acquisition of real estate by condemnation proceedings, the title to such real estate being taken in the name of the United States of America, and thereon all such real estate shall be entrusted to the Authority as the agent of the United States to accomplish the purposes of this Act.

SEC. 12. There is hereby conferred upon the Authority all of the powers now residing in the Secretary of the Interior to enforce all the provisions of section 5 of the Federal Reclamation Act of June 17, 1902, section 46 of the Act of May 25, 1926, and all Acts amendatory and supplementary thereto as these apply to the limitation of size of farms to be served by and under provisions of Federal reclamation projects.

SEC. 13. The Authority is hereby authorized and directed to acquire by purchase, eminent domain proceedings, or otherwise, all excess lands in projects governed by Federal reclamation laws at preproject prices as defined in section 46 of the Act of May 25, 1926, and to deposit the proceeds from the sale or lease or use of such lands in the Treasury of the United States in a specially designed "Education, Conservation and Economic Opportunity Fund" which is hereby created to be used exclusively for the purposes of this Act.

SEC. 14. The Authority shall purchase all excess lands at preproject prices which do not reflect the benefits of the Federal financing or construction. The proceeds from the sale, lease, or use of such lands shall be paid into the "Education, Conservation, and Economic Opportunity Fund," and are to be used for the purposes of this Act and administered for said purpose by the Board.

SEC. 15. The Education, Conservation, and Opportunity Fund shall be operated as a revolving fund for the purposes of this Act. Moneys in the fund equal to the cost of lands purchased by the Authority at prewater-project prices, together with such moneys as Congress may appropriate for deposit in the fund for the purchase and management of excess lands, shall be available to the Authority for further purchase of excess lands. Ten percent of the balance in the fund remaining thereafter shall be transferred to the Land and Water Conservation Fund already established by the Congress to be used for purposes consonant with those of this Act, and an annual accounting shall be made to the Authority by said fund and made a part of its annual report. Seventy percent of the balance in the fund available for use by designated agencies and purposes under this Act shall be made available for the benefit of public education and for such expenditures or allocations as the Congress may authorize. Such funds shall be transferred by the Authority to agencies specified by the Congress. The remaining allocable amount in the fund made available for public purposes under the Act shall be made available upon specific appropriation by the Congress for the development of public facilities serving project areas, for advancing economic opportunities of veterans and persons living in substandard conditions, for development of healthful environments and communities needing open spaces, and for such other environmental and ecological benefits as Congress may authorize to be made from the fund.

SEC. 16. The Authority shall determine the uses for which purchased excess land may be sold, leased, or made available for public purposes, and shall attach such conditions at time of sale, lease, or public use as will preserve open spaces and agricultural greenbelts and in other respects preserve an environment of beauty, health, and attractive quality for now and for the future. In determining as between sale, lease, or public use of excess lands purchased, the Authority shall give due weight to benefits to the revolving fund and the advancement of economic opportunity for persons who have served the Nation in the Armed Forces and disadvantaged citizens seeking such opportunity as ownership, lease, or use of irrigated or irrigable lands afford. In the pursuit of these purposes, the Authority shall encourage effective regional, State, and local planning of land usage and environmental adjustment in the areas where excess lands are located.

SEC. 17. In the exercise of its charter under this Act, the Authority is herewith authorized to obtain lands excess to the direct needs of other Federal agencies of the Government which may be declared available where such lands may become a unit of lands administered by this Authority. Such acquired lands shall be treated in the same manner as other excess lands of the Authority.

SEC. 18. The Authority may establish an Advisory Committee to which it shall appoint citizens who neither have nor represent vested interest in excess lands purchased or in the water brought to such lands. The Authority may service such an Advisory Committee and provide for the expenses thereof. Committee members shall serve without remuneration.

SEC. 19. There is hereby authorized for appropriation an amount as may be necessary from the general fund of the Treasury for deposit in the revolving fund designated as the "Education, Conservation and Economic Opportunity Fund" of this Authority, for the purposes of this Act, to be accounted for in the usual manner and to be subject to the same accounting practices as other Government agencies.

SEC. 20. There are hereby authorized to be appropriated for the purchase, lease, and use of excess lands such amounts out of the Education, Conservation and Economic Opportunity Fund as are available and needed by the Authority to carry out the intent and purposes of this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1812

At the request of Mr. TOWER, the Senator from Utah (Mr. BENNETT), the Senator from Nebraska (Mr. CURTIS), the Senator from Minnesota (Mr. MONDALE), and the Senator from Alaska (Mr. STEVENS), were added as cosponsors of S. 1812, to establish within the Department of State a U.S. Passport Service.

S. 1874

At the request of Mr. MAGNUSON, the Senator from New Hampshire (Mr. COTTON) was added as a cosponsor of S. 1874, the Children's Dental Health Act of 1971.

S. 2579

At the request of Mr. HARRIS, the Senator from Illinois (Mr. STEVENSON) was added as a cosponsor of S. 2579, the Ocean Mammal Protection Act of 1971.

S. 2751

At the request of Mr. THURMOND, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of S. 2751, to permit the conversion or exchange of national service life insurance policies to insurance on a modified life plan with reduction at age 70.

SENATE JOINT RESOLUTION 108

At the request of Mr. CRANSTON, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of Senate Joint Resolution 108, a joint resolution to declare a U.S. policy of achieving population stabilization by voluntary means.

SENATE JOINT RESOLUTION 145

At the request of Mr. TOWER, the Senator from Maryland (Mr. BEALL) was added as a cosponsor of Senate Joint Resolution 145, to designate the period beginning June 18, 1972, and ending June 24, 1972, as "National Engineering Technicians Week."

SENATE JOINT RESOLUTION 154

At the request of Mr. THURMOND, the Senator from Georgia (Mr. GAMBRELL) was added as a cosponsor of Senate Joint Resolution 154, authorizing the President to proclaim the first day of January of each year as "Appreciate America Day."

SENATE RESOLUTION 194—SUBMISSION OF AN ORIGINAL RESOLUTION OPPOSING THE SUSPENSION OF DEPORTATION OF MONG WAH LEONG

(Ordered placed on the calendar.)

Mr. EASTLAND, from the Committee on the Judiciary, submitted an original resolution which reads as follows:

S. RES. 194

Resolved, That the Senate does not favor the suspension of deportation in the case of the alien hereinafter named in which case the Attorney General has suspended deportation pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended (8 U.S.C. 1254; 76 Stat. 1247): A–8912950, Leong, Mong Wah.

SENATE RESOLUTION 193—SUBMISSION OF A RESOLUTION CALLING FOR PEACE IN NORTHERN IRELAND

(Referred to the Committee on Foreign Relations.)

Mr. HARRIS. Mr. President, the past several months have revealed with unmistakable clarity that Ireland's and Britain's only hope is a democratic, tolerant, and united Ireland. Only uniting Ireland and providing guarantees for both religions will end the bloodshed that has gone on there for over 800 years.

A British journalist, Paul Johnson, has pointed out why. He wrote:

> In Ireland, over the centuries, we have tried every possible formula: direct rule, indirect rule, genocide, apartheid, puppet parliaments, real parliaments, martial law, civil law, colonization, land reform, partition. Nothing has worked. The only solution we have not tried is absolute and unconditional withdrawal . . . It is time the crutch of British "peacekeeping" was removed and the Irish forced to come of age.

Or we can listen to former British Foreign Minister, Michael Steward:

> There can be no solution of this problem except in the center of a united Ireland.

I agree with this assessment. Even the British people do. A poll in September revealed that nearly 60 percent of the British people want to end this slaughter in Northern Ireland and bring bewildered British boys home.

Yet if the solution seems so clear, why has it been so unattainable?

One answer has always been the past costly demands of the British Empire. Granting independence to Ireland might have encouraged other sections of the Empire also to demand freedom. So the British were determined to crush the Irish movement, whatever the cost. And the cost was violence over the centuries.

But the Empire is now dead. So this obstacle to Irish independence—totally indefensible in any case—is removed.

Why then should the British remain? There is only one possible reason. That is to prevent civil war and bloodshed between Protestants and Catholics. Yet instead of preventing these, the presence of British troops is actually encouraging the mounting wave of violence. Everyday that they remain, Irish resentment grows. And the toll of innocent victims increases.

In short, British policy has arrived at a hopeless impasse. When British troops were first deployed in August 1969, the official explanation was for the protection of the Catholic population against armed Protestant mobs. Newspapers even reported the Catholics welcoming the troops, offering them cups of tea.

But now the Catholics of Northern Ireland desire nothing more than the departure of the British. They no longer believe that British troops can be impartial. And responsibility for this sudden shift in public opinion, I believe any impartial observer will agree, lies with the authorities in Northern Ireland.

In carrying out the August 1971 detention order, which was officially aimed at "extremists" on both sides, these authorities have arrested around 300 Catholics, but not a single Protestant. The detention order, then, has been used, not to reduce tension in Northern Ireland but to increase it so that now every Catholic family in Northern Ireland harbors deep resentment against the British Government.

Catholic children are in the streets throwing rocks at British troops. Along with their fathers, some carry weapons. A British commander in desperation is driven to announce that in the future his troops will not hesitate to fire on Catholic children. Catholic mothers are involved in the resistance.

This is what 800 years of suppression and neglect have brought—the pitting of Irish civilians, women and children, against seasoned British troops.

Yet, although the urgency of British withdrawal is clear, I believe we must also be honest about the consequences of immediate withdrawal under existing circumstances.

In Northern Ireland there are 1,400,000 Protestants and only 500,000 Catholics. Both groups are divided by centuries of hatred and recent months of division and lost lives.

If the British withdrew, it is unlikely that the Irish Republic's small army—around 8,500 men—would be able to do much more than protect the Catholic-majority areas near the border. In cities like Belfast, however, the Catholic minority would be at the mercy of the Protestant majority. With tempers so high, I believe we have every reason to expect increased violence.

Ireland, then, faces a painful dilemma. On the one hand, the presence of some peacekeeping force in Northern Ireland seems essential. On the other hand, using British troops for any peacekeeping role seems likely to lead to continued and increased violence.

So what is to be done?

I believe the Congress must urge the creation by the U.N. Security Council of a United Nations peacekeeping force for Northern Ireland. This force should be constituted as soon as possible so that the British can announce and hasten their final and irrevocable withdrawal.

The U.N. peacekeeping force should be charged with protecting the civil rights of all the people of Northern Ireland and with ending all forces of discrimination: political, social, economic, or religious.

I believe the Security Council mandate should also name a team of respected mediators who can help the two communities work out the final settlement for incorporation of the six counties into the Irish Republic. The mandate should specify, however, that under any final settlement the Irish Republic shall provide Protestants of Northern Ireland with those guarantees of full citizenship which were denied the Catholic minority in the north for so many years.

This kind of guarantee is necessary to any final settlement but the Protestants of Belfast can be reassured by history. For in contrast to the position of Catholics in Northern Ireland, the position of Protestants in the Irish Republic has always been protected. Perhaps this has happened in part because several of the greatest Irish patriots were not Catholics, but Protestants. I think of men like Charles Parnell.

Who might be chosen for the mediation team? Since both Ireland and the United Kingdom are both planning to become close partners within the framework of an enlarged Common Market, it seems entirely appropriate that the team of mediators be selected from Common Market countries.

Extremism always strives on dreams of outside support. Once it is made clear to Protestant Ultras in the North that they can no longer depend on the British Government to back their repression of the Catholic minority, I believe they will moderate their demands. They will then learn that it is possible to live side by side with Catholics. They will stand ready to work with other inhabitants of the British Isles in joining Belgian, French, German, and Italian Catholics in the construction of a new Europe.

But in my view a U.N. peacekeeping force is important not only from the practical standpoint of keeping peace in Ireland, but also because it supports an important principle—resort to the United Nations when peace is threatened.

When we hear of U.N. peacekeeping operation, most of us think of bitter disputes in Africa or Asia. Seldom do we admit that Europeans or North or South Americans may someday be in need of U.N. machinery to keep the peace.

The British dilemma in Northern Ireland proves we do.

Assisted by the U.N., the final solution in Ireland could take many forms. Northern Ireland might be fully incorporated into the Irish Republic. Or there could be some form of federation worked out by the mediator and the two rival parties.

One solution, however, will never be acceptable because it will never endure. In recent days there have been reports that some are considering a permanent solution through population exchange.

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Northern Ireland would cede some of the more Catholic provinces to the South while Belfast and the surrounding area would become a Protestant stronghold.

This is not a solution, it is a postponement of an 800-year-old dispute. It is a step which will encourage further struggle and bloodshed. As former British Defense Minister under the last Labor government, Roy Hattersly, recently wrote:

In fact, the boundary of Northern Ireland was not made in heaven. It was not even decided according to the will of the Ulster people. It was the product of pressure by party politicians whose main object was the preservation of their own supremacy. It was a direct and calculated gerrymander, so blatant that at the time of the perpetration even the men who drew the crooked line had to promise a revision.

No one pretends that a rump Protestant state would ever be viable without continued support and subsidization from Britain, which may soon tire from the load.

The mistakes of a friend are always hardest to criticize. Britain is a friend and for this reason many would prefer to remain silent. But events will not permit this. The Irish people have taken matters into their own hands and are demanding freedom and tolerance.

It is impossible for the world to ignore their cause. Moreover, when a dispute between two U.N. member states threatens the peace—and the conflict in Northern Ireland clearly does—then it is the duty of the United Nations to play a role. It is the duty of the United States as a member of the Security Council to urge it to play that role. We must end this practice of making the United Nations the court of no resort. Otherwise, we shall find that U.N. peacekeeping machinery no longer functions because of lack of use.

Ireland itself has given generously to the United Nations, particularly in the field of peacekeeping. It has been among the first to earmark troops for this purpose. Now it is time for the U.N. to repay the debt.

It is time for the U.N. to help end 800 years of struggle and bring final peace to Ireland.

Mr. President, I submit the following resolution:

S. RES. 193

Whereas the continuing violence and bloodshed in Northern Ireland is a cause of the deepest concern to friends abroad of both Ireland and the United Kingdom; and

Whereas the original mission of the British troops in Northern Ireland was to interpose themselves as an impartial force between two communities in conflict; and

Whereas the implementation of the internment policy by authorities of Northern Ireland, resulting in the detention of approximately 300 Catholics and not one Protestant, has contributed to the steady erosion of good feeling between the Catholic community and the British troops stationed in Northern Ireland and has rendered the peacekeeping role of British troops there now impossible; and

Whereas nonetheless the immediate withdrawal of British troops under present circumstances would lead to sudden and increased violence and further bloodshed between the Catholic and Protestant communities in Northern Ireland; and

Whereas a dispute which so troubles the political and diplomatic relations between two members of the United Nations should receive the attention of the appropriate body of that organization, namely the United Nations Security Council; and

Whereas both Ireland and the United Kingdom are planning to become close partners within the framework of an enlarged Common Market; and

Whereas given the desire of the peoples of both countries for future partnership within the framework of the Common Market a political settlement with respect to Northern Ireland should be possible which would at last unite Ireland and provide basic constitutional guarantees for all Irishmen regardless of religion or background: Now, therefore be it

Resolved, That it is the sense of the Senate that:

(a) the United Nations Security Council should establish a United Nations peacekeeping force for Northern Ireland which, at the earliest possible date, would assume the peacekeeping role originally assumed by the British troops;

(b) the United Nations Security Council should appoint a team of mediators, preferably from the Common Market countries with which Ireland and the United Kingdom may soon join in partnership, who would be charged with working out a final political settlement with the interested parties leading to the final incorporation of the six northern counties into the Irish Republic;

(c) the mandate of any mediation team should include provisions for: (i) full respect of the civil rights of all the people of Northern Ireland; (ii) termination of all political, social, economic and religious discrimination; (iii) termination of the current internment policy and simultaneous release of all prisoners detained thereunder; and (iv) convening of all interested parties for the purpose of accomplishing the unification of Ireland.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 191

At the request of Mr. HUMPHREY, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of Senate Resolution 191, relating to teachers salary increase under the wage-price freeze.

DISTRICT OF COLUMBIA REVENUE ACT OF 1971—AMENDMENT

AMENDMENT NO. 689

(Ordered to be printed and referred to the Committee on the District of Columbia.)

Mr. MATHIAS. Mr. President, I submit for appropriate reference an amendment to H.R. 11341, the District of Columbia Revenue Act of 1971. My amendment would create the District of Columbia transportation trust fund and authorize the District to issue tax-exempt bonds to finance the local share of approved mass transit and highway projects.

I offer this proposal today as a new way to enable the District of Columbia to meet its responsibilities and make its contributions to a balanced transportation system for the National Capital area. At the same time, this amendment would extricate the Congress from a legislative snarl which has become as tangled and unhealthy as the city's daily traffic jams.

Today the transportation picture in the Nation's Capital is "balanced" only in the sense that both highways and the subway are hanging in uncertainty. There is no need to recount the many steps which have brought us to this unfortunate point. It is enough to say that, during the past several years, the dominant philosophy in the Congress has been that roads and rails should proceed in double harness. This amendment provides the singletree for equal effort. Unfortunately, by handcuffing the Metro to freeways we have succeeded only in arresting both.

To many, the source of the delays has been the litigation surrounding certain highway and bridge projects. Ironically, these cases stem directly from acts of Congress, acts intended to insure that all interstate highways would be carefully studied and that certain ones would be expeditiously built. I am sure that most of us would welcome prompt decisions and dislike prolonged controversy. But no matter how clearly and frequently Congress has spoken, no matter how fully the District Government and the Department of Transportation may be committed to carrying out the congressional mandates, the unavoidable fact is that we cannot legislate an end to litigation. The current cases, and perhaps others yet unfiled, will work their tortuous way through the courts whether or not the Metro is being built outside the courthouse door.

Metro has been the victim of the strategy of the past. Delays have already cost WMATA over $80 million, funds which the taxpayers of the region and the Nation will eventually have to provide. Uncertainties seriously threaten the unprecedented regional cooperation on which the Metro plan was built. Worst of all, the current strategy essentially places the Metro system at the mercy of the courts, and grants undue influence to the antifreeway forces which may or may not have the best interests of the subway at heart.

To paraphrase the Biblical injunction, there is a time to battle and a time to build. I believe that the Metro, which has been fully authorized, ought to be built. Beyond the immediate situation, however, I am troubled by the precedent of congressional interference in the funding of the local share of approved transportation projects. Given the bitterness of some highway disputes, it is not hard to visualize a day when the tables could be turned, and the local share of an approved highway project could be held up by arbitrary or disgruntled forces in Congress. This, too, would be very destructive.

The amendment I submit today would free us from all of these difficulties. It would enable the District of Columbia to obligate local revenues—not Federal largesse, but the fruits of local taxation—to secure the local share of capital outlays for the Metro and approved highway projects. It would enable the Congress to chart a new and honorable course.

This legislation has two major aspects. First, it would authorize the District of Columbia government to issue transportation bonds to finance its future capital outlays for the Metro system authorized in the National Capital Transportation Act of 1969, and for the local share of highway and street projects included in the District government's 6-year capital improvements program for fiscal years 1972–77. Funds for highway and street projects could be expended only in accord with the applicable provisions of title 23, United States Code, and the laws of the District of Columbia.

The District's estimated capital outlay needs for the Metro system, including the $72 million included in the current District budget, total about $160.3 million through fiscal 1977. Projected capital outlays for the local share of highway and street construction, assuming that all projects in the current 6-year capital improvements plan are built, will total about $69.6 million through fiscal 1977. Thus the total to be raised by these bond issues during the next 6 years could reach $229.9 million.

In would emphasize that the District will have to borrow this sum of money in any case, whether through the bond issues I propose or through the current system of Treasury loans, if the projects involved are going to be built. This amendment does not authorize any additional capital outlays beyond those already under consideration; its major thrust is to alter the method through which the funds are obtained.

The legislation includes the customary provisions requiring public sale of the District's bonds on the basis of sealed bids, and pledging the full faith and credit of the District for the repayment of principal and interest. Repayment is to begin not more than 3 years after the date of issue of the bonds, and is to be made in substantially equal installments for no more than 30 years. The bonds and interest thereon are to be exempt from all Federal and District taxation except estate, inheritance, and gift taxes.

While authorizing the obligation of revenues raised from bond issues only for the specified mass transit and highway projects, the legislation does include limited reprograming authority to enable the District to meet unforeseen or emergency street improvement needs. Such reprograming would require the approval of the Senate and House District Committees and would be limited to projects costing under $1 million or involving District outlays of $500,000 or less.

The second major aspect of this amendment is the establishment of the District of Columbia transportation trust fund. Revenues to the fund would be appropriated to the District to be utilized for three purposes:

First, to pay the principal, interest, and premiums, if any, on the transportation bonds authorized in this legislation.

Second, to pay the principal and interest on Treasury loans previously made and outstanding as of January 1, 1972, for the District shares of the Metro and highway construction; and

Third, to repay the emergency and transition loans authorized under this legislation.

The annual demand on this fund by 1977, if all highway projects contemplated are actually approved and built, could total about $26.9 million. Of this about $19.1 million would represent annual amortization of the bonds authorized under the act. The remaining $7.8 million would represent annual amortization of the Treasury loans to the District which are now outstanding for transportation projects, such as loans for the local share of the Metro through fiscal 1970, and loans for such highway projects as the Three Sisters Bridge, for which funds have been appropriated despite its current state of suspension.

To obtain the revenue to meet these obligations the amendment would deposit in the transportation trust fund specified shares of the District's revenues from three local taxes: motor vehicle registration fees, the District motor vehicle excise tax, and the gasoline tax. In fiscal 1972, for instance, when the estimated demand on the trust fund would be only $7.8 million, the fund would receive 75 percent of revenues from the motor vehicle registration fees, or a total of $8.25 million. By fiscal 1977, when annual outlays from the trust fund would have grown to as much as $26.9 million, the fund would receive all revenues from motor vehicle registration fees and the motor vehicle excise tax, and 45 percent of revenues from the gasoline tax.

I would emphasize that no new taxes are involved here. Actually, this legislation does not even involve the use of present taxes for new purposes, since portions of these revenues are now used to repay the Treasury for highway and subway loans. This legislation would simply pull together in a new fund some moneys now divided between the District's general fund and the local highway fund. I might note that the sums diverted from the highway fund would be generally equal to the annual amortization of loans for highway purposes. Correspondingly, the amount taken from the general fund would be generally comparable to the annual obligations for Metro loans which are now repaid out of the general fund.

Additional sections of my amendment authorize interim and emergency short-term loans from the Treasury to the District pending the sale of bond issues, and make appropriate changes in existing law.

Mr. President, the heart of this proposal is authorizing the District of Columbia to enter the bond market to finance its local share of transportation projects. In taking this approach, the legislation follows the concept recommended by the President in 1970 and again this year, when he submitted legislation to shift the financing of all District capital outlays from Treasury loans to municipal bonds. I believe that this overall proposal merits consideration, but in view of the urgency of obtaining full funding in the transportation field, feel that it is appropriate to start the shift from Treasury loans to the bond market in this one specified policy area.

As the President stated in his message to the Congress on April 7:

Extending this type of bonding authority to the District government is exactly in line with a cardinal principle of the New American Revolution: that the way to help local government become more responsible is to entrust it with more responsibility.

I believe that this amendment meets that standard and intend to press for its adoption.

CREDIT UNION SHARE INSURANCE AMENDMENTS

AMENDMENT NO. 694

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE, for himself and Mr. WILLIAMS, submitted an amendment intended to be proposed by them jointly to the bill (H.R. 9961) to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes.

REVENUE ACT OF 1971—AMENDMENTS

AMENDMENT NO. 687

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON submitted an amendment intended to be proposed by him to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 688

(Ordered to be printed and to lie on the table.)

Mr. PACKWOOD, for himself, Mr. JAVITS, Mr. MATHIAS, and Mr. STEVENSON, submitted an amendment intended to be proposed by them jointly to the bill (H.R. 10947), supra.

AMENDMENT NO. 690

(Ordered to be printed and to lie on the table.)

TAX DEDUCTIONS FOR CORPORATE POLITICAL ADVERTISING

Mr. HARRIS. Mr. President, our democratic system of government is based on the idea that every citizen, rich or poor, has the same right to effect the policies of government.

The tax deductibility of corporate political advertising violates this principle. If an ordinary person in this country wants to spend some money to promote tax reform, environmental protection, or whatever, ordinarily he has to pay the whole cost out of his own pocket. But if big corporations want to explain their case to the American people, they can—and do—buy millions of dollars worth of TV, radio, and newspaper advertising at the average taxpayer's expense. That is because big corporations get a tax deduction for advertising expenses to promote their views on public issues, while ordinary citizens do not.

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Within the last year we have seen the Ford Motor Co., buy tax deductible advertising to argue against proposed Federal safety regulations requiring air bags in all cars manufactured after April 1973. We have seen the oil companies' tax deductible ads showing the efforts they are making to fight pollution, with the clear implication that Government action against such polluters is unnecessary. We have seen the big steel companies buy tax deductible TV time to demonstrate that strip mining is just not the problem those "environmental extremists" make it out to be.

And now we see a group of President Nixon's big business backers organizing once again to spend the taxpayers' money—this time to promote the anti-workingman policies of this administration. Hobart Lewis of Reader's Digest and William Marriott, the hotel and restaurant chain owner, have set up "Citizens for a New Prosperity" to solicit tax deductible contributions for a propaganda campaign aimed at convincing the American people that the Nixon economic policy serves more people than just the President's big business friends.

Yesterday I wrote to Mr. Johnnie Walters, Commissioner of Internal Revenue, urging him to make clear to all the big businessmen whose corporations' funds have been solicited for this blatantly political project that the law does not allow tax deductions for corporate political propaganda. While I believe it is clear that the big business publicity campaign for President Nixon's economic program is not tax deductible under the present law, I think it raises the broader question of the tax deductibility of all corporate political advertising.

As I have pointed out, corporations have increasingly used their regular channels of communications—that is, advertising—to translate economic power into political power. Advertising—what was meant to give consumers a choice in a competitive market—has time and again been changed into a tool of political persuasion.

I believe the time has come for the Congress itself to make clear to the giants of corporate America that the average taxpayer's money is not to be used for political propaganda. That is why I am proposing an amendment to H.R. 10947, the Revenue Act of 1971, to strip corporations of their tax deductions for "any attempt to influence the general public, or segments thereof, with respect to—any matter—not directly related to the distribution by the taxpayer of goods and services."

No more auto industry ads against safety regulations at the taxpayer's expense. No more oil company campaigns for weaker pollution controls at the taxpayer's expense. No more steel industry television spots on the wonders of strip mining at the taxpayer's expense.

Under this amendment the only kind of advertising the big corporations could get a tax deduction for would be those that describe, at least minimally, the characteristics or benefits of its products. Advertising would be considered an "ordinary and necessary business expense" only if it were related to explaining the value of the product to the consumer. That kind of a standard does not seem unreasonable to me.

The ordinary taxpayer has a right to expect that his tax money will not be spent on big business ad campaigns on public issues. The consumer has a right to expect that he will not be subjected to a barrage of political advertising by many of the same corporate interests that already overcharge him for products that do no work.

No economic or other policy can be fairly discussed in this country if the big corporations can use the taxpayer's money to tell their side of the story, while the average person cannot. This amendment would change that. It would help reestablish the principle of equality for all Americans in our political process.

AMENDMENT NO. 691

(Ordered to be printed and to lie on the table.)

Mr. TAFT submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

AMENDMENT NO. 692

(Ordered to be printed and to lie on the table.)

Mr. PASTORE, for himself, Mr. PEARSON, Mr. MANSFIELD, Mr. SYMINGTON, Mr. BENTSEN, Mr. BYRD of West Virginia, Mr. TALMADGE, Mr. KENNEDY, Mr. CRANSTON, Mr. CANNON, Mr. MAGNUSON, Mr. MONDALE, and Mr. HUMPHREY, submitted an amendment intended to be proposed to the bill (H.R. 10947), supra.

AMENDMENT NO. 693

(Ordered to be printed and to lie on the table.)

Mr. TOWER submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

AMENDMENT NO. 695

(Ordered to be printed and to lie on the table.)

Mr. MOSS submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

FINANCIAL ASSISTANCE TO THE NATIONAL RAILROAD PASSENGER CORPORATION—AMENDMENT

AMENDMENT NO. 696

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. PELL. Mr. President, I introduce for Senator PASTORE, Senator BROOKE, Senator KENNEDY, Senator CASE, Senator WILLIAMS, Senator RIBICOFF, Senator TUNNEY, Senator EAGLETON, Senator HUMPHREY, Senator MUSKIE, Senator BAYH, Senator MCGOVERN, Senator JAVITS, and myself, an amendment to provide $500 million in direct loans and authority for the Federal Government to back up to $1 billion in loans for capital improvements in the urban corridors served by Amtrak.

I am offering this amendment for direct loans and for loan guarantee authority to the bill pending in the Senate to provide a $170 million subsidy grant to Amtrak.

Amtrak is in the unfortunate position of many other programs previously authorized by Congress; that is to say, it was authorized by Congress to do a job and then not given sufficient resources to do that job.

Like the Office of Economic Opportunity program which was told to end poverty, not given sufficient funds, and then criticized by the Congress for not doing its job properly, Amtrak has been told to run both long-distance and urban-corridor trains, then not given sufficient resources for that task, and is now being criticized for not fulfilling its mandate.

It seems to me that if Congress has mandated Amtrak to provide long-distance service, which cannot possibly be economically self-sufficient, then it has a concomitant responsibility to allocate a $170 million subsidy for that service.

This grant, however, is really only sufficient to maintain the status quo for the present level of passenger service in this country. If Amtrak is to become a viable corporation it will have to be dependent upon the revenues it generates from passenger service in our country's urban corridors. It will not be able to generate those revenues unless it has the capacity to make the capital improvements that are needed to make rail passenger service an attractive alternative to congested highways and overcrowded airports.

Studies by the Department of Transportation indicate that increased rail passenger patronage in our urban corridors is nearly in direct proportion to the time competitiveness of rail passenger service to other modes of transportation. The time competitiveness is directly proportionate to the amount of capital improvements made in urban corridors.

Today we have trains such as the Metroliner and the TurboTrain which are capable of traveling at 160 miles per hour. This capability, as the northeast corridor experiments have demonstrated, can make rail transportation an attractive alternative mode of transportation to automobiles and airplanes over distances of 300 to 500 miles.

Unfortunately, because of the deteriorated condition of our roadbeds in our country's urban corridors, these high speed trains cannot travel at the speeds for which they were designed. Consequently, it is of tremendous importance that our country's roadbeds in urban corridors be improved.

The northeast corridor study of 1969 indicated that roadbed investments would result in increased passenger revenues more than sufficient to pay for the cost of those roadbed improvements.

I ask unanimous consent that a summary of this chart showing the relationship between roadbed improvements and increased passenger revenues be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

NEAR-TERM COURSES OF ACTION—RAIL PASSENGER SERVICE IN THE NEC 1969

ROADBED IMPROVEMENTS

	Expenditures (cumulative) $M	Running time reductions, minutes (cumulative)	Time to complete, months	Present value in $M of added gross revenues over 10 yrs. at 10 percent discount	Change in revenues less change in expenditures ($M)
New York to Boston	[1] 10.3	19.0	6	36.0	19.7
	21.1	27.8	9	49.9	9.1
	36.2	36.8	10	66.3	1.3
	52.8	46.3	12	77.9	−5.0
Washington to New York	78.2	53.4	12	86.1	−17.2
	16.0	9.9	9	37.5	21.5
	33.3	17.8	10	67.3	12.5
	78.7	28.5	12	107.9	−4.8

[1] Maximum available under HSGT act; no other statutory authorization exists.

Note: Reductions in running times are calculated from demonstration schedules in effect during June 1969.

Mr. PELL. Mr. President, the northeast corridor report in 1971 recommended, on the basis of its earlier projections, that $290 million in loans or loan guarantee authority be provided for northeast corridor roadbed improvements. The 1971 report also recommend $70 million for terminal improvements and $100 million for additional rail passenger vehicles.

The Department of Transportation recommended loans and loan guarantees because of its belief that sufficient revenues would be generated to pay off the cost of those improvements.

Mr. President, I believe this potential for increased revenues for Amtrak through increased investment holds true for each of the urban corridors in the United States.

According to the 1968 corridor task force report of the Office of the Assistant Secretary for Policy Development at the Department of Transportation, 76.5 percent of the urbanized population and 11.3 percent of the land area of the United States are located in the set of 15 corridors identified by the Department of Transportation. Moreover, 67 percent of all passenger travel occurs between distances of 50 and 499 miles.

According to my calculations there are 15 urban corridors in the nation where an increased capital investment would result in increased revenues for Amtrak. These corridors are: Miami-Jacksonville; Oakland-Sacramento; Houston-Oklahoma City; Chicago-Minneapolis; Kansas City-St. Louis; New York-Boston; New York-Richmond; Seattle-Portland; Chicago-Cincinnati; Memphis-New Orleans; New York-Buffalo; Chicago-St. Louis; Chicago-Detroit; Los Angeles-San Diego; Pittsburgh-Philadelphia.

Mr. President, the potential for those urban corridors to not only make Amtrak a viable economic entity but also to relieve urban congestion is dramatically outlined by the fact that one railroad track can accommodate as many travelers as 20 lanes of highways.

Theoretically, this could mean that we would need 300 less lanes of highways in the urban areas of our country and that highway congestion and pollution could be significantly reduced.

Mr. President, the mechanics of this amendment are very simple. The Department of Transportation would first analyze the urban corridors according to their potential for providing increased revenue through increased investment and according to the number of potential passengers to be served. In this analysis, the Department of Transportation would consider the alternative modes of transportation available in the corridors and the amount of investment needed to make rail passenger service competitive.

The Secretary of Transportation would then, in consultation with Amtrak, decide on the level of capital investment in terms of loans or loan guarantees that are best suited for each corridor. In this process, Amtrak and the Department of Transportation would consult with governors and representatives from standard metropolitan statistical areas in the urban corridors to see whether the planned investment coincided with overall transportation plans for that region.

One of the keys to the achievement of a balanced transportation policy is comprehensive regional transportation planning. In order to insure that the urban corridor improvements are consistent with regional transportation plans, my amendment gives the Secretary of Transportation authority to make grants to States, local units of governments and regional agencies to assist in the development of regional transportation plans.

The purpose of my amendment is to provide increased investment in urban intercity rail services; and I hold no particular attachment to the words of art used in the amendment, and I hope that the Senate Committee on Commerce would feel free to substitute words of art satisfactory to them if the purposes of the amendment meet with their approval.

Mr. President, I believe this amendment that I am offering today provides the means for making Amtrak economically viable.

It is very possible that the increased revenues that could be generated from additional investment in capital improvements in our urban corridors could reduce the need for operational subsidies for Amtrak's long-distance trains.

I believe this proposal is a more moderate proposal than outright operational subsidies. It would be my hope that this amendment would be favorably considered.

I ask unanimous consent that my amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 696

At the end of the bill insert the following:

SEC. 2. Section 102 of the Rail Passenger Service Act of 1970 is amended by striking out clause (8) and inserting in lieu thereof:

"(8) 'Regional transportation agency' means an authority, corporation, or other entity established for the purpose of improving or providing intercity passenger services within a region or between standard metropolitan statistical areas.

"(9) 'Urban corridor' means a densely populated area containing a series of two or more standard metropolitan statistical areas not more than five hundred miles apart connected by major routes of ground passenger transportation."

SEC. 3. Title VI of the Rail Passenger Service Act of 1970 is amended by adding the following new sections:

"LOANS FOR URBAN CORRIDOR IMPROVEMENTS

"SEC. 603. (a) The Secretary is authorized, on such terms and conditions as he may prescribe by regulations which he may promulgate, to make loans to the Corporation or to a regional transportation agency for the development, improvement, and construction of rights-of-way, terminals, and vehicles to be used for intercity transportation along fixed guideways within urban corridors of the United States.

"(b) Loans made under this section shall be made in conformance with comprehensive regional transportation plans made in consultation with the Corporation, the Secretary of Transportation, and the Governors and to the extent practical, elected representatives from standard metropolitan statistical areas within the region. When allocating loans to the Corporation, the Secretary shall consider the potential revenue to be generated by the improvements planned and the numbers of passengers to be served by the improvements.

"(c) There are hereby authorized to be appropriated such amounts, not to exceed $500,000,000, as may be necessary to carry out the purposes of this section. Any sums appropriated shall be available until expended.

"GUARANTEES FOR LOANS FOR URBAN CORRIDOR IMPROVEMENTS

"SEC. 604. (a) The Secretary is authorized, on such terms and conditions as he may prescribe by regulations which he may promulgate, to guarantee any lender against loss of principal or interest on securities, obligations, or loans issued to finance the development, improvement, and construction of rights-of-way, terminals, and vehicles to be used for intercity transportation along fixed guideways within urban corridors of the United States. The maturity date of such securities, obligations, or loans including all

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extensions and renewals thereof, shall not be later than twenty-five years from their date of issuance, and the amount of guaranteed loans outstanding at any time may not exceed $500,000,000, and the cumulative amount of guaranteed loans to be authorized shall not exceed $1,000,000,000.

"(b) Guarantees for loans provided under this section shall not be made unless such loans are to be made in conformance with comprehensive regional transportation plans made in consultation with the Corporation, the Secretary of Transportation, and the Governors and to the extent practical, elected representatives from standard metropolitan statistical areas within the region. When providing such guarantees, the Secretary shall consider the potential revenue to be generated by the improvements planned and the numbers of passengers to be served by the improvements.

"(c) There are authorized to be appropriated such amounts as may be necessary to carry out this section.

"REGIONAL PLANS GRANTS

"SEC. 605. (a) The Secretary is authorized to make grants to States, regional agencies, and units of local governments in urban corridors to assist in the preparation of comprehensive regional transportation plans developed for purposes of this Act.

"(b) There are authorized to be appropriated such amounts, not to exceed $15,000,000, as may be necessary to carry out the purposes of this section. Any sums appropriated shall be available until expended."

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 475

At the request of Mr. PEARSON, the Senator from Minnesota (Mr. MONDALE) and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of Amendment No. 475 intended to be proposed to H.R. 10947, the Revenue Act of 1971.

AMENDMENT NO. 640

At the request of Mr. CRANSTON, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of Amendment No. 640, intended to be proposed to H.R. 10947, the Revenue Act of 1971.

NOTICE OF HEARING ON A NOMINATION

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, November 23, 1971, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nomination:

Alfred T. Goodwin, of Oregon, to be U.S. Circuit Judge, Ninth Circuit, vice John F. Kilkenny, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN); the Senator from Nebraska (Mr. HRUSKA) and myself as chairman.

NOTICE OF HEARINGS ON PREDATOR CONTROL

Mr. MCGEE. Mr. President, I wish to announce that the Agriculture, Environmental and Consumer Protection Subcommittee of the Senate Appropriations Committee will hold public hearings on December 14, 15, 16, and 17, 1971, to investigate in some detail the matter of predator control in the United States. These hearings will be held in room 1318 of the New Senate Office Building. The morning session will commence at 10:30 on December 14. We will begin at 10 o'clock on the remaining 3 days of the schedule.

The matter of adequate, realistic, and responsible predator control, particularly in the livestock producing States in the western part of the United States, has become a problem of increasing concern and significance in the past several years. For far too many years it was too readily assumed that the only effective means of predator control was simply to kill the predator wherever, whenever, and in what numbers he might be located or hunted down.

More recently, we have attempted to move away from this philosophy and develop alternate and more acceptable methods of controlling predators. At the present time, the Department of Agriculture, through the Agriculture Research Service, is working on methods under which predators can be controlled by nonlethal methods. At my suggestion funds were added to the Department's budget request for the current fiscal year to enable this vital work to go forward. This most certainly is a step in the right direction, but we realize that it is only one step and many questions must be faced and resolved if we are not only to attack, but also solve this problem.

This is a problem which has been neglected for too long. For example, many of us who are interested in this problem were disappointed and amazed to learn that while the so-called predator control program has been in operation under Federal jurisdiction for more than 40 years, there has never been a census taken to determine the number of coyotes we have in this country. Since 1931, when a Federal control program was initiated, there have been various methods designed to kill the coyotes—trapping, shooting, poisoning, and others with varying degrees of results and side effects. In 1964, I have been advised, some 97,000 coyotes were killed as a result of federally sponsored poisoning programs. This is the highest poisoning kill record in any year. For last year, the kill count was 74,000.

These figures give us some idea of the magnitude of the Federal program. I would emphasize, however, that these do not represent the total coyote kill in the United States, but simply represent those animals killed by the poisoning program. It is amazing then, in my opinion, that in a program of this scope, magnitude and cost, no one has taken the time or effort to determine the number of coyotes we have or how many might remain. In other words, while it appears that we have been attacking the problem with vigor and persistence, we have not made any attempt whatsoever to define or determine the scope of the problem itself. It is obvious that in this area we have a great void.

Also, many serious questions have been raised in reference to the figures pertaining to the loss caused by coyotes and other predators. The Appropriations Subcommittee of which I am chairman, has received some figures on predator losses. For example, the Department of Agriculture has furnished figures which indicate that in Wyoming in 1970, predator losses resulted in the loss of 130,000 lambs and mature sheep with the greater share being attributed to coyotes—some 95,000 head. It is not clear, however, on what basis these figures were determined. I think it is important to pin this down—here again to determine the scope of the problem facing us in a definite and positive manner. Without some concrete data as to the scope of the problem it is most difficult to attempt to arrive at a satisfactory and responsible solution.

During the course of our hearings, considerable attention will be devoted to this aspect of the problem. Those who question these figures will be given the opportunity to do so. On the other hand, those supporting the validity of the figures will be given the opportunity to explain the basis on which they are ascertained.

It is clear that existing methods of predator control have had some serious consequences and adverse side-effects. Nontarget species of wildlife have been killed along with some domestic animals even under the program under the jurisdiction of the Federal agencies and Federal personnel. The likelihood of this type of loss is multiplied many times over when we have the situation in which unauthorized individuals administer unauthorized control methods in an irresponsible, if not in an illegal manner. This of course was the suitation which resulted in the tragic poisoning deaths of several dozen eagles in Wyoming earlier this year.

As I have indicated, some alternatives to existing methods are already under consideration. Other alternatives must be considered, however, and it is anticipated that additional courses of action will be scrutinized during these hearings.

We hope to have witnesses testify on all aspects of this problem. Personnel from the various Federal agencies will be asked to testify in order that we might have the benefit of their past experiences as well as their suggestions for future courses of action. We plan to have spokesmen from many of the wildlife and conservation organizations, as well as individuals who have considerable experience and expertise in this area. Representatives of the major livestock organizations have also been invited to testify and I am certain that our witness list will be expanded considerably between now and the date of the hearings.

This is a most appropriate subject for review by this subcommittee. The Department of Agriculture, through the Agriculture Research Service, is a Federal agency with primary concern. The Environmental Protection Agency, with its broad power and authority in the fields of pesticides and poisons also is deeply involved in the overall problem, as is the Council on Environmental Quality. We have an involved and complex problem which deals with Agriculture, the environment and ecology, as well as other aspects. I am hopeful that with the testimony which we shall develop we will be in a position to face up to and resolve the problems in this most troublesome area.

As I indicated previously, these will be public hearings. Anyone wishing to testify is welcome to do so and I would invite any interested individuals to contact Dudley Miles, clerk to the subcommittee, in room 1324 of the New Senate Office Building. The telephone number of the subcommittee office is 225-7272 area code 202.

NOTICE OF HEARINGS BY SELECT COMMITTEE ON SMALL BUSINESS

Mr. NELSON. Mr. President, I announce that the Subcommittee on Monopoly of the Select Committee on Small Business, on November 23 and December 1, 1971, will continue its hearings on the role of giant corporations in the American and world economies. The hearings will be in room 318 of the Old Senate Office Building and will begin at 10 a.m. each day. These sessions will receive testimony on the subject of corporate secrecy in the field of agriculture and agribusiness.

On Tuesday, November 23, the witnesses will be Mr. Harrison Wellford, of the Center for the Study of Responsive Law; Mr. Jim Hightower and Mr. Philip Sorensen of the agribusiness accountability project; and Mr. Roger Blobaum, a consultant on agricultural economics from Creston, Iowa.

On Wednesday, December 1, the witnesses will be Mr. Tony T. Dechant, president, and Mr. Victor K. Ray, director of public relations of the National Farmers Union; Mr. Gilbert C. Rohde, president of the Wisconsin Farmers Union; Mr. Oren Lee Staley and Mr. Charles L. Frazier, of the National Farmers Organization; and Mr. John W. Scott, national master, and Mr. Robert M. Frederick, legislative director, of the National Grange.

NOTICE OF HEARING ON NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, November 23, 1971, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nominations:

James S. Holden, of Vermont, to be U.S. district judge, District of Vermont, vice James L. Oakes, elevated.

Ralph F. Scalera, of Pennsylvania, to be U.S. district judge, Western District of Pennsylvania, vice John L. Miller, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN); the Senator from Nebraska (Mr. HRUSKA) and myself as chairman.

ADDITIONAL STATEMENTS

THE FUTURE OF THE SMALL BUSINESSMAN

Mr. SPARKMAN. Mr. President, one night last week, I was driving home after work and I happened to hear a commentary of Joseph McCaffrey on WMAL radio. I have voiced my concern regarding the future of small businessmen in our country on many occasions and I am more conscious of their problem in recent weeks due to the economic plan now in effect and the results of the many new policies to be enacted in the months to come.

I would like to share Joseph McCaffrey's comments with my colleagues, and I call your attention to a copy of his commentary and ask unanimous consent that it be printed in the RECORD.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

COMMENTARY OF JOSEPH MCCAFFREY

Recently a small businessman told me that he thought within another twenty years his specie would be extinct.

"We'll have gone the way of the dinosaurs," he told me, "we just can't survive in the present climate."

Since that time I have made it a point to talk to a cross section of small merchants, both in and around Washington and down in the country section of Virginia. Surprisingly, whether they run restaurants, hardware stores, gas stations, clothing stores or what have you—they all tell the same story: they are being snowed to death under paper work.

The owner of a gas station told me that he spends almost as much time in the little cubby hole he has for an office, as he does out in front servicing customers. A restaurant owner, here in the District, says sometimes he has more District inspectors, taxmen, snoopers and what have you in his restaurant than customers.

Another D.C. restaurant owner said he thinks there is a deliberate campaign to strangle all small businessmen to death here in Washington, using red tape. Tax forms, insurance forms, work hour sheets, the list grows every year. Add to this, most of them told me, the problem of finding help.

One store owner summed it up by saying, "Even those with a 7th grade education and unemployed for years seem to think the only job they can take with dignity is manager."

The small businessman may not be extinct by 1990, but his numbers will have been greatly reduced. This is a pity when it is considered that the small businessman, whether he is a shop keeper, or a manufacturer, is really the backbone of our system.

NEW YORK TIMES EDITORIAL ON NOMINATIONS TO THE SUPREME COURT

Mr. HRUSKA. Mr. President, yesterday the New York Times decided to express its opinion on the pending confirmation of the nominations of Lewis F. Powell and William H. Rehnquist to be Associate Justices of the Supreme Court. In its lead editorial, the Times concluded that Mr. Powell was unobjectionable as a nominee, but determined that Mr. Rehnquist was not qualified philosophically to sit on the Court.

In summarizing its opposition to Mr. Rehnquist, the Times employed journalistic shorthand in characterizing him as a "radical rightist." This label evidently results from the conclusion that Mr. Rehnquist "neither reveres nor understands the Bill of Rights."

Mr. President, in the belief that such a bald and unsupported assertion should not go without response, I have today dispatched a letter to the editor of the New York Times. I am most hopeful that the Times will find the space to print my letter, as I believe this response will help to set the record straight in the minds of the many readers of this widely circulated newspaper. In the meantime, so that Senators will have the benefit of my views, I ask unanimous consent that my letter and the Times editorial be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
November 16, 1971.

Mr. JOHN B. OAKES,
Editorial Page Editor, The New York Times, New York, N.Y.

TO THE EDITOR: In yesterday's lead editorial, you chose to label William H. Rehnquist a "radical rightist" and opposed his Supreme Court nomination on that basis, although you recognize he is "a capable lawyer of impressive academic and intellectual attainment".

If the Times had a factual case against Mr. Rehnquist, it should have been stated. Instead you relied upon journalistic shorthand to characterize a number of issues on which Mr. Rehnquist, as Assistant Attorney General, made public statements in support of the Administration's position. For example, you refer to "no-knock" entry and "preventive detention".

What you describe as "no-knock" is a procedure whereby a police officer, in obtaining a search warrant, can secure further permission from the Court to enter a dwelling without announcing himself, but only under certain limited circumstances: (1) if the Court has found, on the evidence, that the officer's life is likely to be endangered if he identifies himself before entering; or (2) if the Court has found that the purpose of the warrant is likely to be frustrated by the destruction of evidence (such as flushing drugs down a toilet) while the officer stands outside.

Mr. Rehnquist was hardly alone in believing that this procedure is reasonable. This doctrine and procedure has long been practiced and declared constitutional in many states—32 at last count. A majority of both Houses of Congress voted it into law in both the District of Columbia Court Reform and Criminal Procedure Act of 1970 and the Comprehensive Drug Abuse Prevention and Control Act of 1970. Please advise whether your editorial classifies all of the following as "radical rightists": the legislatures and courts of some 32 states, and the majority of the House and Senate in Congress which enacted the District of Columbia and Drug Control Acts—as well as the Federal and District of Columbia judges who apply this law.

What you describe as "preventive detention" is a procedure designed to protect the public in situations where the evidence convinces a judge that one or more serious crimes will be committed by the arrestee if he is released on bail.

One example would be a hold-up in which the victim was shot and the arrestee was apprehended on the premises with a smoking gun in one hand and the stolen money in the

other, and the arrestee, moreover, was a known heroin addict whose record indicated that if released he would be likely to support his habit by criminal acts against innocent persons, probably crimes of violence. In all cases, a decision to detain the arrestee can be made only by a judge after an evidentiary hearing at which the arrestee has the right to appeal and be represented by counsel; and in no event can he be held longer than 60 days.

Mr. Rehnquist's views on the reasonableness of "preventive detention" were also shared by the majority of both Houses of Congress.

It is an interesting footnote that on the same editorial page on which you condemn Mr. Rehnquist for supporting this procedure, you printed a letter from a New York physician who had been robbed by an admitted heroin addict who had a previous arrest record and who was apprehended with the stolen article in his possession. As the physician pointed out, the arrestee was turned loose on bail and, having failed to appear in court for his hearing, will never be held accountable unless he is arrested for another crime.

You also refer to wiretapping, but fail to point out that in 1968 Congress expressly recognized the propriety and necessity for wiretaps and authorized their use in connection with certain specified types of crime. The enactment by Congress is in full compliance with the 1967 landmark Supreme Court decision on electronic surveillance. (*Berger* v. *New York*, 388 U.S. 41). Are the majorities of the House, Senate and Supreme Court adjudged by you to be "radical rightists" therefore?

As to the limited use of wiretapping for the purpose of gathering intelligence relating to the national security, this is a practice which has been used and defended by every President and Attorney General since the Administration of Franklin D. Roosevelt.

May I suggest that the Times might well re-read the articles written by your Associate Editor, Tom Wicker, and by Mr. Anthony Lewis, who spent so many years covering the Supreme Court. Both of these gentlemen recognize the propriety of confirmation for Mr. Rehnquist, and I don't think the Times overcomes their reasoned arguments simply by coining the label "radical rightist."

In the course of full hearings before the Senate Judiciary Committee, we have seen or heard nothing which would indicate that Mr. Rehnquist's devotion to the Bill of Rights is anything less than total. We believe he is eminently qualified for the Supreme Court, and the Times editorial has pointed to nothing which is inconsistent with that conclusion.

Sincerely,

ROMAN L. HRUSKA,
United States Senator, Nebraska.

[From the New York Times, Nov. 15, 1971]

THE COURT APPOINTMENTS

In recent years, the Senate has been loath to argue about the judicial philosophy of Supreme Court nominees. It has generally assumed in the absence of damaging evidence to the contrary that any nominee who is intellectually qualified, honest and experienced in some branch of the legal profession will cultivate the detachment and perspective which the task of judging requires. But inasmuch as President Nixon has to a far greater degree than normal politicized the process of selection and has so insistently proclaimed his determination to remake the Court in his own image, the Senate needs to recall that its traditional deference to Presidential nominations is an institutional courtesy rather than a constitutional command.

Assistant Attorney General William H. Rehnquist's published belief that the Senate has an obligation to inquire into the basic philosophy of a Supreme Court nominee is applicable to his own position today. The question is whether the nominee should be evaluated by the Senate in terms of his specific political, social and economic views—quite apart from the obvious requirements of integrity, ability, temperament and training. Does not the President have the privilege of nominating to the Supreme Court a man or woman of any political orientation that pleases him, without interference by the Senate; or does the Constitution, through its "advise and consent" clause give the Senate the right to reject a candidate because it disagrees with his politics or his philosophy?

The Supreme Court should be above politics; yet, it is obvious that the Supreme Court deals with the stuff of politics. We have repeatedly argued that while the President owes it to the Court and the American people to keep partisan politics out of his judicial appointments, he ought to have the broadest latitude in his selections so long as they are made within the context of the American democratic system. What this means is that the candidate, whether liberal or conservative, of the right or of the left, must not be hostile to the broadly accepted principles of American constitutional democracy. This test the Senate has the right and duty to make.

The choice of Lewis F. Powell presents in this context relatively little difficulty. A leading lawyer of Richmond, a highly regarded member of the profession, a thorough-going conservative in political philosophy, Mr. Powell has demonstrated during a long record of service to the community as well as to the bar that he has the requisite personal, intellectual and basic philosophic qualities.

The same cannot be said for Mr. Rehnquist. Though he is undoubtedly a capable lawyer of impressive academic and intellectual attainments, his entire record casts serious doubt on his philosophic approach to that pillar of the American constitutional system, the Bill of Rights. On every civil liberties issue—wiretapping, electronic surveillance, "no knock" entry, preventive detention, rights of witnesses before Congressional committees and state legislatures, the rights of the accused—Mr. Rhenquist's record is appalling. He seems to have scant respect for the individual citizen's rights to privacy, relying on "self-discipline on the part of the executive branch" to provide the protection needed. But if "Self-discipline" by Government officials were sufficient in such circumstances, why would this nation need the carefully defined safeguards of the Bill of Rights?

What alarms us about Mr. Rhenquist is not the conservatism of his views—Mr. Powell certainly shares that characteristic—but our conviction on the basis of his record that he neither reveres nor understands the Bill of Rights. If this is so, then he certainly does not meet the basic requirement that a justice of the Supreme Court be philosophically attuned to the irrevocable premise on which the American political structure rests; the protection of individual liberty under law, particularly against the repressive powers of government.

The Constitution leaves room for a wide diversity of political and social interpretations and even of judicial philosophy; but through the issues of human freedom as set forth in the first ten amendments there runs a basic imperative that cannot be dismissed and must not be trifled with. A deep-seated respect for these liberties, a belief that they cannot be arbitrarily abridged or diminished by any power, even that of the President, is indispensable for service on the Supreme Court.

Mr. Rehnquist's elevation to the Supreme Court could have a critically regressive effect on constitutional protection of individual liberties for a long time to come. On Mr. Nixon's own premises, the Senate would be within its rights in insisting that while it may be content to accept a distinguished conservative like Mr. Powell, it is not obligated to accept a radical rightist like Mr. Rhenquist.

SOUTH ASIA: THE ROOTS OF THE CRISIS

Mr. KENNEDY. Mr. President, South Asia today stands on the brink of war. Armies have been mobilized. Guerrilla forces are active. And with the escalating tension between India and Pakistan—and the exchange of accusations and threats—it seems to many that the situation in South Asia today merely reflects the chronic problems in Indo-Pakistan relations.

But a review of events since March 25—a quick jostling of our memory—reminds us that the problem in South Asia is overwhelmingly a problem between the ruling military elite in Islamabad, and the Bengali leadership elected in Dacca and now exiled in prison or the refugee camps of India.

Events have moved so swiftly in East Bengal—tragedy has so quickly piled upon tragedy—many Americans have forgotten how and why the tragedy of East Bengal happened. Fewer still understand the ramifications of what the massive flow of refugees into India means, not only to India, but to the stability of the entire region.

An excellent report on the roots of the crisis in South Asia—and its impact upon India—has been prepared by Prof. John P. Lewis, dean of the Woodrow Wilson School at Princeton University. Professor Lewis submitted this report as a special consultant to the Judiciary Subcommittee on Refugees, which I serve as chairman, and is based upon our field trip to India last August.

Mr. President, I invite the attention of Senators to Professor Lewis' provocative report and ask unanimous consent that it be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

INDIA AND BANGLA DESH, A REPORT BY PROF. JOHN P. LEWIS

It would be hard to find a nastier set of problems than those triggered on March 25 by the decision of the Pakistan Government to put down East Bengal separatism by the systematic use of terror. The deaths, injuries, repression, and dislocations inflicted on the 75 million East Bengalis add up to one of the worst man-made disasters of modern history, and they are continuing. Already the Pakistani civil war has spilled into India by far the largest quick, one-way migration of refugees on record—at this writing some eight million. In early August the number still was rising about 40,000 a day.

For India the direct burden of coping with the influx is horrendous. The indirect cost is worst. The problem arose at just that historical moment when the 550 million beleaguered Indians had achieved much their best chance for accelerated economic and social progress since the sub-continent was partitioned and they won independence 24 years ago. Now that opportunity is fast aborting.

Worst still, there are no easy solutions. Indeed, as they find alternative scenarios leading to dead ends, even more thoughtful, less bellicose Indians are lured by the option of a short, limited war. Their purpose would be to kick out the 70,000 West Pakistani forces and establish an independent Bengla Desh regime in East Bengali. This might not be as simple or surgical as they imagine. Surely the international ramifications of the war option could be profoundly dangerous. Blessedly Mrs. Gandhi thus far is eschewing it. But it also seems clear that the costs of delay are high: the more time is required for arriving at a nonmilitary solution in East Bengal, the likelier it is, on several counts, that the quality of the eventual outcome will meanwhile have deteriorated.

In the eyes of most Indians, American policy in the present crisis has been a disaster. They exaggerate both the degree and the importance of the Nixon Administration's support to the Yahya regime and also, probably, the extent to which tougher, more enterprising U.S. diplomocy could promote an acceptable political solution. It is hard just now to imagine any concerting of great power pressures and persuasion that would cause the present Pakistan governmept to grant enough autonomy to East Pakistan to induce most of the refugees to go home.

Meanwhile, however, ameliorative efforts—major external efforts, mostly economic, to keep the present mess at least in a state of short-of-war tolerability—are urgently needed. This much may be feasible. But it will require the Nixon Administration to revamp the style of the South Asian policy into which, partly by inadvertence, it has blundered in recent months.

1. In the second week of August, together with Nevin Scrimshaw, an MIT nutritionist, Dale de Haan and Jerry Tinker of the Staff of the Senate Judiciary Committee's Subcommittee on Refugees, and an abundant assortment of the American and Indian press, I accompanied Senator Edward M. Kennedy, Chairman of the Refugee Subcommittee, on a tour of the refugee areas in the Indian states of West Bengal and Tripura, bordering East Pakistan. We had also been booked to visit East Pakistan as well as Islamabad in the West before concluding our trip in New Delhi. But a day and a night before our scheduled flight from Calcutta to Dacca we were disinvited. This was a pity. Even though we had expected that any touring outside Dacca would have been on a pretty closely guided basis, we would have liked to add some personal impressions to all that could be gleaned about the internal East Bengal situation from American and other foreign press reports, U.S. Government reporting, the accounts of Western residents and evacuees, and talking with Bengali refugees. We would particularly have appreciated hearing first-hand the Pakistani authorities' own interpretation of the situation. This they evidently had been prepared to give us until they flip-flopped at the last minute—only rather lamely citing critical comments on the continued flow of U.S. arms shipments for which Senator Kennedy was well known before they had agreed to his visit in the first place. The result of the disinvitation was that we saw more refugee camps in India, travelling, in addition to ones near Calcutta, by an Indian Air Force plane to the small Indian state of Tripura abutting East Pakistan on the east, and to areas of northern West Bengal along East Pakistan's northern border.

Ours was no brushing encounter with the camps. Over the space of four days the party visited an assortment of some 20 of various types and sizes out of the several hundred that by then were housing about 4½ million refugees. (The other 3 million arrivals had settled in with relatives, old friends, new acquaintances, or were roaming loose, but in some cases drawing government rations.) Kennedy set a tougher pace than any other Congressional delegation it had been my lot to observe during five earlier years with U.S. AID in Delhi. Having flown straight through from Boston with two nights on the airplane, on Tuesday morning, August 10, he barely paused for the reception amenities laid on by Siddarthra Ray, the Central Government's Minister for West Bengal, and U.S. officials at Calcutta's Dum-Dum Airport before shedding jacket and necktie, donning a newly acquired pair of desert boots and charging off into the mud (the Indians say "slush") of Calcutta's 170,000 Salt Lake refugee encampment as if he were electioneering in South Boston. Here and elsewhere he persistently questioned individuals—able-bodied men, old men, broken men who had lost their wives or children, wives who had lost their husbands, teenagers, students, younger children, one by one, dozen after dozen, eventually hundred after hundred. When had they come? Why? What happened to them? Why did they think they were molested or their relatives or friends killed? Had their troubles come from soldiers or collaborators or both? Was food available in their villages? How many were still working in their factory? How had they come? Did they know what had happened to their land at home? Where had they reached India? How had they been received? How did they find conditions in this camp? What was their religion? Did they plan to return to East Bengal? Under what circumstances?

The answers to the last two questions were usually the same. Hindus (who account for about 80% of the total) and Muslims (who predominated at first and whose arrivals had been picking up again in the days just before our visit) alike asserted their determination to return—but only under conditions of a secure, independent Bangla Desh. The latter should be—some insisted, must be—ruled by their great leader Mujibur Rahman, returned to power from his incarceration and the secret military trial that was now reported to have begun in West Pakistan. How then did the refugees think this could be brought about? Only, said many, by the victory of their insurgent force, the Mukti Bahini. And would they themselves join that fight? Yes, said many of the young men; they already were serving in insurgent units, or were undergoing training—the latter (they usually took care to add) on the Pakistan side of the border. In one camp of 60,000 a resident estimated the local membership of Mukti Bahini at 5,000.

Kennedy's research, like that of the rest of us operating in his orbit, was conducted in a crush of humanity composed considerably of the camera-toting, miscrophone-welding press but chiefly of friendly hordes of refugees. The magic of Kennedy's name together with the well-spread word of his opposition to the policies of the Nixon Administration insured an incessantly tumultuous welcome. The investigation also was pressed much of the time in driving monsoon rain. But gaining something of an eye-of-the-storm effect from his elastic but stalwart ringing by Indian security plainclothesmen, Kennedy, with his own tape recorder at the ready, pressed ahead with his case-by-case inquiry. The first day he worked his way all the way from Calcutta's Salt Lake to the border beyond Bongaon, some 40 miles to the northeast. At lunchtime he was appalled by the suggestion, routine in my old-India-hand experience, that we stop at a government "Inspection Bungalow" to eat our box lunches in out of the rain—not, by God, when there were still refugees to see out there in the rain. We would eat as we drove. Within minutes he was afoot again when, approaching the border, we began to encounter batches of new arrivals with their goods on their heads, as well as endless queues formed up for the cholera and smallpox vaccinations that must precede registration, or in other queues for food rations, for which such registration is prerequisite.

The scene at the border itself might have been staged by Cecil B. De Mille. The frontier was defined by a meandering, untended river. Inland at different points several hundred yards from the opposite shore, a couple of Bangla Desh flags were flying; at least that patch of territory evidently was secure Awami League turf. The monsoon torrent had just stopped and, bathed in late afternoon sunlight, the panorama was as beautiful a bit of watery paddy and palm landscape as I have seen anywhere on the subcontinent. And then, as the American Senator moved down to the water's edge, from an inlet or tributary upstream on the other side, the boats started to come—countrycraft bearing by my estimate about 25 refugees apiece—first a cluster of three, then a half-dozen more. Before the nearest reached India a total of 18 approaching boats were in view. Kennedy wondered whether the event was rigged. Certainly all the arriving passengers were genuine refugees replete with their pitiful parcels of belongings. But had some who had come the night before been sent back, in view of the security of the opposite shore, to reenact their arrival at this propitious moment. Personally, I doubt it. The timing was too perfect. Probably a local official whom I pressed on the point had the right answer: "Sir, you will remember," he said, "that it just stopped raining." Probably both boatmen and passengers had been bunching up for an hour or so under mango trees on the other side while they waited out the downpour.

The balance of this first day Kennedy visited the Bongaon hospital, helicoptered back to Calcutta, had dinner with a former member of the Indian Planning Commission, had drinks with the American press at the Grand Hotel bar, got word of his disinvitation to Pakistan, and issued a restrained comment on same. The following days, if anything, he picked up steam. With Scrimshaw, a physician and one of the world's better nutritionists, at his shoulder, he chased medical problems, especially infant malnutrition from families in their hutments to camp infirmaries to the nearest established district hospitals. Just before midnight in Tripura he visited a reception center. We discussed all manner of problems with camp commanders, state civil administrators, and with Additional Secretary Col. A. N. Luthra, the principal (Calcutta-based) coordinator that the Centre (as Indians call their federal government) has placed in over-all charge of the refugee effort. We inspected latrines which the monsoon had not incapacitated and paced open fields to let Scrimshaw study the degree to which broadcast feces were diarrheic.

We visited one camp reserved for professional people which abounded in school mistresses, and where everyone spoke English. Again in Tripura we had an animated evening meeting with a roomful of intellectuals, including one Dacca University professor just arrived that morning. In Calcutta we met unofficially with some of the leaders of the provisional, in-exile Bangla Desh government. Several times to the consternation of the security people, Kennedy and his staff deliberately crossed up the projected program to head for sectors and visit camps that had not expected us—discovering for one thing, that the Bengali practice of organized slogan chanting, a kind of improvised verse and chorus exercise, conducted by leather-lunged cheerleaders of remarkable stamina, requires little forewarning.

By the end of the fourth day we believed we had gotten about as good a fix on the immediate on-site dimensions of the refu-

gee problem as a small group of tourists readily could in that length of time.

2. The physical condition of the camps was better than I had expected. The West Bengal state administration is not by reputation one of India's strongest, and certainly in recent years it has had more law-and-order distractions than any other. Moreover, the central government's Ministry of Rehabilitation, in charge of refugee relief for the Centre, lacks the galvanized edge developed by those central agencies, especially the Food and Agriculture Ministry, that dealt so resourcefully with the Bihar famine in 1966-67. Yet the fact is that Indian administrators have coped heroically with the unprecedented mass of humanity that has been dumped on them in recent months. Of the majority who are in camps, all are under some kind of shelter from the monsoon, much of it reasonably good. Although there are extreme nutrition problems among the very young and to some extent among the aged, the camp populations as a whole are getting an adequate caloric food intake. To this end India has been running down the substantial buffer stocks of foodgrains she had built up as a byproduct of her agricultural acceleration since the mid-sixties; and the Food Corporation of India (a kind of C.C.C.) together with the district(local government and camp authorites has bean doing a competent job of food distribution.

There are weak spots in the food supply—rice, vegetable oils, dried milk, vegetable proteins. Clothing is scarce, but more will be available before the cold weather sets in. Everywhere neighboring woods and mango orchards are being stripped for fuel. Most organized sanitary facilities have been flooded out by the monsoon, and at any rate the villager residents are not accustomed to use them. The far greater concentrations of human waste, by generating epidemic dysentery and diarrhea and therefore destroying the capacity of post-nursing infants and pre-school children to make nutritive use of such milk and other proteins as are available is the cause of much of the most massive, epidemic incidence of extreme child malnutrition Scrimshaw had ever seen. It was affecting perhaps one-fifth of the under-six-year olds, compared with the 2-to-5 percent of rural East and West Bengal infants so afflicted in their normal habitats, and was killing thousands daily. Similarly, although tubewells for drinking water had been drilled in abundance, many were too shallow, and others lacked the cement caps needed to protect them against contamination. But progressively the wells are being set right; by the time we arrived, Indian nutritionists already had made a systematic study of the problem Scrimshaw found, and the Government is mounting a concerted attack on it. Meanwhile, the frightening cholera epidemic of June-July seems to have been checked. Meanwhile, also, the camps are well ordered. Their command structures are functioning.

The condition of the refugees, of course, is enough to tear any Westerner's heartstrings. But most of those were impoverished, marginally nourished people to start with. Many have been debilitated by the dislocations at home, or from hiding, or by a long trip to the border. A significant percentage have been injured; in Tripura and elsewhere Kennedy visited a number of hospital wards of gunshot and shell fragment cases; we saw a good many adults as well as children who still were the evident victims of psychological trauma.

On the whole, the refugees have found a better way—stop in the camps than they might have expected. And for that they are still grateful—overwhelmingly, as they should be, to the Indian government. A variety of Indian and international voluntary agencies (the latter, as is the wish of the government, being mainly represented in the field by Indian personnel) is helping with supplemental feeding, medical, and other assistance efforts. The voluntary agencies complain about imperfect government coordination. The government, for its part, while finding the voluntary agencies less than invariably realistic, emphasizes the value and effectiveness of their work. However, if it primarily to the Indian authorities that the rest of the world, like the refugees, owes a debt of gratitude for the initial resourcefulness with which the onslaught of need has been met. From all one can gather, for example, the response to this externally imposed burden has been remarkably more effective and diligent than was that of the Government of Pakistan a few months earlier to the cyclone victims in East Bengal.

If as an expedient, however, the camps are a remarkably good show, one does not have to look at them long before staring to worry about the profound underlying, lurking problems they represent—particularly two: The total costs that have been loaded onto the struggling Indian economy, and the souring social and political tensions that are predictable outside and inside these refugee enclaves the longer they persist.

3. As they have assembled the figures both in Delhi and in Washington, U.S. authorities are in substantial agreement with the Government of India as to the costs of the refugee exercise. Per capita, they are running between 20 and 25 cents, or a little less than two rupees, a day. As noted, since the beginning of April, which also happened to be the beginning of the Indian fiscal year, the refugee population has built to about 8 million. The influx has enough continuing momentum so that both the Indian and American calculators expect it (without such major new provocation as would be provided by the feared famine in East Bengal) to run up to 11 or 12 million by the end of this calendar year. Then the estimators assume hopefully (and, we shall see, without much evident basis) that the reverse flow will begin, nearly halving the refugee population in the first quarter of next year with some continuing tapering thereafter. Even with these comparatively sanguine assumptions the total direct costs will come to a little less than $700 million for the Indian fiscal year ending March 31, 1972, to fully $700 million for the U.S. fiscal year ending in June 1972, and to nearly $800 million for the first 15 months of the burden, which will end at that time.

The chances are, as I say, that the burden will be larger than this. But let us take $700 million, or Rs. 5,300 million, as a conservative figure for the present annualized direct costs of the refugees. This is between one-sixth and one-fifth of the total annual outlay on development that India's central and state governments have been managing in the past couple of years. It is equivalent to nearly one-third of the country's total imports. And it almost matches the annual gross non-food aid that the ailing Aid-India Consortium (including the World Bank, the U.S., the U.K., Western Germany, Japan, Canada, France, and several smaller bilateral European contributors) has been able to scrounge up recently. (Because of the inexorable increase of India's principal and interest payments on past loans, the Consortium's *net* yearly input to the Indian development effort, aside from the diminishing U.S. PL 480 contribution, already has declined to about $250 million.)

The drag that the refugee problem is placing upon the system can be understood only in terms of these global numbers. Most of the specific commodities that refugees are consuming are Indian products, as, of course, are the administrative and other services that are being extended. But since the Indians feel they have no safe room for additional deficit financing—and since the refugees, for the time being, provide no additional productive capacity but, instead, cause some displacement of scarce transport and other facilities—the funds the Government of India now is allocating to them are tending to be gouged out of the development budget. Moreover, the encroachment is not just on development finance. It also is on the nervous energy of the leadership. The Prime Minister, her advisers, the Finance Ministry, the Planning Commission—indeed most of the developmental leadership and bureaucracy of the Centre and of the directly affected states—are consumed with the ramifications of Bangla Desh.

Distractions of resources and effort could not be more tragically timed. At the moment the disaster struck in East Pakistan—literally a fortnight before—India had achieved her best hope for material and social progress in 24 years. The hopefulness had two parts. The first, the so-called "green revolution," or improvement in agricultural performance from 1966 onward, was of somewhat earlier vintage. The impoverished slow-growing but stubbornly constitutional-democratic Indian economy had particularly rough sledding in the middle sixties. From 1962 to 1967 it was shaken by two short wars, lost two Prime Ministers, got wracked by an unprecedentedly severe brace of back-to-back droughts, and suffered a general economic recession. Progressively, Indian politics appeared to be becoming unstuck. But these traumas, instead of demoralizing the leadership, had the effect of shock therapy in 1965 and 1966. A sensible and comprehensive set of new economic policies was adopted that, in particular, provided thrust, incentive, and running room for a new food-grains technology involving improved seeds, much more fertilizer, and assured water supplies. For five years now the new agriculture, freshened by a more effective indigenous research establishment and reinforced by improving inputs supplies, rural credit and other facilities, has continued to spread. It shows no signs of subsidizing. The direct result is that the annual rate of growth in food productions since 1966-67 has doubled its previous average. The rapid closure of the yawning food deficits that had persisted since the fifties has created much the best base yet for across-the-board economic acceleration—and for a concerted attack on the cruel deficits of low-end poverty and left-over people that also meanwhile had accumulated.

From the 1967 election onward, when the ruling party's Parliamentary majority was further eroded, however, fresh policy initiatives were politically stalemated. Thus the second half of the hopefulness came only in the first days of March 1971 with the landslide electoral victory won by the Indira Gandhi Government. In this, fifth of India's general elections, Mrs. Gandhi brilliantly succeeded in reaching down and around the state-level political machines, Congress party and otherwise, to make contact with the motley array of disadvantaged groups who had been finding new political voices at the grassroots. Breaking the stalemate of contending forces inside and outside the Congress and recouping the muscle of the Centre vis-a-vis the states, the Prime Minister won a rousing mandate for a new brand of populism.

When the votes were counted on March 10, the content of that populism remained in good part unspecified. Moreover, it was clear that efforts to generate additional incomes and jobs for the poor were sure to encounter financial difficulties, especially as to the provision of enough foreign exchange in an era of diminishing foreign aid. Still, there was no question that, added to its on-going agricultural breakthrough, the political breakthrough presented India with much its best chance yet for combining faster economic advance with a real attack on mass poverty.

4. The second of the Kennedy party's two-Calcutta-based days provided vivid localized confirmation of the way the refugee burden is retarding the Indian development effort

at precisely the time it was meant to be accelerating. I peeled off from the camp tour that morning to check out—at an agency, the Calcutta Metropolitan Development Authority, not yet conceived by the end of my own India hitch two years earlier—rumors of exciting new stirrings in Calcutta uplift. To one who had followed Calcutta affairs closely from 1964 to 1969, but had not kept himself informed since, the very idea of major civic advance in that city was slightly incredible.

For more than ten years Calcutta generally has been regarded as the world's sickest city. Long before the latest refugee influx at least a million of the metropolitan area's 7 million inhabitants slept on alleys and sidewalks. Of its 1.4 million households only 12% have exclusive use of a latrine and 14% exclusive use of a water tap. There is vast unemployment and underemployment. Local government has seemed hopelessly fragmented, both functionally and territorially. For a gencration the city, compared with other major Indian cities, has been unable to raise local resources effectively. Public facilities and services have deteriorated. Labor unrest is endemic. Murder and mayhem are rampant. The city breeds India's most extremist urban politics, for many of whose partisans violent demonstrations, tramcar burnings, and thuggery are routine forms of persuasion. Industry has been fleeing the city. New private investment had almost ceased. The economic center of all eastern India looked mortally wounded.

The city and the state of West Bengal repeatedly since the middle sixties had been subject to "President's Rule," the procedure the Indian Constitution provides whereunder the Centre can temporarily supersede a state government if it judges the latter has lost its capacity to govern. Worst of all, in terms of the needed therapy, Calcutta and West Bengal had seemed to lose their capacity effectively to represent their exceptional needs in New Delhi. A well-staffed, professionally competent Calcutta Metropolitan Planning Organization, assisted by a series of Ford Foundation consultants, did good work throughout the sixties. But no one seemed to take its analyses, plans, and calls for resources very seriously.

In 1966 CMPO projected a hard-headed, no-nonsense five-year Calcutta Metropolitan Improvement Plan designed to meet the city's deficits in water supply, sewers and drainage, streets and traffic control, schools, public health and other facilities. The plan included an ingenious scheme for supplying simple environmental improvements (privies, watertaps, showers, alley paving, lighting) in Calcutta's sprawling bustees (i.e., squatter hut slums) on the sound premise that it would be at least a generation before any conventional public housing program could cope with the city's deficits in that department. The cost of the five-year plan was projected at Rs. 1500 million. Delhi yawned. Finally, in response to especially strenuous efforts by one strong President's Rule Governor of West Bengal, the Planning Commission in 1969 wrote in Calcutta redevelopment for a five-year figure of Rs. 450 million—just under one-third of the asking price. At the time, since actual annual development expenditures in the city had been bumping along at only a few tens of millions a year, most of us thought this a considerable achievement.

This, then, was the perspective with which on the morning of August 11 at the new headquarters building of the Calcutta Metropolitan Development Authority, where they were still having problems with their lifts, I climbed eight flights to meet the Secretary and senior full-time executive of that agency, Mr. K. C. Sivaramakrishnan, whom I had known slightly in the past. Sivaramakrishnan, a South Indian now in his latter 30s, is a member of the West Bengal Administrative Service and a veteran of CMPO and of industrial town planning elsewhere in the state whom we are proud to claim as 1965 alumnus of the Woodrow Wilson School's Parvin Fellows Program for young officials from developing countries.

Two hours later, the lift having been repaired, I rode back down the eight flights with a new view of the future of Calcutta—if in part because of the sheer infection of Sivaramakrishnan's own vitality, in the main, because of the recent history with which he had been filling me chock-a-block. The transition that the cause of Calcutta's civic recovery has made from aspiration toward implementation in the past 18 months is striking. Credit for further advocacy must go to a few West Bengal officials, and perhaps an assist can be attributed also to such foreigners as Robert McNamara, of the World Bank, and Jan Tinbergen, the Dutch Nobel prize winning head of the United Nation's Committee on Development Planning, who repeatedly have expressed concern about the city's condition. But plainly the responsibility for the decision, made in the late winter of 1970, that without further delay Calcutta required a wholly different order of financial and administrative effort rests squarely with the Gandhi government in Delhi and more particularly with the Prime Minister herself.

The financial sights were pushed up in the CMPO's five-year figure of Rs. 1500 million and beyond. To augment the local authorities' own fiscal capacity, a somewhat clumsy but effective entry tax cordon was laid around the whole metropolitan area. The Centre itself is contributing more than two-thirds of the needed funds. With this base, Calcutta for the first time in years has been going into the bond market with outstandingly good results. The whole metropolitan development effort and all of the finance therefor were put in the hands of the new Calcutta Metropolitan Development Authority. The latter is chaired by the head of the state government, represents both official and non-official interests, is tightly organized, and has power to supersede all of the area's established functional and territorial authorities as to development matters. Being possessed of this power, it now is using those bodies as implementing agencies while it itself concentrates on coordination and on the provision of such common services as central purchasing, the supply of design consultants, and technical manpower recruitment and training.

During its first fractional fiscal year the CMDA program was funded at Rs. 200 million. This year the figure is up to Rs. 500 million—one and two-thirds times the annual rate projected in the original CMPO plan. Moreover, the pressure is on for implementation. By the end of last March, of the 98 projects in the plan, 80 had been sanctioned and had construction underway. Expenditures on the water supply, drainage, transport projects, schools, and the rest already are flowing at an annual rate of Rs. 200 millions (given the usual lags in these things, a very smart pickup). These activities are in process of creating 100,000 extra jobs in the metropolitan area alone, and the long-awaiting bustee improvement program, triggered by a separate Delhi decision last October, is generating employment for several thousand additional young engineers and others of the educated unemployed.

None of this has yet caused visible improvement in the Calcutta law and order situation, nor has it overtly altered Calcutta politics. And, although some turnaround in private-sector planning may be imminent, not much of that is yet evident. But if there is to be a sustained, spreading reversal in the sickness of Calcutta, it is precisely with an effort of the CMDA kind that the therapy must begin. The fact that it has now been launched in a big way cannot be other than heartening to anyone interested in the future of India. If I am not mistaken, moreover, it is a foretaste of the kind of new populism that the Gandhi victory in March was calculated to spread to the whole of, including the disadvantaged masses of rural, India.

But now with the refugee problem, ssys Sivaramakrishnan, who knows? His program's buoyant budgeting is already a target for the financial authorities who are having to seek offsets to bulging refugee expenditures. Meanwhile the dispersal of refugees into the general Calcutta population is increasing the burden on the city's already classically inadequate services and facilities. And the logistical requirements of refugee support are hobbling his construction program. Take, for example, railway wagons. He needs an inventory of 100 to keep his current requirements of cement, crushed stone, steel, and other materials flowing. His current allotment, thanks to the competing pressure of the refugee program on eastern India's strained transport system, is down to 35.

5. According to the accounting available in Delhi when the Kennedy party reached there, 144 million dollars' worth of foreign contributions in various commodity and cash forms thus far had been pledged to India's refugee needs. The United States, as our government takes some pains to emphasize, is supplying nearly one-half of this total—$70.5 million. Of the latter, half is in form of cash grants routed through the U.N. High Commissioner for Refugees in Geneva. The other half is made up of PL 480 commodities valued at U.S. support prices. And of that $35 million, American rice, whose nominal valuation is above the world market price, accounts for $25 million.

But the main point is that, however its components are valued, the total volume of external assistance to the refugee program to date is scarcely a respectable first installment on what is needed from abroad. If India, which cannot escape single-handed acceptance of the physical burden of the refugees, is to be spared also having to finance a problem that is in no way of her making—if, more particularly, the Indian development effort is not to be derailed in what should be a peculiarly critical period of acceleration—then the rest of the world should pick up the financial costs of refugee support.

The first requirement for serviceable refugee-oriented external assistance, therefore, is that it be large. More specifically, by the end of the current U.S. fiscal year it should amount to at least five times what thus far has been pledged, or to not less than $700 million.

The second need is that refugee aid be flexible and quick-flowing. Although there is useful scope for modest increases in certain PL 480 commodity shipments—notably of cotton, vegetable oils, and soy-fortified bulgar—these requirements probably will not account for more than a small fraction of the total needed special aid flow. Otherwise India does not require concessional American or other farm commodities for direct supply to the refugee population. Rather, she needs the wherewithal to expand general imports so that government budgetary outlays can be raised by the amount of refugee requirements without unacceptable inflationary consequences. As I shall be saying, there is more scope for PL 480-type relief to East Pakistan itself, but on the Indian side of the border, to be useful, most of the aid should be in cash or near-cash form. *And* it should flow quickly. Some donors, notably the U.S., are chanelling most of their India-refugee-destined aid through a U.N. bureaucracy that is conspicuously unused to dealing in large sums. Only a trickle of the inadequate amount now provided has yet reached its mark. It is clear that a special aid flow of the needed dimensions must, like development assistance, move through more direct channels.

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The third need is that the special relief assistance be additive. If we would minimize retardation of the development push India so urgently requires at this point, donors must take pains not to substitute general-purpose refugee relief for the regular development loans that they have programmed or would be programming for India. This is one of the reasons why it would make sense, I think, to put the organizing and assembly of the refugee assistance in the hands of the Aid-India Consortium, which performs the same functions vis-a-vis development assistance. Because it knows the latter business best, it would be best positioned to monitor the genuine additivity of the refugee aid. The other reasons for invoking the Consortium are, first, that, of the various international structures available, only it has proved its capacity to raise resources on the scale presently required; and, second, the Consortium offers the best answer to the issue posed in the preceding paragraph. It has demonstrated its ability to coordinate and cross-reference a set of bilateral flows of general-purpose assistance without injecting a great deal of intervening bureaucracy between the suppliers and the users of funds.

These, as I reflected on it, seemed to be the cost ramifications that lurked behind the refugee camp operations we observed in mid-August.

6. The other lurking problem is that of mounting social and political strains. After the observer has noted that the refugees are being sheltered and fed and has formed some impression of their health conditions, the next thing that strikes him is the monumental idleness of these people. A few have been temporarily employed on the building of the camps themselves, and a few professionals are working in camp infirmaries or beginning to help organize and teach in camp schools. But by and large the camp inmates are producing nothing and doing nothing. Before long, if the refugees remain wards of the Indian Government, a profound restlessness can be expected. The camp populations will become increasingly easy targets for the indigenous Naxalities and other political extremists, who already are busily trying to stir up the visitors against the Indian authorities. West Bengal extremists welcome any increment in civil disruption for its own sake. In addition, they may, despite the refugees' lack of citizenship, not unrealistically plan to vote for some of them in future elections.

The frictions between the segregated refugees and their local environment can be expected to rise. There is always in eastern India potential for communal outbreaks in any new and concentrated juxtapositions of Hindus and Muslims. Yet the economic frictions are probably more ominous. The refugees are beginning to filter into local labor markets and badly to depress wages in areas already burdened with severe indigenous unemployment and underemployment. In one of the camps we were told about a local farmer who beat up a refugee he caught poaching a fish from the farmer's pond; the next night a score of the culprit's fellow campers returned to do in his assailant. The frequency of such incidents is mounting.

One of the Indian government's motives for bottling up the refugees is to minimize just this kind of interaction with the local economy. On the other hand, under circumstances where officials have neither the means nor intent literally to confine refugees to their quarters in concentration-camp style, the very bottling up can be explosive. It maximizes the idleness of the newcomers; it concentrates masses of them in particular areas; and, by providing them with free subsistence, it encourages them to work at below-market wages.

The commitment to the quarantine format—if you will, to the Palestinian refugee model—is very strong at present. This is because it is thought best to symbolize the Government of India's insistence that the refugees are only temporary visitors and that they must return home to East Bengal. I arrived in Calcutta with the theory that many, especially the Hindu, refugees in fact will not return and that, as a long-term matter, it probably only makes sense, despite the poverty and crowding of West Bengal already, to think of absorbing such an increment of Bengali population into India Bengal. Therefore I suspected it would soon be time for a vast public works program throughout rural West Bengal, organized from the bottom up and sensibly structured, that would be large enough both to sop up local unemployment and draw increasing numbers of the migrant population out of their enclaves into the surrounding countryside. We tried out this line of thinking on several discussants. One was Mr. C. Subramaniam, India's famous green-revolution Food and Agriculture Minister in the middle sixties and now Minister of Planning. Another was Mr. Siddarthra Ray, the Union Minister for West Bengal Affairs. (Ray's is the only central government portfolio oriented to a particular state; it signifies the Centre's estimate of the degree of special attention it will need for some time to give West Bengal.)

Invariably Indians at the political level rejected this absorption thesis out of hand. They, and none more than the Prime Minister herself, are adamant about the necessity for full-scale refugee return. They cite the economic arguments. They emphasize West Bengal's already teeming demography. But what appears to trouble them most is a political projection. There is evidence, apparently documented, that earlier refugees from East Pakistan, who have entered eastern India in several surges beginning in 1947, have tended after their transplanting to join extremist political factions. The leaders of the ruling Congress party, who, American readers should remember, are scarcely reactionaries themselves, fear the same thing would happen again. They are determined not to promote a further radicalizing of West Bengal politics.

The trouble is, the longer the government is so motivated to quarantine the refugees, the greater is the probability that its method will produce the very result it seeks to avoid. A similar consideration, moreover, attaches to the organization and leadership of the East Bengal independence movement. The sheer passage of time is likely to radicalize it also.

The leaders of the stated Bangla Desh government with whom Senator Kennedy and his party met late one evening in Calcutta appeared, under the circumstances, to be eminently reasonable men. They and all of their colleagues who are managing the independence movement in Sheik Mujibur Rahman's absence are elected Awami League members of the Pakistan National and/or East Bengal Provincial assemblies. Their party came to power about as legitimately as one can in a military dictatorship—namely, by sweeping 80% of the East Bengal vote (98% of the seats) in an election conducted by their military Punjabi opposition last December. Their victory gave great hope to Indian constitutionalists across the border. Indeed, remarked I. G. Patel, Secretary of the Ministry of Finance's Department of Economic Affairs, when we lunched with him later in Delhi, this was one of the particular tragedies of the Awami League's repression: It had looked for the brief period from December to March like the best hope yet for normalizing relations on the eastern side of the subcontinent. The Awami League was the most secular of constitutionally disposed Pakistani parties; it refused to trade on Muslim-Hindu tensions. It was committed to parliamentary processes. And it seemed anxious to de-escalate the emotionalism of Indo-Pakistan relations and get on with some of the potentialities for rationalized communications, trade, and joint development projects that so long have been evident between East Bengal and eastern India.

Instead of a program of civil reform, however, the middle-class Awami League constitutionalists with whom we talked in Calcutta now find themselves presiding over an insurgency. They project their struggle with courage and conviction, and they report the allegiance of the overwhelming majority of East Bengalis and their elected representatives. Moreover, from what we could learn from other sources, their claim that the insurgency's fighting force, the Mukti Bahini, is still loyal and responsive to their political authority remains, as of now, valid. Evidently Maoists and other extremist groups, which had been comparatively weak in East Bengal, have not yet begun to compete for control of the insurgency. My guess, however, is that the talents of the official Awami League leadership do not run primarily to the conduct of guerrilla warfare. The longer the struggle persists, thereby both prolonging the internal turmoil within East Bengal and inducing the radicalization of the India-based refugee population, the greater will be the likelihood that conduct of the insurgency, and therefore control of whatever autonomous regime may eventually emerge, will slip into tougher partisan hands.

7. As we headed for Delhi on Friday, August 13, pondering the political implications of all we had seen and heard, the scariest thing was the way the cold-blooded logic of the situation kept pointing toward war. Reports that certain Delhi think-tanks had produced analyses concluding that a short war to establish an independent Bangla Desh was the cheapest, least objectionable of the bad lot of alternatives open to India had sounded rather fanciful when I had heard about them in Princeton. Close-up, however, it was much easier to understand how thinking Indians could be tilting in that direction. Anyone who doubted the ability (as surely, just now, all Americans should) of any government neatly to program a short war—in this case, of India reliably to block along the Punjab-Kashmir frontier to the west while she quickly mopped up to the east—or who feared the great-power repercussions that could be triggered by an Indo-Pak conflict therefore only could the more admire the way Mrs. Gandhi had been resisting such advices. But it became more important to gauge the strength of the pro-war pressures and the durability of the government's present policy of restraint.

For this and related reasons I was anxious for the Senator, before he got deep into his conversations with ministers and officials in Delhi, to have a free-wheeling conversation with a few non-officials whom, over the years, I had found particularly astute observers of Indian politics and foreign affairs. Accordingly I wired Harry Wilhelm, the Ford Foundation Representative in Delhi, asking if he would invite Kennedy, Scrimshaw, and me to have breakfast the next morning with Lakshmi C. Jain, an industrial and export-promotion consultant and former leader of cooperatives whose batting average as a predictor of Indian political developments is the best I know. Rajni Kothari, Director of Delhi's Center for the Study of Developing Societies and one of the more perceptive Indian political scientists, and George Verghese, Editor of Delhi's daily *Hindustan Times* and former press secretary to the Prime Minister. Fortunately, all were good enough to assemble on short notice.

Our Indian friends quickly confirmed the extent of pro-war sentiment, which none of them personally shared. It was prevalent, for

example, among parliamentarians. However, it was indeed a view at which people had arrived more rationally than emotionally, and therefore for the time being at least it was somewhat easier to contain. The public, they judged, did not want war; it still wanted the populism and economic expansion for which it had voted in March. There was none of the jingoism abroad, said Jain, that one could remember from the Indo-Pak conflict of 1965. For her part, the Prime Minister was dug into her position of commitment to political rather than military solutions about as firmly as any chief of government could be. But necessarily, the commitment was contingent and reversible.

At this point Verghese put in a plea for logical discourse. Before we got very far, said he, into a discussion of alternative scenarios for arriving at a political solution by means short of overt war, we had better be clear on what we meant by a "solution." What should be the objective? What kind of political arrangements in East Bengal would we regard as an acceptable and viable outcome toward which policy should try to move?

On this point we found we were agreed. None of us thought that it was possible to run the camera backward to conditions before March 25. There had been too much horror. It had, as it were, caused a chemical, not just a mechanical, change. Bengalis, including those who had fled to India, would not for the foreseeable future willingly accept the kind of overlordship by the West Pakistani military that, prior to the repression, the vast majority at least tolerated without rebellion. Secondly, as a group we also doubted the long-run viability of a colonial structure—i.e., with the passage of time, a progressive routinizing and therefore civilizing of the repression of an unwilling population. Obviously this political model had worked at many places in earlier times. But none of us believed it could endure here in a context of 20th century values and communications, given the provocation that now had accrued, the comparative numbers involved, the remoteness of East Pakistan from West, the geography of East Bengal itself, and the enveloping Indian haven for insurgents (which, be it noted, the Indian Government would find it physically, as well as politically almost impossible to foreclose even if it were disposed to do so). The only lasting solution, we therefore concluded, is some large measure of autonomy for East Bengal. At this point one did not know, said our Indian discussants, whether this would mean outright independence or some kind of confederation formula. But plainly the minimum workable objective was a much larger degree of self rule than the Yahya regime thus far had intimated the slightest disposition to grant.

Kennedy agreed. One thing this answer had going for it, he said, was that it is the right one. The East Bengalis were a sizable majority of the nation-state to which they belonged. They were overwhelmingly united on the need for greater autonomy. They had been faithful in pursuing their objective by parliamentary means. Certainly such a people, who now had reaped such havoc for their pains, must get the higher marks in any calculus of the rights and wrongs of the situation.

And wouldn't it be nice, he mused aloud, to be on the right side of such an issue for a change—especially when the side also eventually was going to win.

Embedded in this patch of conversation, it seemed to me, were those aspects of the Bangla Desh affair that give Americans the greatest difficulty. This is because the facts seem to run afoul some of our newest conventional wisdom about foreign affairs. For one thing, an array of sophisticates again has been reminding us it is inappropriate, indeed, rather gauche, to inject much moralizing into our conduct of foreign policy. We are told that the only proper guide for a foreign policy, indeed the only one that permits the maintenance of some order and predictability in international affairs, is national self interest. It is human and acceptable for individual Americans to bleed for the afflicted people of Bangla Desh. But it is inappropriate for the Government of the United States to do so very much.

Second, and related, but with a far broader constituency than this sophisticated rule, there is the surging doctrine of non-interventionism, so painfully learned in Vietnam. This, of course, has a variety of adherents but the most important are the young, who have been profoundly turned off both by the theory of American hegemony and by the way it has been practiced during the past quarter century.

In the third place, we accord great deference to the efforts of any sovereign state to preserve the union—its union—and we recognize that union-preserving exercises often in practice have to get pretty rough. Maybe, after all, Yahya Khan will turn out to be the Abraham Lincoln of Pakistan, and who are we to give him a hard time? Sympathy for union-preserving ventures is, of course, not a new thought pattern with us, but appreciation of the nationalist aspirations of developing countries together with the trauma of Vietnam has given it new vigor. This is true particularly with the young, most of whom do not detect a certain irony in their posture: They, who more than any recent generation are inclined to question the appropriateness of blind, unquestioning allegiance to their own nation-state, seem prepared to bow down to the sanctity of any other jurisdiction that, by whatever historical process or accident, has achieved juridical status as a sovereign state.

In combination, these overlapping mental fashions have lowered a national-sovereignty veil over the whole current Pakistan problem. We have a sense that it is unethical or, on the other hand, that it bespeaks an inept misguided kind of moralizing—take your choice—for American policy to attempt to penetrate that screen. According to these fashions it would be out of bounds for the U.S. Government to adopt the premise at which our breakfast discussion group arrived so readily, namely, that the only workable outcome in East Pakistan is one that is anathema to the present West Pakistan regime.

In this instance such a constraint on American policy is unrealistic. Certainly nonintervention is, in general, an expedient doctrine for us at the moment. Few would deny that too often in recent decades we have erred in the opposite direction. Probably it would continue to be the appropriate decision rule even vis-a-vis a nation-state that was as artificial and improbable a construct as Pakistan—if the abnormality of the separated halves were all that were at issue. Probably also it would not be proper for our foreign policy to second-guess Pakistani juridical integrity even when the parliamentary self-expression of a popular majority had been frustrated by those in control—if a departure from constitutional processes were the leadership's only offense. But the present Pakistani case goes much beyond this. The means used in behalf of the union-preserving end have been so unspeakable that they have defiled their purpose beyond repair. For India the in-spillage of 8 million refugees has removed all possibility of regarding Bangla Desh as exclusively an internal Pakistani problem. But for the rest of the world also the sheer preponderance of terror exercised by the Islamabad military regime since March 25 has eliminated that possibility. Not only is this, as it were, a matter of quantitative morality—not only have the excesses of the means overstepped whatever bounds of discretion a nation-state should enjoy in its internal administration; the means the regime has chosen have rendered the goal of unaltered national integrity inherently unattainable.

In East Bengal the ratio of the number of resident Bengalis to the West Pakistani soldiers presently running the province is nearly 1,000 to 1. The probability is that the thousand will eventually prevail over the one. There is nothing about the preponderance of weaponry or the logistics for its support or the temper of the people that persuasively argues the opposite. Neither the most antiseptic self-interest nor the most abject self-effacement requires the United States to base policy on an assumption that has become inoperative.

8. With first principles settled, Verghese allowed our breakfast to proceed to questions of ways and means. He and his two colleagues talked a good deal about the Indo-Soviet Treaty that had been signed a few days earlier. Two of them, at least, were not keen about it. It enlarged and blurred the framing of the subcontinent's problems. Since treaties never are concluded for the exclusive benefit of one party, the world now would be at least as interested in what the Soviets had gained vis-a-vis China as in what India had gained vis-a-vis Pakistan. Although it was presumably true, they said, that the treaty had been under discussion between the two governments for a year or two, it could not have gotten through parliament until the present Bangla Desh emergency. Very possibly the government did not finally decide to accept it until, in July, if the press reports were right, high U.S. government officials had phoned L. K. Jha, India's Ambassador in Washington, to say that, if a war between India and Pakistan developed and China moved to assist Pakistan, India should not count on American support.

In any event the treaty was now a fait accompli. Its operative provisions were pretty innocuous: they provided only that neither party will join an alliance directed against the other, or give assistance to a third party with whom the other is engaged in armed conflict; and if either party is attacked by a third, the two signatories promise to consult—no more than that is committed. Their government probably meant it, said our Indian friends, when it said it stood ready to sign similar treaties with other countries of the region. Meanwhile, the Indo-Soviet treaty would serve at least temporarily as a deterrent to war.

Of this last our discussants were quite sure. If, as to the possible instigation of war, the greater immediate risk were provocation from the Indian side, then the treaty might have the opposite effect: if hawks were in charge in India, it might unleash them. But given the strength of the Prime Minister's anti-hawkish commitment, the treaty strengthened her hand. It was widely and instantly popular with the public simply because it was reassuring; it made most Indians feel less lonely and exposed and therefore a little less nervous. For the time being it has dampened hawkish impulses. Also I would assume—although this point we did not discuss with these or other Indians—that the Soviets have used the negotiation of the treaty as an occasion for applauding the Prime Minister's policy of restraint and for urging its continuance.

Our breakfast companions, however, mainly valued the deterrence to Pakistan and to China. They, like other thoughtful and (by my past estimate) usually level-headed Indians with whom we talked, were genuinely fearful of a Pakistan-instigated escalation—not because, after 1965 and the further improvement in relative military strength India probably has achieved meanwhile, they

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thought that the Yahya regime really believes it could handle India in a head-to-head contest. Rather the attempt would be to find a way out of what is becoming an impossible "internal" problem by internationalizing it. Islamabad itself, this reasoning goes, must privately be perceiving the same dead end to its course in the east that is so apparent to others. On its own it does not know, over the long term, how to handle the Bengalis. But if it could convert its civil war into an international war, this would presumably, before India had time to press the hostilities very far, invoke the whole panoply of U.N. Security-Council and peace-making procedures. At this point the single preoccupation of the international community would become stopping the war. Both belligerent parties would tend to be cast as equally guilty, there would be great pressure to stop aid of all forms to both, and the return of conditions to the status quo ex ante, including West Pakistani control of East Bengal, would become a worthy objective. While this would not remove the West Pakistanis' fundamental, self-generated, problem in the east, it would gain time, multiply their options, be likely to produce some fresh international endorsement of their rights in Bengal, and meanwhile injure the Indians.

The Indo-Soviet treaty has gummed up this hypothetical scenario. For one thing, the scheme's riskiest phase, that of the uncertainly long period of Indo-Pak hostilities before the international community moved in to stop the fighting, would benefit from quick and reliable seconding by the Chinese. Now the latter have been more explicitly put on notice that this could bring a confrontation with the Soviets. Secondly, the probability of inciting a Soviet response has been increased for Islamabad itself.

The treaty, therefore, has bought some time for the pursuit of political rather than military solutions to the Bangla Desh problem, and one suspects that Washington itself regards it this way. How much time is a question on which, I felt, our expedition produced very little hard information. Our breakfast companions that morning saw the prime time for political maneuver as only "two or three months." Their past records as observers are so good and so much of the rest of what they said on this occasion made sense that I hesitate to discount their estimate. Yet they did not spell out concrete reasons for such shortness in the tether, and clearly they were motivated to impress Kennedy with the urgency of the situation.

All I can judge myself is that time for solidifying a non-military resolution of the problems on the eastern side of the subcontinent is far shorter than any peaceful man would wish. On the Indian side, at least, the variables are those of political psychology—the psychology of politicians, of the public, and of the two interacting—and therefore are inherently unstable. Much will depend on the avoidance of triggering events. Much will depend, short of the contrivance of a solution itself, on the climate of international concern and support that the Indian leaders perceive during the months immediately ahead and can project to parliament and to the public.

In our breakfast seminar, however, we proceeded to the prospects, within some short period, for the genuine achievement of a political solution.

9. On this subject—on what can be done from outside quickly to arrange an end to the terror and a sufficient measure of self-determination in East Bengal to satisfy the residents and begin to attract home the refugees—I found the Indians, non-official and official and whether breakfasting or in their offices, unrealistic. Barring a spontaneous change of mind and heart on the part of President Yahya Khan and his principal military advisers, there would appear to be only three (non-mutually exclusive) alternatives.

First, the West Pakistan government, and with it its policies, could be changed from within. Some Indians are doing a lot of wishful thinking on this score. They are piecing together fragments of news and rumor about the unease of Pakistani professionals and businessmen with the policy of repression in West Bengal, reactions to the army's casualties in the east, irritations of the other West Pakistani provinces at Punjabi domination, and the second thoughts being entertained by the volatile Zulfikar Ali Bhutto, West Pakistan's recently most active civilian politician. Out of these scraps some of our Indian interviewees were constructing a picture of incipient turbulence. My impression is that they are way off in their timing. Certainly (witness the unseating of Ayub Khan in 1968) the West Pakistani middle classes do have a potential for incisive self-examination, human thought, and for effecting major political and policy changes. But from what one hears from official and private American reports and from third-country journalists now, West Pakistan is quiet. It is at the moment comparatively prosperous. There has been broad popular support for the preservation of the union objective. Information is tightly rationed and therefore there is little widespread knowledge of what has been going on in Bengal. And evidently there is a good deal of tranquilizing fear of the present military incumbents—potential dissidents are reported to be exercising great circumstances. It does not sound like a situation about to blow.

Second, the most widely shared Indian hope is that the Pakistani government can be forced by international economic pressures to change its policies in Bengal. All members of the Aid-Pakistan Consortium except the U.S. have declared their intention not to proceed with development loans until there has been some political resolution in the East. Thus far, as to fresh U.S. loans, the U.S. House of Representatives has sided with the other members of the Consortium against the Nixon Administration, and at this writing it seems likely that the Senate will follow suit. The Congress finds it hard to justify easing Yahya's foreign exchange position, and sees little in the record to support the Administration's counter theory—namely, that retention of the option to make new loans better maintains the opportunity for reasoning with and constructively influencing the Pakistan government. Hence all new development lending, except Chinese, to Islamabad may well remain in abeyance.

But this does not mean that the donors are about to force President Yahya into a change of political course. His foreign-exchange position will for some time be comparatively comfortable. First, the economic aid pipeline—the substantial residual of loans already made and not yet expended—is still running, for all donors including the U.S., and none is presently disposed to turn it off. Second, the disruption in East Pakistan has reduced the nation's imports destined for that wing more than it has cut East Bengal's jute and other exports—from which the Islamabad regime continues to reap the foreign exchange earnings. Third, West Pakistan's own export position is in good shape. It already was gaining before the civil war; it remains strong; and it is being augmented more by the partial diversion to other countries of western wing products previously supplied to East Pakistan than the import side of Islamabad's current account is rising as a result of having now to buy abroad commodities (mainly tea) previously obtained from the eastern wing. Fourth, the regime unilaterally has determined that the emergency entitles it to suspend principal and interest payments on its official foreign debt. Thus far it has exercised this self-created option with respect to about $60 million due foreign-government lenders including the United States. Not only has this thus far provoked no sanctions from donors in the form of aid pipeline suspensions; now Islamabad is trying to persuade the Aid-Pakistan Consortium to broaden and legalize this contribution to its resources by collectively accepting an enlarged volume of debt-service suspension. Finally, West Pakistani industries as a whole seem to have entered the emergency with exceptionally abundant stocks of imported supplies.

Quite clearly the position does not add up to the kind of economic stringency calculated to force a stubborn, let alone fanatic, government into political retreat. As a matter of fact, the country's foreign exchange reserves, which did suffer for a time after the East Bengal repression started, have been edging upward recently. Over time, the continued suspension of new development assistance can indeed force growing degrees of economic austerity upon the regime. And eventually such austerity may interact with other sources of ferment to promote political change. But the degree of economic squeeze now in prospect—and no more radical forms of economic sanction, I should think, have been discussed—offers no quick-acting solution.

The third, and ultimate, hope of the Indians is that the great powers can and will jointly exert enough direct political pressure on Pakistan to cause that government to reverse course in Bengal. Presumably this would require the close concert of some tough persuasion by the U.S., the U.S.S.R., and China. Personally, I find this concept a little mind-boggling. For one thing, it is hard to figure what China, with its well-entrenched antipathy toward India and its presently propitious double-track option vis-a-vis Pakistan (on the one hand, wholly correct maintenance of close government-to-government relations with the national regime, on the other hand, the opportunity to encourage the shifting of the eastern insurgency into more extremist hands) would have to gain from assisting the establishment of a stabilizing constitutionally bent autonomous regime in East Bengal that would be oriented toward the promotion of mutually beneficial relations with India and keeping its guard up against Maoists. However, I do not mean to deprecate these very heady possibilities out of hand. They could become vitally important, and, who knows? Maybe something along these lines gradually can happen, whether beginning with Mr. Nixon's Peking visit, or otherwise. But one does feel confident in guessing that nothing of the kind is likely to occur, or at least be brought to fruition, in the next few months.

Thus, as indicated at the outset, I emerged not only from our talkative first morning-in-Delhi breakfast, but from the whole trip with the conclusion that there are no answers to the Bangla Desh mess that are both good and quick. The eventual achievement of viable arrangements in East Bengal may, before it is finished, owe something to all of the possibilities just reviewed. It will also, no doubt, owe much to the skill and persistence of the insurgency in the province itself. But however the eventual solution comes, it is likely to take a good deal of time. Moreover, as we have seen, this very passage of time will pose substantial dangers. But the alternative of war probably would be worse for India, and in all probability, for the rest of us.

What is urgently needed, therefore—and the most that at this point that can be confidently recommended—is some effective temporizing with the situation. The short-of-war condition must be kept tenable. A pattern of relief that is reconciled with the insurgency must be worked out for East Bengal itself. Mrs. Gandhi must be helped to buy more time and to avoid the derailment of the Indian development effort. Pressures must be allowed to accumulate on the Yahya Khan government. And meanwhile the people of East Bengal, as well as the people of India who are bearing the direct brunt of the refugee problem, must be assured that the world community, while not overreaching what it can effectively accomplish, is arranged on the side of elementary justice.

Although outsiders cannot suddenly pull an ultimate solution out of a hat, they can assist a good deal with this kind of intervening agenda. However, any such approach plainly would require willing, pivotal participation by the United States. Therefore, since official Indo-American relations appear to be in such a parlous condition presently, let me first report on that subject before trying to summarize the kinds of temporizing steps that seem to be required.

Point one is that those American journalists who have been reporting the U.S. Government's stock in India at an all-time low have in no wise been exaggerating. Certainly at no earlier point in my own dozen years of off and on observation have I seen the like of it. Moreover, the profound unhappiness with the Nixon Administration is not confined to official circles, or to those anti-American interests and media that are long-standing parts of the Indian woodwork. Our three breakfast companions, each with extensive American associations and friendships, were vehement in their irritation. A number of the oldest and staunchest friends that the United States has had over the years have contributed shocked denunciations of American policy to the press in recent weeks—former Ambassador G. L. Mehta, who founded the Indo-American Societies of Bombay and Ahmedabad; J. J. Singh, who did business very successfully in New York for many years, was Gandhi's and Nehru's trusted emissary to F.D.R. during World II, and must have been one of the founders of the Indo-American Society in Delhi; Jaya Prakash Narayan, the distinguished neo-Gandhian leader. Indian businessmen, publicists, professionals, academics all are incensed; the feeling cuts across economic and party lines; the bitterness is widespread.

Point two, however, is that the provocations producing almost all of this bad feeling have been fairly recent and quite specific. Overwhelmingly the greatest has been the refusal of the Administration, once the failure to stop the run-out of the military aid pipelines to Pakistan was discovered and reported in June, to turn it off. This has utterly inflamed the Indians. They know perfectly well that U.S. military aid shipments to both India and Pakistan—even those already afloat—were stopped in their tracks in 1965. Thus they know the same could have been done this time, and the deliberate decision, in the face of the Pakistani performance in East Bengal, not to do so sends them up the wall. They are aggravated also, but far less violently, by the United States' dissent in principle (as we shall be noting, its practice has not been different from that of other members) from the Pakistan Consortium's decision to suspend fresh development loans to Islamabad.

Most recently the Indians have been vastly irritated by the U.S.-inspired U.S. effort to station observers of the refugee flow symmetrically in India and East Pakistan. If there is anything guaranteed to trigger Indian sensitivities, it is the habit that third parties have of according a tweedle-dee-tweedle-dum treatment to themselves and their neighbor. They have long felt that their size (more than four times Pakistan's) plus the continuity of their constitutional and secular traditions warrants a differentiation. But now to be bracketed with a regime that, they feel, stands convicted of genocide is abhorrent. "This is the same old pernicious game of equating India and Pakistan," writes J. J. Singh. "When hundreds of foreigners belonging to so many different nations have been going to the refugee camps unhindered for the last four months and have freely reported conditions existing there and what the refugees want and hope for, it is sheer impertinence on the part of the U.S.A. and the U.N.—goaded by the U.S.A.—to want to station U.N observers on Indian soil."

Point three places a further constraint on the picture of total collapse of Indo-America relations that one might derive from reading only *New York Times* headlines. The present animus is focused quite narrowly on the U.S. Government, as distinct from the United States or Americans generally. More specifically, it is concentrated on the White House—on Henry Kissinger and on the President himself. An infrastructure of Indo-American goodwill has accumulated over the years, one that is far less the result of American material inputs than of the convergence of the fundamentals of the two countries' respective political philosophies and the strange affinity that a great many Indians and Americans have had for each other. That this infrastructure remains largely unimpaired would be quickly apparent to any old India hand returning to Delhi these days. Personal relations between Indians and Americans, including those between officials, are not disturbed. Embassy and AID officers are going about their business as usual. The pervasive interest in American life, affairs, and publications is unchanged. Just as many Indians are interested in visiting and studying in the States.

All of this could be detected by any knowledgeable visitor currently. Our party had the additional evidence of the response to Kennedy. This was remarkably warm and in good part spontaneous. No doubt it was partly a tribute to his family. And part was a tribute won on the spot. The Senator's concern about what he had seen in the border country was transparent. He came across as a man of compassion and poise; his talk was candid yet restrained. And he was amazingly good at rising to occasions as required—within the space of one particular hour, for example, negotiating a wholly (to us) unannounced, but elaborately laid on, press conference with aplomb, and then, when a scheduled 'reception by a few parliamentarians" turned into a formal speech-making situation before 500 members of the two Houses assembled in the Central Hall of the Parliament, ad-libbing a graceful, enthusiastically received talk wherein he nevertheless managed to avoid engaging in the criticisms of his government that he wished to reserve for his return home. So Kennedy was impressive as a subject. But he also plainly was seized as an object. In part, of course, the Indians saw him as a possible agent for changing American policy. But more than that he simply provided an occasion for an outpouring of a rather large supply of vintage goodwill toward the United States that had been bottled up by recent events.

I am aware that this last bit of the record, if this report should reach the White House, is unlikely at first blush to be welcomed there. News that the Indians are angry at Richard Nixon but have lionized Ted Kennedy would not be calculated ordinarily to win them fresh consideration from the President or his staff. I earnestly hope, however, that the report may be read more for what it signifies about Indian attitudes toward the United States than about personalities. So considered, it provides further basis for what should be point four in this sequence: namely, that the Nixon Administration has it within its power rather quickly to reverse its popularity index in India and that this would be a good thing—not just from the viewpoint of overseas public relations (which, after all, are not the principal object of foreign policy) but in terms of our national interest.

Unless I am quite mistaken, the Administration's present difficulties in the subcontinent are more the result of bad luck than grand design. In part they might have happened to any administration. Take the equating of India and Pakistan—this is not new to this Administration; it happened time and again in the Kennedy and Johnson White Houses before it; but once one is alerted to the point and understands the Indian reaction (whether or not approvingly) this particular aggravation can be largely avoided.

Or take the overwhelmingly most exacerbating factor, the continuing arms shipments to Pakistan. The most striking feature of this whole episode is the trivial scale of the total value of commodities at issue—apparently no more than a few millions of dollars when the remaining dribble of the pipeline was discovered and, at this writing, one gathers, only something like 2–4 million dollars worth. One can argue, of course, that if the Indians had kept their sense of proportion they couldn't have gotten so excited about so little. But the point cuts at least as well in the opposite direction: Never before, perhaps, has the United States sacrificed so much of the goodwill of a friendly major country for so small a consideration.

My guess is that the U.S. posture on continuing arms flow was established by a conjunction of accidents. First, there was an ordinary garden-variety goof in the bureaucracy: the State Department and White House probably did not know when the cessation of arms aid was announced in April that someone down in the middle echelons of the Pentagon was still contemplating the performance of certain contracts for which title already had been transferred but whose commodities still were in this country and subject to physical blocking. Next, when this confusion surfaced, negotiations with the Pakistanis already were well advanced for the use of Islamabad as the launching pad for Henry Kissinger's secret trip to Peking. But by this point I would also guess (and since attempts to confirm this within the Administration would be quite indiscreet, I have made none) that a further unprogrammed factor had entered: the Pentagon Papers. This supplies the answer to the question that irritated critics of the launching-pad thesis have raised: What was so special about Islamabad as a point of departure? If the Pakistanis would have reacted badly to a blocking of the pipeline dribble, why couldn't Mr. Kissinger have been rerouted from Hong Kong or elsewhere? The point was, I bet, that Islamabad was by now in on the secret: post-Pentagon-Papers, the one thing of which the White House was determined was that there would be no leak. The absolute security of this exercise would be preserved until the President was ready, in his own time, to announce it, as he so effectively did from Los Angeles on July 15.

So much, according to this hypothesis, for the conjunction of accidents that locked the White House into its refusal to stop the dribble. In my own estimate, all of this was simply human, not reprehensible. In itself—if something like this is indeed what happened in the heat of the moment—it proves nothing about misplaced priorities. Other White Houses of recent memory have been just as inclined to become consumed with a particular project and certainly to be as fanatic about the avoidance of leaks. And the stakes, at least for the Administration, probably for us all, in getting the China project off on the right foot were high.

But then at this stage, according to this reconstruction of events, a standard institutional charactertistic of the American gov-

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ernmental system took over. We have, around any modern President, concentric circles of staff personnel whose occupational commitment is to the doctrine of Presidential infallibility. Left to their own devices, they will invariably produce explanations that relieve the President from error or poor judgment. In this instance the infallibility machinery has cranked out, mostly ex post, a great deal of rationale that justifies the arms aid decision in broad geo-political terms and disguises its circumstantial origins.

There is some plausibility in the geo-political case that the Administration's recent behavior vis-a-vis Pakistan and Bangla Desh reflects a systematic reordering of area priorities. George Verghese, the New Delhi editor, for example, points to the brief passage on South Asia in the President's latest annual foreign policy report that says that South Asia is an area of primary interest to the Soviet Union and China—and, by implication, not to the United States. "In our part of the world," he says, "you are much more concerned with West Asia and the Middle East. West Pakistan has a role vis-a-vis the Middle East. East Pakistan has none. Therefore, in a contest between West and East, your geopolitical interest dictates opting for Islamabad."

But surely this kind of grand gaming can be overdone. Nothing on the record really suggests that the White House does not recognize the following propositions: First, the populations of Indian and East Bengal together are almost as large as China. Second, although we propose l enceforward to eschew egregious, especially military, interventionism, the continued success of these people in improving their lot and transforming their societies by largely nonviolent and, in the Indian case, constitutional-democratic means, remains a matter of lively self-interest to the United States. Third, in a context that has been radically altered, e.g., by the East Bengal repression, maintenance of an existing policy, e.g., arms to West Pakistan, can be the most inflammatory kind of intervention. Finally, to be arrayed, along with China, as the principal apologist for a supporter of a regime that willfully undertakes and persists in one of the bloodiest repressions in recent history is not particularly helpful to the general conduct of one's foreign policy.

I am also reluctant to accept the gossip which says that the mysteries of the Administration's South Asian policies all stem from the fact that the occupants of the White House find Indians as a class personally irritating, whereas bluff, direct Punjabi soldiers are fellows whom they can understand. I am not skeptical about the fact of the irritation. (Exactly the same personal chemistry as between Indian and Pakistani officials has been attributed to various leaders of previous administration. It is a fact that many Indians do tend to irritate many Americans, just as others of us have a particular affinity for them. As I shall be saying, however, judging from one narrow piece of personal evidence, I am a bit surprised to hear the President himself singled out as belonging strongly to the former group.) But what is dismaying is the idea that the Administration would let such personal harmonics swamp its calculus of a rational, self-interested foreign policy. I happen not to be a partisan of the President's, but I have been impressed by the degree to which the Administration's self-image is that of a systematic operation coolly and logically in pursuit of its conception of the national interest.

Four years ago, at least, when Mr. Nixon came through Delhi, and when (which I attest somewhat ruefully, as a partisan) he proved to be about the most alert, perceptive VIP I briefed in five years, he certainly understood the size of India and the thrust and importance of its development effort together with its peculiar commitment to a constitutional-democratic mode of change. He visited amiably and incisively with the leaders of the Indian government without any signs of incapacitating distate. It is hard to believe that any accumulation of personal likes and/or dislikes meanwhile could have upended the considerable importance he seemed to attach to South Asia at that time.

In one respect one's hopes certainly are well grounded: This is a President who has abundantly demonstrated his capacity for cutting his losses and moving ahead. As noted, the Presidential infallibility machine is in no sense an invention of this Administration. But one fact also persists: Only the President can turn it off. In the case of economic policy Mr. Nixon recently has done so—and with precious little ex-post agonizing over the break with the past. It is time, on a much smaller scale, for such a break on South Asia policy.

Actually, the big components of the policy do not require turn-about change, although some need to be emboldened. The Administration already is embarked on a major relief effort for East Bengal. In fact, it has not been making fresh development loans to Pakistan, but has divided from the rest of the Consortium over semantics: It has wanted to retain its option to do so. But in any event Congress appears likely to take that matter out of its hands; the Administration should acquiesce without further argument, and in process, swallow its semantics. It already has begun to provide special assistance to India in support of refugee costs. Here the sights need radically to be raised, but tentative thinking in this direction also has been shaping within the Administration. So the big policy pieces may already be lining up.

But what is also needed in this case is a change of cosmetics, of style. We must while maintaining the dialogue toughen our approach to the Yahya regime. In particular, the rest of the arms-aid trickle must be turned off—publicly and emphatically. This will be a rough message to deliver (without doubt our Islamabad Embassy will remonstrate to high heaven) but not a great deal tougher, presumably, than the world which, in connection with our new China policy, had to be conveyed to the government in Taiwan—which, recently, at least, had done must less to earn the bad news.

The putting of this new face on the constructive substance that our policy toward the South Asian emergency already is evolving would not assure that Mr. Nixon instantly would skyrocket to the top of the Indian popularity charts. But this would not be the purpose. The back of the present bitterness would be broken. In the eyes of Indians and others the apparent cynacism of American policy would be ended. And—what is most vital at this juncture—the hardiness of the Gandhi Government's commitment to a non-war course would be strengthened.

11. In the last few paragraphs I have digressed from New Delhi to Washington. The actual transit of the Kennedy party from India back to the States began almost exactly a week after our arrival in Calcutta. The two traditional Pan American round-the-world flights, Nos. 1 and 2, cross in the early morning hours in Delhi. The Senator took flight No. 2 east to friends in Honolulu. De Haan, Tinker, and I boarded the flight No. 1, they for Beirut whence they would proceed to visit some Palestinian refugee camps in behalf of their Sub-Committee, I to fly through to New York. Scrimshaw had now gone ahead the evening before to report his observations to WHO and UNESCO groups in Geneva with which he is associated.

Pan Am 1, which U.S. Government personnel stationed in Delhi know well because they have been required for some years to ride it rather than foreign carriers for balance of payment reasons, is something of a milk run. It puts down at Karachi, Beirut, and Istanbul, before going on to Frankfort and London. And this punctuation together with the race with the sun which streches out the day results in a whole series of breakfasts, the first on the leg out of Delhi, a second out of Karachi, and a third, by then accompanied with beer and wine for the repeaters, out of Beirut. Over this sequence of breakfasts (for some reason breakfasts figure heavily in this piece) I tried to think through what the composite content of an adequate "temporizing" program for contending with the Bangla Desh emergency might be. What collection of steps by outsiders would serve best to meet the running costs of the tragedy in East Bengal and help India to avoid war while the elusive, longer-term political solution was somehow working itself out? What I came up with, not greatly altered since, was the following:

First, every effort must be made to forestall events that would trigger such a wave of emotion or despair in Indian as to swamp the Gandhi government's anti-war resolve. One of these could be hard news of the demise of Sheik Mujibur Rahman. If there are any feasible further steps that the United States or any other external party can take to help protect the Sheik, they should be taken forthwith. Another almost sure-fire trigger would be a new surge of refugees—a sharp acceleration in the rate of influx reflecting some new or increased disturbance within East Bengal.

The latter point immediately ties into what I thought of as the second component of an interim policy, namely, adequate and appropriate relief assistance for East Bengal. For the likeliest cause of a new wave—apart from the continuing efforts of the Pakistan Army to evict Hindus—would be an East Bengal famine. There is grave danger of such a famine in the next few months. But probably it can be avoided with a little luck as to the province's rice crop (evidently the outlook has improved marginally in recent weeks), a substantial amount of relief assistance, and some measure of recovery in or replacement of the food transport and distribution system. The latter has been radically disrupted by the civil war.

The relief assistance, as noted earlier, can largely take commodity form. I am not closely informed about issues involving the needed scale of such aid, the breadth of donor representation, or the organization of the supply via the U.N. High Commissioner for Refugees. However, one can be sure such matters will be getting expert attention, thanks to the assignment of Maurice J. Williams, one of the ablest foreign aid administrators the U.S. produced during the sixties and now Deputy Administrator of the Agency for International Development, to take personal charge of the American input into the East Pakistan relief effort.

What is extremely problematical is the interaction between relief assistance and the insurgency once commodities reach Bengal. This subject our traveling party probed rather insistently both with the Bangla Desh provisional government leaders we met in Calcutta and the roomful of intellectuals in Tripura. We got no sure answers. They acknowledged, of course, their concern over the plight of their fellow countrymen back in East Bengal. They recognized also that the international community would be apt to take a dim view of their busting up food trains carrying internationally supplied relief. But they also are full of the fear that the relief (they favor its provision in the least fungible commodity form) will be diverted by the military authorities, to first, to soldiers, second, to collaborators. They may even accept the counter argument—namely, that any distribution system is somewhat venal and inefficient and that even if the

factors they fear reduce the efficiency of this system to as little as 50%, the remaining half of the supplies that do get through to their brethren for which they were intended will be far better than nothing. But then they are left with the proposition that it is the business of guerrillas to blow bridges. And when you blow a bridge to prevent your enemy's movement of troops or materiel, you cannot put it back for the next food train.

The question of the status of the 153 U.N. Observers whom the West Pakistan authorities have accepted to participate in relief distribution is a particularly stick one. J. J. Singh, in the communication quoted earlier, and Alice Thorner, an American Paris based economist recently resident in Dacca, writing to the *New York Times*, say that these "Blue Berets" can expect to be shot for consorting with the military regime. On the other hand, the provisional government leaders themselves told us they urgently wanted "international supervision" of the relief supplies. No one I know has yet figured out how to persuade the Pakistani military, while it remains in physical control of East Bengal, literally to stand aside from the relief goods distribution. At least the injection of 153 U.N. personnel sounds like a start toward the establishment of a monitoring system that can have some credibility for outsiders and even for the insurgents.

The short of all this is that the admixture of relief and insurgency is one more problem out of the Bangla Desh set to which there is no neat answer. The best that can be hoped for is a two-sided struggle to keep the situation viable. On the one hand, the Awami League leaders should exercise all possible restraint and selectivity vis-a-vis relief supplies and operations—and it behooves the Government of India, particularly if it would avoid the further refugee influx that could be triggered by a collapse of food distribution in East Bengal, to use all of its considerable influence with the Bangla Desh leaders and their Mukti Mahine forces to this end.

On the other hand, the international relief agents must recognize that there is indeed a civil war going on; that the insurgency, if I may use a curious term, is legitimate; and that, indeed, the sooner it prevails, as almost surely it eventually must, the better off most everybody will be. The reliefers, accordingly, must expect and accept the blown bridges—and try to improvise around them in relief-differentiated forms. They must not be too distressed if some of their supplies are captured by insurgents; the supplies might in that event be distributed rather efficiently. And while it is to be hoped and prayed that the insurgents will unexceptionally spare the "blue berets," even an occasional casualty of this sort should not send the relief agencies or their governments into a panic of recriminations.

The third component of an interim program, as I thought about it between breakfasts, consists of those steps, already discussed in connection with the needed shift in U.S. policy, which, on the one hand would place increasing pressure on the Yahya regime and, on the other, would afford political reassurance to New Delhi: the continued suspension of development lending to Pakistan and, more particularly, the cut-off of the remaining arms shipments.

The final component is the most expensive, and, for those, like myself, who see the obstruction the emergency has raised to India's new development momentum as the most calamitous, if least obvious, of all of its costs, it is the most important. There is urgent need for special, additive, quick-flowing cash or near-cash assistance on the scale already discussed. This will require a virtuoso money-raising effort primarily addressed to the same governments—and, for that matter, to the same family of World Bank financial institutions—that now compose the Aid-India Consortium. Clearly, if the effort is to succeed, the U.S. Government must give it the strongest support and provide the largest fraction, say 40–50% of the total funding. One possibility, therefore, would be to keep the special assistance a wholly ad hoc, ex-Consortium exercise, and for the U.S. to take the lead in trying to raise contributions from other donors in much the same way that Under Secretary of State Eugene Rostow made tour of world capitals twisting arms in behalf of special food aid for India in 1967. My own hunch, however, was that in this case it would be better fully to incorporate the special assistance as a Consortium exercise and let the Bank, albeit reinformed by whatever distinguished, special purpose supporting cast it chose to recruit, bear the brunt of the chairing and money-raising.

At just about this point in our journey some evidence that seemed strongly to support this last estimate came to hand. The August 17 edition of the Paris *Herald-Tribune* came aboard the aircraft carrying the full text of the President's economic speech of the preceding Sunday evening. As I read the latter, the vision of any U.S. Government representative just now traveling to the likes of Tokyo and Bonn for large sums of money for India became less and less credible. But someone must make that trip. One can only hope that the Bank will take it on. If it demurs that its business is exclusively development and that this refugee-related assistance would muddy its mission, the answer already has been given: the near-term future of the Indian development effort depends on nothing else nearly so critically as it does on the degree and speed with which the Government can be relieved of the financial burden imposed by the refugees. Supervision of commodity relief for East Bengal probably would not be an appropriate assignment for the Bank; leading the provision of cash relief to India is:

12. Any friend of sanity in the subcontinent, I would argue, must seek urgently to implement an interim program along some such lines as those just indicated. On the hopeful assumption that something approximating this may indeed be forthcoming, let me finally aim a word back at our friends in India. I have great respect for the thesis that all of the refugees should return to East Bengal. It is right that they should; it will be the best signal of a sound political outcome if they do; it could imperil the communal stability of the subcontinent if they do not; and if most of them do not leave, it will place a grevious additional burden on West Bengal, which that state is ill equipped to handle.

Nevertheless, one essential premise for responsible interim planning is that a substantial portion of the refugees will in fact not leave any time soon. And with respect to this contingency, the hypothesis that, judging from past experience, there is something peculiar about Bengali refugees that makes them turn into political extremists is really not very helpful. A more realistic hypothesis would be that it is the system rather than the refugees that has been at fault. For the past generation both rural and urban West Bengal has provided a grossly inadequate economic and political environment for its least advantaged classes. A high percentage of the past refugees have become alienated from the system simply because a high percentage of them have been economic and social tag-enders. Grinding, discriminatory poverty, not migration, has been the culprit, and what should be in advanced planning now is a massive, locally rooted anti-poverty program for West Bengal strong enough to benefit both its old and new neediest residents.

If a sizable fraction of the refugees do wind up staying in India, it would be fatuous as well as callous for the rest of the world to shrug this off as constituting only a very small percentage increment in the vast Indian population. In fact, the burden would be enormous: it would effectively impinge almost entirely on West Bengal, where, say, 5 million lingering refugees would mean a 12% population increment; and one thing that has not been restraining Indian development is a general shortage of manpower, most particularly in Bengal. Thus permanent residence for the refugees clearly would create for India a just claim on the rest of the world for extra development assistance to help create jobs for the unwanted immigrants. This should be in addition to the special assistance with current refugee costs that has been emphasized in this piece. But the contingency also is one with which the Indians themselves should be prepared to contend.

Indian policy makers and administrators are sick and tired of the string of misfortunes that for the past ten years has kept deflecting their development effort and making it forever appear to the rest of the world as no better than a semi-ambulatory case. Once again they have been hit by a piece of bad luck—this time by a peculiarly complicated piece—that requires emergency therapy. But meanwhile the system, with all of its remarkable political sophistication for a mostly illiterate society, not only has survived; recently it has tended to thrive. One of these days, when the jinx lifts, it is likely to start delivering income and job benefits to the poor at a pace that will confound skeptics. There would be nothing wrong, by way of transition out of the present emergency, with making a head-start on that process in the state which, even before Bangla Desh, was the softest underbelly of the Indian policy.

COMMISSIONER URGES GAS REGULATION END

Mr. HANSEN. Mr. President, in spite of the claims of some consumer advocates, I believe it is—or should be—a well-established fact that the Nation is faced with a natural gas shortage.

The recent announcement by Washington Gas Light Co., that no new gas customers other than occupants of single-family dwellings could be accommodated is sobering news, indeed, but not unexpected by anyone who has followed the trend of events in the natural gas industry.

Since the Supreme Court decision of 1954 that led to the regulation of natural gas prices at the wellhead—the only major fuel under Federal price control—the handwriting has been on the wall.

Dr. Pinkney Walker, a member of the Federal Power Commission and a professional economist, said in a recent address that studies he has undertaken indicate that regulation of producers has not achieved socially or economically desirable results and is not sound public policy.

Commissioner Walker pointed to relationship between prices and discovery-and-development effort. During the period between 1946 and 1961 the average wellhead price of gas increased from 5.3 cents per M c.f to 15.1 cents. During that time the number of gas wells drilled increased 56 percent and gas well footage drilled increased 147 percent.

However, between 1961 and 1970, the average wellhead prices of gas increased only from 15.1 cents per M c.f to 17.4

cents. During this latter period there was a 41-percent decrease in gas wells drilled and a 32-percent decrease in gas footage drilled.

So, in spite of all the rhetoric as to what, or who, has caused the problem, we are faced with the fact of declining reserves while we continue to use more and more of this cleanest and most convenient of all fuels.

In his address at Houston to the National Association of Business Economists' seminar, Dr. Walker said he did not agree, despite its seriousness, with those who think the current gas problem is insoluble. And he did offer some specific suggestions on how we go about solving the problem.

First, he said, investments in energy in general and gas in particular must be made more attractive.

Mr. President, I know that other Senators are as much concerned with the gas shortage and the energy problem as I am.

In order that they, too, may have the benefit of Dr. Walker's study and recommendations for a solution to the gas shortage, I ask unanimous consent that a Wall Street Journal article about his address in Houston and the text of his speech be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

FPC COMMISSIONER URGES REGULATION END FOR GAS PRODUCERS— BUT PINKNEY WALKER SAYS MOVE SHOULDN'T BE COMPLETED DURING CURRENT NATURAL-GAS SHORTAGE

(By a Wall Street Journal staff reporter)

WASHINGTON.—Federal Power Commissioner Pinkney Walker resurrected a touchy agency issue by suggesting that the FPC end its 17-year-long regulation of natural-gas producers.

The commissioner, however, said that deregulation shouldn't be completed during the current natural-gas shortage.

Mr. Walker, who joined the five-member commission in May, said studies he has undertaken indicate that regulation of producers "hasn't achieved socially or economically desirable results" and isn't "sound public policy."

The commission since 1954 has regulated the prices producers charge pipeline companies for natural gas extracted from the ground, or the wellhead as it's called.

"My tentative findings suggest that the market for natural gas at the wellhead is substantially more competitive than the markets for a great many products which we have wisely decided not to regulate," Mr. Walker told a seminar of the National Association of Business Economists in Houston. The text of his speech was made available in Washington.

Mr. Walker said that in every natural-gas market there was more market concentration on the part of the buyers of interstate gas—the major pipelines—than there was on the part of the sellers—the major producers.

The commissioner said that if his studies support preliminary findings, he will urge the commission to "proceed immediately" to develop a "properly transitioned program" to decontrol wellhead gas prices.

The only previous commissioner who seriously suggested deregulation of producers was Carl E. Bagge, whom Mr. Walker succeeded. The other commissioners have opposed deregulation of producers. However, some commissioners, including Chairman John Nassikas, have said they favor a "sanctity of contract" requirement. Under such a contract, the FPC couldn't alter a sales agreement between a producer and a pipeline once it was signed. Currently, the commission can approve natural-gas prices between a producer and a pipeline and later change them if it wishes.

A NEW LOOK AT NATURAL GAS

(An address by Dr. Pinkney Walker, Commissioner, Federal Power Commission)

I think it is quite appropriate for a member of the Federal Power Commission to participate in your seminar on "A New Look at U.S. Energy". During the past two years or so the Commission has been going through a painful reappraisal of the natural gas situation. The objective of this reappraisal is to develop a "new look" at natural gas and to determine what are the appropriate regulatory policies and actions for this "new look".

The crux of the natural gas problem, as well as for most other energy forms, is a shortage of reliable domestic supplies. This shortage has in turn led to increased prices, increased imports and limited—at least limited at this time—rationing. These conditions are not kindly received nor easily understood by a nation which has been accustomed to plentiful supplies of domestic energy at relatively inexpensive prices.

Most of you are fully aware of the seriousness of the natural gas situation. But for the sake of perspective, I would like to cite very briefly a few facts. In 1946 the United States had a 32.6 year reserve of natural gas. By 1960 our proven reserves had declined to a 20.2 year supply and by 1970 they had fallen to an 11.9 year supply (excluding Alaska). From 1968 to 1970 consumption of natural gas nationwide was almost twice the amount of new gas reserves found and the gap was widening as the decade ended. The FPC Form 15 data show consumption of gas by interstate customers exceeding additions of new reserves by 3.1 trillion cubic feet in 1968, 7.4 trillion cubic feet in 1969 and 17.4 trillion cubic feet in 1970. As a result, some pipelines have already had to curtail their firm contracts, including a 12.5 percent across the board reduction of service in one recent case, and other pipelines expect to be forced to curtail service in the not too distant future.

This is not a very pretty picture. What were once thought to be unlimited supplies of natural gas at stable or even declining prices are now viewed by some as being inadequate at any reasonable array of prices. It is indeed ironic that our growing awareness of the gas supply problem has occurred almost simultaneously with our concern over the environment and, thus, at the very time when the clean burning characteristics of gas are so much in demand. Having realized the premium value of natural gas, there are now serious doubts about its availability.

The gas shortage has created a great deal of rhetoric as to what or who caused the problem. Although these discussions are interesting and provocative, I prefer not to dwell on them this morning. As a professional economist though, I lean toward an economic explanation of the problem. As Paul McCracken said in a speech here in Houston earlier this year when discussing the gas situation, "If prices are held below the market-clearing level, three results are almost inevitable. Discovery and development will be retarded. Demand will be encouraged where economic considerations would point to the use of alternative fuels. And to the extent that unmet demands must turn to other fuels, their prices will tend to be forced upward."

Dr. McCracken's observation concerning the relationship between prices and the discovery and development effort can be easily demonstrated. Between 1946 and 1961 the average wellhead price of natural gas increased from 5.3¢ per Mcf to 15.1¢ per Mcf. During that same period of time, the number of gas wells drilled increased 56 percent and the gas well footage drilled increased 157 percent. Between 1961 and 1970, however, the average wellhead prices of gas increased much less—from 15.1¢ per Mcf to 17.4¢ per Mcf. Associated with this more modest increase in prices was a 41 percent decrease in gas wells drilled and a 32 percent decrease in gas well footage drilled.

Despite its seriousness, I do not agree with those who think that the current gas problem is impossible of solution. My optimism—cautious though it may be—is founded on two considerations. First, granting that there is only a finite supply of fossil fuels, most data indicate that we are nowhere near the limits of that finite supply. In the case of natural gas, the Potential Gas Committee estimates potential gas reserves in the United States, including Alaska, at 1,178 trillion cubic feet. If this estimate is accurate, our potential reserves are about four and one-half times current proven reserves and more than fifty times total U.S. gas production in 1970.

The second reason for my cautious optimism is the inherent resiliency of the U.S. economy. It is indeed amazing to me that our market system is always able to bounce back from the most adverse conditions. We abuse it, we malign it, we interfere with it, but no matter how we treat it, it continues to expand and to provide us with an ever improving material standard of living. I have always wondered how much better it could perform if we had a little less active intervention and a little more benign neglect, to use a political adage of the day. I am confident that if the proper political and economic environment is created the market system will respond appropriately to the present energy situation and effect the necessary solutions.

I suppose my cautious optimism requires me to offer some specific suggestions on how we go about the job before us. In the case of natural gas, we must begin by acknowledging that the current shortages are just as much a matter of excessive demand for the commodity as it is of inadequate supply. As we move, toward a better supply and demand balance for natural gas, it will be necessary not only to stimulate supply but also to inhibit and possibly redirect demand.

Our objectives can be achieved by two parallel and mutually re-enforcing policy directions. First, investments in energy in general and gas in particular must be made more attractive. In our economic and political system the decision to invest or to not invest is a voluntarily matter and is made on the basis of which investment alternatives are most attractive. In the context of the gas supply problem, this means that producers, pipelines and others cannot be expected to invest in gas exploration and development and in the facilities that are required for transmission and distribution if the expected return on investment is less attractive, all things considered, than the return from alternative investment opportunities.

I should hasten to add that when I speak of making investments in the gas industry as attractive as other investment alternatives, I am not speaking of price alone. Obviously, prices are an important determinant and higher prices increase the anticipated investment return. But many other factors—the degree of risk and uncertainty, expectations concerning the regulatory climate, the costs associated with the regulatory process—these factors and others are weighed in the scales along with price when a decision whether to invest is being considered. Any proposal that would reduce such barriers to investment deserves our serious consideration. It was for this reason that I supported and still support the sanctity of contract provisions and the overall objectives of the Murphy Bill.

Second, we must make the consumption of energy in general and natural gas in particular less attractive. Stated differently, we must create incentives for conserving and using efficiently our remaining energy reserves and disincentives for utilizing these reserves recklessly or inefficiently. In the case of natural gas, the Federal Power Commission can work toward this objective in two alternative ways. First, we can determine administratively who should get the gas and perhaps how much each class of customers or geographical region should get. In other words, we could ration the existing and limited supplies of natural gas by administrative edict. The other alternative is to work toward an array of prices and rate designs which automatically perform the rationing function and which assure an economical and efficient allocation of this limited and premium resource.

There is a lot to be said for the latter approach. It allows the impersonal forces of the market place to determine who gets the gas and who does not. It forces the consumers of gas to make their decisions at the margin and to switch to alternative fuels where it is feasible and economically justifiable. It would encourage the conservation and efficient utilization of this premium fuel. Finally, it does not require arbitrary allocation decisions which may discriminate against some classes of customers and some geographical areas and in favor of others.

There are a number of ways in which the rate structure and rate design could be changed to achieve a more efficient and socially desirable allocation of natural gas. One approach with considerable merit is to modify the rate design so that industrial and commercial users of gas pay a price which represents the full economic value of this commodity. This could possibly be achieved by a reallocation of overhead expenses among the various classes of natural gas consumers. The ultimate objective would be to let the market system ration the existing scarce supplies of gas while at the same time preventing windfall profits. I would urge those of you in this audience who are most intimately affected to give this proposal careful consideration.

The final point that I would like to make this afternoon has to do with the deregulation of wellhead gas prices. I have initiated a number of studies on this subject. The preliminary evidence raises serious questions whether wellhead price regulation is sound public policy. The record of wellhead price regulation over the past decade and the current gas shortages provide substantial evidence that regulation of producers has not achieved socially or economically desirable results. In addition, my tentative findings suggest that the market for natural gas at the wellhead is substantially more competitive than the markets for a great many products which we have wisely decided not to regulate. The nationwide concentration ratio for the four largest natural gas producers, for example, is only slightly over 20 percent. By comparison, about half of the 1031 major manufacturing industries in this country have concentration ratios which are about double that amount. Furthermore, as one indication of entry and vertical mobility within the natural gas industry, between 1957 and 1969 only one producer of natural gas among the top ten at the beginning of the period maintained its rank throughout the period and five producers passed out of the rank of the top ten altogether.

Some of my studies also indicate that even when the regional buying and selling patterns of natural gas are considered, the degree of concentration does not justify wellhead price regulation. In the large South Louisiana market, for example, the largest producer controls about 11.4 percent of the interstate gas sold, the four largest producers control about 33.8 percent of the gas sold and the eight largest control about 54.9 percent of the total. Moreover, I found that in every market there was more market concentration on the part of the buyers of interstate gas—the major pipelines—than there was on the part of the sellers—the major producers.

Let me hasten to add that I am not so naive as to contend that in a time of serious shortage the pipelines could use this market power so as to effectively protect the public interest. In fact, I do not think it would be wise to move to complete decontrol during a period of supply shortage. The preliminary results of my studies indicate, however, that there are the basic ingredients for workable competition in the market for wellhead gas and that over the long pull the public interest would be better served if more and more of the prices and other conditions for wellhead gas were determined in the market place. If the final evidence supports these preliminary findings, we should proceed immediately to develop a properly transitioned program to decontrol wellhead gas prices.

Before concluding, I would like to point out that my suggestions as to how we go about solving the gas problem have related only to those general approaches available to the Federal Power Commission. Obviously, there are many other government agencies, federal as well as state and local, who will and must be involved. Some of the actions which require immediate attention are the possibility of even larger and faster offshore lease sells, the merits of a royalty system on the offshore leases versus the current bonus system, and swift resolution of the Alaskan pipeline situation. Also of considerable importance are the land use bills of the federal government and of the various states. We can only hope that these issues are appropriately and expeditiously resolved so that they do not further and perhaps inalterably aggravate an already serious energy situation.

Finally, I would leave you with one or two thoughts on what might be the repercussions for the energy industry of energy and gas shortages which are of a chronic and protracted nature. I am aware that there are those in industry and elsewhere who have concluded that the current energy shortages will prove beneficial for the industry over the long pull. The argument goes something like this. As the energy crisis becomes more severe and as more people and businesses experience hardship because of the crisis, public and political attitudes will become more sympathetic with the needs of the domestic energy industry. This in turn will lead to public actions and policies which are more in line with those desired by the domestic energy industry as being essential to its long term health and viability.

There may be a substantial element of truth in this line of thinking. But there also are substantial hazards involved. As many of you may know, there has already been speculation in the press that some industrial concerns may be closed during the coming winter because of gas shortages. Without conceding the accuracy of this speculation, let us assume for a moment that the situation could become even worse than has been indicated. Let us further assume that because of an abnormally severe winter, mechanical failures and other uncontrollable events, instead of limited closures of a few concerns, the shortages become so severe as to force a major portion of the industry in the Northeast or Upper Middlewest or elsewhere to shut down for an extended period of time. In other words, let us assume that a major segment of our economy is virtually stalled, with the resultant loss of jobs, payrolls and profits, because of inadequate energy.

Now I ask you to consider the possible political response to this hypothetical, but not totally unrealistic, situation. I do not know the answer. But is it not conceivable that the Federal government might decide that if the private sector cannot provide adequate and reliable supplies of energy perhaps the public sector should? Is it not conceivable that, in the emotional after shock of such a situation, the Federal government might decide to take control of large portions of the private energy industry in order to protect the public interest? Is it not conceivable that such a crisis would result in greater government control of the energy industry and less enlightened and less desirable government policies than currently exist?

What I am suggesting is that a sound program to solve the current energy problem is not likely to be forthcoming from the emotional atmosphere inherent in a crisis environment. For this reason alone, it is imperative that all of us move as expeditiously as possible to solve the energy problem before its very severity precludes a well thought out and economically rational solution.

Thank you.

STUDENT'S VIEW OF CANNIKIN

Mr. HUMPHREY. Mr. President, I invite the attention of the Senate to the statement released to the press by the National Student Leader's Task Force on Disarmament. It is a well-reasoned, constructive statement which indicates the concern of our young people for halting the arms race. This task force is made up of student body presidents across the country, assisted by the Student National Educational Association which has the largest paid student membership of any organization in the United States with over 80,000 members. The student leader members of this task force have carried on intensive research in the field of arms control, and their statement, I ask, Mr. President, unanimous consent to have printed in the RECORD, makes important points worthy of everyone's consideration.

Cannikin is over, but the long term effects are not. The best thing which can be done now is to have our Government take the initiative by calling for a comprehensive test ban treaty and publicly recognize the comparatively marginal value in strategic terms of continued underground testing. Cannikin should become the symbolic end of our testing program and the symbolic beginning of a new arms control program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NATIONAL STUDENT LEADER'S TASK FORCE ON DISARMAMENT

We raise our voices today in the hope that the President will turn from his unwise decision to hold the nuclear blast "Cannikin" on Amchitka. This devastating blast wields a power that is 250 times as lethal as the Hiroshima bomb and is the largest yet detonated by the United States.

We are strongly opposed to this blast for the following six reasons:

1. Radioactive venting or leaking of radioactive substances is feared by many environmentalists. Nuclear blast "Long Shot" that was exploded on Amchitka in 1968 leaked radioactive Tridium into surrounding around water a full two months after the test. If this debris leaked out into the Bering Sea the 60 million dollar Alaskan fishing indus-

try would be in peril. The most important point to be made in terms of radioactive venting is that it violates the 1963 Test Ban Treaty, that is so important to international stability.

2. In 1968 the Ad Hoc Panel on the Safety of Underground Testing (prepared by the President's Office of Science and Technology) pointed out possible earthquake risks when dealing with blasts of the magnitude contemplated for Amchitka Island.

3. Tsunamis, or earthquake-induced tidal waves, are another fear. The Alaskan earthquake of 1964 induced a giant wave which killed many people and did much damage in Crescent City, California.

4. A little discussed risk is that of nerve gas leakage. It is thought that several thousand tons of war gas (mustard and Lewisite) were dumped off Amchitka and Shemya Islands after World War II. Could a quake disturb these dormant gases?

5. The SALT Talks may be nearing a crucial juncture where a ban on underground testing is achievable. To blast Cannikan would jeopardize these talks.

6. The argument for the blast for "national defense" is false for the following reasons.

a. The Cannikan blast is to test the Spartan warhead, which is used in the area defense part of the ABM system. The function of area defense has been changed under the new Safeguard system to silo defense.

b. The SALT Talks seem to be moving in the direction of a limited ABM which would restrict the ABM from defense of large geographical areas.

We conclude with the acknowledgement that the Cannikan test will help to further alienate the American people from their President. It also reaffirms the Administration's role as raper of the environment. We as a nation can only hope and work for the day when we have leaders who will restore Amchitka to its rightful status as Wildlife Refuge and thus bar all arms from handguns to city busting nuclear bombs on the island.

Submitted by: Michael A. Hackard, Student Body President, Sacramento State College; and Willis Edwards, Student Body President, California State College at Los Angeles.

UNSANITARY CONDITIONS IN POULTRY PLANTS

Mr. RIBICOFF. Mr. President, the GAO has today provided me their report on the results of their latest inspection of poultry plants. GAO investigators found that American families are buying and eating poultry that has been slaughtered and packaged in factories crowded with filth and refuse.

Some 68 plants were inspected, approximately 1 out of every 5 plants in the Nation. The plants inspected produced over a billion and a half pounds of poultry for American kitchens last year. Some have been inspected previously by the GAO and found unsanitary. Others were picked at random. All 68 were found deficient in various areas. The Department of Agriculture has agreed to supply me within 24 hours the names of these plants and a report on their present conditions.

The conditions in many of these plants are deeply disturbing. An official U.S. Government inspector described one plant as having areas that "gave the appearance of a cheap horror movie scene." Sanitation is described in this plant as "nonexistent." And yet these plants remain open and continue to process food for our table.

The agency responsible for inspection of poultry plants is the Consumer and Marketing Service of the Department of Agriculture. In September 1969, I released a GAO report that showed the failure of the Agriculture Department to assure decent standards in poultry plants. In June 1970, I released a GAO report that showed that the Department's sanitation standards for meat plants were being grossly ignored. Now, once again, evidence emerges that the food Americans eat comes out of unsanitary plants and slaughterhouses.

The GAO report concludes that the Department of Agriculture has failed to enforce its regulations. In one case, a local inspector recommended that a plant repeatedly found in violation of established standards be closed. He was overruled by another official in Washington. The plant stayed open. Another Agriculture Department inspector who had reported violations was threatened by the plant manager.

The GAO concluded that many of the sanitation deficiencies appeared to have existed over a long period of time. The GAO stated its opinion that—

This situation is indicative of a lack of strong day-to-day enforcement by the agency's plant inspectors and a lack of effective supervisory review. Weaknesses in the agency's enforcement of sanitation standards may be widespread.

For several years I have been trying to find ways to prod our regulatory agencies into action. In addition to the questions I have tried to raise about unsanitary conditions in food plants, I have recently held hearings to look into the dangers raised by the addition of inadequately tested chemicals to our foods. I have also released reports on the inadequacy of Federal regulation of vaccines and on the lack of supervision over the use of experimental drugs on human subjects.

It is time for the American people to demand something better of the agencies that are supposed to be protecting our public health. It is time for agencies such as the Department of Agriculture to explain their repeated failures to enforce minimal standards of hygiene and cleanliness in food plants.

Perhaps we will need new legislation. Perhaps the regulatory structure that is not doing its job ought to be reorganized or abolished and new organizations created which will live up to their responsibilities to the public.

Early next year my Government Operations Subcommittee on Executive Reorganization and Government Research will hold hearings to look into the way the agencies that regulate food and drugs have been operating and what we ought to do about them. It is not only the Department of Agriculture that has failed its job, but many others as well.

Until we have agencies that enforce their standards, American consumers cannot be sure that their food is safe or pure, or even clean.

For too long we have tolerated totally unnecessary dangers to our health and safety. We are out of patience with bureaucratic excuses. We have heard too many of them already. If the people and the agencies we have now cannot do the job, we will have to find new people and new institutions that can.

I ask unanimous consent that the letter of the Comptroller General of the General Accounting Office to me relating to this report and the summary of the report be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., November 16, 1971.

Hon. ABRAHAM A. RIBICOFF,
Chairman, Subcommittee on Executive Reorganization and Government Research, Committee on Government Operations, U.S. Senate

DEAR MR. CHAIRMAN: Enclosed for the use of your Subcommittee is a copy of our report pointing out that the Consumer and Marketing Service's enforcement of Federal sanitation standards at poultry plants continues to be weak. The Consumer and Marketing Service is a constituent agency of the Department of Agriculture.

The report includes recommendations to the Secretary of Agriculture that (1) he reevaluate a recommendation made by Department of Agriculture consultants that the Department establish a separate agency for its consumer protection programs and (2) he explore other and more immediate avenues to improve and emphasize the importance of enforcing sanitation standards.

Because of the importance of proper enforcement of sanitation standards to the consumer, we are also suggesting in the report that, in connection with measures now before the Congress which bear either on the issue of consumer protection or on the food inspection programs of the Consumer and Marketing Service, the Congress consider the possibility of transferring the meat and poultry inspection functions of the Consumer and Marketing Service to a new or an existing department or agency where they could be combined with other consumer protection functions of the Government.

Comments of the Department of Agriculture on these matters have been obtained and are included in the report.

Regarding your interest in an identification of the plants we visited during our review, we understand that the Department of Agriculture will furnish the names of the plants at your request.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

CONSUMER AND MARKETING SERVICE'S ENFORCEMENT OF FEDERAL SANITATION STANDARDS AT POULTRY PLANTS CONTINUE TO BE WEAK

DIGEST: WHY THE REVIEW WAS MADE

The General Accounting Office (GAO) made this follow-up review at poultry plants to determine whether the Consumer and Marketing Service had improved the enforcement of sanitation standards after GAO's earlier reviews. This review covered 68 federally inspected plants, including 17 of the 40 plants GAO covered in its prior review and 51 plants selected at random from five of the leading poultry slaughtering and processing States. The 68 plants accounted for about 19 percent of the 13 billion pounds of poultry slaughtered in the United States in calendar year 1970.

FINDINGS AND CONCLUSIONS: ENFORCEMENT OF SANITATION STANDARDS STILL WEAK

Following GAO's earlier reviews, the agency took some actions to improve the enforcement of sanitation standards, including:

Sending letters to its inspection program employees, including plant and supervisory inspectors, clearly outlining inspection objectives and sanitation procedures and assuring each employee full support for his efforts in enforcing sanitation standards.

Issuing revised procedures, forms, and instructions, including criteria for withholding or suspending inspection to assist inspectors in carrying out the agency's policies.

The actions taken by the agency have not been successful in achieving adequate enforcement at the plants GAO visited. For each of the 68 plants, supervisory inspectors, who accompanied GAO and evaluated each plant for compliance with the agency's standards, reported some deficiencies. The types and extent of the deficiencies, classified as either minor variations or unacceptable conditions, varied from plant to plant.

The evaluations showed that unacceptable conditions:

Continued to exist at most of the 17 plants covered in GAO's prior review. In many cases the conditions were similar to those previously noted.

Existed at most of the 51 randomly selected plants. At many of these plants, the conditions appeared to be of a long-standing nature and were similar to conditions noted at most of the 17 plants.

Four case studies illustrating the types of sanitation problems at the plants GAO visited are included on pages 19 through 39.

After most of GAO's fieldwork had been completed, the agency implemented a revised regulation providing criteria on the amount of moisture which may be absorbed and retained in poultry during processing. When the amount of moisture absorbed is determined to be above the specified limits, the inspector is to require that all poultry processed be held and drained to acceptable levels. Because of the timing of the regulation's implementation, GAO did not determine how well it was being implemented.

CONCLUSIONS

Many of the sanitation deficiencies appeared to have existed over a long period. In GAO's opinion, this situation is indicative of a lack of strong, day-to-day enforcement by the agency's plant inspectors and a lack of effective supervisory review. Weaknesses in the agency's enforcement of sanitation standards may be widespread.

Adequate criteria and policies now exist for enforcing sanitation standards. Such criteria and policies, however, provide only a basis for improving enforcement. In the final analysis the effectiveness with which sanitation standards are enforced depends on the resolve of the agency's employees at every level—from plant inspectors to Washington officials.

Ways must be found to demonstrate convincingly to the agency's inspection employees that consumer protection is the main objective of enforcing sanitation standards and that strict enforcement of such standards is essential.

RECOMMENDATIONS OR SUGGESTIONS

In August 1970 two consultants hired by the Department of Agriculture completed a study of the agency's consumer protection programs. The consultants recommended a number of changes for reorganizing the programs. Most of the recommendations were adopted; however, one recommendation—that a separate agency be established within the Department for consumer protection programs—was not. The consultants stated that the recommendation was predicated on their belief that:

There is an inherent difference between the nature of the agency's marketing activities and that of its consumer protection activities which creates an internal conflict.

Consumer protection is so large an area and has such complex problems that it needs a full-time administrator.

GAO recommends that the Secretary of Agriculture reevaluate the consultants' recommendation because GAO believes that implementation of the recommendation would demonstrate convincingly that the Department was placing emphasis on consumer protection.

GAO recognizes that, should the Department adopt the consultants' recommendation, its full implementation would take some time. Also, if a separate agency were established within the Department, many of the employees now responsible for enforcing sanitation standards would continue to be responsible.

For these reasons GAO recommends also that the Secretary explore other and more immediate avenues to improve and emphasize the enforcement of sanitation standards. Such avenues might include an intensification of efforts already under way to strengthen supervision and to improve the training of inspection employees as well as increased use of disciplinary action when inspection employees do not meet their responsibilities.

AGENCY ACTIONS AND UNRESOLVED ISSUES

The Department (see app. I) said:

That it initially decided not to adopt the consultants' recommendation to establish a separate agency because the consultants had stated that the meat and poultry inspection program also could function within the existing agency and because one advantage of keeping it there would be that separate administrative support functions would not have to be developed.

That the agency was attempting to respond in specific ways to deficiencies in its supervisory structure which had been totally inadequate and was taking or planning other actions to improve the enforcement of sanitation standards.

That the merits of establishing a separate agency should be considered but that, in its judgment, it would be a grave error to consider the creation of a new agency until the actions already under way and others being planned had been given a reasonable time test.

MATTERS FOR CONSIDERATION BY THE CONGRESS

The Congress may wish to consider the matters discussed in this and earlier reports in connection with a number of measures now before the Congress. These measures include bills to establish a separate Department of Consumer Affairs and the President's Reorganization Plan which would transfer the agency's poultry and meat inspection activities to a proposed Department of Human Resources.

NOMINATION OF WILLIAM H. REHNQUIST TO THE SUPREME COURT

Mr. TAFT. Mr. President, I take this opportunity to address the Senate on the pending nomination of William H. Rehnquist to the Supreme Court. The Judiciary Committee has now completed hearings and I have followed the reports from these hearings closely, and I have met and examined Mr. Rehnquist personally. I am convinced that his credentials are superior. I hope we will soon have before us the confirmation of this receptive, brilliant, and dedicated man whose academic and legal background reflect his outstanding qualifications and competency.

Some witnesses before the Judiciary Committee opposed Mr. Rehnquist's nomination and urged that he not be confirmed by the Senate because of his alleged philosophical beliefs. They speak as advocates of special interests and concerns and that is their privilege and duty. They should understand that Mr. Rehnquist was the Assistant Attorney General in charge of the Office of Legal Counsel. In that position he was the advocate for the Department. He spoke frequently before committees of Congress and in other public forums in defense of and in support of President Nixon's policies, actions, and programs. His job was to convince his audience and listeners that what he urged was indeed legal and proper.

Some suggest that some of these positions demonstrate that Mr. Rehnquist is not sensitive to the civil liberties and individual rights of our citizens. I do not believe this to be true. Mr. Rehnquist has stated publicly that he will render judgments on the law and will not interject any personal feelings or previously adopted legal positions into his decisions. This is as it should be with any Justice on the Court.

I urge speedy action on this nomination.

AMERICAN PRISONERS OF WAR

Mr. KENNEDY. Mr. President, we have heard so many optimistic reports recently about the situation in Indochina—about the number of American troops that have been withdrawn, and how "only" six or eight or 10 GI's now die each week—there is a growing temptation to forget our other troops in Indochina who are not being withdrawn: the American prisoners of war.

All of us in Congress have, of course, shared the frustration of the families of American prisoners of war and those missing in action. We know their frustration over the lack of progress that has been made in obtaining the prisoners' release from the many letters we receive each day from relatives across the Nation.

I felt this today from a most eloquent letter I received from the parents of an American prisoner of war from New Jersey—Mr. and Mrs. Edward Miller, whose son has been held prisoner for 3½ years. They write that they "Would be less than frank if we did not admit that at times we are disheartened at no visible sign of a plausible administration effort aimed at prisoner release."

Mr. President, I invite the attention of Senators to the letter Mrs. Miller has addressed to the President and the Congress and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FRANKLIN LAKES, N.J.,
November 15, 1971.

DEAR MR. PRESIDENT AND MR. CONGRESSMAN: My son has been a prisoner of war in North Vietnam for 3½ years. Today he is spending his fourth birthday as a prisoner of war. Many of his friends have seen their 5th, 6th and 7th birthdays as prisoners.

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If my son could pick up the phone and ask you, Mr. President and Mr. Congressman "What are you doing, sir, to get us out of here?" could you in good conscience say that you really have tried?

And if, in spite of no tangible government plan to obtain their release, some of these men eventually do make it back, and they ask "What took so long?" will you in good conscience be able to give a reasonable explanation?

These men, without complaint, did their job and did it well. Don't they have a right to expect you and all of us to do our job equally well, in this case, to find a way to obtain their release?

Sincerely,

HELEN C. MILLER.

CLARENCE RUPP

Mr. DOLE. Mr. President, today in Wichita, Kans., the Kansas Farm Bureau is holding its annual meeting. This is always an outstanding event on the calendar of Kansas agricultural interests, because the farm bureau has played a leading role in building Kansas reputation as America's wheat State and one of its most important agricultural producers. Kansas farmers have always been in the forefront in the successful application of modern agricultural technology, in the conservation and wise use of the State's great natural resources and in the building of a productive and rewarding way of life in Kansas for themselves, their families and their fellow citizens. The Kansas Farm Bureau has been a continuing positive influence in Kansas agriculture, working not only in behalf of its own members but in behalf of the best interests of all Kansas farmers. This record of high purpose and constructive contribution to the well-being of Kansas farmers is an outstanding achievement for the farm bureau, but even more than an institutional accomplishment, it is a monument to the work of one man, Clarence Rupp, who has served as director of research for the Kansas Farm Bureau for the past 25 years.

Clarence Rupp is retiring this year, and the farm bureau is devoting part of its annual meeting to a salute to him for his unique and priceless contributions to their organization and to all the farmers of Kansas. For a quarter of a century, Clarence has traveled the State to visit farmers, learn their problems, and help them achieve solutions which will mean a better livelihood for themselves and a more productive American agricultural system. He has been one of their most effective and respected advocates with State government and with the Kansas congressional delegation. I became closely acquainted with Clarence when I served as a State legislator and as a Congressman from Kansas' largest and most predominantly rural district, and I have continued to rely upon and appreciate his informed, constructive, and dedicated efforts in behalf of his membership and the rural community.

The Kansas Farm Bureau will not seem the same without Clarence Rupp, but while he is stepping down from his formal post, I know he will have an active retirement and will continue to take a busy part in the affairs of Kansas farmers and agriculture within our State. His many friends around the State will miss him in his familiar role, but all, I am sure, wish him well as he retires.

I add my personal congratulations for a job well done and call the attention of my Senate colleagues to Clarence Rupp's career as an outstanding example of why American agriculture and the citizens of rural America have been and continue to be such a vital, important, and valuable part of our Nation's heritage.

THE TRAGEDY IN ULSTER—III—THE LETHAL ARITHMETIC OF ULSTER INTERNMENT

Mr. KENNEDY. Mr. President, perhaps the most bitter irony of the internment policy that was instituted in Northern Ireland last August is that the policy was supposed to help the local security forces to bring the sporadic violence under control. Now, tragically, we see that the streams of blood have become rivers, and that a new wave of killing and violence has been triggered by the internment policy.

The point is made dramatically clear in a recent article by Mr. Lewis Chester in the London Sunday Times in the issue of November 7, 1971. As the article states, since the adoption of internment, every important index of violence has increased. As measured by six different indices in a table accompanying the article, there has been more death and violence in Ulster in the past 3 months alone—some times substantially more—than there was in the preceding 7 months. Thus, more British soldiers have been killed and injured, more local police have been killed, more civilians have been killed, and the bombing has been heavier and more frequent in the period from August through October than it was in the period from January to July.

As the article points out, these figures strongly suggest that the policy of internment may actually be counterproductive even on its own terms, since internment may well be fueling the violence instead of reducing it. Surely, in light of figures like these, there can be no justification for a continuation of this cruel and repressive policy.

Mr. President, I ask unanimous consent that the article and accompanying table, published in the London Sunday Times, be printed in the RECORD, together with two other articles from the same issue—one written by James Margach, giving a breakdown of persons held under the internment policy, the other written by Brian Moynahan, providing a vivid description of the violent conditions that British patrols now face on the streets of Belfast.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Sunday Times, Nov. 7, 1971]

THE LETHAL ARITHMETIC OF ULSTER INTERNMENT

(By Lewis Chester)

You can prove anything with statistics except, it appears, the elusive proposition that the policy of internment in Northern Ireland has succeeded in containing terrorist violence.

The figures in the table are all drawn from official sources. The pattern they display is depressing when one recalls that the justification for internment, introduced on August 9, was that it would enable security forces to get at the hard-core militants, the gunmen and the bombers. It effectively deprives "suspects" of elementary democratic rights, but it was adopted as a last-resort policy for containing violence.

Since its adoption, every important index of violence—number of security forces killed and injured, number of civilians killed, number of explosions—has risen with great speed. The escalatory point is best estbalished by a comparison of the figures for the first seven months of this year with those for August, September and October.

During the past three months, 86 people were killed compared with 27 during the preceding seven. Of the 33 British soldiers killed, 23 have died since the beginning of August. Of the nine RUC policemen and Ulster Defense Reserve personnel killed, seven have died since August 1. Of the 171 soldiers injured, 104 have sustained their injuries since that date. Of the 700 bomb explosions, over half have occurred since internment. And the bombs are getting bigger. Of the 9,000 odd pounds of explosive used, over 6,000 have been deployed in the past three months.

The Home Secretary, Mr. Maudling, recently turned down the idea of changing the internment policy on the grounds that it would not be in anyone's interests "to release upon the streets of Belfast people who would join the ranks of the murderers."

But the figures point in a different direction. Paradoxically, it seems that the process of "lifting" suspected murderers may lead to a *higher* murder rate. For example, last month 15 members of the security forces were killed, 10 more than in any month prior to internment. Yet throughout October there were around 350 "IRA suspects" under some form of detention without trial. They, at least, could not have committed the reported murders.

The army argues firmly that internment has been a *military* success. They buttress this claim with a different set of statistics which show their progress in locating weapons caches since August 9. Of the 124 rifles picked up this year, 58 have been located since internment, as have nine of the ten machine guns, 84 of the 169 pistols and revolvers, 26 of the 66 shotguns and over 20,000 of the 60,000 rounds of ammunition.

This is encouraging but only up to a point. The virtual impossibility of sealing the border means that illegal weapons can be replaced.

The other important army claim is that since internment they have been able to assist in the arrest of 588 "wanted men," many of whom are now under detention or interned.

In strict military terms, of course, this is another gain but when viewed in relation to the figures for violence it may represent a net political loss. At present, the official figures provide ammunition for those who argue that internment as a policy has been counter-productive, and that this method of neutralizing gunmen has succeeded in creating a new breed of gunmen who did not exist before.

It may be, of course, that what we are now witnessing in Ulster is a last desperate stand by the terrorists before the military imposes its authority. This outcome, however, is not yet reflected in the statistics.

CASUALTIES IN NORTHERN IRELAND

1971	January	February	March	April	May	June	July	August	September	October
Number of British soldiers killed	0	3	3	0	2	0	2	6	6	11
Number of British soldiers injured	5	28	5	5	6	3	15	36	34	34
Number of R.U.C. and U.D.R. killed	0	2	0	0	0	0	0	1	2	4
Number of civilians killed	3	6	2	0	2	0	2	28	11	17
Number of explosions	12	28	33	37	47	50	91	103	173	107
Poundage of explosive used	150	380	231	265	365	519	1,408	1,349	2,292	2,381

[1] Internment introduced August 9.

Note: Figures do not include November casualties.

[From the London Times, Nov. 7, 1971]

ULSTER: 882 HELD, 476 RELEASED IN 3 MONTHS

(By James Margach, Political Correspondent)

Official figures from 10 Downing Street last night reveal for the first time that the number of people rounded up in Ulster—882 in all—in the three months since the controversial emergency power's swoop of August 9 is substantially higher than estimates had suggested. Equally surprising, more than half—476—have already been released.

The figures indicate that the security forces have been casting the net pretty wide in their effort to bring in the gunmen and the bombers of the IRA, and that arrests are still going on at a high rate. But the quick release of 54 per cent does point to a rather poorer flow of intelligence than the Army has been claiming. This is the balance sheet of the 882 arrested:

Released without detention order	416
Released after detention order	50
Released on Advisory Committee recommendation	8
Released from internment on RUC recommendation	2
Total released	476
Held under Regulation 10	16
Held under detention order	112
Interned	278
Total held	406

Regulation 10 of the Special Powers Act authorises the arrest without warrant and *detention for not more than 48 hours* of any person for the purpose of interrogation.

The Advisory Committee has considered the cases of 99 internees; and made 10 recommendations for release, of which eight have been accepted by the authorities and two are being considered; 22 reviews were made on request by people concerned and 77 as part of the general review of all the cases. In addition, 317 people have been charged under the regular laws with offences arising from civil disobedience and causing affrays.

In spite of an impression to the contrary that might have been given by the issuing of such a detailed analysis from Downing Street, Ministers were insistently denying yesterday that the Government was moving towards either direct rule of Ulster from London, or establishing a new Irish Office in Whitehall, under a senior Cabinet Minister, to integrate all policies, civil and military, for Ulster.

"These reports are complete nonsense," a senior Cabinet Minister said to me, "and they can only spread confusion and uncertainty among all sections of the two communities. The Government's policies for dealing with Ulster will not be amended or modified in any degree—the Prime Minister has already declared his personal determination to see this crisis through to a successful and peaceful solution."

Direct rule, I was told, "would be the final catastrophe and would imply a disastrous breakdown not only in the Parliamentary and Government system at Stormont, but of all the public and civil services as well."

Another Minister told me: "The idea that you can impose a solution, by introducing direct rule, is pure fantasy. The only people who would rejoice at direct rule would be the IRA gunmen; for them it would be a great victory, but for the two communities it would bring only despair and probably precipitate violent reactions among the Protestant majority in protest. The Protestants would be infuriated at what they would regard as surrender to gun law."

It is stressed in Whitehall that a new Irish Office on the lines of the Scottish and Welsh Offices would be of little value. Four senior Cabinet Ministers—the Prime Minister; Mr. Reginald Maudling, Home Secretary; Lord Carrington, Defense Secretary; and Mr. William Whitelaw, Lord President—meet almost daily on Ulster. Permanent officials of departments are in daily conference.

Ulster was tense yesterday following the shooting of a mother of five in Londonderry. Four explosions shook the centre of Belfast—one in a garage, where three men gave a girl petrol pump attendant only 20 seconds to get out. Meanwhile the Police Wives' Association at Armagh sent a strongly-worded letter to Mr. Maulding, the Home Secretary, demanding better protection for RUC men, who, they say, are being sent "on suicide missions daily." In the village of Carrickmore, Co. Tyrone, troops yesterday found what the Army believes to have been an IRA bomb-making factory. The haul included 75 lb of explosives, 1,500 ft of fuse wire and 400 detonators.

[From the London Times, Nov. 7, 1971]

NEW BELFAST BATTLE WEAPONS

(By Brian Moynahan)

NOTE.—As the political argument about the Army's role in Ulster grows, the situation on the streets is worsening. Brian Moynahan has been on foot-patrol with the 3rd Queens and the Greenjackets to see how the soldiers are dealing with a type of harassment unique amongst the world's trouble-spots.)

Whitewash is the latest weapon in Belfast. In the Catholic Lower Falls it is daubed on the walls to head height only. It is concentrated on corners and on the sides of the streets that are exposed to sniper fire from the Divis flats which overlook the area.

In short, it has effectively exposed troops at all the points where they are most at risk during night foot-patrols. Last week, jumping from a "pig," an armoured personnel carrier, to start a patrol with a platoon of the Green Jackets, we ran across Lincoln Street. The white paint picked us out immediately. It got us again at the next crossing at Leesom Street, traced us along Cape Street and silhouetted us in Quadrant Street.

There aren't many street lights left in the Lower Falls. Whenever there is shooting, the troops go for the lamps. "Half the rounds we fire are aimed at the lamps," said one rifleman. When they are lit everyone runs past them to the next doorway. Car headlights are used to spotlight troops. A car stopped in Cape Street last week pinpointing the two lead members of the patrol. The first man immediately crossed to the dark side, the other aimed down the beam at the windscreen. The lights went out. "Once we had them on cars, they started on the paint."

Noise is another factor. As soon as you are out of the "pig," whistles blow. They follow you down the streets, marking your position. They are blown behind you to get you to turn; round, blown just as you run across a junction. Football rattles and dustbin lid drumming begins, and is picked up in the other streets. Women sing—"There won't be many of you going home"—and that too is echoed around you.

The "verbal aggro" starts within a few seconds, first from the windows, and then street doors open and women come out and shout. "You f---ing British yellows, your wives are having black bastards in Britain, but you'll never see them. We're waiting for you in Milan Street, you f---ing yellows." "Tell them in Milan Street the f---ers are coming."

Physical "aggro" is planned and dangerous. The army claims that every street in the Lower Falls has a "stag list"—around the clock rota of women to organise and coordinate resistance to patrols. They give the first whistle warnings. Then they try to cut off the patrol at the rear, and if possible split it in two by getting up the middle of the street.

Last week it was raining and only about 40 women followed. They tried to cut off the last man. But last month patrols of 30 men were often nearly swamped by crowds of over 200 women and children, pushing them down the narrow streets with bricks. It is a time the troops hate. It is often the prelude to a gun or nail bomb attack and with their concentration on the crowd and its hysteria they feel claustrophobic and helpless. They cannot open fire with women around them.

Suddenly the women disappear. "It's incredible how fast they do it; their front doors are never locked, I've seen a hundred women disappear in a few seconds, and immediately the real trouble starts," said the platoon leader, 26-year-old Sgt. Anderson. As the crowd evaporates, the sub machine gun bursts or bombs come in: sometimes from behind where the crowd has been, sometimes from the other end of the street. Often nail bombs are thrown over the houses from the parallel street.

But the single gunman is most common. He chooses a long straight street, firing his bursts from a street corner at least 300 yards from the patrol. He runs off down a side-street, immediately hands over his weapon to a "keeper," and . . . "by the time we get on to house searches he'll have his feet up in front of the telly watching Match of the Day or something," says Sgt. Anderson.

With the sniper, the range normally goes up to 700 yards, firing from a high block of flats. The Third Queens, who are responsible for the Falls and adjoining areas, think they have pinpointed a regular sniper's position in a flat on the fifth floor of one of the Divis blocks. But returning fire against an uncertain target in a crowded block is not encouraged.

Gunmen working in pairs or fours concentrate on areas of open ground that patrols have to pass, one trying to kill the lead man in the patrol before he can give cover to the No. 2, who becomes the target for the other gunman. If the patrol has

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moved down too far to be still securing the street corner in its rear, gunmen working in a group can attack it simultaneously from there.

Ambushes are normally based on hoax telephone calls, reporting bombs or stolen cars.

Short streets with limited cover where troops will tend to bunch up, but with easy exit for the gunman to a safe house or to a car, are chosen. Ambushes are usually set near crowded major streets to make the troops feel less isolated, and so more relaxed, and to make it easier to drive off after the burst is fired.

The IRA has its successes operating like this: 24 troops were wounded or killed in the Belfast area in September, 33 last month. But tactics work both ways. The Lower Falls are not patrolled at night in less than section strength. "When you're in there, you feel the odds must be with the gunman It's a maze of streets. He can run anywhere," said Sgt. Anderson.

But how does he feel? "He's got 30 people against him much better armed and trained. We vary everything the whole time, so he's no pattern to work on. He doesn't know what streets we'll move into, what cover we have. We have to get him to the stage where he just wants to get his burst off on spec, and then get out."

Route patterns and timing are never the same. Last week's platoon was split into two, working on an interlocking U pattern for maximum support. When one section moved up a street, the other was moving down another parallel street two away. Sometimes it is one away, sometimes three.

Direct cover is given on crucial intersections from different corners. Some women ran across the top of a street to give the other section "provocations" which turned out to be purely verbal, quite unaware that any gunman behind them would have been covered.

The noise, the whistling, and the obscenities are almost encouraged. "Hoax" patrols—troops clambering out of a "pig," walking down one street, and picking up the transport at the bottom—are used on the theory that sooner or later the people will simply get tired of being kept up all night shouting at patrols that may not be there.

But the provocation that troops have to put up with without retaliating is intense, particularly in situations which seem to be the prelude to shooting. Three men in the Falls refused to be searched. One grabbed the wireless operator's set and tried to drag it off him. Immediately women came out of houses and milled round him. The rest of the section was against whitewash and visible from the Divis Flats.

Dustbin lids started banging. Two riflemen ran across the street, but could not get through the women. They were jostled back into the middle of the street.

The sergeant ran over—"Move it. I said bloody move it." They were getting bunched up. A car drove slowly past the top of the street, and the "car men" (the riflemen who cover all cars and particularly the tipper trucks the IRA now uses as its armoured cars) knelt and swung with it. The whole feeling was to turn away from Divis.

A rifleman was kicked, hit the man with his rifle butt, and forced his way through the women. The sergeant came back—"Thank God it's raining or we would have had a hundred of them." The man who was cracked by the rifle walked off without a stagger. By Belfast standards it was not even a minor incident.

MERLIN K. DUVAL, M.D.

Mr. GOLDWATER. Mr. President, I should like to take note of the fact that one of our most distinguished Arizona physicians, Dr. Merlin Kearfott DuVal, dean of the College of Medicine at the University of Arizona, has been named to head the office of Assistant Secretary for Health and Scientific Affairs in the Department of Health, Education, and Welfare.

Doctor DuVal, a surgeon and teacher, is an uncommonly fine selection for the difficult job of trying to pull together the uncoordinated health efforts of the Federal Government. We in Arizona know Dr. DuVal's enormous capability, and it is with reluctance that I say today that Arizona's loss is the Federal Government's gain.

I ask unanimous consent that an article on this unusual medical man, published in the November 1 issue of the magazine Modern Medicine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONTEMPORARIES

(By Merlin K. DuVal, M.D.)

When the office of assistant secretary for health and scientific affairs was created four years ago in the Department of Health, Education, and Welfare, Merlin Kearfott DuVal was building a medical school in Arizona.

Some argue that events conspired to make the office unmanageable—the 1968 elections, a change of administrations and with it a long delay in appointing an assistant secretary, a delay that caused dissipation of power as agencies reestablished direct ties to Congress and to other high level officials—and there are some who maintain that the office came with built-in limitations, that the job itself is on trial, not the political appointee who holds the office.

Now the mantle has fallen on Dr. DuVal, dean of the College of Medicine at the University of Arizona and a surgeon, teacher, onetime student of music, and man who knows something of the techniques required for survival around legislative halls.

The assignment was given to him—"in effect, I was drafted"—through a kind of odd-man-out agreement between medical administrators who were sought for the post.

"If anybody can pull together the uncoordinated health efforts in the 'H' of HEW, Monte DuVal is the guy to do it," observes Duke University's William G. Anlyan. He sees Dr. DuVal as "one of those rare people" with a blend of ability and diplomacy—and enough of each to move effectively in Washington's often hostile climate.

Even though the office wasn't designed for a pianist-composer, the doctor's earlier preoccupation, someone with a knowledge of harmonics may be needed to make this elephantine bureaucracy swing.

After a few months in residence, Dr. DuVal is "beginning to have an impression that the job is do-able," conceding at the same time, however, that he hasn't yet been tested. In any case, the job is "whatever the individual in it makes it."

He succeeded Dr. Roger O. Egeberg as assistant secretary because the Administration—specifically HEW Secretary Elliot Richardson—wanted "additional strengths brought to this office, something in addition to those Dr. Egeberg already is supplying." Dr. Egeberg remains in HEW as an adviser to Secretary Richardson.

Not the least of these new strengths is a firsthand knowledge of the legislative processes, gained as a medical school emissary to state officials and members of the Oklahoma legislature from 1957 until 1964.

The 48-year-old surgeon, born and schooled in Montclair, N.J., found himself pointed toward Oklahoma in the summer of 1956—"and I didn't even know where Oklahoma was"—when someone he had met only once in his life asked him to go there. He did, for a position as associate professor of surgery at the University of Oklahoma School of Medicine, leaving behind a vacancy for an assistant professor of surgery at State University of New York School of Medicine in Brooklyn.

He taught surgery and involved himself in clinical research with special attention to the pancreas and biliary tree. By 1960 he had become professor of surgery and vice-chairman of the department, and two years later he was made assistant director of the University of Oklahoma Medical Center.

But something else happened to him on his way to Arizona and Washington, D.C.

"Well, I branched out," he said. "I found that I had an interest in working in the community."

It began in the Chamber of Commerce, on whose board he served, and moved from there to a group struggling to modernize Oklahoma City's government. That effort met with enough success to attract the attention of his dean, who promptly handed him the planning and development functions which meant, in short, "selling it to the Oklahoma legislature."

As a lobbyist for the medical school, Dr. DuVal shepherded through legislation to expand the medical center and launch a rebuilding program. But the way he did it apparently aroused not a single shred of partisan yammering.

Perhaps the best test of this came when Sen. Fred Harris (D., Okla.), then a state senator, asked Dr. DuVal to join him in his campaign for the U.S. Senate seat held at that time by J. Howard Edmondson.

"Fred," he protested. "I'm a Republican."

Arizona, also thirsting for the DuVal touch, beckoned during this period and, in October 1963, he agreed to go to Tucson, which had no more than a commitment to start a medical school on the University of Arizona campus.

Life as a dean in Arizona began as a grand tour—more than 3,000 speeches that helped raise $3 million from private sources. That money, coupled with a $4-million grant from the Public Health Service, built the basic sciences building.

The new Arizona school then sold $8.5 million in bonds to be retired from student fees and obtained $15 million more from PHS. The money supposedly was designated for a clinical sciences building, but a dispute nearly torpedoed the project. It ended happily, however, with a 300-bed teaching hospital which included a clinical sciences wing.

"The total plant," said Dr. DuVal, "adds up to $31 million without a dime of state money in it."

Arizona's legislature did provide operating money, and the first class was admitted in the fall of 1967. From that entering class of 32, the first graduates emerged last June. The school is now admitting 64 new students each year and by the fall of 1973, the size of the entering class may be doubled again.

Dr. DuVal's agreement to take the job in Washington was preconditioned by a leave of absence from the University of Arizona.

"I absolutely love Arizona," he declared, "and it is my intention to return; it's a most satisfying place to live."

He is in Washington partly because he senses that he may hold some professional credits which can be spent in a good cause.

"I'd like to do what I can to reconcile the public versus private differences in the health field," he says. "I'm deeply committed to keeping medicine strong and essentially free; the right of self-determination—what hospitals to affiliate with and how to license and certify.

"There is nothing like it in the world. But there is a very fine line between being strong and free and being self-interested.

"The medical profession, as assessed by the public, is focused on its own self-interest at a time when health care is seen as a right. They are not compatible; something has to give. Public expectations must step down a little or the medical profession must yield.

"I believe it is time for physicians to take a bigger step forward. This job offers as good a point for leverage as any other. That's one reason I took it."

A large part of his task thus is to persuade medicine that the present Administration is committed to preserving the profession.

The Administration, he makes clear, views Health Maintenance Organizations (HMOs) as a device designed to "protect those strengths the professionals want to protect."

"They [HMOs] invite the physician to bring an element of control into what he does, on his own terms," Dr. DuVal argues. "The concept of HMOs is, in effect, to leave the professional provider in control. The profession is slow to recognize the strength in that solution."

He knows that HMOs have been the target of a medical backlash. The American Medical Association, for instance, adopted a hands-off policy, neither endorsing nor opposing the concept. Nevertheless, within the AMA skepticism was growing.

"Their own proposal [Medicredit]," Dr. DuVal asserts, "simply doesn't treat the issue. It's a device to pay the bills, not to bring reason or cost control into it. That's why it isn't going anywhere."

"We can talk about quality, about access to care, but the gut issue is cost. Physicians must understand this. The American public cannot afford to be sick."

He contends that the principles to control costs are contained in the Administration's proposals and in the foundation concept—"whether it's fee-for-service or salaried practice is of little consequence to the Administration; the issue is cost and it is predeterminable."

In his judgment, there are two reasons why the medical profession can't bring costs under control. One is its code of ethics, the effects of which are to treat medicine as a nonbusiness. The second is that doctors have no personal financial stake in the resources they use.

"This is what is wrong," he said.

But, under the HMO concept, he adds, both shortcomings can be remedied. They are consistent with the code; moreover, there would be only a certain amount of money available, which means that doctors "won't spend a dime they won't have to."

"A doctor could influence the amount of money he earns by the advice he gives to patients; the less he does for a patient, the more he earns."

However close to a collision with medicine he may be, he remains hopeful that such a crash will never occur. He believes, at this stage, that he still holds some "wholesome punches on my ticket" on both sides of the street, public and private.

"I have been working actively within the AMA," he also points out. "As far as I know, I hold reasonably good credentials with that organization. At the same time, I've held pretty good credential with the Association of American Medical Colleges."

He was a member of the AMA's liaison committee on medical education to the Council on Medical Education and was chairman of the AAMC's Council of Deans and for several years a member of the Executive Council.

He professes the "highest personal regard" for Secretary Richardson—"a man of consummate ability."

"If the issue is whether I can do the job for the secretary," he says, "obviously it depends a great deal on who the secretary is."

Upon coming to Washington, he plunged immediately into a twelve-hour day, seven-day week schedule that left some staff members gasping in awe.

"He's a glutton for work," said one staffer. "It isn't unusual to come back at night and find him here; he works a man-killing schedule."

"Time is going by," explains Dr. DuVal. "Only eighteen months left; that's how long my leave is. I don't have time to fool around."

From the record it would appear that he was never one to fool around. When he and Carol Nickerson were schoolmates back in Montclair they had decided by the time they were in the eighth grade that they would marry when they finished college. They did. Today they have three children—David, 24, a newsman in Tucson; Barbara, 22, who is experimenting with theater as an educational vehicle for children with psychological difficulties; and Frederick, 16, who last summer was a delegate to Boys' Nation.

Dr. DuVal graduated in 1943 from Dartmouth College with a bachelor of arts degree after majoring in music. He was married the following year and in 1946 obtained his M.D. degree from Cornell University Medical College.

He has served on the Board of Governors of the American College of Surgeons, on the Board of Directors of the Southwest Research Foundation, and as chairman of the Governor's Steering Committee to Regional Medical Programs in Arizona and later as director of Arizona's Regional Medical Programs. He also was chairman of the Commission on Education for the Health Professions, National Association of State Universities and Land Grant Colleges; and a member of the Board of Directors of the Arizona Kidney Foundation.

Despite his loyalties to medicine, to the Administration, to Arizona and to the people there, another ranks higher: Mrs. DuVal. Of her, he says: "She is my best friend."

SOVIET PRIORITIES

Mr. PROXMIRE. Mr. President, on several previous occasions, I stated on the floor of the Senate that we must not make the mistake of looking upon the Russians as 10 feet tall. In formulating our policies in this country, both military and international, we should continually keep in mind that the economy of the Soviet Union is being very heavily burdened by their efforts to close the military gap with the United States.

Numerous studies of the economy of the Soviet Union by the Joint Economic Committee have brought out the fact that their civilian economy has suffered and continues to suffer severely from the military burden in that country. Their GNP is only half of ours and when allowance is made for the fact that their population is bigger than the population of the United States, it becomes obvious that per capita GNP is less than half that in this country. Yet, the amounts they are spending, while disputed among experts, are substantial and represent a much greater burden on the individual than in this Nation.

The net result is that the Soviet Union has strong incentives for reducing its military burden and revising its spending priorities. In this respect, their situation is like ours except that their need to revise priorities is much more pronounced because they are severely handicapping the growth of their civilian society.

They know that by overcommitting their resources to military production, they are depriving their program of modernization needed to overcome the technological lag from which they suffer. We understand that at the present time their vast oil and gas complex in West Siberia is going ahead. This will cost a great deal in resources. Likewise, they are undertaking to expand their production of atomic electric power, as well as to improve their transport facilities. They know that a reduction in the level of defense could help to promote the success of their consumption goals, set forth in the nine 5-year plan. These goals purport to improve substantially the qualities of food, clothing, housing, and transport for the Soviet consumer.

I invite attention to a most interesting article entitled "Soviet Priorities at Crossroad," written by Michael Getler, Washington Post staff writer, and published in last Sunday's Post.

Mr. Getler states that the huge outlays for defense in the Soviet Union have been at the expense of their standard of living and that experts in this country believe that this distortion is creating painful pressures on Soviet leaders to rearrange priorities.

He makes the point that the very modern and huge military machine with the underlying industrial production may be the only efficiently run component of the Soviet economy. It is not matched by any civilian counterpart. The Russians still use nine times as much labor and one and one-half times as much land to produce three-quarters of what our farms produce.

These facts should be kept in mind as the United States participates in the SALT talks which are now reconvened. Moreover, it makes the prospects of the President's forthcoming visit more auspicious. In the circumstances, I would hope that proponents of more military spending could tone down somewhat their chronic tactic of conjuring up a Soviet monster.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET PRIORITIES AT CROSSROAD

(By Michael Getler)

By pouring billions of its rubles into new missiles, submarines and warships over the last several years, the Soviet Union has managed to close the military power gap with the United States.

But these huge outlays for defense have come largely at the expense of the Soviet standard of living and, in the view of experts in this country, may now be creating painful pressures of a very different sort for Soviet leaders to begin rearranging their spending priorities.

Russia's civilian economy is widely regarded as technologically backward and grossly inefficient, not only in comparison with the United States but even relative to other states of Communist East Europe.

The modern military machine—and the huge industrial network that supports it—is the pride of the Russian bureaucracy, probably its only efficiently run component. And it has brought the Soviet Union global influence.

But it is not matched by a modern worker's society that Soviet leaders can point to as

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the model of the good life for other nations to follow.

"What we see," says Michael Boretsky, a senior policy analyst in the Commerce Department and a Soviet specialist, "is Soviet scientists developing the Lunakhod moonwalker—a marvel of scientific and engineering accomplishment by any standard—a dozen or so missile systems, an SST, space station and two dozen new kinds of war ships . . ., while the Soviet government has to go shopping abroad for simple automobile-making technology, machine tools, material handling equipment, chemical plants and much more."

Because of the backwardness of Soviet agricultural technology, the Russians use "nine times as much labor and half again as much land to produce roughly three-fourths of what U.S. farms produce," according to Richard T. Davis, a deputy assistant secretary of state.

Occasionally, a criticism of Soviet priorities emerges from within the Soviet Union itself. In March 1970, an "open letter" from an esteemed Russian physicist, Andrei D. Sakharov, who played a key role in Soviet development of the H-bomb was circulated clandestinely in Russia and openly in the West.

Sakharov claimed that the economic gap between the United States and the Soviet Union was widening in America's favor. "We lag behind in oil drilling . . . gas drilling . . . production of electric power . . ., hopelessly lag behind in chemistry and infinitely in computer technology," Sakhrov wrote.

This week in Vienna, U.S. and Soviet negotiators begin the fourth round of the Strategic Arms Limitation Talks (SALT), discussions aimed at putting at least some limitations on the costly, enduring and dangerous nuclear arms race.

Among U.S. experts on Soviet affairs, there is widespread agreement that a SALT agreement early next year would be a major political plus for President Nixon, but that the Russians—whose gross national product is only roughly half of this country's—would gain far more economically.

Yet, despite what appear to be pressing economic problems by Western standards, many experienced Kremlinologists say they are still unconvinced that the top Soviet leadership is willing to reorder Russian priorities in fashion that will really defuse that arms race.

The Soviet motives at SALT, they say, are still unclear.

Are the Russians really intent on a significant change in direction because of compelling economic pressures at home.

Or, with increasing troubles along the Chinese border and decreasing tensions along the NATO border, do they view SALT as just a convenient breather, allowing them to catch up in those areas of weapons technology where they still trail the United States and then translate this into a politically useful edge in strategic power?

Is SALT, as William T. Lee, an economist and Soviet specialist at the Stanford Research Institute, asks, "part of a well thought out program to speak softly while shaping a bigger cudgel?

Some Kremlin watchers believe that Communist Party boss Leonid I. Brezhnev is now personally powerful enough to cut back the military budget in favor of a more balanced economy, if he chooses.

These analysts cite Brezhnev's emphasis at the 24th Party Congress in April on improving the lot of the Russian consumer and worker—if only to improve worker morale and thus productivity at the factory, which is also held to be far below U.S. standards. These analysts argue that this emphasis may mean that Brezhnev has already had his fight with the Red marshals and won.

Others say Brezhnev's rhetoric may only have been "cosmetics," designed to ease fears which spread through the entire Soviet bloc last winter after workers rioted and struck in Poland. The actual statistics of the new five-year plan presented at that congress show only a modest six-per cent rise in production of consumer goods over the five-year period.

If there is to be any serious juggling of priorities, it will have to come at the expense of the military-industrial complex in order to have any real impact on the rest of the economy. The reservoir of talent and tools in that sector will have to be spread around.

But how far the Kremlin's political leaders can safely go, or want to go, in tampering with their pride and joy is another question.

There is no doubt among many specialists here that the Communist Party firmly controls the military.

"This business of the marshals taking over is nonsense" says John R. Hardt of the Research Analysis Corp. (RAC).

"This very heavy emphasis on defense" says RAC's John R. Thomas, "exists because the civilian leadership wants it to."

In the West, say the RAC specialists, the argument is over whether the military has too much power. In Russia, they say, the argument more often is about how much can be safely spent for other things.

Thus, what the Soviet leadership must overcome is not just a powerful military establishment, but their own tendency to rely on military judgment. And, thus far, the buildup of the Russian military has provided the political leadership influence in the world rather than battle scars.

"I think there is a tendency in this country" says the Rand Corporation's Soviet expert Dr. Thomas W. Wolfe, "to project upon the Soviets our own view of the disutilities of military power that don't accord with the Russians' own experience.

"They haven't had a Vietnam. They haven't had great political losses because of the exercise of military power at their disposal. On the contrary, they have solved some very critical political problems for themselves by the brutal willingness to send their forces to fight if necessary in Czechoslovakia, for example.

"I'd be the last one to argue that the Russians weren't at an important crossroads now, but the world of military power looks different to them than to our leadership and defense intellectuals."

THE PROBLEM OF JOBS

Mr. GOLDWATER. Mr. President, we hear a lot of discussion today about the rate of unemployment and about the need for additional jobs to maintain the high standard of living to which the American people are accustomed.

And it certainly is no secret that I feel this Nation is in for serious trouble if we continue to permit the unrestrained attacks on our aerospace and defense technology to go on unchallenged. Many times I have suggested on the Senate floor that we cannot have full or even adequate employment in this country if we turn our backs on progress and if we keep forfeiting our technological advantages to other nations. There is, of course, no way of knowing how much the scuttling of the SST program in the United States will ultimately cost us in terms of markets, jobs, and wages. But we do know that the aerospace industry in this country is hurting and hurting seriously.

Mr. President, my son, Representative BARRY M. GOLDWATER, Jr., represents a district in California which is especially hard hit by the unwise cutbacks in American aviation technology. Because of this, he has made a very careful study of the problem. It shows a 48-percent decrease in the number of aerospace jobs in 4 years. In California alone, the study showed 200,000 workers were laid off between 1967 and 1971, representing a loss in personal income of $2.6 billion.

Because of this study's importance, not only to California but to the Nation and the taxpayers everywhere in this country, I ask unanimous consent that Representative GOLDWATER's speech entitled "The Future for Aviation and Technology in America" or "Come Ride With Me on the Concorde" be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE FUTURE FOR AVIATION AND TECHNOLOGY IN AMERICA OR "COME RIDE WITH ME ON THE CONCORDE"

(By BARRY M. GOLDWATER, JR.)

1903 might best be described as a "Wright Turn Of The Century". It was Orville Wright who launched us into the age of powered flight. Simple aviation evolved into specialized aeronautics and ultimately astronautics. On October 4, 1957, the USSR successfully orbited a man-made satellite, Sputnik I. America's Explorer I followed a year later, and the race into space began.

Sixty-six years after Orville Wright had lifted off the sands of Kitty Hawk, another pilot, Neil Armstrong, descended from a strange craft onto the soil of the lunar surface. Man was on the moon. The promise of yesterday became the dramatic, unforgettable fact of today. Man had successfully probed beyond the constrictions of his own planet, and in the greatest of adventures reached out into space and found a sure foothold.

We are now standing at the threshhold of tomorrow. Where do we go from here? Will America retain her leadership in this new era? Will America accept the challenge, and continue to dominate the world in science and technology? And will American aviation make the changes needed to compete successfully in the world market?

Today America stands to lose everything gained through a half century of work. We have seen the deterioration. We have seen *the attack* on technology—the root of all environmental problems. The *attack* on defense. The abstract illusion that our enemies are not real and all this money should be spent for welfare. The *attack* and subsequent defeat of the SST—the monster that poisons the air, deafens our ears, and is the white elephant of the airways.

This misleading and dangerous tendency to *put down* our aerospace and defense technology is hurting America—and it is hurting *you!*

People are put out of work. They have no money for consumer goods, so sales go down and the economy suffers. With less people producing, less taxes are paid—and *you* have to pick up the slack. With more people on unemployment and welfare, *you* pay more taxes to support them. (First Chart)

The story is clear. You can see the decline in employment:

1967—1,392,000.
1970—1,067,000.
1971—800,250.

This is a *48 percent decrease* in four years—it is also 600,000 people out of a job.

In California alone, 200,000 workers were laid off from 1967 through 1971. This is a loss in personal income of $2.6 billion.

This type of loss not only affects you, the house you own, the car you drive, the clothes you wear, your very freedom, but it seriously weakens our nation as a whole—our balance of payments, tax revenues, technological superiority—and our national pride in achievement.

Aviation has been the great punching bag—the scapegoat. The nation will suffer because aviation is suffering.

What is happening, and why?

$144 BILLION IN FOREIGN AID

Since the second World War, the United States has either loaned or given outright over $144 billion dollars in foreign aid. What has been the result?

300 million people in a rebuilt and thriving Europe are happy and healthy.

100 million people in Japan are happy, healthy, and thriving. Their country has been totally rebuilt and with our help, their economy is challenging ours in world markets.

The industrialized countries of the world are now as technologically advanced as America. We've seen to that—We've educated them, financed them, and used our know-how to build them factories.

But the once-generous heart of America is now bleeding. Our very generosity has been turned against us, in the form of speculation with the American dollar, imports of foreign made goods into this country, and the very dangerous challenge to world markets that we enjoy.

We are rapidly becoming a second-rate nation—not only in terms of military power, but also in terms of technology—the very technology which has improved the quality of our lives, and for which we have been famed throughout the world.

OUR COMPETITION

Various other world powers are rapidly cutting into the markets which previously bought the goods and services produced here in the United States.

They are managing to do this for four reasons:

1. Our competition, in an effort to dominate certain markets, has turned to a national policy. They have nationalized both their manufacturing and operating industries with the expressed purpose of penetrating world markets. In doing this, they help jobs at home, advance technical fallout, and help their balance of trade.

In our country we have not done that; we've relied on people to be creative in a free enterprise system with very little focusing, help, or purpose from the government. This national policy is particularly true in the aircraft manufacturing and airline business.

2. Thanks to American assistance, the industrial equipment, instrumentation, manufacturing facilities, and research labs of the war-torn countries are now about ten to fifteen years more modern than ours.

Since everything was destroyed in the war, our money was used to rebuild completely modern manufacturing plants.

3. The American economy has produced the highest standard of living in the world, and the best paid workers in the world. Our workers receive two to five times as much in takehome pay in our free economy.

4. Our competition not only has lower wages, but also much better productivity to man-hour ratios. The combination of the two is deadly.

We have retained our superiority in the past, despite increasing wage bases, by increasing our output through advanced technology. Constantly increasing productivity per man-hour kept us competitive in world markets crowded with cheap labor.

However, most Americans do not realize that our output per man-hour is going down in the United States and so our competition is closing the gap on our productivity.

A SERIOUS EROSION

Now because they nationalized their industries, because their productivity is improving so radically, because they have gotten these modern machines and because they pay lower labor rates, we are seeing a very rapid and serious erosion of our ability to compete.

For example, the steel industry—we are being out-produced and underpriced abroad. In the area of industrial machinery, in which we have been supreme for our entire history, we are now importing more industrial machinery than we export. In the area of consumer electronics, we are literally out of the business. One plant in the whole country is producing radios. Most of the component parts, even in our own televisions are made abroad, mostly in Japan. Fifty percent of the automobiles in California last year came from outside the United States.

In the field of aviation, while at the moment we do enjoy huge exports, all we have are three civil jets, all fighting for the same market, and we have not produced a new fighter since 1965.

In Europe they have a supersonic transport going into service in two and a half or three years. They have an A300 Air Bus. We have no such animal. Theirs goes into service in 1973 or 1974. They have a Mercury twin engine transport that replaces the DC–9 and the 737. We have no such program. The French and Russians have modern fighter planes which the less developed nations are rushing to buy.

WHY HASN'T INDUSTRY FILLED THE GAP?

The answer to this question is very simple. Aviation has reached the point where beginning a new development program, such as the 747 or the L1011 requires an initial investment of at least a billion dollars.

That sum is three to four times any company's net worth.

Not only that, but there is a time lag of at least ten years before a profit is realized on the enormous investment.

That's just too much for any one company to tackle. It is simply beyond the resources of private enterprise. And our anti-trust laws will not allow business to join together on a huge scale necessary to do the job.

So in Europe, where they don't worry about anti-trust laws, and where they don't worry about the nation putting money into a good business, they can take civil aviation away from us unless we do something.

Because our laws are not flexible and because of the huge costs of new programs, our aviation companies are going abroad for their next projects. General Electric has signed up with France to build the next big military combined commercial engines. This new breed of engine will not be built in the United States, but in France.

Boeing Aircraft Company signed up with Italy to build the next civil transport—a STOL 150-passenger commercial airplane. When the state of the art makes it feasible to build STOL and VTOL aircraft, Americans will be riding on Italian airliners, not made in America. Boeing, Lockheed and McDonnell Douglas have been negotiating with Japan to build a twin engine air bus to compete with the European A–300 wide bodied jet.

Yes, Americans will be riding on French, or Japanese built Air Buses between London and Paris, Los Angeles and San Francisco, Washington, D.C. and New York, and New York and Boston—Airplanes not built in America. Americans and citizens of the world will be riding on supersonic aircraft built in France and England, not in the United States.

Yes, America cancelled her supersonic transport, and with it her preeminence in aviation, her desire to excel and her pride in being number one. We have clearly demonstrated to the industry that our Government, our Congress, those political liberals have turned their back on being a partner to help aviation in this country. So now, Boeing, General Electric, Lockheed, McDonnell Douglas, are going out of the United States to get the financial resources to do the next program.

And, that means that jobs go with them, that means that taxes go with them, that means that the balance of trade goes with them, that means our pride goes with them.

POSSIBLE SOLUTIONS

There are no easy solutions to this complex problem. But, it would certainly help if Americans could demonstrate a national concern. America has always generously extended herself to other nations. We have given of our resources, given of our talent, given of our knowhow. Now it seems we have given too much.

It is time to sound the alarm, it is time to act. It is time to be concerned, about our technological abilities. It is time for Government not to nationalize industry, but rather get its hands out of industry's pockets, to get off industry's back, to allow free enterprise to act, not under a false economy, but under a climate of stability born by lower taxes and balanced budgets. It is time for Government to reevaluate its tax and anti-trust laws, and allow business to operate under a realistic legal code.

If American Aviation Technology is to maintain its growth and leadership—if Americans are to continue taking pride in riding American-built aircraft throughout the world—our Government *must* stop wearing the *Black Hat*—and step into partnership with American industry.

Orville Wright—an *American*—launched us into the age of powered flight.

Neil Armstrong—an *American*—first set foot on the moon.

Where will the next great aerospace pioneer come from? Let's make sure he's an American.

ADDRESS BY SENATOR HUMPHREY BEFORE ST. JOHN'S UNIVERSITY, NEW YORK

Mr. HUMPHREY. Mr. President, recently I had the privilege to speak before an assembly at St. John's University on the occasion of my being awarded an honorary doctor of law degree. St. John's has the largest enrollment and is the largest Catholic university in this country and one of the most prestigious. It has gained its prestige through adherence to the finest, most forward-looking principles of education which any university would want to emulate.

The contribution of St. John's has been to foster the kind of thinking and to encourage the kind of imagination in men's minds, that are so necessary for the betterment of our society. To have received an honorary degree from this great university, is, indeed, a distinction I hold with deep respect. Mr. President, I ask unanimous consent that the text of my remarks on this occasion be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY, ST. JOHN'S UNIVERSITY, JAMAICA, NEW YORK, NOVEMBER 4, 1971

It is an extreme honor for me to accept this degree which bears the name of one of the most prestigious universities in our Nation. A university earns its prestige through a slow and delicate process of total devotion to the general goal of educating the human mind.

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When St. John's University was first conceived, its foundation was already built. It had the principles of the Family of St. Vincent to follow and uphold. When Vincent de Paul formed his "double family," he propagated a movement of service to the poor throughout the world. After his death, the work of his followers has throughout history become synonomous with charity in its highest sense—life and service for every man.

Fathers Edward M. Smith and John T. Landry, founders of St. John's University, applied this Vincentian sense of service to the field of higher education. Through compelling belief in their own faith and in humanity, they established this fine university, which today is an exemplary institution in the field of education.

Certainly, in this time of profound human need, it is essential that education should mold not only the skills of men, but that it should also reach out to their spirit and will, challenging them with the opportunity and demand for a better world in which all our people can enjoy lives of meaning, of purpose, and of fulfillment.

It must have been true that the Dominicans had this vision of a better world. Men could be developed to their full potential.

But I submit to you that this vision, this opportunity for educating the whole person, is facing a severe challenge today. The challenge of facts and figures and the challenge of our on-rushing mode of society.

There must be a total redefinition of institutional purposes, a sharp upgrading in the quality of curriculum and methods of teaching, and a total re-evaluation of the administration and employment of resources by our centers of higher learning.

But we cannot begin to address these demands unless we immediately solve the problems of escalating enrollments and potential bankruptcy facing many of our colleges.

The student enrollment increase in public institutions has jumped over 163 percent between 1960 to 1970. There will be between 9 to 10 million students enrolled by 1975 in public and private universities.

While the proportion of young people from our low-income families who have been entering college has increased over the past decade, it is still true that only 7 percent of all our college students come from poor families.

We have a long way to go in providing higher education opportunities for the black and the poor. Many of our colleges are straining their financial resources to expand these opportunities, but it is deeply disturbing that our black colleges are generally in extremely poor financial condition.

Diversity and full access opportunity ought to be the hallmark of American higher education, a principle clearly enumerated in the President's Task Force on Education in its report of August, 1970.

"The diversity of American higher education is central to its strength. This diversity has grown from a tradition that encourages institutional initiative, creativity, self-determination, and autonomy. These characteristics are vital to the strength of our institutions and should explicitly be encouraged and strengthened by national policy."

The report moves right on to the second concern I have raised here this evening.

"American institutions are not serving large numbers of qualified young people who could benefit from post high school education.

"The structure of our society and the patterns of financing higher education for the individual have operated to exclude large numbers of qualified young people from higher education."

I read that as saying that a college education remains primarily the prerogative of the young person from an upper income family. And I find this to be morally, socially, and economically wrong.

Now, the immediate answer to both these problems is substantial federal assistance to all our institutions of higher education.

Let me spell out my immediate concern about sustaining the private, liberal arts colleges of America. I strongly believe that a heterogenous population, a pluralistic society, demands that there be an equal pluralism in the opportunities for post-secondary education offered our young people.

Over the last century we have experienced a swing in the pendulum away from a strict emphasis upon a liberal arts education and toward an obsession with professionalism and technocracy. In 1828, the Yale College "Manifesto" defined education as being strictly non-technical and non-professional.

In 1852, Cardinal Newman defined the "Idea of a University" as being broadly to prepare young men "to fill any post with credit, and to master any subject with facility." It was his belief that a university ought not attempt to provide a professional and technical education.

But today, we too often have replaced this sharp boundary for higher education in America with an equally high fence that sees the demands of a technological society, coupled with the sources of financial assistance which these demands generate, as defining in advance what an American college or university should be all about.

There can be no question that we must continue to expand opportunities for professional, technical, and vocational education in America. One case in point is the serious need to substantially expand the health manpower resources of America, providing more doctors and nurses and para-professional personnel.

But we must also come to recognize again the vital importance of the education of the whole man, which is the genius of the liberal arts curriculum of our private colleges. That is really what we mean when we talk about maintaining the three branches of knowledge for the "A.B. Generalist": The humanities; the physical and biological sciences and mathematics; and the social sciences.

Certainly, St. John's is dedicated to the education of the total person. Its seal with the emblazoned three books—Religion, Culture, and Knowledge—personified this pursuit. And the theme of your centennial celebration propels this great challenge into the future: "Question, Believe, Build Tomorrow—the spirit of the Vincentian priests. They aspire to assist the unsatisfied mind in quest of a broadening education, resulting in the increase of knowledge and the improvement of our world."

We must not let that sense of dedication be sacrificed today.

We must not confuse means and ends in our educational purposes. What do we seek for man on earth? We seek human dignity, personal expression and fulfillment, freedom, and justice. Technology is one instrument by which to achieve these ends. And the value of that tool depends on the intelligence, the judgment, and the creativity of man himself.

Education ought to involve man in *ideas* as well as things; in *ethics* as well as engineering.

We need a society of *compassion* as well as comfort; of humanism as well as hardware; and of freedom as well as food.

It is when ethics and morality shape our environment that science and technology will be seen as an invention to be welcomed, rather than a threat to be feared.

A free society requires more than power and wealth. It must be based on justice and opportunity. The modern industrialized nation needs, too, a sense of compassion and concern—that sense, if you will, of heightened moral sensibility which stems from the arts and humanities, and from religion.

A true liberal education infuses an element of humility and compassion, of humanism and social consciousness.

That lesson is centuries old, as we read in the Book of Micah: "And what does the Lord require of you, but to do justice, and to love mercy, and to walk humbly with your God."

It is for these reasons that I am so deeply concerned that the freedom, the autonomy, and diversity of America's colleges and universities be maintained. I do not believe that government should attempt to dictate the aims of university education. In a democratic society those who govern, can govern well only if they recognize that the university serves society by pursuing the true aim of the university—the pursuit and dissemination of truth.

It is precisely the independence of the university and the college that enables them to stand in judgment over the actions of government and to speak to the course demanded of a free society.

To maintain a balance between the university's independence and the need for social stability requires a self-disciplined and well-educated citizenry.

I call for the establishment of a major commitment by our Federal Government to maintaining the strength and diversity of America's institutions of higher education.

I call for substantial Federal financial assistance to all our colleges and universities. It is estimated that the resource available to our colleges and universities must more than double during the next decade to a level of $41 billion. And the respected Carnegie Commission on Higher Education has called for a decisive effort to eliminate racial and economic barriers to higher education by 1976.

I believe it is time to inaugurate a major new source of financial assistance that follows the student to the college of his choice. This is why I joined in sponsoring vital legislation that will provide direct Federal assistance to students as a matter of right, and on the basis of need.

Particular emphasis is placed on creating effective educational opportunities for young persons from low-income families. And, of special importance, student assistance under this legislation would be coupled with cost-of-instruction aid to the respective institution.

This is the decisive new direction we should be taking in Federal aid to higher education. I intend to make every possible effort to assure passage of the legislation to accomplish this goal.

Let us resolve here and now to make higher education in America—private as well as public institutions—the finest in the world.

We in Congress need your help now if this job is to be done. But you will be committing yourselves to a task of the highest importance to all the people of this great land of opportunity. The charge is laid before us by Thomas Carlyle. In those well-remembered words:

"That there should one man die ignorant who had the capacity for knowledge, this I call a tragedy."

INDEPENDENT COURT ENFORCEMENT

Mr. DOMINICK. Mr. President, on October 28, the Labor and Public Welfare Committee reported favorably S. 2515, as amended, and H.R. 1746 without recommendation. The primary issue concerning the two bills revolves around which enforcement procedure—independent court enforcement or EEOC-held cease and desist powers—will best protect the rights of all parties to an employment discrimination dispute.

Prior to final House approval of independent court enforcement in September, the Wall Street Journal published Elliot Carlson's article on the subject. Mr. Carlson, in providing an objective analysis of the issue, makes some interesting observations which court enforcement opponents have either failed or refused to consider. Mr. Carlson points out that "knee-jerk liberal reactions" assume that cease and desist will accomplish for employees what the NLRB did for unions. This is not necessarily so. Mr. Carlson cites Rutgers law professor, Alfred W. Blumrosen's findings that "minorities have been far more successful achieving their rights through courts than administrative procedures." Professor Blumrosen, who authored a comprehensive minority employment study, "Black Employment and the Law," found that the 32 States presently having fair employment practice commissions with cease and desist powers "have invariably failed in their own efforts to eradicate job bias through administrative cease and desist powers."

Mr. President, I recommend Mr. Carlson's article to my colleagues as it offers clarified analysis to what has unfortunately become a rather emotional and muddled area. I ask unanimous consent that Elliot Carlson's Wall Street Journal article of September 15, 1971, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 15, 1971]

How Best To Toughen the EEOC?

(By Elliot Carlson)

WASHINGTON.—Just about everybody thinks the Equal Employment Opportunity Commission needs more teeth.

A few years ago, the dean of the Columbia University Law School derided the anti-bias agency as "a poor enfeebled thing . . . (having) the power to conciliate but not to compel." The 1970 report of the U.S. Civil Rights Commission described it as almost powerless, slow and saddled with lax administration, high turnover and general inexperience. "We're out to kill an elephant with a fly gun," concluded a former EEOC chairman.

Even the present chairman, William Brown III, agrees the commission's weapons are inadequate. Recently he noted that of 35,445 charges recommended for investigation since 1965, reasonable cause to believe that bias existed was found in almost two-thirds of the cases. Yet in less than half of these was the EEOC able to achieve a totally or even partially successful conciliation.

There's little agreement, however, on how to strengthen the six-year-old agency, as will be evident today, when proponents of two distinct remedies clash in the House. Labor and civil rights groups back a Democratic-sponsored bill that would give the EEOC the same "cease and desist" powers possessed by the National Labor Relations Board and other federal agencies. Business groups and other opponents are rallying behind a Republican-backed alternative that would merely empower the agency to go to court to enforce its orders. Conservatives who would prefer that the EEOC's power not be strengthened have lined up behind the Republican version, seeing it as the lesser of two evils.

Most civil rights advocates write off this Republican-backed alternative as a predictable move to water down an obviously stronger Democratic approach. Yet it's significant that a growing number of scholars strongly committed to civil rights disagree. They doubt that giving the agency cease and desist authority would be either effective or desirable. They think a sort of knee-jerk reaction by liberals is binding them to the potential inherent in the GOP counterproposal.

MR. BLUMROSEN'S ARGUMENT

"An awful lot of liberals haven't stopped to think that what they're fighting for isn't appropriate to the problem," avers Alfred W. Blumrosen, a Rutgers law professor. "They're basing their views on the NLRB experience, and think that because the board helped unions get established the EEOC can do the same for civil rights groups. That's not necessarily so."

In his 1971 book, "Black Employment and the Law," (Rutgers University Press), Mr. Blumrosen argues that minorities have been far more successful achieving their rights through courts than administrative procedures. He also asserts that states have invariably failed in their own efforts to eradicate job bias through administrative cease and desist powers. (Of 34 states with fair employment practice commissions, 32 have such powers.) Others support his argument.

"I doubt whether cease and desist orders could get at the vestiges of bias better than the courts," declares Bernard Anderson, assistant professor of industry at the University of Pennsylvania. "It would take years to build up the guidelines on which to base such orders, but if you had a good case you could be in court next week."

Court action is what the Republican-backed bill provides for. Legal experts find a few of the measure's provisions disastrous, such as one prohibiting class action suits under Title VII of the Civil Rights Act. But there's no question that granting the EEOC court enforcement authority would add considerably to the agency's weapons, now severely limited.

At present, the EEOC may only investigate charges, determine whether "reasonable cause" exists to indicate the presence of bias, and, if so, attempt to conciliate. When wrong-doers prove obstinate, it may only recommend that the Attorney General institute civil action.

This means that a party can successfully defy the EEOC just by sitting tight, secure in the knowledge that eventually the commission must withdraw and that the Justice Department, anxious to conserve its resources, is selective in the suits it brings, says the EEOC's Mr. Brown. "All that an intransigent respondent has to fear," he recently testified before a House committee, "is the unlikely possibility that whomever he has discriminated against will take him to court. This has happened in less than 10% of the cases where our attempts at conciliation were unsuccessful. . . ."

To many civil-rights advocates, the answer is the Democratic-sponsored measure, which would drastically overhaul the government's entire job bias-fighting effort. Indeed, the bill would transfer to the EEOC most federal anti-bias functions, such as the Labor Department's Office of Federal Contract Compliance, the Attorney General's authority to initiate "pattern or practice of discrimination" suits, and responsibility for overseeing antibias efforts throughout the U.S. Civil Service. It would also broaden EEOC jurisdiction to include 10.1 million state and local government employes.

Perhaps the most important to liberals, the bill would empower the agency, after it had exhausted conciliation efforts, to issue cease and desist orders against discriminatory practices and then to seek enforcement of its orders in federal courts. "The EEOC must have cease and desist power," Rep. Shirley Chisholm, the Brooklyn Democrat, recently declared. "Just having them will create a better mode of voluntary compliance and, of course, will provide an additional remedy in instances of intransigence."

No one really knows how either this proposal or its Republican alternative would work in practice. Proponents of cease and desist base their expectations on the performance of the NLRB, whose average time for settlement of cases in fiscal 1970 was 11 months.

Yet critics point out that NLRB cases can remain unresolved for as long as four years when parties appeal board decisions to the courts. While this happens in only a minority of NLRB litigation, they argue that such appeals would be far more frequent at the EEOC, where the law would be less developed and the cases more controversial. They claim that aggrieved persons would do better if the EEOC went first into U.S. district courts, whose median length for non-jury cases in 1970 was 10 months. A weakness in this argument, though, is that some of the courts that would be used the most have the greatest backlogs. Examples: The delay was 35 months for non-jury cases in the Southern District of New York in 1969, 44 months in the Eastern District of Pennsylvania, and 24 months in the Eastern District of Louisiana in 1970.

But speed is only one measure of effectiveness; final results are a better gauge. But by that measure, too, the scholarly critics doubt that complex problems of bias, deeply rooted in many aspects of the society, lend themselves to resolution through cease and desist orders. For one thing such orders issued by the labor board have the relatively limited function of getting parties to negotiate. At the EEOC, they would presumably have to carry a greater problem-solving load. Furthermore, some experts worry that a substantially strengthened EEOC would invite subversion from special-interest groups.

A CHANGE IN PHILOSOPHY

"The very fact an agency has cease and desist makes it necessary for labor and management to be concerned with its make-up," Mr. Blumrosen observes. "You'd see a subtle change in the philosophy of the agency. Its personnel would have less of a civil-rights orientation."

Mr. Blumrosen argues that it is a fundamental misconception to expect the EEOC to do for the civil rights movement what the NLRB has done for the labor movement. This is because the two movements are substantially different. The chief disparity: "the persistence and staying power of the labor movement at all levels of lobbying, pressuring and influencing activity, backed by financial resources which have become stable and significant in recent years."

These qualities, he contends, make labor more effective in dealing with the bureaucracy: precisely because it is deficient in them, "the civil-rights movement would lose muscle at the EEOC. It lacks the staying power to stand up to labor and management in that kind of a contest." Mr. Blumrosen concludes that the civil-rights movement can best compete in court.

Pennsylvania's Mr. Anderson contends that most discriminatory treatment is institutional: subtle practices that leave minorities at a disadvantage because of cultural and educational differences. He doubts whether such forms of bias could be rooted out by cease and desist orders.

"At the labor board, individual cases are decided on individual merits," he observes. Thus cease and desist orders fail to create broad legal principles, and "that's not good enough for race questions." Mr. Anderson questions, for instance, whether any such order could ever have had the impact of the Griggs vs. Duke Power Co. decision, in which the Supreme Court recently held that employ tests, even if fairly applied, are invalid

if they have a discriminatory effect and can't be justified on the basis of business necessity.

Less controversial, although also hotly debated, are the provisions that would center in the EEOC virtually all federal job anti-bias efforts. Scattered among a multiplicity of agencies, such programs often have worked at cross-purposes. Most civil rights advocates agree with Clarence Mitchell, director of the Washington bureau of the NAACP, who snaps, "You don't want a lot of different pots when you're just trying to cook one stew."

EFFECTIVENESS QUESTIONED

Yet how effective an anti-bias superagency would be is questioned by at least some. Pennsylvania's Mr. Anderson believes that "competition between federal agencies has contributed to a more rapid expansion of equal opportunities," since agencies have been under at least some pressure to outperform each other. Then, too, some observers suggest that labor is backing the transfer of the Office of Federal Contract Compliance to the EEOC in hopes of weakening it.

They say the OFCC, which has imposed goals and timetables on government contractors for hiring minorities, could lose this authority if it were transferred. This could happen, they say, because the Civil Rights Act of 1964, which established the EEOC, specifically disallows racial-hiring quotas.

According to the conspiratorial theory, labor favors the OFCC's transfer on the expectation that its "goals and timetables" would conflict with the EEOC's ban on quotas, thus depriving the OFCC of its key sanction and, at the same time, "removing a thorn from labor's side," as one exponent put it.

It's by no means clear, however, that this would be the effect of such a move. Some courts, for example, have ruled that "goals" aren't necessarily the same thing as "quotas." And it's hard to imagine that the OFCC would be less effective at another agency. "How could the OFCC be weaker than it is now?" asks the NAACP's Mr. Mitchell.

No doubt, the new powers Congress confers upon the EEOC will profoundly affect the future course of the civil-rights movement. While most civil-rights advocates prefer cease and desist, it's by no means clear that this approach would ultimately prove more effective than merely authorizing the EEOC to ask courts to enforce its anti-discrimination rulings. As Mr. Blumrosen writes: "One court decision is worth 10 written conciliation agreements and one hundred annual reports of administrative agencies."

GENOCIDE AND EXTRADITION

Mr. PROXMIRE. Mr. President, article VII of the Genocide Convention says in part:

The Contracting Parties pledge themselves in such cases to grant extradition in accordance with their laws and treaties in force.

The fear has been expressed that if the United States ratifies this convention we will be compelled to extradite our citizens to foreign courts where they will be tried without any of the benefits of the Bill of Rights. Such a fear is unwarranted because it overlooks two facts.

First, the convention is quite clear in stating that extradition will only be granted according to laws and treaties in force. At the present time the United States is not a party to a single extradition treaty that defines genocide as one of the crimes for which extradition is to be granted. Our adherence to the Genocide Convention would in no way change this. No one can be extradited for genocide until the United States enters into additional extradition treaties. And even then, extradition would be possible only to those specific countries with whom we had those new treaties.

Second, it is a common policy of the United States not to grant extradition unless the Federal Government is assured that the accused will receive a fair trial with all the guarantees of our constitution. Our Government has always acted to protect the rights of Americans. Nothing in this convention will change that policy.

Mr. President, I urge the Senate to ratify the Genocide Convention as soon as possible.

WILLIAM H. REHNQUIST: A MAN OF PROVEN CAPABILITY

Mr. PEARSON. Mr. President, each Senator fully realizes the solemn responsibility associated with the confirmation of a Supreme Court nominee. For hanging in the balance are decisions which affect all Americans in a most profound way. In this regard, both the President and the Senate should seek to nominate and confirm only those individuals who, through their performance as interpreters of the law, have indicated an extraordinary competence and potential to judge in America's highest tribunal.

Mr. President, William H. Rehnquist is a man of proven capabilities, and his record indicates a capacity for growth which has yet to be fully realized. In a few short years, he has risen from private attorney to a position of great responsibility in the Department of Justice. His concern for and work in efforts to help halt the rising rate of crime throughout the Nation has earned him much respect.

Now, at a comparatively young age, he is on the verge of appointment to the Supreme Court, a pinnacle of success achieved by only 98 men throughout our history.

Mr. President, some have argued that Mr. Rehnquist's basically conservative philosophy could be a detriment to the Court. They would have us believe that his conservative political philosophy could carry over to the decisions he makes as a Supreme Court Justice. I would suggest, Mr. President, that although political considerations cannot be totally dismissed in appointments of this nature, it does any man of Mr. Rehnquist's stature a disservice to intimate that personal political beliefs will affect the manner in which he conducts himself while sitting on the Bench.

We who have followed the progress of these nominations in the Senate to date know that Mr. Rehnquist has acknowledged his conservative leanings, both in a political and judicial sense. Yet we also know that he has confirmed, and that his associates have reaffirmed, his strict adherence to the Constitution, to the law, and to his belief that the merits of any individual case will be his only consideration as a Supreme Court Justice. Based on these assertions, I would ask those who oppose Mr. Rehnquist's nomination whether it is fair to judge a man based on what he might think as compared to what he himself has said he will think.

Mr. President, the Senate has a clear responsibility to explore Mr. Rehnquist's record thoroughly in making its decision on whether it should accept his nomination. Yet it is my judgment that a complete analysis will show that this man is eminently qualified to perform the duties which the President has determined he should have. I therefore intend to support the nomination of William H. Rehnquist to the Supreme Court of the United States.

SCHOLARS SUPPORT UNITED NATIONS

Mr. BROOKE. Mr. President, this past weekend, national newspapers published reports that a distinguished group of scholars in the field of international relations had warned against reducing America's support for the United Nations.

I share their alarm over recent suggestions that the United States should reconsider its support for the U.N. as a result of the admission of Mainland China. We have nothing to lose and much to gain by including China, which comprises one-quarter of the world's population, in the deliberations of the world body. China's admission is in our national interest. And while I regret the simultaneous expulsion of Taiwan, I believe we must abide by the democratically made decision of the other members.

Our support for the U.N. must not be diminished. On the contrary, with more inclusive representation of nations in the world body, the U.N.'s potential for resolving international disputes and for providing constructive solutions to problems of hunger, disease, and pollution is greater than ever.

I welcome the statement of the 16 leading scholars of international relations, who met in Boston, Mass., last weekend to draft this joint statement of concern. The views of these men inject a note of reason and scholarly assessment into an ongoing national policy debate. I ask unanimous consent that their statement be printed in the RECORD.

There being no objection the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF 16 LEADING SCHOLARS, BOSTON, MASS.

A group of leading US scholars in the field of international organization, meeting in Boston, urged today that the United States not jeopardize its national self-interest by shortsighted actions crippling the United Nations and other international bodies.

Specifically, the group warned against overreacting to the consequences of the seating of the Peoples Republic of China in the UN and other international agencies. On the contrary, the group argued, this action would give the UN new relevance, even though the Republic of China on Taiwan had been excluded. Pointing out that one reason the United States could not use the UN for assistance in negotiating an end to the Vietnam War was the lack of UN membership of three of the major parties to the conflict, the scholars emphasized the value to the United States and to future world peace of a world organization containing friends and adversaries alike.

As to UN finances, the group pointed out that other nations provide up to approximately seventy percent of the contributions to the United Nations. United States contributions, some of which have been under attack in the Congress, have been generous, but by no means excessive in terms of this country's relative wealth and the importance of its international interests. US regular and voluntary contributions to the UN's expenditures in 1970 came to only $1.36 per capita, contrasted with $373 for U.S. military expenditures and less in proportion to average per capita income than contributions of many other poorer members of the world body. The U.S. contribution is but a fraction of what Americans spend for cigarettes and tobacco, liquor, or cosmetics, and substantially lower than the expenditures of the City of New York for either sanitation or fire protection.

Of course, UN expenditures and finances must be kept under constant review. Expenditures not yielding benefits commensurate with cost should be eliminated. Also, growing prosperity should permit some other countries to carry a greater load.

The group urges that President Nixon give a firm lead at this critical moment in supporting a strengthened UN for such purposes as peacekeeping, particularly in the light of the "Nixon Doctrine" which calls for reduced US unilateral intervention in conflict situations.

Members of the group were (titles given for identification only):

Lincoln P. Bloomfield, Professor of Political Science, Massachusetts Institute of Technology.

Daniel S. Cheever, Director, Department of International Affairs, Graduate School of Public and International Affairs, University of Pittsburgh.

Rupert Emerson, Professor of Government, Harvard University.

Lawrence S. Finkelstein, Secretary, Center for International Affairs, Harvard University.

Leland M. Goodrich, Professor Emeritus, School of International Affairs, Columbia University.

H. Field Haviland, Jr., Fletcher School of Law and Diplomacy.

Elmore Jackson, Vice President for Policy Studies, United Nations Association of the United States of America.

Harold K. Jacobson, Professor of Political Science, University of Michigan.

David A. Kay, Associate Professor of Political Science, University of Wisconsin.

Robert O. Keohane, Associate Professor of Political Science, Swarthmore College.

Lawrence Krause, Senior Fellow, The Brookings Institution.

Leon N. Lindberg, Professor of Political Science, University of Wisconsin.

Edward Miles, Associate Professor of International Relations, Graduate School of International Studies, University of Denver.

Joseph S. Nye, Professor of Government and Program Director, Center for International Affairs, Harvard University.

Francis O. Wilcox, Dean, School of Advanced International Studies, Johns Hopkins University.

Oran R. Young, Center for International Studies, Princeton University.

DR. CLAUDE E. HAWLEY

Mr. HUMPHREY. Mr. President, on October 28 my good friend, Dr. Claude E. Hawley, vice president of the John Jay College of Criminal Justice, died at the age of 56. Claude was more than a distinguished political scientist and educator. He was also a philanthropist and a humanitarian. He served as president of the Helen Dwight Reid Educational Foundation and in that role provided leadership and assistance to strengthen our democratic institutions. A former colonel in the Armed Forces, he headed the Psychological Warfare Division in Southeast Asia and later served as Director of External Research for the U.S. Central Intelligence Agency. He also held a responsible position with the U.S. Information Agency.

I ask unanimous consent to have printed in the RECORD the address by the president of the John Jay College, Dr. Donald H. Riddle, delivered at Dr. Hawley's funeral services.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY PRESIDENT OF JOHN JAY COLLEGE

(By Donald H. Riddle)

As most of you know, Claude Hawley left no family, except for a very large family of friends. His close friend and executor Carney Darron has asked me, as President of the college where Claude served as Vice-President, to preside over this ceremony in which we honor our friend Claude Edward Hawley, and share our sense of loss. The ceremony will be a simple one as befits a man whose personal tastes went beyond the spartan in their simplicity. Indeed it is sad and ironic that this ceremony is probably the most lavish of his life.

Claude was a man who often hid his virtues and displayed his blemishes. His prickly exterior tended to conceal a sensitive, compassionate and fiercely loyal man underneath. Consequently many of his contributions to the John Jay College of Criminal Justice went unappreciated except for his closest associates among the faculty and administration.

His going leaves an enormous hole to fill. Indeed, one member of the college community suggested that I look for three men to fill his shoes. For with Claude, his work was the essence of his life. Months before he came to the college, but after he had agreed to become its first Dean of Graduate Studies, he spent untold hours working on the development of the program he was to head; and from the beginning it was a stronger program than we had a right to expect.

It was Claude's painstaking work on our M.P.A. program which was his abiding academic love, that turned sneers at the upstart "cop college" first into a grudging respect and then to full acceptance within the university and across the country, culminating in his election last spring as the next president of the Council of the Graduate Schools of Public Administration. But perhaps our graduate students appreciated him most. It was they who most readily discovered the surprising depth of that spring of compassion under that bristly exterior.

No student ever found him too busy or too preoccupied to drop what he was doing to listen to a problem and to lend his best efforts to its solution, whether it was cutting some current piece of red tape or to help with a personal or academic problem or to simply make some calls to friends who might give assistance. His impact on students was epitomized, for me at least, by the former graduate student, now with Claude's help a doctoral candidate at U.S.C., who called Friday in tears because he could not afford to come here and who concluded "he helped me so much".

Claude had only limited knowledge of the police but he had such a deep sympathy for the students that the police tended to look upon him as one of them, not understanding that he felt that way about all our students although he did reserve a special place in his heart for the part-time student with the full-time job.

But his greatest contribution to the college did not lie in his obvious role in the development of the Graduate Studies. For more than three years he has been first de facto and then officially the college's vice-president. It is in that role that he became virtually irreplaceable in ways only I can know best, but which these inadequate words can only suggest, but not do justice to. He was the one who cheerfully took on the difficult and unpleasant jobs; who was always there to cut the red tape; who tirelessly worked on getting John Jay the national reputation he believed we merited; who systemically cultivated the respect of every agency which might have an interest in the work of the college. Usually the first to arrive in the morning, and until his illness the last to leave, he lightened the burdens of us all and buttressed us with his intense personal and institutional loyalty. He was the troubleshooter, the one who insisted that we not merely make a decision, but that we also decide who will do it and when, and then he would relentlessly pursue every last detail until the job was done.

In short, he was the one who got things done. It is not surprising that he earned our respect but he also earned and got our affection. Many of us at the college will miss terribly his person. All of us will miss his presence.

NEW YORK CITY GIVES CONGRESS A LESSON

Mr. MOSS. Mr. President, I invite the attention of Senators to an article published in yesterday's New York Times. It concerns New York City's decision to change over completely to the use of recycled paper for all its paper requirements. Beginning soon, the New York City commissioner of purchase will specify minimum percentages of recycled fiber that will have to be in every paper item the city buys.

This step follows the tremendous success of the city's purchases of recycled paper to date. In the words of the commissioner of purchase:

The partially recycled paper was every bit as good, but cheaper than our previous purchases of virgin paper.

It seems that Congress could take a lesson from New York City. Senators are still unable to receive recycled paper in their regular paper allotment. I buy my own. Not a single Federal agency can use recycled paper, although several have told me they were interested. Why? Because the Government Printing Office has not made up its mind:

The matter is under study.

Well, I submit that the study has gone on long enough. The unambiguous evidence is in, not only from New York, but from every other user of recycled paper. Recycled paper is every bit as good, but cheaper than virgin paper. With the speed of its studies, I am surprised that the Government Printing Office has moved up from papyrus.

How long must this charade go on? When will Federal specifications be rewritten to permit, let alone require, the use of recycled paper? When will action be forthcoming on the various bills, including my own, to require some use of recycled paper by the Government?

I ask that we move promptly on these matters, for time is of the essence. Every day more trees are cut down needlessly to fill our virgin paper requirements. Every day waste paper that could be recycled is being added to our critical solid waste problem, because we refuse to require it to be recycled. We must move soon to overcome our resource shortages and our solid waste problems before they overcome us.

I ask unanimous consent that the New York Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CITY TO BUY ONLY RECYCLED PAPER

Paper manufacturers selling everything from official forms to toilet paper to the city will soon be required to use large amounts of recycled paper in their products, Purchase Commissioner Marvin Gersten said yesterday.

"Very soon," Commissioner Gersten said in an interview, "we plan that virtually all paper products purchased by the city will contain some recycled materials."

The program, being prepared by Mr. Gersten's office and the Environmental Protection Administration, follows "the tremendous success" of a $353,992 purchase by the city last spring of a year's supply of bonded stationery containing 20 per cent fabric redeemed from waste paper.

"The partially recycled paper was every bit as good, but cheaper, than our previous purchases of virgin paper," Mr. Gersten said.

CUT IN COSTS EXPECTED

The 32-year-old Commissioner, whose department is responsible for virtually all city purchases, said the move to require use of recycle paper would cut costs; help reduce the city's refuse-disposal problem, which now averages 24,000 tons a day, and act as a conservation aid by using less virgin paper.

While Mr. Gersten indicated that the city was aiming at a 20 per cent use of recycled paper, he pointed out that he had just signed a $10,000 contract for corrugated boxes that will contain 30 per cent recycled material.

By early next year, he said, about $1-million in paper purchases by the city would reflect the requirement on recycled paper.

Of the approximately 1.7-million pounds of paper purchases the city has made since July 1, the start of the fiscal year, about 350,000 pounds contained some recycled matter, Mr. Gersten said.

The official stressed yesterday, as has Jerome Kretchmer, the Environmental Protection Administrator, that he hopes the new city purchase policy will influence major corporations here to follow suit, for both economic and conservation reasons.

Officials of the Environmental Protection Agency are currently drawing up new specifications spelling out the percentage of recycled material the city will require in the thousands of separate paper products the city buys annually.

PROGRAM TO BE EXTENDED

"The next step," the Purchase Commissioner said, "is to extend the recycling program to other materials and find out what we throw away that we don't have to throw away."

Last month, Mr. Gersten was named chairman of a committee on recycling at the annual meeting of the National Institute of Government Purchasing Agents in Cincinnati, where he outlined the city's intentions to set recycling requirements on purchases.

"Since then," he said, "our office has been deluged with requests from private and government organizations, asking for information" on newly devised specifications and on the quality of the recycled material.

RECEIPT FOR FEDERAL TAX PAYMENT

Mr. HATFIELD. Mr. President, on Saturday last, the distinguished Senator from Minnesota (Mr. HUMPHREY) suggested that the American taxpayers have the right to a receipt for their Federal income tax payment—a receipt which would show them where their money had gone—just as they have the right to ask for a full accounting of every other bill charged to them. The amendment offered by the Senator from Minnesota to require the issuance of such a receipt was roundly defeated by arguments such as these: The taxpayers do not want the information; we would be filling the taxpayers' mailboxes with junk mail; the scheme would be subject to a computer error; there would probably be a taxpayers revolt if they were informed how their money is being spent; the services would cost too much—about one-third the price of an F-14 airplane.

I am surprised to hear the distinguished Senator from Louisiana (Mr. LONG), chairman of the Finance Committee, report that he has never in 23 years had a request for any information of this kind. I have had many such requests. I am surprised to hear that receipts for payments of large sums of money are being called junk mail. And I submit that if such information is likely to precipitate a revolt of the American taxpayers, then this body has not been representative of the people. Our democracy is based upon trust in the people, who have a right to know about and to shape the affairs of the Nation through those they elect to office. For these reasons, I support efforts to make this kind of information available.

We are living in a time when confidence and trust in government has been eroding. People find it difficult to translate the policies of government and the money that is spent into concrete terms that they can understand. In my view, one of the most important functions of an elected representative is to bridge this gap between government bureaucracy and the people, and help translate the actions of government in ways that can be understood by each citizen. This was my objective when I undertook to report to Oregonians where their Federal taxes were spent, including, specifically, spending for the war in Vietnam. I ask unanimous consent that the study be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

WHERE FEDERAL TAXES ARE SPENT

If you are the head of an average Oregon household, you have paid out $1,101.00 for the War in Vietnam since 1965. Since 1965, over One Billion Dollars ($1,000,000,000) has been paid by Oregon's citizens and corporations in taxes for the War.

The citizens of Oregon paid a total of $94.8 million in tax money just for fighting the War in Vietnam during the last fiscal year (July 1, 1970–June 30, 1971). Yet, spending for the War was only 15% of spending for the military last year. Of the total amount of Federal tax money that came from the pockets of the people of Oregon—$987 million—about $633 million went for military purposes. That is 64 cents out of every Federal tax dollar. In contrast, only 16 cents went for education, health, and welfare.

This is what these costs mean to the average Oregon household:

(1) This household paid $1,427.00 in Federal taxes (not including Social Security) last year.

(2) Of this amount, $915.00 was earmarked for military purposes—$137.00 specifically for fighting the War last year.

(3) And as I stated, since 1965, the War in Vietnam has cost the Oregon household a total of $1,101.00.

But these are just average figures. Using the form on the next page, you may make an evaluation of your own contributions to military spending in general, and to the War in particular. With these figures in hand, you may be interested in hearing more about where Oregon dollars are spent by the U.S. Government, and what these spending priorities mean to Federal aid for projects in the State.

U.S. GOVERNMENT SPENDING (FEDERAL FUNDS BASIS)—FISCAL YEAR 1971

	Percent of total	Billions
Defense spending for all military reasons, including military-related spending	64.1	$105.5
Human resources	16.5	27.3
Education and manpower	4.8	7.9
Health	5.3	8.8
Welfare	6.4	10.6
Agriculture and rural development	3.2	5.3
Natural resources (including environment)	1.6	2.6
Commerce and transportation	4.5	7.3
Community development and housing	2.3	3.9
International assistance	2.2	3.6
Space research and technology	2.1	3.4
Other	3.5	5.8
Total	100.0	164.7

The above table illustrates the present ordering of national priorities by showing how the U.S. Government spends our tax dollars. New priorities are needed, if we are to restore the general health of the economy and meet the pressing need for Federal funds for water and sewer projects, housing, aid to education, law enforcement, environmental protection, youth care, job re-training, irrigation and flood control, recreational area development, and so on, down a very long list.

Oregon's contribution to the tax money spent by the Federal Government last year is shown in the 2nd table. Included are figures showing what an average Oregon household contributed.

Since 1965, fighting the War in Vietnam has cost the Nation $123,000,000,000 ($123 billion). This figure, however, does not include the indirect costs, such as war-generated inflation, Vietnam veterans' benefits, and rehabilitation for drug-addicted troops. Considering the veterans alone, and using past wars as a guide, it is estimated that the budgeted cost of the War will be increased by at least $60 billion as veterans' benefits are paid out in the future. A further cost will be borne by the U.S. taxpayers as they pay more and more interest on the burgeoning national debt, which is about 80% war-created.

The War has also cost a great deal to Oregon in terms of lost opportunities. While the list of much-needed Oregon projects appears inexhaustible, the list of projects rejected for lack of funds is nearly as long. For example, the City of Portland applied for $600,000 to build an important trunk-

line sewer in April, 1970. They were told that funds were not available for the project. Meanwhile, the residents of Multnomah County were paying $30.7 million just to continue fighting the War in 1971.

In the last six months (through August), requests from Douglas County for Federal assistance in water and sewer projects have totaled $810,700—for rural water facilities construction in the Umpqua Basin, sewage collection facilities construction at Winchester Bay, and construction of a sewage treatment plant at Riddle. Compare the above figure with what the citizens of Douglas County have spent just for fighting the Vietnam War in the last six months: $1.4 million. This comparison is especially significant when you realize that for every water or sewer project in Oregon that is actually funded, there are ten for which there are no funds.

In Lincoln County, where I live, we paid a total of $6,250,000 in Federal taxes last year just to support military spending. As the editor of the Newport News and Times pointed out, this sum would have completely funded a new and much-needed Toledo-Newport high school.

Of course dollars can never measure the deepest tragedy of this War—its human cost. Over 665 young Oregon men have paid with their lives in Vietnam. Thousands more have been wounded, and over 30 are held as prisoners or are missing in action. Still others have become addicted to drugs while in Southeast Asia. All Oregonians feel this loss and grief, and communities throughout the state share in the suffering from the sacrifice of these able, young citizens.

The message is this: In addition to the horrible human costs of death and injury to young Oregon men, the War has caused the people of Oregon to forfeit large sums of money and tremendous economic opportunities. Your community has suffered, and quality of living in your area has gone wanting.

The road to a healthier economy and to a better quality of life—to a vibrant and stronger country—leads away from excessive military spending. The way is through development of community, human resources, natural resources, and commerce. The War has skewed our national priorities for the last seven years; it is time for a change.

Figure your own war cost

Your 1971 Federal income tax ———.
Estate taxes ———.
Gift taxes ———.
Customs duties ———.
Excise taxes (on alcohol, tobacco, amusements, telephone, luxuries) ———.
Your total 1971 Federal taxes (sum of above) ———.
Your contribution to military spending, 1971 ——— times 0.64 equal ———.
Your contribution to the War, 1971 equal ——— times 0.10 equal ———.
Your contribution to the War, 1965–71 ——— times 0.77 equals ———.

CONTRIBUTIONS TO FEDERAL FUNDS FOR U.S. GOVERNMENT SPENDING—FISCAL YEAR 1971

	Taxes from an average Oregon household	Taxes from the State of Oregon (million)
Defense (spending for all military reasons, including military-related spending)	$915	$792
Human resources	236	204
Education and manpower	69	59
Health	76	66
Welfare	91	79
Agriculture and rural development	46	39
Natural resources (including environment)	23	20
Commerce and transportation	64	56
Community development and housing	32	28
International assistance	31	27
Space research and technology	30	26
Other	50	43
Total	1,427	1,235
For the war in Vietnam.		
Fiscal 1971	137	119
1965-71	1,101	1,016

DESCRIPTION OF THE RESEARCH

The following method was used to determine what Oregonians paid in fiscal year 1971 (FY71) for the various functions of the Federal Government.

First, the Federal Budget was analyzed to determine the origins of U.S. Government receipts and the locations of U.S. Government outlays.

There are two ways to view the Federal Budget. (1) The *Unified* Budget includes revenues from taxes (individual and corporate income, estate, gift, most excise, customs) plus payments into the Trust Funds (Social Security, Unemployment Insurance, Disability Insurance, Railroad Retirement, Highway Trust Fund, etc.). (2) The Federal Funds Budget includes only the revenues collected from taxes. Since the Unified Budget contains the Trust Funds—money collected for a specific purpose, held in trust, and then paid back—a better picture of national priorities can be gained by examining the Federal Funds Budget, which deals with the funds that are not specifically earmarked, and which can be channeled into the various Government functions according to priorities established by the Executive Branch. (A case in point: Expenditures for defense, which come directly from tax money, cannot be legitimately compared to outlays for Social Security, which the Government previously collected for this purpose and now pays back to the source.)

Budget data for fiscal year 1971 [1]

[In billions]

U.S. Government receipts:	
Unified budget	$188.3
Trust funds receipts	54.6
Federal funds receipts	133.7
U.S. Government outlays:	
Unified budget	212.8
Trust funds outlays	48.1
Federal funds outlays	164.7
Deficit (Federal funds budget)	[1] 24.5

Federal Funds outlays were sorted into the categories of Table I [1 2]. The defense category includes all spending for military reasons. This includes veterans' benefits, for example, and interest paid on the national debt, which is about 80% war-created. It is a close approximation to include the entire interest, rather than just 80%, in defense costs, because the extra 20% just balances the defense expenditures that are masked by their inclusion in other categories (most notably in international assistance and space research and technology).

Note: The U.S. Government now uses the Unified Budget in reporting all revenues and outlays. The major effect of this reporting is to inflate the appearance of the human resources category while comparatively shrinking defense. The Unified Budget view of Federal outlays, as it is presented in the official U.S. Budget, is shown in Table II.

Second, Oregon's contribution to Federal Funds receipts was determined by finding out what percentage of Federal Funds has come from Oregon in previous years.[3] The data available for such calculation are from fiscal years 1965–1967, and during that time Oregon's contribution was 0.92% of total Federal Funds receipts. (Rough calculations for later years show about the same figure.) Assuming that Oregon's contribution is still about 0.92%, Oregon's contribution for FY71 is $1.235 billion (Table III).

FY65–67 data also showed that corporate concerns in Oregon generated 28% of the total state contribution, a figure that was close to the national average (all corporations in the nation generated 30% of total Federal Funds receipts). In FY71, the contribution of the nation's corporations had fallen to only 20% of Federal Funds receipts. We assume that the Oregon figure remained close to the national figure; ie, that Oregon corporations in FY71 generated about 20% of the total state contribution.

The 1970 Census reported 691,631 households in the State, and an Oregon population of 2,091,385.[4] These figures were used in completing Table III.

Third, the cost of the War was taken from the Senate Foreign Relations Committee Report.[5] The total cost of fighting the War in FY71 was $15.8 billion, or 9.6% of Federal Funds outlays. For the seven years from 1965 to 1971, the War cost was $123 billion, or 13.1% of total Federal Funds outlays for those years. Therefore, one can say that 9.6% of Oregon's FY71 contributions and 13.1% of Oregon's seven-year contribution went for fighting the War (Table IV).

Fourth, the county contributions were computed on a personal incomes basis. Data on Oregon personal incomes was available for 1968 from Oregon Tax Research.[6] Each county's total personal income for that year was figured as a percentage of the state total personal income, and this percentage was used to approximate the country's contribution to the FY71 state total contribution (excluding corporations) to Federal Funds.

Final notes: It is estimated that the budgeted cost of the War will be increased by at least 50% as veterans' benefits are paid out over the next 100 years.[6]

The figures of the Tables are best possible estimates using the available information. To our knowledge, no direct cost accounting has ever been done by the Government that would determine the actual amounts of money, from regions and localities of the U.S., that are used for the various functions of the Federal Government.

FOOTNOTES

[1] *The Department of the Treasury News*, July 28, 1971.

Uses and Sources of Federal Government Funds, Fiscal Years 1970–1972 Congressional Research Service, Library of Congress, February 22, 1971, revised.

The U.S. Budget in Brief, Office of Management and Budget, Executive Office of the President, January 29, 1971, p. 61.

[2] *1971 Joint Economic Report—Report on the February 1971 Economic Report of the President*, Joint Economic Committee, U.S. Congress, 1971, pp. 62–68.

[3] *Federal Revenue and Expenditures Estimates for States and Regions, Fiscal Years 1965–67*, Intergovernmental operations subcommittee of the Committee on Governmental Operations, U.S. House of Representatives, October, 1968, pp. 28–29.

[4] *1970 Census of Population, Oregon Advance Report*, Bureau of Census, U.S. Department of Commerce, January, 1971.

[5] *Impact of the Vietnam War*, Foreign Affairs Division of Congressional Research Service, Library of Congress (prepared for the use of the Committee on Foreign Relations, U.S. Senate), June 30, 1971.

[6] *Your Taxes*, Oregon Tax Research, Vol. 35, No. 6 (June, 1970).

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TABLE I.—U.S. GOVERNMENT OUTLAYS (FEDERAL FUNDS BASIS) FISCAL YEAR 1971 (JULY 1, 1970 TO JUNE 30, 1971)

[Dollars in billions]

	Percent of total	Amount
Defense (spending for all military reasons, including military-related spending)	64.1	$105.5
Direct military spending	46.4	76.5
Veterans' benefits	5.9	9.6
Interest on national debt	11.8	19.4
Human resources	16.5	27.3
Education and manpower	4.8	7.9
Health	5.3	8.8
Welfare	6.4	10.6
Agriculture and rural development	3.2	5.3
Natural resources (including environment)	1.6	2.6
Commerce and transportation	4.5	7.3
Community development and housing	2.3	3 9
International assistance	2.2	3.6
Space research and technology	2.1	3.4
Other	3.5	5.8
Total	100.0	164.7

TABLE II.—U.S. GOVERNMENT OUTLAYS AS REPORTED IN OFFICIAL U.S. BUDGET (UNIFIED BUDGET BASIS) FISCAL YEAR 1971 (JULY 1, 1970 TO JUNE 30, 1971)

[Dollars in billions]

	Percent of total	Amount
Defense	35.9	$76.4
Human resources	41.7	88.7
Education and manpower	3.9	8.3
Health	7.0	14.9
Welfare	6.4	10.6
Social security (and related programs)	19.7	44.9
Veterans' benefits	4.7	10.0
Agriculture and rural development	2.5	5.3
Natural resources (including environment)	1.2	2.6
Commerce and transportation	5.4	11.4
Community development and housing	1.8	3.9
International assistance	1.7	3.6
Space research and technology	1.6	3.4
Interest on national debt	9.1	19.4
Other	2.1	4.4
Undistributed intragovernmental payments	−3.0	−6.3
Total	100.0	212.8

TABLE III.—*U.S. Government receipts—Federal funds basis—fiscal year 1971*

	Millions
Total Federal receipts	$133,658

OREGON'S CONTRIBUTION TO U.S. GOVERNMENT RECEIPTS, FISCAL YEAR 1971

	Millions
Oregon's contribution to total Federal receipts	$1,235
Subtract Oregon corporation taxes	248
Oregon's contribution to Federal receipts from personal taxes on residents	987

An average Oregon household's contribution to Federal receipts: $1,427.

An average Oregon resident's contribution to Federal receipts: $472.

TABLE IV.—*Cost of the war to the nation*

Fiscal year 1971: $15.8 billion; or $245 per U.S. household, or $78 a person.

1965–1971: $123 billion; or $1,974 per U.S. household, or $605 a person.

COST OF THE WAR TO OREGON FISCAL YEAR 1971

	Millions
Total	$118.6
Subtract the cost borne by Oregon corporation taxes	23.8
Cost of the war to Oregon residents	94.8

Cost of the war to an average Oregon household: $137.

Cost of the war to an average Oregon resident: $45.

COST OF THE WAR TO OREGON 1965–1971

	Millions
Total	$1,015.5
Subtract the cost borne by Oregon corporation taxes	253.9
Cost of the war to Oregon residents	761.6

Cost of the war to an average Oregon household: $1,101.

Cost of the war to an average Oregon resident: $364.

TABLE V.—*Contribution to Federal funds for U.S. Government outlays by Oregon corporations and residents—fiscal year 1971*

	Millions
Defense (spending for all military reasons, including military-related spending)	$792
Human resources	204
Education and manpower	59
Health	66
Welfare	79
Agriculture and rural development	39
Natural resources (including environment)	20
Commerce and transportation	56
Community development and housing	28
International assistance	27
Space research and technology	26
Other	43
Total	1,235
For the war:	
Fiscal 1971	119
1965–1971	1,016

TABLE VI.—*Contribution to Federal funds for U.S. Government outlays by the Oregon Corporations—fiscal year 1971*

	Millions
Defense (spending for all military reasons, including military-related spending)	$159.1
Human rebsources	41.0
Education and manpower	11.9
Health	13.2
Welfare	15.9
Agriculture and rural development	7.9
Natural resources (including environment)	4.0
Commerce and transportation	11.2
Community development and housing	5.7
International assistance	5.4
Space research and technology	5.2
Other	8.7
Total	248.2
For the war:	
Fiscal 1971	23.8
1965–1971	253.9

TABLE VII.—*Contribution to the Federal Funds for U.S. Government Outlays by the Residents of Oregon—fiscal year 1971*

	Millions
Defense (spending for all military reasons, including military-related spending)	$632.6
Human resources	162.8
Education and manpower	47.4
Health	52.3
Welfare	63.1
Agriculture and rural development	31.6
Natural resources (including environment)	15.8
Commerce and transportation	44.4
Community development and housing	22.7
International assistance	$21.7
Space research and technology	20.7
Other	34.5
Total	986.8
For the war:	
Fiscal 1971	94.8
1965–1971	761.6

TABLE VIII.—*Contribution to Federal funds for U.S. Government outlays by an average Oregon household—fiscal year 1971*

Defense (spending for all military reasons, including military-related spending)	$915
Human resources	236
Education and manpower	69
Health	76
Welfare	91
Agriculture and rural development	46
Natural resources (including environment)	23
Commerce and transportation	64
Community development and housing	32
International assistance	31
Space research and technology	30
Other	50
Total	1,427
For the war:	
Fiscal 1971	137
1965–1971	1,101

NEW TOWNS AND PRIVATE ENTERPRISE

Mr. HUMPHREY. Mr. President, I have taken the floor of the Senate a number of times to urge support for the new town movement. New towns could represent the best of planning, technology, and social involvement.

The development of new towns was spurred by the Housing Act of 1968. In this legislation, four kinds of new towns became eligible for government aid:

First, the free standing town, second, the satellite city, third, the add on—built around an existing small town, and fourth, the new town-in town—a new town within the core part of an already existing city.

We in Minnesota were proud to be the first State that won a loan guarantee commitment from HUD for the new town of Jonathan. The planning of Jonathan places emphasis on the orderly growth and the preservation of open space. This year Minnesota will have another new town development—Cedar-Riverside, less than a mile from the heart of Minneapolis. Cedar-Riverside is an example of a new town-in town.

Additional legislation in 1970 has opened frontiers for the development of new towns. Under title VII of the Housing and Urban Development Act, interest differential payments were made available for both public and new community developers. However, I have discovered that the Nixon administration is not paying the interest differential for new public new community developers. I have introduced Senate Joint Resolution 141 that would require the payment of this differential. I would hope that Congress will act on that resolution.

The importance of new towns to private developers has been clear to many

of us for years. Recently, however, this importance is being noticed in such business oriented magazines as Fortune.

In an article published in the September issue of Fortune, Eleanore Carruth examines the whole new towns picture. Her conclusion is worth noting:

It is much too early to tell how new towns will work out, of course on a number of counts—but they could in themselves be at least a partial solution. By their very existence, moreover, in the standards they set for all other developments, they could lift the level of living for millions of Americans. And, surely that would make the new town experiment worth the undertaking.

I ask unanimous consent that the article entitled "Big Move to New Towns" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRIVATE DEVELOPERS ARE MAKING THE BIG MOVE TO NEW TOWNS

(By Eleanore Carruth)

The new-town movement is about to come of age in America. Powerful forces—public and private, natural and directed—are converging into a thrust toward large, planned communities all over the U.S. The decade of the Seventies will see scores if not hundreds of such new developments spring up, transforming not just the physical landscape, inside and outside of cities, but the human affairs of millions of Americans as well.

Sometime soon, the Department of Housing and Urban Development will announce its support for at least three projects, bringing to a total of nine the number of new towns it is committed to back. With scores of proposals pouring in from Alaska to the Virgin Islands and all points in between, HUD expects to approve another six to nine over the rest of this fiscal year. Larger plans—and budgets—may be in the cards for fiscal 1973.

The new communities will increasingly, over the next decade, affect the affairs of American business, too. A string of blue-chip corporations—I. C. Industries, Westinghouse, U.S. Gypsum, and Sears, Roebuck, to name a few—have already entered the field, and a good many others are eying it. Private enterprise may make handsome profits on projects where most of the risk is borne by the government. "Ten or fifteen years from now I expect congressional investigations and criticism from the press about the money that developers are making on new towns," says William J. Nicoson, head of HUD's Office of New Communities Development. "And I will welcome them. I don't mind if there are profits—I hope there will be—as long as we get the product."

The new communities will determine the location of a growing proportion of the country's $100-billion-plus construction industry, which accounts for a tenth of the gross national product. New York State expects to channel a full third of its anticipated population growth in the Seventies into new communities. The proportion elsewhere may be higher, or lower, but it is certain to be significant. And because the new communities will try to provide jobs as well as bedrooms, the movement will strongly influence the future placement of both commerce and industry.

THE BEST OF EVERYTHING

To be sure, only a few of these new communities will fully qualify as "new towns" in the sense that purists use that term. The original concept, incorporated to one degree or another into the thirty communities already born of Britain's New Towns Act of 1946, was pioneered by Ebenezer Howard, an English urban philosopher, back at the turn of the century. He envisaged an independent, multifaceted city, planned and built from the beginning to combine the best of two worlds: a full range of urban life and the beauty and serenity of country living.

Ringed by a green belt to preserve open space and prevent sprawl, Howard's city was to be a balanced community, with adequate business and public facilities as well as residential units—a place where people could live *and* work. The ideal new town would also have diversity in housing and income levels, in employment, recreation, and life style.

The native American approach to the new town, however, has so far been considerably more pragmatic than ideal, as seen in many, if not most, of the fifty or more large planned communities that have appeared in the last quarter century. Among the first of the genre were Levittown, Long Island, and Park Forest, Illinois. These were mass housing developments for the new middle class fleeing the central city, but they differed from much of the ongoing growth of suburbia that proceeded mindlessly through tract development strung out over the countryside. These new communities offered not just housing, but a whole way of *suburban* life. Park Forest (population: 30,000), some thirty miles south of Chicago, even gained a measure of national fame in the early Fifties as the home of William H. Whyte's "organization man," who first appeared in the pages of this magazine.

COUNTRY-CLUB COMMUNITIES

Well before the government got involved in the new-town movement, the character of planned developments had been changing in several promising ways. To begin with, the newer ones are starting with a great many more amenities—man-made lakes, green space, golf courses, etc.—and a wider range of public services and community facilities. Many have acquired light industry and commerce. A few have even tried to broaden development by building federally subsidized housing as well as expensive residences, and so diversifying their population mix. Some communities have just evolved in one or another of these directions while others have come a lot closer to the new-town idea in their initial plans for development. Among the latter are Irvine and Valencia in California, and New Orleans East, all planned for a population of a quarter million or more, as well as other, smaller communities such as Clear Lake City in Texas and Westlake Village in California. But even the best of them have been criticized as "country-club communities" with no real urban style.

The two developments in the U.S. most universally admired are Columbia, Maryland, and Reston, Virginia. Their design has been widely praised, and both are expected to return large profits to their backers. Both place great stress on local jobs for their residents—a key concept of the new town—although a considerable number of residents commute to work in nearby Washington and Baltimore. Now that generous backing for the new-town movement is becoming available, Columbia and Reston are generally conceded to be the pioneers and the best available models for emulation. To the men who built them, they add up to considerably more than the sum of their parts. "A new town does not begin with the land," says James Rouse, the creator of Columbia. "It begins with the belief that life can be supported much better in America than we now do in either the inner or outer cities."

But the well-publicized beginning days of Reston and Columbia were also living proof of just how tough the new-town business is—and of the need for a government role. "New towns," says one developer, "are a gulp-and-go-for-broke business." It takes a lot of "front money," perhaps $60 million, to get a good-sized city going—to acquire large tracts of land, make improvements, and give it a communal core. The risks are great and the rewards a long way out. In 1967, five years after beginning Reston, developer Robert E. Simon Jr. found himself squeezed in a tight money market and was obliged to surrender his control to Gulf Oil, which had invested more than $15 million in the new town. Rouse enlisted the support of Connecticut General from the first for the development of Columbia, but in order to get it he had to give the insurance company a half-interest in the project. And he was lucky at that, for as one consultant says, "You don't find a Connecticut General on every corner." The project, started in 1963, has already cost $300 million for land, improvement, and construction out of an ultimate capital value of $2 billion: there are 15,000 people living there now out of the projected 1980 population of 110,000.

It was against this background—and amid growing concern about urban sprawl—that Congress passed the Housing and Urban Development Act of 1968 during the waning days of the Johnson Administration. It has been compared, without too much exaggeration, with the Homestead Act of 1862. "It was just awfully clear," says one of the framers of the bill, "that new towns were a damned expensive experiment, and that private enterprise would be hard pressed to make things go."

STRINGS ON THE FEDERAL MONEY

Under the Housing Act of 1968, HUD recognized not a single concept but at least four kinds of new towns eligible for government aid: the freestanding town; the satellite (such as Columbia and Reston); the "add-on," i.e., built on the nucleus of a small existing town; and the new-town-in-town, a planned community within (or on the fringes of) an old core city. The last category was added in order to obtain the support of the nation's mayors, who feared that federal money for urban aid would be drained off to new communities. Whatever their form, to qualify for HUD aid all the new towns must meet several criteria. They must combine open space with sufficient density for the creation of an urban style of life. They must plan for a balanced development of commerce and industry along with residential and recreational facilities. They must offer equal opportunity for all minority groups in employment and housing and provide a substantial number of low-cost housing units.

Under Title IV of the act, HUD was authorized to issue loan guarantees to private developers of large new communities. With their obligations backed by the full faith and credit of the U.S. Government, developers could then borrow long-term private capital, through either private debt placements or public offerings of debentures, at considerably lower interest rates than would otherwise be possible. The guarantee under the 1968 act could be as much as $50 million for a single project, with a total of $250 million for all loan guarantees. Title IV also authorized some supplemental grants to local governments for the acquisition of land for open space and for the installation of water and sewer lines in HUD new towns.

Congress renewed and expanded its commitment to new towns in the Housing and Urban Development Act of 1970, signed by President Nixon last December 31. Title VII of that bill doubled the ceiling on loan guarantees to $500 million, and extended the guarantee program to public agencies, such as New York State's Urban Development Corporation. Other aid was materially liberalized too. Hud can now issue loan guarantees covering all the costs of acquiring and developing land incurred by government authorities for projects they sponsor, and about 85 percent of the costs in the case of private developers. Beyond the land and improvements, proceeds from guaranteed borrowings

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can also be used now for a broad range of new-town needs—schools and hospitals, for instance. Developers can borrow money from the government to pay the interest on money borrowed without loan guarantees—for a period of up to fifteen years. State and local agencies are in addition eligible for grants to defray the extra cost of interest on their federally guaranteed borrowings over the rate they would pay for money in the municipal tax-exempt market.

Also of special importance are a panoply of new Title VII grants and loans. One purpose is to stimulate innovative planning. Another is to nurture a city until it can create a tax base large enough to carry itself. Public-service grants, for instance, may be provided for all costs of essential services—education, health, and safety—in the first three years of a project's life.

New communities approved by HUD, moreover, could receive priority for assistance under thirteen existing federal-aid programs that encompass almost every conceivable kind of public facility, from waste-treatment works and access roads to hospitals and neighborhood centers. And HUD can supplement these programs with additional grants. The maximum federal contribution is 80 percent of total expenditures. So, besides the $500 million in loan guarantees and the $240 million in loans for interest payments, hundreds of millions in other loans and grants may be funneled into the new-town program, provided that Congress funds all the Title VII provisions which it has not yet done.

MAKING THE PROGRAM GO

The 1970 act marks a critical turning point for the new-city movement, and not just because it broadened so markedly the scope of the previous act. Under the new law the President must submit to Congress, by February of next year, a report on urban growth, along with his recommendations for rationalizing that growth. How much further Nixon will go at that time is a question. He has been criticized for not attacking the issue decisively and for failing to start on the kind of staff work necessary. It was Congress that took the lead in developing the 1970 Housing Act, and Democratic Congressman Thomas L. Ashley of Ohio who originally introduced an expanded communities-aid bill, which the Administration later joined in rewriting. But Nixon did advocate a balanced national growth policy in his last State of the Union Message, and Secretary Romney spent a lot of time in Europe recently studying new towns. So it is just possible that Nixon may decide to push hard and make new towns a positive area of domestic achievement.

Certainly HUD has begun to lean into the program, which is under the general purview of Samuel C. Jackson, forty-two, assistant secretary for community planning and management and one of the highest-ranking blacks in the Nixon Administration. When he came to the department in early 1969, there were only two people assigned to new towns, and Jackson admits that the program necessarily got off to a slow start. (It took a year and a half to approve the first new community.) The beginning of its formidable task was to identify just what a new community is. The first question was, says Jackson, "What are we talking about?" To head up the Office of New Communities Development, early in 1970, Romney brought in Nicoson, who had previously served as a consultant to HUD. Nicoson, thirty-nine, went from Harvard Law School to the Wall Street law firm of Sullivan & Cromwell, where he specialized in corporate finance. He left in 1968, after his interest had increasingly turned to urban affairs, to set up his own consulting practice. A practical visionary with a lot of hustle, he quickly captured as one of his clients the state of New York. "We can build an environment worth living in," he asserts. And he has been tackling the job with such gusto that one developer declares, "That little guy is the best thing about the whole new-communities program." Nicoson's office now has a staff of thirty people, will add twenty more soon, and action is the order of the day.

DRAWING THEM BACK TO THE OZARKS

In its selection of the communities that it has chosen to back, HUD has come up with a rich mixture of new-town projects, with a considerable diversity of location and role in guiding future urban growth. A $7,500,000 loan guarantee is already in the works for the new town of Maumelle, Arkansas, twelve miles northwest of Little Rock, on the banks of the Arkansas River, which was recently opened to ocean-going vessels with the completion of a $1.2-billion waterway and flood-control project. HUD hopes the new community will attract industry and employment to the central Ozark region, which has been steadily losing both population and jobs over the years.

Flower Mound New Town, Texas, by contrast, got a loan guarantee because it is situated in an area of inevitable growth. It lies between Dallas and Fort Worth and just four miles away from a gaint, 18,000-acre regional airport—the largest in the world—scheduled to open in 1973. In Flower Mound, HUD hopes to demonstrate the advantages of organizing growth, in contrast to the hodgepodge development that surrounds most of the nation's major airports.

Two other HUD communities were selected in order to set standards of development for urban fringes of major cities. Park Forest South, Illinois, is only thirty miles from Chicago, and even nearer Gary, Indiana; St. Charles, Maryland, is twenty-five miles southeast of Washington. St. Charles will inevitably come in for close scrutiny because of its proximity to those two other Washington satellites, Columbia and Reston.

The very first new community to win a loan guarantee commitment back in February, 1970, Jonathan, Minnesota, will build on the small existing town of Chaska, demonstrating still another HUD approach. The emphasis will be on orderely growth and the preservation of open space. Jonathan will probably be "paired" with the latest new community to be awarded a loan guarantee, the new-town-in-town of Cedar-Riverside, a 100-acre development only a mile distant from the heart of downtown Minneapolis and twenty miles from Jonathan. HUD regards new-towns-in-town as a means of accommodating growth within cities while improving the environment.

The pairing concept involves the creation of two complementary communities—one urban, one satellite—each drawing on the facilities and services of the other; ideally, the pair would be linked by a rapid-transit system. The towns HUD may pair already have one tie. Henry T. McKnight, the principal stockholder of Jonathan, also has an interest in the Cedar-Riverside development.

HUD is close to the commitment point right now on at least four other applications, one of them from Simon, who says, "I began thinking about a new town the day I left Reston." Riverton, for which he is seeking a loan guarantee of $12 million, is nine miles south of Rochester and would be the first HUD town in the Northeast. With a population of 27,000, it will be smaller than Reston, but more heterogeneous; as much as 40 percent of the housing will be for low and moderate income groups and there will be an intermixture of housing within individual sections of town. Riverton, moreover, will start with a rich and varied community program, which it will make available to the entire nearby area. A novel feature will be the Riverton Services Barter, a program in which people will trade services instead of money for things they need, so that all income groups can afford the amenities of the community.

A $22-million loan guarantee may soon be approved for Soul City, North Carolina, thereby setting a couple of precedents. The brainchild of Floyd McKissick, former national director of the Congress of Racial Equality, Soul City would be HUD's first freestanding new town and the first to be developed by a black entrepreneur. Forty-two miles north of Durham, the nearest major city, it will provide jobs and housing opportunities for blacks, who will constitute most of the population of 50,000, though the community will be open to all races. McKissick hopes that a good part of the commercial and industrial facilities in Soul City will eventually be owned by its residents. (Two other black groups are talking actively to HUD now about new communities in Alabama and South Carolina.) In addition, a pair of integrated new towns in Texas—one near San Antonio, another near Houston—may receive loan-guarantee commitments soon.

CITIES IN THE TEST TUBE

HUD is using the six communities it has already selected as laboratories for testing innovations of various kinds. Maumelle is working on an experimental system of educational parks that would replace traditional elementary schools. Flower Mound, with that Texas-sized airport nearby, is looking for construction methods that will solve the problem of noise pollution. Park Forest South is emphasizing an in-town mass-transit system that is designed to keep people out of their cars and will connect the compact linear town center with a direct link to Chicago's Loop.

HUD'S NEW TOWNS

	HUD guarantee (millions)	Projected population	Total acreage
Jonathan, Minn.	$21	50,000	8,192
St. Charles, Md.	24	80,000	7,900
Park Forest South, Ill.	30	110,000	8,163
Flower Mound New Town, Tex.	18	64,000+	6,156
Maumelle, Ark.	7.5	45-60,000	5,319
Cedar-Riverside (Minneapolis)	24	30,000	100

Note: No matter how individual the end product, the 6 HUD communities now underway have a lot more in common than a loan guarantee. All of them are pledged to provide a substantial amount of open space, to develop an economic base, and to build a wide range of housing for a "profile" of the population in each area. Low- to moderate-income housing, some of it subsidized, will account for at least 15 percent and as much as 50 percent of the dwelling units in each community. All the HUD towns will be 20 years abuilding.

St. Charles will focus on housing for moderate-income groups to fill a market gap in the area. Jonathan has formed a separate building corporation for experimental low-cost housing in partnership with Olin, Northern Natural Gas, Burlington Industries, and the Stanford Research Institute. Jonathan is also exploring, under a HUD grant, possible community applications for a two-way, wide-band television system. Cedar-Riverside, designated as an urban-renewal area, is testing the concept of building a new community within a settled section of town.

The developers themselves are as diverse as the new communities they are creating. HUD casts a sharp eye on the qualifications of applicants and regards a good track record in large-scale developments as a big plus when evaluating a project. The principals in three HUD towns bring obvious credentials to the job. Nathan Manilow, who conceived the idea of Park Forest South, built the original Park Forest. He has brought in as partners U.S. Gypsum and Illinois Central Industries, each of which owns 25 percent of the new venture. James Wilson had made his company a major force in Puerto Rican real estate before he turned to the development of St. Charles.

And Raymond Nasher, a partner in Flower Mound, has been the developer of a string of successful real-estate ventures and has served as chairman of the National Commission on Urban Development. He is also involved with Westinghouse in the development of Fort Lincoln, a new community for 16,000 people in northeast Washington, D.C. Begun under federal auspices during the Johnson Administration, Fort Lincoln may also be financed under Title VII.

Jess P. Dum, on the other hand, was in the insurance business before he took on the development of Maumelle. Henry McKnight, with a stake in both Jonathan and Cedar-Riverside, cheerfuly admits to no experience in large-scale development, but he has helped manage his family's extensive landholdings in the Minneapolis area. "In new cities," says McKnight, a former state senator, "nobody is an expert. We're all learning." Intensely concerned with environment, he was the principal author of Minnesota's conservation act of 1963, and that is how he became interested in new towns.

Cedar-Riverside, initially a tax-shelter investment, was started on a shoestring by two neophytes at real estate—Gloria Segal, a Minneapolis housewife, and Keith Heller, a lecturer at the University of Minnesota school of business administration. The project was floundering from lack of capital until McKnight and some investor friends joined the group. All of the developers, however, share an indispensable relish for what they are doing, caught up, as one of them puts it, in "the new-town mystique" of creating a total community.

The differences between Park Forest and Park Forest South illuminate the point. Park Forest is a homogenized, relentlessly middle-class bedroom community built around a regional shopping center. Park Forest South, by contrast, expects to draw its 110,000 population from a broad spectrum of income and ethnic groups, and a sizable proportion will earn their living in a large industrial park that will offer equal opportunity for all minority groups. It will have an internal rapid transit system and a lively downtown—but it will also have bicycle paths, pedestrian walkways, and a forest preserve. Thorn Creek Woods, which lies in part within the boundaries of the new community. Park Forest South will also have a hospital and a university of its own. Beyond the number and variety of tangible ingredients. Park Forest South will be trying for a new-town way of life.

TOWN ATOP THE TRACKS

So far, HUD-guaranteed aid has gone only to private developers of new towns. But now local agencies—municipal, state, and even regional—are trying to get in on the act. Four states have already enacted new-community legislation and many others are considering it, emulating New York State's pioneer move in 1968, when Nelson Rockefeller set up the Urban Development Corporation. Armed with broad powers—e.g., the right of eminent domain and the authority to override local zoning ordinances and building codes—U.D.C. is charged with devising programs to meet the state's housing needs. It is headed by Edward J. Logue, the energetic master rebuilder of New Haven and Boston, who is sometimes referred to in planning circles as Mr. Urban Renewal.

Logue has already proposed two new communities for upstate New York: Amherst, ten miles northeast of Buffalo, designed for 25,000 people, and Lysander, in the Syracuse metropolitan area, for 18,000. He has also announced a $250-million new-town-in-town planned for 147 acres of city-owned land on Welfare Island, which lies in the East River between Manhattan and the borough of Queens. Queens itself may become the home of an offbeat development suggested by Logue just recently: a community of 60,000 persons, complete with commerce and industry, to be built in Long Island City over the Penn Central yards.

Logue has been talking to HUD about loan guarantees in excess of $125 million for his projects. But U.D.C. also has the authority to float $1 billion in tax-exempt bonds in order to finance its programs, and the corporation recently went to market with a $250-million issue. Many, if not most, of the new authorities now coming into being will have similar financing powers, making them independent of tax revenues or even of HUD approval. And that approval may not be forthcoming anyway. The Administration has strongly opposed HUD aid to state and other local governments for new communities, and the issue is being threshed out now at the highest levels.

New York State has a number of other public bodies hatching projects that may or may not get HUD backing. The Battery Park City Authority, another independent state corporation, is going ahead on a ninety-one-acre new-town-in-town for lower Manhattan. The agency would welcome Title VII aid, but it can float up to $300 million in bonds to finance the project. Private developers will of course tend to follow everywhere in the footsteps of these government-sponsored projects, making their own investments within the context of over-all plans. Among other proposals for residential development, Battery Park City is considering one from a consortium that includes RCA, Celanese, the National Corporation for Housing Partnerships, Lazard Freres, and all of the city's major banks.

New laws are also on the books in Maryland, Arizona, Tennessee, and Kentucky. Arizona's Community Development Council is expecting to announce plans for at least two new communities in the near future and Kentucky has provided for several new-community districts within the state, each empowered to create its own development corporation. Other states with legislation pending are Massachusetts, Pennsylvania, and Ohio. The Commonwealth of Puerto Rico has ambitious plans for a dozen or more new towns, all linked by a mass-transit system, to house about half of its expected population growth. A delegation headed by Governor Luis A. Ferré has approached HUD about a loan guarantee for the first such community, for 100,000 people, to be built fourteen miles west of San Juan.

The Appalachian Regional Commission is supporting efforts to obtain loan guarantees for four new communities in Kentucky, Pennsylvania, and Ohio; it is mulling over plans for perhaps twelve more. Lucas County, Ohio, is already under way on the first new town to be founded by a local government—Spencer-Sharples, ten miles to the west of Toledo, located in Congressman Ashley's own district.

TOO MUCH FOR A ROCKEFELLER

The main action is still coming, as it did initially, from the private sector. One source, of course, is the entrepreneur—daring resourceful, independent—who has always accounted for most real-estate development in this country. The six projects that have already received HUD support, as well as most of the proposals that are in the serious pre-application stage, have come from such people. All of them had laid plans for large developments, but without HUD backing none would be likely to produce a new town. As one of them explains, "You have to sell so many lots just to keep going that you lose control of the land, and that's no way to build a new town. Only a Rockefeller can afford to do it." Winthrop Rockefeller, former governor of Arkansas, has in fact recently announced that he may start a new city in his adopted state, but even Rockefeller does not plan to go it alone.

But large corporations are now giving major attention to the new-town movement, and as a group they are becoming a second and independent source of private activity. They do have the financial sinew to go it alone, if they wish or if need be, and some have already said they will do so. Gulf Oil, which has moved into the black at Reston after three lean years, reports that it is "close" to embarking on another new town with or without loan guarantees from HUD. Westinghouse has been so happy with the performance of Coral Ridge Properties, its Florida real-estate subsidiary developing the new town of Coral Springs, that the company has gone across country to tackle, with a partner, a community for 165,000 people twenty miles south of San Francisco. The corporation has provided a master plan for Half Moon Bay and will develop about a third of the 20,000-acre town. Westinghouse is actively seeking other sites now and could be involved in eight or ten new towns by 1975. Chrysler, which also has a large stake in real estate, intends to go into the new-town business as a direct result of the Title VII legislation. The auto maker is looking now at sites for two new communities, one near Detroit and the other near Atlanta. In the Northeast, the Greater Hartford Corp., a consortium of thirty private companies, has set up two subsidiaries to develop three new towns, one within the city limits and two in the metropolitan area.

Florida Gas is well into plans for a new town near Orlando, and may apply for HUD backing. The utility also intends to start manufacturing modular housing within six months. Near San Diego, First National City Bank through its trust department has invested in Rancho San Diego, a new community just east of town. (Local government plans envisage several other new towns north of the city.) Sears, Roebuck, Marshall Field, and Aetna are developing New Century Town north of Chicago. In almost any obvious place to look, and some not so obvious, large corporations are dreaming up plans for new-town projects.

Corporations have already launched a number of really giant in-city developments, of which Philadelphia's fifty-acre Franklin Town, with four corporate sponsors, is only the latest example. Illinois Central Industries, for one, is building a new-town-in-town on eighty-three acres along Chicago's lakefront and plans for a population of up to 50,000. Ford Motor Co. has broken ground on a 2,360-acre development in Dearborn, Michigan. Ralston Purina has proposed a 140-acre development for St. Louis on land adjacent to its headquarters building. And U.S. Gypsum will go on from Park Forest South with a different partner to a new-town-in-town on the fringes of Boston. Present plans call for a two-tier arrangement that will completely separate pedestrian from vehicular traffic. The company is looking for a $50-million loan guarantee from HUD. A good many developments of this kind are predicated on using land that is in whole or in part already owned by a company. The nucleus of the proposed new community of Fairlane, for instance, was once part of the estate of the late Henry Ford.

WITH OR WITHOUT HUD

In the months ahead, many large corporations will be attracted by the HUD cornucopia. Indeed, some with developments already under way are discussing loan guarantees. Gulf wants HUD help with an addition to Reston, and Philip Morris is seeking guarantee support for Mission Viejo. An 11,600-acre planned community in California's Orange County, Mission Viejo already has a population of 10,000 people, as well as some commerce and industry.

All this poses a major policy question of whether HUD should support projects in relatively advanced stages. If it does, the HUD criteria will influence the character and direction of a number of large planned com-

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munities, and indeed this may happen no matter which way the decision goes.

In any case, large public corporations will be weighing the merits and demerits of whether to go all the way with HUD on new towns or proceed on their own. Some, no doubt, will opt for independence, for the freedom to build new communities under more relaxed standards, with a less heterogeneous population mix or a different balance between commercial and industrial development. The major impediment to a corporate stampede for Title VII aid is the reluctance of companies to become ensnarled in tedious and time-consuming red tape. "To do business with HUD is a practical impossibility," says a top executive of one corporation that is planning to get into new towns. "It takes too much time and effort." Another complains, "It's a problem with all government, but it's worse at HUD. There seems to be layers in their that don't want the top people to get anything done."

Despite all the corporate activity in new towns right now, some people think major companies as a rule are going to be cautious about making future commitments. Certainly it is true that real estate has lost some of the enchantment it held only yesterday for manufacturing corporations. American Standard, for instance, is leaving the field, and others are cutting back sharply. Boise Cascade, for one, is all but dismantling its development operations after reporting a write-down of $78 million in the second quarter of this year.

Reforms in real-estate accounting rules, both recent and proposed, may act as a damper on activity. The trend is toward consolidation of reporting by subsidiaries. Real estate may involve heavy losses in the early years of operation, and corporations may hesitate to reveal that fact to the stockholders. Returns, moreover, are geared to cash flow and tax losses, which causes problems of evaluation for bankers and the investment community, accustomed as they are to dealing with quarterly earnings statements. Real estate, of course, involves heavy debt, and many corporations do not want to show heavy debt on the balance sheet, because a high debt-to-equity ratio tends to jeopardize the rates at which they can borrow to finance their main businesses.

A lot of companies are aware of these problems and are taking them in stride. Newtown consultant Robert Gladstone believes that more corporations will become involved in large real-estate development and hence new communities. He sees the current disenchantment as "just a little wrinkle" on the over-all trend. "Companies that have been through the mill," he says, "have come out stronger and are building up management expertise within their own organizations."

ACHIEVING CRITICAL MASS

The attraction of new-community investment is the profit in the game. James Rouse has steadily maintained that a new town, properly planned to achieve what he calls a "critical mass," can be a more profitable, more marketable product than haphazard real-estate development. Columbia is now in the black, in that this year it will finally have a positive cash flow and begin to retire debt, but it is still far too early to make any final assessment. That is because most of the profit from Columbia, which some guess may come to well over $100 million pretax for Connecticut General and Rouse Co. to split between them, will pile up in the last four or five years of development.

Once a new town is going, land for industry and commerce is worth four or five times as much as residential acreage, and so a new-town developer courts business assiduously. He has to be persuasive because business is reluctant at the start to gamble on a new town. "We only get the swingers then," says one developer. Columbia has managed to entice forty-four companies to its industrial park as momentum—the operative word in the new-town lexicon—has built up. But in order to pull off its biggest coup—landing a $250-million G.E. plant employing 12,000 people—Columbia had to gamble $18 million on additional land, plus improvements, with no certainty that the company would in fact locate within the new city. *And* G.E. paid $3 million less for the site than it had cost Rouse to produce it. He took that gamble, Rouse explains, because "it would say to all the world that Columbia was a success," and he expects heavy "economic fallout" from that fact. Commerce and industry that follow G.E. will more than make up for the "investment." Says Henry McKnight, developer of Jonathan, "We are all looking for our G.E." Where a corporation is the developer or partner in a project, an obvious advantage is that it may well decide to locate its own new facility in its new town.

MAKING FORTUNES OFF THE PUBLIC PURSE?

Developers normally look for an annual return of 20 or 25 percent pretax on equity investment—and, as everyone knows, there are a lot of tax advantages in real estate, too. Some have considerably higher expectations. More than a few observers worry about the possibility of such high returns for HUD new towns. Gurney Breckenfeld, associate editor of FORTUNE and author of the recently published *Columbia and the New Cities*, remarks in the book that Title VI "promises to make new-town development a ward of the federal government," and calls it "a splendid chance for a new breed of promoters to grow rich at the public's risk." Others recall the scandal-ridden FHA 608 housing program of the late Forties; slick operators made fortunes out of that program without risking any capital.

Still another worry is just the reverse—that sooner or later some projects will flop and so put the federal government into the new-town business directly. Nicoson admits the possibility of failure in some cases. "The program," he says, "guarantees loans, not profits." He does believe, however, that if a wave of public criticism comes, it will come because of fat profits, not deficits. Congressman Ashley, who started the ball rolling n Title VII in the first place, is entirely unworried at the thought of a few flops along the line. "If we don't have failures," he says, "maybe we aren't doing what we should be doing. Maybe we are being too conservative." The risk is worth taking, he adds, because "the alternative is so catastrophic."

Whether new towns are the medicine the country needs to help cure its urban ills is the subject of some debates, however. They have met considerable local resistance on the grounds that their balanced populations will bring too many urban problems to the countryside, and there is a fear of too much industry as well. Several proposed projects are stalled now because of such opposition. In New York City, public officials are pulling and hauling over the possibility of setting up a special, small-scale urban-development corporation to build a new community for some 400,000 people on Staten Island. Rouse Co. is working on preliminary studies for the new-town-in-town under contract to the city of New York, but many residents of the island are fighting the plan. They fear it would change that quiet borough beyond recognition.

A recent article in the *Wall Street Journal* upset a lot of newtown enthusiasts because it reported that Columbia was having many of the problems commonly associated with older cities—drug addiction, vandalism, and the like. And some residents have complained about having too little voice in running town affairs. Indeed a recent task-force report published by the Twentieth Century Fund warns that too little attention has been paid to the governmental aspects of new-town life. "Without adequate machinery to ensure effective democratic processes and procedures," it warns, "there is a danger that these towns will not achieve the more livable environment that is their object."

It is much too early to tell how new towns will work out, of course, on a number of counts. Even their most ardent advocates do not suggest that they are the sole answer to environmental ills or explosive population growth. But they could in themselves be at least a partial solution. By their very existence, moreover, in the standards they set for all other developments, they could lift the level of living for millions of Americans. And surely that would make the new-town experiment worth the undertaking.

THE AMERICAN PACKING INDUSTRY

Mr. COOK. Mr. President, the American packing industry performs so well and so efficiently that many of us are not aware that a $26 billion industry is responsible for the forms in which our goods reach us every day.

This tremendous economic complex is gathering for an annual exposition, starting November 15 in Atlantic City, and I think the event is well worth the attention of Senators.

On that date, in Atlantic City's Convention Hall, nearly 30,000 individuals from all 50 States and from 36 other countries will convene for an annual meeting and the packing/converting exposition, presented by Packaging Machinery Manufacturing Institute.

This is being cosponsored by eight major trade groups—the Packaging Institute, Packaging Education Foundation, Fibre Box Association, National Flexible Packaging Association, Package Designers Council, Adhesive Manufacturers Association, National Paper Box Association, and the Glass Container Manufacturers Institute.

The technological and economic advances made by America in packaging the fruits of our dynamic economy—emphasizing protection, sanitation, distribution, convenience, and environmental protection—make a major contribution to the world's highest standard of living, which our people enjoy.

One important feature of this meeting will be publication of a review of the overall picture in solid waste disposal and the packaging industry's progressive programs in this vital ecological effort.

With our environment now one of our top domestic concerns, we should closely examine the results of this important industry study.

Sixty individual industries will be taking part in the week-long program in Atlantic City. On the program are major conferences on solid waste disposal and recycling—both prime environmental concerns—U.W. metrication, mechanics training for jobs, and other current subjects.

Over-all, Mr. President, the convocation will be something in the nature of a report on the packaging industry's implementation of its dedication to social responsibilities. In our private enterprise system, this is economic statemanship of the first order.

The program also has its international aspects, including discussions of how to develop food packaging systems for emerging nations. The conference has been officially designated by the Department of Commerce as an overseas promotional event.

Modern packaging provides sanitation, product protection, broad geographic distribution, freedom of product selection, convenience in use, out-of-season availability and similar advantages—all for a better standard of life. As a current report on our progress in these fields, the November 15 packaging exposition adds up to a major consumer event.

EQUITY ON CHEESE IMPORTS

Mr. EAGLETON. Mr. President, in this era of drastic rectifications in our international relations, a small, but still important, rectification appears to be slipping through the cracks—one which may not be crucial to the state of the Nation, but which raises questions as to the fairness of our public policies as long at it remains undone.

I refer to the question of cheese imports.

Senators will remember that in 1969, quotas were established for certain categories of cheese, but those costing over 47 cents a pound were exempted. This exemption was designed to facilitate the importation of high-price specialty cheeses not directly competitive with American products.

What has happened in practice, however, is that a considerable amount of directly competitive cheese has found its way into the over 47-cent category. In other words, the intended effect of the original quotas is not being fulfilled.

As I wrote to the Chairman of the United States Tariff Commission last April 16:

> While I am not an expert in this field, I have received a considerable amount of correspondence from Missouri dairy farmers who state, on the basis of solid, factual information, that the original intent of the 47¢ provision has been effectively nullified because producers who export to the United States have simply raised their prices with the result that almost 40% of our cheese imports last year were valued at more than 47¢.
>
> Dairy farmers recognize the delicacy of our trade relations with the EEC and other dairy countries and have, I believe, cooperated very well with the trade agreements we have made in the past. Continued confidence in these agreements depends upon their effectiveness in achieving their original purposes.

On March 12, the President had requested the Tariff Commission to make recommendations dealing with these over 47-cent imports. The Tariff Commission, on July 28, sensibly recommended that the 47-cent price cut off simply be abolished and that quotas be established for all types of cheese, regardless of price. This seems to me to have been a fair and equitable recommendation, fully consistent with the intent of the original cheese quotas.

It is now up to the President to act on the Tariff Commission's findings. Almost 4 months have passed. I now urge the White House to act on this matter in the interests of equity, consistency, and maintaining confidence in the efficacy of our Government.

REDUCED FARES FOR SENIOR CITIZENS ON THE AIRLINES

Mr. MOSS. Mr. President, I am the sponsor of S. 1808 which is before the Commerce Committee and which would have the effect of providing reduced fares for senior citizens on the airlines. By now my arguments in favor of this legislation have become well-known. I only regret that we have not been able to move the bill quickly through Congress.

The whole question of promotional fares has become controversial as of late and the Civil Aeronautics Board, I understand, has the entire matter under consideration. While I do not want to interfere with the CAB's decision I want to state once again my belief that reduced fares for the elderly would have a positive effect on airline economies by raising load factors and airline revenues. Promotional fares in this instance would bring into the marketplace people who do not presently fly. The principal reason the elderly do not fly, of course, is the cost of this form of transportation. Seniors could make ready use of travel on off-peak hours.

I believe there are many reasons why my bill should be passed, even in these turbulent times. Certainly it enjoys the unanimous support of senior citizen organizations and organized labor. It is noteworthy that several airlines have tried to institute such a reduced fare program for seniors and have been blocked in doing so by the CAB. At the same time International Airlines which recently cut rates dramatically enabling thousands of young people to travel abroad have now begun to take notice of the over-65 market.

I ask unanimous consent to have printed in the RECORD a recent New York Times article which notes the reduced fares for senior citizens announced by KLM Royal Dutch Airways. I hope that other airlines will follow suit.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KLM TO CUT FARES FOR "SENIOR CITIZENS" ON ATLANTIC FLIGHTS

Introducing a new twist to the spreading price war in trans-Atlantic air travel, KLM Royal Dutch Airlines said yesterday that it would offer a "senior citizen" discount fare between the United States and Amsterdam starting Feb. 1.

Offered to persons 65 years of age and older, the roundtrip rate will be identical to the fare KLM will charge "youth" passengers aged 12 to 21: $228 in the summer, and $198 in the off season that covers nine months of the year. Passengers will not be required to stay abroad for any specified minimum or maximum number of days.

KLM is the latest of many airlines to reduce fares after Feb. 1, although it was the first to say it would introduce a senior-citizen rate. The wave of price cutting was touched off by the Sept. 15 announcement of Lufthansa German Airways that it would disavow, starting Feb. 1, an agreement under which almost all trans-atlantic airlines charged identical rates.

The lowest fare between New York and Amsterdam now is $200 for passengers between the ages of 12 and 26. The lowest current individual rate for which older passengers are eligible is $297, which requires a minimum stay of 29 days and a maximum of 45 days.

Besides youth and senior citizen fares, the Dutch line said it would offer a lower excursion rate to passengers of any age The rate will be $255 in the summer and $200 in the off season and require passengers to be abroad 14 to 45 days. KLM said it would offer a $170 round-trip fare over the same route to passengers who contract for at least $70 additionally in ground accommodations, travel in groups of five or more and are gone between seven and 21 days.

KLM's senior citizen fare will apply only to Amsterdam.

THE REAPPOINTMENT OF OTTO F. OTEPKA

Mr. THURMOND. Mr. President, on June 17, 1971, the Senate Judiciary Committee reported the nomination of Otto F. Otepka to be reappointed to the Subversive Activities Control Board. Ever since then his name has appeared on the daily calendar without any move being taken by the leadership to act upon this nomination. This action is particularly regrettable in view of the fact that Mr. Otepka's nomination is for a simple reappointment for a job for which he has been twice considered by the Judiciary Committee and reported favorably. In both events, this favorable action came after careful consideration of the slanderous allegations which have been repeatedly brought against him because of his cooperation when ordered to appear before a subcommittee of the Senate Judiciary Committee. The delay of his appointment is a serious injustice since the case has been thoroughly aired and no grounds whatsoever have been advanced for preventing the Senate to act upon the committee's recommendation one way or the other.

Some people have attempted to say that his case is similar to the case of Daniel Ellsberg which is now before the courts. One has only to look at the basic facts to see that the issues in the two cases are diametrically opposed. The distinguished Washington correspondent for the Chicago Tribune, Willard Edwards, last week wrote a column in which he questioned the continued opposition to a man who has always been a great patriot. Mr. Edwards summarized the differences between the Ellsberg and Otepka cases as follows:

> Ellsberg, by his own account, leaked to the press an estimated 7,000 pages of classified information. It was published without government knowledge or approval. A grand jury labeled this act "conversion to private use of government documents."
>
> Otepka, called upon the Senate Internal Security Subcommittee to provide evidence in answer to sworn testimony disparaging his character, supplied two confidential papers, eight pages in length, to prove the testimony was false. These papers, entrusted to recipients officially qualified to receive them, were examined in closed session. They were not publicized.
>
> Otepka, by the State Department's own testimony, never violated security. The courts will eventually determine if Ellsberg did.

I urge the Senate to consider the injustice which is being done to this man. The Senate should have the opportunity to vote either for or against this nomination.

Mr. President, I ask unanimous consent that the column by Willard Edwards of the Chicago Tribune of Thursday,

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November 11, 1971, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOES STALL OTEPKA CONFIRMATION

(By Willard Edwards)

WASHINGTON, November 10.—Some quality in Otto F. Otepka—perhaps it is his invincible calm under fire—has always provoked his opponents to extremes.

The former security chief of the State Department was the victim of isolation, surveillance, phone-tapping and perjured evidence during his successful, six-year fight (1963–1969) against dismissal on trumped up charges.

He seemed to have won vindication in 1969 when President Nixon nominated him to a short term on the Subversive Activities Control Board and the Senate confirmed the appointment, 61 to 28, in June.

But when that term ended Aug. 9, 1970, and Nixon reappointed Otepka to a full five-year term, his foes began engaging in obstructive tactics which have prevented the Senate, ever since, from recording its will.

Nearly six months ago, the Senate Judiciary Committee, after hearings, recommended Otepka's confirmation. Customarily, such committee indorsements are submitted to the Senate for a vote within a few days.

This one has remained on the Senate calendar and will remain there, according to reliable report, perhaps not to be acted upon before the November, 1972, elections when, Otepka's antagonists hope, a successor to Nixon will be elected.

Dilatory maneuvers are not new to the Senate and sometimes command approval, but this one, under scrutiny, lacks a practical purpose since it does not prevent Otepka from continuing to serve. The law insures his tenure until a successor is provided.

The delay, thus, is regarded by many in the Senate as a petty and spiteful exercise. It merely serves to keep in a kind of legalized limbo an official who made powerful enemies during the Kennedy and Johnson administrations who are still in the State Department under the Nixon administration.

Sen. Mike Mansfield (D., Mont.), the majority leader and technically responsible for entombment of the Otepka nomination, is evasive when asked for the identity of senators responsible for denying the Senate a vote on it. One of those under suspicion is Sen. Edward M. Kennedy (D., Mass.). His brother, Robert, the late attorney general, was one of the first to tangle with Otepka over security procedures eight years ago.

Although the anti-Otepka campaign began more than a year ago, his opponents are now privately advancing a new excuse for delaying a Senate vote. They compare the Otepka case to that of Daniel Ellsberg who announced that he gave classied documents (the Pentagon Papers) to newspapers and who is now under indictment for this act.

Unless and until Ellsberg is cleared, a small group of senators is reported arguing, no Senate vote on Otepka should be permitted.

What are the facts in this Ellsberg-Otepka analogy?

Ellsberg, by his own account, leaked to the press an estimated 7,000 pages of classified information. It was published without government knowledge or approval. A grand jury labeled this act "conversion to private use of government documents."

Otepka, called upon the Senate Internal Security Subcommittee to provide evidence in answer to sworn testimony disparaging his character, supplied two confidential papers, eight pages in length, to prove the testimony was false. These papers, entrusted to recipients officially qualified to receive them, were examined in closed session. They were not published.

Otepka, by the State Department's own testimony, never violated security. The courts will eventually determine if Ellsberg did.

Meanwhile, on the basis of claimed similarities between the two cases, the Senate is being deprived of the right to vote its judgment on a Presidential nominee recommended for approval by one of its own committees.

NOMINATION OF WILLIAM REHNQUIST TO THE SUPREME COURT

Mr. FANNIN. Mr. President, William Rehnquist has been and is, above all, a man who believes deeply in the Constitution and the rule of law. I do not believe, and everyone who knows him cannot believe, that he would have participated in any activities that would discourage legally registered and qualified voters from participating in elections.

I understand that two affidavits have been signed by persons in Phoenix alleging that they believe William Rehnquist was involved in the harassment or intimidation of black voters in an election in the 1960's.

Mr. President, these affidavits are mighty flimsy and strangely vague. It now is unclear whether the alleged harassment occurred in 1968 as first contended, in 1962 as later stated, or in 1964 as in the current version.

It also is apparent that the persons who say they were harassed are no more certain about who it was that harassed them than they are of the date when it occurred.

We do have the word of a highly respected Arizona Superior Court judge, Hon. Charles L. Hardy, who has told the Judiciary Committee by letter that in 1962 Rehnquist had voiced disapproval of a Republican challenger who was using disruptive practices at a polling place. Judge Hardy is a Democrat who worked for his party in the 1962 election.

Mr. President, to shed further light on this matter, I ask unanimous consent to have printed in the RECORD an article from today's Arizona Republic concerning the intimidation charge:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOUBT CAST ON VOTER INTIMIDATION CHARGE

(By Clarence W. Bailey)

One of the two Phoenix Negroes who charged that Supreme Court nominee William Rehnquist had harassed Phoenix voters in 1964 asserted last night he "didn't know" who had asked him to submit an affidavit making the accusation.

After repeated quizzing, Jordan Harris, of 1845 W. Apache St., finally said he was asked to do it by "some of the politicians" he knew, but he insisted he didn't know the name of the person who made the request.

At the same time, Judge Charles Hardy of the Maricopa County Superior Court threw doubt on the validity of the harassment charge in an interview reported by the Associated Press.

Harris' affidavit asserted Rehnquist was attempting to make three voters at Bethune Precinct recite portions of the Constitution before voting. He said he argued with Rehnquist and "We then engaged in a struggle and the police were called in."

Harris said Robert Tate, of 947 W. Watkins, came to help him when the struggle began. Efforts by The Republic to reach Tate last night were unsuccessful.

Phoenix Police Capt. Charles M. Marks, of the special operations bureau, last night checked department records and said he could find no report on the alleged polling place fracas.

"I can't find anything that would substantiate that," Marks said. "I'm not saying it didn't happen, but if it did it wasn't reported to us . . . we have no record of it."

The AP reported Judge Hardy said in an interview that he advised Democratic Party challengers and poll watchers in the same years that Rehnquist advised Republicans.

Hardy said there was an incident at Bethune Precinct in which a Republican challenger got into a scuffle and was escorted from the polling place by two sheriff's deputies. But the judge said it was in 1962, not in 1964, and the challenger was not Rehnquist.

"I have nothing to hide," Harris told The Arizona Republic, although he declined to tell his age or to answer a number of other routine questions about himself.

Some of the details of his life came to light upon examination of files of past news stories published in The Republic and The Phoenix Gazette.

One showed that in March, 1964, Harris, then 52, admitted in Maricopa County Superior Court that he had sold beer to a 19-year-old youth. At the time Harris was the owner of the Friendly Seven Food Market, at 1853 S. Seventh Ave.

He was fined $500 on a plea of guilty to selling spirituous liquor to a minor. Judge Henry S. Stevens sentenced Harris and allowed him to pay off his fine at the rate of $50 per month.

At the time of his plea Harris acknowledged a prior conviction for a similar offense, in 1950.

Newspaper records then showed that Harris had been a railroad cook. Last night Harris said he had once worked for the Atchison Topeka & Santa Fe Railroad, but he declined to tell a reporter what kind of job he had at the railroad.

Another story in The Republic shed more light on Harris' past. It was a Sept. 15, 1961 news account of his being severely wounded in the abdomen by a bullet fired by an irate, 31-year-old woman whose $107 welfare check Harris cashed, withholding $31 he said the woman owed on her grocery bill.

CHINESE ACTIONS IN THE UNITED NATIONS

Mr. THURMOND. Mr. President, much has been said on the floor of the Senate already about the diplomatic defeat which was inflicted on the United States by the United Nations in the vote expelling the Republic of China and installing the Peking regime in its place. At that time I pointed out how the United Nations would become even more of a base for subversion in which the Communist groups of nations would have the power to cause the United Nations to act against the interests of the United States whenever they so desired.

Less than a month has gone by, and already we are witnessing the practical fruit of that tremendous defeat. The Chinese delegation has been seated, and their first speech has consisted of a harangue against the United States and its allies despite the fact that preparations are going forward for the President of the United States to visit Peking.

Mr. President, full accounts of that Chinese speech were published in the New York Times and the Washington Post of November 16, 1971. I ask unanimous consent that these accounts be printed in the RECORD at the conclusion of my remarks.

It is no surprise, however, that the Chinese delegation would make such a speech when we consider that the leaders of the delegation consist of the Chinese agents most experienced in espionage and subversion. In particular, we must note the head of the delegation, Huang Hua, who has long been known as one the most notorious of Mao's agents. I have received an outline of Huang Hua's career in the service of communism and in which I am sure my colleagues would be interested.

Mr. President, I ask unanimous consent that this outline of Huang Hua's career be printed in the RECORD, at the conclusion of my remarks.

As for other key members of the delegation, an article appears in Human Events for November 20, 1971, giving details of their thoroughly subversive backgrounds.

Mr. President, I ask unanimous consent that the article, "Red China Already Turning U.N. Into Subversion Base" also be printed in the RECORD at the conclusion of my remarks.

Finally, Mr. President, I ask unanimous consent that another article from the same issue of Human Events, "Should the U.N. Get Out of the United States?" by DeWitt S. Copp, also be printed in the RECORD at the conclusion of my remarks. There is much interesting background in this article by Mr. Copp including references to testimony in hearings before the Internal Security Subcommittee over which I presided on March 15, 1967, with regard to the United Nations Headquarters Agreement.

This article is particularly useful in analyzing our present situation as a result of the U.N. becoming more and more a base for subversion and espionage and I urge the attention of all Senators to the argument which it makes.

There being no objection, the items was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 16, 1971]

CHINA ASSERTS U.N. MUST END CONTROL BY SUPERPOWERS

(By Henry Tanner)

UNITED NATIONS, N.Y., November 15.—Mainland China, making her formal entry into the United Nations, declared today that the organization's affairs must be handled by all member countries instead of being "manipulated and monopolized" by the superpowers.

Peking's chief delegate, Chiao Kuan-hua, in a firm and obviously measured policy statement, declared that the General Assembly's overwhelming vote in favor of his Government's admission marked "the defeat of the plan of the United States Government in collusion with the Sato Government of Japan to create two Chinas in the United Nations."

Making Peking's first statement to the Assembly, Mr. Chiao forcefully reaffirmed his Government's position that "Taiwan is an inalienable part of China's territory."

NO FORCE ON EARTH

"The Chinese people are determined to liberate Taiwan and no force on earth can stop us from doing so," Mr. Chiao declared in a statement that hewed close to Peking's publicly established position on many world issues.

After delegates from 56 countries had spoken for five and a half hours to welcome the Chinese, Mr. Chiao, to applause from the delegates, strode to the rostrum from his seat in the fourth row in the Assembly hall.

A tall, lean man in a Mao suit, he removed his glasses to address the packed Assembly hall in Chinese. When he finished, the delegates applauded for half a minute and many came up to shake his hand.

DISCUSSES NUCLEAR ARMS

In the expected bid for leadership of the "third world" nations, Mr. Chiao said that his Government opposed "the power politics and hegemony of big nations bullying small ones or strong nations bullying weak ones."

"Countries want independence, nations want liberation and the people want revolution," he said. "This has become an irresistible trend of history."

He vowed that "at no time and under no circumstances will China be the first to use nuclear weapons." He continued: "If the United States and the Soviet Union really want disarmament, they should commit themselves not to be the first to use nuclear weapons. This is not something difficult to do. Whether this is done or not, will be a severe test as to whether they have a genuine desire for disarmament."

TOUCHES SEVERAL AREAS

Speaking with a piercing voice and almost no gestures, pausing now and then to sip from a glass of water, Mr. Chiao looked intense, but his delivery was not emotional.

"China is still an economically backward country as well as a developing country," Mr. Chiao said. He added: "Like the overwhelming majority of the Asian, African and Latin-American countries, China belongs to the Third World."

Mr. Chiao touched on Vietnam, Korea, the Middle East and the right of underdeveloped countries to achieve economic independence.

On Vietnam, he said that China strongly supported the peoples of Indochina "in their war against United States aggression and for national salvation." He reiterated Peking's call for "immediate and unconditional withdrawal of American and allied armed forces" from Indochina.

On the Middle East, Mr. Chiao reaffirmed his Government's support for the Arabs, saying that "the essence of the Middle East question is aggression against the Palestinian and other Arab peoples by Israeli Zionism with the support and connivance of the superpowers."

Diplomats noted that the term superpowers appeared to imply criticism of Soviet as well as American policies. In the past Peking has opposed to the Security Council resolution of November, 1967, which has been used as a basis for peacemaking efforts but which makes no mention of a possible role of the Palestinian movement. Peking has been a strong supporter of the Palestinian commandos.

STATES CHINA'S SUPPORT

Mr. Chiao said that no outside power had "the right to engage in political deals" behind the backs of the Palestinians and other Arab peoples, "bartering away their right to existence and their national interests."

On Korea, Mr. Chiao stated that American troops still remained in South Korea even though the "volunteers" of the People's Republic of China had "long since been withdrawn."

The Chinese delegate declared that his Government "resolutely supports" national liberation movements in Mozambique, Angola, Portuguese Guinea and South-West Africa.

The Chinese, he said, "will never become munition merchants" but he also stated that his Government provided "free military aid to countries and people who are fighting against aggression."

He added that China's aid was limited, however, because "China's economy is still comparatively backward . . . and what we provide is mainly political and moral support."

TEXT OF CHINA'S POLICY STATEMENT IN THE U.N.

Mr. President, fellow representatives:

First of all, allow me in the name of the delegation of the People's Republic of China to thank you, Mr. President, and the representatives of many countries for the welcome they have given us.

Many friends have made very enthusiastic speeches expressing their trust in as well as encouragement and fraternal sentiments for the Chinese people.

We are deeply moved by this and we shall convey all this to the entire Chinese people.

It is a pleasure for the delegation of the People's Republic of China to be here today to attend the 26th session of the General Assembly at the United Nations and to take part together with you in the work at the United Nations.

ROLE AS FOUNDER IS RECALLED

As is known to all, China is one of the founding members of the United Nations. In 1949 the Chinese people overthrew the reactionary rule of the Chiang Kai-shek clique and founded the People's Republic of China.

Since then the legitimate rights of China in the United Nations should have gone to the People's Republic of China as a matter of course.

It was only because of the obstruction by the United States Government that the legitimate rights of the People's Republic of China in the United Nations was deprived of for a long time and that the Chiang Kai-shek clique, long repudiated by the Chinese people, was able to usurp China's lawful seat in the United Nations.

This was a gross interference in China's internal affairs as well as a willful trampling on the Charter of the United Nations. Now such an unjustifiable state of affairs has finally been put right.

On Oct. 25, 1971, the current session of the General Assembly of the United Nations adopted by an overwhelming majority the resolution restoring to the People's Republic of China all its lawful rights in the United Nations and expelling forthwith the representatives of the Chiang Kai-shek clique from the United Nations and all the organizations related to it.

BANKRUPTCY OF POLICIES OF HOSTILITY

This proves the bankruptcy of the policies of hostility towards the Chinese people and of isolating and imposing a blockade upon them. This is the defeat of the plan of the United States Government in collusion with the Sato Government of Japan to create two Chinas in the United Nations.

This is a victory for Chairman Mao Tse-tung's revolutionary line in foreign affairs; this is a common victory for the people all over the world.

Abiding principle and justice the sponsor countries for the resolution—Albania, Algeria, Burma, Ceylon, Cuba, Equatorial Guinea, Guinea, Iraq, Mali, Mauritania, Nepal, Pakistan, the People's Democratic Republic of Yemen, the People's Republic of the Congo, Rumania, Sierra Leone, Somalia, the Sudan, Syria, the United Republic of Tanzia, the Arab Republic of Yemen, Yugoslavia and Zambia—have made unremitting and fruitful efforts to restore China's legitimate rights in the United Nations.

Many friendly countries which supported this resolution have also made contributions to this end.

Some other countries have expressed their sympathy for China in various ways.

On behalf of the Chinese Government and the people I express heartfelt thanks to the

government and the people of all these countries.

Twenty-six years have elapsed since the founding of the United Nations. Twenty-six years are but a brief span in human history. Yet, during this period profound changes have taken place in the world situation.

When the United Nations was first founded there were only 51 member states and now the membership has grown to 131.

Of the 80 members that joined later, the overwhelming majority are countries which achieved independence after World War II.

SEES A TIDE OVER 20 YEARS

In the past 20 years and more, the peoples of Asia, Africa and Latin America have waged unflinching struggles to win and safeguard national independence and oppose foreign aggression and oppression. In Europe, North America and Oceania, too, mass movements and social tides for the change of the present state of affairs are rising. An increasing number of medium and small countries are uniting to oppose the hegemony and power politics practiced by the one or two superpowers and to fight for the right to settle their own affairs as independent and sovereign states and for equal status in international relations.

Countries want independence, nations want liberation and the people want revolution. This has become an irresistible trend of history.

Human society invariably makes constant progress, and such progress is always achieved through innumerable revolutions and transformations. Take the United States, where the United Nations headquarters is situated. It was owing to the vicinity of the Revolutionary War of 1776 led by Washington that the American people won independence. And it was owing to the great Revolution of 1789 that the French people rid themselves of the yoke of feudalism. After mankind entered the 20th century, the victory of the 1917 Russian October Socialist Revolution led by the great Lenin opened up a broad path to freedom and liberation for the oppressed nations and peoples of the world.

The advance of history and social progress gladdens the hearts and inspires the peoples of the world and throws into panic a handful of decadent reactionary forces who do their utmost to put up desperate struggles. They commit armed aggression against other countries, subvert the legal governments of other countries, interfere in other countries' internal affairs, subject other countries to their political, military and economic control and bully other countries at will.

REVOLUTION SEEN AS THE MAIN TREND

Since World War II, no new world war has occurred, yet local wars have never ceased. At present, the danger of a new world war still exists, but revolution is the main trend in the world today. Although there are twists and turns and reverses in the people's struggles, adverse currents against the people and against progress, in the final analysis, cannot hold back the main current of the continuous development of human society.

The world will surely move toward progress and light, and definitely not toward reaction and darkness.

Mr. President and fellow representatives, the Chinese people have experienced untold sufferings under imperialist oppression. For one century and more, imperialism repeatedly launched wars of aggression against China and forced her to sign many unequal treaties. They divided China into their spheres of influence, plundered China's resources and exploited the Chinese people. The degree of poverty and lack of freedom suffered by the Chinese people in the past are known to all.

CAPABLE OF STANDING ON OWN FEET

In order to win national independence, freedom and liberation, the Chinese people, advancing wave upon wave in a dauntless spirit, waged protracted heroic struggles against imperialism and its lackeys and finally won the revolution under the leadership of their great leader, Chairman Mao Tse-tung, and the Chinese Communist party. Since the founding of the People's Republic of China, we, the Chinese people, defying the tight imperialist blockades and withstanding the terrific pressures from without, have built our country into a socialist state with initial prosperity by maintaining independence and keeping the initiative in our own hands and through self-reliance. It has been proved by the facts that we, the Chinese nation, are fully capable of standing on our own feet in the family of nations.

Taiwan is a province of China and the 14 million people who live in Taiwan are our fellow-countrymen by flesh and blood. Taiwan was already returned to the motherland after World War II in accordance with the Cairo Declaration and the Potsdam Proclamation, and our compatriots in Taiwan already returned to the embrace of their motherland.

The U.S. Government officially confirmed this fact on more than one occasion in 1949 and 1950, and publicly stated that the Taiwan question was China's internal affair and that the U.S. Government had no intention to interfere in it.

U.S. "WENT BACK ON ITS OWN WORDS"

It was only because of the outbreak of the Korean war that the U.S. Government went back on its own words and sent armed forces to invade and occupy China's Taiwan and the Taiwan Straits, and to date they are still there. The spreading in certain places of the fallacy that "the status of Taiwan remains to be determined" is a conspiracy to plot "an independent Taiwan" and continue to create "two Chinas." On behalf of the Government of the People's Republic of China:

I hereby reiterate that Taiwan is an inalienable part of China's territory and the U.S. armed invasion and occupation of China's Taiwan and the Taiwan Straits cannot in the least alter the sovereignty of the People's Republic of China over Taiwan, that all the armed forces of the United States definitely should be withdrawn from Taiwan and the Taiwan Straits and that we are firmly opposed to any design to separate Taiwan from the motherland. The Chinese people are determined to liberate Taiwan and no force on earth can stop us from doing so.

Mr. President and fellow representatives, the Chinese people who suffered for a long time from imperialist aggression and oppression have consistently opposed the imperialist policies of aggression and war and supported all the oppressed peoples and nations in their just struggles to win freedom and liberation, oppose foreign interference and become masters of their own destiny. This position of the Chinese Government and people is in the fundamental interests of the peoples of the world and is also in accord with the spirit of the United Nations Charter.

The United States Government's armed aggression against Vietnam, Cambodia and Laos and its encroachment upon the territorial integrity and sovereignty of these three countries have aggravated tension in the Far East, and met with strong opposition of the people of the world, including the American people.

U.S. WITHDRAWAL CALLED THE KEY

The Chinese Government and people firmly support the peoples of the three countries of Indochina in their war against U.S. aggression and for national salvation and firmly support the Joint Declaration of the Summit Conference of the Indochinese Peoples and the seven-point peace proposal put forward by the Provisional Revolutionary Government of the Republic of South Vietnam. The U.S. Government should withdraw immediately and unconditionally all its armed forces and the armed forces of its followers from the three countries of Indochina so that the peoples of the three countries may solve their own problems independently and free from foreign interference; this is the key to the relaxation of tension in the Far East.

To date, Korea still remains divided. The Chinese People's volunteers have long since withdrawn from Korea but up to now the U.S. troops still remain in South Korea. The peaceful unification of their fatherland is the common aspiration of the entire Korean people. The Chinese Government and people firmly support the eight-point program for the peaceful unification of the fatherland put forward by the Democratic People's Republic of Korea in April this year and firmly support its just demand that all the illegal resolutions adopted by the United Nations on the Korean question be annulled and the "United Nations Commission for the Unification and Rehabilitation of Korea" be dissolved.

The essence of the Middle East question is aggression against the Palestinian and other Arab peoples by Israeli Zionism with the support and connivance of the superpowers. The Chinese Government and people resolutely support the Palestinian and other Arab peoples in their just struggle against aggression and believe that, persevering in struggle and upholding unity, the heroic Palestinian and other Arab peoples will surely be able to recover the lost territories of the Arab countries and restore to the Palestinian people their national rights.

The Chinese Government maintains that all countries and peoples that love peace and uphold justice have the obligation to support the struggle of the Palestinian and other Arab peoples, and no one has the right to engage in political deals behind their backs, bartering away their right to existence and their national interest.

The continued existence of colonialism in all its manifestations is a provocation against the peoples of the world. The Chinese Government and people resolutely support the people of Mozambique, Angola, and Guinea (Bissau) in their struggle for national liberation, and resolutely support the people of Azania, Zimbabwe and Namibia in their struggle against the white colonialist rule and racial discrimination. Their struggle is a just one, and a just cause will surely triumph.

The independence of a country is incomplete without economic independence. The economic backwardness of the Asian, African and Latin-American countries is the result of imperialist plunder. Opposition to economic plunder and protection of national resources are the inalienable sovereign rights of an independent state.

CHINA "BACKWARD" BUT "DEVELOPING"

China is still an economically backward country as well as a developing country. Like the overwhelming majority of the Asian, African and Latin-American countries, China belongs to the Third World. The Chinese Government and people resolutely support the struggles initiated by Latin-American countries and peoples to defend their rights over 200-nautical-mile territorial sea and to protect the resources of their respective countries.

The Chinese Government and people resolutely support the struggles unfolded by the petroleum-exporting countries in Asia, Africa and Latin America as well as various regional and specialized organizations to protect their national rights and interests and oppose economic plunder.

We have consistently maintained that all countries, big or small, should be equal and that the Five Principles of Peaceful Coexistence should be taken as the principles guiding the relations between countries. The people of each country have the right to choose the social system of their own country according to their own will and to protect the independence, sovereignty and territorial integrity of their own country. No country has the right to subject another country to its

aggression, subversion, control interference, or bullying. We are opposed to the imperialist and colonialist theory that big nations are superior to the small nations and small nations are subordinate to the big nations. We are opposed to the power politics hegemony of big nations bullying weak ones. We hold that the affairs of a given country must be handled by its own people, that the affairs of the world must be handled by all the countries of the world, and that the affairs of the United Nations must be handled jointly by all its member states, and the superpowers should not be allowed to manipulate and monopolize them.

The superpowers want to be superior to others and lord it over others. At no time, neither today nor ever in the future, will China be a superpower subjecting others to its aggression, subversion, control interference or bullying.

The one or two superpowers are stepping up their arms expansion and war preparations and vigorously developing nuclear weapons, thus seriously threatening international peace. It is understandable that the people of the world long for disarmament and particularly for nuclear disarmament. Their demand for the dissolution of military blocs, withdrawal of foreign troops and dismantling of foreign military bases is a just one. However, the superpowers, while talking about disarmament every day, are actually engaged in arms expansion daily.

The so-called nuclear disarmament which they are supposed to seek is entirely for the purpose of monopolizing nuclear weapons in order to carry out nuclear threats and blackmail. China will never participate in the so-called nuclear disarmament talks between the nuclear powers behind the backs of the non-nuclear countries. China's nuclear weapons are still in the experimental stage. China develops nuclear weapons solely for the purpose of defense and for breaking the nuclear monopoly and ultimately eliminating nuclear weapons and nuclear war. The Chinese Government has consistently stood for the complete prohibition and thorough destruction of nuclear weapons and proposed to convene a summit conference of all countries of the world to discuss this question and, as the first step to reach an agreement on the non-use of nuclear weapons.

PLEDGE ON NUCLEAR WEAPONS RESTATED

The Chinese Government has on many occasions declared, and now on behalf of the Chinese Government, I once again solemnly declare that at no time and under no circumstances will China be the first to use nuclear weapons. If the United States and the Soviet Union really and truly want disarmament, they should commit themselves not to be the first to use nuclear weapons. This is not something difficult to do. Whether this is done or not will be a severe test as to whether they have the genuine desire for disarmament.

We have always held that the just struggles of the people of all countries support each other. China has always had the sympathy and support of the people of various countries in her socialist revolution and socialist construction. It is our bounden duty to support the just struggles of the people of various countries. For this purpose, we have provided aid to some friendly countries to help them to develop their national economies independently.

In providing aid, we always strictly respect the sovereignty of the recipient countries, and never attach any conditions or ask for any privileges. We provide free military aid to countries and peoples who are fighting against aggression. We will never become munition merchants. We firmly oppose certain countries trying to control and plunder the recipient countries by means of "aid."

AID TERMED VERY LIMITED

However, as China's economy is still comparatively backward, the material aid we have provided is very limited, and what we provide is mainly political and moral support. With a population of 700 million, China ought to make a greater contribution to human progress and we hope that this situation of our ability falling short of this wish of ours will be gradually changed.

Mr. President and fellow representatives, in accordance with the purposes of the United Nations charter, the United Nations should play its due role in maintaining international peace, opposing aggression and interference and developing friendly relations and cooperation among nations. However, for a long period the one or two superpowers have utilized the United Nations and have done many things in contravention of the United Nations charter against the will of the people of various countries. This situation should not continue.

We hope that the spirit of the United Nations Charter will be really and truly followed out. We will stand together with all the countries and peoples that love peace and uphold justice and work together with them for the defense of the national independence and state sovereignty of various countries and for the cause of safeguarding international peace and promoting human progress.

[From the Washington Post, Nov. 16, 1971]

CHINA BLASTS UNITED STATES IN FIRST U.N. SPEECH

(By Anthony Astrachan)

UNITED NATIONS, November 15.—Chinese deputy foreign minister Chiao Kuan-hua called China's presence in the General Assembly today a defeat for U.S. and Japanese plans to create "two Chinas" here and a victory for Chairman Mao Tse-tung's revolutionary line in foreign affairs.

Chiao, head of the new Chinese delegation, took a hard ideological line in his maiden speech repeating standard Peking positions. He called for withdrawal of American forces from Indochina, South Korea and Taiwan and supported Arab countries in the Middle East conflict.

His strong remarks contrasted with Chinese expressions of moderation and caution when the delegation arrived here last week.

Chiao talked after 55 nations had made speeches of welcome in the final step in the historic process of seating Peking in the place of Taipei at the United Nations in accordance with the General Assembly vote last month.

In his speech, Chiao made the United States the principal villain, barely mentioning the Soviet Union. He touched on these key points:

On Taiwan, he reiterated China's claim of sovereignty and said all U.S. armed forces should be withdrawn from the island and the Taiwan straits. "The Chinese people are determined to liberate Taiwan and no force on earth can stop us from doing so," he added.

On Vietnam, which is rarely mentioned in U.N. debates, he expressed Chinese support for "the peoples of the free countries of Indochina in their war against U.S. aggression" and for the seven-point peace proposal put forward by the Vietcong. He called for the immediate withdrawal of all U.S. armed forces from all three countries of Indochina.

On Korea, Chiao expressed Peking support for the eight-point program for peaceful reunification put forward by North Korea last April. He called for the annulment of all "illegal resolutions" in which the U.N. branded China as an aggressor in the Korean war and for the dissolution of the U.N. Commission for the Unification and Rehabilitation of Korea. This is a standard Communist proposal here and this year was taken off the assembly agenda since the two Koreas had begun informal talks through their respective Red Cross societies.

On the Middle East, Chiao said Peking holds that "all countries and peoples that love peace and uphold justice" were obligated to support the struggle of the Palestinian and other Arab peoples against "aggression by Israeli Zionism." He warned against "political deals behind their backs," a criticism of Soviet encouragement to Egypt to make peace if the terms are satisfactory to Cairo.

On Africa, Chiao took the side of the peoples in all the remaining white-ruled countries of Africa "in their struggle against white colonialist rule and racial discrimination."

Chiao said "like the overwhelming majority of the Asian, African and Latin American countries, China belongs to the Third World." He repeated Peking's pledge of support to Latin American countries that assert that their territorial waters extend 200 miles.

The Chinese representative raised some U.N. eyebrows when he said, "The affairs of a given country must be handled by its own people, the affairs of the world must be handled by all the countries of the world, and the affairs of the United Nations must be handled jointly by all its member states, and the superpowers should not be allowed to manipulate and monopolize them."

The reference to the United Nations could presage trouble in the Security Council, where the five permanent members and particularly the United States and the Soviet Union have often set the framework within which the council operated.

Chiao took another dig at Moscow and Washington on disarmament, accusing them of talking about disarmament while engaging in arms expansion.

"China will never participate in the so-called nuclear disarmament talks between the nuclear powers behind the backs of the non-nuclear countries," he said and repeated Peking's call for the complete prohibition and destruction of nuclear weapons along with a pledge never to be the first to use nuclear weapons.

"If the United States and the Soviet Union really and truly want disarmament, they should commit themselves not to be the first to use nuclear weapons," Chiao added.

He said the vote on Oct. 25 to seat Peking and oust Taipei proved "the bankruptcy of the policies of hostility toward the Chinese people and of isolating and imposing a blockade on them. This is a defeat of the plan of the U.S. government in collusion with the Sato government of Japan to create 'two Chinas' in the United Nations. This is a victory for Chairman Mao Tse-tung's revolutionary line in foreign affairs. This is a common victory for people all over the world."

The assembly's original intention was to hear less than a dozen welcoming speeches, representing all the U.N. members, but more and more nations kept asking to express their own welcomes. The United States and the Soviet Union were among those that inscribed themselves on the list relatively late.

Chiao, apparently surprised, inserted a paragraph of thanks for the many enthusiastic speeches expressing trust in as well as encouragement and fraternal sentiment for the Chinese people.

U.S. Ambassador George Bush gave a three-paragraph address in which he recalled that despite the deeply felt issues of principle that divided the assembly before the vote, the United States had agreed that the moment in history had arrived for Peking to be in the United Nations.

Bush picked up an element from Chiao's arrival speech at Kennedy airport last

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Thursday and referred to the long ties of friendship between the American people and the great Chinese people."

The Tanzanian and Zambian ambassadors said they had a right to celebrate the Peking victory in the U.N. vote any way they wished. This was in reaction to criticism by President Nixon last month over the way several countries expressed their jubilation after the vote count.

BIOGRAPHY OF HUANG HUA (WANG JOU MEI), PEKING'S AMBASSADOR TO CANADA

Born Wang Jou Mei in Kiang Sou in 1915 into bourgeoise family. *1935.*—Sent by family to Yen Ching University outside of Peking. Was organizer of 20 surrounding universities' students groups (20 years of age at this time and a Communist). Organized 10 riots at Yen Ching University during his tenure there. Became acquainted with Dr. Leighton Stewart—Chancellor of the University. Stewart was allowed to be appointed President through exception by Chiang Kai-shek and later was the last U.S. Ambassador to China (Nanking).

Huang Hua was arrested while at University for inciting riots. Lived in hiding in Edgar Snow's apartment in Peking. He then went to Yenan with Edgar Snow and took the name of Huang Hua.

1936-1940.—He finished school at the Anti-Japanese University in Yenan. Edgar Snow asked the Communists to have Huang Hua appointed as interpreter for Mao Tse-Tung in 1936 and at this time wrote his book *Red Star Over China*. While serving as interpreter, he had access to all leading dignitaries and was active with the press.

1940-1945.—Spent entire war years in Chungking for New China News Agency with Chou En-lai. Was acquainted with General Yeh Chien Ing who was later the first Mayor of Peking under the Communists in 1945. In 1945 was spokesman for Communists at Executive Headquarters in Peking and was acquainted with Walter Robertson in Peking. In 1949 was appointed to the office in charge of foreigners in China in the office of the Ministry of Foreign Affairs.

1950-1960.—While serving in the Office of the Ministry of Foreign Affairs, aided Ambassador Stewart to leave country. In 1953, after Korean War Armistice, was China's representative at Panmunjom talks. He wrote paper on Germ Warfare during the Korean War and tried to brainwash Korean prisoners for Communist cause. In 1954 was on staff of Chou En-lai's mission to Bandung Conference in Indonesia. Also in 1954, was at the Geneva Conference with Chou En-lai as press spokesman for China.

1960-1965.—Was Ambassador to Ghana and, in fact, Ambassador-at-Large promoting Red China throughout Africa. Worked on Brazzaville takeover in 1964.

1966-1970.—Served as Ambassador to Cairo. During the Cultural Revolution, was the Ambassador never recalled or purged by Red China. In 1970 he returned to Peking at opening of new diplomatic offensive to participate in planning new policies.

1971.—In March 1971, appointed as Red China's Ambassador to Canada. In Canada can be expected to promote Liberation Front of Quebec. He is a member of the Chinese-Cuba Friendship Association.

[From Human Events, Nov. 20, 1971]

RED CHINA ALREADY TURNING U.N. INTO SUBVERSION BASE

Red China's 22-man United Nations delegation received a tumultuous reception upon its arrival in New York last week, with the press seeming to tumble over itself with compliments for the "high quality" of Mao's diplomatic representatives. But even as the new delegation was being hailed by various groups in this country, evidence is accumulating that Red China intends to employ the U.N. as a major tool for promoting Maoist-style espionage and subversion. Consider the following:

China's Deputy Foreign Minister, Chiao Kuanhua, head of the first Peking delegation to the U.N., is believed to have once been an important intelligence operative for Peking. Chiao, for instance, worked for several years with the New China News Agency, which since its inception has been operating as a conduit for intelligence and a cover for espionage.

David Wise and Thomas B. Ross in their well-regarded book, *The Espionage Establishment*, stress that "the main thrust of NCNA's activities is of a diplomatic or intelligence nature, as can be seen from the operations of its busier correspondents." Those named among the busier: Chiao Kuanhua. Moreover, Chiao openly hinted in his remarks to the American press last week that his country would be actively engaged in promoting subversion by supporting "oppressed peoples and nations in their just struggles to win freedom and liberation . . . ."

Chiao's deputy, Huang Hua, the permanent head of the delegation and now ambassador to Canada, also has a long history of engaging in subversive activities. Indeed, as HUMAN EVENTS has pointed out previously and DeWitt S. Copp elaborates on page 13, he is a gifted saboteur and espionage artist. Aside from helping to author the germ warfare charges against the United States in Korea, Huang was instrumental in turning Ghana in the early 1960's into a Peking base of operations against pro-Western countries in Africa.

As Rep. John Buchanan (R.-Ala.), a member of the Foreign Affairs Committee, has said: "From 1960 to 1965 he served officially as ambassador to Ghana but was, in fact, ambassador-at-large promoting Red China and Communist revolution throughout Africa and was an important factor in the Brazzaville (Congo) takeover in 1964."

Before Huang Hua received his U.N. appointment, Rep. Buchanan prophesied that he was "being groomed for the day when China is admitted to the United Nations or the United States follows Canada's lead in granting diplomatic recognition. Then he will be able to encourage and promote revolution in the United States with one hand, while, in keeping with China's two-faced policy, he superficially promotes trade and travel and 'better relations' with the other."

Equally indicative of the role that Red China is likely to play at the U.N. is that Kao Liang, head of Red China's advance party at the United Nations, is a well-known espionage agent who has fostered revolutions throughout Africa. While ostensibly serving as a journalist for the New China News Agency, Kao has been one of Peking's top men in organizing "united fronts" among radicals and in channelling funds, weapons and advice into groups eager to topple foreign governments.

U.S. intelligence maintains a thick file on this "journalist" who was kicked out of India in 1960 for "tendentious reporting" and expelled in 1964 from Mauritius, an island nation off the African mainland.

As authors Wise and Ross have written about Red China's U.N. advance man: "Taking up residence in Dar es Salaam, the capital of Tanzania, in 1961, Kao carried his intrigues the length and breadth of Africa.

"In Dar he lived much too well for a newspaperman. His house and his car were too big, his parties too frequent and his bankroll too large. In short, his lavish ways exposed his cover, as similar habits have sometimes betrayed CIA men, but it seemed to trouble him not at all. In fact, he openly asserted more importance than that of an NCNA correspondent and once checked into a hotel in Burundi as the 'Chinese ambassador.'

"Kao was the prime mover in the pro-Peking coup in Zanzibar in 1964, passing out money and arms to the insurgents, including Sheik Abdul Rahman Muhammed (Sheik Babu), a former NCNA 'correspondent' who emerged as foreign minister. Kao was also active in Mauritius (he was expelled in 1964), Réunion and Kenya, and made a practice of attending all independence celebrations, whether or not invited, with a big roll of money.

"Earlier Kao performed his intelligence assignments under NCNA cover in India (expelled in 1960), Nepal and at the 1961 Geneva Conference on Laos."

One of Kao's colleagues in Africa was a diplomat named Kan Mai, a specialist on guerrilla warfare who held the rank of colonel in the People's Liberation Army. Operating out of the Peking Embassy in Brazzaville (Congo) when the Belgian Congo was convulsed in rebellion across the river in 1964, Kan Mai trained hundreds of guerrillas who would lead major campaigns against the Léopoldville regime. Kan Mai and Kao Liang were also both implicated in the events leading to the assassination of the premier of Burundi.

Thus, less than three weeks after the U.N. "peacekeeping" organization decided to expel Taiwan and admit the mainland regime, Red China appears ready, willing and able to use the world body as a front for subversion on an international scale.

SHOULD THE U.N. GET OUT OF THE U.S.?

Now that the tumult and the shouting at the United Nations has died, the Tanzanian delegate has put away his dancing pumps and the Administration has dropped its public look of stupefaction, it's time for some quiet stock-taking with regard to one important aspect of the United Nations' future.

After 26 years of being domiciled in the United States, wouldn't it make good political sense for the world body to establish its headquarters in some other part of the globe?

The question is asked strictly from the point of view of our best interests and not anyone else's. As the vote on the ouster of the Republic of China and the seating of Peking indicated—for those who need such indication—we have few friends in the world and our allies are our allies more through need than endearment.

The vote, while bitter for many for reasons already enunciated in Congress—has at least cleared the air as to the real nature of the beast. The vote simply proved that the U.N. is an organization made up of several powerful blocs and we are no longer the most powerful. But because of our democratic society and because we are not the most powerful, we are the most vulnerable. It is a salient point to bear in mind when examining the record on how the U.N. headquarters came to be established in the U.S. in the first place.

The decision was not reached at Yalta but at the conclusion of the U.N. founding conference in October 1945. (The conference, which began in April of that year, had as its acting secretary general, Alger Hiss.) However, when a five-man site-selection committee was appointed, headed by Dr. Gravelovitch, Yugoslav, under secretary of foreign affairs, it was not a question of where in the world are we going to put the U.N., but where in the United States are we going to put it.

Of the decision, the late Dean Acheson was to write: "When the United Nations was looking for a site, I believed that it should be in Europe and favored Geneva and Copenhagen but pressure grew for its headquarters to be in the United States. President Truman's offer of the beautiful presidio site on the shore of the Pacific at Golden Gate

seemed a perfect one, establishing its home in the city of its birth. The misplaced generosity of the Rockefeller family, however, placed it in a crowded center of conflicting races and nationalities."

In this last remark, the former secretary of state was referring to how the choice of the Turtle Bay area on Manhattan came about. The recommendation of the site-selection committee to locate in either Fairfield County, Connecticut, or Westchester County, New York was rejected. The mayors of both New York and San Francisco offered their cities. The General Assembly, holding its first meeting in London in January 1946, chose New York.

"Interim" headquarters were first set up at Hunter College, then at the Sperry Gyroscope Plant on Long Island, next at Flushing Meadows, where the World's Fair had taken place in 1939 and finally, through the largess of John D. Rockefeller Jr., at its present location.

Mr. Rockefeller put up $8 million for the purchase of an 18-acre tract along Manhattan's East River and the taxpayers of New York City put up another estimated $3 million. The cost of building the headquarters was put at $65 million and the *entire* amount was given to the U.N. by the U.S. via an interest-free loan to be repaid over a 31-year period at the rate of $1 million to $2.5 million per year. To date the U.N. has repaid $45 million of the loan, *but it does not pay anything until the U.S. has paid its yearly assessment.*

The Soviets, of course, had no objections to the U.N. being located in the United States, and one of their delegates, Mr. Saskin, served on the site-selection committee.

Once the permanent site had been agreed upon it was necessary for the United States government to accept the provisions under which the U.N. would be free to conduct its business. These provisions are known as the United Nations Headquarters Agreement and although the State Department maintains that the agreement is a treaty of force, it may come as a surprise to learn it is no such thing.

In a hearing before the Senate Subcommittee on Internal Security, Chief Counsel J. G. Sourwine testified on March 15, 1967: "The so-called United Nations Headquarters Agreement which was purportedly brought into effect in November 1947, and which is ostensibly operative, as an executive agreement, to amend or suspend U.S. immigration laws, and grant various rights of an extra-territorial nature to the United Nations and its personnel, is not, in fact, an agreement at all because there was no meeting of the minds.

"Amendments and reservations to the agreement made by the U.S. Congress were not adequately reported to the General Assembly by the United Nations Secretariat. Interpretations (or conditions) set out by the Sixth Committee of the United Nations General Assembly were not officially reported back to the U.S. Congress. The agreement authorized by the U.S. Congress was not the same agreement authorized by the United Nations General Assembly. In legal contemplation, this is a clear case of offer, counter-offer, and counter-counter-offer with no valid acceptance on either side. . . . Thus there is no valid agreement."

This then is the somewhat muddled background by which the U.N. came to be in the United States and the "legal" means by which it retains its squatter's rights.

There are more fundamental reasons for encouraging its departure. The first is that since the U.N. inception the Soviet Union and its satellites have used it as a base of operations for espionage and subversion.

In this regard, it can be said that never in recorded history has one power so openly permitted an avowed enemy to pursue its policies of conquest on its home territory behind the facade of diplomatic sanctuary a sanctuary supposedly dedicated to peace on earth.

At least when the Trojans brought the gift-horse into their midst, they did not know what was in it. We have no such excuse. Since 1949 more than 50 Soviet and bloc personnel, assigned in some capacity to United Nations headquarters—either attached to their country's mission or employed in the Secretariat have been exposed by the FBI as doubling in the green fields of espionage. And this is but the tip of the iceberg.

The blasé acceptance and blatancy of this exposure is underscored by United Nations statutes which specify members of the U.N. Secretariat and international organizations (UNESCO, etc.) "shall serve not as representatives of their respective countries, or a region, but as custodians of an international public trust. No member of an international organization shall request or receive instructions relating to the exercise of his duties from any government or member thereof." The salaries of employes of internal organizations are paid by contributions from *all* member nations.

Thus from 1946 through 1970, a portion of the $3.8 billion the U.S. taxpayers have contributed to supporting the U.N. (41 per cent of the organization's total expenses) has actually gone to pay for and promote Communist espionage against the United States.

The highly regarded European research institute, Interdoc, in a recent publication on the subject makes an additional point: "There are those Soviet intelligence officers who have been sent on temporary assignment to the United Nations, such as the General Assembly sessions. These officers usually have several 'unofficial' functions to perform. Sometimes they carry into a country support material for illegal agents; sometimes they are prepared to undertake some special activity of which the local Soviet *Residentura* may not even be aware."

Two examples with recent connotations illustrate this point: On March 18 of this year, Dimitri A. Diakonov, Soviet chargé d'affairs in Mexico City, along with four of his KGB cohorts, was ordered to leave the country at once. The reason behind the order was the discovery by Mexican intelligence of a Soviet plot to overthrow the Mexican government.

Although Diakonov had spent his entire career as a KGB agent concentrating on Latin America, he had also managed to serve a term as an employe of the Soviet delegation during the U.N. General Assembly's 11th session. As Interdoc says: "There can be no doubt the double nature of his assignment and of the fact that the United Nations was merely a convenient cover for the special intelligence task he was carrying out on behalf of the KGB."

Sergi M. Kudriavzev, who was recently appointed chief of the Soviet UNESCO delegation (Human Events, Nov. 8, 1971), is considered by Western intelligence agencies to be one of the Kremlin's top operatives. On three occasions he has used temporary U.N. assignments for cover. On one he served as adviser to Andrei Gromyko, who at the time was chief of the Soviet U.N. delegation.

To put such cases in proper perspective, it is estimated by the FBI that more than 80 per cent of Soviet bloc officials who serve at the U.N. in either a temporary or permanent capacity, are engaged in some form of espionage against the United States. Presently there are 66 members of the Soviet delegation and 97 secretariat jobs held by Soviet personnel.

One position that was recently reported on by the New York *Times* was that of director of external relations for the U.N. Office of Public Information. It pays $27,000 a year and is held by Vladimir P. Pavlichenko, a longtime member of the KGB. In October the position was due to expire. Secretary-General U Thant extended it for two years. The U.S. taxpayer has been and will probably continue to contribute nearly $10,000 a year to Mr. Pavlichenko's salary.

Recent deportations of Soviet intelligence agents from Great Britain and Belgium—105 in Great Britain and 42 in Belgium—have given some indication of the extent of the Kremlin's effort to penetrate Western defenses. This is simply a cold fact of international life. But certainly neither country was, or is, willing to permit such activities to continue at the expense of its national security and the economic expense of its citizenry.

Not so the United States. Not so for a quarter of a century. Not so the Liberal Establishment, which has fought to carry on the myth of what the United Nations is not, in spite of revelations which have proved time and again that whatever it is, it serves our enemies as a sounding board for propaganda and a base for espionage and subversion.

Now that a majority of the U.N. membership has determined in its infinite wisdom that it is not an important matter to evict a Charter member to make way for a regime it once branded an aggressor, the efforts of the FBI and the New York City police will have to be doubled. Which, of course, will mean that the expense to the taxpayer will be increased.

If anyone thinks for one moment that Red China will not make the same use of the United Nations as that which has been made by all other Communist countries, let him reflect on the words of FBI Director J. Edgar Hoover, spoken before a congressional subcommittee more than six years ago:

"Communist China represents one of the gravest long-range security threats and the FBI is continuing to devote its close attention to coverage of possible Chinese Communist agents and sympathizers in the United States. There is every likelihood that Chinese Communist intelligence activities in this country will increase in the next few years, *particularly if Communist China is recognized by the United Nations and is thereby able to have a diplomatic mission in this country*" (emphasis added).

There is a certain grim irony in the fact that while the director of our nation's internal security warned year after year of consequences to come, Red China has now become a member of the United Nations through the express efforts of the President, his supporters within the Administration and all those without who served his "two Chinas" policy and worked for its establishment at the ultimate expense of the Republic of China.

Be that as it may, the pigeons of Hoover's warning began to come home to roost even before the U.N. vote was taken. There is evidence on record that the Tanzanian delegates are not only versed in gleeful dancing but that members of their mission have also doubled as dispensers of funds from Peking to militant black-Maoist groups in the New York area.

Columnist Victor Riesel recently reported that Communist China is now "openly" supporting Maoist organizations such as the Revolutionary Union. A delegation from RU visited Red China last month and was received by Chou En-lai. Also present was the leader of the Young Lords and former high-ranking U.S. Treasury official Frank Virginius Coe, first named as a Communist agent by Whittaker Chambers way back in 1939.

The Revolutionary Union was founded in 1968 by Leibel Bergman, a veteran Communist, and former Stanford University Prof. H. Bruce Franklin, an avowed Maoist.

"RU's objectives," Riesel wrote, "are a United Front, development of a revolutionary working class, unity and leadership in the struggle to organize a new national Communist party based on Marxism-Leninism and Mao Tse-tung thought, which would lead

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to the overthrow of the U.S. government by force and violence."

More directly, it has been announced that the No. 2 man in Red China's delegation to the U.N. will be Huang Hua, presently Peking's ambassador to Canada. Hua has been repeatedly described in the press and on the airwaves as being an able diplomat, gifted and suave, known to many old China hands. Hardly anywhere (aside from HUMAN EVENTS) has mention been made that he also possesses the same gifts of a Kudriavzev, for since the '30s, he has also doubled in the Communist pursuits of agitation, propaganda, subversion and espionage. (For more on the possibility of Red Chinese espionage, see page 3.)

He is known to have been the author of the germ-warfare charges against the U.N. forces in Korea and in charge of the brainwashing attempts on POWs.

During his tenure as ambassador to Ghana (1960–66), Ghana became Peking's base of operations in western Africa for propaganda, subversion, espionage and guerrilla warfare. Later ambassador to Egypt (1966–70), Hua was reported to be in charge of Red China's espionage and subversive activities in the Middle East. Now he comes to the United Nations, and to him, of course, will come many other Communist Chinese of a similar bent.

On still another level, in the course of the U.N. debate on China the issue was temporarily set aside by the Soviets and some of their supporters so that they could take time to berate the United States for being unable to protect U.N. foreign nationals against violence-minded groups. The 25-member steering committee has now been requested by the Soviets and several supporters, including Cuba, to do a study on the problem in order to gain some anti-U.S. propaganda mileage. However, we have all learned that there is no way of protecting anyone in a free society from a mindless zealot armed with a ride or a bomb. And as the membership of the U.N. has increased, the difficulty of protecting its personnel mounts. It is bound to mount even higher with the coming of the Red Chinese and others. The situation offers another good reason why it would be wise to move the organization out of the United States.

If one were to take recent Soviet statements on the problem at face value, it would be difficult for Moscow to disagree to the move. After all, even the great "Russian liberal" Nikita Khrushchev once made the suggestion. So have others in the Congress and elsewhere. As father to the wish, the Canadian Broadcasting Co., in March of this year, devoted a large segment of its evening newscast to a feature on the annual General Assembly meeting taking place in Geneva, Switzerland.

Geneva would, indeed, be a good spot to move the U.N., even though the Swiss get along very well without being members of the organization. However, since "the third world" represents the largest membership bloc, it seems only fitting that a new headquarters be established in some place like Burundi, or Cameron, or Mali or South Yemen. All have equal voting power in the General Assembly with the U.S. All have been recipients of U.S. aid and all, in keeping with the spirit of U.N. "universality," owe the organization varying sums of money for back dues.

In that context both Secretary General U Thant and Secretary of State William P. Rogers have commented on the U.N.'s financial plight, which presently verges on bankruptcy. Of those 59 member nations which did not consider the expulsion of the Republic of China and the seating of Communist China and important matter, 35 are in arrears on their U.N. dues, the Soviet Union and other Communist nations owing $118 million of the total indebtedness of $177 million owed by 76 of the 133 members.

Again on the basis of the "universality" so strongly promulgated by such senators as Edward Kennedy (D-Mass.) and Jacob Javits (R-N.Y.), it can be expected that three more dedicated enemies of the United States will soon be joining the club—East Germany, North Korea and North Viet Nam. Their joining would offer three more reasons for relocating the U.N.

After all, UNESCO is in Paris and the anti-American, pro-Communist activities of that body have had little appreciable effects there. Many of its publications and pronouncements are polemics aimed against the U.S. government. Many of its employes are as opposed to the West as their conferees in New York, and yet, because their efforts are not centered here, they are relatively ineffectual. Move the U.N. from our shore and the result will be the same.

As for U.S. continuance in and contributions to the world body, both should become commensurate with the political and economic realities that apply. The first requires, for the reasons stated, the U.N.'s departure to another location and the second, that our portion of payment be cut back from one-third of the total cost to 6 per cent, a figure based on our population as a percentage of the total population of member countries.

Many congressmen have spoken out in angry reaction to the China vote. But the real surprise is that there is surprise at what some of our schizoid global policies have reaped.

Twenty years ago Whittaker Chambers, writing of his own agonizing ordeal to try to convince inquisitors that he was neither a psychopath nor a liar but a man telling the truth at tremendous personal cost, wrote:

"They were Communist in large part, because they believed that the other side [the U.S.] was hopeless, incapable of understanding history, incapable of understanding its own danger, incapable of understanding the nature of the enemy while he smiled at them in contempt, incapable of understanding those who were stupid enough to try to help them . . . it is a law of history that no one can save those who will not save themselves, whose plight is the proof that they have lost the instinct of self-preservation."

As noted, the Congress has the legal means by which it can propose the removal of U.N. headquarters from the United States. It is urged to consider such action now.

CRITICISM OF NATIONAL LABOR RELATIONS BOARD

Mr. TOWER. Mr. President, on a number of occasions I have spoken from the floor of the Senate against the operations and practices of the National Labor Relations Board. Since I first introduced my proposal to place original jurisdiction of unfair labor practice cases in Federal district courts in the 89th Congress, abuses by the National Labor Relations Board have increased substantially. Criticism of the Board from the public and private sectors, as well as from well-known labor law experts within academic circles, has increased over the past few years. This is due to the Board's continuing disregard for the role Congress gave it and also because there now is pending in the Congress a concrete alternative to the current policy.

On March 23 of this year I reintroduced my NLRB proposal. This proposal would abolish the offices of General Counsel of the Board and examiners. Complainants would have the alternative right to present their own cases before the courts or to have their cases presented for them by a U.S. attorney. If the U.S. attorney refused to prosecute the charge, the individual could still file his own complaint. In addition, the court is authorized after a public hearing, pending final disposition of the case, to issue a temporary restraining order. The temporary restraining order could only be employed after a finding of substantial and irreparable injury to the complainant and that the complainant has no adequate remedy at law.

The strong support for this bill, S. 1320, was manifested when the Senate Subcommittee on Separation of Powers, chaired by the distinguished Senator from North Carolina (Mr. ERVIN) reported it favorably to the full Judiciary Committee on October 28. This action represents an important step towards the realization of meaningful labor law reform.

Mr. President, the record of the National Labor Relations Board in circumventing the intent of Congress is well documented by the report of the Senate Subcommittee on Separation of Powers drawn from the hearings on S. 1320. These hearings clearly show that the NLRB has acted to restrict free employee choice and the related issue of free speech. The decisions of the National Labor Relations Board throughout its history have bolstered the increasingly greater power of the larger unions at the expense of management, small unions and even rank and file members of those larger unions.

I find it difficult to believe that an administrative agency of the U.S. Government would hand down a decision which imposes a union on a group of employees after the employees had rejected the formation of a union through a secret ballot. However, in the celebrated Gissell and Sinclair cases the Board ruled in just that fashion. In affirming both of the NLRB's rulings these cases in *NLRB v. Gissell Parking Co.*, 395 U.S. 575 (1969), the Supreme Court seemingly decided that the Board's expertise in the area of labor law far outweighed the employee's secret ballot election and the freedom of speech rights of employers.

In the Sinclair case, the Board issued a complaint charging the employer with election interference. From the case record it seems clear that the employer's campaign contained "no threat of reprisal or promise of benefit" which would be in violation of section 8(c) of the National Labor Relation Act as amended. The Board's decision clearly was neither in the best interests of the employer or the majority of the employees. The only group benefiting from the decision was the union the Board designated as the bargaining agent which the employees were forced to join regardless of the sentiment they expressed in a secret ballot manner.

The record is full of cases in which the National Labor Relations Board has restricted employer and employee rights to the benefit of large unions. The Board's decisions seem legally inconsisent. For often they do not seem based upon the issues involved but rather upon the political and economic complexions of the disputants.

Yet it is not the Board's specific decisions which constitute the strongest criticism of the body, but, rather, the simple fact that these decisions represent a successful attempt on its part to engage in policy formulation. The Wagner Act, the Taft-Hartley Act and the Landrum-Griffin Act clearly delegate to the Board powers only to determine whether unfair labor practices have occurred. The Board has not been empowered to establish new criteria outside its Congressional mandate as to what constitutes an unfair labor practice case.

What exists, therefore, is a blatant exercise of power in a manner which totally disregards the intent of the Congress. We in the Congress must take some of the blame for the record of the National Labor Relations Board. As the creator of this agency which has completely ignored the intent behind the National Labor Relations Act of 1935, the Congress has the duty to act to right this previous wrong.

In essence, the National Labor Relations Board has done more to bring about the current imbalance in labor-management relations than any other organ of the Government. What has happened and what the Congress must do to right the situation was stated by the eminent labor law professor of New York University, Mr. Sylvester Petro, when he appeared before the Senate Subcommittee on Separation of Powers:

> On the premise, then, that Congress must at all costs recover its policymaking supremacy in labor relations, it remains now to establish that the NLRB, with the assistance of the Supreme Court, has arrogated that role to itself and that it has done so in such a way as to encourage abusive, monopolistic unionism contrary to Congress's intention to impose upon unions more or less the same restraints applicable to the rest of the citizenry.

Mr. President, we have heard a great deal in this body about the many forms of usurpation of congressional authority. The record of the National Labor Relations Board is a perfect example of such usurpation. I urge each Senator to look carefully at the record and judge for himself whether the past and current practices of the National Labor Relations Board are in the best interests of all segments of our Nation in accordance with enunciated congressional labor law statutes.

I am confident that after the record is studied the Congress will realize that true reform is needed. The Subcommittee on Separation of Powers came to this conclusion and reported the bill I introduced. I would like to publicly congratulate the chairman of the subcommittee, the distinguished Senator from North Carolina (Mr. ERVIN) and the members of the subcommittee for their great public service in calling to the attention of the Nation the terrible record of the National Labor Relations Board.

I have great respect for the chairman of the Senate Judiciary Committee, the distinguished Senator from Mississippi (Mr. EASTLAND) and the entire committee as a whole. I am confident that S. 1320 will be given careful consideration by the committee in the months ahead.

I therefore, implore all Senators to closely study this record in anticipation of one of the most important Senate debates on labor-management relations, and more importantly one of the most significant debates on the constitutional guarantee of separation of powers to come before the Congress in the post war period. I intend to continue, to the best of my ability, to educate Congress and the American people on the issues involved in this most important matter.

MILITARY RESERVE RETIREMENTS

Mr. TOWER. Mr. President, I am extremely pleased to have had the opportunity to join with my good friend from South Carolina (Mr. THURMOND) as a cosponsor of S. 2767. This bill would authorize members of the reserve components to elect retirement, if desired, at age 50, instead of the current age of 60, under an actuarial pay scale, provided that all other retirement requirements such as the completion of 20 or more years of service are met.

I feel that this proposal is worthy of our most serious consideration. The reserve components are a vital part of our national defense. It is in our national interest to maintain their high level of proficiency.

The reserves will be making difficult and complex decisions concerning manpower problems in the near future. In recent years, with the compulsory draft, the reserve units have experienced little difficulty in maintaining their manpower levels. However, with the pending proposal for an all-volunteer army and the present draft quotas dropping, the reserve units will not be utilized as an alternative method for a young man to fulfill his military obligation. Furthermore, the reserve components have been extremely concerned with their difficulties in maintaining personnel on a long-term basis. Most individuals do not continue to serve after their 6 years of obligated service. The reserve units need to be able to retain these well-trained and experienced men if it is to continue to offer competent leadership.

S. 2767 is one means of making the reserve components capable of attracting new recruits and retaining its present leadership. Furthermore, this system of optional retirement dates is a more equitable method of administering retirement benefits. It will not cost the taxpayer additional moneys.

I feel that we must immediately begin to explore proposals of this nature if we are going to make a successful transition to the all-volunteer army without endangering our Nation's defense capability.

ENCOURAGMENT OF ENACTMENT OF ELECTION LAW REFORM BY THE HOUSE OF REPRESENTATIVES

Mr. CANNON. Mr. President, I have been very much pleased to learn that the House of Representatives will begin debate in the next day or two on election law reform. For many years the Senate has been endeavoring to bring about the enactment of a strong new law to replace the obsolete and meaningless Corrupt Practices Act of 1925. The Senate passed bills in 1960 (S. 2436), in 1961 (S. 2426), and again in 1967 (S. 1880).

This year, with the combined effort of the Senate Committee on Commerce and the Committee on Rules and Administration, a positive and comprehensive bill (S. 382), was reported to the Senate and approved by this body on August 5, 1971, by the overwhelming vote of 88 to 2.

To this date, no election reform bill has been passed by the House of Representatives, despite the crying need for controls and public disclosure and enforcement. Now, however, legislation has been brought before the full House for consideration, and I heartily encourage the Members of the other body to give their serious attention to the adoption of legislation which will restore public confidence in the elective process.

Campaign expenditures and campaign costs have been in a runaway state for many years and will continue to double in successive election years, particularly in presidential election years. Controls over broadcast and nonbroadcast media are needed. Public disclosure of receipts and expenditures is necessary so that the public will know where money comes from and for what purposes it is spent.

Mr. President, in support of my statement regarding the need for reform are several articles which have been published in various newspapers in recent months. I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the following news items:

An article from the Washington Post of this date entitled "The Case for Public Financing of Political Campaigns," and an editorial from that newspaper of the same date entitled "The Campaign Spending Bill." An article from the Washington Post of Sunday, November 14, 1971, entitled "The Purchase of Power"; an article from the Washington Daily News of October 27, 1971, entitled "Millionaires Munch on Money Matters"; and an article from the Washington Post of March 21, 1971, entitled "The Nation's Worst Scandal."

These news items and editorials speak forcefully to the point that candidates and parties now look to the very wealthy and to private interest groups for the financing of political campaigns. I hope the House will assist in correcting these deficiencies in the law.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

ONCE IN A GENERATION OPPORTUNITY—THE CASE FOR PUBLIC FINANCING OF POLITICAL CAMPAIGNS

(By Joseph A. Califano, Jr.)

(The writer, now a member of the law firm of Williams, Connolly & Califano, was President Johnson's special assistant for domestic affairs and is counsel to the Democratic National Committee.)

During the remaining weeks before adjournment, the first session of the 92nd Congress has a once in a generation opportunity to clean up the Augean stable of money and politics in America by providing public funds to finance federal election campaigns. If self-interested political considerations of the White House or incumbent congressmen and

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senators make it impossible to pass such legislation for the 1972 campaign, then it could be made applicable for subsequent elections. The relationship between private wealth and public office is too detrimental to the healthy development of our democracy to be considered solely in the context of an ongoing political campaign.

The vitality of a democratic society depends on the exposure of its citizens to a variety of points of view and personalities. The greatest inhibition on that exposure today is the prohibitive cost of running for political office. This Congress should seize its opportunity to enact legislation which would say to every American, not that his child can grow to be a congressman or senator or indeed President if he has or can get his hands on enough money, but that his child can grow to be a congressman or senator or President if he is the best man with the best ideas. Such legislation may be the single most important act the Congress can take to renew the faith of the American people in the integrity of the institutions of government.

Private wealth has become the most debilitating and corrupting force in American politics today. This has been the case for a longer period than many Americans realize, but increasing evidence of its corrosive influence is being adduced daily, as reporters like Don Oberdorfer and Morton Mintz intensify their coverage of campaign financing and as dramatic events bring home to the American people the too often degrading influence of money on the American political dialogue:

After spending $250,000 in an embryonic campaign for the Democratic presidential nomination, Senator Fred Harris said he was quitting because he was $40,000 in debt and his investment banker angel was either unable or unwilling to put up any more money.

Senator Edmund Muskie, another presidential contender, sharply reduced his staff because of lack of funds. When faced with a choice between the substantive issue side of his staff and political experts, he cut the former, in part because delegate votes in hand help keep the money rolling in.

Herb Alexander, perhaps the foremost authority on campaign financing in the nation, estimates that it costs at least $500,000 for a potential party nominee just to operate his campaign headquarters at the convention.

The reported costs of financing presidential campaigns have risen from $6.2 million in 1940 to $44.2 million in 1968, an increase of more than 700 per cent. In 1968, the Nixon forces spent $3.5 million simply for the purpose of raising money.

Anyone who examines in depth the subject of money in politics is bound to begin asking these queations:

Why do individuals of enormous wealth contribute substantial amounts of money to the presidential candidates of both major parties when they are running against each other? Perhaps to support the two-party system, but more likely to hedge their bets, to assure access no matter who gets elected.

Isn't the relationship between campaign contributions and ambassadorial posts a luxury beyond our national means in the crisis-prone world of the 1970s?

Federal regulations declare the appearance of a conflict of interest as abhorrent as its existence, because of the questions it raises in the minds of the people about the integrity of the Executive branch officials involved: What of the appearance of campaign contributions to a President, senator and congressman who must act on matters that directly affect the source of livelihood and status of the contributors?

Citizens of both parties must be concerned about actions that major leaders have taken to finance their campaigns: the Nixon Fund of 1952; the $1,000 per member President's Club of the Kennedy and Johnson administrations; the frenetic scramble of Democratic presidential hopefuls to small private dinners in New York and California to raise funds for their campaigns; the $500 per plate Republican dinners held last week to raise $5 million from big contributors.

The potential for corruption of official of personal financial gain or game. Equally insidious is the danger that large contributors, by reason of their wealth alone, can influence foreign or domestic policy to suit their personal prejudices. In 1968, Stewart R. Mott attempted to purchase his own foreign policy for 200 million Americans. Mott, whose dovish attitude resulted in enormous personal contributions for Nelson Rockefeller and Eugene McCarthy, mounted a buy-a-dove campaign on Hubert Humphrey after the 1968 Democratic convention. As reported in Fortune magazine in trying to set up a meeting with Humphrey which never took place, "Mott wrote Humphrey a letter in which he made it clear that the presidential candidate would have to modify his views on Vietnam before he could expect any financial support from this group."

Another clear and present danger to the integrity of the elective process is that personal wealth rather than individual merit will be the determinative factor in a political campaign. Probably the largest pre-nomination contribution in history was made in 1968 by Mrs. John D. Rockefeller Jr. on behalf of her stepson's bid for the Republican nomination. From June to September of that year, Mrs. Rockefeller made eight gifts to the Rockefeller for President (New York) Committee in amounts totaling $1,432,625—more than three times the amount that most of the 200 million American citizens make in their lifetimes. Since the Federal Gift Tax applies to contributions of more than $3,000, Mrs. Rockefeller was presumably subject to taxation of as much as $900,000 on the money she gave.

It is difficult to believe that the American people want personal wealth to be such a significant factor in election campaigns or that they enjoy seeing their leaders engage in demeaning activities and subterfuges to obtain the money necessary to get their programs and ideas across to the electorate. The ultimate objective of our democracy should be to take private wealth out of politics at every level, federal, state and local. A good start would be to get it out of Presidential politics. In a 1967 Message to the Congress, President Johnson approved the ultimate goal, but limited his specific recommendations to federal subsidies for presidential campaigns. The continuing erosion of trust in government, our increased concern with the appearance of corruption and the American crisis of political confidence makes it clear that the time has come for radical surgery. It is time to take private wealth out of politics; it is time to free candidates for public office from their dependence on private wealth.

The issues of our society are so complex that those with responsibility to decide them should not have to spend their time trying to raise money to conduct political campaigns or maintain a house in their home district and Washington, D.C., as well. Money must be removed as a factor in the decision whether to run for office, how to campaign for office, whether to remain in public life.

The federal government should provide funds for the conduct of campaigns for the offices of President, vice president, senator and congressman. The method is less important than the concept—whether by the tax check-off plan proposed by Senators Russel Long or Mike Mansfield, the federal drawing account proposed by Senator George McGovern or by the outright appropriation recommended by Lyndon Johnson. The important thing is to get the corrosive influence of private wealth out of American politics.

Once elected, leaders should not have to be concerned about patronizing someone who is "good for a big contribution." Presidents, senators and congressmen should not be required to give up precious time that could be spent on the study of public issues, to individuals whose only claim to their attention and time is that they have the money to help finance their campaigns. President Johnson was deeply offended when he was required to appear at fund-raising dinners to help pay campaign expenses. It is demeaning to the office of the President, he would say, and add: The American people do not want their President running around the country, raising money, begging and pleading for money to run political campaigns; it debases the highest office in the land. This attitude of presidential contenders was unsuch broad, bipartisan support for his 1962 doubtedly why President Kennedy obtained reform proposals—support that included Presidents Truman and Eisenhower, as well as former presidential contenders Thomas E. Dewey, Adlai E. Stevenson and Richard M. Nixon.

CONTRIBUTIONS OF 12 PROMINENT FAMILIES, 1968

Name	Number of members contributing [1]	Contribution breakdown			
		Total contributions	Republican	Democratic	Miscellaneous
DuPont	32	$107,000	$99,800	$1,700	$5,500
Field	4	39,000	2,000	17,000	20,000
Ford	8	109,750	57,750	52,000	
Harriman	2	17,000	16,500		500
Lehman	7	51,000	2,500	48,500	
Mellon	22	298,962	278,962	17,000+	3,000
Olin	7	70,000	70,000		
Pew	[2] 11	$213,549	$207,898		$5,651
Reynolds [3]					
Rockefeller	21	[4] 1,714,375+	1,700,875	$13,500	
Vanderbilt	2	12,000	11,000		1,000
Whitney	6	133,500	133,500		
Totals	122	2,766,136	2,580,785	149,700	35,651

[1] In this analysis, husbands and wives were counted separately. Therefore, Mr. and Mrs. . . would constitute 2 contributing family members.
[2] The estate of J. N. Pew deceased was counted as 1 contributing member.
[3] No contributions.
[4] This Rockefeller total does not include the $356,000 contribution made by Nelson Rockefeller for his own campaign.

[From the Washington Post, Nov. 16, 1971]

THE CAMPAIGN SPENDING BILL

At long last, the House of Representatives will focus on Wednesday on campaign spending reform, perhaps the most important subject in long range terms that it has to face in this session. The stakes are huge—the integrity of a democratic electoral process is at stake—and by the end of the week the public will know whether all the words spoken in recent years about the corrupting influence of money in politics can be translated into votes on the House floor. It is by no means clear that those words will be translated into votes. There are those in Congress and out who simply do not want meaningful spending limitations. But if a good bill does not pass the House this year, the public will know where to put the blame as money replaces policy and performance as the key to public office.

It seems hardly necessary to make, once again, the argument for the need of campaign spending reform. Don Oberdorfer laid it out well in an article in this newspaper's Outlook section last Sunday and Joseph Califano elaborates on the theme elsewhere on this page today. But a few facts ought to be driven home. The costs of campaigning have skyrocketed in the last 15 years, a fact not unrelated to the growing use of television as a campaign tool. The best guess now is that spending in 1968 was 50 per cent higher than in 1964 and 100 percent higher than in 1956. As Mr. Oberdorfer pointed out, "High elected office—particularly statewide and national races involving expensive advertising campaigns—is increasingly the preserve of the rich or those who can somehow win the support of major economic interests." It is not surprising that 11 of the 15 major senatorial candidates in the seven largest states in 1970 were reported to be millionaires and that the other four of the 15 were defeated. Something is badly wrong with a political system that lets only the rich, or those who are especially adept at tapping the purses of the rich, rise to the top. And that something is the unlimited nature of campaign spending today.

The House of Representatives has before it a particularly tricky situation in dealing with this subject. The Rules Committee has forwarded three quite different bills, giving priority to one which is the work of Rep. Wayne Hays and the House Administration Committee. The strategy on the House floor of those who want meaningful legislation is to replace that bill with the other two bills—one on spending in the news media produced by Rep. Torbert Macdonald and the House Commerce Committee and the other the campaign spending bill that has already passed the Senate. If that strategy succeeds, good legislation is almost assured. If it fails, the nation is likely to learn in 1972 and in all succeeding elections just how many votes money can buy.

In our judgment, the two most vital elements in a campaign spending bill are reasonable and enforceable limits on spending and timely and enforceable provisions on public disclosure of what has been spent and where it came from. Second to these are limits on individual contributions and repeal of the equal time provisions of the Communication Act which has served more to increase the cost of campaigns than to protect candidates against radio-television favoritism.

The bill which has already passed the Senate comes close to meeting all of these criteria and the House could do far worse than just pass it unchanged. The bill's most serious weakness is its lack of any limits on individual contributions, except those made by a candidate himself, but hanging over this area of reform are the threat of a Presidential veto if additional limits are voted and constitutional questions about the validity of such limits.

The Hays bill, on the other hand, is so full of loopholes that its passage by the House might be worse than the passage of nothing at all. Its spending limits seem both unreasonably low and totally unenforceable. Its reporting provisions are worse in some respects, although better in a few others, than the existing law and its penalty provisions are probably unconstitutional.

By junking the Hays bill and taking the Macdonald bill along with the best parts of the Senate bill the House would produce a piece of legislation of which it could be proud. With that as a base, a conference committee ought to be able to smooth out a final bill rather quickly and let this Congress be the first in history to take seriously this aspect of the problem of money in politics. It could then turn to the other aspect—how the money for campaigning should be raised.

[From the Washington Post, Nov. 14, 1971]

THE PURCHASE OF POWER

(By Don Oberdorfer)

The future of American politics is up for vote this week on the floor of the House of Representatives.

In a nearly unprecedented tangle conducive to a legislative free-for-all, the House will vote on new rules to govern the raising, spending and reporting of the campaign money which is the fuel and, some say, the curse of the American political system.

The proposed rules are embodied in three separate and competing sets of bills which have been cleared for floor action. Though the proposals would affect nearly all lobby groups and national politicians and touch the very nature of representative government in America, very little lobbying is reported except from some broadcast stations and newspapers resisting limitations on political advertising. Many members of the House like most of the public at large, are only dimly aware of the details or the importance of the legislation.

The Senate, by a vote of 88 to 2, passed its version of new money rules for American politics on Aug. 5 after many months of committee consideration and compromise and three days of floor debate. Unless the House acts without further delay, and in a way which will permit compromise with the Senate's version, the struggle to regulate campaigns for federal office will be dead for this year—and quite possibly for many years to come.

THE PRESERVE OF THE RICH

The problem, simply stated, is that American politicians are more and more dependent on large sums of campaign cash—and thus public officials are increasingly beholden to those individuals and groups who can supply it. High elected office—particularly statewide and national races involving expensive advertising campaigns—is increasingly the preserve of the rich or those who can somehow win the support of major economic interests. As the costs of campaigning skyrocket, so does the influence of the dollar.

Neither regulation nor restraint is provided by the law on the books, the Corrupt Practices Act of 1925, shot through with loopholes and invitations to evasion. Many of its provisions are ignored by office-seekers as well as by those officeholders in the Justice Department who are sworn to enfore it.

The result is a situation of growing concern to many politicians. Speaking of the high cost of running for office, they use words such as "fantastic . . . astronomical . . . absolutely ridiculous" (former Sen. George Murphy, Republican of California) or "scandalous" (Sen. Robert Dole, Republican of Kansas) or "fraught with potential for influence peddling" (former Sen. Ralph Yarborough, Democrat of Texas) or "on the verge of scandal" (Sen. John Pastore, Democrat of Rhode Island). Those are the words of essentially conservative men who have lived by the system; the outside critics are often harsher.

Behind the generalities are down-to-earth particulars, rarely mentioned in congressional debate but well known in congressional cloakrooms. The particulars are facts such as these:

Last Tuesday, the Republican Party raised an estimated $5 million campaign war chest for 1972 by selling $500 dinner tickets to major contributors throughout the nation. Some companies and industries bought entire tables, and one industry—oil—bought most of the 400 tickets for a regional dinner in Houston. Because of defeats in federal and state laws, virtually none of the contributions to the $5 million war chest will be disclosed.

The Committee to Reelect the President, the nucleus of the 1972 Nixon presidential campaign, is carrying on a separate fund-raising drive to help the most powerful officeholder in the land. The identity of the contributors is a secret.

Maine Sen. Edmund S. Muskie's Democratic presidential drive has raised campaign funds of nearly $1 million this year, a substantial portion through loans from wealthy businessmen. Promissory notes for at least $250,000 are currently outstanding. The identity of those who have given and loaned this money is a secret.

Sen. Fred Harris of Oklahoma had been telling interviewers that his presidential drive was supported by contributions from unnamed "little people" across the country, and that the funds were adequate to take his campaign into the early primaries next year. Last Wednesday, Democrat Harris withdrew from the presidential race because he had exhausted the line of credit arranged by his major angel, a New York investment banker, and other financial angels failed to come through. Harris said he spent $250,000 in seven weeks as a presidential hopeful, and is $40,000 in debt. The details of who paid what were not made public.

Sen. George McGovern of South Dakota, another Democratic presidential hopeful, is publicizing his efforts to raise campaign funds from "little people." But he, too, has wealthy backers. One of them reportedly offered to put up $100,000 as a salary for a McGovern campaign chairman. It was to be paid in the form of a legal retainer for a lawyer who declined the offer and the job.

U.S. senators and senatorial hopefuls have begun raising funds for next year's Senate campaigns, and some have already hired image-makers and other campaign specialists. Much of the fund-raising is being done through "D.C. Committees" which do not have to report contributions or expenditures. Thus the identity of their financial angels is secret.

In last fall's Senate races, recordbreaking spending was reported in many small and medium-sized states, as well as in major industrial states. In North Dakota, the same two candidates had faced each other six years previously—but this time the winner, Democrat Quentin Burdick, spent roughly twice what he had in 1964; the loser, Republican Thomas Kleppe, spent five times as much as before. In Tennessee, Democrat Albert Gore spent more than $500,000—five times more than in his previous races. He lost to Republican William Brock, whose campaign cost more than $1 million—three or four times more than any Republican campaign in the state before. After the election, Brock's finance chairman said the records had been "flushed," and Brock himself said "I don't want to know" where the money came from.

In the nation's even largest states in 1970, 11 of the 15 major Senate candidates were millionaires, according to the National Committee for an Effective Congress. All the nonmillionaires lost.

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Nearly everyone agrees that the unregulated and unreported use of large sums in major elections is a danger to the democratic process and a situation which cries out for reform. The agreement ceases, however, when the talk turns to specific remedies. Political advantages and political futures quickly become involved in consideration of new rules. Some fear it will take a spectacular breakdown in the system—for example, a national scandal with devastating impact on the already eroded confidence in government—to convince a reluctant Congress to act.

A SECOND EFFORT

The current drive for reform began in 1969 at the impetus of the Committee for an Effective Congress, a political fund-raising group which saw the impact of its money being eroded by the vast increase in campaign spending. After more than a year of consideration, Congress in 1970 passed a bill limiting broadcast advertising and repealing the "equal time" provision of the Communications Act as it applied to the presidential race, thus making television debates or free time possible for major presidential candidates. But President Nixon vetoed the bill, charging that it "plugged only one hole in the sieve," and the Senate narrowly upheld his veto.

Senate Democratic leaders, joined later by Senate and House Republican leaders and a number of other lawmakers, began work this year to give Mr. Nixon what he asked for a—comprehensive reform package to deal with what the President himself called "the crushing and growing cost of political campaigning."

The drive for new rules for American political campaigns has centered on four major elements:

1. Limits on Spending. The very low overall limits contained in the Corrupt Practices Act have been made obsolete by the times. And the belief has grown that an overall limit—one sum limiting all kinds of expenditures—would be difficult or impossible to enforce. Thus attention has turned to limiting the visible and more easily checkable political expenditures.

Broadcast spending, particularly for television, is the most sharply rising major cost of campaigns. Since political transactions on stations' books are open to public inspection by FCC regulation, these costs are easily checkable. Other major media costs, such as newspaper, magazine and billboards ads, are also highly visible and thus easily policed. Direct mass mail compaigns and mechanized telephone drives could similarly be policed with relative ease but these are not included in the bill pending in Congress.

Low limits on spending would tend to give incumbents insurance against being ousted by challengers. But high limits—including some proposed during the current debate—become no limits at all.

2. Limits on Contributions. Present law (Title 18, U.S. Code) limits individual contributions to $5,000, which any individual can give to any one candidate or campaign. This has been widely ignored, but Common Cause has brought a federal court suit against the Republican and Democratic National Committees, and the Conservative Party of New York, seeking its enforcement.

Nixon administration officials have strongly opposed limits on individual contributions, claiming they are unconstitutional and unenforceable. Unofficially, they have stated another and perhaps underlying objection—that a limit on individual contributions would reduce the flow of GOP money from businessmen while doing nothing to deter Democratic labor money collected from large numbers of individual workers. The White House has indicated that Mr. Nixon will veto any bill containing low limits on individual contributions.

The Senate-passed campaign bill would repeal the $5,000 contribution limit, thus making the Common Cause suit moot. Common Cause argues that a contribution limit is important under the "one man, one vote" principle.

3. Reporting and disclosure requirements. The present law is so riddled with loopholes and encrusted by lack of enforcement that Citizens Research Foundation, a campaign finance information center, has estimated that more than half of U.S. political spending goes unreported. Yet nearly everyone seems to agree in principle that public disclosure of the sources of campaign cash is a fundamental ingredient of a healthy democratic system.

Some members of Congress have expressed fear that full disclosure of campaign contributions would tend to "dry up" money sources. Lawmakers who raise much of their cash in $25-a-ticket receptions want the new rules to require the names of only those contributors giving more than $25; those who raise money in larger chunks favor reporting requirements which apply only to gifts of $100 or more.

An important submerged issue concerns administration of public disclosure reports in the hands of the Clerk of the House and the Secretary of the Senate, who are employees of Congress and thus subject to pressures from incumbents. Others favor placing administration with the General Accounting Office, which is insulated from many pressures, or with a presidentially appointed elections commission.

4. Public Aid to Campaigns. Various plans to provide tax credits for small campaign contributors or even direct government subsidies to campaigns have been considered in Congress. No such plan is contained in any of the bills now before the House, but Senate Democrats reportedly have drafted several public subsidy provisions as amendments to President Nixon's New Economic Policy tax bill.

A partial remedy is greater access by the office-seekers to the public through free or tax-paid time on TV and radio. The repeal of Section 315, the "equal time" provision of the Communications Act, would permit TV stations and networks to provide free time to major candidates without having to give equal exposure to legions of minor party candidates.

Arguments have been and can be made against nearly any plan to bring regulation and restrictions to the present political jungle of campaign financing. There are constitutional arguments galore, and many questions about the specific application of general provisions. In almost every instance, those who fear change can conjure up circumstances in which the application of the new rules is unclear, or might help one man against another or one party against another.

Hanging over the whole debate, however, is the unseemly fact of the present system, in which money is political power and political power attracts money to a great and growing degree. Unless changed and checked by the votes of the Congress and the signature of the President, the present system of financing elections to major office is a clear and present danger to the democratic process, undermining its representative character as well as its responsiveness to the citizenry, sapping the faith of the people and, ultimately, the consent of the governed.

THE CHOICES BEFORE THE HOUSE

	Hays bill (House Administration Committee)	Macdonald bill (House Commerce Committee)	Senate bill (Sponsored by House Republicans)	Present law (Corrupt Practices Act of 1925)
Spending limit per candidate	$5,000 for all purposes, or 6 cents per constituent (whichever is higher).	5 cents per voting-age constituent for broadcast ads; 3 cents per voting-age constituent for newspaper, magazine ads.	6 cents per voting age constituent for broadcast ads; 4 cents per voting-age constituent for newspaper, magazine, billboard ads; or $30,000 minimum limit for each category.	$25,000 for U.S. Senate, all purposes; $5,000 for U.S. House, all purposes (unenforced).
Examples of estimated 1972 limits:				Estimated broadcast spending (last election): Not available.
Typical House District	$5,000 for all purposes	$14,800 for broadcast ads; $14,800 for print media ads.	$30,000 for broadcasting ads; $30,000 for nonbroadcast ads.	
Senate race (Illinois)	$666,000 for all purposes	$378,000 for broadcast ads; $378,000 for print media ads.	$453,000 for broadcast ads; $303,000 for non-broadcast.	$314,00? (Stevenson—D); $305,000 (Smith—R).
Presidential race	12,000,000 for all purposes	$6,900,000 for broadcast; $5,900,000 for print media.	$8,400,000 million for broadcast; $5,400,000 for nonbroadcast ads.	$12,600,000 (Nixon-Agnew); $6,100,000 (Humphrey-Muskie).
Special media provisions	None	Repeal of "Equal Time" provision for presidential race only (permits TV debates or free time); Broadcast rates cannot exceed "lowest unit charge" for same time period; print media rates cannot exceed charge for comparable commercial ads.	Repeal of "Equal Time" provision for all federal races (permits debates or free time); "lowest unit charge" broadcast rates just before elections.	None.
Limits on contributions	From any individual: $35,000 to any presidential candidate; $5,000 to any Senate candidate; $5,000 to any House candidate; plus limits on candidate's use of his own money.	None	Limits on candidate's use of his own money only.	Individual contributions limited to $5,000 per candidate (unenforced).
Reports of contributions, expenditures	To: Clerk of House, Secretary of Senate—Required only 10-15 days before election, and 45 days after election; reports include all items over $25.	do	To: Federal Elections Commission, clerk of local U.S. district court—Required 4 times yearly plus before elections; reports include contributions $100 or more; expenditures over $100.	To: Clerk of House, Secretary of Senate—4 times yearly plus before elections; loopholes eliminate and limit many reports.

	Hays bill (House Administration Committee)	Macdonald bill (House Commerce Committee)	Senate bill (Sponsored by House Republicans)	Present law (Corrupt Practices Act of 1925)
Penalty for violation	Candidate for President: $25,000 fine; others: denial of seat, disqualification for future elections.	$10,000 fine and 1-year prison term for willful violation.	$5,000 and 5 years prison for media sections; $1,000 fine and 1 year prison for reports section.	$10,000 fine and 2 years prison (unenforced).

Note: All bills apply to candidates for Federal office only. Figures given are for general elections; equal additional sums permitted in most cases for primary, special or runoff elections. Limits given for nonbroadcast spending under Macdonald bill and Senate bill assume that maximum permissible amounts are spent for broadcast ads; unused portions of broadcast limit can be added to nonbroadcast media spending.

[From the Daily News, October 27, 1971]

MILLIONAIRES MUNCH ON MONEY MATTERS

NEW YORK.—About 60 millionaires met for lunch yesterday and decided to put their mouths where their money is . . . in campaign financing.

Chatting amiably at the 21 Club in Manhattan, the men, who were said to represent nearly 25 per cent of all contributions to presidential election races, discussed a memorandum drafted by Howard Samuels, a former plastics manufacturer who now heads the quasi-public Off-Track Betting Corp. The memo called for reform of the country's political and governmental institutions.

One of the organizers of the meeting, Charles Dyson, said the purpose of the luncheon was to discuss ways of introducing business financial techniques into governmental operations. But the guests soon turned to discussing political contributions.

The informal group decided to invite potential presidential candidates to discuss campaign spending reforms. No list of names was drawn up, but several of the men are well-known contributors to many of the democrats now vying for the presidential nomination.

Most of those who attended were reluctant to discuss the meeting. Many were "unavailable for comment." The meeting was not publicly announced.

Mr. Dyson, for example, said he was unable to attend but denied emphatically that the meeting was called to discuss political contributions.

"It was on the invitations that no contributions would be solicited," Mr. Dyson said.

[From the Washington Post, Mar. 21, 1971]

THE NATION'S WORST SCANDAL

(By Lloyd Shearer)

Last November, Foote, Cone & Belding, one of the nation's leading advertising agencies, requested the Gallup organization to conduct a poll on the use of TV in political campaigns.

The major result of the poll: 74 percent of the adult American public favors clamping some control on political television advertising.

In contrast to many ad agencies, Foote, Cone & Belding handles no political accounts. Says its president, John E. O'Toole: "We have serious reservations about representing a candidate and his beliefs in 30-second or 60-second spot announcements."

Gallup polled 1609 adult Americans and discovered that the more educated a person is the more likely he is to advocate some restraints on broadcast electioneering.

The poll also showed that 37 percent of those contacted thought TV campaign advertising was "extremely" or "very" influential; 33 percent said it was "somewhat" influential; 26 percent said it had little or no effect; and 4 percent said they didn't know or gave no answer.

The most frequently voiced concern of those who were polled on the subject was that all leading political candidates should have equal TV time and money.

This situation does not exist, and the absence of any present machinery to make it possible is one of the critical failings of American democracy.

Legislators are frequently partial to those special interests and individuals who support them financially and thus make possible their reelection.

A LUCKY FEW

According to Herbert Alexander, director of the Citizens' Research Foundation of Princeton, N.J., 46 of America's wealthiest people contributed approximately $1.5 million to political campaigns during 1968. They favored Republican candidates over Democratic candidates financially by a 13 to 1 margin.

A handful of lucky politicians—Nelson Rockefeller, Charles Percy, and Edward Kennedy—have personal fortunes to spend on campaigns. But the majority of politicians are not so lucky. They must continually seek contributions from men of wealth and power in order to pay for television time which in the past decade has become the most expensive ingredient in electioneering.

Most Americans of wealth and power favor the Republican Party and its candidates. For example, officials of the 56 corporations which won the largest government space, nuclear, and defense contracts in 1968 reported $1,235,402 in political donations. For every $1 they donated to the Democratic Party, they donated $6 to the Republican.

Among the officers and directors of these companies, Henry Salvatori, a director of Litton Industries and also a prime supporter of California's Governor Ronald Reagan, contributed, together with his wife, some $90,000 to the Republican Party. The late Richard Mellon, a director of General Motors, gave $65,000 to the Republicans. Arthur K. Watson, vice chairman of IBM, gave $54,875. Robert Anderson of Atlantic Richfield gave $44,000 to the Republicans.

The Federal Corrupt Practices Act prohibits corporations from making political contributions, but allows corporation executives to donate as individuals.

Some of Richard Nixon's chief financial contributors in the 1968 Presidential race were W. Clement Stone, the insurance tycoon ($200,000); Max Fisher of Marathon Oil (103,000); Henry Salvatori of Litton (83,000); the late Richard King Mellon (50,000); Jack Dreyfus of the Mutual Fund (72,000); Elmer Bobst of Warner-Lambert Pharmaceuticals (55,000), and J. Howard Pew of Sun Oil (50,000).

Some of Democrat Hubert Humphrey's leading contributors in that same race were the late Mrs. Jack Factor ($103,000); Mary Lasker, widow of the advertising executive (60,000); Jack Dreyfus, who also contributed to Nixon (63,000); Herbert Allen, the stockbroker of Allen & Co. (56,000); Norman Cousins, editor of *Saturday Review* (55,000); Lew Wasserman, the former Hollywood agent now with MCA (54,000), and Harry Brandt, the motion picture theater owner (45,000).

THE LOOPHOLE GAME

These contributions represent only the tip of the iceberg. Labor unions, corporations, individuals, special interests—they all find relatively simple and numerous ways of loopholing the Corrupt Practices Act and making money available to candidates for the Senate and House of Representatives.

Labor unions for years have established conduits through which large sums are donated to Democratic candidates from whom labor naturally expects sympathetic judgments and gratitude, and frequently obtains them.

Each candidate for the U.S. Senate and House is required by a laughable Federal law to list all moneys received and spent "by him or by any person for him with his knowledge or consent."

The loophole here lies in the candidate supposedly having no knowledge or giving no consent to any person charged with raising campaign contributions.

Committees are formed which purportedly raise large amounts of money without the candidate in question knowing anything about it. For example, the successful campaign of James Buckley of New York, running on the Conservative Party ticket for the U.S. Senate, obtained contributions through more than 150 committees, some with the most imaginative names.

$700,000 FROM AMPAC

A typical "special interest" political committee is AMPAC, the American Medical Political Action Committee, which distributed approximately $700,000 to various candidates last year, but refused to report which candidates got the money. AMPAC simply distributed its contributions to state affiliates of which only one chose voluntarily to report.

Seven states have no laws that require political candidates to itemize their campaign expenses, while others require only the most superficial accounting.

No one really knows how much it costs to elect a President, a Senator or a Governor. In New York it is estimated that Nelson Rockefeller spent $10 million winning a fourth gubernatorial term. In California, it reportedly cost John Tunney close to $1,750,000 to unseat Sen. George Murphy. In less populous states, campaign costs are smaller.

Where does the money come from? No one knows exactly, but the average voter feels strongly that many legislators are "controlled" or "owned" by their major campaign contributors.

W. Clement Stone, the Chicago insurance tycoon who is a close friend of President Nixon, contributed approximately $650,000 to the Republican Party in 1968 and another $1 million in 1970 through a flock of different committees. While Mr. Stone claims he would no more think of asking a favor of the President than would Ophelia Elgg, a schoolteacher in Podunk, Ark.—the public thinks otherwise.

Thus, as David Lawrence wrote recently, "Some method must be found to dissociate contributions by groups or individuals from the disbursement of campaign funds to particular candidates."

A BILL VETOED

Last year Sens. Philip Hart and James Pearson along with Rep. Torbert Macdonald introduced a bill designed to reform political broadcast spending. The bill would have set limits on political broadcasts. It would have allowed free media time for Presidential candidates. It would have reduced rates for all candidates.

Congress overwhelmingly passed the bill, the first such reform measure in 45 years. But prior to the November elections, President Nixon vetoed the measure. Thanks to superb strategy by Sen. Hugh Scott, the Republican Leader in the Senate, and his Whip, Sen. Robert Griffin, the Senate failed by four votes to override Nixon's veto. Scott, however, did promise to introduce "comprehensive campaign-reform legislation" early this year.

In Great Britain political parties and can-

didates cannot buy advertising time on television. Each party is allotted time for political use, proportionate to its voter strength in the last election. But in Great Britain the broadcasting media are owned by the Government.

In the United States they are regulated by the Government but privately owned. And whichever candidate spends the most money buys the most exposure.

REFORM MOVEMENT

Because campaign finance throughout the United States has been recognized for years as one of the most pernicious scandals in our national life, many organizations are determined to support any reform effort on its behalf. John Gardner's Common Cause, the National Committee for an Effective Congress and dozens of other concerned groups advocate the complete and honest disclosure of political money to the public, the equalization of competition between incumbent and challenging candidates (the advantage is almost always with the incumbent), a financial ceiling on campaign expenditures, and some method whereby the Government pays the campaign expenses of those candidates running for Federal office.

As things now stand, large segments of the educated public are losing faith in the too high cost of democracy. They suspect that the oil lobby, the labor lobby, the doctors' lobby, the postal lobby, the people with the money and the clout again and again exercise undue influence upon the nation's legislators, confronting them time after time with a conflict of interest and an almost perennial debt of gratitude which must be paid off in special-interest legislation.

THE HIGHER EDUCATION ACT

Mr. PELL. Mr. President, on August 6, 1971, the Senate passed S. 659 a most outstanding and far-reaching higher education bill, one which made tangible many of the good ideas that we in the Senate have had for years. It would establish a base entitlement for post secondary education for those of our Nation's children who wish to pursue such a course and are capable of absorbing the education. It upgrades the post of Commissioner of Education to a challenging and stimulating one, establishes a new National Institution of Education and a National Foundation for Post Secondary Education, and simplifies the very complicated higher education legislation already on the books.

The House has also passed a higher education bill which, while it emphasizes aid to institutions rather than to students, contains many of the same provisions that are in the Senate proposal. The House, because of obvious political exigencies, attached to the higher education bill, their version of the emergency school aid bill, which the Senate had passed some 6 months ago as a separate bill.

Attachment of the emergency school aid bill to S. 659 causes very real problems for the enactment of far more important higher education legislation. For again the issue of civil rights and elementary and secondary school desegregation have been injected into straightforward education legislation. And these concerns will cause even greater problems here in the Senate. I would plead with my colleagues to let educational measures rest on their own merits. As chairman of the Education Subcommittee, I see education legislation used time and time again for matters extraneous to their intent. This was the case with the Elementary and Secondary Education Act of last year and may be the case with the higher education bill of this year.

The primary thrust of S. 659 is to enlarge and improve higher education and make it available to more of our youngsters. It is not viewed as a vehicle for civil rights legislation. I would only hope that school desegregation matters would be considered as separate legislation as it should be.

WAR CORRUPTS PRESIDENCY

Mr. CHURCH. Mr. President, while I welcomed President Nixon's announcement last week of further troop withdrawals, I deplored his implication that an American residual force, including air pilots, will be left in Vietnam. This is not a way to end, but can only extend, our participation in the war. Besides, Hanoi will never give up our prisoners of war so long as we refuse to give up the war itself.

The Blackfoot, Idaho, News editorialized the problem another way:

The war in Vietnam continues to be the cancer eating on the vital organs of the American nation. It cannot recover spiritually or economically until the war ends and the last American soldier is withdrawn from Indochina.

I ask unanimous consent that the editorial, entitled "War Corrupts Presidency," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WAR CORRUPTS PRESIDENCY

On last Sunday the puppet government we have created in South Vietnam played out its continuing charade of democracy with election ballots carrying only the name of President Thieu.

Sound effects in the background were provided by the dropping of hundreds of tons of bombs over North Vietnam and by riots in the streets of Saigon and other South Vietnamese cities.

The war in Vietnam continues to be the cancer eating on the vital organs of the American nation. It cannot recover spiritually or economically until the war ends and the last American soldier is withdrawn from Indochina.

The one person who could bring the war to an end is President Richard Nixon. Were he to decide that only the radical surgery of a real negotiated peace would save the nation, he would be upheld and supported by a majority of the American people.

But he probably won't make that decision. All indications are that he will continue to anesthetize the American people by claiming he is working for a "lasting peace."

To achieve this "lasting peace," it is predictable that he will continue to rain bombs indiscriminately on the people of Vietnam, Laos and Cambodia. He will continue the destruction of forests, fields and farms. He will continue to kill thousands of non-combatants and create refugees in the hundreds of thousands. He will do this in the name of applying sufficient punishment on the enemy to bring him to a realization of the futility of defying the might of American military force and a strong-willed commander-in-chief.

As a result of the release of the Pentagon Papers, we are beginning to understand how "power corrupts." The axiom reads in full—"power corrupts and absolute power corrupts absolutely."

It is a harsh judgment, but many Americans must understand by this time that we are witnessing the corruption of the Presidency of the United States because of the warmaking power thrust upon it by a frightened people and a frightened Congress. We have vested the Presidency with such awesome control of war-making power, literally the power of life or death over the people of our nation and the people of the world, that the President of the United States appears to be a wrathful Jehovah casting thunderbolts from Mount Sinai.

Such awesome command of power, however, cannot always be exercised in godlike manner. The man ordained to the position by the electorate remains mortal. In the exercise of his power his judgment cannot be divorced from his own ego. A man without a strong ego cannot be elected to the Presidency. In this respect Richard Nixon differs from none of his past three predecessors of the nuclear age that began with Harry Truman. Each of the four were quite conscious of the role they would record in history.

The ego of Truman was neither greater nor less than that of other Presidents before him. Destiny placed him in power in time to preside over the end of World War II. It was his decision that wrote the names of Hiroshima and Nagasaki indelibly into history. But Truman faced all the recriminations that follow a major war. Those who did not live through the era cannot imagine the fear and hatred that roiled the nation as a result of the activities of the witch-hunting legions of the cold war led by Senator Joe McCarthy of Wisconsin. Their passion centered around Truman's "loss" of China when that nation was taken over by its own people and the privileged position of outside powers was ended. (How can we "lose" something we never owned?)

Stung by the McCarthy charge of treason and the Republican charge that the Democratic Party was "soft on Communism," first voiced by the young Senator Richard Nixon of California, Truman was determined to "lose" no more Asiatic real estate and spurned the plea of our valuable wartime ally, Ho Chi Minh, for help in setting up an independent Vietnamese nation in French Indo-China. Truman took the position that the restoration of France to power through reacquisition of its former colonies would better serve the interests of the United States.

During the Eisenhower Administration, the Truman commitment was eagerly built upon by John Foster Dulles, the secretary of state held in awe and deferred to by President Ike.

Ike spurned the advice of Foster Dulles and Vice President Nixon to drop nuclear bombs on the Viet Minh guerrillas or to send in Marines to save the French Army at Dien Bien Phu, but he added to the national commitment in southeast Asia by scuttling the Geneva Agreements' provision for a Vietnamese election on the question of uniting north and south Vietnam. He would explain later that the communists would have won such an election hands down. Ike also advanced the idea that it was well to arm "good Asians" to fight "bad Asians." And under the influence of Cardinal Spellman, Ike approved and provided finances and military supplies for Diem as President of the Republic of South Vietnam in Saigon.

When John F. Kennedy won the election of 1960 by a razor-thin edge over Vice President Nixon, he inherited the CIA-planned Bay of Pigs invasion that proved to be a fiasco.

Kennedy shrank from sending in the full military power of the U.S. to save an assault that was clearly illegal under international law, even though led and underwritten by our secret government. But he, too, was stung by the charge of softness against communism that Democrats have come to fear as much as Republicans fear the charge of being the party that plans depressions. Kennedy, also hoist by his Inaugural speech, reacted like Truman with regard to the possibility of loss of Indochina real estate. He sent in the Green Berets, then later 15,000 American troops.

In view of Kennedy's growth in vision and statesmanship prior to his assassination, many of his devoted followers have insisted that he would have taken a different course in Vietnam, had he lived, than that taken by his successor.

Would the sensitivity of Kennedy, later revealed to the world in connection with the Cuban Missile crisis have spared us the agony of Vietnam?

(That question is a poignant as one that was raised a few years earlier.)

(What would have happened for the cause of world peace had President Ike been permitted to accept the invitation to visit the Soviet Union? Following the death of Foster Dulles, President Eisenhower seemed to acquire a degree of confidence in his own ability to conduct foreign affairs and took the lead in seeking to reduce the intensity of the cold war. For this and for his services as commander of Allied Forces during the war he was being accepted by the Russian people as an authentic world hero.)

(Suppose he had cancelled that last on the schedule U-2 overflight of Russia by Lt. Gary Powers! The event held all the drama of high tragedy.)

In view of the revealed ego of Lyndon Johnson, it is clear that his pride and the awesome warmaking power centered in his office led to his and the nation's undoing in Vietnam.

There is really nothing on the record to indicate that Richard Nixon is not repeating the same mistakes made by his predecessor. He insists the war is going away while still trying desperately for the victory that eluded John F. Kennedy and Lyndon B. Johnson. The miserable little brown men of southeast Asia refuse to concede defeat in the face of the worst punishment we can heap on them. They will not yield to the experts in the White House and in the Pentagon.

Senator Eugene McCarthy in 1968 spoke what may have been the greatest words of wisdom produced during the political campaign.

In times of turmoil, said Senator McCarthy, the people say what the nation needs is a leader who is a man of action. In saying this the people are wrong, the senator continued. In times of turmoil the leader best for the nation could well be the man who is a philosopher or poet.

In considering the role played by the strong men who have served as presidents in recent years there is a chance that Gene McCarthy was as wise a man as he was impossible as a presidential candidate.

Some historian-observers of the current scene compare this period of history with the period of political turmoil between 1830 and 1860 when the nation was being torn apart by the issue of human slavery.

In the years between the administrations of Andrew Jackson and Abraham Lincoln, the electorate did not re-elect a single incumbent president.

In view of the naked and terrifying power now held by the White House and the relative weakness and ineffectiveness of Congress, the best defense of the Republic may come through refusing any President more than a four-year term until the constitutionally divided powers of government can be restored.

STUDENTS "REACH OUT AND TOUCH" GOVERNMENT

Mr. BELLMON. Mr. President, one of the most rewarding experiences I have had recently was participating in a statewide meeting of Oklahoma campus leaders. The conference at Central State University, Edmond, Okla., October 18 was attended by around 250 students from 40 colleges and universities in the State. Both State-supported schools and private institutions were represented.

On hand to discuss current issues with the students was Donald Rumsfeld, counselor to the President, who had just been named Director of the Cost of Living Council. As a former Member of Congress and Director of the Office of Economic Opportunity, he came to the meeting with a broad background of governmental experience. He aptly demonstrated his ability to communicate with the youthful group on a wide variety of subjects.

This is the second such meeting that has been held in Oklahoma, and the response that has been received convinces me even more of the value of making it possible for young people to "reach out and touch" the Federal Government, as one participant phrased it.

A 19-year-old girl who is serving in the student senate at Northern Oklahoma College at Tonkawa described the meeting and what it meant to her in terms that reflect a positive attitude and an optimistic outlook that, I feel, characterizes the majority of our young citizens. Here are her comments on the program:

Excellent. Showed youth that our government has not, by any means, closed its ears to what we're saying. I appreciate your concern immensely. If the youth will just open up and listen to you, we will be able to accomplish those steps essential to gain national unity. Please accept my sincere thank you.

To sum up my feelings, to hear someone speak so strongly *for* our government and its policies gives me hope for my future days as a citizen and voter of the United States. It is terribly distressing to hear only the words *against* our nation. Mr. Rumsfeld, you have revived my faifth in President Nixon .Thank you so much for giving us the opportunity to hear you speak.

Mr. President, I am highly encouraged by comments like this from one of the leaders of tomorrow. Other remarks that followed the meeting in Oklahoma implied the same kind of concern for the future of our country and the desire to participate in the processes of policy-making that affect every individual.

In reading over the comments offered by the students participating in the conference, I was so impressed with their sincerity that I wanted to share some of them with other Members of the Senate. I ask unanimous consent that these selected comments, newspaper articles, and other materials pertaining to the conference be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

COMMENTS BY PARTICIPANTS IN STUDENT LEADERS CONFERENCE AT CENTRAL STATE UNIVERSITY, EDMOND, OKLA., OCTOBER 18, 1971

From a 19-year-old Student Senate member at Northern Oklahoma College, Tonkawa:

"A credit to the initiators, the sponsors. I appreciate the opportunity that you have afforded students. It's a refreshing change from four-minute news broadcasts and attention-getter 'one-liners' in newspapers."

From a 21-year-old political science student at Southwestern State College, Weatherford:

"Excellent program. I was very pleased to have a man of Mr. Rumsfeld's stature share his thoughts and opinions with the assembled students."

From a 19-year-old member of the Oklahoma City University Student Senate:

"I think this program was very beneficial to our understanding of how the government works."

From a 25-year-old student leader at East Central State College, Ada:

"I feel this is an excellent way of the youth confronting the issues, and the administration confronting the youth with the answers.

From a 24-year-old Tulsa Junior College student:

"Congratulations for giving many concerned students the opportunity to reach out and touch our federal government. The program was excellent, especially through the rapport established by Rumsfeld and the direct communication that was initiated."

From a 27-year-old student senator at Eastern Oklahoma State College, Wilburton:

"Very effective means of associating the national policies with the individual. Mr. Rumsfeld invoked the individual's respect, regardless of his political party."

From a 20-year-old sophomore at Altus Junior College:

"Very informative. I definitely feel that both students and government officials both can benefit from these sessions."

From a 19-year-old Murray State College student senate leader:

"I feel that these types of programs would indeed be of a great help in relating students' ideals and views with those of the United States government."

From a 21-year-old student at Oral Roberts University, Tulsa:

"It helped make me realize the hard work of many individuals in government programs. So, right on."

From a 24-year-old instructor and student senate sponsor at Panhandle State College, Goodwell:

"Good meeting, very worthwhile. Gives students a chance to see what makes the executive branch tick. Mr. Rumsfeld was able to communicate well with the group. A realistic look at government."

From a 21-year-old student at Northeastern State College, Tahlequah:

"Interesting. I came down here expecting to hear some 65-year-old man talk about politics and the future. Donald Rumsfeld is sharp, and seems to have a lot going for him."

From a 20-year-old student congressman at the University of Oklahoma:

"The program was very educational and informative; more of this type should be held. Very well handled by Mr. Rumsfeld. He did give specific, personal answers which I appreciated. I had expected the general, non-committal type answers which students usually get from a speaker. He gave intelligent, logical answers and was very personable."

From a 21-year-old student senator at Cameron College, Lawton:

"Mr. Rumsfeld was great, answered all questions. Treated students with respect. Very informative to government and how it works and its hang-ups."

From a 22-year-old student at Central State University, Edmond:

"Extremely enlightening. I think if we could have more communication like this the problems we have would be known, understood and people would feel closer to the government and its policies. Don't limit it to just the college students."

NIXON AIDE DEFENDS POLICIES BEFORE CSU STUDENTS

(By H. C. Neal)

EDMOND.—Oklahoma student leaders got probably more first-hand information from the White House Monday than the President's speech writers have received in the last month.

Some 200 students from 30 state colleges and universities attended a rap session at Central State University with outspoken Donald Rumsfeld, 39, top Nixon aide and new director of the economic stabilization program.

Nixon will visit Red China, said Rumsfeld, because "he believes it is not healthy to have the world's largest nation isolated from the rest of the world."

Tough-minded and articulate, Rumsfeld fielded questions for 94 minutes, hitting repeatedly on what he is convinced is the President's dedication to permanent peace and internal economic stability.

Responding to a question about recent oil discovery off the China coast, Rumsfeld said, "There may be oil off the China coast, but it would have nothing to do with the President's visit."

Rumsfeld, mentioned as a possible running mate for Nixon if the dump-Agnew moves succeeds, fervently defended the administration's war, civil rights and economic programs.

Responding to a student question of, "Why should we have any faith in Nixon?" Rumsfelt said:

"Let's look at the war, a prime student concern. All right. The war is winding down. Casualties are down. Costs are down. And draft quotas are down.

"The man has said what he will do and has done it. . . He has fully kept his commitments."

"Now, civil rights," Rumsfeld continued. "The Nixon administration has put more minorities to work in federal government than ever before . . . The budgets for all civil rights programs are up this year to some $400 million. The administration's achievements in civil rights are tremendous."

The speaker said it haunts the administration that "the public perception of those civil rights achievements is poor."

Discussing the reasons for this, he said, "Media must simplify the presentation of the news. In a 30-minute newscast, you've got sports, weather and commercials which cut the actual news reporting time to four or five minutes."

"How can you report something in five minutes which took months to work out?" he asked.

Rumsfeld was asked by a coed what his former agency, the Office of Economic Opportunity, ever did for women.

"We did nothing for women specifically," he replied. "The program was one of opportunity for poor people, not necessarily poor women."

On another question concerning why with its concern for equal rights the government does not draft women into military service.

"Because the law says to draft men," he replied. "If you want women drafted, tell your congressman."

Himself, a former four-term congressman from Illinois, Rumsfeld said legislators do respond to prodding from their constituents. "This is up to you, whether these other civil rights proposals get moving," he said.

"Write your congressman about it."

Rumsfeld also contended that Nixon and his top aides are responsive to "communication" from American voters.

"Those who seek to govern," he said, "would be fools indeed if they did not listen to the governed."

Rumsfeld was introduced by Sen. Henry Bellmon, who co-sponsored his appearance as another in a series of student-White House rap sessions in Oklahoma.

After the two-hour meeting, the speaker characterized Oklahoma collegians as "intelligent and well-informed."

"They asked good questions," he said. "And I enjoyed the session thoroughly."

Rumsfeld was asked if by his appearance the administration is "courting" the new student vote bloc.

"I would think both major parties should make a serious effort to enlist the loyalty of these young men and women," he replied diplomatically.

CHINA PROGRAM SAFE, AIDE SAYS

(By Paul Cartledge)

EDMOND.—President Richard Nixon will not be going to Red China in a "fuzzy-headed euphoric" mood of brotherly love, but as a "cold, hard pragmatist," presidential counselor Donald Rumsfeld said Monday.

Speaking with some 250 student representatives from state colleges and universities in a question-answer session at Central State University, Rumsfeld touched on the issues of the two-China policy, the Vietnamese war and election, the wage-price freeze, civil rights and the Supreme Court among other topics.

Sen. Henry Bellmon, who arranged the student leadership conference, was also present but did not participate in the discussion session.

Rumsfeld, in fielding questions from the predominantly conservative student group, repeatedly drove home the theme that the watchwords of the Nixon administration are pragmatism and caution.

He said Nixon does not look at his role in establishing communications with communist China "in a fuzzy-headed euphoric way that he expects everybody to love everyone else, but he is taking a cold, hard pragmatic approach in an effort to reduce risking future mistakes."

When asked what the President would do if the United States were to support a majority move by the United Nations to admit Red China to the UN and the communists refused as long as the Republic of China remained a member, Rumsfeld said Nixon would do "nothing."

"That would be basically a problem for the two Chinas to work out, he said.

The same theory, he said, is being applied to the Vietnamese elections, in that Nixon does not see the United States in a role of "big daddy" over smaller governments, but rather he sees this country more in a partnership role.

Elaborating on Vietnam, Rumsfeld said "it turns out we are not bright enough to go into another country and tell them how to run their government. In the past we have tried to erect a model of government for other countries."

He said United States' involvement in Vietnam has badly warped the political, social and economic fabric of that country, and that President Nixon is doing "everything humanly possible to wind down that war as fast as he can and get us out."

The economic policies of the Nixon administration are aimed at curbing a growing deficit in the balance of payments and the balance of trade with foreign nations and halting the inflationary spiral at home, Rumsfeld said.

He said the Nixon administration is attempting to form a partnership with other nations on the realization that the United States is no longer the supreme military and economic might of the world.

The wage-price freeze, he said, was a temporary measure to halt the inflationary spiral long enough to put together groups to formulate long-range goals toward a reasonable stability in the economy.

Rumsfeld said President Nixon believes the pendulum swung too far toward the liberal point of view on the Supreme Court and he is now looking for more justices whose thinking would parallel that of Chief Justice Warren Burger and Justice Harry Blackmun, both Nixon conservative appointees.

"There are more minorities working in the federal government today than ever before in the history of this country," Rumsfeld said in response to a question of what the Nixon administration is doing for minority groups.

He said budgets of civil rights and aid-to-the-poor type programs have grown by several hundred per cent under the Nixon administration because more and more programs are now being implemented that were only on paper before.

[From the Edmond (Okla.) Booster, Oct. 21, 1971]

NIXON ADVISER DEFENDS ADMINISTRATION POLICIES

(By Jim Willis)

A predominantly student audience numbering about 300 persons listened quietly Monday afternoon to opening remarks by Central State University President Garland Godfrey and Sen. Henry Bellmon, and then fired a 90-minute barrage of questions at the main speaker of a student leadership conference here, Presidential Advisor Donald Rumsfeld.

The conference, which drew delegates from all of Oklahoma's institutions of higher learning, was sponsored by Bellmon and was the second such conference arranged by him. The first was held in March of 1970 at the University of Tulsa when Dr. Daniel Patrick Moynihan was the featured speaker.

This time, the students' questions went to Rumsfeld, a 39-year-old former four-term congressman from Illinois who is now serving as counselor to President Nixon.

In his opening comments to the students, the seemingly good natured Rumsfeld said, "It was not until I got into the executive branch of government that I became sensitive to its problems and work. It's fascinating to watch the government operate."

The Princeton graduate gave a brief rundown of President Nixon's activities in various domestic and foreign policy areas. These included the draft reform, the Environmental Protection Agency, revenue sharing, the winding-down of American troop strength in Vietnam and Nixon's belief that a change in the U.S.-Chinese relation is vital.

"On the domestic side, concern is that the government exists to serve the people and for no other reason," Rumsfeld stated. "On the foreign side, our purpose is to achieve a period of negotiation and put an end to a period of confrontation."

The advisor stressed his belief that a diversity of power is vital in the United States, and that governmental power must be distributed to state as well as federal agencies.

Following these remarks, Rumsfeld threw the remainder of the two-hour session open to the students for questions and comments from them.

One of the most timely questions asked Rumsfeld concerned the President's wage-price freeze.

"How does the government figure that taking money from the workingman's pockets and putting it in the hands of company coffers can help the economy?" asked one student.

"That's a lot of baloney," was the emphatic reply from the aggressive Rumsfeld. "Profits are lower today than in any time since 1938."

Concerning the subject of "windfall profits" made as a result of the freeze, however, Rumsfeld stated, "There is no profit freeze. Profits are made over a long period of time, and this freeze is only set up for 90 days."

When asked about George Meany's statement that the President's freeze is acting as a "Robin Hood in reverse," Rumsfeld replied, "The concept is nonsense. It won't act as a Robin Hood either way."

Hitting on another area, one long-haired student asked the featured speaker, "Why should we have political faith in the Nixon administration with respect to the war, Kent State and Jackson State and minority groups?"

Answering the questions one at a time, Rumsfeld said the war in Vietnam had been going on for from six to eight years before Nixon took office.

Now, he said, the casualties are down, the draft calls are down and the cost of war is down. He alluded to the fact that troop strength in Vietnam is down from its peak of over 500,000 men in 1969 to less than 200,000 men at the present time.

"I don't know where I'd put better trust than in the Nixon administration," he concluded.

Concerning the incidents at Kent State and Jackson State, Rumsfeld said, "The President obviously had no involvement in them. I don't see how a person could put them up as a challenge to anyone. They were tragedies."

On minority groups, the advisor replied that during his four-term congressional career which spanned the 1060's he discovered, "The promises made on civil rights were greater than the ability to perform."

He stated the President has aided minority groups by opening more jobs for them in the federal government than ever before, by increasing the civil rights budgets by "several hundred percent," and by the establishment of the Food Stamp Program.

When asked why all this hasn't been publicized, Rumsfeld blamed the controversy surrounding the nominations of Judges Carswell and Haynesworth to the U.S. Supreme Court for clouding the progress made by Nixon.

"The perception of what he's (Nixon) done has been clouded by two or three events," he said. "This administration has an excellent record in dealing with minorities."

When asked what the United States is planning on doing to help "have not" nations, the ex-legislator said the government is centering its attention on the international trade balance.

"We're facing a negative trade balance for the first time," he explained. "You can't help 'have nots' when you have a trade deficit.

"President Nixon is working on gaining a good trade balance. This will make us of considerably more help toward other nations down the road."

"What affect do you think the news media has had on distorting the truth?" was another student-fired question Rumsfeld fielded.

Explaining that television stations have only about "four or five minutes" for actual news presentation during an ordinary 30-minute news, weather and sports program, he concluded, "They have to simplify it, and many times the facts cannot be simplified.

"It's an incredibly difficult thing for the public to be well-informed today."

Injecting a question and answer of his own on the subject of school bussing, Rumsfeld stated, "The President's opinion on bussing is clear. He doesn't like it."

"Why has regional background played such an important part in the nominations of Supreme Court justices?" Was still another question on another topic asked him.

When asked to explain the reason, Rumsfeld simply said, "I can't."

"What he's (Nixon) looking for are not justices from any particular part of the United States, but justices whose viewpoints closely approximate the viewpoints of Justices, Berger and Black."

Another student asked, "Why has congress been slow in dealing with the President's initiatives?"

To this, Rumsfeld replied, "I think it's unfortunate, and I think congress has a little reforming to do. I don't think it's as responsive as it should be."

Rumsfeld said one of the main reasons for this occurrence is voter apathy, however.

"It's because you don't put enough pressure on your congressman to let them know what you'd like them to do," he said.

Drawing the afternoon session to a close, the speaker told the gathering of students, less than half of whom had earlier indicated they were Republicans, "The power of our American political system for good or for evil is virtually immeasurable. The power to help guide and direct this country is yours. The responsibility is yours."

PLAINLY SPEAKING

(By Senator HENRY BELLMON)

As the father of two college students and one recent graduate, I have long believed that today's young people are better educated, better informed and probably more concerned with human events than any previous generations. I am even more convinced of this after participating in a meeting with Oklahoma campus leaders last week.

The meeting at Central State University was attended by around 250 students representing some 40 Oklahoma colleges and universities. Both public and private institutions sent delegates to discuss current issues with Donald Rumsfeld, one of President Nixon's top advisors.

Most of the time during the two-hour session was devoted to questions and answers, and this was what impressed me the most. The questions that were asked covered a wide range of domestic and international issues.

Among other things, the youths wanted to know: "What is the United States doing to help the have-not nations?" "How long will the U.S. support the Thieu government in South Vietnam?" "Why has Congress been dilatory on passing President Nixon's programs?" "How come only men are registered for the armed services?" "What effect does mass media have on policy decisions?"

Some of the questions were quite blunt: "Why should young people have faith in Richard Nixon?" "Why does the President place such importance on regional background in picking Supreme Court nominees?" "Are students' points of view being listened to in the Administration?"

The students were interested in Vietnam, Okinawa, South American regimes, the President's trip to Peking, seating of the Peoples Republic of China in the United Nations, cutbacks in the economic opportunity program, equal opportunities for women, prison reform and the wage-price freeze.

In other words, they were interested in the same things that older adults are, or should be, interested in. How they will use their newly-acquired voting privileges to express their views remains to be seen, but meetings of this type provide one means of allowing youth to become involved constructively in current affairs.

PHANTOM JETS FOR ISRAEL

Mr. HUMPHREY. Mr. President, I read with some dismay today the administration's decision to withhold Phantom jets for Israel, based on their assessment of the Soviet Union's restraint in its own arms shipment program in the Middle East. The Israel Government has denied the validity of this assessment and no doubt will make available to our Government its own findings as to Soviet military shipments. I am informed that the ratio of Israel to Egyptian supersonic jets is 1 to 4. And Egyptian jets include 12 to 20 Mig–23's—the very latest in supersonic jets which were used in missions above Israel about 4 weeks ago. Also a large number of Mig–21's for reconnaissance and operational missions. There are more Soviet pilots in Soviet planes in Egypt than the entire Israel Air Force.

While everyone can appreciate efforts to exercise caution and moderation in an effort to reduce tension in the Middle East, I strongly doubt that the administration's approach is the wisest one to carry out that goal. I can recall only too well the outcome of our hesitation in sending additional aircraft to Israel in the spring of 1970, ostensibly for reasons of our fear in upsetting the newly established cease-fire. The net result was the injection of Soviet planes and sophisticated weaponry, and violations of the cease-fire through the installation of an effective Soviet air defense system along the Egyptian side of the Suez Canal.

The United States made its last deliveries of the Phantom and Skyhawk aircraft in June 1971. The Israeli Government has repeatedly made a request that deliveries be renewed based on their own careful assessment of Soviet deployments in areas affecting Israeli security. Contrary to our own official evaluation, Israeli information sources point to the steady build-up in the Soviet force in Egypt, particularly significant due to the presence of the Mig 23—Foxbat—and the Sukhoi II—Flagon—aircraft, as well as the SA–4 and SA–6 missiles. Added to all this Soviet military input is the promise of more to come, as announced in the Soviet-Egyptian communique of October 13 in which the Russians pledged to take steps to increase the military might of Egypt.

To ignore this ominous data, and that is what we are doing in failing to respond to the Israeli request for the delivery of two to three Phantom jets per month over the next 2 years, we are abandoning caution, or moderation which should be the guideline of our own foreign policy in the Middle East, as well as in the rest of the world. What are we abandoning these guideposts for? Apparently the answer is for what has been until now the illusory promise of an agreement for the opening of the Suez Canal which all parties concerned have been extremely reluctant to accept under the presently proposed terms. Instead of attempting to reduce to a minimum big power involvement in negotiated settlements, the United States has interceded to a degree which it has declined to do in areas such as Vietnam or Pakistan where its intermediary role would be more helpful and more welcome. Instead of preserving a balance of power, and, hence, dissuading the Soviet Union from any attempts to provide Arab military superiority for its own advantage, the United States has decided to continue suspending its deliveries of Phantom jets.

The Congress has counseled otherwise. Both Houses earmarked $300 million in their foreign aid bills for military credit sales to Israel. This credit was intended in large part to go for the purchasing of Phantom jets. Seventy-six U.S. Senators, in a bipartisan effort, cosponsored a resolution calling for affirmative action on the Israel request for Phantom jets. Despite their urgings, the President has chosen to maintain the suspension of our deliveries.

The President is acting on the basis of his own information, which seems to

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ignore public reports of a serious growth in Soviet strength. While rhetorically basing his whole negotiating posture at the SALT talks on a rough balance in nuclear armaments between the United States and the Soviet Union, the President has apparently opted for a different position in the Middle East. While calling for the strengthening of the ability of our friends to help themselves, the President has apparently chosen to relax this rule in his policy toward Israel.

As yet there is no indication that the administration's present position on the Phantom jets is definitive. I would hope that the most recent decision is reversed. In the meantime I want to point out that the $300 million earmarked for military credit sales to Israel must remain earmarked for Israel. The Senate just passed a foreign military assistance bill which specifically precludes transferring of funds in excess of more than 10 percent of each category of assistance in the bill. The $300 million cannot be used for other purposes, authorized by the foreign military assistance bill unless the President makes a detailed report justifying such a transfer of funds above the 10-percent limit.

In other wards, I am reminding the President that open-ended spending which he lobbied for in Vietnam, Cambodia, and Laos is not permitted in the Senate bill. The $300 million for Israel is for Israel. Congress has determined that the earmarked funds should be used now, not when it is too late and far more costly.

ROY HICKMAN, MOUNTAIN BROOK, ALA., PRESIDENT-ELECT OF ROTARY INTERNATIONAL

Mr. ALLEN. Mr. President, I confess to a tremendous sense of pleasure and pride in the fact that a fellow Alabamian has been chosen president-elect of the prestigious Rotary International.

Mr. Roy Hickman, of Mountain Brook, Ala., is an extraordinarily happy choice for this high post. Among his many qualifications, one in particular strikes a most responsive chord. Roy Hickman came up the hard way. He learned the meaning and value of work at an early age and worked to help put himself through college. His refreshing attitude toward work is expressed in these words:

> Working was the best thing in the world that could have happened to me. It teaches you to appreciate things more if you work for them than if they are handed to you on a silver platter.

Mr. President, the Birmingham News of Sunday, November 14, 1971, published an interesting article written by Frank Truchon which touches on this and other aspects of the philosophy of Roy Hickman, the next president of Rotary International. I believe Members of the Senate and the public will find the article both informative and inspirational. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TO HOLD TOP ROTARY POST—WORK, LEARN: HICKMAN DID

(By Frank Truchon)

Roy Hickman of Mountain Brook, 1972–73 president-elect of the 704,000 member Rotary International organization, didn't make his college football team or get his West Point appointment as a youngster because "I only weighed 110 pounds—dripping wet."

Even so, he did win a letter in college, as student manager of athletics at the University of New Mexico. He also attained the rank of lieutenant colonel during World War II while serving with the U.S. Army Ordnance Corps and was later appointed civilian aide to the Secretary of the Army for the state of Alabama.

A more difficult obstacle which he faced and overcame was finding a way to pay his way through college.

As the youngest member of a family of six children, whose father, a Southern Railroad conductor, died when he was just two, the young Hickman had to depend upon himself at an early age to earn extra money.

In high school in Chattanooga, where he was born, he earned pocket change by taking note of the various stores around town that had burned out light bulbs, then going to the store owners the next morning with brand new bulbs to sell.

Although he received some funds each month from an elder brother while in college, he had to work to supplement the cost of his tuition.

While most students might have been content with one job, Roy Hickman sold college annuals, waited on tables in the school dining room and, in his senior year, earned an additional $30 a month as a student instructor in economics, his major.

"Working was the best thing in the world that could have happened to me," he said. "It teaches you to appreciate things more if you work for them than if they are handed to you on a silver platter."

Somehow, between studying (he was a "B" student), working at two and three jobs, and being student manager of athletics, Hickman became business manager of the college annual, president of Pi Kappa Alpha fraternity, president of the student body in his senior year, vice-president of the Inter-Fraternity Council, president of the Letterman's Club and winner of the state Intercollegiate Oratorical Contest during his junior year.

It was during his junior year that his wife, the former Dorothy Dunkerly of Ennis, Tex., arrived on campus.

"It was a small campus and word got around that there was a new girl with 11 pairs of shoes," Hickman said. "I just had one pair of shoes and I thought her father must be very rich," he laughed in describing why he wanted to meet the girl who was to become his wife in 1927.

Hickman's first job upon graduation from college in 1925 was a continuation of one of his part-time jobs—selling high school and college annuals for Southwestern Engraving Co. of Fort Worth, Tex.

The company transferred him to an affiliate in Kansas City. While on a trouble-shooting mission in Alabama for the Burger Engraving Co. in 1926, Hickman took a job with Alabama Engraving Co. as a salesman of annuals.

Over the years, Hickman rose to manager of the college annual division, sales manager, vice president, president and to his present position as chairman of the board. He is also chairman of the board of an affiliate company, Platemakers, Inc.

Hickman's long list of civic activities began in 1933 "when I was told by my boss to take part in the Community Chest." He soon, however, developed his own interest in community affairs.

His civic accomplishments include: past president, Heart of Dixie Chapter of the Association of the United States Army; past national president, Pi Kappa Alpha; past director, National Tuberculosis Association; past president, Alabama Tuberculosis Association; past president, Birmingham Chamber of Commerce; past publicity director, Birmingham Community Chest; past president, Birmingham Sales Executive Club; past president, Executives Club; past president, American Ordnance Post; past president, Downtown Club; chairman, Salvation Army Advisory Board; and member, United Appeal board of directors.

An interest in people and the desire to become acquainted with the major leaders in the community led to Hickman's joining Rotary, which has as its motto "Service Above Self."

He joined the Birmingham Rotary Club in 1935. Six years later he was president of that club. He was state Rotary district governor in 1948–1949, a director of Rotary International from 1954 to 1956, third vice-president of Rotary International in 1955–56, chairman of the 1958 Rotary International Convention in Dallas, Tex.; and chairman of the Rotary International Planning Committee from 1967 to 1969.

Hickman was nominated for the position of president in January and named president-elect in May. He is only the second Alabamian ever named to the presidential post.

Frank Spain, a Birmingham attorney, was president of the organization in 1951–52.

The presidency, Hickman said, is a full-time job. "You devote a full year to it." The position, he said, includes traveling around the world to visit some of the organization's 15,000 clubs in 149 countries.

Hickman's term as president begins July 1, 1972. He said he and his wife will move to Evanston, Ill., to set up housekeeping near the Rotary International headquarters.

The Rotary president-elect said he will probably spend about six months of the year traveling to about 30 to 40 foreign countries. "We'll probably go around the world twice in our year and travel between 30,000 and 50,000 miles"

The purpose of the visits to the various Rotary clubs, Hickman said, "is to report on the progress of Rotary and to encourage local clubs to assist in the development of their communities."

"Rotary International," he stated, "is an association of business and professional men with the desire to serve the needs of the community where they are located. All of them have community projects and those projects justify their existence."

As an example, he said, the Birmingham Rotary Club sends 30 to 40 Birmingham Boys Club members to camp each year, gives Christmas parties at the Boy's Industrial School, and provides the Industrial School with athletic equipment.

Rotary International, he said, also furnishes scholarships to students that wish to do graduate work and conducts a group study exchange program, whereby outstanding young business and professional men travel to and from the United States to study other countries, their people and institutions.

Roy Hickman has come a long way since his failure to make the University of New Mexico football team as a freshman.

When asked for the philosophy which brought about his successful career he replied, "I don't know of any other secret to success than to find a job in a field that interests you and to work with people and learn from them. You can't help but gain from the experiences of others, from their advice and their willingness to share their knowledge. In order to accomplish anything you have to learn to work with people."

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

REVENUE ACT OF 1971

The PRESIDENT pro tempore. Under the previous order, the Chair lays before the Senate the unfinished business, H.R. 10947, which the clerk will state.

The legislative clerk read the bill by title, as follows:

> A bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The Senate proceeded to consider the bill.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum, and I ask unaimous consent that the time for the quorum call be charged equally against both sides on the amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WEICKER addressed the Chair.

The PRESIDENT pro tempore. How much time does the Senator allot himself?

Mr. WEICKER. Mr. President, I allot myself such time as I may require.

The PRESIDENT pro tempore. The Senator from Connecticut may proceed.

Mr. WEICKER. Mr. President, we come now to the amendment of the Senator from Illinois (Mr. PERCY), which, in effect, would strike section 402 of the Revenue Act of 1971, and in so doing would deny to the highway trust fund some $350 million approximately, which $350 million would come from alcohol and tobacco taxes, or in other words, out of the general fund.

Mr. President, I should like to make clear at the outset that this is not an attack on the highway trust fund. I am not saying that it should not come, but this is not it. Specifically by virtue of section 402 it is the highway trust fund that is attacking the general fund.

The question has to arise at this point in time: Why the transfer? Certainly if there were some dire circumstances that envisaged the halting or slowing down of our highway program, such extraordinary measure or action might be condoned. But in light of the financial condition of the highway trust fund such clearly is not warranted. I am not going to stand before the Senate this morning and point to the surplus of money in the particular fund; rather, I will try to plead the cause for a balanced transportation system in this country.

The only justification that comes to my mind for this particular provision of the Revenue Act is that the best defense is a good offense. As each of us is well aware, the concept of the highway trust fund is now under reevaluation.

Mr. President, material that has been produced by advocates of the trust fund refers to the fact that this fund was created in 1956, as if implying that its age gives to it some special standing whereby it should not be tampered with. In my mind, when we have been 15 years on any program, that is a good time to reevaluate it and see what we have. There is not one of us who is not painfully aware that even though we have built more and better highways throughout the country, the American public moves slower today than it did in 1956. So whatever the concept and however good it was, the fact remains that it is incomplete, that there is a missing ingredient. It is not very hard to find out what that missing ingredient is.

Comparing figures of expenditures for various forms of transportation in the last several years, the figures for 1970, 1971, 1972 show that the Nation spent on aviation $1 billion in 1970 and $1.9 billion in 1971, and the figure will be $2 billion for 1972. During that same period, highway expenditures rose from $4.3 billion to $4.6 billion and now to almost $4.7 billion. Railroad expenditures went from $16 million to $47 million to $56 million. Mass transit spending went from $106 million to $327 million.

Broken down into percentages, so far as transportation is concerned, aviation in 1972 holds about 27 percent of the transportation budget, highways hold about 60 percent of the transportation budget, and rail, both intercity and mass transit, about 5 percent.

I think that clearly paints the picture as to why we cannot move. Any good transportation system has to have three ingredients—highway, rail, and air—but the fact remains that the rail portion is nonexistent.

The other question which comes to my mind is, Who is speaking for the traveler? I am not asking, Who is speaking for the AAA or for the highway construction industry, or for the automobile industry, but, Who is speaking for the traveler? Certainly, when any sort of automobile association or highway construction group puts forth the arguments that those of us who pay our taxes—or user charges, if you will—expect those taxes to go into highways, it is not speaking for me. I own my car, and I like to use it; but the fact is that because we do not have a balanced transportation system, I cannot use it freely or move about as I would like to. So I should like very much to see a portion of the user taxes on highways go to rail, and go to air, if necessary, in order that the present system can be balanced and I can enjoy my travels by whatever mode.

The object of Congress in the area of transportation is to legislate not in the direction of any special interest, whether it is the automobile industry or highway construction industry, but to legislate a good and a balanced transportation system, and good transportation is not just highway transportation.

In respect to the program itself, I think it also important to point out that interstate highways were not designed to be commuter roads; and to the extent that the traffic jams are caused by commuters, the highway lobby should be delighted to go ahead to spend some highway taxes toward mass transportation.

Moving on to another area, the argument has been put forward that these moneys, this $350 million, from the general revenues to be brought into the highway trust fund will be used to enhance highway safety; that the logical area from which to take money is the alcohol and tobacco portion of our general revenues. I think that is ironic. The only possible connection is that of the 55,000 people who die on the highways every year, about one-half of them have been drinking. That is about the only connection. May I point out that if we had decent mass transit in the Nation, we could probably cut the number of these deaths in half. But the argument that we should put that money into safety programs in the highway trust fund makes absolutely no sense at all. The problem is created by the high-speed highways. The problem is created by high-speed automobiles. So, in effect, even though one labels it a safety program, it is actually another subsidy to highway construction and to the automobile business of the Nation.

There are 55,000 people killed annually on the highways of this country, and in fiscal 1972 we will spend an estimated $128 million on highway safety programs alone. Compare that, please, with the figure which I cited earlier, when I said that the entire Federal expenditure for railroads, which would be principally intercity, is $56 million.

Mr. BENNETT. Mr. President, will the Senator yield? Did the Senator use the designation "billion" with "$128" or "million"?

Mr. WEICKER. I used the figure $128 million on the highway safety program.

Mr. BENNETT. I think the Senator said "billion" inadvertently.

Mr. WEICKER. I appreciate the correction of the Senator from Utah.

The estimated $128 million is just for the highway safety program and $56 million is allocated to all intercity railroad transportation. Or to put it again in terms of mass transportation in the United States, $128 million for highway safety programs alone; and the amount to be allocated in 1972 to mass transit will be $327 million. So that is only about one-half the amount that will be spent on mass transit.

Or let us put the two together: I estimate that in 1972 we will spend $383 million for all forms of rail transportation in the United States; and just on highway safety alone, $128 million.

So I think that if we want to have a real safety program in our Nation, if we want to eliminate a good portion of the killing of 55,000 people each year, perhaps we can take this kind of money and allocate it to rail transportation.

As I have said, I speak against the earmarking principle; but if we are going to earmark money from alcohol and tobacco taxes, I think the more logical area would be to conquer drug abuse, but certainly not for the highway trust fund.

Mr. President, I should like to spend a few minutes to discuss what can be done in this country relative to good transportation. Is it going to require high-

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ways? The answer clearly is "Yes." But I might add, to those who are responsible for the highway trust fund, if there is an area of expansion that should be considered, it is the local parking problems that have been created by our interstate highways and by the additional thousands of automobiles that use those highways year after year.

It is one thing to build roads into the cities. It is quite another problem for the cities to handle the cars once they have come in. But whether we are talking about safety, which I have covered, whether we are talking about the environment, or whether we are talking about transportation itself, the fact remains that until the Nation acquires a mass transport capability on rail, we are going to get nowhere. No form of transportation can move so many people over such a small piece of real estate as mass transit by rail.

I remember very well, Mr. President, when I represented the Fourth Congressional District of Connecticut in Congress, how everyone throughout the rest of the State of Connecticut said, "Well, his view is pretty narrow, because he just understands the problem of the commuter going from Connecticut to New York, and he really does not understand the transportation problems of the rest of the State."

It was true that my principal preoccupation was with the commuter problem in southern Connecticut, the problem of moving people between the States of Connecticut and New York.

Then, within the last couple of years, whenever I would go up to a city like Hartford, which is representative of many growing areas of our country, I would see another Federal highway going right through the suburbs around the city of Hartford, and everyone would be throwing up their hands in despair, saying, "When is this laying of concrete going to end? Why do we not have a mass transportation system to get us from the suburbs into the city of Hartford?" So the very problem we had been working on in southwestern Connecticut came home to the cities of my State as the people realized that the answer is not just the building of more highways; that if the desired result is that the entire State be plastered from end to end with concrete, then the present highway trust fund system is all right; but, on the other hand, if it is desired to encompass living and moving, then it is not.

The reason I cite the story of southwestern Connecticut and how the message has now come home to the rest of my State is that the same applies nationally. I know that many Senators think this is a problem of New York, or a problem of Chicago, Los Angeles, or Detroit. But what about the growing communities of our Nation? The time to move on mass transportation is now. The cost is as low now as it ever will be. Here we sit in the city of Washington, D.C., with the greatest example at our doorstep. Here we are in the year 1971 attempting to build a mass transit system, whereas, if someone had had some vision, and the system had been built when it should have been built—25 years ago—the streets would not be torn up for the great number of years, that it is going to take; secondly, the cost would have been one-fiftieth of what it will be now; and, third, people would be moving now.

I was amused by a comment made by one of my Senate colleagues yesterday, just prior to adjournment, when he said, "What about all those poor people who are traveling bumper to bumper on the highways coming into Washington, D.C. from Virginia and Maryland? Do you not think they want their money spent to improve those highways and make them wider and better?"

My answer to that is, "No, they do not. What they want is some mass transportation, where they would not even have to get in a car in the first place; then those who are using the highways to go longer distances would be able to do so."

So the argument for more highways and no mass transit hold no water at all. What is meaningful, I think, to all of us in the Senate, regardless of whether we come from the crowded urban areas or the areas of the country which now have space and will be the future population centers, is that lessons written rather clearly and rather painfully in the books by those of us in the crowded urban corridors shall be taken to heart. In essence, what we are saying is "Don't fall into the same trap."

But there is no way of getting out of the trap if we are going to use the same system devised in 1956. There is no way of getting out of the trap if we continue to spend 60 percent of our money on highways and 5 percent on rail.

We talk and talk about the environment, yet here we have it; and with all the talk and all the money that goes into building antipollution devices for automobiles, I would like to see one-tenth of that go into building a decent rail system in this country, one which does not have the problems of pollution that are attendant with the automobile. But because the automobile has become a way of life in this country, we feel stuck with it. Well, we are not. In fact, I feel that probably the greatest boost that could come to the automobile industry would be not to eliminate it or to say we should not have the automobile. That is preposterous. What we ought to have is something new in the way of a vehicle, whether by a change in its engine or by a possibility of that vehicle being put on a track and being guided by automation into urban areas. There are a million possibilities for an imaginative transportation industry. But no, it seems we are just going to sit here 15 or 20 years from now and say, "We passed this great Highway Act in 1956." There will be more and more smog in the atmosphere, more crowding, more bumper-to-bumper traffic, but we will say, "That was a great Highway Act we passed back in 1956."

Mr. President, how much time remains to the proponents of Senator PERCY's amendment?

The PRESIDENT pro tempore. The Senator has used 26 minutes of the time allotted. That leaves 64 minutes.

Mr. WEICKER. I yield myself 5 minutes.

Mr. President, I should like to read into the record the letter sent to the distinguished Senator from Illinois (Mr. PERCY), who is the author of this amendment, by the Office of Management and Budget:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., November 15, 1971.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: The Administration strongly supports your proposal to amend the pending tax bill to delete the provision which diverts alcohol tax revenues into the highway trust fund.

We believe that taxes paid by the user should bear a relationship to the benefits he receives and total user taxes levied should bear a relationship to the total level of services provided. Using alcohol taxes to fund highway programs does not meet these tests. Furthermore, reducing general revenues by diverting them to the highway trust fund further restricts the already limited funds available for other high priority national needs.

Sincerely,

DONALD B. RICE,
Assistant Director.

I think that sums up the matter pretty well, Mr. President. I will be anxious to hear from the advocates of this "grab" their justification for diverting these taxes from the general fund into the highway trust fund.

I repeat—because I want to make the issue clear this morning—that this is not an attack on the highway trust fund, although I make no bones about the fact that I plan to do that later. This is an attack by the highway trust fund on general fund of this Nation—it is as simple as that—a fund that sits there with a surplus of $3.648 billion and forecasts a surplus of $780 million for fiscal year 1972, attacking a deficit general fund. Now they want to divert $350 million more from general revenues into the highway trust fund.

I sat down and went over this matter. I asked myself, "What can be the reason for this?" I repeat: "The only justification must be the realization by the defenders of this special-interest pool that the best defense is an offense. People are beginning to nibble away at the concept of a highway trust fund, so let us go out and tangle with some of the other elements and try to get more money, and that will divert their attention from this outdated concept that no longer works."

Mr. President, I think it is clear, either to men of a financial bent, such as the OMB, or those who are concerned with transportation—moving about—that this is an ill-conceived provision of the Revenue Act of 1971.

To put it in the words of Winston Churchill, I think the advocates of the highway trust fund have overegged their pudding; that they have gone one step too far in helping themselves to just a little more. Just as crucial, as I emphasized at the outset of my remarks, I want to know who they represent. Certainly they do not represent the American traveler. The ability to move around our Nation is more difficult today than it was in 1956. With all our superhighways, it takes longer to go from New York to Washington, D.C., today than it did 25 years ago.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

The PRESIDENT pro tempore. How much does the Senator yield?

Mr. WEICKER. I yield the floor.

Mr. RANDOLPH. I wanted to ask a question.

Mr. WEICKER. Does the Senator from West Virginia care to have the floor?

Mr. RANDOLPH. I wanted to ask the Senator a question.

Mr. WEICKER. Fine.

Mr. RANDOLPH. The Senator has read into the RECORD a letter from the Office of Management and Budget.

The PRESIDENT pro tempore. The Senator's time has expired.

Mr. WEICKER. I yield myself 1 additional minute for the purpose of answering the question of the Senator from West Virginia.

Mr. RANDOLPH. Does not the Senator realize that the Office of Management and Budget has been against trust funds of any type, believing that it was the wrong approach to financing any program in the United States, but that Congress, in 1956, in its judgment—and I believe a well-reasoned judgment—created the trust fund? So that letter today is simply a restatement of the opposition, is it not, of this agency, within our governmental structure?

Mr. WEICKER. No. I cannot agree to those comments by the Senator from West Virginia. He knows as well as I do that the Office of Management and Budget changes from administration to administration and that the people with authority in 1956 are totally different from those who are there now. I believe it is safe to say that any financial arm of the executive branch, be it the U.S. Government, the government of a State, the government of the State of West Virginia, or the government of the State of Connecticut, is basically opposed to a trust fund principle.

Mr. RANDOLPH. That is what I said.

Mr. WEICKER. The Senator intimated that this group was in opposition to the trust fund.

Mr. RANDOLPH. I said the Office. I did not say the group.

Mr. WEICKER. They are a different group of people now. The fact is the highway trust fund exists. It is a fact of life. Their comments relate to this particular "grab"—if we want to call it that—by the trust fund into the area of general revenue. That is what they are objecting to.

Mr. RANDOLPH. I repeat to my able colleague that——

The PRESIDENT pro tempore. Who yields time?

Mr. LONG. Mr. President, I yield 2 minutes to the Senator from West Virginia.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized for 2 minutes.

Mr. RANDOLPH. I want to continue this colloquy, to indicate my viewpoint, by saying that historically the Office of Management and Budget has been against a trust fund. It was against the airways and the airports trust funds for which my able colleague, I imagine, gave his support. Is that correct?

Mr. WEICKER. Very, very reluctant support at that time. Very reluctant support. I believe that we should have one trust fund for transportation in this country.

Mr. RANDOLPH. I am ready to join the Senator from Connecticut on that point which he has just indicated. That is not a problem for me. I am simply saying that I have supported a trust fund for airways and airports, as has the Senator from Connecticut.

I have supported with my vote in the Senate on every occasion—and, in fact, have helped as a cosponsor to draft legislation—every effort to bring into being a strong mass transit program for the country. Further, I think it is something that should be carefully weighed by any speaker on the floor of the Senate who attempts to speak of those who believe the trust fund should remain as it is until the job is done. There is some effort in the amendment to go too far, to do something which will not express the continued integrity of Congress as set forth in 1956 in relationship to the roadbuilding program in the United States.

When the highway trust fund was created by Congress in 1956, it was intended to finance the development of the American highway network, particularly the Interstate System.

The trust fund approach has been highly successful in carrying out its original purpose, although construction of the Interstate System has not proceeded as rapidly as intended. The revenues provided by the trust fund have brought the Interstate System to 75 percent completion.

The trust fund generates large amounts of money and was intended to do so because highway development of the magnitude needed is extremely expensive. The trust fund, therefore, is an inviting target for those who wish to correct the inadequate financing for other forms of transportation. In recent years there has developed what some observers refer to as a surplus in the trust fund that should be allocated to other purposes. In reality, this so-called surplus does not exist. It is not extra money collected above and beyond our requirements to meet the country's immediate highway needs.

What appears to be surplus is actually the result of the unwise and unjustified withholding of allocations to the States.

For the past 4 years, the national administrations have systematically withheld funds obligated to the States for highway development. As a result, the trust fund has accumulated obligations that must eventually be released to the States.

Over the long run, we can actually anticipate a deficit in the trust fund in terms of current estimates of what will be needed to complete the Interstate System. The 75 percent of the system that has now been constructed cost $41.1 billion. Authorization for the system was increased last year to $69 billion.

The point to remember is that if there had been no withholding there would be no surplus in the trust fund. Withholding has created an artificial surplus as well as extending the time and raising the cost for building the Interstate System.

Mr. President, I repeat, in 1956 the Congress, in passing legislation to accelerate development of the Interstate System, made a pledge to the people of the United States, and as a result, State and local governments acted. This is still a valid pledge and one that must be redeemed. It cannot be properly and expeditiously honored if we start to chip away at the resources of the highway trust fund.

My colleagues know that I have frequently spoken and acted in support of urgently needed programs for all forms of transportation. Mass transportation—which urban areas desperately need—airports and airways, and railways all must be adequately supported as essential components of a balanced transportation system. My votes have been so recorded.

I do not, however, believe that the highway trust fund should be dissipated to compensate for shortcomings elsewhere. This does not reach the heart of the problem and can only delay the day when our total transportation program is placed on a sound financial footing.

Even if all current mass transportation needs were met, highway requirements over the next 15 years would still total more than $100 billion.

The national highway program is a subject of intensive debate in all areas of the country. I welcome this examination as part of the process of developing a more responsive program. In these discussions, though, we must be careful that the facts are not obscured.

While there are some communities that, as is their right, feel they have enough highways, it is the experience of the Committee on Public Works that people all over America need and want better roads. One of the most difficult tasks the committee faces is how to resist the demands for more highways.

Criticism has focused largely on the Interstate System, primarily because it has been the area of most extensive activity for the past 15 years and because it is the most visible.

If anyone doubts the magnitude of our highway needs, I call attention to just a few areas in which the demands for action are enormous and have had to be postponed.

We made what is really only a modest start last year to replace some of the thousands of old, unsafe, and inadequate bridges on our country's roads. The $250 million authorized for this purpose over 2 years is but a fraction of the actual need. More would have been provided if there had not been opposition from the administration.

Spot improvements to existing highways are desperately needed to eliminate

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severe hazards to safe driving. The Congress considered a spot improvement program last year but encountered heavy opposition from the administration.

The importance of good transportation is recognized as essential to any economic development effort. We have tried to provide it but have been frustrated in this attempt. As a result, millions of people are denied the benefits of the American system because they cannot move easily from place to place. Once again, we have been faced by administration opposition.

Even in the cities, authorizations for the urban highway system do not begin to approach the need. Consequently, we must not delay meeting these needs and let them grow more critical.

I call the attention of the Senate to the fact that last year we created the urban highway system specifically to improve the movement of people and goods within urban areas. This new highway system had the enthusiastic support of the Nation's mayors, who realize the importance of good surface transportation as part of the answer to the needs of the cities.

They were extremely disappointed that more money was not brought to bear on their highway needs. It is the Public Works Committee's intent to significantly increased urban highway authorizations next year, but this cannot be done if the trust fund is restricted by actions such as those contained in this amendment. The mayors know that modern highways are needed to maintain availability of freight, emergency services, and public transportation.

The amendment before the Senate, if approved, would contribute to delaying the very objective its sponsors intend. Without the replacement contribution to the trust fund this amendment seeks to avoid, the road program will be curtailed and completion of the Interstate System delayed even further. This contribution does not add to trust fund revenues: It is merely a needed replacement to compensate for the loss of light truck excise taxes.

Over the currently authorized life of the trust fund, the loss would amount to approximately $2.2 billion and unquestionably push completion of the Interstate System further into the future.

At a time when the Congress is pressuring the executive branch to release impounded funds for highways and many other purposes, it would be unwise for the Senate to approve this amendment indicating our own lack of determination to maintain important programs at the levels we set originally.

Mr. LONG. Mr. President, may I ask the Senator this question? It has to do with the concern I had, when we first put this tax on, to create a trust fund. I did not think that we needed any more taxes to pay for highways. If we look upon the automobile owner as a user of the highways, he pays enough taxes to pay for the highways already. So if we give him credit for the automobile tax which we are repealing in this bill, it was argued that we needed the additional taxes to build the Interstate Highway System. That was voted through—and I voted for it—on the basis that that was what we needed. The public is willing to pay for it on that basis.

What is the excuse today for the impoundment of the money for highways? Why not take off the tax? Was not financing a highway system the basic purpose for putting the tax on gasoline?

Mr. RANDOLPH. It was felt that this country, with its necessity for the movement of people to and from their jobs, as well as the movement of products to markets, needed a system called the Interstate and Defense Highways. This came into being predicated, as the chairman has indicated, on this need. The money was not available except through the imposition of taxes which the public agreed—not reluctantly—to pay; and the job is not yet done in connection with this system of roads.

Mr. LONG. Here is the point. The public was willing to pay this additional tax provided it was used for highways. That was the deal. That was the commitment that was made. That was the faith on which the tax was passed. The Office of Management and Budget proceeded to impound that money and not spend it. They put slowdowns on it, or holdups on the construction, so the money was not spent for the purpose for which it was intended. Then they proceeded to give us a consolidated budget, and on that basis they said they would be in a lot better shape than on an administrative basis, taking the money raised for highways and putting it on a consolidated basis. Look at what they are doing now, using it for foreign aid, Vietnam, and goodness knows what else.

So what we are confronted with, as I see it, is that we are limited to the money going into the trust fund for purposes of constructing highways. They will not let us spend any more than that. Then they will not even spend what we do have in the fund.

Mr. President, I yield to the Senator from West Virginia such time as he may require.

The ACTING PRESIDENT pro tempore (Mr. METCALF). The Senator from West Virginia may proceed.

Mr. RANDOLPH. The Senator is correct in stating the situation. Emotional statements not based on facts will not suffice in this Chamber, even though people interpret the facts differently in connection with this problem.

I point out that impoundment is a reality: $5.4 billion are impounded by the administration. That was done in a degree by the prior administration. I have been very careful to indicate that this has been an executive program in other than just the Nixon administration. The impoundment of those funds, including funds for mass transit, has continued.

Across the board in this country, perhaps $14 billion is at present impounded and is not moving into programs, including highway construction. Not only has the money been collected, it has also been obligated to the States. The States, I remind Senators, are ready and eager to move forward with the construction program. They are ready to place people in work, to use the materials, and to continue to strengthen—although some people would disagree—the movement of people and products in the United States of America.

Mr. LONG. Mr. President, will the Senator from West Virginia yield at that point?

Mr. RANDOLPH. In just a moment. The Senator from Connecticut, for whom I have a very high personal regard, must realize that this morning, in his State, tens of thousands of children were going to their classrooms because they were able to be transported by motor vehicles over the roads of the State which he represents. Tens of thousands of vehicles were moving farm products into the cities to the people who need them, including the movement of necessary supplies of milk for families and for children.

Mr. President, the suggestion of a plastering of the State of Connecticut, or of any other State, I brand as a myth, because that is what it is.

Let us take the "plastering" of the State of Connecticut, as has been charged by the Senator from Connecticut.

Connecticut today has a total of 18,407 miles of roads. I remind the Senator from Connecticut that 10,699 miles of those roads are city streets.

When two-thirds of the road mileage in Connecticut are city streets, it does not bear out the statement that has been made. In Connecticut, as in other States, the job yet to be done is to help the people create roads, and not only roads for the people in the cities.

Mr. LONG. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. LONG. Mr. President, how far behind schedule is the construction of the Interstate Highway System right now?

Mr. RANDOLPH. The Interstate System is about 75 percent completed. The total mileage when the system has been completed will be 42,500 miles.

PRIVILEGE OF THE FLOOR

Mr. CRANSTON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. RANDOLPH. I yield.

Mr. CRANSTON. Mr. President, I ask unanimous consent that during today and tomorrow, while the tax bill is before the Senate, I may have a member of my staff on the floor even when I am not present.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. LONG. Mr. President, will the Senator kindly designate the staff member he desires to have on the floor?

Mr. WEICKER. Mr. President, I have already been granted a unanimous-consent request to have Timothy Brosnahan and Robert Thompson on the floor of the Senate.

Mr. CRANSTON. Mr. President, either Roy Greenaway, or Steve Shefler or Tom Halsted will be satisfactory—any one of them.

Mr. RANDOLPH. Mr. President, we were discussing the procedures of having roads open to travel.

Mr. LONG. Mr. President, at the time when Mr. Eisenhower was President, this System was proposed. I thought it was supposed to be completed in about 10 years. What was the completion date, and when can we expect to have it completed?

Mr. RANDOLPH. The anticipated completion date has been moved backward for the real reason that a job of this kind, the greatest public works job in the history of mankind, costs more money year by year to pay men working on the job. It costs more money to purchase the necessary materials for the construction of roads. It costs more money to purchase land and rights-of-way.

Also, to a degree, it has been slowed by the impoundment which the Senator has been discussing today. That has caused delay. However, the original date on which it was believed completion could be achieved was October 1972. It is going to be, I think, 1977 or 1978 before this job can be completed. That is the feeling among the State highway officials in Louisiana and Connecticut and of all other State highway officials. That is the belief of Francis C. Turner, who has been associated with this program from the very beginning.

Mr. LONG. Mr. President, is it not true, based on the Senator's information—and he is as knowledgeable as any other Member of Congress about this matter—that we are already several years behind in getting the Interstate Highway System built. Many segments that have been built are already overloaded. Is that not true?

Mr. RANDOLPH. That is correct.

Mr. LONG. For example, Mr. President, one needs to go no further than the circumferential highway around Washington. Is that not already overcrowded because of people trying to get to work in the morning and to get home in the evening?

Mr. RANDOLPH. Yes. We have been trying to improve the use of that section of interstate highway going into Virginia by constructing bus lanes.

Mr. LONG. In the morning, the beltway is already overcrowded during the period of rush hour traffic.

I will ask the Senator if that situation is not also true elsewhere. For instance, in my hometown, going west from Baton Rouge, the road is completed for only about a mile going west, although it is completed for about 20 miles going eastward, and one cannot get off the highway in the evening at quitting time because it is so crowded that the cars move bumper to bumper.

So as a practical matter, even before the highway system has been completed, it is already overcrowded. We still do not have the main highway going to New Orleans completed. The delay has been such that what has been built is already overcrowded. The road is already 5 years away from the completion date. Now someone is starting to seek more impoundment of funds and to add to the cost of the project, so as to keep us from putting into the system the amount of funds that were projected.

Mr. RANDOLPH. Mr. President, in the State of Connecticut, about 90 percent of the Interstate System is open to traffic. This is very high, and that is understandable. Connecticut is a small State, from the standpoint of construction, as contrasted with some others, such as the State of Louisiana, where approximately 60 percent of the Interstate is open to traffic.

In the State of West Virginia, as we can well understand, because of the rugged terrain and our mountains, it has been very difficult to move forward with our Interstate System. Whereas in some States construction can be continued all year, there are several months during the winter in West Virginia when it is very difficult to build the roads, and the costs are very high.

In a State such as West Virginia or Montana or Wyoming or Nebraska or Utah, or some other States, the costs are high.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table entitled "The National System of Interstate and Defense Highways, Improvement Status of System Mileage as of June 30, 1971."

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

TABLE I.—THE NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS—IMPROVEMENT STATUS OF SYSTEM MILEAGE AS OF JUNE 30, 1971

State	Work in progress			Open to traffic				Total designated system mileage
	Preliminary status or not yet in progress [1]	Engineering or right-of-way	Under construction	Total underway	Toll facilities	Improved to standards adequate for present traffic	Completed to full or acceptable standards	Total open to traffic	
Alabama	18.70	125.31	146.00	271.31		66.80	541.20	608.00	898.01
Arizona	1.00	115.22	144.86	260.08		183.64	727.87	911.51	1,172.59
Arkansas		11.71	46.70	58.41		5.37	462.56	467.93	526.34
California	27.70	205.70	268.60	474.30	10.20	257.00	1,511.60	1,778.70	[2] 2,280.80
Colorado	120.08	58.33	78.38	136.71		81.92	637.74	719.66	976.45
Connecticut	40.21	27.09	9.67	36.76	12.31	48.46	209.24	270.01	346.98
Delaware		3.75	7.72	11.47	14.30		14.84	29.14	40.61
Florida	229.11	217.02	90.05	307.07	56.45		806.70	863.15	[3] 1,399.33
Georgia	38.70	202.97	165.54	368.51		2.32	740.40	742.72	1,149.93
Hawaii		22.44	8.04	30.48		2.69	19.08	21.77	52.25
Idaho		86.12	34.55	120.67		125.46	365.50	490.96	611.63
Illinois	83.82	180.29	166.00	346.29	155.38	147.16	990.57	1,293.11	1,723.22
Indiana	14.30	60.85	152.77	213.62	156.90		744.60	901.50	1,129.42
Iowa	48.42	39.52	104.18	143.70	3.57		585.66	589.23	781.35
Kansas	21.60	56.70	49.35	106.05	187.70	1.75	504.60	694.05	821.70
Kentucky		93.50	61.03	154.53	39.20	16.80	527.43	583.43	737.96
Louisiana	40.91	105.48	184.79	290.27		.86	385.00	386.06	718.04
Maine	2.06	24.60	9.63	34.23	54.48	104.21	117.59	276.28	312.57
Maryland	22.91	7.11	1.58	8.69	53.04	74.55	198.62	326.21	357.81
Massachusetts	21.57	26.41	9.34	35.75	134.41	24.33	254.06	412.80	470.12
Michigan	41.00	113.99	71.60	185.59	5.39	42.96	899.74	948.09	1,174.68
Minnesota	21.32	168.35	124.40	292.75		107.77	492.29	600.06	914.13
Mississippi		33.60	114.50	148.10		17.10	517.00	534.10	682.20
Missouri	27.60	132.00	128.00	260.00	.30	121.40	737.60	859.30	1,146.90
Montana		273.70	214.63	488.33		290.31	409.31	699.62	1,187.95
Nebraska		44.64	35.10	79.74	.22	12.88	387.75	400.85	480.59
Nevada		94.83	31.85	126.68		5.34	402.54	407.88	534.56
New Hampshire		25.42	12.21	37.63	21.02	15.02	140.61	176.75	214.28
New Jersey	18.90	84.90	77.30	162.20	45.70	25.70	131.50	202.90	[4] 384.00
New Mexico	32.16	89.08	49.89	138.97		60.01	767.79	827.80	998.93
New York	135.62	35.65	24.09	59.74	490.38	60.89	600.77	1,152.04	1,347.40
North Carolina	50.03	144.45	106.77	251.22		15.37	522.19	537.56	838.81
North Dakota	22.20	40.40	39.52	79.92		51.94	416.75	468.69	570.81
Ohio	8.73	107.51	73.11	180.62	206.20	64.60	1,073.86	1,344.66	1,531.01
Oklahoma		26.43	39.88	66.31	174.04	17.11	551.88	743.03	899.34
Oregon	24.73	54.90	12.62	67.52		111.16	531.52	642.68	734.93
Pennsylvania	21.43	71.77	87.54	159.31	360.18	8.35	1,004.67	1,373.20	1,573.94
Rhode Island	26.59	6.51	3.71	10.22		5.11	58.36	63.47	100.28
South Carolina	63.02	7.97	163.58	171.55		8.17	514.37	522.54	757.11
South Dakota		116.42	85.71	202.13		37.58	439.75	476.83	678.96
Tennessee		162.90	124.80	287.70		72.30	684.40	757.70	1,045.40
Texas	106.94	398.59	312.44	711.03		246.30	2,102.82	2,498.12	3,167.09
Utah		337.55	136.17	473.72		71.23	391.36	462.59	936.31
Vermont		50.96	56.34	107.30		4.43	208.65	231.08	320.38
Virginia	10.82	178.83	90.43	269.26	37.60	41.65	713.57	792.82	1,072.90
Washington	82.62	86.54	31.03	117.57		159.71	403.33	563.04	763.23
West Virginia	17.69	70.83	125.97	196.80	87.10	.30	209.61	297.01	511.50

Footnotes at end of table.

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TABLE I.—THE NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS—IMPROVEMENT STATUS OF SYSTEM MILEAGE AS OF JUNE 30, 1971—Continued

State	Work in progress				Open to traffic				
	Preliminary status or not yet in progress [1]	Engineering or right-of-way	Under construction	Total underway	Toll facilities	Improved to standards adequate for present traffic	Completed to full or acceptable standards	Total open to traffic	Total designated system mileage
Wisconsin	110.50	.67	1.92	2.59		24.71	431.05	455.87	568.85
Wyoming	49.27	61.97	27.23	89.20		18.98	756.28	775.26	913.73
District of Columbia	9.36	7.62	1.81	9.43		2.92	7.84	10.76	29.55
Pending	.04								[3] .04
Total	1,631.66	4,699.10	4,142.93	8,842.03	2,306.07	2,864.62	26,855.62	32,026.31	42,500.00

[1] Public hearings have been held on route location, and location studies are underway on many portions of the mileage in this column.
[2] Excludes 7.00 miles chargeable to the Howard-Cramer Act of the total 17.20-mile Century Freeway (I-105) which was added to the system under that act.
[3] Excludes 44.4 miles chargeable to the Howard-Cramer Act, I-5F St. Petersburg-Tampa Bypass which was added to the system under that act.
[4] Excludes 28.00 miles chargeable to the Howard-Cramer Act of the total 35.00 mile Trenton-Asbury Park Spur (I-95) which was added to the system under that act.
[5] Consists of mileage which has not been assigned to any specific route and is a reserve for final measurement of the system.

Mr. LONG. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. LONG. Mr. President, it seems to me that we are several years behind in completing the Interstate Highway System alone, and some segments may be even further behind. I know that the people want to get the job done. I do know that my father was right when he said that in building roads in Louisiana we should always try to build them so that they will be adequate for at least 5 or 10 years in the future.

We are building a system that will be inadequate before it is ever completed. Just try to get around Washington during the busy parts of the day on the circumferential highway. Try to get around the city limits of Baton Rouge at quitting time or in the morning when people are going to work. And this is before the system is completed. Try to get outside New Orleans on the Interstate System now. The cars are bumper to bumper even before the highway is completed; and construction is several years behind schedule. Why do we not go ahead and complete the system?

Mr. RANDOLPH. Mr. President, about 85,000 workers in America are employed at present in the completion of this system.

Mr. LONG. We need a system that is adequate to do the job. We need the jobs; we need the payrolls. Someone in the Office of Management and Budget is talking about creating jobs, on the one hand, and holding up the funds on the other. This kind of schizophrenia ought to be dispensed with. We ought to get on with this vital project.

Mr. President, I would not vote for any of the tax cuts in the bill if it meant a delay of additional years for the completion of highways of this country.

Mr. RANDOLPH. Mr. President, I think it is very important to have in the RECORD the following fact, and it is a fact; it is a collection of facts. We talk about the Interstate System which is necessary to be completed. It is the heavy cost item we are discussing. That was the reason for the trust fund originally. The cost of the systems, instead of $27 billion, is running now to $70 billion, or more. This has been a cost increase across the board, a cost with which the chairman of the Committee on Finance is well acquainted.

Mr. President, we must realize that the highway program in America today is a multifaceted undertaking. I wish there were more Senators in the Chamber to hear the discussion that is now taking place.

In addition to the Interstate Highways, what does the trust fund provide? It provides financing for the development of the primary and the secondary roads of this country. It provides for the urban extensions and the urban highway systems. It provides for traffic flow improvements which are constantly being made throughout the country.

It provides for bridge replacements where they are worn out. Antiquated bridges built 50 years ago are imperiling the safety of those who travel along the highways and over the bridges. It provides for railroad grade-crossing operations in the continuing attempt to provide safety in the movement of cars that pass over the tracks.

The money provides for safety activities which have been moving forward; construction of parking facilities; exclusive bus lanes. I mentioned the one from Virginia into the District of Columbia, and I have advocated these and I have been perhaps the most ardent advocate of these bus lanes. Also, there are bus lanes to facilitate public transportation into other urban areas.

There is relocation assistance. I remind Senators of what the Committee on Public Works did to meet the problems of the businessman who has been dislocated by the construction of a road. He has the opportunity to come in and present his case, and he is given, in practically every instance, a chance to relocate.

The man and woman dislocated from the family home in which they have lived are being helped these days in connection with relocation assistance.

This is a problem of replacement in housing and economic development to which we have been addressing ourselves in a very constructive way in the Senate and House of Representatives. It is our hope, and very properly so, because it is a part of the highway program, to move more affirmatively into beautification programs which are certainly related to the highway effort.

I think that it is important that I state, and perhaps I shall restate, that the point in this discussion is not the source of the revenue but the actual dollars to replace those deleted by the action of the House of Representatives in repealing the tax on light trucks. This is a fact of life that we face, and I submit that fact to the chairman and other members of the Committee on Finance, and to the entire membership of this body.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. RANDOLPH. Mr. President, I yield to the Senator from New Mexico, who has been very realistic about the program of highway construction as it affects the people of his State and the Nation.

Mr. MONTOYA. Mr. President, I certainly wish to commend the Senator from West Virginia for taking the stand that he is taking here today. I also commend the distinguished Senator from Louisiana, the chairman of the Committee on Finance and manager of the bill, for the stand he has taken.

I do not know whether this has been mentioned, but the different aspects of the tax program which made possible the highway trust fund constitute a contract between Congress, the Federal Government, and the taxpayers who have been contributing to the fund. This contract has many ramifications. A deep moral obligation is involved. That moral obligation is this: The fund has been made up of contributions from taxpayers from every State in the Nation. Priorities are set, based upon the planning by the different States and regions of the Nation, and in some years the planning in some States is not so far advanced that they can use the money that might otherwise be allocated to those States.

In the distribution and allocation of moneys some States are able to avail themselves of these funds because they have advanced planning. However, at this late stage some States, municipalities, and regions will be penalized by the paucity of funds which will be created by this amendment, and that would constitute a violation of the contract which Congress and the U.S. Government has with the taxpayers of those States and localities.

That is why I am very jealous about any tampering with the integrity of the highway trust fund; and any diversion therefrom constitutes a violation of contract and the moral obligation we have with the taxpayers who have made possible this particular highway trust fund.

Mr. President, that is why I commend the Senator from West Virginia and the Senator from Louisiana for trying to uphold the integrity that we should

espouse in trying to preserve the highway trust fund as Congress envisaged it and as the taxpayers expected it to operate when they started contributing to it.

I thank the Senator for yielding.

Mr. RANDOLPH. Mr. President, I shall from time to time continue to discuss the amendment now pending. At this time I yield the floor.

Mr. WEICKER. Mr. President, I yield myself 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, I should like to respond to some of the comments made by the proponents of this raid on the general fund.

First of all, when we talk about preserving the integrity of the highway trust fund, there is a sensitive reaction to the attacks which are coming against the highway trust fund; but this is not one of them. It is the highway trust fund which is attacking the general fund. That is what we have before us in this provision of the bill to go ahead and divert $350 million out of the general fund which is attacking the general taxes and to put it into the highway trust fund.

This is not an attack on the highway trust fund; rather it is an attempt to stop the highway trust fund from attacking the general fund.

When we talk about the integrity of the highway trust fund, this is the first time the highway trust fund has gone outside user taxes and into another area to try to gain money for its purposes.

Mr. President, my second point is—and I want to make it clear, because I work with the Senator from West Virginia in his capacity as chairman of the Committee on Public Works—even though we might have some disagreement on this issue, no man in the United States is more dedicated to transportation than the Senator from West Virginia. Certainly his many years of work prove it.

So I do not want anybody to be misled by the intensity of the words in this debate into thinking that I have anything but the highest respect for the Senator. I think he has done a tremendous service for the United States. He mentions the word "mobility." That is what the whole argument is about. Mobility does not necessarily mean more highways in the United States of America. Mobility is what we are supposed to achieve. We are not supposed to achieve subsidies for the automobile industry or the highway construction industry. We are supposed to have mobility, and we have less mobility in the Nation today than we did in 1956 when the highway trust fund was started. I repeat, if one does not believe that statement, go out and try to move about.

The point is made that the public intends that these moneys which they pay when they buy gasoline or pay the taxes should go into the highway trust fund. They expect the money to go into highways. I am sorry; that is not the way I intend my money to be used. I want to move. If that means getting some automobiles off the highways and into mass transit, that is exactly the way I would like to have that money used, and as many other Americans would like to have it used.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WEICKER. In a minute. I want to answer some of the comments made by the Senator from West Virginia and the Senator from Louisiana.

The Senator from West Virginia made the point that tens of thousands of young children in the State of Connecticut are going to school today on roads built by these particular funds. The sad story is that there may be tens of thousands of children on the roads in Connecticut—there are also tens of thousands of adults—but no one is moving in Connecticut. There is just one big parking lot.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. WEICKER. I will yield in just a minute.

The Senator described the roads in Connecticut, 18,000 miles, two-thirds of which are in the cities and one-third through the rest of the State; but the fact is that there are no buses in the State of Connecticut and almost no rail service in the State of Connecticut. So there is nothing mysterious in this Nation's experience when we lack certain things, and if we lack mass transit it is all in those figures that I gave—60 percent spent for highway, 27 percent spent for aviation, 5 percent spent for rail. That is it, and you wonder why we do not have mass transit. There should be no wonderment at all. We have not spent a nickel on it.

Lastly, I should like to reply to the comment of the Senator from Louisiana that people have a difficult time getting to work in the District of Columbia, that the highways and beltways are crowded. They are, and they are because we do not have a mass transit system that is operating in this particular area. If we did have a mass transit system, people would be able to move around. We are going to have to build a tremendous number of highways and beltways if all the people are going to drive to work in Washington, D.C., without backing up.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. LONG. It has been my experience that people who cannot see the need for one thing usually cannot see the need for other things. As far as the Senator from Louisiana is concerned, I am for mass transit. I have been voting along that line.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield myself 1 minute of my time.

Whenever anything is proposed for mass transit, for subways, for buses, I vote for it and am willing to pay my share of the taxes, whether it benefits my State or not. It is something that is needed. It is in the national interest and should be done.

The Senator will find that the penny-pinchers that are against putting the money into this fund are, generally speaking, also against money for mass transit. They are against anything. They are against anything unless it is 100 years behind the times.

Some of us are in favor of doing something before it is needed, and which will be adequate for 10 or 15 years into the future, instead of waiting until its need is created. It will be found that the same people, who join in the fight against completing the highway system, for the most part, will be against mass transit. And that those who are for completing the highway system are also for mass transit. That is true of the Senator from West Virginia, whether it is subways or mass transit, and it is true of anyone who is desirous of having public works to serve public needs.

Mr. WEICKER. Let us focus on this penny-pinching point relative to the highways. I think that is a good point. In 1972 the amount estimated to be spent on highways is $4.699 billion. In that same period of time does the Senator know what is going to possibly be spent on mass transit? $327 million, and $56 million on intercity rail, for a total, roughly, of $375 million.

Does the Senator realize that the small amount of money which they are trying to divert from the general funds to the highway trust fund, some $350 million, comprises the entire budget for mass transportation and rail transportation in the United States? And for the highway trust fund, $4 billion. Penny pinching? Yes, it is penny pinching and, yes, we are 50 years behind the times when it comes to mass transportation. We are not 50 years behind the times when it comes to highway building.

Mind you, Mr. President, I do not speak here against the program for highway building. I am speaking now for a balanced transportation system.

One of the arguments made by the Senator from West Virginia was, "Look at the jobs this will create." There is one thing I have learned in my short tenure in the Senate, when the cause is weak, whether Lockheed, the SST, or the highway trust fund, out comes the make-work argument.

Mr. LONG. Based on the Senator's argument, if we do not have enough swimming pools the Senator would say he would vote against playgrounds because we do not have enough swimming pools. As far as I am concerned, I am willing to vote the money for both swimming pools and playgrounds. I do not see why those who are for mass transit have to take this invidious way of saying we do not have enough mass transit; therefore we are not willing to do anything for highways.

As far as I am concerned, I am willing to provide money for both. I do not understand the idea that one has to fight against highways when he ought to be fighting for mass transit. The idea of being against something that is in the public interest does not make sense. Why does not the Senator have a campaign that will help the people of Connecticut or other big city States by promoting mass transit? The Senator will have my vote. I am trying to help by doing what-

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ever is necessary to take care of mass transit. I am willing to do both, even though in Louisiana, as far as I know, it would not help much.

Mr. WEICKER. My comment on that is that I get back to my opening comments this morning. It seems in this particular instance that we are following the rule that the best defense is a good offense. I am not attacking the highway trust fund. We are not trying to whittle down the highway trust fund. It is the highway trust fund, this provision in the bill, that is raiding the general funds. Let us make that clear. This is not an attack against the highway trust fund. It is trying to repel an attack against the general revenues of the people of this country.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. LONG. The reason we need the money in the fund is that the trust fund is being raided by taking the revenues which it would derive from the tax on light trucks in order to give a tax cut to the purchasers of light trucks. Even though we repeal the tax on light trucks which would provide those funds needed by the highway trust fund, the need for highways for those trucks still remains. So we propose to put money back into the fund so that it will have the money necessary to carry out the highway program. If we are going to reduce revenues that go into the highway fund, we will have to make them up. If the Senator does not want to vote for that tax revision, he can vote against it, but if we are going to take away funds that are very much needed and earmarked for highways, then I think we should put something back in that area, and that is what is involved here.

Mr. WEICKER. In response to the Senator from Louisiana, of course, the funds which the Senator is going after now are not earmarked for highways at all; they are not earmarked for anything. They go into the general fund. He now wants them earmarked, the alcohol and tobacco taxes earmarked, for highways.

Will the Senator please tell me what the relationship between alcohol and tobacco and the highways is—55,000 people are killed on our highways every year, and I cannot think of a better argument for taking that money and putting it into mass transit, so those people would not be on the highways in the first place. Believe me, that would cut down the death rate faster than any highway safety program.

Mr. LONG. Mr. President, the reason is that we need the money here. This money can be earmarked for the highway trust fund just as easily as not. I do not place any great weight on this point, but the fact of the matter is that one of the big arguments for the Interstate Highway System was that it would provide safer highways and eliminate a lot of interchanges and a lot of dangerous intersections, things of that sort. That is where a great deal of the cost of it goes.

I do not know of anything that has created more traffic hazards than alcohol, so at least to that degree it is relevant to the subject.

But to tell the truth, it would not make a lot of difference to me what source we earmarked. The earmarking was made necessary by the Byrd amendment, which occurred before I got here. I voted for it on the theory that President Eisenhower seemed to think that Harry Byrd was the greatest Democrat in the Senate, and Harry Byrd thought we ought to put President Eisenhower's highway program on a pay-as-you-go basis. If I had known that would delay the program for 5 years, I would not have voted for it.

But since we were losing this money from this revenue source, a loss which would delay the construction of the highways, I thought we ought to provide it from another source.

The question is, do we want to go ahead with the construction of the highways, or do we not? I think it ought to be gone ahead with as soon as they can expeditiously and economically be constructed.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. LONG. I yield the Senator from West Virginia such time as he may require.

Mr. RANDOLPH. Mr. President, I am sure that my colleague from Connecticut, who has spoken well of me today—and I am grateful, and speak in the same language of appreciation and respect for him—certainly did not mean to say that the State of Connecticut is a parking lot. Did he really mean to say that?

Mr. WEICKER. The Interstate Highway System in Connecticut, and also the New York metropolitan area, is the world's largest parking lot, yes, indeed.

Mr. RANDOLPH. Did the Senator mean to say that the tens of thousands of children who are in school at this very hour did not go to school, tens of thousands of them, by motor vehicle over the roads of Connecticut? The Senator said that they were not in school. Are they not in school there today, as they are in West Virginia?

Mr. WEICKER. I say, first, they probably went over the roads of the State of Connecticut, but if they went on the interstate system, they probably got to school late.

Mr. RANDOLPH. Of course, the highway trust fund helps all roads, as my colleague knows, primary and secondary roads as well as the Interstate System.

Mr. President, I want to reemphasize the support I have constantly given to urban mass transportation programs in this country. Sometimes, if we were to accept what we read as fact, we would wonder the reason for some of the editorial comment.

On November 2, 1971, I joined with 36 other Senators — including Senator WEICKER—who addressed a letter to the President, urging the speedy allocation of $900 million provided by Congress for the urban mass transit program in fiscal 1972. I joined with the Senator from Connecticut in addressing that letter to the President of the United States of America. I ask unanimous consent that a copy of that communication be printed in the RECORD, with the signatures of the 37 Senators involved, the Senator from West Virginia being one of them, eagerly joining with his colleagues.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Nov. 2, 1971.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We urge the speedy allocation of the $900 million provided by Congress for the urban mass transit program in fiscal 1972.

There is ample justificaion for committing the full amount of this appropriation.

After years of neglect, the cost of revitalizing and expanding our urban and suburban transportation systems will be substantial.

One striking measure of the cost is the backlog of applications for Federal assistance placed with the Urban Mass Transit Administration. It presently totals $2.6 billion.

That the states and cities will not be able to undertake the job on their own is beyond question. They understandably must look to the Federal Government as their principal source of financing.

Under the 1970 law, which expanded the mass transit program, it will be possible to provide $3 billion over a five-year period to help finance mass transit improvement. However, if the program is to meet the need, as well as live up to the expectations it has created, it must be adequately funded.

The Administration request for a $600 million program level is a step in the right direction. Under this approach, $510 million would be allocated to capital grants, the heart of any effort to replace, improve and expand local bus, rail and subway systems.

Yet we believe that at least the full $900 million appropriated by Congress is needed. Under the Congressional figure, the allocation to capital grants will be $810 million.

The Urban Mass Transit Administration advises that it can commit the appropriated amount between now and the end of the present fiscal year next June 30. In addition, it believes a substantial portion of the $810 million can be put to use quickly on existing construction projects and thereby create jobs in this period of high unemployment.

Mass transit stands at a critical juncture. Without adequate support from the Federal Government it surely will fall in the vital job which only it can perform.

The Federal Government has made a commitment to help the thousands upon thousands of people living in our metropolitan areas deal with their serious transportation problems. We must meet that commitment.

It is essential that the $900 million be made available promptly.

Sincerely,

(Signed by 37 Senators).

Mr. RANDOLPH. From the White House, under date of November 8, from Mr. William E. Timmons, assistant to the President, comes this reply, which I shall read in part. I ask unanimous consent that it be printed in its entirety in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., November 8, 1971.

Hon. JENNINGS RANDOLPH,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This is to acknowledge and thank you for your letter to the President of November 2 in which you join with a number of your colleagues in urging the expenditure of $900 million on the Urban Mass Transit Program during fiscal 1972.

As you are aware, the Mass Transit Assistance Act of 1970 authorized $3.1 billion for the five-year period 1971–1975. The Act did not specify how the total amount should be allocated. It has been the view of the Department of Transportation officials that phased increases throughout the period will be most consistent with the capabilities of systems managers to absorb additional funds and to gradually expand the program. To provide $900 million this year would necessitate a lower funding level in the future; it would be desirable to avoid this "roller coaster" effect. The $1 billion committed to the program in 1971 and 1972 is more than has been expended during the entire history of the program. As to the backlog cited in your letter, I believe it is important to recognize that $1.5 billion of that amount is accounted for in Chicago and New York City alone. In the case of New York, the bond issue to provide "matching" local shares in order to receive Federal funds was defeated November 2.

The Administration feels that the above considerations support the establishment of FY '72 funding at the $600 million level and will facilitate the orderly continuation of progress of the urban mass transit program.

With warm regards,

Sincerely,

WILLIAM E. TIMMONS,
Assistant to the President.

Mr. RANDOLPH. He says to the 37 Senators:

As you are aware, the Mass Transit Assistance Act of 1970 authorized $3.1 billion for the five-year period 1971–1975. The Act did not specify how the total amount should be allocated. It has been the view of the Department of Transportation officials that phased increases throughout the period will be most consistent with the capabilities of systems managers to absorb additional funds and to gradually expand the program. To provide $900 million this year—

Which the Senator from Connecticut wanted and the Senator from West Virginia wanted—

would necessitate a lower funding level in the future; it would be desirable to avoid this "roller coaster" effect. The $1 billion committed to the program in 1971 and 1972 is more than has been expended during the entire history of the program. As to the backlog cited in your letter, I believe it is important to recognize that $1.5 billion of that amount is accounted for in Chicago and New York City alone. In the case of New York, the bond issue to provide "matching" local shares in order to receive Federal funds was defeated November 2.

Now, the Senator from Connecticut speaks about the overwhelming support for the mass transit program, which I do support vigorously. But the bond issue in New York for mass transportation was defeated on November 2.

I have read this letter into the RECORD.

It comes from the White House. And so when the Senator says that everyone is against roads and the continuance of the roadbuilding program, and everyone is for mass transit, certainly this indicates that the reverse, insofar as New York is concerned, is true.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. RANDOLPH. I yield.

Mr. LONG. What are we supposed to do now, go up there as Senators of the United States and campaign in New York City, to try to get those people to vote for a bond issue?

Mr. RANDOLPH. Well, the Senator from Connecticut continues to mention New York as the problem area, and I just feel that this is a factual matter, and should be placed in the RECORD.

I add that 75 percent of the projected mass transit will be by bus, because most communities are not large enough to justify other types of mass transit. This is a fact that should be recognized in the Senate.

Therefore, good roads and streets are needed. They are needed, I repeat, to make mass transit available to most communities, if mass transit is to work.

That was indicated by the Senator from Georgia (Mr. TALMADGE) when we voted at an earlier date on this subject.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. WEICKER. Mr. President, first of all, let me respond to the Senator from West Virginia in his comments that in our mass transportation of the future, the bus is going to play a very important role. I agree with him. There is no question about that. I think it is a very overlooked area today. But, as the Senator has indicated, many of our communities are too small to go into the mass transit system such as we have in New York or Washington.

Let me make one point clear, so that everyone understands that I am pleading a cause and not a particular role as a partisan Republican or as somebody wedded to the other side of this particular argument, the highway trust fund.

Whether it is the impetus given mass transportation by the White House or whether it is the impetus given by the Democratic leadership, as represented by the distinguished Senator from Louisiana, the chairman of the Finance Committee, I think the progress on mass transit is too slow. I am pleading a cause for a balanced transportation system, and that includes highways. Certainly, there is no balance at all today between the highways and the mass transportation aspects.

I think my friends downtown are going far too slow on this, and so is the committee chaired by the distinguished Senator from Louisiana going too slow, except insofar as it is putting a grab on for additional money for the highway trust fund.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. LONG. So far as the Senator from Louisiana is concerned, I am not chairman of the Appropriations Committee, nor am I even a member of it. I am just chairman of the Committee on Finance. There are many rather unnecessary things this Government spends money for that I do not have much to say about. My duties are to try to see that we have enough money to pay for it, whatever it might be, and to try to keep the Government solvent and to keep the Government operating.

If I had to do it over again, I would not vote for the Byrd amendment to restrict the construction of the interstate highway system to what goes into that fund. Inasmuch as we are so restricted, I feel it is my duty to see that enough money flows into that fund so that we can continue with the proper functioning of Government.

So far as the other funds are concerned, I am willing to vote for whatever it takes to keep the country solvent and to pay our bills, whether it be done by putting on taxes or by going into debt. Whatever it takes, if it is necessary, I am willing to vote for it. That is how I feel about urban transit. Whatever it takes to get on with the business, I am for it, and I will vote for the funds to pay for it.

So far as I am concerned, it is my duty to provide for the citizens of the State of Connecticut and the rest of the Nation, although I have a particular responsibility for those who sent me here. We are seeing that there is enough money to do the job so far as the highway construction is concerned.

PRIVILEGE OF THE FLOOR

Mr. WEICKER. Mr. President, I ask unanimous consent that a member of Senator PERCY's staff, Constance Beaumont, be permitted to be on the floor during the debate on this amendment, excluding such time as might be devoted to rollcalls.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I thought the job of this body was to lead, to be out in front of the issues of our time and the needs of our time. I have heard the comment made here, and I can understand it, and I have been given the impression that there are those in this body—not necessarily the Senator from Louisiana and the Senator from West Virginia—who believe that mass transit is something that relates to the crowded corridors of our Nation, principally in the Northeast and certain areas in the Midwest and the west coast, and that it is not a problem for the rest of the Nation.

I just want to give the example again as to this city of Washington, D.C. We are in the process of constructing a mass transit system about 50 years late, and the net result is that this system is going to cost about 50 times as much and is going to take 50 times as long. Connecticut's problem and New York's problem and Chicago's problem and Los Angeles' problem today is very clearly going to be the problem of a great growth area such as New Orleans, Atlanta, Houston—and I can go down the list of burgeoning cities of this country. We are supposed to sit by and say, "There is not enough political pressure, so let us not confront the problem." We know that 50 years from now people will have to dig down in their pockets and pay a great deal more money for what we should have planned for on this floor today.

I think the job of the Senate is to lead. We see the imbalance of the allocation of our transportation moneys. I am not pleading education or anything else. I am speaking in the framework of our allocation of moneys for transportation. When we see, under the conditions that exist today, $4.7 billion go to highways and a paltry $375 million, the same amount that is being raided out of the general fund, go into mass transit, it

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seems to me that we have abdicated our leadership position.

I understand that in some areas of the country a greater mobility is going to mean more highways, so I believe the system should be flexible. I should not go around reciting my experiences and my solutions to the plains of Kansas. Perhaps their need is for highways. But there is no balance in this system; there is no balance in the allocation of funds.

Again, I get down to the fact that we can talk theory on the floor of the Senate until we are blue in the face, but we know that once outside in the world we cannot move. That is a fact of life. Bumper to bumper on the highway, stacked up in the air, and no rail transportation. That is the story, pure and simple, and it does not take a great genius to figure out where the fault lies. It remains true today as it did many years ago: You pay nothing, you get nothing and that is exactly what we have. We do not have a transportation system in the United States. We have a thousand transportation happenings, but we do not have a transportation system. That is the essence of the argument that is going back and forth here today—not to go ahead and minimize the importance of our highways, but to plead that balance be given to the system. This money is being taken out of the general fund, and it could very well be money that might go into mass transit, so in that respect it does hurt the cause of balanced transportation.

As I said earlier, I cannot argue against the tactic of the best defense being an offense, but that is the only justification that could be put forth for this particular grab at the general fund.

I yield the floor.

Mr. LONG. Mr. President, I yield control of the time in opposition to the amendment to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, more than one-half of the projected highway needs of our country—I say particularly to the Senator from Connecticut—are in urban areas. I repeat: More than one-half of the projected highway needs are in urban areas. These needs have been based on the planning process within the Department of Transportation required by section 134 of the highway law. This law requires that there be total transportation planning. I want to emphasize that for Senators, because mass transit needs are also taken into consideration, as they should be.

I repeat: The trust fund income is needed if we are to meet these immediate needs.

Mr. President, I now yield such time as he may desire to the able Senator from Alaska (Mr. GRAVEL).

Mr. GRAVEL. Mr. President, it seems that we have a problem in our society that whenever something is successful, it comes under attack. That is the situation we find with the trust fund for the construction of highways. To my mind, over the past 20 years, this Nation has only succeeded in two areas. One is putting a man on the moon and the other is building a system of highways that began to meet the needs of the Nation.

Putting a man on the moon was a result of a national commitment to get that job done.

We had a similar commitment with respect to building highways and that came about merely because of the mechanism of setting up a trust fund to do the job.

We in Alaska had a particular experience in building highways without a trust fund and the net result was, essentially, that we have no highways. It was not until this past year that the Alaskan appropriation came under the trust fund which guaranteed the construction of highways; because when we were left to the vicissitudes of the appropriation process on an annual basis, we wound up not addressing ourselves to the problem, because as other problems occurred other judgments were made, and essentially the continuity of the program was not helped in Alaska.

So this past year, under the Federal aid system, we were able to come under the trust fund. Now we can get our highway programs on a continuing basis.

What is being sought here is to maintain the integrity of this continuity. Of course, what has happened is an incursion into the financial capability. There is no question that there might be a time when this could take place, but for it to take place before the termination of the program will, in my mind, stunt the growth and will impair completion of the entire program.

That is unfortunate. But such is the price of success that this program seems to be paying.

There is no end to the various areas that could be purloined to move money out of the trust fund or from the trust fund area into other areas. We have priorities in all facets of our society, but I would hope that we would give some priority to the communications facet, which essentially is transportation. This Nation made a decision some years ago with respect to the individual automobile—and I am the first to recognize that it has liabilities—compared to other forms of transportation which have not been met; namely, mass transit. I still submit that once we conquer the pollution problem—and I think we will see in this decade a clean automobile—many of the detrimental factors of all of this will not be so apparent as they are today.

Mr. RANDOLPH. Will the Senator from Alaska yield at that point?

Mr. GRAVEL. I am happy to yield to the Senator from West Virginia.

Mr. RANDOLPH. I think that brings into the base a very important development which is in the making. It is important for us to realize that the impetus from the Committee on Public Works is not alone directed to the construction of highways but is also directed to programs of antipollution. Sometimes I am inclined to think that people think the Public Works Committee is interested only in roadbuilding. Yes; we are interested, but we are also interested in antipollution programs. Ninety percent of them have come from the Committee on Public Works. Certainly the development of automobiles free from the pollution which have plagued the movement of cars over a long period of time is now almost a reality. The roads that are now, of course, covered with moving vehicles do have pollution qualities.

Mr. GRAVEL. There is no question that this is the balance that is being developed within the total capability of this Nation. We need balance right within the highway system, and we are getting it. By developing a clean automobile, we are addressing ourselves more directly to urban needs. Many of those needs are not just in subways but involve surface vehicles. The cost of bus lanes, which is mass transit, is financed through the trust fund. I could cite example after example where the funds are applied in a broader concept than has been alluded to in this Chamber in debate over this specific issue. But I think the heart of the matter is certainly that we have a successful program and it is felt that because of this successful program we can cut back the moneys at this particular point in time, when in fact that is not the case.

The program has been successful by comparison with other programs. But to say that we have arrived at our goal with respect to a highway network in this country, I think can only be said by one who has not traveled around the country.

Last week, I drove from Newark, N.J., to Philadelphia, and then from Philadelphia I took the train to Washington. The road from Newark to Philadelphia, which is certainly part of the eastern megalopolis of this great country, was by a 2-lane highway or a 4-lane highway at best, with traffic lights dotted, at least 2 per mile—red lights predominating. To think that that is the mode of transportation between these major centers today is shameful. We can talk in terms of rapid railroad transportation between these areas but I think we should also talk in terms of having a decent highway between the areas. One should not exclude the other. Why should we punish everyone in this Nation who has already made an investment in an automobile and then tell him that his investment is essentially obsolete because we are going to vector the States in a new area? I would hope that we would have the intelligence to address that problem, too, but not to make obsolete a mode of transportation which we have become adjusted to.

I do not mean adjusted to in the fact that it is a lesser mode of transportation. It is obviously a better mode because it offers a good deal more privacy, a good deal more independent freedom of choice in transportation. All we have to do at this point is to finish that program that we have started, and I think we will find the leadership—and there has been leadership within the Public Works Committee—to adjust the priorities so that we can begin to meet the other needs. We will see that in the thinking which is now percolating and developing with respect to the Highway Act which will ensue after the termination of the Interstate System.

Mr. RANDOLPH. Mr. President, will the Senator from Alaska yield at that point?

Mr. GRAVEL. I am happy to yield to the Senator from West Virginia, because this is a point which should be expanded on at this time.

Mr. RANDOLPH. The improvements which the Senate and Congress are making in the development of our highway program have not been minimal. They have been progressive. They have been programs of improvement, taking into consideration the problems of pollution, taking into consideration the problems of housing, both as to business and families, taking into consideration safety needs, the problem of parking, the primary and secondary roads, the need to replace antiquated bridges across the country. Across the broad spectrum, in the Senate and House, especially within the Public Works Committee, we have been trying to meet the transition period which we understand is upon us.

Talk about the slowness in the operation of motor cars, buses, or the movement of manufactured products to farms by truck; we cannot expect vehicles to move as if they were magic carpets. We cannot operate that way. Ours is a big country. We have a large population. Whether we like it or not, the people of the United States are impatient; they like to move, and move quickly.

It is indicated that there may be some problem with reference to slow traffic. I repeat that the children of Connecticut went to school this morning over roads in that State, and thousands of them went by bus. The farm products—milk and other products—moved to city dwellers in Connecticut today.

The manufactured products in the industrial State of Connecticut are moving today over the Connecticut highways. This is also true in other States that are metropolitan in nature, such as New York and Massachusetts.

I thank the Senator from Alaska for yielding.

Mr. GRAVEL. Mr. President, there is another point that I would like to bring up, and I think that the Senator from West Virginia might agree with me, in this. I think that if the cutback is approved by the Senate, not replenishing the funds will mean that we are giving some degree of approbation to the President's policy of impounding the highway funds, because it has been our will to see that these funds are expended to complete the program.

If the funds which have been impounded appear to be a surplus, someone will say, "We can cut back the surplus by not adding the funds dedicated to it before," and all that means is, "We now agree that the program should not have gone ahead with the same alacrity, and that is fine."

Well, that is not fine with me. I do not think that the funds should have been impounded to begin with. They should have been spent. The need existed. In fact, we are developing a backlog.

The backlog is there. The funds have been impounded. We are going to make sure that a section of those funds is no longer impounded.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. GRAVEL. I yield.

Mr. RANDOLPH. Mr. President, rather than a huge surplus of money, we will actually, over the long run, have a deficit. This is an actual fact. I think it has to be stressed here that the impoundment of the funds—$5.4 billion—adds to the cost of the highway program. When it is delayed, the cost of the mass transit program is increased.

I again remind the Senator from Alaska that Congress authorized $900 million to move forward with mass transit. We did that by Senate and House action. Then, on November 2, of this year, 37 Senators addressed a letter to the President, urging him to release these moneys for mass transportation.

The reply indicated to those Senators that this could not be done because they were not ready, and it would be a roller-coaster action. I have stressed today—and I stress it for my friend, the Senator from Illinois (Mr. PERCY), who has just now come to the Chamber—that when we talk about everyone in a certain State being for mass transit, I have to point out that mass transit money would be used in Chicago and New York City and other cities. In the State of New York, just a few days ago, there was a vote on bond issue to enable the State to receive Federal funds for mass transit. That bond issue was not passed. So not everyone in New York is strongly in favor of the mass transit program. I believe in it. I was one of the 37 Senators who addressed that letter to the President of the United States.

So it is not the case of an impoundment of funds in one location. It is an impoundment of funds totaling about $14 billion. I think that is contrary to the intent of Congress. I think we will have to meet that issue very shortly.

Mr. GRAVEL. Mr. President, a vote to approve or permit a cutback of the funds in the trust fund is, in my mind, a vote to approve the impoundment of the funds that have existed not only for the highway section but also for the mass transit section. That, of course, is 180 degrees from the philosophy or the attitude that the Senate held in sustaining not only funds for mass transit but also for the highway systems.

I do not know what logic is afoot here. I do not know if it is a surreptitious way of saying, "We agree with you, Mr. President, that these funds for the highway system should have been impounded." We recognize that you exercised superior wisdom to ours in this regard. We now approve a percentage of this impoundment in perpetuity. We feel that we are getting too much money.

That is apparently exactly what the Senate has said—that we are getting too much money. That is why it has been impounded. What other reason would there be for impounding funds for a program that Congress decided should move ahead vigorously?

The program has not been accomplished. It is almost finished. The sad thing is that it is able to give great evidence of success in a method of transportation. It seems that we are a good deal like lemmings. We cannot stand prosperity. We seek self-destruction as soon as we begin to enjoy prosperity.

It seems to me that what we are going to say today is that because we have had other areas of transportation that have been unsuccessful, we now seek to hamper the success of this fine program. It is unfortunate.

I would hope the Senate would weigh the problem and see that we are trying to ward off here an effort to invade the integrity of a program which has stood up so well.

I hope the Senate will reject the amendment, realizing the fundamental harm that it will do to this system and that it would set in motion forces which would do harm to other systems, as well.

Mr. WEICKER. Mr. President, I yield myself 4 minutes. After speaking, I will yield the floor to the author of the amendment, the distinguished Senator from Illinois (Mr. PERCY), who has long recognized the need for balanced transportation in this country.

Before doing so, I would like to address myself to the comment made by the Senator from Alaska and the Senator from West Virginia.

Let me make it clear to the Senator from Alaska that when he says that the trust fund is under attack, it is not the highway trust fund that is under attack. It is the general fund that is under attack by the highway trust fund. That is what the issue is.

I hope that I may stand on the floor at some time in the future and attack the highway trust fund, because I think we should have one transportation trust fund, and not something so overbalanced as we have now. But that is not the issue here today. This is a question of a $350 million grab from the revenue fund for the benefit of the highway trust fund, and that is it, pure and simple. This one little picking away of $350 million is almost as much as will be spent in the entirety on all rail assistance in this country in fiscal year 1972. The same amount, $4.7 billion for highways; $350 million for rails.

Now, when the Senator from West Virginia makes the comment relative to magic carpets, and recognizing that we have bumper-to-bumper traffic, and that we have to improve the highway system, the point I am making is if we divert some of this money to mass transportation we will get some of these people off the roads, and what has been built will be made adequate. From the standpoint of safety, if we get them off the roads, we will not kill as many people. We will not have the environmental problems we have today if we can go to a mass transportation system.

I do not care whatever reason you may talk about, Mr. President, if we go ahead and balance the system not only will we meet the ancillary issues but we will be able to move. That is the point I am trying to make. The highways in combination with the mass transportation system will get people moving.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. RANDOLPH. I am in agreement with the Senator's desire for mass transit development in this country. Over and over again, as I said, I have not just

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spoken, but I have worked for the development of mass transit and the development of urban highways. It is important to stress the fact that 75 percent of the projected mass transit program will be by bus because most communities, said the Department of Transportation, are not large enough to justify other types of mass transit.

Therefore, I say to my colleagues, in good conscience and with deep conviction, that good roads and streets are increasingly needed to make the mass transit available to most communities in this country, and to make the program a really workable program.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WEICKER. Mr. President, I yield myself 1 additional minute to say that comment has been made relative to the defeat of the bond issue in New York State. It was defeated because people are fed up with the way transportation is being designed. It is not a question of more money; it is a question of how we spend it. That is the issue here today. Are we going to continue with this plan devised in 1956, and end up with a highway system and not be able to move about, or have a balanced program and realize that mass transit may be the answer.

It is the way we spend the money, and that is what we speak for, to make sure this money is not diverted to the highways.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President, how much time is left to the proponents of the amendment?

The PRESIDING OFFICER. The proponents have 30 minutes remaining and the opponents have 27 minutes remaining. Time is now being charged equally against both sides.

The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator is recognized for 15 minutes.

Mr. PERCY. Mr. President, I first would like to answer the arguments that have been presented to our colleagues in the letter from the Senator from West Virginia (Mr. RANDOLPH), chairman of the Committee on Public Works. I will take these comments in logical sequence, and I start with the fact that amendment No. 657 is not intended to, and will not, impair funding of highway programs. It is primarily intended to retain the concept that the fund should be supplied by higher user taxes.

Second, at the end of the life of the present authorization for the trust fund—1977—an unexpended balance will remain adequate to balance the loss of excise tax receipts from light trucks and trailers.

Mr. President, I ask unanimous consent to have printed in the RECORD a table from the report of the Secretary of the Treasury on the highway trust fund.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

15TH REPORT OF THE SECRETARY OF THE TREASURY ON THE HIGHWAY TRUST FUND

STATEMENT NO 2—STATUS OF HIGHWAY TRUST FUND, ACTUAL FISCAL YEARS 1957-70, AND ESTIMATES 1971-78, UNDER EXISTING LEGISLATION

[In millions of dollars]

Fiscal year	Receipts								Expenditure					Balance in the fund
	Gross excise taxes	Deductions: Transfers [1]	Deductions: Refunds	Net excise taxes	Interest (net)	General fund advances	Repayment of advances (deduct)	Reimbursements from general fund [2]	Total	Interstate highways	Primary, secondary, urban, rural, TOPICS, and urban system [3]	Other [4]	Total	
Actual:														
1957	1,479			1,479	3				1,482	208	743	15	966	516
1958	2,116		90	2,026	18				2,044	675	809	27	1,511	1,049
1959	2,171		97	2,074	[5] 13				2,087	1,501	839	273	2,613	523
1960	2,642		103	2,539	—3	359	359		2,536	1,861	879	200	2,940	119
1961	2,924		126	2,798	[5] 1	60	60		2,799	1,719	877	23	2,619	299
1962	3,080		131	2,949	7				2,956	1,914	860	10	2,784	471
1963	3,405		126	3,279	14				3,293	2,109	906	2	3,017	747
1964	3,646		127	3,519	20				3,539	2,635	1,004	6	3,645	641
1965	3,786	4	123	3,659	11				3,670	3,016	990	20	4,026	285
1966	4,065	28	120	3,917	[5] 7	70	70		3,924	2,978	937	50	3,965	244
1967	4,684	31	212	4,441	14				4,455	2,976	954	44	3,974	725
1968	4,523	30	114	4,379	34			15	4,428	3,207	947	17	4,171	982
1969	4,889	28	224	4,637	53				9,690	3,149	984	18	4,151	1,521
1970	5,414	28	32	5,354	115				5,469	3,289	1,043	46	4,378	2,612
Estimate:														
1971	5,717	28	119	5,570	180				5,750	3,481	1,147	86	4,714	3,648
1972	5,803	28	116	5,659	245				5,904	3,304	1,301	163	4,768	4,784
1973	6,070	30	116	5,924	285			61	6,270	3,478	1,318	429	5,225	5,829
1974	6,302	31	116	6,155	330			27	6,512	3,802	1,364	582	5,748	6,593
1975	6,520	32	115	6,373	380			24	6,777	3,921	1,383	467	5,771	7,599
1976	6,722	33	114	6,575	440			23	7,038	3,941	1,398	469	5,808	8,829
1977	6,926	34	114	6,778	525			21	7,324	3,535	1,410	491	5,436	10,717
1978 [6]	[7] 2,114	11	84	2,019				103	2,122	3,815	3,713	1,219	[8] 8,747	[9] 4,092
Total	94,998	376	2,519	92,103	2,692	489	489	274	95,069	60,514	25,806	4,657	90,977	4,092

[1] Transfers to the land and water conservation fund in accordance with Public Law 88-578, approved Sept. 3, 1964 (78 Stat. 897).

[2] Reimbursements to the fund for emergency fund expenditures authorized by the 1964 amendments to the Alaska Omnibus Act, the Pacific Northwest Disaster Relief Act of 1965, and the Federal-aid Highway Act of 1966. Expenditures related to these reimbursements are included in "Other" expenditures (see footnote 4).

[3] Assuming authorizations will be extended for fiscal years 1974-78 at the annual rate of $1,100,000,000 for the primary, secondary, and urban program; $125,000,000 for the rural program; $100,000,000 for the TOPICS program and $100,000,000 for the urban system program.

[4] Includes emergency relief funds; bridge and dam design and construction funds; advances to States; special $400,000,000 of primary, secondary, and urban funds; and $300,000,000 transfer to the right-of-way revolving fund authorized by the Federal-aid Highway Act of 1968. Also includes programs designated for trust fund financing by the Federal-aid Highway Act of 1970—forest highways; public lands highways; economic growth center development highways; bridge replacement; Alaskan assistance; rail crossing demonstration projects; Baltimore-Washington Parkway; highway safety programs (23 U.S.C. 402) and highway safety research and development.

[5] Receipts of interest on investments netted by payments of interest on general fund advances of $5,000,000 in 1969, $1,000,000 in 1961, and $1,000,000,000 in 1966.

[6] Through Sept. 30, 1977.

[7] Includes receipts on tax liabilities accrued prior to Oct. 1, 1977, but collected thereafter.

[8] Provides for complete disbursement of all funds authorized for fiscal year 1978 and prior fiscal years including expenditures estimated to occur after Sept. 30, 1977.

[9] Available for additional authorizations including $1,985,000,000 Interstate System cost indentified by 1970 interstate cost estimate for which authorizations have not yet been provided.

Mr. PERCY. By fiscal year 1978, as the attached table from the report of the Secretary of the Treasury shows, all funds authorized for fiscal year 1978 and prior years, including expenditures estimated to occur after September 30, 1977, are listed in the "expenditures" column. The "balance" column is correspondingly reduced to $4,092 million. Footnote 9 of the table indicates that of this unspent balance, $1,986 million is available to be spent under authorization not yet provided, with the remainder, $2,106 million, remaining in the fund available for additional authorizations.

It is key to note that this amount—$2,106 million—is very nearly the same amount Senator RANDOLPH indicated in the last paragraph on page 2 of his November 15 statement that would be the the total cost to the trust fund of the removal of the excise tax on light trucks and trailers.

In other words, the loss of trust fund receipts of $2.2 billion would be matched by the remaining unspent balance in fiscal year 1978 of $2,106 million, as demonstrated in the attached table.

Third, rather than wishing to "chip away" at the highway trust fund and "dissipate" its resources by offering amendment 657, my purpose is to retain its present funding structure—that of a trust fund entirely supplied by highway user taxes.

Fourth, I argue against diversion of funds that now supply general revenues into a trust fund whose supporters have always been proud that it has been supplied by highway user taxes.

Fifth, if necessary highway programs cannot be funded and increased revenues are necessary, the appropriate way to raise these funds is to increase highway user taxes.

Sixth, the highway trust fund was established in 1956 to provide a fund for long-term highway construction.

The objectives of the system have very largely been met. Now, 15 years later, it is appropriate to pause and ask what our Nation's transportation priorities are to be. Are we to continue the highway trust fund for another 15 years, unmodified, as the Senator from West Virginia suggests?

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. RANDOLPH. When have I suggested that that trust fund be continued for another 15 years? Point to me any statement I have made.

Mr. PERCY. I felt the implication was made in the letter distributed this morning to our colleagues that this trust fund should be carried on, where he said:

"Even if all current mass transportation needs were met, highway requirements over the next 15 years would still total more than $100 billion."

Mr. RANDOLPH. Let me ask the Senator again. Where is that statement made? The Senator has the statement there. Read it.

Mr. PERCY. I do not have the statement right in front of me. If the distinguished Senator will give me a few minutes on that, I will have a staff member get it. Certainly, if the Senator did not wish to make implications of that kind, I will withdraw the statement.

Mr. RANDOLPH. I would appreciate the Senator's attention to the matter.

Mr. PERCY. Mr. President, it seems clear to me that our highway building objectives must be closely related to the urban development and environmental objectives, and that we should avoid further expansion of the highway trust fund financing by drawing from a new revenue source.

The distinguished Senator from West Virginia has been deeply involved in the highway program for many, many years.

Mr. RANDOLPH. And also urban mass transit.

Mr. PERCY. And also urban mass transit. I am a personal witness to the fact that he has given his support to that program. I was most encouraged, even greatly encouraged, I would say, by the fact that, when we pointed out that highways were destroying housing and putting people out of their homes, and we had no funds for housing, an amendment was made possible, with the support and concurrence of the distinguished Senator from West Virginia. The amendment was to enable us to use highway funds for housing in those situations where there was no other possibility to help those people who were displaced by highways.

As I mentioned last night on the floor of the Senate, the highway system has become part of America.

It has really linked the country together. It has served industry. It has served business. It has served the individual, who has more leisure time and can, for instance, reach our national parks.

By no stretch of the imagination would I wish to imply that I am antihighway construction—not at all. We need a good, balanced, steady, and consistent program of highway construction.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. PERCY. I am happy to yield.

Mr. RANDOLPH. Then, if we need that program, consistent with other transportation needs of the country, why does not my colleague from Illinois want to allow this program to continue until the interstate system is completed? I will dispute the figures. We are going to have a deficit before the job is actually done.

Mr. PERCY. I would like to quote from the 1970 National Highway Needs Report, a Government document published by the Federal Highway Administration of the Department of Transportation, on page 29, in the estimation of highway "needs":

> Maintenance and administration costs are not included. $320 billion in estimated total needs for 1970-1985 can be compared with $293.7 billion given in the 1968 Highway Needs Report for the years 1965 to 1985.

The criteria for calculating these "needs," must be reexamined. I will amplify on this later, but just let me say now that it would seem to me that the figures of the 15th Annual Report on the Highway Trust Fund, communicated by the Secretary of the Treasury, make perfectly clear that we will have, on the basis of estimated user tax revenues, sufficient funds to finish the highway program.

The whole point here is that we are not trying to deprive that program; we are simply trying to prevent changing the whole philosophy of the creation of that trust fund, where the users actually pay the cost, and diverting funds that ordinarily go into general funds. When we have large funds of unused moneys in the trust fund, it does not seem sensible to me to add to that additional funds out of revenues that are desperately needed in a budget that is estimated to be $34 billion in arrears this year.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. PERCY. I am happy to yield.

Mr. RANDOLPH. Where are the unused funds my colleague refers to?

Mr. PERCY. The unused funds are referred to in the report I have submitted and put into the RECORD just now, the report of the Secretary of the Treasury on the highway trust fund.

Mr. RANDOLPH. That is because they will not permit the obligation to move forward. That is the reason.

Mr. PERCY. This report goes right on up to 1978, calling for completion of the Interstate Highway System, and it shows, from estimated sources, adequate funds to cover that entire amount—in fact, with a substantial balance.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. LONG. At what time is this money going to be available to the Interstate System?

Mr. PERCY. It is consistently and steadily available, according to the statement of the Secretary of the Treasury.

Mr. LONG. It will cost $58 billion just to complete the Interstate System, and when completed we are going to be 5 years behind schedule, at a minimum. There are sections in my State and sections up here. Some segments are overloaded and not adequate. We are 5 years away from completion and 5 years behind.

Mr. PERCY. May I interrupt for a moment, because I do wish to reserve time for the distinguished Senator from Kentucky? Would it be possible to have the time used by the opponents in the colloquy charged to the opponents, because they have time?

Mr. LONG. Mr. President, I will be glad to charge 1 minute against the opposition.

Mr. RANDOLPH. All of us today have yielded.

Mr. PERCY. I just do not want to run out of time for the Senator from Kentucky.

Mr. RANDOLPH. I assure the Senator I will cooperate. I will give my colleague from Kentucky part of my time, even though he is opposed to my viewpoint.

I do want to say, in these 30 seconds, the problem is that we have had bridge replacement programs that have been used and we have had spot replacement programs that are necessary to get the funding for. The argument that there is an enormous amount of money available is not correct. We will need every dollar that will come into the highway trust fund to complete the Interstate System and provide for the other types of road systems.

Mr. PERCY. Mr. President, I should like to respond by simply quoting from a letter dated November 16, 1971, from the Treasury Department, signed by John S. Nolan, Deputy Assistant Secretary, who speaks on behalf of the administration. Under the subject, "Is the Highway Trust Fund Well Financed?" the Deputy Secretary says this:

> The Trust Fund balance as of June 30, 1971 was almost $4 billion. Even with the repeal of taxes on light trucks, the balance is expected to rise to almost $4.5 billion by June 30, 1972, and to almost $5 billion by June 30, 1973. By June 30, 1975, the balance is projected to exceed $5 billion. Revenues appear to be more than sufficient to meet projected expenditure. The repeal of excise tax on light-duty trucks does not threaten the ability of the Fund to meet its present obligations.

This seems perfectly clear. What is absolutely clear is that we are short in general funds. We are short in funds for the health needs of the country. We are short in funds for the welfare needs of the country. We are short in funds for the mass transit needs of the country. When we have a very, very large fund of this type, that has guaranteed steady revenues coming into it, well in excess of

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the projected needs, who can say we are endangering the highway needs of this country?

The present administration does not want to do that, and the present administration has suspended construction on many projects, including highways, just as the Johnson administration did before it. But this was not done because they did not have funds. At no time were they ever out of funds in the highway trust fund. This was done simply because they did not want to add the impact of Federal spending on construction that could be delayed to the already great effects of Federal, State, local, and private spending that were causing the inflationary spiral.

Mr. RANDOLPH. Mr. President, will the Senator yield, and I will yield 30 seconds out of my time?

Mr. PERCY. Yes, on the Senator's time.

Mr. RANDOLPH. In the hearings before the Subcommittee on Roads in July 1970 the Department of Transportation made this response to a question:

Prompt completion of the interstate highway system is a primary objective both from a financial and traffic service standpoint. Progress towards its completion has, however, been delayed more by Federal fund availability than by lack of progress in route location, design, and construction.

Mr. PERCY. I would like to read from page 5 of the report of the Subcommittee on Economy in Government of the Joint Economic Committee, on which I serve, the report of August 17, 1970, on Federal transportation expenditures:

The highway "need" estimates contained in the national highway needs reports, which are required to be submitted to Congress every 2 years, are not based on these broad considerations of social cost and benefit. "Need" as used in these reports refers to "capacity adequate to accommodate the highway travel forecast for a given target year." [1] Since funds are apportioned to the States in accordance with their estimated "needs," the financing system contains a considerable incentive to produce inflated travel forecasts. Furthermore, there is persuasive evidence that the "demand" for highways, as measured by traffic volume, is partly a function of highway availability. Increasing the highway mileage may merely stimulate more automobile travel.

I would like also to comment on the statement made by my distinguished colleague from West Virginia when he brought in the issue of why the bond issue was defeated in New York.

Here people were voting down a referendum, a $2.5 billion bond issue. I am not a New Yorker. I was not intimately acquainted with the campaign carried on by Mayor Lindsay and Governor Rockefeller. But the New York Times, on July 16, 1971, indicated in part:

If they (New Yorkers) want to approve the bond issue, they will have to sanction a split that apportions $1.35 billion for mass transit, but $1.15 billion for highways. A voter may feel that the former—

That is, mass transit—

is a dire necessity, and the latter—

Highway construction—

a largely wasteful blight on the land. But he will have to take both or neither.

I point to an article, also in the New York Times, on September 29, 1971, quoting Theodore W. Keel, who is an outstanding attorney and labor mediator, who became unalterably opposed to Governor Rockefeller's proposal, when he indicated:

Because the $1.15 billion allocated for highways will be at least matched by Federal funds, the effect is to short-change mass transit needs. The bond issue fails to provide for operative subsidies for mass transit, and fails to provide any way to make the users of automobiles to pay a more equitable share of the costs of mass transportation.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PERCY. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. Fifteen minutes to the proponents of the amendment, and 24 minutes to the opponents.

Mr. PERCY. I yield my distinguished colleague from Kentucky 7 minutes.

The PRESIDING OFFICER. Did the Chair correctly understand the Senator yielded 7 minutes?

Mr. COOPER. I will start with 5 minutes, and hope I can finish.

Mr. President, I have a short statement which I shall read, and then I want to comment briefly on some of the issues that have been raised during the debate.

I have now served on the Public Works Committee for quite a long time. In fact, when I first came to the Senate in 1947 I was appointed to the Public Works Committee. I was occupying a position then similar to that which I have today. We had a Republican Congress and a Republican chairman, and I was next in seniority to him. Today we have a distinguished chairman from the majority party, and I am the ranking minority member of the committee.

When I have come back to the Senate after various absences, I have gone back on the Public Works Committee. I have served for quite a while under the chairmanship of the distinguished Senator from West Virginia (Mr. RANDOLPH). I think he knows that our association and relationship has been the very best, in his case, and I hope in mine. It has been, on the whole, a committee not marked by partisanship, and this approach has been due in large part to the distinguished leadership of the Senator from West Virginia.

But today we are in opposition, and I support the amendment offered by the Senator from Illinois, amendment No. 657, to delete from the bill the committee amendment which would transfer from general revenues to the highway trust fund 7 percent of the total revenue raised by the Federal alcohol excise tax.

Two days ago, when an amendment on this was offered by Senators RIBICOFF and JAVITS dealing with the earmarking of highway trust funds for mass transportation, I opposed the amendment, and I stated on the floor at the time that I thought it a mistake to transfer general revenue funds into the highway trust fund. It is a mistake and this is the basic reason for my support of Senator PERCY's amendment. It has always been my position that the proper source of funds for the highway trust fund is the highway-user taxes.

I recognize that in proposing the transfer from general revenue to the highway trust fund, the committee intended to restore the loss of revenue to the highway trust fund occasioned by repeal of the 10-percent excise tax on light trucks. However, I do not consider it proper—differing with my chairman—nor necesary to divert general revenues from the Treasury to the highway trust fund.

The highway trust fund, was established by the Federal-aid Highway Act of 1956, at the time that the Public Works Committee proposed the System of Interstate and Defense Highways on the recommendation of President Eisenhower.

As we know, from the highway trust fund 90 percent of the cost of interstate highways is borne by the Federal Government, as well as 50 percent of what is called the 'ABC system" of primary and secondary roads, together with their urban extensions.

I see in the Chamber the distinguished Senator from Virginia (Mr. BYRD). I think all of us will recall that his father, the late Senator Harry Byrd, Sr., was one of those who insisted upon this pay-as-you-go plan for our Interstate Highway System. In fact, he wanted to apply the pay-as-you-go principle to a great many other things. He had a tremendous influence upon the establishment of the pay-as-you-go principle of this highway trust fund.

That historic action, as I say, resulted in highway construction, both for the Interstate System, and for the "ABC" system of primary and secondary routes together with their urban extensions, to be financed from the trust fund—into which were deposited gasoline, fuel and oil taxes, tire taxes, truck, bus, and parts taxes. These highway user taxes are dedicated to the Federal-aid highway construction program.

Until this time—until this proposal today—no funds other than highway user taxes have been deposited or ordered to be deposited in the highway trust fund. On a few occasions—in 1960, 1961, and 1966—the Bureau of Public Roads was required as a temporary measure to borrow on short-term loans from the Treasury, but those were repaid the same year. So it could be said and has been maintained that those who use the highways, support, through their use taxes, construction of those highways—and consequently that the highway trust fund should be reserved for highway purposes.

I want to emphasize that point, because when you begin to argue that it is all right to place general funds in the highway trust fund, it can very reasonably bring the response that the highway trust fund can then be used for other, general purposes. So, those who are so strongly dedicated to maintaining the highway trust fund and to the completion of our interstate highways should be very careful about proposing that general revenue funds be placed into the highway trust fund.

It seems to me that the committee amendment strikes at the heart of this argument—that the highway trust fund is reserved for highway purposes, and breaches the principle of having a highway trust fund supported solely by highway user taxes. If 7 percent of the alcohol excise tax, or any other nonhighway user tax, can be put into the highway trust fund, presumably twice that amount, or 10 times that amount, or any amount from any general revenue source, could be put into the highway trust fund to support additional highway construction—and without regard to the "pay as you go" principle used since 1956 to relate the financing of highways to their use. Conversely, if the committee amendment prevails and the highway trust fund becomes supported in part by general revenues, it will be hard to argue that the highway trust fund should not be used, at times or in part, for general purposes as well as highway purposes.

I think all of us on the committee have come to realize that there has been imbalance in the financing of the various modes of transportation. The committee is moving in the direction of correcting that imbalance, and I think Senator RANDOLPH deserves great credit for that. I noticed an editorial in the New York Times the other day whose criticism of him I do not think correct. He has made many proposals in our committee, and some of them have been adopted, to move toward modes of transportation more nearly adapted to the needs of our cities. These have included such provisions, in the Federal Highway Act of 1970, as section 143, urban transportation planning; section 134, fringe and corridor parking facilities; section 111, urban highway public transportation; section 125, urban area traffic operations improvement programs; and section 106, the Federal-aid urban system.

Only last year, we established in our Highway Act a new Federal-aid urban system, and authorized $100 million this year, and $100 million next year as a start, to try to solve some of the problems of the urban areas. These authorizations are inadequate, and should be enlarged.

The administration has proposed additional flexibility in financing the different modes of transportation, through an overall transportation trust fund, and I would support additional flexibility for the States in the choice of financing their needed mode of transportation systems. It is true, as Chairman RANDOLPH has often pointed out, that mass transit, including bus transit, rail transportation, air transportation, all help avoid highway congestion. Further, for myself I believe the public is coming to the point where it would not object to the use of some portion of the Federal gasoline and other taxes to finance other modes of transportation for their use. As Senator WEICKER has said, transportation users should have a greater range of choice and decision as to the mode of transportation necessary for them.

I agree with the chairman that the balance in the highway trust fund does not represent a surplus. Rather, it is a balance which, together with future receipts into the trust fund, is required to meet the construction obligations which we have authorized the States to undertake.

If the Percy amendment is adopted, I think it is clear that either completion of the Interstate System will be delayed or the highway user taxes increased somewhat in future years. I prefer some delay. I think it would be better to proceed in this way than to destroy the principle of a highway trust fund supported solely by highway user taxes.

I hope the Percy amendment will be adopted.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PERCY. I yield 2 additional minutes to the Senator.

Mr. COOPER. Mr. President, I may also say that I offered an amendment last year, which was adopted by the Senate, which provided that the Secretary of Transportation should immediately designate those interstate regions and corridors in the United States that were in critical transportation difficulty, and that the States and communities with the Department of Transportation should work out systems and plans which could use appropriate modes of transportation. In the conference with the House, my amendment which was mandatory, was made discretionary. But Secretary Volpe is proceeding on these plans, on the eastern seaboard, the west coast, the Chicago area, and in the South. So I see light ahead for our urban transportation needs.

Mr. President, I ask unanimous consent to have printed in the RECORD following my remarks, my statement in the Senate last year upon the adoption of that amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[Excerpts from CONGRESSIONAL RECORD]

Mr. COOPER. Mr. President I am joined in offering this amendment by the chairman of our committee, the Senator from West Virginia (Mr. RANDOLPH), the Senator from Maine (Mr. MUSKIE), and the Senator from Kansas (Mr. DOLE).

For the last several years there has been a great deal of discussion in the Committee on Public Works, and I am sure in other committees of the Congress, about the necessity of devising means to solve the problems of duplication, waste, and lack of efficient transportation.

This year in our hearings in the Committee on Public Works, Secretary of Transportation Volpe said that the Department is conducting studies and making surveys, and he hoped that by 1972 at the latest he would be prepared to suggest legislation to Congress to meet the urgent question of the necessity of a balanced system of transportation, taking into account all modes of transportation, and the formulation of a national transportation plan and policy.

The Federal-aid highway law now provides, in section 134 of title 23, that the Secretary shall, in cooperation with the States, to conduct surveys and make studies to plan comprehensive transportation systems in metropolitan areas of over 50,000 population, these critical areas of our country where over 70 percent of the population resides. After hearing this testimony, not only from the Secretary of Transportation, also from Senators and Members of Congress, from officials of the State of New York and New Jersey, and others along the Atlantic seaboard, among them to the Governor of Maryland, it seemed to me we should not be required to wait before making a start on this very serious problem.

I offered to introduce the amendment, which I shall read, in the committee. But being advised that there might be a question of appropriate jurisdiction, as between the Public Works Committee and the Committee on Commerce, out of courtesy, I decided not to pursue it in committee, but rather to introduce it on the floor.

I want to read the amendment, because I think it clearly states the purpose and the objective which we are trying to reach:

"(b) The Secretary shall, as soon as practicable, define those contiguous interstate areas of the Nation in which the movement of persons and goods between principal metropolitan areas, cities, and industrial centers has reached, or is expected to reach, a critical volume in relation to the capacity of existing and planned transportation systems to efficiently accommodate present transportation demands and future growth. After consultation with the Governors and responsible local officials of affected States, the Secretary shall by regulation designate, for administrative and planning purposes, as a critical transportation region or a critical transportation corridor each of those areas which he determines most urgently require the accelerated development of transportation systems embracing various modes of transport, in accordance with purposes of this section. The Secretary shall immediately notify such Governors and local officials of such designation. The Secretary shall, after consultation with the Governors and responsible local officials of the affected States, provide by regulation for the establishment of planning bodies to assist in the development of coordinated transportation planning including highway planning, to meet the needs of such regions or corridors, composed of representatives of the affected States and metropolitan areas, and shall provide assistance including financial assistance to such bodies. Funds authorized pursuant to section 307 of this title for research and planning may be utilized for the purposes of this subsection."

Mr. President, I am not from an urban area. I am from a rural area. I do not claim to understand the problems of our great urban centers, but for several years I have heard Governors of States such as New York, Maryland, Illinois, and other urban States speak of the duplication of the modes of transportation. If studies could be made to determine whether a highway or a busline or an interurban system or a rail system could be utilized in a balanced way to better meet the needs of that area, there could be a great saving. It would eliminate duplication and waste, and would provide the best possible means of bringing persons and goods into and out of urban areas.

Mr. President, my amendment is a modest start. The authority resides in the act today for the Secretary to require planning and surveys but only in metropolitan areas, not in corridors which could include both urban and rural segments. This proposal carries it a step further to provide that he shall immediately consult with officials of broader areas which have critical transportation needs and then establish planning bodies to begin to tackle this problem.

I do not believe we can wait 2 years. I think the time to act is now, and I believe this is the way in which we can really begin to make some progress on this problem. I think all of us would admit it, is one of the most serious in our country today.

Mr. COOPER. My time is short, and I will finish. With respect to the question of freezing highway funds, impound-

[1] 1970 National Highway Needs Report, p. 11.

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ment of highway funds began in 1966; approximately $2.9 billion is now impounded. I am informed by the Secretary of Transportation that much of that will be released.

With respect to the completion of the Interstate System, it originally was to be a system of 41,000 miles. Fifteen hundred miles have been added. The delay in construction has been occasioned by adding mileage, by higher costs, by opposition to some segments of the highway system, and it is a natural delay.

In connection with safety, two-thirds of the authorizations of the highway safety program are paid out of the highway trust fund. Again, that was an advance made by the Senate Public Works Committee. I introduced the amendment to provide that expenditures for safety be paid from the highway trust fund for I could think of no better use.

I stand firmly against the transfer of these general funds, this $350 million, from any excise tax, into the highway trust fund.

There is more I could talk about, but I return to the principal point: I want the Interstate System finished and our rural roads improved and made safer; but I urge those who are firmly dedicated to the completion of this highway system not to jeopardize it by commencing the use of general revenues. Let us not increase the deficit condition of the general fund by approving this transfer of $350 million from the general fund to the highway trust fund.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement I had prepared with respect to the trust fund balance, together with a letter and enclosure from the Secretary of Transportation, dated November 15, 1971.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR COOPER

There have been comments in the Senate about the "surplus" or balance in the Highway Trust Fund—and statements which imply that the Fund is in excess of needs, or of obligations against the Fund authorized by law.

I join the Chairman of the Public Works Committee, on which I serve, in seeking to correct misunderstanding about these balances.

It is true that as of June 30, 1971, the Highway Trust Fund showed a cash balance of $3.65 billion. However, the liability of the Trust Fund at that time for the unpaid balance of approved highway projects under construction was $7.4 billion. I am informed that the situation as of October 30 was approximately the same. In other words, the cash balance of the Trust Fund is only about one-half the liability against the Trust Fund. This occurs because it takes two or three years to build a highway. Once a highway has been contracted for, the State incurs an obligation to pay for it upon completion, and the Federal government is of course obligated to reimburse the States for the Federal share of that construction.

Second, I did talk to Secretary of transportation John A. Volpe yesterday, and asked him about the impounded or withheld funds, sometimes referred to as the "highway freeze." He informed me that at present there is nearly $3 billion of obligational authority withheld. This does not include $5.5 billion in fiscal 1973 authorization, which will be apportioned to the States within the next six weeks.

Reference may be made to the table setting forth the status of the Highway Trust Fund, including estimates for the period 1971 to 1978, contained in the last annual report on the Highway Trust Fund of the Secretary of the Treasury and included in the RECORD yesterday by the Senator from Illinois.

The table concludes with a figure indicating a $4 billion balance in 1978. However, it notes that $2 billion of this represents cost of the Interstate System, under the 1970 estimates but not yet authorized. Since that time we know that the total cost of the Interstate System has increased from $69 billion to $76.5 billion so that the Federal share will increase from $62 billion to $69 billion. That is there would be a $5 billion deficit in the Trust Fund as now authorized as the Chairman may have pointed out.

Of course these estimates do not reflect the action of the Congress in future years—and we will have a Federal-Aid Highway authorization next year and every two years thereafter.

Consideration will be given to financing the ABC system at a 70% Federal share rather than 50%—and this would require another additional $500 million per year. The bridge replacement program is just getting under way. The spot improvement program to eliminate safety hazards and improve traffic flow should be expanded. And the 1970 Act instituted the Urban Highway System, beginning with a modest authorization of $100 million annually for fiscal 1972 and 1973 which we hope very much will be expanded to meet the pressing needs of the cities and metropolitan areas.

So I do not believe it correct to indicate or imply that the Highway Trust Fund is at a level greater than needed to meet the obligations authorized by the Congress.

On the other hand, it is correct that the balance in the Fund is now scheduled to increase substantially—in fact, by about $1 billion annually—over the next years. This increasing balance is required to pay off the highways by the time the Highway Trust Fund receipts are due to expire, on October 1, 1978. For example, if the Highway Trust Fund were extended for one or two years, collecting the highway user tax receipts during the period these highways are under construction, these receipts over a longer period would cover the obligation as now estimated. In short, the loss of revenues to the Fund by the repeal of the light truck tax could be handled by delaying somewhat the schedule of highway construction.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., November 15, 1971.

Hon. JOHN SHERMAN COOPER,
U.S. Senate,
Washington, D.C.

DEAR JOHN: Attached is a table showing the current amount of frozen highway funds dating back to 1966, as of June 30, 1971. You will note this includes the additional $400 million in obligation authority recently released, making the total for fiscal year 1972 five billion dollars. The apportionment of 1973 Federal Aid Highway Funds is not reflected in this table.

The balance of $2.969 billion will be further reduced if the third quarter obligation authority should be released on or before January 1, 1972.

Sincerely,

JOHN A. VOLPE.

Apportionments and releases of obligation authority since June 30, 1971

[In millions]

Unreleased apportionments June 30, 1971	[1] $5,532
First quarter fiscal year 1972:	
Release	−1,082
Balance	4,450
Second quarter fiscal year 1972:	
Release	−1,081
Balance	3,369
Additional release for unemployment and safety	−400
Balance	2,969

[1] Commenced in 1966.

FEDERAL-AID HIGHWAY TRUST FUND FINANCING

The Highway Trust Fund balance supports the Federal Government's commitment to reimburse States for payments they make for work done on Federal-aid highway projects. At June 30, 1971, the liability of the Trust Fund for the unpaid balance of Federal funds obligated for on-going highway projects was $7.4 billion—more than double the $3.65 billion cash balance in the Fund at that date. Obligations for Federal-aid highway projects pay out as work is done (progress payments) and are incurred on the basis of estimates of revenues that will be available when claims for reimbursement will be presented. Thus, at any given time, the Trust Fund actually is in the red. This condition will continue until such time as either the authorizations by Congress or the Trust Fund is terminated and a final accounting is possible.

Sometime there is confusion between Trust Fund balances and the amounts represented by the differences between what has been authorized by Congress and what has been actually released for obligation by the Office of Management and Budget. This is referred to as unreleased or "impounded" authorizations. This amount varies with the cycle of apportionment of legislative authorizations and release of obligation authority, with the former an annual action and the latter a quarterly release. The "impounded" amount at this particular time is approximately $8 billion.

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the RECORD information relating to urban related provisions in the Federal-Aid Highway Act of 1970.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL-AID HIGHWAY ACT OF 1970—URBAN RELATED PROVISIONS

SECTION 143, URBAN TRANSPORTATION PLANNING

This section requires consultation with local public officials in urban areas of 50,000 population or more with respect to location and design of any proposed highway corridor in the area.

The second part of this Section authorizes the Secretary of Transportation to designate critical transportation corridors and regions and to establish planning bodies to assist in the development of coordinated transportation planning for all modes of transportation needed to meet the demands and future growth of these are as most efficiently.

SECTION 134, FRINGE AND CORRIDOR PARKING FACILITIES

1970 Act continues the demonstration fringe parking program provided in the 1968 Act. This program provides for the development of fringe parking facilities in major metropolitan areas to increase traffic service on existing roads and reduce congestion.

SECTION 111, URBAN HIGHWAY PUBLIC TRANSPORTATION

This section authorizes the construction of preferential bus lanes, traffic control devices, bus passenger loading areas and facilities including shelters, fringe parking to serve bus and other public mass transportation passengers. This section is to encourage the development, improvement and use of public mass transportation systems.

SECTION 125, TOPICS—URBAN AREA TRAFFIC OPERATIONS IMPROVEMENT PROGRAMS

The 1970 Act extended the program begun in 1968 to reduce traffic congestion and facilitate flow of urban traffic.

SECTION 106, FEDERAL-AID URBAN SYSTEM

This Section establishes a new Federal-aid highway system, in areas of 50,000 population or more to facilitate the flow of traffic and serve the transportation objectives of the community. Funds could be used to supplement the TOPICS and Fringe Parking program.

Mr. COOPER. Mr. President, there have also been comments on the highway safety program which, I point out, has been authorized by the 1970 Federal-Aid Highway Act at a level of $185 million in fiscal 1972, and $255 million in fiscal 1973. Two-thirds of that authorized to be appropriated out of the highway trust fund—that is, $123 million in fiscal 1972 and $170 million in fiscal 1973. I ask unanimous consent that there be included in the RECORD at this point a summary of the authorizations and expenditures of the highway program for prior years, and a brief analysis of the program for this fiscal year, provided me by the National Highway Safety Administration, as I believe this information will be helpful to the Senate.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PUBLIC LAW 89-563 HIGHWAY SAFETY ACT

[In millions]

SEC. 402

Fiscal year—	Authorized	Obligations [1]	Trust fund	General fund
1967	$67.0	$2.0	.....	$2.0
1968	100.0	25.0	.....	25.0
1969	100.0	65.0	.....	65.0
1970	0	70.0	.....	70.0
1971	0	75.0	.....	75.0
1972	105.0	80.0	$53.3	26.7
NHTSA	(75.0)	(67.1)	(44.7)	(22.4)
FHWA	(30.0)	(12.9)	(8.6)	(4.3)

[1] Limitation on obligations imposed by appropriation.

SEC. 403

Fiscal year—	Authorized	Appropriated	Trust fund	General fund
1967	$10.0	$4.3	.....	$4.3
1968	20.0	7.3	.....	7.3
1969	25.0	10.6	.....	10.6
1970	30.0	12.4	.....	12.4
1971	37.5	16.7	.....	16.7
1972	80.0	40.7	$27.2	13.5
NHTSA	(70.0)	(38.6)	(25.8)	(12.8)
FHWA	(10.0)	(2.1)	(1.4)	(.7)

HIGHWAY SAFETY STANDARD ELEMENTS

[Dollars in millions]

	Fiscal year 1972 funding (estimated)	
	Sec. 402	Sec. 403 support
Entry—Objective is to insure that vehicles are safe and persons licensed to drive meet these criteria—ability, knowledge, and attitude. Periodic motor vehicle inspection. Motor vehicle registration. Motorcycle safety. Driver education. Driver licensing. Codes and laws. Pedestrian safety. (Pupil transportation—Pending.)	$17.2	$3.6
Control—Covers operational elements relating to the driver, the pedestrian, the vehicle and its load. Police traffic services. Alcohol in relation to safety.	21.1	30.5
Post control and remedial—Objective of this element is to trigger appropriate corrective action when system failures occur. Traffic courts. Emergency medical services. Debris and hazard control and cleanup. (Accident investigations—Pending.)	8.5	2.0
Program and administration and evaluation. Planning and administration. Traffic records.	17.0	1.2
Subtotal	63.8	37.3
Draw down for administration	3.3	[1] 1.3
	[2] 67.1	38.6

[1] Salaries and expenses.
[2] While obligations based on appropriation action were ($70 NHTSA) ($10 FHWA), actual distribution within $80 level will be dictated by annual work plans submitted by States. This is best estimate of actual distribution of Sec. 402 standard obligations by States.

THE 16 HIGHWAY SAFETY PROGRAM STANDARDS—THE PURPOSE OF EACH

1. PERIODIC MOTOR VEHICLE INSPECTION [1]

To increase, through periodic motor vehicle inspection, the likelihood that every vehicle operated on the public highway is properly equipped and is being maintained in reasonably safe working order.

2. MOTOR VEHICLE REGISTRATION [1]

To provide a means of identifying the owner and type, weight, size, and carrying capacities of every vehicle licensed to operate in the State, and to make such data available for traffic safety studies and research, accident investigation, enforcement, and other operational uses.

To provide a means for aggregating ownership and vehicle information for: (a) accident research; (b) planning and development of streets, highway and related facilities; and (c) other operational uses.

3. MOTORCYCLE SAFETY [1]

To assure that motorcycles, motorcycle operators and their passengers meet standards which contribute to safe operation and protection from injuries.

4. DRIVER EDUCATION [1]

To insure that every eligible high school student has the opportunity to enroll in a course of instruction designed to train him to drive skillfully and as safely as possible under all traffic and roadway conditions.

To insure that commercial driver training schools achieve and maintain a corresponding level of instruction for beginning drivers with recognition of differences between the needs of adults and adolescents.

To provide education courses offering driving instruction to adults.

5. DRIVER LICENSING [1]

To improve the quality of driving by implementing more effective and uniform licensing procedures, and thereby to reduce the number of accidents while also increasing the efficiency of traffic flow.

6. CODES AND LAWS [1]

To eliminate all the major variations in traffic codes, laws and ordinances on given aspects of highway safety among political subdivisions in a State, to increase the compatibility of these ordinances with a unified overall State policy on traffic safety codes and laws, and to further the adoption of appropriate aspects of the Rules of the Road section of the Uniform Vehicle Code.

7. TRAFFIC COURTS [1]

To provide prompt impartial adjudication of proceedings involving motor vehicle laws.

8. ALCOHOL IN RELATION TO HIGHWAY SAFETY [1]

To broaden the scope and number of activities directed toward reducing traffic accident loss experience arising in whole or part from persons driving under the influence of alcohol.

9. IDENTIFICATION AND SURVEILLANCE OF ACCIDENT LOCATIONS [2]

To identify specific locations or sections of streets and highways which have high or potentially high accident experience, as a basis for improvement, selective enforcement, or other operational practices that will eliminate or reduce the hazards at the location so identified.

10. TRAFFIC RECORDS [1]

To assure that appropriate data on traffic accidents, drivers, motor vehicles and roadways are available to provide:

1. A reliable indication of the magnitude and nature of the highway traffic accident problem on a national, State and local scale;

2. A reliable means for identifying short-term changes and long-term trends in the magnitude and nature of traffic accidents;

3. A valid basis for

a. The detection of high or potentially high accident locations and causes

b. The detection of health, behavioral and related factors contributing to accident causation

c. The design of accident, fatality and injury countermeasures

d. Developing means for evaluating the cost and effectiveness of these measures

e. The planning and implementation of selected enforcement and other operational programs.

11. EMERGENCY MEDICAL SERVICES [1]

To provide an emergency care system that will:

I. Provide quick identification and response to accidents;

II. Sustain and prolong life through proper first aid measures, both at the scene and in transit;

III. Provide the coordination, transportation, and communications necessary to bring the injured and definitive medical care together in the shortest practicable time, without simultaneously creating additional hazards.

Footnotes at end of article.

12. HIGHWAY DESIGN, CONSTRUCTION & MAINTENANCE [2]

To assure (a) that existing streets and highways are maintained in a condition that promotes safety, (b) that capital improvements either to modernize existing roads or to provide new facilities meet approved safety standards, and (c) that appropriate precautions are taken to protect passing motorists as well as highway workers from accident involvement at highway construction sites.

13. TRAFFIC CONTROL DEVICES [3]

To assure the full and proper application of modern traffic engineering practice and uniform standards for traffic control devices in reducing the likelihood and severity of traffic accidents.

14. PEDESTRIAN SAFETY [3]

To emphasize the need to recognize pedestrian safety as an integral, constant and important element in community planning and all aspects of highway transportation and to insure a continuing program to improve such safety by each State and its political subdivisions.

15. POLICE TRAFFIC SERVICES [1]

To reduce the deaths and injuries by improving police traffic services in all aspects of accident prevention programs and police traffic supervision, post accident procedures to aid crash victims and to bring those responsible for the accidents to justice.

16. DEBRIS HAZARD CONTROL AND CLEANUP [1]

To provide for the assignment of official responsibilities and for the planning, training, coordination and communications necessary to assure the recognition, reporting, and prompt correction of conditions or incidents that constitute potential dangers; that incident sites are restored to a safe condition; and that traffic movement is expeditiously resumed.

FOOTNOTES

[1] NHTSA Administered.
[2] NHTSA/FHWA Administered.
[3] FHWA Administered.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Time is being equally divided.

Mr. RANDOLPH. Mr. President, how much time remains to those who are opposed to the amendment?

The PRESIDING OFFICER. The Senator from West Virginia has 24 minutes, and the Senator from Illinois has 3 minutes.

Mr. RANDOLPH. I yield myself 2 minutes to ask the Senator from Illinois, who said he would check it out, where I have indicated that I wanted the highway trust fund to continue for 15 years.

Mr. PERCY. I quote from the memorandum distributed to all Senators by Senator RANDOLPH, commenting on amendment No. 657. I read from the bottom of the first page:

> Even if all current mass transportation needs were met, highway requirements over the next 15 years would still total more than $100 billion.

In response to that, I stated—and I quote the exact words I used:

> Now, 15 years later—after the beginning of the Trust Fund—it is appropriate to pause and ask what our Nation's transportation priorities are to be. Are we to continue the highway trust fund for another 15 years unmodified, as Senator Randolph suggests?

If the distinguished Senator from West Virginia is proposing or has in mind any abolishment of the highway trust fund over the next 15 years, or changing the financing formula of it, I would be very happy to hear that explanation. But I simply inferred from his reference to the need and the requirements for $100 billion over the next 15 years, in the statement we received last night, that it was therefore his feeling and intention that we needed such funding for the next 15 years.

Mr. RANDOLPH. I must say, out of respect to the Senator, and in good humor, that I could not imagine any more illogical evaluation of what the Senator from West Virginia has said.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. RANDOLPH. I yield such time as I may require.

I have said that the unmet needs for highway construction certainly are in the future. Does the Senator from Illinois believe that all the highway needs have been met as of the time he is speaking? He knows they are not met in Illinois.

Mr. PERCY. Oh, no. Of course not.

Mr. RANDOLPH. Mr. President, it is important that we realize that no Member of the Senate had been more an advocate that I, not only with his voice but also with his vote, for mass transit, over and over again, signing, with 36 other Senators, a letter to the President, in the month of November, asking that the funds be raised to the $900 million so that mass transit could move ahead. We then received the response from the White House that $600 million was all that could be used to move mass transit ahead in this country.

So I must repeat and repeat that I am against the raiding—we have heard "raiding" spoken of here many times today—the raiding of the trust fund, which is the purpose of the amendment which has been offered.

I repeat: I think it is important over and over again to say for the RECORD that which is factual—that 75 percent of the projected mass transit problems will be by bus, because most communities are not large enough to justify other types. Therefore, the continuance of the program of building good roads and streets is necessary if we are to make mass transit widely available.

Mr. President, I repeat: More than one-half of the projected highway needs of this country are in urban areas, not in the so-called rural areas. These needs are based on the transportation planning process required, as I have said, by section 134 of the highway law, which requires total transportation planning so that mass transit's needs are also accounted for. The trust fund income is needed if we are to meet these needs.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. PASTORE. The Senator mentioned the use of funds for streets. We do not build city streets with the highway fund, do we?

Mr. RANDOLPH. Yes.

Mr. PASTORE. Does the Senator mean streets in the cities? Will the Senator give me an example?

Mr. RANDOLPH. The urban highway street program, which was created——

Mr. PASTORE. The Senator means thoroughfares?

Mr. RANDOLPH. Yes.

Mr. PASTORE. Main streets, but not city streets.

Mr. RANDOLPH. I call them streets within a city. Also, primary and secondary roads.

Mr. PASTORE. The reason why I bring it up is that one of the biggest problems every city has is the rebuilding of its streets.

Mr. RANDOLPH. That is correct. It is an unmet need.

Mr. PASTORE. But I want the record clear that those are not streets that are built with Federal money. That has to come out of municipal money or State money.

Mr. RANDOLPH. The Senator is correct, yes—the unmet needs.

Mr. PASTORE. Running through the city.

Mr. RANDOLPH. Mr. President, how much time remains to me?

The PRESIDING OFFICER (Mr. HUMPHREY). The Senator from West Virginia has 17 minutes remaining.

Mr. RANDOLPH. Mr. President, at this point, I desire to read a brief statement in opposition to the amendment which was given to me last night by our able colleague from Tennessee, Mr. BAKER, a member of the Subcommittee on Roads of the Committee on Public Works. He cannot be present during debate today although he had wanted to be here.

Let me read his statement. It is brief but to the point:

> Mr. President, I support section 402 of the committee's bill, which would transfer seven percentum of revenues derived from the federal tax on alcoholic beverages into the Highway Trust Fund.
>
> I am well aware of the argument made by those opposing this provision that it represents the first time in which revenues from other than highway-user related taxes would be channeled into the trust fund. I admit to some qualms about this precedent.
>
> But I think that the overriding consideration must be the commitment of the Congress to the orderly completion of the Interstate system.
>
> This provision is designed, as we all know, to offset the loss in revenues to the Highway Trust Fund that will result from the exclusion of light-duty trucks from the 10 percent manufacturers excise tax, an exclusion which I wholeheartedly support, because it will mean so much to so many rural Americans who use such trucks for basic transportation.
>
> The Interstate highway system is the largest single public works project ever undertaken. It has done more to revolutionize transportation in this country since the completion of the transcontinental railway system. Work on the interstate system has taken a great deal longer than was originally anticipated, and its orderly completion must be seen as one of our highest priorities.
>
> Again, I support the decision of the Committee on Finance to maintain the current level of revenues flowing into the Highway Trust Fund, and I urge my colleagues to reject any effort to delete section 402 from the committee bill.

Mr. GRAVEL. Mr. President, will the Senator from West Virginia yield for a question?

Mr. RANDOLPH. I yield.

Mr. GRAVEL. Briefly, I understand that when the 1956 Highway Revenue Act was passed, one of the provisions was to have a highway users and a nonusers benefit study made. That report was filed with the Senate in 1961. One of the recommendations the report addressed itself to was the point raised by the Senator from Kentucky (Mr. COOPER), that the trust fund should be the recipient of some funds from beneficiaries that were not directly related to highways. Of course that is uses and services rendered nonuser beneficiaries—for national defense, health, community development, and the like.

I wonder whether the distinguished chairman would comment why the recommendations have not been implemented which were made in 1961, or why it took so long—at least up until now—to deal with the concept of these recommendations back in 1961.

Mr. RANDOLPH. The highway taxes were insufficient to carry the load up until this present situation occurred. My reply to the Senator is in connection with defense and health programs, and all the others, that it is absolutely a fact that there are these priorities which are concerned with the user and the non-user contributions. From what I imply from what the Senator has indicated, my reply is yes.

Mr. GRAVEL. But the study that was reported in 1961 recommended specifically that contributions be made to the trust fund by nonuser beneficiaries. Of course, that could only be done by money coming from the general fund, which is apparently what is objected to so violently here. That money comes into the general fund from the trust fund. The study report recommends that this action take place. That report was filed in 1961.

Mr. RANDOLPH. This is the first time it has ever been done.

Mr. GRAVEL. I thank the Senator.

Mr. COOPER. Mr. President, will someone yield me 10 seconds to reply to that?

Mr. RANDOLPH. I yield 10 seconds to the Senator from Kentucky.

The PRESIDING OFFICER (Mr. BENTSEN). The Senator from Kentucky is recognized for 10 seconds.

Mr. COOPER. I point out that in those years, in the early days of the system, the Bureau of Public Roads had borrowed some money from the Treasury to meet its obligations. The record will show that they paid that money back in the same year. So it is not analogous to this situation.

Mr. PERCY. Mr. President, I yield 5 minutes to the distinguished Senator from Delaware (Mr. BOGGS).

The PRESIDING OFFICER. The Senator from Delaware is recognized for 5 minutes.

Mr. BOGGS. Mr. President, I wish to state my support for the amendment offered by the distinguished Senator from Illinois (Mr. PERCY). I associate myself with him, and with the remarks of my distinguished colleague from Kentucky (Mr. COOPER), which he just recently made in support of the amendment.

The section of the bill that places 7 percent of the alcoholic beverages taxes into the highway trust fund, it seems to me, is inappropriate. It violates the principle under which the highway trust fund was established.

The highway trust fund was created as a tax on the users of American highways for the purpose of improving our road network. It has created the best highway transportation system in the world. Liquor taxes do not qualify as a highway-users levy.

The integrity of the highway trust fund is its greatest strength, and I have supported it continuously. The use of liquor taxes for highway construction would lessen that integrity. For this reason, I intend to vote for Senator PERCY's amendment.

Mr. MONTOYA. Mr. President, the Federal Government has been on record since 1956 as having made a commitment to the State and local governments of America and to the general public that it would hasten the completion of the Federal Interstate Highway System. That system is now 75 percent completed, but the rapid completion of this vital highway network is constantly threatened by those who would dilute the resources needed to fill the tremendous needs and expenditures necessary.

There is no real surplus in the highway trust fund. The only "surplus" is one created by the withholding of funds by the executive branch of the Government. Theses funds were collected in the trust fund for the proper expenditure on the completion of the Interstate System and primary and secondary roads, as well as urban highways, bridge replacement, railroad crossings, safety programs, bus lanes in urban areas, and relocation allowance for those who need housing as a result of displacement caused by highway construction. The withholding of these funds has caused a delay in the completion of the program and has raised the cost of the Interstate System for the general taxpayer. Further attempts to delete the funds available for highway purposes will lead to higher costs to the Federal Government and increased frustration on the part of the public which so badly needs the services provided by these roads.

There is a commonly held image among some of the critics of the highway program that the highway needs in America have been met. The fact is that there is still a tremendous need in many parts of this country for further highway construction. This is emphasized by the fact that 56 percent of the 3.7 million miles of roads in the Nation do not have all-weather surfaces. In addition to this need, there are many communities that still have very meager access provided only minimally by inadequate highways.

The trust fund concept is a sound concept. Those who see other crucial transportation needs in the country—and we all admit that there are tremendous needs in a variety of transportation systems—should apply the trust fund concept to other areas. This is in fact what has happened in the airport and airways trust fund, and could very well be provided in other cases. The needs in these other areas simply argue for increased funding in those areas; they do not argue for a cutback in the highway program which still has such a tremendous backlog of unfulfilled needs.

The reduction of $350 million per year in the highway trust fund proposed by the Percy amendment would lead to a substantial and unnecessary erosion of the financial basis of our present highway program. The net effect can only be delay and increased cost to the taxpayer for completion of the highway system. I urge my colleagues to respect the work of the Finance Committee in keeping a balanced revenue approach to the highway trust fund, and the work of the Senate Public Works Committee which has struggled so diligently to establish a balanced highway transportation program for this country.

Mr. RANDOLPH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from West Virginia has 11 minutes remaining.

Mr. RANDOLPH. I yield 3 minutes to the distinguished Senator from Virginia (Mr. BYRD).

The PRESIDING OFFICER. The Senator from Virginia is recognized for 3 minutes.

Mr. BYRD of Virginia. Mr. President, I support the position of the distinguished Senator from West Virginia (Mr. RANDOLPH), I must say, however, that I share the concern expressed by the Senator from Kentucky (Mr. COOPER), that general fund revenues for the first time will be used to supplement the highway trust fund.

The reason we are faced with this dilemma is that some of the highway user taxes, on which the highway trust fund must depend, are being eliminated. It is to make up for the elimination of part of the taxes that now go into the trust fund that the Committee on Finance felt it necessary to recommend $350 million from general fund revenues to be put into the trust fund.

The road system has been built entirely by highway user taxes. I think that is the way it should be handled. It would continue to be handled that way, except for the fact that we are now faced with the elimination of certain highway user taxes. In order to make up for that, the committee felt it necessary to recommend that $350 million be taken from the general fund.

I might say that the general fund revenues are being jeopardized not by the recommended action of the Finance Committee but because Congress is preparing to reduce highway revenues. That is the reason that the general fund is being utilized.

Mr. President, I support the position of the Senator from West Virginia who is making such a valiant fight today for the continued development of the Nation's highways.

Mr. RANDOLPH. Mr. President, as I understand it, the time of the movers of the amendment has now expired.

The PRESIDING OFFICER. The proponents have 2 minutes. The opposition has 8 minutes.

Who yields time?

Mr. PERCY. Mr. President, I yield 1 minute to the distinguished Senator from Connecticut.

Mr. WEICKER. Mr. President, I thank the distinguished Senator from Illinois for yielding.

Mr. President, to sum up what this involves, two basic things in the pending bill are wrong.

We are violating the integrity of the

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trust fund when we go into the general revenue. It is not a raid by those of us who are against the trust fund. It is a raid by the highway trust fund against the general revenue funds of this Nation. That is bad financing. That is bad transportation policy. It is also bad because if there is one aspect of transportation in this Nation that has been given adequate emphasis it is highways. Section 402 of this act does not stand to the credit of those who are responsible fiscally or those who are responsible transportationally.

We have thousands of transportation happenings in this Nation. We do not have a system. I would hope that we could bring ourselves to focus on a better balance, a better distribution of the funds. However, that argument will be made in future days.

The argument today is against an unwarranted raid by the highway trust fund on the desperately short general revenues of the country.

Mr. PERCY. Mr. President, will the distinguished Senator from West Virginia yield to me in view of the fact that I have only 60 seconds remaining and the opposition has 7 or 8 minutes remaining? If they do not intend to use that time, may I ask the distinguished Senator from West Virginia if he will yield part of the time to the distinguished Senator from Massachusetts and allow me perhaps 2 minutes in which to sum up my argument?

Mr. RANDOLPH. Mr. President, I am always in the posture of accommodating even those who are wrong in their position. Mr. President, I yield 2 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 2 minutes.

Mr. KENNEDY. Mr. President, I thank the Senator from West Virginia. As always, he is extremely accommodating, and I appreciate it very much. Mr. President, I rise to support the amendment now before the Senate which I have cosponsored and which I believe represents a step to avoid further distortions in our transportation priorities.

We are faced with a strange situation in which for the first time Federal liquor taxes would be funneled into the highway trust fund to increase an already swollen repository of Federal funds. The highway trust fund has built up a surplus of $3.6 billion. It is anticipated that another $786 million will be unexpended at the end of this fiscal year.

Yet while money for highways sits idle, the cities of this Nation are in immediate and dire need of funds to keep their urban mass transit systems running.

The contrast between the resources available for highway construction and the resources available for urban mass transit is stark indeed.

Over the past 14 years, the highway trust fund has spent $45 billion on highways including nearly $4 billion a year since 1965.

Yet since 1965, less than $200 million a year has been available for urban mass transit. And although the Congress has increased those funding levels somewhat in the past 2 years, the administration decision to withhold those funds has meant that urban transportation needs have been shortchanged. At a time when $900 million is authorized and $2.6 billion in applications are on file, this administration is planning to spend only $600 million.

To divert $350 million into the highway trust fund today would represent an additional perversion of our national transportation priorities. If that money is to be diverted from the general fund at all, then an objective view of where the Nation's greatest transportation priorities exist would dictate adding it to the Federal commitment to urban mass transit.

Diverting 7 percent of the revenues from Federal alcohol taxes into the highway trust fund would only add to the present lopsided and disjointed pattern on Federal transportation expenditures.

Today, cities and States are unable to plan rationally for the transportation needs of their constituencies. The fundamental flaw in our transportation "nonsystem" is that separate planning and separate funding exist for each mode of transportation.

The result, as the recent national transportation policy statement of the Department of Transportation noted, was that we have a transportation nonsystem with the following products: urban congestion, severe deterioration of local public passenger service, airport and air traffic congestion, hazards to safety, environmental degradation, and financial distress of major segments of the transport industry.

For these reasons, I introduced S. 295, the national transportation trust fund bill earlier in this session to seek to reorder those transportation priorities.

That bill, which is still pending before the Senate Commerce Committee, would assign the funds from a reinstituted 7-percent excise tax, funds from the highway trust fund, and funds from the airport trust fund into a single national transportation trust fund to finance the Nation's transportation needs.

It is obviously the only rational way to link the Nation's resources with our transportation needs. Comprehensive transportation planning could occur and States and regions could receive funds from this single source to carry out those plans.

Today the reverse is true. No comprehensive planning is possible because cities and States are able to obtain highway funds with ease but mass transit funds are almost nonexistent.

Federal legislation essentially gives them a choice of building highways or building nothing.

And the present language within the Revenue Act only further adds to the problem.

For these reasons, I strongly urge the Senate to approve the amendment now before us.

Mr. President, I ask unanimous consent to have printed in the RECORD my statement in support of national transportation policies, given before the Committee on Commerce on September 23, 1971.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR EDWARD M. KENNEDY BEFORE THE SENATE COMMERCE COMMITTEE IN SUPPORT OF NATIONAL TRANSPORTATION POLICIES

Mr. Chairman, I am pleased to have this opportunity to testify before the Committee in support of S. 2279, the National Transportation Act of 1971, as well as to speak on behalf of a corollary measure, S. 295, which I introduced last year and again early this session, a bill to establish a National Transportation Trust Fund.

At the outset, let me say that I would strongly urge this Committee in its evaluation of these bills to seek to combine the best features in a way that insures passage this session of legislation which will establish a firm National transportation policy based on our current needs. I would hope that these three elements will be reflected in that policy:

First, a single transportation funding mechanism such as the National Transportation Trust Fund;

Second, comprehensive, multi-modal regional, state and local planning;

And finally, a system that insures an allocation of federal funds in proportion to the critical transportation requirements of this nation in this decade, with the first priority being adequate funding to the transportation needs of the urban areas.

Mr. Chairman, transportation in the United States today ranges from the sublime to the ridiculous. We can point to a complex of systems that carries people and things more miles each day, in more directions and at greater speeds than any other nation. But we also must admit that disconnected, disjointed, and distorted expenditures of resources on the various modes of transportation have yielded a chaotic, expensive and unwieldy product.

We have a hydra-headed system consuming a steady diet of public and private funds and providing the nation a minimum of benefits.

The signs of major illness within our transportation system are not hard to discover.

—the nation spent $200 billion last year on transportation, yet it takes longer today to get from National Airport to New York than it did in 1953.

—While airlines are contracting to buy $15 million Lockheed tri-star airbuses, the current generation of 747's are flying to San Francisco with up to 70% of their seats empty. At the same time bus transit companies bought the fewest number of new buses than at any time since World War II.

—the federal government spent $3.3 billion on interstate highways last year, yet nearly every major public transit system lost millions of dollars and their pleas for federal assistance to cover right of way maintenance went unheeded.

The recent national transportation policy statement from Secretary Volpe concisely listed the products of our national transportation "non-system"; urban congestion, severe deterioration of local public passenger service, airport and air traffic congestion, hazards to safety, environmental degradation, and financial distress of important segments of the transport industry.

The essential weakness which congress must remedy is that separate programs requiring separate planning and providing separate funding have developed for each mode of transportation.

No city, state, or region is permitted the rational option of devising a comprehensive plan for all of its transportation needs or acquiring federal assistance to spend on the different modes of transportation in its comprehensive plan.

The Federal Government, through law and practice, has prompted a rigid misallocation of resources as a side effect of its attempt

to stimulate the construction of an interstate highway system and long-distance air travel.

It is to end this distortion and to permit a flexible response to changing conditions, that I strongly urge creation of a national transportation trust fund. It is time to unify the separate channels of funding which have tied the hands of city and state executives in their efforts to meet the overall transportation requirements of their constituencies.

I am most familiar with how this funding rigidity has affected the people of my own state. In the Boston metropolitan area, a single expressway forced the displacement of 2106 households. Daily in the city of Boston, 160,000 cars form a commuter parade into the downtown area which can absorb only 28,000 in off-street parking. Yet the city can obtain funds for more highways it doesn't need, while it is denied requests for mass transit.

The Governor's Task Force on Transportation reported in early 1970 that current highway plans took "almost no account at all of the job needs of residents, of the housing crisis of the metropolitan area, of the impact on community life or of the impact on the environment."

The 18-month moratorium on highway construction which followed that report continues and a re-study of the proposed routes and possible alternatives is now underway as urban residents seek to find a solution that meets their needs rather than the needs of highway planners.

Without denying the benefits of the highway system—and they are enormous when one solely views the objective of linking the various regions by modern highways—urban residents have other values that the inter-state highway system fails to consider.

Cities can no longer afford to give up two-thirds of their land to the accessories of the automobile, to the highways, to the roads, to the parking facilities. They will no longer accept the pollution and congestion which have accompanied the practice of bringing intercity traffic into the downtown area of our major cities.

Just as critical is the transportation dilemma of the proliferating urban corridors. The Washington-Boston northeast corridor is only one of several fully developed megalopolies. Yet the past efforts at devising an effective transportation system have been hampered by separate pressures from the supporters of air travel, the supporters of more highways, and supporters of more railroads.

Hopefully, the recommendation from the Department of Transportation concerning the Northeast Corridor will signal a new support for comprehensive planning and financing. It was based on a pioneering, multi-modal analysis which began in 1963. I am particularly pleased to see the strong endorsement of high-speed rail transportation. Also I think it is wise, because of environmental problems that have not yet been solved, to propose a further investigation of short take-off and landing and vertical take-off and landing air service.

Unfortunately, the Office of Management and Budget has not yet approved the outlay of federal dollars to implement these recommendations. I would hope that Congress will receive that approval shortly.

I believe that Congress should expedite its consideration of this proposal, permitting full discussion from the various state governors and urban representatives who will be affected.

Although this proposal from Secretary Volpe should be applauded, it remains an anomaly in our national transportation planning and financing. Unfortunately, the revenue sharing proposal which now bears the seal of approval of this Administration is more farce than substance. It excludes nearly 80% of the Highway Trust Fund as well as half of the funds available under the Airport Trust Fund. Instead of flexible financing, the same rigidities which reflect the enormous power of the interest groups involved, have been maintained in this so-called revenue sharing proposal. Future sharing of any funds in the Highway Fund are limited to highway-oriented activities and monies from the Airport Trust Fund are to a large degree limited to aviation activities.

Also, the Administration once more relegates cities and urban mass transit to the role of the unwanted stepchild of U.S. transportation. Congress has authorized $900 million for urban mass transit this year, but the Nixon revenue sharing proposal would assure only $525 million for that purpose. Also, instead of changing the out-of-date allocation formula for highway funds which favors non-urban areas, the Administration locks the old rural mail delivery route mileage factor in the revenue sharing allotment formula.

Thus, by protecting the old treasure chests of federal funds for highways and airports, reducing the assured monies for urban transit, and maintaining distorted allocation formulas, the Administration's revenue sharing proposal perpetuates: "(A system) structurally unbalanced with under investment in some modes and over investment in others . . ."

It is for that reason that I believe a national transportation policy that carries out the implications of the Secretary's own policy statement must include: First, a single transportation funding mechanism such as the National Transportation Trust Fund; second, comprehensive, multi-modal, regional, state and local planning; and finally, a system that insures that our critical urban transportation needs are met.

NATIONAL TRANSPORTATION TRUST FUND

I testified before this Committee last year in favor of a National Transportaiton Trust Fund and later introduced a bill to achieve that goal. I have reintroduced the measure in this session and believe that its passage would represent a balanced, flexible mechanism for financing our transportation requirements.

The National Transportation Trust Fund would receive tax revenues currently channeled into the Highway Trust Fund and the Airport and Airway Trust Fund. These include the revenues from taxes on motor fuel, rubber, trucks, trailers, lubricating oils, truck and bus parts and heavy vehicle use. It also would include the increased passenger fare tax, the tax on general aviation fuel as well as aircraft registration taxes.

In addition, I propose that the 7% excise tax imposed on the sale of new highway vehicles would be retained, with the proceeds of approximately $2.3 billion paid directly into the National Transportation Trust Fund. In addition to the estimated $5 billion from the Highway Trust Fund and the $265 million from the Airport Trust Fund, this would provide a single $8 billion fund to finance our transportation needs.

The bill also requires that a single transportation agency be formed at the state level. To obtain any funds, that agency must design comprehensive, multimodal transportation plans, incorporating the transportation plans of urban areas over 50,000. The bill also encourages interstate cooperation. I would urge any final version to insure a full regional planning capability.

It is important to note that the allocation from the Transportation Trust Fund would be to states on the basis of population as determined in the most recent decennial census. The most acute transportation problems today relate to the pressure of population rather than to the distances between cities. It seems appropriate to match our allotment to present realities. I would suggest that a final version spell out in detail the requirement that the pass-through mechanism assure adequate funding within the state to urban areas, permitting them block grants to carry out their comprehensive transportation plan.

For the past fifteen years, we have watched as nearly $3 billion a year was spent from the Highway Trust Fund to finance the construction of the interstate highway system. Now, in many states, the remaining elements in that system affect the cities. And in many cities, those plans are either not feasible or not desirable.

Yet the states and cities have a simple choice foisted upon them by federal legislation: build highways or build nothing.

They are lured by the availability of ten cent federal dollars, if they build highways. And so they build highways and the nation's changing transportation needs go unmet.

The cities testified last year. The states testified last year. Transportation authorities testified last year. And all pointed to the inadequacies of single mode financing, financing which has distorted our priorities and financing which has severely hindered state and city governments from meeting their own local problems.

It was for that reason that I proposed the National Transportation Trust Fund. And I believe it was for the same reasons that Secretary of Transportation John Volpe stated to this Committee:

"We believe the eventual goal here, at least as I look forward 2, 3, 5, years . . . is the development of a total transportation fund."

I differ from the Secretary only in that I believe the time to approve a National Transportation Trust Fund is not some years into the future. The time is now.

The second element of a new National Transportation Policy which I would urge upon this committee is contained within the bill put forth by Senator Magnuson, S. 2279. This measure, which I have cosponsored, announces an intention of achieving planning that integrates transportation with other social and environmental systems, planning that is multi-modal, planning that permits full citizen participation and planning that is combined with flexible financing allocated according to local, state and regional transportation needs.

S. 2279 provides the nation with an opportunity lacking for three decades, an opportunity to plan, develop and execute a National Transportation policy designed at each appropriate level of government.

Integrated planning of a balanced transportation network cannot be delayed any longer. For only in this way can the new technologies already available in the transportation field be harnessed to local needs, technology such as high speed rail vehicles, tracked air cushion vehicles, STOL and VTOL aircraft.

The Committee for Economic Development stated recently: "More and more, both central cities and suburb are accepting the fact that traffic delays and congestion can be avoided only by bringing together and meshing the plans and policies of state highway departments, airport and bridge authorities, rapid transit authorities, bus companies and all local governments."

Now it is time for the federal government to recognize the need for regional planning. The proposed legislation would establish regional transportation authorities to accomplish this purpose.

In some respects models already tested in the northeast corridor point in the direction outlined in S. 2279. Thus, the corridor already boasts the New England Regional Commission, which since 1965 has completed two comprehensive studies of the transportation needs of this section of the northeast corridor. And most recently, it has filed a proposal for a rail passenger service network for New England.

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Hopefully, other regional authorities within the corridor soon will be created along with an overall corridor authority. With regard to the planning mechanism proposed in S. 2279, I would offer the following suggestion for the Committee's consideration: I believe there must be the maximum flexibility accorded to states and cities, particularly to those states with departments of transportation and to those cities which form metropolitan transportation entities. They must have the first opportunity to define the appropriate transportation region for their needs.

The state and city representatives also should be able to serve on more than one regional authority. For example, the State of Massachusetts should be a member both of a New England Regional Authority—which I hope would be the New England Regional Commission—and a northeast corridor authority.

But most important, I would urge that a pass through arrangement be incorporated into the regional planning process. In this way, just as many urban areas receive a specific share of funds allocated to states, so also should they receive funds for planning and be assured that their plan is integrated into the regional plan.

At the local level, this would permit strong citizen participation in the development of metropolitan transportation designs. Too often, the past failure to incorporate neighborhood views into the planning process has meant ivory-tower projects that conflict with local needs and desires.

And in many cases, the resulting conflicts could easily have been avoided had there been community involvement in the planning process at the outset. Also, I would urge that the role of federal co-Chairman be altered to a primarily liaison and advisory function. I believe it would be unwise to create a situation where several governors and the mayors from a region could reach consensus and then find themselves faced with a veto from the federal co-Chairman.

With these modifications, I believe that the regional planning capability presented in S. 2279, would remedy the disjointed planning we have seen in the past and incorporate rational and comprehensive planning as part of a new national transportation policy.

The third element in a new policy is the assurance that priority will be given to the nation's urban areas which face the gravest transportation crises. Although the Urban Mass Transportation Assistance Act was a significant landmark, it fell far short of the current estimates of what is needed during the next decade.

The American Transit Association and the Institute of Rapid Transit calculate that between $28 and $34 billion will be required for new mass transit programs to alleviate urban congestion during the next decade. Yet we have authorized far less.

Cities rightly claim that they are discriminated against in the allocation of transportation funds. The National League of Cities estimates that over half of the nation's $16 billion in highway user taxes will be collected in urban areas but those areas will receive substantially less than their fair share in return. For example, of the money available for non-interstate routes, cities receive $457 million while non-urban areas can expect over a billion dollars."

The Administration has made it even less likely that urban areas will obtain the funds they need for local transportation requirements. Despite the congressional directive to spend up to $600 million on urban mass transit last year, and despite the more than $2 billion in applications on file, the Administration last year chose to parcel out only $400 million. This year, the current file is now at $2.7 billion and congressional authority for $900 million exists, yet the administration has disclosed it intends to approve only $600 million.

I believe that through the creation of a regional planning mechanism with the assurance of pass through funding for urban transportation planning and through the creation of a national transportation fund again with pass through allocation of funds to urban areas, we can assure that the transportation needs of the cities are met.

Mr. Chairman, we have seen the failures of separate transportation planning and single mode financing in the past and the time is long overdue for a coherent national transportation policy which will remedy these failures. I believe the enactment of legislation incorporating comprehensive, multi-modal planning at regional, state and local levels and the creation of a national transportation trust fund would place this nation on the path to resolving its transportation needs in the coming decade.

Mr. RANDOLPH. Mr. President, do I understand that the Senator from Illinois wants an additional minute?

Mr. PERCY. Mr. President, if I could have 1 additional minute for the Senator from Connecticut and 1 additional minute for myself, I would appreciate it.

Mr. RANDOLPH. Mr. President, I am so sorry that the Senators missed the debate this morning. I yield 1 minute to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I am pleased to be a cosponsor of the amendment offered by the distinguished Senator from Illinois (Mr. PERCY) to delete from the pending tax bill the provision which would divert alcohol tax revenues into the highway trust fund.

During the Finance Committee's consideration of the tax bill, I attempted to have this provision eliminated. Unfortunately, the committee decided to retain it.

Last Friday I offered an amendment on the Senate floor that would have earmarked the alcohol tax revenues for use only for urban mass transportation programs. That amendment was rejected by the Senate 32 to 39.

It is both ironic and irrational for alcohol tax funds to be used for highway construction in light of the unchallenged fact that the use of alcohol is the major cause of thousands of deaths each year on our highways. A great need exists in this country for improved transportation, but the need is for improved mass transportation, not more miles of highways. I hope that the Senate will now join with Senator PERCY and myself in deleting the provision entirely.

Mr. RANDOLPH. Mr. President, I yield 1 minute to the Senator from Illinois.

Mr. PERCY. Mr. President, I thank the distinguished Senator from West Virginia.

First, why are we worried about $350 million when we have billions of dollars available to the trust fund?

Mr. RANDOLPH. It is not $350 million for the life of the trust fund. It is $2.2 billion.

Mr. PERCY. That is correct. And that is the very point I make.

Mr. RANDOLPH. The Senator asks why we should worry about it.

Mr. PERCY. Mr. President, if the $350 million were to be set up in a foundation at 5 percent, to get $350 million income a year, that foundation would have to have $17 billion in it. So, this is a very significant action we are taking.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. PERCY. Mr. President, may I yield on the time of the Senator from West Virginia?

Mr. RANDOLPH. Mr. President, the Senator knows that every penny is needed to complete this program. This is an uncontestable situation.

Mr. PERCY. Mr. President, if the Senator from West Virginia feels that more money is needed, I would suggest that if the highway trust fund proves unable to fund the highway programs that are necessary in the future, it would be far more appropriate for Congress to increase revenues from the remaining highway user taxes. For example, the tax on gasoline—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. RANDOLPH. Mr. President, I yield 1 additional minute to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 additional minute.

Mr. PERCY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the entire letter from the Treasury Department in which they indicated that light trucks, by reports published in the papers, have not been properly taxed or have borne an unusually large share, while the heavy trucks have not borne their due share. Therefore, we could raise more revenue by increasing the fuel tax. Certainly we could raise $1,200 million if we put a tax of 2 cents a gallon on leaded gasoline. We could improve the environmental control by putting a premium on gasoline that pollutes the air.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPARTMENT OF THE TREASURY,
Washington, D.C., November 16, 1971.

DEAR SENATOR PERCY: You have asked for a statement of the Treasury Department's position as to the action of the Finance Committee in allocating 7 percent of the excise tax collections on alcoholic beverages (about $350 million) to the Highway Trust Fund to compensate for the loss of approximately the same amount from the repeal of the excise tax on light-duty trucks. The Administration's position on this matter is set forth in the letter from Donlad Rice, Assistant Director, Office of Management and Budget, to you dated November 15, 1971. In this connection, there are several considerations which we previously brought to the attention of the House Ways and Means Committee.

1. The Highway Trust Fund is well-financed. The Trust Fund balance as of June 30, 1971, was almost $4 billion. Even with the repeal of the tax on light trucks, the balance is expected to rise to almost $4.5 billion by June 30, 1972, and to almost $5 billion by June 30, 1973. By June 30, 1975, the balance is projected to exceed $5 billion. Revenues appear to be more than sufficient to meet projected expenditure. The repeal of excise tax on light-duty trucks does not threaten the ability of the Fund to meet its present obligations.

2. Prior to the Committee action, light trucks were taxed *more* than their share of highway costs and heavy trucks less. When the Congress set up the Highway Trust fund in 1956, it directed the Bureau of Public Roads (now the Federal Highway Administration) to make a study of the cost of building roads to meet the requirements of different types of vehicles in relation to the Federal excises derived from the vehicles, so that the Congress could revise, if necessary, the excises used to finance the Highway Trust Fund. This study (*Supplementary Report of the Highway Cost Allocation Study*) House Doc. No. 124, 89th Congress, 1st Sess., March 24, 1965, came to the conclusion that the Federal highway excises did not recoup from heavy trucks their full share of highway costs. As a result, there were official recommendations for increases in the diesel fuel tax and the annual use tax on combination units. The Congress, however, never took any action on these recommendations.

Published studies demonstrate that trucks with gross weight under 4,000 pounds should pay only .370 cents per vehicle mile but in fact pay .516 cents; trucks weighing between 4,000 and 8,000 pounds should pay .307 cents and do pay .508 cents; and trucks with weight in excess of 8,000 pounds (two axle trucks which generally do not exceed 10,000 pounds gross weight) should pay .272 cents and do pay .554 cents.

3. In general, the earmarking of funds for specific use, as in highway programs, is poor policy. If an expenditure project is worthwhile, it will win in open competition with other expenditure projects. Earmarking vitiates this healthful competition.

Sincerely yours,

JOHN S. NOLAN,
Deputy Assistant Secretary.

Mr. PERCY. There are many ways which we could raise the revenue. Why take it out of the general revenues that are in short supply when we have a $34 billion deficit and when we are turning down programs to feed the hungry people to provide adequate health care, and to provide welfare for our people because of the lack of funds. We have these huge funds in the Highway Trust Fund.

THE HIGHWAY TRUST FUND SHOULD GO DOWN, NOT UP

Mr. PROXMIRE. Mr. President, I strongly support the amendment offered by the Senator from Illinois, which would prevent transfer of revenue from the alcoholic beverage tax to the highway trust fund.

This issue was discussed in the Senate last Friday evening. I pointed out at that time that there is already an enormous surplus in the highway trust fund. I also pointed out that the Joint Economic Committee, after thorough study of this subject, has recommended that the highway trust be phased out.

Every public and private research group which has really looked ahead to our future public needs has concluded that it will be extremely difficult to meet our needs for education, for health care, for public transportation, for housing, unless we actually increase taxes. This is the conclusion of the urban coalition. It is the conclusion of the economic experts at Brookings. I believe it is the conclusion of the Office of Management and Budget, although, of course, they can hardly publicly talk about future tax increases.

In this situation of extreme budgetary stringency in so many areas, it just does not make any sense to transfer funds from general revenues to a specialized use for which enormous surpluses are already available. The Interstate System has made an enormous contribution to the efficiency of transportation between cities. I support the completion of those portions of the Interstate System which are genuinely designed for transportation between cities and which do not impose an excessive social cost in terms of their damage to the environment. Bringing the Interstate System through the heart of our major cities is another question, however. Many of these very expensive proposed urban segments of the Interstate System are being delayed because local citizens oppose them. Local citizens realize that the environmental costs are too high. Local opposition is so strong that many of these highways simply are not going to be built.

This is as it should be. What right has the Federal Government to force our cities to pave themselves solid with concrete? We have no right at all, and fortunately, citizen action groups are increasingly active in reminding us that they have the right to be spared unwanted highways.

Because of this, many of the most expensive remaining segments of the Interstate System will not be, and should not be, completed. One benefit of this will be that it will save the Federal Government some money. But this benefit will be realized only if we can pry this money out of the highway trust fund and make it available for other uses.

This is why I feel so strongly that we should be taking money out of the highway trust fund—either by broadening the uses of this fund or, better yet, by phasing out this fund entirely. To move in the opposite direction; to take money out of general revenues and put it into the highway trust fund really seems an incredibly perverse idea. The archeologist of the future, studying our 20th century civilization, would certainly shake his head in bewilderment to discover that we have taken money away from public transit, or from housing, or from education and put it into building more miles of concrete bringing more automobiles into our clogged cities. But this is precisely what we will be doing if we take money out of general revenues and put it into the highway trust fund.

The amendment by the Senator from Illinois would save us from this perverse action. I urge the amendment be adopted.

Mr. TUNNEY. Mr. President, the vote on the amendment by Senator PERCY, to channel alcohol excise taxes into the highway trust fund, is one of the few occasions on which I am unable to support my distinguished chairman of the Public Works Committee, the Senator from West Virginia (Mr. RANDOLPH). I regret that. But it gives me a special opportunity to speak very directly about my great respect for him and for contributions he has made to our country, and to the cause of environmental protection.

As to the immediate issue before the Senate, I recognize the Ways and Means Committee of the House and the Finance Committee together acted to eliminate the excise tax on light trucks. Although I question whether the automobile excise tax should have been reduced so abruptly, because I think there are other and fairer ways to give tax relief to consumers, I do feel that whatever treatment is given to automobile excise taxes should be extended equally to the taxes on light trucks. Both are frequently used as personal vehicles, and I think this step is needed to avoid unintended discrimination.

As a consequence of this step, however, approximately $365 million in highway trust fund revenues will be lost. The Committee on Finance now proposes to replace these with a diversion of approximately $350 million in revenues from the alcoholic beverage excise tax.

The distinguished Senator from Illinois (Mr. PERCY) proposes we do not take that step of diverting those revenues into the trust fund. I support his proposal.

I have reviewed with the greatest care the thorough and eloquent arguments of my distinguished chairman, who speaks with the experience of his many years of deep involvement with our national highway program.

Briefly, I have concluded that it would be unwise on our present national priorities to confirm a precedent of adding to the highway trust fund from general revenues; that the question of replacement should be raised on its own merits at a later date when moneys in that fund have dropped to a point which makes the question an immediate one; and that we urgently need to examine all questions involving diversion of moneys to the trust fund against our present national needs to allocate far more general revenues to other kinds of transportation systems.

Apart from the immediate issue, however, I think this is an excellent occasion to reaffirm our recognition of the able and forward-looking leadership which Senator Randolph has given to this country in recent years.

During Senator RANDOLPH's chairmanship of the Public Works Committee, our Nation has gained immensely from his sponsorship of the vast range of economic development programs and environmental protection legislation which the Public Works Committee has produced. The productivity of that committee under his guidance speaks for itself and is the best witness to his statute: the Clean Air Act of 1970; the water quality legislation passed unanimously by the Senate in the last few days; major legislation dealing with solid waste management and the recycling of resources; expansion of our national highway programs to cover areas of economic development and provide greater environmental protection; active support for mass transit programs to expand our national commitment to other transportation systems; and most recently, a new extension of the committee's concern toward our most urgent domestic social problems in urban economic and social development. This is an unusual and comprehensive legislative structure. It is a basis for national growth and environmental protection which will give us all the opportunity to improve the quality of our lives during the rest of this century.

Beyond these specific contributions by the committee, I can testify personally to the remarkable freedom and openness of dialog which prevails under Senator RANDOLPH's effective leadership of the Committee on Public Works.

In my 7 years in the Congress, I have never before participated in the kind of

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thorough dialog and fairminded consideration which characterized the recent long committee discussions of the Federal Water Pollution Control Act Amendments of 1971. I think this insistence on continued open discussion, on allowing all committee members to reach an orderly and fair conclusion to debate, and on keeping open the lines of communication, lies at the heart of the Public Works Committee's extraordinary productivity. All Senators contribute, from the most junior to the most senior; all are heard; innovative ideas are encouraged and tested with imagination and care.

It is a pleasure to serve with my diligent and distinguished colleague (Mr. RANDOLPH) in the public interest. I look forward to working with him in the future as in the past.

The PRESIDING OFFICER. The Senator from West Virginia has 2 minutes remaining and the Senator from Illinois has 1 minute remaining.

Mr. RANDOLPH. Mr. President, will the Senator from Illinois yield me 1 minute? I have yielded him 3 minutes.

Mr. PERCY. Mr. President, I am very happy to yield back the 1 minute that the distinguished Senator yielded to me.

Mr. RANDOLPH. Mr. President, it is very important to realize that we are the edge of a breakthrough from the standpoint of motor vehicles which will operate on the highways, roads, and streets of the United States of America with a minimum of pollution.

These are the sort of programs which came from the Committee on Public Works to reduce the pollution from motor cars in the United States of America. In reality we are on the edge of the solution to the pollution problem today. The solution will come and our roads will be used by vehicles moving with a minimum of pollution. The integrity of the fund ought to continue and the fund should be used to construct roads in the United States of America and not be hampered by the amendment proposed by the Senator from Illinois and others.

Mr. President, we in Congress have a responsibility to keep this program moving forward until its completion.

I repeat for the third time today that I am grateful for the opportunity to join in the transportation fund. I have joined in the airport and airways trust fund as well as the highway trust fund. We do need a balanced transportation program in this country. However, it will not be reached by the procedure proposed in the amendment which would be crippling in nature to the mobility of America, the movement of our people, and products in this country.

Mr. WEICKER. Mr. President, will the Senator yield for a question?

Mr. RANDOLPH. I yield, if I have the time.

Mr. President, do I have time remaining?

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Connecticut has 1 minute remaining.

Mr. WEICKER. Mr. President, I wish to ask my colleague from West Virginia about the integrity of the general fund. The Senator keeps referring to the integrity of the highway trust fund. What is at issue this morning is the integrity of the general fund because it is that fund that is being dipped into by the highway trust fund.

No one is dipping into the highway trust fund; it is the other way around. I hope we have legislation before this body shortly to rectify the situation. Now how about the integrity of the general fund?

Mr. RANDOLPH. Mr. President, if I may reply, I do so by saying it is $350 million a year which will come from the highway trust fund. That is what is proposed in the amendment.

Mr. WEICKER. What is proposed in the bill is $350 million from the general fund.

Mr. PERCY. The Ways and Means Committee discussed in executive session the question of replacing money lost and they chose not to replace it in this way.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois (Mr. PERCY) and the Senator from Connecticut (Mr. WEICKER). On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TUNNEY (after having voted in the affirmative). On this vote I have a live pair with the Senator from Tennessee (Mr. BAKER). If he were present, he would vote "nay." If I were permitted to vote I would vote "yea." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN) would vote "yea."

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT) and the Senator from Idaho (Mr. JORDAN) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Tennessee (Mr. BAKER) and the Senator from Maryland (Mr. MATHIAS) are detained on official business.

The pair of the Senators from Tennessee (Mr. BAKER) has been previously announced.

The result was announced—yeas 43, nays 46, as follows:

[No. 340 Leg.]

YEAS—43

Bellmon	Church	Eagleton
Boggs	Cook	Fong
Brock	Cooper	Fulbright
Brooke	Cranston	Goldwater
Buckley	Dole	Gurney
Case	Dominick	Harris
Hart	Muskie	Roth
Hartke	Nelson	Scott
Hatfield	Packwood	Stafford
Humphrey	Pastore	Stevenson
Javits	Pearson	Taft
Kennedy	Pell	Weicker
McIntyre	Percy	Young
Miller	Proxmire	
Mondale	Ribicoff	

NAYS—46

Aiken	Ervin	Metcalf
Allen	Fannin	Montoya
Anderson	Gambrell	Moss
Beall	Gravel	Randolph
Bennett	Griffin	Schweiker
Bentsen	Hansen	Smith
Bible	Hollings	Sparkman
Burdick	Hruska	Spong
Byrd, Va.	Hughes	Stennis
Byrd, W. Va.	Inouye	Symington
Cannon	Jordan, N.C.	Talmadge
Chiles	Long	Thurmond
Cotton	Magnuson	Tower
Curtis	Mansfield	Williams
Eastland	McClellan	
Ellender	McGee	

PRESENT AND VOTING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Tunney, for

NOT VOTING—10

Allott	Jordan, Idaho	Saxbe
Baker	Mathias	Stevens
Bayh	McGovern	
Jackson	Mundt	

So the Percy-Weicker amendment (No. 657) was rejected.

Mr. RANDOLPH. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. BYRD of West Virginia. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 642

The PRESIDING OFFICER. Under the previous order, the amendment of the Senator from Delaware (Mr. ROTH) is laid before the Senate, on which there is a limitation of 2½ hours, to be equally divided between the author of the amendment and the manager of the bill.

The amendment will be read.

The assistant legislative clerk read the amendment, as follows:

SEC. . CEILING ON FEDERAL OUTLAYS DURING FISCAL YEAR 1972.

(a) Expenditures and net lending during the fiscal year ending June 30, 1972, under the Budget of the United States Government (estimated on page 522 of House Document Numbered 92–15, part 1, Ninety-second Congress) shall not exceed $229,232,000,000.

(b) The President shall reserve from expenditure and net lending, from appropriations or other obligational authority heretofore or hereafter made available (including amounts made available to carry out programs to which title IV of the Elementary and Secondary Education Amendments of 1967 as amended or title VI of the Medical Facilities, Construction, and Modernization Amendments of 1970 would otherwise be applicable), such amounts as may be necessary to effectuate the provisions of subsection (a).

(c) In the administration of any program as to which—

(1) the amount of expenditures or obligations is limited pursuant to subsection (a), and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution,

the amount available for expenditure or obligation (as determined by the President) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, I yield to the Senator from West Virginia.

PRIVILEGE OF THE FLOOR

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that Mr. Bob Davenport and Mr. Ed Barber, both aides of the Senator from Delaware, be permitted to be present on the floor during the consideration of this amendment, with the exception of the time during the rollcall.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. ROTH. I yield myself 15 minutes.

Mr. President, I call up for immediate consideration amendment 642, an amendment to the pending bill designed to place an absolute ceiling on Federal expenditures during the present fiscal year. This amendment, which is cosponsored by the distinguished Senator from Tennessee (Mr. BROCK), the distinguished Senator from New York (Mr. BUCKLEY), the distinguished Senator from California (Mr. CRANSTON), the distinguished Senator from Kansas (Mr. DOLE), the distinguished Senator from Arizona (Mr. FANNIN), the distinguished Senator from Florida (Mr. GURNEY), and the distinguished Senator from Wisconsin (Mr. PROXMIRE), is as simple as it is necessary.

Briefly, it would place a lid on Federal spending for fiscal year 1972 at $229,232,000,000, which is the amount contained in the President's original budget request submitted to the Congress in January of this year.

Unlike spending ceilings which have been offered or enacted in the past, this proposal permits no exceptions; if increases are required in one area, there must be equivalent reductions in others. This, it seems to me, is the only realistic way to keep any meaningful ceiling on Federal spending.

As I stated earlier, this proposal would require spending in this fiscal year to be held at the $229.2 billion level, which is the amount requested by the President in January. Since that time, spending estimates have gone up to $232 billion—or an increase of about $2.8 billion. If enacted, this amendment would require a cutback of that amount.

But this amendment calls for a cut of only about 1.2 percent in order to reach the original budget figure. I do not think that is too much to ask the Federal Government to do to assist in the fight against inflation.

The bill we are considering today is before us as a result of the President's efforts to stimulate the private sector of the economy, to reduce unemployment, and to bring under control the inflationary spiral which has eroded so much of the value of the American dollar in recent years.

The President's goals are goals we all seek, and I should state right here that I am in full support of the actions the President has taken to date to right the wrongs in the American economy.

The job is an enormous one and one which will require the cooperation of individuals, business, labor, and Government. We here in Congress can and must set an example for the American people if we wish to enlist the vital support of the public in the fight against inflation. This is an area where the Government must clearly take the lead by putting its own fiscal house in order. Certainly we cannot in good conscience ask labor's cooperation in wage settlements, ask business to hold down prices, and in general call for sacrifices on the part of every citizen if we are not willing to do the same.

If restraint in spending on the part of the Federal Government were nothing more than the example of leadership, the American people have a right to expect from their Government, that alone would be sufficient reason to support this amendment. But the effect Federal spending has on the general economy of this Nation is enormous. Just as it can be an important stimulus to a sluggish economy, it can, when resultant deficits are financed by increasing the money supply, become an uncontrollable engine of inflation.

President Nixon took notice of this fact in his economic message of September 9, 1971, when he said:

> Now, in the coming year, this Congress will face many temptations to raise spending and to cut taxes, in addition to the recommendations I have made. I understand those temptations. In the short run, they will be very popular proposals. But as we look at the realities of our budget at this time, we must face up to this hard fact: any additional spending increases not accompanied by tax increases—and any additional tax cuts not accompanied by spending cuts—will be certain to start us again on a spiral of higher prices.
>
> To spend more than we can afford or to tax less than we can afford, is the sure route to prices higher than we can afford. I ask, therefore, that the Congress be responsible in recognizing these realities.

The distinguished chairman of the House Appropriations Committee (Mr. MAHON) put the problem in perspective in a statement on the House floor on September 22, 1971. Mr. Mahon said:

> I believe the time is coming when we ought to pay more heed to trying, really, to balance the budget. It is not that we can balance it immediately, but if we could stimulate the confidence of the people in the dollar at home and abroad by coming nearer to balancing the budget we could go a long way toward licking inflation.
>
> Probably the greatest engine of inflation—

Mr. MAHON continued—

> is spending far beyond the funds we have on hand to expend as a Federal Government. When the Federal Government over a period of three years expends probably $80 billion or so more than it receives in Federal funds and thus hikes the national debt, it is bound to have a very serious impact, if not a disastrous impact.

Today we are faced with the prospect of a deficit in this fiscal year of staggering proportions. The latest estimate, before the recent action of the Senate on the pending bill, is just under $34 billion. This is by far the largest annual deficit since the early 1940's and the years of World War II.

I am talking here, of course, about the deficit in regular Federal funds—not including the trust funds which are accounted for under the unified budget of recent years, and not the so-called "full employment" budget. But the money in the trust funds, as we all know, is not money that can be used for general Government purposes, and to use a surplus in trust fund receipts in a given year to offset deficits in the regular budget is to engage in a bit of accounting legerdemain that the Federal Government probably would not approve of if it were tried by the average citizen. The unified budget may help to make a bad situation look a little better, but its use does not disguise the fact that the real deficits continue to show up in the growing national debt.

But even keeping in mind the shortcomings of the unified budget as a realistic yardstick for measuring Federal deficits, it should be noted that even after that cosmetic has been applied, the predicted deficit for this year is in the neighborhood of $27 billion—the highest it has been since this form of bookkeeping was discovered.

Even the full employment budget—which is intended to put an even better face on things—shows a potential deficit of $8 billion.

Again I must emphasize that this is before the Senate took its recent action on the current bill. It is my understanding that we have now actually added approximately another $5 billion, by the action the Senate has taken this week, if it is ultimately enacted into law. This would be a serious deficit even under the old accounting method; as a full employment budget it is intolerable. So no matter how you look at it, no matter which form of accounting you prefer, we are facing a budget deficit this year of enormous proportions. Under the Federal funds system it is $34 billion; under the unified budget system it is about $27 billion; and under the full employment budget it is $8 billion.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. ROTH. I yield.

Mr. CRANSTON. I am reluctant to interrupt the Senator's statement, but, as the Senator knows, I have to be away from the Chamber for a substantial period of time, and I wanted to indicate my support for the Senator's amendment and express my admiration for the leadership he has provided.

Senator ROTH's amendment to put a ceiling on Federal expenditures provides a necessary safeguard against unforeseen problems which could be caused by this revenue bill.

This bill contains numerous tax cuts for the purpose of stimulating our economy—such as the investment tax credit and increased personal exemptions. These tax cuts are intended to stimulate industrial investment and consumer spending.

If the fiscal return on these tax cuts is not as great as we now anticipate, we could end up in a serious fiscal bind which will force interest rates to skyrocket. Hopefully our estimates of return on tax cut investments are correct. But we need to guard against the problems that could arise if we are wrong. By establishing a spending ceiling, the Congress will be sure to take a careful look

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at what fiscal changes should be made if a fiscal crisis occurs. We can then decide whether to reduce the tax cuts, reduce Federal spending or take steps designed to stabilize interest rates.

This safeguard measure assures a congressional voice in the realinment of our priorities if a fiscal crisis occurs. We should have a voice in that decision. I urge adoption of this amendment.

I again express my gratitude that he has provided this leadership in offering the amendment.

Mr. ROTH. I thank the Senator from California.

Mr. President, I believe it would be most helpful to Senators to have available two tables which concisely show what has been happening in the area of Federal spending over the years. The first table shows the budget revisions for this year, as calculated by the Joint Committee on the Reduction of Federal Expenditures.

Table II is an expanded form of a table submitted last week by the distinguished Senator from Virginia. (Mr. BYRD). It shows the Federal deficit between 1963 and 1972 calculated three ways—Federal funds, unified budget, and full employment budget. In addition, it recounts the total gross Federal debt and the annual interest payments for those 10 years.

I ask unanimous consent that these two tables be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—FISCAL YEAR 1972 (SEPT. 9 BUDGET REVISIONS)

[In millions]

	Outlays	Receipts	Deficit
Jan. 29 budget estimates	$229,232	$217,593	−$11,639
Sept. 9 budget estimates:			
Revisions and up-dating:			
"Uncontrollable" outlay increase	+3,000		
Congressional action on outlays:			
Appropriation bills	+880		
Other legislation	+2,239		
Emergency employment program	+700		
Revenue reestimates		−7,700	
Other, net, including rounding	+949	+7	
Subtotal, revisions, etc	+7,768	−7,693	−15,461
Total, after Sept. 9 revisions	237,000	209,900	−27,100
Sept. 9 budget estimates—Con.			
Reductions and program changes:			
Postponement of Federal pay raise	−$1,300		
Withdrawal or postponement of certain proposals contemplated in the January 29 budget:			
Revenue sharing	−1,600		
Welfare reform, etc	−600		
Social security tax increase		−$1,800	
Other reductions:			
Foreign assistance	−200		
Federal personnel cut, etc	−800		
Import surcharge, etc		+1,700	
Investment tax credit		−2,700	
Personal income tax exemption		−900	
Auto excise tax repeal		−2,200	
All other, net	−500		
Subtotal, reductions, etc	−5,000	−5,900	−$900
Total, after Sept. 9 revisions and reductions, etc	232,000	204,000	[1] −28,000

[1] Based on administration's proposed revenue package, not H.R. 10947 as passed.

Source: Joint Committee on Reduction of Federal Expenditures.

TABLE II.—BALANCES IN FEDERAL FUNDS, UNIFIED BUDGET, AND FULL EMPLOYMENT, LEVELS OF FEDERAL DEBT, AND DEBT INTEREST, 1963-72 INCLUSIVE

[In billions of dollars]

Year	Federal funds	Unified budget	Full employment budget	Total gross Federal debt [2]	Total debt interest [2]
1963	−6.5	−4.8	+4.4	310.8	10.0
1964	−8.6	−5.9	+2.1	316.8	10.7
1965	−3.9	−1.6	+2.4	323.2	11.4
1966	−5.1	−3.8	−6.1	329.5	12.1
1967	−15.0	−8.7	−10.6	341.3	13.5
1968	−28.4	−25.1	−25.2	369.8	14.6
1969	−5.5	+3.2	0	367.1	16.6
1970	−13.1	−2.8	+2.6	382.6	19.3
1971	−30.2	−23.2	−3.2	409.5	20.8
1972	[4] −33.3	[4] −26.7	[4] −8.0	442.8	21.2

[1] As of Dec. 31.
[2] Includes interest on debt securities held by Government agencies.
[3] Estimated figures.
[4] Based on revenue cuts of $4,900,000,000 passed under H.R. 10947.

Source: Office of Management and Budget.

Mr. ROTH. Table II shows that government spending has—as we all know—risen steadily over the past decade. In 1960, for example, Federal, State, and local government spending amounted to 27 percent of the gross national product. This year, government spending on all levels will account for more than 32 percent of the GNP.

Even more alarming is the fact that Federal spending is becoming less and less controllable. In 1960, income security, veterans' benefits and services, and interest payments on the national debt amounted to 34.6 percent of total outlays. In 1972, it is estimated they will equal 40.4 percent.

As a result of the enormous rise in Federal spending, and the failure of tax revenues to keep pace with the spending, the public debt may rise to a record $429 billion from about $291 billion just 10 years ago. Meanwhile, the interest on the debt has climbed from $8.1 billion to an estimated $21.1 billion in the same period.

These figures do not indicate that the Federal Government has been willing to exercise the restraint that it is now calling on the private sector to practice. And that failure to hold the line in Government spending has, I am afraid, an effect far beyond the confines of our own boundaries; it does not go unnoticed by other nations that we continue to be careless in our own financial affairs. It seems to me that if ever there were a time to show the world we are capable of exercising fiscal discipline, it is now, when the dollar is under such severe attack internationally.

What we need is a determined effort by this Government to control all possible causes of inflation in order to strengthen our bargaining position in the continued negotiations over international exchange rates. By curbing Federal spending, we also reduce the need for additional Federal debt. Foreign holdings of U.S. debt have recently increased to $42.7 billion, more than 10 percent of our public debt. If domestic inflation continues, dollar securities held abroad become less and less attractive as investments and the pressure for the United States to pay higher interest rates becomes the only hedge against foreign redemptions.

The cuts proposed by this amendment will not, of course, solve the many problems that I have alluded to. But I am convinced that quite apart from the financial effects of the spending reduction itself, adoption of the amendment will have an immeasurable psychological effect throughout the Nation and the world by indicating that we in Congress have the determination to face these problems squarely and to do something about them.

I stated earlier that the amendment proposes a reduction of but 1.2 percent from current spending estimates to the original budget figure. This is certainly a modest reduction and one which should not require any deep cuts in existing programs. I have no doubt that greater efforts toward efficient operation throughout the Federal Establishment can bring about this slight reduction with no serious difficulty.

Let me stress this point: A fixed ceiling of $229.2 billion need not produce program cancellations. Managers at all levels of government must be forced to look for administrative "water" in their programs before more effective management is achieved. If we are to strike a balance between private and public awareness of productivity as the index for increased spending, Government must look to its own operations for new and better ways to economize through increased efficiency.

Congressional actions earlier in the year on appropriations and authorizations have been somewhat helpful. Although we have increased appropriations in some areas and enacted new legislation, we have also trimmed Presidential requests. Our actions here in recent days on foreign assistance call for $905 million less than the administration requested in January. The House Appropriations Committee has just reported the Defense Department bill with a 3-percent reduction, or a cut of about $2.5 billion. I think the political and legislative facts of life are such that we cannot reasonably expect passage in this fiscal year of the proposed $2.4 billion revenue sharing program.

I am very disturbed by the amendments which have been added to this bill on the Senate floor in the past few days which would either increase expenditures or reduce revenues, or both. These additions to the bill—I believe they total $4.7 billion for 1972—will make it even more difficult to keep a rein on the Federal budget without some kind of spending limit. As President Nixon said in his September 9 economic message:

> Tax cuts to stimulate employment must be accompanied by spending cuts to restrain inflation.

I think, then, that the fact that the Senate has seen fit to change the revenue impact of this bill makes it more imperative that my amendment be adopted.

We must also keep in mind the fact that the bill as reported by the Finance Committee contained provisions that would reduce revenues by nearly $16 billion over the next 3 years. These tax cuts—being made to stimulate the economy in the private area—make it mandatory that we hold down Federal spending. In fact, if a bill as comprehensive as the one we are now considering could be characterized in a few words, it would not be inaccurate to say that its purpose is to stimulate economic activity in the private sector. Or, put another way, to invigorate the economy by allowing the American people to use more of their own money the way they think best.

Personal savings have reached a third quarter rate of 7.8 percent. Consumer credit has dropped to 17.2 percent. These two figures indicate that there is a large reserve of potential consumer purchasing power. The bill now before us as well as the wage-price guidelines offered under the phase II program are intended to encourage greater activity in the private sector and at the same time to help eliminate the fear that rampaging inflation is simply a way of life in this country. I firmly believe that the encouragement of private spending must be accompanied by caution in Federal spending.

At this point, I ask unanimous consent to have printed in the RECORD a table showing personal savings and consumer credit for calendar years 1966 through the third quarter of this year.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE III.—PERSONAL SAVINGS AND TOTAL CONSUMER CREDIT

[Dollars in billions]

Calendar year:	Disposable personal income	Personal savings	Percent	Total consumer credit	Percent
1966	$511.9	$32.5	6.3	$97.5	19.0
1967	546.3	40.4	7.4	102.1	18.7
1968	591.0	39.8	6.7	113.1	19.2
1969	634.2	37.9	6.0	122.4	19.3
1970	687.8	54.1	7.9	126.8	18.4
1971 [1]	749.2	58.0	7.8	129.7	17.2

[1] Preliminary 3d quarter figures.

Source: Board of Governors, Federal Reserve System.

Mr. ROTH. Mr. President, I shall not detain the Senate longer. The amendment, I think, is quite simple: It places a firm ceiling on Federal spending for this fiscal year in the amount requested in the President's budget message in January. That figure—$229.2 billion—is about 1.2 percent less than current spending estimates for fiscal 1972. It means that the current estimates would have to be cut back about $2.8 billion. But as I have indicated before, Congress has already made substantial cuts in many areas, so the modest 1.2-percent reduction should not be difficult to achieve. I think any fears that a ceiling of this nature will require needed programs to be drastically cut are wholly unfounded. Surely there is enough "water" in the great complex of programs administered by the Federal Government to absorb such a cut with no serious effects.

But perhaps more important than the actual dollar savings—important though they are—is the fact that adoption of this amendment will show the American people that the Government is willing to exercise a little restraint in the fight against inflation, too. I think the importance of this psychological factor cannot be overemphasized. We are dealing here with one of the most serious domestic problems we have, and its solution is one which demands leadership from the Federal Government and the Congress.

I urge the adoption of the amendment.

Mr. President, at this time, I am glad to yield 10 minutes to the distinguished Senator from Wisconsin (Mr. PROXMIRE).

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 10 minutes.

Mr. PROXMIRE. Mr. President, I want to thank the distinguished Senator from Delaware (Mr. ROTH) for his excellent speech on the amendment which he has offered. I enthusiastically support it.

As I understand it, the amendment places a ceiling of $229.2 billion on Federal spending for fiscal year 1972.

TOTAL SPENDING FIGURE IS DESIRABLE

First of all I believe the principle involved is a highly desirable one. The principle is right. With only rare exceptions, Congress in the past has taken up and passed 15 to 20 individual appropriation bills without considering the totality of their impact. Each was treated separately. Some exceeded the budget estimates. Many were below the estimates. But seldom have they been treated in their totality.

I support the Roth amendment, therefore, because I believe it is time that Congress adopted the regular practice of setting a ceiling on the total of Government expenditures and legislating and appropriating accordingly.

A REALISTIC CEILING

Second, I support his amendment because it is a realistic ceiling. For my own part, I would be willing to set a ceiling even below the $229.2 billion he proposes. No one can argue that it is onerous or punitive or excessively stringent.

The Government of the United States should be able to fund needed and urgent programs within this ceiling. No necessary program for defense, welfare, health, education, or other area need suffer because of the overall ceiling which this amendment proposes.

FISCAL DISCIPLINE

Third, I support it because it can bring a necessary fiscal discipline to Government spending. Nothing in the amendment prevents the Congress or the President from increasing or decreasing spending on any particular program where it has already been authorized by law. But what the amendment does is to provide that if spending in one area is raised, spending in some other area must be decreased. Instead of a policy of "all this and Heaven, too," it will force the President and the executive departments to make tough, hard choices between and among programs.

That is called setting priorities. And that is what a budget and a budget or fiscal limitation can do better than any other instrument.

We often speak of priorities, Mr. President. Everyone is for establishing priorities but the one sure, definite, and specific way Congress can do it is the way the Senator from Delaware (Mr. ROTH) is proposing.

GOOD ECONOMICS

There is yet another reason why I support this amendment; $229.2 billion is the amount of income the Federal Government would take in if we were operating at substantially full employment. It is, therefore, a noninflationary figure.

Even if Federal receipts do not reach $229.2 billion—and they will fall short of that amount by over $30 billion and probably by $35 billion this year—the resulting deficit need not be inflationary provided that spending is limited to the so-called full employment level.

For that reason the ceiling is an appropriate one and represents good economic policy as well as good budgetary policy.

One of the many useful innovations of the Nixon administration which many of us applaud—I have been critical of the President on some things on which he has taken no action—is the fact that he has recognized the full employment concept which economists have been pleading for for a long time. It is a sensible concept that we should calculate in our budgetary policy based on what the revenues will be at full employment. That would be an automatic stabilizing factor to stimulate the economy when it needs stimulating and could restrain the economy when it should be restrained.

RETRIEVES CONGRESSIONAL POWER OVER PURSE STRINGS

Finally, I support the amendment as a needed check on the executive branch of the Government by the legislative branch of the Government. It will help to return to Congress its constitutional power over the purse strings.

While Congress can cut appropriations bills or increase appropriations bills, the actual level of spending or outlays is now controlled by the executive branch of the Government. That is true in the absence of passing a ceiling amendment. Let me illustrate that fact:

In the past few years, Congress has made drastic cuts in the funds for the Pentagon. Altogether, we have cut about $13 billion from the Pentagon requests in the past 4 fiscal years. But each year the Pentagon continues to spend at almost precisely the same amounts; namely, $77 billion in fiscal year 1968, $77 billion in fiscal year 1969, $77 billion in fiscal year 1970, and $74.6 billion in fiscal year 1971—the first small decline.

Thus, while Congress cut the Pentagon estimates or requests by some $13 billion in the past 4 years, the actual cut in spending or outlays for the Pentagon in all of these years was only $2.5 to $3 billion.

There is a simple explanation for that. Congress appropriates, but the executive branch controls the rate of spending or outlays. This is especially true in cases such as Defense, where the Pentagon has a backlog of $35 billion in funds which it can draw on even when Congress cuts its money.

I, therefore, support the Roth amendment because under it Congress retrieves its power to determine the total amount of spending—a power which in the absence of the passage of this amendment it will once again supinely delegate to the executive branch of the Government.

At the same time, this amendment does provide a great deal of flexibility and authority for the President because it gives him the initiative in the determination of where spending must be reduced. I realize that many Senators will vote against this amendment for that reason, but I do not know how else we can do it. If there is a better way, I would certainly support it, but the Roth amendment, it seems to me, is the practical way to set a ceiling.

SUMMARY

This amendment is therefore right in principle. It imposes a needed fiscal discipline. It provides an overall total for Federal spending. It helps to impose spending priorities. It is realistic. It can retrieve for Congress the power over the purse which Congress has lost because it has refused to exercise it.

I support the Roth amendment and I urge my colleagues to support it as one means to help return both fiscal and economic soundness to Federal financing.

Mr. ROTH. Mr. President, I thank the Senator from Wisconsin for his comments and particularly for his arguments in favor of the amendment.

At this time, Mr. President, I yield 10 minutes to the junior Senator from New York (Mr. BUCKLEY).

Mr. BUCKLEY. Mr. President, I rise to support the amendment offered by the Senator from Delaware. I am proud to be a cosponsor.

Mr. President, over 100 amendments to the Revenue Act of 1971 have thus far been submitted. The amendment now under consideration is beyond any doubt the most significant one of them all. The others, by and large, play around with details. The Roth amendment, however, amounts to a solemn declaration that this Congress is determined to impose on itself, to impose on the Federal Government, the kind of fiscal self-discipline which is absolutely essential if we are to succeed in achieving the primary goals of this legislation: namely to stimulate consumption and modernize our industrial plant without at the same time stoking the fires of a new inflation.

For some time, we have all been conscious of the urgent need to curb the inflationary forces from which we are now just beginning to emerge. Yet every day we see new proposals for new ways of spending money, and new proposals for further reductions in revenue, the net effect of which would be to inflate still further our already huge Federal deficit, however calculated. Amendments offered to this act by one Senator alone would increase that deficit by more than $23 billion. The time has simply come when we have to declare a halt; when we have to discipline ourselves to pair each increase in one category of expenditure with either an increase in revenues or a cut in some other category of expenditure.

Earlier this year, the President proposed expenditures of $229,232,000,000 for the current fiscal year. This budget was based on the so-called full employment concept, and it assumed the enactment of a number of the administration's recommendations as to which the Congress has yet to act. On the other hand, the Congress has enacted legislation calling for major expenditures not originally anticipated, and certain of the Federal Government's mandated costs are running at higher than estimated levels. The net result of all this is that as of mid-September, estimated Federal outlays for this fiscal year had increased 1.2 percent to approximately $232 billion. Thus if we exert from this point forward the sort of fiscal restraint which is essential to the achievement of our economic goals, we can with minor trimming end the year within the budgetary limits originally proposed.

Now the figure $229,232,000,000 was not conjured out of the air. It resulted from a careful calculation of estimated revenues which could be anticipated from the existing tax structure if the economy were operating at a full employment level; that is to say, at a level at which no more than 4 percent of the Nation's work force would be unemployed. On the basis of that calculation, the proposel budget would be in balance, on a full-employment projections, and would not be inflationary per se. Although this is a novel basis on which to predicate a Federal budget and estimate its inflationary impact, and although the concept has met with considerable skepticism by those who find it hard to translate red ink into black through the introduction of hypothetical revenues, the full employment concept does have important backing among responsible economists, and it does impose a rigid line of demarcation between inflationary and noninflationary levels of Federal spending.

This the President was careful to point out in his state of the Union and budgetary messages. He emphasized that the concept imposed its own mandatory restraints; and that the price of going over the line would be to continue to feed the inflationary pressures which have so bedeviled us in recent years. It requires in fact, an almost heroic restraint because of the removal of the easier discipline of measuring cash outlays against cash income. This was recently pointed out by Dr. Henry Kaufman, economist for the New York investment banking firm of Salomon Brothers, when he noted in an address before the New York State Bankers Association that—

> The "full employment" budget is noble and highly desirable but the prescription is dangerous and naive unless the government also finds a way to blunt inflation as the budget program unfolds.

This point is critical to an understanding of the importance of this amendment. There is no doubt that the full employment budget has sound conceptual credentials, even if it poses a formidable problem of measurement. What is extremely important is the fact that a sound full-employment expenditure and revenue program can become an uncontrollable engine of inflation if rigid discipline is not imposed upon the Government's spending programs. It is precisely this form of discipline that the Congress has been reluctant to apply; a form of discipline which this amendment would institute in a manner which is both simple and direct.

As things have developed thus far, in part because revenues have fallen short of the administration's projections and in part for other reasons, the originally proposed $229.2 billion in Federal outlays will produce a $5 billion deficit calculated even on the full employment basis; a deficit which stated in more conventional terms will come to between $27 and $34 billion. Thus even by holding to the original line, as this amendment would require, we will not nullify the inflationary impact of Federal expenditures during the current fiscal year, whatever economic theory one embraces. If we are to act responsibly, therefore, we must either determine that we will hold the line on Federal Government outlays, or that we will increase its income. But to increase taxes would be unwise at this particular moment in the business cycle because we would run the danger of stifling the initiatives which we are seeking to encourage.

The only responsible alternative for the Congress, therefore, is to reduce the aggregate level of expenditures to that level which is appropriate to our current rate of taxation. Enactment of this amendment will not eliminate inflationary pressures, but it would represent a major step in the direction of fiscal stability, and it would underline in a most meaningful manner the determination of the Congress to bring inflation under control. I submit that if we take such a step, this Congress will do more to puncture the Nation's inflationary psychosis than any number of executive edicts attempting to outlaw further rises in wages and prices.

The Revenue Act of 1971 as reported out by the Finance Committee will, of course, contribute to this fiscal year's anticipated deficit. The tax cuts for which it provides, however, result from the implementation in one form or another of the administration's requests for investment tax credits, the acceleration of personal tax exemptions, and the repeal of the excise tax on automobiles—measures which are specifically designed to stimulate consumption and improve the efficiency of our industries. In this manner, it is hoped that the resulting economic growth will more than offset the inflationary impact of the tax reductions.

The expected effect of the investment tax credit was described by Dr. Paul McCracken, Chairman of the President's Council of Economic Advisers, in the following manner before the Joint Economic Committee:

> This near term (program) will create jobs and production for a segment of the economy which will stimulate the modernization of our productive facilities so necessary to maintain our competitive position internationally and to achieve the gains in productivity out of which improvements in real wages and material levels of living are achieved.

For this program to be effective, for the administration's entire effort to bear fruits, it is mandatory that inflation be brought under control. There will be no investment forthcoming if a potential investor believes that the benefits to be derived from improved efficiency will be eaten away by further inflation. By the same token, the tax savings which are to be realized by individuals may be added to already record savings, rather than spent for consumer goods, if the public at large continues to be apprehensive about the future of the economy.

I believe deeply, Mr. President, that there is no single action which this Congress can take which would be better designed to give investors and consumers alike that renewed confidence in the basic soundness and stability of the American economy that the adoption of the Roth amendment. This amendment will be tantamount to a pledge to the American people that the Government of the United States is prepared to impose on itself the same disciplines that it has already imposed on American wage earners and American business.

Mr. President, I urge deeply the adoption of the amendment.

Mr. ROTH. Mr. President, I yield 5 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. BYRD of Virginia. Mr. President, I support the proposal offered by the distinguished Senator from Delaware. I do not regard this proposal as a perfect one and I am sure that the Senator from Delaware does not either.

What he is seeking to do is to find some means of getting Federal spending under control. Unless we are able to get Federal spending under control, it seems to me we will not be able to lick inflation.

I do not see how we can ask the working people to hold down their requests for wage increases and ask the business people to hold down their prices unless the Federal Government itself is willing to show some restraint in its spending policies.

Mr. President, the pending amendment would place a ceiling of $229.2 billion on Federal outlays. That compares with last year's outlays—I am speaking of the fiscal year which ended this past June—of $211.6 billion.

So even within this $229.2 billion ceiling there is an increase in Federal spending of $17.6 billion for this one fiscal year. Percentagewise, that is an increase of 8.3 percent, substantially above the Government's guideline for wage increases of 5.5 percent.

As I mentioned earlier it is very difficult to work out an amendment to accomplish precisely a ceiling on expenditures. The able Senator from Delaware has come up with this proposal which, while not perfect, certainly is a starting point and certainly is something that could be helpful in getting Federal spending under control.

I think it is vitally important that the Senate, the House, and the executive branch of Government work together in an effort to reduce these smashingly large Federal funds deficits that the Federal Government has been running.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a table showing deficits in Federal funds and interest on the national debt for the period 1963 to 1972 inclusive, and a table showing Federal finances for the fiscal year 1971.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. BYRD of Virginia. Mr. President, a study of the revenues, receipts, and outlays of the Federal Government in recent years shows that during the 10-year period 1963 through the estimated deficit for 1972, the Government will run Federal funds deficit totaling $151.3 billion.

The significant part is that in the last fiscal year, the one that ended this past June, and the current fiscal year, the two together, the fiscal funds deficits for those 2 years will be $65 billion, as a minimum.

Mr. President, the Senator from Delaware is attempting to do something about these tremendous government deficits. In trying to develop this amendment he has found, as others have found, that it is very difficult to determine a precise method of doing this.

I want to commend him for the time, effort, and ability he has spent on this matter. I think what he is proposing to the Senate today is well worth the Senate trying out. I think it could be, as the able Senator from New York just mentioned, a turning point in this whole question of Federal spending.

The PRESIDING OFFICER. The time of the Senator has expired.

EXHIBIT 1

TABLE 1.—DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT 1963-72 INCLUSIVE

[In billions of dollars]

	Receipts	Outlays	Deficits (−)	Debt interest
1963	83.6	90.1	−6.5	10.0
1964	87.2	95.8	−8.6	10.7
1965	90.9	94.8	−3.9	11.4
1966	101.4	106.5	−5.1	12.1
1967	111.8	126.8	−15.0	13.5
1968	114.7	143.1	−28.4	14.6
1969	143.3	148.8	−5.5	16.6
1970	143.2	156.3	−13.1	19.3
1971	133.6	163.8	−30.2	20.8
1972 [1]	143.0	178.0	−35.0	21.2
10-year total	1,152.7	1,304.0	151.3	150.2

[1] Estimated figures.

Source: Office of Management and Budget, except 1972 estimates.

EXHIBIT 2

TABLE 2. FEDERAL FINANCES, FISCAL YEAR 1971

[In billions of dollars]

	Revenues	Outlays	Deficit (−) or surplus (+)
Federal funds	133.6	163.8	−30.2
Trust funds	54.7	47.8	+6.9
Unified budget	188.3	211.6	−23.3

Source: U.S. Treasury Department.

Mr. BENNETT. Mr. President, will the Senator allow me to speak now in opposition to the amendment?

Mr. ROTH. I am happy to do so.

Mr. BENNETT. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, as I begin to present the real story of this problem I am reminded of the famous statement that the spirit is willing but the flesh is weak. Sometimes I think it should be the other way around. The flesh is willing but the spirit is weak.

If this were the best of all possible worlds, if all men were completely responsible, completely free from selfishness, if we had no politics, if we could operate this Government on the basis of sound economics, then the proposal could

be seriously considered. But unfortunately, none of those things is true.

My friend, the Senator from Delaware, is new in this body. Perhaps he does not realize that we have had a parallel experience to this that began in 1917. In 1917 we placed a ceiling on the national debt, and we said the Government would never be allowed to borrow money if that would breach the ceiling. Every year since that—at least every year I have been in the Senate—we have solemnly met and raised the ceiling. Why? We do so because a ceiling cannot be placed on the amount which must be borrowed because that is determined by other actions of Congress or the President, and the Federal Government cannot be placed in a position where it cannot pay its bills. So we solemnly raise the ceiling, and we are going to have the same experience with this limitation if we attempt to put it on.

I have listened to the figures and I could agree with all of them, if this were the best of all possible worlds. If we could put on a limit or ceiling and enforce it, that would be fine. But it will not be retained intact if other overriding forces begin to operate.

One of the reasons it will not work is that we have a split responsibility. Congress appropriates the money; the President spends it.

Now it has been said here that this is going to be an effective limit on spending.

But, it is not a limit on appropriations. We in this body can appropriate anything that the majority of the Congress will approve and then, when the President, under the ceiling, says he will not spend it, we get into the kind of debate we heard earlier today where the President was excoriated because he is declining to spend some of the money in the highway trust fund.

I have learned, human nature being what it is, that each Member of Congress has a different idea of what the priorities should be. We are all perfectly prepared to say to the President, "You must not spend that money for purpose A. You have to cut that down. But purpose B is what I am interested in, and you cannot put any ceiling on that."

I have a memory of a letter I received a number of years ago from a constituent who was a friend of many years. He sent a letter from the Chamber of Commerce, under pressure, in which he said, "We have got to cut the cost of Government." But there was a "P.S." and the P.S. referred to a program on which "we are not spending nearly enough. Will you please double the appropriation for that particular project?"

That is the psychology under which we are operating here, and I think we all know it. I think it is particularly sensitive in the present situation, because one political party controls the Congress and the appropriations and another political party has its representative in the White House, and we can see the interesting possibilities this presents for next year's campaign. If Congress imposes an overall limit on spending and then sends programs to the President under which he is called upon to spend certain amounts of money, and the President does not spend all those amounts, the people who were in favor of those programs will take to the hustings and excoriate the President from one end of the country to the other.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. LONG. The Senator knows that Congress has moved in both directions. On occasion it has tried to make the President spend money and on occasion it has told the President that he could not spend the money.

The Senator knows that some years ago we passed a bill that required the President to buy so much sugar from the Dominican Republic when Trujillo was in charge down there. Those who brought out the conference report on that bill had to bow their heads and apologize to the Senate and say it was the best they could do. Then President Eisenhower said—

> I am not going to buy sugar from them. All they can do is impeach me, and I do not think they have that many votes.

The majority of the Senate probably encouraged the administration in that attitude because they thought it was the wrong thing to do.

Recently we have enacted laws which provided that the President "shall do this; that he shall spend this money," and then the President would say he was not going to do it. I guess we will be at that same impasse with this amendment. Here is a situation where Congress states, "You cannot spend more than this amount of money." Then every Senator who is interested in a particular matter, if he has enough influence, will make an exception. It might be for a project in Louisiana, on the fire ants, for example. He will succeed in having included in the bill that passes a provision that the President shall spend so much on control of the fire ants, or whatever that Senator's particular project is. Everybody will seek a special provision that a particular amount of money must be spent on a particular project in excess of the limitation. By the time we get through we will say we have a spending limitation, but we will have nullified it by putting in about 50 exceptions which provide that the President shall spend a particular amount of money on this or that particular project.

Mr. BENNETT. We went through that in 1968. We had such a ceiling and Congress excepted from the ceiling—and there would be no exceptions from the ceiling under the present proposal—items which it considered uncontrollable, such as interest, veterans benefits, and social security trust fund payments. They were excepted in the original bill. But did that satisfy Congress? No. When we subsequently passed appropriations bills, we specified that the President could not reduce the appropriations for the Tennessee Valley Authority, for the Commodity Credit Corporation, for public assistance to States, and for aid to schools in federally impacted areas. Adding them together, they amounted to a total increase above the limitation of $6 billion.

I am as sure as I stand here that if we were to pass this bill today we would soon face the very same situation. I do not think there is any way around it.

Mr. LONG. In other words, after we passed the spending limitation, we added more special situations after the fact?

Mr. BENNETT. Yes we did. The last four I mentioned were passed after we imposed the original limitation.

Mr. LONG. So we spent more time undoing what we did than we spent doing it?

Mr. BENNETT. That is right, and we would do it again.

The fact that there is an overall limit which applies only to the President allows Congress to be as reckless as it pleases and makes it possible for the President's political opponents to say, "Well, we voted these benefits, but the President would not give them to you." Then it allows the President, on the other hand, to undo what Congress has done, as we heard earlier today in the debate on the highway trust fund.

To enact a law which sets the two branches of government at odds with each other and gives each a chance to undercut the responsibility of the other is not good government.

Let us go further though. Suppose the limitation has been enacted, the matter is in the President's hands, and he is not having trouble with Congress. If he were to cut back expenditures proportionately, obviously this would not make sense since it would not take the relative need for various programs into account. It also would be unfair, because some departments operate very close to the line and other departments operate very recklessly. And, in passing, I might note that some committees operate very close to the line and some committees operate as spendthrifts. Our committee is being forced to ask for a small additional appropriation because we cannot carry on the program imposed on us with the very modest appropriation originally allotted us.

On the other hand, if the President cuts expenditures back selectively, if he decides from which specific programs the money is to be withheld, he has substituted his judgment for Congress' on priorities and he immediately creates a political storm. He has to try to defend the decisions, but he cannot possibly defend them to the people whose programs have been affected.

Also as I have already mentioned, the bill has no provision for uncontrollable expenses—interest, veterans' benefits, and social security benefits. These amounts change as a result of changing conditions. And yet, under the amendment, if they increased, the President would be required to cut back spending on other programs under his control.

Mr. President, I can understand the motivation for this kind of amendment. I can understand what its sponsors hope to achieve. But I have been through this with respect to the debt ceiling and I have seen how, with respect to an earlier attempt to put a ceiling on expenditures, Congress itself defies its own ceiling. And in the case to which I referred it was not a Congress of one party defying the President of another, but it was a situation in which the same party controlled both the White House and the Congress.

So this is a noble concept, with which I agree in principle, but which I know from experience just will not work. I think all it would do would be to put President Nixon in an unbearable position.

Mr. LONG. Mr. President, the administration's current budget estimate is $232 billion. That is assuming that the President can carry out the commitment he made to the American people and Congress of reducing estimated expenditures by $5 billion, and I am willing to assume that the President will do exactly what he said he was going to do.

Even in those spending areas, there are going to be some cuts which some of us will not be too happy about.

This amendment would make the President cut back spending even further, to the original budget estimate of $229 billion. But since the President made that original estimate, we have had a considerable amount of inflation; I am informed it is close to 5 percent. That means that since that budget was originally submitted, the estimate would have to be raised by an additional $10 billion just to reflect the increase in the cost of goods and wage rates.

This amendment calls for a major cutback, but without specification as to where it is to come from. I am confident that, if it passed, everyone who voted for it would be in a hurry to rush down and see what he could do about protecting the full amount of each item that affected his particular State, or that he thought was essential to the operations of this Government.

Of course, we all know there are certain things over which we have very little control, such as interest on the national debt, veterans' services, and various Social Security trust fund payments which will have to be made in any event.

Mr. President, we on the Committee on Finance have not had the opportunity to give the matter the study it should deserve. We think it better to rely upon the President, who is already cutting down on a lot of things—more than some of us think he ought to do—to hold down spending to the best of his ability, and rely on him to use his best judgment. It seems to me that that is adequate for now.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BENNETT. The Senator's comments remind me that I have already been to the White House to remind the President that they have cut $5 million out of needed reclamation funds for the State of Utah, and to ask them if they will please release them. I am just one; we are all in the same position.

Mr. LONG. As the Senator knows, I am a Democrat and he is a Republican, and I may find it necessary to also go down and make requests as to certain items which I regard as essential, that should not be cut back. If we enact this measure, the situation would be even more difficult.

Everyone in the Senate would be willing to cut spending $30 billion, provided they would cut it exactly where they wanted to. But not one of us would be willing to cut spending by $30 billion if some other Senator were to decide where the cut was to come.

Mr. BENNETT. Mr. President, I am tempted to tell another story.

I had not been in Congress very long when I was invited to come downtown and meet a group of businessmen from a State other than mine. I listened for 30 minutes to the most fervent kind of oratory along the lines of "We have got to cut down the costs of the Federal Government."

I asked someone in the group, "How many Federal employees do you have in your State?"

"Oh, we have 30,000. We are very proud of them."

I said, "This would mean firing 3,000 Federal employees in your State."

Then the roof went off. Oh, it would not mean that at all. It meant firing them in Washington. They could not lose a single Federal employee in their State.

This is a natural, human point of view on this situation, and we will never solve it by putting a theoretical limit on expenditures.

Mr. LONG. I thank the Senator. I yield 3 minutes to the senior Senator from Louisiana.

HOUSE JOINT RESOLUTION 946—CONTINUING APPROPRIATIONS, 1972

Mr. ELLENDER. Mr. President, I have consulted both the majority and minority leaders relative to taking up House Joint Resolution 946, a continuing resolution which was sent to the Senate from the House of Representatives last week and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

> A joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Appropriations with an amendment to strike out all after the resolving clause and insert:

> That the joint resolution of July 1, 1971 (Public Law 92-38), as amended, is hereby further amended (1) by striking out "November 15, 1971" in clause (c) of section 102 and inserting in lieu thereof "December 1, 1971"; and (2) by adding at the end thereof the following new section:
>
> "Sec. 108. Notwithstanding any other provision of this joint resolution, obligations incurred hereunder for foreign economic and military assistance and sales shall not exceed the rate provided for in authorization acts for such assistance passed during the 1st session, 92nd Congress: *Provided*, That, whenever the rate of obligations for such assistance made available under such an atuhorization act as passed by the Senate is different from that contained under such an act as passed by the House, the rate of obligations shall be limited to the lower rate."

Mr. ELLENDER. Mr. President, the existing continuing resolution under which certain departments and agencies of the Federal Government are operating expired at midnight last night, November 15. In brief, three regular annual appropriation bills remain to be enacted—the Department of Defense, District of Columbia, and foreign assistance appropriation bills for fiscal year 1972. The military construction appropriation bill cleared both Houses yesterday, but until such time as the President signs the measure, the programs funded in that bill will be without new obligational authority.

Mr. President, the original continuing resolution, which was signed July 1, 1971, continued existing programs for the period through August 6, 1971. It was amended, first, to continue such programs through October 15, 1971, and, then again, to continue them for the period November 15. House Joint Resolution 946, as it passed the House of Representatives, proposed to extend the expiration date to the sine die adjournment of the first session of the 92d Congress.

There was some objection to taking it up because of the time element. As a matter of fact, it was to expire whenever Congress adjourned sine die.

So yesterday, the President called some of us to the White House, and we discussed the matter thoroughly. It was agreed that the continuing resolution would be extended to December 1 of this year, and that the amount of objections, with respect to foreign aid could not exceed the amount fixed by the Senate in two bills passed last week.

The proposed Senate amendment in the nature of a substitute provides that the amount to be spent will be whichever is lower, the agregate of the two Senate authorization bills the House authorization bill or the amount the present continuing resolution law provides.

This morning we had a meeting of the committee, and the committee agreed unanimously to report the resolution out for action by the Senate immediately so that the activities of the Government provided for in the Department of Defense appropriation bills, the foreign assistance appropriation bill and the District of Columbia appropriation bill could carry on their normal functions. The committee hopes to act tomorrow on the Department of Defense appropriation bill and we hope next week we can take up the District of Columbia appropriation bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read the third time.

The joint resolution (H.J. Res. 946) was read the third time, and passed.

REVENUE ACT OF 1971

The Senate resumed the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce

certain excise taxes, and for other purposes.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. I yield 5 minutes to the Senator from Arizona.

Mr. FANNIN. Mr. President, I have been very much interested in the colloquy carried on between the distinguished chairman of our committee and the ranking Republican member, the Senator from Utah (Mr. BENNETT). I agree that we have not been very successful in controlling ourselves as far as expenditures are concerned, but I do want to speak in support of amendment No. 642, which would place this limit on spending that we have been talking about.

I feel very keenly about this. Previously, after discussing it with the distinguished chairman of my committee, I introduced legislation requiring a balanced budget. This requires a constitutional amendment, so it could not be obtained in any short period of time. I recognize it will require years to be approved. But I shall continue my efforts toward that goal, because it must be reached if we are to have full fiscal responsibility.

In the President's budget last January he proposed an outlay of $229,232,000,000 for the current fiscal year. The President concluded he had abandoned the ideal of a balanced budget and was proposing a new concept, the full employment budget.

The President estimated revenues for the current fiscal year of $217.6 billion, thus leaving an estimated budget deficit of $11.6 billion.

Since last January many things have happened. Revenue estimates have been going down. Spending has been going up.

Mr. President, this happens in State government as well as Federal Government. I had the experience of serving as Governor of my State. We were forced to balance the budget, and we were able to do it. We could not do otherwise. I admit that we did not have the complex problems that we have at the Federal level because of the defense of our Nation, but in many other respects we have the same problems and the same desires with members of the legislature as we have now with the Members of Congress. So we cannot just say that spending restraints cannot be made effective.

I agree that if we continue the present attitude that has been expressed by my colleagues, it is difficult to achieve control. We must change that psychology if we are going to accomplish this goal of restraint. But I do feel that it can be done.

Thanks to Congress and increases in the so-called uncontrollables, estimated expenditures for the current fiscal year now approximate $232 billion. Estimates of the deficit for the current year run to $28 billion.

In just one decade Congress and three administrations have managed to spend in the neighborhood of $120 billion in excess of revenues. Interest on the huge national debt is running at more than $21 billion per year.

Now we are suffering the consequences of this ridiculous binge.

Our heavy deficit financing, combined with the increasing flood of imports, has created a crisis in the international monetary and trading system. The dollar has suffered tremendously.

The news in the press this morning is very disappointing. The U.S. balance-of-payments deficit for the third quarter was $12.1 billion, the largest gap in our Nation's history. This is disconcerting. We are all very concerned about it. Our heavy deficit financing combined with the increasing flood of imports have been greatly responsible for the increase in the balance-of-payments deficit.

Deficit spending has encouraged the runaway inflation which forced President Nixon to take the drastic actions of August 15. Through excessive Federal spending, we have damaged the very foundations of our American economic system.

Excessive Federal spending is not the answer to our current problems. The bigger the deficit, the harder it will be to restore a stable economy in the United States.

Heavy deficit budgets are only temporary remedies for unemployment, but the overspending has inflationary consequences that linger for a very long time.

The large lesson of history is plain to see and understand. Failure to hold expenditures reasonably close to the Nation's resources bring higher prices, great burdens of interest on the debt, and high interest rates on all borrowing; it forces other nations to act in ways which cheapen the dollar even if the United States does not nominally devalue.

Mr. President, the attempts to put flexible spending limitations on the 1970 and 1971 budgets were failures.

The only way to control spending is to put an absolute ceiling that would apply to all expenditures and net lending.

I would prefer that this figure provide for a balanced budget, or very close to it.

It is obvious, however, that we will not and cannot have a balanced budget at this point in history.

Although we cannot have a balanced budget, we can make an effort to keep the deficit at a reasonable level.

Mr. President, I feel that our Government certainly should be able to operate on $229.2 billion for the current fiscal year. If the uncontrollables in the budget rise more than expected, then the Congress and executive branch of Government should cut back on controllable programs to keep the spending at a reasonable level.

Without this ceiling there is a seemingly irrestible urge to add programs and additional billions of dollars to Federal expenditures. The reasoning—or lack of reasoning—seems to be: "the deficit already is so large that a few more billion will not hurt."

I submit that the deeper we go into debt, the more insult we add to our already considerable economic injury. It is time to stop evading our fiscal responsibility and start showing the same respect for our national budget that we should for any reasonable family budget or any well-run business budget.

I feel that the adoption of this amendment will certainly be a reminder to all of us and to the people of this Nation of the importance of bringing about fiscal responsibility. Of course, I realize that it is difficult sometimes to turn down a program that seems to be needed very badly. But we must weigh our priorities, and we must realize that the present times are not at all like those that we were in when many of the past decisions which we have talked about were reached.

Mr. President, I urge the adoption of the amendment.

Mr. ROTH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Delaware has 23 minutes.

Mr. ROTH. I yield myself 5 minutes.

Mr. President, I was deeply concerned to hear some of my senior colleagues say that a ceiling would not work because the times are so serious that whether or not one agrees that they have succeeded in the past, it is absolutely essential that we do what is necessary to develop a sound, growing economy.

I do not think we can ask labor to go without agreed increases; I do not think we can ask business to hold down the price of its products; and at the same time, as the Senator from Virginia (Mr. BYRD) pointed out, put no limitation on Federal spending.

There has been much criticism in recent months that Congress has not exercised its proper role. Certainly, as keeper of the purse, one of its most important roles is to determine the total amount that is to be spent. I believe that it will succeed.

I think that some of the past limitations have had a beneficial effect. I believe the one in 1969, for example, saved at least $1.3 billion, and that is not an inconsiderable amount.

But even more important, it probably prevented the spending from going to an even higher rate.

Much has been made of the political fact that if we put a ceiling on it, the President will then be blamed where cuts are made. I point out that with ceilings or no ceilings, whether you have a Democrat or a Republican in the White House, it has been the tradition for the White House or the President to impound funds. Whether or not you have a ceiling, you are going to blame the President if you do not agree with the action he has taken.

The President has pointed out that he supports a firm ceiling. For example, on July 18, 1970, he said:

> I now ask the Congress to establish a firm ceiling on Federal expenditures.

The chairman of the Ways and Means Committee told me today that he supports some kind of overall spending ceiling. The chairman of the Federal Reserve Board, Mr. Burns, also says that a limitation on Federal spending has a beneficial impact upon the economy.

But the one thing I want to stress today is the critical problem this country faces with respect to the economy. It makes no difference whether you favor more spending for the urban crisis, whether you believe, as others do, that we are spending too little for defense, or whether you believe that the farm areas need new programs. We are not going to be able to do any of these things unless we once more get a strong economy, which is growing without inflation and without unemployment. I believe the only way we can do that is to bring into better balance our total Federal spending.

I think it will be refreshing, refreshing to the people both here and at home, and to the people abroad, if they could see the Senate's taking one step toward bringing the budget into balance.

I should like to point out that today the headlines are indeed disillusioning, especially the one with reference to the U.S. balance of payments, which is now the largest in history. I agree that if we conclude that nothing can be done, if Senators themselves are unwilling to exercise the same restraint that we are asking the average American citizen to undergo, then we cannot succeed. But I say that we are fiddling while Rome burns. It is absolutely important that the Senate discharge its responsibilities. While I will agree with the Senator from Virginia (Mr. BYRD) that this approach is not perfect, I see nothing else that can be done that has more chance of success at this late date.

Mr. TOWER. Mr. President, in a statement here on the floor of the Senate last week I made known my intentions to oppose all amendments to this Revenue Act of 1971 that were not specifically mentioned in the President's program. I did this so that we might obtain as clean a bill as possible. In the past several days, the Senate has shown that this is not its will and some members of the Finance Committee have shown their determination that other matters should also be considered here. Since this determination has been made, I feel that it is incumbent that I now proceed to selectively consider the proposed amendments.

The pending amendment by the Senator from Delaware (Mr. ROTH) is one that should have the support of this body. It sets a reasonable spending limit on the Federal Government, asking us to do our share to help curb inflation. As we are asking the American people to make sacrifices, I believe that we would be remiss in not asking the same of ourselves. In some areas, such as the all important area of national security, we will not be ble to make any cuts. However, there are many programs that we can trim and many others where we can hold the spending level the same as the previous fiscal year, thus putting our own "freeze" on Federal spending. I ask my colleagues to join with Senator ROTH in this endeavor.

QUORUM CALL

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BEALL). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I yield 5 minutes to the distinguished Senator from Tennessee (Mr. BROCK).

Mr. BROCK. Mr. President, I am pleased to join the distinguished Senator from Delaware in sponsoring amendment No. 642 to place a limit on Federal spending.

The President's new economic policy has made an encouraging start toward dampening the expectation of inflation, and thus toward laying a sounder base for renewed economic expansion, but it will be difficult in the weeks and months ahead to avoid measures which will rekindle the expectation of inflation. There has been a good deal of experience in Europe with the employment of "income policies" to curb cost-push inflation. These policies have been marked by failure primarily because the governments which have adopted them have usually continued to pursue inflationary fiscal and monetary policies. In effect, the wage-price freeze and the incomes policy measures adopted abroad have been placed as a lid on wages and prices, while at the same time too much monetary and fiscal heat has been kept under the kettle. Under these circumstances the lid had to blow off and the incomes policies were doomed to failure because they were not accompanied by appropriate fiscal and monetary measures. This will be the big danger for the President's new economic policy.

It is crucial that fiscal policy provide a climate for phase II of the President's economic policy. The Budget Scorekeeping Report of the Joint Committee on Reduction of Federal Expenditures is most disturbing. According to Staff Report No. 10 of the committee the President's budget estimates for fiscal budget 1972 included net budget estimates of $249.0 billion in new budget authority; $229.2 billion in estimated budget outlays; $217.6 billion in estimated receipts, including $3 billion to be derived from new tax proposals; and a projected unified budget deficit of $11.6 billion.

The report continues that in presenting new tax proposals to the Congress, the administration indicated that substantial changes have been made in the fiscal 1972 budget outlook, particularly in the outlay and revenue estimates. For example, it has been stated that revenues, including the proposed tax reductions, will be from $13 to $14 billion less than estimated in the budget in January, and that estimated outlays have increased from $229.2 billion to approximately $237 billion. This $7.8 billion increase in outlays is to be offset by proposed expenditure delays and some proposed reductions amounting to about $5 billion and the new outlay estimate for fiscal 1972 is therefore about $232 billion.

Part of the estimated increase in outlays is the result of congressional actions to September 9, 1971, part is the result of increased costs in the so-called uncontrollable outlays such as unemployment compensation, medicaid, public assistance, postal service, et cetera, and possibly a part is simply the result of reestimates for certain outlays and anticipated supplementals.

Congressional changes in the fiscal 1972 budget to November 4, 1971, are summarized in the report as follows:

> House Actions to date have increased estimated budget authority for fiscal 1972 by $419,455,000; have increased estimated outlays for fiscal 1972 by $5,120,788,000, and have increased estimated budget authority for fiscal 1972 by $1,457,000,000.
>
> Senate Actions to date have increased estimated budget authority for fiscal 1972 by $5,671,267,000; have increased estimated outlays for fiscal 1972 by $5,754,575,000; and have decreased estimated budget receipts for fiscal 1972 by $24,000,000.
>
> Enactments to date have increased estimated budget authority for fiscal 1972 by $2,902,725,000; have increased estimated budget outlays for fiscal 1972 by $2,266,675,000; and have decreased estimated budget receipts for fiscal 1972 by $24,000,000.

The cumulative effect of completed congressional actions—enactments—to date, as reflected in the committee's report for scorekeeping purposes, on budgeted outlays and revenues is to increase the estimated unified budget deficit for fiscal 1972, as revised September 9, 1971, by $3,291 million to $28.1 billion. These actions of the Congress and the September 9 budget revisions result in a Federal funds deficit of about $34.3 billion. These fiscal 1972 deficits compare with an actual unified budget deficit for fiscal 1971 of $23.2 billion, and a Federal funds deficit for fiscal 1971 of $30.2 billion.

The foregoing figures make it crystal clear that for the program to control inflation to succeed, the Government must also make sacrifices.

We are asking working men and women to forgo wage increases. We are asking business firms to hold down prices and dividends. It is fully appropriate that Government spending be curbed. Without fiscal restraint there is not a chance that inflation can be controlled. I urge the Members of this body to join us in placing a fixed ceiling on Federal spending.

Mr. President, in essence, the problem before the Senate—before the whole Congress—is that we are apparently asking the American people to undergo sacrifices which Congress itself is unwilling to undertake. We are asking the American working men and women to limit their wages to a 5.5 percent increase. We are asking business to limit its prices to a 2½-percent increase, but where is the limit on the Federal Government?

The fact is, we would not be in this situation today had it not been for irresponsible spending on the part of this Government over the past decade.

The 1969 fiscal deficit was $25 billion. The deficit was $30 billion last year. The projected deficit for this year is $34 billion. That is placing an unconscionable and an intolerable strain on the economy. At the present time, we are sopping up by excessive Federal spending one out of every three newly created dollars produced in this free enterprise economy of ours.

That means that they are not available for productive investment on the part of individuals and businesses in this country to create jobs. That is why we do not have enough jobs and the money is not available for the purchase of goods and

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services. That is why we are not buying enough goods and services.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. ROTH. Mr. President, I yield myself 1 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 3 minutes.

Mr. ROTH. Mr. President, I would like to point out that I believe the ceiling is a realistic one. In fact, it is a very modest restraint that is being put on general spending. All we are asking is that the Federal Government hold down spending $2.8 billion, or 1.2 percent.

I would like to point out that there are a number of areas in which we have not yet acted where we have appropriated less than requested by the President.

As I pointed out earlier, I think it is most unlikely, and I say that reluctantly, that revenue sharing will be passed this year. That means a savings of $2.4 billion. We have already cut back on foreign aid in the amount of $900 million below the original request by the President. However, more important yet, it should be pointed out that the 1.2 percent does not really request any gutting of the favorite program of any Member of the Congress. Many businesses because of the unsoundness of our economy have been compelled to make far more substantial cuts.

Mr. President, I noticed on October 15, 1971, that the chairman of the Appropriations Committee pointed out that on one single item, through internal discipline, the space agency was able to save $75,000 merely because it turned off its lights at one installation. I think this kind of saving is possible without hurting the program. I think we can make it more efficient, more effective, and provide better service for the people at home.

Mr. President, the headlines in this morning's Washington Post add still another compelling reason for us to take actions to put our fiscal house in order. The Commerce Department tells us that the United States recorded its greatest balance-of-payments deficit in history in the third quarter of this year. The deficit, in fact, was greater in the past 3 years than it was in all of 1970.

Mr. President, we cannot continue to operate here as if our actions on Federal spending had no adverse effect on both our domestic and international economic problems. At the same time that we have recorded the greatest deficit in our balance of payments in history, we are faced here at home with the greatest deficit in the accounts of the Federal Government since World War II.

I do not suggest that the adoption of my amendment to place a ceiling on Federal spending this year will solve all of these problems. I do strongly suggest, however, that it will be of some help financially and of great help psychologically, both at home and abroad.

Mr. President, we must show both the American people and our friends abroad that we are sufficiently concerned about this critical problem to do something about it. I suggest that one thing we can do right now is to place an air-tight ceiling on Federal spending for this year.

I urge the adoption of the amendment.

Mr. President, I am very happy to yield 4 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 4 minutes.

Mr. HANSEN. Mr. President, I thank the distinguished Senator from Delaware for yielding.

I joined with his immediate predecessor 2 or 3 years ago—I have forgotten exactly, in supporting the Williams-Smathers amendment, a similar move on the part of two very dedicated statesmen, one from the other side of the aisle and one from this side, to take what means persuasion could take to bring expenditures down into bounds that could be dealt with meaningfully within the size of the budget.

I shall vote for the pending amendment. I would like to point out that I have no illusions at all about the effectiveness of this measure. I observed following the passage of the Williams-Smathers amendment that pet programs sponsored by Senators escaped the impact of the restraining influence of that amendment simply by providing that in the case of the particular appropriation the limitation of that amendment would not apply. That was done time after time after time.

I unhappily conclude that there is no way we can at this moment in time, any more than at an earlier time, take an action that will commit us to a course from which we cannot deviate. I am fearful that the same shall be true today. Yet I think it is worth while to support the amendment, to declare our intention of being in favor of the amendment, for whatever effect it may have upon the individual Members of the Senate and Members of the House of Representatives so that they would know there are still some here—and I hope a majority—who do subscribe to fiscal responsibility.

I say that because in the long run, with the kind of government we have, it seems to me that so much is dependent upon the continuing ability of the capitalistic system in a free enterprise economy to be able to deliver. Undergirding that economic system is the time-tested idea that in the long run one must not spend more money than he takes in. It is as true with government as with individuals. We have watched the course of nations as government after government has gone down into oblivion after having continued to be profligate in its spending and not restraining itself, as we all must do if we seek to remain solvent.

If we pursue such a course, we will find that it is not too long until other nations of the world recognize that our dollar is not worth what we would like to believe it is worth.

But these reasons aside, I cannot be unduly optimistic about the effect this amendment will have. In fact, there is no certainty at this moment in time that it will even pass. Nevertheless, that does not detract one bit from the worthwhileness of the worthy effort being made by the sponsors of the amendment to get it passed.

I hope that the amendment will be agreed to so that we might have an understanding with regard to this matter. Let us, here and now, declare our intention and pledge our resolve to be responsible legislators.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Delaware has 1 minute remaining.

Who yields time?

Mr. LONG. Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware has 1 minute remaining.

Mr. ROTH. Mr. President, in closing I would like to say that my amendment is as simple as it is necessary. All we are calling for is a restraint of $2.8 billion. As I pointed out, Congress has not acted on $3.4 billion and it is unlikely we will act on much of that. I believe by operating efficiently we can improve on the program.

As I have pointed out in the past the President has supported this concept.

Mr. President, for that reason and because of the important cuts we made in the last week in this revenue measure I urge the support of my amendment.

UNANIMOUS-CONSENT AGREEMENT ON PEARSON AMENDMENT

Mr. BYRD of West Virginia. Mr. President, I have discussed this matter with the distinguished manager of the bill.

I ask unanimous consent that when action on the amendment by the Senator from Minnesota (Mr. HUMPHREY) is completed today the Chair lay before the Senate an amendment by the Senator from Kansas (Mr. PEARSON) dealing with rural job development, that time on that amendment be limited to 30 minutes, to be equally divided and controlled between the mover of the amendment and the manager of the bill, and that time on any amendment to the amendment, motions, or appeals, except nondebatable motions, be limited to 5 minutes, to be equally divided between the mover of such amendment in the second degree, motion, or appeal, and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has been yielded back or consumed. The question is on agreeing to the amendment of the Senator from Delaware. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN) and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) and the Senator from Indiana (Mr. BAYH) would vote "nay."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Nebraska (Mr. HRUSKA), the Senator from Idaho (Mr. JORDAN), the Senator from Maryland (Mr. MATHIAS), the Senator from Iowa (Mr. MILLER), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Tennessee (Mr. BAKER) is detained on official business.

On this vote, the Senator from Nebraska (Mr. HRUSKA) is paired with the Senator from Pennsylvania (Mr. SCOTT). If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 39, nays 46, as follows:

[No. 341 Leg.]

YEAS—39

Allen	Cotton	McIntyre
Anderson	Cranston	Pastore
Beall	Curtis	Pearson
Bentsen	Dole	Proxmire
Boggs	Fannin	Roth
Brock	Gambrell	Spong
Buckley	Goldwater	Stafford
Burdick	Gurney	Symington
Byrd, Va.	Hansen	Taft
Chiles	Hartke	Talmadge
Church	Hollings	Thurmond
Cook	Mansfield	Tower
Cooper	McClellan	Welcker

NAYS—46

Aiken	Harris	Muskie
Bellmon	Hart	Nelson
Bennett	Hatfield	Packwood
Bible	Hughes	Pell
Brooke	Humphrey	Percy
Byrd, W. Va.	Inouye	Randolph
Cannon	Javits	Ribicoff
Case	Jordan, N.C.	Schweiker
Eagleton	Kennedy	Smith
Eastland	Long	Sparkman
Ellender	Magnuson	Stennis
Ervin	McGee	Stevenson
Fong	Metcalf	Williams
Fulbright	Mondale	Young
Gravel	Montoya	
Griffin	Moss	

NOT VOTING—15

Allott	Jackson	Mundt
Baker	Jordan, Idaho	Saxbe
Bayh	Mathias	Scott
Dominick	McGovern	Stevens
Hruska	Miller	Tunney

So Mr. ROTH's amendment (No. 642) was rejected.

Mr. INOUYE. Mr. President, I addressed a letter to the chairman of the Committee on Foreign Relations under date of October 20, 1971.

The letter reads:

OCTOBER 20, 1971.

Re H.R. 10947
Hon. RUSSELL B. LONG,
Chairman, Senate Committee on Finance, Old Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, I am Chairman of the Subcommittee on Foreign Commerce and Tourism, which is vitally concerned with the development of our international trade. With this in mind, I have been reviewing the progress of the proposed Revenue Act of 1971 before your Committee. There is a particular point with respect to the job development investment credit which I respectfully suggest needs further clarification.

Section 103 of H.R. 10947 provides for a limitation of credit to domestic products. This section would exclude "foreign completed property" and "property predominantly of foreign origin" from eligibility for the credit. There is also a reference to this point at page 19 of the Report of the House Ways and Means Committee (H. Rept. No. 92-533, 92nd 1st Sess. 19 (1971)):

"In other words, any finished property imported into the United States is to be treated as foreign property even though substantially all of is value is represented by components which were manufactured or produced in the United States."

"Foreign produced property also includes any property completed in the United States, if less than 50 percent of the basis of the property is attributable • • • to value added inside the United States. . . ."

It should be made clear that all limitations on foreign completed property or property predominantly of foreign origin do not mean that a domestic part of component, which is installed in property completed outside the United States, or in property less than 50% of which is attributable to value added within the United States is deprived of the credit if such property otherwise is considered as Section 38 property prior to the changes contained in the proposed amendment provided by Section 103 of the Bill. In other words, while the finished product, as such, would not be eligible, the component manufactured in the United States would be eligible for the credit. An example would be the domestic manufacture of an engine or motor for an article completed overseas. While the finished article is "foreign completed", and not eligible, the individual components are domestically produced and should be allowed the credit. Such American made parts and components are part of either important export trade or domestic manufacture and should be treated on the same basis as any other American made equipment.

It would seem to me that not to allow the credit on these particular items would be contrary to what we are hoping to achieve in bolstering our export trade. It would also seem to me that a simple clarification in a Senate report would be all that is necesary. The reference in the House Report (see page 19) No. 92-533 leaves the matter somewhat ambiguous and I would appreciate your clarification.

Mr. President, I wish to ask the distinguished chairman of the Committee on Finance, the manager of the bill, if he can give me some clarification.

Mr. LONG. It is my understanding that the President of the United States would have the authority under the bill to extend the credit in the type of situations the Senator has in mind, if he determines it to be in the public interest.

Mr. INOUYE. In other words, it would not require legislative action at this stage?

Mr. LONG. That is correct, it would not.

Mr. INOUYE. I thank the Senator from Louisiana.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S.J. Res. 132) extending the duration of copyright protection in certain cases.

The message also announced that the House had passed the bill (S. 1828) to amend the Public Health Service Act so as to establish a Conquest of Cancer Agency in order to conquer cancer at the earliest possible date, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 2559) to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 489. An act to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Modoc Point Unit of the Klamath Indian irrigation project, Oregon;

H.R. 950. An act to designate the Veterans' Administration hospital at Bedford, Mass., as the Edith Nourse Rogers Memorial Veterans' Hospital, and for other purposes;

H.R. 2185. An act to declare that certain federally owned land is held by the United States in trust for the Lac du Flambeau Band of Lake Superior Chippewa Indians;

H.R. 3337. An act to authorize the acquisition of a village site for the Payson Band of Yavapai-Apache Indians, and for other purposes;

H.R. 5068. An act to authorize grants for the Navajo Community College, and for other purposes;

H.R. 6291. An act to provide for the disposition of funds arising from judgments in Indian Claims Commission dockets numbered 178 and 179, in favor of the Confederated Tribes of the Colville Reservation, and for other purposes;

H.R. 7701. An act to amend the Act of August 9, 1955, to authorize longer term leases of Indian lands located outside the boundaries of Indian reservations in New Mexico;

H.R. 7742. An act to provide for the disposition of funds to pay a judgment in favor of the Yankton Sioux Tribe in Indian Claims Commission docket numbered 332-A, and for other purposes;

H.R. 8116. An act to consent to the Kansas-Nebraska Big Blue River Compact;

H.R. 8381. An act to authorize the sale of certain lands on the Kalispel Indian Reservation, and for other purposes;

H.R. 9096. An act to amend chapter 19 of title 38 of the United States Code, to extend coverage under servicemen's group life insurance to cadets and midshipmen at the service academies of the Armed Forces;

H.R. 9097. An act to define the terms "widower", "child", and "parent" for servicemen's group life insurance purposes;

H.R. 9418. An act to designate the Mountain Park Reservoir, Okla., as the Tom Steed Reservoir;

H.R. 11220. An act to designate the Veterans' Administration hospital in San Antonio, Tex., as the Audie L. Murphy Memorial Veterans' Hospital, and for other purposes;

H.R. 11334. An act to amend title 38 of the United States Code to provide that dividends may be used to purchase additional paid up national service life insurance;

H.R. 11335. An act to amend section 704 of title 38, United States Code, to permit the conversion or exchange of National Service Life Insurance policies to insurance on a modified life plan with reduction at age 70;

H.R. 11350. An act to increase the limit on dues for U.S. membership in the International Criminal Police Organization;

H.R. 11487. An act to authorize the Administrator of the National Aeronautics and Space Administration to convey certain lands in Brevard County, Fla.;

H.R. 11651. An act to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and for other purposes; and

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H.R. 11652. An act to amend title 38 of the United States Code to liberalize the provisions relating to payment of dependency and indemnity compensation.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7072) entitled "An act to amend the Airport and Airway Development Act of 1970 to further clarify the intent of Congress as to priorities for airway modernization and airport development, and for other purposes."

The message further announced that the House had passed without amendment the following bills:

S. 306. An act for the relief of Eddie Troy Jaynes, Jr., and Rosa Elena Jaynes;

S. 389. An act for the relief of Stephen Lance Pender, Patricia Jenifer Pender, and Denese Gene Pender; and

S. 629. An act for the relief of Chen-Pai Miao.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1026. An act to amend the Small Reclamation Projects Act of 1956, as amended;

S. 2216. An act to amend the Investment Company Act of 1940, as amended;

S. 2339. An act to provide for the disposition of judgment funds on deposit to the credit of the Pueblo of Laguna in Indian Claims Commission, docket No. 227, and for other purposes;

H.R. 155. An act to facilitate the transportation of cargo by barges specifically designed for carriage aboard a vessel;

H.R. 6723. An act to provide subsistence allowances for members of the Marine Corps officer candidate programs;

H.R. 6724. An act to amend section 209 (a) and (b) of title 37, United States Code, to provide increased subsistence allowances for Senior Reserve Officers' Training Corps members;

H.R. 7950. An act to repeal sections 3692, 6023, 6025, and 8692 of title 10, United States Code, with respect to pilot rating requirements for members of the Army, Navy, Marine Corps, and Air Force; and to insert a new section 2003 of the same title;

H.R. 8656. An act to amend titles 37 and 38, United States Code, relating to promotion of members of the uniformed services who are in a missing status; and

H.R. 8687. An act to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to authorize real estate acquisition and construction at certain installations in connection with the Safeguard anti-ballistic-missile system, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 489. An act to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Modoc Point Unit of the Klamath Indian irrigation project, Oregon;

H.R. 2185. An act to declare that certain federally owned land is held by the United States in trust for the Lac du Flambeau Band of Lake Superior Chippewa Indians;

H.R. 3337. An act to authorize the acquisition of a village site for the Payson Band of Yavapai-Apache Indians, and for other purposes;

H.R. 5068. An act to authorize grants for the Navajo Community College, and for other purposes;

H.R. 6291. An act to provide for the disposition of funds arising from judgments in Indian Claims Commission dockets numbered 178 and 179, in favor of the Confederated Tribes of the Colville Reservation, and for other purposes;

H.R. 7701. An act to amend the act of August 9, 1955, to authorize longer term leases of Indian lands located outside the boundaries of Indian reservations in New Mexico;

H.R. 7742. An act to provide for the disposition of funds to pay a judgment in favor of the Yankton Sioux Tribe in Indian Claims Commission docket numbered 332-A, and for other purposes;

H.R. 8116. An act to consent to the Kansas-Nebraska Big Blue River Compact;

H.R. 8381. An act to authorize the sale of certain lands on the Kalispel Indian Reservation, and for other purposes; and

H.R. 9418. An act to designate the Mountain Park Reservoir, Oklahoma, as the Tom Steed Reservoir; to the Committee on Interior and Insular Affairs.

H.R. 950. An act to designate the Veterans' Administration hospital at Bedford, Mass., as the Edith Nourse Rogers Memorial Veterans' Hospital, and for other purposes;

H.R. 9096. An act to amend chapter 19 of title 38 of the United States Code, to extend coverage under servicemen's group life insurance to cadets and midshipmen at the service academies of the Armed Forces;

H.R. 9097. An act to define the terms "widower," "child," and "parent" for servicemen's group life insurance purposes;

H.R. 11220. An act to designate the Veterans' Administration hospital in San Antonio, Tex., as the Audie L. Murphy Memorial Veterans' Hospital, and for other purposes;

H.R. 11334. An act to amend title 38 of the United States Code to provide that dividends may be used to purchase additional paid up national service life insurance;

H.R. 11335. An act to amend section 704 of title 38, United States Code, to permit the conversion or exchange of national service life insurance policies to insurance on a modified life plan with reduction at age 70;

H.R. 11651. An act to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and for other purposes; and

H.R. 11652. An act to amend title 38 of the United States Code to liberalize the provisions relating to payment of dependency and indemnity compensation; to the Committee on Veterans' Affairs.

H.R. 11350. An act to increase the limit on dues for United States membership in the International Criminal Police Organization; to the Committee on the Judiciary.

H.R. 11487. An act to authorize the Administrator of the National Aeronautics and Space Administration to convey certain lands in Brevard County, Fla.; to the Committee on Aeronautical and Space Sciences.

ASSISTANCE TO HUNGRY PERSONS IN THE SEATTLE AREA BY THE J. C. PENNEY CO.

Mr. MAGNUSON. Mr. President, I know that with the current wave of consumerism in this country, we do not often hear much that is good about business. As chairman of the Committee on Commerce, I am daily made aware of consumer problems.

I was, therefore, most pleased by an article in the November 9 edition of the Seattle Post-Intelligencer. It tells of an effort by the J. C. Penney Co. to assist the many hungry persons in the Seattle area. I think most of my colleagues are aware of the serious unemployment and resultant hunger conditions in my State, and of the commendable volunteer efforts of the Neighbors in Need program to provide food for hungry people. Neighbors in Need feeds 8,000 hungry people every week and receives its support from voluntary contributions.

To support this humanitarian effort, the Penney Co. announced it will match any donation to Neighbors in Need made by any of its employees. This is a highly commendable effort, Mr. President, and I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PENNEY TO BACK NEIGHBORS IN NEED

The J. C. Penney Co. yesterday anounced a program the company hopes will become a major assist to the Neighbors in Neel food banks.

Under the program, donations to Neighbors in Need by Penney employes will be matched by the company.

All of the chain's 22 stores in the Puget Sound area will participate.

Harland W. Berndt, the company's district sales and merchandise manager, will coordinate the program.

He said he believes it will be "very, very beneficial" to Neighbors in Need.

The Neighbors in Need food bank problem, manned entirely by volunteers, was begun last November in response to the Seattle area's economic slow-down and high unemployment rate.

It operates more than three dozen food banks throughout King County, and has provided free food to many thousands of persons.

However, despite extensive publicity concerning the size of the problem, many of its food banks have been forced to close temporarily from time to time because of shortages of food.

AMTRAK

Mr. MAGNUSON. Mr. President, some of my distinguished colleagues have questioned the wisdom of further efforts by Amtrak to operate long-distance passenger trains. It has been urged that Amtrak concentrate its resources on service in short to medium-distance corridors in densely populated urban areas. It is argued that long-distance trains have no future because of their time disadvantage compared to jet aircraft, and that they are certain to produce large losses that must be made up from the profits of corridor trains, thus diverting resources which could best be used to expand and improve corridor services.

I need hardly remind my colleagues that I have always recognized that urban corridors are where the passenger train has its greatest potential, and that the major effort in terms of financial investment should be made in those areas. Indeed, on July 14, I introduced S. 2279, the National Transportation Act of 1971, which would make available a total of $3,700 million through June 30, 1976, to regional agencies for planning, research and development, demonstrations, and construction of high-speed transportation systems. I am honored that many of those concerned with rail passenger service have joined me in cosponsoring this vital legislation.

Nevertheless, I am convinced that there is a place for a limited number of long-distance trains. They offer unique advantages for tourists and vacationers who want to see our magnificent western scenery in safety and comfort. Travel and tourism is a multibillion-dollar enterprise; leisure time and disposable personal income are increasing every year. In recent years, much emphasis has been placed on attracting more visitors from abroad. Trains are the ideal way for these people to see the United States rather than fly over it. In some areas traversed by long-distance trains, service by other modes becomes undependable and even hazardous during inclement winter weather. Finally, a significant number of people resist air travel for psychological and physical reasons. They are entitled to an alternative.

Figures recently supplied by Amtrak to the Commerce Committee for the months of May and June 1971 cast some doubt on the theory that long-distance trains are sure to be losers and corridor trains are sure to be profitable. It is true that the only route that was profitable was New York to Washington. Boston to Washington broke even, and New York to Philadelphia came reasonably close. Once past these runs, however, the financial picture changes in favor of long-distance trains. No less than nine long-distance routes—including all of the western transcontinental trains—had a better financial performance, on the basis of percent of expenses covered by revenues, than all the remaining corridors. Revenues on the New York to Boston run covered only 50 percent of expenses, which leads one to conclude that the break-even performance of the Boston to Washington trains was accomplished by profits of the New York to Washington segments, making up for losses on the Boston to New York segments. On the New York to Hartford to Springfield run, revenues covered only 27 percent of expenses.

None of this contradicts the basic thesis that the greatest future potential for passenger trains lies in densely populated corridors. The figures do suggest, however, that major improvements in service will have to be made if that potential is to be realized—which in turn may require substantial Government expenditures. On the other hand, some of the long-distance trains might be brought to the break-even point by close attention to quality and operating expenses, well-conceived fare adjustments, and an aggressive promotional campaign aimed at the tourist and vacation market. Also, I would like to see Amtrak explore to a much greater extent than it has to date the possibility of substantially increasing the amount of mail, express, and package freight carried on these trains, consistent with maintenance of high standards of service for passengers.

In view of the Senate's increasing inability to complete its legislative business with sufficient dispatch so as to allow for us to spend any extra time traveling to and from our States, I must confess that I have gone West by train only infrequently in recent years. However, fortunately most Americans are not in our predicament. And if and when we even get back to a more rational legislative schedule, I would be most pleased to have some of the detractors join me and our distinguished majority leader on a trip through the incomparable beauty of the Northwest on the North Coast Limited.

I ask unanimous consent that a summary of financial results of principal Amtrak routes for May and June 1971 be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

FINANCIAL RESULTS OF PRINCIPAL AMTRAK ROUTES, MAY AND JUNE 1971-CONSOLIDATED, ARRANGED IN ORDER OF PROFITABILITY

	Railroad(s)	Miles	Number of daily trains	Revenues (thousands)	Expenses (thousands)	Revenue, percent of expenses
New York-Washington	PC	227	27	$4,411	$3,348	131
Boston-Washington	PC	456	6	1,418	1,436	99
New York-Philadelphia	PC	91	23	1,311	1,472	89
New Orleans-Los Angeles	SP	2,033	1	665	875	76
Chicago-Los Angeles	ATSF	2,222	2	2,345	3,181	75
Chicago-Denver	BN	1,034	2	505	700	72
Chicago-Seattle	MILW-BN	2,289	2	1,571	2,383	66
New York-Florida	PC-RF & P-SCL	1,426	6	3,226	5,264	61
Los Angeles-Portland	SP	1,189	1	224	383	58
Chicago-Oakland	BN-UP-SP	2,420	1	598	1,026	58
Chicago-New Orleans	IC	921	2	697	1,285	54
Chicago-Houston	ATSF	1,368	2	743	1,414	53
New York-Boston	PC	229	10	502	1,007	50
Chicago-New York	PC	907	2	878	1,775	49
Chicago-St. Louis	GM & O	284	4	229	642	36
New York-Albany-Buffalo	PC	435	15	586	2,074	29
Chicago-Detroit	PC	283	4	106	369	29
New York-Springfield	PC	134	18	80	291	27
Seattle-Portland	BN	186	5	90	361	25
Chicago-Milwaukee	MILW	85	6	80	366	22
Newport News-Cincinnati	C. & O.	655	2	128	581	22
Chicago-Florida	PC-L & N-SCL	1,500	2	391	1,862	21
New York-St. Louis	PC	1,050	2	210	1,074	20
San Diego-Los Angeles	ATSF	128	5	92	649	14

Note: Does not include "corridors" (under 500 miles) in which less than 3 daily trains were operated.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 640

The PRESIDING OFFICER. In accordance with the previous order, the Chair now lays before the Senate amendment No. 640, offered by the Senator from California, which the clerk will state.

The assistant legislative clerk read as follows:

On page 176, beginning with line 9, strike out through page 182, line 8.

The PRESIDING OFFICER. On this amendment, there are 3 hours to be equally divided. Who yields time?

Mr. CRANSTON. I yield myself such time as I may require.

Mr. President, the amendment I have submitted with Senator JAVITS and which Senators FULBRIGHT, HATFIELD, and PERCY have cosponsored, would delete title VI of the bill in its entirety. The title is an economic Tonkin Gulf Resolution. Just as President Johnson took that resolution as congressional agreement to plunge the Nation into full-scale bloody war in Vietnam, a Chief Executive could use the sweeping unilateral authority granted him by title VI to bring about major changes in the world economic structure without further congressional consultation or congressional action.

The provision in my opinion is bad for two reasons:

First. It is yet another delegation of power to the President in an area that should be shared by the Congress. The Executive power in the economic arena needs the advice and the restraint of

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Congress no less than does Executive power in the warmaking arena.

Second. Actually, it is a delegation of power that could lead not only to a trade war but to a shooting war. It could initiate a return to the trade wars that in the 1930's fed a worldwide depression, which consolidated the power of Hitler and Mussolini and paved the way to World War II. The provision grants the President authority to bring about major, far-reaching international economic changes which, in the false hope of restoring domestic financial stability, could result in catastrophic repercussions abroad.

We have heard a great deal of debate in recent years over the extent of Executive emergency warmaking powers. More than 50,000 Americans have died in a war in Indochina started and expanded without the formal assent of Congress, and which continues despite the unmistakable wish of more than two-thirds of the American people to end all American involvement.

The repeal of the Tonkin Gulf resolution, the effort to repeal the Formosa Straits resolution, the Mansfield amendment—which a majority of the Senate has now three times approved—are all clear indications of the growing desire in the Senate to make it unmistakably clear that the President should not act unilaterally in foreign affairs. It was this concern which led Senators EAGLETON, JAVITS, and STENNIS earlier this year to propose measures that would strictly limit the President's ability to involve the United States in an undeclared war without the consent of Congress. This is no less needed in the economic affairs field than in the military field.

It is conceivable that the President might see a financial crisis building where some temporary form of economic sanction might appear to be desirable. But, it is difficult to conceive of a need to impose restrictive measures so speedily that there would not be time for the Congress to act. Trade deficits do not strike without warning like intercontinental missiles, or surreptitiously, like torpedo boats in the night. The Government has ample early warning systems to provide advance indications of the nature of an economic emergency, and adequate time to properly consult with the Congress before taking appropriate action. I see a great danger in declaring in advance that such consultation is unnecessary.

Perhaps even more important, however, are the implications of the proposed emergency powers for the worldwide economy. It is precisely because such emergency powers are not so easily available to him that the President now has a greater incentive to negotiate his differences with his trading partners rather than take drastic punitive action.

The last 40 years have shown the tragic consequences of using economic bludgeons instead of negotations to resolve economic differences. The sad history of the trade wars of the 1930's should be enough to remind us of the folly of relying on protectionist measures—no matter how temporary their intended use—to bring about a more favorable trade balance.

The 10-percent import surcharge imposed last August may have relieved the pressure of foreign competition on some American industries, but it has already had serious adverse results abroad. The President has asserted that the 10-percent surcharge was imposed solely as a temporary bargaining tool to provide incentives to other countries to resolve differences with the United States. But history shows, and the recent decision of Denmark to impose its own 10-percent surcharge reminds us again, an economic bludgeon makes a poor "bargaining chip" and results not in a good bargain, but in the erection of retaliatory measures by those who are threatened.

The far wiser alternative to such economic warfare must be to resolve differences through negotiations. The whole trend of international economic policy since World War II has been through negotiated agreements to lower international barriers to trade and develop stabilizing mechanisms.

The General Agreement on Tariffs and Trade, framed at a time when the realities of world trade were quite different from those of today, is far from a perfect instrument—but it is presently the only working set of rules attempting to govern international trade worldwide. If GATT has weaknesses, however, the answer is not to ignore its rules, but rather to seek their modification. In this I share the view of the committee. The 10-percent surcharge, which most countries view as a violation of the rules, has already alarmed and upset our trading partners greatly. Even the publication of reports that the Senate is considering granting the President still more sweeping powers has provided still more unnecessary provocation.

Any actions by this Government which might bring about changes in the world trade structure must be most carefully evaluated before they are undertaken. Control of trade and tariff policy should be shared by Congress and the Executive, and this title, which gives up in advance any congressional authority in this area, should be rejected.

Mr. President, I ask whether the distinguished Senator from New York, a cosponsor of the amendment, wishes to speak at this time.

Mr. JAVITS. Mr. President, I ask the Senator to yield me 10 minutes.

Mr. CRANSTON. I yield 10 minutes to the Senator.

Mr. JAVITS. Mr. President, I have joined in sponsoring this amendment because I believe that the provision, which is clearly not operative unless the President operates it, comes at the wrong time and gives the wrong signal to the world and adds nothing that the President does not already have.

The reason why it gives the wrong signal to the world is that, instead of signaling that we want to work out the problems, which is what the President is constantly saying, we are signaling that we expect to be in a long fight. I emphasize the word "long," because the date stiplated in this amendment, which I think is most ill-advised, is December 31, 1976. December 31, 1976, in round figures, is 5 years from now; and it is almost inconceivable that before then we will not have comprehensive trade legislation—indeed, the chairman of the committee assures us that we will have it next year—which will take account how the present impasse is settled.

I can hardly believe that the world is going to commit suicide and allow us to slip into a depression or a recession worldwide because we cannot come to an agreement on international trade and on international monetary affairs. Yet, that is what this amendment presupposes. It presupposes that we are going to be in for a period of trade war retaliation in which highly flexible and drastic powers must be given to the President for a long period of time. That is precisely what the President is not saying; and it confirms every fear of our trading partners, especially the big ones, who are saying that Connally is too tough, that the United States is not making any proposals, that it is asking for propositions, that it says it is going to use its strength just to stand pat, and that this is very likely to plunge the world into economic turmoil.

So, with no gain, we do not add anything; we are inviting exactly the confirmation of that position by leaving this amendment in the bill. It makes no sense, because it is not needed. Yet, we gratuitously do it. What do we expect people to believe if they see Congress conferring upon the President the long-term power to make economic war? That is what it comes down to.

I am not hawkish at all. In everything I have done in this field, I have been perfectly willing to be as tough as anybody else. But at the same time, I have consulted the fact that we do not only give out; we also take in. Our trade remains pretty much in balance.

The fact is that we have millions of employees in the country who are deeply engaged in the export trade; that our consumers in this country are deeply beholden to the import trade which also is a considerable employer. There are even raw materials which the country must have from abroad—we are not self-sufficient. There is the strange inconsistency of arguing that we can be autarkic and then breaking the United Nations sanctions on chrome, which is something we were very foolish to do, because we wished to protect ourselves in respect of an indispensable raw material we have to import.

Mr. President, in addition to the particular arguments on trade, the fact is that these much-maligned U.S. investments abroad, especially direct investments, are now producing enough money to redress our imbalance in trade and tourism. So our current account is not that unhealthy.

In the future these investments will be considerably more productive, with a substantially growing surplus in sight. These contributions to economy of the United States should not be overlooked.

Also, we are just beginning to analyze and realize the tremendous importance to our exports of the fact that American corporations are operating multinationally in the world. Maturity and good economics indicates that we cannot make everything, not necessarily for ourselves, although we are probably as self-sufficient as any other nation on earth in terms of a high standard of living; but we cannot make everything, unless we want to be profligate and do things which are absolutely unnecessary in the wasting of our resources. We have to rationalize in a trading world.

The President says—and I agree—that we need to make a short-term deal on money, which is important today, and we need to make a longer-term deal on trade barriers, defense burden sharing, and a permanent settlement of the international monetary system.

But for a nation that has just applied such stringent measures, the Germans, who are meeting here at the Hotel Sonesta, in something called the German-American bridge, point out that their imports to the United States now have a cumulative 40 percent levy. That is aggregated from the revaluation of their money, as the mark is floating, from the 10 percent surcharge and the impact of the "Buy American" provision in the investment tax credit. Our authorities agree that they have been behaving very well toward us. Nonetheless, they are suffering with everybody else, and there is grave danger of a serious economic downturn—as a matter of fact, it is happening now—in Germany. Italy is really in the doldrums, and Britain is not much better off.

If the whole world is going to go bad, I assure you that we are going to be dragged down with it. We cannot avoid it, no matter what the advocates of autark may think. That has always been the economic history, and it will be the economic history now.

So, Mr. President, it is almost inconceivable that, quite gratuitously, this particular kind of signal should be given under the blazoned legends of protection of balance of payments. The President acted with respect to the surcharge under the Trade Expansion Act, which does not have a terminal date, and no one has challenged that, and it is actually in effect. He acted with respect to the freeze and phase II under the economic stabilization act, and that is up for renewal and will be handled by the Banking and Currency Committee in both Houses. Indeed, I believe the Committee on Banking, Housing and Urban Affairs expects to report today or tomorrow.

A whole complex of negotiations is going on right now in the world. For example, the Group of Ten—the 10 leading nations of the world in financial terms—are due to have a meeting sometime this month or very early next month. Indeed, it is my understanding that a summit meeting between the Chancellor of Germany and the President of France—as they are the two principal continental European countries concerned—is hinged upon the meeting of the Group of Ten.

No matter how tough Secretary Connally says it is, he says this has to be settled; and we are in the process of trying to negotiate a settlement.

Yet, the argument is that we are asking others for a proposition rather than making a proposition of our own. If the only proposition that we can put forward is a long-term Army, Navy, and Air Force in economic terms, and that is what this particular title would do, that is a poor way to enter into negotiations and get results. And now we see title VI, overkill if there ever was any.

This idea that we are going to put our muscle on the world and the world will respond because we will show them how tough we are, has not worked in the United Nations with respect to the disastrous defeat of American policy with the exclusion of the Republic of China on Taiwan, and it will not be done economically. It has also not worked in Vietnam. The world is not organized that way. Human nature will not respond to that kind of bludgeon.

I repeat, this is the wrong signal, at the wrong time, and without any real necessity for it.

Therefore, title VI should be stricken while we have the opportunity to do so.

A few facts and figures are very important. There is a growing concern in the world that the United States is likely to go protectionist and isolationist, then the world will protect itself the best way it can. Title VI justifies and reinforces this concern.

I ask unanimous consent that a statement I made before a press conference this morning be placed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JAVITS JOINS CRANSTON IN SEEKING TO STRIKE PROTECTIONIST SECTION FROM REVENUE BILL

Senator Jacob K. Javits (R-NY) today joined Senator Alan Cranston (D-Calif.) in offering an amendment to strike protectionist provisions from the proposed Revenue Act of 1971.

"In my view, there is no faster prescription for breaking down the international trading order which has served us so well since the end of the war, for promoting rampant regionalism which already is of such concern to the United States and Europe and for encouraging the outbreak of trade wars," Senator Javits said of Title VI of the bill which the Cranston-Javits Amendment seeks to strike.

Under Title VI, the President would be given sweeping powers to declare a balance-of-payments emergency and to impose import quotas or surcharges of 15 per cent without further Congressional consultation or action.

Senator Javits, a member of the Foreign Relations Committee and ranking Republican Senator on the Joint Economic Committee of the Congress, noted that the President has been put on record as not having requested this new authority and not expecting to use it.

Senator Javits called Title VI "a giveaway of Congressional power unparalleled since the passage of the Gulf of Tonkin Resolution." He added: "It is a bad signal to the world. As the Congress and the nation lived to regret this Congressional action which served to accelerate and prolong the Vietnam war, so could we live to regret the passage of Title VI and the trade wars that would follow in its wake."

Following is the text of Senator Javits' statement prepared for delivery on the Senate floor:

Mr. President: The amendment I have joined in cosponsoring with the distinguished senior Senator from California, Mr. Cranston, proposes to strike Title VI—the so-called Protection of the Balance of Payments section—from the proposed Revenue Act of 1971.

The following are my reasons for offering this amendment:

1. It is broad yet seemingly sterile authority. This is apparent in the statement of the press secretary of the President, Mr. Ziegler, on November 9 that the "President did not request this authority and would not expect to use such powers." This Title would accord the President sweeping and almost unlimited powers in the trade area, yet paradoxically, the Committee on Finance decided not to give the Administration the minor authority it had requested to negotiate tariff changes. Press reports indicate that the Committee Chairman is planning to include such authority in new comprehensive trade legislation next year. If the Committee indeed is planning to come up with comprehensive trade legislation next year, why does Title VI in this bill contain some of the most comprehensive, sweeping trade legislation in our history?

2. Title VI, if applied, could contravene totally the most-favored-nation policy which has been a fundamental tenet of our trade policy since 1922, because the title would give the President the authority to apply import quotas or the import surcharge in a completely discriminatory fashion. In my view, there is no faster prescription for breaking down the international trading order which has served us so well since the end of the war, for promoting rampant regionalism which already is of such concern to the United States and for encouraging the outbreak of trade wars.

I call attention to the July, 1971 Report to the President by the Commission on International Trade and Investment Policy which stated, and I quote:

"It is sometimes suggested that the United States should exclude from unconditional MFN treatment countries engaged in practices inconsistent with GATT or which are parties to preferential arrangements.

"While the idea has superficial appeal, it can be seen, on closer examination, to be a recipe for economic warfare. Countries discriminated against will discriminate in turn, and the whole system of trade concessions negotiated since the war could be unraveled . . .

"We conclude that our policy should continue to be based on the unconditional most-favored-nation principle—the principle of nondiscrimination which has governed U.S. trade policy since 1922 and is one of the basic principles of the GATT. Further departures from this principle could open the door to economic warfare and eventually divide the world into regional blocs."

3. It must be recognized that this excessive authority would be accorded the President at a time when the world international economic order faces unusual and dangerous instability. It would come on top of the Buy-American provision of the investment tax credit, to the 10 percent import surcharge charged to be so discriminatory by many of our trading partners—measures which already have brought the world to the brink of an unprecedented trade war—and correspondingly fuel increasing international tensions and real concerns about the reliability of the United States as a trading partner and political ally.

I have been reliably informed that the combination of the Buy-America provision and the import surcharge—in addition to the currency realignments that already have taken place—could reduce West German export sales to the United States by some 40 percent. The impact on the exports of other nations also could not but be in a range that is politically and economically unacceptable to them.

Clearly the passage of Title VI coming on top of the discriminatory Buy-America provision and the surcharge would be a clear

signal to the world that we no longer favor an open trading world. This, in turn, would lessen the possibility of the U.S. negotiating the type of package settlement that would best serve our own national interests.

4. I do not feel that Title VI can be viewed in isolation from the recent Senate defeat and revival of the AID bill. They are both part of the same phenomenon, namely the growing world concern of isolationist sentiment among the American people and the American Congress primarily because of our continuing revulsion to the Vietnam war. If the pendulum swings too far this will have an adverse effect not only on our national economy, but also on our national security. Title VI again goes too far and at a particularly sensitive time in our international relations.

5. Much concern has been expressed about the jobs that purportedly have been lost by our international trade and investment activities.

As to trade, the New York State Department of Commerce has indicated to me that more than $26-billion in trade flowed through the ports of New York, balanced fairly evenly between exports and imports. While much statistical work remains to be done, U.S. Bureau of Labor Statistics estimates that each $15-billion in imports provided one million jobs. Unfortunately very little attention has been given to the jobs created by imports in our major port cities, through the establishment of dealerships in addition to the millions of jobs created by exports. We cannot shut off the flow of imports into the United States and expect, in turn, that other nations will not take similar action against our exports to them.

As to American investment overseas, it is already clear that foreign governments are considering measures adverse to these investments. Annual earnings from these investments (including fees and royalties) totaled $7.9-billion in 1970 as compared with $2.9-billion in 1960. These earnings are approximately double the annual capital outflow of U.S. capital involved in U.S. direct investment abroad and our surplus on the capital account in 1970 totaled $3.5-billion. Clearly these earnings have become a major positive and growing factor in our balance of payments—a factor that goes to vitiate the need for the same type of balance of trade surplus we were running in the early 1960s. Again, studies are underway as to the job creation effects of our overseas investment and preliminary data indicates that their effect is a substantial positive element in the overall health of our economy.

Title VI of the bill now before the Senate represents overkill. It is not helpful to the United States negotiating position because the President already has indicated he would not use the authority conveyed therein. And it is a giveaway of Congressional power unparalleled since the passage of the Gulf of Tonkin Resolution. And, finally, it is a bad signal to the world. As the Congress and the nation lived to regret this Congressional action which served to accelerate and prolong the Vietnam war, so could we live to regret the passage of Title VI and the trade wars that could follow in its wake.

Mr. JAVITS. Well, Mr. President, that is a basic fallacy which I have declared before, and I wish to declare it in the most advised and profound way again, a fallacy in the fact that if we think individual nations or groups of nations will try to work this out on a self-help basis, they will not do so.

They will turn, in my judgment—and we are beginning to get confirmation of that from very reliable foreign sources—to the other superpower in the world.

In short, the way this world is organized, someone will set the basic tone and character of world organization. If we do not do it, and do it before the Communist Chinese get strong enough to do it, then the Soviet Union will. If we turn our back on the world, if we isolate ourselves behind high trade and tariff barriers, another superpower will fill the leadership vacuum. Similarly, if the administration abdicates a leadership role in trade policy, another group will fill this vacuum.

It suits the Soviet Union to have a world which is divided into blocs, a world which is antagonistic in terms of economics and trade, a non-MFN world, a free world which falls apart because it does not have the cement of interest in terms of economics to keep it together. That is their interest. If we allow the world to go that way, it will be yielding precisely to what the world is misreading as to the true American purpose, by provisions exactly of the character which are contained in title VI of the bill. I am hopeful since Mr. Ziegler indicated on November 9 that the President did not want this additional grant of authority. Hopefully, the White House understands the dangerous nature of this provision.

I understand that a thing like this gets into a bill of this kind because there is a sweep of popular feeling which it is thought will be assuaged and helped and pleased by this kind of provision. I know. The Senator from California (Mr. CRANSTON) and I discussed this point when I was seconding his splendid initiative in seeking to strike this particular title from the bill. One could have rejected it and said, "Oh, why bother with this? They will not see deeply into that. They will turn us down and that will be the end of it."

I do not feel that way about American democracy. I do not feel that way about the Members of this body. I feel that it is, one, the duty of Senators to stand and explain what they are saying and why. That is why we are here, whether it is easy to do and whether it has wide support or not; and, second, these things are cumulative. They can snowball and I point to the initial defeat of the foreign aid bill. If we begin now to make clear to the world and to the people this point of view, as corroboration crowds in upon us from abroad—and it is crowding in upon us—and we begin to see economic activity drastically declining abroad—and we are beginning to see it, and I shudder to state but I state it advisedly that we will see more and more of it, if we continue this kind of business that is incorporated in title VI—it will confirm to the American people the fact that there must be a change in our attitude, and will feed the very isolationist pressures that past and present Presidents are eloquently warning us about. Small, separate acts help develop a destructive mood that will be difficult to reverse.

Title VI is strictly a matter of attitude and climate. It has no effect whatever beyond what we have to have on the books now except attitude and climate, and I think attitude and climate in title VI are wrong and counterproductive for exactly the kind of settlement we want to make in the world.

I repeat for the third time, it is the wrong signal, at the wrong time, and completely unnecessary. They signal prolonged conflict and a breakdown of principles such as most favored nations which have governed the free trading world since 1922.

For those reasons, Mr. President, I hope that the Senate will have the wisdom to strike title VI from the bill.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. LONG. Mr. President, this Nation is running a balance-of-payments deficit at the rate of $3 billion a year, on an official settlements basis and $23 billion on a liquidity basis of measurement. Our balance of trade is also in deficit.

For years there have been those advocating a liberal trade policy who have insisted on keeping what I regard as totally fraudulent trade figures. Feeling that a fair presentation of our balance of trade figures would play into the hands of those who did not like the liberal trade policy, they would leave off the freight costs on the imports and they would add the foreign giveaways to the exports and by doing that could make our balance of trade look $5.5 billion a year better than it actually was.

But, Mr. President, even with that sort of sleight-of-hand bookkeeping, fraudulent as it may be, we are now reflecting a great big deficit in our balance of trade.

But no one is confused about the overall figures. We have a $23 billion liquidity deficit in the overall balance of payments this year, which is the kind of thing that the international monetary fund looks at, which is what everyone can agree on. That is conservative when we look at what is happening in the last quarter of this year; namely, that liquid assets to foreigners reached a level of nearly $70 billion, and our reserve assets are less than $12 billion. That chart appears on pages 134 and 135 of the committee report.

This Nation has engaged in international giveaways and profligacy in aid and in trade to the point that we are becoming internationally bankrupt. Our trade deficit is running at the rate of over $6 billion a year deficit, when the cost of insurance and freight are added to our imports.

The Commerce Department is reporting a trade deficit of $1.5 billion in 1971. The authority we have proposed here would strengthen the President's hand, and give him the power to act to protect the American position in a balance-of-payments emergency. We define the authority of the President to protect our balance-of-payments situation.

The administration had been contemplating to use the Trading With the Enemy Act in the textile dispute. Any time someone does not want the President to do what he finds he is compelled to do, under our very adverse set of circumstances in international trade, they are privileged to run editorials with captions such as "Trading with the Enemy"—as though by trying to save America, the President is treating one of our good friends like Mexico, Canada, Brazil, Japan or some other country, as though they were an enemy of the United States.

We have to do the things that must be done under our present unfavorable situation to correct our balance of payments.

So what we propose in this act is simply to give the President the kind of authority he would need, if he thought it necessary, to move to protect our situation, and that would be to impose a 15-percent surtax instead of a 10-percent surtax to which reference has been made, or to impose selective import quotas, which provides him with flexibility. He does not have to impose restrictions on all countries. He can be selective with regard to where the problem may be.

We give the President authority which he says he does not propose to use at this time. He does not say that he needs it now. However, in all seriousness, we might find ourselves in a situation where authority of this sort would be needed. That would not be at all new.

We gave the President the power to use the interest equalization tax with respect to long-term bank loans and with respect to short-term capital. We gave him that authority. The President said he did not need it and would not use it. He has used it.

We gave him the power with regard to economic stability. He said he would not need it and would not use it. He has needed it and is now using it.

The administration does not have a crystal ball to forecast the future. They say that they do not think they will need it. However, they recognize that the time may come when they will need it. They are not asking that this authority be stricken. We on the committee have been as concerned about this turn of events as any President in recent years and we see how this power may be needed. Congress has always been less liberal on trade issues than the White House. That has been true whether it has been a Republican or a Democratic President.

Here is one situation where the conservatives and strict constructionists are willing to trust the President more than the so-called liberals in this case. We recognize that we should not have to use an act with so forbidding a name as "Trading with the Enemy" and apply it to trading with a friend. So we are providing this power to protect this country in the case of an emergency.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 additional minutes.

Mr. LONG. Mr. President, the President says he does not need it for now. But he does not oppose having the authority in the event it is needed.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. FULBRIGHT. Mr. President, this is until the end of 1976; is it not?

Mr. LONG. The Senator is correct.

Mr. FULBRIGHT. Mr. President, why should it be for such a long period of time? Granted, we are in very serious circumstances at the moment, but in view of the fact that things are so uncertain, I wonder why the Senator feels, and feels so strongly, that this authority should be for such a long period of time.

Mr. LONG. Mr. President, we have had these deficits for 20 years, and we are not getting into the black. Mark my word, I am confident that the facts will not contradict this. In spite of what is happening, we will still have these deficits. We might reduce them, but we will still have them. And this big balance of dollars held by foreign countries against our meager reserves will continue to grow worse rather than better in spite of what we are trying to do.

Mr. FULBRIGHT. Mr. President, does not the Senator think that our ending the war in Southeast Asia and getting away from this enormous growth of military equipment will help?

Mr. LONG. That will help some. I know how strongly the Senator from Arkansas feels about this. However, that is not what is causing the deficit. We have also an unfavorable balance of trade. And in spite of all of the things we can do to pay for the aid in terms of commodities rather than dollars and to find ways to help our balance of payments by shipping our own arms and using our own ships and things of that sort, there will still be a deficit. The unfavorable balance from the war in Vietnam is just one item. Frankly, it is not anywhere near as big as the Senator thinks it is with respect to our overall deficit position.

Mr. FULBRIGHT. Mr. President, I take it that the war in Vietnam and the troops we have on hundreds of bases abroad and the troops in Europe runs up into an amount of $8 billion or $10 billion, does it not?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator is recognized for an additional 3 minutes.

Mr. FULBRIGHT. Mr. President, they are all connected or influenced by the war.

Mr. LONG. We are winding down the war. Yet the problem is getting worse. Here is a statement on an official settlement basis and a liquidity basis. And looking at both columns, the situation is geting a lot worse in 1971 than it was in 1970. I read the statement:

BALANCE OF PAYMENTS FACT SHEET

[In billions of dollars]

Balance of payments	Official settlements basis	Liquidity basis
1971—January-September annual rate	−31.2	−23.0
1970	−9.8	−3.8
1969	+2.7	−7.0
1968	+1.6	+.2
1967	−3.4	−3.5
1966	+.3	−1.4
1965	−1.3	−1.3
1964	−1.5	−2.8
1963	−2.0	−2.7
1962	−2.7	−2.2
1961	−1.3	−2.4
1960	−3.4	−3.9
Subtotal, 1960–71	[1] −52.0	−53.8
Subtotal, 1950–59	([2])	−17.3
Cumulative total, 1950–71	[1] −52.0	−71.1

[1] 1960–71 only.
[2] Not available.

Source: U.S. Department of Commerce.

Mr. FULBRIGHT. Mr. President, I grant the Senator that. However, we are proceeding upon the basis that we may be winding down the war in Vietnam. However, we committed $341 million in Cambodia, and this is an item that we did not have a few years ago. We have just allowed $350 million for Laos. It was nothing substantial before that. It is true that the CIA was spending money there covertly and we did not know about it. However, we have two items there which, when added together, total $691 million for two very small countries.

It is true that we are winding down the war. However, the increase in the military expenditures is very great indeed. It is a big item if we add all the figures together. There is $2.5 billion in the defense budget for Southeast Asia.

The economy on the settlements basis reflects the flight of dollars during August and the anticipated devaluation. Indeed, it is enormous. The latest figures total $31 billion including this last quarter.

I grant the Senator that it is necessary to do something about it. I am not arguing about that.

I am raising a question about the long-term view which would isolate Congress from having anything to do with it not only with respect to this item, but also with respect to any other field. I would hope that this President would take this matter seriously.

This President is taking seriously our commitment abroad and the maintenance of all of the bases. Many are useless. They are there just from habit. The Senator will remember the fight about the bases in Spain. If we add all of those items together, it amounts to a lot of money.

The Senator minimizes the effect of this a lot more than he should.

Mr. LONG. There are items on which I can vote with the Senator from Arkansas. Some Senators agree on some matters and not on others. I supported the Senator's position with respect to the troops in Europe. I think there are far too many there.

Mr. FULBRIGHT. I do not want to distract the Senator by arguing about the merits of having the troops in Europe or the war in Vietnam. My point is why should we have the long-term authority in respect to this field that relates to all other items, this deficit among them.

I do not want to bedevil the Senator about the troops in Europe or the war in Vietnam. However, these are activities that contribute to this serious situation. I do not want to be part of a measure that relieves the President of any incen-

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tive to reduce those expenditures. This matter is serious enough and much more serious than other elements I have mentioned.

Each President seems to pride himself upon the fact that he is following the policies of his predecessor. President Johnson said that he was carrying on the policy of four Presidents. This President is going along with the same thing.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 additional minute.

Mr. LONG. Mr. President, in all due deference to the Senator, I suggest that the Senator use the time of the proponents. He is for the amendment, and I think ought to use the time of the proponents rather than to use mine.

Mr. FULBRIGHT. Mr. President, I was taking the opportunity to ask the Senator a question. I did not know there was a lack of time. I thought that there was a lot of time.

Mr. LONG. Mr. President, frankly, I want the Senator to use some time of the proponents. I do not expect to use all of my time. That is why I want them to use theirs.

Mr. FULBRIGHT. The Senator does not want to talk about it.

Mr. LONG. I would be happy to yield to the Senator in due course, but if the Senator is for the amendment, he should use the time of the proponents of the amendment rather than the opponents of the amendment.

Mr. RIBICOFF. Mr. President, I usually find myself on the side of the Senator from California (Mr. CRANSTON) and the Senator from New York (Mr. JAVITS) in most voting. Now, however, I support the proposal that has been made by my chairman, Senator LONG.

I think the distinguished Senator from Arkansas has a valid point. It does seem that 1976 is a long way off. I think without much harm it could be shortened by 1, 2, or 3 years. The date could be December 31, 1973, and nothing would be lost in giving time for the next President to study the matter.

Mr. FULBRIGHT. That is the point I was making.

Mr. RIBICOFF. The Senator from Arkansas in his colloquy with the Senator from Louisiana did discuss one of the basic problems that justified the committee's approval of this amendment. I, too, believe one of our great problems has been the imbalance caused by the expense of the Vietnam war.

It is only fair to point out that many items go into the balance-of-payments deficit. While I have the details for only the first half of 1971, I wish to refer to them so Senators can see how diverse they are.

In trade we are running a deficit of $1.5 billion; in travel a deficit of $1.74 billion; in military expenses the deficit was running at $2.688 billion; dividends and interest had a surplus of $7.83 billion.

When we get down to private remittances, Government pensions and other transfers, there is a deficit of $1.398 billion. Transactions in long-term U.S. capital invested abroad shows a deficit of $9.584 billion, U.S. Government capital showed a deficit of $2.414 billion, U.S. direct investment abroad showed a deficit of $5.37 billion, purchases and sales of foreign securities showed a deficit of $1.498 billion, and U.S. long-term bank and nonbank claims had a deficit of $302 million.

These figures indicate that the problems in balance of payments with which the United States is struggling are many and diverse.

The President has a very difficult task in bringing all of this together and in correcting this imbalance. The present situation is such a tragedy because it indicates the weaknesses in the economy of the United States.

It is a sad thing for us to face up to the fact that we are suffering great economic reverses, with other nations expanding their economies and productivity more rapidly, we now have to face the fact that over the last 25 years we have never had a cohesive foreign economic policy.

I give good marks to the President for the actions he took on August 15. Some of them were long overdue, and what he did caused a shock to the entire world. The great issue at the present time is whether the President, the Secretary of State, and the Secretary of the Treasury will have the wisdom in the months ahead not to turn this original shock into a world-wide recession and a trade war. This will take great negotiating skill on the part of the President, Secretary Connally, and Secretary Rogers.

It is fascinating to me that those Senators who are considered liberals on trade, such as the senior Senator from New York and the senior Senator from California, are now put into the position of opposing the President on an international trade issue. As I read American foreign economic history, regardless of the errors or successes of the various Presidents, every President in recent years has been much more liberal than Congress when it came to international trade. If you want to gage the true feeling of Congress, look at the Harris most-favored-nation amendment which I supported, and which was defeated yesterday by a vote of 55 to 22.

I feel that the Senate today is roughly 2 to 1 strongly protectionist. I do not think that any President can be as strongly protectionist as the Senate. The balance-of-payments amendment developed as follows. When Secretary Connally came before the Finance Committee many of us were disturbed that in the negotiations with Japan the United States was claiming it was acting under the Trading With the Enemy Act. This added insult to injury, considering that the nations we would use this against were now our friends, and with whom we have strong defense and economic relationships. It seemed wrong for the President to seek to correct an economic imbalance by invoking legislation which implied trading with an enemy. The committee felt this should be changed, and that we should not insult Japan and other nations who are not our enemies but our friends. The committee felt it should give the President new authority to enter into negotiations with the various nations with which we do business. That was the basis of the amendment.

The committee amendment would give the President freedom and flexibility to deal with our balance-of-payments and balance-of-trade deficits. Previously, the President could take action under the "Trading With the Enemy Act" to impose import quotas or an import surcharge. The press was full of reports that the President was contemplating using this authority in connection with the textile agreement. It appeared to us that the President should not have to resort to emergency wartime powers which were intended to deal with enemy countries in order to impose import restrictions for balance-of-payments purposes.

We all recognize that long-term solutions to our balance-of-payments problems can mainly be achieved through negotiations. These negotiations would have to cover not only the immediate problem of establishing new rates of exchange or currency parities for the major industrialized countries, but should also include longer-range problems involving nontariff trade barriers, more equitable burden sharing of military expenditures, and an overhaul of the present international monetary system. These negotiations will be long and difficult. Our trading partners will have to forgo some of the advantages which they now enjoy and which have helped perpetuate our deficits, and their surpluses. Patience, understanding, and compromise will be necessary on all sides. Any American President, however, should be able to negotiate from a strong position. This involves, among other things, the kind of authority which the committee bill now provides, plus additional negotiating authorization to deal with tariff and nontariff barriers.

The history of our balance-of-payments deficit is a long one. We began to have deficits in the year 1950, after the European countries and Japan had rather large devaluations of their currencies and deficit persisted in a rather modest way throughout the 1950's until it began to increase to sizable proportions in the late 1950's.

Many Senators will recall that it was President Eisenhower who first ordered the withdrawal of U.S. dependents from Western Europe. President Kennedy was very concerned about the balance-of-payments problem during his administration. He took a number of actions to deal with it, including the tieing of economic aid to procurement in the United States and the imposition of the interest equalization tax on new issues of foreign securities. The overall problem, however, remained intractable. President Johnson was forced to impose voluntary and then mandatory, controls over the outflow of private capital. He incidentally used the "Trading with the Enemy Act" to impose controls over U.S. investments in NATO countries, certainly a most ironic action. But, in spite of all that had been done, our balance of payments burgeoned to historic highs.

Our balance-of-payments deficit must be dealt with in a comprehensive way

with action on a variety of fronts, including trade, aid, military and foreign investment. The first step to improve these accounts would be changes in the currency parities which now exist. I believe that the authority contained in the committee amendment should encourage foreign countries to cooperate with us in solving our mutual problems on a negotiated basis. That does not have to lead to trade conflicts if the proper discretion is used in applying this authority.

No one can be certain where these negotiations will lead. But it should be kept in mind by the Senator from New York and the Senator from California that deficits and surpluses represent a double image in the same mirror, because you cannot have a surplus without someone else having a deficit. It has always been easy for the creditor to place the fault of the debt on the debtor.

We should keep in mind that the prosperity of the Common Market was built up on American deficits. The prosperity of Japan was built on American deficits and, I might add, the failure which the Japanese now acknowledge to meet many basic social needs.

Now we have to face the problem of what authority to give the President and his negotiators when they sit down with all trading partners of the world to work out the problems that bedevil all nations.

I believe that what the Committee on Finance has done in this measure is sound. I do, however, believe that the Senator from Arkansas makes a valid point. I do not think we have to go all the way to December 31, 1976. If we made the date December 31, 1973, it would still give the next President, whoever he may be, a year to determine what he wants.

While in the past the Congress has been largely ignored with regard to trade problems, during the last 6 months the executive branch has been in close contact with the Committee on Finance on trade and other matters.

Last January, because of my own concern over these problems, the distinguished chairman of the committee asked me to travel to Europe to gain some insights into what was happening to our economic relationship with our friends. I submitted a report to the chairman of the Committee on Finance, "Trade Policies in the 1970's." Many of the issues I discussed in that report are now being addressed by the President and Secretary Connally. I want to thank the chairman again for having set up the Subcommittee on International Trade, and I appreciate the fact that he designated me chairman.

I will be candid with the chairman, the Senator from California, and the Senator from New York. The deeper I get into the problems of international trade the more uncertainties and complexities I find. I realize this is not only because of the interdependence of trade, investments, foreign aid, and monetary policies, but, because we are now encroaching new worldwide phenomena—such as the tremendous power of the "multinational corporation."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. RIBICOFF. May I have 5 minutes?

Mr. LONG. Mr. President, I yield 5 minutes to the Senator from Connecticut.

Mr. RIBICOFF. These multinational corporations represent large conglomerations of money and managerial talent, with no distinct national personality. Most of these multinational corporations are originally American. They are located all over—in Japan, Germany, Sweden, Switzerland, England, France, and Italy. This country, and the other nations of the world, are going to have to determine, with respect to these huge and powerful multinational corporations—what controls must be exercised, and who should have jurisdiction over them.

Because of the enormous complexities of the problem, the Congress of the United States must trust in the executive branch to a great extent. I do believe we have begun to establish a closer relationship of consultation with the executive branch on these problems.

The distinguished Senator from Arkansas is a member not only of the Finance Committee, but of the Foreign Relations Committee, which also has a role in these problems and its own problems with the executive branch. I am sure that all members of the Finance Committee are going to continue to watch these international trade, banking, and monetary problems very carefully.

In sum, I do not think we are giving away too much authority. I believe the President needs this flexibility, and that the Finance Committee acted wisely in granting this authority to the President. The only change I would suggest at this time is that the chairman of the committee and the ranking minority member would consult to see whether the year 1976 might represent a greater duration of the authority than we have to give. I think it would be helpful if the date were changed to December 31, 1973.

Mr. BENNETT. Mr. President, will the Senator yield me 3 minutes?

Mr. LONG. Mr. President, I yield 3 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, when the President acted on August 15 he had to go to completely unrelated laws on which to find authority to act, the Trade Expansion Act, and prior trade agreement legislation.

President Johnson had to go to the Trading With the Enemy Act to impose capital controls and President Nixon had to go to the Trade Expansion Act to impose an import surcharge.

Facing the real critical situation that we do, it seems to me entirely proper that the committee which has responsibility for overseas trade should give the President specific legal authority for the future and not leave him dependent on two acts that were not intended for balance-of-payments purposes.

One other comment: About the beginning of this century we had a President who left behind him a saying which I think describes what we are trying to do for our present President. Teddy Roosevelt said, "Speak softly, but carry a big stick."

I agree with the Senator from New York that we expect our President to speak softly, but he does not have much of a stick. He has a twig or so he picked up in an unexpected place. Now let us give him a stick. He does not need to use it. Teddy did not have to use it, but the fact that he had it, made all the difference in the world.

The Senator from New York is worried about the signal we are giving to our friends abroad. If we now turn this proposal down, we are giving a signal abroad that Congress does not want the President to have the power to carry out the program he has and they can afford to thumb their noses at him.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. LONG. The way things stand now, this President does have authority to use. In fact, he has vast authority under the Trading With the Enemy Act, but the act was not drawn with the purpose in mind of regulating commerce with our friends. So one might wish to draw the analogy that, to remedy the situation, the President had a hammer available to him when a pair of pliers would serve the purpose much better.

We have sought to give him authority measured against what his problem is and adequate authority based on what we could see and also flexibility in the authority so he would not have to use it against everybody, but use it just against those he found it necessary to use the authority against.

Mr. BENNETT. And give him a little reserve authority in the bigness of the stick he carried.

Mr. LONG. Exactly.

Mr. BENNETT. Mr. President, I hope our colleagues in the Senate will realize that this is not a fearsome thing we are creating. This is a wise gift of authority to the President, whoever is President, so that he can handle a problem that has been getting worse for a dozen years and needs just the kind of action Secretary Connally and President Nixon are giving.

Mr. FULBRIGHT. Mr. President, will the Senator from California yield me 5 minutes?

Mr. CRANSTON. Mr. President, I yield 5 minutes to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I am surprised to hear the Senator from Utah, who is one of the best informed men in the Senate, say "for a dozen years." The truth of the matter is that our balance of payments began to get serious really only in about the last 5 years.

According to the figures that have been handed me by the staff, our imbalance of payments, on an official settlements basis, in 1965 was only $1.3 billion, and on a liquidity basis, the same, $1.3 billion. It looks very fine compared to the $31.2 billion we have now, 5 years later.

It is not a dozen years. There is a tendency on the part of everyone to try to minimize the effect of our military involvement abroad.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BENNETT. According to the Department of Commerce, on an official settlements basis with respect to our bal-

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ance of payments, we have been in the black only 3 years since 1960, and those years were 1969——

Mr. FULBRIGHT. Mr. President, I do not yield further for that. I said at one point it was $1.3 billion, and that was in 1965. That is a lot different from $31 billion; $1.3 billion is minimal. It is nothing as compared with what it is now, when we look at what we had. I admitted it was not in the black, but it certainly was not far in the red.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. FULBRIGHT. Not on my time. I have only 5 minutes.

Mr. BENNETT. Will the Senator yield on my time?

Mr. FULBRIGHT. Yes, on the Senator's time.

Mr. BENNETT. The Senator from Utah said it had been going on for a dozen years. The Senator from Arkansas said it was only for 5 years. The statement I have in my hand shows a negative balance back in 1960.

Mr. FULBRIGHT. That is correct. The Senator said it was getting progressively worse for a dozen years. We will ask the clerk to read the Senator's statement if he has any question about it.

In 1967 it was −3.4. In 1968 it was +1.6. In 1969 it was +2.7. In 1960 it was −3.4. In 1966 it was +0.3.

I was not arguing about that; I said that presently this deficit is $31.2 billion. Every time we bring this into question, everybody says, "No; the war did not have anything to do with it." I maintain it has been the result of the ridiculous foreign policy we have had, not of this administration. I am not talking about Mr. Nixon. I am going back certainly 10 years. We are reaping the rewards of unwise policies that were started long ago.

If the Senator wants to contest that, I am willing to have him do it, even on my time, but later.

We used to be competitive. Now we are not competitive not only abroad but in our own market. They are bringing in Japanese steel to build bridges in Arkansas, not because we in Arkansas want Japanese steel, but because it is cheaper. They are building buildings in New York with Japanese steel. We have overcommitted our country all around the world, beginning a long time back. I think it goes back to Dean Acheson and the Truman doctrine in the forties.

But I do not want to spend too much time on history. It is a dismal story. I am only saying we ought to cut those expenditures down. I know something has to be done now, but I do not agree with the Senator about giving him a big stick to threaten everybody. We are in such bad shape that we ought to speak very softly. We ought not to threaten them, because we are in bad shape, and we are in danger of precipitating a worldwide depression if the Secretary goes about threatening everybody, and asks for sacrifices on their part to make up for serious mistakes and bad judgment on our part.

We have wasted our resources in foolish military ventures over much of the world. Vietnam is not the only one, but it is the one which has set off many other things. Even in Spain, where there is no danger either to Spain or to ourselves, but just because we are in the habit of giving people arms. We tried our best, in the Committee on Foreign Relations, to eliminate that as late as last year, but we were unable to do so, because the administration insisted on the bases. American military officers like to live in Spain, because it is a pleasant place to live.

We have some 360 bases around the world which are classified as major bases, as distinguished from minor installations. I do not recall exactly the distinction between a major and a minor base; I think perhaps a minimum investment of $5 million is involved, and all above that are considered major. But we have wasted our resources in that area.

Then we can go on to a thing like NASA where, because of our vanity and our desire to be first, we have spent $40 billion on going to the moon and related projects. With what we have spent on procuring those moon rocks, we could go a long way toward redressing our balance of payments. It would be wonderful if we could turn those $40 billion worth of moon rocks over to Europe and receive credit at par value for what we have invested in them.

But these are some of the extravagant projects we have invested in, in the past.

I am for giving the President these powers, but not until 1976. I think that would merely take all the pressure off of this administration and anyone connected with it to do what they ought to do in these and other fields. There is no pressure on them, if we are going to allow them to go down this road of quotas and high tariffs and seeking to make somebody pay for our mistakes. It will put off the evil day is all it will do. We will finally have to reckon with it anyway.

I favor what he is doing, because he is beginning to pay for past mistakes, and causing the country to. But I think we have got to be very wise and discreet in the way we treat these foreign countries, whether it be the Japanese or the Europeans. They have gotten rich because of our shortsighted policies. We pay their defense bills far beyond what we ought to, when they are better able to pay them themselves.

I and others, led by Senator MANSFIELD, have tried for years to persuade this and the previous administration to bring home some troops from Europe. We were defeated in votes in the Senate, and the administration, not only this one but its predecessors have continued to pay the defense bills of Europeans much better able to pay them than we are.

So it is an accumulation of mistakes. I say it ought not to go on to 1976, and it ought not to be such a drastic interference with trade as we are threatening to make it.

I think when you look at the markets, I am no expert on the markets as such, but I think anyone in politics has a feeling for the psychology of people, and you can see reflected in what is happening the apprehension appearing on all sides on the part of many of our best friends about the United States. They are not doing it in a hostile manner, but in a very sad manner, small countries like Sweden, Norway, and Denmark, that just feel apprehensive because their greatest protector is weakened. When you speak to a Swede, he is not mad at us. He feels sorry. He just hopes we have enough sense to right our economy, because he feels dependent, they do individually feel dependent on the United States as their traditional friend and protector, which they hope will continue to be their protector.

So they are sympathetic. But we cannot go around insulting them and telling them it is their fault we are in bad shape. That is what our Government has been doing. Mr. Connally is inclined to lay it all on them, that it is all their selfishness and their fault because we are broke, when as a matter of fact it is no such thing. It was our decision to keep the troops there. Bear in mind, we did not have to keep them there. We could have brought them home 10,000 at a time over the past 5 years, and cut them down to half, at least, without disturbing anyone very much.

It is not their fault that we do it. Anyone will accept a gift of that consequence, if it is offered to them. But we just refuse to blame ourselves for our own faults, and that is not a very wise policy.

So I think the authority ought to be limited, and I would hope the administration would feel more discrete in the way they talk to other people in the same boat with us. It is true, if we have a worldwide depression, as we did in the 1930's, they will suffer as much as or more than we will, but that is no consolation to me, or to the American people.

This has got to be worked out together, in a cooperative spirit. It is not a question of competition any more, to see who can be the meanest or the sharpest and who can contribute most to a worldwide depression.

I agree with what the Senator from New York has said. Certainly there is no man more sensitive to worldwide trade, because his constituents probably have more to do with it than anyone else; they have probably played a bigger part in creating this imbalance, in one way, not because they wanted to injure the United States, but because they believed conditions in this country dictated their foreign investments which they have made, to a very large extent, recognizing the facts of life.

So I think the advice of the Senator from New York is eminently proper. Under these circumstances, we do not want to wave a big stick or to threaten anyone. We do want to seek some cooperation with these countries to reestablish a balance in our trade, of course, and our balance of payments.

So I would strongly recommend that this program be reduced and I shall, of course, support the amendment, because it is a step in that direction. If it fails, I shall offer my amendment, which is at the desk, which simply shortens the authority to 1973, as the Senator from Connecticut has already remarked.

But I hope we will not continue our attitude of self-righteous indignation,

that this is the fault of everyone else, and not admitting any fault on our own side, because it is our own fault, primarily, that we find ourselves in this condition.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CRANSTON. I yield to the Senator from New York such time as he may require.

Mr. JAVITS. Mr. President, I have rarely heard the chairman of my committee wiser, more brilliant, or better informed on an economic question than the Senator from Arkansas is on this one. He has made a splendid statement of the case, and I rise only to evidence my complete identity with it.

Mr. President, I only wish, because it would be a work of supererogation to repeat anything that he has said so very well and so brilliantly, to add two buttressing points to his point of the length of time as being a major disadvantage in this amendment.

My colleagues should know that the authority conferred upon the President on page 178, lines 11 to 16, gives the President the right to arbrogate the most favored nations clause. He can discriminate against any country on any article. It is an unbelievable grant of power with domestic repercussions since people of the United States who might be discriminated against and could turn upon Congress to see that a fair balance was kept between a quota on item A and a quota on item B. It is another step down the road to all encompassing govenment controls and a less free domestic economy.

The second point, which also represents a tremendous and unnecessary grant of power, is the provision on page 170, line 22, which gives him the right to put on a 15 percent surcharge. Now he has 10. This says 15. How is the world going to construe that, other than that we are telling him to put on 15? There is plenty of trouble now, with 10 percent.

This only emphasizes the point that such a blanket grant of authority at such a critical time is most unwise. Is it not the 10 percent surcharge and the pending discriminatory buy American provision of the investment tax credit enough?

Finally, my colleague from Utah says he had to look to another act to get his authority. We are giving him still a third act now, this tax bill. If it passes in the form in which the committee has put it, he has yet another item to look to. One does have to wonder about the germaneness of this title.

Let us at least confine it to those he now has. The Trade Expansion Act has no limitation date, not even 1976. There are other powers in the agricultural assistance act and in the trading with the enemy act.

The 15-percent instead of a 10-percent surcharge and a long-term date for economic war in the bill arm the President when it is not necessary. The main thing about this is that it is not necessary. He has the authority he needs in the law now. He used it; that is the best evidence. To serve this notice now is very much against our interest.

I agree with Senator FULBRIGHT. If this should fail, I would thoroughly agree with him that, at the very least, the date should be shortened. It makes it less harmful in the sense that it does not represent a long term commitment of policy.

Mr. President, this title is most unwise. It will work out regressively and unhappily for our economy.

Why do we have a big bulge in the adverse balance of payments? As Senator FULBRIGHT said, it is not only the other guy's fault. We have an imbalance of $2 billion because American people travel abroad, and they spend $2 billion more than those who travel here. But try to get $5 million out of Congress for the U.S. Travel Service—I have tried it, right at this desk, and I have failed miserably—to promote travel to the United States. We have also tried to cut our military expenditures in Southeast Asia in the foreign aid bill.

Then we complain that they and they alone are making our imbalance. Are they making our people come there, or are we failing to get their people to come here?

This is crucial: Look at what Americans think of our situation, not foreigners. They are pouring money out of here. They are pouring short-term money out of here to the tune of about $7 billion a year. That is one primary reason why we have an imbalance in payments. They are expressing a lack of confidence in our economic maturity, and we are proving it to them if we adopt this kind of provision.

I hope very much that, buttressed by my chairman—and I never heard him make a better speech on this subject—we will defeat this provision.

Mr. CRANSTON. I yield myself 5 minutes.

Mr. President, I should like to address a question to the distinguished Senator from Utah. I was not quite clear on one point he made.

Has any President at any time invoked the Trading With the Enemy Act against a friendly power with whom we were not at war?

Mr. BENNETT. President Johnson did it in 1966, in order to impose the mandatory investment controls.

Mr. CRANSTON. Against whom was it invoked?

Mr. BENNETT. Everybody. Against the world. It was against the world, but he was aiming at the NATO countries—how ironic the Trading With the Enemy Act against NATO countries.

Mr. CRANSTON. What occurred at that point? What did other nations then do?

Mr. BENNETT. The result of his use of that power was to put controls on Americans who were investing in those countries. The countries, of course, had no recourse, because the effect was felt directly on American citizens, though it was felt indirectly on the countries in which they were investing.

Mr. CRANSTON. Did the administration request this provision in the bill?

Mr. BENNETT. The administration did not specifically request it, but they have made it perfectly clear that they would like to keep it.

Mr. CRANSTON. Were hearings held on this specific provision?

Mr. BENNETT. We did not hold hearings on these words, but the chairman appointed an ad hoc subcommittee, of which Senator RIBICOFF is chairman and of which I am a member. We held a number of hearings on trade problems which helped to develop the necessity for this kind of additional power in the hands of the President.

Mr. CRANSTON. I thank the Senator very much.

The Senator from California does not dispute the fact that we have a very huge adverse balance of payments at this time. The only question is, should Congress then throw up its hands and abandon its own responsibilities, the right to determine what to do about all this, to the President?

The tools offered by title VI to the President are not the only tools that could be used under these circumstances, and this Senator questions very seriously whether they are the correct tools to use in these circumstances.

Mr. BENNETT. The Senator from Utah points out that the jurisdiction of the international trade is in the Finance Committee, and the Finance Committee is recommending the use of these tools. The Finance Committee has approved them and is now recommending them. So this is not an irresponsible act. I think it is properly within the jurisdictional framework of Congress.

Mr. CRANSTON. What others of us question is giving the power to the President, with the possibility then existing of his lifting the surcharge to 15 percent, or the possibility of his totally restricting the right of certain commodities to enter this country at all, which would be a hundred percent barrier, which could be rather extreme.

Without reading them, because I do not wish to take the Senate's time, I ask unanimous consent to have printed in the RECORD two articles which are quite relevant to this matter. One is a recent editorial published in the Wall Street Journal, entitled "Did Protectionism Create Hitler?" The other is an article published in the New York Times, entitled "Smoot-Hawley Revisited," which reviews what happened a generation ago when there were demands for a more restrictive trade policy resulted in the passage of the Smoot-Hawley tariff in 1930. This led directly to a disastrous trade war, with economic barriers erected against us. It was a major contributor to the great depression that caused so much havoc in this country and in many other lands

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DID PROTECTIONISM CREATE HITLER?

The quick answer to that question is obviously no. Yet protectionism helped; it watered the soil that could nurture a Hitler—and other disasters. It is more than a little disheartening that so many in Washington and in the country's executive suites seem to have such short memories.

Granted, the roots of the Hitler phenomenon are gnarled and stretch far back, directly to World War I and even farther into the past of a Germany with little experience in democracy. On the economic side, the hideous post-World War I German inflation

was followed by bitter depression, facilitating the rise of a dictator. And of course depression was a general condition in those days, in the U.S. as elsewhere.

The stock-market crash of 1929 heralded the onset of depression in the U.S., but it was less its cause than the result of previous profligacy. Certainly one tangible cause of the protracted nature of the great depression was the Smoot-Hawley tariff legislation of 1930, the very symbol of extreme protectionism. It set in motion a series of international moves that seriously inhibited the movement of trade and money.

As Lewis Douglas, former ambassador to Great Britain, recently recalled in a letter to The New York Times: "Foreign trade withered, prices fell precipitately, all values plummeted (U.S.) unemployment rose from approximately 5.5 million to 11 million in the short span of about six months. The world was plunged into the deepest depression of which there is any known record.

"These events identify the cause of the economic anguish through which the United States and the entire Western world passed during the Thirties and which was not alleviated until World War II."

"These events identify the cause of the economic anguish through which the United States and the entire Western world passed during the Thirties and which was not alleviated until World War II."

The abiding vice was economic nationalism, and it is not at all difficult to fathom why it should have had such dire results. Have our officials and too many of our executives forgotten the meaning of the word autarky, the notion that a country could be economically self-sufficient? In Nazi Germany it was personified in Hitler's financer Hjalmar Schacht.

The policy is almost by definition regressive. It portends the diminution of healthy relations among nations. Hence, apart from its direct economic consequences, it breeds suspicion and hatred and can become a cause of war.

After World War II the statesmen of the Western world read the record aright. With the U.S. far in the lead, they set about freeing the international movement of men, capital and commerce from the abnormal restrictions of the past. Undoubtedly they could have done more, but they accomplished much. It is no coincidence that the post-war years by and large, for Americans and their counterparts in the other advanced nations, have witnessed mass prosperity unparalleled in history.

For just as economic nationalism—protectionism—is a divisive and depressive influence, so the liberalization of international economic relationships is a powerfully uplifting, broadening and wholesome force. Men do want to be free; it is innate, and a large part of that sense is the freedom to cross borders with one's person, investment and goods as little as possible bothered by the petty functionaries of economic nationalism.

Why, then, should the U.S. and other nations want to turn back down that dismal road? The U.S. government has taken steps in that direction, and even more ominous is the impression that protectionist sentiment generally is probably stronger today than at any time since before World War II.

Well, as far as the U.S. is concerned, it is true that other countries have been taking advantage of it in recent years. Some more than others, they have imposed a variety of trade restrictions that have the effect of making the U.S. a freer market for their goods than their markets are for America's. This circumstance has enabled the hard-line protectionists, who have never given up, to rehearse their dreary pleas with more impact than heretofore.

But the U.S. ought to be sufficiently grown up to avoid the petty path of trade retaliation, which naturally prompts retaliation against it. We believe Washington had far from exhausted the resources of negotiation to get its trading partners to dismantle their impediments to American exports. Even failing that, the fact remains that protectionism is simply not a viable course.

We do not necessarily contend that unbridled protectionism would bring on political and economic horrors similar to those of the Thirties (although if it is indeed unbridled we would not bet that it wouldn't). We merely say that the liberating history of freer trade is as clear as are the demonstrated dangers of protectionism.

[From the New York Times, Sept. 23, 1970]

SMOOT-HAWLEY REVISITED—TRADE PROTECTIONISTS SHOULD CONSIDER HAVOC CAUSED BY BILL OF 40 YEARS AGO

(By Leonard S. Silk)

COPENHAGEN, September 22.—Representatives of the central banks and finance ministries of 115 countries, assembled here for the annual meeting of the International Monetary Fund and World Bank, are looking anxiously toward Washington as the Congress takes up a bill that would reverse three and one half decades of United States support for freer international trade. The bill adopted by the House Ways and Means Committee, which now goes to the floor of the House, would fix import quotas on textiles, shoes, oil, mink, glycerin and, in all probability, a long list of other goods from abroad. Proponents of the bill contend that it would protect the jobs of American workers, safeguard American industries from low-wage foreign competition, and strengthen the United States balance of trade.

Opponents say it would do none of these things but would aggravate inflation, touch off a trade war, hurt consumers, and damage the American and world economy.

The last time a confrontation on these issues was resolved in favor of protectionist trade legislation occurred 40 years ago when Congress enacted the Smoot-Hawley Act.

Europeans, even more heavily dependent on international trade than Americans, have not forgotten the disastrous train of events set in motion by Smoot-Hawley.

But many Americans including Congressmen, apparently need to be reminded of the dictum of the philosopher George Santayana that those who forget history are condemned to relive it.

The Smoot-Hawley Act was the product of ingrained American political habits and of confused efforts to alleviate particular economic problems.

The Republican party had traditionally favored protectionist tariff policies as a formula for economic prosperity, and the Republican party platform of 1928 promised to relieve the depression in agriculture by raising tariff rates on farm products.

Soon after taking office, President Herbert Hoover called a special session to consider aid for the farmers. Congress met in April, 1929, although the House Ways and Means Committee had started hearings on trade legislation in January.

By June, a tariff bill was reported to the floor of the House in substantially the form recommended by the President.

Then the process of log-rolling and what today is called Christmas-treeing began. A great many amendments were added, raising rates across the entire range of the tariff schedule.

The politically appetizing process of increasing tariff rates and extending coverage continued in the Senate Finance Committee and on the Senate floor.

COMPROMISE ARRANGED

The Senate-House Conference Committee generally compromised by accepting the highest rates set by either house.

President Hoover finally signed the bill on June 17, 1930, although he had threatened to veto a limited revision of the tariff schedule early in the session.

But, as Prof. Frank W. Taussig of Harvard wrote at the time, "when the bill finally came to him, he could hardly do otherwise than approve. His party could not go before the country stultified by having nothing whatever to show for a year's prolonged and conspicuous labor."

Public indignation had run high during the Congressional deliberations, but some of the more important pressure groups traditionally in favor of liberal trade had not maintained firm and unyielding opposition to the bill.

Labor realized that higher prices would result, but succumbed to the chimerical hope that the bill would relieve unemployment, which was already rising seriously, by stimulating domestic output of goods to replace imports.

Farmers were willing to grasp for any protection that might possibly help them, despite their need for foreign markets.

However, a petition of 1,038 economists—including virtually every reputable economist in the country of whatever political view—urged the President to veto the bill, warning that if enacted, it "would inevitably provoke other countries to pay us back in kind."

That 40-year-old petition of the economists has just been reissued by more than 4,000 American economists, together with a new one reaffirming the old warnings of the damage that protectionism would do.

The last time the economists' forecasts were right. Following the passage of Smoot Hawley, there rapidly ensued a series of retaliatory measures in the major trading nations of the world.

TARIFF BARRIERS RAISED

France, Italy, Spain and others raised tariff barriers or introduced drastic quotas in 1930. Switzerland initiated a largely successful boycott of American products. Canada raised its tariff walls to the highest point in its history.

Great Britain passed the Emergency Tariff Act of 1931 and the Import Duties Act of 1932. The British Commonwealth concluded severely discriminatory preferential tariff arrangements in Ottawa in 1932.

The higher trade barriers of the United States frustrated the efforts of the Japanese Government to improve economic conditions through expanded trade and led to a more nationalistic and militant policy. Smoot-Hawley sowed the seeds of the Japanese Asian Co-Prosperity Sphere.

International conventions to work out a truce in the trade war, failed in 1931, 1932 and 1933.

NATION WAS WORSE OFF

The United States was worse off after Smoot-Hawley than it had been before. Other countries raised their tariff rates and other trade barriers even more than we did.

American exports sank like a stone—because of both the higher trade barriers and the spreading world depression, to which the collapse of trade contributed.

By 1932, U.S. exports to Great Britain had fallen to one-third of their 1929 level. In 1932, American exports to Canada and France were only one-fourth of 1929, and, in the case of Australia and Oceania, one-fifth of 1929.

The decline in some specific American export commodities was even more dramatic. Agriculture, the sector that the President had originally sought to benefit, suffered most. Wheat exports, which had totaled $200-million 10 years earlier, fell to $5-million in 1932.

Exports of the automobile industry fell from $541-million in 1929 to $76-million in 1932.

NO PROBLEMS SOLVED

In retrospect, the protectionist Smoot-Hawley Act was worse than futile. It did not solve unemployment or other problems of American labor, industry, and agriculture but, instead, worsened them by helping to shatter world trade.

Its repercussions contributed to the growth of nationalism and economic autarchy in many countries and to the deepening crisis of the 1930's.

Some other philosopher than Santayana has said, "The only thing we learn from history is that we learn nothing from history." Certainly there are no simple re-runs of history.

In Copenhagen this week, Pierre-Paul Schweitzer, the Managing Director of the I.M.F., when asked how far the protectionism of the United States will affect the international monetary system, replied cautiously:

"Well, the United States Government has stated the United States will not switch to protectionist policies. Measures are under discussion in Congress, but I understand they would not be mandatory but just give the President additional leeway. We would be the first ones to deplore, of course, any regression in the freedom of international trade. Presently we are already deploring that there is not more progress."

Other participants here are less guarded, in private conversations, in expressing their worries about the trade legislation before the United States Congress—and the international effects it would have, if enacted.

They firmly state that, if the United States takes a protectionist course, severe retaliation from European and other countries will follow.

Mr. BENNETT. I yield myself 3 minutes.

Is there anything in this bill referring to tariffs?

Mr. CRANSTON. The President will have the power, under this bill, to prohibit the import of certain commodities.

Mr. BENNETT. But does it refer to tariffs?

Mr. CRANSTON. No. It does not use the word "tariffs."

Mr. BENNETT. Under the Trading With the Enemy Act, which President Johnson used and which is still available to President Nixon, a barrier can be raised of 100 percent or 200 percent. I think the fact that the committee decided that it would give the President power to impose a 15-percent surcharge, and by codifying it we effectively put a limit on the height to which he could go. This modifies and softens rather than increases the President's power.

The President said in a letter he wrote to Senator LONG:

> Under present circumstances, the President does not expect to use any of these special authorities. They do, however, serve to strengthen the position of President Nixon and Secretary Connally in the international negotiations should there be any major change in persent conditions which at this time is not foreseen. Under these conditions, the administration does not seek their elimination from the bill.

I referred to the statement made by Teddy Roosevelt:

> Speak softly, but carry a big stick.

The Senator from Arkansas immediately said that because we were going to give the President a big stick, he was going to threaten people with it. The meaning of the Roosevelt quotation is that you do not threaten people. You speak softly, but they know you mean business, because they know you have the stick; and because you have it, you do not have to swing it at them. But if you do not have it, then any threat you may make or any pressure you may attempt to put on or any serious negotiation you may attempt to carry through could be regarded as a bluff, because they say, "He doesn't have the power to do what he says."

The Senator from New York said that if this bill is passed, we would give the President three new laws on which to base his action. In a sense, that is true. But the purpose of this section of the bill is to free the President from the necessity of depending on two laws which were not written for the purpose and which really have to be twisted in order to give him the power to do what he has to do. So I think this is a much sounder and wiser basis on which to give the President and the Secretary the power to do what we all know they are going to do; namely, they are going to negotiate.

Mr. FULBRIGHT. Mr. President, will the Senator from California yield to me briefly?

Mr. CRANSTON. I am happy to yield to the Senator from Arkansas.

Mr. FULBRIGHT. I regret that the Senator from Utah insists upon using the analogy which Theodore Roosevelt of course used in connection with military affairs. I do not believe that is the right way to approach it. We do not have any big stick in the field of economics to threaten countries with. They know what our situation is. They know what our balance of payments is as well as we do. We should speak softly in the first place—but we have not been speaking softly, we have been speaking harshly, and if we pass this kind of bill it will be considered a long-term policy. We can pull down the whole house as Sampson did, if we want to. But this is not the same kind of situation that Theodore Roosevelt was thinking about. He was thinking about military power, to hit them if they did not behave. We are not in that situation, unless we wish to pull ourselves down together.

To take care of the situation calls for cooperation, not only friendly or discreet talk but actual cooperation in trading with them, or we will start this trade war, as we had in the 1930's. Remember, at that time, there was a big stick, the Smoot-Hawley Tariff Act that we gave the President to use, to do what he wanted to do, and we did it; and look what happened. Many of us remember that.

This is just not that kind of situation; it does not call for force, but for diplomacy. No matter what the President has in mind, if we pass the bill, it will add fuel to the fire and make our European, Japanese, and Canadian friends, and everyone else, even more apprehensive about their belief that we are going to take extreme measures over a long period. That is what is bad about it. It is psychologically bad.

Under these circumstances, I regret the constant analogy to a military situation, in which we are going to exercise some power that we do not presently have, other than to pull everybody down together and that, I know, the Senator from Utah does not want any more than I do.

This calls for discreetness and, I would say, a certain degree of humility in facing these problems, and not saying that other countries are at fault, that only they are the ones who are greedy and selfish. We all share those human frailities. We are not going to sell them the idea that we have always acted wisely and in their interest. In NATO we have helped them, but they have never approved our Vietnam policy so it is a mixed picture. We should recognize that and get on with the business of cooperating with them to rebuild a stable and prosperous international trade.

Mr. CRANSTON. The Senator made the point that the word "tariff" does not appear in the bill. The language that has concerned the supporters of this amendment is that the President is authorized to impose limitations on the quantity or the value, or both, of articles which may be imported into the United States during a balance-of-payments emergency period. That, in effect, amounts to a tariff. That has the effect of a tariff. That can lead to the same kind of retaliation that a tariff can bring from another country.

Mr. CHURCH. Mr. President, will the Senator from California yield?

Mr. CRANSTON. I yield.

Mr. CHURCH. Mr. President, I came into the Chamber just at the time the colloquy occurred between the Senator from California and the Senator from Utah. I must say that it left me somewhat puzzled.

It is true that the provision in question does not refer expressly to a tariff, but as I understand it, the provision would permit the President to impose an import surcharge of up to 15 percent of the value of the imported article during a balance-of-payments emergency.

Now that surtax is, in effect, or is tantamount to, a tariff, is it not?

Mr. CRANSTON. It would seem to me that it is, yes.

Mr. CHURCH. Certainly. It has the same economic effect as a tariff. It is a tariff by another name; is that not true?

Mr. CRANSTON. Yes.

Mr. CHURCH. So even though this provision does not expressly refer to tariffs, the substantive effect of the provision would be to permit the President to impose what is tantamount to a tariff, although it is called a surtax.

Mr. CRANSTON. That is the way it appears to me.

Mr. CHURCH. The other part of the colloquy also puzzled me.

As I understand the argument of the Senator from Utah, he said that this provision should not be regarded as a sweeping delegation of new authority to the President, but that somehow it should be looked upon as a congressional limitation on presidential power, the reason being that the provision limits the President to 15 percent, whereas, if I follow the argument of the Senator from Utah, under at least 2 existing laws the President has general authority to go beyond 15 percent, should he choose.

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Well, my question is this: Is there anything in this provision which repeals existing law or cuts back on existing presidential authority?

Mr. CRANSTON. I do not believe that that is the case, but I would defer to the chairman of the committee to answer that question.

Mr. CHURCH. I would ask the chairman of the committee, is there anything in this provision that would repeal or curtail the power the President might otherwise have under other laws, such as the Trading With the Enemy Act?

Mr. LONG. Mr. President, the committee does not have jurisdiction over the Trading With the Enemy Act. We have not sought to amend that act. But there is nothing in this amendment, no authority that the President has in this amendment, that goes beyond the powers the President has under the Trading With the Enemy Act. He can do anything under that act that he can do in this, although that act was not intended for balance-of-payments purposes.

Mr. CHURCH. Yes. That is my understanding. In other words, the President retains whatever authority he now has under other laws. This simply confers upon him express authority to impose surcharges of up to 15 percent and to impose import quotas——

Mr. CRANSTON. Of an unlimited nature.

Mr. CHURCH. Yes, of an unlimited nature. Therefore, I cannot follow the logic of the argument that this provision somehow could be construed as a restriction upon the President. That would be true only if this provision were a substitute for the authority the President already posseses under existing law. Since it is clear that it is no such thing, then, of course, it cannot follow that a restriction upon Presidential authority is involved.

In truth, this is a sweeping new delegation of authority to the President and represents, in my opinion, another step in the direction of congressional abdication in a field that has traditionally belonged to Congress.

Therefore, I cannot accept the arguments I have heard on the floor in support of this provision, and will vote in favor of the amendment offered by the Senator from California to strike this provision from the bill.

Mr. CRANSTON. I thank the distinguished Senator from Idaho for his characteristic, perceptive, and forceful statement in regard to this amendment.

Mr. SCHWEIKER. Mr. President, I rise in opposition to the Cranston amendment, H.R. 10947, the Revenue Act of 1971, includes an amendment approved by the Senate Finance Committee which provides the President with discretionary authority to protect the balance of trade and balance of payments of the United States by allowing him to: First, impose selective or general import quotas, or second, impose an import surcharge of up to 15 percent of the value of the imported article, during a balance-of-payments emergency. The national emergency proclaimed by the President on August 15 is deemed to be a balance-of-payments emergency for the purpose of the legislation.

I strongly support this provision. The pending amendment would strike it. The authority to set quotas can assist the President's efforts to generate the recovery of the domestic economy and, in combination with the investment tax credit, allow U.S. firms to increase their ability to compete worldwide.

This provision is particularly applicable to the problems of the steel industry.

Although a voluntary agreement to limit the import of foreign steel into the United States was made effective as of January 1, 1969, with termination at the end of 1971, this approach has not been successful. The agreement set a limit on the tonnage of steel imports using 1968 as a base period, and provided for annual increases of 5 percent per year. The problem is that foreign steel producers moved from the export of carbon steel into the export of higher priced stainless and specialty steels, thereby selling their products for more dollars per ton.

As a result, the specialty steel industry in this country is in serious trouble. The authoritative daily, American Metal Market, reported on October 14 that the total steel imports for 1971 will exceed the quota for the year by up to 2 million tons. During calendar 1971, the voluntary quota is 14,709,000 tons. The American Metal Market, based on imports to October, estimates the year's total imports at from 16 to 17 million tons.

This year, the Cabinet Committee on Economic Policy issued a report to the President on the steel industry. The report in part said:

> Imports accounted for 13.8 percent of the domestic market in 1970; for specialty steels the import percentage was 22 percent.
>
> Import competition has been particularly intensive in specialty steels (stainless and tool steels) containing expensive alloying elements. These are high value items selling for between $1,200 and $2,000 per ton compared with an average price of $170 per ton for carbon steel. About one-half of specialty steel output is accounted for by relatively small companies; the large integrated companies producing both carbon and specialty steels account for the balance. While total steel imports have declined since 1968, specialty imports rose from 185,000 tons in 1968 to 195,000 tons in 1970, accounting for 18 percent and 22 percent of domestic consumption of such products in those years respectively. Particular product classifications have experienced an even greater loss of markets; imports of stainless sheets show a 35 percent market penetration.

For the most recent complete calendar year, 1970, the foreign penetration of the U.S. market for three types of specialty steels amounts to:

Percentage share of U.S. market in 1970 (second year of voluntary agreement)

[In percent]

Cold rolled sheets	32
Stainless steel wire rods	68
Stainless steel wire	55

The steel industry and the State Department are now negotiating with foreign steel producers in an effort to arrive at a satisfactory voluntary agreement which will protect the domestic industry from unfair foreign competition. It may be that these negotiations will be successful. In the event that they are not successful in arriving at a firm, fair agreement, however, the quota-setting authority in this legislation will permit the President to take positive action to correct the situation. This, of course, applies not only to the steel industry, but also to any other domestic industry facing similar difficulties—and there are many such industries, including textiles, shoes, glass, earthen dinnerware, heavy electrical equipment, tires, and numerous others.

For this reason, I strongly support the balance-of-payments emergency amendment to the Revenue Act of 1971, and hope that it will be retained in the final version of this legislation.

Mr. HATFIELD. Mr. President, I rise in support of the pending amendment to strike title VI from the Revenue Act of 1971. As a Senator from a State where our foreign trade grows in importance every day, I concur with the earlier comments of my colleagues from New York and California that title VI of the bill is unwise, and should be deleted.

I do not need to recount the events of recent months that have buffeted our trading partners around the world. While the import surcharge is the most prominent, I want to point out that the dock strike on the west coast has upset our trading relations with countries on the Pacific basin to such a degree that I fear it will take years to build them up to their former level. Agriculture exports, so vulnerable by their very nature, have suffered to such a degree that efforts of the past decade have been dealt a serious setback by the strike. My colleague from California shares the firsthand knowledge of how this strike has crippled the economy of all three Pacific coast States. I have discussed the long-term effects of this strike with men in my State who are involved with international trade, and they have told me that the United States suffered from a loss of confidence in our ability to supply foreign countries with needed agriculture supplies. The ramifications of the strike—still under the Taft-Hartley cooling-off period—will be felt for years.

I point this out as another factor which has thrown our traditional trade position out of balance. Because of the strong probability of strikes on all coasts, imports increased dramatically in the earlier months of 1971. This was greeted as the final blow to our trade position, and the heated calls for Government action were increased. I am aware of the increase of imports in recent years, but I urge my colleagues to take note of the particular circumstances prevailing in 1971, which caused the spurt in increased imports.

At this time, the international trade picture is clouded, due in large part to the U.S. actions of the past few months. Because world confidence is an important, albeit intangible, contribution to the international trade picture, I fear that the shock waves that such action as title VI would create would cause far greater harm to the United States than could possibly be gained by having this as a "bargaining chip," as some would call it.

Do we, as a body, want to call out to the world that the United States is preparing for a trade war; that we are arming the President with the power to ignite this powder keg; that we are turning away from our positions of the past and are ready to erect new barriers; that the Senate thinks enough of procedures in title VI that we are going to give them to the President, even though he has not requested them?

I will not dwell on the further erosion of congressional power to the executive branch that this section endorses. While I recognize that a certain amount of power must rest with the President, I think we should avoid such action as this provision would authorize—and thereby endorse. I have seen this section of the bill referred to as an "International economic Gulf of Tonkin resolution." We in the Congress should not complain of erosion of congressional powers—and then support such a proposal as is before us now. The Congress should continue to play its proper role in our international trade matters, yet title VI erodes this role. We in the Congress should stand up and be counted on these matters, and not pass off such decisions with the comment that "we now have given this power to the President."

I also want to call attention to what this could signal to the Japanese. I am aware that past trade imbalance has hurt several segments of American industry, and I have urged the Japanese men with whom I have discussed this to accelerate their efforts to open Japan to more American imports. This provision, however, could signal to the anti-American forces in Japan that they should mount the offensive at home in Japan to demonstrate how little the United States really cares about improving relations with Japan. Retaliation could result, particularly in such areas as agricultural exports from the United States.

In summary, I support deletion of this section of the bill. Retaining it would be an unwise move, and a serious step backward in attempts to forge a more liberal trade alliance with our trading partners. International trade is often called a "two-way street," but is much more than that. It is a subtle blend of laws, treaties, tariffs, multi-lateral and bilateral agreements, and the intangible ingredient of confidence. Without confidence, the entire package falls apart. The proposed title VI strikes at this confidence in red-letter fashion. It signals to the rest of the world that the United States is moving away from its former trade position, and other countries could take actions that we are not even aware of today as we debate this. I hope the Senate will delete this section of the pending bill.

Mr. JAVITS. Mr. President, we are now in possession of some facts about what seems to be the important argument in opposition to the amendment, that is, that the President, if he has the authority, should not use it under the Trading With the Enemy Act because it deals with friendly trading partners.

The language in the committee report, on page 136, is as follows:

> The President has broad authority to impose controls over imports under the "Trading With the Enemy Act." The Committee felt that the President should not have to resort to the "Trading With the Enemy Act" when dealing with the balance of payments emergency, particularly with respect to our friendly trading partners.

Mr. President, the argument which I am about to lay before the Senate goes to the question of whether this line of reasoning is valid. The answer is that it is not, and for this reason. We are using almost daily the Trading With the Enemy Act against our friendly trading partners. It is true, as the Senator from Utah argues, that it was used as authority for the overseas investment regulations by President Johnson in 1969. However, it is also true, Mr. President, that it is used all the time against any nation dealing with Cuba, and that includes practically any friendly nation in the world.

So, Mr. President, the idea that this authority is not available is not valid. It is also not valid that we have not been applying this authority regularly against friendly foreign nations. We are using it, and we are using it with friendly countries. It is exactly for that additional reason that title VI is unnecessary. In my mind it is a signal to the world today and it is the wrong signal and at the wrong time.

Finally, as the Senator from Idaho (Mr. CHURCH) cleary implied, we are struggling very hard here with what we consider to be an excessive grant of Presidential authority in respect to war.

This is one of the big historic theses before Congress. Now we propose to do precisely the same thing in a bill with respect to the economic war power. In the age of nuclear weapons, this authority is probably much more likely to be used and much more dangerous to be abused than the war power itself, once we get out of Southeast Asia.

So, Mr. President, I think that in the debate—unfortunately, no one was around to hear it—the proponents of the amendment have made an extremely strong case. I hope that the Senate will act affirmatively on the amendment.

Mr. LONG. Mr. President, I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, frankly we are talking of perceptiveness. It all depends on how we view the situation and how we want to talk of the matter. The Senator from Rhode Island is not a protectionist. I have been an internationalist all my life. I have voted for the extension of every trade act that has come before the Senate whether it was under a Republican President or a Democratic President. However, I know that for years we have been struggling over some kind of multilateral or bilateral agreement with some of our friends abroad seeking the limitations of some of the disruptive imports coming to this country from other countries. And we never got to first base.

We sent our businessmen to Japan a few years ago to see if they could not work out an agreement. All that happened is that they were harassed over our involvement in Vietnam. The other day we gave them back Okinawa, to no one's regret. But it has always been a matter of giving and not getting. So when was the first time we got an agreement on the imports of textiles from Japan? It was when the President of the United States imposed an import tax, a surcharge.

That is all we say here, that the President shall have the authority to do thus and so—in order to do what? To protect American industry. I have seen this impasse time and again. We have an Asian desk, a European desk, an African desk, and today we are writing into the law an American desk. That is all its amounts to. I think we are using this example about what happened before and it is unfortunate perhaps that the example was used. I do not think that we should have gone back and brought Theodore Roosevelt into this debate at all. Let us talk about 1971 and 1972 just a little bit.

Frankly, I do not see that we are giving anything away. Certainly I do not think we are hurting any of our friends.

We had a man come before our committee for consideration for appointment in the Commerce Department. He was from the Kodak Co. He was an economist. I said:

> You are the man I have been waiting for. Can you sell a Kodak camera in Japan?

His answer was, "No." I asked him "Why?"

He said it was because the Japanese Government said:

> You can't sell us an American camera. That hurts our industry, and we have to build up our industry and stimulate our economy.

Japan's gross national product has been going along at about 15 percent a year. Where is ours? They have been extending their operations in their factories. We are closing down ours in New England.

The President of the United States loves America as we do. From time to time I have criticized him. But I have never questioned his patriotism nor his responsibility.

I am surprised to hear that the Senator from New York, who was down there for dinner the other night, does not want to trust the President. I am telling the Senate that this is getting to be something.

I had a call only a short while ago from some officials in the State Department and also from the Pentagon wanting me to help them out on the markup of a bill. I said:

> Where are your Republican friends? How do they feel?

A short time ago, we brought up a bill seeking a limitation of what the President could spend. I was surprised to see how the Republicans voted to tell the President how much he could spend and how much he could not spend. The President must have been surprised, too.

We read the comments by the lady, Mrs. McCardle, who reports on the social page of the Post. Just wait until she publishes the next list of those who are invited to the White House.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield the Senator 2 additional minutes.

Mr. PASTORE. Mr. President, all I am saying is that we are going to trust the President of the United States in a time of an emergency to do what is right for America. What is the harm in that?

I am going to vote against the amend-

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ment. I think it is time to begin to think about America.

Mr. President, I yield back the other minute that I did not use.

Mr. CRANSTON. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mr. CRANSTON. Mr. President, as I indicated, I was about done. However, I would like to say a word in response to the Senator from Rhode Island.

In the days when they were debating the Smoot-Hawley tariff bill, they had eloquent and witty and forceful speakers, though perhaps none as effective as the Senator from Rhode Island. However, many of the same things were said. They said, "What harm will this do? Let us protect our products. Let us protect our jobs."

That view prevailed and the Smoot-Hawley Act was written into law.

What happened? Other countries started to retaliate. Our products were totally banned from some lands in Europe and elsewhere. A violent trade war occurred, and the U.S. economy and the economy of other nations was wrecked. Let us be very careful about this vast Presidential authority. Let us look ahead at what will happen and let us look back at what happened the last time we did this.

Mr. LONG. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. LONG. Mr. President, the United States has had a deficit in its balance of payments for 20 out of the past 22 years. Cumulatively, this deficit exceeds $70 billion. Our liquid liabilities to foreigners are shown on the chart on page 135 of the committee report; they exceed our reserve assets by a ratio of more than 4 to 1.

Mr. President, article XII of the so-called General Agreement on Tariffs and Trade—the GATT for short—permits the use of import quotas whenever a country is suffering from serious balance-of-payments problems. We certainly have a serious problem. Why should we not give the President the authority that the GATT sanctions? Why should the President have to use the Trading With the Enemy Act to protect our balance of payments?

Mr. President, we have seen how other countries maintain border taxes, variable levies, import equalization fees, licensing quotas, administrative redtape, and all kinds of covert devices to protect their balance of payments. The United States has bent over backward to look the other way when our trade interests were hurt in the Common Market, Japan, and elsewhere. Now is the time to say—what is good for our own people, how can we have jobs in this country, and stop exporting them abroad. That is what this committee amendment is all about—it is an effort to arm the President with authority to take care of our own interests.

We are in effect saying: "Mr. President, we trust you to get us out of this balance-of-payments mess. Use this authority with discretion, but help us preserve American jobs for Americans. Do not start a trade war, but if the other fellows hits us over the head, do not turn your cheek but hit him back and make it hurt so he will not want to hit you again."

I ask unanimous consent that some material I have be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ARTICLE XII

RESTRICTIONS TO SAFEGUARD THE BALANCE OF PAYMENTS

1. Notwithstanding the provisions of paragraph 1 of Article XI, any contracting party, in order to safeguard its external financial position and its balance of payments, may restrict the quantity or value of merchandise permitted to be imported, subject to the provisions of the following paragraphs of this Article.

2. (a) Import restrictions instituted, maintained or intensified by a contracting party under this Article shall not exceed those necessary:

(i) to forestall the imminent threat of, or to stop, a serious decline in its monetary reserves, or

(ii) in the case of a contracting party with very low monetary reserves, to achieve a reasonable rate of increase in its reserves.

Due regard shall be paid in either case to any special factors which may be affecting the reserves of such contracting party or its need for reserves, including, where special external credits or other resources are available to it, the need to provide for the appropriate use of such credits or resources.

(b) Contracting parties applying restrictions under sub-paragraph (a) of this paragraph shall progressively relax them as such conditions improve, maintaining them only to the extent that the conditions specified in that sub-paragraph still justify their application. They shall eliminate the restrictions when conditions would no longer justify their institution or maintenance under that sub-paragraph.

3. (a) Contracting parties undertake, in carrying out their domestic policies, to pay due regard to the need for maintaining or restoring equilibrium in their balance of payments on a sound and lasting basis and to the desirability of avoiding an uneconomic employment of productive resources. They recognize that in order to achieve these ends, it is desirable so far as possible to adopt measures which expand rather than contract international trade.

(b) Contracting parties applying restrictions under this Article may determine the incidence of the restrictions on imports of different products or classes of products in such a way as to give priority to the importation of those products which are more essential.

(c) Contracting parties applying restrictions under this Article undertake:

(i) to avoid unnecessary damage to the commercial or economic interests of any other contracting party;

(ii) not to apply restrictions so as to prevent unreasonably the importation of any description of goods in minimum commercial quantities the exclusion of which impair regular channels of trade; and

(iii) not to apply restrictions which would prevent the importation of commercial samples or prevent compliance with patent, trade mark, copyright, or similar procedures.

(d) The contracting parties recognize that, as a result of domestic policies directed towards the achievement and maintenance of full and productive employment or towards the development of economic resources, a contracting party may experience a high level of demand for imports involving a threat to its monetary reserves of the sort referred to in paragraph 2(a) of this Article. Accordingly, a contracting party otherwise complying with the provisions of this Article shall not be required to withdraw or modify restrictions on the ground that a change in those policies would render unnecessary restrictions which it is applying under this Article.

4. (a) Any contracting party applying new restrictions or raising the general level of its existing restrictions by a substantial intensification of the measures applied under this Article shall immediately after instituting or intensifying such restrictions (or, in circumstances in which prior consultation is practicable, before doing so) consult with the Contracting Parties as to the nature of its balance of payments difficulties, alternative corrective measures which may be available, and the possible effect of the restrictions on the economies of other contracting parties.

(b) On a date to be determined by them, the Contracting Parties shall review all restrictions still applied under this Article on that date. Beginning one year after that date, contracting parties applying import restrictions under this Article shall enter into consultations of the type provided for in sub-paragraph (a) of this paragraph with the Contracting Parties annually.

(c) Contracting parties applying restrictions under sub-paragraph (a) of this paragraph shall progressively relax them as such conditions improve, maintaining them only to the extent that the conditions specified in that sub-paragraph still justify their application. They shall eliminate the restrictions when conditions would no longer justify their institution or maintenance under that sub-paragraph.

3. (a) Contracting parties undertake, in carrying out their domestic policies, to pay due regard to the need for maintaining or restoring equilibrium in their balance of payments on a sound and lasting basis and to the desirability of avoiding an uneconomic employment of is caused or threatened thereby, they shall so inform the contracting party applying the restrictions and shall make appropriate recommendations for securing conformity with such provisions within a specified period of time. If such contracting party does not comply with these recommendations within the specified period, the Contracting Parties may release any contracting party the trade of which is adversely affected by the restrictions from such obligations under this Agreement towards the contracting party applying the restrictions as they determine to be appropriate in the circumstances.

(d) The Contracting Parties shall invite any contracting party which is applying restrictions under this Article to enter into consultations with them at the request of any contracting party which can establish a *prima facie* case that the restrictions are inconsistent with the provisions of this Article or with those of Article XIII (subject to the provisions of Article XIV) and that its trade is adversely affected thereby. However, no such invitation shall be issued unless the Contracting Parties have ascertained that direct discussions between the contracting parties concerned have not been successful. If, as a result of the consultations with the Contracting Parties, no agreement is reached and they determine that the restrictions are being applied inconsistently with such provisions, and that damage to the trade of the contracting party initiating the procedure is caused or threatened thereby, they shall recommend the withdrawal or modification of the restrictions. If the restrictions are not withdrawn or modified within such time as the Contracting Parties may prescribe, they may release the contracting party initiating the procedure from such obligations under this Agreement towards the contracting party applying the restrictions as they determine to be appropriate in the circumstances.

(e) In proceeding under this paragraph, the Contracting Parties shall have due regard to any special external factors adversely affecting the export trade of the contracting party applying restrictions.

(f) Determinations under this paragraph shall be rendered expeditiously and, if possible, within sixty days of the initiation of the consultations.

5. If there is a persistent and widespread application of import restrictions under this Article, indicating the existence of a general disequilibrium which is restricting international trade, the Contracting Parties shall initiate discussions to consider whether other measures might be taken, either by those contracting parties the balances of payments of which are under pressure or by those the balances of payments of which are tending to be exceptionally favorable, or by any appropriate intergovernmental organization, to remove the underlying causes of the disequilibrium. On the invitation of the Contracting Parties, contracting parties shall participate in such discussions.

THE DEPARTMENT OF THE TREASURY,
Washington, D.C., November 13, 1971.

DEAR SENATOR LONG: You have requested a statement of the Treasury Department's position as to the special Presidential authorities contained in H.R. 10947, the proposed Revenue Act of 1971. In very general terms, these authorities would enable the President to extend the provision excluding foreign-produced property from the Job Development Credit after the temporary import surcharge ends, either generally or with respect to particular products or countries; to reinstate the suspended excise tax on imported automobiles and small trucks; and to impose import quotas or an import surcharge at a rate not exceeding 15 percent during the present balance of payments emergency or a new balance of payments emergency period.

The President did not request that any of these be included in the bill. The international negotiations now being conducted by Secretary Connally on behalf of the President to achieve a proper realignment of currency values, elimination of certain tariff and non-tariff trade barriers, and more equitable sharing of the burdens of free world defense do not require this special additional executive authority.

At the same time, the inclusion of these authorities in the bill need be no cause for concern to our international trading partners. Under present circumstances, the President does not expect to use any of these special authorities. They do, however, serve to strengthen the position of President Nixon and Secretary Connally in the international negotiations should there be any major change in present conditions, which at this time is not foreseen. Under these conditions, the Administration does not seek their elimination from the bill.

It bears constant repetition that the United States remains as completely committed to free international trade as it has been in the past. We seek only *fair* trade with other nations, in which their goods are not favored by exchange rate imbalances, and our goods are not discriminated against by restrictive trade practices in other countries. The Presidential authorities contained in the bill are wholly discretionary with the President, and, while there is no present expectation that they would be used, their availability at best is directed toward achieving the basic objectives of free and fair trade on a permanent basis throughout the world.

Sincerely yours,

JOHN S. NOLAN,
Deputy Assistant Secretary.

BALANCE OF PAYMENTS FACT SHEET

[In billions of dollars]

Balance of payments	Official settlements basis	Liquidity basis
1971 January–September annual rate	−31.2	−23.0
1970	−9.8	−3.8
1969	+2.7	−7.0
1968	+1.6	+.2
1967	−3.4	−3.5
1966	+.3	−1.4
1965	−1.3	−1.3
1964	−1.5	−2.8
1963	−2.0	−2.7
1962	−2.7	−2.2
1961	−1.3	−2.4
1960	−3.4	−3.9
Subtotal 1960–71	[1] −52.0	−53.8
Subtotal 1950–59	NA	−17.3
Cumulative total 1950–71	[1] −52.0	−71.1

[1] 1960–71 only.

Source: U.S. Department of Commerce.

Mr. FANNIN. Mr. President, as reported earlier, the deficit in the U.S. balance of international payments as measured by two of the four definitions now used, soared to extraordinary levels in the third quarter. To illustrate the gravity of the problem, the net liquidity balance which until this year had seldom shown a quarterly deficit of as much as $1 billion had a deficit of $9.3 billion—all transactions with foreigners—both private and official.

Mr. President, last February I rose before this chamber to speak out against a serious crisis in our balance of payments and trade and their relationship to one of our industries. On that occasion it was pointed out that:

Our fault lies not in the pursuit of free trade but in our failure to temper this pursuit with a reciprocal commitment of fair trade.

A dramatic case in point is our domestic steel industry. In 1969 our unfavorable balance of trade in steel exceeded $843 million. Further, in 1969, U.S. imports of steel accounted for 13.3 percent of U.S. consumption. Against this backdrop of foreign participation in our U.S. market the question is asked whether we can expect to offset this market loss through participation in foreign steel markets. The answer is a stark "No." As a result of our rather one-sided Kennedy round concessions, the average post-Kennedy round U.S. tariff for steel products is 6.9 percent compared to 7.2 percent for the EEC and 9.6 percent for Japan. The 7.2 percent EEC tariff is somewhat misleading. In addition to the duty which is impressed upon the CIF landed value—in contrast to U.S. duties which are impressed on the FOB port of origin value of the steel—a border tax is superimposed upon the CIF duty-paid landed value which effectively raises the aggregate of duties and border taxes to 19.4 percent.

Under the impact of the import rise of steel products, employment in our steel industry declined from an average of 593,900 workers in 1965 to 544,000 in 1969. During the first 9 months of 1970, this average dropped to 537,000. I submit that this absolute loss of 47,000 jobs is a price that should not be paid for the sole purpose of enhancing our "foreign relations."

In 1968, under the threat of mandatory quota legislation to curb the foreign appetite for our steel market, Japanese and common market steel producers "voluntarily" agreed to limit steel exports to the United States. It can be said that this "voluntary" limitation has provided the industry with a brief respite. But this approach is akin to treating the symptoms rather than the cause. The long-range answer lies elsewhere—possibly in the reevaluation of our basic trade policies and the establishment of an order or priorities different than those heretofore followed in U.S. trade relations.

Mr. President, in my remarks last February, I stated that with the implementation of the final Kennedy round cuts next January, we will have exhausted all our negotiating currency. We have nothing more to exchange for the dismantling of the tariff and nontariff barriers now effectively excluding our manufactured goods from participating in foreign markets.

It is now a pleasure to report that the Senate Finance Committee has approved an amendment to pending tax bill, H.R. 10947 which provides the President with discretionary authority to protect the balance of trade and balance of payments of the United States by allowing him to: First, impose selective or general import quotas; or second, impose an import surcharge of up to 15 percent of the value of the imported article, during a balance-of-payments emergency.

We have recently witnessed the value of such a tool in the hands of the President with respect to textiles. President Nixon is the first American President since World War II to propose realistic changes in policy. He has been steadfast in his efforts to negotiate voluntary agreements with major foreign producers of textile products which will restore reason and order to our domestic market. What he has attempted to achieve is not the exclusion of foreign textiles but an orderly sharing of the American market.

When the long negotiations with Japan failed, the President turned to the Congress for legislation that would strengthen his hand at the negotiating table. Amid the confusion existing in the Senate during the last weeks of 1970, the trade bill failed to pass.

Further, negotiations with the Japanese failed in a succession of events which ended with the Japanese textile federation announcing its plan, to unilaterally restrain textile imports to the United States. President Nixon responded that the plan was unacceptable and the American textile industry immediately pointed to its obvious deficiencies. Under its provisions, there was little or no likelihood that the increasing tide of textile imports would be controlled.

Finally, after months of futile discussions, the President set a deadline for the negotiations and stated that a textile quota would be imposed if a satisfactory textile agreement could not be reached. Thus, after months of negotiations, and faced with a direct stimulus, the Japanese trade Minister signed an agreement which will allow a reasonable increase in

Japanese imports into this country in the next 3 years.

Mr. President, the administration has tried to protect the steel industry by voluntary agreement between the United States and the steel industries of foreign producing nations. The agreement that went into effect on January 1, 1969, terminates at the end of 1971. It set a limit on the tonnage of exports of steel to the United States in 1968 and provided for an annual tonnage increase of 5 percent.

The voluntary approach has failed.

In the first place, the foreign producers committed themselves as far as possible to following the historical product mix in their steel exports to the United States. They failed to do this. They spectacularly increased the exports of stainless and other specialty steel exports. Those products sell for more dollars per ton than carbon steel.

In the second place, efforts during 1971 by the Department of State to negotiate a new agreement to go into effect in 1972 and give more specific protection to specialty steel have not brought results after 7 months of negotiation by the State Department. If an agreement is negotiated before the end of the year, the U.S. Government has no power to enforce compliance. So abuses can recur.

The threat of an imposition of a quota would prevent abuses.

The specific extent of the noncompliance with the voluntary agreement is obvious in the statistics for the first 8 months of 1971—Department of Commerce figures are the basis. Contrary to the voluntary limitation of an increase of 5 percent a year, that has been exceeded for all kinds of steel as follows:

59 percent increase in all steel imports over the quantity in the first 8 months of 1970;
20 percent increase from Japan;
114 percent increase from the six countries in the European economic community.

Through October, imports of all kinds of steel in 1971 exceeded the tonnage allowable under the existing voluntary agreement by 22 percent.

The imports under terms of the voluntary arrangement should be 11,576,250 tons.

The imports in fact came to 14,077,233.

Although the Japanese are scolded more than others for their trade practices, the largest violation of the limit comes from the European Common Market countries—19 percent over.

The intrusion of the U.S. market began to increase when times were good. Now that times are bad, the foreign producers are taking an ever larger share of it.

Those tremendous violations show that a voluntary approach is a totally useless means of safeguarding the steel industry, both carbon and specialty.

And the tremendous percentage of the specialty steel market now held by foreign producers shows that a safeguard is vital.

Mr. President, the American industry cannot survive in vigor in the face of that sort of import penetration. The President can correct the situation by using the authority which the balance-of-payments amendment would grant him to speedily conclude an effective binding agreement.

Mr. HANSEN. Mr. President, the morning newspapers contained a shocking figure. The balance-of-payments deficit for the third quarter was over $12 billion, the highest in our Nation's history. Thus far this year, our balance-of-payments deficit is running at an annual rate of between $23 and $31 billion depending on which measurement one chooses to use. Our trade figures are also in deficit for the first time in this century. When measured to include the cost of insurance and freight, our trade deficit for the first three quarters is running at an annual rate of over $8 billion.

The Secretary of the Treasury wants this authority; he asked the committee for more than this, but the committee determined that the other parts of the Secretary's negotiating authority could be reviewed in the context of trade legislation. However, I want to make it clear that he does want to keep this authority in the bill. The authority would enable him to negotiate more effectively with foreign countries. These countries have benefited enormously from our largess and are unwilling to give up any of the advantages we bestowed upon them through our generous trade, aid, and military expenditures. The only way they will bargain effectively with the United States is if they know that it will cost them more not to cooperate than it would cost them to cooperate. That is what this amendment would do.

Mr. President, I ask unanimous consent that a balance-of-payments fact sheet and a balance-of-trade fact sheet be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BALANCE OF PAYMENTS FACT SHEET

[In billions of dollars]

Balance of payments	Official settlements basis	Liquidity basis
1971 January-September annual rate	−31.2	−23.0
1970	−9.8	−3.8
1969	+2.7	−7.0
1968	+1.6	+.2
1967	−3.4	−3.5
1966	+.3	−1.4
1965	−1.3	−1.3
1964	−1.5	−2.8
1963	−2.0	−2.7
1962	−2.7	−2.2
1961	−1.3	−2.4
1960	−3.4	−3.9
Subtotal, 1960-71	[1] −52.0	−53.8
Subtotal, 1950-59	NA	−17.3
Cumulative total, 1950-71	[1] −52.0	−71.1

[1] 1960-71 only.

Source: U.S. Department of Commerce.

U.S. BALANCE OF TRADE FACT SHEET

[In billions of dollars]

	F.o.b. basis	C.i.f. basis, excluding aid financed exports
1971—January-September rate	−2.0	−8.5
1970	+2.7	−3.2
1969	+1.4	−4.4
1968	+1.0	−5.1
1967	+4.1	−1.4
1966	+3.8	−1.5
1965	+5.3	+.6
Subtotal, 1965-71	+16.3	−23.5
1964	+7.0	+2.3
1963	+5.3	+1.2
1962	+4.6	+.9
1961	+5.7	+2.5
1960	+4.9	+1.8
Subtotal, 1960-64	+27.5	+8.7
Grand total, 1960-71	+43.8	−14.8

Source: U.S. Department of Commerce.

Mr. HANSEN. Mr. President, the Committee on Finance has been quite concerned that, during the present balance-of-payments emergency, the President does not have sufficient authority to negotiate from a position of strength. The President's only authority to impose broad import restrictions stems from the Trading With the Enemy Act. This act clearly should not be invoked to cope with balance-of-payments problems with friendly countries.

The Senator's amendment would not decrease the President's powers but would force him to use the Trading With the Enemy Act when dealing with our friendly trading partners. Does the Congress want to restrict the President and force him to use the Trading With the Enemy Act in order to protect U.S. balance of payments?

This is not a question of free trade against protectionism. What this amendment involves is giving the President a tool which he can use in the current negotiations over currency realinements, nontariff barriers, and other burden-sharing matters. The Secretary of the Treasury wanted even broader authority to cope with these critical issues. The committee can consider this broader authority in subsequent trade legislation. However, during this emergency period, the committee felt that the authority contained in this bill would help the President in reaching satisfactory agreement on our differences with other countries.

Mr. President, I ask unanimous consent that a statement by the Secretary of the Treasury be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE HONORABLE JOHN B. CONNALLY

After a remarkable quarter century of stability and development, nurtured by close collaboration within the International Monetary Fund and the World Bank, events have challenged the underlying premises and functioning of the system devised at Bretton Woods. Some of those basic premises are now invalid.

Those at Bretton Woods planned for the transition from a war-torn world to a world of reconstruction and peaceful prosperity. The founders could assume, without challenge, a world in which the United States, for a time, possessed the dominant economic and financial power. The challenging goal was to rebuild the strength of others, in a context of flourishing trade, freedom for payments, and rapid development.

Now, our very success has produced new problems. Trade has grown enormously—but the patterns have not been in sustainable balance. International transactions have been substantially freed and investment accelerated—but we have not learned to maintain an equilibrium in underlying payments or in exchange markets. And, after twenty-five years, international monetary stability can no longer depend so heavily on a single nation.

The announcements by President Nixon on August 15 recognized these long-building realities. In doing so, his intention was to launch the United States into a new economic era—and to assure more balanced and sustainable economic relationships with the rest of the world. His actions accept, as a basic point of departure, the links already emphasized here by several Governors between effective domestic performance, a secure balance of payments, and international financial stability.

We are committed to curbing inflation and revitalizing the American economy—not just this year or next, but for the longer pull. We are committed to ending the persistent deficit in our external payments; indeed, at this point in time, the only choice can be the means to that end, not the end itself. Finally, in taking the difficult decision to suspend the convertibility of the dollar into reserve assets, we are committed to negotiating with our friends for a monetary order responsive to the needs and conditions of this generation.

The United States has not been alone among the countries represented here in grappling with the problem of achieving vigorous growth and productivity while dealing with the destructive forces of domestic inflation.

To cope with this situation, President Nixon moved boldly to apply a 90-day wage-price freeze to make a simple point as forcibly and directly as he could: cooperation in the elimination of inflation is a prime national priority.

We are now deeply engaged in a broad effort, involving all elements in our economy, to develop an effective, forceful follow-on program to the freeze. In a matter of weeks, that program will be announced. At the same time, we will be implementing other parts of the President's domestic program to assure both near-term growth and lasting gains in efficiency, productivity, and technology.

In its entirety, this program is designed to fulfill our first obligation both to ourselves and to the international monetary system: a stable, prosperous domestic economy.

Nevertheless, crucial as they are, I believe it is now fully understood that domestic measures alone cannot deal with the present and prospective imbalance in the external payments of the United States. The specific monetary and trade measures which we introduced on August 15—including the imposition of a temporary import surcharge—will not in themselves solve the problem. They were, however, the necessary first steps to arrest an intolerable deterioration in the balance of payments position of the United States. The deterioration in our position has, of course, had its counterpart in improvement abroad—and only by working together can we find solutions conducive to expanding trade and monetary stability.

I would like to emphasize the connection we see between the balance of payments adjustment now required, on the one hand, and the long-range evolution and improvement of the monetary system on the other.

First, without a full and lasting turnaround in the balance of payments position of the United States, any new monetary arrangements inevitably would break down.

Secondly, such a turnaround cannot be fully assured and lasting unless necessary exchange rate changes are accompanied by trading arrangements that assure fair access to world markets for U.S. products.

Thirdly, a more balanced sharing of responsibilities for the security of the free world can and must be a part of a balanced economic order.

These adjustments are both entirely feasible and eminently desirable in the light of the impressive economic growth and strength of other leading trading nations. Indeed, we believe our objectives are shared by all nations with a fundamental interest in a stable and balanced world trading and monetary system. We also share a common concern in seeing our deficit eliminated by means consistent with open economies and expanding trade.

We do not underestimate the difficulties of the process. But I am in no way disheartened or surprised by the absence of instant solutions in the six weeks since the President's action. The simple fact is that progress is being made. In contrast to early August, I believe there is explicit and general recognition that:

We face together an adjustment problem of substantial magnitude;

There is a need for a broad realignment of relative currency values;

Measures outside of the exchange rate field are a factor in restoring lasting strength in the U.S. balance of payments;

For the longer run, the international monetary system requires far-reaching reform, including a lesser role, at the least, for gold.

Indeed, we are now launched into an agreed program of work toward a solution in all areas as soon as feasible.

Much can be done in bilateral and multilateral negotiations in the weeks ahead.

We are all gratified, I believe, that we have progressed this far. But none of us, at least I don't, mistake progress in understanding and agreement on procedures for the hard policy decisions necessary for a satisfactory solution. Much difficult work remains, both of an urgent and of a painstaking nature.

As you know, the United States has made explicit its own analysis of the needed turnaround in our own balance of payments position. It reflects the hard fact of a substantial underlying adverse trend in our trade position.

Some have urged that the adjustment sought by the United States is too large. We are told time is of the essence. It is said we must be satisfied with an admittedly partial solution, lest restrictions and even retaliation begin and recessionary forces take hold. At the same time, we are told that the quick and partial solution must entail a change in the official dollar price of gold and that our surcharge must be removed as a prelude to negotiations.

We can fully appreciate the expressed concerns. We also fully understand that our surcharge—while applied across the board in a non-discriminatory way—as a practical matter affects products and countries evenly. We are conscious of the political sensitivities of decisions on exchange rates. Yet, in the interest of frankly discussing the issues, I must say plainly that we find a certain inconsistency between the expressed concerns and the proposed remedies.

A change in the gold price is of no economic significance and would be patently a retrogressive step in terms of our objective to reduce, if not eliminate, the role of gold in any new monetary system. Removal of the surcharge, prior to making substantial progress toward our objectives, would accomplish nothing toward correcting the balance of payments deficit. Nor can measures by others to resist exchange rate realignment or other adjustment measures by controls, restraints, or subsidies help the process of resolving the situation promptly and effectively.

We must find more timely and constructive ways to meet these economic and negotiating problems—to avoid the contentious issue of the gold price, to achieve the earliest possible removal of the surcharge, and to help determine the size and distribution of the needed exchange rate realignment. Faced with these difficulties, I believe we should welcome the help that the market itself can provide in reaching crucial decisions.

Many nations already are allowing their currencies temporarily to float, but they have done so with widely varying degrees of intervention and controls. As a result, some adjustments clearly needed are being delayed or thwarted, the process of multilateral decision-making impeded, and political questions multiplied. In this respect, our surcharge and restrictions on capital flows could, like those applied by other countries, themselves be a disturbing influence.

If other governments will make tangible progress toward dismantling specific barriers to trade over coming weeks and will be prepared to allow market realities freely to determine exchange rates for their currencies for a transitional period, we, for our part, would be prepared to remove the surcharge.

This would provide one possible path for moving expeditiously, reversing any tendency to maintain and extend restrictive trade and exchange practices and to provide more satisfactory arrangements for settling individual transactions, consistent with the Resolution that has been proposed to the Governors.

I recognize that floating rates will not necessarily, over any short time period, indicate a true equilibrium. I also know full well from experience that the present fixed rate system has failed to maintain an equilibrium, and we need assistance, during this difficult transitional period, from the objective, impersonal forces of the market place in making decisions.

In any event, we will continue to work in detailed and frank negotiations, bilaterally and multilaterally, to seek agreement on appropriate measures which may most fruitfully achieve and maintain the needed adjustments. This will lay the foundation for constructive consideration of the longer-term problems of our trading and monetary arrangements.

I am following with great interest the suggestions of other Governors concerning the shape of the future world monetary system. These comments bear out what President Nixon said on August 15 regarding the need for a new monetary system. Chairman Schiller forcefully pointed out at the start: we cannot expect or wish simply to go back to the old and familiar.

In contrast to the world that faced the architects at Bretton Woods, there is a far greater balance of strength, particularly among the North American, the European, and Japanese economies. This development—so welcome in its own right—in turn calls for a different and more symmetrical balance of opportunities and responsibilities.

We and the world had grown accustomed to U.S. deficits. The counterpart of those deficits were rather persistent surpluses for others, and those surpluses helped satisfy the individual goals of other countries. But a monetary system dependent on U.S. deficits is no longer tolerable, economically, financially, or politically, for you or for us.

The implications are fundamental. A return to specified parities without United States deficits will require ample alternative sources of official liquidity, internationally managed and controlled. There must be arrangements for adequate exchange rate flexibility, available to all countries, to help maintain a reasonable payments balance. There must be means—more effective than those incorporated in the Fund Agreement at present—of encouraging timely and appropriate action by surplus countries which escape the financial pressures forcing adjustment on deficit countries.

There is another area in which we are, in

a sense, victims of our own progress. As economics have become more closely intertwined, as international capital markets become more effective and efficient, and as controls and restrictions are reduced, the potential for volatile and disturbing capital flows expands enormously. This had already been a matter for international consideration before August 15 and for considerable comment at this meeting.

If not yet unanimously acceptable, substantially wider margins are already viewed as a necessary part of any establishment of new parities. Other difficult questions concern the mix of national fiscal and monetary policies, joint or coordinated action in international money markets, and the proper role, if any, for limited restrictions on financial intermediaries—always keeping in the forefront the fundamental need of free and competitive markets to serve the needs of traders and investors.

A number of speakers have already emphasized that, whatever the particulars of new monetary arrangements, a fundamental need will remain for fair, widely understood, and enforceable international codes of conduct in trade and monetary matters. I share that emphasis. The further corollary is that the International Monetary Fund, itself, should play a central role in developing and monitoring such codes.

Discussions of these matters have now been launched not only in the Executive Board but in the Group of Ten. In emphasizing the need for these discussions, I also note these matters are of direct interest not only to large and highly developed countries but to that wider spectrum of Fund membership ready and able to assume a share of the responsibility for maintaining an effective monetary system.

While dealing with the monetary system as a whole, we shall, for our part, also proceed with the associated task of dismantling unfair barriers to trade and impediments, including our own, to the free flow of long-term capital.

We will also need to deal with many questions bearing more specifically upon the economic well-being of developing countries. My Government particularly welcomes the discussion at this meeting and elsewhere of the pressing problems posed by population trends in much of the world, the new emphasis on nutritional and environmental concerns, and the more careful consideration of the implications of external debt burdens.

We are impressed by the growing scope of the traditional activities of the World Bank and its affiliates under the able leadership of President McNamara. President Nixon has called for an increase in the emphasis that we, ourselves, give to multilateral institutions in our development assistance effort, and we plan to continue that process.

The high levels of lending by the World Bank Group are supported for the most part by Bank borrowing in the developed countries. Twenty-five years of activity has encouraged increased direct financial support by all developed countries, and I hope other nations will continue to open their capital markets to the Bank.

As the level of activity expands, the Bank must take even more care with the efficiency and effectiveness of its operations and must question old premises. It is in this light that I welcome the evaluation efforts being undertaken by the Bank. It is important not only that we ensure that the Bank Group processes projects quickly and efficiently but also that its funds have their planned impact—including assurance that these resources are reaching all the people of the developing countries.

As the World Bank Group further develops its ambitious plans, I must also speak frankly of our own situation and intentions. I can do so explicitly with respect to the pending replenishment of the International Development Association, without which the plans for the years ahead will be gravely impaired.

We firmly support that replenishment. In reducing our total of assistance by some 10 percent over the current fiscal year, we mean to avoid any reduction in that major commitment. Within our constitutional system, however, IDA replenishment requires, but has not yet received, Congressional approval. The fundamental sympathy and support of the Congress for IDA over the years has, I believe, been amply demonstrated. Nevertheless, Congress will have to be convinced, as never before, that: first, this development assistance efficiently serves to promote growth in the developing world; and, second, that our own situation will strengthen to the point where this and other burdens on our payments can be safely assumed.

All these official efforts must be supplemented by flows of private capital. I am disturbed when I see instances of developing countries treating private investment in a manner not accepted by international law. In a world already short of capital to meet pressing demands, the adverse effects on the investment climate of such practices are bound, in a very tangible sense, to deny real benefits to the people. The damage in reducing the flow of capital can extend beyond the parties immediately involved to other potential investors or recipients of funds.

It is in this context that the United States firmly supports the creation of the proposed International Investment Insurance Agency. The maintenance of a healthy climate for private investment in those countries which recognize the important role such investment can play has become a matter of concern for all such nations. The interest in this proposal at last year's meeting has not yet produced a result. I am hopeful that a new resolve and firmer commitment to this idea by both developed and developing countries will produce agreement in the coming year.

A logical complementary development would be more active reliance on the Center for the Settlement of Investment Disputes. Of course, the policies of the World Bank itself, in situations when existing foreign investments are unfairly treated, will importantly affect the future climate for the flow of public development assistance as well as for foreign private investment.

In conclusion, I would only reiterate we have a large agenda before us. We all know the present situation has both risk and opportunity.

We should not fear the one nor fail the other.

With the same vision that motivated those at Bretton Woods, we can build a better monetary and trading world.

With wisdom, we can devise monetary arrangements that combine an essential stability with the capacity to adapt.

With courage, we can move together to reduce restrictions on trade and payments, in recognition of our mutual dependence.

With patience, we can work together, finding a balance of opportunity and responsibility for rich and poor alike that fits the imperatives of today's world.

These qualities are present in the men who have come to Washington this week and in the governments they represent. You can be sure the United States will join you in the vanguard of the effort. In this sure knowledge, I look ahead with confidence.

Mr. CRANSTON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. LONG. Mr. President, I yield 1 minute to the Senator from West Virginia.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the time which was set aside for the discussion of the Harris amendment this afternoon be vacated with the understanding and on the condition that the 1 hour set aside on tomorrow for his amendment No. 680 be retained for his use, with the further understanding that he may be able to call up during that 1 hour the amendment which he had intended to call up this afternoon, amendment No. 690 and the amendment No. 680, in that order, with a half hour on each of the two amendments tomorrow, the time to be equally divided and controlled as in the previous agreement.

Mr. FULBRIGHT. Mr. President, reserving the right to object, and I shall not object, I wish to propound this inquiry. I have one or two simple amendments relating to the amendment, in the event it does not carry. Is there any possibility of taking it up in the time that has just been made available? Since the Senator is vacating the other amendment, is there any possibility of taking up my two simple amendments? I ask this since the Senator is vacating the time for the Harris amendment.

Mr. BYRD of West Virginia. The amendment of the Senator from Minnesota (Mr. HUMPHREY) was clocked in next.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD of West Virginia. Mr. President, may I have 1 additional minute?

Mr. LONG. I yield 1 minute to the Senator from West Virginia.

Mr. BYRD of West Virginia. How much time does the Senator want?

Mr. FULBRIGHT. Twenty minutes for both of them. They relate to the same matter under discussion on the pending amendment.

UNANIMOUS-CONSENT AGREEMENT ON FULBRIGHT AMENDMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that immediately following the vote on the pending amendment the distinguished Senator from Arkansas (Mr. FULBRIGHT) be recognized to call up two amendments, and that the time on each of the two amendments be limited to 10 minutes, to be equally divided between the mover of the amendment and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, was the time on the Harris amendment today vacated?

The PRESIDING OFFICER. It was vacated.

Mr. BYRD of West Virginia. Was the condition allowed?

The PRESIDING OFFICER. The condition was allowed.

UNANIMOUS-CONSENT REQUEST ON JAVITS AMENDMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following disposition of the amendment by the Senator from Kansas (Mr. PEARSON) tonight, the amendment by the Senator from New York (Mr. JAVITS)——

Mr. JAVITS. Mr. President, will the Senator yield to me before he makes that unanimous-consent request?

Mr. BYRD of West Virginia. I yield.

Mr. JAVITS. I do not have the slightest notion as to what is lined up ahead of me. I wish the Senator would not make that request now. I would like to get some idea if we would be called up before 9 o'clock tonight.

Mr. BYRD of West Virginia. Yes. I had already discussed the matter with the Senator.

Mr. JAVITS. Now the Senator has a new lineup with Senator HARRIS and others.

Mr. BYRD of West Virginia. It is now a shorter lineup.

Mr. JAVITS. How many hours do we have before the Senator would get to me?

Mr. BYRD of West Virginia. Twenty minutes on two amendments by the Senator from Arkansas (Mr. FULBRIGHT), 1 hour on the Humphrey amendment, 20 minutes on the amendment by Mr. PEARSON and then the Senator's amendment would come in.

Mr. JAVITS. That is about 2 hours plus voting—at least 3 hours—about 7:30.

Mr. BYRD of West Virginia. If all the time is used.

Mr. JAVITS. Mr. President, I am willing to agree if my amendment can be called up before 7:30 this evening; otherwise I would prefer to take up the amendment tomorrow. Is that satisfactory to the Senator?

The PRESIDING OFFICER. In connection with the Pearson amendment the Senator indicated there is 20 minutes. The desk informs the Senator that the record shows 30 minutes.

Mr. BYRD of West Virginia. Very well. I thank the Presiding Officer. I was mistaken.

Mr. JAVITS. I am willing to agree to an unanimous-consent agreement on Amendment No. 533 provided it is called up by 7:30 p.m. If it is not, I am not prepared to go on with it tonight.

Mr. BYRD of West Virginia. Very well.

Mr. JAVITS. I am happy to do it, so long as we get that time.

UNANIMOUS-CONSENT REQUEST ON GURNEY AMENDMENT NO. 651

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on amendment No. 651, by the Senator from Florida (Mr. GURNEY)—which I have discussed with the distinguished manager of the bill—there be a time limitation of 2 hours to be equally divided between the mover of the amendment and the manager of the bill, with the further proviso that time on any amendment in the second degree, motion, or appeal, except nondebatable motions, be limited to 20 minutes, to be divided between the mover of the amendment, motion, or appeal, and the manager of the bill.

Mr. LONG. Mr. President, I object to that limitation on amendments. Frankly, it is my intention to move to table that amendment, and if the motion to table is not carried, it would seem to me that we should not have any limitation on amendments because that is the whole social security bill. If that amendment is to be voted on, we are on notice that family assistance will be offered as an amendment, and that is something that could keep us here until next January or March. If the Senate wants to legislate on social security, we can call off the committee hearings and go ahead and do our testifying here on the floor of the Senate, which will take some time.

I would say Senators should make arrangements to have Christmas here and we will take whatever time the Senate wants to talk about social security. We can just hold hearings on the floor of the Senate, if the Senate wants to get into social security and open it up to all the amendments that everybody wants to offer. It is a big proposition and if the Senate wants to legislate on the social security bill on the floor of the Senate and consider all proposals in the way of public welfare and things that will be offered, we can make our plans and go about our business. We are nowhere near third reading and final passage on this bill.

First, on the Senator's amendment, with all deference to the Senator—but he is not the best expert on social security in the Senate—I notice his amendment is about 200 pages and would involve $5 or $6 billion. If we are going to get into that we should get into other matters. For instance, the Senator from Connecticut (Mr. RIBICOFF) knows something about social security. He was the Secretary of Health, Education, and Welfare before he came here. There will be other amendments.

I do not see any point in trying to prejudice anybody or taking anybody by surprise.

Mr. President, that amendment is as broad as all outdoors. If anyone has anything else he wants to get involved in, just bring it in and open this up, and put it on the revenue bill, anything that the mind of man can conceive.

I do not know why we should have any limitation. If that amendment is agreed to, I suppose I would be moved to move to recommit the bill. As far as the amendment is concerned, I could not agree to the limitation on further amendments.

The Senator from Connecticut had every right to protect his rights. He said if this is agreed to, he would offer the family assistance plan. Is that correct?

M. RIBICOFF. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. RIBICOFF. Mr. President, the chairman of the committee and I have exercised responsibility. The family assistance plan is tied up with the social security bill, H.R. 1, which came from the other body. The distinguished chairman is vitally interested in social security, as I am. He is not as interested in the family assistance program, but he has given assurance to the majority leader and me that the first order of business, depending on when we adjourn and return, will be completion of social security with family assistance, to give us an opportunity to discuss this matter on the floor of the Senate.

The Senator from Louisiana has acted responsibly. In the Committee on Finance, with our diverse philosophies and our diverse thinking, we tried not to jeopardize the basic tax bill. We realize how important this bill is to the country. We agreed to try to keep out extraneous matters that are not related and up to now we have been quite successful in achieving that.

I hope other Senators realize the depth of the problems and the complications. It would mean we would be here until the end of the year. There would be no social security system, family assistance program or tax bill, and there would be complete frustration not only in this body but in the Nation as a whole.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BYRD of West Virginia. I had discussed this matter with the distinguished Senator from Louisiana (Mr. LONG). Apparently there is some misunderstanding between us. As manager of the bill he is certainly within his right to object, and I can appreciate his reasoning.

Mr. LONG. Mr. President, may I explain to the Senate that I am willing to agree to a limitation on that amendment, but I think it is quite a different matter when we get to amendments to the amendment, because other Senators, such as the Senator from Connecticut, would intend to offer the family assistance plan as an amendment, and I am not prepared to agree to a vote on a matter that has been extremely controversial, that we have been debating for a year around here, in a half hour or 20 minutes. If we are going to get involved in that sort of thing, we had better have adequate discussion, and if that amendment cannot be laid aside or tabled, the Senator from Indiana has about 47 amendments on the desk on social security and public welfare, some of which, at least, I would assume he would move to call up. Some of them would be involved in this situation. So I would have to protect my rights with regard to further amendments.

Mr. BYRD of West Virginia. The Senator is within his rights.

Mr. JAVITS. Mr. President, if the Senate wants to get a unanimous consent agreement on my Amendment No. 533, it is entirely agreeable with me if we had 45 minutes, if we reach it by 7:30.

Mr. BYRD of West Virginia. I thought we had already cleared that matter.

Mr. JAVITS. So did I, but they tell me at the desk it was not cleared.

The PRESIDING OFFICER. The Chair understands there was no time limit on that amendment.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the time of the amendment to be offered by the Senator from New York, No. 533, be limited to 40 minutes, to be equally divided between the mover of the amendment and the manager of the bill; provided further, that time on amendments in the second degree, motions, or appeals, with the exception of nondebatable motions, be limited to 10 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I yield 1 minute to the Senator from New York (Mr. JAVITS).

Mr. JAVITS. Mr. President, I ask unanimous consent that the name of the

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Senator from Kansas (Mr. PEARSON) may be added as a cosponsor of the amendment which is before us. His desire to cosponsor it reminded me of the critical stake the agricultural community has in title VI, as the first exports to be hit adversely will be the exports of the agricultural community. Let us be clear that abrogation of the MFN principal which is precisely what we are objecting to in the case of the proliferating preferential trade relations of the Common Market and which are so harmful to our agricultural export interests such as citrus, soybeans, wheat and feed grains, is encouraged by the adoption of this amendment. The amendment again is a signal to the world that the principal of MFN which served us so well is dead as far as the U.S. Senate is concerned.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I yield back my time on my amendment.

Mr. LONG. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on the adoption of the amendment.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Louisiana (Mr. ELLENDER), the Senator from Oklahoma (Mr. HARRIS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Illinois (Mr. STEVENSON), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Illinois (Mr. STEVENSON) would each vote "yea."

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "nay."

On this vote, the Senator from Oklahoma (Mr. HARRIS) is paired with the Senator from Pennsylvania (Mr. SCOTT).

If present and voting, the Senator from Oklahoma would vote "yea" and the Senator from Pennsylvania would vote "nay."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS), the Senator from Iowa (Mr. MILLER), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. HRUSKA) would vote "nay."

On this vote, the Senator from Pennsylvania (Mr. SCOTT) is paired with the Senator from Oklahoma (Mr. HARRIS). If present and voting, the Senator from Pennsylvania would vote "nay" and the Senator from Oklahoma would vote "yea."

The result was announced—yeas 29, nays 53, as follows:

[No. 342 Leg.]

YEAS—29

Buckley	Hart	Moss
Burdick	Hatfield	Nelson
Case	Hughes	Packwood
Chiles	Inouye	Pearson
Church	Javits	Percy
Cooper	Kennedy	Proxmire
Cranston	Mansfield	Tunney
Dole	McGee	Weicker
Fulbright	Metcalf	Williams
Gravel	Mondale	

NAYS—53

Aiken	Eagleton	Pastore
Allen	Eastland	Pell
Anderson	Ervin	Randolph
Baker	Fannin	Ribicoff
Beall	Fong	Roth
Bellmon	Gambrell	Schweiker
Bennett	Griffin	Smith
Bentsen	Gurney	Sparkman
Bible	Hansen	Spong
Boggs	Hartke	Stafford
Brock	Humphrey	Stennis
Brooke	Jordan, N.C.	Symington
Byrd, Va.	Jordan, Idaho	Taft
Byrd, W. Va.	Long	Talmadge
Cannon	Magnuson	Thurmond
Cook	McClellan	Tower
Cotton	McIntyre	Young
Curtis	Montoya	

NOT VOTING—18

Allott	Hollings	Mundt
Bayh	Hruska	Muskie
Dominick	Jackson	Saxbe
Ellender	Mathias	Scott
Goldwater	McGovern	Stevens
Harris	Miller	Stevenson

So Mr. CRANSTON's amendment (No. 640) was rejected.

AMENDMENT NO. 672

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate, amendment No. 672 by the Senator from Arkansas, which will be stated.

The assistant legislative clerk read as follows:

On page 177, line 7, strike out "December 31, 1976" and insert "December 31, 1973".

On page 177, beginning with line 19, strike out all through line 9 on page 178 and insert:

"(c) The President may terminate a balance-of-payments emergency period whenever he determines that the authority conferred by section 601 is no longer necessary to safeguard the international financial or trade position and balance of payments of the United States. A balance-of-payments emergency period shall terminate in any event on December 31, 1973."

The PRESIDING OFFICER. The time is limited to 10 minutes. Who yields time?

Mr. FULBRIGHT. I yield myself 5 minutes.

Actually, we discussed this matter in connection with the previous amendment. I suggested this amendment, anticipating that the previous amendment might be rejected.

All it does is to strike out "December 31, 1976," on line 7, and insert "December 31, 1973." This is what I was talking about with the Senator from Connecticut a few minutes ago.

Inasmuch as most of us hope that this is an emergency and not a permanent change in our attitude toward foreign trade—and we should not be so pessimistic to think that we cannot do anything about it at this stage—Congress would have an opportunity to review the situation in 2 years. Instead of making a long term delegation of power to the President, we simply make it a short one, so that Congress can review it. It would be after the election. I think this is only prudent from the congressional point of view. It does not change any substantive power. The President says he does not need it. He is a great deal more optimistic about the effectiveness of his program than apparently the committee is.

In any case, it is not a substantive change. It merely says that we delegate this power, which is a very broad power, for 2 years instead of 6 years.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. RIBICOFF. I opposed the Senator, and the Senator from California, on the previous amendment. But it seems to me that the amendment offered now makes sense. We are giving the President a substantial grant of power, and I think the President should have it. We are in a trade and a balance-of-payments emergency. I hope that the President and Secretary Connally, within the coming year, will be able to come to agreements with our trading partners and work out many of the difficulties that now exist.

In any event, we would still make it possible for the next President, whoever he may be, to have an additional year after the next election to determine whether he needs these additional powers. In this way, the Congress does reserve to itself the basic powers it has now granted to the President.

I believe the amendment offered by the Senator from Arkansas has a great deal of merit. It gives the President and his Cabinet all the powers they need, and at the same time still preserves the basic interests and basic powers of the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. I reserve the remainder of my time.

I hope the Senator from Louisiana will accept this amendment and that we will not have to have a rollcall vote on it.

Mr. LONG. I yield myself 2 minutes.

Mr. President, the authority granted under this provision would be for a period of only 5 years. All that authority is included within the powers that exist under the Trading With the Enemy Act, in any event. This is just a better way to do it.

If you do not have a few years to look forward to, and the President is not likely to use this authority in any immediate future, he might have only a month or two left to go under the authority. If you hope he might use it if he found it necessary, it seems to me that, without anticipating it being used immediately anyway, it ought to go for enough time in the future when the President might have occasion to use it.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BENNETT. If the White House changes hands after the election of 1972, the incoming President will have a little less than a year in which to acquaint himself with the duties of his office and to participate in the negotiations that are made possible by this program. While it would be easier for a man who is elected for the second term to live within the 2-year period, it would be very difficult for a new President if he had less than a year in which to operate under this program.

I hope the Senate will reject the amendment.

Mr. FULBRIGHT. Mr. President, I think it is not proper for Congress to make these long delegations of power in a field in which we are supposed to exercise some authority and some influence. I do not understand the determination to abdicate for such a long period.

The Senator from North Carolina and I and others have been complaining about the delegation of power to and the usurpation of power by the Executive, and here we come along in a basic area of taxation and foreign trade, in which my State, as an exporter of agricultural products, is very interested. I think it is very bad psychologically.

I do not understand the pessimism of the Senator from Utah in anticipating a change in the White House. I did not mean to inject that prospect one way or the other. But I think it is an excessively long time to delegate such fundamental power. That is all there is to it.

Someone came up to me and said, "Would you take 1974? That is better than 1976." But it seems to me that 2 years is long enough. If 1974 is agreeable to the committee, I am willing to compromise. I am under no illusion that we can win it over the determined opposition of the managers of the bill.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SYMINGTON. If the Senator would make his amendment read "1974," I would be glad to vote for it.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JAVITS. I think Senator Fulbright is absolutely right. I think it is not the kind of thing anybody ought to be truculent about. This is a most unusual and extended grant of power, and any limitation on it would be desirable in an exercise of responsibility.

If the committee could accept it, and Senator SYMINGTON and others would support it at 1974, I think the point is made by the Senator, whatever shortening period he effectuates.

Mr. FULBRIGHT. If 1974 will meet the objection, that is all right.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays.

I modify my amendment to make it "1974."

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. BENNETT. I object.

Mr. FULBRIGHT. I have a right to modify it before the yeas and nays are granted. I asked for it before the yeas and nays.

The PRESIDING OFFICER. The unanimous-consent agreement would prevent the modification of the amendment without unanimous consent

Mr. FULBRIGHT. I will vote on it as it is, then.

Mr. BENNETT. Mr. President, I withdraw the objection.

The PRESIDING OFFICER. Is there objection to the modification of the amendment to read "1974?"

Mr. LONG. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Louisiana has 2 minutes.

Mr. LONG. Mr. President, the provision that the Senator seeks to amend does not confer any authority that the President does not already have. The only difference is that it gives him the power to use the authority in a flexible fashion, and he does not have to use it under the authority of the Trading With the Enemy Act which, unfortunately, has been used by President Johnson and others against countries such as France, Belgium, and Holland, with whom we have never been at war; but, for lack of any better tool, they had to use the Trading With the Enemy Act.

This is the sort of authority the President needed when the present balance of payments broke out and he had to find bits and pieces of authority around the countryside to protect our interests.

We are not giving something to the President. We are imposing upon him the power to save this Nation its jobs and its industries, if that becomes necessary. He already has the authority. It is just that we do not want to have him threatening somebody with the Trading With the Enemy Act in the type of emergency we have now, which is a balance-of-payments emergency.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas to amend the amendment to read "1974"? The Chair hears none, and it is so ordered.

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BEALL). All time on this amendment has now been consumed or yielded back.

The question is on agreeing to the amendment of the Senator from Arkansas (Mr. FULBRIGHT).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Oklahoma (Mr. HARRIS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), the Senator from Illinois (Mr. STEVENSON), and the Senator from Louisiana (Mr. ELLENDER), are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), and the Senator from Indiana (Mr. BAYH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS), the Senator from Iowa (Mr. MILLER), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. HRUSKA), and the Senator from Pennsylvania (Mr. SCOTT) would each vote "Nay."

The result was announced—yeas 52, nays 29, as follows:

[No. 343 Leg.]

YEAS—52

Aiken	Fulbright	Montoya
Anderson	Gravel	Moss
Beall	Griffin	Nelson
Bible	Gurney	Packwood
Boggs	Hart	Pearson
Brock	Hartke	Percy
Buckley	Hatfield	Proxmire
Burdick	Hughes	Ribicoff
Byrd, Va.	Humphrey	Roth
Cannon	Inouye	Sparkman
Case	Javits	Spong
Chiles	Jordan, N.C.	Stafford
Church	Kennedy	Symington
Cook	Mansfield	Taft
Cooper	McClellan	Tunney
Cranston	McGee	Williams
Eagleton	Metcalf	
Ervin	Mondale	

NAYS—29

Allen	Eastland	Pell
Baker	Fannin	Randolph
Bellmon	Fong	Schweiker
Bennett	Gambrell	Smith
Bentsen	Hansen	Stennis
Brooke	Jordan, Idaho	Talmadge
Byrd, W. Va.	Long	Thurmond
Cotton	Magnuson	Tower
Curtis	McIntyre	Young
Dole	Pastore	

NOT VOTING—19

Allott	Hruska	Saxbe
Bayh	Jackson	Scott
Dominick	Mathias	Stevens
Ellender	McGovern	Stevenson
Goldwater	Miller	Weicker
Harris	Mundt	
Hollings	Muskie	

So Mr. FULBRIGHT's amendment was agreed to.

AMENDMENT NO. 673

The PRESIDING OFFICER. Pursuant to the previous order, the Chair lays before the Senate amendment No. 673. The clerk will report.

The legislative clerk read as follows:

On page 177, lines 21 and 22, strike out "3 years" and insert "2 years".

Mr. LONG. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. LONG. Mr. President, I have discussed this matter with the other members of the committee. I do not find the amendment objectionable. We are willing to accept the amendment.

Mr. FULBRIGHT. Mr. President, since the chairman of the committee is willing to accept the amendment, I yield back the remainder of my time.

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Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

AMENDMENT NO. 692

Mr. PASTORE. Mr. President, I send to the desk an amendment which adds two new titles to the bill, tax incentives for contributions for candidates to public office, for myself and on behalf of the Senator from Kansas (Mr. PEARSON), the Senator from Montana (Mr. MANSFIELD), the Senator from West Virginia (Mr. BYRD), the Senator from Georgia (Mr. TALMADGE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from California (Mr. CRANSTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Texas (Mr. BENTSEN), the Senator from Minnesota (Mr. MONDALE), and the Senator from Nevada (Mr. CANNON), and ask that it be printed.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have my name listed as a cosponsor.

Mr. PASTORE. Mr. President, I ask unanimous consent that the name of the Senator from Missouri (Mr. SYMINGTON) be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be received and printed and will lie on the table.

Mr. BYRD of West Virginia. Mr. President, I would like to ask the following question of the Senator from Rhode Island. Is this the amendment concerning which there is a 6-hour limitation? In other words, is this the amendment which was discussed last evening, concerning which an order was entered limiting the time to 6 hours, the amendment which was to have been offered by the Senator from California (Mr. CRANSTON) on behalf of himself and others or by other Senators?

Mr. PASTORE. Mr. President, it is the same subject matter. That is how I understood the unanimous-consent agreement. The amendment was to have a 6-hour limitation.

Mr. BYRD of West Virginia. Mr. President, does the amendment deal with political contributions?

Mr. PASTORE. It deals with financial political contributions. It is similar to the one that once passed the Senate, sponsored by the distinguished Senator from Louisiana (Mr. LONG). It adds on a deduction of $100 for contributions made up to $100 to any candidate running for political office, whether Federal, State, or otherwise. It also adds a credit of one-half, not to exceed $25 for contributions actually made. That is the essence of the amendment.

Mr. BYRD of West Virginia. Mr. President, I thank the distinguished Senator. I want the Senate to know that this is the amendment which was discussed last evening with reference to the time limitation, and which deals with the subject of political contributions.

It is my understanding that the various Senators who were interested in introducing the subject matter of this amendment in one form or another have now joined together and this is the consensus amendment.

Mr. PASTORE. They are cosponsors of my amendment. The Senator is correct.

Mr. BYRD of West Virginia. I thank the distinguished Senator.

Mr. GRIFFIN. What was the understanding, I inquire of the distinguished majority whip? Is the understanding that there is 1 hour on any amendment to the amendment when it is presented?

Mr. BYRD of West Virginia. The Senator is correct.

Mr. GRIFFIN. And there is no set time for this amendment to be considered under the existing order?

Mr. BYRD of West Virginia. The Senator is correct.

Mr. MAGNUSON. Mr. President, will the Senator from Rhode Island add my name as a cosponsor of the amendment?

Mr. PASTORE. Mr. President, I ask unanimous consent that the name of the Senator from Washington (Mr. MAGNUSON) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, would the Senator from Rhode Island add my name as a cosponsor of the amendment?

Mr. PASTORE. Mr. President, I ask unanimous consent that the name of the Senator from Minnesota be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. All Republicans are welcome to come forward.

AMENDMENT NO. 563

Mr. HUMPHREY. Mr. President, I call up my amendment No. 563.

Mr. President, there is a technical change in the amendment. In line 1 the amendment should read page 41 and line 24. I ask that the amendment be so modified.

The PRESIDING OFFICER. Without objection, the pending amendment, amendment No. 563, is modified accordingly.

The amendment, No. 563, as modified, is as follows:

On page 41, line 24, strike out "$1,050", and insert "$1,300", and strike out "$525", and insert "$650".

Mr. HUMPHREY. Mr. President, I ask unanimous consent to add as cosponsors of this amendment the Senator from Illinois (Mr. STEVENSON) and the Senator from Utah (Mr. Moss).

The PRESIDING OFFICER (Mr. BURDICK). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, the purpose of this amendment to raise the minimum standard deduction—the low-income allowance—from $1,050 to $1,300, for all taxpayers, and thus in conjunction with the personal exemption to eliminate those persons and families below the poverty level from Federal tax liability.

Mr. President, this amendment has several features which can be stated rather succinctly. First, it will give tax relief to the poor and low-income families with incomes under $10,000, and provide tax relief, with 70 percent of the benefits going to families with incomes under $4,500.

I should note that next year the bill before us will provide the same allowance of $1,300 for calendar year 1972. The purpose of this amendment is to apply the $1,300 to calendar year 1971. In other words, it would give immediate impact and fiscal stimulus.

There have been several other amendments pertaining to 1971 offered which the Senators thus far have rejected. One was the amendment sponsored by the Senator from Illinois (Mr. STEVENSON) and me, which would have increased the deduction to $700 instead of $675 for 1971; and then the Bayh amendment—a tax credit for 1971—which lost by just one vote.

Mr. President, the low-income allowance amendment provides genuine tax relief in the calendar year 1971 for families.

Mr. President, if there is any group of American families that deserve some consideration by Congress it is that group of families with incomes under $4,500 and that group that we call lower middle income families of $10,000. These people are the great purchasers of consumer goods because they represent such a multitude of our people. They can help stimulate the economy if they have a little additional purchasing power.

Mr. President, these people have needs unmet and they merit the consideration of Congress in tax relief. Their total tax relief is small compared with the relief for the investment tax credit and for the accelerated depreciation.

I do not want to be misunderstood. I shall vote for the investment tax credit because I believe it has merit. I feel there surely are some needs in the field of depreciation. I deeply regret the Bayh amendment did not pass because I thought it was eminently fair. And I must regret that the Stevenson amendment which would have increased the deduction for the individual taxpayer from $675 to $700 for calendar year 1971 was not agreed to. Fortunately, the Hartke amendment applying to 1972 was passed.

Mr. President, this amendment, as I said, would raise the low-income allowance from $1,050 to $1,300 for taxpayers.

Mr. President, until 1970, the number of families living in poverty was decreasing, for some 39,851,000 in 1960 to 24,289,000 in 1969. Yet, in the last year—with high unemployment and the general depressed conditions of the national economy, the number of persons living in poverty actually increased by 1.2 million or a gain of 5.1 percent. Presently, 25.5 million families live in poverty; 12.6 percent of all American families have incomes below the poverty line. Of these, 25 million persons, 17.4 million are white and 8.04 million are black. That means that 9.9 percent of all whites and 33.6 percent of all blacks in the United States fail to earn enough income to move out of poverty.

And, it brings to $1,100 the median income deficit for all families—the amount of additional money it would take to bring these families to respective poverty levels—just $50 more than the current minimum standard deduction—low-income allowance. Totally, there is a poverty gap deficit of some $12 billion—the amount of dollars it would take to bring all families above current poverty line definitions.

In addition, the Office of Economic Opportunity estimates that there are another 22 million persons classified as "near poor." Many of these "near poor" have incomes that just barely meet their minimum needs. They hover just above the poverty lines and are quickly thrown into the poverty category by increasing unemployment.

Even though the poor and the near poor suffer an income deficiency, what earning power they do have is still subject to Federal income taxation. In 1968, of the $101.5 billion of personal taxes on income and wealth, those persons making less than $6,000 pay over $5.4 billion in direct taxes, $2.8 billion in social security taxes, $2 billion of indirect taxes that are shifted back on wages and dividends, and over $14.5 billion of indirect taxes shifted forward on consumers.

In short, those taxpayers who make less than $6,000 pay 10.2 percent of total Federal, State, and local taxes. Those in this income range pay 8.6 percent of all Federal taxes and 14 percent of State and local taxes.

It is the intention of my amendment to reduce this incidence of taxation for low-income families.

Under the current law, the low-income allowance for 1971 is scheduled to be $1,050, but a portion of that is phased out with a reduction of $1 for every $15 of income. In 1973, the phaseout is eliminated, leaving a flat $1,000 for low-income allowance. The personal exemption, under current law, is $650. In 1972, this amount will increase to $700 and in 1973, to $750. Thus, with current allowances and exemptions, persons with incomes below $1,700 for a single person and $3,750 would not be subject to taxation. When these changes were made in the 1969 Tax Reform Act, the goal was to remove as many poor from the tax rolls as possible.

But, the poverty level has increased—outstripping the combined totals or both the exemption and low-income allowance.

The House of Representatives recognized this fact in the Revenue Act of 1971, which passed the House last month.

The House bill increased the personal exemptions for 1971 to $675 and to $750 for 1972. The House also eliminated the "phaseout" requirement of the low-income allowance—leaving a flat $1,050. For 1972, the low-income allowance increases to $1,300.

The fact remains, however, that the poverty level has increased since the 1969 Tax Reform Act. The question is: for 1971, do the changes recommended in the personal exemptions and the low-income allowance match the increase in the poverty income levels? The fact is that they do not.

Latest available estimates of the poverty level suggest that in fact all the changes taken together do not reach the increases that have occurred in the poverty level.

For example, in 1970, the official poverty level figures for a family of four was $3,944. In 1971, estimates are that the level will be a few dollars less than $4,100. Yet, taking both the $675 exemption and the $1,050 low-income allowance together, the total tax allowance for a family of four is $3,750—that is almost $400 less than the 1971 poverty level for a family of four. Many of the poor remained taxed. The changes I am suggesting will decrease the tax burden of the poor and low-income family.

It will make the tax-free income levels as close to the 1971 poverty levels as possible. And it will provide additional tax relief for low- and moderate-income families.

Under my proposal, an increase in the low-income allowance will save a single individual making $7,500 a total of $58 in income tax. The married family with no dependents, and making $7,500, will save $57, and a married couple with two dependents earning $7,500 will save $60, while a couple earning less than $1,400 will pay no taxes.

In total, approximately 25 million tax returns will be affected, with those taxpayers making under $10,000 affected the most.

The change will remove approximately 2.778 million returns from the tax rolls. Of these, 1.7 million will be from taxpayers making between $0 and $3,000; 691,000 from $3,000 to $5,000 adjusted gross income; 269,000 returns in the $5,000 to $7,000 income range, and 44,000 returns in the $7,000 to $10,000 range.

The total tax reduction for the increase in the low income allowance from $1,050 to $1,300 will be $992 million.

The Treasury loses this revenue. There is no getting around it. But it loses it from those who can least afford to pay and, may I say, those whom society can least afford to tax.

This is an equity amendment.

It means greater economic stimulus—an addition to a sagging economy of almost $1 billion. And, as the House of Representatives report says—

This increase in the low income allowance will generate more economic stimulus per dollar of individual income tax reduction than would other forms of tax relief.

The House report correctly points out that because the tax reduction goes to those families in the lower income levels, this money is likely to be completely spent. Low-income families do not save—they spend.

It seems to me that such an amendment as this is one of the logical factors we should consider if we want to stimulate consumer spending. There is a need for more consumer spending in this economy. And there is a need for more jobs. The two are linked. This amendment will put money immediately into the economy.

The amendment will also help solve one of the pressing problems in the welfare reform legislation—the high marginal tax rates on low income people. The problem faced by the welfare reform legislation is this: how to provide work incentives, yet still assist the working poor to get out of poverty and help those who cannot work maintain an adequate standard of living. The rate at which the public assistance income is reduced when earning income increases has an important and lasting influence on work incentives. This rate—called the marginal tax rate—should balance incentives and income reduction. Too often, however, the fact that the poor must also pay Federal income taxes means a direct increase in the marginal tax rate—their income is reduced both for taxes and by the amount deducted for work incentive purposes.

My amendment would assure that those families below the poverty level would not be subject to this double taxation marginal tax rate—because these welfare families would no longer pay Federal income tax.

Finally, I would like to quickly deal with one other effect of this amendment: the request by IRS that the bill should be passed quickly so that 1971 returns may be mailed out, with the changes requested by the administration reflected in the withholding tables.

I do not believe that my amendment will affect this mechanical mailing process. The IRS has said that it would prefer a passage date in early November for this bill. I agree.

I do not believe, however, that the IRS request should be a major element in our decision here today. Congress is not a captive of the Internal Revenue Service. The Service serves us. We do not serve it. I see no reason to avoid assisting low income persons just because the IRS requests that we expedite legislation for mailing purposes.

And lastly, if this amendment is accepted, then there are some technical changes that must be made in the withholding rates. These changes are mere table changes that can be accomplished without affecting the content of legislation. They are not a reason for voting against the amendment.

Let me say this in summary:

The change will help low income persons. It will remove these families from the tax rolls. It will decrease the marginal rates for public assistance families. It will provide some badly needed stimulus to the economy. And it will equalize the benefits of the composite tax package—a package that is already weighted heavily in the favor of corporate interest by a factor of almost 3 to 1.

In terms of fairness, this amendment makes sense.

In terms of decency and the responsibilities of a society to those who have less, this amendment is imperative.

So I rest my case on the proposition that here is an amendment that will bring immediate aid and assistance to the family with an income of under $10,000, the vast majority of the benefits going to families with an income of under $4,500.

My figure in this amendment is what will be in the amendment for next year—$1,300—I am simply saying that we should do it this year, because it is this year when we will have to stimulate the economy if there is to be any effect next year.

Mr. HARTKE. Mr. President, will the Senator yield?

XUM

Mr. HUMPHREY. Mr. President, may I ask how much time I have?

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. HUMPHREY. I yield 2 minutes to the Senator from Indiana.

Mr. HARTKE. Mr. President, I want to commend the Senator from Minnesota for an excellent presentation and also for a meritorious amendment. There is no question that he is speaking for the forgotten American trying to make his own way. We are not talking about welfare recipients; we are talking about people who work for a living, and because they work for a living they have an income. Even though it is an income, it is not enough to make ends meet, and they should not have to pay taxes. It is better not to collect the tax than to collect the tax, send it to Washington, and then figure out a program to give it back to them to get them out of the poverty level—in other words, to send the money here to Washington and let Uncle Sam figure out a new gimmick or gadget to get the money into the marketplace.

There was underwithholding this year, and as a net result, the waitress, for example, or the janitor, because there has been underwithholding and there will be a correction of that mistake, on January 15 is going to have less take-home pay than she or he had on December 31. If anyone thinks that does not make any difference, then I suggest he go home and talk to mama on Friday night when the husband brings the check home and she sees there is less take home pay than the month before. She will think he has done someting wrong.

This is an honest approach. I hope our colleagues will listen to the Senator, because he makes good sense.

Mr. HUMPHREY. I thank the Senator.

The PRESIDING OFFICER (Mr. CHILES). Who yields time?

Mr. BENNETT. Mr. President, will the Senator from Louisiana yield me 4 minutes?

Mr. LONG. I yield the Senator such time as he may require.

Mr. BENNETT. If I may have the attention of the Senator from Minnesota, I am sure he would like to correct the statement he made that this bill has a 3-to-1 advantage for business over individuals.

On page 18 of our report, it shows that for the year 1971, the bill would give individuals a $2,090,000,000 tax reduction, and the taxes for corporations would be increased by $380 million. For 1972, it would give individuals a tax reduction of $5,900 million and would give corporations a tax reduction of $1,910 million.

So the 3-to-1 is the other way around; it is not a benefit in favor of business 3-to-1, but rather in favor of individuals 3-to-1.

Mr. HUMPHREY. May I respectfully suggest, if the Senator will permit me, that if you stretch this out over the next 10 years—and that is what this bill, in many parts, pertains to—you will have a substantial increase in what we call corporate tax benefits over individuals. I do not take it back at all; as a matter of fact, with the accelerated depreciation plus investment tax credits, there are substantial tax benefits above and beyond the individual benefits.

I ask unanimous consent that the following table prepared by Treasury and Joint Committee on Internal Revenue Taxation be printed at this point in the RECORD.

This table clearly shows that benefits to business interest over individual interest are substantial. In fact, the totals show $75 billion for business and $14.5 for individuals.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—DISTRIBUTION OF INCOME TAX REVENUE LOSS—REVENUE ACT OF 1971 (H.R. 10947)

[In billions of dollars]

Calendar year	Business			Individuals				
	ADR	7 percent investment credit	DISC	Total business	Personal exemptions	Standard deductions	Low-income allowance	Total individuals
1971	0.7	1.5		2.2	0.9		0.4	1.3
1972	1.7	3.6	0.1	5.4	1.9	0.3	1.0	3.2
1973	2.4	3.9	.2	6.5			1.1	1.1
1974	2.9	4.2	.2	7.3			1.1	1.1
1975	3.5	4.5	.2	8.2			1.2	1.2
1976	3.7	4.8	.3	8.8			1.2	1.2
1977	3.4	5.1	.3	8.8			1.3	1.3
1978	3.1	5.5	.3	8.9			1.3	1.3
1979	3.1	5.8	.4	9.3			1.4	1.4
1980	3.0	6.2	.4	9.6			1.4	1.4
Total	27.5	45.1	2.4	75.0	2.8	.3	11.4	14.5

Sources: U.S. Treasury, Joint Committee on Internal Revenue Taxation.

Mr. HUMPHREY. I simply say that if we want a stimulus for the economy, I believe in percolate up, not trickle down.

Mr. BENNETT. I assume the Senator wants the truth.

Mr. HUMPHREY. Yes.

Mr. BENNETT. The next year, 1973, the benefit for individuals is $3.6 billion, and for corporations it is $2.355 billion. This is not a 3-to-1 ratio either way, but the benefits are still greater for individuals than for corporations.

Mr. HUMPHREY. What would the Senator say it is, then, if he would like to correct the RECORD?

Mr. BENNETT. I have not added it all up, but each year the benefits are greater for individuals than for businesses.

Mr. HUMPHREY. That is not the way the Senator from Minnesota reads it, but if I am in error, I am willing to correct my statement.

What is the total of the investment tax credit?

Mr. BENNETT. We are not talking about just the investment tax credit. We are talking about the total tax benefits in this bill.

Mr. HUMPHREY. Well, I ask the Senator, what does he estimate the investment tax credit to be?

Mr. BENNETT. The investment credit would provide $3.6 billion in 1972, and $3.9 billion in 1973 to individuals and corporations combined.

Mr. HUMPHREY. All right. How much does that add up to?

Mr. BENNETT. As I said, part of that goes to individuals. On the other hand, offsetting part of the amount which goes to corporations are substantial tax increases provided in the bill for corporations. The Senator should take the totals if he wants a true picture of what the bill does for individuals and corporations and not just pick out a single item and attempt to make a comparison based on it.

Mr. HUMPHREY. Let me say most respectfully that less than $800 million in 1972 goes to individuals in business, but $2,885 million goes to corporate business. Those are the figures of the report.

Mr. BENNETT. But the Senator is looking at individual business relief, not the total relief provided to individuals.

Mr. HUMPHREY. If you add those together, that is $3.6 billion. The total amount of all deductions for 1972 was what?

Mr. BENNETT. I am afraid the Senator's method of calculation and mine are not the same.

Mr. HUMPHREY. Well, let us assume that it is 50–50, and give the Senator the benefit of the doubt. Does he still say that families with incomes under $4,500 a year, or under $3,000—and there are over a million of them—ought not to be given some tax benefits?

Mr. BENNETT. They already are provided substantial relief under the bill. The question is whether about $1 billion of additional relief should be provided to them. It seems to me that there are two important points that should be made with respect to this amendment. The Senator made them but has also glossed them over.

The first is, according to his own figures, that this amendment will cost $992 million this year. We have already reduced the revenues of the Government in this bill, by Senate floor amendments, by $4.4 billion; so this stretches it up to $5.4 billion which, on top of the $7.8 billion in tax reductions for next year in the bill the committee sent to the floor, means we are talking about more than $13 billion of tax reductions just for 1972 alone.

Can we really stand another billion dollars of loss to the Government in

order to provide a small amount of benefit to each low-income individual?

The other point that the Senator made was that it had been suggested to him earlier that he should try to get his amendment adopted early in order that it could be reflected on the tax returns for 1971.

The problem is that the tax return forms are already printed. It is too late. The tax tables that the low-income people use to figure their tax are already printed. If this amendment is adopted, the taxpayers will be thoroughly confused, because the figures of $675 for the personal exemption and $1,050 for the low-income allowance are calculated into the tables which the taxpayer will receive with his tax forms.

Mr. HUMPHREY. Will the Senator yield for a brief observation?

Mr. BENNETT. I yield.

Mr. HUMPHREY. I think a lot of the taxpayers are pretty confused under existing law, and would not mind being a little more confused if they could get a little reduction in their taxes.

For example, I think a family that has an income under $3,000, or $5,000, would not mind trading a little confusion for a little tax relief; since they are getting confused now anyway, they would not mind a little more.

In all honesty, it is not an impossible matter.

Mr. BENNETT. No; it is not an impossible matter. But it will create a great deal of confusion—so much so that people will find themselves entitled to refunds that they will not know how to claim, because they will have only the tables that already have been printed which incorporated the lower deduction and exemption amounts. In fact, they may not know the law has changed and they might lose that refund altogether.

Mr. HUMPHREY. I doubt that. I would think that most Senators would be sending their constituents a little note concerning a little additional benefit in the tax law. It would not hurt.

Mr. BENNETT. Seventy million tax returns with a confusing table—an erroneous table if the Senator's amendment is adopted—in them represents a gigantic problem for the Internal Revenue Service and for the taxpayers. If the Treasury reprinted the forms to avoid these problems, the returns could not be sent to taxpayers on time and so they could not claim and receive the refunds they were entitled to—whether or not they resulted from this bill or just from overwithholding—until well into next year. I am sure that would not make the taxpayers very happy.

On top of that, we are now adding another $1 billion to the loss of revenue to the Government, and I think that we should not take that extra $1 billion off, because we have already taken off nearly $13 billion.

I yield 2 minutes to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I am sure everyone is deeply concerned about the burdens which fall on people with very low incomes. These burdens are not only taxation, but they involve burdens of paying household expenses and all other things.

The staff of the Committee on Finance prepared some very interesting tables, which are found on pages 665 and 666 of the hearing record. These tables relate to the tax burden.

Senators will find, by glancing at those tables, that it is not the income tax that is the greatest burden upon the people who make a very small amount of money; it is the social security tax. I believe that we are making a mistake if we go on granting relief where the relief is not effective, and at the same time continue to vote for measures that increase the social security tax.

I shall cite an illustration or two. If someone having a wife and two children receives $3,000 in wages, he pays no income tax, but he pays a social security tax of $156. A similar taxpayer who makes $4,000 pays $28 in income tax, but $208 in social security taxes.

At the $5,000 level, the income tax is $170 and the social security tax $260.

Now, in the case of the self-employed—and that means all farmers, operators of unincorporated businesses, shoe repairmen, and the like—the situation is much more marked. Such a taxpayer making $4,000 pays $28 income tax but $300 social security tax. Someone earning $5,000 adjusted gross income from self-employed earnings pays $170 income tax but $375 social security tax.

Mr. President, the way to bring relief from the tax burden for people of low income is to refrain from adding and adding to our social security system, which results in this ever-increasing burden of social security taxes.

I recall when Senator Saltonstall, a very distinguished Senator from the State of Massachusetts, appeared before the Finance Committee in reference to medicare. He pointed out, among other things, that medicare was a proposal to pay the hospital and the doctor bills of everybody who had passed 65, even the well to do and the wealthy. He made a very striking point. He said:

I don't think we should do this by adding to the social security tax. We will need all we can get from that tax to pay retirement.

He was right. But Congress did not follow his advice. It added to the social security tax.

So these various methods and proposals, well intended as they are, in amending the income tax law, so far as the people of low income are concerned, are not striking at that tax, which is very burdensome on our low-income people, many of whom have to earn their living without the benefit of great skills or training.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, in the hope of getting on with the business, I would be willing to yield back the remainder of my time in opposition.

Mr. HUMPHREY. I will take 3 more minutes.

First, may I say to the able and distinguished Senator from Nebraska that his comments on the social security tax are very meaningful and relevant to this discussion. In fact, Senator MONDALE offered an amendment on Saturday last which would have delayed the increase in the social security tax. Regrettably, that amendment was rejected. That would have applied to income for 1971.

What we have done here is that we have ignored the needs of the people in 1971.

Mr. President, we turned back any relief for 1971 for the taxpayer when the Stevenson amendment was rejected. We turned back the Bayh amendment by a vote of one. We turned back the Mondale amendment on the relief under social security tax increases for 1971.

The junior Senator from Minnesota is saying this: Here we have a chance, with respect to people with incomes under $10,000, with more than 70 percent of the benefits going to people with incomes under $4,500, to give some tax relief in fiscal 1971. This money will be expended in the main stream of commerce.

As the distinguished Senator from Indiana, a member of the Finance Committee, pointed out, if you take tax money from people who have incomes under $4,500, you have to figure out some way to give them help to aid them if their incomes are low; and it costs a great deal more than it does to give them some tax relief.

The main argument against this cannot be on the basis of justice or equity. The main argument has been that it is inconvenient, that the IRS will have trouble. The Senate of the United States has amended this bill already and has already put an amendment in it that affects 1971.

Mr. President, we are not here to make it convenient for the IRS. We are here to make it convenient for the citizen. I submit that if you can justify $1,300 as a minimum income allowance in 1972, you can surely justify it in 1971.

I have a statement from the former Commissioner of Internal Revenue, Mr. Mortimer Kaplan, because I inquired of the IRS and of other people who are tax lawyers and people who served in the IRS. His statement is as follows:

I am not in a position to comment on the specific estimates of time and cost cited by the Secretary in his letter to Senator Long of October 5, 1971. There is little question that lengthy delays of this legislation would cause some administrative cost and inconvenience. At the same time, these problems are certainly manageable; the Internal Revenue Service will have to make some adjustments, but I do not think that these need have a major negative impact on the efficiency of our tax collection system.

In the last analysis, the Senate must face the responsibility of determining whether the administrative difficulty and cost outweigh the benefits to the nation which would flow from these new proposals.

So, Mr. President, we are going to be changing the tax forms; and even if we are not, there are ways and means of getting taxpayers relief. A corporation will have no difficulty getting its relief from April 1971, for the calendar year 1971. They will have no problem. I do not think that is written into the forms right now. They could not predict at IRS that we were going to adopt it. If the IRS can figure out for corporate lawyers and corporate directors how to have a tax form that relates to 1971 income, I think we can figure it out for low-income families.

XUM

I noted here that the increase in the low-income allowance I recommend will save $58 for a single individual making $7,500. A married couple with dependents will have $57. A married couple with two dependents will save $60. A couple earning less than $1,400 will pay no taxes.

I am of the opinion that to remove 2,700,000 returns of low-income people from the tax rolls is justified at this time.

I yield 2 minutes to the Senator from Utah.

Mr. MOSS. Mr. President, I rise in support of this amendment to increase the 1971 low-income allowance from $1,050 to $1,300. I believe it is just the sort of added fiscal stimulus that the current economic situation demands.

Our national economy needs help now, not in 1972. We do not know what kind of shape things will be in next year. This amendment will give the economy a boost in 1971, at a time when we all know it can certainly use it.

It is also well-aimed tax relief. By raising the low-income allowance from $1,050 to $1,300 it will have its greatest impact on those families making less than $10,000 a year. These are low- and moderate-income families which are hard pressed to afford even the basic essentials of life. With the added cash resulting from an unexpected 1971 tax refund, they would act to spend the new income immediately and give a major stimulus to the overall economy.

This amendment would also have a great impact on those areas of the country hard hit by widespread unemployment. But putting new money in the hands of those people who need it, the Federal Government would be helping these communities and small businesses to recover from what in many places in our country, has been a long recession.

There has been a lot said about how much people are saving today, but there also can be little doubt as to just who is doing the saving. It is not those people who have a hard time keeping food on the table. It is not those people who would benefit from this amendment. On September 22, William Raspberry, a columnist for the Washington Post made this point rather clear. He said that:

> If the President really wants to stimulate spending and therefore, production and jobs, let him give some major tax breaks to the poor and the new poor—not just the piddling accelerated increase in income tax exemptions. If I know anything at all, it is that poor folk will spend at least all the money they can get their hands on.

Mr. President, I support the pending amendment, and urge its adoption.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HUGHES). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Minnesota (Mr. HUMPHREY). The yeas and nays on this amendment have not yet been ordered.

Mr. LONG. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Louisiana (Mr. ELLENDER), the Senator from Oklahoma (Mr. HARRIS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) and the Senator from Washington (Mr. JACKSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS), the Senator from Iowa (Mr. MILLER), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Colorado (Mr. ALLOTT), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Pennsylvania (Mr. SCOTT) would each vote "nay."

The result was announced—yeas 46, nays 34, as follows:

[No. 344 Leg.]

YEAS—46

Aiken	Gambrell	Moss
Allen	Gravel	Nelson
Bentsen	Hart	Pastore
Bible	Hartke	Pearson
Brooke	Hatfield	Pell
Burdick	Hughes	Proxmire
Byrd, W. Va.	Humphrey	Ribicoff
Cannon	Inouye	Schweiker
Case	Jordan, N.C.	Sparkman
Chiles	Magnuson	Spong
Church	Mansfield	Stafford
Cook	McGee	Symington
Cooper	McIntyre	Tunney
Cranston	Metcalf	Williams
Eagleton	Mondale	
Fulbright	Montoya	

NAYS—34

Anderson	Eastland	Percy
Baker	Ervin	Randolph
Beall	Fannin	Roth
Bellmon	Fong	Smith
Bennett	Griffin	Stennis
Boggs	Gurney	Taft
Brock	Hansen	Talmadge
Buckley	Javits	Thurmond
Byrd, Va.	Jordan, Idaho	Tower
Cotton	Long	Young
Curtis	McClellan	
Dole	Packwood	

NOT VOTING—20

Allott	Hruska	Muskie
Bayh	Jackson	Saxbe
Dominick	Kennedy	Scott
Ellender	Mathias	Stevens
Goldwater	McGovern	Stevenson
Harris	Miller	Weicker
Hollings	Mundt	

So Mr. HUMPHREY's amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MONDALE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 4729. An act to amend section 2107 of title 10, United States Code, to provide additional Reserve Officers' Training Corps scholarships for the Army, Navy, and Air Force, and for other purposes;

H.R. 7072. An act to amend the Airport and Airway Development Act of 1970 to further clarify the intent of Congress as to priorities for airway modernization and airport development, and for other purposes; and

H.R. 11418. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, asked for a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. WHITTEN, Mr. PASSMAN, Mr. BOW, and Mr. SHRIVER were appointed managers of the conference on the part of the House.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. PEARSON. Mr. President, I call up the amendment previously submitted, which is at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. PEARSON. Mr. President, I ask unanimous consent that further reading of the amendment is dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 35, after line 17, insert the following:

SEC. 109. CERTAIN PROPERTY PLACED IN SERVICE IN RURAL AREAS.

(a) ALLOWANCE OF 10 PERCENT CREDIT.—Section 46 (a) (relating to determination of amount of credit) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) GENERAL RULE.—The amount of the credit allowed by section 38 for the taxable year shall be equal to—

"(A) 7 percent of the qualified investment (as defined in subsection (c)) attributable to section 38 property other than property to which subparagraph (B) applies, and

"(B) 10 percent of the qualified investment attributable to section 38 property which is rural job development property (as defined in paragraph (6)).", and

(2) by adding at the end thereof the following new paragraph:

"(6) RURAL JOB DEVELOPMENT PROPERTY.—For purposes of paragraph (1), the term 'rural job development porperty' means property described in section 50 which is used predominantly in one or more rural areas and with respect to which the taxpayer establishes, under regulations prescribed by the Secretary or his delegate, that—

"(A) such property will assist in providing new employment opportunities in the rural area or areas in which it is used,

"(B) such property will be used in the manufacture, processing, assembling, or distribution of personal property (other than in a business consisting primarily of selling or leasing property at retail), or in connection with, or a part of, a facility providing recreation to the public which is not inconsistent with State recreation plans, approved by the Bureau of Outdoor Recreation, and with local economic development plans, and

"(C) the new employment opportunities in the rural area or areas which will be assisted by such property will not result in a decrease in employment in any other area. For purposes of this paragraph, a rural area is any geographical area which is within a county (i) no part of which is within a standard metropolitan statistical area designated by the Office of Management and Budget, and the population growth rate of which, according to the most recent decennial census for which statistics are available, does not exceed the national population growth rate, or (ii) no part of which is within 25 miles of a standard metropolitan statistical area which has a population of 250,000 or more. Such term also means any area comprising an Indian reservation."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property described in section 50 of the Internal Revenue Code of 1954.

On page 35, line 18, strike out "109" and insert "110".

Mr. BYRD of West Virginia. Mr. President, would the Senator from Kansas yield briefly?

Mr. PEARSON. Mr. President, I am glad to yield to the acting majority leader.

ORDER OF BUSINESS—UNANIMOUS-CONSENT AGREEMENTS

Mr. BYRD of West Virginia. Mr. President, several Senators have inquired as to how many more votes there will be tonight.

The PRESIDING OFFICER. May we have order so that majority whip can be heard.

Mr. BYRD of West Virginia. Mr. President, I thank the Chair.

In answer to the questions asked by many Senators, there will be one amendment following the disposition of the pending amendment. On the pending amendment, 30 minutes have been allotted.

It is my understanding that there may be an amendment in the second degree to the pending amendment. If that be the case, then 5 minutes is allotted to an amendment in the second degree.

That being the case, if all time is taken on the pending amendment, that will be 30 minutes, and if there is an amendment in the second degree, that will be an additional 5 minutes. There will be one and possibly two rollcall votes, therefore, on the pending amendment.

Following disposition of the pending amendment there will be an amendment offered by the Senator from New York (Mr. JAVITS), on which there is a time limitation of 40 minutes with 10 minutes on amendments in the second degree.

So, when those two amendments are disposed of, the Chair will lay before the Senate——

The PRESIDING OFFICER. The Parliamentarian informs the Chair that he misinformed the Senator from West Virginia. Amendments to the pending amendments will have 5 minutes, and amendments to the Javits amendments will have 10 minutes.

Mr. BYRD of West Virginia. Mr. President, we will have these two amendments in the first degree and possibly two rollcall votes or three. That should bring us up to about 7:45 or 8 o'clock for the final rollcall vote tonight.

UNANIMOUS-CONSENT AGREEMENT ON GURNEY AMENDMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on tomorrow following the disposition of the second Harris amendment—amendment No. 680—the Chair recognize the distinguished Senator from Florida (Mr. GURNEY) for the purpose of calling up his amendment No. 651.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON PERCY AMENDMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon the disposition of the Gurney amendment No. 651 on tomorrow, the Chair recognize the distinguished Senator from Illinois (Mr. PERCY) for the purpose of calling up his amendment No. 679.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I thank the Senator.

Mr. PEARSON. Mr. President, this amendment was originally sponsored by Senators AIKEN, BELLMON, BIBLE, BOGGS, BURDICK, CANNON, CHURCH, DOLE, EAGLETON, HATFIELD, MCGOVERN, MATHIAS, MONDALE, SCHWEIKER, SCOTT, STEVENS, TOWER, YOUNG, and STAFFORD.

Mr. President, I ask unanimous consent that the names of Senators GRIFFIN, BAKER, COOK, MCINTYRE, and BENTSEN be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. PEARSON. Mr. President, I ask unanimous consent that Jerry Walters be allowed the privilege of the floor during the debate on the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PEARSON. Mr. President, the act provides for a 7-percent investment tax credit for equipment and machinery for qualifying industries. This amendment provides for an industry, as defined by the bill, involved in manufacture, processing, assembling or distribution of personal property, invests in a rural area, and the rural area is defined as not a metropolitan area in accordance with the standard metropolitan statistical area as set forth by the Office of Management and Budget, and the population growth rate does not exceed the national population growth rate, and no part of which is within 25 miles of a standard metropolitan statistical area which has a population of 250,000 or more. It reaches to those counties that are maintaining the status quo or slipping back.

The amendment provides that industries going in there shall have a 10-percent investment tax credit provided that the new jobs that will be created—and "new" should be underlined because that is the main thrust of the amendment, jobs that are not taken from any other area, whether it be a metropolitan area or another rural area. If that is the case we provide for a 10-percent tax credit.

Mr. President, it is ironic, indeed, that it was the great riots in the cities of this country that first focused our attention on the interrelationship between rural and urban America. Thirty percent of the people of this country live in the rural areas. The statistics go on and on to indicate that 90 percent of our people live on 2 percent of the land, and that out of 2,683 nonmetropolitan areas in this country over 2,500 lost in population in the last census. All these statistics do not in any way provide any measure of understanding of the great migration from rural and urban America, so that today we suffer at both ends of the population scale.

I think we are beginning to understand that industries in the great metropolitan areas may not be economically efficient, socially desirable, or politically practical. So whether we speak of it, as the President did in his State of the Union message of 1970, referring to the need for population balance in this country, or whether we talk about it in terms of rural revitalization, we are talking about at the same time resolving the problems of the rural areas and the cities.

This is not some sort of scheme to "keep them down on the farm" but it is a plan to provide for those who seek the opportunity to remain in the rural parts of America today. The migration that comes picks up in its wave the unskilled, who move to the cities and think they are taking the first step up the ladder of economic success only to slide back to the ghettos and to the welfare rolls; and it takes up the young, the educated, the bright people who are the lifeblood of a community.

So I emphasize that this amendment relates to "new" jobs in rural areas, which vitally affect the quality of life in the cities and rural areas.

Mr. President, I ask unanimous consent that the name of the distinguished

Senator from West Virginia (Mr. RANDOLPH) and the distinguished Senator from Minnesota (Mr. HUMPHREY) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. I yield to the distinguished Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I am proud to join the distinguished Senator from Kansas (Mr. PEARSON) in cosponsoring this amendment.

This amendment is nothing new to this body because the Senator from Kansas has been giving leadership in the matter of dealing with the problems of rural areas of this country for many years and he invited many of us to join in the cosponsorship of this amendment some years back. I am glad there is now going to be this kind of discussion tonight and also the opportunity for the Senate to vote on the proposal.

The President pointed out in his message to Congress on urban community development, March 5, 1971—that 56 percent of our population lived in metropolitan areas in 1950. Today it is 69 percent. The 1970 Census revealed that three-fourths of our population growth in the last 10 years has come in metropolitan areas. If the present trends continue, 77 percent of the 300 million Americans living here 30 years from now will be living on only 11 percent of our total land—excluding Alaska and Hawaii. In Oregon at present, about two-thirds of our population lives on less than 1 percent of our land.

The growth rate of our Nation's metropolitan areas has long been out of balance with that of our rural areas. Metropolitan areas have been growing by about 10 percent every 5 years, while nonmetropolitan areas have been growing at only 4 percent for the same time. Further, our larger cities have been expanding more rapidly than our smaller ones.

Consider the example of Portland's growth compared with the growth of the rest of Oregon. From 1960 to 1970, the Portland Standard Metropolitan Statistical Area—SMSA—grew 22.8 percent. Non-SMSA areas in Oregon grew only 3 percent during that time. The suburb areas of the Portland SMSA experienced a growth ranging from 47 percent—Clackamas County—to 71 percent—Washington County—during those 10 years, while several Oregon counties experienced a population decline. Such an imbalance of growth creates perils for the future.

All the normal problems of any city are intensified as the population becomes more dense—pollution, transportation, waste disposal, police protection, housing, energy supply, and so forth. There is also a deeper social and psychological effect—the erosion of trust between people, and increasing impersonality. A recent experiment conducted by the City University of New York, for example, showed that individuals needing help were between 2 and 5 times more likely to be let into the home of a stranger in a smaller town than in New York City.

A bright future does not lie in the continuing compression of large populations into the metropolitan areas of this country. We can begin to correct the present imbalance of population growth by enhancing the attractiveness of our smaller towns and rural communities. Since the imbalance is caused in large part by an imbalance in job opportunities, I strongly support the amendment of the distinguished Senator from Kansas (Mr. PEARSON) to increase the tax credits for commercial and industrial job-creating investments in small towns and rural areas.

I ask unanimous consent that a following table, on eligible Oregon counties for tax credit increase under Pearson amendment be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Eligible Oregon counties for tax credit increases under Pearson amendment—percent in population, 1960 to 1970

Baker	−13.7
Benton	37.3
Clatsop	4.0
Columbia	28.6
Coos	2.8
Crook	5.9
Curry	−7.0
Deschutes	31.8
Douglas	4.8
Gilliam	−23.7
Grant	−9.4
Harney	7.0
Hood River	−1.6
Jackson	27.8
Jefferson	19.9
Josephine	19.5
Klamath	5.4
Lake	−11.4
Lincoln	4.5
Linn	22.2
Malheur	1.8
Morrow	−8.3
Sherman	−12.6
Tillamook	−5.4
Umatilla	1.3
Union	6.6
Wallowa	−12.0
Wasco	−0.4
Wheeler	−32.1
Yamhill	23.8
Ineligible counties:	
Portland SMSA:	
Clackamas	46.9
Multnomah	6.5
Washington	71.2
Salem SMSA:	
Marion	25.2
Polk	33.3
Eugene SMSA: Lane	31.0

Mr. McGEE. Mr. President, as a sponsor of S. 346, the proposed Rural Job Development Act, I heartily endorse and support this amendment. The investment tax credit has been a proven tool for increasing jobs and stimulating the economy. This amendment, if adopted, would increase the investment tax credit in rural areas to 10 percent.

It would be a two-pronged attack on two separate problems which we are seeking to eliminate. It would stimulate the economy in many depressed, rural areas, thereby creating new jobs for the unemployed. Second, it would be a step in the right direction in our efforts to achieve a more balanced national growth. In the past decade there has been an ever-increasing migration of our rural population to the urban centers creating problems of congestion and adverse environmental impact.

Although this amendment will not accomplish all that we envisioned in the proposed Rural Job Development Act, it would be a substantial advancement toward the accomplishment of those objectives.

Mr. President, I urge the adoption of this amendment.

Mr. PEARSON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. PEARSON. Mr. President, I yield 2 minutes to the Senator from Connecticut, and then I shall yield to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. RIBICOFF. Mr. President, I support the amendment of the Senator from Kansas. At the same time I ask all the Senators from the rural areas to understand the similar problems which exist in many cities of America. The amendment which I intend to offer to the Pearson amendment would do for the central cities, when unemployment exceeds 6 percent, exactly what the Senator seeks to do for the rural areas of America.

The truth of the matter is that America's central cities and rural areas now find themselves in the same position. In the last 5 census years 85 percent of the 5 million new jobs created in America have been created in the suburbs, while our rural towns and the central cities have experienced increasing unemployment.

The time has come for all of us to put aside our own regional interests, and admit that both rural and urban America need help.

I am therefore going to vote for the amendment of the Senator from Kansas. I hope every Senator from the major industrial States does likewise. I also hope that Senators from rural areas approve the same treatment for central cities with serious unemployment problems.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I commend the Senator from Kansas.

This amendment has an appeal to me. I am convinced we are going to have to spend billions of dollars with respect to these overcrowded conditions in the cities and the ghettos and all the things that go with it. We have already started.

I am further convinced that to make the areas more livable and to supply more opportunities, we must stop the migration away from the rural areas, villages, and small towns. For instance, I want to see liberal credit extended for people in those communities to buy land and produce units. Ten years from now there will not be any land for these rural people to buy, because corporations are coming in and buying up the land for investments in the future. We are going to have to get financial help for light industry to go into the rural areas.

These are two problems to which the Senator from Connecticut would apply remedies as supplements and complements to each other. This is a small step, but a vital step in the right direction. These are national problems. I look forward to the time when we can have national legislation and join hands in efforts to supplement and complement

and help solve the problems that each of us have.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. PEARSON. Mr. President, do I have further time?

The PRESIDING OFFICER. The time of the Senator from Kansas has expired.

Mr. BENNETT. Mr. President, will the Senator yield me such time as I may require?

Mr. LONG. Yes. Mr. President, I yield to the Senator from Utah.

Mr. BENNETT. Mr. President, this amendment would provide a 10-percent credit for "rural job development property," that is, property predominantly used in rural areas for the manufacture or distribution of personal property. It is not allowed for retail businesses. The credit is allowable only if the property "will assist in providing new employment opportunities in the rural areas" and will not result in a "decrease in employment in any other area." Also, it is allowable only if in an area not within 25 miles of a metropolitan area of 250,000 persons or more. It will result in a revenue loss of $250 million per year.

The Senate should reject this amendment. The purpose of the administration's job development credit proposal is to stimulate growth of the economy as a whole. An additional incentive applicable only to one sector of the economy would have the effect of stimulating growth in that sector at the expense of growth in other sectors. Thus, a likely result of this amendment would be to shift the physical location of new investment rather than to stimulate additional new investment.

From an administrative standpoint, the amendment would require the Internal Revenue Service to make almost impossible Solomon-like judgments to determine the taxpayer's eligibility for the 10-percent credit. How is it to be determined whether the property will assist in providing new employment opportunities? Thus, suppose an existing facility is being modernized and the existence of new employment opportunities will depend on additional sales. Will it increase employment? The judgment must be made when the property is first acquired, not in light of hindsight. Further, these new employment opportunities must not result in a decrease in employment in any other area, again an impossible determination for the Internal Revenue Service to make. The result will be endless controversy and litigation.

The limitation on this additional credit to areas beyond 25 miles from any major metropolitan area is particularly unwise. Why should we force investment into areas on such an arbitrary basis?

How was the 25-mile limit arrived at? Perhaps we should encourage investment at least 30 miles away from metropolitan centers or, perhaps, only 10 miles away. I suggest that each location is a special problem. Along the eastern seaboard in the megalopolis of Boston-Washington it seems foolish to call any investment "rural." In other places, there may be pockets of rural poverty with little growth prospect only 15 miles from a metropolitan area.

The heart of this matter is that rural job development is a complex program. If the amendment were to develop a machinery to identify projects which warrant special Federal aid, the amendment would merit the serious attention of this body. However, that would call for a direct subsidy expenditure program, not a general tax credit.

The revenue loss has been estimated at $125 million for 1971 and $250 million for 1972 and after. But because of the unusual qualitative tests embodied in the amendment, even the revenue estimate is subject to an unusual degree of uncertainty.

In conclusion, the present amendment is no better than a shot in the dark to deliver an unknown amount of tax benefit to unknown firms to locate in areas that may or may not need help. We should not adopt a tax provision resulting in a revenue loss of $250 million per year without some assurance of beneficial effects to the economy as a whole.

Because of the tremendous uncertainties involved in this amendment, I think we would be better advised—and I would so recommend to the chairman—to hold some hearings on the question of how tax benefits can be used to assist rural business and to consider this and other problems, but I do not think it is wise to write this provision into the tax law at this point.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. LONG. The amendment sounded like a better proposition until we were informed that, if this amendment were agreed to, the Senator from Connecticut was going to offer an amendment to also provide tax benefits to industries in ghettos. I remember that our beloved late Robert Kennedy wanted to provide incentives to encourage people to put business in ghetto areas. So, if we vote for the rural areas only, we are going to vote against ghetto areas, and if we assume that we vote for both of them, somebody is going to say, "What about the people who live in between? Why don't you help them?" I am convinced that we will be forced to vote against one-half of our constituents in order to vote for the other half.

Mr. BENNETT. Further, it is difficult enough to identify and delineate the rural area which would qualify for this aid. I do not know where we would start to delineate a ghetto and the various qualifying conditions that would have to apply to make it possible for us to know whether we are in a ghetto.

Mr. LONG. Would this proposal make a distinction between a rural area that is losing population and one that is gaining population?

Mr. PEARSON. Yes.

Mr. LONG. If an area is losing population and this aid is provided for it, then we would discriminate against rural areas that are gaining population. I do not know why some should be eligible for the 10-percent credit and others should not.

I think a much more thorough consideration of this proposition is justified.

Mr. BENNETT. I would be glad to join the chairman in hearings if the Senator would suggest his amendment in the form of a bill to be presented to the committee.

Mr. HATFIELD. Mr. President, will the Senator yield for a question?

Mr. BENNETT. I am happy to yield.

Mr. HATFIELD. Mr. President, I would like, for a matter of information here, to state that within about 15 minutes I have sat down and have gone over the 36 counties of the State of Oregon, and determined roughly which counties would be eligible under the amendment of the Senator from Kansas. So it is not difficult to delineate, at all, which counties would be eligible under the amendment, and if the Senator from Utah would like, I would be happy for him to see it, and glad to help him make a like determination for such States as Utah.

Mr. BENNETT. It is not too difficult in States like ours, but one would have great difficulty in areas such as that between Boston and Washington, or between Philadelphia and Chicago.

The PRESIDING OFFICER. Who yields time?

Mr. RIBICOFF. Mr. President, the chairman made some comments that I think were worthy of reply.

I respect what the Senator from Kansas is trying to do and I think I am trying to do the same thing. We are trying to bring a sense of balance to rural areas of America that are suffering deep economic and social problems and, at the same time, to the central cities that are suffering equally serious economic and social problems.

In the last 10 years, the central cities of the 24 largest metropolitan areas lost 500,000 jobs. The suburbs gained 1.5 million jobs. During the last 5 business census years the 40 largest metropolitan areas gained a total of 5.1 million jobs in manufacturing, wholesale, and retail trade. Of those jobs, the suburbs gained 4,370,000, or 85 percent.

The definition I have in my amendment to the amendment of the Senator from Kansas provides that the central city, as defined by the Office of Management and Budget, must have 6 percent or more unemployment.

It is not difficult to understand where these amendments are directed. We are not taking jobs away from anybody. We are simply trying to encourage American business to look at rural America and the central cities as possible sites for their new undertakings.

Mr. LONG. Mr. President, if we take these two amendments together, they could cost as much as $750 million. Basically, what they amount to is favoring some areas as against other areas. Otherwise, there would be no point in the amendment. So in one instance we would encourage people to locate in the rural areas, and then in the ghetto on the other hand. I am not sure these are the areas where we want to encourage people to go.

If an area is defined as neither a rural area with decreasing population nor a ghetto, its people are discriminated against, and we would have some difficulty trying to justify that discrimination as against the citizens who are not

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discriminated against. When you discriminate in favor of some, you discriminate against others.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. LONG. We have a great number of taxpayers in this country. I presume it will be the majority we are discriminating against. So you can call it however you want to, by the time you get through discriminating in favor of a rural area—and mind you, if the population is increasing at the national average, they do not get their benefit from the proposal. In addition there are wheels within wheels here, so one cannot be sure whether he does or does not get the benefit. You have to show that the investment provides new employment. This means you cannot qualify by modernizing since this may not provide more jobs. Then you have to show that it will not result in a decrease of employment in some other area.

Mr. PEARSON. Mr. President, will the Senator yield for a question?

Mr. LONG. Just a moment, let me speak. The Senator will have his turn.

I do not think, if I introduced such a bill in the State legislature of my State, to discriminate against some rural areas in favor of other rural areas, and against the ghetto in the average sized city in favor of the ghetto in the larger city, we could pass the bill. Looking at a proposition where you leave out some cities and favor others, or leave some rural areas out and favor others, the people will become irritated with it. In Kansas, it might work out just great. I doubt if it would in many other States.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PEARSON. What was the figure the Senator gave as the total cost of the amendment?

Mr. LONG. The two of them put together, this one plus the ghetto——

Mr. PEARSON. I am in favor of the amendment of the Senator from Connecticut. What will the two of them cost together?

Mr. LONG. As much as $750 million.

Mr. PEARSON. Is it not true also, according to the committee report, that the 7-percent investment tax credit, if the bill passes, would cost about $3.4 billion next year and $3.6 billion in the following year?

Mr. LONG. That is approximately correct but it does not discriminate against any areas in doing this. You can build your plant wherever you like, whether in the ghetto or the rural area or elsewhere, as the case may be.

Mr. PEARSON. That may be so. The Senator made a point about the cost. But was not this entire question of the investment credit, laying aside the question of discrimination, meant to improve the strength of the Nation, and ultimately to pay back to the Treasury, like the GI bill of rights, with an enormous amount of new revenues coming in? Was that not the case——

The PRESIDING OFFICER. The time on the amendment has expired.

Mr. RIBICOFF. Mr. President, I call up at this time an amendment to amendment No. 475 which I have at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF's amendment is as follows:

On page 1, 2 lines from bottom, after "rural" insert the following: "central city".

On page 2, after the word "area," at end of paragraph (c) insert a new subparagraph as follows:

(D) For purposes of subparagraph (A), the term "central city job development property" shall mean property which is used in a central city with substantial unemployment and with respect to which the taxpayer establishes, under regulations prescribed by the Secretary or his delegate, that—

(i) such property will assist in providing new employment opportunities in the central city,

(ii) such property will be used in the manufacture, processing, assembling, or distribution of personal property (other than in a business consisting primarily of selling or leasing property at retail), and

(iii) the new employment opportunities in the areas which will be assisted by such property will not result in a decrease in employment in any other area.

On page 3, line 1, strike (C) and insert (D).

On page 3, line 12, after the word "reservation," insert a new subparagraph as follows:

(D) For purposes of this paragraph "central city" shall mean that governmental unit within each Standard Statistical Metropolitan Area designated and defined as such by the Office of Management and Budget. "Substantial unemployment" is 6% unemployment or as otherwise defined by the Department of Labor.

Mr. RIBICOFF. I ask unanimous consent that the Parliamentarian be authorized to conform the references properly to the amendment of the Senator from Kansas.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senate has 2½ minutes.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. RIBICOFF. Mr. President, if I may have the attention of the distinguished chairman and the distinguished ranking minority member of the Committee on Finance, we will soon have before us the President's family assistance program. In the Finance Committee, both the Senator from Louisiana and the Senator from Utah have been very strong advocates of work. They want to tie work programs in with welfare programs.

The truth is that poverty and welfare are now endemic to the two areas, rural America and the central cities Senator PEARSON and I are trying to help. How are we going to comply with the President's desire to put people on welfare to work? How are we going to comply with the desire of the Senator from Utah and the Senator from Louisiana to put people to work, unless we find jobs?

If we are going to talk about work, what the Senator from Kansas seeks for rural America and what I seek for the central cities is the opportunity for the people in need to get manufacturing and industrial jobs. There could be no better investment and no greater saving to the taxpayers of all America than to put those people we all want to help back in productive work, instead of make work. This is the gist of the amendment of the Senator from Kansas and my amendment.

Mr. PEARSON. Mr. President, I rise to speak in support of the amendment of the Senator from Connecticut.

I said at the outset that the heart of this matter is the relationship between rural and urban America, and this is one of those unique opportunities where we can seek some sort of legislation, some sort of tools to solve problems in our two great problem areas. If there is discrimination, are charged here——

The PRESIDING OFFICER. Time on the amendment of the Senator from Connecticut has expired. The yeas and nays have been ordered.

Mr. LONG. Mr. President, may I have time in opposition?

Mr. President, what I cannot understand is, if we do not want them to go to the average-size city; if we do not want them to go to the suburbs; if we do not want them to go anywhere within 25 miles of the city unless they locate inside the ghetto, then why give them the 7-percent investment tax credit to begin with? If we are trying to encourage them to locate in rural areas or in the ghettos, then why encourage them to locate anywhere else? It would seem to me, Mr. President, that, instead of applying the credit on an uneven basis, we should apply the investment tax credit equally to everyone, and avoid all the complicated problems we would get into trying to favor taxpayers in one area over taxpayers in another. I submit that this will be difficult to justify.

Mr. BENNETT. Mr. President, will the Senator yield me 1 minute?

Mr. LONG. I yield.

Mr. BENNETT. My idea of a ghetto is the place where people live; and it would seem to me that people should be able to move out of the central city into the rest of the community, of which that is only a part, in order to find a job. As I understand the Senator's amendment, in order to justify this added investment credit, the factory must physically be located in the rundown slums that make up the ghetto.

Mr. RIBICOFF. If the Senator will yield, that is not my amendment at all. It is the central city only. The job has to be in the central city as defined by the Office of Management and Budget. Any place in the central city. The people who will be in the ghetto will have an opportunity to take the subway or bus to get to the job.

Mr. BENNETT. Then, the Senator's amendment would give a very wealthy firm that has a manufacturing plant in the area which contains the central city a 10-percent investment credit, against the 7 percent it would get it were located in a smaller town or even another city with a slightly lower unemployment rate.

Mr. RIBICOFF. If the unemployment in that city were 6 percent and it were creating new jobs for the people who were unemployed: yes.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment of the Senator from Connecticut to the amendment of the Senator from Kansas. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia: I announce that the Senator from Indiana (Mr. BAYH), the Senator from Oklahoma (Mr. HARRIS), the Senator from Louisiana (Mr. ELLENDER), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. McGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS), the Senator from Iowa (Mr. MILLER), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Colorado (Mr. ALLOTT), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Pennsylvania. (Mr. SCOTT) would each vote "nay."

The result was announced—yeas 56, nays 24, as follows:

[No. 345 Leg.]

YEAS—56

Aiken	Ervin	Packwood
Allen	Gambrell	Pastore
Baker	Gravel	Pearson
Beall	Hart	Pell
Bellmon	Hartke	Proxmire
Bible	Hatfield	Randolph
Boggs	Hughes	Ribicoff
Brock	Humphrey	Schweiker
Brooke	Inouye	Sparkman
Burdick	Javits	Spong
Byrd, W. Va.	Jordan, N.C.	Stafford
Cannon	Magnuson	Stennis
Case	McGee	Symington
Chiles	McIntyre	Taft
Church	Metcalf	Talmadge
Cook	Mondale	Tunney
Cranston	Montoya	Williams
Eagleton	Moss	Young
Eastland	Nelson	

NAYS—24

Anderson	Dole	Long
Bennett	Fannin	Mansfield
Bentsen	Fong	McClellan
Buckley	Fulbright	Percy
Byrd, Va.	Griffin	Roth
Cooper	Gurney	Smith
Cotton	Hansen	Thurmond
Curtis	Jordan, Idaho	Tower

NOT VOTING—20

Allott	Hruska	Muskie
Bayh	Jackson	Saxbe
Dominick	Kennedy	Scott
Ellender	Mathias	Stevens
Goldwater	McGovern	Stevenson
Harris	Miller	Weicker
Hollings	Mundt	

So Mr. RIBICOFF's amendment to Mr. PEARSON's amendment was agreed to.

The PRESIDING OFFICER (Mr. ALLEN). The question now recurs on agreeing to the Pearson amendment as amended by the Ribicoff amendment.

All time on the amendment has been consumed.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Louisiana (Mr. ELLENDER), the Senator from Oklahoma (Mr. HARRIS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. McGEE), the Senator from South Dakota (Mr. McGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from Illinois (Mr. STEVENSON), are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), would vote "yea."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS), the Senator from Iowa (Mr. MILLER), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on officials business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. HRUSKA) would vote "nay".

On this vote, the Senator from Pennsylvania (Mr. SCOTT) is paired with the Senator from Colorado (Mr. ALLOTT). If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Colorado would vote "nay".

The result was announced—yeas 60, nays 19, as follows:

[No. 346 Leg.]

YEAS—60

Aiken	Eastland	Nelson
Allen	Ervin	Packwood
Baker	Gambrell	Pastore
Beall	Gravel	Pearson
Bellmon	Hart	Pell
Bentsen	Hartke	Proxmire
Bible	Hatfield	Randolph
Boggs	Hughes	Ribicoff
Brock	Humphrey	Schweiker
Brooke	Inouye	Sparkman
Burdick	Javits	Spong
Byrd, W. Va.	Jordan, N.C.	Stafford
Cannon	Magnuson	Stennis
Case	Mansfield	Symington
Chiles	McClellan	Taft
Church	McIntyre	Talmadge
Cook	Metcalf	Tower
Cranston	Mondale	Tunney
Dole	Montoya	Williams
Eagleton	Moss	Young

NAYS—19

Anderson	Fannin	Long
Bennett	Fong	Percy
Buckley	Fulbright	Roth
Byrd, Va.	Griffin	Smith
Cooper	Gurney	Thurmond
Cotton	Hansen	
Curtis	Jordan, Idaho	

NOT VOTING—21

Allott	Hruska	Mundt
Bayh	Jackson	Muskie
Dominick	Kennedy	Saxbe
Ellender	Mathias	Scott
Goldwater	McGee	Stevens
Harris	McGovern	Stevenson
Hollings	Miller	Weicker

So Mr. PEARSON's amendment, as amended, was agreed to.

The PRESIDING OFFICER. In accordance with the previous order, the Chair asks the clerk to report amendment No. 533, the amendment of the Senator from New York (Mr. JAVITS), which becomes the pending business. Time on this amendment is limited to 40 minutes, to be equally divided between the manager of the bill and the distinguished Senator from New York.

The legislative clerk read the amendment as follows:

On page 51, after line 26, insert the following:

SEC. 310. BUDGET INFORMATION WITH RESPECT TO REVENUE LOSSES AND INDIRECT EXPENDITURES.

Section 201 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 11), is amended by adding new clauses (13) and (14) to subsection (a) as follows:

"(13) estimates of the losses in revenues for the last completed fiscal year, the fiscal year in progress, and the ensuing fiscal year which result—

"(a) under the provisions of the Federal income tax laws which cause the income tax bases to deviate from widely accepted definitions of income and standards of business accounting by prescribing or allowing (i) exclusion of certain items from gross income, (ii) deductions from income, (iii) credits against tax, (iv) deferral of the imposition of tax, (v) preferential rates for certain classes of income, or (vi) exemption of certain persons from tax, or

"(b) under other Federal tax provisions which grant special or preferential treatment of a similar nature;

"(14) estimates of the indirect expenditures made or to be made by the Government through the application and operation of the Federal tax laws during the most recent fiscal year, the fiscal year in progress, and the ensuing fiscal year, which estimates shall be based on the estimates of revenue losses described in clause (13) and shall be related, insofar as possible, to the expenditures described in clauses (5), (7), and (8)."

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. JAVITS. Mr. President, the sponsors of this amendment with me are Senators MCCLELLAN, HARRIS, HATFIELD, HUMPHREY, PERCY, PROXMIRE, STEVENSON, and CHILES.

Mr. President, the amendment seeks to require the Treasury Department, as a regular proposition, to annually report in connection with the budget the revenue losses through so-called tax expenditures. Tax expenditures result whenever the tax system is used to provide incentives or relief for taxpayers.

For example, there are the revenue losses which will be incurred as a result of the investment tax credit legislation—these will be a form of tax expenditure to encourage productive investment; the depletion for mineral exploration, for oil, and special tax provisions in many other fields may be regarded as tax expenditures.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a list of approximately 50 such tax expenditures, as I have described them, amounting to $40 billion, which is the calculation of the Treasury Department, which it made at one time as to what this amounts to.

The PRESIDING OFFICER. Without objection——

Mr. LONG. Mr. President, reserving the right to object, I think the Senator should tell us the things he wants to publish.

Mr. JAVITS. If the Senator will allow me to present my case——

Mr. LONG. I do not mind but I think the Senator should present it.

Mr. JAVITS. Does the Senator object to my introducing that memorandum?

Mr. LONG. I would like to have the Senator list them.

Mr. JAVITS. Does the Senator want me to read them?

Mr. LONG. Yes.

Mr. JAVITS. The Senator wants me to read them. I have 20 minutes.

Mr. LONG. I will yield the Senator some of my time, but we should know what they are.

Mr. JAVITS. Mr. President, I will not take the time of the Senate to read them all but I will read some of them to give the Senate an idea of what this is about.

As I said, the list is roughly 60 selected tax provisions estimated to cost $40 billion in lost revenues.

I will try to pick some of the large ones. It relates to farm expense and capital gain treatment, $820 million. It relates to excess of percentage over cost depletion, $980 million. It relates to investment credit, $910 million. It relates to deductibility of interest on consumer credit, $1.7 billion. It relates to the $25,000 corporate surtax exemption, $2 billion. Then there is deductibility of interest on mortgages on owner-occupied homes, $2.8 billion; deductibility of property taxes on owner-occupied homes, $2.9 billion; provisions relating to aid to the aged, blind, and disabled, and that is the combined cost for additional exclusive of old-age assistance, $2.95 billion; exclusion of pension contributions and earnings, $3 billion.

It relates to deductibility of charitable contributions of $3.5 billion. It relates to excess of standard deductions over the minimum, $3 billion. It relates to deductibility of nonbusiness State and local taxes, $5.6 billion.

Mr. President, I ask unanimous consent that the entire table may be printed in the RECORD as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

EFFECT[1] OF SELECTED TAX PROVISIONS[2]

[In millions of dollars]

Item	Fiscal years 1970			1971		
	Corporations	Individuals	Total	Corporations	Individuals	Total
Exclusion of benefits and allowances to Armed Forces personnel		550	550		500	500
Exemption for certain income earned abroad by United States citizens		45	45		40	40
Exclusion of income earned by individual in United States possessions		10	10		10	10
Western Hemisphere Trade Corporations	55		55	50		50
Exclusion of gross-up or dividends of less-developed country corporations	55		55	55		55
Exclusion of income of controlled foreign subsidiaries	170		170	165		165
Exclusion of income earned by corporations in United States possessions	85		85	80		80
Farming: expensing and capital gain treatment			880			820
Timber: capital gain treatment for certain income			140			130
Expensing of exploration and development costs	340		340	325		325
Excess of percentage over cost depletion			1,470			980
Capital gains treatment of royalties on coal and iron ore			5			5
Investment credit			2,630			910
Depreciation on buildings (other than rental housing) in excess of straight line			550			500
Dividend exclusion		290	290		280	280
Capital gains: corporation (other than agriculture and natural resources)	525		525	425		425
Bad debt reserves of financial institutions in excess of actual	680		680	380		380
Exemption of credit unions			45			40
Deductability of interest on consumer credit		1,700	1,700		1,700	1,700
Expensing of research and development expenditures	565		565	540		540
$25,000 surtax exemption	2,300		2,300	2,000		2,000
Deferral of tax on shipping companies	10		10	10		10
Rail freight car amortization				105		105
Deductibility of interest on mortgages on owner-occupied homes		2,600	2,600		2,800	2,800
Deductibility of property taxes on owner-occupied homes		2,800	2,800		2,900	2,900
Depreciation on rental housing in excess of straight line			275			255
Disability insurance benefits		120	120		130	130
Provisions relating to aged, blind, and disabled:						
Combined cost for additional exemption, retirement income credit, and exclusion of OASDHI for aged		2,800	2,800		2,950	2,950
Additional exemption for blind		10	10		10	10
Sick pay exclusion		105	105		105	105
Exclusion of unemployment insurance benefits		350	350		400	400
Exclusion of workmen's compensation benefits		210	210		210	210
Exclusion of public assistance benefits		50	50		50	50
Net exclusion of pension contributions and earnings:						
Plans for employees		3,150	3,150		3,075	3,075
Plans for self-employed persons		160	160		175	175
Exclusion of other employee benefits:						
Premiums on group term life insurance		440	440		440	440
Deductibility of accident and death benefits		25	25		25	25
Medical insurance premiums and medical care		1,450	1,450		1,450	1,450
Privately financed supplementary unemployment benefits		15	15		20	20
Meals and lodging		170	170		170	170
Exclusion of interest on life insurance savings		1,050	1,050		1,050	1,050
Deductibility of charitable contributions (other than education)		3,450	3,450		3,550	3,550
Deductibility of medical expenses		1,700	1,700		1,700	1,700
Deductibility of child and dependent care expenses		25	25		25	25
Deductibility of casualty losses		80	80		80	80
Excess of standard deduction over minimum		3,800	3,800		3,000	3,000
Pollution control amortization			15			15
Additional personal exemption for students		525	525		500	500
Deductibility of contributions to educational institutions		200	200		200	200
Exclusion of scholarships and fellowships		60	60		60	60
Exclusion of certain veteran's benefits		600	600		650	650
Exemption of interest on state and local debt			2,200			2,300
Deductibility of nonbusiness state and local taxes (other than on owner-occupied homes)		5,100	5,100		5,600	5,600

[1] Estimates are prepared on an individual basis for each item on the assumption that the item would be eliminated from the law without any other changes in the law with respect to the other items. If 2 or more changes in the law are made, the aggregate revenue effect will frequently not equal the sum of the revenue effects of the individual changes. Accordingly, the costs of the items are not additive.

[2] The specific tax provisions were selected by the staff of the Joint Economic Committee.

Source: Office of the Secretary of the Treasury, Office of Tax Analysis.

Mr. JAVITS. Mr. President, my amendment would also call for this information to be included within the context of the budgetary requirements which the President sets up. This information is prepared by the Treasury Department and it is in the hands of the Treasury Department.

It will be noted that tax expenditures constitute about 20 percent of the aggregate budget, which is of the magnitude of $200 billion.

Mr. President, I am for many of these tax expenditure items myself; I am for most of them. But we should, on a regular basis, know what they amount to. We should know what we do when we make budgetary provisions for housing. We have to crank in what we are allowing in tax preferences to get the total picture.

Mr. President, I have introduced the amendment because I am the ranking minority member of the Joint Economic Committee and the Joint Economic Committee minority has emphasized the importance of this information.

In 1969 I tried to move it as a tax bill and withdrew the amendment when I was assured the information would be made available to us. It was made available for 1969.

Now the Treasury Department opposes this amendment and they say that any Representative or Senator can get the information. The Senator from Louisiana (Mr. LONG) said that he can put it in the RECORD. That is true. But they now oppose this on the ground that they do not know how to define tax expenditure. Nonetheless they say they have the information and will give it to us if we ask for it. If they cannot define it how can they give it to us?

The only way it can get the attention it deserves, and be considered by Congress and the country in any appreciable way, is if it is published and preferably published in the annual budget—hence this amendment.

As I said before, and repeat now, the amendment was introduced because I am the ranking Republican member of the Joint Economic Committee. We have tried to get this information in connection with the annual budget in order to provide a fully meaningful budgetary analysis. I think it is critically important to understand the finances of the country. It will not cost anybody anything. The Treasury says it has this information, anyhow. I respectfully submit to my colleagues that the amendment ought to be approved.

Mr. BENNETT. Mr. President, will the Senator yield to me?

Mr. LONG. I yield to the Senator from Utah.

Mr. BENNETT. The Senator from New York has already mentioned the problem the Treasury sees in this amendment. It is one thing for the Treasury to be able to make a report on these tax preferences, and it is another thing to have a law written which requires a report to be made in a certain way in the budget. The Treasury has suggested some of the definition problems that they see. It says this concept, however stated in words, imposes such insuperable problems of definition and determination that it is absolutely unwise to make its inclusion in the budget mandatory.

For example, is accelerated depreciation on machinery and equipment a "tax expenditure?" Many persons would contend it is, but the Congress in adopting these provisions in the Internal Revenue Code of 1954 observed that—

> The liberalized declining balance method included in the bill concentrates deductions in the early years of service and results in a timing of allowances more in accordance with the actual pattern of loss of economic usefulness.

Other illustrations of potential dispute could be cited. Should the foreign tax credit be treated as such an indirect expenditure when it serves only to prevent double taxation of income earned outside the United States? Without the credit, the combined foreign tax and U.S. tax might well exceed 100 percent, and since the superior right to tax would seem to lie with the place the income is earned, the absence of such a credit might also raise constitutional doubts.

Consider the allowance of a deduction for interest expense where the interest is not business-related, an item generally treated as a "tax expenditure." Is the situation of a taxpayer who acquires his residence by executing a mortgage, while having income from investments, to be differentiated from the taxpayer who liquidates his investments and pays cash for his home? The imputed rental value of owner-occupied residences—which is not taxed—is not ordinarily classified as a taxable expenditure, and it is not clear whether the amendment would require such a classification. Would the ordinary citizen consider that the rental value of his home is income on which he should pay Federal income tax? Clearly not. Yet logic and consistency might well require such a showing if interest expense is to be shown as a tax expenditure.

It would follow—and they get almost too deep for me—that the imputed value of all durable personal assets should be treated as a tax expenditure—personal automobiles, for example. The imputed value of personal assets is not the kind of "income" we seek to tax in the United States. The failure to tax such amounts should not be regarded as a tax expenditure, but the logic of this amendment would require it.

The list of such problems of classification and definition is endless. The Treasury has voluntarily issued tax expenditure estimates on several occasions in recent years, and it seems more appropriate to reserve the manner and extent of presentation of information of this type to administrative discretion, rather than setting up a strict, rigid rule and requiring that these calculations, covering 70 million taxpayers, be made and included as part of the budget documents. It is just the difference between working in a way that is practical and, on the other hand, writing a set of theoretical, rigid rules and then expecting the Treasury to do the work to match their information to those rules. I think it should be left out of the bill.

Mr. LONG. Mr. President, the best I can make of this amendment is that the Senator wants to require the Treasury to publish certain information the way he thinks it should be published. That is all fine, but it so happens that a lot of people would not agree that it ought to be published that way. As far as I am concerned, he can have any information. In fact, he already has it. He put it in the RECORD. He has estimates of how much the various items in his list cost the Treasury.

But how is the Treasury going to determine what to put in the list required under the Senator's amendment. For example, it could be said that the absence of tax on the value a man adds to his property by working in his garden is a tax expenditure. In other words one could argue that income should be imputed to people because they do work for themselves rather than hire somebody else to do it as an expense, and that the lack of tax on this imputed income is a tax expenditure. Where does this determination of what constitutes a tax expenditure end?

We have not had occasion to go into all this. I understand the Committee on Government Operations has scheduled a hearing on a proposal to make the Treasury publish some of the type of information the Senator is interested in. That is all right with me. If they want to bring witnesses in to tell why they should have to publish information in certain ways, I would not object. But here, in a bill that the President says is a "must" bill, the Senator is suggesting a provision should be added when the members of the committee having jurisdiction have not had an opportunity to study its effects. As far as I am concerned, that information is available now. The point is that it should not necessarily have to be published in the way the Senator from New York (Mr. JAVITS) wants it or the way the Senator from Louisiana (Mr. LONG) wants it. As far as I am concerned, we have not had any difficulty getting the information. The Senator from New York has not, either, because he put it in the RECORD. Why should we make it mandatory for the Treasury to publish that information if the Treasury does not want to? This is something that should be left to the appropriate committee to hold hearings on, to consider the objections of the Treasury, and to consider any alternatives that might be suggested.

This is not, however, something that should be put in a bill which is an important priority bill.

The Senator from New York is not the only one who has trouble getting information published the way he wants it. I have been trying to get the Commerce Department to publish trade figures the way I think it should have been done for years, but I am not putting a request on this subject into a bill that has urgency to it. This is a subject which should have hearings, which I understand the Committee on Government Operations has scheduled.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, I yield myself 1 minute.

I ask for the yeas and nays.

The yeas and nays were ordered.

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Mr. JAVITS. Mr. President, I yield 2 minutes to the Senator from Florida (Mr. CHILES), who authored a bill exactly along these lines.

The PRESIDING OFFICER. The Senator from Florida is recognized for 2 minutes.

Mr. CHILES. Mr. President, in March I introduced a bill which would have the same effect as the amendment by the Senator from New York. I think the report on the amendment or on the bill I introduced is important. I think, in addition to providing some information to the Senate, it would provide some information to the public. I think, at the same time we pass on all the tax proposals that come before us, we well should report, and it should be available to the public, so it will be known whom we are excluding from the tax and the different allowances that we are setting up for those who will not be taxed. The public should be able to see that information. I think that is all public information that should be in a public document.

I think it is going to affect in a beneficial way the method by which we treat taxes, the way we vote on increases in taxes, and the way we vote on increases in exemptions. It happens very often that, when we provide an exemption, or exception or allowance, the Congress does not think about that again.

We do not realize, as the years go by, that situations change entirely, and where there might have been a very beneficial public policy reason for creating an exemption in 1930, to carry that exemption into 1970 might be completely ridiculous.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LONG. Mr. President, will the Senator tell me to what committee his bill was referred?

Mr. CHILES. To the Committee on Government Operations.

Mr. LONG. Why does not that committee, then, act on the bill, and not request us to act on it? We do not have that bill. As far as I am concerned, if the Senator wants some information he cannot get, I will help him get the information, but it seems to me that to ask the Finance Committee to get involved, on our revenue bill, when the Senator's committee has the jurisdiction, and without any hearings, is to jump the gun. I would urge the Senator to go ahead and conduct the hearings and advise the Senate what he thinks ought to be done. But when the Senator's committee has not even conducted its own hearings, it seems to me, that wanting to put this amendment on the tax bill is going too far.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McCLELLAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. JAVITS. I yield 3 minutes to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, at one time I was a cosponsor of this amendment. I did not recall that there was a similar bill pending before the Committee on Government Operations. I now recall it, and I had indicated, I think, to Senator CHILES that we would authorize him to hold hearings on that bill.

This amendment, when it was presented to me, had an appeal. I thought it provided for information that the public was entitled to, and information that would possibly be helpful to Congress, and therefore I cosponsored the amendment. It was not to bypass the hearings of the Committee on Government Operations, and I apologize to the Senator from Florida. Just at the time, and in the rush of things, I at the moment did not recall that such a bill was pending.

But I do think there is merit in this matter, and I shall support the amendment. I think the Senator from Florida should have a great deal of credit for having originated the idea and introduced the bill, and I so acknowledge and advise him. I should not have cosponsored the amendment on that account, and I am sorry about it, but I did do it. As the amendment was presented to me, it had an appeal to me that here was information that the public might be entitled to have, and also that it might be helpful to us in performing our legislative duties.

Mr. LONG. Mr. President, there are those of us on the Finance Committee who withheld offering our own amendments. We dissuaded other members of our own committee from offering as many as 15 or 20 amendments on this bill.

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired. Who yields time?

Mr. LONG. I yield myself 1 minute.

It would seem to me that if we could withhold our amendments and let this bill go through as a priority item, it is not asking too much of the Senate to let the bill go through as a priority item. Certainly the Senators should not be offering amendments to this bill which are within the jurisdiction of some other committee, where the other committee has a duty to hold hearings and make a recommendation to the Senate before a provision is acted on. Senators should not be offering amendment like this to a bill that the President regards as the most important economic measure to be considered by this Congress.

If we are going to accept proposals like that, between now and 9 o'clock tomorrow morning, how many other Senators will find something which has been sent to another committee, and even before that committee can hold hearings, proceed to come out and offer it on this bill, even though that committee has scheduled hearings and would hold hearings on the measure?

On that basis, I would think we could be here forever on matters that do not belong on this bill to begin with. I hope the Senate will not agree to this, or any other amendment along this line, where the matter is something that should be considered by another committee, or considered in connection with some of the many other measures that will be before the Senate later on.

Mr. JAVITS. Mr. President, I yield myself 3 minutes.

On the substantive problem, of course, the Treasury is just throwing up a little dust, as we all know, because they have made the list, and under my amendment, I have not devised the terms, I am using their terms. These are the kind of tax expenditures which they have defined. They made the list. The one which I put in the RECORD was obtained by the Senator from Wisconsin (Mr. PROXMIRE) as chairman of the Joint Economic Committee, showing these various items according to the Treasury's definition. That is all the amendment means.

As to the argument by the Senator from Louisiana, it seems to me that if the issue is desirable, and it seems to us to be desirable, then it ought to be acted upon when the time is proper, which is on a tax bill, not indirectly through the Committee on Government Operations, but on a tax bill; and the Senator from Arkansas (Mr. McCLELLAN), who is chairman of the Committee on Government Operations, thought enough of it to cosponsor the amendment.

There are over 90 amendments here. If this was the only thing being hung on this bill that the Senator from Louisiana could complain about, I could understand his getting exercised about it. But to get exercised about this, on a tax bill, just makes no sense to me. No one is going to introduce 180 more amendments because we adopt this one, which has a direct relevance to the taxes levied on the public, and why, and whether they are properly levied, and what is not levied, and why, and when all we are seeking is information, it is almost inconceivable to me, Mr. President, that there should be a fuss about it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. I yield myself another minute.

Mr. President, the essence of the situation is simply this: There are tax preferences written into law, thousands of them, $40 billion worth. If they are wrong, knowing about them can benefit every American. If they are right, they of course should be upheld on their own merits. But at least in the same way that we see the budget, and what people are going to have to pay to support it, we ought to see what the tax indulgences are; it is as simple as that, and I cannot see why the Treasury Department would want to obfuscate on it, unless they have something to hide, or they are ashamed of these tax indulgences, or do not want people to know about them. That, it seems to me, is the only reason there can be. I very much hope the Senate will act, as in reality it does, on behalf of the people, and approve this amendment.

Mr. LONG. Mr. President, I am not here to defend the Nixon administration against a charge of hiding something they are ashamed of, if that is what is meant. That will have to come from the other side of the aisle. But it seems to me that if the Senator is charging his administration is withholding information which should be relieved, the question arises, how did he get it? He just put it in the RECORD here, and I insisted that he read some of it. He put it in the RECORD himself. He wants this information published a certain way, in a certain document, and I am not here to really argue about that. All I say is, that does not belong on this bill. We do not have jurisdiction of that matter; it is within the jurisdiction of another committee. They owe the Senate a hearing on the matter, and they are scheduled to have a hearing, and it is their duty to make a recommendation to the Senate, after their hearings, on this matter.

I am curious as to whether the Senator thinks this is a priority bill or not. We on the committee certainly think so. We withheld our amendments because, from our point of view, this bill should be regarded a priority item. But now the Senator wants to put on this measure something that has not even been looked at by the committee having jurisdiction.

Mr. President, if we are going to add this item, we might as well just invite everyone to open up his file drawer and offer anything he wants to. Under this line of reasoning, you can offer anything except a constitutional amendment on a revenue bill. If Senators do not think this bill is a priority matter that ought to reach the President's desk some time between now and January 1, I say to them, "Vote for this," and I then will tell other Senators, "Go ahead and offer your amendments—anything that could conceivably be offered on a revenue bill except a constitutional amendment."

Mr. President, I would hope we could stay out of this matter and other matters of this type that are not related to the bill.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Louisiana has 9 additional minutes.

Mr. LONG. Mr. President, I am prepared to yield back the remainder of my time.

Mr. JAVITS. Mr. President, I will yield my time back, but I would like 30 seconds to say this, on the question of jurisdiction: The Finance Committee has jurisdiction over the Treasury Department.

The Government Operations Committee—its chairman has just spoken, and he likes this proposal—has jurisdiction over all Government departments. But we generally stay our hand when the committee or the Senate is acting on a matter which is directly relevant to the department concerned. The Secretary of the Treasury deals with all Treasury matters. This is a tax matter, and therefore I respectfully submit it belongs in this bill.

The PRESIDING OFFICER. Is all time yielded back?

Mr. LONG. Mr. President, I move to table this amendment, because it is not within the jurisdiction of the Finance Committee, and it need not be in this bill.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Louisiana, (Mr. ELLENDER), the Senator from Oklahoma (Mr. HARRIS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. McGOVERN), the Senator from Maine (Mr. MUSKIE), the Senator from Illinois (Mr. STEVENSON), the Senator from Wyoming (Mr. McGEE), the Senator from Mississippi (Mr. EASTLAND), the Senator from Minnesota (Mr. HUMPHREY, the Senator from Wisconsin, (Mr. NELSON), and the Senator from New Jersey (Mr. WILLIAMS), are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON), the Senator from Washington (Mr. JACKSON), would each vote "nay."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS), the Senator from Iowa (Mr. MILLER), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

Also, the Senator from Kansas (Mr. DOLE) and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

On this vote, the Senator from Nebraska (Mr. HRUSKA) is paired with the Senator from Pennsylvania (Mr. SCOTT).

If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 35, nays 38, as follows:

[No. 347 Leg.]

YEAS—35

Allen	Cook	McIntyre
Anderson	Cotton	Montoya
Baker	Curtis	Moss
Bellmon	Ervin	Pastore
Bennett	Fannin	Smith
Bentsen	Fong	Sparkman
Bible	Gurney	Spong
Brock	Hansen	Stennis
Burdick	Inouye	Talmadge
Byrd, Va.	Jordan, N.C.	Thurmond
Byrd, W. Va.	Jordan, Idaho	Tower
Cannon	Long	

NAYS—38

Aiken	Gravel	Pearson
Beall	Griffin	Pell
Boggs	Hart	Percy
Brooke	Hartke	Proxmire
Buckley	Hatfield	Randolph
Case	Hughes	Ribicoff
Chiles	Javits	Roth
Church	Magnuson	Schweiker
Cooper	Mansfield	Stafford
Cranston	McClellan	Symington
Eagleton	Metcalf	Taft
Fulbright	Mondale	Tunney
Gambrell	Packwood	

NOT VOTING—27

Allott	Goldwater	Kennedy
Bayh	Harris	Mathias
Dole	Hollings	McGee
Dominick	Hruska	McGovern
Eastland	Humphrey	Miller
Ellender	Jackson	Mundt
Muskie	Scott	Weicker
Nelson	Stevens	Williams
Saxbe	Stevenson	Young

So the motion was rejected.

The PRESIDING OFFICER (Mr. ALLEN). The question recurs on agreeing to the amendment of the Senator from New York (Mr. JAVITS).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Louisiana (Mr. ELLENDER), the Senator from Oklahoma (Mr. HARRIS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. McGEE), the Senatro from South Dakota (Mr. McGOVERN), the Senator from New Hampshire (Mr. McINTYRE), the Senator from Maine (Mr. MUSKIE), the Senator from Wisconsin (Mr. NELSON), the Senator from Illinois (Mr. STEVENSON), the Senator from Georgia (Mr. TALMADGE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "nay."

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) and the Senator from New Hampshire (Mr. McINTYRE) would each vote "nay."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS), the Senator from Iowa (Mr. MILLER), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

Also, the Senator from Tennessee (Mr. BROCK), the Senator from Kansas (Mr. DOLE), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

On this vote, the Senator from Pennsylvania (Mr. SCOTT) is paired with the Senator from Nebraska (Mr. HRUSKA). If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 48, nays 23, as follows:

[No. 348 Leg.]

YEAS—48

Aiken	Cooper	Hartke
Baker	Cranston	Hatfield
Bellmon	Eagleton	Hughes
Boggs	Ervin	Inouye
Brooke	Fong	Javits
Buckley	Fulbright	Jordan, N.C.
Burdick	Gambrell	Mansfield
Byrd, Va.	Gravel	McClellan
Case	Griffin	Metcalf
Chiles	Gurney	Mondale
Church	Hart	Moss

XUM

Packwood	Proxmire	Spong
Pastore	Randolph	Stafford
Pearson	Ribicoff	Stennis
Pell	Roth	Symington
Percy	Schweiker	Tunney

NAYS—23

Allen	Cook	Magnuson
Anderson	Cotton	Montoya
Beall	Curtis	Smith
Bennett	Eastland	Sparkman
Bentsen	Fannin	Taft
Bible	Hansen	Thurmond
Byrd, W. Va.	Jordan, Idaho	Tower
Cannon	Long	

NOT VOTING—29

Allott	Humphrey	Nelson
Bayh	Jackson	Saxbe
Brock	Kennedy	Scott
Dole	Mathias	Stevens
Dominick	McGee	Stevenson
Ellender	McGovern	Talmadge
Goldwater	McIntyre	Welcker
Harris	Miller	Williams
Hollings	Mundt	Young
Hruska	Muskie	

So Mr. JAVITS' amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 685

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate amendment No. 685 of the Senator from California (Mr. CRANSTON), which the clerk will state.

The amendment was read as follows:

On page 107, beginning with line 16, strike out through line 24 on page 111, and on page 117, beginning with line 6, strike out through line 23 on page 118, and insert in lieu thereof the following:

"SEC. 401. SUSPENSION OF MANUFACTURERS EXCISE TAX ON PASSENGER AUTOMOBILES, LIGHT-DUTY TRUCKS, ETC.

"(a) (1) SUSPENSION.—Part I of subchapter A of chapter 32 (relating to manufacturers excise taxes on motor vehicles) is amended by adding at the end thereof the following new section:

"'4064. SUSPENSION.

"'The tax imposed by section 4061(a)(2) shall not apply to any article taxable thereunder which is sold by the manufacturer, producer, or importer thereof during the period beginning on August 15, 1971, and ending on January 1, 1973.'

"(2) CLERICAL AMENDMENT.—The table of sections for such part is amended by adding at the end thereof the following:

"'Sec. 4064. Suspension.'

"(b) LIGHT-DUTY TRUCKS, ETC.—Section 4061(a) (relating to tax on automobiles, etc.) is amended by—

"(1) striking 'Articles' in paragraph (1) and inserting in lieu thereof 'Except for light-duty trucks (described in the third clause of paragraph (2)(B)), articles'; and

"(2) inserting before the last sentence of paragraph (2)(B) the following:

"'Automobile truck chassis or bodies, and automobile bus chassis or bodies, suitable for use with a vehicle having a gross weight of 10,000 pounds or less (as determined under regulations prescribed by the Secretary or his delegate).'"

On page 113, line 1 strike "tax-repealed" and insert "tax-suspended".

On page 114, line 7, strike "tax-repealed" and insert "tax-suspended".

On page 116, line 13, strike "tax-repealed" and insert "tax-suspended".

On page 116, line 15, after "August 15, 1971" insert "and before the end of the suspension period described in section 4064, and".

On page 116, line 25, strike "tax-repealed article" and insert "tax-suspended article".

On page 117, line 3, beginning with "is" strike out through line 5 and insert the following: "with respect to which such tax is suspended under the provisions of section 4064".

"SEC. 402. COMPENSATION OF HIGHWAY TRUST FUND FOR REVENUE LOST BY SUSPENSION OF EXCISE TAX ON CERTAIN VEHICLES."

On page 122, line 5, strike "repeal" and insert "suspension".

On page 122, lines 15–16, strike "after December 31, 1965".

On page 122, lines 19–20, strike "after August 15, 1971" and insert "between August 15, 1971 and January 1, 1973".

"SEC. 403. DISPOSITION OF EXCISE TAXES FOLLOWING PERIOD OF SUSPENSION.

"(a) The Secretary of Transportation shall formulate for submission to Congress by April 30, 1972, a plan for the utilization of funds collected by the Department of the Treasury pursuant to section 4061 of the Internal Revenue Act of 1954 for each year beginning January 1, 1973 and ending before June 30, 1982. The plan shall be limited to allocations for mass transit, the national railway system (that is AmTrak) the construction and improvement of railway corridors (including the northeast corridor), highway safety, airport development and the abatement of aircraft noise pollution, and the abatement of vehicular air pollution: *Provided however*, That no less than 50 percent of said funds shall be allocated to mass transit.

"(b) Upon approval by the Congress of the plan or some modification thereof and enactment of necessary implementing legislation, the Secretary of Transportation is authorized to spend the money collected pursuant to the plan.

"(c) If the Congress does not adopt the Secretary's plan or some modification thereof by January 1, 1973, the funds collected pursuant to section 4061 shall be deposited in an escrow account under the supervision of the Secretary of the Treasury until such time as the Congress shall determine the disposition of said fund.

"(d) Funds allocated by any plan developed by the Secretary of Transportation shall be in addition to Congressional appropriations and approval of grant authority for the said transportation purposes."

ORDER FOR AMENDMENT NO. 692 TO BE LAID BEFORE THE SENATE FOLLOWING DISPOSITION OF AMENDMENT NO. 679

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon disposition of the amendment (No. 679), of Mr. PERCY, the Chair lay before the Senate amendment No. 692 by Mr. PASTORE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR CHILES ON THURSDAY

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following the recognition of the two leaders on Thursday the distinguished Senator from Florida (Mr. CHILES) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW AND FOR RESUMPTION OF CONSIDERATION OF AMENDMENT NO. 685

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following the recognition of the two leaders tomorrow there be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 3 minutes, and that at the conclusion of the period for the transaction of routine morning business the Senate resume consideration of the pending amendment, amendment No. 685, by Mr. CRANSTON.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9 o'clock a.m. After the two leaders have been recognized, under the standing order, there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 3 minutes.

At the conclusion of the period for the transaction of routine morning business the Senate will resume consideration of amendment No. 685 by Mr. CRANSTON dealing with the excise tax on automobiles. The limitation of time on that amendment is 2 hours, and amendments in the second degree, motions, and appeals, with the exception of nondebatable motions, will be limited to 20 minutes.

Upon disposition of the Cranston amendment the Senate will proceed to the consideration of amendment No. 690 by Mr. HARRIS. Amendment No. 690 by Mr. HARRIS would prohibit deducting special expenses for advertising of public issues. The time limitation on that amendment is 30 minutes, with a time limitation on amendments in the second degree, motions, and appeals, with the exception of nondebatable motions, of 5 minutes.

Upon the disposition of amendment No. 690 by Mr. HARRIS, the Senate will take up amendment No. 680 by Mr. HARRIS, the so-called combined DISC and foreign corporation tax amendment. There is a time limitation on that amendment of 30 minutes, with a limitation of 20 minutes on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions.

Upon the disposition of the second Harris amendment — amendment No. 680—the Senate will proceed to the consideration of the amendment by Mr. GURNEY, amendment No. 651. That amendment is a social security amendment. There is no time limitation thereon.

Upon the disposition of amendment No. 651 by Mr. GURNEY, the Senate will take up amendment No. 679 by Mr. PERCY. There is no time limitation on that amendment. It is my understanding that the Percy amendment has to do with revenue sharing and welfare.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. BENNETT. That amendment would set up a billion dollar temporary fund or a billion dollar one-time fund to be divided among the States to support their welfare programs.

Mr. BYRD of West Virginia. Very well. I thank the Senator.

Upon the disposition of amendment No. 679 by Mr. PERCY, the Senate will proceed to the consideration of amendment No. 692, an amendment which was offered this afternoon by Mr. PASTORE and others, dealing with political contributions. There is a time limitation on that amendment of 6 hours. There is a time limitation on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, of 1 hour.

There will be rollcall votes tomorrow. The Senate will be in late tomorrow and, I would hope that the Senate could complete consideration of the bill tomorrow—or at least sometime Thursday—which is a bit farfetched, but at least it is the kind of hope that springs "eternal in the human breast."

Mr. GRIFFIN. Mr. President, will the Senator yield for an observation and a possible correction?

Mr. BYRD of West Virginia. I yield to the distinguished assistant minority leader.

Mr. GRIFFIN. When the Senator referred to the Cranston amendment, No. 685, tomorrow, the Senator indicated a time limitation of 20 minutes on amendments thereto. I believe the agreement was for 30 minutes.

Mr. BYRD of West Virginia. The RECORD of yesterday, at page 41331, shows a limitation of 20 minutes on amendments in the second degree.

Mr. GRIFFIN. The staff advises me the Journal has 30 minutes.

The PRESIDING OFFICER. If the Senator will suspend, I am advised by the Parliamentarian that the Journal states 30 minutes.

Mr. GRIFFIN. I seem to recall raising that point with the assistant majority leader last night and asking that it be 30 minutes, and I recall that he agreed to that. I do not know that there will be amendments offered.

Mr. BYRD of West Virginia. The able Senator is correct. The Journal so states, and so does the RECORD in a subsequent provision.

ADJOURNMENT TO 9 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. tomorrow.

The motion was agreed to; and (at 8 o'clock and 29 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, November 17, 1971, at 9 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, November 16, 1971*

The House met at 12 o'clock noon.

Rev. Earl O. Harding, Missouri Baptist Convention, Jefferson City, Mo., offered the following prayer:

We thank Thee, O Lord God of our fathers, for the friendship which unites our country with the nations of the world. We thank Thee for our homes, our country, our schools, our churches, for charity and philanthropy; for they are all the fruits of Thy spirit. Bless our leaders, and may their fear of God inspire all our national policies. Strengthen our desire for righteousness; make us equal to our high trust, reverent in the use of freedom, just in the exercise of power, unfaltering in the protection of the needy.

To our legislators give insight and faithfulness, that our laws may clearly speak the right, and our judges purely interpret them. May wisdom be the glory of our times, and mutual confidence the joy of our Nation, through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11418) entitled "An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the Senate amendment No. 1 to the foregoing bill.

PRIVILEGES OF THE HOUSE—UNITED STATES OF AMERICA VERSUS JOHN DOWDY ET AL.

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
November 12, 1971.

The Honorable the SPEAKER,
House of Representatives.

DEAR SIR: On this date, I have been served with a subpoena duces tecum that was issued by the United States District Court for the District of Maryland. This subpoena is in connection with the case of the United States of America v. John Dowdy, et al.

The subpoena commands the Clerk of the House to appear in the said United States District Court for the District of Maryland, Baltimore, Maryland on the 16th day of November, 1971 at 9:30 o'clock A.M., and requests certain House records that are outlined in the subpoena itself, which is attached hereto.

The rules and practices of the House of Representatives indicate that no official of the House may, either voluntarily or in obedience to a subpoena duces tecum, produce such papers without the consent of the House being first obtained. It is further indicated that he may not supply copies of certain of the documents and papers requested without such consent.

The subpoena in question is herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

Sincerely,

W. PAT JENNINGS, *Clerk,*
U.S. House of Representatives.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

NOVEMBER 9, 1971.

Re United States of America v. John Dowdy, et al. Criminal No. 70–0123–T

Clerk, U.S. House of Representatives, Washington, D.C.

DEAR SIR: Although the attached subpoena requires your presence for November 16, 1971, the trial is expected to last for several weeks; and we are not certain, at this time, of the exact date which you will be needed to testify. For that reason, we request that you call collect the undersigned as soon as you receive this subpoena so that further arrangement may be made for your appearance.

Very truly yours,

GEORGE BEALL,
U.S. Attorney.

By: JOHN G. SAKELLARIS,
Assistant U.S. Attorney, District of Maryland, 409 U.S. Post Office Building, Calvert and Fayette Streets, Baltimore, Md. 21202

[In the U.S. District Court for the District of Maryland]

SUBPENA TO PRODUCE DOCUMENT OR OBJECT

United States of America v. John Dowdy, et al.

No. 70–0123–T (Criminal Docket)

To Clerk, United States House of Representatives, Washington, D.C.

You are hereby commanded to appear in the United States District Court for the District of Maryland at Room 325, U.S. Post Office Building at Calvert and Fayette Streets in the city of Baltimore on the 16th day of November, 1971 at 9:30 o'clock A.M. to testify in the case of United States v. John Dowdy and bring with you any travel or expense vouchers of John Dowdy for the months of August and September, 1968 and for the months of September and October, 1965.

This subpena is issued upon application of the United States.

November 9, 1971.

John G. Sakellaris, Assistant U.S. Attorney; Stephen H. Sachs, Special Assistant U.S. Attorney, 325 U.S. Post Office Bldg., Baltimore, Md.

PAUL R. SCHLITZ,
Clerk.

By: CHARLOTTE WILLIAMS,
Deputy Clerk.

XUM

Mr. BOGGS. Mr. Speaker, I offer a privileged resolution (H. Res. 706) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 706

Whereas in the case of the United States of America against John Dowdy, et al. (criminal action numbered 70–0123), pending in the United States District Court for the District of Maryland, a subpena duces tecum was issued by the said Court and addressed to W. Pat Jennings, Clerk of the House of Representatives, directing him to appear as a witness before the said court at 9:30 antemeridian on the 16th day of November, 1971, and to bring with him certain documents in the possession and under the control of the House of Representatives: Therefore be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That W. Pat Jennings, Clerk of the House, or any officer or employee in his office whom he may designate, be authorized to appear at the place and before the court in the subpena duces tecum beforementioned, but shall not take with him any papers or documents on file in his office or under his control or in possession of the House of Representatives; be it further

Resolved, That when the said court determines upon the materiality and the relevancy of the papers and documents called for in the subpena duces tecum, then the said court, through any of its officers or agents, be authorized to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House, and take copies of those requested papers and documents which are in possession or control of the said Clerk; and the Clerk is authorized to supply certified copies of such documents or papers in his possession or control that the court has found to be material and relevant and which the court or other proper officer thereof shall desire, so as, however, the possession of said documents and papers by the said Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under the said Clerk; and be it further

Resolved, That as a respectful answer to the subpena duces tecum a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DR. EARL HARDING, EXECUTIVE SECRETARY OF THE MISSOURI BAPTIST CONVENTION

(Mr. ICHORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ICHORD. Mr. Speaker, it gives me great pleasure to tell my colleagues a little about the background of the man of God who opened the House today with such an inspiring prayer.

Dr. Earl Harding has served as the executive secretary of the Missouri Baptist Convention for the past 18 years. The great responsibilities he shoulders in this position can easily be seen when we realize that the Missouri Baptist Convention represents 800,000 of the 1.2 million members of the Baptist faith in Missouri.

Before accepting his present position, Dr. Harding served many pastorates in Missouri and at the time he was selected to become executive secretary of the Missouri Baptist Convention, he was serving as pastor of the First Baptist Church in Joplin, Mo., in Dr. Hall's district, which at the time was one of the three largest Baptist churches in the State of Missouri.

Mr. Speaker, Dr. Harding is not only one of the recognized spiritual leaders of our State and Nation, but he is known by his friends and his people as a man who loves and serves his God and his country. He has a passion for spreading the Gospel of Christ and a compassion for people. He takes his role as a citizen seriously and is vitally concerned about the welfare of our country. Certainly, Dr. Earl Harding is one of the leading citizens of the great State of Missouri, and I am very happy that he could be with us today.

RED CHINA DIPLOMACY IN THE U.N.

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, old China hands talk of the difficulty of comprehending the oriental mind. The Nixon administration is in the process of learning about the most complex brand of oriental subtleties, the Red Chinese brand.

Despite the trepidations of many observers who have learned the hard way about Red China, Mr. Nixon embarked some months ago on a full-fledged program of concessions and blandishments to bring about better relations with that country. He sent his trusted adviser on two one-way missions to Peking and announced his intention of following suit in person. These tactics helped to get us roundly defeated in the United Nations on the question of seating Red China and ousting Taiwan. It will be a long time before the United States recovers face from either of these. Whatever else remains to be accomplished remains to be seen.

Now the Red Chinese have repaid us in the same coin which they have used very successfully throughout. After listening to an American speech of welcome, among many others, they gave this Nation the full treatment of blame for all the ills devious Red Chinese minds could concoct.

As everyone knows, the United States will now be expected to rush to the United Nations with more money to pay its bills and more concessions for Red China. And the sad part of it is, we may do both.

AUDITORIUM OF THE UNITED NATIONS EMPTY EXCEPT FOR TWO DELEGATES

(Mr. ANDREWS of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS of Alabama. Mr. Speaker, I have a picture here that was cut from a newspaper recently that I wish all of you could take a close look at.

Mr. Speaker, there is an old Chinese adage that one picture is worth 10,000 words. This picture was taken by the United Press International and it shows the big auditorium at the United Nations empty except for two delegates.

The title of the picture is "Empty Seats."

The story underneath the picture says that many seats were empty in the United Nations yesterday. The topic for discussion was finances.

Is it not strange, Mr. Speaker, how they laugh and shout and dance when the United States is defeated and, yet, they are not there to pay the fiddler for the dancing?

MAIDEN SPEECH OF THE CHINESE COMMUNIST DELEGATES TO THE UNITED NATIONS

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, there must be some kind of a lesson for every Member of Congress and every American in the maiden speech of the Chinese Communist delegation at the meeting of the United Nations yesterday.

Mr. Speaker, I hope Mr. Nixon is proud of the fact that he helped get these people in, but who immediately upon their entry into this country started preaching revolution to destroy this country and everything it stands for, to weaken our defenses, to make us pull out our peacekeeping forces out of the Pacific totally and I presume they will eventually get around to including Hawaii. I think the time will come when all Americans will rue the day that Dr. Kissinger ever set foot in Washington.

EDUCATION TAX AID FOR INDIVIDUALS

(Mr. MONAGAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, I was pleased to learn that the other body had taken action on a tax measure which I have advocated for many years. I refer to the Senate's passage of an amendment which would provide a tax credit for anyone contributing toward the education of an individual beyond high school. The maximum credit which could be claimed under the Senate amendment would be $325 a year.

The objective of the Senate action—to provide assistance through tax relief for individuals contributing toward the the higher education of an individual—is laudable.

Although I have sponsored a straight tax credit bill in previous sessions, I feel that my bill, H.R. 5893, which I introduced March 10, would provide more benefits to more individuals.

Under the provisions of H.R. 5893, parents could set up trust funds for their children at a young age, and make a deductible contribution of up to $500 per beneficiary per year. The total could not aggregate more than 10 percent of the parents' gross income per year, and in no event should it exceed $2,500 per year. The deduction would be available to persons in all tax brackets.

The need for tax relief in this area is obvious. The rise in college costs is exceeding income growth. The middle-income taxpayer must bear the brunt of financing government at all levels while at the same time paying formidable college costs. Many programs of financial aid are available to low-income groups but not to middle-income groups.

My bill is an equitable and needed measure. I hope that the House will take action in this area in the near future. Meanwhile, however, I welcome the Senate action as an interim step which moves in the right direction.

TAX CREDIT FOR EXPENSES OF HIGHER EDUCATION

(Mr. QUIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUIE. Mr. Speaker, I am happy to see that the Senate yesterday adopted an amendment to the Revenue Act of 1971 which provides a tax credit for higher education expenses.

For several years, I have introduced similar legislation in the House of Representatives. The amendment adopted by the Senate differs in certain respects from the bill (H.R. 2615) which I have introduced in this Congress, but I am happy to give the amendment my wholehearted support.

Under the amendment, a taxpayer would be allowed a tax credit for the expenses of tuition and fees required for enrollment in higher education and also, for books, supplies, and equipment required for courses of instruction. The formula in the amendment provides that the tax credit would amount to 75 percent of the allowable expenses, not exceeding $200; 25 percent of the allowable expenses exceeding $200 but not exceeding $500; and 10 percent of the allowable expenses exceeding $500, but not exceeding $1,500.

My bill would have allowed 100 percent of the first $200 and would have extended the 10-percent category to expenses not exceeding $2,000.

I am especially pleased to note that the amendment allows the tax credit for expenses incurred in attending a business or trade school, or other technical or vocational schools, providing postsecondary education. I have long encouraged the expansion of postsecondary vocational schools and increased enrollment therein to meet the needs of America's technological society.

In a recent Supreme Court decision, Tilton against Richardson, the Court upheld all but one section of the Higher Education Facilities Act, this section being the one which could have allowed religious-affiliated colleges to use educational facilities for religious purposes after 20 years. There is no question about the constitutionality of providing tax credits for higher education. Consequently, I urge the House of Representatives to accept the Senate amendment authorizing the tax credit for higher education.

MEMBERS INVITED TO RIDE STEAM ENGINE BUS

(Mr. VEYSEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VEYSEY. Mr. Speaker, all the Members have received invitations to inspect and to ride in the steam engine bus developed under the joint sponsorship of the Department of Transportation and the Assembly of the State of California.

The bus will be in front of the horseshoe entrance of the Rayburn Building Wednesday morning, November 17, from 11:15 to 12:30.

I urge my colleagues to examine and to take a ride in this vehicle. Tests show that its emissions of pollutants to the air are less than one-half of the allowable levels under the tough California State standards for diesel systems in 1975.

I am particularly proud to call this to your attention, as I was a member of the California State Assembly when it entered into the agreement with the Department of Transportation several years ago for the development of a low pollution propulsion system. It is the first such project ever undertaken between the Federal Government and a State legislature, and may well show the way to further effective cooperation to solve important and vexing problems.

You will be impressed not only with how quiet, clean, and powerful this engine is, but the low budget on which it was developed.

We would like to take you for a ride.

THE WORLD DID NOT COME TO AN END

(Mr. GROSS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, on last Wednesday, when the continuing resolution was before the House, we heard claims from numerous spokesmen in behalf of the resolution that unless it was passed and passed right then that the authorization for spending would expire on November 15, and the world would come to an end. The House was stampeded into approval, but the Senate has refused to act.

Imagine my surprise this morning of November 16 to awaken and see the sun shining, the good Lord was still in His heaven, and the foreign aiders were operating at the same old stand.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first individual bill on the Private Calendar.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2067) for the relief of Mrs. Rose Thomas.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentlman from Iowa?

There was no objection.

MARIA LUIGIA DI GIORGIO

The Clerk called the bill (H.R. 2070) for the relief of Maria Luigia Di Giorgio.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

WILLIAM D. PENDER

The Clerk called the bill (H.R. 5657) for the relief of William D. Pender.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

MRS. ANNA MARIA BALDINI DELA ROSA

The Clerk called the bill (H.R. 3713) for the relief of Mrs. Anna Maria Baldini Dela Rosa.

Mr. DELLENBACK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MRS. ELEANOR D. MORGAN

The Clerk called the bill (H.R. 7569) for the relief of Mrs. Eleanor D. Morgan.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DELLENBACK and Mr. ROUSSELOT objected, and, under the rule, the bill was recommitted to the Committee on the Judiciary.

CHARLES COLBATH

The Clerk called the bill (H.R. 4310) for the relief of Charles Colbath.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

XUM

MRS. CARMEN PRADO

The Clerk called the bill (H.R. 6108) for the relief of Mrs. Carmen Prado.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RENE PAULO ROHDEN-SOBRINHO

The Clerk called the bill (H.R. 5181) for the relief of Rene Paulo Rohden-Sobrinho.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CATHERINE E. SPELL

The Clerk called the bill (H.R. 7312) for the relief of Catherine E. Spell.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DOROTHY G. McCARTY

The Clerk called the bill (S. 1810) for the relief of Dorothy G. McCarty.

There being no objection, the Clerk read the bill as follows:

S. 1810

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of subchapter III (relating to civil service retirement) of chapter 83 of title 5, United States Code, Dorothy G. McCarty of Washington, District of Columbia, shall be deemed, subject to sections 8334(c) and 8339 (h) of title 5, United States Code, to have rendered creditable service while employed for the period from August 1, 1947, through April 30, 1952, as an office manager for the United States Senate Restaurant which was operated during such period by Nationwide Food Service.

With the following committee amendments:

Page 1, line 6: Strike "sections" and insert "section".

Page 1, line 7: Strike "and 8339(h)".

Page 1, line 11, after "Service" insert: *Provided,* That she makes the required employee contribution to the Civil Service Retirement and Disability Fund. In the event that such credit is granted for retirement under the provisions of chapter 83 of title 5 of the United States Code, no credit for the same employment for the period from August 1, 1947 through April 30, 1952 shall be granted under the provisions of the Social Security Act (act of August 14, 1935, ch. 531, title II, § 201 et seq., as amended; 42 U.S.C. § 401 et seq.)."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK J. McCABE

The Clerk called the bill (H.R. 1862) for the relief of Frank J. McCabe.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

DONALD L. BULMER

The Clerk called the bill (H.R. 1994) for the relief of Donald L. Bulmer.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MRS. MARINA MUNOZ DE WYSS (NEE LOPEZ)

The Clerk called the bill (H.R. 5579) for the relief of Mrs. Marina Munoz de Wyss (nee Lopez).

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EDDIE TROY JAYNES, JR., AND ROSA ELENA JAYNES

The Clerk called the bill (S. 306) for the relief of Eddie Troy Jaynes, Jr., and Rosa Elena Jaynes.

There being no objection, the Clerk read the bill as follows:

S. 306

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Eddie Troy Jaynes, Junior, and Rosa Elena Jaynes shall be held and considered to have been lawfully admitted to the United States for permanent residence as of May 2, 1964, upon payment of the required visa fees.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN ROSE BOTTO

The Clerk called the bill (H.R. 1966) for the relief of Helen Rose Botto.

There being no objection, the Clerk read the bill as follows:

H.R. 1966

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Helen Rose Botto shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That, notwithstanding the provision of section 212(a)(19) of the Immigration and Nationality Act, Helen Rose Botto may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VITO SERRA

The Clerk called the bill (H.R. 5586) for the relief of Vito Serra.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CARMEN MARIA PENA-GARCANO

The Clerk called the bill (H.R. 6342) for the relief of Carmen Maria Pena-Garcano.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

WILLIAM H. NICKERSON

The Clerk called the bill (H.R. 4064) for the relief of William H. Nickerson.

Mr. DELLENBACK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

THOMAS WILLIAM GREENE AND JILL A. GREENE

The Clerk called the bill (H.R. 4083) for the relief of Thomas William Greene and Jill A. Greene.

There being no objection, the Clerk read the bill as follows:

H.R. 4083

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas William Greene and his wife Jill A. Greene, of San Diego, California, the sum of $109.50 in full settlement for all their claims against the United States for the proceeds of a Treasury check issued November 27, 1961, to them as an income tax refund which they never received, but with respect to which they failed to present their claim for the proceeds of such check within six years of the date of issue of such check.

SEC. 2. No part of the amount appropriated in the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DUTY-FREE ENTRY OF CARILLON FOR MARQUETTE UNIVERSITY

The Clerk called the bill (H.R. 3786) to provide for the free entry of a four-octave carillon for the use of Marquette University, Milwaukee, Wis.

Mr. DELLENBACK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

DUTY-FREE ENTRY OF CARILLON FOR THE UNIVERSITY OF CALIFORNIA (SANTA BARBARA)

The Clerk called the bill (H.R. 4678) to provide for the free entry of a carillon for the use of the University of California at Santa Barbara.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FOR THE RELIEF OF CLAYTON BION CRAIG ET AL.

The Clerk called the bill (S. 1866) for the relief of Clayton Bion Craig, Arthur P. Wuth, Mrs. Lenore D. Hanks, David E. Sleeper, and DeWitt John.

There being no objection, the Clerk read the bill as follows:

S. 1866

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, any provision of law to the contrary notwithstanding copyright is hereby granted to the trustees under the will of Mary Baker Eddy, their successors, and assigns, in the work "Science and Health with Key to the Scriptures" (entitled also in some editions "Science and Health" or "Science and Health; with a Key to the Scriptures"), by Mary Baker Eddy, including all editions thereof in English and translation heretofore or hereafter published, for a term of seventy-five years from the effective date of this Act or from the date of first publication, whichever is later. All copies of the protected work hereafter published are to bear notice of copyright, and all new editions hereafter published are to be registered in the Copyright Office, in accordance with the provisions of title 17 of the United States Code or any revision or recodification thereof. The copyright owner shall be entitled to all rights and remedies provided to copyright owners generally by law: *Provided, however,* That no liability shall attach under this Act for lawful uses made or acts done prior to the effective date of this Act in connection with said work, or in respect to the continuance for one year subsequent to such date of any business undertaking or enterprise lawfully undertaken prior to such date involving expenditure or contractual obligation in connection with the exploitation, production, reproduction or circulation of said work. This Act shall be effective upon enactment.

With the following committee amendment:

On page 1, line 10, strike out "heretofore or hereafter published," and insert in lieu thereof: "heretofore published, or hereafter published by or on behalf of said trustees, their successors or assign."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTONIO BENAVIDES

The Clerk called the bill (H.R. 2394) for the relief of Antonio Benavides.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

MRS. CONCEPCION GARCIA BALAURO

The Clerk called the bill (H.R. 2703) for the relief of Mrs. Concepcion Garcia Balauro.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FAVORING THE SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the Senate concurrent resolution (S. Con. Res. 35) favoring the suspension of deportation of certain aliens.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the Senate concurent resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MRS. KAYO N. CARVELL

The Clerk called the bill (H.R. 2714) for the relief of Mrs. Kayo N. Carvell.

There being no objection, the Clerk read the bill as follows:

H.R. 2714

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Kayo N. Carvell shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That, in the administration of the Immigration and Nationality Act, Mrs. Kayo N. Carvell, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of such Act shall not be applicable in this case.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STEPHEN LANCE PENDER, PATRICIA JENIFER PENDER, AND DENESE GENE PENDER

The Clerk called the bill (S. 389) for the relief of Stephen Lance Pender, Patricia Jenifer Pender, and Denese Gene Pender.

There being no objection, the Clerk read the bill as follows:

S. 389 [Report No. 92-646]

Be it enacted by the Senated and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 322(a) of the Immigration and Nationality Act, Carol H. Warren, the legal guardian of Stephen Lance Pender, Patricia Jenifer Pender, and Denese Gene Pender, may file petitions for naturalization in their behalf under that section, the mother of the said Stephen Lance Pender, Patricia Jenifer Pender, and Denese Gene Pender having died prior to the filing of any such petition.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBINA LUCIO Z. MANLUCU

The Clerk called the bill (S. 559) for the relief of Albina Lucio Z. Manlucu.

Mr. DELLENBACK. Mr. Speaker, I ask that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

CHEN-PAI MIAO

The Clerk called the bill (S. 629) for the relief of Chen-Pai Miao.

There being no objection, the Clerk read the bill as follows:

XUM

S. 629

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Chen-Pai Miao, who was lawfully admitted to the United States for permanent residence on August 30, 1966, shall be held and considered not to be within the classes of persons whose naturalization is prohibited by the provisions of section 313 of the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUANITA SAVEDIA VARELA

The Clerk called the bill (H.R. 2792) for the relief of Juanita Savedia Varela.

There being no objection, the Clerk read the bill as follows:

H.R. 2792

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Juanita Savedia Varela shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That, in the administration of the Immigration and Nationality Act, Juanita Savedia Varela, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of such Act shall not be applicable in this case.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CRESCENCIA LYRA SERNA AND HER MINOR CHILDREN

The Clerk called the bill (H.R. 3093) for the relief of Mrs. Crescencia Lyra Serna and her minor children, Maria Minde Fe Serna, Sally Garoza Serna, Gonzalo Garoza Serna, and James Garoza Serna.

There being no objection, the Clerk read the bill as follows:

H.R. 3093

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Crescencia Lyra Serna and her minor children, Maria Minde Fe Serna, Sally Garoza Serna, Gonzalo Garoza Serna, and James Garoza Serna, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct the required numbers from the total number of immigrant visas and conditional entries which are made available to natives of the country of each alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPHINE DUMPIT

The Clerk called the bill (H.R. 4319) for the relief of Josephine Dumpit.

There being no objection, the Clerk read the bill as follows:

H.R. 4319

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Josephine Dumpit may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Max A. Dumpit, citizens of the United States, pursuant to section 204 of the Act.

With the following committee amendments:

On page 1, line 7, strike out "citizens of the United States" and substitute in lieu thereof the following: "a citizen of the United States and a lawfully resident alien, respectively."

On page 1, line 8, strike out the word "Act." and substitute in lieu thereof the following: "Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOO YONG KWAK

The Clerk called the bill (H.R. 5179) for the relief of Soo Yong Kwak.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Soo Yong Kwak may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mildred E. and Jay D. Crookston, citizens of the United States, pursuant to section 204 of the Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

With the following committee amendment:

On page 1, line 11, strike out the word "case." and substitute in lieu thereof the following: "case: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "For the relief of Mrs. Hind Nicholas Chaber, Georgette Hanna Chaber, Jeanette Hanna Chaber and Violette Hanna Chaber."

A motion to reconsider was laid on the table.

MRS. HIND NICHOLAS CHABER, GEORGETTE HANNA CHABER, JEANETTE HANNA CHABER, AND VIOLETTE HANNA CHABER

The Clerk called the bill (H.R. 6506) for the relief of Mrs. Hind Nicholas Chaber, Georgette Hanna Chaber, Jeanette Hanna Chaber, and Violette Hanna Chaber.

There being no objection, the Clerk read the bill as follows:

H.R. 6505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mrs. Hind Nicholas Chaber, Georgette Hanna Chaber, Jeanette Hanna Chaber, and Violette Hanna Chaber, the widow and children of an alien lawfully admitted for permanent residence, shall be held and considered to be within the purview of section 203(a) of that Act and the provisions of section 204 of such Act shall not be applicable in this case.

With the following committee amendment:

On page 1, line 8, strike out "section 203(a)" and substitute in lieu thereof "section 203(a)(2)".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HIND NICHOLAS CHABER, GEORGETTE HANNA CHABER, JEANETTE HANNA CHABER, AND VIOLETTE HANNA CHABER

The Clerk called the bill (H.R. 6506) for the relief of Mrs. Hind Nicholas Chaber, Georgette Hanna Chaber, Jeanette Hanna Chaber, and Violette Hanna Chaber.

There being no objection, the Clerk read the bill as follows:

H.R. 6505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mrs. Hind Nicholas Chaber, Georgette Hanna Chaber, Jeanette Hanna Chaber, and Violette Hanna Chaber, the widow and children of an alien lawfully admitted for permanent residence, shall be held and considered to be within the purview of section 203(a) of that Act and the provisions of section 204 of such Act shall not be applicable in this case.

With the following committee amendment:

On page 1, line 8, strike out "section 203(a)" and substitute in lieu thereof "section 203(a)(2)".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "For the relief of Mrs. Hind Nicholas Chaber, Georgette Hanna Chaber, Jeanette Hanna Chaber and Violette Hanna Chaber."

A motion to reconsider was laid on the table.

Mr. DELLENBACK. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER. This concludes the call of the Private Calendar.

CONFERENCE REPORT ON H.R. 7072, AIRPORT AND AIRWAY TRUST FUND AMENDMENTS

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the bill (H.R. 7072) to amend the Airport and Airway Development Act of 1970 to further clarify the intent of Congress as to priorities for airway modernization and airport development, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 8, 1971.)

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I rise in support of the conference agreement on H.R. 7072 pertaining to the administration of the airport and airway trust fund.

H.R. 7072 passed the House by unanimous vote on September 22. As you will recall the principal purpose of this bill was to reassert congressional requirements for the upgrading of the Nation's aviation system. Essentially, the amendments to the Airport and Airway Development Act contained in that bill were designed to assure that specified minimum capital expenditures are made to improve airports and navigational facilities and that trust fund moneys not be diverted for other purposes.

On October 12 the Senate passed a substitute to H.R. 7072. The House subsequently disagreed with the substitute and requested a conference.

I am pleased to bring before you today a conference report which is identical to the House-passed version in all respects as it pertains to the administration of the airport and airway trust fund. This report differs from the House bill in only three areas:

First. We agreed to correct an omission in the original legislation by making American Samoa and the Trust Territory of the Pacific Islands eligible for the grant-in-aid program for airport and navigational facilities development.

Second. We agreed to amend provisions of law which concern the airport certification program. This matter requires some explanation.

For a number of years we have required pilots, mechanics, and aircraft to be certificated by the FAA. In the Airport and Airway Development Act of 1970, the Congress added the additional requirement that airports which serve certificated air carriers also be certificated. This was a logical and necessary addition for air transportation safety. In the 1970 act, we allowed a 2-year period for implementation of the program. The Senate-passed substitute to H.R. 7072 contained an amendment to extend this leadtime for an additional year. Upon information from the FAA and a large number of small and medium-sized airport operators around the country, a case was made to add 1 year to the leadtime—from May 21, 1972, to May 21, 1973. We agreed to the Senate amendment on this matter.

Third. Your conferees also decided to agree to a Senate amendment to the statutory requirements which prescribe terms and conditions for issuing airport operating certificates. As many of you know, the FAA has responsibility for installing air navigation facilities at airports throughout the Nation. Because this is essentially a Federal responsibility, the Senate did not believe it appropriate to require airport operators to make adequate provision for such facilities before they can obtain an operating certificate. Therefore, your conferees agreed to an amendment which would remove this requirement from the statute.

Mr. Speaker, I believe the conference report is consistent with H.R. 7072 as passed by the House. It is identical to the House-passed bill in those major areas which concern the administration of the airport and airway trust fund. Finally, the Senate would have amended the tax provisions of the Airport and Airway Revenue Act. That act came out of the Committee on Ways and Means, and we insisted that no changes in that act be made. The Senate receded.

I urge, without reservation, the adoption of the conference report.

Mr. DEVINE. Mr. Speaker, the Airport and Airways Act amendments which passed the House were intended to make sure that funds collected from airline passengers and put in the trust fund were used for the purposes and in the amounts intended by Congress to enhance safety and convenience to air travelers. It did this by requiring that trust fund moneys be kept intact for the building and improving of airports and the development and installation of improved airways hardware.

It was recognized that some administrative and personnel expense would flow from this effort, and that is provided for. It was not intended that the agency charged with handling the trust fund activities should use it to write off and defray ordinary operating expenses.

In the House version this was accomplished by amending section 14 in title I, the part of the act which emanated from the Commerce Committee. The tax portion of the act which had been handled by the Ways and Means Committee was left untouched, although the actual result of the change would definitely affect the operation of the title II. This was understood and agreed to by the two committees involved.

The Senate bill did not go as far as the House bill in tying down the trust fund. It would have allowed its use for ordinary expenses once the minimum amounts required were spent for facilities. The House prevailed in the conference and the bill reported back to you at this time contains the House language.

Another difference was the fact that the Senate bill did make changes in title II of the act. This was dropped and the House version accepted.

Except for the addition of Gaum and the Virgin Islands to the legislation, this disposed of the trust fund problem.

There has been an entirely unrelated problem under discussion of late which does affect the language and operation of the Airport and Airways Act. The provisions of the act contemplate the start of a program to certify airports and to require certain safety features in order to qualify for such certification. Since the act was passed it has become increasingly clear that some airports will have extreme difficulty in making the arbitrary deadline set forth in the act. It also appears that some requirements may be unreasonable and unworkable as well as unnecessary for certain small airports which still have minimum airline service.

Accepted from the Senate bill and agreed to by your conferees are provisions which extend the effective date of the certification sections for 1 additional year to May 21, 1973. Also, the Senate bill would have completely removed the requirement for certain facilities in order to qualify, but the conference version gives the Federal Aviation Administration some discretion in requiring such conditions where it would clearly appear to be in the public interest to do so.

The agreements reached are in accord with the desires of the House as expressed in the bill considered and passed here, and I recommend approval of the conference report.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. YATES. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 392]

Abbitt	Fisher	Mikva
Abourezk	Ford,	Mills, Ark.
Alexander	William D.	Mitchell
Ashley	Fraser	Nelsen
Burleson, Tex.	Gallagher	O'Hara
Casey, Tex.	Giaimo	Pike
Celler	Gibbons	Price, Ill.
Chisholm	Goodling	Puclnski
Clark	Gray	Roberts
Clausen,	Halpern	Runnels
Don H.	Hansen, Idaho	Scheuer
Clay	Hébert	Sebellius
Colmer	Heckler, Mass.	Steed
Conyers	Hillis	Stokes
Dellums	Hollfield	Teague, Calif.
Derwinski	Link	Teague, Tex.
Diggs	McCloskey	Thompson, N.J.
Dowdy	McClure	Widnall
Downing	McKay	Wiggins
Dulski	McKevitt	Wright
Edwards, La.	Macdonald,	
Evins, Tenn.	Mass.	
Fish	Mathias, Calif.	

The SPEAKER. On this rollcall 367 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 704 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 704

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the

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Union for the consideration of the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from California is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 704 provides an open rule with 3 hours of general debate for consideration of H.R. 11731, the Department of Defense appropriation bill for fiscal year 1972, and all points of order are waived against the bill.

One reason for the waiver is the fact that H.R. 8687, the Department of Defense authorization bill, has not been enacted into law and there are 22 instances of appropriations in this bill affected by that lack of authorization.

The list is as follows:

On page 3, lines 11 through 18, "Reserve Personnel, Army";

On page 3, line 19 through page 4, line 2, "Reserve Personnel, Navy";

On page 4, lines 3 through 9, "Reserve Personnel, Marine Corps";

On page 4, lines 10 through 17, "Reserve Personnel, Air Force";

On page 4, lines 18 through 25, "National Guard Personnel, Army";

On page 5, lines 1 through 7, "National Guard Personnel, Air Force";

On page 13, line 20 through page 14, line 9, "Aircraft Procurement, Army";

On page 14, lines 10 through 24, "Missile Procurement, Army";

On page 15, lines 1 through 16, "Procurement of Weapons and Tracked Combat Vehicles, Army";

On page 17, lines 3 through 18, "Procurement of Aircraft and Missiles, Navy";

On page 17, line 19 through page 18, line 14, "Shipbuilding and Conversion, Navy";

On page 18, line 15 through page 19, line 9, "Other Procurement, Navy";

On page 19, lines 10 through 21, "Procurement, Marine Corps";

On page 19, line 22 through page 20, line 18, "Aircraft Procurement, Air Force";

On page 20, line 19 through page 21, line 13, "Missile Procurement, Air Force";

On page 23, lines 5 through 14, "Research, Development, Test, and Evaluation, Army";

On page 23, lines 15 through 24, "Research, Development, Test, and Evaluation, Navy";

On page 24, lines 1 through 10, "Research, Development, Test, and Evaluation, Air Force";

On page 24, line 11 through page 25, line 12, "Research, Development, Test, and Evaluation, Defense Agencies"; and

On page 25, lines 13 through 21, "Emergency Fund, Defense";

On page 45, line 13, through page 46, line 20, "Section 738", which makes appropriations available for the support of Vietnamese and other Free World Forces or for the support of local forces in Laos and Thailand, and related costs; and

On page 48, line 9, through page 49, line 2, "Anti-Ballistic Missile Construction."

In every instance cited the sum recommended for appropriation is less than or the same as the sum named in the conference report on H.R. 8687.

In addition, the Appropriations Committee in its report, on page 126, lists and recommends limitations and legislative provisions not heretofore carried in connection with any appropriations.

The bill provides an appropriation of $71.048 billion, which is about $2 billion more than the appropriation the last fiscal year, but less than the budget figure.

With 3 hours of general debate, there is ample time for the bill to be considered thoroughly and in detail.

Mr. Speaker, I urge the adoption of the rule.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

The SPEAKER. The gentleman from California is recognized.

Mr. SMITH of California. Mr. Speaker, the distinguished gentleman from California (Mr. SISK) has very ably presented this rule. I agree with every statement he has made. I concur with him and associate myself with his statements, and in the interest of time, urge adoption of the rule.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. So, then, this closed rule is a further tribute to foot-dragging. Here it is the middle of November and we still have to resort to a rule in order to get an appropriation bill before the House. We are resorting to a closed rule in the sense that all points of order are waived, in order to get this appropriation bill before the House of Representatives, due to the foot-dragging in the other body and its failure to approve authorizing legislation. Is that a correct assessment?

Mr. SMITH of California. Mr. Speaker, I agree with the gentleman, however, in this instance the Rules Committee has had to waive all points of order, because I have three and a half pages here of nongermane matters which have not been approved yet. The House has taken care of many of them. Also there are 45 instances of legislative language which is identical with previous legislative language in previous appropriation bills on defense. There was no objection from the Armed Services Committee thereto.

However, I agree with the gentleman's statement.

Mr. GROSS. I cannot wait for another so-called reorganization bill to come along so that I can vote against it, and this is one of the reasons. I know the splendid contribution the gentleman from California made to that bill, but here is another example of how rape is carried out with respect to the orderly consideration of legislation.

Mr. SMITH of California. I do not think the reorganization bill has anything to do with this bill. We face this every year, because of the delays.

Mr. GROSS. But the House, through the device of rules changes, was trying to establish orderly procedures in considering legislation. At least it seems to me that was the alleged objective of the legislation.

Mr. SMITH of California. I do not object to the gentleman's statement. I will say to him we will have two or three more beauties from the Rules Committee before this session is over, and I hope the gentleman is here on those days.

Mr. GROSS. Mr. Speaker, I will be and I thank my friend from California for yielding.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SIKES. Mr. Speaker, before the motion to go into the Committee of the Whole, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill H.R. 11731, making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes, in the body of the RECORD today and to include therewith pertinent extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11731 with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. MAHON) will be recognized for 1½ hours, and the gentleman from Ohio (Mr. MINSHALL) will be recognized for 1½ hours.

Mr. MAHON. Mr. Chairman, I yield myself such time as I may consume.

Today we begin the consideration of the largest appropriation bill of the year. There are indications that in connection with this bill there will be several hard-fought amendments. One will have to do with an expenditure limitation and one will have to do with the proposed withdrawal of all our military forces from Vietnam. And there will be other amendments. It would seem that the best time to discuss these issues in detail will be under the 5-minute rule when the bill is being read for amendment.

At this time of great international turbulence, it would not be wise to make radical or drastic changes in defense programs. To skyrocket upward or toboggan downward would be unwarranted, unsettling, and possibly dangerous. A steady and stable military program is called for and that is what the pending $71 billion appropriation bill provides. More so than usual, the short- and long-range future is unpredictable.

The Soviet Union has surpassed us in intercontinental ballistic missiles on launcher, but for the current fiscal year our overall military strength is considered sufficient to deter aggression insofar as aggression can be deterred by military strength.

Of course, we know that military strength is only one of the factors in deterring aggression. We know that the will and the unity of the people may often be more important than military strength.

Yesterday I was in the home of Stephen Decatur, which is now an historic place in this city. I remembered the spirit of patriotism and love and support of country which existed at that time. I remembered that toast which he made at Norfolk:

> Our country! In her intercourse with foreign nations may she always be in the right; but our country, right or wrong.

There is some considerable virtue in that. Perhaps there is something philosophically bad about it, but we must not retrogress to the point where we say we will support our opponents, whether they are right or wrong in their opposition to the United States.

Now, the rate of Russian military buildup, if continued, will require next year a more adequate response than the pending bill provides—and I measure my words.

The outcome of the strategic arms limitation talks with the U.S.S.R., the so-called SALT negotiations, remain unpredictable. Whether they will be fruitful or not is very much in doubt.

We are rapidly discontinuing our combat role in Southeast Asia. Apparently some people are not fully aware of this, but we are. As of today, we have made a net withdrawal of some 360,000 men. As of February 1 of next year we will have made a withdrawal of 405,000 men from the peak of over 540,000 men—a withdrawal of almost 80 percent of the number which we had in Vietnam at the peak of the buildup. On about February 1, we are advised that further withdrawals are to be ordered and implemented.

But it seems that some of our people are insisting that we quickly, and perhaps recklessly, withdraw American power from the far Pacific and leave a vacuum which would be against the long-range best interest of the United States. We all want to see the war ended, at the earliest moment reasonably possible, but do we want to walk away and leave a vacuum and see the sacrifices we have made in life and limb and the investments we have made in time and dollars go down the drain? What virtue is there in that?

In World War I did we pull out the troops immediately after the actual combat ended? Of course not. The war ended in 1918, but we did not withdraw all our troops until 1923.

What about World War II? We still have a force of about 280,000 men in Western Europe. Suppose we had withdrawn them immediately after hostilities ceased. We would have left a vacuum. Would the western powers have the strength that they now have, and would it have been possible to prevent world war III? Would we have been able to have had at least some degree of peace during this 25-year period? I do not know but so far a third world war has been avoided.

We were very much concerned about finding an acceptable solution to the war in Korea and when Mr. Eisenhower became President, he completed an agreement that brought an end to the fighting, but what did he do? He left American forces on the scene in Korea after the combat was over to guarantee that we did not lose the fruits of what had been accomplished. Yes, the war in Korea was ended; our objectives were largely attained, and today they remain intact. We did not walk away from a difficult situation.

In Korea we gave blood and treasure. We capitalized on the sacrifices we made in Korea, and we should not forfeit our opportunity to capitalize on the sacrifices that we have made in Southeast Asia.

Mr. Chairman, Indonesia, with its 100 million people, the reservoir of much of the potential economic power in that part of the world, was about to go down the drain, but as the United States asserted its power and influence in the far Pacific, a degree of stability was restored. The country gained the confidence and competence to recover and avoid a Communist take-over.

Yes; we still have one division in Korea and we have spent a lot of money to help strengthen that country and to protect our investment there.

A wise and successful investor does not walk away and leave his investment unprotected.

Now, in the course of our history we come to Vietnam. It has been a frustrating and often disappointing effort. President Eisenhower, President Kennedy and President Johnson all did what they thought was in the best interest of our country in dealing with the problem. President Nixon has followed in the same tradition, seeking to serve the best interests of the Nation. I do not question or impugn their motives under any circumstances and I have no patience with those who would impugn the motives of Presidents of the United States in matters involving the life and death of this Nation, politics aside.

The fact is that we have lost 55,000 men in South Vietnam and invested in excess of $100 billion in treasure. Are we at this late hour going to quickly pull out all our forces and leave a vacuum in Southeast Asia? We did not do it in Korea. We did not do it in Europe after World War II. We did not do it after World War I. We must proceed with caution lest we jeopardize the power and influence of the greatest country in the world.

Mr. Chairman, I think that Stephen Decatur had something when he said, "My country, right or wrong." I grant you that no one knows just what the precise answers are. But we need to be united. We need to look after our own self-interests as a nation.

So, I propose to support the leadership of my country in this foreign policy matter. That is just the way I mean to feel and that is the way I think the majority of this House feels.

So, we must protect our investment in Vietnam and Southeast Asia, not by the use of combat forces but by the presence of power. We should use the presence of power not to fight but to avoid fighting.

We are rapidly discontinuing our combat role in Southeast Asia. As of February 1 of next year there may be some further sharp withdrawals announced.

Now, before I proceed I want to yield to the gentlewoman from New York who is on her feet.

Mrs. ABZUG. I thank the gentleman for yielding.

I wonder if the gentleman could tell us how much money is allocated for Vietnam in this appropriation bill? I have read through it very carefully and I have not been able to determine the amount.

Mr. MAHON. Anyone would have difficulty in estimating how much will be used in Vietnam.

If we maintain a force of about 2.5 million men, if we maintain a certain number of ships, a certain number of aircraft, a certain training program and a certain number of bases, that costs so much regardless of whether or not we are in Vietnam. What personnel level is maintained and how many bases and ships are kept operative at what level is almost impossible to calculate. I would say Vietnam costs will be somewhere between $5 and $8 million.

Mrs. ABZUG. The gentleman said millions. I think the gentleman might have meant billions.

Mr. MAHON. I mean billions.

It is difficult to estimate the figure for a number of reasons. Relatively little money will go for actual combat. What we are trying to do now is to achieve a position where we can maintain our presence and give the South Vietnamese maximum opportunity to exercise their independence and to prevent a complete deterioration in Southeast Asia—to avoid a takeover by the Communists of Thailand, Cambodia, Laos, and South Vietnam.

So it is impossible to state precisely how much from this bill should be attributed to Vietnam. The war at one time was estimated to be costing in the area of $25 billion to $30 billion, and it is now estimated to be costing in the area of $5 billion to $8 or $10 billion.

Mrs. ABZUG. Do you think our role in the self-determination of the people of South Vietnam, when our presence in South Vietnam is costing between $8 and $10 billion, has been fulfilled? We have done nothing to disavow the nonelection which took place recently in South Vietnam in which there were no other choices given the South Vietnamese people whereby they could have a determination in the selection of a leader to help them. This was avoided by Mr. Thieu who saw to it that the opposition leaders were silenced or put into prison.

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Is that the way we should spend $10 billion, which you admit that we need to secure the independence of the South Vietnamese people? Should we be spending $10 billion of the American taxpayers' money and the lives of American men and the lives of innocent victims just to secure the corrupt and self-appointed regime in South Vietnam? Is that the fair thing to do for individuals and for the Vietnamese people, or any other people?

Mr. MAHON. If the gentlewoman from New York has concluded, may I say that I am interested in preserving the integrity, the power, and the strength of the United States.

I am interested in seeing that we retain in effective posture vis-a-vis Red China, which menaces all of Asia, and in the long run the security of the United States. I am interested in seeing us maintain a strong posture vis-a-vis the Soviet Union that gives a maximum capability to prevent world war III.

I realize that no government under the sun is perfectly free from criticism, and from mismanagement at times, and from some degree of corruption at times. And that includes to some degree even the United States. It includes, indeed, every country in the world.

Just because I do not like the way the election went in South Vietnam, I am not willing to forfeit or abandon the tremendous investment in men and money of the United States and leave a vacuum of power which would be to the long-range disadvantage of the United States. I do not think that we can undertake to guarantee a pure and democratic government in all of the countries of the world.

We have to look after the United States. We have been seeking to keep freedom alive in South Vietnam, and in the larger sense in Korea, in the Middle East, and in Western Europe.

What we are trying to look after is the long-range interests of the United States. And we have thus far, in this 25-year period, avoided world war III.

Now, if I may proceed——

Mrs. ABZUG. Mr. Chairman, will the gentleman yield one moment further?

Mr. MAHON. I cannot yield further at this time. I will yield the gentlewoman some time later if she wishes and of course she can seek time under the 5-minute rule.

Mrs. ABZUG. All right. Thank you, Mr. Chairman.

Mr. MAHON. Nobody knows precisely what to do about military preparedness at a time like this but a majority of the 55-member House Committee on Appropriations agrees that the pending measure proposes about what should be done at this time.

The dismal state of Federal fiscal affairs had to be considered by the administration and the committee in tailoring the pending measure. The deficit in Federal funds last year was in excess of $30 billion and the Federal funds deficit for the current year will be in excess of $35 billion.

Revenues are being eroded by tax reductions with the hope of stimulating the economy. Large increases are being made in authorization programs and appropriation bills. As Congress cuts taxes and reduces revenues, it should be remembered that Federal spending is estimated to increase this year by $20 billion over last year.

The morning paper advises that in the third quarter of this calendar year, the balance-of-payments deficit was the largest and perhaps the most disastrous in history.

In short, fiscally the Nation is out of joint and the inevitable day of reckoning is approaching.

In this fiscal and economic atmosphere some reductions in the defense budget would be expected. The proposed reduction in the pending bill is $2.4 billion which should result in a spending reduction during this fiscal year of about $1 billion.

It is impossible either in a brief statement or in a lengthy statement to the House of Representatives to describe fully the content of the pending measure but some basic information is in order.

I shall now turn to the committee report and call your attention to some of the information contained therein. The summary pages from the front of the report follow:

The Committee considered budget estimates totaling $73,543,829,000 as presented in the President's Budget, as amended, for fiscal year 1972.

The acompanying bill recommends new appropriations in the total amount of $71,048,013,000, a decrease of $2,495,816,000 below the estimates of which $535,000,000 is offset by transfers. The sum recommended is $1,467,311,750 above the corresponding appropriations enacted for fiscal year 1971.

Congressional action on the bill authorizing Procurement and Research, Development, Test, and Evaluation appropriations specified reductions from budgeted amounts totaling approximately $919,000,000.

The net reductions recommended in the new appropriations requested in this bill total roughly 3 percent of the estimates; ninety-seven percent of the sum requested is recommended for appropriation.

The sums recommended, when added to the balances remaining available on June 30, 1971, will make a total of aproximately $82,000,000,000 available for obligation and a total of approximately $102,000,000,000, including obligated and unobligated funds, available for expenditure in fiscal year 1972 in the accounts included in this bill.

The general transfer authority granted the Secretary of Defense is recommended to be $600,000,000. In addition, transfers totaling $435,000,000 are recomended from prior year accounts along with a $100,000,000 transfer from the Defense Stock Fund and a $58,700,000 transfer from the Air Force Stock Fund.

The sums recommended for appropriation are considered to be sufficient to maintain adequate military strength in Fiscal Year 1972 and will provide the base for carrying that strength forward into subsequent fiscal years. The reductions recommended can be accommodated without denying programs essential to the basic military strength of the country. Many of the actions recommended are intended to provide an increase in military strength through the improvement of management practices and procedures in the Department of Defense. The appropriation of the funds recommended will provide for increased readiness and for the modernization of hardware and equipment in a great number of areas.

A brief summary of the major areas in which changes from the budget are recommended follows:

SELECTED MAJOR AREAS OF COMMITTEE ACTION

[In millions]

1. Procurement funds failing authorization	—$662,600
2. Research, Development, Test, and Evaluation funds failing authorization	—257,000
3. Application of excess prior year funds to FY 1972 program	—535,000
4. Reductions associated with 58,000-man force reduction mandated in Selective Service Act	—313,800
5. Termination of Main Battle Tank Program	—86,600
6. Reduction in Intelligence programs	—181,000
7. Increase for the Civilian Health and Medical Program of the Uniformed Services (Champus)	+128,700
8. Reduction in civilian personnel	—49,435
9. Reductions in Safeguard program	—182,600
10. Reduction of requested transfer authority from $1.0 billion to $600 million	—400,000

It is estimated that budgeted outlays (expenditures) will be reduced by approximately $1.0 billion in fiscal year 1972 by the action of the Committee.

BASIS OF CONSIDERATION

The Committee on Appropriations continues in its strong belief that adequate military strength is the foundation of national survival and must be given the highest priority in the allocation of Federal funds. The magnitude of the sums proposed in the accompanying bill gives substance to this belief. Even though there has been greatly increased spending in many non-defense areas, the national defense program remains the recipient of more appropriated funds than any other program area.

The Committee is keenly aware of the serious threat to the national economy and to the Nation posed by excessive economic inflation. It is currently estimated that the deficit in this fiscal year will approximate $35,000,000,000 on a Federal funds basis and $28,000,000,000 on the unified budget basis. It has increased sharply from the January estimate—due to a fall-off of revenues because of economic sluggishness and pending tax reductions, and higher than anticipated expenditures. The national debt has been increasing at a more rapid pace in recent years and the fact that the Government has been consistently spending far more than it has taken in is a major factor in the inflation which is eroding the dollar all over the world. Inflation has not only adversely affected most of the individuals in the country but has impacted severely on national defense in that the defense dollar buys far less than it bought in past years.

The Government's attempts to control inflation cannot succeed in the long term unless Federal receipts more closely match Federal spending.

With both the need to provide adequate defense and the need to control inflation in mind, the Committee has carefully screened the budget requests for the Department of Defense and has recommended that reductions be made wherever reasonably possible. No essential programs have been adversely affected by the reductions recommended.

Congressional oversight of defense spending plays an important role in national security in compelling the military services to channel their financing into the areas of highest priority. All Defense Budget programs are not of equal priority and too often funds

are requested for programs which do not enhance our security in any meaningful way.

Intelligence estimates presented to the Committee show that the Soviet Union is engaged in strengthening and modernizing its military forces. The Soviet Union has passed the United States in numbers of intercontinental ballistic missiles on launchers. The United States still maintains an adequate and credible strategic deterrent force since our missile launching submarines still outnumber those of the Soviet Union and our manned strategic bomber aircraft far outnumber those of the Soviets.

It was probably inevitable that a world power such as the Soviet Union would eventually turn its attention to the construction of a first class deep water navy, and the Soviet has done so. The Soviet ICBM buildup and the Soviet naval buildup are matters over which the United States has no direct control. We must measure their buildup and continue to evaluate their strength and their intentions so that we may be certain that our forces are adequate to discourage on attack based on a Soviet miscalculation of weakness on the part of the United States. The Committee believes that those forces are now in being, and feels that the magnitude and intensity of the Soviet buildup precludes the United States from making drastic reductions in the Defense budget at this time.

While the Strategic Arms Limitation Talks have been in progress, the United States has refrained from increasing its strategic nuclear forces. The Soviets have increased their strategic forces rapidly during the same period. While it appears that today the United States has strategic strike capability which will continue to deter any possibility of a reasoned Soviet attack, the Committee believes that the Department of Defense cannot wait another year on an agreement in SALT while the Soviets produce additional strategic weapons and the United States does not.

The budget did not request one additional strategic bomber or one additional strategic missile, either land-based or sea-based, for our forces and none are provided in the authorizing legislation or in the accompanying bill. The budget does provide for improvements in our strategic forces in that the multi-warhead POSEIDON sea-based missiles are replacing the shorter range POLARIS missiles and the Minuteman force is being upgraded with the introduction of multiple independently targeted re-entry vehicles and hardening.

It has been the pattern of the United States to sharply reduce our military forces after the end of a major conflict. We did so after World War II and again after the Korean War. The War in Southeast Asia is not yet over but active participation by United States forces has greatly decreased. Even so, the Fiscal Year 1972 Budget, and the appropriations recommended in the accompanying bill, represent increases over the previous fiscal year, not decreases. The decreases in military personnel in the past year would lead the Congress to anticipate a budget decrease, not an increase. The increase of $1.5 billion is supported by a number of factors. High costs due to economic inflation have caused defense costs to rise. The desire to continue on-going programs and installations in order to provide jobs and in order to avoid a further increase in unemployment is probably a factor. Also, the military services, as is not uncharacteristic of Government agencies generally, have sought the opportunity to keep their budgets at a high level and have included favored programs in the Budget which could not be funded when the war made heavier demands on appropriations. The Committee believes that this is an area which calls for close Congressional scrutiny during this transition period and has tried to screen new proposals carefully.

First consider that the bill provides $71 billion for the current fiscal year, which is rapidly moving along, having begun on the first day of July.

If we turn to page 2 of the report we see that we have increased the bill over last year by in excess of a billion dollars. The summary table printed on page 2 of the report follows:

SUMMARY OF BILL BY MAJOR CATEGORIES

Functional title	Appropriation, fiscal year 1971 (new budget obligational authority)	Budget estimate, fiscal year 1972 (new budget obligational authority)	Committee bill	Committee bill compared with— Appropriation, fiscal year 1971	Committee bill compared with— Budget, estimate fiscal year 1972
Title I—Military personnel	$22,397,857,000	$21,291,969,000	$21,021,974,000	—$1,375,883,000	—$269,995,000
Title II—Retired military personnal	3,391,032,000	3,777,134,000	3,777,134,000	+386,102,000	
Title III—Operation and maintenance	20,121,894,000	20,647,834,000	20,435,481,000	+313,587,000	—212,353,000
Title IV—Procurement	16,029,110,000	19,681,600,000	18,185,292,000	+2,156,182,000	—1,496,368,000
Title V—Research, development, test, and evaluation	7,004,187,250	7,949,362,000	7,511,762,000	+507,574,750	—437,600,000
(Transfer authority)	(50,000,000)	(50,000,000)	(50,000,000)		
Title VI—Special foreign currency program	2,621,000	12,300,000	12,000,000	+9,379,000	—300,000
Title VII—General Provisions (Additional transfer authority, Sec. 736)	(600,0000,00)	(1,000,000,000)	(600,000,000)		(—400,000,000)
Title VIII—Anti-ballistic missile construction	334,000,000	183,570,000	104,370,000	—229,630,000	—79,200,000
Total, Department of Defense	69,580,701,250	73,543,829,000	71,048,013,000	+1,467,11,750	—2,495,816,000
(Transfer authority)	(950,000,000)	(1,.50,000,000)	(650,000,000)	(—300,000,000)	(—400,000,00)0

One would wonder or ask why with the war costs decreasing rapidly we are increasing appropriations. We have given numerous pay increases to our military and civilian personnel and about 60 percent of all the money in this $71-billion bill goes for pay of personnel and for the support of personnel and not for weaponry.

PROPOSED REDUCTIONS

The reductions we have made amount to $2.5 billion.

I will elaborate on many of these matters for the record.

We enumerate the reasons for the reductions. And one reason for the reduction was the reduction provided and mandated by the procurement authorization bill—of $662 million in procurement programs and $257 million in research and development programs.

We recovered from unobligated prior years' appropriations $435 million by the technique of transferring these funds in lieu of new appropriations. Last year we made procurement and R.D.T. & E. funds available for obligation for 2 years or 3 years or 5 years instead of available until expended. Following the periods stated they would revert to the Treasury. So we capitalized on the availability of those funds in preparing this bill for the consideration of the House.

The Selective Service law passed by the Congress provided for a 56,000-man-year cut in the budgeted manpower of the services. As a result of this cutback by the Congress in the size of the military forces, we were able to make a reduction of $313 million.

MAIN BATTLE TANK

The bill provides no funds for the continuation of development of the XM–803 main battle tank of the Army. The bill does provide $20 million for the development of two new prototype tanks. This action terminates the main battle tank program.

It is felt that to continue the main battle tank program would be to throw good money after bad. The main battle tank program was initiated as a joint tank development program between the United States and Germany and was initially funded in fiscal year 1964. Since that time there have been many technical difficulties and cost increases and the Germans have ceased their participation in the program. Approximately $300 million has been provided to date for the program.

The proposed XM–803 is unnecessarily complex, excessively sophisticated, and too expensive. The Army has deleted some of the systems which were proposed for the tank in the earlier days of the program in an attempt to field an austere version of the main battle tank for something around $600,000. It appears that this effort has not been successful and that the XM–803 tanks would probably cost between $850,000 and $1 million each.

What we need are tanks which are rugged and dependable and which are priced so that we can buy the large numbers required to offset the large Soviet tank forces.

The many complex and marginal systems included in the main battle tank program tend to make it unreliable in that each of these complex systems would tend to breakdown and impair the effectiveness of the force.

The House voted to delete the funds for this program on the recommendation of the Armed Services Committee in the passage of the authorization bill. The Senate deleted all the procurement funds and provided that research and development continue. After much discussion the Senate position was agreed to in the conference. The action we are recommending restates the position formerly taken by the House on this matter.

INTELLIGENCE

The bill provides for a reduction of $181 million across the board in the intelligence operations of the Department of Defense. The committee has found the various intelligence operations to have

grown beyond the size absolutely necessary to provide needed intelligence. The committee does not question the importance of good intelligence. We must know what our opponents are doing. But we have redundant means of obtaining intelligence, all of which are not essential. It has been generally recognized, both in the Congress and in the executive branch, that some streamlining of the Defense intelligence operations would have to be made. About 10 days ago the President announced a reorganization of the management of intelligence.

In recent years the committee has had many hearings, investigative reports, and other indications of excessive spending in the intelligence area. I believe that the reductions made can be applied in such a way that the essential intelligence requirements of the United States will continue to be met. In fact, we expect an improvement in intelligence operations. Now, excessive data at times clogs the pipeline so that it is difficult to obtain needed intelligence in the time in which it would be most useful.

CIVILIAN PERSONNEL

The bill provides for a reduction of $49.4 million in civilian personnel. The President has stated that civilian personnel in the Government would be reduced by 5 percent in this fiscal year as a part of his program of economic restraints. No specific instructions have been given to the Department of Defense in this area, but the committee feels that the reductions recommended which are far less than the 5 percent indicated by the President are appropriate and will be in line with the President's specific recommendations. The bill provides about $7.8 billion for the civilian personnel of the Department of Defense, not including those civilian personnel funded under industrially funded activities.

We increased the budget for civilian health and medical programs for the uniformed services by $128 million.

We reduced the Safeguard ABM program by $182 million.

Those generally are the big areas where reductions and modifications in the budget were made.

MILITARY PERSONNEL

With respect to the number of people that this bill will support, if we turn over in the report to page 25, we find that on June 30, 1970, we had 3 million men and women in the armed services. It is estimated that at the end of this fiscal year we will have a half million fewer men and women—about 2.5 million. The table from page 25 of the report follows:

ACTIVE DUTY MILITARY PERSONNEL STRENGTHS

[In thousands]

	June 30, 1970 actual	Dec. 31, 1970 actual	Fiscal year 1971 estimate Average	Fiscal year 1971 estimate End	Fiscal year 1972 estimate Average	Fiscal year 1972 estimate End
Army:						
Officers	166.4	160.0	158.9	144.6	135.7	129.0
Enlisted	1,153.0	1,069.4	1,765.0	958.7	884.3	808.8
Cadets, USMA	2.8	3.9	3.9	3.9	4.3	4.3
Total, Army	1,322.3	1,233.3	1,227.8	1,107.2	1,024.3	942.2
Navy:						
Officers	80.5	77.4	77.2	74.3	74.8	73.6
Enlisted	607.4	568.2	574.6	544.1	537.7	525.7
Midshipmen USNA	4.5	4.3	4.2	4.2	4.2	4.2
Total, Navy	692.4	649.9	656.0	622.6	616.6	603.5
Marine Corps:						
Officers	24.9	23.1	23.5	21.6	20.7	19.9
Enlisted	234.8	208.6	213.6	189.9	189.1	186.5
Total, Marine Corps	259.7	231.7	237.1	211.5	209.8	206.3
Air Force:						
Officers	129.5	128.2	128.3	125.9	126.0	124.2
Enlisted	657.4	626.8	634.9	627.0	628.5	624.2
Cadets, USAFA	4.1	4.0	4.0	4.4	4.2	4.4
Total, Air Force	791.1	759.0	767.2	757.3	758.6	752.8
Total, Department of Defense:						
Officers	401.4	388.7	387.9	366.4	357.1	346.7
Enlisted	2,652.6	2,473.0	2,488.1	2,319.7	2,239.6	2,145.1
Academy cadets and midshipmen	11.4	12.2	12.1	12.6	12.6	13.0
Grand total	3,065.5	2,873.9	2,881.1	2,698.7	2,609.4	2,504.8

PROTOTYPE DEVELOPMENT

One of the things we are doing in this bill is insisting upon more prototype development, more "fly before you buy," more testing of weapons before we go into production, in order that the problems which have arisen in connection with the F–111, the C–5A, and the F–14 will not be so likely to arise in the future.

This would get us away from the procedure we have followed for years in which we have bought paper aircraft which have too often failed to live up to expectations. In following the prototype hardware development concept we will at least know something of the end product before we involve ourselves in hardware procurement and, hopefully, we will be able to produce better military hardware with fewer defects and at an overall lower cost.

PERSONNEL ACTIONS

We do quite a number of things in connection with military personnel. Heretofore the services have been required to take a certain percentage of their new accessions from mental group IV. Mental group IV individuals are those individuals who score from 10 to 30 on the Armed Forces qualification test, a test where ratings range from zero to 100. They have been taking from 50,000 to 100,000 of these men per year into the service. Much of the difficulty the services have experienced in disciplines has come from this group. We do not negate the program of the services in taking people in these lower mental brackets into the service, but we make a stipulation that these acquisitions shall not be based upon a quota system.

We discussed the recruiting program at great length. As we try to move, hopefully, toward an all-volunteer Army.

We discussed in some detail the fact that this bill contains about $7.5 billion-plus for research and development, and we discussed the programs that are under research and development—and they are very substantial indeed.

FUNDING OF RESEARCH AND DEVELOPMENT CENTERS

Speaking of the request for R.D.T. & E. appropriations, I would like to mention something which came to the attention of the committee this year.

During fiscal year 1971, for test purposes, selected research and development centers were placed under a "service funding" concept of management. This concept is generally referred to in the Department of Defense as a "working capital" or "industrial funded" type of operation. Funds for these types of research and development operations are not obtained directly through the appropriation process, but indirectly through funds appropriated to the services for specific programs or projects. The services then place an order against a particular center for specific research and development work.

Under the "service funding" concept, visibility of the operation at a particular center is, to a large extent, lost to the committee. This visibility is very important in the R.D.T. & E. area. Under the direct appropriation process responsibility can be affixed to a center for carrying out a specific operation. There are also many other advantages, such as reducing funding when appropriate.

The committee would like to retain this visibility and I am requesting the Department of Defense to return to specific line item requests for these centers in presenting the fiscal year 1973 budget request.

We discuss, beginning on page 72 of the report, the procurement program, which is about an $18 billion program for all the services.

I think I should not take any more of the time of the committee to discuss the details of the bill. Anybody who wants to know more of the details, should read the report or portions of the report, and the bill itself, and portions of the nine volumes of the hearings which were conducted.

Mr. Chairman, I shall not undertake to take further time at the present moment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. MINSHALL).

Mr. MINSHALL. Mr. Chairman, and members of the committee, I, too, like the chairman, am not going to cover that material which I know will be thoroughly gone into on both sides of each question when the appropriate amendments are offered to this bill.

As you all well know, we have 3 hours of general debate, and it is anticipated at this juncture that, with the amendments and all the discussions thereto, we will be very fortunate if we finish this bill even late tonight, or we might even go into tomorrow. Hopefully, we can finish it tonight.

The chairman has pointed out very well that this subcommittee has concluded its hearings, consisting of some 56 days of testimony with over 8,000 pages of testimony—some nine volumes of very detailed testimony.

Of course, the printed volumes do not include those parts of the transcript that were deleted for security purposes—many pages more. As the Members well know, many of my friends on this side of the aisle and friends on the other side of the aisle have sat on this subcommittee for many years long before my tenure began in 1960. The gentleman from Texas (Mr. MAHON), the distinguished chairman of the Appropriations Committee, has, I think, a total of approximately 30 years on the Appropriations Committee and in the Congress. I think I would be remiss if I did not pay tribute not only to those who serve on this committee, including the chairman and those of the minority and the majority side, but also give due credit to the wonderful staff we have who have worked so tirelessly and diligently in giving of their time and patience and good counsel throughout the years. They have done an outstanding job.

The chairman has summarized the fiscal year 1972 Defense Department appropriation bill in his usually clear and fair manner. In following him, I would just like to underscore two areas which made our efforts to cut this budget often difficult and in some instances even impossible.

I should like to point out to the committee at this point that the House Appropriations Subcommittee over the past 4 to 5 years has deleted from administration requests approximately $15 billion, not with a meat-ax approach, but with a very careful surgeon's approach.

This year we have eliminated $2.5 billion in nonessential spending, lowering the Pentagon's request from $73.5 billion to our recommendation in this bill, which is now before the Members of $71 billion. This is a billion and a half dollars less than was appropriated for the Defense Department in fiscal year 1971.

My colleagues and I have spent many hours of hard and often frustrating work, extending over much of this year, in our efforts to reduce this budget, and I want to emphasize without jeopardizing national security—and it might be well to place our endeavors in that perspective.

During World War II our Nation allocated more than 36 percent of our gross national product, our total economic output, for defense. During the postwar period, defense spending dropped to a low of about 4.5 percent in 1948 and 1949. Then during the Korean war, it surged back to about 13 percent of our gross national product. With this budget it accounts for only 6.5 percent of our gross national product. The lowest that it has been in nearly two decades.

More than half of today's budget—and I want Members to listen very carefully to this—52 percent of it to be exact, consists of pay and benefits for approximately 2.4 million military and approximately 1 million civilian personnel. Our bill provides for a reduction of more than 1 million military, below the peak of Vietnam war strength of 3.5 million in 1968. As fiscal year 1972 closes, we will be at the lowest force level in more than 20 years. It is in this area where we most graphically see the devastation wrought by inflation on attempts to keep this particular budget down.

By the end of fiscal year 1972 we will have some 200,000 fewer personnel than we had in 1964, the so-called prewar year, yet personnel costs in 1964 were 43 percent of the budget, almost 10 percent less than today. Inflation has added over $17 billion to the personnel costs of the Department of Defense, and that figure does not include the recent pay raise.

Just as startling is the projection of retired pay for military retirees. Today's bill—and the report bears me out—includes $3.8 billion for some 870,000 retirees. Since retired pay continues to increase each year, our committee asked the Defense Department to project the number of retirees and the cost in the year 2000. Now listen to this: By the turn of the century we will have an estimated 1.6 million retirees drawing military retirement benefits at an annual cost—an annual cost in the year 2000—of around $36 billion.

Testifying before our subcommittee, the Defense Comptroller, Assistant Secretary Robert C. Moot, said he did not find the term "explosive" too strong a word to describe the impact of inflation on the defense budget.

Another obstacle across the path of our economy efforts has been the Pentagon's compulsion to make decisions and commit billions of dollars on new weapons systems that exist only on paper. All of us have agonized over whether it would be less costly to go ahead or to retreat and start anew on the billion-dollar bungles still haunting us from the McNamara days. The point is, the awful mistakes that have resulted from decisions reached on the basis of paper studies should have pounded home the lesson, "fly before you buy."

I am proud to say that this administration has adopted the "fly before you buy" concept. It is not truly "fly before you buy," but at least during the beginning of the transition period they are starting out on the right track.

Our committee most strongly and emphatically gives its endorsement to the concept of prototype development in the acquisition of new weaponry. Ten years' sour experience and the wasteful expenditure of billions of dollars inescapably prove that better procurement methods must be established. The argument that design and development and competitive testing of a weapon could "take too long" is shot down when we look at the horrible results of the paper studies.

I should like to recount a few of the bad bungles we have had in the past:

The F–111 program. Members have all been aware of this fiasco. The F–111–B program was finally completely scrubbed by the Navy.

The main battle tank program, which I believe should have been scrubbed 2 or 3 years ago. We had at least the courage and foresight to not let them go any further in this year's budget, and took out the MBT funds.

The C–5A. I do not need to say any more except to say that the "fly before you buy" concept will hopefully prevent such boondoggles in the future.

I should like to quote now from the committee report, which says:

> The very complex studies and analyses which have preceded weapons procurement have proven to be more costly than reliable. The results of the paper studies are interpreted differently by different people. Ambiguities exist and errors exist. The ability of men to put all the pertinent factors involved on paper so that other men can make the proper decision as to which of two weapons systems should proceed has proved faulty.

Secretary Laird, I believe, has now put this train on the right track. He has done an outstanding job, and will, I know, make every effort to avoid the derailments that plagued the previous administrations.

Our committee feels that fabrication and testing or prototype models in a competitive environment would minimize the problem of concurrency which has existed between development and production phases of major weapon systems programs. This excessive concurrency has been a serious source of waste resulting in numerous deficiencies in production equipment, reducing the effectiveness or increasing the price of the equipment, or both. And all too often, I must say, both.

To obtain maximum advantage from the prototyping concept, our consensus is that competition should be established between at least two companies on each system, with the incentive of a profitable procurement contract insuring maximum effort on the part of the competitors.

I want to assure my colleagues in the committee that if this administration follows these guidelines—and I believe they will—this will result in savings, as we look down the road, of literally billions of dollars. I am only sorry that the "fly before you buy" concept was not started sooner.

Mr. YATES. Will the gentleman yield?

Mr. MINSHALL. I yield to the gentleman for a question.

Mr. YATES. The gentleman said that he was glad to see the administration had adopted the fly-before-you-buy concept. Would the gentleman say that that approach is applicable to the F–14 program?

Mr. MINSHALL. No. I said in the beginning of the transition period there were certain foibles and weaknesses in this program, but we are transitioning as fast as we can, to avoid the mistakes of the past. This is the plan of Secretary Laird and the administration.

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Mr. YATES. With respect to the F–14, it is a concurrency program at present?

Mr. MINSHALL. It is to a degree, and I am sure we are on top of it and will make sure that there is no more waste and extravagance in the program than can possibly be avoided.

Mr. MAHON. Will the gentleman yield?

Mr. MINSHALL. I am glad to yield to the chairman of the committee.

Mr. MAHON. I think in all fairness it should be said that it will probably not be possible to use the prototype approach, the fly-before-you-buy approach, completely on all weapons systems.

Mr. MINSHALL. I said that in my statement, Mr. Chairman, and I certainly concur with you, but at least we are pushing in that direction and we are going to carry out the concept as rapidly and as best we can.

Mr. MAHON. The gentleman is correct.

Mr. MINSHALL. Thank you.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, I shall vote for this bill because neither the committee, the chairman of the full committee, nor the staff have had an opportunity to do the preliminary work which is essential to support the changes which I believe to be an absolute must if we are to save our Nation.

Later in this speech I will elaborate on some of the things I say here, giving excerpts from the hearings and debates in the Congress to support my views.

In the first place, I think this Nation is faced with certain realities of life and we will have to review our overall foreign policy and our defense policy and scale down in a great way the total amount that we are spending in the name of defense which is not really that, in my opinion.

As many of you know, I started serving on the Committee on Appropriations in 1943. Except for 2 or 3 years, I have served on the appropriations end of the military operations since that time.

Let me briefly tell you why I want to take this time. It is because, in the first place, after World War II, this Nation set out on an international policy of injecting ourselves into the internal affairs of just about every country in the world which would let us.

THE UNITED NATIONS

Mr. Chairman, because in World War I we had not joined the League of Nations and World War II came along, many people took the simple thought that had we joined the League of Nations we might not have had World War II. That does not necessarily follow. And, at this late date many people might have thought that the United Nations, since we did not get in the League of Nations, might be a deterrent to future wars and might prove to be an instrument for preventing what has happened.

But now we look at it after 15 or 18 years. What it turned out to be was a forum in which all of our enemies could reach the ears of the people of the world through the present news media and then, through our foreign aid program, we had to buy the votes of many small countries which we had created in Africa, most of whom we had gotten into the United Nations. We know the U.N. or a majority of its members now seem to delight in turning down and condemning our country.

Mr. Chairman, largely through various foreign aid programs we have made competitors out of our customers. I know you have heard my colleagues go into many, many details, but this phase of it I do not know that you have had presented to you, but we have had many companies organized for the specific purpose of handling foreign aid programs. Many have made their stockholders rich just to engage in the business of giving away the substance of the American people to almost everyone who would take it. Now after going in debt about $140 billion, this program not only has failed but it has the United States in a bad way at home and abroad.

Mr. Chairman, some years ago there was an investigation by a subcommittee which I had the honor to head to see what we were doing with American dollars and American technical know-how. It developed that we had 723 American experts teaching people all over the world how to produce the same agricultural commodities we produce in the United States today. We feel the adverse effects today.

It was our country that went to Europe and said, "Well, you folks ought to get together and organize for a common market between yourselves, thus it was our Nation which sponsored the European Common Market with our money. However, many did not realize and would not believe that when European countries got together they would make efforts to freeze us out—they see it now.

Mr. Chairman, that is what is happening. I say to you that we have made competitors out of our customers around the world. We have injected ourselves into the internal affairs of just about every country which would let us do it.

Mr. Chairman, foreign aid has not gone to the people of the various recipient countries, it has gone to the incumbent governments. The result is that we have little support around the world. The situation is much the same as if you went into the adjacent States of Virginia, Maryland, or even into Mississippi, took your money there and kept in power in those States officials beyond the time that the people themselves wanted to keep them, and the minute they ever throw out the officials we underwrite, they feel toward us like the people themselves feel today when they finally get rid of the officials we underwrote. In other words, they, in turn, dislike us.

OUR COLOSSUS MILITARY INTELLIGENCE

Now, one of the things that has not been touched upon but which is disappointing to me—and you will not find this in the report because the report reads almost like this committee approves of what has gone on. I do not believe the American people have any idea of the way in which intelligence has been run or rather not run.

My friends, if there ever has been duplication of effort or lack of coordination on anything it is with intelligence. The situation is downright dangerous in my opinion to this country.

You know, they refer to the intelligence community. Why? Because that is the only apt way to describe it. It is almost like trying to run our defense through a town meeting. The various intelligence agencies have trouble knowing each other.

Mr. Chairman, a few years ago we had an investigation at my suggestion and it developed that the Defense Intelligence Agency had 518 linear feet of reports—flat sheets filed face to face—that they had not had an opportunity to examine. We felt the effects in the *Pueblo* incident, the *Liberty*, the Tet enemy offensive in Vietnam. Yes, we had and we have Navy Intelligence, Air Force Intelligence, Army Intelligence, Central Intelligence, but then with our boo-boo in Cuba we set up Defense Intelligence and, in effect, put a fifth wheel on top of the others.

Mr. Chairman, what makes me sad about this situation is that we had to go into this matter with the Secretary of Defense and he brought in one of his good friends who acknowledged that he did not have any experience in military intelligence, but he said he had experience in the study of management and the Secretary of Defense said that this man had spelled out to him how he was going to study this management problem and how he was going to bring together this big backlog and eliminate all of this duplication, which resulted in sending a message around the world, but ended up out here about 30 or 40 miles away at Fort Meade, Md. However, after a year he acknowledged that he had not reorganized this monstrosity of intelligence, so necessary to our safety, the gathering of evidence to support decisions, but had only "put in a better man."

Now, whether there is a better man in charge—and I do not mean to reflect on the men they have, but if the men they have are better than the others it does reflect on the others. My friends, it is the system, or lack of, which is bad. Imagine how hard it is to fix responsibility or to obtain reliable answers where the responsibility is fixed in the intelligence community.

EFFECT OF DEFENSE SPENDING

We now come to the kind of situation we face, and that is that no nation in history has, over a long period of time, spent over half of its total income on defense without ruinous inflation. That is what we are doing and for nondefense programs operated in the name of defense. We found in our subcommittee some years ago, when the Secretary of the Army said, "Listen, we bought $100 million worth of trucks to speed up the economy," that came at a time when we had trucks running out of our ears around the world. We can better spend those funds for needed programs.

I am telling you that defense expenditures are the way we have been running many programs in the colleges and elsewhere, by contract and otherwise; that is the way we have been running our world affairs. Many of these programs may be worthwhile if properly justified. Some may need to go to the Department of Education, or maybe in other appropriations, but they will be viewed for what they are.

The thing about defense is that we have to have it. We have to have defense. Defense is necessary. But except for that fact, as a matter of economics, almost all defense expenditures are 100 percent inflationary. You do not get any useful goods. Oh, you may get a few research results, but you spend your money and you do not have anthing that contributes to the economy.

But if to speed up the economy is the reason we spend, and we must make money flow—and you have been printing it for a long time—I am saying to you we are faced with a restudy of our overall foreign policy, particularly of the United Nations. It has just about pulled us under, of foreign aid and, yes, of defense spending. We are faced with the realities of life. We can no longer take American dollars and underwrite every competing nation around the world, and all these American companies who profit by it.

We must realize that we can no longer carry American experts around the world and make competitors out of our customers. But the fact is that we are going to have to make a study of defense spending or spending in the name of defense and see what part of it is defense and what part of it is something else.

We must turn to the National Guard, to the Reserves, while we center active service in key areas.

You may say, well, you are making this speech—why do you not do something about it? But I am like you. Though I would eliminate many things I have discussed now, however, as to defense, I am going to see that we have protection, just like my chairman, until we can make these studies so we may cut these items and know what we are doing. We are caught in this situation. But the storm signals are out. If you do not believe it, just look around you.

I said in 1964, and in 1965, and in 1966, that we were in Vietnam because of foreign aid, and I said then that we were never going to get out until we told the South Vietnamese what we are going to do, and mean it, because they will never voluntarily let us pull those billions of dollars out of their economy. We could never do anything that would satisfy them. As I said then, and I say it again, we are going to have to see what is in the true interests of the United States. The time has come that you cannot afford to put something not really defense under the name of defense spending and not feel the effect of it; that will not hold any more; it will not work.

I heard my good friend, the gentleman from Ohio, make a statement a moment ago. He said:

I have not had time to discuss the effect of inflation on military spending.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, I yield 2 additional minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, I thank the gentleman for yielding me the extra time.

And to repeat, the gentleman said:

I have not had a chance to discuss the effect of inflation on defense spending.

I recall a few years ago that the cost for the same things was increasing about 7 percent a year because of inflation. Well, let us look at the other side of it, and that is: What is the effect of defense spending on inflation? It is the major cause—and much of it nonessential.

I dare say that nondefense items in the defense bill probably have the major adverse effect. I will say again—and in the RECORD I am going to place, under the permission I received earlier, the details on the *Liberty* and the *Pueblo*, and the Tet offensive, and the statements by this man who came to investigate and reorganize the Defense Department, and ended up becoming Secretary of the Army, and said that all he had done was get a better man because he decided a better man was better than a reorganization.

Oh, I know you read in the paper where the same man, and my good friend, is now going to reorganize intelligence. His statement again was in the press, on paper so to speak. The only thing is, his predecessor did not put it on paper.

Perhaps I have gotten nowhere with this, but I hope somewhere, some time, that the President, and other officials on down the line, will read these hearings, make these reviews of our spending policies. If they study the facts I believe they will decide we are going to have to rearrange our objectives and start over.

I now quote from prior presentations made here and in our hearings.

[Excerpt from CONGRESSIONAL RECORD, Oct. 24, 1967]

IT IS TIME TO CHANGE OUR COURSE

(Speech of Congressman JAMIE L. WHITTEN, to the Fall Services Affairs Conferences, Reserve Officers Association, Biloxi, Miss., November 4, 1967)

VIETNAM

From a modest beginning—300 military assistance and foreign aid advisors in 1955—we escalated our involvement to 692 advisors in 1957, and to 10,000 by the end of 1962. In 1963 the Secretary, who each year estimated when our "involvement" would be over, joined by former Senator Lodge, said the maximum number we would need was 16,500. By July 1965 this number had gone up to 72,000; by November 1965 it had increased to 165,700, and an admitted military operation was on. No longer could the fantasy that our military personnel were there only to counsel and advise be maintained. Today, we know that we have more than 464,000 Americans in Vietnam engaged in combat up to the hilt. The latest plan, according to the President, is for an increase to 525,000 men by June 1968 . . .

Most of our people do not seem to know just how little united support we have in South Vietnam, where our enemies "hide among the people" which means that the South Vietnamese on our side won't report the other South Vietnamese, the Viet Cong who each night war against our men.

Recently I have studied still further the history of Vietnam, of both North and South Vietnam. According to all the records, the South Vietnamese, allied with us, have historically managed to get by with others doing most of the fighting, even during the French occupation. In the early days of the present war, when our men were there to counsel, to advise and then to supervise, the South Vietnamese of course carried the brunt of the fighting, which was sporadic. But as time has passed, more and more the full weight of the war has been placed on the shoulders of our American boys.

I know you, like me, find it difficult to accept the fact that a hundredth-rate power such as North Vietnam, supported by the Viet Cong, has our Nation, with all its power, tied down half-way round the world. To me, every additional day such a condition continues increases their claim to victory and further weakens our position.

I say here and now we must call on North Vietnam for an immediate peace. If this is not forthcoming, we must knock out every vestige of military power or supporting strength in North Vietnam. We owe to the more than 464,000 Americans we have there now, and to the others who are expected to be assigned there soon, this all-out action. Then, as soon as the job is done, we must turn to local officials in South Vietnam and say:

"We have developed your country. We have built your roads, harbors, and airfields. We have brought you almost unlimited military equipment and taught you how to use it. We have provided more supplies and set up more reserve supplies than your country has ever known. We have virtually knocked your opposition out. Now that we have put you in the saddle, it is up to you to carry on, for we have done our part."

And then we need to come home.

[Excerpt from CONGRESSIONAL RECORD, Sept. 2, 1968]

THE "LIBERTY" AND "PUEBLO" INSTANCES

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Another thing that is most disturbing is the ships, the *Liberty* and the *Pueblo*. In the *Liberty* instance the message warning the *Liberty* they were in dangerous waters and to move first went to the Philippines. Message then came back here and was filed at Fort Meade, and never reached the ship, *Liberty*. A second message was then sent out and went to the ship, *Little Rock*, in the Mediterranean, and then to Morocco. Of course, the ship had been struck before any word ever got to it. Human error is always possible—but it seems impossible that we have a system where such things could happen, and the folks here sending out messages have no way of knowing whether the message was received.

With regard to the *Pueblo*, the number of conflicts or incidents between us or the South Koreans and the North Koreans had increased some tenfold within 12 months, and yet our people, from the hearings, seemed to have had no idea that this might indicate any greater likelihood of trouble. According to the testimony, the North Koreans had made numerous passes at the ship to our knowledge prior to its being stopped.

And prior to that, though we knew this ship was in, to say the least, dangerous waters and unescorted, we had made no arrangements through the United Nations to permit the South Korean Air Force, 15 minutes away, to protect such ship in case of need. Of course, earlier we had agreed that the South Korean Air Force, which we largely finance, would be subject to the orders of the United Nations and not to the United States.

All of these things, when coupled with our situation in the rest of the world, to me mean that we must have a wholesale review of not only the war in Vietnam, but of our foreign policy generally.

REVIEW OF INTELLIGENCE SYSTEM NEEDED

So far as intelligence is concerned, when we woke up to the fact that with all of our Central Intelligence, the Russians had missiles in Cuba before we knew it. Instead of

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a wholesale reorganization of the Central Intelligence Agency, we seemingly set up in the Defense Department an entirely new unit, which doubtless cost us billions of dollars, called the Defense Intelligence Agency. If you will read the hearings in part 4, pages 400 through 524, you will wonder how we have done as well as we have. This Agency had all sorts of knowledge of the preparations and movements incident to the Tet offensive, but apparently little idea that the North Vietnamese would strike on a holiday, which they did. If you will read these pages, you will find that when our committee made an investigation, the Defense Intelligence Agency had 517 linear feet of raw intelligence that had not even been analyzed and that it took an average of about 8 days for a piece of raw intelligence to be completely analyzed.

You will note that it is said that hot intelligence gets quicker handling; but someplace, somehow, it would appear that we are getting such a huge volume of miscellaneous information that present systems seem to be breaking down because of numbers and agencies and money spent. Certainly some remedy should be forthcoming.

[Excerpts from appropriation hearings, March 1970]

MONDAY, MARCH 23, 1970.

INTELLIGENCE ACTIVITIES OF THE DEPARTMENT OF DEFENSE

WITNESSES

Robert F. Froehlke, Assistant Secretary of Defense (Administration).

Vice Admiral Harold G. Bowen, Jr., Deputy Assistant Secretary of Defense (Intelligence).

Robert E. Morrison, Executive Assistant, Deputy Assistant Secretary of Defense (Intelligence).

Robert I. Curts, Management Analyst, Deputy Assistant Secretary of Defense (Intelligence).

RESPONSIBILITIES OF SPECIAL ASSISTANT FOR INTELLIGENCE

Mr. MAHON. The committee will resume its hearing.

Mr. Whitten will Chair the committee.

Mr. WHITTEN. We are glad to have with us this afternoon the Honorable Robert F. Froehlke, who is wearing two hats—the Assistant Secretary of Defense for Administration, and also Special Assistant to the Secretary of Defense for Intelligence . . .

Mr. WHITTEN. On August 1, 1969, Secretary Laird issued a memorandum assigning Mr. Froehlke his special duties and outlining his responsibilities, which are:

1. To establish an intelligence resource review and decisionmaking process which will encompass:

(*a*) A mechanism for making comparisons and appropriate tradeoffs between major intelligence activities and programs so that DOD decisionmakers can select the most efficient and effective system for collecting, processing, producing, and disseminating intelligence.

(*b*) A 5-year intelligence resource plan.

(*c*) A procedure for identifying and surfacing major issues of intelligence resource allocation and management.

(*d*) A continuing system for review of intelligence collection requirements balanced against collection resources.

2. To improve intelligence communications among DOD agencies and between the Department of Defense and other agencies.

3. To evaluate intelligence organizational relationships, roles, and missions.

4. To review security policies and eliminate unnecessary classification and compartmentation.

The assignment of this special responsibility followed a review by Mr. Froehlke of the management of intelligence operations in the Department of Defense during the spring and summer of 1969.

Mr. Secretary, we realize it has been only about a year since you began your review of defense intelligence operations. However, the committee was desirous of your appearing to discuss with you first-hand your responsibilities and the new organization you are heading.

I believe, Mr. Secretary, that you were forewarned of the committee's desires when you appeared before the committee for the first time on June 23, 1969, in support of the budget for secretarial activities for fiscal year 1970. Of course, we want to be apprised of your opinions on the overall organization of intelligence operations in the Department of Defense.

Mr. Secretary, we welcome you and your associates before the committee. I see you have a prepared statement. You may proceed.

GENERAL STATEMENT

Mr. FROEHLKE. Thank you very much, Mr. Chairman.

Mr. Chairman and members of the committee, I am pleased to have the opportunity of appearing before this committee to discuss the 1971 budget estimates for intelligence activities. . . .

Mr. Chairman, you read from that assignment from Secretary Laird in opening the session this afternoon.

Each member of the subcommittee has been furnished a copy of this statement and of my report.

My prime responsibility is to establish a way of looking at defense intelligence resources which will let us make tradeoffs between major programs to get the most return for the least dollars. This involves three related actions.

First, I must develop an intelligence resource plan which will lay out, for a 5-year period, what we expect to spend on all major intelligence programs. This plan must show how and why all of the programs fit together and why we need the money, people, and machines in any part of the program.

Second, I must look at intelligence resources as a whole instead of the previous piecemeal approach. Such a review should correct previous errors in resource allocation as well as to surface problems so that current and future resource decisions are made on the best available information on the problem.

Third, I must establish a system for a continuous matching of requirements versus resources. I am doing this so that intelligence activities will not be overtasked, and so that the important requirements get the priority they deserve.

My primary responsibility is for resource management. . . .

[Excerpts from appropriations hearings, June 1971]

REORGANIZATION OF INTELLIGENCE AGENCIES

Mr. WHITTEN. What happened to your assignment of reorganizing the intelligence community? Where did it disappear?

Mr. FROEHLKE. When I was appointed to this position, the Secretary directed me to perform four specific assignments: (1) I should look at the management of resources and make any improvements necessary to make sure the allocation of resources would improve; (2) he told me that I should improve communications among the Defense intelligence agencies, including CIA, and the State Department; (3) he told me that I should take a look at the organization of the intelligence community, and recommend any actions that my study would develop; (4) he asked me to look at the compartmentation and classification situation within Defense and come in with any recommendations. He did not specifically order me to make a reorganization, unless I thought that was the best way to better allocate resources or correct a problem that my study developed.

Mr. Chairman, may I respond to another statement you made?

ASSIGNMENT OF INTELLIGENCE OFFICERS

Mr. WHITTEN. Certainly.

Mr. FROEHLKE. You indicated the possibility that I was being taken over. I recognize anybody new to Washington runs the risk of being taken over by the bureaucracy, the military, or any oldtime Washingtonian. I also recognize that I would be the last one to recognize that.

Mr. WHITTEN. My statement was to some degree facetious.

Mr. FROEHLKE. I think it is a real danger.

Mr. WHITTEN. My thought was based on having listened to your statement.

Mr. FROEHLKE. That is a very real danger. I do want to point out an important point. No one at this head table is an oldtime intelligence type. I am a manager from civilian life, and each one of the officers at the table has not been in intelligence—

Mr. WHITTEN. I would not be so proud of that. We have had some good people in intelligence.

It does raise an issue of whether we should assign people to head intelligent agencies who do not know about intelligence. I agreed with the Secretary when he brought you in, that we needed someone outside to take an objective look at this matter. Now I find that your assignment has changed.

You have so confined yourself and so eliminated your activities that you have pulled yourself in to where your original assignment seems to have been lost sight of. You are a civilian trained in business and analysis of operations and you were supposed to bring to a head the sum total of all of these intelligence operations. Now it seems that you have fenced yourself around, from your own statement, so that the original assignment seems to have been lost in the shuffle somewhere.

I raise this question that you may give the answer.

QUESTIONABLE CHANGE IN ASSIGNMENTS

Mr. FROEHLKE. I do not believe, at least as I understood my original direction from the Secretary, in August of 1969, that my assignment has changed, and that assignment was not to move in and operate the various intelligence agencies, it was specifically to remain out of the operational area, and to allocate resources. This was the first and foremost assignment.

PERSONNEL CHANGES TO IMPROVE INTELLIGENCE ORGANIZATIONS

Mr. WHITTEN. Just tell us briefly what you have done to reorganize intelligence operations to keep another Cuban situation from occurring. What have you done about the 518 linear feet of records that the Defense Intelligence Agency had not gotten around to reviewing? What have you done to keep these and other things from happening again? Have you gotten acquainted with the various agencies to the point that you are now thinking that it was not your job to reorganize and coordinate intelligence activities?

The more questions I raise, the more chance you have to answer. I do not make any apologies for raising these questions because I think you have too many cooks in the kitchen. Sitting on this side of the table you begin to wonder about the intelligence community—at least I do.

When I see these experiences happen to the intelligence community, that rather confirms my thought that Defense has too many cooks. I thought you were going to bring these intelligence operations together—maybe I gathered the wrong opinion. I will go back and review the hearings but I think that was your assignment as you so described it to the committee.

I do not see where you have done anything like that from listening to your statement. What have you done specifically to coordinate and prevent another Cuban situation or another Tet offensive situation? What have you done to coordinate these activities?

Mr. FROEHLKE. No official in the Defense Department can say he is not concerned and has no responsibility for the various situations you described, Mr. Chairman. However, that is not my primary responsibility. As to the specifics, I think the one specific that I have done that will most insure that this will not occur is that I have joined in the selection of Don Bennett as the Director of DIA, Admiral Bowen as my Chief Deputy for Intelligence, and Admiral Gayler as Director of NSA.

Mr. WHITTEN. You have been serving as a personnel officer.

PERSONNEL TO SOLVE PROBLEMS

Mr. FROEHLKE. I have assisted in that area. I think in the long run, as I indicated in my statement, and this is a platitude, but I firmly believe it, people are going to solve the problems.

Mr. WHITTEN. Mr. Froehlke, I do not mean to be argumentative, but again speaking from recollection, it was organization and management that you were an expert in. You came from the business world where you had analyzed businesses that were not running right and you knew how to analyze them and organize them so they would run right.

Now you tell me what you really had in mind was to get people and keep the system as it is. You have done a good job of selecting people but you do not tell me that you improved the system. I am quoting your last answer.

Mr. FROEHLKE. Generally, if I have to make a choice, you correctly described my choice. I would take people every time over reorganization.

Mr. WHITTEN. You would not do that if your assignment was to study the organization which I understood you were here to do. If that was your assignment, you would not neglect your assignment to go out and find people and keep the same old system.

Mr. FROEHLKE. I did study the organization which was my assignment. As a result of the study I recommended that there be no radical change in the organization.

Mr. RHODES. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this is a bill which has the unanimous support of the members of the subcommittee. It is a very important bill because it provides for expenditures for the entire Defense Establishment of the United States. It has always been an important bill but I think is particularly important now because of the fact that we are winding down the war in Vietnam and are shifting gears in matters of defense so that we can start to do some of those things that we should have been doing back in the sixties and the early seventies in order to make sure our Nation's strength is sufficient for the challenge we face in the future—not from the people of Southeast Asia—not from the people of Europe—but from the Communist world which, next to ours, has the most sophisticated military establishment that the world has ever seen. I say next to ours—and when I say that I mean only today. I do not necessarily mean 2 or 3 or 4 years from now because as we have seen in our hearings, and the record of the hearings is replete with this—many of the best military minds of our country feel that the Russians, and yes, the Chinese, are well on the way of catching up with us in many vital areas of defense. In fact, in some areas they are ahead of us today.

During August I took the opportunity which was offered by the recess of the Congress to visit the 6th Fleet in the Mediterranean. During that time I was able to fly out to the aircraft carrier, U.S.S. *America*, to land on the ship, to take off later in an EC–2 and to go down and see firsthand some of the ships that the Russians have in the Mediterranean.

I was enabled to have briefings which compared the ships we face against the ships that we have and believe me it does not leave one very complacent to have such a briefing as that and to see the ships of the Russian Fleet in the Mediterranean literally bristling with armament. They have the most sophisticated and newest types on the line now, and they are building many more ships than the ones that I saw—many more ships than we are.

Under the waves of the Mediterranean and under the waves of the oceans of the world there is a Russian submarine fleet, much of it nuclear powered, which is second only to our own submarine fleet.

This is the reason why many of us felt that the DLGN nuclear frigate which was in the budget originally should have been funded. We would have gone ahead and appropriated $14 million which would have allowed the Navy Department to procure long leadtime items for this frigate.

We are now constructing three nuclear frigates. It is true it is an expensive ship. But they are very capable ships. And when you sail across the ocean as my good friend the gentleman from Pennsylvania pointed out in the Committee on Appropriations and you have a nuclear aircraft carrier you need not three nuclear frigates as escorts—you need four—one on each corner. It is going to be necessary for us to provide these frigates and many of us hoped we could begin with this bill.

However, be that as it may, we have gone ahead with the shipbuilding program and it is our hope that in the years to come we will be able to accelerate this building program so that we can have a Navy in the future which will continue to be second to none.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Indiana.

Mr. DENNIS. The gentleman in the well mentioned a moment ago that he would like to have spent another $14 million for a frigate. I am much inclined, from what has been said, to agree with the gentleman. I was looking at page 40 of the report, where I noticed that we have a provision for some $24 million for public affairs, public relations, and public information activities of the services. I am just wondering whether that might not be a soft spot, or whether there might be other soft spots where we could pick up $14 million and put it in a frigate or something that would do us some good and give us some muscle.

Mr. RHODES. I certainly compliment my good friend from Indiana's vigilance in trying to find soft spots in the budget. However, I would point out to my good friend that in the middle of page 40 there is a table on expenditures for public affairs, which indicates that in fiscal 1972 we will be spending some $17 million less for public affairs than we did in fiscal 1970, which I think the gentleman would agree shows a healthy trend.

Mr. DENNIS. I certainly agree with the gentleman——

Mr. RHODES. However, there are certain requirements for the delivery of information to the media and to the people of the country which the Department of Defense is expected to perform. I say to my friend it would not be possible, in my opinion at least, to cut the appropriation earmarked "public affairs" any further.

Mr. DENNIS. Well, the gentleman may be quite right. I certainly feel that you are going in the right direction.

I just cannot help but remember a little trip I took, and I know many of us have taken trips. I took one with the Air Force which was a very instructive trip, and I know it was valuable to me and all those on it, but I have always wondered why we had to fly in a luxury plane, stop at the plush hotels and have a brigadier general shepherd us around, when we could have stopped at the BOQ and have ridden on a regular bomber and have gotten the same job done.

Of course, I went where the Air Force took me, as anybody else would, but I would have been just as satisfied if they had taken me where I used to live, to the BOQ, instead of to the Broadmoor; and if we would do that, and if we would add it up, it would save a good deal of money.

Mr. RHODES. Mr. Chairman, let me compare a few figures that we have on this bill as compared with others. In the first place, let us talk about manpower. The manpower situation is that we will drop one and one-quarter million people since 1968. This is a definite reduction in manpower since the Vietnamese war was begun to be wound down.

Many people have talked about the Vietnamese war dividend, and I have heard people ask "Where it is?" Here we are winding down a war which used to cost $30 billion a year which now costs somewhere between $5 and $8 billion. People say "Where is the dividend? Where has it gone?"

Here is where it has gone. These figures are given in 1964 dollars, and they represent the Department of Defense appropriation for every year since then. For 1964, in 1964 dollars, the Department of Defense spent $50.8 billion; in 1965, it went down to $45.3 billion; in 1966, it went to $51.2 billion; in 1967, it went to $61.7 billion; in 1968, it went up to $68.4 billion; in 1969, it was $65.4 billion; in 1970, it went down to $59.4 billion; and in 1971, it was $53.2 billion; and in 1972, in 1964 dollars, this budget we are asked to approve today would cost $49.8 billion.

This is in comparison with the $76 billion, in 1972 dollars, which is in this bill, which means that the number provided in this bill is $27 billion in excess of the number of dollars which would be required in 1964 dollars. So in many respects our dividend from the Vietnamese war has gone to inflation.

Let me mention some more figures. In fiscal year 1964 military basic pay and related items cost $8.4 billion, but the cost of the 1964 program in fiscal year

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1972 dollars would have been $15.6 billion.

The civilian payroll was $7.3 billion in 1964 dollars. It was $11.8 billion in 1972 dollars. The military payroll was $8.4 billion in 1964 dollars and would have been $15.6 billion in 1972 dollars, the total for the fiscal year 1964 military outlay was $50.8 billion in 1964 dollars, and after the inflation factor of 49.2 percent, it would have been $75.8 billion in 1972 dollars.

Let me give another figure which is rather interesting. In fiscal year 1968, at the height of the Vietnamese conflict, we were spending on defense $99.920 billion in 1972 dollars. In other words, for the 78.027 billion we spent on defense in 1968, if that amount had been spent in 1972 dollars, it would have been $99.920, almost $100 billion.

Now, compared to that expenditure for fiscal year 1968, the fiscal year 1972 budget, of course, in 1972 dollars, is $76 billion. So, since 1968, there has been already a dividend of $23 billion in 1972 dollars from the wind down of the Vietnamese war.

Where has it gone? Let me give some other figures. Nondefense spending since 1967 has gone up $67 billion. Since 1964 it has gone up $90 billion. Compare this, if you will, with the fact that defense expenditures are down very considerably.

Applying the inflationary factor of 49.2 percent, that still is an increase of nondefense spending of $45 billion since 1964, even in 1964 dollars. So, Mr. Chairman, it is very easy to see what has happended to the Vietnam dividend. It has gone to inflation, and to very substantial increases in nondefense spending.

There will not be any possibility, in my opinion, of having anything more in the way of a meaningful Vietnam dividend until several things happen. One of them, of course, would be the successful completion of the SALT talks, if that is possible to do. Another would be the completion of some sort of arms limitation treaty beyond SALT.

But this is wishful thinking at the present time. In this fiscal year of 1972, the care with which we all must approach the responsibility which we have of defending this country dictates, Mr. Chairman, that this bill be passed without serious amendment and that we proceed from there to go ahead to provide for the defense of this country.

Mr. SIKES. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Alabama (Mr. ANDREWS).

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Fifty-six Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 393]

Abbitt	Clay	Ellberg
Alexander	Conyers	Findley
Blackburn	Corman	Flowers
Buchanan	Derwinski	Fraser
Byrnes, Wis.	Diggs	Fulton, Tenn.
Carey, N.Y.	Dowdy	Fuqua
Celler	Downing	Gialmo
Clark	Dulski	Gibbons
Clausen, Don H.	Edwards, Calif.	Goodling
	Edwards, La.	Gray
Halpern	Link	Reid, N.Y.
Hanna	McClure	Roberts
Hansen, Idaho	McKevitt	Rodino
Hastings	McKinney	Rosenthal
Hébert	Macdonald, Mass.	Scheuer
Hillis	Mathias, Calif.	Sebelius
Horton	Mikva	Steed
Jarman	Mills, Ark.	Taylor
Kastenmeier	Poff	Widnall
Kuykendall	Preyer, N.C.	Wiggins
Landrum	Rees	Wright
Leggett		

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11731, and finding itself without a quorum, he had directed the roll to be called, when 367 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the point of order of no quorum was made, the gentleman from Alabama (Mr. ANDREWS) had been recognized for 10 minutes.

The Chair recognizes the gentleman from Alabama.

Mr. ANDREWS of Alabama. Mr. Chairman, I rise in support of this bill making appropriations for the Defense Department for 1972 and totaling approximately $71 billion. The Committee held extensive hearings and built up about seven volumes of testimony and went into all phases of the Defense Department very thoroughly. I think we have brought a good bill to the Members, as good as could have been expected.

I am disappointed in certain areas of the bill naturally. I have been here a long time and I have never seen a bill that met my satisfaction in every respect. One thing that disturbs me about this bill is the lack of support for our Navy. Our Navy has been sadly neglected for the last 15 years, and as a result this afternoon we might have a Navy second to the Soviet Navy—and naval experts will tell you that.

Russia, on the other hand, has had a phenomenal buildup in its navy, in its surface ships. I do not believe there is any question but that they are way ahead of our Navy in all respects except that of the carrier. For some reason, known only to themselves, they have not placed emphasis on carriers and, so far as we know, they have no carriers.

Within the next 2 years we will have in the water, in operation, three nuclear powered aircraft carriers. The *Enterprise* is now in the water; the others are the *Nimitz* and the *Eisenhower*.

We have funded to date seven frigates to be used by those carriers to make up task forces. A nuclear powered carrier, to be effective and to be safe, must have four frigates, one on each corner.

We have already appropriated $50 million for an eighth frigate, which would give us a total of eight frigates, which would take care of two of those carriers.

In this bill before us today there is no money for that eighth frigate. The $50 million heretofore appropriated has been rescinded, and there is no lead item money for the eighth frigate.

They tell us that a carrier without those four frigates, figuratively speaking is about like a man buying a new suit of clothes and having no shoes.

I hope that the Senate will see fit to put money in the bill—$14.6 million—long lead item for the eighth frigate. I had hoped to see $14 million in this bill to continue purchasing lead items for that eighth frigate. And when we get the eighth frigate and get the third carrier, we still will need four additional frigates. It is just that simple, four frigates for each carrier.

I have been told by knowledgeable naval people that if we had an encounter in the Mediterranean between our 6th Fleet and the Russian fleet today the issue would be in doubt. It is doubtful whether we could represent our interests and protect ourselves with that 6th Fleet.

Eighty percent of the ships in our fleet are more than 20 years old, many of them over 25 years of age, and 20 years is the life expectancy of a ship. On the other hand, 80 percent of the ships in the Russian fleet today are less than 10 years old.

"It's later than you think."

Now we are reaching what we all hope and pray to be the end of the war in Southeast Asia.

Our troops are being withdrawn on schedule and at a fast pace. That naturally reduces the cost of the war as reflected in this bill. I have not approved of the way the President prosecuted this war. However, I have supported him. I have not voted for the Mansfield amendment or any amendment of that type, and there will be one offered here which is comparable to the Mansfield amendment before this bill is completed. The thing which worries me and which frightens me is the future of our prisoners of war. If we cannot get a return of those prisoners while we are strong in Vietnam, I wonder how effective our pleas will be for the return of them when we get down to the point of real weakness in South Vietnam.

A lady called me last Sunday afternoon. She is one of the finest ladies in my district. She was not emotionally upset; she was not crying, but she was brokenhearted. Her son had been a prisoner of war for 6 years—6 long years—and she asked me:

Congressman, why have you not voted for the Mansfield amendment?

She thought that that amendment would return the prisoners of war and end the war. She said:

I will tell you, the House did not lack but 12 votes of passing it. I am surprised that you did not vote for it.

Well, that was a hard question to answer, I tried to assure her that the President was doing all in his power to get those prisoners returned. I expressed to her the hope that he knew more than I did about what was going on; and I hope and pray that he does and I hope and pray that he has some plans to get the return of those prisoners. I would hope that he would tell the American people as much as he can about those plans. As far as I know, there is nothing concrete that you can put your finger on. There is nothing that you can tell these brokenhearted parents.

You are going to have an opportunity to vote on an amendment here today that will make you think that if you adopt that amendment those prisoners will be returned and this war will come to a quick end. The chairman gave me a letter signed by the national coordinator of an organization in that field.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIKES. Mr. Chairman, I yield the distinguished gentleman from Alabama 2 additional minutes.

Mr. ANDREWS of Alabama. Here is what she said. I will not read the letter, because I do not have the time, but I hope each one of you gets a copy of it. She said categorically that her organization, which is the National League for Families of American Prisoners Missing in Southeast Asia, that she hopes you will vote against this so-called Boland amendment. I have my thoughts about how this war should have been prosecuted from the time it first started. I said from the well of this House many times over a period of 7 or 8 years that had I been running that show, I would have given the North Vietnamese and the Vietcong 30 days to get out of there and, if not, I would have knocked them out with the Air Force. You never could have won that war down there on the ground. This was a guerrilla type of war, and every expert in the world will tell you that in that kind of war you cannot hope to win unless you have a superiority of 10 to 1.

I am happy to see the action wound down in Southeast Asia. I hope the President will keep the Air Force stationed there, however, so that we can get that job done and stop fooling around about these prisoners of war.

I am going to offer another suggestion to the President: After we get our troops withdrawn but still have a sufficient number of Air Force people over there, with sufficient aircraft and bombs, let us serve notice and quit playing around with them, to either bring those prisoners of war down to the DMZ and release them to us on a date certain, or we are going to blast them off the face of this earth.

Mr. Chairman, that is the only way I see we can get those prisoners back.

Mr. Chairman, these are difficult times for our Nation. We know that we must maintain a high level of military strength to insure our national survival.

At the same time, we know that our economy is racked by a crippling inflation, fueled by runaway spending by our own Federal Government.

Our national debt is staggering, having increased rapidly in the last few years, and we are assured that such increases will continue.

The dollar is taking a beating all over the world, and that means that our defense dollar buys far less than it did a few years ago.

Therefore, Mr. Chairman, the Defense Appropriations Subcommittee faces a difficult task in providing sufficient funds to keep our defenses strong, while at the same time making certain that unnecessary budgetary items were not included, thereby providing a measure of relief for our inflation ills.

The committee knows full well that deficit estimates for this fiscal year are approximately $35 billion on a Federal funds basis and $28 billion on the unified budget basis. It knows full well that our Government cannot control inflation on a long term basis unless Federal receipts begin to match more closely Federal spending.

The President's budget for fiscal year 1972 recommended $73,543,829,000. The committee recommends $71,048,013,000 in new appropriations, which represents a decrease of $2,495,816,000 below the estimates of which $535,000,000 is offset by transfers.

The sum recommended by the committee is $1,467,311,750 above the corresponding appropriations enacted for fiscal year 1971.

The net reductions recommended in the new appropriations requested in the bill total roughly 3 percent of the estimates. Of the sum requested, 97 percent is recommended for appropriation.

In taking its action, the committee feels that the amounts recommended for appropriation will be, first of all, sufficient to provide our Nation with adequate military strength in fiscal year 1972 and, secondly, will give us the necessary base for carrying this strength forward into subsequent fiscal years.

We realized that reductions had to be made, and I believe that the committee acted wisely and cautiously in this respect. Those reductions that have been made can be accommodated without denying programs essential to the basic military strength of our Nation.

We are attempting to provide an increase in military strength through the improvement of management practices and procedures in the Department of Defense.

The appropriation of funds recommended in this bill should provide for increased readiness, as well as the modernization of hardware and equipment in many areas.

The action of the committee should reduce budgeted outlays by about $1 billion in fiscal year 1972.

In the consideration of this bill or any other bill which deals with the military might of the United States, we would all do well to realize that the Soviet Union, despite its participation in the strategic arms limitation talks, is building up militarily.

We cannot sit on our hands, while a power with the might of the Soviet Union, dedicated to our destruction and world domination, grows into an unstoppable military menace.

We must be certain that our own forces are adequate to discourage any attack based on a Soviet miscalculation of weakness on the part of the United States.

The committee, in its consideration of this bill, certainly realized the threat posed by the Soviet Union, and decided rightly that Soviet actions alone would prevent our making any drastic reductions in our defense budget at the present time.

While the budget did not request any additional strategic bombers or strategic missiles, the budget does provide for improvements in our strategic forces through use of the multiwarhead Poseidon sea-based missiles and the upgrading of our Minuteman force.

The fiscal year 1972 budget, and the appropriations recommended in this bill, represent increases over the previous fiscal year, even though our active participation in military operations in the Vietnam war has decreased.

This $1.5 billion increase is due in part to high defense costs, which are affected by inflation just like anything else, and to the desire to continue ongoing programs and installations in order to provide jobs.

The committee has reported a good bill. Extensive hearings have been held on budget requests, so much so that nine volumes of hearings have been printed, totaling 7,590 pages.

Mr. Chairman, I urge passage of this bill.

Mr. MINSHALL. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin (Mr. DAVIS).

Mr. DAVIS of Wisconsin. Mr. Chairman, I share the pride that other members of this subcommittee have expressed in this bill and the report that accompanies it.

I suppose that there is not any one of us who could say fairly that this bill is exactly the way that he would have prepared it, but I do ask you to consider the fact that this is a product of good prehearing work, of exhaustive and yet selective emphasis in our hearings, and the acceptance of the responsibility by the members of the subcommittee.

Oh, I know that you have probably heard from some of your colleagues that this bill is too big, that it is $1.5 billion over last year's bill, and the inference is that we were rubberstamps for the Pentagon.

Mr. Chairman, I think we must give proper weight to the advice of the managers of our national defense.

If the members of the committee will read the report—and it is a detailed report—I think they will be convinced that we have not been afraid to apply our judgment to the recommendations which have come to us. You will find this judgment in many instances involving heavy responsibility, but responsibility falls on the shoulders of those who are able to carry it. I think we have carried that responsibility.

Mr. Chairman, it has been a matter of concern to all of us that increasing dollars are buying less and less of the hardware of defense. I suppose there is validity to the argument that is made that it just does not make sense to develop a new weapons program unless we are to have the best. The sophistication of defense and the ever-increasing cost of new systems are indeed expensive. Reflecting our concern in some cases we have discontinued programs, significant programs, programs that in many instances would have increased the defense capability of our country. It is always something of a gamble for which we must take the responsibility when we discontinue a program with instructions to develop systems that are less sophisticated and less costly, but this in several instances we have done.

As another example of applying our judgment, contrary to recommendations that were made, I would direct your at-

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tention to pages 62 and 63 of our report in which we deal with the matter of the use of private shipyards in order to maintain the conversion, alteration, overhaul, and repair capabilities of the private shipyards of this country. We were tempted to take some arbitrary action in this regard to reflect the picture of a constant descending percentage of such work being done in the private yards.

But we chose the route of the language in the report to attempt to bring this matter forcibly to the attention of those who have this administrative responsibility.

In this, as in other areas, we did resist the temptation to take the bull by the horns, and instead by persuasion and information to indicate, forcibly, action to be taken by those in charge of the day-to-day administration, and in some cases the legislative committees.

On pages 11 and 12, for instance, you will find a discussion of the proliferation of generals, colonels, admirals, and captains in the armed services of our country.

Frankly, because we had directed the attention of the people in the Defense Department to this problem a year ago, with no apparent results, I had personally favored a direct limitation being written in the defense bill, but in deference to the opinions of my colleagues I did settle for the language which appears on pages 11 and 12 of the report.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. The House of Representatives, in the Congress of the United States, is fixed by law at 435 Members, no matter how big the country gets. Why can we not insist upon the same thing for the general officers in the armed services?

Mr. DAVIS of Wisconsin. I think the problem there is that while the total personnel, unlike the personnel of this House of Representatives, which is constant, the total personnel of our armed services are going down and down but the number of people in the higher ranks are going up and up, and I think this is a very serious problem.

I think that, unless, having twice called it to their attention now, the Committee on Armed Services, and of the personnel people in the Pentagon, if they do not take some constructive, direct action in the course of this current fiscal year, the time will then come when we will have to take some direct action by way of a limitation in an appropriation bill.

I do not favor that procedure, but I think that, failing in persuasion we will have to take that kind of direct action.

Then on pages 47 and 48 of the report, you will find a discussion of the projections of the cost of our retired military personnel. We hear discussion currently about recomputation of those benefits. If you will look on page 48 and look at the bottom figure in the lower right in the report, you will see a projected cost with the recomputation in the year 2000 of in excess of $43 billion. We simply cannot carry that kind of a load in the defense appropriation bill which is in essence not productive of the defense of this country. I think that if the Committee on Armed Services is going to give serious consideration to increasing the retired service benefits, they owe it to us to bring to us a contributory system so that the net cost to this Government will not reach that kind of figure, which will run 60 percent of the current defense costs of our country as of this year.

Yes, this is a $71 billion bill, and yet less and less of these annual appropriations are providing for the hardware of our defense. Certainly Congress must weigh carefully the dollar impact of the actions which are taken which will increase the cost of our defense, and will not directly increase the competence of the defense of our country.

This bill with its $71 billion does not include pay raises which will take effect sometime during the fiscal year.

It does not include the recomputation for the retirement which is currently being considered. And in spite of the great improvements that we have seen in recent years it probably does not adequately reflect the acceleration of costs on the many long-term items—the acceleration during the interim years of construction or the costs of modifications and modernizations as new technological advances are made.

Mr. Chairman, in summary this bill has been well considered. The decisions were carefully and responsibly made, and it ought not to be weakened by unselective reductions or confused by extraneous amendments.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am happy to yield to my friend, the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman for yielding.

I hope I am not asking a question that has already been answered. But did the gentleman say that funding of the pay raise that went into effect just the other day is or is not contained in this bill?

Mr. DAVIS of Wisconsin. It is not included in this bill, in accordance with the usual practice.

Mr. GROSS. And the pay increase for the military connected with the Federal employees' pay bill, that would become effective next July 1, unless it is again postponed—and which would have become effective on January 1—no provision for that is made in this bill either; is that correct?

Mr. DAVIS of Wisconsin. That is correct.

Mr. GROSS. How will Congress fund either of those pay increases if not in this bill?

Mr. DAVIS of Wisconsin. It would be through a supplemental appropriation bill. But I suspect maybe some part of it may be absorbed—but I would have to estimate that the best part of it would have to be separately appropriated in the supplemental bill.

Mr. GROSS. And by the supplemental appropriation bill the gentleman means the catchall supplemental that will be acted upon before this session of the Congress adjourns sine die?

Mr. DAVIS of Wisconsin. I would doubt that. But I would guess it would probably be in a supplemental bill next year.

Mr. GROSS. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, I yield to the distinguished gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Chairman, this bill comes to the floor against a background of increasing support in the Nation and in this House for setting a withdrawal deadline subject to release of American prisoners.

Since July the Harris polls have reported that a majority of the public concludes that the President has not told the American people the complete truth about the war. Fifty-five percent of the public are opposed to leaving even 50,000 noncombatant troops. Fifty-seven percent oppose continuing to use bombers and helicopters. Seventy percent object to sending $1 billion a year in military aid to the South Vietnamese. Sixty-five percent now think it is "morally wrong" for the United States to be fighting in Vietnam.

The President continues to talk not only of a Vietnam settlement but of an Indochina peace embracing Cambodia and Laos. The bait he offers is a pullback from the entire area including U.S. Air Forces in Thailand. Meanwhile, from Vietnam, come television pictures of soldiers who resent anyone saying, as the President did on November 12, that only a few casualties now are occurring.

The Prisoners of War/Missing in Action Families for Immediate Release Committee fully supports the view that a termination date must be established.

The $71.05 billion provided in the bill for fiscal year 1971 represents a significant increase in defense spending at a time when many expect defense expenditures to be heading in the other direction. Despite net reductions in appropriations for military personnel of almost $1 billion from last year's bill, the bill this year is almost $1.5 billion over the $69.58 billion appropriated from fiscal year 1971.

The upturn results from increases over last year's appropriations for new weapons systems totaling $2.85 billion—$2.16 billion in procurement and $693 million in R. & D. The Appropriations Committee in its report says there is a desire to stimulate the economy and help relieve unemployment through increased defense expenditures. If Federal expenditures are to reduce unemployment why not spend on water resources and environmental improvement, rather than on "think tanks" and "dummy drives"?

The bill proposes abolition of the service quota system for recruitment of low-IQ personnel into the Armed Forces. Did you realize before that we had such a policy of seeking low IQ recruits for the armed services? Can you believe it?

The Appropriations Committee levied a number of cuts at various "outside" think tanks funded by DOD, and a number of social science research projects being conducted by the Army. The committee cut $1.8 million from $7.4 million requested for the Research Analysis Corp., $2.1 million from $8.6 million requested for the Center for Naval Analysis, $3 million from $11 million requested for the Rand Corp., $2.5 million from $11 million requested for the Institute for Defense Analysis, and deleted entirely $5.7 million requested for the Institute of the Individual Soldier. Requests totalling $18.4 million for various Army social science projects were cut a total of $4.9 million. Did you realize this was going on? Can you believe it?

The committee also noted the proliferation of colonels, admirals, and generals in the services, pointing out that there are more three- and four-star generals and admirals in uniform now than at the height of World War II, when there were 12 million men in uniform.

Did you realize this? Can you believe it? Have we not made enough defense mistakes on the side of high and wasteful spending? Is it time to demand more efficiency and economy?

Is it not true, as the organization of POW/MIA's and others assert that the only remaining interest in Vietnam is the release of our POW's, and the October election travesty has consigned to history the proposition that we are in Vietnam to assure self-determination for the people of South Vietnam? They argue that only by setting a withdrawal deadline can we secure the release of the POW's.

The Boland amendment would prohibit use of funds for military operations in Indochina only after U.S. prisoners are returned. In the absence of Executive willingness to establish a deadline, does Congress not have a clear responsibility to do so in light of the overwhelming desire on the part of the country for such a deadline?

After every major war in recent history, defense expenditures have gone down. The committee bill instead contains $1.5 billion in increases over last year. I say "no."

I urge my colleagues to support the Boland and Aspin amendments and if necessary to oppose this bill. Krogers urges consumers to "live better for less", let us have the Defense Department try it.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, I rise in support of H.R. 11731, the Department of Defense appropriation bill for fiscal year 1972. As a member of the House Committee on Appropriations and its Defense Appropriation Subcommittee, I am satisfied that the committee has carefully scrutinized the budget requests of this administration and has made reasonable and responsible reductions in those requests. The bill before the House today would appropriate $71,048,013,000 or over 3 percent less than requested for fiscal year 1972.

Major areas of reduction include a 50,000-man force reduction mandated under the draft laws, reductions in the Safeguard anti-ballistic-missile program, and elimination of duplication in military intelligence operations. I believe these reductions are consistent with sound national security requirements. Having previously supported elimination of the draft and having voted against the Safeguard program, I am pleased with these actions by the Appropriations Committee.

Perhaps further cuts could have been made but it is important to note that during the past 4 years, the Congress at the recommendation of the Appropriations Committee has reduced Defense Department appropriations by the sum of $15 billion. With the gradual slowdown of U.S. military involvement in Vietnam this has reduced the military budget from more than $83 billion to the level recommended to the House today. This is true even though there has been tremendous inflation in cost of materials and we have authorized military pay increases of more than $17 billion, salaries making up 60 percent of defense spending. It should also be pointed out that a goodly portion of the dollars for materiel is for armaments to be delivered years hence. So to a great extent we must anticipate future needs and possibilities.

This trend toward reduction in defense spending has been approved by Congress, partially in response to the need for more careful appraisal of the necessity for such spending. It has in my opinion been a most responsible and well considered action. I want to commend the committee and especially the staff for their work and outstanding report.

Two areas of both national interest as well as concern to my constituents are covered under this legislation. The first relates to drug abuse in the military and efforts to control this alarming problem. The legislation before the House contains no cuts in requests for drug abuse programs, an indication that the committee feels quite strongly that firm and effective steps must be taken to treat and rehabilitate those servicemen who have become addicted. I was pleased to participate in hearings on this subject earlier this year and to have supported full funding for these important programs. A special budget amendment has been approved appropriating more than $34 million for identifying and treating those servicemen addicted to heroin. In addition the bill appropriates more than $13.8 million for military personnel to support the drug abuse control programs.

Of particular importance to residents of the Queens, N.Y., area is the statement of the Appropriations Committee in opposition to the proposed closing of the obstetrical department at St. Alban's Naval Hospital. The proposed shutdown would create a hardship for naval personnel and their families in our area and I am quite pleased that the committee has stated that it "expects the Navy Department to carry out its obligations to provide continued full medical services at the St. Alban's Naval Hospital, New York, including an obstetrical department."—Committee report, page 63.

Finally Mr. Chairman, I want to again express my complete support for an amendment to be offered by our distinguished colleague, the gentleman from Massachusetts (Mr. BOLAND) to prohibit the use of these funds for any U.S. military operations in Indochina subject to the release of U.S. prisoners of war and no later than June 1, 1972. I have supported similar amendments in the past, Mr. Chairman, and I am convinced that Congress must exert this kind of pressure in order to assure that our military role in Indochina will be brought to a close. The American people have been frustrated time and time again by signs that our role might be brought to a conclusion. The tragic loss of life in Indochina and the loss of spirit at home have been too costly to consider prolonging our announced withdrawal. This establishment of a date for withdrawal and a clear statement of our policy on this issue can lead to a real negotiated end to the war and the release of our prisoners. We have been in South Vietnam for 10 years, they have had their elections, it is time for South Vietnam to assume their role and responsibility. There are funds included for their Vietnamization program.

The amendment to the defense appropriation bill will also protect us against further expansion or relocation of our military role by prohibiting use of funds for a military role in Cambodia and Laos as well as North or South Vietnam. Surely we can unite behind such an amendment with its assurance against future Vietnams.

I urge my colleagues to support this amendment and to vote for the defense appropriation bill of 1972.

Mr. MINSHALL. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. ROBISON).

Mr. ROBISON of New York. Mr. Chairman, I gave the Boland end-the-war amendment my most careful consideration last week on Thursday, when our full committee met to mark up this appropriations bill.

And I was one of that majority of 31 to 15 that voted, then, to defeat it.

Now, in all candor, that particular vote gave me some trouble. For I have held to the position for some years now—beginning back in the time when to do so was not as politically popular as it now is—that our overinvolvement in the tangled affairs of the people of South Vietnam was a tragic mistake. And I have also, both persistently and consistently, and both by my votes and public statements, deplored the fact that the Congress—which, under our Constitution, is supposed to at least share with the President the responsibility for shaping this Nation's foreign policy—has, since its adoption of the ill-fated Tonkin Gulf resolution, found itself incapable of expressing itself in any definitive sense relative to the manner and method of correcting that mistake.

Again, with all candor, those votes and public statements on my part have not always been appreciated by either the majority of my colleagues, nor by our leadership, on this—the Republican—side of our center aisle. However, I have found it difficult—indeed, impossible—to declare that a war which I thought was engaged in by our Nation for the wrong reasons, with the wrong methods and in the wrong place, under a Democratic President, had somehow become right when carried on by a Republican President.

Naturally enough, I have appreciated and applauded President Nixon's efforts to wind down that war; albeit with such a degree of gradualism that it has been difficult for me to conceal my impatience. But whatever else can be said, it is surely true that the President has successfully reversed the trend of instinctive escalation which was part and parcel of the

policy he inherited almost 3 years ago. Americans no longer argue whether or not we should be fighting a ground war in Southeast Asia; they argue instead about the timing and the totality of our withdrawal—and there is an important difference.

However, the questions still facing us are crucial. They involve the advisability of retaining in Vietnam a residual force of several thousand troops for protection of U.S. facilities and logistical support of the Saigon Government. They involve the wisdom—and the morality—of continued widespread bombing attacks in both Vietnams, Laos, and Cambodia. They involve the negotiating posture of the United States in Paris. They involve our efforts to get our prisoners-of-war back home.

And finally—and no less importantly—they involve the role of Congress in the months ahead in sharing with the President some of the many decisions which must be made in these areas of concern. It is this role that we turn to once again today, perhaps with an overbearing sense of déjà vu. For it was only a few months ago—in consideration of the Military Procurement Authorization bill—that we entertained what became known as the Nedzi-Whalen amendment, calling for an end to American involvement in Southeast Asia by December 31, 1971. That amendment was similar in intent to the Boland amendment at present, although its effectiveness was questionable due to the legislative vehicle to which it was attached.

I did not vote for the Nedzi-Whalen amendment. Instead, as some of you may recall, I offered a substitute for the amendment that would have conditioned any application of a "cut off" date upon the happening, prior to April 30, 1972, of two related events: the arrangement of a cease-fire; and the consummation of an agreement for the identification and exchange of prisoners of war.

It was my feeling that such congressional language would not unduly hamstring the President, but would instead encourage negotiations; and I believed then, as I believe now, that this war can only be brought to an end for all the parties involved through negotiations.

Merely ending our involvement in the war does not necessarily mean that fruitful negotiations will take place; even less does it mean that the fighting and carnage will cease for the peoples of Southeast Asia. Thus, I felt the proper role of Congress was to "lean a little" on the President—to say, in effect, "we want you to seriously negotiate, and if you think setting a tentative deadline date for American withdrawal is helpful, we want you to set such a date." But my substitute amendment did not force upon the President an arbitrary deadline date without requiring some concessions from the other side—and hence, I felt it a better vehicle for expressing congressional sentiment.

Well, my substitute was defeated; and then, the Nedzi-Whalen amendment was defeated as well. Since then there has been no apparent breakthrough on the negotiating front. However, also since then, this Congress has expressed its sentiment that we should completely withdraw from combat in Southeast Asia as soon as we can negotiate the release of our prisoners-of-war. The conferees' compromise on each of the so-called Mansfield amendments was a clear signal to the President of our desire for an end to this war through negotiations, and he has accepted that signal. This is as it should be, for as the Christian Science Monitor editorialized yesterday:

> Ultimately, of course, any settlement in Vietnam must be a political one. It is now just a matter of finding the correct combination of carrot-and-stick techniques that will satisfy both sides. We can only hope the numbers come up soon.

Of course, we also have to bear in mind the fact that, in their original form in the other body, the Mansfield amendments came down hard on setting a "date certain" for our total withdrawal from the Indochina theater, first as the "sense of Congress" and then, later, as being "the policy of the United States," though the effectiveness of this was questionable, again considering the vehicle used.

Finally, as we also know, the conferees reverted back to "the earliest practicable date" approach, and that is the language the President now has before him as a provision in the Military Procurement Act of 1971. The President has not yet signed that bill, so far as I know, but it is assumed he will do so with whatever degree of stated reluctance.

With this backdrop, we now have before us the Boland amendment which, in effect, sets for the President next June 1 as that earliest practicable date for total U.S. withdrawal. Its sponsors argue Congress must now take this initiative because the President refuses to establish any such terminal date—and then they further argue, along lines we have heard before, that this simple act is the "magic key" that will unlock and swing wide open the door that has so far barred either meaningful negotiations or the identification and release of those Americans held prisoners of war.

I wish I could be as sure as those sponsors that the scenario they have prepared will be played out as easily and as exactly as they envision it. But it can be argued just as persuasively that the establishment of such a deadline—through cut-and-dried congressional action—would give the other side even more of a reason to be intransigent. It is this fear that prevents me from supporting the Boland amendment—no matter how much superficial appeal it has to those of us who are sick of this war, and sick over what it has done to our country over the past 6 years.

What, then, do I think Congress should do? I could answer that question with more confidence if I knew what was in Richard Nixon's mind. But, since I do not, I can only work on the basis of what would be in my mind, were I in his shoes.

If that were the case—and I am grateful it is not—I would now be bending my every effort toward negotiating a larger settlement of this areawide conflict than merely total U.S. disengagement. But, at the same time—and this is a crucial point—I would be using for all they were worth the final acts of our disengagement to buy the best bargain I could. As essential elements of that bargain, I would want the identification and return of all Americans held anywhere in any Southeast Asian prison camp, and I would want the arrangements for this worked out and tied down before I anted up my last chip.

I would also want to work out a larger Indochina settlement than just one getting us out of South Vietnam. We owe the people of South Vietnam—after all the anguish and bloodshed we have helped put them through—more than a mere wave of farewell from our last troopship as it pulls out of Saigon harbor. And we also owe the people of Cambodia and Laos at least one last effort at ending all of the Indochina fighting—not just American participation therein—for these people have already endured far, far too much suffering.

Then, too, I would be thinking ahead about the practical side of all this for my own people. I would know—without constantly needing to be reminded of it—how tired my people were of this conflict and how desperately they want to be shed of it. And I would fully understand why many of these same people—after accepting the simple lesson we have all learned from Vietnam to the effect that there are limits to what is possible, and limits to what is truly in our national interest—now want no part, or as small a part as possible, of the world outside our own boundaries. So, understanding all that, I would want that wider settlement of this whole Indochina conflict so that I would not feel compelled to ask these people, in the years ahead, to support programs of indirect military assistance for those Southeast Asian nations still being subjected to externally supported aggression.

And I would be looking forward to my forthcoming visits to both Moscow and Peking because, rightly or wrongly, they both had "client states" in the same area, too, and maybe—just maybe—they shared with me the desire to somehow neutralize the area again, but to do it right this time, so that we could all three of us look to other interests. I would have to look in those directions, because I could see little, or no hope of any meaningful breakthrough on the negotiating fronts in either Paris or Hanoi.

And, as I thought about all this, I would realize that I did not have much left to dicker with. With my troop strength dwindling fast toward a residual force of some sort—and remember that, if the troop withdrawal rate remains next year at its newly announced level, we will be down to only about 45,000 men in Vietnam by next June 1—I would recognize the fact that about 20,000 of those men would be assigned to logistics, handling the military supplies I would hope to be still authorized to send to South Vietnam and protecting my supply bases, while the rest would be crewing, maintaining, and supporting my remaining helicopter fleet, or assigned to perhaps three tactical air squadrons and, maybe, four artillery battalions, all held in reserve to give the South Vietnamese military units emergency assistance, should they need it. Beyond these forces, I could probably have a few advisers out in the field with those South Vietnamese military units.

But, that would be it—and what it all would mean was that the American combat role in Vietnam was at an end and could not, given the force of public opinion here at home, again be revived.

Thus, the only real bone I would have in the enemy throat would be the continued maintenance of even this small a residual force, my determination to continue to provide South Vietnam, Laos, and Cambodia with military supplies so long as Congress permitted and they continued to need it, plus, of course, my threat to go on using my strategic bomber force from bases in Thailand or elsewhere for purposes of harassing the enemy in his base areas and interdicting his supply routes.

As to this latter item, I hope I would realize—from my own instincts as well as from such studies as the recent Cornell University indepth look at "The Air War in Indochina"—that my use of this kind of aerial firepower was not only very costly but also largely ineffective, and quite likely counterproductive from a politico-military viewpoint. Thus, I would hope I would want to stop it—or at least cut it back sharply—just as soon as possible, but I would want something in return for doing so.

And all these items would be my store of bargaining chips, at both Moscow and Peking—admittedly, not very many, but now I have to make do with what I have left if I am to make one last try at getting that larger settlement.

Now, Mr. Chairman, to get back to the situation at hand, what would our adoption of the Boland amendment, in its present form, do to those bargaining chips? In attempting to answer, I recognize the fact that when it comes to saying anything about Vietnam these days, "Truth is in the eye of the beholder"—since, for every truth about Vietnam, there is an opposing truth.

But, at least in my judgment, our adoption of the Boland amendment would wipe those chips off the board. Put another way, the Boland amendment would knock the props out from under the President as the only negotiator we have for purposes of producing an acceptable settlement of this tragic conflict.

The amendment's author said to me, the other day, that all his amendment does is "keep the President's feet to the fire." I've been doing that, too, in my own way, with my recent votes, including those for the Mansfield amendments. But this is not the Mansfield amendment in either variation thereof. Nor, even if it were, can it properly be alleged—despite claims to the contrary—that the President has actually yet refused to set that date certain. Instead, this effort is an outright congressional mandate to end this war for the United States regardless of the nature and manner of its ending.

As such, it puts the President's feet into the fire—rather than holding them to it—and thus threatens to destroy whatever bargaining leverage he has left for use at either Moscow or Peking.

I do not argue that Congress cannot take this ultimate step. Of course, we can—and it would indeed be an "historic action" as the amendments sponsors put it. But I do argue that for us to take any such action now—out of our own rising tides of impatience and in response to our constituents' manifest frustrations—would be a most irresponsible and, from the longer ranged viewpoint, quite probably a counterproductive action, as well as one damaging to the prospects for world peace.

We have—after a long journey and much backing and filling—just completed the task of finding a consensus as to the "policy of the United States" for terminating this war, and for the recovery of those held prisoner therein, at the earliest practicable date, and in the doing thereof we have urged the President, in his capacity as negotiator, to establish a final date for our total withdrawal from Indochina. As soon as he signs the Military Procurement bill this will be the established foreign policy of our Nation insofar as the same relates to Indochina.

Let us now, then, give that same President the opportunity, along with the needed flexibility, for effectuating that policy by voting down the Boland amendment.

Mr. MINSHALL. Mr. Chairman, I yield 15 minutes to the gentleman from New Hampshire (Mr. WYMAN).

Mr. WYMAN. Mr. Chairman and Members of the Committee, it is an honor for me to be associated with the distinguished members of the Defense Appropriations Subcommittee, many of whom have served on that committee, as the gentleman from Ohio has pointed out, for decades. Their experience is vast, their responsibility is great, and the remarks that I make here in the course of this general debate this afternoon are made with a sense of deep humility as I have been a member of the Defense Subcommittee for but 1½ years. I shall confine my comments chiefly to basics and not to details.

Our distinguished chairman's (Mr. MAHON) conscientious devotion to duty is paralleled by that of Mr. MINSHALL, Mr. RHODES, Mr. DAVIS, Mr. ANDREWS of Alabama, Mr. SIKES, Mr. FLOOD, Mr. ADDABBO, and Mr. MCFALL whose labors are reflected in eight thick volumes of subcommittee hearings for fiscal year 1972 alone.

In this single appropriations bill we have before us almost half of the budget of this country. In this appropriation more than half is for salaries, for pay and allowances of personnel. This is 52 percent at the present time. I am concerned about this, Mr. Chairman, because we are talking now about implementing an all-volunteer Army.

The experts tell us that if we have a volunteer Army, the cost of personnel in the military budget will go to 69 percent while the Soviet Union spends only 20 percent. I think we need to remember that Rome also hired itself an army, and when it started hiring itself an army and its young men turned to material things and material pleasures and left the fighting for Rome to the hired hands, that is when the Roman Empire crumbled. We could well take that fact to heart today, because in a very real sense the state of American defenses as reflected in this bill that is before us now is not good. And I say this with all due respect to the optimistic assurances of our learned and capable Secretary of Defense, Mr. Laird.

The Soviet Union is ahead of us in missilery. It is ahead of us in known numbers of missiles. It has a substantial number of huge SS–9's with supermegatonnage warhead capabilities ready for delivery. We have Minuteman with a much smaller warhead, a lesser overall number in holes in the ground in this country, the exact locations of which are undoubtedly already bracketed by the Soviet Union.

A lot of money has been spent on an anti-ballistic-missile system. We talk about this as a means of having some leverage to persuade the Soviet Union in the SALT talks at Helsinki to make some concessions. Maybe we will mutually agree that we will not have an ABM system. Maybe there will be provision for inspection. There must.

But this is mostly a delusion because for both sides the eyes of an ABM system are above ground—the radar—and any substantial megatonnage warhead exploded in the atmosphere above the United States or the Soviet Union by a missile which would not be intercepted, would incapacitate that radar and effectively destroy the capability of any ABM system including what the Soviets have around Moscow.

This vulnerability to a knockout nuclear blow in the atmosphere is a matter of common knowledge. It is not classified. It is perfectly obvious even to the unexpert; and yet we are and have been spending billions in this direction for a surface ABM. I have grave questions about the value of this because the true retaliatory capability we have in terms of a deterrent to persuade those who might be inclined to commit aggression is in our nuclear-powered, missile-carrying undersea vessels. It is in our submarines, our Polaris and Poseidon conversions, with their ability to hit a designated target from far out under the sea and with their MIRV capability to scatter from differing angles.

And yet we know that the Polaris missile boats and even the Poseidon missile boats are limited in terms of range. Poseidon has a little bit greater range than Polaris, but either can only operate from certain parts of the world to be able to hit certain parts of the world from the ocean, which confines their available ocean range and increases their vulnerability to detection. The Yankee class submarines being built by the Soviet Union, as reported in Jane's Fighting Ships, are adding nuclear missile carry-

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ing and attack submarines to the Soviet fleet resulting in a growing lessening of our present thin advantage in weaponry being built up under the seas.

Yet when we look to the Air Force, even there we find no new bombers any where near production. We even find it suggested in the other body that the B–1 bomber ought to be deferred and delayed.

There are continuing huge cost overruns even with respect to planes funded in the present bill.

Mr. Chairman, what is really happening in defense procurement for our Nation is that America is pricing itself out of a defensive capability. We are paying more for what we are getting for our defense dollar than any other nation of the world. We are getting less and less per dollar invested. I do not know what it will take in order to restore a certain amount of verve to those who work within and for our Defense Establishment, so we can get our costs down, but somehow we must arrive at a system in relation to the defense of this country in which personnelwise we will have many less personnel in our Air Force and Army and Navy who will be provided with fewer but superior weapons.

We have to think about our mounting procurement and personnel costs and how the system under which we have been and are operating has become tremendously expensive, leading to huge cost overruns, often resulting from substantial underbidding by contractors who later make it up by cost overruns. We should turn to prototype production and then have an in-house clearing out of cost overruns in the Defense Establishment itself by tightening up our contract provisions.

Also somewhere along the line we must develop in this country a cruise missile capability comparable to that which the Soviet Union has at the present time. We are alarmingly late with this as well as remarkably disingenuous.

Mr. Chairman, this Nation must build up its defense capabilities. We must stay so strong in America that no other nation of the world dare attack us. We are not doing this now. Unless we keep America strong enough militarily to deter attack upon us, everything will go down the drain.

Renewed appeals to revise priorities in spending are almost always at the expense of defense dollars. They are the largest controllable amount of dollars in the Federal budget—those in the defense budget. At a time when the Soviet capabilities are demonstrably being increased in almost every field, from missiles to ships to submarines, we need to spend more in defense of this country, not less.

Of course, waste is to be eliminated and cost overruns must be checked, and defense procurement costs must be adjusted downward, but the sad truth is that more billions of dollars are needed for defense of the United States at this hour and not less. We should be building five times as many naval vessels and twice as many submarines. The United States should be much further along than it is in the Navy's deep long-range submarine program, ULMS which should be sharply accelerated. All of this is in the name of survival. It is a reality. It is for our survival as a free nation with our people living free from totalitarianism and the terror that is still the affliction of private life under communism.

Most alarming in the U.S. overall defense posture is the deplorable status of the U.S. Navy. The latest edition of the authoritative Jane's Fighting Ships credits the Soviet Union with superpower status in terms of its naval vessels in-being and rates the U.S. Navy as inferior at the present time, with the situation steadily worsening. Even after reducing the fleet to a 700-ship level, most of those remaining are at least 20 years old and many date back to World War II. Few modern replacements have been authorized and fewer are actually on the ways. The Soviet Union, however, is presently expanding its new and efficient navy at three times the rate of the United States. At the same time, the Soviets are constructing additional shipyards to further accelerate their naval expansion. As with tactical aircraft and missiles, the Soviets have taken the lead in the oceans of the world and are making every effort to increase their lead.

The disquieting Soviet military advantage coincides with a rise in isolationism and antimilitary feeling in this country which is based on the naive belief that even defensive weapons, rather than the aggressive designs of men and nations, are the true causes of war. This is simply not so. In the rush to satisfy domestic priorities such as exist in no other nation, the damage to our defense capabilities is appalling. We cannot put the cart before the horse. It is impossible for this Nation to advance the principles upon which it is founded without first assuring freedom from outside aggression. Often forgotten is that in the last analysis, it is the American people who stand to lose a 200-year experiment in freedom—an experiment in which the well-being of the individual has risen to heights never before equaled. We, as representatives of the American people, cannot afford to fail in our responsibilities to provide an adequate national defense.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I compliment the gentleman from New Hampshire on a very interesting statement the gentleman has made.

Can the gentleman give us any idea of what this would cost in appropriations, and if not, can the gentleman even tell us where we can cut elsewhere to balance the increases?

Mr. WYMAN. I would say it would be a $3 billion increase in the coming fiscal year. After that it would depend upon the services requests and demonstrated need. We should make countervailing decreases chiefly in the costs of personnel, in my judgment.

Mr. Chairman, I want to make a few observations now on the subject of a proposed cutoff date for military costs in Vietnam. There has been a great deal of talk about this here today. The gentleman from Alabama referred to it, and there has been wide discussion that the gentleman from Massachusetts will offer an amendment to this bill to place a deadline in the so-called existing Mansfield amendment which is now the law and attach it to the appropriations bill by way of a limitation.

We all want out of Vietnam—yesterday for that matter. But there is a right way and a wrong way out. We must have assurance of protection of our reduced forces there to the last man. We must have our prisoners returned and accounted for beforehand—or there is little chance we will ever get them back.

President Nixon is taking us out of Vietnam. He is taking us out of Vietnam responsibly. He has us down under 200,000 troops. We will be down to fewer than 50,000 by next summer. And those will be support troops, not combat troops.

But the minute we put a deadline into the bill, a cutoff date—and I believe it important the American people realize this—then we deliberately cut the ground out from under the security of our men in the field, whether they are support or combat troops, because if the amendment to stop all the expenditure of funds passes, it would make it unlawful to pay the salaries, to supply the training, to do the things necessary to keep a fighting team in the field. No guns, no ammunition, no funds, no food—all while the enemy attacks. How silly can you get in the haste to get out of a tragic involvement of a prior administration. Should funds be required by law to be cut off at a certain date, without an assured capability for the protection of our troops as they are withdrawn, then obviously we may imperil the lives of tens of thousands of Americans who will still be over there.

By that very act we would stop the pay for training Vietnamese who are here being trained by us to operate the superior technological equipment we provided over there. We want them to be risking their lives to defend their national integrity as distinguished from having American boys risking theirs over there.

A required deadline would tie the hands of the President. I believe it would be a great mistake.

As the gentleman from Alabama said, what is our President going to negotiate with, if the Congress of the United States directs:

> Whether or not you get the prisoners back there will be no more money for this war by June 1, 1972?

This is a very serious consequence. It should be remembered that the Mansfield amendment is now law at the present time, which states the policy of the United States to get out just as soon as we honorably and responsibly can do so. And the President of the United States is doing this. He has been doing it ever since he became President as he pledged to do to the American people. President Nixon is keeping his word. The Mansfield amendment merely reflects what the President is and has been doing all along, without it.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman overlooks the negotiations that have been taking place in Paris, where the negotiators for the other side have indicated that if a definite date is set for the U.S. troops to be withdrawn from Indochina, arrangements can be made for the return of our prisoners of war. And I assume that negotiations can finally get on a level which will bring the hostilities in Vietnam to a close.

Mr. WYMAN. I would observe to the gentleman that I suspect, without knowing it, that the rather dismal proposition has been already presented to the other side at Paris to the effect that "If you give us our prisoners back we will get out by a certain date," and I suspect it has been rejected. I say dismal because unless South Vietnam can defend itself 50,000 American lives have been lost in vain.

I cannot see having a bill passed by the Congress that cuts off money and support for the Vietnamization program, cuts off the capability of defending the men who are still there, and aggravates a potential prisoner situation by not requiring that we have the prisoners in hand beforehand.

If one has looked at all to the proposal suggested to be amended to this bill later on today or tomorrow, as the case might be, one will find there is no explicit condition precedent that we should have the prisoners in hand beforehand.

Mr. YATES. Mr. Chairman, will the gentleman yield further?

Mr. WYMAN. I yield further.

Mr. YATES. The gentleman knows I am one of the sponsors of the so-called Boland amendment, and I signed the separate views that appear in the report on this bill. It was explained in the committee that the purpose of the amendment is to implement the so-called Mansfield amendment, and the Mansfield amendment establishes as one of its conditions that the prisoners of war shall be returned before our troops are withdrawn from Vietnam.

Mr. WYMAN. I have to respectfully differ with the gentleman. I say that the condition in the so-called Mansfield amendment which was supposed to have insisted on that, or which allegedly contained that, by its terms is not that explicit.

From what I have seen in the way of the proposition suggested by the gentleman from Massachusetts—it may not be that way when actually offered—it does not expressly require as a condition precedent that the prisoners shall have been returned to us first, before the cutoff date becomes effective.

I say to the gentleman, while I certainly respect his right to file such views as he may wish, I read from the additional views, page 127 of the committee report:

> The reason for this is clear and simple—the Executive Branch refuses to establish a termination date for getting our military forces out of Indochina.

I would like to observe, as a member of the Defense Appropriations Subcommittee, that I think the integrity and reliability and responsibility and good faith of the military personnel and the civilian part of the military who testified before us cannot be seriously questioned.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MINSHALL. I yield the gentleman 5 additional minutes.

Mr. WYMAN. All of them have testified before us that it is contrary to the best interests of the security of the United States and contrary to the best interests of getting our prisoners back and accounted for who are over there and contrary to the best interests of getting us disengaged in Vietnam and Southeast Asia permanently to have a cutoff date announced to the enemy in advance. I think it would be a great mistake for this Congress, with all due respect to the views of the gentleman from Illinois, to insist on such a cutoff date and publishing it to the world.

Mr. SIKES. Will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Florida.

Mr. SIKES. I think the gentleman made a very able statement on this perplexing and troublesome problem. May I point out in support of his position that what is proposed here is a unilateral action on our part, with not a scintilla of evidence from any reliable source in the North Vietnamese Government or their negotiators in Paris that they would honor such action on our part.

Mr. WYMAN. I agree with the gentleman.

Mr. YATES. Will the gentleman yield further?

Mr. WYMAN. I cannot yield to the gentleman any further at this time.

Mr. RHODES. Will the gentleman yield briefly?

Mr. WYMAN. Yes. I yield to the gentleman, briefly.

Mr. RHODES. As the gentleman from Florida said, the probability is the fact that this very proposal has been made in Paris many times and has been turned down.

Mr. WYMAN. That is correct. It is my understanding. I wish it could be announced officially to the American people, however.

Mr. Chairman, all of us, I am sure, the gentlewoman from New York, the gentleman from Illinois, all of us, are concerned about America's strength, not just in a military sense but in what you might call a character sense. We realize that what is needed here is a renewal of our dedication to flag and country, to honor and courage.

Today in the minds of young people and some of the Members of this body and in the minds of too many Americans there are grave questions about American honor and integrity. To a certain extent, unfortunately, this is justly so. Taiwan wonders right now about American honor. The GI's in Vietnam wonder about American honor. They were sent over there to risk their lives in a war that we never fought to win. Israel wonders about American honor. We are sending no more Phantoms over there while the Soviets build up the Egyptians. West Germany wonders about American honor. And so do I.

What should we do? I think first we should materially increase our defense procurement including research, and reduce the cost of our military personnel. Secondly, we should demand weighted voting in the United Nations—each nation's vote to reflect 25 percent on the basis of population and 75 percent on the basis of the gross national product—and then insist that the contributions to the expenses of the U.N. should be in accordance with each weighted voting strength. I think it is important that we should make it clear we are going to get out of Vietnam, as President Nixon is taking us out, with all deliberate speed, and that eventually we will get out of all of Southeast Asia not only with regard to combat troops but with regard to support troops as well. And once our prisoners are back and we are out, then I think we should make it very clear to any American President, whether Democrat or Republican, that there will be no future commitment of American personnel to war anywhere in the world without a prior declaration of war by the Congress of the United States.

Mr. CHAMBERLAIN. Will the gentleman yield?

Mr. WYMAN. I yield to the gentleman.

Mr. CHAMBERLAIN. Mr. Chairman, I think the gentleman made an excellent statement today.

I commend the gentleman particularly for pointing out how we have been living off the shelf and what we must do in the future for the security of this Nation.

Mr. Chairman, the gentleman being from New Hampshire, I would like to ask if it is not true that the people in New Hampshire will have a primary election there on March 7 this coming year——

Mr. WYMAN. Yes.

Mr. CHAMBERLAIN. And, that is just a little more than 3 months from now. The President will be making his accounting to the New Hampshire people for his conduct of this war. This is one thing which, in my opinion, we have overlooked when we talk about a date certain for the pullout of our troops.

Mr. Chairman, there will be 17 primary elections around this country. I say that setting a date certain as has been suggested as an amendment is not necessary. The President knows these primaries are to be held and he has told the American people he expects to be held accountable, and they will hold him accountable. He accepts this. Therefore restricting the President as has been suggested by insisting on a date certain is totally unnecessary.

Mr. WYMAN. I think it would help if the people were told more clearly all of the things which President Nixon is doing and has done in taking us out of Vietnam.

Mr. CHAMBERLAIN. I commend the gentleman for his statement.

Mr. SIKES. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman, since this legislation has in it the procurement of a great deal of equipment and ships and so forth, all of which would require the use of steel, I think it is very interesting to present to the House the action taken at the U.N., a United Nations bulletin which just arrived which reads as follows:

> The U.N. General Assembly, with the People's Republic of China casting its first vote, called on the United States today to

prevent the importation of chrome from Rhodesia.

By a vote of 106 to 2, with 13 abstentions, the Assembly expressed "grave concern" at Congress' decision last week to permit Americans to import Rhodesian chrome in defiance of a security council embargo.

China voted in favor of the resolution. Only Portugal and South Africa opposed it. The United States did not take part.

"We do not participate," said astronaut Alan B. Shepard, Jr., when the chair reached the United States in the rollcall. Shepard is a delegate to the 13-week assembly.

Mr. Chairman, the first vote of the Red China delegates gives some idea as to how badly the United States was defeated when our closest friend in the U.N. was dumped by these same nations who can and will twist Uncle Sam's whiskers on every vote. It is beat the United States days in the U.N.

Mr. Chairman, let me say this to you. Every pound of steel going into these new ships you are going to build, every pound of steel going into the armaments you are going to build and procure requires chrome ore. The Japanese and the Russians and every other steelmaking country in the world is procuring Rhodesian ore. They were a part of the U.N. embargo. But, the audacity of this group—U.N.—whom we have nurtured and fed since its beginning to condemn the Congress of the United States when this was the first move it has made in 25 years to defend itself against international piracy makes me wonder why our delegate had not the time or the inclination to get up and defend the elected representatives of the people of the United States.

I want to say to you that brokers in the world today, the brokers of chrome ore voted to condemn us for importing chrome ore. Yet, they are the brokers who are buying it from Rhodesia and shipping it to the United States. If the nations were not bringing Rhodesian ore, in violation of the U.N. embargo, Rhodesia would be shut down.

Mr. MAHON. Mr. Chairman, I yield 15 minutes to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Chairman, Defense appropriations bills are always extremely interesting and important. This is the best opportunity presented to Congress to exercise oversight and guidance to the Nation's Armed Forces in the discharge of their great responsibility. A sound and adequate defense is essential to the security of America. Cost problems make this objective increasingly elusive—for instance there is the matter of modernization.

Modernization, which is dependent upon procurement, is the key to the future successes in combat of American military forces. Our force levels are consistently lower than those of the Communists. The numbers of planes, ships, tanks, and guns which we have are constantly dropping behind the numbers in the hands of Communist forces. It does not make sense to keep trying to tell ourselves that our personnel and our weapons are better. Communist weapons are as good as any in the world and some of them are more modern than ours. It is seriously to be doubted that they are having the morale and disciplinary problems which we are having. I think it better to call the shots the way they are than to lull ourselves into false security.

With that background, we must face up to the fact that this year's procurement for new weapons and weapons systems totals $18,185 million. This is $2,156 million above fiscal year 1971 funds. It should be clear that increasing costs, including inflation are much more than the increase in the appropriations. We are not catching up. We are falling further behind. We must spend more for modernization. High prices thus far have made it impossible to acquire enough new and modern weapons to offset the growing strength of Soviet and other Iron Curtain countries. Wages and salaries are a big contributing factor—50 to 60 percent of the costs of American weapons are in this area, contrasted to 20 to 25 percent for the Russians. They get 2-to-3 times the weapons for a dollar that we get.

I know the facts of life. We are not going to cut wages. And we are all aware of increasing pressure for additional tax moneys for domestic problems. There can never be enough money to satisfy all the demands, and of course, many of the demands are fully legitimate. In addition, the American public and the Congress are concerned about the mounting costs of defense.

These costs as often as not are headlined in the newspapers as waste. There is always waste when we deal with sums as big as defense appropriations, and more particularly there are huge cost overruns, but a determined effort is being made through this committee and others and through top officials in the Pentagon to keep unnecessary costs as low as possible. Nevertheless, the problem of obtaining congressional approval for adequate defense funds is growing year by year. The Russians are watching this and they will be tempted to flex their muscles. They have had to back down in previous confrontations because we possessed superiority in weapons. They have not forgotten and it rankles them. We no longer possess superiority. They know it. There may be other confrontations. The first time we have to back down will be the time when our system of Government begins the long, sad march downhill to oblivion. These are not idle words. These facts must be considered when further cuts are proposed.

Speaking of weapons and modernization, I have seen a recent statement that the French armaments industry is now the world's third largest. At any time a country with money finds that it cannot buy from traditional sources the weapons which it needs, France is ready to provide them. For instance, the Irish Republic, during the Ulster crisis, has been unable to turn to Britain, its traditional arms source, for armored cars. The French promptly provided 50. They are selling tanks to Greece and other countries which want American tanks but find them unavailable. They are selling aircraft all over the world, including South America, South Africa and Rhodesia. Only the United States and Russia produce more weapons.

The sad part of this commentary is that many of the countries which buy from France would prefer American weapons and equipment. Because of various commitments which make no sense to me, our arms manufacturers are not permitted to sell to these nations or our State Department says they can not afford modern weapons. Neither of these is impressive reasoning to the countries concerned. They buy from the French. The American manufacturer loses the business and more and more of our people in the weapons and aircraft industries become unemployed. This is a very important area in which America's interests are being neglected. The sale of weapons is accompanied by training teams and by technicians who have an excellent opportunity to assist America's objectives abroad. When these technicians and training teams are not American, they are Russian or French or whatever nationality, and they are not boosting the United States or its objectives for peace in the world.

It will be noted that the committee has taken strong action on tanks. For years the United States has been seeking to develop a new main battle tank. We entered into an agreement with the Germans in 1963 for a new tank. Historically, the Germans have been rated the best tank people in the world and this seemed an excellent opportunity to obtain the best tank that could be built. It is hard to determine who was at fault, but the joint effort failed and it was terminated in December 1969. The Germans now are building two advanced models of their best tank, the Leopard, utilizing some of the features proposed for the joint main battle tank such as engine, transmission, and suspension system.

The U.S. Army attempted to carry on the design begun under the joint effort, but as the cost advanced, began to cut back on improvements which originally were planned. Estimated costs had reached the frightening sum of $850,000 per unit. An austere version of the main battle tank was projected to cost $600,000 per unit. Later estimates indicated that even the austere version might cost as much as a million dollars, and there are too many indications that the tank would not possess some of the most important features needed in a modern tank. It contains expensive and complicated features and some automatic systems that can be expected to break down and require an excessive number of trained technicians to keep it in operation. It has an engine of doubtful capacity. It does not have such important assets as the ability to fire in motion which is possessed by Russian tanks. The Russians may well have taken over from the Germans the status of the best tank people in the world. They have first-class tanks. They have three times as many as we and our allies. Sixty-five percent of our tank force is made up of the old M–48's which represent the technology of the early 1950's. This is not an encouraging picture.

It is essential that we stop dilly-dallying on tanks and get down to the development of the best tank we can at a more reasonable cost. That is what the committee is trying to accomplish by terminating funds for the main battle tank and adding $20 million for a new

prototype program. It is possible that a very effective tank can be developed by improvements upon existing models. We know the Israelis were able to take our M–48 tanks and by improvements in the gun and turret develop a first-class fighting weapon. I know of no reason why the United States cannot do as well using the most modern tanks we have and the most advanced techniques now available to us. These, of course, are the M–60A1 and the M–60A1E2. Apparently the U.S. tank program needs someone who can knock heads together and require results. We do not want to spend the decade of the 1970's falling further behind the Russians. At the very least, we should avoid spending another $200 million in development costs to match that already spent in this hitherto nonproductive program.

The Nation must have a better tank for the years ahead. The soldier who fights on the ground suffers most of the casualties in war. A good tank is essential for the success of his operations.

The Russians are building a new and modern fleet with emphasis on heavy surface vessels and nuclear-powered submarines. They are second only to the United States and the majority of their ships are much newer than ours.

Our navy also is confronted with a serious threat from Russian cruise missile ships. Many of these are small, fast vessels which fire an effective missile we are not yet prepared to counter. These missiles also are found on major ships and submarines. In this, the Russians have devised a dangerous answer to American sea power. This weapon apparently was fully in operation before we knew much about its existence. It poses a serious threat, particularly to U.S. surface vessels and I question that sufficient emphasis is being placed on countermeasures and on the development of a similar American capability.

We hear much about the Russian Foxbat which is now seen in the skies around Israel. It has a ceiling of 80,000 feet and a speed of mach 3½. It is the world's most advanced aircraft. It is ironical that the United States could have had an operational aircraft with characteristics that are very similar 5 or 6 years ago. The House Committee on Appropriations funded the F–12, a titanium high-altitude mach 3 aircraft, in two successive years. The Pentagon refused to produce the plane because of excessive costs. I saw the prototype and was very much impressed with it. A modification of this aircraft is the RF–71 which is being produced today for reconnaisance purposes.

Safeguard funding may be a controversial item in this bill. Most of the Safeguard moneys, including military construction, are carried here rather than in the military construction bill because of delays in authorization. Details will be found on pages 15 and 16 of the committee report. It is highly significant that the funds for Safeguard will allow continuation of sites near Grand Forks and Malmstrom Air Force Bases, and advanced preparation for sites at Whiteman Air Force Base and Francis E. Warren Air Force Base. The language in the authorizing legislation apparently eliminates the possibility of deployment at the National Command Authority site near Washington, but funds are available which may be used for minimum required research on protection of the Capital area.

This is in striking contrast to the need for 12 sites which once the Pentagon felt to be essential if we are to provide reasonable protection from a Russian or a lesser number for a Chinese missile strike and to enable us to launch a retaliatory strike. Very probably this situation is in part a result of the SALT talks. The Russians have been able to lull us into a sense of security. This is what usually happens when we become involved in endless negotiations with other powers. We have obtained nothing firm from the SALT talks except occasional statements from the negotiators which express pious hope and help to soothe the American public. In the meantime, the Russians have an antiballistic missile capability which they continue to improve.

Every American family that has a loved one in uniform is worried about drugs and morale problems in the services.

A few months ago the American people were bombarded by the news media with horror stories about widespread use of drugs, low morale and serious problems of discipline among U.S. Forces. There were even instances where U.S. soldiers refused to follow orders for combat or patrol duty. The worst of these cases have been in Vietnam and that is to be expected for that is where the fighting is and the fighting has in large measure been done by men who did not volunteer to risk their lives in that far away part of the world. Serious problems have also been reported in Germany where extremely poor housing has aggravated the picture, and to a much lesser extent in the United States.

It has been said many times that an Army without discipline is a mob, and here, I think, is the basic problem that affects our Forces today. The hearings will show that I asked many questions of military witnesses in an effort to pinpoint the real cause of trouble among military personnel. Two things were particularly alarming to me. I could not assure myself that the top people in the Pentagon have a realistic knowledge of the problem or its causes. I think many of them are too busy with top level problems and too far removed from what is happening in the ranks. I was unable to find, and this is even more disturbing, that a realistic training program is in progress for junior officers and noncoms to equip them to deal more effectively with morale and discipline problems of today's enlisted personnel.

The young men in military forces today are just the same as those of their age group in college or in civilians careers or on the streets. They are knowledgeable. They do not consider themselves bound by customs of earlier generations.

They are subjected to massive doses of propaganda by the malcontents and Communist sympathizers and some of them believe what they hear and read. A majority of them are serving because they were drafted. Some are college graduates doing work which they consider far beneath their capabilities. They have been told time after time even by highly placed people in the Congress of the United States that Vietnam is a waste of time and that we should get out now; they should not be required to serve anywhere against their will.

It is hard to exercise leadership and discipline under these conditions, much harder than in other wars. It takes a special brand of leadership and training. I am confident we have the leaders but I do not think we have the training to enable them to obtain the results that are required.

Idleness is a big part of the problem. The fighting is almost over in Vietnam. Training apparently has not been particularly rigorous anywhere in the world. Idle young men in uniform are going to seek ways to work off steam. Every military force in history has had its problems of discipline and morale when troops are idle. It should not take very long for our military leaders to discover how these matters were dealt with under earlier circumstances in other countries.

Today's efforts are being directed toward an all-volunteer force. Despite all the good intentions of the world and a very tremendous boost in pay and other activities, the effort is probably going to fail. America just is not geared to the concept of an all-volunteer force, particularly where the Army is concerned. That is where the dirty work is done, where most of the dying takes place when there is combat.

I have been puzzled by the failure of the services to take full advantage of the opportunities which they have to obtain personnel already on duty or to attract others with prior service. For instance, I have had many instances called to my attention of 20-year men with good service records being discouraged from continuing for another 10 years on active duty. If a man is good enough to make 20 years, he should have qualifications which make him desirable for 30. He has had training, usually in several specialties. I find also there are many men with prior service who leave the Armed Forces thinking to enjoy a better life in civilian ranks or whose families were unhappy about constant change of station and family separation, later they realize that they left advantages in the service which they do not find on the outside. There seems to be a strange reluctance on the part of the services to permit these prior servicemen to reenlist. Here again is a source of trained men who can rejoin the active services with efficiency that a new recruit could not possibly offer.

We in the committee also found instances where witnesses complained about the difficulty of obtaining an adequate number of junior officers or where they were not available long enough to permit the best use of their services. This does not square at all with the fact that many of the ROTC graduates who are obligated for 2 years of active duty are permitted to leave the uniformed ranks after 3 months. It simply does not appear that full use is being made of the junior officers who are available in this category. I feel that a more realistic appraisal of these and similar categories is in order.

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It will be well for the services to give much more thought to the problem of retaining personnel in the regular forces and in the reserves if the all-voluntary concept fails to produce. Money is not going to be sufficient. We have tried that time and again. There must be an educational process to bring back to the American people a consciousness of the importance of military service and appreciation for the patriotic motives which should be associated with military service. In that connection, I think it is proper to ask what is happening to America's appreciation for those who wear or have worn their country's uniform, and in particular why so little is being said and done about the service of those returning veterans who fought in Vietnam. It has been a tradition in America to display through parades and other public events the esteem in which we hold those men and women who have served our country well and honorably in its fighting forces. It is not to our credit that this show of appreciation and esteem is now being neglected. We must not forget. There are forces at work in this country which seek to destroy the Nation's faith in its Armed Forces. Proper demonstrations of appreciation and support will help to overcome the difficulty of retaining personnel in our peacetime forces in the years ahead.

It is obvious that the principal fight on this bill will be in the form of an end-the-war amendment. By some magic the proponents expect to bring about an automatic end to our involvement in Southeast Asia and free the prisoners of war in 6 months. This is not magic, it is alchemy, and it is a sad play on the hopes and emotions of the families of those Americans missing in action and presumed to be prisoners of war.

Let us consider this rationally. There is not the slightest reason to believe that the act of specifying a date for U.S. withdrawal would influence North Vietnamese policies toward the prisoners of war or toward the conduct of the war itself. The chances are that having gained a date for end of U.S. participation they would simply demand further concessions—like handing over the Saigon Government to the Communists. There is not a scintilla of evidence to show any positive commitment by any North Vietnamese official. All that we have are the statements of touring Congressmen and others who feel that they have received assurance from someone, somewhere, that an end of war declaration by the U.S. Congress will automatically convert the North Vietnamese warlords into gamboling lambs who want to live happily at peace with the world forevermore, and assure the safe return of nearly 1,500 missing Americans, most of whom it is sad to relate, probably have long since been dead.

No, Mr. Chairman, this amendment can serve no useful purpose for the United States or the POW's. It can only tie the hands of a President who has done a remarkably good job in extricating U.S. forces from the difficult and complicated controversy in Southeast Asia. The American military has all but ceased ground combat. A few will have to remain and let us not go off into the wild blue yonder about residual forces. We have forces all over the world. It is considered essential to the U.S. and free world interests that we follow such a policy.

We cannot write off Vietnam and Southeast Asia and forget them. They still are a very important part of the world to U.S. and free world interests.

If we adopt the amendment proposed, we tie the President's hands. We free the Communists to take advantage of many alternatives which now are closed to them. The President must have this flexibility to carry on to a successful conclusion our objectives in Vietnam. Remember that the North Vietnamese negotiators in Paris can end all the uncertainty and bring about assurance of peace and return of prisoners of war at any session they wish by a simple statement of intent. Yet in all the years of wasted effort by our negotiators in Paris the North Vietnamese have not in a single instance showed good faith or good intentions. Do not play their game here today in the U.S. House of Representatives.

It is up to all of us in Government, whether in Congress or in the Pentagon, to assure that we make every possible effort to obtain the most efficient use of the funds that are made available for defense. No one enjoys paying the high taxes with which we are faced today, but the average American believes in an adequate defense, supports it, and will not complain as long as we can assure him that his money is being used carefully and wisely and that it will furnish this great Nation the degree of national security which it deserves and requires.

Mr. MINSHALL. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman and members of the committee, I understand that it will be suggested that we attach to this bill for military appropriations a rider specifying substantially that none of the money appropriated is to be used for the conduct of any military operations in Indochina after June 1, 1972.

There is an old and familiar saying, "It's a hell of a way to run a railroad." With all due respect to my colleagues who sponsor or support this proposed amendment, in my judgment this is, in truth, "a hell of a way" to determine the military program and the foreign policy of the United States.

It is important to remember that we are not now deciding whether or not we ought to have intervened with troops in Vietnam. Neither are we considering—as I agree that we should—ways and means which may be devised for a greater degree of prior consultation by the Executive with the Congress, before American troops are again committed to military action abroad.

On the contrary, we are in the midst of an ongoing war, which the Commander in Chief is engaged in phasing out, in accordance with a considered plan; and we are at a point, during the course of that war, when the Commander in Chief is about to enter into delicate personal negotiations with the heads of state of the principal powers which back our current antagonists with money, with diplomacy, and with arms.

Who can tell, at this point—how can any Member of this House determine—whether a reasonable and necessary implementation of American policy in the Orient will or will not require the presence of some residual American forces in Vietnam after June 1, 1972? How can we possibly determine that such forces will be needed there on the 31st of May, and will no longer be necessary on the 1st of June? As the distinguished chairman, Mr. MAHON, said earlier after years of effort and the pouring out of blood and treasure in Vietnam are we, when the war is nearing its end with a measurable degree of relative accomplishment and success apparently at hand, to throw it all away by ill-considered action in this body? Since when, I ask the House—since when has any sensible approach to statecraft determined that high national policy should be decided, war should be waged, peace made, and the future should be charted by the vote of 435 Members of a legislative body, met to pass on an appropriation bill?

Consider, too, the fact that the President of the United States is about to travel to Peking and to Moscow. Shall we send him off to these difficult discussions handicapped by a congressional expression of lack of confidence in him and in his policies, and crippled by public notice to the opposition that the President and the Nation will, in any case, be helpless to act in any manner, to any degree, and anywhere in Indochina after the first day of next June? Is this the will of the American people? I do not think so; and, to me, it is almost incredible, Mr. Chairman, that such conduct should be seriously suggested by responsible representatives of a free republic.

I urge the defeat of the so-called end-the-war amendment.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. DENNIS. I yield to the gentleman from Washington.

Mr. PELLY. Mr. Chairman, I can seldom remember hearing anyone express my own views with such logic, and I want to associate myself with the statement that the gentleman just made.

Mr. DENNIS. I thank the gentleman for his statement and his contribution.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. MINSHALL. Mr. Chairman, I have no further requests for time, and reserve the balance of my time.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia (Mr. FLYNT).

Mr. FLYNT. Mr. Chairman, once again the House of Representatives finds itself acting on a defense appropriations bill and today finds attached to the report on that bill additional views which call for an end to the war in Indochina by a date certain. I support those additional views. My signature appears thereon. When the amendment is introduced to implement those views, I shall support it. I shall vote for it and I hope that it will be adopted.

A few minutes ago one of my good friends, who came to Congress about the same time I did and whose views generally coincide with mine, except on the issue of the Vietnam war, and I were discussing the Boland amendment. He

chided me for my position in ending the war by saying: "There were only five Americans killed last week."

I think that is five too many. If there had been only one killed, I would think that one is one too many when the decision has already been made and announced to withdraw our forces from Southeast Asia.

Members of this body have divergent views which are poles apart on the subject of the war in Vietnam. Some believe that it should be terminated immediately, others apparently believe that it should be carried on forever. I do not question the motives of any Members of this House for the views which he holds. One of the most tragic results of this whole question of Vietnam is that some have come to question the very loyalty of those who disagree with them, sometimes apparently solely because of their disagreement. Some Members are so sure of the righteousness of their own views on this war that they seek to gag other Members, and deny them simple and very brief extensions of time in which to express their views.

Mr. Chairman, this is one bill on which I wish there were unlimited debate so that every Member could have as much time as he desires to bare his conscience and his soul and say whatever he desires for as long as he desires on the subject matter of the amendment which will be offered later today by the gentleman from Massachusetts (Mr. BOLAND) and of which I am a cosponsor.

While there are several provisions of this bill which some of us would like to change by taking away funds in some instances and adding funds in others, we are basically of one accord on all of the provisions of this bill with the exception of the amendment which, if adopted, will be renumbered section 745 which reads as follows:

On page 48, after line 7, insert:

"SEC. 745. In line with national policy as set forth in Title VI (the Mansfield Amendment) of the Military Procurement Act of 1971 calling for termination of all U.S. military operations in Indochina at the earliest practicable date and prompt and orderly withdrawal of all U.S. military forces at a date certain, subject to the release of all American prisoners, and notwithstanding any other provision in this Act, none of the funds appropriated by this Act shall be used to finance any military combat or military support operations by U.S. forces in or over South Vietnam, North Vietnam, Laos or Cambodia, after June 1, 1972."

In my opinion it is very clear that the authors of this amendment have the same objective that the President of the United States has. That objective is to stop all combat roles by U.S. Armed Forces in Indochina as soon as possible. The President and the Secretary of Defense have announced that this is the policy of the administration. This amendment says the same thing except it goes a step further and adds the words "not later than June 1, 1972."

Mr. Chairman, I personally—and with some experience in military operations—oppose the policy of gradual withdrawal just as strongly as I oppose the policy of piecemeal commitment of forces. Any student of military history as well as those who have been a part of it know from such history or experience that piecemeal commitment of forces is an open invitation to disaster. It violates all of the principles of war, tactical and strategic, which have guided successful military commanders throughout history. Gradual withdrawal or piecemeal disengagement likewise violates those same principles of war.

Mr. Chairman, I would never have adopted or implemented a policy of piecemeal disengagement, but that decision was not mine to make. The decision to disengage has already been made by the decisionmaking authority. The only decision left for me to make is whether I want to prolong the process of piecemeal disengagement over what could be a period extending to several years or do it by a time certain. The decision for disengagement having already been made by others, and I have made my decision to try to set a date. I want to be a part of the decisionmaking process which the House of Representatives, the Senate concurring, has the constitutional authority to make—to set June 1, 1972, as the termination date for combat and support roles of U.S. forces in Indochina and for their total withdrawal, subject to the release of all American Prisoners of War—prior to that time. The announced piecemeal withdrawal of forces invites total destruction of the comparatively small residual force which remains.

As long as there is piecemeal disengagement and as long as a residual force is left in Indochina, there is no basis for negotiation for the release of the American prisoners of war held by North Vietnam and the Vietcong, unless a reliable commitment has already been made to the President of the United States by China that China guarantees such release.

This morning while driving to work, I heard on the radio news a statement attributed to the President "that General Abrams will have to get along with less than 90,000 troops, perhaps as few as 65,000 by next July—1972." Since the President is reported to have announced that by July 1, 1972, that General Abrams will be reduced to 90,000 troops or perhaps as few as 65,000, he has destroyed the basis to negotiate for the release of our prisoners of war. Unless the President already has a reliable commitment for the release of American prisoners of war, he will have no basis of strength upon which to negotiate. If he already has such a commitment from China and North Vietnam upon which he can rely, then there is no further reason for retaining a residual force in Southeast Asia.

While this may be an oversimplification of a long and complex subject as far as the issue of the release of American prisoners of war is concerned, the President already has a reliable agreement that they will be released or else he is denigrating any chance he has to negotiate for their release. In either event, he might as well stop the war and bring back all the U.S. troops.

Mr. Chairman, the establishment of a residual force in Southeast Asia would, for all practical purposes, turn back the clock to either 1956 or 1961 when we adhered to the policy of sending advisers to the Army of South Vietnam. That policy escalated to a combat role in which at one time more than 550,000 American troops were committed. The late Senator Richard B. Russell, of Georgia, told President Eisenhower that if he sent U.S. troops to serve as advisers to the South Vietnamese, he would eventually have to send 200,000. His prescience and his vision were based on his long-time service as chairman of the Senate Appropriations Subcommittee on Defense and as chairman of the Senate Committee on Armed Services. The only error contained in his predictions was the number of men we would eventually have to send.

Mr. Chairman, the Department of Defense informs me that 3,155,650 men have been committed to Vietnam with more than 550,000 committed at a single time.

Any decision to make a complete withdrawal from Vietnam by a date certain will be a traumatic and agonizing experience. I am willing to make such a decision because it is to me no more traumatic or agonizing than to augment a policy of piecemeal disengagement and to establish a residual U.S. force in Vietnam.

What would be the purpose of such a residual force? Would it be for the sole purpose of maintaining the Dictator Thieu as the U.S. appointed "President" of South Vietnam? If this is the case and if events of the next 8 months prove that to be the case, I will never again vote for an authorization or appropriation bill which has funds used to place, maintain, or perpetuate in office in a foreign country a dictator who will not permit the name of an opposing candidate on the ballot. In 1971 there were two major potential candidates, General Minh and General Ky, each of whom had and has a substantial following among the people of South Vietnam, possibly as great or greater than President Thieu would have without the military support of the United States. If either of them had remained a candidate and had dared to go down to the wire in a campaign for President against Thieu, he or they would probably have suffered the same fate as the candidate in the presidential elections of 1966 and who according to last reports is still imprisoned like a common criminal.

The statement that the United States is in Vietnam at the request of our allies is one of the most damnable fictions of all time. It may at one time have had some semblance of validity but for many years, and certainly now, the United States is committed in Vietnam at the request of nobody except United States-appointed Vietnamese puppets.

I quote from a letter from an American soldier to a friend back home in which, among other things, he describes how newsmen pose shots supposedly taken in action in which he says:

Hell, I've never been so disillusioned with our country after my experience over here. He continues, however most of my disillusionment comes from the sorry . . . attitude of the Vietnamese people. Especially the educated leaders of this country are so rotten—dirty no-good thieves. They are Communist-haters but all have fat bank accounts in foreign banks. They deposit every month several times their salary in these bank accounts

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outside the country. In this one area—where I was adviser to the [deleted] and also adviser in psychological warfare—the U.S. government (through Vietnamese channels) was paying salaries to 338 cadres. The cadres were supposed to be pacifying an area five villages in size. However there were only about 50–60 cadres working in the area. So this meant a group of about three minor government officials (Vietnamese) were stealing $4,000 per month. I reported this but nothing was done. I raised so much [flak] about it that they transferred me out to a straight combat unit. At the same time this was going on, the Vietnamese reports were very rosy and you would believe the war was almost won. They said that we distributed some 4 million pills and treated several thousand villagers when we had no medicine at all—it had disappeared before it reached us—more likely sold in the big cities. They said my battalion [250 men] killed or captured 175 Viet Cong. However I have seen only two bodies and about eight prisoners in all of our actions. Even accounting for the ones dragged away after they're dead by the Viet Cong, I think we killed only 21. However we lost 50 of our men killed and 35 wounded and 16 captured. I personally saw and helped carry out 25 of our own dead—but they report we lost about 12. But these false paper reports satisfy Washington.

This is typical of many such statements which have been related to me by numerous American soldiers who have returned from Vietnam. Some have said that the reports of "body counts" and "enemy casualties" have been so ridiculously high that some units resorted to wanton killing of women and children to lend some credibility to these exaggerated enemy casualty reports.

The U.S. policy in Vietnam has totally prevented the national plebiscite which was promised to the people of Vietnam—North Vietnam and South Vietnam alike—in the Geneva Accords in 1954. If this plebiscite had been held, I do not know what the result would have been, but in my opinion whatever the outcome, it would have been far, far better for the people of Vietnam, the people of the world, and especially the people of the United States, if that plebiscite had been held and the decision made at that time. We have artificially imposed our will on the people of South Vietnam and are trying to impose it on the people of North Vietnam. If anyone seriously thinks we can succeed in doing either, he is badly mistaken.

Information which is effectively declassified because it is now in the public domain, states that in one report as far back as 1953, the Central Intelligence Agency showed an active interest in one Ngo Dinh Diem, who at that time was not even living in Vietnam, but was living in exile. The same report adds:

> This new information makes a monkey of the Johnson Administration's claims that we have come to the aid of our allies (in Vietnam). In reality, we have come to the aid of our own unpopular puppets. (New York Times, February 12, 1968, Page 9.)

Mr. Chairman, I have never visited Vietnam and I sometimes regret that I have not done so, if for no other reason than to learn firsthand what a farce this entire military operation has been. I think that if I had gone, I might have seen through some of the tactics which have been used on many visitors to that area of the world.

One officer described in some detail the methods used by the commanders in Vietnam and their staffs to inspire a positive attitude in visiting dignitaries who began flying into Saigon in ever increasing numbers "for a closer look at the war."

The same officer says:

> We may not have learned to pacify Vietnam, but the efficiency of the High Command in dealing with visitors is a wonder to behold . . . Depending on the (visitor's) orientation, the first dinner and meeting are scheduled for maximum impact. If the (visitor) is a potential critic . . . the dinner and briefings are used as an initial assault to break down his resistance . . . The location of the dinner is determined by the (visitor's) rank . . . When the entourage reaches the briefing room, a well-oiled mechanism is brought into play. The various staff officers spring to attention and introductions are made. When the (visitor) is seated, the overture begins.
>
> Because many of the (visitors) are smart and tough, and could possibly see through the fancy footwork, the briefing takes place on the first night. Although it is only 9 P.M., in Saigon, it is 3 A.M. or later in the (visitor's) physiology.
>
> The exhausted (visitor), takes in very little but is too vain to admit it later or too embarrassed to ask for another run-through. The next morning, still exhausted, he is rushed off on a skillfully conducted tour of certain battle areas, after which he flies on home.

Mr. Chairman, the foregoing has become commonplace during our venture into Vietnam. It has become a foray into a grandiose attempt to deceive ourselves that we are there for a rightous cause, in the interests of the United States and that our mission is being successfully accomplished. Nothing could be further from reality. Objective future historians will undoubtedly record that we were not there for a righteous purpose nor for the protection of legitimate U.S. interests, that in the end we deceived no one and after 16 years of unqualified and unwarranted meddling in the internal affairs of an Asian country, our efforts were not successful.

Fifty-five thousand Americans dead, over 400,000 wounded and only God knows how many prisoners of war and missing in action, together with $235 billion in borrowed money expended in a futile effort is a horrible price to pay for this noble experiment into Asian politics. On top of this tangible cost in lives and treasure, we have lost face in the Orient and prestige throughout the world which we may never recover, and have created a division among our people greater than any time since the period of 1861–65. The overall population of this country has never supported the war in Vietnam, although at times the majority may have given lipservice to it. As a result of this casual, almost indifferent attitude by most of our people, the grief, suffering, and hardship not only of our American casualties but of their families has virtually been ignored with callous indifference by most of the population.

This attitude among most of our people may be due to in whole or in part to the fact that they have never been convinced of the rightness of our official position in Vietnam, or the righteousness of our cause, or that this war was in any way in the best interests of the United States and its people.

Had the vast body of Americans believed in this war and that it was in our national interest, they would have supported it as totally as our people supported our war effort in World War II.

Mr. Chairman, I feel as if I owe a debt to my constituency which I can never repay, as well as an apology which I can never adequately make for not having adopted this very posture against the Vietnam war 7 years ago. I came very close to taking the same position which I take today on September 30, 1964, when I said:

> I sincerely believe that we need revision of our Foreign Policy in which we clearly announce that policy and make it a policy of strength and stability.
>
> We must soberly acknowledge the global dangers which confront us. We must bring to the defense of this nation every ounce of loyalty, devotion, and courage that is within us, and do so without reservation or hesitation.
>
> In an effort to be objective and fair, I must say that I am greatly concerned about the future of our position in Southeast Asia, particularly South Vietnam. I do not set foreign policy but if I were asked, I would recommend a policy of leading South Vietnam to victory against the Viet Cong or else get out.
>
> Our prestige there suffers daily in the morass of hesitation and indecision. It may be that since the overthrow and assassination of the Dinh brothers that the South Vietnamese Government leaders do not want to win. If the present Vietnamese leaders do not have the will to win, we cannot supply that vital ingredient.
>
> If we cannot inspire and lead them to victory, we should get out and save what face we can.

Many people to whom I have related this, including some of those who were present when I said it have very properly asked me:

> If you felt that way in 1964 why didn't you do something about it then?

The only answer which I could give then and the only answer which I can give now is that there are certain times and certain circumstances when you have to trust somebody and take certain things on faith. It turned out that I trusted the wrong people and that I took certain things on faith that simply were not so.

In 1964 I believed and recognized then that our military involvement in Vietnam was a serious mistake. I supported it only because I had an undeserved faith that those who made decisions had information that I did not have and I believed that they had the interests of the United States of America in their hearts and minds. As soon as I reached the decision that our military involvement in Vietnam was a tragic mistake, and that those who made the decision to so involve us may have had no more and no better information than I had, I began to turn my efforts toward terminating the tragic mistake of our involvement in Vietnam. Since 1964 there has been an intensive effort, amounting to mob hysteria, to compound the mistakes of 1964 instead of making some effort to correct them.

Mr. Chairman, in July 1966, when the House considered and debated the defense appropriations bill that year, I came very close to making the same speech then that I make today. But even in 1966 I still had that faith which I no longer have. On July 20, 1966, I said and I quote from the RECORD of that day:

> Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. FLYNT].
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> Mr. FLYNT. Mr. Chairman, I support H.R. 15941, and I support the total appropriated amount of $58,611,045,000, and I support it without reservation or equivocation. I support it because the security of the United States of America and the defense of freedom on this planet depends upon it. I am grateful to the distinguished chairman of the Committee on Appropriations for his generous allocation of time to me and for assigning this time immediately following the members of the Subcommittee on Defense Appropriations.
>
> The subject matter of this bill is not questioned by any Member of this House. I hope that it will pass by a unanimous vote.
>
> Mr. Chairman, if the bill provided a greater or a lesser amount, my support of this appropriation bill would be equally strong. The easier course of action would be to commit my remarks to writing and to extend them in the RECORD at this point. However, I subscribe to the words of Edmund Burke:
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> "All that is necessary for the forces of evil to triumph is for good men to do nothing or to remain silent."
>
> I have no question about the need for the amount contained in this bill, but I do have certain questions which should be asked. As a member of the Committee on Appropriations I have that right, and this is the proper forum for such questions to be asked. The first question—and it is of a general nature—is what is our policy and what is our objective in our present military commitment and our involvement in war in Vietnam.
>
> We shall follow our troops and our flag in any direction, but we are entitled to know our destination and the purpose of the trip.
>
> There have been certain decisions which have led to our massive commitment in Vietnam which I have opposed. If I had been called up to make the original Vietnam commitment, I probably would not have made a military commitment in Vietnam under the unstable political conditions which existed. Yet, when the Commander in Chief, and indeed three separate Commanders in Chief, committed our men at arms and the flag of our country, he committed me at the same time. It is my purpose as a citizen of America and as a Member of this body to support this country and this Government in every way that I can.
>
> When the bullets are flying, and the honor and prestige of this country are committed on a foreign battlefield, politics should properly end at the waters' edge.
>
> It is the responsibility of each of us in the official capacity in which we serve to make certain that the members of the armed services committed in Vietnam receive the unreserved support of the Congress of the United States and of the American people.
>
> Especially, it is the responsibility of us to make certain that the funds which are appropriated in this general appropriation bill for the Department of Defense, are expended wisely in such a manner that the commitment and honor of the United States are upheld.
>
> Therefore, I renew the question which I have earlier raised: What is our policy in Vietnam, and where is it going to lead?
>
> In the early part of this year, in a conference participated in by a number of my colleagues and myself, with a number of our counterparts from the House of Commons of Great Britain, we received there a substantial consensus of the thoughts of officials, businessmen, and private citizens, of probably the greatest ally that this country has, Great Britain.
>
> There were those who spoke quite frankly during this conference. There were those who were alarmed by the lack of a definite, stated policy of our position in Vietnam, and where that policy will lead.
>
> Mr. Chairman, there were those, including various senior members of the House of Commons—and there was one who had served as Prime Minister and another who was formerly a Minister of Defense in the British Government—who were outspoken in their belief that unless the United States of America took such action as might be necessary to promptly terminate this military involvement in Vietnam and with a military victory, that the alternative might be a 30-year land war on the continent of Asia. These men know from experience and their own national history what is involved in military operations in Asia.
>
> Each of us deplores the possibility of a 30-year land war in Asia or a prolonged military involvement in warfare there.
>
> It is extremely doubtful that this, or any other Western power, could survive a land war in Asia of the duration and magnitude that such a contingency would require.
>
> Therefore, Mr. Chairman, I think the time is not only present, but it has longer since passed, that our military objective in Vietnam be announced and that it be announced in language so clear that it can be understood throughout the world by friends, foes, and uncommitted nations alike.
>
> Many of my friends at home as well as many of our colleagues feel—and with this I must agree—that a military solution alone does not hold the complete answer to what is taking place in Vietnam. However, just as I recognize that fact, I firmly believe that we cannot achieve the other and equally great solution without first achieving a military victory in the same way that every military force of the United States through World War II has always achieved victory when committed to warfare, declared or undeclared.
>
> The CHAIRMAN. The time of the gentleman from Georgia has expired.
>
> Mr. LIPSCOMB. Mr. Chairman, I yield the gentleman from Georgia 5 additional minutes.
>
> Mr. FLYNT. I thank the gentleman from California.
>
> Mr. Chairman, during the past few weeks I have had the opportunity to meet with and to discuss in both small and large groups, the war in Vietnam. As a result of those conferences and meetings, I think that there is absolute assurance that the people with whom I have talked, the people of the Sixth District of Georgia, and as near as I can ascertain, all of the people of our great State not only love our country, but they support it and its policy. They support our Government, right or wrong, and whether they agree with the administration or not, they support the policy of the United States and our Armed Forces engaged in Vietnam. However, I am convinced that this support would be more enthusiastic and 10 times as strong if there were a definite announced and stated policy of terminating this war with dispatch, with honor, and with victory.
>
> Mr. Chairman, I regret that I did not follow my remarks on July 20, 1966, by offering an amendment to set a termination date for U.S. combat operations in Vietnam. I have no illusions that such an amendment would have been adopted on July 20, 1966, but subsequent knowledge proves to me, at least, that it would have been the right thing to do.
>
> When I came to the full realization that what we were hearing about the Vietnam war was only what the administration wanted us to hear, I came to the position which I now hold. If there had not been a change of administration on January 20, 1969, I would have come to this position then. I still delayed taking this position because I recognized the fact that President Nixon had not started this war but had inherited it, and in his campaign for the Presidency in 1968 he assured the American people that he was going to bring it to an end. I believe that this assurance given to the American people was the deciding factor in his election to the Presidency. The vote for President in 1968 was so close that I believe that the President would not have been elected in 1968 had he not made this assurance.
>
> Believing his assurance that he was going to terminate the war and also he was going to terminate our military presence in Southeast Asia, I withheld my immediate change of position and wrote the President the following letter:
>
> WASHINGTON, D.C., *April 17, 1969.*
>
> The PRESIDENT,
> *The White House,*
> *Washington, D.C.*
>
> DEAR MR. PRESIDENT: During the Easter recess, nearly everyone with whom I spoke asked my impression of your first three months as President, and of your administration generally.
>
> You would be pleased with what I said publicly and privately. In both prepared remarks and in response to questions, I spoke in very high terms of you as a man of great ability, strong character and great integrity. I praised your Cabinet appointments. I expressed my intention to do my part to make your administration a success and to strengthen our country. I believe my constituents feel the same way.
>
> The overriding issue in the minds of nearly everyone is the Viet Nam war and its conduct. With great respect, Mr. President, a significant factor in your election was the faith that the American people had that you would change the old policy, abandon the idea of appeasement, and either terminate the war by a military victory, or denounce the old policy as a tragic mistake and withdraw unilaterally, if necessary.
>
> The people with whom I talked were *appalled* that the Secretary of State, my good friend Bill Rogers, reportedly told the Senate Foreign Relations Committee that the policy of this administration was not to achieve a military victory.
>
> They feel and I feel that this statement by the chief architect of American foreign policy (next to yourself) was tantamount to a victory for Ho Chi Minh, North Viet Nam and the National Liberation Front. If that is our policy there is no reason for our enemies to come to terms at any negotiating table. When the belligerents are as unevenly matched as the United States and North Viet Nam, a failure for us to prevail militarily is a complete military *and* political victory for our enemy.
>
> War should be avoided at all costs, save cowardice, but once we are committed to war there is *no* alternative than to apply every available means to bring it to a swift and decisive end. War's very object is victory—not prolonged indecision.
>
> There seem to be among your advisers those who fear what China will do and recommend to you a course of action which would appease Red China. Those who so advise you are blind to every clear lesson of history.
>
> The seizure of the Pueblo in 1968 and the shooting down of an American unarmed reconnaissance aircraft on 15 April 1969 would never have taken place except for the apparently indefensible position we take in Viet Nam. All other nations, friend and foe alike, are now looking on us as a gutless paper tiger instead of a world leader.
>
> If this policy continues, we will be subjected to an interminable series of humilia-

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tions which include acts of piracy and acts of war.

One of my British friends recently asked me why we were so concerned about the spread of communism in Southeast Asia when we were oblivious to a total Communist take-over 90 miles from the United States mainland. I could not answer.

Mr. President, there may be reassuring facts to which I do not have access. If there are, arrange for these facts to be made available to me. I shall keep inviolate their classified status, but I need such facts in order to give some kind of assurance to the people whom I represent.

I feel that the Paris negotiations are a farce at best and a fraud at worst. They seem to be doing nothing but prolonging the Viet Nam war. This country cannot survive a prolonged war in Southeast Asia or a resumption of the Korean War, and we are perilously close to having to engage in both simultaneously.

Mr. President, I shall support your decision to achieve a military victory or to withdraw. I can no longer support a continuation of the present no-win policy.

This letter is not being written to serve as a springboard for a public statement. It is written because I think the future of our country demands that I write it to you.

I believe that I am entitled to a reply from you because I need some answers for questions which my constituents ask me.

With great respect and high esteem, I am

Sincerely yours,

JOHN J. FLYNT, JR.,
Member of Congress.

In December 1970, I reached the decision that if the war in Southeast Asia is going to be terminated that the Congress and Congress alone must do it. Accordingly, since that time I have voted for every amendment that I thought would bring about the end of the war in Southeast Asia, and I have voted against all legislation which I believe will have the effect of continuing and perpetuating this war. This policy I shall continue to follow. I shall not vote against the defense appropriation bill, but I shall vote for it only after I have made every effort to amend it so as to terminate the Vietnam war.

I urge the adoption of the amendment which will terminate the war on or before June 1, 1972.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Chairman, I rise in support of this bill in general, but for a number of months I have been studying the F–14 program and I cannot help but be struck by a number of unanswered questions that surround this program. For example, are the carriers on which the F–14 will be stationed excessively vulnerable especially to nuclear attack? Do the Soviets have an aircraft truly superior to the present U.S. aircraft? Does the variable-sweep wing used in this plane have more advantages than disadvantages? Will the Phoenix missile and its associated electronic systems prove to be an effective weapon in conjunction with the F–14 airframe? In sum, despite the extremely optimistic claims of the Navy, is the F–14A clearly a better aircraft than the present F–4?

The importance of these questions is compounded by the enormous size of this program. Some estimates of the 10-year cost of this program run to $25 billion.

Mr. Chairman, my major concern with the F–14 program is that the Navy is moving into production too rapidly with the F–14A. Eighty-six of these planes are currently under contract, despite the fact that there has been no Navy flight test or evaluation of the plane—merely company testing. A number of components of the F–14, which are critical to the development of the plane as an effective weapon system, such as the B engine, are over 1 year behind schedule. The AWG–9 fire control system and the Phoenix missile have not been fully tested. A significant failure in any of these subsystems could jeopardize the entire system.

In the past, the production of vast quantities of weapons before performance has been demonstrated, has led directly not only to substantial cost overruns but also to weapons that are defective and in some cases unusable.

It must be remembered that 141 F–111's were purchased before the Air Force determined they were so underpowered they could not be deployed.

However, the Navy argues that the F–14A is the only U.S. plane that can counter the main Russian threat—the Mig–23 Foxbat—and is therefore urgently needed and the program cannot be slowed down.

Much controversy still exists as to whether the F–14A is substantially better than the improved F–4J with maneuvering slats and an up-to-date fire control system. There are paper studies in the Pentagon that prove both sides are right, but I think the Congress has bought too many airplanes—based on paper studies. It is time we see the results of real competition in flight.

My real fear is that the Navy is embarking on a multibillion-dollar program which may not produce a plane that is really better than the one we already have.

The reason for my concern over this question is the very substantial difference which exists in the Pentagon's own studies comparing the major criteria of the F–14A and the improved F–4J essential for a true air-superiority fighter. The divergence in claims is astounding.

During the Senate debate on the F–14, Senator SYMINGTON quoted a Pentagon study which claims that the F–4J is superior to the F–14A, thus corroborating another study that Senator PROXMIRE had quoted. The Symington study seemed to show that the F–4J outclimbs the F–14A; at combat gross weight, the F–4J outturns the F–14A; and the F–4J also accelerates faster than the F–14A from cruise speed.

However, on the other side of the battle of paper studies, Admiral Zumwalt claims that "analyses consistently show the F–14A will be significantly superior to the F–4J." The admiral's studies show the F–14A with 50 percent better acceleration; 15 to 55 percent better in combat rate of climb; and 40 percent better turn radius.

Mr. Chairman, how is a mere Congressman going to decide between these widely divergent counterclaims? With this kind of divergence, we have to reconcile the claims, and I think I have a sensible proposal that is in the spirit of the Pentagon's "fly before you buy" policy.

The Navy has assured me that the full capabilities of the F–14A and its weapons systems should be verified in the June 1972 second Navy preliminary evaluation. June 1972 would be a logical time for the Navy to make its case for the urgent need for the aircraft by staging a direct competition, or fly-off, between the F–14A and the improved F–4J, to make some concrete determinations as to the relative effectiveness to the two planes To assure fairness in the competition, the GAO should closely monitor these tests. The two planes should be compared over the full range of their flight characteristics and with the latest measurement techniques.

If it turns out that the F–14A is not substantially better than the F–4, the program should be slowed down immediately. Depending on the outcome, alternative aircraft should be pursued, such as a new lightweight fighter similar to the plane the Air Force plans to build as a complement to the F–15—a concept that the committee vigorously supports.

If the planes are essentially comparable in performance it is of devastating significance when we are thinking of replacing the F–4 with the F–14A's costing more than four times as much per plane.

If the Navy refuses to compare these two planes in a fair flight competition, I would be extremely suspicious and I think there are many in Congress who would want to know what the Navy is trying to hide.

Despite all these reservations about performance of the F–14, the Navy alleges that a further slowdown would entail a breaking of the contract with Grumman, which it claims would add about $1.5 billion to the total acquisition cost. This contract was made in direct violation of the Pentagon's "fly before buy" policy. It should never have been made. But this is not the first time the Pentagon has violated its "fly before buy" policy, and it will not be the last unless the Congress bites the bullet and forces the Pentagon to accept the consequences of its haste-makes-waste policies.

Never again should the Defense Department be allowed to put Congress over the barrel, as we are today. Never again should the Congress allow the Defense Department to go into production, into mass production, on a weapons system that has not been fully tested and evaluated.

Mr. Chairman, I yield back the remainder of my time.

Mr. MINSHALL. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. TALCOTT).

Mr. TALCOTT. I thank the gentleman for yielding.

I take this time to ask a couple of questions of the chairman of the committee.

It is my understanding—and I hope the chairman agrees with me—that some of the best personnel we have in all the services are the rated personnel, the men who fly airplanes, whether for the Army, the Marines, the Air Force, or the Navy; and that they are essential to the future of our military services. They are men we want to encourage to stay in the services and to develop their talents, skills, and motivation.

Also, some of these very same people are the brightest young men we have—junior officers who want to go to schools of one kind or another to improve their talents and career advancement and their contribution to the service and to the Nation.

Section 715, as I understand it, says that no funds in this act shall be used for proficiency flying except in accordance with a Department of Defense order, and there shall not be required the performance of proficiency flying, but they may permit such flying except in the case of members who have been assigned to courses of instruction for 90 days.

It seems to me we are saying that the rated personnel who want to go to school and develop themselves better are not going to be permitted to fly. Am I wrong in my evaluation of this section? If not, could the gentleman please tell me why we do not want our students to continue their flying?

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. TALCOTT. Yes, of course; I yield to the gentleman from Texas.

Mr. MAHON. To maintain airbases and airplanes and maintenance crews for these students did not seem to be wise or necessary under the circumstances. This was provided for in the law last year, and, to the best of my knowledge, there have been no serious problems arise as a result. I do know that some people are not entirely happy with it.

Before these students or any rated officer can return to operational flying after going to a school or after being assigned to nonflying duties, it is necessary to go through an extensive retraining program. The proficiency aircraft most pilots fly are far less sophisticated than the aircraft they would be flying when they return to an operational billet. Perhaps this would contribute to their enthusiasm for flying but would be of very minimal value insofar as their fitness for military duty was concerned.

It was just thought that this was an appropriate way to deal with this situation. We have provided in this section for the possibility of making some reductions in the cost of proficiency flying by not requiring people to do proficiency flying under certain circumstances in order to get flight pay.

I would be glad to say to the gentleman, who is a very distinguished and very able Member of the House, that I will be glad to look into the matter further. I am sure the subcommittee will, too. It may be that some modification can be made.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MINSHALL. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. Chairman, I would like to advise the gentleman that it was the intent of the committee in denying these students the right to perform proficiency flying that while attending school they should spend their time behind the books rather than behind the throttle. To send these pilots to school costs a considerable sum of money and they should devote their full time and attention to that schooling.

Mr. TALCOTT. I commend the chairman and the ranking member and the full committee for trying to save some money. I think that we can save considerable amounts of money which are used in developing flying schools and in creating flying facilities and in the maintenance of aircraft and facilities if they are not necessary to maintaining flying proficiency.

I simply wanted to be assured that rated personnel who become students would be permitted, like other personnel, to fly, to keep up their proficiency, if they desired.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I am concerned with the provisions of section 713 (c) which appear on page 34 of the bill. When the House reads the bill for amendment I shall offer an amendment to change the section by limiting the power it gives to the President to 60 days at the end of which time he would be required to come to the Congress to obtain its approval for the additional troops that he has called up. The reason for my amendment is that this section gives the President a blank check to give him the right to call to active duty as many troops as he thinks necessary even though that number exceeds the mandatory troop levels that have been established by the military committees of the House and the Senate and by the funding of the Committees on Appropriations of the House and the Senate. What awesome power to give to the Chief Executive and without check.

Some years ago when President Truman seized the steel companies, the Supreme Court decided that he had exceeded his powers as Chief Executive having acted without congressional authority. In his decision Justice Jackson said:

> We may say that power to legislate for emergency belongs in the hands of Congress but only Congress can prevent its power from slipping through its fingers.

In section 713(c) of this bill, it is proposed that Congress should relinquish its power, should let it slip through its fingers by giving complete authority to the President to call up as many men into the Armed Forces as he thinks necessary. Even the gravest emergency should not provide the Chief Executive with such power without congressional approval. The Constitution gives the Congress the responsibility and the authority to raise armies and to provide the funds to pay for them. It is a joint responsibility. Congress must be consulted.

Even the best of Presidents should not have such power, for all Presidents are mortal with human failings. If he is a good President, he will not want such power. If he is a bad President, he certainly ought not to have it.

If there is any lesson to be learned from Vietnam it is that the Executive should not be permitted to act without congressional supervision.

Unfortunately, too often the Congress has deferred in its judgment to that of the executive branch. Unfortunately, too, these days the executive branch has come to assume that in matters of foreign policy—especially foreign policy which may lead to wars—the Congress is under the duty to accept the judgment of the executive branch.

Too frequently the executive branch has failed to follow the sage advice of the late Senator Vandenburg that the Congress should be informed and consulted before the takeoff and not merely at the end of the crash landing of an ill-fated venture.

And, that is the purpose of my amendment: To bring the Congress into the picture before we are so overcommitted by the President that it almost impossible to extricate ourselves. In this day and age when wars can break out anywhere on the face of the globe, when it may be decided that American Armed Forces should be dispatched to an area of conflict in order to influence the decision, the Congress must be consulted. In a time when wars need not be declared—indeed today that formality is rarely observed—in a time when wars can be undertaken solely by Presidential decision, it is of critical importance that there be congressional review and that such review occur within a reasonable period.

In the absence of a declaration of war, the only oversight Congress has of a Presidential action initiating American armed intervention is through its power over the purse strings. Section 713(c) proposes to waive that power and to give the President the absolute right for the duration of a fiscal year at least to do as he wishes with our Armed Forces expanded to any size he sees is necessary without having to come back to Congress for funds to assist such action.

I believe the authority requested is excessive, arbitrary and unreasonable.

I shall offer my amendment at the appropriate time.

Mr. MAHON. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Chairman, from all appearances, President Nixon has convinced most Americans that he is ending our involvement in Vietnam and he is now mesmerizing them with the illusion of action to end our economic chaos. The defense appropriations bill before us today offers a prime opportunity to set the record straight on both counts.

First of all, the President is not getting us out of Vietnam. It is apparent that he has every intention of maintaining a permanent military presence in Southeast Asia and of merely substituting increased air warfare for the decline in ground combat. It is also apparent that the withdrawal of our uniformed combat forces is being more than matched by the escalation of covert activities, particularly in Laos and Cambodia, under the aegis of the Central Intelligence Agency.

Actually, Mr. Nixon no longer has to rely on a massive U.S. military force in Vietnam. He obviously feels the American people will tolerate any level of air combat, regardless of how much of Indochina is laid waste in the process. And

with the failure of Congress to effectively prevent the President from conducting a secret war through the CIA and through paid mercenaries, his freedom to continue our tragic involvement in Southeast Asia remains unchecked.

The fraud of his Vietnam policy is more than matched, however, by the fraud of his economic policy, as evidenced by the bill before us now. The economic dislocations under which so many millions of Americans are suffering are the direct result of our involvement in Southeast Asia and the continued dominance of defense spending is our first national priority. The defense appropriations bill on which we will soon vote perpetuates a distortion which not only has been a prime cause of inflation, but which also has seriously retarded our ability to meet urgent domestic problems.

More than a billion and a half dollars of this $71-billion bill is earmarked for one item: procurement of ammunition for all Army weapons except missiles. The committee would have us spend half a billion dollars more on this item than spent last year and this increase represents fully a third of the total increase in the bill over last year's defense money bill. If the war in Vietnam is ending and our troops are coming home, why are we spending so much more on ammunition for the Army?

Let me read you the paragraph from page 84 of the committee report. It says as follows:

> This appropriation finances the procurement of ammunition for all Army weapons except missiles. It also provides industrial facilities needed for production of ammunition end items and components, the modernization of Army ammunition plants, and the layaway of Government-owned plants and equipment at the time ammunition production is completed and where it has been established that the facilities will be required in the event of mobilization.

Now, Mr. Chairman, let us analyze that paragraph to see why we need another one-half billion dollars more for ammunition for the Army. What happened to the wage-price freeze? Why does it cost that much more money to manufacture these items? Do we need it for the industrial production—for the production of ammunition? Do we mean that after all these years we no longer have industrial facilities with which to produce this ammunition? Do we need it for the modernization of Army ammunition plants? What is meant by this?

They say that we want it for "the layaway of Government-owned plants and equipment at the time ammunition production is completed, and where it has been established that the facilities will be required in the event of mobilization."

Are we preparing to mobilize for some unknown war, and that is why we have to spend half a billion dollars more this year than last year?

I wish that the distinguished gentleman from Iowa (Mr. GROSS) were to take this bill apart in the same way that he takes apart the bills that we propose for education and for housing. But certainly if the Committee on Appropriations is as concerned about what they refer to on page 3 of the report as excessive spending affecting the economy, it would seem to me that the half-billion-dollar increase should not be for ammunition for the Army or for building toward any future mobilization, but should be spent on the legislation that we propose for education, for housing, and for the needs of this country.

Mr. Chairman, it is precisely this kind of unnecessary and unproductive spending that causes the inflation about which the committee expresses such deep concern in the report accompanying this bill.

If the Committee on Appropriations wants to end unemployment and bring our economy out of the doldrums, let it bring forth increased appropriations for housing, health programs, mass transit, and education. Let it not resist our attempts to reorder spending priorities through such efforts as the Hathaway amendment to the education appropriations bill. And let the committee insist that the White House end the totally unjustifiable freeze on more than $12 billion in congressionally approved appropriations for housing and community development programs. These measures will stimulate the economy. These measures will create jobs where they are needed most. And these measures will enable us to get on with the important work of repairing the fabric of American society that has been so cruelly torn by the war in Vietnam.

We are told that the war is being wound down. But the military budget goes up. This is the only time in American history that we will spend more for the military at the end of a war than while the war was still going strong. It is time to ask some hard questions.

Why is it that in a period when the yearly costs of the war in Vietnam have been cut in half from the high of about $25 billion in fiscal 1969, the military budget should rise?

Why is it that the United States, 25 years after World War II, still stations over 300,000 troops plus their 200,000 dependents in Europe and spends about $14 billion a year on NATO defense?

Why do we continue to devote a disproportionate share to the defense of Europe when the European nations have never met their NATO commitments when their balance-of-payments position contrasts favorably with ours, when their population is in fact larger than that of the United States, and when they have made a full and complete recovery from the devastation of World War II?

Is it not about time that the doctrine President Nixon enunciated at Guam—the doctrine which proclaims that—

> We shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense—

Be applied to Europe?

And why should defense spending rise when the Secretary of Defense has publicly proclaimed that the basic concept of our military strategy has changed from the two-and-a-half-war concept to that of having sufficient forces to fight one major war and one minor war.

In my view, this bill should be defeated. That is the only way we will get a reassessment of the proper role of defense spending. But I realize there is little likelihood sufficient votes can be mustered against this bill.

The very least we must do, therefore, is to adopt the Boland amendment setting a June 1 deadline for termination of our military operations in Southeast Asia, and the Aspin amendment reducing the military appropriations for fiscal 1972 to the level of the last fiscal year—$69.5 billion.

This administration has done nothing to put the Nation's spending priorities where the needs really exist. Congress must accept the challenge.

Mr. TEAGUE of Texas. Mr. Chairman, my greatest concern at this time is the potential danger to our defense posture from the standpoint of tactical fighter aircraft. The only tactical fighter aircraft, productionwise, available to the Air Force, as I understand it, at this time, are the F–4, the F–111, and the A–7.

The F–15 and AX are in the development stage, but will not be available in sufficient production quantities until sometime after 1975; more than 4 years from now.

It is disturbing to note that as the F–111 and the A–7 lines are closed, only the F–4 and the F–15 would be in production with one manufacturer and a monthly tactical fighter aircraft delivery rate of less than 10 per month in calendar year 1974. The potential danger to the defense posture of the United States by our low total tactical aircraft inventories and minimum number of aircraft production lines require that existing production lines remain in being. The options with present aircraft types should be continued until the United States is guaranteed that future aircraft developments are proven and available in sufficient operational quantities to meet any potential threat to this country.

Mr. VANIK. Mr. Chairman, I object to many of the provisions in the $71 billion defense appropriation bill under debate today. I will support amendments to terminate American military involvement in Southeast Asia as of June 1, 1972—if our POW's are released—and to provide that the total defense appropriation for fiscal year 1972 shall not exceed the amount appropriated in fiscal year 1971.

If these amendments fail, I feel that it will be necessary for me to cast my vote against this bill.

The American people have clearly and overwhelmingly indicated that they want this war to end. As 14 members of the Appropriations Committee stated in separate views to this legislation:

> The story of the immense and immeasurable loss to this country, in lives and limbs, in resources, in spirit, in direction and in the imbalance of our overall defensive posture, has been told again and again. The even greater costs to the people of Southeast Asia similarly have been spelled out.

The publication and discussion of the Pentagon Papers and the travesty of the recent presidential election in South Vietnam have accelerated our people's disgust and sorrow with this tragic war. A Harris poll released November 11 indicates that those who feel that our involvement cannot be morally justified has jumped from 47 percent to 65 percent.

The Mansfield amendment, accepted as title VI of the military procurement bill, calls for the termination of all U.S. military operations in Indochina at the earliest practicable date and for the prompt and orderly withdrawal of all U.S. military forces at a date certain, subject to the release of all American prisoners and an accounting for Americans missing in action. By indicating a specific date of withdrawal the North Vietnamese will be induced to cooperate on the issue of POW exchange.

If the amendment is not accepted, I must vote against the total bill, because recent court decisions have held that continued congressional approval of Department of Defense appropriations has, to the satisfaction of the courts, demonstrated national support of a war conducted through proper constitutional channels.

I do not support endless continuation of this war. I believe that our Constitution and separation of powers doctrine has been severely hurt by the fact that this war has gone on for 10 years, at one time engaging 500,000 men, has cost us over 55,000 men killed, all without a formal declaration of war and national debate by the Congress. According to the courts, Congress has, for all practical purposes, declared war by approving appropriations of the Department of Defense. For the sake of the Constitution and the future policy decisions of this Nation, this practice must end.

The court cases in this area are worth describing in more detail. On October 21, 1971, the U.S. Court of Appeals for the First Circuit handed down a decision in the case of Massachusetts against Laird. In this case Massachusetts sought a declaration of unconstitutionality concerning our involvement in Vietnam, since war had not been declared or ratified by the Congress. It, therefore, sought an injunction against the Secretary of Defense barring further orders to duty in Southeast Asia of Massachusetts men, if, within 90 days of a decree, the Congress did not declare war. In addition, Massachusetts claimed damage both as a sovereign State and to its citizens, citing the deaths and injuries of its inhabitants, consequential loss of their prospective civic and tax contributions, increased claims of dependents, additional burdens on its economy, mass demonstrations, and damage to its public's morale.

Complaints that would be valid in any State of the Union. The State of Massachusetts held that participation by the United States in hostilities other than an emergency is unconstitutional unless initially authorized or subsequently ratified by a congressional declaration of war according to the constitutionally established procedures in article I, section 8, clause 11, of the Constitution." The State did say that constitutionality could be achieved by a "constitutional equivalent" for a declaration of war or by specific ratification of executive actions.

The Court upheld the executive branch, saying:

> All we hold here is that in a situation of prolonged but undeclared hostilities, where the executive continues to act not only in the absence of any conflicting Congressional

Claim of authority but with steady Congressional support, the Constitution has not been breached. The war in Vietnam is a product of the jointly supportive actions of the two branches to whom the congeries of the war powers have been committed.

To support this appropration bill would be to support the indefinite continuation of the war. This I cannot do.

Even if the war question were not at issue, I would seriously object to some of the major programs which are being funded by this bill.

The bill includes an appropriation of nearly $1.2 billion for the ABM Safeguard system. At a time when the SALT negotiations are continuing, at a time when the President is planning a visit to Moscow, I seriously question whether this appropriation should be made at this time. It is argued that it is needed to convince the Soviets that we mean business. If so, why not appropriate the money on a contingent basis. Otherwise, we may be pouring concrete and ordering equipment that we will soon scrap.

The bill also includes funds for purchase of the F–14 aircraft for the Navy; yet, weapons systems on which this plane is dependent have not yet been proven or, in cases, developed. This advanced fighter, on which there has already been heavy cost overrun, is designed to protect the fleets' aircraft carriers. But the wide range of missiles and submarines which the Soviets could deploy against these ships makes them so vulnerable that serious question must be raised about the placing of fighters worth $16.6 million apiece on board these ships. I will vote to strike out the appropriation for the F–14 aircraft.

In a bill of this dimension, it is impossible for the legislator to prudently evaluate and monitor such an immense package of public spending. It seems that this legislation is presented in this way to suppress inquiry and the initiatives of economy. Irrational and excessive military spending can no longer be tolerated. The Congress and the American people must be more active and informed participants in decisions which constitute so large a commitment of manpower and resources. It is my hope that this legislative process can be made more responsive to the real needs of the national security. Under the confusing conglomerate of a $71 billion expenditure of the taxpayers' dollars in a single bill, this legislation presents a most difficult and impossible task to the legislator who endeavors to participate constructively in the critical decisions which are involved in a bill of this magnitude.

Mr. STRATTON. Mr. Chairman, I want to take a moment to pay special tribute to the Appropriations Committee for the action that they took in connection with the so-called main battle tank, the MBT–70 or as it is now designated, the XM–803. Although the conference version of the defense authorization bill provided funds for continued research and development on this tank, I have been fighting against it, as Members know, for several years as an unnecessary and extravagant waste of the taxpayers' money.

I am delighted to see that the facts which I have been presenting to the House and also to the conference, incidentally, have registered with the Committee on Appropriations and that they have now very wisely eliminated from this bill all funds for the main battle tank program.

The reasons for this action are spelled out in some detail on pages 73, 74, and 75 of their report. They can perhaps best be summarized by making three specific points.

First, the Army has finally succeeded in marrying the Shillelagh missile to the chassis of the M–60A1 tank, which is currently our main combat tank in Europe. This effort, stalled for technical reasons for too long a time, has finally succeeded, so that now the M–60A1E2 is a reality, and this new tank, combining the combat capability of the M–60A1 and the Shillelagh missile firing capability of the Sheridan, represents a capability which is almost as good as the MBT–70. Moreover, it is available now, whereas the MBT–70 would not be available at best for at least 3 or 4 more years.

Second, the costs of the MBT–70, as the Appropriations Committee has very clearly pointed out, have continued to soar, so that even if the MBT–70 were to become available, it would cost some $900,000 a copy for a single tank, mind you, compared to only $450,000 a copy for the M–60A1E2, which, as I have already indicated, performs almost as well and is available immediately rather than 4 or 5 years in the future.

Third, there has never been any real problem of the superiority of Soviet tanks to our own in the European theater. Every top Army commander has indicated that the M–60A1, which has been the standard tank available in Europe, is superior to the best that the Soviets can put against it. The trouble has been that we just do not have enough of them compared to the tank inventory of the Warsaw Pact countries. Instead of spending hundreds of millions of dollars on the MAT–70 these past few years we would have been much better advised to have procured more of these tanks that are already in inventory, and which have so well demonstrated their capability of doing the required job.

Instead of that, as I pointed out several years ago, we closed down the M60 assembly line for a considerable time, and many of the M60 tanks which we had in inventory then we sold or even gave away to other governments, although in fact we needed them desperately ourselves to provide an adequate deterrent to Soviet tank forces in the NATO area.

This is another case of the Army spending money on weapons which cannot be available until some distant, future date, and even then with only dubious capabilities, and at the same time neglecting to provide for our Armed Forces the weapons we need here and now to meet the threat which we presently face.

I do support the committee's recommendation for further research to develop a new tank that will represent a significantly improved capability for the period of 10 or 15 years in the future. But I would point out that judging from the

experience of our German friends, who were originally associated with us in the MBT program, the path of the future lies in the direction of smaller and more maneuverable tanks rather than in the concept of a land battleship, which is what has laid behind the MBT–70.

As one who has been a strong supporter of an adequate defense, I take this opportunity to point out again that my support has never represented blind acquiescence to any and every project put forward by the Department of Defense. In this case I am especially pleased to see that a fight which I have been waging several years and against very bitter opposition from the top levels of the Army and the Defense Department has now finally been won.

(Mr. MAHON asked and was given permission to extend his remarks at this point in the RECORD).

Mr. MAHON. The gentleman from New York made a very pertinent observation with respect to the ammunition budget of the Army; however, on an analysis of the facts, it should be quite apparent that a comparison of the fiscal years 1971 and 1972 new obligational authority budget requests are misleading.

First of all, the ammunition budget of the Army contains a certain amount which does not buy ammunition per se; namely, production base support. Funding for production base support buys production tooling, pays for the layaway of unused facilities, is used to modernize ammunition production plants, and things of this nature. In the fiscal year 1971 budget, the amount for production base support was about $125 million, and for fiscal year 1972, it is approximately $230 million, an increase of about $100 million over last fiscal year.

The largest part of the $230 million for production base support for fiscal year 1972 is for modernization of certain Army ammunition plants and the layaway of others.

Our report shows that the fiscal year 1971 budget for ammunition is about $940.4 million. But this is in new money. Actually, the fiscal year 1971 program for ammunition was $1.1 billion, only about $400 million less than this year's program.

The Army was able to finance over $200 million of the fiscal year 1971 ammunition program from prior year balances. This is the reason the Army only has a $940.4 million budget to finance a $1.1 billion ammunition program in fiscal year 1971.

I have already explained $100 million of the $400 million difference. Now, of the remaining $300 million increase in ammunition for fiscal year 1972, approximately $200 million will be used, hopefully, to replenish previous drawdowns of our war reserve ammunition stocks, assuming the tempo of ammunition consumption in Southeast Asia remains at the current level. This was all taken into consideration at the time the fiscal year 1972 ammunition budget was prepared.

Another point I wish to make is that the fiscal year 1972 budget for ammunition is not all for the needs of our U.S. forces. I would estimate, based on data provided by the Army, that of the fiscal year 1972 Army request for ammunition, approximately $800 million will be used by South Vietnamese and other free world forces which will now perform the major combat role in Southeast Asia.

I hope I have adequately answered the concern and observation of the distinguished gentleman from New York. The gentleman has raised a good question and he can be sure that the committee will look into this area very carefully.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from North Carolina (Mr. LENNON).

Mr. LENNON. Mr. Chairman, I have read, as I am sure all of the Members of the House have, the "Additional Views" that are found on pages 127 and 128 of the committee report, which are signed by 14 members of the House Committee on Appropriations. I share their interest and their concern they have expressed for our prisoners of war.

The question that I would like to pose is that I take this as a finding and a conclusion that you gentlemen, you 14 gentlemen have reached when you say that the negotiators have stated also "that if a deadline is established, the prisoners will be returned to us."

I would like to have you gentlemen identify for the RECORD the negotiators by name, and the countries they represent, who have specifically and definitively gone on record as saying that if we would set a deadline for withdrawal then our prisoners would be returned.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. LENNON. I will be happy to yield to the gentleman, but only for the purpose of identifying those negotiators.

Mr. YATES. I am one of those who signed this statement.

Mr. LENNON. I yield to the gentleman to identify by name and nation those negotiators whom you quote here as saying this will assure us the return of our prisoners if we will set a date certain, meaning June 1, 1972.

Mr. YATES. If the gentleman will yield——

Mr. LENNON. I yield for that purpose only.

Mr. YATES. I would refer the gentleman to a recent newspaper report that appeared some months ago, and I do not have the names at my fingertips at the present time.

If the gentleman will yield for one further point——

Mr. LENNON. I yield if I have the time.

Mr. YATES. I have a letter here from the Prisoners of War and Missing in Action Families for Immediate Release, addressed to Representative BOLAND——

Mr. LENNON. I cannot yield any further. I want to tell the gentleman that if he is relying upon any representations of the negotiators representing North Vietnam that he is pouring water down the drain, and I think he ought to know that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YATES. The gentleman talks about pouring water down the drain. The fact is that Vietnam is the drain and we have poured much too much blood and money down that drain. That will continue under the present schedule as announced by the President and Secretary Laird. We must take a new initiative. I believe the Mansfield amendment was and is such an initiative. It requires a return of our prisoners of war. The amendment which will be offered by the gentleman from Massachusetts (Mr. BOLAND), implements the Mansfield amendment and I support it.

Mr. MAHON. Mr. Chairman, I ask that the Clerk do now read.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Naval Reserve on active duty under section 265 of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, as authorized by law; $182,-791,000.

Mr. EDMONDSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I support the defense appropriations bill on most points and also appreciate the committee's effort to obtain reductions in some program costs. I hope the committee is justified in its statement that—

No essential programs have been adversely affected by the reductions recommended.

Your committee report states that—

Adequate military strength is the foundation of national survival.

I share that belief and must place on record my concern over several items involved in this legislation.

The committee report points with good reasons to the continuing Soviet naval buildup.

It is most regrettable that the legislation authorizations needed to keep our own shipbuilding and conversion programs at the level needed to assure U.S. naval leadership were not provided, and the committee understandably could not finance these unauthorized programs.

Most of the blame for the $310 million cut in naval procurement and conversion must therefore be placed with the Congress itself for our failure to authorize the recommended programs, and I believe this failure is most regrettable.

There is no more ominous development on the international scene today than the growing power and deployment of Soviet naval forces, especially when contrasted with our own aging and increasingly limited naval strength.

I urge the great Appropriations Committee, which has long struggled with this problem in the face of a growing war weariness in our country, to continue its efforts to keep our Navy at full efficiency and adequate strength.

I urge the Congress to fulfill its responsibility to the country on this same vital issue.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PROCUREMENT OF AIRCRAFT AND MISSILES, NAVY

For construction, procurement, production, modification, and modernization of aircraft, missiles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public or private plant; $3,905,000,000, and in addition, $50,-000,000, of which $25,000,000 shall be derived by transfer from the Defense stock fund, and $25,000,000 shall be derived by transfer from "Procurement of Aircraft and Missiles, Navy, 1971/1973", to remain available for obligation until June 30, 1974.

AMENDMENT OFFERED BY MR. BINGHAM

Mr. BINGHAM. Mr. Chairman, I offer an amendment.

Mr. DELLUMS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Seventy-eight Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 394]

Abbitt	Gibbons	Miller, Calif.
Alexander	Goodling	Mills, Ark.
Ashley	Griffiths	Poff
Blackburn	Hagan	Reid, N.Y.
Blatnik	Halpern	Roberts
Celler	Hanley	Rooney, Pa.
Clark	Harsha	Rosenthal
Clausen, Don H.	Hébert	Runnels
Clay	Heinz	Scheuer
Conyers	Hillis	Sebelius
Derwinski	Jones, Ala.	Selberling
Diggs	Landgrebe	Springer
Dowdy	Link	Steed
Downing	McClure	Widnall
Dulski	McDade	Wiggins
du Pont	McKevitt	Wilson, Charles H.
Edwards, La.	Macdonald, Mass.	Wright
Evins, Tenn.	Mathias, Calif.	
Garmatz	Mikva	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11731, and finding itself without a quorum, he had directed the roll to be called, when 375 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

AMENDMENT OFFERED BY MR. BINGHAM

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York (Mr. BINGHAM).

The Clerk read as follows:

Amendment offered by Mr. BINGHAM: Page 17, line 13, strike out "$3,905,000,000" and insert in lieu thereof "$3,103,400,000".

Mr. BINGHAM. Mr. Chairman, this amendment would strike slightly over $800 million for procurement of the F–14 plane. The R. & D. would not be disturbed.

This action, Mr. Chairman, reflects action taken by the Committee on Armed Services earlier this year. They did not provide authorization for the procurement of the F–14. That authorization was voted in the other body and later accepted in the conference.

Furthermore, the distinguished Committee on Appropriations clearly and carefully considered what I am proposing here this evening, and it so states on page 76 of the committee report. I would like to read that to you:

The committee seriously considered the possibility of halting further production of this aircraft at this time.

Mr. ROONEY of New York. Mr. Chairman, a point of order. The Committee is not in order and it is obvious that no one seems to be paying any attention to the gentleman from New York.

Mr. BINGHAM. I thank my colleague from New York.

I was quoting from the committee report, which says:

The Committee seriously considered the possibility of halting further production of this aircraft—

That is, the F–14—

at this time, returning it to R.D.T. & E. status only.

If the members of the committee would look at the committee report on page 77, they will see a series of reasons why the F–14 procurement should not be voted at this time and why we should save the $800 million that is called for. That page is full of reasons.

For example, reference is made to the problem of this plane in relation to the best plane the Soviets now have, the Foxbat, Mig–23. This proposed F–14A cannot begin to cope with the Mig–23. It has a ceiling of some 50,000 feet. The Foxbat Mig–23 goes over 80,000 feet and recently has been going along the Israeli coast at over 80,000 feet.

The proposed F–14A has a speed at this time of Mach 2.5. The Foxbat has a speed of 3.8.

Mr. Chairman and members of the committee, we are proposing to procure an aircraft here that is already obsolete before it has been bought. It is obsolete in relation to the best plane that the Soviets have.

Further reference is made in the committee report about some of the other problems.

It says the F–14A is predicted to achieve significant increases in performance over the F–4 aircraft. It is predicted to increase. We do not know that it is going to increase the performance of the F–4. The F–4 is a great plane and it has been proved over and over again. Here we are told that it is predicted that the F–14A will be a little better. But we do not know that. The fact of the matter is—and the committee report so states—that the F–14A is going to cost four times as much as the F–4. All we are told is that it is predicted it will be a little better.

Finally, the committee report says the F–14B is the aircraft that the Navy desires for the fleet. That is not what we are getting here, Mr. Chairman and members of the committee. We are not getting the F–14B; we are getting the F–14A.

That is not what we are getting here, Mr. Chairman and Members of the Committee. We are not getting an F–14B. We are getting an F–14A. The F–14B has been deferred indefinitely. They have had problems with the engine.

Mr. Chairman, I am not asking you to take my word for the fact that this $800 million is an unwise expenditure. Let me quote briefly to you from Newsday, the publication from Long Island, where the F–14 is made. Incidentally, I think my amendment would be in the best interests of the Grumann Corp. They are going to go broke trying to make this aircraft at present prices. They will be in the same situation of Lockheed. Here is what Newsday said:

The F–14 is: (1) an awful hodgepodge of everything that's wrong in modern American combat aircraft design; (2) a flat contradiction of what many of the Navy's own combat pilots recommend; and (3) an expensive (more than $20 billion) proposition that does not meet any present or projected Soviet threat.

Again from Newsday:

The F–14 might even be worth the money if it had any hope of being a good airplane. The F–14 does not.

On the basis of my study over the past several years of the F–14 and our needs in the tactical aircraft field, it is my conclusion that about all that can be said in support of the F–14 is that it is the only thing we have in the way of a new fighter. That is a sad conclusion, because I am convinced that, even if it lives up to the expectations and predictions of the Navy in terms of performance, it will be no match for the planes and missiles the Soviets are already deploying. In short, we are building a plane that is already out of date before it is into production. It is a plane whose predicted capabilities are not significantly greater than those set for the ill-fated F–111. It is a plane that is being built to meet decade-old requirements—requirements we failed to meet with the F–111. It is, in fact, in many ways, little more than a warmed-over F–111. It is the wrong plane, for the wrong mission, at the wrong time.

We have been told by the military that we need this plane to meet and counter the threat posed by, among other things, the Soviet Mig–23—the so-called Foxbat. Aviation Week, in its October 18, 1971, issue reports that Mig–23's have been tracked by both Israeli and American observers in operation over Israel at speeds as high as 3.5 times the speed of sound, at altitudes in excess of 70,000 feet. These and other reports indicate that the Mig–23 is equipped with rather simple but reliable air-to-ground and air-to-missiles.

What kind of plane are we building to match this Mig–23?

A plane—the F–14, of course—whose most ardent proponents say it will fly at only 2.5 times the speed of sound, and no higher than about 50,000. "No problem," says the Navy. The F–14 will use its Phoenix missiles to bring down any hostile, high-flying Mig–23. But how will the F–14 be able to distinguish a high-flying Mig–23 from, say, an off-schedule commercial supersonic transport (they also fly higher and faster than the F–14)? The F–14 is not equipped to make either radar or visual identification. And even if it could, there is serious question whether the Phoenix missile will be able to perform reliably when directed at very high-flying targets.

For dogfights at lower altitudes, we already have a highly successful and capable airplane—the F–4. Most experts agree that numbers of aircraft and teamwork are as important for successful dogfight capability as the perform-

ance characteristics of the plane. At $16 million per copy, it is doubtful whether we will be able to afford enough F–14's to achieve the numerical advantage we could have simply by buying additional relatively inexpensive F–4's.

When it comes to defending the carrier fleet, the F–14 will be of similarly limited value. The facts of life are that in the face of a concentrated and determined attack nothing is likely to protect the fleet. For that very reason we are reducing our emphasis on carrier-based forces. Like the ABM defending our cities, about all the F–14 and its Phoenix could do would be to protect aircraft carriers from accidental attacks from the air, and again like the ABM it is highly questionable whether the F–14 is worth its high cost simply as protection against accidental attacks against carriers.

All of this assumes, of course, that the F–14 will perform up to the predictions and expectations of its proponents. Even that, however, is subject to debate, since the plane is currently only in the very earliest stages of flight testing. As far as I am able to determine, the most crucial part of the testing—test-firing of the Phoenix missile from the F–14 in flight—will not even begin until near the beginning of fiscal year 1973.

How did we arrive at this situation in which an outdated plane appears to be the only option we have? A complete answer to that could fill volumes. In brief, however, it seems that the Navy has been so intent upon coming up with a plane that would meet cost and performance specifications after the F–111 fiasco that it has been willing to settle for an outdated plane—a plane so similar to the F–111 that the F–111 experience could help assure this plane would at last meet Navy specifications, even if those specifications are a decade out of date. In addition, the Navy has refused to look at designs and prototypes of more sophisticated aircraft that are now within the state of the art for fear of having to admit the shortcomings of the F–14.

It seems to me that the only solution to this problem is to get busy immediately on prototypes of aircraft that could provide a realistic counter to the Mig–23—aircraft which could be built under the "fly before you buy" policy from which the F–14 is apparently exempt. I am informed that, if the parliamentary situation permits, an amendment will be offered to add $50 million to this bill for the very purpose of buying prototypes for a better tactical fighter, and if such an amendment is offered I certainly intend to support it.

At the same time, I think we simply must terminate the F–14 as soon as possible, even if it is the "only thing we have" at the moment. The A version of the F–14, which is the only version that will be available in the next 2 or 3 years, is no better than what we have now or could buy at half the price. In that amount of time we could come up with prototypes of aircraft truly comparable or superior to the Mig–23, and have a fly-off among them to see which one we want to build.

The committee report notes that it is the "B" version of the F–14, with its more powerful engine, that the Navy wants, not the "A." We bought 140 F–111's that turned out to be so underpowered they could not usefully be deployed, and we are about to do the same thing by buying F–14A's. Do we never learn?

It is constantly argued that to eliminate the funds for the 48 more F–14A's in the 1972 appropriation bill would break our contract with Grumman. It is my judgment that that contract has already been broken by Grumman through the delays in the aircraft's development and the unavailability of the B version.

Grumman has agreed to provide the next 48 aircraft at the contracted price, so the Navy has not challenged the contract. But Grumman also has notified the Secretary of Defense that it expects to lose over $300 million should it have to provide the 313 planes in the contract at the contracted price. It is inevitable, therefore, that we are either going to have to renegotiate this contract in the near future and pay a significantly higher price for the F–14, or we are going to find ourselves bailing out Grumman as we did Lockheed.

For these reasons, Mr. Chairman, it is my conclusion that we should cancel procurement of the F–14 now so that Grumman and other manufacturers can get on with the development of a truly capable and modern aircraft that is more than a warmed-over F–111. The investment we lose by canceling the F–14 now will, in my judgement, be more than recouped in savings on a new and more capable fighter.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BINGHAM. Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for an additional 5 minutes.

Mr. ROONEY of New York. I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. MAHON. The Committee on Appropriations spent hours, days, weeks, and months studying the problems involved in the F–14 program. We fully understand that the project is not perfect and if we could go back and undo what has been done, that would be desirable in some respects. It is not possible to do that because the contract has already been made. If, by our actions, we cancel the procurement of the 48 F–14 aircraft in the fiscal year 1972 request, that action will increase the cost to the Government in the sum of about $1.4 billion, according to representatives of the Navy. So the committee simply was not willing to take the responsibility of increasing the cost of the F–14 program by $1.4 billion.

We have considered this subject at length. We have had extensive hearings. The committee is familiar with the facts that were presented by the gentleman. But the only solution we know of to this problem is to hold the feet of Grumman to the fire and make them perform on the contract which they have entered. Grumman is in difficulty because they have not obtained a number of military and space program contracts, which they had anticipated, and there is no doubt but that other problems will arise in the future. But we feel that under all the circumstances this is the best that can be done at this time, and I am confident that the House will accept the judgment of the committee in connection with this matter rather than approve the amendment which has been offered.

I ask that the amendment be defeated.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. MINSHALL. Mr. Chairman, I certainly support the remarks made by the distinguished chairman of our subcommittee. This committee has literally spent hundreds of hours looking into the various aircraft programs of the Navy, the Air Force, and the Army. We gave particular attention to the F–14. The F–14 is urgently needed by the Navy to maintain its superiority. No aircraft can be modified, the F–4 notwithstanding, to do the job that is required.

I hope that the committee will defeat the amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. Did I hear the gentleman say that Grumman is in financial difficulty?

Mr. MAHON. Grumman is in financial difficulty with this contract. The gentleman from New York (Mr. BINGHAM) proposes to release the company from the contract by canceling it on the floor of the House, which, according to the Department of Defense, would result in a program cost increase of at least $1.4 billion because of the program stretchout and renegotiation of the contract.

So this is the situation we are in.

Mr. GROSS. Am I to assume from that statement that this is a bailout of another aerospace outfit?

Mr. MAHON. This is not a bailout. The amendment would be a bailout, but the position of the committee is not a bailout.

Mr. Chairman, I ask for a vote.

Mr. STRATTON. Mr. Chairman, I move to strike the last two words.

Mr. Chairman, I do not want to delay the House, but I think it is important to answer a few points the gentleman from New York (Mr. BINGHAM) has made. He said first of all that the House had stricken the money for the F–14 in the defense authorization bill, and it was only the Senate that put it back in. That is not exactly an accurate statement of what happened.

At the time the defense authorization bill was before our Committee on Armed Services, the Secretary of Defense had not yet made up his mind on the question of whether to go ahead with the existing contract for the F–14A version of the plane, or whether to break that contract and proceed to the F–14B version with its improved engine. The gentleman from Louisiana (Mr. HÉBERT) chairman of the Committee on Armed Services, wanted to defer any new money for the F–14 until the Defense Department had made up its own mind on what it wanted to do with the problems the

gentleman from Texas has already referred to, including the tremendously expensive costs that would be involved if we were to break the contract.

When the authorization bill got to the Senate, the Department had made up its mind, the Senate put the F–14 money in the bill, and the chairman of our committee indicated his full support of that position. Our full committee later indicated its support, and the F–14 money was included in the conference report by mutual agreement.

The gentleman from New York says the F–14 is not superior to the Soviet Mig–23 Foxbat. I am constantly amused by those who regularly oppose Defense appropriations and also Defense research appropriations, and who then come to us and say, "What is the matter with you fellows on the Armed Services Committee? The Russians have better planes than we do. Why don't you get us better and faster planes?"

We have trouble developing any plane at all these days considering the pressures to cut money for research and development on defense projects. The best plane we have today, the F–4, was laid down 15 years ago. As a matter of fact, the F–14 does not fly as high as the Foxbat, but it has a missile that can shoot down the Foxbat at its higher altitude, and if the Soviet plane decides to come down and tangle with the F–14 in a dogfight at a lower altitude, it can outmaneuver the Soviet plane and shoot it down. That point has been made very clear in all the material on this plane.

Finally, the gentleman from New York suggests that this is a terribly expensive plane compared with the F–4. But the F–4, as I have said, was laid down 15 years ago. We all know what has happened to aircraft costs since then. But let me also point out that unit costs for an airplane depend upon on number of copies we buy. Secretary Packard has suggested we carry out the existing F–14 contract, buy the number contracted for of the version, and then move as swiftly as possible to develop and buy the B version. In the long run this will be the cheapest thing to do, as the gentleman from Texas has already indicated, and when we buy more copies the unit cost will come down.

So, Mr. Chairman, I urge that the Bingham amendment be defeated.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, I want also to join with the gentleman from New York concerning the fact that the F–14 is a fine airplane and below 60,000 feet it can certainly outmaneuver and shoot down the Foxbat. Is it not also true that the F–14 is the only plane we have which is projected to carry the Phoenix missile? The other plane, the F–4, cannot do it, and if we try to make that plane do it, we would lose the present capabilities of the F–4 aircraft?

Mr. STRATTON. That is certainly true. It is also true that is the only new plane we have in this field, and we have to go ahead with it quickly.

Mr. EDWARDS of California. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I yield to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I think first I would like to say there is no question the House did not authorize this amount when the authorization bill was before this body—whatever the reason.

Secondly, this is not something on which the distinguished chairman of the Appropriations Committee and the Appropriations Committee alone have spent many hours. It so happens this is something I have studied quite profoundly. The Chairman may remember I have raised this question over the past 2 or 3 years about the F–14. With Senator HARTKE of the other body I submitted a report on the subject in quite some detail some months back. It is not something I come to, so to speak, at the last minute.

As to whether this plane will adequately provide defense against the Foxbat this is seriously questioned in an article I have from the National Observer, a very reputable and I would say conservative publication:

> The F–14 cannot adequately protect Navy carriers from the threats it is designed to meet. Even if it worked perfectly, the F–14's Phoenix missile system could be saturated by enemy attacks. It is more likely that the Phoenix will be countermeasured, outmaneuvered, and in fact will seldom work at all under combat handling conditions.

My colleague from New York (Mr. STRATTON) suggested it is strange that I should be here suggesting we are not moving fast enough in the development of an adequate airplane to meet the Soviets latest plane. It may be strange, but that is precisely my position. Whatever happens to this amendment, I will support an amendment to be offered later on by the gentleman from Pennsylvania (Mr. MOORHEAD) to call for additional funds for the development of prototypes of more advanced and capable planes. I believe we need fast, highly maneuverable planes. We need planes to compete with the Foxbat.

Finally, Mr. Chairman, I should like to quote the Appropriations Committee. The committee indicates that there will be cost increases if the contract is broken, but there will be increases only if we go ahead and buy all these F–14's in the end. If we do not buy the F–14's we will save money.

The committee indicates also they do not believe that Grumman will be able to carry through on the contract at these present prices. The committee says:

> The Committee believes, however, that probably the Navy will be forced to restructure the current contract. If the contractor can prove significant losses, as he predicts, the Navy decision to hold to the contract this year may be merely delaying on the inevitable.

That is what the committee is asking us to do, to hold to the contract this year despite the anticipation that at some point in the future, as the gentleman from Iowa pointed out, we will have to bail out Grumman the way we bailed out Lockheed.

I repeat, I cannot believe that this contract is in the best interest of Grumman or of Long Island. It is a contract headed for disaster. It is the wrong place at the wrong time.

I ask Members to vote for the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM).

The question was taken; and the Chairman announced that the noes appeared to have it.

TELLER VOTES WITH CLERKS

Mr. BINGHAM. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. BINGHAM. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. BINGHAM, MINSHALL, EDWARDS of California, and MAHON.

The Committee divided, and the tellers reported that there were—ayes 76, noes 311, not voting 44, as follows:

[Roll No. 395]

[Recorded Teller Vote]

AYES—76

Abourezk	Gibbons	Nedzi
Abzug	Green, Pa.	Nix
Asplin	Gross	Obey
Badillo	Hanna	O'Hara
Barrett	Harrington	Rangel
Bergland	Hathaway	Rees
Bingham	Hawkins	Reid, N.Y.
Burton	Hechler, W. Va.	Reuss
Chisholm	Heckler, Mass.	Riegle
Clay	Heinz	Rosenthal
Collins, Ill.	Helstoski	Roybal
Conyers	Howard	Ryan
Corman	Hungate	Sarbanes
Culver	Jacobs	Scheuer
Dellums	Kastenmeier	Schwengel
Dingell	Koch	Selberling
Dow	Leggett	Smith, Iowa
Drinan	Long, Md.	Stokes
Eckhardt	McCloskey	Thompson, N.J.
Edwards, Calif.	Madden	Vanik
Ellberg	Mazzoli	Vigorito
Ford, William D.	Metcalfe	Waldie
Fraser	Mink	Whalen
Fulton, Tenn.	Mitchell	Yates
Gaydos	Moorhead	Yatron
	Moss	

NOES—311

Abernethy	Broyhill, N.C.	Dennis
Adams	Broyhill, Va.	Dent
Addabbo	Buchanan	Devine
Albert	Burke, Fla.	Dickinson
Anderson, Calif.	Burke, Mass.	Donohue
Anderson, Ill.	Burleson, Tex.	Dorn
Anderson, Tenn.	Burlison, Mo.	Duncan
Andrews, Ala.	Byrne, Pa.	du Pont
Andrews, N. Dak.	Byrnes, Wis.	Dwyer
Annunzio	Byron	Edmondson
Archer	Cabell	Edwards, Ala.
Arends	Caffery	Erlenborn
Ashbrook	Camp	Esch
Ashley	Carey, N.Y.	Eshleman
Aspinall	Carney	Evans, Colo.
Baker	Carter	Evins, Tenn.
Baring	Casey, Tex.	Fascell
Begich	Cederberg	Findley
Belcher	Chamberlain	Fish
Bell	Chappell	Fisher
Bennett	Clancy	Flood
Betts	Clawson, Del	Flowers
Bevill	Cleveland	Flynt
Biaggi	Collier	Foley
Blester	Collins, Tex.	Ford, Gerald R.
Blanton	Colmer	Forsythe
Boggs	Conable	Fountain
Boland	Conte	Frelinghuysen
Bolling	Cotter	Frenzel
Brademas	Coughlin	Frey
Brasco	Crane	Fuqua
Bray	Daniel, Va.	Galifianakis
Brinkley	Daniels, N.J.	Gallagher
Brooks	Danielson	Gettys
Broomfield	Davis, Ga.	Giaimo
Brotzman	Davis, S.C.	Goldwater
Brown, Mich.	Davis, Wis.	Gonzalez
Brown, Ohio	de la Garza	Grasso
	Delaney	Gray
	Dellenback	Green, Oreg.
	Denholm	Griffin

XUM

Grover	Martin	Satterfield
Gubser	Mathis, Ga.	Saylor
Gude	Matsunaga	Scherle
Hagan	Mayne	Schmitz
Haley	Meeds	Schneebeli
Hall	Melcher	Scott
Hamilton	Michel	Shipley
Hammer-schmidt	Miller, Ohio	Shoup
	Mills, Md.	Shriver
Hanley	Minish	Sikes
Hansen, Idaho	Minshall	Sisk
Hansen, Wash.	Mizell	Skubitz
Harsha	Mollohan	Slack
Harvey	Monagan	Smith, Calif.
Hastings	Montgomery	Smith, N.Y.
Hays	Morgan	Snyder
Henderson	Murphy, Ill.	Spence
Hicks, Mass.	Murphy, N.Y.	Springer
Hicks, Wash.	Myers	Staggers
Hogan	Natcher	Stanton, J. William
Holifield	Nelsen	Steele
Horton	Nichols	Steiger, Ariz.
Hosmer	O'Konski	Steiger, Wis.
Hull	O'Neill	Stephens
Hunt	Passman	Stratton
Hutchinson	Patman	Stubblefield
Ichord	Patten	Stuckey
Jarman	Pelly	Symington
Johnson, Calif.	Pepper	Talcott
Johnson, Pa.	Perkins	Taylor
Jonas	Pettis	Teague, Calif.
Jones, Ala.	Peyser	Teague, Tex.
Jones, N.C.	Pickle	Terry
Jones, Tenn.	Pike	Thompson, Ga.
Karth	Pirnie	Thomson, Wis.
Kazen	Poage	Thone
Keating	Podell	Tiernan
Kee	Powell	Udall
Keith	Preyer, N.C.	Ullman
Kemp	Price, Ill.	Van Deerlin
King	Price, Tex.	Vander Jagt
Kluczynski	Pryor, Ark.	Veysey
Kuykendall	Pucinski	Waggonner
Kyl	Purcell	Wampler
Kyros	Quie	Ware
Landgrebe	Quillen	Whalley
Latta	Railsback	White
Lennon	Randall	Whitehurst
Lent	Rarick	Whitten
Lloyd	Rhodes	Williams
Long, La.	Robinson, Va.	Wilson, Bob
Lujan	Robison, N.Y.	Wilson, Charles H.
McClory	Rodino	Winn
McCollister	Roe	Wolff
McCormack	Rogers	Wyatt
McDonald, Mich.	Roncalio	Wydler
McEwen	Rooney, N.Y.	Wylie
McFall	Rostenkowski	Wyman
McKay	Roush	Young, Fla.
McKinney	Rousselot	Young, Tex.
McMillan	Roy	Zablocki
Mahon	Ruppe	Zion
Maillard	Ruth	Zwach
Mann	St Germain	
	Sandman	

NOT VOTING—44

Abbitt	Goodling	Mills, Ark.
Alexander	Griffiths	Morse
Blackburn	Halpern	Mosher
Blatnik	Hébert	Poff
Bow	Hillis	Roberts
Celler	Landrum	Rooney, Pa.
Clark	Link	Runnels
Clausen, Don H.	McClure	Sebelius
	McCulloch	Stanton, James V.
Derwinski	McDade	
Diggs	McKevitt	Steed
Dowdy	Macdonald, Mass.	Sullivan
Downing		Widnall
Dulski	Mathias, Calif.	Wiggins
Edwards, La.	Mikva	Wright
Garmatz	Miller, Calif.	

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, military equipment, spare parts, and accessories therfor; plant equipment, appliances, and machine tools, and installation thereof in public or private plants, and vehicles for the Marine Corps, including purchase of not to exceed two hundred forty-one passenger motor vehicles, for replacement only; $118,100,000, and in addition, $10,000,000 which shall be derived by transfer from "Procurement, Marine Corps, 1971/1973", to remain available for obligation until June 30, 1974.

Mr. FRASER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from Massachusetts (Mr. HARRINGTON) and I had intended to offer an amendment to this bill freezing further MIRVing of land-based and sea-based strategic missiles. We decided to forego this effort, not because we were completely pleased with the recommendations of the committee in this area, but to help focus important attention on the important Boland and Aspin amendments that we will be considering shortly.

Mr. Chairman, I am sorry that our time is such that it is not feasible to offer an amendment on this subject because, again this year, as has been true through the recent years, both the authorizing committee and the appropriating committee have given full funding to every strategic arms request that has been made by the administration.

What we are doing in this bill—a 1-year bill—is funding additional warheads on our submarines equal to 50 percent of the total Soviet land-based and submarine strategic force now in being.

By this one appropriation alone, we are going to put onto the top of our missiles half as many warheads as the total Soviet inventory already in place on land-based and submarine-based systems.

There is not any good reason to continue to spend billions and billions of dollars on MIRV's in anticipation of an ABM system that does not exist today, and which will not exist, because we apparently are going to reach an agreement under the SALT talks.

This expenditure is a waste of the taxpayers' money, and it is a destabilizing advance in the strategic arms race that has no place in an appropriation bill that is designed to fit the needs of the defense of the United States.

I am sorry that the Committee for some reason buys lock, stock, and barrel, every strategic arms request that comes down the pipe. We do not need all these warheads. We do not need to MIRV all of our land-based and sea-based missiles when the purpose for this MIRVing was an ABM that the Soviets never built.

I just continue to wonder why it is that the Committee will not take into account the fact that the circumstances have changed which led us to the original decision to provide for a MIRV system.

I hope some day this House will begin to stand on its own feet and begin to ask tough questions of the Department of Defense that may lead us to a more moderate and prudent expenditure in the arms race, in this strategic arms race, and one that will allow us to level off what is otherwise a very compelling race indeed.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman.

Mr. STRATTON. I think the gentleman ought to know that the Committee on Appropriations is not just a tool of the Pentagon, because they took out of the bill the money for the MBT–10. They said that was going to cost two or three.

It was included in the authorization bill, but the Committee on Appropriations very wisely recognized that this was a waste of money, and took it out, and I think we ought to commend them for it.

Mr. FRASER. You are talking about the money for which system?

Mr. STRATTON. I am talking about money for the main battle tank, the MBT–70, or the XM–803.

Mr. FRASER. The point I am making is you will not find in the bill any reduction in the strategic weapons. Money for the advanced bomber is here. Money for the new ULMS system is here. Money for the needless MIRV system is here. Money is in here to harden Minuteman missile sites. Instead of having only twice the number of warheads that the Soviet Union has, we will have four times or five times what the Soviet Union has, and when the Soviets then move along to respond to us, the Department of Defense will sound the alarm and they are going to say that the country is in great danger.

The whole thing is an enormous waste of the taxpayers' money.

Mr. Chairman, let me detail my concerns more specifically.

Multiple independently targetable reentry vehicles—MIRV's—were the U.S. response to the assumption that the Soviet Union would deploy an extensive ABM system. A Soviet nationwide ABM deployment has not taken place. The only Soviet system is around Moscow, and it can be overwhelmed and Moscow destroyed by the warheads from one Poseidon-equipped submarine.

Further, indications are strong that an ABM agreement will soon be accomplished in the course of the strategic arms limitation talks—SALT. Last May the President announced his determination to achieve this significant arms control measure. Last Friday, the President reiterated his belief that we are going to reach an agreement. On October 21, Deputy Secretary of Defense David Packard spoke optimistically about achieving a SALT ABM agreement.

The anti-ABM function of MIRV is no longer a credible rationale for our continuing deployment of MIRV's. Dr. John S. Foster, Jr., Director of Defense Research and Engineering, told the Senate Armed Services Committee on April 19 that if an ABM agreement were concluded, "there would be no need for the United States to deploy a MIRV."

On March 9, 1971, Gen. John D. Ryan, Chief of Staff, USAF, testified before the House Appropriations Committee—page 785, part I of the committee hearings:

For example, we know the Soviets since August 1968 have been testing an SS–9 [the largest Soviet missile] with three re-entry vehicles [RV's]. We believe, on the basis of what we have observed from these tests, that they are working on a MIRVed SS–9, using an entirely different method of dispensing the (deleted) re-entry vehicles than we do in our Minuteman III. We think that this MIRVed SS–9, designated the (deleted), will eventually be able to take under attack (deleted) Minuteman silos. But given the estimated CEP [accuracy] of the basic SS–9 booster and the estimated yield of the warhead, each RV, at the present state of development, would have only a (deleted) chance of putting a Minuteman silo out of commission. Even without Safeguard, this (deleted) MIRV version of the SS–9 would not constitute a very severe threat to the retaliatory capability of our Minuteman force as a whole.

The impending SALT limitation on ABM deployment and the lagging Soviet SS–9/MIRV program indicates that there is no need for the United States to continue deployment of MIRV's. The committee recommends that the United States continue to deploy through MIRVing additional warheads. The six Poseidon conversions funded by this bill means that over 850 additional warheads will be addcd to our nuclear strategic inventory—almost half the number of warheads—1,900—now possessed by the Soviet Union on their land- and submarine-based strategic missiles. While it is true that these additional U.S. warheads are smaller than the Soviet warheads, each has at least twice the destructive power of the nuclear bombs dropped on Hiroshima and Nagasaki in World War II.

On our submarines alone—when the 20 Poseidon conversions we shall have funded to date are completed—we shall have over 3,500 separately targetable warheads, totally immune to a first strike while at sea. This is in addition to over 1,300 land-based warheads—not seriously threatened by the Soviet SS–9 according to General Ryan—and our B–52 bomber force which is two and one-half times the size of the Soviet long range bomber force. Development and procurement of the short range attack missile—SRAM—and development of the subsonic cruise armed decoy—SCAD—funded by this bill will greatly increase the effectiveness of the U.S. B–52 force.

The Congress continues to approve nuclear strategic weapons programs without question. We must begin to exercise independent judgment in this area. Enough is enough. Too much only leads to a continuing and escalating arms race. Mr. Chairman, it is my hope that the responsible committees will look more carefully at this area of the Defense Department budget.

Mr. MAHON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in response to the remarks of the gentleman from Minnesota, it should be pointed out that while we are increasing the number of warheads in our strategic inventory by MIRVing, the Soviet Union is deploying additional ICBM's and is engaged in vigorous efforts to improve their strategic nuclear forces. Their activities in the area at this time are more vigorous and certainly more provocative than are ours.

I might also point out that as we increase the number of warheads in the inventory by MIRVing, we are decreasing the overall megatonnage in the process.

I am concerned that we are taking chances in the area of strategic forces. As I stated earlier, the Soviets have surpassed us in the number of ICBM's deployed on launchers.

The committee report contains a section which describes our strategic nuclear forces program and under permission granted I will include that section of the report in the RECORD at this point:

STRATEGIC NUCLEAR FORCES FOR DETERRENCE

Strategic forces, both offensive and defensive, are the backbone of our military strength. They are the primary deterrent to strategic attacks. They face an aggressor contemplating less than all-out attack, with an unacceptable risk of escalation. They are essential to the maintenance of a stable political environment within which the threat of aggression or coercion against the U.S. and its allies is minimized. Our strategic forces must be numerous enough, efficient enough, and deployed in such a way that an aggressor will always know that the sure result of a nuclear attack against us is unacceptable damage from our retaliation. That makes it imperative that our strategic power not be inferior to that of any other state.

The concept of strategic sufficiency on which U.S. policy is based has two meanings. In its narrow military sense, it means enough force to inflict a level of damage on a potential aggressor sufficient to deter him from attacking. In its broader political sense, sufficiency means the maintenance of forces adequate to prevent us and our allies from being coerced. Thus the relationship between our strategic forces and those of the Soviet Union must be such that our ability and resolve to protect our vital security interests will not be underestimated.

Our purpose, reflected both in our strategic programs and in our Strategic Arms Limitation Talks (SALT) proposals, is to maintain a balance, and thereby reduce the likelihood of nuclear war. Insofar as we can do so by unilateral decisions, we seek to obviate the need for costly, wasteful, and dangerous cycles of strategic arms deployment.

The fact we have begun to discuss strategic arms with the USSR is in itself important. Agreement in such a vital area could create a new commitment to stability and influence attitudes toward other issues.

In planning strategic forces to meet the military criteria for deterrence, our principal objectives, derived from the sufficiency criteria, currently include:

Maintaining an adequate second-strike capability to deter an all-out surprise attack on our strategic forces.

Providing no incentive for the Soviet Union to strike the United States first in a crisis.

Preventing the Soviet Union from gaining the ability to cause considerably greater urban/industrial destruction than the United States could inflict on the Soviets in a nuclear war.

Defending against damage from small attacks or accidental launches.

For several years we have maintained three types of strategic forces—land-based ICBMs, bombers, and submarine-launched missiles. Each is capable of inflicting a high level of damage in response to a nuclear first strike. Taken together they have an unquestioned capability of inflicting an unacceptable level of damage. This concept takes advantage of the unique characteristics of each delivery system. It provides insurance against surprise enemy technological breakthroughs or unforeseen operational failures and complicates the task of planning attacks on us.

A number of programs to strengthen our strategic offensive forces will be continued in FY 1972. The Budget includes funds for procurement of additional quantities of the new MIRV'ed Minuteman III missiles and conversion of six more fleet ballistic missile submarines to the MIRV'ed Poseidon configuration. Also included are funds to upgrade Minuteman silos against nuclear blast and radiation effects, and to reduce the vulnerability of Minuteman II missiles to nuclear radiation effects while in flight.

No increase in the total number of ICBM and SLBM launchers is proposed this year. These forces continue to include 1,000 Minuteman ICBM's, 54 Titan II ICBM's, and 656 Polaris and Poseidon SLBM's, however; the MIRV programs funded in this budget will provide a substantial increase in the number of available strategic warheads. This increase will help to ensure that our nuclear deterrent forces remain sufficient in the future regardless of what actions our opponents might take.

In the strategic bomber area, funds are included in the FY 1972 Budget to continue engineering development of the B–1 intercontinental bomber, which is designed to replace the aging B–52 fleet. The first of these planes could become available in the late 1970's, however, no decision has been made on production of the B–1. In order to enhance the capability of our bombers to penetrate air defenses in the future, development of the Short Range Attack Missile (SRAM) will be completed and procurement will be continued. SRAM is designed for use against terminal bomber defenses. In addition, development of the Subsonic Cruise Armed Decoy (SCAD) will be continued. SCAD is an advanced penetration aid designed to counter possible area defenses of the late 1970's.

Because of inherent uncertainty about achieving an acceptable agreement at the Strategic Arms Limitation Talks and the resulting uncertainty about the invulnerability of the strategic forces in the future, the strategic forces program includes continued study and design of a new system, the Undersea Long Range Missile System (ULMS). This system could become available in the late 1970's if a decision is made to deploy it, and it would serve to enhance significantly our strategic deterrent.

The strategic defensive forces also contribute substantially to our strategic posture of sufficiency. The Safeguard Anti-Ballistic Missile (ABM) program supported in the Bill will provide additional protection for the Minuteman missile force. Funds are included in this bill for continuing construction at two sites now underway in the Minuteman fields.

With respect to air defense, additional reductions are being made in the current system, primarily in surface-to-air missiles. Coverage of the most important threat corridors will still be provided pending the modernization of this system. In connection with that modernization, funds are included in the FY 1972 Budget for the continuation of development of AWACS, a new airborne warning and control aircraft that would operate along with a new over-the-horizon radar and an improved interceptor. Research effort on the new radar will also be continued in FY 1972.

The cost of the Strategic Forces in fiscal year 1972, for the accounts covered in this bill, is estimated at $7.6 billion.

Mr. MAHON. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Chairman, I understand it is the plan of the House to adjourn at about 6 o'clock this evening. I will move that the Committee rise very shortly, and then I will ask unanimous consent to take up the continuing resolution which was passed by the House and sent to the other body, and has been passed with an amendment by the other body this afternoon and which is to be messaged back to the House, as I understand it, as soon as the Committee has risen.

Then the question before the House will be what disposition to make of the continuing resolution. If we are to get that done by 6 o'clock, it is going to be necessary for the Committee to rise very shortly.

I do not believe we have further time for additional amendments, but if the Clerk could read until we have an amendment I think it would save us some time on tomorrow.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

XUM

OTHER PROCUREMENT, AIR FORCE

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed eight hundred and sixty-four passenger motor vehicles (including four medium sedans not to exceed $3,000 each) for replacement only; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to the approval of title as required by section 355, Revised Statutes, as amended; $1,510,998,000, and in addition, $50,000,000 shall be derived by transfer from "Other Procurement, Air Force, 1971/1973", to remain available for obligation until June 30, 1974.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to ask someone knowledgeable on this bill about the F–111, which was a predecessor of the F–14 in the matter of failure. Can the gentleman give me a rundown on what is proposed for the F–111 in this bill? I am not sure from the language in the report as to what is proposed for that plane. That is the aircraft, the contract for which had to go to Texas for some strange, unexplained reason. That is the aircraft that Robert Strange McNamara sponsored. How many of those planes are in the air these days?

As a result of the billions the taxpayers have invested in that contract, how many of those F–111's are in the air? Are most of them grounded by virtue of defects of one kind or another?

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Massachusetts.

Mr. CONTE. I just want to make the observation that I do not see anybody breaking their legs to get up here to answer the gentleman's question, and it is a very worthy question.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the Chairman of the committee.

Mr. MAHON. The total program for the F–111 would provide 530 aircraft, a much smaller number than were originally contemplated, and therefore the cost per aircraft, of course, is far above the original estimate. Moreover, many mistakes were made on the F–111. Among other things, the Navy version of the F–111 was eliminated. The bill before us provides for 12 additional F–111's.

Mr. GROSS. At a cost of how much per copy?

Mr. MAHON. There is $112 million in this bill for the 12 additional F–111's, and then there are additional funds provided. Let me be more accurate, if the gentleman will permit me.

Mr. GROSS. I wanted to inquire about that, too, but first of all I should like to point out that that is at the rate of $10 million per copy, is it not? Twelve more is at the rate of $10 million per plane?

Mr. MAHON. Yes.

Mr. GROSS. This plane was supposed to be produced for about $4 million each, was it not?

Mr. MAHON. Well, I do not remember the exact figure if we had bought the larger quantity originally provided for. But it was estimated that the F–14 would have a program unit cost of $11.6 million, and now the program unit cost is about $16 million per copy. The reason for the increase in F–14 program unit cost, of course, is the result of reducing the total number of aircraft to be bought from about 700 to only approximately 300.

Mr. GROSS. The gentleman is making it harder to accept all the time. I thought it was about $10 million. The gentleman now says it is $16 million. It is incredible, is it not, Mr. Chairman?

Mr. MAHON. I was just referring to the program unit cost of the F–14, not the F–111.

Mr. GROSS. It is incredible, is it not?

Mr. MAHON. It is incredible the way the costs of aircraft and all weapons increase. The reason we canceled out the main battle tank is that it looked like it would cost about a million dollars per copy for a tank. We have in this bill, despite the fact that it is a $71 billion bill, funds to provide for only something over 400 fixed wing aircraft for all the services, plus about 440 helicopters for the Army and Navy. War is getting so expensive I do not know how the costs can be met.

In World War II we produced about 240,000 aircraft, and we lost almost 70,000 aircraft. But now with the additional gadgetry and the heavy, expensive aircraft we are in this very difficult situation. I regret it. I am sure the gentleman regrets it.

Mr. GROSS. I am sure the gentleman's review of World War II is accurate, but I can read about that in some history of the Air Force.

Let me ask the gentleman this question. What is the $183,800,000 for "Program over target"? What is a Program over target?" Is that a cost overrun?

Mr. MAHON. I was trying to point out to the gentleman that the overrun in cost of all weapons that have been bought in recent years is very considerable.

The overrun in the cost of the program over target for the F–111 is represented by the figure the gentleman has just explained.

Mr. GROSS. So that $183,800,000 cost overrun is applicable to the F–111?

Mr. MAHON. The gentleman is correct.

Mr. GROSS. My God. This story gets worse by the minute.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. This is a very interesting colloquy between the gentleman from Iowa and the Chairman.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike the last word.

The only thing that has not been explained is the difference in cost of an F–111 which will fly, and the cost of an F–111 which will not fly. It has not been explained.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Iowa.

Mr. GROSS. It has not been stated yet that the F–111 will stay in the air. It has been grounded time and time again in this country and in Vietnam because of defects.

Mr. THOMPSON of New Jersey. That is why I mentioned to the gentleman that the cost given now is for something on the ground as distinguished from the additional cost in the future of making that plane fly. My information is that it will not fly.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Of course, the F–111 flies, and of course it has had its problems, which we all regret.

There are a total of over 300 F–111's and FB–111's flying today in an operational capacity. We have the 20th Tactical Fighter Wing deployed overseas at Upper Heyford, England now. There are two other F–111 tactical fighter wings operational today in the United States, with a fourth new F–111 wing being formed at Cannon Air Force Base in New Mexico.

In addition, we have four FB–111 squadrons operational, two squadrons at Pease Air Force Base in New Hampshire and two at Plattsburg Air Force Base in New York.

I would like to say, in defense of the FB–111, that it has unsurpassed all-weather tactical capability for the delivery of both nuclear and conventional weapons. It is unique in its all-weather, long-range attack capability, and it has secondary capabilities in close air support, counter-air, and in other tactical missions.

Now to answer specifically the questions of the distinguished gentleman from Iowa. There are over 300 flying today—243 F–111's and 74 FB–111's—and none are grounded by virtue of major defects of one kind or another.

The $183.8 million for prior year overtarget and unfunded deficiency costs is essentially the difference between the estimate of the contract cost and the actual contract cost. In essence, these costs are the result of abnormal inflation and unusual technical difficulties experienced by the contractor, particularly in the avionics area.

I believe that time will confirm that, despite its much-publicized problems—many of which were normal developmental problems experienced by all new aircraft developments—the F–111 will make a major contribution to our strategic and tactical forces.

Mr. PRICE of Texas. Mr. Chairman, I am strongly opposed to any amendment which would delete funds for the purchase of additional F–111 fighter aircraft. As I have in the past, I must again stress that my support for the F–111 comes directly from the perspective of one who has had the privilege of flying this plane. As a former jet fighter pilot in the Korean war and one who has acquired a deep concern over the adequacy of the air arm of this Nation's national defense system, I have made a special

point of flying the F–111 and putting it through its combat paces. And it is from this informed viewpoint that I state my strong confidence in and support for this most remarkable, unique, and capable aircraft.

Mr. Chairman, it deeply troubles me that the F–111 has been the center of much controversy and misinformation. We have been told on different occasions that the F–111 is unsafe, that it has not lived up to its expectations, and that it has become excessively costly.

To the charge that it is unsafe, I point out that its accident record is lower than any other aircraft in the Century series—which includes nine different planes.

To the claim that it is ineffective, I point out that Air Force experts have given it the highest marks for performance. It is acknowledged to be the best aircraft in the world today for delivering a payload on a heavily defended target, day or night, and in the very worst kind of weather, and it is the one plane over which the Soviets have acknowledged concern at the SALT talks. Furthermore, there is no other combat-ready aircraft today that can span the gap between the worn out B–52 and the B–1 which is on the drawing board.

And with regard to costs, the only way our Nation can realize cost effectiveness in any aircraft procurement program is by building enough to do the job for which the program was devised. We must concede that this is an expensive plane, but we should also realize that the bulk of the cost stems from the sophisticated research and development that was required in such a complex undertaking, as well as the expense of tooling up for production. Now that these hurdles have been topped, the subsequent cost per plane must of necessity decline as production continues to dilute fixed costs.

Mr. Chairman, much much more could be said in behalf of the F–111, but suffice it to say this is an excellent aircraft, a mighty weapon with which to deter aggression, and any move to prevent its further deployment would be short-sighted and dangerous.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further mesage from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 946. Joint resolution making further continuing appropriations for the fiscal year 1972, and for other purposes.

FURTHER CONTINUING APPROPRIATIONS, 1972

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment, as follows:

Strike out all after the resolving clause and insert:

"That the joint resolution of July 1, 1971 (Public Law 92–38), as amended, is hereby further amended (1) by striking out 'November 15, 1971' in clause (c) of section 102 and inserting in lieu thereof 'December 1, 1971'; and (2) by adding at the end thereof the following new section:

" 'SEC. 108. Notwithstanding any other provisions of this joint resolution, obligations incurred hereunder for foreign economic and military assistance and sales shall not exceed the rate provided for in authorization Acts for such assistance passed during the 1st session, 92d Congress: *Provided*, That, whenever the rate of obligations for such assistance made available under such an authorization Act as passed by the Senate is different from that contained under such an Act as passed by the House, the rate of obligations shall be limited to the lower rate.' "

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. HALL. Mr. Speaker, reserving the right to object, this is a most unusual procedure. Within the last 5 minutes, we have received House Joint Resolution 946 back from the other body with an amendment which frankly I cannot understand. The distinguished gentleman from Texas, who is asking unanimous consent that we concur in the added-on amendment, has very kindly provided me with a copy of the said amendment by the other body. At first blush, this would, if we adopted their language, of course, reconstitute the very Foreign Aid Assistance Act which that other body knocked out in the form of an authorization bill passed by this body and sent to them.

In the second place, for the life of me under the added section 108 I cannot understand why we should concur in a continuing resolution that would actually authorize even minimal appropriations for something which the other body eliminated so far as authorization is concerned.

Certainly if we believe in a system of checks and balances, with authorizing committees and appropriating committees to offset each other, and do not want to eliminate the legislative committees versus the appropriating committees, we must cease and desist from accepting these. I believe I have heard the gentleman himself say that.

In addition to all that, Mr. Speaker, I cannot understand, under section 108, whether the new Senate action on a separate foreign economic assistance authorization or a military assistance and sales authorization would be the governing factor determining the minimum of appropriations under the continuing resolution, or whether it would be the House-passed authorization, because it simply says:

Notwithstanding any other provision of this joint resolution, obligations incurred hereunder for foreign economic and military assistance and sales shall not exceed the rate provided for in authorization Acts for such assistance passed during the 1st session, 92d Congress.

If I may stop right there and parenthetically interpret, there has been only one authorization act which has been in the form of a bill passed. There is no act of any kind that has been signed into law. That authorization legislative proposal passed by this body and sent to the other body was killed and has been eliminated out of hand.

So it must be referring either to their new foreign economic assistance program, which is one separate bill which has been proposed and which presumably in due course will come to this body for action—although I thought the Constitution said that the people's House originated appropriations, trade, tariffs, taxes and levies—or it must refer to military assistance and sales. Unless there can be some adequate explanation for this, because of lack of logic, because of expediency involved, I must be constrained to object.

I yield to the gentleman from Texas for any explanation he might have.

Mr. MAHON. I thank the gentleman for permitting me to undertake to respond to the many questions he has asked.

Let me briefly outline the situation. We passed a continuing resolution in the House last week—on November 10—which provided for continuation of all ongoing programs in the Government, including the foreign aid programs, for which Congress has not yet completed action in the regular annual appropriation bills. We merely extended the date of the then current continuing resolution—which expired yesterday, November 15—to the sine die adjournment of this session.

The other body has today struck out the sine die adjournment date and made the cutoff date December 1—a 2-week extension—which in my judgment is not realistic, but nevertheless that was the action of the other body.

The other body, in addition to changing the date, also decided that the rate for operations during the 2-week period for the foreign assistance program—which was continued in the House version of the continuing resolution—should be modified. I personally think, under the circumstances, that such a modification is in the right direction. The other body took into consideration the fact that some time ago the House passed an authorization bill on foreign aid which the other body voted down—they killed it—but on which they subsequently reversed their position, more or less, by passing, by a very considerable vote, two substitute foreign aid bills which in total amount are somewhat below the original House bill which had been killed by the other body.

The House version of the continuing resolution extension provided for continuing the rate for operations with

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respect to foreign assistance on the same basis as has obtained since July 1, which amounts, in total, to about $3.396 billion on an annual basis. For the 2-week period, November 16–30, the effect of the Senate amendment is to step the annual rate for operations down to about $2.6 billion—a stepdown of $700 million plus.

Those figures are not spelled out in the continuing resolution, but that would be the dollar consequence of the Senate modification for the 2-week period.

Mr. HALL. Mr. Speaker, that is the point to my reservation, if the gentleman will let me at that point ask him to explain where he arrives at the $2 6 billion figure. Is that the figure for foreign economic assistance in the other body's recent action or is that for the military assistance appropriation in the other body? How does one, in view of no stated figure, arrive at a minimum expenditure of $2.6 billion of this continuing resolution?

Mr. MAHON. Under the wording of the resolution as passed by the Senate, the rate for operation in each of these programs, both military and economic aid, is the lower of the current rate, the rate in the killed House bill as it passed the House, or the rate in the substitute Senate bills. Of course, the Senate bills in most instances were, I believe, lower.

I would expect that when we pass the regular appropriation bill for foreign aid the appropriations will be considerably reduced below even the reduced total applicable during the 2-week period under this continuing resolution.

Mr. HALL. Well, Mr. Speaker, the gentleman just said that no figure is presented here, but he thinks it will be $2.6 billion. I am simply trying to arrive at how you determine that figure. Is that the total of the other body's currently passed foreign economic assistance and military assistance and sales appropriation that they are going to tender to this body?

Mr. MAHON. Continuing resolution rates for operation are determined on a program-by-program basis. Where the Senate authorization bill is lower, that is the rate. Wherever it is not lower, then the rate of the House-passed authorization bill, or the rate that has obtained since July 1, whichever is lower, would pertain.

Mr. HALL. I understand that, and of course that is in the final proviso which I did not read. I do not want to take up the time of the Members. I understand it is the lower of any, but I do not know how you can determine when this says "acts," "authorization acts," or "assistance acts," and there is no act or statute except the one for last year. I do not know how you can determine what the lesser figure of even the total of the two would be unless we stipulated it.

Mr. MAHON. Actually, perhaps it would have been better had the term "bill" or "authorization legislation" been used instead of the word "act."

Mr. HALL. Yes. But that is what they are asking us to accept by unanimous consent.

Mr. GROSS. Will the gentleman yield?

Mr. HALL. I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. I want to compliment the gentleman from Missouri for pointing out that there is no such thing as an act involved here in the sense that approval has been given by both the House and Senate.

There should be no reference in this continuing resolution different from that contained under an act passed by the House. The House bill authorizing foreign aid is as dead as a dodo bird. It is the deadest horse you ever smelled. It was defeated by the other body. There is no such thing as a House authorization act. It is completely unreal even to mention it in a continuing resolution.

Mr. MAHON. Will the gentleman yield further?

Mr. HALL. I will be glad to yield to the gentleman from Texas.

Mr. MAHON. It is I believe clear—and I am certain it was made clear in the other body—that the word "act" or "acts" in this instance refers to the authorization bills on the subject passed by the House or by the Senate at this session.

Mr. JONAS. Will the gentleman yield?

Mr. HALL. I will be glad to yield to the gentleman from North Carolina.

Mr. JONAS. With respect to the question as to how the $2.6 billion figure was arrived at, I think if the gentleman will examine the table that is available the gentleman will see that in every instance the lower figure is used: that is, the figure that is lower between the current rate of expenditures and authorizing legislation that has cleared one or the other of the two Houses.

For example, the first item on the table is Technical Assistance. The current rate of spending as of November 15 is $181,-864,000, but the authorizing figure was above that at $187,906,000. But the figure we use that is available under the continuing resolution is the lower of those two figures which is $181,864,000, and that same pattern runs through the entire table and the gentleman can see by examining it that the lower of the two figures is used to arrive at the $2.6 billion figure.

Mr. HALL. First, I would be glad to accept all of that if I knew exactly what it meant, but referring here to foreign economic and military assistance sales on the one hand or authorization acts on the other hand, even with the rather lame explanation of semantics about the action in the other body's language or explanation pertains to not a law but to action passed by one body or the other, and it is impossible to determine under this section and this continuing joint resolution which of the lower of all is going to be used.

Mr. JONAS. Mr. Speaker, if the gentleman will yield further, that is exactly why this table was prepared, so as to show that the current rate of spending authorized in this continuing resolution would be only about $2.6 billion; whereas, the current rate of spending before the continuing resolution was $3.3 billion plus, a substantially reduced rate of spending.

Mr. HALL. Mr. Speaker, there are some of us who think that $2.6 billion, whether it is substantially reduced or not, is much too much for this foreign aid give-away.

Mr. MAHON. Mr. Speaker, will the gentleman yield further?

Mr. HALL. Yes, I yield further to the chairman of the Committee on Appropriations.

Mr. MAHON. The $2.6 billion figure is approximately $700 million below the ongoing rate, which I think is very desirable in that it is an improvement over the original continuing resolution which was sent to the other body.

Mr. HALL. Mr. Speaker, I do not think there is anything desirable about it and I object.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 946, FURTHER CONTINUING APPROPRIATIONS, 1972

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas,

Mr. HAYS. Mr. Speaker, reserving the right to object, is there anything in either one of these continuing resolutions—is there any money in them for the organization up in New York which only today voted by a of 100-and-something to 2 to censure this body?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, the assessed dues which are paid by this Government for membership in the United Nations were carried in the State Department appropriation bill managed on the floor by the gentleman from New York (Mr. ROONEY). That bill has been enacted into law.

However, there are funds in the pending resolution for voluntary payments to certain organizations and programs sponsored by the United Nations—as there have been all along.

Mr. HAYS. The answer then is yes, is that right, to my question?

Mr. MAHON. Will the gentleman restate his question?

Mr. HAYS. Mr. Speaker, I simply asked the gentleman if there was any money in this continuing resolution for the organization up in New York commonly known as the United Nations—I will stand corrected: the gentleman from New York (Mr. ROONEY) says the East River Debating Society—is there any money in it for that organization, or the United Nations, or whatever you care to call it, some of which could not be printed if I said them.

Mr. MAHON. Let me first say that I am not aware of what the United Nations has done today. I have been heavily involved all day in managing the Defense appropriation bill here on the floor, and have not had an opportunity to read the papers or time for any other business.

To answer the gentleman's question, there are funds in the continuing resolution which would be available over a period of approximately 2 weeks for voluntary payments to certain organizations or for certain programs sponsored by the United Nations.

Mr. HAYS. Well, I just want to censure them, and I object.

The SPEAKER. Objection is heard.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I move to take from the Speaker's table the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The Clerk read the title of the joint resolution.

PARLIAMENTARY INQUIRIES

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GROSS. Mr. Speaker, my parliamentary inquiry is this:

Is this motion subject to debate?

The SPEAKER. The Chair will state that if the gentleman from Texas desires to be recognized it would be subject to debate, and the gentleman from Texas would have control of the time.

Mr. GROSS. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GROSS. Mr. Speaker, my second parliamentary inquiry is this: This would require a two-thirds vote; would it not?

The SPEAKER. The Chair will state that it would not require a two-thirds vote; only a majority vote.

Mr. GROSS. Mr. Speaker, would the gentleman from Texas explain what he is attempting to do now?

Mr. MAHON. First, as the gentleman from Iowa knows, I asked unanimous consent to agree to the Senate amendment, and send it to the White House so that a large segment of the Government would not be working without legal authority in violation of law, and which it is today. That is what I was trying to do, because I felt it would make Congress look better in the eyes of the country, and better in the eyes of the Congress to act responsibly that way.

That having been objected to, I then asked unanimous consent to go to conference with the other body. That was objected to.

And so now, having under the rules of the House authority to do so. I have moved that we send this joint resolution to conference.

Mr. GROSS. Can the gentleman move on the same day that a Senate amendment is brought up?

Mr. MAHON. I can, and I have, and I am in compliance with the rules.

Mr. GROSS. Let me ask the gentleman from Texas, how long would this continue the continuing resolution? What is the date certain?

Mr. MAHON. The date certain on the resolution is December 1, but we have to go to conference, and we probably could not do that tonight.

Mr. GROSS. Is this a continuing motion, or to send it to conference?

Mr. MAHON. This is a motion to send it to conference.

Mr. GROSS. Well, can that be considered on the same date?

Mr. MAHON. Yes.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GROSS. Mr. Speaker, my parliamentary inquiry is this:

Can this kind of a motion be made on the same day the message is received from the Senate?

The SPEAKER. The Chair will state to the gentleman that the answer to his question is "Yes; it can be."

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. Speaker, who has control of the time?

The SPEAKER. The Chair will state that the gentleman from Texas (Mr. MAHON) has control of the time.

Mr. MAHON. I have the floor, under rule XX, which permits this action, and I ask for a vote, Mr. Speaker.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees: Messrs. MAHON, WHITTEN, PASSMAN, BOW, and SHRIVER.

FULTON OPPOSES CUTS IN FEDERAL EDUCATION AID TO TENNESSEE

(Mr. FULTON of Tennessee asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. FULTON of Tennessee. Mr. Speaker, today, I received a notification packet from the Department of Health, Education, and Welfare Office of Education including a letter which began:

> We are pleased to inform you . . .

What I was informed about was far from pleasing. Buried in the packet was this note:

> This year 15 States will receive less than the amount available for their LEA's (Local Educational Agencies) under Title I of the Elementary and Secondary Education Act. Your State is one of these.

Further investigation revealed that Tennessee as a whole in fiscal year 1972 would lose more than $3.1 million in Federal aid to education funds. Nashville-Davidson County would find its educational assistance chopped by more than $143,000.

The reasons given for these cutbacks were, first, that the Office of Education and Related Agencies Appropriation Act for the first time since 1966 did not contain a floor provision assuring each State "no less than the year before"; and second, that the limited funds provided under this measure had to be allocated so that States with substantial increases in the number of low-income children, facing per pupil costs higher than the national average, would receive whatever increases could be found. That the money for these increases had to come from somewhere was obvious; that States providing education at a lower cost level would be forced to foot the bill for their neighbor States' "educational affluence" has now become a fact of life. It is the old story—robbing Peter to pay Paul.

I am not advocating that funding to those States requiring more support in the future be cut, or even kept at fiscal year 1971 levels. I realize that inflation strikes every area, including education—and strikes in some States harder than in others. I would also not want to see jeopardized the educational programs of those States slated to receive more funds, would not want curtailed the training of children into whose hands our Nation will pass in years to come.

I do not, however, like to see the children of my State, Tennessee, or my district discriminated against, having their educations placed in jeopardy. This prospect now clearly stares us in the face. That any child should ever have his education threatened, that any school district or State agency should be forced to cut back for the "public good" of another district or State agency is, in my opinion, action opposed to the "public good."

Perhaps the die has been irrevocably cast for this year's allocations. Perhaps nothing more can be done—though I prefer to think something can, and will work to see everything possible is done to boost Tennessee's education funding. I would certainly hope, however, that at least when next year's funding levels are decided, we would not have to worry who will benefit, at whose expense. We must learn that our children's—all our children's—education is America's gain, that students in all 50 States must be listed as "educational beneficiaries" if our future is to be as brought as our past.

VOICE OF AMERICA SHOULD BROADCAST IN YIDDISH

(Mr. RYAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extrancous matter.)

Mr. RYAN. Mr. Speaker, the decision of the U.S. Information Agency to broadcast a 10-minute Russian-language program twice a week to Soviet Jews is an inadequate and disappointing response to the repeated urging of a large number of Congressmen and Senators that the Voice of America broadcast in Yiddish into the Soviet Union in order to demonstrate our moral and psychological support for Soviet Jewry.

On May 26 I introduced a resolution—House Resolution 454—calling upon the Voice of America to broadcast in the Yiddish language into the Soviet Union. This resolution has now been cosponsored by over 100 Members of the House, and has 22 cosponsors in the Senate.

By broadcasting in Yiddish to the Soviet Jews we will be showing support for them by reaching them in their mother

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tongue. In the 1959 Soviet census—the latest data available—it was reported that 2,267,000 Soviet Jews speak Yiddish. Most of them can understand Russian as well. But the significance of broadcasting to them in their own mother language cannot be underestimated.

Perhaps the most eloquent words about the importance of the Yiddish language to Soviet Jewry are those which Der Nister, one of the major Yiddish writers and one of Stalin's victims, wrote some years ago:

I write in Yiddish not because I cannot write in any other language or in a language which is more widely used, but because there is no one with whom you can be as sincere, honest, and truthful as you are with the mother who gave you birth. What sense can all of my work have if I should think that the language of my people is dying out? I have always been an optimist. I believe in the existence of my people and my language.

The precedents for broadcasting to the Soviet Union in Yiddish exist. Currently, the Voice of America broadcasts to several population groups whose numbers are less than the total of Soviet Jewry. For example, the Voice of America broadcasts in their native languages to 1.3 million Estonians, to 1.8 million Slovenians, to 1.9 million Latvians, to 2.73 million Lithuanians, and to 2.83 million Georgians, and to 2.94 million Armenians.

During the course of the past several months, many of us concerned with this problem have called upon the U.S. Information Agency—the agency responsible for the operations of the Voice of America—to undertake such broadcasting. In response to our requests the USIA has now agreed to broadcast a special 10-minute program twice a week.

This 10-minute Russian-language program, to be broadcast as part of a regular religious half-hour program for Russian Orthodox believers, fails to meet the cultural, religious, and national needs of Russia's three million Jews. A 10-minute program is far too brief and it will not give either moral support or vitally needed information. Only regularly scheduled programs in Yiddish for much more substantial amounts of time will indicate to members of the oppressed Jewish minority of the Soviet Union that they are not alone in their struggle for equality.

While the decision to establish a 10-minute program indicates some recognition of the need for a change in policy, the new program is deficient for the following reasons:

First. A 10-minute program can hardly fulfill the function of presenting a well-rounded and comprehensive broadcast dealing with a variety of items of interest to Soviet Jews.

Second. As part of a religious program directed mainly to Russian Orthodox believers, it will be difficult to attract a special Jewish audience.

Third. It appears that only religious items will be broadcast. There is just as great a need for cultural news and for news of current political events to be broadcast.

Fourth. A 10-minute broadcast can hardly portray adequately the range and variety of American Jewish life.

Fifth. It would also seem that this program will be prepared by regular Russian-language personnel who are not attuned to the special cultural and national needs of Soviet Jews.

Thus, the decision is a token gesture which falls far short of our full moral obligation to Soviet Jewry. Certainly the U.S. Information Agency should do more. It is essential that we in the Congress and the public continue our efforts to bring about substantial Voice of America broadcasting in the Yiddish language to the Jews of the Soviet Union.

PRESIDENT NIXON'S VISIT TO PEKING

(Mr. SYMINGTON asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. SYMINGTON. Mr. Speaker, the American people for the most part have high hopes and fairly high expectations concerning President Nixon's visit to Peking. It will be a unique visit historically and with respect to the magnitude and sensitivity of matters discussed. There will not be one word spoken by either of the two principals which the other will not be obliged to carefully weigh, analyze, and file for future reference. While the final joint communique may not shake the world, there ought to be some general references in it which give comfort to those truly seeking a "generation of peace."

Both parties will bring to the conference what might be described as unpaid accounts. The list is long and varied on both sides. One should employ caution before suggesting additions. I have but one. As a member of the Public Health and Environment Subcommittee of the Committee on Interstate and Foreign Commerce, I have seen close up in many communities across this land the agony of drug abuse. Hearings before the subcommittee have disclosed the huge new burden of addiction acquired overseas, particularly by our troops in Vietnam. We would like to believe that never in the past, certainly never in the future, could the problem be discovered to derive from the deliberate policy of a duly constituted government. The Nixon visit to Peking is itself an acknowledgment that the Peking government is de jure as well as de facto. And while all the requirements of protocol should be observed they should not veil candor. They will not on the Chinese side I am sure. Candor on our own part would require acknowledging the threat to our society that dope addiction poses. No country could wage a more devilish war, with more potent weaponry than one with the means and the will to infect our people in this way.

A question which we would hesitate to put to the Chinese Government were there absolutely no basis for putting it, is whether the easy availability of cheap and highly potent opiates to our GI's in Southeast Asia or our people at home can be attributed in any degree to deliberate action or inaction by the Peking government. Why explore this unpleasant subject in a goodwill visit? Because in the long run goodwill depends on mutual faith and respect. Lingering doubts which dilute the cementing process of bilateral talks must be resolved. But why should any suspicion exist concerning Chinese participation in the opium war on young Americans? There have been periodic reports of shipments of opiates from China. These are discounted by the State Department which reports that—

There are no indications that the People's Republic of China controls the opium trade in Southeast Asia or Hong Kong, even though ethnic Chinese figure prominently in the trade.

The Justice Department, however, according to the Washington Post of this morning, reports that some 5,000 or more mainland Chinese have entered the United States since 1965 often for the purpose of sabotage and narcotics traffic.

The State Department could certainly be forgiven an inclination to wish away stumbling blocks to the new cordiality. One would be tempted and in fact relieved to let the matter drop right there, were it not for published excerpts of a book about Egypt's Nasser which purport to record his conversations with Prime Minister Chou En-lai in 1965. The book, written by Mohammed Heikal—editor of Al-Ahram and close confidant of Nasser—is due to be released next year. Excerpts have been published recently in the London Sunday Telegraph. The following is an extract from the October 24 issue dealing largely with the aforementioned talks between Nasser and Chou En-lai.

The other main topic was Vietnam. American involvement in Vietnam was growing under Johnson and the whole world was concerned with the dangers of the situation. The non-aligned nations played a large part in expressing the world's concern. Nasser, Nehru and Tito all called attention to Johnson's folly and spoke long and often about the danger in which he was putting the world. Nasser wanted the Americans to withdraw and allow the people of Vietnam to settle their own fate. But Nasser had a surprise in store for him.

When he and Chou dined together in Alexandria on June 23, Chou said that he did not want Johnson to withdraw any American soldiers. On the contrary, he wanted the United States to send more and more of its young men to Vietnam. "We are afraid that some American militarists may press for a nuclear attack on China and we think that the American involvement in Indo-China is an insurance policy against such an attack because we shall have a lot of their flesh close to our nails.

So the more troops they send to Vietnam, the happier we shall be, for we feel that we shall have them in our power, we can have their blood. So if you want to help the Vietnamese you should encourage the Americans to throw more and more soldiers into Vietnam. We want them there. They will be close to China. And they will be in our grasp. They will be so close to us, they will be our hostages.

One of the remarkable things Chou said that night when talking about the demoralisation of the American soldiers was that "some of them are trying opium, and we are helping them. We are planting the best kinds of opium especially for the American soldiers in Vietnam."

President Nasser looked at him in some disquiet, but Chou went on, "Do you remember when the West imposed opium on us? They fought us with opium. And we are going to fight them with their own methods against them. We want them to have a big army in Vietnam which will be hostage to us and we want to demoralise them. The effect which this demoralization is going to have on the United States will be far greater than anyone realizes."

Nasser felt that possibly Chou was exaggerating a little. But Chou had his plan absolutely clear in his mind. There was no doubt that he intended to do exactly as he said.

There is no question that the drug problem in America today is far greater than anyone realized in 1965. The year in which illegal entry of Red Chinese gathered momentum A disavowal that any such statement was made by Chou would be indicative.

The Egyptians or at least their Russian sponsors may have reasons to generate American hostility toward the People's Republic of China. Positive assurance that China will do all in her power to establish proper controls on all drug traffic would be even more significant. Practical steps to implement international controls would be the best gage of intent.

Of course times have changed in one respect. It is now not so much American nuclear power that Chou fears as Russian. What effect this change in the balance of distrust would have on his allegedly expressed desire for the continued proximity of U.S. "hostages" no one knows. Taking the quote at face value, we may be excused for inquiring if our withdrawal rate has been too fast, although the Chinese U.N. delegate would have appeared to lay that question to rest in his engaging opening address.

The only thing that emerges with clarity is the obscurity of Chinese policy and purpose. Experience may justify the confidence that the President does go into any such meeting unequipped to deal with ambiguity. But he should make one thing very clear, the destruction of American lives and communities through drugs is a threat that must be dealt with satisfactorily at every revealed source.

MOORHEAD CHARGES SAIGON ECONOMIC REFORMS IGNORE UNFAIR EXCHANGE RATE HURTING THE UNITED STATES

(Mr. MOORHEAD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. MOORHEAD. Mr. Speaker, I want to make it clear today that my remarks are not antiforeign aid.

But one of the things foreign aid was not designed to do was waste the American taxpayers' money—nor was it intended to hurt U.S. labor and industry by expanding the export trade of Japan and Europe.

Yet this is exactly what is happening to us in Vietnam because our alleged ally refuses to permit America to pay a fair price for local goods and services needed in our common defense effort.

President Thieu announced some economic reforms in Saigon yesterday, but he and the National Assembly totally ignored the one needed most—a fair exchange rate for official U.S. Government purchases. Despite the change to 400-plus for the accommodation rate, the official rate continues at an artificial 118.

As a result, America will continue to pay almost three and a half times the real cost of goods and services. This monetary injustice has cost us almost half a billion dollars in the last 3 years. Vietnam takes this money and spends almost 90 percent of it in Japan and Europe.

As President Nixon tries to put our economic house in order, I certainly hope he uses some strong cleanser on this grimy sink.

Mr. Speaker, for months the Foreign Operations and Government Information Subcommittee of the House Committee on Government Operations has been making strong representations to the Department of State, AID, and the Treasury on the inequitable rate of exchange in Vietnam. I am informed that pressure helped to hasten the latest economic reforms in Vietnam, even though they are greatly deficient. Vietnam has offered half a loaf to America. That just is not good enough any more.

THE CURRENT CIVIL WAR IN PAKISTAN IS ONE OF THE MOST APPALLING TRAGEDIES OF THIS CENTURY

(Mr. HELSTOSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. HELSTOSKI. Mr. Speaker, the current civil war in Pakistan is one of the most appalling tragedies of this century. Since the Yahya Khan regime launched its attack on the civilian population of Bangla Desh on March 25, an estimated several hundred thousand Bengalis have died in the fighting. And, nearly 10 million refugees have been literally driven from their country by the Government of Pakistan and its army of occupation in the east.

These unfortunate refugees now live in squalid camps in India where hunger and disease are their constant companions. Every day, hundreds of small children reportedly die of malnutrition in the camps. The refugees are today literally without hope. Words fail to convey the horror in East Bengal and the refugee camps of India. Perhaps John Kenneth Galbraith came closest to describing the situation in the title of his recent essay in the New York Times Magazine: "The Unbelievable Happens in Bengal."

Mr. Speaker, we should all be familiar with the details of the reign of terror launched by the Pakistani Government on the night of March 25. Since then every act of brutality conceivable has been inflicted on the people of Bangla Desh. It should also be pointed out that the Pakistan Government's launching of this aggression was the last in a series of attempts by the Yahya Khan regime to reverse the results of a democratic election which gave the Awami League a majority in the constituent assembly.

For the last 10 years the United States has been mired down in Vietnam allegedly to guarantee self-determination for the Vietnamese and to prevent the north from imposing its will on the south. The situation in Pakistan is not dissimilar, with the west seeking to impose its will on the east.

The State Department and the administration have been decidedly silent, though, on this latest threat to the self-determination of peoples. The reasons for this sudden loss of interest in the democratic rights of the people of Asia are not hard to discern. One has only to review the history of U.S. relations with the various authoritarian governments of Pakistan.

Since the early 1950's the United States has peddled millions of dollars worth of arms to Pakistan, presumably to shore up this bulwark of the free world in the face of potential Soviet or Chinese aggression. In an incredible seizure of myopia, the Eisenhower administration accepted Pakistani pledges that these arms would not be used against neighboring India. The brief, but bloody, 1965 Pakistani-India war showed how valid those promises were. As Chester Bowles noted in a recent Saturday Review article:

Every Indian casualty in the conflict was caused by an American bullet, bombshell or hand grenade.

Undoubtedly, these same American-supplied weapons are being used today against the civilian population of Bangla Desh.

The cold war mentality which led to the arms shipments in the first place prevails today in the White House and in Foggy Bottom. Yahya Khan is a foe of the Russians so he must be a friend of America, goes the rationale. Despite the blood on their hands, friends of America are not to be criticized. Hence, Yahya Khan remains a citizen in good standing of the free world. Further, to depart from our business-as-usual attitude toward the Pakistan regime would create a power vacuum which the newly discovered Communist Chinese could fill. Not of least importance, too, Henry Kissinger might lose his landing rights at Islamabad Airport. The American Government, which has vocally condemned every last Vietcong atrocity, suddenly loses its voice when confronted with the genocidal policies of Yahya Khan.

Mr. Speaker, this administration seems to have a particular affinity for dictatorships, wherever they may be found on the political spectrum. The President, as we know, is about to journey to the ideological wellsprings of godless communism. The Vice President meanwhile has been chalking up an admirable record of visits to rightwing dictators. By his recent trip to Greece, he conferred America's blessing on the colonels' enlightened attitude toward basic civil liberties. And we should not forget the Vice President's visit to Fascist Spain last July to help Franco celebrate the anniversary of the overthrow of the Spanish Republic.

Meanwhile, the democracies of this world have increasingly been given the cold shoulder by this administration. Two of our closest allies, Japan and Canada, have been repeatedly mistreated and spurned by the President, with Amchitka only the latest insult. But I digress.

The situation in Bangla Desh is a nightmare; it is a crime against human-

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ity; it must stop. The administration has been appallingly equivocal in its approach to the Pakistani civil war. To be sure, the President, after nearly 8 months of delay, last week finally shut off arms shipments to Yahya Khan. And, the United States has led all nations in providing relief supplies to the refugees. But more needs to be done.

To begin with, the civil war must be ended on an equitable basis. The present American attitude toward the Pakistani regime has only catered to continued violence and intransigence. I propose that we reverse this policy and let Khan and the world know that we, in no uncertain terms, condemn his brutal military policies. We should shut off all forms of assistance to the Islamabad government, except for relief supplies to refugees. If necessary we should organize an international boycott of Pakistan until Yahya Khan comes to an equitable settlement with the Bengalis. Only in the face of outspoken international condemnation will he cease his aggression against Bangla Desh.

In the interim, more must be done to relieve the plight of the 10-million refugees rotting in the DP camps around Calcutta. As Senator KENNEDY has pointed out, India will require $800 million in the year ahead to provide for the refugees. Hundreds of millions more dollars are necessary to aid war victims still in East Pakistan. It is our moral duty to provide a large portion of these funds and to pressure other governments in the developed world to contribute substantially more than they have. India simply does not have the resources to care for these refugees by herself, and I doubt that Yahya Khan could care less, so it is up to the developed nations to step into the breach.

Mr. Speaker, I urge the House to go on record supporting the forthright stand I have outlined today. To this end I have introduced a resolution expressing the sense of the House with respect to the situation in Pakistan. I am proud to have as cosponsors for this resolution Mr. ABOUREZK, Mrs. ABZUG, Mr. BURTON, Mr. CORMAN, Mr. DELLUMS, Mr. DRINAN, Mr. FORSYTHE, Mr. GREEN of Pennsylvania, Mr. HALPERN, Mr. HARRINGTON, Mr. LEGGETT, Mr. MIKVA, Mrs. MINK, Mr. MITCHELL, Mr. MOSS, Mr. ROONEY of Pennsylvania, Mr. ROSENTHAL, Mr. RYAN, Mr. SISK, and Mr. THOMPSON of New Jersey. Also, Mr. CHARLES WILSON will join me in cosponsoring this resolution later this week.

These Members share my view that our Government can do more and must do more to end the Pakistani civil war and the suffering resulting from it. Only by so acting can we begin to rediscover in our foreign policy, principles of compassion and justice.

Under unanimous consent, Mr. Speaker, I submit at this point a number of articles concerning the situation in Pakistan as well as the text of my resolution. Additionally, I would call the attention of my colleagues to several other worthwhile statements on the Pakistani situation which have appeared previously in the RECORD. These are "the Testimony of 60 on the Crisis in Bengal" inserted by Senator KENNEDY on October 28—page 37930—and excerpts from Senator KENNEDY's report to the Subcommittee on Refugees, appearing on November 1—page 38404:

RESOLUTION

Whereas there is a tragic suffering and loss of life in Pakistan and India caused by starvation, disease and civil war in and about the eastern Indian states and East Pakistan and these conditions prevail today;

Whereas this situation has been caused and aggravated by the Pakistani Government in pursuit of genocidal military policies which constitute a crime against humanity;

Whereas increased shipments of food and medical supplies are needed to reduce the tragic rate of starvation and related deaths: Now, therefore, be it

Resolved, That it is the sense of the House that: (1) the President should act to increase significantly the amount of surplus stocks, relief moneys, noncombat aircraft, medical personnel and other such supplies and personnel as may be necessary for relief purposes; and that (2) this relief assistance should be made available to international relief organizations directly involved in the alleviation of conditions within South Asia and proportionate amounts should be made available to the Government of India; and that (3) the President should immediately suspend all forms of assistance to the Government of Pakistan, save humanitarian relief supplies, pending a peaceful settlement of the civil war in that country; and that (4) the President urge the Pakistani Government to end the strife in that country, such urging being undertaken through direct diplomatic channels and through the offices of the Southeast Asia Treaty Organization; and that, (5) the Government of the United States should solicit the cooperation of other nations in this humanitarian effort.

[From Washington Monthly, November 1971]

TRAGEDY IN BENGAL: THE ROLE OF AMERICAN FOREIGN POLICY

(By EDWARD M. KENNEDY)

On the evening of last March 25, the Army of Pakistan launched a systematic campaign to suppress political opposition in East Bengal. The details of what has followed have been blurred by press censorship and deception. But the heart of the story has become clear to the world: the soldiers of Pakistan have moved so brutally against their nominal countrymen that hundreds of thousands have died and over nine million more have fled across the borders into India. Each day the flow of Bengali refugees continues—spilling into India towards the disease and hardships of inundated, makeshift camps, while the Pakistani government blandly announces that everything is under control and appeals for the refugees' return.

Americans must begin to understand this massive human tragedy, and our role in it, so that we can recognize the bankrupt response of our government and set it right. It is time for Americans to understand that we must rescue the ideals of our foreign policy from cold calculations that have not only shaken and demoralized South Asia, but many other parts of the world as well.

The issue from the beginning in East Bengal has been self-determination and democratic principle. East Pakistan, or the province of East Bengal, is the more populous half of a country that has been divided by more than 1,000 miles of Indian territory since the establishment of Pakistan in 1947. After suffering both political and economic domination from the West Pakistanis for more than two decades—after years of martial law and unfulfilled election promises—the East Bengalis finally succeeded in obtaining a free election throughout all of Pakistan last December 7. The election was administered by martial law authorities and, at the time, was loudly proclaimed fair by the government of President Yahya Khan. It produced in East Bengal an overwhelming mandate—almost 90 per cent of the vote—for the Awami League party and its leader, Sheikh Mujibur Rahman.

The Awami League was thus given a majority in the promised Pakistan National Assembly, charged with drafting a new constitution for returning the nation to civilian, democratic rule. But what happened next formed a pattern of delay and deception, followed by the invocation once again of martial law. Negotiations between Sheikh Mujib and President Yahya Khan over the party's six-point proposal for regional autonomy dragged on and deteriorated—erupting in terror and bloodshed suddenly on the night of March 25.

For while the East Bengalis negotiated for democracy and autonomy, the West Pakistan army prepared for repression and organized terror. What I saw recently in India was the human debris from that night of terror and the subsequent months of violence.

The brutal suppression of East Bengal is the third disaster to befall that area in the past year. In the summer of 1970, floods destroyed crops and killed thousands of people. In November, a cyclone hit the coastal region and killed an estimated 400,000 people. Now comes a man-made disaster, whose fury is producing even greater death and widespread misery among those who survive. And unlike the natural disasters, the current suppression has cemented the traditional bitterness of the Bengalis toward the Pakistani government. Many Bengalis now reason that if there were ever a time to push toward independence, that time is now. And, apparently a majority of the refugees in India are determined not to return home, until this goal or some form of autonomy is achieved.

Those who flee East Pakistan do not expect to find a promised land as they trek into the camps around Calcutta and the other border areas—by and large the poorest of India. Even in normal times, the poverty in these areas is among the most depressing in the world. And despite enormous efforts by the Indian government, the refugees find cholera, malnutrition, dysentery, and overexposure. They find all the ways to die that poor, spent people experience when they are heaped together with inadequate food, shelter, medical care, or sanitary facilities. The refugees do not walk to India out of hope of a better life. They flee because of the immediate threat of terror and death at the hands of the Pakistani soldiers. Added causes in recent weeks are growing food shortages and the threat of famine, especially in the rural areas.

Despite cables and reports from the field, this massive human tragedy is not yet understood by our government or the world. Although the plight of the refugees has been a source of urgent concern for many in Congress, and the Subcommittee on Refugees, it is not until you see it first-hand that you can begin to understand the immensity of the suffering. For only by visiting the refugee camps can you sense the feelings of the people or understand the forces of violence which continue to push them from the Bengal countryside.

MISERY'S VARIABLES

Although we were unable to see the source of the refugee flow, because the government of Pakistan refused us entry into East Bengal, all evidence available to the subcommittee suggests conditions are continuing to deteriorate in the countryside. However, in India, we managed to visit refugee areas along the entire border of East Bengal—from Calcutta and West Bengal in the west to the Jalpaiguri and Darjeeling districts in the north, to Agartala in the State of Tripura in the east. I listened to scores of refugees, struggling to survive in flimsy shelters in open fields or behind public buildings—or trudging down the roads of West Bengal after days and even weeks of desperate flight.

I found that conditions varied widely from one camp to another. But they varied around a rather general level of misery, for many of the camps defy description. Those who suffer most from the hunger, the congestion, the lack of medical supplies, and the frightful conditions of sanitation are the young and the very old. Many of the infants and aged have already died. And it is possible—as you pick your steps among the others—to identify those who will be dead within hours, or whose lives surely will end in a matter of days.

You see children with legs and feet swollen with edema and malnutrition, limp in the arms of their mothers. You see babies going blind for lack of vitamins, or covered with sores that will not heal. You see in the eyes of their parents the despair of ever having their children well again. And, most difficult of all, you see the corpse of the child who died just the night before. When you look up, of necessity, from the eyes of one refugee who mourns his family and you see similar men and women and children packed together as far as the eye can see, then you have an inkling of what is meant by the phrase "seven million refugees." Now there are nine million.

The story is the same in camp after camp. Compounding this misery is the growing number of civilian casualties that are swamping India's already overburdened hospital system. As I walked through hospitals in Tripura and elsewhere, I saw children who had been shot. While I was visiting one hospital, doctors carried in a woman who had been shot through the side. Most of the refugee casualties are brought across the border by their friends or relatives. Each day the toll mounts as border villages are subjected to shelling from both sides. Inevitably, there are untold numbers of other victims who remain unattended and uncounted in East Bengal.

The refugees come from all kinds of backgrounds. One 55-year-old civil servant among the civilian casualties, a railroad official with 35 years of service, told me of an inexplicable assault on his railroad station by the Pakistani army. "I do not know why they shot me," he said. "I don't belong to any political party. I was just a railway clerk." Most of the refugees, however, are poorly educated villagers—the people who make up the bulk of the population in East Bengal. I talked with dozens of such people on the Boyra-Bongaon Road north of Calcutta, on a day when at least 7,000 new refugees had crossed the border. Nearly all were farmers. Most were Hindus, from districts south of Dacca, on the fringe of the area affected by last fall's cyclone. Many of these people were still in visible stages of shock, sitting listlessly by the roadside or wandering aimlessly. They told stories of atrocities, of slaughter, of looting and burning, of harassment and abuse by Pakistani soldiers and their collaborators. Monsoon rains were drenching the area, making it difficult for the refugees to walk and adding to the despair on their faces. To those of us who went out that day to visit refugee areas, the rains meant no more than a change of clothes. But to those refugees it meant still another night without rest, food, or shelter.

It is difficult to erase from your mind the look on the face of a child paralyzed from the waist down, never to walk again; or a child quivering in fear on a mat in a small tent still in shock from seeing his parents, his brothers, and his sisters executed before his eyes; or the anxiety of a 10-year-old girl out foraging for something to cover the body of her baby brother who had died of cholera a few moments before our arrival. When I asked one refugee camp director what he would describe as his greatest need, his answer was "a crematorium." He was in charge of one of the largest refugee camps in the world. It was originally designed to provide low-income and middle-income housing, and has now become the home for some 170,000 refugees.

CABLES UNDER THE CARPET

What has been America's response to this man-made disaster?

Incredibly, we have been unconscionably silent. Neither the President nor the Secretary of State has yet made a single public statement condemning the West Pakistan government's policy of violence and repression. And not until late in the summer—months after the tragedy began—did the President publicly comment on the situation in South Asia. In fact, there is enough evidence to suggest that our government has sought to minimize in public the serious threat to peace caused by the massive flow of Bengali refugees into India. We have consistently downplayed the threat of famine in East Bengal and understated the role of American arms in our relations with the West Pakistan government.

On the question of famine, our government as early as June 21 had official reports from the field—let alone earlier information from international agencies—predicting serious food shortages in some areas of East Bengal. Cables from the American Consul in Dacca, one of the few official sources of information about human conditions inside East Bengal, were warning the State Department in Washington that the threat of outright famine was great. One such confidential cable on July 6 reads as follows:

> Specter of famine hangs over EP [East Pakistan] and prospects for averting widespread hunger, suffering and perhaps starvation not repeat not good. GOEP [Government of East Pakistan] officials largely enervated by fear of military. UN moving far too slowly....
>
> In official circles in Pakistan famine is a forbidden word. The line being taken by the GOP and the GOEP is that stocks are adequate and no major food problems are in sight. Nonetheless, it is our view that famine conditions . . . will probably prevail in much of EP over the coming year. Moreover, because of line the GOP/GOEP are taking, prospects for averting famine conditions not repeat not good.

When press queries about famine were made in mid-July, State Department spokesmen seemingly went out of their way to protect the sensibilities of the Pakistani government by consciously understating the potential for famine in East Bengal. This neglect of field reports prompted the American Embassy in Islamabad to file this cable of protest on July 15:

> We are concerned . . . that department stating publicly that there is no evidence in field reports which would bear out predictions of coming famine in East Pakistan. Perhaps spokesman not apprised of most recent field reports which indicate famine real possibility.

In our view, public statements inconsistent with this line likely impair effectiveness of our representations here. . . . Further public statements . . . should reflect recent field reporting.

It was not until July 22, in response to questions from members of the Subcommittee on Refugees, that Department of State officials publicly recognized the situation. We can only speculate why our government refused, for so long, to speak candidly of the potential for famine in East Bengal; for the net effect of minimizing the seriousness of the problem was to reduce the urgency of our response and to defer needlessly those substantive international efforts that were needed to save human life.

SHIPS IN THE NIGHT

Although in the early days of the East Bengal crisis it looked as though our government's policy suffered simply from a lack of candor and a lethargy towards the urgent humanitarian needs involved, it did seem as though we were ending our military participation with the government of Pakistan. On April 20, the State Department announced an end to the shipment of further American arms to Pakistan. In a letter to me on that date, the Department stated explicitly:

> . . . we have a modest program of cash and credit sales to Pakistan of non-lethal military end-items as well as some spare parts and ammunition. We have been informed by the Department of Defense that *none of these items has been provided to the Pakistan Government* or its agents since the outbreak of fighting in East Pakistan, March 25–26, *and nothing is presently scheduled for such delivery.* (emphasis added)

On May 6, the chairman of the Senate Foreign Relations Committee received a similar letter, as did other members of Congress.

Yet on May 8, the Pakistani ship *Sunderbans* left New York harbor for Karachi, West Pakistan, laden with American military supplies. Neither the press nor the Congress knew of its departure. Its sailing says a great deal about the course and purpose of the Administration's policy towards South Asia. And contrary to every impression—at least prior to the Department of State's testimony before the Refugee subcommittee on June 28—U.S. military supplies were continuing to flow to West Pakistan.

Some have tried to explain the apparent discrepancies between our officially stated policy and the continued shipment of arms by noting that the phrase "scheduled for delivery" has a more intricate meaning than commonly assumed. "Delivery" in the Department of Defense means, they say, the transfer of title, which occurs long before actual shipment. Once military goods have been "delivered," the shipper must obtain a license from the Department of State's Office of Munitions Control before actual shipment. All this can take up to a year.

But such ornate descriptions of the military aid process, or apologetic claims of "bureaucratic bungling," cannot explain away the continued shipment of military equipment to Pakistan. This was made clear in the June 28 testimony before the Subcommittee on Refugees. After a reported White House level review of the arms policy toward Pakistan, Deputy Assistant Secretary of State Christopher Van Hollen admitted "that there may be certain items moving in the future based upon items turned over by DOD (Department of Defense) prior to April, or on commercial licenses that are still outstanding." In other words, the Administration determined not to embargo the $27.4-million worth of arms still in the pipeline as of March 25. Such an embargo could have been effected with just a few phone calls.

Under current policy, therefore, military supplies still flow today to Pakistan—not in the quantities that might have been shipped if new licenses were granted, but in sufficient quantities to help the Pakistani army in its suppression and to carry enormous symbolic weight.

IF WE DON'T, SOMEONE WILL

The State Department, as outlined in Mr. Van Hollen's testimony, has given three reasons for this policy. First it is said that an embargo would "be seen as an unwarranted intrusion into an essentially internal problem, which can only be resolved by the Pakistanis." The implication is, of course, that we can somehow maintain a hands-off posture towards Pakistan while still sending military hardware to its military government. But surely this is a contorted argument. For the cold fact is that we are already involved—with our guns and our money, with more than a decade of economic and military assistance. Our aircraft and our tanks have been reported in action, even by U.S. officials.

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So the question is how we should be involved; whether we should continue supplying more arms, or supporting instead efforts toward political accommodation in East Bengal and humanitarian programs for the millions in need.

A second argument advanced by The State Department to justify not cutting off military supplies is that it "would cause Pakistan to rely exclusively on other sources of supply." In other words, if we don't supply the equipment, somebody else will. This is, and always has been, a weak and very defensive argument, capable of justifying *any* policy as long as there is a single party in the world who will fill the void if we abstain. It relies not on the positive merits of a program, but on the fact that other nations might be willing to do what we should not be willing to do. The fact is that in Pakistan arms are already being imported in great volume from China and elsewhere, and our supplies are only a small portion of current Pakistani military imports. So why not cut our symbolic ties?

The State Department replies rather obliquely that the third reason for continued military sales is that it would indeed be seen as a symbolic sanction. As Mr. Van Hollen testified, "Such sanctions . . . would undermine our efforts to maintain a productive political relationship with the Government of Pakistan, [to] encourage the Government of Pakistan along constructive lines in the areas of mutual interest, namely in the areas of relief, of refugee return, and of political accommodation." This argument has become the heart of the Administration's position, even though the government of Pakistan has shown only token "mutual interest" in such matters as humanitarian relief and political accommodation.

As the Administration has put the rationale, subsequently military aid is required to maintain our "leverage" over the Pakistani government in order to push for a cessation of the killing and political repression. But surely there is no more specious an argument than this, which says the establishment of "leverage" requires regular contributions to the very problem being addressed. It would be better to cut off military aid, as well as general economic aid, and then make its restoration contingent upon some demonstration of humanity on the part of Pakistan, than to mindlessly continue the arms flow in the hope of some day achieving that leverage. As it is we are bargaining against ourselves.

Although it was clear from testimony before the subcommittee that our continued military aid to Pakistan flows directly from Administration policy, many observers continue to believe it is a product of bureaucratic inertia. It would certainly seem so from a General Accounting Office (GAO) investigation, which recently uncovered nearly $10-million worth of "Offer and Acceptance" contracts, in which the U.S. took the initiative in offering Pakistan military equipment, such as parts for fighter aircraft, like the F–104. Needless to say, Pakistan accepted the offers, and at least one contract was "Validated and Approved for Implementation" in July, long after authorizations for new arms shipments had been declared forbidden. The State Department, while surprised at the existence of the contracts, has taken the position that the goods could not be shipped without licenses, which would not be granted under existing policy. Accordingly, the contracts were called mere contingency items in case of policy changes in the future. Whatever the facts are—which the GAO is seeking to clarify during its current investigation—there is considerable evidence that the State Department's control over what sails for Pakistan is woefully deficient and sadly confusing.

It is time for Americans to ask their leaders just what kind of government is it that we seek to influence—and for what purpose?

The uses of "leverage" and "forceful persuasion" are, of course, very familiar to Americans from our part in the Vietnam war. In Saigon, after seven years of active military involvement—where Americans have been asked to sacrifice nearly $100 billion and at least 46,000 lives to uphold the concept of self-determination and democratic principle—we are confronted today with a cruel joke on "democracy" and "self-determination." In Vietnam we are supporting a military elite which calls an election "free" after it elliminates all significant opposition.

Less than 2,000 miles from Saigon, in East Bengal, we have seen the results of a popular election, but watched silently while a military regime jails the man chosen in that free election to be the country's leader. Worse, we have actually supoprted that regime, while it suppressed the results of that election and destroyed in the process all the principles for which our country has sacrificed so much for so long only a few miles away. Perhaps the only difference between Vietnam and Pakistan is that in Pakistan we have made no pretense of acting in support of principles, so that, in effect, no principles can be violated.

If the answer of this Administration toward the excessive moralism and involvement of Vietnam is to be the new pragmatism of Pakistan, then I fear we have failed to learn the true lesson of Vietnam. For we cannot afford to substitute the twisted moralism that involved us in Vietnam with a twisted amoral "pragmatism" that keeps us involved with Pakistan. It is simply too offensive to some of the ideals Americans have long stood and fought for, and by which we try to take our bearings in the world.

PSEUDO PRAGMATISM

The implications of the tragedy of East Bengal on American foreign policy should now be clear.

First, we must do an about-face in our relations with the nations in the area. We must understand that the face of America today in South Asia is not much different from its image over the past years in Southeast Asia—the image of an America that continues to support military repression and to fuel military violence. It is the image of an America comfortably consorting with an authoritarian regime. It is the image of an America citing its revolutionary past and crowing about its commitment to self-determination, while servicing with money and guns the military juntas that suppress change and ignore people's aspirations.

The situation in East Bengal should be particularly distressing to Americans because the leaders of East Bengal—now constituting themselves as the government of Bangla Desh—have not come to America for assistance. As one Awami League official said to me in Calcutta: "Many nations and people come to America to ask for billions of U.S. dollars for more guns, more supplies. We Bengalis ask only that you provide nothing—no guns, no money to either side—that you simply remain neutral."

If we chose, rightly or wrongly, not to involve ourselves in support of self-determination, then the advice of neutrality not only avoids compromising the principles for which we stand, but also is sound foreign policy. For rather than the mindless and fruitless practice of following old habits in our dealings with military cliques in South Asia, neutrality may in fact provide us with leverage that is real and effective.

Secondly, Americans must realize that we are failing in our job as humanitarians. Somehow, our government has almost managed to sleep through a nightmare in East Bengal that should have spurred us into action immediately. For over three long months, after six million refugees had streamed across the border into India, our government offered less than $3 million in aid. Seven long months later, the Administration has contributed less than $240 million in humanitarian aid to either India or Pakistan, with an additional request for $250 million sent to Congress only last month. All this is still far less than that required. Our government knows from its own reports that India alone will need at least $800 million over the coming year just to maintain the refugees in camps. So far our contribution has been some $83 million, plus $20 million in development loans.

To be sure, as the Administration has pointed with pride, we have contributed the largest share of the total humanitarian aid India has thus far received. But the pride is quickly dispelled when we see the vast dimension of the burden being carried by the government and people of India. Simple humanity demands that America and the United Nations accept the truth that this heavy burden should be shared more fully by the entire international community.

If America is to fulfill its traditional role as the leading humanitarian nation of the world community, then America must take the lead in bringing international aid and relief to the millions of refugees and other victims of this international tragedy. Our leaders should begin to use every forum in this country, and every forum in the world, to focus attention on the inhumanity now being perpetrated in East Bengal, and on the urgent need to bring peace and relief to that troubled area.

Finally, we must ask serious questions about what our attitude toward the tragedy of East Bengal says of our new "pragmatic" foreign policy—a policy which too often makes moral and humanitarian principles expendable. I, for one, believe that these considerations—elusive though they may be—still matter. In the long run, the practice of such principles shape international esteem and goodwill, and they represent those important foreign policy variables which diplomats may try to, but cannot really ignore in the treaty rooms. Further, our actions abroad cannot help but be affected by what we think of ourselves, and our self-esteem must sink with every revelation about our government's policy towards the military regime of Pakistan. Our actions toward East Bengal have demonstrated a largely mechanistic and insensitive calculation of what is within our national interest and tradition.

South Asia today is on the brink of war and even greater tragedy, and our government's policy bears a special responsibility. For our continued military and economic support of the military regime in Islamabad has encouraged Pakistani intransigence and fed frustrations in India and East Bengal. It is long overdue for us to rescue our foreign policy from a course that has been disastrous both to our best traditions and interests in South Asia.

THE UNBELIEVABLE HAPPENS IN BENGAL

(By John Kenneth Galbraith)

One day in the summer of 1961 I drove in the monsoon some 40 miles to the north of Calcutta to inspect an unpromising agricultral college which the United States was assisting and to look at the beginning of a new experiment in dairy husbandry. For generations the most congested bustees of Calcutta had harbored a considerable number of dairy stables, each of which added marginally to the filth, stench and flies of the city and some of the world's most polluted milk to its sustenance. Now the cows and buffalces were to be relocated to solid, concrete-floored stables in the marvelously lush green countryside—palms, paddy, patches of tall hemp, ponds covered by wastes of water hyacinth—of West Bengal.

Ten years later—just after Labor Day this year—I visited the Haringhata Dairy Farm again. The stables had been considerably expanded. There were still cows and water buffalo about. From one complex of six stables they had, however, been extruded. Their place had been taken by 72,000—seventy-two-thousand—women, children and men from East Bengal. Each stall—perhaps 5 by 7 feet—now housed a family—usually of five or six. The box stalls, favored locations offered more privacy, had more. The Haringhata camp is one of 10 grouped closely around the town of Kalyani in West Bengal. It is one of 615 camps in West Bengal, a notably crowded state where land that is reliably above the level of the surrounding and intruding water is very scarce. And it is one of some 938 camps in all India. One camp housing 164,000 is halfway across India in Raipur in the state of Madhya Pradesh.

Every figure associated with the population movement from East Bengal—the word refugees is no longer descriptive—numbs the mind. Since March of this year, more than nine million people have made their way across the border—approximately twice the number that moved west at the time of partition in what was then considered one of the greatest population movements of all time. About two and a half million of the migrants have found shelter with relatives or friends or are surviving without it on the Calcutta streets in the company of those who are still there from the earlier migrations. The rest—by now about six and a half million—are in the camps. In September, after some slowing down in the summer, movement again averaged 33,000 a day. In India, the resources for caring for these people at the lowest level of maintenance is blood squeezed from a very dry stone.

It has been, in fact, a compassionate and organizational achievement of the first magnitude. The Indians have a reputation, not wholly unearned, for being articulate but rather reckless managers. I used to think when I was Ambassador—and I am now fully persuaded—that they were also nearly unique in their capacity to contrive something out of almost nothing. The camps affirm this talent and notably its presence in the agency in charge, the Ministry of Rehabilitation. It is a talent born partly out of a long-standing necessity to make do with very little; partly it is the achievement of a bureaucracy which, going back to the tradition of British India, combines a great deal of authority and responsibility in the man in charge.

The most vivid manifestation of this contrivance is the Salt Lake Camp on the outer edge of Calcutta not far from Dum Dum airport. Until last March it was a vast unoccupied acreage, built up by sand dredged from the Hooghly, a monument to a still unrealized dream of a new garden suburb. (Such dreams, invariably unrealized, are endemic in Calcutta.) Now Salt Lake is a city of more than 160,000 souls holding the all-time record for urban growth. Roughly 2 by 1½ kilometers in area, it contains 1,200 basic structures, each with 12 cubicles, each of the latter sheltering a family. (There are numerous other individual and communal shelters.) Walls are of coconut matting, roofs are of polyethylene sheet. The structures—they can hardly be called buildings—are neatly aligned in streets. There are warehouses for the food ration, very elementary hospitals, the beginning of schools. Wells, called water points, have been drilled and equipped with power pumps from West Germany. Latrines are being built and the stench from the earlier absence of all sanitary facilities has been suppressed by a liberal spreading of chloride of lime.

In all the camps, including the cow stable, those who were in business in East Bengal have again set up shop, for wherever more than two people congregate in India, one opens a store. Often the total stock in trade is a few cents' worth of sticks for cooking fuel or a handful of greens. A couple of crude tables and some chairs make a tea shop.

Presiding, not without authority, over each of these vast and sudden communities is the camp commandant, like many others concerned with the refugee effort usually a former Indian Army officer. Many people owe their survival to the availability of these men, who are occupationally experienced in camp sanitation, administration and discipline and accustomed to exercising authority.

There is something else which adds an aspect of cheer to the camps and that is the curious composition of the camp population. It consists of grandparents, women and a vast number of children. There are almost no young or middle-aged men. No one makes a secret of the reason: "They are away training with the Bangla Desh Liberation Army." The absence of the young men is "the only thing that makes my task tolerable, a young official responsible for the survival of several hundred thousand people told me cheerfully. In the camp hospitals and special feeding areas are youngsters, mostly under 5 or 6, who are suffering horribly from malnutrition. Some, the doctor fear, have suffered permanent damage. For the rest, one's impression is of exuberant juveniles for whom the present misfortune is an unprecedented adventure and the appearance of an oversized visitor an occasion for unadulterated enjoyment. Perhaps something must be attributed to the Bengali temperament; they are accustomed to getting much amusement from very little. Mostly, no doubt, it is the indomitable spirits of the very young.

To the north of Calcutta and nearer the border, the camps, the kids notwithstanding, are a good deal more grim. Tarpaulins, slung over ridge poles and pinned to the earth at the edges, make a low, crude and uncomfortable tent. Every tarpaulin extant in eastern India was acquired for this purpose and the supply gave out long ago. In numerous of the smaller camps, wretched hovels have been contrived out of straw and palm thatch. Yet farther north are the camps that one could not reach. They were cut off by floods and, in some cases, under water. People were existing on railroad embankments and roads.

But in all the camps, the margin between survival and death from hunger, exposure and disease is still perilously thin. Less than three rupees' worth of food is available for each refugee per day—not quite 40 cents a head. In September, distribution to outlying camps was being made excruciatingly difficult by floods—some were depending on air-dropped supplies. And still refugees streamed in. "I could handle the people I have," one official observed. "But how do you plan when you've no idea how many will arrive tomorrow?"

There is at least a chance that a new and larger wave is in the making. It would, in a sense, be the third. The first followed the deployment of the Pakistan Army, the shooting and the arrest of Sheik Mujibur Rahman, and consisted, among others, of people who felt politically threatened. This, naturally, included many Moslems. Then for many months most of the migrants were Hindus. In this part of the world whenever there is trouble it is the religious minority that feels threatened; its departure is regularly encouraged by a little terror from those who will then get the property. And of course there have been many suggestions that the Pakistan Government hoped to pacify East Bengal, at least in part, by diverting antipathy from itself to the Hindus. Now the danger is of a new movement motivated by fear of food shortages and starvation in East Bengal. This would affect Moslems and Hindus alike and send both communities across the border. In the increased migration of early September some officials were counting an increased proportion of Moslems.

One ghastly danger, much feared by responsible Indians earlier this year, has not developed. That was communal resentment, both in the camps and in India generally, over the fact that so many of the migrants were Hindus and leading, in turn, to action against the Moslems. The Indians have been calm, and communal friction in the camps seems to be totally lacking. An American visitor for his education on the policy of the Nixon Administration is greeted by deafening shouts for Sheik Mujibur from the predominantly Hindu population.

Not all of the problems caused by the migration are to be found in the camps. There are serious ones outside and worse ones just over the horizon. The most obvious of these concerns the relations of the camp population to the political and social life of West Bengal—and the other states bordering on East Bengal. (One of these states, Tripura, has had its population almost precisely doubled by the influx.) Given a few months, grave tension will arise between the camp population, which is sustained at a minimum level of life by the Government, and the surrounding masses who must scrounge an equally slender existence on their own. Already there have been complaints that men and women in the camps, desperate for a few extra rupees, have been taking work outside at rates at which the local workers cannot survive.

More disagreeable is the political prospect. Bengal, or rather Calcutta and the outlying towns, live now on the edge of violence. There are several political murders, many involving rather imaginative dismemberment, each week. The area is saved from revolution only by the extreme mistrust and hatred with which the several revolutionary parties, including the outlawed Naxalites, regard each other and the considerable certainty that, given population, resources and the nature of the revolutionaries, there is no conceivable form of revolution that would not make everything worse.

Finally, there is the further and ever greater certainty that unless there is a settlement, there will be brutal fighting in the border areas of East Bengal, with the further chance that this will develop into a major clash between the regular armies of India and Pakistan.

In recent weeks the mood on both sides has become increasingly tense and ugly. There are numerous Indians who would readily sacrifice the sympathy that India is winning on this issue to the seemingly simple course of a military solution. (Nothing would do more to support Pakistan's claim of Indian complicity in an effort to destroy her.) And, without doubt, there are Pakistanis with a suicide complex. But even if both Governments keep their heads—or are persuaded to do so—continued guerrilla conflict in East Bengal, with recruits and support from India, has infinite possibilities for escalation.

This prospect is inherent in the absence of the young men from the camps. Without the slightest doubt, they are away preparing for guerrilla operations—it would be incredible, given the popular support for autonomy, self-determination or independence in East Bengal, had they simply settled down in the camps to accept their fate. And it would have been equally against nature had the Indian Government tried to enforce such passiveness. As the country dries out in the next weeks, they will be going back over the border. There will be more shooting, more suffering (and also much, much more migration), unless something can be done. What can be done?

The needed effort comes in two parts. There is first the terribly urgent but unglamorous task of helping the Indians to take care of the people in the camps and helping do for them what the Indians cannot afford.

In accepting the refugees and the responsibility for their survival, the Indian Government (by World Bank estimates) committed itself to an expenditure of some $750-million by next March and no one knows

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how much thereafter. The cost would be great for any country; for India, it amounts to between one-sixth and one-seventh of all the funds available to the central Government for development. The promised help from other countries, for what should by any reasoning be an international rescue effort, has so far been only about $140-million to $150-million, of which about half has been committed by the United States. We must do a great deal more—Senator Kennedy has a proposal before the Senate to provide $400-million—and the other rich countries must be urged (or shamed) into becoming serious. Germany, Japan and France have each promised less than $5-million.

This is merely to provide food and minimal shelter. Much more is needed to make life tolerable and, for some, possible—to provide protein for rehabilitation diets for the children, clothing as the colder weather approaches for a juvenile population that is virtually naked, blankets, a greater variety of medicine, soap, tooth powder and, hopefully, some school books. For this part of the effort, it is impossible to exaggerate the importance of the work (and needs) of the volunteer agencies. I was especially impressed by the effectiveness of two British-sponsored agencies—The Save the Children Fund and Oxfam, the latter having an American collection arm—and Caritas, the local arm of the Catholic Relief Agency. All struck me as operating with a minimum of administrative overhead and lethargy.

But if immediate sustenance is important, so is the more durable solution. That is for the people to go home. Under the best of circumstances that will be difficult. As I have noted, the great majority of the migrants are Hindus—something over half of the Hindu population of East Bengal has now moved out. Movement of this population into Calcutta and West Bengal has been going on for a long time; there will have to be an exceptional feeling of security before it can be persuaded to return and, as a practical matter, many will remain in India under any circumstances.

The requisite feeling of security will not be achieved—I cannot think there is any knowledgeable and candid person who disagrees—until East Bengal is allowed to govern itself. That it wished to do so was made wholly clear in the elections a year ago. That it has been made more amenable to government from Islamabad (and by the less populous West Wing) after the events of this year no one can imagine. Americans who have a past association with India are suspected, perhaps rightly, of an Indian bias. John Sherman Cooper, on returning to the Senate from being Ambassador, told friends, at least half-seriously, that he did not intend to work more than half-time for India. But in these last months it is the Americans who have been the closest to Pakistan—who have lived and worked there—who have been the most ardent exponents of some effective form of self-government for East Bengal. They have led the lobbying effort in Washington on behalf of Bangla Desh (the Bengal nation) and more than any other group helped persuade the House of Representatives to vote the suspension of aid to the Yahya Khan government, pending some form of self-government for East Bengal.

I have spoken of self-government. A visitor to India, even one with the exiguous credentials of an ex-Ambassador, is pressed hard to say that there can be no solution short of total independence. He is also pressed to say that the United States should take some fairly sanguinary action to bring it about, the pressure being strongest from those who have complained most eloquently about American imperialism in the past. Those of us who have urged a less ambitious policy in Indochina are in a poor position to ask for American remedial action elsewhere in Asia. And my instinct is to avoid being categorical about indpendence—an ambiguity that is pleasing neither to the Bangla Desh mission in India nor the Indian press. Perhaps there are formulas short of independence which will mean the same in self-government and in a sense of security for East Bengal.

Although we have no remedy, we can end the wrong kind of intervention, which is to say we can end the tacit support that the Administration has been giving to West Pakistan. It is a politically disastrous policy for the Administration itself. Although the military aid to the Pakistan Army is not very significant and no economic aid can be sufficent to offset the costs of suppressing the sullen and mutinous majority in East Bengal, our support can be enough to cause the military government in Islamabad to continue with the effort. It means, in consequence, that the Administration acquires a contingent responsibility for a new civil war just as (hopefully) it is detaching from another one, 2,000 miles to the east. That, surely, makes no sense. Nor does it make sense to share in the international opprobrium the effort at suppression invites.

Without our support there is at least a chance that West Pakistan will concede effective self-government to East Bengal as the most practical solution for all concerned. It would, no doubt, be inordinately optimistic to expect this to happen immediately. Although in the fiscal year ending last June per capita income in Pakistan dropped for the first time in several years—and the annual increase in industrial production fell from 11 to 2.4 per cent—most of this is to be attributed to the near collapse of the East Bengal economy, West Pakistan is still prosperous. But over time the costs of putting down resistance and maintaining an unpopular government in Bengal will mount. Taxes will rise; funds for investment will dwindle. Funds from abroad will run out. There are many practical-minded people in West Pakistan to whom this prospect will not appeal:

From people knowledgeable on Pakistan affairs (which I am not) one hears that there is already a considerable group of businessmen and civilian politicians who question the wisdom of a long-continued effort at suppression in the East Wing—who hold that effective self-government in East Bengal is the only solution. Some have recently suggested that Zulfikar Ali Bhutto, the most powerful civilian politician in West Pakistan, and a man who operates with both ears to the ground, has had such thoughts. Somewhat more certain is the weariness in Pakistan with military rule. And it is impossible to imagine that any civilian government replacing that of Yahya Khan could avoid coming to terms with the Bengalis—who, we cannot remind ourselves too often, are in the majority. No civilian government could sustain itself in Islamabad and Dacca while using the army to keep down insurrection in the Bengali countryside.

So, plainly, military and economic support to the Yahya Khan government postpones the only possible solution. And symbolic support, which allows that government to believe that suppression in Bengal has our approval, is almost as damaging as support that is in substantial amount.

Let me add one final word about arms. There is only one long-term hope for peace on the Asian subcontinent and that is what might be called the North American formula. There, as on this continent, the dissolution of European colonial power left one very large country and a coterie of surrounding smaller ones. In North America this has been a tolerable solution for one major reason: No one (at least since Napoleon III) has imagined that either Canada or Mexico could be a serious military competitor with the United States, and the nightmare that Cuba as an arm of the U.S.S.R. might become so has receded while, in the tension it briefly caused, admirably proving the point I am making. In consequence, the United States is able to regard its neighbors with a combination of tolerance and indifference. They, on their part, have been able to concentrate on the difficult but not impossible problem of living in our vicinity. The result is by no means perfect, especially for our neighbors. But the solution works, and it is both peaceful and wholly stable.

On the Asian subcontinent the same development was arrested by the effort, inspired by John Foster Dulles, to build up Pakistan as a military power. It is doubtful if, as a nation, we have ever taken any action that was more categorically mischievous and wicked. The notion that the arms so supplied had relevance only against Russia was a hopeless fantasy. All countries arm against their major enemy; for the Pakistanis that, as a matter of course, was India. (That Pakistan seriously altered the balance of power against the U.S.S.R. was also a fantasy and a terrible libel on the Red Army.) Meanwhile the development of Pakistan as a possible military rival encouraged all of the wrong attitudes in India. Instead of developing the benignity that a large country should have for a smaller neighbor, numerous Indians made a political career out of hating Pakistan. Compromise on border questions in Kashmir or Kutch became impossible or difficult. Resources were wasted on arms. And, in 1966, the policy led to actual conflict. It also led Lyndon Johnson, in one of the most sensible actions of his Presidency, to cut off military support to both countries. It was incredible that it was ever resumed.

Now with the break between the two wings of Pakistan there is no alternative to the North American solution. West Pakistan, although economically more progressive than most of India, is a very small country in comparison. With a sullen and costly East Bengal in subjection it is *even* weaker than by itself. So no one can any longer suppose that it is a serious military rival of India any more than it is a serious bastion against the Soviet Union. We cannot bring about a North American type solution—in particular we cannot do much to induce its prime requisite, which is development of the tolerant and large-minded attitude in India that is appropriate to a large country with small neighbors. But we can at least move on from the errors of Dulles and bring totally to an end the arms policy that is the surviving symbol of the old policy. We can remove this barrier to the only possible arrangement by which India and her smaller neighbors (the two parts of Pakistan either in independence or as some federation of self-governing states) can live in harmony.

[From the Washington Post, Nov. 5, 1971]

BENGALI REFUGEE'S DESPAIR: "I HAVE LOST ALL HOPE. . . ."

(By Jim Hoagland)

CALCUTTA.—Sasa Dhar Mandal is only dimly aware that some of the world's most high-powered diplomacy is being exerted ostensibly on his behalf. Moreover, the 70-year-old carpenter scarcely cares anymore.

"I'm not going back, no matter what the outcome is," Mandal said recently, in a reference to his former home in East Pakistan. "I have lost all hope in human nature and promise."

Mandal is one of the 9.5 million East Pakistani refugees who have fled into India in the past seven months in the wake of a political crisis that triggered an outburst of violence between the civilian population and the Pakistan army.

The refugees' presence in India is severely pinching this country's economy and has helped provoke a continuing and serious threat of war between India and Pakistan.

American, Soviet, British and other diplomats are reliably reported to be engaged in efforts to head off a military conflict between the two countries by seeking a political solution that will promote a return of the refugees to East Pakistan within a few months.

Indian Prime Minister Indira Gandhi is lobbying intensively on her current trip to Europe and the United States for increased Western pressure on Pakistan to create conditions to draw all the refugees out of the sprawling and squalid camps where they now live, largely at India's expense, and back to East Pakistan.

Mandal is one of those who say that no such conditions exist, despite the extreme hardship and filthy conditions that surround him and 250,000 other refugees in the camp that has grown up at the edge of Calcutta.

He says that he was so thoroughly frightened by what he saw in East Pakistan before he fled four months ago that he and the 17 members of his immediate family who fled with him intended never to return.

HUMAN TRAGEDY

This decision, if repeated by enough others, would represent not only a measure of enormous human tragedy that has struck East Pakistan, but also a serious threat to India's own stability, in the view of a number of highly qualified analysts here.

Part of the threat arises from what appears to be India's failure—some economists outside the government term it a refusal—to lay contingency plans for the possibility that millions of the refugees may still be in India a year from now, or longer.

That idea is politically unacceptable to India, which estimates that it will cost $700 million to feed and shelter the refugees through the end of next March. Some Indian leaders are saying privately that the refugees must and will, be gone by the end of the year.

But a political solution that would make that possible seems nowhere in sight to most observers here, many of whom fear that a painful prolonging of the crisis will make it increasingly difficult to get many refugees to go back at all.

According to most estimates, between 10 and 20 per cent of the refugee population is composed of Moslems, the predominant religious group in Pakistan.

Most of them are expected to go back without much delay if a settlement is reached in East Pakistan. But whether all of the 8 to 9 million Hindus who have fled here will return is more problematical. They appear to feel much more exposed to what may continue to be a continuing instability in this area for some time to come.

REFUGEE EXODUS

The families of the 10 million Hindus who lived in East Pakistan before the refugee exodus began had declined to move to India when the two countries voted for partitioning in 1947, to allow Hindus to migrate to India and Moslems to Pakistan for safety.

Communal riots have flared in both countries periodically since then, but there has been no violence approaching the scale of the present crisis, which was precipitated by the election last year of a national parliamentary majority of the Awami League, the East Pakistan-based party that favored more autonomy for the divided country's eastern wing.

Charging the Awami League with plotting secession, military ruler Yaha Khan effectively overturned the election results on March 25 by arresting the charismatic Awami League leader, Sheikh Mujibur Rahman and unleashing a brutal military campaign against the civilian population of East Pakistan.

The Hindu community had solidly supported the Awami League and became the primary target for reprisals.

The people who live in West Bengal State around Calcutta are coreligionists and are of the same ethnic and linguistic group as the Bengalis.

This makes it easier for the refugees to blend into the area, but it also means that they will have to be largely absorbed by the already poverty stricken and politically unstable West Bengal, which does not begin to have enough land or jobs available for its own 44.5 million people.

Mandal, the carpenter, has a major advantage over most of the refugees, who are landless farmers or cultivators of tiny strips of land. He has a skill which is in demand in Calcutta, and should be able to earn a living there.

But like many of the 50 refugees this correspondent interviewed in three days, he feels he has little to go back to in any event. He owned 1¾ acres of land on which he grew rice, but his house has been sacked and his land occupied by East Pakistani loyalists who are not likely to give it up without a fight.

BLOOD KINSMEN

Monoranjan Talukdar had seven acres of land that he tilled before he fled. He knows that almost every one of his 225 blood kinsmen have also left East Pakistan and scattered in camps in India. "My home was burned, my crops were looted, and my family is all here now."

Golpal Biswas, a 38-year-old farmer who had to rent a plow and a bullock each year to cultivate his two-thirds of an acre of land in rice and jute, replied when asked about returning: "I am eating here. This is better than being shot there."

Few of those interviewed would state flatly as Mandal that they had no intention of returning. Most said that they would return only after East Pakistan became an independent country.

Others said they would return if Sheikh Mujibur were released and issued a call to return coupled with a personal pledge of safety for them. They would not accept such a call from any other East or West Pakistani leader, most said.

Although the sampling is far too small to provide much insight into the larger problem of getting the refugees to return, one pattern it disclosed has also been noticed by missionaries and relief worker who spend much time in the refugee camps.

Those interviewed who had been in the camps for the longest periods of time held the most dogmatic and politicized views about conditions for returning, while newcomers were more flexible.

The Rev. John Hastings, a Methodist minister who is deeply involved in refugee work here, says "after three months of living in the camps, people tend to lose hope in the future and have to reach for a faith in something," even if that hope seems immediately unrealistic.

MOSLEMS JOIN HUMAN TORRENT

(By Jim Hoagland)

CALCUTTA, October 25.—The line begins at Bangaon, and stretches intermittently back 25 miles to the East Pakistan border. A human torrent continues to rush down India's narrow country roads seven months after the Pakistani army unleashed its brutal strike in the Bengal area.

Clutching naked children in their arms, the women are often clad in rough burlap cloth, the sheer and colorful saris they usually wear left behind in the suddenness of their flight or destroyed on the 10-to-20 day march that many of them have made. The women also carry the vaccination certificates they have received at the border crossing in Bangaon, a district headquarters. They will receive a food rations card and be assigned to one of the still swelling 877 refugee camps along the Indian-Pakistan border.

Many of the men carry their families' belongings in cardboard suitcases, small trunks, or just bundled in a cloth. But others carry nothing. East Pakistani refugees are still pouring into India at a rate of 15,000 to 20,000 persons a day, according to official Indian estimates.

The continuing flow not only adds to India's already staggering burden in feeding and sheltering 9.3 million Pakistani refugees, but also seems to push back the chances for repatriating those already living in the squalor and desolation of the camps.

ATROCITIES RECOUNTED

For, despite official Pakistani assurances to the outside world that it is now safe for the refugees to begin returning and resume normal life, many of the new arrivals bring out with them the same kind of atrocity stories that were chronicled in detail in the world press when the crisis began on March 25.

"The army and local sympathizers looted and burned my shop last week," Radhashan Banik, a 40-year-old grocer from Faridpur district said in Bagda, an Indian village three miles from the border. Mohammed Azul Rahman, a school teacher in Kushtia broke down in tears as he tried to tell a missionary, at another border crossing point, about the beating that soldiers had inflicted upon him two weeks earlier. "It is too terrible to remember," he sobbed.

The newcomers' "vivid accounts," which cannot be verified from this side of the heavily armed border, reinforce the fears and bitterness of the refugees already here and thus raise the tensions in the Asian subcontinent to an even higher level.

For if the war that India and Pakistan appear to have teetered on the edge of for the past two weeks does come it will largely be because of the intractability of the refugee problem, in the view of well-informed analysts here.

ARGUMENT FOR WAR

Some Indian leaders have argued strongly in private that Indian forces must move into East Pakistan and secure an area to which the refugees can return in the next few weeks.

Otherwise, the strain they exert on India's already huge economic and social problems will supposedly produce irreparable harm. Thus far, this argument has been resisted in New Delhi.

Pakistan, on the other hand, may calculate that a military conflict with India would bring enough international involvement to provide more of a chance for a graceful exit from the continuing bitter civil strife in its eastern wing, according to a widely held view here.

Indian officials in Calcutta and at the relief camps scattered throughout West Bengal assert that there is no immediate prospect of food shortage for the refugees.

But they express mounting concern about India's ability to continue paying for the great majority of the expenses involved in caring for the refugees. Each new arrival costs the Indian government about three rupees, or 22 cents, for every day that they remain for food, shelter, and health care.

[From the New York Times, Oct. 5, 1971]

GROWING STRAINS BETWEEN UNITED STATES AND INDIA VIEWED AS ERODING BONDS OF FRIENDSHIP

(By Max Frankel)

WASHINGTON, October 4.—Slowly, yet unmistakably, the bonds of friendship and strategic interest between the United States and India are dissolving.

The strains and irritations spawned as a result of rebellion and repression in East Pakistan have been obvious in recent months, but there is also now discernible beneath the surface a more basic shift in attitudes here. Some degree of official annoyance has always plagued relations between Washington and New Delhi. And for half a year now,

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these customary tensions have been exacerbated by President Nixon's refusal to denounce Pakistan and by his eagerness to repair communications with China—the two neighbors that India fears and resents the most.

The Indians, in turn, have further frayed sentiments here by seeking strength in a new intimacy with the Russians and by making a vigorous display of their resentment of American conduct.

It is thought here that Prime Minister Indira Gandhi's visit to the White House early next month may take some of the heat out of the immediate quarrels. It seems doubtful, however, that she can arrest an underlying deterioration.

The depths of the rift are discernible so far only in private discussions with leading officials. But whenever India is mentioned to them, the response is remarkable, both for what is said and what is left unsaid.

PRO-SOVIET STANCE DISCERNED

Quickly brought to the surface here are contentions that the Indians have been pro-Soviet for a long time and, despite their professions of nonalignment, deeply antagonistic to American positions on such issues as Vietnam, the Middle East, and arms control.

Moreover, the Indians are almost always spoken of in tones of deep annoyance, as not very "lovable" people, while their government is said to have become singularly "obsessed" with the rivalry against Pakistan and therefore "short-sighted" about everything else. The Indians are variously described as uncooperative and arrogant and as deserving of official sympathy only on humanitarian grounds.

Almost never heard any more in top Government circles here are the great generalizations that stimulated an enormous American emotional and financial investment in India over the last two decades—$9-billion in aid alone.

India is no longer referred to as an Asian "showplace" of development by democratic means. She is no longer talked about as the great "alternative" to totalitarian prescriptions for economic progress. She is no longer seen as particularly useful in luring other poor nations from the temptations of Communism. Indeed, as the fear of Communism has receded, so has the positive interest in the subcontinent.

NEW STATUS FOR CHINA

Whereas China has been accorded almost big-power standing in the new American view of Asia—as a nation with which the United States, the Soviet Union and Japan must now share influence in the Pacific—India remains merely an object of policy. Specifically, she is regarded as only the largest country of a vast subcontinent in which the main American objectives are the preservation of a big-power balance of influence and of commercial access for American enterprise.

There remains a firm intention to help promote economic development in both India and Pakistan. For as President Nixon wrote in his State of the World message last winter, South Asia's progress is important to the United States because "we cannot deny our humanitarian interest in the well-being of so many people with such exigent needs" and because "unresolved enmities [between India and Pakistan] could make the area vulnerable to an undesirable level of foreign influence."

But these cool suggestions of concern appear to have become also the limit of American commitment. There is no particular fear that American coolness may drive the Indians toward greater dependence on the Russians. On the contrary, some high officials have been heard to remark in moments of irritation that Moscow was most welcome to a larger share of the annual cost of assisting India.

Thus gradual separation of so-called humanitarian feelings from ideological and strategic interests in South Asia suggests a more rigorous application than anywhere else of President Nixon's new foreign affairs doctrine, as defined in last year's State of the World messages: "Our interests must shape our commitments, rather than the other way around."

NO MORE "INDIA LOBBY"

It is certainly a far cry from the days when the surface irritations were kept in check, in and out of Government here, by a kind of "Indian lobby," personified by former Ambassadors Chester Bowles and John Sherman Cooper. The success of India's democratic experiment was deemed an important policy objective even in the darkest years of the cold war, when the Eisenhower Administration drew Pakistan into military alliance and looked upon India's practice of neutrality between East and West as "immoral."

Pakistan did not yield a greater diplomatic return. She used her American-made arms largely to fortify her position against India. She, too, refused to support American policies in Vietnam and the Middle East. She was among the first of the "Western" allies to repair relations with Peking—in return for support against India—and evicted Americans from a major air base in return for some Soviet support.

Yet the Pakistanis have somehow fared much better than the Indians in official American estimation. Their leaders are generally discussed in sympathetic terms and President Agha Mohammad Yahya Khan is thought to have been sincere in his desire to transform a military regime into a constitutional government. And his help this year in smoothing President Nixon's path to Peking is warmly appreciated.

ARMS SHIPMENTS CONTINUED

Officials here do not condone President Yahya's repression of the autonomy movement in East Pakistan. But they refuse to denounce it and have refused to cancel what they say were only modest amounts of previously ordered shipments of spare parts and other military equipment for the Pakistani Government.

The passionate Indian response to these American policies have only added to the annoyance here. Mrs. Gandhi's Government is privately accused of stirring up anti-Americanism. It is also accused of aiding Bengali guerrillas in East Pakistan and risking outright war for the secret purpose of dismembering Pakistan once and for all.

Even so, American officials resent the persistent Indian charges of unfeeling hostility in Washington. They say that they entertained high hopes for India's economic progress and political stability after Mrs. Gandhi's resounding victory in the general election last March. They point to the immediate provision of $70-million and the plan to provide $250-million more to help care for the eight or nine million refugees who have poured into India from East Pakistan.

"EMOTIONALISM" BLAMED

Some high officials here will even acknowledge that a combination of bad luck and bureaucratic error upset their attempts to appear evenhanded in response to the turmoil in East Pakistan. But they blame Indian "emotionalism" for prolongation of the crisis and resent India's refusal to urge restraint upon the East Pakistan rebels.

With India's cooperation, American planners contend, they could probably help to negotiate a fair degree of autonomy for the eastern half of Pakistan from the long dominant western section. Over the years, they say, this might even evolve into independence or at least a considerable weakening of the joint Pakistani state.

But there is no sympathy here for the argument that high passions in New Delhi make such even-handedness appear cold and hostile. In a most peculiar diplomatic inversion, it is now India's turn to make what it will of American "nonalignment."

DIVIDED ATTENTION FROM MRS. GANDHI'S HOSTS

WASHINGTON.—One hour after leaving a White House session with President Nixon, who had asked his entire Cabinet to sit in, India's Prime Minister, Indira Gandhi, was telling a packed National Press Club lunch Friday about a "reign of terror" in East Pakistan.

"What is taking place is not a civil war," said the slender, sari-clad head of the world's largest democracy. "It is punishment of civilians . . . it is a cynical way of getting rid of one's opponents."

Mrs. Gandhi conspicuously avoided referring to "East Pakistan." Instead, in her slightly accented meticulous English, she used the term "East Bengal." To many, she seemed to be implying that the eastern wing of Pakistan, with its 70 million people of Bengali stock—minus nearly 10 million refugees now in India—never again would willingly accept the rule of the West Pakistan military junta headed by President Yahya Khan.

This also is the opinion increasingly discernible here among junior and middle-grade officials in close touch with the continuing campaign of repression that the Pakistan Army has been waging for seven months against all in East Pakistan—Moslems and Hindus alike—who are suspected of favoring Bangla Desh, or East Bengali independence.

If senior policymakers—President Nixon, Henry A. Kissinger, his National Security assistant; Secretary of State William P. Rogers and Joseph J. Sisco, Assistant Secretary for Near East and South Asian Affairs—share this appreciation, however, it is not evident.

"Our policy," Mr. Sisco insisted to a senior Indian diplomat not long ago, "is to preserve the territory integrity of Pakistan."

The reasons, as United States officials explain them, are both complex—and slightly reminiscent of cold war ideology.

Basically, Washington fears that a breakup of Pakistan might spark an Indo-Pakistanti war or at least throw President Yahya into the arms of Peking, which, they say, has long been supplying Pakistan with arms to offset Russian arms supplies to India.

The United States itself began arming and subsidizing Pakistan in 1954—at the height of the cold war—to bolster the subcontinent against Soviet aggression. It embargoed most arms after the Indo-Pakistan war of 1965. Now, after 17 years and the expenditure of $4-billion in arms, food and other aid, the bureaucratic momentum is still rolling inexorably forward. Pakistan is a favorite aid target.

Mr. Nixon and his officials, others say, "like" the Pakistanis—especially the tall, English-speaking martial Punjabis such as President Yahya and other military leaders. The Americans find them uncomplicated, reliable, grateful for United States help and easy to deal with.

By contrast, many American officials privately describe the Indians as uncooperative and given more to talking about "democracy" than to standing up to the Russians.

In fact, the recent Indo-Soviet 20-year agreement—after successive United States governments had furnished $9-billion in aid to India since World War II—irritated and puzzled the Nixon Administration. It also compounded the pro-Pakistani and anti-Indian trend visible throughout the Administration here.

President Yahya's bloodletting in East Pakistan has been viewed here more in sorrow than in anger. There is virtually no moral indignation evident among policymakers. Rather, they tend to agree that President Yahya has been clumsy, that he should have defused the Awami League's drive for autonomy (and subsequently for independence) with less adverse publicity. They complain that United States plans for economic development in Pakistan have been set back.

Administration policymakers deny Indian assertions that American diplomatic and military backing for the Yahya regime is bolstering its repressive campaign. The United States, they say, has stopped issuing new arms licenses since March 25, though they concede there is still more than $2-million in spare parts and ammunition in the "pipeline."

The United States has also, they say, ceased economic development aid to Pakistan until the situation clears up, and has repeatedly warned President Yahya "privately" about the bad image his actions are creating around the world and the need for a "political" settlement.

"We don't have much leverage with Yahya," said a State Department source. "But we'd have none at all if we were to come out openly and blast him."

So far, officials note, the United States has prevailed on him to accept a United Nations presence in East Pakistan, to which Washington has so far contributed $154-million for relief and rehabilitation. (It has given $80-million for refugees in India). Bangla Desh sympathizers charge that the Pakistan Army is commandeering chartered United Nations river boats and trucks to move and help supply its own forces.

United States officials also claim that President Yahya's gestures toward restoring civilian rule in East Pakistan—gestures that the Bangla Desh adherents term "cosmetic"—are belated, but better than nothing.

In two days of talks here with Mr. Nixon, Prime Minister Gandhi probably has not changed the Administration's predilection for Pakistan. However, she appears not to have minced her words.

In his welcoming remarks Thursday, the President cited India's recent disastrous "typhoons and floods." Quietly, but with deep conviction, Mrs. Gandhi reminded the President—and the Government—that the "worst tragedy is a man-made tragedy of vast proportions," namely the flight of nearly 10 million refugees into India, with more streaming in each day.

"I came here," she said, "in search of some wise impulse that has sometimes worked to save humanity from despair."

As she prepared to return to India and as Mr. Nixon flew to his weekend retreat at Key Biscayne, Fla., it was unclear whether Mrs. Gandhi's warning would evoke a "wise impulse" in time to avert further tragedy.

PEACE AT THE U.N.—COMMUNIST STYLE: MAIDEN SPEECH OF CHINESE DELEGATES TO THE UNITED NATIONS ATTACK THE UNITED STATES

(Mr. RARICK asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. RARICK. Mr. Speaker, the U.N.'s newest delegate—the Chinese Communist Party—has arrived in New York and has now delivered its maiden peace speech in that international body.

As expected, the announced "peace-seeking" goal of the Chinese Communist Party is to attack the United States and use its U.N. position to promote revolution around the world. And, as was predictable, our sensation-seeking communications media has now made available to the enemy its opinion-molding machinery.

As the days pass and the American people continue to be barraged with the prison-garbed Chinese Reds laughing at them from their morning newspapers and leering at them from their TV sets, they will conclude that "peace" to the Communist Party of China is the same "peace" sought by all Communist movements—a condition attained only after all opposition to communism is destroyed. Coexistence is unknown to Communists.

The majority of the U.N. members wanted Red China in the United Nations. These same members should encourage the United Nations to move to Peking to see if the communications media of that country would give the free world spokesmen the opportunity for top news coverage in Red China. Red China and the United Nations deserve one another, but not as honored guests in a U.N. sanctuary in New York.

To those Members who will continue to grow disillusioned at international peace-seeking Communist style, there is something you can do. Discharge petition No. 10, to discharge H.R. 2632 to revoke and rescind U.S. participation in the United Nations, is at the Clerk's desk awaiting your signature.

Exemplary of the U.N. direction was today's condemnation of this Congress for last week's vote 251 to 100 to authorize free trade in chrome ore, which is vital to the defense of our Nation, between Rhodesia and the United States.

Mr. Speaker, my people did not send me to Washington to abide by U.N. dictates or intimidations nor to surrender their vote by giving foreign aid dollars to a bunch of international bureaucrats who apparently feel that as unelected demagogues they are free to run the world.

Public Law 92–77 of the 92d Congress, which passed this House as H.R. 9272 and was signed into law August 10, 1971, contains under title I, Contributions to International Organizations, an appropriation of $107,888,041 which is earmarked for the United Nations and specialized agencies.

Under this same title I, "General Provisions—Department of State," is found in section 104, the following:

GENERAL PROVISIONS—DEPARTMENT OF STATE

. . . . . .

SEC. 104. None of the funds appropriated in this title shall be used (1) to pay the United States contribution to any international organization or which engages in the direct or indirect promotion of the principle or doctrine of one world government or one world citizenship; (2) for the promotion, direct or indirect, of the principle or doctrine of one world government or one world citizenship.

This title may be cited as the "Department of State Appropriation Act, 1972."

Since it should be obvious to most by now that the U.N. is not a peace organization but rather a one world government organization hiding behind a peace cloak, one wonders where the attorneys are who will institute action to cut off any funds from reaching "an international organization which engages in the direct or indirect promotion of the principle or doctrine of one world government or one world citizenship;" or "for the promotion, direct or indirect, of the same."

I insert in the RECORD at this point, the rollcall vote of the United Nations General Assembly to condemn the action of this Congress of authorizing chrome trade with Rhodesia:

FOR

Afghanistan, Albania, Algeria, Argentina, Australia, Austria, Bahrain, Barbados, Botswana, Bulgaria.

Burma, Burundi, Byelorussia (SSR), Cameroon, Central Africa (republic), Ceylon, Chad, Chile, China, Colombia.

Congo (Brazzaville), Congo (Kingshasa), Cuba, Cyprus Czechoslovakia, DaHomey, Denmark, Ecuador, Equatorial Guinea, Ethiopia.

Fiji, Finland, Gabon, Gambia, Ghana, Guinea, Guyana, Haiti, Honduras, Hungary.

Iceland, India, Indonesia, Iran, Iraq, Ireland, Ivory Coast, Jamaica, Japan, Jordan.

Kenya, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libya, Madagascar, Malaysia, Mali.

Malta, Mauritania, Mexico, Mongolia, Morocco, Nepal, New Zealand, Niger, Nigeria, Norway.

Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Rumania, Rwanda, Saudi Arabia.

Senegal, Sierra Leone, Singapore, Somalia, Southern Yemen, Spain, Sudan, Swaziland, Sweden, Syria.

Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian SSR, USSR, United Arab Republic, Tanzania.

Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zambia.

AGAINST

Portugal and South Africa.

ABSTAINED

Belgium, Brazil, Canada, Dominican Republic, El Salvador, France, Greece, Guatemala, Italy, Luxembourg, Malawi, Netherlands, United Kingdom.

ABSENT AND NOT VOTING

Bhutan, Bolivia, Cambodia, Costa Rica, Israel, Maldive Islands, Mauritius, Nicaragua, Qatar, United States.

I insert the related newsclipping, as follows:

[From the Washington Post, Nov. 16, 1971]

CHINA BLASTS UNITED STATES IN FIRST U.N. SPEECH

(By Anthony Astrachan)

UNITED NATIONS.—Chinese deputy foreign minister Chiao Kuan-hua called China's presence in the General Assembly today a defeat for U.S. and Japanese plans to create "two Chinas" here and a victory for Chairman Mao Tse-tung's revolutionary line in foreign affairs.

Chiao, head of the new Chinese delegation, took a hard ideological line in his maiden speech repeating standard Peking positions. He called for withdrawal of American forces from Indochina, South Korea and Taiwan and supported Arab countries in the Middle East conflict.

His strong remarks contrasted with Chinese expressions of moderation and caution when the delegation arrived here last week.

Chiao talked after 55 nations had made speeches of welcome in the final step in the historic process of seating Peking in the place of Taipei at the United Nations in accordance with the General Assembly vote last month.

In his speech, Chiao made the United States the principal villain, barely mentioning the Soviet Union. He touched on these key points:

On Taiwan, he reiterated China's claim of sovereignty and said all U.S. armed forces should be withdrawn from the island and the Taiwan straits. "The Chinese people are determined to liberate Taiwan and no force on earth can stop us from doing so," he added.

On Vietnam, which is rarely mentioned in

U.N. debates, he expressed Chinese support for "the peoples of the three countries of Indochina in their war against U.S. aggression" and for the seven-point peace proposal put forward by the Vietcong. He called for the immediate withdrawal of all U.S. armed forces from all three countries of Indochina.

On Korea, Chiao expressed Peking support for the eight-point program for peaceful reunification put forward by North Korea last April. He called for the annulment of all "illegal resolutions" in which the U.N. branded China as an aggressor in the Korean war and for the dissolution of the U.N. Commission for the Unification and Rehabilitation of Korea. This is a standard Communist proposal here and this year was taken off the assembly agenda since the two Koreas had begun informal talks through their respective Red Cross societies.

On the Middle East, Chiao said Peking holds that "all countries and peoples that love peace and uphold justice" were obligated to support the struggle of the Palestinian and other Arab peoples against "aggression by Israeli Zionism." He warned against "political deals behind their backs," a criticism of Soviet encouragement to Egypt to make peace if the terms are satisfactory to Cairo.

On Africa, Chiao took the side of the peoples in all the remaining white-ruled countries of Africa "in their struggle against white colonialist rule and racial discrimination."

Chiao said "like the overwhelming majority of the Asian, African and Latin American countries, China belongs to the Third World." He repeated Peking's pledge of support to Latin American countries that assert their territorial waters extend 200 miles.

The Chinese representative raised some U.N. eyebrows when he said, "The affairs of a given country must be handled by its own people, the affairs of the world must be handled by all the countries of the world, and the affairs of the United Nations must be handled jointly by all its member states, and the superpowers should not be allowed to manipulate and monopolize them."

The reference to the United Nations could presage trouble in the Security Council, where the five permanent members and particularly the United States and the Soviet Union have often set the framework within which the council operated.

Chiao took another dig at Moscow and Washington on disarmament, accusing them of talking about disarmament while engaging in arms expansion.

"China will never participate in the so-called nuclear disarmament talks between the nuclear powers behind the backs of the non-nuclear countries," he said and repeated Peking's call for the complete prohibition and destruction of nuclear weapons along with a pledge never to be the first to use nuclear weapons.

"If the United States and the Soviet Union really and truly want disarmament, they should commit themselves not to be the first to use nuclear weapons," Chiao added.

He said the vote on Oct. 25 to seat Peking and oust Taipei proved "the bankruptcy of the policies of hostility toward the Chinese people and of isolating and imposing a blockade on them. This is a defeat of the plan of the U.S. government in collusion with the Sato government of Japan to create 'two Chinas' in the United Nations. This is a victory for Chairman Mao Tse-tung's revolutionary line in foreign affairs. This is a common victory for people all over the world."

The assembly's original intention was to hear less than a dozen welcoming speeches, representing all the U.N. members, but more and more nations kept asking to express their own welcomes. The United States and the Soviet Union were among those that inscribed themselves on the list relatively late.

Chiao, apparently surprised, inserted a paragraph of thanks for the many "enthusiastic speeches expressing trust in as well as encouragement and fraternal sentiment for the Chinese people."

U.S. Ambassador George Bush gave a three-paragraph address in which he recalled that despite the deeply felt issues of principle that divided the assembly before the vote, the United States had agreed that the moment in history had arrived for Peking to be in the United Nations.

Bush picked up an element from Chiao's arrival speech at Kennedy airport last Thursday and referred to the long ties of friendship between the American people and the "great Chinese people."

The Tanzanian and Zambian ambassadors said they had a right to celebrate the Peking victory in the U.N. vote any way they wished. This was in reaction to criticism by President Nixon last month over the way several countries expressed their jubilation after the vote count.

AMTRAK SHOULD GIVE PASSES TO RETIRED RAIL EMPLOYEES AND SO FORTH

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Florida. Mr. Speaker, today, I introduced a bill which is identical to H.R. 11253, which was introduced on October 14 by my colleagues Messrs. SCHERLE, PRICE, and CRANE, and later on October 21 by Congressman CARTER and on October 27 by Congressman SHRIVER.

I am happy to join with them in this legislation.

These bills will authorize the National Railroad Passenger Corporation to provide free or reduced-rate railroad transportation to retired railroad employees and their dependents, on the same basis that such transportation was available to such employees and dependents on the date of enactment of the Rail Passenger Service Act of 1970.

They are designed to correct an oversight caused by the Rail Passenger Service Act of 1970 setting up Amtrak. We will, by these bills, if they become law, in effect be giving due recognition to these retired workers for their contribution in building, maintaining, and operating our Nation's rail passenger system, at insignificant direct cost to the companies involved. If passed this legislation will provide the much needed and well-deserved relief to those who now have the time to enjoy the fruits of their past labors.

Transportation is one of the major problems confronting our older citizens. Its importance has been stressed by the White House Conference on Aging. Response to questionnaires showed that many of the 200,000 elderly citizens who responded could not for financial reasons take full advantage of available transportation services. The elderly placed transportation behind only health and income as their major concern.

Further, only 1 percent of those citizens aged 65 and over crossed a State line last year. Their travel in intrastate and intercity. Certainly any rise in prices and the cost of living effects all of us to varying degrees, but those existing on a fixed income are the hardest hit.

The lives of our senior citizens are troubled enough without the U.S. Government permitting hard-earned benefits to be taken away with the single stroke of a pen. Enough expectations of comfort in old age are dashed by rising prices, spiraling inflation, rising health costs and limited earnings without taking away an earned benefit. I am sure the cost of riding on a passenger train—most of which I understand are not fully loaded—can be borne by the U.S. Government, and the railroads, as part of the compensation due retired employees as I firmly believe it should.

ON SOLUTION TO POLLUTION

The SPEAKER. Under a previous order of the House, the gentleman from Iowa (Mr. SCHWENGEL), is recognized for 5 minutes.

Mr. SCHWENGEL. Mr. Speaker, today we are concerned about solving pollution problems and no Member of Congress is lacking in interest in this area. Many bills have been introduced, all with noble objectives, indicating a great desire to get something done.

Mr. Speaker, I share this interest and concern, but I am concerned because of the pressure and rush, many of us worry about so much hurry. We may hold out too much promise with some of the proposed legislation before us which will not fulfill the promise because we will not have adequately considered this legislation.

One area that seems to be neglected as we wrestle with the problems of solution to the pollution of our waters is avoiding, evading or forgetting the greatest potential for solution.

Mr. Speaker, that potential lies with the development of and completion of the watersheds in America, the areas where we produce all the foods and fibers for our people. It has been my belief and conviction that there is no solution to pollution without a program to complete all the conservation and watershed programs that are planned and can be planned in America. It is for this reason that I am supporting and pursuing the possibility of including in any pollution bill that may come out of the Public Works Committee a commitment that a large share of the money and the program planned will be dedicated to the further development of our watersheds.

U.S. TROOP STRENGTH IN EUROPE

The SPEAKER. Under a previous order of the House, the gentleman from Michigan (Mr. ESCH) is recognized for 5 minutes.

Mr. ESCH. Mr. Speaker, the subject of a reduction in the U.S. troop strength in Europe has long merited the attention of Members of Congress. Only a few short months ago it occupied a great many hours of debate in the other body when Senator MANSFIELD took the lead in attempting a cutback. Advocates of such a move may have lost that round but the fight is far from over. It had been my intention to offer an amendment to this bill but because of the problem that we face in the House with respect to germaneness, it is not feasible. Knowing

of the increasing concern of so many of my colleagues, it had been my hope that we could have made the record on this point crystal clear. However, now the distinguished Members of the other body, who do not have the problem of germaneness that we encounter in the House, have an opportunity once again to put a limitation on America's military presence in Europe. It is my sincere hope that they will sieze this opportunity to do so.

Persuasive arguments can be found for reducing what heretofore has been an open-ended commitment on the part of this Government. There is our balance-of-payments deficit, European prosperity, and the very pressing domestic needs of our own Nation. Now that we have taken other steps toward the restoration of an economically robust America, let us take this further step and do it in partnership with our NATO allies.

Any discussion of the American commitment to NATO must start in the perspective of the late 1940's, when the cold war necessitated a response to what appeared to be a menacing threat to our Western European friends from the Red Army. It was then that we joined the North Atlantic Treaty Organization pledging with our NATO Allies that "an armed attack against one or more of them in Europe or North America shall be considered an attack against all." At that time it was an appropriate reaction but today the picture is quite different. No reasonable person seriously entertains the notion that the Soviet Union is about to march on Europe. Secondly, most of our European friends are enjoying prosperity and they have been revitalized both politically and economically. It is clear to this member of Congress that policies deemed appropriate to the 1940's must not be expected to last into the 1970's. It is high time that we recognize the changing realities and substitute rigid alternatives for an inflexible status quo. I submit that if we can ask our Asian friends to follow the course of Vietnamization, then we can ask our Atlantic partners to follow one of Europeanization.

I am not proposing that we end this military alliance, neither do I suggest that we remove all our troops. What I do propose is that the time has come for the Europeans to play a larger roll in their own defense. Any change that we make must come about through an agreement with our NATO partners. I believe that recent signs of congressional dissatisfaction ought to be a signal that we in the Congress mean business. Withdrawal critics argue that we must not take any precipitous action but I would remind these critics that reduction in NATO forces has been long talked about. As far back as 1963 in the Saturday Evening Post, President Eisenhower said:

> Though for eight years in the White House I believed and announced to my associates that a reduction of American strength in Europe should be initiated as soon as European economies were restored, the matter was then considered too delicate a political question to raise. I believe the time has come when we should start withdrawing some of those troops.

The same critics of troop withdrawals have repeatedly stated such a show of strength was necessary to sustain the morale of our European friends. That argument has worn pretty thin. President Eisenhower put it succinctly when he declared:

> One division can show the flag as definitely as several.

Again on the subject of European reaction, I submit that the leaders of nations are in the best position to mold public opinion. In this case, it is the European defense officials reaching an accord with our own Government who will be in the best position to stabilize European reactions in such a way so that there will not be an erosion of morale or anxiety over the security of Western Europe.

To argue against a reduction in our troop level, ignores our advanced airlift capabilities for a quick response in the advent of aggression. Any decision by the Soviet Union to launch a large scale attack would not come without warning. Signs of imminent danger would appear such as: canceled troop leaves, movement of full divisions or other maneuvers of unusual size, as well as submarine contacts. It is impossible for all or a combination of these events to be carried on unnoticed. There would be plenty of opportunity for the NATO countries to mobilize and with the advent of the C5A, the mammoth troop carrier, reinforcements, up to whole divisions from the United States, could be on hand at almost a moment's notice. So from a strategic standpoint, a large American troop withdrawal from Europe need not diminish in any way the capability of the NATO countries to defend Western Europe.

There is a good deal of confusion over the actual savings that the United States would acrue if we followed a policy of substantial force reduction. Let me set the record straight. The budget cost of maintaining present strength of United States forces in Europe lies somewhere between $12 and $14 billion a year. Those who use that figure have in mind in addition to bringing back our troops, mothballing the Sixth Fleet, and deactivating air squadrons and certain divisions.

A second figure that is also used is the balance-of-payments cost. If these forces were brought home but were kept available for a flexible response back into Europe, the difference in the cost would be around 1.5 billion.

Up to this point I have talked primarily about only one method of reducing our NATO bill, and principally it has centered around a reduction of forces within the present NATO framework, but there are other roads to travel worthy of consideration. For example, several of my colleagues and I have introduced resolutions which would encourage our NATO allies to assume more of the NATO defense burden. I believe this concept is meritorious. For example, they could assume the cost of some of the functions now carried out by U.S. personnel. Second, they could begin to pay salaries of 70,000 German nationals now employed by the United States. Third, other countries could begin to assume the cost of construction of roads, runways, transportation, and utilities.

All Americans are familiar with the constant air defense readiness that we enjoy with our Air National Guard. The potential for this same type of deployment of manpower is possible within NATO if our allies would allow their reserves to fly certain aircraft and perform duties at air control and warning sites. The United States could save nearly a billion dollars if the NATO burden was shared in this manner.

Speaking candidly, we know that assignment by the military to a NATO country is often a reward for those who have in a prior military assignment faced difficulties and dangers, possibly under fire in Vietnam. In effect, they are being rewarded with a taste of the good life but at an extreme cost to the American taxpayer. While I have great compassion for those who have served in Southeast Asia and for others who are nearing the end of their duty to our country and who are similarly rewarded, I believe there are other ways we can show our appreciation. It has been suggested that we should seriously consider putting all of our troops in Europe on a hardship basis. In effect this means short tours of duty without the presence of dependents.

If this were done, the savings would be enormous. For in West Germany alone, we presently support 150,000 dependents of some 210,000 servicemen. I propose that we bring home those 150,000 dependents. Furthermore, and in addition to the suggestions for burden-sharing that I put forth earlier, I am making the following specific recommendations:

A phased withdrawal of American troops, totaling 75,000 over the next 12 months, drawing upon those considered to be general support troops as well as from the non-U.S., European command troops, consisting of couriers, auditors, and communications personnel.

The Navy prides itself on its flexibility and its independence of foreign bases. As a demonstration of this independence, the ships of the Sixth Fleet are homeported in the United States. However, there are several bases in the Mediterranean area that have grown so in the last 15 to 20 years that the fleet has become more and more dependent on them. Our NATO allies should be expected to support the southern flank of NATO by more direct support for the Sixth Fleet through base facilities, logistics, and antisubmarine warfare forces. The Navy could use this support and revitalize its service force. Additionally, new construction of merchant marine vessels where feasible might be required for increased flexibility.

I further suggest that we reduce the number of nuclear weapons presently stored in Europe, permitting us to demobilize some of the personnel that are now involved in the security operations.

At a time when some European currencies are stronger than our own, and our balance-of-payments deficit is so dangerous, Congress has a responsibility to question the wisdom of a NATO commitment which is far in excess of what we can afford. It is time to force a showdown and change the rules of a game that has seen Europe reap the benefits and the United States shoulder the burden.

The NATO treaty stresses consultation and interdependence among its members.

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Operating within that spirit, I believe we must take immediate steps to reduce our troops by 75,000 over the next year, in addition to seeing to it that our NATO partners make other substantial contributions toward a more stable economic balance. Our goal must be a new partnership, based upon frankness and mutual confidence. Such a new partnership ought not to confine itself solely to the question of military security. It should be one that increases economic and social ties among the Western peoples. If Europe is important enough to defend, there should be no question then that it is important enough for us to address ourselves to these equally vital elements of European security.

I want to leave my colleagues with just one final thought—it is this. The United States is the mightiest country on this earth. We can do almost anything we want to do—except one thing, and that is everything.

CONTEMPT CITATION

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, I have today asked the National Labor Relations Board to request immediately a contempt citation against striking dockworkers at New Orleans.

I made the request in a wire to Edward B. Miller, Chairman of NLRB, as follows:

EDWARD B. MILLER,
Chairman, National Labor Relations Board, Washington, D.C.:

The dockworkers at the Port of New Orleans have gone on strike in open and flagrant defiance of the National Labor Relations Board and a New Orleans Federal District Court back-to-work order. Such utter contempt for the law is doing violent and irreparable damage to American agriculture, related industries, and their employees.

Today, millions of bushels of corn are being stored on the ground throughout the Midwest, because shipping is at a standstill and storage facilities are filled to capacity.

Monday, the price of corn and soybeans on the Illinois River dropped 5 cents per bushel at news of the strike. Many farmers must sell their grain, even at distress prices. Experts estimate that farmers are losing more than $1 million each day the strike continues.

America's agricultural markets abroad are being lost at an alarming rate as a direct result of the strike. One of the largest Japanese buyers today shifted purchase of 20,000 tons of corn from U.S. to Mexico because of strike. Similar shifts have previously been made to Argentina, South Africa, Thailand, and Australia all because of strikes. This further weakens U.S. balance of payments position, which has just suffered worst quarter in history.

Urgently request NLRB seek contempt citation of striking dockworkers in New Orleans. Strike was determined by the court to be a secondary boycott and illegal under the law. Delay in requesting the citation would seem totally unjustified. Moreover it worsens the U.S. balance of payments deficit, hurts farm income, and handicaps farmers in their ability to buy the products of union labor. Most farmers, I am sure, join me in recognizing the legitimate interests of dockworkers in job security and income. But every responsible citizen must reject defiance of a federal court order.

TAKE PRIDE IN AMERICA

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. On July 1, 1854, Abraham Lincoln made the following statement about our system of government:

> Most governments have been based, practically, on the denial of the equal rights of men. Ours began by affirming those rights. They said "some men are too ignorant and vicious to share in government." "Possibly so," said we, "and by your system you would always keep them ignorant and vicious. We propose to give all a chance; and we expect the weak to grow stronger, the ignorant wiser and all better and happier together."

INTRODUCTION OF FOREIGN INVESTMENT AND MULTINATIONAL CORPORATION CONTROL ACT

The SPEAKER. Under a previous order of the House, the gentlewoman from New York (Mrs. ABZUG) is recognized for 10 minutes.

Mrs. ABZUG. Mr. Speaker, on August 5 of this year, I spoke at length on the House floor about the difficulties our workers and industries have been having due to various aspects of our foreign trade and investment policies. In my remarks, which begin at page 29836 of the August 5 CONGRESSIONAL RECORD, I addressed myself to the problems created by multinational American-based corporations, low wages for workers abroad, deferred or forgiven taxes upon foreign subsidiaries of American corporations, special low-tariff rates given to foreign-assembled goods which use parts or raw materials shipped to assembly points from the United States, and foreign production using technology developed at the expense of American taxpayers.

Much of the "foreign" competition which we are facing these days is in fact competition with foreign-based divisions or subsidiaries of American corporations. As I noted on August 5:

> At the end of World War I, there were about 250 foreign subsidiaries of U.S. corporations; during the year 1970 alone, more than 8,000 such subsidiaries were established. In 1950, the investment in these foreign subsidiaries was about $4 billion; in 1970, it came to some $70 billion. Furthermore, it has been suggested that if the amount of foreign capital controlled by these American corporations is added, the total for 1970 is more like $100 billion in overseas investments. About half of this money is in the European Common Market, and about 40 percent in Great Britain.
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> There are other contenders for the foreign markets of the European countries, but the position of the U.S. firms is overwhelming. In the three biggest European markets—France, Germany, and Great Britain—40 percent of direct investment is accounted for by three American firms—Esso, General Motors, and Ford. In all of Western Europe, 20 U.S. firms account for two-thirds of the investment. The internationalization of capital among giant U.S. firms is at present very high.
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> About 70 percent of the value of the direct foreign capital stake in the United Kingdom—£3½ billion, or $3.4 billion—was American-owned in 1968. The largest 50 American finance firms in Britain account for more than four-fifths of the total capital stake, and of this, three-fourths is directed to four industries—oil refining, motorcars, chemicals, and electrical engineering, which also happen to be the most research-intensive industries.
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> The $70 billion invested in 1970 produced at least $200 billion of business in that year; some economists have suggested that the total approaches $500 billion, or about one-fourth of the gross national product of the non-Communist world. It has been estimated that at their present rate of growth, the multinational corporations will produce one-half of the entire world's output of commodities by the year 2000.

In the 10 months since I came to Congress, these difficulties have been very much on my mind. I and my staff have held many discussions with union representatives to find out just what can and should be done in an effort to correct some of the grave inequities resulting from our foreign trade and investment policies.

My distinguished colleague, Mr. BURKE of Massachusetts, has introduced H.R. 10914 on behalf of the AFL–CIO. I think that most of the provisions of that bill are excellent ones, and in a lengthy conversation which I had with Mr. Ray Denison, legislative representative of the AFL–CIO, it was clear that we agreed on almost every point. The one significant point on which we disagree—at least for the present—is that of blanket quotas on the importation of foreign-made goods into the United States. What disagreement we have is strictly over means, for I am equally concerned about protecting the jobs and living standards of American working people, and my record over the years clearly reflects this.

It is my belief that establishing blanket quotas on goods manufactured abroad, whether they are produced by wholly foreign-owned corporations or multinational American corporations, could lead to a tariff war reminiscent of the disastrous Smoot-Hawley period of the 1930's. In erecting high tariff walls to try to protect American industry and labor in the short run, we entered into a tariff war which undoubtedly prolonged the Depression for several additional years. I am fearful that establishing a quota system would open the door to events that we could not control, subjecting us to punitive reprisals and risking a repetition of the experience under Smoot-Hawley; furthermore, I believe that other measures—those upon which the AFL–CIO and I agree—may be sufficient to turn the tide. If we try these other avenues and they do not do the job, I will be quite willing to reassess my position regarding blanket quotas. For the present, I feel that the risks we would run with such a quota system are too great in the absence of proof that nothing else will work.

Therefore, I am today introducing the Foreign Investment and Multinational Corporation Control Act of 1971. I believe that its provisions can do the job of stemming the outflow of American jobs, capital, and technology, and I hope that my colleagues on both sides of the aisle will lend it their support.

A brief analysis of the bill follows:

Title I of the bill removes many of the tax breaks which have led American corporations to establish subsidiaries abroad. Special sections of the Internal Revenue Code which allow them to defer taxes on their foreign income almost indefinitely are removed. The dollar-for-dollar foreign tax credit for corporations is repealed, though they will still be able to deduct these taxes from gross income in the same manner as domestic taxpayers may deduct State income taxes from their gross income. The most conservative method of depreciation—the straight-line method—is required for foreign assets. Transfers of patents and other technological improvements to foreign nationals and foreign corporations are made fully taxable.

Title II of the bill creates the Foreign Trade and Investment Commission combining functions in this area which are presently spread around various locations in the Treasury, Commerce, and Labor Departments.

Title III of the bill provides a new, faster procedure for cracking down on foreign manufacturers' efforts to establish U.S. markets by selling their goods here for less than their fair market value.

Title IV of the bill broadens the circumstances under which special quotas on imports of specific items may be established. At present, this may be done only if the major factor in the increased volume of imports of a product is the granting of concessions by a foreign government under the terms of a trade agreement. Under the Abzug bill, these special protective quotas could be imposed if a substantial factor in the increased volume of imports of a product is the granting of concessions by a foreign government, whether or not they are granted under the terms of a trade agreement.

Title V of the bill grants the President broad authority to prohibit or limit exports of American capital and technology where such exports will result in a decrease of domestic employment.

The way in which the export of technology works is that scientific theories are developed and tested in the United States using American facilities. The bulk of the cost of this development is borne by the American taxpayer, not only through direct Government funding of research and development, but also by virtue of the fact that development expenditures are tax deductible as business expenses. Once these new methods and machines are developed to the point where they can be used in production, they are often exported through licensing and patent agreements, joint ventures with foreign producers and the building of subsidiary facilities in other countries. Thus, the benefits of these new techniques, developed at the expense of the American public, do not flow to our economy.

Title VI of the bill repeals those sections of the Tariff Code—sections 806.30 and 807.00—which have permitted American manufacturers to assemble goods abroad using cheap foreign labor, then pay duty based only upon the "added value" of the cheap labor. These items of the Tariff Code, which were adopted in 1963, have been a major factor in encouraging the development of operations such as the textile operation south of the border. Item 807, for example, provides that if a garment is cut here in the United States with material produced in the United States, and is shipped outside the country to be assembled and returned here for sale, then the customs duty is to be paid only on "the added value" of the foreign operation. That is, the tariff will be levied only on the very low cost of the Mexican labor in the case of the border zone plants. Obviously, the smallness of the tariff cost makes it quite profitable to use this cheap labor, despite the additional charges for shipping the goods.

Item 807 requires that in order to be eligible for the special tariff rate, the cut textiles going abroad for assembling must be United States made. Once a bolt of material has been cut, however, its country of origin cannot be ascertained. Therefore, textiles which are produced overseas and cut in the United States are managing to reap the benefits of item 807. This loophole has had a disastrous effect upon the American garment, costing tens of thousands of jobs in the past 10 years.

The title will also beef up labeling requirements with regard to foreign-made components and for foreign-assembled products.

I include the full text of the bill at this point in the RECORD:

H.R. 11783

A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of United States capital, jobs, technology and production, control multinational corporations, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Investment and Multinational Corporation Control Act of 1971".

PREAMBLE

In order to accomplish the domestic and foreign policy goals of the United States, it is necessary to promote and maintain a fully employed, innovative and diversified production base in the United States. In recent years rapidly increasing imports, sometimes promoted by foreign government assistance or unregulated unfair trade practices, have all but eliminated certain domestic industries, and are threatening to destroy critical portions of the United States production base. It is the intent of Congress, in enacting this statute to insure that this destruction does not occur.

To this end, this statute should be interpreted to insure that the production of goods which have historically been produced in the United States is continued and maintained. To the extent that production of such goods has been transferred abroad, it is the intent of Congress that this production be encouraged to return to the United States. Moreover, as new products are developed and marketed in the United States this legislation should be administered such that a fair proportion of such production is maintained in the United States.

TITLE I

SEC. 101. TITLE I

Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 102. TAXATION OF EARNINGS AND PROFITS OF CONTROLLED FOREIGN CORPORATIONS.

(a) IN GENERAL.—Part III of subchapter N of chapter 1 (relating to income from sources without the United States) is amended by inserting after subpart H thereof the following:

"SUBPART I—CONTROLLED FOREIGN CORPORATIONS

"Sec. 991. Amounts included in gross income of United States shareholders.
"Sec. 992. Definitions.
"Sec. 993. Rules for determining stock ownership.
"Sec. 994. Exclusion from gross income of previously taxed earnings and profits.
"Sec. 995. Adjustments to basis of stock in controlled foreign corporations and of other property.
"Sec. 996. Records and accounts of United States shareholders.

"SEC. 991. AMOUNTS INCLUDED IN GROSS INCOME OF UNITED STATES SHAREHOLDERS.

"(a) AMOUNTS INCLUDED.—

"(1) IN GENERAL.—If a foreign corporation is a controlled foreign corporation for an uninterrupted period of thirty days or more during any taxable year, every United States shareholder of such corporation who owns (within the meaning of section 993(a)) stock in such corporation on the last day in such year on which such corporation is a controlled foreign corporation shall include in its gross income, for its taxable year in which or with which such taxable year of the corporation ends, its pro rata share of the corporation's earnings and profits for such year.

"(2) PRO RATA SHARE OF EARNINGS AND PROFITS.—A United States shareholder's pro rata share referred to in paragraph (1) is the amount—

"(A) which would have been distributed with respect to the stock which such shareholder owns (within the meaning of section 993(a)) in such corporation if on the last day, in its taxable year, on which the corporation is a controlled foreign corporation it had distributed pro rata to its shareholders an amount (i) which bears the same ratio to its earnings and profits for the taxable year, as (ii) the part of such year during which the corporation is a controlled foreign corporation bears to the entire year, reduced by

"(B) an amount (i) which bears the same ratio to the earnings and profits of such corporation for the taxable year, as (ii) the part of such year described in subparagraph (A) (ii) during which such shareholder did not own (within the meaning of section 993(a)) such stock bears to the entire year.

of this subpart, under regulations prescribed by the Secretary or his delegate, the earnings and profits of any foreign corporation, and the deficit in earnings and profits of any foreign corporation, for any taxable year—

"(1) except as provided in section 312(m)(3), shall be determined according to rules substantially similar to those applicable to domestic corporations,

"(2) shall be appropriately adjusted for deficits in earnings and profits of such corporation for any prior taxable year beginning after December 31, 1971,

"(3) shall not include any item of income which is effectively connected with the conduct by such corporation of a trade or business within the United States unless such item is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States, and

"(4) shall not include any amount of

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earnings and profits which could not have been distributed by such corporation because of currency or other restrictions or limitations imposed under the laws of any foreign country.

"(c) COORDINATION WITH ELECTION OF A FOREIGN INVESTMENT COMPANY TO DISTRIBUTE INCOME.—A United States shareholder who, for his taxable year, is a qualified shareholder (within the meaning of section 1247(c)) of a foreign investment company with respect to which an election under section 1247 is in effect shall not be required to include in gross income, for such taxable year, any amount under subsection (a) with respect to such company.

"(d) COORDINATION WITH FOREIGN PERSONAL HOLDING COMPANY PROVISIONS.—In the case of a United States shareholder who, for his taxable year, is subject to tax under section 551(b) (relating to foreign personal holding company income included in gross income of United States shareholders) on income of a controlled foreign corporation, the amount required to be included in gross income by such shareholder under subsection (a) with respect to such company shall be reduced by the amount included in gross income by such shareholder under section 551(b).

"SEC. 992. DEFINITIONS.

"(a) UNITED STATES SHAREHOLDER DEFINED.—For purposes of this subpart, the term 'United States shareholder' means, with respect to any foreign corporation, a domestic corporation which owns (within the meaning of section 993(a)), or is considered as owning by applying the rules of ownership of section 993(b), 10 percent or more of the total combined voting power of all classes of stock entitled to vote of such foreign corporation.

"(b) CONTROLLED FOREIGN CORPORATION DEFINED.—For purposes of this subpart, the term 'controlled foreign corporation' means any foreign corporation of which more than 50 percent of the total combined voting power of all classes of stock entitled to vote is owned (within the meaning of section 993(a)), or is considered as owned by applying the rules of ownership of section 993(b), by United States shareholders on any day during the taxable year of such foreign corporation.

"SEC. 993. RULES FOR DETERMINING STOCK OWNERSHIP.

"(a) DIRECT AND INDIRECT OWNERSHIP.—

"(1) GENERAL RULE.—For purposes of this subpart, stock owned means—

"(A) stock owned directly, and

"(B) stock owned with the application of paragraph (2).

"(2) STOCK OWNERSHIP THROUGHOUT FOREIGN ENTITIES.—For purposes of subparagraph (B) of paragraph (1), stock owned, directly or indirectly, by or for a foreign corporation or foreign estate (within the meaning of section 7701(a)(31)) or by or for a partnership or trust shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries. Stock considered to be owned by a person by reason of the application of the preceding sentence shall, for purposes of applying such sentence, be treated as actually owned by such person.

"(b) CONSTRUCTIVE OWNERSHIP.—For purposes of section 992, section 318(a) (relating to constructive ownership of stock) shall apply to the extent that the effect is to treat any domestic corporation as a United States shareholder within the meaning of section 992(a), or to treat a foreign corporation as a controlled foreign corporation under section 992(b), except that—

"(1) In applying subpargaraphs (A), (B), and (C) of section 318(a)(2), if a partnership, estate, trust, or corporation owns, directly or indirectly, more than 50 percent of the total combined voting power of all classes of stock entitled to vote of a corporation, it shall be considered as owning all of the stock entitled to vote.

"(2) In applying subparagraph (C) of section 318(a)(2), the phrase '10 percent' shall be substituted for the phrase '50 percent' used in subparagraph (C).

"SEC. 994. EXCLUSION FROM GROSS INCOME OF PREVIOUSLY TAXED EARNINGS AND PROFITS.

"(a) EXCLUSION FROM GROSS INCOME.—For purposes of this chapter, the earnings and profits for a taxable year of a foreign corporation attributable to amounts which are, or have been, included in the gross income of a United States shareholder under section 991(a) shall not, when such amounts are distributed directly, or indirectly through a chain of ownership described under section 993(a), to—

"(1) such shareholder (or any domestic corporation which acquires from any person any portion of the interest of such United States shareholder in such foreign corporation, but only to the extent of such portion, and subject to such proof of the identity of such interest as the Secretary or his delegate may by regulations prescribe), or

"(2) a trust (other than a foreign trust) of which such shareholder is a beneficiary,

be again included in the gross income of such United States shareholder (or of such domestic corporation or of such trust).

"(b) EXCLUSION FROM GROSS INCOME OF CERTAIN FOREIGN SUBSIDIARIES.—For purposes of section 991(a), the earnings and profits for a taxable year of a controlled foreign corporation attributable to amounts which are, or have been, included in the gross income of a United States shareholder under section 991(a), shall not, when distributed through a chain of ownership described under section 993(a), be also included in the gross income of another controlled foreign corporation in such chain for purposes of the application of section 991(a) to such other controlled foreign corporation with respect to such United States shareholder (or to any other United States shareholder who acquires from any person any portion of the interest of such United States shareholder in the controlled foreign corporation, but only to the extent of such portion, and subject to such proof of identity of such interest as the Secretary or his delegate may prescribe by regulations).

"(c) ALLOCATION OF DISTRIBUTIONS.—For purposes of subsections (a) and (b), section 316(a) shall be applied by applying paragraph (2) thereof, and then paragraph (1) thereof—

"(1) first, to earnings and profits attributable to amounts included in gross income under section 991(a), and

"(2) then to other earnings and profits.

"(d) DISTRIBUTION EXCLUDED FROM GROSS INCOME NOT TO BE TREATED AS DIVIDENDS.—Any distribution excluded from gross income under subsection (a) shall be treated, for purposes of this chapter, as a distribution which is not a dividend.

"SEC. 995. ADJUSTMENTS TO BASIS OF STOCK IN CONTROLLED FOREIGN CORPORATIONS AND OF OTHER PROPERTY.

"(a) INCREASE IN BASIS.—Under regulations prescribed by the Secretary or his delegate, the basis of a United States shareholder's stock in a controlled foreign corporation, and the basis of property of a United States shareholder by reason of which it is considered under section 993(a)(2) as owning stock of a controlled foreign corporation, shall be increased by the amount required to be included in its gross income under section 991(a) with respect to such stock or with respect to such property, as the case may be, but only to the etxent to which such amount was included in the gross income of such United States shareholder.

"(b) REDUCTION IN BASIS.—

"(1) IN GENERAL.—Under regulations prescribed by the Secretary or his delegate, the adjusted basis of stock or other property with respect to which a United States shareholder or a United States person receives an amount which is excluded from gross income under section 994(a) shall be reduced by the amount so excluded.

"(2) AMOUNT IN EXCESS OF BASIS.—To the extent that an amount excluded from gross income under section 994(a) exceeds the adjusted basis of the stock or other property with respect to which it is received, the amount shall be treated as gain from the sale or exchange of property.

"SEC. 996. RECORDS AND ACCOUNTS OF UNITED STATES SHAREHOLDERS

"(a) RECORDS AND ACCOUNTS TO BE MAINTAINED.—The Secretary or his delegate may by regulations require each person who is, or has been, a United States shareholder of a controlled foreign corporation to maintain such records and accounts as may be prescribed by such regulations as necessary to carry out the provisions of this subpart.

"(b) TWO OR MORE PERSONS REQUIRED TO MAINTAIN OR FURNISH THE SAME RECORDS AND ACCOUNTS WITH RESPECT TO THE SAME FOREIGN CORPORATION.—Where, but for this subsection, two or more persons would be required to maintain or furnish the same records and accounts as may by regulations be required under subsection (a) with respect to the same controlled foreign corporation for the same period, the Secretary or his delegate may by regulations provide that the maintenance or furnishing of such records and accounts by only one such person shall satisfy the requirements of subsection (a) for such other persons."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 864(c)(4)(D) is amended to read as follows:

"(D) No income from sources without the United States shall be treated as effectively connected with the conduct of a trade or business within the United States if it consists of dividends, interest, or royalties paid by a foreign corporation in which the taxpayer owns (within the meaning of section 958(a)), or is considered as owning (by applying the ownership rules of section 958(b)), more than 50 percent of the total combined voting power of all classes of stock entitled to vote."

(2) Section 951 is amended by adding at the end thereof the following:

"(e) TAXABLE YEARS ENDING AFTER DECEMBER 31, 1971.—No amount shall be required to be included in the gross income of a United States shareholder under subsection (a) (other than paragraph (1)(A)(ii) of such subsection) with respect to a taxable year of a controlled foreign corporation ending after December 31, 1971."

(3) Section 1016(a)(20) is amended by striking out "section 961" and inserting in lieu thereof "sections 961 and 995".

(4) Section 1246(a)(2)(B) is amended by inserting "or 991" after "section 951" and by inserting "or 994" after "section 959".

(5) Section 1248 is amended—

(A) by striking out subsection (b);

(B) by revising subsection (d)(1) to read as follows:

"(1) AMOUNTS INCLUDED IN GROSS INCOME UNDER SECTION 951 OR 991.—Earnings and profits of the foreign corporation attributable to any amount previously included in the gross income of such person under section 951 or 991, with respect to the stock sold or exchanged, but only to the extent the inclusion of such amount did not result in an exclusion of an amount from gross income under section 959 or 994.";

(C) by striking out in subsection (d)(3) "section 902(d)" and inserting in lieu thereof "subsection (h)", and by adding at the end of such subsection "No amount shall be excluded from the earnings and profits of a foreign corporation under this paragraph

with respect to any United States person which is a domestic corporation for any taxable year of such foreign corporation ending after December 31, 1971."; and

(D) by adding at the end thereof the following:

"(h) LESS DEVELOPED COUNTRY CORPORATION DEFINED.—For purpose of this section, the term 'less developed country corporation' means—

"(1) a foreign corporation which, for its taxable year, is a less developed country corporation within the meaning of section 955(c)(1) or (2), and

"(2) a foreign corporation which owns 10 percent or more of the total combined voting power of all classes of stock entitled to vote of a foreign corporation which is a less developed country corporation within the meaning of section 955(c)(1), and—

"(A) 80 percent or more of the gross income of which for its taxable year meets the requirement of section 955(c)(1)(A); and

"(B) 80 percent or more in value of the assets of which on each day of such year consists of property described in section 955(c)(1)(B)."

(c) EFFECTIVE DATES.—

(1) Except as provided in paragraph (2), the amendments made by this section shall apply with respect to taxable years of foreign corporations ending after December 31, 1971, and to taxable years of United States shareholders within which or with which such taxable years of such foreign corporations end.

(2) The amendments made by subsection (b)(4) shall apply with respect to sales or exchanges occurring in taxable years beginning after December 31, 1971.

SEC. 103. REPEAL OF FOREIGN TAX CREDIT ALLOWED CORPORATIONS.

(a) IN GENERAL.—Section 901 (relating to taxes of foreign countries and of possessions of the United States) is amended—

(1) by revising subsection (a) to read as follows:

"(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer other than a corporation, who chooses to have the benefits of this subpart, the tax imposed by this chapter shall, subject to the applicable limitation of section 904, be credited with the amounts provided in the applicable paragraph of subsection (b). Such choice for any taxable year may be made or changed at any time before the expiration of the period prescribed for making a claim for credit or refund of the tax imposed by this chapter for such taxable year. The credit shall not be allowed against the tax imposed by section 56 (relating to minimum tax for tax preferences).";

(2) by revising subsection (b)(1) to read as follows:

"(1) CITIZENS.—In the case of a citizen of the United States, the amount of any income, war profits, and excess profits taxes paid or accrued during the taxable year to any foreign country or to any possession of the United States; and";

(3) by revising subsection (b)(4) to read as follows:

"(4) NONRESIDENT ALIEN INDIVIDUALS.—In the case of any nonresident alien individual not described in section 876, the amount determined pursuant to section 906; and"; and

(4) by striking out subsections (d) and (e).

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 78 is repealed.

(2) Section 535(b)(1) is amended by striking out "and income, war profits, and excess profits taxes of foreign countries and possessions of the United States (to the extent not allowable as a deduction under section 275(a)(4)), accrued during the taxable year or deemed to be paid by a domestic corporation under section 902(a)(1) or 960(a)(1)(C) for the taxable year," and by inserting in lieu thereof "accrued during the taxable year,".

(3) Section 545(b)(1) is amended by striking out "and income, war profits, and excess profits taxes of foreign countries and possessions of the United States (to the extent not allowable as a deduction under section 275(a)(4)), accrued during the taxable year or deemed to be paid by a domestic corporation under section 902(a)(1) or 960(a)(1)(C) for the taxable year," and by inserting in lieu thereof "accrued during the taxable year,".

(4) Section 841 is repealed.

(5) Section 882(c) is amended by striking out paragraph (3).

(6) Section 884 is amended by striking out paragraph (4).

(7) Section 902 is repealed.

(8) Section 906 is amended—

(A) by striking out "and foreign corporations" in the heading thereof;

(B) by striking out in subsection (a) "or a foreign corporation" and "(or deemed, under section 902, paid or accrued during the taxable year)";

(C) by striking out in subsection (b)(3) "or 881 (relating to income of foreign corporations not connected with United States business)"; and

(D) by striking out subsection (b)(4).

(9) Section 904(g) is repealed.

(10) Section 960 is repealed.

(11) Section 1503 is amended to read as follows:

"SEC. 1503. COMPUTATION AND PAYMENT OF TAX.

"In any case in which a consolidated return is made or is required to be made, the tax shall be determined, computed, assessed, collected, and adjusted in accordance with the regulations under section 1502 prescribed before the last day prescribed by law for the filing of such return."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1971.

SEC. 104. DEPRECIATION ON FOREIGN ASSETS.

(a) EARNINGS AND PROFITS OF FOREIGN CORPORATIONS.—Section 312(m) (relating to effect of depreciation on earnings and profits) is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) FOREIGN CORPORATIONS.—In applying paragraph (1) or (2) for purposes of computing the earnings and profits of a foreign corporation, the amount of depreciation which would be allowable for the taxable year with respect to any property shall be determined on the basis of the useful life of such property in the hands of such foreign corporation."

(b) DEPRECIATION ON PROPERTY LOCATED OUTSIDE THE UNITED STATES.—Section 167 (relating to depreciation) is amended by redesignating subsection (m) as subsection (n) and by inserting immediately after subsection (l) the following:

"(m) DEPRECIATION ON PROPERTY LOCATED OUTSIDE THE UNITED STATES.—In the case of any property which either is located outside the United States or is used predominantly outside the United States (other than property described in section 48(a)(2)(B) (i), (ii), (iii), (iv), (v), or (vi), subsection (b) shall not apply and the term reasonable allowance as used in subsection (a) shall be an allowance computed under the straight line method on the basis of the useful life of the property in the hands of the taxpayer."

(c) EFFECTIVE DATES.—The amendments made by this section shall apply with respect to taxable years beginning after June 30, 1972.

SEC. 105. TRANSFERS OF PATENTS, ETC., TO FOREIGN CORPORATIONS.

(a) RECOGNITION OF GAIN.—Section 367 (relating to foreign corporations) is amended by adding at the end thereof the following:

"(e) TRANSFERS OF PATENTS, ETC., TO FOREIGN CORPORATIONS.—Notwithstanding any other provision of this subtitle, any gain realized on a transfer of a patent, an invention, model, or design (whether or not patented), a copyright, a secret formula or process, or any other similar property right to any foreign corporation in an exchange to which this section is applicable shall be recognized."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to transfers of property made after the date of enactment of this Act.

SEC. 106. EXCLUSION FOR EARNED INCOME FROM SOURCES WITHOUT THE UNITED STATES.

(a) LIMITATION OF EXCLUSION.—Section 911(c) (relating to special rules) is amended by adding at the end thereof the following:

"(8) CERTAIN COMPENSATION NOT EXCLUDABLE.—No amount received for services performed—

"(A) for a domestic corporation of a domestic partnership, or

"(B) for a controlled foreign corporation (within the meaning of section 992(b)),

may be excluded under subsection (a)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to amounts received for services performed after the date of enactment of this Act.

SEC. 107. SUBMISSION OF REPORT ON INTERNATIONAL TAX COMPLIANCE.

Not later than December 31, 1972, the Treasury Department shall submit to the Congress a report on the administration of the income tax imposed by the Internal Revenue Code of 1954 as it applies to business activities carried on outside the United States by United States corporations, whether directly or through foreign entities. Such report shall include, but not be limited to, a discussion and analysis of the enforcement and compliance problems encountered by the Treasury Department in such administration.

TITLE II—UNITED STATES FOREIGN TRADE AND INVESTMENT COMMISSION

SEC. 201. ORGANIZATION OF THE COMMISSION—MEMBERSHIP.

(a) The United States Foreign Trade and Investment Commission (referred to in this subtitle as the "Commission") shall be composed of three commissioners to be hereafter appointed by the President by and with the advice and consent of the Senate. No person shall be eligible for appointment as a commissioner unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of foreign trade and investment problems and efficiency in administering the provisions of this part. Not more than two of the commissioners shall be members of the same political party. One member of the Commission shall be a representative of public interests, one shall be a representative of labor interests, and one shall be a representative of industrial interests.

(b) Terms of office of the commissioners first taking office after July 1, 1972, shall expire, as designated by the President at the time of nomination, one at the end of every second year following July 1, 1972. The term of office of a successor to any such commissioner shall expire six years from the date of the expiration of the term for which his predecessor was appointed, except that any commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

(c) The President shall annually designate one of the commissioners as Chairman and one as Vice Chairman of the Commission. The Vice Chairman shall act as Chairman in case of the absence or disability of the Chairman. A majority of the commissioners in office shall constitute a quorum, but the Commission may function notwithstanding vacancies. No commissioner shall actively engage in any other business, vocation, or

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employment than that of serving as a commissioner.

(d) (1) Whenever, in any case calling for findings of the Commission in connection with any authority conferred upon the President by law to make changes in import restrictions, a majority of the commissioners voting are unable to agree upon findings or recommendations, the findings (and recommendations, if any) of any one of the commissioners may be considered by the President as the findings and recommendations of the Commission.

(2) Whenever, in any case in which the Commission is authorized to make an investigation upon its own motion, upon complaint, or upon application of any interested party, one-half of the number of commissioners voting agree that the investigation should be made, such investigation shall thereupon be carried out in accordance with the statutory authority covering the matter in question. Whenever the Commission is authorized to hold hearings in the course of any investigation and one-half of the number of commissioners voting agree that hearings should be held, such hearings shall thereupon be held in accordance with the statutory authority covering the matter in question.

TITLE III—AMENDMENTS TO THE ANTIDUMPING AND COUNTERVAILING DUTY ACTS

SEC. 301. AMENDMENTS TO THE ANTIDUMPING ACT.

The Antidumping Act of 1921, is hereby amended to read as follows:

"SEC. 201. (a) Whenever a class or kind of foreign merchandise is being, or is likely to be, sold in the United States or elsewhere at less than its fair value and an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States, there shall be levied, collected, and paid on such merchandise, in addition to any other duties imposed thereon by law, a special dumping duty in an amount equal to the difference between the purchase price or the exporter's sales price and the foreign market value (or, in the absence of such value, the constructed value).

"(b) The United States Foreign Trade and Investment Commission (hereinafter called the "Commission") is hereby authorized to investigate complaint(s) filed with it on behalf of any industry by a firm or group of workers, to make such investigation as it deems necessary, and to issue orders to effectuate the provisions of this Act. Commission proceedings and actions under this Act shall be completed within four months of the filing of a complaint, and shall be in accordance with the provisions of subchapter II of chapter 5 of title 5 of the United States Code. Any final order entered in any such proceeding shall be made on the record after opportunity for a Commission hearing and shall be subject to judicial review in the manner prescribed in chapter 158 of title 28 of the United States Code and to the provisions of chapter 7 of title 5 of the United States Code.

"(c) Whenever the Commission has reason to believe or suspect from information presented to it, that the purchase price is less, or that the exporter's sales price is less or likely to be less, than the foreign market value or, in the absence of such value, than the constructed value, it shall forthwith publish notice of that fact in the Federal Register and shall direct the withholding of appraisement reports as to such merchandise entered, or withdrawn from warehouse, for consumption, not more than one hundred and twenty days before the question of dumping has been raised by or presented to it, until the further order of the Commission, or until the Commission has completed its investigation in regard to such merchandise.

"SEC. 202. (a) Upon information of the issuance of an order by the Commission providing for the imposition of a special dumping duty, the Secretary of the Treasury (hereinafter referred to as the "Secretary") shall, through the proper officers, impose the special dumping duty on all imported merchandise, whether dutiable or free of duty, of a class or kind prescribed in the Commission's order, entered, or withdrawn from warehouse, for consumption, not more than one hundred and twenty days before the question of dumping was raised by or presented to the Commission, and as to which no appraisement report has been made before such order has been made." (Plus conforming changes in subsequent sections.)

SEC. 302. AMENDMENTS TO THE COUNTERVAILING DUTY LAW

The countervailing duty law (section 303 of the Tariff Act of 1930, 19 U.S.C. 1303) is amended to read as follows:

"Sec. 303. Countervailing duties

"Whenever any country, dependency, colony, province, or other political subdivision of government, person, partnership, association, cartel, or corporation shall pay or bestow, directly or indirectly and bounty or grant upon the manufacture or production or export of any article or merchandise manufactured or produced in such country, dependency, colony, province, or other political subdivision of government, and such article or merchandise is dutiable under the provisions of this Act, then upon the importation of any such article or merchandise into the United States, whether the same shall be imported directly from the country of production or otherwise, and whether such article or merchandise is imported in the same condition as when exported from the country of production or has been changed in condition by remanufacture or otherwise, there shall be levied and paid, in all such cases, in addition to the duties otherwise imposed by this Act, an additional duty equal to the net amount of such bounty or grant, however the same be paid or bestowed. The United States Foreign Trade and Investment Commission is hereby authorized to investigate complaint(s) filed under this section or upon its initiative and to issue orders to effectuate the provisions of this section. Such orders shall be made on the record after opportunity for a hearing. Upon information of the issuance of an order by the Foreign Trade and Investment Commission, the Secretary of the Treasury shall, through the proper officers, impose the additional duty prescribed therein. Foreign Trade and Investment Commission proceedings and actions under this section shall be completed within four months of the filing of a complaint, and shall be in accordance with the provisions of subchapter II of chapter 5 of title 5 of the United States Code, and any final order entered in any such proceeding shall be subject to judicial review in the manner prescribed in chapter 158 of title 28 of the United States Code."

TITLE IV—AMENDMENTS TO THE TRADE EXPANSION ACT OF 1962—ADJUSTMENT ASSISTANCE

SEC. 401. PETITIONS AND DETERMINATIONS.

Section 301 of the Trade Expansion Act of 1962 is hereby amended to read as follows:

"§ 301. Petitions and determinations

"(a)(1) A petition for tariff adjustment under section 1981 of this title may be filed with the Foreign Trade and Investment Commission by a trade association, firm, certified or recognized union, or other representative of an industry.

"(2) A petition for a determination of eligibility to apply for adjustment assistance under part II of this subchapter may be filed with the Foreign Trade and Investment Commission by a firm or its representative, and a petition for a determination of eligibility to apply for adjustment assistance under part III of this subchapter may be filed with the Foreign Trade and Investment Commission by a group of workers or by their certified or recognized union or other duly authorized representative.

"(3) Whenever a petition is filed under this subsection, the Foreign Trade and Investment Commission shall transmit a copy thereof to the Secretary of Commerce.

"(b)(1) Upon a request of the President, upon resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, upon its own motion, or upon the filing of a petition by the petitioner under subsection (a)(1) of this section the Foreign Trade and Investment Commission shall promptly make an investigation to determine whether, as a result in substantial part of concessions, bounties, grants or other incentives granted by any foreign government or any instrumentality of a foreign government, an article is being imported into the United States in such increased quantities as to contribute substantially toward causing or threatening to cause serious injury to the domestic industry producing an article which is like or directly competitive with the imported article.

"For the purposes of section 301(b)(I) of the Trade Expansion Act of 1962 (19 U.S.C. 1901(b)(1)), as amended by this Act, the term 'industry' means the aggregate of those firms or appropriate subdivisions thereof which produce a product or component threatened by imports. Where the product or component is produced in a distinct part or section of an establishment, whether or not the firm has one or more establishments, such part or section shall be considered an appropriate subdivision.

"(2) In making its determination under paragraph (1), the Foreign Trade and Investment Commission shall take into account all economic factors which it considers relevant, including idling of productive facilities, inability to operate at a level of reasonable profit, unemployment or underemployment, loss of fringe benefits, and decreased or stagnant wages.

"(3) No investigation for the purpose of paragraph (1) shall be made, upon petition filed under subsection (a)(1) of this section, with respect to the same subject matter as a previous investigation under paragraph (1), unless one year has elapsed since the Foreign Trade and Investment Commission made its report to the President of the results of such previous investigation.

"(c)(1) In the case of a petition by a firm for a determination of eligibility to apply for adjustment assistance under part II of this subchapter, the Foreign Trade and Investment Commission shall promptly make an investigation to determine whether, as a result in substantial part of concessions, bounties, grants or other incentives granted by any foreign government or any instrumentality of a foreign government, an article like or directly competitive with an article produced by the firm is being imported into the United States in such increased quantities as to contribute substantially toward causing or threatening to cause, serious injury to such firm. In making its determination under this paragraph, the Foreign Trade and Investment Commission shall take into account all economic factors which it considers relevant, including idling of productive facilities of the firm, inability of the firm to operate at a level of reasonable profit, unemployment or underemployment in the firm, loss of fringe benefits, and decreased or stagnant wages.

"(2) In the case of a petition by a group of workers for a determination of eligibility to apply for adjustment assistance under part III of this subchapter, the Foreign Trade and Investment Commission shall promptly make an investigation to determine whether as a result in substantial part of concessions, bounties, grants or other incentives granted by any foreign government or any instrumentality of a foreign government, an article like or directly competitive with an article produced by such workers' firm, or an appropriate subdivision thereof, is being imported into the United States in such increased quantities as to contribute substantially toward causing or threatening to cause, unemployment or underemployment of a significant number or proportion of the workers of such firm or subdivision.

"(d)(1) In the course of any investigation under subsection (b)(1) of this section, the Foreign Trade and Investment Commission shall, after reasonable notice, hold public hearings and shall afford interested parties opportunity to be present, to produce evidence and to be heard at such hearings.

"(2) In the course of any investigation under subsection (c)(1) or (c)(2) of this section, the Foreign Trade and Investment Commission shall, after reasonable notice, hold public hearings if requested by the petitioner, or if, within 10 days after notice of the filing of the petition, a hearing is requested by any other party showing a proper interest in the subject matter of the investigation, and shall afford interested parties an opportunity to be present, to produce evidence, and to be heard at such hearings.

"(e) Should the Foreign Trade and Investment Commission find with respect to any article, as the result of its investigation, the serious injury or threat thereof described in subsection (b) of this section, it shall find the quantitative restriction on such article which is necessary to prevent or remedy such injury and shall make modification of the quantitative restraints determined under title II of this Act as is necessary to put into effect the determination made under this section.

"(f)(1) The Foreign Trade and Investment Commission shall report to the President the results of each investigation under this section and include in each report any dissenting or separate views. The Foreign Trade and Investment Commission shall furnish to the President a transcript of the hearings and any briefs which may have been submitted in connection with each investigation.

"(2) The report of the Foreign Trade and Investment Commission of its determination under subsection (b) of this section shall be made at the earliest practicable time, but not later than 6 months after the date on which the petition is filed (or the date on which the request or resolution is received or the motion is adopted, as the case may be). Upon making such report to the President, the Foreign Trade and Investment Commission shall promptly make public such report, and shall cause a summary thereof to be published in the Federal Register.

"(3) The report of the Foreign Trade and Investment Commission of its determination under subsection (c)(1) or (c)(2) of this section with respect to any firm or group of workers shall be made at the earliest practicable time, but not later than 60 days after the date on which the petition is filed.

"(g) Foreign Trade and Investment Commission proceedings under this title shall be in accordance with the provisions of subchapter II of chapter 5 of title 5 of the United States Code. Any final order entered in such proceeding shall be made on the record after opportunity for a Commission hearing and shall be subject to judicial review in the manner prescribed in chapter 158 of title 28 of the United States Code and to the provisions of chapter 7 of title 5 of the United States Code."

SEC. 402. PRESIDENTIAL ACTION AFTER FOREIGN TRADE AND INVESTMENT COMMISSION DETERMINATION

Section 302 of the Trade Expansion Act of 1962 is hereby amended to read as follows:

"§ 302. Presidential action after Foreign Trade and Investment Commission determination—General Authority

"(a) After receiving a report from the Foreign Trade and Investment Commission containing an affirmative finding under section 301(b) of this title with respect to any industry, the President may—

"(1) provide, with respect to such industry, that its firms may request the Secretary of Commerce for certifications of eligibility to apply for adjustment assistance under part II of this subchapter,

"(2) provide, with respect to such industry, that its workers may request the Secretary of Labor for certifications of eligibility to apply for adjustment assistance under part III of this subchapter, or

"(3) take any combination of such actions." (Plus conforming changes in subsequent sections.)

TITLE V—FOREIGN INVESTMENT AND TECHNOLOGY EXPORT CONTROLS

SEC. 501. (a) The President is hereby authorized to prohibit any person within the jurisdiction of the United States from engaging in any transaction involving a direct or indirect transfer of capital to or within any foreign country or to any national thereof when in the judgment of the President the transfer would result in a net decrease in employment in the United States. The President is hereby authorized to issue regulations to effectuate this section.

(b) Any person who violates a valid regulation issued under authority of subsection (a) shall be liable to a fine of not more than $100,000 and imprisonment for not more than one year for each violation.

SEC. 502. (a) The President is hereby authorized to prohibit any holder of a United States patent from manufacturing the patented product or using the patented process, or from licensing others to manufacture the patented product or using the patented process, outside the territory of the United States when in the judgment of the President such prohibition will contribute to increased employment in the United States. The President is hereby authorized to issue regulations to effectuate this section.

(b) The patent of any patentee who violates any regulation validly issued hereunder shall be unenforceable in the courts of the United States.

TITLE VI—OTHER FOREIGN TRADE PROVISIONS

SEC. 601 REPORTS BY THE EXPORT-IMPORT BANK OF WASHINGTON AND OTHER AGENCIES.

(a) Section 635g of title 12 of the United States Code is hereby amended to read as follows:

"The Export-Import Bank of Washington shall transmit to the Congress semiannually a complete and detailed report of its operations. The report shall be as of the close of business on June 30 and December 31 of each year."

The report shall include detailed information from which a judgment can be made of the effects Bank operations are having on U.S. exports, imports, and employment.

(b) Section 2394(a) of title 22 of the United States Code is hereby amended to read as follows:

"(a) The President shall, while funds made available for the purposes of this chapter remain available for obligation, transmit to the Congress after the close of each fiscal year a report concerning operations in that fiscal year under this chapter. Each such report shall include information on the operation of the investment guaranty program and on progress under the freedom of navigation and nondiscrimination declaration contained in section 2151 of this title. Each such report shall also contain a detailed review of the extent to which projects financed under any foreign assistance program are exporting their output to the United States, and the extent to which section 2370(d) of title 22 has been complied with."

(c) A new subsection C is added to section 2 of title 29 of the United States Code as follows:

"2c. The Bureau of Labor Statistics shall collect, collate, and report at least once each year, or, more often if necessary, full and complete statistics on the conditions of workers employed by the United States Government and United States Corporations outside the territorial limits of the United States and the products and distribution of the products of the same. For purposes of this subsection a worker shall be deemed to be employed by a United States corporation if the business organization employing him is more than 10 per centum beneficially owned or controlled by United States Corporations."

SEC. 602. (a) No producer, manufacturer or dealer shall ship or deliver for shipment in commerce any goods containing foreign made components unless such goods are clearly marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article or container will permit in such manner as to indicate to an ultimate purchaser in the United States the English name of the country or countries of origin of the foreign made components.

(b) No producer, manufacturer, or dealer shall advertise for sale in Commerce any goods containing foreign made components unless such advertising clearly indicates to an ultimate purchaser in the United States the English name of the country or countries of origin of the foreign made components.

(c) The Secretary of Labor is hereby authorized to issue such regulations as he deems necessary to effectuate this section.

(d) Whoever willfully violates this section shall be fined not more than $10,000 for each violation.

SEC. 603. (a) Schedule 8, part 1, subpart B of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by striking out item 807.00;

(2) by striking out item 806.30;

(3) by striking out headnote 3; and

(4) by redesignating headnote 4 as headnote 3.

(b) The amendments made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the ninetieth day after the date of the amendment of this Act.

SEC. 604. Section 481(a) of the Tariff Act of 1930 (19 U.S.C. 1481 (a)) is amended—

(1) by redesignating paragraph (10) thereof as paragraph (11);

(2) by striking out "and" at the end of paragraph (9); and

(3) by inserting immediately after such paragraph (9) the following new paragraph:

"(10) Such information as to product description as is required to be made a part of the entry by provisions of the Tariff Schedules of the United States Annotated issued pursuant to section 484(e) of this Act; and."

CRIME CONTROL THROUGH REVENUE SHARING: A NEW PROGRAM FOR THE 56 LARGEST CITIES

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 60 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, this country is beset by many problems, but I am convinced that the one hitting closest to home, producing the most anxiety among our citizens—and I know this because my constituents in Cleveland, Ohio, keep after me about it—is the problem of crime on the streets and the people's fear of crime. My colleagues here would hardly challenge this

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statement, because Congress has recently been according a high priority to crime control legislation.

Historically, the Federal Government had not involved itself in this problem, leaving the cities and counties to cope with it—since local governments are wisely charged with the primary responsibility in this area under our Constitution. But by the mid-1960's, crime had reached such high levels that pressure began to mount on Congress, and also on the executive branch, to launch programs of assistance to the local governments. The result was the Omnibus Crime Control and Safe Streets Act of 1968 which set up a Law Enforcement Assistance Administration in the Justice Department. This agency has been generously funded, winning increasing appropriations from Congress. For fiscal year 1972, it was awarded $698,919,000—a total representing the full amount that President Nixon had requested. LEAA is one of the few Federal agencies whose asserted financial needs we have not quibbled with. In fact, there is good reason to believe that, had the President sought an even larger budget for LEAA, he would have received it. For Congress had already authorized total expenditures of $1,150,000,000 for LEAA in fiscal 1972.

But, Mr. Speaker, despite our willingness—really, our eagerness—to give this agency all the financial support it asks for, its program has not worked. We know this because the crime rate and crime totals around the country keep rising, with crimes of violence setting the pace. This is obvious to our constituents, who, of course, are not fooled by Justice Department attempts to reassure them with phony communiques that juggle statistics and suggest "progress" in the war against crime. For example, when I mentioned the Safe Streets Act to one of my constituents, she suggested a better name for the legislation might be the Unsafe Streets Act.

But most citizens probably are not yet familiar with additional evidence that the LEAA program is not working. I doubt whether most Americans realize that the pipeline for Federal assistance funds is so clogged with redtape that much of the money is stuck there, and in fact has been stuck in the pipeline for a year or two or even more. If the money leaving Washington is intercepted at the State capitals, becoming unspeakably tardy in reaching the large cities where most of the crimes are being committed, then what good is the money?

I doubt too, whether most Americans realize that much of the money is not being channeled, even when it finally does reach the end of the pipeline, to the areas most afflicted by crime.

The fact is that the Law Enforcement Assistance Administration—a new bureaucratic structure that was needed—has in turn spawned hundreds of new intrastate "regional" bureaucracies that definitely are not needed—a whole new layer of government interposed in many States between the crime-ridden metropolitan areas and the State governments that have responsibility for pushing Federal funds into the cities. These regional entities, each of them in most cases comprising many counties—rural territory with an urban core—fail in many places to accord top priority to city needs, and they become a factor in slowing down the flow—or trickle—of Federal funds into the high crime areas.

I am wondering, as well, Mr. Speaker, whether my colleagues here yet realize that the Safe Streets Act amendments enacted last year have not proved effective. Congress intended, through those amendments, to see to it that large urban areas did get a higher proportion of LEAA funds. In many places around the country, this intention is not being carried out by LEAA and the State governments. Instead, we have more redtape, and further delay. Almost a year has passed, but LEAA still has not issued all the regulations needed to fully implement the amendments.

Mr. Speaker, I believe that this situation is bad and inexcusable, but I do not believe it is hopeless. I am convinced that reform can be achieved through an honest appraisal of where we stand, and through some fresh thinking on where we ought to go. I am persuaded that, through further but more sweeping amendments to the Safe Streets Act, a streamlining of LEAA operations can be accomplished without doing violence to the basic structure of the program provided for under that statute. I submit that my State of Ohio, under a new administration headed by Gov. John J. Gilligan, has shown us a direction that we ought to take. That road heading toward a truly effective crime control program was in fact mapped for us even earlier by President Nixon, in his messages to Congress pertaining to revenue sharing. I fail to understand why the President has not followed through by pushing for legislation implementing his special message on crime control revenue sharing—or why that particular message, rather oddly, fell short of proposing to bring us to the point where true revenue sharing leads.

Nonetheless, I feel that the President's philosophy on revenue sharing, and the basic principles he enunciated, are eminently sound—especially where they pertain to a system of revenue sharing targeted on crime control. And it is for these reasons that I rise here today in this Chamber, Mr. Speaker, to introduce an Emergency Crime Control Act of 1971—a measure which seems to me to be wholly in accord with the President's thinking, and therefore meriting the President's support, which I hope will be forthcoming before the crime crisis during his administration grows worse.

PROPAGANDA BY THE ATTORNEY GENERAL

Before I detail the provisions of this new legislation, however, I feel it necessary, as I have said, to be candid about the crime plague that endangers American men, women, and children, particularly in the large cities. For if we in this Congress believe, as our Attorney General, John N. Mitchell, professes to believe, that the fear of crime "is being swept from the streets of some—though not all—American cities," then we will have little motivation to act in this Chamber. When the Attorney General made that statement recently, I disputed it insofar as it might have pertained to Cleveland—CONGRESSIONAL RECORD, September 16, 1971, page 32259. I said at the time that it was not the fear of crime, but rather people, that had vanished from the streets. This is a fact that would not be contested by anyone in my congressional district, whereas what Mr. Mitchell has been saying in press releases, accompanying—and "interpreting"—FBI statistical reports, has been challenged, as my colleagues here know, by nonpolitical authorities who follow crime trends. Therefore when Mr. Mitchell, in convoluted prose, pats his Justice Department on the back for figures that show a "decelerating rate of increase" of crime, I think we can safely conclude he is making political statements in the hope of keeping alive, with points for his side, a public issue on which he unfortunately—and illogically—rode to power.

More objective persons seeking plain facts on which to base public policy will prefer the unadorned prose of the FBI Uniform Crime Reports, the phrasing of which, ready-made, in prefabricated sentences, give us the same depressing message from year to year.

On page 4 of the 1969 report we find this statement:

In calendar year 1969 almost 5 million Index offenses were reported to law enforcement agencies, a 12-percent increase over 1968. The violent crimes as a group made up 13 percent of the Crime Index total and rose 11 percent, with murder up 7 percent, forcible rape 17 percent, robbery 14 percent and aggravated assault 9 percent. . . . The Crime Index rate for the United States rose from 2,235 offenses per 100,000 inhabitants in 1968 to 2,471 in 1969, an 11-percent increase in the victim rate. The rise in the national crime rate since 1960, or the risk of being a victim of one of these crimes, has more than doubled.

On page 5 of the 1970 report we find this statement:

In calendar year 1970 an estimated 5,568,200 Index offenses were reported to law enforcement agencies, an 11-percent increase over 1969. The violent crimes as a group made up 13 percent of the Crime Index total and rose 12 percent, with murder up 8 percent, forcible rape 2 percent, robbery 17 percent, and aggravated assault 8 percent. . . . The Crime Index rate for the United States rose from 2,477 offenses per 100,000 inhabitants in 1969 to 2,740 in 1970, an 11-percent increase in the victim rate. The national crime rate, or the risk of being a victim of one of these crimes has increased 144 percent since 1960.

Bringing us up to date is the FBI interim report for January–June 1971—released to the public on September 30—which begins:

Crime in the United States, as measured by the Crime Index offenses, increased 7 percent during the first six months of 1971 compared to the same period in 1970. The violent crimes as a group were up 11 percent. Robbery was up 14 percent, murder and aggravated assault 10 percent and forcible rape 7 percent.

Turning aside from prose in any form, even the FBI's matter-of-fact version, I find statistics such as these for Cleveland—comparing, respectively, the first 6 months of this year with the corresponding period last year: Homicides, 121 and 133; forcible rapes, 194 and 160; robberies, 2,675 and 2,645; aggravated assaults, 935 and 863.

Mr. Speaker, there are the facts that tell us why people have been swept from the streets of Cleveland and other cities of like size. And these facts form the backdrop against which further legislative action must be taken by this Congress. We must do better than Mr. Mitchell would have us believe we have done.

FEDERAL FUNDS LYING IDLE

Mr. Speaker, there is a second criterion for judging the LEAA program, and this too informs us that the Federal Government has failed. Assuming for the moment—though I certainly do not concede this point—that LEAA funds are being channeled properly, the fact remains that the money is not, within a reasonable time, reaching the places where it can be spent. The President has asked for the money, Congress has appropriated it, LEAA has put it in the pipeline—but as I have pointed out, incredibly large amounts have moved not at all, or hardly at all. This fact emerges from excellent hearings conducted recently by the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations. Presiding was my distinguished colleague from Connecticut, the Honorable JOHN S. MONAGAN. At one point Mr. MONAGAN was told by a witness from Congress' own General Accounting Office—on July 22, 1971:

In many States they have not yet used their 1969 (Safe Streets) funds or the 1970 funds.

This same witness said at another point:

We believe that the inertia evidenced by the aforementioned figures is a matter which should be of concern both to the Congress and LEAA, particularly in light of the high priority assigned the (crime-fighting) program.

Mr. Speaker, as all of us here know, it is the States which, receiving the Federal funds we appropriate, take responsibility for distributing it in the form of grants for crime control planning, and for crime-fighting projects, in the various governmental subdivisions under State jurisdiction. Documents obtained for me by the General Accounting Office, from the Justice Department, contain some startling information. For example, as of June 30, 1971—the close of the 1971 fiscal year—more than 6 percent of the 1969 LEAA funds still had not been disbursed by the States to grantees. Of the 1970 funds, more than half—51.1 percent—were still being held at the State level. And, of the 1971 funds, that year already having been concluded, 92.1 percent was still unspent because the States had not yet forwarded the money.

Mr. Speaker, again, as of June 30, 1971, 21 of the 50 States—including my own State of Ohio—still had not distributed more than half of the 1970 funds they had received from LEAA. The 21 States, and the amounts disbursed in each, were:

[In percent]

California	24.8
Connecticut	46.4
Florida	47.7
Georgia	40.7
Hawaii	42.6
Massachusetts	44.8
Michigan	41.9
Minnesota	48.9
New Jersey	41.0
New York	27.5
Ohio	40.4
Pennsylvania	49.0
South Carolina	47.3
South Dakota	34.2
Tennessee	46.3
Texas	46.4
Utah	49.1
Virginia	36.9
Washington	36.0
West Virginia	46.8
Wisconsin	50.0

Furthermore, the 1971 fiscal year ended with 10 States having made no distribution at all of 1971 funds. The 10 were: Alabama, Alaska, Connecticut, Florida, Hawaii, Minnesota, Nevada, Oregon, South Dakota, and Virginia.

The following States had distributed less than 1 percent of their 1971 funds: New York, Ohio, Oklahoma, Tennessee, and Washington.

The following States had distributed 5 percent or less: California, Georgia, Michigan, North Dakota, Pennsylvania, West Virginia, and Wisconsin.

Along these same lines, Mr. Speaker, I have a letter from the Ohio Department of Urban Affairs in which Joseph L. White, an aide to Governor Gilligan, described to me the situation that administration inherited when it took office earlier this year. I have already indicated that Ohio has since reorganized the program. Mr. White wrote:

As of February 28, 1971, over one-fourth of our 1969 allocation ($310,166.34 of $1,057,514.90) remained unspent and unencumbered, even though such funds were scheduled to lapse on June 30, 1971. As it turned out, we lapsed less that 3% of our allocation.

Our 1970 Action Grant, as of February 28, 1971, revealed that, out of $9,563,000, only $1,300,160.90 had been encumbered. By September 30, 1971, we had allocated $8,553,000, with another $886,000 worth of projects in process and about to be funded. This leaves a balance of $124,000 yet to be awarded. Of course, 1971 funds were being awarded during this period as well.

I also obtained from Mr. White a list of 59 crime-fighting projects around the State where local authorities had had to wait 8 to 18 months before receiving LEAA funds.

I note, too, that in testimony before the Monagan subcommittee, Henry Ruth, director of the New York City Criminal Justice Coordinating Council, said:

The federal funds that we received in the last three years would run the New York City criminal justice system for about seven days.

Incidentally, my office as been in contact with Mr. Ruth, and he has sent me—in the form of a scroll some 12 feet in length, when unrolled—a bureaucratic "flow chart" showing each of the steps that must be taken before Federal funds become available for spending by the city.

The Monagan subcommittee only last week received a statement from the U.S. Conference of Mayors, a copy of which was sent to me as well, because of my interest in this issue. The statement describes "a byzantine bureaucratic structure of check-offs and approvals which make local applications for funds a difficult and lengthy process, with many levels trying to impose their notions of what is best upon the local government at the bottom of the pile." The statement continues:

All these review steps create a tremendous cash flow problem at the local level. Delays in Safe Streets bureaucracy are making cities increasingly reluctant to count on Safe Streets funding for any program of major impact in the criminal justice area. The funding is just too uncertain.

Local programs which are to be funded under the Safe Strets Act must be planned as part of the city's total criminal justice budget for a particular year. Once a program is put in the budget, it becomes an integral element of the whole city's criminal justice strategy, and delay in implementation harms the city-wide crime control effort. It is not unusual at this time for cities to wait for six to twelve months to get final approval of a grant application. Once that application is approved, it takes even more time, sometimes another three to six months, to get the money which has been promised.

Commenting on the situation that existed in Ohio until recently, Clarence Rogers, then Cleveland's chief police prosecutor, told a subcommittee of the House Judiciary Committee last year:

The local applications must first be submitted to the staff of the NOACA (regional) agency. That staff must then submit these applications to a 27-member Law Enforcement Advisory Committee for approval. Once approved by that committee, the applications then must be approved by a six-member Regional Planning Council of NOACA. One more hurdle remains; that is, these applications must be approved by the 47-member board of NOACA. At this point, our proposal has completed a 6-month, 200-mile trip, from Cleveland to the State Capitol where tentative approval has been given. From the State Capitol, it is a relatively short trip to Washington.

In spite of all this evidence, Mr. Speaker, we find Jerris Leonard, LEAA Administrator, saying in a statement he submitted to the Monagan subcommittee:

The flow of funds in LEAA programs has been moving at a rather rapid pace.

After acknowledging there has been some tardiness—a part of it for reasons which, in fairness, are beyond LEAA's control—Mr. Leonard concluded:

Taking into consideration all of these factors which effect the flow of funds under LEAA programs, it is my firm conviction that this program has moved forward both from a fund flow standpoint and from a program movement standpoint *as rapidly as possible* (italics are mine).

I submit, Mr. Speaker, that if it is not possible, as Mr. Leonard says, to move the funds faster under the program as presently structured, then why should we resign ourselves to this fact? Obviously, important changes are called for. The fact that Mr. Leonard and his superiors in the Nixon administration are not urging this themselves does not absolve us in Congress from the responsibility for acting.

A SPRINKLING OF FUNDS HERE AND THERE

Mr. Speaker, an important and constructive achievement of the Safe Streets Act has been enhancement of the State role in the administration of criminal justice. Not only have the States been able to strengthen their own crime control institutions, such as correctional facilities, but the Federal funds they have been receiving are enabling them, too, to draft comprehensive statewide plans and to assist rural areas and smaller communities in their own planning and projects. Many States have also launched programs for education and training of law enforcement officers. All this has been

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to the good, but the fact remains that in the large cities, where most of the crime occurs, State officials do not have experience and expertise comparable to that of the local officials, nor do the State officials have the primary responsibility—let alone the know-how—for bringing crime under control. And, of course, State officials are not as visible, or as accountable, to the public as are the mayors, county commissioners, prosecutors, trial judges, probation officers, and police chiefs. While I do believe that the States should continue to expand their efforts with LEAA assistance, I feel also that the time has arrived for us to acknowledge the fact that the large urban areas have their own role to play, and that they must achieve autonomy through further amendments to the Safe Streets Act.

As stated in the 1970 Municipal Yearbook of the International City Management Association:

> Unfortunately, states and cities have a long history of conflict, and the law enforcement assistance program inherited the distrust and suspicion of earlier state-city clashes.

This has become evident, in my opinion, through the "regions" created by most of the States for administration of the Safe Streets Act. Rather than dealing directly with the cities, many States decided to do so indirectly by forcing the cities into multicounty regions, in which the interests of the large metropolitan areas became submerged.

For example, in my own State, until the recent reorganization by Governor Gilligan, Cleveland and Akron found themselves part of the same seven-county region.

The 27-member regional board had only seven representatives from Cuyahoga County—Cleveland. Cleveland had its troubles under this arrangement, but in many other places around the country, large cities have fared even worse.

In a statement submitted to the Monagan subcommittee last week through the U.S. Conference of Mayors, Police Chief Bernard L. Garmire of Miami, Fla., related that his city—the second largest in Florida—"has the dubious distinction of having the highest crime rate in the Nation." He continued:

> During the entire three and one-half years that the Safe Streets Act has been in operation, Miami has not received so much as a dime of either planning or action monies from the State of Florida's block grant program . . . Rather, Miami has been placed in a four-county planning region, and with 10% of the population of that region, we have 2 of 17 votes. We are dealing with two new levels of bureaucracy within the State which report through two more federal levels to Washington; all levels are operating without explicit guidelines and without any clear understanding of their proper roles.

As a result of situations like this, safe streets funds are being dissipated "in the form of a thin dew"—as one writer has observed—that covers both rural and urban areas. I submit Mr. Speaker, that in the large cities a heavier watering of safe streets funds is needed to cause meaningful crime prevention programs to sprout, and also to thrive financially.

The National Urban Coalition has said:

> The major failing of the regional networks is that most of them are artificial structures devoid of legal or political powers. . . . The regions are not governing entities having tax powers and funding available to them other than the money granted by the state planning agency. . . .
>
> Most regional networks, as they are presently constituted, add nothing to criminal justice programs except an unnecessary additional layer of bureaucracy. These regional networks should be abolished unless they are operational, are carrying out programs which require a regional body, and constitute voluntary combinations of units of local government. Major cities whose interests cannot be properly addressed when submerged in a regional organization should be allowed to deal directly with state agencies.

This is what Ohio has now done, Mr. Speaker, setting what I believe is a good example for other States to follow. Therefore, the legislation I offer here today includes certain provisions along these lines.

FAILURE OF THE 1970 AMENDMENTS

Mr. Speaker, the problems to which I have just alluded—that of cities being slighted under the Safe Streets Act—are not, of course, being aired here for the first time. Extensive hearings were held last year by the Judiciary Committees in both the House and Senate, and amendments to the act were adopted—Public Law 91-644—designed to alleviate these problems by putting pressure on the States to assure the metropolitan areas a fair proportion of safe streets funds.

But, as it happens, there has been no real progress. One reason for this, I believe, is the attitude of LEAA Administrator Jerris Leonard, the man charged with implementation of the amendments. He told the Monagan subcommittee:

> Those who know the (LEAA) program best are the nation's governors.

I disagree. In my opinion it is the mayors, much closer to the problem of crime on the streets, who can better judge the LEAA program. And, in their statement last week to the Monagan subcommittee, this is what the mayors had to say about implementation of the 1970 amendments:

> Today, as we again look at the Safe Streets Program, certain changes have taken place, but they have not necessarily improved the position of the cities. The 1970 Amendments have been signed and the state and federal goverments have had ample time to implement the new program directions indicated by the Congress. Further, the states and the federal government have had another year to gain experience and gear up their administrative machinery to efficiently administer the federal resources allocated to them.
>
> Some states have used this new experience and implemented the 1970 Amendments properly, and the results have been demonstrated in improved and simplified funding for cities. California, Michigan and Ohio are notable examples of positive action.
>
> Unfortunately, the states to which we can point as having made significant improvements in the fund distribution process are the exception rather than the rule. Generally, the problems Mayor Gribbs outlined in his statement 16 months ago persist, and in many cities new problems have emerged to make the situation even more difficult now than it was last year. There is widespread failure to comply with the spirit of the law as it relates to distributing funds to cities to fight crime.
>
> Delays in making decisions and allocating funds persist. LEAA has yet to clearly define its mission and priorities. The agency has not given states proper leadership or set directions for programs for which cities can apply to receive assistance.

Mr. Speaker, I have obtained from the LEAA a draft of some of the guidelines that would implement the 1970 amendments. As of November 1, 1971, these regulations had not yet been promulgated, although they had been in circulation for some time. My staff was advised that day that the draft, excerpts from which are reprinted here, were to be officially adopted soon, with no major changes likely. It seems clear to me from a reading of the draft that the LEAA has decided, contrary to what I believe to have been the spirit of the 1970 amendments, not to zero in on the highest crime areas, but rather to spread some more of the "thin dew," thickening it a bit for the cities—but not as much as Congress had intended, in my opinion. The excerpts follow:

> 3. ASSISTANCE TO HIGH CRIME/LAW ENFORCEMENT ACTIVITY AREAS, LOCAL PARTICIPATION AND FUND BALANCE
>
> *a. Assistance to high crime/law enforcement activity areas*
>
> Section 303 of the Act requires the Administration, prior to approval of any State plan, or revision thereof, to make a determination that the plan provides for the allocation of adequate assistance to deal with law enforcement problems in areas of both high crime incidence and high law enforcement activity. The primary focus of LEAA inquiry will be the State's major cities and metropolitan areas where crime incidence, law enforcement costs, and crime control activities and resources are high in relation to the State-at-large. It is recognized, however, that other areas of relative high crime incidence and activity may exist, as identified by the State pursuant to specifications in the foregoing paragraph. These too would need to be embraced within LEAA's required statutory finding.
>
> In exercise of its responsibilities, LEAA will examine the adequacy of funding provided for specific individual communities and areas, which are presumed to be high incidence/activity areas as defined below. It must be demonstrated in the plan that an adequate level of Part C and Part E block grant assistance from State, county, and municipal resources is being allocated for the direct benefit of law enforcement operations and citizens in these jurisdictions:
>
> (i) Any city, county, or urban area where crime incidence and activities constitute 20% or more of major crime incidence and total law enforcement expenditures, whether or not crime rates are comparable or excessive in relation to other communities, or
>
> (ii) Any city or county with—
>
> A population in excess of 150,000, and
>
> An annual "index" rate for serious crime (Part I offenses, as indicated in the most recent FBI Uniform Crime Report) of at least 2,500 offenses per 100,000 population, and
>
> Annual per capita law enforcement expenditures (police, courts, and corrections combined) of at least $25.
>
> The foregoing is not meant to exclude jurisdictions slightly short of the stated minimum criteria or smaller areas which, for special reasons, the State planning agency feels should be characterized as high incidence/activity areas, or to preclude the State planning agency from seeking to rebut the foregoing presumption by facts negating a finding of high incidence/activity for a particular area within the scope of the presumption.
>
> In construing 'adequate assistance', LEAA will consider on a state-by-state basis, whether a formula used by the SPA for fund allocation throughout the state appears to take into account such demographic, economic and crime factors as to afford reasonable emphasis in areas of high crime/high law enforcement activity as contemplated by the Congressional mandate.
>
> It will be noted that in determining the share of Federal assistance from block grant funds being received by a large city or major metropolitan area, assistance from all sources may be included in the calculation so long as the benefits from particular awards directly apply (either totally or by reasonable apportionment) to the residents of the area. Thus, grants to regional units, councils of governments, counties or even locally based State offices may be calculated in determining assistance allocated to a particular large city, along with funds granted to the city, if the funds are used directly in the city or for city residents or agencies. Where grants of local funds benefit residents both inside and outside a particular metropolitan area or large city, a reasonable proration (explained in the plan text) may be used to determine the share allocable to the covered area.
>
> State plans are required to demonstrate, with appropriate dollar figures and program identification, for the year just past and the current action year, that adequate assistance has been allocated to high incidence/activity areas in accordance with statutory and guideline criteria.
>
> Estimate, from each program, the amount of Part C and Part E funds allocated (i) to units of State governments; (ii) combinations of units of general local government; (iii) to local units of government and; provide an estimate of the funds from each program allocated for the direct benefit of law enforcement operations and citizens in areas of high crime and high law enforcement activity.
>
> Explain the balance achieved in terms of geographical, functional, and jurisdictional distribution.
>
> With regard to high incidence/activity areas which qualify because of special problems but are not large population areas (e.g., Indian reservation problems, border law enforcement, heavy tourist areas) the Administration will expect a reasonable allocation level to address the problems of such areas. Such situations will be addressed on a case-by-case basis in reviewing plans for high incidence/activity area funding adequacy.

THE OHIO PLAN

Mr. Speaker, as I pointed out earlier, the new administration in Ohio has adopted an impressive and innovative plan for carrying out the Safe Streets Act—one that avoids many of the pitfalls and inequities which occur in other States, and one that appears to hold promise for solving some of the funding and redtape difficulties I discussed at the beginning of this presentation.

Governor Gilligan, acting through his Department of Urban Affairs, headed by Bruce L. Newman, has abolished the 15 intrastate, multicounty regions that existed under the previous administration. He is moving instead toward a system under which the State will deal directly with its six largest counties—Cuyahoga, Cleveland; Franklin, Columbus; Hamilton, Cincinnati; Lucas, Toledo; Montgomery, Dayton; and Summit, Akron. In these six major population centers, the crime rate is 25 percent higher than in the State as a whole. These counties, for the purpose of the Safe Streets Act, are to be known as regional planning units—RPU's. Each RPU will be held responsible for preparing an annual comprehensive crime control plan for all the units of local government within the county, and the needs of the entire criminal justice system—courts, corrections and law enforcement—will have to be reflected. Once the RPU's plan has been accepted by the State, it will receive a block grant of funds from the State's LEAA allotment—in the same way that the State receives its own block grant from LEAA. The autonomy that the State has in spending Federal money will be reflected, to a large extent, by a similar grant of freedom to the RPU's—through the grants they will receive. Each RPU then would be responsible for funding its own crime control projects. This greater flexibility for the local governments will permit them to get projects started without going through the laborious application and approval process. Things could get done in half the time now necessary, Mr. Newman has said. The State will allot money to the RPUs under a formula which weights the crime factor twice as heavily as population. For example, Cuyahoga County has some 16 percent of the State's population, but more than 23 percent of the crime. Therefore it will get nearly 21 percent of the funds to be made available to the RPU's by the State. The amount of the block grant that each of the six RPU's could qualify for, based on LEAA's fiscal 1972 allocation to Ohio, follows:

RPU's:	*Amount of funds*
Cuyahoga	$3,340,980
Franklin	1,731,047
Hamilton	1,485,354
Lucas	872,645
Montgomery	1,218,922
Summit	1,045,968

Mr. Speaker, returning to a point I made earlier, the Ohio plan permits true revenue sharing, not the limited form of revenue sharing now inherent in the Safe Streets Act, under which only the States get a generous grant of Federal funds, to be disposed of largely as the States please. Under the Ohio system—which is consistent with President Nixon's general revenue-sharing plan—there would be a meaningful pass-through of funds to the local governments. I submit, then, Mr. Speaker, for reasons that President Nixon himself has so eloquently stated, that the Ohio plan merits consideration as a model for reorganization of the Federal Government's safe streets program.

BLOCK GRANTS FOR LARGE CITIES

Mr. Speaker, why should large metropolitan areas get a block grant of Federal funds? Because, as LEAA's Mr. Leonard acknowledges, "all wisdom does not reside on the banks of the Potomac." Mr. Leonard believes there is wisdom as well in the State capitals, and therefore he approves the system under which the States share—indeed, have the principal voice—in operation of LEAA programs. Buy why stop at the State capitals? An extension of Mr. Leonard's logic leads inescapably to the proposition that all wisdom does not reside in the State capitals, either. Somewhere out there in the big cities, there must be people with brains, experience, and motivation sufficient to deal with crime at least as successfully—or no worse—than it is now being dealt with at the State and Federal levels. The fact is, it is even conceivable that crime might indeed be dealt with more effectively by those public officials most directly concerned with it.

Mr. Speaker, we still do not know—after more than 3 full years of the LEAA program—what causes crime or, once it occurs, how to cope with it in a manner that best serves the interests of society. Since these answers have so far eluded the Federal Government and all 50 State governments, why not give the cities an opportunity? Is it not possible that a city, given a healthy infusion of financial assistance, might come up with an answer or two? What have we got to lose? We know from the crime statistics that the LEAA program as presently structured is enjoying no success. Is it so sacrosanct that it must not be changed? Let us consider, rather, the prospect that, under a new arrangement, a metropolitan area somewhere in the country might achieve a measure of success. Perhaps its program could then be replicated in other cities. The key, in my opinion, is to give cities sufficient sums of money quickly, and to accord them flexibility in budgeting the money for projects that the cities themselves perceive to hold promise.

PRESIDENT NIXON PAVES THE WAY

Mr. Leonard told the Monagan subcommittee:

> I am curious about the motives of much of the criticism of LEAA. I will suggest again—that much of it stems from an end-run attempt to discredit revenue sharing, since the LEAA block grant aproach is its prototype. Revenue sharing is a partnership with the people. Those who oppose it exhibit a distrust of the people having a large voice in the operation of their government.

Mr. Speaker, I, obviously, am a critic of LEAA, but I am certain Mr. Leonard could have no quarrel with me—for I am in favor of giving the people a larger voice in the operation of their Government than he is. I advocate revenue sharing, in fact, to a degree that Mr. Leonard shrinks from. I want to give it to the cities, rather than restrict it to the States. It would be folly, Mr. Speaker, for Mr. Leonard to suspect my motives, for, as it happens, much of what I advocate has been inspired by messages that President Nixon has sent to Congress since I have been here. And Mr. Nixon, of course, should also be Mr. Leonard's source of inspiration—since Mr. Leonard serves him, as I do not.

What has Mr. Nixon said that is pertinent to this discussion? On February 4, 1971, he said in his message to Congress on general revenue sharing:

> Ironically, the central advantage of revenue sharing—the fact that it combines the advantages of Federal taxation with the advantages of State and local decision-making—is the very point at which the plan is frequently criticized. When one level of government spends money that is raised at another level, it has been argued, it will spend that money less responsibly; when those who appropriate tax revenues are no longer the same people who levy the taxes, they will no longer be as sensitive to taxpayer pressures. The best way to hold government accountable to the people, some suggest, is to be certain that taxing authority and spending authority coincide.
>
> If we look at the practice of government in modern America, however, we find that this is simply not the case. In fact, giving States and localities the power to spend certain Federal tax monies will *increase* the influence of each citizen on how those monies are used. It will make government *more* re-

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sponsive to taxpayer pressures. It will *enhance* accountability.

In the first place, there is no reason to think that the local taxpayer will be less *motivated* to exert pressure concerning the way shared revenues are spent. For one thing, the local taxpayer is usually a Federal taxpayer as well; he would know that it was his tax money that was being spent.

The reason for this is that "accountability" really depends, in the end, on accessibility—on *how easily* a given official can be held responsible for his spending decisions. The crucial question is not where the money comes from but whether the official who spends it can be made to answer to those who are affected by the choices he makes. Can they get their views through to him? Is the prospect of their future support a significant incentive for him? Can they remove him from office if they are unhappy with his performance?

These questions are far more likely to receive an affirmative answer in a smaller jurisdiction than in a larger one.

In addition, each constituent has a greater influence on policy as the number of constituents declines. An angry group of commuters, for example, will have far less impact in a Senatorial or Congressional election than in an election for alderman or county executive. And it is also true that the alderman or county executive will often be able to change the local policy in question far more easily than a single Congressman or Senator can change policy at the Federal level.

At the local level, however, the situation is often reversed. City councils, school boards and other local authorities are constantly spending revenues which are raised by State governments—in this sense, revenue sharing has been with us for some time. But the separation of taxing and spending authority does not diminish the ability of local voters to hold local officials responsible for their stewardship of *all* public funds.

In short, revenue sharing will not shield State and local officials from taxpayer pressures. It will work in just the opposite direction. Under revenue sharing, it will be harder for State and local officials to excuse their errors by pointing to empty treasures or to pass the buck by blaming Federal bureaucrats for misdirected spending. Only leaders who have the responsibility to decide and the means to implement their decisions can *really* be held accountable when they fail.

And on March 2, 1971, President Nixon said in a message to Congress that advocated a special revenue sharing program, focused on crime:

Equally burdensome are project-by-project requirements for prior Federal approval of grants. These requirements often delay the availability of much needed funds; generate Federal, as well as State and local, bureaucratic delay, and inject needless confusion into the Federal, State and local relationship. Rigidity in adhering to exact requirements is rewarded, and new or imaginative ideas are frequently lost because they fail to meet exact bureaucratic guidelines.

And, because the Federal Government, with all the best intentions, cannot really know the needs of the States and local government units as well as the people who govern at those levels, these grants frequently cannot be aimed with real precision at the needs which exist at those levels.

I have long supported the concept of block grants which permit State and local governing units to receive financial assistance on the basis of what *they* know is necessary.

I believe the time has come to further reform our system of providing financial assistance, and to streamline, where we can, the system of grant aid by adopting a system of Special Revenue Sharing which provides the benefits of Federal assistance without the burdens of assistance built into the present grant programs.

This program is based on the assumption that those who bear responsibility at the State and local level are best qualified to identify their enforcement problems, and to set the priorities and develop the means to solve these problems. It is designed particularly to encourage and provide for experimentation and innovation in the search for more effective solutions to the crime problem.

In this crime message, however, President Nixon inexplicably failed to follow his arguments to the ultimate conclusion. For some reason, he did not propose crime control to large population centers, as well as the States. The State-centered LEAA program remains intact under the Nixon plan, with some proposed changes. For example, while the States would continue to draft comprehensive crime control plans, review and approval of the plans would not be required before Federal money would begin flowing to the States. Legislation implementing this plan was introduced in the House—(H.R. 5409)—and the Senate—(S. 1087)—but the administration has not pushed either bill. I hope the President has not forgotten them, for they could become a vehicle for the kind of action I advocate.

Mr. Speaker, on March 5, 1971, President Nixon had delivered to Congress still another special revenue-sharing message, this one dealing with urban community development. In this message he again supplied us with a rationale for extending revenue sharing to cities for crime control purposes. The President said in the urban community message:

This Special Revenue Sharing program is built upon a fundamental faith in the inherent capacity of local governments to govern well—if they are given sufficient resources and sufficient responsibility.

Some will argue against such a program by contending that a number of State and local officials will prove to be unresponsive or irresponsible. But this is no reason to reject revenue sharing. Whenever one is dealing with thousands of local officials, there is always a danger that some will prove to be less worthy of one's confidence than others. That is always the risk of moving toward greater freedom—it necessarily becomes more difficult for any one authority to guarantee how the many will behave.

The question is *not* whether revenue sharing is a foolproof way to avoid bad decisions. No system can do that. The question is whether—on balance—revenue sharing is more likely or less likely to produce *good* decisions than our present system of grants-in-aid.

The question is not whether there are risks in this program. Of course there are. The question is whether the rewards outweigh those risks.

THE EMERGENCY CRIME CONTROL ACT OF 1971

With the philosophical sanction, then, of the White House, Mr. Speaker, I offer my Emergency Crime Control Act of 1971, and I ask that my colleagues here bear with me while I explain its provisions. I ask also that the Justice Department, preoccupied so far with defending the existing LEAA program, open its mind now to the proposals I make here. This bill, like most others introduced in this Chamber, is a first draft—no doubt with imperfections. Prompt comments from the Justice Department—hopefully, constructive comments—could serve either to improve the legislation, or at least to precipitate further debate on one of the urgent issues of our time.

First, the bill seeks to establish new entities for LEAA purposes, termed "high crime urban areas." Such an area is defined as—

Any city with a population of not less than 250,000 and any counties, boroughs, or parishes, if any, with respect to which such city substantially uses or shares services relating to law enforcement.

There are 56 such communities in the United States, according to the 1970 census. The figure of 250,000 is obviously arbitrary, but it was selected for two reasons. First, I believe it necessary, because of the useless "thin dew," to select a relatively small number of communities that could be soaked in a solution of tax funds thick enough to prompt the growth of meaningful crime control projects. Second, as Joseph C. Goulden pointed out last November in an excellent article in the Nation magazine:

The crime rate in cities larger than 250,000 is double the national rate.

The reason for including counties—not merely cities—in the so-called high crime urban areas is that, in most jurisdictions, the city controls the police force alone, while the county operates the courts and correctional facilities. Although most of the crime occurs in the central city rather than in the suburbs surrounding it, no comprehensive programs could be launched were the courts and correctional officials not brought into the planning and operation.

Second, the bill provides for an automatic pass-through of LEAA planning funds to the high crime urban areas. The State would act merely as a conduit, receiving the money from LEAA and relaying it. The amount of planning funds that a high crime urban area would receive would be a percentage of the planning funds the State gets from LEAA—that percentage being figured on the basis of the formula recently devised by the State of Ohio—a formula wherein both population and crime incidence is taken into account, with the crime rate being accorded twice the weight as population.

Third, the bill stipulates that such grants "be in lieu of any other grant under this subsection to any unit of general local government or combination of such units which is located within the boundary of such high crime urban area." In other words, all LEAA planning funds would go exclusively to the high crime urban area in the first instance, and none of it need be shared at that stage with any governmental entity within the area or comprising the area.

Fourth, the bill asserts that each high crime urban area, "shall constitute a separate regional planning unit." This would preclude its becoming submerged in any larger intrastate region that might exist for LEAA purposes inside the State. As a separate regional planning unit, the high crime urban area would—

(A) assist in the development of the comprehensive State plan, (B) take receipt from the State planning agency of all Federal funds granted under this part for use in such high crime urban area, and (C) assist in coordinating all law enforcement efforts within such high crime urban area which are in whole or in part assisted by Federal funds . . .

Fifth, the bill provides for an automatic block grant, from the State, of action and project funds to the high crime urban areas. Here, too, there would be an automatic pass-through of Federal funds, based on the Ohio formula. Receipt of the block grant would hinge only on two simple conditions. First, the State would have to receive a plan for use of the money, although there would be no requirement for awaiting review and approval of the plan. To impose such a requirement would serve only to delay the flow of funds. This feature is consistent with President Nixon's special revenue-sharing plan. The second condition would be that the State be notified that an Urban Law Enforcement Council has been organized within the high crime urban area. This Council, consisting of representatives of the city and county governments, would receive the funds and also be responsible for programing use and distribution of the funds within the high crime urban area. Until such a Council is organized, the State would be forbidden to hand over the block grant. It is my firm belief, Mr. Speaker, that the prospect of receiving a significant amount of money would provide sufficient incentive for the city and county officials to join hands to develop a comprehensive plan. There has been a delay in funding Ohio's large urban areas, under the Ohio plan, because not all the city and county officials have come together to draft a plan. In the meantime, the State has been funding individual projects within the urban areas. But under my proposal, projects within the geographical confines of the high crime urban area could not be funded by the State unless the Council has been organized to receive the money and sanction the project. Where there is initial foot-dragging on establishing a Council, I should think it would end quickly under my proposal, because civic pressure on the public officials would become overwhelming. One could expect such pressures to develop when it becomes known that a significant sum of money is available to the area, but it has not been claimed because of bickering or stubbornness by elected officials.

Sixth, the bill would give to the Council exclusive control of all LEAA funds contained in the block grant to the high crime urban area. The bill says:

Each such block grant shall be designed to cover all law enforcement programs and projects which are undertaken within the high crime urban area.

THE SPECIAL IMPACT PROGRAM

In addition to this basic restructuring of the LEAA, I am proposing also, at this time, a new emergency program to rapidly channel crime-fighting funds to urban areas where the immediate need is so desperate. For much too long now, residents of our cities have been victimized by a crime rate greatly exceeding that of suburban and rural areas. I do not think they should be made to wait a moment longer for additional protection.

More money alone will not solve the crime problem in our cities, but at least it will put more policemen on the beat, help law enforcement officers to obtain modern equipment, and allow other needed improvements—now in the criminal justice system as a whole.

For these reasons, I urge the enactment of a temporary 3-year program of direct Federal block grants to the high crime urban areas for law enforcement purposes.

In this connection, then, title II of the Emergency Crime Control Act of 1971 provides for temporary "special impact grants" to the high crime urban areas—"to enable them to accelerate the initiation or expansion of programs and projects designed to cope with the unique and growing problem of urban crime." These grants would be made directly to the councils by LEAA, and would not be channeled through the States. The grant would be based wholly on the population of each area—$5 per capita. Total cost of the special impact program would be about $362,500,000 a year for 3 years. For fiscal year 1972, this would require supplementing the appropriation for LEAA, but in that event, the total appropriation still would fall within the figure authorized earlier by Congress. Purposes of these grants would be to give the urban areas a truly adequate sum of money, hopefully for developing experimental and innovative projects. There would be absolutely no strings attached, in contrast to the block grant received from the States, which would be subject to certain restrictions and matching requirements already written into the Safe Streets Act. Under the special impact program, funding would be immediate. Again, only two prior conditions would have to be met. First, LEAA would have to receive notification that a council has been organized; second, the council would have to file a plan indicating how the money is to be used—but, again, review and approval of the plan would not be required prior to funding.

Further the bill states that it is the intention of Congress that the special impact funds are to be so used as not to supplant State or local funds, but to increase the amounts of such funds that would in the absence of such Federal funds be made available for law enforcement purposes.

Another reason for the Special Impact grants, Mr. Speaker, is that the so-called discretionary funding program of LEAA has not been operating as it should. My colleagues here will recall that, under the discretionary program, LEAA holds back a certain sum of money that is omitted from the initial distribution to the States. Out of this sum, LEAA funds projects that the agency itself selects. Some cities that have felt neglected by their States have looked to the discretionary program for relief. However, it has been LEAA's policy to funnel the discretionary funds, too, through the States. This has been the case even though the Comptroller General said in a ruling issued January 5, 1970—B–157179—that there is ample authority in the Safe Streets Act for the LEAA administrator to dispatch discretionary funds directly to the cities. One result has been, ironically, that it takes even longer for cities to receive discretionary funds from LEAA than it does for them to receive regular Safe Streets funds from the States. The U.S. Conference of Mayors, in its statement filed with the Monagan subcommittee last week, had this to say about the discretionary program:

The discretionary grant program, that element of the Safe Streets Act to which cities have looked with some hope ever since the start of the program, is also becoming increasingly difficult for cities to participate in. Though the legislative history surrounding enactment of the Safe Streets Act, and language in the statute itself, clearly intended for LEAA to provide support for projects developed at the local level, the discretionary program is increasingly being used by LEAA to impose its "impact" priorities on the cities.

Unfortunately, LEAA is having difficulty deciding what its "impact" priorities should be, thus making it impossible for cities to apply for discretionary grant assistance and get any idea of whether the project will be funded.

Earlier this year, LEAA indicated to cities that there would be a large surplus of discretionary grant funds available in fiscal 1971 and that the cities should take immediate action to develop projects for which these funds could be used. On this invitation, many cities spent considerable money and effort developing applications for projects which would improve their criminal justice systems in areas of most urgent concern.

Applications for funds filed under this program now total well over $200 million. Hopes were high. However, only $70 million is available and despite the high level of quality applications, LEAA has yet to set its own priorities and very little of this $70 million has been allocated. As a consequence of the frustrations arising from this experience, cities and counties are likely to avoid the discretionary program in the future except where a program is a low priority and can be set aside for a time or deleted without damage.

For example, Portland, Oregon submitted 13 applications for discretionary funding in 1971. Nine propcsals were rejected, one funded and three are pending. No reasons were given for the rejections, and the funded project was not the highest priority. The city gave the state a list of its discretionary priorities, which was worked into the State's list of priorities. The proposals which have been funded by LEAA were at the bottom of the list. Meanwhile, the county bought a building to operate grants which have failed to come in. In another case in the same city, the LEAA regional office recommended that Portland seek refunding of a "Large City Special Grant" under another category. It was a high priority program and was rejected. They could have continued it in the same category had not the Regional Office, in error, intervened."

Appended here, Mr. Speaker, is a list of the proposed high crime urban areas and their populations. Some of the areas take in more than one county because the central city is served by criminal justice facilities of more than one county:

New York, N.Y.	7,895,563
Chicago, Ill.	5,985,710
Los Angeles, Calif.	7,632,075
Philadelphia, Pa.	1,950,098
Detroit, Mich.	2,669,604
Houston, Tex.	1,843,705
Baltimore, Md.	905,759
Dallas, Tex.	1,327,321
Washington, D.C.	756,510
Cleveland, Ohio	1,721,300
Indianapolis, Ind.	793,590
Milwaukee, Wis.	1,123,088
San Francisco, Calif.	715,674
San Diego, Calif.	357,854

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San Antonio, Tex	830,460
Boston, Mass	735,190
Memphis, Tenn	722,114
St. Louis, Mo	622,230
New Orleans, La	593,471
Phoenix, Ariz	968,487
Columbus, Ohio	833,249
Seattle, Wash	1,156,638
Jacksonville, Fla	528,365
Denver, Colo	514,678
Kansas City, Mo	809,961
Atlanta, Ga	1,022,979
Buffalo, N.Y	1,113,491
Cincinnati, Ohio	924,018
Nashville-Davidson, Tenn	447,877
San Jose, Calif	1,064,714
Minneapolis, Minn	960,080
Ft. Worth, Tex	762,086
Portland, Oreg	878,676
Toledo, Ohio	484,370
Newark, N.J	929,986
Oklahoma City, Okla	699,092
Oakland, Calif	1,073,184
Louisville, Ky	695,055
Long Beach, Calif	7,032,075
Omaha, Nebr	389,455
Miami, Fla	1,267,792
Tulsa, Okla	429,732
Honolulu, Hawaii	630,528
El Paso, Tex	359,291
St. Paul, Minn	476,354
Norfolk, Va	307,951
Birmingham, Ala	644,991
Rochester, N.Y	711,917
Tampa, Fla	490,265
Wichita, Kans	350,694
Akron, Ohio	553,371
Tucson, Ariz	351,667
Jersey City, N.J	609,266
Sacramento, Calif	631,498
Austin, Tex	295,516

At this point, Mr. Speaker, I enter also, for the consideration of my colleagues, the text of the Emergency Crime Control Act of 1971. The bill follows:

H.R. 11813

A bill to provide for greater and more efficient Federal financial assistance to certain large cities with a high incidence of crime, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Crime Control Act of 1971".

TITLE I—PLANNING AND LAW ENFORCEMENT GRANTS TO HIGH CRIME URBAN AREA

DEFINITION OF HIGH CRIME URBAN AREA

SEC. 101. Section 601 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(A) in subsection (d), by inserting after "means any" the following: "high crime urban area", and

(B) by adding at the end thereof the following new subsection:

"(m) 'High crime urban area' means any city with a population of not less than 250,000 and any counties, boroughs, or parishes, if any, with respect to which such city substantially uses or shares services relating to law enforcement."

HIGH CRIME URBAN AREAS TO CONSTITUTE SEPARATE REGIONAL PLANNING UNITS

SEC. 102. Section 303 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by striking out "and" at the end of paragraph (11), striking out the period at the end of paragraph (12) and inserting in lieu thereof "; and", and adding at the end thereof the following:

"(13) provide that in addition to other regional planning units, if any, which may be established within the State, each high crime urban area within such State shall constitute a separate regional planning unit which shall (A) assist in the development of the comprehensive State plan, (B) take receipt from the State planning agency of all Federal funds granted under this part for use in such high crime urban area, and (C) assist in coordinating all law enforcement efforts within such high crime urban area which are in whole or in part assisted by Federal funds under this title."

PLANNING GRANTS TO HIGH CRIME URBAN AREAS

SEC. 103. Section 203 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(A) by inserting "(1)" immediately after the subsection designation "(c)";

(B) in the third sentence of subsection (c), by striking out "In" and inserting in lieu thereof the following: "Except as provided in paragraph (2), in"; and

(C) by inserting immediately after subsection (c) the following new paragraph:

"(2) (A) In allocating such 40 per centum of funds to units of general local government under this subsection, each State planning agency shall grant to each high crime urban area within its jurisdiction an amount which is determined by the following formula:

"(i) Multiply 1 times the percentage of the State population which resides within the particular high crime urban area.

"(ii) Multiply 2 times the percentage of the incidence of all crime in the State which takes place in the particular high crime urban area (as determined by the use of suitable crime statistics).

"(iii) Add the products determined under clauses (i) and (ii), and divide the sum of the products by 3.

"(iv) The quotient determined under clause (iii) represents the percentage of such 40 per centum of funds which shall be granted in each case under this subsection to each high crime urban area.

"(B) A grant made under this paragraph to a high crime urban area shall be in lieu of any other grant under this subsection to any unit of general local government or combination of such units which is located within the boundary of such high crime urban area."

LAW ENFORCEMENT BLOCK GRANTS TO HIGH CRIME URBAN AREAS

SEC. 104. Section 304 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting immediately after "Sec. 304." the following: "(a) Except as provided in subsection (b)," and by adding at the end thereof the following new subsection:

"(b) (1) Notwithstanding the provisions of subsection (a), each State planning agency shall make a block grant in lieu of program and project grants to each high crime urban area within the State which (A) notifies such agency that there has been organized within such area an Urban Law Enforcement Council and (B) submits to such agency a plan for the use of such grant. Such notification and submission of a plan shall be in lieu of any application for assistance under this part on behalf of any other unit of general local government or combination of units of general local government which is included within the boundary of such high crime urban area. Each such block grant shall be made directly to the Urban Law Enforcement Council (or such fiscal agent as the Council may designate), and each such Council shall have the responsibility for determining the manner and method in which each such grant is used within the high crime urban area it represents. Each such block grant shall be designed to cover all law enforcement programs and projects which are undertaken within the high crime urban area.

"(2) Each State planning agency shall grant to each high crime urban area an amount which is determined by the following formula:

"(A) Multiply 1 times the percentage of the State population which resides within the particular high crime urban area.

"(B) Multiply 2 times the percentage of the incidence of all crime in the State which takes place in the particular high crime urban area (as determined by the use of suitable crime statistics).

"(C) Add the products determined under subparagraphs (A) and (B), and divide the sum of the products by 3.

"(D) The quotient determined under subparagraph (C) represents the percentage of all funds (available from the State under this part for grants to units of general local government and combinations of such units) which shall be granted in each case to each high crime urban area.

"(3) The Urban Law Enforcement Council for each high crime urban area shall be composed of representatives of (A) each city within such high crime urban area with a population of not less than 250,000, and (B) each county, borough, or parish, if any, with respect to which each such city substantially uses or shares services relating to law enforcement."

TITLE II—SPECIAL IMPACT GRANTS TO HIGH INTENSITY URBAN AREAS

SEC. 201. Title I of the Omnibus Crime Control and Safe Streets Act is amended by redesignating parts F, G, H, and I as parts G, H, I, and J, respectively, and inserting after part E the following new part:

"PART F—GRANTS FOR COMBATING CRIME IN HIGH-CRIME URBAN AREAS

"SEC. 471. It is the purpose of this part to provide Federal financial assistance to certain urban areas in order to enable them to accelerate the initiation or expansion of programs and projects designed to cope with the unique and growing problem of urban crime

"SEC. 472. The Administration shall make a block grant under this part to each high crime urban area which (A) notifies it that there has been organized within such area an Urban Law Enforcement Council (as provided for in section 304(b)(3)), and (B) submits to it a plan for the use of such grant. The Administration shall make a block grant under this part to each high crime urban area in the amount of $5 per person multiplied by the population of such area as determined by the most recently available decennial census. It is the intention of the Congress that Federal funds made available under this title will not be used to supplant State or local funds, but will be used to increase the amount of funds that would otherwise be made available for law enforcement purposes.

"SEC. 473. If the sums appropriated for any fiscal year for making grants pursuant to this part are not sufficient to pay in full the total amounts which all eligible units of general local government are eligible to receive under this part for such year, then the amount available for grants to such eligible units shall be ratably reduced if necessary.

"SEC. 474. Grants shall be made available under this part for the fiscal years ending June 30, 1972, June 30, 1973, and June 30, 1974. At the close of the fiscal year ending June 30, 1974, no further grants shall be made under this part. There is authorized to be appropriated such sums as may be necessary for the purposes of carrying out this part."

LONG-TERM FINANCING FOR CORPORATION FOR PUBLIC BROADCASTING

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. MACDONALD) is recognized for 30 minutes.

Mr. MACDONALD of Massachusetts. Mr. Speaker, today I am introducing legislation which will provide long-term financing for the Corporation for Public Broadcasting.

In 1967 the Carnegie Commission urged that the Corporation for Public Broadcasting be financed on a long-term basis in order to permit its operation free from "political interference." The legislation which created CPB and which came out of the communications subcommittee following the Carnegie Commission report did not establish the mechanism for true permanent financing of CPB. It was felt that more time and study were required before making such an important decision.

At that time Congress authorized $9 million to be appropriated to enable the Corporation to come into being. It was made clear that this was intended to be "seed money" pending a long-range financing plan to be submitted by the administration. In the committee report which accompanied the Public Broadcasting Act, the need for permanent financing was stated clearly and concisely by the ranking minority member of our committee, Congressman WILLIAM SPRINGER, who urged that "a workable and acceptable plan must be presented or all that we have done to date will be for naught."

But to date, 3 years into this administration's term, the Congress and the American people are still waiting for such a plan from the executive branch. Last year during the 1972 budget preparation period a decision was made by the administration to develop financing legislation for CPB. Nine months ago, the President renewed the commitment delivered when he stated in his proposed budget for fiscal year 1972:

Legislation will be proposed to provide an improved financing arrangement for the Corporation.

After a series of unending delays we are still without an administration plan.

My responsibilities as chairman of the Communications and Power Subcommittee of the Interstate and Foreign Commerce Committee require me to point out the seriousness of the present situation: further delay will jeopardize the continuation and endanger the effectiveness of public broadcasting. Absent a financing plan for this purpose, we must face up to the fact that discontinuance of public broadcasting is a logical consequence. Unless action is taken immediately millions of Americans who have gotten into the habit of looking and listening regularly to public broadcasting for quality programing in both the education and the entertainment fields will be deprived of that source of relief from the often banal offerings of commercial broadcasting.

The responsibility for initiating the promised permanent financing legislation within the executive branch lies with the Office of Telecommunications Policy.

Its director spoke at the recent convention of the National Association of Broadcasters—NAEB—in Miami and criticized public broadcasting for the directions in which he claimed it was heading. Yet all he could say about the administration's plan to improve CPB financing was that it lay in the distant future if public broadcasting continues to be structured as it is today and moving in the direction it seems to be headed. And still we in the Congress wait.

Developments during this year, capped by this suggestion by an administration appointee that public broadcasting structure itself in his image, illustrate more clearly than ever the need for permanent insulation of the Corporation from outside interference and control.

Public broadcasting is being subjected to a new technique developed in Washington which can be termed "intimidation by raised eyebrow." While the current administration certainly did not originate the technique, it has refined it to a real art. A well-placed phone call, a well-timed speech, or a coincidental personal investigation can all apply that Government pressure which we had hoped the media were protected from by virtue of the Constitution or an act of Congress.

The theme of freedom from governmental pressures has been dominant in virtually all discussions of permanent financing for the Corporation for Public Broadcasting. I have repeatedly emphasized that the presence of Federal money must not turn public broadcasting into a voice of the Government. For while public broadcasters must depend upon Federal sources for funding, they must be assured that they will be free from any Federal control over programing.

The Chairman of the Federal Communications Commission, Dean Burch, reiterated the point in his testimony before the Communications Subcommittee in April of 1970:

The Commission wishes to stress, however, as it has in the past, the crucial importance of obtaining for the Corporation at the earliest possible time a permanent financial base not dependant upon annual appropriations. The Committee will recall that the Carnegie Commission recommended establishment of permanent financing of a very substantial order at an early date. Too great a delay in finding the permanent financing solution will adversely affect the development of the Corporation and thus of the nation's noncommercial educational system.

In the absence of an administration plan for financing, I have decided to introduce a bill which is designed to embrace the characteristics of permanent financing and which is at the same time consistent with sound economic principles that do not impose unreasonable burdens upon any segment of the economy.

This legislation would establish a special fund in the Treasury known as the "Public Broadcasting Fund."

Money would go into the fund through a 2-for-1 matching program with a definite base amount set aside for the Corporation. The bill calls for maximum funding limits over a 5-year period 1973 through 1977. It also provides that of the total amount received by the Corporation from the fund each year, not less than 30 percent shall be distributed to public television and radio stations. This provision will insure that continued and increased support to the stations will remain a top priority of the Corporation.

The matching provision in my bill is intended to provide an incentive for increased non-Federal support. I am hopeful this will encourage State and local governments, as well as private sources, to increase their contribution to this unique and greatly-needed public service.

It is important, I believe, that this proposed funding plan will permit the Corporation to maintain administrative discretion over program and station support grants, as well as all other services provided by the Corporation.

In order for the Corporation to discharge its responsibility to build and strengthen a public broadcasting system that best serves the greatest number of American listeners and viewers, it must be free in its decisionmaking responsibility. The Public Broadcasting Act of 1967 is grounded on that principle.

The full promise of public broadcasting cannot be achieved until a plan for permanent financing is put into effect. I am confident the Congress will recognize this fact and adopt this much needed legislation. Also, I encourage the administration to work with us in a cooperative spirit of support for our efforts.

Mr. Speaker, I include a summary of this legislation and urge its consideration by my colleagues.

ANALYSIS AND SUMMARY

Variations of the "matching fund" concept were included in both the Corporation's authorization bill for fiscal years 1971 and 1972. This "matching fund" proposal does embrace the characteristics of permanent financing which are consistent with sound economic principles that do not impose unreasonable burdens upon any segment of the economy. Those characteristics are:

1. Protection from extraneous influence and control;
2. Large in amount;
3. Stable and assured;
4. Capable of increases over time;
5. Devoid of harsh economic effects on commercial broadcasting or other enterprises, or on particular segments of the public;
6. Sensible in linkage between those who pay and those who benefit;
7. Compatible with (and encouraging to) growth of non-Federal financing.

Explanation of the proposed technical changes in the 1967 Act, and a description of the "matching fund" section including the levels of funding requested over a five-year period follows:

TITLE I—EXPANSION OF SCOPE AND IMPROVED FINANCING OF CORPORATION FOR PUBLIC BROADCASTING

Sec. 101.

(a) (J). New subparagraph (J) is intended to provide Corporation authority to "encourage and assist the utilization and development" of new technology (nonbroadcast) for the production and distribution of educational radio and television programs.

(b) (K) (1). Subsection (K) of the Act (financing section) is amended to provide for the establishment of a special fund in the Treasury known as the "Public Broadcasting Fund." A five-year appropriation is requetsed calling for the following amounts:

(1) $65,000,000 for fiscal year ending June 30, 1973;

(2) $90,000,000 for fiscal year ending June 30, 1974;

(3) $120,000,000 for fiscal year ending June 30, 1975;

(4) $140,000,000 for fiscal year ending June 30, 1976; and

(5) $160,000,000 for fiscal year ending June 30, 1977.

(b) (K) (2). This section establishes procedures for distributing funds from the Treasury Fund to the Corporation.

(A) A base of $35,000,000 in fiscal year 1973; $40,00,000 in fiscal year 1974; and

$50,000,000 in each of the three succeeding

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fiscal years is provided from the Fund directly to the Corporation for its own use.

(B) An amount which equals one-half of the non-Federal support for public broadcasting (match provision) is also made available to the Corporation provided, however, the *total* amount distributed to the Corporation does not exceed $65,000,000 in FY 1973; $90,000,000 in FY 1974; $120,000,000 in FY 1975; $140,000,000 in FY 1976; and $160,000,000 in FY 1977.

The matching provision is intended to provide an incentive for increasing non-Federal support to the public broadcasting system. The multi-year funding levels represent projections made by the Corporation over the past three years and agreed as reasonable by the Administration. They are in keeping with the needs of the system and the anticipated growth of non-Federal income to the system as a whole.

(b) (K) (3). This subsection provides that the Corporation will distribute not less than 30% of the total amount received from the fund each year to the stations.

(b) (K) (4). This subsection provides that the Corporation shall set "Standards" for eligibility and distribution of the funds provided under the proceeding paragraph.

(b) (K) (5). Provides that monies paid from the Treasury Fund to the Corporation shall be paid at the beginning of each fiscal year.

In summary, the characteristics of this proposal provides for:

(1) Creation of "Public Broadcasting Fund" within the Treasury;

(2) Authorizes deposits in the Fund for a five-year period;

(3) Amounts authorized:

(a) A definite amount of $35 million increasing to $50 million after 3 years; and

(b) An "incentive" amount (one-half of the total, non-Federal funds received by the whole non-commercial system).

(4) Of the Federally appropriated funds under the bill, 30% would be distributed to the stations according to standards established by the Corporation.

PERSONAL ANNOUNCEMENT

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 5 minutes.

Mr. DANIELSON. Mr. Speaker, on Monday, November 15, 1971, I was necessarily absent from the House Chamber on official business where I was discussing current legislation before the annual conference of the North American Judges Association.

During the proceedings, a number of rollcall votes were taken on bills which were brought up under suspension of the rules. Had I been present, I would have voted as follows:

I would have voted "yea" on roll No. 386, the Cancer Attack Act, H.R. 11302, which passed with a vote of yeas 350, nays 5.

I would have voted "yea" on roll No. 387, membership in international criminal police, H.R. 11350, which passed with a vote of yeas 344, nays 0.

I would have voted "yea" on roll No. 388, copyright protection, Senate Joint Resolution 132, which passed with a vote of yeas 300, nays 49.

I would have voted "yea" on roll No. 389, disability and death pension, H.R. 11651, which passed with a vote of yeas 351, nays 0.

I would have voted "yea" on roll No. 394, dependency and indemnity compensation, H.R. 11652, which passed with a vote of yeas 350, nays 0.

I would have noted "nay" on roll No. 391, redwood tracts taken for parks, H.R. 11080, which was defeated by a vote of yeas 148, nays 203.

COMPREHENSIVE TEST BAN TREATY—CAN IT BE VERIFIED

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. HOLIFIELD) is recognized for 15 minutes.

Mr. HOLIFIELD. Mr. Speaker, on October 27 and 28, 1971, the Joint Committee on Atomic Energy held public hearings on the matter of nuclear test detection identification, and location. These open hearings were held by Congressman MELVIN PRICE, chairman of the Subcommittee on Research, Development and Radiation. The purpose of the hearings was to determine progress that had been made in the ability of seismologists to differentiate between earthquakes and underground nuclear explosions.

Beginning in the late 1950's, the Joint Committee has been in the forefront of those who wished to understand the process of nuclear test detection, identification, and location so that we could achieve what all world leaders should want—and that is a comprehensive nuclear test ban treaty which could be undertaken by all nations without fear that clandestine and undetected nuclear tests could take place for the development of weapons. The October 27–28 hearings were to update the last Joint Committee hearings held in 1963.

I would like to commend my colleague, MEL PRICE, for an excellent job. The Joint Committee hearings were geared to understanding the technical accomplishments which would or would not allow the United States to enter into a comprehensive test ban treaty.

I believe the hearings brought out two significant points.

First of all, a determined evader could conduct nuclear tests with a good probability of not being caught if he stayed below the 20-kiloton range. Nuclear weapons scientists tell me that much could be accomplished in nuclear weapons development below that range.

The second significant point brought out is that onsite inspection would not be of as much value as we previously thought if the basic seismic data did not reveal a reasonably precise location for an onsite inspection team to search.

The subcommittee is now giving consideration to holding follow-on hearings to look into the broader aspects of the detection, identification, and location of seismic events as they relate to a comprehensive test ban treaty. I believe clearly that we have taken a significant first step by obtaining the technical data associated with developments of seismology in the field of underground nuclear test detection. The scientific testimony received appears to indicate that much more must be done before the United States can have any real assurance that clandestine underground nuclear tests conducted by potential adversaries could be identified and located by so-called national means.

A broader issue which has in it hidden potential danger to our national security is whether for international political reasons we are willing to make a judgment that it is not significant what can be accomplished below 20 kilotons. Before making this judgment, I would like to receive more reassuring testimony than I heard at the October 27–28 meetings.

In connection with the vitally important question of detection, identification, and location of nuclear weapons tests, I think it is well to point out, as I did in a statement last April 13, that the press has consistently given an optimistic interpretation to the accomplishments that seismologists have made in identifying nuclear weapons tests. An example of this can be found in a Washington Post article of last April which the headline "Tiniest A-Blasts Identifiable Now." This article states, in part, the following:

> The improvements in explosion detection now enable seismometers as far away as 4,000 miles to pick out weapons tests with less force than one kiloton.

The article of course does not go into the matters of identification and location of a particular detonation. I contrast that with the responsible reporting by the Stockholm International Peace Research Institute—SIPRI—in its 1971 progress report entitled "Seismic Methods for Monitoring Underground Explosions" which indicates that, and I quote:

> We can also identify as such explosions from known test sites if they are equivalent to an explosion with a yield of 20 kilotons or more in hard rock.

The members of the SIPRI Seismic Study Group come from various nations throughout the world and are outstanding seismologists and students of world affairs. I would like to list them at this point in the RECORD:

Prof. Liviu Constantinescu, Bucharest, Romania.
Dr. David Davies, Cambridge, Mass.
Dr. Ulf Ericsson, Stockholm, Sweden.
Prof. Eugene Herrin, Dallas, Tex.
Dr. V. Karnik, Sporilov, Czechoslovakia.
Dr. Pierre Mechler, Paris, France.
Prof. S. Miyamura, Tokyo, Japan.
Prof. Ivan Pasechnik, Moscow, U.S.S.R.
Prof. Frank Press, Cambridge, Mass.
Dr. H. Thirlaway, Berkshire, England.
Dr. T. G. Varghese, Bombay, India.
Dr. Kenneth Whitham, Ottawa, Canada.

With improvements which we all hope will be available in the future, the SIPRI report indicates the probability of identifying explosions with yields as low as 2 kilotons in hard rock. However, this study points out that even with future improvements this result, while valid for the Western United States, still needs verification for other regions. I would like to point out that the Western United States is probably the world's best calibrated area from a seismic point of view.

At this point in the RECORD I would like to include a summary from the 1971 progress report published by SIPRI on this matter.

SUMMARY

The discriminant based on the relative excitation of surface waves and body waves by earthquakes and explosions has continued to be the most successful means of identifying events. Explosions are found to generate significantly less surface waves that earthquakes for a given excitation of body waves.

Using this technique, we may make three distinct statements about seismic discrimination capability on a global basis.

(i) With the currently deployed instruments we can identify as such almost every earthquake in Eurasia that is reported by a standard agency (United States Coast and Geodetic Survey). We can also identify as such explosions from known test sites if they are equivalent to an explosion with a yield of 20 kilotons or more in hard rock.

(ii) Major instrumental developments now being applied in new deployment of instruments is likely to lower this explosion threshold to 10 kilotons in hard rock in the next two years.

(iii) Looking further ahead, results from studies of explosions and earthquakes in the Western United States indicate that a lower threshold should be attainable everywhere. There are sufficient differences between explosions and earthquakes that explosions with yields as low as 2 kilotons in hard rock can probably be identified with improved definitions of discrimination parametres. This result, while valid for the Western U.S., needs verification for other regions. If verification is obtained, the establishment of this capability on a global basis will require substantial investment in an improved network.

The only events which at present cannot be effectively discriminated by the body-wave/surface-wave discriminant are explosions of less than 20 kilotons in hardrock and earthquakes that generate anomalously low surface waves. A recent Canadian study indicates that the number of earthquakes falling into the latter category is very small. Thus the lack of a surface wave for small explosions can be a valuable aid to discrimination.

The above figures are all based on experience with explosions at existing test sites. Theoretical predictions of discriminative capability can be made for explosions sites at any other location. They show that there are at present regions in which explosions of somewhat larger yield could be fired and not be identified. Improved instrumentation will lower this threshold too.

Other discriminants based on spectral differences between explosions and earthquakes have as yet only proved of limited value.

The reasons for discrimination are still not perfectly understood, but it is suggested that the nature of the long term displacement at the focus of an event controls the marked differences in excitation of surface and body waves. There is still a need for more detailed work on the nature of the seismic source and radiation from its vicinity.

At low yields discrimination becomes prey to variability in properties of the Earth both near the source and along the propagation path. As yet these have not produced an insurmountable obstacle to discrimination.

Modest instrumentation changes such as recording conventional instruments on magnetic tape may significantly improve surface wave detection capability.

Firing an explosion in softer rock can raise the yield threshold for discrimination. It is also possible to pursue techniques to conceal explosions—an inadequate amount of data exists for a full evaluation of some of these techniques and appropriate countermeasures.

Finally, Mr. Speaker, I would like to point out that the report from the SIPRI seismic group has certainly been recognized as an authoritative document. In the November 5, 1971, issue of Nature magazine we find the following statement:

> Indeed, the seismologists are understandably divided on the issue—some of those who gave evidence in Washington last week were confident that it would be feasible promptly to extend the test-ban to cover underground tests, but others thought the time had not come. From a strictly technical point of view, this ambivalence is borne out by the 1971 progress report of the Stockholm International Peace Research Institute (SIPRI) on *Seismic Methods for Monitoring Underground Explosions*, Dr. David Davies' latest supplement to the first report on seismic detection methods now distributed from Stockholm. The improvements of technique in the past two years have been considerable—new instruments now being laid out should make it possible two years from now to discriminate between explosions and earthquakes by remote methods where the explosions are equivalent to ten kilotons detonated in hard rock.

This particular article was printed before the Cannikin test took place. However, it does point out that those who truly study these exotic scientific subjects should be more carefully listened to than the doomsday prophets.

I request that the entire article be included at this point in the RECORD.

WILL THE TEST BAN EVER BECOME TRUE?

These are confusing times for those who hope that the partial test-ban treaty will one of these days be extended to cover explosions beneath the ground. In the United States (see page 6) President Nixon seems finally to have agreed to let the underground test in the Aleutians take place. The Joint Committee on Atomic Energy in Washington has also been mulling over the question—the chances are that it will accept the Department of Defense's view that it would be unwise at this stage to extend the partial test-ban. Indeed, the seismologists are understandably divided on the issue—some of those who gave evidence in Washington last week were confident that it would be feasible promptly to extend the test-ban to cover underground tests, but others thought the time had not come. From a strictly technical point of view, this ambivalence is borne out by the 1971 progress report of the Stockholm International Peace Research Institute (SIPRI) on *Seismic Methods for Monitoring Underground Explosions*, Dr. David Davies' latest supplement to the first report on seismic detection methods now distributed from Stockholm. The improvements of technique in the past two years have been considerable—new instruments now being laid out should make it possible two years from now to discriminate between explosions and earthquakes by remote methods where the explosions are equivalent to ten kilotons detonated in hard rock. There is even a chance that the limit of discrimination will settle at two kilotons when there is more experience of the advanced instruments.

The Cannikin test in the Aleutians is worrying for several reasons. It will most probably not trigger off an earthquake, and to that extent the Atomic Energy Commission was probably within its rights. The ecological dangers of which people have spoken are themselves ill-defined and improbable, although the way in which the Council on Environmental Quality has declined to comment on the AEC's environmental statement is a slap in the face for those who have been waiting for great things from the council. The real objection to the Cannikin test is political. For one thing, it gives offence to neighbouring countries, Canada and Japan in particular. For another, since it seems to be acknowledged that the test is part of the programme to develop warheads for anti-ballistic missiles, the occasion seems to serve notice that the SALT talks are making less rapid progress than people had been hoping. Dr. James Schlesinger, the chairman of the AEC, said last week that he did not expect the tests to affect the talks; most of his listeners will believe that that can be true only if the talks are going badly. It is true, of course, that the Soviet Union has only recently fired an underground explosion in its testing ground at Novaya Zemlya, so that both partners in the talks seem to be following the same despondent line. Unhappily, even here the facts are not clear. The AEC says that the most recent Russian test was of a weapon with a yield of three megatons or more, but the calibration of the magnitude of the surface waves produced by explosions of different power (reported by Dr. P. D. Marshall and his colleagues on page 8) suggests that the Russian explosion most probably had a power less than 1.5 megatons. The amplitude of the surface waves have after all been published. The question in people's minds is bound to be whether the AEC is trying to make five megatons in the Aleutians seem a little more palatable to everybody by exaggerating the size of the explosion.

The difficulty of discriminating between underground tests and earthquakes will, in principle, never be solved. The more sensitive the instruments become, the greater will become the number of tiny earthquakes which they record and the greater will be the possibility that quite small, nuclear explosions will go undetected. And it will not be long before instruments are refined to the point at which it will be necessary to distinguished nuclear explosions from other artefacts—ordinary chemical explosions, for example. In other words, there is plainly a limit to the perfectibility of a monitoring system operated by remote control. The practical question, is therefore, to decide at what point in the progressive improvement of seismic detectors it will be best to say that the time has come to settle for a treaty.

What are the risks? The United States Congress and those government departments which fan its suspicions of any agreement that lacks provision for on-site inspection will always of course be able to shelter behind the view that no treaty can bring utter security. Any comprehensive test-ban treaty based on remote control is bound to allow some small explosions to go undetected. The question, from the point of view of the United States, is whether the Russian government has a military need to test weapons with an explosive power of a kiloton or two, whether it would risk the contumely of being discovered by some other method—espionage, perhaps—to have broken a treaty for the sake of such minisicule explosions and whether, in any case, there would be a military advantage in making such tests. After all, the days of the tactical nuclear weapon are over. In short, the point has probably been reached when a slavish insistence on on-site inspection has come to seem an attempt to avoid what could be an exceedingly valuable international agreement. The longer this goes on—and the Soviet government is as much to blame as the American—the more discreditable it will seem.

AMENDMENTS TO BE OFFERED BY MR. FREY OF FLORIDA TO AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS TO H.R. 11060

(Mr. FREY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FREY. Mr. Speaker, during the markup of the Campaign Communications Reform Act, I offered, among other strengthening amendments, one which would allow a candidate to spend his money as he wished while maintaining the overall 10-cent spending limitation. My amendment was based on the fact that what we are trying to prevent is

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someone buying an election. Why should it be OK to spend all of your money on newspapers but wrong to spent it on radio and television? Campaign techniques vary and each district and each State present different problems, stressing the need for flexibility in campaign reform legislation.

My amendment, which would allow this, passed the full committee several times, but eventually lost when the Macdonald substitute was adopted by a 23 to 20 vote. While I am still very much in favor of an approach with complete flexibility, and feel anything less is discriminatory toward radio and television, the overriding issue here is the need for getting campaign reform now. The people in this country are questioning the integrity of our political system and all of those involved in the political process. If we do not take steps to insure that individuals of both parties do not "buy" seats by tremendous spending, the faith in our system, which is already tenuous, will be weakened further. Therefore, in the spirit of compromise, because of the great need for reform, and because I fear the chances will be poor next year to adopt such legislation, I am offering an amendment that will do the following:

First. Keep the overall spending for radio, television, newspapers, and magazines at 10 cents per voter population or $40,000, whichever is greater;

Second. Increase the amount expendible for the broadcast media to 6 cents or 60 percent of the $40,000, whichever is greater, in lieu of the 5 cents limitation on radio and television now in the bill;

Third. And amend the communications price index to conform to the change.

The full text of the amendment to be offered follows:

AMENDMENTS TO BE OFFERED BY MR. FREY OF FLORIDA TO AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS TO H.R. 11060

Page 4, strike out lines 8 through 21, and insert in lieu thereof the following:

SEC. 105. (a)(1) No legally qualified candidate in an election (other than a primary or primary runoff election) for a Federal elective office may—

(A) spend for the use of communications media on behalf of his candidacy in such election a total amount in excess of the greater of—

(i) 10 cents (or such greater amount as may be certified under paragraph (4)(A)(i)) multiplied by the voting age population as certified under paragraph (4)(B)) of the geographical area in which the election for such office is held, or

(ii) $40,000 (or such greater amount as may be certified under paragraph (4)(B)(ii)), or

(B) spend for the use of broadcast stations on behalf of his candidacy in such election a total amount in excess of 60 per centum of the amount determined under subparagraph (A) with respect to such election.

Page 6, beginning on line 24, strike out "in the Federal Register" and all that follows down through "1972." in line 3 on page 7, and insert in lieu thereof the following: in the Federal Register—

(i) an amount which bears the same ratio to 10 cents, and

(ii) an amount which bears the same ratio to $40,000,

as the value of the communications price index for the last calendar year ending before the date of certification bears to the value of such index for 1972.

THE 18-YEAR-OLD VOTE—A PERCEPTIVE COMMENT BY EDWARD BOURASSA ON THE NEED TO REGISTER

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, this year we lowered, at long last, the voting age to 18 for all elections.

However, ratification of that constitutional amendment is but the first step in making this lower voting age really meaningful. Now the task facing us is to get the newly enfranchised young voters to register to vote.

Registering is not a glamorous event. Neither is it always convenient. But it is extremely important, for without it the lower voting age will be but another meaningless promise.

Recently, a constituent of mine wrote a persuasive letter on the importance of registering to vote, to the editor of the Keene, N.H., Evening Sentinel. Edward Bourassa, chairman of the social studies department of Keene High School was moved to write this letter following a colloquy wih a disaffected former student. His response was to make an eloquent and perceptive plea to young people to register to vote, a plea that deserves a wide audience.

I would like to insert the letter at this point in the RECORD.

TO NEWLY ELIGIBLES

To the SENTINEL:

I should like to address this letter to the young, newly eligible voters in the Keene area.

Recently I met a former student of mine in a local store. As he and I talked the conversation came around to registration of young people 18 to 20 to vote.

I asked him if he had gotten his name on the checklist. Somewhat to my surprise he said he wasn't sure he was going to register.

This fact, in retrospect, shocked me. He was a bright, mature individual so alienated from the system that he was not going to participate. This meeting of a teacher and a former student has prompted me to write this letter in the hopes of communicating with as many of my ex-students as possible.

WHAT THE PEOPLE DO BEST

Many of us read a book by Walter Lippmann entitled "The Public Philosophy." You will recall that Lippmann exhorts us to participate in government by doing that which the people only can do best—select those to govern us. If we leave this selection to others we get the type of government we deserve, one which does not represent us but only the vested interests of those who vote.

Thus, I urge all young people to register and vote. The system will work. If you choose to "cop out" you are only inviting what John Adams cautioned against in the early days of the Republic: "The end of every democratic experiment is a man on horseback."

EDWARD F. BOURASSA, JR.,
Chairman, Social Studies Department, Keene High School.

TRUE FACTS REVEALED ON PUBLIC PRAYER AMENDMENT

(Mr. MADDEN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MADDEN. Mr. Speaker, a few weeks ago great consternation was developed over the Nation by the proposed amendment to our Constitution which would alter, for the first time in our history, the Bill of Rights section of this historical instrument protecting liberty and freedom of American citizens. After extended debate on the House floor I think it was revealed to the satisfaction of Members that the key word in this proposed amendment, to wit: "nondenominational prayer" was a complete misnomer and meaningless.

Toward the close of the long debate the sponsors of the amendment recognized this fact and asked the House of Representatives to substitute "voluntary prayer" for "nondenominational prayer." This admission by the sponsors of the legislation made the purpose of the proposed amendment meaningless and was the deciding maneuver which, fortunately, brought about the defeat of this effort to amend the time-honored Bill of Rights section of our Constitution which existed for over two centuries.

Mr. Speaker, I include with my remarks excerpts from an article by Carl T. Rowan in the Chicago Daily News, and also excerpts from an editorial in the Hammond Times of November 12, 1971:

NO RELIGION IN PRAYER BILL FIGHT

(By Carl T. Rowan)

WASHINGTON.—Now that the House has rejected the school prayer amendment, it ought to be obvious to Americans that that bitter confrontation really had nothing to do with religiosity or piety.

We see Republicans favoring school prayers by almost 5 to 1, but Democrats opposing the proposed constitutional amendment by a margin of 5 to 4. Does anyone propose to argue that Republicans are more devout than Democrats?

We see members of the Black Caucus lined up solidly against the amendment. Does anyone contend that this proves whites are more godly than blacks?

The vote and the debate preceding it made it pretty clear that this was just a struggle of political ideologies, of liberals versus conservatives, of those who cherish the Bill of Rights and those who find that it keeps getting in the way of their pet ideas as to what kind of country this ought to be.

Small wonder that some of the most devout men in the House voted against the prayer amendment. They saw it for what it was: an attempt to erode the Bill of Rights by people who would like to impose their views of morality, righteousness, political wisdom and human worth on everyone else.

Revealing also were the remarks of one congressman who noted that the Supreme Court that outlawed school prayers was the "same court that said newspapers can lie about you, that Communist-oriented newspapers can publish any government secrets it can buy or steal, and that has prescribed rules to protect the rights of criminals against the law-abiding."

That is a pretty mean political tirade from a man whose alleged goal was to get God back into the schools. It illustrates the wisdom of that old Spanish proverb: "Never leave your corn to dry before the door of a pious man."

It would be pleasant enough to forget the school prayer debate as just another challenge beaten back. But when we see it as the political assault that it was, and note how narrowly it was repulsed, we dare not forget.

All the issues about which Americans grow passionate these days are easily reduced to the "them" and "us" syndrome. "Them" criminals and "us" law-abiding people. "Them" welfare chiselers and "us" working people. "Them" minorities trying to move into "our" suburban neighborhoods.

All too often, the "thems" are the weak, the oppressed, the have-nots, and about the only thing they have going for them is the Bill of Rights and the 14th Amendment. Which is why the "us" and "our country" crowd gets so disgusted with that Bill of Rights. It makes it so inconvenient for the "us" gang to control or get rid of "them."

If all it took was a passionate majority to change the Constitution, not only would we now have prayer in the schools and a bedlam of religious conflict, but the Bill of Rights would surely be stripped away.

And that is testimony anew to the wisdom of the men who drafted that Constitution and made it so hard to change.

NO "ERSATZ RELIGION"

It's bewildering how the American people resist government intervention in some areas and welcome it in others.

Short of crisis situations most everyone objects to government interjecting itself in anything personal. Private enterprise is what made us a great nation and what will keep us that way, we argue defensively.

What is more private, however, than a man's relation with his God? Still there are those who would invest government with an intermediary role—especially with children. They want compulsory, government-OK'd prayer in the public schools.

Fortunately, a majority of the House of Representatives senses the peril latent in such a role. It is succinctly stated in Speaker Carl Albert's declaration: "I'm not prepared to let the meddling hand of government, at any level, to any degree, be placed on any man's altar."

The House soundly rebuffed attempts to amend the Constitution, supposedly so it would plainly allow praying in school. (A reading of the resolution shows its redundancy; it provides for nothing not already permissible.)

The prayer advocates' resolution specified non-denominational prayer. That's an exercise in semantics aimed at overcoming objections to the constitutional proposal. But even where the term incorporated in a successful amendment attempt, who's to decide what's non-denominational?

Were the desires of the prayer advocates ever incorporated in the Constitution, before many months elapsed the various religious denominations would be attacking school authorities over the kind of non-denominational prayers being said. Next they would be running to the government for rules and regulations.

The same would happen even with the 11th hour substitution in the amendment resolution of "voluntary" for non-denominational prayer. Voluntary connotes self-initiated, even spontaneous. Would school officials allow students unexpectedly to utter prayers? Hardly. Not at the expense of orderly classrooms.

And to set aside a period in the school day for a voluntary prayer eliminates the voluntary feature and finds a government agency prescribing regulations pertaining to religion.

In time the country, because of government meddling, would have the "ersatz religion" of which Rep. Robert F. Drinan, a Jesuit priest, warned in the House debate.

GUN CONTROL—A PERSISTENT MYTH

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, the myth seems to persist in some circles that it is possible to halt crime by making it difficult or impossible for law-abiding citizens to obtain or possess guns. This myth manages to continue in spite of the fact that places with the strictest gun control laws seem to have the highest crime rates.

Last week, the Boston, Mass., Globe and Herald Traveler carried front page stories which should put to rest once and for all that myth, if only the minds of gun control advocates were open on the subject.

A 64-year-old patient in a nursing home, bedridden, by skillful use of a handgun managed to protect himself against three housebreakers, who were terrifying the nursing home. He managed to kill one of the three housebreakers.

After reading these stories, all I can say is, who in his right mind would want to ban guns of any kind, when the result would only be to deprive people like John Clark of the means to protect themselves, while allowing hoodlums to continue to terrorize law-abiding Americans?

The two articles follow:

BEDRIDDEN PATIENT KILLS BANDIT

(By Paul Sawin)

A 63-year-old bedridden paraplegic yesterday shot and killed one of three young holdup men after they had struck his mother and a nurse in a Dorchester nursing home.

"They were coming in to get me," John E. Clark told police later. "I had to do something."

Clark, paralyzed by an automobile accident nearly 20 years ago, said he has kept a pistol at his bedside ever since because it made him "feel better."

About 4 p.m. yesterday, three knife-wielding youths invaded the Gamble Nursing Home at 13 Algonquin St. owned by Clark's mother, 87-year-old Mrs. Opie Gamble.

Police were told the trio demanded money and knocked Mrs. Gamble and a nurse on duty, Miss Rita Donahue, 50, to the floor when told there was no money.

Clark said he was waiting with the pistol in his hand when the three entered his nearby room.

After firing three warning shots into the wall over the heads of the men, Clark took aim at one and fired again.

The man doubled over and shouted, "I'm hit." He staggered from the home followed by his companions.

Minutes later, responding to a call from Clark's mother, who had escaped from the home by a fire escape, police found the wounded man on the sidewalk.

Dead on arrival at Carney Hospital with a bullet wound in the left side of his chest, was a youth tentatively identified by police as James MacIver, 19, of Washington Street, Brighton.

"I can't imagine what they were expecting to get," said William Gamble, another son of the owner. "We keep no money here."

The invasion of the home took place shortly after Miss Donahue had refused to open the door to a man seeking a "Mr. Welch."

"I went upstairs to the second floor because one of the patients had heard a noise," she said.

"While checking around, I heard some shouting and started down the stairs. There were three men in the hall struggling with Mrs. Gamble.

"She was furious. She kicked one of them and when they said they wanted money, she shouted 'What makes you think we'd keep money around here with the likes of you around.'"

Mrs. Gamble was knocked down by one of the men and Miss Donahue was struck twice and threatened with a knife.

"I never saw a knife so big," the 50-year-old nurse said, "or one so shiny."

When the men entered Clark's first-floor bedroom, Mrs. Gamble, a widow of 40 years and a heart patient, went to the second floor. A patient helped her get through a window to the fire escape. She climbed down and then went through backyards to a neighbor and telephoned police.

"I don't think they believed I would shoot," said Clark, a former longshoreman, store detective and taxi cab driver.

His brother, William, said the men stopped a moment, when they saw the gun, then started moving toward the bed.

"He fired three times into the wall and then shot at one of them."

After running from the home, the wounded man collapsed on the sidewalk just as a cab was pulling up with an elderly woman about to visit a patient.

One of the men shouted to the cab driver to "wait a minute" but the passenger urged him to drive on. He did, and the suspects deserted their wounded companion and fled on foot.

It was not the first time Mrs. Gamble or Miss Donahue had faced holdup men.

William said his mother had chased an intruder from the home recently when she surprised him in the kitchen. "She just picked up a butcher knife and went after him," he said. "Probably it was a good thing for him he did escape."

Miss Donahue faced a bandit several years ago while working in a South Boston store. "I think that one was just as bad. He knocked me down and I thought that was going to be it for me."

Both women were treated for bruises by Dr. Nathan Brenner.

Lt. John Barry said he thought Clark had shot the intruder from about 10 feet away. He said the pistol was either a .32 or .38 calibre. He added that Clark had a right to have the gun.

He said that several nursing homes in the immediate area had been broken into recently.

None of the other 17 patients in the home were bothered by the men, William Gamble said, and some of them may not even have known what was going on.

Minutes after the men entered the home, Gamble said, telephone wires were cut and there was no way of notifying police.

"We heard about some kind of trouble here from a neighbor who monitors police calls. I live around the corner but by the time my wife and I arrived, everything had already happened.

"I wanted to make sure my mother was all right. With her heart, anything could have happened."

An ironic twist to the robbery attempt was in the only thing taken in the invasion.

It was a Social Security check one of the men took from the main desk. It was found outside the home on the sidewalk.

The recipient patient had died.

PARAPLEGIC KEPT GUN BY BEDSIDE—INTRUDER SHOT BY PATIENT IN NURSING HOME

(By Richard Weintraub)

A 64-year-old former private investigator who has been bedridden in a Dorchester nursing home for more than 20 years shot and killed one of three men who entered the home yesterday with the apparent motive of robbery.

The dead man is James D. McIver, 19, of Washington street in Brighton.

According to Police Det. Lt. John Barry Jr. the men entered the Donald Leslie Nursing Home at 13 Algonquin st., Dorchester, yesterday about 4 p.m.

After terrorizing a nurse and the 85-year-old owner of the home, they attempted to enter the room of John E. Clark, 64, where the shooting took place.

Clark said he kept the .38 caliber hand

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gun in a drawer beside his bed. Police said he had a permit for the weapon. He is a paraplegic. He said he had $1.40 in the room.

According to witnesses, McIver left the house with the aid of his two companions. He was found in front of a house two doors away from the nursing home.

He was dead on arrival at Carney Hospital at 4:21 p.m. from a bullet wound in the left side of the chest.

According to Lt. Barry, the men entered the home and cut the telephone wires. They assaulted two women, Mrs. Opie Gamble, the 84-year-old owner of the home, and a 50-year-old woman who is a nurse. They searched the women for money.

Mrs. Gamble is Clark's mother.

According to Clark, two men came to the doorway of his first-floor room minutes after he heard the commotion and screams of the two women elsewhere in the home.

"One of them started into the room and I warned them I had a gun," Clark said. "He came on and I fired a warning shot into the wall. I fired another shot and missed and the two men (one who came into the room and another who waited in the hall) fled into a kitchen across the hall."

Three men then attempted to enter his room, Clark continued, two through a sliding door that connects with another first-floor room and the third from the hallway.

"They were hollering 'Get the guy with the pistol,'" Clark said, and they threw a number of books and a small cardboard cupboard at him, striking him in the face.

"I fired another shot and missed," Clark said. "Then one of them came at me with a razor. I took another shot and he doubled up and ran."

According to witnesses, Mrs. Gamble struck one of the men during the struggle and, despite the fact she uses a cane because of her advanced age, managed to get out of a second floor window and climb down a fire escape to seek the assistance of neighbors in calling the police.

Neither the women nor Clark were seriously hurt. They were treated at the home by a police doctor.

At the time of the incident, there were four employes and 17 patients—the full capacity—in the home. Aside from Clark and the two women, no one was attacked.

Police are seeking the two men who were with McIver. One is described as about 6 feet tall and light skinned, the other as about 5 feet 9 inches tall and darker. Both had Afro haircuts.

Both men were carrying straight razors and fled from the scene on foot.

While police said drugs might have been a motive for entering the nursing home, a glass-front cabinet containing a number of bottles of drugs that was immediately opposite the door to Clark's room appeared untouched.

PROPOSED AMENDMENTS TO H.R. 11060

(Mr. FRENZEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FRENZEL. Mr. Speaker, I intend to offer the following amendments to the bill, H.R. 11060, when it is under consideration in the Committee of the Whole later this week. I submit my amendments in the RECORD at this point.

AMENDMENTS TO H.R. 11060, AS REPORTED OFFERED BY MR. FRENZEL

Page 9, line 23, strike out "between the tenth and fifteenth" and all that follows down through "such election" in line 2 on page 10 and insert in lieu thereof "on the 10th day of March, June, and September, in each year and on the 15th and 5th days next preceding the date on which the election is to be held, and also on the 31st day of January following the election."

Page 10, line 4, insert after the period the following: "Such reports shall be complete as of such date as the supervisory officer may prescribe, which shall not be less than five days before the date of filing except that any contribution of $5,000 or more received after the last report is filed prior to the election, shall be reported within forty-eight hours after its receipt."

Page 13, beginning on line 1, strike out "not later than the forty-fifth day after the election" and insert in lieu thereof "on the 31st day of January."

Page 2, line 20, strike out "202(c)(2)" and insert in lieu thereof "203(c)(2)".

Page 3, strike out lines 19 through 23 and insert in lieu thereof the following:

"(8) The term 'Commission' means the Federal Elections Commission established under section 202."

Page 3, line 25, strike out "202(b)(2)(C)" and insert in lieu thereof "203(b)(2)(C)".

Page 4, insert after line 16 the following:

"FEDERAL ELECTIONS COMMISSION

"SEC. 202. (a)(1) There is hereby created a Commission to be known as the Federal Elections Commission, which shall be composed of six members, not more than three of whom shall be members of the same political party, who shall be chosen from among persons who, by reason of maturity, experience, and public service have attained a nationwide reputation for integrity, impartiality, and good judgment, are qualified to carry out the functions of the Commission and shall be appointed by the President, by and with the advice and consent of the Senate. One of the original members shall be appointed for a term of two years, one for a term of four years, one for a term of six years, one for a term of eight years, one for a term of ten years, and one for a term of twelve years, beginning from the date of enactment of this Act, but their successors shall be appointed for terms of twelve years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall designate one member to serve as Chairman of the Commission and one member to serve as Vice Chairman. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office.

"(2) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and four members thereof shall constitute a quorum.

"(3) The Commission shall have an official seal which shall be judicially noticed.

"(b) It shall be the duty of the Commission—

"(1) to develop and furnish to the person required by the provisions of section 206 to file any report or statement prescribed forms for the making of the reports and statements required to be filed with it under such section;

"(2) to prepare, publish, and furnish to the person required to file such reports and statements a manual setting forth recommended uniform methods of bookkeeping and reporting;

"(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this Act;

"(4) to make the reports and statements filed with it available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person: *Provided*, That any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

"(5) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

"(6) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate;

"(7) to prepare and publish an annual report including compilations of (A) total reported contributions and expenditures for all candidates, political committees, and other persons during the year; (B) total amounts expended according to such categories as it shall determine and broken down into candidate, party, and nonparty expenditures on the National, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as it shall determine and broken down into contributions on the National, State, and local levels for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed in excess of $100;

"(8) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respect to preceding elections;

"(9) to prepare and publish such other reports as it may deem appropriate;

"(10) to assure wide dissemination of statistics, summaries, and reports prepared under this Act;

"(11) to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of section 206, and with respect to alleged failures to file any report or statement required under the provisions of section 206; and

"(12) to prescribe suitable rules and regulations to carry out the provisions of sections 201 through 207 of this Act.

"(c)(1) Any person who believes a violation of this Act has occurred may file a complaint with the Commission. If the Commission determines there is substantial reason to believe such a violation has occurred, it shall expeditiously make an investigation, which shall also include an investigation of reports and statements filed by the complainant if he is a candidate, of the matter complained of. Whenever in the judgment of the Commission, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act or any regulation or order issued thereunder, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

"(2) In any action brought under paragraph (1) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

"(3) Any party aggrieved by an order granted under paragraph (1) of this subsection may, at any time within sixty days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such person is found, resides, or transacts business, for judicial review of such order.

"(4) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

"(5) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection).

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

"(e) Members of the Commission shall, while serving on the business of the Commission, be entitled to receive compensation at a rate fixed by the Director of the Office of Management and Budget but not in excess of $100 per day, including travel time; and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

"(f) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers at any other place.

"(g) All officers, agents, attorneys, and employees of the Commission shall be subject to the provisions of section 9 of the Act of August 2, 1939, as amended (the Hatch Act), notwithstanding any exemption contained in such section.

"(h) The Commission shall appoint an Executive Director without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, to serve at the pleasure of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. However, the Commission shall not delegate the making of regulations regarding elections to the Executive Director.

"(i) The Chairman of the Commission shall appoint and fix the compensation of such personnel as it deems necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

"(j) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(k) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(131) Executive Director, Federal Elections Commission."

"(l) In carrying out its responsibilities under this Act, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request."

Redesignate the succeeding sections of the bill (and references thereto) accordingly.

Page 14, line 13 strike out "supervisory officer" and insert in lieu thereof "Commission".

Page 15, beginning on line 6 strike out "supervisory officer" and insert in lieu thereof "Commission".

Page 15, line 14 strike out "supervisory officer" and insert in lieu thereof "Commission".

Page 15, line 19 strike out "supervisory officer" and insert in lieu thereof "Commission".

Page 16, line 4 strike out "supervisory officer" and insert in lieu thereof "Commission".

Page 16, beginning on line 7 strike out "supervisory officer" and insert in lieu thereof "Commission".

Page 16, line 11 strike out "supervisory officer" and insert in lieu thereof "Commission".

Page 16, line 15 strike out "supervisory officer" and insert in lieu thereof "Commission".

Page 16, beginning on line 16 strike out "supervisory officer" and insert in lieu thereof "Commission".

Page 16, strike out line 19 and all that follows down through line 24 on page 17 and insert in lieu thereof the following:

"PENALTY FOR VIOLATIONS

"SEC. 206. (a) Any person who violates any of the provisions of section 202, 203, 204, or 205 of this Act shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(b) In case of any conviction under this section, where the punishment inflicted does not include imprisonment, such conviction shall be deemed a misdemeanor conviction only."

Page 4, strike out lines 19 through 21 and insert in lieu thereof the following:

"SEC. 202. (a) The aggregate amount of expenditures made for the use of communications media by any candidate for Federal elective office on behalf of his candidacy or by any other person on behalf of the candidacy of such candidate—"

Page 5, strike out line 13 and all that follows down through page 6, line 2, and insert in lieu thereof the following:

"(b) The limitation on expenditures for the use of communications media applicable to any election for Federal elective office is 10 cents multiplied by—

"(1) the population of the State in which the election is held, in the case of a primary election for President or an election for Senator, Representative at Large, Delegate, or Resident Commissioner;

"(2) the population of the congressional district, in the case of an election for the office of Representative (other than Representative at Large); or

"(3) the population of all the States and the District of Columbia (A) in the case of a general election for the office of President, and (B) in the case of all presidential conventions or primaries for the office of President."

Page 6, immediately after line 20, insert the following:

"(3) For the purposes of this section, the term "communications media" means television and radio broadcasting stations; newspapers, magazines, and other periodical publications; and billboards."

Page 6, strike out line 21 and all that follows through page 7, line 24.

Page 6, insert after line 20 the following:

"(d)(1) For purposes of this subsection the term—

"(A) 'price index' means the annual average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) 'base period' means the calendar year 1970. (2) At the beginning of each calendar year (commencing in 1972), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall compute an amount which bears the same ratio to cents as the price index for the twelve months preceding such calendar year bears to the price index for the base period. The 6-cent amount computed under subsection (b) of this section shall be increased by the amount so computed under the preceding sentence, rounded to the next highest cent. Each amount so increased shall be the amount in effect for such calendar year."

Page 8, strike out line 1 and all that follows down through page 9, line 12.

And renumber the following sections accordingly.

Page 6, line 9, insert "(A)" before "an expenditure".

Page 6, line 13, insert before the period the following: ; and (B) any amount expended for entertainment or food at, or direct mail advertising for, any fund-raising event shall not be considered to be an expenditure for purposes of this section (notwithstanding any provision of section 201)

MICHAEL J. HARRINGTON APPEALS FOR THE RIGHTS OF SOVIET JEWS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, our colleague, MICHAEL J. HARRINGTON of Massachusetts, has sent a letter to Miss Yatgar S. Nasriddinova of the Council of Nationalities of the Supreme Soviet, U.S.S.R., in which in a very scholarly statement he raised certain questions on the discriminatory practices of the Soviet Union vis-a-vis its Jewish minority. What Mr. HARRINGTON asks in his letter after analyzing the appropriate Soviet laws applying to the respective issues is and I quote him, "only that [the U.S.S.R.] carry out those laws that [it] has made."

This brilliant analysis by Mr. HARRINGTON is particularly timely in view of the fact that the question of whether or not the Soviet Union is discriminating against its Jewish minority has been the subject of a hearing before the European Subcommittee, chaired by Representative BENJAMIN S. ROSENTHAL. While the analysis is superb and logical, one must see in reading the letter how outraged our colleague is that these discriminatory practices are taking place and his letter is probably the very best way to point this out.

To date there has been no reply from Miss Nasriddinova.

The letter follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
August 26, 1971.

Miss YATGAR S. NASRIDDINOVA,
Council of Nationalities, Supreme Soviet, Moscow, R.S.F.S.R., U.S.S.R.

DEAR CHAIRMAN NASRIDDINOVA: The Congress of the United States has repeatedly voiced concern over your country's policy towards its Jews. In light of recent and impending trials of Jews in the U.S.S.R., I, as a member of the U.S. House of Representatives, feel it necessary to reaffirm my position.

Our statements in the past have been ones of moral outrage. That sense of the Congress and of the country is in no way diminished. I feel very strongly, however, that there are also dispassionate, legal aspects of the problem that it would be appropriate for us to consider together as the legislators of our respective governments. It is with this in mind that I present the following ideas.

As a legislator, I am concerned with the serious effect the issue of Soviet Jewry has

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had on every aspect of U.S.-U.S.S.R. relations. You are, I am certain, aware of the intensity with which the American people have reacted to the Soviet Jewish question. The feeling against this one policy has inevitably exacerbated more general anti-U.S.S.R. feeling in this country on all levels. In a letter sent to Soviet Foreign Minister Gromyko in December 1970, Secretary of State William P. Rogers questioned how harmonious U.S.-U.S.S.R. relations could be maintained if you take actions against Jews that arouse anti-Soviet sentiment in the United States. This point was elaborated on by former Supreme Court Justice and U.N. Ambassador Arthur Goldberg: "I say to the Soviet leadership . . . do not jeopardize the cause of peace for so foolish and needless a cause. The American people will never, even for mutual self-interest, collaborate with a regime that glories in its repression. We in the House of Representatives are saddened that one policy of your country is having such a deleterious effect on the friendship and international peace both of us seek. In the interests of that friendship and peace, I ask that you reevaluate your policy towards the Jewish nationality.

Speaking as one lawmaker to another, I address the issue of this reevaluation from a legal point of view, asking only that you carry out those laws that you have made. I am, in fact, deeply disturbed by what appears to be a very blatant contradiction between the law of the Soviet Union and its practices regarding its Jewish minority. I find such a dichotomy between the written and the executed surprising in view of V. I. Lenin's emphatically stated position that a constitution is fiction when law and reality part. Of course, this dichotomy is, to some degree, a weakness of every nation, not excepting my own. I am certain, too, we agree that both our governments must strive to eradicate such fundamental dichotomies. It is in this spirit that I ask for your consideration on this matter. Let me enumerate four specific areas of concern.

In the area of emigration, the following legal rights seem to hold. The U.S.S.R. voted for Article 13/3 of the Universal Declaration of Human Rights, which states that "Everyone has the right to leave any country, including his own and to return to his country." The Soviet Union signed the United Nation's International Covenant on Civil and Political Rights, in which Article 12/2 states the doctrine that "everyone shall be free to leave any country including his own." The same right is guaranteed by the International Convention on the Elimination of All Forms of Racial Discrimination; this was ratified by the Supreme Soviet. Not only, in fact, has the Soviet Union signed its name to these documents of international law, but its leaders have reaffirmed them verbally and in writing, to the United Nations and in policy statements. You reported to the United Nations, for example, that unless there was a case of an impending court sentence, jail term, or army service, there were no restrictions against a Soviet citizen emigrating for the purpose of reunification of families. In 1966 in a statement made in Paris, France, and subsequently printed in both *Pravda* and *Izvestia*, Premier Kosygin noted that "the door is open and no problem exists here."

I am puzzled by what seems to be evidence to the contrary. Certainly emigration restrictions have eased in the past several months but the openness guaranteed by the laws cited above simply does not appear to be a reality. Countless letters and proclamations have been received at the United Nations, in the United States, and in Israel expressing the desire of Soviet Jews to leave and the barriers preventing them from doing so: "I apply to you in an open letter, because to my repeated applications to the Soviet authorities with the request to permit me to emigrate to my relatives in Israel, I have been receiving refusals, which in accordance with the accepted order, were given orally, by telephone, without any stated reasons for the refusal nor any indication of the identity of the persons who made these decisions" goes a letter by a Russian woman in October 1966, very much characteristic of the scores I have read, that clearly show violations of the laws listed above.

I am also somewhat puzzled by what seems to be a violation of the legal rights of the Jews in the area of religion. According to information provided by the Soviet Union to the United Nations Commission on Human Rights, the following laws exist: freedom of worship is protected; twenty people can register and receive privileges of a religious group, including the rental of a building; religious groups are allowed to form a national association; it is permissible to publish letters using government paper and printing; and the government provides religious articles. In 1959, the U.S.S.R. delegation to the United Nations noted that "'In the Soviet Union freedom of . . . worship is scrupulously protected and safeguarded by State as a constitutional right of Soviet citizens . . .'" These rights were reaffirmed in the *Great Soviet Encyclopedia*. I am not requesting special treatment; I am again only asking that, in the context of your ideology and legal framework, the religious rights granted by law be extended to the Jews.

According to letters from Jews in the Soviet Union testimony of those who have emigrated, and accounts by visitors, the Jews are persecuted as a religious group far more severely than are other groups. Jews are not allowed to form a religious association serving as a uniting force both within the U.S.S.R. and with Jews outside the country. The right to religious articles is violated, too, in the case of the Jews, and all visitors to the U.S.S.R. report a real dearth of such articles as *Tallisim* and *tfillin*. There has been no Hebrew Bible printed since the Revolution; there is no religious periodical allowed; a small number of calendars have finally been published by synagogues in Moscow and Leningrad; and demands for prayer books have not been satisfied by the limited press runs of 1957 or 1969. The Government has officially noted that none of these privileges is needed any longer as atheism is becoming the dominant national religion. Yet, according to observers, very few of these practices died natural deaths, and many were very blatant victims of government pressure. Furthermore, the throngs at Simchat Torah services and the Government's own charges that there is a black market for Jewish religious articles, testify to the demand for religious privileges and to the impression that the U.S.S.R. is, in fact, violating its laws on religion.

Discrimination, and more specifically, anti-semitism, are outlawed by several legal provisions. The first decree of the Provisional Government abolished tsarist discrimination against minority groups. In November 1917, Lenin and Stalin signed the Declaration of Rights of Peoples which officially did away with "all national and national-religious privileges and restrictions." Article 123 of the 1936 Constitution states that:

Equality of rights of citizens of the U.S.S.R., irrespective of their nationality or race, in all spheres of economic, government, cultural, political, and other public activity is an indefensible law.

Any direct or indirect restrictions of the rights of . . . citizens on account of their race or nationality . . . is punishable by law.

In 1962 the U.S.S.R. ratified the UNESCO Convention against Discrimination in Education, which says that nations must "abrogate statutory provisions and any administrative practices which involve discrimination in education."

In fact, according to the facts available to us, there appears to be discrimination. Jews are restricted from jobs in many areas of the government, including high-level and security-sensitive positions; the fact that Jews have been phased out of many elite positions was admitted by both Premier Khrushchev (in his "make room for our own intelligentsia" remarks) and Minister Furtseva (in a similar statement). There is also a *numerus clausus* in education, a fact verified by the following: the drop of Jewish enrollment in universities and colleges, a statement by Svetlana Alliluyeva that she knew such restrictions existed, and a 1963 statement printed in *Kommunist* and *Bulletin of Higher Education* that "annually planned preferential admissions quotas" were in effect.

Cultural rights are more difficult to view in this legal pattern. In examining the legal aspects of cultural questions, I do, however, find one area in which there appears to be a fairly clear-cut violation. The 1936 Constitution guaranteed in Article 121 the "right of instruction in schools . . . in the native language." In 1959, Russia adopted a statute titled, "Concerning the Strengthening of the Connection of the Schools with Life and the Furthest Development of the System of Peoples' Education in the R.S.F.S.R.;" Article 15 reads, "The education in school will be conducted in the native language of the students; the right is given to parents to decide with what language to register their children." There is a provision for a class in a language if the number of parents requesting it is at least ten. In 1962 the U.S.S.R. signed the UNESCO Convention against Discrimination in Education, in which Article 5 stated that nations were "to recognize the right of members of national minorities to carry on their own educational activities, including the maintenance of schools and . . . the use of the teaching of their language.

In reality, such an opportunity evidently does not exist for Jews who wish to have schools in Yiddish. Soviet officials note that the Jews are too widely dispersed; yet there are several other widely dispersed groups who do receive the option of education in their own tongue. Officials have also noted that the Jews are so far along on the process of assimilation that there is no demand. I cannot help but be concerned with the fallacies in this kind of reasoning. First of all, if the Jews are assimilating, which some, of course, are, it is partly because they were not given the opportunity to have such institutions to preserve their national identity as Yiddish schools. Furthermore, it is absolutely impossible to believe that there are not ten Jews who want this privilege; it certainly seems that the practice must be strongly and officially frowned on so that parents are afraid to make requests.

In stating these four points, I have tried to present as accurate and concise a picture as possible. I would hope that you respect the sincerity of my concern and, as a lawmaker, appreciate the validity and urgency of my arguments. Again in the interest of friendship between our nations, I urge you to act on my recommendations.

Yours sincerely,

MICHAEL J. HARRINGTON.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. CELLER (at the request of Mr. BRASCO), for today and balance of week, on account of death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GOLDWATER) to revise and extend their remarks and include extraneous matter:)

Mr. BURKE of Florida, for 5 minutes, today.

Mr. ESHLEMAN, for 30 minutes on November 17.

Mr. SCHWENGEL, for 5 minutes today.

Mr. ESCH, for 5 minutes, today.

Mr. FINDLEY, for 5 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

(The following Members (at the request of Mr. MCKAY) to revise and extend their remarks and include extraneous matter:)

Mrs. ABZUG, for 10 minutes, today.

Mr. JAMES V. STANTON, for 60 minutes.

Mr. MACDONALD of Massachusetts for 30 minutes, today.

Mr. DANIELSON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MICHEL, and to include extraneous material.

Mr. WHITTEN to revise and extend and include extraneous matter with his remarks on H.R. 11731 in Committee of the Whole.

Mr. YATES, to revise and extend his remarks made in the Committee of the Whole.

Mr. FLYNT, to revise and extend his remarks made in the Committee of the Whole, and to include extraneous matter.

Mr. MAHON, to revise and extend his remarks made in the Committee of the Whole, and to include certain pertinent extracts and additional material.

Mr. STRATTON, to revise and extend his remarks made in the Committee of the Whole, on the subject of the main battle tank.

(The following Members (at the request of Mr. GOLDWATER) and to include extraneous matter:)

Mr. RIEGLE.
Mr. NELSEN.
Mr. HOSMER.
Mr. BROYHILL of Virginia.
Mr. DUNCAN.
Mr. WYATT.
Mr. ZWACH in four instances.
Mr. WHITEHURST.
Mr. FREY.
Mr. SCHMITZ.
Mr. PETTIS.
Mr. ARCHER.
Mr. SCHWENGEL.
Mr. MCDONALD of Michigan in two instances.
Mr. MCEWEN.
Mr. BOB WILSON.
Mr. CRANE in five instances.

(The following Members (at the request of Mr. MCKAY), and to include extraneous matter:)

Mr. CELLER in two instances.
Mr. ADAMS.
Mr. FLOOD in two instances.
Mr. BRASCO.
Mr. HUNGATE.
Mr. JACOBS in two instances.
Mr. EVINS of Tennessee.
Mr. RANGEL in two instances.
Mr. PATTEN in two instances.
Mr. HARRINGTON.
Mr. BOLAND.
Mr. MOORHEAD in three instances.
Mr. ROGERS in five instances.
Mr. DANIEL of Virginia.
Mr. HAGAN in five instances.
Mr. CAREY of New York.
Mr. EDWARDS of California in three instances.
Mr. BINGHAM in three instances.
Mr. ADDABBO in two instances.
Mr. HICKS of Washington in two instances.
Mr. DIGGS.
Mr. BEGICH in five instances.
Mr. JAMES V. STANTON.
Mr. WOLFF in three instances.
Mr. VAN DEERLIN.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 155. An act to facilitate the transportation of cargo by barges specifically designed for carriage aboard a vessel;

H.R. 4729. An act to amend section 2107 of title 10, United States Code, to provide additional Reserve Officers' Training Corps scholarships for the Army, Navy, and Air Force, and other purposes;

H.R. 6723. An act to provide subsistence allowances for members of the Marine Corps officer candidate programs;

H.R. 6724. An act to amend section 209 (a) and (b) of title 37, United States Code, to provide increased subsistence allowances for Senior Reserve Officers' Training Corps members;

H.R. 7072. An act to amend the Airport and Airway Development Act of 1970 to further clarify the intent of Congress as to priorities for airway modernization and airport development, and for other purposes;

H.R. 7950. An act to repeal sections 3692, 6023, 6025, and 8692 of title 10, United States Code, with respect to pilot rating requirements for members of the Army, Navy, Marine Corps, and Air Force; and to insert a new section 2003 of the same title;

H.R. 8556. An act to amend titles 37 and 38, United States Code, relating to promotion of members of the uniformed services who are in a missing status;

H.R. 8687. An act to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to authorize real estate acquisition and construction at certain installations in connection with the Safeguard anti-ballistic missile system, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes; and

H.R. 11418. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1026. An act to amend the Small Reclamation Projects Act of 1956, as amended;

S. 2216. An act to amend the Investment Company Act of 1940, as amended; and

S. 2339. An act to provide for the disposition of judgment funds on deposit to the credit of the Pueblo of Laguna in Indian Claims Commission, docket No. 227, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 155. A bill to facilitate the transportation of cargo by barges specifically designed for carriage aboard a vessel;

H.R. 6723. A bill to provide subsistence allowances for members of the Marine Corps officer candidate programs;

H.R. 6724. A bill to amend section 209 (a) and (b) of title 37, United States Code, to provide increased subsistence allowances for Senior Reserve Officers' Training Corps members;

H.R. 7950. A bill to repeal sections 3692, 6023, 6025, and 8692 of title 10, United States Code, with respect to pilot rating requirements for members of the Army, Navy, Marine Corps, and Air Force; and to insert a new section 2003 of the same title;

H.R. 8656. A bill to amend titles 37 and 38, United States Code, relating to promotion of members of the uniformed services who are in a missing status; and

H.R. 8687. A bill to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to authorize real estate acquisition and construction at certain installations in connection with the Safeguard anti-ballistic missile system, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

ADJOURNMENT

Mr. MCKAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 14 minutes p.m.), the House adjourned until tomorrow, Wednesday, November 17, 1971, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1288. A communication from the President of the United States, transmitting an amendment to the request for the limitation of program activity transmitted in the budget for fiscal year 1972 for the Export-Import Bank of the United States (H. Doc. No. 92–175); to the Committee on Appropriations and ordered to be printed.

1287. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 to provide for the regulation of rates of air carriers and foreign air carriers in foreign air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

1289. A letter from the Director, Defense Security Assistance Agency, transmitting a report for the fourth quarter of fiscal year 1971 on preliminary deliveries of excess ar-

ticles, pursuant to section 8(d) of Public Law 91-672 [confidential]; to the Committee on Foreign Affairs.

1290. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the disposal of foreign excess property by the Department of Defense during fiscal year 1971, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HÉBERT: Committee on Armed Services. H.R. 11738. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to lend certain equipment and to provide transportation and other services to the Boy Scouts of America in connection with Boy Scout Jamborees, and for other purposes; with amendments (Rept. No. 92-570). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H.R. 11782. A bill to amend the District of Columbia Redevelopment Act of 1945, as amended, to provide for the reimbursement of public utilities in the District of Columbia for certain costs resulting from urban renewal; to provide for reimbursement of public utilities in the District of Columbia for certain costs resulting from Federal-aid system programs; and to amend section 5 of the act approved June 11, 1878, 20 Stat. 107, as amended (sec. 7-605, District of Columbia Code), and for other purposes; to the Committee on the District of Columbia.

By Mrs. ABZUG:

H.R. 11783. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, control multinational corporations, and for other purposes; to the Committee on Ways and Means.

By Mr. ADDABBO:

H.R. 11784. A bill to authorize a 2-year program of financial assistance for all elementary and secondary school children in all of the States; to the Committee on Education and Labor.

By Mr. ANDERSON of California (for himself and Mr. HARRINGTON):

H.R. 11785. A bill to establish a national policy and program with respect to wild predatory mammals, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ASPIN (for himself, Mr. DANIELSON, Mr. DINGELL, Mr. GUDE, Mr. HECHLER of West Virginia, Mr. MITCHELL, Mr. MOORHEAD, Mr. REUSS, Mr. SCHEUER, and Mr. SEIBERLING):

H.R. 11786. A bill to amend the Internal Revenue Code of 1954 to impose an excise tax on fuels containing sulfur and on certain emissions of sulfur oxides; to the Committee on Ways and Means.

By Mr. FLOOD:

H.R. 11787. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. HALPERN (for himself and Mr. DONOHUE):

H.R. 11788. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence; to the Committee on Ways and Means.

By Mr. HALPERN:

H.R. 11789. A bill to provide for the establishment of the Gateway National Recreation Area in the States of New York and New Jersey, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KYROS:

H.R. 11790. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MADDEN:

H.R. 11791. A bill to provide for the prevention of sickle cell anemia; to the Committee on Interstate and Foreign Commerce.

By Mr. MOLLOHAN:

H.R. 11792. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence; to the Committee on Ways and Means.

By Mr. PRYOR of Arkansas:

H.R. 11793. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small businesses; to the Committee on Ways and Means.

H.R. 11794. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. BURKE of Florida:

H.R. 11795. A bill to require the National Railroad Passenger Corp. to provide free or reduced-rate railroad transportation to retired railroad employees and their dependents on the same basis that such transportation was available to such employees and dependents on the date of enactment of the Rail Passenger Service Act of 1970; to the Committee on Interstate and Foreign Commerce.

By Mrs. DWYER:

H.R. 11796. A bill to authorize the President, through the temporary Vietnam Children's Care Agency, to enter into arrangements with the Government of South Vietnam to provide assistance in improving the welfare of children in South Vietnam and to facilitate the adoption of orphaned or abandoned Vietnamese children, particularly children of U.S. fathers; to the Committee on Foreign Affairs.

By Mr. FAUNTROY:

H.R. 11797. A bill to abolish the death penalty under all laws of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. FAUNTROY (for himself and Mr. HARRINGTON):

H.R. 11798. A bill to establish an equal employment opportunity program for the protection of employees of the Library of Congress; to the Committee on House Administration.

By Mr. FAUNTROY:

H.R. 11799. A bill to provide for public ownership of the mass transit bus system operated by D.C. Transit System, Inc., and other private bus transit companies engaged in scheduled regular route operations in the Washington metropolitan area, and for other purposes; to the Committee on the District of Columbia.

By Mr. GETTYS:

H.R. 11800. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. HÉBERT (for himself and Mr. ARENDS):

H.R. 11801. A bill to provide for increasing the amount of interest paid on the permanent fund of the U.S. Soldiers' Home; to the Committee on Armed Services.

By Mr. HELSTOSKI:

H.R. 11802. A bill to amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes; to the Committee on Education and Labor.

H.R. 11803. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on House Administration.

H.R. 11804. A bill to amend subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11805. A bill to amend the age and service requirements for immediate retirement under subchapter III of chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LUJAN:

H.R. 11806. A bill to authorize the exchange of certain lands between the Pueblo of Acoma and the Forest Service; to the Committee on Interior and Insular Affairs.

By Mr. MACDONALD of Massachusetts:

H.R. 11807. A bill to provide for improved financing for the Corporation for Public Broadcasting, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER:

H.R. 11808. A bill to amend the Public Health Service Act to support research and training in diseases of the digestive tract, including the liver and pancreas, and diseases of nutrition, and aid the States in the development of community programs for the control of these diseases, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PUCINSKI (for himself, Mr. WILLIAM D. FORD, Mr. MEEDS, Mr. HAWKINS, Mrs. MINK, Mrs. CHISHOLM, Mr. BIAGGI, Mrs. HICKS of Massachusetts, Mr. MAZZOLI, Mr. BADILLO, Mr. PERKINS, Mr. BELL, Mr. VEYSEY, Mr. PEYSER, Mr. DENT, and Mr. GAYDOS):

H.R. 11809. A bill to provide that for purposes of Public Law 874, 81st Congress, relating to assistance for schools in federally impacted areas, Federal property transferred to the U.S. Postal Service shall continue to be treated as Federal property for 2 years; to the Committee on Education and Labor.

By Mr. RHODES (for himself, Mr. FORSYTHE, Mr. ARCHER, Mr. DEL CLAWSON, Mr. WYMAN, Mr. THONE, Mr. MICHEL, Mr. FRENZEL, Mr. SHOUP, Mr. SAYLOR, Mr. MCCLURE, Mr. CLEVELAND, Mr. FREY, Mr. CONABLE, Mr. SHRIVER, Mr. MCCLORY, Mr. BAKER, Mr. MILLER of Ohio, Mr. MIZELL, Mr. KYL, Mr. BURKE of Florida, Mr. DENNIS, and Mr. SCHERLE):

H.R. 11810. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RHODES (for himself, Mr. ANDERSON of Illinois, Mr. BELCHER, Mr. HALL, Mr. KUYKENDALL, Mr. SCOTT, Mr. MCCOLLISTER, Mr. SCHWENGEL, Mr. HALPERN, Mr. ZWACH, Mr. YOUNG of Florida, Mr. STEIGER of Wisconsin, Mr. DICKINSON, Mr. BROYHILL of North Carolina, Mr. PELLY, Mr. HUNT, Mr. SEBELIUS, Mr. QUIE, Mr. TALCOTT, Mr. WHALEN, Mr. CARTER, Mr. STEIGER of Arizona, Mr. POFF, Mr. DUNCAN, and Mr. MAILLIARD):

H.R. 11811. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RODINO:

H.R. 11812. A bill to amend the Outer Continental Shelf Lands Act, to establish a National Marine Mineral Resources Trust, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. JAMES V. STANTON (for himself and Mr. SEIBERLING):

H.R. 11813. A bill to provide for greater and more efficient Federal financial assistance to certain large cities with a high incidence of crime, and for other purposes; to the Committee on the Judiciary.

By Mr. DANIELSON:

H.J. Res. 969. Joint resolution to establish a Commission on Philippine Guerrilla Recognition; to the Committee on Veterans' Affairs.

By Mr. ROYBAL:

H.J. Res. 970. Joint resolution relating to the publication of economic and social statistics for Spanish-speaking Americans; to the Committee on Post Office and Civil Service.

By Mr. HALPERN:

H. Con. Res. 460. Concurrent resolution requesting the President to proclaim April 1 of each year "National Cancer Awareness Day"; to the Committee on the Judiciary.

By Mr. HANLEY:

H. Con. Res. 461. Concurrent resolution urging review of the United Nations Charter; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself and Mr. LINK):

H. Res. 707. Resolution calling for the shipment of Phantom F-4 aircraft to Israel in order to maintain the arms balance in the Middle East; to the Committee on Foreign Affairs.

By Mr. HEINZ:

H. Res. 708. Resolution calling for the shipment of Phantom F-4 aircraft to Israel in order to maintain the arms balance in the Middle East; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

283. The SPEAKER presented a memorial of the Legislature of the State of Minnesota, relative to extending the income tax benefits given married persons to single persons, which was referred to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 11814. A bill for the relief of Claude V. Alcorn and 21 others; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 11815. A bill for the relief of Kim Hyun Hei; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

154. By the SPEAKER: Petition of Foreign Service Post 1857, Veterans of Foreign Wars, Oklahoma City, Okla., relative to U.S. payments to the United Nations; to the Committee on Foreign Affairs.

155. Also, petition of Benjamin Remsen, Jersey City, N.J., relative to foreign policy; to the Committee on Foreign Affairs.

156. Also, petition of John F. Orth, Prospect, Conn., relative to redress of grievances; to the Committee on the Judiciary.

157. Also, petition of David W. Wion, Leavenworth, Kans., relative to impeachment of a judge; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

SOLDIER LENDS A HAND

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. HAGAN. Mr. Speaker, in these days when stopping a passing motorist on the highway to assist another traveler in distress is becoming increasingly difficult, it is worthy of note when one stops, helps, saves a life, and risks his own. This was the commendable role of Dennis F. McCranie, 22 Delmar Circle, Savannah, Ga., on September 20, 1971.

Sp4c. David Luke, a Fort Stewart soldier, lost control of his truck carrying several hundred gallons of gasoline on I-16 near Savannah. The truck overturned and caught fire. Luke managed to escape from the cab, but collapsed on the ground with his clothing on fire. McCranie was passing in the opposite lane. He stopped his truck and rolled Luke to a nearby pool of water and extinguished the flames, burning his own hands severely. He then ran back to his company truck and radioed his company dispatcher for help. He stayed with Luke until an ambulance arrived a few minutes later.

Luke was rushed to the Tuttle Army Hospital at Hunter Army Airfield in critical condition, with second and third degree burns over 90 percent of his body.

Lending a hand is nothing new for McCranie, who 2 months ago helped free a truckdriver pinned in his cab following a collision on Highway 17, south of Savannah.

An article follows:

SOLDIER BURNED IN FUEL BLAST

(By Don Rhodes)

A 21-year-old Ft. Stewart soldier escaped from the fiery wreckage of a two-and-a-half-ton Army fuel truck Monday afternoon after the truck went out of control and over turned on I-16 near Dean Forest Road, police officials reported.

SP4 David Luke of the 102 Quartermaster unit at Ft. Stewart was listed in critical condition at Tuttle Army Hospitel at Hunter Army Airfield Monday night. He was being treated for second and third-degree burns covering 90 per cent of his body.

A passing motorist, identified as Dennis McCranie of 22 Delmar Circle, was credited by police with rolling the burning soldier into a small pool of water and extinguishing the soldier's burning clothes.

As a result of the accident, the eastbound lane of traffic was backed up for about two miles for at least two hours, police said.

The accident occurred about 1:25 p.m. Monday as the soldier was driving to Hunter Army Airfield the two-and-a-half-ton truck from Ft. Stewart. Two six-foot long tanks with "several hundred gallons" of JP-4 Army gasoline were on the truck's rear section, authorities said. "Luke apparently ran off onto the left side of the highway where he traveled 426 feet," the State Patrol said.

"He must have thought he had control of the truck and attempted to turn right back onto the Interstate."

BURSTS INTO FLAMES

The truck overturned on the driver's side and slid 59 feet before it burst into flames, travelled another 78 feet on its side and came to rest partly on the expressway and partly on the emergency ramp.

McCranie, the rescuer told police he saw Luke climb from the passenger side of the vehicle and collapse onto the ground.

McCranie said he rolled the soldier down an embankment and into a pool of water.

McCranie then went to a company truck he was driving and radioed his company dispatcher to call the police and send an ambulance.

As the soldier was transported to Hunter in the ambulance, a Medivac helicopter from Hunter landed on I-16 in an attempt to aid other possible victims, but no other injuries were reported.

Garden City Fire Dept. members arrived at the scene and sprayed water on the burning wreckage until Hunter Army firefighters arrived and sprayed foam to extinguish the blaze about an hour later.

An Army "Crash Recovery" wrecker towed off the charred remains of the truck about 4 p.m.

Dozens of Army enlisted men and several high-ranking officers were at the scene, along with state and county police from seven motor units.

"There's no doubt about it that Mr. McCranie did a very courageous act," said State Patrolman J. S. Underwood Monday. "He should be commended for his quick response in helping that soldier."

HIS AIM: TO "LEND A HAND"

"My first reaction was to stop and lend a hand."

That's how 50-year-old Dennis F. McCranie described his thoughts Monday after he went to the aid of a Ft. Stewart soldier who jumped from a burning Army truck on I-16 Monday afternoon.

But lending a hand is nothing new for McCranie, who two months ago helped free a truck driver pinned in the cab following a collision on Highway 17 at the Newport River bridge south of here.

Referring to Monday's crash, McCranie, of 22 Delmar Circle, said he was driving a company truck in the opposite lane when he saw SP4 David Luke lose control and crash.

SCOOPS WATER

When Luke leaped from the burning truck and collapsed—his clothes on fire McCranie rolled the 21-year-old soldier down a hill into a shallow ditch, where he scooped water on him until the flames were out.

McCranie then ran back to his company truck and radioed his dispatcher for help. He stayed with Luke until an ambulance arrived a few minutes later.

A pair of burned hands are his souvenirs of the incident.

The burns are not major. In fact, McCranie drove to a doctor for treatment himself.

Asked about the help he gave, McCranie is modest: "Had he not gotten out himself, I couldn't have saved him."

McCranie, a field service man for Tri-State Tractor Co., diagnoses and repairs machine troubles in the area.

During World War II, he saw action with the Navy on an LST in the Pacific and was with the U.S. Army in Korea.

XUM

ILENE GOLDMAN TESTIFIES ON THE USE OF PHOSPHATES IN DETERGENTS

HON. EDWARD I. KOCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. KOCH. Mr. Speaker, there is much controversy on whether to use or not to use detergents which contain phosphates. More research is apparently still necessary before a viable detergent will be found that will be both safe to use and free of pollutants.

On October 29, Congressman REUSS held hearings in his Subcommittee on Conservation and Natural Resources on this subject. Ilene Goldman, who is co-chairman of an organization entitled "Consumer Action Now, Inc.," presented excellent testimony before this subcommittee on the use of phosphates. I would, at this time, like to include a copy of her speech in the RECORD:

TESTIMONY OF ILENE GOLDMAN, COCHAIRMAN OF CONSUMER ACTION NOW

Chairman Reuss and members of the subcommittee, we thank you for the opportunity to share our views with you. It seems that communication in the long run may be the key to this entire controversy.

First let me explain the activities of Consumer Action Now. I think this will help to clarify our tremendous concern over the detergent issue. We are not scientific experts. We are an environmentally concerned consumer group.

Our prime function is to try to educate the public while educating ourselves about any number of environmental problems of today. We attempt to do this through extensive research. We have the aid of scientists, both industrial and ecological. We use any source that can provide us with valid information. We write, phone, or visit any willing informant—and some who aren't so willing. Then, through a monthly newsletter, we pass along this information to our readers.

Our first "action project" was the posting of a detergent phosphate countposter in some of the leading supermarket chains in New York City. The response of the public and the media was enormous.

We knew immediately how anxious people were to help in the environmental crisis.

Trying to keep the phosphate posters updated in the months that followed would have been comical if it had not been so frustrating. It seems redundant to even capsule the ups and downs of such efforts since the turmoil in this area is past as well as very current history.

The plight of industry has been fairly well spelled out by experts. I would, however, like to tell you of a few experiences of the housewives caught in the midst of all of this.

CAN has twenty ladies, dedicated to finding information about products safe for their home as well as their environment. Most of us are mothers. We don't want our laundry products to be the cause of the possible death of a few children or the death of a few lakes. So we are looking.

Each of our members tried one or more of the no-phosphate detergents as they came on the market. Nothing startling to report. Some liked some—some liked others.

Then one of our mothers spent a fairly uncomfortable night with her son. She sat beside the bath tub that he sat in . . . soaking in baking soda . . . to relieve the red, itching rash that covered his body from chin to toe. This was one of the mothers who had tried Ecolo-Gy. Two other mothers had less severe, but similar experiences with this product.

CAN was now aware of the hazards of metasilicates on a first hand basis. Proper testing had obviously not been done on this product. The government or the manufacturer should have done more extensive testing. This should be a law. The consumer should not be the guinea pig.

We had no other dramatic misfortunes while we used the no-phosphate detergents. Still, it is uncomfortable to think of bringing home a highly caustic substance, such as carbonates, to clean the clothes. However, our fears show something of an inconsistency. Probably most homes are equipped with bleaches, dishwasher powders, drain cleaners, and furniture polishes that are extremely toxic.

We are careful with these toxic products, because we have been educated to know they are toxic. Housewives can be taught.

Few of us would choose a caustic product if there were viable alternatives. We want to protect our families, but we also want to protect our waters.

If there is not general agreement over how much of a villain detergent phosphates are in the eutrophication process, there is at least general agreement that phosphates *are* a contributing factor.

And if there is some dispute about the percentage of our waters that are being effected at all, there is at least general agreement that some of our lakes have already been so affected as to have died an unnatural death.

Phosphates are a part of the problem. Improper sewage treatment is part of the problem. Carbon is part of the problem. Nitrogen is part of the problem. Fertilizers are part of the problem. Human waste is part of the problem. If we keep enumerating parts of the problem, we could all go crazy.

At least cutting down on phosphates in detergents might be the starting point toward a solution. It is something the manufacturer can do. Buying low or no-phosphate products is something the consumer can do. We all want to feel that our help is needed. We all want to help.

Recently . . . the surgeon general's statement led us into a total state of confusion. And I'm afraid that is where most of us remain. I can barely get my children to school on time because of the number of people who stop me to ask what they should be using in their washing machines. Worse still . . . many don't ask. They just throw up their hand and say that they are going back to their old detergent, high in phosphates or not.

Lever Brothers and Colgate Palmolive, two of the three leading detergent companies, have brought all of their products down to an 8.7 level of phosphorous. The cleaning at this level apparently is acceptable. If Procter and Gamble and all the smaller companies came down to the 8.7 level, the detergent phosphorous entering our waterways would be cut by 25%.

It is a beginning. Proper sewage treatment is at best two or three years away. Perhaps 5 to 10 times that where no sewage treatment plant now exists. This will be an expensive and lengthy process, and a very necessary one.

But we can't wait. According to the Nader Task Force Report on water pollution, one-third of the U.S. population has no sewage treatment at all. A large portion of detergent phosphates end up in ground water, lakes and streams.

From 50 to 70% of the phosphorus in municipal sewage is contributed by detergents. Detergents are said to be responsible for from 30 to 70% of the total phosphorus load on lakes and streams.

So if proper testing takes time and proper sewage treatment takes time, it would seem logical to cut down the phosphate content in existing products immediately. That seems neither drastic nor hysterical. In fact it seems sane and necessary.

New York State will have such a law effective as of January 1st. We are definitely in favor of this.

With all of the information and misinformation around, many of our CAN members have been most comfortable in simply using soap and washing soda. It provides no wash day miracles, but those seem to be at a premium at this point in time.

Of course, there are problems with soap, too. Apparently soap effects the flame retardent finish on fabrics. New flame proofing finishes are being researched.

Also soap does an adequate job in soft water areas, but not in hard water areas.

Soap use to be more effective when our clothes went through the wringer in our old machines. The curd, or combination of soap and minerals, was wrung out of the clothes, rather than being spun back through them. Our updated machines are built to accommodate our updated phosphate detergents.

CAN members use a low phosphate detergent from time to time. This seems to help the machine and rid our clothes of any residue. It is one temporary solution.

It would probably be very helpful for every housewife to know the hardness of the water in her area. Many are uninformed about this. Public service announcements could quickly educate people about the water type in their locality. The Soap and Detergent Industry could further help by including instructions for the use of their products in soft, medium, and hard water areas.

The consumer should also be made aware that fewer or no phosphates are necessary for good cleaning in soft water areas.

Consumers should urge the training of qualified people to run the Provisional Algal Assay Procedure test on the waters near them. If no eutrophication is occurring, their alternatives may be different.

The fact is that there may not be just one answer to the detergent dilemma.

We have been told repeatedly by the Soap and Detergent Industry that it is not only difficult, but virtually impossible to manufacture and distribute one product with a varying phosphate content.

So there may have to be more than one solution. Variety may be the spice of life. It may also be necessary to the survival of our very finite planet.

Since I have just used the word eutrophication, I would like to pause a moment to talk about words and their meanings.

As a part of each of our newsletters, we try to simply define terms used in that issue. Some ecological words and catch phrases are thrown around so freely these days. I think many of us find ourselves using terms that we've incorporated into our vocabularies before we really know what they mean. So I would like to make clear what I do mean when I use the word eutrophication.

The Soap and Detergent Industry has made a distinction between eutrophication and pollution. They are partially correct in doing so. Natural eutrophication is a very slow transformation of land bound water areas into swamp, marsh and solid land.

Cultural eutrophication is a very much speeded up process caused by nutrient rich wastes reaching a lake from municipal and industrial sources. In the eyes of industry, this is still a natural process, and not to be considered pollution.

This is a matter of semantics.

An excess of any natural component in the growth process is a pollutant. Excess, by definition, is an abnormal quantity. As such it disturbs the natural or normal balance of the eutrophication process.

As I mentioned in the beginning, communication may be the key to finding a solution. Anything . . . and this includes word play . . . done at this late date to camouflage or further cloud what is going on in our environment or in the laboratory test tubes, renders the greatest possible disservice to the consumer.

Since we're defining terms, let me make it clear that the word consumer is intended to include each and everyone of us. Terms such as Government officials, or industrial spokesmen, leave out a vast majority of people. In fact, most collective nouns do. However, whether we like it or not . . . we are all consumers. And as consumers, we must be informed.

So, it would seem, we are back to consumer education. How do we achieve it?

The most obvious and immediate answer is proper labeling. Maybe industry is correct in saying that the consumer will be confused by too much information on the box however, in all fairness, it is possible to have a label be informative without being confusing. Surely the consumer would be no more confused than he or she is by all the contradictory statements flying around at the present time.

At least then, he could read and evaluate for himself.

President Nixon has stated his firm belief that the consumer has a right to know, and a right to choose.

The right to choose has always been accepted in our competitive society. The right to an informed choice may be a comparatively new thought, but an essential one.

Our second constant plea is for proper testing . . . no matter how difficult or time consuming. In fact, our awareness of these difficulties in testing makes us a bit timid about demanding immediate substitutes for phosphates. We might get them. And without proper testing, we don't want them.

Six billion pounds of anything in one year's time which will find its way into our grounds and waters is a formidable consideration. Care must be taken.

With our growing popuiation and decreasing supply of natural resources, we can't tolerate even one major mistake.

In closing, let me just summarize a few thoughts.

It is the consumer's right to have a choice of thoroughly pre-tested products. This should be an informed choice. Informed through proper labeling.

A proper label should contain:

1. A complete list of all ingredients in order of their abundance in the product.
2. A measure of potential health hazards should be clearly stated.
3. Instructions as to what to do if the product is improperly used.
4. Proper instructions as to the products use according to the softness or hardness of the water.
5. "Keep out of reach of children" should be printed in bold letters, as it should be on all toxic cleaning products.

This information should be present on all cleaning products.

There should also be a conscientious consumer education program. This could be done through the aid of advertising, community education, and school programs.

At the same time, government and industry must continue to search for every possible solution. Proper sewage treatment, which I've only touched on, must be pursued and perfected.

Child proof packaging must be further researched.

We must all seek answers and stop all the buck passing and finger pointing. The responsibility lies with all of us—government, the press, industry, and the consumer. What we owe to each other is a high standard of clear communication of information and views.

We owe this committee a debt of thanks for making such an exchange of ideas possible through these hearings.

CAN is putting out a card on 100% recycled paper that simply reads . . . "Treat the world as though it were your home." It is. And we must.

Thank you for listening.

EMPRISE CORP., OF BUFFALO, N.Y., NOW LINKED TO THREE DIFFERENT ORGANIZED CRIME FAMILIES

HON. SAM STEIGER
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. STEIGER of Arizona. Mr. Speaker, Emprise Corp. indicted by a Federal grand jury along with Detroit and St. Louis Mafia family figures earlier this year is now found to have had a long time financial relationship with a New Jersey Mafia leader, Gerard Catena. The State of New Mexico has found Emprise unfit to operate a race track in that State. The State of Arkansas, by order of a majority of their racing commission, has ordered Emprise to divest itself of its holding in a dog track in that State largely because of their associations with organized crime figures and dishonest testimony before the commission.

It would certainly appear that both of these States are correct. Other States had better look at Emprise's holdings in their area.

The company referred to in which Emprise and Catena were involved is engaged in the manufacture of slot machines in the Chicago area. The following will document the Catena relationship with Emprise:

ITEM 4—SEC LETTER OF MAY 29, 1968

In June, 1963, the then owners of the Lion Manufacturing Corporation (the family of the late Raymond T. Maloney) sold substantially all of the assets of that company, together with name and business goodwill to a new corporation which had been formed for the purpose of making such acquisition. The new corporation (originally known as K.O.S. Enterprises, Inc. and immediately after the acquisition as Lion Manufacturing Corporation) was formed by a group which came together through the action of Mr. O'Donnell who, as an employee of the former owners (Maloney interests), became aware that the business was available for purchase, following the death of Mr. Maloney, who had founded the company in the early 1930's. Mr. O'Donnell contacted several parties who, because of their business operations in the vending industry, were aware of the Lion operations.

As a result of these contacts and ensuing discussions, the acquisition transaction took place. Record and beneficial ownership of the new corporation and related information is set forth in the following paragraphs:

1. At the outset (June, 1963), the record ownership of the new Lion Corporation ("Lion") was as follows:

Name and number of shares	
William T. O'Donnell	250
Sam W. Klein	333
P. J. Prince	333
Emprise Corporation	334
Barnet Sugerman	250
Abe Green	250
Irving Kaye	250
Total	2,000

2. Promptly after the formation of Lion, all shares were transferred, of record, to Emprise Corporation, as voting trustee. Such transfers were made to implement a collateral security arrangement in favor of Emprise, based upon the guarantee by said company, of a bank loan to Lion of approximately $1,000,000, the proceeds of which were utilized in the purchase transaction.

3. Each of the original shareholders paid $100 per share for the shares issued to each of them, or a total of $200,000, the balance of the purchase price being funded by the aforementioned bank loan.

4. At the outset, Messrs. Green and Sugerman entered into a separate agreement with Mr. Gerard Catena, copy of which is attached, declaring that Mr. Catena was entitled to beneficial interests in one-third of the shares held by Messrs. Green and Sugerman. According to information furnished by Mr. Catena's accountant, Mr. Catena bore his proportionate share of the initial purchase price. Accordingly, beneficial ownership differed, at the outset, from record ownership in respect of these three parts as follows:

Record	
Green	250
Beneficial	
Green	166⅔
Sugerman	166⅔
Catena	166⅔

5. Between 1963 and 1966, the following changes in stock ownership (record and beneficial) took place (through transfer of voting trust certificates, while the aforementioned voting trust was in effect):

A. Mr. Frank Prince sold his 333 shares to Emprise and Sam Klein, in equal amounts. The price paid for such shares was an aggregate of $50,000.33. The approximate date of such transaction was April 1964.

B. Barnet Sugerman died and his beneficial interest was acquired by Messrs. Green and Catena, in equal amounts, in June, 1964. The purchase price for the shares was $17,500, borne equally by said purchasers, which payment was made by the assumption of a bank debt in such amount owed by the late Mr. Sugerman (copy of agreement attached). The record ownership of such shares were to remain with Mr. Green, who was to continue acting as Mr. Catena's nominee. Inasmuch as the voting trust still continued, no official transfer of the shares was made to Mr. Green.

C. By agreement dated July 2, 1965, Mr. Catena sold total prices of $175,000 (copy of agreement attached). Under the terms of the agreement, the seller acknowledged that the shares would be sold through Mr. Green, as the record owner, to Mr. William T. O'Donnell, but Mr. Catena's sales agreement is directly with Mr. Green. The shares were thence acquired by Messrs. O'Donnell, Green and Kaye in approximately equal amounts, so that their aggregate beneficial holdings became virtually identical. Mr. O'Donnell's purchase of the 250 shares was for the equal accounts of himself, Messrs. Green and Kaye, and each has borne their respective portions of the purchase installments due under the July 2, 1965 agreement.

D. On or about January 1, 1966, the original voting trust of all the shares was terminated and share certificates were issued to O'Donnell (500), Kaye (250) and Green (250). The O'Donnell certificate reflected the additional 250 shares he had acquired from Catena, via Green, which shares were subsequently divided between O'Donnell, Kaye and Green so as to bring their shares interests into approximately equal status. The 500 share interest of Sam Klein continued to be subject to the voting trust by reason of separate agreement between Klein and Emprise.

E. The Sam Klein voting trust agreement with Emprise was concluded concurrently with the redemption, by Lion, of the 500 shares then owned beneficially by Emprise (i.e. 333 shares originally owned, plus 167 acquired by Emprise from Prince). This took place in April, 1966 and the price paid to Emprise for said 500 share interests was $245,000.

F. At the conclusion of the voting trust, the share ownership (record and beneficial) of Lion, by reason of (i) the foregoing transactions, (ii) the declaration of trusts for their children, on or about January 1, 1966, by Messrs. Klein and Kaye and (iii) the distribution of certificates out of the voting trust, was as follows:

XUM

Name and number of shares—Record and beneficial	
William T. O'Donnell	333
Sam W. Klein	300
Abe Green	334
Irving Kaye	(a) 233
Sam W. Klein, Trustee	200
Irving Kaye, Trustee	(a) 100
Total	1,500

(a) Although Kaye's trust declaration for his children was dated 1/1/66 the transfer of shares into a separate trust account took place in July 1967.

G. At the time of the original acquisitions of interests in Lion:

a. Emprise Corporation was owned by Mr. Louis Jacobs of Buffalo, New York who was and is believed to still be the principal stockholder of Sportservice Corporation.

b. Barnet Sugermen was then a partner with Abe Green in numerous vending machine and other businesses, in many of which Mr. Catena held interests.

c. Frank Prince was a major shareholder of Universal Match Corporation.

H. The present addresses of the present principal stockholders of Bally are set forth in the company's prospectus in Registration Statement No. 2-23537. The current addresses of Emprise, Jacobs, Catena and Prince will be forwarded to the staff as soon as obtained.

BANNING DDT

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. HUNGATE. Mr. Speaker, the recent Environmental Pesticides Act passed by Congress highlights the fair balance we seek to strike between man and nature.

The following articles from the Christian Science Monitor of October 30, 1971, indicates the difficulties by reminding us that the World Health Organization still refuses to ban DDT, and it is the world's largest user of it. Once again, the world's problems do not always bring self-contained simplistic solutions.

The article follows:

BANNING DDT

Very soon—perhaps within a week almost certainly by spring—the Environmental Protection Agency must come up with a decision on the continued use or total banning of DDT in the United States.

Administrator William D. Ruchelshaus has been forced to the wall in making a decision on the difficult and emotion-charged issue by a court order, stemming from a suit filed by the Environmental Defense Fund.

It will not be an easy decision to make. The known environmental hazards of DDT to wildlife, caused by its distribution upwards through the food chain, and its as yet unproven but highly suspect impact on human beings, make strong case for a total ban. Yet DDT remains the most effective insecticide for combating certain crop-eating and disease-carrying pests. This accounts for the fact that the World Health Organization has refused to ban it, and remains the world's largest single user of the chemical.

Given the deep division between honest and impartial experts, and balancing the needs of the food-rich and healthy United States against the poverty-, hunger-, and disease-prone populations of the developing countries, the present situation reflects the current state of the art of pest control.

But that state must be improved. The United States of all countries can best afford to forgo the use of a highly questionable chemical. At the same time, it should take the lead in researching out solutions leading to the ideal of a balanced farm ecology in which toxic pesticides play no part. Until this end is attained, the poor developing nations will feel forced to go on using DDT or other chemicals with Jekyl-Hyde properties.

OPPOSITION TO FEDERAL CHILD CARE MOUNTS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. RARICK. Mr. Speaker, as American citizens learn about the insidious child development programs, more voices of protest are raised. I insert in the RECORD at this point a few of many statements of opposition which I received in this weekend's mail:

NOVEMBER 8, 1971.

Congressman JOHN RARICK,
House Office Building,
Washington, D.C.

DEAR SIR: The following telegram was sent to President Nixon on October 22, 1971:

"We, delegates to the Archdiocesan Council of Catholic Women Convention now in session, representing 40,000 women in the Archdiocese of Seattle, beg you, Mr. President to please veto the child care bill.

"(Signed by over 250 delegates' names.)"

A copy of each delegates' name could be sent, if you wish. This wire was sent from the Sea-Tac Holiday Inn at about 2:00 p.m. The delegates are all Presidents of all Catholic Church Guilds in every parish throughout Western Washington. We felt that if the truth were known about this bill, the opposition would be much greater; but we have had a virtual news black-out concerning this in the Seattle area.

Our thanks to you for all your efforts on behalf of the U.S. We pray for your (and ours) success in this effort.

Sincerely,

Mrs. JOSEPH E. REGAN,
Vice-President, North-Central Deanery, ACCW.
SEATTLE, WASH.

[From the Everett (Wash.) Herald, Nov. 11, 1971]

ASKING VETO

The Silver Lake Community Women's Club has sent a telegram to President Nixon imploring him to veto the bill.

This bill threatens to destroy parental authority and the family way of life.

There are too many dangerous loopholes, particularly concerning child development, child advocacy, and federal subsidizing.

Telegrams are speedy—that is what is needed now!—Wire your President.

Silver Lake Community Women's Club,
Mrs. Sue Milliken,

SILVER LAKE COMMUNITY WOMEN'S CLUB,
Mrs. SUE MILLIKEN,
Acting Secretary.
Mrs. HONEY BROWN,
Publicity Chairman.
EVERETT.

[Friends of Michigan Schools, Lansing, Mich., Oct. 27, 1971]

HOW MUCH IS $2 BILLION

I remember back in World War II when the U.S. Senate was passing billions of dollars of appropriations with machine-like regularity for the armed forces and they got to a minor bill on an appropriation for the purchase of army mules. Many hours were spent discussing the price that should be paid for a good Missouri mule. In other words, the Senators were discussing something they understood and their minds were able to comprehend. With the amounts increasing every year, the problem of comprehension becomes more acute.

How much is 2 billion dollars? The following illustration will give you some idea:

President Nixon has asked the Congress to repeal the excise tax on automobiles and this will result in a savings of about $200 on the cost of a new car. It is predicted that 10,000,000 cars and trucks will be sold in 1972. $200 per vehicle figures out to be $2,000,000,000. S 2007, which is an appropriation bill to extend the Economic Opportunity Act of 1964 for 7 more years, is up for consideration by the U.S. Senate next week. Title V of the OEO Act of 1964 is amended to read as follows:

STATEMENT OF FINDINGS AND PURPOSE

Sec. 501 (a) The Congress finds that—

(1) Millions of children in the Nation are suffering unnecessary harm from the lack of adequate child development services, particularly during early childhood years;

(2) Comprehensive child development programs, including a full range of health, education, and social services, are essential to the achievement of the full potential of the Nation's children and should be available as a matter of right to all children regardless of economic, social and family backgrounds. . . .

WHAT WILL THIS PROGRAM COST?

For the purpose of providing training, technical assistance, planning, and such other activities as deemed necessary to implement this Title V, there is appropriated $100,000,000 for the fiscal year ending June 30, 1972. For the purpose of carrying out this program there is authorized to be appropriated $2 billion for the fiscal year ending June 30, 1973. Every time you see a freight train load of new cars or a semi load on the expressway, I hope you will be reminded that it will take all of the excise tax at $200 per car sold in the United States to pay for this new program. Remember this is only the beginning—it is estimated that within a few years the cost may soar to as much as $10 billion annually! According to a confidential HEW study, "A day-care center that ministers to children from its sixth month to its sixth year will have more than 8,000 hours to teach him values, fears, beliefs, behavior and eventually it is an enormously powerful influence over what the child will become."

LEGISLATIVE EMERGENCY MEMO, CINCINNATI, OHIO, OCTOBER 1971

With only 24 hours notice, and without benefit of a printed committee report, normal procedures in handling legislation were bypassed; the House approved by the vote of 186 to 183, the Comprehensive Child Development Act, as an amendment to H.R. 10351, which originally was limited to continuing programs first authorized by the Economic Opportunity Act, 1964. Not one person appeared opposing the bill, though highly qualified witnesses applied. Of the 183 members of the House who voted against this Child Control Act, 134 are Republicans, including Minority Leader, Ford, and only 21 Republicans voted for it. Clearly the President's party has spoken against this measure, giving President Nixon excellent ground to veto the entire bill.

For more information read "The Child Advocates: What Do They Really Want?" Speech by Congressman John Rarick in the House of Representatives, and we're indebted especially to Congressman John G. Schmidt, California, for these facts quoted from his Weekly News Report:

"The most important fact about the comprehensive child development programs authorized by this bill, is not the power given to the agencies that will run them, but the purposes that are set for them. The bill lists 13 separate purposes for which Federal "Child Development" funds may be used, including (in addition to basic day care) "comprehensive physical and mental health, social and cognitive development services, especially designed health, social and educational programs, including after-school, summer, weekend, vacation, and overnight programs . . . medical, psychological, educational, and other appropriate diagnosis, and identification of visual, dental, hearing, speech, nutritional, and other physical, mental, and emotional barriers to full participation in child development programs, with appropriate treatment to overcome such barriers, utilization of child advocates, to work on behalf of children and parents to secure them full access to other services, programs, or activities intended for the benefit of children."

All of this refers primarily to children under the age of six, and all of it is to be carried out by the government, in conformity with policies laid down by a new Office of Child Development in the Department of Health, Education, and Welfare, which this bill would create. The potential for abuse should be obvious, simply from reading the list of purposes. No facet of a child's life is omitted. The intention is clearly to put government in place of the parent. Surely our faith in God and individual responsibility for life, liberty, and the pursuit of happiness demands that we wire President Nixon to veto this bill. Political Opinion wires cost only $1.25 for fifteen words. Call 721-2640, or write—(Here's a sample:)

"President Richard M. Nixon . . . the White House . . . Washington, D.C. Urgently request presidential veto comprehensive child development legislation concurring with 134 Republican Congressmen."

MARGARET S. KLING (Mrs. J.),
Republican Precinct Chairman.
CINCINNATI, OHIO.

ALERT—PARENTS INVOLVED IN LEGISLATIVE ACTION, EL PASO, TEX.

You may never have to place your child in a government controlled child care facility. But, what about your grandchildren? While the government isn't likely to force children to be placed in child care centers, all the signs point to *coercive* measures that the government can use. For instance:

1. There will be the coercion of a tax break: The 1970 Report to the President on the White House Conference on Children, page 284 suggests: ". . . alteration of tax schedules to provide tax relief to families who have children in developmental care."

2. There will be the financial necessity: The cost of providing child care and developmental services is estimated to be in the trillions of dollars—financed by your taxes, which means that many mothers will have to work (thus, putting their children in child care facilities) not just to pay for luxuries, but to help provide the necessities of daily living. Dr. Urie Bronfenbrenner, a Head Start founder, has suggested that indeed, it may be necessary for the taxpayers to settle for lower stock dividends or just one car so government child care can be financed.

3. Your child may suffer the stigma of being "different." If a mother does not place her pre-school child in a child care facility, by the time that child is old enough for first grade the child may, as a result of having missed "enrichment programs" or "group experiences" be decidedly different to the extent that he may be considered "culturally or emotionally disadvantaged" or just plain "retarded" or otherwise stigmatized.

If nothing else will convince you, consider this quote from the 1970 Report to the President of the White House Conference on Children, page 278:

"A daycare program that ministers to a child from six months to six years of age has over 8,000 hours to teach him values, fears, beliefs and behaviors."

Whose values will be taught. Yours or the government's?

Whose beliefs will be taught. Yours or the government's?

Who and what will your child be taught to fear?

What will be taught as proper behaviors?

If you do not have children, your taxes will still help pay the fantastic expense of the total child care and development planned by the federal government. *One way* or *another, no one will remain untouched.*

Over 100 bills relating to child care/child development are pending. Some have already been introduced into Congress and these bills are moving quickly, both in the House and the Senate. S. 2007 has already been passed by the Senate. Write or wire your Senator or Congressman and let them know how you feel about government controlled child care. Make your letters brief, to the point and polite.

[Letter to the Editor of Seattle Times, Oct. 20, 1971]

CHILD CONTROL IS HERE

It just needs the President's signature—An OEO Amendment bill, S2007, passed by both the House and Senate, contains sections of enabling legislation which will remove final authority of parents over children and place such authority at the federal level.

This act guarantees every child shall have the 'right' to develop to his 'maximum' potential and even provides an advocate in every neighborhood who will intervene in family situations whenever he should deem it necessary to guarantee the child's 'rights' be protected.

It establishes councils at the local level which will determine policy relating to the educational, physical, medical, psychological, mental health, social, and cognitive development of all children. Diagnosis, identification and treatment of barriers to a child's development are now to be a matter of federal concern. The means of implementing such services, such as funding, designing a program of daily activities to cover every aspect of a child's life from infancy are included in the provisions.

It specifically "provides that children in the area served *will in no case be excluded* from the programs operated pursuant to this part because of their participation in nonpublic preschool or school programs or because of the intention of their parents to enroll them in non-public schools when they attain school age."

Urge President Nixon to veto this and any other legislation designed to remove authority of parents over their children. This is expected to be on his desk in the next day or two. Send your messages at once.

CONNIE BAMESBERGER.
SEATTLE.

[Newsletter of the Republican Club for Business and Professional Women of Greater Kansas City, Mo.]

ASK FOR PRESIDENTIAL VETO

The Federal Child Control Act passed the Senate Sept. 9th and the House Sept. 30th. This is one of the most dangerous pieces of legislation to come before Congress. The Bill lists 13 separate purposes in which Federal "child development" funds may be used, including (in addition to basic day care).

Comprehensive physical and mental health;

Social congenitive development services;

Specially designed health, social and educational programs;

Medical, psychological, educational and other appropriate diagnosis of visual, dental, hearing, speech, nutritional, and other physical, mental and emotional barriers to full participation in child development programs;

Utilization of child advocates to work on behalf of children (under the age of 6) to secure all these services.

The Senate Bill, S2007 was pased as an amendment to the extension of the Office of Economic Opportunity Act.

The House Amendment, HR10351, passed 186–183, thus winning by only 3 votes.

There is little hope of significant changes in the child care-advocacy-child development legislation. The Bill can be kept from becoming law now by a Presidential veto. So, please wire President Nixon and urge him to veto S 2007 and HR10351.

Of 183 House members voting against the Bill, 134 were Republicans, including Republican minority leader Gerald R. Ford. Of 186 voting for the Bill, (House) only 21 were Republicans. So the President's party is largely opposed to this Federal Child Control legislation.

Now that we have the thoughts of the children controlled by the present school system, think what a catastrophe it will be when the socialists take over the control of the children altogether.

Wire now: "President Nixon I urge you to vote against bills S2007 and HR 10351."

[Newsletter of September to October 1971, Parents of New York United (PONY–U, Inc.) P.O. Box 20, Clarence, N.Y.]

As we start our third year of publishing this newsletter, the Social Planners are steamrolling ahead to implement what they feel will be the ideal society. Congress has already passed Child Advocacy Bill (S–1414) and S–1512 which provides for a national network of pre-school child day-care centers, as amendments to S–2007. Now they will go to the President for his signature. This bill provides federal funds for "experts" to determine the "needs" of all children on a nationwide basis. "Experts," such as the highly influential educator Paul Brandwein from the Center for the Study of Instruction in Sciences for Social Sciences, who believes that children under the influence of the home are mentally ill and come to school "wounded" and must be "healed" by the teacher. We urge you to send a Public Opinion Telegram to the President as soon as you receive this newsletter and request, "Please veto Bill S–2007 which includes amendments S–1414 and S–1512" and sign your name.

"The hand that rocks the cradle rules the nation." Historically this was so in America. Conversely, in totalitarian countries, the government rocked the cradle and ruled the people dictatorially and mercilessly.

Congress is currently confronted with several legislative proposals in a variety of forms, all seeking to turn control over the lives of our children to the Federal Government. S–2007 is the start in the program to federalize America's children.

In the five volumes of testimony not *one* person appearing at the hearing on S–2007 opposed the bill. No group of concerned parents or taxpayers' groups was invited to testify.

Now that the Federal Government has gotten its political iron foot inside the door of the local school house, the provisions of the various bills for child development programs extend progressively toward the day when the Federal Government assumes complete control over children commencing at birth and our schools become child development experimental laboratories.

PPBS (Program, Planning & Budgeting

XUM

System)—The New York State Education Department has already adopted this system, and schools throughout the state have started various degrees of implementation. For those who missed the accounts in our newsletters last year, let us give you a brief resume.

PPBS is a computer retrieval system and, as such, it is designed to account for a product. As used in education, that product will be the knowledge and behavior of a child or teacher, or administrator. It is based on a pre-determined concept, a "goal" and objective Goals and objectives are the specifications which the product must meet. If it does not meet the specs, it is recycled until it does. The key here is that in order to adjust the recycling to effect the desired concept, everything which affects the product (knowledge and behavior) must be correlated to all the other imputs to determine the proper controls to add.

PPBS programs already verify this point. The programs, for instance, not only are reference to matters directly relating to studies, but also to environment, including but not limited to, social, political, economic, religious, familial, background, and so forth. All of these points of information are fed into the computer, and are stored in its memory, available for retrieval at any time.

Engineered change is a fundamental premise of the "Progressive Educationists" to use teachers and administrators as "social engineers" and "change agents". Honest educators and traditional teachers who refuse to go along with this experiment in mind control, which is the target of PPBS, will be recycled and eliminated if they do not forget about course credits and grade point averages to become social engineers and behavioral motivators. Subject matter will be forgotten altogether and replaced with clinical counseling to develop fully functioning individuals whose main purpose for being in school, apparently, will be to learn to acknowledge traits which inhibit flexibility. During the past several months there has been a mounting campaign to abolish tenure for teachers. Computers will identify effective teachers, and by "effective" it is clear that they mean teachers who adapt. It is not hard to guess what will happen to the traditional teacher who, without tenure, is inclined to resist.

Nor is it hard to guess what will happen to your child if the computer decides that the home and parents are hindering the Social Planners "desired behavioral objective" if the President signs into law the child advocacy and national day-care centers.

[Iowans for Moral Education, Box 114, RR3, Washington, Iowa]

WHOSE CHILDREN? YOURS OR THE STATE'S?

There are groups and individuals, both in and out of Government circles, who are and have been working to promote programs that will create a *drastic* and *fatal change* in the United States of America!!! These people—many socialistic minded (the next step is communistic)—are working to control and mold the minds and lives of the children and youth of this nation. In order to accomplish their goal, namely "control of the total child", the Christian home and family must be undermined!!!

A U.S. Department of Health, Education, and Welfare news release, dated June 8, 1971, states: "Two HEW agencies are combining their resources and funds to *test a new concept, known as child advocacy*, that is expected to increase public awareness of the *social, educational, and emotional needs of children*.

"The *two agencies involved* in the pioneering venture are the Office of Education's Bureau of Education for the Handicapped, and the Health Services and Mental Health Administration's National Institute of Mental Health.

In a joint announcement today, U.S. Commissioner of Education Dr. Sidney P. Marland, Jr., and NIMH Director Dr. Bertram S. Brown, said the two agencies will fund six innovative child advocacy demonstration projects, totalling $656,000.

"These projects," said Dr. Marland, "while serving to develop child advocates, have as their ultimate goals promoting and improving the total community resources and the delivery of services for the emotional, social and educational development of all children within their target neighborhoods."

"The six grants selected from 33 applications submitted to the Joint Planning Committee for Children-made up of representatives from NIMH and OE—were awarded to:

Central City Community Mental Health Center, Los Angeles, California.

Prince Georges County Public Schools, Upper Marlboro, Maryland.

Learning Institute of North Carolina, Durham, N.C.

Philadelphia Urban League, Philadelphia, Pa.

Dade Wallace Center, Nashville, Tenn.

Mexican American Neighborhood Civil Organization, San Antonio, Texas.

"The child advocacy concept is an outgrowth of the Joint Commission on Mental Health of Children. It again came to public attention during the *White House Conference on Children*, held last December. . . ."

NOTE.—"The child advocacy concept is an outgrowth of the Joint Commission on Mental Health of Children." An advocate is a "counselor/intercessor," (between parent and child, school and child, etc.).

To the "uninformed" or "indifferent" this may sound "well and good". However, what are the purposes and proposals of the above mentioned Joint Commission? What effect will the "many and well laid plans" of these "social, socialistic planners" have upon your life, the life of your child or grandchild, niece or nephew, friend; their/your faith in the Eternal God; what effect will these plans have on their/your/our freedoms and nation?

The children and youth of this nation are called an "industry" by the Commission. (God says, "Children are an heritage of the Lord . . ." Ps. 127:3)

Some individuals with good intentions, who have a real concern for the well being of children, have said, "Some children need an advocate." The question must be answered, "Whose children need an advocate?" Again we look to the Commission's recommendations.

"Systems must therefore be developed which (1) have access to all the children, so that they are known and their development monitored; and (2) provide a pattern of services in which are available the settings, comprehensiveness and continuity of care for infants, children, and their families even when their parents cannot arrange for or get the necessary care themselves. To be truly effective, this requires a *universal monitoring system* so that at least we know where all the children are and which ones are not getting to private or public services."

Throughout the country, parents are being influenced to enroll their pre-school children in nursery schools of various names. In Washington, D.C. babies 18 months to 3 years old are attending school for 10 hours a day, 5 days a week. This is an experimental school however this type of school is desired by the social planners for all the children in the U.S.

In the Final Report of the Joint Commission on Mental Health of Children, Inc., we find some interesting statements:

"Schools originally were intent on the development of the mind as a primary mission. *The body and spirit were the responsibility of the home and the church.* As these two institutions decline in influence, the schools are required to assume more responsibility for the education of the "whole" child. . . . *"Schools must begin to provide adequately for the emotional and moral development of children* as well as for their development in cognition or thinking. . . . "The school, as the major socializing agency in the community, must assume a direct responsibility for the affective and value components of child development equal to its concern for cognition. . . . *"The chief instrument to achieve the reorientation called for above is through the creation of Boards of Child Advocacy. . . . "They should all, however, reach aggressively into the community, send workers out to children's homes, recreational facilities* and *schools. . . .*

"They should assume full responsibility for all education in the community as opposed to schooling—including pre-primary education, parent education, and community education. . . . "Every child and youth in America", "from conception through age 24", are to be included." . . the report speaks of ". . . meeting the needs of the *total* child in the community." . . . They recommend that, "Congress and States should initiate legislation to stimulate development of pre-primary education to serve *all* children . . ."

More than 100 national child development and advocacy measures (bills), under various names, have been introduced in Congress. Some Congressmen have been led to believe the proposed plans are not compulsory, however even a cursory reading of the bills and recommendations of the Joint Commission, as revealed in this summary (*not* taken out of context), shows the intent to include "all the nation's children". These are far reaching proposals which must be *discontinued*. It is interesting to note that the Congressmen introducing these bills consistently (90-98% of the time) vote for socialistic legislation that undermines our Republic and Constitutional Government. Organizations involved in the research prior to introduction of many of these bills, and groups promoting them are also found to be consistently oriented toward socialistic philosophies. This alone should raise serious questions in the minds of those who might be inclined to believe child advocacy is a good plan. It seems strange when so many men (fathers) are without jobs that so many "do gooders" are working so hard for Child Care—Child Advocacy programs—to put children in "away from home schools"—so mothers can work. The question needs to be asked and answered truthfully, "What's wrong with mothers staying home and raising their children in their own homes?" More jobs would then be available for fathers. Our nation became the most progressive, productive and free nation on earth when this procedure was followed.

If these child development-advocacy measures are implemented our children will become literally "wards" of the state—"The state's children", called just that in Sec. 1177 of S. 1414, a Bill to amend the Social Security Act by providing for the establishment of a Child Advocacy Program.

A young mother asked this question, "Do any of you remember the film "Hitler's Children"? I remember seeing that film when I was about 13 and it stuck in my mind because it was so horrible. Young people were separated from parents and placed in indoctrination schools. There was no religion and hard core young adults, who would kill their mother if she dared to be against their cause, were muscle for the corrupt rulers. Women were placed in dorms for the sole purpose of bearing children for the cause. The men were in the military and allowed to visit every so often, there were no families. Any opposition was exterminated. When I saw that film I was so thankful and proud that my country was not like that, that I had parents I could believe in. I could pray to God and have a say in my future. But the country has changed and I'm not so proud

any more, because it's become corrupt and is destroying all the true values that are left."...

With the ever increasing use of the term "Mental Health" in every area of our society, one begins to wonder who determines the mental health of the psychiatrist, psychologist, educators, etc., who are saying others than themselves are mentally ill. Indeed, these individuals who are trying to impose their mentality and "humanistic hang-ups" on the children and parents of this nation are in reality the mentally-spiritually ill!!! As the young mother, a former college student, quoted previousy, states, "The educators, who have human faults, are saying that they are more intelligent than the parents and should teach our children everything they need to know. As far as I am concerned all the college degrees in the world will not make an individual intelligent. All it means is that he has read literature and comprehended it well enough to pass a test. It doesn't mean that he has good common sense compassion toward his fellow man, good morals, or love for his country. . . All through the Bible parents, not educators, are told to teach their children. The Bible also says that parents will be held responsible for their children before God, not before educators. I honestly believe that parents who sit back and hand their children over to such practices as these will be held accountable before God on judgment day."

An increasing number of persons (as they become informed) are becoming alarmed at the proposals for social change which are departing from Biblical morality and Judaic-Christian principles. A concerned Congressman writes: "You certainly have reason to be alarmed over the proposed legislation for day care centers, the child advocacy system, and the degrading PPBS, PEP, and PACE programs. I am striving to help my constituents keep informed of these insidious attempts to turn our free country into a totalitarian socialistic one. . . . My only suggestion to you is to inform your local, state, and national public officials and at election time try to elect pro-American officials. . ." (Letter dated June 23, 1971)

Remember!! These programs are funded by tax money and could be stopped if the voters work against and vote against every elected official who supports these socialistic programs!! Souls of children are at stake!! Dear readers, it is time to seek some old paths—God is alive!! His Word as revealed in the original writings is True and must be followed for true Peace of Mind—real mental health. God says, "Stand ye in the ways, and see, and ask for old paths, where is the good way, and walk therein, and ye shall find rest for your souls." Jer. 6:16. "For God so loved the world, that he gave his only begotten Son, that whosoever believeth in him should not perish, but have everlasting life." John 3: 16. God also says in II Chron. 7:14, "If my people, which are called by my name, shall humble themselves, and pray, and seek my face, and turn from their wicked ways, then will I hear from heaven, and will forgive their sin, and will heal their land."

[From the Newport Harbor Ensign (Corona del Mar, Calif.), May 27, 1971]

DAY CARE IS CHANGE AGENT

(This is a continuation of the March 9 speech given at the Harbor Forum meeting by Dr. Joseph Bean, former member of the Glendale unified school district board. He is describing the program of John Dewey and his colleagues to use public schools to change society and the economic system into collectivism.)

(By Dr. Joseph Bean)

Another matter which Americans should be following with concern is the rapidly developing reality of the school for children 2 to 5 years of age. In the opening days of his administration in 1969, President Nixon established the Office of Child Development, out of which grew plans for the construction of a large number of day care centers for the child under kindergarten age of five. These centers are planned not only for children whose mothers work but for all children from two to five.

As noted earlier, the people working in these government programs want to have access to the child at this early age, before he has had a chance to learn the wrong things from his parents. The maladaptive behavioral patterns developed at home can thus be prevented, they contend. This eliminates the necessity of the unlearning process when the child enters regular school.

By the time he reaches kindergarten, his thought processes will have been directed away from traditional values and the child will not need sensitivity training at a later age. This will save everyone a lot of trouble. Whereas child care centers in the past have been custodial or baby-sitting facilities, the new centers will be learning centers. The NEA states that when the centers begin to operate on a wide scale, educators will assume a formal responsibility for children when they reach the age of 2.

As was to be expected, when the White House Conference on Children and Youth met in Washington last December, one of the important matters to come before the conference was the establishment of these child care centers. Great urgency was assigned to the program. It would cost between 6 and 10 billion dollars a year to operate the centers, and I do not know how many billions for construction.

A system of child advocates will probably be established this year, with one advocate to represent children at the national level, one at each state level, and one for each community. The advocates would be responsible for policy-making and enforcement for all persons under 21, and the system would guarantee every infant 7 new rights which we will not take time to enumerate here. The advocate would stand as "protector" between parent and child.

There is more and more being said about developing the kibbutz (and this word is used) for American children, and the idea already has the backing of some congressmen. As in the communal settlement in Israel, the kibbutz house here would take the child at an early age, even at birth in some instances, and the child would be reared by the state. Elizabeth Koontz, president of the NEA in 1968 and named head of the new network of child care centers by President Nixon, is pushing for the establishment of this sort of arrangement for children. The kibbutz has the backing of numerous influential people.

[From the Piedmont-Oakland (Calif.) Bulletin, Sept. 15, 1971]

THE FAMILY—A NEWLY DISCOVERED EVIL?

"The American home," Professor Ashley Montagu of Rutgers University said recently, "is an institution designed for the systematic creation of mental illness in children."

We'd like to think that Prof. Montagu was kidding, but we can't be sure. The fact is that there are more than a few so-called child experts and other far-out planners who are seriously urging the complete break-up of the family, with the children to be taken from their homes and raised and educated by the Government to achieve "full child development."

Now this view is not merely an abstract subject for conversation in certain intellectual circles, it has been incorporated in more than 100 bills now before Congress including H.R. 6748 recently approved by the House Education Subcommittee. And most of this legislation has the blessing and support of the U.S. Department of Health, Education and Welfare.

One of the key proposals is the plan to establish government-operated day care centers for children (ages six months to six years) of working mothers. But the plan does not stop there. It envisions the eventual control and "development" of all children along lines which the vast army of social planners in Washington feel are necessary to make the average child acceptable to his peers. Such training would also—not incidentally—prepare the rising generation to accept more and more socialist controls and a "new kind of society."

George Orwell's "Big Brother" government of "1984" may come sooner than that!

Aside from the destruction of normal family ties which Federal child control would bring, one of the dangers of such control is the continuing desire of certain physicians and scientists to experiment with children. A little publicized regulation appearing in the "Federal Register," Aug. 30, 1966 by the Food & Drug Administration of the Department of Health, Education and Welfare, under the title, "Consent for Use of Investigational New Drugs on Humans; Statement of Policy," Section 130.37(a) reads: ". . . the act provides that regulations on use of investigational new drugs on human beings shall impose the condition that investigators obtain the consent of such human beings or their representatives, *except where they deem it not feasible or, in their professional judgment, contrary to the best interests of such human beings.*" (Emphasis added).

The exceptions certainly open the door for possible abuses. And there have been charges of such abuses. For instance, several years ago New York State Senator Seymour Thaler declared that municipal and state hospitals in New York City were performing medical experiments on indigent patients without their consent. He also said that Willowbrook State Hospital on Staten Island "took 500 mentally retarded children, 3 to 9 years old, and injected them with a live hepatitis virus because officials wanted to start a hepatitis research program."

How accurate the senator's charges were we don't know, but the important thing is that human beings, and children especially, should never be put in a spot where they could become the guinea pigs for the experimenters and the social planners. Yet, this is what much of the legislation now before Congress would make possible.

Write your congressman to oppose these child "advocacy" schemes, or if you're not a letter writer and you agree with the views of this editorial, clip it out and mail it to him. It could help to prevent a government takeover of the younger generation.

[From the Piedmont-Oakland (Calif.) Bulletin, Aug. 4, 1971]

FEDERAL CONTROL OF CHILDREN?

There is deep and increasing concern over the many proposals now before Congress to establish "child advocacy" laws which would, in effect, provide a sort of ombudsman to represent juveniles against their parents, their school and even the courts whenever these children claim abuse, neglect or other unjust treatment.

The principal danger with "child advocacy" laws is that they would tend to drive a wedge between parent and child instead of serving to unify the family. They would also substitute State control more and more for parental authority.

Admittedly, there are parents who are not fit to be parents and under existing laws in acute cases children are removed temporarily or permanently from their control. But whatever faults might be corrected through injecting more State control into the home, the school and courts would certainly be outweighed by the mischief it would create.

Any law or practice that would be of genuine benefit to children deserves support. But experience shows that government at any

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level is not equipped to take over the duties of parents or to dictate in detail just how children shall be raised.

The basic question is whether government shall be allowed to become the "big brother" to every person under 21 (and eventually over 21) and have virtually full control over the "minds and bodies" of America's youth.

Recently, national columnist Paul Scott pointed out that part of this developing struggle over the control of children centers around the establishment of federally financed child day care facilities for working mothers.

On the face of it, such centers might well serve a constructive purpose in enabling the working mother to have good care for her offspring while supporting, or helping to support, her family.

Ah, but there's a catch! The plan as conceived at the White House Conference on Children held late last year is not merely to keep tykes happy while mama is away but to undertake "full child development" from the time the babes enter at six months until they leave at six years of age.

Who will dictate what kind of "development" there will be? Lest you think we're overly suspicious, Columnist Scott notes that among the "powerful forces at work both within and outside of Government" supporting federally-financed child centers are those who "want to create a new world that accepts new types of families beside the traditional nuclear family, consisting of father, mother, and offspring living together. The new life style would include communal group marriages, single unwed parent families, and even homosexual families with children."

Then there is the statement by Dr. Edward P. Zigler, head of the Department of Education and Welfare's Office of Child Development who said of the proposed day care centers: "Bringing these children together at an early age of life (first six years) is one of the best ways to achieve socio-economic integration." And, we might add, to train them along lines which the social planners and experimenters deem, in their great wisdom, to be best for the youngsters, their parents and the country as a whole.

Finally, there is the question of money to finance such massive programs. Dr. Zigler says it would cost only $400 million the first year but by 1974 it would cost $12 billion annually.

To us, that seems a mighty fancy price to pay for something that would certainly cause far more harm than good.

[From the National Laymen's Digest (Wheaton, Ill.), Sept. 15, 1971]

YOUR CHILDREN ARE THE TARGET

Leaders of the Communist Party of the United States are on record in the official party publications as having called for the federal government of the United States to appropriate fantastic sums of money for relieving mothers of the responsibility of raising their children and for putting their children in "Day Care" Centers so that the psychiatrists, psychologists and "molders of the new citizen" can work on the kids, from 1 year of age on up.

Now comes the shocker! A spate of bills have been introduced into both the House of Representatives and the United States Senate by the usual liberal legislative coterie calling for the exact same thing, with the initial appropriation to be at least 10 billion dollars and then increasing, year after year, to astronomical sums! "Day Care," or "Child Care," centers are to be built in every sizeable city in the U.S. and staffed by "professionals" who will help erase all the "prejudices" of the little tots which might have been instilled in them by their ignorant parents and prepare them for the brave new perfect society which the brain-twisters promise to bring in, worldwide.

Such "care," it is also stated, will allow the mothers who are now on "welfare" to take jobs, supposing of course, that all the welfare mothers" *want* to work instead of getting a federal handout! Even mothers who don't need to work can take advantage of this State training so as to release them for other things. Some of the advocates also mention that some mothers just aren't capable of raising children correctly, and, therefore, should turn the children over to the experts. A White House Cabinet post for the top federal administrator of these programs has even been suggested. He or she will be known as the Child Advocate.

[The Tacoma (Wash.) News Tribune, Oct. 21, 1971]

BIG BROTHERITIS

Working women, members of Women's Lib and other groups have been advocating a system of child care centers, subsidized by the Federal Government, to free them from the restrictive life of small children at home. Congress is well on the way toward granting them their wish.

It would not hurt, however, for all parents, including the advocates, to take a look at the fine print. The House of Representatives already has passed its version of the program, providing for the establishment of Child Development Programs, Child Development Councils, and a model Federal Government Child Development Program.

If that does not cover everything, the bill also would establish National Child Advocacy Projects, a sort of neighborhood trouble finder.

These various projects would have much to say about the early lives of young children, including their "mental, physical and social examination, diagnosis, identification and treatment." The neighborhood advocacy offices would be empowered to advise, recommend and take "such actions as may be appropriate" regarding a child or his family.

America is going through some profound social changes, but is it ready to abandon the family and its concept of parental responsibility? Is it going to hand this responsibility over to the state? Provisions such as those Congress has under consideration would take a long step in that direction.

[From the Western Sun (Everett, Wash.), Oct. 1, 1971]

NEWS & COMMENT

(By Willis Tucker)

The first piece of legislation that will see our future generations become "children of a federal clerk" was passed in the House yesterday and we can't help but believe it was the beginning of doomsday for individual freedom.

If these seem like strong sentiments, they should be, for anytime the rearing, caring and education of your child in its most impressionable age is left to a maid hired by the federal government, we are in deep trouble.

In the first place, mothers should be home with children from 0 to 6 years of age. They need their mothers for the zillion things that only mothers can do. Like love. If we must spend $20 billion (yes, friends, $20 billion—and that's only a start) a year, it would be far better to pay the mother who is destitute to stay home rather than pay her—in effect—for going to work and leaving her child with a stranger.

This program will cost billions of dollars a year for the rest of our lives, increasing each year as delegation of parental authority and responsibility becomes easier to live with psychologically.

But this is only the beginning. There are dozens of similar bills now floating around the House just waiting for our Congressmen to give them the formal blessing. We are still puzzled at why it takes so many bills with different numbers and different titles—and different sponsors—to fill the need for federal babysitting services. Frankly, it smells to high heaven and the cost is in equal proportion to the stench.

Representative ——— of Oregon gave the weakest argument of all for the child care measure: "This is not a takeover," she said. "This is quite different. It gives children of working mothers . . . a place to go where somebody does care."

Mrs. ———, and any woman, should know that nobody can ever replace a child's mother. Not even a carefully selected federal clerk. Or perhaps it would be appropriate to say, especially a federal clerk.

MICHIGAN STATE LEGISLATURE PROPOSES AMENDMENT

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. CHAMBERLAIN. Mr. Speaker, the secretary of the Senate of the State of Michigan, Beryl I. Kenyon, has forwarded to me a copy of Senate Concurrent Resolution No. 172 adopted by the Michigan Legislature on October 28, 1971, which applies to the Congress for a convention to propose as an amendment to the Constitution of the United States the following article:

No student shall be assigned to nor compelled to attend any particular public school on account of race, religion, color or national origin.

A copy of this resolution is also being sent to each of the legislatures in the several States. Under the procedure provided in article V of the Constitution, when two-thirds of the State legislatures make similar applications to the Congress, a convention is then called to propose such an amendment. If it is then approved by legislatures or conventions in three-fourths of the States, the amendment is ratified.

I commend Michigan Senate Congressional Resolution 172 to the attention of my colleagues, many of whom share deep concern over the question of the busing of schoolchildren:

SENATE CONCURRENT RESOLUTION No. 172

(Offered by Senators Bowman, McCauley, Gray and Lodge)

A concurrent resolution applying to the Congress for a convention to propose an amendment to the Constitution of the United States

Resolved, By the Legislature of the State of Michigan, That said Legislature, hereby and pursuant to Article V of the Constitution of the United States, makes application to the Congress of the United States to call a convention for the proposing of the following amendment to the Constitution of the United States:

ARTICLE ——

No student shall be assigned to nor compelled to attend any particular public school on account of race, religion, color or national origin; and be it further

Resolved, That this application by the Legislature of the State of Michigan constitutes a continuing application in accordance with Article V of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made similar applications pursuant to Article V, but if Congress proposes an amendment to the Constitution identical with that contained in this resolution before January 1, 1974, this application for a state application shall no longer be of any force or effect; and be it further

Resolved, That since this method of proposing amendments to the Constitution has never been completed to the point of calling a convention and no interpretation of the power of the states in the exercise of this right has ever been made by any court or any qualified tribunal, if there be such, and since the exercise of the power is a matter of basic sovereign rights and the interpretation thereof is primarily in the sovereign government making such exercise and since the power to use such right in full also carries the power to use such right in part the Legislature of the State of Michigan interprets Article V to mean that if two-thirds of the states make application for a convention to propose an identical amendment to the Constitution for ratification with a limitation that such amendment be the only matter before it, that such convention would have power only to propose the specified amendment and would be limited to such proposal and would not have power to vary the text thereof nor would it have power to propose other amendmetns on the same or different propositions; and be it further

Resolved, That a duly attested copy of this resolution be immediately transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, to each member of the Congress from this State and to each House of each State Legislature in the United States.

Adopted by the Senate, October 27, 1971.

Adopted by the House of Representatives, October 28, 1971.

BERYL I. KENYON,
Secretary of the Senate.
T. THOS. THATCHER,
Clerk of the House of Representatives.

THE LITTLE WHITE HOUSE STILL DRAWS THOUSANDS

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. HAGAN. Mr. Speaker, after more than two and a half decades, the Little White House at Warm Springs, Ga., still draws thousands of visitors from over the world.

The death of Franklin D. Roosevelt came at a critical hour in America's history. He had led his country longer than any man. The news of his death shocked the world.

It is no wonder that already this year 41 countries have been represented among the thousands of visitors. The Little White House memorial is well operated and is a credit to the memory of a great President.

Mr. Speaker, I would like to bring to your attention and that of my colleagues an article on this subject which appeared in the Savannah Morning News on November 1, 1971. The article follows:

FDR SITE TOURIST MAGNET

Warm Springs.—Tourists from 41 foreign countries included Roosevelt's Little White House in their tour of America this year. Almost a thousand guests from overseas visited the shrine at Warm Springs.

Georgians continue to lead the list of visitors to the late president's home. Of the 128,557 persons who toured the house and museum, almoat one-third were from Georgia. Next came Alabama with about one-third as many as Georgia, then Florida, Tennessee, Ohio, North Carolina and South Carolina, in that order.

All 50 states had residents to sign in at the Little White House. Visitors also came from the District of Columbia, Puerto Rico, the Canal Zone and Canada.

Tourists often spend the major part of the day at the Roosevelt home and museum and about the grounds, reported executive director Frank W. Allcorn Jr. Visitors since the Shrine opened in 1943 now exceed 2,360,000.

Roosevelt's Little White House is located 70 miles south of Atlanta on Ga. 85–W and U.S. 27–A. 38 miles north of Columbus. It is open from 9 a.m. until 5 p.m. each day.

DECISION OF THE U.S. COURT OF APPEALS FOR THE FIRST CIRCUIT, COMMONWEALTH OF MASSACHUSETTS, AGAINST MELVIN R. LAIRD

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. HARRINGTON. Mr. Speaker, tomorrow we will be voting on an amendment to the appropriations bill requiring an orderly withdrawal from military involvement in Southeast Asia. Last month, the First Circuit Court of Appeals invalidated a Massachusetts statute challenging the war in Vietnam on constitutional grounds. The statute claimed that the war violated the constitutional requirement that Congress declare war. The court, with all three judges of the circuit court in agreement, held that Congress in fact had legitimated the war by repeatedly appropriating funds for it. With this pronouncement by the highest court yet to rule on the question of the war, it is no longer possible for Members of this House to claim that their vote for the appropriation can be divorced from the question of the legitimacy of the war itself. I urge all of my colleagues to read this opinion written by a former Member of this body who can hardly be accused of unfamiliarity with its processes—and to keep it in mind when they vote on the Boland amendment.

The court opinion follows:

U.S. COURT OF APPEALS FOR THE FIRST CIRCUIT

(No. 71–1177)

COMMONWEALTH OF MASSACHUSETTS, ET AL., PLAINTIFFS, APPELLANTS, VS. MELVIN R. LAIRD, ETC., DEFENDANT, APPELLEE

COFFIN, *Circuit Judge*. The question sought to be raised in this action is whether the United States involvement in Vietnam is unconstitutional, a war not having been declared or ratified by the Congress. Plaintiffs seek a declaration of unconstitutionality and an injunction against the Secretary of Defense barring further orders to duty in Southeast Asia of Massachusetts inhabitants if within ninety days of a decree the Congress has not declared war or otherwise authorized United States participation.

The individual plaintiffs are residents of Massachusetts and members of the United States forces who are either serving in Southeast Asia or are subject to such service. They allege that their forced service in an undeclared war is a deprivation of liberty in violation of the due process clause of the Fifth Amendment. The Commonwealth of Massachusetts is a plaintiff pursuant to an act of its legislature proscribing military service by its inhabitants in the conduct of extra-territorial non-emergency armed hostilities in the absence of a Congressional declaration of war and directing its Attorney General to bring an action in the Supreme Court, or in the event of a final determination that such action is not one of which that Court has original jurisdiction,[1] an action in an inferior federal court to defend the rights of its inhabitants and of the Commonwealth. M.G.L.A. c. 33 app., § 26–1.

The complaint, alleging active engagement by the United States in Indochina in armed hostilities "for the last six years," traces the familiar and unhappy history of escalation since 1950: assistance to the French, the first American casualties in 1959, the accumulation of 23,000 "military advisors" by 1964, the Gulf of Tonkin Resolution in the same year, and the subsequent exponential increase in air strike sorties, troops, casualties, and expenditures. The complaint repeatedly alleges the absence of a Congressional declaration of war or ratification. The Commonwealth alleges damage both as a sovereign state and as *parens patriae*, citing the deaths and injuries of its inhabitants, consequential loss of their prospective civic and tax contributions, increased claims of dependents, additional burdens on its economy, disadvantage to its absentee voters, mass demonstrations, and damage to its public's morale. It also asserts its interest in "maintaining the integrity of the Constitution" which is allegedly impaired in that "one branch, the executive, has exercised war-making powers, which the Commonwealth and its sister states had agreed would be exercised only by Congress."

The district court dismissed the complaint, relying on the alternate grounds that the controversy was not justiciable and that, if justiciable, continual Congressional legislation in support of the Vietnam war was implied sufficient authorization. 327 F. Supp. 378 (D. Mass. 1971).

As to threshold matters, we reject respondent's claim that subject matter jurisdiction is lacking. As we understand the argument, it is partly a restatement of arguments against justiciability. What remains is the contention that, since the substantiality of plaintiffs' constitutional claims is challenged, there is lack of subject matter jurisdiction, citing *Powell* v. *McCormack*, 395 U.S. 486, 514 n. 37 (1969). No such doctrine can be drawn from *Powell;* the contrary was made clear in *Baker* v. *Carr*, 369 U.S. 186, 199 (1962), i.e., that only if a claim is absolutely devoid of merit or frivolous could dismissal for lack of jurisdiction be justified. Nor do we find any merit in the claim that the individual plaintiffs, particularly those serving in Southeast Asia, lack standing. *Berk* v. *Laird*, 429 F. 2d 302 (2d Cir. 1970).

We do not see, however, that Massachusetts achieves any special status as a protector of the rights of its citizens, solely as United States citizens, and not as a sovereign with unique interests. *South Carolina* v. *Katzenbach*, 383 U.S. 301 (1966). *See also*, Note, *The Supreme Court as Arbitrator in the Conflict Between Presidential and Congressional War-Making Powers*, 50 B.U. L. Rev. 78, 79 n. 9 (Special Issue 1970). The traditional rationale is that the federal government is "the ultimate *parens patriae* of every American citizen," 383 U.S. at 324. This admittedly seems inappropriate in a suit challenging the constitutionality of a war waged by the putative *parens*. Suffice it to say that some of the plaintiffs are properly before us.

While the challenge to the constitutionality of our participation in the Vietnam war is a large question, so also is the question

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Footnotes at end of article.

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whether such an issue is given to the courts to decide, under the circumstances of this case. The Supreme Court has thus far not ruled on the latter issue in this context. Other federal courts have differed in their rationales.[2] Scholars have probed "the political question" and have found it just as much an impenetrable thicket as have the courts.[3]

In our own search for a principled resolution of the question of the appropriateness of our deciding the merits, we seek first to understand the theory of the complaint, then to identify the appropriate legal standard, and finally to apply that standard to the issue raised.

The Massachusetts statute, pursuant to which plaintiffs bring this action, is based on the simple proposition that participation by the United States in hostilities other than an emergency is unconstitutional unless "initially authorized or subsequently ratified by a congressional declaration of war according to the constitutionally established procedures in Article I, Section 8, Clause 11th, of the Constitution." [4] M.G.L.A. c. 33 app., § 26.1. The complaint expands this theory by recognizing that constitutionality could be achieved by a "constitutional equivalent" for a declaration of war or by specific ratification of executive actions.

In any event, despite some language charging the executive with exercising the "war-making powers" of Congress, the thrust of the complaint is not that the executive has usurped a power—the power to declare war—given to Congress. There is no claim that the executive has made any declaration. The charge is, rather, that since hostilities have long since transcended a response to an emergency, both Congress and the executive have acted unconstitutionally in sustaining the hostilities without a Congressional declaration of war. In effect the relief sought by the complaint is to order the executive to "get out or get a declaration from Congress."

Plaintiffs have understandably devoted considerable attention to the criteria of justiciability catalogued in *Baker* v. *Carr*, 369 U.S. 186 (1962).[5] In assessing what have been termed the "prudential" and "functional" factors,[6] they assert that there are judicially discoverable standards for determining whether hostilities in Vietnam require a declaration of war; that no nonjudicial policy determination is required—only a determination of authority; that no lack of disrespect to coordinate branches will be shown, but, rather, respect for the Constitution; that circumstances do not require unquestioning adherence to a political decision already made; and that, with a court acting as final arbiter, there is no risk of embarrassment from multifarious pronouncements.

We are not so sanguine that these factors can be so easily disposed of. Perhaps they impose no insuperable obstacle to principled decision in the case of long-continued, large-scale hostilities. But, once given the principle that a plaintiff may challenge the constitutionality of undeclared military operations, a court must be prepared to adjudicate whether actions are justified as emergency ones needing no declaration, or have gone beyond this bound. In the latter event the court must adjudicate whether Congress has expressly or impliedly ratified them. Workable standards, fact finding, the prospect of conflicting inferior court decisions, and other factors might well give pause to the most intrepid court.

We do not, however, rely on these factors. Partly we feel that to base abstinence on such pragmatic, if realistic, considerations is not desirable unless so clearly dictated by circumstances that it cannot be mistaken as abdication. Moreover, on a question so dominant in the minds of so many, we deem it important to rule as a matter of constitutional interpretation if at all possible. Finally, and of course most pertinently, we derive recent guidance from the Supreme Court's approach in *Powell* v. *McCormack*, 395 U.S. 486 (1969), giving dominant consideration to the first decisional factor listed in *Baker* v. *Carr*, *supra*. This is the inquiry "whether there is a 'textually demonstrable constitutional commitment of the issue to a coordinate political department' of government and what is the scope of such commitment." 395 U.S. at 521.

To this critical factor of textual commitment, plaintiffs devoted one paragraph of their lengthy brief. They construed the issue as "judicial assessment of executive action in Vietnam against a constitutional standard." So phrased, the issue is of course, by definition, committed to the judiciary. Were the issue to be so defined, the Court in *Powell* v. *McCormack*, *supra*, would have spared itself much difficulty by stating simply that the issue was "judicial assessment of the action of the House in expelling a member against a constitutional standard."[7] In short, to any issue of challenged authority could be affixed the phrase "judicial assessment", and, by the affixing, the criterion of textual commitment eradicated. While the Court in *Powell* finally was able to pose the issue before it in substantially similar terms, it was only after a very lengthy discussion concluding that there had been no textual commitment of the unlimited power of expulsion to the House, and that none of the other factors of non-justiciability listed in *Baker* v. *Carr*, *supra*, applied.

These observations do not spare us the task of trying to identify the scope of the power which has been committed to a coordinate branch in this case. The complaint at one point alleges that the executive has usurped the war-making power of Congress but more generally alleges that, the executive errs only in proceeding to make war without Congressional declaration or ratification. This very ambiguity underscores the fact that the war power of the country is an amalgam of powers, some distinct and others less sharply limned. In certain respects, the executive and the Congress may act independently. The Congress may without executive cooperation declare war, thus triggering treaty obligations and domestic emergency powers. The executive may without Congressional participation repel attack,[8] perhaps catapulting the country into a major conflict. But beyond these independent powers, each of which has its own rationale, the Constitutional scheme envisages the joint participation of the Congress and the executive in determining the scale and duration of hostilities. To Congress is granted the power to appropriate funds for sustaining armies. Article I, Section 8, Clause 12th. An analogous power given to the President is his power as Commander-in-Chief to station forces abroad. Article II, Section 2. *Johnson* v. *Eisentrager*, 339 U.S. 763 (1950). Congress has the power to concur in or to counter the President's actions by its exclusive authority to appropriate monies in support of an army, navy and air force, Article I, Section 8, Clause 12th,[9] and by granting letters of marque and reprisal. Article I, Section 8, Clause 11th.

While the fact of shared war-making powers is clearly established by the Constitution, however, and some of its elements are indicated, a number of relevant specifics are missing. The Constitution does not contain an explicit provision to indicate whether these interdependent powers can properly be employed to sustain hostilities in the absence of a Congressional declaration of war. Hence this case.

The brief debate of the Founding Fathers sheds no light on this.[10] All we can observe, after almost two centuries, is that the extreme supporters of each branch lost; Congress did not receive the power to "make war"; the executive was given the power to repel attacks and conduct operations; the Congress was given the power to "declare" war—and nothing was said about undeclared hostilities.

Under these circumstances, what can we say was "textually committed" to the Congress or to the executive? Strictly speaking, we lack the text. Yet it "[d]eciding whether a matter has in any measure been committed by the Constitution to another branch of government, or whether the action of that branch exceeds whatever authority has been committed, is itself a delicate exercise in constitutional interpretation", *Baker* v. *Carr*, *supra*, 369 U.S. at 211, surely our task is more than passing. We must have some license to construe the sense of the Constitutional framework, wholly apart from any doctrine of implied powers inherent in sovereignty, *cf. United States* v. *Curtiss-Wright Export Corp.*, 299 U.S. 304, 315–18 (1936).

We observe, first, that the Founders' silence on the subject of hostilities beyond repelling attack and without a declaration of war was not because the phenomenon was unknown. In The Federalist No. 25, Hamilton, in opposing a proposed prohibition on raising armies in time of peace, described the effect of such a prohibition in these words: "As the ceremony of a formal denunciation of war has of late fallen into disuse, the presence of an enemy within our territories must be waited for, as the legal warrant to the government to begin its levies of men . . . ." The Federalist No. 25, at 156 (Mod. Lib. ed.) (Hamilton)

Secondly, we note that the Congressional power to declare war implies a negative: no one else has that power. But is the more general negative implied—that Congress has no power to support a state of belligerency beyond repelling attack and short of a declared war? The drafters of the Constitution, who were not inept, did not say, "power to commence war". Nor did they say, "No war shall be engaged in without a declaration by Congress unless the country is 'actually invaded, or in such imminent Danger as will not admit of delay.' " (Language from Article I, Section, 10, proscribing states from engaging in war.) Nor did they resort to other uses of the negative as they so often did elsewhere. *See, e.g.*, Article I, Section 9. And the "declare" power was not, like the "judge" power of the House of Representatives, Article I, Section 5, in a context limited by another specific provision, such as that specifying the three qualifications of a Representative. *See Powell* v. *McCormack*, *supra*.

Finally, we give some significance to the fact that in the same "power to declare war clause", Article I, Section 8, Clause 11th, there is the power to grant letters of marque and reprisal. Were this a power attendant to and dependent upon a declared war, there would be no reason to specify it separately. Indeed, it was first broached by Gerry as a matter not included in the "declare" power. 2 Farrand 326. Nevertheless, this is a power to be invoked only against an enemy. It is clear that there can be an "enemy", even though our country is not in a declared war. *Bas V. Tingy*, *4 U.S.* (4 Dall.) 37 (1800).[11] The hostilities against France in 1799 were obviously not confined to repelling attack. This was an authorized but undeclared state of warfare. *See also*, *Prize Cases*, 67 U.S. (2 Black) 635 (1862).

As to the power to conduct undeclared hostilities beyond emergency defense, then, we are inclined to believe that the Constitution, in giving some essential powers to Congress and others to the executive, committed the matter to both branches, whose joint concord precludes the judiciary from measuring a specific executive action against any specific clause in isolation. *Cf. Oetjen* v. *Central Leather Co.*, 246 U.S. 297, 302 (1918).[12] In arriving at this conclusion we are aware that while we have addressed the problem of justiciability in the light of the textual commitment criterion, we have also addressed the merits of the constitutional issue. We think, however, that this is inherent when the constitutional issue is posed in terms of scope of authority.

In the circumstance where powers are interrelated, Mr. Justice Jackson has said that:

"When the President acts in absence of either a congressional grant or denial of authority, he can only rely upon his own independent powers, but there is a zone of twilight in which he and Congress may have concurrent authority, or in which its distribution is uncertain. Therefore, congressional inertia, indifference, or quiescence may sometimes, at least as a practical matter, enable, if not invite, measures on independent presidential responsibility. In this area, any actual test of power is likely to depend on the imperatives of events and contemporary imponderables rather than on abstract theories of law." *Youngstown Sheet & Tube Co.* v. *Sawyer*, 343 U.S. 579, 637 (1952) (concurring opinion).

We need not go so far as to say that in a situation of shared powers, the executive acting and the Congress silent, no constitutional issue arises. Here the complaint itself alleges the escalation of expenditures supporting United States efforts in Vietnam from $1.7 billion in 1965 to over $30 billion annually today, and a total expenditure over the past decade of $110 billion. Whether or not such appropriating and other actions of the Congress during the past six years can be said to amount to an "equivalent" of a declaration, or express or implied ratification is an issue we do not reach. At the very least, the complaint reveals a prolonged period of Congressional support of executive activities.

All we hold here is that in a situation of prolonged but undeclared hostilities, where the executive continues to act not only in the absence of any conflicting Congressional claim of authority but with steady Congressional support, the Constitution has not been breached. The war in Vietnam is a product of the jointly supportive actions of the two branches to whom the congeries of the war powers have been committed. Because the branches are not in opposition, there is no necessity of determining boundaries. Should either branch be opposed to the continuance of hostilities, however, and present the issue in clear terms, a court might well take a different view. This question we do not face. Nor does the prospect that such a question might be posed indicate a different answer in the present case.

Affirmed.

FOOTNOTES

[1] The Supreme Court denied leave to file a similar complaint, Justice Douglas contending in dissent that Massachusetts had standing and that the matter was justiciable. *Massachusetts* v. *Laird*, 400 U.S. 886 (1970). Since the disposition does not purport to decide the case, it technically does not qualify as a "final determination" as required by the Massachusetts statute. We do not deem this fact relevant to the proceedings before us.

[2] The spectrum of analysis is indicated by the positions taken vis-a-vis the "political question" in the following cases: *Luftig* v. *McNamara*, 373 F. 2d 664, 666 (D.C. Cir.), *cert. denied*, 389 U.S. 934 (1967)—"plainly the exclusive province of Congress and the Executive"; *United States* v. *Sisson*, 294 F. Supp. 511 (D. Mass. 1968)—evidence, policy considerations, and constitutional principles beyond normal judicial expertise; *Velvel* v. *Johnson*, 287 F. Supp. 846 (D. Kan. 1968)—activities of government "under the direction of the President, fall within the political question", 287 F. Supp. at 850; also, committed to both branches, *id.* at 852; also, "decisions of basic national policy, as of foreign policy, present no judicially cognizable issue", *id.* at 853; *Davi* v. *Laird*, 318 F. Supp. 478 (W.D. Va. 1970), "clearly demonstrate commitment . . . to the legislative branch", *id.* at 482, and to the other "political branches", *id.* at 484; *Berk* v. *Laird* [I], (E.D. N.Y. 1970) (unreported)—issue committed to Commander-in-Chief; *Berk* v. *Laird* [II], 429 F. 2d 302 (2d Cir. 1970)—orders to fight are generally justiciable, the judicially discoverable standard being some mutual participation of Congress and the executive, but would be political question if standards lacking to judge adequacy of participation; *Berk* v. *Laird* [III], 317 F. Supp. 715 (E.D. N.Y. 1970)—"Congressional authorization here is sufficiently 'explicit' to satisfy constitutional requirements", *id.* at 730, but method of authorization is a political question; *Orlando* v. *Laird* [I], 317 F. Supp. 1013 (E.D. N.Y. 1970)—"reality of the collaborative action . . . required by the Constitution has been present", *id.* at 1019; *Orlando* v. *Laird* [II], F. 2d (2d Cir. April 20, 1971), *cert. denied*, October 12, 1971—standard is some mutual participation, sufficiency of participation is not foreclosed by political question doctrine, but choice in form between a Congressional declaration and war-supporting legislation is a political question, courts having no standard by which to judge. *Contra*, *Mottola* v. *Nixon*, 318 F. Supp. 538 (N.D. Cal. 1970)—this is an issue of "plain constitutional interpretation", *id.* at 551, from which courts ought not "shy away on 'political question' grounds", *id.* at 550.

[3] For overview, see Note, *The Supreme Court as Arbitrator in the Conflict Between Presidential and Congressional War-Making Powers*, 50 B.U.L. Rev. 78, 83–84 (Special Issue 1970). For analysis in terms of "classical", "prudential", and "functional" views, see Scharpf, *Judicial Review and the Political Question: A Functional Analysis*, 75 Yale L. J. 517 (1966). For an exposition of the "classical" view, see Wechsler, *Toward Neutral Principles of Constitutional Law*, 73 Harv. L. Rev. 1 (1959) and for critical comment on *Powell* v. *McCormack*, 395 U.S. 486 (1969), see Note, *The Supreme Court, 1968 Term*, 83 Harv. L. Rev. 1, 62–77 (1969). *See generally*, Monaghan, *Presidential War-Making*, 50 B.U.L. Rev. 19 (Special Issue 1970); Note, *Congress, The President, and The Power to Commit Forces to Combat*, 81 Harv. L. Rev. 1771 (1968); Velvel, *Undeclared War and Civil Disobedience*, (1970).

[4] The Congress shall have power . . . to declare War, grant letters of Marque and Reprisal, and make Rules concerning Captures on Land and Water."

[5] Those factors were "a textually demonstrable constitutional commitment of the issue to a coordinate political department; or lack of judicially discoverable and manageable standards for resolving it; or the impossibility of deciding without an initial policy determination of a kind clearly for nonjudicial discretion; or the impossibility of a court's undertaking independent resolution without expressing lack of the respect due coordinate branches of government; or an unusual need for unquestioning adherence to a political decision already made; or the potentiality of embarrassment from multifarious pronouncements by various departments on one question." 369 U.S. at 217.

[6] *See* Scharpf, n. 3 *supra*.

[7] Similarly, the plaintiffs' theory does not account for the failure of the Court in *Luther* v. *Borden*, 48 U.S. (7 How.) 1 (1849) to pose the issue as "judicial assessment, against a constitutional standard, of failure of Congress to guarantee a republican form of government."

[8] 2 Farrand, *The Records of the Federal Convention of 1787*, 318 (1911).

[9] *See also*, Note, *The Appropriations Power as a Tool of Congressional Foreign Policy Making*, 50 B.U.L. Rev. 34 (Special Issue 1970).

[10] It was, from the skeletal report in Farrand [(2 Farrand, 318–319)], less than encyclopedic in its coverage. The sequence of deliberations was as follows: (1) the draft constitutional provision, allowing the Congress "to make war" was moved; (2) Pinkney opposed, saying the Senate was better suited for expedition and wisdom than both houses jointly; (3) Butler, for the same reasons, thought the power should be in the President; (4) then Madison and Gerry moved to change "make" to "declare", "leaving to the Executive the power to repel sudden attacks"; (5) Sharman [sic] thought the existing wording "stood very well", permitting the executive "to repel and not to commence war" and feeling that "declare" would "narrow" the power given to Congress; (6) Gerry interjected that he "never expected to hear in a republic a motion to empower the Executive alone to declare war"; (7) Elseworth [sic] said it should be more easy to get out of war than into it—but added that war "is a simple and overt declaration, peace attended with intricate and secret negotiations"; (8) Mason was against giving the power of war to the Executive or to the Senate; he was "for clogging rather than facilitating war; but for facilitating peace". 2 Farrand 318–319. The Journal records a first vote of 5 to 4 against changing "make" to "declare" and a second vote of 8 to 1 for making the change. 2 Farrand 313. One member was persuaded to vote for the change by the argument that "make" might be understood to mean "conduct", which was an executive function. Butler then moved to give Congress the power "to make peace"; this failed 10–0 Farrand 319.

[11] Justice Washington stated that "If [a war] be declared in form, it is called solemn, and is of the perfect kind . . ." but that "hostilities may subsist between two nations, more confined in its nature and extent being limited to places, persons and things; and this is more properly termed imperfect war. . . ." 4 U.S. (4 Dall.) at 40.

[12] "The conduct of the foreign relations of our Government is committed by the Constitution to the Executive Legislative—'the political'—Departments of the Government, and the propriety of what may be done in the exercise of this political power is not subject to judicial inquiry or decision." 246 U.S. at 302. *Cf. Hamilton* v. *Dillin*, 88 U.S. (21 Wall.) 73 (1874). "[W]hatever view may be taken as to the precise boundary between the legislative and executive powers in reference to [trade with the Confederacy during wartime] there is no doubt that a concurrence of both affords ample foundation for any regulations on the subject." 88 U.S. (21 Wall.) at 88.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

GOLDEN JUBILEE IS MARKED BY MSGR. DONATO G. VALENTE

HON. THADDEUS J. DULSKI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. DULSKI. Mr. Speaker, I was honored to be present Sunday, November 7, as a long time friend of mine, Rt. Rev. Msgr. Donato G. Valente, marked the 50th anniversary of his ordination to the priesthood.

Most of Monsignor Valente's priesthood—34 years—has been spent at St. Francis of Assisi Roman Catholic Church in Buffalo. During this period, he supervised construction of a new church, a school, a convent, and a rectory. These accomplishments are true reflections of his priestly dedication and leadership.

At the Golden Jubilee Testimonial Dinner for Monsignor Valente the principal remarks were made by Most Rev. Pius A. Benincasa, D.D., Auxilary Bishop of the Buffalo Diocese. The general chairman of the affair was Michael A. DiVincenzo with Michael A. Marchiolo serving as toastmaster.

Mr. Speaker, as part of my remarks I include an article by Mrs. Matthews in the Buffalo Courier-Express, also a parish biography of Monsignor Valente:

[From the Buffalo Courier-Express]

PRIEST TO MARK JUBILEE

(By Anne McIlhenney Matthews)

The Golden Jubilee of a great Buffalo priest will be celebrated with auspicious ceremonies Nov. 7. He is the Rt. Rev. Msgr. Donato G. Valente of St. Francis of Assisi Church on Schiller St.

He is one of the last two representatives of a wonderful Buffalo family. The father, Michael, came over from San Fele, as a laborer in 1881, with his wife and four children. He worked hard "at everything" says his son, Herman, who has done the same.

They lived in Beaver Alley and Scot St., then they moved to Hogan's Alley in "the Hooks" and then to a flat in Malden Lane. About 1903-04 they moved to Busti Ave. (now Front Ave.) Four more children had been born . . . Father Don in March 11, 1893. As his big brother Herman says: "He was a real regular boy. He got into all kinds of trouble in grammar school."

Expelled by the principal, he went to Canisius High School and had a change of career and image. He decided to become a priest and enrolled in the Jesuit order and went to St. Andrews-on-Hudson.

The rigors of this order were too much for the frail lad and after five months he was sent home. He enrolled in Canisius High School and College and after graduation went to St. Bonaventure for grooming as a secular priest.

During all this Father Valente made the Hall of Fame at Canisius as a baseball player, and last year he was the recipient of the Peter Canisius Medal.

Msgr. Valente came from a poor but valorous family and earned his way through the priesthood via a loan from the Diocese which he paid back. For 10 years he assisted Rt. Rev. Msgr. Joseph Gambino at the Holy Cross Church at Maryland and Seventh and then he served throughout the depression in Falconer. Since that time he has been at the St. Francis of Assisi Church.

All of his sisters and brothers born in Italy are deceased—Mrs. Mary B. Tauriello, Anthony V., Dr. Frank V. and Dr. Victor V.

Of the four children born in Buffalo only two survive, Msgr. Valente and his brother Herman of Blue Hill Springville (summers) and Longboat Key, Florida (winters). James V. a brother, and Sister Mary St. Francis a nun of the order of the Good Shepherd are both deceased. Msgr. Valente is 78 years old.

Herman, the only surviving brother, is noted as a "squire" in Springville. His cabin home is a rendezvous for many well-known Buffalonians during the summertime. A fabulous cook, he is known as "Mister Frigidid" in Springville. This is a dish with basic thin-sliced potatoes, garlic and seasonal vegetables. Sometimes he accompanies it with dandelions and ham in the spring, and steak and corn in the fall.

Usually Herman retires to Florida at the first frost. This year he will delay his trek south until after the golden jubilee of his brother. In remembering the early days of his family in Buffalo Herman recalled as typical the career of his doctor brother.

"It wasn't easy," he said. "But lots did it. He just had four jobs before school opened, stores, furnaces, etc. We all did!"

A PARISH BIOGRAPHY OF RT. REV. MSGR. DONATO G. VALENTE

There have been many milestones in the life of Donato G. Valente. This one—the completion of fifty years of service in God's Priesthood—must be for him one of the greatest and most fulfilling.

His beginnings are well known to his parishioners and other friends. Born in Buffalo on March 11, 1893, son of Michael and Mary Josephine (Caputi) Valente, he and seven other children in the family managed to survive a childhood filled with hard work and loving discipline. Donato's youth was spent in many schools, because the family moved about quite a bit. Because of the lack of parochial schools at that time, he attended Public School No. 3 (Perry Street), No. 2 (Lower Terrace), and No. 1 (Seventh Street), in that order, surprisingly.

In September 1909, Donato registered at Canisius High School on Washington Street.

"It was my first experience in a Catholic school," he said, "the first time in an all boys school, the first time I wore a new suit, and the first time I ever made a spiritual retreat. All these things coming together at the same time made an extraordinary impact on my life."

During his high school years, Donato pitched on the Canisius Baseball Team, and after graduation, he entered the Jesuit Order at Poughkeepsie on the Hudson. The date was July 31, 1913, the feast of St. Ignatius Loyola. He wanted to be a priest like his teachers. But, after a few months, homesickness and the fear of unworthiness caused a nervous breakdown and he was forced to return home.

In 1914, he enrolled at Canisius College and again played on the baseball team. He received his Bachelor of Science degree in June 1918.

AN EARLY ORDINATION

In September 1919, he began his theological studies at St. Bonaventure Seminary—now Christ the King Seminary—where he applied himself wholeheartedly to his vocational training. Ordination Day came earlier than he expected—November 5, 1921—mainly because at the time the Diocese of Buffalo was in dire need of Italian-American priests. There were 21 in his class, ordained by the late Bishop Turner. (Today, only three remain, and Monsignor Valente is the oldest.) He was the first Italian-American priest born and educated in Buffalo for the Buffalo Diocese.

He was 28 years old, and his first assignment was to his home parish, Holy Cross Church, on Buffalo's west side, where he served for ten years.

In October 1931, in the midst of the depression, he was appointed pastor of Our Lady of Loretto Church in Falconer, New York. "Many factories were closed," he recalls, "and the collection averaged $15 on Sundays." This assignment lasted until June 30, 1936.

On July 1, 1937, he became pastor of St. Francis of Assisi Church in Buffalo, where he is today and where he will soon complete 35 years of service to the parish and to the community as well. His accomplishments are numerous and outstanding. After only five years at St. Francis, he succeeded in erasing a long-standing debt of over $26,000 which had been a burden to his predecessors for many years. The church and school, however, were extremely old at this point and soon would have to be replaced. (Incidentally, St. Francis of Assisi parish was then the only Italian parish in the City of Buffalo that supported a parochial school.) After paying the mortgage on the old property, the people expected a new church, but the late Bishop O'Hara ordered Father Valente to build a new school first. This was done at a cost of $200,000 and dedicated by Bishop O'Hara on September 10, 1950.

CONVENT HAS PRIORITY

Now, the parishioners expected a new church. But the Bishop intervened again, this time on behalf of the nuns who were commuting back and forth from the convent in Williamsville each day in all kinds of weather. And so the convent was built next, completed in 1952, at a cost of $90,000. Also, during this period, the parish was acquiring neighboring properties (six houses and a few lots) to make room for the new church and rectory.

The year 1959 was an especially eventful one. The cornerstone for the new church and rectory was laid and, as was inevitable, on January 5th, Father Valenté was elevated by Pope Pius X to the dignity of Domestic Prelate with the title of Right Reverend Monsignor.

In May 1961, St. Francis of Assisi parish had a new church and rectory at a cost of $522,000.

Throughout the years, Monsignor Valente also spread his talents in other directions and his zealous work earned him various honors.

On September 28, 1949, Bishop O'Hara appointed him Spiritual Director of Holy Name District 8, and he continues in that post to this day.

On June 16, 1963, Canisius High School awarded him an Honorary Diploma as a Golden Jubilarian, at the high school's graduation exercises. It was presented to him by Father Donald L. Kirsch, S.J., who was then President and Rector.

CANISIUS HALL FAME

In April 1967, he was admitted and inscribed in the Baseball Hall of Fame at Canisius College for the years 1915-17.

Monsignor Valente is a past member of the Canisius High School and Canisius College Board of Governors; Life Member of the Di Gamma Honor Society of Canisius College; Perpetual Member of the Jesuit Seminary Association; Perpetual Member of The Society for the Propagation of the Faith; and Perpetual Member of St. Mary of the Angels Aid Society.

He is an eighteen year member of the Founders Club of Canisius High School. (The purpose of the Founders Club is to promote and actively support, endow and maintain by financial means and otherwise, the new Canisius High School of Buffalo, with its long history of educational achievement under the guidance and direction of the members of the Society of Jesus and pursuant to its charter from the Regents of the State of New York.)

This year, on June 13, Monsignor Valente was presented with the Peter Canisius Award, the school's highest award, for "outstanding services and devotion to Canisius High School." It was presented by Father Vincent P. Mooney, S.J., President and Rector of the school. Very few people have had this honor conferred upon them.

Monsignor Valente is now 78 years old. There is no doubt he will continue to earn new laurels as the years go by through his tireless service to God and to his fellow man.

The parishioners of St. Francis of Assisi recognize that they have been blessed with a spiritual leader of the highest calibre. They are, therefore, grateful to God for this opportunity to extend to Right Reverend Monsignor Donato G. Valente sincere congratulations on the occasion of his Golden Jubilee in the Priesthood, and to wish him many more years of continued good health and happiness in God's service.

OFFICE OF EDUCATION PROGRAMS

HON. PETER A. PEYSER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. PEYSER. Mr. Speaker, the Office of Education has prepared an excellent list of its programs which I would like to make available to the Members of the House in the hope that it will provide a useful index in their work with the Office of Education.

The list follows:

GROUP I: FOR CONSTRUCTION

Type of assistance	Authorization	Purpose	Appropriation	Who may apply	Where to apply
1. Public schools	School Aid to Federally Impacted and Major Disaster Areas (P.L. 815).	Aid school districts in providing minimum school facilities in federally impacted and disaster areas.	$20,040,000	Local school districts	OE's Division of School Assistance in Federally Affected Areas.
2. Community colleges, Technical institutes.	Higher Education Facilities Act—title I.	Construct or improve academic facilities.	10,320,000	Public community colleges and technical institutes.	State commissions.
3. Other undergraduate facilities.	Higher Education Facilities Act—title I.	Construct or improve academic facilities.	32,680,000	Undergraduate institutions other than the above.	State commissions.
4. Interest subsidization, undergraduate and graduate facilities.	Higher Education Facilities Act—title III.	Loan assistance to construct or improve higher education facilities.	29,010,000	Public and private nonprofit institutions and building agencies.	OE—HEW Regional Offices.
5. Vocational facilities	Appalachian Regional Development Act of 1965.	Construct vocational education facilities in the Appalachian region.	24,000,000	State education agencies in Appalachian region.	OE's Division of Vocational and Technical Education.
6. Vocational schools	Vocational Education Act of 1963, as amended.	Construct or improve area vocational education school facilities.	(See 11 6)	Public secondary and post-secondary schools providing education in five or more fields.	State boards of vocational education (information from OE's Division of Voc.-Tech Education).
7. Public libraries	Library Services and Construction Act—title II.	Aid construction of public libraries	9,500,000	State library administrative agencies.	OE's Bureau of Libraries and Educational Technology.

GROUP II: TO INSTITUTIONS AND AGENCIES FOR PROGRAMS, INSTRUCTION, AND ADMINISTRATION

1. School maintenance and operation.	School Aid to Federally Impacted and Major Disaster Areas (P.L. 874).	Aid school districts on which Federal activities or major disasters have placed a financial burden.	$592,580,000	Local school districts	OE's Division of School Assistance in Federally Affected Areas.
2. Strengthening instruction in critical subjects in public schools.	National Defense Education Act—title III.	Strengthen instruction in 10 critically important subjects.	47,750,000	Local school districts	State education agencies.
3. Strengthening instruction in nonpublic schools.	National Defense Education Act—title III.	Loans to private schools to improve instruction in critical subjects.	250,000	Nonprofit private elementary and secondary schools.	OE's Division of State Agency Cooperation.
4. School library resources and instructional materials.	Elementary and Secondary Ed. Act—title II.	Support provision of school library resources, textbooks, and other instructional materials.	90,000,000	Local education agencies	State education agencies.
5. Supplementary centers	Elementary and Secondary Ed. Act—title III.	Support supplementary educational centers and services.	[1] 146,248,000	Local education agencies	State education agency or OE's Division of Plans and Supplementary Centers.
6. Vocational programs	Vocational Education Act of 1963, as amended.	Maintain, extend, and improve vocational education programs; develop programs in new occupations.	486,658,455	Public schools	State boards of vocational education (information from OE's Division of Voc.-Tech. Education).
7. Occupational training and retraining.	Manpower Development and Training Act of 1962, as amended.	Provide training programs to equip persons for work in needed employment fields.	140,000,000	Local school authorities (public, private nonprofit).	State vocational education agency (information from OE'S Division of Manpower Development and Training).
8. Desegregation assistance	Civil Rights Act of 1964	Aid school boards in hiring advisors training employees, and providing technical assistance on school desegregation.	8,700,000	School boards and other agencies responsible for public school operation.	OE's Division of Equal Educational Opportunities.
9. Teacher institutes (desegregation).	Civil Rights Act of 1964	Improve ability of school personnel to deal with school desegregation problems.	[2] 7,300,000	Colleges and universities	OE's Division of Equal Educational Opportunities.
10. Group projects abroad for language and area studies in non-Western areas.	Mutual Educational and Cultural Exchange Act, and P.L. 83-480 (in excess foreign currency countries).	Promote development of international studies.	[3] 3,190,000	Colleges, universities, consortiums, local and State education agencies, nonprofit education organizations.	OE's Institute of International Studies.
11. Institutional cooperative research abroad for comparative and cross-cultural studies.	P.L. 83-480	Promote research on educational problems of mutual concern to American and foreign educators.	[4] (See 11-10)	Colleges, universities, State departments of education.	OE's Institute of International Studies.
12. Modern foreign language graduate fellowships.	National Defense Education Act—title VI.	Enable U.S. institutions to assist graduate students training to be teachers or other specialists in foreign language and area studies.	[2] 6,000,000	Colleges and universities with language-area studies programs or summer programs of intensive study.	OE's Institute of International Studies.
13. Consultant services of foreign curriculum specialists.	Mutual Educational and Cultural Exchange Act and P.L. 83-480 (in excess foreign currency countries).	Support visists by foreign consultants to improve and develop resources for foreign lanaguage and area studies.	160,000	Colleges, consortiums, local and State education agencies, nonprofit education organizations.	OE's Institute of International Studies.
14. Language and area centers.	National Defense Education Act—title VI.	Support foreign language and area centers at U.S. institutions of higher education.	6,910,000	College sand universities	OE's Institute of International Studies.
15. Educational Personnel Training and Development.	Education Professions Development Act (P.L. 90-35).	Support to broaden and strengthen training of teachers and other educational personnel.	59,700,00	State and local education agencies, colleges, and universities.	OE's Bureau of Educational Personnel Development (limited applications will be accepted due to continuation costs of ongoing programs).
16. Special programs serving schools in low-income areas.	Education Professions Development Act (P.L. 90-35).	Train and retrain persons for career ladder positions and staff in urban and rural poverty schools and introduce change in the ways in which teachers are trained and utilized.	74,100,000	State and local education agencies, colleges, and universities.	OE's Bureau of Educational Personnel Development (limited applications will be accepted due to continuation costs of ongoing programs).

Footnotes at end of table.

GROUP II: TO INSTITUTIONS AND AGENCIES FOR PROGRAMS, INSTRUCTION, AND ADMINISTRATION—Continued

Type of assistance	Authorization	Purpose	Appropriation	Who may apply	Where to apply
17. Media Specialists	Education Professions Development Act—Parts C and D.	Train specialized personnel for State or local instructional media support.	$1,800,000	Institutions of higher education, State and local education agencies.	OE's Bureau of Libraries and Educational Technology.
18. Projects in environmental education.	Environmental Education Act—(P.L. 91-516).	Develop environmental awareness through education programs.	3,514,000	Colleges, universities, and post secondary schools, local and State educational agencies, research organizations and other public and and private nonprofit agencies, institutions and organizations.	OE's Environmental Education Program, office of Priority Management.
19. Institutes, short-term training programs, and special projects.	Education Professions Development Act—part E.	Train teachers, administrators, and specialists serving or preparing to serve in higher education.	5,000,000	Colleges and universities	OE's Division of College Support.
20. National teaching fellowships and professors emeritus.[2]	Higher Education Act of 1965—title III.	Strengthen the teaching resources of developing institutions.	[3] (See 11-61)	Developing institutions nominating prospective fellows from established institutions and retired scholars.	OE's Division of College Support.
21. Research training	Cooperative Research Act—(amended by ESEA—title IV).	Develop and strengthen programs for training educational research personnel.	3,500,000	Education agencies and public and private institutions and organizations.	OE's National Center for Educational Research and Development.
22. Information and recruitment grants.	Education of the Handicapped Act—title VI-D (P.L. 91-230).	Improve recruiting of personnel and dissemination of information on educational opportunities or handicapped.	[3] 500,900	Public or nonprofit agencies, organizations, private agencies.	OE's Bur. of Ed'n. for Handicapped, Division of Educational Services.
23. Educational broadcasting facilities.	Public Broadcasting Act of 1967, as amended.	Aid in the acquisition and installation of broadcast equipment for educational radio and TV.	13,000,000	Nonprofit agencies, public colleges, State broadcast agencies, education agencies.	OE's Bureau of Libraries and Educational Technology.
24. Training for library service	Higher Education Act of 1965—title II-B.	Increase opportunities for training in librarianship.	2,000,000	Colleges and universities	OE's Bureau of Libraries and Educational Technology.
25. Public library services	Library Services and Construction Act—title I.	Extend and improve public library services, institutional library services and library services to physically handicapped.	46,568,000	State library administrative agencies.	OE's Bureau of Libraries and Educational Technology.
26. Interlibrary cooperation	Library Services and Construction Act—title III.	Establishment and operation of cooperative networks of libraries.	2,640,500	State library administrative agencies.	OE's Bureau of Libraries and Educational Technology.
27. College library resources	Higher Education Act of 1965—title II-A.	Strengthen library resources of junior colleges, colleges, universities, and post-secondary vocational schools.	11,000,000	Institutions of higher education and combinations thereof and branches of institutions of higher education.	OE's Bureau of Libraries and Educational Technology.
28. Undergraduate equipment grants (including CCTV).	Higher Education Act of 1965—title VI-A.	Improve undergraduate instruction	12,500,000	Institutions of higher education including vocational and technical schools and hospital schools of nursing.	OE's Bureau of Libraries and Educational Technology.
29. Student loans—matching funds.	National Defense Education Act—title II.	Loans to post-secondary institutions unable to meet program's matching obligations.	2,000,000	Accredited educational institutions (including business schools and technical institutes).	OE's Division of Student Financia Aid.
30. Cuban student loans	Migration and Refugee Assistance Act.	Provide a loan fund to aid Cuban refugee students.	4,800,000	Colleges and universities	OE's Division of Student Financia Aid.
31. College work-study	Higher Education Act of 1965—title IV-C.	Provide part-time employment for post-secondary students.	[4] 401,000,000	Colleges, universities, vocational and proprietary schools.	OE's Division of Student Financia Aid.
32. Educational opportunity grants.	Higher Education Act of 1965—title IV-A.	Assist students of exceptional financial need to go to college.	[5] 175,300,000	Institutions of higher education	OE's Division of Student Financia Aid.
33. Talent Search	Higher Education Act of 1965—title IV-A, as amended by the Higher Education Amendments of 1968—title I-A.	Assist in identifying and encouraging promising students to complete high school and pursue post-secondary education.	5,000,000	Institutions of higher education and combinations of such institutions, public and private nonprofit agencies, and public and private organizations.	OE's Division of Student Special Services.
34. Upward Bound	Higher Education Amendments of 1968—title I-A.	Precollege program for young people from low-income backgrounds and inadequate high school preparation.	32,669,000	Institutions of higher education and secondary or post-secondary schools capable of providing residential facilities.	OE's Division of Student Special Services.
35. Student special services	Higher Education Amendments of 1968—title I-A.	Assist low-income and handicapped students to complete post-secondary education.	15,000,000	Accredited institutions of higher education or consortiums.	OE's Division of Student Specia Services.
36. Follow Through	Economic Opportunity Act of 1964.	Extend gains into primary grades of deprived children in Head Start or similar pre-school program.	60,060,000	Local education or other agencies nominated by State education agencies in accordance with OE and OEO criteria.	Application by invitation only.
37. Programs for disadvantaged children, including neglected and delinquent children in local institutions.	Elementary and Secondary Ed. Act—title I (amended by P.L. 89-750).	To meet educational needs of deprived children.	1,372,315,840	Local school districts	State education agencies.
38. Program for migratory children.	Elementary and Secondary Ed. Act—title I (amended by P.L. 89-750).	To meet educational needs of children of migratory farm workers.	61,075,497	Local school districts	State education agencies.
39. Programs for children in State institutions for the neglected and delinquent.	Elementary and Secondary Ed. Act—title I (amended by P.L. 89-750).	Improve the education of delinquent and neglected children in State institutions.	19,296,851	State parent agencies	State education agencies.
40. Programs for Indian children.	Elementary and Secondary Ed. Act—title I (amended by P.L. 89-750).	To provide additional educational assistance to Indian children in federally operated schools.	12,094,000	Bureau of Indian Affairs schools	Bureau of Indian Affairs, Department of Interior.
41. Bilingual education	Elementary and Secondary Ed. Act—title VII.	Develop and operate programs for children aged 3-18 who have limited English-speaking ability.	34,880,000	Local education agencies or institutions of higher education applying jointly with local education agencies.	State education agencies and OE's Division of Plans and Supplementary Centers.
42. Dropout prevention	Elementary and Secondary Ed. Act—title VIII.	Develop and demonstrate educational practices to reduce the number of children not completing school.	10,000,000	Local school districts in low-income areas and with high percentages of dropouts.	State education agencies and OE's Division of Plans and Supplementary Centers.
43. Programs for the handicapped.	Education of the Handicapped Act—title VI-B (P.L. 91-230).	Strengthen educational and related services for handicapped children.	37,450,000	State education agencies	OE's Bur. of Ed'n. for Handicapped, Division of Educational Services.
44. Media services and captioned film loan program.	Education of the Handicapped Act—title VI-F (P.L. 91-230).	Provide cultural and educational services to the handicapped through films and other media.	6,000,000	Groups of handicapped persons, nonhandicapped groups for training purposes.	OE's Bur. of Ed'n. for Handicapped, Division of Educational Services.
45. Deaf-blind centers	Education of the Handicapped Act—title VI-C (P.L. 91-230).	To develop centers for children and parents.	7,500,000	State education agencies, universities, medical centers, public or nonprofit agencies.	OE's Bur. of Ed'n. for Handicapped, Division of Educational Services.
46. Programs for the handicapped in State supported schools.	Elementary and Secondary Ed. Act—title I (P.L. 89-313, amended).	Programs for children in State operated or supported schools for the handicapped.	48,998,483	State education agencies	OE's Bur. of Ed'n. for Handicapped, Division of Educational Services.
47. Early Childhood centers for handicapped children.	Education of the Handicapped Act—title VI-C (P.L. 91-230).	Develop model preschool and early education programs for handicapped children.	7,500,000	Public agencies and private nonprofit agencies.	OE's Bur. of Ed'n. for Handicapped, Division of Educational Services.

See footnotes at end of table.

Type of assistance	Authorization	Purpose	Appropriation	Who may apply	Where to apply
48. Regional resource centers to improve education of handicapped children.	Education of the Handicapped Act—title VI-C (P.L. 91-230).	Develop centers for educational remediation of handicapped children.	$3,550,000	Institutions of higher education, State and local education agencies, or combinations within particular regions.	OE's Bur. of Ed'n. for Handicapped, Division of Research.
49. Adult education	Adult Education Act of 1966, as amended.	Provide literacy programs for adults	61,134,000	State education agencies	OE's Division of Adult Education Programs.
50. State administration of ESEA title I programs.	Elementary and Secondary Ed. Act—title I (amended by P.L. 89-750).	To strengthen administration of ESEA title I.	16,650,000	State education agencies	OE's Division of Compensatory Education.
51. Strengthening State education agencies.	Elementary and Secondary Ed. Act—title V.	Improve leadership resources of State education agencies.	33,000,000	State education agencies and combinations thereof.	OE's Division of State Agency Cooperation.
52. Planning and evaluation	Elementary and Secondary Amendments of 1967—title IV.	Improve State planning and evaluation of Federal programs.	3,825,000	State education agencies	OE's Division of State Agency Cooperation.
53. State administration	National Defense Education Act—title III.	Strengthen administration in State education agencies.	2,000,000	State education agencies	OE's Division of Plans and Supplementary Centers.
54. Incentive grants	Elementary and Secondary Ed. Act—title I (amended by P.L. 91-230).	Encourage greater State and local expenditures for education.	9,301,820	State education agencies who exceed the national effort index.	OE's Division of Compensatory Education.
55. Special grants to urban and rural school districts with high concentrations of poor children.	Elementary and Secondary Ed. Act—title I (amended by P.L. 91-230).	Improve education of disadvantaged children.	25,192,500	Local school districts	State education agencies.
56. Cooperative education programs.	Labor-HEW Appropriation Act of 1970.	Support for planning and implementation of cooperative education programs.	1,700,000	Colleges and universities	OE's Division of College Support.
57. State administration of HEFA program.	Higher Education Facilities Act of 1963.	Help States administer programs under HEFA—title I.	3,000,000	State commissions that administer program.	OE's Division of Academic Facilities.
58. Facilities comprehensive planning.	Higher Education Facilities Act—title I.	Help States plan higher education construction programs.	(See 11-57)	State commissions that administer program.	OE's Division of Academic Facilities.
59. To endow agriculture and mechanic arts colleges.	Bankhead-Jones and Morrill-Nelson Acts.	Support instruction in agriculture and mechanic arts in the land-grant colleges.	12,600,000	The 69 land-grant colleges	OE's Division of College Support.
60. Strengthening community service programs.	Higher Education Act of 1965—title I.	Strengthen higher education capabilities in helping communities solve their problems.	9,400,000	Colleges and universities	State agencies or institutions designated to administer State plans (information from OE's Division of University Programs).
61. Strengthening developing institutions.	Higher Education Act of 1965—title III.	Provide partial support for cooperative arrangements between developing and established institutions.	51,850,000	Accredited colleges and universities in existence at least five years.	OE's Division of College Support.
62. Cuban refugee education	Migration and Refugee Assistance Act.	Help school systems meet the financial impact of Cuban refugee education.	15,500,000	School districts with significant numbers of Cuban refugee school age children.	OE's Division of School Assistance in Federally Affected Areas.

GROUP III: TO INDIVIDUALS FOR TEACHER AND OTHER PROFESSIONAL TRAINING AND FOR STUDENT ASSISTANCE

1. Occupational training and retraining.	Manpower Development and Training Act of 1962, as amended.	Train unemployed and underemployed persons in all sections of the Nation.	(See 11-7)	Persons referred by State employment services	Participating institutions (information from OE's Division of Manpower Development Training).
2. Media specialists	Education Professions Development Act—Parts C and D.	Train specialized personnel for State or local instructional media support.	$1,800,000	Prospective and/or experienced school media, specialists, administrators, and teacher trainers.	OE's Bureau of Libraries and Educational Technology.
3. Desegregation training grants.	Civil Rights Act of 1964	Improve ability of school personnel to deal with desegregation problems.	[2] (See 11-8)	Teachers and other personnel of public schools.	Participating institutions (information from OE's Division of Equal Educational Opportunities).
4. Personnel training to educate handicapped children.	Education of the Handicapped Act—title VI-D (P.L. 91-230).	Prepare and inform teachers and others who educate handicapped children.	33,945,000	State education agencies, colleges, universities, and other appropriate nonprofit agencies.	OE's Bur. of Ed'n. for Handicapped, Division of Training Programs.
5. Physical education and recreation for the handicapped.	Education of the Handicapped Act—title VI-D (P.L. 91-230).	Training physical education and recreation personnel for the handicapped.	[2] 700,000	Public and other nonprofit institutions of higher education.	OE's Bur. of Ed'n. for Handicapped, Division of Training Programs.
6. Special programs for children with specific learning disabilities.	Education of the Handicapped Act—title VI-G (P.L. 91-230).	Services, training, and research for children with specific learning disabilities.	2,250,000	State education agencies, colleges, universities, and other appropriate nonprofit agencies.	OE's Bur. of Ed'n. for Handicapped, Division of Training Program.
7. Research training	Cooperative Research Act (amended by ESEA—title IV).	Improve training for educational research personnel.	(See 11-21)	Institutions training research personnel.	Information from OE/NCERD, Division of Manpower and Institutions.
8. Fellowships for higher education personnel.	Education Professions Development Act—part E.	Training persons to serve as teachers, administrators, or educational specialists in higher education.	5,044,000	Institutions of higher education with graduate programs.	OE's Division of University Programs
9. Adult education teacher training grants.	Adult Education Act of 1966, as amended.	Improve qualifications of teachers of adult education courses.	[2] (See 11-49)	Teachers and teacher trainers of adult education courses.	Participating institutions (information from OE's Division of Adult Education Programs).
10. Educational Development	Mutual Education and Cultural Exchange Act.	Provide opportunity for educators to observe U.S. methods, curriculum, organization (elementary, secondary, higher).	560,018	Educators from abroad (administrators, teacher trainers, education, ministry officials).	OE's Institute of International Studies.
11. Teacher exchange	Mutual Educational and Cultural Exchange Act.	Promote international understanding and professional competence by exchange of teachers between U.S. and foreign nations.	[7] 39,900	Elementary and secondary teachers, college instructors, and assistant professors.	OE's Institute of International Studies.
12. Technical assistance training grants.	Act for International Development of 1961.	Provide specialist training to foreign educators and strengthen education and economy in developing nations.	[2] 3,500,000	Foreign nationals from countries with which U.S. his biolateral technical assistance agreements.	AID Mission with the concurrence of the local education ministry (information from OE's Institute of International Studies).
13. Modern foreign language graduate fellowships.	National Defence Education Act—title VI.	Enable U.S. institutions to assist undergraduate and graduate students training to be teachers or other specialists in foreign language and area studies.	(See 11-12)	Graduate students in approved language and area studies programs; undergraduates in approved summer intensive language programs.	Participating institutions (information from OE's Institute of International Studies).
14. Fellowship opportunities abroad.	Mutual Educational and Cultural Exchange Act, and P.L. 83-480 (in excess foreign currency countries).	Promote instruction in international studies through grants for graduate and faculty projects.	[4] (See 11-10)	Faculty in foreign languages and area studies.	Institutions of higher education at which applicants are enrolled or employed (information from OE's Institute of International Studies).
15. Cuban student loans	Migration and Refugee Assistance Act.	Aid needy Cuban refugee college students to finance their education.	(See 11-30)	Cubans who became refugees after January 1, 1969.	Participating institutions (information from OE's Division of Student Financial Aid).
16. Student loans	National Defense Education Act—title II.	Provide for low-interest loans to college students.	286,000,000	College students	Participating institutions (information from OE's Division of Student Financial Aid).
17. Educational opportunity grants.	Higher Education Act of 1965—title IV-A.	Assist students of exceptional financial need to go to college.	(See 11-32)	College students of exceptional financial need.	Participating institutions (information from OE's Division of Student Financial Aid).

Footnotes at end of table.

XUM

GROUP III: TO INDIVIDUALS FOR TEACHER AND OTHER PROFESSIONAL TRAINING AND FOR STUDENT ASSISTANCE —Continued

Type of assistance	Authorization	Purpose	Appropriation	Who may apply	Where to apply
18. Graduate fellowships	National Defense Education Act—title IV.	Increase the number of well-qualified college teachers.	[6] $26,910,000	Prospective college teachers working toward doctoral degrees.	Participating institutions (information from OE's Division of University Programs).
19. College work-study	Higher Education Act of 1965—title IV-C.	Provide part-time employment for post-secondary students.	(See II-31)	Post-secondary students	Participating institutions (information from OE's Division of Student Financial Aid).
20. National teaching fellowships and professors emeritus.	Higher Education Act of 1965—title III.	Strengthen the teaching resources of developing institutions.	[8] (See II-20)	Highly qualified graduate students or junior faculty members from established institutions and retired scholars.	Participating institutions (information from OE's Division of College Support).
21. Training for library service	Higher Education Act of 1965—title II-B.	Increase opportunities throughout the Nation for training in librarianship.	2,000,000	Prospective and/or experienced librarians and information specialists.	Participating institutions (information from OE's Bureau of Libraries and Educational Technology).
22. Media services and captioned films training grants.	Education of the Handicapped Act—title VI-F (P.L. 91-230)	Improve quality of instruction available to deaf persons.	[3] (See II-44)	Persons who will use captioned film equipment.	OE's Bur. of Ed'n. for Handicapped, Division of Educational Services.
23. Interest benefits for higher education loans.	Higher Education Act of 1965—title IV—B.	Provide interest benefits for student loans through commercial lenders.	196,600,000	Students in eligible institutions of higher and vocational education.	Participating lenders (information from OE's Division of Student Financial Aid).
24. Fellowships abroad for doctoral dissertation research in foreign language and area studies.	Mutual Educational and Cultural Exchange Act.	Promote instruction in international studies through grants for graduate and faculty projects.	1,000,000	Prospective teachers of language and area studies.	Participating institutions (information from OE's Institute of International Studies).

GROUP IV: FOR RESEARCH

1. Education research (Basic, applied, and regional research).	Cooperative Research Act (amended by ESEA—title IV).	To expand knowledge about teaching and learning and improve educational practice.	$7,000,000	Colleges, universities, education agencies, private or public groups, or individuals.	National Center for Educational Research and Development.
2. Educational research (Development Activities).	Cooperative Research Act (amended by ESEA—title IV).	To develop educational alternatives which will resolve major problems in education.	[9] 9,000,000	(Same as IV-1)	OE's National Center for Educational Research and Development.
3. Dissemination	Cooperative Research Act (amended by ESEA—title IV).	Provide for dissemination of educational information and improved practices to the educational community.	7,600,000	(Same as IV-1)	OE's National Center for Educational Communication.
4. Experimental schools	Cooperative Research Act (amended by ESEA—title IV).	Study feasibility of major educational reforms in total setting.	15,000,000	(Same as IV-1)	OE's Experimental Schools Program.
5. Anacostia school community project.	Cooperative Research Act (amended by ESEA—title IV).	(Same as IV-4)	2,250,000	(Same as IV-1)	OE's Experimental Schools Program.
6. Nutrition and health	Cooperative Research Act (amended by ESEA—title IV).	Pilot studies coordinating health services and education.	2,000,000	Local education agencies	OE's Office of Nutrition and Health.
7. Foreign language and area research.	National Defense Education Act—title VI.	Support research on improved instruction and materials development in modern foreign languages and area studies.	1,000,000	Colleges and universities, public school systems, professional organizations, individuals.	OE's Institute of International Studies.
8. Libraries and Educational Technology.	Cooperative Research Act (amended by ESEA—title IV).	Library and information science research and demonstration.	2,750,000	Colleges, universities, school districts, State governments, other nonprofit groups.	OE's Bureau of Libraries and Educational Technology.
9. Institutional support	Cooperative Research Act (amended by ESEA—title IV).	Conduct research on the major areas of continuous concern in education and develop and test educational innovations until ready for classroom use.	33,000,000	Colleges, universities, agencies, and organizations.	OE's National Center for Educational Research and Development.
10. Vocational education research.	Vocational Education Act of 1963, as amended.	Improve vocational education	9,000,000	Education agencies and private institutions and organizations.	OE's National Center for Educational Research and Development.
11. Vocational research (Special projects).	Cooperative Research Act (amended by ESEA—title IV).	Improve educational preparation for careers.	18,000,000	Education agencies, public and private institutions and organizations, and individuals.	OE's National Center for Educational Research and Development.
12. Handicapped research and demonstration.	Education of the Handicapped Act—title VI-E (P.L. 91-230).	Promote research and demonstration on education of the handicapped.	15,455,000	State education agencies, local school districts, nonprofit private organizations, public groups.	OE's Bur. of Ed'n. for Handicapped, Division of Research.
13. Special programs for children with specific learning disabilities.	Education of the Handicapped Act—title VI-6 (P.L. 91-230).	Develop model centers for the improvement of education of children with specific learning disabilities.	(See III-6)	State education agencies, colleges, universities, and other appropriate nonprofit agencies.	OE's Bur. of Ed'n. for Handicapped, Division of Research.
14. Overseas research in language and area studies in non-Western areas.	Mutual Educational and Cultural Exchange Act, and P.L. 83-480 (in excess foreign currency countries).	Promote development of international studies through grants to institutions for support of group or individual (faculty and Ph.D. dissertation) research.	(See II-10 and III-24)	Colleges, universities, consortiums, local and State education agencies, nonprofit educational organizations.	Participating institutions (information from OE's Institute of International Studies).
15. Physical education and recreation for the handicapped.	Education of the Handicapped Act—title VI-E (P.L. 91-230).	To do research in areas of physical education and recreation for handicapped children.	300,000	State or local education agencies, public or nonprofit private educational or research agencies and organizations.	OE's Bur. of Ed'n. for Handicapped, Division of Research.
16. Career education community project.	Cooperative Research Act (amended by ESEA—title IV).	Demonstrate career education	2,000,000	Colleges, universities, agencies, institutions.	OE's National Center for Educational Research and Development.

[1] At least 15 percent for handicapped.
[2] Programs which include educational personnel training.
[3] Includes $3,000,000 in appropriated excess foreign currencies, $190,000 from Higher Education.
[4] Taken from a total $3,000,000 in appropriated excess foreign currencies.
[5] Includes $156,400,000 for academic year 1971-72 (supplementing $1,000,000 from the 1971 appropriation) and $244,600,000 for 1972-73.
[6] Includes $10,000,000 to augment 1971 funds for academic year 1971-72. The remaining $165,300,000 is for 1972-73.
[7] Includes funds contributed by foreign governments on a cost-sharing basis.
[8] Continuation costs only; no new fellowships approved for fiscal year 1972.
[9] Appropriated in previous years.

HELLER: EXPANSION A MUST

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. HANNA. Mr. Speaker, on Thursday last I brought to the House's attention what I considered to be salient observations on the administration's current economic policies. Specifically, I found unwarranted the fears that a new inflationary pressure would result from a modest expansionary effort.

While I supported this observation with an analysis of the role played in inflation by the Federal deficit and a less than full employment economy, others have found the administration's reticence equally disturbing for different, although related, reasons. I offer at this point for this body's careful and dispassionate consideration an article from yesterday's Washington Post by Walter Heller which elucidates but another of these vital points:

HELLER: EXPANSION A MUST

(By Walter Heller)

(NOTE.—Dr. Heller, former Economic Council chairman under Presidents Kennedy and Johnson, wrote the following article at the request of The Washington Post. He presently is professor of economics at the University of Minnesota).

Conventional economic wisdom associates stimulation of demand with an increase in inflationary pressures. The fear of these pressures has perhaps stayed the hand of the White House in its new economic program. Why else would it have accompanied its bold wage-price and international monetary initiatives on Aug. 15 with such a weak-kneed program of fiscal stimulation?

The wait-and-see attitude at the Federal Reserve Board may also reflect a fear of rekindled excess demand inflation—wait and see if that $100 billion year really develops without moving from a supportive to an aggressive policy of monetary expansion.

The traditional answer to the "take-it-easy, inflation-is-just-around-the-corner" approach to economic expansion is based on the existing $70 billion GNP gap, 6 per cent unemployment, and 73 per cent operating rates in manufacturing. With this much slack, and no bottlenecks in sight, rising demand will express itself in rising output, more jobs, and higher incomes, not in higher prices.

At a time when excess demand is $70 billion away—a time when it will take three consecutive annual $100 billion advances in GNP just to catch up once more with our economic potential—bold fiscal and monetary expansion carries little risk of inflation.

But to argue that economic slack will keep expansion from being converted into inflation is essentially a passive or negative argument. Less well understood is the positive argument that, given reasonably effective wage-price restraint in Phase II, strong expansion will actually help subdue inflation. Strong expansion will generate the rising productivity that provides the vital grist for the mills of the Price Commission and the Pay Board in grinding out more moderate price and wage yardsticks as Phase II progresses.

Rising demand and rising output in today's slack economy quickly translate into rising output per man hour. Overhead costs are spread thinner. As more units of output are produced with the same machinery, equipment and plant, and without a corresponding increase in payrolls, average unit costs of output will fall.

Left to themselves, producers would be sorely tempted to capture most of this productivity surge in higher profits and higher wages, sharing little of their gains with consumers. The genius of an effective incomes policy, of successful Phase II wage-price restraints, will be to nudge business and labor into sharing their gains with consumers and thus convert rising output into receding inflation.

Within broad limits, the more rapidly output rises, the larger will be the productivity advance that the Price and Pay boards have to play with, i.e., to use in setting tough standards for prices and wages without unduly squeezing business profits and labor earnings.

For example, if productivity advances at a 4 per cent clip in 1972, the Pay Board's 5½ per cent yardstick for average pay advances would imply an increase in average unit labor costs of 1½ per cent. But if recovery lags and productivity crawls ahead at only a 2 per cent rate, a 5½ per cent wage standard would imply a 3½ per cent increase in unit labor costs, thereby making it far more difficult for the Price Commission to clamp a tight lid on prices.

On the more optimistic assumption of a 4 per cent productivity advance, converted into a tighter price yardstick and a consequent easing of inflation during 1972, the Pay Board would have less cost-of-living catch-up to build into its 1973 yardstick. It could then lower the 1973 pay standard a notch toward the 3 per cent trend growth in productivity.

In short, since productivity is the name of the game, rapid expansion is vital to the success of Phase II. And, in turn, success in Phase II will translate into more consumer and investor confidence and hence a stronger expansion.

Another vital interlock of expansion is with our international monetary and trade negotiations. On one hand, a successful reordering of exchange parities and a relaxing of trade barriers can make an important contribution to sound economic recovery. But again causation runs the other way as well. How can we expect our trading partners to bear the economic brunt of more expensive exports to us and cheaper imports from us unless we soften the blow by vigorous expansion of U.S. demand?

Given the current softness of many foreign economies, negotiations that will cut their exports and boost their imports are generating great unease and trepidation. To create an atmosphere within which our trading partners can come half way or even more, we must be able to assure them that vigorous U.S. economic expansion will offset much of the adverse trade effect of renegotiated parities and lowered trade barriers.

In other words, U.S. negotiators have to be able to hold out the prospect of a strong favorable income effect as a short-run offset to the negative price effects of U.S. initiative.

Given these imperatives, both the Price Commission and the Pay Board, not to mention our international monetary and trade negotiators, should exact a firm "do-all-possible" pledge from the administration and the Federal Reserve System to assure speedy economic recovery in 1972. With much of the economy other than autos and housing still listless, the President should be calling on the Congress to step up the temporary tax relief in the bill which is now before the Senate.

The Senate should sharply enlarge personal income tax relief. Without compromising federal revenues in the longer run—when they will be needed for high-priority social uses and for the renewed battle against demand inflation when we reach full employment—a temporary tax reduction—for example, a "recover tax credit" of perhaps $100 per married couple—should be enacted for 1972.

This would add another $5 billion to disposable income, thus energizing consumer spending and putting some of our grossly underutilized industrial capacity (roughly a quarter of our manufacturing capacity is idle today) back to work.

Side-by-side with this action, the Congress should declare a moratorium on further payroll tax increase. What economic sense does it make to cut income and automobile taxes to stimulate the economy and then let $7½ billion in new payroll tax hikes in 1972 ($3 billion already in the law plus $4½ billion on the way via H.R. 1) to nullify much of the stimulative effect?

For better balance in the tax bill and to protect the revenues for the longer pull, the Senate should drop the depreciation liberalization (ADR's) completely and limit the 7 per cent investment credit to a two- or three-year period.

In short, bolder expansionary policy is not only the fastest way to generate the jobs we desperately need, boost labor earnings and profits, and create incentives to increase capital spending for new capacity—but given reasonable vigilance in our price and wage boards in Phase II, it will also be an effective engine of disinflation.

THE 1971 QUESTIONNAIRE RESULTS: SEVENTH DISTRICT OF MICHIGAN

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. RIEGLE. Mr. Speaker, every year I send a congressional questionnaire to every person in the Seventh Congressional District of Michigan in order to learn where my constituents stand on the issues. I have just finished compiling the results of this questionnaire and have included these findings in my latest newsletter. With your permission, I would like to insert my newsletter into the CONGRESSIONAL RECORD at this point so that all concerned citizens in America will know how the people of Michigan's Seventh District feel about many of our pressing problems.

CONGRESSMAN DON RIEGLE REPORTS TO YOU

THE ECONOMY—NO. 1 PRIORITY

FALL 1971.

It is clear that the economy has been in trouble for the last three years. People out of work, rising prices, a worsening balance of payments—were some of the danger signs that indicated that drastic action was required.

Many of us in the Congress have long argued for a change in our national economic game plan. An end to the Vietnam war—a reduction in federal spending—some direct government action on prices and wages—were some of the recommendations designed to help.

On August 15th, President Nixon—in a major change of policy—announced a new economic game plan. It included the 90-day freeze on prices and wages—a surcharge on imports—the recommended removal of the auto excise tax—and other major changes.

Clearly emergency action of this kind was urgently needed. Something had to be done. Despite some reservations—it was time for unity.

Under these circumstances I have supported the President's actions. I have pledged my support to the basic goals the President has outlined—and I have supported the two specific actions the President has already taken—the 90-day freeze—and the postponement of pay increases for government employees. I have since received this letter from the President.

"THE WHITE HOUSE,
"*Washington, D.C., October 4, 1971.*

"DEAR DON: I want you to know how much I appreciate the support you have given for the objectives of our new economic policies by your vote against House Resolution 596, which would have disapproved the deferral of federal pay increases.

"Your responsible action on the floor today advances economic stability and is in the overriding public interest.

"With best personal regards,

"Sincerely,

"RICHARD NIXON".

Looking ahead at Phase II—many things are not yet clear.

The next step is for all segments of our economy—consumers, labor and management—to participate equally in working out fair and voluntary principles of control which everyone can respect. The best way to stop inflation is not with permanent bureaucratic controls imposed from the top, but with everyone sharing equally in the responsibilities and sacrifices voluntarily—with no group or individual asked to carry an unfair burden.

XUM

Congress, representing the people, will have to work with the President to insure that all points-of-view and approaches are heard. This general outline for Phase II is only the first planning step. Now it becomes everyone's responsibility to weigh his own personal interest, together with the national interest. If we fail to work out a mechanism that is fair for everyone, it will not work for anyone. I am committed to the joint effort of developing that mechanism.

Two items of particular interest:

EXISTING AUTO CONTRACTS

My own initial opinion is that the existing auto contracts—with previously negotiated wage improvements—meet the price/wage stabilization criteria set forth by the President. Auto wage and price increases—percentage wise—have not been the primary cause of inflation in the country. It is my hope that the cost-of-living council will find the existing contracts acceptable.

AUTO EXCISE TAX REPEAL AND AUTO IMPORTS

If the auto industry is to remain healthy—both for job holders, shareholders and customers—it is essential that the unfair 7% auto excise tax be removed. Also, while foreign cars have been allowed to flood the U.S. market, American built automobiles are today prevented from competing in foreign markets—because of hidden taxes and other unfair tariff-type barriers. If foreign autos are going to be sold in the U.S. without interference—then American autos must be free to compete the same way in other countries.

INVITATION EXTENDED

You are invited to an Open House at your new local Congressional office Saturday, Nov. 27, 9 a.m. to 3 p.m., 432 N. Saginaw Street, in the Metropolitan Building, Office No. 300—Right across from the Durant Hotel and our previous office at 425 Detroit Street. Congressman Riegle and his staff will be there to meet with you, to handle any problems or questions you may have, to explain all the services of the office, and to welcome your suggestions for how this office can better serve you and our community. Coffee, cider and donuts will be served.

Lt. Dohlin came to Washington to express to me his strong feelings about both the futility of U.S. involvement in Vietnam and the poor treatment received by some of our injured veterans in military hospitals. The Vietnam war is not over yet. While the U.S. is slowly withdrawing troops, the killing goes on—and we are still spending 10 to 15 billion dollars there *this year*. It's time to set a final date for American withdrawal—so we can stop the killing and waste—and free the American POW's and MIA's. Recently in the House—192 members voted to set a final withdrawal date—we only need 26 more votes to stop this unjustified war. I will continue to do everything in my power to help end this war.

FIGHTING DRUGS

The drug problem in America is far more serious than most people realize—and it's getting worse. There is an urgent need to understand this problem—and find answers that work.

How bad is the problem

There are an estimated 1200 drug addicts in the Flint area—some 18,000 in Michigan—some 350,000 in the U.S.

Drug-related crimes cost us over $8 billion each year.

The average heroin user must spend $30 a day on his "habit"—often he must resort to crime to get these funds.

As many as 30% of our troops in Vietnam have been estimated to be using hard drugs.

What has been done so far

For too long the hard facts about drugs have been swept under the rug. We have relied too much on law enforcement crackdowns—which deal with the surface of the problem—but not the underlying causes and effects. This has put law enforcement in the unworkable position of trying to solve a problem—that is beyond their resources and scope.

Hard drug addiction is a sickness—and it takes medical and psychological help to deal with it. The best way to stop drug addiction is by preventing it from starting in the first place. All of us can and must do more to help our young people find jobs and meaning in their lives so they do not try escaping reality with drugs. For too long, we failed to realize that drug abuse is often the result of degrading social conditions, and a sense of personal uselessness. When life offers hope and meaning—few people turn to drugs.

We must change our approach—by offering to help the drug addict overcome his addiction—treating his problem in a way that can solve it. If we fail to do this—drug addicts not only may turn to crime to support their addiction—but their lives and human potential will be wasted. And then everybody loses.

There has also been a lack of coordination in tackling the drug problem. It has been a collective failure—shared by all. For too long, drug abuse has been viewed as a disconnected set of problems—drug production—smuggling — addiction — rehabilitation — prevention, etc. This finally reached such a ridiculous extreme that nine different Federal agencies and ten different Congressional committees were involved with drug problems.

Finally, we are beginning to wake up to the true nature and extent of the problem. These important steps are now underway:

Here at home

Several important—and effective—drug abuse programs are underway in our area. Many local people have provided outstanding leadership in tackling this problem—and building programs that work.

If you need help—advice—or wish to volunteer your own services, please contact:

Genesee County Regional Drug Abuse Commission—acts as a coordinating body for drug information and funding sources, with a membership consisting of such community organizations and interest groups as the Mott Foundation, the Board of Education, SODAT, Rubicon House, Inc., and many others. They can be reached at 232–1181.

Rubicon House, Inc.—Flint's first comprehensive resident therapeutic community for heroin addicts, fashioned after Odyssey House in New York. 238–0483.

Sirna Center—the only methadone center in Genesee County, an outpatient center which provides methadone and group therapy. 238–2721.

SODAT—an out-patient treatment center using no medication, with two facilities—one in Flint and one in Grand Blanc. 235–0202.

UP, Inc.—a youth drop-in center. 238–4639.

RAP House—a crisis intervention center using group and individual counseling by paraprofessionals, in Fenton. 629–5354.

NATIONAL

$202 million are being authorized for drug programs in 1972 compared to $68 million in 1969. ($72 million for law enforcement, $88 million for rehabilitation treatment, $19 million for education and training, and $23 million for research.)

I believe we must drastically increase this amount, especially in the areas of assisting local rehabilitation and treatment programs, research, public education and prevention. Right now we are spending less money for drug treatment in one year than we spend in Vietnam in three days.

The President has proposed—and I support—a coordinated assault on the problem beginning with a Special Action Office in the White House that would develop overall strategy, goals, priorities, and evaluate performance.

A LOCAL-FEDERAL PARTNERSHIP BRINGING OUR TAX DOLLARS BACK HOME

Many of our local programs and service organizations have a working or a financial relationship with the federal government.

This is one way that our tax dollars come back to where we live and work—often local people are in the best position to determine how to use these resources to serve our community.

Our Congressional Office works closely with community programs and groups to help insure maximum cooperation in this local-federal partnership. While the leadership and hard work is done on the scene by local people, our office works to provide program information, technical assistance in working with federal agencies, status reports, counseling on grant applications, and a voice in legislation that might affect our local programs.

Here are some of the projects which we have been involved with over the past year.

Genesee Regional Drug Abuse Commission: aided in obtaining tax exempt status.

Community Learning Program, Model Cities: participated with citizens, staff, and consultants in community learning seminars.

Minority Business Enterprise: arranged technical counseling through Small Business Administration to explain programs and participation.

Region V Crime Commission (Genesee, Lapeer, Shiawasee): clarifying Congressional intent that suburban and rural areas not be excluded from allocation of funds through Law Enforcement Assistance Administration.

Lapeer Housing Commission: an additional 30 units for senior citizen housing from Dept. of Housing and Urban Development.

GLS Comprehensive Health Planning Council: A grant of $32,500 from HEW for the development of comprehensive health care plan.

SODAT: A grant of $248,753 from the National Institute of Mental Health to expand drug treatment program.

Michigan Carpentry Contractors Association (Detroit): A grant from Dept. of Labor for pre-apprenticeship training program.

237 Homeownership Counseling Program: successfully fought battle to keep this program from being cancelled within Appropriations Committee.

235 Housing Program: fought to get investigation and follow-up by Dept. of HUD and Congressional Committees of problems raised by citizens, school and community officials, homeowners, builders, etc.

Sewage Treatment: grants for Davison, Flint, Columbiaville, North Branch, Flint Township, Grand Blanc, Fenton, Grand Blanc Township, Mt. Morris Township, Vienna and Thetford Townships.

RESULTS OF SPRING, 1971 QUESTIONNAIRE

The economy

The most urgent problems:	Percent
Inflation	34
Gov't Spending	30
Taxes	21
Unemployment	11
Prices	7
Wages	4
Interest rates	2

Are the Administration's economic policies clear to you?

	Percent
Yes	22
No	58
Not sure	21

Are these policies working?

	Percent
Yes	8
No	58
Not sure	33

What action should be taken to help the economy?

Wage and price controls across the board	35
Reduced interest rates and expanded money supply	26
Wage/price controls for selected industries	15
Informal government pressure and voluntary restraints on wages/prices	14
Tax deductions for business to invest and expand	12
Deficit spending for government	5
Increase government spending	2

Do you expect to save more or spend more compared to last year?

Save more	18
Spend more	48
About the same	35

ECONOMIC PREDICTION FOR 1971 AND 1972

[In percent]

	Good	Fair	Poor	Not sure
1971	11	49	34	6
1972	25	33	23	18

REVENUE SHARING

Government should give federal tax revenue to state and local governments with no strings attached:

	Percent
Not sure	13
Agree	30
Disagree	58

	Excellent	Good	Fair	Poor
Alternatives to revenue sharing:				
Raise State and lower Federal taxes	20	31	18	32
Clear guidelines on how to spend the shared revenue	25	33	20	22
Full Federal funding of welfare programs	29	23	13	34
Confidence in Government ability to spend money wisely:				
Federal Government	3	17	36	45
State government	3	22	37	37
Local government	6	22	28	44

Opinion on revenue sharing

Will decrease responsibility of state and local government:

	Percent
Agree	32
Disagree	44
Not sure	24

Won't make any difference—

Agree	28
Disagree	47
Not sure	25

THE DRAFT

End draft, convert to volunteer army, except in times of a declared war:

Agree	63
Disagree	30
Not sure	7

Favor a year of national service for all young men:

	Percent
Agree	64
Disagree	28
Not sure	8

Favor a year of national service for young women without children:

Agree	44
Disagree	45
Not sure	11

ENVIRONMENT

Are you willing to accept strong penalties for violating pollution restrictions:

Yes	89
No	5
Not sure	6

There should be strong penalties for corporations and private organizations who pollute:

Agree	93
Disagree	3
Not sure	3

Consumers should be willing to pay price increases resulting from antipollution expenses:

Agree	54
Disagree	36
Not sure	10

All levels of government should help clean up the environment even though this may mean higher taxes or cutting services:

Agree	56
Disagree	31
Not sure	13

Education and voluntary restraints are better than tough regulations:

Agree	33
Disagree	51
Not sure	15

Set up an Environmental Trust Fund using federal tax revenues:

Yes	61
No	22
Not sure	17

CITIZENS' VOICE

In addition to our political parties, are new Citizens' groups needed to give a more effective voice in government?

Strongly needed	58
Slightly needed	24
Not needed	18

Would you be willing to participate (time, energy, and money) in a new Citizens' group?

Yes	30
No	31
Not sure	39

HEALTH AND MEDICAL CARE

Problems and Priorities:

Cost of health care	54
Availability of doctors	18
Services for the poor and needy	14
Quality of health care	6
Adequacy of medical insurance	6
Adequacy of medical facilities	3

Who should be covered by a new national health plan?

Only the poor and needy—

Yes	37
No	62

The average working American who can afford some but not all of the costs.

	Percent
Yes	66
No	34

Everyone regardless of need—

Yes	32
No	67

Who should pay the cost of national health insurance?

Citizens should pay cost through higher social security taxes.

Yes	38
No	62

The Federal Government should pay out out of general income taxes.

Yes	65
No	45

Everyone should contribute to their premiums according to their ability to pay.

Yes	71
No	29

Should the government regulate doctor and medical fees?

Yes	62
No	38

Should those covered by the National Health Insurance be willing to accept an available or assigned doctor at a public clinic?

Yes	59
No	41

SOUTHEAST ASIA AND THE VIETNAM WAR

Do you favor a withdrawal of all U.S. troops from Vietnam by the end of this year?

Yes	70
No	30

Are you satisfied that President Nixon is keeping his campaign promise to end the war?

Yes	32
No	49
Not sure	19

How soon should our troops be withdrawn from Vietnam?

By the end of this year	63
Mid 1972	14
End of 1972	14
1973 or later	13

Should Congress terminate the President's power to use U.S. air support in Cambodia and Laos?

Yes	47
No	53

Should Congress declare war on North Vietnam?

Yes	17
No	83

Should Congress permit the President alone to determine how the war is to be conducted?

Yes	16
No	85

SUPERSONIC TRANSPORT (SST)

Should the U.S. spend $290 million on the SST?

Yes	12
No	76
Not sure	12

XUM

HOW WOULD YOU ALLOCATE THE MONEY IN OUR NATIONAL BUDGET? WOULD YOU SPEND MORE, LESS, OR THE SAME ON EACH OF THE FOLLOWING?

Budget area	Billions	We should spend (percent)— More	Less	Same
Defense	$77.5	6	73	21
Vietnam	15.0	5	81	14
ABM program	1.3	26	43	31
Military pay raises	3.9	44	27	30
Atomic Energy Commission	1.9	18	40	43
Foreign aid	4.0	3	77	19
Environment	3.6	72	6	22
Water quality	1.1	77	3	20
Air quality	.2	75	4	21
Natural resources	4.2	65	6	29
Land management	.83	53	14	33
Recreation	.62	45	19	37
Peace Corps	.07	21	34	45
Space research	3.2	13	60	27
Manned flights	1.3	12	64	24
Health programs	16.0	43	13	39
School lunch	.56	32	29	39
Food stamps	2.0	20	53	27
Medicare-medicaid	12.4	43	17	41
National Institutes of Health	1.7	45	14	41
Cancer research	.01	74	4	22
Civil rights	.45	19	48	31
Housing and community development	$4.4	25	44	31
Transportation and commerce	10.9	20	27	54
Highway program	4.9	29	21	50
Air transportation	1.8	12	47	42
Post office	1.3	21	27	53
Education and manpower	8.8	55	13	32
Elementary and secondary education	1.8	58	10	33
Higher education	1.1	43	20	37
Vocational and adult education	.49	53	14	33
Poverty—OEO programs	1.0	28	39	32
Social security	34.2	49	10	41
Veterans' benefits	11.0	34	9	57
Anticrime	.7	76	4	20
Department of Labor	7.2	12	39	49
Department of Agriculture—Farm program	9.5	21	42	37
General Government costs—Agencies, etc	4.9	3	66	32
Executive department—Presidency	.07	3	56	41
Judicial—Courts	.14	22	42	36
Congress	.41	4	53	43
Interest on national debt	19.6	17	36	47
Revenue sharing with States	5.0	51	21	29

RIEGLE VOTES IN CONGRESS

Bill	Riegle vote	House action
Increase social security benefits	Yes	Passed.
Cut of funds for SST	Yes	Do.
Lower voting age to 18	Yes	Do.
Stop sending U.S. troops to Vietnam after Dec. 31, 1971	Yes	Defeated.
Allocate more funds ($728,000,000) for education	Yes	Do.
Increase funds for the space program	No	Passed.
Prohibit new military expenditures in Vietnam and Southeast Asia after January 1972	Yes	Defeated.
Strike out $3,000,000 for homeownership counseling	No	Do.
Withdraw all U.S. troops from Vietnam within 9 months subject only to return of U.S. POWs	Yes	Do.
Emergency Employment Act—create public service jobs for the unemployed	Yes	Passed.
Establish drug treatment program for Vietnam soldiers	Yes	Do.
Authorize funds for new medical schools associated with Veterans' Administration	Yes	Do.
Add $32,400,000 for vocational rehabilitation	Yes	Do.
Add $64,000,000 for child welfare services	Yes	Defeated.
Prohibit the establishment of detention camps	Yes	Passed.
Comprehensive child development program	Yes	Do.
Equal Opportunities Act continuation	Yes	Do.
National Legal Services Corporation Act	Yes	Do.
Postponement of Federal employees pay increases until July 1972	Yes	Do.
Constitutional amendment for equal rights for women and men	Yes	Do.

YOUR CONGRESSIONAL ACTION LINE

Military

I heard on the radio that a General's helicopter was shot down in Vietnam—and I think my son was the pilot. The broadcast said there were a few survivors. Can you help me find out whether my son is still alive?

We called headquarters at the Pentagon and in less than one-half hour received a call back saying that her son was alive and well.

Veterans

I was forced to miss some work this year due to recurrence of a World War II injury. I have lost my job—my wife is seriously ill—and the Veterans Administration refuses to provide legitimate compensation.

After contacting V.A., a full review was made of his case and the V.A. determined that the man indeed descrved full unemployment compensation which he is now receiving.

Medicare

For eight months I have been applying for reimbursement of my 1969 and 1970 claims but have received no answer. I need the money for my current medical bills. Can you help me?

We contacted Medicare, and within one month total payment of $341 for '69 and '70 was received.

Nursing home

My husband is in a nursing home, classified as skilled care. He's not well enough to move, but they say he has to leave because we can't pay the higher fees. What can I do?

After talking with the nursing home, his caseworker and the State, we found that the controversy involved a disagreement between the State and the nursing home over the higher rate. We arranged for the patient to stay in the home at the new rate, with Medicaid covering the balance.

Immigration

I want to adopt an orphan Korean boy who is at a baby's home in Seoul, but am running into years of obstacles and red tape.

By working through the State Dept., the Visa Office, the American Embassy in Seoul, and the Christian Children's Home—and by introducing a private bill to the House Judiciary Committee, the boy was finally able to come to Flint this October.

Social security

Tragedy has hit my family and I am worried about our seven children. I have back and heart trouble, which has kept me out of work for two years and in the hospital for 110 days. Also, my wife is sick and can't find work due to the depressed economy in Flint. Both the state and the federal Social Security offices have turned down my request for help.

We personally took all of the facts and documentations directly to the Commission of Social Security in Baltimore and requested a field investigation, which proved that this family was eligible for disability compensation. They immediately received their rightful benefits.

MEETING WITH YOU PERSONALLY

I will continue a regular schedule of visits to every area of Genesee and Lapeer Counties so that you can reach me personally. Please come if you have a government-related problem, wish special information, or want to talk about the issues. I look forward to seeing you.

I will send you a post card in advance letting you know when and where I will be in your area. Our schedule in recent months included the following:

Spring: West Flint, Flint and Mt. Morris TWP, Lapeer, South Flint, Burton TWP, Northeast Flint, Genesee and Burton TWP.

Summer: Davison, Goodrich, Otisville, Grand Blanc, Athens, Central Flint, Swartz Creek, Linden, Flushing, Clio, Montrose.

Fall: Mt. Morris, Lapeer, Fenton.

IMPROVING HOMES FOR SENIOR CITIZENS

Earlier this year Congressman Riegle joined Congressman David Pryor of Arkansas and Congressmen Charles Diggs and John Conyers of Michigan in conducting hearings in Detroit on conditions in Michigan's nursing homes and homes for the aged. Similar hearings were held this year in Dallas, Kansas City, Philadelphia and the District of Columbia.

Congressman Riegle and his colleagues heard testimony from private citizens, representatives of the Michigan Nurses Association, UAW leaders, senior citizens councils and many other concerned groups. Some conclusions from the Michigan hearing included:

The conditions and problems in Michigan's nursing homes are no different from conditions in similar facilities around the nation.

The need exists for increased inspections of such facilities along with stricter licensing provisions.

The present capacity of these homes in Michigan is inadequate to meet the full needs of our senior citizen population.

The public has had difficulty getting all the facts and examining the conditions of many homes.

As a result of the hearings, the House Subcommittee on Governmental Operations is now conducting hearings on the problems of the aged in the United States. Congress may soon consider legislation co-sponsored by Congressmen Pryor, Riegle, and others, which would establish a select committee of the House to make a complete investigation of all matters pertaining to senior Americans and then bring these facts to the public. Also the Administration is taking action—through HEW and the Social Security Administration—to improve the quality of nursing homes by evaluation and certification of state agencies and local facilities. On Oct. 5, HEW Secretary Elliot Richardson said:

"The Federal Government will not support nursing homes which cannot properly assure the health, comfort, and dignity of older people who can no longer be taken care of at home."

HEW notified six nursing homes—including two in Detroit—they are being dropped from the Medicare program Oct. 25, with state withdrawal of Medicaid payment expected to follow.

"With the addition of six extended care facilities terminated today, a total of 25 have been dropped from the Medicare program since the beginning of the year. Another 362 withdrew from the Medicare program voluntarily during the same period, many because they could not, or would not, upgrade to meet Medicare quality standards. An additional 58 facilities upgraded after being notified of impending termination action.

"The enforcement of Medicare quality standards in fiscal year 1971 included more than 4,900 completed surveys of extended care facilities, the investigation of over 1,000 complaints, and in excess of 8,000 visits of facilities to correct deficiencies and improve services provided. In addition, there were 250 direct Federal surveys of extended care facilities to check on the quality of the State agency findings and enforcement followup."

WHO ARMED PAKISTAN?

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. SCHMITZ. Mr. Speaker, the Armed Forces Journal of November this year had two extremely interesting articles concerning recent events in Pakistan. In order to make this material available for the review of my colleagues I would like to insert both articles into the RECORD at this point. The first is by Brooke Nihart and the second by Col. Robert D. Heinl, Jr.

The articles follow:

WHO ARMED PAKISTAN?

(By Brooke Nihart)

Chicom small arms and light crew-served weapons were responsible for over 90% of the Bengali dissident casualties, The Journal has learned from reliable diplomatic and intelligence sources. This revelation is in dramatic contrast to the automatic assumption on the part of many Americans and foreigners alike that, since the U.S. gave and sold weapons to Pakistan from 1954 to 1965, American weapons were used to put down dissenting Bengalis in East Pakistan. The facts, which American politicians and journalists didn't bother to check, or, if they checked, did not choose to use, reveal quite the opposite.

The facts of military aid to Pakistan—what part of U.S. aid has been used in East Pakistan, and what weapons actually have been used in the killing of an estimated over 200,000 dissidents—will come as a surprise to Americans, especially as the public has been subjected to a drumfire of half truths and plain misinformation from some of their elected representatives on Capitol Hill and from their daily newspapers. Washington insiders, alluding to the old "China Lobby," are beginning to refer to an "India Lobby" as the source of much of the sound and fury.

The facts of the matter seem to be these:

After the 1965 Indo-Pakistani War the Pakistan Army was completely re-equipped with Chinese rifles, machineguns, and mortars, and the West German G3 assault rifle. The Chinese weapons furnished included the AK47 assault rifle, the RPD light machinegun, and 60mm and 82mm mortars. The Chinese built a factory in East Pakistan to produce ammunition for these weapons, and for logistical reasons the troops in East Pakistan are armed with them. The German-built G3 factory is in West Pakistan, as are the other ammunition factories. These are the types of weapons that inflict most of the casualties in low-level conflict such as the insurgency in East Pakistan.

The only American-made arms in East Pakistan were 30 to 40 M24 light tanks and 16 F–86 jet fighters, although the latter may have been among those CF–86s bought from West Germany. These were used against the dissidents *only during the first three or four days* of the counter-action. The tanks were mainly used in shows of force, although on one occasion some shelled the university in Dacca, undoubtedly causing a number of casualties. The jet fighters were seen taking off armed with rockets and returning with the rockets expended.

The M24 light tank was developed in WWII. It weighs 20 tons, is armed with a lightweight 75mm gun, and is protected by about one inch of armor. It was built by Cadillac and Massy-Harris in 1944. About 124 were delivered in Pakistan in 1955, and the 50 or so remaining are kept running by cannibalizing and adapting spare parts from commercial sources. No spares have come from the U.S. government for years.

The F–86, North American Aviation's venerable Sabre jet which swept the Korean skies clear of MiG–15s in 1951–53, was delivered to Pakistan prior to 1959. The PAF still operates about eight 16-plane squadrons of F–86s, or a total of 128. Over half of these, however, are Canadian CF–86s obtained from West Germany. Spares initially were provided under the Pentagon's Foreign Military Sales program, but the F–86 has been so long out of USAF inventory that most spares now are procured from commercial suppliers and from surplus dealers both in the U.S. and abroad, as most air forces equipped with F–86s have been disposing of them.

When the Pakistan Army was ordered, on 25 March, to put down the East Pakistani separatist movement, they did so with enthusiasm and apparently excessive and wanton use of force. Over 200,000 deaths have resulted. But even this grisly toll out of a population of 70-million can hardly be termed "genocide," as the victims' Indian coreligionists And Washington's "India Lobby" were overquick to charge.

The two divisions of Pakistani Army troops in the East were reinforced by two additional divisions, deployed without heavy equipment from West Pakistan. They came by ship and by air—eight PAF C–130Bs received some years before under the Military Aid Program (MAP) and nine Boeing 707s (seven owned, two chartered) of Pakistani International Airlines (PIA), a commercial carrier.

After the 1947 Partition of the Indian Sub-Continent, Pakistan's Army was equipped with a variety of British weapons, from small arms to tanks and artillery. The small arms are now used by police and paramilitary groups, while any tanks and artillery remaining are used by reserve formations.

After joining SEATO/CENTO in 1954, Pakistan was re-equipped with U.S. armor, artillery, and aircraft—M24 light tanks, M47/48 medium tanks, a few M59 and M113 armored personnel carriers, 106mm recoilless rifles, 105mm/155mm/8-inch howitzers, F–86 fighters, eight F–104 fighters, and a few B–57B light bombers.

At the time of the 1965 Indo-Pakistani War all U.S. MAP aid was stopped. MAP was resumed in the spring of 1966 under an informal U.S. policy, but only for spare parts for non-lethal equipment. No end-items of military equipment were provided.

In April 1967 a formal policy was established by the U.S. Permitted was the purchase for cash or by credit arrangements of spare parts of *all* equipment and ammunition. The U.S. announced its willingness, on a case-by-case basis, to negotiate the sale of *non-lethal* end-items to Pakistan. Under this policy the eight C–130B transports and some training aircraft were sold. The policy is still in effect.

Since the 1965 cut-off of U.S. arms, Pakistan has gone to France, Germany, China, and the Soviet Union for arms. France has provided Mirage IIIE jet fighters, Alouette III helicopters, and four *Daphne*-class submarines. Germany sold the mentioned CF–86 jet fighters, Cobra anti-tank guided missiles, and G3 assault rifles and a factory to make them.

After the U.S. arms cut-off in 1965, Mainland China filled the arms vacuum with 225 T–59 medium tanks, 122mm howitzers, 70 or more MiG–19 jet fighters, mortars, and small arms. Not to be outdone by its rival, China, the Soviet Union about 1967 sent Pakistan 150 T–54/55 medium tanks, 20 PT–76 light tanks, and 200 130mm guns.

In 1970, partly to offset Chinese influence through its arms supply and partly as a gesture of support to the liberalizing Pakistani government, the U.S. decided on a "one-time exception" to its non-lethal equipment policy. The offer was on a cash-and-carry, full-price basis. In the deal were to be 300 M113 armored personnel carriers, 14 Northrop F–5 jet fighters to replace a like number of obsolete and inoperable F–104s, seven B–57s to replace a like number lost through non-combat attrition, and four maritime patrol aircraft of a type which was never determined. The offer was realistic on the part of the U.S., as Pakistan had over $250-million in foreign exchange reserves at the time, while the price for these weapons, so greatly desired by Pakistan, was but $80-million. However, Pakistan wanted the sale to be on credit. The U.S. said, "No deal," and *none of these weapons were delivered* to Pakistan, contrary to some popular belief both here and abroad.

MAP STOPPED?

The foregoing facts as developed and reconstructed by The Journal demonstrate that essentially and for all practical purposes—especially counter-insurgency—U.S. military aid to Pakistan ended in 1965 at the time of the Indo-Pakistani War. Beyond that point U.S. military aid has been largely non-lethal—training items, spare parts to keep weapons and equipment operational in support of CENTO/SEATO goals, and some defensive items such as anti-tank ammunition to defend against India's superior tank force.

Meanwhile, it has been Russia and China who have poured armaments into Pakistan for their own political advantage. These included both mid-intensity war weapons such as tanks and jet fighters as well as low-intensity war or counterinsurgency weapons such as small arms.

Coincident with the outbreak of armed dissidence in East Pakistan in March, the U.S. government on 25 March stopped all military aid to Pakistan. Two furors over alleged violations of the ban in June and October were compounded of misunderstanding, misinformation, and partisan politics, and led to more credibility gaps among all involved.

The New York Times broke a story on 21 June that a Pakistani ship was about to leave New York with a military aid cargo and another had left in May, both apparently in violation of the ban. The cargo was alleged to contain eight aircraft and quantities of spares for military equipment. Other reports mentioned 2,000 rounds of ammunition.

As it turned out, the aircraft were, in reality, eight boxes of aircraft spare parts averaging 100 pounds per box. The words "spare parts" had been omitted on the bill of lading, but the weights should have been a tipoff that aircraft were not being shipped. The ammunition turned out to be .22 caliber Hornet, a light hunting cartridge used in pilots' survival kits to bring down small game for food.

The facts, according to official DoD sources, are these: In April, to implement the 25 March decision to ban further arms aid, DoD ordered military depots to administratively hold up any Pakistan military materiel shipments. State held up any further issue or renewal of export licenses. The net effect of these actions was embargo, although that emotional term was not used.

Meanwhile, $6.1-million worth of supplies, mostly spare parts and from commercial sources, had been licensed, contracted and/or paid for, and were in the pipeline—in trucks or railroad cars, in warehouses under control of shipping agents, or loaded into ships at dockside. Legally, these shipments belonged

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to Pakistan, even though physically they may have been on U.S. soil, emphasized the DoD official.

In apparent disregard of domestic and international law, as well as the effects on U.S.-Pakistan relations, Senator Frank Church (D-Idaho) demanded that the President seize the Pakistani-owned goods in the U.S. and even have the Coast Guard seize the Pakistan-flag ships carrying the goods on the high seas.

The DoD official explained that, during this period, while Pakistani-owned property was allowed to leave the country, a diplomatic dialogue was maintained with Pakistan, with the U.S. urging restraint in the handling of her internal problems.

This diplomacy has paid off, the official said, and suggested the following had resulted:

General Tika Khan, the commander in East Pakistan and responsible for the initial blood bath, was removed.

Civilian government, under a Bengali, has been restored.

General amnesty for dissidents has been offered.

The doctrine of "mass responsibility" for dissident activity has been banned.

More recently, in October, Senator Edward M. Kennedy (D-Mass.) charged that the U.S. was continuing to deal with Pakistan for the supply of military materiel. He exhibited Pentagon "offer and acceptance" documents for nearly $10-million in spare parts for B–57s, C–130s, F–86s, F–104s, H–43 rescue helicopters, T–33 and T–37 jet trainers, and cartridges for explosive cutters of underwater mine mooring cables.

The materiel had little or no application to the type of low-level operations being conducted in East Pakistan, and indeed it was not intended to ship them until the "embargo" was eventually lifted, officials have stated. As State Department officials pointed out, none of the materiel could be exported without a State-issued license, which had not been requested or issued. Obviously, cognizant officers in the Services were going through the paperwork exercise necessary before any military aid transaction can take place, and in anticipation of aid resumption.

As a further result of the hue and cry over "arms" to Pakistan, the Senate Foreign Relations Committee in mid-October voted sanctions against Pakistan until the President reports that Pakistan is cooperating fully in attempts to stabilize East Pakistan and resettle refugees who have fled to India. The sanctions would include a cut-off of all military, economic, and other assistance and all arms export licenses.

As a counterpoint to the Senate action, which observers say merely exacerbates difficult relations with Pakistan and has little or no direct bearing on the plight of the East Pakistanis, reports from Karachi state that recently the Pakistani merchant ship *Sipsah* arrived with a cargo of small arms and ammunition from North Korea.

Of course, it is arms such as these, not spare parts for obsolete aircraft and explosive cutters for mine cables, that can be and are being used against dissidents. "But," as one Pentagon observer put it, "the Senators have no vote in Pyongyang and are not running against Kim Il Sung."

Russia Wields Two-Edged Sword in the Indo-Pakistan Crisis

(By Col. Robert D. Heinl, Jr.)

Nothing better illustrates the ironic complexities of the tangled web of international military assistance than that Russia, India's great and good friend, is continuing to provide arms assistance to Pakistan, India's mortal enemy.

Like the United States, but from different motives, the USSR is giving military assistance to both sides and is blandly working both sides of the street.

It is, of course, well known that Russia is extending virtually unlimited arms aid to India, and that the United States is helping Pakistan (though on a scale disproportionate to the resulting uproar both in India and at home).

What is little known is that we are also sending small but vital amounts of military assistance to India, and that the Soviets are doing the same for Pakistan.

United States gets flak

The difference is that Russia is reaping solid political advantages for her large-scale, wide-open distribution of arms throughout the subcontinent, whereas the United States gets nothing but flak from all parties and predictably from world reservoirs of residual anti-Americanism.

Another difference in both cases is that of scale and kind.

Since the 1965 Indo-Pakistani War, Russia has become India's largest supplier of military equipment (more than $1.5-billion up to 1969 alone, unspecified greater amounts since).

On the other hand, however, when the Soviets opened their floodgates after 1965, the United States and Britain embargoed any kind of military supplies to either party, and only during recent years has this extremely tight restriction been even slightly relaxed.

Spare parts

Today, the United States is providing India with limited quantities of mostly nonlethal automotive and aircraft spares.

Surprisingly, however, we are also giving India vitally needed artillery and aerial fuses—items exclusively lethal and certainly far more so than the small quantities of .22 caliber cartridges which provoked such an outcry when discovered among the recent U.S.-licensed much-vexed shipments to Pakistan.

On the other side of the lines, in Pakistan, both U.S. and Russian programs are small.

The main difference is that the USSR program will continue indefinitely until Russia finds it politically inopportune.

By contrast, U.S. shipments to Pakistan—not really a program at all—have consisted solely of nonlethal materials purchased and paid for in cash by Pakistan, appreciably before the outbreak, last March, of the East Pakistan crisis. No more have been authorized.

About 80% of what we permitted the Pakistanis to import comprises aircraft accessories and spares, the remainder mostly being automotive parts.

For her part, Russia continues to support the Mi–8 helicopter force she gave Pakistan in 1968 in what was widely read as a reward for then-President Ayub Khan's having closed down the secret U.S. communications-intelligence installation at Peshawar.

Russia is also providing spare parts for Pakistan's approximately 375 T–54, T–55, and T–59 Russian tanks (some acquired through China in earlier times) and her more recently acquired 20 PT–76 light tanks.

Need Russian spares

Without Russian spares, Pakistan's armed forces, already hurt by maintenance and parts deficiencies, would find themselves in some difficulty.

Important as this is to Pakistan, Russia's contributions to India by comparison are momentous.

Just a year ago—to give a noteworthy example—India produced its first complete MiG–21, using factories established by the USSR.

The MiG complex, which started by putting together assemblies from Russia but has now gone to original production, consists of three plants: engines at Koraput, air-to-air missiles and electronics at Hyderabad, and airframes at Nasik.

The MiG–21 is India's air-superiority fighter. Today she has seven MiG–21 squadrons which include over 120 aircraft, some imported, and an increasing number homemade.

India's other Russian mainstay is the excellent Sukhoi 7B fighter-bomber.

Since 1969, she has received over 100 of the Mach 1.6 Su–7Bs which are now organized into five attack squadrons.

The Indian Army reportedly puts great hopes into the Su–7B to give it better air support than was received in the 1965 war.

For air defense, Russia has provided India with over 50 SA–2 surface-to-air missile (SAM) complexes, some of which are said to be sited for defense of the MiG factories.

At sea, normally operating from the Russian-built naval base at Vishakapatnam on the Bay of Bengal, India has what some officers call its Russian Navy.

This consists of four F-class 2,300-ton attack submarines complete with a trim new Russian tender, five *Petya*-class frigates, two LSTs, and (by rumor) six or more *Osa* coastal guided-missile boats.

In Kipling's day, the players were Russia and Britain. Britain has now retired to the sidelines, and the United States at present seems headed that way.

Who will win

Russia is playing with greater determination than ever, and China—in Napoleon's phrase, the sleeping giant—is fully awake.

Who will win this game is hard to see. For the moment, as so often elsewhere, Russia seems ahead.

As for India and Pakistan—the nominal principals—and their tormented subcontinent, it is even more difficult to see them as anything but ultimate victims and losers.

BUSING OF SCHOOLCHILDREN

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. DERWINSKI. Mr. Speaker, early in this session I cosponsored various measures which would have prevented busing of schoolchildren to achieve racial quotas.

Therefore, I wish to emphasize my support of the amendment included in the House version of the Higher Education Act, which prohibits busing of schoolchildren to achieve racial balance.

As all of us know, many parts of our Nation have witnessed the forced busing of schoolchildren many miles from their homes in order to achieve a racial balance, and have seen that this solution to the problem is not only expensive but is also unworkable. From the experiences a number of school districts within my congressional district have had with forced busing edicts, it is obvious to me that the interests of education are not served by arbitrary percentage rulings. Also, the effective administration of neighborhood schools has diminished, the children suffer from lack of educational benefits, and the vague social benefits to be derived from busing are questionable.

In addition, Mr. Speaker, I do not believe that the Justice Department, HEW, nor the courts have respected nor properly interpreted the intent of Congress in this area. Specifically, I believe the Supreme Court has legislated in this field and that the Justice Department and HEW have been interested in prosecuting local districts rather than improving educational opportunities.

Mr. Speaker, I wish to emphasize again that had I been present on November 4 when this matter was on the floor of the House, I would have supported the amendment which would prohibit busing of schoolchildren.

PACKAGING/CONVERTING EXPOSITION

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. BROYHILL of Virginia. Mr. Speaker, the American packaging industry performs so well and so efficiently that many of us are not aware that a $26 billion industry is responsible for the forms in which our goods reach us every day.

This tremendous economic complex is gathering for an annual exposition, starting today in Atlantic City, and I think the event is well worth the attention of my colleagues.

In Atlantic City's Convention Hall, nearly 30,000 individuals from all 50 States and from 36 other countries are convening for an annual meeting and the Packing/Converting Exposition, presented by Packaging Machinery Manufacturing Institute.

This is being cosponsored by eight major trade groups—the Packaging Institute, Packaging Education Foundation, Fibre Box Association, National Flexible Packaging Association, Package Designers Council, Adhesive Manufacturers Association, National Paper Box Association, and the Glass Container Manufacturers Institute.

The technological and economic advances made by America in packaging the fruits of our dynamic economy—emphasizing protection, sanitation, distribution, convenience, and environmental protection—make a major contribution to the world's highest standard of living, which our people enjoy.

One important feature of this meeting will be publication of a review of the overall picture in solid waste disposal and the packaging industry's progressive programs in this vital ecological effort.

With our environment now one of our top domestic concerns, we should closely examine the results of this important industry study.

Sixty individual industries will be taking part in the week-long program in Atlantic City. On the program are major conferences on solid waste disposal and recycling—both prime environmental concerns—U.W. metrication, mechanics training for jobs and other current subjects.

Overall, Mr. Speaker, the convocation will be something in the nature of a report on the packaging industry's implementation of its dedication to social responsibilities. In our private enterprise system, this is economic statesmanship of the first order.

The program also has its international aspects, including discussions of how to develop food packaging systems for emerging nations. The conference has been officially designated by the Department of Commerce as an overseas promotional event.

Modern packaging provides sanitation, product protection, broad geographic distribution, freedom of product selection, convenience in use, out-of-season availability, and similar advantages—all for a better standard of life. As a current report on our progress in these fields, the November 15 packaging exposition adds up to a major consumer event.

UNHOLY POWER

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. GROSS. Mr. Speaker, the following is the text of an open letter which Mr. Hamilton A. Long, a retired lawyer of Philadelphia, has written to certain leaders in Congress in protest to the unholy usurpations and delegations of power to the executive branch of government.

Mr. Long, in addition to years of legal practice, is a veteran of both world wars and a writer in the field of constitutional law and philosophy.

His letter follows:

1. *All members of the Congress* (as well as all judges in the USA et al, totalling 10,000) *have just been mailed* a copy of my constitutional study entitled: *The Constitution Betrayed;* which proves the fraud on the Constitution perpetrated since the 1930's by all three Branches of the Federal government through wholesale usurpations of power—still increasing massively at present—in *domestic affairs. In this "Open letter,"* I desire to stress *foreign aid's* equal flouting of the Constitution's limits on Federal power and of the traditional American philosophy's basic principles, besides the aid program's other fatal defects—amounting to a calamitous fraud which can be remedied only by total termination of this monstrosity.

2. *The Constitution is supreme legally* over everybody and everything—especially over all things governmental and all public servants, sworn to obey and support it always. *Treaties* are entirely subject to the Constitution; are invalid (indeed non-existent in its eyes if inconsistent therewith)—likewise *Executive Agreements*—if conflicting with this basic law of the people. See, for example, *Reid v. Covert* 354 U.S.1; *The Federalist* no. 33 by Hamilton; Jefferson's *Manual of Parliamentary Practice*, Sec. 52; especially Hamilton's *The Federalist* no. 75 warning that The Framers intended in the Constitution to bar the danger inherent in allowing the President to have power alone to make international agreements; and Madison's letter to Jefferson in 1798 (*Letters and Other Writings*, Lippincott & So., 1865; v. 2, p. 140–141) stating:

"Perhaps it is a universal truth that the loss of liberty at home is to be charged to provisions against danger, real or pretended, from abroad."

Washington's *Farewell Address*, warning similarly, is too familiar to need quoting here. The contrary pretenses of demagogues, charlatans and other belittlers and violators of the Constitution and of traditional American principles are a stench in the nostrils of self-government.

3. *The traditional American policy*—embodied in the Monroe Doctrine's *two-sided* precept: that the USA would (a) *stay out of the Old World's* (Eurasia's) governmental affairs and endless wars while (b) *resisting Old World intrusion* into New World affairs governmentally—was thus phrased by Secretary of State (later President) John Quincy Adams in his July 4, 1821 address, when some were urging that the USA intervene actively in South America's struggles for freedom:

"Wherever the standard of freedom and independence has been or shall be unfurled, there will America's heart be, her benediction, her prayers. But *she goes not abroad* in search of monsters to destroy. She is the well-wisher to the freedom and independence of all. She is the *champion and vindicator only of her own.* She will recommend the general cause by the contenance of her voice, and by the benignant sympathy of her *example.* She well knows that by once enlisting under banners other than her own, were they even the banners of foreign independence, she would involve herself beyond the power of extrication, in all the wars of interest and intrigue, of individual avarice, envy and ambition, which assume the colors and usurp the standards of freedom. The fundamental maxims of her policy would insensibly change from liberty to force. . . . She might become the *dictatress of the world.* She would *no longer be the ruler of her own spirit.*" (Emphasis added)

America has indeed lost her own soul but not gained the world—through the Wilson, FDR, Truman, Eisenhower, Kennedy, Johnson, Nixon madnesses globally. Nixon's now extending into Cambodia hugely and Laos substantially with a build-up for the Israel-Mid-East trap to succeed that of Vietnam). All losses and no gains, judged by traditional Americanism, for Posterity's just heritage! To label as "isolationists" those who oppose this wrecking operation—destruction of everything for which America had traditionally stood, with the people "lied" into every foreign war by their leaders—and who support American tradition in this connection, is most vicious demagogy: the usual resort of those who are bankrupt morally and intellectually, perpetrating more lies, frauds.

4. *The British-American foreign policy of the USA*, since FDR's regime (see attached item) started using America's strength and youth (to be killed globally, inviolation of the Constitution's limitation of military purposes and uses of men and money to the *"common defense"* of the States of the Union) in a vain attempt to rescue, revive the British Empire—wrecked by this very global imperialism-militarism—resulted in World War II's giving the USSR potential dominance of all Eurasia and environs (Britain, Japan, North Africa); and the entire post-1945 U.S. foreign policy has been a mask to hide this hideous reality from the gulled American people. At the same time, the Kremlin has gleefully aided and abetted America's being thus self-gutted from within morally, spiritually, economically, politically—bled white by being over-extended globally—by the Kremlin "Tar-Baby tactic"; trapping Sucker Sam into playing Brer Rabbit to Moscow's Tar-baby globally. First Europe (NATO), then Korea, then Vietnam; and next the Mid-East due to British and BIG OIL interests and Israel's being treated as "The 51st State" of the USA (per article in N.Y. Times 6/5/71, page 29 former U.S. Minister David G. Nes). All anti-Constitution!

5. *The Constitution makes each and every such usurpation a nullity;* therefore there can be no morally or legally binding commitment of the USA, by their defaulting pub-

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lic servants, under the label of treaties, or Executive Agreements, or under-cover deals, or otherwise, to this end. This is true of the fake "Doctrine" of every President from 1945 to date—rank usurpations.

6. *Foreign aid*, military and economic, is only a facet of foreign policy and suffers from all its inherent defects—notably anti-Constitution (see, for instance, *Annals* of the Congress for Jan. 10, 1794—Madison et al in House of Representatives—and Justice Joseph Story's *Commentaries on the Constitution of the U.S., 1833, Sec. 919*). Economic fallacies and falsities involved are too well known, widely publicized, to merit discussion here.

7. The writer is well known as a foe of the Kremlin and its Communist conspiracy in the USA—for instances, as author of U.S. House of Representatives Document 213 (1953) against Communist teachers; also in testimony before various Congressional committees over the years.

WIDOWS' STOCK PLIGHT INVESTIGATED BY SECURITIES AND EXCHANGE COMMISSION

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. EVINS of Tennessee. Mr. Speaker, Moneysworth consumer magazine recently published an article concerning two widows who—according to the article—were almost "Merrill-Lynched."

The story disclosed that two widows of the same economic income and level were given directly opposite and conflicting investment advice.

I called the matter to the attention of the Chairman of the Securities and Exchange Commission, who investigated the story and provided me with a report.

Because of the interest of my colleagues and the American people in this most important matter, I include my correspondence with Chairman William J. Casey, Chairman of the Securities and Exchange Commission—together with the article and report of the Commission—in the RECORD.

The correspondence and material follows:

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., November 9, 1971.

Hon. JOE L. EVINS,
Chairman, Committee on Small Business, House of Representatives, Washington, D.C.

DEAR MR. EVINS: In response to your request, I am enclosing a report which was prepared by our Division of Trading and Markets concerning *Moneysworth* and Merrill Lynch, Pierce, Fenner & Smith, Inc. Please let me know if we can assist further.

Sincerely,

WILLIAM J. CASEY, *Chairman.*

MEMORANDUM PREPARED BY THE DIVISION OF TRADING AND MARKETS IN RESPONSE TO A LETTER FROM HON. JOE L. EVINS

Mr. Evins wrote to us about an article entitled "How Two Widows Nearly Got Merrill Lynched" which appeared in the May 3, 1971 issues of *Moneysworth*, a self-styled consumer newsletter. We regret that we were not able to respond to Mr. Evins sooner. The delay has been caused, in part, by our need to seek satisfactory answers to the immediate questions and to design safeguards which would prevent a recurrence of the problem.

Briefly stated, the matter about which Representative Evins wrote is as follows. Two employees of *Moneysworth* represented themselves as widows in quite similar circumstances and wrote to Merrill Lynch for investment advice.

The first "widow", a Mrs. Bates, asked for specific stock recommendations and directed her letter to the "Investment Advisory Service" at Merrill Lynch's main office. Mrs. Bates received a detailed response from Merrill Lynch's Securities Research Division which gave specific stock recommendations based upon "the outlook for the economy and (Mrs. Bates') personal investment goal." The second "widow", a Mrs. Fier, sent her letter to a Brooklyn, New York branch office of Merrill Lynch. She asked for general advice and stated that she did not want a salesman to call upon her. A registered representative sent Mrs. Fier a copy of the prospectus for Puritan Mutual Fund, together with a handwritten note which suggested that she convert her securities holdings into a professionally managed fund. The stock Mrs. Fier was asked to convert into mutual fund shares are identical with and in the quantities as the stocks Mrs. Bates was asked to consider buying. *Moneysworth* gave the matter front page attention in its May 3, 1971, edition.

The Commission's staff has held several in depth discussions with Merrill Lynch and it has examined phases of the firm's procedures relating to its portfolio analysis program. The firm has advised us that the action taken by the registered representative who serviced Mrs. Fier was in violation of its policy which provides that any correspondence to a customer must be typewritten on firm letterhead and reviewed prior to mailing by the manager or his deputy and that recommendations contained in the letters must be consistent with research opinions, factual and in good taste.

Merrill Lynch has advised us that it has admonished its employee in writing and that it has revised and recirculated to its branch managers the firm's policy concerning the handling of customer requests for advice and recommendations.

Our inquiry was not limited to the incidents reported in *Moneysworth* but included an additional examination of the firm's portfolio analysis program. As a result of this examination, we have communicated our views to Merrill Lynch that its program should be changed so that (1) it explains fully and fairly the different treatment that participants in the program receive depending upon the size of the portfolio to be analyzed and whether the analysis is made by branch office personnel or the firm's research department; (2) there are established adequate safeguards to assure that the objectives of the analyses are to prevent recommendations from being made for the purpose of generating commissions and (3) there are adopted adequate firm-wide supervisory procedures over the program to assure the accuracy of the advertising and literature promoting the program and to ascertain that the implementation and administration of the program are being carried out as represented.

We appreciate the opportunity to consider the matter in light of our statutory responsibilities and hope that we have been helpful.

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., April 27, 1971.

Hon. JOE L. EVINS,
House of Representatives, Washington, D.C.

DEAR MR. EVINS: Thank you for your letter of April 23, 1971, with which you enclosed the May 3d issue of *Moneysworth* and referred to an article concerning Merrill Lynch, Pierce, Fenner & Smith.

I have asked the staff to review this material and furnish me with a report as promptly as possible. I will write you again as soon as I have heard from them.

Sincerely,

WILLIAM J. CASEY, *Chairman.*

APRIL 23, 1971.

Chairman WILLIAM J. CASEY,
Securities and Exchange Commission, Washington, D.C.

DEAR CHAIRMAN CASEY: Please read, note and take appropriate action.

Report hereon will be appreciated.

With very best wishes, I am

Very sincerely yours,

JOE L. EVINS,
Member of Congress.

[From the Consumer Newsletter (N.Y.) Moneysworth, May 3, 1971]

HOW TWO WIDOWS NEARLY GOT MERRILL-LYNCHED

Merrill Lynch, Pierce, Fenner & Smith is the world's largest securities firm. It does an astronomical $125-billion a year in selling and buying securities, much of it for small investors. Merrill Lynch prides itself on its business with small investors. It claims to have over one million of them and spends $14-million a year in advertising to attract new ones.

Over the years, the single most effective means of attracting new customers, Merrill Lynch has found, has been to offer a free "portfolio analysis." Merrill Lynch runs ads in newspapers and magazines throughout the country offering to tell small investors whether they should hold onto or sell the stocks they own. If a change is deemed advisable, Merrill Lynch then "volunteers" to handle the transaction. These portfolio analyses purport to be scientfically conducted and are offered under the guise of a "public service." In its ads, Merrill Lynch crows about the probity of its portfolio analyses and about its lack of self-interest in conducting them. "Don't be surprised if we tell you that some of those dear old blue chips you've been holding for years are the best things in your portfolio," says a recent ad for Merrill Lynch in *Newsweek*, insinuating that its analyses are conducted with only the investors' interests—not Merrill Lynch's—in mind.

Is this really true? Are Merrill Lynch's portfolio analyses on the up-and-up? Or are they a crude, and perhaps even cruel, gimmick for drumming up business at the expense of the unsophisticated and unwary?

To find out, *Moneysworth* recently conducted the following experiment:

On November 8th, Dorothy Bates, *Moneysworth's* articles editor, sent a letter to Merrill Lynch as follows:

"Gentlemen: I would like your advice on investing some money. Recently my husband died and I received a little more than $50,000 when they sold his business. I'm 60 years old but I'm still working as a secretary. I'll probably retire in a few years and my friends tell me I can get more money if I put my money in stocks than if I leave it in the bank. When I retire, I'll be getting Social Security, but I'll probably need more to be comfortable. I would like to invest about $40,000 in stocks. Please tell me which stocks to buy.

On November 17th, Mrs. Bates received an elaborate, 1500-word reply from Joseph Reilly, of Merrill Lynch's "Portfolio Analysis Department, Securities Research Division." It discussed the general state of the economy and Mrs. Bates' specific needs. It ended with a recommendation that she buy the following securities: $10,200 worth of Addressograph-Multigraph bonds, 200 shares of Winn Dixie Stores, and 100 shares each of General Foods, J. P. Morgan, Ford Motor, and Peoples Gas. Total cost: $40,900. Mrs. Bates was told that she would later be contacted by a sales representative, and, indeed, she was.

On November 22nd, five days after Mrs. Bates received her letter, Miriam Fier, *Moneysworth's* business director, sent a letter to Merrill Lynch as follows:

"To Whom It May Concern: I am a 58-year-old widow, currently employed as a bookkeeper. Some years ago, my husband died and left me with an estate that today is worth about $50,000. Of this, about $9,000 is in cash, and $41,000 in securities. Below is a list of the securities I own. I want to be sure that when I retire in a few years, I shall not be in financial need. I expect to be receiving Social Security. Do you advise me to sell the securities I now own? Or hold onto them? Or switch them for other securities?"

To the bottom of Mrs. Fieri's letter was appended a list of securities. They were the very same ones that a week earlier Merrill Lynch had recommended to Mrs. Bates.

Now note: The financial circumstances of both women were identical. Both were widows. Both were working. Both were about 60 years old. Both hoped to retire in a few years. Both said they would receive Social Security. Both had been left estates of the same size by their husbands. Both had the same financial objectives.

Note also that during the week intervening between the time that Merrill Lynch wrote to Mrs. Bates and the time that Mrs. Fier wrote to Merrill Lynch there was no significant change in the stock market or the national economy.

Now comes the acid test: What would Merrill Lynch tell Mrs. Fier to do?

On December 3rd, Merrill Lynch, through Walter Skerrett, sent Mrs. Fier an invitation to meet with him, a prospectus for the Puritan Mutual Fund, and the following terse note:

"Dear Mrs. Fier: My suggestion would be to convert your security holdings into a professionally managed fund."

Imagine! Merrill Lynch was telling Mrs. Fier to get rid of the very same securities that a few days earlier it had touted to Mrs. Bates as a sound investment!

Does this prove that Merrill Lynch, in its portfolio analysis program, is guilty of duplicity and perhaps even fraud? Or did *Moneysworth's* experiment result in a fluke? Frankly, we don't know. But we do know this: If Mrs. Fier had stuck with the securities that had been recommended for Mrs. Bates, Merrill Lynch's profit would have been zero. If she had switched, Merrill Lynch's profit (through brokerage fees and commissions) would have been $2,425.

Last December 2nd, Merrill Lynch's board chairman, Donald T. Regan, addressed the Rotary Club of Dallas. His subject was "Other People's Money." He moralized at great length about the responsibilities of stockbrokers in handling other people's hard-earned savings. Said he: "Members of the Wall Street community are handling, caring for, and giving advice about other people's money . . . We have special obligations. We have to make rules, and see that they are continuously carried out, for the protection of customers."

Moneysworth's editors say "Amen," and would, for Mr. Regan's sake, paraphrase Matthew XXIII, 14: "Woe unto you, hypocrites!, for ye devour widow's houses."

THE POLICE ROLE AND JUVENILE DELINQUENCY

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. PICKLE. Mr. Speaker, in all the controversy and confrontation between young people and the police all over the world, it is easy to lose sight of an intensive, very important, and ongoing effort being made to find the best tools possible to deal with juvenile delinquent problems.

Richard W. Kobetz and the International Associations of Chiefs of Police have just completed what may well prove to be the definitive work in this field for some years to come—a book entitled "The Police Role and Juvenile Delinquency."

Mr. Kobetz not only lays out policy guidelines for police-juvenile operations in light of recent court rulings and new insights from continuing research, but also goes beyond this primary objective of the work.

He has delved into the nature and extent of the delinquency problem. He has summarized the progress of dealing with juveniles across the country. And, to give an added perspective to his readers, he has both traced the chronological development of police-juvenile relations and explored the future role of the police in dealing with this field.

The research and the book were made possible through a grant from the Health, Education, and Welfare Department—and on looking at the finished product, I think we can say that this was money well directed and well invested. This information will be most helpful in my district—the model cities program in Austin has recently initiated a juvenile probation program.

BROOKLYN COLLEGE PRESIDENT REVIEWS CURRENT POLITICO-SOCIO CLIMATE

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. PODELL. Mr. Speaker, it is my pleasure to call to the attention of our colleagues to an address by Dr. John W. Kneller, president of Brooklyn College, Brooklyn, N.Y., to my congressional district advisory committee, of which Dr. Kneller is chairman, on September 30, 1971 in Brooklyn, N.Y.

I commend Dr. Kneller's profound and poetic thoughts to those searching for an understanding of the current politico-socio climate.

His address follows:

Nearly a year ago I had the privilege of speaking to you as our committee began its working season. Like most academics and school children, I persist in my belief that the year begins with fall, so I enjoy this continuity, this sense of having come full circle. But while I enjoy it, I do not trust it. Continuity is comfortable, but circles are closed. A year's passing does not necessarily mean we have done anything except survive.

I did not come back here tonight to say the same things I said a year ago, wrapped in different metaphors. I have reread the words I spoke, and I am dissatisfied with them, though I liked them at the time.

I think you can understand the process by which those words separated themselves from me and became a speech I would no longer give. It has to do with the shape of the year between—something to do with My Lai and with Attica; something to do with a recession that cocks its head when you say "depression." Something to do with the deaths of three of our children's superstars—at least two from drug overdoses. Something to do with the teetering budget on which the education of our children must balance; something to do with school buses in Brooklyn and school buses in Texas. It has to do with the Berrigans in the dock and with a subsidy for Lockheed and with words scrawled stark across a subway map: "man on moon! on earth your mama is hungry!" It has to do with the terrible, twisted truth of the Pentagon Papers at last spread out for people to read.

But it also has to do with the faces I pass on campus; with the face of Ramsey Clark speaking at Commencement last June, and people answering telephones to take pledges for sickle-cell-anemia research this fall. It has to do with Congressmen standing against the ABM, the SST, the draft, the war.

I am not the same person I was a year ago; I have changed in the changing climate of the world around me, and in the changing climate of the world in which I work. I have been touched by words I have read, faces I have seen; molded by music I have heard, ideas I have had. And I have tried to give myself to change in order to grow, but it is always a struggle.

To some extent we are at the mercy of the time we live in, and I am no exception. I am alive in a world that has begun at last to be conscious of its injustices; if only it had begun sooner! The deep and deadly meaning of racism, of war, of discrimination by religion and by sex, the waste of the earth—it has taken so much of my life to only partially understand these things. I am made impatient by my desire to have been born with that understanding, so that I could have spent my life on solutions instead. But evolution, whether social or personal, is a slow business, and I was not born with the excruciating consciousness of other people's sufferings. And when I did begin to know of them, I did not realize at first that my freedom from hunger and poverty and discrimination was simply luck; I did not know that I would have to work for those freedoms for others to feel human myself.

All I really know now is that we will get no further, we supposedly human beings, until we deal with the petty hatreds that divide us. As long as we are willing to leave someone hungry or in need, it doesn't matter who we are, or who the victim of our indifference is—we will stay bogged down right where we are, and I, for one, am getting pretty damned impatient with this stage of evolution. Not, mind you, that I have accepted it myself. My state of consciousness is not what I would want it to be. There are times when being my brother's keeper makes me too sanctimonious, or too pained. And then just when I really begin to feel I *am* my brother's keeper, I discover I have left out my sister. I get discouraged at the mistakes I make, but I don't see any other way to live life than to keep working to wipe out the arbitrary prisons of the mind that entrap so many, within and without.

My theme, then, is change. To me, change is the essence of education. Learning is not the process by which a block of ignorance or misinformation is replaced by a block of information. Learning is the process that changes human beings. To put it another way, the effectiveness of education is measured by the amount of change it brings about in human beings. Since change is taking place all the time, education is going on all the time whether we are aware of it or not. Education is often involuntary; it is often negative and harmful. Being beaten for a crime you did not commit, having your playmate's mother call her child away from your game together because you are the wrong color or religion—these are involuntary

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educational experiences. Peddling heroin, mugging a stranger, cheating on an examination—these are negative educational experiences, direct and powerful ones which have a crippling effect. The failure of education in our schools and colleges is attributable to the fact that they have remained bastions of self-perpetuating sameness and have ignored the powerful forces, positive and negative, voluntary and involuntary, that work relentlessly outside their walls.

The latest failure is, of course, Attica. Attica, with its graceful Greek name, redolent of man's ancient history and of the perishable nature of his past civilizations. Is it now the symbol of our decline? For me, the tragedy of our *Attica* is twofold. It is our failure to recognize that people and the world they live in will change and that our institutions must change with them or face extinction. It is also our failure to understand that education—voluntary or involuntary, good or bad—is taking place all the time in our prisons, whether we want it to or not. Our only hope is to substitute for the cruel devastating ordeal that is all we have to offer now in our prisons an education that is a liberalizing, humanizing experience. That is what prison means to me.

We have talked about prison reform for a long time. We have known that society takes revenge for alleged and actual crimes committed against it without reducing the number of those crimes or bettering the human condition. We have known for decades that our penal fortresses have made more criminals than free men and women. We have talked about penal reform, yet we have not demanded it. Will we now at last demand it over the bodies of the Attica dead—guards and prisoners alike?

The outlook is not promising. We tolerate silence—we even tolerate lies concerning what happened at Attica. Why? Why only two meals a day? Why only one shower a week? One change of underwear? Why the refusal to release a list of wounded, the refusal to allow doctors, lawyers, officials and relatives to communicate with prisoners? Why no information on those killed, while families suffered the cruelest uncertainty imaginable? Why the lies about the slit throats? Can we really expect reform without demanding answers to these questions and without really being willing to pay the price of reform not only in dollars but in action? The answer is not to build a special prison for 600 "troublemakers," the newest euphemism for politically active prisoners. We must tear down the Atticas of the country and get about the business of changing minds, changing institutions, changing ourselves.

Institutional change. It is this committee's reason for being. We have chosen, along with Congressman Podell, to try to make changes in the housing situation. In city planning and urban development; to work for court reform and for better legislation on the drug problem; to improve health care, within hospitals and outside of them; to study the welfare picture, and the treatment of the aged; to consider problems of taxation; to inform ourselves about ecology; to take a level look at business, labor, education. We have divided ourselves into committees to study these areas—and certainly we should add prison reform. We are to make the most informed recommendations we can to Congressman Podell, as we have done in the past. But we cannot stop there. We must make our recommendations to anyone who will listen, and to those who won't, and most of all we must make them to ourselves.

We must not tie ourselves to the dreary concept of what-has-always-been, or we will never be able to envision—much less make real—what can be, what should be, what must be, if we are ever to escape the endless, useless busy work of our lives, the constant preoccupation with method at the expense of people. Sometimes it seems to me that we have invented these unwieldy ways of doing things, these astonishingly inefficient and heartless bureaucracies, in order to shield ourselves from the frightening business of facing ourselves and discovering what we might be, if we dared to grow—if we dared contemplate what we might be without them.

It is hard. Just so long as we were not shot down at Attica, on trial for My Lai, just so long as there is blood when we need it, and important people we know when we need a favor, and money to pay for all the toys our children want; and for our cars, and appliances, and gadgets, just so long as no misfortune befalls us, we don't feel the urgency to change anything. We look away and if we see injustices, it is not our own furniture in the street. We are used to our old complaints; they have grown comfortable. We complain about future shock and busing. Those of us who are not businessmen or bankers can point out that it is a strange wage-price freeze that doesn't freeze profits and dividends too; those of us who are businessmen and bankers can explain why that would not be a good idea. Some of us maintain the belief that no really NICE person would ever be found in a jail or a welfare office or a public hospital or an old people's home or any of the other agencies so desperately in need of reform. And the world grinds slowly round and round, forever a closed circle, never a spiral.

Let us do more. Let us first change one institution in our own lives, prove we can still risk, still grow. Let those of us who talk about court reform, sit for one long evening on the hard benches in night court, and look at our neighbors there; let us see and feel the misery and anguish and injustice that multiplies itself across this country, night after night. If we are talking about city agencies, let each of us spend an entire morning sitting and watching what goes on in a welfare office, or a public clinic, or a medicaid application center, or an unemployment office, or any of the places we might spend huge chunks of our lives if we were a little less lucky. Let us go into homes for the aged, not as a publicized fact-finding team, but quietly, and spend more than a moment looking at those whose eyes will open and close forever on the same cracked dull wall. Are we to despise the old and the sick and the poor for being old and sick and poor? If not, we must not countenance the horrors they must live with.

Having studied, in your subcommittees, so many aspects of institutionalized life, you have a realistic idea of the problems and weaknesses inherent in each. You have concentrated on those which might be helped by legislation. But think now on how *you* might use your knowledge. Surely each of you sitting here is a part of at least one institution. Surely those institutions need changing. Surely you have the creativity and courage to change them. Imagine how the world would be if it matched your gentlest ideal; surely there is at least one bridge from here to there which you—you in particular—know how to build.

We cannot change the world unless we can change our country, and our only chance to change our country is to change its institutions. We will never do it unless we understand that the people who have built them, the people who staff them, the people who tolerate them, and the people who suffer because of them—are all ourselves.

Let us make issues real for ourselves, in our own lives; let us for once look at the people for whose sake have become issues. Let us not simply talk. Ecology, for instance, is a word. But in our lives, gasoline, detergent, recycled paper and tin cans are facts. Air and water are facts and becoming entranced with a word will not clean them.

Let us be sure we know what we are concerned with, beyond words; let us be sure we know why we are concerned. Why change is so urgent, why it is worth the discomfort it causes. The poor will always be with us, it has been said; but when will we be with the poor? Let us not shield ourselves from the pain of some of the more powerful kinds of learning. There were tears on the face of Robert Kennedy as he held a starving child on his lap in Appalachia; there were tears on the faces of the Vietnam veterans who left their medals on the steps of the Capitol; there were tears on the fact of Senator Michael Gravel when he read from the Pentagon Papers. Men do cry, when they are deeply human and deeply moved.

Most human beings cry; when they invest themselves in life with their whole hearts, and finally come to understand that behind the barricades of habit and words and we've-always-done-it-this-way are people, and the people are trapped. The first step is to realize that, and the second is to do something to free them, something to tear down the unresponsive grey walls of dead institutions, and build again with love and care and imagination. Too many never even reach the first step—never really recognize the humanity of all those people sitting silent, patient, in all those waiting rooms we have created, all those waiting rooms we tolerate because we ourselves need not sit in them. Let us not be numbered among those who will abandon the people who *must* sit in them, unseen, uncared for, robbed even of their names. If we have to force ourselves to be able to face them, then let us go and do it—and learn some of the things we would perhaps prefer not to know about ourselves.

How else will we ever leave the Berrigan trial behind with the Inquisition, My Lai with the Slaughter of the Innocents, Attica with the Black Hole of Calcutta? How else will we ever be able to accept each other and move towards the changing face of the unknown, which is not to be found on the moon, but in ourselves?

NUCLEAR POWER IN BRITAIN—A MORE TROUBLED VIEW

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. HOSMER. Mr. Speaker, in his remarks in the other body on November 12, the senior Senator from Washington, at page S18391 of the CONGRESSIONAL RECORD, reflects a somewhat admiring view of nuclear power development in the United Kingdom. A somewhat more troubled view of the state of the nuclear power industry in Britain is reflected in an article by Nigel Hawkes appearing in that same day's issue of Science magazine. The article follows:

BRITAIN: NUCLEAR POWER INDUSTRY FACES CRITICAL CHOICE ON REACTOR

The British nuclear power industry is facing difficult days. For the umpteenth time in living memory, the Central Electricity Generating Board (CEGB)—the major electrical utility—is dithering over which type of power station to build next. The decision is important because it will determine the type of thermal nuclear station that will run alongside the fast breeder reactors in the last 20 years of the century. There is even a possibility, though a slim one, that the CEGB will abandon British reactors in favor of American designs.

The current state of indecision has it root in a dismal recor dof retarded growth and a failure to compete with other nations that has afflicted the British nuclear industry for 15 years. In the mid-1950's the government announced an ambitious program of building power reactors, but the plan quickly became mired as a sluggish economy caused electric power demand to grow more slowly than predicted. The program ran afoul as well of fears that brisk development of nuclear power might result in severe unemployment in the coal industry. Then in the mid-1960's, the Atomic Energy Authority (AEA)—the counterpart of the U.S. Atomic Energy Commission—embarked on a second and equally ambitious program which found Britain building an advanced type of gas-cooled reactor that worked well enough but that turned out to be for more expensive, and far less attractive to foreign utilities, than had been hoped.

In a short-lived boom, Britain exported two nuclear stations in the mid-1950's, one to Japan and one to Italy. Since then, there have been 12 lean years without a single foreign sale, a situation made harder to bear by the nearly total domination of the world reactor market (outside the Soviet bloc) by American light water-cooled reactors. But to bow to the inevitable and import U.S. would be to throw away a massive investment technology (as the French are now doing) in research and development. It is unlikely that anybody is ready to do this yet.

Thus, at the present juncture, the CEGB's decision promises to have a duel impact on the British nuclear industry. Its choice of reactor will not only set the pace and direction of reactor construction in Britain, but it will also bear heavily on the salability of British reactors abroad.

While the CEGB makes up its mind, everything else stops. As a monopoly purchaser, its word is law; and until the nuclear companies know what that word is, they cannot plan ahead with any conviction. Meanwhile, the CEBG has an embarrassment of choice. It could decide to stick to the Advanced Gas Cooled Reactor (AGR), a British design that first won its way to the front in 1965 in (supposedly) open competition with U.S. designs. Another contender is the Steam Generating Heavy Water Reactor (SGHWR), which has been operating successfully in prototype form for 4 years, but which has never been built on a commercial scale. The High Temperature Reactor (HTR), developed jointly with other countries in the Organization for Economic Cooperation and Development, is a third and still more remote possibility. Finally, and for reasons that nobody can quite fathom, the U.S. light water designs are being carefully assessed for the first time since 1965.

The two companies responsible for building British nuclear stations are The Nuclear Power Group (TNPG) and British Nuclear Design and Construction. They are the only two survivors of the five consortia that were set up in the 1950's, when nuclear power was the new thing. By the late 1960's, there were only three; and then in 1968 the number was reduced to two, in a badly botched reorganization by Technology Minister Anthony Wedgwood Benn.

The two consortia are in the unfortunate position of having to build power stations designed by someone else. the AEA, which designed the stations, has exerted a strong but baleful influence over the industry right from the start. Nobody denies that it is a competent outfit, but it has always had to design reactors rather than sell them, and it has done little to strengthen the consortia.

The British still have two chances of producing a reactor that will sell overseas. One is the SGHWR, a neat design using a heavy water moderator, light water coolant and enriched uranium fuel in individual pressure tubes. The design seems safe, economical, and straightforward to build, and a 100 megawatt (Mw) demonstration reactor has been operating without trouble since 1967.

Several foreign utilities have shown interest in the SGHWR. For a while, it seemed possible that Finland would buy one, but the deal fell through. (As a measure of the state of British competition, it should be noted that Finland did buy a small, conventional reactor from the Soviet Union. This so far, is the only reactor sale the U.S.S.R. has made outside Eastern Europe.) Recently TNPG submitted a tender to the Australian utilities for an SGHWR at Jervis Bay. Eventually the decision to build the plant there was deferred, but not before the CEGB had managed to upset the sales effort by saying publicly that it preferred another system, the HTR. Since then, it has changed its mind again, and now simply says that it is "undecided."

Naturally enough, foreign utilities are suspicious of a system that does not have wholehearted support in its own country. If an SGHWR is to be exported, one will have to be built at home, the argument goes. The best chance of this may come from one of Britain's smaller utilities, the North of Scotland Hydro Board, which has sought tenders for a 660 Mw station. While the CEGB deliberations go on, that proposal hangs fire.

The second British chance to export is the fast breeder reactor. An experimental fast reactor has been operating at Dounreay in Scotland since 1959, and the prototype fast reactor (PFR) on the same site should be putting 250 Mw into the national grid next year.

So far, Britain's fast reactor effort has gone well. There have been no embarrassing incidents at the 14 Mw experimental plant (unlike the troubles at the Enrico Fermi plant on Lake Michigan), and the PFR is only a year behind schedule, not too bad for a completely new design. (The delay was caused by difficulties in fabricating the roof of the pressure vessel.) The PFR uses mixed plutonium and uranium oxides as fuel and is cooled by liquid sodium. The entire reactor and primary sodium circuits are contained within a single "pot," which has no penetrations below the level of the sodium; all external connections are made through the roof of the primary vessel, from which the rest is suspended. The primary sodium circuit through a heat exchanger, and the secondary circuit raises steam to drive the conventional turbines.

The AEA has tried hard to allay suspicions about the PFR's safety, insisting that the sodium is surprisingly easy to handle, and even has its own advantages. It does not expand on cooling, so it can, if necessary, be allowed to cool down right where it is in the pipes. Lengths of pipe can then be taken out for repair and even welded back into place with the solid sodium in situ. Any leaks that develop will be slow, because the sodium is not pressurized.

SELF-PERPETUATION PLUS

The PFR's fuel load is 4 tons of plutonium. Each year it will consume all of this, but at the same time will produce another 4 tons, plus a little more, in the breeder blanket around the reactor. In this region, uranium 238 is converted to plutonium by the flux of neutrons from the center of the core. Thus the PFR is a power station and a fuel manufacturing plant at the same time, and the physics is rigged so that it actually makes a little more than it consumes. At the end of 10 years or so, if the calculations are correct, this accumulated excess will be enough to start up another fast reactor.

Although the PFR is behind schedule, the AEA's confidence in it is unshaken. "We're into the finishing straight" says R. V. Moore, head of the AEA's fast reactor effort. "Testing and commissioning starts early next year and criticality is expected towards the end of 1972. We're not going to rush the start-up program."

Rush or not, the AEA is almost falling over itself in the effort to move quickly from the prototype to the first commercial fast reactor. "In the past the country hasn't done frightfully well in getting a smooth transition to the commercial phase," Moore admits. "We're determined to get over this. For the past 2 years, the electricity boards, the nuclear companies, and the AEA have been studying the problems involved in phasing in a program of fast reactor power stations. A strategic plan has been evolved and agreed which leads up to an option to build a 'lead' station, starting construction in 1974."

The crucial word is "option." This program, if it is followed, would actually involve selecting a site for the first commercial breeder next year, before the PFR is even on load, and awarding a hardware contract in 1974, after less than a year's PFR operation. For a completely new system, this might well amount to rushing the fences. "What we're saying is that we *could* order as early as 1974," a CEGB spokesman told *Science*. "That would mean we would be commissioning the first station round the turn of the decade."

While it might be in Britain's interest to get the fast reactor program going as soon as possible, this plan almost defies credibility. The first commercial station, when it is built, will be a 1300 Mw plant, with two 660 Mw turbines. Capital costs are expected to be the same as for the current generation of reactors—around $245 per kilowatt installed—but fueling costs should be halved and then reduced to a third of present levels within a decade. The AEA believes that it still has about a year's lead over the French *Phenix* and considerably more over U.S. efforts. The Soviet Union is a dark horse, but is not expected to be much commerical competition anyway.

Whether or not the planned program is followed is of rather academic interest to the two consortia. They need work much sooner than 1974 to keep their heads above water.

To confound the confusion even more, yet another reactor policy committee has been established by the Department of Trade and Industry, successor to Benn's Ministry of Technology (see *Science*, 2 July). Chairman of the committee is Peter Vinter, an official in the department, and his fellow members are CEGB Chairman Sir Stanley Brown and AEA Chairman Sir John Hill. The Vinter committee has the crucial task of injecting some sense into British reactor policy—but, as usual, it has no representative from either of the consortia.

Presumably one of the committee's purposes is to guide the CEGB's faltering hand in the choice of a thermal reactor system. In the way of these things, however, the study is being coordinated by the CEGB itself; thus the committee runs the risk of merely rubber-stamping CEGB decisions, a criticism levelled at its predecessor. An even worse danger is that of failing to agree—and there are precedents for this, too. In 1963, the Powell committee was unable to choose between the AGR and the U.S. designs.

Either way, the formation of the committee has so far done no good at all. While it deliberates, no decisions will be taken, no contracts awarded. So the consortia are even worse off—an ironic result, since one of the purposes of setting up the Vinter committee was (according to one account) to strengthen the industry.

HOW FIRM A FOUNDATION?

The present situation shows British administration at its very worst. The companies are being urged to sell reactors overseas, without knowing whether they have a firm home base from which to do so. The CEGB is vacillating, but is unwilling to accept direction from anybody else. The AEA, leading from the rear, is urging everybody else to build fast reactors.

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And the Department of Trade and Industry, dedicated as it is to keeping out of industry's hair, is busy interfering in what ought to be private decisions between the CEGB and its suppliers.

Worst of all, what is almost certain to emerge is a policy of no-change. The chances are that the CEGB will continue to build AGR's. They are more expensive than rival systems, but it would be equally costly to switch over. It is very difficult to imagine the U.S. designs getting a foothold in the British market—because of the loss of face. There is also a feeling, though nobody is rude enough to say it publicly, that PWR's and BWR's are not as intrinsically safe as the British designs.

Unless the demand for electricity picks up, however, the industry may be forced to reorganize itself once again. In the future, the CEGB is likely to be ordering about 4000 Mw of new power stations a year, not all of them nuclear. This rate of ordering is certainly not enough to keep both consortia happy, unless they can pick up some overseas orders as well. If the two consortia are forced to merge—or if one drops out of the business—the final shape of the industry would be much as a House of Commons committee recommended back in 1967. The trouble is that it might be 4 or 5 years too late.

AMERICA CAN TAKE PRIDE IN TAIWAN'S ACHIEVEMENTS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. CRANE. Mr. Speaker, in the light of the United Nations' decision to expel the Government of Taiwan from that body, it is interesting to note that few have taken the time or the trouble to reflect upon the achievements of that government and upon the tragedy we have witnessed for all of the free nations of the world, in which those achievements were rewarded only with the world's scorn and ostracism.

Mr. George Todt, president of the American Center for Education in Hollywood, Calif., and columnist for the Evening Outlook of Van Nuys, Calif., recently devoted a number of his columns to the question of China. He has visited Taiwan and brings to the subject a knowledge and concern which have been evident in very few of those who have seen fit to discuss this subject in recent days.

He points out that—

The Republic of China has become a great showplace for those nations which have met successfully the challenge of rising expectations among their people for a better life.

The United States extended extensive foreign aid to Taiwan for 14 years, from 1951 to 1965, and Mr. Todt notes that—

Nowhere else in the world was it used more effectively for the purposes actually intended by the American people. The uninterrupted and almost miraculous economic growth continued apace on the island even after the Nationalists voluntarily ended our aid.

Despite the record of the Nationalist Chinese, and despite the fact that the Communist government in Peking has repeatedly violated the United Nations Charter, the United Nations has cynically decided that Taiwan must give up its seat in the United Nations to that very Peking government. The fact that Peking has invaded India, committed genocide in Tibet, murdered millions of its own citizens, and has been declared guilty of aggression by the United Nations itself in Korea, seemed of little importance to the delegates assembled in New York.

It is not the friends of the United Nations, Mr. Todt reminds us, who have advanced the cause of Peking's entry and Taiwan's expulsion, but its enemies. He writes:

The U.N. Charter says that a new member must be devoted to peace; Red China is not so devoted by any stretch of the imagination. She is only devoted to exporting revolution and war.

Mr. Todt declares that "those who wish the U.N. well" would have served its best interests by "resisting the temptation to hug the Red Chinese leopard to their bosom—certainly, until this leopard has been made to change its spots."

I wish to share several of George Todt's columns with my colleagues, columns which are written before the fateful action by the United Nations, and insert them into the RECORD at this time:

[From the Evening Outlook, Nov. 24, 1970]

ADMISSION OF RED CHINA WOULD MOCK U.N.'S GOALS

(By George Todt)

"Make haste slowly."—Latin proverb.

Will Communist China be admitted to the United Nations next year? Last week's close vote seems to indicate that it will. And that's not good. It is a question, insofar as the United States is concerned, of "heads, you win—tails, I lose!"

Despite Red China's pretense throughout the years of not really being interested in a U.N. seat for herhelf—purely as a face-saving device—that fact is her Communist cohorts have carried on a relentless struggle in her behalf for 20 years.

The intrasigence of the Reds, their refusal to compromise their plans and the timelessness of their aims have paid them rich dividends. They simply stick together waiting for the flimsy facade of the so-called Western alliance to come apart at the seams. Just sweat it out!

Biggest indirect assistants to the Communist aims are Western businessmen who think of Red China only in terms of the fast buck. For favorable potential trade terms, they are willing to jeopardize national security.

Nicolai Lenin once chortled that the capitalists were so obsessed with desire to make money they would even vie for the bids for the hemp with which the Communists would hang them when they came to power. A grim joke, but he made his point.

It is true there are persuasive arguments for bringing Red China into the U.N.: The Peking governments speaks for 700–950 million people, perhaps a fourth of the population of the world; possibly, if Red China were in the U.N., she would mellow and become easier to handle; why not show how truly big we are and accommodate Red China even though guilty of the most reprehensible actions in the past?

But the world stage is not a dream world and it would be best to be practical in our examination of any wishful thinking, however well-intentioned, so let us examine the counter-arguments to such suggestions.

In the first place, there is much question of whether the dictatorship of Red China really speaks for the oppressed masses. Perhaps as many as 50 millions may have been purged—exterminated is a more descriptive word—because they dissented with the brutal, uncivilized pirates who usurped power in a bloody, military takeover beginning in 1949. There was no election.

If anyone honestly thinks Red China would mellow and become a reasonable, responsible partner upon entering the U.N., he ought to stand in the corner on his pointed little head. She would be dedicated instead to only one main objective: the downfall of the capitalistic, free enterprise United States. The reason: the balance of the Western alliance would fall into the Communist empire the next day without the firing of a shot.

The Western bloc of nations has enough trouble now holding their heads above water in the U.N. when contesting the adept Communist bloc and "third force" nations—some with only half a million population, but whose vote equals that of the United States anyway.

Put the power and prestige of Red China, which is unalterably opposed to the United States and her American way of life, on the side of those now opposing us—and it might be akin to laying our collective heads on the chopping block. Why do it?

Instead of paying blackmail to this international bandit, would it not be a better course of conduct on our part to insist that the membership standards of the U.N. not be lowered to a point so low even Red China could get in—but insist that the Red Chinese first reform and mend their ways before being given any possible membership consideration?

The U.N. Charter says a new member must be devoted to peace; Red China is not so devoted by any stretch of the imagination. She is only devoted to exporting revolution and war.

Those who wish the U.N. well will serve it best by resisting the temptation to hug the Red Chinese leopard to their bosom—certainly, until the leopard has been made to change its spots.

[From the Evening Outlook, Feb. 20, 1971]

U.S. OVERTURES TO PEKING FAIL TO BRING RESPONSE

(By George Todt)

As seen from the official American point of view, there is little doubt that Communist China continues to pose a potential threat to non-Communist countries wherever its power to subvert their governments effectively may be brought to bear.

However, the threat against her neighbors on the border is not considered as grave as in former years. This is due to the much-expanded strength of the Eastern Asiatic non-Communist nations and their increased ability to handle Red subversion on their own terms.

During much of the Great Cultural Revolution, just now ending, Peking had only a single ambassador abroad. Now there are close to 30 as the Reds attempt to put a better diplomatic foot forward. They are interested, understandably, in securing favorable trade agreements—which they are doing with some success—and an eventual seat in the United Nations.

There are many persons who welcome such diplomatic initiatives on the part of the Reds in fervent hopes, justified or not, that possibly the Peoples Republic has renounced the lunatic behavior and misguided philosophy of the Cultural Revolution and former times since the advent of Chairman Mao. There is, also, a large body of world opinion which holds that some of our more pressing problems defy solution unless the Red Dragon may be brought to the diplomatic conference table. There are reasons advanced for all seasons.

One of our thorniest problems yet to be resolved if Red China is to be seated ultimately in the United Nations revolves about the Republic of China on the Island of Taiwan. We are committed irrevocably by treaty and bedrock moral principles to prevent a Red takeover of the Nationalists under our tried and tested ally, Generalissimo Chiang Kai-shek.

But that happens to be the name of the game, insofar as Peking is concerned. The supreme autocrat, Mao, insists that he will not condescend to join the U.N. any other way. It is a question of the irresistible force meeting up with the immovable object.

It should be noted, however, that we consider it in everyone's interest—despite any appearances to the contrary—that Red China should become more closely associated with necessary mutual attempts to solve vital problems of international concern.

The U.S. diplomats have tried sincerely to do their part in this direction and have met with Red Chinese ambassadorial delegations at Geneva and Warsaw more than 135 times since 1955, admittedly with impoverished results, if any. Peking has been suspicious of our intentions and motives. But lately there seems to have been some slight relaxation of their fanatical approaches to domestic and foreign policy. A breakthrough is unlikely but not impossible to achieve sometime later. Who knows?

At any rate, here is what we have done unilaterally to try to get the show on the road: (1) permitted noncommercial tourist purchase of up to $100 of Chinese goods; (2) relaxed restrictions relating to travel to permit almost anyone with a legitimate purpose to travel to mainland China on an American passport.

Also, (3) permitted unlimited tourist purchases of Chinese goods, enabling tourists, collectors, museums and universities to import Chinese products for their own accounts; (4) permitted American-controlled subsidiaries abroad to conduct trade in nonstrategic goods with mainland China.

Also, (5) announced selective licensing of American-made components and related spare parts for non-strategic foreign goods exported to China; (6) lifted the restriction on American oil companies abroad bunkering Free World ships bearing non-strategic cargoes to Chinese ports. Other steps are under consideration in the general area of contacts and trade.

Red China has not had the courtesy, generosity or good manners to reciprocate in the matter of concessions anywhere along the avenue of this decidedly one-way street of traffic.

Her negative kind of motto, in this instance, might best be summed up: "Your friends are my friends and my friends are MY friends."

So what's the percentage? What's new? What's in it for us?

[From the Evening Outlook, Feb. 23, 1971]

AMERICA CAN TAKE PRIDE IN TAIWAN ACHIEVEMENTS

(By George Todt)

Some insistent and strident voices in the United States habitually demand "instant accommodation" with the People's Republic of China, under various guises, but such is hardly possible at the present time. For we honor our commitments and obligations with our allies, strange as it may seem to unethical minds oriented merely to expediency and power politics.

We are bound by the terms of the Mutual Defense Treaty of 1954 with the Republic of China, presently based on Taiwan. We are committed to its defense, as well as the Pescadore Islands, but not necessarily other territories now under Nationalist control.

The 1955 joint resolution of the House and Senate authorizes the President to act in defense of such territories, however, if he considers such action "required or appropriate in assuring the defense of Formosa and the Pescadores"—or to assist the government of the Republic of China in returning to the mainland.

The last part provides for interesting speculation. Had we assisted Generalissimo Chiang Kai-shek back to the South China landing he once contemplated, could he have held on and created at least a buffer zone between Peking and Hanoi? What effect might it have had on the present Vietnam war in which we are heavily engaged today?

In the meantime, we have provided our ally generous military assistance and he has cooperated fully in making available to us needed bases and facilities on Taiwan to support American forces in Vietnam. The strategic importance of this area cannot be overestimated.

But even beyond this important factor, the Republic of China has become a great showplace for those nations which have met successfully the challenge of rising economic expectations among their people for a better life.

We extended extensive foreign aid to Taiwan for 14 years, from 1951 to 1965, and nowhere else in the world was it used more effectively for the purposes actually intended by the American people. The uninterrupted and almost miraculous economic growth continued apace on the island even after the Nationalists voluntarily ended our aid.

The combination of imaginative and effective government economic planners and administrators, joined together with the considerable talents of a hard-working people, create a potential for the further economic and social development of Taiwan to the stage of a modern industrial society.

The accumulated experience of Nationalist China with the problems of development now constitutes a valuable resource for the Asian community as a whole. She has expanded her active cooperation in development programs not only with the countries in Eastern Asia, but in Africa as well.

This kind of worthwhile cooperation with other nations has gained a great deal of newly won respect for the Republic of China.

Our close association in constructive economic matters, our shared interest in strenghtening the security and progressive development of the over-all East Asian region, together with our treaty commitments to the defense of Taiwan and the Pescadores, are the basic foundation of our close relationship with the Republic of China.

These considerations are also the basis of our support of the government of the Republic of China on the world stage. Despite divided opinions as to whether she may be the only legitimate government of all China—Nationalist and Communist together—there can be little informed doubt on the truly most important score.

And that is, quite simply, the record of accomplishment on Taiwan and the constructive role now being played on the international scene by the government and people of the Republic of China fully merit for her a rightful place in the world community of nations.

That is the official American position—belligerent Red China and Chairman Mao to the contrary, notwithstanding!

THE RIGHT TO LIVE—A MORAL ISSUE

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mr. HOGAN. Mr. Speaker, I recently participated in a Right to Life Day sponsored by the Maryland Human Life Committee, which included various speakers presenting medical, moral, religious, and political arguments against legalized abortion.

The speeches were uniformly excellent, and I insert in the RECORD an address delivered by the Reverend Robert T. Woodworth, chairman of Maryland Chance of a Life Time and Pastor of Open Bible Broadcasts, Inc. His address provides a cogent religious argument against abortion:

THE RIGHT TO LIVE—A MORAL ISSUE

(By The Reverend Robert T. Woodworth)

"All men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life."—U.S. Declaration of Independence

The Right to Life is a God-given right not to be abrogated by men nor laws. To all thinking theologians, political philosophers, and honest historians our American political philosophy has a strong religious and moral foundation. We are governed by laws rather than men; and it is the *law* that gives to all men the right to life, not men. In America the individual is more important than the needs of the state or the decrees of other men.

When we apply these principles to the right of the unborn to be born, it has a particularly moral and religious meaning. Abortion has been considered by many to be the narrow opposition of the Roman Catholic Church handed down by tradition; or precepts of the religious heirarchy. But evangelical and fundamental Protestants who maintain the Bible as the infallible authority in moral matters have also looked upon the termination of fetal life with repugnance.

The moral obligation in whether to abort or not to abort is that all efforts should be utilized to save the lives of *both* mother *and* child. No person may elect to terminate the life of another. Only the state, after due process of law, trial by one's peers, and conviction of a capital offense may legally or morally determine to take away the right to live. Even this is still undergoing serious scrutiny; and the enigma is that often the same persons who oppose taking the life of a convicted criminal, may also see nothing wrong in killing the innocent unborn who have had no moral choice to do good or evil. Or, as Dr. L. Nelson Bell has asked, "Has the willful murderer more rights than the unwanted child?" (*Christianity Today*, June 18, 1971) "An Alternative to Abortion." Dr. Nelson Bell is a former Presbyterian medical missionary, the father-in-law of Dr. Billy Graham. He writes with conviction: "As a physician and a Christian, one who can well understand the emotional agonies involved for parents and daughters, I urge all concerned not to accept what seems to be the easy way out, but to face up to the fact that a human life is involved—a life that cannot defend itself and is in no way responsible for its plight." Dr. Bell, executive editor of *Christianity Today* continues, "The consequences of sin cannot be avoided, but they must not be compounded by a further step in the wrong direction." As the doctor points out, there is a waiting list of childless couples who have waded through all the complex legal paperwork to adopt somebodys "unwanted" child. There is a Christian alternative to abortion.

In my statement before the Maryland Legislature which was reprinted in the *Congressional Record* ("Egypt, Rome, and Maryland," Feb. 26, 1971) I pointed out the Biblical history of infanticide at the births of Moses and Jesus—how the world might have lost the greatest law-giver and Savior of mankind. But some will argue that the differences is in killing infants already born alive between aborting babies not yet born. The argument is that the fetus up to six

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months is not viable, not yet a person, therefore extinguishable as an appendix or adnoid.

Using the Bible as an authority, we can conclude that Almighty God does consider the unborn as a person. Job speaks of himself as having life and personality in the womb (*Job 10:18–19, 31:15*) The Psalmist talks of belonging to God from his mother's belly (*Psalms 22:9–10*). He speaks of being upheld by the Lord before birth (*Psalms 71:6*).

The wise man in *Ecclesiastes 11:5* concludes that as man does not fully understand embriology, or how a complex human is formed in the womb, neither can we know other works of God. The Prophet Isaiah speaks repeatedy of prenatal human existence. He says the Lord formed and made His Children and chose them still in the womb (*Isaiah 44:2, 24 49:5*). In another passage the Lord addresses man and called him *"a transgressor from the womb."* (*Isaiah 48:8*). The Prophet proclaims he was called by name in his mother's womb (*Isaiah 49:1*). And *Isaiah 66:9* asks about abortion, *"Shall I bring to the birth, and not cause him to bring forth? saith the Lord. Shall I cause to bring forth, and shut the womb? saith thy God."* Even the Prophet Jeremiah claims, *"The Word of the Lord came to me, saying, Before I formed thee in the belly, I knew thee; and before thou camest forth out of the womb I sanctified thee, and I ordained thee a prophet unto the nations."* (*Jeremiah 1:5*)

The angel spoke to the virgin Mary about life before birth (*Luke 1:31*). and when Mary visited her cousin Elizabeth the baby John leaped in her womb at the good news! (*Luke 1:41, 44*)

The Michigan State Supreme Court has recently ruled that the fetus is a person. The ruling written by Justice Thomas E. Brennan came just a few days before the Michigan House of Representatives voted on an abortion bill. Justice Brennan said, "If the mother can die and the fetus live, or the fetus die and the mother live, how can it be said there is only one life? The phenomenon of birth is not the beginning of life; it is merely a change in the form of life."

Reverend Charles Wesley Ewing, President of Evangelical Church Alliance and a resident of Michigan, commented in a letter to me, "The result of this ruling makes it possible for the estate of a baby stillborn because of an accident to sue for damages. But I think this gives us a strong argument against legalized abortion. The fetus is a person, a life of itself, and in destroying the fetus we are destroying a life."

The official journal of the California Medical Assn. (*Calif. Medicine*, Sept. 1970) says in an editorial entitled, "A New Ethic for Medicine and Society":

"The traditional Western ethnic has always placed great emphasis on the intrinsic worth and equal value of every human life regardless of its stage or condition. This ethic has had the blessing of the Judeo-Christian heritage and has been the basis for most of our laws and much of our social policy. The reverence for each and every human life has also been a keystone of Western medicine and is the ethic which has caused physicians to try to preserve, protect, repair, prolong and enhance every human life".

It is this Christian ethic that is being eroded and corroded today by those who would assume that awful responsibility for deciding who shall live and who shall die. Such genetic engineering has been the corrupting influence of cultures ruled by tyranical dictators in our generation in some other nations.

Abortion is summarily the termination of innocent life, and totally unethical and immoral. Certainly the divine injunctive against murder applies to the killing of a life already conceived, a separate human being with the right to live. The plea is for the chance for all God's creatures to live. The alternative is sin.

MORLAN W. NELSON

HON. FRANK CHURCH

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Tuesday, November 16, 1971

Mr. CHURCH. Mr. President, next month Idaho will lose a government employee who has served the State, and for that matter the Nation, with high competence and ability for 33 years.

He is Morlan W. Nelson, and he is retiring as supervisor of the Soil Conservation Service snow survey team. In Idaho, his talents are of great importance, for they involve the art of water supply forecasting; and water is the lifeblood of Idaho.

Earlier this month, the Messenger-Index of Emmett, Idaho, editorialized on Mr. Nelson and his contributions to Idaho:

As a professional snow man, he has brought the art of water forecasting to remarkably accurate practicality with minimum cost and maximum safety. As in other areas of his special interests, he has brought continuing scholarship to his profession, and he is said to know more about snow than any other man in the United States—probably more than most people would believe there is to know about snow.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REMARKABLE SCHOLAR

One of the most remarkable men in Idaho will be retiring next month after 33 years with the Soil Conservation Service, and it is appropriate to recognize Morlan W. Nelson not only for his professional competence but also for his practical scholarship in other fields.

Nelson is the retiring supervisor of the SCS snow survey section. As a professional snow man, he has brought the art of water forecasting to remarkably accurate practicality with minimum cost and maximum safety. As in other areas of his special interests, he has brought continuing scholarship to his profession, and he is said to know more about snow than any other man in the United States—probably more than most people would believe there is to know about snow.

Nelson's interest in snow probably stems from wartime service as a ski troop instructor. His interests, however, and his scholarship are more far ranging. He is considered an outstanding American authority on birds of prey, and probably is more widely known as a falconer and trainer of eagles than as a snow survey supervisor.

As an indication of Nelson's scholarship, his interest in birds of prey led him to a study of ecological factors that might account for the gradual disappearance of the peregrine falcon, and this in turn led him to some revolutionary new discoveries about weather cycles of about two-century intervals associated with technical changes in the core of sunspots.

Never content with the merely superficial aspects of theory, Nelson did exhaustive research on his weather cycle ideas so thoroughly that it was published in book form by the University of Pennsylvania and subsequently corroborated by independent research based on his work throughout the world.

Thus in Russia, for example, Nelson might be best known not as a snow man or a falconer, but as an expert on weather cycles.

Among a few, Nelson probably is better known as an authority on old book bindings. This is a field to which he has brought great zeal as a scholar, and at his Boise home he has a marvelous collection of books many centuries old.

All these fields indicate a remarkable capacity to inquire and to learn. That is why Nelson probably will reach greater achievements in his retirement. He and his birds of prey are planning "newer and bigger" features for the environment through movie and television productions.

There is much more to be learned from Morland W. Nelson, for here is a scholar who will never stop learning.

AMENDMENT PROPOSED TO PARTIALLY REPEAL EQUAL-TIME REQUIREMENT

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. VAN DEERLIN. Mr. Speaker, at the proper time, during tomorrow's consideration of the various Federal election reform proposals, I intend to offer an amendment calling for the partial repeal of section 315—the so-called equal time provision—of the Communications Act.

The amendment would repeal the section 315 restrictions on coverage of presidential, vice presidential and Senate candidates. It also would requie a study by the Federal Communications Commission, to be completed no later than Jan. 3, 1973, to recommend further adjustments, including possible extension of the repeal to cover House candidates as well.

The text of the amendment follows:

AMENDMENT OFFERED BY MR. VAN DEERLIN TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS TO H.R. 11060

(Page and line references to Macdonald amendment)

Page 2, strike out line 18 and all that follows down through line 5 on page 3, and insert in lieu thereof the following:

"PARTIAL REPEAL OF EQUAL-TIME REQUIREMENTS; STUDY

"SEC. 103. (a)(1) The first sentence of section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by inserting before the colon the following: ', except that the foregoing requirement shall not apply to the use of a broadcasting station by a legally qualified candidate for the office of President or Vice President of the United States, or a legally qualified candidate for the office of United States Senator, in a general election'.

"(2) The second sentence of such section is amended by striking out 'any such candidate' and inserting in lieu thereof 'any legally qualified candidate for public office'.

"(b) The Federal Communications Commission shall conduct a study to determine what safeguards may be necessary to assure reasonable access to broadcasting stations by legally qualified candidates for Federal elective office following the repeal of section 315(a) of the Communications Act of 1934 in the case of general elections for such offices. Not later than January 3, 1973, the Commission shall submit its recommendations for implementing legislation to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committee on Commerce of the United States Senate."

FEDERAL JUDGES ON TRIAL BY THEIR PEERS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. RARICK. Mr. Speaker, experience teaches us that we must go to the source to find out the cause of the problem. If something goes wrong with the plumbing in our house, we seek the advice and aid of a plumber; we certainly do not expect a lawyer to know that much about the inner workings of a drainpipe.

Likewise, if we are convinced that a problem exists in our Nation's judicial system—and I am—we should go to a jurist for his opinions and his advice. In doing so, we certainly might find a solution to our problems.

Two recent articles from the liberal Washington newspapers carry interesting comments by various members of the legal profession—lawyers and fellow jurists—accusing their extreme liberal, left-wing, pseudointellectual brethren of "trying to 'wrench' far-reaching social changes without regard to the facts, the law or the principle of the separation of powers."

Judge Edward A. Tamm of the U.S. Circuit Court of Appeals, writing for himself and his colleague Judge Wilbur K. Miller, accused their colleague on the appeals court bench, Judge Skelly Wright, of practicing liberalism for the sake of liberalism, without regard to the law. Judge Tamm's comments are worth noting as an indication of what is essentially wrong with the American judicial system:

The practice of choosing the philosophically eclectic, rather than the established legal precedents, is unfortunately a pursuit of abstract liberalism for its own sake, rather than an adjudication of the law governing an individual case.

I include related news articles detailing the observations of American jurists on the problems confronting the judiciary at this point in the RECORD:

[From the Washington Star, Nov. 16, 1971]

TWO COLLEAGUES ASSAIL WRIGHT

(By Betty James)

Two judges on the U.S. Court of Appeals for the District have accused Judge J. Skelly Wright and other colleagues not named of trying to "wrench" far-reaching social changes without regard to the facts, the law or the principle of the separation of powers.

In a scathing opinion on the recording of deeds with racially restrictive covenants; Judge Edward A. Tamm wrote for himself and Judge Wilbur K. Miller:

"The practice of choosing the philosophically eclectic, rather than the established legal precedents, is unfortunately a pursuit of abstract liberalism for its own sake, rather than an adjudication of the law governing an individual case."

Wright dissented in the case, decided by the three-judge panel.

Wright is perhaps best known for his controversial decision on public schools in the District which have transformed public education here.

In another recent controversial decision of the court's liberal wing, a three-judge panel again delayed construction of the Three Sisters Bridge. The opinion in that case was written by Chief Judge David L. Bazelon.

Tamm wrote, in the deed case, "The dangerous illusion that the courts, upon the pretext of ruling upon a particular case, may articulate with great sympathy and understanding upon all of the social evils of the nation, is implausibly fashionable in some areas of judicial rulings, with a resulting horrible economy of law."

The rulings presumably are made more acceptable by using such euphemisms as civil rights, constitutional rights, discrimination and the public interest, regardless of whether the record contains factual data supporting the conclusion, Tamm said.

Of Wright's dissent, Tamm wrote, "The vigor of our dissenting brother requires us, reluctantly, to point out, respectfully, his unfortunate failure to distinguish between the facts in this record and the fluency of his self-created rhetoric upon which he bases his erroneous conclusion."

The suit in which the opinion was filed contended that the District recorder of deeds' actions in filing deeds with restrictive covenants was in violation of the 5th Amendment and the Fair Housing Act of 1968. Filed as a class action by the American Civil Liberties Union, the suit was rejected by District Court and again in the latest opinion.

Although the covenants are still attached to some deeds, they haven't been enforceable since 1948 when the Supreme Court outlawed them.

Tamm said the recorder of deeds isn't giving the approval of the state to the contents of deeds filed.

"The recorder, the cold steel safety deposit box of the real estate industry, merely preserves documents," he said.

He asserted: "We reach our decision somewhat reluctantly. . . . We firmly believe the legal result of this case to be correct. . . . This, however, is not to say there is no remedy for an unfortunate situation. It merely means the remedy sought is beyond the ken of the judiciary. . . . Restrictive covenants . . . do not find favor with this court."

Congress has the power to deal with the problem, Tamm said.

In his dissent, Wright declared that Congress already has passed a series of civil rights laws, including the fair housing legislation, that are applicable. Tamm said the thrust of the wording of the fair housing statute is toward advertising in the market place.

The same arguments that persuaded Tamm and Miller were found by Wright to be "lame excuses for denial of racial justice which the Supreme Court rejected long ago."

He declared, "The evils emanating from governmental acceptance of housing discrimination permeate our entire society. Generations of governmental participation in racial zoning have yielded a bitter harvest of racially segregated schools, unequal employment opportunity, deplorable overcrowding in our center cities, and virtually intractable racial polarization."

Defending himself against the charge of trying to "wrench far-reaching social changes" at the expense of separation of powers, Wright contended "under our law the judiciary, too, has the obligation of enforcing constitutional rights."

[From the Washington Post, Oct. 17, 1971]

THE BAZELON OPINIONS: NO ONE IS EVER NEUTRAL

(By Sanford J. Ungar)

On David Lionel Bazelon, the most powerful judge in Washington below the Supreme Court and the constant focus of controversy, nobody is neutral.

Says a prominent Washington lawyer: "I think that Bazelon is a first-rate craftsman in the way he analyzes and interprets legal theories and precedents. He is not given to careless or off-the-cuff decisions."

On the other hand, this is the view of one U.S. District Court judge: "I think that Bazelon is one of the worst things that has ever happened to the administration of criminal justice in Washington. I don't even read his opinions anymore."

The attorney, a leading civil libertarian, was commenting in the contexting of several recent decisions from the U.S. Court of Appeals for the District of Columbia with which he was pleased. In some of those, Chief Judge David L. Bazelon had been on the three-judge panel of the court.

The judge made his remarks to a reporter just as he received a copy of an appellate decision reversing a criminal conviction because of an alleged error on his part during the trial. Bazelon was a member of the panel.

But even without the exhilaration of victory of the humiliation of reversal, their observations would be characteristic for their lack of moderation.

A debate over Bazelon's judicial philosophy and his activist role, which has gone on intermittently almost since he first took the bench here in 1949, recently started up again.

In the last three months alone, he wrote or joined in appellate decisions that:

Held the D.C. government responsible, legally and financially, for the alleged misconduct of any police officer who might have been improperly trained or instructed.

Reversed the conviction of a narcotics offender because the trial judge would not admit testimony on the amount of heroin or cocaine required to satisfy an addict's daily habit.

Struck down almost everything the government had done to prosecute the 12,000 people arrested here last spring during the May-day antiwar demonstrations.

Ended use here of the "Allen Charge" traditionally employed to end deadlocked juries back for a decision on whether a defendant is guilty of a crime.

Ordered reconsideration of a lower court's ruling that the Atomic Energy Commission's plan for a major underground nuclear test on an Alaskan island complied with relevant laws and treaties.

Directed a complete review of the plans to build the Three Sisters Bridge across the Potomac River between Georgetown and Arlington, sharply criticizing a cabinet member and a congressman in the process.

During the same period, he also was active on a few other judicial matters.

Bazelon dissented angrily from a Court of Appeals opinion that affirmed the conviction of a juvenile whose records had been lost by the court considering the case.

To the dismay and public objections of some of his colleagues, he named a committee of the Judicial Conference of the District of Columbia to study the police and government response to the Mayday protests.

In another dissent, he accused his fellow judges of "sweeping (problems) under the rug" by deciding not to rehear a case involving the insanity defense in Washington before the full Appellate Court of nine judges.

All the while, of course, Bazelon remained a member of the committee on child development of the National Academy of Sciences

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and of the advisory panel on legal research of the Battelle Memorial Foundation in Seattle.

He stepped down from his term on the national advisory council of the National Institute of Mental Health, but continued as a clinical professor of the legal aspects of psychiatry at the medical school of George Washington University and in a host of other—all unpaid—outside positions.

And, as he passed his 62d birthday last month, Bazelon showed no signs of slowing down or of regretting a single action he had taken.

Critics of the "Bazelon Court," as it is inevitably called, often turn first to the apparent frequency of the chief judge's appearance in major cases.

They contend that he rigs the selection of panels to sit on cases, keeping the best and most crucial ones for himself and his liberal colleagues, then writing the most important decisions.

Nathan Paulson, clerk of the Court of Appeals, insists, however, that cases are assigned among the appellate judges on a purely random basis, with the names of judges and the numbers of cases ceremonially drawn from plastic bowls and then matched as each of the eight annual sittings is set up.

Statistics compiled by Paulson for fiscal 1971 also indicate that each member of the court sat on about the same number of cases, between 115 and 125, and that opinions were evenly distributed as well.

Court observers and those who have worked closely with Bazelon during his 22 years on the bench are adamant that he does nothing that any other judge could not do, finding great issues in run-of-the-mill criminal appeals.

Even at the example of slowing down some appeals, he also has insisted on appointing a new lawyer at the appellate level who might uncover mistakes made by the one who originally represented the defendant at trial.

Bazelon is known for being tough on the trial judges whose work he reviews.

"He simply will not be swayed by the argument that the District judge tried hard or that he is a nice guy or that the case is an old one that doesn't matter much anyway," said one apostle of Bazelon last week.

To the argument that Bazelon was never a trial judge and therefore cannot understand the inherent problems in some cases, his defenders respond that this is a good thing, which maintains balance in appellate standards.

For the past year or so, Bazelon's leadership on the Court of Appeals here—because of its unusual jurisdiction over direct appeals from federal regulatory commissions, the most powerful of the 11 in the nation—has been increasingly challenged.

Few people expect the three conservative judges named by President Nixon to be in accord with Bazelon very often, but other, more surprising disputes have also appeared.

Judge Harold Leventhal, for example, considered a Bazelon ally from the moment he was named to the court by President Johnson in 1965, has publicly disagreed with the chief judge on a number of occasions, sometimes stating his reasons in writing even when not required to do so.

Among the 15 federal District judges over whom the Court of Appeals has jurisdiction, there probably are 15 different views of Bazelon.

Respecting judicial etiquette, none will discuss him on the record. The judge quoted above was willing to make it clear privately, however, that he considers some Bazelon opinions ridiculous. Another complained that his style is too harsh. But a third District judge stated flatly: "I think he's terrific."

Some observers contend that after years of criticism and the 1970 D.C. crime act, which gradually removes much of the Court of Appeals' criminal jurisdiction, Bazelon himself has become more cautious.

Judge J. Skelly Wright, whose opinions as a rule are more rhetorical and often go further, has gradually taken over leadership of the court's liberal bloc, they argue.

Regardless of who is more liberal, critics say, Bazelon is so activist that he permits a partisan political attitude to influence many of his decisions.

But one wistful supporter of Bazelon suggested that if the chief judge is making mistakes, they are in the opposite direction—that he is being too careful.

He cited Bazelon's vote with a unanimous appellate panel last spring against freeing Leslie Bacon, who was arrested here, and charged as a material witness in the bombing of the U.S. Capitol. Miss Bacon was sent in custody to testify before a federal grand jury in Seattle.

Only recently, the Ninth U.S. Circuit Court of Appeals in San Francisco, more bold than Bazelon and his colleagues on this point, ruled that Miss Bacon had been held illegally last spring.

In almost all of the recent controversial cases, they maintain, he merely has insisted that government agencies toe the line as spelled out in specific statutes.

The chief judge characteristically refuses to discuss his decisions in public.

But some legal scholars who have reviewed Bazelon's entire career insist that, despite popular usage of the term to describe conservative judges, he is the epitome of the "strict constructionist."

Sources close to Bazelon say that he set out some major guidelines of his current judicial philosophy, as it applied to civil and administrative cases, in a decision last January directing the Environmental Protection Agency to reconsider banning the pesticide DDT.

"Courts are increasingly asked to review administrative action that touches on fundamental interests in life, health and liberty," Bazelon wrote.

He proclaimed "a new era in the history of that long and fruitful collaboration of administrative agencies and reviewing courts." But in that new era, Bazelon warned, courts no longer will "bow to the mysteries of administrative expertise."

Others suggest that Bazelon's philosophy is more aptly summarized on the underside of a china turtle on his desk at the U.S. Courthouse.

"Consider the turtle," it reads. "He makes progress only when his neck is out."

MOORHEAD FOR HOUSE VERSION OF CANCER BILL

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. MOORHEAD. Mr. Speaker, due to pressing business in my district, I was not able to be in the Chamber on Monday, when the House passed several bills under a suspension of the rules.

I would like to go on record as saying had I been present and voting yesterday, I would have voted for the House version of the Cancer bill and for the other bills which passed under a suspension of the rules.

ILLEGAL IMMIGRATION

HON. JACK H. McDONALD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. McDONALD of Michigan. Mr. Speaker, numerous factors have been cited in the past year or so to explain the rising unemployment rate in the United States.

Some have attributed it to the winding down of the war. Others have cited sluggishness in the construction field or the adverse impact of cheap imports on American industry.

One factor that has received little attention is the growing tide of illegal immigration into the United States, particularly from Mexico and the Caribbean.

This added, illicit burden on the economy has brought us much cheap labor, perhaps as many as 2 million persons. But it has resulted in the loss of jobs by Americans and it has swollen our welfare rolls. Richard Starnes of the Scripps-Howard Newspapers recently wrote a well-researched indepth analysis of the problem of illegal immigration and what it means to the American economy. His article, which appeared locally in the Washington Daily News, and a column on the subject by the same writer should be read thoughtfully by every member of the House. Something must be done.

The article and column follow:

A SCRIPPS-HOWARD SPECIAL REPORT

(By Richard Starnes)

WASHINGTON, Nov. 8.—A growing torrent of illegal immigrants has all but overwhelmed the U.S. Immigration and Naturalization Service and has spread bitterness and demoralization through the ranks of the men who police America's borders.

Although a number of short-term causes of the influx have been identified—notably drought and depression in Caribbean and Latin American countries—some observers are alarmed that the first wave of one of the great migrations of history may actually be under way.

If that is happening, these sources say, dramatic and far-reaching changes affecting the way the United States guards its borders inevitably are in store.

Whatever the causes, the human wave of illegal aliens has reached crisis proportions. In a growing controversy where little agreement can be found, there is general agreement on this point among the Immigration and Naturalization Service (INS) and its critics.

During the 1971 fiscal year ending last June 30, INS enforcement personnel intercepted and turned back 412,000 persons who had succeeded in crossing the border illegally. This was 23 percent greater than the total for the previous year, nearly 60 per cent over the 1969 fiscal year.

But even though this army of illegal immigrants was turned back, there are likely between one million and two million illegal aliens remaining in the U.S., holding jobs, using welfare services, and every month sending unknown—but clearly enormous—sums to kin back home in their native lands.

Eighty five per cent of the illegal immigrants who are intercepted are Mexican. This fact causes dismay among students of immigration policies and problems, for the economic and social pressures sending this human tide against undermanned U.S. borders seem destined to grow in the decades to come.

Mexico, with one of the highest birth rates in Latin America, annually is adding about two million persons to its job market. But it is creating fewer than 200,000 jobs a year, a circumstance inexorably leading to the classic solution of hungry people throughout history: Mass migration.

"The pressure is going to increase, increase and increase," one INS source emphasized. "We are the richest nation on earth and to the south we have a chronically depressed, under-developed, overpopulated country of 50 million that is separated from the United States by a badly undermanned border.

"And on the north, between the United States and Canada there is a 2,000-mile border that is virtually unguarded. In fact, there are more than 200 roads that cross the Canadian-U.S. border that have no inspection stations at all."

Another growing problem, and one likely to become worse as over-population and economic recession deepen in emerging island republics is illegal immigration from the Caribbean.

"In Trinidad, just for one example," an INS source noted, "there is unemployment upward of 200 per cent. No power on earth can stop a man or a woman in an economy like that from trying to find a better place. For all of them, the United States remains the promised land."

Much of illicit penetration of the U.S. borders from the Caribbean is done via Puerto Rico, a U.S. commonwealth with unlimited legal immigration to the mainland. Reaching Puerto Rico is easy from other Caribbean islands, and once there it is equally easy to assume Puerto Rican identity and hence gain easy entry to mainland America.

INS policy makers, while conceding the magnitude of the problem, insist that a huge expansion of immigration enforcement personnel will not solve it.

"I think we could have enough men to stand along the entire (Mexican-U.S.) border holding hands and not stop the influx," James Greene, INS chief of operations, says.

INS officials use words such as "hysteria" and "propaganda" to describe the growing alarm over illegal immigration, and Greene is blunt in saying "a good deal of it is generated by the unions."

The unions representing INS and Border Patrol personnel quickly admit they are doing so. Edward Kavazanjian, an INS criminal investigator for ten years and national liaison officer of the INS National Council of the American Federation of Government Employes (AFGE), is an outspoken critic of the present administration of INS. Among the charges he made during an interview:

Faced with an incredibly escalating problem, INS now has fewer enforcement personnel than ever before.

Illegal immigration across U.S. borders is "uncontrolled", principally due to "the general disintegration and disorganization of INS."

"Organized smuggling rings are now in full operation on both the Canadian and Mexican borders, relatively untouched by our feeble anti-smuggling efforts."

Systematic counterfeiting of immigration documents is widespread.

Guardedly, INS admits that some of these charges are true (although it stoutly disputes the magnitude of the problem). Where INS and its guardians in Congress differ sharply with critics of the Immigration Service is in the remedies that should be applied. Additional manpower, they insist, is not the answer.

"We would much rather see the economic incentive for illegal immigration removed," Greene declares. "Although it is now a violation of the law to smuggle, harbor or assist an illegal immigrant, it is not against the law to give him a job. We want to see that changed."

(This quirk in immigration laws led last month to an embarrassing episode for the Nixon Administration. In Gardena, Calif., INS agents raided a food packing plant owned by Mrs. Romana Banuelos, who is U.S. Treasurer-designate, and arrested 36 illegal aliens who were working there.

(Mrs. Banuelos, who was in the plant at the time, said she did not know illegal aliens were employed by her company, and charged the raid was "an attempt by Democrats to block my nomination as Treasurer of the United States." The White House quickly pointed out that there is no law against employing illegal aliens.)

INS refuses to speculate on the number of illegal immigrants now in this country, or on the number that may be employed. The unions, however, insist the number working exceeds one million, and extrapolates from that estimate the guess that each year these aliens are exporting hundreds of millions of dollars to Mexico and elsewhere, thus contributing to U.S. balance of payments problems.

Both AFGE and INS spokesmen are also bitterly critical of the Social Security Administration, which, they say, issues Social Security cards to any applicant without demanding proof of citizenship.

Also contributing significantly to the problem of illegal immigration is the foreign visitor who may enter the country illegally, as a tourist or a student, but who at the end of his legal stay does not return to his homeland but vanishes into the U.S. economy.

"When a visitor or student steps off the airplane," said one angry INS enforcement official, "we are required to grant him a six-month permit. We can't demand proof of ability to support himself, we can't even demand that he produce a return ticket home. Thousands of these legal visitors immediately violate the terms of their visas by going out and taking jobs away from American workers.

"And it is a mistake to assume they take nothing but menial work. We conducted raids on a number of Catskills (N.Y.) Borscht circuit hotels last summer and arrested 30 Brazilian illegal immigrants who were holding jobs as chefs and waiters paying $200 to $300 a week. One of them had $6,000 in the bank."

Another INS agent, in New York's woefully overburdened district office, noted bitterly that last month there was less than 5,000 available for detention and deportation of illegal immigrants.

"One of our criminal investigators arrested a man last week that he had been hunting for two years on a fraudulent passport charge. He was ordered by the District Inspector to release the man for voluntary deportation, presumably because there wasn't money enough to keep him locked up."

(Under "voluntary deportation" orders an alien is simply told to return to his homeland, usually within 30 days. But many do not, and INS rarely has the manpower to follow up the cases.)

Although Mexicans numerically constitute the overwhelming bulk of illegal immigrants, some INS officers are more concerned over the less numerous but potentially more troublesome problem by other nationals.

"Thousands of Communist Chinese seamen have jumped ship in Vancouver and Montreal," an INS official said, "and have been smuggled across the border. They're working now in the United States—and posing a potential threat to national security."

Rep. Richard C. White, D-Tex., whose district includes El Paso, a place where many INS and border Patrol personnel are stationed, has become a bitter critic of immigration policies, echoing union charges that the agency is understaffed and poorly managed.

In a blast at INS last month, White charged illegal aliens were taking jobs from U.S. citizens, were "undercutting American wages," overburdening relief rolls, and themselves being victimized by smuggling rings, unscrupulous employers, and "are often driven to law-breaking in order to make a living."

These conditions exist, White charged, "principally because the directors of the Immigration and Naturalization Service and Border Patrol have by dereliction of duty or by incredible ignorance failed to ask for sufficient funds from Congress . . ."

A few days later Rep. John J. Rooney, D-N.Y., who oversees INS funds in the House Appropriations Committee, came to the defense of the agency, declaring that Rep. White "expertly exaggerated" the situation. Rooney joined INS spokesmen in urging passage of a law making it a crime to give work to illegal immigrants.

"The present major incentive (to illegal immigration) is economic in nature," he said. "Employment (here) offers seven times the wages for equivalent work in Mexico. Employers in Texas find such help beneficial, because the workers are tractable, they will work for less than organized labor, and are not demanding as to fringe benefits and working conditions."

Rooney urged White and other critics of the illegal immigration and INS' role in halting it to join in support of a bill, now pending in House and Senate, which would prohibit hiring of aliens who are here illegally.

ON ENDING THE INFLUX

(by Richard Starnes)

An enormous increase in illegal immigration has led to an alarming breakdown in this country's ability to police its borders, and to intercept and deport aliens who are wrongfully in the United States.

An account by Scripps-Howard reporter Richard Starnes offers these dismaying figures:

In the 12 months ending last June 30, U.S. Immigration and Naturalization Service (INS) arrested and sent home some 412,000 illegal immigrants. But qualified observers estimate that between one million and two million more have eluded INS and have vanished into the U.S. economy.

Virtually all these illegal immigrants come here seeking work. Many take jobs at substandard wages and work under conditions approaching peonage. They are often exploited by unscrupulous employers, and, of course, they are afraid to seek redress in the law. A tremendous number of illegal immigrants send a sizeable percentage of their wages to kin in their native lands, adding significantly to the U.S. balance of payments embarrassment.

Illegal immigrants also contribute to the unemployment of American workers, particularly in unskilled areas where joblessness is most acute. In cities such as New York, Chicago and Los Angeles (three principal havens for illegal immigrants) these unfortunate men and women are a drain on welfare rolls and other social services.

INS tacitly concedes these facts, although it demurs at fixing any firm figure on the number of illegals remaining in the country. But—in a fashion wholly uncharacteristic of bureaucracy—the agency is resisting any substantial growth in its enforcement personnel. Its critics, a group which includes a number of veteran immigration officers, charge INS is a badly managed, barnacle-encrusted oldline bureaucracy with too few people and a bad case of paralysis.

The problem, moreover, seems destined to become worse. The bulk (85 per cent) of illegal immigration comes from Mexico, where the people live in a cruel vise of overpopulation, drought and poverty. In Mexico as well as elsewhere in Latin America, the pressure is bound to grow worse.

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In its own defense INS makes two valid points.

First, it is obvious foolishness for the Government to issue Social Security cards to aliens who cannot legally take work in this country, and Congress should forbid the practice. It is not unduly burdensome to require proof of citizenship (a birth certificate would do) as a condition of obtaining a Social Security card.

Equally important, a gaping loophole in the immigration law must be closed. It is illegal for an American citizen to smuggle or to aid or harbor an illegal immigrant. And the alien who works without proper authority is breaking the law. But the American who hires an illegal immigrant breaks no law. This must be changed. A bill now in the Congress provides criminal penalties for employers who knowingly hire illegal immigrants, and it is a measure deserving support.

But even if these changes can be made, it seems plain enough that INS itself badly needs revamping and revitalization. Congress (which also has before it an omnibus immigration bill that it may get around to debating in a year or so) should give serious consideration to a broad investigation of INS, its policies and personnel, and its ability to deal with a grave national problem.

HUNGARIAN FREEDOM FIGHTERS DAY

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. BEGICH. Mr. Speaker, on the 21st of October, William A. Eagan, Governor of Alaska, proclaimed October 23, 1971, Hungarian Freedom Fighters Day. This effort is one designed to express the people of Alaska's support of the spirit and drive for freedom shown by the people of Hungary during their revolution of 15 years ago that was to be later crushed by Communist totalitarianism.

It is the duty of the citizens of the United States, as the leaders of freedom in the world, to show their support for those struggling to throw off the oppressive chains of communism. We must keep the desire for self-determination and freedom alive in these people so they may someday attain the fundamental human rights deserving to all men.

The people of Alaska wish the people of Hungary to know that we, as Americans, support them in their desire for freedom.

I am inserting a copy of the proclamation for the inspection of my colleagues.

PROCLAMATION—HUNGARIAN FREEDOM FIGHTERS' DAY

The people of Alaska are sympathetic toward the efforts of the people of Hungary to free themselves from the chains of communist totalitarianism, and we, in America, are reminded of our commitment to the purposes of the Hungarian Revolution by the presence of nearly fifty thousand refugees within the borders of the United States.

October 23, 1971, will mark the 15th anniversary of the day that the people of Hungary won their freedom, later to be crushed. It is of crucial importance for us, as Americans, to morally sustain the hope and faith of the Hungarians, and all captive peoples in their eventual freedom.

The freedom loving people of Hungary look to the United States as the citadel of human freedom, to the people of the United States as leaders in bringing about their freedom and independence. It is incumbent upon us free citizens to appreciatively recognize that the people of Hungary, with those others who share their destiny, constitute not only a primary deterrent against a global war and further aggression, but also a prime positive means for the advancement of world freedom.

The people of Alaska wish to express their dismay over the denial of fundamental human rights and self-determination to the people of Hungary.

Therefore, I, William A. Egan, Governor of Alaska, do hereby proclaim Saturday, October 23, 1971, as Hungarian Freedom Fighters' Day and urge that all of our citizens pay special tribute to these loyal and brave people by studying the plight of Hungary and recommitting themselves to the just aspirations of the Hungarians.

COMMUNIST CHINA AT THE U.N.

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. CRANE. Mr. Speaker, prior to the admission of Communist China to the United Nations, those who opposed this step argued that were the Communist Chinese to join and participate in that organization they would do so on their own terms. They would not adhere to the Charter's declaration of human rights, nor would they agree to renounce the use of force. They would, it was argued, simply subvert that organization and turn it into a forum which might be used to foment violent revolution. It would no longer be, even in name, an organization devoted to peace.

While it may be too soon to make any definitive statement in this regard, the first formal statement at the U.N. by the representative of the Peking government seems to support fully the arguments set forth by those who opposed its admission.

Rather than state its dedication to peace, the chief Chinese delegate, Chiao Kuan-hua, declared that—

> The Chinese people are determined to liberate Taiwan and no force on earth can prevent us from doing so.

He stated that rather than peace,

> Countries . . . want liberation and the people want revolution. This has become an irresistible trend of history.

The Chinese delegate did not seek in any sense to temper his words. He accused the United States of "aggression" in Vietnam and with regard to the Middle East he stated that—

> The essence of the Middle East question is aggression against the Palestinian and other Arab peoples by Israeli Zionism.

Instead of arguing in behalf of a world at law, an ideal to which the United Nations is dedicated, the Chinese delegate expressed his support for guerrilla movements in Mozambique, Angola, Portuguese Guinea and South West Africa.

After reading the speech of Chiao Kuan-hua it seems that the Peking government is more dedicated than ever to the precept of Mao Tse-tung that "Power comes out of the barrel of a gun." How the United Nations will fare as an organization dedicated to peace while it includes in its number a nation which openly proclaims its support for violence is difficult to tell.

I wish to share Mr. Chiao Kuan-hua's speech with my colleagues, and request its insertion into the RECORD at this time.

[From the New York Times, Nov. 16, 1971]

TEXT OF POLICY STATEMENT BY CHINESE DELEGATE BEFORE GENERAL ASSEMBLY OF U.N.

UNITED NATIONS, N.Y.—Following is the text of the address delivered in the General Assembly today by the chief Chinese representative, after speeches by other delegates welcoming the Peking delegation to the United Nations.

CHIAO KUAN-HUA, CHINA

Mr. President, fellow representatives:

First of all, allow me in the name of the delegation of the People's Republic of China to thank you, Mr. President, and the representatives of many countries for the welcome they have given us.

Many friends have made very enthusiastic speeches expressing their trust in as well as encouragement and fraternal sentiments for the Chinese people.

We are deeply moved by this and we shall convey all this to the entire Chinese people.

It is a pleasure for the delegation of the People's Republic of China to be here today to attend the 26th session of the General Assembly at the United Nations and to take part together with you in the work at the United Nations.

ROLE AS FOUNDER IS RECALLED

As is known to all, China is one of the founding members of the United Nations. In 1949 the Chinese people overthrew the reactionary rule of the Chiang Kai-shek clique and founded the People's Republic of China.

Since then the legitimate rights of China in the United Nations should have gone to the People's Republic of China as a matter of course.

It was only because of the obstruction by the United States Government that the People's Republic of China was deprived of its legitimate rights for a long time and that the Chiang Kai-shek clique, long repudiated by the Chinese people, was able to usurp China's lawful seat in the United Nations.

This was a gross interference in China's internal affairs as well as a willful trampling on the Charter of the United Nations. Now such an unjustifiable state of affairs has finally been put right.

On Oct. 25, 1971, the current session of the General Assembly of the United Nations adopted by an overwhelming majority the resolution restoring to the People's Republic of China all its lawful rights in the United Nations and expelling forthwith the representatives of the Chiang Kai-shek clique from the United Nations and all the organizations related to it.

BANKRUPTCY OF POLICIES OF HOSTILITIES

This proves the bankruptcy of the policies of hostility towards the Chinese people and of isolating and imposing a blockade upon them. This is the defeat of the plan of the United States Government in collusion with the Sato Government of Japan to create two Chinas in the United Nations.

This is a victory for Chairman Mao Tse-tung's revolutionary line in foreign affairs; this is a common victory for the people all over the world.

Upholding principle and justice the sponsor countries for the resolution—Albania, Algeria, Burma, Ceylon, Cuba, Equatorial Guinea, Guinea, Iraq, Mali, Mauritania, Nepal, Pakistan, the People's Democratic Republic of Yemen, the People's Republic of the Congo, Rumania, Sierra Leone, Somalia, the Sudan, Syria, the United Republic of Tanzania, the Arab Republic of Yemen, Yugoslavia and Zambia—have made unremitting and fruitful efforts to restore China's legitimate rights in the United Nations.

Many friendly countries which supported this resolution have also made contributions to this end.

Some other countries have expressed their sympathy for China in various ways.

On behalf of the Chinese Government and the people I express heartfelt thanks to the government and the people of all these countries.

Twenty-six years have elapsed since the founding of the United Nations. Twenty-six years are but a brief span in human history. Yet, during this period profound changes have taken place in the world situation.

When the United Nations was first founded there were only 51 member states and now the membership has grown to 131.

Of the 80 members that joined later, the overwhelming majority are countries which achieved independence after World War II.

SEES A TIDE OVER 20 YEARS

In the past 20 years and more, the peoples of Asia, Africa and Latin America have waged unflinching struggles to win and safeguard national independence and oppose foreign aggression and oppression. In Europe, North America and Oceania, too, mass movements and social tides for the change of the present state of affairs are rising. An increasing number of medium and small countries are uniting to oppose the hegemony and power politics practiced by the one or two superpowers and to fight for the right to settle their own affairs as independent and sovereign states and for equal status in international relations.

Countries want independence, nations want liberation and the people want revolution. This has become an irresistible trend of history.

Human society invariably makes constant progress, and such progress is always achieved through innumerable revolutions and transformations. Take the United States, where the United Nations headquarters is situated. It was owing to the victory of the Revolutionary War of 1776 led by Washington that the American people won independence. And it was owing to the great Revolution of 1789 that the French people rid themselves of the yoke of feudalism. After mankind entered the 20th century, the victory of the 1917 Russian October Socialist Revolution led by the great Lenin opened up a broad path to freedom and liberation for the oppressed nations and peoples of the world.

The advance of history and social progress gladdens the hearts and inspires the peoples of the world and throws into panic a handful of decadent reactionary forces who do their utmost to put up desperate struggles. They commit armed aggression against other countries, subvert the legal governments of other countries, interfere in other countries' internal affairs, subject other countries to their political, military and economic control and bully other countries at will.

REVOLUTION SEEN AS THE MAIN TREND

Since World War II, no new world war has occurred, yet local wars have never ceased. At present, the danger of a new world war still exists, but revolution is the main trend in the world today. Although there are twists and turns and reverses in the people's struggles, adverse currents against the people and against progress, in the final analysis, cannot hold back the main current of the continuous development of human society.

The world will surely move toward progress and light, and definitely not toward reaction and darkness.

Mr. President and fellow representatives, the Chinese people have experienced untold sufferings under imperialist oppression. For one century and more, imperialism repeatedly launched wars of aggression against China and forced her to sign many unequal treaties. They divided China into their spheres of influence, plundered China's resources and exploited the Chinese people. The degree of poverty and lack of freedom suffered by the Chinese people in the past are known to all.

CAPABLE OF STANDING ON HER OWN FEET

In order to win national independence, freedom and liberation, the Chinese people, advancing wave upon wave in a dauntless spirit, waged protracted heroic struggles against imperialism and its lackeys and finally won the revolution over the leadership of their great leader, Chairman Mao Tse-tung, and the Chinese Communist party. Since the founding of the People's Republic of China, we, the Chinese people, defying the tight imperialist blockades and withstanding the terrific pressures from without, have built our country into a socialist state with initial prosperity by maintaining independence and keeping the initiative in our own hands and through self-reliance. It has been proved by facts that we, the Chinese nation, are fully capable of standing on our own feet in the family of nations.

Taiwan is a province of China and the 14 million people who live in Taiwan are our fellow-countrymen by flesh and blood. Taiwan was already returned to the motherland after World War II in accordance with the Cairo Declaration and the Potsdam Proclamation, and our compatriots in Taiwan already returned to the embrace of their motherland.

The U.S. Government officially confirmed this fact on more than one occasion in 1949 and 1950, and publicly stated that the Taiwan question was China's internal affair and that the U.S. Government had no intention to interfere in it.

UNITED STATES WENT BACK ON ITS OWN WORDS

It was only because of the outbreak of the Korean war that the U.S. Government went back on its own words and sent armed forces to invade and occupy China's Taiwan and the Taiwan Straits, and to date they are still there. The spreading in certain places of the fallacy that "the status of Taiwan remains to be determined" is a conspiracy to plot "an independent Taiwan" and continue to create "two Chinas." On behalf of the Government of the People's Republic of China, I hereby reiterate that Taiwan is an inalienable part of China's territory and the U.S. armed invasion and occupation of China's Taiwan and the Taiwan Straits cannot in the least alter the sovereignty of the People's Republic of China over Taiwan, that all the armed forces of the United States definitely should be withdrawn from Taiwan and the Taiwan Straits and that we are firmly opposed to any design to separate Taiwan from the motherland. The Chinese people are determined to liberate Taiwan and no force on earth can stop us from doing so.

Mr. President and fellow representatives, the Chinese people who suffered for a long time from imperialist aggression and oppression have consistently opposed the imperialist policies of aggression and war and supported all the oppressed peoples and nations in their just struggles to win freedom and liberation, oppose foreign interference and become masters of their own destiny. This position of the Chinese Government and people is in the fundamental interests of the peoples of the world and is also in accord with the spirit of the United Nations Charter.

The United States Government's armed aggression against Vietnam, Cambodia and Laos and its encroachment upon the territorial integrity and sovereignty of these three countries have aggravated tension in the Far East, and met with strong opposition of the people of the world, including the American people.

The Chinese Government and people firmly support the peoples of the three countries of Indochina in their war against U.S. aggression and for national salvation and firmly support the Joint Declaration of the Summit Conference of the Indochinese Peoples and the seven-point peace proposal put forward by the provisional revolutionary government of the Republic of South Vietnam. The U.S. Government should withdraw immediately and unconditionally all its armed forces and the armed forces of its followers from the three countries of Indochina so that the peoples of the three countries may solve their own problems independently and free from foreign interference; this is the key to the relaxation of tension in the Far East.

To date, Korea still remains divided. The Chinese people's volunteers have long since withdrawn from Korea but up to now the U.S. troops still remain in South Korea. The peaceful unification of their fatherland is the common aspiration of the entire Korean people. The Chinese Government and people firmly support the eight-point program for the peaceful unification of the fatherland put forward by the Democratic People's Republic of Korea in April this year and firmly support its just demand that all the illegal resolutions adopted by the United Nations on the Korean question be annulled and the "United Nations Commission for the Unification and Rehabilitation of Korea" be dissolved.

The essence of the Middle East question is aggression against the Palestinian and other Arab peoples by Israeli Zionism with the support and connivance of the superpowers. The Chinese Government and people resolutely support the Palestinian and other Arab peoples in their just struggle against agression and believe that, persevering in struggle and upholding unity, the heroic Palestinian and other Arab peoples will surely be able to recover the lost territories of the Arab countries and restore to the Palestinian people their national rights.

The Chinese Government maintains that all countries and peoples that love peace and uphold justice have the obligation to support the struggle of the Palestinian and other Arab peoples, and no one has the right to engage in political deals behind their backs, bartering away their right to existence and their national interest.

The continued existence of colonialism in all its manifestations is a provocation against the peoples of the world. The Chinese Government and people resolutely support the people of Mozambique, Angola, and Guinea (Bissau) in their struggle for national liberation, and resolutely support the people of Azania, Zimbabwe and Namibia in their struggle against the white colonialist rule and racial discrimination. Their struggle is a just one, and a just cause will surely triumph.

The independence of a country is incomplete without economic independence. The economic backwardness of the Asian, African and Latin-American countries is the result of imperialist plunder. Opposition to economic plunder and protection of national resources are the inalienable sovereign rights of an independent state.

CHINA BACKWARD, BUT DEVELOPING

China is still an economically backward country as well as a developing country. Like the overwhelming majority of the Asian, African and Latin-American countries, China belongs to the Third World. The Chinese Government and people resolutely support the struggles initiated by Latin-American countries and peoples to defend their rights over 200-nautical-mile territorial sea and to protect the resources of their respective countries.

The Chinese Government and people resolutely support the struggles unfolded by

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the petroleum-exporting countries in Asia, Africa and Latin America as well as various regional and specialized organizations to protect their national rights and interests and oppose economic plunder.

We have consistently maintained that all countries, big or small, should be equal and that the five principles should be taken as the principles guiding the relations between countries. The people of each country have the right to choose the social system of their own country according to their own will and to protect the independence, sovereignty and territorial integrity of their own country. No country has the right to subject another country to its aggression, subversion, control, interference or bullying. We are opposed to the imperialist and colonialist theory that big nations are superior to the small nations and small nations are subordinate to the big nations. We are opposed to the power-politics hegemony or big nations bullying small ones or strong nations bullying weak ones. We hold that the affairs of a given country must be handled by its own people, that the affairs of the world must be handled by all the countries of the world, and that the affairs of the United Nations must be handled jointly by all its member states, and the superpowers should not be allowed to manipulate and monopolize them.

The one or two superpowers are stepping up their arms expansion and war preparations and vigorously developing nuclear weapons, thus seriously threatening international peace. It is understandable that the people of the world long for disarmament and particularly for nuclear disarmament. Their demand for the dissolution of military blocs, withdrawal of foreign troops and dismantling of foreign military bases is a just one. However, the superpowers, while talking about disarmament every day, are actually engaged in arms expansion daily.

The so-called nuclear disarmament which they are supposed to seek is entirely for the purpose of monopolizing nuclear weapons in order to carry out nuclear threats and blackmail. China will never participate in the so-called nuclear disarmament talks between the nuclear powers behind the backs of the non-nuclear countries. China's nuclear weapons are still in the experimental stage. China develops nuclear weapons solely for the purpose of defense and for breaking the nuclear monopoly and ultimately eliminating nuclear weapons and nuclear war. The Chinese Government has consistently stood for the complete prohibition and thorough destruction of nuclear weapons and proposed to convene a summit conference of all countries of the world to discuss this question and, as the first step, to reach an agreement on the non-use of nuclear weapons.

PLEDGE ON NUCLEAR WEAPONS RESTATED

The Chinese Government has on many occasions declared, and now on behalf of the Chinese Government, I once again solemly declare that at no time and under no circumstances will China be the first to use nuclear weapons. If the United States and the Soviet Union really and truly want disarmament, they should commit themselves not to be the first to use nuclear weapons. This is not something difficult to do. Whether this is done or not will be a severe test as to whether they have the genuine desire for disarmament.

We have always held that the just struggles of the people of all countries support each other. China has always had the sympathy and support of the people of various countries in her socialist revolution and socialist construction. It is our bounden duty to support the just struggles of the people of various countries. For this purpose, we have provided aid to some friendly countries to help them to develop their national economies independently.

In providing aid, we always strictly respect the sovereignty of the recipient countries, and never attach any conditions or ask for any privileges. We provide free military aid to countries and peoples who are fighting against aggression. We will never become munition merchants. We firmly oppose certain countries trying to control and plunder the recipient countries by means of "aid."

AID TERMED VERY LIMITED

However, as China's economy is still comparatively backward, the material aid we have provided is very limited, and what we provide is mainly political and moral support. With a population of 700 million, China ought to make a greater contribution to human progress and we hope that this situation of our ability falling short of this wish of ours will be gradually changed.

Mr. President and fellow representatives, in accordance with the purposes of the United Nations Charter, the United Nations should play its due role in maintaining international peace, opposing aggression and interference and developing friendly relations and cooperation among nations. However, for a long period the one or two superpowers have utilized the United Nations and have done many things in contravention of the United Nations Charter against the will of the people of various countries. This situation should not continue.

We hope that the spirit of the United Nations Charter will be really and truly followed out. We will stand together with all the countries and peoples that love peace and uphold justice and work together with them for the defense of the national independence and state sovereignty of various countries and for the cause of safeguarding international peace and promoting human progress.

DAIRY IMPORTS

HON. JAMES ABOUREZK

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. ABOUREZK. Mr. Speaker, whether one accepts the concept of import quotas or not, the fact remains that where such quotas exist, every effort should be made to plug up all possible loopholes. Since 1966, there has been a tremendous increase in dairy imports because importers have found ways of legally evading the various quotas which apply on many dairy import items. The Tariff Commission would hold hearings and presidential action would seek to close the loophole. But each time the importers would find some new means of evasion.

For example, in January 1969 a number of cheeses were placed under quota, but it was decided that any cheese in categories which cost more than 47 cents would be exempt. The idea was that these primarily represented specialty cheeses, which are not normally manufactured in the United States. But this had proven to be another loophole. By 1970 cheeses in this category accounted for 25 percent of all dairy imports and in recent months have been increasing in some instances by as much as 115 percent.

As a result of this, the President did ask the Tariff Commission to make recommendations on the problem. Hearings were held and on July 28 the Tariff Commission recommended to the President that the 47-cent price break be abolished and that a quota be established for various types of cheeses regardless of prices. Although this recommendation was made over 8 months ago, there has been no further action. In fact, importers have been expanding their imports on the assumption that when and if import quotas are imposed, they will be based on past import figures. Clearly, if imports are large, quotas will be large.

I would commend the President for asking the Tariff Commission to hold hearings and the Commission for doing so promptly. However, now that the recommendations have been made, I see no reason for the delay in implementing them.

CHILD DEVELOPMENT

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. ARCHER. Mr. Speaker, I have been pleased recently to see among my colleagues a growing awareness of the hidden dangers within the OEO extension bill presently in House-Senate conference. I suspect many of my colleagues are still suffering under the delusions fostered by the schemers and supporters of this idea, namely, that it is a Federal day-care plan. Let me remind you that day care was provided for in H.R. 1. "Child development," on the contrary, is far, far more. In a recent article Stanton Evans, the editor of the Indianapolis News described it this way:

Child development is conceived as embracing just about everything that has to do with the physical, mental, and emotional well-being of the child. Its benefits, moreover, are not to be limited to the welfare population or the working poor; they are explicitly intended to reach into every echelon of society, envisioning all American children as potential wards of government.

The very idea of the Federal Government telling parents how to raise their children is repugnant to me—and, I am confident, to American parents. Not only is it unnecessary; it is wrong. Government has no right to interfere with the natural workings of the family unit. Something is gravely amiss in our national priorities when the National Government worries more about rearing the children of decent families than about such natural and proper concerns of the Nation as national security and economic stability.

This "child development" is a multi-billion-dollar proposal—probably $10 billion in 2 years. How can we, gentlemen, even think of spending such immense sums for something not really necessary and probably a waste of the investment, or possibly even counterproductive of the investment, in that we may produce a generation of insecure and unloving Americans.

Mr. Stanton Evans' article deals more eloquently than I with the problems inherent in this legislation. I include his article from National Review Bulletin, in the RECORD at this point:

AT HOME

Bit by bit the other advocates of "social engineering" in Washington are building the machinery required to convert America into a totalitarian society.

These are strong words but they are used with some deliberation. It has become apparent in recent months that certain theoreticians in the academic and political communities are out to achieve the most crucial goal of every totalitarian regime—to supplant the authority of the family with the power of the state, and to place the upbringing of children under the control of self-styled bureaucratic experts.

While it would be a wild exaggeration to say we are approaching the excesses practiced in Nazi Germany or the Communist nations, it is no exaggeration to say we are headed in the same direction. Running controversies over busing of schoolchildren, sex education and certain aspects of the population-control campaign reveal the pattern clearly. Plainer still is the recent drive for "child development" legislation which, carried to its logical conclusion, would intrude the power of the state into the most intimate concerns of family life. The "child development" label, in fact, is a misnomer; what we are dealing with might more aptly be described as "child control."

Bills have passed in both House and Senate which would increase and systematize federal intervention in the matter of raising children through a number of devices including "child development" programs and councils, and massive resort to day-care centers. In this pursuit, child development is conceived as embracing just about everything that has to do with the physical, mental and emotional well-being of the child. Its benefits, moreover, are not to be limited to the welfare population or the working poor; they are explicitly intended to reach into every echelon of society, envisioning all American children as potential wards of government.

Just how thorough this intervention is meant to be is suggested by the Senate committee report on the bill which says it would authorize the Federal Government "to involve itself in comprehensive physical and mental health, social and cognitive developmental services (including family consultation), specially designed programs (including after-school, summer, weekend and overnight programs); identification and treatment of physical, mental and emotional problems . . . ; prenatal services to reduce malnutrition, infant and maternal mortality, and the incidence of mental retardation; . . . training in the fundamentals of child development for family members and prospective parents; use of child advocates to assist children and parents in securing full access to other services; and other activities."

To this end the Federal Government will solicit customers for day-care centers to watch over children, foster a network of child-development councils, local policy councils, a national center for child development, and a child-development research council. The Senate bill contained a further provision—frowned on in conference committee—for a system of "child advocacy" in which freelance trouble-shooters set up in local communities would be empowered to inquire into and take "appropriate" action concerning alleged problems of children. Just what "appropriate" action might consist of is a matter of interpretation.

The fundamental child development idea is that parents left to their own devices are incapable of raising children properly and that government must step in and supply the necessary expertise. Child developer Jacob Javits put the matter succinctly when he stated in the Senate: "We have recognized that the child is a care of the state. State law recognizes it. Federal law has recognized it in many affirmative programs. This is but the summation, the articulation, in a sophisticated way, of programs to deal with the care of children insofar as society is interested in a sound, healthy, educated and well-cared-for child."

In keeping with this view, the Senate bill itself says it is "essential that . . . such programs be undertaken as a partnership of parents, community and state and local government with appropriate assistance from the Federal Government." Just how all these levels of government got themselves dealt in as "partners" with parents in the matter of forming the emotional and psychological life of the child is not made clear. That it is and should be so is the starting assumption of people like Javits, who wants government "to see to the adequate development of the child, whatever may be his economic status, if that development is deficient."

Child-development types are particularly strong on getting hold of the child at as early an age as possible, the better to mold his psyche. One chilling quote to this effect appeared some months ago in a journal of the National Education Association, stating in a forecast for the Seventies that "as non-school preschool programs begin to operate, educators will assume formal responsibility for children when they reach the age of two. . . ." Again, the same general theme that has popped up in the controversy over busing.

The outlook for the family in all this is suggested by Dr. Urie Bronfenbrenner, a child developer and admirer of the kibbutzim in Israel, who states that "communal forms of upbringing have an unquestionable superiority over all others." He surmises that when the benefits of communal procedure are fully realized, the family "will dissolve within the context of the future social commune." So turn your calendars forward, everybody—1984 may be nearer than you think.

LANGUAGE OF HOUSE RESOLUTION 630

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. JACOBS. Mr. Speaker, I was wondering if, at this late date, any Member of Congress or any member of the executive branch would care to say he or she is willing, from this day forward, to give his or her life, limb, sanity or freedom—POW even for another day—further to prop up the Saigon dictatorship.

Other Americans are being ordered to do so today.

Following is the language of House Resolution 630, which I introduced on September 30, 1971:

Whereas the President of the United States on March 4, 1971, stated that his policy is that: "as long as there are American POW's in North Vietnam we will have to maintain a residual force in South Vietnam. That is the least we can negotiate for."

Whereas Madame Nguyen Thi Binh, chief delegate of the Provisional Revolutionary Government of the Republic of South Vietnam stated on July 1, 1971, that the policy of her government is: "If the United States Government sets a terminal date for the withdrawal from South Vietnam in 1971 as the totality of United States forces and those of the other foreign countries in the United States camp, the parties will at the same time agree on the modalities:

"A. Of the withdrawal in safety from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp;

"B. Of the release of the totality of military men of all parties and the civilians captured in the war (including American pilots captured in North Vietnam), so that they may all rapidly return to their homes.

"These two operations will begin on the same date and will end on the same date.

"A cease-fire will be observed between the South Vietnam People's Liberation Armed Forces and the Armed Forces of the other foreign countries in the United States camp, as soon as the parties reach agreement on the withdrawal from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp."

Resolved, That the United States shall forthwith propose at the Paris peace talks that in return for the return of all American prisoners held in Indochina, the United States shall withdraw all its Armed Forces from South Vietnam within sixty days following the signing of the agreement: *Provided*, That the agreement shall contain guarantee by the Democratic Republic of Vietnam and the Provisional Revolutionary Government of the Republic of South Vietnam of safe conduct out of Vietnam for all American prisoners and all American Armed Forces simultaneously.

CONGRESSWOMAN BELLA S. ABZUG TESTIFIES ON TREATMENT OF JEWS IN THE SOVIET UNION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mrs. ABZUG. Mr. Speaker, the Subcommittee on Europe of the House Committee on Foreign Affairs has been holding hearings on the treatment of Jews in the Soviet Union. The obstacles placed in the way of Soviet Jews who desire to retain their Jewish identity are many, and the pressure of American public opinion can do much to ease the situation.

The subcommittee was kind enough to invite me to express my views on the subject; in an effort to inform all of my colleagues about the situation in the Soviet Union, I include the text of my statement in the RECORD at the conclusion of my remarks.

The text follows:

STATEMENT TO SUBCOMMITTEE ON EUROPE ON TREATMENT OF JEWS IN THE SOVIET UNION

My testimony before this subcommittee of the House Foreign Affairs Committee is a natural consequence of a lifetime of involvement in the fight for human rights for all people. As a Congresswoman representing a district which in its diversity is a microcosm of New York, I am daily called upon to defend the human rights of a multi-ethnic constituency. As the only Jewish Congresswoman in the House, I am particularly sensitive to the serious problems facing the third largest Jewish community in the world—the three million Jews in the Soviet Union.

For Jews who have chosen to assimilate, there have been relatively few problems of employment and educational opportunities. But for Jews who seek to identify and live as Jews, with unrestrained access to Jewish-language and Hebrew-language cultural, religious and educational institutions, insurmountable obstacles have been placed in their way.

In the first three decades of the Soviet regime, the State supported a wide network of cultural and educational institutions and activities for Jews in Yiddish. Today, these institutions have, for the most part, been

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dismantled. Only occasionally are Yiddish books published; a Yiddish literary magazine, Sovietish Heimland, appears monthly, and much of its edition of 16,000 is for export.

Soviet legal prohibitions on discrimination against religious, national and social groups are being flouted. The courageous assertion of Jewish consciousness by Soviet Jews continues to represent a remarkable phenomenon and is evidenced by the tens of thousands of young Jews who gather to sign and dance outside of the synagogues in various cities on Simchat Toral and other festivals.

Although ideologically the Soviet government is committed to atheism, formally it allows for freedom of religious worship. However, unlike other recognized religious bodies, Judaism is not permitted any central or coordinating structure, and publication of prayer books and Bibles is limited.

Jews who have sought to leave for Israel or to rejoin broken or scattered families elsewhere have encountered difficulty, harassment and imprisonment. It should be noted, however, that the Soviet Union has shown increasing evidence of its sensitivity to world opinion by easing some emigration restrictions.

During my visit to Israel recently, I was informed by government officials at an Absorption Center which provides temporary homes and training facilities for immigrants, that the number of Soviet Jews migrating to Israel has been stepped up to 1,000 per month. The expectation was that 12,000 a year would be coming from the Soviet Union, about 10,000 from the United States, with most of the others coming from Canada and Latin America.

Despite the apparent relaxation of immigration barriers by the Soviet government, many more Jews are waiting to be granted exit visas. Some are in prison or labor camps. A particularly tragic case is that of Silva Zalmanson, a young Jewish woman serving a 10-year sentence in a labor camp for allegedly participating in a plot to hijack a Russian plane. Mrs. Zalmanson is reportedly seriously ill with tuberculosis.

I have called on the Soviet government to show compassion in this case by immediately releasing this young woman and allowing her to emigrate to Israel, as appears to be her wish.

There remain, of course, millions of Soviet Jews who for many reasons will choose to stay in the Soviet Union. I feel a keen sense of responsibility to them as well. I therefore join my colleagues in urging the government of the USSR to permit its Jewish citizens the right to live as Jews and to preserve their cultural and religious heritages, or to leave for Israel or for any other country to which they wish to emigrate.

I welcome the announcement by Attorney General Mitchell several weeks ago that he intends to use his parole authority to admit as many Jews from the Soviet Union as are able to obtain exit visas and who wish to come here.

I would also like to direct the attention of this body to the very serious plight of thousands of Jews in Syria who face constant harassment and imprisonment just for being Jews. Twelve Jews were recently arrested for attempting to flee the country. Reports from Jews who have managed to escape to Israel have contained gruesome tales of torture, midnight raids upon Jewish homes, and the virtual house arrest of the Syrian Jewish population. I would hope that our government would speak out in their behalf and help them to seek refuge elsewhere.

My concern for the rights of Jews everywhere, in the Soviet Union, in Syria, in the United States, wherever they may live, requires me to condemn the terroristic acts of the Jewish Defense League, which is neither Jewish in its ethics nor anything but provocative in its actions. The JDL's demagogic misleader proves daily that he is less concerned with the plight of Soviet Jewry than he is with his oft stated attempt to rupture the detente that exists between our country and the USSR. His encouragement of terroristic and violent Acts has been a disservice both to the Jews in the Soviet Union and to the peace of the world. I am heartened by the fact that his group has been repudiated by every important leader and organization in the Jewish community, as well as by Premier Golda Meir and Ambassador Abba Eban of the State of Israel.

In conclusion, I join with the millions of people dedicated to human rights who are urging that Soviet Jews be granted all of the rights of full Soviet citizenship and be permitted the right to live as Jews or to emigrate.

THE URGENT NEED FOR CAMPAIGN SPENDING REFORM

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. PATTEN. Mr. Speaker, I was not surprised to discover that 91 percent of constituents who responded to my latest legislative questionnaire believe that an urgent need exists for campaign spending reform. No other question received such a high and overwhelming response.

Their deep concern is justified because most Americans are alarmed over the dangerous trend of having money—and not merit—determine who is to be elected to public office.

In the 1970 campaign, for example, out of the 15 major candidates running for the U.S. Senate in the seven largest States, 11 were millionaires. And according to recent estimates, spending in the 1968 campaign was 50 percent higher than in 1964—and 100 percent greater than in 1956.

Mr. Speaker, this trend toward "buying" public office must be reversed, for it not only discourages outstanding and meritorious candidates from running for public office, but also thwarts democracy itself.

That is why I cosponsored a bill on April 7, 1971, that would promote fair practices in the conduct of election campaigns for Federal elective offices.

Title 1 would amend the Communications Act of 1934 and limit campaign expenditures.

Title 2 contains amendments to the criminal code and calls for disclosure of Federal campaign funds.

And title 3 would provide tax incentives for contributions to candidates for Federal offices.

It is obvious to any realist that the Corrupt Practices Act of 1925 is not an effective or respected law and that it should be replaced with legislation that provides the reform so desperately needed in campaign spending and several other important areas.

Mr. Speaker, I strongly urge my colleagues to vote for a bill that will give candidates for public office the protection they deserve from those who believe that wealth alone qualifies them for public office. But even more important, I believe that Congress should pass legislation that will encourage not the wealthiest candidates to run for public office, but the best—in ability, in integrity, in leadership, in achievement, and in dedication.

I hope that we remember what Senator EDWARD M. KENNEDY said when he introduced the Campaign Financing and Lobbying Reform Act of 1971. A strong and consistent supporter of reform, Senator KENNEDY said:

> In an era where calls for reform are heard on many fronts, the call for reform of our election lawa has gone strangely unheard. To me, however, this is where reform ought to begin, because if we cannot keep our democracy running and responsive, no amount of reform in any other area can succeed.

And I also hope that Congress remembers what today's New York Times editorial pointed out with such reason and truth:

> The integrity and responsiveness of democratic self-government are in doubt when money barricades the path to public office.

Mr. Speaker, we have the wisdom to know what is right. The question is: Do we have the courage to do what is right? I hope that we do, for more than Congress is being carefully watched this week by the American people—and perhaps the world. History will also be watching—and recording—our votes. And the conscience of every Member of Congress will be peaceful or troubled, depending on whether they vote for what is right, or for what is expedient.

I have great faith in the Congress and in the American people. I believe that Congress will do what is right and pass a strong, fair and necessary bill that will provide real campaign spending reform.

AEC CHAIRMAN JAMES R. SCHLESINGER DECLARES CANNIKIN NUCLEAR UNDERGROUND TEST SUCCESSFUL WITH NO EARTHQUAKES OR TIDAL WAVES RESULTING AND RADIATION CONTAINED

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. EVINS of Tennessee. Mr. Speaker, Chairman James R. Schlesinger of the Atomic Energy Commission recently gave a detailed report to the members of the Public Works Appropriations Subcommittee, of which I am honored to serve as chairman, concerning the Cannikin nuclear test under Amchitka Island in the Aleutians.

Chairman Schlesinger testified that the test was completely successful as anticipated, with full safeguards and safety insured. The 5-megaton explosion caused no tidal waves or earthquakes, as some alarmists had feared. Any radiation from the explosion was completely contained.

The Spartan missile warhead was proven as an effective instrument of national defense in the antiballistic missile system.

The AEC Chairman testified further that there was little—only minimal—damage to the environment and suggested that fish in the area were not contaminated and thus safe for human consumption.

The hearing was extensive and covered all aspects of the nuclear test, and I am pleased to report that this report is most helpful and illuminating, assuring safety and security.

In this connection I place in the RECORD herewith my opening statement and excerpts from Chairman Schlesinger's testimony.

These statements follow:

OPENING STATEMENT BY REPRESENTATIVE JOE L. EVINS

We have called this special hearing for a special purpose.

As we open these hearings, we want to welcome the Chairman of the Atomic Energy Commission—Chairman James R. Schlesinger—the newly appointed Chairman of the AEC. We have asked Chairman Schlesinger to give us a report on the results and his analysis of the recent Cannikin nuclear explosion test under Amchitka Island in the Aleutians.

This 5-megaton explosion was 250 times more powerful than the Hiroshima explosion and did possibly involve some scientific and political risks.

Funds for the Cannikin test were appropriated by this Committee and thousands of concerned citizens have written letters and sent telegrams to this Committee, to the Congress, the White House, and the Atomic Energy Commission expressing apprehension over the test.

Further, Japan and Canada filed official protests against the test and the United States Supreme Court, by a vote of four to three, decided against postponement of the test.

While this Committee supported the fund request by the AEC and Department of Defense, a number of advisers had some qualms about this experiment—important though it is to our national defense.

This test involved the detonation of a warhead of the Spartan missile which is the primary weapon of the Anti-Ballistic Missile System of the United States.

Unfortunately, such tests seem necessary, in the view of many nuclear and defense scientists, as long as the nuclear arms race continues.

As we climb up the ladder of nuclear escalation, it seems that each rung must be tested.

Certainly it is the hope of many that it will not be necessary to step further up the high explosion test ladder.

We recognize that our Nation must defend itself against attack and must maintain its technological and defensive strength and superiority.

The only alternative would be an enforceable agreement between the United States and the Soviet Union limiting the production and deployment of nuclear weapons—and let's hope such an agreement can be achieved.

Mr. Chairman, we are aware of your public statements that this test was successful.

We understand there were no tidal waves or earthquakes of any appreciable proportion as a result of the Cannikin test.

The Committee will be interested in your further report and more detailed analysis of data and results of the test.

We will appreciate your statement on your conclusions following the test and your providing this Committee with a report first on this most recent test will be appreciated.

After this, the Members of the Committee may have further questions concerning other aspects of the Commission's programs—particularly with respect to the Calvert Cliffs Decision—and what actions are being taken by the Commission to implement this decision.

STATEMENT BY DR. JAMES R. SCHLESINGER, CHAIRMAN, U.S. ATOMIC ENERGY COMMISSION

Mr. Chairman, I am pleased to have this opportunity today to report to the Committee on three activities of the Atomic Energy Commission which recently have attracted considerable Congressional and public interest.

These areas are: the proof test of the Spartan warhead for our Anti-Ballistic Missile system which took place November 6 on Amchitka Island; the implementation of the Federal Court decision in the Calvert Cliffs case; and the work we are doing to carry out President Nixon's policy of commercial demonstration of a fast breeder reactor by 1980 to help meet the nation's needs for clean energy.

First, let me discuss the Cannikin test on Amchitka.

As you know, before that test was conducted there were a number of melodramatic statements concerning the possibility of Cannikin triggering a major earthquake, causing a tidal wave, or otherwise resulting in substantial environmental damage. Based on our extensive experience and our calculations, we were confident there would be no such disastrous consequences. I was present on Amchitka with my wife and two of my daughters when the Cannikin device was fired. Congressman and Mrs. Craig Hosmer also were there as was Congressman Orval Hansen.

I can report with pride that the Cannikin test appears to have been successful based on a quick look at the diagnostics, and we should now be able to introduce the Spartan warhead into the weapons inventory within the appropriate deployment schedule. From the environmental standpoint, damage was minimal. There were no large earthquakes, no tidal waves, no releases of radiation. To date there are no indications of any significant environmental impact beyond the area of the immediate test site, and none was anticipated.

As a matter of interest, it is possible that the nation may have received an unexpected benefit from the Cannikin test. Dr. E. R. Engdahl, a research physicist at the Palmer Seismological Observatory in Alaska, has stated the test may have provided information which will be useful in preventing spontaneous earthquakes. Dr. Engdahl has suggested that explosions such as Cannikin could be used to relieve stresses in the earth's crust, thus minimizing the chances of a buildup which would result in an earthquake. The matters merits further study by experts in seismology, both within the Commission and outside.

SENATOR BYRD AND FAP

HON. W. C. (DAN) DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. DANIEL of Virginia. Mr. Speaker, on November 1, Senator HARRY FLOOD BYRD, who like myself is privileged to call himself a Virginian, addressed the Senate briefly on the subject of welfare reform or, as he so properly labeled it, "welfare expansion." Senator BYRD possesses the happy faculty of being able to reduce his comments to readily understood basic English; in this statement he has once more done this.

The rockbottom soundness of his thinking was not lost on the editor of the Richmond News Leader, who commented on Senator BYRD's statement Friday, November 5. I respectfully insert the editorial in the RECORD, so that my colleagues may be aware of this reaction to the Senator's forthright statement.

The editorial follows:

[From the Richmond (Va.) News Leader, Nov. 5, 1971]

SENATOR BYRD AND FAP

Virginia Senator Harry F. Byrd, Jr., is to be commended for taking a strong stand against the Nixon Administration's Family Assistance Plan.

In an eloquent speech on the Senate floor, Senator Byrd explained his opposition to FAP in terms that should impress even the most avid supporters of the plan. First, the Senator said, FAP lacks adequate work incentives. It would establish the precedent of a guaranteed annual income. It would cost $5 billion more a year in Federal funds than the present welfare system. The number of persons on welfare would increase from 14 million to 26 million. And last, the Department of Health, Education, and Welfare would have to hire 80,000 new employees to administer the program.

These are telling points against FAP, which parades as a welfare reform program. It does not reform, as Senator Byrd pointed out; it merely expands, continuing the trend of recent years. In fiscal 1962, the Federal government spent $2.7 billion on welfare; in the current fiscal year, it will spend around $14.2 billion. Under FAP, these costs would increase by some $5 billion, according to HEW estimates; quite likely the actual increase would be far in excess of $5 billion.

Beyond the matter of increased costs, which the Federal government certainly cannot afford, a number of other questions occur. Is the nation really willing to adopt a guaranteed income plan, even at the rate of $2,400 a year for a family of four? The record of the Social Security program suggests that in time the minimum would exceed reason, as Congress bowed to political pressures to provide more, ever more. By making the poor eligible for welfare benefits, FAP also would thrust dependency upon millions of Americans who have chosen to earn their own way.

The results of several studies suggest that the work incentives supposedly incorporated into FAP are not effective at all. FAP is no "workfare" plan, as the Administration suggests; it would encourage indolence and reward dependency. It would increase the vast bureaucracy of HEW, which already has too great a grip on the American public. It would commit the nation firmly to the concept of the welfare state, providing cradle-to-the-grave security. Even now, some sociologists say that the public has an obligation to support anyone whether he chooses to work or not, giving a hint as how FAP, if approved, would expand in the future.

Everyone agrees that the current welfare program is a mess and badly needs revision. Its slipshod administration cries out for thorough overhaul. But as Senator Byrd says, any program that would double the number of recipients and increase the costs by one-third or more hardly constitutes reform. The President has asked Congress, as a part of his economic policies, to delay the effective date of FAP until July 1, 1973, although some members of Congress hope to tack it on to an unrelated measure and make it effective sooner. Because of its many faults, FAP should not be postponed merely until the beginning of fiscal year 1974, but forever.

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FEDERAL ELECTION REFORM

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. McKINNEY. Mr. Speaker, this week Congress will grapple with the reform of our Federal election laws. Traditionally the House floor has been the burial grounds for effective, enforceable election legislation. As a result, we are now reaping the benefits of 46 years of legislative loopholes and inconsistencies.

Let me for a moment run through some of the more salient points I have uncovered.

Ever since the Corrupt Practices Act was adopted in 1925, no—and I repeat—no candidate has ever been prosecuted for a violation. Now I do not wish to needlessly impugn the integrity of my fellows, but what kind of a hard hitting law do we have that in the last 46 years has not found one case of malfeasance.

Another fact you might find of interest. In the Nation's seven largest States in 1970, 11 of the 15 major candidates were millionaires. Now if this indicates a trend, I would just say that while I certainly applaud any man who can make a million dollars, I do not recall the Constitution recommending or mandating individual fiscal acumen as a prerequisite for holding Federal office. As a matter of fact, as a lad in school I was taught almost the opposite—that our Constitution was written to protect the people from the abuses of power and wealth that were so common in the aristocracies and monarchies of Europe.

Of all the measures so far introduced, I find the Senate measure the most effective legislative tool so far presented. The measure which passed the Senate, 882, consisted of the following points:

First, repeals section 315 equal time;

Second, limits charges for radio and television time to "lowest unit cost" in periods before primary and general elections;

Third, limits spending by Federal candidates to 5 cents times the number of eligible voters—population over 18—for broadcasting, and 5 cents for newspapers, magazines and billboards;

Fourth, requires detailed periodic reports by all candidates, individuals, and committees in all campaigns for Federal office. This would extend requirements for filing reports to all primary elections, the presidential nominating process and State and District of Columbia committees not now covered; and

Fifth, creates an independent Federal Elections Commission.

However, I believe two modifications which will be offered on the floor would strengthen the measure.

The repeal of section 315 has drawn criticism from some as leaving candidates at the mercy of biased local broadcasters. Recognizing such a possibility and being cognizant of the fact that an effective alternative is not feasible for floor debate at this late date, I support efforts to defer the repeal of section 315 and mandate the Federal Communications Commission to study the issues involved and propose new stautory safeguards before January 1, 1973.

I further support the establishment of a Registry of Election Finance in the General Accounting Office. The registry would have the same duties and powers as the Independent Election Commission proposed in the Senate bill but would be governed by a seven-member board, two of whom would be appointed by the Speaker of the House, two by the President pro tempore of the Senate, two by the President and the Comptroller General.

The restoration of public confidence in the integrity of our electoral process is the question before Congress. If we are to encourage integrity and responsiveness in Government, then passage of S. 382 is of paramount importance.

THE DETRACTORS

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. HUNGATE. Mr. Speaker, the chairman of the board of editors of Trial Magazine recently wrote an editorial that should be of interest to all lawyers and legislators.

The editorial follows:

THE DETRACTORS

(By Alfred S. Julien, Chairman, Board of Editors)

Who speaks for the bar?

Who defends the judiciary and the American court system?

Is it the Chief Judge of the Supreme Court of the United States when he says: "All too often overzealous advocates seem to think the zeal and effectiveness of a lawyer depends on how thoroughly he can disrupt proceedings?"

The words "all too often" make this an overblown complaint lacking validity. A preliminary study sponsored by the Association of the Bar of The City of New York, funded by the Ford Foundation, after querying 1600 judges, reports in-court misbehavior by lawyers as insignificant. A working trial judge, William O. Mehrtens, U.S. District Judge in Miami says: "I have really had no problem at all. I know of none that the other judges have had."

A ready forum for criticisms are programs of the American Bar Association. For example, Attorney General Mitchell also used the American Bar Association proceedings in London to deprecate the American system when he said: "The hydra of excess proceduralisms, archaic formalisms, pretrial motions, post-trial motions, appeals, postponements, continuances, (and) collateral attack can have the effect of dragging justice to death and stealing the very life out of the law."

For Mr. Mitchell's information, and hopefully for his English audience: *Justice is alive and well and living in the United States.*

Can the champion of the bar be Senator Percy? During a July Senate Permanent Investigating Subcommittee hearing, he put this barbed question to an unidentified witness: "Would you agree with street talk that Judge S. is the best judge money can buy?"

The reply, which was permitted to go unchallenged, was: "I would agree with you 100%. But there is no judge in New York I couldn't reach."

These well-placed judges and politicians really are not our spokesmen, they are the *detractors.*

The bar and the judiciary have often been fair game for unfair critics. But now the leading gamesters are to be found in our midst.

Meanwhile, we do not lack for critics outside our ranks. In a recent book entitled *Search for Justice,* four newsmen say: "American Justice works accidentally if at all."

These pundits base their generalization on three cases: (1) Clay Shaw in Louisiana; (2) J. Earl Ray, the convicted slayer of Dr. Martin Luther King and (3) Sirhan Sirhan, who killed Senator Robert Kennedy.

It is probably coincidental that in all three cases these writers concede American justice accomplished a proper result.

Where then are our defenders? Why should our critics go unchallenged?

There must be some bar association official who knows that thousands of cases are tried daily and that since the communist trials, before Judge Harold Medina in 1949, only the Chicago trials before Judge Hoffman in 1969 and the recent Black Panther acquittals before Justice Murtagh in New York this year raised any issue regarding proper advocate behavior.

The questions arising in these rare cases, one of which remains to be determined on appeal, do not typify the day-in and day-out behavior of our trial bar. Sometimes judicial abrasiveness incites the behavior, the propriety of which is in question.

This year it appears to be the "in" thing to applaud the English system while derogating our own.

Our system is infinitely superior.

We cherish the jury; England considers it a luxury, unnecessary to its civil causes and, according to one of its authorities, shortly to be considered a matter for elimination in criminal cases involving, "complicated financial and commercial transactions." (Paper delivered by Sir Frederick Lawton, Judge of Her Majesty's Supreme Court of Judicature, at the meeting of the American Bar Association, 1971.)

England, a nation of many mistakes, has forgotten her own William Blackstone, who said: ". . . trial by jury ever has been, and I trust ever will be, looked upon as the glory of the English law. And, if it has so great an advantage over others in regulating civil property, how much must that advantage be heightened, when it is applied to criminal cases."

Civil rights are the backbone of our system. But England permits the imprisonment of suspected persons, such as the Irish rebels, indeterminately without hearing or trial.

Sir Lawton also said: "Justices are the Queen's delegates to perform her constitutional duty of maintaining law and order." Are they really saying things like that in 1971? Not even a wig can cloak the impoverishment of an idea of allegiance to the Crown rather than to the people.

Judge Lawton also stated: "We have the advantage over you of a smaller body of case law and statute law. As a Judge, I can go weeks on end without having cited to me a single case. The principles of our criminal law are now firmly established."

Everything fixed, easily ascertainable, and categorized! How different from our common law, which occasionally changes because it must never be rigid but constantly attuned to progress.

For a Senate Committee to provide house room to vilify our judiciary—as one which can easily be bought—brings monstrous injury to our system. This ugly smear damages our entire judiciary. It has to hurt every judge where he lives.

In 37 years of practice before hundreds of judges, I have met some judges who had leanings. But all men have preferences and none is perfect. I have never known a truly corrupt judge. The judiciary of this country has an extraordinary record behind it.

Trial's columns will be open to the defense of the bar and the judiciary against all critics, without and within. And, whatever malaise exists in our profession will likewise be reported.

The lawyer and the judge—and most importantly, the public—are entitled to nothing less.

GOLDEN HORSESHOE HONORED

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. WHITEHURST. Mr. Speaker, the activities of a patriotic American organization have been brought to my attention, and I want to share the group's accomplishments and goals with my colleagues.

The organization is the Golden Horseshoe, founded on the 234th anniversary of George Washington's birthday, February 22, 1966. It is devoted to the pursuit of patriotism and has become best known for its service to veterans. It sends books, magazines, and other small items designed to boost the morale of servicemen in hospitals. The founder, W. Glenn Elliott, has received letters of appreciation from the Veterans' Administration, the Red Cross, and many hospitals receiving the service offered by the Golden Horseshoe.

The story of W. Glenn Elliott and the Golden Horseshoe is well told in a front page article written by Howard Swindle and published in the July 29, 1971 edition of the Virginia Beach Sun, a leading weekly paper serving the resort city of Virginia Beach, Va. I include the article at this point in the RECORD:

GLENN ELLIOTT—OLD-FASHIONED, FLAG-WAVING AMERICAN PATRIOT

(By Howard Swindle)

W. Glenn Elliott, 74 white-haired and bow-tied, had just finished telling about driving a Model-T Ford ambulance through the ruts of a war-torn France in 1918 and about his mule named Maude.

Elliott's experiences sounded much like those of novelist Ernest Hemingway, also an ambulance driver, during his tour in Italy. Perhaps it was these experiences, encountered more than 50 years ago, that led Elliott to his "labor of love" the American Society of the Golden Horseshoe.

Navy Lieutenant Philip Heth, Elliott's next door neighbor and close friend, describes the society as "an organization dedicated to good, old-fashioned, flag-waving American patriotism."

True to Elliott's lifestyle, every jar has a small red, white and blue flag taped to it. Elliott's den, or "office" as he calls it, is covered with small flags and boxes of jars. On a cluttered cot lies a large, faded flag. I've got to get another flag," Elliott said, "this one's getting pretty old." He flies it in front of his house every day, and he says he'll continue to fly it until the war in Vietnam ends.

Of his cross-country fund-raising trips, Elliott says, "We do anything and everything we can possibly do to revive patriotism in Americans." Though the American Society of The Golden Horseshoe (the name comes from an event in development of colonial America) concerns itself primarily with servicemen overseas, it also attempts to have the flag flown from as many places as possible.

And, if ever there was an old-fashioned flag waver, it would have to be W. Glenn Elliott, World War I ambulance driver, World War II lieutenant colonel in the Virginia State Guard and current advocate of anything patriotic.

Hanging in a prominent place in Elliott's home within earshot of Oceana Naval Air Station is a plaque from a naval evacuation hospital in DaNang, Vietnam. The hospital along with other military and veteran hospitals throughout the world, has reaped the benefits of Elliott's flag-waving brand of patriotism. Since he founded the Society of The Golden Horseshoe in early 1966, the organization has sent more than $18,000 in cigarettes, tobacco, peanuts, candy and books to servicemen everywhere.

About every 10 days, Elliott gets in his nine-year-old Chevrolet for a tiring trip that takes him through Chesapeake, Suffolk, Petersburg and Richmond collecting money from nearly 100 quart jars he has placed in restaurants, small grocery stores and other businesses. It is the pennies, nickles, dimes and sometimes quarters left in these jars by customers that finance a pack of cigarettes, a bar of candy or a can of peanuts for a GI in Vietnam.

The society lists as honorary life members former Alabama governor George C. Wallace, Senator Harry F. Byrd, Jr., Virginia Beach councilman Frank A. Dusch and former Senator A. Willis Robertson who suggested the society's name.

One of the society's most recent campaigns revolves around gaining support "for our leaders in their defense of J. Edgar Hoover and the FBI." But a talk with the society's founder leaves little doubt as to the primary aim of the society—helping the serviceman.

Elliott, a former adjutant of the Virginia American Legion and a civil service worker, speaks proudly of his family's military service. "One of my forefathers fought in the Revolutionary War," he said. Since then, there have been relatives in the War of 1812, the Civil War, the Spanish American War, World Wars I and II, the Korean Conflict and Vietnam.

At the age of 69, Elliott exhausted all avenues trying to volunteer for duty in Vietnam so his grandson wouldn't have to go. He told a neighbor, "That's one less young man who'd be shot at—I've already lived a full life."

A small picture frame with an American flag and three rows of ribbons hangs in Elliott's office. "Those belonged to my son Jack," he says. "Raising children you can be proud of, is one of the most noble things a parent can do." His son, a member of a flight crew during World War II, was killed during a mission over Germany.

Elliott's campaign to send gifts to servicemen dates back to World War II when a cigarette salesman told him he could send tobacco overseas tax free. He took time off from his post as editor and business manager of the Virginia Legionnaire magazine to pass out containers for the funds.

Today, Elliott has an agreement with several tobacco companies in which they pack the cigarettes and send them directly from their factories. "Since they're sent tax free," Elliott says, "we only pay about 11 cents per pack." He has similar agreements with peanut and candy manufacturers.

To pacify one woman who was "hard against tobacco," Elliott changed the sign on his cannisters from "Send Tobacco to Men in Vietnam" to "Send Goodies to Men in Vietnam." "After I changed the sign, she let me put a jar in her store," he said.

He said a few gift packages sent to individuals in Vietnam have come back stamped KIA (Killed in Action) and MIA (Missing in Action).

Elliott's cannisters also serve as a pretty good barometer for public opinion on the war in Vietnam. "When Lieutenant Calley was being tried, donations went up quite a bit," Elliott said. Thinking people might give more money if they were contributing to veterans in government hospitals, Elliott changed a few of his signs, emphasizing the veteran. "Those cannisters with Vietnam written on them drew quite a few more donations than the others (those emphasizing the veteran)," Elliott said.

"You'd be surprised how many (jars) are tampered with," Elliott said. "Some are gone. Some are broken. I'm sometimes lucky if a third aren't broken or stolen."

Occasionally when he packs a box of gifts for men in Vietnam, Elliott encloses a letter asking the GI's to write businessmen who have allowed him to put cannisters in their stores. "That's just so they (businessmen) will know the money is going where I say it's going," Elliott said. As treasurer of the society, he keeps records of incomes and expenditures which he makes available to members periodically.

"About 90 per cent of our dues goes for sending items to Vietnam," Elliott said. "Postage is one of the big things."

Though Elliott won't admit it, his travel expenses every 10 days are another big expense—an expense not completely covered by donations. "Oh, I dip into my jeans every once in a while," he said. "I've got clothes to wear, food to eat and a place to sleep and I just thank the Lord that I can spend my time doing something to help, however small it might be."

U.S. SENATOR JAMES L. BUCKLEY SPEAKS BEFORE THE NEW YORK FARM BUREAU

HON. ROBERT C. McEWEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. McEWEN. Mr. Speaker, I insert in the RECORD for the benefit of my colleagues the speech delivered by New York junior Senator JAMES L. BUCKLEY, before the New York Farm Bureau in Ellenville, N.Y., on November 8, 1971. It is a thoughtful presentation of concern for our environment with a balanced understanding of the need of public support for the cost that must be borne.

The speech follows:

I would like to thank you for this opportunity to be with you tonight—for several reasons, first of all, I have far too few opportunities to meet with members of the extensive farm community of New York State. Secondly, I am a country boy by upbringing and "druthers", and I am always grateful for a chance to shake away from the soot and noise of our cities for the clean air and beauty of rural New York. Finally, you provide me with an audience of intuitive conservationists, an audience of men and women who because you live on the land and from the land, understand better than most that man must learn to coexist in harmony with nature. If in the last analysis, he is to survive.

The American Farm Bureau Federation has been actively working to protect the environment long before the public-at-large understood that a problem existed. Because of your work over the years, and that of others who have shared your early concern, the American public has finally come to understand that one of the most important needs of our age is to learn to curb, and finally to eliminate, the contamination of the air and water and land which, in the last few years, has reached epidemic proportions.

Happily, the cumulative effects of this educative work has finally aroused a broad public

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interest in ecological matters, and this fact alone justifies the hope and expectation that we will at last redirect our energies towards learning to live with our natural environment and not in conflict with it.

Perhaps I am more conscious than most as to the suddenness of this new public awareness because in 1968, when I first found myself involved in a statewide political campaign, and one in which I know I had absolutely no chance of winning. I decided that so long as I was engaged in the ordeal of marathon speechmaking, I might as well be sounding the environmental alarm, by trying to convince my listeners that what Rachel Carson had been writing about was not fantasy, but rather the hard facts about a clear and present danger to human life and to the natural order.

I am sorry to say that I met with such stares of blank indifference that I soon had to drop the subject. One of my principal supporters, in fact, sent me a letter chastising me for wasting campaign time on a "non-issue."

Yet just one year later, the President of the United States established the fight against pollution and to preserve some of what remained of our natural heritage as a central objective of his administration and the word "ecology" had become a battlecry.

For the first time, the public interest had become so captured by a concern for the preservation of the environment, that effective public action had become possible, and the prosecution of polluters thinkable.

But the very strength of the interest which has developed has in it its own dangers, because we must avoid the kind of unreasonable demand for Eden now which could yet discredit the cause of conservation in the eyes of a public which is producer as well as consumer, a public which has become accustomed to the material luxuries created by our technology, a public which in the last analysis will determine how fast, and at what cost, we will be allowed to pursue our necessary environmental goals.

Having come this far on a wave of well-directed emotion, we must now lower the volume and concentrate on the development of programs and attitudes which will lead us towards cleaner waters and cleaner air, to better land uses and to a fuller life at achievable rates and at acceptable costs.

I can think of no better place to talk about the environment than here in New York State, and to an organization such as yours.

This State of ours, perhaps more typically than most, is a composite of what is beautiful and what has become ugly in our life.

Throughout virtually every region of New York one can still find meandering streams, quiet villages, forested mountains, orchards and vineyards, truck and dairy farms, small lakes.

It is still possible for millions of our people to find that serenity and spiritual uplift which comes from a personal immersion in nature. New Yorkers who trouble to do so can still find for themselves what Thoreau meant when he wrote, "in wildness is the salvation of the world."

Yet in almost every region of New York, we still see factories belching out their fumes or pouring pollution into our lakes and streams, and our people still carelessly littering the land.

You are meeting in one of the most beautiful areas of the country; and yet you can board an airplane just a few miles away and, within a few minutes, be hovering over one of the world's great cities, a city which more often than not these days is obscured by an atmospheric pall which hides the mounds of garbage and debris which demean a city whose galleries, theatres, skyscrapers and concert halls beckon visitors from around the globe.

The American Farm Bureau and others have done a magnificent job in educating the public as to the ecological facts of twentieth century American life and in sparking the interest which is quite literally revolutionizing public attitudes. But we need to do more. We now need to make sure that the public fully understands the difficulties and the costs which will be involved in seeking to achieve our environmental goals. We need to encourage a well-informed and balanced view of the job that must be done.

One starting point, it seems to me, is to discourage the tendency to seek out a special villain. The fact is, there is no single culprit. As our friend Pogo accurately observed: "We have met the enemy and he is us." For too many millennia, human beings have simply taken their natural surroundings for granted. Yes, our factories have poured their wastes in ever-greater volume into our air and waters—but so have our municipalities and so have we as the eager consumers of all those material goods which are produced by our industries.

I submit that there is nothing much to be gained from pointing fingers but there is a great deal to be lost from indiscriminate accusations. I have been on the Public Works Subcommittee on Air and Water Pollution long enough to learn something about the response of American industry to increasingly tightened antipollution controls.

Certainly some companies have dragged their heels; certainly there have been complaints about excessive regulation or unreasonable goals and many of these have been well taken.

But I have been deeply impressed by the sense of commitment which so many of our industrial managers have shown in working to abate pollution once they have determined the standards they are expected to meet.

Yes, there is the threat of the stick. But there is also that willing display of good citizenship which is so characteristic of this country.

To cite a few figures, the chemical industry last year spent $600 million for pollution abatement. Expenditures by the automobile, electric utilities, and petroleum industries—this year alone—total almost one and one half billion dollars.

On the average, American companies will have increased their pollution-control spending 46 per cent this year over last; and they will spend at least $18 billion over the next five years to meet newly-defined standards.

Now I am not here as a propagandist for American business, but merely as one who deeply believes that we will make the greatest progress if the public recognizes that all elements of our society have in fact been at fault and that they are all now beginning to work together—and to work together with increasing effectiveness—to achieve our commonly desired goals.

This brings me to the second area where I believe the public needs to be better informed.

Because we are not yet able to swim with impunity in every lake and every stream of New York State, because we still must penetrate a veil of yellow smog to land on New York City's airports, the public tends to think that there has been no response, or at least an inadequate response to the environmental crisis which they have only lately come to understand.

Somehow, in our insistence on instant results, we are apt to lose sight of the very real progress which has been made in just the past two years.

Although we have had State and Federal anti-pollution laws on the books for decades, polluters are only now being prosecuted precisely because only now have we as a people begun to take the problem of pollution seriously and therefore have made the prosecution of major employers and taxpayers possible.

At the national level, we have reorganized our institutions in a fundamental manner in order to more effectively mobilize our environmental efforts.

The new attitude towards governmental responsibility was succinctly put on New Year's Day, 1970, when President Nixon observed, while signing a bill which established the new Council on Environmental Quality "it is literally now or never." As if to underscore his seriousness, the President devoted a major portion of his State of the Union address that year to the subject of the environment, and followed that speech with a special message to Congress. It included thirty-seven specific actions and proposals to enhance environmental quality—the most comprehensive environmental program ever presented. The package included a ten-billion dollar Clean Waters Act, requests for more rigorous air and water pollution standards, higher fines for violators, and considerably more money for other research and enforcement purposes.

Subsequent proposals have been impressive in their variety and scope. They range from the provision of billions of dollars for new and improved waste treatment facilities to the creation of new wildlife refuges; from ordering a crackdown on alligator poachers to providing the States with millions of dollars with which to purchase land areas for recreational use; from tightening controls over the discharge of toxic and hazardous materials to provision for long range research for the development of alternative pollution free ways of generating electricity.

But what I believe to be the most significant evidence of this commitment to environmental quality is the fact that purely ecological considerations are now being accorded more than "equal time," so to speak, in determining whether specific projects will be allowed to go forward. This has been made clear on several occasions when projects of great value, as measured in traditional economic terms, have been terminated precisely because of a demonstration of their adverse environmental impact, and despite the fact that these decisions required the abandonment of sizable investments.

I need only cite the cancellation of the plans for a super jetport in the Florida Everglades, the suspension of the one-third completed trans-Florida Canal; and most recently, the decision not to permit construction of two oil production platforms as well as the suspension of operations on thirty-five Federal leases in the Santa Barbara Channel.

A certain amount of criticism has been levelled at some of the Federal activities. But I can certify to you from my own experience that any deficiencies—and believe me, there are many—are not attributable to any lack of a desire to take realistic and effective action to abate pollution and to protect natural areas. The fact is that an extraordinary effort is underway and new enforcement and planning agencies are necessarily experiencing the most severe growing pains as they try to put themselves together from scratch in order to be able to assume and execute the enormous responsibilities which have been thrust upon them.

You know from your own experience that what I have described in terms of the Federal effort is mirrored by the work being done in New York. As it is now being done across the nation—as state and local governments begin to come to grips with their own environmental responsibilities.

We now come to another area which is far more difficult for the public to grasp but about which it is particularly important that we educate the public lest they be led to expect the impossible.

I speak now about the extent of our ignorance in so many areas which are essential to our understanding of environmental cause and effect; and therefore, to our understanding as to how best to control air and water pollution, how best to use our lands.

We have learned just enough about ecological interrelationships to know that we cannot do anything which has a significant impact on any one element of our biological or physical surroundings without triggering a chain of reactions which can be quite startling in their ultimate effect.

We start tampering with the natural state of our streams in order to achieve a measure of flood control, and suddenly we find that we have unleashed downstream floods and erosion, that we have lowered our water tables and that we have upset biological balances.

We spray new wonder insecticides to protect a patch of forest from a particular pest, and lo, a decade or so later we begin to wonder what has happened to the duck hawks we used to see about.

We take the suds out of detergents and think we have licked the problem only to find our lakes turning green from the phosphates we have poured down our drains.

But then, as we try to focus total blame on detergents for the phenomenon of eutrophication, we find that we have oversimplified the problem as phosphates are not the only nutrients which will cause an excessive growth of algae nor are detergents the only source of the phosphate enrichment of our waters.

We start substituting other materials for the phosphates in our detergents only to learn, as we did recently, that the substitutes are in other ways far more hazardous.

We are therefore beginning to learn that we must proceed with utmost caution, that we must test out each new substance, each new technique for its most extended biological consequence. We also know that there are other causes of pollution of our waters than those that can be identified with the discharge from our sewers and factories. Thus if we are really to restore the kind of water quality we all want, we are going to have to find out ways of controlling the so-called non-point sources of pollution. But as of today, no one quite knows how to identify all of these or how to measure their impact; and once we have this information in hand, we will still have to figure out what we will be able to do about them and at what cost.

This gap in our knowledge is particularly apparent in trying to assess the total impact of modern agriculture on the environment. Until recently, animal wastes were not thought of as a problem. If anything, they were considered to be a beneficial part of the natural recycling process through which valuable minerals were returned to the soil, as in fact they were so long as our farm animals were not crowded together into unnaturally close quarters. But all this has changed with the increasing trend towards large commercial feedlots and the assembly-line production of poultry. These practices have resulted in huge concentrations of animal wastes which are now known to have a most direct and adverse effect on our water resources.

The fertilizers which have so increased the productivity of our farms inevitably leech into our streams, thus adding significantly to their eutrophication. The accumulation of inorganic salts and minerals in the soil are beginning to threaten farm lands across the Nation; and the widespread use of certain pesticides has injected long-lasting chemicals into natural food chains with sometimes far-reaching consequences which no farmer would have desired or could have anticipated.

An enormous investment in time and money will have to be made to better understand the nature and extent of the environmental impact of these agricultural activities, and to develop alternative means of insuring the continued productivity of American farms while protecting our lands and our waters for future generations of American farmers.

The work to achieve this knowledge will be materially speeded by legislation which was enacted by the Senate last week. I speak of the Federal Water Pollution Control Act of 1971, which unless modified by the House of Representatives, will allocate $10 million per year for research into the agricultural sources of pollution. Furthermore, the act will require each State to conduct a careful study of these and other non-point sources of pollution and by 1974 to file a report with the environmental protection agency in Washington identifying them and detailing proposals for bringing them under control. Thus by the middle of this decade we can hope to have the information in hand which will enable us to develop an effective nationwide strategy for coping with some of our most elusive forms of pollution.

But all this will take time, a lot of time, and it is vitally important that the American public be made to understand the necessary lag between research and action and between action and achievement.

The last point I would like to make is I believe the most important one. It involves the matter of cost.

We cannot move effectively into the difficult field of pollution control without the deepest sense of realism as to what is involved; and that which will have the most important impact on the public-at-large will be the realization that what needs to be done will be costly, at times very costly. But at the same time, we who are involved in the formulation of public policy and in the definition of public goals in the field of the environment must recognize that there are limits to the extent of the costs which the public will be willing to incur or which the public ought to be asked to incur over any given period.

If we are to avoid the kind of reaction among our citizens which could seriously set back the environmental struggle, we must be sensible, we must recognize that we will have to settle for something less than the ideal not only because the ideal may not in fact be achievable, but because of a recognition that we will in both the shorter and the longer run accomplish more by striving for ninety-five per cent of the ideal at a cost which the public will accept than we will by trying for the additional five per cent at a cost so high that the cause of the environment will be repudiated by a public which will not go back to kerosene lamps or the days of the horse and buggy.

What we can do, and I think must do at an early date is to develop techniques for measuring the true costs of all human activities—a system of accounting which will reflect in full the environmental costs. The social costs. We will need such tools if we are to be able to engage in an unemotional examination and demonstration of the true social and economic trade-offs which are involved in planning for the most effective use of our resources and in employing our technology to achieve the fullest degree of social and economic progress.

There are, of course, some things which can never be priced. How, for example, do you measure the value of a sunset or of the sound of a wood thrush at twilight?

But by and large, in most instances where we are concerned with human activities and their consequences it should be possible to develop techniques in which the true balancing of accounts, including most specifically and most particularly the environmental accounts, can be demonstrated. In the meantime, however, we must remind the public and remind ourselves that the savings which we have hitherto realized from the free use of our land and water and air as dumping grounds for our wastes must henceforward be charged to the cost of the goods and of the services which we consume.

I have gone to some length to suggest the need to keep the American people constantly informed as to what is really involved in our new commitment to incorporate the quality of our environment into our concept of the quality of life. I feel deeply about this because, as I indicated earlier, we have only recently reached a point where true progress is possible; and we have reached it only because we have finally mobilized into the cause of conservation a vast majority of Americans who at last understand that their own lives and happiness and health and prosperity are inextricably intertwined in the health of the natural world in which they live.

But if the American people should ever decide, or if sufficient numbers of them should ever believe, that conservationists have gone to extremes, that they are making excessive demands, or that they are being unreasonable in what they expect of the rest of the nation, then as of that time we will have suffered a setback of a kind which we quite literally cannot afford.

This, I submit, is one of the most important tasks which lies ahead; to maintain that public confidence, that public support which will make it possible, in this decade, to achieve a profound revolution in man's understanding of his role on planet earth.

THE SO-CALLED PRAYER AMENDMENT

HON. HENRY HELSTOSKI
OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. HELSTOSKI. Mr. Speaker, last week I joined 161 Members of the House in voting to reject the so-called prayer amendment to the Constitution. My reasons for opposing such an apparently harmless and worthwhile measure are complex and I would like to set them forth at this time for the benefit of my colleagues and constituents.

First, Mr. Speaker, let us examine the need for the proposed amendment. The popular belief is that the Supreme Court in the early 1960's banned the recitation of all prayers in the public schools. This is simply not the case. No decision of the Court has ever forbidden voluntary prayer recitals by American citizens in the public schools or in any other public place. To do so, I firmly believe, would be in violation of the first amendment's guarantee of the free exercise of religion.

What then, has the Court said with respect to religious exercise in public schools? In 1962, the Supreme Court ruled that public officials, in this case the board of regents of the State of New York, may not compose a prayer and direct its recitation in the public schools. In subsequent cases the Court extended this doctrine to forbid mandatory Bible reading or recitation of the Lord's Prayer in the schools. Frankly, I can find no fault in the Court's logic or motives in arriving at these decisions.

Official authorship or sponsorship of school prayers is clearly a violation of the first amendment's injunction against state establishment of religion. Stated simply, the government must remain absolutely neutral in matters of religious belief and practice. In the instances of the Bible and the Lord's Prayer which I mentioned, it should be clear to all of us that these practices could not help

but be offensive to the religious beliefs or nonbeliefs of many schoolchildren and their parents. Catholics, to take one example, do not recognize the validity of the King James version of the Bible and Jews, in another example, do not recognize the New Testament from which the Lord's Prayer is excerpted. In short, the Court has not ruled in any manner which is contrary to the Constitution's guarantee of the free exercise of religion or long-cherished American principles of absolute freedom of conscience in matters of religion. On the contrary, the Supreme Court has actually strengthened these protections.

Since the Court has not restricted the right of schoolchildren to participate voluntarily in prayer, what do proponents of this amendment seek? From a reading of the defeated amendment I cannot tell. The original version of the amendment sought to guarantee the right to participate in "nondenominational" prayer. Now, what in the world is a "nondenominational" prayer? The difficulties involved in writing a prayer to meet this definition were most succinctly pointed out in a recent statement signed by leaders of a number of national religious organizations, including the Baptists, Episcopalians, Jews, Methodists, and Presbyterians:

> The major faiths themselves have never been able to achieve consensus on a definition of prayer, much less a definition of "nondenominational" prayer. . . . If such a proposed amendment should become part of the Constitution of the United States, a new religion of "nondenominationalism" would in a measure become established which could destroy the integrity of both church and state.

This view, I would point out, was also shared by the American Bishops' National Catholic Conference and ROBERT DRINAN, S.J., a Jesuit Member of Congress and one of our leading constitutional authorities.

Another fault in the prayer amendment was pointed out by William Van Alstyne, of the Duke University Law School:

> But even supposing . . . that a prayer could conceivably be composed sufficiently "nondenominational" so as to become acceptable under the proposed amendment, still it must be clear that any such prayer must necessarily be so flat, dry, stale, and unprofitable as scarcely to fulfill the authentic religious needs of anyone inclined to participate in it.

In view of the inadequacy of the "nondenominational prayer" phrase, the House substituted the word "voluntary." While this eliminates one ambiguous word, I fail to see how it is any great improvement. If, indeed, the actual thrust of this vague amendment is merely to affirm the current state of affairs, that is to permit voluntary prayers which are already permitted, indeed protected, by the first amendment, then the prayer amendment is superfluous. If the impact of this amendment is to be something more than that, then its vague wording opens a Pandora's box which will lead to endless litigation in the courts and a possible undermining of the absolute separation of church and state guaranteed by the first amendment. At best, then, the prayer measure is meaningless; at worse, it is a breach in the wall separating government and religion. The distinguished Jesuit weekly America has summed up the true nature of the prayer amendment calling it "ill-written, mischievous, and misconceived."

Mr. Speaker, another of my objections to passage of the prayer amendment is the manner in which it was brought before the House. No hearings were held on this measure and no opportunity has been given for a full investigation of its language, its meaning and its intent. Furthermore, only 2 hours of debate were permitted on the floor on this measure and the amendments to it. Perhaps the most serious business in which the Congress can engage is considering amendments to the Constitution. Is it a quick and hurried debate, coupled with a complete lack of a hearing record of committee report, the proper framework for undertaking this task? I think not and refuse to be a party to such slipshod legislative procedures.

As the National Council of Churches pointed out in a recent pamphlet opposing the prayer amendment:

> The first amendment has safeguarded religious liberty and other basic religious freedoms for nearly two centuries. If it can be amended now for this purpose without profound and careful consideration, it may be easier to amend for other purposes.

And a legal scholar from New York, Leo Pferrer, has pointed out another aspect of the dangerous precedent which this amendment could establish:

> It would encourage amending the Constitution to overrule every Supreme Court decision that does not meet with universal favor. It would reduce the Constitution to the level of a statute which is easily repealed or amended, a consequence which Chief Justice John Marshall warned against in more than one of his great decisions.

In conclusion, Mr. Speaker, I would like to point out that I regard prayer and religious devotion to be basic and vital to the soul of America. The places for instilling religious beliefs, however, are the family, the church, the Sunday school, or the religious school. The public school, while charged with the duty of training pupils in their civic duties and respect for their fellow man, cannot and should not get into the area of promoting religion. The prayer amendment, which raised such a specter, has fortunately been defeated.

Under unanimous consent, I include at this point in the RECORD excerpts from several articles and editorials on the prayer amendment:

[From the New York Times, Nov. 9, 1971]

VICTORY FOR RELIGIOUS FREEDOM

Defeat in the House of the proposed constitutional amendment to permit nondenominational prayer in the public schools has averted a threat to the separation of church and state—by an uncomfortably narrow margin. The final vote—240 for the amendment and 162 against—was only 28 short of the required two-thirds majority, admittedly only a first step in the process of amending the Constitution.

Since the question involved the very basis of religious freedom, it is disconcerting that so many Representatives fail to see that their support of piety, no matter how sincere, bespeaks a faulty understanding of the relationship between government and religion. Ever since the Supreme Court ruled on the issue in 1962, the banning of prayers from the public schools has been widely misunderstood, and often deliberately misrepresented, as an example of godless forces undermining spiritual values.

In reality, the Court simply upheld two vital principles: the right of every American to choose his form of worship for himself and the prohibition of any religious ritual composed or imposed by an agency of the state, such as a school board.

The narrow margin of the House vote suggests a need for a better understanding, not only in the schools but in Congress as well, of the basic intent of the Bill of Rights.

[From the New York Times, Nov. 5, 1971]

FREEDOM TO WORSHIP

The sponsors of the constitutional amendment to permit nondenominational prayer in the public schools, on which the House will vote Monday, are trampling on the very principle on which religious freedom is based. They plow ahead against the determined opposition of most leaders of organized religions—Protestant, Catholic and Jewish—who surely cannot be suspected of antireligious leanings.

Those who spearhead the drive to undo a crucial constitutional safeguard fail to comprehend that banning prayer in the public schools is essential to protecting the sanctity of prayer. By the same token, Congressmen ready to vote for the amendment because they are afraid to appear lacking in piety show a dismal deficiency in civic courage. Theirs is a failure to lead and enlighten their constituents. Specifically, they fail to explain that the amendment would, in fact, interfere with the right of home and church to determine and guide the children's worship. Fortunately, mounting opposition to the amendment by clergy, constitutional lawyers and law school faculty members affords evidence that the seriousness of the issue is beginning to be recognized.

Representative Robert F. Drinan of Massachusetts, himself a Jesuit priest, said in opposing the amendment that a nondenominational prayer is a meaningless "to whom it may concern" appeal. Yet the danger inherent in such prayer is serious because it invests state authorities, such as school boards, with the power to create religious exercises. This is nothing less than state usurpation of the power to establish and prescribe religion.

Freedom to worship cannot exist without the freedom to determine one's form of worship, including also the right not to worship at all. This is not, as the amendment's sponsors would have it, a matter for public opinion polls to decide. The early history of this nation was marred by repressive efforts, in the name of piety, to impose on dissenting and often deeply religious minorities the religious beliefs and dogmas of the majority. The proposed amendment would have the effect of subverting once again the constitutional protection of religious freedom.

[From the Washington Star, Nov. 6, 1971]

WILL THE HOUSE "VOTE AGAINST GOD" MONDAY?

No American who both cares about the Constitution and takes his religion seriously, be he Christian, Jew or Moslem, can be very happy about what the House of Representatives may do on Monday.

For that is the day upon which the House will vote on a proposed constitutional amendment which would overturn 1962 and 1963 Supreme Court decisions banning organized prayer in public schools. Having obtained the necessary 218 signatures for the discharge petition allowing H. J. Res. 191 to bypass Rep. Emanuel Celler's Judiciary Committee, where the proposal had been bottled up for eight years, it is at least even money that the proposed amendment will receive the required assent of two-thirds of those present and voting to send it on to the Senate.

We are, after all, moving into an election year, and no congressman is anxious to vote against God, although one might observe that the Deity is no more at the disposal of Rep. Chalmers P. Wylie, R-Ohio, the amendment's sponsor, than at that of the Supreme Court.

The proposed amendment to the First Amendment states:

> "Nothing contained in this Constitution shall abridge the right of persons lawfully assembled, in any public building which is supported in whole or in part through the expenditure of public funds, to participate in nondenominational prayer."

Sounds innocent enough, doesn't it? But what constitutes a "nondenominational" prayer? Such a "prayer," as one wag has pointed out, would have to begin with the phrase, "to whom it may concern." In short, if a prayer were made truly nondenominational, it would become meaningless and the net effect would be to dilute rather than to enhance reverence for God and respect for the various denominations.

And in this respect it is worth noting that 38 religious leaders and organizations are on record as *opposing* the proposed amendment. These include the American Baptist Convention, the Baptist General Conference, the North American Baptist Conference, the executive council of the Episcopal Church, the United Methodist Church, the Church of the Brethren, the Lutheran Church in America, the United Presbyterian Church, the Unitarian-Universalist Association, the Churches of Christ, the Mennonites and a variety of Jewish groups.

The opposition of the churches to the proposed amendment centers on the fact that, as they correctly observe, it "could destroy the integrity of both church and state."

For somebody, if the amendment passes both the House and the Senate and is approved by the required three-fourths of the "states" legislatures, is going to have to draw up that prayer. Who will that "somebody" be? In all likelihood, it would be local school boards.

If the school board happens to have an overwhelming majority of Catholics on it, will that "nondenominational" prayer contain a reference to the Virgin Mary, and how will that sit with fundamentalist Protestant children who happen to attend schools under the board's jurisdiction? What if the situation is reversed and the prayer composed is alien to Catholics? What about Jewish children?

Assuming that every school board in the United States went out of its way to care for the sensitivity of minority groups—and that is a sweeping assumption not justified by a reading of history—what would be the effect? Would the bland, meaningless prayers they would compose not constitute (in violation of the First Amendment) establishment of a "religion" of nonsectarian secularism?

There is indeed a place in our national life for prayer. Never has there been a greater need in men's lives for the great truths taught by all the world's major faiths. But the mystery and majesty of religion is too precious a gift to be dealt out by rote at recess like milk and cookies.

Let it be learned first at the knees of one's parents, and later at church, synagogue or mosque. But neither parents nor priests can delegate this responsibility to school boards or principals. To do so would be both to authorize an unwarranted intrusion by government into affairs of the spirit and to demean the relationship between man and God.

The Bill of Rights, of which the First Amendment is a part, never has been amended. To do so now would be to tamper with the bulwark which has served both church and state so well for nearly 180 years. As the late Hugo L. Black once wrote, "It is only by wholly isolating the state from the religious sphere and compelling it to be completely neutral that the freedom of each and every denomination and of all non-believers can be maintained."

That is as true in 1971 as it was in 1791 when the Bill of Rights was framed.

THIS AMENDMENT BEATS THEM ALL

Certainly, one of the bigger bags of hokum to reach Washington in a long time is the school prayer amendment, which will come up for a vote in the House on Monday.

Congressmen often joke about bills against sin and for motherhood. This one beats them all. It would be harmless, if it didn't threaten to clutter up the Constitution—and become thereby a permanent monument to phony piety.

The movement to enact the amendment started with a pair of Supreme Court decisions in the early 1960s which struck down the prayers at the start of each day.

I have no particular objection to prayer. There may even be something to the assertion that our society would benefit from a renaissance of Godliness.

But I remember school prayers in my own day as a kind of a joke. Not only did they not put us in a Godly frame of mind, they made ritual seem foolish. I can assert, without fear of contradiction, that I am not a better man for having said prayers in my youth before my arithmetic class.

President John F. Kennedy's comment on the Supreme Court's rulings at a press conference in 1962 remains, I think, most clearly to the point. There was an "easy remedy," he said, for those who disagree: "Pray a good deal more at home and attend our churches with a good deal more fidelity."

But the school prayer crowd wasn't satisfied with such a remedy. They've worked hard to shove prayers down the throats of every American public school kid. They've pitted the Lord against the Supreme Court and, powerful as the Court is, it's an uneven contest.

The amendment, with deceptive simplicity, does nothing but authorize "nondenominational prayer" in public buildings. It does not define "nondenominational" and, indeed, many experts believe there is no such thing.

In fact, since the Supreme Court's decisions, almost every organized religious body has come around to oppose the amendment: The Lutheran Church in America, the American Baptist Convention, the Southern Baptist Convention, the United Methodist Church, the National Council of Churches, the American Jewish Congress.

The other day, the United States Catholic Conference—representing the Catholic bishops—said the amendment would "accomplish nothing" and have no impact whatever on the religious education of children.

For the most part, the church groups have acquired a healthy wariness about the possibility of government involvement in religion. They see the amendment as a real incursion on the constitutional guarantees of religious freedom.

The bishops pointed out, interestingly, that the amendment may actually become an invitation for the Supreme Court to strike down prayer in, say, Congress or the White House, on the grounds that they are not "nondenominational."

Most congressmen would prefer not to vote on the issue at all, because of the hysteria attached to it. In 1964, the House Judiciary Committee held extended hearings, which so discredited the amendment that it died quietly in committee.

This time, Rep. Emanuel Celler, chairman of the committee, chose to ignore the threat—with the result that proponents successfully bypassed him through a rarely used discharge petition to get the measure to the floor.

"The guys are scared to death," said one congressman. "They know the amendment's ludicrous but, if they don't like voting against motherhood, imagine how they feel about voting against God."

God, indeed! The amendment concerns not God but religious conformism, far removed from God. Does anyone really believe this amendment will contribute to public morality, social stability or religious conviction?

But pressure in support of the bill—mostly from the fundamentalist segment of the population—has been growing all week. Counterpressure from formal church and civil liberties groups has been hard-pressed to keep up.

At last count, opponents of the amendment had about 115 sure votes, out of the 145 needed to defeat the required two-thirds majority. Characteristically, the Democratic leadership was doing little leading. As the weekend approached, the prospects for both sides seemed to be touch-and-go.

PRAYER VOTES AND POLITICS

(By Mary McGrory)

Rep. Gillespie V. (Sonny) Montgomery of Mississippi was preaching to the House in its moment of spiritual trial, but he chose to appeal not to its conscience, but to its self-interest.

"Let us," he thundered, "consider the practical politics of the prayer amendment. Eighty-five percent of the American people are for prayer in the public schools."

"Let us lay our cards on the table," he said, totally abandoning the sacred for the profane. "A vote for is much easier to explain than a vote against."

It was a bit of earthly wisdom that was beyond dispute—one had only to think of the fate of Ralph Yarborough, who lost his Senate seat from Texas last spring, partly because he had not damned the Supreme Court decision of 1963 outlawing public-school prayer.

PRAYER WON'T HURT

"I don't know of any case where prayer has spoiled anyone," said Montgomery, "physically, mentally or emotionally."

That, too, is not a matter of argument. Surely today's students would be better engaged in praying than in some of the anti-social activities which so many members of the House think are a direct consequence of the Supreme Court.

Still, most of the criminals who are contributing to the record crime rate went to school when prayer was the beginning of the daily ritual—and it obviously did not deter them.

The House, like the country, is full of people who trace the outbreak of promiscuity and pornography and violence to the Supreme Court's anti-prayer decisons.

Yet Richard Nixon has had a chance to name four justices, and even the new pair now under consideration, while as conservative as he could ask about wiretapping, dissent and civil liberties questions, shows no promise of voting otherwise than did the Earl Warren court. As a matter of fact, the Warren Burger court in two school prayer cases, has issued decisions similarly distressing to the "Impeach Earl Warren" set.

Distressed for a different reason was the Rev. Robert F. Drinan, D-Mass., the only Jesuit congressman and a man nobody would want to say was not on the Lord's side, spoke vehemently against a constitutional amendment providing for "non-denominational prayer" in public buildings.

"It will do nothing to advance religion," he said, "It will be a detriment to religion."

The most cogent argument in the House debate yesterday was made by a freshman, Mike McCormack, D-Wash., who said that what a divided, polarized country needs least is religious strife.

Under the amendment, the thousands of

school boards in the country could have determined the content of school prayer, and the opportunities for denominational warfare would have been unlimited. Inevitably, prayers would be challenged by dissident denominations, and inevitably, the quarrel would take the issue back to the Supreme Court.

LOOK UPWARD

Rep. Joe Waggonner, D-La., accused the anti-prayer forces of having "cobwebs in your head."

"Don't be concerned about what earthly judges will say," he cried, pointing upward, "but about the Supreme Judge above."

But the constitutionalists carried the day by 28 votes. The House rejected what Richard Nixon likes to call "the popular political choice." It will perhaps go hard with them in their home districts and Republicans like House leader Gerald E. Ford may be as happy to have the issue as they would the victory.

When it seemed that the House was going to defy Heaven, Rep. John Buchanan, D-Ala., hastily introduced an amendment substituting "voluntary" for "nondenominational", and adding a provision for "meditation." If the idea of a six-year-old child meditating made any converts, they weren't enough when the final vote on the amendment came.

Rep. Drinan who will have less trouble than most explaining the matter to God and the public, acknowledged that it took considerable courage to appear to cast a vote against "God, piety and morality." A field day for the Pharisees in the next election seems guaranteed.

While the pro-prayer forces immediately announced the fight would go on despite the defeat, the agitation for constitutional change may have lost its force. The President, in announcing his latest nominees, declared it would henceforth be bad form for middle America to show disrespect for the court, and since his choices appear to be no more sensitive to what Rep. Chalmers Wylie, R-Ohio, called "Mr. and Mrs. Average America's bill," than were their predecessors, it seems the matter may rest although not in peace.

TOMORROW'S HARD DECISION FOR THE HOUSE

There are days when the agony of being a congressman exceeds the honor, and Monday will be one of them. For barring some unexpected delay, the House tomorrow will finally come to grips with the public school prayer issue it has been shoving aside for eight years.

Many representatives had hoped it would never reach the floor, and are fretting today over what they perceive as one of the most politically perilous votes of a lifetime. For some, from the more homogenous districts, conviction clashes squarely with political expediency. How does one explain back home, in next year's race, that he "voted against prayer" out of devotion to the country's constitutional heritage which includes the guarantee of total religious freedom?

It's a large subject to cover in a TV political spot, and certainly no explanation will suffice for the emotional proponents of the Prayer Amendment to the Constitution, which is before the House. But in spite of all the heat that's on, more than a few representatives have found their courage and taken their stands against the measure. Speaker Carl Albert of Oklahoma, who represents many fundamentalist folk in eastern Oklahoma, says he will oppose the amendment and doubts it will pass.

We hope he's right. Certainly those trying to block history's first serious effort to alter the Bill of Rights have gained yardage in recent days. This is mainly due to forthright statements of opposition from leaders of religious groups as diverse as the Southern Baptist Convention and the United States Catholic Conference.

Also, the opponents were reinforced this week by a well-reasoned plea from 343 constitutional lawyers, law school deans and law professors in more than 60 law schools across the country. They drew the dimensions of the danger in a few words:

"American liberties have been secure in large measure because they have been guaranteed by a Bill of Rights which the American people until now deemed practically unamendable. If now, for the first time, an amendment to 'narrow its operation' is adopted, a precendent will have been established which may prove too easy to follow when other controversial decisions interpreting the Bill of Rights are handed down. . . . If the first clause of the Bill of Rights, forbidding laws respecting an establishment of religion, should prove so easily susceptible to impairment by amendment, none of the succeeding clauses will be secure."

The same idea was expressed in simpler terms the other day by a Western congressman who had made his decision: "If in everything we do, we have to amend the Constitution, we'll destroy that document." Numerous amendments are before Congress—on racial busing, revenue sharing and other matters—but none is so parlous as the Prayer Amendment, for it is aimed at the heart of the Constitution.

This blockbuster was designed, of course, to demolish the Supreme Court rulings of the early 1960s that prohibited official prayers and Bible reading in public schools. The decrees were based on the First Amendment ban of any law "respecting an establishment of religion, or prohibiting the free exercise thereof. . . ." Critics of the court were quick to charge that the clauses aren't applicable to school prayer, that they refer only to the establishment of a state religion or the repression of religion, and that the court had upset practices that had long been upheld.

But the Constitution wasn't handed down fully interpreted; that process goes on day by day as logic is extended and social change continues.

And the court in 1962 made a powerful case that it could no longer sit by while prayers prescribed by units of government were recited in the schools. It reminded that "this very practice of establishing governmentally composed prayers for religious services was one of the reasons which caused many of our early colonists to leave England and seek religious freedom in America. The Book of Common Prayer, which was created under governmental direction and which was approved by Acts of Parliament in 1548 and 1549, set out in minute detail the accepted form and content of prayer. . . ."

That is precisely what the advocates of the Prayer Amendment now propose to do—establish acceptable prayer written by arms of government for use in the schools. They would embrace after two centuries the Old World technique of religious indoctrination that drove their forefathers to these shores. In religious zeal, they have forgotten history. By whatever name it is called, their proposal would use the power of government to enforce religion, and both religion and government stand to suffer.

This would be achieved by imposing on the schools a "nondenominational prayer" called for in the pending amendment. But, as 38 religious leaders and organizations have pointed out, there is no prospect of the major faiths agreeing on what constitutes such a prayer, the diversity of religion being what it is.

Inevitably, this would diminish individual religious freedom in some degree. At worst, as the opposing religious groups stated, it "could destroy the integrity of both church and state."

In their heavy pressuring of House members, some of the pro-amendment people reveal an incredible naivete. The prayer proposal is presented as the solution to America's anguish over crime, drugs and rebellion. One publication pressed upon congressmen asks, "Why are these men at Attica prison?" and bears a photograph of rioting inmates with clenched fists raised. The implication is that they are there because they heard no prayers in public schools. But who can imagine any social or spiritual transformation obtaining from the mechanical recitation of whatever vapid composition might finally be sanctioned under this amendment? In its final form, someone has quipped, the "prayer" might have to be addressed "to whom it may concern" if it is to be truly nondenominational.

Moreover, the proponents seem to be saying in effect that religion has fallen upon such hard times that it cannot flourish without the coercive power of government. Such a conclusion, it seems to us, is a denial of faith in both the potency of religion and the key underpinnings of American government. It's our guess that this amendment ultimately would reduce rather than reinforce the strength of institutional religious pillars.

That weakening would begin as the devisive influence of the amendment became apparent—as denominations competed to get their versions of "nondenominational prayer" accepted as legally valid. The legal standardized versions finally agreed upon probably would be objects of endless dispute, and the friction could only cost the churches in public regard.

Most church leaders understand all this and Congress would do well to heed them, for they certainly have the propagation of religion at heart. They also understand that if law can be used to serve religion, law might also be used someday to repress it. The House owes the country and posterity a ringing reaffirmation of faith in the principle of church-state separation. The Bill of Rights must be handed on to the next generation intact, and the mail received by representatives in recent days shows a growing public awareness of that necessity.

Let there be no misunderstanding—religious faith in America needs to be revitalized and expanded. But we're confident that countless people who haven't been heard from firmly believe this is in the province of the family and the church, never to be dealt with through the legislative process. That is the concept the House should uphold with courage tomorrow.

[From the Washington Post, Nov. 8, 1971]

THE PRAYER AMENDMENT

Sometime today, the House of Representatives will vote on a proposed constitutional amendment designed, according to its sponsors, to put prayer back into the public schools. The vote will come at the end of a short debate—the House has allotted only one hour for discussion of this attempt to change the First Amendment—but at the end of a long campaign. Ever since the Supreme Court first spoke on this matter in 1962 there has been agitation throughout the country for such an amendment. It is agitation which, in our view, has been based on a misunderstanding both of what the Court did and of why this country's history and traditions compelled it so to rule. Thus, while we fully respect the sincerity and good intentions of those who have labored so long for this amendment, we hope the House will reject it firmly today.

As we noted last week, the prayer amendment has produced a remarkable division inside many of the nation's religious groups. A campaign by individual citizens and churches who believe prayer in the schools is needed to stop the moral deterioration of the nation was largely responsible for bringing this matter to the House floor on a discharge petition. On the other hand, the leaders of many of the country's religious organizations have been at the center of the campaign to defeat the proposal once it was set for a vote. As a result of this conflict, deep emotions are loose inside some denominations; we note, for instance, that the Southern Baptist conventions of North Carolina and Texas are on opposite sides of this fight. Such splits suggest the controversial nature of the amendment and the threat it holds of igniting religious strife. That, alone, is sufficient reason for the House to reject it today but there are other, more persuasive reasons.

Some of these reasons rest deep in America's history, springing from the fears that existed when a new nation was founded and a First Amendment was written. Others grow directly from the practical consequences that the adoption of this currently proposed constitutional amendment would bring. It is to these that we turn first.

The framers of the prayer amendment drafted it to overcome to some extent the Supreme Court decisions on Bible reading and prayer in the public schools, by making possible the daily recitation in the schools of nondenominational prayers. But it is on this point that a question of vagueness arises. The text of the amendment says:

Nothing contained in this Constitution shall abridge the right of persons lawfully assembled, in any building which is supported in whole or in part through the expenditure of public funds, to participate in nondenominational prayer.

This language misses entirely the point of the Supreme Court decisions. The Court has never said an individual cannot *participate* in prayer—denominational as well as nondenominational—in a public building. What it has said, in 1962 and again in 1963, is that government officials, including teachers, cannot *sponsor* such a prayer when their sponsorship brings pressure to bear on individuals either to participate or to be branded as outsiders. Nothing in the proposed amendment deals with the question of sponsorship, so that conceivably the language may add nothing and may change nothing—though that plainly is not the intent of its sponsors. In other words, it deals with the real question involved in the prayer cases only by indirection and through vagueness.

The second question to be raised about this proposal is how a "nondenominational prayer" is to be defined. The principal proponent of the prayer amendment, Rep. Chalmers P. Wylie, recently addressed himself to this question in an exchange of correspondence with Rep. Sam Gibbons, Mr. Wylie wrote:

. . . An example of an appropriate nondenominational prayer would be the New York State Regents' Prayer, which was composed by a Jewish rabbi, a Catholic priest, and a Protestant minister . . .

It is fair to say, also, that a prayer could be nondenominational in the context of the overall school program even if it would be regarded as sectarian if considered in isolation. It would seem to be legitimate for the appropriate authorities to permit the different religions represented in the school or other vicinity to take turns in offering a prayer of their respective religions. . . .

Contrast the first part of that with the recent statement signed by the leaders of several national religious organizations, including the Baptists, Episcopalians, Methodist, Presbyterians and Jews. They said.

The major faiths themselves have never been able to achieve consensus on a definition of prayer, much less a definition of 'nondenominational' prayer. . . . If such a proposed amendment should become a part of the Constitution of the United States, a new religion or 'nondenominationalism' would in a measure become established which could destroy the integrity of both church and state.

A third question raised by the proposal is who would decide what prayer is to be used in the schools. Mr. Wylie says that "the composition or selection of the prayer would be the function of the local school authorities." We cannot help wondering what this would do to local school board elections in a community sharply divided along religious lines. Or what it would do to the federal courts which would have to decide whether a particular prayer was nondenominational any time a parent wanted to complain.

Overriding these drawbacks, however, is the philosophical argument against the proposed amendment. This is an argument based on the need for strict separation of church and state, for complete religious freedom without the slightest impingement by government. It is an argument we have made many times in many contexts and will not belabor again. It should suffice to say now that we believe the proposed amendment would alter the arrangement of our liberties which led Mr. Justice Jackson to write almost 30 years ago:

If there is any fixed star in our contitutional constellation, it is that no official, high or petty, can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion or force citizens to confess by word or act their faith therein. If there are any circumstances which permit an exception, they do not now occur to us.

DIFFERENT KIND OF RIGHT

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. PETTIS. Mr. Speaker, as the Ways and Means Committee continues its hearings on national health insurance, I believe an editorial from the Orange Cove, Calif., News entitled "Different Kind of Right" will be of interest to our colleagues:

DIFFERENT KIND OF RIGHT

Everyone, including the medical profession, now considers adequate medical care a "right". The only point where a difference of opinion enters the picture is how to provide that right—at a cost acceptable to taxpayers and patients.

In considering medical care a right, the danger arises that it will be lumped in with other such rights as freedom of speech, religion and press. The latter can be guaranteed by law. The right to good medical care involves far more, however, than merely passing a law. Exercising our "right" to good medical care is dependent upon the services of a good doctor, rather than a law. In reality, medical care for all is a goal that can be achieved only through strengthening and broadening the superior medical system which this country already possesses, buttressed by federal action that will facilitate the use of that system.

The medical profession is working on programs to increase the numbers of doctors and health care personnel and enlarge the capacity of medical facilities. In addition, to help resolve the economic barrier, the American Medical Association has developed its Medicredit program which, through insurance and tax credits, would go a long way toward establishing high-quality medical care as a right. The idea that simply passing a law creating a multibillion dollar National Health Insurance system would solve our medical problems and guarantee our "right" to medical care is pure fiction.

As one prominent physician commented, this would be like declaring air travel a "right". If this were done in a brief period, it takes little imagination to visualize the state of congestion that would overtake air terminals and airlines. As the physicians points out, ". . . in both medicine and air travel it takes time to create the supply needed to meet new demand. In the meantime, a growing demand works against a relatively constant supply. The result . . . is inflationary."

HONORS "GENTLEMAN JIM"

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. WOLFF. Mr. Speaker, on Saturday, October 9, 1971, the community of Bayside, N.Y., honored one of its greatest residents, James J. "Gentleman Jim" Corbett, who lived there from 1902 until his death in 1933. The ceremonies were conducted upon the lawn of Mr. Corbett's former house, where the memorial boulder and bronze plaque are located, and which is now owned by Mr. and Mrs. Thomas A. Claro who acted as host and hostess to the assemblage. The house is located at 221-04 Corbett Road.

The Right Reverend Monsignor Kelly gave the invocation and the benediction. The highlight of the program was an acappella chorus made up of students from the Bayside High School which the group had organized under their own auspices. They were ably led by Miss Ho Lee. The group of youngsters rendered two delightful numbers and made a most favorable impact which Jim Corbett would have appreciated if he could have seen and heard them.

Walter S. Dayton, whose father built the house and later sold it to the Corbetts in 1902, was master of ceremonies. Mr. Dayton reminisced about Jim Corbett, whom he had known personally as a youngster, and recalled that when his father told his mother, a Quaker, that a prize fighter would be her new neighbor, she worried that he might have an unfavorable influence on her five sons. It turned out that Jim became a wonderful neighbor and was an influence for good not only upon the five Dayton boys, but on all the boys in the community.

In my remarks at the dedication, I spoke of the great influence that James Corbett had upon his successors in the "ring" and that Jim had raised boxing from a virtual barroom brawl to a dignified sporting event; that Jim proved that brains and skill could outdo brawn.

Jim Corbett's voice was reproduced on tape from phonograph records he made years ago, and Mrs. Edmund Balsdon played a short tape recording in which Mr. Corbett compared prize fighting in his day with what might be called modern bouts.

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Mrs. Carlyle Hall, Bayside Historical Society vice president, arranged the day's program and introduced the high school chorus.

The formal dedication of the Corbett memorial was made by Joseph H. Brown, president of the society, who stated that the bronze plaque was donated by Madison Square Garden Boxing, Inc., through the president of the boxing division, Mr. Harry Markson.

Brown related why his society chose to honor "Gentleman Jim's" memory:

Because of the fine example he set for the youth of his time in this community. Because of the fine example Mr. Corbett set for those who were to follow him in his profession of boxing. Because of the fine example Jim set as a neighbor and community resident aiding with his time and talent and with his name events of many local organizations and community groups.

Brown then added these remarks in dedicating the plaque:

His name will endure as long as courage and skill and sportsmanship are cherished in this land of ours. Gentleman Jim, Sir, we dedicate the boulder and plaque in your memory.

INVESTIGATE BOTH SIDES BEFORE ACCEPTING NADER'S COMMENTS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. BOB WILSON. Mr. Speaker, we are well aware of the attention Ralph Nader enjoys in the press. His utterings are quoted extensively and we can read almost daily headlines that scream about another Nader "expose." Unfortunately, Mr. Nader's comments seldom are checked out against the facts before they fall into print, and Americans are reading more about his opinions than about the truth. In fact, I believe Mr. Nader's difficulty in distinguishing fact from opinion may one day bring doom to a cause that began with admirable intentions but now is losing respectability. Recently Mr. C. Howard Hardesty, Jr., senior vice president of Continental Oil Co. spoke before the South Carolina Petroleum Council's annual convention about some of Nader's tactics. Most of the speech quoted from an unusual letter Mr. Hardesty had written to his son and daughter, who reflected the younger generation's naive tendency to accept Nader's pronouncements as gospel, without seeking the "other side." I insert Mr. Hardesty's letter in the RECORD for the benefit of our colleagues:

DEAR SALLY AND KIM: Your mother and I are very pleased with how you are progressing. Keep it up. Your clear minds which rightly questioned our use of cigarettes and predinner cocktails, raised several questions which deserve more of an answer than I could extemporaneously serve up. So I will favor or inflict you with a few thoughts which time has permitted me to pull together. In case you want to sign off early and give this the deep six, I'm going to tell you that we live in a pretty good country—a country with a deep commitment by our people—including business and industry to improve our environment. With a little common sense on the part of all of us, you'll be a proud citizen, as I have been, of a country which is the leader among nations.

I believe we stand on a common ground. Both the goals of your generation and my generation are similar. We want social progress for *all* citizens and we want to advance human knowledge in broad areas. We want an advanced standard of living available to all our fellow men and women. We want to live and work in an environment that is better than just satisfactory and which supports the physical and mental wellbeing of all of us. We want a sense of security so that the goals we achieve cannot be disturbed by forces beyond our control.

Kim, I suppose I should rest better because Ralph Nader says there is no fuel crisis. But, if, as he says, the so-called "energy crisis" is solely the product of advertising, then we have just witnessed the most successful advertising campaign ever conducted in the history of man. It is not that simple and I recognize that it's always dangerous to take on a person like Nader after his reputation is established. It's hard for me—for two reasons:

First: If I didn't publicly quarrel with him when he attacked other segments of business, then why do I raise my voice now? Is it a matter of "whose ox is being gored?" I'd rather think it is because he is addressing himself to an area where I have some knowledge of the facts.

Second: I happen to believe in the role of the critic when he supports himself with facts. I also believe in the role of muckrakers—however prejudicial that term sounds—as long as he remains responsible. Let me make sure you understand how I use the term "muckraked" by quoting from its originator, Theodore Roosevelt.

"The men with muckrakes are often indispensible to the well-being of society, but only if they know when to stop raking the muck and to look upward to the celestial vision above them, to the crown of worthy endeavor.

"There are beautiful things above and around them and if they gradually grow to feel that the whole work is nothing but muck their power of usefulness is gone."

Nader has in the past rendered a service to this country. In his way, he and his troops have provoked all of us to re-examine our approach to problems. The business community was made to recognize that reasons behind their conduct and their approach to problem-solving had to be laid before the American public.

Unfortunately—and too often—incomplete and inaccurate data combined with innuendo are used as the tool. We are now approaching the time when concerned citizens demand and deserve more than criticism which is not supported by fact or aided by constructive solutions.

This most recent blast of Nader's moves me toward the position of Thomas R. Shepard, Jr., publisher of LOOK Magazine, who calls them a Disaster Lobby which is basically opposed to the free enterprise system and will do anything they can to bolster their case for additional government controls over industry.

With this in mind, I can tell you that I would be willing to meet Mr. Nader any time to discuss the realities of the energy problems this nation faces. I ask merely that he bring his facts and leave his conjectures at home.

Is this unfair? Do we really have a fuel shortage? Who says that we are facing an "energy crisis"? The people who have studied the problem in depth are lined up against Mr. Nader.

President Nixon said in his Energy Message: ". . . in the last four years it (energy consumption) has been growing at a faster pace and forecasts of energy demand a decade from now have been undergoing significant upward revisions . . .

"In the years ahead, the needs of a growing economy will further stimulate this demand."

A spokesman for the Department of the Interior has found that: "After years of supposing that we could count on all the energy we needed, we are now finding that the focus of our concern has suddenly moved from the disposal of abundance to the rationing of scarcity."

The Senate Interior Committee began their study of a National Fuels and Energy Policy with this observation:

"There have been numerous symptoms in recent years of failures in our energy system. A few examples of the energy crisis will serve to illustrate an ominous picture.

"The number of summer blackouts in the United States has increased from eight in 1966 to 34 in 1969. In 1970 it rose to 54.

"During the past winter, 39 of the Nation's 181 largest utilities were seriously short of power and had dangerously low reserves of generating capacity."

The National Petroleum Council recently pulled together more than 200 experienced people from all the energy industries—oil, gas, coal, nuclear—to study our energy requirements and supplies—and here are a few highlights of what they said:

Assuming no change in government policies, by 1985 our nation will be confronted by:

(1) a 45% short supply in natural gas as compared to demand;

(2) a required doubling of coal production;

(3) an increase in nuclear power generation by 100 times; and

(4) the importation of about 15 million barrels of oil per day.

Are the implications clear to you? Can you imagine the numbers of tankers, refineries, terminals, employees, coal mines, railroad cars, generating stations that all this will involve?

These conclusions have also been accepted by other responsible groups. G. J. Tankersley, President of the American Gas Association, whose main goal is keeping the pipelines full, recently stated:

"There's really no mystery as to how the deliverability gap developed in the gas industry. It is simply a case of demand increasing faster than our ability to develop new sources of supply. Gas has, for example, provided over 50 percent of our nation's new energy requirements over the past 25 years. Supply, on the other hand, has been unable to keep pace with rising demand, and in 1968, we started on a 'deficit spending' course—since that time, our proved reserves in the lower 48 states have regularly declined."

No one who earnestly searches for the truth can run from the fact that for the past three years—1968, 1969 and 1970—new gas supplies discovered in the lower 48 states have only been about one-half of the total gas produced and used. By 1973, South Louisiana (which produces about one-third of the gas used in the United States) will not be able to meet gas deliverability requirements on an annual basis.

No, Sally and Kim, Ralph Nader has just committed an injustice to this nation. Now more than ever before we need intelligent, rational decisions. More than ever before we need a cooperative effort between all positive forces in our life—government, industry, labor, conservationists and consumers to plan for our future. Misstatements—inaccuracies and half-truths critically delay this process. In his haste to muckrake—to make a headline—he ignores the efforts of those who devote their lives to finding and producing the energy requirements of this nation. In all the days ahead let us remember Mr. Nader's statement made on October 29, 1971, that the "energy crisis" was merely a promotion of the fuel firms' advertising departments. Let us also judge his other pronouncements accordingly.

Without facts but armed with opinions, Nader is now creating a dark and brooding sense of doubt—doubt about the extent and the sincerity of the commitment by government and industry to solve one of the most serious problems of our decade. The challenge of providing adequate fuel for our nation is great. We will have to accelerate our exploratory efforts, search in hostile environments, conserve whenever we can and greatly improve our efficiency of use. Attainment of our goals will flow not from the muckrakers, but from the cooperative efforts of all of us who want this nation to move forward.

As Chairman of the American Petroleum Institute's Committee on Air and Water Conservation, I deeply resent his statement that ads that oil companies are working toward the improvement of the environment are especially misleading. A few facts will label this the big lie.

Is not expenditures of $2 billion dollars in 5 years working toward improved environment? That's what our industry has spent on pollution abatement.

Is not $501 million dollars a year a contribution of some sort toward a better country? That's what the oil and gas companies are spending this year to clean up their house. This one industry is spending more in one day than all the municipalities in this country are spending in a month. How can it be said that we are ignoring our responsibilities?

Is not more than 75 current and completed projects funded in 1971 by the oil industry and the Environmental Protection Agency including 36 research and demonstration projects funded by the industry alone a step in the right direction?

What we are really looking for is a reasonable balance—call it a parity—between what our super technology can produce and what our not-so-super bank balances can afford. If three years ago someone had guaranteed Detroit that they could sell all their 1972 models at twice their current price, then we would be a lot closer to a non-polluting car. That doesn't mean meanufacturers would have made a dollar more. But by using special metal alloys and perhaps platinum in a a catalystic muffler we could be far ahead of today. But is it right—does it make sense to produce a desired product at prices we can't afford and which does not reflect a balance of our societal means?

The free enterprise system has stood for an important balance: the superior product at the most competitive price. I happen to believe we cannot afford to lose that kind of parity.

We're making progress. Don't sell this country and the free enterprise system short. Even the amount of gases in urban air is dropping sharply. New York City's Department of Air Resources reports year by year decreases in sulfur oxide, nitric oxide, carbon monoxide and aldehydes since the Department began monitoring the air in 1965. Similar declines have been recorded in other big cities, in a recent New York Times article. Professor Matthre Creason of Johns Hopkins University states: "There has been a general decline in all pollution during the past thirty or forty years. In some cities the sulfur dioxide content of the air is only one-third or one-fourth of what it was before World War II."

That may seem hard to believe because most of us hear only about the current problems and we don't take time to make comparative judgments.

But professionals like Harold Gotaas, Dean of the Technological Institute of Northwestern University decry what he calls "emotional and exaggerated views of water pollution." Dean Gotaas stated that "never in history has the quality of water supplies been better. Today's concern over water pollution stems from aesthetic rather than health considerations," the Dean said, and because it does we should study carefully any extravagant counter measures.

You may both have heard that the industry is the cause of all pollution and therefore we must turn from the capitalistic system. Do you really believe that pollution is the creation of capitalism? Recently, Anthony Wayne Smith, President of the National Parks and Conservation Association and Chairman of Environmental Coalition for North America states that "the problems of the poisoning of air, water and soil, which Fromm and others think may prove lethal, are universal, not the fruit of any single economic or political system." Mr. Smith went on to describe the trying problems which the Russians have in preventing and reversing the pollution of Lake Baikal in Siberia, the largest body of fresh water in the world. Journey around the world and you will find that people, not their form of government, create pollution.

Don't misunderstand me. The environmental challenges are large, they cannot be ignored, but they can and will be conquered. The cost is enormous—hundreds of millions of dollars—which our generation, your generation and all future generations will have to pay. We can cry for a cleaner world, but let's not cry when we get the bill in increased prices and taxes. But it is counterproductive to assert—as Nader did—that one industry is ignoring its responsibilities.

Now, Sally, about your editorial to insulate America's shorelines: I must say that outlawing industry on our shorelines is an understandable "knee-jerk" reaction. Its so easy when we are faced with a problem to say "let's pass a law—let's make it illegal." Laws, alone, will not solve the great problems of society whether they deal with equality, segregation, drugs or pollution. The right state of mind is far more important.

In my opinion, Delaware will repeal its industrial prohibition passed more in response to emotion than logic. What special right does one state have to pass its problems on to its neighbor? In the long run, can it say "Yes, we need energy to build our economy, but build a stable for our horse-power in the yard of our neighboring states. Yes, we want the wheels of commerce to roll but someone else must turn the crank." Can we enjoy the shade of the tree without raking up the leaves?

These conflicts will be resolved when sane minds, divorced from emotionally charged atmospheres, recognize that we need natural resources to maintain our economic progress and that they can be harvested and used in a planned way which does not undermine our environment.

This nation desperately needs the energy from all reservoirs including offshore opportunities. This nation needs the coal and minerals including those which must be surface-mined. We need oil terminals, refineries and LNG plants on our eastern seaboard. We need nuclear plants, and lots of them, and unless you want to wither on the vine, intelligently plan for and make adequate provision for them. These needs cannot be ignored with the hope that they will go away. We must engage in the kind of planning which will permit their development in a way which will still preserve for us an adequacy of nature undisturbed. This planning must result in action now, not tomorrow.

Wouldn't it be nice if we had two worlds? One for our life of progress, social and technological achievement, business, space, industry, factories, coal mines, oil wells, housing and cities. The other would be just on the other side of the door where we could step into the peace, the quiet and the beauty of nature untouched by human hand. To provide a power balance between this need for energy and progress and this need for an undisturbed environment is a challenge which all of us—your generation and mine—must face—and must resolve. The time is upon us to find and to build on the truth. I have no fear but that you will find answers in your time—as we are finding them today—which will move people and society forward. That's really the only direction any of us can tolerate.

In closing, if you have not already turned to more interesting reading, your parents won't apologize for the world in which you live. Our half century has been a good one and when you have traversed more than fifty percent of your material existence, I hope you and your generation will have:

Built as many hospitals;

Erected and staffed as many schools and colleges;

Opened the exciting doors of education to as many people;

Cured as many ills and conquered as many new fields in medicine;

Made as much progress in communications;

Opened as many opportunities for minorities;

Given as unselfishly of yourself for the protection of your nation from aggression;

Aided as many sick and starving people around the world;

Traveled beyond the moon both in reality and in hopes;

Provided a balance—a parity—in the forces which propel us forward, and,

Please be ever mindful of and devoted to the one almighty power—God—which guides the destiny of all mankind.

I am confident you will.

Love,

DAD.

AIRSTRIPS NEEDED AT KAKE AND ANGOON, ALASKA

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. BEGICH. Mr. Speaker, recently, I received a letter and a resolution from the Southeastern Alaska Community Action Program concerning the need for an airfield at Kake and Angoon, Alaska. SEACAP believes that the construction of an airfield at these two sites is vitally necessary.

The city of Kake depends upon the float airplane service for its economic and day-to-day survival. Having landed at both of these sites on occasion, I also realize the need for airstrips there. It is time the people of Kake and Angoon were given the priority they deserve. It is essential to the progress of these areas and of Alaska that they be provided with the provisions needed for their growth.

The SEACAP resolution urges the State of Alaska to place an airfield at Kake and Angoon high on its list of priorities. The following is a copy of the resolution for my colleagues' inspection.

RESOLUTION NO. 17

Whereas, The City of Kake is dependent on Float Airplane service; and

Whereas, All other cities in Southeastern

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have, or are getting airplane landing fields; and

Whereas, An airfield is badly needed in Kake, and Angoon.

Now therefore be it resolved: That SEA CAP urge the State of Alaska to give high priority to an airfield at Kake and Angoon.

REPORT OF AN FBI INVESTIGATION

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. HARRINGTON. Mr. Speaker, another distressing example of the Nixon administration's attitude toward the press and basic constitutional rights came to light last week with the report of an FBI investigation of Daniel Schorr, a newsman for the Columbia Broadcasting System.

The official explanation was that Mr. Schorr was being considered for a job in the administration. But, if such a job possibility ever existed, the White House failed to inform Mr. Schorr.

As James Reston wrote in this Sunday's New York Times:

The FBI investigation of Mr. Schorr is even clumsier than other similar investigations and the explanation of that investigation—that they were thinking of giving him a big Government job—is almost funny, until you realize that this sort of thing is actually organized and put in train with the FBI by the political image-makers on the White House staff who claim executive privilege and immunity from questioning by the Congress when they are caught in these peculiar manipulations.

The steady, quiet erosion of our individual freedoms is no less deadly than overt, violent repression. It insinuates itself, becomes part of the daily diet and can create an invisible stranglehold through apathy and acceptance. As Mr. Reston puts it, this administration which purports to be the most open in terms of ideas and communication, "is by far the most closed administration since the last World War."

I wish to insert Mr. Reston's column in the RECORD.

The column follows:

BUT IF YOU LAUGH, IT HURTS

(By James Reston)

WASHINGTON.—In the last few months, the Administration has been putting the cops on the Washington reporters again, and there is a lot of talk around here, most of it a little melodramatic, about some dark Administration plot to intimidate or discredit its critics in the press and the networks.

Ever since the publication of the Pentagon papers, the Justice Department, instead of quitting when it was behind, has been using the F.B.I. to try to prove that there was some kind of conspiracy against the Government in the publication of these papers.

This is understandable. The Government has the right and even the duty to protect the privacy of its official papers, but its methods are astonishing. It has demanded by subpoena the transcript of an off-the-record talk by Daniel Ellsberg made to a private meeting of the members of the Council on Foreign Relations in New York. The F.B.I. has also been inquiring into the private records and even the bank accounts of Neil Sheehan, who broke the Pentagon papers story in The New York Times, and into the private records of his wife as well.

This has been going on now for over three months, while a grand jury in Boston is summoning Vietnam critics out of Harvard and M.I.T. and friends of Mr. Sheehan to tell what they know about Dr. Ellsberg and Mr. Sheehan. And the habit of using police methods in these delicate Government-press relations seems to be growing.

For example, William Beecher of The New York Times wrote a report on the progress of the U.S.-Soviet arms talks late last summer, and the Administration has actually been giving lie-detector tests to some of its own officials who are suspected of being the source of his information.

And the latest object of the Administration's concern is Daniel Schorr of C.B.S., a tough-minded and admirably nosy old pro, who has been raising some interesting questions about the mystifying contradictions and "clarifications" in the Administration's social and economic policies and has had the audacity to suggest that the re-election of Mr. Nixon is not essential to the well-being of the Republic.

Thereupon Mr. Schorr suddenly discovered not only that the White House was protesting to his boss at C.B.S. about his reporting but that the F.B.I. was questioning his neighbors and colleagues about his personal life and professional qualifications. When this was made public, the White House explained that Mr. Schorr was being considered for an important Government job, which he had never heard of and the White House refused to identify. The laughter that greeted all this is still rattling through Washington.

So, obviously, there is something pretty fishy in all this, but probably less than meets the eye. When odd or mysterious things happen in Washington, and you are asked to choose between two possible explanations—a conspiracy or inefficiency complicated by stupidity—it is usually wise to bet on inefficiency and stupidity.

The long investigation of Mr. Sheehan and the legal demand for Dr. Ellsberg's speech before a private meeting at the Council on Foreign Relations are a puzzle. The F.B.I. doesn't have to ask Mr. Sheehan's next-door neighbor if she has any letters from him with his signature; they have his signature on his White House and Pentagon press passes, and there is no mystery about what Dr. Ellsberg has been saying about the Pentagon papers, for he has said it all in public.

The F.B.I. investigation of Mr. Schorr is even clumsier, and the explanation of that investigation—that they were thinking of giving him a big Government job—is almost funny, until you realize that this sort of thing is actually organized and put in train with the F.B.I. by the political image-makers on the White House staff who claim executive privilege and immunity from questioning by the Congress when they are caught in these peculiar manipulations.

The whole thrust of these intimidating investigations shows the most abysmal ignorance or misunderstanding of what a reporter's function is. His job is to gather all the information he can, just as a President's ambassador is expected to report all the information he can gather at his post. What is done with that information is not the reporter's responsibility but the newspaper's.

Mr. Sheehan and Mr. Schorr are only agents of the institutions for which they work, and to single them out and harass them does not really help the Government but merely stirs up the whole communications fraternity, which, under attack, and only then, is a kind of mutual aid society.

It is easy to understand the zeal of these anonymous image-makers in the White House. They see the terrible dilemmas before the President and resent the critisism of his policies, but one wonders about their judgment, their secrecy and their immunity from questioning. The Washington press corps was here before they all arrived and will be around long after they have gone back to commercial huckstering. It has had to deal with the manipulation of pros on the White House staff from Roosevelt to Johnson, all of whom were at least available for questioning, but President Nixon is served, if that is the word, by some key self-righteous amateurs who have forgotten what destroyed President Johnson and what Mr. Nixon himself said on his way to the White House.

"It's time," Mr. Nixon said in the 1968 campaign, "we once again had an open Administration—open to ideas *from* people, and open with its communication *with* the people—an Administration of open doors, open eyes, and open minds."

Well, the plain truth is that this is by far the most closed Administration since the last World War.

And the irony of it is, while all the closed doors and the F.B.I. investigations are intended to protect the President, discredit his critics and enhance his "image," they merely dramatize his weakness and revive the old doubts about his tricky and manipulative politics.

THE CLEANEST CITY IN CALIFORNIA

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. EDWARDS of California. Mr. Speaker, in this era of what may be referred to in history as the age of pollution, I am proud to be able to report on a community in my congressional district which is hopefully reversing that trend. Fremont, Calif., has just proved itself to be the "cleanest city in the State of California."

It was announced that Fremont had won the coveted $10,000 Stauffer Trophy which was awarded by the California Anti-Litter League at its annual statewide conference in Anaheim, Calif., on November 8, 1971.

This trophy will be displayed at the Fremont City Hall for 1 year and in addition the city was presented with a check for $1,000 to carry on with its cleaning, painting and planting programs.

I know the citizens of Fremont must be very proud and particularly proud of the efforts of all their citizens which served on the city beautiful committee.

This committee in existence since 1956 submitted the following list of their efforts; sponsored the cleanest school contest, fall and spring cleanups, the litter "pile-on" program where youth groups collect litter in big piles for hauling off to the dump, and the litter bag program to urge car dealers and the city to supply litter bags to the public. The committee also encouraged service groups to participate by putting benches in parks, encouraged garden clubs and nursery owners to donate and plant trees, organized half price dumping days in cooperation with local dumps, and got high school students to clean weeds from a cemetery and remove old tires from a canyon. The committee has also encouraged city staff members to remove old junk cars from public and private property.

Their latest project in cooperation with the Fremont Chamber of Commerce was to sponsor the environmental design awards luncheon to honor businesses, public agencies, and private individuals for good architectural design and landscaping.

Just an example of what one community, Fremont, Calif., has done with various beautification programs.

IN OPPOSITION TO THE NOMINATION OF LEWIS F. POWELL

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. CONYERS. Mr. Speaker, on November 9, 1971, I testified on behalf of myself and the congressional black caucus against the nomination of Lewis F. Powell of Richmond, Va. Accompanying me was Mr. Henry L. Marsh III, veteran civil rights lawyer who represented the Old Dominion Bar Association which also opposes the nomination. What we feel makes our position difficult is that we are not dealing with a professionally unqualified nominee. We feel, however, that his judicial philosophy, as expressed through his conduct and policies as a prominent civic and State leader, is inimical to the best interests of the American people, and of blacks and other minorities in particular.

In voting on a presidential nomination to the Court, we believe that a Senator ought to vote in the negative if he strongly believes that the nominee's views on the great questions of his day would do the country an injustice if he were to sit on the Court. On the basis of the information provided by Mr. Marsh and others, we believe that the nominee's understanding of the large issues of the day would make it harmful to the country for him to sit and vote as a member of the Court. Can we afford a nominee on the Court whose presence would drive a wedge between the Constitution and those whom it is designed to protect? The oppressed in our society have had no more precious champion of their rights than the Supreme Court. What would be the sense in breaking their last, thin grasp on justice?

I am submitting for the RECORD, a copy of my testimony and an illuminating article by Charles L. Black, Jr., of the Yale Law School on senatorial consideration of Supreme Court nominees:

TESTIMONY OF HON. JOHN CONYERS, JR., BEFORE THE SENATE JUDICIARY SUBCOMMITTEE CONSIDERING THE NOMINATION OF LEWIS F. POWELL AS A SUPREME COURT JUSTICE

Mr. Chairman and distinguished members of the subcommittee, I appreciate the opportunity to testify before you on a matter of such great importance as the nomination of Lewis F. Powell as an Associate Justice of the Supreme Court.

In considering Mr. Powell or any other nominee to the Court, no one would deny the Presidential prerogative of examining a potential candidate's philosophy before placing his name before the Senate for confirmation. Nor is there any requirement of the type of philosophy a nominee should espouse. But it also follows that there is nothing to preclude the Senate from laying bare that nominee's predilections, but indeed it has a responsibility to do so.

Many of the founding fathers feared that nominal "advice and consent" of the Senate on nominations to judgeships would create a dependency of the judiciary on the executive. It was their intent to make the judiciary independent by insisting on joint action of the legislative and executive branches of each nomination. Consequently, as Charles L. Black, Professor of Law at Yale University, has pointed out, such inquiry is consistent with the Senate's constitutional duty in advising on presidential nominations:

"A Senator, voting on a presidential nomination to the Court, not only may but generally ought to vote in the negative, if he firmly believes, on reasonable grounds, that the nominee's views on the large issues of the day will make it harmful to the country for him to sit and vote on the Court, and that, on the other hand, no Senator is obligated simply to follow the President's lead in this regard, or can rightly discharge his own duty by doing so."

Competency as a legal technician is not sufficient cause for appointment in the Supreme Court. Since judges by definition must sit in judgment, exercising what Oliver Wendell Holmes called the "sovereign prerogative of choice," they must bring more to their task than a highly specialized technocracy. What a judge brings to bear upon his decision is the weight of his experience and the breadth of his vision, as well as his legal expertise. In the words of Felix Frankfurter, a justice ought to display both "logical unfolding" and "sociological wisdom." Or, as Henry Steele Commager put it: "Great questions of constitutional law are great not because they embody issues of high policy, of public good, of morality." Similarly, great judicial decisions are great not because they are brilliant formulations of law alone, but because they embody highmindedness, compassion for the public good, and insight into the moral implications of those decisions.

I. POWELL'S RECORD ON THE RICHMOND SCHOOL BOARD

For the past several days, the press and Lewis Powell's supporters have been treating us to a view of Mr. Powell which would have us believe that he was the champion of the successful, gradual integration of the Richmond public schools. As *Time Magazine* put it, Mr. Powell, as Chairman of the Richmond School Board, presided over the "successful, disturbance-free integration of the city's schools in 1959."

While it is true Mr. Powell sat on the School Board of the City of Richmond from 1950 to 1961, serving as its chairman during the last eight years of that period, something less than successful integration took place. The opinion of Circuit Judge Boreman, not noted for his liberal views, in *Bradley v. School Board of the City of Richmond, Virginia* clearly documented the fact that in Richmond, only a matter of months after Mr. Powell had left the city School Board, "the system of dual attendance areas which has operated over the years to maintain public schools on a racially segregated basis has been permitted to continue." [317 F. 2d 429 1963) at 436.] What the very words of the United States Court of Appeals, Fourth Circuit, indicate beyond a shadow of a doubt is that Lewis Powell's eight-year reign as Chairman of the Richmond School Board created and maintained a patently segregated school system, characterized by grossly overcrowded Black public schools, white schools not filled to normal capacity, and the school board's effective perpetuation of a discriminatory feeder or assignment system whereby Black children were hopelessly trapped in inadequate, segregated schools.

The entire text of the *Bradley* opinion is submitted for inclusion into the record of these proceedings, so that it may be carefully scrutinized by this committee and members of the Senate in order that a more accurate view may be gained of the conditions that existed under the Powell administration.

Under his guidance, the Richmond School Board maintained a "discriminatory 'feeder' system, whereby pupils assigned initially to Negro schools were routinely promoted to Negro schools." To transfer to white schools, they had to "meet criteria to which white students of (the) same scholastic aptitude (were) not subjected." [317 F. 2d, at 430.] The Court found that, including the years when Lewis Powell was the leading policymaker on the Richmond School Board, the infant plaintiffs in the *Bradley* case were "able to escape from the 'feeder' system only after the District Court made possible their release by ordering transfers." [317 F. 2d, at 436.]

Listen to the words of Judge Boreman, as he describes the state of the Richmond public school system which Mr. Lewis Powell and his supporters so proudly point to as a prime example of his "sensitivity" to the needs of Black people:

"It is clear, as found by the District Court, that Richmond has dual school attendance areas; that the City is divided into areas for white schools and is again divided into areas for Negro schools; that in many instances the area for the white school and for the Negro school is the same and the areas overlap. Initial pupil enrollments are made pursuant to the dual attendance lines. Once enrolled, the pupils are routinely reassigned to the same school until graduation from that school."

The deleterious effect of eight years of Lewis Powell's control over the education of the Black and white children of the city of Richmond is clearly pictured in the statistics cited by the Court:

"As of April 30, 1962, a rather serious problem of overcrowding existed in the Richmond public schools. Of the 28 Negro schools, 22 were overcrowded beyond normal capacity by 1775 pupils, and the combined enrollments of 23 of the 26 white schools were 2445 less than the normal capacity of those schools." [317 F.2d, at 432–3.]

As of 1961 when Mr. Powell left the Richmond School Board only 37 Black children out of a total of more than 23,000 were attending previously all-white schools in Richmond.

A fair examination of the evidence suggests that Lewis Powell, in this instance, certainly was no respecter of the decrees of the very Court for which his nomination is now being considered. For in *Brown v. Board of Education* [347 U.S. 483] and *Cooper v. Aaron* [358 U.S. 358], the Court had found that it was primarily the duty of the *School Board* to eliminate segregationist practices in the public schools. But as the *Bradley* opinion notes, the Richmond School Board could not even claim that a reasonable start had been made toward the elimination of racially discriminatory practices. [317 F.2d at 435.] "The Superintendent of Schools testified that the City School Board had not attempted to meet the problem of overcrowded schools by requesting that Negro pupils in overcrowded schools in a given area be assigned to schools with white pupils." [317 F.2d, at 435.] Rather than admitting that it had failed, the Richmond School Board was blaming the "Pupil Placement Board" and others for what was clearly, as the Court decreed in *Bradley*, its own miserable dereliction of duty.

Powell, in a letter to the City Attorney,

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dated July 20, 1959, wrote that "The entire assignment prerogative is presently vested in the State Pupil Placement Board, and although the law creating this Board may be shaky, it has still not been held invalid. In any event, it is our basic defense at the present time." Here, Powell is clearly letting a weak governmental agency take the blame for what in fact were his own segregationist policies where pupil assignment was concerned.

Numerous other cases which deal with the conditions of the Richmond schools during the era of Mr. Powell's chairmanship document the horrendous conditions which he helped to perpetuate and institutionalize. In *Warden v. The Scohol Board of Richmond*, a special meeting of the School Board of Richmond on September 15, 1958 is shown to have recommended that an all-white public school be converted to an all-black school in order to perpetuate segregation [*Lorna Renee Warden et al. v. The School Board of the City of Richmond, Virginia, et al.*] Obviously Mr. Powell's sanction of the maintenance of a dual system of attendance areas based on race offended the constitutional rights of the black school children who were entrapped by Powell's policy decisions. From the foregoing evidence, it does not appear that Mr. Powell was a neutral bystander during these critical years of Richmond's history. In fact, the record reveals that Mr. Powell participated in the extensive scheme to destroy the consitutional rights that he had sworn to protect.

When Lewis Powell resigned from the Richmond School Board in order to take his place on the Virginia State Board of Education, an editorial in the March 3, 1961 edition of the Richmond *Times-Dispatch* praised him for the fact that "the two new *white* high schools (were) planned and built during his chairmanship." (Emphasis added) There were those in Richmond who had good cause to be justly proud of the masterful way in which Mr. Powell had perpetuated the antiquated notions of white supremacy through a clever institutionalization of school segregation.

II. POWELL'S RECORD ON THE VIRGINIA STATE BOARD OF EDUCATION

The defenders of Lewis Powell's record in the field of education proudly point to his support of the "Gray Proposals" in the 1950's as proof positive of his "courage" in the face of those who were advocating the stiffer line of "Massive Resistance" *vi-a-vis* the *Brown* decision. His early support of these proposals, it can be documented, was translated into his later actions as a member of the State School Board, which, I shall show, also served to foster substantive segregation in the public schools—this time on a state-wide scale.

On August 30, 1954, the Governor of Virginia appointed a Commission on Public Education (known as the "Gray Commission") to examine the implications of the Supreme Court's *Brown v. Board of Education* decision of May 17, 1954 for the school segregation issue in the State of Virginia.

The Gray Commission made at least three separate reports to the Governor—on January 19, 1955, June 10, 1955, and November 11, 1955. In summary, these "Gray Proposals" called for legislation which would provide "educational opportunities for children whose parents will not send them to integrated schools." [*Race Relations Law Reporter*, Vol. 1, No. 1, 1956, p. 242]:

"To meet the problem thus created by the Supreme Court, the Commission proposes a plan of assignment which will permit local school boards to assign their pupils in such manner as will best serve the welfare of their communities and protect and foster the public schools under their jurisdiction. The Commission further *proposes legislation to provide that no child be required to attend a school wherein both white and colored children are taught and that the parents of those children who object to integrated schools, or who live in communities wherein no public schools are operated, be given tuition grants for educational purposes.*" (Emphasis added. Ibid.)

In order to implement the tuition grant strategy, the Gray Commission called for the amendment of Section 141 of the Virginia Constitution—which had formerly prohibited public funds from being appropriated for tuition payments of students who attended private schools—so that "enforced integration (could be) avoided".

I submit the entire text of the "Gray Proposals" into the record of these proceedings, so that all may view its other recommendations, which include the following:

1. That no child be required to attend an integrated school.

2. That localities should be granted State funds upon certifying that such funds would be expended for tuition grants (to send, in practice, white children to segregated, all-white private institutions).

3. That the State Board of Education be empowered to liberalize certain conditions in the distribution of State funds (so that, in practice, tuition grants, transportation costs, institutional fees, and other expenses involved in supporting the multitudinous new white private schools could be met).

Thus was the idea of using tuition grants as a means of circumventing the intent and spirit of the *Brown* decision first expressed. The Gray Proposals subsequently became the policy of the State of Virginia and its Board of Education. White parents who refused to send their children to integrated public schools but who could not afford to carry the entire financial burden of sending them to segregated private schools were soon subsidized by publicly-funded tuition grants, or "pupil scholarships" as they came to be called.

That Lewis Powell was a supporter of the tuition grant strategy there is little doubt. The actual minutes of the Virginia State Board of Education show that Powell was present at numerous meetings between 1962 and 1968 at which the regulations governing the payment of tuition grants were approved, the actual appropriations of funds for these grants were made, and annual reports summarizing the total outlay of State and local moneys for the "pupil scholarships were given." The total annual outlay in Virginia for these tuition grants was enormous. During the 1962 to 1963 school year, for example, a total of $2,252,995.07 paid from State funds and local funds advanced by the State for the localities was paid out in the form of tuition grants of various forms (Minutes of the Virginia State Board of Education, Vol. XXXIV, p. 84, August 22-24, 1963).

The minutes of the State Board's special meeting of July 1, 1964, clearly indicate that Lewis Powell was present when, by a *unanimous* vote, a resolution was passed which facilitated the filing of tuition grant applications by Prince Edward County parents. This July 1, 1964, vote, which clearly documents Lewis Powell's favorable stance towards the tuition grant strategy in Prince Edward County, Virginia, is a particularly crucial one. For in the case of Prince Edward County, all public schools were closed for five full years, from 1959 to 1964. Lewis Powell was on the State Board of Education for a full three of those five years. As the text of the Fourth Court of Appeals indicates, "the county made no provision whatever for the education of Negro children; white children attended segregated foundation schools financed largely by state and county tuition grants to the parents." [*Griffin* v. *Board of Supervisors of Prince Edward County*, 339 F. 2d 488.] For five years, only white children attending private schools subsidized by publicly funded tuition grants received an education in Prince Edward County.

Foundation schools, for white students only, thrived and were supported almost entirely by public funds in the form of tuition grants. They were staffed with the same white teachers as formerly taught in public schools. Despite such findings as those of the Court of Appeals in *Griffin* that such practices were constitutionally impermissible, that the payment of tuition grants to parents desiring to send their children to such schools was enjoined so long as those schools remained segregated, and that the entire tuition grant practice constituted discrimination on racial grounds [339 F. 2d 486], there has been no indication that Mr. Lewis Powell individually or the State Board of Education collectively ever opposed the perpetuation of this practice.

On July 1, 1964 the minutes of the State Board of Education show that Lewis Powell voted for a resolution authorizing retroactive reimbursement to Prince Edward parents who had paid tuition for their children's attendance at private schools during the 1963-4 school year. There could be no clearer or more candid declaration of Lewis Powell's intentions with regard to the school segregation issue than his support of the unanimous vote on that day. A random sampling of the entire range of the Virginia State School Board minutes from 1962 to 1968 reveals that on at least eight occasions, Lewis Powell was present at meetings at which specific tuition grants were made, not only in Prince Edward County, but all over the State of Virginia. A Survey of the minutes also has produced proof of at least three instances in which Mr. Powell was present while the "Regulations of the State Board Governing Pupil Scholarships" (tuition grants) were adopted.

Also of prime importance in evaluating Mr. Powell's behavior on the Virginia State Board of Education is the lack of information that he did anything but acquiesce in the face of the State Board's routine accreditation of segregated, all-white, private schools. For example, at a meeting of the State Board on March 26, 1964, with Powell recorded as present, a list of 65 private secondary schools was approved and accredited. These private, all-white, segregated schools included some of the same ones—Huguenot Academy, Surry County Academy, and Prince Edward Academy for which the U.S. District Court for the Eastern District of Virginia found that publically-funded tuition grants were the main support. The minutes of these meetings fail to indicate that Mr. Powell voted against the accreditation of such schools, despite the District Court's decree in *Griffin* that the further payment of the grants for use in those schools was suspended so long as they maintained segregation. Notwithstanding the Federal District Court's admonition that "the State cannot ignore any plain misuse to which a grant has or is intended to be put," [239 F. Supp. at 563], the State Board of Education continued to process and approve applications for tuition grants without making any investigation to determine whether the schools were embodying racially discriminatory policies. Looking at the record, it is clear that Mr. Powell was in fact the "champion" of segregation rather than champion of integration as has been suggested.

The question can legitimately be asked—what was it that Lewis Powell was trying to preserve as Chairman of the Richmond and Virginia public schools? Was it merely, as Powell maintained in yesterday's testimony, the preservation of the public school system *per se* that he was unflinchingly interested in? I cannot condone the simplistic acceptance of Mr. Powell's literal word in this matter. For what was the public school system of Richmond in 1958 or even in 1961 but a microcosm of white supremacy—all white, under-attended, well-equipped schools *vis-a-vis* overcrowded, dingy, all-black schools. Cannot Mr. Powell's "saintly" crusade for the presentation of the Virginia-style of "equal" public education be viewed as an inherent desire on his part to preserve a system which to so fine a degree sought to further institutionalize the Virginia schools' own peculiar brand of racism? Are not his lofty pleas for the maintenance of public education at any cost often refuted by a record which finds Mr. Powell rejecting the obviously vulnerable positions in favor of more sophisticated schemes which have effectively preserved segregation.

III. POWELL'S DIRECTORSHIP OF CORPORATIONS IMPLICATED IN RACIAL DISCRIMINATION

Title VII of the Civil Rights Act of 1964 prohibits discrimination in employment on the basis of race. Powell is a member of the Board of Directors of 11 corporations. (His firm also represents many of these corporations.)

It is vital that the distinction be drawn between Mr. Powell's behavior as an attorney and his behavior as a private citizen. One could argue that an attorney should not be held accountable for his actions due to the inherent nature of legal advocacy. But, as a member of the Board of Directors of corporations which have been adjudged guilty of violating various provisions of Title VII, Powell cannot automatically escape blame. A Director is by definition a policy-maker and shares the legal responsibility of the conduct of his corporation.

Lewis Powell is both the legal counsel and a Director of the Philip Morris, Inc., one of Virginia's largest tobacco companies (he has been a Director since 1964). Philip Morris has been the defendant in at least one major Title VII case, *Quarles v. Philip Morris, Inc.* [279 F. Supp. 505]. Here, a civil right action was brought by a group of Blacks in a class action. The U.S. District Court held that the evidence established that two Black employees had been discriminated against as to wages. The discrimination on the basis of race against these employees, the Court held, had been clearly proven. The Court also held that Philip Morris, Inc. had discriminated against Quarles and the Black employees hired in the prefabrication department prior to January 1, 1966 with respect to advancement, transfer, and seniority. It held furthermore that prior organization of departments on a racial basis had prevented Blacks from advancing on their merits to jobs open only to whites. New "non-discriminatory" employment policies had only partially eliminated disadvantages, the court ruled. Plaintiffs were awarded relief to compensate for damages suffered as the result of this blatant example of employment discrimination. According to the records of the Equal Employment Opportunity Commission, the Chesapeake & Potomac Telephone Co., another corporation on which Mr. Powell serves as a Director, is currently being investigated for possible Title VII violations.

IV. POWELL'S BELONGING TO RACIALLY SEGREGATED CLUBS

Mr. Powell has personally and publically admitted that he is a long-standing member of both the Country Club of Virginia and the Commonwealth Club of Richmond. He has confirmed that he never sought to alter their policies against the admission of Blacks. Powell-supporters have been contending that his claim that he used the country club membership largely to play tennis and has only infrequent lunches at the Commonwealth Club [New York Times, October 26, 1971], is in itself a defense for his voluntarily joining and frequenting openly-segregated places of leisure. His volunteering of the information that he belongs to these clubs is similarly held by his supporters as a "defense."

Neither of these tacts can hide the fact that a potential Supreme Court Associate had a clearly enunciated policy which forbade the hiring of any Black attorneys—ever. Greene claims that his charge is based on a statement attesting to this notion made by one of the associates in Hunton, Williams itself. Notwithstanding Powell's denial, the fact remains that his law firm has never and does not yet employ any Black attorneys. This information is consistent with Powell's record of racial discrimination in other areas of his activities.

VI. POWELL AND THE RICHMOND ANNEXATION ISSUE

A common tactic supported by the white power structure in Virginia has been to annex areas to city areas, thereby diluting much of the Black voting strength. Recently, Richmond annexed part of the surrounding white suburbs. The net effect of this annexation was to decrease the Black population of Richmond from 55 percent down to 42 percent.

In *Holt* v. *Richmond* [U.S.D.C., ED. Va.], a suit was brought under Section 5 of the Voting Rights Act to "de-annex" the suburbs. The suit was brought by a Black Richmond citizen as a class action on behalf of Richmond's Blacks. The Justice Department has disclosed documents which show that Powell urged Attorney General John Mitchell to reverse his ruling that Richmond's annexation of suburban areas violated Black voting rights (see the Chicago *Sun-Times*, October 30, 1971). Last August, Powell wrote a letter in an unofficial capacity—acting as an interested citizen—claiming that 43,000 suburban residents were being annexed to expand the city's tax base, not to dilute the voting power of the city's Blacks. The Justice Department, however, refused to withdraw its objection. It was held in a recent District Court opinion, that the primary purpose and effect of the annexation was to dilute the voting strength of the black citizens of the City of Richmond, a view in direct contradiction to Powell's.

Mr. Lewis Powell's lifestyle, his view of government as evidenced by his activities on the boards of education, his close association with a variety of corporate giants, his public conduct, his membership in the largest all white law firm in Richmond, his support of segregated social clubs, and his defense of the status quo, are inconsistent with the kind of jurist needed for the Court in the 1970's and '80's. These considerations take on more weight when one considers the tremendous problems which our country will be facing during those decades.

Men of good conscience should be asking themselves this question: Can we afford a nominee on the Court whose presence would drive a wedge between the Constitution and those whom it is designed to protect? The oppressed in our society have had no more precious champion of their rights than the Supreme Court. What would be the sense in breaking their last, thin grasp on justice?

(From the Yale Law Journal, volume 79: 657, 1970)

A NOTE ON SENATORIAL CONSIDERATION OF SUPREME COURT NOMINEES

(By Charles L. Black, Jr.)

If a President should desire, and if chance should give him the opportunity, to change entirely the character of the Supreme Court, shaping it after his own political image, nothing would stand in his way except the United States Senate. Few constitutional questions are then of more moment than the question whether a Senator properly may, or even at some times in duty must, vote against a nominee to that Court, on the ground that the nominee holds views which, when transposed into judicial decisions, are likely, in the Senator's judgment, to be very bad for the country. It is the purpose of this piece to open discussion of this question; I shall make no pretense of exhausting that discussion, for my own researches have not proceeded far enough to enable me to make that pretense.[1] I shall, however, open the discussion by taking, strongly, the position that a Senator, voting on a presidential nomination to the Court, not only may but generally ought to vote in the negative, if he firmly believes, on reasonable grounds, that the nominee's views on the large issues of the day will make it harmful to the country for him to sit and vote on the Court, and that, on the other hand, no Senator is obligated simply to follow the President's lead in this regard, or can rightly discharge his own duty by so doing.

I will open with two prefatory observations.

First, it has been a very long time since anybody who thought about the subject to any effect has been possessed by the illusion that a judge's judicial work is not influenced and formed by his whole lifeview, by his economic and political comprehensions, and by his sense, sharp or vague, of where justice lies in respect of the great questions of his time. The *loci classici* for this insight now a platitude, are in such writers as Oliver Wendell Holmes, Jr., Felix Frankfurter, and Learned Hand. It would be hard to find a well-regarded modern thinker who asserted the contrary. The things which I contend are both proper and indispensable for a Senator's consideration, if he would fully discharge his duty, are things that have definitely to do with the performance of the judicial function. The factors I contend are for the Senator's weighing are factors that go into composing the quality of a judge. The contention that they may not properly be considered therefore amounts to the contention that some things which make a good or bad judge may be considered—unless the Senator is to consider nothing—while others may not.

Secondly, a certain paradox would be involved in a negative answer to the question I have put. For those considerations which I contend are proper for the Senator are considerations which certainly, notoriously, play (and always have played) a large, often a crucial, role in the President's choice of his nominee; the assertion, therefore, that they should play no part in the Senator's decision amounts to an assertion that the authority that must "advise and consent" to a nomination ought not to be guided by considerations which are hugely important in the making of the nomination. One has to ask, "Why"? I am not suggesting now that there can be no answer; I only say that an answer must be given. In the normal case, he who lies under the obligation of making up his mind whether to advise and consent to a step considers the same things that go into the decision whether to take that step. In the normal case, if he does not do this, he is derelict in his duty.

I have called this a constitutional question, and it is that (though it could never reach a court), for it is a question about the allocation of power and responsibility in government. It is natural, then, for American lawyers to look first at the applicable text, for what light it may cast. What expectation seems to be projected by the words, "The President . . . shall nominate, and by and with the Advice and Consent of the Senate shall appoint . . . Judges of the Supreme Court. . . ."?[2] Do these words suggest a rubber-stamp function, confined to screening out proven malefactors? I submit that they do not. I submit that the word "advice," unless its meaning has radically changed since 1787, makes next to impossible that conclusion.

Procedurally, the stage of "advice" has been short-circuited.[3] Nobody could keep the Pres-

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ident from doing that, for obvious practical reasons. But why should this procedural short-circuiting have any effect on the *substance* so strongly suggested by the word "advice"? He who merely *consents* might do so perfunctorily, though that is not a necessary but merely a possible gloss. He who *advises* gives or withholds his advice on the basis of *all* the relevant considerations bearing on decision. Am I wrong about this usage? Can you conceive of sound "advice" which is given by an advisor who has deliberately barred himself from considering some of the things that the person he is advising ought to consider, and does consider? If not, then can the Presidents, by their unreviewable short-circuiting of the "advice" stage, magically have caused to vanish the Senate's responsibility to consider what it must surely consider in "advising"? Or is it not more reasonable to say that, in deciding upon his vote at the single point now left him, every Senator ought to consider everything he would have considered if, procedurally, he were "advising"? Does not the word "advice" permanently and inescapably define the *scope* of Senatorial consideration?

It is characteristic of our legal culture both to insist upon the textual reference-point, and to be impatient when much is made of it, so I will leave what I have said about this to the reader's consideration, and pass on to ask whether there is anything else in the Constitution itself which compels or suggests a restriction of Senatorial consideration to a few rather than to all of the factors which go to making a good judge. I say there is not; I do not know what it would be. The President has to concur in legislation, unless his veto be overridden. The Senate has to concur in judicial nominations. That is the simple plan. Nothing anywhere suggests that some duty rests on the Senator to vote for a nomination he thinks unwise, any more than that a duty rests on the President to sign bills he thinks unwise.

Is there something, then, in the whole structure of the situation, something unwritten, that makes it the duty of a Senator to vote for a man whose views on great questions the Senator believes to make him dangerous as a judge? I think there is not, and I believe I can best make my point by a contrast. The Senate has to confirm—advise and consent to—nominations to posts in the executive department, including cabinet posts. Here, I think, there is a clear structural reason for a Senator's letting the President have pretty much anybody he wants, and certainly for letting him have people of any political views that appeal to him. These are his people; they are to work with him. Wisdom and fairness would give him great latitude, if strict constitutional obligation would not.

Just the reverse, just exactly the reverse, is true of the judiciary. The judges are *not* the President's people. God forbid! They are not to work with him or for him. They are to be as independent of him as they are of the Senate, neither more nor less. Insofar as their policy orientations are material—and, as I have said above, these can no longer be regarded as immaterial by anybody who wants to be taken seriously, and are certainly not regarded as immaterial by the President—it is just as important that the Senate think them not harmful as that the President think them not harmful. If this is not true, why is it not? I confess here I cannot so much as anticipate a rational argument to which to address a rebuttal.

I can, however, offer one further argument tending in the same direction. The Supreme Court is a body of great power. Once on the Court, a Justice wields that power without democratic check. This is as it should be. But is it not wise, before that power is put in his hands for life, that a nominee be screened by the democracy in the fullest manner possible, rather than in the narrowest manner possible, under the Constitution? He is appointed by the President (when the President is acting at his best) because the President believes his world-view will be good for the country, as reflected in his judicial performance. The Constitution certainly permits, if it does not compel, the taking of a second opinion on this crucial question, from a body just as responsible to the electorate, and just as close to the electorate, as is the President. Is it not wisdom to take that second opinion in all fullness of scope? If not, again, why not? If so, on the other hand, then the Senator's duty is to vote on his whole estimate of the nominee, for that is what constitutes the taking of the second opinion.

Textual considerations, then, and high-political considerations, seem to me strongly to thrust toward the conclusion that a Senator both may and ought to consider the lifeview and philosophy of a nominee, before casting his vote. Is there anything definite in history tending in the contrary direction?

In the Constitutional Convention, there was much support for appointment of judges *by the Senate alone*—a mode which was approved on July 21, 1787,[4] and was carried through into the draft of the Committee of Detail.[5] The change to the present mode came on September 4th, in the report of the Committee of Eleven[6] and was agreed to *nem. con.* on September 7th.[7] This last vote must have meant that those who wanted appointment by the Senate alone—and in some cases by the whole Congress—were satisfied that a compromise had been reached, and did not think the legislative part in the process had been reduced to the minimum. The whole process, to me, suggests the very reverse of the idea that the Senate is to have a confined role.

I have not reread every word of *The Federalist* for this opening-gun piece, but I quote here what seem to be the most opposite passages, from Numbers 76 and 77:

"But might not his nomination be overruled? I grant it might, yet this could only be to make place for another nomination by himself. The person ultimately appointed must be the object of his preference, though perhaps not in the first degree. It is also not very probable that his nomination would often be overruled. The Senate could not be tempted, by the preference they might feel to another, to reject the one proposed; because they could not assure themselves, that the person they might wish would be brought forward by a second or by any subsequent nomination. They could not even be certain, that a future nomination would present a candidate in any degree more acceptable to them; and as their dissent might cast a kind of stigma upon the individual rejected, and might have the appearance of a reflection upon the judgment of the chief magistrate, it is not likely that their sanction would often be refused, where there were not special and strong reasons for the refusal.

"To what purpose then require the cooperation of the Senate? I answer, that the necessity of their concurrence would have a powerful, though, in general, a silent operation. It would be an excellent check upon a spirit of favoritism in the President, and would tend greatly to prevent the appointment of unfit characters from State prejudice from family concession, from personal attachment, or from a view to popularity. In addition to this, it would be an efficacious source of stability in the administration.

"It will readily be comprehended, that a man who had himself the sole disposition of offices, would be governed much more by his private inclinations and interests, than when he was bound to submit the propriety of his choice to the discussion and determination of a different and independent body, and that body an entire branch of the legislature. The possibility of rejection would be a strong motive to care in proposing. The danger to his own reputation, and, in the case of an elective magistrate, to his political existence, from betraying a spirit of favoritism, or an unbecoming pursuit of popularity, to the observation of a body whose opinion would have great weight in forming that of the public, could not fail to operate as a barrier to the one and to the other. He would be both ashamed and afraid to bring forward, for the most distinguished or lucrative stations, candidates who had no other merit than that of coming from the same State to which he particularly belonged, or of being in some way or other personally allied to him, or of possessing the necessary insignificance and pliancy to render them the obsequious instruments of his pleasure.[8]

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"If it be said they might sometimes gratify him by an acquiescence in a favorite choice, when public motives might dictate a different conduct, I answer, that the instances in which the President could be personally interested in the result, would be too few to admit of his being materially affected by the compliances of the Senate. The *power* which can *originate* the disposition of honors and emoluments is more likely to attract than to be attracted by the *power* which can merely obstruct their course. *If by influencing the President be meant restraining him, this is precisely what must have been intended* [emphasis supplied]. And it has been shown that the restraint would be salutary, at the same time that it would not be such as to destroy a single advantage to be looked for from the uncontrolled agency of that Magistrate. The right of nomination would produce all the good of that of appointment, and would in a great measure avoid its evils."[9]

I cannot see, in these passages, any hint that the Senators may not or ought not, in voting on a nominee, take into account anything that they, as serious and public-spirited men, think to bear on the wisdom of the appointment. It is predicted, as a mere *probability*, that Presidential nominations will not often be "overruled." But "special and strong reasons," thus generally characterized, are to suffice. Is a Senator's belief that a nominee holds skewed and purblind views on social justice not a "special and strong reason"? Is it not as "special and strong" as a Senator's belief that an appointment has been made "from a view to popularity"—a reason which by clear implication *is* to suffice as support for a negative vote? If there is anything in *The Federalist Papers* neutralizing this inference, I should be glad to see it.

When we turn to history, the record is, as always, confusing and multifarious. One can say with confidence, however, that a good many nominations have been rejected by the Senate for repugnancy of the nominee's views on great issues, or for mediocrity, or for other reasons no more involving moral turpitude than these. Jeremiah Sullivan Black, an eminent lawyer and judge, seems to have been rejected in 1861 because of his views on slavery and secession.[10] John J. Crittenden was refused confirmation in 1829 on strictly partisan grounds.[11] Wolcott was rejected partly on political grounds, and partly on grounds of competence, in 1811.[12] There is the celebrated Parker case of this century.[13] The perusal of Warren[14] will multiply instances.

I am very far from undertaking any defense of each of these actions severally. I am not writing about the wisdom, on the merits, of particular votes, but of the claim to historical authenticity of the supposed "tradition" of the Senators' refraining from taking into account a very wide range of factors, from which the nominees' views on great public questions cannot, except arbitrarily, be exluded. Such a "tradition," if it exists, exists somewhere else than in recorded history. Of course, all these instances may be dismissed as improprieties, but then one must go on and say why it is improper for the Senate, and each Senator, to ask himself, before he votes, *every* question which heavily bears on the issue whether the nominee's sitting on the Court will be good for the country.

I submit that this "tradition" is just a part of the twentieth-century mystique about the Presidency. That mystique, having led us into disastrous undeclared war, is surely due for reexamination. I do not suggest that it can or should be totally rejected. I am writing here only about a little part of its consequences.

To me, there is just no reason at all for a Senator's not voting, in regard to confirmation of a Supreme Court nominee, on the basis of a full and unrestricted review, not embarrassed by any presumption, of the nominee's fitness for the office. In a world that knows that a man's social philosophy shapes his judicial behavior, that philosohpy is a factor in his fitness. If it is a philosophy the Senator thinks will make a judge whose service on the Bench will hurt the country, then the Senator can do right only by treating this judgment of his, unencumbered by deference to the President's, as a satisfactory basis in itself for a negative vote. I have as yet seen nothing textual, nothing structural, nothing prudential, nothing historical, that tells against this view. Will someone please enlighten me?

FOOTNOTES

[1] I shall not provide this discussion with an elaborate footnote apparatus. I am sorry to say that I cannot acknowledge debt, for I am writing from my mind: experience teaches that, when one does this, one unconsciously draws on much reading consciously forgotten; for all such obligations unwittingly incurred I give thanks. I have had the benefit of discussion of many of the points made herein with students at the Yale Law School, of whom I specifically recollect Donald Paulding Irwin; I have also had the benefit of talking to him about the piece after it was written.

HARRIS, THE ADVICE AND CONSENT OF THE SENATE (1953) came to my attention and hands after the present piece had gone to the printer. This excellent and full account of the entire function would doubtless have fleshed out my own thoughts, but I see nothing in the book that would make me alter the position taken here, and I hope a single-shot thesis like the present may be useful.

[2] U.S. CONST. art. II, § 2, cl. 2.

[3] Even this short-circuiting is not complete. First, the President's "appointment," *after* the Senate's action, is still voluntary (Marbury v. Madison, 5 U.S. (1 Cranch) 137, 155 (1803)), so that in a sense the action of the Senate even under settled practice may be looked on as only "advisory" with respect to a step from which the President may still withdraw. Secondly, nominations are occasionally withdrawn after public indications of Senate sentiment (and probable action) which may be thought to amount to "advice."

[4] 2 RECORDS OF THE FEDERAL CONVENTION OF 1787, at 83 (M. Parrand ed. 1911).

[5] *Id.* at 132, 146, 155, 169, 183.

[6] *Id.* at 498.

[7] *Id.* at 539.

[8] THE FEDERALIST No. 76, at 494–95 (Modern Library 1937) (Alexander Hamilton).

[9] *Id.* No. 77, at 498 (Alexander Hamilton).

[10] 2 C. WARREN, THE SUPREME COURT IN UNITED STATES HISTORY 364 (rev. ed. 1926).

[11] 1 *id.* at 704.

[12] *Id.* at 413.

[13] L. PFEFFER, THIS HONORABLE COURT, A HISTORY OF THE UNITED STATES SUPREME COURT 288 (1965).

[14] C. WARREN, THE SUPREME COURT OF THE UNITED STATES HISTORY (rev. ed. 1928).

AGING

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. DUNCAN. Mr. Speaker, I would like to include in the RECORD today an article on aging from the Medical World News, October 22, 1971. This is an extremely interesting discussion which I would encourage my colleagues to read:

AGING: INVESTIGATORS PROBE BIOCHEMICAL, GENETIC ASPECTS OF UNIVERSAL "DISEASE"

In his science-fiction novel, *Methuselah's Children*, Robert A. Heinlein created a group of Americans, the Howard Families, who lived to ages of two centuries or more. Their longevity was no scientific miracle, said the story; rather it resulted from selective breeding. In the late 19th century an organization called the Howard Foundation sought out young men and women who each had four living, vigorous grandparents, and by offering generous financial endowments induced them to marry within the group. The novelist's idea was based on more than fiction: Long-lived forebears have long been regarded as a common trait among long-lived people. One authority, Dr. Nathan W. Shock, director of the National Institute of Child Health and Human Development's Gerontology Research Center in Baltimore, states: "Human beings with long-lived parents live an average of four years longer than those with short-lived ancestors."

But even that generality is now in question. Dr. Erdman Palmore, associate professor of medical sociology at Duke University's Center for the Study of Aging and Human Development, reported recently that a study at the Durham, N.C., center showed no correlation between an individual's life span and his parents' ages at death. And Dr. D. F. Chebotarev of the USSR Academy of Medical Sciences in Kiev reported that a study of 27,181 Soviet citizens above the age of 80 also found no evidence of inherited longevity.

Nevertheless, science continues to pursue one of nature's prime secrets from several approaches. In the lineage of mice and fruit flies, selective breeding has produced strains that live half as long as their species' normal life span. And as long ago as 1934, Dr. Clive M. McCay of Cornell University restricted caloric intake of laboratory rats and increased their life span nearly a third over that of control groups. More recently, Dr. Denham Harman of the University of Nebraska College of Medicine tried such antioxidants as butylated hydroxytoluene (BHT), a commercially used food additive, and ethoxyquin, originally developed as a rubber antioxidant. Adding 0.5% BHT to the diets of laboratory mice increased their mean life span by 30% to 40%; ethoxyquin did equally well. Dr. Alex Comfort, director of the Medical Research Council's Group on Aging at London's University College, reported early this year that he had confirmed the ethoxyquin experiment, extending the lives of C3H mice by about 15%.

Dr. Morris H. Ross, at Philadelphia's Institute for Cancer Research, in a more sophisticated version of the classic McCay experiments, has shown that life expectancy in rats is influenced not only by the amount of food consumed but by the proportion of protein and carbohydrate in the diet. Furthermore, the risk of spontaneous tumors is directly related to caloric intake, while the severity of malignancy and type of tumors the animal is likely to develop are related to protein intake. "Rapid growth rates, structural or biochemical, are not commensurate with prolonged life span and reduced risk of age-associated diseases," he reported.

Body temperature, too, appears to be related to longevity and the rate of aging—at least in cold-blooded animals. Dr. Roy L. Walford, professor of pathology at UCLA medical school, found that lowering the water temperature by 5 C to 6 C doubled the life span of the annual fish, *Cynolebias*. Furthermore, fish living in colder water grew faster and became larger than those in warmer water, and a higher ratio of soluble to insoluble collagen in the colder fish suggested a physiological retardation of aging.

At the NICHD Gerontology Research Center, Dr. Charles H. Barrows Jr. has found that manipulating the diet and temperature of rotifers, tiny aquatic animals smaller than a pinhead, can triple their longevity. If the temperature is lowered from 35 C to 25 C, their life span increases from 18 days to 34; if their food intake is halved, they survive for 55 days. More important, the two types of change lengthen different parts of the rotifers' lives: Food reduction adds to their youthful egg-producing period, while lowered temperature does not alter their normal young fertile period but stretches out the later post-breeding stage.

Dr. Bernard L. Strehler, professor of biology at the University of Southern California's Rossmoor-Cortese Institute for the Study of Aging in Los Angeles, thinks the same principle holds true for warm-blooded animals. "There are no exceptions that I know of to the rule that animals live longer at lower temperatures," he says. "Among hibernating animals such as bats or hamsters, those that are forced to hibernate more often live longer, which fits in with invertebrate studies. The question is whether long-lived people have slightly lower-than-average body temperatures, because if you apply the same mathematical rule that applies to all the animal studies so far, then a few degrees Centigrade drop in body temperature could add something like 15 to 25 years to human life. And that could account for practically all the difference that one sees in human life span. This requires some study—it might be a good predictive index of longevity."

These and other accomplishments have led some authorities to speculate that dramatic extensions of human longevity may not be far in the future. Dr. Comfort has predicted a 10% to 20% increase by 1990. And the Rand Corporation's 1964 Gordon-Helmer study and the 1969 Smith Kline & French Delphi studies predicted a 50-year increase in human life expectancy by 1990 and 2023, respectively. Dr. Robert W. Prehoda, a California technological forecasting consultant, has predicted that if all major causes of aging could be controlled, human longevity might indeed be stretched to the Howard Families' 200 years.

Whether the major causes of aging can be controlled depends largely on what they are, a question on which experts differ with gusto. "It has often been said that gerontology has never lacked theories or concepts to explain biological aging, but has lacked convincing data to support them," NICHD's Dr. Barrows told last year's annual meeting of the Gerontological Society. But, as authorities seek to gather "convincing" data, a number of theories have emerged. Among them:

Cross-linking. First suggested by J. Bjorksten in 1941, the theory that the progressive formation of intermolecular cross-links in collagen gradually increases its rigidity and causes aging, has fallen out of favor. "Collagen cross-linking is not a cause but simply a result of aging," says Charles G. Kormendy, coordinator of academic research at Bristol Laboratories in Syracuse, N.Y. Many gerontologists now agree.

Molecular errors. Proposed in 1963 by Dr. Leslie E. Orgel of the Salk Institute for Biological Studies in San Diego, Calif., the error theory is that in the normal course of protein synthesis the wrong amino acid will occasionally be slipped into a protein chain

being assembled. In most proteins the faulty molecule would just be "diluted out," but if the error occurred in a synthetase, one of the enzymes that makes proteins or nucleic acids, it would make other defective proteins in an exponentially increasing chain of errors that could eventually lead to an "error catastrophe," with the cell's protein-synthesizing machinery finally grinding to a halt. Experimental findings by several investigators, working with fungi and fruit flies, appear to support the theory. But others say there is no evidence that such errors occur in nature.

Mutation. Because irradiation shortens the life of experimental animals in ways that resemble premature aging, many biologists believe that aging and death are caused by a gradual information loss in DNA molecules. Experiments with chemical mutagens, however, have failed to produce similar results.

Autoimmunity. In 1959, Sir Macfarlane Burnet of the University of Melbourne, Victoria, Australia, theorized that aging might be a progressive failure of the immunological system. UCLA's Dr. Walford believes that this is caused by accumulated mutations in immunocyte clones, which in turn may attack body cells or be attacked themselves once their antigenic properties are changed.

Professor Burnet, in a more recent version of his theory, suggests that if the Hayflick limit on cell division in vitro is also present in vivo, then organs made up of or containing proliferating cells must gradually lose their functions as they age.

Looking for an organ that is vital to maintaining the body's integrity and whose cells proliferate rapidly, he selected the thymus as the most likely candidate in view of its rapid cell turnover and the known atrophy of the thymic cortex in later life.

As the thymic function slows down, he theorized, the thymus-dependent lymphocytes become less effective in their job of immunological surveillance and destruction of such "forbidden clones" as premalignant mutations or mutated lymphocytes that produce autoimmunity.

He pointed out that the thymus-dependent immune system is known to function inadequately in patients with Hodgkin's disease and advanced cancer. In addition, there is evidence that healthy people over 65 are progressively less able to mount antibody responses to new antigens, while the capacity to form autoantibodies increases.

Testing the autoimmunity theory by giving immuno-suppressives to mice, Dr. Walford found that azathioprine marginally improved their life span. And Dr. Werner Braun of Rutgers University improved the immune response of experimental animals by "priming" them with such double-stranded polynucleotide complexes as poly A:U, poly C:G, and poly I:C, before challenging them with a heterologous antigen.

Free-radical attack. The basis for Dr. Harman's antioxidant experiments is the hypothesis that such free radicals as hydroxy (HO) and hydroperoxy (HO) are released by the peroxidation of polyunsaturated fats; free radicals interacting with cell membranes and enzymes disrupt their structures and functions and damage the lysosomes, leading to tissue destruction and the formation of lipofuscin.

This type of reaction, sometimes called autoxidation, is the basis of many industrial and natural decay processes, such as the drying of oil paint, explosion of plastic bombs, and the rancidification of butter. Dr. T. L. Dormandy of London's Whittington Hospital has referred to the phenomenon of physiological free-radical reactions as "biological rancidification."

Since free-radical reactions are an interaction between unsaturated fats and oxygen, one way to decrease their frequency might be to reduce the proportion of polyunsaturates in the diet, and Dr. Harman found that when C3H mice and Sprague-Dawley rats were divided into groups whose diets included lard, olive oil, corn oil, or safflower oil, their mean life spans were, respectively, 29.3, 27.3, 26.5, and 24.3 months.

The primary site of free-radical formation appears to be in the mitochondria, and Dr. Harman now postulates that this is the site of the elusive "biological clock" that determines the rate of aging.

He points out that small animals generally have high basal metabolic rates and short life spans. "Since all living things have essentially the same basic biochemical processes, how are these differences produced?" he asks. "Dogs die of the same things as we do, cancer and cardiovascular disease and the like, but the disease processes develop and run their course five times as fast as in people. Aging somehow controls this rate. If we can interfere with the aging process, it should postpone the cancer or heart attack or whatever the individual eventually dies of." Dr. Harman speculates.

Until recently, the multiplicity of theories, and the comparatively unsophisticated experiments that some gerontologists devised to test them, often led investigators in the more rigorous disciplines to consider the field not quite respectable. "It wasn't so much that it wasn't respectable," comments Dr. Comfort, "as that some guy would want to try something, so he would try to learn DNA chemistry in three months flat. Then he'd do a mixed-up experiment that would never satisfy the molecular biologists, and publish it."

But sophistication is setting in, due partly to the annual series of postdoctoral courses jointly sponsored by NICHD and the Jackson Laboratory at Bar Harbor, Me., the third of which was held in mid-September. "This is the most useful thing any country is doing at the moment in gerontology." Dr. Comfort says. "The arrangement is to have about 20 of the best investigators in the country and about 20 faculty together for a whole fortnight. The first time around we had a lot of gerontology, but not much good science—all theory. Last year we had a lot of good scientists who were aghast at the sort of experiments the gerontologists were doing. They would say, 'Well, I don't know about gerontology, but I do know about DNA.' This year the same people were back, and they'd started to do experiments to answer the questions. That means that the really sophisticated biochemical techniques that you have in America are now being applied to these questions. I think that the institute, by the very skillful planning of this course, has managed to upgrade the standard of research in the whole subject, without upsetting anybody by telling them they were doing bad work."

Another Bar Harbor faculty member, Dr. Richard C. Adelman, assistant professor of biochemistry at Temple University's Fels Research Institute in Philadelphia, agrees. "Thanks largely to this effort by NICHD, people from other fields, with a good deal of expertise in their fields, are being alerted to problems in aging," he says. "And as a result some fundamental problems are being attacked for the first time."

He is a good example himself—soon after being "alerted to problems in aging," he reported the discovery that the time required to induce certain enzyme activities in experimental animals depended on age. It took 18-month-old rats twice as long as two-month-old rats, for instance, to show hepatic tyrosine aminotransferase activity after they were given equivalent doses of adrenal corticotrophic hormone (ACTH), and a similar age-dependent lag was found in the induction of some 20 other enzymes.

"We are at no stage where we can even imply some kind of practical application," Dr. Adelman says, "but what I think is significant about this work is that it is really the first time that a biochemical parameter can be used to measure physiological age."

If the effect, or one like it, could be adapted as a test to measure the rate of aging, especially in man, it could open up important avenues in aging research. Without such a test, experiments in extending human longevity would take a generation or more to show results. In the absence of a single such useful test, Dr. Comfort has suggested a battery of 59 individual test items, ranging from counting the percentage of gray hairs and checking reflexes to histological studies requiring biopsy and, as members of a study group die, autopsy findings.

"If we had such a battery of tests, we could try things like dietary experiments on humans right away," he says. "It would be a bit much to ask people to stay on a low-calorie diet for 50 years on spec, you know. They might stay on it for five, though, and you might be able to see whether there was a difference in the rate of aging in the three-to-five-year term. That could be done right away, and it wouldn't offend the FDA, since no medicine would be given. This assumes you can start it in later life. Since you can't do such an experiment on children, you would need adult volunteers. As to antioxidants, it would be a little previous to try them in humans, since we have no evidence yet that they work as such."

A quite different line of approach, studies of aging in tissue culture, was opened up by the discovery a decade ago of the "Hayflick limit," which contradicted accepted belief at the time. Dr. Leonard Hayflick, then at Philadelphia's Wistar Institute, found that human embryonic lung cells do not divide and grow indefinitely in tissue culture, but age and die after about 50 doublings.

The dogma that animal cells properly nurtured in tissue culture were, in effect, immortal, grew from the work of the Nobel Prize-winner, Dr. Alexis Carrel, who reported in the 1930s that fibroblasts from an embryonic heart of a chicken could be kept alive indefinitely in tissue culture. But Dr. Hayflick, now professor of medical microbiology at Stanford University medical school, notes that even with today's precise lab techniques no one has been able to culture actively dividing chick cells longer than about a year. It now seems certain that Dr. Carrel's results were produced by the unwitting addition daily of new, viable embryonic cells to the chick embryo extract that he used as a nutrient.

The error was compounded by the discovery that often mouse cells in culture would, indeed, go on dividing indefinitely. Later, other kinds of vertebrate and insect tissues were found to do the same. But Dr. Hayflick points out that these immortal "cell lines" are always abnormal in some respect, unlike the "cell strains" that die after a limited number of divisions. In fact, he says, cell lines have actually undergone a transformation that is indistinguishable from the transformation of normal cells into tumor cells. "The interesting thing is that this correlates exactly with what happens in the whole organism," Stanford's Dr. Hayflick says. "You can transplant an animal tumor indefinitely—we have animal tumors that have been transplanted since the turn of the century. But normal cells transplanted from one animal to another have a finite lifetime. So there's a perfect correlation between in vivo and in vitro behavior of cells."

Not only do embryonic cells stop dividing after about 50 doublings (10), Dr. Hayflick found, but cells from the lungs of adult humans reach phase 3—the stage where division slows down and stops—after only about 20 doublings. Furthermore, when cells of his original WI-38 strain were frozen in liquid nitrogen and then reconstituted years later, they "remembered" how many times they had divided and took up where they had left off as long as ten years before. More than 10 ampules have now been reconstituted, at a rate of about one a month, and all yielded cell populations that doubled 40 to 60 times when pre- and post-freezing divisions are totaled.

A far more precise correlation between donor age and cell doublings, confirming and extending Dr. Hayflick's findings, was reported last year by Drs. George Martin and C. J. Epstein at the University of Washington medical school in Seattle. They found that skin cells cultured from the arms of 100 subjects ranging in age from fetal to 90 years, showed a decrement of 0.2 population doublings per year of donor life.

But Dr. Hayflick does not think that people age because their cells stop dividing. "That's nonsense," he says. "I think we have achieved in tissue culture what is never—or only very rarely—achieved in the whole animal. It may represent the ultimate limit that we may perhaps someday achieve.

"What does us in now, as far as clinical aging signs are concerned, I believe to be those things that change in the cell during that period of time prior to its loss of ability to divide—or to function. It's those earlier events, say, ten, 15, or 20 doublings before the loss of division potential, that manifest themselves as what we call age changes. So you're done in by them well before your cells have stopped dividing.

"There are two schools of thought in gerontological research," he goes on. "One that says we age because our cells that divide have lost that ability, so there's a loss of numbers; the other says we age because the cells that don't divide, like neurones and muscle cells, lose their functional capacity over a long period. But that's a false distinction, because the division capacity of cells *is* a function. So it's the decrement of function, whether it be manifest in loss of doubling, loss of making enzymes, or what have you, that may affect aging."

There are also two main schools of thought about the reason for cells losing their power to function. One is that the cell simply runs out of genetic program, or genetic message. "The argument is that a cell is recycled at conception," Dr. Hayflick explains. "Its genetic program is rewound like an alarm clock, and it plays out its message over 80 to 100 years. When the program is all played out, that's it. From an evolutionary standpoint nature selects for survival only long enough to propagate itself, just as rocket engineers don't worry about which system will fail first in a space probe after it completes a Mars fly-by. The recycling takes place when there is hybridization between native and foreign genetic material—the male and female gametes. That is the reason for sex from nature's viewpoint, the randomization of the genetic material."

The opposing theory is that all cells accumulate damage in their information-containing molecules. "The argument is that over a long period, insults to the information-containing molecules occur, either at the Orgel level of producing new enzyme molecules or in the genetic message itself," says Dr. Hayflick. "Eventually it will reach a point where the cell's repair enzymes cannot cope with so many insults to the integrity of the information molecules, or are themselves damaged, and the cell loses its ability to function."

One possible mechanism for this loss of function has been found by USC's Dr. Strehler and Dr. Michael D. Bick, who is now at Harvard Medical School. Working with soybean cotyledons, they found that the plant organ seemed to lose certain subspecies of transfer RNA for leucine. Later they realized that certain synthetases lost the capacity to charge, or aminoacylate, these particular RNA subspecies.

"We used this plant system as a model to look at aging," Dr. Bick explains. "The cotyledon is an aging organ throughout its entire life span of about three weeks. The moment the plant starts to germinate, it starts to decrease in its functional capacity, while providing the rest of the plant with nutrients. Our most recent results indicated that in the aged system there is an inhibitor of the charging reaction. Apparently a complex is formed between the tRNA, the charging enzyme, and this apparent inhibitor, which prevented complete charging. This, of course, reduces the capacity to produce certain proteins as a function of age.

"Aging in this particular system is probably genetically programmed. The repressor may be a protein produced for some other reason, that performs some other function at a certain stage, and then at a later stage in the life of the cotyledon performs an inhibitory function.

"These losses are not across the board—all enzymes or all tRNAs. It is selective; some stay at the normal level, and some are lost. That's really interesting, because it implies that everything isn't just going to pot, but certain specific components of the translational machinery are lost. Then the critical question is whether there is a loss in turn of the cell's translational capacity. These are the types of experiments we hope to get into and haven't yet.

"This is where we need to be, and this is where this research is finally coming today, to look at the very basic control mechanisms in cells. It seems that everything eventually has to come back to the flow of information—the DNA–RNA–protein route."

Bristol's Kormendy agrees. "The results in aging studies are most likely to come in three areas of basic research: one is these regulatory processes, another is free-radical reactions in the mitochondria, and finally the neurohumoral regulation. The last one is very important, because very little work has been done on that biochemical level," he says.

At Franklin Square Hospital in Baltimore, Dr. William Reichel has concentrated on a much more graphic model of aging—progeria. This tragic and rare disease—the literature records only 50-odd cases—turns infants into miniature ancients with straggly gray hair or baldness, wrinkled, sagging skin, fragile bones, and heart disease. The patients usually die in their teens. The boy on this issue's cover died of severe congestive heart disease, a very old man in appearance, at the age of 11.

The similar Werner's syndrome usually appears in late adolescence, follows a somewhat similar natural history, with death of apparent old age a few years either side of 40. About 130 cases have been recorded. Dr. Reichel believes it may be merely a later expression of progeria.

"Since I became interested in these diseases, I have stressed that they represent an important model for studying aging," says Dr. Reichel. "Undoubtedly, any syndrome in children that resembles aging has some importance. Especially if there is an inborn genetic error, it's important to find out what it is, since it might be the same genetic mechanism that regulates our aging process."

And he thinks there is such a genetic error: Three progeria cases involving multiple affected siblings, and one resulting from a consanguineous marriage, suggest an autosomal recessive trait. Werner's syndrome is known to be transmitted by that route.

Two other extremely provocative findings support progeria's role as a form of premature aging. The University of Washington's Drs. Martin and Epstein found that fibroblasts from progeria patients (supplied by Dr. Reichel) rarely survived more than two doublings in tissue culture. And, in two cases, Dr. Reichel and Dr. Rafael Garcia-Bunuel, professor of pathology at Johns Hopkins University, reported postmortem findings of lipofuscin, the poorly understood "age pigment" that accumulates in the cells of some organs, particularly in the brain and the myocardium, in old age and in several rare diseases characterized by severe mental impairment.

"But Werner's syndrome may be even more important to medicine than progeria" Dr. Reichel points out. "What's exciting about it is that it's so absolutely, clearly an autosmoal, recessive trait—which is still questionable in progeria—and that suggests one gene and hence a single enzyme is the cause. That's why these diseases could be as important to studies of aging as Burkitt lymphoma has been to cancer studies."

He doubts that lipofuscin can be implicated as a causal mechanism in aging or any of the disease states in which it is found. "I don't think lipofuscin is the cause of anything," he says. "I think it just happens to be there, because when you see lipofuscin many other things are wrong with an animal or with a cell. I think there are more primary mechanisms at play, and that lipofuscin deposition is only the most end-stage change."

But the question of whether it does any harm is still unanswered, he admits. "I worked on that problem specifically for four years at the NICHD center in Baltimore," he says. "We tried to devise experiments to correlate physiological function with morphological change. But we couldn't do it, by histochemistry or radioautography."

Kormendy is not sure. "Direct as well as indirect evidence strongly suggests that lipofuscin is a depository of denatured cellular debris such as peroxidized lipids and membrane fragments, and free-radical-mediated malondialdehyde-protein adducts," he told last month's Zurich forum on the control of human aging, sponsored by the Gottlieb Duttweiler Institute. "Although we have no proof that lipofuscin de facto interferes with normal cellular function, its preponderance during aging, particularly in the neurons of the brain and in the heart muscle, could hardly be regarded as inconsequential." He added that a number of rare diseases characterized by massive lipofuscin deposition in the brain are accompanied, without exception, by severe mental impairment. (Not, however, progeria or Werner's syndrome, which are not featured by senility or senile dementia. "The children have normal intelligence," Dr. Reichel says.)

In any case, at least three drugs have been found that are reported to disrupt lipofuscin deposition: meclofenoxate—developed in France for treatment of presenile and senile mental disorders and available on the European market; kawain, a mild central nervous system stimulant; and magnesium orotate, a pyrimidine-base metabolite. The latter two are reported by a Hungarian research group to prevent lipofuscin deposition and to restore learning behavior in rats with induced encephalopathy.

As new findings hint at a not-too-distant understanding of the basic mechanism of aging, governmental and public interest has grown for practical reasons. Some 10% of the U.S. population is now older than 65, and 86% of these senior citizens suffer from one or more chronic diseases. Two out of three federal health care dollars and between 25% and 30% of all medical care and medical costs in the U.S. are for this 10% of the population.

Recognition of the problem is reflected in growing government spending for aging research. In the 1971 fiscal year, NICHD's Adult Development and Aging Branch spent about $8.76 million on research into aging processes, and this year's congressional appropriation is just under $12 million, although the funds have not yet been apportioned by the Office of Management and Budget.

The last White House Conference on Aging,

in 1961, recommended the establishment of an aging institute in NIH, and this year's conference is expected to repeat the recommendation. Hearings on a bill to set up such an institute have been held in the Senate, and House hearings are expected sometime during the present session. Even so, many gerontologists do not have high hopes of the bill's passage by this Congress.

"The past year or two have shown a phenomenal increase in interest in aging, not only in medicine but in all areas," says Dr. Carl Eisdorfer, director of the aging research center at Duke University and president-elect of the Gerontological Society. "In the U.S. this is largely attributable to the White House Conference on Aging, which is coming up next month. But there is great interest on the international scene, too. In a number of ways things are happening that signal a real interest in studying the aging process.

"For one thing we have never really separated aging from illness; one of the problems in this field has been understanding how much is old and how much is sick. We really don't understand the aged or the aging process, and so because there is a very high correlation between old age and illness, we have somehow got deluded into assuming that it's all right for old people to be sick," Dr. Eisdorfer continues.

"But some of our recent work on blood pressure and intelligence has pretty well demonstrated that what a lot of people have accepted as a normal process of aging—the loss of intelligence between 65 and 75—is actually related to hypertension. In the group of subjects without hypertension, or where it has been controlled, we see no intellectual drop.

"As for life span, over the past 70 years we have achieved most of our medical advances in preventive medicine and pediatrics. The reality is that we actually haven't done much to increase the life span of anybody over the age of about 15. Estimates vary, but they tend to be about two years.

"When we find a cure for cancer, life span will go up about a year and a half. If we cured the whole cancer-cardiovascular-renal-pulmonary-disease complex we would probably raise the average life span about ten years.

"But we don't even have a good idea of what the appropriate expected life span for a human being should be. I do know we have 13,000 people over 100 years old in the U.S. today. Incidentally, they are the fastest-growing subgroup of the population."

That's close to the maximum documented life span, which, according to Dr. Comfort, is about 113 in England, the nation that has had birth certificates longest. Meanwhile, most gerontologists discount the claims of oldsters in Soviet Georgia and Asia to ages of 140 and more—somewhere around 110 appears to be the maximum human life span in nations where birth records are reliable. "But then, societies that have birth certificates seem to militate against reaching these ages," Dr. Comfort suggests. "They are only reported in very remote areas—it may be because the records are wrong, or because living in remote areas makes you live longer, you can't really prove which is which."

But the maximum could change as knowledge of aging advances. Dr. Eisdorfer sees nothing impossible in the notion that, if Dr. Strehler's hunch is right and lowering body temperature could increase longevity, people might sleep in special waterbeds, or special bedchambers, fitted out to chill the sleeper several degrees. "It's just a technical problem" he says, "no more complicated than setting up a renal dialysis unit in someone's garage."

Dr. Ewald Busse, chairman of Duke's psychiatry department, president-elect of the American Psychiatric Association and Dr. Eisdorfer's predecessor as director of the gerontology center, concedes the possibility of lengthening the human life span but warns that it would have enormous social consequences. "What worries me is *then* what would we do," he says. "Let's not get caught again in scientific advances without sensible planning to cope with advances in technology."

As to whether anyone now alive is likely to benefit from such advances, Dr. Strehler has an answer: "I'd be very surprised if people who are under 30 now wouldn't benefit. I'm 46; I think I might get a year or two out of it."

UKRAINE—THE LARGEST CAPTIVE NON-RUSSIAN NATION IN THE U.S.S.R. AND EASTERN EUROPE

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. FLOOD. Mr. Speaker, it is not generally known and sufficiently appreciated that the largest captive non-Russian nation in the U.S.S.R. and Eastern Europe is Ukraine.

With a population of over 45 million, Ukraine is one of the most resourceful nations in Europe, and if it were not under the domination of Russian Moscow, it would surely again become "the granary of Europe" in an advanced economic framework of industry and agriculture. Also, the country's geographic location, extending from the Carpathian Mountains toward the Caucasus and above the Black Sea, is a most strategic one as concerns developments in Europe, Asia, and the Middle East.

Because we shall hear more and more about this largest captive nation in Europe, I submit for our popular edification the illuminating section on "Ucrainica in American and Foreign Periodicals" in the world-respected journal of East European and Asian affairs, the Ukrainian Quarterly. The section, prepared by Dr. Lev E. Dobriansky of Georgetown University, regularly shows the growing interest in this captive nation and, above all, the prominent myths and misconceptions that many in the West still cling to when analyzing or commenting upon the Soviet Union, Russia, or Ukraine. It is high time these myths were dissipated, and a Select House Committee on the Captive Nations would be the most effective way of doing it. The Ukrainian Quarterly, vol. XXVII No. 2, summer, 1971:

UCRAINICA IN AMERICAN AND FOREIGN PERIODICALS

"Jews, Russia and Israel," an editorial. *The Washington Post*, Washington, D.C., November 13, 1970.

Covering a number of issues, this editorial deals with anti-Semitism in the USSR, the Russian threat to Israel's survival, and anti-Russian demonstrations by Jews in this country. A young Jew who left Moscow is significantly quoted as saying "What it all comes down to is that they want us to disappear. Not to leave, but to disappear quietly into the surroundings. But we won't. We will retain our identity, hopefully outside Russia, but in Russia if necessary."

The problem of suppression, of course, is not only related to the Jews in the USSR, and is so recognized in this editorial. However, there is no reason to infuse misconceptions in this recognition. Referring to the Jewish renaissance in the USSR, the editor states, "It suffered from neo-Stalinist practices that afflicted writers and intellectuals, young people, Ukrainians and other Soviet minorities." As the largest non-Russian nation both in the USSR and in Eastern Europe, Ukrainians can scarcely be viewed as a minority. Moreover, the issues involved in these practices are different.

"The Geographical Expression of Mainland China," a paper by Lev E. Dobrianski. *Congressional Record*, Washington, D.C., December 22, 1970.

An historic First Sino-American Conference on Mainland China was held in Taipei, Republic of China, in December 1970. Some forty scholars on both sides participated. This paper was delivered in part from the viewpoint of experiences in the Soviet Union and their relation to those in mainland China.

For example, in giving some perspective to the enormity of Red China's recent "Cultural Revolution," it points out, "Red guards were used by Stalin in the man-made famine of the early 30's in Ukraine, northern Caucasus and southern Russia, but by no means were they unleashed with the reckless and tragi-comical abandon witnessed on the mainland. . ." The paper also dwells on the "subjects of Peiping's nationalities problem, similar to that of Moscow. . ." It stresses, "the fact is that we are dealing with the two last remaining and important imperial complexes in the modern world."

"Ukrainian Rite Catholics Protest Rome's Role," a report by George Dugan. *The New York Times*, New York, January 2, 1971.

A concise coverage is presented in this report of the continuing campaign for a Ukrainian patriarchate in the Catholic Church. More or less accurately, it cites the six million Ukrainian Rite Catholics in the world, with about 300,000 in this country. It points out that the Ukrainian Rite is the largest of the Eastern churches, though it does not enjoy the same semi-autonomous status of the others and is under the control of the Curia in Rome.

The report alludes to "fears that such a step would intensify the persecution of the church in Soviet-dominated areas and impede ecumenical contact with the Patriarchates of the Russian and Greek Orthodox Churches." These alleged fears appear rather specious when it is considered that such persecution could hardly be more intense than now and that this issue scarcely can be predicated on the other dimension of Rome's ecumenical contacts. As mentioned, "Ecumenical Council Vatican II encouraged the establishment of patriarchates."

"Khrushchev's History," an article by John P. Roche. *The Washington Post*, Washington, D.C., January 27, 1971.

Concerning the so-called memoirs of Khrushchev, this writer, who displays more perception and insight than quite a number of other columnists, simply passes on the speculations that the disclosures incited. Grouped into two schools of thought, the "hards" planned it to discredit the "softs" and their liberalizing advocacies in the USSR. On the other hand the "softs" aimed to undermine the "hards" and their Stalinistic bents. For him, "it may be 20 years before this Byzantine riddle is solved."

That may be, but the fact remains that Khrushchev's disclosures on events in Ukraine were extraordinarily revealing. Almost all of them supported the analyses and claims made by specialists concerned with this most vital problem in the Free World. Indeed, even the writer, who is not a specialist in the area, senses that while "at many points Khrushchev covers his tracks, particularly his record as Stalin's executioners in the Ukraine, he engages in little moral posing."

"Secret Hand Behind Czechoslovakia's Invasion Revealed," a commentary. *The Guardian of Liberty*, Munich, West Germany, September 1970.

This story relates the proverbial enlistment of a young man, in this case a Czech, by the KGB for operations in the Czechoslovak armed forces. For over fifty years the same story has been repeated with countless different nationals. Those who have followed the Russian record of duping foreign nationals can only, and truly, ask "So, what's new?" However, for many inattentive Western ears the opposite side of the record must be played, because for them and the so-called new generation it is new.

What is of significance here is the assignment he received. As he puts it under the pseudonym of Sasha Demidov, "On my return I was assigned to Dept. 3/L, a small group devoted to the supervision of Soviet citizens and Czech citizens of Russian or Ukrainian origin. This is naturally a very delicate operation and the group works directly for the KGB chief in Czechoslovakia, and is in cypher contact with KGB stations in East Germany, Poland, Hungary and, of course, the Soviet Union."

So, again, what's new? The nature of the Russian political animal is spying and conspiratorial, he nests in a network made possible only by the existence of the USSR. Once this is dissolved, one way or another, even the oppressed Russian will begin to breathe fresh air, historically after 500 years of this.

"Russians Have Killed 21.5 Million People to Set Up Communist 'Paradise,'" an article by Walter Blaine, *National Enquirer*, New Jersey, February 7, 1971.

Here, too, it is definitely educational and of social utility to report on the numbers of lives sacrificed in the Soviet Union, but those who have processed such data twenty and more years ago cannot again but ask "So, what's new?" The article is based on a report prepared for the Senate Internal Security Subcommittee by Professor Robert Conquest.

Neither this article nor the report itself reveals anything that hasn't been known by responsible students of the USSR. To quote, "A Ukrainian official said after the 1933 harvest was taken from the starving population: This was a test of our strength and their endurance. Millions of lives may have been lost but we won the war and the collective farm is here to stay.'" Estimates have placed the loss from 2 to 15 million lives.

What lags in these supposedly new exercises in research are the interpretations given to the data. The title of the report itself indicates this, "The Human Cost of Soviet Communism." More accurately, it should be "The Human Cost of Soviet Russian Imperio-Colonialism." To explain collectivization solely in terms of "building socialism" and eradicating "the *kulaks*" is pitiful from both an historical and political viewpoint.

"Vatican Move Irks Ukrainian Students," a report. *The Washington Post*, Washington, D.C., February 27, 1971.

In this news item from New York, a Student Committee for a Ukrainian Catholic Patriarchate "expressed its indignation at the appointment of Msgr. John Stock without the consent of the Ukrainian metropolitan and the synod of bishops." Msgr. Stock was appointed by the Vatican as an auxiliary bishop to Archbishop Ambrose Senyshyn in Philadelphia.

The latest criticism and agitation are parts of a broader compaign aimed at the establishment of a Ukrainian Catholic Patriarchate. The issues involved in this subject are far more complex and explosive than what appears in slogans and placards on the demonstration front. As in so many other sectors of our society, the cost of pursuing wrong methods and techniques of dissent will be borne, to a greater or lesser extent, by all concerned with the overall problem of a free Ukraine. There are constructive, alternative ways of handling this specific problem without in the least affording residual benefits to the known enemies of Ukrainian freedom.

"In Order Not to Cloud the Truth," an article by Ivan Rybalka. *Prapor*, Kiev, Ukrainian S.S.R., September, 1970.

Vehement attacks against "bourgeois nationalism" never cease in the Soviet Union. Propaganda-wise, they constitute the order of the day, and all who have some stake in the regime participate in them, even a so-called "Doctor of Historical Sciences," as presumably this writer is. "Anti-communism" also is a favorite and persistent target. "The main ideo-political weapon of imperialism at the present stage is anti-communism," he opines.

The objects of this particular attack against imperialism's "anti-communism" make for interesting reading. The USIA, research institutes at Columbia University, George Washington University and Southern California, and a variety of "leagues" and "assemblies," such as the Anti-Bolshevik Bloc of Nations, "Assembly of Captive Nations of Europe," etc. are included. The so-called doctor comes up with many of such inaccurate descriptions. His ill-tempered wordage includes "fascist time-servers," "bandits and criminals" and similar dispassionate designations.

Of course, "In that black band of traitors to their peoples are also Ukrainian bourgeois nationalists," he writes. He then, with his penchant for inaccuracy, includes the Ukrainian Congress Committee of America with other admittedly emigre or government-in-exile groups. No matter how intense the the diatribic attacks against nationalism and anti-communism may be, the forces they represent are invincible. For fifty years the Soviet Russian totalitarians have attempted to annihilate them, but they keep reappearing in one form or another in the USSR itself.

"The Conservative Reply," an article by William F. Buckley, Jr. *The New York Times*, New York, February 16, 1971.

On the really silly question raised in some American circles today—"Is there Really No Difference Between Beria and J. Edgar?"—this conservative writer puts forward a solid defense for J. Edgar Hoover, the director of the F.B.I. Rad-Lib forces in the U.S. have targeted Hoover and aim at a further undermining of popular faith in our authorities.

Aside from the nature of this current controversy, positive merits arise with evidential references to notable events of our times. This writer invokes the fact of Khrushchev having "taken an active part in the Stalinization of the Ukraine." More accurately, it should be "Russification of Ukraine." In his criticism of a former associate on the *National Review* staff, the writer states that the associate saw "no discernible moral difference between Nikita Khrushchev and Dwight Eisenhower, because as commander in chief of the Allied Expeditionary Forces Eisenhower had killed as many people as Khrushchev had in the Ukraine." Twisted thinking is obviously not a preserve of only certain groups and circles. Nonetheless, at least notable facts have a way of being infused into even the most ludicrous of controversies.

"The Genocide Convention and the 92d Congress," a statement by Senator Proxmire, Congressional Record, Washington, D.C., January 25, 1971.

For years, Senator Proxmire of Wisconsin has been the main and persistent supporter of the ratification of the Genocide Convention by the U.S. Senate. Although seventy-five other states have ratified the treaty and it is accepted as part of international law, the United States has sat on the sidelines for the past twenty years. In the 92nd Congress, the Senate Foreign Relations Committee has passed on it with majority vote, but the chief question now is whether two-thirds of the Senate will ratify it.

In this statement the Senator pointedly refers to Russian-sponsored genocide in Ukraine. As he states it, "Ukrainian patriots were killed, exiled, intimidated, and repressed, with their nationalism snuffed out and their culture crippled." He then adds, "International barbarism murdered 6,000,000 Jews during World War II."

"How's Your Ostpolitik?", a column by James Burnham. *National Review*, New York, January 12, 1971.

The writer of this column on "The Protracted Conflict" dwells on the Polish unrest and rightly points out at the start that after "each explosion in the Soviet Empire we are invariably told by the experts that this is the last gasp." This broken-down record has been played for twenty years, and doubtlessly will be repeated after the next inevitable explosion, for there will be many in the Russian Empire.

He comments toward the end, "It would not be surprising, even, if we heard before long from inside the Soviet Union: Conditions in the Baltic states and in the Ukraine, for example, including the presence of an anti-Russian nationalism, are in many respects similar to those in Poland."

Brandt's *Ostpolitik* is the latest expression of Western desire to come to terms with not mythical Communism, but Soviet Russian rule over Eastern Europe—"everyone," says the writer, "except the East Europeans." And how true this is.

"The Barriers to Detente," an article by Richard Pipes. *The Washington Post*, Washington, D.C., November 29, 1970.

Professor Pipes, who is a professor of Russian history at Harvard University, presents a thoughtful and historically grounded analysis of the obstacles to a detente between the USSR and the U.S.A. Religious, political and intellectual forces of the past are traced to cite basic differences in outlook.

On past Russian suppression or neutralization of nationalist opposition, he cites an example in the 18th Century where "Moscow effectively emasculated resistance along the southern border by admitting into the ranks of the Russian gentry the Cossack elders, the most vociferous champions of Ukrainian 'liberties.'" The janissariat principle has been traditional in imperial Russian politics, whether white or red.

Another well made point is that "neither Stalin nor his successors ever regarded the countries of Eastern Europe as sovereign states; to them, in the calculations made in their political subconscious, these were all along as yet undigested parts of the Russian domain, exactly as Kazan, Siberia or the Ukraine had once been for czarist governments." In short, traditional Russian imperialism surges forward, now under the mask of communism.

"Archbishop Ambrose Senyshyn On Christianity in Soviet Ukraine," a statement and insertion by Hon. Edward J. Derwinski. Congressional Record, Washington, D.C., December 22, 1970.

A lengthy article written by William Willoughby of the *Washington Evening Star* under the title "Message to Americans—It's No Time for Fiddling" is introduced by Congressman Derwinski into the nation's annals, with his own preliminary statement. The article, published in the December 19 issue of the paper, dwells extensively on the first lecture delivered by Archbishop Ambrose

XUM

Senyshyn in the Roman Smal-Stocki Lecture Series of the Ukrainian Catholic Studies Foundation at St. Josaphat's Seminary in Washington, D.C.

The subject of the lecture was "Christianity in Ukraine." It described the conditions to which Ukrainian Christians, both Catholic and Orthodox, have been subjected in captive Ukraine. As Willoughby concluded, "Senyshyn had an unspoken but clearly implicit message to all Americans: 'Take stock of the true freedoms we have and never sell them short. This is no time to be fiddling on the roof.'" The Congressman rightly points out, "His reaction to this first lecture is worth reading."

"Cites Ukrainians As Friends of Reds," a letter by Thomas J. Veteska. *The Tablet*, New York, January 28, 1971.

Sometimes one wonders how much to ascribe to neurotic hallucinations or to vicious motivation some of the twisted mangling of facts and misinterpretations people are given to. A choice example of this is this letter which conjures up a mythical "Ukrainian servility to Communism." For decades Western analysts, not to speak also of Soviet Russian and quisling Ukrainians, have consistently referred to "the outstanding anti-communist record of Ukrainians in Eastern Europe," and here a gross untruth was permitted to be printed in a renowned Catholic organ.

The points on Ukrainian "functionaries and government officials" serving Moscow, Ukraine as "a center of anti-Semitism," and about some "liquidation of the Greek Catholic Church in Slovakia" are indicative of either a sick mind or of a corroded soul. Facts and myths can be slanted; here they are cast in LSD proportions.

"The Genocide Convention," an article by Lev E. Dobriansky. *Congressional Record*, Washington, D.C., November 25, 1970.

The comprehensive article which appeared in the autumn issue of this journal, was introduced into the *Record* by Congressman Derwinski of Illinois. The author of the article has had long experience with this treaty, dating back to 1950. He had the privilege of knowing and working for the treaty's ratification with Dr. Raphael Lemkin. As the Congressman states it, "The author knew and worked with Dr. Raphael Lemkin, the father of the convention, and his organization has supported the treaty's ratification for over 20 years." Reference here is made to the Ukrainian Congress Committee of America.

Aside from arguments pro and con anent the treaty, steps are being prepared to honor Lemkin should the Senate ratify the convention. Mr. Derwinski indicates as much in his comment: "For the second time in two decades, the author of this article recently testified on the treaty and recommended a post-humous honor for Dr. Lemkin should the Senate ratify the treaty, which in his judgment is long overdue."

"Moscow's Problems," an article by Harry Schwartz. *The New York Times*, New York, December 28, 1970.

In a perceptive and hard-hitting analysis of Moscow's pressing problems, the writer, a member of the newspaper's editorial board, concentrates on the non-Russian nations in the USSR. He points out: "Specialists on the Soviet Union know, moreover, that there are signs of disaffection among all the major minority nationality groups of the Soviet Union from the Ukrainians, Balts and Moldavians in the West to the Moslem peoples of the Caucasus and Central Asia." He continues, "From many directions the men in the Kremlin are under pressure to grant greater autonomy to the non-Russian half of the Soviet population." Well-taken, but just this critical point, that if it is a "non-Russian half" (in reality, it is more) then why the mischaracterization of "minority nationality groups."

An excellent point made by the writer appears in the observation: "But now Moscow seeks to contain that same explosive power within its own borders as Ukrainians, Latvians, Azerbaijanis, Georgians, Uzbeks and others ask why they, too, are not entitled to independence on a par with Egyptians, Zambians, Pakistanis, etc." To abet this desirable tendency, action by the West had been proposed along this line nearly twenty years ago. It is never too late to resume it.

"The Reality of the Captive Nations and the Pressing Need for a Special Committee," selected insertions. *Congressional Record*, Washington, D.C., December 22, 1970.

This particular issue of the *Record* contains a wide assortment of material relevant to the basic captive nations subject, ranging from a scathing Moscow article on "U.S. Anti-communism" to Captive Nations Week observances. The article written by A. Borisov and appearing in Moscow's *International Affairs*, November 1970, gives a good indication of how the Kremlin dreads any implementation of the Captive Nations Week Resolution (Public Law 86-90). For a spot analysis to the newcomer in this basic of all fields—because it deals with oppressed peoples—the material gathered here should be an eye-opener.

In his prefatory remarks, Congressman Derwinski of Illinois well observes that "the recent events of the suppressed defection of the Lithuanian sailor and the riots and political changes in Poland underscore again the blunt reality of the captive nations as well as the pressing need for a Special House Committee on the Captive Nations in the 92nd Congress." Work on this is proceeding on schedule. Such a committee will remedy the condition the legislator portrays when he states, "Relatively few of us are aware of the continuing discussion and popular activities bearing on the captive nations, Captive Nations Week, and our policy toward the Red Empire *in toto*."

MEMORIAL RESOLUTION FOR THE LATE CLINTON M. HESTER, CHAIRMAN, EXECUTIVE COMMITTEE, MADISON MEMORIAL COMMISSION

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, and as a member of the James Madison Memorial Commission, I include the following resolution of the Commission in memory of the late Clinton M. Hester:

RESOLUTION

The members of the James Madison Memorial Commission record with genuine sorrow the death of Clinton M. Hester, Esquire, a member of the Commission since its creation and for several years Chairman of its Executive Committee. Mr. Hester was a lifelong student of the Madison period of our country's history and deeply interested in the Madison Memorial Commission. He was firm in his determination that Madison, who played such a leading role in the formative years of our nation's history, should be memorialized in an appropriate manner. We regret that his hope to see this realized in the form of the Madison Memorial Library of the Library of Congress to the accomplishment of which he contributed so substantially could not be fulfilled. He was untiring in promoting the aims of this Commission. His devotion and his valuable services as Chairman of our Executive Committee will be a constant reminder of his exemplary citizenship.

FAMILY FARM ACT

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. ZWACH. Mr. Speaker, last week I introduced the Family Farm Act because the retention of the land by our true farm families, not by corporate giants, is of prime importance to the economy and future survival of our countryside.

The purpose of the bill I introduced is to protect the efficient, modern farming operation that produces a great proportion of our Nation's food supply from the unfair competition of large corporate structures that choose to enter farming on a commercial basis. It is urgent that action be taken in this Congress to stop the rapid move to more integrated farming by the corporations and conglomerates whose principal sources of income are in commerce and who are already greatly favored under our tax laws and by the availability of corporate financing.

Section 7 of the Clayton Act prohibits the acquisition of stock or assets of one corporation by another corporate structure where such action may lessen competition or tend to create a monopoly. The Sherman Act, in section 2, prohibits monopolization or attempts to monopolize any part of trade or commerce among the States. Section 3 of the Sherman Act prohibits contracts, combinations in the form of trust or conspiracy in restraint of trade or commerce.

Large corporations have been acquiring farmland or controlling farm production of some commodities without any notable challenge under this antitrust and antimonopoly legislation. Perhaps the domination of production of some products, such as broilers and eggs, and some vegetables, by large corporations is not clearly subject to challenge under these laws—although some action would seem to have been in order.

Nevertheless, to fill this apparent void, if one truly exists, it is necessary to act in a clear and concise manner.

Examination of the provisions will disclose that the prohibition contemplated in the bill will in no way hamper farmer-owned and operated cooperatives and associations. Nor will it prohibit farming by the normal successful local businessman who may be farming in his home community. In fact, when you consider that the Main Street merchant, the local banker, the social institutions, and the very life of many hundreds of small towns and communities depend on a prosperous agriculture, you realize those people may have as much at stake in this bill as the efficient family farmer.

I have discussed the current farm price situation several times recently. Without repeating my concern over current prevailing prices for grain and the probable lower prices of livestock to follow, let me cite these facts—while farm product prices generally have declined, the costs of production have risen. Since 1967, interest has increased 34 percent, taxes have gone up 46 percent, the cost of farm motor vehicles has increased 24 percent, and farm machinery prices have increased 28 percent.

The time has come to move on several fronts if we in this country are to continue to enjoy the benefits of a stable food supply, produced on efficient farms that are family owned and operated.

CRIME IS CAUSED BY CRIMINALS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. MICHEL. Mr. Speaker, this week's National Observer carries a very thought-provoking article entitled "Crime Is Caused by Criminals." The authors, law Professor Fred E. Inbau of Northwestern University and Frank G. Carrington, are with the Americans for Effective Law Enforcement, Inc., of Chicago, and the article is reprinted from the annals of the American Academy of Political and Social Science.

Professor Inbau and Mr. Carrington point out that during the decade of the 1960's permissiveness for lawless, violent acts, and safeguards for the criminal accused reached singular heights in the United States, and at the same time, while our population grew by 13 percent, serious crimes increased by 148 percent. This is no coincidence, they say, and they go on to explore the factors which have led us to the point where we abandon our city streets at dusk for the comparative safety of bolted doors.

The law-enforcement processes in this country have broken down, they contend, with the result that more and more criminals are free to prey upon the law-abiding. The breakdown, they say, stems from failure to apprehend, convict, and incarcerate criminals, and "when we analyze each of these failures, it becomes apparent why we are not safe and why a hard line is needed."

I urge all my colleagues to read the following article and give some serious thought to what Professor Inbau and Mr. Carrington are telling us:

"CRIME IS CAUSED BY CRIMINALS"

(By Prof. Fred E. Inbau and Frank G. Carrington)

The problem propounded by the topic of how to mount an effective crackdown on crime can be brought into perspective by considering two phenomena of the decade 1960 through 1969. They are: (a) during that 10-year period, safeguards for the criminal accused and permissiveness toward lawless, violent acts reached heights in the United States such as no other nation has ever witnessed and (b) in the same span of time, while our population increased by 13 per cent, *serious crimes increased by 148 per cent*. The two are not coincidental. In any society, the incidence of lawlessness is directly related to the number of criminally inclined individuals who are at liberty to prey upon others, and it is precisely the permissiveness shown toward criminals in this country which has resulted in their being free to practice their depredations to an unprecedented extent.

Crime is caused by criminals; the fact is as simple as that. When a strong-arm robber slugs his victim in order to relieve him of his watch and wallet, he has committed a crime. No amount of elaboration on the question of whether or not the assailant came from an environment of poverty or a broken home makes the robbery itself any the less a crime. Likewise, when a youthful demonstrator, intolerant of this country's pace in solving its social problems, throws a rock that strikes a policeman on the head, an aggravated assault has been committed. Apologists for criminal behavior may wring their hands as much as they like about the robber "striking out at a society which has brutalized him" or the demonstrator "merely expressing his idealistic young concern"; the fact remains that both are criminals.

The answer, then, to the question of how to mount an effective crackdown on crime lies basically in first recognizing that crime is committed by criminals, and second, in getting as many criminals as possible out of circulation so that they are no longer free to victimize the law-abiding.

This position is called the "hard line" on crime. It is not fashionable among certain liberal social scientists, who have been characterized by Attorney General Mitchell as being able to ". . . explain the motivations of the criminal, but who can do little to protect the innocent against the mugger or armed robber." To these individuals, the "hardliner" is simplistic, or "lacking in compassion." We suggest that neither of these appellations is valid, and that, instead, he may be better described as one who takes a realistic position with regard to the crime problem.

It is quite true that there is nothing particularly compassionate toward a law violator in advocating that he be locked up; yet it would seem that the worthy object of compassion would be the victim rather than the assailant, the oppressed rather than the oppressor. If a 75-year-old woman on a ghetto street is knocked to the pavement because she has the temerity to struggle with a husky 18-year-old purse-snatcher—the result being a broken hip which, at her age, may never mend—the most elementary concepts of fairness would seem to dictate that the victimized woman is more deserving of our sympathy than her attacker.

When liberality dictates that the lawless remain free to victimize others, it is clearly misplaced. This, in sort, is the hard-line position that we believe to be both realistic and valid; it favors consideration for the victims of crime and for public safety above that for the offender himself.

THE HARD-LINE APPROACH

Let us consider, then, the hard-line approach to the problem of crime in light of our stated aim of suggesting how to mount an effective crackdown on the criminal. First, we shall sketch the dimensions of the crime picture in this country with special emphasis on the truly intolerable extent to which crime victimizes the poor. Next, we will glance briefly at public opinion about crime—the line the law-abiding majority of our citizens want taken. We then turn to the specifics—why we are not safe from the criminal and, more importantly, what can be done about it.

Before proceeding to this analysis, however, one point must be made. Just because we favor a hard-line approach, it does not mean that we are insensitive either to the factors in our society which breed criminals or to the tremendous importance of the rehabilitation of those who have been convicted and are amenable to rehabilitation. The breeding factors of crime—environmental, hereditary, educational, social, and economic—are, of course, elements which go into the making of a criminal. Anyone who is seriously concerned with the over-all problem, be he a hard-liner or not, must recognize the importance of these breeding factors, and he must also subscribe to the view that once a person has committed a crime every feasible effort should be made to rehabilitate him. But there is nothing incompatible between an acceptance of those two positions and a recognition of the need to make our society reasonably free from criminal harm—especially between now and the time when we are able to make effective progress toward those two general objectives. Moreover, we must not lose sight of the fact even if we should develop effective rehabilitation procedures, we will still have a serious crime problem unless we recognize the need for effective criminal sanctions. . . .

The right to be safe from criminal harm—particularly among the poor and the racial minorities—has become an illusion. They are the ones who are most often the victims of crimes of violence—murder, rape, robbery, and aggravated assault. These crimes have increased 130 per cent during the past decade, and the upward trend continues undiminished.

Professor Herbert L. Packer of Stanford University reported in 1970 that street crime victimizes ghetto dwellers at least 100 times more than it afflicts the affluent citizens who live in the suburbs. A recent story, "Black Crime Preys on Black Victims," released by the Associated Press, described the problem:

"Between 70 and 80 per cent of major big city crime is harbored in Negro or predominantly Negro precincts. Little is visited upon whites. On police maps, the colored pins flock gregariously in ghetto neighborhoods detailing the rapes and robberies."

The undeniable fact is that the poor pay for crime in a most usurious way. . . .

More dramatic than statistics on crime is the manner in which the lives of all of us, particularly the poor and members of minority groups, have had to be adjusted because of the ever-present threat of violent crime. In most of our cities, the law-abiding citizens have had to surrender possession of the streets after dark to the robber and those who may even bludgeon someone out of sheer delight. Many persons are literally afraid to leave the sanctuary of their homes for fear that they will fall victim to some form of violent attack; and for those who must be out on the streets, protective measures, unheard of ten years ago, are being used. Taxicab drivers, for example, no longer favor their passengers with opinions because the customer cannot hear the driver through the two-inch thickness of bulletproof glass which separates the front and rear seats of most taxicabs today. Bus riders must prepare themselves with the exact amount of their fares because, nowadays, bus drivers do not carry change in order to discourage robberies. In short, we have been forced to accommodate our lives to the specter of criminal terror.

Although the human misery and the physical and mental suffering inflicted upon the victims of crime are the most hideous aspects of the picture, the devastating economic impact of crime, upon victim and nonvictim alike, must also be considered. The total annual price tag for all forms of lawlessness in the country has been estimated to exceed 51 billion dollars. It takes very little imagination to conceive of what could be done with that kind of money toward alleviating some of the social ills that beset this country. . . .

Why is our crime picture as horrendous as it is, despite overwhelming public opinion against lawlessness? The answer lies in the fact that in many—far too many—cases, the law-enforcement processes in this country

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have broken down, with the result that more and more criminals are free to prey upon the law-abiding. This breakdown is threefold, and stems from:

1. Failure to apprehend criminals.
2. Failure to convict criminals.
3. Failure to incarcerate criminals.

When we analyze each of these failures, it becomes apparent why we are not safe and why a hard line is needed.

The deficiency of failure to apprehend in our criminal justice system is related to the law-enforcement function, but this in no wise means that it is the fault of our police departments. By and large, the caliber of law enforcement, man for man, has never been higher than it is today; yet, more and more often the police find themselves at a tremendous disadvantage in their efforts to apprehend criminals. One reason for this is the shortage of policemen, particularly in the core cities where they are needed most.

THE THIN BLUE LINE

Few major cities have enough men to do the job, and recruitment is difficult. With crime rising to unprecedented heights, the police line has never been stretched thinner. In addition, and all too often, the already meager police strength in certain cities is being diverted away from the proper police function—the apprehension of criminals—to peace-keeping duties at demonstrations, sit-ins, and sundry other "protest" activities. It is axiomatic that a police officer "baby-sitting" at a rally of one sort or another is unavailable to watch for the burglar and the robber and perhaps thus, by the very visibility of his presence, deter the commission of crime.

Another reason for underpolicing in some areas of large cities is the understandable reluctance of police officers to subject themselves to the risk of assassination while on patrol. As this article was being written, four police officers in New York City were shot, two of them dying as a result, simply because they were policemen, although in the minds of the assassins they were, of course, "Fascist pigs."

All police officers accept the risk of being killed in the prevention of serious crime and in the course of apprehending criminals, but it is asking too much of them to incur the increasing risk of an assassin's bullet.

Police are also becoming more reluctant to make arrests at the scene of a crime or disturbance out of fear that they will perhaps attract a crowd and touch off a riot, or for fear that an arrest of certain individuals or groups of individuals will result in allegations of "police brutality" or other false charges.

Court-imposed restrictions of an unrealistic nature—which in our opinion were not constitutionally or practically required—serve to further inhibit the conscientious police officer; for instance, the Miranda rule requiring a litany of advice about legal rights before the interrogation of an apprehended suspect can be conducted.

Even if a criminal is arrested, the likelihood is great that he will not be convicted. According to Senator John L. McClellan of Arkansas, in recent years verdicts of not guilty in robbery cases have increased 23 per cent, and in burglary cases 58 per cent. The hedge of procedural safeguards which the Warren Court erected around the person accused of a criminal offense and the efforts of the judiciary to "police the police" have created such a maze of technical requirements for police conduct that, in case after case, obviously guilty persons must be freed because an officer neglected to act with the propriety demanded by the Court. Senator McClellan has characterized this situation as one in which the Court's rulings have threatened "to alter the nature of the criminal trial from a test of the defendant's guilt or innocence to an inquiry into the propriety of the policeman's conduct."

At the core of the barrier which has been erected between the factual guilt of a person and the legal proof of guilt is the so-called "exclusionary rule." This rule, which was made a part of the jurisprudence of this nation by a Supreme Court in 1961, holds that no evidence, regardless of how relevant or probative it may be, can be used against a defendant if it was improperly obtained. For instance, if a dope pusher has been found in possession of narcotics but the search of his person, automobile, or room which revealed the narcotics is held to have been illegal *for any reason,* the narcotics cannot be used as evidence against him. Thus, the upshot of the exclusionary rule is that the *question of actual guilt or innocence is completely disregarded;* if the policeman has blundered in the slightest, the guilty party must be released—returned to society, free to continue his career of crime. The same is true of a defendant whose confession is rejected because the police interrogator failed to tell him that he had a right to remain silent, that whatever he says can be held against him, that he is entitled to have a lawyer present, and that if he could not afford a lawyer one would be provided free. Compounding the handicap is the fact that once a lawyer comes on the scene the standard advice is to tell the client to keep his mouth shut.

THE WRONG REMEDY

If all police work consisted of willful or wanton disregard for the legal rights of criminal suspects, the exclusionary rule might have some validity; but even then, the way to keep the police in line is by direct action against them, and not through the route of setting the criminal free in order to teach the police a lesson. The exclusionary rule works to return the criminal to the street, with an absolute and total disregard for the rights of those whom the newly released criminal may decide to victimize next. . . .

On one recent day in Chicago—identified in a local newspaper editorial as a red-letter day for convicted criminals—the following events occurred:

A 16-year-old killer of another teenager was found guilty of murder. He was placed on probation for five years because it was his "first offense."

A 17-year-old pleaded guilty to setting fire to a police car, striking a policeman, throwing rocks and bottles at policemen, and grabbing a policeman's gun while resisting arrest. He, too, received probation. This was his "first offense."

Three Black Panthers pleaded guilty to buying machine guns and hand grenades for the party's arsenal. Each one was given three years' probation, even though two of them had been fugitives and one had been convicted of assault and battery growing out of the shooting of a policeman.

These cases are illustrative of one of the reasons why the streets are no longer safe.

Contrary to the general belief that, since crime and population have both increased considerably within the past ten years, our state and Federal penitentiaries must be bulging with inmates, the number of prison inmates is just about the same, if not slightly less than it was in 1960. Twenty-nine states have experienced a decrease in prison inmate population as of March 1971. Consider the situation in three of our largest states. In New York, the prison population in 1960 was 17,207; last March it was 14,554—*down* 2,653. In Pennsylvania there were 7,802 prison inmates in 1960; in March 1971, there were 6,422—*down* 1,380. In Illinois, 9,064 in 1960; 7,206 in March 1971—*a decrease* of 1,858.

The Federal inmate population decreased by 3,699 during the period 1960–1967, the latest year for which officially released figures are available.

Thus we see one of the most logical reasons for rampant crime: Even after they have been convicted, criminals are returned to the streets because some judges simply will not incarcerate them, no matter how vicious or depraved their crime.

The answer to what can be done lies, in our opinion, in a massive outpouring of active citizen concern and involvement. The attitude of the law-abiding majority (and again we stress the fact that this majority crosses all lines of color and class) is definitely hard-line, but it must be translated into action. When that is done, the crime picture in the United States will improve.

PROTECTING THE POLICE

1. *In the area of failure to apprehend criminals,* there must be massive citizen support for the policeman when he is doing his job properly. This will create a climate under which police recruiting will be enhanced and officers will not hesitate to do their job for fear of civil suits by vocal pressure groups such as the American Civil Liberties Union and other "police watcher" organizations. A strong public sentiment against civilian review boards, and demonstrable public outrage against attacks on the police—as opposed to grumbling in country club locker rooms and at cocktail parties—would do more toward overcoming the problems of shortages of policemen and "underpolicing" than any other single thing.

2. *In the area of failure to convict criminals,* public outcry and pressure are necessary to curtail drastically those contrived "rights" of criminal suspects which serve only to protect the guilty without any compensating benefits. This can be done without diminishing the basic rights of all citizens. For instance, the Fourth Amendment's guarantee of freedom from unreasonable search and seizure must be preserved, but it can be done without the use of an exclusionary rule that turns so many guilty persons loose; moreover, it is ineffectual, anyway, as a police disciplinary measure.

The exclusionary rule should be removed from our criminal justice system and replaced by procedures for dealing directly with the officer who wilfully violates a person's Constitutional rights. Great Britain has never had the automatic exclusionary rule as we know it, and that country has never been turned into a police state.

THE BUSINESS OF THE COMMUNITY

3. *In the area of failure to incarcerate,* there are those who believe that the sentencing process is nobody's business but the judge's. This is not true. It is the function of a judge to sentence a convicted criminal; but the sentence itself—the determination of whether, or how soon, a potentially dangerous felon will be released into the community—is clearly the business of the community whose safety is involved. Just as the President, a governor, or a state or national legislator is accountable to the people in the final analysis, so is a judge whether elected directly or appointed by elected officials. In this area, citizen concern can be translated into action, as has been done already in several jurisdictions, by citizens' groups who follow a judge's sentencing record and then report, pro or con, to their fellow citizens.

Our suggested solutions to the crime problem are admittedly "hard-line," but we believe that such an approach must be taken. If crime is to be significantly diminished, the concern of the law-abiding citizen will have to be translated into constructive action. Lawlessness threatens to engulf this country, and a firm stand is necessary to stem the tide. Nonpartisan educational groups can be formed to inaugurate and follow through on projects that will harness citizen support for proper, nonabusive law enforcement. Particularly in the appellate courts it has been found effective to file "friend of the court" (*amicus curiae*) briefs in support of the law enforcement side of the question in important criminal law cases. With citizen action such as this on the scene against crime, the future is encouraging.

RISING CRIME IN THE NATION'S SCHOOLS

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. BROYHILL of Virginia. Mr. Speaker, it is a shocking thing—even in this day when so much that used to be shocking has become commonplace—to hear that crimes committed by children, both in the schools and on the streets, is rising at a precipitous rate.

According to a New York Times front-page story by Wayne King:

Crime by children, some of it serious and committed by youngsters not yet in their teens, is arousing growing concern among parents, the police and school authorities across the country.

The National Commission on the Causes and Prevention of Violence found in 1969 that during the 10-year period of 1958 through 1967, there was a 300-percent increase in assaults by 10- to 14-year-olds and a 200-percent increase in robberies by this age group. Reports from school and law enforcement spokesmen in 13 cities indicate that this trend is continuing.

Mr. King quoted Harry S. Hodgins, Jr., chief security supervisor for the Baltimore city schools, as saying that:

There had been every kind of crime in the Baltimore schools from ordinary shakedowns for lunch money right through armed robbery in the halls at pistol point.

The situation is even worse off the school grounds. Last year in Baltimore, for example, there were 12,835 arrests of suspects under 18, up from 10,595 in 1969. Also there were 526 arrests of children of 10 years old or under, including one for murder.

A similar pattern is reported by most school and police officials who blame "a general breakdown in family discipline, racial animosities and changing school patterns that place poor children in contact with the more affluent."

The reaction, nationwide, has been to station more police in the schools. I would like to point out, Mr. Speaker, that it can be very frustrating indeed for a child to be forced to attend a school because of his race or because of the economic position of his parents, and that there is not a school anywhere where the "barnyard pecking-order", as cruel as it may be, does not to some extent exist. The changing school patterns principally caused by court decisions, are made to order for violence.

I submit that the rate of children's crime will continue to rise and more and more policemen will have to be stationed in the schools as long as the social engineers and the courts demand forced economic and racial integration.

Only a constitutional amendment to prohibit the assignment of any child to a particular school because of his race, creed or color, can return us to some semblance of sanity. I hope every one of my colleagues in the House will vote for House Joint Resolution 620.

At this point I insert the New York Times report on children's crime.

[From the New York Times, Oct. 4, 1971]

CHILDREN'S CRIME RISING ACROSS UNITED STATES

(By Wayne King)

Crime by children, some of it serious and committed by youngsters not yet in their teens, is arousing growing concern among parents, the police and school authorities across the country.

While it is not new, juvenile authorities generally agree that the problem has grown substantially worse in the last few years, both in the number of offenses and their seriousness. And while there is a lack of national statistics that might back it up, there is a feeling that both the victims and the perpetrators are getting younger.

For the most part, the crimes are "petty" in terms of the money or property involved—shakedowns for lunch money, bicycle thefts, pilfering from school lockers—but some are serious and violence is not uncommon.

Reports from school and law enforcement officials in 13 cities indicate that the trend noted in 1969 by the National Commission on the Causes and Prevention of Violence is continuing. The commission found that in the 10-year period 1958 through 1967, there was a 300 per cent increase in assaults by 10 to 14-year-olds and a 200 per cent increase in robberies by this age group.

"We've had just about everything in schools short of murder," says Harry S. Hodgins Jr., chief security supervisor for the Baltimore city schools, "everything from ordinary shakedowns for lunch money right through armed robbery in the halls at pistol point."

Off the school grounds, the problem is worse. The Baltimore police report that last year there were 12,835 arrests of suspects under 18, up from 10,594 in 1969.

TOTAL OF 526 UNDER 10 ARRESTED

Moreover, in the age group 10 years and under, there were 526 arrests, including one for murder, 22 for robbery, 169 for burglary, six for auto theft, 12 for arson, nine for aggravated assault, 104 for larceny and four for narcotics violations.

In Los Angeles, as in most other cities, bicycle theft has become commonplace, and the police department there is considering creating a 25-man "bike section" to handle the problem.

In the Roslindale section of Boston, a woman complained that "in our neighborhood, I hear you can go up to a kid in front of the local ice cream shop and say you want a 10-speed Peugeot racing bike and he'll ask you what color."

THE BEST INDICATOR

Although not considered the most serious child crime problem—shakedowns and "muggings" are regarded as more dangerous—bicycle thefts are probably the best indicator of the growth of crime committed by children against other children.

The police and other juvenile authorities generally agree that the other categories, particularly shakedowns, are not reported as often because of the threat of reprisal and the generally lower dollar value of the stolen property.

Robert Ehrman, a disciplinary officer in the Sacramento school system, says instances of extortion, backed up by threats, are increasing more noticably than other problems.

"It's usually a two-or-three kids-on-one thing," he said, "extortion or just the sheer delight of scaring the hell of some small kid.

A COMMON PATTERN

The greatest increase and highest incidence is from the fifth or sixth grade through the ninth grade, Mr. Erhman observed, a pattern reported by most other school officials.

Although the problem of petty extortion is not a new one—a Pittsburgh school principal recalls a situation 12 years ago in which one student demanded and got 50 cents from another student each school day for two years—juvenile officials say it has grown serious within the last three to five years in most areas.

The reasons given by police and school officials vary, but those most often cited are "a general breakdown" in family discipline, racial animosities and changing school patterns that place poor children in contact with the more affluent. The general increase in crime by all groups is also cited.

For whatever reasons, juvenile crime rates have been rising far faster than the adult rate. From 1960 though 1970, according to the Fedeal Bureau of Investigation police arrests for all criminal acts except traffic violations rose 31 percent, while arrests of those under 18 more than doubled—a pace more than four times the population increase in the 10 to 18 age group.

LESSER RATE FOR ADULTS

Adult arrests for violent crime in the same period went up 67 per cent, while for juveniles they increased 167 per cent.

Generally, the police and other officials who deal with juvenile offenders keep no related statistics on the victims of juvenile crime, and there is, thus, no accurate gauge of an increase in children's crime against their peers, although there is general agreement that the problem is getting worse.

Reaction to increased youthful crime has largely taken the form of more policing of schools and surrounding areas, usually with private guards. *Dade County schools had a security force of five men in 1968; today it has 98.* Most other school systems have bolstered their patrols similarly, but parental concern remains.

"Mothers are frightened these days of what might happen to their daughters at school," said a Miami teacher whose three children attend public schools. She reported that at a Coral Gables Junior High, many girls were afraid to enter lavatories because of shakedowns by other girls, some of whom have brandished razors.

And a Boston father said: "My 14-year-old son got punched in the mouth at a park the other night because he wouldn't yield up a radio when ordered to by a peer who was drunk.

"It was not a traumatic experience," he said. "My kid was a little bit small and thinks that most things can be settled nonviolently."

TRUCKS ARE ESSENTIAL TO AMERICAN PROSPERITY

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. COLLINS of Texas. Mr. Speaker, the other day I was talking to my friend Hub Hill about trucks. Hub heads up Strickland Transportation whose home base is Dallas and their trucks cover the Midwest.

Keeping trucks rolling is vital to the American economy. Let me give you some of the basic facts that show trucks' economic impact on America.

There are 8 million men and women employed by the trucking industry. This is more than the total population of 10 States—Delaware, Nevada, Idaho, Wyoming, Maine, Arizona, New Hampshire, Vermont, New Mexico and Rhode Island—total, 1970 Census: 7,862,335.

Each year trucks use 23,500 million

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gallons of gasoline and other fuel. This is equivalent to the capacity of one column of tank trucks—7,500 gallons each—bumper to bumper, on a 4-lane highway from Hong Kong to Los Angeles.

Annually 404 billion ton-miles of freight are hauled by trucks—equivalent to sending the 42.5-ton Apollo spaceship on 20,328 round trips to the moon—233,814 miles distant—or one a day for 56 years.

Yearly 1,500 million quarts of oil are used by trucks. If put in quart cans, laid end to end, it would be enough to extend more than five times around the earth—or 131,628 miles.

Of the 109 million motor vehicles in the United States 17,800,000 are trucks. There is one truck to serve every four households in America.

Annually 118 million pounds of copper are used in truck manufacture, enough copper to mint over 16 billion pennies.

About 9,800,000 gallons of paint and thinner are used annually in truck manufacture, enough to paint 1,225,000 average frame houses.

Three out of four tons of all freight are hauled by truck. If trucks were to stop running for 24 hours, America's entire economic machinery would grind to a halt.

Aluminum: 63 million pounds are used annually in truck manufacture, enough to make 1.9 one-quart saucepans for every housewife in the United States.

Rubber: 1,200,000 tons are used annually by trucks, enough rubber to provide boots and shoes for the Army, Navy, and Marines for 1,071 years.

Tires: 26 million; and 18 million tubes are used annually by trucks. If the tires alone were used, they would form a chain from Chicago to Paris to Berlin and on to Honolulu.

Glass: 40,200,000 square feet are used annually in truck manufacture. Enough to cover 24 major league baseball stadiums plus 27 major college football bowls.

Antifreeze: 31,200,000 gallons are used annually by trucks, enough to keep 351 Olympic size swimming pools—165 feet by 75 feet—from freezing at 10° above zero—Fahrenheit.

Each year the trucking industry's expenditures approach $74,300 million. This total consists of $57 billion for labor; $5.6 billion for motor fuel and oil; $11.7 billion for new trucks and trailers, replacement parts and accessories, tires, and tubes.

Taxes: $5,300 million in highway use—Federal and State, are paid annually by the trucking industry, enough money to build a four-lane superhighway from New York City to Atlanta, and on to San Francisco, a total of 3,378 miles.

Mr. Speaker, we are all proud of the trucking industry. It plays a vital and active part in the growth and development of our Nation.

SENATE—*Wednesday, November 17, 1971*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, Creator, Preserver, Redeemer, and Judge, guide, we beseech Thee, the Senate of the United States that its actions may enhance the welfare of the Nation and promote the higher interests of Thy coming kingdom. Be with each Member of this body answering each one's need according to his personal requirements. Deliver each one from the sins of temperament, from petty provocations, and from vexation or exasperation with one another. Lift each Member above the divisive and contentious spirit into a unity of purpose which nothing can destroy. Grant that each one may so listen to the prompting of Thy spirit that he may concert his best efforts for freedom, peace, and justice in the world of our time.

Hear us in the Redeemer's name. Amen.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on November 12, 1971, the President had approved and signed the following acts:

S. 26. An act to revise the boundaries of the Canyonlands National Park in the State of Utah; and

S. 30. An act to establish the Arches National Park in the State of Utah.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, November 16, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar, under New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nomination on the Executive Calendar under New Reports will be stated.

OFFICE OF ECONOMIC OPPORTUNITY

The second assistant legislative clerk read the nomination of Phillip V. Sanchez, of California, to be Director of the Office of Economic Opportunity.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed; and, without objection, the President will be immediately notified of the confirmation of this nomination.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ESTABLISHMENT OF A CONQUEST OF CANCER AGENCY

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1828.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1828) to amend the Public Health Service Act so as to establish a Conquest of Cancer Agency in order to conquer cancer at the earliest possible date, which was to strike out all after the enacting clause, and insert:

SHORT TITLE

SECTION 1. This Act may be cited as "The National Cancer Attack Act of 1971".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds and declares—

(1) that cancer is the disease most feared by Americans today;

(2) that new scientific leads, if comprehensively and energetically exploited, may significantly advance the time when more adequate preventive and therapeutic capabilities are available to cope with cancer;

(3) that cancer, heart, and lung diseases and stroke are the leading causes of death in the United States;

(4) that the present state of our understanding of cancer, heart, and lung diseases and stroke is a consequence of broad advances across the full scope of the biomedical sciences;

(5) that in order to provide for the most effective attack on cancer it is important to use all of the biomedical resources of the National Institutes of Health, rather than the resources of a single Institute; and

(6) that the programs of the research institutes which comprise the National Institutes of Health have made it possible to bring into being the most productive scientific community centered upon health and disease that the world has ever known.

(b) It is the purpose of this Act to enlarge the authorities of the National Cancer Institute and the National Institutes of Health in order to advance the national attack upon cancer.

NATIONAL CANCER ATTACK PROGRAM

SEC. 3. (a) Part A of title IV of the Public Health Service Act is amended by adding after section 406 the following new sections:

"NATIONAL CANCER ATTACK PROGRAM

"SEC. 407. (a) In his capacity as an Associate Director of the National Institutes of Health, the Director of the National Cancer Institute shall coordinate all of the activities of the National Institutes of Health relating to cancer with the National Cancer Attack Program.

"(b) In carrying out the National Cancer Attack Program, the Director of the National Cancer Institute shall:

"(1) With the advice of the National Cancer Advisory Council, plan and develop an expanded, intensified, and coordinated cancer research program encompassing the programs of the National Cancer Institute, related programs of the other research institutes, and other Federal and non-Federal programs.

"(2) Expeditiously utilize existing research facilities and personnel of the National Institutes of Health for accelerated exploration of the opportunities for the conquest of cancer in areas of special promise.

"(3) Encourage and coordinate cancer research by industrial concerns where such concerns evidence a particular capability for such research.

"(4) Collect, analyze, and disseminate all data useful in the prevention, diagnosis, and treatment of cancer, including the establishment of an international cancer research data bank to collect, catalog, store, and disseminate insofar as feasible the results of cancer research undertaken in any country for the use of any person involved in cancer research in any country.

"(5) Establish or support the large-scale production or distribution of specialized biological materials and other therapeutic substances for research and set standards of safety and care for persons using such materials.

"(6) Support research in the cancer field outside the United States by highly qualified foreign nationals (where the Director determines that such support can reasonably be expected to inure to the benefit of the American people); support collaborative research involving American and foreign participants; and support the training of American scientists abroad and foreign scientists in the United States.

"(7) Support appropriate manpower programs of training in fundamental sciences and clinical disciplines to provide an expanded and continuing manpower base from which to select investigators, physicians, and allied health professional personnel, for participation in clinical and basic research and treatment programs relating to cancer, including where appropriate the use of training stipends, fellowships, and career awards.

"(8) Call special meetings of the National Cancer Advisory Council at such times and in such places as the Director deems necessary in order to consult with, obtain advice from, or to secure the approval of projects, programs, or other actions to be undertaken without delay in order to gain maximum benefit from a new scientific or technical finding.

"(9)(A) Prepare and submit, directly to the President for review and transmittal to Congress, an annual budget estimate for the National Cancer Attack Program, after opportunity for comment (but without change) by the Secretary, the Director of the National Institutes of Health, and the National Cancer Advisory Council; and (B) receive from the President and the Office of Management and Budget directly all funds appropriated by Congress for obligation and expenditure by the National Cancer Institute.

"(c) The National Cancer Advisory Council shall meet at the call of the Director of the National Cancer Institute or of such Council's Chairman, but not less than four times in each calendar year.

"(d)(1) There is hereby established the President's Cancer Attack Panel which shall be composed of three persons appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the National Cancer Attack Program. At least two of the members of the panel shall be distinguished scientists or physicians.

"(2)(A) Members shall be appointed for three-year terms, except that (i) in the case of two of the members first appointed, one shall be appointed for a term of one year and one shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(B) The President shall designate one of the members to serve as Chairman for a term of one year.

"(C) Members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(3) The Panel shall meet at the call of the Chairman but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(4) The Panel shall monitor the development and execution of the National Cancer Attack Program under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the program shall immediately be brought to the attention of the President. The Panel shall submit to the President annually an evaluation of the efficacy of the National Cancer Attack Program and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Cancer Institute.

"NATIONAL CANCER RESEARCH AND DEMONSTRATION CENTERS

"SEC. 408. (a) The Director of the National Cancer Institute is authorized to provide for the establishment of fifteen new centers for clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer. Such centers may be supported under subsection (b) or under any other applicable provision of law.

"(b) The Director of the National Cancer Institute, under policies established by the Director of the National Institutes of Health and after consultation with the National Cancer Advisory Council, is authorized to enter into cooperative agreements with public or private nonprofit agencies or institutions to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for existing or new centers (including, but not limited to, centers established under subsection (a)) for clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer. Federal payments under this subsection in support of such cooperative agreements may be used for (1) construction (notwithstanding any limitation under section 405), (2) staffing and other basic operating costs, including such patient care costs as are required for research, (3) training (including training for allied health professions personnel) and (4) demonstration purposes, but support under this subsection (other than support for construction) shall not exceed $5,000,000 per year per center. Support of a center under this section may be for a period of not to exceed three years and may be extended by the Director of the National Cancer Institute for additional periods of not more than three years each, after review of the operations of such center by an appropriate scientific review group established by the Director of the National Cancer Institute.

"CANCER CONTROL PROGRAMS

"SEC. 409. (a) The Director of the National Cancer Institute shall establish programs as necessary for cooperation with State and other health agencies in the prevention, control, and eradication of cancer.

"(b) There are authorized to be appropriated to carry out this section $20,000,000 for the fiscal year ending June 30, 1972, $30,000,000 for the fiscal year ending June 30, 1973, and $40,000,000 for the fiscal year ending June 30, 1974.

"AUTHORITY OF DIRECTOR

"SEC. 410. The Director of the National Cancer Institute (after consultation with the National Cancer Advisory Council), in carrying out his functions in administering the National Cancer Attack Program and without regard to any other provision of this Act, is authorized—

"(1) if authorized by the National Cancer Advisory Council, to obtain the services of not more than fifty experts or consultants who have scientific or professional qualifications, in accordance with the provisions of section 3109 of title 5, United States Code (but any such expert or consultant may be appointed for a period in excess of one year);

"(2) to acquire, construct, improve, repair, operate, and maintain cancer centers, laboratories, research, and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Director deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the National Cancer Institute for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

"(3) to appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as he deems desirable to advise him with respect to his functions;

"(4) to utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

"(5) to accept voluntary and uncompensated services;

"(6) to accept unconditional gifts, or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

"(7) to enter into such contracts, leases, cooperative agreements, or other transactions, without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5), as may be necessary in the conduct of his functions, with any public agency, or with any person, firm, association, corporation, or educational institution; and

"(8) to take necessary action to insure that all channels for the dissemination and ex-

change of scientific knowledge and information are maintained between the National Cancer Institute and the other scientific, medical, and biomedical disciplines and organizations nationally and internationally.

"SCIENTIFIC REVIEW; REPORTS

"SEC. 410A. The Director of the National Cancer Institute shall, by regulation, provide for proper scientific review of all research grants and programs over which he has authority (1) by utilizing, to the maximum extent possible, appropriate peer review groups established within the National Institutes of Health and composed principally of non-Federal scientists and other experts in the scientific and disease fields, and (2) when appropriate, by establishing, with the approval of the National Cancer Advisory Council and the Director of the National Institutes of Health, other formal peer review groups as may be required.

"(b) The Director of the National Cancer Institute shall, as soon as practicable after the end of each calendar year, prepare in consultation with the National Cancer Advisory Council and submit to the President for transmittal to the Congress a report on the activities, progress, and accomplishments under the National Cancer Attack Program during the preceding calendar year and a plan for the program during the next five years.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 410B. For the purpose of carrying out this part (other than section 409), there are authorized to be appropriated $400,000,000 for the fiscal year ending June 30, 1972; $500,000,000 for the fiscal year ending June 30, 1973; and $600,000,000 for the fiscal year ending June 30, 1974."

(b) Section 301(d) of the Public Health Service Act is amended by adding at the end thereof the following: *"Provided further,* That, under procedures approved by the Director of the National Institutes of Health, the Director of the National Cancer Institute may approve grants for research or training purposes—

"(1) in amounts not to exceed $35,000 after appropriate review for scientific merit but without requirement of review and approval by the National Cancer Advisory Council, and

"(2) in amounts exceeding $35,000 after appropriate review for scientific merit and recommendation for approval by such council."

REPORT TO CONGRESS

SEC. 4. (a) The President shall carry out a review of all administrative processes under which the National Cancer Attack program, established under part A of title IV of the Public Health Service Act, will operate, including the processes of advisory council and peer groups reviews, in order to assure the most expeditious accomplishment of the objectives of the program. Within one year of the date of enactment of this Act the President shall submit a report to Congress of the findings of such review and the actions taken to facilitate the conduct of the program, together with recommendations for any needed legislative changes.

(b) The President shall request of the Congress without delay such additional appropriations (including increased authorizations) as are required to pursue immediately any development in the National Cancer Attack program requiring prompt and expeditious support and for which regularly appropriated funds are not available.

PRESIDENTIAL APPOINTMENT OF INSTITUTE'S DIRECTORS

SEC. 5. Title IV of the Public Health Service Act is amended by adding after part F the following new part:

"PART G—ADMINISTRATIVE PROVISIONS

"DIRECTORS OF INSTITUTES

"SEC. 454. The Director of the National Institutes of Health and the Directors of the National Cancer Institute, the National Heart and Lung Institute, and the National Institute of Neurological Diseases and Stroke shall be appointed by the President. The Directors of the National Cancer Institute, the National Heart and Lung Institute, and the National Institute of Neurological Diseases and Stroke are designated as Associate Directors of the National Institutes of Health, and shall report directly to the Director of the National Institutes of Health."

EFFECTIVE DATE

SEC. 6. (a) This Act and the amendments made by this Act shall take effect sixty days after the date of enactment of this Act or on such prior date after the date of enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) The first sentence of section 454 of the Public Health Service Act (added by section 5(a) of this Act) shall apply only with respect to appointments made after the effective date of this Act.

And amend the title so as to read: "An Act to amend the Public Health Service Act so as to strengthen the National Cancer Institute and the National Institutes of Health in order to conquer cancer as soon as possible."

Mr. MANSFIELD. Mr. President, I move that the Senate disagree to the amendment of the House and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KENNEDY, Mr. WILLIAMS, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. HUGHES, Mr. PELL, Mr. MONDALE, Mr. SCHWEIKER, Mr. JAVITS, Mr. DOMINICK, Mr. PACKWOOD, Mr. BEALL, and Mr. TAFT conferees on the part of the Senate.

PROGRAM FOR THE REMAINDER OF THIS SESSION

Mr. GRIFFIN. Mr. President, I should like to ask the distinguished majority leader if he can give us some further information concerning the schedule.

Mr. MANSFIELD. Mr. President, I am glad that the distinguished acting Republican leader has raised that question at this time.

We are in the middle of the week, and I am sure that Senators would like to know, insofar as possible, what the schedule will be.

The pending bill will, of course, not be finished today. Hopefully, it may be finished tomorrow.

It is anticipated that it will be followed by the defense appropriation bill.

There are other bills on the calendar that will be considered if and when any slack develops.

There will be a Saturday session, and I hope that the attachés would notify Senators on both sides of the aisle to that effect.

It is anticipated that on Monday next the Senate will be able to take up phase II of the President's economic program.

It is my understanding that there is no possibility, before Thanksgiving, of taking up the two nominations to the Supreme Court. Evidently, there is some difficulty concerning their consideration in committee. But the program I have just announced will keep us more than busy down to and including the conclusion of business on Wednesday next, November 24, 1971, a week from today.

The Senate will then take a 2-day recess on Thanksgiving Day and Friday, the day following. We hope that in the following week the Senate will be able to conclude its business and adjourn sine die. However, that remains to be seen. There are many obstacles to overcome. The accommodation and understanding of the entire Senate are necessary.

May I say that I am delighted with the attitude of the Senate up to this time in trying to help the joint leadership dispatch the legislation which is before us.

Mr. GRIFFIN. Mr. President, if I may respond with respect to the majority leader's comments concerning the two Supreme Court nominations, I do not know whether, when he says there is some difficulty, he is referring to the fact that the Committee on the Judiciary has not yet reported them.

Mr. MANSFIELD. That is what I meant. Their names are not on the calendar.

Mr. GRIFFIN. But if and when the names are reported by the Committee on the Judiciary, I assume it would be the intention of the joint leadership that we would get to the consideration of those nominations as rapidly as possible.

Mr. MANSFIELD. The Senator is correct. "As rapidly as possible" would depend upon the progress of legislation in the meantime—appropriation bills, the phase II program, the pending business, the Defense appropriation bill that will come up very shortly, and the other appropriation bills which I do not believe will involve too much controversy. There may be some debate on the defense appropriation bill. There are several other bills of significance. The fish inspection bill is ready for action. We would also like to attempt to give some consideration to the education bill now at the desk, and the voter registration bill. These are extremely important measures and deserve expeditious consideration. How far we will get with those bills remains to be seen.

Mr. GRIFFIN. I wish at this point to register my deep concern about the importance of filling those two seats which are vacant on the Supreme Court.

Mr. MANSFIELD. I agree.

Mr. GRIFFIN. And that we do so in this session. I cannot quite imagine even the thought of the Senate's adjourning sine die without having considered and voted on the two Supreme Court nominations. I hope the majority leader is not suggesting that may happen. I should think that we would remain in session until New Year's Eve, if necessary, to vote on those two nominations.

Mr. MANSFIELD. The Senator is putting into my mouth words which I did not intend to utter, because I feel that if the nominations are reported from the committee, the Senate should give them an expeditious consideration as possible and that they could be disposed of, one way or the other. But these other measures—though they may be legislative—are exceedingly important as well. I would hope their consideration would be treated with similar concern. I am just citing facts, and should repeat that evidently we could in no case get to the two nominations before late next week at the very earliest, in view of the developments which have occurred in the Committee on the Judiciary.

Mr. BYRD of West Virginia. Mr. President, may I ask the majority leader, Is he not emphasizing, by what he has said, the necessity for clearing the decks of all other important legislation as expeditiously as possible, so that when the nominations are before the Senate they can be acted on as quickly as possible? Is the leader not saying, in essence, that the reason why we met last Saturday and why the Senate will meet this coming Saturday is to expedite action by the Senate on all other important legislation, so that when these two nominations come before the Senate, they will not have additional roadblocks, such as appropriation bills, placed in their way?

Mr. MANSFIELD. The Senator from West Virginia has said what I thought I had said, but he has said it so much better than I, and I appreciate it.

Mr. GRIFFIN. I thank the distinguished majority whip for clarifying the situation. If I misunderstood the majority leader, I regret it.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to exceed 15 minutes, with statements therein limited to 3 minutes.

Is there morning business?

OUR LARGEST BALANCE-OF-PAYMENTS DEFICIT IN HISTORY—IMPENDING TRAGEDY

Mr. SYMINGTON. Mr. President, as Senators are well aware for more than 8 years I have been expressing growing concern about the fact the Nation continues, year after year, to show a deficit in its balance of payments, some as high as $10 billion, others "only" $2 to $3 billion—but always a deficit.

When these statistics were reported, year after year, toward the back of the Wall Street Journal or buried in the rest of the financial news of major newspapers, some economists and Government officials took note, but no real action.

Now, however, the latest balance-of-payments figures are so shocking in their warning as to warrant a large headline on the front page of our papers yesterday.

These statistics, just released by the Commerce Department, show that the third quarter balance-of-payments deficit doubled from the previous quarter to an unbelievable $12.1 billion; and even more alarming is the fact this deficit, projected on an annual basis, would result in a yearly deficit of $31 billion.

The Wall Street Journal attributed a large part of this decline in our position to the fact that "most major foreign countries are not letting their own currencies float upward with complete freedom. Instead they are conducting 'dirty floats,' so that their central banks are still taking in dollars as they sell off enough of their own currencies to keep the market price of the latter from rising too sharply." As a result, there was a jump of more than $11 billion in liquid liabilities to foreigners.

Although the Department of Commerce reported that the gap between exports and imports is narrowing, this is a sad commentary indeed in view of the fact that for many previous years the United States has reported a healthy trade surplus, sometimes as high as $7 billion annually.

From the standpoint of the future value of the dollar, the seriousness of this deteriorating situation cannot be overemphasized; so let us hope that some positive steps be taken promptly by this administration to reverse a trend that could end ultimately in economic disaster.

THE FARMERS ARE THE ONES WHO ARE GETTING PLOWED UNDER

Mr. SYMINGTON. Mr. President, the St. Louis Post-Dispatch of Sunday, November 14, contains an article by James Deakin entitled "Politics Plows Under Secretary of Agriculture Hardin." In that I come from an agricultural State, this matter is naturally of great interest to my constituents.

I cannot agree with the headline, because the people really being plowed under are not the Secretary of Agriculture, rather the farmers themselves; and this because of the policies this administration instructed Secretary Hardin to carry out.

This is but one of the reasons why I am astonished to note that one of the chief authors of said policies, Prof. Earl L. Butz, is now being recommended as the successor to Mr. Hardin.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICS PLOWS UNDER SECRETARY OF AGRICULTURE HARDIN

(By James Deakin)

WASHINGTON, November 13.—When South Dakota's two seats in the House of Representatives were won last November by Democrats for the first time in more than 30 years, the days of Secretary of Agriculture Clifford M. Hardin were numbered.

Ten of the 16 House seats that Democrats took from Republicans were in farm areas. Democrats took governorships away from the GOP in Idaho, Minnesota, Nebraska and Wisconsin. Republicans who had been persuaded by President Richard M. Nixon to run for the Senate were defeated in Minnesota, North Dakota and Utah.

With the Administration clearly facing a political rebellion on the traditionally Republican farm belt, it probably was inevitable that Mr. Nixon would seek to improve his standing with the nation's 3,000,000 farmers and their families before next November's presidential election.

This week, the President did just that. He accepted the resignation of Hardin, a quiet administrator whose abilities and competence were acknowledged widely but who had not caught the fancy of the farm belt.

To replace him, Mr. Nixon selected a former assistant secretary of agriculture, Earl L. Butz, who is considered more attuned to the political aspects of farm policy. Butz is likely to attract more attention than Hardin did: he is an outspoken man with strong views on agriculture that are likely to be highly unpopular in some quarters.

Hardin, a soft-spoken agricultural educator, is moving to the quieter atmosphere of the board room at Ralston Purina Co. in St. Louis after almost three years in one of Washington's oldest established storm centers.

Although White House spokesmen insisted that Hardin's resignation was not related to the Administration's troubles in the farm belt, Mr. Nixon presumably was receptive to the opportunity to install a new face at the Agriculture Department.

The President showed that he was aware of the farm revolt by announcing at the same time that he had changed his mind about abolishing the Agriculture Department. He said instead that he would retain it as a sovereign power in his Cabinet.

This decision, the President said, "should have a significant effect in reassuring farmers."

Last March, Mr. Nixon proposed a governmental reorganization that would have abolished the Agriculture Department along with six others. The reaction from farm leaders was predictable.

They received the idea with misgivings, saying they feared that the interests of agriculture would be submerged in the proposed new superdepartments of human resources, community development, economic affairs and natural resources.

Although agricultural policy is a mystery to many Americans, politicians of both parties agree on one salient fact of life: If farm income drops, the Agriculture Secretary will become a political liability to the Administration unless he is replaced.

Hardin, more than any of his three immediate predecessors—Charles Brannan, Ezra Taft Benson and Orville L. Freeman—retained a high degree of personal popularity and respect despite a steady decline in farm prices since the mid-1960s.

But when Hardin's policies failed to stop the price decline, Mr. Nixon found it convenient that the Secretary found it impossible to resist a lucrative offer to become vice chairman of Ralston Purina.

And despite the White House's disavowals, there are reports on Capitol Hill that politics did play a part in Hardin's resignation.

Mr. Nixon is said to have been warned by Midwestern Republicans that unless there were changes at the Agriculture Department, the farm-state defection to the Democrats would attain massive proportions next year.

One of the main farm belt complaints against Hardin was his refusal to use the wide latitude given the Secretary of Agriculture under the 1965 farm bill to raise the prices of agricultural products by increasing federal price support levels.

With corn selling for 93 cents a bushel last month at county elevators in the Midwest and with wheat prices at no-profit levels, there will be intense pressure on Butz, the new Secretary, to make greater use of the so-called commodity approach, which Republican administrations have not favored.

Butz referred to the serious political problems posed by the glut of corn and declining corn prices when he appeared before reporters at the White House Friday with Mr. Nixon and Hardin. Turning to Hardin, Butz said:

"The price of corn, Mr. Secretary, is too low for comfort."

But there is some question whether Butz, who was closely associated with the free-market policies of former Secretary Benson, will really make much use of the commodity-by-commodity price-support concept, which is identified with Democratic administrations.

The approach favored by the Nixon Administration was embodied in the Agricultural Act of 1970, which Hardin pushed through Congress. It emphasized a high

volume of farm production to boost agricultural exports.

The basic effort was to increase farm income by enabling farmers to get better prices in the free market, including foreign markets, rather than to increase federal price-support levels on individual commodities.

Hardin was active in persuading Congress to reject an alternative approach proposed by a coalition of 22 liberal and middle-of-the-road farm organizations, including the National Farmers Union and the National Grange.

That proposal emphasized increased restriction of farm production to maintain prices. Hardin's role in its defeat left political wounds that Butz may not be able to heal.

Moving to St. Louis will give Hardin, an enthusiastic fisherman, an opportunity to become acquainted with Missouri's famed bass fishing.

Before coming to Washington, Hardin fished—whenever possible—for northern pike, walleyes and bass at the family's year-round cottage on Lake Okoboji in northwest Iowa.

Hardin acquired the pleasant lakeside retreat when his children started to leave home. "Cliff wanted to have a place that would be fun for them to visit," Mrs. Hardin has said.

Hardin, 56 years old, is an inveterate pipe smoker and an occasional golfer. He is relaxed, soft-spoken and easy-going in manner. He seldom appears flustered.

The pressures of academic and Government life have left Hardin little opportunity for reading. He says he hasn't read a novel in years. He tries to keep informed, however, on everything related to public policy and world affairs. He often gets up early to read for an hour before heading for his office.

Mrs. Hardin, the former Miss Martha Love Wood of West Lafayette, Ind., has a degree in teaching. They met when he was a student at Purdue University.

Hardin grew up on his father's 200-acre grain and livestock farm about 35 miles east of Knightstown, Ind. During the Depression, his father went to Florida each winter to raise celery. At 16, his son took over the operation of the home farm. His father's celery venture prospered, and the elder Hardin eventually became president of the Knightstown Bank.

In the Depression, however, the family was poor. Hardin was able to attend Purdue by winning a 4-H scholarship. In time, he earned a doctorate in agricultural economics, studying at both Purdue and the University of Chicago.

Much of his academic career was spent at Michigan State University, where he became dean of the school of agriculture. In 1954, he moved to the University of Nebraska as chancellor, a position he held until President Nixon selected him to be Secretary of Agriculture.

Only one of Hardin's five children, James, 13, lives at home with his parents. The others are scattered throughout the country. They are Mrs. Larry A. Wood, San Diego, Calif.; Mrs. Robert S. Milligan, Washington; Mrs. Douglas L. Rogers, Ohio, and Clifford W. Hardin, Kansas City.

BUTZ—AN AGRIBUSINESS MAN

Mr. SYMINGTON. Mr. President, with reference to the philosophy and activities of Prof. Earl L. Butz, President Nixon's nominee for Secretary of Agriculture, an informative article entitled "Butz an Agribusiness Man," in the Washington Post of Sunday, November 14, presents various facts in some detail.

What is perhaps most disturbing in the article is that, even though such conservative organizations as the Farm Bureau have come out in favor of the right of the farmers to collective bargaining, Professor Butz apparently agrees with the thinking of two of the companies from which he has been receiving heavy annual fees in addition to his salary as a professor; namely, that farm people should not have such a right. Mr. Butz himself is quoted as stating:

I will have to reserve judgment of that issue.

I ask unanimous consent that this article and an article by William Blair in the New York Times of Tuesday, November 16, "Nixon's Choice for Farm Chief Labels His Opponents 'Political.'" be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 14, 1971]

NOMINEE FAVORS BIG FARMS—BUTZ AN AGRIBUSINESS MAN

(By Nick Kotz)

LAFAYETTE, IND., November 13.—The man President Nixon has nominated to be the next Secretary of Agriculture is an outspoken exponent of, and has profited from, an agricultural revolution characterized by large integrated "agribusiness" firms and a declining number of farmers.

Earl L. Butz, 62, now dean of continuing education and chief fund raiser at Purdue University, has strong views on "the farm problem" and has participated in agribusiness in ways that already have drawn criticism from some advocates for small farmers.

Butz was nominated last week by the President to replace Clifford Hardin, who is becoming vice chairman of the Ralston Purina Co.

In an extensive interview with The Washington Post, Butz discussed both his personal ties to major agribusiness firms and his viewpoint that there are still far too many inefficient farmers in agriculture.

"Adapt or die" is still Butz' viewpoint, meaning that farms must continue to grow larger and more closely associated with agribusiness if they are to survive in today's economy.

Sens. George McGovern (D-S.D.), Hubert Humphrey (D-Minn.) and Milton Young (R-N.D.) all have indicated they will question Butz closely about either his farm views or his business ties at a confirmation hearing to be held by the Senate Agriculture Committee.

Today Sen. Fred R. Harris (D-Okla.) urged the President to withdraw the nomination on grounds that Butz "is clearly an agent of the giant agribusiness corporations that are driving the small farmers of America off the land."

Butz has many supporters, however, including William Kuhfuss, president of the American Farm Bureau Federation, who said that the appointee's "understanding of agricultural problems and appreciation of the importance of the market place and the free enterprise system will serve farmers and the nation well."

Butz, who served as an assistant secretary of agriculture during the Eisenhower administration and as dean of the Purdue Agriculture School from 1957 to 1968, said he earned $26,800 last year as a board member of three giant agribusiness corporations. Other income included his $35,000 university salary and $2,000 as a board member of an Indiana insurance company.

Butz said he was paid $12,000 by the Ralston Purina Company, a major feed manufacturer and chicken producer; $10,000 by International Minerals and Chemicals Corp., a producer of agricultural fertilizers and chemicals, and $4,800 by Stokely-Van Camp, a major producer of canned foods. He owns stock in all three.

Butz was a board member of Ralston Purina, International Minerals and of J. I. Case Co., a farm machinery manufacturer, during most of the years he served as dean of the Purdue Agriculture School. His $3,000 a year Case directorship ended several years ago when that firm was bought out by Tenneco, a conglomerate with extensive agribusiness interests.

Butz told The Washington Post he believes that Ralston Purina and International Minerals contributed funds to university agriculture research while he was dean. University records show that International Minerals contributed annually to Purdue research from 1963 through 1971, basically to develop a chemical the company was interested in. The company's contributions to research projects totaled about $75,000 in this period.

Butz stresses that the industry-financed research projects were taken on without any restrictions and with the results made public.

"I make no apologies to anyone for the participation I have taken in agribusiness companies," Butz said.

"These companies provide a market to farmers. These activities were to the farmers' interest."

When he took the Ralston Purina directorship in 1958, a year after he left as an assistant to President Eisenhower's Agriculture Secretary, Ezra Taft Benson, the Indiana Farmers Union charged, that this constituted a conflict of interest with his job as dean of the Purdue School of Agriculture.

State NFU President John Raber complained at the time that Purdue as a land grant college should be helping farmers; Ralston Purina, by contrast, was working toward an "integrated" poultry with a single ownership for production, processing and sales to supermarkets.

Following his nomination as Secretary of Agriculture, the question of a potential conflict in Butz' corporate role was raised again.

Oren Lee Staley, president of the National Farmers Organization, criticized Butz "as one of those land grant college educators who was supposed to assist all farmers in America, but who identified instead with giant agribusiness corporations . . . at the very time they were driving thousands of bonafide family farmers to the wall."

"Many people regard Mr. Butz as a symbol of the betrayal of agriculture by some of its educational institutions to giant corporate interests" Staley said.

In an interview, Butz dismissed the complaints of conflicts of interest.

"I regard agriculture as being much broader than just farmers tilling acres," he said. "The total job is to feed and clothe America economically and with quality products. As an educator I have a responsibility to all segments of American agriculture."

Consumer advocate Ralph Nader has said the integrated poultry system represented "poultry peonage" for the farmer, who ends up feeding chickens under contract. But Butz said he believes "the chicken farmer fared better with vertical integration than he would have without it."

In 1959, a year after assuming the Ralston Purina directorship, Butz wrote an article for farmers entitled "Don't Be Afraid of Integration."

He still holds the same view, but he strongly contends that the family farmer will not be replaced by agri-business corporations.

"We will always remain a nation of family farmers because agriculture does not lend itself to a takeover by corporations." For example, Butz said companies such as Ralston Purina are now finding their vertically integrated poultry business unprofitable and are withdrawing from it. He also questioned whether conglomerates such as Tenneco will prove to be successful farmers.

But in Butz's view the migration from the farm and the consolidation into much larger farming units still has a long way to go. He said he predicted that the 2.9 million farms

of today will be reduced to 1.9 million in 1980, continuing the trend of the last 40 years. The country has one million commercial farmers today but will probably have only 600,000 in 1980, Butz said.

"The trends are going to continue no matter what government does or what administration is in power," said Butz. "The nation lost a million farms under Ezra Taft Benson and it wasn't his fault. It lost another million farms under Orville Freeman and it wasn't his fault. Nevertheless, political demagogues will always criticize whoever is in power over the farm issue."

"This trend toward less farms is not bad," said Butz. "From a national point of view it is good that we have been able to produce an increasing amount of food with the work of a smaller percentage of our population. This releases people to do something else useful in our society.

"If the goal is to have lots of people on the land then the ideal would be China or India, with millions mired in subsistence agri-subsistence agriculture. We produce our food with 5 per cent of the population. It takes Russia 50 per cent and India 85 per cent. China is a paper giant because a large share of its resources are required to keep its people alive."

"Agriculture is making a transition from being a way of life to a way of making a living," said Butz. Nostalgically, we still look at it as a way of life but agriculture is now big business."

Butz says he still holds and always will hold the economic philosophy that agriculture would be better off with less government control, including price support programs. But as a realistic and practical matter, he said, some production and price controls will be needed in the years ahead.

"My job now becomes a difficult and a different one. I realize that we're going to have political pressures to do things that are sound and some that aren't sound. I perceive my job as finding the magic line between economic soundness and political realism," he said.

"From a short-range point of view, agriculture is an industry that needs assistance. You can't get the supply and control situation under control without assistance," he said.

But in terms of his long-run belief in the free marketplace as the determinant of change, he said: "Adapt or die. That's a harsh law but it always has worked. If we hadn't used that law, we'd still be riding in buggies and plowing with horses . . ."

Regarding the present income situation for farmers, Butz said the "price of corn is too low, but there are some bright spots—soybean prices are better than at anytime in history, dairy prices are the best ever, hog and cattle prices are coming up."

Butz is noncommittal on the current legislative effort of farmers to require agribusiness processors to bargain collectively with groups of farmers who seek increased power in the marketplace.

Even the conservative Farm Bureau came out in favor of such legislation after agribusiness firms refused to bargain voluntarily with its collective marketing attempts.

One of the firms that turned down the Farm Bureau on collective bargaining is Stokely-Van Camp, of which Butz is a director. Ralston-Purina, another firm he has served as a director, also has refused bargaining arrangements with the National Farmers Organization and has angered the NFO by beginning efforts at integrating the hog industry.

Asked whether he would support a collective bargaining bill such as the one proposed by the Farm Bureau, Butz replied: "Does the grower need legislation for bargaining? He's got bargaining strength now in co-ops if he'll only use it. I'll have to reserve judgment of that issue."

[From the New York Times, Nov. 16, 1971]

NIXON'S CHOICE FOR FARM CHIEF LABELS HIS OPPONENTS "POLITICAL"

(By William M. Blair)

WASHINGTON, Nov. 15.—Dr. Earl L. Butz of Purdue University, President Nixon's choice as the new Secretary of Agriculture, said today that he was prepared to defend his record against charges that he favored big business over farmers.

He labeled opposition to his nomination "political" and said that he had no illusions about the "tough road" he faced.

He spoke by telephone from his home in Lafayette, Ind., as the Senate Agriculture Committee scheduled a hearing for Wednesday and Democrats marshaled opposition to him. The White House was active in seeking support from Republican members of the Senate committee.

Senator Jack Miller of Iowa, ranking Republican on the Senate committee, laid the current problems in agriculture on the White House's doorstep. Mr. Miller, who has been critical of the Administration's policies because of low feed grain prices, said, "No matter who is Secretary of Agriculture, problems that demand solution have to have the full cooperation of the White House."

FORCEFUL AND HELPFUL

He described Dr. Butz as having a "sensitivity for farmers" and said that he would be "forceful and helpful."

At the same time, a California Democrat, Senator John V. Tunney, joined other Democrats in saying that Dr. Butz "seems to favor an acceleration of corporate agriculture."

He made his charge at a hearing of a Senate Agriculture subcommittee on a bill to permit farmers to organize associations to bargain with commodity buyers.

The American Farm Bureau Federation, the country's largest and most conservative farm organization, also supports a farm bargaining bill that Dr. Butz has opposed.

It was learned that the White House had solicited support for Dr. Butz from the Farm Bureau and received a telegram of support from William F. Khufuss, the bureau's president. A Farm Bureau official said that the organization had not been consulted on Dr. Butz's nomination. Neither had other farm organizations, which have split on the nomination.

The National Grange gave Dr. Butz its endorsement, but the militant National Farmers Organization and the National Farmers Union opposed him.

Representatives of the major farm groups are expected to testify at the Senate hearings.

DEMOCRATS TO TESTIFY

Democratic Senators Hubert H. Humphrey of Minnesota, George McGovern of South Dakota and Fred R. Harris of Oklahoma will also testify. They all criticize Dr. Butz because of his directorships of companies affiliated with agriculture.

Mr. Humphrey has also charged that Dr. Butz is "one of, if not the chief, architect of and spokesman for" the policies of former Secretary of Agriculture Ezra Taft Benson.

Dr. Butz was Assistant Secretary of Agriculture under Mr. Benson in the Eisenhower Administration, which sought to get the Government out of farming and eliminate farm subsidies.

Another ranking Republican on the Senate committee, Senator Milton R. Young of North Dakota, was understood to have told Mr. Nixon today that he opposed Dr. Butz. Mr. Young clashed with Dr. Butz over policies affecting wheat and other commodities in the nineteen-fifties when Dr. Butz was at the Department of Agriculture.

Dr. Butz said that he had resigned his directorships in four companies, including the Ralston Purina Company of St. Louis. Secretary Clifford M. Hardin, who resigned last week, will join that company as vice president.

Dr. Butz also said that he had put his "modest" stock holdings in a blind trust.

"I am coming to Washington clean," he said.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1972 (S. Doc. No. 92-43)

A communication from the President of the United States transmitting proposed supplemental appropriations for fiscal year 1972, in the amounts of $91,531,000 in budget authority and $273,635,000 in proposals not increasing budget authority (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Audit of Payments From Special Fund to Lockheed Aircraft Corporation for C-5A Aircraft Program During the Quarter Ended September 30, 1971," Department of Defense (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Problems in Paying For Services of Supervisory and Teaching Physicians in Hospitals Under Medicare", Social Security Administration, Department of Health, Education, and Welfare, dated November 17, 1971 (with an accompanying report); to the Committee on Government Operations.

REPORTS RELATING TO THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATION FOR CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classification for certain aliens (with accompanying papers); to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 1893. A bill to restore the golden eagle program to the Land and Water Conservation Fund Act, provide for an annual camping permit, and for other purposes (Rept. No. 92-490).

XUM

By Mr. HRUSKA, from the Committee on the Judiciary, with an amendment:

S. 1867. A bill to amend the joint resolution establishing the American Revolution Bicentennial Commission, as amended (Rept. No. 92-487).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2500. A bill to establish the official residence of the Chief Justice of the United States by private gift to the States (Rept. No. 92-491).

By Mr. HRUSKA, from the Committee on the Judiciary, with amendments:

S.J. Res. 153. Joint resolution designating each week which begins on the first Sunday in March as "National Beta Club Week" (Rept. No. 92-488).

By Mr. EAGLETON, from the Committee on the District of Columbia, with amendments:

H.R. 11341. An act to provide additional revenue for the District of Columbia, and for other purposes (Rept. No. 92-489).

By Mr. McCLELLAN, from the Committee on Government Operations, with amendments:

H.R. 6283. An act to extend the period within which the President may transmit to Congress reorganization plans concerning agencies of the executive branch of the Federal Government, and for other purposes (Rept. No. 92-485).

By Mr. RIBICOFF, from the Committee on Government Operations, with amendments:

S. 2097. A bill to establish a Special Action Office for Drug Abuse Prevention to concentrate the resources of the Nation in a crusade against drug abuse (Rept. No. 92-486).

Mr. RIBICOFF. Mr. President, today I am filing the committee report on S. 2097, as amended, the Drug Abuse Office and Treatment Act of 1971 which the Committee on Government Operations approved this morning.

First, Mr. President, I would like to pay tribute to our committee chairman, Senator MCCLELLAN, for the leadership he provided in the preparation of this bill. His great knowledge and experience in the field of drug abuse legislation made a major contribution to this legislation.

Further, I would like to pay special tribute to Senator MUSKIE, chairman of the Subcommittee on Intergovernmental Relations, for his work in developing the bill which the committee reports today. Senator MUSKIE'S concern about the problem of drug abuse precedes our consideration of this legislation. Prior to President Nixon's comprehensive drug message and the introduction of the original version of S. 2097 by Senator CHARLES H. PERCY and 15 bipartisan cosponsors, Senator MUSKIE had already introduced a similar bill, S. 1945.

Because Senator MUSKIE had already introduced his bill, both his legislation and the President's proposal were assigned jointly to the Subcommittee on Executive Reorganization and Government Research, which I chair, and to Senator MUSKIE'S Subcommittee on Intergovernmental Relations.

During committee consideration, Senator MUSKIE'S knowledgeable and persistent attention to several areas made a valuable contribution to the final form of the bill. Senator MUSKIE insisted on providing the special action office with a scope sufficient to enable it to address all parts of the drug abuse program. He also strongly supported the addition of a provision for the development of a national strategy on drug abuse, covering both law enforcement and treatment programs.

Our two subcommittees held 6 days of hearings. Testimony was heard from colleagues in both Houses of Congress, administration spokesmen, State and local officials, doctors and researchers, and past victims of drug abuse. The hearings enabled us to develop a clear picture of the great expansion of drug abuse in the Nation. We learned that both the number of drugs being abused and the new populations directly affected by the problem has risen greatly.

Our hearings also focused on the drug problems of youth and military personnel, particularly in Vietnam. As a result, these hearings documented the need for improved direction and coordination of the drug abuse treatment programs.

But the hearings revealed that the drug abuse problem was broader than the legislation before us. The proposed scope of the office was too narrow. In addition, some of the powers sought for the office were excessive.

As the hearings concluded, a strong bipartisan effort developed to improve the bill, involving myself and Senators MUSKIE, HUGHES, JAVITS, PERCY, and GURNEY. A new bill bearing the same number and establishing a White House Special Action Office of Drug Abuse Prevention was carefully drafted defining appropriate powers and embracing the proper scope for dealing with the problem. An important addition was made in the form of a provision calling for the development of a national strategy against drug abuse, embracing the education and treatment aspects, along with the law enforcement, border control and international aspects. Thus for the first time, we will have a unified national plan to combat drug abuse.

The bill reported by the Committee on Government Operations is a major step forward in the effort against drug abuse. Comprehensive in scope and mindful of the location of the Special Action Office in the Executive Office of the President, the legislation gives the Director important powers which will enable him to coordinate, make more rational, and give better direction to the Federal programs designed to combat drug abuse.

I ask unanimous consent to include in the RECORD, after this statement, a brief comparison of the reported bill with the original administration proposal.

Under previous order of the Senate the bill is referred to the Committee on Labor and Public Welfare for a period of 30 days.

There being no objection, the comparison was ordered to be printed in the RECORD, as follows:

COMPARISON BETWEEN ORIGINAL AND AMENDED S. 2097

SCOPE

Original: Education, training, treatment, rehabilitation, research—"treatment side" only.

Amended: Education, training, treatment, rehabilitation, research—plus limited powers over law enforcement, international control.

Original: No provision.

Amended: Calls for a National Strategy integrating law enforcement and treatment.

POWERS

Original: President extends life of Act.
Amended: No provision.
Original: Replace personnel.
Amended: No provision.
Original: Transfer monies from program to program.
Amended: No provision.
Original: Direct operation of programs.
Amended: No provision.
Original: Provide overall planning and policies and establish objectives and priorities on treatment side.
Amended: Same.
Original: Prepare and make available appropriations for treatment side.
Amended: Review and modify budget requests and make appropriations available for treatment side.
Original: Transfer programs without Congressional approval.
Amended: Transfer programs only with Congressional approval.
Original: No provision.
Amended: Recommend and consult on law enforcement and international controls.
Original: No provision.
Amended: Consult on classification of drugs and IND and NDA drug status.

SPECIAL PROVISIONS

Original: No provision.
Amended: Special fund to provide additional support for successful programs and encourage innovation and demonstrations.
Original: No provision.
Amended: Technical assistance to State and local governments to assist them in assessing their drug problem and meeting these problems.
Original: No provision.
Amended: Policy defined for Civil Service and Veterans' Administration respecting drug abuse.

TO BE ADDED BY HUGHES' SUBCOMMITTEE

Original: No provision.
Amended: Drug abuse institute in NIMH.
Original: No provision.
Amended: Grant program for treatment and rehabilitation programs in States and localities.

Mr. MUSKIE. Mr. President, the compromise drug bill reported to the Senate by the Committee on Government Operations represents a significant breakthrough in our national effort to combat drug abuse.

This legislation is a bipartisan effort involving the administration and Senators of both parties.

Mr. President, I must especially commend the outstanding work of the senior Senator from Connecticut (Mr. RIBICOFF) whose Subcommittee on Executive Reorganization and Government Research considered this bill jointly with my own Subcommittee on Intergovernmental Relations. Senator RIBICOFF'S efforts were a key factor in the development of this compromise bill.

I would also like to commend the efforts of Senator PERCY, the sponsor of the administration bill, Senator JAVITS, and Senator GURNEY for their effective work toward reaching this compromise. And, in particular, I would like to cite Senator HUGHES, who has long provided leadership in the Senate in this important area, for his efforts in helping to draft this important legislation.

I believe this bill is significant in several respects.

First, it calls for the development of a comprehensive, coordinated long-term Federal strategy to combat drug abuse, providing, for the first time, a mechanism to develop a unified Federal policy against drug abuse, focusing all of our resources, including law enforcement, treatment, education, and research.

Second, the bill creates a Special Action Office for Drug Abuse Prevention in the Executive Office of the President to pull together heretofore scattered Federal antidrug programs. The Special Action Office will be broad in scope, responsible for determining the Federal policy toward treatment, education, and research programs, for recommending and consulting on law enforcement policy and for coordinating all Federal drug programs.

Third, it requires that the Veterans' Administration provide treatment and rehabilitation services for any former servicemen suffering from drug addiction, no matter the status of their discharge and it requires the Civil Service Commission to develop treatment and rehabilitation programs for drug addicts employed by the Federal Government.

All of these provisions were part of legislation introduced earlier this year by Senator HUGHES and myself with Senators JAVITS and WILLIAMS.

Other significant provisions in that earlier bill will now be considered in the Committee on Labor and Public Welfare. Those provisions include the establishment of a National Institute on Drug Abuse within the Department of Health, Education, and Welfare and the authorization of funds for a major national commitment to treat drug addicts.

Those items are the proper concern of the Committee on Labor and Public Welfare. It is my anticipation that they will be added in that committee so the bill the Senate finally considers will be comprehensive legislation that will make a significant impact on the serious drug problem.

Mr. President, this proves once again that outstanding legislation in the public interest is the result of a genuinely bipartisan effort. It is most significant that Senators on both sides of the political aisle have put partisan considerations aside in drafting this legislation to deal with one of the most serious problems facing our Nation today.

I am deeply grateful that an issue as potentially volatile and critical as drug abuse—an issue which raises sensitive concerns regarding the relationship of law enforcement to treatment for dependency—has not been sacrificed to narrow political gain in the face of upcoming national elections. I cannot commend highly enough the outstanding personal contributions of the principal cosponsors of S. 2097, as amended, in reporting out of Committee a measure which reflects the best features of the several proposals which were considered.

Joining me as principal cosponsors of the bill are Senator JOHN MCCLELLAN, chairman, Government Operations Committee; Senator ABRAHAM RIBICOFF, chairman, Subcommittee on Executive Reorganization; Senator EDMUND MUSKIE, chairman, Subcommittee on Intergovernmental Relations; Senator JACOB JAVITS, ranking minority member of the Subcommittee on Executive Reorganization and of the Committee on Labor and Public Welfare, to which S. 2097 will be referred; Senator HAROLD HUGHES, chairman, Subcommittee on Alcoholism and Narcotics of the Committee on Labor and Public Welfare; and Senator EDWARD GURNEY, ranking minority member, Subcommittee on Intergovernmental Relations.

Other distinguished colleagues cosponsoring S. 2097 are Senators SCOTT of Pennsylvania, BYRD of West Virginia, ALLEN of Alabama, BEALL of Maryland, BROCK of Tennessee, CHILES of Florida, JACKSON of Washington, MATHIAS of Maryland, ROTH of Delaware, SAXBE of Ohio, BOGGS of Delaware, HANSEN of Wyoming, CASE of New Jersey, BROOKE of Massachusetts, GRIFFIN of Michigan, BENNETT of Utah, DOLE of Kansas, JORDAN of Idaho, TOWER of Texas, BELLMON of Oklahoma, SCHWEIKER of Pennsylvania, PEARSON of Kansas, HUMPHREY of Minnesota, and METCALF of Montana.

The bill now goes to the Labor and Public Welfare Committee, by prior agreement. That committee has worked closely with the Government Operations Committee on this critical measure and as a result, I am confident that, after dutiful consideration by that committee, the bill can be before the Senate for floor action in short time.

S. 2097, as reported out of the Committee on Government Operations constitutes a major bipartisan effort, was worked out in close cooperation with the administration and has the enthusiastic support of the President.

With this support, I am hopeful that the bill we report will help achieve the highest aims we have set in countering the drug crisis that besets the Nation.

We can now proceed to quarantine the parasitic dependency on drugs that is afflicting our cities and our suburban and rural areas, feeding upon crime, gnawing at individual and societal well-being, preying upon our youth, ravaging our education and military institutions, and inflicting irreparable pain and hardship upon families and communities across the country.

We have waited far too long already. If we are to control drug abuse, we must now recognize that education, training, treatment, rehabilitation, research, and law enforcement impact on one another. An immediate Federal response is needed which combines effective law enforcement against illicit drug traffic with effective treatment programs to rehabilitate the victims of drug abuse.

Instead, over the years, the Federal Government has not been organized for a concerted drive against the factors which nourish drug addiction. Efforts to reduce drug demand have been appended, almost as an afterthought, to programs aimed at mental illness, poverty, and crime. The focus of these efforts has been tainted as a result. Thus, we have examined addiction within particular subcultures or geographic areas, but have not addressed ourselves to the pervasive conditions in our society as a whole which give rise to what has become a nationwide demand—and for that reason a national tragedy.

For months, I have sought an answer to the persistent question of what it is about our society, about our life, about our values that leads so many of our citizens, such a large segment of our youth and GI's to turn on, tune in, drop out, and in so doing risk physical and psychological dependence, disease, and death. I am confident that as a result of the priority attention Congress and the President place on the problem through this measure, we will be able to better comprehend the root causes of addiction and deal with them accordingly.

The bill, S. 2097, establishes statutorily a White House office with exceptional authority, presently headed by Dr. Jerome H. Jaffe pursuant to an Executive order, to function through June 30, 1975, by coordinating the national effort against drug abuse and concentrating the resources of the Nation toward that purpose.

The office will provide overall planning and policy, and establish objectives and priorities for Federal drug abuse programs and activities dealing with education, the preparation of educational materials, training, treatment, rehabilitation, and research, including such programs and activities in HEW, OEO, Justice, VA, Civil Service, Labor, Defense, and State.

With respect to these same programs and activities, the Director may modify budget requests; review program implementation plans and make appropriations available; require the submission of information and reports; evaluate program performance and results; assist in the development of, and review regulations, criteria, guidelines, requirements standards, and procedures; and make recommendations regarding changes in management, organization, personnel, and standards.

The Director may also make recommendations to the President concerning law enforcement and international aspects of Federal drug abuse programs and activities and he shall consult with and be consulted by all responsible Federal departments and agencies with respect to their policies, priorities, and objectives. Upon determining that the operation of any Federal drug abuse program or activity impairs the effectiveness of any other Federal drug abuse program or activity, the Director may formally notify the President of such a problem for his resolution.

BIPARTISAN EFFORT MARKS MAJOR NEW DRUG LEGISLATION

Mr. PERCY. Mr. President, I am highly pleased to announce that bipartisan agreement has been reached within the Government Operations Committee over major new drug legislation which sets up in the White House a Special Action Office for Drug Abuse Prevention with exceptional authority and mandates for the first time a comprehensive long-term drug strategy for the Nation to be developed by a top-level strategy council and promulgated by the President.

S. 2097, as amended, was unanimously reported by the committee at an executive session this morning. As acting ranking minority member of the Government Operations Committee, I originally introduced that bill on June 18, 1971, and was joined at the time by a bipartisan group of 15 Senators. Thirteen additional Senators subsequently cosponsored the bill.

XUM

In addition, S. 2097 provides for the development by a strategy council and promulgation by the President of a comprehensive, coordinated, long-term national strategy for all drug abuse programs and activities conducted, sponsored, or supported by any department or agency of the Federal Government. Members of the strategy council will be the Director of the Special Action Office, the Attorney General, and the Secretaries of HEW, State, and Defense.

Mr. JAVITS. Mr. President, S. 2097, the Drug Abuse Office and Treatment Act of 1971, reported today by the Government Operations Committee, responds to an undeniable, long-standing failure in government organization and operation—resulting in a crippled and ineffectual response to the critical national drug abuse problem. Drug abuse research, treatment, education, and prevention will all benefit in that important treatment modalities of all kinds, including methadone maintenance, will be considered and evaluated centrally.

The bill as reported, represents a major, bipartisan compromise reached after extensive negotiations over a period of many weeks between the White House, the Attorney General and Senators RIBICOFF, MUSKIE, HUGHES, PERCY, GURNEY, and myself. I commend all parties to this compromise for their determined effort to reach such broad agreement on a sensitive issue of singular national importance. I particularly commend our distinguished chairman, Senator MCCLELLAN for his leadership in developing this legislation.

In proposing S. 2097, the administration has put a high priority upon the marshalling of existing and new resources in a genuinely innovative effort to improve our performance in dealing with this intrinsically complex problem.

If our drug abuse programs at the Federal level are going to receive wide public support, we must have an intelligent, coordinated, and consistent drug policy at the national level. The largest, single obstacle to the achievement of that objective has been the fragmentation of effort in drug abuse control among so many Federal and local agencies, each of them jealously guarding its independent prerogative and authority.

The Special Action Office proposed in this bill—under the able direction of Dr. Jerome H. Jaffe—is intended to overhaul the capacity of the total government to integrate and coordinate the Federal role in this area. We will now be able to consider seriously how we can go about changing public attitudes toward drugs, and developing realistic social controls. Hopefully, we may yet be able to have a significant impact upon the treatment and rehabilitation problems now overwhelming the Nation's health and social welfare agencies.

The bill has been referred to the Labor and Public Welfare Committee where several important additional provisions within the jurisdiction of that committee will be considered. As ranking Republican member of that committee, and as author, with the Senator from Iowa (Mr. HUGHES), of the provisions that will be added to the bill, I am confident that they will be acted upon expeditiously. The further assistance of Senator HUGHES, who has long provided outstanding leadership in this field will be invaluable as our committee and the Senate considers this critically important legislation.

Mr. MCCLELLAN. Mr. President, I am proud of S. 2097 and the efforts of my distinguished colleagues—particularly Senators RIBICOFF, MUSKIE, PERCY, and JAVITS—in processing this very comprehensive bill to fight drug abuse. That this measure was reported unanimously today from our committee in my judgment bespeaks its merits and the effective role all of our Members feel it will play in leading our Nation's attack on the evils of illicit drug use.

We badly need the coordination and direction this bill will provide in our fight to eradicate illegal narcotics activity. I am confident this legislation will help us to combat trafficking in drugs and hopefully restore to useful life thousands of those who have been victimized and enslaved through the use of such instruments of destruction.

The illicit drug traffickers and the victims of drug addiction cause an untold amount of suffering not only to the users and their families—but also to the social, political, and economic fabric of our Nation. S. 2097 will help us to move promptly and bring to bear the full weight and impact of our resources against this insidious enemy.

We must prevent drugs from crippling more of our youth—both civilian and military—and from crippling the future of this great land. The money called for in S. 2097—$202 million over the present and next 3 fiscal years—is a modest investment, indeed, if we can overcome the costly horrors this menace has already wrought in America, and hopefully rehabilitate many of those who have suffered in its grasp. We must take positive action now to eliminate this threat lest it escalates beyond control.

ENROLLED BILLS SIGNED

The PRESIDENT pro tempore announced that on today, November 17, 1971, he signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H.R. 4729. An act to amend section 2107 of title 10, United States Code, to provide additional Reserve Officers' Training Corps scholarships for the Army, Navy, and Air Force, and for other purposes;

H.R. 7072. An act to amend the Airport and Airway Development Act of 1970 to further clarify the intent of Congress as to priorities for airway modernization and airport development, and for other purposes; and

H.R. 11418. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CURTIS:

S. 2864. A bill to amend the Agricultural Act of 1970 to authorize the Secretary of Agriculture to make, for purposes of farm production history, appropriate adjustments in the per acre yield of farms on which production has increased substantially as the result of the introduction of irrigation on such farms. Referred to the Committee on Agriculture and Forestry.

By Mr. HATFIELD:

S. 2865. A bill to amend the Social Security Act to provide for partial general revenues financing of benefits under title II thereof, to make social security benefits subject to income taxation, to permit individuals covered under certain other retirement programs to elect not to be covered under social security, and to provide for the financing from general revenues of the health insurance programs established by parts A and B of title XVIII of such Act. Referred to the Committee on Finance.

By Mr. HARTKE (for himself, Mr. COOK, Mr. CRANSTON, Mr. HANSEN, Mr. HUGHES, Mr. RANDOLPH, Mr. STAFFORD, Mr. TALMADGE, and Mr. THURMOND):

S. 2866. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of dependency death pension, and for other purposes; and

S. 2867. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of dependency and indemnity compensation. Referred to the Committee on Veterans' Affairs.

By Mr. BIBLE:

S. 2868. A bill for the relief of Antoine Georgios Andriopoulos. Referred to the Committee on the Judiciary.

By Mr. HARTKE:

S. 2869. A bill to provide for the inclusion in printed media advertising and upon billboards of a conspicuous statement of a cigarette health warning; and

S. 2870. A bill to provide for regulation of business franchises, to require a full disclosure of the nature of interests in business franchises, to provide for increased protection of the public interest in the sale and operation of business franchises, and to provide for fair competition in the negotiation of franchise agreements. Referred to the Committee on Commerce.

By Mr. HUMPHREY (for himself, Mr. BAYH, Mr. BENTSEN, Mr. BROOKE, Mr. CASE, Mr. CRANSTON, Mr. HARRIS, Mr. HART, Mr. HATFIELD, Mr. JAVITS, Mr. KENNEDY, Mr. MCGEE, Mr. MONTOYA, Mr. MONDALE, Mr. MOSS, Mr. MUSKIE, Mr. NELSON, Mr. PELL, Mr. STEVENSON, Mr. TUNNEY, and Mr. WILLIAMS):

S.J. Res. 177. A joint resolution relating to the publication of economic and social statistics for Spanish-speaking Americans. Referred, by unanimous consent, to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATFIELD:

S. 2865. A bill to amend the Social Security Act to provide for partial general revenues financing of benefits under title II thereof, to make social security benefits subject to income taxation, to permit individuals covered under certain other retirement programs to elect not to be covered under social security, and to provide for the financing from general revenues of the health insurance programs established by parts A and B of title XVIII of such act. Referred to the Committee on Finance.

FINANCING REFORM OF SOCIAL SECURITY AND MEDICARE

Mr. HATFIELD. Mr. President, I send to the desk a bill to amend the Social Security Act.

Mr. President, an index of the humanity of any civilization is how it takes care of its elderly. In our society, we have provided social security since 1935—albeit somewhat behind the first social security legislation which originated in Bismark's Germany in 1881. Still, for us it was a noble experiment. Virtually all Americans have grown to love and support the social security system. However, the system has become so encumbered with changes since its inception that few really know how it works, and even fewer would attempt to criticize it. Yet, there are upon examination, many shortcomings of the present system, some of which I would like to focus on today.

Today, social security is neither social nor security. It is not social in that all society does not equally participate. Nor is it security in that some are excluded, many are paid too little to retire on, and the trust fund concept is a sham that has little relationship to the insurance principles.

Let me first elaborate on the social part of social security. That is, who pays for the retirement of the elderly? As it now stands, as emphasized by the President's 1971 Advisory Council on Social Security and by the reports of the Brookings Institute, the social security system represents a transfer of income from lower and middle-income workers to the elderly unemployed. Social security contributions that support the system are not really insurance premiums, they are taxes. In fact, young workers could get three times the benefits from a private plan for such a level of contributions. And they are taxes on the wage of workers—currently the first $7,800 of earnings, but to rise to the $10,200 level in 1972, and $14,000 by 1980 in the House-passed bill (H.R. 1). The current 5.2-percent tax on wages up to this level is matched by an equal amount from employers. But as the Brookings Institution studies have shown, this additional tax is really also paid by workers because employers shift this tax back to workers in lower wages—or fewer jobs.

This means that the social security tax is now the most important tax for all workers earning under $10,000 per year. By next year, its total cost to the $10,000 worker will exceed that of his income tax obligation, assuming a family with two children. Under the existing bill this will rise to a 15-percent tax on the earnings of the $10,000 man by 1977, a far cry from the original measure 36 years ago that taxed each employee and employer 1 percent on the first $3,000 of wage earnings.

Thus, the social security contributions, really a payroll tax, have become the second most important tax in the American fiscal system—approaching $50 billion, second only to the income tax. But, the critical point here is that this tax falls on the lower and middle-income wage and salary workers because the tax rate falls to zero once income rises to about $7,800 this year and $10,200 next year. The tax is at zero on all nonwage income—dividends, rent, interest, and profits. Thus, the original concept of insurance for the retired wage earner on an equitable basis is negated.

Having established that the social cost of providing for the elderly is borne inequitably, but by the current generation of lower and middle-income working people, let us now turn to the security aspect of social security. More than 27 million Americans receive social security benefits. More than 90 percent of Americans are covered by the system. But how does the system work in providing security?

Surely, for some recipients, $100 a month is not a sufficient pension on which to live.

Surely, for the wealthy the social security benefits are not really needed, nor for that matter, even taxed.

Surely, for some, they do not represent work actually done. It is possible to qualify for social security by having had shares in oil lease operations that are defined as self-employed income.

Surely, for others, that growing number who choose to work after 65 and add to the national product, there are no social security benefits even though they might have paid social security taxes all their working lives and are still taxed after 65 on their current incomes.

And surely, there is no vast trust fund to pay out pensions for the future—the trust fund is only $36 billion, about 1 year's payments—for the payments are primarily financed by taxes on the working generation. And that is the critical point. To run the social security system as a private pension scheme is a myth recognized by social security experts. To put the system on a true actuarial basis would mean generating a fund equaling $200 billion by 1986 and nearly $1 trillion—equal to our current GNP—by the year 2025. To maintain this myth in the law means much higher payroll taxes now on the current generation. In fact, social security taxes would be falling, rather than increasing, if it were recognized that the most appropriate way to run a social security system is on a pay-as-you-go system. This is how many European countries are doing it—it is also the way it should be done here. The present system is based on the totally unrealistic assumption that wages will not rise over the next generation—and thus tax rates now have to grow higher over the years to pay for the greater cost of pensions in the future. This really means that the unified Federal budget tends to get more and more financial support from wage taxes on the lower- and middle-income groups, rather than from our traditional progressive tax sources, such as the income tax. Indeed, while the income tax rate is falling, the social security rate is rising. The fellow making just under $200 a week will see his social security tax payments rise from $405 to $755 by 1977, while his income tax payments are scheduled to fall. This also means that the fall in the income tax payments by the rich—for some the rate has fallen from 91 percent to 50 percent—is really being subsidized by higher payroll taxes on lower- and middle-income workers.

WHAT SHOULD BE DONE?

Recognizing that taking care of the elderly is a social responsibility of the rich as well as the middle- and lower-income workers; and

Recognizing that benefits should flow to all Americans in adequate amounts to sustain a decent living standard;

I propose the following recommendations:

First, social security taxes and payments should be on a purely pay-as-you-go basis to avoid the overtaxing of the current working generation. Anyone who has studied this subject knows that it is always the current generation of workers that must provide for those not able to work. It is unfair to use a payroll tax to finance other current projects of the Government which can and should be paid for by traditional progressive tax measures based on the ability to pay;

Second, the social security benefit system should be separated from medicare with respect to financing, while medicare would continue to be administered by the Social Security Administration. Medicare would be financed by general tax revenues which would significantly lower the burden on the wage earners who are presently bearing the financial responsibility for it;

Third, the payroll tax should be made optional to the worker as long as he or she is a member of an insurance or pension program of at least comparable magnitude in his or her judgment. This is only fair in that private insurance and pension plans now offer more incentive than would the Federal plan on a free market. And the goal is security in one's old age; and

Fourth, the first $100 per month of social security benefits should be financed out of the general revenue, not the payroll tax. Today, an individual can be eligible for benefits of a program into which he has paid very little, the burden falling on the other wage earners contributing to social security. If it is accepted that an individual is entitled to benefits that are not related to how much he has contributed to social security, then the middle and lower wage earner should not have to bear the primary responsibility.

This plan could both spur recovery—by across-the-board payroll increase for workers to spend—and fight inflation by cutting labor costs of unit production as well as to revive business profits. It would increase employment and help the American balance of payments in competing with imports, while making exports more competitive. The new burden of social security would be more equitably distributed than the old burden of disproportionately taxing the lower and middle income workers.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2865

A bill to amend the Social Security Act to provide for partial general revenues financing of benefits under title II thereof, to make social security benefits subject to income taxation, to permit individuals covered under certain other retirement programs to elect not to be covered under social security, and to provide for the financing from general revenues of the health insurance programs established by parts A and B of title XVIII of such Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

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FINANCING FROM GENERAL REVENUES OF FIRST $100 OF SOCIAL SECURITY BENEFITS

SECTION 1. Section 201 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(i) In addition to any monies appropriated pursuant to the preceding provisions of this section, for any fiscal year to the Federal Old-Age and Survivors Insurance Trust Fund and to the Federal Disability Insurance Trust Fund, there is authorized to be appropriated to each such Fund in or with respect to each fiscal year, commencing with the fiscal year ending June 30, 1973, an amount equal to the amount of the expenses (other than administrative expenses) of each such Fund which are attributable to payments from such Fund, during such fiscal year, of monthly insurance benefits under this title to individuals (excluding, in determining the amount of such expenses incurred with respect to any individual, so much of any monthly insurance benefit of such individual as exceeds $100)."

ELECTIVE EXEMPTION FROM SOCIAL SECURITY COVERAGE BY INDIVIDUALS COVERED UNDER CERTAIN OTHER RETIREMENT PROGRAMS

SEC. 2. (a)(1) Section 210 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"SERVICES EXCLUDED UNDER ELECTION MADE BY INDIVIDUAL COVERED BY QUALIFIED RETIREMENT PROGRAMS

"(p) Notwithstanding the provisions of subsection (a), the term 'employment' shall not include any service with respect to which an election under section 3121(r) of the Internal Revenue Code of 1954 applies."

(2) Section 211(a) of such Act is amended—

(A) by striking out "and" at the end of paragraph (8);

(B) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (9) the following new paragraph:

"(10) There shall be excluded any income (and related items) with respect to which an election under section 1402(i) of the Internal Revenue Code of 1954 applies."

(b)(1) Section 1402(a) of the Internal Revenue Code of 1954 (relating to definition of net earnings from self-employment) is amended—

(A) by striking out "and" at the end of paragraph (9);

(B) by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (10) the following new paragraph:

"(11) there shall be excluded any income (and related items) with respect to which an election under subsection (i) applies."

(2) Section 1402 of such Code (definitions relating to tax on self-employment income) is further amended by adding at the end thereof the following new subsection:

"(i) ELECTION OF EXEMPTION BY INDIVIDUALS COVERED BY QUALIFIED PROGRAMS.—

"(1) IN GENERAL.—Any individual who at the close of his taxable year is covered by a qualified retirement program (as defined in section 3121(r)) may, at his option, in such manner and form and at such time as the Secretary or his delegate shall by regulations prescribe, elect to be exempt from the tax under section 1401 for such taxable year. An election made by an individual for any taxable year under this paragraph shall be irrevocable (and may not be subsequently changed by amendment of such individual's return for such year or otherwise).

"(2) APPLICABILITY OF ELECTIONS.—An election made by an individual under paragraph (1) shall apply with respect to all income derived during the taxable year for which it is made from every trade or business carried on by such individual (and with respect to all deductions attributable to each such trade or business and any distributive shares of income or loss therefrom), and shall be effective with respect to any payments of estimated tax for the taxable year under section 6153 which fall due after it is made.

"(3) REQUIREMENT OF SIMULTANEOUS ELECTION WITH RESPECT TO EMPLOYMENT.—No election may be made for any taxable year under paragraph (1) by an individual who during such year performed service which constituted (for would but for an election under section 3121(r) constitute) 'employment' for purposes of chapter 21 unless such individual also makes an election with respect to all such service under section 3121 (r); and, under regulations prescribed by the Secretary or his delegate, the election under paragraph (1) shall also include or be accompanied by such an election under section 3121(r)."

(c) Section 3121 of such Code (definitions under Federal Insurance Contributions Act) is amended by adding at the end thereof the following new subsection:

"(r) SERVICE EXCLUDED UNDER ELECTION MADE BY INDIVIDUAL COVERED BY QUALIFIED RETIREMENT PROGRAM.—

"(1) IN GENERAL.—For purposes of this chapter other than for purposes of the taxes imposed by section 3111, the term 'employment' shall not include any service with respect to which an election under paragraph (2) applies.

"(2) ELECTION OF EXEMPTION.—

"(A) IN GENERAL.—Any individual who at the close of his taxable year (which shall be determined in the manner provided by section 211(e) of the Social Security Act) is covered by a qualified retirement program may, at his option, in the manner provided in subparagraph (C), elect to be exempt from the tax under section 3101 for such taxable year. An election made by an individual for any taxable year under this paragraph shall be irrevocable (and may not be changed by amendment of such individual's return for such year or otherwise).

"(B) APPLICABILITY OF ELECTION.—An election made by an individual under this paragraph shall apply with respect to all service performed by such individual during the taxable year for which it is made which would constitute 'employment' for purposes of this chapter but for this subsection.

"(C) MANNER OF ELECTION.—An election by an individual under this paragraph to be exempt from the tax under section 3101 for any taxable year may be made only by filing a claim (which must be included in or accompany an election made under section 1402(i)(1) in the case of an individual who is described in section 1402(i)(3)) for a special refund of such tax under section 6413(d), by means of a credit against the income tax on account thereof under section 31(b) for such taxable year or otherwise.

"(3) MEANING OF 'QUALIFIED RETIREMENT PROGRAM'.—

"For purposes of this paragraph (and for the purposes of section 1402(i)) a 'qualified retirement program' means a program designed to provide, for workers covered thereunder, retirement, survivor and disability benefits which the Secretary of Health, Education, and Welfare determines to be comparable in value to the retirement, survivor, and disability benefits provided to individuals covered by the insurance program established by title II of the Social Security Act. An individual shall be deemed to have been covered by a qualified retirement program at the end of his taxable year only if he made (or had made on his behalf) contributions to, and was covered by, such program for all of the months of such year."

(d)(1) Section 6413 of the Internal Revenue Code of 1954 (special rules applicable to certain employment taxes) is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following new subsection:

"(d) SPECIAL REFUNDS ARISING OUT OF EXEMPTIONS BASED ON COVERAGE OF QUALIFIED RETIREMENT PROGRAM.—

"(1) IN GENERAL.—If an employee described in section 3121(a)(2)(A) receives wages from one or more employers for services performed during the taxable year, such employee shall be entitled (subject to the provisions of section 31(b)) to a credit or refund of any amount of tax, with respect to such wages, imposed by section 3101 and deducted from the employee's wages (whether or not paid to the Secretary or his delegate).

"(2) NOTIFICATION TO SECRETARY OF HEALTH, EDUCATION, AND WELFARE.—The Secretary or his delegate shall promptly notify the Secretary of Health, Education, and Welfare of each special refund allowed under this subsection."

(2) Section 6413(c) of such Code (relating to special refunds) is amended—

(A) by inserting "Based on Multiple Employment" after "Refunds" in the heading; and

(B) by inserting after "during such year" where it appears in clause (D) of paragraph (1) the following:

"(after the application of section 3121(r)(1) in any case to which it applies)".

(e) Section 31(b) of such Code (relating to credit for special refunds of social security tax) is amended—

(1) by inserting "or 6413(d)" after "section 6413(c)" in paragraph (1); and

(2) by inserting after "to which paragraph (1) applies" in paragraph (2) the following: "and which represents a special refund allowable under section 6413(c)".

(f) Section 205(c)(5)(F)(i) of the Social Security Act is amended by inserting after "information returns" the following: ", elections made under sections 1402(i) and 3121(r) of the Internal Retvenue Code of 1954,".

(g) The amendments made by this section shall apply only with respect to taxable years beginning after the date of the enactment of this Act.

FINANCING OF MEDICARE PROGRAMS FROM GENERAL REVENUES

SEC. 3. (a)(1) Section 1401 of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment income) is amended—

(A) by striking out subsection (b) thereof; and

(B) by striking out "(a)" at the beginning of such section.

(2)(A) Section 3101 of such Code (relating to rate of tax on employees) is amended—

(i) by striking out subsection (b) thereof; and

(ii) by striking out "(a)" at the beginning of such section.

(B) Section 3111 of such Code (relating to rate of tax on employers) is amended—

(i) by striking out subsection (b) thereof; and

(ii) by striking out "(a)" at the beginning of such section.

(3) Section 6051(c) of such Code (relating to statements required to be furnished to employees by employers) is amended by striking out the last sentence thereof.

(4)(A) The amendments made by paragraph (1) shall be effective in the case of taxable years beginning after December 31, 1971.

(B) The amendments made by paragraph (2)(A) shall be effective with respect to wages received after December 31, 1971.

(C) The amendments made by paragraph (2)(B) shall be effective with respect to wages paid after December 31, 1971.

(b)(1) Section 1832 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(i) There are authorized to be appropriated to the Federal Hospital Insurance Trust Fund for each fiscal year (commencing with the fiscal year ending June 30, 1972) such sums as may be necessary to assure a sufficiency of monies in such Fund to permit the making of such payments therefrom as are authorized by law. Any funds authorized to be appropriated to such Fund by this subsection for any fiscal year shall be in addition to any funds authorized to be appropriated for such year to such Fund under any other provision of law."

(2)(A) Section 1837 of such Act is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any other provision of this title, if, for any month, any individual is entitled to the insurance benefits provided under part A, such individual shall be deemed to be enrolled in the insurance program established by this part for such month and to be entitled to the benefits provided under such program."

(B) Section 1839(c) of such Act is amended by adding at the end thereof the following new sentence: "The preceding provisions of this subsection shall not be applicable to any individual deemed, under section 1837(f), to be enrolled in the insurance program established by this part."

(C) Section 1840 of such Act is amended by adding at the end thereof the following new subsection:

"(j) For purposes of this part, any premium owed by an individual, who is deemed (under section 1837(f)) to be enrolled for any month in the insurance program established by this part, shall be deemed to have been timely paid."

(D) Section 1844(a) of such Act is amended—

(i) in paragraph (1), (I) by inserting "(disregarding from such aggregate any premiums deemed to be paid under section 1840(f))" immediately after "Trust Fund", and (II) by striking out "and" at the end thereof;

(ii) in paragraph (2), by striking out the period at the end thereof and inserting in lieu of such period "; and"; and

(iii) by adding after paragraph (2) the following new paragraph:

"(3) a Government contribution equal to 200 per centum of the aggregate of the premiums deemed to be paid under section 1840(f)."

By Mr. HARTKE:

S. 2869. A bill to provide for the inclusion in printed media advertising and upon billboards of a conspicuous statement of a cigarette health warning. Referred to the Committee on Commerce.

ADVERTISING THE TAR AND NICOTINE CONTENT OF CIGARETTES

Mr. HARTKE. Mr. President, enactment of the Public Health Cigarette Smoking Act of 1969 made possible a statutory ban on television and radio broadcasting of cigarette advertising.

Today I am introducing a bill to make it unlawful for any person to advertise cigarettes without depicting the portion of the package that bears the following statement:

Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

Further, my bill adopts the 1969 act requirements that this statement must appear in conspicuous and legible type in contrast by topography, layout, or color with other printed matter on the package.

Mr. President, in the 1969 committee report the chairman of the committee and the chairman of the Consumer Subcommittee, said that—

Cigarette advertising in the broadcast media has been by far the most offensive means of cigarette promotion to the public health community, particularly because of the defenselessness of young people against the impact of radio and television.

Today, cigarette advertising is off the airwaves as a result of congressional action.

In 1969, it was said that advertising in newspapers and magazines "can perform a socially useful function by disclosing relative tar and nicotine levels."

Today, that function is generally being performed by the manufacturers.

In 1969, it was pointed out that without a warning in advertising, "the public will have no meaningful defense, even against a massive onslaught of print advertising employing themes designed to obscure the medical verdict against cigarette smoking."

Mr. President, my bill would achieve all of the goals called for in 1969 to protect the American consumer and would preclude a deception which might well provide an unwarranted competitive advantage where none should exist.

By Mr. HARTKE:

S. 2870. A bill to provide for regulation of business franchises, to require a full disclosure of the nature of interests in business franchises, to provide for increased protection of the public interest in the sale and operation of business franchises, and to provide for fair competition in the negotiation of franchise agreements. Referred to the Committee on Commerce.

FRANCHISE FAIR DISCLOSURE ACT

Mr. HARTKE. Mr. President, the recent proliferation of franchises and the ever-increasing possibility that many citizens may be damaged permanently by the gross misrepresentations of franchisors has made it quite clear that the time has come for the Federal Government to protect individuals against exploitation by unscrupulous franchise corporations. We find ourselves in a situation where would-be small businessmen are ruined before their businesses ever get underway.

The franchise business is growing at an ever-increasing rate. Today there are over 40,000 franchises that did not exist just 5 years ago. Recent years have seen burgeoning franchise sales records. For example, in 1969–70, the sale of franchises reached an estimated $90 billion per year, with an estimated 1,000 franchisors and some 500,000 franchisees operating nationwide. This mammoth marketing system now represents some $100 billion in retail sales annually. In light of these circumstances, there are no acceptable statutes or uniform codes that regulate the behavior of the franchisor-franchisee relationship in what has become one the Nation's largest industries.

The Franchise Fair Disclosure Act, is an attempt to provide State and local governments with a basic outline and standard of procedure. We must remember that while franchising as a marketing method is not new on the American financial stage, the recent phenomenal growth is. Therefore, legislation is needed to bring order to this field and to control its enormous growth while such statistical information is developed. My bill will accomplish this goal.

Likewise, Mr. President, legislation is needed to protect the individual. In many cases, persons who enter into a franchise agreement have invested their savings in anticipation of promised earnings. We are dealing here with a great American dream—a man's wish to operate his own business and benefit from the enterprise's success. Unfortunately, in far too many cases, dreams are crushed and life earnings lost to disreputable franchise corporations.

As the scope and intensity of involvement becomes broader, there is a shift in the success of the enterprise from the corporation to the franchisee. Too often, prospective buyers of a franchise are misled by such advertisements or brochures which read "no experience necessary," or "we provide everything." In many cases, experience may be quite helpful, and the franchisor does not supply everything as the advertisement indicated. The time has come for a comprehensive bill to protect the buyer of a business, as well as to ensure the integrity of the franchise industry.

Mr. President, the bill I propose would compel all franchise operations in the United States—including the District of Columbia and U.S. Territories—to be registered with the Federal Trade Commission—FTC.

The FTC would be empowered to review all applications for registration to determine if the franchisor has acted in good faith in his efforts to produce fair and full disclosure of all facts directly or indirectly related to the franchise operation. Registration would also act as a bank for collecting statistical data on franchising. The disclosure of these facts would be made to all franchisees and to the FTC, except in cases where the Commission has seen fit to exempt disclosure.

Exemption from disclosure is permissible under the provisions of this bill if the franchisor has demonstrated himself to be of solid financial standing and has operated at least 25 franchises over a specified period. The Federal Trade Commission, however, would have the power to require franchisors of this latter type to file fair and full disclosure statements.

The bill provides that the disclosure statement shall contain such information as the Commission may require by law, and any other information the Commission may request of the franchise corporation. The disclosure statement would include: Disclosure of the franchisor's name and State of incorporation; the names, addresses, and biographical data concerning each of the franchisor's directors and principal officers; a statement as to whether the franchisor or any of its directors or officers has been involved in certain legal or quasi-judicial proceedings; and a series of statements concerning franchise fees, costs, and obligations.

The disclosure statement set forth in this bill will protect the individual, and at the same time insure future progress in the franchise industry. For too long,

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we have gone without this much-needed legislation. This bill has the ability to oversee one of our Nation's largest industries. The bill also provides for authorization of legal action for those who are injured as a result of a failure to comply with the rules and regulations of the Federal Trade Commission. Legal action would include treble damages, including attorney's fees and reasonable court costs.

Mr. President, I feel my bill provides not only for the present situation, but for the future. I urge the Senate to give this proposal full consideration. The future of franchising and small business in this Nation may well be determined by our actions on this bill. I ask unanimous consent that the complete text of my bill be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2870

A bill to provide for regulation of business franchises, to require a full disclosure of the nature of interests in business franchises, to provide for increased protection of the public interest in the sale and operation of business franchises, and to provide for fair competition in the negotiation of franchise agreements

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Franchise Fair Disclosure Act of 1971."

FINDINGS AND PURPOSE

SEC. 2. The Congress finds and declares that it is in the public interest to enact protective legislation against unfair and deceptive acts and practices which have developed in the interstate sale, operation, and termination of a wide variety of business franchises by the use of the mails and instrumentalities of interstate commerce. The Congress further finds that in consequence of unfair and deceptive acts and practices numerous purchasers of business franchises have suffered substantial losses as a result of the failure or omission by franchisors to provide full and complete disclosure concerning the prior business experience of the franchisor, the nature of the franchisor-franchisee relationship, the nature of the franchise contract, the prospects of the franchised business and other facts essential to a businessman's determination of the desirability and profitability of the franchise. In consequence of the above findings, the Congress determines that it is in the public interest to (1) require that each prospective franchisee be provided with the information necessary to make an intelligent decision regarding franchises being offered for sale, (2) prohibit the sale of franchises that may lead to unfair or deceptive acts and practices or involve the likelihood that the franchisor's promises will not be fulfilled, (3) require the definition and regulation of unfair and deceptive acts and practices in the operation of franchise businesses and termination of franchise agreements, and (4) provide such administrative, civil, and criminal remedies as are necessary to make such requirements and prohibitions effective.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "Commission" means the Federal Trade Commission.

(2) The term "person" means an individual, corporation, partnership, joint venture association, incorporated organization, or any other form of business organization.

(3) The term "franchise" means every aspect of the relationship between a franchisor and franchisee, created by an oral or written agreement or understanding or series of agreements, understandings, or transactions, which involve or result in a continuing commercial relationship of definite or indefinite duration, where a franchisee is granted or permitted to offer, sell, or distribute goods or commodities manufactured, processed, or distributed by the franchisor, or the right to offer or sell services established, organized, directed, or approved by the franchisor, and where the operation of franchisee's business franchise is substantially associated with a franchisor's trademark, service mark, trade name, advertising, or other commercial symbol designating the franchisor, and where the operation of franchisee's business is substantially reliant on goods or services or a marketing plan or system prescribed or supplied in substantial part by the franchisor. Unless specifically stated otherwise, such term includes an area franchise as hereinafter defined.

(4) The term "franchisor" means a person who grants a franchise.

(5) The term "franchisee" means a person to whom a franchise is granted.

(6) The term "area franchise" means any contract or agreement between a franchisor and a subfranchisor whereby the subfranchisor is granted the right, for a consideration given in whole or in part for such right, to sell or negotiate the sale of franchises in the name of or in behalf of the franchisor.

(7) The term "subfranchisor" means a person to whom an area franchise is granted.

(8) The term "franchise fee" means any fee or charge that a franchisee or subfranchisor is required to pay or agrees to pay for the right to enter into a business under a franchise agreement, including but not limited to, any such payments for goods or services.

(9) The term "sale" or "sell" includes any contract of sale or disposition of a franchise or interest in a franchise, for value. The term "offer," "offer for sale," or "offer to sell" includes any attempt or offer to dispose of or solicitation of an offer to buy a franchise, or an interest in a franchise, for value.

(10) The term "commerce" means trade or commerce in franchises or transportation or communication relating thereto among the several States, or between the District of Columbia, any territory of the United States, or any foreign country and any State, territory, or the District of Columbia, or within the District of Columbia.

(11) The term "territory" means the Commonwealth of Puerto Rico, the Canal Zone, the Virgin Islands, and the insular possessions of the United States.

(12) The term "write" or "written" shall include printed, lithographed, or any other means of graphic communication.

(13) The term "disclosure statement" means any disclosure statement, prospectus, circular, notice, advertisement, letter, or communication, written, or by radio or television, which offers any franchise for sale or confirms the sale of any franchise, except that a notice, circular, communication, or letter in respect of a franchise shall not be deemed to be a disclosure statement if it states from whom a written disclosure statement meeting the requirements of this Act and any rules or regulations promulgated by the Commission hereunder may be obtained, and does no more than identify the franchise, state the price thereof, state from whom it can be purchased, and such other information as may be prescribed by rule or regulation of the Commission.

AUTHORITY TO EXEMPT FRANCHISES

SEC. 4. The Commission may from time to time by its rules and regulations, exempt from the disclosure requirements of this Act any franchise:

(a) if the franchisor has a net worth on a consolidated basis, according to its most recent audited financial statement, of not less than $5 million; or if the franchisor has a net worth, according to its most recent audited financial statement, of not less than $1 million and is at least 80 per cent owned by a corporation which has a net worth on a consolidated basis, according to its most recent audited financial statement, of not less than $5 million; and (b) has had at least 25 franchisees conducting business at all times during the 5 year period immediately preceding the offer and sale; or has conducted business which is the subject of the franchise continuously for not less than 5 years preceding the offer or sale; or if any corporation which owns at least 80 per cent of the franchisor has had at least 25 franchises conducting business at all times during the 5 year period immediately preceding the offer or sale; or such corporation has conducted business which is the subject of the franchise continuously for not less than 5 years preceding the offer or sale; and (c) Discloses in writing to each prospective franchisee, at least 48 hours prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least 48 hours prior to the receipt of any consideration, the following information:

(1) The name of the franchisor, the name under which the franchisor is doing or intends to do business, and the name of any parent or affiliated company that will engage in business transactions with franchisees.

(2) The franchisor's principal business address and the name and address of its agents authorized to receive service of process.

(3) The business form of the franchisor, whether corporate, partnership, or otherwise.

(4) The business experience of the franchisor, including the length of time the franchisor (I) has conducted a business of the type to be operated by the franchisees, (II) has granted franchises for such business, and (III) has granted franchises in other lines of business.

(5) a copy of the typical franchise contract or agreement proposed for use or in use in this State.

(6) A statement of the franchise fee charged, the proposed application of the proceeds of such fee by the franchisor, and the formula by which the amount of the fee is determined if the fee is not the same in all cases.

(7) A statement describing any payments or fees other than franchise fees that the franchisee or subfranchisor is required to pay to the franchisor, including royalties and payments or fees which the franchisor collects in whole or in part on behalf of a third party or parties.

(8) A statement of the conditions under which the franchise agreement may be terminated or renewal refused, or repurchased at the option of the franchisor.

(9) A statement as to whether, by the terms of the franchise agreement or by other device or practice, the franchisee or subfranchisor is required to purchase from the franchisor or his designee services, supplies, products, fixtures or other goods relating to the establishment or operation of the franchise business, together with a description thereof.

(10) A statement as to whether, by the terms of the franchise agreement or other device or practice, the franchisee is limited in the goods or services offered by him to his customers.

(11) A statement of the terms and conditions of any financing arrangements when offered directly or indirectly by the franchisor or his agent or affiliate.

(12) A statement of any past or present practice or of any intent of the franchisor to sell, assign, or discount to a third party any note, contract, or other obligation of the franchisee or subfranchisor in whole or in part.

(13) If any statement of estimated or projected franchisee earnings is used, a statement of such estimation or projection and the data upon which it is based.

(14) A statement as to whether franchisees or subfranchisors receive an exclusive area or territory.

UNFAIR AND DECEPTIVE ACTS AND PRACTICES RELATING TO FRANCHISE AGREEMENTS

SEC. 5. (a) It shall constitute an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act for any franchisor, subfranchisor, or agent thereof, directly or indirectly—

(1) to sell or offer for sale any franchise unless a disclosure statement with respect to such franchise is in effect in accordance with the provisions of this Act and any rules or regulations promulgated by the Commission hereunder is furnished the prospective franchisee at the inception of any discussions or negotiations for the sale of such franchise.

(2) in selling or offering for sale any franchise—

(A) to employ any device, scheme, or artifice to defraud;

(B) to obtain money or property by means of a false or misleading representation with respect to any information included in the disclosure statement or with respect to any other information pertinent to the franchise and upon which the franchisee relies; or

(C) to engage in any transaction, practice, or course of business which operates or would operate as an unfair or deceptive act or practice with respect to a franchisee.

(b) Any contract or agreement for the purchase of a franchise covered by this Act shall be cancellable at the option of the franchisee upon delivery of written notice to the franchisor, if a valid disclosure statement is not in effect as provided by this Act and is not delivered to the prospective franchisee at least seven days in advance of his signing such contract or agreement. In the event of any such cancellation, the franchisor shall forthwith return to the franchisee any sums theretofore paid to the franchisor or to any third party on the direction of the franchisor.

EFFECTIVE DATE OF DISCLOSURE STATEMENT AND AMENDMENTS THERETO

SEC. 6. (a) Except as hereinafter provided, the effective date of a disclosure statement shall be the twentieth day after the filing thereof or such earlier date as the Commission may determine having due regard to the public interest and the protection of purchasers. If any amendment to any such statement is filed prior to the effective date of such statement, the disclosure statement shall be deemed to have been filed when such amendment was filed.

(b) If it appears to the Commission that a statement or any amendment thereto is incomplete or inaccurate in any material respect, the Commission shall so advise the franchisor within a reasonable time after the filing of the statement or amendment, but prior to the date the statement or amendment would otherwise be effective. Such notification shall serve to suspend the effective date of the statement and any amendments until thirty days after the franchisor files such additional information as the Commission shall require.

(c) If at any time a change shall occur affecting any material fact required to be contained in the statement, the franchisor shall promptly file an amendment thereto. Upon receipt of any such amendment the Commission may, if it determines such action to be appropriate in the public interest or for the protection of purchasers, suspend the disclosure statement until the amendment becomes effective. A failure to file any amendment required hereunder shall terminate the effectiveness of the offering statement.

(d) If it appears to the Commission at any time that the disclosure statement or any amendments thereto include any false or misleading statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, the Commission may issue an order suspending the effectiveness of the disclosure statement; at the same time, the Commission shall give notice and an opportunity for hearing (at a time fixed by the Commission). When such statement has been amended in accordance with such order, the Commission shall promptly so declare and thereupon the order shall cease to be effective.

(e) The Commission is empowered to make an investigation to determine whether an order should be issued under subsection (d). In making such investigation, all of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission.

(f) Any notice required under this section shall be sent to or served on the franchisor or his authorized agent.

(g) A franchise offering shall be deemed in effect for a period of one year from the effective date of the disclosure statement and shall be subject to renewal in accordance with rules and regulations promulgated by the Commission.

INFORMATION REQUIRED IN DISCLOSURE STATEMENT

SEC. 7. (a) A disclosure statement shall contain such information as the Commission may by rules and regulations require as being necessary or appropriate in the public interest or for the protection of prospective franchisees, including, but not limited to—

(1) The name of the franchisor, the trade name(s) or trademark(s) under which he intends or is doing business, and the name of any parent or affiliated company that will engage in transactions with franchisees.

(2) The name of the State or other sovereign power under which the franchisor is organized and the location of the franchisor's principal place of business.

(3) the names and addresses, educational and business background, and biographical data, stated individually, of the directors, or persons performing similar functions, the chief executive, and the financial, accounting, and principal executive officers, chosen or to be chosen, if the franchisor is a corporation, association, or other entity, of all partners, if the franchisor is a partnership, and of the franchisor if the franchisor is an individual.

(4) A statement as to whether the franchisor or any of its directors, stockholders owning more than 10 per centum of the stock, or chief executive officers;

(a) has been convicted of a felony, or pleaded nolo contendere to a felony, or has been held liable in a civil action which involved fraud, embezzlement, fraudulent conversion, or misappropriation of property; or

(b) is subject to any currently effective order of the Securities and Exchange Commission or the securities administrator of any State denying registration to or revoking or suspending the registration of such person as a securities broker or dealer or investment adviser or is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities and Exchange Act of 1934) suspending or expelling such person from membership in such association or exchange; or

(c) is subject to any currently effective order or ruling of the Federal Trade Commission; or

(d) is subject to any currently effective injunctive or restrictive order relating to business activity as a result of an action brought by any public agency or department, including, without limitation, actions affecting a license as a real estate broker or salesman.

Such statement shall set forth the court, date of conviction or judgment, any penalty imposed or damages assessed, or the date, nature and issuer of such order.

(e) is subject to any currently effective injunctive or restrictive order or ruling relating to business activity as a result of action by any public agency or department; or

(f) has filed bankruptcy or been associated with management of any company that has been involved in bankruptcy or reorganization proceedings.

(5) The business experience of the franchisor, including the length of time the franchisor has conducted a business of the type to be operated by the franchisee; has granted franchises for such business; and has granted franchises in other lines of business.

(6) Recent financial statements of the franchisor. The Commission may by rule or regulation prescribe the form and content of financial statements required under this Act, the circumstances under which consolidated financial statements may be filed, and the circumstances under which financial statements shall be certified by independent certified public accountants or public accountants.

(7) A description of the franchise offered or to be sold, and a general description of the franchise business.

(8) A copy of the franchise agreement proposed to be used.

(9) A statement of the franchise fee charged, the proposed application of the proceeds of such fee by the franchisor, and the formula by which the amount of the fee is determined if the fee is not the same in all cases.

(10) A statement describing any payments or fees other than franchise fees that the franchisee or subfranchisor is required to pay to the franchisor, including royalties and payments or fees which the franchisor collects in whole or in part on behalf of third parties, markups on land, buildings, leases, signs, equipment, or supplies, and all other terms of the offer for sale, including a full disclosure of the total investment to be made by the franchisee.

(11) A statement of the lowest royalty fee for the use of a service mark, trade mark, or trade name which it charges to any other of its franchisees in the United States.

(12) A statement of those fees which may be refunded, in full or in part, and the circumstances under which such refunds may be made.

(13) A statement of the conditions under which the franchise agreement may be terminated or renewal refused, or repurchased at the option of the franchisor, and any limitations as to the right to sell, transfer, move, renew, or terminate the franchise.

(14) A statement as to whether, by the terms of the franchise agreement or by other device or practice, the franchisee or subfranchisor is required to purchase from the franchisor or his designee services, supplies, products, fixtures, or other goods relating to the establishment or operation of the franchise business, together with a description thereof, including the cost.

(15) A statement as to the goods, products, services, training programs, supervision, advertising promotion, and other management services to be provided by the franchisor.

(16) A statement of the length of time it will take to obtain the franchise, and the average length of time between the signing of a franchise agreement and the opening of the franchisee's outlet.

(17) A statement as to whether, by the terms of the franchise agreement or other device or practice, the franchisee is limited

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in the goods or services offered by him to his customers.

(18) A statement whether the franchisor requires the franchisee to participate personally in the direct operation of the franchise.

(19) A statement of the terms and conditions of any financial arrangements when offered directly or indirectly by the franchisor or his agent.

(20) A statement of any past or present practice or of any intent of the franchisor to sell, assign, or discount to a third party any note, contract, or other obligation of the franchisee in whole or in part.

(20) A statement of the number of franchises presently operating and the number proposed to be sold, indicating which franchises, if any, can be owned and their addresses.

(22) A statement of the number of franchisees, if any, that operated at a loss during the previous year.

(23) A list of at least ten representative operating franchisees, with their addresses and telephone numbers, situated similarly to the franchise being offered and located, to the extent possible, in the same geographic area.

(24) Subject to any limitations imposed by the Commission, a statement of available earnings of past and present franchises and a fair analysis of their performance, including records of failures, and resales to the franchisor.

(25) A statement as to whether franchisees and subfranchisors receive an exclusive area or territory.

(26) A statement as to the methods and responsibilities of the parties in determining the site for the franchisee's outlet.

(27) A statement setting forth such other information as the Commission may require.

(28) A statement setting forth such information as the franchisor may desire to present.

(29) A statement of any compensation or other benefit given or promised to a public figure arising, in whole or in part, from the use of the public figure in the name or symbol of the franchise.

(30) When the person filing the disclosure statement is a franchisor, the statement shall include the same information concerning the subfranchisor as is required from the franchisor pursuant to this schedule.

(b) The disclosure statement shall not be used for any promotional purposes before it becomes effective, and then only if it is used in its entirety. No person may advertise or represent that the Commission approves or recommends the sale of any franchise. No portion of the disclosure statement shall be underscored, italicized, or printed in larger or bolder type than the balance of the statement unless the Commission requires or permits it.

REGISTRATION OF FRANCHISES

SEC. 8. (a) Applications for registration, registration renewal statements and amendments thereto, shall be signed and verified by the franchisor or by the subfranchisor.

If the Commission determines that the applicant has failed to demonstrate that adequate financial arrangements have been made to fulfill obligations to provide real estate improvements, equipment, inventory, training or other items included in the offering, the Commission may by rule or order require the escrow or impound of franchise fees and other funds paid by the franchisee or subfranchisor until no later than the time of opening of the franchise business, or, at the option of the franchisor, the furnishing of a surety bond as provided by rule of the Commission, if it finds that such requirement is necessary and appropriate to protect the public interest.

(b) The application for registration shall contain such information as the Commission may by rule require.

(c) The Commission may suspend or revoke the registration of any franchise if it finds with respect thereto—

(1) that there has been a failure to comply with any of the provisions of this Act or the rules of the Commission pertaining thereto, or

(2) that the offer or sale of the franchise would constitute misrepresentation to, or deceit or fraud of the purchasers.

(d) The Commission may vacate or modify the suspension or revocation of a franchise registration if it finds that the conditions which caused such suspension or revocation have changed.

(e) A franchise offering shall be deemed duly registered for a period of one year from the effective date of the registration, unless the Commission by rule specifies a different period.

(f) A registration may be renewed under such procedures as the Commission by rule shall require.

(g) A franchisor shall promptly notify the commissioner in writing of any material change in the information contained in the application as originally submitted, amended or renewed. Such notification shall constitute an application to amend the registration. The Commission may by rule prescribe what constitutes a material change for purposes of this section.

PROMULGATION OF RULES AND REGULATIONS

SEC. 9. (a) The Commission is authorized to promulgate such rules and regulations as it deems necessary to implement and interpret this Act, including but not limited to, rules and regulations defining as unfair and deceptive certain acts and practices of franchisors such as directly or indirectly engaging in competition with any franchisee using methods which constitute unfair methods of competition under the Federal Trade Commission Act (terminating, canceling, or failing to renew a franchise without adequate notice and otherwise protecting the rights of the franchise; using unfair and deceptive methods to induce a franchisee to sell back his franchise business to the franchisor or a third party).

(b) Rules and regulations shall be promulgated by the Commission pursuant to section 553 of title 5, United States Code.

CIVIL LIABILITIES

SEC. 10. (a) In case any part of a disclosure statement, which has become effective, contains a false or misleading statement of a material fact, or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or in case any franchisor commits an unfair or deceptive act or practice in violation of a rule or regulation promulgated by the Commission hereunder, any person expending money in connection with acquiring a franchise covered by such offering statement from a franchisor, subfranchisor, or agent thereof, during such period as the statement remains uncorrected, or any person who has suffered damage by reason of such unfair or deceptive act or practice of a franchisor may sue at law or in equity, in any court of competent jurisdiction, the franchisor, subfranchisor, or agent.

(b) Any franchisor, subfranchisor, or agent who commits any unfair or deceptive act or practice in violation of a rule or regulation promulgated by the Commission hereunder, or who sells a franchise—

(1) in violation of section 5, or

(2) by means of an offering statement containing a false or misleading statement of a material fact or by omitting to state a material fact required to be stated therein or necessary to make the statements therein not misleading,

may be sued by any person who was damaged as the result of such violation or by the purchaser of the franchise.

(c) The suit authorized under subsection (a) or (b) of this section may be brought to recover damages up to three times damages sustained or the cost of the franchise, whichever is greater, including reasonable attorney's fees and reasonable court costs.

(d) Any person who becomes liable to make any payment under this section may recover an equitable contribution, as in cases of contract, from any person who, if sued separately, would have been liable to make the same payment.

OTHER LAWS AFFECTED

SEC. 11. Disclosure or other requirements of a State with respect to franchises inconsistent with those set forth in this Act shall be preempted. Nothing contained in this Act shall be construed to repeal, invalidate, or supersede the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

OTHER REMEDIES

SEC. 12. (a) It shall be a violation of section 5(a)(1), of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)) for any person subject to the provisions of this Act to fail to comply with any requirements imposed upon such person by or pursuant to any rule or regulation of the Commission promulgated under this Act, or to violate any provision contained in this Act.

(b) The Commission shall have all of the rights and remedies with respect to this Act as the Commission has with respect to violations of section 5(a)(1) of the Federal Trade Commission Act.

(c) Whenever it shall appear to the Commission that any person is engaged, or is about to engage, in any act or practice which constitutes or will constitute a violation of this Act, or any rule or regulation prescribed thereunder, the Commission, acting through any of its attorneys designated by it for such purpose, may in its discretion, bring an action in any district court of the United States, United States court of any territory, or the United States District Court for the District of Columbia to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. The Commission may transmit such evidence as may be available concerning such acts or practices to the Attorney General who may, in his discretion, institute the necessary criminal proceedings under this Act.

JURISDICTION OF OFFENSES AND SUITS

SEC. 13. The district courts of the United States, the United States courts of any territory, and the United States District Court for the District of Columbia shall have jurisdiction of offenses and violations under this Act and under the rules and regulations prescribed pursuant thereto, and concurrent with State courts, of all suits in equity and actions at law brought to enforce any liability or duty created by this Act. Any such suit or action may be brought in the district wherein the defendant is found or is an inhabitant or transacts business, or in the district where the offer or sale took place, if the defendant or his agent participated therein, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 1254 and 1291 of title 28 of the United States Code. No costs shall be assessed for or against the Commission in any proceeding under this Act brought by or against it in any court.

UNLAWFUL REPRESENTATIONS

SEC. 14. The fact that a disclosure statement with respect to any franchise has been filed or is in effect shall not be deemed a finding by the Commission that the disclosure statement is in any way true and accurate in substance or on its face, or be held to mean that the Commission has in any way passed upon the merits or given approval to such franchise. It shall be unlawful to make or cause to be made, to any prospective purchaser any express or implied representation contrary to the foregoing.

PENALTIES FOR WILLFUL VIOLATIONS

SEC. 15. Any person who willfully violates any provision of this Act, or any rule or regulation promulgated thereunder, or any person who willfully, in a disclosure statement filed under this Act, makes any false or misleading statement of a material fact, or omits to state any material fact required to be stated therein or necessary to make the statements therein not false or misleading, shall upon conviction be fined not more than $10,000 or imprisoned not more than five years, or both.

JURISDICTION OF OTHER GOVERNMENT AGENCIES

SEC. 16. Nothing in this Act shall relieve any person from submitting to the respective supervisory units of the Government of the United States information, reports, or other documents which may be required by law. The filing of a registration statement hereunder shall not be deemed to confer any immunity from liability for violation of any other laws.

LIMITATION OF ACTIONS

SEC. 17. No action shall be maintained to enforce any liability created under section ——— unless brought within two years after the discovery of the untrue statement or the omission, or after such discovery should have been made by the exercise of reasonable diligence, or if the action is to enforce a liability created under section (1), unless brought within two years after the violation upon which it is based occurred. In no event shall any such action be brought by a franchisee more than three years after the sale of the franchise to the franchisee.

CONTRARY STIPULATIONS VOID

SEC. 18. Any condition, stipulation, or provision binding any person acquiring any franchise to waive compliance with any provision of this Act or of the rules and regulations prescribed thereunder shall be without effect and void.

ADDITIONAL REMEDIES

SEC. 19. The rights and remedies provided by this Act shall be in addition to any and all other rights and remedies that may exist at law or in equity.

By Mr. HUMPHREY (for himself, Mr. BAYH, Mr. BENTSEN, Mr. BROOKE, Mr. CASE, Mr. CRANSTON, Mr. HARRIS, Mr. HART, Mr. HATFIELD, Mr. JAVITS, Mr. KENNEDY, Mr. MCGEE, Mr. MONTOYA, Mr. MONDALE, Mr. MOSS, Mr. MUSKIE, Mr. NELSON, Mr. PELL, Mr. STEVENSON, Mr. TUNNEY, and Mr. WILLIAMS):

S.J. Res. 177. A joint resolution relating to the publication of economic and social statistics for Spanish-speaking Americans. Referred, by unanimous consent, to the Committee on Labor and Public Welfare.

GREATER OPPORTUNITY FOR SPANISH-SPEAKING AMERICANS

Mr. HUMPHREY. Mr. President, we live in a society in which significant change often seems to come in sudden bursts in reaction to disclosure of a situation that has existed for many years.

In the decade of the 1960's, Americans "discovered" many things about their society that had been hidden or had become invisible beneath a veneer of postwar prosperity.

We discovered that there were nearly 40 million Americans living in poverty.

We discovered millions of American adults and children hungry and living on inadequate diets.

We discovered that our environment was being poisoned to the extent that our health was in danger.

We discovered that much more had to be done in Congress and all across the Nation to secure equal opportunity for millions of black Americans.

And we discovered that American cities were becoming unlivable for the millions of Americans forced to live in them and for those who yearly migrated to urban America from rural areas.

The American public was made aware of those great domestic problems by men and women in and out of Government willing to look and probe beneath the surface of American society. As a result of their courage and foresight the United States has begun to confront these problems and to identify how they might be solved. Progress has been made. Certainly not enough. But at least we are aware of the scope and magnitude of what must be done to improve the quality of life for all Americans.

But the identification of the urgent needs and problems of millions of Americans during the 1960's was not by any means a complete or thorough process.

And in the hectic pace of public discovery and commitment of resources, there were groups of people left behind and problems unidentified. I do not believe that we can continue to rely in the 1970's on a somewhat haphazard system of identification of existing and often deep-rooted problems that suddenly become crises when the public is made aware of them by a perceptive book, magazine article or television program.

The Federal Government itself must take a more active role in bringing to the attention of all the Government agencies and all branches of Government in addition to private organizations and individuals, the needs of people.

I am introducing today a Senate joint resolution which will begin to have the Federal Government identify the economic and social condition of 12 to 15 million Spanish-speaking Americans.

I believe these people have been left behind in our efforts to eradicate poverty, provide justice, and eliminate racial prejudice in American life.

The 12 to 15 million Americans who identify themselves as Spanish speaking trace their origins from Mexico, Puerto Rico, Cuba, Central and South America and other Spanish-speaking countries. Slightly more than half of these people are of Mexican-American origin with nearly 20 percent of this population comprising people of Puerto Rican origin.

The plight of Spanish-speaking Americans is one of a people striving for justice and equal opportunity. They continue to be the victims of racial, economic, social, and political discrimination which forces them into a type of second-class citizenship. And although their self-identity and racial pride have been reinforced in the past few years as they attempt to gain the equal rights they deserve, national public awareness of the urgency of their special needs is negligible.

In many cities throughout the Nation—in Los Angeles, New York, Denver, San Antonio, and Chicago, to name just a few—many Spanish-speaking Americans live in a cycle of poverty from which it is extremely difficult to escape.

Deplorable housing, poor diets, an education designed primarily for white middle class children, job discrimination, menial labor, and unemployment are all part of "barrio" life in American cities and towns. In New York City, 55 percent of the Puerto Rican males over 25 living in an identified poverty area had less than 8 years of education. And in Los Angeles, 69 percent of the Mexican-American residents of East Los Angeles between 25 and 34 years of age completed less than 4 years of high school.

Education is the key to greater economic and social opportunity in American life.

And the special bilingual needs of Spanish-speaking children, though much discussed, are not being met by either the Federal or State governments. Bilingual education is essential not only to retain cultural self-identity, but to improve the learning processes of American children whose mother tongue is not English. The failure of Spanish-speaking children to learn and achieve in school is often the result of language problems. It is understandable that the dropout rate among Spanish speaking in high schools is very high.

The poverty cycle in which millions of Spanish-speaking Americans are caught leads inevitably to dead-end jobs, menial labor, and unemployment. And unemployment is rampant in Spanish-speaking communities all across the Nation.

We know that unemployment is serious among Spanish-speaking teenagers and adults and far surpasses the high unemployment rate among whites. Unemployment figures for Spanish-speaking citizens are provided at irregular intervals by the Labor Department's Bureau of Labor Statistics.

But there is no monthly report of national unemployment among the Spanish speaking published by the Bureau of Labor Statistics in their monthly summary which is widely reported in the press and on television.

At the beginning of each month the American public is informed of the national unemployment rate for the white and black population. I see absolutely no reason why America's second largest minority—the Spanish speaking—should be excluded from this reporting procedure especially since regional statistics indicate that unemployment among the Spanish speaking is greater than white unemployment and is equal to or greater than the alarming level of black unemployment.

Members of Congress, the public, and certainly members of the executive agencies and departments have a need to know the monthly unemployment rate for Spanish-speaking citizens.

No one can tell me that 12 to 15 million people represent too insignificant a group to be included in the Department of Labor's monthly statistical reporting.

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I am sure that my colleagues on both sides of the aisle would agree that the commitment of Federal, State, and private resources cannot occur without an accurate assessment of need. The social statistics concerning the condition of America's Spanish-speaking citizens are needed now without continued delay.

The joint resolution that I am offering today asks the Department of Labor and the Census Bureau to cooperate in order to include the national unemployment rate of Spanish-speaking Americans in the monthly unemployment report for the white and black population published on the first Thursday of every month.

The resolution further asks the Labor and Agriculture Departments and the Census Bureau to publish statistics that will provide indicators of the social and economic condition of Spanish speaking citizens in urban and rural America.

Mr. President, we are a Nation that is desperately in need of more information about all of our people. I believe that we can no longer continue to view the degradation and misery of poverty and hunger in America without knowing its exact dimensions so that we can provide the resources to eradicate it.

The Spanish-speaking Americans are rightly demanding equality and justice. But I do not see how we can begin to meet these demands unless we are cognizant of the true needs of this great people.

Too much time has passed for us to delay any more. The Federal Government must be responsive. The progress of Chicanos, Boricuas, and Hispanos toward justice and equality must not be delayed. I think the first step is recognition and public awareness of need. After this, we must begin to provide the tools to meet demands that have gone unmet for too many decades.

Mr. President, I offer this resolution for myself and Senators BROOKE, MOSS, HATFIELD, MCGEE, BENTSEN, MUSKIE, KENNEDY, BAYH, MONDALE, NELSON, CRANSTON, WILLIAMS, HARRIS, CASE, JAVITS, MONTOYA, PELL, STEVENSON, and TUNNEY.

I am also pleased to announce that Congressmen BADILLO and ROYBAL are introducing this resolution in the House.

Mr. President, I ask unanimous consent that the resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 177

Whereas, nearly 12 million Americans identify themselves as Spanish speaking and trace their origins from Mexico, Puerto Rico, Cuba, Central and South America and other Spanish speaking countries; and

Whereas, the Spanish speaking in America have made significant contributions to enrich American culture and have served their nation well in times of war and peace; and

Whereas, a large number of Spanish speaking Americans suffer from racial, social, economic and political discrimination and are denied the basic opportunities they deserve as American citizens and which would enable them to begin to lift themselves out of the poverty that they now endure; and

Whereas, state and Federal governments and private organizations are now unable to determine accurately the urgent and special needs of the Spanish speaking in the United States because there is not a regular, nationwide evaluation of the economic and social status of Spanish speaking Americans; and

Whereas, the provision and commitment of state, Federal and private resources can only occur when there is an accurate and precise assessment of need, Now therefore, be it

Resolved, by the Senate and House of Representatives of the United States of America in Congress assembled, that the Department of Labor in cooperation with the Bureau of the Census immediately begin to undertake the collection and compilation of data in order to provide for the monthly publication by the Bureau of Labor Statistics, beginning not later than January, 1972 of the nationwide unemployment rate among Spanish speaking Americans; and that the Bureau of the Census and the Department of Labor and the Department of Agriculture undertake further efforts to collect and publish regularly statistics which provide indicators of the social and economic condition of Spanish speaking citizens in urban and rural America.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1893

At the request of Mr. BIBLE, the Senator from Washington (Mr. JACKSON), the Senator from the State of Idaho (Mr. CHURCH), the Senator from Montana (Mr. METCALF), and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of S. 1893, to restore the golden eagle program to the Land and Water Conservation Fund Act, provide for an annual camping permit, and for other purposes.

S. 2349

At the request of Mr. TUNNEY, the Senator from Florida (Mr. CHILES), the Senator from New York (Mr. JAVITS), the Senator from Utah (Mr. Moss), the Senator from Maine (Mr. MUSKIE), the Senator from Wisconsin (Mr. PROXMIRE), and the Senator from Illinois (Mr. STEVENSON) were added as cosponsors of S. 2349, the Voting Rights Act Amendments of 1971.

S. 2837

At the request of Mr. PELL, the Senator from Utah (Mr. Moss) was added as a cosponsor of S. 2837, the Museum Services Act.

SENATE RESOLUTION 195—SUBMISSION OF A RESOLUTION CALLING FOR THE PRINTING AS A SENATE DOCUMENT A REPORT BY THE GENERAL ACCOUNTING OFFICE

(Referred to the Committee on Rules and Administration.)

Mr. MCCLELLAN submitted the following resolution:

S. RES. 195

Resolved, That there be printed, with illustrations, as a Senate document a report compiled by the General Accounting Office at the request of the Committee on Government Operations entitled "Financial Management in the Federal Government—Volume II"; and that there be printed one thousand five hundred additional copies of such document for the use of that committee.

SENATE CONCURRENT RESOLUTION 51—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE RIGHTS OF ALL PERSONS TO EMIGRATE

(Referred to the Committee on Foreign Relations.)

THE RIGHT TO EMIGRATE

Mr. BUCKLEY. Mr. President, I am today submitting, on behalf of the Senator from Tennessee (Mr. BROCK) and myself, a concurrent resolution, conforming precisely to one introduced in the House of Representatives by Congressman JACK KEMP, which expresses "the sense of the Congress that the President, acting through the United Nations, should present to the United Nations General Assembly in fitting manner the issue of the right to emigrate from and also return to one's country."

We are all aware of the persistent violations by Communist nations of the fundamental right of emigration, one that is specifically written into the United Nations' Universal Declaration of Human Rights. This persistent refusal to allow a citizen to leave has most recently been dramatized by the plight of Russian Jews who seek to find a new life elsewhere.

This resolution has been the subject of hearings before the House Foreign Affairs Committee. I am advised, further, that it is acceptable to the Department of State; and that its language has been reviewed by members of our U.S. delegation, and is acceptable to Ambassador Bush.

Mr. President, I urge the House of Representatives and the Senate to act promptly on this concurrent resolution.

The concurrent resolution (Senate Concurrent Resolution 51), reads as follows:

S. CON. RES. 51

Whereas the Congress is concerned about the fact that some nations have not adhered to the United Nations Declaration of Human Rights which specifically recites that all people have a right to expatriate themselves—to pass freely from state to state, to remove themselves from a jurisdiction which they find destructive or offensive to their rights; and

Whereas the vengeful trial of Jews attempting to leave Lengingrad, the plight of hundreds like Rita Gluzman whose husband has not been allowed to emigrate from Ukraine to join her and their baby son in Israel, the killing of approximately 65 people trying to flee East Berlin, the brutal beating, recapture, and subsequent prosecution of the Lithuanian seaman on an American Coast Guard vessel, the expressed fear of Solzhenitsen that if he accepted the Nobel Prize in Stockholm, he could be barred forever from his Russian homeland are all evidence of the fact that some nations have not honored the aforementioned basic and internationally recognized human right, and right of everyone to leave any country and return to his own country; and

Whereas both authoritative world opinion and international law consider the right to leave and to return as a fundamental human right binding on all governments; and

Whereas this extremely important moral issue has never been brought before the United Nations General Assembly: Now, therefore, be it resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President, acting through the United Nations, should present to the United Nations General Assembly in fitting manner the issue of the right to emigrate from and also return to one's country.

REVENUE ACT OF 1971—AMENDMENTS

AMENDMENT NO. 697

(Ordered to be printed and to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill (H.R. 10947) to provide a job development investment credit to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 698

(Ordered to be printed and to lie on the table.)

Mr. COTTON submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

AMENDMENT NO. 699

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS (for himself, Mr. SCOTT, and Mr. COOK) submitted an amendment, intended to be proposed by them, jointly, to amendment No. 692, proposed by Mr. PASTORE, to the bill (H.R. 10947), supra.

AMENDMENT NO. 700

(Ordered to be printed and to lie on the table.)

Mr. PELL submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

AMENDMENT NO. 701

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS (for himself, Mr. SCOTT, and Mr. COOK) submitted an amendment intended to be proposed by them jointly to amendment No. 692, proposed by Mr. PASTORE, to the bill (H.R. 10947), supra.

CREDIT UNION SHARE INSURANCE AMENDMENTS—AMENDMENT

AMENDMENT NO. 702

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE submitted an amendment intended to be proposed by him to the bill (H.R. 9961) to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes.

NOTICE OF HEARING ON NOMINATIONS IN THE U.S. DISTRICT COURTS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, November 23, 1971, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nominations:

Charles M. Allen, of Kentucky, to be U.S. district judge, western district of Kentucky, vice Henry L. Brooks, elevated.

Clarence C. Newcomer, of Pennsylvania, to be U.S. district judge, eastern district of Pennsylvania, vice C. William Kraft, Jr., retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

NOTICE OF HEARINGS ON CRIMINAL LAWS AND PROCEDURES

Mr. MCCLELLAN. Mr. President, as chairman of the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary, I wish to announce hearings on the following bills relating to the general subjects of compensation for victims of criminal acts and to establish a group life insurance program for persons engaged in law enforcement and related fields:

S. 16, to provide civil remedies to victims of activities prohibited by title IX of the Organized Crime Control Act of 1970. [Sens. McClellan and Hruska]

S. 33, to authorize the Attorney General to provide a group life insurance program for State and local government law enforcement officers. [Sen. Kennedy]

S. 750, to provide for the compensation of persons injured by certain criminal acts, to make grants to States for the payment of such compensation. [Sen. Mansfield]

S. 1946, to authorize the Attorney General to provide a group life insrance program for State and local government law enforcement and firefighting officers. [Sen. Humphrey]

S. 2087, to provide benefits to survivors of police officers killed in the line of duty. [Sens. McClellan and Hruska]

S. 2426, relating to crimes involving property in interstate or foreign commerce to provide a civil action for damages resulting from violations of section 659 of title 18, U.S.C. [Sen. Bible]

S. 2748, to provide benefits to survivors of police officers, prison guards, and firemen killed in the line of duty. [Sen. Boggs, et al]

The hearings are scheduled for Tuesday, November 30, 1971, at 10 a.m., in room 3302 of the New Senate Office Building.

Any person who wishes to testify or submit a statement pertaining to the subject matter of any of the above-listed bills should communicate with the Subcommittee on Criminal Laws and Procedures, room 2204, New Senate Office Building, telephone 202-225-3281.

ADDITIONAL STATEMENTS

THE CONGRESS—PARTISAN OR RESPONSIVE ON CONSERVATION

Mr. MANSFIELD. Mr. President, Secretary of the Interior Morton spoke recently at Princeton on the conservation issues we face as a Nation. He gave a comprehensive sketch of the sweep of events that have marked our impact on our land and resources.

He then listed some of the agenda for America as he sees it—and with much of it I can agree.

However, Secretary Morton also observed:

Our system of government is now facing the great test. The Congress will prove whether it is partisan or responsive. I have always believed that partisan politics are a secondary consideration—but if Congress does not act on these proposals, the truth will out.

I regret that Secretary Morton believes that if the Congress which is made up of Democrats and Republicans, does not pass the administration's litmus test it is acting as a partisan.

I see a not so veiled threat that come campaign time the Congress will be tagged for the failure of the administration to achieve.

The deep well of interest and concern for our Nation and its land and resources is fed by the hopes and aspirations of the American people. They have asked their Government—not just the Congress and not just the executive and not just the judiciary—they have asked their Government to meet the issues. As with any Nation—any people there are differing views on priorities as well as on the best cause to take.

Before the Secretary and his associates are propelled too far down the path in assessments of partisanship and responsiveness, a few salient facts may prove useful.

ORDERLINESS

The concept of a Department of Natural Resources has been long discussed. President Franklin D. Roosevelt moved toward it. President Harry Truman commissioned ex-President Hoover to study the whole field of organization. One of Mr. Hoover's recommendations dealt with a Department of Natural Resources—and I do not recall in the Eisenhower years that it received much attention. In the Kennedy-Johnson era, Senator Ted Moss introduced legislation to reach this goal and again there was not executive branch enthusiasm. Now President Nixon has his Ashe Commission and his proposals. Republican and Democratic administrations and Congresses have not been able to fashion a new organization for Government in the resources field. When it is achieved it will be a bipartisan accomplishment.

LAND-USE PLANNING

It just happens that Senator HENRY M. JACKSON and Senator EDMUND MUSKIE led in proposing a national land-use policy.

Comprehensive water resources planning and the creation of the Council on Environmental Quality are areas where Congress has led.

Powerplant siting and strip mines reclamation, two topics Mr. Morton said were high on the President's list have an equally long record of positive interest by the Congress.

To claim that "The President has initiated a concept of land-use policy which includes the protection and management of the public lands on the basis of multiple use and sustained yield" is quite at odds with the facts. When the Nixon administration came into office the act of September 19, 1964, Public Law 88-607, the public land multiple use and sustained yield act was in operation. This law was temporary, having been extended

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in 1967 along with the Public Land Law Review Commission.

Now that act has expired—in fact it expired in December 1970. The administration was on notice it would expire then but only recently has it come forward with a legislative proposal and this well after Members of Congress had introduced bills to reenact this legislation, in fact, before the act expired Members of the Senate offered to work with the administration to prevent its expiration and their encouragement was nil.

The 1872 mining law has been a subject of long controversy. There are before the Congress a number of bills to reform this policy, but it was not until October 12, 1971, that the administration presented its counterproposals.

There are going to be honest differences of opinion on this legislation which I dare say will find some Republicans and some Democrats holding different views than the administration.

Recently the Senate enacted by a vote of 86 to 0 the Water Pollution Act to strengthen or resolve in this vital environmental area. I do not say that a vote of 86 to 0 indicates a perfect bill but one would have to have a wild imagination to claim it was a partisan bill. Yet, now the administration is having some second thoughts and may seek to modify its basic thrust.

I point out these facts to observe that in my view the American people are fed up with the games politicians play. I regret that the Secretary of the Interior chose at the Distinguished Lecture Series at Princeton University to inject this notion of a political litmus test on environmental legislation. He opened and closed his talk speaking of the Redwoods. The quest to secure their preservation was so absolutely politically bipartisan that it drives home that this is a fact of life. Even more, this legislation took several years to evolve for there were deep differences between contending points of view for there were differences on the philosophical points and on the best means to achieve goals when these were set.

There is more than enough for each of us to do in meeting the environmental challenges man faces. I have little doubt that the American people are going to consider whether their Government is responsive to their needs. More than whether new policies are chartered is involved. There will be an even greater interest in whether the laws in existence are executed faithfully by the administration and whether the funds needed for these vital domestic programs are sought in budgets and then wisely expended.

Finally, I am intrigued by the use of "responsive" as the opposite of "partisan." For in fact the Congress like the Executive can be bipartisan yet still be unresponsive. The Executive and Congress also can be extremely partisan and most responsive. When the Congress has been nonresponsive to a President's requests, it has usually also been quite bipartisan in rejecting his proposals. So the issue we in the Congress and those in the administration face alike in the judgment of the people is simply whether we are both responsive—producing viable solutions to real issues.

Solutions to the stresses man is placing on his environment must be found. In a free society of men dedicated to representative government to achieve their destiny, responsiveness requires that we work together with good will and an honest respect for differing ideas.

Mr. President, I ask unanimous consent that the text of Secretary Morton's speech of November 8, be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE ROGERS C. B. MORTON, SECRETARY OF THE INTERIOR FOR THE DISTINGUISHED LECTURE SERIES, PRINCETON UNIVERSITY

In early May of 1967, in the primeval forest along Lost Man Creek in the Coast Range of California, a lumbering crew laid its chain saws to the bark of a magnificent tree. As the roaring machines chewed into a trunk broader than the encircling arms of five men, they spat out the chips and the dust of three thousand years growth. This cutting marked the end of a long and bitter struggle, by man for the life of a unique natural asset found nowhere else in the world.

The heap of sawdust at the foot of the stump was more than the debris of a few minutes' work, more even than the symbol of defeat for those who had fought to save the tree. It was the transect of three millennia through which man has steadfastly and passionately wrestled with nature for supremacy . . . and it was an exemplary instance in the never-ending tug-of-war between civilized man and the natural resources which support his civilization.

In the beginning, the steps of man were very soft upon the Earth. Early man was a hunter. He filled his belly by stalking animals and gathering wild plants. He was brighter than most of the species but for two million years he created no more impact upon his environment than did other animals, probably less than herds of elephants or towns of prairie dogs. He drew his milk from the great breast of nature. Though most of the secrets of the Earth were a mystery to him, he lived in the knowledge that he was dependent upon them for survival.

The changes that man has wrought, to secure comfort, pleasure, and wealth for himself since that primordial era are incredible. From the flint and shards of the stone age, we have leapt to the labs and reactors of the computer age. The productivity of our time is immense, bringing its wonders and benefits to more of our people than ever before. Its ingenuity is acute, delivering us plastics and lasers, contact lenses, and TV dinners, nuclear spectre, and man on the moon . . . and, above all else . . . speed, fantastic speed, in its many forms.

But our charts and graphs can certainly be elusive. They often make the net gains seem greater than they actually are. For they fail to take into account the environmental costs which have accumulated unpaid. The leeched-out farmland, the smog and the sludge, the enormous piles of waste, the cacophony of noises, and the darkening of our waters. These are the exhausts of 20th century technology. They are the effluent of our affluence.

To put all this into perspective, will you go back with me now to the day that a small timid band of pilgrims first glimpsed the bleak shoreline of Cape Cod. On the other side of this new, foreboding continent, the venerable redwood was looking down on 2000 years of its own biography.

The new colonists feared the mystery and darkness of the new world but their vitality was challenged by its gargantuan stores of natural resources, and their own hope for riches . . . the wilderness was for the plucking and its dismemberment began almost immediately.

The same marvelous abundance had always been a fact of life for the primitive peoples of North America who predated the colonists for thousands o years. But the Earth developed few scars from the Indian, who had no conception of Anglo-Saxon private ownership, but felt he was merely one part of a vast land-nature equation into which he was woven. His life style was interlocked with his world in a struggle for existence and his only riches were his skill and his strength.

As soon as the beachhead of American life became established, the eyes of those first citizens turned to the West. Sodbuster, trapper, prospector, and trader; the buffalo hunter, pioneer, explorer and lumberman . . . all immediately began to extend the boundaries of the Nation ever westward . . . this was manifest destiny.

The new government assumed the role of promoter and in 1803 we acquired our first great piece of real estate . . . The Louisiana Purchase.

In 1804, President Jefferson sent Lewis and Clark up the Missouri River to report first hand what lay to the northwest.

Then . . . Texas and Oregon was acquired in 1846; California in 1848; The Gadsden Purchase in 1853; Alaska in 1867; and Hawaii in 1898.

So that by the end of the 19th century, geographic expansion of the Nation was essentially complete. Now, there is no more land to buy.

Masses of sodbusters and homesteaders migrated to the grasslands and prairies of Middle America with plows in their hands and wheat in their dreams. The Homestead Act of 1862 had traded them title to quarter sections of ground in exchange for the promise to plow and to farm . . . but there was no contract to preserve it from the wind and the erosion which it brought.

As the prairie states opened, were fenced, and then plowed; the West was opened by the new attraction of gold. Within two years following the 1848 Gold Strike at Sutter's Mill in California, the population of that state jumped from 14,000 to a quarter of a million.

Again, Washington took an active role and the Mining Law of 1872 was established. This act provided that prospectors had free access to search for minerals on the public lands . . . it established the doctrine of finders-keepers. If valuable mineral deposits were found, they became the private property of the prospector. In many cases, this law has allowed the mineral industry to go in, excavate thousands of acres of land . . . and then abandon the hole to the government . . . to the people . . . unreclaimed.

We have progressed, through the 1960's, in the spirit of this early legislation. We have been living as if the sun would burn out in 2071 . . . using our resources as if they were going out of style . . . leaving no need for conservation. But if we continue to attack the stock piles of nature with no thought for the future, we will come to a screeching halt in far less time than it took us to get here from the day we declared our independence.

This is not to say that human life, in some numbers will not survive in the biosphere, but rather that the dynamics upon which cultural expansion depends, will have eroded away.

In spite of this bleak record . . . I am optimistic.

In my view, all the indicators point to a new era of conservation and environmental preservation. The signs of a dawning environmental conscience are appearing. Its seeds are being sown throughout the land—in government—in industry—in the universities—in the home—everyone is an environmentalists.

Very few of us know what to do with our new conscience, but the motivation for change is with us. It is electrifying. It is gratifying.

My optimism is well-founded. In the last three years we have made more progress toward controlling the geometrically escalating degradation than in all our past political history.

But the methods by which we have hacked our civilization out of the wilderness have established strong and hard-to-change patterns. Reform will not come easily. We will experience some discomfort in the land. New values must be accepted. New self-discipline must be a part of our life-style.

The new values will be based on the sum of what man is paying for the conversion of natural resources and what the environment is paying. If the environment is to remain qualitatively constant, man must pay the entire bill. We can no longer allow the quantitative progress which we achieve in meeting the material demands of a higher civilization to eclipse the qualitative values of the environment—and the very spirit of man.

To begin, we must have orderliness. Orderliness in the use of our land is foreign to us. If we are going to stabilize the environment, we can no longer proceed without a sense of order in how we lay out our occupancy of the land. Where the critical factor has always been a quick buck, it must now be environmental quality—and conservation of resources.

I am convinced that land use planning and positive implementation is paramount not only to environmental management but also to the development of a higher social order and a broader cultural opportunity.

The President has initiated a concept of land use policy which includes methods for power plant siting; for strip mine reclamation; for the protection and management of the public lands on the basis of multiple use and sustained yield; and for repeal of the 1872 Mining Act, substituting procedures which will eliminate indiscriminate mining practices and ensure environmental control.

Our system of government is now facing the great test. The Congress will prove whether it is partisan or responsive. I have always believed that partisan politics are a secondary consideration . . . but if Congress does not act on these proposals, the truth will out.

Man's environment in the world is an ecological system. It is the sum of all of the living and nonliving. Its components support the chain of life. Some natural resources have been depleted, and foreign sources of supply have become less plentiful and more insecure. Thus the environmental problems become more evident. The Nation suddenly has become aware of the full importance and significance of the need for the conservation. Management of natural resources and the protection and preservation of the environment are instituted not only to sustain and provide for continued social and economic growth and the quality of life, but for man's well-being and survival.

The natural resource and related environmental challenges facing the Nation are:

To extend the life of our finite resources through more efficient development, secondary recovery, prudent use, and recycling.

To efficiently manage our renewable resources through multiple use and sustained yield.

And to preserve natural assets for the sake of preserving them . . . for posterity rather than material gain.

In short, we must begin to appreciate the blinding speed at which our civilization and its works are now developing. We must not fail to proceed with caution for quality . . . in spite of our velocity . . . a velocity which often seems overwhelming.

If the redwood tree, during whose lifetime most of the important history of the world has transpired, could somehow momentarily blink its eyes, it would miss more than it had witnessed in all of the previous years of its existence. For the biography of the redwood has centuries for pages.

It is a chronicle whose inscriptions were engraved by nature. Man and machine took her pen for their own and wrote a new evolution which compressed the courses of millennia into a single century and begat both the marvels and the horrors of our technic age.

The redwood is actually a symbol of our time. It is the old man of the biosphere, threatened by machines, the love children of the technosphere. The truth of the redwood has eluded us in the past. Our faith in the machine has tricked us into the belief that we are free of natural law. We now are aware that this is simply not the case, for a world with no room for its redwoods is a world that will return to the sands.

NOMINATIONS TO THE SUPREME COURT

Mr. GOLDWATER. Mr. President, distinguished Members of the Senate, the American Bar, and the general public continue to speak out in favor of the two nominations to the Supreme Court, those of Mr. Powell and Mr. Rehnquist.

Certainly, one of the most highly respected and knowledgeable men of the law in this body is the distinguished Senator from Arkansas (Mr. MCCLELLAN). He has written his opinion of the two nominees for the New York Times of Tuesday, November the 9. I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO DISTINGUISHED NOMINATIONS

(By JOHN L. MCCLELLAN)

WASHINGTON.—The Senate is now considering William H. Rehnquist and Lewis F. Powell, Jr. for the Supreme Court. A special genius of the American people has been a commitment to the rule of law, not of men; the Senate fulfills a sacred duty in advising and consenting to the nominations submitted by the President.

Three issues face the Senate: (1) Do these nominees have personal integrity? (2) do they possess professional competency? and (3) do they have an abiding fidelity to the Constitution? No Senator has a duty to vote to confirm any nomination forwarded by the President that cannot pass this test. In my judgment, that is what the decision is all about—not about the so-called "Warren Court" or the "Burger Court" or even the "Nixon Court." Those labels are the stuff of journalism, not constitutional law.

Since these nominations were announced, I have examined the public record of these two men without prejudgment. I would note that I have found nothing in the public record of either man that raises any question whatsoever of lack of integrity or competency. I am convinced that any challenge on either of those grounds will utterly fail.

There is room on the United States Supreme Court for liberals and conservatives, Democrats and Republicans, Northerners and Southerners, Westerners and Easterners, blacks and whites, men and women—these and other similar factors neither qualify nor disqualify a nominee. After personal integrity and professional competency, what is crucial, in my judgment, is the nominee's fidelity to the Constitution.

In recent years a majority of the Supreme Court—no doubt in good faith but nonetheless with mistaken judgment—began to impose new standards on the administration of criminal justice in the United States on both the Federal and state levels. These decisions have not enforced the simple rule that law enforcement agents must "live up to the Constitution" in the administration of justice. Instead, these cases have, to a significant degree, created and imposed on a helpless society new rights for the criminal defendants. Some of these new rights have been carved out of society's due measure of personal safety and protection from crime.

Indeed, since 1960, in the criminal justice area alone, the Supreme Court have specifically overruled or explicitly rejected the reasoning of no less than 29 of its own precedents, often by the narrowest of five-to-four margins. In 1967, the high watermark of this tendency to set aside precedent, the Court overturned no less than eleven prior decisions. Twenty-one of the twenty-nine decisions the Court overruled involved a change in constitutional doctrine—accomplished without invoking the prescribed procedures for the adoption of a constitutional amendment. Seven of these represented a new reading of old statutory language—accomplished without the intervening of Congressional action and Presidential approval. And this is the significant point: 26 of these 29 decisions were handed down in favor of a criminal defendant, usually one conceded to be guilty on the facts.

The pursuit by some jurists of abstract individual rights defined by ideology, not law, has threatened to alter the nature of the criminal trial from a test of the defendant's guilt or innocence into an inquiry into the propriety of the policeman's conduct. In my judgment, these decisions, however well-intentioned, have come at a most critical juncture of our nation's history and have had an adverse impact on the administration of justice. Our system of criminal justice, state and Federal, is increasingly being rendered more impotent in the face of an ever-rising tide of crime and disorder.

It is for these reasons that I, for one, welcome these two distinguished nominations.

I recognize, of course, that there are some who challenge these nominations, arguing that the Senate should reject them because of the nominees' positions on such issues as confessions or wiretapping. Yet I have seen nothing that either nominee has said that is more critical of the work of the Supreme Court in these areas than that which Justice Black and Harlan themselves have repeatedly voiced in dissent. I know, too, that the Senate, in processing the 1968 Crime Act, voted 55 to 29 to limit the impact of the Miranda rule on confessions, and 68 to 12 to authorize the use of court-supervised wiretapping in major investigations. I cannot believe that these nominations should or will fail of confirmation for these reasons.

The people of the United States ratified the Constitution to establish justice, to insure domestic tranquility and to secure the blessings of liberty. We must not emphasize one aspect of the Constitution to the exclusion of another. It not only wrongs the Constitution but it will also ultimately jeopardize both the safety and the liberty of our people.

THE ENDINGS OF NOVEMBER

Mr. CHURCH. Mr. President, the editorial page of the Washington Post recently contained a descriptive piece about the month of November, wherein nature makes a sharp break with the preceding months of birth, growth, and maturation. The editorial makes an apt comparison between nature's tempered cruelties and the more heartless depredations of

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man. If November be a month of "endings," as the editorial says, we are assured, nevertheless, that come spring there will occur a time of new beginnings.

Mr. President, I ask unanimous consent that the editorial published November 16, 1971, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ENDINGS OF NOVEMBER

The show is over, the cup of Nature is emptied, the eyelids of autumn are swung shut. Choose any way of saying it, but the meaning of November is the same—a month of endings. The great sways and heaves of once full-leaved oaks, whether in woodlands stands or city parks, are still, their barebone limbs and branches now etched against gray skies like giant spider webs. The green leaves of July are the brown mulches of November, a forest floor-covering that blankets the earth and keeps warm the hibernating snakes and moles. Innumerable powers, visible and invisible, have ended their work by now. The earth has produced its fruit, men—or at least the wisest among them—have gathered it, and Nature is silent again. It returns to the mute sources of its being.

Yet much can be heard in this silence, if we have an ear to listen. Follow a wind one day and go to examine some trees that don't mind company. You will learn something about the birds, absentee tenants of spring and summer nests that can now be seen in leafless surprise. So that's where that family of thrushes lived, we say, recalling songbirds from a summer day. Or, how daring of the jays to nest so far out on a limb; they must be the New Left of the woodlands. For shape and gracefulness, what can match the hanging nest of the oriole?

Nature is romanticized by many, especially by those who view it afar through field glasses of living-room safety. But November, with its harsh endings, cuts through the romance to show terror and finality. Go south, hibernate, store your nuts, find a barn—these are the cruel warnings of survival as winter comes on. No excuses, no appeals to a higher court are allowed. Some animals and trees will make it, some not. But a difference exists between Nature's harshness and man's. Beliefs, causes and crusades for which humans maim and kill each other in one era may be mere yawns to the next; no constancy can be found in man's cruelty. We may wake tomorrow morning to a new chaos, with no warning to go south or find a barn. In Nature, though, cruel winters have been coming for billions of years, in eternal regularity. But the endings are tempered with the mercy of warning. Unlike us, the birds can return to their nests after the devastation.

DEATH OF DR. LEON BANOV, CHARLESTON, S.C.

Mr. HOLLINGS. Mr. President, the city of Charleston and the entire State of South Carolina recently lost one of its most distinguished citizens. He was Dr. Leon Banov, the retired director of the Charleston County Health Department.

Dr. Banov had a long and productive life. The tragedy is that, at 83, he was still active and still contributing to his adopted land. He will be truly missed—both for the quality of his work and the kind and generous nature of his personality.

I ask unanimous consent that two articles detailing the life of Dr. Banov, one from the Charleston, S.C., Evening Post of November 5, 1971, and another from the Charleston, S.C., News & Courier of the same date, be printed in the RECORD. I ask also that an editorial from the Charleston, S.C., News & Courier of November 6, 1971, be printed in the RECORD.

It was my privilege to know Dr. Banov and to be counted among his legion of friends. I join not only thousands of South Carolinians, but people from all over the world, in mourning the passing of this true humanitarian.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Charleston (S.C.) Evening Post, Nov. 5, 1971]

DR. LEON BANOV DIES IN ACCIDENT

A two-car collision Thursday night claimed the life of the retired director of the Charleston County Health Department.

Dr. Leon Banov, 83, of Campbell Drive was pronounced dead on arrival at the County Emergency Room shortly after the accident, which occurred on U.S. Highway 17 near Parish Road about 7:30 p.m., Coroner Jennings Cauthen said.

An autopsy has been ordered.

According to the coroner, Banov was a passenger in a car driven by Dr. John F. Shaul of Legare Street. Their car was heading north on Highway 17 and, while attempting to make a left turn, it was struck on the passenger side by a car driven by Frank Washington, 32, of Ritter.

The collision occurred in the southbound lane of Highway 17, he said. Washington's car was travelling south at the time of the accident.

Dr. Shaul and a passenger in Washington's car were treated at the County Emergency Room. Washington was not injured.

Dr. Banov retired in 1961 after 49 years of service with the Charleston County Health Department.

He was born in Poland on July 5, 1888, a son of Alexander Banov and Mrs. Sonia Danielewicz Banov. As a young child he was dressed as a shepherd boy following a flock of sheep and escaped into Germany to avoid the Russian persecution of Jews.

His family came to Charleston and he attended the public schools here. After running his own drugstore for several years, Dr. Banov received a degree from the School of Pharmacy at the Medical College of South Carolina in 1907. He became assistant city bacteriologist in 1912 and entered medical school, receiving his degree in 1917. He was an instructor in the School of Pharmacy from 1913 to 1917.

In 1918, he became chief food inspector for the city and the following year was responsible for making Charleston the first city in the world to require the pasteurization of milk.

He became County Health Officer, a post he was to hold for 41 years, in 1920. His campaign of public health education and preventive medicine resulted in the eradication of smallpox from Charleston and a great decline in infant and maternal mortality rates.

From 1926 to 1936 he was also City Health Officer and was the only man to be both county and city health officer. In 1936, the Charleston County Health Department was organized and Dr. Banov became its director.

He was named assistant professor of public health and preventive medicine at the Medical College in 1926, associate professor in 1947 and professor in 1949.

In 1930, he was a delegate to the International Hygiene Congress in Dresden, Germany, and in 1949 he served as a member of the President's National Health Assembly. Beginning in 1950, he served for three years as a consultant to the U.S. Public Health Service.

In 1949, he was named an outstanding leader in public health by the American Board of Preventive Medicine and Public Health. Later he was nominated by the American Public Health Association for the Lasker Award in public health.

Upon his retirement, the new health center on Lockwood Drive was named in his honor and he also received an honorary doctor of laws degree from the College of Charleston.

In 1970, he was awarded the James A. Hayne Award by the S.C. Public Health Association.

Dr. Banov was an officer in a number of organizations, including president of the International Health Officers Association, the Medical Society of South Carolina, the Charleston County Medical Association and the Southern Branch of the American Public Health Association. He was also vice president of the American Association of Public Health Physicians and executive secretary of the Public Health Physicians and executive secretary of the Charleston County Tuberculosis Association which built Pinehaven Hospital.

In January, he published "As I Recall—The Story of the Charleston County Health Department", a history of his years with the department.

[From the Charleston (S.C.) News & Courier, Nov. 5, 1971]

FORMER HEALTH DIRECTOR DIES IN ACCIDENT

Dr. Leon Banov, 83, retired director of the Charleston County Health Dept., was killed last night in an automobile wreck on the Savannah Highway at Parish Road.

He was pronounced dead on arrival at Charleston County Emergency Room about 7:45 p.m.

I. S. Martin of the S. C. Highway Patrol said Dr. Banov was a passenger in a car driven by Dr. John F. Shaul of 36 Legare St.

The Shaul car was headed north on Highway 17 about 7:30 p.m., the patrolman said, when it attempted to make a left turn and was struck broadside by a car driven by Frank Washington, 32, of Ritter.

The accident occurred in the southbound lane of Highway 17. Washington's auto was headed south and struck the Shaul car on the passenger side where Dr. Banov was seated, the policeman said.

Coroner Jennings Cauthen said an autopsy has been ordered to determine the cause of Banov's death.

Dr. Shaul and a passenger in the Washington car, identified as Robert Grant, 37, of Ritter were treated at the Emergency Room and released.

Washington was not injured.

Dr. Banov, who lived at 61 Campbell Dr., was first named country health officer in 1920 and director of the County Health Dept. in 1937.

He retired in 1961 after 49 years of service.

He was born July 5, 1888, in Suwalki, Poland, a son of Alexander Banov and Mrs. Sonia Danielewicz Banov.

At the age of 9, he was smuggled out of Poland to escape Russian oppressors. He and his parents later moved to the United States where the family settled in the Red Top section of Charleston County.

Dr. Banov attended public schools in Charleston and worked in drug stores during school years. He received a degree in pharmacy in 1907 for the Medical College of South Carolina and operated a drug store here from 1908 to 1912.

Starting as assistant city bacteriologist in 1912, Dr. Banov remained from then on in public health, continuing as a special consultant to local, state and federal health agencies after retirement.

He was chief food inspector for the city from 1918 to 1920.

Dr. Banov became an instructor in the School of Pharmacy at the Medical College in 1913 and served in this capacity until 1917. While an instructor, he studied at the college and in 1917 received a degree in medicine.

In 1926 Dr. Banov became assistant professor of public health and preventative medicine at the medical college. He was named an associate professor in 1947 and professor in 1949.

In 1930, he was a delegate to the International Hygiene Congress in Dresden, Germany, and was appointed by President Herbert Hoover as a delegate to a White House convention on child health and welfare.

Dr. Banov was selected by the American Board of Preventive Medicine and Public Health, Inc. as an outstanding leader in public health. He was also nominated for the Lasker Award in Public Health by the American Public Health Assn.

Dr. Banov was a special consultant to the U.S. Public Health Service Chronic Disease Division from 1950 to 1953.

Over the years, Dr. Banov held numerous memberships in professional organizations and was president of the International Health Officers Assn., the Medical Society of S.C., the Charleston County Medical Assn., the Southern Branch of the American Public Health Assn., and vice president of the American Association of Public Health Physicians.

He was executive secretary of the Charleston County Tuberculosis Assn. which built the original Pinehaven Hospital.

Dr. Banov announced his retirement in 1961 at the dedication of the county's new health center on Lockwood Blvd. which was named in his honor.

Since his retirement, the physician has been honored on several occasions by civic clubs and in May, 1970, was awarded the James A. Hayne Award by the S.C. Public Health Assn.

In 1961, he received an honorary doctor of laws degree from the College of Charleston.

In January of this year, Dr. Banov published a book entitled "As I Recall—The Story of the Charleston County Health Department" in which he traced much of the 50-year history of the department.

[From the Charleston (S.C.) News and Courier, Nov. 6, 1971]

DR. LEON BANOV

A citizen admired for nearly half a century of service in public life and beloved for his personal qualities, Dr. Leon Banov was Charleston's lucky acquisition from European oppression. As a child of nine he escaped with his family from Poland, then under domination of imperial Russia. He grew up in Charleston, studied pharmacy and later earned a degree as doctor of medicine.

Since 1912, first as assistant city bacteriologist, then as chief food inspector and subsequently as director of the County Health Dept., he grew with the community and the advancement of medicine. Dr. Banov's reputation likewise expanded through consultations and travel. Through he retired in 1961 he still pursued a busy schedule, receiving additional honors along the way.

The News and Courier has had occasion many times to commend Dr. Banov during his lifetime. His death in an automobile accident at age 83 causes us deep sorrow, which we share with a vast number of associates, friends and admirers.

DANGER SIGNALS INCREASING IN UNITED STATES-CANADIAN RELATIONS

Mr. CHURCH. Mr. President, Canadian disaffection with the United States is taking on the proportions of a major storm.

"Dangerous protectionism," as Hobart Rowen of the Washington Post describes it, "unleashed by President Nixon's new foreign economic policy on August 15" stimulated the storm. The 10 percent surcharge affects about 25 percent, or close to $3 billion of Canada's annual shipments to the United States. In addition, the investment-tax credit, which would apply to U.S.-made equipment and machinery only, could bite into $1 billion more of Canadian southern-bound exports. All this on top of a national unemployment average of 7.1 percent.

In Canada, a nationwide anti-Yankee campaign is growing. It is now being fueled by a report prepared by the Revenue Minister which recommends "direct government action to control foreign direct investment in Canada," a move obviously aimed at investors from the Colossus to the South.

Mr. President, I urge that the executive branch reconsider its foreign economic policies vis-a-vis Canada. While the President is refashioning our relations with Peking and Moscow, it appears that our dealings with Ottawa—and Tokyo, New Delhi, the EEC capitals, and Latin America—are worsening at a fast rate.

I ask unanimous consent that a series of articles on United States-Canadian relations be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 13, 1971]

CURB INVESTORS, CANADA URGED

(By Claude Lemelin)

MONTREAL, November 12.—A secret memorandum presented to the Canadian cabinet last May urged "direct government action to control foreign direct investment in Canada", a move primarily aimed at U.S. investors, it was disclosed today.

Revenue Minister Herbert Gray recommended among other things the establishment of a screening agency to examine any projected takeover, new investment, expansion, or licensing agreement envisaged in Canada by a foreign-controlled company.

The agency would have the authority to block any takeover or new investment and also to negotiate with the foreign firm an arrangement which, in its opinion, would better serve the interest of Canadians.

U.S. investments are by far the largest foreign investments in Canada's economy and amount to roughly $31 billion, of which about $20 billion is in direct ownership of Canadian firms.

The establishment of the new agency is the main recommendation of the highly confidential memorandum of which an abridged version was published Thursday by the Canadian Forum, a Toronto intellectual magazine.

The Trudeau government had refused until now to publish the Gray report, prepared by a task force appointed in November, 1969.

Last May, even while the cabinet was studying the report, Prime Minister Trudeau questioned the usefulness of publishing the contents of the report.

"We are conscious of our responsibility in the step we have taken," wrote the editorial committee of the Canadian Forum in its introduction. "As the authors of the Gray report themselves acknowledge in their introduction 'the Canadian public, including the business community, is expecting a policy statement from the government.' We agree.

"A policy judgment was also required in our decision to take this initiative at the present time. In a recent interview, the prime minister expressed on behalf of many people in this country his concern that the United States would buy up more and more of our country' if the present policies of the Nixon administration were to continue. It seems to us, however, that the onus of responsibility on the issue of foreign ownership lay primarily with the Canadian rather than the American government."

Judging from the abridged version published yesterday, the Gray report is a very detailed and sophisticated study of foreign ownership in Canada. The issue is considered in its many dimensions and analyzed through cost-benefit analysis.

On the whole, however, the report is a much more radical critique of foreign investments and of its impact on the Canadian economy than one could expect from previous statements by Trudeau and his colleagues.

In a statement issued by his office, Trudeau acknowledged the Canadian Forum document was based on a government study, but denied that it represented government policy. A foreign investment policy has been under consideration for some time by the government, he added, and would be announced "in due course."

The Canadian cabinet appears to be sharply divided over the exact nature and powers of the new foreign investment control agency.

This conflict delayed the issuance of the foreign investment policy statement until last August. Since then, Ottawa has carefully avoided initiative that might add to mounting tensions with Washington.

United States interests have more capital invested in Canada than in the whole of Europe. The total American investment is about 75 per cent of all foreign investment in Canada.

The Gray report values at somewhat less than $80 billion the book value of Canadian subsidiaries to foreign firms. These investments are heavily concentrated in the mining, petroleum and manufacturing industries. Fifty-eight per cent of the manufacturing sector's assets are foreign controlled.

According to data compiled by the government for the years 1946–67, only $9.7 billion of the total $43.8 billion invested by foreign-controlled firms in Canada were obtained from abroad. Hence, capital inflow financed only 22 per cent of foreign firms' expansion. The rest of the necessary funds were obtained from Canadian sources.

The introduction is a useful summary of its general outlook: "The high and growing degree of foreign, and particularly U.S. control of Canadian business activity has led to a Canadian industrial structure which largely reflects the growth priorities of foreign corporation.

"Many of these corporations invested in Canada to extend the markets for their manufacturing. Subsequently, Canada has become locked into accepting a pattern of innovation and technological development originating abroad. Other corporations invested in Canada to extract resources for home consumption.

"In either case, the extent that these corporations were influenced by their home environment, their investment decisions re-

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flected the industrial priorities of foreign governments and economies. This in turn has contributed to the integration of the Canadian economy into the world economy in a way which could make it increasingly difficult for Canada to realize its growth and employment objectives."

[From the Washington Post, Oct. 24, 1971]

CANADA: OUR FURIOUS FRIENDS

(By Claude Lemelin)

MONTREAL.—Relations between Canada and the United States have become increasingly strained since Aug. 15, when President Nixon jolted the international community by imposing his 10 per cent import surcharge and floating the U.S. dollar.

During the two months since then, the tone of public and private communications across the celebrated "longest undefended border in the world" has been raised to a new and grating pitch. Relations between Ottawa and Washington, once cited to the international community as a paragon of harmony, have deteriorated to the point where mutual distrust delays the resumption of fruitful negotiations.

A watershed may have been reached in U.S.-Canada relations. Even if the two nations succeed in patching up their disagreements in the coming months, it may well be that they are destined to grow further apart. Certainly, the Nixon administration's unilateral disruption of trade across the 49th parallel—the most intensive in the world—has compelled the Trudeau government to grope for an alternative to North American integration for the Canadian economy.

Such an "agonizing reappraisal"—a borrowed phrase used by Canada's Minister for Trade and Industry, Jean-Luc Pepin, in a speech delivered in Houston earlier this month—would merely extend to economic policy a basic decision taken three years ago by the Trudeau government in the field of foreign policy. To dilute the pervasive American influence that grew out of Canada's special and privileged postwar relationship with the United States, Ottawa then decided to "diversify" its foreign policy by establishing diplomatic relations with China and developing closer links with the Soviet Union, as well as by tightening existing relations with Europe, Japan and other countries in the Pacific basin.

It is unlikely that an early removal of the American import surcharge would end the search in Canada for an economic alternative. Come what may, Ottawa is expected at the very least to pursue with a new urgency its drive for diversification of Canada's economic relations.

"What happened once can always happen again," a government official close to Prime Minister Trudeau remarks. "We can no longer afford to be without contingency plans in the face of future isolationist moves by the U.S. government."

Last week, Soviet Premier Alexis Kosygin's visit to Ottawa provided the Trudeau government with the opportunity to explore one such alternative: The expansion of trade and economic cooperation with the Soviet Union. A general exchanges agreement was signed, providing for regular contacts and possibly joint scientific and cultural projects, and both the Canadian and Soviet leader expressed high hopes for future trade between the two countries. But despite Trudeau's use of Mr. Kosygin's visit to induce the Nixon administration into a more amenable posture on U.S.-Canada economic relations, the Canadians harbor no illusions about the significance of the Soviet "alternative." No matter how fast Soviet-Canadian trade expands in coming years, it could not possibly compensate for any substantial shortfall in Canada's exports to the United States.

THE AUGUST 19 MEETING

The relentless deterioration in U.S.-Canada relations began at a meeting in Washington on Aug. 19, during which Treasury Department officials questioned the long-term viability of Canadian manufacturing industries within the North American economy and raised doubts about the desirability of maintaining relatively free access to the U.S. market for those industries. The same officials also indicated that policies recently implemented by Canada to spur the development of technologically advanced industries north of the border were unacceptable to the United States and suggested that Canada specialize instead in the extracting and processing of raw materials for American industry.

During the meeting, held at the urging of the Canadians and attended by Finance Minister Edgar Benson and his colleague Jean-Luc Pepin, Treasury Secretary John Connally refused to exempt Canada from the 10 per cent import surcharge. But the Canadians were less disturbed by Connally's rejection of their one specific request, which they half-expected, than by his officials' open challenge to the continental assumptions that have guided Ottawa's economic policies for more than a quarter century.

Unlike Japan, Britain and the Common Market countries, Canada was not unduly disturbed by the monetary aspects of President Nixon's new economic program. But the import surcharge and the "buy American" clause attached to the 7 per cent investment credit now before Congress were quite another matter.

Canada's exports to the United States reached $10.2 billion last year—representing 63 per cent of Canada's total exports and almost 15 per cent of her gross national product. The surcharge would severely affect more than a quarter of Canada's exports to America—$2.5 billion of goods—while the "buy American" clause would jeopardize an additional $300 million of Canadian machinery exports southward.

Canadian officials claim that such drastic curtailment of foreign trade would destroy in a single year more than 100,000 jobs, thus raising Canada's already high unemployment rate—7.1 per cent last month—by two full percentage points at the very least. Given the fast growth of the labor force and the inevitable concentration of unemployment in Quebec, the French-speaking province where separatist sentiment has been growing steadily in recent years, this prospect horrifies the Trudeau government.

In addition, the substantial tax break the United States would grant to the Domestic International Sales Corporations (DISCs) proposed by President Nixon would significantly reduce business investment in Canada. The DISCs—which Canadian officials maintain would violate the General Agreement on Tariffs and Trade—would receive long-term deferral of U.S. income taxes by acting as U.S. firms' domestic funnels for foreign sales, thereby encouraging the firms to substitute exports from American plants for production by overseas subsidiaries. About half of Canadian manufacturing industry and more than 60 per cent of resource industries are owned and controlled by American corporations. Consequently, any substantial disincentive to foreign investment enacted by Congress is bound to bring about economic stagnation in Canada.

For all those reasons, the Canadian cabinet decided on Aug. 16 to press at the earliest opportunity for an immediate and unconditional exemption of Canadian products from the import surcharge. Canadian embassy officials in Washington had strongly advised against the ministerial trek; U.S. Treasury officials had let them know that Secretary Connally had more pressing things to do than listen to Canadian grievances, and that the administration could not afford to take anything but a hard line.

But the Trudeau government could not afford to ignore internal political considerations: Not to go to Washington would have provided opposition parties with choice ammunition a few months away from the next federal elections. It was also felt in Ottawa that, even if an early exemption from the surcharge could not be expected, a top-level meeting would still be useful, if only to probe the Nixon administration's long-term views on U.S.-Canada relations and to remind it of the disastrous impact its new "game plan" would have on the Canadian economy.

After the rebuffs of the Aug. 19 meeting in Washington, the Canadian cabinet quietly began to draw up—almost from scratch—contingency plans to safeguard the country's economic interests. What shocked the Canadians into this fundamental economic review was not so much the U.S. Treasury's emphasis on the admittedly substantial bilateral balance-of-payments surplus from which Canada has benefited in the last two years—the first such surpluses since 1891. (Ottawa and Washington don't even agree on figures; according to Canadian statistics, the surplus was $1.1 billion in 1970, while U.S. statistics put it much higher, at $1.6 billion.) The Canadians were totally unprepared for a major onslaught against Canada's industrial development policies, an onslaught that could easily have been construed as an unwarranted American intrusion in the country's internal affairs.

REPORT OF THE U.S. VIEW

Canada's trade and development policies toward the United States are essentially mercantilist, U.S. Treasury officials are reported to have said. Not only do Canadians want to sell their natural resources, for which the United States has an urgent need, but they try to expand by all possible means—efficient or not—their output and exports of manufactured goods. Whenever the Canadian government agrees to import anything from the United States—be it automobiles, aircraft, military equipment or computers—it always tries to negotiate "Canadian content" and other offsetting clauses. In fact, the Nixon administration often has the impression that Canada would prefer not to import anything from the United States, it was further said. (Canada's imports from America totaled $9.2 billion in 1970, more than the total for Japan and Britain combined.)

In recent years, Treasury officials allegedly went on, Canada's industrial development has become distinctively more interventionist and more aggressive. Rather than let market forces freely determine the location of manufacturing plants within North America, Ottawa attracts U.S. firms to Canada with a wide range of subsidies. Branch plants recently established by Control Data and IBM are obvious examples.

Thus, concluded the American spokesmen, there are several aspects of Canadian economic policies that inevitably lead to dilemmas and contradictions with the United States. Many of Canada's secondary industries are inefficient and excessively dependent on the U.S. market, while their artificial expansion has put a ceiling on U.S. exports of manufactured goods to Canada. How, then, is the United States expected to get the foreign exchange it needs to buy Canadian raw materials? Canadians would clearly be better off if their secondary industries were based on the processing of natural resources. Continental economic integration could then proceed without conflicts of interest arising regularly between Canada and the United States.

Despite the near panic those blunt statements provoked within the Canadian government, politicians maintained a shocked silence in Ottawa for several weeks while officials probed further the Nixon administration's intentions toward the Canadian economy. When a second meeting in Washington between civil servants failed to dispel the ominous signs of a U.S. retreat into protectionism and economic nationalism, the Canadian cabinet feverishly began to draw up its contingency plans, both to counter the immediate threat of the U.S. import surcharge and to reassess Canada's longterm development strategy and trading pattern.

ACTIONS BY CANADA

On Sept. 7, Canada became the first country to take legislative action seeking to neutralize the impact of the import surcharge on its trade with the United States. For the remainder of the current fiscal year, which ends next March 31, $80 million has been allocated for so-called "employment maintenance grants"—a thinly disguised form of export subsidy that will enable firms exporting more than 20 per cent of their output to America to maintain at least in part their competitive position in the U.S. market. If the surcharge outlasts the current fiscal year, a further $200 million is expected to be allocated to the employment maintenance program. Ottawa also announced special government purchases of food exports that have been hurt by the U.S. surcharge. The resulting stocks will be donated to the world food program.

Also following the Washington meeting, Trudeau announced the indefinite postponement of talks with the United States on joint development and exploitation of energy resources on a continental basis. The Nixon administration is eager to negotiate with Canada a North American free trade agreement for energy resources, so Trudeau's curt announcement, justified by lack of ministerial time, given Canada's urgent economic problems, could be interpreted as a subtle reprisal against Secretary Connally's poker tactics.

Opposition parties in the House of Commons have repeatedly called for the imposition of a surcharge on Canadian exports of natural resources. Business lobbies in Canada have begun to press more and more forcefully for the imposition of a retaliatory surcharge on imports of manufactured goods from the United States.

On Oct. 15, Canada again became the first of the United States' trading partners to make substantial budgetary adjustments to neutralize the impact on her economy of the Nixon program. The $1 billion supplementary budget tabled by Finance Minister Benson included a 7 per cent cut in corporate income taxes, a 3 per cent in personal income taxes and new spending programs designed to boost employment this winter.

Since the shortive visit to Ottawa of Secretary of Commerce Maurice Stans on the last weekend of September, there have been no official communications between Ottawa and Washington, short of normal diplomatic contacts. During the IMF meeting at the end of September, however, John Petty, assistant secretary of the Treasury for international affairs, convoked the Canadian press corps in Washington for an unusual on-the-record briefing.

Though Canadian correspondents generally interpreted this move as a thinly disguised attempt at U.S. arm-twisting, Petty actually tried to dispel the ominous impressions gathered by Canadian ministers and civil servants during their August meetings with U.S. Treasury officials. He categorically denied that it was the Nixon administration's policy to reduce Canada to the role of raw material supplier for the United States; indeed, he expressed satisfaction at the recent expansion of Canadian output and exports of manufactured goods. To be sure, Petty reiterated Washington's criticism of several aspects of Canadian economic policies, but he emphasized that these disagreements could easily be resolved through bilateral negotiations.

UNOFFICIAL CHANNELS

Canadian officials were not displeased by Petty's somewhat irregular initiative, but wondered why the Nixon administration chose not to make its views known through official channels. Puzzlement verged on irritation when the Chicago Tribune, on Oct. 11, published an alleged Treasury document entitled "Grievances Against Canada." The document listed 17 U.S. demands (including unilateral tariff changes amendments to Canada's tax reform bill, and revisions of her industrial development policies) as conditions for the exemption of Canadian goods from the import surcharge.

"We believe there is nothing wrong with communication (channels)," Prime Minister Trudeau told the House of Commons in answer to questions by opposition members. The problem, Trudeau said, is that "it is not American policy to put the proper stuff into the channels which would satisfy the Canadian people."

Ottawa's reaction to the Chicago Tribune article exemplifies the Trudeau government's tough, yet subdued stand toward what are literally considered in the country as "beggar-thy-neighbor" policies by the Nixon administration. Canadian officials first expressed skepticism about the authenticity of the document—at least on its status as a policy statement. The external affairs secretary, Mitchell Sharp, duly acknowledged a State Department denial that the list of grievances represented in any way official policy toward Canada. But at the same time, Sharp began to list Canada's own grievances against the United States, thereby implying that, in Ottawa's view, the Chicago Tribune leak had been deliberate and represented the U.S. Treasury's response to a tough speech in Toronto three days before by the national revenue minister, Herbert Grey.

Sharp mentioned the maintenance of the American Selling Price on chemicals, in violation of a commitment made during the Kennedy round of tariff cuts; the U.S. ban on the importing of uranium, of which Canada has the largest world reserves; the manufacturing clause in the U.S. copyright act, which prevents a Canadian author from selling in the United States more that 1,500 copies of a book published in Canada without forfeiting his copyrights; and restrictions on Canadian immigration into the United States. Why Canada should want to encourage the emigration of citizens is beyond comprehension, but no doubt the issue is a useful bargaining point since Canadian laws here are notably more liberal than America's and the country has recently received a substantial influx of U.S. immigrants—draft-dodgers, protesters against the Vietnam war, critics of the American way of life and whatnot.

"We have a long list," Sharp added, tongue-in-cheek, "but I think that these are matters that ought to be negotiated between our countries in the ordinary way and certainly ought not to be associated with the surcharge."

BARRAGE OF STATEMENTS

Quite obviously, then, the Trudeau government has been far from innocent of recourse to "unofficial" or "improper" channels. Indeed, Canadian ministers have mounted since mid-September a barrage of increasingly aggressive statements on the future of U.S.-Canada relations. Sharp fired the first shot in New York on Sept. 21; he was soon followed by Trudeau in Ottawa, Jean-Luc Pepin in Houston, Herbert Grey in Toronto and Edgar Benson all over the place.

"Suggestions from responsible authorities in the United States that Canada should reduce its secondary manufacturing industry and concentrate on the exploitation and processing of natural resources are as insensitive as they are misinformed," said Sharp. "We have the fastest-growing labor force in the world. Extractive and processing industries could not begin to absorb the labor force we have today, let alone provide the new jobs we need now and in the future.

"The enunciation of the Nixon Doctrine," continued the Canadian minister, "and more particularly the economic measures taken by the United States last month, has effectively, perhaps brutally, challenged some of our assumptions and led us to re-examine our position as an industrial and trading nation.

"Needless to say, we in Canada are asking some pretty fundamental questions about the future. We have proceeded in the post-war period on the assumption of freer trade and stable trading relationships between Canada and the United States, relationships which have been profitable to both countries. The announcement of Aug. 15 could not help but shake that assumption and, as a government responsible for the security and prosperity of more than 20 million Canadians, we have to look at the alternatives," Sharp said.

A PROUD NATION

Trudeau was even blunter on Sept. 23, during one of his infrequent television interviews. "When the Americans look at what they're doing they say: "Well, you know, we're doing this to the Japanese and we're doing this to the Europeans." They don't seem to realize what they're doing to Canadians. If they do realize what they're doing and if it becomes apparent that they just want us to be sellers of natural resources to them and buyers of their manufactured products—all these 'ifs'—I repeat we will have to reassess fundamentally our relation with them, trading, political and otherwise.

"They will have to realize that Canadians are also a proud nation," the prime minister warned "and that if they are really trying to rearrange the North American continent so that we are just a supplier and that we won't be able to find jobs for our growing labor force and we won't be able to have an advanced technological society that we can manage ourselves, that is a very, very serious hypothesis. I don't think the Americans realize this or envisage it."

As part of Canada's reassessment of her economic relations with the United States, Sharp earlier this month submitted to the Canadian cabinet an External Affairs staff study outlining the various alternatives. None of the theoretical possibilities—which range from a trade war to a common market arrangement with the United States—has yet been excluded, Trudeau recently noted. But Sharp indicated earlier that, in practice, a common market arrangement was out of the question. This would provide not only for free trade between the two countries, but also for a common North American tariff against the rest of the world. It is felt in Ottawa that, given the relative size and political weight of the two economies, such an arrangement would virtually shift the responsibility for Canadian commercial and development policies from Ottawa to Washington, thereby drastically eroding Canada's sovereignty.

[From the Christian Science Monitor, Nov. 10, 1971]

TARIFF CLOUDS DARKEN UNITED STATES-CANADIAN BORDER

(By Bruce Hutchison)

The Canadian public is shocked by the United States Senate Finance Committee's proposal that President Nixon be given power to increase the American tariff surcharge and impose a 7 percent excise tax on foreign automobiles.

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But the Canadian Government says it is much more alarmed by congressional legislation that would give special tax privileges to American export industries.

Opposing retaliatory moves of any sort against the United States, Finance Minister Edgar J. Benson told Parliament that the Senate committee's tax and tariff plans were preliminary and not decisive. They might or might not be enacted into law, he said. And if they were, it was "very unlikely" that the President would enforce them.

In any case, he added, it was "too early in the game" for Canada to become excited by threats of increased import levies on its massive sales in the American market.

SERIOUS THREAT SEEN

More serious, Mr. Benson warned, was the proposed establishment of domestic international sales corporations with large tax advantages, export subsidies, and a motive for reducing their present business in Canada.

While Mr. Benson answered the parliamentary opposition's attack on his economic policies, Canadian and American officials were meeting privately in Ottawa to consider the deepening controversy between their governments, especially on the free-trade automotive agreement.

What came out of this conference, if anything, was not disclosed, but further meetings are planned in the two capitals.

The Canadian Government has said that it is not actually negotiating commercial problems with the United States, only discussing them in a general way. It seems to be waiting for some clarification of the larger international-currency dispute before it advances any major trade proposals of its own.

MOTION VOTED DOWN

In the meantime it easily voted down a Conservative Party motion condemning it for failure to improve Canada-United States relations or to foster Canadian economic independence.

Heath McQuarrie, chief opposition spokesman, said the "hot line" between Ottawa and Washington had "gone cold" and the government had adopted an anti-American posture which could mean economic disaster to Canada.

Mitchell Sharp, Minister of External Affairs, denied any feeling of hostility toward the United States, though admitting that the government was unhappy about recent American protectionist policies.

He reminded the Conservatives that the low point in neighborly affairs had been reached under their government in 1963 when it accused the United States of interfering in Canada's affairs and was defeated at the polls.

A meandering two-day debate showed neither government nor opposition ready to undertake retaliation against the United States and both eager for improved relations with it.

Only the left-wing New Democratic Party denounced the government for what it called inadequate response to growing American protectionism.

[From the Washington Post, Nov. 11, 1971]

PROTECTIONIST DANGER—TREASURY'S FORAY INTO FOREIGN POLICY

(By Hobart Rowen)

If one needed proof of the dangerous protectionism unleashed by President Nixon's new foreign economic policy on August 15, it may be found in the vote of the Senate Finance Committee to give the President sweeping new powers to impose trade quotas. Beyond that, the committee voted to allow the President to slap a tariff surcharge of 15 per cent on imported products, even more severe than the 10 per cent additional charge put in place on August 15.

The 10 per cent surcharge, to the rest of the free world, has become a unique symbol of the new inward look of America, a determination on the part of President Nixon to assert U.S. will, forgetting the niceties of international co-operation. Ironically, Mr. Nixon imposed the surcharge under the authority of the Trade Expansion Act of 1962, a contradiction in terms that would be erased by the new restrictive legislation being discussed by the Senate Committee.

But as harmful to free trade as is the surcharge—dramatically evidenced by a total of more than 2,000 requests for product exemption filed with the Treasury Department—there are phases of the new foreign economic policy that may be even worse.

Take the matter of the proposed 7 per cent investment credit, titled the "Job Development Credit" in an abortive effort to avoid it being labeled a bonanza for business. The credit, as most businessmen admit, is unlikely to do much more this year than to add to business profits: it is most unlikely to stimulate production and jobs because output is so far below existing capacity. That's the first weakness of the proposal.

There is no real connection between the investment credit and job development—and the administration doesn't seem interested in creating such a link. Yet, at least one way is at hand in Senate bill 2632, proposed by Senator Javits of New York, which would give a specific tax credit for each additional employee hired over the preceding year.

But beyond this deficiency of the administration bill on the domestic side, it carries a "Buy American" feature which is anathema to some of our closest trading partners. That is to say, the 7 per cent credit is allowed for purchases of domestic machines, and is not allowed for foreign purchases.

When the "Buy American" feature of the "Job Development Credit" is combined with the 10 per cent import charge, the supplier of foreign capital goods is at a disadvantage of about 27 per cent. And if the devaluation of the dollar is taken into account, the "swing" in favor of the American capital goods seller is probably 30 per cent or more.

The figure may seem staggering, but it is correct. An example provided by a British study (U.K. capital goods producers would be hard hit) goes as follows:

Compare businessmen A, B, and C, each of whom makes $1,000 gross profit over the period of depreciation of any investment asset he buys.

Businessman A buys no machinery, and pays a tax of $480 (the corporate rate of 48 per cent per $1,000 in the top bracket).

Businessman B buys an American-made machine costing $100. His taxable income is reduced thereby to $900, and his tax is $432 (48 per cent of $900). In addition, the 7 per cent Job Development Credit lops $7 off his tax bill making it $425. Compared to Businessman A, he saves $55 in tax, and the final cost of the machine is $45 ($100 minus the $55).

Businessman C buys a foreign machine which costs $100, and pays a $10 surcharge. His taxable income is reduced to $890, and the tax payable is $427.20 (48 per cent of $890). Compared with Businessman A, he saves $52.80, and the final cost to him of the foreign-made machine is $57.20 ($110 minus $52.80), or $12.20 more than the $45 cost of Businessman B's machine.

Thus, the "Buy American" provision gives Businessman B a 27.11 per cent preferential margin over Businessman C. The shift in exchange rates against foreign suppliers easily raises the margin to 30 per cent or more.

"On this basis," asks an indignant European, "who the hell would want to buy a foreign machine?"

Other countries have resisted this kind of discriminatory practice, using investment incentives primarily to advance the modernization of their industry. The Nixon plan tends to defeat the very notion inherent in "Job Development": the provision of a way of making American factories more competitive by using the best, lowest priced machines available.

But the new American foreign economic policy, under Treasury Secretary John Connally's guidance, bowls along without regard to whether the Buy American investment credit is a breach of the GATT (General Agreement on Tariffs and Trade) as our trading partners insist it is.

We as a nation seem to be oblivious to the views and concerns of our friends, even the great fears building up among the Canadians, our nearest big neighbor and our No. 1 trading partner. The special relationship that we have enjoyed with Canada is on the verge of coming apart.

Over their strong objections (and those of much of the rest of the world), we bulled ahead with the Cannikan atomic test. Now, although the import charge has a tremendous impact on the Canadian economy, the only request for surcharge exemption that is likely to be considered seriously is for lumber—because American building and political interests are worried about a shortage.

The danger in protectionist measures is that one gets used to them. Like drugs, they are addictive. The combined August 15 measures in the foreign economic field, if not soon removed or alleviated, could set off a sickening round of discriminations and retaliations that, as the National Planning Association said in a good report over the weekend, could get out of control.

Mr. Nixon might do well to restore the management of foreign policy to the State Department: Treasury Secretary Connally would seem to have enough of a job planning to get the domestic economy moving out of a rut.

CANADA'S NEW "ANTI-AMERICANISM"

(By Mitchell C. Lynch)

OTTAWA.—Is Canada going anti-American? Prime Minister Pierre Trudeau says certainly not. The government, through the cabinet, says relations between the two countries are as warm and friendly as ever. And no polls have shown that the Canadian people themselves are getting hot under the collar about their neighbors to the south. ("Some of my best friends—and relatives—are American," deadpans Charles King in a recent column in The Ottawa Citizen.)

So, with all that evidence in hand, the hottest topic from Vancouver to Halifax today is why Canada is turning anti-American.

The Canadian House of Commons recently held an extraordinary two-day debate. The topic: "the continuing deterioration" of relations between Canada and the U.S. Navy a newspaper columnist in Canada is probing much else than the widening gap between Ottawa and Washington.

The letters-to-the-editor column in most newspapers is devoted almost exclusively to anxious Canadians saying they like Americans. And an American correspondent in Canada can't have a quiet drink at his favorite bar without receiving many unsolicited assurances from his fellow patrons that *they* aren't to be counted among the other Canadians who don't like Americans.

The whole controversy—or noncontroversy—looms as a major election issue next year. What's hard to determine now is which side will use it—Mr. Trudeau's Liberal Party or the opposition Conservative, or Tory, Party. The Tories say the Liberals will blame the U.S. for Canada's economic plight while the Liberals say the Conservatives will howl that Canada wouldn't be in such economic hot water if the government had maintained closer ties with Washington.

(This certainly wouldn't be the first time the U.S. was an election issue in Canada. In 1911, for instance, the incumbent Liberals ran on the idea of establishing a common market with the U.S., while the Tory slogan was, "No truck nor trade with the Yanks." The Tories won handily.)

The latest swirl on relations with the U.S. was caused by a strangely coincidental series of events. On one side were President Nixon's new economic policy and the nuclear blast at Amchitka, while on the other were the recent visits of Soviet Premier Kosygin and Yugoslav President Tito, plus Canada's strong support for admitting China to the United Nations. All of this came amid Ottawa talk that Canada must lessen its dependence on the U.S. and begin to look elsewhere for trading partners—a "re-examination of our ties," Mr. Trudeau calls it.

A DEVASTATING EFFECT

The new economic policy is expected to have a devastating effect on Canada, which is America's biggest trading partner. The 10% import surcharge, for instance, affects about 25%, or close to $3 billion, of Canada's annual shipments to the U.S. In addition, the investment-tax credit, which would apply to U.S.-made equipment and machinery only, could bite into $1 billion more of Canadian southern-bound exports.

Partially as a result of these U.S. moves, Canada's seasonally adjusted unemployment rate in mid-September—one month after Mr. Nixon announced his new policy—shot up to 7.1% of the labor force. Ottawa immediately announced a 7% cut in corporate taxes and a 3% reduction in personal income taxes. It also instituted a $498 million winter works program for such job-creating projects as road-building, housing construction and erecting federal exhibition buildings throughout Canada. The jobless rate dropped to 6.7% in October, but that decline didn't cause any jubilation in Ottawa. "That still represents an awful lot of people out of work by anybody's standards," concedes a government aide.

A Canadian delegation, led by Finance Minister Edgar J. Benson, went to Washington shortly after the Nixon program was announced to see if Canada could get an exemption from the surcharge. After all, the delegation said, Canada had done nothing to cause America's woes; the Canadian dollar had been floated more than a year earlier, and Canada had set up no discriminatory import barriers against American goods.

What the delegation received, it's known now, wasn't a flat no, but a reminder that Canada had posted a $1.09 billion balance-of-trade surplus with the U.S. last year. In addition, the Canadians were reminded, Ottawa in 1965 signed an automobile trade agreement with Washington that contained a few temporary "safeguards" to enable the Canadian industry to get on its feet. The safeguards are a complicated set of insertions in the agreement that include ways of maintaining a certain degree of "Canadian content" in autos sold in Canada.

Washington argues that it's time these safeguards were removed. After all, it adds, the agreement was aimed at allowing autos and auto parts duty-free access across the border from both sides.

"The Yanks have lowered the boom on us," says one disgruntled Ottawa aide. "They're belting us at a time when we're weak as hell."

MR. TRUDEAU'S ASSERTION

This hard-nosed attitude, to many Canadians, gives credence to Mr. Trudeau's assertion that Americans "neither know very much nor care very much really about Canada." When asked if he still felt this way a few weeks ago the prime minister said, "I suppose that they wouldn't have changed overnight and suddenly begun massively caring about Canada."

Mr. Trudeau is expected to give Mr. Nixon a refresher course in Canadian affairs when the two meet here in Ottawa sometime next spring.

This lack of concern, Canadians say, was reflected again when the U.S. detonated the nuclear blast at Amchitka in the Aleutian Islands. The Canadian parliament had adopted a resolution condemning the planned test, protesters had taken to the streets in Canada and petitions bearing hundreds of thousands of names had been sent to Washington.

In the meantime, though, a curious thing happened. Soviet Premier Kosygin came to Ottawa and during a luncheon toast hinted that Canada was being victimized by "economic miscalculations" of the U.S. Without mentioning the U.S. by name, Mr. Kosygin said the Canadian economic unrest "is all the more unacceptable when these miscalculations aren't due to chance circumstances, but in fact rendered inevitable by the pursuit of policies creating focuses of tension and conflict in various parts of the world."

Many Canadians obviously resented this outside intrusion in what they felt to be a U.S.-Canadian squabble. Robert L. Stanfield, head of the Conservative Party, reportedly received a standing ovation when he said, "It is inappropriate, it is stupid . . . to encourage Soviet leaders to use a Canadian platform to attack the United States."

PRESIDENT TITO'S VISIT

The slight unease caused by Mr. Kosygin's visit was heightened a week later with the arrival of Yugoslav President Tito in Ottawa for talks. At the same time, Canada voted for the admission of Peking to the U.N.

"It is evident," columnist George Bain said in The Toronto Globe and Mail, "evident even to the government, that an uncertain number of Canadians share this vague fear that somehow, as a country, we have been very recently dangerously anti-American—dangerous because we are bound to pay for our sins."

Heath MacQuarrie, who would be external affairs minister if the Conservatives were to win power in the next election, said, "It would be naive, regrettably naive, perhaps dangerously naive to suggest that all is well" between Canada and the U.S.

Nonsense, says Mitchell Sharp, external affairs minister. "It is childish and, I suggest, very immature to suggest the tentative and the positive Canadian moves toward better and more rewarding relations with China, the Soviet Union and other Communist nations are an act of defiance toward the United States."

He said Mr. Kosygin was merely repaying a visit that Prime Minister Trudeau made earlier this year to the Soviet Union; President Tito was merely dropping by on his way back from Washington; supporting China in the UN was a logical extension of Canada's recognition of Peking in October 1970.

The U.S. isn't alarmed about President Nixon's forthcoming trips to Peking and Moscow, Ottawa says. And anyway, adds Mr. Trudeau, Canada considers the Soviet Union its neighbor to the north, across the Arctic. "Canada and Canadians want very much to look to the north, as they long have looked to the south, and see friends in each direction."

So why all the fuss? "Conflict is a function of contact," Mr. Sharp says. "Canada has very little in the way of conflict with Mongolia," he adds. "Our relations with that country might be regarded as the model for all nations—if we were to overlook the fact that our contact with the people of Mongolia is almost non-existent.

"No two nations in the world have so many contacts at so many levels, official and non-official, as Canada and the United States."

J. Leonard Walker, president of the Bank of Montreal, goes deeper than that. He says Canada has a "love-hate relationship" with the U.S. While Canadians enjoy the overflow of wealth and technology from America, he says, at the same time they resent the intrusion on their culture of the American way of life and the dependence they have on the U.S. in general.

[From the Washington Evening News, Nov. 13, 1971]

NATIONALISM IN THE NORTH

It should be disquieting to American policy-makers that, under the pressure of President Nixon's aggressive international economic policy, Canadian officialdom has adopted a more nationalistic tone in discussing the problems of sharing the continent with us. This is not surprising, given the buy-American content of the August 15 pronouncement from Washington and the pains that were taken to blame the United States' problems on dirty tricks abroad.

The Canadians soon learned that neighborliness, heavy dependence on our trade and inoffensive behavior in the monetary field would get them no favors in the application of American protectionism. Fair enough, maybe, except for the impression gained at the same time that our officials would prefer that Canadians forget about building up their own sophisticated industries and concentrate instead on supplying raw materials and fuel for ours.

Nothing could contribute more to the fears of some Canadian nationalists that the smaller nation's sovereignty is threatened by American economic dominance. Americans control more than half of Canadian industry, so the business decisions on which many Canadian job-holders depend are made by foreigners operating primarily under U.S. law and government policies. This is a natural breeding ground for resentment, as is the pervasiveness of American cultural influences north of the border.

Prime Minister Trudeau by all standards is a moderate on the subject, balancing the preservation of Canada's national identity against the need for outside capital to develop industries and provide jobs for a growing labor force. He is a believer in the interdependence of nations and an opponent of the Quebec nationalism that would split his nation.

Trudeau's statements about American policy now have a new edge, reminding us about Canadian pride. He questions whether Washington should want to wipe out Canada's trade surplus while Americans are drawing substantial income from Canadian investments. He suggests that we may be fulfilling Marxist prophecies about imperialism as the "last stage of capitalism."

The Canadians are no slouches as businessmen and negotiators, and their suspicions may be exaggerated. But Washington and Ottawa must concentrate soon on restoring the spirit of cooperation that can make the best joint use of North American resources and of the inextricably tied markets of the two countries.

TRIBUTE TO FORMER SENATOR HOLLAND

Mr. COTTON. Mr. President, I shall always remember Spessard Holland as he was when I first came to the Senate and later joined him on the Appropriations Committee. He was then the beau ideal of a Senator—in appearance and in all the qualities of mind and soul which equip men for service here. With a toga upon his shoulders and a fillet around his snow-white locks, he could have stepped back through the ages and walked the Praetorian pavements on terms of complete equality with any senator of ancient Rome. It was but

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natural that the tremendous tasks which he was then laying down should have left their mark upon him, and that his slackening powers should have found thereafter only those occasional bursts of fiery zeal with which he sometimes roused himself to action which stirred the Senate. He was passing into the evening of his life—an evening destined to be long and golden, warmed with the color of an autumn day. He was surrounded by the solicitude of an adoring family—and we shared that solicitude with them. He has now fallen to sleep and has been laid to rest. Our grief is tempered by the reflection that we have been privileged to know him and to love him.

AN ECONOMIC STRATEGY

Mr. TALMADGE. Mr. President, on November 5, 1971, Mr. Archie K. Davis, president of the U.S. Chamber of Commerce, spoke to the World Trade Council dinner of the Atlanta Chamber of Commerce. Mr. Davis spoke on the topic of "An Economic Strategy for the 1970's." His remarks are very timely, and I commend them to each Member of the Senate and ask unanimous consent that they be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

AN ECONOMIC STRATEGY FOR THE 1970'S

(By Archie K. Davis)

I wish to speak briefly but pointedly about the dilemma that faces our Nation today. We have come a long way since World War II. We have paid a heavy price in the rehabilitation of war-ravaged lands. We have been generous to a fault in bearing the major burden of military protection for ourselves and our allies while, at the same time, playing a magnificent role in the economic rehabilitation of emerging nations.

This combination of generosity and altruism has not been without great gain to ourselves.

The growth of world trade since the defeat of the fascist powers has been phenomenal. World exports have risen from $54 billion in 1948 to $310 billion in 1970. Although international trade is a smaller portion of our output than in most industrial nations, the United States is the world's largest trading nation. From 1950 to 1970, our total trade, including imports and exports, has risen from $18 billion to $83 billion.

The Southeastern states have led in this trend; their trade volume has grown 500 per cent from 1950 to 1970 compared to 400 percent for the nation, and now amounts to $11.6 billion annually.

The states from Norfolk to the New Orleans Customs districts produced and exported over 7.5 billion dollars worth of goods in 1970 and imported over four billion. Nearly 300 million tons of shipping a year now pass through the major ports of this region, an increase of over 300 per cent from the 95 million tons of twenty years ago. In 1965, an estimated 335,000 jobs in the eight Southeastern states depended on exports, and now the total is undoubtedly in excess of 500,000.

The post-World War II era of Bretton Woods has provided an astonishing outburst of creative human energy in many fields associated with foreign commerce. During this period, the United States not only poured out more than $125 billion in foreign aid and economic rehabilitation, but became the world's largest exporter of capital, with $105 billion now invested abroad. During this period, the foreign sales, estimated for U.S. based multinational corporations, rose to more than $200 billion annually, with American management, marketing, financing and production techniques widely distributed throughout the world. During this same period, the European Economic Community has grown steadfastly and with infinite poise—promising to accomplish, in one generation of peaceful negotiation, what centuries of war had failed to achieve. Japan and the Republic of Germany have risen from the ashes of defeat to attain positions in world output second only to the United States and the Soviet Union.

In all of this, our great nation has played a role of sacrificial assistance and enlightened self-interest unique in world history. We have actively sought the reduction of barriers to international trade and travel. Tariffs have been reduced by three fourths; the majority of the free world's quantitative trade restrictions have been removed, and both people and capital now move across national boundaries in greater volume and with greater ease. We have not been alone in this leadership, nor have the gains of Europe and Japan, in terms of income and wealth, been achieved at the expense of the United States. Far from it. The postwar period since 1946 has seen a cooperative growth of wealth, in most industrial countries of the free world, that defies comprehension. And we must never forget that it is this multinational economic expansion of output, trade and investment—the breaking down of barriers between peoples—that offers the greatest hope for peaceful coexistence and world order.

But the post-war era of American scientific and technological supremacy in the world economy has come to an end. We now face a new era of more intensive international competition at a time when we can no longer carry the major burdens of world order and world reconstruction. Nor can we further indulge the misconceptions that have encouraged fiscal irresponsibility at home and weakened the dollar abroad. Deep-rooted and persistent inflation characterizes our economy, and we have now been forced to the realization that we can no longer safely ignore rules of reason, prudence and self-discipline. That was the significance of President Nixon's dramatic move on August 15.

His bold, decisive initiative offers our nation, and the world, historic risks as well as historic opportunities. The risks are that the greatest bastion of free, competitive enterprise, in a reflex action of self-defense, may now turn inward, in both economic and political philosophy. The opportunities are, through renewed constructive and cooperative action, to achieve another step forward in the slow, and sometimes painful, evolutionary process toward a more open world and greater human welfare.

President Nixon had no choice but to arrest the forces that were slowly but surely sapping our economic vitality. The symptoms of our creeping incapacity, both at home and abroad, have been long apparent. They included the 20-year chronic U.S. balance of payment deficits, the resulting decline in our gold reserves from a postwar high of $25 billion to less than $10 billion, the drop in our share of world exports from 25% in 1948 to 14% in 1970, and, for the year 1971, the first trade deficit since 1893. Add to these unnerving statistics the fact that the purchasing power of the dollar has declined by 27% since 1965, then, even those who know the dangers of wage-price controls, can only applaud the President for his recognition of the emergency facing our nation, the inter-relationship of the many factors involved, and the necessity of suspending, temporarily, the disciplines of a free market both domestically and internationally.

The international objectives of our new economic policy must provide for a revaluation of exchange rates among our major trading partners to reflect a more realistic relationship between currencies. This new policy would also call for greater flexibility of rates in the International Monetary Fund rules to permit easier and more frequent adjustments without precipitating speculative money flows or periodic international crises. A third requirement would be to improve the mechanism of international reserves in order to gain a more rational scheme of management than is now possible from reliance principally on gold and dollars in international settlements. A fourth would be to bargain downwards the trade restrictions of our major trading partners, against U.S. goods and capital entering their markets, in exchange for selective removal of our import surcharge.

Prompt success in these negotiations is vital to creating a new period of expanding trade and investment. Delay in reaching agreement increases the risk of starting a wave of retaliation which could spread, at worst, into a deepening world-wide depression. The stakes are high.

But even granting the success of current negotiations, the inflation here at home casts into vivid profile some deep-seated economic problems which haunt the birth of a new creative age of world cooperation, and threaten to drag us back into destructive isolationism.

THE THREAT OF CHRONIC INFLATION

The reason is that inflationary tendencies in our economy have become chronic because of the rise of the welfare state, the inordinate economic and political power of organized labor, and the increasing shift of employment into the service industries.

The welfare state pushes the Federal government, under any administration, towards chronic budget deficits. We have had 16 years of such deficits in the 21 fiscal years since 1950. Such regularly recurring deficits contribute to expectations of inflation even though deficits incurred in recessions may not, in a technical sense, contribute to excess monetary demand. The record is clear—the United States simply has not kept its own fiscal house in order.

Working people are victims of inflation caused by Federal deficits at high employment, which force the monetary authorities to create too much money too fast. But in an inflationary environment of prolonged momentum, such as the guns-and-butter inflation since 1965, the excessive market power of labor unions, even though only one out of five workers is a union member, makes for chronic inflation by building cost-push forces into the structure of wages and salaries throughout the economy. The result is familiar to us all—taking the form of wage settlements far in excess of productivity gains.

But if wage increases amount to 30 per cent or more, compounded over three years, while the trend of productivity is 9 per cent compounded over three years, then, in an economy pledged to full employment, employers have little choice but to yield and pass on higher costs to the consumer. It is at this very point we see the connection between domestic inflation and our deteriorating world position in trade and investment.

The result of the wage-price spiral has been loss of competitive advantage for American products both at home and abroad in the world's market place. There is no way U.S. products, built with labor costs of $4.25 per hour, can compete, for instance, with Japanese products built at labor costs of $1.00 per hour, if the U.S. has no advantage in technology, resource cost, or management methods.

But inflationary pressures are pushing up our costs at just the time when Europe and Japan offer a new competitive challenge to our mass production industries and jobs. The rapid move of EEC countries towards economic unity gives their industries, for the first time in this modern industrial era, economies of scale in production comparable to those we have long enjoyed.

Japan has so harnessed science and technology as to more than double our growth rate since World War II. Japan generates such growth through vigorous saving and investment—which systematically embraces new technology, previously a significant U. S. advantage. The Japanese people save and invest more than 20 per cent of their personal income compared to our savings rate of 5-to-6 per cent. Meanwhile, the postwar growth surge in Europe and Japan has resulted in our falling behind several of our trading partners in the average age of physical plant. For example, two-thirds of Japanese steel capacity is less than nine years old, in contrast to our steel industry where two-thirds of capacity is over ten years old. Furthermore, after passage of the 1969 tax act and repeal of the investment tax credit, the U. S. capital cost recovery system now compares unfavorably with those of all major industrial nations that depend on private capital for investment.

Meanwhile, the shift of employment here from goods-producing to service industries may see two-thirds of our labor force employed in service industries by 1980. In order to maintain the real growth in our output, which is the basic source of our capacity to reduce poverty, we need to concentrate on improving productivity in the service industries as well as in manufacturing and agriculture.

The hard truth is that we are losing in the race for industrial efficiency. The U. S. has long been fabled for know-how, which has been the foundation of our economic dominance, but in the past five years the annual increase in productivity per man-hour has lagged alarmingly behind that of all our major rivals.

In short, then, even if the current negotiations for new monetary and trading rules are successful, the United States will still face more intensive competition from a unified Europe and a technologically sophisticated Japan. And, unless we change our strategy, there will be no hope of success if a growing welfare state, excessive union power, and a shift to services continue to push costs upward at a faster rate than productivity gains.

STRATEGY FOR THE SEVENTIES

What, indeed, should be our strategy? Should we follow the lead of labor leaders and their Congressional supporters? This would mean a further growth of the welfare state combined with out-and-out protectionism. It would mean economic policy decisions favoring public rather than private investment. And it would mean excessively rising wages, including an untenable minimum wage policy, combined with larger Federal deficits without regard to productivity. There is no surer way to destroy America's competitive capability.

It is ironic that we should describe as "liberal" the policies now embraced by labor leaders They would protect U.S. produced goods by systematic quotas on imports. They would protect some U.S. jobs by prohibiting the export of capital which is now, incidentally, bringing home $7.9 billion annually in earnings. They would expand the welfare state by guaranteeing a minimum money income for all families, whether working or not, at levels even now being pushed up from $2400 for a four-person family, proposed by President Nixon, to $3400, or $4800, or even, at the extreme, to $6500. Taxes would sky-rocket, output would slow down, the welfare rolls would expand by literally millions of families. These same "liberals" even now are proposing a scheme to provide Federally-financed national health insurance at an estimated first-year cost of $60 billion.

Union leaders favor these public investment policies at the expense of private investment. They claim that President Nixon's proposed Job Development investment tax credit is a profit "windfall" to business. The facts are that corporate profits, after taxes, are a declining share of GNP, a declining share relative to employee compensation, and a declining share of the corporate sales dollar. After-tax profits of U.S. corporations, since 1950, have dropped from 6.6 to 4.4 percent of GNP, from 3.9 to 2.4 percent of the sales dollar, and from 12.0 to 7.2 percent of employee compensation. And, as already noted, our capital cost recovery system compares unfavorably with that of our trading partners.

The excessive power of union leaders, and their sometimes arrogant exercise of this power, is reflected in their behavior towards the Phase II wage and price control program. Their demands for retroactive pay increases, and for deferred increases exceeding any reasonable wage guidelines, would if granted, destroy the effectiveness of Phase II. Out of 82 million working people in the country only about 20 percent belong to unions. What equity is there in granting retroactivity to an infinitesimal part of this percentage but denying it to the rest? What effectiveness is there to a freeze if retroactivity is granted? Yet, the union leaders are threatening non-cooperation with the Pay Board if their demands are not met.

At this time of national crisis, with the future well-being of every citizen so deeply involved, it is unthinkable that they would be so callous and arrogantly selfish as to walk away from their responsibility to the nation. It would be further proof of the absolute need for labor law reform. Why should such a powerful segment of our society, which, under law, can bring this nation to its knees, be accorded privileges and immunities not available to others under our democratic system of government? Unquestionably, the policies of the union leaders are leading us directly toward isolation and depression when the ravages of inflation inevitably take their toll.

The key to competitive capability in world trade is *productivity*. The challenge of the new era lies in the will to shape our industrial strategy in the light of today's circumstances, predicated upon faith in the traditional values of an open world. Surely the recent record of the free world's growing wealth justifies faith in freedom. Surely the harshness of fettered life in the regimented communist world justifies skepticism of government controls such as our union leaders advocate.

An economic strategy for the seventies requires above all that we conquer our chronic inflation by getting and keeping the government's fiscal house in order. This means not higher taxes but less public and more private spending to meet both economic and social needs. It requires that we face the fact of today's excessive union power in objective labor law reform. It requires recognition of the need for government measures to stimulate research and capital investment in order to restore and maintain the comparative advantage of our sophisticated technology. It requires a new examination of the need for society to bear some of the costs of adjustment which growth and change impose on particular people, industries, and regions as we adjust our economy to meet tomorrow's demands.

Such a strategy should and can be combined with international economic and monetary arrangements based upon increased cooperation among free world trading nations through the liberalization and expansion of trade and investment. The truth remains as valid today as ever that trade among regions of the world, along lines of comparative advantage, creates mutual gains in income and wealth. What is needed is a new code of monetary and commercial rules of the game, mutually negotiated, which provides for the financing and administration of fairer, as well as freer, economic intercourse among nations. This is the only true road to peaceful development.

But more than anything else, we in America must wake up—wake up to the realization that we are not necessarily invincible. Burdened down with frustration, war-weary, disillusioned and fed up with taxes, acutely sensitive to the thanklessness of our friends and allies whom we have supported over the years, and somewhat embarrassed by many aspects of our own mismanagement, we stand in imminent danger of committing the cardinal error of *withdrawal*, and saying to hell with it.

That is human nature, but we had better think twice. We must cut the cloth of our strategy to fit the pattern of a clearly defined national purpose. And that purpose must embrace the long-range goals and aspirations of a nation that stands for peace, but must always be strong enough to keep the peace. In that sense we can yield leadership to no other.

But national purpose without national will is meaningless. And it is here that our great American heritage must strengthen our faith. As we struggle to maintain our place in this new, one-world that is emerging at the dawn of the twenty-first century, let us not forget the sacrifices, the discipline and the collective will of our forefathers who pioneered the then new world of over two centuries ago. Our obligation to them is enormous, and an abiding recognition of this responsibility could just perhaps be the beginning of a bright, new day in the history of the United States.

BEYOND OKINAWA

Mr. CHURCH. Mr. President, no country in Asia is more important to the United States than Japan, nor does any country in Asia have greater potential to contribute to the peace and stability of Asia. I believe that the ratification of the Okinawa Reversion Treaty removes the last vestige of American occupation of Japanese territory as a result of World War II. The treaty represents the depth of friendship and good faith between Japan and America, and formalizes a relationship of equality between the two countries.

However, Japanese-American differences still exist. As the New York Times stated in an editorial on November 15, recent administration measures "are exacerbating a growing new rivalry between the two nations in the economic sphere."

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 15, 1971]

BEYOND OKINAWA

There is irony in the Senate's vote last week ratifying the treaty restoring Japanese sovereignty to Okinawa after 25 years of American rule. For while the United States thus moved to wipe away the last major irritating vestige of the Japanese-American military conflict during World War II, the large majority in favor of ratification was due in part to Administration measures that are exacerbating a growing new rivalry between the two nations in the economic sphere.

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These include the new agreement forced on Japan to limit textile exports to the United States and President Nixon's 10 per cent import surcharge. At the very time the Senate was voting to eliminate the Okinawa nettle, Secretary of the Treasury John B. Connally Jr. was in Tokyo pressing the resentful Japanese for new economic concessions.

The Okinawa pact, which still requires ratification by the Japanese Diet, does not put an end to Japanese-American differences, but it is a necessary step toward putting relations on a firmer footing to deal with the problems of a new Pacific era. This pragmatic accommodation to mutual interests offers a promising guide to the future cooperation which is essential for the security and prosperity of both nations.

NOMINATION OF WILLIAM H. REHNQUIST TO THE SUPREME COURT

Mr. HRUSKA. Mr. President, as a former member of the Subcommittee on Separation of Powers of the Senate Judiciary Committee, and as the ranking member of the full committee, this Senator is well aware of the doctrine and the set of problems usually labeled "separation of powers." One of the greatest features of our Constitution and the Government which it created is the balance between the various branches and the check that each has on the other two. Everyone in the executive, judicial, and legislative branches of the Federal Government should be aware of and dedicated to the preservation of this separation. This I very strongly believe.

It is for this reason that I was most concerned when I heard it asserted that William Rehnquist was in favor of an extension of the authority and power of the executive branch at the expense of its two coequal sisters. No nominee should be confirmed for the Supreme Court if he holds such views.

Now having examined the nominee's statements and testimony before congressional committees on this subject, and having listened to Mr. Rehnquist's statements at his confirmation hearing before our committee, it appears that this is simply another instance in which rhetoric has far outdistanced facts. I believe that I can state positively that the allegations that the nominee is insensitive to the doctrine of "separation of powers," that he favors "unchecked executive power" are totally false. Let me discuss this question in greater detail.

During the recent hearings, Joseph Rauh, speaking for the Leadership Conference on Civil Rights, concluded that Mr. Rehnquist is "a lawyer who believes in unchecked executive power." And in the Washington Post, Prof. Arthur S. Miller of George Washington University's National Law Center stated:

> A fair judgment, then, would be that as assistant attorney general, Rehnquist has been an "activist," one who assiduously sought ways to aggrandize presidential (and governmental) power.

These allegations are completely untrue and unfounded.

Before proceeding to specific items I want to reiterate a point that has been made before but conveniently overlooked by the opponents of Mr. Rehnquist. All of the instances cited as proof that the nominee favors unchecked Executive power stem from his statements as an advocate. As the President said in his television address, Mr. Rehnquist is the President's lawyer's lawyer. In this position we clearly should recognize that he has the lawyer's traditional duty of advocating his client's causes, in his case the policies of the President and of the Department of Justice. This role requires Mr. Rehnquist, as a lawyer, to use every rationally defensible argument on behalf of his clients.

Thus, even if Mr. Rehnquist personally is not persuaded by a particular argument or even if he were a judge, he would not be persuaded by that argument, as an advocate under our system he is required to argue it. The only restriction on this rule is that an argument be presented in good faith, that is, it must be a position that a reasonable person could take.

If the nominee had taken similar positions as a sitting judge or had offered them voluntarily as a private person, the conclusion drawn from them might have more weight, but as an advocate's position they should be treated as legal arguments rather than private beliefs. Even as an advocate, however, I conclude that Mr. Rehnquist's beliefs, as gleaned from public statements, clearly established him more as a legislative populist than a defender of untrammeled Executive power.

One of the primary criticisms of the executive branch is that it sometimes asserts the authority to undertake a particular action under the legal doctrine of inherent executive power. Thus, whenever a specific power is not found in the Constitution, an administration, whether Democratic or Republican, is tempted to take the easy way by stating to its critics that its power is inherent. There have been many attempts, Mr. President, to link Mr. Rehnquist with this doctrine. It is this Senator's belief that in fact Mr. Rehnquist rejects this theory.

In hearings on the Executive's impoundment of appropriated funds before Senator ERVIN's Subcommittee on the Separation of Powers, one administration witness alluded to the Executive's power to impound funds as inherent regardless of congressional intent that moneys be spent on specific projects. Mr. Rehnquist, on the other hand, did not adopt this argument although in the case under consideration he reached the same conclusion. He found the discretionary Executive authority derived solely from the statutes enacted by Congress and commented that, at least in the domestic area, Congress could pass a statute directing the President to spend appropriated funds. The constitutional provision that the President "take care that the laws be faithfully executed" would then require that the funds be spent. No inherent power would permit a contrary result. This position, I submit, clearly does not admit interpreting the nominee's philosophy to be one favoring unchecked Executive power.

During these same hearings Senator GURNEY proposed a hypothetical situation in which U.S. intelligence learns of an imminent threat by another nation to launch a missile directed at the U.S. Capitol. He asked whether in the absence of congressional action the President would have the power to act. In the remarkable exchange that followed, Professor Miller who sat on the panel and who, as you will recall, has charged Mr. Rehnquist with advocating unchecked governmental power stated:

> May I say that is an instance in which I think the President, at least in my judgment, not only has the power but the obligation to act in certain instances. *But I am a little reluctant to put it on the basis of law.* I am willing to go along with Justice Jackson in his opinion in the *Korematsu* case and say there are certain instances where we do not want to put the color of law on some of these things. If the survival of the Nation is at stake, even the survival of some soldiers, yes. But put this under the color of law, then we are running down dangerous paths. I would prefer, as Justice Jackson said, in the *Korematsu* case, to go ahead and do it, but do not come up to the Supreme Court and get a stamp of approval for it. (Hearings before the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary on Executive Impoundment of Appropriated Funds, 92d Cong., 1st Sess. 252 (1971).

It seems to me that Mr. Miller, the critics of Mr. Rehnquist, has himself in this instance made a good statement of the doctrine of inherent Executive power. Mr. Rehnquist was quick to object to the view of the Executive's ability to act without a legal basis and stated his objection to Professor Miller's statement as follows:

> "If you add that qualification, certainly there are many questions that do not readily lend themselves to judicial decision. *I would personally dislike the inference that the President is not under law in some situations.* I agree with the Chairman that if you look at the Constitution and read cases like *In re Neagle* and *Curtis-Wright*, the President has the powers *under the law* that are necessary to respond to these emergencies. But I would shy away from the doctrine that he is a law unto himself under certain circumstances." *Id.* (emphasis added).

Mr. President, I submit that this testimony clearly indicates that the philosophical learnings of Mr. Rehnquist are definitely away from any advocacy of unchecked Executive power.

More emotional than the impoundment issue, is the nominee's advocacy of warrantless wiretaps in cases involving the national security. I would remind the Senate that five previous Presidents, beginning with Franklin Roosevelt, asserted such power. In addition, under the Omnibus Crime and Safe Streets Act of 1968, the Congress authorized Government wiretaps. It expressly stated that the President's power in national security cases was not to be limited in any way by the act. Since the Nixon administration inherited both the congressional legislation and the historical precedents from past Congresses and Presidents, it can hardly be argued that Mr. Rehnquist has advocated some newly devised scheme to increase Executive power.

What is notable is the nominee's legal approach in defending this policy when challenged by court action. As the testimony in the confirmation hearings make clear, the Government originally intended to argue its case on the basis of an inherent executive power to wiretap. This theory implies, of course, an executive free to act without constitutional constraints. At the instigation of Mr. Rehnquist, however, others were persuaded that wiretapping creates a constitutional problem under the fourth amendment that must be tackled head on. This change of strategy to a clear recognition of fourth amendment issues and away from the attempt to justify the policy on inherent powers indicates, as do the impoundment hearings, the nominee's dedication to the rule of law.

I said earlier that in my estimation, Mr. Rehnquist's philosophy might better be characterized as those of a legislative populist. He clearly believes that the Congress decides policy and when that policy is determined, the Executive has the duty to carry it out. In discussing the wiretapping authority granted by the Congress under the 1968 Act the nominee has stated:

> "It is not to the Department, but to the courts, that any final decision as to the constitutionality of legislation passed by Congress is confided. . . . If . . . the Department of Justice, as it did in this case, proceeds on the assumption that it will enforce any law enacted by Congress unless its unconstitutionality is clear beyond a doubt, the question is then placed in a position where it may ultimately be decided by the courts . . . I believe this is a far more faithful adherence to our tripartite system of government than for an agency of the Executive Branch, such as the Department of Justice, to take it upon itself to decide that a law enacted by Congress and signed by the President is unconstitutional, and that therefor it will not be enforced. (Speech of December 2, 1970, at the University of Hawaii.)

Those who criticize the nominee for advocating unchecked Executive power would do well to ponder this philosophy. It seems to me that a person who refused to carry out duly enacted measures of Congress would be more susceptible to charges of executive arrogance than persons of Mr. Rehnquist's persuasions who feel the executive branch is duty bound to follow the policies of Congress.

Another example of his philosophy along these lines deals with another provision of the 1968 act. That provision can be interpreted as providing that the Government in a criminal prosecution, seek to obtain the admission of confessions into evidence which, under our view of the case would be excluded by the rule adopted by the Supreme Court in Miranda against Arizona. Although some wrongly have suggested that the nominee is on record as stating that this case should be overruled, what he actually said is that the Government should follow the dictates of Congress. He said:

> It is not at all unreasonable to suggest that the government, if it felt the occasion warranted such action and especially if it were acting under a mandate from Congress, would be entirely within the role allocated to it under the adversary system if it were to ask the Supreme Court of the United States to overrule the decision in *Miranda* v. *Arizona*. (Speech on April 20, 1970 at the University of Arizona.)

This is one more instance, it seems to me, where the nominee is unfairly criticized for arrogating some power to the Executive when in fact, he is merely advocating that the Executive follow the dictates of Congress.

Just as it cannot fairly be stated that the nominee favors unchecked Executive power at the expense of the legislative branch, neither can it be said that he has been unmindful of the constitutional role of the courts. He has not criticized the Supreme Court and its decisions, although, as I stated earlier, as an advocate he believes that the Executive should follow the congressional policies where Congress has specifically authorized that a reconsideration of certain decisions be sought.

Some have suggested, particularly in relation to the May Day arrests, that the executive branch had arrogated to itself the determination of what constitutional rights persons are entitled to. An attempt to categorize Mr. Rehnquist's views as adopting this position is misplaced. He has stated, albeit in another context, that:

> [T]he Supreme Court is traditionally under our system the body to which is confided the power to decide the meaning of constitutional terms. And I do not think either Congress, or the Executive, at least for many years, have said that, you know they rather than the Supreme Court should hold that power.
>
> Certainly the Supreme Court gives weight to acts of the Executive and of the Congress in making its determination, but traditionally I think its determination rather than that of either other branch has been final. (Hearings Before the Subcom. on Separation of Powers of the Senate Comm. on the Judiciary on the President's Pocket Veto Powers, 92d Cong., 1st Sess. 23 (1971)).

I submit, Mr. President, that William Rehnquist is an ideal nominee for the Supreme Court insofar as the interests of the Senate and of the entire legislative branch are concerned.

We have heard a good deal of late about judicial conservatives and judicial activists. I suggest that regardless of the merits of that controversy, on the basis of past statements, the nominee can only be categorized fairly as an executive conservative. Those who would characterize him as an activist have wrongly placed their own interpretations on his advocate's statements which are admittedly strong and effective. I think it entirely inappropriate to interpret strong advocacy as a philosophical position that the Executive has unchecked powers. On the contrary, Mr. Rehnquist has eschewed the easy arguments such as inherent powers, and has shown a deep understanding of the fine constitutional distinctions that underlie our constitutional doctrine of separation of powers. We are fortunate to have the opportunity of confirming such a man as Associate Justice of the Supreme Court.

LOUIS F. ISON, PRESIDENT, KENTUCKY FARM BUREAU

Mr. COOK. Mr. President, recently the Louisville Courier-Journal published an article about Louis F. Ison, president of the Kentucky Farm Bureau. Mr. Ison, who calls himself a "one hundred percent farmer," operates a 469-acre farm in Mercer County, Ky. Because of the many problems facing the farmer these days, I would encourage Senators to read the views of a farm leader and "one hundred percent farmer." I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOUIS ISON: FARM BUREAU CHIEF ALSO "100 PERCENT FARMER"

(By James R. Russell)

HARRODSBURG, KY.—The rolling land comprising Highview Acres north of here is a miniature of Kentucky's agriculture, with its tobacco, livestock, grain and pastures.

And the man who farms it is a 5-foot 8-inch Kentucklan who refers to himself as being "one-hundred percent farmer."

He is Louis F. Ison, who is starting his seventh one-year term as the non salaried president of the Kentucky Farm Bureau Federation. He quipped in a recent interview, "Actually, I'm only 5–7½ and just throw in an extra half-inch when I feel like bragging a little."

With his organization totaling 119,265 family memberships, or some 400,000 persons, the 56-year-old farm leader said that agriculture is still the main thrust of his group.

"We're more conservative in our approach than some of the other farm organizations, but our objectives are the same," he said.

"I believe the future of agriculture is getting brighter for those of us who can stand the pressures. And in a few years, farming will be more economically rewarding, but first the farmer must have greater bargaining powers and a more orderly system of marketing."

BALANCE HUMILITY WITH CONFIDENCE

Described by one of his colleagues as a man who has successfully balanced humility with confidence, Ison sees farming as "still a way of life, even with its hard work and increasing production costs.

"The intangible benefits are great," Ison said. He added however, that the farmer needs some tangible rewards to keep going. Pointing to what he called the "gap" between farm income and that of other segments of society, Ison said that current farm parties, at about 67 per cent, are the lowest since the depression of the 1930s.

"But the productivity of farmers has doubled that of industrial workers in the past 10 years, and the price we, as farmers, pay for our efficiency is overproduction and lower prices," he said.

"The consumer is the ultimate benefactor, but then the housewife still complains about her grocery bill, when in reality her supermarket cart has everything in it from hardware to hair nets and shaving cream to panty hose."

Food is the greatest bargain around today, with the consumer spending about 17 per cent of his disposable income to eat, Ison said. The food bill in some countries takes 80 per cent or more of the family's earnings, he noted.

BELIEVES FARMERS SHOULD UNITE

Normally low-keyed, but capable of producing a theatrical flourish, Ison acknowledge two prejudices: agriculture and the Farm Bureau.

He said that the political potency of the "farm bloc" is a thing of the past, but that the farmers voices can still be heard if united.

"And those voices are best combined through farm organizations, particularly Farm Bureau; if I didn't believe that, I shouldn't be president of it," he said.

Besides low farm income, Ison sees organized labor's continued demands for wage

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hikes as among the biggest problems facing the country.

"Labor must be willing to accept controls and restrains like everybody else," he said indicating that increased labor demands puts added pressure on the farmer through rising costs of farm production needs.

"I don't see the rapid decline in the family farm as many people do," he said, "but each year there's a greater number of people who farm along with (holding) a job in town. These people have an intense interest and love for the farm, and I definitely see a place in agriculture for the part-time farmers."

BELIEVES IN COUNTY AGENTS

Ison, a 1936 graduate of the University of Kentucky College of Agriculture, is strong supporter of the Extension Service, and said that his organization was instrumental in the return last year to the county agent system back after UK had changed the program in favor of area specialists.

He said that county agents are still the main and most reliable source of information available to a farmer, and he chided Kentucky's farmers for not taking greater advantage of UK's Cooperative Extension Service.

Ison and two partners, Douglas Brown, 44, and David Canada, 22, farm 469 acres in Mercer County. It's a general farming operation, Ison explained, including 6.7 acres of burley tobacco, a 40-cow dairy herd, 80 purebred Angus brood cows, grain and pastures.

Ison is a charter member of the Mercer County Farm Bureau, organized in 1941, and he has held several posts in the Kentucky organization before being elected president in 1965.

He is one of the seven directors from the Southern region on the national board and on the 27-member board of directors of the American Farm Bureau Federation.

His Farm Bureau duties take him away from his farm about half of his time, he said, and his wife, Alma, interjected that she'd been practically a widow for six years, a period that corresponds with her husband's term as president.

Elaborating on his absences from home, Ison told this story on his mother-in-law, Mrs. Lee Sanders, who at 94 is having a little hearing trouble:

She answered the phone one evening, and it was Ison calling to say that he wouldn't be in for supper. "Say you won't be in all summer? Well, all right," Mrs. Sanders said, hanging up the telephone.

POINTLESS FINCH

Mr. CHURCH. Mr. President, Mr. Pete Laine, one of our leading reporters covering the Latin American scene, calls Robert's Finch's travels to six Latin countries "pointless." Mr. Laine sums up my views quite well. I ask unanimous consent that his article published in the Miami Herald of November 12, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TO SEE OUR LATIN "FRIENDS"?—FINCH IS OFF ON A POINTLESS TRIP

(By Pete Laine)

WASHINGTON.—White House counselor Robert Finch left for Latin America Thursday on a trip so pointless on the surface that some feel it must have secret goals.

Will Finch do a Kissinger by feigning sickness while he slips into Chile to make friends with Cuban Premier Castro, the hemisphere's other prominent tourist?

It's hardly likely. Finch, unlike Kissinger, is sort of a spare wheel around the White House. Critics say he knows nothing about Cuba anyway and little more about the rest of Latin America.

Yet he is taking a 19-member party to six nations in two weeks as a personal representative of President Nixon on what is firmly labeled a Presidential trip.

Such trips are rarely made without purpose, yet two advance press conferences have failed to make clear just why Finch has packed his bags.

At the second news conference Wednesday he went out of his way to deny again that he will discuss removal of Nixon's import surcharge, which is the other main issue in U.S. Latin affairs.

Finch has given these vague reasons for his journey: he will "sign a number of minor agreements . . . review economic questions . . . demonstrate President Nixon's continuing concern . . . carry on the dialog . . . do a lot of listening."

The U.S. Information Agency reported that Finch was going to try to halt the flow of drugs into the United States from Latin America—but Finch failed to mention drugs at either of his news gatherings.

All this failed to satisfy the Washington grapevine, which has speculated instead that Nixon was obliged to make some sort of showing for the long-neglected region—and chose to send Finch because Secretary of State William Rogers couldn't spare the time.

Finch, it is suggested, has been told to try to soothe the Latins so they won't cause his boss too many headaches in 1972.

If Finch embraces his hosts too hard, he may get spiked by their medals. Five of the six nations he is visiting are dictatorships.

When he was asked why he was not going to any of the few remaining Latin democracies, Finch said it just happened there wasn't any business there to attend to.

The nations on his schedule are Peru, Ecuador, Argentina, Brazil, Honduras and Mexico. Also going are Assistant Secretary of State Charles Meyer, Surgeon General Jesse Steinfeld, and White House Communications Director Herb Klein.

At Wednesday's press conference, Finch became the first administration official to challenge, at least publicly, Treasury Secretary John Connally's view that the United States has no friends left in Latin America.

"I heartily disagree," Finch told a questioner. "We have a great many friends there."

He said he was "pleasantly surprised" that 18 of the 22 Latin nations backed the United States in the U.N. showdown on the China issue.

His party is due back in the United States Thanksgiving Day.

MORE EVIDENCE ON CIGARETTES

Mr. MOSS. Mr. President, the Tobacco Institute, in its zeal to put doubts in the public mind and, by the way, to increase sales of cigarettes, purchased, undoubtedly for a large sum of money, full-page advertising space in the program of the John F. Kennedy Center for the Performing Arts. The headline of the advertisement is "The Question About Smoking and Health Is Still a Question" and is replete with the same arguments which have been fully answered by medical science years ago.

It is offensive to me to find more of the twisted denials of medical consequences of smoking from the Tobacco Institute, in the concert program of a building memorializing a great American President, the man who, among his other achievements in his too short life, commissioned the Surgeon General's Advisory Committee on Smoking and Health. The very statement offered in the advertisement is untrue, answered repeatedly by responsible medical people.

Since the Tobacco Institute is continuing to grasp at straws, here is one they might roll in their next cigarette. It is a report which comes from, of all places, the University of Louisville Medical School. The report tells us of the research of Dr. Condict Moore, who found that in 203 cigarette smokers who were successfully treated for cancer by surgery or X-rays, 40 percent of those who continued smoking got a second cancer, whereas only 6 percent of those who quit ended up with cancer again.

Mr. President, I ask unanimous consent that an article concerning this matter, published in the New York Times of October 26, 1971, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECURRENCE OF CANCER IS LINKED IN STUDY TO CONTINUED SMOKING

(By Lawrence K. Altman)

Cigarette smokers who continue the habit after being successfully treated for cancer face a much greater risk of developing another cancer in their mouths, throats, voice boxes or lungs than do persons who quit smoking after successful treatment, a Louisville physician has reported.

The physician, Dr. Condict Moore of the University of Louisville Medical School, said that he had studied 203 cigarette smokers who had been successfuly treated for cancer by surgery or X-rays.

He said that 40 per cent who went on smoking got a second cancer in areas exposed to smoking, whereas just 6 percent of those people who quit got another malignancy.

Dr. Moore emphasized that the statistical difference indicated that the new cancers resulted from continued tobacco exposure rather than from recurrences of the old malignancies.

"The difference in second cancer incidence is surprisingly large," the Louisville physician said in the issue of the Journal of the American Medical Association that was published yesterday. Dr. Moore noted that his difference occurred in people who stopped smoking even "at the relatively advanced age of nearly 60 years."

Dr. Moore said that the 203 persons in his continuing study had had their cancers controlled for an average of seven years. The period of successful cancer control ranged from three to 18 years.

All 203 patients, who were treated at a city hospital, a Veterans Administration hospital or a private office in Louisville, were strongly advised to stop smoking to reduce the risk of developing a second malignancy because Dr. Moore said they had "a fundamental predisposition to cancer."

Of the 203 patients, more than half, or 122, kept on smoking cigaretts and 49 (40 per cent) acquired second cancers in their mouths, throats, windpipes or lungs. In contrast, Dr. Moore said that of the 81 former smokers, just five got another cancer in the anatomical areas that were exposed to tobacco smoke.

Dr. Moore said that it was unlikely that an inability to stop smoking might be a symptom, rather than a cause, of a basic, constitutional predisposition to cancer.

GAO REPORT ON POULTRY PLANTS

Mr. RIBICOFF. Mr. President, yesterday I released a report prepared by the General Accounting Office concerning the unsanitary conditions which exist in many poultry slaughterhouses and packaging plants. The GAO inspected 68 plants across the country, about one-fifth of the plants in the Nation. Americans ate more than a billion and a half pounds of poultry from these plants last year.

The names of the 68 plants inspected by the GAO between October 1970 and March 1971 have now been made available to me together with a report prepared by the Department of Agriculture giving the Department's description of the current status of the 68 plants.

The GAO found that every plant had some deficiencies when inspected, with sanitary facilities at many being virtually nonexistent. The GAO has declared that it believes conditions in these plants are probably typical of conditions in most poultry factories and slaughterhouses.

The Department of Agriculture, charged with the responsibility of enforcing Federal meat and poultry inspection laws, has found that many of the plants continue to have substantial violations.

I am confident that unless something is done to change our present regulatory system, a GAO report in 2 more years will uncover the same deplorable conditions once again. Apparently Upton Sinclair's 65-year-old book, "The Jungle," is going to continue to be an accurate description of contemporary America.

Something must be done to change this situation. If Federal regulation of food processing is to be meaningful, it must be carried out by agencies whose highest priority is the health and safety of consumers. The Department of Agriculture has come to represent too many other interests to protect consumers effectively. It may be necessary to transfer its consumer protection functions to an agency responsive to consumers, with general responsibility for food plant regulation.

Even reorganizing the Federal food inspection system will not be sufficient, however. Time after time we have seen institutions designed to protect the consumer fail in their mission. I have, therefore, supported legislation to establish an independent Consumer Protection Agency with authority to represent the interests of consumers before other agencies.

Many who opposed my bill last year, including the administration, now support the independent agency concept. The dispute this year is over the scope of the consumer advocate's right to participate on behalf of consumers in another agency's activities.

My legislation would insure that the Consumer Protection Agency would have the right to participate to protect the consumer's interest in any agency decision. Under my bill, for example, the Consumer Agency would be able to participate in Government's decisions concerning its inspection programs.

The House bill to create a Consumer Protection Agency is also now before my Subcommittee on Executive Reorganization and Government Research. Unfortunately, the House bill fails to give the Consumer Agency adequate authority to protect the interests of consumers.

For example, the House bill would not give the Consumer Advocate the right to participate in most of the important decisions taken by the Department of Agriculture with respect to inspection of food plants. The Advocate could not participate in Agriculture Department decisions to close or suspend the operation of a plant; in decisions about the rules for inspectors looking for violations; or in decisions about the resources to be devoted by the Agriculture Department to its inspection programs. The sorry conditions that now prevail in spite of the Agriculture Department's inspection programs graphically illustrate the need for the presence of a consumer advocate in the regulatory process at all of these decision points.

But even if we develop an effective inspection system, we will still have to depend to a great degree on the food packagers and processors themselves to make certain that the system works. Federal inspectors cannot be present every day. Private industry has the primary responsibility to assure that its products are wholesome, safe and clean. This does not seem too much to ask. In the past, however, the only times the industry seems to have shown much interest in cleaning its own house is after the publication of reports by the General Accounting Office.

We cannot wait 2 years between every housecleaning and allow pollution of our food supply in the meantime.

I ask unanimous consent that the list of 68 plants and the Agriculture Department report on their current status be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

GAO REPORT

PLANTS INCLUDED IN GAO REPORT TO ILLUSTRATE THE TYPES OF SANITATION PROBLEMS AT THE PLANTS GAO VISITED

Case study, name of plant, and location

Plant A; Marshall Durbin & Co., Inc., Jasper, Alabama.

Plant B; Great Lakes Duck Farm; La Porte, Indiana.

Plant C; Luck's, Inc.; Seagrove, North Carolina.

Plant D; Yoakum Packing, Ltd.; Yoakum, Texas.

LISTING OF PLANTS SELECTED AT RANDOM AND VISITED BY THE GENERAL ACCOUNTING OFFICE

Plant number, name of plant, and location

Alabama

192; Gold Kist, Inc. (formerly Pillsbury Farms); Guntersville.
413; Gold Kist Poultry; Boaz.
1317; Wayne Poultry Company; Albertville.
1254; Valley Industries, Inc.; Ashland.
323; Ralston Purina Company; Trussville.

Arkansas

457; Springdale Farms, Division of George's Feed & Supply Co., Inc. (formerly Demand Foods Co.); Springdale.
208; Springdale Farms, Division of George's Feed & Supply Co., Inc. (formerly Loyd's Poultry Processing Co., Inc.); Springdale.
138; Campbell Soup Company; Fayetteville.
063; Ralston Purina Company; Springdale.
607; Garrett Poultry Co., Inc.; Rogers.
112; Franz Foods of Arkansas, Inc.; Green Forest.
350; J-M Poultry Packing Co., Inc.; El Dorado.
275; Valmac, Inc.; Pine Bluff.
121; J. K. Southerland, Inc.; Clinton.
212; C. Finkbeiner, Inc.; Little Rock.
846; Hanford Produce Company; Clarksville.

Georgia

1480; Tip Top Poultry, Inc.; Marietta.
243; Wilson Laurel Farms, Inc.; Cumming.
1272; Swift & Company; Douglas.
311; Swift & Company; Gainesville.
1279; Conagra, Inc. (formerly Red Hat Poultry); Dalton.
184; Elberton Poultry Company; Elberton.
40; Pillsbury Farms; Ellijay.
7373; Talmadge Farms, Division of Cagle's, Inc., Lovejoy.
1277; Gold Kist Poultry, Athens.
1246; Gold Kist Poultry, Canton.
1257; Marell Poultry Company, Murrayville.
865; Eng Frozen Foods, Atlanta.

North Carolina

510; Rose Hill Poultry Corp., Rose Hill.
844; Watson Seafood & Poultry Co., Inc., Raleigh.
1324; Gerber Products Co., Ashville.
1; Holly Farms Poultry Ind., Inc., Wilkesboro.
842; B & H Foods, Inc., Charlotte.
14; Holly Farms Poultry Ind., Inc., Hiddenite.
16; Mid-State Farm Coop. Co., Silver City.
187; Morton Frozen Foods, Concord.
1399; Luck's Inc., Seagrove.

Texas

812; Market Produce Co., Inc., Division of Pilgrim Industries, Inc., Arlington.
647; Byerly Foods, Inc., Dallas.
2276; Whiteman Foods, Alto.
175; Burgess Poultry Market, Inc., Nacogdoches.
973; Ralston Purina Company, Nacogdoches.
508; City Poultry Processing Co., Houston.
788; Yoakum Packing, Ltd., Yoakum.
1137; Holly Farms, Inc. (formerly Reneau Bros. Poultry & Egg Co., Inc.), Seguin.
845; Mott's Inc. of Mississippi, Nixon.
7035; Taylor Turkey Ranch, Ovalo.
7050; Hill Country Foods, Goldthwaite.
635; Plantation Foods, Inc., Waco.
13; Campbell Soup Company, Paris.
430; Handy-Andy, Inc., San Antonio.

LISTING OF PLANTS INCLUDED IN PRIOR REPORT AND VISITED BY THE GENERAL ACCOUNTING OFFICE

Plant number, name of plant, and location

Alabama

1307; Marshall Durbin & Co., Inc., Jasper.

Illinois

762; A. F. Murmann & Co., Rockford.

Michigan

1234; Nottawa Gardens Corp., Athens.

Minnesota

279; Swift and Company, Marshall.

Mississippi

1262; Hens Incorporated, Bay Springs.
308; B. C. Rogers & Sons, Inc., Morton.

North Carolina

802; Southeastern Poultry of North Carolina, Charlotte.
449; Swift & Co., Greensboro.

Ohio

6810; United Poultry, Inc., Cleveland.

Virginia

56; Rockingham Poultry Marketing Cooperative, Inc., Broadway.
199; Rockinghsm Poultry Marketing Cooperative, Inc., Stanley.

Wisconsin

161; Brakebush Brothers, Inc., Westfield.
301; Dairyland Poultry, Inc., Endeavor.
254; Hartwig's Poultry Farm, Inc., Johnson Creek.

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1237; Wright Broiler Co., Inc., Shawano.
701; Tillman Produce Co., Inc., Wilton.

Indiana

1365; Great Lakes Duck Farm, La Porte.

STATEMENT PREPARED BY THE CONSUMER AND MARKETING SERVICE, DEPARTMENT OF AGRICULTURE, ON STATUS OF SANITATION AS OF NOVEMBER 10, 1971 IN PLANTS VISITED BY THE GENERAL ACCOUNTING OFFICE

CURRENT STATUS OF SANITATION AT FEDERALLY INSPECTED PLANTS

Marshall Durbin and Co., Jasper, Ala., P 1307

The overall condition of this plant has improved since the GAO visit. However, crowded conditions result in maintenance problems and present an unsatisfactory appearance. Problems continue to be experienced with condensation associated with ice augers and the offal house. Corrections to structural deficiencies are underway. New ceiling for the eviscerating room is being programmed for completion at an early date. Improved supervisory control has been established and the plant has received specific instructions regarding continued application of sanitary requirements. Failure to maintain acceptable standards will result in withdrawal of Federal inspection.

A. F. Murmaun & Co., Rockford, Ill., P 762

A marked upgrading of plant facilities and daily sanitation instituted by the Company has resulted in satisfactory compliance to approved product standards. Driveways and parking lot are improved through resurfacing and accumulation of debris around plant has been removed. Additional action is programmed such as floor repair and clean-up of overhead lights and conveyors. Present conditions of the establishment would provide grant of inspection.

Great Lakes Duck Farm, La Porte, Ind., P 1365

Inspection was suspended from this plant because of unsatisfactory conditions of the facility and the failure of the Company management to effect corrections. The suspension remained in effect until all corrections were made. Operations resumed on October 8, 1971.

Nottawa Gardens, Corp., Athens, Mich., P 1234

Slaughter of poultry has not been conducted at this plant for the past 10 months. Some structural changes are necessary and these are being accomplished. The facility is acceptable at this time for a grant of Federal inspection. Continued maintenance and more attention to detail in cleanup is required.

Swift & Co., Marshall Minn., P 279

This plant is being maintained and operated in an acceptable sanitary manner. The facility is no longer considered a problem plant with reference to sanitation requirements.

Hems, Inc., Bay Springs, Miss., P 1262

This plant presents continuing problems because of facility sanitations control. The Company management is considering a move to a new location.

B. C. Rogers & Sons, Morton, Miss., P 308

Present operations of the plant are acceptable to approved product sanitation. A number of deficiencies in equipment and facilities have been corrected or improved. Unacceptable items noted in the last supervisory inspection pertain to facility and equipment which are of daily routine maintenance.

Southeastern Poultry of North Carolina, Charlotte, N.C., P 802

Present condition of this facility is such that a grant of Federal inspection would be approved. Although an older plant, acceptable product sanitation is achieved on a continuing basis.

Swift & Co., Greensboro, N.C., P 449

Federal inspection has been withdrawn from this establishment and the facility is closed.

United Poultry Inc., Cleveland, Ohio P 6810

A number of minor variations to acceptable requirements exist at this plant. However, none involve product contamination. There is intensive programming to correct minor deficiencies. Supervisors have been instructed to assure that maintenance program is carried out and maintained daily.

Rockingham Poultry Marketing Cooperative, Inc., Broadway, Va., P 56

This plant has shown marked improvement in plant facility maintenance and in approved sanitation requirements. Insect and rodent control is now satisfactory. There are no current deadlines for facility change or major structural improvements in the slaughter operations. A part of the plant operation has been rejected and facility and equipment deficiencies will be corrected before opreations are allowed to resume.

Rockingham Poultry Marketing Cooperative, Inc., Stanley, Va., P 199

Overall operation of this establishment is satisfactory. Daily sanitation acceptability, both preoperational and operational, meets acceptable standards. There are no major programmed changes necessary at this time. Plant modeling has achieved desired results in the production of wholesome product.

BakeBush Brothers, Inc., Westfield, Wis., P 161

This plant has modern facilities and equipment and are generally maintained in good condition. More attention is being given to daily routine sanitation and several minor facility improvements are being made. Line speed is being controlled to assure proper ready-to-cook product and sanitation requirements.

Dairyland Poultry, Inc., Endeavor, Wis., P 301

The facilities of this establishment are marginal. Although the plant has made a number of facility and equipment improvements the general condition of the buildings presents a continuing problem. Plant layout is not satisfactory for efficient operation and inspection. Concerted effort is being made to correct all sanitation deficiencies. Lacking corrections by plant management the plant will be denied Federal inspection.

Hartwig's Poultry Farm, Inc., Johnson Creek, Wis., P 254

This plant's further processing facilities were reconditioned in January 1971, which involved the processing room, freezer, cooler, shipping-receiving and dry storage areas. Slaughter operations have been rejected since January 1971, and inspection will not be granted unless major renovation is accomplished.

Wright Broiler Co., Inc., Shawano, Wis. P 1237

Inspection was withdrawn on April 20, 1971.

Tillman Produce Co., Inc., Wilton, Wis., P 701

This facility is producing wholesome product although the age of the buildings and some equipment will continue to present a problem to management and the inspection personnel. Although extensive renovation was performed in early 1971, continuous maintenance on a daily basis is required and is being performed.

Gold Kist, Inc. (formerly Pillsbury Farms), Guntersville, Ala., P 192

Deficiencies in this plant have been programmed with plant management. The plant has closed at times in an effort to meet their responsibilities. The inspector-in-charge has been directed to make sure that operations are such that will eliminate contaminated product from being shipped. Rust on the ice crushes is much improved. There is a continuous program to remove the rollers one at a time to remove the rust. Condensation is being controlled to the extent that it is not contaminating the product. The offal loading area is not completely enclosed. Moisture test indicates that product is in compliance.

Gold Kist Poultry, Boas, Ala., P 413

Several facility and equipment changes have been made in this plant. At the present, inspectors must resort to halting operations more than would normally be expected. Items such as drip pans and flumes to direct excessive water to floor drains are needed. These items plus adjustments on new equipment, particularly the changing of eviscerating lines to eliminate dragging viscera, are to be corrected immediately. The offal facility is not acceptable. The present hopper cannot properly be cleaned and will be replaced or modified as soon as management determines which is most economical. Until such time, inspectors have been instructed to double check offal operations. The final product is acceptable and potential is good for a much smoother operation.

Wayne Poultry Company, Albertville, Ala., P 1317

This plant is generally good. Recent reviews have shown that inspectors need to insist on better housekeeping, both prior to and during operations. Inspectors have been instructed to follow through on routine sanitation and also repair cooler walls and correct deficiencies regarding outside openings. The finished product in this plant is very acceptable and with more attention to the above items, we can see no problems with this operation.

Valley Industries, Inc., Ashland, Ala., p. 1254

Inspection supervision is much better in this plant. The inspector-in-charge has evidenced intensions of maintaining a clean plant. Plant management is more cooperative in correcting and dealing with problems involved in a food producing plant. Water sediments have been eliminated with the addition of two filters. The general conditions of this plant are good. Unacceptable conditions found on a preoperative sanitation are corrected before operations begin.

Ralston Purina Company, Trussville, Ala., p. 323

This plant should be considered as good, the major problem being an ineffective maintenance program. Augers and pipes must be repaired to prevent condensation. This is to be corrected immediately. Continuous chillers need seam repairs to eliminate possible contamination and to provide greater ease in cleaning. Until the chiller seams are repaired, inspectors will assure that sanitation is acceptable before operations begin. This can be done but requires more surveillance from inspection and in turn costs the plant more in operating time and labor. Regardless, management and inspectors have been instructed that operations are not to be allowed unless sanitation is acceptable.

Springdale Farms (formerly Demand Foods Co.) Springdale, Ark., p. 457

This is an older plant that is showing some deterioration, but is being kept acceptable for Federal inspection by an ongoing maintenance program. Much galvanized metal has ben replaced by stainless steel. Repair of facilities is being made on a continuing basis; also housekeeping and sanitation are greatly improved. Additional action is programmed such as improved lighting and the repair of damaged walls, doors and floors.

Springdale Farms (formerly Loyd's Poultry Processing Co.) Springdale, Ark., p. 208

Sanitation in this plant has greatly improved. Operations have been halted numerous times but results have been realized. Deadlines have been given on maintenance and repairs of facilities and equipment. No product is allowed in the cooler unless tightly wrapped with plastic covers. A new cooler is scheduled for completion April 1, 1972. This plant has changed management and seem to want to comply with the regulations. While we get verbal understanding of problems that must be corrected, the halting of operations brings forth the usual tense relationships. Inspectors and management have been informed that there will be no let up until compliance is attained.

Campbell Soup Co., Fayettville, Ark., P 138

This plant has recently completed and occupied a new facility. The facilities reviewed by GAO have been completely replaced. On the last review of this new facility no unacceptable items were recorded.

Ralston Purina Company, Springdale, Ark. P 963

This plant is acceptable and no major problems are encountered with sanitation and facilities. The problem of condensate has been corrected by installation of a new ventilation system. Some condensate is still present over the crovac freezing system but no danger of product contamination exists. This system is enclosed and the product is protected at all times. Operations are smooth and sanitation is well above minimum standards.

Garret Poultry Co., Rogers, Ark. P 607

This plant is in generally good condition both from the standpoint of facilities and operations. Facilities and equipment have only minor deficiencies and are corrected on a normal plant maintenance program. Deficiencies in sanitation are caused by an apparent labor problem of management. This makes it more difficult for inspection personnel to maintain an adequate sanitation program which is evidenced by the amount of down time this plant has in order to operate.

Franz Food of Arkansas, Inc., Green Forest, Ark. P 112

Facility and equipment problems in this plant have nearly all been programmed for repair or replacement. Work is progressing well on walls and floors that needed repair. Much has already been completed. About the only problem at this time is minor facility corrections.

J–M Poultry Packing Company, Inc., El Dorado, Ark. P 350

This plant presently is acceptable for Federal inspection. Extensive remodeling is now in progress. Glass board has been installed to eliminate flaking paint on walls of the ice pack cooler. Sanitation is being handled on a daily basis.

Valmac, Inc., Pine Bluff, Ark. P 275

Peeling paint from ceilings and walls was a constant problem in this plant. Paint was barely six months old when problems forced the scraping of flaking paint before operations began on a daily basis. These areas have now been sandblasted and resealed. The maintenance program is effective and does not interfere with daily operations. Sanitation is acceptable with no problems encountered with the final product.

J. K. Southerland, Inc., Clinton, Ark. P 121

The overall condition of this plant is good. On the last review no unacceptable items were recorded. Flaking paint on some walls has been corrected by repainting. The review indicates this plant is producing a wholesome product under satisfactory conditions.

C. Finkbeiner, Inc., Little Rock, Ark. P 212

Considerable renovation of this plant has been completed over the past twelve months. Sanitation problems encountered are handled on a daily basis by the assigned inspector and in no way detract from the overall facility. Maintenance and housekeeping procedures have progressed nicely.

Hanford Produce Company, Clarksville, Ark. P 846

This plant is presently acceptable for Federal inspection. Continued maintenance is required due to normal wear and tear.

Tip Top Poultry, Inc., Marietta, Ga. P 1480

Sanitation and housekeeping are basically acceptable in this plant. Some improvements have been made in physical structures and others have been programmed with management. Holes in the floors of shipping dock have been repaired. Non-potable water lines have been identified. Chiller joints have been properly sealed. All areas of product contact were clean before operations began at the time of the last review.

Wilson Laurel Farms, Inc., Cumming, Ga. P 243

All deficient areas in this plant are correctable and have been scheduled with plant management. All areas with sanitation deficiencies are corrected prior to the starting of operations. Only boxed or covered product is permitted in the cooler until the scheduled refinishing is completed.

Swift and Company, Douglas, Ga. P 1272

Many improvements have been made in this plant. The management has accepted their responsibilities in operating a food producing plant. A complete review was made on September 20, 1971. A score of 93.5 was recorded which indicates the improvement in this plant. Acceptable product is being produced under acceptable conditions.

Swift and Company, Gainsville, Ga. P 311

Inspection withdrawn June 1971.

Conagra, Inc. (formerly Red Hat Poultry) Dalton, Ga. P 1279

Some walls are in need of repair, particularly the cooler. The offal door and conveyor need replacing. These deficiencies have been programmed for repairs and deadlines given plant management. Problems have been encountered with particles of paint in the ice-making room. The paint has been scraped and the ceiling cleaned to preclude any contamination of ice. In general maintenance has been a problem but has improved. Plant management and inspection personnel have been well informed as to their responsibilities and will be expected to maintain sanitary operation and a wholesome product at all times.

Elberton Poultry Company P 184

The facilities, sanitation and operations in this plant have greatly improved since the GAO review. Only minor deficiencies have been encountered on recent reviews. The last review showed no items being marked unacceptable, however, there were items noted that needed correction.

Pillsbury Farms, Ellijay, Ga. P 40

This plant is well equipped to meet inspection standards. There is ample room for equipment, good lighting and facilities. The main problem is a lack of a continuing sanitation program. Daily checks by inspectors have had to be increased and the plant placed on a "go-no-go" basis. Some floors need repairs and have been programmed for completion. The ceiling in coolers need work. No product is allowed in coolers without complete protection. With increased surveillance from inspectors and efforts by plant management on the above-mentioned areas, this should be a good plant. At present there is no product contamination and the end product is acceptable.

Talmadge Farms, Division of Cagle's Inc., Lovejoy, Ga., P 373

During the past 10 months this plant has maintained a continuous program of improvements. A two-story building has been completed. The canning and sausage operations have been moved into this building. A new floor has been poured in the old canning room. This room will not be used until the walls and ceiling are completed. Four rooms in the dry curing department have been remodeled and the others have been programmed for completion. The floor has been patched in the old cooler and a new cooler is under construction. On the last review no product contamination was observed. All equipment had been properly cleaned before operations began.

Gold Kist Poultry, Athens, Ga., P 1246

There has been a tremendous amount of remodeling done in this plant. A new floor has been poured in the eviscerating room. A new ice room has been completed. The outside area has been paved. Sanitation is much better throughout the plant. Supervision has directed both management and inspection of their responsibilities. A new ceiling is being programmed for the eviscerating room. Other minor deficiencies are continually being corrected on a day to day basis.

Gold Kist Poultry, Canton, Ga., P 1246

This plant is an older building and probably could not be made a thing of beauty without completely rebuilding from the ground up. Improvements have been made in facilities and equipment, but much is still to be desired. The final product is wholesome and sanitation is acceptable. Inspectors must constantly be on guard for sanitation deficiencies; however, operations are halted and frequent clean-ups are accomplished. Management accepts the fact that operations will be hampered in order that we complete the objective of a wholesome product. This plant will be closed the week of Thanksgiving and new ceilings installed. Plant management will determine before January 1, 1972, whether to completely renovate the present facility or build a new plant. Regardless of the decision to renovate or build, acceptable sanitation will be maintained.

Marell Poultry Company, Murrayville, Ga., P 1257

This is a relatively new plant and has no great problems. Preoperative sanitation is a problem and new procedures have been implemented. Inspectors are instructed to place reject tags on any equipment and not allow operations to begin until the equipment is satisfactory. The inspector in charge is to report daily to his officer in charge until further notice. Another problem of pest control in non-product areas has been solved. In general this plant is good and certainly a wholesome product is the end result.

Eng Frozen Foods, Atlanta, Ga., P 865

Operations discontinued (inspection withdrawn, June 1971).

Rose Hill Poultry Corp., Rose Hill, N.C. P 510

Improvements at this plant have progressed satisfactorily. Maintenance of production areas has presented little problem. Better housekeeping practices in maintenance rooms and the box storage area has been accomplished. Also, additional lights have been installed and security over condemned materials has been increased. This plant meets requirements for operating under Federal inspection.

Watson Seafood and Poultry Co., Inc., Raleigh, N.C. P 844

Considerable progress has been made on the facilities of this plant in the past year. Walls and ceilings have been repaired. Deficiencies also existed in the handling of condemned products, in the workshop and box storage areas, and the holding cooler. All of these items have been corrected. A few minor deficiencies are in the process of being corrected. Company management has accepted their responsibilities for sanitation and good operating procedures.

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Gerber Products Co., Ashville, N.C. P 1324

Overall operation and sanitation is presently considered good. Also, facilities and maintenance is above average. Deadlines have been met and none are due at this time.

Holly Farms Poultry Ind., Inc., Wilkesboro, N.C. P 1

The overall operation of this plant is good. Sanitation is well above average and presents no problems other than the sheer enormity of checking such a large plant. One problem encountered is worn equipment which is scheduled for replacement by January 1, 1972. No deadlines are due at this plant at the present time.

B & H Foods, Inc., Charlotte, N.C. P 942

Sanitation and operations of this plant are presently considered good. Sanitation has lapsed on occasions, but has been satisfactorily corrected on a daily basis. This is a very small plant with above average facilities and there are no significant problems at the present time.

Holly Farms Poultry, Ind., Inc., Hiddenite, N.C., P 14

This plant is acceptable for Federal poultry inspection. The overall sanitation and operating procedures are good. Facilities and the maintenance program are also good. The last review indicated no unacceptable items.

Mid-State Farm Coop., Cp., Siler City, N.C. P 16

A great deal of progress has been made at this plant over the past year. Handling of product, elimination of condensation, control of rust and flaking paint, operational housekeeping, and others are much improved. Several pieces of equipment still need replacing and preoperative sanitation needs improvement. In many instances inspectors must hold up operations until minimum sanitation requirements are met. Unless plant management can demonstrate a more effective cleanup program, the delaying of operations will likely continue.

Morton Frozen Foods, Concord, N.C., P 187

Many improvements have been made on the facilities of this plant. A new ceiling was installed in the picking room. Shackles, chains, and suspensions have been replaced. New sheet metal has been obtained for the pickers. Some deficiencies have been programmed for completion by management. Sanitation has improved with inspectors holding up operations until cleaning is accomplished. Wholesome product is being produced while continued progress is being made in upgrading an old building.

Lack's, Inc., Seagrove, N.C., P 1399

A marked upgrading of plant facilities and daily sanitation has resulted in satisfactory compliance. Control of dust and drainage on the outside premises has been accomplished by new paving, grading and using oil as a binder. Grass has been planted and unused scrap either hauled away or neatly stacked. Additional action is programmed such as further paving of outside premises, repairs to damaged title on inside walls, and through wall pipe passages are to be closed. Storage, product handling, and housekeeping are considered superior. Present conditions of the establishment would provide grant of inspection.

Pilgrim Industries, Inc. (formerly Market Produce Co., Inc.), Arlington, Tex. P 812

Sanitation and facilities are generally good in this plant. Several cracks in floors are in need of repair and have been programed for correction. Outside premises especially around the dumpster need cleaning. This was immediately corrected. Maintenance program is good and problems are minor. Corrections in sanitation are handled immediately on daily basis.

Byerly Foods, Inc., Dallas, Tex. P 647

This plant's facilities and operations are generally acceptable. Facility deficiencies are minor and corrected through an adequate maintenance program. Sanitation deficiencies are corrected on a daily basis before operations begin. The last review indicated no unacceptable items.

Whitman Foods, Alto, Tex. P 2276

A recent review has not been made of this plant. It only operates 4 to 5 weeks per year. At the present time this plant is closed. A review will be made before operations begin to assure that sanitation requirements are met before starting the plant.

Burgess Poultry Market, Inc., Nacogdoches, Tex. P 175

This plant was destroyed by fire December 15, 1970. Inspection withdrawn.

Ralston Purina Company, Nacogdoches, Tex. P 973

Facilities and equipment are presently acceptable. Minor variations are no more than could be expected and are corrected as they appear through an enforced maintenance program.

City Poultry Processing Company, Houston, Tex. P 058

Some deficiencies have been noted due to normal building and equipment deterioration. An effective maintenance program was lacking and has been initiated. Continuous chiller seams are hand cleaned and will continue to be hand cleaned and inspected until an acceptable sealer is available. Sanitation problems are handled on a daily basis with discrepancies corrected before operations begin.

Plant D. Yoakum Packing, Ltd., Yoakum, Tex. P 788

The operations in this plant are acceptable. Most deficiencies found are of minor nature and corrected before operations begin. The last review showed no unacceptable conditions found. A new door to the kill floor has been installed.

Reneau Brothers—Poultry and Egg Company, Inc., Seguin, Tex. P 1137

Several minor variations and some unacceptable items were noted and corrected during the last supervisory inspection. These were primarily sanitation and routine procedure deficiencies that are normally handled on a daily basis. This does not detract from the overall acceptability of the plant. Continued maintenance and more attention to sanitation is required.

Motts, Inc., Mississippi Nixon, Tex. P 845

This is an old plant with more than usual maintenance problems. A vigorous renovation program is underway and progress is readily recognizable. Ceilings are a major concern and are to be replaced in their entirety. Product is protected at all times and sanitation discrepancies are corrected on a daily basis. This plant has come a long way in the past 12 months. Continued efforts should greatly improve this plant's capability and allow them to clean and operate without as many slow downs and shut downs by inspection.

Taylor Turkey Ranch, Ovalo, Tex. P 7035

At the time of the last review this plant was unacceptable for Federal inspection. This is a seasonal plant that hasn't operated in several months. Floors, walls, and ceilings are in need of repair and the plant will not be permitted to operate until these items are corrected.

Hill Country Foods, Goldthwaite, Tex. P 7050

This plant is acceptable for Federal poultry inspection. The last review indicated some minor maintenance deficiencies which have been corrected. Sanitation problems are handled daily before operations begin.

Plantation Foods, Inc., Waco, Tex. P 635

Sanitation and facilities in this plant are quite good. The maintenance program is one of the better and operations are generally performed with efficiency.

Campbell Soup Company, Paris, Tex. P 13

This plant's operations and facilities are acceptable for Federal inspection. This is a modern plant that is well maintained. The last review was very good with all items being acceptable except one minor variation.

Handy Andy, Inc., San Antonio, Tex. P 430

This is a modern plant with good facilities. The maintenance program is not keeping up with needed repairs. This could be due to mostly new equipment not yet needing attention. Based on observation the maintenance need will arise rather swiftly if the trend continues. Pest control has needed attention and will be checked closely in the future. Pipes for air agitation in chill vats have been replaced because of unsanitary conditions. Some chill vats were flaking, galvanizing and have been rejected for use. Other than the above items, this plant is not considered a problem. However, inspectors will need to keep a closer surveillance in the future.

WATER POLLUTION PROBLEMS

Mr. PELL. Mr. President, 2 weeks ago the Senate approved S. 2770, a bill which would launch a realistic, comprehensive, and effective program to combat the country's very serious water pollution problems.

I supported the passage of that bill because I believe it will provide, for the first time, a program on a scale equal to the magnitude of the problem.

For the same reasons, I was amazed and shocked to read news reports that the administration is now seeking to undermine and weaken this water pollution control legislation during consideration in the House of Representatives.

Perhaps the administration believes that the current deep public concern over water pollution and other environmental problems is something of a fad that will pass away; or that the American people can be satisfied with nothing more than talk about protecting our environment. If so, then the administration is terribly and tragically wrong, both about the problem and the determination of the American people to solve it.

Evidence continues to pile up that our environmental problems have not been exaggerated. Indeed, we continue to see evidence that the problem may be more serious than we have thought.

Today, for example, the University of Rhode Island has made public a study indicating that areas of Narragansett Bay, previously considered unpolluted, may in fact be chronically polluted with hydrocarbons from petroleum.

The study, conducted by John W. Farrington of the university, and supported by the Environmental Protection Agency, and the national sea-grant college program, is disturbing, because it suggests that our marine pollution problems may indeed be far greater than we have previously suspected. I ask unanimous consent that a summary of the study be printed at the conclusion of my remarks.

The University of Rhode Island report, I believe, underscores the necessity of mounting the most vigorous water pollution abatement program we can, and I believe the Water Quality Standards Act, recently passed by the Senate, represents just such an effort.

The report also supports a point I have made repeatedly. We need more knowledge of the specific effects of varying levels of pollutants on the marine environment and on human life.

Mr. Farrington's study disclosed the presence of petroleum hydrocarbons in shellfish in Narragansett Bay. But we do not really know what this means in terms of the shellfish population or human health, because we have no standards of permissible levels of hydrocarbons in shellfish.

It is ironic that a few miles from Narragansett Bay is the National Marine Water Quality Laboratory, charged with the responsibility for developing marine water quality criteria. That laboratory is laboring in grossly inadequate, temporary quarters, even though Congress appropriated money 9 years ago for modern facilties.

The Senate adopted my amendment to the Water Quality Standards Act, requiring that this laboratory be built. I hope the administration now will not wait for final passage of that bill, but will proceed as quickly as possible with the construction of this vital research facility.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

HYDROCARBONS FOUND IN NEW BAY AREAS

Hydrocarbons, possibly derived from petroleum products, have been found in sediments and clams in parts of Narragansett Bay considered unpolluted up to now.

John W. Farrington, who has completed requirements for a doctoral degree in oceanography at the University of Rhode Island, said in a recent paper that some areas of Narragansett Bay, including areas in the West Passage where the waters are designated as unpolluted and shellfishing is not restricted, may be chronically polluted with oil. Mr. Farrington delivered his paper at the University of Delaware.

Sources of the oil include sewage treatment plants, storm sewers, repeated small spills from tankers and Naval vessels, and motor oil from small craft, he said.

"The presence of this oil raises the question of the potential danger to shellfish consumers," Mr. Farrington said.

He emphasized, however, that there are no standards of permissible levels of hydrocarbons in shellfish. Nor is it known that the hydrocarbons found in the shellfish in the bay could have any adverse effects on humans.

Toxicological studies are now being initiated by the Food and Drug Administration (FDA) to determine the potential danger of hydrocarbons to humans, according to Darrell Schwalm, a shellfish consultant to the FDA in Boston.

He was among the URI, federal and state officials who attended a meeting at which Mr. Farrington discussed his findings at URI's Narragansett Bay Campus last Friday (Nov. 5).

Other participants of the meeting included Dr. Clarence M. Tarzwell, director of the National Marine Water Quality Laboratory in West Kingston; Carleton A. Maine, chief of the division of water supply and pollution control in the state Department of Health; John N. Cronan, deputy chief of fish and wildlife in the state Department of Natural Resources; Capt. James Verber of the Public Health Service at Quonset; Dr. John A. Knauss, provost for marine affairs at URI; Stuart O. Hale, assistant to the provost; and Dr. James G. Quinn, assistant professor of oceanography under whom Mr. Farrington did his graduate work at URI. Dr. Quinn is the co-author of Mr. Farrington's paper.

Mr. Farrington estimated that about 75 million gallons of hydrocarbons are discharged into the country's coastal waters every day through sewage effluents.

His research points up the fact that it is becoming more critical to "watch what we allow to be discharged from our sewage outfalls," Dr. Quinn said.

Hydrocarbons are an important group of organic compounds containing only hydrogen and carbon in varied structural combinations.

Hydrocarbons were found in shellfish taken in three locations and sediments from eight locations covering an area starting at the Fields Point and East Providence sewage treatment plants on the Providence River, continuing through the upper bay and the West Passage, and ending off Beavertail at the southern tip of Conanicut Island.

As a comparison, samples of hard shell clams found in Charlestown Pond, a coastal salt marsh and lagoon area on the south shore of the state cut off from most sources of oil pollution, were analyzed and found to contain no detectable levels of petroleum hydrocarbons.

The area around the sewage treatment plants is designated as polluted and is closed by the state department of health to shellfishing. Due to sewage overflows, the upper part of the bay is also closed to shellfishing following heavy rains, based on fecal coliform counts. Most of the West Passage has been considered unpolluted, however.

Although there are several possible explanations for the presence of hydrocarbons in the sediments and shellfish from "unpolluted" areas of the bay, Mr. Farrington said that the most likely sources are in the petroleum products, such as used oil, in the sewage effluents of the Fields Point and East Providence plants, and in small oil spills.

Based on analyses of the effluents, Mr. Farrington estimates that 350,000 liters, or about 79,450 gallons, of hydrocarbons a year are discharged by the sewage treatment plants into the river. The exact nature of the hydrocarbons is not known, but the analyses point to a petroleum source.

The explanation that "best explains the observed data" is as follows:

Oil in the sewage effluents, coupled with that in small oil spills, is adsorbed by—that is, it adheres to the surface of—particles of matter in the water. Under certain conditions, some oil can even form its own particulate matter. Most of this matter is then deposited on the bottom.

While the oil is being deposited, it begins to break down and some constituents dissolve in the water. Some of the particles with oil on them are filtered by the hard shell clam and become incorporated in the clam's tissue. The breakdown of the oil slows down in the clam, while continuing at the same rate in the sediment. This results in the difference in the amount and types of hydrocarbons found in hard shell clams and sediments from the same location.

The concentration of hydrocarbons in the shellfish varies from 94 parts per million of dry weight near the sewage outfalls to 11 parts per million near the mouth of the bay.

Dr. Quinn said that hydrocarbons in shellfish tend to build up in the lipids or fatty tissue. "The next question is what do the hydrocarbons do to the shellfish biochemically? We can't just trust that the animal will purify itself over a period of time," he said.

Research on the effects of hydrocarbons on lipid metabolism of shellfish is continuing at URI's Graduate School of Oceanography, Dr. Quinn said.

Mr. Farrington is presently conducting research with Dr. Max Blumer, who is continuing his study of the effects of the 1969 West Falmouth oil spill, as a post-doctoral investigator at the Woods Hole Oceanographic Institution.

Mr. Farrington's paper is based on research he did at URI for his doctoral thesis over the past three years. Funding for the project came from the Environmental Protection Agency and the Sea Grant Program of the Commerce Department's National Oceanic and Atmospheric Administration.

NOMINATION OF WILLIAM REHNQUIST

Mr. FANNIN. Mr. President, for the past several weeks, the entire life of William Rhenquist has been subjected to a microscopic examination. Absolutely nothing has been discovered that should detract from his magnificent qualifications to be an Associate Justice of the Supreme Court.

We who have known William Rehnquist for a number of years knew exactly what all of the investigations would reveal. We knew that William Rehnquist is a man of the highest character as well as a man with a brilliant legal mind.

Mr. President, my colleague from Arizona (Mr. GOLDWATER) summed it up well in today's New York Times. I ask unanimous consent that an article written by Senator GOLDWATER be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"A MAN OF THE HIGHEST PERSONAL INTEGRITY"

(By Barry M. Goldwater)

WASHINGTON.—Liberal opponents of Supreme Court nominee William H. Rehnquist will never find a more difficult target.

Almost a week of hearings before the Senate Judiciary Committee plus thousands of hours spent searching out a lifetime of records and comments by the Phoenix attorney have left nothing to object to except Mr. Rehnquist's political views.

It is estimated that never before have so many journalists, academicians, legal experts and others spent so much time on the qualifications of one nominee.

And what emerges from the thousands of words, voiced and written, about Mr. Rehnquist are these salient facts:

Mr. Rehnquist is a man of the highest personal integrity and professional competence.

Mr. Rehnquist is a man who takes the trouble to see both sides of all issues to which he addresses himself.

Mr. Rehnquist is a man who has demonstrated himself to be thoughtful and moderate; a man whose beliefs and convictions are well within the mainstream of this country's thinking.

Perhaps one of the greatest pluses for Mr. Rehnquist which emerged from a nonstop inquestion by liberal politicians, commentators and journalists was his ability to maintain his poise and temper under the most extreme and trying circumstances.

He has proven to friends and critics alike that he wears pressure well, and is a man of such breadth and balance that his severest critics were had put to find even short

passages of his past statements to quote out of context.

It would be unfair to say that the Phoenix attorney is a man devoid of political and social convictions. As an acquaintance of many years, I know him to be a man who believes that the protection of individual rights should extend not only to the accused but also to society as a whole. He perhaps could fairly be described as a man who believes in a system based on ordered justice, who is deeply concerned about threats to our democratic processes.

Some, but by no means all, of Mr. Rehnquist's opponents have lately begun to use smear tactics in an effort to prevent his confirmation. The tactics by now have included exaggerations of his views, outright distortions of his public statements, plus a considerable variety of vicious labels and characterizations. It may be a measure of desperation, but the fact remains that now that the committee questioning has failed to destroy Mr. Rehnquist's chances, he is being called a "right-wing zealot," a "radical of the right," a "laundered McCarthyite" and an "extremist in favor of executive supremacy and diminution of personal freedom."

In my opinion, the opponents of Mr. Rehnquist overstepped themselves and defeated their own purpose when they seized on a casual talk-show claim that the President's nominee was a member of the John Birch Society. Almost as soon as the charge hit the airwaves, the nominee filed a sworn statement with the Judiciary Committee denying that he was now or had ever been a member of the Birch Society. Unfair as the charge was, the effort of the A.D.A. leader, Joseph Rauh, to use it for smear purposes may have tipped the Senatorial scales in Mr. Rehnquist's behalf.

Rauh's attempt to cast doubt on Mr. Rehnquist's denial of membership and his obvious attempt to smear the nominee through a process of guilt by association blew up right in his face. It brought from Senator Edward Kennedy of Massachusetts, a committee member with admitted reservations about the nominee, a warning not to spread charges without evidence. Kennedy further told Rauh: "You have left an atmosphere that I think is rather poisonous."

Mr. FANNIN. Mr. President, I also invite the attention of Senators to four other columns which have been published recently in the press. These articles discuss the Rehnquist nomination and the role of the Supreme Court in general. I ask unanimous consent to have printed in the RECORD columns by William F. Buckley, Jr., James J. Kilpatrick, and Richard Wilson, and an article by Anthony Lewis which appeared under a London dateline in the New York Times.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

WOULD SENATE LIBERALS CONFIRM JUSTICE CARDOZO?

(By William F. Buckley Jr.)

If one were to ask the question about former justices of the Supreme Court, "Who is the fairest of them all?", there would be many answers: But no list of the great Supreme Court justices of this century would exclude the name of Benjamin Cardozo. A learned friend now calls to my attention that notwithstanding that Cardozo was worshipped in his day, which is not that remote (he died in 1938), one wonders whether the liberals in the Senate would nowadays vote to confirm a man with such a record.

In brooding over appointments to the vacancies in the Supreme Court, Fred Graham, who covers the court for the New York Times, wrote recently, "The suspicion is that what Mr. Nixon really has in mind is a Supreme Court that will quietly attend to its own judicial backyard, and will not interfere with what the other two branches and the states want to do." That of course is not only what President Nixon has in mind, but substantially what the framers of the Constitution had in mind. Certainly that is substantially what Cardozo had in mind. And yet, in recent days, in the New York Times Prof. Alan M. Dershowitz named Cardozo as the judicial exemplar, whom Nixon's choices should seek to emulate.

Judge Cardozo always distinguished between the function of the legislature and the function of the court. Soon after being named to the Court of Appeals, he concurred in a decision of that court affirming the conviction of Dr. Margaret Sanger for the offense, under the law as it stood, of disseminating birth control information. The court's objection, in which he joined, noted breath-takingly that it was not the business of the courts to consider arguments "touching social conditions and sociological questions." These, the court held, were "matters for the legislature and not the courts."

On this point, Cardozo more or less held firm throughout his life, the most conspicuous exception being his vote to condemn the National Recovery Act as unconstitutional. It was the keel of his judicial philosophy, singled out by his eulogist, Atty. Gen. Homer Cummings, at his memorial service. For Cardozo, Cummings said, that doctrine was not an "aphorism but a burning truth."

Cardozo seldom interfered with state legislation. Although he did on one occasion invalidate the sentencing of a Communist under an anti-anarchy law, he took pains to point out that he was observing merely that a Communist is not an anarchist, that he was not disputing the constitutional authority of the state to "protect itself by prohibiting the teaching of revolutionary doctrine."

And, in the field of criminal prosecutions, Cardozo came face to face with many problems still being actively debated. For instance: Do you or don't you admit evidence even if it was procured by trespass or other unlawful means? Cardozo believed that the purpose of a trial was to ascertain whether accused was guilty.

He never held the 5th Amendment as binding in the state courts, and indeed he did not consider either it, or even a jury trial, as generically indispensable to freedom: "Few would be so narrow and provincial as to maintain that fair and enlightened system of justice was impossible without them (trial by jury and the privilege against self-incrimination) . . . justice . . . would not perish if the accused were subject to a duty to respond to orderly inquiry." For the record, Justices Hughes, Brandeis, and Stone concurred.

I am indebted to James Jackson Kilpatrick for a little arithmetic on the Supreme Court's 1970–71 term. The court handed down 121 written opinions. Twenty-eight of these were 5-to-4 decisions. Of the 28, eight dealt with statutory questions. The rest were cases arising under the Constitution. The court conservatives won thirteen, lost six, and tied one (U.S. versus Arizona). Burger and Blackmun voted as one in all 20 cases. On the liberal side, Douglas, Brennan, and Marshall never broke ranks. White joined the two conservatives in 16 out of 20 cases, Harlan and Stewart in 15 of them, Black in only 9. The exemplary Cardozo, whom Messrs. Powell and Rehnquist should indeed seek to emulate, would have joined the conservative bloc.

REHNQUIST'S RECORD IS RESULT OF ADVOCATE ROLE

(By James J. Kilpatrick)

Nine of the last 12 nominees to the U.S. Supreme Court were sitting judges when their names went to the Senate. It was not much of a problem to read their reported opinions and to get a line on their cast of judicial thought.

A more difficult task is presented in getting a line on Lewis F. Powell, Jr. and William H. Rehnquist, the President's nominees for the vacant Black and Harlan seats. They are active lawyers, one in private practice, the other as government counsel; they think, speak and act as advocates, not as judges. Their high calling has made them players, not umpires, and this role needs to be kept in mind.

It needs especially to be kept in mind in the matter of Rehnquist. He is coming under heavy fire just now from a number of civil libertarians who are offended by things he has done or said as assistant attorney general. He has, for example, been "tough on demonstrators." He has "supported preventive detention." He has "defended a President's unrestrained power to eavesdrop on private citizens." The impression is being cultivated that Rehnquist is somewhat to the right of Torquemada and just to the left of Genghis Khan.

A very different impression may be formed from a careful reading of Rehnquist's speeches and prepared statements over the past three years. These make a stack of papers 4 inches high. To study them is to gain a picture of advocacy at its best—of argument compelling in its force, but founded in reason. One also sees Rehnquist, as the quintessential lawyer, living by the commandment of Canon 6 that his obligation is to represent one's clients "with undivided fidelity." His clients, of course, have been the attorney general and the President.

Yes, he is tough. He speaks to the Newark Kiwanis Club on Law Day of "the new barbarians" and he is cool to cold: "I do offer the suggestion in the area of public law that disobedience cannot be tolerated, whether it be violent or nonviolent disobedience. I offer the further suggestion that if force or the threat of force is required in order to enforce the law, we must not shirk from its employment."

He is wholly a man of the law: "The minority, no matter how disaffected or disenchanted, owes an unqualified obligation to obey a duly enacted law. Government as we know it could not survive for a day if it permitted any group to choose the laws which it would obey, and those which it would not obey."

In another Law Day address, this one in Houston, he defends the government's position in the matter of violent demonstrators. He has no apologies for sweeping them up: "I suggest to you that, quite contrary to the views expressed by the defenders of the radicals, these actions of state and federal governments are only the most minimal sort of responses to very intense and serious provocation, and that these actions on the part of the government are not only thoroughly defensible but absolutely necessary. They are absolutely necessary not only for the preservation of order, but for the preservation of liberty itself. . . . We must not equate dissent with disloyalty. . . . But I would like to pose the corollary that neither should we equate destruction with dissent."

Time after time, one finds Rehnquist defending "the balancing approach," and "the reasonable approach." In a speech at Tempe, Ariz., in December 1970, he provided a superb defense—agree or disagree—of the case for "preventive detention." He is constantly remarking that "all or nothing" solutions cannot be accepted. He is contemptuous of the excesses in federal surveillance activities. These at one point "rather clearly got out of hand."

Rehnquist is not the most felicitous writer one might encounter. He splits infinitives. He mangles verbs. He falls into the "may or may not" constructions that smack of redundancy. He has not mastered the distinction between "less than" and "fewer than."

The syntax is not so important. Rehnquist, on his advocate's record, offers a brilliant intellect and a scholar's patience. On the court he may disappoint Nixon and he will disappoint me, but he promises to make a tremendous judge.

REHNQUIST UNDERSCORES IDEOLOGICAL ISSUE

(By Richard Wilson)

The nomination of William Rehnquist as a justice of the United States Supreme Court presents the issue between President Nixon and the Democratic Senate majority in a unique and direct way.

No fringe questions cloud the issue. Rehnquist's record as a lawyer is without blemish. No reproach arises from his personal life, his financial affairs, or his intellectual qualifications.

Rehnquist is an activist conservative. It does not wash that in the Justice Department he merely did a lawyer's duty as an advocate of his client's cause. The record shows that he did so with the force of conviction. His record as a private lawyer equally supports the conclusion that he has articulated the rational conservative position as a believer, and by no means in the sense that a lawyer might defend an accused murderer whom he suspected, in his heart, to be guilty.

A vote against Rehnquist in the Senate, therefore, must be based largely upon opposition to his politico-legal philosophy as revealed in his record as a lawyer. Is this a group basis upon which to oppose a President's nomination of a Supreme Court justice?

There is no use saying that lawyer-trained senators are above basing their votes on such differences. If William Kunstler were to be nominated to the Supreme Court he would be opposed as a dangerous radical who could not be trusted as a judge. It is precisely the difference between a Rehnquist and a Kunstler which makes the point. Rehnquist respects the processes of law and Kunstler does not.

If innocence of all politico-legal doctrine or ideology were to be made the definitive qualification of a Supreme Court justice, the court would not have seated Charles Evans Hughes, Earl Warren, Hugo Black, Felix Frankfurter and others. Hughes was governor of New York and a candidate for President. Warren was governor of California and a candidate for vice president. Both were Republicans and adhered to a certain political philosophy.

Black and Frankfurter were liberals in their time and very active as such. That was a major reason why they were appointed to the court. Others were appointed for the same controlling reason. One law school dean came to prominence as a supporter of Franklin D. Roosevelt's court reorganization plan and he was subsequently appointed to the court.

A senator must judge whether or not a nominee's past record of advocacy and his political orientation is such as to disqualify him from being a fair and able judge weighing all sides of an issue. Fair-minded and able men often come to different conclusions, as the Supreme Court illustrates very often. Justices supposed to be "liberal" or "conservative" often end up the opposite or somewhere in between.

President Nixon has placed on the scales by which a senator weighs a nominee's qualifications the idea of "strict construction" of the Constitution. Just what this phrase means is beyond clear definition. It might be said that under strict construction of the Constitution the President of the United States could not conduct the Vietnam war without direct congressional authorization and declaration. Would Nixon agree to that? Even the strict constructionists on the Burger court evidently do not.

Strict constructionism has become a codephrase for inflexible adherence to the past which Nixon himself negates nearly every day in his executive policies. It was a mistake to introduce the idea, for the court is compelled to move with the times as it did so dramatically in the school desegregation cases. In these cases the strict construction of the Constitution changed the centuries-old pattern of American life.

The current need is not for those trapped by the past, but for men with minds of penetrating depth unswayed by shibboleth and fixed concepts. Rehnquist brought that kind of a mind to the problem of legally rationalizing opposition to long prevailing concepts which were supposed to be "liberal" and therefore sanctified, as was the separation of the races so long sanctified.

So, a senator who votes against Rehnquist must say to himself: "This man is qualified, evidently brilliant, capable of growth, and with an enviable grasp of the law. But I cannot support him because he doesn't fit my definition of a liberal." Experience shows this is a poor way to measure judicial qualification.

[From New York Times, Nov. 11, 1971]

AFTER REHNQUIST

(By Anthony Lewis)

LONDON.—The problem now troubling American liberals in the nomination of William H. Rehnquist to the Supreme Court was foreseen years ago by Judge Learned Hand. In his Holmes Lectures at Harvard he said:

"In so far as it is made part of the duties of judges to take sides in political controversies, their known or expected convictions or predilections will, and indeed should, be at least one determinant in their appointment."

Judge Hand was not using the word "political" in its narrow partisan sense. If our judges are to decide controversial national issues in the guise of lawsuits, he was saying, then they will be chosen in part for their ideology.

It is difficult for liberals to deny the premise. They know that for years they cheered the Supreme Court on as it advanced values of which they approved. Now a conservative President wants judges with different values. Is it logical to deny him that power, or even democratic? After all, the Presidential appointing power is the only means of seeing that the Court even distantly reflects the changing outlook of the country—as it must.

From this it follows that a President, should be allowed ample ideological scope in choosing a Supreme Court justice. There are limits—a racist would be disqualified—but they are broad. And so, many Senators who entirly disagree with Mr. Rehnquist's right-wing ideas will nevertheless properly vote for his confirmation.

But a more basic issue will remain—the one that really interested Judge Hand. That is the issue of the appropriate limits on the judicial function. Should judges be dealing with heated social and economic controversies? Or should they limit themselves to tamer matters of more traditional law?

In recent years it has gone out of fashion to ask such questions. Mr. Justice Frankfurter's plea for judicial self-restraint seems long ago and far away. Few seem to remember the terrible lesson of the 1920's and 1930's, when self-willed judges almost destroyed the Supreme Court.

Instead we have what could be called the neo-realist view. It was put with candor in 1958, the same year as Judge Hand's lectures, by Prof. Charles L. Black of Yale:

"We are told that we must be very careful not to favor judicial vigor in supporting civil liberties, because if we do we'll be setting a bad precedent. Later on, we may get a bench of [conservative] judges . . . [but] suppose the present Court were to shrink from vigorous judicial action to protect civil liberties. Would that prevent a Court composed of latter-day McReynoldses and Butlers from following their own views?"

Professor Black's rhetorical question expects a negative answer, but it is not so clear that restraint on the part of a liberal Court would have no effect when the pendulum swings. Certainly Brandeis, the greatest intellect who ever sat on the Supreme Court, thought otherwise. Again and again he held back from results that he personally desired because he thought he would encourage other judges to push their views in other cases.

Of course there is no convenient formula to set the limits on the judicial function. Every judge will have his own deep instincts about the values essential to the American system. Brandeis deferred to most legislative judgments, however foolish they appeared, but not when it came to freedom of speech or privacy: He thought they were too fundamental to the whole constitutional scheme.

The justices of the Warren Court did not decide the great cases as they did out of sheer perversity, as some of the sillier critics seem to think; they were carrying out what they perceived to be their duty. If they had changed their minds because they anticipated adverse reaction, they might have been said to lack courage.

The Warren Court is to be criticized not for its motives but, occasionally, for its judgment. It overreached from time to time. For me the outstanding example was the *Miranda* case: A narrow majority, without convincing basis in history of expert consensus, read a particular code of police procedure into the general language of the Constitution.

Judicial intervention on fundamental issues is most clearly justified when there is no other remedy for a situation that threatens the national fabric—when the path of political change is blocked. That was the case with racial segregation and legislative districting; it was not the case with *Miranda*.

Judge Haud would have excluded all such matters from the courts, but that remedy would be too drastic. We have long since come to rely on the Supreme Court as an essential medium of change in our rigid constitutional structure. What we can ask of the judges is modesty, a quality required not only by man's imperfection but by the fragile nature of the judicial institution.

FORCED BUSING AND THREAT TO NEIGHBORHOOD SCHOOLS

Mr. SPARKMAN. Mr. President, in this day, when so many of us throughout the whole Nation are concerned with the threat against our neighborhood schools and with the problem of forced busing, it is good to read such an editorial as published in the Mobile, Ala., Press Register of Sunday, November 14, 1971. I think it is a fine analysis and cross-section of views throughout the country.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSING BY FORCE LOSES GROUND FAST

If the trend of attitude on the issue continues, it soon may be difficult to find a voice anywhere in the nation that will speak out unreservedly in favor of the political atrocity of busing school children by federal force for racial purposes.

The Gallup Poll and other recent surveys have shown the great strength of public opinion against that atrocity.

Not to be left at the post in throwing cold water on forced busing, Sen. Henry M. Jackson of Washington State, who would like to land the Democratic presidential nomination next year, says that although believing in school integration in the "fullest sense," he would "oppose moving my daughter from a good school to a bad one."

More and more politicians who have been vague in the past on where they stand on busing by force are backing away from that political atrocity today in the face of mounting nationwide condemnation of the practice.

Editorially, the Christian Science Monitor currently says: "There should be prudence in the use of busing. Busing can at best be a temporary aid to desegregation, even though educators say there can be no meaningful desegregation without busing.

"Busing may never be successful until it is truly voluntarily accepted and of course then it would likely not be necessary."

Rep. John M. Ashbrook of Ohio joins the ranks insisting on busing restraints. His position, as he summarized it in the House:

"In view of the need to improve the education of children in all of our schools, whatever their racial composition, I think that federal funds should be restricted to educational purposes.

"So long as we permit the use of these funds for busing, it is a major temptation to every federal and state court, and even to state agencies, to order extensive and unpopular busing program on the theory that the costs will be picked up by the federal government."

Forced busing is on the defensive in the United States. It is losing ground both among the people as a whole and among politicians as a group.

Few plunges into the preposterous have been as untenable and vulnerable as herding school children into buses by federal blackjack for transportation out of their own neighborhoods into strange and often faraway neighborhoods in the name of promoting racial balance in the classrooms.

In a broadside at forced busing, the Chicago Tribune says editorially:

"Busing is tremendously expensive in terms of money, time and energy—all of which can be better used than by making premature commuters out of school children."

Another way in which busing is tremendously expensive is easily pinpointed: The disservice inflicted upon school children.

Correctly, the Tribune reasons that the schools "never should have been burdened" with the expectation of being made the "sole agency for increasing racial integration in American society."

Forced busing is a product of political brainstorms more than a product of anything else. In practice, it is a form of political dictation obnoxious to an obviously great majority of the American population.

SECRETARY OF STATE WILLIAM P. ROGERS

Mr. DOLE. Mr. President, the last few weeks have been filled with news on developments in foreign policy—from the President's announcement of the summit conference in Moscow to today's coup in Thailand. The day-to-day pace of these events is often difficult for most Americans to follow. So it is a welcome document that can provide a clear explanation of these events and can put foreign activities into perspective.

I refer to Secretary of State William P. Rogers' address last Friday before the 62d anniversary convention of the professional journalism fraternity—Sigma Delta Chi—which included college and professional newsmen. In an excellent survey of our foreign policy and its implications over the last 3 years, and a revealing series of questions and answers, the Secretary has put into a few pages the meaning of what has gone on around the world for all to understand.

Mr. President, I ask unanimous consent that the transcript of Secretary Rogers' address be printed in the RECORD, so that my fellow Senators may have the opportunity to review recent developments in the foreign policy area.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE WILLIAM P. ROGERS

Members of the head table, ladies and gentlemen, I would like to, if I may, make a few introductory remarks and then suggest that if you have some questions, I will try to give an answer to those questions.

I am particularly pleased to be here today at this meeting of Sigma Delta Chi for many reasons:

First, I have always had a very deep and abiding interest in the media. I must confess, however, that I expected to see some of the same, older faces that I have been accustomed to. I had no idea that we would have so many young men and women here today. I am very pleased that that is the case.

As I said, I have had over the years, a great interest in the press and had the privilege of representing the press on a number of occasions, and particularly in connection with the First Amendment right.

I always have supported the First Amendment, as you might expect, the right of free speech, fress press—until I became Secretary of State. [Laughter and applause.]

FOREIGN NEWS IS BAD NEWS

I want to, in order to lay a little ground work for what I am going to say preliminarily, point out that in the field of foreign affairs, the news that is made is always bad news. There is very little attention given to good news.

And in the case of the United States, we are to blame for the bad news, no matter where it occurs, because we are the strongest and most powerful, successful, if you will, nation in the world. We have a heavy responsibility in dealing with international affairs, and people do blame us for things that happen, regardless of whether we could have prevented it, regardless of whether we were prepared to meet the humanitarian needs that developed in any kind of crisis.

I was reminded of this not so long ago when my briefing officer came in in the morning reciting what happened throughout the world during the night. Every morning I get a briefing of that kind. And this particular day, everything he said was bad. There wasn't a bit of good news, and I finally said to him, "The news is very bad today, isn't it?"

And he said, "Mr. Secretary, the news is very bad today."

I said, "Is there any good news anywhere in the world?"

And he said, "No, sir, there's no good news in the world." [Laughter.]

"But," he said, "I will say this, and you may be pleased to note, that there is some bad news that we are not to blame for." [Laughter.]

I said "What's that?"

And he said, "The Aswan Dam is leaking." [Laughter and applause.]

JUDGE FOREIGN POLICY IN RELATIVE TERMS

Well, I want to say that the only way that it's possible to judge foreign affairs is in relative terms. You have to ask yourself: "How do we stand today compared to where we stood at some other time?"

Now I don't suppose there has been a time in the history of this country when international affairs was in a more fluid state throughout the world. And for that reason, I think it's a particularly interesting time to be alive and I think particularly you young men and women who are interested in journalism should feel very fortunate.

There is a tendency in this country to say that we are becoming less involved in the world. And others say we should become less involved in the world.

Now I want to say to you ladies and gentlemen that I disagree on both points.

We are not becoming less involved in the world.

We should not become less involved in the world. However, it is important to change the character of our involvement, and that is what the foreign policy of this Administration, your Government, is attempting to do.

I would like, just briefly, to discuss three areas that demonstrate this point:

MILITARY COMMITMENTS VS. INVOLVEMENT

First, in military matters, we have treaty commitments that oblige us to act in certain ways throughout the world. This is the result of the bipartisan foreign policy that has existed since World War II.

But we felt that we were too deeply involved in terms of numbers; our presence was too great; that we could live up to our treaty commitments with fewer number o' people, with a presence that, was not so intrusive; and as a result of that in the last two and a half years we have reduced our troop strength in the Pacific by 420,000. And as you know, the President will soon make a further announcement.

Now I'm not speaking just about Viet-Nam; I'm speaking about the Pacific area. We have reduced our troop strength in Korea, Viet-Nam, Japan; in Thailand, Taiwan and the Philippines, 420,000 Americans have been brought home from those areas, and we still are able to maintain our treaty commitments and to carry out the obligations that we have as a nation.

ECONOMIC POLICY WITHOUT PROTECTIONISM

In economic terms, we have as you know, adopted a new economic policy. Some feel that this policy is designed to build a wall around the United States, a protective wall, that we'll go back to a position in the world of "protectionism." But I can say to you ladies and gentlemen, that that is not the case.

The United States benefits from free trade just as the whole world benefits from free trade, and we are the greatest trading nation the world has ever known. And speak as you will about foreign assistance, the way we can benefit the less developed countries is to make the United States a better marketplace for them.

There's no amount of money that we can spend in terms of foreign assistance that would in any way equate the benefits that they would receive if we continued to keep our marketplace open. And the United States is dedicated to that end. We have to play our role in helping less developed countries develop their economies.

Now our new economic policy is designed to do one thing, and that is to make the economic picture of the world more fair.

As a result of World War II we took on a great obligation to assist other nations, and some of the things that have existed up until recently, have been because of inertia. We continued the policy that we initiated a long time ago; so that nations like Japan and Germany that benefited as a result of some of the efforts that we have made in the past; now have become very strong economic powers, and the policies that this Administration has adopted, are merely designed for the purpose of making trade more fair; making the monetary picture more equitable; making it clear that we are going to share more equally the burdens of our mutual defense.

But none of the things that we have done or plan to do, in any sense of the word, is designed to go back to a period of "protectionism."

EMBARKING ON AN "ERA OF NEGOTIATIONS"

The third area that I would like to discuss very briefly today, is our position in political terms throughout the world. I don't suppose that there has ever been a time in our history when we've had more initiatives for peace underway than we do at the present time.

President Nixon promised in his Inaugural that we would embark on an era of negotiations, and we have carried out that pledge. I can illustrate it in a few ways here today.

First, on Monday (November 15), the SALT Talks, the Strategic Arms Limitation Talks, will resume in Vienna. These talks, as you know, have made progress and have focused on central issues of great importance. The two agreements that were signed on September 30th on the Hot Line between Moscow and Washington, dealing with nuclear accidents, were described by the members of the press as "appetizers." (Two years ago they might have been considered "breakthroughs.")

When the talks resume in Vienna, the United States and the Soviet Union will intensify their efforts in a very serious and substantive way. Our efforts will be directed toward achieving an agreement within the framework of the May 20th announcement made by the President and by the Soviet leaders of Moscow, which contemplates a limit on both protective and offensive weapons.

Having concentrated on ABM, on the defensive weapons, during the Helsinki round last summer, we and the Soviets will be discussing offensive limitations in greater detail in Vienna during the coming session. We have every reason to be hopeful that those negotiations will result in a successful conclusion.

BERLIN FORCE REDUCTIONS ON THE MOVE

Now in addition to these SALT Talks, Europe has been the scene of other, very active negotiations. For example, as you know we have achieved a preliminary settlement dealing with Berlin. At the present time there are talks under way between the two Germanies, and if the two Germanies are able to carry out the specific commitments that are necessary, pursuant to the agreement of Four Powers, we believe that this problem which has plagued society since World War II can be greatly improved, and the tensions alleviated.

We also, as a result of the fact that the Soviet Union now has made a positive response to the NATO initiatives on Mutual and Balanced Force Reduction, feel that there is some hope that those discussions could at some point get under way.

The former Secretary General of NATO, Mr. Brosio, has been named as Explorer and will go to Moscow with the thought in mind of discussing with the Russians how we could initiate those discussions dealing with Mutual and Balanced Force Reductions in Europe.

As you probably know, we also are contemplating the possibility of a Conference on European Cooperation and Security.

So that in the European picture particularly, there are very active negotiations going on which could lead to a much more peaceful climate in that area of the world.

THE MIDDLE EAST: CONTINUING THE 16-MONTH CEASE-FIRE

In the Middle East, as you know I am sure, we have taken a very—played a very active role, and as a result of that there has been a ceasefire in effect for sixteen months.

We have urged the parties to take further practical steps toward an interim agreement, which would be a litmus test for peace. This step would help maintain the cease-fire. It would divide the two nations. It would diminish the risk of confrontation between the national powers. It would give a new lease on life to efforts to achieve a final peace settlement.

We have suggested to the parties that ways be found to intensify the negotiating efforts. The practical fact is that the discussions between the parties have reached the stage where the differences are difficult to rectify by means of negotiations at a distance. What is required, are negotiations in close proximity so that the parties can exchange thoughts quickly. So one nation could say, "If we're prepared to make the following concession, would you be prepared to do the following?"

As it is, long distance discussion—it's a very cumbersome procedure.

We are very concerned about the buildup of forces in South Asia, and the rising number of armed clashes over recent days along the East Pakistan border.

We are apprehensive that these clashes might lead to an outbreak of hostilities in the days ahead.

We believe that a war would solve nothing, but would merely add to the mass of problems that already exist in the area.

In view of these concerns, we have urgently counselled both sides to exercise maximum restraint.

QUIET DIPLOMACY IN THE SUB-CONTINENT

We have also been the principal supporters of an international program designed to meet the problems that have arisen from the huge exodus of refugees from East Pakistan into India; and through quiet diplomacy on both sides, we are seeking to encourage steps which would diffuse the situation, get a dialogue going between those principally concerned, with a view to making practical progress toward a political accommodation.

And then finally, as you know, the President is planning to meet at the Summit with the two great Communist powers.

The current situation is unique in this post war world. For the first time since 1945, a United States President will visit the Soviet Union. For the first time ever, a United States President will visit China.

SUMMIT CONFERENCES LEAD TO "GENERATION OF PEACE"

The President is undertaking these trips in the same spirit that we are undertaking all our negotiations. We realize that fundamental differences divide us from the Soviet Union, and from the People's Republic of China; and that our problems cannot be solved overnight.

We approach these visits with modest expectations, but with the hope that such serious and intensive efforts could lead to peace during our generation.

It's an undeniable fact that peace depends in very large measure on these efforts to reconcile differences on a variety of issues, in a variety of ways, and in a variety of forums.

As I see it, that is the principal reason why the United States must remain deeply involved in the affairs of the world.

Ladies and gentlemen, let me say in conclusion that there are four points I would like to leave with you:

The first is that at no time in the history of this country has the Government ever undertaken such comprehensive and intensive efforts for peace as we are undertaking.

Secondly, the world, as a result of the efforts that have been made, is a more peaceful place to live in than it was two-and-a-half years ago. The war in Africa, which was a disastrous war with a tremendous number of casualties, has ended. In the Middle East, as I indicated, there has been a cease-fire for about sixteen months and we all hope and pray that it will continue. The war in Viet-Nam is deescalated to the point where there is very little combat, certainly very little combat as far as American troops is concerned.

Third. The progress that has been made, at least from the standpoint of the United States, has been pursuant to a policy that we announced at the beginning of this Administration. It has been a policy that's pursued in an orderly way. I'm sure that there are phases of it that some of you do not agree with, but that's inevitable in our society. But in any event, the progress that has been made, has been made pursuant to a plan, pursuant to the policies that were announced earlier on in the Administration, and they've been implemented successfully to date.

NIXON LEADERSHIP LEADING TO LASTING PEACE

And the fourth point I would like to make is that I think as a result of this leadership on the part of the United States, and particularly on the part of President Nixon, that he has achieved in the world picture, is a position of leadership for peace which holds out great hope for the prospects of a generation of peace. I know that all of us who are working in government, and I'm sure that all of you here today, have the same hope that we can succeed in conducting our foreign policy in such a way that would lead to a generation of peace.

Thank you. [Applause.]

I didn't keep standing to encourage the applause; but to suggest that I would be happy to take your questions.

Q. Mr. Secretary, what immediate results might we look for from the President's trip to Peking and Moscow?

A. Well, I think that—— [Requests for a repetition of the question.]

The question is: What immediate results do we expect from the President's trip to Peking and Moscow.

In the case of Peking, because we have not had any contacts with the People's Republic of China for so long, I think we have to begin with modest expectations. I think the mere fact that the trip is being taken, and we would hope that there would be some possibility of further contacts subsequent to the visit, in itself, would be a concrete result of considerable proportions; because the fact that a nation like the People's Republic of China was isolated for so long, in itself, we thought was a bad situation. We believe the fact that the People's Republic of China is now a member of the United Nations and is establishing diplomatic relations with many other countries and is playing a more active role in international diplomacy, will help to reduce tensions in the world.

Secondly, we would hope that there would be some possibility of an exchange of journalists, of students, doctors, scientists, and so forth.

Then possibly as time goes on, there could be an increase in trade. I think that the trade possibilities are somewhat limited to begin with because of the nature of the relationship; but we would hope there would be some possibility of increased trade.

Now in the case of the Soviet Union, because we have had very active diplomatic relations with them for so long and we are engaged in so many discussions there, we would hope that there would be some more concrete results achieved; and I would hope there would be progress in the SALT Talks. We certainly will have an opportunity to talk about the progress that is made in Berlin. So there are, I think, some prospects from the trip to Moscow, of some considerable concrete results.

Q. If the Government hadn't told us why they went to China, how it was all set up—secret trip with Kissinger and all that—how do we know that you are going to tell us all

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the details of the trip? And what kind of assurance do we have of that?

A. Well the question really is: How do you know that the Government is going to tell you everything that happens, because we didn't tell you about Mr. Kissinger's trip, and so forth.

Well, I don't think that the premise on which you base your question is very good.

The reason that there was no advance publicity about Mr. Kissinger's trip is because that was the only way we could work it out. We weren't sure, of course, what the results of that visit would be; and we agreed at that time that there would be simultaneous announcement from Peking and Washington; and the announcements were made by agreement at the same time, and they were the same announcement.

Now I suppose that all I can say to you is that when you have a government, you have to believe them. We are not going to mislead the American people. [Laughter.]

And I would be glad to answer any questions about this that you want. I have told you what our purposes are.

We have very modest expectations about this visit. We have indicated—

Q. Mr. Secretary—

A. We have indicated, I might just finish by saying we have indicated to our Allies that we're going to continue to honor our treaty commitments.

Now I don't know what to say, except that we have no intention of misleading the American people about the purposes of our visit to Peking and Moscow.

On the other hand, I think the American public supports the idea of these visits, and we will make known the result, as soon as it's possible to make those results known.

As I say, if you agree with the People's Republic of China that you will make an announcement at a certain time in a certain way, we have an obligation to live up to that agreement. And that is what we did.

Q. How do you feel about Mr. Kissinger's going to China and Moscow . . .

A. Well, in the first place, Mr. Kissinger went to China. He didn't go to Moscow.

But, I feel fine about it. [Laughter.]

Q. Mr. Secretary, has the publication of the Pentagon Papers hurt our relationship with any foreign powers at all?

If so, how?

A. Yes, it did.

How lasting those effects are going to be, I can't predict. But we had numerous complaints from governments to the effect that "they were shocked that this could happen."

Because some of the conversations we had with those governments were made with the understanding that they would not be made public.

Now in diplomacy, this is inevitable at times. There are times when you ask another government to assist as a mediator, or in some other role which could be very helpful in the cause of peace, and if that government says that for political reasons at home, or some other reason, it would not like to have that fact known.

Now there's nothing insidious about that. That is just a practical fact of life. We have, I think to some extent, reassured the governments that this is not going to be a continuing practice and we are not going to release things that we agree we'll not release—so I think it's too early.

I am sure that initially, it hurt us with other governments. How lasting that effect will be, I can't say.

Q. Mr. Secretary, how can we regain our leadership in the United Nations after the defeat on Taiwan?

A. Well I don't think we lost our leadership in the United Nations because of the defeat on Taiwan. That suggests that any time you lose a vote in a democratic institution, you lose your leadership.

The whole point of a democracy is that sometimes you win, and sometimes you lose; and you are bound by the majority of votes.

I don't think that we lost our prestige in the United Nations.

In the first place, I think our position was sound; and I think people will recognize it as sound.

Secondly, I think people feel that we made a good, stiff, hard, fight to succeed.

And third, we acknowledged right after the defeat that it would not affect our relations with the United Nations, that we would continue to support it and continue to be an active participant.

So I don't think we have lost at all. In some ways, I think we've gained. I don't think you lose prestige every time you have a defeat. If you believed that, you wouldn't really believe in the democratic process.

Q. Sir, there has been some speculation that the United States is declining to almost a second-rate power. Since our involvement in Viet-Nam and our de-escalation of Viet-Nam, how have our diplomatic relations been with our allies?

A. Well, any time you are going through a period of change, you have some problems with your allies; and certainly our new economic policy has created some problems.

In terms of our standing throughout the world, that just is not true. We have not lost our standing in the world. We are, by far, the most prominent and powerful nation in the world.

Sometimes, I hestitate to say it, because it sounds so immodest. I think sometimes it's better if we're a little self-effacing. But the fact is that the position of the United States is probably adversely affected by our power.

So the mere fact that we are so powerful and so successful, has caused a certain amount of annoyance and irritation on the part of other nations; and I suppose that's inevitable. That's been true throughout history.

Generally speaking, our relations with our allies is very good. We've got problems that we're working on, but we are going to solve the problems and we're going to continue to have very close alliances as we have had in the past.

Q. I noticed that the United States is apprehensive that trouble may break out between India and Pakistan. There has been some speculation that war may break out soon. Whose side would the United States take if we get into that, or would we remain neutral?

A. Did you hear the question? No? Good, I'll go to another question. [Laughter.]

Q. The question really was, if a war breaks out between India and Pakistan, whose side are we going to take?

The answer is, we have good relations with both India and Pakistan. We have, as you know, provided more assistance to India than any other country in the world, and we have provided a good deal of assistance to Pakistan.

Since 1965, we have not provided any substantial military equipment, except by way of spare parts to either side. We have had an arms embargo on every major item. We have provided spare parts because up to 1965, we provided military equipment for both India and Pakistan; so the Government took the decision at that period of time, that we would continue to supply spare parts because otherwise they wouldn't have been able to get them for the equipment that we provided, and we would not supply arms to either side. That is our present position. We are not supplying arms to either side, and recently we have not granted any licenses for further spare parts, so we are not providing any military equipment to either side.

Now, diplomatically, we are going to do all we can to prevent a war from breaking out, and obviously if a war should break out, we are going to do everything we can to stay out. We have no intention of getting into any other war . . . [Applause.]

Q. Some of our colleagues in Washington press corps panels here, are talking about a credibility gap, and I have not been able to reconcile in my own mind how you can say, on the one hand, you have no intention of misleading the American people, yet we were not advised of Mr. Kissinger's whereabouts. Does your statement mean that you are willing to mislead us on a short-term basis but not on a long-term basis? [Applause.]

A. Well, that's a little bit like some of the discussions we used to have in philosophy classes; that if you say that a Government cannot do what we did in that instance, then I think it is quite impractical. There are times when it is important for practical reasons to do what we did. Now, that wasn't misleading, except for a couple of days [laughter.] and we had an agreement. Well, if you agree with the idea that the visit should take place—and most people do—and you accept the proposition, which is the correct proposition, that we couldn't have done it except as we did it, then do you seriously argue that we should have jeopardized the visit? Now, I don't think you do. I think, on reflection, you will say to yourself, "Well, that was a practical thing to do, and that is the kind of thing that happens in human affairs generally." I suppose that everybody has told a little white lie once or twice, hasn't he? [Applause.]

Q. Mr. Secretary, back to the India-Pakistan question, the U.S. announced just prior to Indira Gandhi's visit with the President, that there would no longer be any military assistance sent to Pakistan. Now, I am wondering how this affects our relations with Pakistan and what their reaction was?

A. Well, it's a good question. Our relations with Pakistan will not be affected because we did work it out with the leaders of Pakistan. We explained that it was causing very serious problems here domestically. It was misunderstood. It was causing a problem in India because it had taken on an importance far beyond its means. And it was agreed that this would be done. So, we have tried not to pass judgment on the events in the sub-continent. We have tried to maintain friendly relations with both sides. We have very active consultations underway with both India and Pakistan, and we would hope that our role will help in alleviating some of these problems.

Q. Mr. Secretary, nobody in the media or otherwise has commented upon the "overseas Chinese" reaction to what happened in the United Nations. I would like to know what you have learned, or what you feel, about the "overseas Chinese" [inaudible] bankers in Southeast Asia feel about is happening and what this means to us in terms of our foreign policy in that part of the world?

A. I think it is difficult to answer that question because they don't speak with one voice. There are lots of different viewpoints among the overseas Chinese, and I suppose it would be the same as the reaction throughout the world. There are some who look upon it unfavorably and others who support it, so I don't believe it is possible to answer that.

I think there is this recognition, though, in the world, that because of the recent policy decisions of the Peoples' Republic of China, and because the Peoples' Republic of China has been more active diplomatically, that it was inevitable that they would become members of the United Nations.

Now, as you know, we felt that it was desirable to have Taiwan represented, too, because in the absence of that representation, the voices of 14 million people are not heard. As you know, the other nations, at least a majority of them, disagreed with us. What the overseas Chinese feel about that, I'm not sure.

Q. Mr. Secretary, are there any day-to-day negotiations concerning the American prisoner-of-war issue, and do you hold any further hope on the Paris Peace Talks, and do you feel the President's trips to Moscow and Peking will in any way affect the outcome of the Peace Talks?

A. Well, in answer to the first question, yes, there are discussions going on about the prisoners of war. So far they have not been fruitful. We would hope that at home point they would be. As you know, Ambassador Porter continues to talk about the prisoners of war at the Paris Peace Talks. Whether there are prospects for successful negotiations in Paris or not, I don't believe it is possible to predict. Certainly there has been no progress to date.

We continue to hold out hope that at some point, the North Vietnamese might decide to negotiate seriously about the end of that conflict. But, as the United States continues to withdraw its troops, as we are doing, the problem becomes more and more a problem for the Vietnamese people.

On the third part of your question, I don't think it is possible to predict what the outcome will be of the President's visits.

Q. Mr. Secretary, the United States supported a two-China policy. Are you also a supporter of a two-Viet-Nam policy and a two-Korea policy?

A. Well, I don't like to characterize the policies in that simplistic way. We have felt that in the case of the People's Republic of China and the Republic of China, it would be well to have them both represented in the United Nations, not necessarily because of a two-China policy or a one-China policy, but just as a practical political matter. We favored the representation of those 14 million people on Taiwan.

As to the Korean situation, we are pleased that there are discussions now going on between the two parts of Korea. This is something I failed to mention. This is also a development that is very encouraging. It's the first time since the Korean conflict. But I don't like to label our policy in that manner.

Q. Mr. Secretary, if Dr. Kissinger's mission to Peking had been a failure, would we ever have heard about it?

A. Yes, you'd have heard about it. [Laughter.] We would have said we tried and it didn't work.

Q. Do you foresee any conditions in the near future under which this country and the Peoples' Republic of China will exchange full diplomatic missions?

A. Well, certainly at the present time, they take the position that they will not have diplomatic relations with any nation that has diplomatic relations with the Republic of China, so that I think at the moment the chances are not good. What would happen in the future, the long run, I think is not possible to predict.

Q. Even with the President's trip?

A. Well, it's not possible to predict, no.

Q. Mr. Secretary, Barbara Walters on NBC the other morning was commenting that the President should take women reporters or commentators on the trip. Are they going to be able to go?

A. Say that again? [Laughter.]

Q. Barbara Walters commented on her "Today" program the other morning, I think it was Tuesday morning, about the President taking women reporters and commentators on the trip to Peking. Are you going to take them? I think they should go, myself. What do you think about it? [Applause.]

A. Let's take a vote. [Laughter] I am sure that women will be included. Frankly, I haven't seen the list, so I'm not sure the list has been compiled yet, but I think you made a good case.

Q. Mr. Secretary, with the President being so closely identified with the initiatives toward peace, can these initiatives survive his failure at the polls next November?

A. Well, the Sigma Delta Chi has already decided that is highly theoretical. [Applause.]

Q. You have emphasized before that the United States is now making such comprehensive efforts to peace that has ever been made before. Yet, there has been a charge that the United States policy essentially in the world has not changed, [inaudible] a government more receptive, such as, in Viet-Nam, during the Nixon Administrations term of office, there have been more bombs dropped, more bomb tonnage than in any terms of office preceding that. At least that is what the *Washington Post* says. Does the point make Viet-Nam just an academic question; that is, a man named Jacques Cousteau recently said over his fifty years of investigating the oceans, that he has seen the oceans deteriorate fifty percent.

Now, if that occurs, then Viet-Nam is going to be an academic question. And I'd like you to tell us, in what sense has the Administration tried to improve both of these matters. And earlier in this—excuse me—but there was a man in your Administration named Secretary Hickel that seemed to be very much concerned about these issues, and in fact at the time they banned DDT, he was fired the next day. [Applause.]

A. The question was, what are you doing about the environment? [Applause.]

There are a good many things about it. Obviously the bombing is one of those things that all Americans wish were not necessary, but as far as the environment is concerned, we have many things underway. As you know, Russell Train is the head of the Environment Council; and in the case of the State Department, we have Chris Herter, who is the son of a former Secretary of State, who is actively preparing for the Stockholm meeting dealing with the environment under the auspices of the United Nations. It is a major problem in the world. We are committed to doing everything that we can, including the expenditures of a great deal of money to help solve these problems. And I think particularly because the environmental problems are not basically political problems, we should be able to work out arrangements with all nations to make progress in this area. I have been particularly pleased that in the discussions we had with the Soviet Union, they approach it in the same way.

Q. Mr. Secretary, I am a Viet-Nam combat veteran. My wife is Vietnamese. I know what has happened to the family structure in Viet-Nam through the American war effort and the Communists. I know what has happened in one family and you can multiply that a million times. I feel bad about the Americans who died and I feel bad about the Vietnamese who have died. What are we going to do, after the fighting is finished, to rebuild what we have done over there?

A. I guess most of you heard the question, and it is a very good question. We are going to offer—we have offered, and are prepared to help to rehabilitate South Viet-Nam. As you know, both President Johnson and President Nixon have indicated a willingness to help North Viet-Nam. You are absolutely right. We have a great responsibility to the people in that area to help them. The devastation has been very great. I have been in Viet-Nam twice, and I must say we are encouraged by the progress that has been made but there is a great deal of repair work that has to be done, and the United States is fully prepared to assist in that regard.

Q. Mr. Secretary, I'd like to return to Pakistan for one moment, if I may. India is the largest and most important country in that part of the world, and it has always had a non-alignment policy. Does the Administration have any fear that our Pakistan policy may change that non-alignment?

A. No, I don't think so. When Prime Minister Gandhi was here, we talked about that matter. She assures us that their non-alignment policy will continue regardless of the recent treaty which was signed with the Soviet Union. We have no reason to doubt that. We have, as I say, contributed a great deal to both nations in the way of foreign assistance, and the legislation that was passed by the Senate yesterday provides further economic assistance of that type.

Q. Mr. Secretary, how has Mr. Nixon's China policy affected our relations with the Republic of China and Japan?

A. Well, in the case of the Republic of China, I think the answer is obvious that they have been very disappointed in developments. They are particularly disappointeed at the result of the United Nations. On the other hand, I am sure, and have complete confidence in it, in the sense that they know we did everything we could to succeed, and they have expressed their appreciation for our efforts. So I think our relations are as good with the Republic of China as they could be under the circumstances. When I say "under the circumstances," I mean, considering the fact that they are naturally disappointed.

As far as Japan is concerned, I think our relations are good. I was particularly pleased that the Okinawa Treaty was enacted, was ratified, with such speed by the United States Senate. And I think this is a good example of what I started out by saying, and that is that good news gets very little attention. I don't suppose there has been a more historic event in several decades than the return of Okinawa to Japan, as it was accomplished

By mutual agreement, by working together carefully over a long period of time, working out all the intricate details that were involved in that treaty, and having it ratified by the Senate by such a huge vote—I think it was 86 to 6, something of that kind—and the Japanese people, I am sure, appreciate it very much. It is one of the few times in history that land of that kind, that size territory, has been returned to the vanquished. And I think it is something that all American can be very proud of.

Q. Mr. Secretary, thus far today, you have failed to discuss Latin America. Would you briefly cutline the present United States policy concerning Latin America, and, to be specific, what do you see in the chances of United States reopening displomatic relations with Cuba?

A. Well, the two questions, of course, are quite separate. As far as Latin America is concerned, we consider that it is an area of primary concern in the United States, and I think it is fair to say that we have not been able, for reasons which are quite apparent, to do some of the things that we hoped we could do. For example, we have not opened our markets to Latin America, as we should. We have to do that. I did say earlier in my remarks that one of the ways to help the less developed countries is to provide a market place for them. And the best market place for the Latin American goods is the United States. We have to do that, and we haven't.

We have to replenish the IDB funds, and that is underway. Congress has now—I am encouraged by the fact that they are moving on that front.

There are other things that we have to do for Latin America. We are in the process now. I think it is very easy, as you have suggested, to put Latin American problems on the back burner, because we have so many other problems involving peace and war. But, we must not do that. Our Latin American friends are very important to us and we are very important to them. And they have, over the years, grown to have a very special relationship with us, particularly in the trade field, and we have to continue that.

So, we are now in the process of trying to improve our relations with Latin America, and take more fully into account some of the needs that they have.

Q. Mr. Secretary, you have told us that Mr. Kissinger's trip to Peking would have been jeopardized by prior disclosure in the

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press, and that the disclosure of the Pentagon papers has hurt our image around the world. I wonder if you could back that up a little more fully and tell us exactly how the disclosures would have adversely affected Mr. Kissinger's trip, and how the disclosure of the Pentagon papers has adversely affected our image around the world, other than just embarrassment by other countries at this disclosure?

A. Well, I attempted to do that a little earlier by saying that in the case of discussions with other nations, by the very nature of diplomacy, there are a lot of things that you have to talk about with other nations that you can't talk about in public. That has always been the case. That is true of every institution. That is true of newspapers. I know something about it because I was connected with a newspaper. When you have a Board of Directors meeting, you don't have it in public. There are some things that you, by logic, are supposed to talk about privately. Now, in diplomacy, that is particularly true, and there are nations that expect to talk with us about matters which they expect us to hold in confidence. And in this case, these nations expressed very deep concern about whether we would be able to talk with their governments in confidence or not. It is just that simple.

Q. Yesterday at lunch, Max Frankel of the Washington Bureau's Chief of the *New York Times* was discussing the Government's case against the *New York Times* for publishing the Pentagon papers. I'd like to know what, if anything, is done by Washington to incite those expressions of diplomatic concern?

A. Nothing. Let me be sure, now, that you listen to the answer. Are you suggesting that we went to other governments and said, "Please come in and complain?"

Q. It appeared to me there was some intimidation by the United States.

A. Oh, I don't think that is serious. I'd like to talk to you about that. No, we had cables from other governments immediately, and we had their Ambassadors come in and talk to me at once. We have enough complaints without stimulating them. [Laughter.]

Q. Do you foresee any possibility that the United States might withdraw support of Israel; that President Nixon might make a deal with the Russians?

A. Could you say the first part of the question again, please?

Q. Do you foresee any incidents in which the United States might withdraw support to Israel. There have been pressures, for example, for the President to make a deal with the Russians, or some comment that this would make relations with Russia better. Now, might we withdraw support from Israel?

A. No. I'm glad you asked that question because it illustrates the problem we have around the world. When we adopt a new policy, a policy of trying to get along better with the People's Republic of China, we have to be sure that our friends and allies do not think that we are doing it at their expense. And when we discuss matters with the Soviet Union, we have to convince our friends and allies that it is not at their expense. And it is not an easy thing to do, because of articles that are written, and speculation, and so forth.

Now, in answer to your question, specifically, the United States has supported Israel since the inception, and we have made it clear that we are going to continue to support Israel's sovereignty, its right to be free from interference from its neighbor. We have provided a great deal in terms of supporting assistance. In fact, yesterday, when the Foreign Assistance Act was up, someone raised this question with me, and I called the members of the Senate who are concerned with it and said that I would make it clear to them that it was the policy of the Administration to authorize the expenditure of all the money that was included in that bill. And there was, at that point, another $85 million for supporting assistance to Israel. So the United States, in its efforts to get along with other nations in the world, is not going to do it at the expense of our friends and allies.

Q. Mr. Secretary, we have had summit conferences before. What is there different about Moscow and Peking that would offer some assurance of peace, or some prospect of peace?

A. Well, the question is, what is new about the summit conferences with Peking and Moscow. Well, of course, the thing that is new about the summit meeting with Peking is that we have never had one before. You can't be any newer than that. [Laughter.]

Now, as far as the Soviet Union is concerned, President Nixon said that he did not want to have a meeting of the summit unless he felt that there were prospects for some concrete results, and that is why we waited until the Berlin Agreement; that is why we waited until there had been progress in the SALT Talks. So we now think that there is some prospect of progress at the summit meeting. I'll take just one or two more questions.

Q. Mr. Secretary, specifically, how will foreign aid be restructured because of recent voting on the foreign aid bill?

A. I'm not sure. It is a matter now really between the Senate and the House of Representatives.

I would like to say this, however, that we would very much hope that a continuing resolution would be enacted, because in the absence of a continuing resolution, we are in direct conflict with what is called the "Deficiency Act." The Deficiency Act says that no member of the Executive Branch should authorize or obligate funds without an authorization and an appropriation by the Congress. So that if, after November 15th, there is no continuing resolution, and we authorize any expenditure of funds, for example, if we approve the purchase of a plane ticket or buy new supplies or anything of that kind, we violate the law, and the anti-Deficiency laws says "you shouldn't obligate any funds until Congress has authorized it." So we very much hope now that in view of the fact that both the Senate and the House of Representatives have made it clear that they favor a Foreign Assistance Act, that in order to provide for orderly government, and to make it possible for the people in the program itself to operate without fear of violating the law, that the Congress will pass a continuing resolution making it clear that we have that authority.

I'll take one more question.

Q. Mr. Secretary, now that our government has implemented a ten percent surcharge, I would like to know what steps are being taken to stop the generation of a trade war?

A. Well, we have very active talks going on, in the first place, with a Group of Ten being scheduled. We have discussions going on with other governments—the Japanese, the Canadians, and the Latin American countries, trying to work out a solution to this difficult problem. And, as I indicated earlier, it involves monetary matters. It involves elimination of some of the trade barriers, and it involves more active burden-sharing on the part of our allies. We are also having talks with Germany about burden-sharing, offset discussions, and I think we can work it out so it will be satisfactory in the final analysis, and will be for the mutual benefit of all free societies.

Ladies and Gentlemen, I want to thank you, very much.

[The session terminated at 2:30 p.m.]

FORMER SENATOR EDMONDSON'S DEATH AN UNTIMELY LOSS

Mr. BELLMON. Mr. President, many Oklahomans were shocked and saddened today by the untimely death of J. Howard Edmondson, a former Member of the Senate and former Governor of Oklahoma.

J. Howard Edmondson deserves a prominent place among Oklahoma's outstanding political leaders. He was a courageous, effective, and innovative Governor. His administration produced many progressive changes and reforms in Oklahoma government which contributed significantly to the State's progress and development.

Among the most outstanding accomplishments of the Edmondson administration were the establishment of central purchasing, which resulted in substantial savings to the State government, and a merit system for State employees, which brought greater stability and security to the operation of State agencies.

As Oklahoma's youngest Governor at the time of his election in 1958, Edmondson literally brought a fresh breeze to the statehouse. He spearheaded an infusion of young blood and new ideas into government that has prevailed, to the benefit of the citizens of our State.

His brief tenure in the Senate was characterized by serious and dedicated service to his constituents in Oklahoma. In his private life since leaving government service, he has continued to be an influence in the political affairs of our State.

Personally, we were good friends. I share the deep feeling of sorrow felt by all who knew and admired him. His tragic, untimely death at such an early age is a great loss to our State.

My deepest sympathy is extended to his widow, his children, his brother, Ed, who serves as Representative from Oklahoma's Second District, and other members of the family.

U.S. TRADE RELATIONS

Mr. BELLMON. Mr. President, a story in this morning's Washington Post by Frank C. Porter shows that finally responsible officials in our Government are beginning to speak out forcefully and constructively on the inequity of trade relations between this Nation and others. I refer to the story headlined "Connally Firm on Tariffs."

In this article, Secretary of the Treasury John Connally calls attention to Japanese tariffs on live calves which doubled the cost of a 300-pound animal delivered to Japan.

This restriction, which has been put into effect to protect a small scale and totally inefficient Japanese beef industry, has long been a source of concern to me. For many months our office has been working to initiate feeder cattle exports of lightweight feeder cattle into Japan. When we started there was no tariff, but once it appeared this project would succeed, the Japanese put on a tariff of $135 per head. Of course, this high duty made the project uneconomical.

As a result of this action, I have recommended that before we remove the 10-percent surcharge on Japanese imports into the United States, we insist that the Japanese remove duties and restrictions on the importation of American beef or feeder cattle.

Also in the Post article, Mr. Porter writes:

He took the Japanese to task for tariffs and taxes that increase the cost of a $2,200 Pinto to $5,000 in Tokyo while the competitive Datsun sells at $2,000 in the United States.

Further, Secretary Connally states that "in trying to redress these imbalances we do not intend to become provincial. We shall not resort to protectionism."

Mr. President, this is the kind of realism and strong language which this Nation has needed for years. I strongly commend Secretary Connally for his analysis of one of this Nation's most pressing basic problems and for his forthright and courageous manner in bringing this situation to the attention of our Nation and the world.

I ask unanimous consent that this article be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONNALLY FIRM ON TARIFFS

ALLIES' FAILURE ON CONCESSIONS TO U.S. SCORED

(By Frank C. Porter)

Treasury Secretary John B. Connally sharply criticized Japan and Western Europe last night in a hard-hitting speech suggesting that American efforts to win trade and monetary concessions overseas so far have made little progress.

Connally, who returned Saturday after a swing through the Orient, made no mention of any success in the worldwide talks.

Nor did he indicate any softening in the three-month-old general tariff or this nation's unilateral decision to let other currencies float against the dollar.

In remarks after he delivered the prepared speech, Connally said: "They tell us to remove the surcharge and revalue the dollar and we'll talk to you. That's not exactly the basis on which I'd like to talk."

Connally said these are not decisions that will be made by finance ministers or treasury secretaries. "They are of the highest political importance. They will be made by Premier Sato, Prime Minister Trudeau, President Nixon, President Pompidou and Willy Brandt."

Rumors had been rife that the Secretary would announce some loosening in these policies or even withdrawal of the tariff altogether in his address to the Economic Club of New York last night.

As it turned out, he indicated no retreat from the tough stance he took toward this country's trading partners immediately after President Nixon announced his new economic policy Aug. 15. Gone was the conciliatory tone he had used frequently among finance ministers of non-Communist nations at the International Monetary Fund meeting here late in September.

He rebuked Japan for removing import quotas on cattle only to impose a tariff on calves equal to the full value of a 300-pound animal.

He took the Japanese to task for tariffs and taxes that increase the cost of a $2,200 Pinto to $5,000 in Tokyo while the competitive Datsun sells at $2,000 in the United States.

"At the same time, are we wrong to point out that European discrimination diverts Japanese goods from those outlets into the American market?" Connally asked. "The Common Market countries, which make up a market comparable to the American market, now accept only five per cent of all Japanese exports. The United States accepts 30 per cent. Is that fair?"

In a question-and-answer session, Connally said the Japanese are complaining about increases in their imports.

"Their imports are up by 4 per cent over last year," he said, "but their exports are up 25 per cent."

Connally said there have been predictions of a recession in West Germany by Dec. 1. But, he said, "they have 1 per cent unemployment and we have 6 per cent."

"They are bringing in Poles, Spaniards, Italians, Hungarians and others to do their work. If they have a recession, they might have to send some of those fellows home."

Connally said that the United States has stood for years "like some Atlas, underwriting the stability of the world's currency system so that trade could go on without uncertainty."

But severe imbalances have developed that threaten this nation's strength in carrying out its world responsibilities, he went on. In trying to redress these imbalances, Connally said, "we do not intend to become provincial. We shall not resort to protectionism."

In fact, Connally charged, "those who would withdraw from our world responsibilities are the true protectionists—the true isolationists."

He then took a swipe at Congress. Throughout Asia he heard first-hand "the cries of alarm" over American efforts to kill foreign aid, Connally said.

"I am conscious that—too often—it seems a lonely effort to fight the forces in the Congress seeking to turn this nation away from the principles of free and nondiscriminatory trade," he said.

On domestic matters, the Secretary took note of uncertainties over Phase II of the wage-price stabilization program. "The truth of the matter is that absolute certainty is the last thing we want if we do believe in a free system," he said.

But there are some things of which one can be sure, Connally told the businessmen gathered at the Waldorf-Astoria in New York City:

"You can be certain that the rate of inflation is going down.

"You can be certain that price increases are going to level off.

"You can be certain that the rate of inflation will be cut roughly in half by the end of 1972.

"You can be certain that the actions of the Pay Board are going to diminish the wage-cost push in this country.

"You can be certain that the stimulation from the President's recommendations to the Congress, and the Congress' action on all the proposals, will result in the stimulation of this economy.

"You can be certain that 1972 is going to be a better year than 1971."

In another part of Manhattan, according to the Associated Press, Chairman Wilbur D. Mills (D-Ark.) of the House Ways and Means Committee suggested that time may be running out on the administration's international negotiations.

"There is every evidence that, as the timetable for lifting the additional duty on U.S. imports remains indefinite, the negotiating leverage for achieving a meaningful realignment of currencies will be dissipated," Mills said.

He also told the 58th National Foreign Trade Convention he thinks that the U.S. position is weakened by the fact that President Nixon imposed the import surcharge without specific congressional authorization, creating uncertainty as to what the national trade policy is.

AGRICULTURE VIEWS OF REPRESENTATIVE SCHERLE, OF IOWA

Mr. YOUNG. Mr. President, Representative BILL SCHERLE, of Iowa is one of the few actual farmers serving in either the House of Representatives or the Senate of the United States.

Representative SCHERLE, being an actual farmer himself, has his thoughts and interests deeply rooted in the soil. His is an influential and powerful voice for the farmer in the Congress of the United States. The views he expresses should be of vital interest and concern to every Member of Congress.

Time magazine for November 22, contains an article based on an interview with Mr. SCHERLE which, I believe, represents the thinking of the average farmer, not only in Iowa, but throughout the United States. Since agriculture is the biggest and most important segment of our entire economy and, because the prosperity of our entire Nation depends in very large measure on the prosperity of agriculture, I believe the views expressed by BILL SCHERLE are entitled to the widest possible exposure.

Mr. President, I ask unanimous consent that the article be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRUSTRATIONS OF A RURAL REPUBLICAN

(Few politicians are in a better position to reflect the intensity of anger and restiveness among the nation's farmers than Iowa Republican Congressman William J. Scherle, 48. A husky (6 ft. 3 in., 249 lbs.) feed-grain and livestock farmer from a diversified agricultural area near the Missouri River, the three-term Congressman has vainly tried to warn the Nixon Administration about its political vulnerability in the Midwest. He expressed his frustration last week to TIME Correspondent Jess Cook:)

Farmers are going to be very vindictive in 1972, but we can't seem to reach these Administration people about the seriousness of the situation. I would think the '70 election would have been a lesson. Nixon can make all the trips to China and Moscow he wants to, but the greatest impact on the voter is mood. If a farmer goes to the polls with a jingle in his pocket and the weather is right and he can pay for his new equipment, he'll vote for the incumbent. If not, he'll go to vote with vengeance in his heart, and the people in power will be out by 8 o'clock that night.

There isn't one single guy today at the White House who has an agriculture background. Take the presidential aide handling agriculture and the environment, John Whitaker. You know what he is? A geologist! What the hell does a geologist know about agriculture? Secretary Hardin is an economist. You can take all the economists in the world and lay them end to end, and they'll never come to a conclusion. My initial reaction to Dr. Butz? Oh hell, another professor! I was hoping for someone from the soil. But I'm reserving judgment until I find out what his policies and programs are going to be.

One of the White House aides came up to me a couple days ago and said he had helped us out on corn prices. I thought maybe he had set aside another million acres. Then he told me he had eaten a couple of ears for dinner the night before. He didn't even realize that's a different kind of corn.

It's difficult for me to comprehend the lack of astuteness on the part of our party. This is one issue the Democrats have com-

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pletely captured. You've got guys like Humphrey and McGovern who are making inroads, who know the farm problem. The White House talks about rural development. But who's running with it? Hubert Humphrey. He recognizes the fact that there are no job opportunities for our young people in rural America today. I sent telegrams to the White House urging that agrobusiness be represented on either the wage or price council. I didn't even get the consideration of a reply. And there isn't one farm figure on those boards.*

We are now piling corn on the streets in Iowa for the first time. The dock strike is partly the reason, but the fantastic surplus is another. Back in February any ordinary working farmer could see what was going to happen. There was no excuse for the Agriculture Department to encourage more planting. Farmers are still harvesting now, but in a couple months they're going to start settling up—paying for their gas and fertilizer and taxes. Then they're going to find out that the crop the Agriculture Department caused and the farmers produced isn't going to have any value to it.

All those hogs are going to go to market next October, a month before the election. Small calves will go late next summer and in early fall. Everything points right now to low prices again for livestock around election time. No matter what is done from now on, this 1971 experience is what's going to carry through next fall. Many of my people will have no place to go except further into debt. When that farmer settles up, he's going to be damn mad. Unfortunately, there's only one person on the ballot to be mad at: the President.

NOMINATION OF WILLIAM REHNQUIST TO THE SUPREME COURT

Mr. FANNIN. Mr. President, it is perfectly clear that William Rehnquist was not involved in any voter harassment during the 1964 election in Phoenix.

The two men who have signed affidavits making the allegation were wrong both as to when the incident occurred and who was involved.

A statement by the former Maricopa County Republican Committee chairman and some fine investigative reporting by a Phoenix Gazette newswoman have clarified just what happened, who was involved, and when.

Mr. President, I ask unanimous consent to have printed in the RECORD a story explaining the incident published today in the Phoenix Gazette.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUILDER SAYS REHNQUIST NOT INVOLVED AT POLLS

(By Lois Boyles)

A Valley builder today charged that attempts to misconstrue the facts apparently are being made by two Phoenix Negroes who have accused U.S. Supreme Court nominee William Rehnquist of harassing blacks at the polls during 1964 voting.

Ralph Staggs, who was Maricopa County Republican Committee chairman two years earlier, said there was an incident involving a GOP challenger at the Bethune Precinct in 1962. He said it did not involve Rehnquist.

Staggs and a news story in The Phoenix Gazette on Nov. 7, 1962, agree that the Republican involved was Wayne C. Bentson.

The news account stated that Bentson "said he had challenged 12 voters because he felt that in the past some voters were not qualified. Those challenged were asked either to prove their address or their literacy by reading a part of the U.S. Constitution."

Bentson reportedly "grappled" with Pat Marino, a Democrat poll watcher. Police, reports the news article, "quieted them down and advised them to take up the matter with the county attorney's office if they wanted to press charges."

In sworn affidavits signed by Jordan Harris, 1825 W. Apache St., and Robert Tate, 947 W. Watkins, Rehnquist was accused of intimidating and harassing blacks waiting to vote at the Bethune Precinct during the 1964 general election balloting.

The affidavits, plus one prepared today by Staggs, are expected to be considered tomorrow by the Senate Judiciary Committee which will hold a closed-door session on Rehnquist's nomination.

In his affidavit, which he said was picked up today by a federal marshal for placement on a plane to Washington, Staggs declared: ". . . I strongly feel that the opponents of his (Rehnquist) appointment are attempting to misconstrue this activity on general election day 1962 as somehow happening on general election day 1964."

News stories of the 1964 general election do not mention any problems in the Bethune Precinct. A news account the following day cited reports of "substantial harassment of Democratic voters" in several precincts but stated that Robert H. Allen, state Democratic chairman, listed only Murphy, Riverside, Butler, Sierra Vista, Sullivan and Glendale No. 4. Bethune was not mentioned in the news article.

In explaining the Staggs stated in his affidavit that:

"Because of several past elections prior to 1962 wherein the Democratic Party had made a practice of voting tombstones and moveouts in Maricopa County the Republican Party for the general election of 1962 established what is known as a challengers committee."

Staggs said first class mailings were sent out to all voters where "the above illegal voting activity had been occurring . . ."

He said "any attempts to vote the registrations of mailings returned because persons had died or had moved out of the precinct, county or state were challenged."

The former chairman said he had appointed Wayne Bentson as a challenger for the Bethune Precinct and that "during voting . . . on General Election Day 1962 Wayne Bentson became involved in attempting to challenge illegal voting."

The affidavit states that Harold Musgrave, a courier from Republican County Headquarters, arrived at the precinct about the time the argument started. "Harold Musgrave personally assisted in removing Wayne Bentson from the voting place and called . . . headquarters wherein the Phoenix city police were then called to investigate the matter."

In capital letters, Staggs declared "I further hereby certify to the best of my knowledge that Mr. Bill Rehnquist on general election day 1962 was nowhere in the vicinity of 'Bethune Precinct' when this activity occurred nor anytime during general election day."

The FBI made some initial checks of squabbles that occurred during 1962 but U.S. District Court Judge Carl Muecke, then U.S. Attorney, said this investigation was halted when both political parties agreed after the voting that nobody would file complaints.

Muecke said nobody has asked him about the 1962 complaints so far except eastern newspapers and national news magazines. "The FBI hasn't asked me about it," he said and neither have Sen. James O. Eastland, D-Miss., chairman of the judiciary committee, nor Sen. Birch Bayh, D-Ind.

As for Rehnquist, Muecke said he had no idea if the nominee was involved in any election day activity in 1962, but "I don't recall seeing him." Rehnquist, at that time, Muecke pointed out, was just another lawyer. "I didn't know he was going to be nominated to the U.S. Supreme Court."

CATOCTIN NATIONAL PARK

Mr. MATHIAS. Mr. President, most Americans have heard of Camp David, the presidential retreat in the Catoctin Mountains of Frederick County, Md. Far fewer are yet familiar with Catoctin National Park, the 5,700-acre preserve which surrounds Camp David and offers a variety of recreational and educational opportunities to the people of the East.

In an interesting, enthusiastic article in the New York Times travel section on November 7, Mr. Paul J. C. Friedlander summarized his own weekend visit to Catoctin National Park, which he styled as "a beautiful preserve, easily reached, readily familiar, and physically easy to explore." In addition to describing the natural beauty of the Maryland piedmont, Mr. Friedlander paid a well-deserved tribute to Catoctin's superintendent, Frank Mentzer, who has developed a fascinating folk culture center and a number of very effective environmental education programs.

As Mr. Friedlander concluded:

It is a nice thing to have such a friendly, beautiful little park devoted jointly to people and nature so close to the Northeast's megalopolis.

Those who have discovered Catoctin National Park share this assessment of its value and its charm. To acquaint more citizens with the attractions of this important national asset, I ask unanimous consent to include Mr. Friedlander's article in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A WEEKEND IN CATOCTIN PARK

(By Paul J. C. Friedlander)

OUTSIDE CAMP DAVID, MD.—President Nixon helicoptered in here the Friday night of the weekend we had chosen to explore Catoctin National Park, which may help explain the unusual dateline. We rubbed shoulders against the No Trespassing signs and the triple fences that enclose Camp David, the official Presidential hideaway in the center and at the highest point of Catoctin Park. We saw from the highway the seemingly unmanned entrance gates and sentry box, and some of the electronic protective devices that insure Presidential privacy; and we spoke with the official who is responsible for security up to the outermost gate where the Army's selected guard units and the Secret Service take over.

But if we had not asked this security man directly we would not have known the President was in residence here. He didn't bother us and we apparently didn't bother him, and his unseen presence far beyond the thick stand of trees did not limit our activities and those of the hundreds of other citizens who wandered freely in and out of the park that long weekend.

His presence, strictly a coincidence, underscored the purpose of our trip; to investigate the theory that if Catoctin is good enough for all the Presidents of the United States since Franklin Delano Roosevelt, it must also be good for us common people as well. And it is.

SMALLEST WILDERNESS PARK

Catoctin, about 5,700 acres in size, is the smallest wilderness park in the Federal system and one of the youngest. It is a low-key, friendly park, not overwhelming in beauty like Yosemite, nor in size and natural wonders like Yellowstone, nor in grandeur like Grand Canyon. Yet in its simple rolling uplands and small, rounded mountains—its highest peak is 1,420 feet—it is a beautiful preserve, easily reached, readily familiar and physically easy to explore.

The park's origin goes no farther back than 1936, when the Federal Government bought up the worn-out farms on which 50 families still struggled and, calling the place the Catoctin Recreational Demonstration Area, proved that it was possible to create parks out of exhausted land.

Thurmont, the park's gateway in western Maryland, is only 59 miles inland from Baltimore, only 20 miles south of Gettysburg's battlefields and about 240 miles from New York if you detour frequently for covered bridges and sightseeing.

Something besides distance and size sets this park apart from other national parks and that is its dedication by its fairly new superintendent as a place to be used by all the people. It is an outdoor park for outdoor folk and it is an education institution wherein city children from the ghettos of Baltimore and Washington and from schools in nearby communities spend weekends, weekdays and sometimes whole weeks in organized camp-schools, working at regular school programs and learning about nature and the environment directly from that environment.

Another major contribution by Supt. Frank Mentzer, who has been here only three and a half years, is the preservation and demonstration of the colonial culture of this region of Maryland in a Folk Craft Center.

Catoctin is the most northeasterly spur of the Blue Ridge Mountains and the area was settled beginning in 1733 by Philadelphians needing farmland and by immigrants, mostly Palatinate Germans. Their Appalachian culture, heavily overlaid with their Moravian religion, was similar to, yet different in details from that of Appalachia farther south and west.

Each Saturday and Sunday from Memorial Day to Labor Day an old blacksmith works in a genuine dirt-floor smithy; we saw him sweating an iron rim onto a foot wheel for the pottery exhibit. There a young woman pots, a carpenter rives shakes (cuts shingles by hand) using 18th- and 19th-century carpenter tools; the broommaker sews brooms, a local woman cards wool, spins and weaves; another woman makes lye soap and jams in a working kitchen. All tools and utensils pre-date 1850, the arbitrary cut-off point when modern machinery began to replace simple tools of the old craftsmen.

The Catoctin Tourist Association sells the center's products in a shop whose profits are plowed back into the center. For next spring and summer, Mentzer plans week-long craft classes with local artisans as instructors.

There are no gates to shut the public out of Catoctin Park; there is no admission charge to enter the park, no admission fee for the Crafts Center. At the old General Store you can buy genuine broomcorn brooms made by an 80-year-old broommaker, apple butter, Applachian wooden spinning-tops and genuine Appalachian handicrafts.

SIZE IS LIMITING

There are the usual camp, tent and trailer sites for rent, and free picnic areas. Although the size of the park limits the length of hiking trails into the woods, there is room to backpack away from everyone else. One trail demonstrates the making of charcoal, once a major industry here; another leads to a bootleg still that thumps and makes moonshine alcohol on weekends. It is perhaps Catoctin's most popular exhibit, although a chemical added to the mash makes the end product undrinkable.

If, like most of the population, you are addicted to taking in the beauties of nature from an automobile, you can do that here as well. A self-guided motor tour employing a mimeographed guidesheet helps visitors "Enjoy a leisurely 6.8-mile loop drive along the backroads of Catoctin Mountain. Wildflowers, historic sites, vistas and points of interest are identified by marker or vehicle mileage."

The first 1.6 miles of road are, as the guidesheet warns, rough and rocky, unpaved, a trail wide enough for only one car and slippery in the rain. It is maintained as what it was originally—a north-south wagon road. Off the loop road run horse and snowmobile trails along abandoned logging roads used years back when oak and chestnut trees were cleaned out of these forests for the tannic acid their bark contributed to the local leather tanning industry. That industry died when the tanbark trees were used up, a moral stressed repeatedly in the park's environmental classes and lectures.

AUTOMOBILE TRAIL

Advocates of the "forever wild" school of park preservation must shudder at the thought of Superintendent Mentzer's automobile trail, but I can testify that our drive was a beautiful experience that did us good and the park no injury. It led us up to the mountain and down the other side through autumn colors muted by haze and low-hanging clouds and into a richly cultivated valley whose distant gold and red slope curled up into clouds resting on the opposite mountain.

Such views are too good to reserve only for Presidents and backpackers. Besides, after spending a long day poking into every facet of the park's operations, I was in no shape to undertake a 6.8-mile hike.

The fall foliage, at its peak on our weekend, is gone, and the Craft Center will not be open to the public until next spring, but the park soon will welcome winter visitors—cross-country skiers, showshoers, snowmobilers, hikers, campers whose outdoor life knows no calendar.

Florida-bound motorists may find Catoctin a valuable pause in their driving, not far off their main route, especially if they start west of the Hudson River. Mentzer claims the park is at its most beautiful with a light layer of snow whitening the forest. Winters are comparatively mild here in the lee of the Appalachian Range, and roads to and inside the park are kept open all winter. Spring comes early, the trails are said to be dry and usable in March.

It is a nice thing to have such a friendly, beautiful little park devoted jointly to people and nature so close to the Northeast's megalopolis. Nice not only for our Presidents but also for the rest of the citizenry. In another month or so I intend to see what Catoctin looks like in its winter dress and I plan to return late in the spring for a refresher walk through the Craft Center.

CHROME ORE FROM RHODESIA

Mr. McGEE. Mr. President, nearly 2 months ago I urged this body to reject efforts allowing the United States to purchase chrome ore from Rhodesia in violation of a U.N. ban on such actions.

At that time, I warned that such action would be detrimental to our interests on a number of fronts including our future relations with black African nations. I warned that such action on the part of the United States would adversely affect the successful pursuit of our two-China policy in the United Nations. However, this body saw fit to defeat my attempts to delete that section of the military procurement bill which forced us to violate that U.N. ban. I believe the U.N. vote against our two-China policy can in part be laid at the feet of the U.S. Senate.

I also warned that such action would hinder Great Britain in her present negotiating efforts with the Rhodesian Government. In this morning's edition of the Washington Post there appeared an article by Jim Hoagland which substantiates these fears expressed almost 2 months ago.

The deliberate action of this body to violate our treaty commitments has resulted in repercussions highly detrimental not only to this Nation, but for many of our allies as well.

I ask unanimous consent that Mr. Hoagland's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 17, 1971]

BRITAIN SAID HINDERED BY U.S. RHODESIA MOVE

(By Jim Hoagland)

SALISBURY, Nov. 16—British Foreign Secretary Sir Alec Douglas-Home reportedly said today that the proposed American lifting of sanctions on Rhodesian chrome imports has seriously undercut Britains' bargaining power in the current negotiations with the white settler rebel government of this southern African country.

Sir Alec's comment was reported by a delegation of six mulatto Rhodesian leaders who met with him this afternoon here. All six were present at the meeting and all agreed in an interview with The Washington Post on the paraphrase of Sir Alec's remark.

They also agreed that Home had given them the impression that Britain felt it had to settle with the white government now before sanctions were further eroded.

AGREEMENT SEEN NEAR

They added that they came away from the 50-minute meeting, held at Sir Alec's invitation, with the impression that a settlement was imminent, but that it would be a settlement unacceptable to Rhodesia's nonwhite majority of 5 million.

Agreement has apparently been reached on four of the five points being discussed by the two sides.

The Rhodesian side was apparently balking at giving concrete assurance that steps would be taken to remove racially discriminatory laws enacted since the unilateral declaration of independence in 1965 by Prime Minister Ian Smith's government, the mulattos said.

British spokesmen declined to comment on any of the discussions being held by the foreign minister, nor on his second day of talks with the government and a wide spectrum of Rhodesian citizens.

The 240,000 whites account for less than one-twentieth of Rhodesia's population of more than 5 million. Aside from the 5 million blacks, there are 20,000 mulattos, persons of mixed ancestry known here as coloreds.

The mulatto group reported that Home said time was running out for reaching a settlement, citing U.S. Congressional action to allow imports of Rhodesian chrome in defiance of United Nations sanctions on Rhodesia as proof that sanctions were being rapidly eroded. The American move had blown

* Scherle is correct, although it should be noted that raw agricultural products are exempt from the controls and the Secretary of Agriculture is a member of the parent Cost of Living Council.

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a large hole in the sanctions wall in Sir Alec's view, it was reported.

AWAITS PRESIDENT'S SIGNATURE

Resumption of Rhodesian chrome imports has been approved by both the Senate and the House of Representatives in an amendment to the defense authorization bill which is expected to be signed by President Nixon.

Gerald Raftopoulos, chairman of the National Association of Colored People and leader of the mulatto delegation, said that Sir Alec seemed resigned to accepting a two-stage settlement that would leave political power in the hands of the whites for the foreseeable future, with only a vague commitment to eventual majority rule.

The first stage would leave largely intact the 1969 republican constitution, which guarantees that Africans cannot achieve more than parity with whites in parliament.

The second stage would involve undefined mechanisms that would lead to the possibility of African rule through increased education and employment opportunities, to which voting rights would be tied.

In both stages there would be "a blocking system" in Parliament that would at first protect rights of the black majority under white rule, and then protect the rights of the minorities under black government.

Home treated Rhodesian's independence as an accomplished that that Britain and the rest of the world were powerless to change, Raftopoulos and the others said, and counseled them that nonwhites would never get a better settlement than at the present time.

When they pressed him for outside supervision of any agreement reached with Smith and for foolproof guarantees against racialist changes to the constitution, Sir Alec replied that Britain had devised constitutions for black African states that had been promptly torn up and Britain had been powerless to intervene.

He reportedly said that since Rhodesia was no longer a colony, the British could only try to persuade Smith to come to an agreement.

"Britain seems eager to settle on just about any terms," said Gaston Thornicroft, another member of the delegation. "The (Rhodesian) whites will be fools if they don't accept this. It smells like a sell out.

"Sir Alec was just being courteous in listening to us, Thornicroft added. He clearly had his mind made up. What is involved now is a formal handing over of power to the same people who are imposing racial discrimination on us, and trusting them to see there will be no discrimination. They will do as they like."

When the British Conservative Party ousted the Labor government in last year's elections, Prime Minister Edward Heath said a new attempt would be made to reach a settlement with Rhodesia.

Home's current talks are the first high-level negotiations on the issue since Smith and former Prime Minister Harold Wilson held unsuccessful talks in 1968.

Since 1963, Britain has been trying to get the white settlers to accept five principles as part of an independentce agreement. As originally outlined, the principles call for unimpeded progress toward majority rule under the terms of a liberal 1961 constitution since repudiated by Smith's government; guarantees against changes to the constitution that would nullify that progress; an immediate improvement in the political status of the African population; progress towards ending racial discrimination; and a method of testing public opinion in Rhodesia that would satisfy the British that any settlement reached was acceptable to the Rhodesian people as a whole.

Sir Alec was said to have assured the mulatto delegation that the test of acceptability was "well under control" and that he saw no problems in reaching agreement on the other principles, with the exception of specific measures to end racial discrimination.

ARTHUR BARRIAULT

Mr. MANSFIELD. Mr. President, a gentleman, a scholar, and a first-rate newsman, Arthur Barriault celebrates his 57th birthday today. For 27 years, Arthur has covered the Hill for NBC, and in doing so he has endeared himself to all of us because of his innate decency and his unfailing courtesy and consideration.

When speaking of Arthur, words become superfluous, so all I will say for all Senators on both sides of the aisle is, happy birthday, Arthur, and may you have many more. You have earned our respect and affection.

CONTINUED ABUSE OF WELFARE PROGRAM

Mr. CURTIS. Mr. President, pointing, as an example, to the recent fate of the foreign aid bill, Anthony Harrigan, in a column published in the Indianapolis News of November 15, has suggested that continued abuses and efforts by liberals in Congress to up the ante may threaten the welfare program with the same fate.

As a matter of fact, Mr. Harrigan did not mention the recent example of abuse in New York, which I regard as the epitome, where a woman succeeded in getting a medicaid card for her dog. Fortunately, she was only testing the system and was not serious in her intention to make use of this tax-provided benefit.

In somewhat the same vein, another outstanding journalist, Jenkin Lloyd Jones, writing in the Washington Evening Star of October 23, has suggested that we may be passing through the golden age of welfare. He believes angry taxpayers may yet revolt—and soon—may "grab the meat ax" and have at the entire welfare program, chopping down the good with the bad.

I believe both the facts and the reasoning contained in these two columns very much merit the attention of Senators who desire true welfare reform, and they constitute a useful word of warning to those who would play "pie in the sky" politics with this issue. The real needy, who are in need for reasons beyond their control, will unjustly suffer if the lobby for expanding welfare turns the taxpayers against all welfare. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Indianapolis (Ind.) News, Nov. 15, 1971]

TRUE WELFARE REFORM

(By Anthony Harrigan)

WASHINGTON.—Welfare funds are being used to support prostitutes and drug addicts and finance hippie communes, according to testimony given at a Pennsylvania House of Representatives investigating committee hearing in Reading, Pa., last month.

That's only a segment of the national scandal involving welfare. In several states, food stamps have been distributed to strikers. In New York State, thousands of employable welfare recipients have resisted efforts to put them to work.

It is no wonder that increasing numbers of informed Americans are indignant in the face of these and other revelations of misuse of the taxpayers' money.

Rep. Adriano Mastrangelo, in a recent report on welfare abuses in the Keystone State, cited the following situations:

"Public welfare funds were paid to a convicted prostitute for eight months because she sprained her ankle.

"Public welfare funds—$132 a month per person—are being collected by a group of hippies who put the money in a common fund. One hippie went to Europe for five months but his relief payments were continued and his checks contributed to the common 'pot' by fellow hippies in his absence.

"Public welfare funds were paid to a woman living with an employed man not her husband."

In New York State, State Rep. John E. Kingston recently noted that there is data that indicates "significant numbers of persons failing to comply with the new work law." He wrote in a letter to *The New York Times* that "8,800 employable recipients (of welfare) have resisted efforts to put them to work."

The Food Stamp Act, Public Law 88-525, also has been used to aid the undeserving. Last year, for example, food stamps were distributed to strikers at General Motors plants. The food stamps served as a subsidy to members of the striking United Auto Workers. Proponents of food stamp legislation are seeking expansion of the program which cost $248 million in 1969 and which now costs more than $2 billion a year. A total of 9.2 million Americans now receive this form of welfare aid.

Food stamps are among the most irritating welfare giveaways. Working citizens only read about welfare checks. But they see the free-loading of the food stamp recipients in neighborhood grocery stores.

Recently, I received several letters regarding food stamp abuses from readers of this column. Mrs. James E. Rowland of Chester County, Tenn., wrote:

"I hate to go to the supermarket and buy bologna and the cheapest ground beef and watch the ones that have the stamps, much better-dressed than I am, loading their carts with country ham, steaks, and the most expensive cakes and cookies, and soft drinks by the case. . . . I have worked all my life and I don't want any handouts. But I am tired of working and giving part of what I make to the leeches who are better off than I am. Just what can be done about this?"

Unquestionably, many Americans share Mrs. Rowland's indignation. Their indignation will be all the greater when they learn of efforts by Senate liberals and the White House to obtain quick approval of welfare expansion legislation.

The Nixon administration is trying to get its hurtful Family Assistance Act out of the Senate Finance Committee as soon as possible. Sen. Abraham Ribicoff (D-Conn.) has another enormously expensive welfare bill that he is pushing. His bill is backed by a coalition that includes the AFL-CIO, the League of Women Voters, Common Cause, and Americans for Democratic Action.

The promoters of increased welfare would do well to consider the fate of foreign aid legislation, another pet liberal project over the last two decades. Public dissatisfaction with the foreign giveaways finally resulted in defeat of the foreign aid bill. The same thing could happen to welfare legislation if the White House and senatorial liberals keep proposing new programs as election time draws close. A day of reckoning could come for both the White House welfare planners and Sen. Ribicoff's coalition.

The promoters of welfarism should realize that working Americans are sick of the domestic giveaways and want to tighten welfare requirements. The New York Assembly has realized that and approved a requirement that welfare recipients pick up their welfare checks at state employment offices. The Empire State now insists that able-bodied reliefers make a serious effort to get a job.

No other Western democracy has the welfare mess in which the U.S. is involved. Prof. Nathan Glazer of Harvard recently wrote in *Commentary* that in Sweden and England welfare is thought of as emergency aid but that "welfare has come to be seen in America as a regular means of family support."

If President Nixon and the Congress want to reform the welfare system, they must make sure that public assistance is limited to the aged and destitute.

[From the Washington Star, Oct. 23, 1971]

RISING RESENTMENT TOWARD WELFARE

(By Jenkin Lloyd Jones)

It may be an unthinkable thought, but it is possible that at this moment the United States is passing through the Golden Age of Welfare.

The thought will be hard to get used to, for we have been well-conditioned to think of ever-expanding social agencies, ever-proliferating social workers and ever-escalating welfare costs.

But there are a few wisps of black cloud scudding across the sky, a few storm signals beginning to flutter. For a nationwide taxpayers' revolt may be gathering.

You see it manifested in the ever-more-frequent defeat of local bond issues. A year or two ago only "frills," that public improvements people could easily do without, were failing in the bond elections. Now "nuts-and-bolts" items—water works, disposal plants, street projects, schools—are beginning to have trouble.

People first express their tax anger at those expenditures they can most directly control, which are local. State expenditures are more remote, federal spending remoter still. But distaste for rising taxes can eventually be felt as far away as Washington.

It is a political truism that the poor do not control spending in any field, not even spending in their own behalf. The nonpoor do, for they are in the majority. Poverty programs, therefore, depend upon the enthusiasm, or at least the acquiescence, of the nonpoor. When the nonpoor get turned off, the programs will languish.

We may, therefore, be approaching the time when the best political speech will not be the one in which every paragraph begins: "We must do more. . . ."

For taxes are drawn from the fruits of labor and risk. And where poverty programs fail to produce desirable results, those who labor and risk will eventually express their disillusionment. Compared to the vast group which contributes more to government than it asks from it, the clout of those who ask more from government than they contribute to it is feeble.

This may be the reason why recently you haven't seen "many poor people's marches" led by Rev. Ralph Abernathy. Or welfare pickets parading around the state capitol or city hall. They aren't going over so well any more. The cabdrivers are angry, the bartenders cynical, the store clerks sarcastic.

The idea is that there is a nobility attached to the perpetually poor dies hard among aristocratic "liberals," whose contact with them is sketchy. Perhaps they subconsciously seek to atone for their coming-out parties and their prep schools by "identifying" with the losers. It is a form of instant humanitarianism, even if they keep guards at their gates.

But there are no such illusions among the working proletariat. They have been poor. They know struggle. They have few tears for nonstrugglers.

Candidates may soon discover that it is no longer politically rewarding to demand still greater appropriations for welfare programs that have apparently failed. Failure is becoming too plain. The rise of dependency, irresponsibility and crime, even as outlays for their cure have risen, can no longer be shrugged off. Americans will not underwrite ever-growing chaos with ever-larger checks forever.

Yet there is much the public money can do to uplift the poor. We are simply very new at this idea of national charity. We had no experience to go on. For the first time in history we told a man that subsistence would be guaranteed him whether he chose to work or not, and some of us are aghast that many have chosen not.

We told ourselves that human beings asked only opportunity. This is not true for many human beings. Slums are characterized by empty libraries and full beer joints. Poverty is often the result of a lack of purposeful organization within the individual, himself.

Under the lash of necessity even a disorganized man will struggle to eat. Remove that necessity through free charity and the struggle ceases and endless demands for more begin.

We learn from experience. We should now have enough experience with welfare to know that some theories don't work. But the sociologists will not audit them, for many are their own brainchildren. Many politicians will not audit them because they authored the welfare bills.

So angry taxpayers will eventually grab the meat ax. And the danger is that good programs will suffer with the bad.

THE TRAGEDY IN ULSTER—IV—DISSOLUTION OF STORMONT

Mr. KENNEDY. Mr. President, the London Times of November 8, 1971, contains a major article by Mr. Hugh Monro entitled "Paradox of Political Reform at Stormont." In this article, Mr. Monro makes the point that it would be futile to reform Stormont, the Government of Northern Ireland, which now exists to protect the dominant position of the Protestant majority. As Mr. Monro states, Stormont is incapable of real reform. The only effective alternative is the dissolution of the present Stormont and the institution of direct rule from London, a step that may lead in the future to a united Ireland.

Mr. President, I ask unanimous consent that Mr. Monro's article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the London Times, Nov. 8, 1971]

PARADOX OF POLITICAL REFORM AT STORMONT

(By Hugh Munro)

Northern Ireland was partitioned from the rest of Ireland because of demands from the local Protestant majority, and the primary aim of Stormont since then has been to organize and maintain the defence of the Northern Protestants against the nationalist majority in the whole island. The trend of current policy is to try to adapt the political system so that it protects the Northern Roman Catholics from being overwhelmed by the local Protestant majority. But Stormont simply cannot perform these two roles at the same time. Reform, in other words, subverts the whole idea of Stormont as it has so far been known.

A state can only make sense as long as it is based on a common patriotism; without it, it is not possible to organize a reliable security force, which is willing to face danger, on behalf of the state. Until now Stormont made sense because it was based on the belief in a Protestant state. While we may dislike the "Ulster" patriotism behind the old Stormont we cannot deny its vigour or the effectiveness of the B-Special security force it helped to motivate. But if the new Stormont is to be non-sectarian what form can its underlying patriotism take?

"Britishness"? Hardly. Northern Irish feelings about Britain divide the province, not unite it. An Orangeman for example is certainly loyal to Britain—but only because Britain is Protestant. Catholics would be attracted to the British ideal of fair play but when Unionists have been pressed by Britain to give a greater political voice to Catholics they have tended to switch their loyalty from Britain—In 1912 to Germany, in 1969 to UDI. When "loyalism" is at its most intense it is intensely disloyal.

A PATRIOTISM TO UNITE

Is "Irishness" the key? Certainly both Nationalists and Unionists are Irish but there is the need for a partiotism to unite the Northern Irish as Northern Irish. Irish patriotism, as it stands, is subversive for Northern Ireland. For a patriotism which could unite Northern Protestant and Northern Catholic we must turn to the seat of local, provincial fellow-feeling, which unites Munstermen, for example, or the people of the English West-country.

The plain truth is that a state which could withstand the storms which rage in the North today cannot be built on such a weak foundation. A man might play a hard game of rugby for a non-sectarian Northern Ireland but no one will die for it or even suffer for it. Such a state cannot organize a security force to defend itself.

On this view the immediate aim of Mr. Heath, Mr. Faulkner and Mr. Lynch as also of the Social, Democratic and Labour Party for a non-sectarian, reconstructed Stormont is a will-of-the-wisp, and no British soldier should be asked to risk his life in pursuit of it. Ironically it is the extremists whether they fight for a Protestant state or for a united Ireland who have an aim which makes practical sense and not the moderates.

On this view the change from the old Protestant Stormont to the new non-sectarian one is a change from something to nothing: from a body which made sense, to a body which makes none. No wonder the transition process which involves British pressure on Stormont to pass laws it does not want to pass has used up two moderate premiers already and is using up a third and will use up any more who offer.

The whole point of the current moves to reform Stormont is to create social harmony, not to ensure effective government. But Stormont cannot serve as a working party for social harmony and a source of firm government for a divided community at the same time. If Britain is not to turn towards a united Ireland and is not to go back to the other (but objectionable) policy of a Protestant "Ulster" there is no alternative to effective direct rule involving as it does, British control of the police and judiciary. By eliminating the contentious constitutional issues from its debates and reducing it to a coordinating body for local authorities, Stormont has the best chance of creating social harmony and the patriotism which would build Northern Ireland into an effective entity, capable of non-sectarian regional government.

IMPORTANT SHARE IN POWER

The shattered structure of Northern Ireland can only be reformed from the ground up, by building on the foundation of the local authorities. By the adoption of pro-

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portional representation, the promise to give non-Unionists a better share in power can be positively fulfilled. But in the field of central government that promise can only be fulfilled—and it must be fulfilled, if there is to be any end to the turmoil—negatively by reducing the scope of politics in the North. If the Unionist monopoly of central power must be broken, and if shared power means ineffective government, then power must be transferred elsewhere—to Westminster.

When reform is seen in this light the refusal of the Social, Democratic and Labour Party and the Nationalists to engage in talks ceases to matter. What point is there in talks when it is not practicable to give these parties any important share in central power? Far more welcome to them, and more practicable, would be reductions in Unionist power for which neither their consent nor their participation in talks is needed. Indeed the necessary task of reducing Stormont's powers would be harder if the Unionists felt it was being done at the request of the Social, Democratic and Labour Party.

The point must be appreciated. The old Stormont will not reform itself and the attempt to make it do so is only prolonging the turmoil and destroying moderate men. Stormont's power over law and the police must be removed before the experiment can begin to find out to what extent a non-sectarian Stormont can make sense. And it must be regarded as an experiment carried out with an open mind and an acceptance that Stormont may never make much sense at all and that the only patriotism which can unite Northern Protestant and Northern Catholic in a stable community will be Irish patriotism.

Reform in the North equals constitutional change equals effective direct rule; and effective direct rule may lead to a united Ireland. And the only workable alternative to reform is a "Protestant parliament for a Protestant people".

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

REVENUE ACT OF 1971

The PRESIDENT pro tempore. Under the previous order, the Chair lays before the Senate the unfinished business, H.R. 10947, which the clerk will report.

The second assistant legislative clerk read as follows:

(H.R. 10947). A bill to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The PRESIDENT pro tempore. The pending business is amendment No. 685. The debate on the amendment is limited to 2 hours, with 30 minutes on amendments in the second degree.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator yield briefly without losing his right to the floor and without this time being charged to his time on the amendment?

Mr. CRANSTON. I am delighted to yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so orderd.

Mr. CRANSTON. Mr. President, I yield myself such time as I may require.

The PRESIDENT pro tempore. The Senator from California is recognized.

Mr. CRANSTON. Mr. President, amendment No. 685, offered by the Senator from Illinois (Mr. STEVENSON), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Massachusetts (Mr. KENNEDY), and myself, is designed to set aside revenues collected from the automobile excise tax after a one and one half year suspension of the tax and apply these funds to the solution of serious transportation-related problems—mass transit, air pollution control and research, Amtrak, highway traffic safety, and airport development and noise control.

The President's proposal, embodied in the Revenue Act of 1971—H.R. 10947—recently reported from the Finance Committee, would permanently repeal the 7 percent excise tax on the sale of new automobiles. Under present law, the tax, which now goes almost entirely into general revenues, would be gradually phased out between now and 1982. More than $20 billion of badly needed Federal revenues would be lost as a result of repeal. Our amendment would suspend the tax for a year and a half rather than repeal it.

Under normal circumstances, I would not advocate even a one and a half year suspension of the tax. But we have been boxed in by the President's announcement that he would end the tax. The President has no power to end the tax without the approval of Congress. However, some 8 milllion people may well think that he guaranteed them that they will get $200 off their 1972 cars retroactive to August 15.

Many families are counting on that guarantee; the automobile industry has based sales campaigns and production schedules on it.

Congress cannot reverse history at this late date. All we can do is to try to set things aright for the future.

To protect those people who purchased or plan to purchase automobiles on the basis of the President's assurance that they would receive a tax refund and so stimulate short-term consumer demand, our amendment would suspend the excise tax until January 1, 1973. While the tax is suspended, the Secretary of Transportation would be charged with preparing a program for use of the revenues derived from the excise tax when it is reimposed on January 1, 1973. The program would have to allocate no less than 50 percent of the funds for mass transit purposes, and the remainder for air pollution research and control, improvement of the national rail transportation system—Amtrak—highway safety and related programs, airport development and noise control, and transportation research and development. The Secretary would be charged with reporting back to Congress by April 30, 1972. At that time Congress would approve, modify, or disapprove the program.

If, by January 1, 1973, Congress did not approve a program for allocating funds derived from this excise tax, the funds produced from the reinstatement of the tax would be held in escrow until Congress did pass such legislation.

The issue raised by this amendment is: Shall we sacrifice $20 billion in Federal revenues between now and 1982 in order to stimulate the purchase of 2 to 3 million additional cars, or shall we spend that money for transportation priorities such as mass transit, improved rail systems, and highway safety?

Two to three million more cars will mean more pollution, more congestion, more demand for highways to eat up the countryside, and more cars per city parking space, and in this case it will mean less money for needed transit systems, less money for Amtrak, less money for highway safety, less money for airport development, and less money for research on pollution control.

We are told that repealing the excise tax will stimulate auto sales and in turn create jobs, but spending money for mass transit, improved rail systems, and airport development will also create more jobs. In fact, expenditures in these areas will probably create even more jobs because, as recent experience has shown, increased auto sales generally result in increased overtime and not new employment.

The administration has also urged that repeal of the excise tax is needed to stimulate immediate consumer demand. But repeal is unnecessary to serve even that purpose. Our amendment, which suspends the excise tax until January 1, 1973, will stimulate short-range consumer demand without sacrificing $20 billion in long-term revenues. The $20 billion which we will save can be used for vital transportation needs such as mass transit.

The Urban Mass Transit Administration estimates that this Nation needs $32 billion for mass transit alone over the next decade. But we have only authorized obligations of $3.1 billion over the next 5 years and the administration has refused to even spend the funds approved by the Appropriations Committee.

Two weeks ago Senators WILLIAMS and CASE and 34 other Senators including Senator STEVENSON and myself sent a letter to the White House protesting the freeze on mass transit spending. The reply we received pointed out that New York City has just refused to pass a half billion dollar bond issue for the construction of improved rapid transit as evidence of disinterest by major cities in this program. The administration drew the wrong conclusion, and, I think, a rather astounding conclusion. Local taxpayers, already overburdened by fiscal demands, often cannot afford the one-third matching fund requirement. That requirement should be reduced to 10 percent in matching funds. An increased Federal contribution will require more Federal money for mass transit. This bill will help to provide those funds.

To conclude that when a bond issue is voted down it means the people are not interested in that subject is utterly ridiculous. Bond issues are frequently voted down in connection with education. That does not mean that the people are not interested. The fact that bond issues are voted down is evidence that property taxes are out of hand and outrageously high. It is the least fair tax because it is a tax on possessions and capital. It could drive people out of business, out of their homes, and off their farms.

If the administration does not understand this, they have little understanding of the problems facing many people of our Nation.

A second major purpose to be served by this bill will be to allocate needed funds to Amtrak. Congress set up Amtrak to improve rail transit. We must now make sure that Amtrak is adequately funded. We must provide them with the wherewithal to build improved long-range rail systems such as the Metroliner. If Amtrak is not given the funds to modernize, the whole Nation will be cheated. We will be denied an efficient high-speed alternative to airplane and auto travel.

Amtrak needs funds now. Last week Amtrak declared that it needed $140 million in additional funds for equipment improvements. The excise tax should be applied to provide those funds and help develop this transportation system.

This amendment provides us with a unique opportunity to make a clear statement of our national transportation priorities. We can either forsake $20 billion in Federal revenues for the production of more cars, more pollution and more congestion, or spend $20 billion for more mass transit, Amtrak, highway safety, airport development and vehicular pollution control.

The decision should be easy. We should adopt this amendment.

Mr. STEVENSON. Mr. President, will the Senator yield?

Mr. CRANSTON. I am happy to yield such time to the Senator from Illinois as he may require.

The PRESIDENT pro tempore. The Senator from Illinois is recognized.

Mr. STEVENSON. Mr. President, I commend the distinguished Senator from California for his clear and forceful statement about this amendment, which both of us have offered.

It is always easier to cut taxes than to increase or reimpose taxes. It might be instructive to review what the Senate has done in recent days. The bill as reported by the Committee on Finance recommended tax cuts which amount to about $11.6 billion annually. On the floor of the Senate, amendments have been offered and agreed to which would add to that sum approximately $5 billion annually. This means, it seems to me, that with such a large prospective loss of revenue, there will not be a chance to provide the revenues, or anywhere near the revenues, the Nation needs for an adequate transportation system in the near future.

Mr. President, the amendment would reimpose the excise tax on automobiles as of January 1, 1973. It would give the purchasers of automobiles the relief that has been promised them. It would give the economy a boost at a moment when it needs it; then it would reinstate a significant source of revenue, and reinstate it for transportation purposes. Without the reinstatement of this tax we would make the production of more pollution-spewing automobiles, which are already congesting the streets, a high national economic priority. It just does not make sense. It would make sense, it seems to me, to take these funds which the Federal Government will not have available if the excise tax is permanently repealed, and earmark them for transportation, as this amendment does.

This amendment would provide about $20 billion for transportation over a 10-year period. At least one-half of that sum would be allocated to mass transit. The other half would be for other forms of transportation, including Amtrak and the development of urban rail transportation corridors. It would be made available for safer streets, for traffic control, and for safety devices. It would be used for airport development and to relieve the noise near our airports. It would also be used to relieve ourselves of the air pollution which results principally from the automobile.

If our amendment prevails, funding for mass transit could be more than doubled for the 5 years beginning in fiscal 1971.

The President has asked for only $3.1 billion for mass transit, though the Urban Mass Transit Administration estimates that plans already on the drawing boards will require some $32 billion in capital expenditures over the next 10 years, two-thirds of which must come from the Federal Government's mass transportation assistance capital grant program.

Even with these additional funds, we still would not come close to meeting our responsibilities to the people of our cities for improved mass transit facilities.

Without the additional source of revenue our amendment would make available, it would become virtually impossible in the future to provide any additional funds for mass transit facilities.

This year the President plans to spend about $600 million a year for mass transit in the whole Nation, even though Congress has made $900 million available. That sum is not enough to aid the cities of New York and Chicago alone. Our amendment, Mr. President, would make, roughly, $1 billion more a year available for mass transit facilities.

I would emphasize, in closing, that the amendment would in no way affect the highway trust fund, unless it is to help it. It does not divert any funds from the highway trust fund. It, in fact, reimposes the truck excise tax as of January 1, 1973, and earmarks the revenues from that tax for the highway trust fund. At the same time, it would put the revenues from the alcohol tax back into the general revenues. So it will end up a washout, and with no adverse effect on the highway trust fund.

The highway trust fund could benefit from this amendment. Funds from the excise tax could be used for the so-called "spots" program, for the repair of city streets, for the provision of traffic signals, stoplights, and the like. These programs are presently funded by the highway trust fund. Funds for such critical needs in cities across the entire country could be made available as well under the plan worked out by the Secretary of Transportation pursuant to this amendment.

Passage of the Cranston-Stevenson amendment would relieve some of the pressure on the highway trust fund. That pressure is mounting. It is coming from Governors. It is coming from mayors. It is coming from citizens who want additional Federal assistance and who need it for mass transit facilities, for Amtrak, for airports, and so on. They are looking to the highway trust fund.

The pending amendment could lead to the creation of a general transportation fund; and if it did so, it would, as I have said, take some of the pressure off the highway trust fund.

I want to again commend the distinguished Senator from California (Mr. CRANSTON) for his statement and for offering this amendment. It offers us our best chance in the future to begin to meet the critical needs across the entire country for rail transportation, airports, mass transit in the cities, and safer city streets. Without it, things are going to go from bad to worse. Less money will be available for such needs, and we will have a classic example of perverted priorties. Our highest economic priority should not be the production of pollution spewing automobiles on our crowded streets. This amendment could put us well on the way to an adequate transportation system in the Nation.

I thank the Senator and yield the floor.

Mr. CRANSTON. Mr. President, I thank the distinguished Senator from Illinois.

The PRESIDENT pro tempore. How much time does the Senator yield himself?

Mr. CRANSTON. One minute. I thank the distinguished Senator from Illinois for his generous remarks and, more, for his creative part in developing this measure. It was his suggestion that broadened it to assure that there would be coverage of other needed aspects of transportation specifically covered by the proposal. I think that makes the original plan which I introduced far more meaningful and constructive and should win for it far more support in this body.

I yield the floor.

The PRESIDENT pro tempore. Who yields time? What is the pleasure of the Senate?

Mr. BENNETT. Mr. President, I yield myself such time as I may require in opposition to the amendment.

The PRESIDENT pro tempore. The Senator from Utah.

Mr. BENNETT. Mr. President, this amendment will be very unpopular, particularly in the State of the Senator from California, which has the largest automobile market in the United States. It provides, in effect, that the reduction in automobile prices made possible by the repeal of the 7-percent excise tax will last effectively for only 16 or 17 months, and then will be reinstated. That represents from $150 to $200 per car.

The Senate has not challenged the decision of the committee to remove the

tax, and it is difficult for me to believe that Senators will turn right around and say, "Yes, we will leave it off for 15 months, but we are going to put it right back on again after that."

I can understand the concern of Senators from States having large cities with serious traffic problems wanting to find a solution for that problem. I think that in California, San Francisco has already gone a long way in providing a mass transit system without Federal help. From what I know of Los Angeles, any mass transit system, if developed, must be developed with the use of the streets, because the city spreads over so wide an area that an attempt to develop a subway system would be prohibitively expensive. The old rights-of-way that used to be available for the interurban system have long since disappeared, and it would be prohibitive to attempt to reacquire them, in my opinion.

Mr. President, this amendment, even acknowledging its desirable objective, is, in my opinion, ill-timed and ill-prepared, and has a very serious defect. If the purpose of the amendment is to set aside money which can be supplied for mass transit, Amtrak, highway safety—I do not know why the latter is in the language, because it is taken care of now by the highway trust fund—airport development, and the abatement of aircraft noise pollution and vehicular air pollution, then it would seem to me we are getting the cart before the horse. We are saying, "Provide the money; then after a while we will set up the program."

When we developed the highway trust fund, the committees involved spent months studying the problems it involved and might create, and we legislated the highway program before we started to set aside the money.

It is the objective of the sponsors of this measure to have the money start coming in on January 1, 1973. So they have all of the year 1972 to introduce authorizing legislation to develop the program. The amendment says, in effect, "The Secretary of Transportation is supposed to develop the program." That is a surrender of the responsibility of Congress to the executive—something which most Senators who, I suspect, will support this amendment always object to.

This is saying: "First raise the money; then we will come up with the program," when it should be saying, "We will come up with the program; then we will decide how to raise the money."

This mixture of objectives as stated in the amendment is very curious. They are going to put in money for mass transit, for intercity rail transit, for Amtrak, and for airport development. In other words, it looks as though they have lumped everything into this proposal except the use of the automobile itself.

Maybe we should have a trust fund or a program to finance Amtrak, which has nothing to do with mass transit. Maybe we need to expand the existing trust fund to handle the cost of airport development. Yet we are asked now through the back door, to provide the money before we know what the program is.

There is another weakness about this particular amendment. It does not say how much of the money that might be raised should be allocated to mass transit, except that at least 50 percent should be. Maybe it should be 80 percent. It does not say anything about the allocation of funds to the other objectives of the amendment. That is the reason why legislation to set up the program should precede the attempt to raise the money, in my opinon.

So I say the amendment is ill timed. This is not the time for it. We have got the cart before the horse. It is ill prepared, because we do not have the basic guidelines for distributing the money. As I have stated, it is a complete reversal of the philosophy of many Senators who, I assume, would support it, in that it says that Congress should relinquish its authority to the executive. This proposal throws the problem over to the executive.

There is a better way to do it. As I said, we have a year before this amendment would take effect, and any money could be put in the fund. If the proponents of the proposal think it is worthwhile, let them take that year and go through the process of setting up a program. Then let Congress decide, whether this is the way to raise the money and how much of it should be allocated to each of these purposes. Maybe there are other meritorious purposes. Maybe some of those specified in the amendment should come out. On its face, I think highway safety should come out, because that is already covered by the highway trust fund.

I wonder also if the Senator realizes that under the present law, the excise tax on automobiles goes steadily down and will finally be eliminated in 1983. In January 1973, it will have dropped from 7 percent to 6 percent. I do not have at my fingertips the scale on which it will drop beyond that time. But if the Senator is depending on the present law, and is just suspending it, then the funds for these purposes are going to drop off according to the schedule in the present law.

Mr. President. I cannot believe that the Senate will want to reverse itself so soon. I cannot believe that any Senator will want to go to his constituents—the 60 million or 70 million of them who own automobiles—and say, "Well, we are very sorry; the cost reduction we give you by taking off the excise tax is good only for next year; and then we are going to tax you again—you, the farmers who use light trucks and the many millions of you who live in areas where there is no mass transit need. We are going to tax you $150 to $200 per car in order to devote the money to the few areas in the United States where the density of the population presents a mass transit problem."

I hope the Senate will realize that this amendment, however well intentioned, has not been thought through. I hope its sponsors will realize that they have a year, if they want to try to develop it in an orderly fashion. Then they can come back with a program and ask us to raise the money. Then they will not be asking us to raise the money blindly while saying "We expect somebody to develop a program."

The PRESIDENT pro tempore. Who yields time?

Mr. CRANSTON. Mr. President, I yield myself not more than 5 minutes.

The PRESIDENT pro tempore. The Senator from California is recognized for 5 minutes.

Mr. CRANSTON. First, I thank my good friend from Utah, with whom I often work on the same side of measures, but with whom now, on two consecutive days, I have found myself on opposite sides, for his helpful advice about what may be possible and what may be needed in California. I will take my chances on determining what may be possible in California and what may be needed there.

San Francisco, indeed, has, on its own initiative, developed a mass transit system. However, it has cost more than $1 billion, and it is only a partial system, covering only a part of the bay area.

Los Angeles experts on rapid transit do not believe that they can depend only on surface transit in the streets. There is a plan, that would cost $2.5 billion, that is generally deemed by experts there to be what is needed for rapid transit within the central city of Los Angeles. California has probably had more problems with the smog that automobiles produce, more problems with the congestion that overuse of autos causes, more problems with the urban sprawl that accompanies transportation systems dependent almost entirely upon automobiles, more problems with Amtrak, more problems with air safety, more problems with many aspects of our automobile-based transportation system that this amendment is designed to improve.

The Senator from Utah stated that the amendment is ill-prepared, that we do not have information with respect to the basis on which the funds would be dispensed. He complains that we are giving the Secretary of Transportation the opportunity to devise a plan, and he charges that this is a surrender of power to the executive branch.

I feel that we surrendered incredible power yesterday, under the guidance of the Senator from Utah, in the field of trade relations. This is not a surrender of power. We have asked the expert in this field, the Secretary of Transportation, to recommend a plan, and then to come back to Congress with it. We have given no blank check in this amendment to the executive branch

The Senator suggested that perhaps 80 percent, not 50 percent, should go to mass transit. Congress could make that determination, with the guidance of the Secretary of Transportation.

The Senator indicated that he felt there were several faults in the proposal, most of all the fault that we have not come up with a precise plan at this point for the use of the excise tax. I ask the Senator from Utah this question: If this amendment is rejected and if we subsequently do come up with a detailed and sound plan for the use of the excise tax for forms of transportation other than automobiles, will the Senator support a move to reassess the excise tax for that use?

Mr. BENNETT. The Senator from Utah will not say in advance that the imposition of a tax on automobiles is the most equitable way to cover the cost of transportation needs that do not involve automobiles. The theory on which the highway trust fund was set up was that the people who used the highways would be taxed to pay for construction of the highways. This is exactly the opposite. This amendment says that the people who do not use the mass transit system will be taxed to pay for the construction of that system.

I think that would require a great deal of study; and, offhand, I don't think I could support it, philosophically.

Mr. CRANSTON. I ask the Senator how he fits into that philosophy what I understand to be his support of a move to get the alcohol tax put into the highway trust fund.

Mr. BENNETT. The decision of the committee to put the alcohol tax in the highway trust fund was made at the very urgent request of the chairman and members of the Committee on Public Works. We in the Finance Committee considered ourselves simply a vehicle to carry out the desires of our friends on the other committee.

So far as the Senator from Utah is concerned, any reallocation of taxes by which it could have been made up would have been satisfactory. But at the very urgent and earnest importuning of the members of the Committee on Public Works, we took that action.

Mr. CRANSTON. I thank the Senator.

I would make one correction in the Senator's understanding of our amendment. The amendment would not reinstate the tax on agricultural haulers, so that the farmer would not be paying for rapid transit or other forms of transportation called upon by the plans to be presented by the Secretary of Transportation.

One other point I should like to make is that I believe that automobile owners are among those who would gain the most by this amendment. If this amendment is adopted, other forms of transportation will be made available that will relieve congestion for those who must depend upon automobiles for their transportation or those who insist upon doing so.

Second, it will speed the day when we will have less pollution from automobiles. Everybody, whether he drives a car or not, presently has his health threatened by the pollution that comes from current automobiles. This is a colossal problem in my State. I understand that it is also, to some extent, now a problem in Utah, although I do not know whether automobiles are the source of the smog I have seen in the skies of Utah when I have visited that State.

I yield the floor.

The PRESIDENT pro tempore. Who yields time?

Mr. BENNETT. I yield myself such time as I may require.

I should like to begin with a little lesson in geography for the Senator from California. The city of Salt Lake is in a bowl surrounded by mountains, and we are constantly subject to the meteorological phenomenon known as inversion, where the air hangs dead over the city, and that is the cause——

Mr. CRANSTON. I understand that, because we have the same problem in Los Angeles.

Mr. BENNETT. That is the cause of the difficulties we have in Salt Lake City.

I share the concern of the Senator from California on the question of pollution of the atmosphere by the use of automobiles. But it is obvious that the Government has a very definite program to try to solve that problem, and it is not dependent on the diversion of funds provided by the amendment.

One or two other problems have come to my attention since I spoke earlier. If we take this tax off now and put it back on again in 15 months, and everybody knows it is going on, the year 1972 will be the most chaotic one can imagine, both in the manufacturing and the purchasing of automobiles. The factories will be called upon to greatly increase their output for 1 year, because everybody will want to get a car before the price goes up. One of the objectives of the President's program, however, of which this is a part, is to try to stabilize and level out production.

The Senator from Michigan probably can tell us what proportion of our national economy is related to the automobile industry.

Mr. GRIFFIN. One out of every six jobs.

Mr. BENNETT. One out of every six jobs in the United States is related to the automobile industry, he informs me.

If you build automobile production up to a tremendous peak in 1972 and then cut it back sharply in 1973, which is what will happen under the amendment, not only will you have greatly disrupted the stability we are trying to create, but also, you will have done, I believe, very serious damage to this important part of our economy.

I have been in the retail automobile business, and I know something about the way in which cars are sold. With the knowledge that the tax is going back on in 1973, 1972 might become a seller's market. Allowances on used cars could be forced down, because the dealer would know that as soon as 1973 began, his customers would have to pay from $150 to $200 more for a car, and he might as well get part of it in 1972. So one of the effects of the program undoubtedly would be to raise the price of new cars and lower the value of used cars in 1972.

Going to the matter of airport development, we already have the Airport and Airways Development Act of 1970 which provides for a 10-year system of expenditures for airways facilities, only part of which will be paid by the airway users. It is generally recognized that the users charge on general aviation is inadequate. Through the first half of 1970, airways expenditures will exceed the airway users charge by almost $1 billion. It is unfair to load this $1 billion on those who buy automobiles, many of whom never use the airways and never have an opportunity to use them. The man or woman who has to have a car to drive to work, I think, would feel resentful to know that they will have to pay $150 or $200 more for their car in order that those rich individuals who can afford private aircraft, as well as the big commercial airline companies, will have their tax burden reduced.

Now, Mr. President, I am glad to yield to the Senator from Michigan (Mr. GRIFFIN) such time as he may require.

Mr. CRANSTON. Mr. President, will the Senator from Michigan yield?

Mr. GRIFFIN. I am glad to yield, if the Senator would allow me to make a brief statement first.

Mr. CRANSTON. The Senator from Massachusetts (Mr. KENNEDY) is supposed to be in committee. However, if I could yield him about 3 minutes to offer a modification to my amendment so that he could go to it, I know that we would both appreciate it very much.

Mr. GRIFFIN. Is it an amendment to this amendment?

Mr. CRANSTON. It is not one that will take time. It is just a modification of the amendment.

Mr. GRIFFIN. I am glad to yield to the Senator now.

Mr. KENNEDY. I thank the assistant minority leader very much.

Mr. President, will the Senator from California yield to me?

Mr. CRANSTON. I yield 3 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I am supposed to chair a hearing and I appreciate this accommodation very much.

Mr. President, I would like to ask the primary sponsor of the amendment whether he would agree to a modification of his amendment as follows:

On line 10, page 4, instead of the word "railway" insert the words "urban transportation."

As I understand it, that is the standard boilerplate language to include the objective of the Senator's amendment in considering the rail corridors. This is a technical amendment to conform with the understanding of the Department of Transportation and it is important that the amendment conform to that understanding. Would such a technical modification be acceptable to the primary sponsor of the amendment?

Mr. CRANSTON. I thank the Senator from Massachusetts for his suggestion. It is a constructive one and in accordance with the understanding of the Department of Transportation which cited the great need for further transportation facilities in the northeast corridor of the country. This same problem applies elsewhere.

Mr. President, I ask unanimous consent that I may modify my amendment in accordance with the suggestion of the Senator from Massachusetts.

The PRESIDENT pro tempore. Without objection, it is so ordered; and the modification will be made.

Mr. KENNEDY. Mr. President, has the modification to the amendment been accepted?

Mr. CRANSTON. Yes.

Mr. KENNEDY. Mr. President, do I correctly understand that there has been a ruling to accept my modification?

The PRESIDENT pro tempore. It has

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been agreed to, to modify the amendment of the Senator from California.

Mr. KENNEDY. Mr. President, I want to add my voice in commendation of the efforts made on this problem by the Senator from California and the Senator from Illinois. It is an extremely imaginative and creative effort to help achieve a balanced transportation system. The vote yesterday that was taken on the Percy amendment, which failed by only three votes, indicates that there is a growing awareness in this body of the importance of reshaping our transportation system.

Mr President, the amendment now before the Senate would direct revenues from the 7-percent auto excise tax into a single account as a first step toward the creation of a national transportation trust fund.

As a cosponsor of this amendment, I believe it is important to recognize several points at the outset.

First, this amendment will not affect current plans of consumers or auto manufacturers since it will not take effect until January 1, 1973. Until that time, the auto excise tax will be suspended to provide an emergency stimulus to the economy.

Second, revenues from the reinstated tax after January 1, 1973, will be used to meet urgent national transportation requirements. The anticipated $2.2 billion a year will be used for mass transit, Amtrak, highway safety, airport development, and the abatement of aircraft noise pollution and vehicle air pollution.

Third, in response to my suggestion, the original amendment has been modified to include a specific authorization to the Secretary of Transportation to use a portion of these funds to meet the transportation needs of the Northeast Corridor and the Nation's other developing urban corridors.

Mr. President, permanent repeal of the auto excise tax represents a $2 billion a year incentive for manufacturing more automobiles at a time when our transportation system already is suffering from overdependence on the automobile.

Although the illness of our transportation system has been diagnosed repeatedly, the patient has been unwilling to accept the prescription for its cure.

The national transportation policy statement by the Department of Transportation only 2 months ago listed the symptoms of our national transportation "nonsystem": urban congestion, severe deterioration of local public passenger service, airport and air traffic congestion, hazards to safety, environmental degradation, and financial distress in many segments of the Nation's transport industry.

Separate modes of transportation have developed independently with separate planning and separate funding. The result has been a fundamental disruption of our transportation priorities.

Highways have been funded from an almost unlimited account that has been pumping over $3 billion a year into concrete for the past 6 years.

Yet the Nation's cities have been unable to obtain even one-tenth as much for urban mass transit. Mass transit expenditures averaged less than $200 million between 1965 and 1970.

Even with the passage of the Urban Mass Transportation Assistance Act last year in which $3.1 billion was authorized over 5 years, the administration has hamstrung the program by impounding appropriations.

Now with $2.6 billion in requests from the Nation's cities, the administration has announced it will spend only two-thirds of the $900 million which is authorized.

Today, cities and States are unable to plan rationally for the transportation needs of their constituencies. They are forced to seek funds from a Federal system that has given them the unpleasant choice of building highways or building nothing.

For these reasons, I introduced S. 295, the national transportation trust fund bill, earlier in this session to reorder those transportation priorities. That measure, which still is pending before the Senate Commerce Committee, would have combined the existing trust funds as well as the revenues from the auto excise tax into a single fund.

The current amendment does not in any way affect the existing highway and airway trust funds. But it does provide a separate source of revenue—revenue from the auto excise tax—to finance a broad range of transportation services.

Mass transit—where our greatest needs exist, where the Institute of Rapid Transit estimates that between $28 and $34 billion will be needed over a decade, and where the transportation committee of the National Conference of Mayors has called for emergency appropriations just to keep our mass transit systems running—would receive 50 percent of the proceeds from this fund.

In addition, in an effort to take action which will meet the crisis in the Northeast Corridor and to provide preventive medicine for the Nation's other urban corridors, the amendment now contains a separate authorization for the transportation needs of the urban corridors.

There are currently 15 urban corridors across the country, including Boston-New York, New York-Washington, New York-Buffalo, Philadelphia-Pittsburgh, Miami-Jacksonville, Chicago-Indianapolis-Cincinnati, Detroit-Chicago, Chicago-St. Louis, St. Louis-Kansas City, Milwaukee-Minneapolis, Seattle-Portland, Oklahoma City-Dallas-Houston, Memphis-New Orleans, and Oakland-Sacramento.

These are densely populated areas containing a series of two or more standard metropolitan statistical areas not more than 500 miles apart connected by major routes of ground passenger transportation.

All of these corridors would be eligible for transportation assistance under this amendment.

And there is specific reference to the Northeast Corridor, essentially Washington to New England, because that is where we must take action immediately.

After 8 years of study, the Northeast Corridor transportation project of the Department of Transportation issued its final report and recommendations in September.

The report found the Northeast Corridor to be the most extensively urbanized region in the Nation with some 44 million persons, 20 percent of the Nation's population, living on less than 2 percent of the Nation's land.

The sprawling growth of suburbia and exurbia, the exodus of industry and population from the central city, the steady concentration of people in new metropolitan areas joined in an urban band 500 miles long—all have created the transportation crisis.

Traffic congestion on the highways and congestion at airport terminals already exist so that travel times both by air and by road are declining between Boston and New York and between Washington and New York. In fact, it takes longer today on the average to get from National Airport to New York than it did in 1953.

The report noted that:

Aircraft and terminal delays between 1963 and 1969 increased 20 percent. Almost 30 percent of this delay was registered at five major Corridor airports.

It was after years of detailed investigation that the final report recommendations were made. And I believe it is essential that action be taken now to begin to put the recommendations into effect.

The amendment now before us would authorize funds for that purpose.

The major recommendation of the study for the current decade was to improve the passenger railroad service to provide 2-hour nonstop New York to Washington and 2¾ nonstop from New York to Boston. A 3-year program would include $100 million for right-of-way improvements between Washington and New York, $190 million in similar improvements between New York and Boston, $70 million for terminal improvements and $100 million for additional vehicles.

This would mean more high speed Metroliner-type cars, improved passenger comforts, greater frequency of schedules, and both nonreservation and nonstop service.

The result would be a major reduction of the air and road congestion within the corridor, a reduction in pollution and an increase in passenger service. The resulting profitmaking potential would fund additional improvements in the 1980's that would decrease nonstop rail service time from downtown Washington to downtown New York to 1½ hours and to 2 hours between New York and Boston.

As more people used high speed trains within the corridor, congestion on the highways and congestion at the airports would be substantially reduced.

This would be the model for similar steps in the other corridors to meet transportation needs before a crisis develops.

For these reasons, I am pleased that the amendment now before the Senate contains a specific authorization for the use of the revenues from the auto excise tax for the construction and improvement of transportation in the urban corridors of the Nation.

I feel that along with the other authorizations for mass transit, highway safety, air and noise pollution, this amendment will move the Nation toward the goal of a balanced transportation system that can carry people where they want to go, in the manner they want to travel and at costs they can afford.

I strongly urge approval of this amendment.

I thank the Senator from California very much for yielding to me.

Mr. CRANSTON. I thank the Senator very much for his constructive aid on the bill and for his stanch support.

Mr. PELL. Mr. President, I rise in support of Senator KENNEDY's perfecting amendment to Senator CRANSTON's amendment which would restore the 7-percent excise tax on automobiles next year and would funnel those funds into other modes of transportation.

Mr. President, in the Northeast Corridor we have had study upon study recommending improvements in rail passenger service. This past September, the Department of Transportation recommended the expenditure of $460 million for upgrading of roadbeds, purchase of new vehicles, and the improvement of terminals.

I think there is no doubt that in the Northeast Corridor any significant change or development of new highways is prohibitive because of lack of available land and community objections.

In our Northeast Corridor we can best aid the highway traveler by providing alternative rail passenger service which drains off the congestion on our interstate highways.

Consequently, I support this amendment to provide earmarking of a portion of the automobile excise tax for rail passenger improvements.

The PRESIDENT pro tempore. Who yields time?

Mr. GRIFFIN. Mr. President, I yield myself such time as I may require.

To me, Mr. President, this is an incredible amendment, incredible for a number of reasons. The distinguished ranking minority member of the committee has pointed out that if it actually were to be adopted, it would result in a tremendous surge in the manufacture and sale of automobiles during the period between now and January 1973.

Some, perhaps with tongue in cheek, have criticized the automobile excise tax repeal proposal of President Nixon as having something to do with the political fortunes of the junior Senator from Michigan.

I suppose, if that were really a factor, I should be wholeheartedly in favor of the amendment now being offered by the Senator from California, because surely there would be no unemployment in Michigan during the months ahead until January 1973 and automobile sales would certainly skyrocket.

However, what would happen after that might well be an economic disaster for my State and for other areas of the Nation.

There would be economic chaos if this incredible amendment of the Senator from California were to be adopted.

Mr. President, I think the amendment is incredible from another point of view. My senior colleague from Michigan, Mr. HART, has appropriately and accurately characterized the 7-percent excise tax on automobiles as a consumer sales tax. That is exactly what it is.

If we repeal the 7-percent excise tax on automobiles, as proposed by President Nixon, the consumer will benefit directly. If the amendment of the Senator from California were agreed to, and the auto excise tax were reinstated, then a sales tax upon the consumer would be reimposed, in effect beginning in January 1973. Frankly, I am appalled that Senators who regard themselves as liberals should choose this regressive way of raising revenues for a purpose, of course, which has nothing to do with the sale or the use of automobiles. As the Senator from Utah has said, we need mass transit, we need airports—and the need exists whether or not automobiles are sold.

The junior Senator from Michigan is very much in favor of mass transit development. He has voted for bills and amendments which have sought to advance programs in this area.

It would seem to me that the question now is, how shall we finance mass transit programs? Shall we do it through a very unfair and regressive kind of taxation by using a sales device that hits hardest at people in the lower income categories? Or shall we use the more progressive graduated income tax which is already available if the Congress wishes to raise more revenues?

I am amazed that Senators who regard themselves as liberals would even consider using a form of sales tax as the way to finance such costly programs as mass transit.

Beyond that, of course, the excise tax on automobiles is an unfair and discriminatory tax which should have been removed years ago. I should think that if the Senator from California believes that a sales tax or an excise tax is the appropriate way to raise revenue for such a laudable purpose as mass transit, then he would favor imposing the excise tax on manufactured products other than automobiles. I wonder if perhaps some of the products that are manufactured principally in the State of California might not be included and similarly taxed, in order that the whole burden would not fall on just one industry.

One of the principal reasons why President Nixon recommended repeal of the auto excise tax, as I understand it, related to his concern about our balance-of-trade situation. One reason why our trade balance has been deteriorating is that we have found it more and more difficult to sell American-made automobiles in the world market. We are finding it more and more difficult, not only because of the tariff and nontariff trade barriers of other countries, but also because, incredibly, our own country, unlike other countries, imposes, in effect, a 7-percent duty upon our own automobiles before we send them out of the country. After adding the 7-percent tax, we then try to sell them in the world market.

We do not do that to any other manufactured product we try to sell in the world market. We do not try to impose such a tax on refrigerators.

We do not impose such a tax on washing machines or anything else and then try to sell them in the world market.

In effect, through the excise tax we are imposing a tariff on ourselves with respect to the automobiles we seek to sell in the world market. No wonder we are having problems with the trade-balance picture.

Mr. President, as I have said, the auto excise tax is a highly discriminatory tax. It is a tax that should have been removed a long time ago. It has continued in effect, in large part, because many people have forgotten why the tax was imposed in the first place.

The auto excise tax was imposed in 1917. It was a temporary wartime tax, imposed to discourage the sales of automobiles so the automobile production facilities could be used to manufacture war materiel and for other war purposes.

In World War II, once again the tax that was primarily designed to discourage the sales of automobiles so that the production facilities could again be used to produce tanks and other war materiel.

During the Korean war and the Vietnamese war, perhaps the same justification for such a tax could be cited. However, now we are winding down and getting out of the war in Southeast Asia.

Mr. President, this is an incredible amendment. I cannot believe that the Senate would agree to it. I have great faith that the Senate will reject it.

Mr. CRANSTON. Mr. President, I yield to the Senator from Illinois such time as he may require.

The PRESIDENT pro tempore. The Senator from Illinois is recognized.

Mr. STEVENSON. Mr. President, I supported the Kennedy amendment, recognizing as he and the Senator from California do, that urban rail transportation corridors extend through communities which are rural and lie between major urban areas. These corridors, for example, include the routes between Chicago and Detroit and between Chicago and Kansas City.

It is certainly possible that the northeast corridor would be one of the principal beneficiaries of this amendment.

There should be plans to develop those corridors. But my State of Illinois, the State of Michigan and the State of California, and indeed all States would benefit from the amendment and the amendment offered to it by the Senator from Massachusetts.

The distinguished Senator from Michigan has announced that he is "amazed" and "appalled" at this "incredible" and "ridiculous" amendment. I will not resort to such adjectives. However, I would say this, that I and many others are, to say the least, surprised that this administration, or any other, would offer legislation which would make the production of more death-dealing, pollution-spewing automobiles for our congested highways and streets the Nation's No. 1 economic priority—and at the expense of other domestic needs, including transportation.

Many were surprised that this industry would be singled out for special treatment. That is exactly what has happened Congress has already faced up to the excise tax and has provided for its gradual repeal by 1972. One reason to repeal it now is to give certain consumers, those well off enough to buy automobiles, a

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break, and at the expense or other consumers purchasing other products.

The real purpose is to benefit one industry, the automobile industry. We recognize, as does the Senator from Michigan, that many other industries are dependent upon the automobile industry. That argues, as this amendment does, to suspend the excise tax on automobiles for 1 year. It would give relief to the automobile industry and provide a stimulus to the economy.

If the administration's rosy predictions about the consequences of the new Nixon economics come about, we will get the economy going. Next year the automobile industry will be in fine condition, and then this excise tax can be used to benefit industries all over the country. Manufacturers of mass transit equipment could, for example, benefit.

It is argued that the elimination of the excise tax on automobiles will stimulate car sales and, therefore, create more jobs. But mass transit funds would create jobs, too, and also help meet the need of people across the entire country for adequate mass transit facilities.

I am sorry that the distinguished Senator from Utah, the ranking minority member of the Committee on Finance, is not in the Chamber, because he valiantly, day in and day out, has fought one proposal after another to provide tax reductions. One amendment after another has been offered on the floor of the Senate to give relief to taxpayers, and one amendment after another he has, usually successfully opposed. He has argued effectively, and with alarm, about the adverse effect of these tax cuts, particularly tax cuts for people, as opposed to business. The Committee on Finance has already approved tax cuts of about $11.6 billion annually, most of them for business. On the floor of the Senate we have added to that sum another $5 billion in tax cuts. That means total annual tax of about $16.6 billion. That would not be so serious, but for the fact that it looks as if the Government will run a deficit for fiscal year 1972 of about $28 billion.

The distinguished Senator from Utah has joined us. I have made the point that we are running a $28 billion deficit for 1972, and that there were adopted in the Committee on Finance and on the floor of the Senate tax reductions that will cut taxes by about $16.6 billion annually. Now we come along with a modest proposal to stop decreasing the revenues of the Federal Government, after a 1-year suspension, for the sake of the economy and the automobile industry, and it is opposed.

Now that the Senator from Utah has returned to the Chamber, I should like to ask him a few questions.

Mr. BENNETT. I am sorry. I was temporarily away from the Chamber.

Mr. STEVENSON. I apologize for interrupting the Senator. I was just saying that the Senator has pointed out eloquently and oftentimes successfully how the Treasury—the budget—cannot take these repeated tax cuts. Here we are offering increased revenue after a suspension of the excise tax for 1 year, and the Senator opposes it.

My question to the Senator is simply: Where is the money going to come from? The administration estimates that the Federal Government should furnish $20 billion over the next 10 years for mass transit alone.

In addition, I am sure there are many communities in Utah, as there are in many other States, where more funds are needed for improved rail passenger service, whether it is through Amtrak or the development of urban corridors.

Where is the money to come from? I am sure the Senator from Utah has mayors and community leaders across his entire State who want additional funds for safe city streets, the repair and maintenance of city streets, and traffic signals. Such funds are available now under the highway trust fund, but in inadequate amounts. I think the Senator would agree.

He mentioned the authorization for the Airport Development Act. Enough funds are not available or authorized in the future for the improvement of our airports and for the relief of those who live in the proximity of airports and are subject to the noise of those airports.

Here we are giving up a source of roughly $2 billion a year. We have adopted tax cuts tentatively of $16.6 billion annually. The Government is running a $28 billion deficit for 1972.

Where is the money going to come from?

Mr. BENNETT. The Senator from Utah can point out, for instance, that since we began to debate this bill on the floor of the Senate we adopted an amendment allowing a tax credit of $2.2 billion for education. Let us eliminate that tax credit. That is one place the money can come from.

The Senator is saying we should wipe out the tax reductions on automobiles but must retain all the other tax reductions we have made. Actually, if the Senator's amendment should be agreed to the money would not go into the general fund. It would go into a special account, which Congress has resisted up to this time, for mass transit, for airport improvement, and for other purposes.

The Senator asks where the money is going to come from. Another possibility would be to reduce the $800 exemption to $750—the figure the House adopted—and pick up the $2 billion. Or, as I said, we could reverse our decision on the tax credit for education and pick up $2 billion.

In other words, I do not think we should say to ourselves that there is any difference on the effect of the general revenues between one proposed reduction and another. Actually, the problems that the Senator describes will have to be met, if they are met, out of the general revenues; and those problems will not be solved by saying we should reinstate this tax or that tax. I do not think it is wise to try to earmark this particular tax or that particular tax for a special purpose.

So I would just say to the Senator from Illinois that the final answer is, the money is going to come from the taxpayer, and generally it does not make too much difference what type of taxation we use to get it with respect to the particular dollar that is spent.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. GRIFFIN. I find myself in general agreement with the Senator from Utah on many points. But I would like to interpose some disagreement—

The PRESIDING OFFICER. The Senator from Illinois has the floor. Who yields time?

Mr. BENNETT. Mr. President, I will yield the Senator 3 minutes out of my time.

The PRESIDING OFFICER. Does the Senator from Illinois yield the floor?

Mr. STEVENSON. I yield the floor.

Mr. GRIFFIN. I think it makes a great deal of difference what kind of a tax is used—difference in terms of whom will bear the heaviest burden of the tax.

I wish to reemphasize a point I made before. The excise tax on automobiles is essentially a sales tax, and a sales tax is a very regressive, unfair tax in that it imposes a heavier burden, relatively speaking, on the lower income groups.

There was some reference earlier to the fact that the rich buy automobiles. Sure, the wealthy buy automobiles—but a great many more automobiles are sold to those who are not wealthy. Every family, with few exceptions, in our country buys automobiles. Indeed, the biggest item in the family budget is the family automobile. It is interesting that anyone who regards himself as a liberal would advocate use of a most regressive form of taxation—such as a sales tax—when the more progressive form of taxation, the graduated income tax, is available.

So, I would suggest that there is a very essential difference as to which kind of a tax is used.

Mr. BENNETT. I appreciate the comments and the point of view of the Senator from Michigan. He is correct that the regressive nature of the auto excise tax is one of the important reasons why we are getting rid of the tax.

Mr. GRIFFIN. We have taken it off other items.

Mr. BENNETT. We have taken it off everything except telephone service, and liquor and tobacco which has been subject to tax for a very long time.

Mr. President, I yield such time to the Senator from Arizona as he may desire.

Mr. FANNIN. Mr. President, I would like to ask the Senator from Illinois how this could be special relief when the automobile industry has been discriminated against by this tax for years, and the consumer has been paying this tax as a penalty for years, which has been a great disservice to the workingman.

I think he realizes, if we can refer to California, that because of our inability to compete in the automobile market, we have seen a tremendous increase in the number of automobiles coming into this country, small automobiles particularly. In fact, and perhaps the distinguished Senator from California knows more about this than I do, there is a factory that is going to be built in Canada by the Toyota Co. which is further going to complicate the problem.

I would remind him that this is a penalty that has been assessed against this particular industry, and not against other industries. We are not taking it off; we are just relieving them from that discrimination. In doing so, we are relieving the consumer, and not the manufacturer. This relief has to be passed on to the consumer. I do not think that is doing too much.

Mr. STEVENSON. I am sure the Senator does not mean that this is the only industry subject to an excise tax.

Mr. FANNIN. It is the only one that has been discriminated against all these years with an excise tax. It is the greatest industry that has been discriminated against.

Mr. STEVENSON. I do not doubt that the revenues from the excise tax on this product are the greatest, because the volume of production and sales in the industry are the greatest, but excise taxes apply to many products.

Mr. FANNIN. It was brought out by the Senator from Utah that there are other excise taxes.

Mr. BENNETT. Mr. President, if the Senator will yield, the only major Federal excise tax left, if the bill is passed, is the excise tax on telephones.

Mr. STEVENSON. Perhaps it is only a question of semantics, but may I ask what the taxes on alcohol and tobacco are if not excise taxes?

Mr. BENNETT. The Senator again needs correction. Since the beginning of the Nation we have had taxes on alcohol and tobacco, and they are so built into our pattern that we take them for granted. I take them for granted and forget them. I will admit that we still have excise taxes on tobacco and alcohol. They have been there for nearly 200 years. But practically the only modern excise tax that affects products or services which will remain after the bill passes is the tax on telephones. They were many more in World War II, and one by one we have taken them off, and we are now moving to take the excise tax on automobiles off.

Mr. FANNIN. I might point out that the taxes on alcohol and tobacco were designed to discourage the consumption of those particular products. So I think those taxes are in a completely different classification from what we are talking about. We are talking about the excise tax on automobiles.

How can it be said that the amendment will help offset the $5 billion-plus of revenue loss that the Senate has added to the bill? The amendment provides fully for the expenditure of the money saved by the amendment. So that is not a correct assumption.

I am sure that the problems in Chicago and other parts of Illinois are great. In fact, I am familiar with the Chicago bus authority and the problems it has had with the buses. I have seen the number of miles that those buses have traveled. Any encouragement to replace them would certainly assist insofar as environmental effects are concerned, and I believe that is a very important point. There is a very serious problem in the downtown area of Chicago, which I am sure the Senator recognizes. But the amendment would put in a deterrent—the excise tax which will remain—to the replacement of those vehicles, as well as automobiles and small trucks. That would not be good from the standpoint of the environment.

Insofar as the current year is concerned, this proposal would be fine. As a matter of fact, it would probably mean that there would be many more sales of cars and much more employment in the automobile industry in 1972 than would otherwise be the case. The administration has already estimated that this reduction will result in 600,000 additional domestic automobile sales and 150,000 additional jobs, not counting dealer employees. In a period such as this, this represents an important contribution toward lowering the level of unemployment.

The difficulty with the proposal is, however, that it will encourage individuals to purchase 1972 models instead of 1973 models. What we want to do is increase the total number of purchases, not merely move purchases up from 1973 to 1972. We do not want a Niagara of purchases in 1972 and a desert of purchases in 1973. That is exactly the kind of cyclical problem we are trying to avoid.

I would also like to point out that the number of cars on the road really is not dependent on whether there is a tax on automobiles. In the long run, the number of cars on the road will not be decreased by this proposal. Actually, this proposal simply means that there will be a smaller number of new cars and a larger number of old cars on the road. But that, however, does have important ramifications for the environment.

As the Senator well knows, old cars are the real polluters, and therefore, the amendment is counterproductive from the standpoint of improving the environment.

I also would say it is counterproductive from the standpoint of what is happening economically in this country. I do not know if the Senator is familiar with the U.S. balance of trade for selected products, and what is happening in this Nation of ours with the imbalance of trade, and has been happening over the past few years.

Imports of cars into the Senator from California's State have increased fantastically, having almost doubled in the last few years. Foreign car sales have now, I think, in the first 6 months of this year, reached about 35 percent of the total car sales, and as far as the total U.S. balance of trade for selected products is concerned, automobiles in fact represented a $2 billion deficit. I think this is vitally important, because it indicates that we are becoming less and less competitive in the world market.

The repeal provision, of course, would help as far as this industry is concerned. I feel that the Senator, in his proposal, is certainly being counterproductive to what we are trying to accomplish.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENSON. Mr. President, I yield myself such time as I may require.

First, let me point out to the distinguished Senator from Arizona something that I do not believe we have made clear in our explanation of this amendment. It does not reimpose the excise tax on buses and/or agricultural haulers.

Mr. FANNIN. I realize that. It is very clear, as far as the equipment that is involved.

Mr. STEVENSON. Well, in response to the remarks of the Senator from Arizona and the Senator from Utah—and I do not have any desire, Mr. President, to extend this debate—let me just say that it has been suggested that this excise tax is different from other excise taxes, including the alcohol tax which goes back some 200 years to the origins of the Republic, as the Senator from Utah pointed out.

If there was not an excise tax on automobiles 200 years ago, it may have been because there were not any automobiles 200 years ago. Since then, of course, the automobile has arrived on the scene, and has become the single most serious offender against the environment.

Mr. FANNIN. Well, the Senator is answering his own question, then, because we did not have the problem that has been expressed by the Senator from Utah and the Senator from Michigan. This was put on as an emergency measure and a revenue measure. But as far as the liquor and tobacco taxes are concerned, that was not the case. The purpose of the liquor and tobacco taxes was to discourage the consumption of those products.

Mr. STEVENSON. Well, I hesitate to quarrel, but it has been my impression over the years that excise taxes have been intended to be revenue producing measures when adopted by Congress.

This tax is a substantial source of revenue. Congress has faced up to the fact that it should be, in an orderly way, repealed. Our amendment does nothing to interfere with the actions already taken by Congress. The excise tax would be phased out by 1982, as has already been decreed by Congress. Our amendment would simply provide that, after this 1-year suspension of the tax, the funds from that continuing source of revenue would be earmarked for transportation.

I think the Senator from Utah made the essential point. I asked him where the money was going to come from. We all admit the critical need for improved transportation services. A first-rate transportation system in the country might do more for the economy and for our competitive position in the world than almost any single thing that we could do. Other countries, like Japan, do more for transportation than the United States.

The point has been made that we can get the revenues which we all concede are needed, not only for mass transit but for improved airports, for improved living conditions in proximity to airports, for safer city streets, for our urban corridors, and for adequate rail passenger service. It is suggested by the Senator from Utah that those revenues, which by and large we all admit must be obtained, may be obtained by repealing the tax credit for education.

Mr. President, I think that makes the point. The Senator is implying that the

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production of more automobiles that would result from the repeal of the excise tax on automobiles, more automobiles for our crowded streets, more pollution-spewing automobiles, is more important than education. That is the basic difference between us.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. STEVENSON. I am glad to yield to the Senator from Utah.

Mr. BENNETT. I cannot imagine that my colleague would assume that in answering his question, I was stating my personal priorities. He asked me about other sources, and I indicated that there are other sources. It is unfair to now infer that because I mentioned it, I have stated that the manufacture of automobiles is more important than education.

Mr. STEVENSON. I am not making any assumptions at all. I asked the Senator where the money was going to come from, and he said we could repeal the tax credit for education.

Mr. BENNETT. I said we could get it from many sources, and I read the Senator the list of things in this bill that represent a $2 billion tax cut.

Mr. STEVENSON. Many sources except, apparently, a tax on the production of automobiles. I think that, Mr. President, is basically the difference. I do not want to increase taxes for individuals; I do not want to repeal tax credits for education; but I do recognize that the tax money has to come from somewhere, and say that the production of more pollution-spreading automobiles for our crowded streets should not be our highest economic priority.

The excise tax is a reasonable source of revenue. The revenue spent on public transportation is going to help the economy. An improved transportation system would help the economy. The expenditure of funds for improved transportation facilities, improved airports, safer city streets, and our urban transportation corridors would produce jobs and other benefits throughout the country.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I am prepared to yield back the remainder of our time, after just one moment, if the other side is prepared to do so.

I would like to clarify one point. The proponents of the measure have said several times that we are reimposing the 7-percent surtax. That will not be done. The tax, under the provision that provided for it, will go down. It would be reimposed at 6 percent under the amendment, would drop down to 5 percent after 2 years, and would taper off thereafter.

Mr. BENNETT. Mr. President, it was the Senator from Utah who called that to the attention of the Senator from California. I did not say we were reimposing a 7-percent excise tax. I said it was proposed to reimpose a tax that would go down to 6 percent.

Mr. CRANSTON. Perhaps it was the Senator from Michigan who referred to the reimposition of the 7-percent surtax. I was, of course, aware that it would go down, as my statements have indicated.

The Senator from Utah displayed an interest in California. I would like to point out that the citizens of Salt Lake City would perhaps benefit from this amendment also, since there is a $500,000 application for a bus transportation assistance program there. I do not know where that money is to come from, if we do not find some way, such as the method we are proposing, to get the money for transportation.

The President is presently withholding $200 million that was supposedly made available through our committee under the contract obligation procedure for road transit. That money is not being freed.

Mr. President, I am prepared to yield back my time, if no one else wishes to speak.

Mr. BENNETT. Mr. President, I yield myself 2 minutes, and then I will be prepared to yield back the remainder of my time.

The point I want to make again is the point I made in the beginning: We are going at this backwards. We should develop a program for these purposes, and then we should find ways to finance it. This amendment raises the money first and then says we hope the Secretary of Transportation can come up with a program.

Mr. President, I think this amendment is ill-timed. I think it is ill-prepared. As I said earlier, it transfers to the executive department a responsibility that belongs to Congress.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. GRIFFIN. Throughout the debate it has been assumed, or may have been assumed, by some, that the sale of new automobiles increases pollution. It should be taken into account in this debate, that by reason of legislation which this Congress has passed—legislation which has established very tough and strict pollution standards upon the automobile industry—the sale of new automobiles which, in turn, replace old automobiles, will actually result in a significant reduction in pollution. Of course, it is the old automobiles that are polluting the air. As new automobiles are sold and replace old automobiles, the air will be cleaner.

So we should not assume in this debate that the sale of new automobiles necessarily means more pollution.

Mr. BENNETT. I agree with the Senator from Michigan.

Mr. President, I am prepared to yield back the remainder of my time, if the other side is.

Mr. CRANSTON. I yield back the remainder of my time.

Mr. BENNETT. I yield back the time in opposition.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment, as modified.

Mr. BENNETT. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California, as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Carolina (Mr. ERVIN), and the Senator from New Hampshire (Mr. MCINTYRE) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN) would vote "nay."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Kansas (Mr. DOLE), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS) and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. HRUSKA) and the Senator from Pennsylvania (Mr. SCOTT) would each vote "nay".

The result was announced—yeas 25, nays 64, as follows:

[No. 349 Leg.]

YEAS—25

Brooke	Hatfield	Packwood
Byrd, Va.	Hollings	Pell
Case	Hughes	Ribicoff
Church	Javits	Stevenson
Cranston	Kennedy	Tunney
Eagleton	Long	Weicker
Fong	McGovern	Williams
Fulbright	Moss	
Gravel	Muskie	

NAYS—64

Aiken	Fannin	Nelson
Allen	Gambrell	Pastore
Anderson	Goldwater	Pearson
Baker	Griffin	Percy
Beall	Gurney	Proxmire
Bellmon	Hansen	Randolph
Bennett	Harris	Roth
Bentsen	Hart	Schweiker
Bible	Hartke	Smith
Boggs	Humphrey	Sparkman
Brock	Inouye	Spong
Buckley	Jackson	Stafford
Burdick	Jordan, N.C.	Stennis
Byrd, W. Va.	Jordan, Idaho	Stevens
Cannon	Magnuson	Symington
Chiles	Mansfield	Taft
Cook	McClellan	Talmadge
Cooper	McGee	Thurmond
Cotton	Metcalf	Tower
Curtis	Miller	Young
Eastland	Mondale	
Ellender	Montoya	

NOT VOTING—11

Allott	Ervin	Mundt
Bayh	Hruska	Saxbe
Dole	Mathias	Scott
Dominick	McIntyre	

So Mr. CRANSTON's amendment, as modified, was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 1810) for the relief of Dorothy G. McCarty, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 1866) for the relief of Clayton Bion Craig, Arthur P. Wuth, Mrs. Leonore D. Hanks, David E. Sleeper, and DeWitt John, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate.

H.R. 1966. An act for the relief of Helen Rose Botto;

H.R. 2714. An act for the relief of Mrs. Kayo N. Carvell;

H.R. 2792. An act for the relief of Juanita Savedia Varela;

H.R. 3093. An act for the relief of Mrs. Crescencia Lyra Serna and her minor children, Maria Minde Fe Serna, Sally Garoza Serna, Gonzalo Garoza Serna, and James Garoza Serna;

H.R. 4083. An act for the relief of Thomas William Greene and Jill A. Greene;

H.R. 4319. An act for the relief of Josephine Dumpit;

H.R. 5179. An act for the relief of Soo Yong Kwak; and

H.R. 6506. An act for the relief of Mrs. Hind Nicholas Chaber, Georgette Hanna Chaber, Jeanette Hanna Chaber, and Violette Hanna Chaber.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

S. 306. An act for the relief of Eddie Troy Jaynes, Jr., and Rosa Elena Jaynes;

S. 389. An act for the relief of Stephen Lance Pender, Patricia Jenifer Pender, and Denese Gene Pender;

S. 629. An act for the relief of Chen-Pai Miao;

S. 708. An act for the relief of the village of Orleans, Vt.; and

S.J. Res. 132. Joint resolution extending the duration of copyright protection in certain cases.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the Judiciary:

H.R. 1966. An act for the relief of Helen Rose Botto;

H.R. 2714. An act for the relief of Mrs. Kayo N. Carvell;

H.R. 2792. An act for the relief of Juanita Savedia Varela;

H.R. 3093. An act for the relief of Mrs. Crescencia Lyra Serna and her minor children, Maria Minde Fe Serna, Sally Garoza Serna, Gonzalo Garoza Serna, and James Garoza Serna;

H.R. 4083. An act for the relief of Thomas William Greene and Jill A. Greene;

H.R. 4319. An act for the relief of Josephine Dumpit;

H.R. 5179. An act for the relief of Soo Young Kwak; and

H.R. 6506. An act for the relief of Mrs. Hind Nicholas Chaber, Georgette Hanna Chaber, Jeanette Hanna Chaber, and Violette Hanna Chaber.

FURTHER CONTINUING APPROPRIATIONS, 1972

Mr. ELLENDER. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 946.

The PRESIDING OFFICER (Mr. GRAVEL) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. Mr. President, yesterday, the Senate passed House Joint Resolution 946, the continuing resolution, with one amendment, changing the expiration date from the sine die adjournment of the first session of the 92d Congress, which had been proposed by the House of Representatives, to December 1, 1971.

The Senate amendment also set a ceiling on foreign economic and military assistance and sales at a figure of not to exceed the rate in the authorization bills which passed the Senate and the House of Representatives for foreign assistance, or at the current rate for fiscal year 1971, or the budget estimate for fiscal year 1972, whichever is the lower figure.

Last night, the House requested a conference with the Senate on this joint resolution.

I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. MCCLELLAN, Mr. PROXMIRE, Mr. INOUYE, Mr. YOUNG, Mrs. SMITH, and Mr. HRUSKA conferees on the part of the Senate.

REVENUE ACT OF 1971

The Senate resumed the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The PRESIDING OFFICER. Pursuant to the previous order, the Chair lays before the Senate amendment No. 690, offered by the Senator from Oklahoma (Mr. HARRIS), which the clerk will now report.

The assistant legislative clerk read as follows:

On page 3 of table of contents, after section 702, insert the following:

"TITLE VIII—TO PROHIBIT CORPORATIONS FROM ENJOYING TAX DEDUCTIONS FOR ADVERTISING NOT DIRECTLY RELATED TO THE DISTRIBUTION OF A COMPANY'S GOODS AND SERVICES".

On page 209, line 14, insert the following:

"TITLE VIII—TO PROHIBIT CORPORATIONS FROM ENJOYING TAX DEDUCTIONS FOR ADVERTISING NOT DIRECTLY RELATED TO THE DISTRIBUTION OF A COMPANY'S GOODS AND SERVICES

"SEC. 801. Amend United States Code, title 26, section 162(e)(2)(B), to read: 'in connection with any attempt to influence the general public, or segments thereof, with respect to legislative matters, elections, referendums, or any matter (except as otherwise provided in this section) not directly related to the distribution by the taxpayer of goods and services.'."

The PRESIDING OFFICER. There is a time limitation of 30 minutes on the amendment, 15 minutes to the side.

Mr. HARRIS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. BYRD of West Virginia. Mr. President, could we have order?

The PRESIDING OFFICER. The Senate will be in order. The Senator from Oklahoma may proceed.

Mr. HARRIS. Mr. President, the amendment would prohibit corporations from enjoying tax deductions for advertising that is not directly related to the distribution of the corporation's goods or services.

I have just picked up the current issue of Life magazine, dated November 19, 1971. In thumbing through the magazine—and one can do this with any magazine—I note here a huge double page ad that must have cost a considerable amount of money. The headline is: "No-fault auto insurance. If insurance companies are for it, shouldn't you be against it?"

The article says that if one wants to, he can contact the office of this insurance company, the Traveler's Insurance Co., and find out what they have to say about no-fault insurance. They say that they will tell anyone who calls what should be done.

Mr. President, I ask unanimous consent that the advertisement to which I have referred be printed in full at this point in the RECORD.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

NO-FAULT AUTO INSURANCE—IF INSURANCE COMPANIES ARE FOR IT, SHOULDN'T YOU BE AGAINST IT?

Some people say no-fault is the answer to all the auto insurance problems. Everything from the high costs to the length of time it can take to collect a claim.

Some people say no-fault is the answer to nothing.

Several states already have it.

Several more are considering making it law.

We happen to think that, while no-fault is a good place to begin, there are a great many more things that should be done.

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However, knowing what you think of insurance companies—and knowing that some of you may find it a bit hard to believe that any insurance company could be for anything that could lower rates and make claims easier to collect—we'd like to do something better than give you our opinion.

We'd like to supply you with enough information to have your own opinion. (After all, it is your money that's at stake.)

So if you call or write The Travelers Office of Consumer Information, we'll send you out a simple explanation of no-fault. As unbiased as we can make it.

We'll tell you what major no-fault insurance plans have been passed or are being considered.

We'll tell you how the various plans are supposed to work.

We'll tell you what problems they could solve and what problems they can't possibly solve.

And, of course, we'll tell you what we think ought to be done.

Then you can make up your own mind. Before your state legislators make up theirs.

And if you have any less lofty questions on your mind—or any problems—our Office of Consumer Information will do its best to help you with them too.

Call toll-free weekdays, from 9 to 5 Eastern Time (800) 243-0191.

Call collect from Connecticut 277-6565.

Or you can write, if you prefer, to The Travelers Office of Consumer Information, One Tower Square, Hartford, Connecticut 06115.

THE TRAVELERS.

Mr. HARRIS. Members of my staff called Travelers. The ad carries the implication they are for no-fault insurance. Actually, they are against Federal no-fault insurance which would save people about $1 billion in premiums. They are also even against State no-fault insurance over $2,000. Losses over $2,000 should be insurable losses, according to Travelers.

The point is they were able to propagandize us by that ad, which is a tax-deductible business ad, paid for out of business expense.

I picked up Newsweek magazine dated November 15, 1971. This can be done with any magazine these days, it is becoming so prevalent. Here is an ad by Rockwell-Standard Co. that states we should disperse the population in this country. As it turns out, they have a good idea how that should be done. They say that only a good highway system can make population dispersal practical. I suppose that means as opposed to mass transit, or other forms of transportation, from which the public might choose.

The point is not their position on the issue. The point is that they were able to propagandize us on a public issue using the corporate business tax deduction.

The same thing is true with respect to United States Steel, when they tell us strip mining is not so bad; and the same thing is true about Standard Oil of New Jersey when they tell us how well they are cleaning up the air, and for us not to get excited about pollution.

Mr. President, I ask unanimous consent that the advertisement from Newsweek may be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

IF YOU WERE PLANNING A COUNTRY, YOU WOULD NOT CROWD 70 PERCENT OF THE PEOPLE INTO 2 PERCENT OF THE LAND—MAYBE WE OUGHT TO HAVE A PLAN

It's a fact. We're a nation blessed with over 3 million square miles and yet we jam, pack and squeeze 142 million people into just 74,000 square miles. That's only 2% of the land!

Think of the problems—health, mental health, crime, poverty, water and air pollution, drug addiction—that are so much a part of these crowded conditions.

The obvious answer is to develop a plan to spread jobs, opportunities and people around. First, we must have the leadership and backing that only the Federal government—and we, the people—can supply. Second, we need the cooperation and involvement of industry.

And third, we need our good highway system—only highway transportation can make population dispersal practical.

For a challenging look at the problems and opportunities of population dispersal, write the American Trucking Association, Inc., Dept. R-S, 1616 P St. N.W., Washington, D.C. 20036. As for the new booklet, "The Geography of Survival." It's the beginning of a plan.

ROCKWELL-STANDARD CO.

Mr. HARRIS. Mr. President, I wish to call the attention of Senators to the chart on the right in the rear of the Chamber. The Senator from Arkansas is looking at it now. It shows the permanent effect of President Nixon's tax bill as first proposed. Out of the total $9.4 billion tax cut proposed only $1.5 billion was to go to the average working man and woman. So when there is lobbying for that proposal it is lobbying for an antiworking man proposal and for a specific proposal that has billions of dollars of impact on the economy and the taxpayers. It mostly goes to big business, as we note from the chart and from the discussion that has taken place in this Chamber.

Later some of the President's close friends formed an organization called Citizens for a New Prosperity, which is one of President Nixon's campaign slogans, it seems. It takes a lot of nerve to talk about prosperity while we have 5.5 million people unemployed.

The point is they are not just talking about being against inflation. On the right in the rear of the Chamber we have a chart which states, "Fighting inflation is everyone's business." It goes on to state that President Nixon's tax program will create 500,000 new jobs and that we should be for it. That is wrong, in my view, but even if it were right, it is wrong for this group. Citizens for a New Prosperity, to be able to solicit business for contributions of $2,000 to $25,000, tax deductible money, and say "You can do this as a legitimate business expense," and, in effect, propagandize the taxpayers at their expense to vote for this tax bill that will give about $74 billion in tax cuts to big business over the next 10 years.

No wonder big business would want to spend tax deductible corporate funds to lobby for that and, in the process, for President Nixon's reelection. That is wrong.

My bill would provide if they want to run an ad in the newspapers talking about their products, the goods they produce and sell that would be a legitimate business expense, but that they cannot use deductible corporate funds to attempt to persuade the general public.

This has nothing to do with lobbying, but it does have to do with trying to persuade the general public on a general issue not related to the company's business, goods, and services. That should not be a tax deductible business corporate expense.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, as the proponent of the amendment has suggested, the heart of his amendment is contained in the words "not directly related to the distribution of a company's goods and services." That is a pretty stiff and complete prohibition. Under it a corporation could not announce that it is now 50 years old. It could not congratulate any person for a particular civic achievement. It could not even announce it was closing for the funeral of its president.

This attempt to hamstring corporations by denying them the right to use tax deductible money for any purpose except that which the Senator would interpret as being directly related to the distribution of its goods and services, is far too stringent. The law already prevents the use of these funds for influencing legislative matters, elections, or referendums.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. LONG. Would this amendment make it a nondeductible item for a business concern at Christmas time to have an ad saying "Merry Christmas"?

Mr. BENNETT. It would.

Mr. LONG. Or, "Happy New Year"?

Mr. BENNETT. Anything not related to the sale of its product. Actually the initial example the Senator from Oklahoma started out with did involve a directly related expense. He cited an ad of an insurance company relating to no fault insurance. I cannot think of anything more directly related to the sale of insurance than a discussion of a new type insurance that may be made available.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. BENNETT. I yield.

Mr. LONG. Recently in Louisiana a war veteran returned. He had won the Medal of Honor and we were very proud of him. We had a day in honor of this young man. People took out ads in the newspapers saying, "Congratulations. Welcome home." Would that be tax deductible?

Mr. BENNETT. That would not be tax deductible. Nothing would be tax deductible that did not specifically relate to the "distribution of a company's goods and services."

Mr. LONG. Mr. President, will the Senator yield further?

Mr. BENNETT. I yield.

Mr. LONG. Suppose a business took out ads in a booklet published by the graduating youngsters of a high school. Businesses often take out ads congratulating the graduates of the class of 1971 in a little yearbook. That ad would not be deductible?

Mr. BENNETT. It would not be deductible. If a patriotic corporation decided to devote part of its advertising budget to urge people to buy U.S. savings bonds, that would not be deductible.

Mr. LONG. Or an ad for the Boy Scouts?

Mr. BENNETT. Or for the United Givers Fund.

Mr. HARRIS. Why should it be deductible?

Mr. BENNETT. In this arena in which public issues are debated, every other organization that could buy that kind of ad would buy it with tax-exempt money—the labor unions, the foundations, and the organizations that are put together attracting academicians or other groups.

The Senator is now saying to this important segment of American industry, "All your opponents can attack you with tax-free dollars but you may not respond in that manner. You must pay taxes on the dollars you use to respond in a debate that goes on in a community."

It seems to me that since we have carefully limited the use of corporate funds to influence political issues or political elections, a limitation, by the way, which does not apply to labor unions or foundations, on business advertising is most unwise. I think we are going much too far if we make it impossible for corporations to say, "Merry Christmas" or "Welcome home, Joe" or "Buy savings bonds" or "Join the Community Chest," and that is the effect of the amendment. It is an idea gone completely rampant, far beyond the level of rationality, and I hope the Senate will reject it.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. BENNETT. I am happy to yield.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Are amendments to the amendment in order at this time?

The PRESIDING OFFICER. They are not in order until all time on the amendment has expired or been yielded back.

Mr. GRIFFIN. And how much time remains on either side?

Mr. GRAVEL. Eight minutes to the proponents and 9 minutes to the opponents.

Mr. LONG. Mr. President, I yield myself 1 minute.

I am sure the Senator has the best of intentions, and I think I am in agreement with much of what he would like to achieve, but the amendment obviously has much that we do not want to do and existing law already contains much of what the Senator is trying to achieve.

Under the proposal a business concern could not even run an advertisement in a newspaper which showed a picture of Smokey the Bear and which said, "Keep Louisiana green. Do not start forest fires," because it did not relate directly to the distribution and sale of its goods. This proposal has a number of other problems that would have unintended results.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BENNETT. It will force the Internal Revenue Service to look over every advertisement that every corporation publishes to see whether the expenses for it are deductible.

Mr. LONG. The Senator is a very able member of our committee——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I yield myself 2 more minutes.

Ordinarily, I would think he would offer an amendment of this sort in the committee, so we would have a chance to study it and work refinements into it to help meet it objectively in a sound manner. The purpose of a committee of the Senate is to try to look at suggestions a Senator may make and to remove those facets that would reach unintended results and retain the parts that would bring about the intent of the Senator to the extent the committee is in agreement. There are all sorts of results involved here that I am sure the Senator does not intend should be reached, and that the public would not applaud for a moment.

I would think, under the circumstances, that the amendment should not be agreed to at this time. In due course the committee could look at suggestions along this line and perhaps recommend some parts that we think make good sense and not recommend those parts that would reach unintended results, and which I am sure the American people would not approve.

I yield to the Senator from Kentucky (Mr. COOPER).

Mr. COOPER. Mr. President, I shall vote against the amendment. Of course, corporations may have one point of view and others may have another point of view. Labor unions are already exempted under the law.

We have heard much in recent weeks about the right to know under the first amendment. In this case, the amendment would prevent people from hearing all sides of a question. There might be issues between labor and management. There might be questions affecting a community, a State, or a country. I think this is a wrong step to take, because it is a step toward throttling of opinion and different views and contradicts the great lessons we have been learning in recent weeks and months about the first amendment.

I think the amendment should be voted down.

Mr. LONG. Mr. President, I yield 2 minutes to the Senator from Arizona (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. President, I am probably one of the few Members of this body that was ever engaged in a business that required extensive outlays for advertising. We who buy advertising look upon the expenditure as being up to our judgment. I tried to find an ad, but evidently they did not run one this week, of a great machine tool company, Warner and Swasey, in which that company rarely speaks about its fine products, but talks about America, about freedom, about the free enterprise system, about the need for better products and better work. Under the proposed amendment, that type of advertising would be prohibited.

I think the judgment of what an ad should contain is the prerogative of the man who is spending the money. We have watched labor unions come here or out of New York and take full-page ads in the New York Times and the Washington Post and tell us what to do on subjects that have absolutely no relation to labor or the working man.

I am reminded that a few years ago an effort was made, successfully, by the Sierra Club to block the construction of dams of the Grand Canyon for the central Arizona project. That advertising was made up of outlandish lies, but it was their money. I do not agree that lies should appear in advertising, but it was up to the people reading them to determine what was the truth and what was not the truth.

Under this amendment we are going to make it just impossible for companies or anybody else to support America, support the American Legion, support the Boy Scouts; we are going to make it impossible for the American advertising dollar to be spent on anything that is contrary to the wishes of the framers of the amendment.

I think I speak for every advertising person in this country when I say it is a bad amendment, it is a dangerous amendment, and it should never be considered.

Mr. LONG. Mr. President, I yield 1 minute to the Senator from Kentucky (Mr. COOK).

Mr. COOK. Mr. President, my distinguished senior colleague talked about the first amendment. One of the serious questions that bothers me about this proposal is that it states:

To prohibit corporations from enjoying tax deductions for advertising not directly related to the distribution of a company's goods and services.

Let us take a television station, whose goods and services are to sell time on the air. Will its editorials be prohibited from taking a public position because, obviously, it take this time and at the end of the year deducts the cost of that time as a part of its cost of doing business? When it comes on television, it is not to sell time, but to say to the people of the community that they should give to the Community Chest. Is that not a public service to urge fundraising for the benefit of a community? Are we contravening the first amendment if that company exercises its right because it contributes that time and deducts it as a cost of doing business? Under this proposal, it is prohibited from extending that service to a community.

Mr. LONG. Mr. President, I yield my remaining time to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, when the time expires, if the pending amendment is not tabled, I intend to send to the desk a perfecting amendment to the pending amendment. And I wish to indicate that if my perfecting amendment should be

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adopted, I would then be for the amendment offered by the Senator from Oklahoma. I believe the amendment of the Senator from Oklahoma has a certain amount of merit, but it should be balanced. My perfecting amendment would add the following language:

And likewise funds collected and used by any labor organization shall be subject to taxation if used in connection with any attempt to influence the general public, or segments thereof, with respect to legislative matters, elections, referendums, or any matters not directly related to the representation of its members for purposes of collective bargaining.

For a long time there has been the serious problem that union dues collected from workers, who in many instances have been required to pay dues in order to work, have been used for purposes not related to collective bargaining. The workers' dues are often used on a tax-exempt basis to advertise for and against matters which have no direct relationship to their interest as workers.

I wonder if the Senator from Oklahoma would accept my perfecting amendment. If he would, then I would vote for his amendment.

Mr. HARRIS. Mr. President, I yield myself such time as I may require.

I certainly would not accept the amendment. It is an obvious attempt to kill this amendment, and to make it possible for a lot of big business people, as a tax deductible item, to support President Nixon's reelection and his anti-workingman program.

Mr. LONG. Mr. President——

The PRESIDING OFFICER. The Senator from Oklahoma has 7 minutes remaining. The Senator from Louisiana has no time remaining.

Mr. LONG. Mr. President, I move that the amendment be laid on the table.

The PRESIDING OFFICER. That motion is not in order until the Senator from Oklahoma either uses or yields back the remainder of his time.

Mr. HARRIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Seven minutes.

Mr. HARRIS. Mr. President, may I just say this, in final summation of the arguments in support of this amendment: If you pick up any magazine these days, you will find, as I have with the two that I have put in the RECORD, that every issue contains advertisements where big corporate giants are using tax deductible corporate funds as a business expense to propagandize the taxpayers. The difference between that and the labor unions' situation, Mr. President, is that those of us who are taxed to do that for that corporation, as consumers and as taxpayers, do not get a chance to control that corporation. The members of the labor union can vote on its policies.

I am not talking about lobbying here; that is another matter which I think we ought to go into down the road somewhere. But the customers of the Travelers Insurance Co. do not get a chance to decide whether the Travelers Insurance Co. will use, in effect, their tax funds to propagandize them against no-fault insurance. The same is true of the Ford Motor Co. The Ford Motor Co. used corporate funds as a business deduction to buy advertisements telling us that air bags were not a good idea. I think they are wrong; but the issue is not whether or not they are wrong. If they want to propagandize us, they ought not to be able to use tax-deductible funds to do so.

This amendment does not provide that a corporation cannot buy advertisements to say what it wants to about no-fault insurance, or whatever. It just says the cost cannot be a tax-deductible expense. We intended, when we passed these tax laws, that the only expense connected with the sale of the goods or services or products of the corporation should be deductible.

The committee had already concluded its work and reported when we saw what was happening with this organization called Citizens for a New Prosperity. They are asking big business to make corporate contributions as business expense items to propagandize the public on the so-called new prosperity, the Nixon economic program, and his tax policies. I pointed to a specific advertisement by which big business that stands to reap $74 billion over the next 10 years in tax windfalls under this bill will use corporate funds to advertise and tell the public what a good deal that is for them.

That is wrong, Mr. President. Unlike members of labor unions, who can vote on union policies, or members of foundations, who can vote on policies, we consumers of the products of big business do not get a chance to vote on their policies. They ought to be able to advertise if they want to, but they ought not to ask us to help pay for such propagandizing.

Mr. President, I yield back the remainder of my time.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. If a motion to lay on the table is made and does not prevail, would an amendment to the pending amendment then be in order?

The PRESIDING OFFICER. It would be in order, before action on the amendment of the Senator from Oklahoma.

Mr. LONG. Mr. President, I move to lay the pending amendment on the table.

Mr. HARRIS. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. GRAVEL). The question is on agreeing to the motion of the Senator from Louisiana (Mr. LONG) to lay on the table the amendment of the Senator from Oklahoma (Mr. HARRIS). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Carolina (Mr. ERVIN), the Senator from Hawaii (Mr. INOUYE), the Senator from Wyoming (Mr. MCGEE), and the Senator from New Hampshire (Mr. MCINTYRE) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN) would vote "yea."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Kansas (Mr. DOLE), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. HRUSKA) and the Senator from Pennsylvania (Mr. SCOTT) would each vote "yea."

The result was announced—yeas 68, nays 19, as follows:

[No. 350 Leg.]

YEAS—68

Aiken	Curtis	Pearson
Allen	Eagleton	Pell
Anderson	Eastland	Percy
Baker	Ellender	Proxmire
Beall	Fannin	Randolph
Bellmon	Fong	Roth
Bennett	Gambrell	Schweiker
Bentsen	Goldwater	Smith
Bible	Gurney	Sparkman
Boggs	Hansen	Spong
Brock	Hatfield	Stafford
Brooke	Jackson	Stennis
Buckley	Javits	Stevens
Burdick	Jordan, N.C.	Symington
Byrd, Va.	Jordan, Idaho	Taft
Byrd, W. Va.	Long	Talmadge
Cannon	Magnuson	Thurmond
Case	McClellan	Tower
Church	Miller	Tunney
Cook	Moss	Weicker
Cooper	Muskie	Williams
Cotton	Packwood	Young
Cranston	Pastore	

NAYS—19

Chiles	Hollings	Mondale
Fulbright	Hughes	Montoya
Gravel	Humphrey	Nelson
Griffin	Kennedy	Ribicoff
Harris	Mansfield	Stevenson
Hart	McGovern	
Hartke	Metcalf	

NOT VOTING—13

Allott	Hruska	Mundt
Bayh	Inouye	Saxbe
Dole	Mathias	Scott
Dominick	McGee	
Ervin	McIntyre	

So the motion to table was agreed to.

DEATH OF FORMER SENATOR J. HOWARD EDMONDSON OF OKLAHOMA

Mr. HARRIS. Mr. President, it is my sad duty to report to the Senate that this morning, my colleague Mr. BELLMON and I received word of the death of the Honorable J. Howard Edmondson, former Governor of Oklahoma and late a Member of this body.

My wife and I extend our deep sympathy and condolences to Mrs. Edmondson and the family.

AMENDMENT OF CONSOLIDATED FARMERS HOME ADMINISTRATION ACT OF 1961

Mr. EASTLAND. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2559.

The PRESIDING OFFICER (Mr. GRAVEL) laid before the Senate the amendment of the House of Representatives to the bill (S. 2559) to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans which was in line 10, after "title" insert "*: Provided,* That loans made under this section shall not be included in applying the $100,000,000 limitation in section 309(f)(1)".

Mr. EASTLAND. Mr. President, the bill, as passed by the Senate, authorizes the Farmers Home Administration to make emergency insured loans. These would be made from the agricultural credit insurance fund for resale to private investors. Under section 309(f) of the Consolidated Farmers Home Administration Act of 1961, there is a limit of $100 million on the amount of loans which can be made from the agricultural credit insurance fund and held for sale by the Secretary at any one time. With the additional loan volume provided for by the bill this limitation would be inadequate, particularly in the case of emergency loans where prompt action is needed. The Senate has already passed S. 1806, which would increase this limitation from $100 million to $500 million, but the House of Representatives has not as yet acted on S. 1806. The House amendment to S. 2559, therefore, would exempt the emergency loans provided for by it from the $100 million limitation.

Mr. President, I ask unanimous consent that background information relating to this matter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BACKGROUND—AGRICULTURAL CREDIT INSURANCE FUND ACTIVITY

1. The Agricultural Credit Insurance Fund is used to insure the following loans:

Program and 1971 volume

Farm ownership	$263,000
Soil and water	4,700
Recreation	2,700
Water and sewer systems	231,600
Grazing	7,000
Irrigation	400
Indian land acquisition	5,000
Total	514,400

2. Section 309(f)(1) of the Consolidated Act states that "The aggregate of the principal of such loans made (that is, loans made through the Fund) and not disposed of is not to exceed $100 million at any one time."

3. *Reason for the $100 million limitation:* The intent of this limit is to cause the Farmers Home Administration to insure and sell its loan paper in the shortest possible time (so as to transfer the financing of the program from government funds to private sector funds).

We are able to work with the $100 million limitation with the loan volume itemized above.

The emergency loan program would cause an additional flow of approximately $100 million through the account (FY volume $127 million; 1972 FY Estimated $140 million).

4. *Special Characteristics of Emergency Loans:* Under the emergency loan program we must be prepared to respond to need as it develops. That is: to make loans when they are needed and in the amounts needed. Characteristically, demand for emergency loans tends to be concentrated in a short period of time. This generates a heavy flow of loan paper and this extraordinary emergency loan volume added to regular loan volume being made outside the emergency area might cause the paper in the account to reach the limit. This would force us to discontinue new loan making until the excess paper is sold.

5. *Reason for exempting emergency loan paper from the limit:* It would not be consistent with Congressional intent in authorizing emergency loans to place an extraneous impediment in the way of prompt disbursement of loan funds.

Mr. EASTLAND. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 680

Mr. HARRIS. Mr. President, I call up my amendment No. 680 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The amendment reads as follows:

In the table of contents, strike "Title V—Domestic International Sales Corporations", and insert in lieu thereof the following:

"TITLE V—TAXATION OF CONTROLLED FOREIGN CORPORATIONS

"Sec. 501. Undistributed earnings and profits of controlled foreign corporations taxed to United States shareholders.
"Sec. 502. Definition of controlled foreign corporation.
"Sec. 503. Definition of United States shareholder.
"Sec. 504. Amounts included in gross income of United States shareholders.
"Sec. 505. Exclusion from gross income of amounts received from previously taxed earnings and profits of controlled foreign corporations.
"Sec. 506. Adjustments to basis of stock in controlled foreign corporations and of other property.
"Sec. 507. Taxes deemed paid by corporate United States shareholders.
"Sec. 508. Special rules for foreign taxes paid in year of receipt of previously taxed earnings and profits of controlled foreign corporations.
"Sec. 509. Rules for determining ownership of stock.
"Sec. 510. Exceptions to application of section 367.
"Sec. 511. Controlled foreign corporation electing to be taxed on income from all sources.

On page 123, line 3, strike the following: and insert in lieu thereof the following:

"TITLE V—DOMESTIC INTERNATIONAL SALES CORPORATIONS"

"SEC. 501. UNDISTRIBUTED EARNINGS AND PROFITS OF CONTROLLED FOREIGN CORPORATIONS TAXED TO UNITED STATES SHAREHOLDERS.

"The undistributed earnings and profits of a controlled foreign corporation shall be included in the gross income of its United States shareholders in the manner and to the extent set forth in this subpart.

"SEC. 502. DEFINITION OF CONTROLLED FOREIGN CORPORATION.

"(a) CONTROLLED FOREIGN CORPORATION.—For purposes of this subpart, the term 'controlled foreign corporation' means—

"(1) any foreign corporation of which more than 50 percent of the total combined voting power of all classes of stock entitled to vote, or more than 50 percent of the total values of shares of all classes of stock, is owned, directly or indirectly, by not more than 10 citizens or residents of the United States on any day during the annual accounting period of such foreign corporation; and

"(2) any foreign corporation which is created or organized after December 31, 1971, which is not a controlled foreign corporation within the meaning of paragraph (1), and of which 10 percent or more of the total combined voting power of all classes of stock entitled to vote, or 10 percent or more of the total value of shares of all classes of stock, is owned, directly or indirectly, by one citizen or resident of the United States on any day during the annual accounting period of such foreign corporation.

"(b) CORPORATIONS ORGANIZED IN LESS DEVELOPED COUNTRIES.—

"(1) IN GENERAL.—For purposes of this subpart, the term 'controlled foreign corporation' does not include a corporation which is created or organized under the laws of a less developed country (as defined in paragraph (2) and which derives, for its annual accounting period, at least 80 percent of its gross income from sources within such country (determined with the application of subsection (d)).

"(2) LESS DEVELOPED COUNTRY.—For purposes of this subsection, the term 'less developed country' means (in respect of any foreign corporation) any foreign country (other than an area within the Sino-Soviet bloc), or any possession of the United States, with respect to which on the first day of the annual accounting period of such foreign corporation, there is in effect an Executive order by the President of the United States designating such country or possession as an economically less developed country for purposes of this subpart. For purposes of the preceding sentence, an overseas territory, overseas department, overseas Province, or overseas possession may be treated as a separate country. No designation shall be made under this paragraph with respect to—

Australia	Liechtenstein
Austria	Luxembourg
Bahamas	Monaco
Belgium	Netherlands
Bermuda	Netherlands Antilles
Canada	New Zealand
Denmark	Norway
France	Portugal
Germany (Federal Republic)	San Marino
Hong Kong	Spain
Iceland	Sweden
Ireland	Switzerland
Italy	United Kingdom
Japan	Union of South Africa
	Yugoslavia

"(c) FOREIGN PERSONAL HOLDING COMPANIES.—For purposes of this subpart, the term 'controlled foreign corporation' does not include a corporation which for its annual accounting period is a foreign personal holding company (as defined in section 552).

"(d) SOURCES OF INCOME.—

"(1) IN GENERAL.—For purposes of subsection (b) and section 504(f)(2), the source of any item of gross income of or a foreign corporation shall be determined under regulations prescribed by the Secretary or his delegate, except that—

"(A) the items of income described in paragraph (2) shall be treated as income from sources outside the country under the laws of which such foreign corporation is created or organized; and

"(B) notwithstanding the provisions of paragraph (2), the items of income described in paragraph (3) shall, in the case of a foreign corporation created or organized under the laws of a less developed country, be

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treated as income from sources within such country.

"(2) INCOME TREATED AS INCOME FROM SOURCES OUTSIDE THE COUNTRY OF INCORPORATION.—The items of income referred to in paragraph (1) which shall be treated as income from sources outside the country under the laws of which a foreign corporation is created or organized are—

"(A) gains, profits, and income, computed in accordance with regulations prescribed by the Secretary or his delegate, derived from the sale of personal property which is not produced by the selling corporation and which is sold for ultimate use, consumption, or disposition outside the country under the laws of which such foreign corporation is created or organized;

"(B) commissions derived in connection with the sale of personal property which is sold for ultimate use, consumption, or disposition outside such country;

"(C) interest on bonds, notes or other interest-bearing obligations of individuals not residents of such country and of corporations not created or organized under the laws of such country;

"(D) amounts received as dividends from a corporation not created or organized under the laws of such country;

"(E) compensation for the rendition outside such country of technical, managerial, engineering, construction, scientific, or like services;

"(F) rentals or royalties from property located outside such country or from any interests in such property, including compensation for the use of, or for the privilege of using outside such country, patents, copyrights, secret processes and formulas, goodwill, trademarks, trade brands, franchises, and other like property (including rentals and like payments in respect of motion picture films or television tapes);

"(G) premiums on insurance or reinsurance to the extent paid to insure against risks outside such country; and

"(H) earnings derived from the operation outside such country of ships or aircraft.

"(3) INCOME TREATED AS INCOME FROM SOURCES WITHIN A LESS DEVELOPED COUNTRY.—The items of income referred to in paragraph (1) which shall (notwithstanding the provisions of paragraph (2)) be treated, in the case of a foreign corporation created or organized under the laws of a less developed country, as income from sources within such country are—

"(A) gains, profits, and income, computed in accordance with regulations prescribed by the Secretary or his delegate, derived from the sale by such corporation of personal property produced by it in less developed countries, if at least 80 percent of the value of the assets of such corporation used in its trade or business are located in less developed countries;

"(B) gains, profits, and income, computed in accordance with regulations prescribed by the Secretary or his delegate, derived from the sale by such corporation of personal property produced in such country (whether or not produced by such corporation) from raw materials, components, or other products produced in such country, if at least 80 percent of the value of the assets of such corporation used in its trade or business are located in such country;

"(C) if such corporation is engaged in carrying on the banking business, interest on bonds, notes, or other interest-bearing obligations of individuals who are residents of less developed countries and of corporations created or organized under the laws of less developed countries, if at least 80 percent of the value of the assets of such corporation used in such business are located in less developed countries;

"(D) gains, profits, and income attributable to the operation of transmission lines, railroads, communication lines, buses, trucks, or aircraft within less developed countries, if at least 80 percent of the value of the assets of such corporation used in its trade or business are located in less developed countries; and

"(E) earnings derived from engineering and construction in less developed countries, if at least 80 percent of the value of the assets of such corporation used in its trade or business are located in less developed countries.

For purposes of subparagraph (A) of this paragraph and of subparagraph (A) of paragraph (2), a foreign corporation shall be treated as having produced personal property sold by it, only if the total cost of manufacture, production, fabrication, and processing of such property by the selling corporation, exceeds 125 percent of its cost of raw materials, components, and other products going into such manufacture, production, fabrication, or processing.

"(e) ANNUAL ACCOUNTING PERIODS.—For purposes of this subpart, the annual accounting period of any foreign corporation is the annual period on the basis of which such foreign corporation regularly computes its income in keeping its books.

"(f) CROSS REFERENCE.—

"For rules for determining ownership of stock for purposes of subsection (a) of this section, see section 959.

"SEC. 503. DEFINITION OF UNITED STATES SHAREHOLDER.

"(a) IN GENERAL.—For purposes of this subpart, the term 'United States shareholder' means a citizen or resident of the United States who owns or is considered as owning (within the meaning of subsection (c)) stock of a controlled foreign corporation or of a corporation which would be a controlled foreign corporation but for section 502(b).

"(b) EXCEPTION.—With respect to a controlled foreign corporation as defined in section 502(a)(2), the term 'United States shareholder' does not include any citizen or resident of the United States who owns, directly or indirectly, less than 10 percent of the total combined voting power of all classes of stock entitled to vote of such corporation, and less than 10 percent of the total value of shares of all classes of stock of such corporation. In determining ownership of stock for purposes of this subsection, the rules of constructive ownership of section 509 shall apply.

"(c) OWNERSHIP OF STOCK OF CONTROLLED FOREIGN CORPORATION.—For purposes of subsection (a) and of section 504(a), a citizen or resident of the United States shall be considered as owning stock of a controlled foreign corporation (or of a corporation which would be a controlled foreign corporation but for section 502(b)) which he owns through one or more foreign corporations, foreign partnerships, or estates or trusts the gross income of which under this subtitle includes only income from sources within the United States. For purposes of the preceding sentence, stock owned, directly, or indirectly, by or for a foreign corporation, foreign partnership, or an estate or trust the gross income of which under this subtitle includes only income from sources within the United States shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries.

"(d) CITIZEN OR RESIDENT OF THE UNITED STATES.—For the purposes of this subpart, the term 'citizen or resident of the United States' means—

"(1) an individual who is a citizen or resident of the United States,

"(2) a domestic corporation,

"(3) a domestic partnership, or

"(4) an estate or trust (other than an estate or trust the gross income of which under this subtitle includes only income from sources within the United States).

"SEC. 504. AMOUNTS INCLUDED IN GROSS INCOME OF UNITED STATES SHAREHOLDERS.

"(a) UNDISTRIBUTED EARNINGS AND PROFITS.—If a foreign corporation is a controlled foreign corporation on any day of an annual accounting period beginning after December 31, 1971, every person who is a United States shareholder of such controlled foreign corporation on the last day in such period on which such foreign corporation was a controlled foreign corporation shall include in his gross income, for his taxable year in which or with which such period ends, that portion of the undistributed earnings and profits of such controlled foreign corporation for such period equal to the amount he would have received as a dividend if on such last day there had been distributed pro rata to its shareholders by the corporation an amount which bears the same ratio to the undistributed earnings and profits of the corporation for such period as the part of such period during which the corporation was a controlled foreign corporation bears to the entire period.

"(b) CERTAIN FOREIGN TAXES DEEMED PAID.—A United States shareholder which is a domestic corporation described in section 507 (a) or (b) shall, under regulations prescribed by the Secretary or his delegate, include in its gross income for the taxable year an amount equal to the taxes deemed paid by such corporation under section 507 for such taxable year.

"(c) CERTAIN LOANS.—If a foreign corporation which would be a controlled foreign corporation but for section 502(b) makes a loan to—

"(1) a controlled foreign corporation, or

"(2) a shareholder who is a citizen or resident of the United States,

owning, directly or indirectly, more than 50 percent of the total combined voting power of all classes of stock entitled to vote, or more than 50 percent of the total value of shares of all classes of stock, in such foreign corporation, then the amount of the loan shall be treated as a distribution of property to such borrower by such foreign corporation with respect to stock owned by the borrower. In determining ownership of stock for purposes of this subsection, the rules of constructive ownership of section 509 shall apply.

"(d) TREATMENT AS DIVIDENDS.—Any amount included in the gross income of a United States shareholder under subsection (a) or (b) for any taxable year shall, except for purposes of section 502 and except as provided in regulations prescribed by the Secretary or his delegate, be treated as an amount distributed as a dividend by the controlled foreign corporation to the United States shareholder on the last day of the annual accounting period of the controlled foreign corporation.

"(e) EARNINGS AND PROFITS NOT TO BE INCLUDED TWICE.—For purposes of subsection (a), the earnings and profits of a controlled foreign corporation for any annual accounting period shall, with respect to any United States shareholder, not include—

"(1) that portion of any distribution which is received by the controlled foreign corporation from another controlled foreign corporation (or from another foreign corporation which was a foreign controlled corporation) and which is paid from earnings and profits of such other corporation which for any prior taxable year were included in the gross income of the United States shareholder under section (a).

"(2) that portion of any distribution which is received by the controlled foreign corporation from another foreign corporation (whether or not a controlled foreign corporation) and which is attributable to a distribution by another controlled foreign corporation (or by another corporation which was a controlled foreign corporation) from earnings and profits of such other corporation which for any prior taxable year were, by reason of the application of section 503(c), included in the gross income of the United States shareholder under subsection (a), or

"(3) that portion of any amount received by the controlled foreign corporation (other than as a distribution described in paragraph (1) or (2)) which is attributable to a distribution by another controlled foreign corporation (or by another corporation which was a controlled foreign corporation) from earnings and profits of such other corporation which for any prior taxable year were, by reason of the application of section 503(c), included in the gross income of the United States shareholder under subsection (a).

"(f) SPECIAL RULE FOR 1968.—

"(1) IN GENERAL.—Except as provided in paragraph (2), there shall be taken into account for purposes of subsection (a) only 50 percent of the undistributed earnings and profits of a controlled foreign corporation for its annual accounting period beginning in 1968.

"(2) EXCEPTION.—Paragraph (1) shall not apply to any controlled foreign corporation which for its annual accounting period beginning in 1968 derives more than 20 percent of its gross income from sources outside the country under the laws of which it is created or organized. For purposes of the preceding sentence—

"(A) the source of any item of income shall be determined under section 502(d), except that paragraph (3) of such section shall not apply, and

"(B) the following items of income shall (notwithstanding the provisions of section 502(d)(2)) be treated as income from sources within the country under the laws of which a controlled foreign corporation is created or organized:

"(i) gains, profits, and income, computed in accordance with regulations prescribed by the Secretary or his delegate, derived from the sale by such controlled foreign corporation of personal property;

"(ii) if such corporation is engaged in carrying on the banking business, interest on bonds, notes, or other interest-bearing obligations;

"(iii) gains, profits, and income attributable to the operation by such controlled foreign corporation of transmission lines, railroads, communication lines, buses, trucks, or aircraft; and

"(iv) earnings derived from engineering and construction by such controlled foreign corporation.

"SEC. 505. EXCLUSION FROM GROSS INCOME OF AMOUNTS RECEIVED FROM PREVIOUSLY TAXED EARNINGS AND PROFITS OF CONTROLLED FOREIGN CORPORATIONS.

"For purposes of this chapter, gross income does not include—

"(1) that portion of any distribution which is received by the taxpayer from a controlled foreign corporation (or from a foreign corporation which was a controlled foreign corporation) and which is paid from earnings and profits of such corporation which for any prior taxable year were included in the gross income of the taxpayer under section 504(a);

"(2) that portion of any distribution which is received by the taxpayer from a foreign corporation (whether or not a controlled foreign corporation or a corporation which was a controlled foreign corporation) and which is attributable to a distribution by a controlled foreign corporation (or by a foreign corporation which was a controlled foreign corporation) from earnings and profits of such corporation which for any prior taxable year were, by reason of the application of section 503(c), included in the gross income of the taxpayer under section 504(a); or

"(3) that portion of any amount which is received by the taxpayer (other than as a distribution described in paragraph (1) or (2)) and which is attributable to a distribution by a controlled foreign corporation (or by a foreign corporation which was a controlled foreign corporation) from earnings and profits of such corporation which for any prior taxable year were, by reason of the application of section 503(c), included in the gross income of the taxpayer under section 504(a).

For purposes of this chapter, that portion of any distribution excluded from gross income under paragraph (1) or (2) shall be treated by the taxpayer as a distribution which is not a dividend.

"SEC. 506. ADJUSTMENTS TO BASIS OF STOCK IN CONTROLLED FOREIGN CORPORATIONS AND OF OTHER PROPERTY.

"(a) INCREASE IN BASIS.—Under regulations prescribed by the Secretary or his delegate, the basis of a United States shareholder's stock in a controlled foreign corporation, and the basis of property of a United States shareholder by reason of which he is considered under section 958(c) as owning stock of a controlled foreign corporation, shall be increased by the amount required to be included in the gross income of the shareholder under section 954(a) with respect to such stock or with respect to such property, as the case may be, but only to the extent to which such amount is included in gross income in the return of the shareholder, increased or decreased by any adjustment of such amount in any redetermination of the shareholder's tax liability.

"(b) REDUCTION IN BASIS.—Under regulations prescribed by the Secretary or his delegate—

"(1) the basis of a United States shareholder's stock in a controlled foreign corporation (or the basis of a shareholder's stock in a foreign corporation which was a controlled foreign corporation) shall be reduced (but not below zero) by an amount equal to that portion of any distribution with respect to such stock received by him from such corporation which is excluded from gross income under section 505(1), and

"(2) the basis of property by reason of which a person is considered under section 503(c) as owning stock in a controlled foreign corporation (or the basis of property by reason of which a person was considered as owning stock of a foreign corporation which was a controlled foreign corporation) shall be reduced (but not below zero) by an amount equal to that portion of any distribution received by him with respect to such property which is excluded from gross income under section 505(2), or to that portion of any amount received by him with respect to such property which is excluded from gross income under section 505(3), as the case may be.

"SEC. 507. TAXES DEEMED PAID BY CORPORATE UNITED STATES SHAREHOLDERS.

"(a) TAXES PAID BY CONTROLLED FOREIGN CORPORATION.—Any United States shareholder which—

"(1) chooses the benefits of subpart A of this part for the taxable year,

"(2) is a domestic corporation which owns at least 10 percent of the voting stock of a controlled foreign corporation, and

"(3) includes in gross income for such taxable year under section 504(a) any portion of the undistributed earnings and profits of such controlled foreign corporation for its annual accounting period ending in or with such taxable year,

shall, for purposes of section 901 (relating to allowance of credit for taxes paid to foreign countries and possessions of the United States), be deemed to have paid the same proportion of any income, war profits, or excess profits taxes paid or deemed to be paid by such controlled foreign corporation to any foreign country or to any possession of the United States, on or with respect to the undistributed earnings and profits of such controlled foreign corporation for such annual accounting period, as the amount of such undistributed earnings and profits so included in gross income bears to the entire amount of such undistributed earnings and profits. For purposes of the preceding sentence, if such controlled foreign corporation owns 50 percent or more of the voting stock of another foreign corporation which is not a controlled foreign corporation and from which it receives dividends in such annual accounting period, such controlled foreign corporation shall be deemed to have paid an amount, determined under section 902(b), of income, war profits, or excess profits taxes paid by such other foreign corporation to any foreign country or to any possession of the United States, on or with respect to the accumulated profits of such other foreign corporation from which such dividends were paid.

"(b) TAXES PAID BY CONTROLLED FOREIGN SUBSIDIARY OF FOREIGN CORPORATION.—A United States shareholder which—

"(1) chooses to have the benefits of subpart A of this part for the taxable year,

"(2) is a domestic corporation which owns at least 10 percent of the voting stock of a foreign corporation (whether or not a controlled foreign corporation) which owns 50 percent or more of the voting stock of a controlled foreign corporation, and

"(3) includes in gross income for such taxable year under section 504(a) any portion of the undistributed earnings and profits of such controlled foreign corporation for its annual accounting ending in or with such taxable year,

shall, for purposes of section 901, be deemed to have paid the same proportion of any income, war profits, or excess profits taxes paid by such controlled foreign corporation to any foreign country or to any possession of the United States, on or with respect to the undistributed earnings and profits of such controlled foreign corporation for such annual accounting period, as the amount of such undistributed earnings and profits so included in gross income bears to the entire amount of such undistributed earnings and profits. For purposes of the preceding sentence, if such controlled foreign corporation owns 50 percent or more of the voting stock of another foreign corporation which is not a controlled foreign corporation and from which it receives dividends in such annual accounting period, such controlled foreign corporation shall be deemed to have paid an amount, determined under section 902(b), of income, war profits, or excess profits taxes paid by such other foreign corporation to any foreign country or to any possession of the United States, on or with respect to the accumulated profits of such other foreign corporation from which such dividends were paid.

"(c) TAXES ATTRIBUTABLE TO UNDISTRIBUTED EARNINGS AND PROFITS.—For purposes of subsections (a) and (b), the income, war profits, and excess profits taxes paid or deemed paid to a foreign country or possession of the United States by a controlled foreign corporation on or with respect to undistributed earnings and profits for an annual accounting period shall be the same proportion of the total income, war profits, and excess profits taxes paid or deemed paid to such foreign country or possession of the United States for such period as the undistributed earnings and profits for such period bears to the total earnings and profits for such period.

"(d) APPLICATION WITH SECTION 902.—

"(1) TAXES DEEMED PAID BY DOMESTIC CORPORATION.—In any case in which a domestic corporation receives a distribution from a foreign corporation, any portion of which is excluded from gross income under section 505 and is treated as a distribution which is not a dividend, the income, war profits, and excess profits taxes paid or deemed paid by such foreign corporation to any foreign country or to any possession of the United States, on or with respect to the accumulated profits of such foreign corporation from which such distribution is made, shall not be taken into account for purposes of section 902 to the extent such taxes were deemed paid by such domestic corporation under subsection (a) or (b) for any prior taxable year.

"(2) TAXES PAID BY FOREIGN CORPORATION AND NOT DEEMED PAID BY DOMESTIC CORPORATION.—Any portion of a distribution from a

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foreign corporation received by a domestic corporation which is excluded from gross income under section 505(z) shall, notwithstanding the last sentence of section 505, be treated by the domestic corporation as a dividend for purposes of taking into account under section 902 any income, war profits, or excess profits taxes paid to any foreign country or to any possession of the United States, on or with respect to the accumulated profits of such foreign corporation from which such distribution is made, which were not deemed paid by the domestic corporation under subsection (a) for any prior taxable year.

"SEC. 908. SPECIAL RULES FOR FOREIGN TAXES PAID IN YEAR OF RECEIPT OF PREVIOUSLY TAXED EARNINGS AND PROFITS OF CONTROLLED FOREIGN CORPORATIONS.

"(a) INCREASE IN SECTION 904 LIMITATION.—In the case of any taxpayer who—

"(1) either (A) chose to have the benefits of subpart A of this part for a taxable year in which he was required under section 954(a) to include in his gross income any portion of the undistributed earnings and profits of a controlled foreign corporation, or (B) did not pay or accrue for such taxable year any income, war profits, or excess profits taxes to any foreign country or to any possession of the United States;

"(2) chooses to have the benefits of subpart A of this part for the taxable year in which he receives a distribution or amount which is excluded from gross income under section 505 and which is attributable to earnings and profits of the controlled foreign corporation which were included in his gross income for the taxable year referred to in paragraph (1); and

"(3) for the taxable year in which such distribution or amount is received, pays, or is deemed to have paid, or accrues income, war profits, or excess profits taxes to a foreign country or to any possession of the United States with respect to such distribution or amount;

the applicable limitation under section 904 for the taxable year in which such distribution or amount is received shall be increased as provided in subsection (b), but such increase shall not exceed the amount of such taxes paid, or deemed paid, or accrued with respect to such distribution or amount.

"(b) AMOUNT OF INCREASE.—The amount of increase of the applicable limitation under section 904(a) for the taxable year in which the distribution or amount referred to in subsection (a)(2) is received shall be an amount equal to—

"(1) the amount by which the applicable limitation under section 904(a) for the taxable year referred to in subsection (a)(1) was increased by reason of the inclusion in gross income of the amount of undistributed included under section 954(a) and the amount (if any) included in gross income under section 954(b) with respect to such amount included under section 954(a), reduced by

"(2) the amount of any income, war profits, and excess profits taxes paid, or deemed paid, or accrued to any foreign country or possession of the United States which were allowable as a credit under section 901 for such taxable year and which would not have been allowable but for the inclusion in gross income of the amounts described in paragraph (1) of this subsection.

"(c) CASES IN WHICH TAXES NOT TO BE ALLOWED AS DEDUCTION.—In the case of any taxpayer who—

"(1) chose to have the benefits of subpart A of this part for a taxable year in which he was required under section 954(a) to include in his gross income any portion of the undistributed earnings and profits of a controlled foreign corporation; and

"(2) does not choose to have the benefits of subpart A of this part for the taxable year in which he receives a distribution or amount which is excluded from gross income under section 505 and which is attributable to earnings and profits of the controlled foreign corporation which were included in his gross income for the taxable year referred to in paragraph (1):

no deduction shall be allowed under section 164 for the taxable year in which such distribution or amount is received for any income, war profits, or excess profits taxes paid or accrued to any foreign country or to any possession of the United States on or with respect to such distribution or amount.

"SEC. 959. RULES FOR DETERMINING STOCK OWNERSHIP.

"(a) CONSTRUCTIVE OWNERSHIP.—For purposes of section 952(a), section 953(b), section 954(c)—

"(1) STOCK OWNED BY FOREIGN CORPORATIONS, ETC.—Stock owned, directly, or indirectly, by or for a foreign corporation, foreign partnership, or an estate or trust the gross income of which under this subtitle includes only income from sources within the United States shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries.

"(2) FAMILY AND PARTNERSHIP OWNERSHIP.—An individual shall be considered as owning the stock owned, directly or indirectly, by or for his family or by or for his partner. For purposes of this paragraph, the family of an individual includes only his brothers and sisters (whether by the whole or the half blood), spouse, ancestors, and lineal descendants.

"(3) OPTIONS.—If a person has an option to acquire stock, such stock shall be considered as owned by such person. For purposes of this paragraph, an option to acquire such an option, and each one of a series of such options, shall be considered as an option to acquire such stock.

"(4) STOCK OWNED BY CONTROLLED DOMESTIC CORPORATIONS.—A citizen or resident of the United States who is a shareholder of a domestic corporation which if it were a foreign corporation would be a controlled foreign corporation is defined in section 952(a)(1) shall be considered as owning proportionately stock owned, directly or indirectly, by such domestic corporation. A citizen or resident of the United States who owns, directly or indirectly, 10 percent or more of the total combined voting power of all classes of stock entitled to vote, or 10 percent or more of the total value of shares of all classes of stock, of a domestic corporation which if it were a foreign corporation would be a controlled foreign corporation as defined in section 952(a)(2) shall be considered as owning proportionately stock owned, directly or indirectly, by such domestic corporation.

"(5) STOCK OF FOREIGN CORPORATIONS CONTROLLED BY OTHER FOREIGN CORPORATIONS, ETC.—A foreign corporation, foreign partnership, or an estate or trust the gross income of which under this subtitle includes only incomes from sources within the United States owning, directly or indirectly, more than 50 percent of the total voting power of all classes of stock entitled to vote, or more than 50 percent of the total value of shares of all classes of stock, of a foreign corporation shall be considered as owning all of the outstanding stock of such foreign corporation.

"(b) APPLICATION OF CONSTRUCTIVE OWNERSHIP RULES.—

"(1) Paragraphs (2), (3), and (4) of subsection (a) shall be applied for purposes of section 952(a) only if the effect of the application is to make a foreign corporation a controlled foreign corporation.

"(2) Stock constructively owned by a person by reason of the application of paragraph (1) or (3) of subsection (a) shall, for the purposes of applying paragraph (1) or (2) of subsection (a), be treated as actually owned by such person; but stock constructively owned by an individual by reason of the application of paragraph (2) of subsection (a) shall not be treated as owned by him for purposes of again applying such paragraph in order to make another person the constructive owner of such stock.

"(3) If stock may be considered as owned by an individual under either paragraph (2) or (3) of subsection (a) it shall be considered as owned by him under paragraph (3).

"SEC. 960. EXCEPTIONS TO APPLICATIONS OF SECTION 367.

"(a) CERTAIN EXCHANGES INVOLVING CORPORATIONS IN LESS DEVELOPED COUNTRIES.—If, within three years after December 31, 1967, a controlled foreign corporation transfers assets to a corporation described in section 952(b)(1) (relating to certain corporations organized in less developed countries), or distributes stock in a corporation described in such section, then in determining the extent to which gain shall be recognized on any such transfer or distribution, the provision of section 367 (relating to foreign corporations) shall not apply.

"(b) LIQUIDATION OF CERTAIN FOREIGN SUBSIDIARIES.—In the case of the receipt by a domestic corporation of property distributed in complete liquidation of a controlled foreign corporation, section 367 shall not apply in determining whether section 332 applies, if such domestic corporation includes in gross income as a dividend the entire amount of the accumulated earnings and profits immediately before such distribution of such controlled foreign corporation which had not been included in the gross income of the domestic corporation under section 954(a) for any prior taxable year as a United States shareholder of such controlled foreign corporation or of any other controlled foreign corporation.

"SEC. 961. CONTROLLED FOREIGN CORPORATIONS ELECTING TO BE TAXED ON INCOME FROM ALL SOURCES

"(a) ELECTION.—Any controlled foreign corporation (other than a life insurance company, as defined in section 801) may elect, in accordance with the provisions of this section, to be taxed on income from sources within and without the United States.

"(b) WHEN AND HOW MADE.—An election under subsection (a) may be made by a controlled foreign corporation for any annual accounting period at any time during the first month of such period or at any time during the month preceding such month. Such election shall be made in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) YEARS FOR WHICH EFFECTIVE.—

"(1) IN GENERAL.—An election made under subsection (a) by a controlled foreign corporation shall be effective for the annual accounting period of such corporation for which it is made and for each succeeding annual accounting period for which it is a controlled foreign corporation. Such election may be revoked only with the consent of the Secretary or his delegate.

"(2) TERMINATION.—An election made under subsection (a) by a controlled foreign corporation—

"(A) shall cease to be effective commencing with any annual accounting period for which such corporation is not a controlled foreign corporation;

"(B) shall cease to be effective commencing with the annual accounting period for which a revocation of such election is effective; and

"(C) may be terminated by the Secretary or his delegate commencing with any accounting period with respect to which such corporation fails to comply with the regulations prescribed under this section.

"(3) ELECTION AFTER TERMINATION.—If a controlled foreign corporation has made an election under subsection (a) and such election has ceased to be effective, or has been terminated, under paragraph (2) of this subsection, such corporation may make a new election under subsection (a) only if the Secretary or his delegate consents to such new election.

"(d) EFFECT OF ELECTION.—If a controlled foreign corporation makes an election under subsection (a)—

"(1) such corporation shall be subject to the taxes imposed by this chapter on its taxable income (computed as provided in this section and in regulations prescribed under this section);

"(2) subpart B of part II of this subchapter shall not apply to such corporation; and

"(3) section 954 of this subpart shall not apply to shareholders of such corporation; for any annual accounting period of the corporation with respect to which such election is effective.

"(e) GROSS INCOME.—The gross income of a controlled foreign corporation which has made an election under subsection (a) shall include gross income from sources within the United States and without the United States.

"(f) TAXABLE INCOME.—

"(1) IN GENERAL.—Except as provided in paragraphs (2), (3), and (4), the taxable income of a controlled foreign corporation for an annual accounting period for which an election made under subsection (a) is in effect shall be determined under regulations prescribed by the Secretary or his delegate. Any such regulation—

"(A) shall apply for any such period only if it has been prescribed prior to the first day of such period; and

"(B) may provide that any provision of this title (other than this section) shall not apply, or that any such provision shall apply only in part, in determining the taxable income of controlled foreign corporations making elections under subsection (a).

"(2) CARRYBACKS AND CARRYOVERS.—In determining the taxable income and computing the income tax liability of a controlled foreign corporation which has made an election under subsection (a), the provisions of sections 172 (relating to net operating loss deduction), 904(d) (relating to carryback and carryover of excess foreign tax paid), and 1212 (relating to capital loss carryover) shall apply, except that any net operating loss incurred, any tax paid, or any capital loss incurred to certain foreign corporations) is amended by redesignating subsection (e) as subsection (f), and by inserting after subsection (d) the following new subsection:

"(e) CERTAIN CONTROLLED FOREIGN CORPORATIONS TREATED AS DOMESTIC CORPORATIONS.—For purpcses of this section, a controlled foreign corporation shall, with respect to any annual accounting period for which an election made under section 961(a) by such corporation is in effect, be treated as a domestic corporation, but only with respect to any foreign corporation which it controls within the meaning of subsection (d)(1)."

(c) CLERICAL AMENDMENTS.—

(1) Section 367 (relating to foreign corporations) is amended by adding at the end thereof the following new subsection:

CROSS REFERENCE.—

"For exceptions to the application of this section in the case of certain exchanges involving corporations in less developed countries and liquidations of controlled foreign corporations, see section 960."

(2) Section 901(a) (relating to foreign tax credit) is amended by striking out "960" and inserting in lieu thereof "957".

(3) Section 902(e)(2) is amended by striking out "960" and inserting in lieu thereof "957(d)(1)".

(4) Section 904(g)(1) is amended by striking out "960(b)" and inserting in lieu thereof "958".

(5) The table of subparts for part III of subchapter N of chapter 1 is amended by striking out "Subpart G. Export trade corporations."

(6) Section 1016(a)(20) (relating to adjustments to basis) is amended by striking out "961" and inserting in lieu thereof "956".

(7) Section 6038(b) (relating to effect of failure to furnish certain information) is amended by striking out "960" each place it appears and inserting in lieu thereof "957".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to annual accounting periods of foreign corporations beginning after December 31, 1971, and to taxable years within which or with which such annual accounting periods end.

"(1) CROSS REFERENCES.—

"(1) For allowances of deduction with respect to dividends received from a controlled foreign corporation from earnings and profits accumulated during an annual accounting period for which an election under subsection (a) is in effect, see section 243(d).

"(2) For allowance of foreign tax credit to a controlled foreign corporation for an annual accounting period for which an election under subsection (a) is in effect, see section 901(e).

"(3) For information required of a controlled foreign corporation for an annual accounting period for which an election under subsection (a) is in effect, see section 6038."

(b) TECHNICAL AMENDMENTS.—

(1) Section 243(d) (relating to deduction for certain dividends from foreign corporations) is amended to read as follows:

"(d) CERTAIN DIVIDENDS FROM FOREIGN CORPORATIONS.—For purposes of subsections (a) and (b) of this section and for purposes of section 245, any dividend from a foreign corporation from earnings and profits accumulated—

"(1) by a domestic corporation during a period with respect to which such domestic corporation was subject to taxation under this chapter (or corresponding provisions of prior law), or

"(2) by such foreign corporation during an annual accounting period with respect to which an election made under section 961(a) by such foreign corporation was in effect,

shall be treated as a dividend from a domestic corporation which is subject to taxation under this chapter. The preceding sentence shall not apply to the extent such dividend is from earnings and profits attributable, under regulations prescribed by the Secretary or his delegate, to income allowed as a deduction under section 961(f)(4)."

(2) Section 901 (relating to foreign tax credit) is amended by redesignating subsection (f) as (g), and by inserting after subsection (e) the following new subsection:

"(e) FOREIGN CORPORATIONS TREATED AS DOMESTIC.—For purposes of this subpart (except for purposes of applying section 902(b)), a controlled foreign corporation shall, with respect to any annual accounting period for which an election made under section 961(a) by such corporation is in effect, be treated as a domestic corporation, except to the extent dividends, accumulated profits, and taxes of such corporation are attributable, under regulations prescribed by the Secretary or his delegate, to income allowed as a deduction under section 961(f)(4). For purposes of applying the preceding sentence to section 902(a), such controlled foreign corporation shall be treated as a domestic corporation only with respect to a foreign corporation which is not a controlled foreign corporation and 50 percent or more of the voting stock of which is owned by such controlled foreign corporation."

(3) Section 6038 (relating to information with respect for any annual accounting period prior to the first annual accounting period for which the first election made by such corporation under subsection (a) is effective shall not be taken into account. For purposes of applying such sections for an annual accounting period for which an election made by a controlled foreign corporation under subsection (a) is in effect (whether or not such election is the first election made by such corporation)—

"(A) each annual accounting period of such corporation commencing with the first accounting period for which the first election by such corporation was effective shall be treated as an annual accounting period for which an election made under subsection (a) is in effect, and

"(B) no annual accounting period prior to such first period shall be taken into account.

"(3) PERCENTAGE DEPLETION.—In determining the taxable income of a controlled foreign corporation which has made an election under subsection (a), the deduction provided by section 613 (relating to percentage depletion) shall not apply.

"(4) ANNUAL ACCOUNTING PERIODS BEGINNING IN 1968.—In the case of a controlled foreign corporation to which section 954(f)(1) applies and which has made an election under subsection (a) for its annual accounting period beginning in 1968, there shall be allowed as a deduction in computing its taxable income for such period an amount equal to 50 percent of its taxable income (computed without regard to this sentence) from sources without the United States (but not in excess of its entire taxable income).

"(g) CONSOLIDATED RETURNS.—Paragraph (3) of section 1504(b) (excluding foreign corporations from definition of includable corporation) shall not apply to any controlled foreign corporation for any accounting period for which an election made under subsection (a) is in effect.

"(h) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as he may deem necessary in order that the income tax liability of any controlled foreign corporation which makes an election under subsection (a) and of each United States shareholder of such corporation, both during and after the annual accounting periods for which an election is in effect, may be returned, determined, computed, assessed, collected, and adjusted, in such manner as clearly to reflect the income tax liability of such corporation and each such shareholder and the various factors necessary for the determination of such liability, and in order to prevent avoidance of such tax liability.

Mr. HARRIS. Mr. President, I yield myself 5 minutes on the amendment.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. HARRIS. Mr. President, this amendment would delete the provision to permit the creation of the Domestic International Sales Corporation—DISC. In its place it would substitute provisions to end, as DISC does not, the special and unwarranted tax advantages now enjoyed by U.S. firms operating overseas.

In DISC we find much of what is wrong with the American tax code. Like existing loopholes, it is a proposal that over time will instill an even greater sense of unfairness and ill will among taxpayers. Over time it will represent another step toward wider scale efforts at tax evasion.

On virtually every count it fails the test of good taxation. Its economic effects are uncertain even to officials who must defend it. Its revenue effects are unfair

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to the majority of taxpayers who will not benefit from it. Its technical provisions are unclear to those who must administer it.

It is even inconsistent with the rest of the President's economic program. In looking through its provisions, one has the distinct impression that in the panic to provide some emergency program in mid-August to replace the President's failing economic program, harassed bureaucrats late at night cleaned out their files. Since no one in the White House could understand the proposal, it was decided not to strike it.

Meanwhile, a number of eminent tax experts and economists have come forward with irrefutable arguments against this totally unnecessary giveaway. And today I urge the Congress to study this measure carefully enough to understand why it must be voted down decisively.

There are, in effect three principal reasons to defeat the DISC. They are briefly that it is unworkable, unfair, and undesirable.

UNWORKABLE

It is unworkable because of other steps being taken by the administration to boost U.S. exports.

The primary reason why the United States trade position has suffered is not the lack of a DISC but basic maladjustment in the relationship of the dollar to foreign currencies. The President's new economic policy recognizes this central fact and takes direct steps to deal with it. Thus the United States severed the link between the dollar and gold and forced a realinement of foreign currencies by floating the dollar.

The next measure is formal negotiation of new parities. But this is precisely why the DISC is unworkable.

In reaching a new parity level with the U.S. dollar, other nations will insist on taking into account the DISC and other trade gimmicks, which are as much a feature of the trade landscape as high tariffs, restrictive quotas or misaligned price ratios. Without such gimmicks, the parity level the United States can persuade other nations to accept will, other things being equal, be higher. But with gimmicks such as the DISC, the level they accept will be lower.

There is another point. In trade negotiations, foreigners will always claim that the DISC is worth more than it really is. They will press the United States to accept a lower parity level for their currency than is really justified. Since no one can explain the final effect of the DISC, the U.S. bargaining position is of necessity weak.

In brief, there is not the slightest chance that the DISC will increase the level of U.S. exports. Whatever gain we might derive from such a system—and it would be minimal at a very high cost in tax fairness—other nations would immediately offset by refusing to revalue their currency as much as we would like.

UNFAIR

The DISC is unfair. It benefits a handful of companies which already are assured enormous gains because of future changes in the exchange rate.

I am fully persuaded that the American people would demand that the Congress decisively reject the DISC if more of us understood the basic economic fact that any devaluation of the dollar is equivalent to a large and open subsidy to exporters.

For what does devaluation mean? It means that, while the rest of us agree to pay foreigners more for imported goods, our exporters earn more not because of any effort on their part but simply because the dollar is devalued relative to other currencies.

A devaluation may be necessary. If a nation cannot pay its way abroad, it has no choice but to devalue. But before we pass out additional subsidies, we should clearly understand which part of the economy benefits from the original action of devaluation.

In the U.S. economy, it is a very small sector. A handful of giant companies, around 100, account for approximately 50 percent of U.S. exports. It is these companies which will receive the export subsidy, worth billions of dollars, caused by the U.S. devaluation.

I contend that, when we are already giving these few companies so much, it makes no sense to provide them with even more by creating the DISC.

As approved by the Senate Finance Committee, the DISC when fully operative will benefit U.S. exporters by about $400 million each year. This revenue loss to the U.S. Government will occur even if the DISC does not stimulate one additional dollar in exports. The reason is that, although the administration does not like to emphasize this, DISC advantages apply to existing exports as well as any increase.

I cannot imagine a tax measure more poorly conceived.

UNDESIRABLE

The DISC is undesirable on other counts.

An extraordinary complex measure, the DISC has no counterpart elsewhere in the world. But to the degree that it was effective, we can be certain that it would be copied. In that event whatever benefit the U.S. economy derived would be offset. Experience in the Fifties and Sixties has demonstrated that trade gimmicks are quickly copied.

A major departure in U.S. tax practice, the DISC has not received adequate study. The Treasury has not come up with a single study of DISC. The only available study, performed by the Congressional Joint Committee on Internal Revenue Taxation, raises serious questions concerning its desirability. The President's Commission on International Trade and Investment Policy refused to recommend DISC in its recent report.

A new loophole, the DISC does nothing about the root cause of the problem. Secretary Connally has contended that DISC is necessary in order to make it "as attractive from a tax standpoint for U.S. companies to produce goods in the United States for export to world markets as it is for them to build their factories in foreign countries and produce abroad." He was referring to the fact that profits made by foreign subsidiaries of U.S. firms are not presently taxed unless and until paid out as dividends to the U.S. parent company.

But his statement amounts to the extraordinary contention that we need a new tax loophole in order to correct damage caused by a loophole already in existence. It apparently never occurred to the administration to close the existing loophole, and we may guess why. Giant corporations which benefit from the existing loophole and now export U.S. jobs would object.

CONCLUSION

It is imperative, then, that the Senate defeat this poorly thought out proposal. In its place it should adopt tax measures which truly deal with the problem of exported jobs.

In 1962 the Kennedy administration proposed legislation which would tax each year American corporations on their current share of the undistributed profits realized in that year by subsidiary corporations in developed countries. Unfortunately, under pressure by the giant multinational corporations, the Congress approved this measure only in part. It restricted its scope to so-called tax havens.

It is time, not simply to act against the most outrageous tax abuses found in tax "havens," but unfair tax shelters of any kind. We must end totally unnecessary and artificial inducements to U.S. firms to locate abroad.

Today I am introducing an amendment which would correct the mistake made by the Congress in the early sixties. An exception is made for certain operations in less developed countries.

This comprehensive legislation applies to "controlled foreign corporations" which meet the following criteria:

First, any foreign corporation of which more than 50 percent of the total combined voting power of all classes of stock entitled to vote, or more than 50 percent of the total value of shares of all classes of stock, is owned, directly or indirectly, by not more than 10 citizens or residents of the United States on any day during the annual accounting period of such foreign corporation; and

Second, any foreign corporation which is created or organized after December 31, 1971, which is not a controlled foreign corporation within the meaning of the first paragraph, and of which 10 percent or more of the total combined voting power of all classes of stock entitled to vote, or 10 percent or more of the total value of shares of all classes of stock, is owned, directly or indirectly, by one citizen or resident of the United States on any day during the annual accounting period of such foreign corporation.

Over the years since 1962 this legislation has repeatedly been introduced and repeatedly defeated by the combined pressure of the giant corporations. It is time that the Congress assess the damage which their unjustified tax advantages abroad are inflicting on the American worker. It is time to stop caving in to a few and consider the interests of the majority of the country.

Mr. President, if a firm had a subsidiary in Oklahoma or Indiana, they would be taxed upon undistributed profits. However, if that company had a subsidiary in Rome or in London, the tax can be deferred. The effect is to give inducements to industry to locate their plants abroad.

We should stop that and not give a subsidy to businesses that we hope will export more, but that we actually do not have any idea will do so. We should cut out the subsidy that is now inducing industry to move elsewhere and manufacture their goods.

Mr. LONG. Mr. President, I yield to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from Oklahoma (Mr. HARRIS). I have no doubt concerning the good intentions of the Senator's proposal. We are all interested in protecting the revenue of the U.S. Treasury. And we are all interested in preserving jobs in the United States.

This provision, first placed in the bill in the House and later approved by the Senate Finance Committee, does that very thing. For all practical purposes, we can only tax that income that comes into the United States that is earned here. It would be nice, of course, if we could increase our coffers by taxing the activities that took place in a far removed foreign country where none of the profits ever touched the United States.

As a result, if a concern in the United States wants to go into a foreign market—it might be Canada—they can move their factories to Canada. They can establish their business in Canada. That concern pays the Canadian taxes. But even though it is owned in the United States, we do not tax the income until it is returned to the United States, and that is for a very practical reason. We cannot very well do otherwise.

The DISC proposal which the Senator from Oklahoma would strike out is a method whereby we can keep the factory in the United States, segregate its activities relating to exports, and have, in general, the same tax consequences that we would have if the factory were moved outside of the United States to Canada, for example. In other words, the DISC proposal—which means Domestic International Sales Corporation—is offered here in order to make it possible that American companies can keep their payrolls in the United States and have the same tax consequences as if they were to remove those payrolls from the United States and have the entire operations abroad.

Mr. President, in substance this proposal provides that a company can create a domestic international sales corporation that is separated for tax accounting purposes from all their other operations. And they can transact their business in this country and export their products. The jobs remain in the United States. That tax is deferred to that separate entity created. There is a tax deferral there.

The Senate Finance Committee wrote a further provision into this title, and in order to get the advantage of this tax deferral, the money must be spent for the building and expanding of new plants in America. That is the sole idea of it.

DISC

The Senate Finance Committee bill contains a provision of major importance in keeping jobs in the United States—the provision for creation of domestic international sales corporations, or DISC's. The purpose of this legislation is to correct a distortion in our tax structure which encourages our companies to manufacture abroad for foreign markets. It eliminates this encouragement by providing an incentive for U.S. companies to continue manufacturing in the United States for export, thus preserving and creating jobs at home. In doing so, it stimulates U.S. exports in a manner entirely consistent with our international obligations and treaties.

A DISC is a United States corporation entitled to defer tax on one-half of its export sales income. These domestic corporations will ordinarily be organized as sales subsidiaries of U.S. companies, but they may be organized by any U.S. taxpayer or group of taxpayers engaged in export sales. To obtain the favorable tax treatment, 95 percent or more of their gross receipts must be from export sales and 95 percent or more of their assets must be used for export selling and related purposes. The benefits are carefully confined to insure that the beneficial treatment will be limited to export sales.

Further export stimulation is assured by a rule permitting a DISC to retain its tax-deferred income only if it reinvests that income in qualified export assets, or lends to U.S. producers engaged in export production.

Thus, as I have said, the DISC is primarily designed to create jobs. It will do so by stimulating exports of U.S.-produced goods, and thereby reduce the export of U.S. jobs. The DISC will do so by helping to offset the effect of foreign export incentives which reduce the ability of our exports to compete in third country markets and which encourage U.S. manufacturers to establish plants abroad to take advantage of those incentives. The DISC proposal will remove a real impediment to maintaining and expanding facilities in the United States for export production.

The DISC approach is trade expanding rather than contracting through tariffs or quotas. It is a positive inducement to private action rather than an additional form of Government-imposed limits or controls on U.S. business. It will be effective as soon as it is passed in persuading companies to maintain and increase their export sales, thus preserving and creating employment in the United States.

The Committee on Finance made three substantial changes in the DISC proposal as introduced by the Treasury. First, it limited the DISC rules to a period of 10 years to insure that Congress reexamines the functioning of this change in our tax laws. If DISC proves as valuable to our exports as expected, then the President, at that time, may request its extension.

Second, the committee reduced the amount of income entitled to deferral to one-half of the DISC's income. This was a substitute for the complexities and inequities of the so-called incremental approach the House adopted in approving DISC. Finally, the bill now contains provisions making it largely impossible for the tax-deferred income of a DISC to be used to invest in foreign subsidiaries.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

I understand the Senator from Oklahoma wants to request the yeas and nays on the amendment.

Mr. CURTIS. I yield.

Mr. HARRIS. I ask for the yeas and nays.

The PRESIDING OFFICER. There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD of West Virginia. I thank the Senator.

Mr. CURTIS. Mr. President, as reported by the committee, the benefits available to DISC's are reduced from the Treasury's original proposal, and there are more safeguards to assure that these benefits are used to stimulate exports. A 10-year life for the DISC is sufficiently beneficial to induce U.S. businessmen to take advantage of it. Any lesser duration would not be sufficient. By the same token, a further reduction in the percentage of income eligible for DISC treatment would make the DISC so unattractive, compared with operating under the generous tax incentive provisions of foreign countries. Therefore, I urge that you pass this legislation as reported by the Senate Finance Committee. The substitute language will not really enhance the Federal Treasury.

Mr. President, I ask that the remainder of the time that I had yielded to me be returned to the use of the Senator from Utah.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time does the Senator suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN. Mr. President, the distinguished Senator from Nebraska made it very clear that this country will receive tremendous advantages from the DISC program. The Treasury Department has presented ample material to show that there will be a substantial increase in exports due to DISC of $1.5 to $2.5 billion a year.

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But what is also very important is what would happen if we followed the recommendation of the Senator from Oklahoma for taxing foreign subsidiaries of U.S. companies. First, taxing them currently, as the Senator recommends, would not produce any appreciable revenue for the United States. Foreign countries now tax subsidiaries of our companies at an average rate of 38 percent. When the earnings of those subsidiaries are actually distributed to the U.S. parent company, the foreign country imposes a withholding tax of 15 to 25 percent. Since we allowed these foreign taxes to be credited against the U.S. tax on the earnings of the subsidiaries, there would be no net U.S. tax collected. In addition, the foreign subsidiaries would suffer from a competitive standpoint—they could not compete with foreign-owned companies.

Let me now return to DISC. This week the Commerce Department has reported the worst balance-of-payments quarter ever recorded for the United States. The reestablishment of an equilibrium in our balance-of-payments requires the effort of everyone. One of the most important factors will be a sustained export effort by the United States.

Unlike other developed countries, the U.S. Government has not pursued a meaningful export policy. In the area of income taxation our policy has in fact produced a comparative disadvantage for our exporters compared with foreign manufacturing and sales by foreign manufacturers and foreign based subsidiaries of U.S. companies. The DISC proposal is a step in reordering our tax policy to place U.S. exporters on a tax basis up to now obtained only through foreign investment and by U.S. competitors.

If we are to avoid controls and restrictive measures as we pursue a program to strengthen the U.S. balance-of-payments position, we must do more than we are now doing to promote exports. In many cases, our firms consider exporting the least important segment of the sales effort. For smaller and medium-sized firms there is a belief that sales efforts directed solely at American buyers bring the quickest and greatest return.

Firms giving substantial consideration to overseas sales often focus largely on production abroad. We must increase the number of firms who engage in export and the volume and value of exports by those already so engaged. The DISC proposal accomplishes this by making exports more attractive than they now are. The DISC, through an expanded export effort, will create new opportunities for U.S. production and needed jobs for American workers. It will elevate the export department to independent corporate status with separate promotional profits and sales targets.

I urge that the amendment be rejected.

Mr. HARRIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. HARRIS. Mr. President, it is amazing to me to hear someone say, "We hate to export all these jobs and have American companies open subsidiary plants overseas," and then say, "We hate to put all of our American-owned subsidiaries in Europe at a competitive disadvantage." It would be better to let them stay here and compete. That is what this amendment would do.

I call attention to the statement by Secretary Connally when he testified before the Committee on Finance in favor of this. He said that DISC is necessary in order to make it:

> As attractive from a tax standpoint for U.S. companies to produce goods in the United States for export to world markets as it is for them to build their factories in foreign countries that produce abroad.

He was referring to the fact that profits made by foreign subsidiaries of U.S. firms are not presently taxed unless and until paid out as dividends to the U.S. parent company.

But his statement amounts to this. It is an extraordinary contention by Secretary Connally and the opponents of this amendment that we need a new tax loophole to give $400 million to corporations to correct damage caused by a loophole already in existence.

Apparently it never occurred to the administration or Secretary Connally to close the existing loophole. We do not need to open a new loophole with a great giveaway to corporations in this country when what we could do to achieve the result many say they want to achieve, and that I would like to achieve—keeping jobs in the United States—is to make it less attractive through a tax loophole for a company to locate subsidiaries in other countries.

The way to do so is to close the loophole, to make it less attractive to move, as Royal Typewriter Co. is now moving from Hartford, Conn., to London, and as others have done.

This amendment would strike the new loophole, DISC, and close up the existing loophole.

One of these days we will have to begin to think about corporate responsibility for runaway plants. We have seen many plants go from New England, for instance, to North Carolina and then to Mexico, perhaps over a period of 20 years, or, as Royal Typewriter has done, move from Hartford, Conn., to London.

Up to now most people have said that skill that is left will have to become the responsibility of the public and that the taxpayers will have to assume increased responsibility in regard to the employees left behind, with unemployment compensation and retraining and so forth.

We do have a public responsibility, obviously, in both regards, but it is about time that we also began to think about corporate responsibility. What about the responsibility of the corporation that leaves a community and leave the schools unsupported? What about those left without jobs? A corporation ought not to be able to move out of a community whether to go to another State or another country, without a residual responsibility to the community itself and its workers.

If we move in that direction, we will stop many runaway situations where businesses leave communities and leave the employees and the people of that community with overwhelming burdens as a result of their desire for greater profit by moving. That is what we ought to be doing, rather than giving additional tax incentives to big corporations, as this proposal would do.

An excellent summary of arguments against the DISC proposal has been prepared by Prof. Stanley Surrey, former Assistant Secretary of the Treasury, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF ARGUMENTS AGAINST DISC PROPOSAL

I. Proposal eliminates 50% of an entire activity—exporting—from income tax.

II. Proposal involves a revenue loss of nearly $1 billion over the next four years.

III. This sweeping exemption of export income, with its resulting large revenue loss, is taken without any presentation by the Treasury of any economic study or data to demonstrate why, where, and how this step will increase our export trade. Indeed, the revenue loss will exceed any possible benefits to our export trade.

IV. Direct steps now underway to improve the U.S. trade position, such as the realignment of foreign currency exchange rates, are the key to trade improvement and make the Proposal obsolete.

V. Proposal involves tax reduction for our largest corporations.

VI. While Proposal is phrased in terms of "deferral of tax" and for "export profits"—it becomes exemption and for much more than export profits, reaching into manufacturing profits.

VII. Proposal provides corporations with tax-free money for domestic use—having nothing to do with exports.

VIII. Proposal is inconsistent with our other tax rules and does not find any parallel in the tax rules of other countries.

IX. Proposal is likely to cause foreign retaliation and emulation which will hurt our trade balance.

X. Proposal is complex, with many surveillance problems and many inroads on existing rules, so that its weaknesses and further loophole potential will be fertile hunting ground for tax avoiders.

XI. Proposal is contrary to 1969 tax reform efforts.

THE DISC PROPOSAL TO SUBSIDIZE EXPORTS

(By Stanley Surrey*, Assistant Secretary of the Treasury under Presidents Kennedy and Johnson)

As approved by the Finance Committee, the Revenue Act of 1971 contains a tax Proposal, called DISC, designed to subsidize exports by freeing 50% of export earnings from income tax. This memorandum outlines arguments why the DISC Proposal is undesirable.

I. *Proposal Eliminates An Entire Activity—Exporting—From Income Tax*

The DISC Proposal is intended to exempt as much as possible of the export trade of the U.S. from income tax for a lengthy period, perhaps indefinitely. Such a major change in our tax system is contrary to the basic concept of an income tax, has no counterpart elsewhere in the world, and is a complex, costly, and undesirable step.

Such a step, if taken at all, should be taken only on the soundest of arguments, on the basis of careful and full documentation, on an analysis that clearly demonstrates—not just states—that the United States will realize demonstrable benefits from the step, and that no alternative of direct assistance is available and feasible. There is no such showing here.

II. *Proposal Involves a Revenue Loss of Nearly $1 Billion over the Next Two Years and Close to $1 Billion Annually Thereafter*

The DISC Proposal is no minor tax measure. As approved by the Finance Committee the annual revenue loss would be about $400 million when the Proposal is fully operative. This is the loss that will occur even if the Proposal does not stimulate an additional dollar of exports. It is a built-in, inevitable revenue loss since the Proposal provides a tax subsidy for *existing* exports and is not limited to the export growth, if any, induced by the subsidy. Even in the first four years, the Proposal will lose close to $1 billion.

Yet there is no case made—nor can it be made—that such a high and expensive expenditure priority is merited by these exporters and their activities. Nor is there any concrete analysis or data that the revenue loss will achieve demonstrable benefits for the United States—in market contrast to the recognizable benefits to be achieved through expenditures to meet our social problems—expenditures that must now be kept back to make way for $1 billion to exporters.

III. *Proposal Not Supported By Data, Analysis, or Economic Studies*

In the public presentation of this Proposal by the Treasury both in 1970 and 1971, and in the Ways and Means Committee Reports of 1970 and 1971 describing it, there is no study presented, no data made available, no economic case put forth to demonstrate the effect of this subsidy on the export trade and to demonstrate why, where and how the purpose of the subsidy—an increase in U.S. exports beyond what would result in the absence of the subsidy—will be accomplished.

The prime basis for the Proposal—and the Treasury's belief that it will increase exports—seems to be in these words of former Secretary Kennedy, quoted (p. 18) in the Committee Report:

> "I believe this shift in taxation would help signal to industry that improved export performance is a national objective of high priority; it would help build the consciousness and attitudes toward exports that this country has been sorely lacking."

The "signal" and the "consciousness" come at a $1 billion price over 4 years. Where else is Congress spending so much money on so intangible a ground? No expenditure program—even a minor one—would be presented to the Congress or adopted by it on the basis of such a woefully inadequate, almost non-existent, supporting case. Yet since this is a "tax incentive", the Treasury presumably feels that it is permissible to spend $1 billion without even the support that an expenditure program of a few million dollars requires.

IV. *Direct Steps Now Underway to Improve the U.S. Trade Position, Such As Realignments of Foreign Currency Exchange Rates, Make The Proposal Obsolete*

The DISC Proposal is really an obsolete item left over from earlier blueprints on how to improve U.S. trade. The United States is now engaged under the President's New Economic Policy in direct steps that go to the central international factors which have adversely affected our trade position. Gimmicks such as DISC which hold no real promise of trade improvement should now be discarded along with the other blueprints and the new direct steps pushed vigorously instead.

The U.S. trade position has suffered from a basic maladjustment in the relationship of the dollar to foreign currencies. The President's New Economic Policy has recognized this central issue and involves direct steps to deal with it. The dollar has been cut loose from gold, forcing a realignment of foreign currencies and the negotiation of new parities. The temporary 10% surcharge on imports emphasizes the seriousness of the competitive disadvantage forced on the United States by the previous maladjustment and is a catalyst to negotiation and ultimate agreement on new alignments. The process of revision of the international monetary system, of reduction in non-tariff barriers to trade, and of sharing of defense burdens, set in motion by the President's measures, should have a beneficial effect on our long-term trade position.

With these direct steps underway, the DISC Proposal becomes obsolete. Certainly we do not need a gimmicky tax divice with no promise of improving our trade position when we are now engaged in major steps designed directly to sweep away the crucial handicaps we faced under the previous international monetary arrangements. At a time when we are working toward rational new arrangements, a permanent tax windfall to exporters is an out of place, obsolete carryover from a past that dealt in patches and gimmicks rather than the central issues.

V. *Proposal Involves a Tax Reduction For Our Largest Corporations*

The subsidy and revenue loss will in large part go to our largest corporations and represent a windfall to them. It becomes tax reduction for the 100 or so of our largest corporations who account for a major share of all U.S. exports—about half of our manufacturing exports alone are made by 93 companies. Such a reduction and such an expenditure are not in keeping with our fiscal situation or our national priorities.

VI. *While Proposal Is Phrased in Terms of "Deferral of Tax" and For "Export Profits"—It Becomes Complete Exemption and For Much More Than Export Profits, Reaching Into Manufacturing Profits*

The Proposal stresses that it will just *defer* 50% of the tax on *export profits*. But clearly the Treasury does not expect a mere few years deferral, for it recognizes that businesses will not alter their operations and organization for that. So the Proposal must envisage a long period of deferral. Such a deferral becomes the equivalent of exemption.

Indeed, in the description which it first circulated to business groups, the Treasury said the deferral for export profits would go on for at least ten years and where exports increase—and they do naturally year to year—the period would be longer. But in these days of high interest rates, a postponement of tax—a borrowing interest-free from the Government—is the equivalent of exemption. The Treasury earlier said as much—"deferral for a substantial period reduces significantly the impact of a tax and, of course, deferral that lasts indefinitely can have substantially the same effect as an exemption from tax." The NAM in its earlier 1970 testimony has described the Proposal just that way: "Its specific purpose is to increase exports by deferring, *perhaps indefinitely*, the U.S. tax on some part of profits from exports." (Italics added)

But even indefinite deferral is not required. For a profitable company, the present value of fifteen years deferral of tax is just about worth the amount of the tax itself—which makes deferral the equivalent of exemption.

Moreover, the deferral is even extended further under the part of the Proposal that on liquidation or disqualification of a DISC it can spread payment of the tax ten years forward into the future.

The Proposal is presented in terms of deferring tax on "export profits." Presumably it is intended to cover the profit attributable to the sales activities associated with exports. But its specific provisions for the determination of export profits sweep in manufacturing profits as well. Under the arbitrary formulas presented to determine DISC export earnings much—in some cases all—of the manufacturing profits will be included as well. Indeed, it is this inroad into the manufacturing profits that attracts most of the supporters.

The formulas define DISC export earnings as 50% of the difference between cost and sales price, or 4% of the sales price, whichever is greater. In many cases, it is likely that 4% of sales price could place the entire profit on the sale within DISC export earnings. For those industries with low rates of return on sales—agriculture for example—the entire profit from manufacture to sale will be included.

VII. *Proposal Really Means Providing Corporations Tax-Free Money For Domestic Use or Foreign Investment—Having Nothing to Do With Exports*

A DISC is permitted—indeed encouraged—to lend its 50% tax-free income to its parent company to be used to buy plant and equipment, or for research. The loan is costless to the parent. Indeed, this is the key to the Proposal. But the assets obtained through the loan proceeds—or the research done—need have nothing to do with exports. The funds can go entirely to domestic production. There is absolutely no tracing of the 50% tax-free income into export activities.

The loan can be in the proportion, of the total existing production assets of the parent, that its export sales are to total sales. Hence if a parent has $20 million of facilities, and its export sales are 20% of total sales, $4 million can be used for purely domestic purposes that do not relate to exports. There is no tracing required of the loan to facilities or equipment actually used in production for export. This could go on year after year for an established corporation which started with export sales. Indeed, the whole Proposal is geared to this, since a DISC is required to reinvest its profits and most DISCs would soon run out of real export activities on which to use their profits. Hence the permission under DISC to the parent to use the export sales income for its production activities becomes the key to indefinite deferral (House 1970 Committee Report, p. 17)—and the absence of tracing becomes the key to use for non-export activities.

The Proposal in effect gives financial assistance to companies who have exports even though they do not use the money for export activities. The statement in Secretary Connally's testimony before the Senate, "the deferral of tax on DISC income is available so long as the income is, in effect, used for export related activities," is simply inaccurate.

The requirement added in the House version that the loan to the parent must be matched by an increase in plant, machinery, equipment, support production facilities or research and experimental expenditures in the United States does not change the above remarks. These activities are not required to have any relation at all to exports. Moreover, for our major corporations ordinary domestic expansion will provide satisfaction of this requirement, and leave the DISC funds available for foreign manufacturing if the corporation so desires.

VIII. *Proposal, Though Described as Involving the Use of Domestic Export Subsidiaries, Will In Reality Encourage Foreign Subsidiaries and Bring Back Tax-Haven Operations*

The DISC Proposal is described in terms of the creation of domestic export subsidiaries—Domestic International Sales Corporations. But the technical structure of the Proposal is an encouragement to the use of *foreign sales subsidiaries*—FISC—in addition to the DISC, since a DISC plus a FISC gives more exemption than a DISC alone. Moreover, the structure encourages the use of

*Revised (with the author's permission) in the office of Senator Gaylord Nelson to take into account the changes adopted by the Senate Finance Committee.

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tax-haven countries in which to locate the foreign sales subsidiaries. Much of the 1962 anti-tax haven reform legislation is thus discarded and tax-havens are brought back to the scene.

The taxpayer's goal, when adding the FISC, will be to locate it in a tax-haven country so that foreign taxes are not a problem. The Proposal permits tax-haven operation for a FISC by here sweeping away the 1962 reform provisions designed to prevent tax-haven abuse. Moreover, the taxpayer will want to keep the DISC price low on sale to a FISC tax-haven, and thus he will become involved in controversies over price with the Internal Revenue Service on a wide scale.

The Treasury presentation did not describe these aspects in detail and the 1970 Committee Report does not consider their implications. As a consequence, apparently their effect was not considered in the revenue loss estimates, so that those estimates are on the low side. Moreover, the stimulus to use foreign subsidiaries makes DISC more helpful to the larger corporations than to small business.

IX. *The Proposal is Justified by the Treasury in These Terms:*

(a) Export Income is Partly Foreign Source Income

(b) Deferral of Tax On Export Income is Similar to Deferral of Tax on Foreign Manufacturing Subsidiaries

(c) Other Countries Are Not Taxing Exports

THESE JUSTIFICATIONS ARE NOT VALID

(a) To say that export income is partly foreign source income proves nothing. The U.S. has always taxed income from foreign sources as well as domestic sources when the income is obtained by U.S. corporations and individuals. Royalties, dividends, interest, etc., when paid by foreigners are foreign source income in the same sense, but are taxed when received here in the U.S. by a U.S. corporation And so export sales to foreigners made by US. corporations are taxable—and always have been—though they can be called foreign source income in the same sense.

The treaty policy of the U.S. goes to great lengths to insist that the export income of the U.S. is income to be taxed by the United States and *not* by other countries. That policy therefore seeks to prevent other countries from taxing our export trade and will permit such foreign taxation only where the U.S. exporter is operating through a permanent establishment in the foreign country.

The Treasury says that the DISC "approach is consistent with the basic philosophy of the U.S. tax system" (Statement of Sec. Kennedy). The contrary is the case—it is completely inconsistent with the application of the income tax to export income ever since 1913. It is completely inconsistent with our entire treaty policy since our first tax treaties in the nineteen-thirties.

(b) The fact that our foreign manufacturing subsidiaries are not generally taxed by the U.S. until their income flows to the U.S.—the tax is "deferred"—does not justify this Proposal. For the price of deferral in the case of these foreign manufacturing subsidiaries is payment of foreign income taxes. Those taxes are substantial and in many cases close to—or more than—our own income tax. (The Treasury says that the *effective foreign tax* rate on all foreign subsidiary operations of U.S. businesses was about 38.6% in 1964. Foreign marginal tax rates are often in the 50% or upper forties range. The U.S. effective corporate tax rate in 1965 for all industries was 37.8%.)

Deferral for our foreign manufacturing subsidiaries has not meant exemption from income tax—it has meant payment of income taxes to other governments. But the deferral of DISC means exemption from 50% of all tax—domestic and foreign—and in no way resembles the treatment of investment in our foreign subsidiaries.

Any deferral for our foreign manufacturing subsidiaries, ends when the income is brought back into the U.S. as dividends, or even when it is still owned by the foreign subsidiary but is invested in U.S. assets such as domestic facilities of the U.S. parent. But the DISC income is already in the U.S. Moreover, it can be invested in U.S. domestic facilities or activities of the U.S. parent having nothing to do with exports—and still avoid 50% of the income tax.

Moreover, if deferral for our foreign manufacturing subsidiaries is a material benefit and inducement to investment abroad, the obvious course is to end the deferral and leave the U.S. tax system in a neutral posture between investment abroad and investment at home. But this the Treasury will not do. Instead, it says we should keep our tax incentives to investment abroad and then it says we must exempt export income because of the tax incentive to foreign investment. The whole approach is clearly a boot-strapping operation, and one that ends up leaving a large gap in the income tax and being highly discriminatory in favor of those taxpayers engaged in foreign activities as compared with domestic activities.

(c) The Treasury presentation talks of other countries which "defer their tax on export income or exempt such income from tax, to a greater or lesser extent." But nowhere is it flatly stated that other important exporting countries—countries with which the U.S. may be compared—systematically seek to exempt from income tax 50% of their entire export trade. The fact is that the exemption inherent in the DISC Proposal goes far beyond the treatment of export income in any comparable country.

The House 1970 Committee Report, following the Treasury presentation, states as justification for the Proposal that "A number of foreign countries, for example, have the so-called territorial concept of taxation under which they do not tax foreign source income at all" (p. 16) This is simply inaccurate. Such countries do tax export sales to foreign independent customers. It should be noted that about 85% of U.S. export sales are to foreign independent customers, and there is no indication that foreign patterns differ materially. Where the sale is to a foreign affiliate, such as a subsidiary, some countries may not tax the profit realized by the subsidiary when repatriated to the parent, but they will tax the profit on the sale to the foreign subsidiary.

Moreover, these "territorial approaches" are usually a relic of tax history, traceable to schedular tax systems and colonial trade, with no affirmative intent to subsidize exports. The Finance Ministries of some of the countries using this approach understand its weaknesses and defects and are moving thru tax reforms to reach the present U.S. system. It would be irony indeed for the U.S. now to take the leadership in setting the tax clock back.

Some foreign countries do have some specific income tax incentives for exports. But the U.S. should be countervailing against such provisions, should be insisting they are contrary to GATT, and should be taking whatever other action is feasible in negotiation. That should be the U.S. role—and not the role of going much further by exempting 50% of all export income from tax and setting in motion a spiral of more and more tax escapes in the export field.

X. *Proposal Is Likely To Cause Foreign Retaliation and Emulation Which Will Hurt Our Trade Position*

In the Treasury presentation of the Proposal there is no material presented to demonstrate that this sweeping change in our tax rules and the resulting subsidy to exporters will not produce retaliation or emulation in other countries. Such a reaction abroad will tend to offset or exceed any potential gains to our trade balance sought through additional exports stimulated by DISC. If other countries emulate—and why shouldn't they since their exporters will demand equal treatment from their Governments—then the U.S., the largest and strongest nation, will have been the leader in tearing a big hole in the income tax. The U.S., the leading economic country in the world, should not be the instigator of the tax chaos.

Other countries may see DISC as a violation of GATT—whatever the U.S. Treasury says as to the status of DISC—and resort under GATT to countervailing duties against our exports. Or other countries may decide to emulate us and themselves adopt DISC or some variation—or even some new device—seeking thereby to advance their exports. But whatever the form of the reaction abroad, it is bound to hurt our trade balance and reduce if not remove, or indeed reverse, the export benefits claimed for the Proposal.

Foreign countries in self-defense will also have to revise their tax treaty rules and other tax rules and administrative practices, which up to now have been beneficial to U.S. exporters. The result will be an increase in the ways by which foreign countries will now tax our exports in situations in which our exports have been previously unaffected by foreign tax systems.

Tax treaties now uniformly exempt an exporter selling goods within a country from that country's income tax unless those activities constitute a "permanent establishment" in that country, a phrase which the treaties define narrowly so as to relieve an exporter from being involved in the tax system of the countries to which he is exporting. This treaty policy rests on the assumption—valid up to now—that the exporter will be taxed in his own country and double taxation can thus be avoided by freeing him of tax in the country of destination. But under DISC the U.S. exporter will be subject to only 50% tax, and hence other countries will begin to remove their liberal treatment of the U.S. exporter.

Moreover, where a DISC is selling through a permanent establishment or foreign subsidiary in a country with a significant corporate tax, the DISC will seek to fix the inter-company price at a high level, since the higher the price, the greater the exemption from U.S. tax under DISC. The foreign country, to protect its revenues, therefore must administratively check these DISC prices. Up to now, since the U.S. taxed the export sale, our exporters were largely free from this price check abroad; under DISC they will attract the examination of foreign revenue agents.

Many of the less-developed countries have been seeking to expand their tax systems to reach the profit on exports to their countries, and have sought to chip away at existing international tax standards which exempt exports in the countries of destination unless a permanent establishment exists. Under DISC, these countries will be considerably encouraged in pursuing our exporters, both because of the exemption under DISC from U.S. tax and because the technical rules of DISC treat export income as foreign source income (income arising outside the United States) when the goods are sold for consumption outside the United States. This use of a "destination" rule to determine foreign source income is an open encouragement to those countries to apply the same destination rule and make our export income *their source* income and subject to their tax.

XI. *Proposal Is Complex—With Many Surveillance Problems and Many Inroads on Existing Rules—So That Its Weaknesses and Further Loophole Potential Will Be Fertile Hunting Ground For Tax Avoiders*

The Proposal is no simple, readily applicable method of assistance. It is seriously complex—with its complexities and its technical rules likely to grow and grow as time goes on. For taxpayers will want to push more and more income into the DISC device—royalties and services are examples—and seek more and more ways to use the income without disturbing the deferral. The Treasury will have to cast its surveillance over a vast array of activities to seek to confine the deferral to "exports"—goods coming to the U.S. for processing and then sent out; goods sent abroad for some processing and then returned; foreign subsidiaries of DISC with their own activities that may involve services and other assistance to foreign manufacturing subsidiaries; transportation activities of DISC companies that intermingle exports, imports, and all kinds of goods over the world; companies that shift the place of production around and fill foreign orders in the U.S. but then manufacture abroad for use in the U.S. (just a switching of the place of manufacture).

The Proposal also cuts across many established rules—for example, it would validate the use of tax-havens all over again.

It is hard to see the justification for so much complexity and gadgetry—it is really impossible to see it in this situation when there is no assurance that any real benefit to the U.S. will come from all of this technical maze.

In all probability, many a tricky maneuver exists in these technical rules. Thus, the formulas for determining export income create more "foreign source income" than would exist under regular allocation rules. Suppose a company with manufacturing subsidiaries abroad creates a DISC, runs its exports through it, distributes the profits each year since it is not concerned with deferral—but by so doing and without actually increasing its exports, does technically increase the amount of "foreign source income" attributed to its existing exports and hence is able under the foreign tax credit rules to use the foreign taxes on its foreign manufacturing to shelter the U.S. income from its exports. The DISC here thus becomes an incentive to help investment abroad, despite higher foreign tax rates on that investment, rather than to increase our exports. (1970 Minority Report, p. 178).

The technical DISC rules will permit a taxpayer, contrary to existing rules, to shift the allocation of some of his costs of production away from exports and attach them to domestic sales, thereby increasing the amount of "export income" exempt under DISC.

XII. *Proposal Contrary to 1969 Tax Reform Efforts*

The Congress spent in 1969 an arduous year in legislating tax reform. Most of the effort went into reducing money spent through the tax system on matters that were not a necessary part of the income tax structure but were back-door ways of spending Government funds—the use of the tax system for non-tax ends. The Treasury now wants to turn its back on that Congressional effort and spend $1 billion over four years for non-tax purposes, but cloak it as part of the income tax. If this occurs, some future Congress will have to struggle with removing this tax preference—when the income tax windfall of exempting the whole export trade becomes clear to the public. But why start down this road at all, why reject all that was learned in 1969? If assistance is to be given by the U.S. Government to our export trade, as a priority matter under our budgetary policies, it should be done directly and not as part of the income tax.

The Proposal is a negation of the entire 1969 tax reform effort. That effort showed how hard it is to dislodge tax preferences—tax incentives—once planted in the Internal Revenue Code. Tax history is replete with the cycle of today's tax incentive becoming tomorrow's tax preference and tax loophole. But the entrance into the Code of an incentive—just present it with no back-up study, no analysis, no economic data but only the statement it will help by creating the right image—is in marked contrast with the efforts to dislodge the incentive once its wastefulness and preference aspects become plain to all. For then it is part of the status quo and its beneficiaries will resist any change. This can be especially true in the case of the DISC device, which will require corporate organizational changes and different methods of doing business for all our exporters. Once the business patterns and structures forced by the DISC become imbedded in business operations, it will be extremely difficult if not impossible to alter the DISC tax rules even though those rules simply mean tax reduction for some but no benefit to the United States at large.

Mr. HARRIS. I also call attention to an editorial published in the Wall Street Journal of September 30, under "Review and Outlook." The title of the editorial is "That Shiny DISC."

The editorial states that Professor Surrey's objections are persuasive and can be augmented, and it comes out against this proposal as a way of doing something about the exporting of jobs.

I ask unanimous consent that the editorial may be printed at this point in the RECORD.

There being no objection, the editoral was ordered to be prnted n the RECORD, as follows:

THAT SHINY DISC

While not everything can be applauded in the new tax package that emerged from the House Ways and Means Committee last week, there is at least one evidence that the committee is fulfilling its obligation to check administration impetuosity.

Chairman Mills and his committee took some of the shine out of an administration tax gimmick designed to encourage American business corporations to step up their export activity. If the idea dsappears entirely before the tax bill becomes law, it will be no great loss.

The idea in question is the administration's proposal that American corporations be allowed to set up "domestic international sales corporations," or "DISC," to handle their export business. DISCs would be allowed to "defer" federal income taxes on profits from exports if those profits were applied to new export or "export-related" activities.

In a recent Washington Post article, Harvard Law School tax expert Stanley S. Surrey said that the administration proposal would, to a large degree, have been an exemption, not merely a deferral, that it would have revived the "tax haven" idea that Congress tried to kill nine years ago and that it would have cost the government some $1 billion a year. Professor Surrey, who was the Treasury's top tax specialist in the Kennedy and Johnson administrations, added that there is very little assurance that the tax bonus would in fact boost exports appreciably.

Professor Surrey's objections are persuasive and can be augmented. The use of special tax incentives to further public policy is a doubtful technique in principle, to begin with. It soon gets the entire tax structure out of kilter, creating loopholes for some taxpayers and transferring to others the burden that has been lifted from the fortunate. The result is a sense of unfairness and ill will among taxpayers, which is the first step towards wide scale efforts at evasion.

There are still other objections. DISC is another example of the practice, which is becoming too popular, of trying to fudge against the accepted rules of international trade.

U.S. authorities who try to justify such activities insist that other nations give incentives to exporters. They do, but such things are partly a matter of degree, and *few nations have gone as far as the original DISC proposal* would have gone toward an outright exemption from income taxes. The U.S. already is inviting retaliation from its trading partners for its 10% surcharge on imports and it is not likely that tense trade relations can withstand much further aggravation.

Further, there is a serious flaw in the idea that subsidizing industry somehow makes it more competitive. A subsidy supplies the means to become less, not more, competitive, as should have been adequately proved a long time ago by the heavily subsidized U.S. ocean-shipping industry.

Despite all these objections and despite the fact that DISC-type proposals have been cut out of some tax bills of past years, Ways and Means did not kill DISC outright this time. The committee tried to provide that the tax benefit would actually be an incentive and at the same time sharply cut its potential impact on revenues. In the new version, DISC tax benefits would be based mainly on the amount by which their export sales exceeded the three previous years.

Treasury Secretary Connally doesn't think this would be sufficient "incentive" to exporters. In our view, it is a better incentive than the original, since only measurable gains would be rewarded.

But the Ways and Means version still doesn't answer the objection to tax incentives in principle. Nor does it preclude the possibility that once DISCs are established they will win further concessions. With that thought in mind, we would be very happy if the full Congress decides to send this particular DISC sailing, far enough that it wouldn't be likely to return.

Mr. HARRIS. Mr. President, the amendment would strike DISC, the new loophole for big business, and insert in lieu thereof the closing of a present loophole which gives tax incentives to corporations to locate subsidiary plants abroad.

In 1962 President Kennedy recommended the provision that is contained in my amendment.

On page 294 of the Public Papers of the Presidents appears an excerpt relating to this subject, under date of April 20, and I ask unanimous consent that an excerpt be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

TAX TREATMENT OF FOREIGN INCOME

Changing economic conditions at home and abroad, the desire to achieve greater equity in taxation, and the strains which have developed in our balance of payments position in the last few years, compel us to examine critically certain features of our tax system which, in conjunction with the tax system of other countries, consistently favor United States private investment abroad compared with investment in our own economy.

1. *Elimination of tax deferral privileges in developed countries and "tax haven" deferral privileges in all countries.* Profits earned abroad by American firms operating through foreign subsidiaries are, under present tax laws, subject to United States tax only when they are returned to the parent company in the form of dividends. In some cases, this tax deferral has made possible indefinite postponement of the United States tax; and, in those countries where income taxes are lower than in the United States, the ability to defer the payment of U.S. tax by retaining income in the subsidiary companies provides a tax

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advantage for companies operating through overseas subsidiaries that is not available to companies operating solely in the United States. Many American investors properly made use of this deferral in the conduct of their foreign investment. Though changing conditions now make continuance of the privilege undesirable, such change of policy implies no criticism of the investors who so utilize this privilege.

The undesirability of continuing deferral is underscored where deferral has served as a shelter for tax escape through the unjustifiable use of tax havens such as Switzerland. Recently more and more enterprises organized abroad by American firms have arranged their corporate structures—aided by artificial arrangements between parent and subsidiary regarding intercompany pricing, the transfer of patent licensing rights, the shifting of management fees, and similar practices which maximize the accumulation of profits in the tax haven—so as to exploit the multiplicity of foreign tax systems and international agreements in order to reduce sharply or eliminate completely their tax liabilities both at home and abroad.

To the extent that these tax havens and other tax deferral privileges result in U.S. firms investing or locating abroad largely for tax reasons, the efficient allocation of international resources is upset, the initial drain on our already adverse balance of payments is never fully compensated, and profits are retained and reinvested abroad which would otherwise be invested in the United States. Certainly since the postwar reconstruction of Europe and Japan has been completed, there are no longer foreign policy reasons for providing tax incentives for foreign investment in the economically advanced countries.

If we are seeking to curb tax havens, if we recognize that the stimulus of tax deferral is no longer needed for investment in the developed countries, and if we are to emphasize investment in this country in order to stimulate our economy and our plant modernization, as well as ease our balance of payments deficit, we can no longer afford existing tax treatment of foreign income.

I therefore recommend that legislation be adopted which would, after a two-step transitional period, tax each year American corporations on their current share of the undistributed profits realized in that year by subsidiary corporations organized in economically advanced countries. This current taxation would also apply to individual shareholders of closely-held corporations in those countries. Since income taxes paid abroad are properly a credit against the United States income tax, this would subject the income from such business activities to essentially the same tax rates as business activities conducted in the United States. To permit firms to adjust their operations to this change, I also recommend that this result be achieved in equal steps over a two-year period, under which only one-half of the profits would be affected during 1962. Where the foreign taxes paid have been close to the U.S. rates, the impact of this change would be small.

This proposal will maintain United States investment in the developed countries at the level justified by market forces. American enterprise abroad will continue to compete with foreign firms. With their access to capital markets at home and abroad, their advanced technical know-how, their energy, resourcefulness and many other advantages, American firms will continue to occupy their rightful place in the markets of the world. While the rate of expansion of some American business operations abroad may be reduced through the withdrawal of tax deferral such reduction would be consistent with the efficient distribution of capital resources in the world, our balance of payments needs, and fairness to competing firms located in our own country.

At the same time, I recommend that tax deferral be continued for income from investment in the developing economies. The free world has a strong obligation to assist in the development of these economies, and private investment has an important contribution to make. Continued income tax deferral for these areas will be helpful in this respect. In addition, the proposed elimination of income tax deferral on United States earnings in industrialized countries should enhance the relative attraction of investment in the less developed countries.

On the other hand, I recommend elimination of the "tax haven" device anywhere in the world, even in the underdeveloped countries, through the elimination of tax deferral privileges for those forms of activities, such as trading, licensing, insurance and others, that typically seek out tax haven methods of operation. There is no valid reason to permit their remaining untaxed regardless of the country in which they are located.

Mr. HARRIS. Mr. President, I sum up by saying, let us not create a new loophole, a new giveaway. Let us take away the present giveaway and close the present loophole for moving away.

Mr. BENNETT. Mr. President, this amendment would strike the DISC provisions in their entirety from the bill and substitute instead provisions which would tax U.S. companies on the income of their foreign subsidiaries. The Senate must reject this amendment, which would have catastrophic adverse effects on U.S. industry and U.S. employment.

As to DISC—at a time when our balance-of-payments deficit has reached the rate of $31 billion per year and our international trade posture is at a critical juncture, it is unthinkable that we should remove from this bill the one provision designed to increase exports and thus increase our balance of trade. DISC is designed to keep jobs in the United States by encouraging manufacture for export. The House, after careful study, cut back the DISC proposal as originally recommended by the administration. The Senate Finance Committee found an even better way to keep the DISC proposal but limit the benefits, including a limit to prevent investing tax deferred DISC profits in foreign plants or equipment. The DISC as so limited will result in a revenue loss of only $100 million in 1972 and $170 million in 1973, as stated in the Finance Committee report. This is a very small price to pay in terms of the tremendous revenue losses under other provisions of this bill to keep jobs in the United States and to deal in some meaningful way with our present balance-of-payments emergency.

As for taxing currently the foreign income of foreign subsidiaries of U.S. companies, I cannot think of more irresponsible action than attempting to make such a fundamental and complex change in our entire tax system, vitally affecting our international relations, by a Senate floor amendment without public hearings and without committee study and action. It will produce no increase in U.S. tax revenues in the long run. It will effectively drive our companies out of foreign markets in many cases, and as a result there will be a significant loss in U.S. employment at domestic plants of U.S. companies producing basic elements of products which are assembled abroad at foreign plants for foreign sale. The net effect will simply be to prejudice U.S. companies with no basic long-term benefit to U.S. workers, U.S. industry, or the international economic position of this country.

Before going into more detail, I would point out that the Commission on International Trade and Investment Policy, the so-called Williams Commission, consisting of distinguished representatives of business, labor, and the universities, after carefully considering the matter of taxing income of foreign subsidiaries of U.S. companies, reached the following conclusion:

> Thus, the present U.S. system of taxing foreign-source income probably represents the most practical approach to a basic neutrality between the taxation of domestic and foreign production while at the same time limiting the adverse impact of taxation on the competitive position of U.S. firms operating abroad.

They reached this conclusion because Congress exhaustively considered this matter in 1962 and decided to tax only the income from so-called tax haven operations. Income from foreign manufacturing operations does not escape U.S. tax; it is taxed when repatriated to the United States. The foreign taxes are paid currently as the income is earned, and these taxes are credited against the U.S. tax when the income is repatriated and subject to U.S. tax. Thus, there is no tax forgiveness on such foreign income—merely tax deferral as to the excess of the U.S. tax over the foreign tax. This is a sensible system which does not unduly prejudice U.S. companies vis-a-vis their foreign competitors, which also pay only the foreign taxes currently. It has worked well for all these years. We should not change it now.

Now, for more detail as to DISC—

The tremendous importance of the DISC in keeping jobs in the United States must be recognized. DISC is a provision which is an incentive for U.S. companies to continue manufacturing in the United States for export, thus preserving and creating jobs at home. In doing so, it stimulates U.S. exports in a manner entirely consistent with our international obligations and treaties.

The benefits of DISC are carefully confined to insure that the beneficial treatment will be limited to export sales and to companies which engage in no activity other than export sale. Further export stimulation is assured by a rule permitting a DISC to retain its tax deferred income only if it reinvests that income in qualified export assets, or lends to U.S. producers engaged in export production.

DISC will also serve to offset the effect of foreign export incentives which reduce the ability of our exports to compete in third country markets and which encourage U.S. manufacturers to establish plants abroad to take advantage of those incentives. The DISC proposal will remove a real impediment to maintaining and expanding facilities in the United States for export production.

The DISC approach is trade expanding, rather than contracting through tariffs or quotas. It is a positive inducement to private action rather than an additional form of government imposed limits or controls on U.S. business. It will be effective as soon as it is passed in persuading companies to maintain and increase their export sales, thus preserving and creating employment in the United States.

The Senate Finance Committee made three substantial changes in the DISC proposal as introduced by the Treasury. First, it limited the DISC rules to a period of 10 years to insure that Congress reexamines the functioning of this change in our tax laws. Second, the committee reduced the amount of income entitled to deferral to one-half of the DISC's income. This was a substitute for the complexities and inequities of the so-called "incremental" approach the House adopted in approving DISC. Finally, the bill now contains provisions making it largely impossible for the tax deferred income of a DISC to be used to invest in foreign subsidiaries.

Thus, the benefits available to DISC's are reduced from the Treasury's original proposal, and there are more safeguards to assure that these benefits are used to stimulate exports. We should not lose this opportunity, at a very small cost in terms of revenue loss, to deal with the problem of maintaining and increasing U.S. employment, and improving our balance-of-payments position. I urge the Senate to reject the amendment of Senator HARRIS.

As for the matter of discouraging foreign investment by taxing foreign currency, this question was extensively debated in 1962 and resolved in favor of the current law whereby most manufacturing income abroad is deferred until distributed as a dividend.

Even if some U.S. investment abroad is deterred, this does not mean that U.S. exports will be increased in the same industries that can no longer invest abroad. There are many circumstances in which it is necessary to invest abroad to meet foreign-content requirements or avoid costs inherent in exporting—lower foreign wage rates; foreign tariffs and nontariff trade barriers. The DISC proposal contemplates that the tax motive would be removed from the consideration of whether to invest in the United States or abroad. From the tax standpoint it would favor the United States. A broad assault on foreign investment would be counterproductive. Substantial exports are made to U.S. affiliates and would not otherwise occur. Dividend remittances have been a positive balance-of-payments factor for more than a decade.

Any effort to handicap U.S. investment abroad does nothing to affect foreign-owned competition which benefits fully from foreign tax incentives and tax holidays.

The practical consequence of current taxation is that there would be no additional U.S. tax revenues. Foreign effective tax rates, as determined by U.S. tax rules, are lower than the U.S. rate. The overall effective rate in 1966 was approximately 38.6 percent. When distributions are made on foreign income most foreign countries impose a withholding tax on that income. The withholding taxes, together with corporate income taxes on manufacturing, will equal the U.S. tax rate on the dividend. Most companies would make current distributions in order to assure themselves of obtaining the tax credit and would then reinvest the after-tax proceeds in the foreign affiliates as a contribution to capital. In addition, foreign countries would be tempted to increase their rates to soak up the U.S. taxes. The net result would be simply to increase the level of foreign taxes on our companies with no tax gain to the United States. This is equally counterproductive.

For this additional reason, Senator HARRIS's amendment should be rejected.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from Oklahoma. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Carolina (Mr. ERVIN), the Senator from Wyoming (Mr. MCGEE), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Alabama (Mr. SPARKMAN), are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN), would vote "nay."

Mr. GRIFFIN. I announce that the Senators from Colorado (Mr. ALLOTT and Mr. DOMINICK), the Senator from Kansas (Mr. DOLE), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS) and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. HRUSKA), and the Senator from Pennsylvania (Mr. SCOTT) would each vote "nay."

The result was announced—yeas 28, nays 59, as follows:

[No. 351 Leg.]

YEAS—28

Burdick	Hollings	Montoya
Byrd, W. Va.	Hughes	Muskie
Chiles	Humphrey	Nelson
Church	Jackson	Proxmire
Eagleton	Kennedy	Randolph
Fulbright	Magnuson	Stevenson
Gravel	Mansfield	Symington
Harris	McGovern	Williams
Hart	Metcalf	
Hartke	Mondale	

NAYS—59

Aiken	Curtis	Pastore
Allen	Eastland	Pearson
Anderson	Ellender	Pell
Baker	Fannin	Percy
Beall	Fong	Ribicoff
Bellmon	Gambrell	Roth
Bennett	Goldwater	Schweiker
Bentsen	Griffin	Smith
Bible	Gurney	Spong
Boggs	Hansen	Stafford
Brock	Hatfield	Stennis
Brooke	Inouye	Stevens
Buckley	Javits	Taft
Byrd, Va.	Jordan, N.C.	Talmadge
Cannon	Jordan, Idaho	Thurmond
Case	Long	Tower
Cook	McClellan	Tunney
Cooper	Miller	Weicker
Cotton	Moss	Young
Cranston	Packwood	

NOT VOTING—13

Allott	Hruska	Saxbe
Bayh	Mathias	Scott
Dole	McGee	Sparkman
Dominick	McIntyre	
Ervin	Mundt	

So Mr. HARRIS' amendment (No. 680) was rejected.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. GRAVEL) laid before the Senate a message from the President of the United States submitting the nomination of Edgar R. Fiedler, of New York, to be an Assistant Secretary of the Treasury, which was referred to the Committee on Finance.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 651

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the amendment (No. 651) of the Senator from Florida (Mr. GURNEY), which the clerk will state.

The second assistant legislative clerk proceeded to read the amendment, to add a new title: title VIII, amendments to the Social Security Act.

Mr. GURNEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GURNEY. I send to the desk a modification of the amendment.

The PRESIDING OFFICER. The modification will be stated.

Mr. GURNEY. I ask unanimous consent that the reading of the modification be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modification is as follows:

Insert at the end of the amendment:

"(c) Notwithstanding any other provision of law, during the period beginning January 1, 1972 and ending with the close of December 31, 1972, the percentage of Federal matching that would otherwise be applicable for money payments to individuals under sections 3(a)(1), 403(a)(1), 1003(a)(1), 1118, 1403(a)(1), and 1603(a)(1) of the Social Security Act shall be increased by ten percentage points."

Mr. GURNEY. I ask unanimous consent that staff members Glenn R. Markus and Francis J. Crowley be permitted to be present on the floor to assist me during the consideration of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GURNEY. Mr. President, the pending amendment which I offered is, I

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feel, most important and long overdue. Its provisions are basically similar to the pending bill dealing with social security and medicare improvements, S. 2512, which I introduced earlier in this session.

There is no one in this Chamber who can deny the plight of our elderly American. He has been left to his own meager resources, ofttimes shut off from the mainstream of life, and always denied an adequate existence. He has surely been the principal casualty of inflation. We have not done this intentionally, but we have done it through neglect. I submit that the time has come to end this neglect.

There is another pattern of behavior which I believe must now be ended. That is the use as a political football of legislation designed to aid the elderly American.

Time and time again, provisions designed to improve and upgrade social security coverage and medicare coverage have been attached to unpopular bills in the hopes that these urgently needed and necessary social security and medicare reforms serve as a savior for the less popular causes.

All too often, the social security reforms prove only to be additional casualties of legislation containing unpopular provisions.

I submit it is therefore time to end what appears to be the perennial bondage of aid to the older American, to politically unpopular legislation. I had this in mind when I introduced S. 2512. I had this in mind when I offered the pending amendment.

A favorable vote on this amendment would clearly and adequately reflect the feeling of this Chamber that these reforms are not only long overdue and needed, but must be enacted now.

My amendment is purposely a noncontroversial one. There is little in the amendment which in one form or another has not been approved by the Senate and the other body this year or in many cases, last year.

The amendment consists of three basic parts:

First, the provisions relating to old age survivors and disability insurance.

Second, there are provisions relating to medicare, medicaid, and maternal and child health.

Third, the amendment contains provisions relating to certain aspects of welfare.

I. SOCIAL SECURITY REFORMS

Part A of the amendment contains several provisions which I think are an absolute minimum necessity. There are many who would say that the increases provided for are not enough and that more should be done. I would agree with this criticism. Yet, I feel that all of these provisions will constitute major and important improvements and I felt it important to keep the figures within what I realistically thought could be expected to win approval of this body.

The first provision I should mention in terms of social security reform is the provision of a 5-percent increase in benefits, effective July 1, 1972. I think that this is at least a year overdue and must be passed. Admittedly, 5 percent is not a tremendous sum of money, but for someone presently receiving, say, $146 a month, the extra $9 they would receive under such an increase would surely come in handy. It would definitely help in meeting necessary basic minimum expenses.

A second provision for social security reform contained in this amendment is in keeping with my feeling that the time has long since passed when social security reform should be treated as a political football. The amendment contains a provision to establish automatic cost-of-living adjustments in benefits, and in contribution and benefit bases, both to be established by the Secretary of HEW.

By tying social security benefits to a cost-of-living scale, we would provide a mechanism for relatively expeditious adjustments in social security benefits to reflect any higher cost of living. Presently, retired military and other Federal employees have such a cost-of-living provision in their retirement plans. The vast majority of these persons receive good pensions, considerably higher than that received by the average social security annuitant. If a cost-of-living factor is necessary for Federal employees with substantial pensions, it cannot be denied that it is at least as necessary for social security recipients—millions of whom try to eke out the twilight years of their lives on poverty income. This amendment provides that social security benefits would rise to reflect a rise in the cost of living. These changes are to be effected by the Secretary of HEW.

This cost-of-living provision would also eliminate, once and for all, social security increases serving as a free common carrier for assorted bits and pieces of other legislation, some of which should not be passed at all.

Third, the amendment provides for an increase in widow's benefits from the present amount of 82.5 percent of her husband's benefit to an amount equal to 100 percent of the deceased husband's benefit. This is also most important, indeed critical. We are all aware of the plight faced by millions of widows across the Nation. Not only does a widow suffer the loss of her husband, but automatically her income is cut despite the fact that most of her expenses—her rent, car, electricity, heat, water, and so forth, remain the same. Right on the heels of the great personal loss in the death of her husband comes a substantial loss of income.

This provision would at least enable her to maintain a stable financial floor and to prevent the crisis of a personal tragedy from being further complicated by financial catastrophe as well.

When one takes together the 5 percent benefit increase along with the increase in widow's benefits, the following example might be given. A widow who currently receives $146.70 a month in social security benefits would receive an additional $8.90 a month from the 5 percent benefit increase included in this amendment. Adding to that the widow's benefit increase, she would receive an extra $31 per month bringing the total monthly benefit to $186.60, an increase of nearly $40 a month and over 20 percent more than she is currently receiving.

The pending amendment also contains a provision which establishes an age 62 computation point for men. This provision will, in effect, allow a man to have his social security benefits computed on the same basis as a woman's social security benefits. Under present law, a woman is provided with an age 62 computation point while men are given an age 65 computation point. The effective result is that a woman with precisely the same earnings record as a man would draw benefits approximately 8 percent higher than those of a man. This amendment would provide equal benefits for equal earnings, and I think this is the only reasonable and equitable thing to do.

Another provision contained in this amendment is an increase in the earnings limitation on social security recipients. Presently set at $1,680 per year, this limitation in effect deters a retiree from continuing to lead some kind of productive life. Such an encouragement of inactivity is, I feel, totally un-American. We are discouraging people from working. We should be encouraging the older American to participate in all aspects of life, rather than adding another incentive toward isolation.

I know a little about this, because I live in a State where there are a great many social security retirees, Americans who led an extremely active and productive life. I have heard many complaints about the fact that they cannot work productively and cannot earn as much as what little job they could get would return. This is an inequity that should have been eliminated a long time ago.

I have long felt that we should do away with this earnings limitation altogether. Such proposals have not been successful in past sessions of Congress.

In S. 2512, I inserted a provision to raise the earnings limitation to $3,000. However, in view of the fact that the higher figure has never been acted upon by either the Finance Committee or the Senate, and in line with my hope that we can keep this amendment noncontroversial, I have lowered the figure to $2,400. This is the figure that the Senate approved last year and I am sure that the Senate can agree on it again.

Comparing social security to civil service retirement, once again we see that civil service annuitants can draw retirement benefits regardless of whether they hold a job. Social security annuitants are not so lucky. This is another area requiring the enactment of additional equity.

Section 818 of this amendment is, I feel, also an important one. It provides for reduction in the waiting period for disability benefits. Under present law, a person who becomes disabled must wait 6 months from the time he notifies the Social Security Administration to the time that he can begin to draw benefits, and the benefits are not retroactive. This, in effect, amounts to a 6 month wait before one can begin being compensated for benefits which he is entitled to at the time of the notification.

Now, in S. 2512, I had provided for a reduction in this period to 4 months. Once again, I have modified this in the present amendment in order that there may be agreement on social security reform at this time. This amendment provides for a waiting period for disability benefits for 5 months, and in effect, adds an additional month of benefits over and above that provided by present law.

My amendment also provides for an increase in eligibility for childhood disability benefits. Under the present law, benefits are paid until the disabled child of an insured, retired, deceased, or disabled worker reaches age 18. My amendment would continue the benefits until the child reaches age 22, or until the end of a school year or semester.

II. MEDICARE, MEDICAID, AND MATERNAL AND CHILD HEALTH REFORMS

The major provision of the pending amendment in the area of health is a provision for medicare coverage for the disabled. We all realize the difficulty that the disabled have in finding insurance in the private sector. One criticism of this inclusion, however, has been that the high cost would preclude such an extension. However, I would respectfully submit that the present unmet need for health insurance protection for the disabled of our Nation is so great that this legislative action can no longer be deferred. Every study in this area has recommended such inclusion. It is abundantly clear that we should not procrastinate any longer on this matter. This is something that we can all agree here and now is necessary and appropriate legislation that should be passed.

This part of the amendment also provides for improvements in operating effectiveness of the medicare program. A most important provision is that which establishes funding for experimental and demonstration projects to develop incentives for cost cutting in the provision of health services. New and improved planning of health facilities and the prudent use of funding must be employed if any significant gains in controlling health costs are to be made. Health costs have been escalating at a wild pace similar to our welfare costs.

Expansion, modernization of facilities, and treatment must be evaluated, coordinated, and planned on a rational basis. This amendment would assist in that approach. Experience under the present medicare, medicaid, maternal and child health and other third party programs clearly demonstrates that there is little incentive in containing costs or providing health services in any efficient and effective manner. These demonstration projects with alternative methods and techniques of reimbursement may give us the information we need to help keep down the rising costs to the program of the delivery of health services.

That is a step in the right and a forward direction.

This amendment also provides for limitations on coverage of costs under medicare.

We all recognize the fact that medical costs can and do vary from one institution to another. This results from differences in size, the nature of services provided, the type of patient treated, the location of the institution and various other factors affecting the delivery of needed health services.

However, variations in cost can result from inefficient operation or the provision of plush surroundings. While it is true that a patient who desires these amenities should not be denied them, it is also true that medicare/medicaid should not have to pay for these nonessential services.

This section, then, gives the Secretary of HEW authority to set limits on costs recognized as reasonable for institutions within particular geographical areas.

The institutions will be informed in advance of the limits of government recognition of incurred costs and thus have the opportunity to act to avoid incurring nonreimbursable costs. Since these limits will be defined in advance, the health care institution could charge the beneficiary for services in excess of, or more expensive than, those that are deemed necessary for proper health care.

Also included in my amendment is a requirement that extended care facilities have at least one full-time licensed practical nurse on its staff, and care in intermediate care facilities would be subject to professional audit and utilization review requirements. Thus, care in extended care facilities would be subject to a review by medicare/medicaid to ascertain the institution's proper utilization of medicare funds, and plant a safeguard against the inefficient use of funds.

My amendment also provides payments under medicare to health maintenance organizations. Certain large medical care organizations seem to deliver medical care more efficiently and economically than the medical care community as a whole is able to. This is due in part to their operation on a prepaid basis at fixed amounts, which gives them incentives to keep costs low and control utilization.

Medicare does not currently pay for such comprehensive programs on a prepayment basis. Consequently, the financial incentives to economical operation in such programs have not been available to medicare. Section 864 of my amendment corrects this problem. Medicare would contract with such organizations, and would reimburse them on a capitation basis at a rate equivalent to 95 percent of the per person costs of medicare beneficiaries in the area, with actuarial adjustments, taking into account variations in patient mix. Profits accruing to the HMO's would be passed on to the medicare enrollees in the form of expanded benefits.

This amendment also contains a provision for payment of fees for physical therapy services and other therapy services. At present, physical therapy is covered as an inpatient hospital service, extended care service, home health service, and incident to physician services. It is also commonly furnished by a hospital, extended care facility, home health agency, or clinic. It is not now covered by medicare when the service is furnished in the therapist's office.

This would seem to make little sense. Many times the therapist's office may be more accessible than the facility to which the beneficiary must now travel to obtain the service. Also, the cost of treatment when given in a therapist's office would often be less costly. Therefore, my amendment permits physical therapy services to be paid for, when they are given by a registered physical therapist in a home or office.

Now possibly the most controversial subject when the medicare program's coverage is discussed is whether or not coverage of chiropractic services ought to be allowed. I have heard letters and received comments on both sides of the question. Chiropractors and their patients have urged coverage. Others in health fields have claimed that such services should not be covered under the medicare program. Because of the controversy involved, this amendment provides for a study of the validity of covering chiropractic services under medicare. I believe that only in this way can we decide whether or not this care should in fact be covered in the program.

The pending amendment also provides for the establishment of professional standard review organizations. This kind of proposal was originally developed by the distinguished senior Senator from Utah (Mr. BENNETT). It has received substantial recognition and deservedly so.

A significant amount of health services paid for by medicare and medicaid are currently in excess of those which would be found to be medically necessary under appropriate professional standards. Furthermore, in some instances, the health services which are provided are of unsatisfactory professional quality.

Professional standards review organizations would be sponsored by organizations representing substantial numbers of practicing physicians—usually 300 or more—in local areas. Established by the Secretary of HEW throughout the United States, these organizations would assume responsibility for comprehensive and ongoing review of services under medicare and medicaid.

The purpose of this section is to assure proper utilization of care and services under medicare and medicaid utilizing a formal professional mechanism representing the broadest possible cross section of physicians in an area. This provision should help provide better physician care under the medicare and medicaid programs.

Finally, following up the President's recent criticism of the quality of care in some of our nursing homes, I have included in this amendment a provision which was added by the Senate Finance Committee to last year's social security bill. This provision permits public access to records concerning a nursing home's qualifications for coverage in the medicare program. Such coverage requires, for instance, adequate fire protection and sufficient medical personnel to be employed by a health-care facility. This means that should an institution fail to meet these medicare qualifications and fail to correct itself within 90 days, the fact that the institution was not eligible and is not qualified, shall be made public. This type of public information and public access to this kind of record is desirable if we are to maintain our good nursing homes and raise the quality of some of the poorer institutions.

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Part C of this amendment contains provisions relating to welfare. My files are full of letters from persons in my own State of Florida who are in the unfortunate position of requiring additional assistance from the State welfare programs to supplement their income on social security. What happens to these people when their social security benefits increase is shocking. When their social security benefits increase, their welfare benefits, their aid to the aged, blind and disabled benefits are lowered by an equal amount. Thus, these people who are unfortunately dependent upon receiving aid from two sources find themselves no better off after a social security increase than they were before.

Because of this, the pending amendment provides, in effect, that should an individual receive an increase in social security benefits of, say, $10 a month, the State could not reduce its assistance to that individual by the same $10. Instead, the aid to the aged, blind, or disabled recipient would receive the additional income, with the Federal Government paying the additional cost.

Finally, when the amendment was called up by me, I sent a modification to the desk which would allow a Federal matching increase in Federal funds to the States, because there has been a good deal of talk and argument to the effect that we should not introduce a social security measure at this time because it was feared that if we were to do so, the family assistance plan is going to rear its ugly head at the same time, as some people have said.

All of us know that we need the family assistance plan. The welfare plan is unfortunately long overdue. But we have not been able to come to agreement as to what it should be. In the meantime the States are suffering a severe financial burden in continuing the kind of burgeoning and expanding welfare needs.

I know some of the arguments that will be made. They will say that if we add social security to the bill, we have to add the welfare provisions because many States would go bankrupt.

I have tried to anticipate that by adding to the latter part of the bill a provision which would provide for a 10-percentage point increase in Federal matching funds to the States for welfare programs. This provision is effective only 12 months, from January 1, 1972, through December 31, 1972. The sole purpose of this provision is to relieve the terrible financial burden on the States while the Senate acts rationally on welfare reform.

All of us here are well aware of the present crushing burden that welfare programs place on the financial resources of the States. All of us are also aware of the need for a comprehensive reform of our present archaic and inadequate welfare system. What this amendment would do is provide emergency relief to the States until welfare reform is achieved.

I chose the period of 1 year, feeling that it would take possibly up to 6 months to get the family assistance plan or some workable welfare reform enacted by Congress. And if we do not enact it in a 6-month period, we can certainly forget about it, because by that time, it being a presidential year next year, we will be out of business for all practical purposes.

I have put in another 6-month provision, allowing a year altogether, including a 6-month transition period for the States to take over on whatever new welfare plan is to be put into effect.

It seems to me that this ought to at least satisfy the argument and the complaint of some of the welfare enthusiasts and advocates here that we should not have social security unless we have welfare plans. Frankly, I do not see that the two have anything to do with each other.

That is the main reason why I have introduced the amendment. I have introduced it, of course, as a separate bill prior to that time. For the life of me, I have never been able to understand why every time we have a social security bill it has to be coupled with something else.

We have a lot of retirement plans in the Federal Government. We have a retirement plan for the military, a huge retirement plan. We do not, when we consider one of those programs, tie it up with a welfare plan or some other piece of legislation. We have had retirement bills for the Federal employees and for the railroad workers. I do not recall that we have tied them up with some other obnoxious piece of legislation, either.

For the life of me, I cannot understand why we have to put off increased benefits for the elderly people until we have some controversial piece of legislation that we do not want to let get by.

I think that it is time that the Senate face up to its responsibility to the older Americans and considered this legislation by itself.

Mr. President, the problems confronting the older American are too well known by all of us to require any lengthy or detailed recitation. Yet, there is a mammoth chasm between our recognition of very real problems and our acting to resolve them. Each passing year increases the economic problems of old age. Economic slowdown, increases in living costs, decay of metropolitan centers and services, inadequate transportation facilities—I could well spend my entire time doing nothing more than listing the problems confronting the older American.

There are, however, certain figures I should like to point out. Today, there are more than 4.7 million older Americans living below the poverty line and this number is constantly increasing. If the present trend of easing older workers out of the work force continues, this number may well accelerate.

The situation confronted by the older or, indeed, even middle-aged worker seeking to obtain employment is not promising. Hearings held by the Special Committee on Aging, of which I am a member, have clearly shown that discrimination exists in the employment of the middle-aged and older worker because of age.

Also, the most economically disadvantaged of the older Americans is the woman. The elderly woman living alone or with nonrelatives is, according to Social Security Administration studies, the most economically disadvantaged in our entire society, with over 60 percent classified as poor and near poor. Especially hard pressed, of course, are those widows who are not covered by social security because they were not payroll workers during their lifetimes, but instead, were fulfilling the traditional role of mother and housewife. The widows find themselves confronted on the death of their spouse with reduced and totally inadequate benefits.

In the area of medical care, we are confronted with another crisis. Since the enactment of the medicare program in 1965, there have been four social security increases, equivalent to approximately a 50-percent increase. Yet, expenses for participating in medicare have advanced much faster than the increase in these social security benefits. Moreover, charges for services performed by physicians and by hospitals have also increased dramatically to a point where in fiscal 1970, a total of $10.6 billion was spent in public programs providing personal health on behalf of the elderly, and $5.1 billion spent privately.

Thus, improvements and adjustments in the experimentation of health delivery service systems is an absolute necessity.

As I have stated, these provisions in this amendment are all things that are noncontroversial, as far as what they provide is concerned. They have been processed by the House and the Senate either this year or last year. They are long overdue. They are desperately needed by the elderly people and by those on medicare and medicaid. I think the time has come for us to face up to our responsibilities and not permit them to be held hostage to welfare reform any longer. They need the money and they need it now.

I understand the administration is opposed to this. They sent a letter to all of us. I received a letter from the Secretary of Health, Education and Welfare, and he said that we have a comprehensive social security and welfare bill, H.R. 1, under consideration by the Committee on Finance, and that the administration is opposed to any nongermane amendments.

For the life of me, I think this amendment is far more germane than any we have considered in the last few days. The argument made by the Secretary in his letter is precisely the argument I make. They strongly oppose any separation of H.R. 1 from welfare reform for obvious reasons. As long as they have social security around serving as a vehicle for welfare reform, they will be able to get welfare reform passed more expeditiously and they will probably get a bill passed that is less advantageous and more detrimental to the United States.

If we separate these bills and let welfare stand on its own feet and be worked over so that welfare will finally pass this body on its own with a substantial vote, we will have a welfare formula that will work.

I say we will do the administration a great favor if we separate these two and pass social security now, which is so desperately needed.

Mr. President, what I am saying when I set out some of these facts is nothing more or less than that we need to act and act today on this amendment. The Senate must live up to its responsibilities to improve the plight of the older American in our society. We must, here and now, vote favorably on the proposals contained in the pending amendment and get on with meeting our responsibilities in this area.

Mr. President, I reserve the remainder of my time.

Mr. BENNETT. Mr. President, is the Senator from Utah correct in assuming there is no limitation on time?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARTKE addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. BENNETT. Does the Senator want me to yield for a question?

Mr. HARTKE. I wish to offer an amendment.

Mr. BENNETT. Mr. President, I yield for that purpose. I ask unanimous consent that I may yield to the Senator from Indiana for the purpose of introducing an amendment, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I ask that my amendment which is at the desk, an amendment to the Gurney amendment, be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HARTKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 105, line 14, delete section 838 and add the following new section:

ONE-YEAR REDUCTION IN SOCIAL SECURITY TAX RATES

SEC. 838. (a) (1) Section 1401(a) of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment for purposes of old-age, survivors, and disability insurance) is amended—

(A) by striking out "and before January 1, 1973" in paragraph (3) and inserting in lieu thereof "and before January 1, 1972";

(B) by striking out "and" at the end of paragraph (3);

(C) by redesignating paragraph (4) as paragraph (5) and inserting after paragraph (3) the following:

"(4) in the case of taxable year beginning after December 31, 1971, and before January 1, 1973, the tax shall be equal to 5.9 percent of the amount of the self-employment income for such taxable year; and".

(2) Section 3101(a) of such Code (relating to rate of tax on employees for purposes of old-age, survivors, and disability insurance) is amended—

(A) By striking out "the calendar years 1971 and 1972" in paragraph (3) and inserting in lieu thereof "the calendar year 1971"; and

(B) By redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively, and by inserting after paragraph (3) the following new paragraph:

"(4) with respect to wages received during the calendar year 1972, the rate shall be 4.1 percent;"

(3) Section 3111(a) of such Code (relating to rate of tax on employers for purposes of old-age, survivors, and disability insurance) is amended—

(A) By striking out "the calendar years 1971 and 1972" in paragraph (3) and inserting in lieu thereof "the calendar year 1971"; and

(B) By redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively, and by inserting after paragraph (3) the following new paragraph:

"(4) with respect to wages received during the calendar year 1972, the rate shall be 4.1 percent;"

(b) The amendments made by this section shall apply only with respect to taxable years beginning after December 31, 1971.

Mr. HARTKE. Mr. President, for the record, this amendment deals with the question of pay as you go on financing for the social security system. In substance it keeps the fund at the present level and provides 1 year reduction of the present social security tax from the present level of 4.6 to 4.1 percent.

I thank the Senator for permitting me to introduce the amendment.

Mr. BENNETT. I am happy to do so.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, before I begin to discuss this particular amendment, I would like to make my latest report on the cost of the amendments we have adopted to date. The bill of the Committee on Finance would have cost the Federal Government $1.7 billion lost in revenue in 1971. We have added an additional $1.1 billion in lost revenues for 1971. The committee bill would have cost the Federal Government $7.8 billion in 1972. We have added an additional $5.2 billion for 1972. Through 1980 the bill of the Committee on Finance would cost the Treasury $68.3 billion. The amendments we have added to date would raise that to $125 billion, which is a few billion dollars short of doubling it.

It seems to me that those of us who blithely suggest this is only a billion dollars do not realize the course on which we have set the Government and do not realize that these costs, while they may be very small the first year—we are given to that bad habit—because although the first year would be $1.1 billion, it would be about $56 billion over 10 years.

As we continue in the discussion, I want to keep this up to date.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table showing the losses in revenue from the floor amendments year by year from 1971 to 1980.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EFFECT OF SENATE FLOOR AMENDMENTS TO H.R. 10947 AS REPORTED BY THE SENATE FINANCE COMMITTEE AS OF NOV 16, 1971

[In millions of dollars]

	Calendar years										
	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	Total
$800 exemption		−1,833	−1,921	−2,009	−2,097	−2,185	−2,273	−2,361	−2,449	−2,537	−19,665
Child care deduction		−205	−215	−225	−235	−245	−255	−265	−275	−285	−2,205
Farm equipment made retroactive to January 1971	−75										−75
Unemployment compensation: increased benefits		−470									−470
Unemployment compensation: increased taxes		+237	+248								+485
Excise tax on metropolitan buses		−4	−4	−4	−4	−4	−4	−4	−4	−4	−36
Baker excise tax amendment	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
Industrial revenue bonds		−10	−25	−40	−60	−80	−105	−130	−160	−200	−810
Tax credit for higher education up to $325 per student		−2,200	−2,300	−2,400	−2,500	−2,600	−2,700	−2,800	−2,900	−3,000	−23,400
Minimum standard deduction—$1,300 for 1971	−1,005										−1,005
Investment credit (rural and city jobs)		−775	−829	−887	−949	−1,015	−1,086	−1,162	−1,243	−1,330	−9,276
Total	−1,080	−5,260	−5,046	−5,565	−5,845	−6,129	−6,423	−6,722	−7,031	−7,356	−56,457
Individual nonbusiness	−1,005	−4,712	−4,446	−4,650	−4,856	−5,062	−5,270	−5,478	−5,688	−5,902	−47,069
Individual business	−75	−135	−145	−222	−237	−254	−272	−290	−311	−332	−2,273
Individual total	−1,080	−4,847	−4,591	−4,872	−5,093	−5,316	−5,542	−5,768	−5,999	−6,234	−49,342
Corporation		−413	−455	−693	−752	−813	−881	−954	−1,032	−1,122	−1,115

Office of the Secretary of the Treasury, Office of Tax Analysis, Nov. 16, 1971.

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Mr. BENNETT. Mr. President, there has been a great deal of discussion on the floor about the relative effect on corporations and individuals of the proposals contained in the present law and in this bill. We have been told over and over again that under the present circumstances corporations fair so much better than individuals that it is necessary to step up the tax reductions for individuals in order to equalize it. In this period of 1971 to 1980, inclusive, the tax reductions for individuals from floor amendments are $49-plus billion and the tax reductions for corporations are $7 billion. So we have leaned over at a rate of 7-to-1 in comparing reductions for individuals and corporations. Yet somehow, some of my colleagues cannot get this through their heads and keep coming back to us and saying, "My additional tax reduction is necessary because we have treated corporations so much better than we have treated individuals."

Now, going to the amendment which is before us, I wish to read a letter which has been addressed to the Republican leader, Senator HUGH SCOTT, by Elliott Richardson, Secretary of Health, Education, and Welfare.

The letter reads:

DEAR SENATOR SCOTT: I would like to supplement and reemphasize my letter of November 15, 1971 concerning the Administration's opposition to non-germane amendments to H.R. 10947, the Revenue Act of 1971.

We have been most pleased by renewed assurance that the Senate Finance Committee will resume consideration of H.R. 1, the Social Security and Welfare Reform bill, following disposition of the Revenue Act and will report the bill to the Senate early next year. We strongly urge that any proposals relating to Social Security or welfare, including State fiscal relief with respect to welfare costs, be considered in connection with H.R. 1 and not as amendments to the pending Revenue bill.

The Administration's opposition to inclusion of amendments affecting the Social Security Act in the Revenue bill stems both from the urgent need to expedite action on the Revenue bill and to allow for adequate consideration of such amendments in the context of the Social Security welfare reform bill to which they are germane.

I hope you will join with us, and urge others to do so, in the effort to speed passage of an unencumbered Revenue bill and to oppose inclusion of non-germane amendments in that bill.

The amendment suggested by the Senator from Florida would increase Federal expenditures by about $5 billion a year.

Mr. President, as a member of the Finance Committee, and if I may presume to do so, speaking for at least most of the members of that committee, we are disturbed, frankly, that a Senator who is not a member of the committee should undertake to write our legislation for us on the floor of the Senate, without giving us an opportunity to subject that legislation to the normal committee hearings and committee discussions. To take the bill as it came from the House and write it in to the bill on the floor of the Senate is to negate an important part of the legislative process, to deny many people who would want to be heard on these proposals the opportunity to have their say, and to deny to us in the committee the opportunity to consider alternative solutions to all these problems.

I would agree that it would be a wonderful world if we could take all the bills for which we are responsible and handle them simultaneously and instantaneously. In the nature of our particular assignment, the legislation has to originate in the House of Representatives, and we may not start to work until the House sends a bill over to us.

We have a revenue bill and a welfare-social security reform bill. Under the circumstances, the committee felt, and the President strongly urged us to do so, that we should handle the revenue bill first. We have to carry it all the way through in the processes of the committee. Then we have to handle it on the floor, in conference, and back on the floor again.

I have been on the floor 9 and 10 hours a day since last Friday, with no chance to hold hearings while we are involved in this debate, and it is going to be impossible for us to get to the process of considering H.R. 1, with its social security and welfare proposals, until after we are through here. I do not know how long the Congress will stay in session. As soon as we are through here, we will start to work on H.R. 1, and we will stay with it until the job is completed.

In practice, I know that means we cannot finish it up until some time early next spring. But that is no reason why we have to bypass the whole committee process, why we have to have the bill that came over from the House, why we have to deny people the opportunity to be heard, why we have to give up the chance we would have to consider alternative proposals. If we take that position, then we, in effect, have said to the House, "Well, you write the bill. We will give you our power. We will give up our right to look at it and we will take your bill without question."

It is for that reason that I, as the ranking minority member on the Finance Committee, and I am sure the chairman of the Finance Committee, feel that this is not the way to handle so important a bill.

I recognize that politically it is very appealing. This is an opportunity to make a political record. That kind of thing can only bring bad legislation.

So, Mr. President, when the proper time comes, either the chairman or I will move to table this measure, but I understand there is another member of the Finance Committee in the Hall who would like to have an opportunity to comment on it, and at this time I am prepared to yield the floor to the Senator from Connecticut (Mr. RIBICOFF).

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. RIBICOFF. Mr. President, certainly the amendment offered by the distinguished Senator from Florida is a worthwhile amendment. It contains elements with which none of us can disagree. As a matter of fact, each and every one of these proposals, if my memory is right, came out of the Finance Committee unanimously. I do not recall any member of the Finance Committee voting against these suggestions.

I think it is only fair, however, to point out to the Senate the significance of adopting these amendments. I have in my hand my amendment to H.R. 1, relating to the President's family assistance program. My amendment is 133 pages long. Should the proposal of the Senator from Florida not be tabled, I will then send to the desk and call up my amendment to the President's family assistance program.

The administration came to the chairman of our committee and to me and to the distinguished majority leader (Mr. MANSFIELD) and expressed concern about H.R. 1. It is no secret while the committee is practically unanimous in its support of social security, when it comes to H.R. 1 and the family assistance programs, there is great controversy in the Finance Committee.

It is my feeling that when the family assistance program comes to the floor of the Senate, after lengthy debate, the family assistance program will eventually be adopted.

I had originally intended to offer my version of the family assistance program as an amendment to the tax bill. However, I also recognized that the President's basic proposals in the tax bill are essential for the economy of our Nation. Taking anything up as controversial as a family assistance program at this time would lead to very extended debate, which would probably take us through Christmas. This would only give us a simultaneous failure of three basic measures that the country needs—the tax proposals of the President, the social security proposals which the Senator from Florida supports, and the family assistance program.

I know the distinguished Chairman of the Finance Committee is not enthusiastic about the family assistance program. But from my experience with the Finance Committee and the various men who have chaired it, even though they may not be sympathetic to a proposal, they have never denied a President or the Senate an opportunity to work their will on a basic measure presented to the Finance Committee. This can be affirmed by the distinguished Senator from Utah (Mr. BENNETT), who has been on that committee much longer than I.

The majority leader met with the chairman of the Finance Committee and with me. He told us that he had an obligation as majority leader to grant the President of the United States an opportunity to have any major proposal submitted by the President come to the floor for a vote. The majority leader pressed the chairman of the Finance Committee and myself to that end.

The majority leader, the chairman of the Finance Committee, and I came to the following understanding, which we then related to the entire membership of the Finance Committee, both Republicans and Democrats. Priority would be given to the tax bill and it would be moved to the floor as soon as possible. We would keep off the tax bill, so far as possible, the social security features of H.R. 1, the welfare features of H.R. 1, and the medicare features of H.R. 1.

The chairman of the Finance Committee then told the majority leader that, depending upon the time needed to complete this bill, the time remaining before adjournment, and the date we resume after our recess, the Finance Committee would immediately complete its hearings and move H.R. 1 to the floor of the Senate.

Consequently, the chairman of the Finance Committee and I both, with different objectives, agreed with one another that we would object to and fight the social security features and any change in welfare provisions, in order to preserve the integrity of the tax bill. We also agreed to assure the President and this body that there would be an opportunity to vote on social security and the family assistance program. To date we have tried to comply with this promise.

There are two amendments, one already brought up today and the other to be brought up later in the afternoon, that would shatter the understanding of the majority leader with the chairman of the Finance Committee and myself. They are the amendments concerning social security submitted by the distinguished Senator from Florida (Mr. GURNEY) and the amendment relating to welfare submitted by the distinguished Senator from Illinois (Mr. PERCY). We feel it is incumbent upon us, although we agree with many of the objectives of those proposals, to fight against them now.

Speaking for myself personally, I am sure that assurances could be given by the chairman of the Finance Committee and the ranking minority member that the measures sought by both the Senator from Florida and the Senator from Illinois could be made retroactive.

It should also be pointed out that the distinguished Senator from Indiana (Mr. HARTKE) has at the desk some 50 amendments covering social security. Those amendments encompass virtually each and every provision of the amendment offered by the Senator from Florida. The Senator from Indiana is a member of the Finance Committee. After conversations with both the Senator from Louisiana and me, the distinguished Senator from Indiana, who is one of the strongest advocates for social security reform and social security enlargement, has not offered his amendments.

So to agree to such amendments as those offered today would be unfair to this body, to the Finance Committee, to the President of the United States, and to the people throughout the country who depend upon our having an opportunity to vote upon the basic family assistance program and social security.

It would be my hope that either the ranking minority member or the chairman of the Finance Committee would move to table this amendment. It is not that we do not believe the amendment is meritorious, because it is. I commend the Senator from Florida for having such a deep interest in behalf of social security recipients. But I can assure the Senator from Florida that there is not a member of the Finance Committee, be he conservative or liberal, be he Republican or Democrat, who does not also have a strong commitment to social security beneficiaries, and who will not do everything in his power to move the social security amendments to the floor as soon as possible.

I would predict that before February is over, or before March is well on its way, H.R. 1 will be before the Senate and will be acted on, which will afford the Senator from Florida the opportunity he wants and needs.

Mr. MANSFIELD. Mr. President, will the distinguished Senator yield?

Mr. RIBICOFF. I am happy to yield to the majority leader.

Mr. MANSFIELD. Mr. President, I join the distinguished Senator from Connecticut in what he has just said. I note that the distinguished chairman of the committee is in his chair at this time. I ask him, Is it not true that I met with the distinguished chairman of the Committee on Finance and the distinguished Senator from Connecticut, the distinguished Senator from Georgia (Mr. TALMADGE), and others to discuss the possibility of reporting out H.R. 1, which the President refers to as his No. 1 legislative priority? Is not that the case?

Mr. LONG. That is exactly true. I would like to make one thing clear to the Senator, however.

The President subsequently informed me that as of this moment, the bill before us, this tax cut provision to get the economy moving, is his No. 1 priority.

Mr. MANSFIELD. Exactly.

Mr. LONG. And he wants this bill to go ahead of H.R. 1, so much so that he does not want the provisions H.R. 1 on this bill, even if we were to vote to put it on here. He feels that nothing must jeopardize the tax measure now being considered, and he feels that putting the provisions of H.R. 1 on this bill would definitely jeopardize enactment of H.R. 10947, the revenue bill we have before us.

Mr. MANSFIELD. If the Senator will yield, I want to corroborate what he has just said, because, at the President's specific request, the welfare proposal was laid aside so that the measure now before us would receive immediate consideration, due to the economic situation in which the Nation finds itself at the moment.

Furthermore, if my understanding is correct, the agreement among the Senators already mentioned and others was that H.R. 1 would be retained as a single package covering social security and welfare, a goal sought by the President as well as most of the members of the House of Representatives; and I believe further that the distinguished chairman indicated to those of us who were in attendance with him at that time, some weeks ago, that it was his intention, if at all possible, to endeavor to get H.R. 1 out and reported to the Senate no later than the middle of February—if possible to do so.

Mr. LONG. We were talking about that approximate date, and of course that depends upon when Congress comes back in. It might require some further time to report that bill. As the Senator knows, I am a little bit more ambitious about being able to set a specific date for reporting than some others. But we are agreed that this is a priority matter, it is the first order of business, and we ought to go ahead with it once the pending measure, H.R. 10947, the President's tax package, is out of the way.

We cannot make decisions on H.R. 1 on the basis the Senator from Florida suggests, because it involves what the President himself has described as the most revolutionary welfare proposal made in the history of the country by any President. That is the so-called family assistance plan, which is a very controversial matter, and the people of this country are entitled to be heard on it.

Those who favor the family assistance plan and have been strongly for it feel that it prejudices their chance to pass a family assistance plan if it is separated from the rest of H.R. 1, so they are determined to offer the family assistance plan to the other part of H.R. 1 in the event that those other parts are called up.

We passed what for the most part is in the Gurney amendment a year or so ago, and the House would not even go to conference with us because they wanted to talk about the whole thing at one time.

So we have the same problem on both sides, and the only way to resolve it is to do our job in reporting to the Senate the bill we think ought to be passed. Then, having done that, the Senate should work its will. The parts of H.R. 1 and last year's Senate bill which are embodied in the Gurney amendment will be before us and we can vote on them. There is not too much controversy, even though we will undoubtedly want to increase the cash benefits and if the committee does not, the Senate will. But then we will have to reach a conclusion about the difficult problems involved in the family assistance plan.

In some respects, we are making progress. We are solidifying our thinking on some aspects of this matter, but a great deal of controversy still remains in the family assistance plan. The matters involved there are so momentous that they just should not be disposed of lightly. No one should try to dispose of those enormous issues by walking in on the Senate floor and trying to dispose of them in an afternoon. That is at least a 6-week job for a committee, and it should be as able a committee as the Senate can put together. I am proud that the Finance Committee has jurisdiction over it because of the enormity of the problem.

Then, a committee having done its work, the Senate ought to take up that matter and thoughtfully consider it. The discussion should be on what the committee reports, both for and against, both sides of the argument, on the momentous issues involved in the family assistance plan.

Mr. MANSFIELD. I agree with what the distinguished chairman of the committee has just said.

May I say, also, that I am in full sympathy with what the distinguished Senator from Florida is trying to achieve and what the distinguished Senator from Illinois (Mr. PERCY) later will seek to achieve in this body. But I think that if you bring in social security issues and welfare issues as amendments to this bill, which now has the highest pri-

ority and which affects all the population of this Nation—the social security recipients and the poor as well as many others—you endanger the possibility of getting out a bill and restoring the economy within a reasonable period of time. Prolonged even further, I believe, will be a full consideration and disposition of all areas of reform covered by the Gurney amendment, the Hartke amendments, the Percy amendments, and others. To be frank, these matters should be considered as a part of H.R. 1, which ultimately may well be the most important bill to come before this Congress.

I do have some questions about the $2,400 subsistence payment—a guaranteed annual income, so to speak. Some Senators wish to raise that figure to $5,500. That seems even more questionable. But I realize that something must be done, that welfare is getting out of hand, that the costs are increasing rapidly year by year. This bill may be the answer, but I find it difficult to accommodate myself to it. I am trying to keep an open mind.

The point is, I would like to consider all these factors in relation to H.R. 1, at which time both the welfare proposals of the President of the United States and his social security suggestions could be considered in toto, and on that basis occupy the undivided attention of the Senate, after the appropriate committee, the Finance Committee, has had a chance to work its will prior thereto.

So I would hope that those who are offering social security amendments would keep in mind that they are just hindering the passage of this bill; they are tending to tear apart H.R. 1, which should remain as a package. That is the way it was intended. I hope it remains so.

Therefore, I would join the distinguished Senator from Connecticut (Mr. RIBICOFF), the chairman of the committee, and others in doing what could be done to bring about a separation of these issues.

Mr. LONG. There is no doubt in my mind that if you try to put the social security provisions of H.R. 1, or the welfare provisions of H.R. 1, on this bill, you are not going to get either of them. You are not going to get the President's economic package, and you are not going to get H.R. 1, either. All you are going to do is spend a great deal of time doing on the floor of the Senate the kind of things we would be doing in the committee as an an agent of the Senate.

Mr. RIBICOFF. The distinguished chairman was not in the Chamber when I pointed out that, should this amendment not be tabled, I would feel obliged, because of the agreement I had with the Senator from Louisiana and the distinguished majority leader, to offer as an amendment to the pending amendment my family assistance plan, which encompasses 133 pages. This would undoubtedly lead to a very extended debate and discussion, which would then lead to the failure of this entire bill. Social security would not pass, family assistance would not pass, nor would the President's economic package pass. It would be tragic for this Nation on all three counts.

Mr. LONG. Frankly, if that situation should develop, I hope I would be permitted to offer some of my amendments before the Senator offers his amendments. Let me give the Senate an idea of what it is in for when we become involved in legislating social security amendments on the floor—just to seek the Senate's judgment on some of the issues that should be decided.

Would the Senate like to lift the social security earnings limitation? Some suggest that.

Here are some other amendments I think the Senate would find appealing. One of them would reduce the age of eligibility for retirement benefits to 60. That has been favorably considered by the Senate, and I think the Senate might want to do that again.

We had a rather inconclusive debate on the child care provision last year. I think the child care provisions in H.R. 1 need an instrumentality capable of implementing them. We should consider that issue.

There is the matter of disability benefits affected by the receipt of workmen's compensation; one amendment would eliminate the limitation that workmen's compensation and social security payments not exceed 100 percent of what a person was making before he was sick or injured.

Then the Senate should give us a judgment on the repeal of the earnings test completely, which some have suggested, and we could see what the Senate would like to do on that matter.

Some do not think 5 percent is a sufficient social security increase. We ought to decide whether we want a 5-percent or a 10-percent increase across the board. So we will have to vote on that.

Then we can see what we want to do about special minimum benefits for certain categories of people, and we have a suggestion that we drop out additional years of low earnings. This would increase the income for many people. It is popular.

We have a suggestion with regard to the reduction in the waiting period for disability benefits.

I am anxious to seek the support of the Senate on a program to extend medicaid to cover the mentally ill. There has been some controversy about what it would cost. Some contend it would cost $500 million, but I am satisfied that if closely drawn, it would not cost more than an additional $200 million a year.

In addition, it would be well to see what the Senate wants to do about the coverage of prescribed drugs. That is a very important matter that has been brought to our attention by the Senator from New Mexico—Senator MONTOYA—and others. We would be entitled to know what the Senate would want to do about that.

I have prepared a statement supporting my proposal to extend medicare to cover catastrophic health insurance for all citizens. That would cost only $3 billion, and it would do a great amount of good for many less fortunate people in this Nation who have sustained very high hospital and doctors' expenses during the year. In addition, I am rather persuaded that the hospitals have a good argument with regard to a proposed possible change in their medicaid payments. I have been impressed by their arguments and I am inclined to offer an amendment to help the hospitals with their problems.

Those are matters that the Senator from Louisiana thinks we are entitled to have an answer to from the Senate, when we get into these areas. Those matters, I would hope, could be presented before we get around to the Senator's amendment, because we might not be able to get to a vote on this between now and January next.

Mr. RIBICOFF. I certainly would defer to my distinguished chairman by giving him priority to offer his amendments. As I listened to those amendments, it seems clear we will be here not only on Christmas, not only on New Year's Day, but until March 1 of next year when H.R. 1 was scheduled to be voted on originally, before we would even dispose of Senator GURNEY's amendment. I feel sorry for this Nation and its economic woes and problems if we have to wait that long for action on the President's tax proposal.

Mr. MANSFIELD. If the Senator will yield there, we could not pass a defense appropriation bill, we could not consider the nomination of the President's two nominees to the Supreme Court, we could not have a foreign aid bill—not that we will have one—but this would put the clincher on it.

I understand, for example, in addition to what has been said, that the distinguished Senator from Indiana (Mr. HARTKE) has at least 50 social security amendments. We would not finish them this year. We would adjourn sine die at noon on January 3, 1972, and this would be the pending business, and where the President's program and his nominees to the Supreme Court would end up, no one knows.

Mr. LONG. This is part of the work that must be done by the Senate. That is why we have committees. I have always thought it was a fine thing to have a balance on committees. I have tried to see that on the Finance Committee we had an appropriate number of chairs for the liberals, represented, for example, so ably by the Senator from Connecticut (Mr. RIBICOFF), as well as some chairs for fine conservatives, so that we would try to reasonably reflect what the Senate would want to do about these matters. From time to time, I try to cast my vote to reflect what the Senate is most likely to do, feeling it is something we should do and that we should have the judgment of the Senate on these things. But we cannot follow the same procedure on the floor of the Senate. All we can do is to offer the amendments and proceed to debate them and vote on them and see what the Senate wants to do.

SEVERAL SENATORS addressed the Chair.

Mr. GRIFFIN. Mr. President, I am not quite sure as to whom all this oratory is being directed. But if it is being directed to this side of the aisle, let me say that I am one Senator who has gotten the message. It is rather clear that if we want to get the tax bill through, we had better not get involved with controversial matters unrelated to the tax package. As much as I favor the amendment of the Senator from Florida (Mr. GURNEY), and I would like to vote for it, unfortunately, it would open up a Pandora's box, and if it were adopted we would be here indefinitely arguing about welfare reform and social security amendments.

It is very encouraging and heartening that the distinguished majority leader and the chairman of the Finance Committee are working so hard to help get the President's package through. I say that in all sincerity. However, when some of the other amendments are offered, having to do with unrelated matters—such as campaign contributions, which are important and should be considered separately—I hope we will see the same vigorous determination to put those matters aside, so this tax bill can be enacted as rapidly as possible.

Mr. MANSFIELD. May I say that we get the message on this side of the aisle, too. But there is a great deal of difference between 50, 75, or 100 social security amendments and a single amendment having to do with election financing.

After all, we have to depend upon big labor, big corporations, rich men, the American Dairy Association, the American Milk Producers Association, the American Medical Association, for the funds which are needed to conduct a presidential campaign. All we are trying to do is to bring equity back into the democratic process and preserve democracy, and keep it from falling into the hands of those who depend upon contributions and people who have the tendency, if not to buy politicians, at least to try to influence them.

Every Senator knows that if someone gives us $1,000, $3,000, or $5,000, that while we say, "No, this makes no difference," when they write us a letter or want to see us, we read the letter a second time and we spend a little more time with the donor than we do with anyone else. These are facts. They are economic facts.

So all we are asking for, in the Pastore-Talmadge amendment, is equity. What we are getting away from is the dependency on large corporations, large labor unions, and various other organizations which are politically oriented, representing various professions and the like. I think that this is the fairest objective that could be achieved if we want democracy to work as it should work and reduce in the process dependency on the rich and the big economic interests.

SEVERAL SENATORS addressed the Chair.

Mr. GURNEY. Mr. President, I knew I was going to get some discussion on my amendment, but I did not think I was going to get the political campaign issue in.

In answer to the distinguished majority leader, I do not know how it is in Montana, but in Florida, Democrats and Republicans seem to do all right in raising money. I do not believe that we need a campaign bill here.

Back to social security. We are talking here as to what the distinguished chairman of the committee pointed out, that there are some amendments to his amendment that people would like to offer.

I would not ask the embarrassing question of either the Senator from Connecticut or the Senator from Louisiana, whether they would object to my amendment. I think that the Senator from Connecticut has already answered that. He agrees with most of it. But what I would like to ask him is this, and it seems to me that this is the whole nub of the problem: The distinguished Senator from Connecticut, for whom I have the greatest regard and affection, and the distinguished chairman, the manager of the pending bill, have both stated that the bill is a good one, that the amendment is a good one, and that it has provisions in it which should be passed.

Mr. LONG. They should be good. We wrote them. That is where the Senator got them from.

Mr. GURNEY. That is precisely what I was going to say. They have been kicking around here for 2 years.

Mr. LONG. We passed them in the Senate.

Mr. GURNEY. Yes; we passed them in the Senate last year.

Mr. LONG. What happened after we passed them? The House would not even talk to us about that bill.

Mr. GURNEY. The point I want to make is that there is a great difference between the social security amendments I offered here and the family assistance plan or welfare reform. Both the distinguished Senator from Connecticut as well as the distinguished Senator from Louisiana have put their finger right on it; that is, that welfare reform is controversial. There is a great deal of difference of opinion on it.

I read the distinguished chairman's statement that he made last August in this Chamber, regarding the family assistance plan. I do not believe he agrees with me on the social security amendments, but I agree with him on the family assistance plan. But, for the life of me, I do not see why social security, every time it comes before this body or the other body, or the whole of Congress, has to be hostage to something that is controversial.

I will never forget, when I first arrived in the House of Representatives, one of the first things we had to consider was a social security increase tied to medicare. That is how medicare got through Congress. I am not arguing whether that was good or bad, but I will say that it never would have gotten through Congress, at least not through the House, in 1964, if it had not been hooked onto social security—that is, in the form that it was passed.

I do not see why 27 million older Americans—and that is just about how many older Americans there are who are drawing social security—every time we need an increase, every time we need a reform—and heaven knows, the chairman knows the legislation better than I, that in this amendment reform is long overdue, about 2 years—should be tied to something that is controversial.

For example, in the past few days, we have had the Magnuson amendment to benefit those who are unemployed. We have had the Hartke amendment, increasing exemptions for everyone. We have had the Humphrey amendment to aid farmers. We have had the Williams amendment to aid bus owners. We have had the Tunney amendment regarding child care. We have had the Hollings amendment to aid people who want to send their kids to college and get an education.

We have had the Pearson-Ribicoff amendment for both city and farm folks who were unemployed. But we cannot do that for 27 million older Americans. Why? It is because that provision is tied to a very controversial bill, and the administration—and I disagree with them heartily—and some of the people in the House and some of the people in the Senate say that we can get an unpleasant or a controversial bill and tie it up with social security. I think we should get over that hangup. We should let social security stand on its own and let the welfare system stand on its own.

Mr. RIBICOFF. Mr. President, I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, might I say to the Senator that I seriously considered offering the amendment the Senator has at the desk. I would have liked to do it. However, I discovered that those at the White House were determined not to let us pass the social security bill without an answer on the family assistance plan one way or the other.

I was determined, and I am satisfied in my own mind, that even if we could succeed here—and I do not think we can pass this bill until we have finally either defeated the family assistance plan or given some kind of an answer in the terms of an alternative to it—but even if we did, I am fully convinced that when we meet with the House, the chairman and the ranking members of that committee—two very fine Members of the Congress, able statesmen, Representative MILLS and Representative BYRNES—will take the attitude that since we are not willing to talk to them about something that they have sent us, they will not talk to us about our proposal.

Nothing will happen. In all that time we will be at loggerheads with those people and delaying matters that much longer.

Everyone wants to do it by the ground rules that they themselves favor. I do not blame anyone for that. I would like to pass everything in the bill without the family assistance plan. Many would like to pass it with the family assistance plan. That matter will have to be fought out, and should be, on its own merits.

I criticized the House when they would not talk to us after we passed the social security bill last year. The House would not even talk to us. They would not even pick the bill up off the desk. And the social security benefit increase was held hostage to the family assistance plan.

However, I did succeed this year in getting through an amendment to pay the 10 percent social security increase, and that is now law. We put it on the debt limit bill and persuaded the House to let that go through while they were preparing their new social security bill, H.R. 1, and getting it to us.

We have had some cooperation. However, I can promise the Senator that, if I was ever convinced of anything in my

life, I am convinced beyond any peradventure of doubt that Representative MILLS and Representative BURNS will not talk to us about this bill unless we are willing to talk to them about theirs. If we are not willing to talk to them about their measure, they will not talk to us about ours.

They are not arbitrary or unreasonable men. They know that they speak for the House of Representatives and they know that the House is a coequal body. I am afraid that they are under the impression that the House is a superior body. But they will not yield for a moment so long as the Constitution says that the House shall initiate revenue bills.

They have ways of saying no which are absolutely beyond any peradventure of being misunderstood. There is no doubt that they will not take it. All we can ever do, if we ever get there—and I have my serious doubts of that—is argue and struggle with them and then come back and inform the Senate that they will not agree with it, which is something we already knew to begin with.

I have been through it. I can tell the Senator that they are not mean or unfair. But they are tough, and they know when they want to take a stand. They do not have the same rules in the House that we have in the Senate.

When I hear about democracy and think of the rule they have in the House of Representatives where the House might agree with the Senate 99 percent, but yet when the Senate sends them an amendment, one man might not agree to picking up the piece of paper off the Speaker's desk and there is nothing the other 99 percent can do.

When I see that kind of arbitrary situation under the House rules, it makes me wonder how democratic a body the House is. However, that is how it is. And we have to live with that and do the best we can under the circumstances.

I am fully convinced that the Senator from Connecticut is right and that the President is right about this matter. I am fully convinced that the Senator from Utah is right. And while I agree, so far as I know, with everything in the amendment with perhaps one or two minor differences, I would be the first to say that we would do our best, but that it would be very difficult to achieve what he wants. We would have a fight on the family assistance plan and, whether we like it or not, we cannot bypass that.

Here is an amendment the Ribicoff amendment, that is 133 pages long. Frankly, if I do say so, the word of the Senator from Connecticut is just as good as that of the Ways and Means Committee. When they say they will do something, they will.

Mr. RIBICOFF. Mr. President, I yield to the Senator from Indiana.

Mr. HARTKE. Mr. President, I thoroughly agree. I think that we have to make up our mind today whether we will proceed with the social security or whether we will proceed with welfare reform.

I am 100 percent in favor of the measure the Senator from Connecticut put together on welfare reform. I am a cosponsor and I am honored to be on that program with him.

I see a situation developing here on the floor in which every Senator is going to be faced with the fact that either we stay until January 3 or we get on with the job. I agree with the Senator from Florida. The provisions of H.R. 1 are wholly inadequate. They are not good enough for the old people. We are probably doing nothing for them.

There is an amendment at the desk which has been there for maybe 2 months, ever since the House bill was reported. I put it on the desk so that everyone would know that I was going to press for a 10-percent increase on social security.

The Senator from Florida is going for only 5 percent. As of now, it should be at least a 10-percent increase in social security if we want to give them anything.

The amendment of the Senator from Florida provides for 5 months' waiting time before eligibility for disability benefits, whereas my amendment provides for only 3 months.

The amendment of the Senator from Florida does nothing to improve the H.R. 1 provision about the dropout years. It does nothing about the definition of disability. It does nothing to improve the H.R. 1 provision for a special minimum benefit. It does nothing to equalize coverage for men and women. It does nothing about combining parts A and B of medicare. He does nothing about covering prescription drugs under medicare; he does nothing about covering eyeglasses; he does nothing about covering hearing aids; he does nothing about covering what I say are false teeth, but my wife says are dentures. Whatever we call them, his amendment does nothing about that.

It does nothing about the recommendation of the Secretary of Health, Education, and Welfare yesterday when he said we were going on a pay-as-you-go basis. The Department opposed it, but they have changed their minds and now come up with that recommendation.

If we start now on Social Security amendments, we will be here for a long, long time. It is only by virtue of the fact that we will have to adjourn sine die that we will have to stop without doing a better job than the Gurney amendment does. It does not do half enough for the old people. If we want to do something for them, we should not just give them a lot of sweet talk. I do not like the sweet talk. That is why my 49 amendments are at the desk.

I have said repeatedly on the floor of the Senate that I would not call up these amendments unless the door is opened by others. I am saying to the distinguished chairman of the committee and to the distinguished ranking minority member of the committee that I am still prepared to live by that statement. I know the distinguished Senator from Connecticut stated on the floor of the Senate that he will introduce his welfare reform proposal, and if he does not do so I will. That is not all. We will probably have other proposals to add to the bill. The Senator from New Mexico is in the Chamber. One of the greatest reforms and opportunities given to elderly people was the King-Anderson bill. That was medicare.

Mr. President, we can get the job done but not if the Senate is going to combine all this important social legislation with the revenue bill.

Mr. BYRD of West Virginia. Mr. President, I will vote to table the Gurney amendment to H.R. 10947. My decision to support the tabling motion is based on my belief that H.R. 10947 is not the proper bill to which this amendment should be offered.

H.R. 10947 is a tax bill which is designed to stimulate and improve this country's current economic situation. It is essential to the economic stability of this country that this measure be enacted as soon as possible. I think all of us are aware of the position which has been consistently taken by the House conferees, and we all know that they would not accept the pending amendment, even if it were adopted to the Senate version of H.R. 10947. Therefore, to attach this amendment to H.R. 10947 would be a futile gesture which would accomplish nothing except to unnecessarily raise the hopes of our 26 million citizens currently receiving social security benefits.

Since my election to Congress, I have sponsored and supported legislation to provide realistic social security benefits, and to strengthen the structure and administration of the social security system. On February 18, 1971, when I introduced S. 865, to amend the Social Security Act to provide actuarially reduced social security benefits at age 60 and full benefits at age 62, I stated on the Senate floor at that time that I also favored a 10-percent across-the-board increase in social security benefits.

The Senate Finance Committee is currently considering a new social security bill and I am informed that the bill will be reported early next year. When that bill is before the Senate, I shall support across-the-board increases and other needed improvements in the social security system. In addition, I will offer S. 865 as an amendment to the committee bill if the provisions of S. 865 are not included in the bill as reported by the Senate Finance Committee.

Mr. President, one Member has already informed me that he has 50 amendments dealing with social security which he will offer if this bill is "opened up" to this area of legislation. Therefore, even though I support the objectives of the Gurney amendment, and applaud Senator GURNEY for his efforts and his objective, I am voting to table it because I fear that if the bill is opened to such amendments, this bill—encompassing phase I of the President's economic proposals—will not see final action in the Senate for a long time to come.

Mr. GRIFFIN. Mr. President, I have already indicated to the Senator from Florida what I think is the practical and realistic thing to do. But I imagine he must have tears running down his cheeks as he has listened to the explanations as to why it is impossible to find money in the Treasury to help 21 million older folks while at the same time we are to be confronted with an amendment that will dip deeply into the Treasury to finance the campaigns of politicians. As I understand it, the amendment will provide for a checkoff on the income tax form, which will assure a $6 million campaign kitty for George Wallace, for example. That should just about guarantee that he would be a candidate again.

If the campaign checkoff amendment is agreed to, it would require the reprinting of income tax forms for 1972 which have already been printed by the Treasury Department. Nobody knows exactly what adoption of the amendment would cost. But I understand that the provisions would cost approximately $100 million. That is the money of taxpayers.

There have been no hearings, and if the amendment were agreed to in the Senate, apparently the Senate would expect the House to agree to it without debate. It seems to me the taxpayers should know something about this amendment—a lot more than they know now. It seems incredible to me that the argument made against the social security amendment of the Senator from Florida could be made and the Senate will still be confronted with other amendments, like the campaign financing amendment, which should not be considered as part of this tax package but as separate legislation.

Mr. GURNEY. Mr. President, I certainly would like to commend the distinguished Senator from Michigan, the Republican whip, for the remarks he made on the campaign proposal.

As far as the social security amendments are concerned, there have been two hearings in the House, one hearing in the Senate and the amendments have been around here for 2 years.

For the life of me I cannot see how this body would table these amendments and then go ahead with the campaign proposal that has not had hearings and which deals with an unrelated subject, and pass it.

In that connection, I wish to say that I think it is the obligation of every politician, if he wants to serve in public office, to raise his own money and get himself elected. When he starts depending on the taxpayers to have some sort of checkoff dues system at tax time to raise money for us to run for the Senate, the House, or the Presidency, we have reached a sad state of affairs in the political life of America. I hope whatever happens to my amendment, the campaign amendment is killed. If my amendment is tabled, then the other one also has to be tabled.

The PRESIDING OFFICER. Who yields time?

The question is on agreeing to the amendment of the Senator from Indiana.

Mr. BENNETT. Mr. President, in view of all the discussion, I move that the amendment of the Senator from Florida be tabled.

Mr. GURNEY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah (Mr. BENNETT) to table the amendment of the Senator from Florida (Mr. GURNEY). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Carolina (Mr. ERVIN), and the Senator from New Hampshire (Mr. MCINTYRE) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT) is necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Kansas (Mr. DOLE) and the Senator from Maryland (Mr. MATHIAS) are detained on official business.

The result was announced—yeas 81, nays 11, as follows:

[No. 352 Leg.]

YEAS—81

Aiken	Fannin	Mondale
Allen	Fong	Montoya
Anderson	Fulbright	Moss
Baker	Gambrell	Muskie
Beall	Goldwater	Nelson
Bellmon	Gravel	Pell
Bennett	Griffin	Proxmire
Bentsen	Hansen	Randolph
Bible	Harris	Ribicoff
Boggs	Hart	Roth
Brock	Hartke	Schweiker
Brooke	Hatfield	Scott
Buckley	Hollings	Smith
Burdick	Hruska	Sparkman
Byrd, Va.	Hughes	Spong
Byrd, W. Va.	Humphrey	Stafford
Cannon	Inouye	Stennis
Case	Jackson	Stevens
Church	Javits	Stevenson
Cook	Jordan, N.C.	Symington
Cooper	Jordan, Idaho	Taft
Cotton	Kennedy	Talmadge
Cranston	Long	Tower
Curtis	Magnuson	Tunney
Eagleton	Mansfield	Weicker
Eastland	McGee	Williams
Ellender	McGovern	Young

NAYS—11

Chiles	Metcalf	Pearson
Dominick	Miller	Percy
Gurney	Packwood	Thurmond
McClellan	Pastore	

NOT VOTING—8

Allott	Ervin	Mundt
Bayh	Mathias	Saxbe
Dole	McIntyre	

So Mr. BENNETT's motion to lay Mr. GURNEY's amendment on the table was agreed to.

AMENDMENT NO. 679

The PRESIDING OFFICER. In accordance with the previous order, the Chair lays before the Senate the amendment No. 679 of the Senator from Illinois (Mr. PERCY), which the clerk will state.

The assistant legislative clerk read as follows:

At the end of the bill, add the following new title:

TITLE VIII—FISCAL RELIEF FOR STATES WITH RESPECT TO STATE PUBLIC ASSISTANCE PROGRAMS

FISCAL RELIEF FOR STATES

SEC. 801. Title XI of the Social Security Act is amended by adding at the end thereof the following new section:

"FISCAL RELIEF FOR STATES

"SEC. 1122. (a) The Secretary shall, subject to subsection (c), pay to any State (other than the Commonwealth of Puerto Rico, Guam, or the Virgin Islands) which has a State plan approved under title I, X, XIV, or XVI, or part A of title IV, of this Act, for each quarter beginning after June 30, 1971, in addition to the amounts (if any) otherwise payable to such State under such title on account of expenditures as cash assistance, an amount equal to the excess (if any) of—

"(1) an amount equal to the lesser of—

"(A) the amount of the non-Federal share of the expenditures, under the State plan approved under such title or such part A (as the case may be), as cash assistance for such quarter (not counting any part of such expenditures which is in excess of the amount of the expenditures which would have been made as cash assistance under such plan if such plan had remained as it was in effect on June 30, 1971), or

"(B) an amount equal to 125 per centum of the amount referred to in clause (2), over

"(2) an amount equal to 100 per centum of the non-Federal share of the total average quarterly expenditures, under such plan, as cash assistance during the four-quarter period ending June 30, 1971.

"(b) For purposes of subsection (a), the non-Federal share of expenditures for any quarter under a State plan approved under title I, X, XIV, or XVI, or part A of title IV, of this Act as cash assistance referred to in subsection (a)(1), means the excess of—

"(1) the total expenditures for such quarter under such plan as, respectively, (A) old-age assistance, (B) aid to the blind, (C) aid to the disabled, (D) aid to the aged, blind or disabled, and (E) aid to families with dependent children, over

"(2) the amounts determined for such quarter for such State with respect to such expenditures under, respectively, sections 3, 403, 1003, 1403, and 1603 of this Act and (in the case of a plan approved under title I or X) under section 9 of the Act of April 19, 1950.

"(c) No payment under this section shall be made for any quarter to any State on account of expenditures, as cash assistance under a State plan of such State if—

"(1) the standards, under the plan, for determining eligibility for, or the amount of, cash assistance to individuals under such plan have been so changed as to be less favorable, to all (or any substantial class or category) of the applicants for or recipients of such assistance under the plan, than the standards provided for such purpose under such plan as in effect on June 30, 1971, and

"(2) the amount of the non-Federal share of the expenditures, under such plan, as cash assistance for such quarter is less than 150 per centum of the non-Federal share of the expenditures, under the State plan, as cash assistance for the quarter ending June 30, 1971."

Mr. JAVITS. Mr. President, by request of the Senator from Illinois, I yield myself 5 minutes at this time.

The PRESIDING OFFICER. The Chair informs the Senator from New York there is no time limitation on this amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that amendment No. 679 be modified by changing the essen-

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tial operative dates in one case from June 1, 1972, to June 30, 1971, which would limit the operation of this amendment to 1 year, and in another case a limitation date on the time for determining total expenditures which is recorded in the amendment.

The PRESIDING OFFICER. Will the Senator suspend until order is restored? The Senate will be in order.

The Senator from New York may proceed

Mr. JAVITS. Mr. President, I will start over again.

I ask unanimous consent that a number of changes be made in the amendment.

First, Mr. President, a parliamentary inquiry. Is unanimous consent necessary, in view of the fact that there is no unanimous-consent agreement on time on this amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. So unanimous consent is not necessary?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. I send to the desk a series of modifications in the amendment, and ask that they be stated for the information of Senators.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read as follows:

On page 2, line 5, insert after 1971, "and prior to July 1, 1972."

On page 2, line 17, strike out "June 30, 1971" and insert in lieu thereof, "December 31, 1970."

On page 2, line 24, strike out "June 30, 1971" and insert in lieu thereof, "December 31, 1970."

On page 4, line 5, strike out "June 30, 1971" and insert in lieu thereof, "December 31, 1970."

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. I understand the Chair to rule no unanimous consent is required in this situation.

The PRESIDING OFFICER. If the Senator from Illinois were offering the amendments, it would not require unanimous consent. Because the Senator from New York is acting on behalf of the Senator from Illinois, it would require unanimous consent.

Mr. JAVITS. I would then ask, as a matter of accommodation to the Senator from Illinois, that there be no objection to this proceeding.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. INOUYE. Will the Senator accept further modifications to include in the amendment the people of Guam, Puerto Rico, and the Virgin Islands?

Mr. JAVITS. Will the Senator be good enough to wait until Senator PERCY gets back? I would be unable to do so on his behalf.

The Senator from Illinois wishes me to explain to the Senate that the reasons for the amendments to his amendment are the following:

First, the cutback of the date to July 1, 1972 results in making it a 1-year instead of a 2-year operative period for this amendment to take effect. The result of cutting back the date when the amendment freezes benefit levels which various States share from June 30, 1971 to December 31, 1970 is to deal with the problem of eight States where welfare cutbacks were made prior to June 30, 1971. Hence, if the amendment took effect with the benefit levels frozen at June 30, 1971, certain of the recipients, who had already had cutbacks, would have further cutbacks, and therefore the date of December 31, 1970, avoids that situation and retains the status quo among the States, as these cutbacks were dictated by the relationship between the States and the Federal Government.

The eight States which are benefited under Senator PERCY's amendment by that particular change are Alabama, Delaware, Georgia, Louisiana, New Mexico, New York, South Dakota, and Washington. May I say at once that as far as my State of New York is concerned, though I shall vote with Senator PERCY, it does not represent, according to the facts and figures as analyzed for me by our State authorities, any appreciable matter for the State of New York, so I do not speak personally. It is just my conviction that this is a very desirable amendment in terms of the totality of the country, rather than its having any particular benefit for New York. For New York, it makes a modest difference, but it does not mean enough for us to have offered such an amendment, or for me necessarily to join in it, except as a matter of conviction as a Senator.

Mr. President, the welfare problem is probably the most difficult for all of the States, for my State as well as most other States; and for the great cities, of course, it is simply unbelievable. The increases in the welfare rolls, in the course of the last years, have run to 200 and 300 percent in the larger cities, and the city of New York, being the largest, gets the worst rap in that regard.

What has happened is literally a massive demographic shift of the population of the country, and the artificial—because today, in economic and social terms, they are artifiicial—barriers drawn around cities by prerevolutionary political lines have literally stranded them, without any real economic or social base.

One can move, I suppose, from any major city into its suburbs, and they are absolutely indistinguishable. That is certainly true of the city of New York. Moving between New York City and any one of our major boroughs, you would not know it unless you saw a sign. That is true in social and economic terms.

This has happened because of the diminution in the farm population; with the heavy emphasis upon farm population in the South, there have been most drastic shifts of population in our country, substituting for the normal tax-paying or rate-paying middle class of the cities an enormous population of very low income, and, in addition to having a very low income, having grave shortages in skills and tremendous social problems attributable to racial and economic background, as in the city of New York, where today probably somewhere between one-quarter and 30 percent of the city is composed of blacks and Puerto Ricans.

In due course, they will be splendid citizens, and we will be happy that they came. But right now it is very tough, because this is the period of change and gestation.

I saw figures this morning on one city which were really unbelievable. The city of Boston, where the shift has had less of an impact, perhaps, than on Detroit, Chicago, or any of a number of other great cities, in the committee presided over by the Senator from Connecticut (Mr. RIBICOFF) we saw in 10 years, a 14 percent—which is unbelievable in terms of magnitude—population shift from the central city of Boston to its suburbs and the shift that went with that of the so-called minority population—that is, the new population who were welfare clients, and so forth—was infinitesimal. The shift was definitely the white middle-class population. Of course, this erodes the tax base, which creates new welfare and a mass of other problems, and it lessens the effectiveness of schooling and creates segregation problems, de facto segregation problems in schools, and so forth.

This enormous welfare crisis has literally broken the backs of the States and the cities. Even my own State of New York, which Governor Rockefeller has run so magnificently in terms of finance for many years, now just cannot do anything except cut back. It cannot borrow; it cannot tax. It simply must cut back. At this point, the cutback is to the bone; because people really are being reduced and being placed in conditions of very serious want by the nature of the cutbacks which must, because of the terrible situation we face, be indiscriminate.

Because the President put over the family assistance plan for a year, and the crisis is now rather than a year from now, this amendment proposes that with respect to up to 25 percent of previous welfare payments, the United States shall, for 1 year, take up the slack of the excess of payments in this fiscal year on welfare against the previous fiscal year.

Mr. President, Senator STEVENSON, Senator PERCY's colleague from Illinois, is very informed on this subject. He has indicated to me his desire to explain it in detail, and I, therefore, yield the floor.

Mr. STEVENSON. Mr. President, first, I commend the senior Senator from New York for his characteristically lucid exposition on this critical subject.

I also commend the senior Senator from Illinois for the submission of this amendment for emergency welfare relief.

It does not take any elaboration to persuade Members of this body that we do face in the country a crisis, a welfare emergency. It is an emergency which exists in Illinois; it exists in most States of the Union. I am somewhat troubled by the circumstances which led to this emergency. There, it seems to me, is an example of how unresponsive our political system can be. It has been clear for years that the Nation's approach to welfare has been on a collision course with disaster.

The President first proposed welfare reform early in 1969, but, although his proposal passed the House, the Senate was unable to act upon it before the 91st Congress ended. A revised version of welfare reform, H.R. 1, was introduced almost a year ago, and it still has not been acted upon and approved in any form by Congress.

Our legislative body at the national level, aware of a crisis which has been growing for many years, has failed—and has continued to this moment its failure—to act.

Now that we have ignored major welfare reform, it becomes necessary to consider emergency relief. It is unfortunate that we face this necessity. It would be far better, in my judgment, if we could face up to the need for permanent legislation for a major overhaul of our whole welfare system. I am concerned, too, that the circumstances which have helped create this emergency may now continue it.

The amendment offered by the senior Senator from Illinois is not, as the Senator from New York has explained, permanent legislation. It is 1-year legislation. It is simply intended to help the States, to tide them over a very difficult period, during which Congress will, hopefully, act upon permanent legislation.

I think many of us may have hoped, as I did, that the Emergency Employment Act would provide at least some major temporary relief.

I should like to share with the Senate some figures on what has become of the assistance to the State of Illinois under the Emergency Employment Act. It has not begun to solve or even help our problems in Cook County.

The State of Illinois received $47 million under the Emergency Employment Act. Of that sum, 37 percent was allocated to Cook County. Cook County has 52 percent of the unemployment in the State of Illinois. Cook County has 74 percent of the welfare recipients in the State of Illinois. But it receives 37 percent of the $47 million allocated to the State under the Emergency Employment Act.

I have tried to persuade the Department of Labor to correct this imbalance and to help out in Cook County, but the executive branch—the Secretary of Labor in this case—has not been any more responsive than has the Legislature. The Secretary has retained within his control $35 million in discretionary section 5 Emergency Employment Act funds. These are funds which could be made available throughout the country, including Cook County, for the purpose of hiring people in need of work, for public services, who otherwise end up on the welfare roll.

With no response from the executive branch, there is little left, it seems to me, except for Congress at this point to adopt emergency legislation which would tide us over until such time as we can act on permanent legislation; and in the meantime save a great deal of financial difficulty for States and, more important, a great deal of personal distress for suffering people.

I hope very much that the Senate will act favorably on the amendment which has been offered by my colleague from the State of Illinois.

I yield the floor.

Mr. PERCY. Mr. President, I deeply appreciate Senator JAVITS bringing up this amendment for me in my absence. I appreciate the support that has been offered by my colleague, Senator STEVENSON, a cosponsor of the amendment, who, as a former treasurer of the State of Illinois, is intimately acquainted with our financial problems, shared by Illinois and all States today.

Therefore, on behalf of Senators STEVENSON, BROCK, BROOKE, MCGOVERN, HARRIS, TUNNEY, CHURCH, BAYH and myself, I called up amendment No. 679. This amendment would offer emergency financial relief to the States of this country to help them solve the welfare crises which many of them are facing.

I also offer the amendment on behalf of 21 Governors, who have stated to me their support for it and their desperate need for the funds it will provide. The 21 State chief executives who are behind this amendment are Governors Ogilvie of Illinois, Carter of Georgia, Anderson of Montana, Egan of Alaska, Askew of Florida, Smith of Texas, Peterson of Delaware, Kneip of South Dakota, Dunn of Tennessee, O'Callaghan of Nevada, Holton of Virginia, Andrus of Idaho, Licht of Rhode Island, Shapp of Pennsylvania, Scott of North Carolina, Docking of Kansas, McKeithen of Louisiana, Meskill of Connecticut, Whitcomb of Indiana, Ray of Iowa, and Love of Colorado.

Mr. President, I offer this amendment reluctantly. I had originally hoped that it would not be necessary to bring up the subject of welfare during consideration of the tax bill. But we cannot ignore those millions of Americans who have inadequate food, clothing or shelter, and who have been lopped off State relief rolls in the past weeks, days or months because of a lack of available State funds. We are all aware of the fact that the Governors and States of this country are staggering under crushing deficits and cannot find the money to pay for both welfare costs and other urgent State needs as well. Governors of many States are being forced to make cruel choices—between funds for welfare recipients and funds for education, for mental health, for environmental protection, and for a variety of other pressing needs. Mr. President, it should not be necessary for the Governors to have to make choices such as this.

Mr. President, the bill as reported from the Senate Finance Committee does nothing for the poor of this land. Even as amended on the floor of this Senate, it does nothing for the very poor. You get tax relief from this bill if you have the money to buy a car, if you are an exporter, if you are a highway contractor, if you are a corporation, if you earn enough money to pay taxes. But you get nothing if you are poor and cannot earn an income. The attitude of this bill seems to be "Let them eat ADR's."

As reported from the committee, the bill will put money in your pocket:

If you are buying capital equipment.
If you own a livestock herd.
If you are a big utility.
If you are a corporation with depreciable property.
If you have children in day-care centers and are a taxpayer.
If you are buying a new car.
If you are buying a new truck.
If you are an exporter.

As amended on the floor, the bill will help you:

If you are buying a new bus.
If you are buying farm equipment.
If you are buying garbage trucks.

But there is nothing in this bill for the very poor—those who lack food, shelter, and clothing.

Mr. President, the bill also does nothing to help alleviate the budget problems of the States. The States are staggering under the welfare burden. This amendment is offered, quite simply, to prevent the States from going bankrupt.

The debate a year ago centered on the most appropriate form to get aid to the States. We discussed whether the aid should take the form of federalization of the welfare system or revenue sharing. The debate was on how best to get money to the States, not whether there should be aid.

We now are even more acutely aware of the extent of the States' fiscal crisis. We now know where the money should go—to help the aged, the blind, the disabled. The question is whether it is going to get there in time to have any effect. Mr. President, the States are not cutting back on benefits to the blind, the disabled, and the aged because they are heartless. They have been forced to because they are running out of money.

Mr. President, there have been fears expressed both in this body and outside that my amendment would delay and slow down the impetus for H.R. 1, the welfare reform bill. I do not think this is true.

Mr. President, to allay some of these fears, Senator JAVITS has, on my behalf, asked for modification of my amendment to limit its provisions strictly to fiscal 1972. That way no one can argue that this amendment will delay the enactment of H.R. 1, because, even in its original version, welfare reform would not have gone into effect by July 1, 1972. In view of the additional postponement requested by the President under his new economic policy, there is no way that adoption of this amendment can delay enactment of H.R. 1.

And, Mr. President, the argument that this amendment would delay the enactment of H.R. 1, assumes that H.R. 1 will be enacted, a debatable assumption at best. Although I support it, I am not confident that H.R. 1 will be enacted. The Congress has debated welfare reform since the President requested it in August of 1969. And we have had nothing to vote on in this body to date. Nothing. And even if we enacted welfare reform today, it would not help poor people or the States before July 1973.

Mr. President, why should the poor of this country pay the price for congres-

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sional delay? Why should the taxpayers of all States pay the price of congressional delay?

Mr. President, the Governor of my State, Richard Ogilvie, did not ask me to offer this amendment in an effort to delay welfare reform. He was the first Governor to publicly support the President's family assistance plan in 1970. He has not wavered in his support of welfare reform. But what are he and the other Governors to do about their fiscal crises as Congress procrastinates on H.R. 1?

Mr. President, the amendment I am offering today, the emergency welfare relief amendment to H.R. 10947, is to try to help resolve the fiscal plight of our States due to the welfare crisis.

A decade of liberalization and expansion of the Nation's welfare programs has finally come to a halt. State after State is cutting back on public assistance programs. A July HEW announcement showed 22 States making sharp reductions in welfare benefits and almost all other States considering or making changes in their welfare programs:

New York and New Jersey have cut payments back by 10 percent.

Kansas has reduced its ADC payments.

Maine and New Jersey have dropped their aid program for dependent children with an unemployed father in the house.

North Dakota, South Carolina, Utah, Alaska and New Jersey have reduced benefits for the elderly.

Illinois has made cutbacks in its general assistance program.

Although residency requirements have been declared unconstitutional by the Supreme Court, several States, including Illinois, have tried to put them into effect to forbid aid to those coming from outside the State.

In Texas this year, voters in a statewide referendum voted no when their State legislature proposed liberalizing a stringent maximum for welfare costs established by the State constitution.

Reports from State capitals illustrate the crisis nature of the situation. Welfare departments in at least 20 States entered the calendar year 1971 with a deficit that required additional appropriations from their legislatures. Illinois, for example, faces a $180 million welfare deficit in this current fiscal year.

Four sets of figures further indicate what has happened to welfare costs across the country over a span of 35 years: According to the Social and Rehabilitation Service, in 1936, total welfare expenditures—Federal, State and local—were $350 million. By 1950, costs had risen to $2.489 billion; in 1960, to $4.039 billion; and in 1970, to $14.347 billion. In three and a half decades welfare costs have increased 4,099 percent, with no end in sight.

The States' reaction to skyrocketing welfare costs only dramatizes what has been clear for some time: State taxpayers are fed up with the welfare morass. They have borne an increasing burden over the years to perpetuate an unworkable system deplored by everyone, and they, finally, have said, "enough." The States, therefore, have no resources left for additional welfare help. Federal Government action is essential. Yet, the welfare reform legislation remains in committee in the Senate without any hope of action this year.

I see no alternative at this point but to propose an emergency welfare relief measure that would bring the States additional financial help, for the human costs of what some have termed "meat ax cuts" is very real, and to many, agonizing. In legislative bodies we tend to slip into impersonal jargons. When we speak of welfare, we discuss benefit levels, eligibility rules or work requirements. We forget, sometimes, that behind these words are real people, mostly children, and old, blind and disabled people. Welfare cutbacks mean that these people who are already living in want, deprivation and desperation will have even less food on their plates, even less access to proper medical care, and even less hope.

Today, I ask my colleagues to support me in this stopgap measure to help mitigate the human damage of welfare cutbacks and bring States short term fiscal relief until welfare reform takes place. My emergency welfare relief amendment would protect States from a 25-percent increase in welfare costs over their June 30, 1971 expenditures. Federal spending has been made close ended in this legislation to insure welfare cost control.

Mr. President, this bill embodies the thoughts of Governor Ogilvie of Illinois and other Governors with whom he has worked in trying to find a solution for the States to the welfare crisis that has them staggering.

This bill would cost about $1 billion. This compares to the additional $5.5 billion that implementation of welfare reform would cost or the $5 billion cost of general revenue sharing per year.

Mr. President, this money is to help solve an immediate crisis our States are facing with welfare. It is for a specified purpose for a specified period of time. Hopefully, reform of the welfare system can be accomplished by Congress within the next year to be implemented within the next couple of years. But in the meantime, our States need emergency financial assistance for their welfare costs and that is what this amendment today is designed to do.

I would like to state that my reluctance to attach my amendment to this bill was somewhat overcome when I realized the dire necessity of many of the people that welfare is aimed at helping. After all of this information, including our own, about what the States have done to cut down on the abuses in the welfare system, it is, after all, their responsibility to do this. I fully support work requirements and have always supported work requirements for welfare recipients. I fully support every option to be taken by the State to cut out welfare paid to people who do not need it. I fully support every effort to try to find ways so that college students cannot get together in a commune and say that they are a family and then get welfare and food stamps or commodity food distribution, whatever it may be, when their parents are taking them as tax deductions, and they are away at school and could work. There are many abuses of the welfare system, including some people on welfare that simply are there because they would rather not work. But I would say that the incidence of the latter category is small.

My own experience in trying to find ways to help reduce the cost of welfare has been that these people are on welfare—95 percent of them—essentially because they simply cannot find employment. They have, either because of their physical disability or physical condition, been unable to be available for employment. Or they either have a deficient education or skill which disqualifies them for the kind of employment that is available. So, we are not talking about knocking off the welfare rolls people that should not be there.

I am assuming that if we believe in the federal system, and if we believe in government being close to the people that, for the most part, the counties, townships, and States are doing a reasonably good job of trying constantly to screen their welfare rolls to take off the deadbeats and those that do not belong there in the first place.

I have confidence that the list of the Governors whose names I read, many of them coming from conservative States and conservative parts of the country, are not the kind of Governors looking for a Federal handout or looking only for the Federal Government to pick up their problems. They have a real problem, a problem accentuated by many factors, not the least of which is the presence of an economic slow down which has created more unemployment in many parts of the country, going up as high as 17 percent in some areas.

Mr. LONG. Mr. President, will the Senator from Illinois yield?

Mr. PERCY. I am glad to yield to the Senator from Louisiana for a question.

Mr. LONG. I gain the impression that this amendment is more or less tailored to the Illinois situation.

Could the Senator explain to me what the Illinois situation is and how it developed?

My understanding is that this problem which is so acute in Illinois developed in considerable measure because of a situation there, where the State reduced its contributions to general assistance recipients in Cook County. I would appreciate it and it would help my understanding of it, if the Senator could tell me how this situation developed, how this crisis arose in Cook County which makes this such a pressing issue in the Senator's State.

Mr. PERCY. May I first state to my distinguished colleague that I would not offer an amendment that would cost a great deal of money if it were simply to solve an Illinois problem. It is for this reason that, before I would offer the amendment, I suggested to my Governor that he take this up at the Governors' Conference and see if it was a universal problem. It was the distinguished Governor of West Virginia who said that there was a universal problem. He felt that we should discuss it with all the Governors to see what kind of solution this amendment would present to the problems they are facing with welfare. It is for this reason that 20-some Governors, including the Governor of Louisiana, who cabled me—

I strongly support immediate emergency legislation to provide fiscal relief from rising welfare costs.

I will put the entire telegram in the RECORD at the appropriate time.

Mr. LONG. I am aware of the fact the Governor sent the Senator that telegram. I am aware of the Louisiana problem. I have discussed it with the welfare administrator in Louisiana as well as with the Governor. I think I understand what the Louisiana problem is, but I am not sure that I understand the problem in the State of Illinois and how it came to be so pressing.

I would say to the Senator that some of the Representatives from that State did meet with me about it and explained to me that there was a need for additional fiscal help in Illinois. I would be willing to help the Senator, provided we could do something that would be on a formula basis that would treat all the States fairly.

Mr. PERCY. Right.

Mr. LONG. Provided it not jeopardize the tax bill we are trying to pass now. But I do not understand, even though I have had some information made available to me, how this situation developed in Illinois that is so pressing, more so than in other States.

Mr. PERCY. Let me repeat, I will be happy to explain the Illinois situation, but I do so only on the basis that, whatever our situation is, the same conditions exist in other States, but possibly for different reasons.

In Illinois, we face this kind of problem: We have first, a constitutional requirement that does not permit us to incur any indebtedness for operating expenses, so that the Governor cannot spend any more money than he has the revenue for. The State legislature, imposed against great resistance 2 years ago, for the first time in its history, an income tax on the people of the State of Illinois, an absolutely crucial and necessary measure. But welfare costs in Illinois has increased more than 285 percent since 1966 to an unprecedented $1.053 billion, which State officials anticipate spending for fiscal 1972.

What has caused such an increase in a State where there is not so much unemployment as in other States may be the fact that more people are aware of certain rights that they had before but never knew about. It may also be the fact that we do have, of course, more children and a certain amount of migration. Nevertheless, the pattern of the escalating costs has been going on for a number of years.

The tremendous increases in the State's welfare caseload—up 130 percent from 1966—has left Illinois with a $180 million welfare deficit. Governor Ogilvie decided immediately to put a freeze on all State hiring, on all budgets, and, finally, he decided that he would have to cut back on welfare to avoid across-the-board cutbacks in all the welfare programs that would, mainly, affect children, the aged, blind, and disabled—he decided to cut back on general assistance—a State program involving mainly single people and childless couples.

Cutbacks in the general assistance program mainly affected Cook County, therefore, the county decided to file suit against the State, challenging the Governor's authority to make cutbacks. The court decided in favor of the county, and enjoined the Governor from making any welfare cutbacks.

Many extremely harsh things were said about the necessity for the cutbacks. Many argued that Illinois could cut back, especially on road construction, and a lot of other things before cutting back on welfare. The fish and wildlife program was mentioned as an example. But the State's total fish and wildlife budget is $7.4 million, only 4.1 percent of the $180 million welfare deficit.

Governor Ogilvie, facing a court injunction against welfare cutbacks and a State constitution prohibiting deficits, has no recourse but to raise taxes. However, the thought of imposing more taxes just could not be justified in view of the fact that an income tax had been imposed only 2 years ago.

Moreover, I do not think the Governor could raise the taxes. Many Governors are faced with such situations. Where can they get the money from? From funds for mental institutions? From primary and secondary education funds? That is not the way to solve this problem.

We certainly would not want our Governors run out of their States on a rail or be tarred and feathered. Governor Ogilvie, in desperation, has turned to the Federal Government. He has said:

There is no other source for help. We have been promised welfare reform. We have been promised revenue sharing. We have been counting on those sources for new revenue.

Governor Ogilvie was the first Governor to support welfare reform, and he has supported it fully. He is also supporting revenue sharing. But nothing has come from these fiscal programs for 1972, and none is in sight for 1973.

Because this situation affects not only Illinois but many other States, the chairman of the Governors' Conference telegraphed all the Governors to support my amendment to provide emergency fiscal relief to the States.

The welfare problem is not an exclusively Illinois problem. It is a problem of all the States. The State allotment formula developed was the simplest and fairest we could possibly devise. And we added a ceiling to the hold-harmless provision to insure welfare cost control.

Mr. LONG. Mr. President, my reaction to the problem is that I would be willing, if we could agree on a formula, to vote for a measure that would provide fiscal relief to every State.

I do not agree with the formula that the Senator has. But the billion-dollar figure does not stop me. My thought was that if we could agree upon what we thought was an appropriate formula, I would be willing to vote to provide a billion dollars to the States of the Union and then let them spend it in the way in which they wanted to spend it.

Some States really should make some economies in their welfare program. For example, some States are now beginning to experiment on the idea of finding jobs for welfare recipients.

In some States there should be economies. For example, it has been reported to me that a random study in Cook County of their general public assistance program indicated that 33 percent of the 1,200 cases studied at random were ineligible for any type of welfare payment and that 15 percent were eligible for transfer over to the Federal category under which Illinois would then have Federal matching and, of course, save at least half of the cost of the welfare payment.

It is my understanding that it was in this general assistance program that the State cut back on its sharing in Cook County. Just the proper administration of the program would appear to offer a saving of 40 percent. The State ought to save that before we have to make it up for them.

In New York City, under their general assistance program, the State undertook to require that employable persons pick up their welfare checks at the State employment office, with the State employment office attempting to refer people to jobs or to get them to do some work for the welfare money they were drawing. The State found that 18 percent did not even show up to pick up their checks. Before New York comes to us and asks the Federal Government to pick up the tab for New York for their general assistance program, the least they can do is to take off the rolls the 18 percent that did not bother to pick up their checks.

It would appear that if the State of New York is not sufficiently anxious to get the money to the recipients in New York City, to mail the checks to them or deliver them to the homes, some of the recipients are not sufficiently interested to pick them up because somebody might ask them to do a lick of work. That is part of the problem, I guess.

The Governor of Maryland is looking into the welfare program in his State. And the last estimates I saw were to the effect that they will save $18 million if they take the cheaters off the welfare rolls. If I remember correctly, they found one person in Maryland who was getting $11,000 a year in welfare payments under various names.

In this sample of general assistance recipients in Chicago, one-third of the recipients were totally ineligible for welfare and 15 percent were eligible for transfer to the Federal category. Certainly the one-third who were ineligible ought to be taken off the relief rolls, and the 15 percent who are eligible for transfer over to the Federal categories where the Federal matching is 50 percent should be transferred so that the State can save that 50 percent.

Illinois and New York are not the only States with a problem of having ineligible

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persons on welfare. We have had people in Louisiana who were drawing as many as five checks, the same person going down and qualifying for several checks.

Some of those things are things that the States ought to be doing to put their house in order before they ask the Federal Government to bail them out by paying for ineligible recipients with 100 percent Federal funds.

Goodness knows, I would like to see the Federal Government do some things to straighten out this welfare mess. For instance, the Department of HEW recently came through with regulations to the effect that even if a person on the rolls is totally ineligible, he cannot be taken off the rolls without a hearing. That seems fair enough, to give him a hearing first. But after the welfare agency holds the hearing, let us assume that he is found to be totally ineligible. Even though the welfare agency determines that he should come off the welfare rolls, the Department of HEW requires that they must keep him on those rolls if he wants to appeal the case. HEW originally even wanted to require that the agency supply a lawyer for the appeal, even though there is no mistake whatsoever in the finding that was made in the very beginning.

There is every incentive for a lawyer to draw the case out forever because the man is drawing welfare checks while the proceedings are going on. When the matter is finally decided 1 year later, and it is found that he was not entitled to one nickel, the welfare agency cannot get the money back. So here is a person who received payments for a year though he was not entitled to a nickel, and then we are forced to keep paying during the appeal when there was no basis at all for the appeal, and having done that, payments cannot be withheld until all appeals and all delays have been exhausted and every reason is given why the lawyer needs the delays and gets the delays. All this time the man is getting the check. Mr. President, all this happens under regulations of HEW.

By being required to put on the rolls all of these people who do not belong on the rolls and being required to keep them there, the State is having to cut back on what they pay deserving cases where the people should be getting the money.

In the State of Louisiana the crisis was caused when the court struck down the man-in-the-house rule. The court said that the State could not consider as available any income of a man who was there with a woman whose children look like him. The Senator is familiar with that issue, of course.

Mr. PERCY. I would like to finish my statement but first I will inject these remarks.

The first question raised by the chairman of the committee is whether the formula developed by this amendment is aimed just at the State of Illinois or whether it has universal application. I said I would not take the time of the Senate for a matter concerning only the State of Illinois, important as that is. That is why we have now heard from 21 Governors.

The formula developed can be quickly computed from the HEW table which lists the actual amounts paid by the States in the fiscal year ended June 30, 1970.

For instance, in Louisiana the actual cost was $50,995,000. My amendment would provide to the State of Louisiana a maximum of $12,739,000. This, according to the formula in my amendment, is 25 percent more than fiscal year 1970 expenses.

For every State the formula applies in the same way. There is not a State in the Union which would not be eligible for some funds, but it is assumed the amount they are paid will have a reasonable relationship to welfare needs and problems in that State.

I admit that in a State such as the State of Washington events have occurred in the past year to increase employment and welfare costs very substantially. But I would hope that even the $25,534,000 provided by this amendment, while not adequate, would be of some assistance to the State of Washington.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PERCY. I yield for a question.

Mr. LONG. Yes, I wish to pose a question to the Senator. Would it not be more fair, if you are going to provide $1 billion to the States, to provide every State with $75 per recipient on their welfare rolls, say in June 1971, on an across-the-board basis? If that were done, instead of getting $13 million, Louisiana would get $28 million; Alabama, instead of $9 million would get $21 million. It would not be quite as advantageous for Illinois, but they would do well. Instead of getting $66 million they would get $52 million. If we are going to pay money to the States, that kind of formula would have more appeal to me. Frankly, it occurs to me that this is how it logically should be done, if it is to be done: to say to all the States, we will give you $75 per welfare recipient. In terms of dollars, this will do about the same thing nationally.

Some States have been progressively cutting back to meet their problems, as Louisiana has been forced to do, and other States find an immediate crash situation so they would receive more under the Senator's suggestion.

Mr. PERCY. Mr. President, in reply, I am not wedded to this particular formula at all. But I could not agree to any other formula until I have had sufficient time to study its impact and particularly its cost, because I started out with several premises. First, there must be some relationship between what has been paid in the past and what we would pay in the future. Second, there should be some relationship between the State effort and the Federal effort, so that the Federal Government is not assuming an obligation the States should have borne before, but did not.

Third, I provide a ceiling limit of about a billion dollars. I felt we could not ask the administration, in equity, to add to its budget more than a billion dollars, but that is about 10 percent of what would have been paid under revenue sharing and welfare reform in any one year anyway.

I tried to conscientiously get that billion dollars back by voting against amendments, even amendments such as the one my colleague from Illinois put forward, which was a modest increase in the personal exemption from $675 to $700. That proposal was defeated by just a few votes. I did not like to go against my colleague but I kept thinking of our poor Americans who have no income. What does it mean to a man to get another $25 exemption from Federal tax if he has never seen a form 1040? That is why I fought so vigorously against taking $350 million of alcohol tax receipts from the general revenue, and divesting them to the highway trust fund, away from what I considered to be social and other programs that people desperately need.

I have tried on the floor of the Senate to find a billion dollars and not just irresponsibly to say, "Let us add $1 billion. What is the difference? We will have a $34 billion Federal funds deficit, so why not make it $35 billion."

I think it is irresponsible to have a deficit of $34 billion, let alone $35 billion. But I cannot find Americans in more desperate need than those to be helped by this formula.

On the point of welfare "cheats" and the lack of followthrough by the States: If people are told they have to come to a Government office to pick up their welfare checks, a lot of people will not come and get their checks. I do not know whether those people at home are able bodied or not, or whether they just do not want to show that they are able bodied. I say let us crack down on that.

Many years ago my family was on welfare, and I remember our shame and mortification. I can recall how ashamed we would have been to have seen a welfare truck roll up to give us food. So we worked, and we worked. It is humiliating and it is degrading to have people on the backs of society who should be on their own feet. I do not want to help anybody who is able bodied and employable get on the welfare rolls. On the other hand, there was a time in my life when we needed help, and if we did not have it I do not know what we would have done. There are many myths about people on welfare. The Senator from Connecticut put in the RECORD studies, made by HEW at his request, which dispel many of those myths.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. LONG. With reference to the illustration I gave of 18 percent in New York, that was 18 percent of general assistance welfare recipients not receiving Federally shared aid, but under the State program, where everyone of them was classified as capable of working. Eighteen percent of this group that was supposed to be available to work did not even show up to accept their check. I read an interview in which even the Governor of New York said that it would look to him as though 18 percent did not belong on the rolls. When these able-bodied people, presumably able to work, did not even show up to pick up their welfare check, one is led to believe that either they have

jobs or that they must not be persons who should legitimately be drawing welfare money.

Mr. PERCY. I am not in disagreement one bit with the premise that has been enunciated. I feel very strongly that States in the past have been lax in this matter, and the fact that they have been lax is evidenced by another insertion in the CONGRESSIONAL RECORD of October 20, 1971, by the Senator from Connecticut, which showed cutbacks that have been made by some 20 States. They found ways to reduce welfare costs by tightening up administration, changing some of the rules and regulations, getting rid of some abuses. I wish every State in the Union had done that. I favor all those measures, and favor them strongly, and there are many more things that can be done to make welfare delivery systems more effective, more efficient, and less costly.

May I point to the fact that I have gone from one end of my State to the other and I have tried, as the ranking Republican member of the Appropriations Subcommittee on the District of Columbia, to become familiar with problems both in Illinois and right here in Washington, D.C. I would take the distinguished Senator—and he himself could take me, because he knows the city well—and we could find some "deadbeats." But I am also sure that for every "deadbeat" we could find 19 others who fully needed and deserved their welfare payments.

Recently I went with Arthur Flemming to visit luncheon feeding programs for the elderly carried on in Washington. He is chairman of the White House Conference on the Aging, and a former Secretary of HEW. We have talked about the problem. We went at random, and talked with people at random as to why they were there and what they would be eating if they did not have that meal right there.

The answers left us absolutely convinced that, although we might find one or two who had come in to take that meal—and they have to pay 25 cents or contribute by working—most of them did not come in there because they had the money to go to restaurants and eat, but they came to that common eating place because they had no place else to go and that was probably the only hot meal they could have all day long. This is a situation we see almost everywhere in this country.

On pages 41224 and 41225 the distinguished Senator from Connecticut placed in the November 15, 1971, CONGRESSIONAL RECORD an exceptionally interesting study by the U.S. Department of Health, Education, and Welfare, which made a thorough analysis of welfare payments. They studied the facts and the myth.

It has been asserted that most of the people on welfare are lifetime recipients. The fact is that, on the average, the person on welfare across the country has been on welfare 23 months. That does not mean that there are no first, second, third, fourth, or fifth generation people on welfare. There are some, but in most cases they are for the most part on and off, as their circumstances permit.

I do not want to reiterate this material, because it is already in the RECORD, but I would like to review these various factors to point out that there is a great deal of truth in what has been said. The administration is not in favor of throwing any of this money down the rathole. The great majority of these people need help. I know the Senator from Louisiana, who is most compassionate about people's problems, knows we cannot do away with welfare without doing away with the moral commitment of the United States—qualities of mercy and compassion that we stand for as a nation.

Mr. LONG. May I say that the problem is not in the aged category or in the disabled category, to which the Senator makes reference. The States are handling those people very well. We have already passed a bill, and we will pass it again, which will provide additional money so disabled and elderly people can live better.

Our big problem, as the Senator knows, is in the aid to family with dependent children category. It is in that category that everyone agrees something ought to be done.

For example, little or nothing effectively is being done in most cases to make the fathers of those children contribute something to the support of their children. The welfare payment can amount to virtually a payment not to marry the mother. If the father marries the mother, then his income is legally available to the family and they lose their welfare benefits.

The President made reference to the fact that some husbands leave their families so the families can go on welfare. The answer to that ought to be not to put the family on welfare, but to pursue that fellow and make him support his family. We ought to have a Federal child-support law. The States have procedures, but they do not work efficiently when the father crosses State lines. That father should be made to contribute to the support of the family, and if he refuses to contribute to their support he should be put in jail. That is the way it was before we had any welfare program, and it has a salutory effect on paternal responsibility. In many instances today the father is living right there with the mother, but the father does not admit that those are his children and the mother does not say they are his children, because if they did that, they would not be drawing the welfare money.

Frankly, that is the kind of situation that caused Louisiana to say that if she was going to be made to put those types of people on welfare, it would break down our system. That was done, and it resulted in big cutbacks.

The Federal Government would do a better job for itself and others if it had a sensible program where welfare would be reduced if aided in seeking a contribution from the father, or provide more benefits where a mother was actually a widow, where the husband had died, or even where the husband had gone to a penitentiary and was not available for support, rather than have a situation where the father is right there but by virtue of the fact that they do not marry, she draws the full amount with no reduction just because they did not marry and the mother and the father did not admit the paternity of the child or the husband was not identified.

Those matters ought to be corrected in the old-fashioned way, by requiring a determination of who the father is and to pursue him if he leaves the State, and garnishee his check if need be.

Unfortunately, welfare has been permitted to become an excuse or substitute for the old-fashioned remedy, which was better—where the father was working, he ought to be made to support his children, whether he married the mother or not. I think the Senator will agree with that.

Mr. PERCY. I absolutely agree, and certainly, if Louisiana is pursuing this question vigorously and has any ideas that would be available to other States, I think the other Governors would be receptive to them.

Louisiana is spending $51 million despite these tactics that have been used, which are certainly justifiable. If a man fathers children, I think he has a great responsibility, and I think the law has a responsibility to pursue him and cause him to fulfill his financial and moral obligations, so that he, and he alone, bears the responsibility for his action, rather than the general public. To let him just walk away with no responsibility and with no attempt to pursue him, I think, is wrong.

The question gets down to "how do you find them?" How do you identify them? What is the cost to society of pursuing him, beyond a reasonable attempt?

But I do feel that the Senator has made a very good point. Time after time, the distinguished Senator from Connecticut has pointed to instances which definitely prove the present welfare system is not working and we have to reform it. We have to junk the whole system and start over, and the tremendous responsibility for that rests right on the shoulders of the Finance Committee, at this particular time.

Mr. RIBICOFF. Mr. President, will the Senator yield at that point?

Mr. PERCY. I am happy to yield for a question.

Mr. RIBICOFF. I think the statement the Senator has made is the reason, frankly, that I am against his proposal. His amendment is meaningful and his proposal is worthy, but the time has really come to reform the entire welfare system. The Senator's amendment will put off welfare reform by a stopgap measure, taking care of the problems of the States financially without taking care of the problems of the people at the same time.

What also bothers we about the Senator's proposal is that it merely takes care of the problems of the current fiscal year 1972. May I say to the Senator from Illinois that a proposal which I have submitted, which is controversial, will be in the Finance Committee for markup. I do not expect to have a majority of the Finance Committee with me. I do

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expect to have a majority of the Senate with me. My feeling is that the Senator from Illinois will be with me when the time comes.

My proposal goes along with the plan of the Senator from Illinois, but it does not presently take care of the current year the way his proposal does. I assure the Senator from Illinois that I will amend my proposal to cover fiscal year 1972, to make sure that once the States' expenditures during 1972 exceed a given amount, the Federal Government will pick up the excess.

The reason I am so concerned about what the Senator is trying to do is that he is talking about only 1 year. My proposal, beginning July 1, 1972, takes the calendar year 1971 as a base and insures over a 5-year period that no State will pay more than 90 percent, 75 percent, 50 percent, 25 percent, and then zero percent of its calendar 1971 public assistance costs. By fiscal 1976, the States, the cities, and the counties will be completely out of the welfare business, and it will be federalized and nationalized.

I have felt for a long time that welfare is a national problem and the States should get out from under it. I am in agreement with what the Senator has proposed today but my concern is that at this time it will help torpedo real welfare reform. If it can be said that the States can come in and have fiscal relief year by year, there will be no impetus for welfare reform to work out many of the changes we need in the program, and to implement the President's family assistance program, with which I am in basic agreement.

Consequently, we have been most anxious, both the distinguished chairman and myself, even though we start from different ends of the spectrum, and even though the distinguished chairman does not approve of many of the welfare proposals of President Nixon, to proceed with welfare reform.

The majority leader met with the distinguished chairman of the Finance Committee and me concerning H.R. 1. It had been my original intention to put H.R. 1 on the tax bill that is now before us. I have watched the Senator's votes, and I do believe that the Senator agrees with the President that the bill now before us is important.

The agreement entered into between the majority leader, the chairman of the Finance Committee and myself was that, in order to move the President's tax program, we would oppose non-tax matters. Social security matters and welfare matters would all be brought up under H.R. 1.

The distinguished chairman of the Finance Committee promised the majority leader and the President of the United States that H.R. 1 would receive priority in the Finance Committee. Depending upon when we adjourn and when we resume in January, the chairman of the Finance Committee has promised that he will start and finish the hearings, which he estimates will take about 2 or 3 weeks. Then the Finance Committee will mark up H.R. 1. Immediately thereafter, the majority leader will give it the No. 1 priority on the Senate floor. Therefore, well before fiscal 1972 is over, the proposal of the Senator from Illinois will be before the Senate, and the State of Illinois will be in a position to receive the funds the Senator would like to have attached to this bill.

But the Senator from Illinois puts me in this embarrassing position, as well as the Senator from Louisiana: We have given our word to the administration, of whose party the distinguished Senator is a member, and the majorty leader that we would not go ahead now with either social security or welfare amendments. We agreed that we would fight for the President's basic tax measure, but that if other Senators succeeded in adding either social security or welfare amendments, then all bets were off. The Senator from Louisiana would then be free to offer many of the social security amendments which we all believe in, and I would be free to put in my welfare bill.

My welfare reform bill is 133 pages long. It is very controversial. There are many facets of the welfare bill that many Members of this body disagree with, and disagree with violently. It is so complex and so far-reaching that the Senate is entitled to thorough debate.

I would say, from my experience in the Finance Committee, that I have never known a chairman of that committee, including the distinguished present chairman, who has ever failed to move a bill to the floor just because he disagreed with the purport of the bill. That situation prevailed with the father of the distinguished present Senator from Virginia (Mr. BYRD). I remember that when he was chairman of the Finance Committee, there were many measures with which he disagreed. But he knew that he had the responsibility, as chairman, to move the bills to the floor, to give the Senate an opportunity to work its will.

The distinguished present chairman, the Senator from Louisiana, takes exactly the same position. What this means, if the Senator's amendment were adopted, is that I would then bring forth my entire welfare proposal. Then the distinguished Senator from Indiana (Mr. HARTKE) would bring up his 50 social security amendments. At that stage, we would not have a tax bill, we would not have a welfare bill, and we would not have a social security bill. We would be here Thanksgiving Day, Christmas Day, and New Year's day, and probably adjourn sine die on January 2 and resume on January 3. Consequently, the distinguished Senator from Illinois would not be accomplishing anything for his own State or for the other States so hard-pressed by rising welfare costs.

I assure the Senator from Illinois that his proposal is a good one. It will have my support in H.R. 1 in my amendments to H.R. 1. In addition to saving the States harmless for fiscal 1972, as the Senator desires to do—I commend him for this and I will support him on it in committee—my proposals will also take his State, my State, and the other States out of the welfare business by fiscal 1976. This is one of the greatest boons we can give to every State, county, and city in our Nation.

Mr. PERCY. Mr. President, I appreciate the exchange on this point and the clarification of the position of the distinguished Senator from Connecticut. As he knows, I originally wanted this amendment to be in H.R. 1. I would be the last one to want to slow down H.R. 1. But I began to get nervous about it. I began to feel that this might take a great deal longer, that January would somehow go into February and into March and into April.

It is very difficult to tell a person who has been evicted from his apartment, and it is very hard to tell a mother with children who has had her budget cut 60 percent: "You wait and tell those children to wait, because we are going someday to get around to finding a formula to help you out."

But the Senate has had no problem of taking care of other people in this bill. As I went through this bill, I began to see who was getting all the benefits. I have only been in the Senate for 5 years, and we have reduced taxes four times, while at the same time the States and communities—the mayors and the Governors—have had to increase their taxes and face sharp political reactions.

The reason why I finally decided that we simply had to try to amend this bill is that, first, I cannot in my own limited judgment, see fast enough action on a reform bill, whether it is the bill of the distinguished Senator from Connecticut or H.R. 1.

The Finance Committee has produced a remarkable bill to correct certain inequities and to aid certain groups, but there is nothing in this bill for the very poor.

You get tax relief from this bill if you have the money to buy a car. That must make the poor people of this country laugh, to know that we are going to stimulate the economy by building more automobiles and by giving an excise tax reduction for those people who have the money to buy new automobiles. They wait around now—it has been since August 15—and auto production has not gone up, and unemployment and new hikes are not increasing. Inventories have been reduced, but the reduction of the excise tax has not yet helped the 6 to 7 percent of the people in the Detroit region who are out of jobs. But this bill does not help the poor people who never dreamed of having enough money to buy a new or even a used car.

You get tax relief if you are an exporter, or a highway contractor, or if you are a corporation. If you earn enough money to pay taxes, you benefit from this bill, but you get nothing if you cannot earn an income, or if you do not file a return. I suppose the attitude of the bill, as someone has said, ought to be, "Let them eat ADR's."

As reported by the committee, the bill would put money in the pockets of people who are buying capital equipment, and I support that element. I hope it will stimulate the economy and make us more efficient. But that does not address the problems of those who need the help most.

If you own a livestock herd, you are helped by this bill. If you are a utility, you are helped by this bill. If you are a corporation with depreciable property, you are helped by this bill's accelerated depreciation proposals. I support those provisions, because the United States has been grossly inequitable in its treatment of capital resources as against other industrialized countries. If you have children in a day care center and are a taxpayer, you are helped by this bill. And I support that. But it does not help people at the lowest end.

If you are buying a new truck, you are helped by this bill. If you are buying a new bus, you are helped by this bill. If you are buying farm equipment, you are helped by this bill. If you are buying a garbage truck, you are helped by this bill. But there is nothing in the bill for the very poor.

That is why I appreciated the immediate sympathetic response of the Senator from Connecticut, who realized that something must be done, and done as early as possible. But when I could get no agreement from either the administration, or powerful members of the Senate Finance Committee, or the committee itself that they would support this amendment as an amendment to H.R. 1, or as an amendment to the bill offered by the distinguished Senator from Connecticut, I was left with the only recourse of amending the bill that is immediately available.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of Virginia. Mr. President, I have prepared a table entitled "Deficits in Federal Funds and Interest on the National Debt, 1963–1972 Inclusive." I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1963–72 INCLUSIVE

[In billions of dollars]

	Receipts	Outlays	Deficit	Debt interest
1963	83.6	90.1	6.5	10.0
1964	87.2	95.8	8.6	10.7
1965	90.9	94.8	3.9	11.4
1966	101.4	106.5	5.1	12.1
1967	111.8	126.8	15.0	13.5
1968	114.7	143.1	28.4	14.6
1969	143.3	148.8	5.5	16.6
1970	143.2	156.3	13.1	19.3
1971	133.6	163.8	30.2	20.8
1972[1]	143.0	178.0	35.0	21.2
10-year total	1,152.7	1,304.0	151.3	150.2

[1] Estimated figures.

Source: Office of Management and Budget, except 1972 estimates.

Mr. BYRD of Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, the Senator from Illinois has asked that we not act on his measure until he returns from the cloakroom. I have a statement on campaign financing that I should like to make, awaiting his return to the floor.

Mr. President, we will be debating today a proposal on campaign-financing reform offered by my distinguished colleague, the senior Senator from Rhode Island, and many others from this side of the aisle.

One of the outstanding features of their amendment is the $1 tax checkoff to help finance Presidential elections—an idea I fought for vigorously on this floor in 1966 and then unsuccessfully sought to retain during 5 weeks of sometimes heated debate in 1967.

I rise to reiterate my support for such a one-man, one-vote, one-dollar tax checkoff, which I believe takes a huge stride down the road toward good government.

While I feel constrained not to sponsor the amendment we will be debating today—for various reasons—I can support it if this one-man, one-vote, one-dollar feature of public financing for presidential campaigns is included. But, I must stress that I have little enthusiasm for another feature of this amendment: the $100 tax deductions and the $25 tax credits for contributors.

While many large campaign contributions are made in good faith, others are designed to promote special interests. In my opinion, this sometimes borders on corruption, one of the evils that can be eliminated from presidential elections if my proposal for a $1 tax credit for every American is adopted.

Mr. President, there has been discussion all year about reviving the campaign-financing feature I struggled for in 1966 and, again, in 1967—one man, one vote, one dollar.

My distinguished colleague from Rhode Island, Senator PASTORE, has been providing leadership in this area and his bill, which we passed last summer, had some financing features in it.

However, it was agreed that these provisions should be stricken from my colleague's bill because it was felt we were taking too big a bite at that time and that financing ought to be handled separately.

Mr. President, I have recognized fully since then that such financing features—including my proposal of one man, one vote, one dollar—might be offered on the tax bill we are now considering. If we are to have any kind of campaign financing reform in time for next year's presidential electon, this bill would be a proper vehicle because, otherwise, it would be too late for the 1972 campaign.

However, if I were to sponsor such a proposal as chairman of the Committee on Finance, I should have given earlier notice to my colleagues on the committee that I intended to do so.

To do otherwise might well have been deemed deceitful conduct for the chairman of the Committee on Finance, and the floor manager of the President's tax package.

I informed my counterpart on the committee and the majority leader that I would not introduce such an amendment.

Since that time there has been a big upsurge of sentiment for this proposal. My decision not to introduce the amendment certainly does not indicate any lack of enthusiasm for my one-man, one-vote, one-dollar tax checkoff. I shall vote for it, and support it in the debate.

It now appears, after 5 long years, that the time has come for my proposal for a one-man, one-vote, one-dollar tax checkoff to elevate the highest elective office in America above the demeaning, compromising hat-in-hand quest for private donations—if you can truly call them that.

The basic issue should rise above partisanship today on this floor. I can support it—if it includes my one-man, one-vote, one-dollar proposal for nonpartisan, public financing of presidential elections by all Amercan taxpayers.

Mr. President, I ask unanimous consent to have printed in the RECORD a forceful editorial which was published in the Washington Post this morning, entitled "Money and Politics: On With Reform"; as well as sundry other material which appeared in various publications analyzing the various procedures, debates, and positions taken by Senators on this and related issues through the years.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MONEY AND POLITICS: ON WITH REFORM

The Senate will get a chance this afternoon to finish its part of a job it began earlier this year—rationalizing and purifying the business of financing election campaigns. This will come when the Democratic leaders in that body try to add on to the tax reform bill provisions to make possible the public financing of presidential campaigns and to encourage individuals to contribute small sums to the candidates of their choice in other elections. It is an opportunity the Senate ought to seize. The time is ripe. The need is urgent to take this second step—the campaign spending bill which goes to the House floor today is the first—in breaking the link between the big money and big politics.

There will be, no doubt, partisan political overtones in any discussion of these proposals. That comes about because the Republicans are rolling in money these days and see no need for such changes while the Democrats are in a state of bankruptcy and are eagerly searching for any mechanism which will get them back on the road to fiscal stability. But the basic issue transcends partisan politics. Presidents ought not to have to spend their time participating in the kind of closed-circuit spectacular that Mr. Nixon was involved in last week in order to bankroll their parties. Other office-holders and would-be office holders ought not to have to beg for funds in order to conduct election campaigns. The proposals before the Senate provide a way out of that vicious circle in which big money—whether it comes from rich individuals, labor unions or other organizations—can buy a candidate's sympathetic ear and sometimes his votes once he is elected. It is worth remembering that although it is the Democrats who are poor today and the Republicans who are rich, it has not always been that way and there is no guarantee it will remain that way in the future.

The tax credit or deduction plan, which

would permit an individual to write off small political contributions, has been proposed and supported time and again by various Presidents and other public officials. We have backed it for almost 20 years and we still regard it as the simplest and least troublesome method by which parties can raise more funds and more individuals can be encouraged to participate financially in the political system. The public financing plan, while a good one in principle, is far more complicated. There are, for example, questions about how it would effect a third or fourth party candidate. Those, we trust, will be clarified by the debate in the Senate this afternoon so that it can send along to the House its second major contribution this year towards freeing politics from the corrupting influence of money.

VOTING ON CAMPAIGN FUND ISSUE

The Senate between 1966 and during 1967 changed its position several times during the course of six roll-call votes on the campaign fund issue. This was due entirely to vote switches by Democratic Senators in combination with absentees on one side or the other. Republicans in 1967, as on the original 1966 vote, almost solidly opposed the campaign financing law. The one GOP exception was Thruston B. Morton (Ky.), former Republican National Committee chairman, who voted both for and against retaining the law. In addition, Clifford P. Case (R. N.J.) announced in 1966 that he favored the Act (although he did not vote, but voted consistently against it in 1967.

A total of 15 Democratic and two Republican Senators changed their positions on one or more of the roll calls on the issue. Of these, eight were consistent in their changed views between 1966 and 1967. The following Senators switched from support of the Act in 1966 to consistent opposition in 1967: Democrats J. W. Fulbright (Ark.), Wayne Morse (Ore.), Joseph S. Clark (Pa.) and Harry F. Byrd Jr. (Va.) and Republican Case. The following Senators switched from opposition to the Act in 1966 to consistent support in 1967: Democrats E. L. Bartlett (Alaska), Birch Bayh (Ind.) and Fred R. Harris (Okla.).

The other nine Senators who switched on the issue in 1967 were: Democrats Lister Hill (Ala.), John J. Sparkman (Ala.), Edward M. Kennedy (Mass.), Stuart Symington (Mo.), B. Everett Jordan (N.C.), A. S. Mike Monroney (Okla.), Claiborne Pell (R.I.) and James O. Eastland (Miss.), and Republican Morton. In most cases, however, Senators switched on only one vote.

CAMPAIGN FUND ISSUE

Because the Constitution forbids the Senate from initiating legislation involving taxes, Senators must add riders to House-passed bills if they wish to authorize new programs related to the tax system. Thus the Senate in 1966 amended H.R. 13103, a House bill dealing with foreign investments in the United States, to contain the Presidential Election Campaign Fund Act, and in 1967 Senators sought to repeal that Act by adding such a rider to the Administration's investment tax credit bill.

The 1966 Presidential Election Campaign Fund Act was the most important legislation approved by Congress relating to campaign financing since the 1925 Corrupt Practices Act and 1940 Hatch Act. The 1966 Act permitted taxpayers to check a box on their tax forms if they wished to allot $1 of taxes to Presidential campaigns. The money from the resulting fund was to be divided evenly between the Democrats and Republicans by a formula determined from the number of votes cast in the preceding election. (Based on 1964 returns, each party would receive approximately $30 million.) If a minor party won more than 5 million votes—something no minor party had ever done—it would receive $1 for each vote over 5 million for the next election. The Act was the first plan for federal financing of U.S. election campaigns ever enacted.

In 1966, the Senate passed H.R. 13103, authorizing the fund, nine days before final adjournment. Before passing the bill, it approved the fund by a 33–39 rollcall vote. House conferees accepted the fund with an amendment raising from 1.5 to 5 million the minimum number of votes a minor party had to receive to qualify for funds under the Act. On the last day of the session Albert Gore (D. Tenn.) led an attack on the campaign fund and called for defeat of the entire bill, which contained numerous special interest riders. Gore's motion to kill the conference report was defeated by a 15–37 rollcall.

In 1967 Gore continued his fight, and on the opening day of Senate debate on the investment tax credit he offered, in conjunction with John J. Williams (R. Del.), a motion to repeal the fund. The move was sturdily opposed by the author of the 1966 Act, Senate Majority Whip Russell B. Long (D. La.). The Senate was unusually evenly divided on the issue and neither Gore nor Long was willing to accept defeat. The result was five weeks of repetitive and at times unusually vitriolic debate during which the Senate in effect voted three times to repeal the 1966 Act and three times to retain it in some form. Republicans were almost unanimous for repeal. The GOP traditionally had much larger available sources of private contributions than did the Democrats, and so many GOP Senators were not sympathetic to the concept of federal campaign financing. Most Senate Democrats fell into two categories—those who wanted to repeal the fund and write a new law, and those who wanted to keep the 1966 Act with amendments. The Administration was in the latter category and lobbied vigorously during the weeks of voting. Vice President Hubert H. Humphrey several times used his position as President of the Senate to aid Long.

The final compromise solution, suspending the tax check-off system until Congress adopted guidelines governing distribution of the money from the fund, was put forward by Senate Majority Leader Mike Mansfield (D Mont.). In the end, the chief actors disagreed on the effect of the provision. Williams claimed that it "got rid of the Act immediately" and Long predicted that the Act would be in operation by the 1968 elections. (Long's prediction was not fulfilled.)

ARGUMENTS FOR THE FUND

The chief argument for retention of the 1966 Act was that it would free Presidential candidates from the necessity of having to accept private contributions which might prejudice their decisions. Another argument, often stated by Long, was that existence of a large public campaign fund would put a poor man on an equal level with a rich man in a Presidential race.

Supporters of the Act also contended that, although candidates for other offices would not qualify for funds under the Act and third party Presidential candidates probably would not qualify, existence of the campaign fund would have the effect of making more private money available to them.

Long and the other Senators who spoke in favor of retention agreed that the 1966 Act had serious flaws, and Long made a number of tentative proposals for alterations. However, they argued that to repeal rather than amend the Act—the first campaign spending legislation since 1940—would end chances for any campaign spending reform.

ARGUMENTS AGAINST THE FUND

Those Members who spoke for repeal were agreed on the need for reform of the existing situation. However, they argued that the Long Act was so weak that it could make the existing situation worse. They also held that if reforms of campaign spending practices—such as reporting—were not tied to provisions for federal participation in campaign financing, reforms would never be made. Gore referred to that as the "carrot-and-the-stick approach." He said the 1966 Act "gave up the carrot without any reform at all. Without this carrot, reform will continue to elude us."

Among specific criticisms of the 1966 Act were the following: there were no safeguards against corrupt practices; there were no guidelines as to how the money should be spent; there was no limit on private contributions and these would be commingled with public money; the practical effect of the bill was to deny money to third parties; reform should include Congressional as well as Presidential campaigns; the Act was unclear as to who in a national party would receive and disburse money; the national parties would be made much freer from local controls, and would have great power to punish local candidates who strayed from the party line by setting up independent local organizations and by deciding how much money to spend in each state. In addition, Gore questioned the $1 tax checkoff system itself. He said it began an unwise new system of earmarking tax revenue which, in its logical extension, would see taxpayers deciding whether they wished to support the Vietnam war or the "war on poverty."

SENATE-HOUSE PROCEDURES

The performance of the Senate during April was an interesting illustration of the manner in which that chamber sometimes legislates. It also provided a striking contrast between the operations of the two houses of Congress—the House of Representatives with its usually tidy and efficient floor procedures and the Senate with its virtually unlimited debate, its boundless Senatorial courtesy, and its indulgence of Senators with favorite projects.

Majority Leader Mike Mansfield (D Mont.) said that "misunderstandings" produced the confusion and delays. There were other reasons, also. Delays were caused in part by the absence of Senators, who were out of town even though 1967 was not an election year. Undoubtedly most important, however, was the reluctance of Majority Whip Russell B. Long (D La.) to admit defeat on the principal issue at stake—repeal of the Presidential Election Campaign Fund Act—and the failure of Mansfield to even attempt to take control of the situation until after three weeks of confused voting.

In the House, by contrast, a bill is considered under tight restrictions which only rarely allow action to continue for more than two days and which prohibit any amendments not strictly germane to the legislation. Debate seldom is allowed for more than a few hours. Few roll-call votes occur because of the parliamentary procedures that are used.

The House procedures are even tighter for tax bills (including the one that tied up the Senate in April) and for Social Security tariff and similar legislation. These types of bills almost always are considered under closed rules which prohibit any amendments from the floor; all that is allowed is one motion to recommit the bill to committee, either with or without instrucion for changes. The purpose of this restriction, supporters say, is to prevent logrolling.

The Senate has no such qualms. Tax bills and other pieces of legislation sometimes are used as vehicles for a variety of related or unrelated amendments which a Senator considers important or useful and which, not infrequently, have not had a favorable reception in committee. In the case of tax legislation there is another reason that the Senate resorts to riders: the Constitution requires that revenue measures originate in the House, which means the Ways and Means Committee. The Senate Finance Committee is restricted to amending House tax bills. The Senate does not often load a bill with unrelated amendments. But when it does the event can be spectacular. An example was the 1966 Foreign Investors Tax Act which became known as the Christmas Tree Bill because of the multitude of unrelated amendments that were added in committee and on the floor—among them, the amendment authorizing the Presidential Election Campaign Fund Act.

Senate riders sometimes are the result of logrolling, sometimes are accepted simply out of courtesy to the sponsoring Senator who has a strong interest in the proposal, and sometimes are approved simply because they are popular but with the knowledge that they will be quietly dropped in conference later.

CHRONOLOGY OF SENATE FLOOR ACTION

The Senate spent more than five weeks debating HR 6950 and the campaign fund issue. Following are the highlights of the action:

April 3—Senate begins debate. Albert Gore (D Tenn.) proposes an amendment to repeal the Presidential Election Campaign Fund Act of 1966. Debate on the issue continues until April 12.

April 12–13—Senate accepts various amendments to tighten operation of 1966 law.

April 13—Senate by 48–42 roll call accepts Gore-John J. Williams (R Del.) amendment to repeal the act July 1. Gore's April 3 amendment for immediate repeal, is withdrawn.

April 14–19—Senate votes on numerous unrelated amendments, including Social Security payments, education tax credits and excise taxes, accepting many of them.

April 20—Senate by 46–42 roll call accepts amendment by Russell B. Long (D La.), called the Honest Elections Act of 1967, which provided a Presidential election financing scheme similar to that under the 1966 Act.

April 25—Senate by 64–22 roll call adopts recommittal motion by Majority Leader Mike Mansfield (D Mont.) with instructions to drop all previously adopted floor amendments, to add wording repealing the 1966 Act on July 31, and to require the Finance Committee to report amendments to the 1966 law within six weeks. HR 6950 was immediately re-reported with the changes specified in the instructions.

April 25—Long offers amendment to delete July 31 repeal date added by Mansfield recommittal instructions. Senate rejects Williams motion to table Long amendment by 41–43 roll call.

May 2—Senate by 46–52 roll call rejects Long amendment to delete July 31 repeal date. Long continues fight.

May 9—Senate by 48–48 roll call rejects Gore-Williams amendment to make the Act inoperative after Sept. 15 unless Congress provides otherwise. Vice President Humphrey votes "nay" to break the tie although his vote was not necessary.

May 9—Senate by 93–4 roll call accepts Mansfield amendment to prohibit appropriations and disbursement of funds under the 1966 Act and to prohibit the $1 income tax checkoff system from going into operation until Congress adopted "guidelines" governing the distribution of funds.

May 9—Senate by 93–1 roll call passes HR 6950, as amended by Mansfield language (above), and sends it to conference with the House.

CAMPAIGN EXPENDITURES

As political campaigns increased in complexity and costliness, the almost endless variety of expenditures approached the point where they defied a complete categorization. Alexander Heard, in *The Costs of Democracy*,* published in 1960, noted just a few:

"Radio and television broadcasting eat up millions. Thousands go to pay for rent, electricity, telephone, telegraph, auto hire, airplanes, airplane tickets, registration drives, hillbilly bands, public relations counsel, the Social Security tax on payrolls. Money pays for writers and for printing what they write, for advertising in many blatant forms, and for the boodle in many subtle guises. All these expenditures are interlarded with outlays for the hire of donkeys and elephants, for comic books, poll taxes and sample ballots, for gifts to the United Negro College Fund and the Police Relief Association, for a $5.25 traffic ticket in Maryland and $66.30 worth of convention liquor in St. Louis. . . ."

Electronic campaigning—radio and television—came to occupy a greater and greater portion of campaign budgets. In 1956, total expenditures for political radio and TV broadcasting at all levels during the general elections was about $9.8 million. The figure was more than $14 million in 1960 and about $24.6 million in 1964. The three major television networks in 1968 reported political broadcasting charges of $8.9 million for the Presidential primary and general election campaigns that year. The amount was more than double of the 1964 total of $4.1 million. (For additional figures, see p. 118).

Other major expenditures during election campaigns included newspaper advertising, which for a moderate statewide campaign was likely to consume 10 to 15 percent of the total budget; public relations firms, which took 40 and 23 percent, respectively, of direct expenditures by the Democratic and Republican national committees in 1960; and public opinion polls. In addition, large sums were needed for campaign materials (buttons, bumper stickers, brochures, etc.); headquarters and staff, which were likely to take between 20 and 30 percent of most campaign budgets; billboards; and expenses of actually getting the voters to the polls on election day, which have been estimated to account for one-eighth of all campaign expenditures.

PROPOSED REFORMS

Congress in the postwar years considered a number of proposals aimed at tightening regulations over election spending and freeing candidates from over-dependence upon large contributors and special interest groups. Little actual action resulted. Following is a year-by-year review of Congressional action.

1943—In its final report on a study of the 1948 Congressional elections, the House Campaign Expenditures Committee recommended a "substantial raise" in existing limits on campaign expenditures, pointing to the increased costs of goods and services, as well as the large population increase since passage of the Corrupt Practices Act of 1925.

1951—The House Special Committee to Investigate Campaign Expenditures, in a report on the 1950 House elections, Jan. 3 said it favored repeal of a number of provisions of the Federal Corrupt Practices Act of 1925 and the Hatch Act (1939). The Committee said it was "patently impossible for a candidate to conduct a Congressional or Senatorial campaign" within the existing limitations of expenditures, and that the "unrealistic" $3 million annual limitation on the national political committees was "an invitation to criminal violation." The Committee also recommended that primaries be included under political financing regulations, political committees be precluded from receiving and spending funds on behalf of a candidate without his written authorization and that the prohibition against participation in elections by federal employees be eliminated or liberalized.

1953—In a Jan. 24 report, the 82nd Congress Elections Subcommittee of the Senate Rules Committee proposed that the limit on spending for national political campaign committees be increased from $3 million to $10 million a year. The Subcommittee also recommended that the limit for spending by Senatorial candidates be increased from $25,000 to $50,000 or an absolute limit of $250,000, based upon a sliding scale of up to 10 cents for each vote cast in the last primary or general election for the office in the candidate's state. On June 1, Sens. Carl Hayden (D Ariz.), Thomas C. Hennings Jr. (D Mo.) and Robert C. Hendrickson (R N.J.) introduced a bill (S 2081) containing these provisions, plus a ceiling of $25,000 (instead of the existing $5,000) on spending by candidates for the House. No action was taken on the bill.

1955—The Senate Rules and Administration Committee June 22 reported a bill (S 636), which had been introduced by Hennings (D Mo.), to include campaign costs in primary elections under the federal regulation limiting expenditures; require all committees active in campaigns for federal office to file financial reports (instead of only those active in more than one state); and increase the spending limit for Senatorial candidates in both primary and general elections to $50,000 and for House candidates to $12,500. The bill also would have raised the existing $3 million limit on spending by national committees, according to a formula based on the number of votes in recent elections, to approximately $12 million. The bill received no floor action in the Senate.

1956—A Select Senate Committee, in an April 7 report, recommended that Congress re-evaluate the Federal Corrupt Practices Act. Specifically, the report suggested that Congress consider the advisability of amending the election laws to require that every candidate for federal office designate a fiscal agent officially authorized to solicit and accept campaign contributions and required to make this information a matter of public record. The Committee also recommended that every person, political committee organization making more than $5,000 in campaign contributions in any one year be required to file a detailed accounting with the Secretary of State of each state.

1957—A bill (S 2150) increasing the maximum spending limits for political campaigns was reported Aug. 2 by the Senate Rules and Administration Committee but received no further action. As reported, S 2150 would have increased the limit for national committees to a figure equal to 20 cents for each person who voted in the last Presidential election; for Senate and Representative-at-Large candidates to $50,000 or more, depending upon the number of voters in the preceding general election; and for other House candidates to $12,500 or more based on the number of voters.

1960—A bill (S 2436) increasing the limits on campaign spending but tightening provisions for disclosure was passed by the Senate but not acted on by the House. S. 2436 was reported July 23, 1959, by the Senate Rules and Administration Committee and passed Jan. 25, 1960, by a 59–22 (D 38–15; R 21–7) roll-call vote. As passed by the Senate, the bill increased the spending limit for Senate and Representative-at-Large candidates to $50,000 or a level established by the number of voters in the previous election; for other House candidates to $12,500, or a sliding maximum based upon the number of voters in the preceding election; and for nominees for President and Vice President at an amount equal to 20 cents times the number of votes cast in any of the three preceding elections, which would have set the ceiling at approximately $12 million and $6 million, respectively, in 1960. The House took no action.

1961—A truncated version of the "clean elections" bill passed by the Senate in 1960 was approved by the Senate Sept. 15, 1961, by voice vote but was not acted upon by the House. As passed, the bill (S 2426) raised the annual limit on campaign spending by

* Alexander Heard, The Costs of Democracy, University of North Carolina, 1960.

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political committees to an estimated $14 million, under a sliding scale formula; increased the spending limits for Senate and Representative-at-Large candidates to $50,000, and for other House candidates to $12,500.

Also in 1961, Sen. Maurine B. Neuberger (D Ore.) and four co-sponsors introduced a bill (S 1555) to establish a federal election finance fund which would share up to half of a candidate's radio-television expenses. No action was taken on the measure.

1962—The President's Commission on Campaign Costs April 18 issued a report recommending a series of proposals to encourage greater citizen participation in financing Presidential campaigns. The Commission had been named Oct. 4, 1961, by President Kennedy. Chairman was Alexander Heard, dean of the University of North Carolina Graduate School. Among the Commission's recommendations were that:

Individuals be given a credit against their federal income tax of 50 percent of political contributions, up to a maximum of $10 per year or, as an alternative, a deduction from taxable income for contributions up to $1,000 a year.

The current $3 million annual limit on expenditures of interstate political committees and the $5,000 limit on contributions by individuals to those committees be repealed, leaving no limit.

All candidates for President and Vice President and committees spending at least $2,500 a year be required to report expenditures made in both primary and general election campaigns.

A Registry of Election Finance be established to help enforce political financing regulations.

The Government pay the "reasonable and necessary costs" of a President-elect's facilities and staff during the "transition" period between election and inauguration.

President Kennedy May 29 submitted five draft bills to Congress encompassing proposals identical or similar to those made by the Commission. The only bill reported (HR 12479) was one to finance transition costs. This bill was reported by the House Government Operations Committee Sept. 19, but the measure died when Rep. Gerald R. Ford (R Mich.) Oct. 1 objected to consideration of the measure under the Consent Calendar, stating that the $750,000 authorization figure for each fiscal year concerned was too high.

1963—President Kennedy April 30 sent to Congress two draft bills to stiffen reporting requirements for campaign finances and to give tax benefits to campaign contributors in order to encourage support of political candidates and committees. Both proposals had been recommended by the President's Commission on Campaign Costs in 1962, but neither was acted upon.

1964—A provision to allow taxpayers to claim a deduction for campaign contributions of up to $50 for individuals and $100 for married couples was added to the Administration's omnibus tax bill (HR 8363—PL 88-272) by the Senate Finance Committee but was dropped in the Senate-House conference.

1966—Reform of U.S. political campaign finances advanced on a number of fronts in 1966. For the first time in U.S. history, Congress approved a form of federal subsidy for the costs of Presidential campaigning. President Johnson sent Congress a comprehensive campaign finance reform law that covered all Presidential and Congressional campaigns, both in the primary and general election stage. Congress also clamped down on corporate tax deductions for advertisements in political journals.

Significant developments of 1966:

President Johnson, in his Jan. 12 State of the Union address, called for tax incentives to stimulate small contributions to political parties and "make it possible for those without personal wealth to enter public life without being obligated to a few large contributors." He also urged revision of "present unrealistic restrictions on (campaign) contributions—to prohibit endless proliferation of committees, bringing local and state committees under the Act—to attach strong teeth and severe penalties to the requirement for full disclosure of contributions."

President Johnson's draft of a campaign spending reform bill, forwarded to Congress May 26, envisaged sweeping reforms in the field. Not only were primary campaigns, both for President and for Congress, brought under the reporting requirements, but also a provision was added requiring all Members of Congress to report annually all gifts and income from personal services of more than $100 which they received from sources other than Government salary and securities income. Taxpayers were to be allowed to deduct from taxable income up to $100 for contributions to any candidate or political committee—local, state or federal—in each calendar year.

The Senate Rules and Administration Committee refused to hold hearings on the Presidential recommendations, reporting out instead a much weaker reform bill sponsored by Sen. Howard W. Cannon (D. Nev.). But in the House Administration Committee, several days of hearings were held and a subcommittee drafted a bill closing loopholes in the Presidential measure and strengthening it in several respects. No House action was taken.

At the urging of Senate Finance Committee Chairman Russell B. Long (D La.), the Senate added to the Foreign Investors Tax Act, and both houses of Congress approved, a measure establishing a Presidential Election Campaign Fund, to be financed by voluntary $1 tax form checkoffs by the country's taxpayers. The measure was expected to channel $30 million or more into the Presidential campaign chests of each major party in Presidential election years. Though the legislation was criticized on a number of counts, President Johnson signed it into law and it was expected to act as a catalyst for further Congressional action in financing federal campaigns.

In the wake of widespread adverse publicity about political journals published by the major political parties with tax-deductible corporate ads at rates of up to $15,000 a page, Sen. John J. Williams (R Del.) persuaded the Senate Finance Committee to attach an amendment to the Administration's excise tax bill totally prohibiting tax deductions for the cost of advertisements in political advertising journals. No move was made to strike the amendment as it went through the House and Senate, and it became law with the President's signature March 15. The amendment deprived national political committees of a growing source of indirect income and cut off a traditional source of funds for state and local political committees, thus adding to pressures for other laws to help the parties with their financing problems.

1967—Congress made inoperative Sen. Long's 1966 measure establishing a Presidential Election Campaign Fund, but the fight over the action (HR 6950) tied up the Senate for more than five weeks.

The Senate passed a bill (S. 1880) that extended the reporting requirements of the Corrupt Practices Act to spending in all primaries and conventions for President, Senator or Representative. The bill, the broadest campaign finance reform measure ever to clear a chamber of Congress, also required reports from intrastate political committees, which were exempted by existing law, and removed the existing ceilings on spending by political committees and Congressional candidates.

A subcommittee of the House Administration Committee reported an even more comprehensive bill (HR 11233), sponsored by Reps. Robert T. Ashmore (D S.C.) and Charles E. Goodell (R N.Y.), but the bill remained stalled in the full committee. A coalition of Northern Democrats, who feared restrictions on spending by organized labor, and of Southern Democrats, who opposed the bill's reporting requirements for primaries, blocked full committee approval.

Sen. Long's Finance Committee in November reported a bill (HR 4890) which embodied S 1880 plus a comprehensive plan for federal subsidies to Presidential and Senate campaigns. However, no further action was taken on the measure.

1968—Congress again failed to act on campaign financing and reporting reform. Congress, however, did pass a bill (HR 17325) to permit tax deductions for corporate advertising in Presidential nominating convention programs.

1969—Outgoing Attorney General Ramsey Clark Jan. 17 submited to Congress proposed legislation that required all committees spending $1,000 or more in support of a candidate for federal office to file reports whether they operated in more than one state or not; placed a $5,000 limitation gift by one individual to a candidate or committees supporting that candidate; repealed the $3-million limitation on spending by a political committee but required more complete reports; required financial reports from persons contributing more than $10 to support a candidate; required reports of committees or groups supporting a national convention campaign; and created a bipartisan commission, appointed by the President, to administer the law.

REPORTED NATIONAL-LEVEL POLITICAL SPENDING

Year, man elected	Expenditures	Percent	Total vote	Cost per vote[1] (cents)
1912—Wilson (D):				
Total	$2,876,816		15,031,000	19
Republican	1,076,548	37.4		
Democrat	1,134,848	39.4		
Progressive	665,420	23.1		
1916—Wilson (D):				
Total	4,726,155		18,528,000	26
Republican	2,441,565	51.7		
Democrat	2,284,590	48.3		
1920—Harding (R):				
Total	6,887,872		26,769,000	26
Republican	5,417,501	78.7		
Democrat	1,470,371	21.3		
1924—Coolidge (R):				
Total	$5,366,277		29,095,000	16
Republican	4,020,478	74.9		
Democrat	1,108,836	20.7		
Progressive	236,963	4.4		
1928—Hoover (R):				
Total	11,598,461		36,806,000	32
Republican	6,256,111	53.9		
Democrat	5,342,350	46.1		
1932—Roosevelt (D):				
Total	5,146,027		39,759,000	13
Republican	2,900,052	56.4		
Democrat	2,245,975	43.6		

Footnotes at end of table.

Year, man elected	Expenditures	Percent	Total vote	Cost per vote[1] (cents)
1936—Roosevelt (D):				
Total	$14,116,343		45,655,000	31
Republican	8,951,602	63.4		
Democrat	5,164,741	36.6		
1940—Roosevelt (D):				
Total	26,917,051		49,900,000	54
Republican	18,864,117	70.1		
Democrat	8,052,898	29.9		
1944—Roosevelt (D):				
Total	26,193,311		47,977,000	55
Republican	16,195,376	61.8		
Democrat	9,997,935	38.2		
1948—Truman (D):				
Total	8,771,819		48,794,000	18
Republican	3,686,775	42.0		
Democrat	2,266,231	25.8		
Labor	1,291,343	14.7		
Progressive	1,365,389	15.6		
States Rights Party	162,081	1.8		
1952—Eisenhower (R):				
Total	19,421,287		61,551,000	32
Republican	12,229,239	63.0		
Democrat	5,121,698	26.3		
Labor	2,070,350	10.7		
1956—Eisenhower (R):				
Total	$21,518,260		62,027,000	35
Republican	13,220,144	61.4		
Democrat	6,492,634	30.2		
Labor	1,805,482	8.4		
1960—Kennedy (D):				
Total	27,202,155		68,838,605	40
Republican	12,950,232	47.6		
Democrat	11,800,979	43.4		
Labor	2,450,944	9.0		
1964—Johnson (D):				
Total	38,079,829		70,645,000	54
Republican	19,314,796	50.7		
Democrat	14,948,791	39.3		
Labor	3,816,242	10.0		
1968—Nixon (R):				
Total	56,397,261		73,212,000	77
Republican	29,592,832	52.5		
Democrat	12,577,715	22.3		
Labor	7,241,259	12.8		
George C. Wallace's American Independent Party	6,985,455	12.4		

[1] Figures represent total spending divided by the number of votes cast. The actual cost-per-vote figures are higher since the spending figures are not complete.

Note: The above figures are the best available summaries of general election campaign spending reported by national-level committees of the Republican, Democratic and major third party groups since 1912, plus labor organization spending since 1948. It should be noted that the figures provide only the roughest guide of spending. Accounting methods of political committees have varied drastically over the years. In some cases, fund transfers from committee to committee have been counted; and in others, they have not. And some figures include totals of local political groups. In all cases, funds listed here represent only a fraction of total spending. For example, the figures do not include reports of all national-level committees, of congressional candidates or on primary and State level campaigns.

Source: Citizens' Research Foundation, Governmental Affairs Institute, the Two Party System in the U.S. by William Goodman.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUCKLEY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I rise in opposition to the amendment. As I understand the amendment, it would require the Federal Government to pay 100 percent of the increased costs of welfare over what was spent last year.

It is true that the proponents of the amendment have now reduced that to a 1-year proposal. Nevertheless, the original intention was to make it permanent law.

I am inclined to believe that, if we do it for 1 year, it will become permanent law. It carries a very bad principle. Whenever we have a situation where one unit of government provides the money and another unit does the administering, the taxpayers are denied the ordinary checks and balances and the safeguards that bring about the best possible administration.

If this amendment were to become law, it would mean that for this year, the State of Illinois, or the State of New York, or the State of California, or any other State in the Union, could not only expand its welfare rolls as to the number of people on welfare, but could also raise their payments and could do so without spending one dime, because this amendment guarantees to the States that whatever increase there is will be borne by the Federal Government.

Mr. President, the amendment would cost $1,088 million. It will be grossly unfair to a State such as I have the honor to represent in part, the State of Nebraska. It is not in keeping with sound principles of administration and, furthermore, it is not fair to the Federal taxpayers living in the various States. We already have a huge deficit. To take on this burden of another $1 billion is not fair to Federal taxpayers residing in Nebraska, in Illinois, New York, California, or elsewhere.

A vote for this amendment will be a vote for further Federal deficits with all the evils that it carries.

There are many other reasons why it should not be favorably considered at this time, including the fact that it will open up the door to all manner of welfare reform proposals, which means that the tax bill will not be enacted this year.

In closing, I invite attention to the fact that the greatest force for welfare and reform in America is a strong and vigorous economy. When the economy is strong, jobs are plentiful and individuals with a small amount of training who have been denied certain advantages can then get jobs.

Whenever the economy is on the decline, those people find it most difficult to get employment. The greatest welfare reform anyone can promote is to support those things which will give us a strong and vigorous economy, a growing and expanding economy, where jobs are plentiful.

That does not come about by increasing the Federal deficit. It will not come about by jeopardizing passage of the President's tax package.

QUORUM CALL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I ask unanimous consent that exhibits showing and demonstrating to the Senate the actual need for the type of funds I provide for in this amendment and exhibits to support those conclusions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Tentative estimates of State allotments under emergency welfare relief amendment—Con.

[Amounts in thousands]

Alabama	$9,400
Alaska	1,059
Arizona	2,266
Arkansas	4,876
California	292,330
Colorado	10,191
Connecticut	21,833
Delaware	1,664
District of Columbia	6,991
Florida	10,378
Georgia	12,268
Hawaii	5,043
Idaho	1,816
Illinois	65,744
Indiana	8,598
Iowa	8,777
Kansas	6,036
Kentucky	9,392
Louisiana	12,739
Maine	3,185
Maryland	21,210
Massachusetts	69,532
Michigan	56,722
Minnesota	11,187
Mississippi	3,644
Missouri	18,695
Montana	1,194
Nebraska	3,680
Nevada	1,033
New Hampshire	1,310
New Jersey	36,514
New Mexico	3,096
New York	169,742
North Carolina	5,167
North Dakota	1,513
Ohio	31,855
Oklahoma	16,144
Oregon	9,032
Pennsylvania	77,732
Rhode Island	7,946
South Carolina	3,294
South Dakota	1,931
Tennessee	6,240

XUM

Tentative estimate of State allotments under emergency welfare relief amendment—Con.

Texas	$34,462
Utah	3,343
Vermont	2,533
Virginia	5,997
Washington	25,534
West Virginia	4,132
Wisconsin	13,334
Wyoming	390
U.S. total	1,088,117

EXPLANATION OF EMERGENCY WELFARE RELIEF AMENDMENT INTRODUCED BY SENATOR CHARLES H. PERCY TO H.R. 10947

General: The purpose of this amendment is to provide *limited fiscal relief* to States prior to the effective date of the State Savings provision (Section 503) of H.R. 1, and at the same time to protect welfare recipients from reductions in the support levels paid by States in the programs for the Aged, Blind, Disabled, and Families with Dependent Children. The amendment recognizes that the large increase in costs to States results from ever increasing caseloads, and protects States from a portion of the added cost.

Sub-section 1126(a) provides that there will be quarterly payments, *in addition* to the regular Federal matching sums provided for support payments in the Old Age, Blind, Disabled, and Family with Dependent Children aid programs. The payment will be equal to the increase in State expenditures above the average quarterly expenditures by that State in Fiscal Year 1971 but not to exceed 25 per cent of such average quarterly expenditures.

Sub-section 1126(b) defines the State expenditure levels. Such expenditures are limited to cash assistance payments for the Adult and Family welfare programs.

Subsection 1126(c) provides an additional limitation and a condition to the receipt of the *additional* payment. Clause (1) limits the increased costs to those expenditures resulting from payment levels in effect on June 30, 1971. Clause (2) conditions the additional payment provided by this amendment on maintenance of support payments at levels at least as high as those paid on June 30, 1971, except where the increase in quarterly cost is so great as to exceed 150 per cent of the average quarterly expenditure for Fiscal Year 1971. Where State cost increases are greater than 150 per cent of Fiscal Year 1971, a State may reduce payment levels so that costs do not exceed 150 per cent.

Failure of compliance does not affect the usual matching provision but *only* the additional payment established by this provision.

WELFARE CUTBACKS

Mr. RIBICOFF. Mr. President, today I am making public the results of a study prepared for me by the Department of Health, Education, and Welfare regarding the cutbacks being made all across the country in payments to recipients to aid to families with dependent children.

The study's data indicates that the time is long past due for welfare reform to be enacted. Such reform will enable the Nation to provide adequate benefits to alleviate human suffering and will relieve the intolerable fiscal burden on many of the States of the Nation—from Georgia to Wyoming, from Connecticut and New York to California.

From July 1970 to September 1971, 20 States from every region in the country have decreased some or all of their AFDC payments.

The study provides a State-by-State analysis of actions involving welfare payments.

Most of these States want to make a wholehearted effort to help the needy. But the prospects of fiscal ruination have forced them to make their already inadequate benefits even less adequate. The fiscal relief crisis is a crisis, then, not only for the States, but for each and every welfare recipient, 7½ million of whom are children.

In Connecticut, for example, benefit levels have been averaged out into a flat "equal monthly allowance" grant, resulting in benefit cutbacks for 30 percent of Connecticut's AFDC caseload, which amounted to 105,000 recipients—78,600 of whom were children—in May 1971, the latest month for which precise data is available.

The implementation of a flat "equal monthly allowance" grant would save the State of Connecticut more than $2 million a year, including administrative cost reductions of $150,000 per year.

But while the Connecticut reductions in income assistance, rental payments and medical aid to hold the line on welfare costs which have increased five times in the last decade in Connecticut, the costs in terms of human misery will inevitably increase.

No State should be faced with having to protect its fiscal integrity at the expense of its neediest citizens.

It is abundantly clear that the time for welfare reform is now. The alternative is continuing human misery and State bankruptcy.

I ask unanimous consent that the study be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., October 13, 1971.

Hon. ABRAHAM RIBICOFF,
U.S. Senate,
Washington, D.C.

Attention: Jeff Peterson.

DEAR SENATOR RIBICOFF: As indicated in a call today to Mr. Peterson's secretary, we apologize for the delay in responding to your letter of September 15, concerning the trends in AFDC benefit levels. The attached information was provided to us by John L. Costa, Commissioner of the Assistance Payments Administration. It includes a summary of state actions regarding the AFDC benefits and the effect on a family of four with an assumed income as well as on a family of four with no other source of income.

The detailed tables were developed to further illustrate for you the effects of state agency charges on determining eligibility and the amount of the assistance payment. In some situations the change in policy did not decisively result in either an increase or decrease for all recipients.

In thirty-one states there was some change, either an increase or decrease in AFDC policy for determining need and the amount of the assistance payment since July 1970.

Sincerely,

[Mrs.] PATRICIA REILLY HITT,
Assistant Secretary for Community and Field Services.

A. GENERALIZED SUMMARY OF EFFECT OF STATE AGENCY CHANGES IN AFDC POLICY SINCE JULY 1970

States which have decreased some or all payments in AFDC:

1. Alabama, June 1971.
2. California, June 1971. (?)
3. Connecticut, September 1, 1971.
4. Delaware, June 1971.
5. District of Columbia, August 1970.
6. Georgia, June 1971.
7. Kansas, September 1, 1971.
8. Kentucky, September 1970.
9. Louisiana, January 1971.
10. Maine, July 1970.
11. Nebraska, September 1971.
12. New Jersey, July 1971.
13. New Mexico, April 1971.
14. New York, May 1971.
15. Nevada, July 1971.
16. South Dakota, April 1971.
17. Utah, October 1970.
18. Vermont, September 1971.
19. Washington, April 1971.
20. Wyoming, July 1970.

States which have increased payments for all AFDC recipients:

1. Arkansas, May 1971.
2. Colorado, July 1, 1970.
3. Hawaii, July 1971.
4. Illinois, July 1970.
5. Maryland, July 1971.
6. Wisconsin, March 1971.

B. DEFINITE EXPLANATION OF EFFECT OF CHANGES IN STATE POLICY IN NEED DETERMINATION IN AFDC SINCE JULY 1970

Summary tables—not mutually exclusive

I. States which have decreased payments for all AFDC recipients. Reduced number of persons eligible for a payment:

1. District of Columbia, August 1, 1970.
2. Kansas, September 1, 1971.
3. New Mexico, April 1971.
4. New York—The change in New York State actually resulted in increases for most AFDC recipients in all the counties excepting New York City and the seven surrounding metropolitan counties. Most AFDC payments for families in New York City and the surrounding counties were decreased. (Mostly New York City and 7 metropolitan counties), May 1971.
5. Utah, October 1970.
6. Washington, April 1971.

II. States which have decreased payments only for AFDC recipients with income and reduced number of persons with income eligible for AFDC.

1. Alabama, June 1971.
2. California (If New Welfare Reform Act of August 13, 1971 is implemented).
3. Delaware, June 1971.
4. Georgia, June 1971.
5. Kentucky, September 1970.
6. Louisiana, January 1971.
7. Nebraska, September 1971.
8. Nevada, July 1971.
9. Wyoming, July 1970.

III. States which have consolidated payments into a partial or total "flat" grant. May have increased or decreased payments:

1. Connecticut, September 16, 1971 (Not fully analyzed).
2. Massachusetts, August 1970 (Probably more increased).
3. New Jersey, July 1971 (Probably more decreased).
4. North Dakota, July 1971 (Probably more increased).
5. South Dakota, July 1970 (Probably more increased).
6. Vermont, September 1, 1971 (Probably more increased).

IV. States which have reduced other aspects of AFDC program:

1. New Jersey—Dropped AFDC–UF July 1971.
2. Maine—Dropped AFDC–UF, July 1971.

V. States which have increased payments primarily for families without income and decreased payments for families with income:

1. California (If Welfare Reform Act of August 1971 is implemented).
2. Nevada, July 1971.
3. Delaware, June 1971.
4. Georgia, June 1971.
5. Kentucky, September 1970.
6. Wyoming, September 1970.

VI. States which have increased payments to families with income. Families without income, no change.

1. Mississippi, June 1971.
2. Missouri, December 1970.

C. MOST RECENT CHANGES IN AFDC STANDARDS AND PAYMENTS METHODS FROM [1] JULY 1970 THROUGH SEPTEMBER 1971

1. *Alabama*—As of June 1971, Alabama changed method for determining the amount of the assistance payment.

Prior to June 1971 and After June 1971

State Standard, $230—No Change.

Maximum=$50 1st eligible child; $30 each additional eligible child to a maximum of $170; $110 maximum for a family of four—No Change.

Agency payment was 35% of the budget Agency applied 35% reduction to the deficit [2] standard.

Example:

(a) Assume no income:	
Standard	$230
Countable income	0
Budget deficit	230
35%	81
Payment	81
(b) Assume $100 countable income:	
Standard	230
Countable income	100
Budget deficit	130
35%	46
Payment	46

Example:

(a) Assume no income:	
Standard	230
Reduced standard	81
Countable income	0
Budget deficit	81
Payment	81
(b) Assume $100 countable income:	
Standard	230
Reduced standard	81
Countable income	100
Budget deficit	0
Payment	0

Result: Most families with income either received decreases in payments or were ineligible. Families without income were unaffected. Reduced the number of families eligible for AFDC.

2. *Alaska*—Effective September 1, 1970, agency revised and increased maximums on payments. Most families probably received increases in payments.

3. *Arkansas*—As of May 5, 1971, State agency increased standard of need and State agency maximums on requirements.

Result: All families (with or without income) received increases of about $2 per person.

4. *California*—As of June 1971, in accordance with Section 402(a)(23) of the Social Security Act, California increased maximums on payments. For a family of four the maximum payment increased from $221 to $261, California Welfare Reform Act of 1971, Chapter 567 of Senate Bill 796, approved by the Governor August 13, 1971, includes new maximums and revised Statewide standards of assistance. Revised standard for a family of four is $314; the revised maximum is $280. The Act provides for income to be applied to the maximum.

Prior to 1971 Act

(a) Assume no income:	
Standard for LA	$328
Income	0
Deficit	328
Maximum Payment	261
(b) Assume $100 countable income:	
Standard for LA	$328
Countable income	100
Deficit	228
Payment	228

[2] Budget deficit refers to the difference between income and full standard or income and maximum or reduced standard as identified.

[1] All calculations based on AFDC Family of Four (1 Adult + 3 Children).

If Reform Act of 1971 is implemented

(a) Assume no income:	
State-wide maximum	$280
Income	0
Deficit	280
Maximum payment	280
(b) Assume $100 countable income:	
State-wide maximum	$280
Countable income	100
Deficit	180
Payment	180

Result: If California Welfare Act is implemented: Most families with income will receive decreased payments. All families without income will receive increases in payments. The number of families eligible for AFDC will be reduced.

5. *Colorado*—Effective 7/1/70, agency increased payments to 100% of standard; removing a 75.52% reduction.

Prior to July 1, 1970

(a) Assume no income:	
State standard	$235
Reduced to	198
Income	0
Deficit	198
Payment	198
(b) Assume $100 countable income:	
State standard	$235
Reduced to	198
Income	100
Deficit	98
Payment	98

After July 1, 1970

(a) Assume no income:	
State standard	$235
Income	0
Deficit	235
Payment	235
(b) Assume $100 countable income:	
State standard	$235
Income	100
Deficit	135
Payment	135

Result: All families received an increased payment. More families eligible for AFDC.

6. *Connecticut*—Effective 9/2/71, implemented partial flat grant, averaging some special needs into the basic standard.

7. *Delaware*—Effective June 1971, agency removed maximums on payments and ratable to standard, and implemented a 60% ratable to the budget deficit.

Prior to June 1971

(a) Assume no income:	
State standard	$287
Reduced standard	237
Income	0
Deficit	237
Maximum	149
(b) Assume $100 countable income:	
State standard	$287
Reduced standard	237
Income	100
Deficit	137
Payment	137

After June 1971

(a) Assume no income:	
State standard	$287
Income	0
Deficit	287
60%	172
Payment	172
(b) Assume $100 countable income:	
State standard	$287
Income	100
Deficit	187
60%	112
Payment	112

Result: Families without income received increased payments. Families with income could receive decreases in payments. Probably increased number of persons eligible for AFDC.

8. *District of Columbia*—Effective August 1, 1970, agency changed percentage reduction from 85% to 75%. Most families received decreases. Probably decreased eligibility.

9. *Georgia*—Effective June 1, 1971, agency changed payment method. Increased standards and maximums and applied a percentage reduction to the standard.

Prior to June 1, 1971

(a) Assume no income:	
State standard	$208
Income	0
Deficit	208
Maximum	133
Payment	133
(b) Assume $100 countable income:	
State standard	$208
Income	100
Deficit	108
Payment	108

After June 1, 1197

(a) Assume no income:	
State standard	$226
Reduced standard	164
Income	0
Deficit	164
Maximum	149
Payment	149
(b) Assume $100 countable income:	
State standard	$226
Reduced standard	164
Income	100
Deficit	64
Payment	64

Result: Families without income received increased payments; families with income received a decreased payment. Increased eligibility for families without income; decreased eligibility for families with income.

10. *Hawaii*—Effective July 1971, agency increased standards. Families with and without income received increased payments; probably increased number of persons eligible for AFDC.

11. *Indiana*—Effective April 1971, agency imposed maximums were increased.

Prior to April 1, 1971

(a) Assume no income:	
Standard	$355
Income	0
Deficit	355
Payment (maximum)	150
(b) Assume $100 countable income:	
Standard	$355
Income	100
Deficit	255
Payment (maximum)	150

After April 1, 1971

(a) Assume no income:	
Standard	$355
Income	0
Deficit	355
Payment (maximum)	175
(b) Assume $100 countable income:	
Standard	$355
Income	100
Deficit	255
Payment (maximum)	175

Result: All families without income and some families with income received increased payments: probably increased number of persons eligible for AFDC.

12. *Illinois*—Effective August 1970, agency increased standards and maximum for shelter. Most families received some increase in payments. Probably increased number of persons eligible for AFDC.

13. *Kansas*—Effective September 1, 1971, the State agency applied a further reduction to the standard, from 94% to 70%.

XUM

Prior to Sept. 1, 1971

(a) Assume no income:	
Standard	$282
Reduced standard	268
Income	0
Deficit	268
Payment	268
(b) Assume $100 countable income:	
Standard	$282
Reduced standard	268
Income	100
Deficit	168
Payment	168

As of Sept. 1, 1971

(a) Assume no income:	
Standard	$290
Reduced standard	216
Income	0
Deficit	216
Payment	216
(b) Assume $100 countable income:	
Standard	$290
Reduced standard	216
Income	100
Deficit	116
Payment	116

Result: All families, with and without income, received decreased payments. Reduced the number of families eligible for assistance.

14. *Kentucky*—Effective September 1970, the State agency revised method for determining need. Instead of applying two ratables, one to the standard and one to the deficit, agency applied one ratable of 73.1% to the standard. Urban and rural maximums removed in effect.

Prior to September 1970

(a) Assume no income:	
Full standard	$264
Reduced standard	216
Income	0
Deficit	216
86.5%	187
Payment	187
(b) Assume $100 countable income:	
Full standard	$264
Reduced standard	216
Income	100
Deficit	116
86.5%	100
Payment	100

After September 1970

(a) Assume no income:	
Full standard	$264
Reduced standard	193
Income	0
Deficit	193
Payment	193
(b) Assume $100 countable income:	
Full standard	$264
Reduced standard	193
Income	100
Deficit	93
Payment	93

Result: Families without income received increased payments. Families with income received decreased payments. Probably little effect on eligibility for AFDC.

15. *Louisiana*—Effective January 1, 1971, agency changed budgeting methods; agency applied a 51% ratable reduction to the standard instead of a 51% ratable to the budget deficit.

Prior to Jan. 1, 1971

(a) Assume no income:	
State standard	$204
Income	0
Deficit	204
Fifty-one percent	104
Payment	104
(b) Assume $100 countable income:	
State standard	$204
Income	100
Deficit	104
Fifty-one percent	53
Payment	53

After Jan. 1, 1971

(a) Assume no income:	
State standard	$204
Reduced standard	104
Income	0
Deficit	104
Payment	104
(b) Assume $100 countable income:	
State standard	$204
Reduced standard	104
Income	100
Deficit	4
Payment	4

Result: There was no change in payments for families without income; families with income received decreases in payments; reduced number of families eligible for AFDC.

16. *Maine*—Dropped AFDC UF as of July 1, 1970.

17. *Maryland*—Effective July 1971, agency changed ratable from 59.5% to 60%. All families received an increase of $1 per person.

18. *Mississippi*

Effective June 1971, agency increased percent of deficit met from 30% to 40%. Maximums not changed.

Prior to June 1971

(a) Assume no income:	
Standard	$232
Income	0
Deficit	232
30%	70
Maximum	60
Payment	60
(b) Assume $100 countable income:	
Standard	$232
Income	100
Deficit	132
30%	40
Payment	40

After June 1971

(a) Assume no income:	
Standard	$232
Income	0
Deficit	232
40%	92
Maximum	60
Payment	60
(b) Assume $100 countable income:	
Standard	$232
Income	100
Deficit	132
40%	53
Payment	53

Result: Families with income received increases in payments. There was no change in payments for families without income. May have increased eligibility for some families with income.

19. *Missouri*

Effective December 1970, agency increased standard.

Prior to December 1970

(a) Assume no income:	
Standard	$325
Income	0
Deficit	325
Maximum	130
Payment	130
(b) Assume $100 countable income:	
Standard	$325
Income	100
Deficit	225
Maximum	130
Payment	130

After December 1970

(a) Assume no income:	
Standard	$338
Income	0
Deficit	338
Maximum	130
Payment	130
(b) Assume $100 countable income:	
Standard	$388
Income	100
Deficit	238
Maximum	130
Payment	130

Result: Some families with income received increases in payment. There was no change in payments for families without income. May have increased eligibility for some families with income.

20. *Nebraska*—Effective April 1971, in accordance with Section 402(a)(23) of the Act, maximum increased by $26. Effective September 1971, agency applied a 94% ratable to the standard.

Prior to September 1971

(a) Assume no income:	
Standard	$347
Income	0
Deficit	347
Maximum	226
Prior to April 1971	200
Payment	226
(b) Assume $100 countable income:	
Standard	$347
Income	100
Deficit	247
Maximum	226
Prior to April 1971	200
Payment	226

After September 1971

(a) Assume no income:	
Standard	$347
Reduced standard	326
Income	0
Deficit	326
Maximum	226
Payment	226
(b) Assume $100 countable income:	
Standard	$347
Reduced standard	326
Income	100
Deficit	226
Maximum	226
Payment	226

Result: As of April 1971, all families without income received increased payments and some families with income received increased payments. As of September 1971, some families with income received decreases in payment. There was no change in payments for families without income. Probably reduced the number of families eligible for AFDC.

21. *Nevada*—Effective July 1971, State agency increased standard and changed method for determining need.

Prior to July 1971

(a) Assume no income—detail of method not elaborated because of its complexity:	
State standard	$317
Income	0
Payment	143
(b) Assume $100 countable income:	
Payment	$128

After July 1971

(a) Assume no income:	
State standard	$320
55% Reduced standard	176
Income	0
Deficit	176
Payment	176
(b) Assume $100 countable income:	
State standard	$320
Reduced standard	176
Income	100
Deficit	76
Payment	76

Result: Families without income received increased payments. Families with income received decreased payments. Probably increased eligibility for families without income.

22. *New Jersey*—Effective July 1971, agency consolidated standard into flat grant. "Averaged" flat grant could either mean a decrease in payment for some families or an increase in payment for some families. Probably reduced number of families eligible for AFDC. Agency dropped AFDC UF program as of July 1971.

For State AFWP program, agency eliminated the disregard of earned income of the first $30 and ⅓ of the remainder and applied a lower standard than is used in the AFDC program. Prior to this change, the disregard of $30 and ⅓ was applied in the State provided assistance program for all underemployed and unemployed families with children.

23. *New Mexico*—Effective April 1971, agency reduced percentage on budget deficit from 90% to 88%.

Prior to April 1971

(a) Assume no income:	
Standard	$203
Income	0
Deficit	203
90 percent	183
Payment	183
(b) Assume $100 countable income:	
Standard	$203
Income	100
Deficit	103
90 percent	93
Payment	93

After April 1971

(a) Assume no income:	
Standard	$203
Income	0
Deficit	203
88 percent	179
Payment	179
(b) Assume $100 countable income:	
Standard	$203
Income	100
Deficit	103
88 percent	91
Payment	91

Result: All families with and without income (excepting those who were receiving the maximum) received decreased payments. Probably reduced the number of persons eligible for AFDC.

24. *New York*—Effective May 15, 1971, agency applied a 10% ratable to the basic standard excluding shelter and fuel for heating.

Prior to May 15, 1971

(a) Assume no income:	
Full standard	$336
Income	0
Deficit	336
Payment	338
(b) Assume $100 countable income:	
Full standard	$336
Income	100
Deficit	236
Payment	236

After May 15, 1971

(a) Assume no income:	
Full standard	$336
Reduced standard	313
Income	0
Deficit	313
Payment	313
(b) Assume $100 countable income:	
Full standard	$338
Reduced standard	313
Income	100
Deficit	213
Payment	213

Result: All AFDC recipients in New York City and metropolitan counties received decreased payments. AFDC recipients in upstate counties may have had an increase. May have reduced the number of families eligible for AFDC.

25. *North Dakota*—Effective August 1970, agency removed an 11% ratable reduction to the standard. Effective July 1971, agency implemented a "flat grant."

Prior to August 1970

(a) Assume no income	
Full standard	$282
Reduced standard	261
Income	0
Deficit	261
Payment	261
(b) Assume $100 countable income:	
Full standard	$282
Reduced standard	261
Income	100
Deficit	161
Payment	161

After July 1971

(a) Assume no income:	
Standard	$300
Income	0
Deficit	300
Payment	300
(b) Assume $100 countable income:	
Standard	$300
Income	100
Deficit	200
Payment	200

Result: All families received increased payments. Eligibility for AFDC probably increased.

26. *South Dakota*—Effective July 1970, agency removed ratable reduction to standard and implemented flat grant. As of April 1971, agency applied an additional 10% reduction.

Prior to July 1970

(a) Assume no income:	
Standard	$310
Reduced standard	276
Income	0
Deficit	276
Payments	276
(b) Assume $100 countable income:	
Standard	$310
Reduced standard	276
Income	100
Deficit	176
Payment	176

As of July 1970

(a) Assume no income:	
Standard	$300
Income	0
Deficit	300
Payment	300
(b) Assume $100 countable income:	
Standard	$300
Income	100
Deficit	200
Payment	200

April 1971

(a) Assume no income:	
Full standard	$300
Reduced standard	270
Income	0
Deficit	270
Payment	270
(b) Assume $100 countable income:	
Full standard	$300
Reduced standard	270
Income	100
Deficit	270
Payment	170

Result: Most families, with or without income, received decreased payments. Number of persons eligible for AFDC probably reduced.

27. *Utah*—Effective October 1970, agency removed maximum and implemented a ratable reduction to the standard.

Prior to October 1970

(a) Assume no income:	
Standard	$239
Maximum	212
Income	0
Deficit	212
Payment	212
(b) Assume $100 countable income:	
Standard	$239
Maximum	212
Countable income	100
Deficit	112
Payment	112

After October 1970

(a) Assume no income:	
Standard	$271
Reduced standard	189
Income	0
Deficit	189
Payment	189
(b) Assume $100 countable income:	
Standard	271
Reduced standard	189
Countable income	100
Deficit	89
Payment	89

Effect: Decrease in payments to all families. Probably reduced eligibility for AFDC.

28. *Vermont*—Effective September 1, 1971, agency implimented flat grant, adding $2 per person to the State standard.

Result: Increased payments to most families. Effect on eligibility unknown.

29. *Washington*—Effective April 1971, agency redefined standard of need and implemented per person reductions varying by family size.

Prior to Apr. 1, 1971

(a) Assume no income:	
State standard	$321
Income	0
Deficit	321
Payment	321
(b) Assume $100 countable income:	
State standard	321
Income	100
Deficit	221
Payment	221

After Apr. 1, 1971

(a) Assume no income:	
State standard	$282
Income	0
State standard	282
Reduced payment	270
(b) Assume $100 countable income:	
State standard	282
Income	100
Deficit	182
Payment	182

Result: Decrease in payments for all families. Reduced eligibility for AFDC.

30. *Wisconsin*—Effective March 1, 1971, agency adjusted standard and changed ratables.

Prior to Mar. 1, 1971

(a) Assume no income:	
Standard	$248
Reduced standard	198
Income	0
Deficit	198
Payment	198
(b) Assume $100 countable income:	
Standard	248
Reduced standard	198
Income	100
Deficit	98
Payment	98

After Mar. 1, 1971

(a) Assume no income:	
Standard	255
Reduced standard	217
Income	0
Deficit	217
Payment	217
(b) Assume $100 countable income:	
Standard	255
Reduced standard	217
Income	100
Deficit	117
Payment	117

Result: Most families received an increase in payments. More families probably eligible for AFDC.

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31. *Wyoming.*—Effective July 1970, agency adjusted standards, changed ratables and increased maxim

Prior to July 1970

(a) Assume no income:	
Standard	$312
Reduced standard	268
Income	0
Deficit	268
Maximum	200
Payment	200
(b) Assume $100 countable income:	
Standard	312
Reduced standard	268
Income	100
Deficit	168
Maximum	200
Payment	168

After July 1970

(a) Assume no income:	
Standard	283
Reduced standard	260
Income	0
Deficit	260
Maximum	227
Payment	227
(b) Assume $100 countable income:	
Standard	283
Reduced standard	260
Income	100
Deficit	160
Maximum	227
Payment	160

Result: There was an increase in payments for families without income. Some families with income will have received decreases in payments. Effect on number of families eligible for AFDC probably neglible.

Mr. PERCY. Mr. President, in talking about the concern that I had with H.R. 1, the major question that I had with H.R. 1, the major question that comes up in the minds of the Governors and all other people dealing with the critical financial situation of our States concerns how fast the Senate can really act. The House of Representatives has responded in magnificent fashion to a very complex fashion. And under the leadership of Representative MILLS and the able support he has received from his committee, each member of which recognized the urgency behind the House acting very promptly on the bill and sending it to us, they sent us the bill promptly.

We have heard, and I have heard, of the scheduling that has been done on the Senate side. I am fully cognizant of the very urgent matters that must be considered because of other crisis that are ahead of us such as the revenue bill itself and such as phase I, phase II, and perhaps phase III legislation which will be required at some time or other to vitalize the American economy. Certainly we have urgent need for time in which to pass the appropriation bills, foreign aid authorization and others. So that we have now a schedule for H.R. 1 to be considered by the Finance Committee early next year.

I am not exactly clear in my own mind how expeditiously the committee can handle this and when we can expect to have it on the floor and when possibly we could have it up for passage by the Senate.

The reason I offered the amendment to the pending bill was my concern for the fact that months would pass and that thereby there would be no relief and no explanation which could be given to the impoverished people who are now adversely affected in the various States across the country.

Mr. President, I ask unanimous consent that all the telegrams I have received from the Governors of 20 States and other concerned citizens, indicating the plight faced in their States from East to West and North to South, be printed at this point in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

HELENA, MONT.

Hon. CHARLES PERCY,
U.S. Senate,
Washington, D.C:

I am in strong support and agreement with your efforts to sponsor an emergency welfare relief amendment providing a hold harmless freeze on State welfare costs for fiscal year 1971 levels. This will meet a current need in Montana. I sincerely hope your efforts will succeed. Copy of above wire sent Senator Mansfield, Senator Metcalf, Representative Melcher, and Hon. Charles Percey.

Sincerely,

FORREST H. ANDERSON,
Governor of Montana.

BATON ROUGE, LA.
November 15, 1971.

Hon. CHARLES PERCY,
U.S. Senator, Senate Office Building, Washington, D.C.:

I strongly support immediate emergency legislation to provide fiscal relief from rising welfare costs. Your proposal for an emergency welfare relief amendment providing a hold harmless freeze on State welfare costs at fiscal 1971 levels is highly desirable but Congress must go beyond hold harmless in order that we may continue meeting our welfare obligations to the needy of this State. My previously expressed position urged as a temporary relief an increase by twenty percent in the Federal formula for matching state funds in the assistance programs. This was considered a stop gap measure for immediate relief to the States pending final enactment of welfare reforms embodied in H.R. 1 which I urge your continued vigorous support.

JOHN J. McKEITHEN,
Governor of Louisiana.

CHICAGO, ILL.

Senator CHARLES H. PERCY,
Washington, D.C.:

The Welfare Council of metropolitan Chicago supports your amendment to the tax reform bill providing for a 1.1 billion emergency appropriation for welfare assistance to the States. The ultimate solution to the problem of financing public assistance rests with the Federal Government in such an emergency measure in light of the absence of action on H.R. 1 and revenue sharing is essential to prevent needless human suffering and further deterioration in an already chaotic situation.

JOSEPH M. WELLS,
President.
JOHN H. BALLARD,
Executive Director.

HARTFORD, CONN.,
November 16, 1971.

Senator PERCY,
Washington, D.C.:

I strongly support the emergency welfare relief amendment which is to be launched on the Senate floor today providing a whole harmless freeze on State welfare costs at fiscal 1971 levels. Urge your support for this amendment because of its fiscal relief from rising welfare cost.

Gov. THOMAS J. MESKILL.

NOVEMBER 15, 1971.

[Copy of telegram sent to Senators Mansfield, Scott, and Schweiker.]

Senator PERCY.
CHARLES BYRLEY,
Director, National Governors' Conference:

I urge your support of Senator Percy's amendment to the Revenue Act of 1971 to provide $1.5 billion in emergency welfare relief funds to states as interim measure pending Congressional action on permanent welfare reform proposals. Your support of the Percy amendment would save the Commonwealth over $78 million in this fiscal year.

MILTON J. SHAPP,
Governor.

PIERRE, S. DAK.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: May I add South Dakota's voice in support of your efforts to amend the pending tax bill which will provide immediate fiscal relief of State welfare costs. I endorse your proposal to hold the State harmless at the fiscal 1971 level, but would endorse any temporary legislation to increase Federal participation and current public assistance and medical care cost for the period beginning after July 1, 1971. I have expressed my support of the resolution submitted to Senator Long by the national council of State public welfare administrators of APWA. I would prefer the APWA resolution. Copy of this telegram being sent to Senator Mundt, Senator McGovern, and Senator Long.

RICHARD F. KNEIP,
Governor of South Dakota.

PIERRE, S. DAK.

Senator RUSSELL LONG,
Senate Office Building,
Washington, D.C.

Following telegram sent to Senator Percy, quote:

DEAR SENATOR PERCY: May I add South Dakota's voice in support of your efforts to amend the pending tax bill which will provide immediate fiscal relief of state welfare costs. I endorse your proposal to hold the State harmless at the fiscal 1971 level, but would endorse any temporary legislation to increase Federal participation and current public assistance and medical care cost for the period beginning after July 1, 1971. I have expressed my support of the resolution submitted to Senator Long by the national council of state public welfare administrators of APWA. I would prefer the APWA resolution. Unquote. Copy of this telegram sent to Senator Mundt, and Senator McGovern.

RICHARD F. KNEIP,
Governor of South Dakota.

NASHVILLE, TENN.

Senator CHARLES H. PERCY,
New Senate Office Building,
Washington, D.C.

I have asked Senators Howard Baker and Bill Brock to support your amendment to the pending revenue act of 1971 "to hold states harmless" at their FY 71's welfare cost. This fiscal release to States from spiraling welfare costs is urgently needed.

WINFIELD DUNN,
Governor.

DOVER, DEL.

Senator CHARLES PERCY,
New Senate Office Building,
Washington, D.C.:

This is to advise of my support for an emergency welfare relief amendment providing a hold harmless freeze on State welfare cost at fiscal 1971 levels. I have contacted Senator Boggs and Senator Ross of Delaware to advise them of my support and urge them to give favorable consideration to the measure.

RUSSELL W. PETERSON,
Governor, State of Delaware.

AUSTIN, TEX.

Hon. CHARLES PERCY,
U.S. Senator,
Senate Office Building,
Washington, D.C.:

I fully support your emergency welfare relief amendment providing a hold harmless freeze on State welfare cost at fiscal 1971 level, and have urged the Texas Senators and my fellow Governors to support this amendment.

Until the time that comprehensive national welfare reform legislation can be enacted, the States must receive temporary fiscal relief from rising welfare costs.

PRESTON SMITH,
Governor of Texas.

JUNEAU, ALASKA.

Senator CHARLES PERCY,
Washington, D.C.:

Relating to immediate fiscal relief from rising welfare costs, Regarding your supporting an emergency relief movement I strongly recommend that the "hold harmless" be included in increased Federal matching so that no State shall receive less than 60 percent regardless of whether the State has title XIX. Alaska is the only State in the Nation getting less than 50 percent Federal matching. Fiscal year 1971 freezes Alaska into an unrealistic low percentage. Presently 30 percent.

WILLIAM A. EGAN,
Governor.

CARSON CITY, NEV.

Senator CHARLES PERCY,
Senate Office Building,
Washington, D.C.:

As Governor of Nevada, I fully support any plan that will decrease welfare costs to the State. If the proposed amendment to be introduced by you this week will hold all State costs to the fiscal 1971 level, and if any additional costs will be financed by the Federal Government, then I can support it. If it will not accomplish these goals, it cannot have my support.

Cordially,

MIKE O'CALLAGHAN,
Governor of Nevada.

BOISE, IDAHO.

Hon. CHARLES PERCY,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I certainly concur in the need for immediate fiscal relief for States from rising welfare costs. While I support an action to bring about this relief, this, in no way, limits my concern about other aspects of welfare reform

CECIL D. ANDRUS,
Governor of Idaho.

TOPEKA, KANS.

Hon. CHARLES PERCY,
U.S. Senator from Illinois,
Senate Office Building,
Washington, D.C.:

The national Governor's conference has informed me of your plan to introduce legislation which would result in immediate welfare fiscal relief for States.

For months, I have urged congressional action to assume Federal responsibility for the welfare programs the Federal Government now largely dictates to the States. As I understand your proposed legislation, a hold harmless freeze would be placed on State welfare costs at fiscal 1971 levels—with the Federal Government assuming additional costs above that level. Such a proposal would be welcomed fiscal relief for the States and a step in the proper direction toward Federal assumption of the responsibility for the welfare situation it has helped to create.

I wholeheartedly support the concept of the legislation you are considering. The need for immediate fiscal welfare relief for the States is urgent. The Kansas legislature in 1971 rebelled against rising costs of welfare and as a result of legislative cuts the department of social welfare found it necessary to prorate welfare costs in the current year.

Prospects for the legislature funding increased costs of the present welfare program are not good. The continued discussion at the national level by both political parties of the failure of the present system of welfare and the need for reform makes it difficult to obtain additional State and local funds prior to reform of the system. Failure on the part of Congress to provide reform measures without additional costs of the welfare system resulting from which unemployment and rising costs could have tragic results.

With every good wish,

ROBERT DOCKING,
Governor of Kansas.

DES MOINES, IOWA.

Senator CHARLES PERCY,
Washington, D.C.:

Respectfully request your support of Senator Percy's emergency welfare relief amendment providing a hold harmless freeze on state welfare costs on fiscal 1971 levels.

Respectfully submitted.

ROBERT D. RAY,
Governor of Iowa.

RALEIGH, N.C.

Senator CHARLES PERCY,
Senate Office Building,
Washington, D.C.:

I urge your consideration and support of emergency welfare relief amendment sponsored by Senator Percy to give fiscal relief from rising welfare cost.

ROBERT W. SCOTT,
Governor of North Carolina.

TALLAHASSEE, FLA.

Hon. CHARLES H. PERCY,
Senator, State of Illinois,
Washington, D.C.:

Tentative information we have received indicates that the emergency welfare relief amendment offered to H.R. 10947 by Senator Percy would provide fiscal relief for the state in the general assistance program. It is my hope that you will support this type of relief for the States and, if possible, extend the proposed protection to increases in the cost of medicaid.

REUBIN O. D. ASKEW,
Governor, State of Florida.

Mr. PERCY. Mr. President, I therefore ask the distinguished chairman of the Finance Committee—who has dealt with some of the most complex problems that the Nation has faced and has proven time after time that when his powerful influence is put behind something it moves and it moves rapidly, and who has a very fine and able committee consisting of some of the most distinguished and knowledgeable Members of the Senate—what sort of time schedule might reasonably be expected. And I would like to enlighten the Senate as to the attitude of the administration. It has vigorously and forcefully opposed the amendment I have now offered simply because it feels that it should be dealt with on a social security bill rather than on a revenue bill.

I would like to clarify an understanding I have from the administration as to their attitude in this kind of emergency situation if it were offered as an amendment to H.R. 1.

Mr. LONG. Mr. President, I said to the majority leader earlier today and I said earlier in discussion with him and with other members of the committee prior to that time that it is my hope we can bring the bill out by March 1. It may be that we could have it out here by February 15. That may depend on what schedule the Senate pursues.

I have to make one reservation. If the President of the United States comes here with some request that he considers so urgent that everything else should stand aside, we will have to consider that request. Other measures would have to stand aside while we voted on such a measure. That is the way I feel even though I am a Democrat, and I believe that the Senator from Illinois would feel the same way about that matter.

H.R. 1 would be our pending business right now had it not been that we were asked to proceed with this measure that is pending before the Senate which does have emergency aspects to it.

I believe, assuming the Senate comes back early, that we ought to be on the floor with the bill about February 15. If the Senate does not come back early, depending on how long this session continues, we should have the bill out by March 1.

That is about the scheduling, and I believe this may be my best estimate. I should think that we ought to be voting on H.R. 1 either in the latter part of February or the early part of March. That is my guess.

Mr. PERCY. Mr. President, I think this schedule, when known to the Governors, would relieve them of some of the deep concerns I have had expressed to me over the last few days by some of the Governors that have telephoned me. They looked for much longer deliberations and possibly a filibuster.

They were losing faith that the bill would really see the light of day or that the Senate would act as promptly as the House has. There has been a question as to the support of the administration for H.R. 1. I would not want to ask the distinguished Senator for information that would be privileged. However, to the extent that he can reveal conversations that he has had with either the President or top officials in the administration, does the Senator share the view I share, that the administration has placed a very high priority on the passage of this legislation and feels that welfare reform is an exceptionally important part of their overall program and that from the administration's standpoint, it represents a top priority, and when they assign a top priority to it, it can help very much with the work of the chairman of the committee who always wants to work with the administration, whether it be Democratic or Republican?

Mr. LONG. My understanding is that the administration does place a very high priority on the revenue measure we have in the Senate. That is the basis on which we were proceeding at the time the President proposed this economic package

before us now. When this is behind us, we will treat it in that way. It is a priority item on which we are moving. The Senator understand we are going to have some differences on the welfare parts of this bill and in due course, I hope we can work out something to help on the problems the Senator suggested.

Mr. PERCY. I have discussed this problem, as I have discussed many problems, with the distinguished senior Senator from Connecticut. In this field I consider him one of the most knowledgeable men in the Senate if not in the United States. I received indications of support from other cosponsors. I deeply appreciate the efforts of the Senator from New York (Mr. JAVITS) in connection with this legislation even though he is not a cosponsor; he indicated he is for it and spoke on it. But I was deeply disappointed that the Senator from Connecticut could not see fit to support it. I am fully cognizant of the reasons. I fully understand and realize the risk involved if the floodgates were opened up for months if welfare were mentioned. I was deeply appreciative of his indication that although he could not support this amendment on the bill he would support it if it were offered as an amendment to H.R. 1.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. RIBICOFF. Mr. President, the Senator has my assurance that when I present what I consider to be a substitute for H.R. 1, with his permission the proposal of the Senator from Illinois will be incorporated. In addition I will acknowledge that this addition is the proposal of the Senator from Illinois.

Mr. PERCY. There will be no pride of authorship, but I am deeply appreciative of that assurance.

I wish to address a comment and inform the chairman of the Committee on Finance of a conversation I had which culminates a series of conversations I had with the administration. The executive director of the domestic council in the White House is John Ehrlichman. When he speaks, he speaks for the administration and the President. I had a number of conversations with Mr. Ehrlichman, who, together with Mr. Shultz and Secretary Richardson, and others, has been very cognizant of the problems faced by many States and the peculiar problems faced by the State of Illinois, and there are problems peculiar only to Illinois in this case.

I have not addressed myself only to those problems but there are problems and the administration has tried to be helpful, as it always tries to be helpful. In this case there is no real solution to those problems. There may be interim steps that could be taken as temporary expedients to help, but there is no real solution.

Mr. Ehrlichman is cognizant that this is the only route that would provide help for all the States and he is cognizant of the fact that the decision had been made to set back the schedule on revenue sharing, which we all want to see done and I want to see done very badly. He is cognizant that H.R. 1 had been set back 1 year and that this presents an unusual problems to the States.

Therefore, Mr. Ehrlichman has agreed—and committed the administration to support legislation—that the President will support not 125 percent but 120 percent of the levels enunciated in my amendment; that it will support an amendment as an amendment to H.R. 1 retroactive to July 1, 1971. So the States could at least count on this. If they count on the passage of a welfare reform bill they can count on that, with interim steps for the whole period of time retroactive to July 1, 1971, and until welfare reform goes into effect.

In other words, if the amendment of the Senator from Connecticut takes effect July 1, 1972, as the effective date, it would support an amendment for 1 full year. If the effective date of H.R. 1 is July 1, 1974, it would support an interim amendment effective for 2 years.

I think this support on their part, pledging support of the Office of Management and Budget is a recognition that we must assure the Governors of the States that we recognize their problem; that we have delayed the full solution and cure and that an interim step and relief will be provided on this emergency basis; and although I feel this measure can be supported in one fashion or another by the chairman of the Committee on Finance, my final question before I decide what to do on this present amendment would depend upon his feelings which I feel rather confident will be a full understanding of the problems of the States and the people affected. I am pleased we have been able to work out a promise and a hope for the solution of this immediate problem as well as the long-range problem.

Mr. LONG. H.R. 1 has language which does meet this problem. We have not passed judgment on that, but this Senator personally expects to vote for something to help the States during the interim period.

I have indicated to the Senator I personally think there might be a better way to do it on a different formula and that the cost of the interim aid is not what bothers this Senator. It is more a matter of working out a formula that would be equitable to all the States. I do not think that the Senator's amendment, in terms of total dollars, would be vastly different under the approach I would take, and the approach the administration would take. In either event, the State would receive substantial help, allowing for some difference in how one might approach it from one point of view and how it might be approached from another point of view. The problem is similar. I would approach it from a different point of view, as I indicated, but I would be willing to vote to do something about this matter.

I believe the Senator can count on some help for the problem he has in mind, in view of the fact that H.R. 1 has language of that sort which already has been passed by the House.

The Senator from Connecticut is a very able advocate. He had much support for his position and he committed himself to the Senator's position. I would be willing to provide help for what occurs between now and when we get to that bill. I regret we cannot do it now but we are in a situation which is not entirely the fault of anybody. It is really the fact that those strongly for H.R. 1 have been unwilling to permit us to pass upon items involved in that bill piecemeal. I understand their position. Those who are against the family assistance plan but who are for other things in the bill recognize we will have to get to this big issue and arrive at a conclusion. But what the Senator has is something I regret to say is something that will have to await settlement of the bigger issue. When we do I hope we can provide help for the type situation the Senator has been describing.

Mr. PERCY. Can we talk about figures for a moment because the dollar is a concrete way of gaging how much effort we are willing to put behind this. My amendment would be $1.88 billion. The administration has indicated its willingness toward something less than that, although I assume what they are talking about is in excess of three-quarters of a billion dollars, if it is 80 percent of the information that I had.

In private conversations, we did mention figures. Would the Senator care to indicate whether the figures I am talking about are in the ballpark as far as the amount he would be willing to support is concerned?

Mr. LONG. As far as I am concerned, that is the case. I cannot speak for the other 15 members of the committee; I am speaking for myself.

Mr. PERCY. About $1 billion is not unreasonable, or between three-quarters of a billion dollars and one billion per annum?

Mr. LONG. Senator, a figure of $1 billion in this area does not shock me at all.

Mr. PERCY. May I ask this one last question: Recognizing that there are different formulations that could be taken, I could not support a formulation that would suddenly be a whole new approach, which would offer a windfall gain to some States that did not use their money for welfare. This would have some relationship to the efforts made by States in the past? Would those general criteria be taken into account in developing a formula?

Mr. LONG. Senator, if we were voting on your proposal today, I would offer a substitute for it that would provide $75 per recipient on welfare as of June 1971, and that would provide $52 million for Illinois. To me, that would be the logical way to distribute the $1 billion. But I am no dictator in the Finance Committee. I do not claim to be the man who runs the committee, or anything of that sort. This Senator just suggests what he thinks. I do not think the total dollar figure the Senator is talking about is out of line.

Mr. PERCY. And the criteria of some relationship to past efforts, without windfall gains to States or giving money to States that cannot demonstrate a need for it, would be taken into account in whatever formulation was developed?

Mr. LONG. Senator, if one looks upon this as a revenue-sharing type thing to help States in this problem, a person could arrive at one conclusion. Some States might not want to spend the money on welfare, and if they did not want to spend it for that purpose, perhaps they should not be required to; but as for those that did have the problem that we are discussing and that wanted the money for that purpose, as far as this Senator is concerned, I have suggested how I think the formula might be fairly devised. It is not drastically different from the formula that the Senator from Illinois has devised, as far as Illinois is concerned.

It may very well be that the committee would prefer to accept the formula the Senator has suggested here. It is not going to upset me if the committee does, as a part of H.R. 1.

I would have been offering something to provide a stopgap in this measure, myself, if it had not been that I was personally convinced that it was not going to prevail and that it was going to either stop or impede a very essential measure that must become law. I sympathize with the Senator, and I will try to cooperate with him in working this matter out.

Mr. PERCY. I appreciate very much what the distinguished Senator has said. I am still somewhat concerned and very reluctant about the possibilty of going into some formulation that would provide money for highways for some States and would provide money for other types of expenditures that had no real relationship to the need. This is an emergency measure. It is to deal with poor people.

Mr. LONG. Some States have had to cut back in education, health, and highway construction in order to provide money for welfare. If they have done that, it would not be quite fair to them to require them to put all this money into welfare when they have already taken money out of other programs to put into welfare.

Mr. PERCY. Then, the formulation I have enumerated would be perfectly adaptable for those States, because that money is in welfare, and if this money goes back into Louisiana, for example, when the State of Louisiana gets $12,739,000, that then means that that $12,739,000 can go right straight into education or other matters the money for which is now being absorbed by welfare.

I am not saying that it is perfect, but the formulation has to have some relationship to the costs of welfare and to the case needs in that particular State. Every State needs money and would like to have money, but what we are really trying to do in a social security bill and a welfare bill is take care of welfare problems, and not have a revenue bill.

I think we are close enough in our thinking and philosophy and approach that I would trust we would not have any problem with this matter. Certainly, I would not want to encumber this bill with something that would open up a lot of other matters that do not deal directly with revenue and to delay the proceedings of the Senate. We have this very clear understanding and we have the commitment of the administration, for which I am very grateful indeed, and I know every Governor in the United States will be grateful for this kind of help, and I know there will be tremendous pressure from the Governors to back H.R. 1, because this is the answer they have been looking for to shake up this system, with all the ills of which the Senator has so eloquently spoken, and start over again and see if we cannot do a much better job next time.

With that assurance and commitment, I feel comfortable in withdrawing the amendment, and I thank my distinguished colleague.

I ask that the amendment be withdrawn.

The PRESIDING OFFICER. The amendment is withdrawn.

EXPLANATION OF A VOTE

Mr. ROTH. Mr. President, on Monday, November 15, 1971, I was recorded as voting "yea" on legislative rollcall 334, appearing on page 41280, of the CONGRESSIONAL RECORD when actually my position was in opposition to the amendment then being voted on.

The vote was on amendment No. 655 to H.R. 10947, introduced by the Senator from Alabama (Mr. SPARKMAN) to make municipal bonds taxable when used for construction of water facilities unless such water is made available to the general public, and increasing tax exempt status on such bonds from $1 million to up to $5 million.

Since the amendment carried 55 to 23, my vote would not have changed the results. I am not certain whether the error is mine or occurred in the recording, but in any event I would like to be recorded at this point in the RECORD as being opposed to the amendment.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that today, November 17, 1971, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 306. An act for the relief of Eddie Troy Jaynes, Jr., and Rosa Elena Jaynes;

S. 389. An act for the relief of Stephen Lance Pender, Patricia Jenifer Pender, and Denese Gene Pender;

S. 629. An act for the relief of Chen-Pai Miao;

S. 708. An act for the relief of the village of Orleans, Vt.; and

S.J. Res. 132. A joint resolution extending the duration of copyright protection in certain cases.

ORDER FOR ADJOURNMENT FROM FRIDAY UNTIL 9 A.M. SATURDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business on Friday night, it stand in adjournment until 9 o'clock on Saturday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR GOLDWATER TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on tomorrow, at the conclusion of the remarks of the distinguished Senator from Florida (Mr. CHILES), the distinguished Senator from Arizona (Mr. GOLDWATER) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE MANSFIELD AMENDMENT

Mr. CHURCH. Mr. President, I am very much disturbed to read on the news ticker that the President has indicated today that he regards the Mansfield amendment, written into law by both Houses of Congress, to be without force or effect.

The Mansfield amendment is now part of the law of the land and, as such, it is not subject to dismissal by the President. The U.S. Constitution does not provide for items vetoed by the President.

Congress has declared it a national policy that all American troops be withdrawn from Indochina by a date certain, once the release of American prisoners of war is assured.

President Nixon has chosen to disregard the Mansfield amendment, saying it is without binding force and effect. What is he going to do next? Is he going to dispatch Henry Kissinger, his foreign policy adviser, to Capitol Hill to disband Congress? It is the height of fashion these days in Southeast Asia to establish one-man rule, one-man elections, and to disband parliaments. It happened in South Vietnam recently, it happened in Cambodia, and today it happened in Thailand. But in this country we have a government of law, not a presidential dictatorship.

If it is the President's intention to set aside, in this offhand way, the Mansfield amendment, passed by both Houses of Congress, the Congress should now enact enforcement legislation, utilizing the power of the purse, a power which belongs exclusively to Congress; and it should enact it in such form as to enforce the provisions of the Mansfield amendment.

I favor such legislation; I shall sponsor such legislation; and I hope Congress will pass such legislation.

ORDER FOR ADJOURNMENT UNTIL 8:30 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until 8:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS CHILES AND GOLDWATER TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on tomorrow, the distinguished Senator from Florida (Mr. CHILES) be recognized immediately

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after the recognition of the joint leaders, for not to exceed 15 minutes, and that the equally distinguished Senator from Arizona be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR NO MORNING BUSINESS TOMORROW AND FOR RECOGNITION OF SENATOR MATHIAS TOMORROW

Mr. MANSFIELD. I ask unanimous consent that there be no period for the conduct of morning business tomorrow, and that as soon as the distinguished Senator from Arizona (Mr. GOLDWATER) completes his remarks, the equally distinguished Senator from Maryland (Mr. MATHIAS) be recognized for the purpose of offering an amendment to be voted on at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 892

The PRESIDING OFFICER. Under the previous order, the amendment of the Senator from Rhode Island is before the Senate.

The Senator from Rhode Island is recognized.

The clerk will read the amendment.

The assistant legislative clerk proceeded to read the amendment.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD.

At the end of the bill, insert the following:

TITLE IX—TAX INCENTIVES FOR CONTRIBUTIONS TO CANDIDATES FOR PUBLIC OFFICE

SEC. 901. ALLOWANCE OF CREDIT

(a) Subpart A of part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by adding at the end thereof the following new section:

"SEC. 42. CONTRIBUTIONS TO CANDIDATES FOR PUBLIC OFFICE

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to one-half of so much of the political contributions as does not exceed $50, payment of which is made by the taxpayer within the taxable year.

"(b) LIMITATIONS.—

"(1) MARRIED INDIVIDUALS.—In the case of a joint return of a husband and wife under section 6013, the credit allowed by subsection (a) shall not exceed $25. In the case of a separate return of a married individual, the credit allowed by subsection (a) shall not exceed $12.50.

"(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"(3) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) DEFINITIONS.—For purposes of this section—

"(1) POLITICAL CONTRIBUTION.—The term 'political contribution' means a contribution or gift of money to—

"(A) an individual who is a candidate for nomination or election to any Federal, State, or local elective public office in any primary, general, or special election, or in any National, State, or local convention or caucus of a political party, for use by such individual to further his candidacy for nomination or election to such office;

"(B) any committee, association, or organization (whether or not incorporated) organized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any Federal, State, or local elective public office, for use by such committee, association, or organization to further the candidacy of such individual or individuals for nomination or election to such office;

"(C) the national committee of a national political party;

"(D) the State committee of a national political party as designated by the national committee of such party; or

"(E) a local committee of a national political party as designated by the State committee of such party designated under subparagraph (D).

"(2) CANDIDATE.—The term 'candidate' means, with respect to any Federal, State, or local elective public office, an individual who—

"(A) has publicly announced that he is a candidate for nomination or election to such office; and

"(B) meets the qualifications prescribed by law to hold such office.

"(3) NATIONAL POLITICAL PARTY.—The term 'national political party' means—

"(A) in the case of contributions made during a taxable year of the taxpayer in which the electors of President and Vice President are chosen, a political party presenting candidates or electors for such offices on the official election ballot of ten or more States, or

"(B) in the case of contributions made during any other taxable year of the taxpayer, a political party which met the qualifications described in subparagraph (A) in the last preceding election of a President and Vice President.

"(4) STATE AND LOCAL.—The term 'State' means the various States and the District of Columbia; and the term 'local' means a political subdivision or part thereof, or two or more political subdivisions or parts thereof, of a State.

CROSS REFERENCES.—

"For disallowance of credits to estates and trusts, see section 642(a)(3)."

(b) Section 642(a) (relating to credits against tax for estates and trusts) is amended by adding at the end thereof the following new paragraph:

"(3) POLITICAL CONTRIBUTIONS.—An estate or trust shall not be allowed the credit against tax for political contributions provided by section 42."

SEC. 902. DEDUCTION IN LIEU OF CREDIT.

(a) Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals) is amended by redesignating section 218 as 219, and by inserting after section 217 the following new section:

"SEC. 218. CONTRIBUTIONS TO CANDIDATES FOR PUBLIC OFFICE.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction any political contribution (as defined in section 42(c)(1)) payment of which is made by such individual within the taxable year.

"(b) LIMITATIONS.—

"(1) AMOUNT.—The deduction under subsection (a) shall not exceed $100 for any taxable year. In the case of a separate return of a married individual, the deduction for any taxable year shall not exceed $50.

"(2) VERIFICATION.—The deduction under subsection (a) shall be allowed, with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) ELECTION TO TAKE CREDIT IN LIEU OF DEDUCTION.—This section shall not apply in the case of any taxpayer who, for the taxable year, elects to take the credit against tax provided by section 42 (relating to credit against tax for contributions to candidates for public office). Such election shall be made in such manner and at such time as the Secretary or his delegate shall prescribe by regulations.

"(d) CROSS REFERENCE.—

"For disallowance of deduction to estates and trusts, see section 642(i)."

(b) Section 642 (relating to special rules for credits and deductions for estates and trusts) is amended by redesignating subsection (i) as subsection (j), and by inserting after subsection (h) a new subsection as follows:

"(i) POLITICAL CONTRIBUTIONS.—An estate or trust shall not be allowed the deduction for contributions to candidates for public office provided by section 218."

SEC. 903. EFFECTIVE DATE.

The amendments made by this title shall apply to taxable years ending after December 31, 1971, but only with respect to political contributions, payment of which is made after such date.

TITLE X—FINANCING OF PRESIDENTIAL ELECTION CAMPAIGNS

Subtitle A—Presidential Election Campaigns

SHORT TITLE

SEC. 1001. This subtitle may be cited as the "Presidential Election Campaign Fund Act of 1971".

DEFINITIONS

SEC. 1002. For purposes of this subtitle—

(1) The term "authorized committee" means, with respect to the candidates of a political party for President and Vice President of the United States, any political committee which is authorized in writing by such candidates to incur expenses to further the election of such candidates. Such authorization shall be addressed to the chairman of such political committee, and a copy of such authorization shall be filed by such candidates with the Comptroller General. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

(2) The term "candidate" means, with respect to any presidential election, an individual who (A) has been nominated for election to the office of President of the United States or the office of Vice President of the United States by a major party, or (B) has qualified to have his name on the election ballot (or to have the names of electors pledged to him on the election ballot) as the candidate of a political party for election to either such office in 10 or more States. For purposes of paragraphs (6) and (7) of this section and purposes of sections 1004 (a) (1) and (2), the term "candidate" means, with respect to any preceding presidential election, an individual who received popular votes for the office of President in such election.

(3) The term "Comptroller General" means the Comptroller General of the United States.

(4) The term "eligible candidates" means the candidates of a political party for President and Vice President of the United States who have met all applicable conditions for eligibility to receive payments under this subtitle set forth in section 1003.

(5) The term "fund" means the Presidential Election Campaign Fund established by section 1006(a).

(6) The term "major party" means, with respect to any presidential election, a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office.

(7) The term "minor party" means, with respect to any presidential election, a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 5 per cent or more but less than 25 percent of the total number of popular votes received by all candidates for such office.

(8) The term "political committee" means any committee, association, or organization (whether or not incorporated) which accepts contributions or makes expenditures for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals to Federal, State, or local elective public office.

(9) The term "presidential election" means the election of presidential and vice-presidential electors.

(10) The term "qualified campaign expense" means an expense—

(A) incurred (i) by the candidate of a political party for the office of President to further his election to such office or to further the election of the candidate of such political party for the office of Vice President, or both, (ii) by the candidate of a political party for the office of Vice President to further his election to such office or to further the election of the candidate of such political party for the office of President, or both, or (iii) by an authorized committee of the candidates of a political party for the offices of President and Vice President to further the election of either or both of such candidates to such offices,

(B) incurred within the expenditure report period (as defined in paragraph (11)), or incurred before the beginning of such period to the extent such expense is for property, services, or facilities used during such period, and

(C) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which such expense is incurred or paid.

An expense shall be considered as incurred by a candidate or an authorized committee if it is incurred by a person authorized by such candidate or such committee, as the case may be, to incur such expense on behalf of such candidate or such committee. If an authorized committee of the candidates of a political party for President and Vice President of the United States also incurs expenses to further the election of one or more other individuals to Federal, State, or local elective public office, expenses incurred by such committee which are not specifically to further the election of such other individual or individuals shall be considered as incurred to further the election of such candidates for President and Vice President in such proportion as the Comptroller General prescribes by rules or regulations.

(11) The term "expenditure report period" with respect to any presidential election means the period beginning with the first day of September before the election or, if earlier, with the first day in the year on which a major party at its national convention nominated its candidate for election to office of President of the United States, and ending 30 days after the day of the presidential election.

(12) The term "Secretary" means the Secretary of the Treasury.

CONDITION FOR ELIGIBILITY FOR PAYMENTS

SEC. 1003. (a) In order to be eligible to receive any payments under section 1005, the candidates of a political party in a presidential election shall, in writing—

(1) agree to obtain and furnish to the Comptroller General such evidence as he may request of the qualified campaign expenses with respect to which payment is sought,

(2) agree to keep and furnish to the Comptroller General such records, books, and other information as he may request,

(3) agree to an audit and examination by the Comptroller General under section 1007 and to pay any amounts required to be paid under such section, and

(4) agree to furnish statements of qualified campaign expenses and proposed qualified campaign expenses required under section 1008.

(b) In order to be eligible to receive any payments under section 1006, the candidates of a major party in a presidential election shall certify to the Comptroller General, under penalty of perjury, that—

(1) such candidates and their authorized committees will not incur qualified campaign expenses in excess of the aggregate payments to which they will be entitled under section 1004, and

(2) no contributions to defray qualified campaign expenses (or expenses which would be qualified campaign expenses) but for subparagraph (C) of section 1002(10) have been or will be accepted by such candidates or any of their authorized committees, except to the extent necessary to make up any deficiency in payments received out of the fund on account of the application of section 1006(b)(2).

Such certification shall be made within such time prior to the day of the presidential election as the Comptroller General shall prescribe by rules or regulations.

(c) In order to be eligible to receive any payments under section 1006, the candidates of a political party (other than a major party) in a presidential election shall certify to the Comptroller General, under penalty of perjury, that—

(1) such candidates and their authorized committees will not incur qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party are entitled under section 1004, and

(2) such candidates and their authorized committees will accept and expend or retain contributions to defray qualified campaign expenses only to the extent that the qualified campaign expenses incurred by such candidates and their authorized committees certified to under paragraph (1) exceed the aggregate payments received by such candidates out of the fund pursuant to section 1006.

Such certification shall be made within such time prior to the day of the presidential election as the Comptroller General shall prescribe by rules or regulations.

ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS

SEC. 1004. (a) Subject to the provisions of this subtitle—

(1) The eligible candidates of a major party in a presidential election shall be entitled to payments under section 1006 equal in the aggregate to 15 cents multiplied by the total number of residents within the United States who have attained the age of 18, as determined by the Bureau of Census in June of the year preceding the year of the presidential election.

(2) The eligible candidates of a minor party in a presidential election shall be entitled to payments under section 1006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the major parties in the preceding presidential election.

(3) The eligible candidates of a political party (other than a major party) in a presidential election whose candidate for President in such election receives, as such candidate, 5 percent or more of the total number of popular votes cast for the office of President in such election shall be entitled to payments under section 1006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of popular votes received by such candidate in such election bears to the average number of popular votes received in such election by the candidates for President of the major parties. In the case of eligible candidates of a minor party entitled to payments under paragraph (2), the amount allowable under this paragraph shall be limited to the amount, if any, by which the entitlement under the preceding sentence exceeds the amount of the entitlement under paragraph (2).

(b) The aggregate payments to which the eligible candidates of a political party shall be entitled under subsections (a) (2) and (3) with respect to a presidential election shall not exceed an amount equal to the power of—

(1) the amount of qualified campaign expenses incurred by such eligible candidates and their authorized committees, reduced by the amount of contributions to defray qualified campaign expenses received and expended or retained by such eligible candidates and such committees, or

(2) the aggregate payments to which the eligible candidates of a major party are entitled under subsection (a)(1), reduced by the amount of contributions described in paragraph (1) of this subsection.

(c) The eligible candidates of a political party shall be entitled to payments under subsection (a) only—

(1) to defray qualified campaign expenses incurred by such eligible candidates or their authorized committees, or

(2) to repay loans the proceeds of which were used to defray such qualified campaign expenses, or otherwise to restore funds (other than contributions to defray qualified campaign expenses received and expended by such candidates or such committees) used to defray such qualified campaign expenses.

CERTIFICATION BY COMPTROLLER GENERAL

SEC. 1005. (a) On the basis of the evidence, books, records, and information furnished by the eligible candidates of a political party and prior to examination and audit under section 1007, the Comptroller General shall certify from time to time to the Secretary for payment to such candidates under section 1006 the payments to which such candidates are entitled under section 1004.

(b) Certifications by the Comptroller General under subsection (a), and all determinations made by him in making such certifications, shall, except as provided in section 1007, be final and conclusive, and shall not be subject to review in any court.

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PAYMENT TO ELIGIBLE CANDIDATES

SEC. 1006. (a)(1) There is hereby established on the books of the Treasury of the United States a special fund to be known as the "Presidential Election Campaign Fund". There are hereby appropriated to the fund each fiscal year, out of any moneys in the Treasury not otherwise appropriated, an amount equal to the sum of the amounts designated during the fiscal year by individuals under section 6096 of the Internal Revenue Code of 1954 for payment into the fund.

(2) If, after a presidential election and after all eligible candidates have been paid the amounts to which they are entitled under section 1004, there are moneys remaining in the fund, the Secretary shall transfer the moneys so remaining to the general fund of the Treasury.

(b)(1) Upon receipt of a certification from the Comptroller General under section 1005 for payment to the eligible candidates of a political party, the Secretary shall, except as provided in paragraph (2), pay to such candidates out of the fund the amount certified by the Comptroller General.

(2) If, at the beginning of the expenditure report period (as defined in section 1002(11)) with respect to a presidential election, the moneys in the fund are less than the aggregate of the amounts which all eligible candidates would be entitled to receive under the provisions of paragraphs (1) and (2) of section 1004 (a), then each payment out of the fund pursuant to the provisions of such paragraphs (1) and (2) shall be reduced pro rata to take into account such deficiency in the fund, and payments pursuant to the provisions of paragraph (3) of section 1004 (a) shall be made only out, and to the extent, of moneys remaining in the fund after all such payments pursuant to such paragraphs (1) and (2) have been made for the presidential election.

EXAMINATIONS AND AUDITS; REPAYMENTS

SEC. 1007. (a) After each presidential election, the Comptroller General shall conduct a thorough examination and audit of the qualified campaign expenses of the candidates of each political party for President and Vice President.

(b)(1) If the Comptroller General determines that any portion of the payments made to the eligible candidates of a political party under section 1006 was in excess of the aggregate payments to which candidates were entitled under section 1004, he shall so notify such candidates, and such candidates shall pay to the Secretary an amount equal to such portion.

(2) If the Comptroller General determines that the eligible candidates of a political party and their authorized committees incurred qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party were entitled under section 1004, he shall notify such candidates of the amount of such excess and such candidates shall pay to the Secretary an amount equal to such amount.

(3) If the Comptroller General determines that the eligible candidates of a major party or any authorized committee of such candidates accepted contributions (other than contributions to make up deficiencies in payments out of the fund on account of the application of section 1006(b)(2)) to defray qualified campaign expenses (other than qualified campaign expenses with respect to which payment is required under paragraph (2)), he shall notify such candidates of the amount of the contributions so accepted, and such candidates shall pay to the Secretary an amount equal to such amount.

(4) If the Comptroller General determines that any amount of any payment made to the eligible candidates of a political party under section 1006 was used for any purpose other than—

(A) to defray the qualified campaign expenses with respect to which such payment was made, or

(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses,

he shall notify such candidates of the amount so used, and such candidates shall pay to the Secretary an amount equal to such amount.

(5) No payment shall be required from the eligible candidates of a political party under this subsection to the extent that such payment, when added to other payments required from such candidates under this subsection, exceeds the amount of payments received by such candidates under section 1006.

(c) No notification shall be made by the Comptroller General under subsection (b) with respect to a presidential election more than 3 years after the day of such election.

(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the Treasury to the credit of the fund.

INFORMATION ON PROPOSED EXPENSES

SEC. 1008. (a) The candidates of a political party for President and Vice President in a presidential election shall, from time to time as the Comptroller General may require, furnish to the Comptroller General a detailed statement, in such form as the Comptroller General may prescribe, of—

(1) the qualified campaign expenses incurred by them and their authorized committees prior to the date of such statement (whether or not evidence of such expenses has been furnished for purposes of section 1005), and

(2) the qualified campaign expenses which they and their authorized committees propose to incur on or after the date of such statement.

The Comptroller General shall require a statement under this subsection from such candidates of each political party at least once each week during the second, third, and fourth weeks preceding the day of the presidential election and at least twice during the week preceding such day.

(b) The Comptroller General shall, as soon as possible after he receives each statement under subsection (a), (1) prepare a summary of such statement and (2) publish such summary, together with any other data or information which he deems advisable, in the Federal Register.

REPORTS TO CONGRESS; REGULATIONS

SEC. 1009. (a) The Comptroller General shall, as soon as practicable after each presidential election, submit a full report to the Senate and House of Representatives setting forth—

(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees;

(2) the amounts certified by him under section 1005 for payment to the eligible candidates of each political party; and

(3) the amount of payments, if any, required from such candidates under section 1007, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

(b) The Comptroller General is authorized to prescribe such rules and regulations, to conduct such examinations and audits (in addition to the examinations and audits required by section 1007(a)), to conduct such investigations, and to require the keeping and submission of such books, records, and information, as he deems necesary to carry out the functions and duties imposed on him by this subtitle.

CRIMINAL PENALTIES

SEC. 1010. (a)(1) It shall be unlawful for the eligible candidates of a political party for President and Vice President in a presidential election and their authorized committees knowingly and willfully to incur qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party are entitled under section 1004 with respect to such election.

(2) Any person who violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

(b)(1) It shall be unlawful for the eligible candidates of a major party in a presidential election or any of their authorized committees knowingly and willfully to accept any contribution (other than contributions to make up deficiencies in payments out of the fund on account of the application of section 1006(b)(2)) to defray qualified campaign expenses (or expenses which would be qualified campaign expenses but for subparagraph (C) of section 1002(10)) incurred with respect to such election by such eligible candidates and their authorized committees.

(2) It shall be unlawful for the eligible candidates of a political party (other than a major party) in a presidential election and their authorized committees knowingly and willfully to accept and expend or retain contributions to defray qualified campaign expenses in an amount which exceeds the qualified campaign expenses incurred with respect to such election by such eligible candidates and their authorized committees.

(3) Any person who violates paragraph (1) or (2) shall be fined not more than $5,000, or imprisoned not more than one year, or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

(c)(1) It shall be unlawful for any person who receives any payment under section 1006, or to whom any portion of any payment received under such section is transferred, knowingly or willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

(A) to defray the qualified campaign expenses with respect to which such payment was made, or

(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses.

(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

(d)(1) It shall be unlawful for any person knowingly and willfully—

(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this subtitle, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Comptroller General or an examination and audit by the Comptroller General under this subtitle; or

(B) to fail to furnish to the Comptroller General any records, books, or information requested by him for purposes of this subtitle.

(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

(e)(1) It shall be unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of eligible candidates or their authorized committees.

(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of eligible candidates or their authorized committees shall pay to the Secretary, for deposit in the general fund of the Treasury, an amount equal to 125 per centum of the kickback or payment received.

(f)(1) It shall be unlawful for any political committee which is not an authorized committee with respect to the eligible candidates of a political party for President and Vice President in a presidential election knowingly and willfully to incur expenditures to further the election of such candidates which would constitute qualified campaign expenses if incurred by an authorized committee of such candidates, or to make contributions to such candidates or any of their authorized committees to be used, directly or indirectly, to defray qualified campaign expenses, in an aggregate amount exceeding $1,000.

(2) Any political committee which violates paragraph (1) shall be fined not more than $5,000, and any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

EFFECTIVE DATE

SEC. 1011. The provisions of this subtitle shall take effect on January 1, 1972, except that section 1009(b), and so much of any other section as authorizes or directs the Comptroller General to prescribe rules and regulations, shall take effect on the date of the enactment of this section.

Subtitle B—Presidential Election Campaign Fund Advisory Board

ESTABLISHMENT OF ADVISORY BOARD

SEC. 1051. (a) There is hereby established an Advisory Board to be known as the Presidential Election Campaign Fund Advisory Board (hereinafter in this section referred to as the "Board"). It shall be the duty and function of the Board to counsel and assist the Comptroller General of the United States in the performance of the duties and functions imposed on him under the Presidential Election Campaign Fund Act of 1971.

(b) The Board shall be composed of the following members:

(1) the majority leader and minority leader of the Senate and the Speaker and minority leader of the House of Representatives, who shall serve ex officio;

(2) two members representing each political party which is a major party (as defined in section 1002(6) of the Presidential Election Campaign Fund Act of 1971), which members shall be appointed by the Comptroller General from recommendations submitted by such political party; and

(3) three members representing the general public, which members shall be selected by the members described in paragraphs (1) and (2).

The terms of the first members of the Board described in paragraphs (2) and (3) shall expire on the sixtieth day after the date of the first presidential election following the date of the enactment of this Act and the terms of subsequent members described in paragraphs (2) and (3) shall begin on the sixty-first day after the date of a presidential election and expire on the sixtieth day following the date of the subsequent presidential election. The Board shall elect a Chairman from its members.

(c) Members of the Board (other than members described in subsection (b)(1) shall receive compensation at the rate of $75 a day for each day they are engaged in performing duties and functions as such members, including traveltime, and, while away from their homes or regular places of business, shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in the Government service employed intermittently.

(d) Service by an individual as a member of the Board shall not, for purposes of any other law of the United States be considered as service as an officer or employee of the United States.

Subtitle C—Miscellaneous Amendments

PRESIDENTIAL ELECTION CAMPAIGN FUND ACT OF 1966

SEC. 1061. (a) Sections 303, 304, and 305 of the Presidential Election Campaign Fund Act of 1966 (80 Stat. 1587) are repealed.

(b) Effective with respect to taxable years beginning after December 31, 1970, section 6096(a) of the Internal Revenue Code of 1954 (relating to designation of income tax payments to the Presidential Election Campaign Fund) is amended to read as follows:

"(a) IN GENERAL.—Every individual (other than a nonresident alien) whose income tax liability for any taxable year is $1 or more may designate that $1 shall be paid over to the Presidential Election Campaign Fund in accordance with the provisions of section 1006(a)(1) of the Presidential Election Campaign Fund Act of 1971. In the case of a joint return of husband and wife having an income tax liability of $2 or more, each spouse may designate that $1 shall be so paid into the fund."

(c) Section 5 (relating to the Presidential Election Campaign Fund Act of 1966) of the Act entitled "An Act to restore the investment credit and allowance of accelerated depreciation in the case of certain real property", approved June 13, 1967 (Public Law 90-26, 81 Stat. 58), is repealed.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum, on condition that the time be charged to neither side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. May we have the amendment offered and discussed tonight and then give the Senator an hour to discuss it further tomorrow?

Mr. MATHIAS. I will offer it very shortly.

Mr. PASTORE. We could discuss the Senator's amendment tonight.

Mr. RANDOLPH. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. RANDOLPH. Will there be rollcall votes this evening?

Mr. MANSFIELD. I do not think so but I cannot foreclose that possibility.

Mr. PASTORE. I would hope that Senators would remain here—we shall not stay too long—and listen to what is said.

Mr. MANSFIELD. The distinguished assistant majority leader has indicated that some Senators may bring up amendments tonight which may call for rollcall votes.

Mr. BYRD of West Virginia. If the Senator will yield, these amendments would not be in connection with the pending amendment.

Mr. MANSFIELD. That is correct.

The PRESIDING OFFICER. Does the Senator wish the time divided on the Mathias amendment tomorrow?

Mr. MANSFIELD. The other amendments would be separate and apart and not tied in with the Pastore-Talmadge-Cannon-Cranston amendment.

The PRESIDING OFFICER (Mr. BUCKLEY). The Chair would inquire of the Senator from Montana, whether time on the Mathias amendment is to be equally divided.

Mr. MANSFIELD. Yes, to be equally divided between the Senator from Rhode Island (Mr. PASTORE) and the Senator from Maryland (Mr. MATHIAS) tomorrow, the period, as close as possible, between 9 a.m., and 10 o'clock. There will be a vote on the Mathias amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. COOK. Mr. President, I ask unanimous consent that during the course of the discussion on this amendment, and any amendments thereto, that Mr. David Huber from my office be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Rhode Island will state it.

Mr. PASTORE. What is the pending business?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Rhode Island (Mr. PASTORE). Time is under control. Who yields time?

Mr. PASTORE. Mr. President, I yield myself whatever time is necessary to make my presentation.

Mr. President, I ask unanimous consent that the names of the Senator from Nevada (Mr. BIBLE), the Senator from Indiana (Mr. BAYH), and the Senator from Michigan (Mr. HART) be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, just a little more than 3 months ago in this Chamber, the Senate of the United States overwhelmingly voted to enact election campaign reform legislation.

In recognition of the scandalously high cost of campaigning for Federal elective office, and the outmoded reporting and disclosure laws regarding campaign expenditures and contributions, the Members of this body—Republicans and Democrats alike—worked closely together and passed a measure which many, including myself, believe to be one of the most significant pieces of legislation in this century. Hopefully the House will act on it soon and the country will be immeasurably better for our joint efforts.

Every Senator knows thoroughly the provisions of S. 382, and I will not presume upon the Senate's time to review them. It is a comprehensive bill that

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places realistic and enforceable limits on campaign expenditures for Federal elective office in the broadcast and nonbroadcast communications media; it requires frequent reporting and disclose of contributions and expenditures by candidates and their committees so that the electorate may know the source of a candidate's campaign funds and their distribution.

Finally, it creates an independent, bipartisan Federal Elections Commission to assure that these requirements are enforced strictly, fairly, and impartially.

This legislation in and of itself will, if enacted, go a long way toward restoring the confidence of the American people in their democratic system. It will also go a long way toward assuming that the merit of the candidate and not the amount of his resources will be the sole criteria of his fitness for public office.

But, Mr. President, an opportunity is before us, because of circumstances unique to this time and place, whereby we may take the one added step necessary to perfect what is already a magnificent effort by the Members of this body—and that is the amendment I have introduced.

It is with this ideal in mind, and only for this reason, that I now offer an amendment to H.R. 10947 which would provide an incentive for the small contributor to aid the candidate of his choice in any Federal, State, or local election; and would also provide for Federal financing at the option of the candidate in all general elections for the Office of the Presidency.

I want to say, at this juncture, because I do not want it to be misunderstood, that there is nothing in the amendment that inhibits President Nixon in anyway, or that affects him in anyway unless he chooses to be so affected. This is a completely bipartisan effort. When the amendment was drawn, I did not have the Democratic Party in mind for 1972. I did not have the Republican Party in mind for 1972. As I develop the reasons and give the explanation, it will become clear to every Republican in this body that there is nothing in here to take advantage in anyway of the situation that now exists with reference to the treasury—either of the Republican Party or of the Democratic Party. It has nothing at all to do with that. I will develop that during progress of debate on the amendment.

Here truly, Mr. President, is an opportunity for the ordinary citizen to work his will in an area that all too often has been the special province of the large contributor or the vested interest. Amazingly simple in its operation and enforcement, completely impartial in its application, and certainly ample in its allowances, this amendment is that final step which, in my judgment, places the entire matter of electing representatives of the people where it belong—with the people.

Briefly the amendment contains the following features, and each one is distinct from the other. Each one is distinguishable from the other, but related in a way that makes a complete package. They are:

First. An income tax credit of one-half of an individual's actual contributions. However, the credit may not exceed $25 in the case of an individual, or $12.50 in the case of married persons filing separately.

Second. On the alternative, an income tax deduction for an individual's actual contributions. The deduction not to exceed $100 in the case of an individual, and $50 in the case of married couples filing separately.

Third. The contributions entitling an individual to a tax credit or deduction may be contributions to a candidate for any elective public office—Federal, State, or local. They may be made for any election—general, special, or primary, or in obtaining a nomination through a primary or party convention.

That applies only to the credit and to the allowance and not to the checkoff of the $1. In other words, the checkoff of the $1 does not apply to a primary but goes into a fund for all eligible candidates in the general election for President.

Fourth. The contributions may be made directly to the candidate or to a committee for the nomination or election of one or more persons.

Fifth. The amendment also provides public financing as an alternative way of financing general election campaigns of presidential or vice presidential candidates. Candidates who elect public financing must forego private financing except to the extent provided under limited contingencies as set out below.

Taxpayers wanting to provide for public financing may do so by designating in their income tax returns that $1 of their taxes—per taxpayer—is to be used for the public financing of presidential campaigns. These funds are to be made available in the form of permanent appropriations for both major and minor party presidential candidates under a formula set out in detail in the summary I am submitting at the end of my statement.

Mr. President, I ask unanimous consent to have that summary printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. GAMBRELL). Without objection, it is so ordered.

(See exhibit 1.)

Mr. PASTORE. Mr. President, it should be pointed out that under this amendment a presidential candidate has the discretion of deciding whether he will accept public financing or finance his campaign privately. If he elects to accept public financing, he is limited in his expenditure to the extent provided in the amendment. If he elects to finance his campaign privately the limitations contained herein for publicly financed campaigns would not apply. However, the limitations contained in the legislation that passed the Senate on August 5—S. 382—the Federal Election Campaign Act of 1971 would apply.

EXHIBIT 1

SUMMARY OF CAMPAIGN FINANCING ACT OF 1971

Title IX.—*Tax Incentives for Contributions to Candidates for Public Office.*

Title IX allows taxpayers a credit against tax or a deduction against income for political campaign contributions. If a credit is taken (sec. 901), the credit is to be for one-half of the contribution but the credit is not to be in excess of $25 in any year. If a deduction is elected (sec. 902), the maximum deduction in any year may not exceed $100.

The credit or deduction is to be available for contributions to candidates for Federal, State or local public office for use by them in a primary, general or special election or in obtaining a nomination through a primary or party convention. The contribution may be made directly to a candidate of the taxpayer's choice or to a committee for the nomination or election of one or more of such persons.

This title is to be effective (sec. 903) with respect to taxable years ending after December 31, 1971.

Title X—*Public Financing for Presidential Campaigns.*

Title X provides public financing as an alternative way of financing general election campaigns of presidential and vice-presidential candidates. Candidates who elect public financing (sec. 1003) must forego private financing (except to the extent provided under limited circumstances as set forth below). Taxpayers (sec. 1061) who want to provide for public financing may do so by designating on their income tax returns that one dollar of their taxes (per taxpayer) is to be used for the public financing of presidential campaigns. These funds are to be available in the form of permanent appropriations for both major, and minor, party presidential candidates. The funds are distributed under a formula outlined below. The principal rules governing this public campaign financing provision are as follows:

(1) Each year taxpayers may designate on their income tax returns that they want $1.00 of their tax liability to be used for the public financing of presidential campaigns (sec. 1061(b)). In the case of joint returns the husband and wife can each separately designate—or check off—the use of one dollar for this purpose. If everyone were to designate one dollar this would, based on the present levels of filing, indicate a total of $113 million with respect to one year.

(2) Permanent appropriations are to be made to the "Presidential Election Campaign Fund" of the amounts designated by taxpayers under the "check-off" system (sec. 1061(b)). After the election any unneeded balances in the fund are to be transferred back to the general fund of the Treasury (sec. 1006(a)(2)). Payments are made to a candidate from this fund upon certification of the Comptroller General as to the appropriate amount of the payment (sec. 1005). If the total amount of the payments provided for under the formulas (set forth below) is greater than the amount available in the appropriate account in the fund (because taxpayers have not "checked off" enough on their tax returns) the actual payments made to the candidates (or their committees) involved are to be decreased on a pro rata basis (sec. 1006(b)(2)).

(3) Separate rules as to the distributions are to be made for major and minor party presidential candidates. A separate rule is also provided for parties which, before an election, do not qualify as either a major or minor party, but in that election obtain a significant vote. A major party is one which, in the last presidential election, obtained 25 percent or more of the votes cast (sec. 1002(6)). A minor party is one which in the last election obtained 5 percent, but less than 25 percent, of the votes cast (sec. 1002(7)).

(4) Funds to be distributed with respect to a major party candidate (sec. 1004(a)(1)) are to be 15 cents times the number of residents in the United States age 18 or over (as determined by the Bureau of the Census in the year before the presidential election). This would mean a distribution of approximately $20.4 million to each of the two major parties for the 1972 election.

(5) Minor parties are to receive an amount which is the ratio of their vote in the last presidential election to the average of the amount received by the major parties in that election applied to the entitlement of a major party (sec. 1004(a)(2)). For example, it is understood that the average vote received by the two major parties' candidates in the last election was 31.25 million. The Wallace vote in that election was 9.8 million, or 31 percent of the average of the two major parties. If each of the two major parties is eligible to receive $20.4 million, the Wallace (if his party qualifies for election in 1972) would be eligible to receive $6.3 million.

(6) New Parties, and minor parties to the extent they do better in the current campaign than in the last, are to be funded after the presidential campaign (sec. 1004(a)(3)). A new party may obtain private contributions before the campaign on a "loan" basis—that is, they are to be refunded to the contributors after the campaign if the candidate receives a sufficient vote to be eligible for public funds (secs. 1003(c), 1007(b)(4) and 1010(c)(1)). Under this provision (sec. 1004(a)3)), a new party, or minor party's candidate is eligible for public financing in the ratio of the votes he receives in the current campaign to the average of the votes received by the major party candidates in the current campaign applied to the amount to which the major party candidates are entitled. Where a minor party candidate receives an entitlement before the election but is eligible for a larger entitlement under this provision, he can receive under this provision) the excess of this tentative entitlement over the amount received before the election.

(7) The amount received by a minor party, or by a new party (sec. 1004(b)), candidate cannot be greater than the amount received by a major party candidate, or (if smaller) the campaign expenses of the minor or new party candidate less contributions received (which are either retained or have been expended).

(8) Major party candidates (and their authorized committees) who have elected public financing generally cannot receive private contributions with respect to a presidential campaign except to the extent that they receive less than their entitlement (because the "check off" on tax returns was insufficient) (sec. 1010(b)(1)). Minor party candidates can receive contributions but they cannot spend more than is permitted of a major party candidate (sec. 1003(c)).

(9) Major party presidential candidates who elect public financing may not spend more than the amount which would be allocated to them if they received their full allotment (sec. 1010(a)). This limitation applies both to candidates and also to all committees which the candidates has authorized, in writing, to incur expenses for him. No other committee, with respect to any candidate, may spend more than $1,000 in any year (sec. 1010(f)(1)). The amount which may be spent with respect to any candidate applies only to the general election and not to primaries or party conventions. It applies to campaign expenses incurred in the period beginning with the day on which any major party nominates its candidates (or September 1 if earlier) and ending 30 days after the election (and includes property, services or facilities which was purchased earlier but used during this period) (sec. 1002(10)). Campaign expenses, as defined here, include all expenses incurred in the furtherance of a campaign which are spent for any legal purpose (sec. 1002(10)).

(10) The Comptroller General is to audit the qualified campaign expenses of the candidate for each political party for president and require payments to be made to the Treasury Department in the following cases (sec. 1007)). First, if he determines that any payments made to the candidate (or his committees) were in excess of the amount to which he was entitled, an amount equal to this excess amount must be paid to the Treasury Department. Second, if the Comptroller General determines that candidates of a major party received private contributions (except to the extent permitted where they did not receive the full allotment because of an insufficient "check off" on tax returns) an amount equal to these contributions must be paid to the Treasury Department. Third, if the Comptroller General finds that payments made to eligible candidates were used for purposes other than for qualified campaign expenses (or to repay loans obtained for such expenses), he is to require amounts equal to these amounts to be paid to the Treasury Department.

(11) Candidates of political parties for President are, on at least a weekly basis in the months before the election, to furnish the Comptroller General with a detailed statement of the campaign expenses incurred by them and their authorized committees to date, as well as the campaign expenses they propose to incur subsequently (sec. 1008). The Comptroller General is to prepare a summary of these statements and publish them.

(12) The Comptroller General is also to submit a full report to the Senate and House as to the qualified campaign expenses incurred, the amounts certified by him for payment and the amount of repayment required, if any (sec. 1009).

(13) The following criminal penalties are provided by title X (sec. 1010):

(a) A penalty of $5,000 and one year in jail, or both, where campaign expenditures are knowingly and willfully incurred in excess of the payments to which eligible major party candidates are entitled;

(b) A penalty of $5,000 and one year in jail, or both, where public financing has been elected and contributions are knowingly and willfully received by major party candidates or their committees (except where there is not the full allocation to them because of an insufficient "check off" on tax returns), or where contributions have been received by other party candidates in excess of expenditures a major party candidate could make;

(c) A penalty of $10,000 and 5 years in jail, or both) for persons who knowingly and willfully use payments received under this provision for purposes other than qualified campaign expenses (or to repay proceeds used to defray qualified campaign expenses);

(d) A penalty of $10,000 and 5 years in jail, or both, where persons knowingly and willfully furnish false, fictitious or fraudulent information to the Comptroller General with respect to the provisions of this title or exclude any such information, or who otherwise falsify or conceal evidence relevant to a certification or audit by the Comptroller General, or fail to furnish him with information when requested;

(e) A penalty of $10,000 and 5 years in jail, or both, for persons who give or accept kickbacks or illegal payments in connection with qualified campaign expenses of eligible candidates or their authorized committees. In this case, in addition, an amount equal to 125 percent of the kickback or payment received also must be paid into the Treasury Department.

(14) The title creates a Presidential Election Campaign Fund Advisory Board to counsel and assist the Comptroller General in performing his duties under this provision (sec. 1051). The Board consists of the Majority and Minority Leaders of the Senate and the Speaker and Minority Leader of the House, together with 2 members representing each major political party (the latter being appointed by the Comptroller General upon recommendations from the political parties) and 3 members representing the public (selected by the other members of the Board).

(15) Title X generally takes effect as of January 1, 1972 (sec. 1011).

This provision is similar, although not identical, to a provision favorably reported by the Senate Finance Committee in 1967.

Mr. PASTORE. Mr. President, this is the way it will work. I have already explained the credit. One-half of what one contributes to a candidate or to one of his qualified committees, the credit not to exceed $25, or an allowance to be deducted from the gross income actually made to a candidate or to a qualified committee, not to exceed $100 deduction.

And in the case of a President and Vice President, we have a checkoff of $1 that must be the choice of the taxpayer, and that money goes into fund that is later distributed to eligible candidates in the general election.

This is the way it works. The two major candidates of the major parties are entitled to 15 cents multiplied by the number of people in the United States 18 years of age and over, to be determined in June of the year preceeding the election year by the Bureau of Census.

According to the calculations we now have, that amount, insofar as the Republican candidate and the Democratic candidate is concerned would come to approximately $20 million for 1972.

Once a candidate is nominated and he chooses to become eligible under this section, he is confined to the spending of the $20 million—period. But in the case of President Nixon, if he feels that he has more than $20 million, and does not want to come under the section, he can spend all he wants to spend. Except, of course, if we do pass the law that is now pending in the House that places a ceiling on expenditures in the communications media.

What I am trying to make clear is that this is no attack upon President Nixon or the Republican Party. If President Nixon chooses to go his way, the $500 that individual spent last week would not be wasted.

The reason why I made this provision is because I do not want anyone on the other side of the aisle to go away with the impression that this is some kind of a scheme to get at the treasury of the Republican National Committee.

Now, someone might say to me, "All right, how about a candidate of a minority party?" Now, if he has received 5 percent of the vote in the last election, and he chooses to come under the provisions of this amendment, he can spend up to the amount that any candidate of a major party can spend. Provided, however, he would only be entitled to an amount of money that bears the same ratio to the amount of money to which candidates of major parties are entitled, as the number of popular votes his party received in the last presidential election bears to the average number of popular votes received by the candidates of the major parties. In other words, if the two principal parties each received 3 million votes—and I am giving this only as a simple example—the average would be 3 million votes. If the member of a minority party received 1 million votes, he would be entitled to one-third of the $20 million. But if he has spent more than the one-third and he expects to collect the money from the U.S. Treasury, he has to turn back to his contributors an amount equal to the amount he collects from the Federal Government.

Otherwise, he would be unjustly enriched. And the same applies to a candidate for the first time, a new party. In his case, 30 days after the election, its determined what his vote was on election day as against the average vote of the two major party candidates. He is entitled to a refund in that amount provided he has not collected more than that. And if he has, he has to turn the private contributions back to his contributors.

If any candidate does not use up all of the $20 million he may be entitled to, he not only has to make a complete accounting of where it went, but he also has to return it to the contributors. He cannot put it in his pocket.

That, simply and concisely, is the measure. It is not complicated. It is very simple. It is only a question of if we want to do something about giving a democratic chance to every man who seeks the office of President.

We know today that unless one has independent wealth or unless he becomes beholden in one way or another he cannot seek the office. And I am not being critical of this because that is the style and the fashion of doing it today, and we have all done it. We have all collected our money from holding a banquet or having a committee. There is nothing wrong. That is the American way.

However, the time has come when we have to recognize the fact that if we give the chance to seek the presidency to a poor man or a man of moderate means without becoming obligated to vested interests or to any group, whether business or labor or what have you, we have to do something about public financing. That is what this is all about.

There are three legs to this stool, and we feel that by the adoption of the third leg, the stool will stand erect. If one wants to sit on it, he had better vote for the third leg.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. COTTON. Mr. President, the particulars were not quite clear to me, are these all voluntary contributions?

Mr. PASTORE. These are all voluntary. That means the return is voluntary; the allowance is voluntary; and the check off is voluntary. It is a voluntary act on the part of the taxpayer. If the taxpayer owes the government $200 that he has to pay anyway, then he and his wife can designate one dollar apiece to be given to this fund to be used for this purpose. He does not designate a party. Otherwise, it would be lopsided.

Mr. COTTON. Mr. President, the calculation has been made that in all probability the bill would make available $20 million for each of the two major candidates.

Mr. PASTORE. That is correct; the President and Vice President.

Mr. COTTON. How can we depend on that? How do we know that enough citizens will respond enough to guarantee that?

Mr. PASTORE. Does the Senator mean in the event it does not happen that we establish a fund of that size? Then we will have to come and take a look at it. The hearings indicated pretty much that a lot of people would like to have the opportunity to participate in the election of a candidate to the Presidency. The checkoff is only with regard to the office of the Presidency. In addition there is a provision in the amendment that meets this point.

Mr. COTTON. Mr. President, that is up to the time of the election.

Mr. PASTORE. Each year.

Mr. COTTON. So that there is no period of time prior to the election when a national candidate can know in advance how much resources he will receive out of this public fund in order to plan his necessary advertising, his necessary action, and the various campaigns?

Mr. PASTORE. He would know. For instance, if we pass this law, when we file our tax returns in April 1972—an election year—they will know pretty much how much is in the fund.

Mr. COTTON. Mr. President, may I say to the distinguished Senator that frankly I am not sure how this works.

This is not a hostile question, but I think it is a very real question. The Senator said emphatically, for instance, that this amendment cannot affect the President of the United States. For example, President Nixon, unless he chooses to come under the law would be perfectly free to say, "I think I can get more money for my campaign from individuals supporting me if I do not take money from this special fund."

Mr. PASTORE. He already has it.

Mr. COTTON. Yes, but in spite of the excellent eloquence of the Senator from Rhode Island, if the President said he would not take limited taxpayer's money, I can hear those mighty voices of the cynics reverberating among the rafters, "Oh, he is going to the fat cats. He does not want to go to the people."

Therefore, I think the President would think long and hard before he said, "No, I do not want to run with this money; I want to get it somewhere else."

Perhaps that would be justifiable. I am not arguing the merits. But I am not sure it allows perfect freedom to reach all the people because it does seriously affect the President if he does not choose the limited taxpayer's fund.

Mr. PASTORE. I am hopeful this will be a supplement to the bill we passed which placed a ceiling on the amount that can be spent. I hope this will be a supplement to that as much as that is a supplement to this.

I did not want it to be argued on the floor that I was trying to do this to attack the President because the Republicans have already reached more money than the $20 million. I wanted to obviate that. I want my colleagues on this side of the aisle to know and to understand there is nothing Democratic or Republican about this amendment. Frankly, it does not make that much difference to me.

Mr. COTTON. I thank the Senator.

Mr. PASTORE. I think the time has come, and I think the Senator will agree, when something has to be done about the idea that a man who runs for the Presidency has to be either personally wealthy or has to become beholden to a lot of people with vested interests.

They said the same thing about John Kennedy, that he was a rich man and that somebody else was a poor man. They said it about Rockefeller and they said it about Roosevelt. They have said it about other Democrats and about Republicans. It has been said that a candidate was either rich in his own right or that he got his wealth from his family. But people do not take that too seriously.

The only reason I removed that ceiling as far as the Presidency is concerned is because we did not want to be accused of making this a punitive measure.

Mr. COTTON. I understand that perfectly. I am not suggesting the Senator is not perfectly sincere. It is true that whether the President is a Democrat or a Republican, nothing succeeds like success and it has been my observation that it is a lot easier for a man occupying the great office of the Presidency to go out and raise money than it is for a man who is a candidate for a nomination to oppose him, because people like to bet——

Mr. PASTORE. On the winner.

Mr. COTTON. On the odds. I certainly am in sympathy with the purpose of the Senator from Rhode Island; otherwise I would not have voted for his reasonable reform bill in committee. I get the Senator's point. As a matter of practical fact, it cannot be said that the problem is that of the President saying, "I will take the $20 million or such part of it as comes in from the people," because if he makes the other decision and says, "I am going to my friends to raise my own money," then immediately he is charged with depending on the fat cats and being owned by them.

Mr. PASTORE. There are only two alternatives here. We either make this apply against the President, even though he does raise his own money and cannot spend more than $20 million, which the other party can take from the treasury—it has arguments for and against, and one must accept the theory it is impossible to aid poor people to run for the Presidency and confine it as a matter for the rich.

Now, with television, radio, and what have you, when one considers that to become President of the United States a candidate has to raise and spend millions of dollars, could the Senator from New Hampshire afford it? I know I cannot afford it.

Mr. COTTON. I have not had to face up to that problem since I have yet to run for President.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. LONG. It seems to this Senator that we would be doing both parties a major favor in the long run. I do not think it helps the Republican Party to have it said that the Republican Party is the party of the rich and have someone say that all these people contributed this money and that this man was named ambassador and put up all this money, or that this fellow was named to this office, and this one to that. It is not good for the country to have people alleging that these large contributions are involved in decisions in Government.

Furthermore, it is not right to have a situation where a fellow like Harry Truman who is doing his best—telling vested interests that he is not going to see it their way, regardless of what it costs him—goes into a town and has to get on the telephone for half the night to raise money to get his train out of town because he would not compromise his duty as President.

The last time I saw Harry Truman when he was President of the United States I told him I would like to call on him sometime when he was out of the Presidency, and I knew people calling on Thomas Jefferson made him a poor man when they came to call on him at his home in the country in Charlottesville. They caused Thomas Jefferson to die a poor man. Harry Truman said that was not why Thomas Jefferson died a poor man. He said Thomas Jefferson died a poor man because he would not compromise the Presidency. He said, "I have not compromised the Presidency."

That kind of President should have enough money to go out and explain why he did what he did as President, rather than not being able to pay his expenses because he did not have people to put up the money. The Presidency should be above those considerations.

Mr. PASTORE. The idea contained in this checkoff is the idea of the Senator from Louisiana. The only reason I adopted it is that I know for personal reasons, because he is manager of the bill before us, he could not undertake it on his own. He made that decision clear. But I do hope he supports the amendment when it comes up for vote. His amendment was passed by the Senate and it was passed by the House. This idea of the checkoff was his idea. Later it was nullified, but it is the Senator's idea and I think it is a brilliant idea, and I hope it becomes law and that the Senator will support it.

Mr. LONG. I will support it and I will vote for the package if this is a part of it. We should make some progress toward the proposition that a candidate for President of the United States should be completely free from any consideration as to where the money is going to come from to pay for campaign expenses.

Mr. PASTORE. That is the name of the game and it is what this is about.

Mr. PELL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. PELL. Mr. President, I like the bill very much. I congratulate my senior colleague on it. I intend to support it.

I have one question. I think it is a good idea that the expenses of campaigning for the presidency should come from public moneys during the course of the campaign. Why would it not be simpler to pay for it out of general revenue rather than having a checkoff which will have the expense of adding it up?

Mr. PASTORE. It adds up to the same thing. The money that is paid in will have to be paid in anyway and the taxpayer has the feeling he is doing something about financing the presidential campaign.

Mr. PELL. But somebody will have to add up all of these amounts.

Mr. PASTORE. No, the taxpayer would just put a checkmark, and the dollar goes there.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. TALMADGE. The difference is that the amendment offered by the distinguished Senator from Rhode Island makes it voluntary. The taxpayer does not have to check off the dollar unless he desires to do so, and if he fails to exercise his decision in the affirmative, it is not forced upon him, whereas if we appropriated money directly from the Federal Treasury, we would be spending money frequently against his will to support candidates he frequently is opposed to.

Mr. PELL. That is a good answer.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. CRANSTON. I have one question. If there is not enough money in the general pot from the checkoff for each of the candidates to get the money provided, then they are permitted to raise money separately?

Mr. PASTORE. Yes, but only up to the amount he would be entitled to under the provisions of my amendment.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. ALLEN. I am very much interested in the proposal of the distinguished senior Senator from Rhode Island, and I note in his analysis of the amendment, on page 3, paragraph 5, that if each of two major parties is eligible to receive $20.4 million, the Wallace campaign, or Wallace ticket, if his party qualifies for election in 1972, would be eligible to receive $6.3 million. That is based, I believe, on the assumption that all of the votes that were cast for Governor Wallace for President in 1968 were cast for him as the candidate of one party. Is that correct?

Mr. PASTORE. I do not know exactly what the Senator means by "for one party."

Mr. ALLEN. For his party.

Mr. PASTORE. His party. Yes.

Mr. ALLEN. The fact is that the Governor was running in the various States under eight different party tickets, and he did not run under one party throughout the country. Apparently, it is the intent of the distingushed Senator from Rhode Island to assure that this third-party effort of Governor Wallace under whatever ticket would share pro rata in the campaign fund. Is that not correct?

Mr. PASTORE. That is correct.

Mr. COOK. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. COOK. I must say to the Senator from Alabama that that is not the way the bill reads.

Mr. ALLEN. That is the point the Senator from Alabama is making.

Mr. COOK. I would like to make very clear to the Senator from Alabama that when the synopsis reads that the Governor will receive $6.8 million, or whatever it is, that just is not true. The American Party will receive a sum of money, as the Democratic Party will receive a sum of money, as the Republican Party will receive a sum of money, as the other seven parties that Governor Wallace ran under will receive a sum of money, because there are two sections in the bill—one for those who will receive money from 0 percent to 5 percent, and they will have to pay their expenses and get that later, after the election, and those from 5 percent up to 25 percent, who will receive a percentage of the funds during the course of their running.

When anyone says, or when the newspapers say, as they said yesterday, that George Wallace would receive $6.8 million, let me point out that the American Party will receive a sum of money, or the other seven parties will receive a sum of money, if they qualify as coming between 5 to 25 percent of the vote.

Mr. ALLEN. Will the Senator show the junior Senator from Alabama where the amendment says any party is going to receive anything?

Mr. PASTORE. Wait a minute. The money goes to the candidate. The bill that we passed last time said the party. I purposely changed it to the candidate. or committee designated by him, or someone authorized by him. I will be very frank that one could strain the language, but I want it clear that section 5 is only an example of how it goes. I think, within the framework of the law, if Governor Wallace's name appeared on five tickets, they could be named altogether because it goes to the candidate rather than to a party.

Mr. COOK. May I again ask the Senator to turn to the language contained on page 8, under paragraph (2), lines 12 and 13? He has got to be the candidate of a political party for election to either such office, and he has got to be on the ballot in 10 or more States.

Mr. PASTORE. That is right.

Mr. ALLEN. Will the Senator show me where a party is getting anything, as the Senator stated he would do?

Mr. COOK. The point I am trying to make is that it is based on a percentage. First of all, it cannot be on a percentage. If it is based on a percentage Governor Wallace got, it could not be based on anything except the people who voted for the President and Vice President of their respective parties or their candidates. Otherwise, the 15-percent differential would not be in there.

Mr. ALLEN. I also would like the Senator to point out where the amendment says that those candidates who got less than 5 percent of the vote would get anything. He stated that such parties would get something if they got from 0 to 5 percent. I would like to see that pointed out.

Mr. PASTORE. Who said that? The Senator from Kentucky said that; I did not say that.

Mr. ALLEN. Yes.

Mr. PASTORE. Look at page 14 of the amendment, subparagraph (2):

The eligible candidates of a minor party in a presidential election shall be entitled to payments under section 1006 equal in the aggregate to an amount which bears the same ratio to the amount computed—

XUM

And so forth.

Under that construction, I think we could very well add them up, if it was Wallace's name.

Mr. ALLEN. Yes.

Mr. PASTORE. Frankly, if the language should be polished, I would have no objection to it.

Mr. ALLEN. Would the Senator, then, be amenable to perfecting language?

Mr. PASTORE. I would, if the Senator has perfecting language. In other words, if he ran on five different tickets, he is still the candidate and they are counted all together, because next time he might run on one ticket, and if so many people voted for him, we should add up the votes. I do not care how many tickets he ran on.

What may have led to the ambiguity is that this language is copied pretty much from the language reported by the Finance Committee under the sponsorship of the Senator from Louisiana (Mr. LONG), and at that time the money was being paid to a party rather than a candidate.

Mr. ALLEN. That is exactly the point the Senator from Alabama made.

Mr. PASTORE. I changed it. So I think, within the meaning of my change, if we could get some perfecting language, I would be happy to accept it.

Mr. ALLEN. I will offer the language at the proper time.

Mr. PASTORE. Yes. Will the Senator show it to our staff?

Mr. ALLEN. Yes; right away.

Will the Senator from Rhode Island yield so that I may make a unanimous consent request?

Mr. PASTORE. I yield for that purpose.

Mr. ALLEN. Mr. President, I ask unanimous consent that there may be inserted in the RECORD at this point an excerpt from the 1969 Congressional Quarterly Almanac, "Final 1968 Presidential Election Results," giving the election results in all 50 States, and showing the party designation under which Governor Wallace ran in the respective States.

If the Senator has no objection, I would like to introduce this. Also a copy of the Senator's analysis of the amendment.

Mr. PASTORE. It has been put in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

POLITICAL REPORT—FINAL 1968 PRESIDENTIAL ELECTION RESULTS

[Key to symbols: D—Democrat, I—Independent; AI—American Independent; AP—American Party; W—Wallace Electors; CPK—Conservative Party of Kansas, IA—Independent American; CP—Courage Party]

State	Total popular vote				Electoral vote				Percentages		
	Nixon (R)	Humphrey (D)	Wallace (AIP)	All others	Nixon	Humphrey	Wallace	Plurality	Nixon	Humphrey	Wallace
Alabama[1] (D)	146,923	196,579	691,425	14,962			10	(AIP) 494,846	14.0	18.7	65.9
Alaska (I)	37,600	35,411	10,024		3			(R) 2,189	45.3	42.6	12.1
Arizona (AI)	266,721	170,514	46,573	3,128	5			(R) 96,207	54.8	35.0	9.5
Arkansas[2] (AP)	190,759	188,228	240,982				6	(AIP) 50,723	30.8	30.4	38.9
California (AI)	3,467,664	3,244,318	487,270	52,335	40			(R) 223,346	47.8	44.7	6.7
Colorado (AI)	409,345	335,174	60,813	5,857	6			(R) 74,171	50.5	41.3	7.5
Connecticut (W)	556,721	621,561	76,650	1,300			8	(D) 64,840	44.3	49.5	6.1
Delaware (AP)	96,714	89,194	28,459		3			(R) 7,520	45.1	41.6	13.3
Florida (W)	885,804	676,794	624,207		14			(R) 210,010	40.5	30.9	28.5
Georgia (I)	380,111	334,439	535,550				12	(AIP) 155,439	30.4	26.8	42.8
Hawaii (AP)	91,425	141,324	3,469				4	(D) 49,899	38.7	59.8	1.5
Idaho (AI)	165,369	89,273	36,541		4			(R) 76,096	56.8	30.7	12.5
Illinois (W)	2,174,774	2,039,814	390,958	14,203	26			(R) 134,960	47.1	44.2	8.5
Indiana (W)	1,067,885	806,659	243,108	5,945	13			(R) 261,226	50.3	38.0	11.4
Iowa (AI)	619,106	476,699	65,422	5,454	9			(R) 142,407	53.0	40.8	5.7
Kansas (CPK)	478,674	302,995	88,921	2,192	7			(R) 175,678	54.8	34.7	10.2
Kentucky (AP)	462,411	397,541	193,098	2,843	9			(R) 64,870	43.8	37.6	18.3
Louisiana (AP)	257,535	309,615	530,300					(AIP) 220,685	25.2	23.5	48.3
Maine (W)	169,254	217,312	6,370				4	(D) 48,058	43.1	55.3	1.6
Maryland (W)	517,995	538,310	178,734				10	(D) 20,315	41.9	43.6	14.5
Massachusetts (I)	766,844	1,469,218	87,088	8,602			14	(D) 702,374	32.9	63.0	3.7
Michigan (AI)	1,370,665	1,593,082	331,968	10,535			21	(D) 222,417	41.5	48.2	10.0
Minnesota (AP)	658,643	857,738	68,931	3,198			10	(D) 199,095	41.5	54.6	4.3
Mississippi (I)	88,516	150,644	415,349				7	(AIP) 264,705	13.5	23.0	63.5
Missouri (AP)	811,932	791,444	206,126		12			(R) 20,488	44.9	43.7	11.4
Montana (AP)	138,835	114,117	20,015	1,437	4			(R) 24,718	50.6	41.6	7.3
Nebraska (AP)	321,163	170,784	44,904		5			(R) 150,379	59.3	31.9	8.4
Nevada (IA)	73,188	60,598	20,432		3			(R) 12,590	47.5	39.3	13.2
New Hampshire (W)	154,903	130,589	11,173	633	4			(R) 24,314	52.1	43.9	3.8
New Jersey (W)	1,325,467	1,264,206	262,127	23,535	17			(R) 61,261	46.1	44.0	9.1
New Mexico (AI)	169,692	130,081	25,737	1,828	4			(R) 39,611	51.6	39.7	7.9
New York (CP)	3,007,932	3,378,470	358,864	46,421			43	(D) 370,538	45.3	49.7	5.3
North Carolina (AP)	627,192	464,113	496,188		12			(R) 131,004	39.5	29.2	31.3
North Dakota (AP)	138,669	94,769	14,244	200	4			(R) 43,900	55.9	38.2	5.7
Ohio (AI)	1,791,014	1,700,586	467,495	603	26			(R) 90,428	45.2	42.9	11.8
Oklahoma (AP)	449,697	301,658	191,731		8			(R) 148,039	47.7	32.0	20.3
Oregon (I)	408,433	358,866	49,683	2,640	6			(R) 49,567	49.5	43.8	6.1
Pennsylvania (AI)	2,090,017	2,259,405	378,582	19,924			29	(D) 69,388	44.0	47.8	8.0
Rhode Island (W)	122,359	246,518	15,678	383			4	(D) 124,159	31.8	64.0	4.1
South Carolina (I)	254,062	197,486	215,430		8			(R) 38,632	38.1	29.6	32.3
South Dakota (I)	149,841	118,023	13,400		4			(R) 31,818	53.3	42.0	4.8
Tennessee (AP)	472,592	351,233	424,792		11			(R) 47,800	51.8	28.1	34.0
Texas (AP)	1,227,844	1,266,804	584,269	489			25	(D) 38,950	39.8	41.1	19.0
Utah (AI)	238,728	156,665	26,906	269	4			(R) 82,063	56.5	37.1	6.3
Vermont (W)	85,142	70,255	5,104	892	3			(R) 14,887	52.8	43.5	3.2
Virginia (AI)[3]	590,319	442,387	321,833	6,950	12			(R) 147,932	43.4	32.5	23.5
Washington (AP)	588,510	516,037	96,990	2,744			9	(D) 27,527	45.1	47.2	7.4
West Virginia (AP)	307,555	374,091	72,560				7	(D) 66,536	40.8	49.6	9.6
Wisconsin (I)	809,997	748,804	127,835	4,902	12			(R) 61,193	47.9	44.3	7.6
Wyoming (AI)	70,927	45,173	11,105		3			(R) 25,754	55.8	35.5	8.7
District of Columbia	31,012	139,566					3	(D) 108,554	18.2	81.8	
Total	31,785,480	31,275,165	9,906,473	244,444	301	191	46	[4](R) 510,315	43.4	42.7	13.5

[1] Alabama—Humphrey total is a combination of National Democratic (54,144) and Independent Democratic (147,435 votes; the AIP Wallace vote was cast as Democratic in this state.

[2] Arkansas—Nixon, Humphrey, and Wallace vote each increased by amendment to early canvass in Jefferson County.

New York—Humphrey total includes 311,622 votes as Liberal candidate.

[3] North Carolina Republican elector cast his vote for Wallace.

[4] Virginia—Wallace vote increased by 1,561 over State canvass for vote in Shenandoah County omitted in original report.

[5] Because of Humphrey's 3d-place finish in the South, plurality column does not add up to national total.

Source: Based on complete vote totals reported to Congressional Quarterly by the Governmental Affairs Institute.

Note: Total popular vote cast: 73,211,562.

Mr. CANNON. Mr. President, I am a cosponsor of this amendment to provide broad incentives to all citizens of the United States to make political contributions to the candidates and the political parties of their choice.

This amendment goes beyond any that has ever been offered before. It would permit a taxpayer to claim up to one-half of his contribution to a candidate for elective office as a tax credit, but not to exceed $25 for the taxable year. Alternatively, the amendment would permit the taxpayer to claim a tax deduction, but not to exceed $100 for the taxable year.

Furthermore, the amendment would permit the taxpayer to check off on his income tax return the sum of $1 for use in presidential elections.

These tax benefits should encourage citizens to participate more actively in the elective process by making some cash gift to or in behalf of chosen candidates while exercising the right or privilege to write off in some degree the cost of the contribution.

For many years the Senate has been attempting to achieve for the elective process the same kind of treatment as is given to other religious, charitable, civic functions; namely, a tax benefit for gifts. In various election reform bills, as amendments to tax reform acts, and in many other legislative proposals, efforts have been made to accomplish some relief for the tremendous burdens put upon candidates and political parties.

Studies conducted by committees of the Congress, newspaper articles, accounts filed by various political committees and others, all point out the astronomical rise in the cost of campaigning for election to political office.

Television and radio and newspaper programs and advertisements result in millions of dollars of expenditures by candidates seeking nomination or election to the Office of President, and candidates for election to the Senate or the House of Representatives are obligated to spend awesome amounts of money to gain public exposure.

In order to raise the money required, these candidates and their representatives are obliged to seek the support of very wealthy individuals or special interest groups for large contributions. It is logical to believe that those groups and those individuals expect to gain access to the successful candidates for some support of their own problems.

In order to alleviate this pressure, to relieve the candidates from moral obligation, there should be a tax benefit which would permit millions of dollars of contributions from the people of the United States to flow to the candidates and parties of their choice. In return, the people should be given some relief in the form of a tax credit or deduction. This would result in the popular belief that, as in the case of charity, or education, or religious causes, the United States was sharing with the people in the support of the democratic process.

Mr. President, I enthusiastically endorse the principle of tax benefits for political contributions, and I hope that the Senate will give its wholehearted support to a proposal to reduce the terrible financial burden that currently rests upon candidates and those who support them.

I ask for the adoption of this amendment, No. 692.

Mr. BENTSEN. Mr. President, the last presidential election, according to the figures, cost approximately $100 million. An objective study by a nonpartisan foundation tells us that over 90 percent of the contributions come from less than 1 percent of the people; and every survey you see these days shows lessening confidence of the people in the institution of Government and its leadership. It is no wonder, with this kind of lack of participation and contributions by the people of the United States. It is apparent that the time has come for substantial reform in the laws pertaining to campaign contributions.

This body earlier this year passed some very significant legislation that would put limitations on campaign spending and establish stronger reporting requirements as to where those funds were coming from. Related legislation is now before the House of Representatives. It is my hope that a strong and meaningful bill will emerge from this Congress in the way of election reform, to show that we, the people's elected representatives, are fully aware of the need for basic changes in both the form and substance of financing campaigns. We must broaden the opportunities for participation in financing campaigns and make funding less dependent on the wealthy.

The people of this Nation are demanding to know the sources of campaign financing, and they have a right to know from whence comes the "mother's milk of politics." More important, it seems to me, is the means by which people participate. The base of financing must be broadened so that more people can become involved in the basic exercise of providing the means for candidates to get their messages across to the public, to really be able to discuss the issues and inform the public of their views.

This would mean, of course, less dependence on big contributors. Thus, if we do our job, this Congress will provide positive legislation for controlling spending, revealing the sources of funds, and permitting a system of checkoffs of public financing of campaigns.

Let me emphasize, Mr. President, that as the recipient of campaign contributions, during a very recent campaign, I am not making a categorical condemnation of those who now contribute.

In my case, and I believe in most cases, those who support us financially do so not with the intent of demanding a quid pro quo, or a favor for a favor, but because they believe as we do or because they have a sense of public responsibility.

There are, of course, abuses, and it is these abuses which are publicized and which bring about the deterioration of confidence of the people in their public officials. This, Mr. President, is the biggest and most compelling reason that we should enact legislation which permits a form of public financing of campaign funding through a checkoff system on our income tax returns.

I know that it would be easy, as a Democrat, to base arguments on the inequities of contributions to the two major parties, but that, Mr. President, is not the basic issue.

The issue is nonpartisan, and it is that all citizens, rich and poor alike, must be given an opportunity to participate. The income tax checkoff principle is an attractive and sound way, I think, to deal with the problem.

There should be no injection of partisanship into this issue. Indeed, we have seen in the past strong bipartisanship support of the principle. President Nixon has expressed support of the principle of public financing, and it is expected that that support and opinion will carry some weight on the other side of the aisle. His predecessor before him expressed his support, and I would hope that that would carry some weight on this side of the aisle. Before him, we found President Truman and President Kennedy both expressing support of public financing and funding of presidential campaigns.

Any time that we find a campaign for the Presidency of the United States reaching the astronomical cost of $100 million, when we see the figure in the seventies double what it was in the sixties, and in the sixties double what it was in the fifties we can see where we are heading. When we can see 90 percent of the contributions coming from less than 1 percent of the people, we can understand the dissatisfaction of the people in nonparticipation and feeling cut out of the process. The Federal Communications Commission has the record of what was spent last time in the campaign on radio and television, and they tell us that after the convention, between the convention and the election, on radio and TV alone, approximately $15 million was spent during the presidential campaign; $15 million, an incredible sum. And when you add to that the costs of the primaries, the cost of direct mail, billboards, and advertising, you can see where we are headed in campaign financing in this country.

I contend, Mr. President, that such expenditures require the shedding of more light on the origin of the contributions, in addition to providing some means of offsetting the dependence on major contributors—and I include in my list of major contributors.

Congress and public officials must not be in a position of having had moneybags pay their way, be it big business, big labor, or any particular big interest to which they are obligated.

The arena of political funding must be extended beyond just the wealthy or the special interest groups. Politics in the United States must become less of a game of big contributions and more of an art of talent and ideas and dedication.

In truth, Mr. President, political campaign spending has become so outrageously expensive that, as a consequence, the potential for candidates to become dependent on the pursestrings of the monied continues to grow.

If we are concerned with the dangers threatening our democratic form of government, if we are concerned with the eroding confidence of the people in their

government, if we are concerned with the limited participation of the people in their government, then we must be concerned with the problem of campaign spending.

Sometimes I have the feeling that we feel that democracy is an immortal thing. But it is not; it is a fragile, living thing. It needs input; it needs the participation of people if it is to survive.

I fervently believe that limitations on spending for campaigns and the check-off system of contributions can return political campaigns to their proper orbit of creativity, objectivity and independence of the financal powers who would too readily open their pursestrings to influence the direction of legislation.

Wealth must not be allowed to become the yardstick for political talent. Political success must not be allowed to become equated with financial success. The people of this country must not be forced to choose among competing financial interests, but should be permitted a free choice of men and ideologies and ideas. They must be permitted to choose from independent candidates, minimally influenced by the great financial sources which have the wherewithal to share their wealth in campaigns.

The statistics of mounting spending for political campaigns are alarming.

I have cited the geometric increase in campaign spending over the last 30 years. It will continue apace if we do not do something about it. Continued ballooning of campaign costs will permit special interest groups to exercise increasingly perilous influence over the candidates.

This amendment by the distinguished Senator from Rhode Island to provide public financing of general election campaigns for presidential and vice-presidential candidates permits the candidates a choice: that is, candidates who elect public financing must forego private financing except in limited circumstances. The amendment allows taxpayers a credit against taxes or a deduction against income for political campaign contributions.

It is good legislation, it is popular legislation, and it is needed legislation. And virtue comes easy when it serves the best interests of democracy.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, I yield myself such time as I may require.

First let me say to the Senator from Alabama, if he will bear with me just a moment, I read from page 9, item 7:

(7) The term "minor party" means, with respect to any presidential election, a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office.

There is a distinction in finances between 0 and 5 and 5 and above 5.

Mr. ALLEN. A candidate getting less than 5 percent gets nothing, because the definition says at least 5 percent.

Mr. COOK. As the Senator from Rhode Island said earlier, about how expenditures can be made for candidates not for parties, I think one has to assume that has to be the case, and he would then have to foot the bill for his candidacy, because we provide for loans and then a means by which they receive these loans and pay them back. One would hope this would be an assumption.

I think title I represents a very important step forward, and I think the people of the United States should have a right to write out a check to the candidate of their choice, regardless of what level it is, and know that they are deducting that to the limits that are presented in this bill on their income tax return, and they know exactly for whom they have expended that money, whether it be $5 or $10 or whatever.

It is my objection that we are saying to the American people that we now need a welfare system and, contrary to what the Senator from Texas has said, that we are going to take it out of this arena, that we are going to take it out only as to two or three individuals—the candidates for the Presidency of the United States. Five hundred and thirty-five people are going to be elected, and they are not going to have any checkoff at all. And they are going out after their contributions—the Senator from Rhode Island is, the Senator from Alabama is, and the Senator from Texas is—and if he has a reporting law in the State of Texas, I assume he will show that somebody gave him $5,000 or $1,000, or whatever the case may be.

So this business that, somehow or other, this is going to make the entire political arena virtuous is falling on deaf ears so far as the Senator from Kentucky is concerned.

Article I, section 8 of the Constitution reads:

The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defense and general Welfare of the United States. . . .

So I assume that what we have to argue to the American people is that to provide the funds for the presidential candidates, it has to be for their general welfare; and that we have to provide to each of the major party candidates $20 million because it is in the general welfare of the United States. It is not in the general welfare of 535 other people—well, one-third of the Senate at one time and 435 Members of the House.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. PASTORE. The Senator from Rhode Island is not suggesting for one moment that this is a cure-all for all the evils that exist in the matter of campaigning and the expenses of campaigning. We did pass a bill not too long ago, and it is now in the House, that I hope will bring some semblance of sanity to the question of the scandalous amounts of money that have to be spent in order to win a public office, whether it is the Senate, the House, a governorship, or other State office.

It is true that this applies only to the Presidency; but if we are going to start, would not the Senator from Kentucky admit that that is the place to start?

Mr. COOK. I admit it, and I thank the Senator for the remark. I think what we then have to say and have to look forward to—what we have to say to the American people is: "The next step, ladies and gentlemen of this country, is that you are going to be asked to check off on your tax return, you are going to be asked to utilize the tax funds for the benefit of the operation of your Government, not only the funds to handle the election for the Presidency of the United States, but you are going to have to pay into the Treasury, out of your tax dollars, for the election of Senators, for the election of Members of the House."

I hope we do not go down into the States, because at least in title I of this we allow for contributions to be made to offices at all levels.

Let me bring up one other point.

Mr. PASTORE. Will the Senator yield on that point?

Mr. COOK. I did not interrupt the Senator from Rhode Island.

Mr. PASTORE. It is not a matter of interrupting. The Senator is making certain assumptions.

Mr. COOK. Did the Senator not say, "Is this not the place to start?"

Mr. PASTORE. That is right. But I did not say that because we are going to do it for the Presidency, this opens the door to do it for all other offices.

Mr. COOK. What did the Senator mean when he said this is the place to start if, in fact, there are in the Federal Government an elected President, an elected Vice President, and 535 Members of Congress?

Mr. PASTORE. That is right.

Mr. COOK. Are we saying that if this is a start and this is the place to start—was it the message that the Senator from Rhode Island wanted to make to us that the next place we have, after we get through with this, is to see that we have public financing for all Members of Congress?

Mr. PASTORE. It is the prediction of the Senator from Rhode Island that when we get beyond the office of Presidency in this regard, the Senator from Kentucky and I will be only a memory in the Senate of the United States.

Mr. COOK. I am sure that is correct. But I asked the Senator a question as to what he meant when he said this is a good place to start.

I also say that the Senator from Rhode Island, in his opening discussion, said we no longer had to have poor candidates who could try to get the nomination as against candidates who had a tremendous amount of wealth and could do this without the help of their own finances.

I suggest that one read section 1002, item 2, which states that this applies only to nominees of parties after a convention. That means that the money would be available to the respective candidates for the respective parties after their conventions. That means that an individual who wanted to get a nomination—an individual, for example, in this body, on that side of the aisle—a Senator HARRIS, a Senator MCGOVERN, a Senator MUSKIE, has to have a means of complete financing up to the time of the convention. Then, at the point he receives the nomination at his party convention, he will receive sums of money from this fund.

Mr. PASTORE. Will the Senator yield on that point? Is the Senator suggesting we include primaries? If he is, we will have a donnybrook, and the Senator knows that as well as I do.

Mr. COOK. I say to the Senator from Rhode Island that he includes primaries and party caucuses and party conventions in the ability of the American individual to make a check out to the candidate of his choice.

I might say to the Senator that under title IX he provides all this. He provides that the person may write out a check. I read from title IX, for the benefit of the Senate:

(A) an individual who is a candidate for nomination or election to any Federal, State, or local elective public office in any primary, general, or special election, or in any National, State, or local convention or caucus of a political party, for use by such individual to further his candidacy for nomination or election to such office;

So in title IX we are saying that the tax credit that is allowed to the individual who wishes to make a check out to the candidate of his choice is totally deductible by him, all the way down to the party caucus or the party convention or a primary. We are then saying that as to the checkoff, the only time this money is available to the candidate is after his party convention. Where does he get all this money before the party convention?

Mr. PASTORE. By his credit.

Mr. COOK. Does the Senator mean he borrows it?

Mr. PASTORE. No. The individual can give it to him and take it as a credit.

Mr. COOK. How about the individual before then who wants to give him a half million dollars?

Mr. PASTORE. He cannot take more than a hundred dollars.

Mr. COOK. Now he cannot deduct any of it. As the law is now, he cannot deduct any of it.

The point I am trying to make is that the argument is being made that this is going to make all presidential candidates Mr. Clean. The only thing I am saying—and I say this to the Senator from Texas, because he said we have to see to it that nobody is beholden to anybody—is that under this bill, the only time money can be given to a candidate is after he is the nominee of his party convention, and in this instance it is in August. Where does he get all these funds and how does he get all the money up to August? How does he get all the money to run in New Hampshire, Florida, California, Oregon, Wisconsin, Minnesota? He gets it the same way he is getting it now. If he is beholden to anyone now, he will be beholden to them then. The only thing he does is from August until the election in November he has a fund from which to draw; is that not correct?

Mr. PASTORE. No. The Senator is partially correct.

Mr. COOK. Tell me where I am wrong.

Mr. PASTORE, The Senator is wrong in this respect, that the individual now, if this bill is enacted, the individual, rather than going to a banquet and be harassed by collectors, can make his contribution to a person who is campaigning in New Hampshire, say, and have it as a deduction or a credit.

The Senator talks about Mr. Clean. I am not trying to clean up anyone. Just trying to wash our faces a little. If we can do that, that is clean enough for me.

Mr. COOK. Our faces might get washed, but the situation is still there, where one is beholden to come up into public office. The Senator is trying to give the impression that somehow or other we will wash everyone's face. I doubt seriously that we will accomplish it.

I would also say, what do we say to the American taxpayer when he gets his tax return? We say, "Put a check on this little box. We are not going to tell you who it will go to, because it is none of your business. We will divide it up later. You will make your contribution to the political system but you are going to have no knowledge of where your money will go. You are not going to have a part of the system. Perhaps the money may actually go to someone you do not want to be President of the United States at all. We are not asking you whom you want it to go to, but we are creating a fund and the money will go into that fund."

By the way, we know it is an election fund. It is estimated by the IRS that there are 113 million tax returns filed. Let us suppose that everyone checks $1 in that little box. That is $113 million. That will go into the political fund. As of the last election, the greatest amount of money that could be paid out to candidates was $48 million. The taxpayers will have made $113 million in political contributions to their Government for a political purpose; $48 million of it will go for that purpose and the remainder under the terms of the bill, under title X, item 2, page 17, will revert to the general fund. It will go into the Treasury of the United States. It is not going to be used for the purpose we told the taxpayers, only a percentage of it will be used, and the balance will be used in a way that the taxpayer will know not how it will be used, and yet he will be picking out a little space that will say, "The Presidential election campaign fund."

Now let us assume he also pays in the $113 million and only one candidate takes out, and the other decides not to. The taxpayers have paid in $113 million—$20 million has been paid out to one candidate, to a particular person, and $83 million is in the general fund, which is not the purpose for which it was earmarked.

Mr. LONG. Where would it have gone, if the checkoff had not been made? Would it not have remained in the general fund?

Mr. COOK. If you want to keep it in the trust fund for political deductions, let it stay there for the next election. If the people of the United States are putting tax funds in there for that purpose, let us not have that purpose——

Mr. LONG. Why does not the Senator offer an amendment, then, to bring that about?

Mr. COOK. Oh, I have a number of amendments. I will get around to that.

Mr. LONG. Will the Senator yield for a further question?

Mr. COOK. Yes, I yield.

Mr. LONG. When I was up in the gallery a few moments ago, I believe I heard the Senator say, while he was speaking on the floor, that this is not going to eliminate a candidate's need for money because he will have to run in a primary anyway. We are going to have an election next year, and sometimes we cannot legislate beyond what we can see. We have reason to think that Nixon will be the Republican candidate. I certainly hope so. I do not believe the Republicans could do any better than that. I think he is a fine fellow. At least this will take him beyond the need for money in primaries, because by the time the primaries come around, he will have the nomination of his party. The Senator does not have any doubt about that, in his heart, does he? In that election, we will free one of these candidates from having to go out and grovel for money. For at least half the campaign, if this man does what the Senator thinks he will do, he will take the money available to him so that he does not have to grovel for money to finance his campaign.

The Senator does not want him to have to grovel for the money, to go hat in hand asking for it, does he? Why not leave it so that there is the $1 contribution available from each taxpayer which will take care of all his financial problems.

Mr. COOK. May I say to the Senator from Louisiana, that is not what bothers me. The remarks of the Senator from Rhode Island when he started out, that this is not an issue that has anything to do with the Republican Party as such, I am not here wanting to argue that, about any disagreement about this bill, because I am not worried where Nixon will get his money, or anyone else. I merely state to the Senator from Louisiana that, to me, it goes deeper than that.

When a constitutional government in a republican form of government has to check off funds from tax returns, to supply the funds for the political system and by reason of supplying those funds for the political system, we should know, to begin with, that the two major parties were not created, not established, by any instrument, or by the Constitution, but will be frozen in with the largest sums of money, so that a third or a fourth party will never be able really to come up and be a vital part of this Nation. Then I want to tell you, if we have to freeze the political parties, to the extent we are going to ask the taxpayers to contribute to a political party, that they know not where their money goes, then maybe it is time that we changed the form of government in this country.

If we have to say that under a constitutional form of government it cannot survive unless the political principles of the Congress of the United States legislate so that the public will pay for a campaign, whether they like it or not——

Mr. PASTORE. No—no——

Mr. COOK. I take that back——

Mr. PASTORE. You have to take that back.

Mr. COOK. Strike it. Strike it.

Mr. PASTORE. That is the whole case.

Mr. COOK. They have to check that little box. By the way, it is conceivable that we have put $113 million. But suppose only 4 million or 6 million people check the box? Suppose we have only $5

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million or $6 million in the fund to run two presidential or three presidential candidates, on a percentage basis? What do we do then? Give them a little money and say, "Go on out, Senator. Go on out with your presidential candidate and grovel with that money that the American taxpayers have decided they did not want to provide. The political system is a viable system alive in this country, and you have to make up the difference."

Mr. LONG. Must we grovel for the whole thing?

Mr. COOK. I have run for the Senate one time. I hardly remember any time during the course of that campaign that I had to grovel for campaign contributions. Maybe the Senator from Louisiana has. I do not know. But this Senator has not. I do not feel that I had to.

Mr. LONG. I had to go out and ask people for money to run in a campaign. I know what it is to run that way, when you have to plead for money.

It would seem to me particularly hard to run for the Presidency on that basis. It would seem to me that campaigns should not be decided because candidates do not have enough money or because one man put in the money and the other man had to borrow it, making him obligated to the moneylender. It should be worked out so that the Republican Party and the Democratic Party both have enough money to run their campaigns to explain the issues to the people.

Mr. COOK. I have no disagreement on that. In my State of Kentucky, to run as a Republican, it is 2 to 1 against you. It is probably not that kind of relationship in Louisiana. It is probably easier to run as a Democrat in Louisiana than to run as a Republican in the Commonwealth of Kentucky. I must say to you it makes it tough in my State to run as a Republican.

Mr. LONG. Frankly, the last time I ran, it was my opponent that was having the difficulty raising money. Notwithstanding that, I was willing to vote for legislation which would make money available to both sides, to campaign and make their case. I would be willing to limit myself to the same amount as the other fellow.

Mr. COOK. Mr. President, that is awfully magnanimous of the Senator. I recall very clearly during the course of the last election campaign debate in the Senate that it was my privilege to debate the matter with the Senator. I felt that, on a par, if we take a Senator who is already here and give him this amount of money, since he is here and has the opportunity to use that money, and if it is even-steven, on a dollar-for-dollar basis, the Senator has a pretty good deal, I admit.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. COOK. Mr. President, I yield to the Senator from Tennessee.

Mr. BAKER. Mr. President, one point that concerns me very seriously is where we are and where we are going.

Let us take into account what we are doing. I would like to put a question to the Senator from Kentucky to see if he agrees with me. The dollar checkoff is an attractive concept. In fact, it says that everyone will pay a little, that no one will pay a lot, that it is voluntary, and no one has to do it. This sounds infinitely superior to anything we have ever tried before, so much so that it has a certain siren call; enough so that we ought to examine it a little more carefully.

Would the Senator agree that this provision of the bill for the application of Federal tax money toward campaigns for the Presidency and Vice-Presidency of the United States is not a contribution of private funds but that it is a contribution of funds coming from the U.S. Treasury, collected in the form of income tax?

Mr. COOK. The Senator is correct.

Mr. BAKER. And what we are saying is that, of the money that otherwise might be the money of the Internal Revenue Service, of all of those dollars that we are collecting, we will appropriate a certain percentage of those general fund dollars to be used in political campaigns.

Mr. COOK. The Senator is correct. To give a simple example, if a taxpayer owes $200, he will check that box off for $1; $199 will go into the general fund of the U.S. Treasury and $1 will go into the political campaign.

Mr. BAKER. But that dollar would have otherwise gone into the general funds of the United States.

Mr. COOK. The Senator is correct.

Mr. BAKER. And that dollar would have been available for social security benefits, for housing, transportation, and for any other purpose when we start the business of establishing the relative priorities of this country.

Mr. COOK. The Senator is correct.

Mr. BAKER. Mr. President, the things that concern me, if the Senator will yield further, are two basic concepts. We have to concern ourselves with the reality that we are about to put the Federal Government into political campaigns and into the financing of them with general tax revenues. We are going to let the Comptroller General of the United States decide, without the benefit of any judicial review, whether one side or the other has compiled with the regulations or not.

Mr. PASTORE. Mr. President, will the Senator yield on my time for a question?

Mr. BAKER. In a second, I will yield.

The second thing that bothers me about title X of this amendment is that this bill—like the previous bill which was discussed in the committee on which the distinguished Senator from Rhode Island and I both serve, the Commerce Committee—in my judgment, provides a built-in bias in favor of the incumbent. In this particular case, it may be an advantage in favor of the President in the White House, a Republican, because it is probably easier for the incumbent with his background and record to run without having to spend as much money for public recognition as he would otherwise.

This is not the time for the Congress of the United States to say that the American political system has become so incestuous that we are going to provide money from the public funds for our own perpetuation in office.

That is what we are about to set out on.

Mr. COOK. The Senator is correct.

Mr. PASTORE. Mr. President, will the Senator yield on my time, because I think the RECORD ought to be clear on this matter?

Mr. BAKER. I yield.

Mr. PASTORE. Does not the Senator feel that giving the people of this country an opportunity to elect a President, regardless of whether he is rich or poor, is worth it?

The Senator talks about social security. Nobody has worked harder for social security than I have.

The Senator talks about housing. No one has worked harder for housing than I have.

I should like to give everyone a chance to participate so that we may get the best man to become President of the United States, no matter whether he is Republican or Democrat.

I think it is worthwhile to have a taxpayer say, "I put $1 of my taxes on the line to see that the best man became President. It makes me a part of that."

Mr. BAKER. Mr. President, I think this is working in precisely the other direction. The Senator is providing that instead of having a better opportunity in this matter, he is subsidizing a sterile campaign between two people, financed by the Federal Treasury, and unwittingly by the tax money of the people of the United States.

Mr. COOK. Mr. President, may I say that we are not subsidizing two individuals, and I think this becomes philisophically more serious. We are subsidizing the two major parties, who can say how much they will get if there is that much money in the fund.

So, what we do is build into the major political parties of this country almost the unavailability of any other party to ever have substantially or seriously a voice, or maybe nothing but a voice in the political system of this country.

I might say that nowhere in the Constitution of the United States does it say that there shall be two parties, one Republican and one Democratic. It says that there shall be a republican form of government.

This says, as the former senior Senator from Delaware, former Senator Williams, used to say when he was here:

> This is the political candidates' poverty fund, and what it says is that you have a built-in guarantee that you can start off with this much and you are away ahead of anyone else. If you want to get in this arena, you must first get established. Before getting established, you have to pay your own money. Then you have to get up to 5 percent, and then you get in on the front end instead of on the back end.

So, they are building into the political system really and truly a type of functioning and governmental interference, if you will, in the political system that is going to see to it that very seldom will we ever see in the history of this country the chance for a new political party to seek the office of the Presidency.

Mr. BAKER. Mr. President, in the consideration of this amendment, particularly title X, we must consider what we are about, because we are in fact altering the basic political structure of this country. We are putting the Federal Government directly in the business of partisan political campaigning. We are institutionalizing the campaign for President and Vice President of the United States. And we are putting the whole system under the direct, immediate, and detailed scrutiny of a Federal official. I believe that this country has not reached the point where we want to have any element of the Government supervising the free, elective process, let alone subsidizing it. And that is precisely what this does.

Mr. COOK. Mr. President, when the Senator from Rhode Island so eloquently spoke of the individual taxpayer of the United States saying, "I contributed; I contributed," he is not contributing at all. He is taking part of his tax dollars that would ordinarily and properly go in the general fund of the United States for its operations, a dollar bill that could be utilized somewhere other than in the political arena, for the purposes of general welfare of some of the people and the safety of the Nation.

Mr. BAKER. I agree. And I call the Senator's attention to section 1106, on page 17, which says:

> There is hereby established on the books of the Treasury of the United States a special fund to be known as the "Presidential Election Campaign Fund." There are hereby appropriated to the fund each fiscal year, out of any moneys in the Treasury not otherwise appropriated, and so forth.

This is tax money, and the dollar checkoff does not show us the fact that if we did not dedicate it for campaign funds, these general fund treasury dollars could be used for any other purpose. And this is not the sort of altering of the fiscal situation in this country that is called for at this time.

Mr. COOK. Mr. President, I yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, the Senator from Tennessee has done an excellent job of pointing out how basic is the question before the Senate. To me it is somewhat incredible to realize we are in a position of soon having to vote on this question, having only been able to read today the printed copy of this amendment which is being offered as a rider on the tax bill that has been reported by the Committee on Finance. It seems incredible that the Senate would seriously consider such a decision without the country at large having had an opportunity to understand what the amendment is about and to have some public debate about it and to realize that if we should vote for it in the Senate it will not have any hearings in the House. It will not have an opportunity to be debated in the House because it will only be considered by the conferees. What happens in the conference I do not know but if the conferees accept it this basic decision would be made in this way. It is incredible to me that that could happen.

Mr. COOK. Mr. President, I yield to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the names of the Senator from Maine (Mr. MUSKIE) and the Senator from California (Mr. TUNNEY) be added as cosponsors of Amendment No. 686 to the pending amendment.

The PRESIDING OFFICER (Mr. HART). Without objection, it is so ordered.

Would the Senator from Maryland clarify the request. Amendment No. 686 is now worded as an amendment to the bill.

Mr. MATHIAS. Yes. It is amendment No. 686.

The PRESIDING OFFICER. To the bill.

Mr. MATHIAS. Yes.

PRIVILEGE OF THE FLOOR

Mr. MATHIAS. I further ask unanimous consent that Joel Abramson of the staff of the Committee on the Judiciary be allowed to be present on the floor during debate on the Pastore amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS and Mr. PASTORE addressed the Chair.

Mr. MATHIAS. I wonder if I could make a few observations at this point?

Mr. PASTORE. The Senator from Maryland has the floor.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. MATHIAS. Mr. President, I am very much troubled by some of the implication of this so-called Pastore amendment. I want to say there is a lot of good in it. I want to say that title IX, the first part of the Pastore amendment, as it has been presented by the Senator from Rhode Island to the Senate, I think is a very constructive and positive contribution to our consideration of doing something about a reform of the campaign process.

I think that the key to title IX is the fact it does invite participation. It invites individuals to become participants in the elective process. This is a subject which has been of very great importance for 50 years. Theodore Roosevelt philosophized on the subject and urged Congress to do something about providing some new means of raising money for presidential campaigns. I think that the provisions of title IX, which are very close to, and I might say to the Senator from Rhode Island, superior to amendment No. 686 which I have pending with respect to tax credits and tax deductions, provide a great contribution to this debate and the Senate's opportunity to do something now about reform of the campaign processes.

But when I turn attention to title X, I have some problems. This morning the Washington Post in an editorial said:

> The tax credit or deduction plan, which would permit an individual to write off small political contributions, has been proposed and supported time and again by various Presidents and other public officials. We have backed it for almost 20 years and we still regard it as the simplest and least troublesome method by which parties can raise more funds and more individuals can be encouraged to participate financially in the political system.

It goes on to say—that completes the comment on title IX. One point here I think was a little difficult.

Mr. PASTORE. Why does the Senator not read the entire editorial.

Mr. MATHIAS. I am about to.

Mr. PASTORE. Read it all.

Mr. MATHIAS. There is one point made here, made earlier, that title X was the only way to help reform financing of campaigns, title IX was discussed in that part of the editorial and then the editorial goes on to say:

> The public financing plan, while a good one in principle, is far more complicated. There are, for example, questions about how it would effect a third or fourth party candidate. Those, we trust, will be clarified by the debate in the Senate this afternoon so that it can send along to the House its second major contribution this year towards freeing politics from the corrupting influence of money.

I do not think we have done that. It does need clarification, and as the Senator from Rhode Island said last spring, the checkoff plan was 10 years ahead of its time. I would say it is still at least 9 years and 9 months ahead of its time.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. MATHIAS. I yield.

Mr. PASTORE. As one grows older time passes faster. So I covered the 10 years in 1 year.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the entire editorial which was published in the Washing Post this morning may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MONEY AND POLITICS: ON WITH REFORM

The Senate will get a chance this afternoon to finish its part of a job it began earlier this year—rationalizing and purifying the business of financing election campaigns. This will come when the Democratic leaders in that body try to add on to the tax reform bill provisions to make possible the public financing of presidential campaigns and to encourage individuals to contribute small sums to the candidates of their choice in other elections. It is an opportunity the Senate ought to seize. The time is ripe. The need is urgent to take this second step—the campaign spending bill which goes to the House floor today is the first—in breaking the link between the big money and big politics.

There will be no doubt, partisan political overtones in any discussion of these proposals. That comes about because the Republicans are rolling in money these days and see no need for such changes while the Democrats are in a state of bankruptcy and are eagerly searching for any mechanism which will get them back on the road to fiscal stability. But the basic issue transcends partisan politics. Presidents ought not to have to spend their time participating in the kind of closed-circuit spectacular that Mr. Nixon was involved in last week in order to bankroll their parties. Other office-holders and would-be office holders ought not to have to beg for funds in order to conduct election campaigns. The proposals before the Senate provide a way out of that vicious circle in which big money—whether it comes from rich individuals, labor unions or other organizations—can buy a candidate's sympathetic ear and sometimes his votes once he is elected. It is worth remembering that although it is the Democrats who are poor today and the Republicans who are rich, it has not always been that way and there is no guarantee it will remain that way in the future.

The tax credit or deduction plan, which would permit an individual to write off small political contributions, has been proposed and supported time and again by various Presidents and other public officials. We have backed it for almost 20 years and we still regard it as the simplest and least troublesome method by which parties can raise more funds and more individuals can

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be encouraged to participate financially in the political system. The public financing plan, while a good one in principle, is far more complicated. There are, for example, questions about how it would effect a third or fourth party candidate. Those, we trust, will be clarified by the debate in the Senate this afternoon so that it can send along to the House its second major contribution this year towards freeing politics from the corrupting influence of money.

Mr. MATHIAS. Mr. President, let us come to the heart of the question. What we are trying to do is broaden the base of participation in American politics. What we want to say to the American people is that every citizen should have the kind of interest, participating influence, which is represented by his equal vote. But will title X do that? Will title X, by increasing the amount of money in the political pot, increase the participation of individual citizens? That is the real question, and the question we should be thinking about at 10 o'clock tomorrow when we vote on whether to strike title X. Will this increase participation?

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. PASTORE. If 50 million taxpayers check off $1, then 50 million people are participating, and that is the answer. That is exactly what we are trying to do, to broaden active participation.

Mr. MATHIAS. I say this with great respect. I have to disagree with the Senator. There is very good authority. I have the greatest respect for the Senator.

Mr. PASTORE. And so do I for the Senator from Maryland.

Mr. MATHIAS. But what we are doing here is making a big political pot and we have not done what the editors of the Washington Post said should be done—provide clarification. This is the kind of provision that got the plan into trouble in 1966 and 1967.

Mr. COOK. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. COOK. The Senator said that if 50 million people check off $1 then 50 million people are participating, but if 50 million people put a checkmark, they are designating dollars they already owe to the Federal Government, dollars that are coming out of the tax funds they owe to the Federal Government.

How can we sit here and say that he is participating?

Mr. MATHIAS. I agree with the Senator from Kentucky. It is not only a question, but what the participation is.

Let me concede to the Senator from Rhode Island that, yes, to check off on the tax return would cause $1 to flow into the political pot and that is participation, but when the taxpayer has no further control over what happens to that money it is participation of a thin and anemic kind.

Mr. PASTORE. Mr. President, will the Senator yield on that point?

Mr. MATHIAS. I yield.

Mr. PASTORE. The Senator talks about control. Why, the greatest reward is the fact he is electing and having a chance to elect the best man possible for the Presidency of the United States, no matter how much money he has. That is the reward. We are talking about the Presidency of the United States. The Senator is talking about politics and campaigns. We are talking about the Presidency.

Mr. MATHIAS. We are talking about participation——

Mr. PASTORE. In the Presidency.

Mr. MATHIAS. In the process of choosing the President of the United States.

Mr. PASTORE. And what is wrong with that?

Mr. MATHIAS. And participation is what we want, and that is what I am not sure we are going to get through the process in title 10.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MATHIAS. I yield.

Mr. LONG. The Senator made a statement about control. Does he mean control of the dollar or control of the man in the office? From my point of view, I want the man in the office to be completely free to do what he wants in his conscience and to be responsible to all the people, whether they voted for him or not. The checkoff provides that the man who did not vote for him can help keep him above the influence of private money, just as the man who did vote for him can.

For myself, I do not want President Nixon to be obligated to anybody. Even though I may have voted for someone else, I want him to be a free man. He is a good President, and I want him to be free to do what he thinks is right, and not have to show me any more attention than anyone else. He is everybody's President and he should be free to do as he thinks is right.

Mr. MATHIAS. And the Senator from Louisiana knows I agree with him and that the 98 other Senators agree with him. There is no right-minded person in this country who does not agree with that, but what we are talking about is control of a pot, of a very large pot of money.

Let us recall what was said on this subject by our former colleague, the Senator from Tennessee, Senator Gore. Speaking in the Senate in 1967 he said:

> It would tend to cloak all of the campaign fund with the aura of public finance, making segregation and identification more difficult, and all of this would be done without any safeguards whatever. All of the money could be used in one State or in a few States. It could be used to reward or punish candidates for the Senate or candidates for Congress. It would tend to restructure the whole political party system, concentrating power in two political bosses in Washington.

Mr. LONG. Does the Senator know that after Senator Gore made that speech he helped write this bill the Senator is talking about and helped bring it out and was prepared to vote for it?

Mr. MATHIAS. It is a better provision.

Mr. LONG. The man the Senator claims as his authority supported this provision, which evolved after those provisions were debated and reported out of the committee. I am glad the Senator claimed him as his authority, because he supported a bill very similar to this one.

Mr. MATHIAS. In the 1966 bill the money went to major parties. In effect, it went to the chairmen of the two parties, and would have been an enormous political power placed in their hands. In the present Pastore proposal that is not the case. It goes to the nominee of the party to whom the checkoff goes. That is an improvement, but I do not think it is a perfection of this concept.

Mr. LONG. Do not use Senator Gore as the Senator's authority. He had his doubts resolved and voted for the very provision the Senator is referring to. He supported it.

Mr. MATHIAS. Again let me return to the debate of 1967. I would point out that on the motion of the Senator from Delaware, Senator Williams, to strike this provision, a vote which occurred on October 12, 1966, of course Senator Gore did vote to strike. But getting back to the question of what is going to be the effect of this political pot of money on the participation of the average citizen in the election process, the late Senator Kennedy from New York said in that debate:

> I think that it would remove the local party from power. Take the national chairman of the party out of power just before the convention. He will go to various States across the country. If this money is in his hands he could say to the people in New York or California or any other State, "I can get you a million dollars." He can dictate the selection of national candidates and exercise great leverage over the selection of the national ticket.

Let me say again, I understand the difference between the proposal which was then before the Senate and the one now before the Senate, but the problem is the same. I do not think the degree is as acute as it was then, but the problem is the same—that we preclude any control whatever. We are creating this political pot which can be applied in various parts of the country without restriction, at the will of the party nominees, and it can have an enormous effect.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. KENNEDY. I take issue with the Senator from Maryland. How can he question the fundamental integrity of the nominee of either of the two political parties when we are about to entrust one of them with the responsibility of being President of the United States? The Senator from Maryland objects to trusting the nominee of the Democratic or Republican Party with $20 million, and yet he is will to trust the man who is elected with a $200 billion Federal budget. He is willing to trust him with the whole country.

There is another flaw in the Senator's argument. If the Senator is worried about adequate contols over funds spent under the checkoff, why is he not worried about controls over funds obtained under the $25 credit, which are going to political candidates? What about the $100 deduction?

If we are going to accept the logic of the Senator from Maryland, why not strike the whole amendment? If we are going to talk about control in relation to the checkoff, the same kind of reasoning applies to the $25 and $100 deduction.

The Senator from Maryland said that one of the important purposes of the legislation is to broaden participation in elections. Certainly, that is one of the fundamental objectives.

But we have a second objective, too, which is just as important. And that is the objective of eliminating the bar to an individual's becoming a candidate because he cannot afford it. So I think we have two purposes. We have the $25 credit and we have the $100 deduction to increase public participation. We also have the checkoff, to eliminate the barrier of private wealth to public office. For the first time, we are trying to eliminate the inequity that a candidate may be barred from the highest office in the land because of his inadequate financial resources.

That is what President Eisenhower was talking about in 1968, when he spoke of the evils of private financing for public office.

So when the Senator is addressing himself to the checkoff, which everybody agrees is going to provide the best source of funds for a nominee, I hope he will consider all its aspects.

There are many reasons why this proposal deserves support. I, for one, do not think we could have a better investment of the taxpayer's funds.

The Senator from Kentucky asked the Senator from Rhode Island if this is the beginning. I hope it is. I hope it is the beginning. I hope we are going to seize the opportunity to create legislation that will provide public funds for public candidates. I hope we will enact legislation to guarantee that a candidate is not dependent on special interests in this country or dependent on financial resources of his own.

If this is a beginning, I think it is a good beginning. I think all of us can find ways to question one or another of the particular details of this amendment. But I think the work the Senator from Rhode Island has done, and the work the chairman of the Finance Committee has done on this amendment, is some of the most significant work that has been done in Congress on any kind of reform issue.

We have in our hands the opportunity to take a major step to open up the elective process to candidates who have ability and commitment, but who are lacking the financial resources to run for office.

Mr. BAKER. Mr. President, will the Senator from Massachusetts yield?

Mr. MATHIAS. I have the floor.

Mr. BAKER. Let me just say briefly, I hope it is not the beginning. I entirely agree with the junior Senator from Kentucky that if this is in fact the beginning gambit in the institutionalizing of a Federal system that provides public money for the election of all elected officials, then I think we have arrived at a sorry state.

I do not mistrust the man who is about to be President of the United States, whether he is the Republican or Democratic nominee, and I cannot recall that I have ever mistrusted the nominee in that respect. But, Mr. President, I do mistrust and have a deep suspicion of the propriety of the Federal Government itself, the Federal bureaucracy, the executive department, the legislative department, or even the judiciary presiding in detail, and without the right of appeal, over the elective process by which it is selected.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. MATHIAS. I have the floor.

Mr. KENNEDY. Does the Senator deny that the nominees are going to be spending the $40 million, in any event?

Mr. BAKER. I do not deny that, but does the Senator deny that the Comptroller General of the United States——

Mr. KENNEDY. Why is not the Senator from Tennessee just as apprehensive——

SEVERAL SENATORS addressed the Chair.

Mr. MATHIAS. Mr. President, I have the floor. I would like to express a thought which——

Mr. PASTORE. I know, but there was a little bit of colloquy that involved the Senator from Massachusetts.

Mr. MATHIAS. Let me yield to the Senator from Massachusetts a moment, then I would like to get back to my thought.

Mr. KENNEDY. The point is, as I understand it, approximately $35 million was expended in the last campaign by the Republican nominee for the Presidency. In any event, it is well in excess of $20 million. He had the responsibility for that money. No one is questioning that. Why does the Senator begrudge him the fact that he could have, in lieu of that, the $20 million that would be provided under this provision? I cannot understand the logic of his point.

Mr. BAKER. Mr. President, the logic, very briefly, is this: I do not care that that sum of money is expended in presidential campaigns, but I would point out that it is spent under the aegis of the person who hopes to be President, and not under the aegis of the Comptroller General, who has the authority to prescribe rules and regulations as to what will be spent.

Mr. KENNEDY. The Senator objects to the safeguards written in here, in other words? The rules and regulations to provide a better——

SEVERAL SENATORS addressed the Chair.

The PRESIDING OFFICER (Mr. HART). Senators must speak one at a time. The Chair's sympathy is with the Official Reporter. The Senator from Maryland has the floor.

Mr. MATHIAS. I yield to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Maryland has the floor.

Mr. MATHIAS. I have yielded to the Senator from Kentucky.

Mr. COOK. I would hope even the Senator from Massachusetts would not like the language in the bill on page 16, line 23, which reads as follows:

> Certifications by the Comptroller General under subsection (a), and all determinations made by him in making such certifications, shall, except as provided in section 1007, be final and conclusive, and shall not be subject to review in any court.

Mr. KENNEDY. What is so distressing about that language?

Mr. COOK. Would you not like to have an opportunity, if you were the candidate——

Mr. KENNEDY. What bothers the Senator from Kentucky so much about that?

Mr. COOK. Very much. I will tell the Senator from Massachusetts, and I am sorry it does not bother him.

Mr. KENNEDY. Go ahead and tell me why it would.

Mr. COOK. I am extremely sorry it does not bother the Senator.

Mr. PASTORE. Go ahead and tell him. You have not told him yet.

Mr. BAKER. I will tell him, if anyone will yield.

Mr. MATHIAS. Mr. President, I have the floor. I yield to the Senator from Tennessee.

Mr. BAKER. Mr. President, if we continue in this vein, we will soon be more concerned about the process by which we pick the Comptroller General than the process by which we pick the President.

Mr. COOK. May I say, in further fairness to the Senator from Massachusetts, why not just take that section out? Why not take it out, and leave everything else the way it is, and then debate the measure?

Mr. KENNEDY. Will the Senator support the bill if we do?

Mr. COOK. On the basis that if there is inequity in respect to the various candidates in regard to their affidavits, that they have a means by which they can solve those inequities as a matter of law, and not as a matter of the individual judgment of the Comptroller General of the United States. As the Senator has heard my remarks up to now, he knows that is one thing I do not support.

I am saying it makes it much more onerous, in the entire debate on title X, that one would give the Comptroller General of the United States the right of individual judgment, without the right of review by anyone, as to how these matters will be disposed of as between the candidates who will submit affidavits on the cost of election campaigns. That is the only point I make, and I think it is a valid one, and I am delighted that the Senator from Massachusetts permitted me to make it.

Mr. LONG. Mr. President, when we had this matter before us 5 years ago, the point was made that we needed more safeguards, and so we have provided more safeguards. The money cannot be spent unless the candidate wants to spend it. If one wants safeguards, we suggest that someone who is neither part of the administration nor under the control of one of the parties—in other words the Comptroller General—have the responsibility in such matters. Since he is supposed to be beyond politics, he would see to it that the reports are filed and that the money appears to be spent the way it is supposed to be spent.

This was the big question that was raised the time before; Senators wanted safeguards, so we gave them safeguards. It seems to me that first we have complaints that you cannot trust the man

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running for office to spend his money the way it should be spent, and then when we get that matter settled, we hear complaints that "Oh, no, the Comptroller General is going to be watching."

I wish Senators would make up their minds, or at least decide which one is going to make one argument and which one is going to make the other, because the way the arguments are going back and forth, they meet each other coming around the corner, and are bumping each other to pieces. If one would make one argument and the other the other, we could keep up with where Senators stand.

The whole point is that when we had this matter up 5 years ago, it was argued that there should be safeguards. We have provided the safeguards, the lack of which was the reason Senator Gore—while he favored the proposal when we reported it out of the committee—was not for implementing it after it came to the floor.

Mr. MATHIAS. I would observe that the Senator from Louisiana has been around that track, and he understands where we are closing the circle, but I would like to get back to the point the Senator from Massachusetts made, because I think it is interesting, and a contribution to this debate.

He says the motion to strike title X places in question the integrity of presidential nominees.

Now, I think we are getting to something that is useful, and beginning to talk about the guts of the matter.

I should like to raise the question: Does not title 10 itself—the necessity for title 10—raise the initial question of the integrity of candidates for the presidency? If there were not some question about how we want to spread participation and relieve candidates from financial pressure, what would we be talking about here?

The Senator from Massachusetts has made a helpful statement in getting us to the point where we should go. But I would point out, of course, that title 10 does not resolve the problem which existed, which exists today, and which would exist if title 10 had become law in the first place. It applies only to the nominee, and we have candidates for the presidency—full-blown, in blossom, and some, even, who have faded and wilted—and we are not even close to the national conventions.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MATHIAS. I yield.

Mr. LONG. Why must the Senator strain at gnats and ignore the big issue? I have seen people run for office when they did not want to run at all. I have seen some fine, honorable men run for Governor of a State. Some of these fine, honorable men who run for office make statements that they would not have made if they had not been hard up for money.

Highway contractors have had agreements with whoever was highway commissioner that appointees would be acceptable to the highway contractors. The conservation commissioner would be asked to promise that deserving people, favorable to the oil fraternity, would be appointed to positions in that department; that they would, in effect, have a veto over who the appointees might be. Candidates should not have to meet those terms. I do not know about the Presidency; I have not had that much familiarity with the Presidency. But I have seen people make commitments that they did not want to make and start out determined that they were not going to make any and find themselves head over heels in debt and making commitments they had no intention of making.

I do not know why the Senator would want to make the Government that way.

I recall the first time my father ran for Governor in Louisiana—at least the first time I was old enough to remember my father running for Governor in Louisiana. He came home and wanted my mother to sign a homestead waiver so that he could sell the house. He meant to sell the house and put every last nickel he had in the race and wind up owning no home and having debts on top of that. My mother said she had worked so hard to have a home for the children that if it did not mean enough to the people who were supporting him, it did not mean that much to her to see him as Governor, and that she was not going to sign a homestead waiver.

Good, honorable people are confronted with this problem.

In regard to having the Comptroller General watch how the candidates spend their money, when we are talking about the big issue, the idea is that you want to put government above money. If you have more money than you need, the rest goes back to where it would be to begin with, in the Treasury. It would be all right with me to keep it in the fund.

Why does the Senator want to strain at those gnats when he is swallowing that camel?

Mr. MATHIAS. The Senator is very eloquent and interesting, but he is not addressing himself to me, because that is not my point.

The point that I think is important is how we are going to broaden the process of participation. The Senator from Massachusetts and the Senator from Rhode Island have supported the concept which is implicit in title IX, a concept that I supported back in the spring. That is the concept of individuals making their own choices as to the candidates and the parties they want to support, and the amounts they want to support them with—a highly flexible system. I think it is a good system.

Incidentally, that is the heart of this proposal which would help a candidate for governor, because, as drafted by the Senator from Rhode Island, it does include local officials. I think that is a very applicable provision. The Senator from Louisiana and I are in total agreement on it.

Mr. LONG. No, we are not. I would be willing to go along with that if——

Mr. MATHIAS. I thought the Senator from Rhode Island said that the Senator from Louisiana was in favor of it.

Mr. LONG. I will support this package because this package moves us toward good, clean government, eliminating the pressure of money to control the decisions of those whom we elect.

It does make money easier to raise. A person is permitted to deduct a $100 campaign contribution. Most people who make a $100 campaign contribution think they are entitled to a little more consideration than the fellow who does not make a campaign contribution, and generally speaking they get it. Some of them expect altogether too much.

Frankly, it is not good that people have to make commitments they do not want to make in order to get money with which to run for office.

Mr. MATHIAS. We agree totally on that.

What about this possibility: Suppose you are going to consider a checkoff, but instead of having a taxpayer really lose control of it, when he has made that check in the box on his return, suppose he could designate the candidate or the party to which he wants his dollar to go?

Under the present system—when you get down to the nuts and bolts of it—what you are really doing is financing the major and the minor parties in presidential elections. It is very hard to say that my dollar is only going to go to the man I want to see be President, when, in fact, you put it all in a pot and you divide it up.

The former Senator from Minnesota, Mr. McCarthy, is talking about founding a new party. He would get his share. The Governor of Alabama presumably will be a candidate, or may be a candidate, of the American Party, and he would get his share. He really would be getting his share of my money. The candidates of both major parties would be getting their share.

Mr. LONG. Under this bill, if you want to put up $1 as a self-serving campaign contribution because you want one man to get it and you hope the other man is not heard at all—that is, if you want to serve your own interest rather than make a campaign contribution so that both parties will be heard—then you make your $1 campaign contribution of your own money and claim a tax credit for 50 percent. If you are making it so only one side will be heard you get a 50-percent tax advantage. If you make it for the advantage of the country, not for yourself, you get a 100-percent advantage for 100 cents.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. PASTORE. We thought of the suggestion that the Senator has made, and we gave it considerable thought. The only trouble with it is that it becomes lopsided. I think it would be most unfair.

Mr. MATHIAS. How does the Senator mean it becomes lopsided?

Mr. PASTORE. If you have more Democratic taxpayers than Republican taxpayers, you could end up with the Democrats marking off to the tune of $20 million and the Republicans only $5 million. That would not be fair.

What we are trying to do is to give both sides the same amount of money, so that the issues, the personality, the appeal of the individual becomes the decision to make, not the amount of money that is invested to give him the Madison Avenue look.

Mr. COOK. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. COOK. With regard to what the Senator from Louisiana just said, that if a person does not want to check it off and go into the fund, he makes that contribution directly to the presidential candidate and then gets a deduction of 50 percent, I would remind him that when we are talking about making contributions to presidential candidates, if the presidential nominee takes from the fund, he must make an affidavit, under penalty of perjury, that no contributions to defray qualified campaign expenses or expenses which would be qualified campaign expenses but for paragraph (c), and so forth, have been or will be accepted by such candidate or any of their authorized committees.

Mr. PASTORE. That is correct.

Mr. COOK. So if he wants to make that contribution after he is the nominee of the party, and as the nominee of the party he wants to take from the fund, he cannot take that contribution. Is that not correct ?

Mr. PASTORE. That is correct.

Mr. COOK. So what the Senator has said is not correct.

Mr. LONG. A man can still contribute to the primary. How would it be done then? Suppose the person's candidate wants to take the high road and some of his supporters want him to take the low road.

Mr. COOK. Then, let us include primaries, under the theory of the Senator from Louisiana.

Mr. LONG. If this proposal works the way I think it will, I think the day will come when primaries are included. If the Senator cannot agree on this much, then he cannot agree on anything in the way of public financing.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CRANSTON. The Senator from Louisiana is correct. If there is a $1 donation to a candidate, you write that off on your income tax return and you get a 50-cent credit, and it is not taken out of that fund.

Mr. COOK. I cannot argue with the point made by the distinguished Senator from California. I can only say that the Senator from Louisiana said that if that individual did not want to check on his tax return that the money go into the presidential campaign fund but that the dollar go to a particular nominee of a political party, and he wanted to make sure that he got that money, under this bill the presidential nominee has to sign an affidavit that he has received and accepted no contributions of any kind.

Mr. PASTORE. That is correct.

Mr. COOK. That is correct.

Mr. PASTORE. It is done there deliberately, and it is the right thing to do. You cannot take the public money and at the same time go out and raise all the other money.

Mr. LONG. But you could still contribute to a man in the primary, under this bill.

Mr. COOK. In other words, he has to grovel for his money in the primary but not in the general election.

Mr. LONG. If I had my way, he would not have to grovel then, either. I would like to fix it—and this bill would fix it—so that at least one of the two men, the incumbent, would not have to grovel at all for money.

Harry Truman said, and Harry Truman was correct, that the incumbent usually gets the nomination of his party.

Mr. PASTORE. Here they are the other day—and it goes for Republicans and Democrats—a series of dinners were held and it cost $500 a ticket—you do not mean to tell me that they give me money for the welfare of the party? They all have an angle. Now, anyone who comes up with $500, unless he happens to be your brother or sister, husband or wife, or has got an angle. That $500 is connected with an angle.

Mr. LONG. At least you can let him know that you know him and his telephone number. You can call him even though you may not have time to talk to anyone else.

Mr. MATHIAS. I want to say this before I yield the floor. Think about this overnight and we will debate it more tomorrow before we vote, but we still come back to the question: What is going to broaden the political process in this country? The creation of a big fund financed out of the Treasury by tax dollars is not necessarily going to increase or broaden political participation. It may keep it speeded up. It may hire some hacks on Madison Avenue. It may pay for some television time or some radio time. It may even get you in the country weeklies, but it is not necessarily going to broaden the political process.

That is the critical question that the Senator from Massachusetts raised. How do we relieve a candidate for the presidency from questions that really impugn his integrity? That is what we address ourselves to when we vote on this measure. If this were the only proposal before the Senate, I might feel differently about it. But it is not. The Senator from Rhode Island has a constructive, additional proposal, title IX, and I intend to support it very strongly because I think it will be helpful. But title X I do not believe adds to the process.

Mr. PASTORE I want to say to the Senator from Maryland that he has made the point very clearly. I want to say to my colleague from Tennessee (Mr. Cook), that he has been consistent. He is very much against this bill. That is his prerogative. I know where he stands. I want to give him credit for being consistent. He has not deviated from that position at all. There are some who feel the other way. The argument can be made, to and fro, but what we are trying to achieve is an ideal, trying to get the election of the President of the United States out of the grip of money—money and vested interests, and trying to make it as pure as we can. Naturally, we will never get it perfect. But now, where we have to spend millions of dollars to get just a half hour on television, it has become prohibitive. The point is, something needs to be done about it. If we can bring it into proper context, the people may begin to understand people, candidates, and issues much better than the glory of money.

Mr. CURTIS. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. CURTIS. Under the Senator's proposal, will it be possible to make additional contributions to a presidential race if the bill is passed?

Mr. PASTORE. The Senator means if a person takes advantage of money available?

Mr. CURTIS. Yes.

Mr. PASTORE. He cannot collect any other contributions from anyone.

Mr. CURTIS. No committee in his behalf?

Mr. PASTORE. No committee on his behalf. That is the limit.

Mr. CURTIS. What is the situation if he borrows, anticipating this, and he makes his anticipation too heavy?

Mr. PASTORE. He would have to pay it back. As a matter of fact, I want to make that clear, if he borrowed money during a primary period, that is one step. But what happens to the money, no matter whether it be a Republican or a Democratic convention, if he chooses to come under this—and there is nothing to compel him to come under it—but if he chooses the alternate way of coming under public finance, he must abide by the conditions of this amendment.

Mr. CURTIS. But suppose others, totally unconnected, disconnected, with him, decide that they will support him or oppose him? How are we going to stop that?

Mr. PASTORE. If the money goes to him, he has got to give it back.

Mr. CURTIS. No, I do not mean that—

Mr. PASTORE. That is in the other bill which is pending in the House. When that comes back here, we will be able to straighten that out. This all has to do with the ceiling, only that. That is in the bill in the House now, and I hope it will come back to us.

Mr. COOK. I did not vote against it. I voted for it and worked hard to get it approved. As the Senator from Rhode Island stated, we have pounded hard on that issue, in as difficult language as we could get, to solve every problem that involves individual cases involving independent campaigns. The question was raised about labor unions. This comes from a report that is in the House:

> It must be the responsibility of the candidate when time is expended on television or funds are expended in ways directly or indirectly for that candidate, he must assume the responsibility of those things being a part of his total limitation.

Mr. CURTIS. But what I am asking is, how are we going to stop a situation in campaigning where one will be against the incumbent? Will it not inure to the benefit of his opponent? How on earth are we going to muzzle the citizens of the United States? How can we prevent them from going to the post office and buying some stamps and writing a letter telling their friends that they believe John Doe should not be continued in office? How are we going to muzzle that kind of thing?

Mr. COOK. I can only tell the Senator relative to the news media that this Congress has the responsibility——

Mr. CURTIS. Suppose someone wants

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to go on the air and explain his experiences with an incumbent and the reasons why he is opposed to that incumbent, and he does not think it is in the public interest for that incumbent to be re-elected?

Mr. COOK. I can only say that this person is assuming his responsibility by taking a half hour on radio—

Mr. CURTIS. I am talking about a free American citizen who wants to participate in the election and speak his own mind.

Mr. COOK. I believe that would involve the question of the first amendment——

Mr. LONG. I do not believe we could do anything at all on that, about the right of any individual citizen, or any Senator, to stand on a street corner and shout for the candidate of his choice, or to mail out letters to personal friends or to others, or to put a sign out in the front yard or on the side of the house saying, "I am for Joe Smith for President." But that is not the point. The principal point is that we would not have adequate funds available, and any American citizen has a right to make his position known on the issues to the public. That is the right of the individual, his own right to express himself. He is protected by freedom of speech and there is nothing we can do to regulate that. I do not think there is much we can do to regulate newspapers, either. They often editorialize, as we know, on behalf of the candidate of their choice.

Mr. COOK. Mr. President, who has the floor?

The PRESIDING OFFICER (Mr. CRANSTON). The Senator from Kentucky has the floor.

Mr. COOK. Mr. President, I yield the floor.

Mr. PASTORE. Mr. President, I yield 10 minutes or 15 minutes, whatever the Senator from Massachusetts wants.

Mr. KENNEDY. Mr. President, I must say, having listened to this debate from its beginning this evening, all I have heard from the opposition is, first, a few differences about the GAO regulations, one of which is that there would not be adequate protections in the administration of these resources. Second, I have heard some questions about whether we can trust a candidate for President of the United States with a pool of $20 million.

I think those points are easily answered. If these are really the strongest arguments—and perhaps there have been others which I have been unable to gather during the course of the past 2 hours—then I think we ought to go ahead and agree to the amendment this evening.

I am really amazed that these are the only arguments presented. As I have listened to the debate, I must say that I have increased my own commitment to the concept and to its approach as worked out by the Senator from Rhode Island (Mr. PASTORE) and the chairman of the Finance Committee, the Senator from Louisiana (Mr. LONG). The Senator from Louisiana has been interested in this field for many years. He really is the author of the checkoff concept. He has been extremely perceptive over the period of the last 5 years, since this issue was first raised in Congress in 1966, and he deserves great credit.

In the actions we took in the Senate earlier this year, we have already gone a major part of the way in our efforts to achieve election reform. The steps we took in the area of broadcast spending and reporting and disclosure were major victories. However, if we are to go the final mile, we must accept the concept of public financing for campaigns for public office.

That is the best way I know to insure the integrity of the whole election process. The proposal which has been placed before the Senate provides resources to presidential candidates, and it also provides incentives for the broadest and widest participation in the political process—a goal that all of us want to achieve and which all of us believe will give new strength to our political system.

Mr. President, I again commend those who have introduced the amendment. I am delighted to be a cosponsor of it.

Mr. President, let me make a few more general remarks about the amendment.

The Congress stands today at what is perhaps its most significant crossroad of this century in the movement for real reform in the financing of American political campaigns. We have the chance today to move political financing out of the shadows of the special interests and into the sunlight of public responsibility.

By voting for the presidential election campaign fund amendment, we will establish a new principle for campaign financing, the principle that public funds should be used to support the campaigns of candidates for public office. It will be a new departure in American public life, full of promise for the future, full of potential, at last, for making our Government truly responsive to the people.

For generations, we have blindly accepted the principle of private financing, long after the principle had become twisted and distorted in a way that no democracy worthy of the name could tolerate. For years, we have talked of campaign slogans in phrases like the politics of peace, the politics of hope, and the politics of reconciliation, but behind it all was a much more cynical form of politics—the politics of money.

No one denies that the most serious problem in the American political process today is the problem of campaign financing. The skyrocketing cost of election campaigns has produced a situation in which all but the wealthy—or their friends—are prohibited from running for public office.

The potential political candidate of modest means is being driven from the field. Unless he is a person of wealth himself, he faces the choice of either running a shoestring election campaign or relying on a few large contributors. If he takes the shoestring route, he faces the prospect of almost certain defeat. If he goes the route of the large contributors, he inevitably creates the sort of ambiguous relationship in which he is obligated—or appears to be obligated—to his wealthy supporters.

Today, at a time when all our institutions are under question, the hundreds of millions of private dollars now pouring into election campaigns are giving politics the air of dirty business. The abuses breed cynicism among our citizens and dropouts from our democracy.

Indeed, it has been well said that in America today, we have the best political system that money can buy, and it is a disgrace to every basic principle on which the Nation stands.

Many distinguished Americans have recognized the problem. President Eisenhower was one among those who have stated it most eloquently. As he said in an article in 1968:

> We have put a dollar sign on public service, and today many capable men who would like to run for office simply can't afford to do so. Many believe that politics in our country is already a game exclusively for the affluent. This is not strictly true; yet, the fact that we may be approaching that state of affairs is a sad reflection on our election system.

The time has come to recognize the stranglehold that private financing has placed on our political system. If we have the courage of our convictions, we will vote for the pending amendment, and thereby establish the long-overdue principle of public financing for political campaigns.

The idea of public financing first saw the light of day in Congress 5 years ago. In October 1966, under the leadership of Senator RUSSELL LONG of Louisiana, the chairman of the Senate Finance Committee, Congress enacted the Presidential Election Campaign Fund Act of 1966 Public Law 89-809. Under the act, individual taxpayers were authorized to designate $1 of their income tax to be placed in a special fund to be used for financing Presidential election campaigns. Because the tax checkoff provision was based on the principle of direct public financing of political campaigns, the act was highly controversial. One of its principal virtues, however, was that it served the extremely useful purpose of stimulating a far-reaching national debate on a variety of possible methods of reforming the financing of political campaigns.

In his message to Congress on the "Political Process in America," in May 1967, President Johnson took up the call. He emphasized his support for direct public financing of political campaigns, and suggested a series of basic amendments to the original 1966 Act. In addition, President Johnson recommended that Congress undertake an extensive review of other methods of financing election campaigns by methods such as direct appropriations, tax credits or deductions, treasury vouchers, and various matching grant plans. In June 1967, after extensive controversy, Congress enacted legislation prohibiting implementation of the 1966 act until statutory giudelines under the act were enacted.

Then, in November 1967, after comprehensive hearings and executive sessions, the Senate Finance Committee favorably reported H.R. 4890, the Honest Elections Act of 1967. As reported by the committee, the bill contained a complete revision of the 1966 act. It authorized public financing of both presidential and senatorial election campaigns,

and it answered virtually every objection of the opponents of the original act of 1966.

Now, we have struggled through two more national campaigns since the bill was ready—the presidential campaign of 1968, and the congressional campaign of 1970. We know that the problem is worse and that the need is greater.

And, so today, we have the chance to act to meet the need. The presidential election campaign fund amendment offered by Senator JOHN PASTORE is similar in most respects to the legislation recommended by the Senate Finance Committee in 1967, except that it applies the principle of public financing only to presidential campaigns. The chief provisions of the amendment are as follows:

First. Under a "tax checkoff" method, each individual taxpayer is entitled to specify on his tax return that $1 of his taxes is to be used for the public financing of presidential campaigns. On joint returns, husbands and wives may each use the checkoff. If all taxpayers take advantage of the provision, approximately $113 million would go into the fund each year, based on the current number of taxpayers.

Second. The amount of funds determined by the checkoff is appropriated from the Treasury into a Presidential Election Campaign Fund. The amendment contains a "permanent appropriations" provision in order to avoid any controversy that might take place in Congress if the transfer of funds were to be left to the regular annual appropriations process. If the Fund contains any unused balance after a presidential campaign, the balance is returned to the Treasury. If the amount of the Fund is too low to provide the payments to which presidential candidates are entitled under the amendment, the payments are decreased pro rata, and private contributions may be accepted to make up the difference.

Third. Presidential candidates are given the option of either electing public financing for their campaigns, or continuing the present method of private financing. If major party candidates elect public financing, they may not accept private contributions, and they may not spend more than the amount of public funds allocated to them. Minor party candidates receiving public funds may also receive private contributions, but they may not spend more than the amount that a major party candidate receiving public funds may spend.

The same overall limits apply to all political committees authorized by a candidate to support him. Unauthorized committees supporting candidates who elect public financing are limited to expenditures of $1,000. None of these limits are applicable to candidates who continue to finance their campaigns privately and who do not elect public financing.

Fourth. Candidates of a major party—a party polling 25 percent or more of the votes in the preceding presidential election—are eligible to receive an amount equal to 15 cents multiplied by the number of eligible voters in the Nation. On the basis of current population estimates for 1972, major party candidates would be entitled to receive about $20 million.

Fifth. Candidates of a minor party—a party receiving between 5 and 25 percent of the vote in the preceding presidential election—are eligible to receive an amount based on their percentage of the vote of the major candidates. For example under this formula, since Governor Wallace received 31 percent of the average vote for the two major candidates in 1968, he would be eligible to receive 31 percent of the funds available to each major party candidate in 1972, or about $6 million.

Sixth. Candidates of a new party are entitled to receive retroactive reimbursement based on their showing in the current election, if they win more than 5 percent of the vote. A new party may accept private contributions in the form of loans, to be returned if the party's showing in the election qualifies it to receive public funds.

In addition, candidates of a minor party are eligible for increased public funds if they make a better showing in the current election than in the preceding election.

Seventh. Public funds will be available only for expenses incurred for the period beginning with the date of the candidate's nomination—or September 1, whichever date is earlier—and ending 30 days after the election. Expenses for items and services incurred earlier, but used during this period, will also be covered. Thus, public funds will not be available for the expenses of primaries or party conventions. If a candidate electing to use public funds has excess private contributions left over from his primary campaigns, he cannot spend the private funds during the general election campaign.

Eighth. The distribution of public funds will be made by the Comptroller General, subject to strict auditing and accounting procedures, backed up by substantial civil and criminal penalties for violations.

In addition, the amendment also includes a major provision establishing a tax credit of $25 or a tax deduction of $100 for political contributions. These tax incentives are applicable to contributions to all candidates—Federal, State, or local—and to all elections—general, special, or primary. This provision is essentially the same measure that Senator CANNON, Senator PEARSON, and I had already offered as a separate amendment to the pending tax bill, and I am pleased that it is now a part of the overall amendment.

One of the most important points about the public financing amendment is that it has been carefully designed to meet all of the major constitutional, practical, and political objections to the version originally enacted into law in 1966.

The 5 to 25 percent formula strikes a reasonable balance for minor parties and new parties. It neither freezes them out entirely, nor encouraged them excessively. The threshold showing required of such parties is low enough to prevent "locking in" the existing two-party system, and yet high enough to prevent the artificial proliferation of splinter parties set up merely to have a political joyride at the taxpayer's expense in a presidential election year.

As the following table indicates, at least six minor parties would have qualified for public financing since 1892 if the provision had been in effect:

MINOR PARTIES RECEIVING APPROXIMATELY 1,000,000 OR MORE VOTES, 1892-1968

Year and candidate:	Party	Popular vote	Approximate percent
1892: James B. Weaver	People's	1,027,329	[1] 9
1912:			
Theodore Roosevelt	Progressive	4,216,020	[1] 28
William Howard Taft	Republican	3,483,922	[1] 23
Eugene V. Debs	Socialist	897,011	[1] 6
1920: Eugene V. Debs	do	917,799	4
1924: Robert M. LaFollette	Progressive	4,822,856	[1] 17
1948:			
Henry A. Wallace	do	1,157,172	2
J. Strom Thurmond	State's Rights	1,169,021	2
1968: George C. Wallace	American Independent	9,899,557	[1] 13

[1] Would have been eligible for public financing under the pending amendment.

By prohibiting private contributions to candidates who elect public financing, the amendment avoids the danger that public financing would become simply an additional layer on top of the existing level of spending. At the same time, by allowing unauthorized committees to spend up to $1,000 for their candidate, the amendment avoids the first amendment objections that might be raised against any complete prohibition of private spending.

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By channeling the public funds directly to the presidential candidates, instead of to political parties or committees, the amendment goes far to avoid the objection that it will have a potentially disruptive impact on the existing structure of our political system. Public financing will not lead to excessive centralization of the political system. Presidential candidates will still have to live under the same umbrella with other Federal, State, and local party leaders. The amendment will preserve the traditional upward flow of party power from the local level up to the national level. In essence, public financing will eliminate the worst abuses of our present political system—the excessive power of money and special interests—and will thereby actually enhance the elements of the system that are its real strength—the interest, dedication, and commitment of hundreds of thousands of party leaders and workers at the grassroots level.

By inclusion of the tax incentives, the amendment offsets any tendency of the public financing provisions to weaken the stake of individual voters in the political process, or to discourage their participation.

Although the public financing provisions provide assistance only to presidential candidates, not to other Federal candidates or State and local candidates, and not for primary campaigns, the principle of public financing can easily be extended to such candidates and elections. The important thing is that we must lay the groundwork today. Once we see the impact of the amendment on the 1972 campaigns, there will be ample opportunity to broaden its application for the benefit of other candidates and elections. We know that the need for financial assistance is especially great in primary elections and at the congressional, State and local levels, where fundraising is extremely difficult, and where the political influence of large contributors may be just as insidious as in presidential campaigns. By taking an effective first step today, we chart the course for all elections and all candidates for the future.

In sum, I believe that the amendment now before the Senate is the best investment the American taxpayer can possibly make to end the most flagrant single abuse in our democracy, the unconscionable power of money. Rarely have we had the opportunity to vote on a bill so full of potential for keeping our political system running and responsive. I hope that the amendment will be accepted overwhelmingly by the Senate.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement by former Senator Gore of Tennessee on his introduction of the Election Financing and Reform Act of 1970, S. 3659; an article entitled "The Politics of Money," written by Philip M. Stern, and published in the New York Times on June 11, 1971; and an article entitled "Money and Politics," written by Tom Wicker, and published in the New York Times on November 14, 1971. The statement by the Senator is especially significant, because it shows how one of the strongest opponents of the 1966 act was one of the strongest supporters of the 1967 version as reported by the Finance Committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3659—INTRODUCTION OF ELECTION FINANCING AND REFORM ACT OF 1970

Mr. GORE. Mr. President, an election ought to be a time of serious discussion, a time when ideas are brought forth and debated—not for the sound they make but for their meaning, not for their marketability but their merit, not for their packaging but their content. Because the most vital single action of a self-governing society is the election of public affairs.

Unless the will of the people can be determined and maintained in elections there can be no government of, by, and for the people. Unless the elective process is surrounded by effective safeguards, there can be no real assurance that the will of the electorate will emerge.

The right of a free franchise is one of our highest privileges, a mark of a free man. It is a duty, too, one that must be exercised personally, and that without coercion whether by a system of fines against those who fail to exercise their privilege or by an undue influence from any direction.

But we have a long way to go yet to make our voting system as free and unhampered and as equitable as all of us would wish it to be and to free it from the undue influence of money which is now throttling it. The country has not thrown proper safeguards around financial influence in Federal elections and until a way to do this is evolved the other ills must be considered secondary. Money is the root of much political evil in our country and the Senate has on many occasions considered ways to lessen that influence. Through the years we have been moving nearer to a solution, slowly but surely. Yet the threat of corruption by money in politics is greater than ever before. This makes imperative a solution.

The cost of campaigns has mushroomed, the practices of vested interests have become a threat to popular government, the influence of TV and other expending communication media—and the advertising industry—has skyrocketed and there is now widespread and justifiable public concern over the threat to popular government arising from the improper influence of money in elections. A book entitled "The Selling of the President" is now a popular handbook for the image sellers.

The concentration of dollars poured out at election times serves to thwart the will of the American people both directly and subtly. Not many people would sell their votes directly, but the influence exerted by merchandising and image-making does not come directly, and in this new form no one is immune to it—either in the purchase of soapflakes or in the choice of candidates for high office.

The need for remedial legislation in the field of Federal elections is imperative. There is something profoundly wrong about a system by which the election of a Senator, in many States, costs a million dollars—the conservative estimate of what is needed to unseat an incumbent in a middle size industrial State. Is this government by, for, and of the people or by the size of the purse?

Public confidence in government—and in the integrity of the people's representatives who make up that government—is the bedrock upon which the foundation of our system rests. Government is no more secure than public confidence in its institution. Moreover, representative government cannot be truly representative unless the electorate has an opportunity to choose among candidates on the basis of their qualifications without improper, or undue, influences which impede a free choice.

"Elections are public business. Indeed there is no aspect of public business which more directly affects the quality of government and the public welfare. Yet, our present system for financing election campaigns makes a mockery of free democratic processes. Money in elections, both as to source and as to amount threatens to undermine public confidence in those who are elected, and thus in the institution of government itself.

"It is impossible to finance a modern mass media statewide campaign with $10 contributions from public spirited citizens, to say nothing of the enormous financial requirements of a national campaign for the presidency. Dependence must be placed on large contributions and all too often these come from wealthy individuals or from organized groups who hope that their generosity will be remembered by the candidate after he is elected. Large contributions may well come without strings. It is, I believe, the only kind most candidates for high office would accept.

"But it is asking a lot of human nature to assume that the big contributor stands entirely on the same footing with other constituents when matters in which he is interested come up for decision by elected officials. Even the absence of impure motives on the part of the giver, the receiver, or both, cannot entirely erase the influence of large campaign contributions."

The candidate who elects not to seek or accept this kind of money is at a disadvantage, to put it mildly. Modern campaigning with the tremendous cost of indispensable exposure on television has vastly increased the advantage of the candidate with an adequately financed campaign. Simply stated, money can and does buy, in an effective sense, many elections without in any way violating our archaic election laws and without buying a single vote. What is acquired by mass, and frequently misleading, propaganda is a favorable voter inclination based upon false or artificial premises.

Since election to public office is public business of the highest order, election to Federal office, at least, ought to be publicly financed. In no other way can the stench of money in politics be completely eliminated from the elective process.

This is not a new idea. As early as 1907, President Theodore Roosevelt called for a Government subsidy to finance Federal elections. His suggestion has been echoed by political scientists and Presidents as well. President Kennedy established a Presidential Commission to go into the matter of election financing and subsequently submitted recommendations to the Congress to tighten up existing laws, to provide for more effective public disclosure of what was spent and where it came from, and to encourage a wider base for contributions of moderate size.

Senators will recall that in 1966 a limited public financing law was passed, but it was not satisfactory and early in 1967, before it could be put into effect, its provisions were made inoperative. Later that year, the Senate Finance Committee approved another measure which I thought was much better, and I strongly supported that bill. But no action was taken by the Senate during the 90th Congress.

It is substantially that same bill which I am introducing today. It is well explained in Senate Report No. 714, 90th Congress.

There is one major change, and this relates to the effective date. The tax and public financing provisions of the bill I have introduced today do not become effective until 1975. All incumbent Senators, then, would be subject to reelection under existing law. Thereafter, the new law would apply to all.

Frankly, I view this bill as only a first step. Eventually I hope that all stages of the Federal elective process, primaries and conventions as well as the general election, will be publicly financed under regulations which will limit spending to the amounts reasonably necessary to inform the electorate and with rigid controls over the expenditure of the money. Offering the candidate a choice between public and private financing is intended only for a transition period, perhaps of 10 years. I believe that the overwhelming majority of candidates for the Senate would choose public financing if they had a choice. But I have sought to provide an option to lessen the fears of those who think that public financing might not work. My ultimate goal is to free completely from private money influence—either from the candidate's own fortune or from contributors—election to Federal office—President, Vice President, Senator, or Congressman.

With campaign costs continuing to skyrocket, with campaigns turning into advertising circuses, with no effective control whatever over how much is spent, where it comes from, or what it is spent for, our system of government is placed in great peril. We are rapidly approaching, if we have not already arrived at, a condition in which only the rich or the subsidized can successfully compete for the honor and opportunity of high Federal elective office.

Fortunately for me, personally, a record of public service operates as stored up good will to withstand an anticipated financial storm, but I am thinking of the foreclosure of equal opportunity for other men without means to achieve public favor.

The PRESIDING OFFICER (Mr. GOLDWATER). The bill will be received and appropriately referred.

The bill (S. 3659) to provide an income tax credit for certain political contributions; to provide for public financing of presidential and senatorial election campaigns; and to revise the Federal election laws, introduced by Mr. GORE, was received, read twice by title, and referred to the Committee on Finance.

[From the New York Times, June 11, 1971]

THE POLITICS OF MONEY

(By Philip M. Stern)

WASHINGTON.—Almost every major domestic problem in America has its roots, in my view, in a deeper, more basic malady: the manner in which we finance political campaigns, with candidates heavily dependent on "interested" givers who expect a return on their investment, usually in the form of some governmental favor or largesse.

For example, the skewing of national priorities is largely traceable to political financing. With candidates so reliant on large contributions, mostly from industry, it is not surprising that the political system produces billions for an oil depletion allowance or corporate tax write-offs and pittances to combat hunger, pollution, housing shortages, etc.—problems mainly of concern to political noncontributors.

The anachronistic Congressional attitudes that flow from long tenure, old age and the seniority system stem largely from current fund-raising practices, which are heavily biased in favor of the power-dispensing incumbent officer-holder and against the newcomer (last year 359 out of 379 incumbent House candidates were re-elected). Many would-be challengers, in fact, are frozen out before they begin, sheerly for lack of financing.

With a constricted political system, and with the makeup of Congress largely static, no wonder the pace of change is so maddeningly slow.

The only effective way to open up politics, give newcomers and new ideas a chance and dilute the power of the big giver, is through public financing of election campaigns. That would not really be a radical change. The public already pays—and pays dearly—for the manner in which we now finance campaigns.

To take one dramatic example, the public now must lay out $5 billion a year in added oil and gas prices because the President declined to abolish oil import quotas as recommended, in the national interest, by his own Cabinet committee. When a President rejects a $5-billion saving for tens of millions of consumers in favor of higher prices and profits for a few oil companies, just four of whose executives contributed $300,000 to the 1968 Republican cause, the concept of "one-man, one-vote" is a joke.

The remedy does not lie in curbing political spending (via expenditure ceilings or free TV time). It's not the spending that's publicly harmful; it's how and from whom the money is *raised*, and in the disproportionate influence that large contributors (unions as well as corporations) are bound to wield.

Public financing of campaigns would be the best investment the American taxpayers could make. Even a generous program of Federal assistance, covering all primary as well as general elections for House, Senate and President, would only cost about $93 million a year (or just 69 cents per citizen of voting age)—just one-fiftieth of what the public is now paying for oil import quotas alone. Thus, if public financing could reverse that one Government policy, the taxpayers would have a 5,000 per cent return on their investment!

Use of the public subsidies for candidates' personal enrichment could be avoided by having the U.S. Treasury make payments directly to the purveyors of political services (i.e., to the broadcasters, newspapers, printers, etc.) so that the candidates themselves would not receive or handle any of the Federal money.

To encourage small-scale private gifts, there should also be tax-credit incentives but, to assure that no citizen wields undue influence, no gift of more than, say $25 should be allowed.

The conventional wisdom insists that public financing of campaigns is inherently unpalatable to the voters. Yet TV viewers of "The Advocates," after hearing the pros and cons last October, voted 76 per cent in favor of Federal campaign assistance with just 21 per cent against—one of the most one-sided votes in the program's history.

Moreover, public funding of campaigns, already successfully in effect in Puerto Rico and Quebec, has just been officially embraced by the Democratic National Committee and is embodied in at least two Senate bills (by Senators McGovern and Gravel).

So this is far from a blue-sky political idea. It is gaining acceptability, perhaps because members of the nonaffluent, noncontributing public are catching on to the fact that they are already picking up the tab for a political system that answers much more to the big givers than it does to them.

[From the New York Times, Nov. 14, 1971]

MONEY AND POLITICS

(By Tom Wicker)

WASHINGTON.—The withdrawal of Fred Harris from the Democratic Presidential competition further clears the field for the coming primaries. More importantly, since it is still a littered field, Mr. Harris' withdrawal suggests something about the sad state of American campaign finance, and the problem of a candidate who moves beyond the traditional range of issues and solutions.

The Senator from Oklahoma found his campaign "broke," as he described it, in the same week that Mayor Lindsay of New York moved more openly toward a Presidential candidacy next year. Since the Mayor will be looking for support in the liberal wing of the party and since Senator George McGovern already is—not to mention less formal candidates like Representative Shirley Chisholm and Eugene McCarthy, Mr. Harris' withdrawal at least reduces the splintering effect on the Democratic left.

The result is that, among the major active contenders, Senator McGovern and Mayor Lindsay are on the left, Senators Edmund Muskie and Hubert Humphrey are in the middle and Senator Henry Jackson is on the right, with Senator Edward Kennedy hovering over all.

It takes only a glance at this roster—again not to mention long-shot possibilities from Sam Yorty to Representative Wilbur D. Mills—to get an idea of the pressures on the Democratic dollar, particularly the moderate-to-liberal Democratic dollar. Mr. Harris said his campaign costs alone were running at $50,000 monthly, with the primaries still to come.

Actually, some other campaigns appear to be more costly than Mr. Harris' was, and he had at least one substantial backer, Herbert Allen Jr., the New York banker. Other support failed to develop as well as Mr. Harris had hoped when he began his campaign last summer, and he said candidly that he "could have done better" in organizing and managing his efforts.

Still, as things are now done in campaign finance, Mr. Harris seems justified in saying that it is "difficult but not impossible" for a poor man to run for the Presidency. That is because American campaigns now are financed largely by major contributers; when they are called upon by a vast field such as the Democrats now have, or when they settle generally upon a favorite, then the outside or peripheral candidate can have a hard time indeed.

One of George McGovern's major assets, in fact, is that for several years now he has worked assiduously to compile and develop extensive mailing lists of small contributors; the result is that he is not as dependent as other Democrats on the big contributors. But the fact is that in 1968 the Democrats got 61 per cent of their Presidential campaign funds from contributors of more than $500. The Republicans, who have developed good small-contributor programs, still got 47 per cent of their total from contributions of more than $500.

Only about 15,000 Americans were responsible for this high percentage of Presidential campaigns costs. Moreover, a mere 89 persons—according to the Citizens Research Foundation—each contributed $30,000 or more for a staggering total of more than $6.8 million. Only 424 big contributors—of more than $10,000 each—kicked in with over $12 million for the 1968 campaign. And next year, the costs will almost surely be higher.

The problem is not just that of controlling costs, and the solution is not for these big contributors to demand better performance or particular policies from the candidates—as a group of political financiers, meeting in Manhattan, recently threatened to do.

What is really needed is greater incentive, such as a tax credit or deduction, for small voluntary contributions; or some equitable method of Federal subsidy, which is only a way of forcing small contributors—taxpayers—into the act. Until that kind of support is available, a small number of big-money

men and interests will continue to have an outsize influence on politics.

Whether such contributors froze Fred Harris out of the campaign because of his "populist" views is conjectural; had he started earlier and developed the kind of dollar-bill fund-raising techniques that have so largely financed George Wallace and that sustain Mr. McGovern, Mr. Harris might still be in the thick of the fight. But that kind of effort takes a long time to develop.

It would have been appropriate to the unorthodox Harris campaign, which abandoned traditional rhetoric and issues and was designed to appeal to class sentiment. The idea was to bring together a coalition of low- and middle-income people across racial and other barriers. The theme was a redistribution of income and power in America—even the breaking up of the big corporations. At root, the Harris campaign was based on the belief that this country in its tax, corporate and political structure is rigged for the rich, and will be until the non-rich learn to stand together.

No other candidate is saying such things, Mr. Harris said in his withdrawal statement, so he now sees no one he can support. If that turns out to be the case as the campaign goes forward, if the Democrats offer no more than what Fred Harris called "just some more New Deal programs," not only they but the American people are going to be the losers next November.

Mr. CRANSTON. Mr. President, the adoption of this amendment could signal the start of a modern revolution in American politics. It could truly democratize the American political system, for perhaps the first time in our history.

The amendment could, at painfully long last, liberate American political parties from financial dependence on big money, big pressure groups, and big spenders of all kinds, and turn politics totally over to the people, to the tens of millions of individual men and women whom we in Government are supposed to represent.

For the first time, their money as well as their votes would count in determining the outcome of a presidential election. That would be a healthy change for our democracy.

It would also be a healthy change for those who run the presidency.

For one thing, a candidate would not need wealthy friends or have to be independently wealthy himself to win—or look forward to a party that is indefinitely impoverished if he loses.

For another, he could devote his energies during the campaign to raising issues instead of raising money. After the campaign, he could spend his time working on constructive programs rather than working to pay off campaign debts.

America needs a new lease on its political life; this bill, I believe, will strike off some of our golden shackles and free our candidates and our political parties from the bondage of money.

Mr. EAGLETON. Mr. President, at a time when America is desperately seeking new directions, the Campaign Financing Act can begin to liberate government from the stifling pressure of those who have vested interests in the status quo.

At a time when we are enervated by the sense that government is unresponsive and unmanageable, this act can restore confidence.

Having public officials in office because of large private contributions is an evil at any time. Big money buys entree. Big money buys favors. Favoritism, legal or otherwise, perverts the democratic process.

But today there is mortal danger in the fact that any President—indeed, any Senator—dependent upon financial interests deeply rooted in the status quo will be slow to take responsible new departures.

These interests themselves are not necessarily evil or illegal. In more static times their combined position might be taken to express the public interest.

But the times are not static, and the combination of interests which governs us today is not serving us well.

It is time to take some fresh bearings from the people—to find out what they really want for themselves and their country and to insure that government will respond.

This bill is not perfect in every detail. Some of the funds it allocates may be wasted or even used unscrupulously. But democracy's workings are seldom tidy, and the few million dollars made available today for public interest campaign funding will help to insure that the government which spends hundreds of billions is at least responsive to the people.

Mr. President, this is a chance to make a fundamental change for the better in American government. I shall vote "aye."

Mr. HART. Mr. President, whether totally justified or not, present methods of financing public election campaigns seriously erode public confidence in our government.

Certainly it is true that many persons are discouraged from running for office because they lack personal wealth or access to wealthy backers.

Certainly it is less than an inspiring sight to see Presidents, presidential candidates and other elected officials devoting time—considerable time, in many cases—to raising campaign funds.

And if large contributions do not overtly affect policy or votes, it is certainly true that large contributions at least ease the gaining of access to public officials. After all, it is not the poor, or even the middle-income persons who most often gain entrance to an elected official's office to discuss problems important to them.

Equally important, if large contributions do not purchase votes after the fact, at least large contributions are important to deciding who will be the candidate and which candidate will win. And obviously, large contributions go to those candidates with views sympathetic to those of the giver.

These concerns have led me to the conclusion that the time has come for public financing of political campaigns, not only to eliminate a source of public suspicion about our government, but to encourage qualified individuals, regardless of wealth or access to wealth, to seek public office.

In eliminating the financial bar to public office we can end what amounts to discrimination which prevents full participation in our political process.

In filing separate views on the Federal Elections Campaign Act of 1971 reported from the Commerce Committee I stated that "taking private money out of the political picture is the ultimate reform." I ask unanimous consent that a portion of my separate views be printed at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The changes recommended to the Senate in this report will move campaign expenditure reform a long way on the road to giving all federal candidates equal access to the media and removing an inequality which grows larger with each succeeding election.

But if we are really to neutralize the power of money to distort the election process; if public office is to be within the reach of not the rich alone; if we are to eliminate the influence, real or imagined, of the large contributor; if we are to remove the cynicism with which young and old alike view today's funding raising efforts by political parties and candidates; if we are to make our political campaigns a testing ground for ideas and issues rather than exercises for our money-raisers—then I believe we must eliminate our dependence on private contributions.

It is the source of the money which damages public confidence and suggests the likelihood of favor and influence. Remove the private money and we remove this cause for the cynicism and doubts now so hurtful to public confidence in politics.

Mr. HART. Mr. President, while I did not expect a chance to take a major step in that direction this year, such an opportunity is before us this evening.

The amendment under consideration would provide two ways to eliminate or diminish reliance on large campaign contributions.

First, individual taxpayers could indicate on Federal income tax returns if they wanted $1 of their payments to go to a special presidential campaign fund. The fund would be divided according to a formula, which provides allocations to minor as well as the two major parties.

And second, a taxpayer could claim either a tax credit of up to $25 or a tax deduction of up to $100 for contributions, to local, State, or national campaigns.

Under the tax check-off formula, it is estimated that the Republican and Democratic presidential campaign committees would receive about $20.4 million, while the presidential campaign for Gov. George Wallace would receive $6.3 million.

By way of comparison, in the 1968 election, Republicans spent $24.8 million nationally; the Democrats, $10.2 million, and Governor Wallace, $6.8 million.

These figures are cited to indicate that credible campaigns could be financed under the limits set by this bill.

The concept of a limit is most important. The bill requires a presidential nominee to choose between using public money from the special Presidential fund or raising his own campaign funds. If a nominee chooses the former, he is limited to spending the estimated $20.4 million. If a nominee decides to raise his own funds, there is no limit. This provision insures, of course, that the public fund will not just be base for ever-increasing campaign spending.

In the event the presidential fund does not reach the estimated amount, a nominee may raise the difference between his share of the committee's fund and the limit of $20.4 million.

Turning to the second provision, it is hoped that the tax credit and deduction provisions will encourage an increase in the number of small contributions to candidates seeking office at all levels of government.

I strongly support both of these steps toward reducing reliance on large private contributions to finance political campaigns.

Pointing to the financial condition of the Democratic National Committee, some may argue this is a partisan attempt to bail out the 1972 Democratic nominee.

Those who make that argument must be prepared to answer the charge that they oppose this reform just because they happen to enjoy a great financial advantage at this particular point in history.

To those who will make their decision on present pragmatic grounds, I would offer an observation made in a Washington Post editorial this morning:

It is worth remembering that although it is the Democrats who are poor today and the Republicans who are rich, it has not always been that way and there is no guarantee it will remain that way in the future.

To those who will make their decision based on a longer view, I can only repeat my conclusion that the ultimate reform is to take private money out of the political picture.

That is the question on which this debate should be centered. And if it is, I believe the amendment will be approved.

Mr. PASTORE. Mr. President, I think that this more or less concludes the debate tonight. I suggest the absence of a quorum in order for the majority whip to come to the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. PASTORE. Mr. President, I ask unanimous consent if there are to be remarks that are not related to the subject matter of the bill, the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF DR. EARL BUTZ AS SECRETARY OF AGRICULTURE

Mr. HUMPHREY. Mr. President, the Senate Committee on Agriculture and Forestry opened its hearings today on the nomination of Dr. Earl Butz to be Secretary of Agriculture. I am privileged to serve on that committee. Dr. Butz appeared before the committee and testified as to his qualifications and desires for the job. But he has not told the committee as yet what changes in administrative farm policies he intends to pursue and support. Also, while he has indicated to the committee that he has resigned his several directorships with agribusiness firms and has placed his stockholdings in those firms in a blind trust, he has not supplied the committee with a complete statement of his financial holdings, which I think would be most desirable.

Although Dr. Butz' relationships with those agribusiness giants concerns me greatly, I am more concerned about what policy directions he intends to support and pursue, if confirmed by the Senate, concerning our farm commodity programs, rural development, reorganization of the Department of Agriculture to make it a really effective instrument for American agriculture, foreign food assistance, family and child feeding programs, rural electrification and housing programs, and consumer food protection.

Mr. President, the farmers and all the people of this Nation are entitled to know where Dr. Butz and this administration stand on these matters. I intend to press for their answers at tomorrow's session of the committee when it reconvenes to continue hearings on Dr. Butz' nomination.

Mr. President, I must say that American agriculture cannot continue to afford policies which depress agricultural income. And as yet I have heard nothing from Dr. Butz which gives me an indication of any change in policy that will improve the income being received by farmers.

Mr. President I have already received many telegrams—in fact hundreds of communications from the farmers and citizens of my own State of Minnesota and elsewhere and from other areas of the Nation—in opposition to Dr. Butz' nomination.

I have made a selection of some of these and I ask unanimous consent to have printed at this point in the RECORD some of the messages and communications relating to the nomination of Dr. Butz, communications which point out opposition and ask that he not be confirmed.

There being no objection the telegrams were ordered to be printed in the RECORD, as follows:

ROCHESTER, MINN.,
November 17, 1971.

Senator HUMPHREY,
Washington, D.C.:

I am protesting the appointment of Dr. Butz for Secretary of Agriculture.

JOHN H. WELTI,
Plainview, Minn.

SPRING VALLEY, MINN.

Senator H. HUMPHREY,
Washington, D.C.:

Don't want Butz for Secretary of Agriculture. Like putting fox to guard henhouse all new wealth comes from the land. U.S. short billions of dollars as result of robbing farmers for years. Read book "Unforgiven."

GEORGE HEIDTKE.

MEDFORD, MINN.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

Am opposed to Butz for Secretary of Agriculture. Urge you oppose confirmation.

LAPHONSE WENCI, *Route 1.*

OWATONNA, MINN.,
November 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

Earl Butz is not agricultural man. I ask you not confirm his appointment.

ART CROFT, *Route 3.*

NORTHFIELD, MINN.,
November 17, 1971.

HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

As farmers we do not want Earl Butz as Secretary of Agriculture.

HARLAND AND JOAN QUINNELL.
RANDOLPH, MINN.

MANKATO, MINN.,
November 17, 1971.

SENATOR HUBERT HUMPHREY,
Washington, D.C.:

As farmers we do not want Earl Butz as Secretary of Agriculture.

Mr. and Mrs. HAROLD BELGARD.
GARDEN CITY.

LAKEVILLE, MINN.,
November 17, 1971.

SENATOR HUBERT HUMPHREY,
Washington, D.C.:

We as family of farmers oppose the appointment of Earl Butz as Secretary of Agriculture.

E. M. SAUBER.

MAPLE LAKE, MINN.,
November 17, 1971.

SENATOR HUBERT H. HUMPHREY,
Washington, D.C.:

Protest appointment of Dr. Butz.

DUANE BRYANT.

KENNETH, MINN.,
November 17, 1971.

SENATOR HUBERT HUMPHREY,
Washington, D.C.:

We strongly oppose having Earl Butz as Secretary of Agriculture.

Mr. and Mrs. CLETIS SPEIKER.

OWATONNA, MINN.,
November 17, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

Mr. Butz appointment as Secretary of Agriculture is a terrible mistake. Please do what you can to rectify this.

LEO ANTL.

SAUK RAPIDS, MINN.,
November 17, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.

DEAR SIR: We cannot and will not tolerate the approval of Earl Butz as Secretary of Agriculture.

PAUL WENSMANN.

COMFREY, MINN.,
November 17, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

Definitely opposed to Earl Butz appointment for Secretary of Agriculture.

DONALD WIESE.

MANKATO, MINN.,
November 17, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

I oppose the appointment of Earl Butz for Secretary of Agriculture.

DAVE FREKING,
Heron Lake, Minn.

BUFFALO, MINN.,
November 17, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

We protest the appointment of Mr. Earl Butz as Secretary of Agriculture.

Mr. and Mrs. HARVEY BEHRENBRINKER.

MONTROSE, MINN.,
November 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

We do not approve of Earl Butz as Secretary of Agriculture.

KENNETH PAWELK.

BUFFALO, MINN.,
November 17, 1971.

Senator HUBERT H. HUMPHREY,
Washington, D.C.:

I am not in favor of Earl Butz as new Secretary of Agriculture.

LEO LARSON.

ROSEMOUNT, MINN.,
November 17, 1971.

Sen. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

We as family farmers oppose the appointment of Earl Butz as Secretary of Agriculture.

DONALD GERONIME.

DODGE CENTER, MINN.,
November 17, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

Vote against the confirmation of Mr. Butz as Secrtary of Agriculture.

LEROY PAULSON.

OWATONNA, MINN.,
November 17, 1971.

Senator HUBERT H. HUMPHREY,
Washington, D.C.:

Urge you block Butz appointment. We need Agricultural Secretary who will work for family farmer.

Mr. and Mrs. ROBERT SPRINGER.

JACKSON, MINN.,
November 17, 1971.

Senator HUMPHRET,
Washington, D.C.:

Vote down Earl Butz.

WM. J. RODER.

COLOGNE, MINN.,
November 17, 1971.

Sen. HUBERT H. HUMPHREY,
Washington, D.C.:

We are opposed to Butz for Secretary of Agriculture. Your vote against confirmation is requested.

KENNETH TELLERS.

ROCHESTER, MINN.,
November 17, 1971.

Senator HUMPHREY,
Senate Office Building,
Washington, D.C.:

It is my desire that you vote against the appointment of Earl Butz.

Mrs. HYLAH DURST.

AIKEN, S.C.,
November 17, 1971.

Sen. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.:

Voting against Earl Butz is a vote for the farmers. Farm prices are too low for comfort. Why not use foreign aid money for purchase of farm products at a fair Government support price?

SCOTT HRUITT.

OWATONNA, MINN.,
November 17, 1971.

Sen. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

I am a farmer and definitely opposed to Dr. Butz as Secretary of Agriculture.

LESTER BUECKSLER.

WASECA, MINN.,
November, 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

Stop appointment of Earl Butz as Secretary of Agriculture. We don't need corporation farms at expense of family farms.

ELDRED PHILLIPS.

PAYNESVILLE, MINN.,
November, 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

We protest the appointment of Earl Butz as Secretary of Agriculture.

Mr. and Mrs. GERALD BLONIGEN.

KELLOGG, MINN.,
November, 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

I protest the placement of Butz as Secretary of Agriculture.

HENRY ROTT.

WILLMAR, MINN.,
November, 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

We oppose confirmation Earl L. Butz as Secretary of Agriculture. Urge you work against confirmation.

ROBERT LEROHL,
Renville County NFO Legislate Chairman.

WASECA, MINN.,
November, 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

Stop appointment of Earl Butz as Secretary of Agriculture. We don't need corporation farms at expense of family farms.

ELDRED PHILLIPS.

ROCHESTER, MINN.,
November 17, 1971.

Senator HUMPHREY,
Senate Office Building,
Washington, D.C.:

Save rural America—keep Dr. Butz out of the Agriculture Department.

Mr. and Mrs. PAUL DRENCKHAHN.

ROCHESTER, MINN.,
November 17, 1971.

Senator HUMPHREY,
Senate Office Building,
Washington, D.C.:

Vote against Butz. Farmers don't want him.

LOREN BARNES,
Fillmore County NFO.

OWATONNA, MINN.,
November 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

I urge you to strongly oppose the appointment of Earl Butz as Secretary of Agriculture.

GENE PHILLIPS.

ROCHESTER, MINN.,
November 17, 1971.

Senator HUMPHREY,
Senate Office Building,
Washington, D.C.:

Save rural America. Keep Dr. Butz out of the Agriculture Department.

MR. AND MRS. ALFRED DRENCKHAHN.

OWATONNA, MINN.,
November 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

I urge you to strongly oppose the appointment of Earl Butz as Secretary of Agriculture.

WELDON F. BEESE.

ROCHESTER, MINN.,
November 17, 1971.

Senator HUMPHREY,
Senate Office Building,
Washington, D.C.:

Suggest you vote against Mr. Butz for Secretary of Agriculture.

WAYNE SUHR.

WAHPETON, N. DAK.,
November 17, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

I protest the appointment of Earl Butz.

ELLSWORTH ETTEN.

OWATONNA, MINN.,
November 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

I as a farmer am vigorously opposed to seating Dr. Butz as Secretary of Agriculture.

BERNARD DIETZ.

BLOOMING PRAIRIE, MINN.,
November 17, 1971.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D.C.:

We are opposing the selection of new Secretary for Agriculture.

Mr. and Mrs. ISADORE GERGEN.

MOORHEAD, MINN.,
November 17, 1971.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.:

We support you in your opposition to Butz for Secretary of Agriculture. We know from direct contact numerous area farmers that they are also very critical of the proposed appointment.

SIG STANGELAND,
President.

WINTHROP, MINN.,
November 16, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

We had a professor for the Secretary of Agriculture. Look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for the family farmer

Walter Bushard, Elmer Kuphal, Oliver Kromer, Roger Harbarth, Elmer Kuphal, Ed and Dave Carlson, Melvin Litzau.

Arnold Johnson, Roman Jaus, Dennis Fischer, Robert Kizer, Wallace Benson, Roman Jaus, Melvin Litzau, Roger Harbarth.

Oliver Krommer, Wallace Benson, Walter Bushard, Dennis Fischer, Arnold Johnson, Ed and Dave Carlson, Robert Kizer, Melvin Schuet.

WINTHROP, MINN.,
November 16, 1971.

Senator HUBERT H. HUMPHREY,
Senate office Building,
Washington D.C.:

Help use all your influence to stop confirmation of Earl Butz for Secretary of Agriculture.

Harold Groehler, Ray Ludowese, Vern Paulson, Leroy Briest, Arvin Stark, Harlan Lauwagie, Clarence Harbareath.

Gordon Powers, Kenneth Narr, Don Prost, Wilfred Landkammer, John Floot, Kenneth Peschau.

WINTHROP, MINN.,
November 16, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

We don't need a repeat of the Benson days. Don't confirm Earl Butz for Secretary of Agriculture. We need a Secretary of Agriculture who will work for the family farmer.

Harvey Stolz, Art Wisch, Maynard Rucks, Kenneth Skaro, Victor Kalbaske, Rueben Jutz, Larry Buche.

Clarence Anderly, Clifford Oakland, Tom Fogerty, Orville Saxton, Emmett Dressen, Al Donney.

WINTHROP, MINN.,
November 16, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

I protest Nixon's appointment of Mr. Earl Butz as Secretary of Agriculture. It is high time we get some grass roots representation. Please speak out against this appointment. We need help not more hell consisting of these high farm costs and low farm prices.

Sam White, Donald Schiller, Richard Kuphal, Francis Bigoauette, Arnold Land, Robert Rubischko, Ben Kehr, Arnold Hilesheim, Dean Bruns.

Charles Woods, Rueben Nothwehr, Paul Young, Clayton Overson, Kenneth Gleisner, Donald Schiller, and Walter Lehrke.

TRANSACTION OF ADDITIONAL ROUTINE MORNING BUSINESS

By unanimous consent, the following routing morning business was transacted:

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. WILLIAMS:

S. 2871. A bill to protect marine mammals; to establish a Marine Mammal Commission; and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILLIAMS:

S. 2871. A bill to protect marine mammals; to establish a Marine Mammal Commission; and for other purposes. Referred to the Committee on Commerce.

MARINE MAMMAL PROTECTION

Mr. WILLIAMS. Mr. President, in the past century and one-half, more than 200 species of birds, fish, and mammals have become extinct. According to the Department of the Interior, the United States alone accounted for 48 of these species. In 1969, the Department included 78 species on its endangered list. This year, the Department added three more mammals, eight more birds, and 11 more fish to the list of species now threatened with extinction in the United States. Recently, sperm whales and seven other species of cetaceans were included on this list. It should now be evident that cruel and unnecessary killing of animals must be stopped if we are to maintain the delicate balance of nature and preserve the various species of wildlife and marine mammals for generations to come.

What we do not know about ocean mammals is vastly greater than what we do know. The need for a combination of protection, study, and humane management is great and the time for it is now.

Although various laws on water pollution and oil pollution control also indirectly affect the protection of marine mammals, only six Federal laws are specifically concerned or identified with marine mammals.

Recent public outrage over the killing of marine mammals, and in particular the inhumane methods used in the taking of seals, has generated considerable attention in the 91st and 92d Congresses, with the result that a number of bills for the protection of marine mammals are now pending before the Congress.

I am a cosponsor of one of these bills, S. 1315, which would impose an absolute ban upon the taking of such mammals. The bill I am introducing today, the Marine Mammal Protection Act, is similar to one introduced in the House of Representatives by Congressman ANDERSON of California. My introduction of this legislation is not intended to negate the purpose of S. 1315 and similar legislation, but to offer a suitable alternative, which, while creating a most stringent limitation upon the taking of these animals, also provides the Secretary of the Interior with the authority to issue permits for the taking of marine mammals, if proven to his satisfaction to be necessary.

One exception to this provision is that in order to permit appropriate study for a period of 10 years following enactment, no permits shall be issued for commercial taking of any marine mammal except in accordance with sections 103(e) and 110 of the act.

The bill also establishes an independent three-man Marine Mammal Commission composed of persons who have not been nor are in a position to profit from the taking, processing, or sale of marine mammals.

A major provision of my bill deals with the protection of porpoises and dolphins taken in the course of American tuna fleet operations. There is evidence that porpoises and dolphins are being decimated because of commercial fishing practices. Many commercial fishermen use highly efficient purse seines—nets—to catch schools of tuna which swim behind and underneath the porpoise schools. The seines trap porpoises as well, and many die before they can be released. Our country is responsible for the invention of the purse seine. It is therefore up to us to take affirmative action to stop purse seining in its present form.

The bill I am introducing today provides that no method of commercial fishing shall be employed which is not certified by the Secretary of the Interior as being consistent with the goal of eliminating the injury or killing of porpoises or dolphins incident to the capture of the fish. It further stipulates that the Secretary shall promulgate and regularly update regulations implementing this provision and shall cooperate with other Federal agencies to assist in the development of new technological means of capturing fish in such a way as to eliminate injury or death to porpoises or dolphins. The Marine Mammal Commission shall review the regulations and shall recommend to the Secretary such revisions as it deems appropriate.

Mr. President, I ask unanimous consent to have printed at this point in my remarks, the statement of Mrs. Christine Stevens of the Society for Animal Protective Legislation, before the Subcommittee on Fisheries and Wildlife of the House Merchant Marine and Fisheries Committee's recent hearings on marine mammal legislation. Mrs. Stevens, a strong proponent of adequate measures for the protection of ocean mammals and one who has worked long and hard toward this end, has forcefully pointed out the need for action for the preservation and protection of these animals. She is one of the inspirations of this legislation and her remarks best summarize the problem as well as its solution.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CHRISTINE STEVENS

The Society for Animal Protective Legislation is deeply grateful to the Chairman and members of the Subcommittee on Fisheries and Wildlife of the Merchant Marine and Fisheries Committee for holding these thorough and extensive hearings on sea mammals, creatures remote from most of us, but having an enormous and unexplained fascination for human beings. The view has been expressed that when the entire story of the evolution of homo sapiens is discovered, some phase will be related to life in the sea. Those mammals which, like ourselves, produce only a single offspring at a time, and which have such remarkably well developed brains are possible candidates for a case of, at the very least, parallel development with our own.

INTELLIGENCE AND CHARACTER OF SEA MAMMALS

Clearly, the dearth of scientific literature on the *living* mammals of the oceans makes all theories purely speculative, but as you have stated, Mr. Chairman, we are dealing with animals "some of whom may be at least as intelligent as man." At these hearings, which are the most interesting I have ever attended, we have learned that sea lions and seals are capable of using the money principle which, heretofore, has, I believe, only been tested on the great apes, man's nearest known relatives. We have all heard of the chimpomat which chimpanzees use to get the grapes they want for the plastic discs they earn, but until the testimony submitted on behalf of the Sea Mammal Motivational Institute, I certainly was not aware that pinnipeds could rival chimpanzees in this respect.

Dolphins and porpoises have been called the intellectuals of the sea, but it would appear that even the lesser brains among the sea mammals outshine the majority of terrestial species.

For a long time the distinction which was supposed to separate man from the other

mammals was his ability to use tools. This distinction, like others previously suggested, collapsed in recent times in the face of scientific evidence—evidence of the simplest kind: observation of animals such as chimpanzees and sea otters. At these fascinating hearings we learned that the Southern Sea Otter uses not only the stones with which it has been cracking shell fish on its chest since primeval times, but also pop bottles and beer cans which come to hand so easily today in the ocean's depths as on the face of the earth.

Scientific descriptions of man as "the tool-using animal" remained unchallenged for so long because insufficient observation of animals in their natural environment had been made, and because the use of tools does seem to be an indication of superior intelligence. Certainly, the sea otter qualifies for a rating at the very highest part of any scale which might be drawn up for many of those qualities which we consider most admirable in human beings. To see in the film, "The Sea Otters of Amchitka," a mother sea otter with her enormous pup, seemingly bigger than she at 12 months or more of age, but still, in her eyes, in need of affectionate care, is an experience which encourages one to take an optimistic view of life despite growing evidence for pessimism. This mother works hard, diving for shell fish but never objects when her huge offspring takes the succulent morsel from her mouth. She works. He eats. Finally, he falls asleep, floating comfortably on his back. She preens her fur ready for sleep herself, then thinks she had better take his head up onto her chest. She guards him in his sleep, a marvel of maternal kindness and solicitude.

Do the majority of women who have worn the skins of such creatures as these equal them in tolerance, amiability, devotion and self-sacrifice? Though that question may be better left unanswered, the women who wore these skins in the past may be excused because they did not know what we know now. A question which should be answered, however, is whether the Congress should permit the re-establishment of a luxury fur trade using the skins of animals of this calibre. It is said that the furs they produce are the most beautiful in the world, but what would be the character of the human being who would be willing, knowing the life history and behavior of the typical sea otter, to deck herself in a garment made of sea otter skins?

NEED FOR DEVELOPMENT OF FERTILITY CONTROL IN MANAGEMENT OF SEA OTTERS

We would suggest that in the management of an animal such as the sea otter, the development of techniques to control fertility would be called for in any instance in which it can be firmly established that an otter herd has exceeded the carrying capacity of its range. Such techniques have been developed for the control of pigeon populations in cities and have had limited trials with respect to predator control. They should be expanded for use in the management of sea mammals, especially in areas where undue influence of a commercial nature is likely to be exerted to the detriment of the animals. There is no incentive to apply fertility control unless it is clearly necessary.

COMPOSITION OF MARINE MAMMAL COMMISSION

The point made by Charles Callison of the National Audubon Society concerning the qualifications of individuals to be recommended by the Chairman of the Council on Environmental Quality for appointment by the President to the Marine Mammals Commission is one with which we in the Society for Animal Protective Legislation agree most strongly. Not only do we fear, as he does, that "the fur industry or other commercial and industrial interests whose purpose is exploitation, not conservation" will demand representation on the small, three-man commission, but we fear that some scientists who have what amounts to a vested interest in the killing of sea mammals because of the nature of their specialties and jobs, might exert an unduly great influence. It has been suggested that a broader base which would give the concerned public a substantial voice in decisions should be provided. At the very least, and this is what we would suggest, the qualification for commissioners should be as broad as that specified for the scientific advisory committee (see Recommendations on Contents of Legislation).

STUDY OF FREE LIVING RATHER THAN DEAD OR CLOSELY CONFINED SEA MAMMALS

There is a scientific "new wave" which does not depend upon carcases for its data. The lead article in the August 13th issue of *Science* required no killing of the humpback whales who are its subjects. Because of the importance of this article, I wish to submit it for the use of the Subcommittee. Far more scientific effort should, indeed must, be devoted to the study of the living mammals of the sea in their natural environment. This will require open minds, the putting aside of often repeated techniques which have already yielded the bulk of the information they are capable of eliciting. Some of these techniques have already demonstrated their inherent weaknesses. As Dr. Ray pointed out in previous hearings, the age of all the whales of the world suddenly doubled when scientific views changed. (It is significant that it was a five-year cessation of whale killing during the war which showed the then established scientific data to be off by a factor of 2).

The study of the dead, like the study of close captives, belongs to a period from which we seem at last to be emerging. As the fear of losing the animals, the plants, the air and the water that we have so long taken for granted comes over us, young scientists have appeared to use the scientific method in ways my generation would not have considered or even thought of. This Subcommittee has heard testimony from a few of them, but there are more—some who cannot be located within a reasonable period because they spend much of their time at the bottom of the sea. I would like to quote from the opening of a book by one of these oceanographers, Robert Stenuit, author of *The Dolphin, Cousin to Man*.

TOTAL PROTECTION OF PORPOISES AND DOLPHINS BY ANCIENT GREEKS AND PRESENT DAY RUSSIANS

He quotes from Aesop (600 B.C.), Oppian (Second Century, A.D.), *The New Zealand Gazette*, 1956, and *Isvestia*, 1966. Two of these quotations will convey the idea clearly. Oppian writes: "It is an offense to the Gods to hunt dolphins, and he can no longer approach the Gods to offer a sacrifice nor touch their altars with pure hands, who of his own will has been the cause of the destruction of dolphins. He makes impure even those living under his roof, because the Gods hold the massacre of the monarchs of the depths to be as execrable as the murder of a human." M. Alexander Ishkov, Minister of Fisheries of the U.S.S.R., writes: "The capture of dolphins is henceforth prohibited in all the territories of the Soviet Union. . . . I believe that it will be possible to preserve the dolphins. In the interest of science, their capture should be stopped in all the oceans and seas of the world."

In an illustration following page 144 of the book, the author and a dolphin are shown in a photograph with the following caption: "The teeth of a dolphin could turn him into a dangerous enemy, yet no dolphin has ever attacked or molested a man, even in self-defence. The author here makes a perfectly safe demonstration."

This book tells, too, that the Ancient Greeks set at liberty the dolphins that were caught accidentally in their nets while fishing. Why is our country guilty of the most enormous killing of small cetaceans in the history of the world? Because the use of purse seine nets to save labor in the capture of tuna fish, automatically ensnares the porpoises together with the tuna they run with in the sea. We are informed that during the first four or five years of the use of the purse seines, no organized efforts whatsoever was made to release these friendly, trusting and intelligent mammals from the nets, and an estimated million of porpoises met their death through drowning. The purse-seine technique began about 1958 or 59. The fleet converted to its use in 1959–60, and for years the tuna industry did not even bother to try to let the porpoises who had led them to the lucrative tuna catches go free. Not until they began to recognize that the numbers of porpoises were decreasing so that the industry's ability to find tunafish was also decreasing, did it develop the backing-down technique which saves some of the porpoises. Even with this technique an estimated one quarter of the porpoises are killed in each tuna "set," amounting to approximately 250,000 porpoises drowned each year in the name of canned tunafish.

URGENT NEED FOR REFORM OF PURSE SEINING, OUR COUNTRY'S LAST AREA OF GUILT WITH REGARD TO CETACEANS

Our country is responsible for the invention of the purse seine, an unecological triumph of efficiency. Since we thought it up it is up to us to think of a way to get the porpoises out of it and to see that the other tuna-fishing nations do the same. We must go beyond unilateral action to stop purse seining in its present form. The testimony before this Subcommittee to the effect that the problem is virtually solved is not, in the light of the best information we have been able to obtain, accurate. We have been unable to find a realistic solution. We doubt that one will be reached without the expenditure of far greater mental effort and the funds which such effort generally commands on the market. We believe that the bill approved by this Subcommittee should require immediate *new* effort to solve a problem which is paramount in the Marine Mammals Bill. It is the only area in which the United States of America is guilty of active destruction of cetaceans in a manner which is bringing about the extinction of the very species most celebrated by poets and artists, the species who, according to Oppian, renders a man impure if he "of his own will has been the cause of the destruction of dolphins." I repeat this because the tuna industry wants the distinguished members of this Subcommittee to believe that it "loves" dolphins. Of course, the industry loves the way the small cetaceans lead them to the tuna, but the evidence shows that for years they were completely hard-hearted toward the drowning porpoises in their purse seines. If they had any concern at all it was with the cost of the labor of getting the heavy bodies of the dead porpoises out of the nets, not with saving the porpoises lives.

We urge this Subcommittee to put the tunafish industry to the test. If, indeed, the finer nets now being tested will result in the rescue of the porpoises, they have nothing to fear from legislation which requires that tuna, alone, will be taken in the nets and that no ocean mammals will meet death in the course of purse seining. If, however, these nets are not the answer, then the industry and our government must expend the necessary funds to return our country to a position which the Ancient Greeks could have respected.

CRUEL WAYS OF KILLING SEALS IN OTHER COUNTRIES

Porpoises are not the only sea mammals being caught in nets and slowly drowned. And it is important to remember that the drowning of a sea mammal is far, far worse than the drowning of a terrestrial mammal. Since these creatures can remain below the surface for so long a time, the terror which people who have almost, but not quite drowned describe would be drawn out in a horrible manner. We are informed that seals are being caught in nets along the coasts of Newfoundland, Labrador and the Gulf of St. Lawrence and drowned. Massive shooting of seals at long range, which we have so fortunately avoided in our country takes place every year both in the Gulf of St. Lawrence and on the so-called "Front" just beyond Canadian jurisdiction. Nor are most of the Canadian land based sealers regulated. They reportedly rush out with any kind of a stick they may pick up to club effectively or ineffectively the baby seals which they then skin.

Dr. Harry Lillie described the slaughter in 1964 as follows: "The baby seals, helpless on the ice, are knocked on the head with gaffs, rough cut wooden staffs. This properly done involves no suffering and there is no other satisfactory humane method, but sometimes men will just daze the young seals with a kick before cutting the bodies out of the fat and skin. Later in the season when the babies have taken to the water at three weeks to a month, the adult seals gather on the ice to moult. They are then shot from a distance with rifles, involving great cruelty and waste, many escaping badly wounded to die under the ice. Losses have been as high as two lost for every one secured and I have seen as many as five blood trails leading off one single ice floe with not one seal recovered."

Since that time international publicity has been focussed on the killing of baby seals, and Fisheries Officers have been sent out to supervise the killing of the seals on Canadian ice floes. Major improvements have been made in the killing of seals under their jurisdiction; however, large numbers are killed in areas where there are no Fisheries Officers.

There are thus three inhumane methods whereby the skins of immature and mature harp and hood seals are being obtained outside the jurisdiction of the United States: 1) shooting of adult seals, many of whom are only wounded and die slowly, 2) ineffective stunning of baby seals where no Fisheries Officers are on duty, and 3) netting of seals who are killed by drowning, a slow and terrifying process for an ocean mammal.

EXTREME AGONY OF WHALES CAUSED BY EXPLOSIVE HARPOON

Even more horrifying as a method of killing is the explosive harpoon which is universally used by the whaling industry. As the film, "Thar She Blows" so explicitly shows, the explosive harpoon causes appalling suffering. The narrator points out that it seldom kills with one shot. "Sometimes a whale drags the boat all over the ocean before the gunner can finish him off." We see two and three harpoons being sunk into the same whale. The grenade goes off within the body of the whale, causing excruciating pain. I hope the Subcommittee will be able to see the closing few minutes of this film in which the narrator reports that the whales "encircled their wounded brother as if to protect him." Their noble actions did not spare them—instead, the killing of these great animals is described as a "jackpot climax."

DISHONESTY AND SECRECY IN INTERNATIONAL WHALING

It is interesting to note that, although the film does not credit the Panamanian government or Aristotle Onassis, the name "Olympic Explorer" can be plainly read on the side of one of the vessels. The terrible history of the Olympic Whaling Company is briefly summarized on pages 165–171 of The Blue Whale by Professor George Small (Columbia University Press, 1971) and I would submit copies of these pages for use by the Committee. They describe how the factory ship, *Olympic Challenger*, hid behind an iceberg when discovered about to retrieve the carcasses of humpback whales killed in violation of the regulations of the International Whaling Commission. "The International Whaling Commission had no power to enforce its regulations: it could only formulate them and lament infractions. But national governments can enforce laws, and one of them did so with a vengeance. On November 15 and 16, 1954, units of the Peruvian navy and air force bombed and machine-gunned ships of the *Olympic Challenger* expedition for operating within 200 miles of the Peruvian coast. Five of the vessels were taken to port and detained for weeks until a fine of $3 million was paid. The Peruvian action only temporarily halted the operations of the fleet. Shortly thereafter, the *Olympic Challenger* sailed for the antarctic." There, as reported by Professor Small, "The entrails of baby whales were processed in cooker No. 8 on the *Olympic Challenger* before being jettisoned. Unprocessed baby whale entrails would float for some time and be evidence of illegal whaling."

The Federation of Norwegian Whaling Companies took court action to seize oil and ships of the Olympic Whaling Company. According to Small, "The corporate legal battle that followed was conducted for the most part in secret. No trials were held. Anders Jahre representing the Norwegian companies and Onassis representing the Olympic Whaling Company reached a private settlement. The Norwegians paid $1 million and the Olympic Whaling Company paid $3 million to a special fund for the Norwegian Whaling industry. This special fund was used to construct a luxury hotel with office space for the Association of Norwegian Whaling Companies in Sandefjord, Norway." Thus were the whalers settling their differences with the usual secrecy while the public continued naively to suppose that the International Whaling Commission was protecting the whales.

The secrecy surrounding whaling suggests guilty consciences, and the secrecy is intense. The whaling companies in Japan and Norway from whom Professor Small sought financial information were unwilling to provide data. The Japanese described it as "highly confidential." No information at all is available from the U.S.S.R. on the subject. The International Whaling Commission itself meets behind closed doors whenever it is making decisions on how many whales to kill, and shuns publicity, as well it may, for now that it is, at last, receiving the attention of the press, the comments are unanimously unfavorable.

THE INTERNATIONAL WHALING COMMISSION, A HORRIBLE EXAMPLE

The International Whaling Commission exemplifies everything that we hope the Commission proposed under H.R. 10420 will not be. It is industry-dominated, yet is able to hide behind its scientific advisors who, despite the fact that their views are often ignored by it, doggedly defend it in public. Industry with a scientific veneer is a dangerous enemy of true conservation. The International Whaling Commission is a classic example of wildlife management gone wrong, and I would suggest that anyone who defends this travesty be automatically disqualified from serving on the Commission or scientific committee proposed in H.R. 10420. If our country should have the misfortune to create a minature I.W.C. to decide the fate of marine mammals, then these hearings would have been in vain, and we would be moving backward rather than forward.

I went to visit the headquarters of the I.W.C. in London earlier this year and was shown into a narrow office crammed with stacks of reports. Certainly, no one could complain that spendthrifts were in charge. It is hard to envision the casual payment of fines of millions of dollars by companies supposedly controlled in this cramped and shabby room with its single youthful occupant. The result of my visit was a letter informing me that I would not be permitted to attend as an observer at the Commission's meetings in Washington this June.

NEED FOR A COMBINATION OF PROTECTION, STUDY, AND HUMANE MANAGEMENT

Mr. Chairman, there has been an attempt to emphasize the difference in views of the so-called "pure protectionists" and the wildlife managers. This is regrettable. Both groups, however determined that they have a monopoly on being right, could adopt a good deal of each other's philosophy to the advantage of the animals. In this age of polluting and over-harvesting of the food on which ocean mammals are dependent, and at a time when the passion for motor boats is known to be endangering the manatees and Southern Sea Otters, how can the pure protectionist turn his back on studies of the conditions under which the animals live and have to seek their fortune? The propeller wounds we were shown on the back of the manatee in Dr. Hartman's slide must have been very painful, and he stated that the chief source of manatee mortality is speeding motor boats. The manatee already has total protection by state law, and certainly federal law should give it total protection, too. But it needs more than that. The studies of scientists like Dr. Hartman should be continued and fostered under the Act which the Subcommittee approves. We should continue to learn about the condition of the mammals of the sea, and the great bulk of these studies should be performed without killing the animals.

Here is the place where traditional management techniques need modification in dealing with these most remarkable of mammals. The survivors of a gruelling evolutionary process which enables airbreathers to spend so much time in another element simply cannot be treated as units in a ledger of profit and loss, as targets for the marksman, as readily expendable exhibits, or subjects of lethal experiments.

Management practices which are known to be detrimental to the animals, such as the flipper-tagging of seals which has proven to contribute to a high mortality of the tagged animals, should not be continued. Humane substitute methods of marking should be used if available, developed if not available.

Where studies of dead animals are needed, and they are essential in assessing the effects of pollution, the use of recovered carcasses as described by Judson Vandevere of Hopkins Marine Station of Stanford University should be encouraged.

Observation of living sea mammals may be difficult, but it is not impossible, and it has never led to the disastrous mistakes made by the whaling scientists whose data collection was from dead animals only. Professor Small documents on pages 27–32 of *The Blue Whale* the total confusion surrounding the "knowledge" of the whales' ages. "The specific knowledge of age at sexual maturity was attained when its commercial life was 95.2% over. In other words, by the time the Japanese scientists confirmed Ruud's findings, 95.2% of all the blue whales taken in the history of antarctic whaling had already been killed." What brought about the discovery that blue whales cannot breed at age two, as prestigious whaling scientists had caused everyone to believe? *An enforced moratorium caused by the second world war.* "When whaling was resumed in 1945 it was quite evident that the stock of blue whales had not increased significantly. There were fewer very young blue whales but evidently those born early in the war had made no contribution to the population. Sexual maturity at age two was obviously wrong." This monumental error of whaling scientists undoubtedly contributed to the pathetic status of the blue whale (estimated at 600 to 3,000 individual animals) today.

XUM

LACK OF KNOWLEDGE ABOUT OCEAN MAMMALS AND THEIR VALUE TO MAN AS TEACHERS

These hearings have demonstrated that what we don't know about ocean mammals is so vastly greater than what we do know, that the potential value of the different species may well be enormous, not in terms of fur or meat or oil, but in terms of each one's special adaptations, particular form of intelligence, peculiar abilities in dealing with life in an element where man is at a great disadvantage.

The polar bear, a creature about whose travels scientists continue to argue, is probably the teacher of the first men to live in the arctic. In *The World of the Polar Bear* (University of Washington Press, 1966) Richard Perry describes (page 20) the mother bear's den. "The passage, which slopes slightly upwards, preventing the warmed air of the interior escaping, leads over a low separation wall into a spacious oval-shaped chamber about six feet long and four feet wide. A polar bear's den is clearly the prototype of the Eskimo's igloovluk or snow house. . . . More elaborate dens have been described. One on Svalbard was divided into two chambers, each ten feet long and five feet wide, connected by a narrow passage. One chamber had apparently served as birthplace and sleeping place, the other as a playroom for the cubs."

It took a long time for zoos to pay sufficient serious attention to what the mother bear did for herself in the wild to realize that they must supply heat and privacy for her and the newborn cub if cubs born in captivity were to survive. These are such elementary observations that it is startling to learn that they were not made for many years. Actually, it is only one more example of what I believe to be the prime cause for so much ignorance, so many mistakes, and failure to see the obvious: that is, lack of respect for and appreciation of the capabilities of non-human mammals, especially sea mammals.

It is my hope that these hearings and the legislation developed from them will establish the mammals of the sea as deserving of attention in their own right, and as potential teachers of men, not as rugs and grease for cars and food for mink. If such respect animates scientific studies concerning them, these studies will be far more fruitful in advancing our civilization.

Questions concerning the relationship between Eskimos and marine mammals have been raised several times at these hearings, but little has been said about the knowledge which might still be acquired from Eskimos concerning these animals. For example, Richard Perry in *The World of the Polar Bear* notes that the Chukchee people claim to be able to differentiate between the bears which permanently inhabit their coasts, and the oceanic visitors which reach them on the drift-ice. We badly need acute observers of sea mammals whose experience and life style has accustomed them to make close and careful observations in all kinds of weather, to look, and listen intently. Provided with appropriate equipment, such Eskimo observers would photograph with precision and artistry for documentary purposes. Such work is worthy of the most able and dignified persons both young and old, and if adequately financed by our government and carried out under the supervision of a broadly constituted Commission with a genuine interest in the development of knowledge and understanding of marine mammals, I believe it would result in the acquisition of important scientific knowledge which would be exceedingly difficult to obtain by other means.

We need to get away from "establishment" attitudes, Mr. Chairman, if we are going to learn about marine mammals and the ecological relationships in the oceans about which they are so eminently well-fitted to inform us. The appropriate employment of Eskimos as observers of the *living* animals is one practical way to do this.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the full text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2871

A bill to protect marine mammals; to establish a Marine Mammal Commission; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Marine Mammal Protection Act of 1971".

FINDINGS AND DECLARATION OF POLICY

SEC. 2. The Congress finds that—

(1) certain species and population stocks of marine mammals are, or may be, in danger of disappearance as a result of man's activities;

(2) such species and population stocks should not be permitted to diminish beyond the point at which they can maintain that equilibrium at which they can be shown to withstand mortality caused by pollution, accidents and natural causes, and measures should be immediately taken to replenish any species or population stock which has already diminished beyond that point;

(3) there is inadequate knowledge of the population dynamics of such marine mammals and of the factors which bear upon their ability to reproduce themselves successfully;

(4) negotiations should be undertaken, as soon as possible, to encourage the development of international arrangements for research on, and conservation of, marine mammals; and

(5) marine mammals have proven themselves to be resources of great international significance, esthetic and recreational as well as economic, and it is the sense of the Congress that they should be protected to the greatest possible extent commensurate with sound policies of resource management.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) The term "marine mammal" means any seal, whale, walrus, dugong, manatee, sea otter, sea lion, polar bear, porpoise, or dolphin.

(2) The term "population stock" means a group of interbreeding marine mammals of the same species or smaller taxa in a common spatial arrangement.

(3) The term "Secretary" means the Secretary of the Interior.

(4) The term "take" means to harass, hunt, capture, or kill, or attempt to harrass, hunt, capture, or kill any marine mammal;

(5) The term "waters under the jurisdiction of the United States" means—

(A) the territorial sea of the United States, and

(B) the fisheries zone established pursuant to the Act of October 14, 1966 (80 Stat. 908,. 16 U.S.C. 1091–1094).

TITLE I—CONSERVATION AND PROTECTION OF MARINE MAMMALS

PROHIBITIONS

SEC. 101. (A) Except as provided in sections 102, 107, 108, 109, and 110 of this title, it is unlawful—

(1) for any person subject to the jurisdiction of the United States or any vessel subject to the jurisdiction of the United States to take any marine mammal on the high seas;

(2) for any person or vessel to take any marine mammal in waters under the jurisdiction of the United States or on land appurtenant thereto;

(3) for any person to use any port, harbor, or other place under the jurisdiction of the United States for any purpose in any way connected with acts prohibited under paragraphs (1) and (2) of this section; and

(4) for any person to engage in any of the following acts with respect to marine mammals or parts of marine mammals (including raw, dressed, or dyed fur or skins) taken in violation of this section after the effective date of this title:

(A) possess any such mammal or part thereof, or transport, sell, or offer for sale any such mammal or part thereof in interstate commerce.

(B) Except as provided in Sections 102, 107, 103, 109, and 110 of this title, it is unlawful, notwithstanding any other provision of this Act, for any person to import any marine mammal or parts of marine mammals (including raw, dressed or dyed fur or skins) into the United States.

LIMITATIONS ON TAKING OF MARINE MAMMALS

SEC. 102. (a) The Secretary, after notice and opportunity for public hearing, shall prescribe such limitations with respect to the taking of each species of marine mammal (including limitations on the taking of individuals within population stocks) as he deems necessary and appropriate to insure that such species or population stock within waters under the jurisdiction of the United States—

(1) is not threatened with extinction, disappearance, or undue attrition whether by natural or manmade causes;

(b) The limitations prescribed under subsection (a) of this section for any species or population stock of marine mammal may include, but are not limited to, restrictions with respect to—

(1) the number of animals which may be taken in any calendar year pursuant to permits issued under section 103;

(2) the age, size, or sex (or any combination of the foregoing) of animals which may be taken, whether or not a quota prescribed under paragraph (1) of this subsection applies with respect to such animals;

(3) the season or other period of time within which animals may be taken; and

(4) the manner and locations in which animals may be taken.

(c) Before prescribing any annual quota under paragraph (1) of subsection (b) of this section, the Secretary shall, in addition to any other requirements imposed by law with respect to agency rulemaking, publish and make available to the public—

(1) a statement of the existing levels of the species and population stocks of the marine mammal concerned;

(2) a statement of the expected impact of the proposed quota on such species or population stock; and

(3) any studies made by, or for, the Secretary or the Marine Mammal Commission which relate to the establishment of such quota.

(d) Any limitation prescribed pursuant to this section shall be periodically reviewed, and may be modified from time to time in such manner as the Secretary deems necessary to carry out the purposes of this Act.

PERMITS

SEC. 103. (a) The Secretary may issue permits, after notice and opportunity for public hearing, which authorize the taking of any ocean mammal, except that in order to permit appropriate study for a period of ten years following the effective date of this title, no permits shall be issued for commercial taking of any marine mammal except in accordance with subsection (e) of this Section and Section 110 of this Act.

(b) Any permit issued under this section shall—

(1) be consistent with any applicable limitation established by the Secretary under section 102, and

(2) specify—

(A) the number and kind of animals which are authorized to be taken.

(B) the location and manner (which manner must be determined by the Secretary to be humane) in which they may be taken,

(C) the period during which the permit is valid, and

(D) any other terms or conditions which the Secretary deems appropriate.

(c) The Secretary may modify, suspend, or revoke in whole or part the terms and conditions of any permit issued by him under this section—

(1) in order to make any such permit consistent with any change made after the date of issuance of such permit with respect to any applicable limitation prescribed under section 102, and

(2) in any case in which a violation of the terms and conditions of the permit is found. Any modification, suspension, or revocation of a permit under this subsection shall take effect at the time notice thereof is given to the permittee. The permittee shall then be granted opportunity for expeditious hearing by the Secretary with respect to such modification, suspension, or revocation.

(d) Any permit issued under this section must be in the possession of the person to whom it is issued (or an agent of such person) during—

(1) the time of the authorized taking;

(2) the period of any transit of such person or agent which is incident to such taking; and

(3) any other time while any marine mammal taken under such permit is in the possession of such person or agent.

(e) Upon the effective date of this title, no method of commercial fishing shall be employed which is not certified by the Secretary as being consistent with the goal of eliminating the injury or killing of porpoises or dolphins incident to the capture of the fish. The Secretary shall promulgate and regularly update regulations implementing this subsection, and shall, in cooperation with other Federal agencies, undertake to assist in the development of new technological means of capturing fish in such a way as to eliminate injury or death to porpoises or dolphins. The Marine Mammal Commission, established pursuant to title two of this Act, shall review the regulations promulgated pursuant to this subsection and shall recommend to the Secretary such revisions of these regulations as it deems appropriate, with regard to the protection of porpoises and dolphins.

(f) The Secretary shall prescribe such procedures as may be necessary to carry out this section, including the manner and form in which application for permits may be made and the information which should accompany with an application to enable the Secretary to review and evaluate the proposed taking. Such information must include conclusive proof that no harm will be caused the population stock if a permit is issued.

PENALTIES

SEC. 104. (a) Any person who violates any provision of this title or any regulation issued thereunder may be assessed a civil penalty by the Secretary or not more than $5,000 for each such violation. No penalty shall be assessed unless such person is given notice and opportunity for a hearing with respect to such violation. Each violation shall be a separate offense. Any such civil penalty may be compromised by the Secretary. Upon any failure to pay a penalty assessed under this subsection, the Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person is found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action. In hearing such action, the court may review the violation and the assessment of the civil penalty de novo.

(b) Any person who knowingly violates any provision of this title or any regulation issued thereunder shall, upon conviction, be fined not more than $10,000, or imprisoned for not more than one year, or both.

FORFEITURE

SEC. 105. (a) Any vessel subject to the jurisdiction of the United States that is employed in any manner in connection with a violation of the provisions of this title, including its tackle, apparel, furniture, appurtenances, cargo, and stores, shall be subject to forfeiture and all marine mammals or parts thereof, taken or retained in violation of this title or the monetary value thereof shall be forfeited.

(b) All provisions of law relating to the seizure, summary, and judicial forfeiture, and condemnation of a vessel, including its tackle, apparel, furniture, appurtenances, cargo, and stores, for violation of the customs laws, the disposition of such vessel, including its tackle, apparel, furniture, appurtenances, cargo, and stores, or the proceeds from the sale thereof, and remission of mitigation of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this title, insofar as such provisions of law are applicable and not inconsistent with the provisions of this title.

ENFORCEMENT

SEC. 106. (a) The Secretary shall enforce the provisions of this title. The Secretary may utilize, by agreement, the personnel, services, and facilities of any other Federal agency for purposes of enforcing this title.

(b) The Secretary may also designate officers and employees of any State or of any possession of the United States to enforce the provisions of this title. When so designated, such officers and employees are authorized to function as Federal law enforcement agents for these purposes, but they shall not be held and considered as employees of the United States for the purposes of any laws administered by the Civil Service Commission.

(c) The judges of the United States district courts and the United States commissioners may, within their respective jurisdictions, upon proper oath or affirmation, showing probable cause, issue such warrants or other process issued in admiralty proceedings in Federal district courts, as may be required for enforcement of this title and any regulations issued thereunder.

(d) Any person authorized by the Secretary to enforce this title may execute any warrant or process issued by any officer or court of competent jurisdiction for the enforcement of this title.

(e) Such person so authorized may—

(1) with or without warrant or other process, arrest any person committing in his presence of view a violation of this title or the regulations issued thereunder;

(2) with a warrant or other process or without a warrant, if he has reasonable cause to believe that a vessel subject to the jurisdiction of the United States or any person on board is in violation of any provision of this title or the regulations issued thereunder, to search such vessel and to arrest such person;

(3) seize any vessel subject to the jurisdiction of the United States, together with its tackle, apparel, furniture, appurtenances, cargo, and stores, used or employed contrary to the provisions of this title or the regulations issued hereunder or which reasonably appears to have been so used or employed; and

(4) seize, whenever and wherever found, all marine mammals or parts thereof taken or retained in violation of this title or the regulations issued thereunder and shall dispose of them in accordance with regulations prescribed by the Secretary.

EXCEPTIONS

SEC. 107. (a) The provisions of this title shall not apply with respect to the taking of any marine mammal by Indians, Aleuts, or Eskimos who dwell on the coasts of the North Pacific or Arctic Oceans if such taking (1) is done solely in accordance with customary traditions as an adjunct of the native culture, and (2) is not done for purposes of direct or indirect commercial sale or resale. The provisions of this title shall apply to Indians, Aleuts, and Eskimos who are employed by any person for the purpose of taking marine mammals, or who are under contract or agreement to deliver the skins of any marine mammals to any person.

(b)(1) Nothing in this title shall prohibit any person deemed qualified by the Secretary from obtaining written consent from the Secretary to capture on his own account and in a humane manner any marine mammal for (A) public display or educational purposes, or (B) for legitimate scientific or medical research, if such public display, educational purpose or research is proved to the satisfaction of the Secretary to be necessary.

(2) The Secretary shall by regulation specify the methods of capture, supervision, and transportation applicable in the case of marine mammals captured under the authority of this subsection. Such regulations shall further assure that such mammals so captured will thereafter be cared for in a humane manner.

(3) Any person authorized to take a marine mammal under this subsection shall be required by the Secretary to furnish a report on his activities pursuant to such authority. Such report shall be made to the Secretary as soon as practicable after the close of any expedition made for the purpose of such taking, whether or not any marine mammal was taken during such expedition.

INTERNATIONAL PROGRAM

SEC. 108. The Secretary, in cooperation with the Secretary of State and other appropriate Federal officers and agencies, shall develop an international program for the protection of marine mammals and shall take every possible step to encourage the adoption of international arrangements which would be appropriate for effectuating such program.

COOPERATION WITH STATES

SEC. 109. The Secretary is authorized and directed to develop cooperative arrangements with the appropriate officials of the several States for the conservation and protection of marine mammals. Such arrangements shall prescribe the circumstances under which marine mammals which pass through or reside within the territorial waters of any State may be taken, and any marine mammal taken within the scope of such cooperative arrangements shall be demed to have been lawfully taken within the meaning of this title.

NORTH PACIFIC FUR SEAL CONVENTION

SEC. 110. The Secretary shall undertake an immediate review of the current activities involved in the taking of fur seals on the Pribilof Islands for the purpose of determining whether such activities are consistent with the purposes and policy of this Act. If, as a result of such review, the Secretary determines that such activities should be significantly curtailed or terminated, then during the time commencing with the date of such curtailment or termination and ending on the date of the expiration of the International Convention for the Conservation of North Pacific Fur Seals, Japan and Canada, for each annual period occurring within such time, shall each be given the opportunity to select one of the following options in lieu of receiving the fur seal skins to which such country would otherwise be entitled—

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(1) the average dollar value (based on the average dollar value received for fur seal skins during the five-year period immediately preceding such date of curtailment or termination) of the fur seal skins to which such country would otherwise be entitled during the annual period concerned; or

(2) Nine thousand fur seal skins, to be shipped directly to such country from the Pribilof Islands.

In any case in which Japan or Canada elects to take the skins, under clause (B) of the preceding sentence, the killing of the seals shall be done in the manner prescribed by the Secretary taking into account the desirability of preserving and improving the genetic stock of the Pribilof herd of seals. This section shall be interpreted so as to give maximum effect to such Convention.

REGULATIONS

SEC. 111. The Secretary shall prescribe such regulations as are necessary and appropriate to carry out the purposes of this title.

APPLICATION TO OTHER LAWS AND CONVENTIONS

SEC. 112. The provisions of this title shall be deemed to be in addition to the provisions of any other law, treaty, or convention which may otherwise apply to the taking of marine mammals.

APPROPRIATIONS

SEC. 113. There are authorized to be appropriated such sums as may be necessary to carry out this title.

EFFECTIVE DATE

SEC. 114. This title shall take effect one hundred and eighty days after the date of its enactment.

TITLE II—MARINE MAMMAL COMMISSION

ESTABLISHMENT OF COMMISSION

SEC. 201. (a) There is hereby established the Marine Mammal Commission (hereafter referred to in this title as the "Commission").

(b) The Commission shall be composed of three members who shall be appointed by, and serve at the pleasure of, the President. The President shall make his selection from a list, submitted to him by the Chairman of the Council on Environmental Quality, of individuals knowledgeable in the fields of marine ecology or marine mammals affairs, who have not been nor are in a position to profit from the taking, processing or sale of marine mammals. No member of the Commission may, during his period of service on the Commission, hold any other position as an officer or employee of the United States, except as a retired officer or retired civilian employee of the United States.

(c) The President shall designate a Chairman of the Commission (hereafter referred to in this title as the "Chairman") from among its members.

(d) Members of the Commission may each be compensated at the rate of $100 for each day such member is engaged in the actual performance of duties vested in the Commission. Each member shall be reimbursed for travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(e) The Commission shall have an Executive Director, who shall be appointed by the Chairman with the approval of the Commission and shall be paid at a rate not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of title 5, United States Code. The Executive Director shall have such duties as the Chairman may assign.

DUTIES OF COMMISSION

SEC. 202.(a) The Commission shall—

(1) undertake a comprehensive review and study of the activities of the United States pursuant to existing laws and international conventions relating to marine mammals, including, but not limited to, the International Convention for the Regulation of Whaling, the International Convention on the Conservation of North Pacific Fur Seals, and the Fur Seal Act of 1966;

(2) conduct a continuing review and study of the condition of the stocks of marine mammals, of methods for their management, including the development of methods of fertility control, and of humane means of taking marine mammals;

(3) undertake or cause to be undertaken such studies, in particular those which can be conducted on living sea mammals free in their natural environment, as it deems necessary or desirable for determining the need for additional measures for the protection and management of marine mammals;

(4) recommended to the Secretary and to other Federal officials such steps as it deems necessary or desirable for the protection and management of marine mammals;

(5) recommended to the Secretary such revisions of the Endangered Species List, authorized by the Endangered Species Conservation Act of 1969, as may be appropriate with regard to marine mammals; and

(6) recommend to the Secretary, other appropriate Federal officials, and Congress such additional measures as it deems necessary or desirable to further the policies of this Act, including provisions for the protection of the Indians, Eskimos, and Aleuts whose livelihood may be adversely affected by actions taken pursuant to this Act.

(b) The Commission shall consult with the Secretary at such intervals as it or he may deem desirable, and shall furnish its reports and recommendations to him, before publication, for his comment.

(c) The activities of the Commission, and the reports and recommendations which it makes, as well as all comments and correspondence in regard to such reports and recommendations, shall be matters of public record and shall be available to the public at all reasonable times. The Commission shall furnish to the Council on Environmental Quality copies of any such reports, recommendations, and related comments that are made by Federal, State, or local agencies.

(d) Any recommendations made by the Commission to the Secretary and other Federal officials shall be responded to by those individuals within ninety days after receipt thereof. Any recommendations which are not followed or adopted shall be rereferred to the Commission together with a detailed explanation of the reasons why those recommendations were not followed or adopted.

COMMITTEE OF SCIENTIFIC ADVISORS ON MARINE MAMMALS

SEC. 203. The Commission shall establish, within ninety days after its establishment, a Committee of Scientific Advisors on Marine Mammals (hereafter referred to in this title as the "Committee"). Such Committee shall consist of nine scientists knowledgeable in marine ecology and marine mammal affairs appointed by the Chairman with the advice of the Director of the National Science Foundation, the Chairman of the National Academy of Science, and the Secretary of the Smithsonian Institution. The Commission shall consult with the Committee on all studies and recommendations which it may propose to make or has made, and any recommendations made by the Committee or any of its members which are not adopted by the Commission shall be transmitted by the Commission to the appropriate Federal agency and to Congress with a written explanation of the Commission's reasons for not accepting such recommendations.

COMMISSION REPORTS

SEC. 204. The Commission shall transmit to Congress, by January 31 of each year, a report which shall include—

(1) a comprehensive description of the activities and accomplishments of the Commission during the immediately preceding year; and

(2) all the findings and recommendations made by the Commission pursuant to section 202, together with the responses made to its recommendations by the appropriate Federal agencies.

COORDINATION WITH OTHER FEDERAL AGENCIES

SEC. 205. The Commission shall have access to all studies and data compiled by Federal agencies regarding marine mammals. With the consent of the appropriate Secretary or Agency head, the Commission may also utilize the facilities or services of any Federal agency and shall take every feasible step to avoid duplication of research and other efforts in carrying out the purposes of this Act.

ADMINISTRATION OF COMMISSION

SEC. 206. The Commission, in carrying out its responsibilities under this title, may—

(1) employ and fix the compensation of such personnel;

(2) acquire, furnish, and equip such office space;

(3) enter into such contracts or agreements with other organizations, both public and private, including the Committee; and

(4) incur such necessary expenses and exercise such other powers,

as are consistent with and reasonably required to perform its functions under this title. Financial and administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the General Services Administration, for which payment shall be made in advance, or by reimbursement from funds of the Commission in such amounts as may be agreed upon by the Chairman and the Administrator of the General Services Administration.

AUTHORIZATIONS

SEC. 207. There are authorized to be appropriated for the fiscal year in which this title is enacted and for the next two fiscal years thereafter such sums as may be necessary to carry out this title, but the sums appropriated for any such year shall not exceed $1,000,000.

SENATE RESOLUTION 196—SUBMISSION OF A RESOLUTION COMMENDING THE CHAIRMAN AND MEMBERS OF THE FEDERAL POWER COMMISSION

(Referred to the Committee on Commerce.)

Mr. BELLMON. Mr. President, I submit today for myself, the Senator from Wyoming (Mr. HANSEN), and the Senator from Alaska (Mr. STEVENS), a sense of the Senate resolution to commend the chairman and members of the Federal Power Commission.

This Nation uses more energy than any country in the world. For the past 5 years clean-burning fuels have been in increasing demand. Natural gas, a commodity once in abundant supply, is such a fuel. Over the past 3 years, our country has produced and used more natural gas than was added to reserves during the same period.

The cause for this situation arose from a system of price regulation imposed on the natural gas industry in the 1950's. While other energy-producing fuel prices continued to increase, natural gas has been held to an inordinately low-price structure. Because of its low price and its clean-burning energy source, the demand for this commodity has risen sharply.

Now our Nation is beginning to face what could be a tremendous shortage of energy. More and more suppliers of natural gas and electricity, which is largely produced by burning fossil fuels or natural gas, have announced that they are no longer able to commit their energy for other than single-family purposes.

Mr. President, the actions over the past months by the Federal Power Commission indicate that they are aware of the problems resulting into the low price of natural gas and are continuing to work toward providing an adequate pricing structure to encourage development and exploration of more reserves.

The resolution (S. Res. 196) reads as follows:

S. RES. 196

Whereas the United States has been producing and using more natural gas than has been added to reserves for the past three years, which has resulted in numerous turndowns of additional service requests because of an inadequate supply, and

Whereas an inadequate supply of domestically produced natural gas will result in an unnecessarily high cost of energy to the consumers of the United States, and

Whereas the Chairman and members of the Federal Power Commission have been working to provide more incentives to improve the natural gas supply position of the United States, Now, therefore, be it

Resolved, That the sense of the Senate is that the Chairman and the members of the Federal Power Commission be commended for their efforts to increase the supply of Natural Gas and that they be encouraged to continue in their efforts to provide better incentives for exploring, drilling, producing, and transporting natural gas to consuming areas.

REVENUE ACT OF 1971—AMENDMENT

AMENDMENT NO. 703

(Ordered to be printed and to lie on the table.)

Mr. GAMBRELL. Mr. President, I am submitting an amendment to the amendment of the distinguished Senator from Rhode Island (Mr. PASTORE), and others—Amendment No. 692—to H.R. 10947, the Revenue Act of 1971. I ask unanimous consent that my amendment be printed in full at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 703

On page 26, after line 25, insert the following new section:

"SEC. 1012. Notwithstanding any other provision of law, no candidate of a major political party shall be eligible to receive any payments under Sec. 1006 hereof unless nominated by a political party whose national committee shall be composed of members of such party who are selected from the several states, at not less than two-year intervals, by the democratic process, and unless such members are fairly apportioned among the several states. One individual may represent more than one State on any such committee, and more than one individual on such committee may represent the same state, so long as the constituency of each such individual shall be fairly apportioned.

Section Two. Definitions:

(a) "National Committee" means any organization which manages the affairs of a political party when said party is not meeting in a national convention to nominate candidates for President and Vice President of the United States. If such management responsibility resides in, or is delegated to more than one committee or organization, each such committee or organization shall be deemed to be a "national committee".

(b) "Democratic process" means:

(1) Election by members of the public in the constituency who are eligible to vote in federal elections;

(2) Election by members of the political party in the constituency, if such election is conducted in a manner which protects equally the opportunity of each member of said party who is eligible to vote in federal elections to participate in the election process; or

(3) Selection by a caucus, committee or convention of a political party if such caucus, committee or convention shall have been fairly apportioned and if the members of such caucus or committee or the delegates to such convention were selected in a manner which protects equally the opportunity of each member of such party, who is eligible to vote in federal elections, to participate in the process by which such members or delegates are selected.

(c) "Members" shall mean persons who are deemed to be such under applicable law, or party rule adopted pursuant to law.

(d) "Fairly apportioned" shall mean proportionately equal apportionment to geographic areas or districts in accordance with either:

(1) Population of the total constituency, or

(2) Enumeration of party constituents within the total constituency.

(e) "Enumeration of party constituents" shall mean the average number of electors who have voted for candidates of such party in the most recent contested general elections for the President of the United States, and for United States Senator and Governor (if there have been such elections), during not less than the previous six years, and giving equal weight to such electors in each of such elections.

(f) "State" means each of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and the Canal Zone.

Mr. GAMBRELL. Mr. President, the purpose of my amendment is to encourage more democratic participation in the affairs of the major national political parties. My amendment would require that the two principal national political parties have democratically selected and fairly apportioned national committees in order for their candidates for President to qualify for campaign financing under the Pastore amendment.

On July 14, of this year, I introduced a bill identified as S. 2265, to provide for the fair and equitable apportionment of delegates to conventions held for the purpose of nominating candidates for the offices of President and Vice President, and for other purposes. My statement in connection with the introduction of S. 2265 is found in the CONGRESSIONAL RECORD for July 14.

The amendment which I am offering today carries forward a portion of that proposed legislation. I ask unanimous consent that my statement on July 14 along with a copy of the "National Political Conventions Act" which I introduced at that time, be included in the RECORD at the end of my remarks today.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

(See exhibit 1).

Mr. GAMBRELL. Mr. President, what I stated on that occasion is equally applicable to the proposal which I offer today.

Our National Democratic Party has gone through a process of reform with respect to its convention delegates, and these reform procedures are being imposed on State democratic organizations throughout the country. There is absolutely no reason why similar reforms should not be imposed upon the national committees of our two major political parties in this country. The principal political organs of our National Government would become more responsive to public sentiment, and would have fewer of the attributes of manipulated political machines.

My amendment simply provides that, in order to participate in funds available for national presidential campaigns under the Pastore amendment, a candidate for President must have been nominated by a party whose national committee is fairly apportioned and selected by a democratic process.

"Fairly apportioned" means apportionment among the States, either by population, or by party constituency—measured by voting strength of presidential, senatorial, and gubernatorial elections.

"Democratic process" means election by the public, or by members of the political party, or by a convention which is fairly apportioned. In every case, a full opportunity must be given for participation by all persons eligible to vote in Federal elections.

These are substantially the same reforms as have been adopted by the National Democratic Party for the selection of delegates to its national convention. There could hardly be objection to adopting the same requirements for its national committee as are made for its national convention.

I call on all of my colleagues to support this political reform which should inspire public confidence in the activities of national political parties.

EXHIBIT 1

NATIONAL POLITICAL CONVENTION ACT

Mr. GAMBRELL. Mr. President, approximately 1 year from today the Democratic National Convention will assemble at Miami Beach, Fla., for the purpose of nominating the candidates of that party for the offices of President and Vice President of the United States and the adoption of that party's campaign platform for the presidential elections in 1972. Shortly after that convention, the Republican National Convention will meet for similar purposes.

While both meetings may appear at this time to be a safe distance off, within which any needed imperfections in their makeup can be identified and disposed of, we all recognize that actually the time is very short in terms of the time required to effect reforms and adjustments in a national political institution. The processes of delegate selection are now in the process of formulation within both national political parties, and the actual election or selection of delegates will commence shortly after the first of January 1972, now only a few months away.

Recent developments affecting both of our national political parties, as well as experiences at both party conventions in the past, lead me to conclude that certain basic reforms should be established as a matter of national policy for all national political parties, and should be inserted into the presi-

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dential nominating system at the earliest possible time.

There may have been a time when these conventions were the private affair of the political upper crust of this country. Other than the names of the nominees and the party's platform, what took place at the convention was little known and understood by the average citizen, and was thought by many political leaders and citizens alike, to be no business of the average man.

With the advent of television, and a better informed, and I might say more concerned citizenry, national political conventions have become a better understood mechanism in our system of government. Unfortunately, what these conventions have become known for and understood to be, is, on the one hand, a cut and dried performance with a predetermined grand finale or, on the other hand, a raucous public spectacle more akin to a cowboys and Indians movie. In either event, the citizen back home hardly has the impression of the serious business of selecting the leadership for the most powerful country in the world, through the orderly workings of a democracy.

In my judgment, the serious and concerned citizens of this country, especially its young people, want to be accorded a full and fair measure of participation in national political conventions, and want these conventions to be conducted on a fair and orderly basis, free of hypocritical showmanship and political opportunism.

Also, in my judgment, the establishment of a clear national policy for fair representation to all citizens at such conventions, with delegates who are selected on a democratic basis will reduce to a minimum the problems of internal and external disorder at these conventions.

It is with this in mind that I have today introduced a bill to be called "The National Political Parties and Conventions Act of 1971." The purpose of the bill is to provide all persons, States, and sections of the country with an equal opportunity for participation in the national conventions and the management of national political parties.

The act provides:

First. For apportionment of delegates to national political conventions among the States represented, on a one-man, one-vote basis, in accordance with total population.

Second. For the apportionment of national committee membership on the same basis.

Third. For the selection of national convention delegates and national committee members by democratic processes.

Fourth. For uniform enforcement of national convention rules among delegates and delegations.

Fifth. That bribery of a convention delegate shall be a felony.

The apportionment, and the processes of selection, of national committee members, and national convention delegates, have been the subject of increasing controversy affecting both political parties. Both the Democratic and Republican Parties are defendants in pending litigation respecting the apportionment of convention delegates. Lower Federal courts have given conflicting answers as to the requirements of law regarding the such apportionment. One can hardly predict with any feeling of certainty what the ultimate answer from the courts might be, and when it will be forthcoming. However, I think it is safe to say that courts will only tell us what is permissible in this respect, but will fail to give any positive guidelines, so that the ultimate question, unless settled by Federal legislation, will continue to irritate and disrupt the proceedings of both parties.

And what is true with respect to the apportionment of delegates at national conventions, is true, and possibly more of an irritation, in regard to representation on the national committees of our national political parties, which control the affairs of these parties in the four year interims between conventions.

The yardstick for apportionment of delegates and national committee members which I have suggested, the one-man, one-vote measure based on total population, is one which is distinctly fair and equal, easy to administer, and one which will keep our national political parties broadly representative, rather than being continually narrowed and self-centered in their points of view.

The requirement of democratic processes, either by primaries or by truly representative conventions, should also be a matter of unequivocal national policy.

It might be said that the subject matter of this bill is the private province of the parties themselves, to be settled within the four walls, to the satisfaction of those who wish to play a major part in party activity. The adoption of this attitude would be to ignore the lessons of recent history in this country which reject the ideas that political party activities are the exclusive playgrounds of public and party officers, and that the people are satisfied to accept whatever political fare may be yielded by the existing system.

There is a broad movement within the country to reform our political parties and political institutions. The reapportionment decisions of the Supreme Court and other Federal courts are well known, and the principle of one-man, one-vote in a representative democracy has become a constitutional mandate. The Supreme Court has also, for many years, recognized that nominating processes which are sanctioned by State law are subject to Federal regulation under the 14th amendment of the U.S. Constitution. The provisions of this bill do not intrude unduly upon the internal affairs of any political party. They simply establish broad guidelines assuring equality and fair play in the nominating and the governing processes.

The National Democratic Party, and many State democratic parties, including that of my own State of Georgia, are in the process of reforming their own rules and procedures. The requirements of a democratic method of delegate selection is one of those which has been adopted by the National Democratic Party.

As chairman of the State democratic party in Georgia I had the opportunity of instituting a complete overhaul of our State party organization, including the processes of national convention delegate selection. What is proposed in this bill is entirely consistent with what is being done in Georgia, and what is being done in the National Democratic Party.

I am not familiar with the organization, structure, nor the delegate selection processes of the National Republican Party. However, I do not see how the Republican Party, or any of its leaders, could possibly disagree with the requirements of this bill if they believe in the democratic process, fair representation, and equal protection of the law.

Other provisions of the bill assure that convention rules and procedures will be clearly established in advance, will be uniformly applied, and strictly enforced. Many times in the past, delegations selected for a convention in good faith, have been excluded from participation under rules, and political compromises developed on the convention floor. The certain knowledge that rules will be equally and uniformly enforced throughout the convention, will further minimize the possibility of disorder and adverse public reaction.

Finally, the introduction of completely democratic processes of delegate selection is very likely to result in the selection of many "little people" and those without previous political identification. If these conventions are to be responsive to public sentiment, and are to gain in public confidence and respect, the selection of such persons is very much to be desired. However, there may be some temptation upon powerful political and economic forces to bring pressures on these independent convention delegates contrary to their own principles, and contrary to the wishes of their constituents. For this reason, the proposed bill makes bribery of a convention delegate a felony, and imposes severe criminal penalties as a means of avoiding corrupting influences in connection with convention activities.

Mr. President, it goes without saying that I believe that legislation of this type is urgently required in the public interest. The average American intensely wishes to have a meaningful part in the selection of his party's candidate for President, and in the establishment of its policies. In viewing the proceedings of our national political parties and conventions, he has a haunting feeling that things are not right, but also feels helpless to do anything about it. These important considerations should not be left to the inadequate processes of the court system to be worked out, and the citizens should not be relegated to "political remedies" which he is powerless to effect. By adopting the simple guidelines set forth in this bill, the average American citizen is put back in the driver's seat in the political affairs of this country, each on an equal basis with the other. Surely no one will quarrel with an objective such as that.

I plan to submit this proposal to the leadership of both parties, and invite any Member of the Senate, of either party, to join me in cosponsoring this bill.

In any event, I hope that those in charge of such matters, will see that the bill receives prompt and thorough consideration. A delay of more than several months in its enactment, is in effect to defer these vital reforms for at least another 4 years.

Mr. President, I send the bill to the desk for appropriate reference and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2265

A bill to provide for the fair and equitable apportionment of delegates to conventions held for the purpose of nominating candidates for the offices of President and Vice President, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Political Conventions Act."

DECLARATION

SEC. 2. The Congress finds that conventions held by national political parties for the purpose of nominating candidates for the offices of President and Vice President constitute an integral part of the process by which such officers are chosen by the people of the United States. It is the purpose of this Act to provide equal protection of the laws and due process of law in that process by requiring that delegates from the several States to such conventions be apportioned among the several States on a fair and equitable basis, by requiring the composition of the national committees of such parties to reflect fairly the distribution of population among the several States, by requiring the promulgation, within a reasonable time before each such convention is held, of the rules under which such convention shall be conducted, and otherwise to improve and protect the integrity of the convention nomination process.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "national political party" means a political party members of which were candidates for election as electors of the President on the official ballot of more than 19 States in the most recent election held for the election of presidential electors;

(2) "national committee" means the organization which manages the affairs of a national political party, or, if such responsibility resides in or is delegated to more than one committee or organization, each such committee or organization;

(3) "democratic process" means—

(A) election by the members of the public who are eligible to vote in Federal elections;

(B) election by members of a political party, if such election is conducted in a manner which protects equally the opportunity of each member of such party, who is eligible to vote in Federal elections, to participate in the selection process; or

(C) selection by a caucus, committee, or convention of a political party if the members of such caucus or committee, or the delegates to such convention, were selected in a manner which protects equally the opportunity of each member of such party, who is eligible to vote in Federal elections, to participate in the process by which such members or delegates are selected;

(4) "convention", except as used in paragraph (3), means a convention held by a national political party for the purpose of nominating candidates for election to the offices of President and Vice President; and

(5) "State" means each of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and the Canal Zone.

APPORTIONMENT OF CONVENTION DELEGATES

SEC. 4. (a) Each national political party which meets in convention shall apportion delegates to such convention among the States represented there on the basis of the population of such States as determined by the most recent decennial census.

(b) Each such party shall require that—

(1) delegates be selected by a democratic process;

(2) not more than 20 percent of the delegates from any State shall be chosen from such State at large; and

(3) not less than 80 percent of the delegates from any State shall be chosen from, and by residents of, districts within such State—

(A) the population of which is not in excess of the average population of the districts within such State from which Members of the House of Representatives may be elected; and

(B) which are substantially equal in population.

(c) Any delegate chosen from a district from which a Member of the House of Representatives may be elected shall be held and considered to have been chosen in accordance with the provisions of paragraph (3) of subsection (b), if all delegates to whom such paragraph applies from the same State are so chosen.

(d) Each State shall be entitled to at least one delegate.

APPORTIONMENT OF NATIONAL COMMITTEES

SEC. 5. Each national political party shall provide that its national committee shall be composed of members of the party from the several States selected by a democratic process and so apportioned as to reflect the distribution of population among the several States. One individual may represent more than one State on any such committee if each individual on such committee represents areas of substantially equal population. If more than one individual on any such committee represents the same State, each such individual shall be chosen from districts of substantially equal population within such State.

PROMULGATION OF CONVENTION RULES

SEC. 6. (a) Each national political party shall promulgate rules governing—

(1) the selection and apportionment of delegates to its convention by a democratic process;

(2) the procedure for challenging the right of any delegate or delegation to participate in such convention; and

(3) convention procedures generally.

(b) Rules promulgated under paragraph (2) of subsection (a) shall, in addition to any other provisions, permit the challenge of the right of any delegate or State delegation to participate in such convention by any other delegate or State delegation to such convention whether or not the challenging delegate or State delegation is being challenged.

(c) Rules promulgated by a national political party with respect to its convention shall be applied equally and with uniformity to all delegates and all State delegations.

(d) Rules promulgated under this section shall be promulgated not less than 120 days prior to the date on which the convention convenes, but shall be subject to change after promulgation in accordance with procedures established by the party by which they were promulgated.

PENALTY FOR UNFAIRLY INFLUENCING DELEGATES

SEC. 7. No person shall offer or attempt to offer to any delegate to a convention held by a national political party any inducement in money, property, or other benefits in order to influence any vote of such delegate at such convention, and no such delegate shall accept or receive any such inducement. Violation of the provisions of this section is punishable by imprisonment for not less than one nor more than three years, by a fine not less than $1,000 nor more than $10,000, or both.

JURISDICTION OF FEDERAL COURTS

SEC. 8. In addition to any other District Court of the United States having jurisdiction, the District Court of the United States for the district within which a convention of a national political party is being held, of within which is located the designated site of such a convention, and the District Court of the United States for the District of Columbia shall have jurisdiction to entertain and adjudge any claim of violation of this Act, and any claim of violation of rights under the Constitution of the United States at or in connection with such convention.

EFFECTIVE DATE

SEC. 9. (a) Except as provided in subsection (b), this Act shall take effect upon the date of its enactment.

(b) The provisions of sections 4, 5, and 6(a)(1) shall take effect with respect to any national political party on the earlier of—

(1) the date of the adjournment of its convention next held after the date of enactment of this Act; or

(2) September 1, 1972.

SEVERABILITY

SEC. 10. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

ARTHUR BARRIAULT

Mr. CRANSTON. Mr. President, we have heard much criticism of the press—the news media—in recent times, but I would like to pay tribute to a correspondent named Arthur Barriaut, who has covered Congress almost continuously for more than 20 years. He is a correspondent from NBC—which is incidental. The important fact is that he has proved, over all these years, that he is a reporter without prejudice, without rancor, and possessed of perhaps the rarest of all attributes—true integrity.

I feel I can speak this way, not because I have known Mr. Barriault for a long time, nor because I know of his honesty and straight forwardness, but primarily because I was once a reporter myself, and I know these characteristics are not only questioned at this point, but considered rare.

Mr. Barriault is the exception that proves the rule, some may say. The fact is that these characteristics really are not rare among the men and women who cover the Congress, the country, and the world. But Mr. Barriault is a rare human being. He has these characteristics to a remarkable degree. And I congratulate him on his 57th birthday.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. FANNIN. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER The amendment will be stated.

The amendment is not in order.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that it may be in order for the distinguished Senator from Arizona to offer two amendments at this time, with the understanding that the time on each of the amendments not exceed 5 minutes, the time to be equally divided.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. LONG. Mr. President, I also ask unanimous consent that, in view of the fact that, as far as I know, there are no more welfare or social security amendments that any Senator plans to offer, we not receive any more welfare or social security amendments to the pending bill.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, what was the request?

Mr. LONG. In view of the fact that, as far as I know, there are no more welfare and social security amendments that anyone intends to offer; we agree that no more welfare and social security amendments to the bill will be entertained.

Mr. GRIFFIN. Why do we not make it apply to other nongermane amendments as far as the bill is concerned, such as having to do with campaign financing, for example?

Mr. LONG. I suppose I will have to withhold my request. The Senator from Indiana (Mr. HARTKE) introduced an amendment and I heard him say that he

would not plan to insist on it if others did not insist on theirs. I thought for the moment we were through with social security amendments.

Mr. GRIFFIN. I am in sympathy with what the chairman is trying to do. I voted with him to table that amendment.

The only thing is that I am more consistent with my principle and I would like to apply it across the board and not only to social security but also to campaign financing.

Mr. LONG. I am not offering the amendment having to do with campaign financing. I would be proud to be a sponsor of it. I will have something to say on it and will vote for it. I thought we were beyond social security and welfare amendments. I am told there are no longer any welfare and social security amendments, and those are considered revenue amendments, that anyone intends to offer. That being the case, we could close that matter.

Mr. GRIFFIN. Even though I would like to apply it across the board and not myself on behalf of other Senators to agree to that.

I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HUMPHREY. Mr. President, I wish to ask the Senator from Arizona a question. Are we having any rollcall votes on this amendment?

Mr. FANNIN. No. This is a simple matter that would insure an equitable circumstance for air freight shippers under the DISC. The other amendment has to do with the House bill to facilitate the financing of ships and aircraft. That amendment would make the treatment elective on a vessel-by-vessel or aircraft-by-aircraft basis to eliminate the "financial institution" limitation.

Mr. HUMPHREY. I thank the Senator.

The PRESIDING OFFICER (Mr. CRANSTON). The first amendment of the Senator from Arizona will be stated.

The legislative clerk read the amendment as follows:

On page 146, line 24, after the word "aboard" insert "airplanes owned and operated by U.S. persons or".

On page 147, line 2, before the word "ships", insert "airplanes or".

Mr. FANNIN. Mr. President, this is a very simple amendment and it includes and it would insure an equitable circumstance for airfreight shippers under DISC:

Section 994 of the bill provides for a DISC to derive taxable income attributable to the sale of export property including, under certain circumstances, 10 percent of the export promotion expenses. However, "export promotion expenses" under this section includes only the cost of shipping export property aboard U.S. ships.

This amendment which I am proposing seeks to provide that these benefits shall also be applicable to that DISC that chooses to ship by U.S. air carriers.

Mr. LONG. Mr. President, in my judgment the amendment is a good amendment. It was an oversight that we did not put it in the bill. I am happy to support the amendment.

Mr. BYRD of West Virginia. I am advised that the Senator from Washington (Mr. MAGNUSON) might have an interest in this amendment. I wonder if that has been discussed with him?

Mr. FANNIN. I think the Senator from Washington would be interested.

Mr. LONG. Why do we not agree to it with the understanding that no motion to reconsider will be made tonight and if the Senator finds some reason to object it be reconsidered.

Mr. FANNIN. I would be pleased to have it considered with that stipulation.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. FANNIN. I yield back my time.

Mr. LONG. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The second amendment to the Senator from Arizona will be stated.

The legislative clerk proceeded to read the amendment.

Mr. FANNIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 105, beginning with line 11, strike out all through line 2 on page 106 and insert:

SEC. 315. INCOME FROM CERTAIN AIRCRAFT AND VESSELS.

(a) ELECTION.—Section 861 (relating to income from sources within the United States) is amended by adding at the end thereof the following new subsection:

"(e) ELECTION TO TREAT INCOME FROM CERTAIN AIRCRAFT AND VESSELS AS INCOME FROM SOURCES WITHIN THE UNITED STATES.—

"(1) IN GENERAL.—For purpose of subsection (a), if a taxpayer leases an aircraft described in section 48(a)(2)(B)(i) or a vessel described in section 48(a)(2)(B)(iii) to a United States person, and if such aircraft or vessel is manufactured or constructed in the United States, the taxpayer may elect, for any taxable year ending after the commencement of such lease, to treat all amounts includible in gross income with respect to such aircraft or vessel, including gain from the sale or other disposition of such aircraft or vessel (whether during or after the period of any such lease), as income from sources within the United States.

"(2) EFFECT OF ELECTION.—An election under paragraph (1) made with respect to any aircraft or vessel shall apply to the taxable year for which made and to all subsequent taxable years. Such election may not be revoked except with the consent of the Secretary or his delegate.

"(3) MANNER AND TIME OF ELECTION AND REVOCATION.—An election under paragraph (1), and any revocation of such election, shall be made in such manner and at such time as the Secretary or his delegate prescribes by regulations."

(b) TECHNICAL AMENDMENT.—Section 381(c) (relating to items of the distributor or transferor corporation) is amended by adding at the end thereof the following new paragraph:

"(24) Elections under section 861(e) with respect to aircraft or vessels.—If the acquiring corporation acquires an aircraft or vessel the income from which the distributor or transferor corporation has elected, under section 861(e), to treat as from sources within the United States, the acquiring corporation shall, for purposes of section 861(e), be treated as if it were the distributor or transferor corporation."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after August 15, 1971, but only with respect to leases entered into after such date.

Mr. FANNIN. Mr. President, the Committee on Finance recommended an amendment to the House bill to facilitate the financing of ships and aircraft. A common method of financing the purchase of ships and aircraft is a leasing arrangement under which the party providing the financing acquires the ship or aircraft and leases it to the ship operator or air carrier, usually for most of its useful life. Ordinarily, accelerated depreciation results in a tax loss to the lessor in the early years, and unfortunately this tax loss operates to reduce the foreign tax credit of the lessor with respect to the lessor's other foreign source income. In order to avoid this adverse impact on the foreign tax credit, the Finance Committee provision treats leases of a ship or aircraft which are entered into by a financial institution principally as a financing transaction as resulting in interest for source of income purposes. The result is to treat such transactions as resulting in U.S. source income or loss rather than foreign source income or loss.

It now appears, however, that the problem is not confined to financial institutions; other taxpayers are also engaged in leasing ships or aircraft, largely as a means of financing. Further, there are some difficulties in the manner that the Finance Committee provision operates. It should be clear, for example, that if the initial tax losses on the lease are not treated as foreign source, so that they do not cut down the foreign tax credit, then subsequent taxable income from rental or sale of the vessel or aircraft also should not be foreign source income. This will prevent such income from increasing the foreign tax credit at a later time.

Accordingly, I offer an amendment in place of the Finance Committee provision which would make the treatment elective on a vessel-by-vessel or aircraft-by-aircraft basis and to eliminate the financial institution limitation. An election once made to treat the lease as resulting in U.S. source income or loss would ordinarily be irrevocable and would apply to all subsequent income or gain from lease or sale of the vessel or aircraft. It could be made only with respect to a vessel or aircraft manufactured or constructed in the United States and leased to a U.S. person. The election would be available in the case of a vessel only, if the vessel was documented under the laws of the United States and operated in the foreign or domestic commerce of the United States, or, in the case of aircraft, if the aircraft was registered by the Administrator of the Federal Aviation Agency and operated to and from the United States or under contract with the United States. Where all these conditions exist, the income or loss from ownership of the vessel or aircraft has sufficient connection with the United States to be regarded, if the taxpayer so elects, as income or loss from U.S. sources regardless of the physical location of the vessel or aircraft.

Mr. LONG. Mr. President, what the Senator is offering is a redraft of language in the bill. It covers lessors other than financial institutions but, if they elect this provision it covers the entire period the lessor holds the ship or airplane. It also covers any capital gains on the sale of the ship or plane. This amendment is an improvement in the committee version of the bill.

Mr. FANNIN. The Senator is correct.

Mr. LONG. I support the amendment.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. FANNIN. I yield back my time.

Mr. LONG. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UNANIMOUS-CONSENT AGREEMENTS

Mr. BYRD of West Virginia. Mr. President, I have discussed with the distinguished manager of the bill certain requests for time limitations on various amendments, which time limitations have been cleared with the respective authors of the amendments. They are as follows: I state this in the form of a unanimous-consent request.

Before doing so, however, I wish to state that it is the desire of the joint leadership, I am sure, to expedite final action on the bill as soon as possible so that the defense appropriation bill can be made the pending order of business and so that other matters can be disposed of, hopefully, by the close of business Saturday, thus clearing the decks for taking up the phase II segment of the President's economic package on Monday.

The leadership would also hope to be able to complete action on phase II before the Thanksgiving recess so that upon our return, following the Thanksgiving recess, the Senate could begin consideration of the two Supreme Court nominations. Therefore, I hope we can schedule various amendments which have been brought to my attention—and these are all of the amendments that I know of, with possible minor exceptions, following the action on the Pastore amendment, whenever that comes.

Mr. President, I ask unanimous consent that upon the disposition of the amendment by Mr. PASTORE, the following amendments be considered in the order stated with the stated time limitations thereon:

An amendment by Mr. NELSON, No. 697, the so-called ADR amendment, on which there would be a time limitation of 1 hour to be equally divided; to be followed by amendment No. 544 by Mr. NELSON, the so-called DISC amendment, on which there would be a 1-hour limitation; an amendment by Mr. FULBRIGHT, No. 674, which would be a DISC amendment—and he may not call it up at all—on which there would be a 30-minute time limitation; an amendment by Mr. EAGLETON, No. 687, which deals with property tax paid by the elderly, on which there would be a time limitation of 30 minutes; an amendment by Mr. COTTON which has to do with the President's authority to impose quotas, on which there would be a 1-hour limitation; an amendment by Mr. HANSEN, No. 693 I am told, to permit an investment tax credit for drilling expenses, on which there would be a 1-hour limitation; ordered further, that the time on amendments in the second degree, motions, or appeals, with the exception of nondebatable motions, in connection with any of the foregoing amendments, be limited to 20 minutes; provided further that the time on any amendment, motion, or appeal—referred to heretofore—be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, those amendments were identified by number with the exception of which one?

Mr. BYRD of West Virginia. I could not identify the amendment by Mr. COTTON by number.

Mr. GRIFFIN. What about the amendment by Mr. FULBRIGHT?

Mr. BYRD of West Virginia. That is No. 674.

Mr. GRIFFIN. I thank the Senator.

Mr. LONG. Mr. President, I understand the Senator is asking consent only on specific amendments on which he has been given some idea as to what the nature of the amendment will be.

Mr. BYRD of West Virginia. Yes.

Mr. LONG. I will agree to that. I just do not want to agree to a limitaiton on any and all amendments to this bill, because I have felt that one cannot tell what we might be asked to vote on when it might be something which Senators might want to oppose very vigorously.

Mr. BYRD of West Virginia. Yes.

Mr. LONG. I find no objection with respect to those amendments. I compliment the Senator for his diligence in seeking unanimous-consent agreements to expedite the procedure.

Mr. BYRD of West Virginia. I thank the distinguished chairman.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I have one final request, and the reason I did not include it was because the Senator from Tennessee (Mr. BAKER) did not indicate when he would call it up. I would like to present that request at this time.

I ask unanimous consent that at such time as the amendment by Mr. BAKER is called up, which is a so-called pro rata reduction amendment, there be a limitation of 1 hour, to be equally divided between the mover of such amendment and the manager of the bill.

Mr. LONG. Pro rata amendment of what?

Mr. BYRD of West Virginia. That is all the information I have.

Mr. LONG. Mr. President, I must withhold my consent to that.

Mr. BYRD of West Virginia. Mr. President, I withdraw the request.

Mr. LONG. A vague, general description is all right, but that is not even a vague, general description.

Mr. BYRD of West Virginia. The Senator is correct. I can appreciate his reason. I stated all that I knew about the amendment.

Mr. LONG. Perhaps I can find out what the prorate is.

I am sorry. I have had an explanation and still do not understand what it is, so we will find out what it is tomorrow.

Mr. BYRD of West Virginia. I thank the distinguished chairman and the able assistant Republican leader and the Chair and all Senators for their consideration and approval of the various requests.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 8:30 a.m. Immediately following the recognition of the two leaders under the standing order, the distinguished Senator from Florida (Mr. CHILES) will be recognized for not to exceed 15 minutes, to be followed by the distinguished Senator from Arizona (Mr. GOLDWATER) for not to exceed 15 minutes, at the conclusion of which the Senate will consider the amendment by Mr. MATHIAS, amendment No. 699. That should occur at about 9 o'clock.

Under the previous order, there will be 1 hour on that amendment, the time to be equally divided between the distinguished Senator from Maryland (Mr. MATHIAS) and the distinguished Senator from Rhode Island (Mr. PASTORE)—the amendment being an amendment in the second degree to the amendment by Mr. PASTORE, amendment No. 692. The vote will occur circa 10 o'clock a.m., and there is no question but that it will be a rollcall vote.

Following the disposition of the amendment by Mr. MATHIAS to the amendment by Mr. PASTORE, the Senate will continue to consider amendments and motions, if there be any, with respect to the Pastore amendment. There will be additional rollcall votes during the day.

Upon the disposition of the amendment offered by Mr. PASTORE—which will come, hopefully, at some reasonably early hour tomorrow, the Senate will then continue its consideration of the Revenue Act of 1971, with several amendments to be called up and which have been sched-

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uled tonight by unanimous consent, some or all of which will undoubtedly require rollcall votes.

It is hoped that action can be completed on this bill some time late tomorrow—reasonably late, and not too late—and if that can be done, then, of course, on Friday the Senate will take up the defense appropriation bill. But, in any event, action will continue on the unfinished business until it is completed, at which time the Senate will then take up the defense appropriation bill.

There will be rollcall votes daily, through Saturday.

The distinguished majority leader stated today that the Senate would be in session on Saturday and that there would be rollcall votes that day.

In addition to the defense appropriation bill, there are various measures which need to be acted upon, if at all possible, before the close of business on Saturday afternoon, so as to enable the Senate to take up phase II of the President's economic proposals on Monday of next week.

This is a rather ambitious program, but the Senate has made very good progress thus far, in my judgment, and we can only hope it will continue to do so during the remaining 3 days of this week.

ADJOURNMENT UNTIL 8:30 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 8:30 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 39 minutes p.m.) the Senate adjourned until tomorrow, Thursday, November 18, 1971, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 17, 1971:

U.S. DISTRICT COURTS

Charles M. Allen, of Kentucky, to be a U.S. district judge for the western district of Kentucky, vice Henry L Brooks, elevated.

Clarence C. Newcomer, of Pennsylvania, to be a U.S. district judge for the eastern district of Pennsylvania, vice C. William Kraft, Jr., retired.

DEPARTMENT OF THE TREASURY

Edgar R. Fiedler, of New York, to be an Assistant Secretary of the Treasury, vice Murray L. Weidenbaum, resigned.

CONFIRMATION

Executive nomination confirmed by the Senate November 17, 1971:

OFFICE OF ECONOMIC OPPORTUNITY

Phillip V. Sanchez, of California, to be Director of the Office of Economic Opportunity.

HOUSE OF REPRESENTATIVES—*Wednesday, November 17, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Now let us strive after peace and help one another.—Romans 14: 19.

"Mid all the traffic of the ways
Turmoils without, within
Make in my heart a quiet place,
And come and dwell therein."

Living in our hearts, our Father, may we learn to love, to love Thee, and to love one another. Help us to triumph over the troubles that try us and the differences which divide us. May we have faith enough to forgive that our prayer may arise from a sincere heart.

We pray for our country. Sustain our leaders and give them wisdom to make wise decisions. Strengthen our people that they may live together in good will, with justice and for freedom.

We pray for the nations of the world. Make wars to cease and from ocean to ocean give us peace in our time, O Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

With objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 708. An act for the relief of the village of Orleans, Vt.

The message also announced that the Senate insists upon its amendment to the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. MCCLELLAN, Mr. PROXMIRE, Mr. INOUYE, Mr. YOUNG, Mrs. SMITH, and Mr. HRUSKA to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1828) entitled "An act to amend the Public Health Service Act so as to establish a Conquest of Cancer Agency in order to conquer cancer at the earliest possible date"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. WILLIAMS, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. HUGHES, Mr. PELL, Mr. MONDALE, Mr. SCHWEIKER, Mr. JAVITS, Mr. DOMINICK, Mr. PACKWOOD, Mr. BEALL, and Mr. TAFT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2672. An act to permanently exempt potatoes for processing from marketing orders.

DEATH OF J. HOWARD EDMONDSON

Mr. JARMAN. Mr. Speaker, it is with sadness that I announce the untimely death this morning of former Oklahoma Governor and U.S. Senator J. Howard Edmondson, the brother of our distinguished colleague, ED EDMONDSON. Howard's sudden death from a heart attack is a shock to his former colleagues in the Oklahoma congressional delegation. The dedication and ability with which he served our State will be greatly missed by those of us who knew and worked with him. I know that all Members of the House of Representatives join me in extending our deepest sympathy to the Edmondson family.

Mr. Speaker, I ask that Members have 5 legislative days in which to extend their remarks in the RECORD.

Mr. ALBERT. Mr. Speaker, I was shocked and deeply saddened at the news of Howard Edmondson's untimely death this morning. Howard was my longtime friend. He was the only brother of our beloved colleague, ED. He and ED were extremely close both personally and politically at the time of Howard's death. Howard was running ED's campaign for the U.S. Senate before he died, as ED had run his for Governor 13 years ago. I was with ED shortly after the announcement this morning, and I can only say that our personal loss is a great loss for the people of Oklahoma.

Howard Edmondson was a towering figure in our State. He served the people of Oklahoma well as Governor and as U.S. Senator, and the citizens of our State will benefit for years to come from the vital government reforms instituted during his 4 years as Governor.

Howard's death is a grievous personal loss for me, and Mrs. Albert joins me in extending deepest condolences to Howard's wife Jeanette, his children, his mother, his sisters, and ED.

Howard will be sorely missed, as a trusted friend and a great citizen of Oklahoma. He died in the prime of life, a life crowned with extraordinary achievements, and promising extraordinary accomplishments for the future. We thank the Almighty for giving this brilliant young man the opportunity to pass our way in our time.

GENERAL LEAVE TO EXTEND

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the passing of the late Hon. J. Howard Edmondson.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DUTY-FREE ENTRY OF UPHOLSTERY, REGULATORS, NEEDLES, AND PINS

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 640) to amend the Tariff Schedules of the United States to permit the importation of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins free of duty, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, and it is not my intention to object, I do so to yield to the chairman of the committee for an explanation.

Mr. MILLS of Arkansas. Mr. Speaker, H.R. 640 would provide duty-free treatment for imports of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins by establishing a new item 651.06 in the Tariff Schedules of the United States—TSUS—under which all imports of these articles would be free of duty.

The committee was informed that there is no commercial production of these articles in the United States and that the domestic upholstery trade is dependent on imports of these articles. Imports of upholstery regulators and upholsterer's pins and regulating needles are not separately reported. However, it is known that the volume of such imports is small.

A bill similar to H.R. 640—H.R. 10875 of the 91st Congress—was approved by the House unanimously and passed by the Senate with an unrelated amendment. The House did not concur in the Senate amendment and H.R. 10875 died on adjournment of the 91st Congress. At the time the committee considered H.R. 10875 in the last Congress, it received favorable reports from the Departments of Labor, Commerce, Treasury, and State. No objection to H.R. 640 from any other source was received by the Committee.

The committee is unanimous in recommending passage of H.R. 640.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I rise in support of H.R. 640 and wish to express my thanks to the Committee on Ways and Means for its consideration of this measure and its unanimous recommendation that it be passed.

I have been working since 1967 for the passage of this legislation which would make duty free the imports of unholstery regulators, and upholsterer's pins. These items are not manufactured in the United States. Consequently the rationale of requiring a duty to protect domestic industry does not exist. Furthermore, the imposition of these duties penalizes the users of these items unnecessary. Every upholsterer of furniture and automobiles requires these tools for his trade.

The duty-free importation of the items covered by the bill would serve to improve the competitive status of American industry without harming any domestic producer.

Similar legislation was passed unanimously by the House near the close of the 91st Congress but died in the adjournment rush because of an unrelated amendment which was attached by the Senate. I am pleased it has reached the floor of the House again and urge its prompt enactment.

Mr. BYRNES of Wisconsin. Mr. Speaker, I support H.R. 640, which would permit the duty-free importation of upholstery regulators and upholsterer's pins and regulating needles.

This is essentially the same legislation which was reported by the Committee on Ways and Means and passed by the House last year. The Senate also passed the measure, but added an unrelated amendment, in which the House did not concur. The legislation, therefore, died in the 91st Congress.

The upholstery regulators to which the bill refers are like knitting needles and are used to stuff furniture. They are dutiable at 11 percent ad valorem. The regulating needles are eyeless, about 12 inches long, and are dutiable at 10 percent ad valorem. The pins are 3 inches in length, have a loop instead of a head, and are dutiable at 11 percent ad valorem.

The committee was informed that there is no commercial production of these articles in the United States; therefore, the domestic upholstery trade has to depend on imports—the volume of which has been small.

When the committee considered this legislation in the 91st Congress, no objection to it was registered, and favorable reports were received from the Departments of State, Treasury, Commerce, and Labor.

The committee was unanimous in ordering the bill reported, and I urge the House to pass it now.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

H.R. 640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That schedule 6, part 3, subpart E of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by striking out "upholstery regulators, and", and by inserting "and upholstery regulators, upholsterer's regulating needles, and upholsterer's pins," after "other hand needles," in the item description preceding item 651.01;

(2) by striking out "and upholstery regulators" in item 651.04; and

(3) by inserting after item 651.05 the following new item:

" 651.06	Upholstery regulators, upholsterer's regulating needles, and upholsterer's pins	Free	Free ".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF REED ACT FUNDS FOR CERTAIN ADMINISTRATIVE PURPOSES

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 6065) to amend section 903(c)(2) of the Social Security Act, which was unanimously reported to the House by the Committee of Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, and I shall not object, I yield to the gentleman from Arkansas, the chairman of the committee, for a brief explanation.

Mr. MILLS of Arkansas. I thank my friend for yielding.

Mr. Speaker, the purpose of H.R. 6065 is to extend for an additional 10 years the period during which States may obligate, for administrative purposes, certain funds transferred from excess Federal unemployment tax collections. The bill was reported unanimously by your committee, and the administration supports the bill.

In 1954, title IX of the Social Security Act was amended by the Reed Act to provide that the excess of Federal unemployment tax collections over the amount needed for loans and for administrative expenses be transferred to State unemployment accounts in the unemployment trust fund. The law permits the transferred funds to be used for employment security administrative expenses, under certain conditions including requirements that the money be specifically appropriated by the State legislature and be obligated within a limited period after the date on which it was transferred to the State's account. This period, which was originally set at 5 years, was extended to 10 years in 1963 and to 15 years in 1968. After this period, the money becomes part of the State's reserve for benefit payments only. The effect of this bill would be to extend the period to 25 years after the funds were transferred.

In 1954 when the provision for these transfers was enacted, it was anticipated on the basis of past experience that funds would be transferred to the States almost every year. Since then, however, several developments or changes have occurred, such as the demands that were made on the loan fund and the creation of the employment security administration account and the extended benefits account, both of which must be built up to prescribed levels before funds can be credited to the States. As a result of these and other developments, funds have been credited to the States only in 3 calendar years, 1956, 1957, and 1958. No additional transfers are anticipated in the foreseeable future.

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The funds that have been transferred under this authority have been used by the States primarily to acquire office space for use in operating the employment security program. Thirty-eight States have used the funds to construct such office space.

By using the transferred funds for buildings, States have been able to obtain more satisfactory facilities than would otherwise have been possible. Because these funds spent for building construction can be repaid from current grants for rentals, which are credited to the State's account in the unemployment trust fund, they become available again to construct additional buildings, but only within the period specified. After amortization through the rental grants, the State employment security agency gets the space rent free and Federal grants with respect to such space are made only for its operation and maintenance.

Your committee is unanimous in recommending enactment of this legislation.

Mr. BYRNES of Wisconsin. Mr. Speaker, I support H.R. 6065, a bill to extend for an additional 10 years the time during which the States may obligate certain excess Federal unemployment tax collections for administrative purposes.

Under the Reed Act, passed in 1954, Congress provided that Federal unemployment tax receipts not needed for administrative expenses or loans were to be credited to the individual State accounts in the unemployment trust fund. At the time the Reed Act was passed, it was anticipated that there would be balances resulting in a spillover to the State funds for many years. However, subsequent events, including greater demands on the loan fund and more recently, the enactment of the Federal extended unemployment benefits program, have placed greater demand on Federal unemployment tax resources and amounts have been returned to the States in only 3 calendar years—1956, 1957, and 1958. No additional transfers are anticipated in the foreseeable future.

The law permits the States to utilize the transferred balances for administrative expenses related to their unemployment compensation program when a specific appropriation is adopted by the State legislature. Many of the States have used the funds for the construction of buildings used in the administration of their unemployment compensation programs. It is generally agreed that the use of these funds to buy land and construct buildings has resulted in an overall reduction in administrative costs payable from the proceeds of the Federal tax and can be expected to do so in the future. This use of Reed Act funds has been salutary for the Federal Government and the States, as well as beneficiaries and the taxpayers. However, the Reed Act required that the amounts transferred to the States be expended for administrative purposes within 5 years of the time of the transfer. This period has been extended on two prior occasions by the Congress, and this bill will provide an additional 10-year extension.

This bill extends a method of financing a part of our employment security program that experience has shown to be effective. I commend the bill, which was unanimously reported by the committee, to the House for approval.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 6065

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 903(c)(2) of the Social Security Act (42 U.S.C. 1103(c)(2)) is amended—

(1) by striking out "fourteen preceding fiscal years," in subparagraph (D) of the first sentence and inserting in lieu thereof "twenty-four preceding fiscal years,";

(2) by striking out "such fifteen fiscal years" in subparagraph (D) of the first sentence and inserting in lieu thereof "such twenty-five fiscal years"; and

(3) by striking out "fourteenth preceding fiscal year" in the second sentence and inserting in lieu thereof "twenty-fourth preceding fiscal year".

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

FEDERAL UNEMPLOYMENT TAX IN CASE OF INSURANCE AGENTS REMUNERATED SOLELY BY COMMISSIONS

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7577) to amend section 3306 of the Internal Revenue Code of 1954, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, and I shall not object, I yield to the gentleman from Arkansas, the chairman of the committee, for a brief explanation.

Mr. MILLS of Arkansas. Mr. Speaker, I thank my friend, the gentleman from Wisconsin, for yielding.

Mr. Speaker, the purpose of H.R. 7577 is to provide that the exclusion from the definition of the term "employment" under the Federal Unemployment Tax Act of the services of insurance agents and solicitors who are compensated on a commission basis will be applied on a calendar-quarter basis rather than an annual basis or an individual pay period basis. This bill was reported unanimously by your committee. The administration supports the bill.

Section 3306(c)(14) of the Internal Revenue Code of 1954 excepts from the meaning of the term "employment," for the purposes of the Federal Unemployment Tax Act, "service performed by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed solely by way of commission."

By ruling, the Internal Revenue Service applied this exception only in instances where all of the remuneration paid to an insurance agent or solicitor throughout the entire calendar year was remuneration solely by way of commission.

Under the ruling, in any case in which any other type of remuneration, in cash or in kind, is paid by an employer to an insurance agent or solicitor at any time during the calendar year, the employer is liable for the tax with respect to all of the remuneration paid to the employee during the entire calendar year, including all remuneration by way of commission. For example, if an employer conducts a training program and pays its agents a salary while participating in such program, all of the earnings an agent receives from the employer, during the year, including commissions, is subject to the Federal Unemployment Tax Act.

Section 3306(d) of the code provides that where an employee performs taxable services and also exempt services during a pay period, then the employee's total services for that pay period will be treated as being exempt if more than half of those services are exempt. From this, it has been argued that present law contemplates that coverage or exemption is to be determined on a pay period by pay period basis. As applied to insurance salesmen this would mean that a salary payment in one pay period would result in taxation only of that period's compensation without affecting the compensation received during other pay periods in the year.

This bill is intended to resolve that controversy for the future. Under the bill, a salary payment in any calendar quarter would have the effect of making commission income for the entire calendar quarter subject to the Federal unemployment tax. At the same time, the bill would exempt from the Federal unemployment tax all commission income if that were the only type of remuneration paid by an employer to an insurance salesman in a calendar quarter even though a salary payment was made to such salesman in another calendar quarter of the year.

The bill would also adapt the provisions of section 3306(c)(14) to the system of collecting Federal unemployment taxes on a quarterly basis which was adopted under Public Law 91-53. This would avoid administration or collection problems that might arise under the existing quarterly collections system and the Service's ruling with respect to insurance salesmen in cases in which a salary or bonus payment is made to an insurance salesman late in a calendar year. Such a payment could affect the validity and accuracy of tax payments and reports completed in good faith for earlier calendar quarters and could require new computations and correcting adjustments in later reports.

Mr. Speaker, your committee is unanimous in recommending enactment of this legislation. The effect of the bill on coverage and unemployment tax revenues would be negligible.

Mr. BYRNES of Wisconsin. Mr. Speaker, I support H.R. 7577, which would amend the exclusion from covered employment under the Federal-State unemployment compensation program of insurance agents and solicitors compensated on a commission basis.

The definition of employment in the Federal Unemployment Tax Act excludes the services of an insurance agent or an insurance solicitor if all the services performed by the individual are performed solely by way of commission. The Internal Revenue Service has ruled that if any services are performed at any time during the calendar year by an insurance agent or solicitor on a salaried basis then all remuneration during the entire calendar year up to the wage base is subject to taxation.

This created no real problem prior to 1969 when unemployment taxes were collected on an annual basis for each calendar year. However, in 1969, Congress amended the law to provide for collection of the Federal unemployment tax on a quarterly basis. Employers are now confronted with a problem, since their tax liability for any of the first three quarters of the calendar year may be affected if an employee in the last quarter of the calendar year attends a training course for which he is paid on a salaried basis. Since the noncommission income of the last calendar quarter affects the liability for the entire year, amended returns must be filed and employers cannot file returns during the early calendar years with any certainty as to their accuracy.

The bill before the House would amend the law to apply the criteria for the exclusion of insurance agents and solicitors on a calendar quarter basis corresponding to the period for which the tax is now paid. Under the law as amended by this bill, the liability would be computed each calendar quarter on the basis of whether the insurance salesman or solicitor rendered any services on a noncommission basis during that particular calendar quarter.

Mr. Speaker, the bill was unanimously reported by the Ways and Means Committee. The measure proposes an amendment that will substantially improve our unemployment compensation law and I feel it should be adopted.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 7577

To amend section 3306 of the Internal Revenue Code of 1954.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3306(c)(14) of the Internal Revenue Code of 1954 (relating to insurance agents remunerated solely by way of commission) is amended to read as follows:

"(14) service performed in a calendar quarter by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person in such quarter is performed for remuneration solely by way of commission;".

(b) The amendment made by subsection (a) shall apply to service performed in calendar quarters ending after the date of the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUMP-SUM DEATH PAYMENTS IN CERTAIN CASES WHERE INSURED INDIVIDUAL'S BODY IS UNAVAILABLE FOR BURIAL

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 10604) to amend title II of the Social Security Act to permit the payment of the lump-sum death payment to pay the burial and memorial services expenses and related expenses for an insured individual whose body is unavailable for burial, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, and I do not intend to object, I yield to the gentleman from Arkansas, the chairman of the committee, for a brief explanation.

Mr. MILLS of Arkansas. Mr. Speaker, the purpose of H.R. 10604 is to permit the payment of the social security lump-sum death payment to pay for memorial services expenses and related expenses for an insured individual whose body is not available for burial. The provisions of this bill would be effective only in the case of lump-sum death payments under title II of the Social Security Act made with respect to deaths which occurred after December 31, 1970. The bill was reported unanimously by your committee.

Under present law, the social security lump-sum death payment is made to an insured person's surviving spouse, whether or not his body is available for burial, if they were living together at the time of his death. Where no eligible spouse survives, the lump-sum death payment is contingent upon there being burial expenses. The payment can be made directly to the funeral home for any unpaid burial expenses upon the request of the person who assumed responsibility for those expenses, or the payment can be made as reimbursement to the person who is equitably entitled to the payment by reason of his having paid the burial expenses. In the latter cases, when the body is not available for burial or cremation, there can be no burial expenses, and therefore, the lump-sum death payment cannot be paid under the law.

While there may be no burial expenses incurred when an insured person's body is not recovered, the family often incurs expenses in connection with his death, such as expenses for a memorial service, a memorial marker, or a site for a marker. Mr. Speaker, your committee believes that there is no valid reason for denying the lump-sum death payment to help defray the cost of such expenses. On the contrary, it is difficult to justify not paying the lump-sum in such instances, especially in those cases in which the death payment is the only social security benefit that could be payable on the deceased person's earnings record. Most of the current cases in which the body of the decedent is not recovered involve servicemen killed in action.

Your committee believes that, because of the above considerations and because the cost of the change would be negligible, the social security lump-sum death payment should be provided for equitably entitled individuals to the extent that they incur expenses customarily connected with a death, even though the body may be unavailable for burial.

Mr. Speaker, your committee knows of no opposition to this bill and is unanimous in recommending enactment of this legislation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, does this have to do with cremation?

Mr. MILLS of Arkansas. If the gentleman will yield, Mr. Speaker, no, it has to do solely with cases where death has occurred under circumstances that the body itself is not recovered and therefore cannot be buried or cremated. Under existing law we make this lump-sum death payment in the cases in which a body is available for burial or cremation. Now we suggest that the money could be used for memorial purposes as well.

Mr. GROSS. Mr. Speaker, I thank the gentleman for his explanation.

Mr. BYRNES of Wisconsin. Mr. Speaker, I support H.R. 10604, which would amend title II of the Social Security Act to permit payment of the lump-sum death benefit in certain cases in which the body of the insured is not available for burial.

Under existing law, the lump-sum payment can be made to a surviving spouse, whether or not the insured's body is available for burial. But in cases where there is no eligible surviving spouse, the payment can be made only for burial expenses—either to a funeral director, at the request of the person who assumes responsibility for burial expenses, or as direct reimbursement to the person who actually paid the burial expenses.

But when there is no surviving, eligible spouse, and there is no body available for burial or cremation, the lump-sum payment cannot be made.

It was called to the committee's attention that application of this provision is difficult to justify in some cases—for example, where a body is not available because the insured was a serviceman killed in foreign action or where the insured was drowned and carried away by the sea. In these cases, the family of the insured nevertheless may incur certain death-connected expenses—such as the costs of a memorial service or marker—which would seem to warrant payment of the lump-sum benefit.

The committee felt this is especially true where the lump-sum payment is the only possible social security benefit payable on the earnings record of the deceased.

The committee, therefore, has unanimously recommended enactment of this bill, which would allow payment of both

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the body and an eligible surviving spouse, to any equitably entitled person or persons as reimbursement for expenses incurred in connection with the death of the insured.

The bill obviously has limited application, and the Department of Health, Education, and Welfare has agreed with the committee that its costs would be negligible.

Against this background, Mr. Speaker, I urge the House to pass H.R. 10604.

Mr. Speaker, I withdraw my reservation of objection.

Mr. HOLIFIELD. Mr. Speaker, I am most grateful to the distinguished chairman of the Committee on Ways and Means and the members of that committee for the expeditious handling of H.R. 10604, which I introduced on September 13, 1971.

This bill is designed to correct an inequity contained in the Social Security Act which falls most heavily upon the bereaved relatives of deceased servicemen whose body cannot be recovered for burial.

This situation was brought to my attention by my constituent, Mrs. Joseph Pickett of Whittier, Calif. Mrs. Pickett's son, Cpl. Robert Eugene Grantham, was killed as a result of enemy action in the A Shau Valley in Vietnam. His body was completely consumed in the flames of a helicopter which had exploded on impact with the ground. Mrs. Pickett was subsequently given a bronze plaque. However the social security law did not provide funds for a marker, a memorial service, or a memorial plot, through which to honor her son's memory and service to his country.

In her letters to me, Mrs. Pickett made it very clear that she seeks nothing for herself but only a change in the law to prevent additional grief and anxiety to others who might find themselves in the same position.

To Mrs. Pickett, nothing could better demonstrate democracy in action than the passage of this bill.

I insert in the RECORD the last letter which Mrs. Picket received from her son:

DEAR MOM: I joined the army because I believed in America. The Army tried to put me in Clerk school, but I told them I wanted to be in the infantry. Then I volunteered for jump school. They asked me to join the pathfinders but at the same time, they told me it meant Vietnam. Knowing this, I again volunteered because I thought I was really doing something for my country. I figured it was better than burning down my school. I will tell you, this being with your friend alive one minute and dead the next takes all the gung-ho-ness out of a person. I've seen some of the guys get sick and throw up when they hear that they have to go out.

I know and they know the war is still on. The tax payers worry about being sure that we only shoot so many rounds per month. Let's fight this war or get the hell out. We're tired of fighting a war with rules, no weapons and a limit in ammo. I feel like the war is something people talk about but never get off their behinds to do anything about it. I think it is time for the silent majority to make some noise. I'm sure if you were crawling through the brush and you couldn't see 5 feet in front of you and you were being shot at, you would make noise in a hurry.

I volunteered to go into the middle of two battalions of NVA along with five other guys to get a body from a crashed helicopter. I'm no hero but all the guys here are the same way, we have a job to do.

Mom, my new job, if you want to know, I did volunteer for it. Someone has to do it. I am the hunter of a hunter killer team and I ride in or pilot a very small helicopter at tree top level until the enemy fires at us then the larger gunships behind us come in to wipe out the enemy. I feel I am doing something for the war effort and maybe hurting some of those people that have hurt my friends.

JANUARY 22

My luck ended on Jan. 22 when my ship was badly shot up. I saw the VC's rifle leaning against a tree and he got to it before I could get to my machine gun but we made it back to base.

FEBRUARY 10

This was another bad day—my luck was pretty good though. We were shot down by mistake by the South Vietnamese and not a scratch.

FEBRUARY 16

DEAR MOM: I feel that I will make it home. I only have 97 days of flying left. Mom, if the army ever comes to tell you I'm missing in action, it only means one thing, I'm dead—they can't find my body. Mom, please don't worry about me because I'm not worried about me. I'll do my best to stay alive but I'm not afraid to die. If I die, I'll be doing it for my country, friends and family so that my brother or friends never have to come over here to see what I've seen—I've seen so much dying. Right now I have a feeling of emptiness like I've never had before without purpose and feel I need something but I don't know what that somthing is. In other words, I'm a very mixed up kid.

Your loving son,

BOB.

MARCH 1.

DEAR MOM: I have 135 days left before you see me walk through the door. My time is getting short. I haven't much to say. I love you all and miss you very much.

Love,

BOB.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 10604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 202(a) of the Social Security Act is amended (a) by striking out "or" at the end of clause (2), renumbering clause (3) as clause (4), and adding after clause (2) the following new clause (3):

"(3) if the body of such insured individual is not available for burial, to any person or persons, equitably entitled thereto, to the extent and in the proportions that he or they shall have paid expenses of a burial or memorial service or both and related expenses for such individual (and the Secretary shall by regulations prescribe the criteria for determining when and whether an insured individual has died if, at the time such individual is alleged to have died, such individual was serving as a member of the Armed Forces of the United States and if the body of such individual has not been recovered or"; and

(b) By striking out in the renumbered clause (4) "clauses (1) and (2)" and inserting in lieu thereof "clauses (1), (2), and (3)".

SEC. 2. The amendments made by the first section of this Act shall be effective only in the case of lump-sum death payments under title II of the Social Security Act made with respect to deaths which occur after December 31, 1970.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) the second sentence of section 202(i) of the Social Security Act is amended by striking out "or" at the end of clause (2), by renumbering clause (3) as clause (4), and by inserting after clause (2) the following new clause:

"(3) if the body of such insured individual is not available for burial but expenses were incurred with respect to such individual in connection with a memorial service, a memorial marker, a site for the marker, or any other item of a kind for which expenses are customarily incurred in connection with a death and such expenses have been paid, to any person or persons, equitably entitled thereto to the extent and in the proportions that he or they shall have paid such expenses; or".

(b) The second sentence of section 202(i) of such Act is further amended by striking out "clauses (1) and (2)" in the clause renumbered as clause (4) by subsection (a) and inserting in lieu thereof "clauses (1), (2), and (3)".

SEC. 2. The amendments made by the first section of this Act shall be effective only in the case of lump-sum death payments under title II of the Social Security Act made with respect to deaths which occur after December 31, 1970.

Mr. MILLS of Arkansas (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the committee amendment and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in connection with the bills just passed, and I ask unanimous consent that the authors of the bills may be permitted to extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PERMISSION FOR CLERK TO CORRECT TYPOGRAPHICAL ERROR IN ENGROSSMENT OF H.R. 6065

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent that the Clerk may correct a typographical error, in the engrossment of H.R. 6065, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CORRECTION OF ENDORSEMENT OF H.R. 10729, TO AMEND THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTCIDE ACT

Mr. O'NEILL. Mr. Speaker, I offer a resolution (H. Res. 709) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 709

Resolved, That the Senate be requested to return to the House the bill (H.R. 10729). To amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes, and that the Clerk be authorized to reengross said bill with the following correction:

On page 58, of the engrossed bill, following line 19, insert the text of Sections 3 and 4 as they were passed by the House as part of the bill on November 9, 1971.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. SCHERLE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 396]

Abbitt	Dowdy	Lent
Alexander	Downing	Link
Anderson, Tenn.	Dulski	McClure
	Edmondson	McDade
Ashley	Edwards, Calif.	McKevitt
Badillo	Edwards, La.	Mathias, Calif.
Betts	Fish	Mikva
Blackburn	Fisher	O'Hara
Blatnik	Foley	Pelly
Boggs	Ford, William D.	Roberts
Celler		Rosenthal
Chappell	Forsythe	Runnels
Chisholm	Fraser	Scheuer
Clark	Gallagher	Schwengel
Clausen, Don H.	Goodling	Stanton, James V.
	Griffiths	
Clay	Halpern	Steed
Conyers	Hillis	Steele
Cotter	Hosmer	Teague, Calif.
Dellums	Kee	Thompson, N.J.
Derwinski	Kuykendall	Widnall
Diggs	Landgrebe	

The SPEAKER. On this rollcall 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REFUSAL OF UNITED STATES TO SELL PHANTOM JETS TO ISRAEL

(Mr. GUDE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GUDE. Mr. Speaker, the recent statement by Secretary Rogers that the United States will not sell Israel any more Phantom jets at this time is most disturbing. The assertion by the Secretary that Soviet shipments of arms to Egypt have been moderate, does not square with the bellicose language that has been coming out of Cairo lately.

The intent of the administration should not be to pressure Israel into accepting the interim settlement laid down by the Department of State last month. Instead the United States should continue to encourage a negotiated settlement between the Arabs and Israel. No agreement that has been imposed by the big powers will be respected. No peace that has come about through pressure rather than the voluntary settlement of differences will ever last.

The United States has a commitment to Israel—a commitment that has the full support of both the House and the Senate. Our military assistance to Israel should be designed to guarantee them security so that both Israel and the Egyptians will realize that a voluntary agreement is the only possible answer to the Middle East dilemma. We should stop using our assistance to force Israel into concessions that we feel are appropriate, but which could hurt one of our very best friends in the community of nations.

REQUEST FOR PERMISSION TO FILE CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 946, FURTHER CONTINUING APPROPRIATIONS, 1972

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tomorrow to file a conference report on House Joint Resolution 946, making further continuing appropriations for the fiscal year 1972, and for other purposes.

Mr. GROSS. Mr. Speaker, reserving the right to object, I understand this is the continuing resolution?

Mr. MAHON. This is the continuing resolution which was sent to conference last night.

Mr. GROSS. Has there been any agreement reached by the conferees?

Mr. MAHON. There have been informal discussions but no formal meeting of the conferees.

Mr. GROSS. Mr. Speaker, under those circumstances, I object.

The SPEAKER. Objection is heard.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER. The Chair requests that the gentleman from Texas (Mr. PICKLE) temporarily assume the chair.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11731), with Mr. PICKLE (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee rose on yesterday the Clerk had read through line 9, page 22 of the bill. If there are no amendments to be proposed, the Clerk will read.

The Clerk read as follows:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $2,358,319,000, and in addition, $20,000,000 to be derived by transfer from "Research, Development, Test, and Evaluation, Navy, 1971/1972", to remain available for obligation until June 30, 1973.

Mr. GIAIMO. Mr. Chairman, I move to strike the last word.

I wish to take exception to the deletion of $2.1 million pertaining to the improved CH–53 for the U.S. Navy and U.S. Marine Corps.

There is, I presume, some misunderstanding on this matter because of previous communications from the chairman of this committee and the Under Secretary of Defense, as set forth in the hearings on page 81.

I have researched this matter and it is clear to me that the triservice heavy-lift helicopter still is the program supported by all the services, including the U.S. Navy for their land operations when this helicopter becomes available in 1980. This helicopter will be too large for operation from most of the vessels used to support Marine Corps amphibious operations. For this reason, the Navy and Marine Corps require increased helicopter capability for tactical use in amphibious warfare. This is the purpose of their request for the improved CH–53.

The improved CH–53 is to be an advanced version of the present CH–53 now in the Navy/Marine Corps inventory. If developed it would be the largest helicopter, with a payload of 16 tons, that could be operated from ships utilized for amphibious landings.

The improved CH–53 does not represent a technological risk, since most of the components are derivatives of the CH–53 now in operation with the U.S. Marine Corps. May I add that the CH–53 has an excellent record in Vietnam and is used by the U.S. Navy, Marine Corps., and U.S. Air Force.

There should be no question about developing a three-engine version of the CH–53 since the aircraft was originally designed for growth in this manner. Sikorsky helped develop the three-engine Super Frelon built in France and this three-engined aircraft has held the world's speed record for 8 years.

Mr. Chairman, on page 111 of the report the committee deletes the prior year funds available for this program.

I quote from the language of the committee:

The committee feels that it was misled in this affair and wants to very carefully review any other heavy lift helicopter efforts before placing funds in this area.

I would hope that the committee would keep an open mind on this problem, which in my opinion can still be resolved. The fact is I do not believe the Department of Defense misled the com-

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mittee. It came in here some years ago saying it could develop one heavy lift helicopter to do all the functions. It subsequently developed that the heavy lift helicopter, to be designed and built some time around 1980, can do all the functions for the services, including many of the functions which the Navy will need, but it cannot be operated from assault ships for Navy and Marine assault-type operations.

I think it is to the credit of the services that they wrote to the committee in time and explained the problem to the committee and informed it that for these limited assault-shipboard services the Navy needs a smaller helicopter which can be stored on board. By doing this, in my opinion, the services have avoided the pitfalls of a promise such as was made some years ago which led to the great fight over the TFX or the F–111; a promise of a weapons system which was originally designed to perform services for all of the branches of the Armed Forces and was, subsequently, not capable of performing them at all.

I submit that the Navy feels very strong about this program, and I believe it can make an excellent case. I would ask the subcommittee and the chairman of the committee, the gentleman from Texas (Mr. MAHON), if they would keep an open mind in this area and allow the Navy to present their case in a convincing fashion. If so, we could proceed with this program.

Mr. MAHON. Will the gentleman yield?

Mr. GIAIMO. I am happy to yield to my chairman.

Mr. MAHON. The Defense Department came before the committee last fall and convinced the committee that a single heavy-lift helicopter for all of the services would be in order. This seemed like a very attractive idea and funds were appropriated based on this understanding. Subsequently, they had a competition for an all-purpose heavy-lift helicopter. A contractor was selected for that job and only then was the committee told that that helicopter was not suitable for all uses. The gentleman has demonstrated a very deep understanding of the problem confronting the committee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is suggested that we ought to have an open mind with regard to the Navy requirements, and I think the position of the gentleman from Connecticut is valid. I think we must keep an open mind in regard to this matter.

No one I know of is set in concrete in connection with what decision should eventually be made in this matter. We recognize that conditions and concepts change.

I know the gentleman from Connecticut, a member of the Committee on Appropriations himself, is quite aware of the various problems involved here, and I am sure there will be some solution to the problem.

I thank the gentleman for raising the issue here.

Mr. GIAIMO. I thank the gentleman.

AMENDMENT OFFERED BY MR. MOORHEAD

Mr. MOORHEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOORHEAD: Page 23, line 20 immediately after "$2,358,319,000" strike out the comma, and insert in lieu thereof the following: "(of which $10,000,000 shall be available only for initiating the development of two prototype, light air superiority aircraft, one of which shall not be procured from contractors engaged substantially in either the F–14 or F–15 programs),".

Mr. MOORHEAD. Mr. Chairman, the amendment I am offering is a promilitary, pro-Navy amendment. If adopted it means that the Congress is telling the Navy to plan to consider buying a light air-superiority aircraft—something which they do not have and something better than they now have.

The amendment at the same time, however, is critical of the miltary. Quite frankly, it does not stop the F–14 but it questions the advisability of proceeding much further with the acquisiton of the F–14 airplane.

I am not an aerospace engineer nor a cost accountant but I have a keen sense of smell.

The F–14 has a C–5A odor—the smell of cost overruns and performance underruns.

When I smelled this in the C–5A program I tried to defeat that wasteful program by a direct frontal attack, but I relearned the truth of the political axiom that you can not beat something with nothing.

I think the overly costly and potentially under performing F–14 program should be terminated before more of the taxpayers' valuable dollars are spent on this new military boondoggle.

However, Mr. Chairman, we do not now have an alternative to the Navy's undoubted need for an up-to-date light air-superiority aircraft.

My amendment would set aside $10 million of the amount appropriated for two prototypes of a lighter air-superiority aircraft from a very hungry aerospace industry, as an alternative to the very questionable F–14—an alternative which the Armed Services Committees, the Appropriations Committees, and the Congress can consider before we irrevocably commit ourselves to this dubious $25 billion F–14 venture.

Why the necessity for an alternative? Because even if—and that is a very big if—even if the F–14 should come close to meeting its specifications, it still will be no match for the Soviet's current Mig–23 in either speed, altitude, or maneuverability.

Mig–23's are now flying over Israel with impunity because they can not be reached by our F–4's. Our F–14's or F–15's which have not even been deployed yet, are slower, lower altitude airplanes even if they meet specifications.

To those of my friends, who as I do, support the best for the military, I ask you to vote for the amendment so that we may have an alternative to buying an airplane already inferior in many respects to those the Soviets have already deployed.

To those of my friends, who as I do, oppose waste in military spending, I ask you to vote for this amendment so that next year we can have a reasonable and responsible alternative to this overly-costly and definitely inferior aircraft.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment.

The gentleman raises a good point, of course, in that we do need to try to develop some lightweight fighter aircraft, less expensive aircraft, and it is for that reason that we have in this bill funds for the development of such a plane. That task has been assigned to the Air Force.

Mr. Chairman, the amount contained in the bill for the prototype development of a lightweight fighter is $6 million.

There has been no request from the Department of the Navy or the Department of Defense or from the Office of Budget and Management for funds for the development by the Navy of an additional lightweight aircraft.

As we proceed a little further along with the Air Force prototype effort, we would hope that the aircraft development will be successful as to performance and low cost, and that the plane could be made compatible for both the services at minimal additional cost. Of course, it is too early to know that. It seems to me that a single prototype development effort for a lightweight fighter which is proposed in this bill is enough for us to do at this time. This should also be a more economical approach than initiating two separate and competing Navy and Air Force programs for the development of lightweight fighters.

So, I would respectfully request that the amendment be defeated. I realize the intent of the amendment is in recognition of the fact that we do need lighter weight, less expensive fighters.

We believe we have taken the necessary steps to achieve this goal. It does not seem to me that the inclusion of additional funds, as proposed here, to initiate another lightweight fighter prototype development program is warranted.

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. PIKE. Mr. Chairman, I thank the gentleman for yielding.

The thing that concerns me about this is the language in the amendment which says that they shall not be procured from contractors engaged substantially in either the F–14 or F–15 programs.

Frankly, almost every major contractor engaged in building planes in America today is engaged in these programs to some degree, and if we are going to get planes built by somebody else who is not in the aircraft building business I cannot think of a more wasteful way to proceed. I just do not understand what "substantially engaged" means. It seems to me that the language as set up in this amendment would say that you have to go, if you are going to get a plane developed, to a company that has not been involved in the manufacturing of planes, and I think this would be a very wasteful way to proceed.

Mr. MAHON. I too believe we should not proscribe any contractor. Language to prohibit any contractor from participating in a program would be contrary to usual practice and very dangerous. I would think that the Navy itself, if it had the funds and desired to go forward with this kind of a program, would select contractors who were objective and who did not have conflicting interests. But regardless of that, I think it would be a very bad policy indeed to have this sort of amendment adopted by the House.

I oppose the amendment under all the circumstances, irrespective of the fact that I share the views of the gentleman from New York that a prohibition against certain contractors who might be considered for the contract is not good legislation.

Mr. MOORHEAD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to my distinguished friend, the gentleman from Pennsylvania.

Mr. MOORHEAD. Mr. Chairman, I thank the gentleman for yielding to me. My objective was not to proscribe the contractors for the F–14 and F–15, but the desire to carry on with the prototype because a major part of their work would of course be with those planes. However, if I could secure the support of the distinguished chairman of the Committee on Appropriations, I would certainly accept an amendment deleting that part of the amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MINSHALL. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I certainly agree with everything the chairman of the full Committee on Appropriations has said in opposition to the amendment offered by the gentleman from Pennnsylvania (Mr. MOORHEAD) and I hope that the House will see fit to reject the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. MOORHEAD).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 713. (a) During the current fiscal year, the President may exempt appropriations, funds, and contract authorizations, available for military functions under the Department of Defense, from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interests of national defense.

(b) Upon determination by the President that such action is necessary, the Secretary of Defense is authorized to provide for the cost of an airborne alert as an expected expense in accordance with the provisions of Revised Statutes 3732 (41 U.S.C. 11).

(c) Upon determination by the President that it is necessary to increase the number of military personnel on active duty beyond the number for which funds are provided in this Act, the Secretary of Defense is authorized to provide for the cost of such increased military personnel, as an excepted expense in accordance with the provisions of Revised Statutes 3732 (41 U.S.C. 11).

(d) The Secretary of Defense shall immediately advise Congress of the exercise of any authority granted in this section, and shall report monthly on the estimated obligations incurred pursuant to subsections (b) and (c).

AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer an amendment.

Mr. CRANE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Eighty-seven Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 397]

Abbitt	Dowdy	McKevitt
Alexander	Downing	Mathias, Calif.
Archer	Duleski	Milva
Ashley	Edmondson	Murphy, N.Y.
Bell	Edwards, Ala.	Purcell
Betts	Edwards, La.	Railsback
Blackburn	Erlenborn	Rangel
Blatnik	Fish	Rees
Boggs	Ford, Gerald R.	Roberts
Brasco	Forsythe	Rooney, Pa.
Carey, N.Y.	Frey	Rosenthal
Celler	Goodling	Runnels
Chappell	Gray	Ruth
Clark	Halpern	Scheuer
Clausen, Don H.	Harsha	Steed
	Hébert	Steele
Clay	Hosmer	Stokes
Corman	Hungate	Teague, Tex.
Cotter	Kee	Tiernan
Daniel, Va.	Kuykendall	Wilson, Charles H.
Danielson	Landgrebe	
Derwinski	Link	Wolff
Diggs	McClure	
Dingell	McDade	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, H.R. 11731, and finding itself without a quorum, he had directed the roll to be called, when 362 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the Clerk was about to read the amendment offered by the gentleman from Illinois (Mr. YATES).

The Clerk will report the amendment.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. YATES. Mr. Chairman, had not the Clerk read the amendment, and had I not been recognized when the Committee rose?

The CHAIRMAN (Mr. ROSTENKOWSKI). The Chair will state, in response to the inquiry of the gentleman from Illinois, that the Clerk had not read the amendment.

AMENDMENT OFFERED BY MR. YATES

The Clerk read as follows:

Amendment offered by Mr. YATES: On page 34, line 16, strike the comma and insert the following words: "for a period of 60 days" and reinsert the comma.

And on line 18, change the period to a comma and insert the following words: "and there shall be no further expenditures for said purpose beyond said period without first obtaining the approval of the Congress" and reinsert the period.

POINT OF ORDER

Mr. MAHON. Mr. Chairman, I make a point of order against the amendment.

Mr. Chairman, this bill came to the House under a rule for several reasons, particularly because the authorization bill had not been signed by the President. The section involved here relates to the emergency powers of the President to call up Reserve forces and to pay them, and for the Defense Department to provide support. This has been the law in this bill for 10 or 12 years.

This provision has been used by the President on one occasion, and that was in connection with the Berlin crisis in 1961, and that is the only time this provision of law has been utilized.

The gentleman from Illinois says that in the case of a special emergency action which is supported by the Defense Department, that within 60 days after the special action is taken, then Congress would have to meet and approve the action of the Executive, or else the privilege of the Department of Defense to support the men called up would be withdrawn.

So, Mr. Chairman, this amendment is very legislative in character and involves a major policy issue relating to our military forces and our foreign policy and it certainly should not be modified under these circumstances.

It is, of course, legislation on an appropriation bill and for that reason is subject to a point of order, as I see it.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. YATES) on the point of order.

Mr. YATES. My amendment is purely a limitation. The purpose of this section of the appropriation bill is to eliminate the need for appropriations for the action that may be taken by the President in calling for troops over and above the amounts that are authorized to be funded under legislation passed by the Armed Services Committees of both the House and Senate and appropriations approved by the Appropriations Committees of both the House and Senate.

This section says that the President need not have to come to the Congress for appropriations for the troops that he calls up. My amendment is a limitation on that waiver and, therefore, as a limitation on the waiver of appropriations, it is in order.

The CHAIRMAN (Mr. ROSTENKOWSKI). The Chair is ready to rule on the point of order.

The Chair first points out that the rule under which this bill is being considered waives points of order against the language in the bill. It is well established that where legislation in a general appropriation bill is permitted to remain, as here, under a waiver of points of order, it may be perfected by germane amendments provided they do not add further legislation.

The question, Does this add further legislation?

In the opinion of the Chair, the amendment is germane and does not add additional legislation since it restricts or narrows the legislative impact of the legislation already in the bill.

The Chair, therefore, overrules the point of order made by the gentleman from Texas.

Mr. YATES. Mr. Chairman, am I recognized?

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

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Mr. RHODES. Mr. Chairman, a further point of order.

Mr. YATES. Mr. Chairman, I understand the point of order has been overruled.

The CHAIRMAN. The Chair has overruled the point of order of the gentleman from Texas, but the gentleman from Illinois has not yet begun his remarks.

PARLIAMENTARY INQUIRY

Mr. RHODES. Mr. Chairman, a parliamentary inquiry, is not a further point of order in order?

The CHAIRMAN. The Chair will hear the gentleman from Arizona on the parliamentary inquiry.

Mr. YATES. Mr. Chairman, I thought I had been recognized.

Mr. RHODES. Mr. Chairman, a parliamentary inquiry is whether or not a further point of order can be made at this time?

POINT OF ORDER

The CHAIRMAN. The Chair will hear the point of order.

Mr. RHODES. Mr. Chairman, the point of order refers to the fact that this is legislation on an appropriation and not as to whether it is germane to the bill. Obviously, it is legislation on an appropriation because I asked the Chair to consider the fact that on page 34 of the bill which is before the committee, there is a referral to an act of Congress; to wit, the Revised Statutes 3732 (41 U.S.C. 11).

Mr. Chairman, the amendment of the gentleman from Illinois would amend this act of Congress in that it would provide a provision, or would add a provision to a law which is not now in existence.

The CHAIRMAN. The Chair will state, in the opinion of the Chair, the amendment offered by the gentleman from Illinois perfects, in a germane manner, legislation which is already in the bill and, therefore, overrules the point of order.

The Chair recognizes the gentleman from Illinois (Mr. YATES) to speak on his amendment.

Mr. YATES. I thank the Chair. Mr. Chairman, frankly I am very much surprised that the Committee on Appropriations should have approved this section and inserted it in the bill because it surrenders to the President the power of Congress to establish troop levels of our armed services and to pay for them.

The Armed Services Committees of the House and Senate go through hearings for months and establish troop levels for the Army, Navy, the Marine Corps, and for the Air Force. The Appropriation Committees of the House sit for months and decide what amount of money should be appropriated to support the troop levels that have been established. This section gives the President the right to supersede their action by his own.

In this section of the bill, the President is given authority without any further action of the Congress to increase the number of military personnel on active duty beyond the numbers for which funds are appropriated in the act, and the Secretary of Defense is authorized to waive the requirement for appropriations in support of the President's actions. Under this section the President's action must be upheld by the Congress. The Congress waives its oversight role over the purse strings.

If that is not the delivery of awesome power to the President I do not know what is. No President, be he Republican or Democrat, should have the power, free from congressional check, that this language gives him.

It is argued, yes, that the President needs flexibility; he needs the authority to act in a hurry. This may be true. But my amendment does not restrict that power. It asserts the congressional power to participate as well.

The President ought not to have such power. It asserts the congressional power not to have that power indefinitely. If he believes that he needs the extra troops he has activated beyond 60 days, he should be required to come to the Congress and justify the need for the additional troops. He can act to meet a situation that requires extraordinary action. Under my amendment he must justify continuation of his action to Congress.

What is wrong with that? Why should not the Congress be a partner, and be called upon to pass upon these awesome questions of war and peace? The Congress has a concurrent responsibility in this field. Much too frequently in the past the Congress has deferred in its judgment to that of the executive branch. Unfortunately, the President has come to believe that the Congress has no powers in the field of foreign policy. Look what happened—how many of those who voted for the Gulf of Tonkin resolution would like to have their votes back? Almost all of them.

Under this provision the President would not even be required to come to the Congress for a resolution like the Gulf of Tonkin resolution. He could just act arbitrarily. He could just act unreasonably. He could do this without any power in the Congress to check him, except perhaps, by legislation that was initiated by one of the legislative committees of the House.

The purpose of my amendment is to bring the Congress into the picture before we are so overcommitted by the President that it is impossible to extricate ourselves. In this day and age when wars can break out anywhere on the face of the globe, in this day and age when the Armed Forces of the United States may be sent to any part of the globe because the President decides that this should be done in the exercise of our foreign policy, I say that Congress should be given a part in that decision, and at the end of 60 days the President should come in here and ask for the approval of Congress for that kind of action.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. I want to associate myself with the gentleman's amendment and state my approval of what the gentleman has said in support of it. I do not think we in the Congress can defer our responsibilities, and I do not think we should even if we could. If the President deems it necessary to increase the levels of our manpower beyond those fixed by law, for any reason whatsoever, I think he has that responsibility and he must exercise it as he sees fit. But I think we have the responsibility, and we should exercise it, not to simply defer to the President without our having passed our judgment on such a decision.

So I associate myself with the remarks of the gentleman and I hope the Committee will adopt this very reasonable amendment.

Mr. YATES. I thank the gentleman for his remarks.

As Senator Vandenberg said, "It is fine that Congress was in at the launching of an initiative instead of the crash landing."

There will be an amendment offered later today in an effort to change the course of this Nation's action in Vietnam. My amendment proposes to see that Congress is in at the beginning. Let Congress be consulted at the beginning. I urge approval of my amendment.

Mr. GUBSER. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from California is recognized.

Mr. GUBSER. Mr. Chairman, I rise in support of the amendment and commend the gentleman from Illinois for offering it. I do not profess to be a parliamentarian, but it strikes me that the entire section (c) is legislation on an appropriation bill and is subject to a point of order. I presume that the gentleman from Illinois did not make the point of order because he wanted to make it possible for the President to augment forces and to have those forces paid for for a period of 60 days so that Congress, which has the responsibility of setting the force level, could reconvene, if we were out of session, and act in the national interest.

This appropriation bill has a line item limitation of expenditures for payments to military personnel. But section (c) makes what should be a limitation an open ended appropriation. This negates the function of an appropriation bill.

If the President calls Reserves and in order to pay them he must exceed the spending limitations contained in the bill, then Congress should change the limitation by positive action through a supplemental or deficiency appropriations bill.

The gentleman has wisely put in a 60-day provision here to provide for a national emergency. We will probably be here anyway, and if we are not, it is certainly feasible that within 60 days Congress can be called back into session.

I voted for the Gulf of Tonkin resolution, and if I had the benefit of 20–20 hindsight and were asked again to vote on the Gulf of Tonkin resolution which conveyed authority to the executive branch that I did not contemplate, I would not vote for it today. I think it is about time that we took a good look at the powers which we transfer down to 1600 Pennsylvania Avenue—and I do not care whether it is Richard Nixon or a Democratic President.

Mr. Chairman, I ask for an aye vote for the gentleman's amendment.

Mr. STRATTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have discussed this amendment at some length with the distinguished gentleman from Illinois, because of my interest in our troop ceilings as a member of the Committee on Armed Services. The basic question that I think was in the gentleman's mind was whether this section (c) on page 34 confers any new authority on the President to call up additional troops beyond the established ceilings in present law. Of course all that the section specifically says is that it authorizes the President to pay any additional troops that may be called up.

But in order to clarify my own mind, I went to the basic law, which is contained in title III on page 14 of the conference report on the draft. We voted that into law in September. It says in the basic law that it establishes the troop ceilings for the fiscal year beginning July 1, 1971, but, first of all, it makes it clear that these figures are "average" active duty straight personnel ceilings.

That means the Army can go above 974,309 men at one point during the fiscal year provided they bring the number down below that figure later on, so that it averages out at the specific ceiling figure. This is, of course, what we gave in the basic law to the President so that he would have some necessary flexibility. A sizable majority of the House voted for that measure.

Second, the basic law provides in addition to these established ceilings—which can be exceeded temporarily, and somebody is authorized to find money to pay the extra troops on those particular dates—the law specifically exempts from these specified ceilings "members of the Ready Reserve of any armed force ordered into active duty under provision of section 673, title 10, United States Code, members of the Army National Guard or Air National Guard called into active duty," and so on.

It also provides that the President shall, beginning with the second quarter of the fiscal year "immediately following the quarter in which the first units are ordered to active duty," the filing of reports to the Congress regarding the necessity for such unit or units being ordered into active duty.

So the only legal authority that exists is this authority which allows the services to go above the ceiling temporarily if they will also go below the ceiling later on, plus the flexibility we also gave the Commander in Chief in the authority to call up our Reserves.

Many Members have been faulting the Department of Defense for not having called up the Reserves. Well this is the only authority the President has to call up the Reserves, and he must report to the Congress in 60 days as to what units he has called up and where they are to be used.

But I do not think we ought to add any additional language here that would require that he has got to come back to Congress for a new resolution when only last September this Congress told the President he could call up the Reserves if he felt an emergency required it.

As I read the appropriation bill, it simply provides the money for paying these additional Reserves who might have been called up by the President in some emergency pursuant to the legislation we passed earlier this year in this Congress.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman's argument totally ignores the language on page 34 to which my amendment was directed.

For the gentleman's information, I reviewed with the staff of the committee the language to determine its scope. We concluded this language permits the President to go above the limits that were established in the basic law to which the gentleman refers.

And the troop levels established for the Reserves are not the limitations under this amendment.

Mr. STRATTON. These staff experts could not repeal a law Congress enacted last September, and this legislation could hardly imply that the President had such authority.

Mr. YATES. Why not?

Mr. STRATTON. Because all that the legislation provides for, as the gentleman well knows, is a means of paying, when statutory levels are temporarily exceeded, for those who are called up pursuant to the authority contained in the language of the Draft Act of 1971, in excess of the statutory limits contained in that bill.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Arizona.

Mr. RHODES. Does not this point up the folly of trying to rewrite a provision of law which is so important and so vital to the welfare of the country and the conduct of foreign relations on the floor? If it is to be rewritten, it should be done after the committee on which the gentleman serves has had ample opportunity to study it.

Mr. STRATTON. I agree with the gentleman and believe it also shows that our committee has done a good job in setting current troop ceilings.

I thank the gentleman for his contribution.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman from New York indicated that this language does not change the basic law. If this section is enacted into law it will change the basic law which establishes mandatory troop ceilings.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I should like to make my statement first, and then if I have time remaining I will be happy to yield.

Mr. STRATTON. The gentleman yielded his time to let the gentleman from Illinois reply to me.

Mr. OBEY. Mr. Chairman, I decline to yield at this time.

I believe this amendment is more important than the Boland amendment, which we will be voting on today. The Boland amendment attempts to correct a mistake after the fact. I am very grateful to the gentleman from Massachusetts for giving us that opportunity.

But this amendment before us now is to prevent future evasions of congressional policy and future erosions of congressional power. It says, really, that the President can do anything he wants relating to the number of men under arms so long as he comes back to the Congress within 60 days and gets approval for it.

This is an attempt to keep to ourselves the power which our forefathers gave to the Congress, which unfortunately we have seemed to be hellbent on throwing away over the past 5 years.

It also relates to something else which I believe anyone interested in a volunteer army ought to consider. I have heard a great many people on this floor talk about the necessity of establishing a volunteer army because of their belief that if we had a volunteer army it would be more difficult in the future to get this country involved in conflicts in which we have no business being involved.

I do not feel that will work at all unless it is tied to the idea suggested by the gentleman from Illinois in this amendment; namely, the idea of very strict congressional controls over military manpower. That is all the gentleman from Illinois is trying to do. That is the key, in my judgment, to the eventual success, at least in my mind, of the volunteer army concept.

Whether or not we will be able to maintain in congressional hands strict control over manpower levels is the key. If we do not do that we might as well give the President full authority to do anything he wants to do in international affairs.

The argument is going to be made, against this amendment I suppose that we are really putting ourselves in a very dangerous situation if an emergency comes up internationally. I believe everyone in this House knows full well that 90 times out of 100 the President is going to get exactly what he wants from the Congress. I do not believe there is an inclination in either the Senate or the House, despite all the noise being made right now about Vietnam, to deny the President what he wants in the area of foreign affairs.

But it will give us that one chance in 10, in that one case in 10 that requires it for Congress to stand on its own feet. It will give us that chance to exercise some degree of control over the use of our men internationally. We ought at least do that. We can by adopting this amendment.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New York.

Mr. STRATTON. I appreciate the gentleman's yielding.

I do not mind arguing substantial issues here on the House floor. Some of us support the military and some of us do not. But this amendment presents a phantom issue. The Congress has already established clear-cut ceilings for the

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armed services, just last September. The President is not allowed to go over those ceilings except under the conditions which the House itself spelled out clearly only 6 weeks ago.

That is the law. This wording in section C does not repeal that. I defy anybody to come in here with any kind of reliable legal opinion and say that the language beginning on line 12, page 34, of the bill repeals Public Law 92-129. It does not. Obviously it does not.

So to talk here today about how we have to have the Congress set ceilings and not allow the President to go over them is nonsense. We have already set those ceilings. We have told him under what conditions he may exceed them. Let us not do it twice.

Mr. OBEY. Let me respond to the gentleman. I do not agree with him that this has anything whatsoever to do with whether you support the military or not. I happen to represent the district formerly represented by the present Secretary of Defense. I think my people support the military. But I think they also want this amendment.

Mr. YATES. Will the gentleman yield to me?

Mr. OBEY. I yield to the gentleman.

Mr. YATES. The gentleman from New York completely overlooks the language of this bill. Let me read it. This bill would be enacted subsequent to the act establishing the troop ceilings.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. YATES, Mr. OBEY was allowed to proceed for 1 additional minute.)

Mr. YATES. Will the gentleman yield to me?

Mr. OBEY. I yield to the gentleman.

Mr. YATES. Let me just read this section—I ask the House to note how blanket it is:

Upon determination by the President that it is necessary to increase the number of military personnel on active duty beyond the number for which funds are provided in this Act.

Beyond the number for which funds are provided in this act—the Secretary of Defense, and so forth. This is blanket authority to the President to bring into the services on active duty any number that he wants. There is no restriction; there is no limitation. I do not know what could give him that authority if this language did not do that. I say it would change the law.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

I yield to the distinguished gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I would just like to point out to the committee and also to the gentleman from Illinois that he has not read this language of the bill very carefully. It reads:

Upon determination by the President that it is necessary to increase the number of military personnel on active duty beyond the number for which funds are provided in this Act.

So the funds in this act are being provided for the ceilings already established by law, the numerical ceilings established, as I have said, by the draft act passed in September. If the President were for a couple of months to go over these average ceilings, in July and August, let us say, then additional funds would be required. This language simply provides the manner for paying the additional people. And when the President then drops the troop totals down in October and November, below that ceiling, the DOD picks up some additional money.

Moreover, if the President decides in an emergency to call up the Reserves, which we gave him just last September, the explicit authority to do under the law and within the limitations of this law, then this language today provides the money to pay those extra Reserves. Do we want the reservists from our home districts, whom we made vulnerable to call in September, to serve without pay?

This section certainly does not repeal the draft act, and it is ridiculous to suggest that it does, it seems to me.

Mr. YATES. Will the gentleman yield to me?

Mr. SIKES. I yield to the gentleman from Illinois.

Mr. YATES. As the distinguished chairman of the Committee on Appropriations pointed out, it was under this section that the President went above the ceilings established by the Congress in 1961. According to the staff of the Committee on Appropriations this bill funds the armed services up to the levels that have been authorized under the military authorization bill that the gentleman from New York spoke about. If this section becomes operative at all, the number of troops will be above the levels established, and I refer to the average levels. Therefore, the President will be exceeding the levels that the gentleman speaks of.

Mr. STRATTON. If the gentleman from Florida will yield to me, the gentleman from Illinois still does not seem to understand that these are average figures.

Mr. YATES. I said average levels.

Mr. STRATTON. You can go above those averages temporarily. But how can the Committee on Appropriations determine today exactly how many men will be on active duty in May, June, and July? I know this is a distinguished and very capable committee, but they do not have a crystal ball. If they are going to pay 974,000 men in the Army, why, we may find ourselves over that figure for a few weeks, and that is all this section provides.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the distinguished ranking minority member on the committee.

Mr. MINSHALL. Mr. Chairman, I should like to commend my friend, the gentleman from New York (Mr. STRATTON), for the comments which he has made.

My friend, the gentleman from Illinois (Mr. YATES), confuses what the basic law, Public Law 92-129, does and what the appropriation does under the basic law. This gives the President the authority to call up the troops.

Mr. YATES. That is right.

Mr. MINSHALL. All this does, at page 34 of the bill, is to give him authority to pay those troops.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Illinois.

Mr. YATES. I read the language of the bill, Mr. Chairman. The bill is subsequent to the act to which the gentleman from New York referred. It reads as follows:

Upon determination by the President that it is necessary to increase the number of military personnel on active duty beyond the number for which funds are provided in this Act, the Secretary of Defense is authorized to provide for the cost of such increased military personnel, as an accepted expense in accordance with the provisions of Revised Statutes 372.

This can only refer to exceeding those troop levels under the military authorization bill and, under this language the President can go as high as he wants to go. The sky is the limit, and under the provisions of this bill the Congress would lose its constitutional authority to set the funds for the services.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there seems to be considerable misunderstanding as to the amendment which is pending.

This provision on page 34 has been the law for 10 years or more. It enables the President to pay the people who are called into service as the result of an emergency. And, why should they not be paid. Why should they not be paid as long as they are serving?

We just provide here that they shall be paid. The language is easy to understand if you read it with care—

Upon determination by the President that it is necessary—

This does not say he has the authority. It just says:

Upon determination by the President that it is necessary to increase the number of military personnel on active duty beyond the number for which funds are provided in this Act, the Secretary of Defense is authorized to provide for the cost of such increased military personnel—

In other words, if the Congress has authorized the Department of Defense to have 2 million men in the service, and the President calls up some additional men, then they can be paid. That is what this provides for here.

We have talked about the Berlin crisis. The President did not have to have any authority with respect to calling up the number of men. The callup was not the problem. The men were called up under existing authority.

The language in the appropriation bill simply provided that the Secretary of Defense could pay those people even though the appropriation for that year was not sufficient to pay them.

The language of the bill makes it possible for him to do that today.

If the President calls men up, this language provides that they can be paid.

Mr. Chairman, I regret to see a basic change of our law made upon such short notice.

It has been said that if someone had known what the implications were on the Tonkin Gulf resolution, he would not have voted for it, because it was not thoroughly explored and examined. This is exactly what is happening here now.

The amendment offered provides that if the President has the authority and does call up people, he can pay them, but he cannot pay them beyond 60 days.

Mr. Chairman, this is not the way to decide the great policy question as to the power of the President to use the Armed Forces of the United States. If we want to settle that issue, we ought to have extensive hearings. The Committee on Armed Services should bring forward legislation and let us debate it in detail, if we are going to try to restrict the President.

What this bill provides is that if men are called up—and they cannot be called up unless it is according to law—they can be paid.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I will yield in a moment if I have the time.

So, Mr. Chairman, it seems to me that this is a condition that should be thoroughly explored by the legislative committee and then, if need be, legislation could be brought up.

If Congress wants to deny the President the authority to call up additional men in an emergency, let them do it in the proper way. That is not the issue here.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, the portion of this amendment which particularly disturbs me is the 60-day limitation. It is only in rare instances that Congress works that fast. We might not even be in session. I think it would be difficult and it might be impossible to operate under a 60-day limitation during an emergency situation.

Mr. MAHON. If Congress were in session we still could not deny paying people who have been called into service. The Congress might deny the President certain emergency powers, but it certainly could not deny the pay for the people who have been called up. And that is what we are dealing with here. This is an appropriation bill.

Mr. Chairman, I ask that the amendment be voted down.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PUCINSKI. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Illinois (Mr. YATES).

Mr. Chairman, there is nothing in the amendment offered by the gentleman from Illinois (Mr. YATES) that contradicts anything that has been said by the distinguished chairman of the Committee on Appropriations. The chairman says that the President ought to have a free hand to increase the authorized strength of our troops and if such increase is made, the bill provides funds to pay these extra troops. Of course the extra troops have to be paid and this amendment does not prohibit this. It merely provides that if the President decides to keep these extra troops on active duty for more than 60 days, he must seek approval from Congress.

The gentleman from New York would have you believe that the problems of extra troops is one of these little bookkeeping things that happens every now and then because you cannot precisely predict how many men you will have in the service at any given time, and when they go over the limitation those men ought to be paid. Nobody quarrels with that, nor does this amendment quarrel with that in any way.

What this amendment says is that if the President decides to keep these extra men more than 60 days he will have to come before the Congress and ask for that permission.

There is nothing in this amendment that in any way disturbs the President's constitutional rights as Commander in Chief. All it says, if you are going to keep these men in for a period beyond 60 days you have to come to the Congress to get the authority.

Too many people in this country have the idea that Congress is an adjunct of the executive branch of the Government. There is reason for that belief. We in Congress pass bills that are completely rewritten when the executive branch gets through with them with their guidelines and their interpretation. You are seeing this happen now in the price and rent freeze. If you look at the Price Stabilization Act, there is no authority for many of the things that are being ordered by this administration. The order of ignoring legislative intent has become a hallmark of the administration and that when I believe we must write limitations into this bill or suffer the prospect of more Vietnams.

I agree with the gentleman from Wisconsin that this is an extremely important amendment.

Mr. Chairman, I remember when our distinguished Speaker made his inaugural speech when he took office as the Speaker. He called upon Members to help him restore to the Congress its rightful role as a coequal branch of the Government; not a rubber stamp or an adjunct of the executive branch of the Government, but its constitutional role as a coequal branch of Government. I think that a vote for this amendment will give us an opportunity to reassert the coequal status of the Congress of the United States on these vital issues.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I agree with the statement by the distinguished chairman of the Committee on Appropriations when he said the President does have the power to call up these troops, and all this section does is to provide them with payment. But that is the point; what the Committee on Appropriations is doing in this situation is waiving the congressional right of oversight on payment for these troops. That is the constitutional role of Congress and ought not be surrendered.

According to the argument made by the gentleman from Texas, if the President calls up the troops under this section, he would be authorized to call them for this fiscal year, without having to come to Congress on payment for them.

My amendment says if the President does it that the troops are going to be paid for 60 days. If the President wants the troops to be paid beyond that time, he must come to Congress and tell the Congress why he thinks the troops should be kept on beyond that date, let the Congress decide whether or not they ought to be paid beyond that point.

Mr. PUCINSKI. May I remind the House that the last strength we have as a coequal branch of Government is the power of pursestrings. Do not deal that power away. I believe the amendment the gentleman offered here in no way disturbs the executive branch's power.

Mr. Chairman, I would make the same argument if there were a Democrat in the White House. This has nothing to do with partisan politics. What this does is to try to establish in the Congress its coequal reponsibility on these very vital and important issues.

Mr. SEIBERLING. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to associate myself with the remarks of the gentleman from Illinois.

If you go back to the origin of modern parliamentary institutions in the 17th century, the power of parliament was established because of its power over the purse. I think the gentleman from Illinois has put his finger on the key to this whole problem of stopping the erosion of congressional power toward the executive.

If we do not preserve the power of Congress to control the executive in the expenditure of money, we have given up the substance of our power.

I have listened to distinguished lawyers, the gentleman from Texas and the gentleman from New York, make some very persuasive arguments that all this does is to give money in case the President decides to go above the limits set by law on the size of the armed forces. But that is the very point, gentleman—every time we give up any of Congress power to control the expenditure of money, we give up some more of the basic power of Congress.

I did not come to this House to abandon more of Congress power to the executive, but to try to help bring back power to this institution. I think the people of this country want us to do that. We have an obligation to do so if we are going to discharge our responsibility under the Constitution. I am happy to associate myself with what I consider to be one of the most important amendments that has been offered since I have been a Member of this House.

Mr. RHODES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I will not take the 5 minutes, but I want to make one point and will try to make it as clearly as I possibly can.

First. This provision of the law refers only to the calling up of Reserves and payment of the Reserves who are called up.

Second. When you look at the record—no war, no police action ever started with the calling up of Reserves. There has not

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been any such occurrence in the history of the United States. If the gentleman from Illinois is looking for a panacea to stop wars, and I wish him luck, he has zeroed in on the wrong target.

Third. The President of the United States, whoever he may be, should have the authority to call the Reserves in the event war threatens. Sometimes just having this authority allows a President to deter war.

I take you back to the days of 1961 when President Kennedy had the authority and did call up the Reserves in the Berlin situation. I do not have much doubt in my mind that the ability of the President at that time to do what he did had more to do with stopping the possibility of war in Germany than anything else.

Mr. Chairman, this is not the time to tamper with legislation that has had as important a history as has this proviso, which has been in the law for 10 years. The time to change this legislation, if it is to be changed, is when the Committee on Armed Services of the House which has the legislative authority has had a chance to have hearings and then to act intelligently in this matter.

I certainly hope we will not play games with the defense of our country by voting for this kind of amendment. I ask that the amendment be voted down.

Mr. HATHAWAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I yield to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, as the gentleman from Arizona said, I have taken a great deal of time on this amendment, rightly so, I believe because I am convinced of its importance.

The gentleman is entirely wrong when he says that this amendment applies only to the Reserves. The gentleman has obviously failed to look at the language of this section. It could not be more clear.

Section (c) states:

> Upon determination by the President that it is necessary to increase the number of military personnel on active duty . . .

The President could take them from the Reserves, yes, but he also can take them from the drafted men just as well. He can increase the size of the draft and take draftees. He does not have to go to the Reserves in this kind of situation any more than the President did when he went into Vietnam. At that time he did not call the Reserves.

If there is a trouble spot somewhere in the world to which the President thinks the Armed Forces should be sent in an emergency situation, he can increase the number of draftees or call up the Reserves or do both. Under this section the power of Congress to supervise the number of military personnel would be waived indefinitely.

My amendment says, Mr. Chairman, "Mr. President, you can do it for 60 days, but beyond that you have got to come to Congress and have your action reviewed if you want your funds."

Mr. HATHAWAY. Mr. Chairman, does the gentleman from Texas wish me to yield?

Mr. MAHON. Mr. Chairman, will the gentleman yield to me for a unanimous-consent request?

Mr. HATHAWAY. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close at the conclusion of the address of the gentleman who is now addressing the House.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. ROUSSELOT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentleman from Arizona.

Mr. RHODES. The words "active duty" on line 14 of page 34 are controlling. You do not recall draftees to active duty. They are either on active duty or they are out of the service. Obviously this provision does not refer to draftees. It refers only to members of the armed services, either in the Reserves or the Regular Forces.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentleman from Illinois.

Mr. YATES. I have the impression that there are many draftees who are on active duty, having been drafted into the Army of the United States. They are on active duty and they can be used.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. I rise in support of the amendment and would like to make the point that if there is a really important emergency, there is no reason the Congress cannot act to appropriate the necessary money within 60 days.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. HATHAWAY. I yield to the chairman of the committee.

Mr. MAHON. Mr. Chairman, I propose to offer a motion that all debate close, but I do not want to take the gentleman off his feet. When he has concluded, I shall address the Chair.

Mr. HATHAWAY. Mr. Chairman, I rise in support of the amendment and endorse the many cogent arguments that have been made in support of it. I do not think we are fulfilling our constitutional responsibility unless we do follow the gentleman from Illinois, and I urge the committee to support his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. YATES).

The question was taken; and the Chairman announced that the noes appeared to have it.

TELLER VOTE WITH CLERKS

Mr. YATES. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. YATES. Mr. Chairman, I demand tellers with Clerks.

Tellers with Clerks were ordered; and the Chairman appointed as tellers Messrs. YATES, MINSHALL, MAHON, and GUBSER.

The Committee divided, and the tellers reported that there were—ayes 183, noes 210, not voting 38, as follows:

[Roll No. 398]

[Recorded Teller Vote]

AYES—183

Abourezk	Gaydos	O'Konski
Abzug	Gibbons	O'Neill
Adams	Gonzalez	Patten
Addabbo	Grasso	Pepper
Anderson, Calif.	Gray	Pike
	Green, Oreg.	Podell
Anderson, Tenn.	Green, Pa.	Preyer, N.C.
	Gross	Pryor, Ark.
Aspin	Gubser	Pucinski
Badillo	Gude	Quie
Baring	Haley	Randall
Barrett	Hall	Rangel
Begich	Hamilton	Rees
Bennett	Hammer-schmidt	Reid, N.Y.
Bergland		Reuss
Biaggi	Hanna	Riegle
Biester	Harrington	Robison, N.Y.
Bingham	Hathaway	Rodino
Blanton	Hawkins	Roe
Boland	Hechler, W. Va.	Roncalio
Brademas	Heckler, Mass.	Rooney, Pa.
Brasco	Helstoski	Rosenthal
Broomfield	Hicks, Mass.	Rostenkowski
Brown, Mich.	Hicks, Wash.	Roush
Brown, Ohio	Horton	Rousselot
Broyhill, N.C.	Howard	Roy
Burke, Mass.	Hungate	Roybal
Burton	Hutchinson	Ruppe
Carey, N.Y.	Ichord	Ryan
Carney	Jacobs	St Germain
Chisholm	Jones, N.C.	Sarbanes
Clay	Karth	Scheuer
Collier	Kastenmeier	Schmitz
Collins, Ill.	Kazen	Schwengel
Conte	Keith	Scott
Corman	Kemp	Seiberling
Crane	Kluczynski	Shipley
Culver	Koch	Smith, N.Y.
Daniels, N.J.	Kyl	Snyder
Danielson	Kyros	Stanton, J. William
Davis, S.C.	Leggett	
de la Garza	Long, Md.	Stanton, James V.
Dellums	McCloskey	
Denholm	McCormack	Steele
Dennis	McDonald, Mich.	Steiger, Wis.
Dingell		Stokes
Donohue	McKay	Symington
Dow	McKinney	Thompson, N.J.
Drinan	Macdonald, Mass.	Tiernan
du Pont		Udall
Dwyer	Matsunaga	Ullman
Eckhardt	Mazzoli	Van Deerlin
Edwards, Calif.	Melcher	Vander Jagt
Eilberg	Metcalfe	Vanik
Esch	Miller, Ohio	Waldie
Evans, Colo.	Minish	Whalen
Foley	Mink	Wilson, Charles H.
Ford, William D.	Mitchell	
	Moorhead	Wolff
Forsythe	Moss	Wydler
Fraser	Murphy, Ill.	Wyman
Fulton, Tenn.	Nedzi	Yates
Fuqua	Obey	Yatron
Gallifianakis	O'Hara	Zwach

NOES—210

Abernethy	Caffery	Findley
Albert	Camp	Fisher
Anderson, Ill.	Carter	Flood
Andrews, Ala.	Casey, Tex.	Flowers
Andrews, N. Dak.	Cederberg	Flynt
	Chamberlain	Ford, Gerald R.
Annunzio	Clancy	Fountain
Archer	Clark	Frelinghuysen
Arends	Clawson, Del	Frenzel
Ashbrook	Cleveland	Frey
Aspinall	Collins, Tex.	Gallagher
Baker	Colmer	Garmatz
Bell	Conable	Gettys
Bevill	Coughlin	Giaimo
Bolling	Daniel, Va.	Goldwater
Bow	Davis, Ga.	Griffin
Bray	Davis, Wis.	Griffiths
Brinkley	Delaney	Grover
Brooks	Dellenback	Hagan
Brotzman	Dent	Hanley
Broyhill, Va.	Devine	Hansen, Idaho
Buchanan	Dickinson	Hansen, Wash.
Burke, Fla.	Dorn	Harsha
Burleson, Tex.	Duncan	Harvey
Burlison, Mo.	Edwards, Ala.	Hastings
Byrne, Pa.	Erlenborn	Hays
Byrnes, Wis.	Eshleman	Heinz
Byron	Evins, Tenn.	Henderson
Cabell	Fascell	Hillis
Hogan	Morgan	Smith, Calif.
Holifield	Morse	Smith, Iowa
Hosmer	Murphy, N.Y.	Spence
Hull	Myers	Springer
Hunt	Natcher	Staggers
Jarman	Nelsen	Steiger, Ariz.
Johnson, Calif.	Nichols	Stephens
Johnson, Pa.	Nix	Stratton
Jonas	Passman	Stubblefield
Jones, Ala.	Patman	Stuckey
Jones, Tenn.	Pelly	Sullivan
Keating	Perkins	Talcott
King	Pettis	Taylor
Kuykendall	Peyser	Teague, Calif.
Landrum	Pickle	Teague, Tex.
Latta	Pirnie	Terry
Lennon	Poage	Thompson, Ga.
Lent	Poff	Thomson, Wis.
Lloyd	Powell	Thone
Long, La.	Price, Ill.	Veysey
Lujan	Price, Tex.	Vigorito
McClory	Purcell	Waggonner
McCollister	Quillen	Wampler
McCulloch	Railsback	Ware
McEwen	Rarick	Whalley
McFall	Rhodes	White
McMillan	Robinson, Va.	Whitehurst
Mahon	Rogers	Whitten
Mailliard	Rooney, N.Y.	Widnall
Mann	Ruth	Wiggins
Martin	Sandman	Williams
Mathis, Ga.	Satterfield	Wilson, Bob
Meeds	Saylor	Winn
Michel	Scherle	Wright
Miller, Calif.	Schneebeli	Wyatt
Mills, Ark.	Sebelius	Wylie
Mills, Md.	Shoup	Young, Fla.
Minshall	Shriver	Young, Tex.
Mizell	Sikes	Zablocki
Mollohan	Sisk	Zion
Monagan	Skubitz	
Montgomery	Slack	

NOT VOTING—38

Abbitt	Cotter	Landgrebe
Alexander	Derwinski	Link
Ashley	Diggs	McClure
Belcher	Dowdy	McDade
Betts	Downing	McKevitt
Blackburn	Dulski	Madden
Blatnik	Edmondson	Mathias, Calif.
Boggs	Edwards, La.	Mayne
Cellar	Fish	Mikva
Chappell	Goodling	Mosher
Clausen, Don H.	Halpern	Roberts
	Hébert	Runnels
Conyers	Kee	Steed

Mr. BARING changed his vote from "no" to "aye".

So the amendment was rejected.

Mr. WRIGHT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this appropriation bill. The committee is to be congratulated for having brought to us a well-balanced program for the necessary level of national defense.

Particularly do I wish to congratulate the committee for having included sufficient funds for continued production of the F–111 fighter-bomber. The amounts included in the bill will permit the continued acquisition of this vitally important aircraft at the rate of 12 per year and keep the production line open.

Since certain comments were made on the floor yesterday which reflect an uninformed view of this extremely important program, I take this time primarily to set the record straight with respect to certain significant facts.

First, of course, is the question of the safety record of the F–111. Contrary to misconception shared by some of the press and incredibly, by even some few in this body, the F–111 is the safest military aircraft we have built in this country since the early 1950's.

Let me repeat that statement: The F–111 is not only one of the safest, but is the very safest military aircraft we have built in the past 20 years.

Let me give you this comparison on the number of major accidents suffered by each of the following aircraft at 125,000 hours of actual flight.

The F–100 had 108 major accidents.
The F–104 had 90 major accidents.
The F–4 had 60 major accidents.
The F–102 had 59 major accidents.
The F–101 had 59 major accidents.
The F–105 had 58 major accidents.
The A–7 had 42 major accidents.
The F–106 had 39 major accidents.
The F–111 had 22 major accidents at 125,000 hours of flight—the safest of all.

In the number of aircraft destroyed during the first 125,000 hours of actual flight, the story is very much the same.

There were 52 F–100's destroyed.
There were 62 F–104's destroyed.
There were 25 F–4's destroyed.
There were 28 F–102's destroyed.
There were 31 F–101's destroyed.
There were 40 F–105's destroyed.
There were 40 A–7's destroyed.
There were 18 F–106's destroyed.
There were 18 F–111's destroyed.

We are talking here of equal operations, noncombatant in character, and it can be seen clearly that the F–111 on balance is as safe or safer than any other military aircraft we have developed in the recent past.

Something was said yesterday—perhaps of a facetious intent—to the effect that these planes do not fly. The statement was made, though I cannot believe that it was seriously made, that most of them are grounded. This is absolutely untrue.

The Air Force has accepted 375 of these aircraft and of that number at least 350 are operational and in flight today. These include some in the 20th Tactical Fighter Wing at Upper Heyford, England.

The pilots and commanders of that wing are high in their praise of the performance of the F–111. There is certainly a continued requirement for this aircraft, since it is the only long-range, high-speed, penetrator in production in the free world.

The Soviets are increasingly improving their position vis-a-vis the United States in strike force capability.

Of course, we hope to have the B–1 in production and operational numbers perhaps by 1980. But what about the interim? The F–111 is the only hedge against technical, political, or cost problems that might cause an unforeseeable delay in getting the B–1 in operational numbers.

For all of these reasons, the committee is to be thoroughly congratulated for having demonstrated the vision to insist upon continued production of the F–111, and it is clear that the Congress supports this decision.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> SEC. 744. None of the funds in this Act shall be available for the induction or enlistment of any individual into the military services under a mandatory quota based on mental categories.

AMENDMENT OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BOLAND: On page 48, immediately following line 7, add the following new section under title VII:
>
> SEC. 745. In line with Title VI of the 1971 Military Procurement Act calling for termination of all U.S. military operations in Indochina at the earliest practicable date and for the prompt and orderly withdrawal of all U.S. military forces at a date certain, subject to the release of all American prisoners and an accounting for all Americans missing in action, and notwithstanding any other provisions in this Act, none of the funds appropriated by this Act shall be used to finance any military combat or military support operations by U.S. forces in or over South Vietnam, North Vietnam, Laos, or Cambodia, after June 1, 1972.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. HALL. Mr. Chairman, reserving the right to object, I suggest that the gentleman make that request at the end of his first 5 minutes.

Mr. BOLAND. Mr. Chairman, I withdraw the unanimous-consent request.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 5 minutes in support of his amendment.

Mr. BOLAND. Mr. Chairman, there are many in the Chamber who will say that "We have been here before." Not quite. This is a totally different amendment than has been offered to any bill in the years that I have been here since we have been engaged in Vietnam. It is the toughest and the hardest amendment and probably one of the most difficult ones to vote for on the part of all Members in this body. But, this is a hard and a tough war and it requires some hard and some tough answers and some hard and some tough action.

Mr. Chairman, in opening the debate on this bill yesterday, the distinguished gentleman from Texas, my beloved chairman of the full Committee on Appropriations, stated:

> It seems that we are in somewhat of a frenzy to withdraw.

The simple fact, Mr. Chairman, is that the majority of the American people want us to withdraw and want a terminal date. There is nothing frenetic about their desires.

Mr. Chairman, for most of the past decade they have believed our leaders to the effect that the end was in sight; that just a little bit more pressure and a lot more bombing would bring about an end to this tragic war. It has not happened and the support and the patience of the American people continues to erode until now today 75 percent of the American people are opposed to the war in Vietnam and want a termination date.

The chairman yesterday compared the war in Vietnam to World War I, World War II, and the Korean war.

He said that we did not withdraw in these wars, and he contended that a precipitous withdrawal from Vietnam could create a vacuum.

I simply respond, Mr. Chairman, by paraphrasing a favorite line of our beloved colleague, the gentleman from New York (Mr. CELLER) that World War I, World War II, and even the Korean war,

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are as different from the Vietnam war as a horse chestnut is from a chestnut horse, and as night is from day, and as water is from fire.

With regard to Korea, he said, "We kept our fighting forces at their posts so that we would not lose the fruits of victory."

That is what he said. Well, if he really believes that there are or will be any fruits of victory in Vietnam he surely must stand almost alone in this opinion.

Mr. Chairman, the amendment I have introduced provides that funds shall not be used to finance any military or support operations by U.S. forces in or over Indochina after June 1 of 1972. Its purpose is twofold. First, it offers a real chance, the first real chance, to bring this conflict to a close after almost a decade, after almost 10 years of U.S. involvement in Southeast Asia.

Second, it seeks to obtain within the next 6 months the release of all American prisoners, and an accounting for those men missing in action.

My amendment is designed to implement and to carry forward the provisions of the compromise Mansfield amendment now found in title VI of the Military Procurement Act, which was passed just a short while ago. That amendment sets forth as national policy—and let me emphasize, that amendment, the Mansfield amendment to the Military Procurement Act, which was passed, and I think signed by the President just a couple of hours ago, establishes as national policy the termination of all U.S. military operations in Indochina at the earliest practical date, and the prompt and orderly withdrawal of all U.S. military forces at a date certain, subject—subject—to the release of all American prisoners and an accounting for the Americans missing in action.

As we all know, the most critical aspect of the Mansfield amendment, the 6 months withdrawal deadline, was dropped in conference. My amendment serves to restore this vital termination date to provide the basic means for implementing that provision.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. YATES, and by unanimous consent, Mr. BOLAND was allowed to proceed for 5 additional minutes.)

Mr. BOLAND. I thank my friend from Illinois. Mr. Chairman, the amendment is subject to the legislative limitations set forth in title VI of the Military Procurement Act which conditions our total military withdrawal on the result of the prisoners and the missing in action issues.

Some people will argue that Congress has no business legislating a mandate to terminate our military role in the Indochina war. I cannot agree. Throughout the history of this conflict, Congress has fully shared with the President the responsibility for the U.S. conduct in Indochina. This fact is made all the more clear by the recent court rulings such as the Federal Circuit Court for the District of Massachusetts in the case of Laird against Massachusetts, U.S. Court of Appeals for the First Circuit, in which it found that Congress in annually appropriating funds to carry out the war has repeatedly provided the war with legislative sanction. We have clearly shared the responsibility for the existence of this war, this body has, this Congress has. And as elected Representatives of a Nation that today overwhelmingly supports an end to our military participation in Indochina, we have the duty and the obligation to share the responsibility for bringing this war to a close.

Last week President Nixon announced the projected troop withdrawals totaling 45,000 men for the next 2 months.

With these reductions, the President will have brought the number of U.S. ground troops in Indochina from 540,000 men down to 139,000 during his term of office. No one—no one can deny that President Nixon has significantly altered our posture in Indochina. He deserves great credit from all of the American people and from those who are in this House for that substantial reduction of troops and the corresponding substantial reduction in U.S. casualties.

Nevertheless, certain hard facts still face us. Our military involvement in Indochina remains open ended with no foreseeable termination date in sight.

Our prisoners continue to remain in the hands of North Vietnam and its allies and our citizens, reduced as the casualties may be, are still dying in the war every week.

Our air missions constituting the greatest bombing effort in the history of warfare continue at extremely high levels.

The President last week offered no encouragement on the prisoner-of-war issue.

The President offered no encouragement about ending U.S. troop involvement in Indochina and offered no encouragement about ending our bombing role. Our military role in Indochina must be brought to a close and our prisoners' release must be obtained.

The way to accomplish all of these roles, I submit, is to set a deadline for U.S. military involvement in this war.

I would like to quote from a part of a letter I received from the Prisoners of War and Missing in Action Families for immediate release. This is an organization of prisoners of war and missing in action families who believe that positive steps must be taken to resolve these issues.

I quote:

> We want our sons and our husbands and our fathers and our brothers returned now. We want our missing in action accounted for now. We are not prepared to see them play second fiddle one day longer to an undemocratic Saigon regime.
>
> Many talk about the great sacrifices that our men have made. We have lived those sacrifices. We fully recognize that prisoners are not going to be released nor our missing in action accounted for until a termination date has been established for our role in Indochina.
>
> We therefore would like to offer our support for your efforts which we believe will carry out this goal.

Failure to commit ourselves, Mr. Chairman, to a dateline for total withdrawal and to talk instead of residual forces not only prolongs our role in a war that we should conclude but also endangers the troops remaining in Indochina and, moreover, endangers the prospects of obtaining the release of prisoners.

We have sacrificed 55,000 American lives and $150 billion of American resources in this war.

We have endowed the South Vietnamese with one of the largest and best equipped armed forces in the world. We have done enough. We have gone too far. The time has come to get out and this amendment takes us out.

Mr. Chairman, I include with my remarks title VI—Termination of Hostilities in Indochina—of the Military Procurement Act and a letter from prisoners of war and missing in action families for immediate release.

TITLE VI—TERMINATION OF HOSTILITIES IN INDOCHINA

SEC. 601. (a) It is hereby declared to be the policy of the United States to terminate at the earliest practicable date all military operations of the United States in Indochina, and to provide for the prompt and orderly withdrawal of all United States military forces at a date certain, subject to the release of all American prisoners of war held by the Government of North Vietnam and forces allied with such Government and an accounting for all Americans missing in action who have been held by or known to such Government or such forces. The Congress hereby urges and requests the President to implement the above-expressed policy by initiating immediately the following actions:

(1) Establishing a final date for the withdrawal from Indochina of all military forces of the United States contingent upon the release of all American prisoners of war held by the Government of North Vietnam and forces allied with such Government and an accounting for all Americans missing in action who have been held by or known to such Government or such forces.

(2) Negotiate with the Government of North Vietnam for an immediate cease-fire by all parties to the hostilities in Indochina.

(3) Negotiate with the Government of North Vietnam for an agreement which would provide for a series of phased and rapid withdrawals of United States military forces from Indochina in exchange for a corresponding series of phased releases of American prisoners of war, and for the release of any remaining American prisoners of war concurrently with the withdrawal of all remaining military forces of the United States by not later than the date established by the President pursuant to paragraph (1) hereof or by such earlier date as may be agreed upon by the negotiating parties.

POW/MIA FAMILIES FOR IMMEDIATE RELEASE,
November 14, 1971.

DEAR REPRESENTATIVE BOLAND: It is our understanding you will offer an amendment to the Defense Appropriations Bill to establish June 1, 1972 as a termination date for all U.S. military operations in Indochina. It is also our understanding that the June 1, 1972 deadline is subject to the provision of the Mansfield Amendment to the Military Procurement Act which conditions our withdrawal of forces from Indochina on the return of all American prisoners and an accounting of missing in action.

In our Statement of Purpose established in July, 1971, we state the following: We feel our government's obligation to the American prisoners now should take precedence over its obligation to the government of South Vietnam. We shall work, therefore, toward the formulation and implementation of policy which will bring about the most rapid release and repatriation of our prisoners of war and for the return of our armed forces currently serving in Southeast Asia.

In accordance with this, we have been working for the establishment of a termination date for U.S. military operations in Indochina in conjunction with the return of all prisoners and an accounting of the missing in action by that date. We believe that it is only in this manner that the POW/MIA issue can be satisfactorily resolved. We want our sons and our husbands and our fathers and our brothers returned, *now*. We want our missing in action accounted for, *now*. We are not prepared to see them play second choice one day longer to an undemocratic, corrupt Saigon regime.

Many have talked about the great sacrifices our men have made. We have lived those sacrifices.

We fully recognize that the prisoners are not going to be released nor our missing in action accounted for until a termination date has been established for our role in Indochina. We therefore would like to offer our support to your efforts which we believe will carry out this goal.

POW/MIA FAMILIES FOR IMMEDIATE RELEASE,
SHIRLEY CULBERTSON,
JANE DUDLEY,
Washington Coordinators.

Mr. WYMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to ask the gentleman from Massachusetts a couple of questions about the gentleman's amendment.

I ask the gentleman from Massachusetts: Does your amendment require prior release of all of our prisoners?

Mr. BOLAND. In my judgment, it does indeed. If the prisoners of war are not released and if the missing in action are not accounted for, then the effect of this amendment is null and void.

Mr. WYMAN. I would respectfully differ with the gentleman as to the wording of the amendment because as I look at his amendment I find these words: "subject to the release of all American prisoners and an accounting for all Americans missing in action." But the phrase "subject to the release of all American prisoners" in the gentleman's amendment are not a condition precedent, they are merely connected with the declaration of the U.S. policy set forth in title VI of the 1971 military procurement act. And I read further:

> That notwithstanding any other provision of this Act—

This is from the gentleman's amendment—

> none of the funds appropriated by this Act shall be used—

And so forth—

> to finance any of these operations after June 1, 1972.

I would ask the gentleman from Massachusetts, how can the adoption of an amendment such as this by the Congress and the enactment of it into law get our prisoners back?

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Massachusetts.

Mr. BOLAND. That part of the amendment that states "no funds appropriated" and cuts off the appropriation as of June 1, 1972, is tied directly into the Military Procurement Act, specifically title VI, which is the watered-down Mansfield amendment. Specifically, it calls for the release of the American prisoners of war and for an accounting of those missing in action. My amendment is tied directly to that and, so far as I am concerned—and you may differ with it—but so far as I am concerned, if there has not been any resolution of the matter of the release of the prisoners of war and an accounting of those missing in action, then the cutoff would not occur.

Mr. WYMAN. I simply observe to the gentleman, and the gentleman will acknowledge, that his amendment does not say "subject to the prior release of American prisoners" as a condition to the taking effect of the cutoff date of June 1, 1972. Does the gentleman contend that a contemporaneous or prior release of American prisoners is required?

Then we are going to stop all our support, we are going to stop all pay for our men, for their supplies, their arms, all our money, all our air cover—we are going to stop fighting over there on June 1, 1972, whether or not we have the prisoners back?

Mr. BOLAND. That is not so at all.

Mr. WYMAN. Your amendment does not provide otherwise.

Mr. BOLAND. It is not the intent of the amendment at all. In my judgment, the amendment provides for a move on the part of the North Vietnamese, to release the prisoners of war and to account for those missing in action. I have said that a dozen times. That is my contention. The gentleman from New Hampshire apparently does not agree with that, but that is my intention and that is my interpretation of the language of the amendment.

Mr. WYMAN. I submit, despite the gentleman's protestations as to what the amendment means, it does not call for what he claims it calls for, and I think it should be debated and considered in the light of what it actually provides. I submit that the amendment does not require the prior release of American prisoners. This amendment, if adopted, would be dangerous to the lives of the American troops remaining in Vietnam for it prohibits not only their arms and ammunition but it cuts off provision for arms for the South Vietnamese to cover them in withdrawal.

It is absolutely ridiculous for Congress to call off all support for Americans over there when the President of the United States is disengaging our troops just as fast as the protective defense forces can be trained in Vietnam to take over their own defense. The pending amendment would even stop the training of the South Vietnamese to use the equipment we have provided them for their own defense. The amendment would deny all support—arms, food, and air cover—to support our troops and those of our allies in Vietnam, even as they defend themselves in withdrawal.

The pending amendment would imperil the lives of Americans in Vietnam, be they advisers, troops or otherwise. By its author's own admission it would mean that we would cut off everything even if the enemy should continue to attack and kill Americans.

I want no part of such a proposal.

I am confident a majority of this House will not vote to endanger our troops and deny our President the leverage to continue to negotiate for the release of our prisoners.

Mr. Chairman, this amendment should be rejected out of hand.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. I think the gentleman from New Hampshire has raised an important point. Unfortunately, I do not believe that the gentleman from Massachusetts was responsive to his question. The whole issue of the American prisoners of war and the point the gentleman has made about clear priority of action must be debated on this floor. I think it would be tremendously damaging to our American prisoners now held by the enemy if we should adopt this improperly drawn amendment.

Mr. WYMAN. I would say in response to the gentleman that whatever the gentleman from Massachusetts claims to be the intent of his amendment, of course, is interesting in the sense of what he intends. But it does not control the plain language of the amendment. The amendment speaks for itself. An examination of the amendment by Members of the House, particularly its attorneys—and there are many distinguished attorneys in the House—will show that there is no condition precedent in the amendment before us requiring either the prior release of our prisoners or even their contemporaneous release. Had the gentleman from Massachusetts wished to specifically establish the requirement of prior release his amendment could easily have been so worded. He has neither done this nor does he offer a perfecting amendment to do this at this time. Instead he allows his reference to prisoners to remain in a general introductory clause referring to title VI of the Military Procurement Act of 1971 that itself contains no cutoff date nor any date whatever.

The pending amendment is fatally defective as to prisoner release and this should be understood by all Members before they vote.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment, and move to strike the requisite number of words.

Mr. Chairman, the President has today signed H.R. 8687, the Military Procurement Authorization Act, into law, notwithstanding the Mansfield amendment. But here is what he said in the conclusion of his statement about that action:

> I would add regretfully that legislative actions such as this hinder rather than assist in the search for a negotiated settlement.

That was in reference to the Mansfield amendment, a much milder version than the Boland amendment now before us.

Aside from the President's comment, there is not the slightest reason to believe that the act of specifying a date for U.S.

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withdrawal would influence North Vietnamese policies toward the prisoners of war or toward the conduct of the war itself. The chances are that having gained a date for the end of U.S. participation, they would simply demand further concessions—like handing over the Saigon government to the Communists. There is not a scintilla of evidence from any reliable source to show any positive commitment by any North Vietnamese official that we can rely upon.

No, Mr. Chairman, this amendment can serve no usful purpose for the United States or the prisoners of war. It can only tie the hands of a President who has done a remarkably good job in extricating U.S. Forces from the difficult and complicated controversy in Southeast Asia. The American military has all but ceased ground combat, but we cannot instantaneously write off Vietnam and Southeast Asia and forget them. It is still a very important part of the world to the United States and to the free world.

Of course, America wants the war ended, but we cannot stop a war on a fixed date by congressional resolution. If we adopt the amendment that is proposed, we tie the President's hands, we free the Communists to take advantage of many alternatives which are now closed to them. The President must have flexibility to carry on to a successful and a responsible conclusion our objectives in Vietnam.

Remember—remember this—the North Vietnamese negotiators in Paris can end all of the uncertainty, they can bring about assurance of peace and the return of the prisoners of war on any day they wish by a simple statement of intent. And yet, in all the years of wasted effort by our negotiators in Paris, the North Vietnamese have not in a single instance showed good faith or good intentions. Everything has been unilateral on our part, and this action, now exemplified by the amendment before us, can produce no certainty, can offer no hope of any positive result.

Let us not play the game of the North Vietnamese here today in the U.S. House of Representatives.

Mr. ADDABBO. Mr. Chairman, I rise in support of the Boland amendment. It is important to note that this amendment is consistent with previous legislation adopted by the House of Representatives. Title VI of the Military Procurement Act passed by this body and which I supported calls for withdrawal conditioned upon the release of U.S. prisoners of war. The amendment now before the House also ties the termination of U.S. military activities in Indochina to the release of prisoners by North Vietnam.

This very point was recently recognized by the POW/MIA Families for Immediate Release. In a letter addressed to our colleague from Massachusetts, Mr. BOLAND, that organization said:

> We feel our government's obligation to the American prisoners now should take precedence over its obligation to the government of South Vietnam.

That committee also emphasized the realities of the situation by stating that:

> We fully recognize that the prisoners are not going to be released nor our missing in action accounted for until a termination date has been established for our role in Indochina.

As I stated in this Chamber a few weeks ago, and during general debate on this bill, I believe the time has finally come when all the frustrations and all the rhetoric about the pursuit of peace must end. By the House approval of this amendment we must stand up and say once and for all "end the war."

Mr. Chairman, my position on the Vietnam war and our involvement in Indochina has been known for some time. As a member of the House Appropriation Committee, I have voiced concern over the expansion of the war, and the extent of our role in Southeast Asia.

It has been said that to set a specific date to end all operations in that area gives solace to the enemy. This cannot give any more aid or comfort than the President's Vietnamization policy or the President's announcement of further pullouts. After 10 years, after all our dead and wounded, after dropping over 4 million tons of bombs, twice as much as we dropped during World War II, including Korea, after 40 percent of our troops starting to use drugs, it is time to put a stop to this carnage and let the South Vietnamese know that they must take over the responsibilities in the field. I believe we must give them an ultimatum, a definite date beyond which the United States will not continue to provide further military assistance.

The President has pledged to end the war. Let us lend our support to his committee by passage of this amendment.

Mr. Chairman, for purposes of clarification, I wish to read again the amendment which was offered by the gentleman from Massachusetts:

> On page 48, immediately following line 7, add the following new Section under Title VII: SEC 745. In line with Title VI of the 1971 Military Procurement Act calling for termination of all U.S. military operations in Indochina at the earliest practicable date and for the prompt and orderly withdrawal of all U.S. military forces at a date certain, subject to the release of all American prisoners and an accounting for all Americans missing in action, and notwithstanding any other provisions in this Act, none of the funds appropriated by this Act shall be used to finance any military combat or military support operations by U.S. forces in or over South Vietnam, North Vietnam, Laos or Cambodia, after June 1, 1972.

Mr. Chairman, this is in accordance with the bill passed by the House almost unanimously and signed by the President.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, as the gentleman from New York has indicated, and as the amendment clearly indicates, this is tied in with the national policy as delineated in title VI of the 1971 Military Procurement Act. Let me read the pertinent paragraph in that title.

> Establish a final date for withdrawal from Indochina of all military forces of the United States contingent upon release of all American prisoners of war held by the Government of North Vietnam and forces under such control and accounting for all Americans missing in action who have been held by or known to such government or such forces . . .

Now, the national policy as established under the Military Procurement Act is this described policy. I am disturbed that upon the signing of the Military Procurement Act today by the President, sometime around noon, that he did say that he would ignore one of the provisions of that act.

He would ignore the Mansfield amendment. I believe it is indefensible for the President of the United States to ignore the national policy that has been passed upon by the Members of this body, by the Members of the other body, and signed by himself.

That is one of the reasons why we have this amendment. I believe it is high time we do establish policy in this body. We have been traveling along too easily, too much, too often.

I have been here now for a few years, and I have heard constantly and consistently the argument that we should not tie the hands of the Executive, whether it be President Nixon, President Johnson, or President Kennedy. I have heard it now over the past three administrations. And I have seldom, if ever, done it. But it appears to me we have to do it now. This is the only way we are going to stop this war.

Say what you want, the President's press conference last week clearly indicated we are going to have a residual force there of 30,000 to 55,000 men. I do not know how we are going to protect a residual force without some sort of military establishment to back it up.

That is my concern. I am sure it is the concern of all Members here, as it is the concern of the vast majority of the American people.

Mr. ROUSH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. For months I have heard many persuasive men argue against this amendment, but I have heard very few well reasoned persuasive arguments against it.

I become impatient with headlines such as we saw in this morning's Post, "Beat Amendment Selling Viet Pullout. Nixon Urges Congress." I grow weary of the argument that we must continue this war because the President needs a free hand in the conduct of our foreign affairs.

For almost a decade we have given our Presidents a free hand and for almost a decade we have seen the war continue.

It is a national tragedy to know that the leadership of this great deliberating body is willing to abdicate its power and authority to the executive branch. They are asking this Congress to be the President's puppet, jumping when he says jump, to tuck ourselves away in the closet when he says he does not want to hear from us. I suggest that on this great issue that we speak out, that we correct the course the Nation is taking and in so doing reestablish the Congress as an equal branch of this Government.

I cannot believe it is enough to say that we are withdrawing 45,000 troops by the end of November or that we have reduced troop strength in Vietnam to less than 200,000 men when, in fact, it is our intention to keep a residual force of perhaps 50,000 men there. Nor can we believe the statement that the American combat role is over when we continue to drop thousands of tons of bombs each week in Vietnam. How can the nations of the world or how can the citizens of this country believe our combat role is over when this is happening?

There are compelling reasons why this amendment should be adopted. Let us remind ourselves of the economic havoc it has brought. Over a hundred billion dollars have been wasted. One of our most grievous economic problems—and I refer to inflation—has been nurtured and fed by the expenditure of funds to carry on the war in Vietnam. Each time I have heard the President speak of inflation he stresses the cutting of Government expenditures as part of the solution and yet he refused to call an end to our activities in that far place.

Then there is another consideration of which we do not often speak but which is very real. Each day this involvement continues we contribute to the weakening of our general defenses. By pouring our military strength into Vietnam we weaken our overall military strength. We neglect our research and development, the building of our fleet, the modernization of our Air Force, and the defenses here in this country. We deprive military men of decent housing and necessary equipment. And can anyone deny that we are slowly permitting the deterioration of that most important ingredient of all to a strong military force, the morale of our men in uniform.

The political problems which this war has created are horrendous. We have lost friends throughout the world. Our credibility as a peace-loving nation is doubted. Our motives have been suspect. Our actions and interference condemned. And the result? At a critical time in the history of the United Nations we could not even muster a simple majority to keep Taiwan in the United Nations.

And then there are the humane and human reasons for us to stop this war and to get out of Vietnam. Killing; maiming, and destroying at that place can no longer withstand the forces of reason which say that they must stop. Are we not mindful of the millions of lives which have been affected by the misery and tragedy of that war? When I consider my own experience as the father of a son who fought in Vietnam, I know that my fear, my apprehension, my sleepless nights could be no less than that of countless others, including the parents of sons who fought on both sides of this conflict. Have you ever put your arms around a son—who is suddenly a man—said goodbye and then watch him get onto a plane knowing that in a short span of time he will be in the jungles fighting a war which none of us understand? Each day for that year you pray for his safety, dreading every telegram you receive and watch for his letters. And in these letters read his inquiries as to why we are fighting there. You cannot answer those inquiries. You cannot answer the question "Why?"

My infantry sergeant son came home. He had done his bit and how proud I am of him. He earned the hard way as only an infantry man can understand, his decorations, citations, and commendations. But something was lacking that day when he stepped off that plane. No one, no one could explain why he had gone in the first place.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think the American people charge the Congress with its full share of responsibility for involving us in this war. They expect the Congress to exercise its full responsibility in at last extricating us from that war. The Boland amendment will do just that.

If for no other reason, I urge it be adopted.

Mr. ECKHARDT. Will the gentleman yield?

Mr. OBEY. I am glad to yield to the gentleman from Texas.

Mr. ECKHARDT. I would like to rise to point out why, as a legal proposition, the statement of the gentleman from New Hampshire (Mr. WYMAN) is not correct. That is, the amendment is in truth limited to the withdrawal of troops.

I think we need to establish a little legislative history on that point. As I understand it—and I would like to address this question, of course, through the Member who has the floor, to the author of the amendment—the amendment is a limitation on the appropriation bill which provides for a cutoff of funds at a specific time, but expressly states that such condition is itself conditioned on established policy contained in title VI of the 1971 Military Procurement Act. Is that correct?

Mr. BOLAND. The gentleman states it exactly as I intended it and exactly as it is.

Mr. ECKHARDT. Now, since this is a limitation on an appropriation bill, it may not itself establish general legislative policy and it does not purport to do so, but it may be limited to and be confined within policy established under existing law. That existing policy is contained under title VI of the 1971 Military Procurement Act, as I understand it.

Mr. BOLAND. The gentleman is correct.

Mr. ECKHARDT. And in that provision it is stated as clearly as language can be written that it is a policy of the United States to withdraw but only in the event that the prisoners are released and the other conditions provided in that act take place. Is that correct?

Mr. BOLAND. That is correct.

Mr. ECKHARDT. And is it not the purpose of the author in stating it is in line with title VI, to make it absolutely clear that this provision in no wise reduces that commitment as a prerequisite to withdrawal?

Mr. BOLAND. The gentleman is correct.

Mr. WYMAN. Will the gentleman yield to me?

Mr. OBEY. I yield to the gentleman.

Mr. WYMAN. I would like to inquire of the gentleman in the well whether or not he maintains after that colloquy with the gentleman from Massachusetts that after June 1, 1972, the moneys will continue to be available for financing either combat or support operations if the prisoners are not returned?

Mr. ECKHARDT. The money would be available as I understand the provisions of the act.

Mr. WYMAN. Not the provisions of the act, if I may say, but the provisions of the Boland amendment.

Mr. ECKHARDT. I would say this, that the limitation itself contains a limitation. The limitation provides that no funds shall be expended, but that itself is conditioned upon the conditions of title VI going into effect. Therefore a limit on the expenditure of funds after that date is itself conditioned upon the release of the prisoners as contained in positive law passed by this Congress and signed a few hours ago by the President of the United States.

Mr. WYMAN. There is no date in title VI. Where is a date in title VI? Is there any June 1, 1972 in title VI?

Mr. ECKHARDT. I believe the gentleman from New Hampshire does not understand the point I am making here. Perhaps, I have not made it clear. The only thing that can be done in an appropriation bill is to limit the appropriation and that is done. The limitation in the appropriation bill may not establish other conditions, but it may be subject to other conditions of existing law. Further, the author of the amendment has pointed out that he intends not to affect positive policy provisions of title VI of the existing law, and it seems to me that this provision is clearly limited to those conditions set out in title VI of the Military Procurement Act and this takes no effect unless those conditions are put into effect.

Mr. WYMAN. If the gentleman will yield further for one further observation, the Boland amendment certainly has limited it. It has limited the Appropriations Committee when it states that none of the funds appropriated by this act shall be used to finance any military combat or military support operations by U.S. Forces in or over South Vietnam, North Vietnam, Laos, or Cambodia, after June 1, 1972.

The words "subject to release of all American prisoners" are not a condition precedent in Mr. BOLAND's amendment as it is worded and the gentleman's remarks are entirely beside the point.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am sure that the House is tired of the lawyers arguing over this, but I think it is such an important point that we need to spell out exactly what is meant by the amendment which has been offered by the gentleman from Massachusetts.

As one lawyer, I will tell you how it looks to me.

The first proviso of section 745, as it is offered by the gentleman, is merely the explanation of the contents of the 1971 Military Procurement Act, title VI thereof. There is no language in the part which carries that explanation—as to any proviso which effects that which comes later. This explanation is not a condition precedent because there are no conditioning words or limiting words which definitely refer to the last clause. Neither

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is there anything in the last clause which incorporates by reference any of the assertions made earlier.

Mr. Chairman, the fact remains that the limitation proposed by the gentleman from Massachusetts has only one effect, and that is to cut off all funds for Americans in Southeast Asia after June 1, 1972, unconditionally, without regard to whether or not the prisoners of war are released.

If the gentleman from Massachusetts—and he is a good lawyer—wanted to make it very clear that we intended this cutoff to be subject to the provisions of the Military Procurement Act of 1971, title VI, he could have done so ending his amendment like this: "After June 1, 1972, subject to the terms, the conditions and limitations, including the return of prisoners as set forth, in title VI of the Military Procurement Act of 1971."

That is the way to limit a limitation. The gentleman from Massachusetts knows this, and had he really wanted to limit his limitation, he would have known how to do so.

With all due respect to my dear friend from Massachusetts, for whom I have the highest regard, he is not doing what he says he intends to do. This makes it obvious in my opinion that we should not try to write legislation like this on the floor of the House. Any limitation on the power of the President to negotiate peace and the release of prisoners should be made only after prayerful consideration, not in an atmosphere of passion and debate.

This is really tampering with the welfare of the people of the United States in general, and of the prisoners of war in particular.

The President of the United States has said time after time he cannot negotiate with the Government of North Vietnam unless he has something with which to negotiate. If this amendment is adopted and willy-nilly the troops of the United States of America must withdraw from Vietnam on June 1, 1972, then you have cut the ground out from under the President of the United States completely. You have in my opinion condemned the prisoners of war and the people who are missing in action to be released at some possible time in the future, but only when North Vietnam decides that it might want to release them.

I have not noticed any indication on the part of North Vietnam which indicates that they possess any of the milk of human kindness whatsoever for anybody, and certainly not for the prisoners of war of the United States of America.

To adopt this amendment would be disastrous, and ask that it be voted down.

Mr. HÉBERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members of the House, it is with great hesitation that I again take the well of this House to explore this matter. One of our Members has said he has become weary of hearing this argument continuously. I want to say to him—and I am sure many Members of this House share his same feeling—that I too am weary. I am downright tired of having to debate something that we have debated and debated and debated and redebated and redebated, from the beginning of this Congress: the so-called Mansfield amendment, which of course this is, in albeit a different form. I am weary of, after sitting for weeks on end in discussions with the other body, to bring out a compromise on a particular amendment in the draft bill, this House reacted and did accept a modified amendment of the so-called Mansfield amendment in which it discussed it as being the consensus of the Congress. We go back again. We again are confronted with the same thing. We are at loggerheads, and have long discussions again, and in order to bring forward a bill that you could act upon in some confidence, we reluctantly agreed to language making this "the policy of the United States." Your House conferees made this concession so as to bring back something that this House could act upon. The House did act and approved the action of its conferees on H.R. 8687.

The criticism has been leveled at those of us, who have been fighting this fight for so long and one that we are all weary of, that we never allowed a direct vote to come on the Mansfield amendment. Under a rule which was brought out to the House under the Military Procurement Conference Report, a direct vote was permitted. And when the Speaker put the question not one voice in this body was raised to ask for that direct vote. Under the rule, any individual Member could have gotten a direct vote at that time on the so-called Mansfield amendment. However, none was demanded.

The conference report then had hardly been adopted by the House, and we again hear the winds blowing from the other body that the Mansfield amendment has been tied in to the foreign aid bill. We come here today, and it is proposed that the Mansfield amendment be tacked on to an appropriations bill.

When are we going to stop this tactic in dilution of a responsible and established House position arrived at on two separate occasions?

I join in the statement made by the gentleman from Arizona—we can have only one President—one Commander—whether you like him or not and whether you agree with him or not. I, for one, have insisted I shall not tie the hands of the President of the United States from the very beginning and I stand here again today and repeat that commitment—I am not going to cut his legs from under him when he is doing the best job anybody can do. He should be applauded instead of condemned for what he is doing. This is not a partisan issue with me. There is not an individual in this House who wants those men brought back home any more quickly than I do, but who is so simple as to think that we can accomplish something by declaring to the world that we do not back our Commander in Chief and President. Are we going to tell the world we have no confidence in him—that we proclaim to those who are willing to hear, and there are many, that we are a polarized nation going in many directions.

This is no time to dilly dally with the lives of individuals.

I was very moved by the gentleman talking about his son. I can understand what he means—not having a son—but certainly having a family and a daughter. I know the torture and the anguish that these parents must go through. But each one of those who suffer this anguish and this agony must realize that there are others who went before them and whose sons did not come back—whose sons died in other wars in order that we may continue the type of government and the kind of freedom that we have here.

This is not time for emotionalism. This is a time for looking at the facts and looking the individuals in the eye. This is the time not to divide America, my God—no—let us stand together—let us unite—let us present a solid front and let us support the President of the United States.

Mr. FLYNT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the Boland amendment. I have supported this position for almost a year, since December of 1970 when I arrived at a decision which I should have reached 7 years before—that the Vietnam war is the most tragic mistake, in my judgment, that this country has ever made. It has caused the downgrading of every single element of our defense establishment because we have been denying to the Navy and the Army and the Air Force and the Marines any Coast Guard needed funds and needed new and modern equipment including naval vessels which we do not have and we cannot buy because of the billions upon billions and billions of dollars that are being poured down the rat hole of Southeast Asia today.

Mr. Chairman, I will yield to the gentleman from Louisiana in just a moment, if I have any time.

Yesterday morning while driving to work, I heard a radio news statement attributed to the President:

> General Abrams will have to get along with less than 90,000 troops, perhaps as few as 65,000 troops by next July.

I assume that means July 1972. That is the end of the quotation I heard.

Since the President is reported to have announced by that date General Abrams will be reduced in troop strength to 90,000 or perhaps as few as 65,000, in my judgment he has destroyed any basis which he might have to negotiate for the release of our prisoners of war and an accounting for our men who are missing in action.

While this may be an oversimplification of a long and complex subject, as far as the issue of the release of American prisoners of war is concerned, in my judgment the President already has a reliable agreement that they will be released or else he is denigrating any chance he has to negotiate for their release. In either event, I feel that he might as well stop the war as soon as he possibly can and bring the United States troops home.

We hear a great deal about this residual force.

Mr. Chairman, what would be the purpose of such a residual force? Would it be for the purpose of maintaining the dictator, Thieu, as the United States-appointed "President" of South Vietnam? If this be the case, I will never again vote for an authorization or an appropriation bill which has funds to be used to maintain or to perpetuate in office in a foreign country a dictator who will not permit the name of an opposing candidate on the ballot. In 1971 there were two major potential candidates for the presidency in South Vietnam, General Minh and General Ky, each of whom had and has a substantial following among the people of South Vietnam, possibly as great or greater than President Thieu would have had without the military support of the United States. If either of them had remained a candidate and dared to go down to the wire in a campaign for president against Thieu, he or they probably would have suffered the same fate as the last candidate who made a bona fide effort to run against Thieu in a presidential election. So far as I know, he is still in prison like a common criminal.

A great deal has been said to the effect that we are in Vietnam at the request of our allies. Mr. Chairman, I think that that may become known to future historians as one of the most damnable fictions of all time. The reason we are in Vietnam today is in support of our self-appointed, unpopular, puppet rulers of that Southeastern Asian country, and I think, Mr. Chairman, the time has come for us to face up to the mistake that we have made and try to correct the mistake instead of compounding it year-in and year-out for God knows how long we may be there.

Mr. Chairman, the time is now and the forum is here for those who think that the war in Vietnam ought to be terminated and to do so by the adoption of the Boland amendment.

Mr. MINSHALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL. I am glad to yield to the distinguished chairman of the House Committee on Armed Services.

Mr. HÉBERT. I had hoped the gentleman from Georgia would give me an opportunity and the courtesy to ask a question. I would appreciate it if the gentleman from Georgia would answer the question: As I understand, the gentleman made the statement that because of the money being poured down the rathole of our military effort in Vietnam, our military people are not getting the hardware necessary to carry on their responsibilities. I would like the gentleman to name one penny that has not been devoted to the acquisition of military hardware in supply of the military of this country and in the protection of the security of this country because of the Vietnam situation. Just name one.

Mr. FLYNT. Mr. Chairman, will the gentleman yield to me?

Mr. MINSHALL. I yield to the gentleman from Georgia.

Mr. FLYNT. If the gentleman from Louisiana, the able and distinguished chairman of the Committee on Armed Services, would go to some of the bases and take a look at what is actually going on, look at the equipment, look at our naval vessels, 80 percent of which are 20 years old or older, at a time when 80 percent of Russian naval vessels are 10 years old or younger, then I think the gentleman from Louisiana might say that the American Armed Forces are deteriorating, and they are deteriorating because of useless expenditures in Vietnam.

Mr. Chairman, I was surprised that the question would be asked by the chairman of the Committee on Armed Services because based on many conversations with him I was of the opinion that he shared my views that there has been substantial failure to keep the development of the Armed Forces at a consistently high rate.

I have cited what I consider to be the almost tragic deterioration of the state of the art of naval vessel design and construction and weapons systems. To those I now add:

First. Deterioration of both barracks and family housing.

Second. Failure to contract for and build badly needed family housing on posts and bases of each of the services.

Third. Near total lack of modernization of all types of military buildings—administrative, instructional and storage facilities.

Fourth. Inadequate maintenance of all types of military installations and equipment.

Fifth. Failure to produce a follow-on fighter aircraft to take the place of the F–4.

Sixth. Failure to produce and project a follow-on high altitude and high performance—supersonic or better—manned bomber aircraft to replace the B–52 which is 16 years old and is obsolescent according to testimony before the House Armed Services Committee and to replace the B–58 which while only 13 years old was phased out of operational flying and placed in storage in early 1970 and a decision has now been made to scrap them.

Not directly related to deterioration because of lack of funds, but in my opinion directly attributable to the war in Vietnam:

Seventh. The lowest morale in the U.S. armed services ever experienced by anyone still on active duty.

Eighth. An abnormally high rate of attrition among both enlisted and commissioned ranks.

Ninth. An astronomical increase in drug use and abuse covering the entire spectrum of harmful drugs.

My remarks evidently generated some concurrence because I have received calls today from all services within the Department of Defense saying that there are many items and projects in each service which are approved but deferred because of lack of funds. I shall include a list of many of these deferred projects in the RECORD at the earliest possible time.

It is manifestly clear, at least to me, that every segment of the Armed Forces of the United States is suffering seriously because funds which should be channeled into essential maintenance, necessary new construction, weapons and weapons systems modernization, new and modern aircraft and surface vessels to replace those which are obsolete and under 1971 conditions virtually ineffective cannot be obligated for those purposes because of Southeast Asia combat requirements.

Mr. Chairman, with reference to inadequate maintenance of real property, the Department of Defense under DOD instruction 4150.9 has established an annual reporting system designed to show the costs incurred in maintaining and operating real property, utilities and related support facilities. As a part of the reporting procedure under this system the military departments are required to report to DOD their Backlog of Essential Maintenance and Repair (BEMAR) to real property. Only those individual items of maintenance and repair costing more than $10,000 are reported. In addition, by definition only those items are reported which cannot be accomplished during the current fiscal year because of nonavailability of funds, and only those items considered essential when delay for inclusion in a future program will impair military readiness capability or cause significant deterioration of real property facilities. These are not frivolous or nice-to-have maintenance and repair projects, but hard-core essential maintenance and repair requirements which if not accomplished will impair military readiness capability or cause further deterioration of real property facilities.

Mr. Chairman, under this strict criteria, the DOD reported this backlog as of the end of fiscal year 1970 to be $730 million. Because of some internal disagreements on some items reported, an official figure for fiscal year 1971 has not yet been established by DOD but an official responsible for the BEMAR report in DOD estimates that the figure for fiscal year 1971 will not be less than $800 million. This establishes the present annual increase in the impairment in military readiness and significant deterioration of real property facilities to be at the rate of $70 million. I stress that this is only the rate of deterioration in real property and does not include one cent of the deterioration in military readiness due to shortages and obsolescence in military hardware or ammunition or anything except real property. Those individual requirements for maintenance and repair which cost less than $10,000 are not included in this figure and I do not know how many hundreds of million dollars these requirements would add to the rate of deterioration of real property in the military services.

Mr. Chairman, with respect to the maintenance of military hardware as distinguished from real property, I have some figures applicable to the Army only. The allocation of operations and maintenance funds for the depot maintenance program over the past 6 years has constrained the Army's ability to adequately perform major maintenance on essential military hardware. Funding has been barely sufficient to meet the highest priority requirements of Southeast Asia and Europe, and a significant degradation in support of CONUS forces, Reserve components, war reserves, and project stocks has resulted. This lack of adequate funding has resulted in a backlog of unserviceable equipment which must be over-

hauled to meet essential distribution requirements.

This growth in essential maintenance backlog is caused by the need for priority overhaul of equipment returned from Southeast Asia for distribution to Army forces worldwide. This redistribution is essential since the equipment used in Southeast Asia is the most modern in the Army inventory. This requirement which is not now being met was $113 million at the end of fiscal year 1970 and grew to $181 million at the end of fiscal year 1971 and is now estimated to reach $244 million by the end of fiscal year 1972.

Mr. Chairman, this shows that the rate of increase in this backlog of hardware in need of major maintenance which cannot be repaired because of nonavailability of funds is $63 million per year.

Mr. Chairman, I have been speaking only of the money required for maintenance, not the cost of the items or property on which these repairs should be made and on which such repairs cannot be made because of lack of funds. Some of these major essential items of hardware which require major repairs now and which are not now in usable condition are:

		Fiscal year 1971
(1)	Helicopter, UH–1 series	238
(2)	Tank, M60/M60A1	112
(3)	Carrier, Personnel, M113A1	1882
(4)	Carrier, Cargo, M548	474
(5)	Carrier, Command Post, M577A1	89
(6)	Tractor, Full Track, Med	275
(7)	Tractor, Whld	312
(8)	Radar Set, AN/PPS–5	205
(9)	Radio Set AN/PRC–74	238
(10)	Howitzer, 105MM, M102	125
(11)	Generator Set, 45–60KW/400cy	381

Mr. Chairman, I have in my possession five volumes listing projects and items for one of the three major services. These five volumes contain detailed lists of projects and items which have been deleted for funds. In many instances this shortage of funds has been caused solely because of a reprogramming of authorized and appropriated funds from the operations for which originally authorized and appropriated. In practically all of these instances the reprograming was caused by a need for additional funds with which to finance the military effort in Vietnam.

These reports are readily available for inspection by the chairman of the Committee on Armed Services and appropriate staff members of that committee, and may already be in their possession. It is quite likely that a minimum of $1 billion a year has been diverted from worthwhile and necessary projects because of the accelerated costs of the Vietnam war during each of the past 7 years. As outlined above, more than $800 million of urgently needed maintenance has been delayed because of diversion of funds by reprogramming and other procedures. It is possible that the total diversions may have averaged in excess of $2 billion a year for each year since 1964.

Mr. HÉBERT. The age of naval vessels increased long before our action in Vietnam. This has nothing to do with Vietnam. The gentleman has not answered my question. He has not told me where one penny has been denied our military forces in the protection of the security of this country.

Mr. MINSHALL. Mr. Chairman, as the distinguished chairman of the Committee on Armed Services has pointed out, we have covered this route before. This is another in what has been a series of amendments to come before the House and/or the Senate demanding in effect that we get out of Southeast Asia on a date certain. Each time Congress has wrestled with its conscience over the issue. Each time prudence and support of our President have won over whatever transient political popularity might be given it.

I do not question the sincerity of any Member of this House or of the other body or of the public sector in desiring peace. I do think, however, that there are some who cannot stand the success of the Nixon administration in its successful phasing out of the Vietnam conflict.

What I am about to say I want to be very clearly understood and not to be misconstrued as impugning the patriotism of anyone who supports the end of war amendments, but it is apparent that there are some who not only want to belatedly climb on the Nixon bandwagon as it heads toward peace, but who are also frantically for what could be politically motivated trying to run ahead of it. No matter how well intentioned, their efforts could completely derail our drive toward that objective.

The Boland amendment is a chimera. We have every reason to believe that similar proposals have been made by the U.S. representatives in Paris, and that they have been refused by the North Vietnamese. I am not a bit impressed by the public pronouncements on the other side in Paris. One presidential aspirant already has learned how quickly they shift positions when they undercut him completely on assurance he said they had given him regarding the return of our prisoners of war.

If adopted, the Boland amendment might well spell failure for the delicate negotiations the President plans on a personal level with leaders in Peking and Moscow.

And, I ask this committee, are the sponsors and supporters of the Boland amendment prepared to take the consequences of their action, a complete cutoff next June 1 of the fewer than 50,000 troops we will have in Vietnam at that time—support troops, not combat troops?

Do the supporters of this amendment seriously mean to cut off from these men the means to defend themselves from enemy attack, to cut off even their food and maintenance supplies?

Adoption of the Boland amendment could well mark the first time the Congress of the United States deliberately set out to create an Alamo.

There is a great deal of infighting going on, showing a complete disregard for Presidential leadership and authority in foreign affairs. It is an ugly picture.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. MINSHALL was allowed to proceed for 5 additional minutes.)

Mr. MINSHALL. Mr. Chairman, as I say, it is an ugly picture. Opponents of the President's policies need only look at his record since he has been in office, and they must—they must acknowledge the success he is having in fulfilling his promises to withdraw from Southeast Asia. He has kept every one of them since he took office two and a half years ago.

Richard Nixon is not the villain in the tragedy of Vietnam. He has saved and is saving American lives. He has taken American men out of the jungles, out of combat, and he has returned them to their homes. He is continuing to do this. He will bring our men home, and this includes our prisoners of war.

Time and time again the President has reiterated his policy regarding withdrawal from Southeast Asia. It could not be made more clear. The goal is a negotiated settlement, withdrawal of all foreign forces, release of all prisoners of war, and a cease-fire throughout Indochina. He has repeatedly stated that if such a settlement cannot be reached, withdrawal of our forces will be determined by the level of enemy activity, progress of Vietnamization, and our success in obtaining the release of prisoners of war.

I appeal to this House not to tie the hands of the President. Just remember that he has brought home 80 percent of our troops, or will have in the next 2 or 3 months, committed by the previous administration at the peak of its escalation of the war.

This is a time for cheering the Nixon administration, not to be undercutting it in its continuing drive toward peace and the safe return of all American men.

I urge the Members to reject the Boland amendment as a threat and a detriment to the continuing and growing success of our President's efforts.

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL. I yield to the gentleman from Alabama.

Mr. ANDREWS of Alabama. I want to commend the gentleman for the statement he has made and to associate myself with his remarks, and I should like to ask the gentleman a question.

Mr. MINSHALL. I am glad to yield to the gentleman.

Mr. ANDREWS of Alabama. What would be the situation if the first of July 1972, arrived and the prisoners of war had not been returned?

Mr. MINSHALL. Does the gentleman mean the first of June?

Mr. ANDREWS of Alabama. Whatever the amendment says, if it is the first of June 1972. Let us assume we reach June 1, 1972, and the prisoners have not been returned?

Mr. MINSHALL. It would be a tragic situation, as has been repeatedly pointed out. Our hands would be tied. We would not be able to do a darned thing about it.

Mr. ANDREWS of Alabama. Does the gentleman think the Vietcong and the North Vietnamese will ever return those prisoners unless we make them do it?

Mr. MINSHALL. I certainly hope they will. I only hope they will keep future promises better than they have kept past ones.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Boland amendment. Much has been made of the prisoners of war in Vietnam, and those of us who know the families of those prisoners have some sense of what agony they are going through and how desperately they want to get their sons and husbands back.

But men are now today dying in Vietnam. If this war keeps on for another 6 months or a year, as many additional men will die in Vietnam as there are now prisoners in Vietnam, and those men who are still on the battlefield and who may yet die deserve as much consideration as the men who are there prisoners.

I believe the opposition to this amendment comes from those who want us to believe that "Poppa knows best" and that children should not interfere. Congress has too long proceeded on this theory that the President knows best, that he knows what he is doing and can be counted on to do the right thing and that we should give him the money and the manpower he wants.

For 9 years that we have been in Vietnam I have served in the Congress. How many hours I have sat and listened in committee to generals, Secretaries of Defense, and Secretaries of State. I have been to the White House and I have listened to the President and all his glamorous advisers who claim to have all the inside information. And I, just as you, have voted for the money.

The gentleman from Indiana has pointed out how his son went to Vietnam. Well, my son went to Vietnam. He fought for a solid year in the 101st Airborne. He was wounded twice. In the last battle only two men in his platoon were not killed or wounded. I very nearly lost my son in Vietnam.

How many hours I have asked myself, "Why did you encourage your son to go to Vietnam? Why did you give him the impression that the people up there, all the generals and Defense Secretaries and admirals and so on, knew best." When you read the Pentagon papers and examine the rest of the record, the very kindest conclusion you can come to is our President and generals and advisers did not know what they were talking about, did not have the foggiest idea of what was going on or what we should do. If they did know, then you have to credit them with evil intentions, and I hate to do that, although the Pentagon papers make it look as though our leaders were a pretty byzantine crowd. I think it is pretty clear that the President does not know best. He has no monopoly on information or wisdom. People around him tell him what he wants to hear, and they have been doing that for years and years.

It is time for the Congress to reassert its responsibility. You are asked to authorize these appropriations, you are asked to appropriate the money, you are asked to draft the thousands of boys who did not have the foggiest idea of what this was all about. You have had to comfort the mothers and fathers who came to you. Now you are told, having done all that and having gone along and having been good children, that you should not have anything to do with getting those boys back out of Vietnam.

A lot of this opposition to the Boland amendment comes from those who want the President to get the full credit for getting us out of Vietnam. I—along with you—have had to take my share of the responsibility and the blame. Now I want to be able to take some of the credit. I want to be able to tell my constituents—and my own son—that I had something to do with getting us out of Vietnam.

I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Boland amendment.

I am no expert on Vietnam or Southeast Asia, but, Mr. Chairman, I have been in Vietnam a number of times. I was over there only last August. I believe I have some knowledge of the situation.

I am opposed to the Boland amendment because, in the first place, it is not necessary. The President is withdrawing Americans from Indochina in large numbers and the withdrawal is going on in an orderly fashion. I saw it with my own eyes only last August. It takes time to withdraw men and equipment, and a time certain will not accomplish anything.

Mr. Chairman, I guess what concerns me most about the Boland amendment is the weakening of our position as to the prisoners of war and as to the missing in action. I know my colleague, Mr. BOLAND—and I hope he is here on the floor—sent each Member a letter from the Prisoners of War, Missing in Action Families for Immediate Release supporting the Boland amendment. I have a letter written to the chairman of the Committee on Appropriations (Mr. MAHON). This letter came to him yesterday. I have a copy of the letter. It is from the National League of Families of American Prisoners and Missing in Southeast Asia. It says:

NOVEMBER 16, 1971.

Congressman GEORGE H. MAHON,
Chairman, House Appropriations Committee, Rayburn Office Building, Washington, D.C.

DEAR CONGRESSMAN MAHON: The National League of Families of American Prisoners and Missing in Southeast Asia, the first organization formed by family members, has a membership far greater than any other group, including the POW/MIA Families for Immediate Release. The League of Families is *not* in agreement with Congressman Boland nor Senator Mansfield.

Yes we want our prisoners home as rapidly as possible and we want an accounting of our missing men but when we leave the entire process of negotiations rest with the North Vietnamese, which in essence this amendment permits, we sincerely doubt that we will gain any satisfactory conclusion to the MIA/POW dilemma.

We, the majority of family members strongly urge you to carefully consider this amendment for we have faith in *our* government that our men, missing and prisoners are not and will not become second rate issues.

Sincerely,

EVELYN GRUBB,
National Coordinator.

(Similar letter written to Congressman G. V. MONTGOMERY who has been very closely associated with the POW–MIA situation.)

Mr. Chairman, this letter represents the great majority of the families of the POW/MIA and they do not like the Boland amendment.

Mr. Chairman, the North Vietnamese and the Vietcong are really the most vicious enemy we have ever fought. Why should we set a date certain and hope that the enemy will act in good faith—an enemy that never abided by the Geneva Accords, an enemy that has shot down Americans over Laos, and where those that we did not rescue we have never heard from.

I might say that the State Department reports that in the 6 months period of March to October 1970, 1,300 letters were received from POW's by American families in the States. In the same period now, 1971, only 170 letters have been received from the POW's. Can anyone explain this?

What are you going to do in the Boland amendment is take away the negotiating power of our Government and give all of the trump cards to the North Vietnamese.

Mr. Chairman, as Admiral Moorer, Chairman of the Joint Chiefs of Staff, said:

> If you take the route of the Mansfield and Boland amendments, there is a possibility we will not get all of the Americans back.

Mr. Chairman, the amendment is based on the release of American prisoners of war and does not consider—and this is a point that has not been mentioned today—does not consider the release of Australian prisoners of war, New Zealand prisoners of war, and the South Korean prisoners of war who had been our friends for many years fighting in South Vietnam as well as our other allies. This amendment leaves our Allies to get their prisoners back the best way they can; I ask, Is this fair?

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Arizona.

Mr. RHODES. I want to congratulate the gentleman on the statement he has made and particularly upon the activities of the gentleman in furtherance of the welfare of our fighting men in Vietnam, not only the men who are now fighting, but the prisoners of war and the missing in action. The gentleman's activities have been over a longer period of time more fruitful than those of any other Member of the House and I congratulate the gentleman.

Mr. DOW. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from New York.

Mr. DOW. At one time the United States had 550,000 men in Vietnam. I think the gentleman will have to agree that the presence of those men was of no effect in securing the release of our prisoners of war.

How does the gentleman suppose, when we have reduced our forces down possibly to a figure of less than 100,000 shortly, that with that small number of men we will have any leverage to get those prisoners out by force or threat of force?

Mr. MONTGOMERY. I will say to the gentleman from New York that we will have a holding force in Vietnam which will be around 50,000 men plus a strong air striking force. We will not be leaving

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them by themselves over there and we are not turning the negotiations over to the North Vietnamese, which the Boland amendment does.

Mr. RIEGLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Boland amendment and I now yield to the gentleman from California (Mr. McCLOSKEY).

Mr. McCLOSKEY. Mr. Chairman, I would like to speak to one aspect of the Boland amendment, the question of the prisoners of war.

Previously, the Congress has requested the President to withdraw at the earliest practicable date on one single condition, that our prisoners be accounted for and returned.

The President, however, has insisted upon a second condition—that the North Vietnamese and the Vietcong cease their attempts to overthrow the government of South Vietnam. He has said that we will continue the bombing in Laos, Cambodia and Vietnam until there is a reasonable chance that the Thieu-Ky government survives.

Secretary of Defense Laird has said that this bombing may be required for 10 years.

Mr. Chairman, when the President adds this second condition for our withdrawal from Southeast Asia, he not only ignores the request of this Nation and the national policy of this Nation as set by the Congress, he flouts the language of the law he himself has signed. Let me read in part that law which was signed by the President himself when we passed the amendments to the Selective Service Act of 1967:

> The Congress hereby urges and requests the President to implement the above-expressed policy by initiating immediately the following actions:
>
> Negotiate with the Government of North Vietnam for the establishing of a final date for the withdrawal from Indochina of all military forces of the United States contingent upon the release at a date certain of all American prisoners of war held by the Government of North Vietnam and forces allied with such government.

Mr. Chairman, that was a single condition passed by the Congress and enacted into law, a request only, but still a request by the Congress of the United States that makes the laws of this Nation.

Mr. Chairman, there is a clear constitutional issue here. The Congress makes the law and the President is charged with faithfully executing those laws. Even as Commander in Chief, his powers are defined and limited by the Congress under the Constitution.

This was established by the Supreme Court of the United States over 160 years ago, about the same time that *Marbury v. Madison* established the right of the Court to review the acts of the Congress.

As the chairman of the Armed Services Committee has said, "We have only one President." But that President is bound to execute the laws we enact.

We have told the President in clear and unmistakable language:

> Mr. President, there is only one condition we ask for our withdrawal: the return of our prisoners.

What power does the President have to decide that he will impose a second condition? The survival of a government which is clearly a police state—which pursues denial of due process, torture, repression of dissent on a daily basis? And when the President imposes that condition, what does it do for our prisoners of war? We continue to withdraw our troops. Obviously the people have overwhelmingly demanded this withdrawal. What possible help does it give to our prisoners to continue to withdraw and yet demand that the war be won? Does not our negotiating posture diminish as time goes by?

If we continue to insist on winning the war through Vietnamization, how can we ask for our prisoners back? Clearly the North Vietnamese know and understand that this holding of our pirsoners of war is their most important bargaining weapon. They have no reason to return the prisoners if we insist on remaining in Vietnam until the South Vietnamese Government is secure.

The President's policy, in my judgment, condemns our prisoners to indefinite captivity. If the President would comply with the suggestion Congress has already made, that our negotiators be instructed to reduce our demand to the single demand, the condition of the return of our prisoners, I believe we can end the war in 30 days.

The Boland amendment merely implements the request we have already made and makes mandatory of the President that which we have already requested that he do, that we change our negotiating posture at Paris.

Mr. Chairman, I hope the House will adopt this amendment.

Mr. DOW. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Boland amendment. The hour is late, but there is still a chance that Congress can assert itself finally on the Indochina issue, and assume the leadership necessary to bring us out of that entanglement. Clearly the executive is not—in the foreseeable future—going to do it.

At present there is no writ, declaration or pronouncement to warrant U.S. intervention in Indochina. That irresolute document, the Gulf of Tonkin resolution, was nullified by this Congress at the end of 1970. The appeal in that paper to the SEATO treaty was consequently abandoned. No authority remains.

We are in Indochina for no declared purpose. We are just there because we are there. It is clear, too, that, after we have gone, the solution and the conclusion will not be American at all. Whether it takes a week after we go, or a month, or a year or a decade, the solution will be a Vietnamese solution. And that they could have had long ago, if the United States had not chosen to interfere.

The commitment of so much of our resources, the loss of so much of our blood for undefined purposes in Vietnam, must be laid not only at the door of the Executive, but also at the door of this Congress which stood listlessly by, all the time that the Executive went busily about his futile work.

Through 7 years of warfare in Indochina, the Congress and the leaders of the responsible committees have cultivated legislative inaction like a flower. They have accepted a policy of congressional abdication and constitutional torpor.

They have not even required from the Executive an accounting of the cost of this adventure. For a time in the previous administration we received a total figure in the budget that was the annual cost of Vietnam. Yet the present administration has discontinued any such figure. The fault is no more his than ours, considering our woeful failure to insist upon it.

Two years ago the record showed expenditure of $5 million in Cambodia. Now Congress is settling for figures in the hundreds of millions of dollars. When I went to Laos in 1967, our Ambassador showed me a cost estimate of our annual costs there that was approximating $55 million. Today, truer figures have come to light showing totals for Laos, like Cambodia, running to hundreds of millions of dollars.

To the stupefying recital of our mistakes, losses, and wastes in Indochina, we must add the dismal failure of this Congress to assume responsibility. Chloroformed by the slogan that the President is Commander in Chief, we have been willing to allow that this permits him to invade any land, expend our sons and drain our resources, without a warrant or leave from this Congress—and without any accounting of the cost.

When will there be a reassertion of the congressional prerogative as a coordinate branch of this Government? When will we become legislators again on foreign issues?

The time is now. Let us end not only the monstrous calamities that we have visited upon Indochina, but also the executive department's heedlessness of Congress which has been tolerated in this sleeping body for nearly 7 years.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. DOW. I yield to the gentleman.

Mr. PUCINSKI. The gentleman from Mississippi mentioned prisoners of war from other countries such as Australia and the Philippines.

I am under the impression that those countries have long ago withdrawn all of their troops from Vietnam.

I wish some member of the Committee on Armed Services would inform us if that is correct.

Mr. DOW. I cannot answer the gentleman whether the Australian or Korean forces have been withdrawn or not, but I do say this prisoner of war issue is being blown up and exploded into an immense issue which is offered to fog the main question—and that is the direction of our national policy overall in Vietnam.

Mr. DAVIS of Wisconsin. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, as I read this amendment, within the four corners of the paragraph, I must interpret it as an unconditional deadline for the use of any funds for the support of Americans in Vietnam.

Mr. Chairman, I do not believe there is any ambiguity which would permit anyone to read that amendment and come to a different conclusion. If that is so, it strikes a cruel blow at those who have fought and who are fighting, and to those who are prisoners of war in that part of the world.

But, if we say there is ambiguity which negates it as being unconditional, as the author of the amendment said when pressed and when he said, "Oh, no, this condition does not apply at all unless there has been a prior release of our prisoners."

Then, I submit this represents a cruel hoax upon our prisoners, upon their families and upon the American people.

We are told in the statement of the additional views that it has been stated by the negotiators in Paris that the prisoners are not going to be returned until a deadline for our military involvement has been established.

If we accept that at face value, it still leaves open the question about other concurrent demands that are being made and that have been made and it certainly does not provide us with any assurance that if a deadline is established, the prisoners will be returned.

I certainly must challenge the credibility of anyone who asserts that once a deadline has been set, then the prisoners will be returned.

So here we have the inconsistency of the sponsors of this amendment on the one hand telling us that a deadline is contingent upon a prior release. In other words—no release—no deadline.

On the other hand, we are told that this nonexistent deadline will assure the release of the prisoners. I believe this amendment will condemn our prisoners and not help them. I strongly oppose it, and I hope we will not mislead those who yearn for the return of the American prisoners of war by giving them a guarantee which is no guarantee at all.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am happy to yield to the gentleman from New York.

Mr. KEMP. I would like to commend the gentleman for his remarks. I would like to address the attention of the House to point 1 of the seven-point demands made by Hanoi which sheds light on what they really want. The quotation is this:

> The United States Government must put an end to its war of aggression in Vietnam, stop the policy of "Vietnamization" of the war, withdraw from South Vietnam all troops, military personnel, weapons, and war materiels of the United States and of other foreign countries in the U.S. camp, and dismantle all U.S. bases in South Vietnam, without posing any condition whatsoever.

Mr. Chairman, it is clear that this is a call for the unconditional and unilateral surrender of the United States. This amendment should be defeated and I commend the gentleman for his remarks and his leadership on this issue.

Mr. DAVIS of Wisconsin. It certainly puts the lie to any intended assurance that once we set a deadline, that that is all that is required to assure the return of our prisoners.

Mr. KEMP. Mr. Chairman, will the gentleman yield further?

Mr. DAVIS of Wisconsin. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding. It is a great disservice I think to the people of this country and, to those who are watching and listening to this debate, to mislead them into thinking that this is a way to end war. The House of Representatives, by voting for this Boland-Mansfield amendment, is not going to end war. It has been said that you can elect who you want to be your leader but you cannot elect not to have a leader. We have an elected leader and he is bringing about more progress toward ending this war and given more hope for the kind of peace we want, than all of this rhetoric and I might add our desire is not just for peace now but peace for the future, and I suggest that we give our serious consideration to voting down this pernicious amendment. The way to help end this war is to shout loud and clear to Hanoi by this vote that we want an honorable end to this war and an immediate return of our POW's and MIA's.

Mr. KOCH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have listened to the debate and I was struck by the remarks of the distinguished chairman of the Armed Services Committee (Mr. HÉBERT) who opened his remarks by saying, "I am weary." My thoughts at that moment was, this country is weary. This country wants the war ended.

Then Chairman HÉBERT said:

> When are we going to stop debating the Mansfield amendment?

My thought at that moment was that we are going to stop debating the Mansfield amendment when we adopt that amendment, and not before.

Three gentlemen, at least three, took the floor in opposition to the Boland amendment, advancing as their arguments, that it does not do what the gentleman from Massachusetts (Mr. BOLAND) says it will. They say they find the language imprecise and that it does not specifically insure the prior or simultaneous release of our prisoners of war on the setting of the withdrawal date. The gentleman from Massachusetts tried to assure them that that was the intent. He felt that the language was adequate. The legislative history of the debate here would show that, but I ask those three men who took the floor if the language were all that you wanted with respect to insuring the return of our prisoners of war, which we all want, would you vote for it? Would you vote for it?

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I am delighted to yield to the gentleman from Arizona.

Mr. RHODES. The Military Procurement Act of 1971 contained language which indicated very strongly that it is the policy of the Congress that we want to get out of the war in Vietnam. I voted for it, but I do not have to do so every day to prove that I mean it.

Mr. KOCH. Let me respond to that by saying this: I believe it is important that this Congress—if it has the authority, the power, the desire, and the will to do so—debate this issue every day until those men are brought home and the war is ended.

Members have risen to commend the President because he is, they say, "winding down the war." Who will say to the fathers and the mothers of the 5 or 8 young American men who last week were killed in Vietnam that the war has been wound down? Or to those who may yet die before, in fact, the war is ended? To them it is not a question of winding down. It is a question of the deaths of their sons. That is why I say we should use every opportunity and amendment offered in this House to debate this war until it is concluded, not tomorrow, but today; not 6 months from now, but today.

And if the best vehicle presented to us today is that amendment offered by the gentleman from Massachusetts (Mr. BOLAND) whom I applaud for leading us today and for having spoken so eloquently, I am going to support it. And if it is offered tomorrow on some other bill, I am going to speak and vote for it, as I will on every occasion when I can rise in opposition to that dirty and immoral war.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from New York.

Mr. WOLFF. Mr. Chairman, I was very much impressed with the gentleman from Indiana and the gentleman from Maryland, who told of their sons in the war. I, too, have had a boy in Vietnam, a "grunt," a marine platoon leader, and he spent 13 months on the DMZ and won the Bronze Star in action.

I rise in support of the Boland amendment. I wonder whether or not any of those who have risen in opposition to the amendment have also suffered the anguish of a family who had a boy in Vietnam.

Mr. O'KONSKI. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, by way of background, I would like to go into a little personal history. I have always been a man of peace. I have been opposed to war when it was unpopular to be so. I was opposed, along with old Bob LaFollette, to our entry into World War I for which we were called traitors. It is different now. The biggest racket we have in the country today is the peace racket. There is more money collected in the name of peace and unaccounted for than any other racket in the country. But I am talking about a time when it was unpopular to be for peace and against war.

In the middle of World War II, in 1944, I was here and I introduced a resolution that we withdraw our troops from Europe then, because we could have had a separate peace with Germany, and we could have saved a great many people who were burned in gas chambers. We could have saved many of the people whose lives were lost at Anzio Beach and Omaha Beach and other places. We did not need to kill 135,000 women and children in Dresden, Germany, with bombs. We could have had peace before then.

The war in Vietnam, the Members will remember, had the first $2 billion appropriation in 1954. I opposed it, and warned against our involvement there. I think we have had no business in Viet-

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nam in the first place, and I think the sooner we get out of there, the better. We cannot get out of there too soon as far as I am concerned. In 1957, 1961, 1963, 1964, 1965–67 I opposed the war in Vietnam. Please heed my advice. The worst thing we could do in my judgment is to pass the Mansfield-Boland amendment. I will tell the Members why. Suppose the Mansfield-Boland amendment were in existence in 1954 when the French got defeated in Dienbienphu. Suppose the French had tied withdrawal to the prisoners of war and an accounting for all the missing in action? The French would still be in Vietnam now, 17 years later.

Suppose we had tied the condition of the ending of World War II in Europe to the accounting for every single prisoner of war and missing in action? I know of 10,000 allied officers still unaccounted for in World War II in Europe. We would still have 5 million troops in Europe if we had tied it down to the accounting of missing-in-actions and the release of prisoners of war.

Suppose the Mansfield amendment were in existence in 1969 when President Nixon took office. We would still have 550,000 troops in Vietnam, because it would have been tied to the releasing of the prisoners of war and the accounting for all of the missing in action.

How can you be so naive? If we are going to tie withdrawal to the prisoners of war and those missing in action we will be in Vietnam for another 10 years. One gentleman said it very bluntly when he said we had 550,000 men in Vietnam, and we could not negotiate on the prisoners of war, so how in the world are we going to do it when we have only a residual force of 45,000 men and have served notice that we are going to be out of there completely as soon as possible.

If Members want to continue the war for the next 5 or 10 years—vote for the Mansfield-Boland amendment. Who is so naive as not to know the Communists use the prisoners of war in a completely different fashion from all civilized nations in the past. The Communists use prisoners for propaganda purposes. They are not concerned with our getting back our prisoners of war and getting them out of Vietnam. Mark you and mark you well we are going to have to pay a heavy ransom for the prisoners of war we have in Vietnam, and it is going to amount to billions of dollars, and it is going to take us 3 or 4 or 5 or maybe 10 years to negotiate it. Under the Mansfield-Boland amendment we will be compelled to keep troops in Vietnam during all that time. I want out now—not 5 or 10 years from now.

If you pass the Boland-Mansfield amendment conditioning our withdrawal of troops from Vietnam on the release of prisoners of war and the accounting for all MIA's you are voting to prolong the war in Vietnam for another 5, 10, or 15 years, and it is on your heads that you are prolonging the war.

Stripped of all its niceties the Mansfield-Boland amendment is another Tonkin Bay resolution in disguise. Do we want a repetition of that catastrophe? Think, listen, and learn; is not one Tonkin Bay resolution enough in our time? I think one is too much. Let us get out of Vietnam now—not 5 or 10 years from now, which is the real meaning of the Mansfield-Boland amendment.

Mr. O'NEILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as the gentleman from Wisconsin just said, it has been 18 years since we authorized and appropriated $2 billion and sent it over to Bao Dai and the French. It has been 18 years now that we have been involved in Indochina.

Children, who were babies at that time, have now grown to adulthood. They have reached the age of 18, and we are still involved in Vietnam.

I recall years ago when I took the floor many times in favor of the war. It was with feeling that I rose in support of the war. And it is with feeling I rise at this time. I know how the distinguished gentleman from New Orleans feels. So many times I had gone to the area schools of my district supporting the administration's policy in Vietnam, until it occurred to me to check the other side of the issue.

Could we justify our involvement in Vietnam? As I stand here in this well today, I cannot justify morally, politically, or strategically in terms of the defense of this Nation any reason for being in Vietnam.

I truly have been moved by some of the speeches made in this House today, especially that one by my good friend Ed ROUSH, when he told about his son's experience in Vietnam.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Massachusetts.

I live with EDDIE BOLAND. I know his thoughts and feelings and the work he has put into this amendment.

Under the Constitution the Congress has the right to declare war.

Under the powers of the Constitution, the Congress has control over the purse, and has the power to appropriate and authorize funds for the conduct of this war.

Under the powers of the Constitution, the Congress has the right to terminate the authorization and appropriation of funds for the conduct of this war.

Through this constitutional power of the purse, the end product is that the Congress has the right to terminate a war by setting a deadline for funding for the conduct of a war.

I am not standing here to criticize President Nixon's feelings and actions with regard to the war.

This amendment is not designed to tie the hands of President Nixon on the withdrawal of troops; nor does it tie his hands on negotiations over the release of prisoners of war. The amendment says nothing about the withdrawal of troops at the continued pace which the President has set forth. It does not affect his withdrawal program.

It does not affect negotiations, because the amendment is contingent on the release of prisoners of war. If the prisoners of war are not released by June 1, 1972, the amendment as offered by the gentleman from Massachusetts, (Mr. BOLAND) is not valid. The release of prisoners of war can only come through direct and indirect negotiations. These negotiations will continue regardless of this amendment, just as the troops will continue to be withdrawn regardless of this amendment.

What is the question that we are arguing? We have come to a divided line in American history, and this is the question: Should we continue to live with the war in Vietnam as we have for the past 18 years? Do you want a continuing presence in Vietnam of American troops for many years to come a reality? Or do you want the troops home by June 1 of 1972?

I, for one, want the troops home by June 1, 1972. I would have them home tomorrow if it were possible.

I believe the Boland amendment is an excellent amendment, and I urge Members to vote for it.

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, those of us who have known our friend from Massachusetts, EDDIE BOLAND, for a long time know that among his many fine characteristics and attributes he is always frank, he is always candid; and, typical of those characteristics, today he was frank and candid with us in making two comments, among others, in support of his amendment.

First he said that this is the toughest, hardest amendment of this kind that this Congress has had on its doorstep. Second, the gentleman from Massachusetts gave credit to President Nixon for the program of Vietnamization which has resulted in a reduction of our manpower in Vietnam from 540,000 plus down to roughly 180,000 at the present time and the prospect of a further reduction to 139,000 come January 31, 1972.

These are honest, frank statements which all of us ought to appreciate and understand, and I, for one, especially appreciate the gentleman from Massachusetts candid comments.

Let me ask this question, recognizing that those were honest and frank statements by the gentleman from Massachusetts: At a time when the war is being ended, is it wise to approve the toughest, hardest amendment that the House of Representatives has faced on this issue?

In my judgment, the reverse should be true. If the President were not succeeding, if he had not accomplished a great deal, then I could understand somebody saying in frustration that the House of Representatives and the Congress of the United States ought to take tough action. But here is the President, without the help of any such amendment fixing a date for withdrawal or imposing other arbitrary conditions, who has reduced America's manpower commitment from 540,000 plus to 180,000. That achievement has been done without such an amendment. Why under these circumstances should we seek to impose upon the President the hardest, the toughest amendment that has come before the Congress?

It is my honest opinion that if the Congress approves this amendment with a deadline, it will destroy the potential for any further withdrawals. As a matter of fact, I think approval of this amendment would in effect stop withdrawals under the plan of Vietnamization that the President has implemented. It is my judgment that if this amendment is approved, it will in effect end any negotiations that would be meaningful. It would take away from the President, regardless of some of the comments made earlier, a trump card of the President for his negotiations, whether they are in Paris, whether they are in Peking, or whether they are in Moscow. If the Boland amendment is approved, The President would go to those negotiations with one less trump card that he could use in the negotiations for the release of the prisoners of war and for the recovery of the missing in action and for the total termination of our military conflict in Vietnam.

Mr. Chairman, I say to the Members of this body as strongly as I can that any amendment with restraints of this kind will jeopardize the opportunities for the President to get our prisoners of war out and end this military conflict.

I say in conclusion we have on the statute books now not one but two statutory provisions that say we must get our prisoners of war back and withdraw all of our forces. I just do not know how many times you have to pile on the statute books another piece of legislation of the same kind.

I say to you this is bad legislation and it ought to be defeated. If you want the prisoners of war back, beat the Boland amendment.

Mr. DRINAN. Mr. Chairman, I rise in support of the amendment by my colleague from Massachusetts, Congressman BOLAND, to the Department of Defense appropriations bill for fiscal year 1972. The amendment would prohibit the use of funds "to finance any military combat or military support operations by U.S. forces in or over South Vietnam, North Vietnam, Laos, or Cambodia after June 1, 1972," subject to the release of American prisoners of war.

This amendment, the latest and most promising in a series of attempts to assert the will of the overwhelming majority of the American people with respect to our Indochina policy, rises in an unparalleled political, constitutional, and historical context.

Politically, this amendment represents the last clear chance for the Members of this House to vote their consciences on the Vietnam war. Some of our colleagues have previously declined to support such an amendment on the ground that the President would soon declare a definite withdrawal date. Those well-intentioned expectations have, tragically, not been realized. In the absence of Executive willingness to establish a deadline, Congress has a greater responsibility to do so in light of the overwhelming expressed desire on the part of the citizens of our country for such a deadline.

In a constitutional sense, this amendment is historic because it arises in the wake of the recent decision by the U.S. Court of Appeals for the First Circuit in the case of Massachusetts against Laird. In that case, the Commonwealth of Massachusetts had challenged the legitimacy of the war in Vietnam on the ground that Congress has never voted a declaration of war. The court rejected the claim, stating that Congress has constitutionally sanctioned the war by voting appropriations for it. In its opinion, the court stated:

> In a situation of prolonged but undeclared hostilities where the Executive continues to act not only in the absence of any conflicting claim of authority but with steady Congressional support, the Constitution has not been breached. The war in Vietnam is a product of the President's supportive action of the two branches to whom the congeries of the war powers have been committed.

The decision in Massachusetts against Laird by the highest Federal court yet to rule on the war's constitutionality, removes any question of the appropriateness of the Boland amendment. It can no longer be argued that the appropriation process can be separated from the legitimacy of the war. If we fail today to pass this amendment we will explicitly be ratifying the continuation of a policy which we know to be a catastrophe.

This amendment would not improperly restrict the President with respect to any attempts which he may be making to secure the release of prisoners of war. The amendment would not take effect unless our prisoners of war were returned. Moreover, based on the sum total of evidence from all sides on this question, I do not believe that we can realistically expect to obtain the return of our prisoners of war in the forseeable future unless we pass this amendment today. The official organization of the families of our prisoners of war and missing in action has endorsed the Boland amendment.

I will not insult the intelligence and concern of my colleagues by again reciting the tragic consequences of the Vietnam debacle. Now that every theoretical underpinning of this holocaust have been proved wrong—including the so-called domino theory and the ridiculous charade which resulted in the ascension to power of Thieu—we must act. Every day we sanction the sacrifice of another life of another Asian or another American on the altar of the South Vietnamese dictatorship we are perpetuating an injustice of ghastly proportions.

Mr. Chairman, I have recently completed a comprehensive review of the nine volumes of hearings of our Appropriations Committee on this bill. If any one theme emerged from those hearings, it was, I regret to state, that we have not learned the lesson which the excruciating evidence of our policies in Southeast Asia should have taught us. Even as the committee today recommends a defense appropriation of $71.05 billion—an increase of $1.47 billion above the amount appropriated last year—we continue to be mired in the rhetoric of the 1950's and 1960's. I deplore this increase in appropriations, and I believe the military budget is grossly disproportionate to our national security needs.

Buried in the ninth volume of the Appropriations Committee's hearings, in small print, is a statement by the distinguished former Senator from Pennsylvania, Joseph S. Clark. I associate myself with Senator Clark's statement and commend it to the attention of my colleagues.

Among other things, Senator Clark states:

> That we could safely cut the President's $76 billion budget to no more than $60 billion. In coming to this conclusion we believe:
>
> Our military policy is obsolete in the light of our overall foreign relations today. The administration has proposed a bill for offense rather than defense. It is not isolationism to suggest that we pull in all over the world our conventional forces, eliminate many of our bases and confine our strategic power to eliminating overkill and assuring that no enemy would dare stage a first strike against our country.
>
> These excessive military expenditures are tearing the country apart—both our economy and our relationships with each other. Our needs at home to feed the hungry, to clear our air and water of pollution, to rebuild our cities, should have a higher priority than the ever-increasing demands of the military.
>
> These excessive military expenditures are the principal reason for the galloping inflation from which we have been suffering, for the fantastic deficit we are facing in the Federal budget for this and the next fiscal year, for the incredible deficit in our international balance of payments which goes on and on without check. In short, we are running out of money.

Mr. Chairman, I also specifically endorse the following recommendations for defense budget cuts made by Senator Clark in the course of his testimony:

(1) Stop appropriating money for the development and deployment of the ABM. It won't work. In view of the President's statement of May 20, we should certainly freeze ABM deployment and R. & D. appropriations pending the results of the SALT talks.

(2) Abandon development and production of the B–1 strategic bomber. It is obsolete before it gets off the drawing boards. The B–52 is completely adequate for any future strategic bombing needs. Between the submarine nuclear threat and intercontinental ballistic missiles we do not need a third offensive nuclear system. The Russians have stopped spending money on their intercontinental strategic bomber. The time factor alone makes nuclear bombers obsolete.

(3) Freeze all strategic weapons at their present strength. Our present overkill is enough, many times over, to deter Russian or Chinese attack.

(4) Deploy no more MIRV's and encourage our negotiators at SALT to work to eliminate multiple warheads as part of an arms control agreement.

(5) Cut back the authorization for military manpower to 2 million or less. As we withdraw from Indochina determined to have no more Vietnams, general purpose forces of 2 million are quite adequate to defend U.S. territory against attack and to participate on an appropriate basis with other states through the United Nations or otherwise in peacekeeping and peacemaking efforts in the Middle East, Europe, Asia, and elsewhere.

(6) There are a number of obsolete and obsolescent weapons systems on which no more money should be spent. Among these are:

(a) SAGE and AWACS. Air defense is ridiculous in the modern strategic military world.

(b) Another nuclear aircraft carrier. It must be remembered that the surface navy of all nations is vulnerable to destruction in the event of war. Either torpedo boats or submarines can destroy not only aircraft

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carriers supporting surface vessels by attacks launched out of range of the guns of the surface navy. Similarly, an aircraft can wreak the same havoc.

(c) Further purchase of C-5A troop carrier airplanes. We have enough now to support legitimate foreign policy objectives.

(d) Antisubmarine warfare expenditures. As in other areas of modern warfare the offense is so far ahead of any conceivable defense that ASW is obsolete.

(e) Chemical and biological warfare expenditures. This department of the armed services should be phased out except for defensive measures.

(f) The 22 tactical air wings are far too many. We could eliminate at least five and still have plenty for conventional warfare purposes.

Mr. Chairman, I hope that for all of the foregoing reasons, a majority of the Members of this House will support the Boland amendment and will also support prudent and essential reductions in our military budget, including the reductions which our distinguished colleagues from Wisconsin and Michigan, Congressman ASPIN and Congressman RIEGLE, propose.

I, for one, shall continue to seize every opportunity to reassert the proper social role of those who design and execute our military policy.

Mr. COTTER. Mr. Chairman, I rise in support of the amendment offered by my good friend from Massachusetts (Mr. BOLAND). This amendment, as is well known, will cut off funds for Indochina pending only the release of prisoners of war.

This amendment restores the critically important specific end date that was removed in the conference versions of the Department of Defense authorization bills. I believe, as I have stated in the past, that the Congress continues to have the responsibility for legislating an end to this war. I know there are many Members who believe that total discretion in this matter should be vested in the President. I cannot disagree more strongly.

All of my actions on Vietnam during this, my first term, have been to place more responsibility on the Congress in this area of foreign policy. For example, one of my first legislative actions was to cosponsor the Vietnam Disengagement Act. A short time later, I signed a letter of intent—the O'Neill letter—to vote for all amendments which would end the war by congressional action. I voted for the Nedzi-Whalen and the Mansfield amendments in their original form which specified a specific time to end the war.

Mr. Chairman, I submit that we have honored our obligations in Indochina. Fifty thousand U.S. casualties, innumerable deaths of Southeast Asian peoples, and over $250 billion in U.S. military supplies dictate that the Congress act responsibly and effectively in legislating an end to this tragic war.

I urge all Members to cast their votes in favor of this amendment.

Mr. GRIFFIN. Mr. Chairman, I rise in opposition to the Boland amendment. Just as every other Member of this body, and every citizen in our country, I hope and pray for an early conclusion of the conflict in Southeast Asia. I know of no one who wants war, except Communists in that area.

I do not think this amendment is the proper way to end the conflict there. If we are going to pull out of Southeast Asia, and turn our back on a long and rich history of honor and integrity, we should do it in the proper way. The proper way would be for us to renege on every treaty obligation we have around the world.

We should cancel treaty arrangements with SEATO, NATO, Middle East countries, and all others, if we are determined to abandon our position of leadership in the world, and if we are to serve notice that we will not help anyone who fights Communist aggression.

We have solemn treaty obligations. I am not saying that they are right or wrong, but we have them. In my judgment, we should either honor those obligations, or we should abandon them—all of them, not just the one affecting South Vietnam.

I have been amused to hear on the floor that one reason for the Boland amendment is that there were no free elections in South Vietnam this year. I would ask those who hold to that position, how many free elections are there in Africa, in South America, in other Asian countries? The advocates of that position do not suggest that we abandon our obligations to those nations—they single out only South Vietnam.

I have also heard it said on the floor that we should get out of Southeast Asia because the government there has corruption in it. What about the New York City Police Department? Should we abandon every aid to New York City?

Mr. Chairman, we have to put first things first. The honor and glory of my country comes first with me.

Mr. ANDERSON of California. Mr. Chairman, I rise in support of the Boland amendment to H.R. 11731, which would establish June 1, 1972, as the termination date for all U.S. military operations in Indochina, subject to a return of all American prisoners and an accounting of those missing in action.

Why should a person support this amendment? There are many reasons:

First, to stop the death and destruction. I have heard people say, "Why, only five Americans were killed last week."

Mr. Chairman, that is five too many. One more life, one more amputee, one more prisoner of war is far too large a price to continue to prop up the Thieu regime.

Second, to return our American prisoners of war and to account for those missing in action. Mr. Chairman, as each day passes, as more and more servicemen return from Indochina, our power to bargain with the North Vietnamese and the Vietcong is gradually eroded. As each day passes, we have less and less to offer the North Vietnamese and the Vietcong in order to gain the release of our men.

The President has announced plans to withdraw, but he insists upon a residual force remaining in South Vietnam. Next year, when we have this residual force in South Vietnam, will this release our men?

I believe that, today, when we have the most power, is the best time to negotiate a release of our prisoners. Tomorrow, or next month, or next year, may be too late—our power may have weakened to the extent that we have nothing to offer the North Vietnamese, and Vietcong in exchange for our prisoners of war.

In addition, Mr. Chairman, on July 1, 1971, the Vietcong presented a new "seven-point peace plan" to the talks in Paris. The key element of the plan was an offer to release U.S. prisoners of war in return for a withdrawal deadline. Prior to this commitment, they had merely offered to "discuss" release of prisoners.

Mr. Chairman, the POW/MIA Families for Immediate Release, a nonpartisan organization composed of parents, sisters, wives, and children of prisoners of war and missing in action, stated in July:

> We feel our government's obligation to the American prisoners now should take precedence over its obligation to the government of South Vietnam.

And they go on—

> In accordance with this, we have been working for the establishment of a termination date for U.S. military operations in Indochina in conjunction with the return of all prisoners and an accounting of the missing in action by the date.

Mr. Chairman, I agree.

Third, U.S. prestige. How can we continue to advocate freedom and liberty on the one-hand, while, with the other, we prop up the regime of a man who, by hook or by crook, kept all other contenders off the ballot in the recent election?

Fourth, to heal our divided country and put our resources to work in this country. The alienation, the hate, the divisiveness, that we have seen—we must, once more, direct our efforts, in a united campaign, to accomplish the goals that we seek here at home: Better housing, improved education, pollution control, social justice, a stable economy.

Mr. Chairman, this Nation is great, our people are good—we want to work for a purpose, but surely not for those purposes which have led to over 360,000 American deaths and causalties in Vietnam, surely not for an uncontested, one-man referendum, that is paraded under the label of democracy.

Mr. Chairman, I feel that we must end the war, bring our troops and prisoners home, and account for the missing in action.

Mr. Chairman, I vote for the Boland amendment.

Mr. DORN. Mr. Chairman, I rise in opposition to the Boland amendment to arbitrarily set a date of June 1, 1972, for the termination of all American air, ground, and sea power in Southeast Asia. It is not in the interest of peace and a final settlement with honor of this unfortunate conflict. I know of nothing which would please the Communist aggressor more than to have a definite date this far in advance toward which they could make their sinister and diabolical plans. This amendment would tie the President's hands and place him in an impossible position to negotiate successfully in Peking.

We must maintain some bargaining power and room for discussion and maneuver. Complete abandonment of our every single endeavor on a given date could contribute to aggression and war in some other theater.

The Red China delegation at the United Nations is already demanding total and abrupt U.S. withdrawal from South Korea and Taiwan, as well as Thailand, Cambodia, Laos, and South Vietnam.

President Nixon is withdrawing our troops from South Vietnam ahead of schedule. He is becoming disentangled from this conflict as rapidly as possible. I urge the House to take no action today which would threaten the President's Vietnamization program and endanger the lives not only of American prisoners but of our men as they withdraw.

Mr. Chairman, I respect and admire the distinguished gentleman from Massachusetts (Mr. BOLAND). I know that he is sincere and feels very deeply about this war and I know of his concern for the prisoners. But I urge this House, in the interest of long-range peace plans and long-range security, to reject the gentleman's amendment. I will vote against the Boland amendment and urge my colleagues to reject this amendment.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am in complete opposition to the Boland amendment because I am in complete support of effective efforts to bring the war to an early and honorable end and to secure the release of Americans held as prisoners of war.

In my opinion the Boland amendment will not serve the best interests of peace or the prisoners of war. I have the greatest respect for the author, the gentleman from Massachusetts (Mr. BOLAND) but I feel the proposal represents an unsound approach to the problem.

Mr. Chairman, some are speaking as though there had been no change in the situation in Southeast Asia. But by the end of January about 80 percent of our Forces will have been withdrawn. Yet some talk as though there has been no change. This does not square with the facts of the situation.

To impose an arbitrary withdrawal date on the President and assume the frightful responsibility of failure or disaster when it is clear from the President's statements and actions that American involvement in the war is moving toward termination, could have disastrous consequences, and I think we all know it. To cut off funds arbitrarily when the objectives we have established—South Vietnamese capability to handle its own security—appears to be possible of realization would be to risk grave consequences.

The American people have indeed made a massive investment in lives and in our efforts in Southeast Asia. There are those who are willing to throw that aside and seek to receive no benefit on the part of the greatest Nation on earth from this tremendous sacrifice. This is difficult to understand.

Mr. Chairman, the cost in lives to the South Vietnamese, of course, has been much greater. This is not the time to ask whether the effort should have been undertaken.

The war has proceeded with the support of the Congress and now is not the time to argue about whether we should have gone into Vietnam.

The war is ending. It will be ended. The only question is how and when we complete our American military involvement. Will we seek to follow through toward a reasonably acceptable conclusion—at least a semisuccessful conclusion—or do we wish to court disaster.

Our objective in this conflict is a South Vietnam that can stand alone, and this cannot be accomplished in 6 months. And no one can guarantee that this objective will be fully achieved. But we are virtually certain to lose that objective if we end all American involvement at a fixed date 6 months from now. Are we going to accept the proposition that our losses and our sacrifices have been in vain? I do not think so.

To adopt the Boland proposal would involve trading a very good chance of success for almost certain failure. We have stayed together in this Congress over a long and arduous course. We should not, in one final moment of disappointment near the end, forego all prospects for a favorable outcome. It is unthinkable that any Member would want an unfavorable outcome.

We did not do it in Korea. We protected our investment. We made sure that we capitalized on the sacrifices we had made.

Yes, Mr. Chairman, we are near the end. American combat deaths, as high as 500 per week 3 years ago, have been less than 10 in each of the past 5 weeks. None of us will be content so long as there is even one. Let us not lose sight of how far we have come.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIKES. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. DRINAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. I thank the gentleman for yielding.

The Boland amendment would tie the President's hands at an extremely critical time, and would—undoubtedly—tend to cripple and undermine the efforts of the South Vietnamese.

Mr. Chairman, the Vietnamization program has gained momentum and we hope it will succeed. It can succeed if the problem is handled wisely by this country and South Vietnam. The South Vietnamese, with our help, are rapidly improving their armed forces. Their readiness to successfully defend themselves without U.S. support or assistance cannot be made to coincide with a predetermined and arbitrary timetable.

Vietnamization is designed to permit our total withdrawal from direct military operations without jeopardizing the departing U.S. troops.

The President must have sufficient flexibility to continue support for the South Vietnamese forces. We should not abrogate our responsibility to continue to provide materiel and maintenance support through a military advisory mission of some sort.

We must make sure that we have a shield to protect our withdrawing forces. Continuing U.S. air support is critical while the Vietnamese increasingly assume responsibility for their own defense. The safe withdrawal of U.S. forces depends upon the availability of adequate air support.

The readiness and capability of South Vietnamese Armed Forces is dependent upon the phased transfer of equipment, ground operations, and air support in terms of South Vietnamese capability to increase their forces and readiness. While impressive progress has been made, it would be impossible to accomplish all aspects of Vietnamization by June 1, 1972, in a manner that would give maximum assurance of the integrity of the South Vietnamese forces.

In short, Mr. Chairman, what does an arbitrary deadline at this moment gain us? It could result chaos in South Vietnam with the North Vietnamese coming on strong against off-balanced South Vietnamese forces with the Americans in the process of pulling out precipitously caught in between.

Why should we voluntarily relinquish a prime position of power which we now possess in our determination to regain our prisoners? Why should we relinquish a position of power in dealing with the Communists which could permit us to end the conflict in Indochina under conditions reasonable men would call honorable?

The President is planning to visit China and Russia in 1972. Obviously he has a negotiating plan. We should not deprive him of negotiating power and options by fixing a total unilateral withdrawal date from South Vietnam. It would be cruel indeed to pull the rug out from under the President of the United States when he as President of this great country meets officials in Peking and Moscow.

The efforts which we will yet be required to make in connection with the conflict in Southeast Asia are small indeed compared to what we have done in the recent past. Yet this last small increment of effort—this exercise of prudence—is crucial to a maximum chance of realizing the objectives we sought. This amendment would minimize if not eliminate our chances. This is not the way to make foreign policy. The amendment should be soundly defeated in the interest of the prisoners of war and in the interest of peace.

Mr. YATES. Mr. Chairman, I should now like to speak in my own right, if I may.

Mr. Chairman, I yielded to the gentleman from Texas because I consider him to be one of the most respected and distinguished Members of the House. When he speaks the House must listen. As it happens, I do not agree with his views on this subject, but GEORGE MAHON is entitled to be heard.

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The gentleman has said that the war is being won; that the war——

Mr. MAHON. I said that the war is being wound down. I did not say the war was being won but I hope it is being brought to an honorable conclusion.

Mr. YATES. I was under the impression that the gentleman said that the war is being won, however, I will accept the gentleman's statement that the war is being wound down.

That winding down process has taken an enormously long time, and will go on and on unless the Congress acts.

That point was assured by the President's statement today on the Mansfield amendment. He said when he signed the military authorization bill that even though the Mansfield amendment is the law he does not agree with it and will not follow it.

Yet, troops have been withdrawn from time to time. There have been reductions in the number of troops in Vietnam. Yet, the Secretary of Defense said the other day to the press that he envisioned that there would be a residual force in Vietnam for some time to come—that the Air Force would continue to stay in Vietnam.

The CHAIRMAN. The time of the gentleman has expired.

(Mr. YATES asked and was given permission to proceed for 2 additional minutes.)

Mr. YATES. The President's statements and his goals are certainly not clear.

The distinguished gentleman from Ohio (Mr. MINSHALL) used the phrase, in describing President Nixon's goals that we have heard over the last 10 years. I remember President Johnson saying the same thing—that our goal in Vietnam is to make sure that all foreign troops get out. This was the goal, too, of President Eisenhower and of the Kennedy administration as well.

The thing I am very concerned about is that this might be the goal of the next administration, also as the distinguished whip mentioned—we have come to a fork in the road. We must make our choice. The issue is clear. We must decide whether we shall say the war must end on June 1, 1972, or whether we shall continue on the same path indefinitely we have followed for years in the vague hope that some day we will get out of Vietnam.

Mr. MAHON. Mr. Chairman, I thank the gentleman for yielding.

The CHAIRMAN. For what purpose does the gentleman from Alabama (Mr. ANDREWS) a member of the committee rise?

Mr. ANDREWS of Alabama. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in view of the fact that the gentleman from Illinois graciously yielded most of his time to our chairman, I yield to my friend, the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the point I wanted to make was it is essential that we, in the Congress, take action today. This is the first real opportunity that we have had for a vote on the question of cutting off funds.

The gentleman from Michigan, the distinguished minority leader, talks of voting for the Mansfield amendment time and again. That may be true, but this is the first opportunity we have had to implement the Mansfield amendment by using the recognized congressional power. The Congress has the authority to end this war by its control over the funds.

Mr. Chairman, I shall vote for the Boland amendment and urge my colleagues to do so.

Mr. Chairman, I thank the gentleman from Alabama for yielding.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Alabama. I yield to the gentleman.

Mr. SIKES. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the statement has been made, I believe, by my good friend, the gentleman from Illinois, that we do not know the goals of the President in Southeast Asia. Well, let me help to clarify that picture—here are the goals of the President set forth in his own words in the statement he made today at the time he signed the Military Procurement Authorization Act.

Here are the goals of the President, and I quote:

> Our goal and my hope is a negotiated settlement providing for the total withdrawal of all foreign forces including our own and for the release of all prisoners and for a cease fire throughout Indo China. In the absence of such a settlement or until such a settlement is reached, the rate of withdrawal of United States forces will be determined by three factors—by the level of enemy activity, by the progress of our program of Vietnamization and by the progress toward obtaining the release of all of our prisoners wherever they are in Southeast Asia and toward obtaining a cease fire for all of Southeast Asia.

It could not be stated any more clearly and I hope that answers all questions about the President's goals in Southeast Asia.

Mr. ANDREWS of Alabama. I yield to the gentleman.

Mr. PUCINSKI. I wonder if the gentleman from Florida would not care to tell us if those same goals were not the identical goals of President Eisenhower, President Kennedy, and President Johnson ever since we have been there.

So what is changed in this manifesto that the gentleman just read?

Mr. SIKES. If the gentleman from Alabama will yield further, I think perhaps the fact that 80 percent of the troops have been brought home or will be at a specified time, should answer the gentleman's question about the new and positive efforts being made by President Nixon to bring the conflict to an end at the earliest possible date.

Mr. ANDREWS of Alabama. Mr. Chairman, I am supporting the President in his effort in this program of Vietnamization.

I am concerned about the future and the fate of our unfortunate prisoners of war. I would like to hear from some person who is near the President as to what the President has in mind and what he plans to do. We cannot negotiate. They will not negotiate with us.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Alabama. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Let me respond by simply saying that I know the President is personally doing all he can through every avenue and through all sources to achieve a negotiated settlement. I do not think it would be wise for him to tell me or anyone in similar circumstances the precise places and people. I do not think it would be wise for him to tell that to others in comparable positions or otherwise in the Congress. But knowing the President, as I think I do—I have for 23 years—and having asked him much the same question the gentleman has asked me, and getting him to respond, I say, to the greatest possible degree, both as to time and as to place, he is seeking to end the war by negotiation. I believe him, and I think in the meantime, as we negotiate, we are accomplishing the end of the war in a way that will achieve to a degree the ends which we desire.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. RYAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 45 minutes.

Mr. DELLUMS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 45 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

PARLIAMENTARY INQUIRY

Mr. LONG of Maryland. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONG of Maryland. Mr. Chairman, I was not standing at the time so my name should not be included in the list, and I also want to ask a question.

The CHAIRMAN. The gentleman's name will be stricken from the list.

Mr. LONG of Maryland. Mr. Chairman, I want to ask this question. Are those who have already had 5 minutes under the 5-minute rule entitled to speak again?

The CHAIRMAN. They are.

The Chair recognizes the gentleman from Connecticut (Mr. MONAGAN).

Mr. Chairman, I have supported the Nedzi-Whalen amendment and the various modifications of the Mansfield amendment which have placed the Congress on record as favoring a definite end to the war in Vietnam and I yield to no one in the firmness of my belief that such a prompt termination is one of the essentials for bringing about the necessary reconciliation of various elements in our society.

At the same time, I feel that the Boland amendment goes too far. It would make impossible the spending of one penny by the President after June 1, 1972, in Laos, Cambodia, or Vietnam regardless of how meritorious the expenditure might be and in my judgment without regard to whether or not it related to the withdrawal of troops or the carrying on of other defensive and protective measures.

It seems to me important to note that the general situation has changed remarkably over the period of the last year. The President has not only announced but he has carried out a program of withdrawal of combat troops from Vietnam. This program has gone so far that it is beyond the point of no return and with each withdrawal the credibility of the President's statements is increased. At the same time, whether a specific date has been announced, an approximate date is being established by implication from the facts of the situation. The President has also stated that another announcement would be forthcoming February 1, 1972.

The question is whether the Congress should undertake at this point when future developments and problems are necessarily unpredictable that not one dollar shall be available to the President after the first of June next year. I do not wish to take the position that the President might find himself needing money for a desirable and necessary activity generally related to withdrawal and reduction of force but be unable to find the necessary funds because of a vote of the Congress.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin, (Mr. ZABLOCKI).

(By unanimous consent, Mr. DAVIS of Wisconsin yielded his time to Mr. ZABLOCKI.)

Mr. ZABLOCKI. Mr. Chairman, I thank my friend, the gentleman from Wisconsin (Mr. DAVIS), for yielding his time.

Mr. Chairman, I rise in opposition to the Mansfield-Boland amendment, but before speaking on that subject, I desire to share with the Chairman and the Committee Members a matter of considerable importance involving Government printed documents, a development which has recently been brought to my attention.

It is, I believe, a question which should be of concern to the Members of the Congress as a whole, and especially to the Joint Committee on Printing.

As the Members know, the Subcommittee on National Security Policy and Scientific Development of the House Foreign Affairs Committee has been conducting hearings for some time on the issue of POW's and MIA's in Southeast Asia.

Throughout the course of those hearings, the subcommittee has conscientiously abided by the principle of fairness and balance. Recognizing the broad range of views on the issue, the subcommittee invited and heard witnesses expounding all sides of the U.S. POW-MIA question and problem.

The published proceedings of those hearings amply reflect the impartial and balanced nature of the hearings.

Therefore, I was shocked and dismayed when a bastardized and deceptive version of one set of hearings published by the subcommittee was called to my attention. Photographically reproduced by a New York organization known as Clergy and Laymen Concerned, the hybrid version to which I refer has selectively culled only those statements and portions of the original document which generally expound an anti-Vietnam position. It is, in short, slanted, biased, and unbalanced, and yet purports to be an official reproduction.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(By unanimous consent, Mr. RHODES yielded his time to Mr. ZABLOCKI.)

Mr. ZABLOCKI. Mr. Chairman, I thank the gentleman from Arizona (Mr. RHODES) for yielding his time.

Since Government documents are printed with appropriated funds—the tax dollars of the American public—there is much to commend the policy of allowing Government materials such as hearings and reports to fall within the public domain. They belong to the people, all the people. To allow wider distribution, the reproduction of Government documents is laudable.

However, I do feel that this recent experience suggests the desirability of amending the rules and regulations regarding Government printing so that slanted reprints of congressional hearings and reports will be prevented.

I would therefore recommend to my distinguished colleagues on the Joint Committee on Printing a review of this entire question. More specifically, the committee may consider, for example, a revision in the rules and regulations requiring reprinting of documents in full, except with the specific written authorization of the chairman whose committee print may be involved.

My purpose is certainly not to stifle or in any other way impair the dissemination of valuable information frequently found in Government documents. Rather—and most emphatically—it is a matter of assuring the very fairness and balance the American people have come to expect and deserve.

Further, I would of course be pleased to discuss the question in greater detail with the Joint Committee on Printing and share with them the material in question.

Mr. Chairman, this biased and excerpted reproduction is available for 95 cents per copy from Clergy and Laymen Concerned About Vietnam located at 475 Riverside Drive, New York, N.Y. It is my understanding the organization sent their perverted version to families of POW's/MIA's. Obviously to misinform the recipients. Rev. Richard R. Fernandez, director of Clergy and Laymen Concerned About Vietnam was listed as a member of the steering committee—the committee of liaison. Other members of the steering committee include Mrs. Cora Weiss of Women Strike for Peace; Mr. David Dellinger of Liberation magazine; Mr. Richard Barnet, co-director of the Institute for Policy Study; Mr. Richard Falk, professor of international law at Princeton University; Mrs. Anne Bennett, Women Strike for Peace; Mr. Rennie Davis, peace activist; Mrs. Ethel Taylor, Women's Strike for Peace of Philadelphia; and Mr. Stuart Meecham, peace education secretary of the American Friends Service Committee.

All are reported in support of setting a deadline date thereby insisting on the early release of our prisoners of war.

Mr. Chairman, during the debate on the Defense appropriation bill and in recent months repeatedly it was stated that if the United States would only withdraw the troops from South Vietnam the POW's would be released and the MIA accounted for. The truth of the matter is that Mme. Nguyen Thi Binh, Minister of the provisional government of South Vietnam and other spokesmen for Hanoi have reported: In case the U.S. Government declares it will withdraw from South Vietnam and those of its allies—the people's liberation armed forces will refrain from attacking the withdrawing troops; and the parties will engage at once in discussions on, first, insuring safety for the total withdrawal and second, the question of releasing captured military men.

Mr. Chairman, it is clear if the United States will announce the unilateral withdrawal of U.S. troops at best the Viet Cong and Hanoi will then begin to discuss the POW/MIA issue. Certainly should our country, our President be compelled by the provisions of the Mansfield-Boland amendment to name a date certain, June 1, 1972, as the date all U.S. troops will be withdrawn would negate every effort to stabilize the situation in South Vietnam and—what is more important—such action will seal the doom of our POW's/MIA's.

The veracity and trustworthiness of the harbingers of solutions from Hanoi and Paris must indeed be questioned, particularly if these same characters have demonstrated their sensitivity for truth and fact as evidenced by the POW's/MIA's hearing reprints they disseminated.

Mr. Chairman, in behalf of national security and interest, the safe return of our servicemen in Vietnam, the early release of our prisoners of war, the accounting for our servicemen missing in action, and for the interest of continued stability in South Vietnam, I urge that the Boland amendment be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague and good friend from Massachusetts, Congressman EDWARD P. BOLAND. The amendment would only accomplish what we have been trying to do in the House for the past year now and that is to establish a date certain. Having established a commitment to a

date certain as a matter of record, with the inclusion of the modified Mansfield amendment in the recent conference report on the military procurement bill accepted by both Houses of Congress, it is now time that we go on record with a specific date.

The newspapers have been filled with reports the past few days that U.S. military operations will have been terminated in Indochina by the end of June next year. This only confirms what many of us have been saying for some time, that in view of the strong feelings in this country against the war, in view of every poll taken on the subject, the administration could not possibly go into the next election without having terminated U.S. involvement in southeast Asia. If this is the case and all we are doing here is recognizing reality then why the opposition to this amendment?

Before the opponents reply by asking me the question "if these reports are true, why is this amendment necessary?", let me reply by saying that I think it is necessary to show we mean business through the historical means at our disposal; namely, through the exercise of Congress' control of the pursestrings. The amendment would also assure that we would not still be involved in hostilities in Vietnam through the device of residual forces which all of the press reports just referred to seem to indicate is part of the administration's thinking at this moment.

The amendment also would serve notice to the North Vietnamese that they have a chance to perform and honor their promises to release all American prisoners and give an accounting of Americans missing in action, once this Government announces its intention to terminate action in Vietnam by a date certain. In other words, in voting for this amendment, I find no difficulty in reconciling this vote with my long standing position that we have a moral responsibility to see to it that we gain the release of all American prisoners of war. It is time in fact, that we lived up to our promises to the distraught relatives of these men by honestly exploring every avenue to secure their release. This is the one avenue that, as yet, is unexplored. I can think of no better reason for voting for this amendment than the removal of the prisoners of war and missing in action issue from the controversy surrounding the war. This could extricate these men not only from their prisons but from their involvement in all the controversy over the war. Hopefully, the issue would no longer be the political football it has been until now.

In short, the amendment will be evidence that Congress is no longer supporting a war which has gone on far too long—as the courts claim we have until now. This date certain still gives the administration plenty of time to prepare for an orderly withdrawal—far too long when you come right down to it. Each day any more lives are lost in this war is a tragic indictment of a bankrupt policy. It is time to start saving lives instead of saving face. My only regret is that the date certain is June 1, 1972, instead of June 30, 1971, as provided in House Resolution 1013, of which I was one of the original cosponsors back in May of 1970.

(By unanimous consent, Mr. BINGHAM yielded his time to Mr. BURKE of Massachusetts.)

Mr. CAREY of New York. Mr. Chairman, will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman from New York (Mr. CAREY).

Mr. CAREY of New York. Mr. Chairman, I rise in support of the Boland amendment to the defense appropriations bill.

The Boland amendment would prohibit the use of funds to finance any military combat or military support operations by U.S. forces in or over South Vietnam, North Vietnam, Laos, or Cambodia, after June 1, 1972, subject to the release of all American prisoners of war.

The Boland amendment is in complete accord with U.S. policy as provided in title VI—the compromised Mansfield amendment—of the Military Procurement Act of 1971 since it terminates our participation in the war contingent only upon the return of our POW's. Of course the most significant section of the Mansfield amendment—the 6 months withdrawal deadline—was dropped in conference. The Boland amendment will reestablish this critical termination date and furnish the basic means for the implementation of that provision.

We in Congress can no longer maintain that the appropriations process should be separated from the legitimacy of the war. In a recent first circuit court decision, Laird against Massachusetts, the court found that the Congress has a clear responsibility for the Vietnam war by virtue of the annual appropriations of funds to implement the President's policy. The court opinion states, in part:

All we hold here is that in a situation of prolonged but undeclared hostilities, where the Executive continues to act not only in the absence of any conflicting Congressional claim of authority, but with steady Congressional support, the Constitution has not been breached. *The War in Vietnam is a product of jointly supportive actions of the two branches to whom the congeries of war powers have been committed.*

In view of the overwhelming desire of the people of this Nation to terminate the fighting in Southeast Asia, Congress has an urgent duty to approve the Boland amendment.

I strongly urge all Members to support this amendment.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Mrs. ABZUG).

Mrs. ABZUG. Mr. Chairman, in the time I have been in this Congress, I have grown to have great sympathy for the Members of this House who were forced to support this war under false assumptions. I want to congratulate the Members of this House for taking one step, and that is to state their policy directing the President to negotiate a withdrawal upon the condition of the release of our prisoners. That is what we did in the Military Selective Act and in the Military Procurement Act.

The gentleman from Massachusetts (Mr. BOLAND), whom I especially wish to congratulate today, comes here to say, "Now that we have taken that one step, let us really use the power of this House. Let us really do what we are required to do under the Constitution, and are mandated to do by three-fourths of the American people, all of our constituents. Let us set a date to cut off funds for this war after June 1 if the President does not."

Many of you who do not vote against the war do so in defiance of the wishes of the majority of your own constituents. The statistics and the polls have proved that.

The CHAIRMAN. The time of the gentlewoman from New York has expired.

(By unanimous consent, Mr. BADILLO yielded his time to Mrs. ABZUG).

Mrs. ABZUG. Mr. Chairman, we are being asked by the gentleman from Massachusetts (Mr. BOLAND) to use the power we have, the power of appropriations, to cut off the funds by a date certain if we do not withdraw our troops from Vietnam.

The fact is the President will go to Moscow and Peking, but not to Paris, to negotiate the Vietnamese proposal to release all prisoners if we would but set a date certain to withdraw our troops. The fact is the President tells us that there will be a residual force of at least 45,000 or 50,000 remaining in Vietnam.

We must assert our congressional power to prevent that residual force from continuing that war in Indochina, as we now intend to do.

What the President and the Secretary of Defense are going to do is to continue in the air the war we have had on the ground. There is a recent study, the Cornell study, which proves that what is intended is to continue an automated war instead of a ground war, for which we need only 45,000 or 50,000 troops.

I support the Boland amendment. We must cut off the funds if this Congress is to assert its rightful power.

The CHAIRMAN. The time of the gentlewoman from New York has expired.

(By unanimous consent, Mrs. CHISHOLM yielded her time to Mrs. ABZUG.)

Mrs. ABZUG. Gentlemen, I am asking you to vote to reflect the will of the American people but, more than that, to reflect our obligation in this House. Not once since I have been here have we used our power over appropriations to make it clear that there is a separation of power between the executive branch and the legislative branch of our Government.

I do not think it is in any way a reflection upon our loyalty or our respect for the executive branch. Quite to the contrary, we are saying to the President that we, as an independent branch which represents the people—we, as the House of the people—have an obligation to make sure that what the President is saying comes true and, if the President does not act in exercising the power of the Executive to cut off this war, we will cut off the funds. Support for the Boland amendment asserts that we have the power to do so.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, when Abraham Lincoln of Illinois was a Member of this body he was an outspoken opponent of the Mexican War, but he never at any time voted to cut off the appropriations for the ongoing operations of our troops in the field.

We lack Mr. Lincoln's stature and wisdom but, Mr. Chairman, I trust we retain enough wisdom and responsibility to vote against this ill-considered amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. WALDIE).

Mr. WALDIE. Mr. Chairman, it has been suggested today that there is no answer to give those veterans who return from Vietnam and ask "Why are we there?"

There is an answer. We are there because of Presidents who lacked wisdom and Congresses that lacked courage.

We can change both deficiencies.

(By unanimous consent, Mr. YATES yielded his time to Mr. BOLAND.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, I rise in support of the Boland amendment, but the question I would raise is, how can one engage in meaningful debate on such an important issue in 45 seconds? I think that is a travesty. We stayed here until 2:30 in the morning debating racist antibusing amendment to the higher education bill. Yet, on a matter of life and death to the young—the ones required to fight and die in this absurd war—of this country, we see fit to parade people down in front of this microphone and allow them 45 seconds to debate. I hope that the young of this country remember the mockery of how we dealt with the serious question of life and death in Southeast Asia. In these remaining few seconds, I urge my colleagues to assume some responsibility for ending this adventurism—support the Boland amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, the chairman of the full committee, Mr. MAHON, indicated that he is still working toward a semisuccessful conclusion for the war in Southeast Asia.

I think we are behind that. I think the American people want to get out of this war, and I think we are suffering from a false delusion if we think that we are really ending the war. If you think casualties running at the rate of five, two, and three a week are representative of what is going on over there, you have to keep in mind that the South Vietnamese this year will lose 23,000 men. Last year they lost 23,000 men also. The enemy last year lost 103,000 men. This year they are going to lose 111,000 men. There is no possibility that we are going to negotiate peace with this much war going on around us. I think we have to recognize——

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WOLFF was allowed to yield his time to Mr. LEGGETT.)

Mr. WOLFF. Mr. Chairman, I would like to express my wholehearted support for the Boland amendment which would prohibit funds for the war after June 1, 1972, subject to release of all U.S. POW's and full disclosure of information with respect to MIA's, and I strongly encourage my colleagues to join me in support of this important and necessary measure.

The war in Vietnam has been prolonged for months and years now, partly as a result of the failure of both sides to resolve the prisoner of war question. I vehemently objected to shallow attempts last year to turn this issue into a political volleyball, to be batted back and forth to no avail. When the North Vietnamese delegation to the Paris peace talks set forth their proposal early this summer, offering to settle this question, I again urged that the POW issue be resolved with haste.

Mr. Chairman, we are dealing with the lives of human beings, who have every right to expect that the United States will act in their best interests to secure their release. We have before us, in the Boland amendment to the Defense Appropriations bill an excellent opportunity to assert our intent to act in their behalf.

In essence, this amendment would do no more than implement what President Nixon has declared our policy to be—that U.S. participation in the war would terminate upon release of all American POW's. Enactment of the Boland measure would assert the will of the Congress, which I might add, has for too long been dormant on this issue, declaring our intention to withdraw from active participation in the war, contingent upon the release of our men. Such a declaration would, I believe, serve two vital purposes.

First, we would be serving notice to President Thieu and the South Vietnamese Government that they must prepare to assume the full burden of the war without further delay. I can see nothing harmful in providing this impetus to the South Vietnamese, who, I am afraid, have learned to become far too dependent on this country.

Second, passage of this amendment would serve to assert the responsibility that the Congress bears, not only for waging this tragic, ill-conceived conflict, but more important, for bringing the war to a speedy end.

Rather than to tie the hands of the President, as some have mistakenly contended, the intent of this amendment would be to join President Nixon in asserting our support for a policy of withdrawal. For surely we have nothing to lose in making this peace initiative, for should Hanoi decline to return our POW's or provide information on our MIA's we would then simply delay our troop withdrawal until such time as our terms were met. And, we have everything to gain should they respond to our overture for peace.

Mr. Chairman, if we are going to make our POW's an issue in this war, then let us make them an issue for them to end the war, and bring them home. If we fail to extend this vital initiative toward ending America's role in Vietnam, then we in the Congress will be just guilty of prolonging the war. With the lives of American citizens at stake, we cannot afford to let political expediency get in our way. Again, I urge my colleagues to join me in support of this vital measure. They have nothing to lose by doing so, except the lives of countless American soldiers who suffer the agonies of hell being held captive even one day longer in North Vietnam.

Mr. LEGGETT. Mr. Chairman, I think we have to recognize the great secret solution of Richard Nixon to end this war cost us 19,000 lives and innumerable wounded. What was the great secret solution to end the war? Apparently to deescalate more or less as we escalated. That means every 6 months to tell the American people about where you are going.

I say this: We were confused in getting into this war by my administration and by previous administrations, and we will be confused in geting out of it unless we give some direction to the President of the United States and to the people of the United States.

I yield to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Massachusetts (Mr. BOLAND) that will help bring all American troops and prisoners of war back to the United States by June 30, 1972.

Over the past 4 years, I have supported the President's withdrawal program, his negotiating efforts in Paris, and his private diplomacy aimed at a release of our prisoners of war. However, I do not feel his withdrawals have been fast enough. I would remind him that he promised an end to the war in the campaign of 1968 and point out that events in South Vietnam indicate that the country is in a good position to defend themselves and to determine their own future.

Let it be clear that the amendment before us today is closely tied to the prisoner of war issue. Under no circumstances will I support any withdrawal amendment unless it means the return of all American soldiers, both those in the field and those in prison camps. Colloquy has established that this amendment will be null and void if the prisoners are not released. On the other hand, if they are, all troops and prisoners would be returned home by next summer.

This plan is very close to the President's own plan. Speculation has set the troop levels for next summer at less than 50,000. The difference in terms of defense of South Vietnam is negligible. Thus the real issue is the return of the prisoners.

Moreover, our efforts in that country over the last decade have helped build the South Vietnamese Army into the best trained and equipped army in that region. Our mastery of the air war has been transferred to a strong and efficient Vietnamese Air Force.

Additionally, our objectives of self-determination for the people of South Vietnam has been realized now that two general presidential elections have taken place. Further efforts could be considered questionable involvement in the internal affairs of another nation.

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However, as I have pointed out, while these goals have been accomplished and the war is over for all practical purposes, our involvement there cannot be considered ended until every soldier in the field and every prisoner is returned home.

The North Vietnamese and the Vietcong have indicated that once a date is set for total withdrawal they will begin to release the prisoners. The families of the POW's and MIA's have urged passage of such set withdrawal date legislation in an effort to bring their sons or husbands or brothers home.

If the North Vietnamese and the Vietcong are not true to their word, then we can stop the withdrawal and reescalate if necessary to assure the freedom of American prisoners. This amendment provides for that. If we are committed to exploring every possibility to end the war and free our prisoners of war then this amendment deserves passage.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina (Mr. SPENCE).

Mr. SPENCE. Mr. Chairman, there may be some of you sitting in this body who are thinking of voting for this amendment, in an effort to gain favor with those who want to set a deadline for withdrawal from Vietnam. At the same time, you may be thinking that the amendment will not pass, in any event, and therefore you won't have to stand trial for being guilty of prolonging the war and complicating the release of our POW's. Just remember, with your help, the amendment may pass, then where will you be when the deadline arrives, we have lost our bargaining position, we have weakened our forces too much, the enemy attacks in force and takes over South Vietnam. I think now of your answer to the families of the POW/MIA people who oppose this amendment. What will your answer be to those who thought you wanted to end the war, effect the release of our POW's, and assure that those who died to help a small nation remain free, did not die in vain?

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, an analysis of the elements in the latest Communist peace proposal, the seven-point demands of July 1, 1971, I think demonstrates that it is a complete illusion to believe only some single unilateral U.S. act of renunciation stands in the way of peace. Instead it can be seen that the Communists are continuing to present a series of demands which, though sugar coated, represent nothing less than a demand for total allied surrender to all of the other side's conditions and acquiescence to their desire to take over South Vietnam as well as a demand that the United States be held responsible for the complete rebuilding of North Vietnam after we quit.

At this point, Mr. Chairman, I would like to address myself to the question of Hanoi's position on the negotiations which heretofore has not been discussed in this debate. I think it will shed some perspective on the question of whether or not the Boland-Mansfield amendment will accomplish our goals by simply setting a date.

THE VIETNAM NEGOTIATIONS AND THE NLF'S SEVEN POINTS

The seven points announced by the national liberation front—NLF—on July 1, 1971, while at first glance appear to show some signs of flexibility, in fact constitute a set of preconditions and exceptionally hardline unilateral demands.

In sum, the seven points do not soften the previous Communist demands, do not permit any Allied assistance to the South Vietnamese Government, do not pledge the release of American POW's, do not propose a general cease-fire, do not accept the Government of Vietnam as a party to negotiations, and do not accept the principle of effective international verification. They reflect no reciprocity by the Communist side in exchange for Allied submission to these demands or for the extensive proposals and steps toward peace already taken by the Allies.

I. THE SEVEN POINTS IN THE CONTEXT OF ALLIED PEACE PROPOSALS AND THE NEGOTIATIONS

The NLF's seven-point demands of July 1, 1971, must be viewed in the context of the negotiation record of the last 2 to 3 years. This record includes comprehensive U.S. and South Vietnamese peace offers, unilateral Allied concessions, and a series of broken promises by Hanoi:

U.S. PEACE PROPOSALS

Building upon his earlier peace proposal of May 14, 1969, President Nixon on October 7, 1970, offered a comprehensive proposal for a just peace in Indochina calling for:

An immediate, and internationally supervised cease-fire in place throughout Indochina;

The establishment of an Indochina Peace Conference;

Negotiation of an agreed timetable for complete withdrawal of all non-South Vietnamese forces from South Vietnam;

A fair political settlement reflecting the will of the South Vietnamese people and involving all of the political forces in South Vietnam;

The immediate and unconditional release of all prisoners of war by all sides.

In addition to the above proposals, the United States has supported the Government of South Vietnam's proposals of July 11, 1969, and October 8, 1970, calling for free elections in which all people and parties of South Vietnam, including the NLF can participate, and for mixed electoral and supervisory commissions in which all parties, including the NLF, could be represented.

U.S. STEPS TOWARD PEACE

The U.S. Government has done virtually everything that various parties, including Hanoi's leaders and many American critics, said would kindle negotiations. These steps include:

A halt, in 1968, to the bombing of North Vietnam. This was done though North Vietnam supplies all of the weapons and war materiel and almost all of the troops and cadres for the wars it is directing across its borders against South Vietnam, Laos and Cambodia;

Agreement to let the NLF participate at the Paris talks;

Agreement on the principle of total U.S. troop withdrawals on the basis of reciprocal North Vietnamese withdrawals;

Appointment of a new senior negotiator in Paris;

Unilateral troop withdrawals totalling 360,000 men by December 1971, or more than two-thirds of the total of U.S. forces in Vietnam in January 1969 when President Nixon took office.

COMMUNIST INTRANSIGENCE

The above Allied proposals and steps were made not only to reduce U.S. involvement but also to open the door to serious negotiations. But although each of these actions was urged by the Communist side or by responsible third parties, all have been rejected and none have generated any reciprocal movement by Hanoi or the Front.

Regrettably the Communist leaders have remained intransigent and have continued to press their attacks on their neighbors in violation of Accords signed by the Hanoi regime.

They continued to demand a deadline for total unilateral U.S. withdrawal, dismantling of bases, termination of all assistance, payment of reparations, prior removal of the Government of South Vietnam and the imposition of a pro-NLF government as preconditions for substantive discussions.

At the same time the Communist side has rejected a general cease-fire, commonly accepted international standards of POW treatment, and any type of international verification.

II. THE "SEVEN POINTS"

THE PREAMBLE

The preamble to the "seven points" states that the NLF is "basing itself" on its previous "10 point" statement of May 8, 1969, its "eight point" statement of September 17, 1970 and its "three point" statement of December 10, 1970. The NLF's "ten point" statement in turn explicitly bases itself on the NLF's "five point" statement of March 1965 and on the DRV's—North Vietnam—"four point"* statement of April 1965.

The "seven points" are thus directly linked to the NLF's and Hanoi's earlier preconditions and demands. In some respects the "7 Points" take an even harder position than earlier demands.

UNILATERAL DEADLINE DEMANDS

Point 1 repeats the Communists' standard set of far-reaching demands. These demands are unilateral and unconditional. Specifically:

> The U.S. Government must put an end to its war of aggression in Vietnam, stop the policy of Vietnamization of the war, withdraw from South Vietnam all troops, military personnel, weapons, and war materiel of the United States and of other foreign countries in the U.S. camp, and dismantle all U.S. bases

*NOTE: Hanoi's "four points" of April 1965 included as point three the demand that: "The internal affairs of South Vietnam must be settled . . . in accordance with the program of the NFLSV without any foreign interference." Further, the "Four Points" declared that: "any approach contrary to the above-mentioned stand is inappropriate, any approach tending to secure a United Nations intervention is also inappropriate. . . ."

in South Vietnam, without posing any condition whatsoever.

The deadline is set at December 31, 1971.

Subsequent elaborating statements by official NLF and DRV spokesmen, have made clear that these demands extend to all forms of Allied military and economic assistance, specialists, funds, and so forth.

Since the Communists talked of a U.S. "war of aggression" long before U.S. combat troops were sent to Vietnam in 1965 in response to the prior intervention of North Vietnam's regular army, this reference could mean that the South Vietnamese forces must unilaterally stop fighting. However, the "seven points" stipulate the formation of a pro-NLF coalition government as a precondition for a cease-fire with the South Vietnamese forces.

It should be noted that the "seven point" demands are unabashedly unilateral and are notably silent on the critical question of North Vietnam's role in leading and supporting the Communist forces in South Vietnam.

The "seven points" include no mention or pledge concerning reciprocal troop withdrawals or termination of assistance by North Vietnamese armed forces fighting in South Vietnam—90,000 troops—and are silent on the related issues of large North Vietnamese military forces in Cambodia—50,000 troops—and in Laos—90,000 troops.

NO PLEDGE ON PRISONER OF WAR RELEASE

The "seven points" do not pledge a release of the prisoners of war held by the Communist side.

Point 1 indicates that after the United States has committed itself to a December 31, 1971, terminal date for any form of U.S. and allied troop presence and assistance and to the dismantling of their military bases, an agreement could follow among various—unspecified—parties, concerning the modalities of a partial cease-fire and a POW release.

Specifically, point 1 says about the POW's that if all of the Communist demands are met:

"The parties will at the same time agree on the modalities—of the release of the totality of military men and of the civilians captured in the war—including American pilots captured in North Vietnam".

In effect, this is a variation of previous Communist proposals to "discuss" the POW question if the United States met the demands for a unilateral deadline for troop presence, assistance, and so forth. Obviously, discussions must precede any agreement on modalities. But there are a number of uncertainties and far-reaching demands in the "seven points" statement which would make such discussions extremely difficult and not likely to be productive of an agreement.

It is unclear which parties would be involved or bound by any POW agreement.

Point 2 indicates that the Government of Vietnam would not be a party acceptable to the NLF and could play no role in the negotiations. Furthermore, point 2 does not mention North Vietnam as a party to the POW negotiations and thus Hanoi would not be bound by the NLF's "seven points" or by any resulting agreement on POW's.

Also left unclear is the fate of men held prisoner or missing in Laos, Cambodia, and South Vietnam. In contrast with the South Vietnamese and in violation of the internationally accepted Geneva Convention on POW's signed by North Vietnam, the North Vietnamese and their Communist allies in South Vietnam, Cambodia, and Laos, have refused complete POW lists or to permit inspections by neutral observers for areas under their control.

The United States, third countries, and media representatives have repeatedly sought to obtain clarification on the above questions from NLF and DRV spokesmen. The Communist side, however, has refused to give any clarification. Furthermore, the Communist spokesmen have repudiated the speculations of a number of people who have claimed flexibility for the Communist position.

In sum, after the United States had publicly committed itself to a total, unconditional, and unilateral withdrawal date, terminating its troop presence and any assistance, and so forth, it might well prove to be the case that no agreement on POW release or the other vital issues would in fact be reached during the discussion of modalities. In that case, the Communists would have conceded absolutely nothing, but the United States would have fallen for a ransom demand and would have unilaterally surrendered its major bargaining chip.

CEASE-FIRE

The Communist side has totally rejected the October 7, 1970, proposals of the Governments of the United States and South Vietnam calling for an immediate and internationally verified cease-fire in place throughout Indochina.

The NLF's "seven points" provide—in point 1—not for a cease-fire, but only for discussion of modalities. Furthermore, the NLF proposes to discuss only a limited two-stage cease-fire in South Vietnam, one not involving North Vietnamese forces or international verification.

Point 1 mentions as parties to a first-stage cease-fire—following a U.S. pledge for unilateral withdrawal of its troops and assistance—only the troops of the NLF and the United States, not those of either North or South Vietnam.

Point 2 indicates that a cease-fire between the NLF's forces and the South Vietnamese forces would occur only after a new pro-NLF government was formed in South Vietnam.

The "seven points" fails to mention the presence or future role of the North Vietnamese forces—90,000 troops—in South Vietnam. They thus purposely omit a factor of major importance to Vietnam's future and to any negotiations. This relieves the North Vietnamese of any binding obligations vis-a-vis a cease-fire, troop withdrawals, guarantees, and so forth.

Via the preamble's link to Hanoi's "four points," the NLF's "seven points" firmly reject the notion of United Nations or similar verification of any cease-fire as "foreign interference."

"PARTIES" TO THE AGREEMENT—A NEW GOVERNMENT

The NLF continues to reject the July 11, 1969 proposals of the Government of Vietnam to enter negotiations for joint electoral commissions and general elections in South Vietnam to include the NLF, with modalities and verification procedures to be worked out between representatives of the NLF and the Government of Vietnam.

Instead, the "seven points"—in point two—set as a precondition for discussions the prior overthrow of the leadership of the Government of Vietnam—described as the "group headed by Nguyen Van Thieu—and demand the imposition of a "three-segment" provisional government of "national concord."

These "three-segments" have been officially defined in the NLF's "eight point" proposal of September 17, 1970, and subsequently, as a "coalition" government consisting of: First, members of the NLF's own "Provisional Revolutionary Government," second, members of the current Government of Vietnam "genuinely," standing for peace, neutrality, independence and democracy" (as defined by the NLF), and third, other elements meeting the NLF's criteria.

In effect, the NLF proposes to nominate one-third and to veto two-thirds of a new government. This new government would thus by definition be pro-NLF.

At the same time, the new pro-NLF government would apparently constitute the NLF-approved "party" mentioned in the other points. It is this new government which would represent South Vietnam in any discussions and negotiations on such critical issues as troop withdrawals, cease-fires, POW releases, elections, reparations, and guarantees.

It should be noted that the NLF has described the chief element and "vanguard core" of its "front," as being the People's Revolutionary Party—PRP—a self-proclaimed hardline Marxist-Leninist party formed in Hanoi in 1962.

The PRP forms the southern wing of North Vietnam's only political party, the Lao Dong—Communist—Party.

Interestingly, Hanoi describes its "peoples' dictatorship" in North Vietnam as a "Lien Hiep" or "coalition" of "national concord."

To the Vietnamese nationalists, both Southern and Northern, the formation of a "coalition" with the Communists is particularly odious. They well remember how Ho Chi Minh's Communist Party liquidated Vietnam's short-lived seven-party coalition in 1946 and how, in North Vietnam in the midfifties, it established a Stalinist regime and killed and imprisoned the nationalists and neutralists in the Viet Minh "Front."

CIVILIAN PRISONERS—CHOICE OF RESIDENCE

Unlike previous proposals, the "seven points"—in point 1—call for the Government of Vietnam unilaterally to release all civilian prisoners captured during the war.

By indiscriminately releasing all Vietcong political cadres, terrorists, and so forth, the South Vietnamese would thus be required to provide massive reinforcement to the Communist apparatus during a critical period.

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The NLF's demand is unilateral. It does not require any pledge to be given by those released and it is silent on urging releases from North Vietnam's extensive prison system which, according to official North Vietnamese media, is filled with "counterrevolutionaries," "defeatists," and "romantics."

In another new demand, the "seven points"—in point 4—call for "a free choice of residence" and for "free movement" vis-a-vis North and South Vietnam.

This demand appears aimed at preventing the forced repatriation to North Vietnam of the 8,000 North Vietnamese POW's held in South Vietnam. If released and maintained in South Vietnam, these troops would provide the equivalent of a division of readily available troop reinforcements for the Communists.

Earlier this year the Government of Vietnam and the International Red Cross sought to return sick and wounded North Vietnamese POW's to North Vietnam on a voluntary basis. The POW's, however, were threatened by their cadres in the camps to resist and reject repatriation in part, no doubt, from fear of retaliation on their families in North Vietnam.

Past experience indicates that the Communists would under no circumstances actually tolerate the free movement of civilians away from areas under their control. According to the testimony of members of the International Control Commission and other neutral observers, for example, the Hanoi regime in 1954 sought to block the southward flow of refugees—800,000 escaped—and to circumscribe the access and activities of the ICC. Furthermore, the Hanoi regime tightly controls all travel in North Vietnam, via a system of internal passports and cadre checkpoints.

The "free movement" provision is probably aimed at legitimizing the movement of additional Communist political cadres and troops from North to South Vietnam.

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Point 6 demands that the United States assume the full and sole responsibility for war damage in North Vietnam and in South Vietnam.

This is tantamount to unilaterally placing total responsibility for the war on the United States.

This demand totally neglects the record of North Vietnam's massive and illegal troop presence and terror attacks across its internationally recognized borders in the sovereign states of South Vietnam, Laos and Cambodia.

FUTURE INTERNATIONAL STATUS AND GUARANTEES

The "seven points" state—in points 3 to 7—that the "question of North Vietnamese armed forces in South Vietnam" and the issues of future reunification and international status will be settled in a spirit of "national concord" by "qualified representatives of the Vietnamese people in the two zones" on the basis of "mutual interests and mutual assistance," and "without foreign interference." These carefully selected formulations in practice would clearly preclude any non-Communist elements, options, or guarantees.

All references to agreements between the two Vietnamese "zones" or "parties" concerning cease-fires, troop dispositions, prisoner releases, free movement, foreign aid, reparations, and international guarantees are vitiated by such formulations in the context of the full range of demands in the "seven points" and the past performance record of the Hanoi regime.

As indicated in point two, the prospective South Vietnamese government foreseen in the "seven points" is the pro-NLF "three-segment" government. In the presence of the North Vietnamese cadres and army and via the Front's "People's Revolutionary Party," this new government could readily be absorbed into the regime of North Vietnam's Communist Party.

The "seven points" vigorous rejection of any "foreign interference" and the preamble's connection with Hanoi's "four points" formulation, specifically excludes any United Nations or similar international verification machinery and in effect guarantees that the South Vietnamese will be governed "in accordance with the program" of the NLF as demanded in point 3 of Hanoi's "four points."

III. CONCLUSION

It is apparent if one looks at the record of what both sides have done to bring about a responsible settlement, that the comprehensive Allied proposals and the important unilateral Allied steps toward peace remain unmatched by the Communist side, which instead continues its attacks and its unliteral demands.

An analysis of elements in the latest Communist "seven point" demands of July 1, 1971, demonstrates that it is an illusion to believe that only some single unilateral U.S. act of renunciation stands in the way of peace. Instead it can be seen that the Communists are continuing to present a series of demands which, though sometimes sugar coated, represent nothing less than a demand for total Allied surrender to all of the other side's conditions and acquiesence in Hanoi's takeover of South Vietnam, as well as a demand that the United States be held responsible for rebuilding North Vietnam.

Acceptance of the Communists' demand for a unilateral and unconditional date terminating U.S. troop presence and U.S. assistance in South Vietnam—and Southeast Asia—is clearly not an appropriate means to speed an end to the war and is prejudicial to the delicate diplomatic situation resulting from the continuing U.S. reduction of its military role.

In this situation, no legislative solution can be sufficiently flexible to accommodate the range of diplomatic and military issues and contingencies. It would reward Communist intransigence and would remove any inducement to the other side to negotiate seriously. Moreover, such legislation poses serious practical and constitutional problems.

The United States continues to hope that the Communist leaders will take meaningful steps toward peace and will recognize the desirability of concluding the war through serious negotiations based on reciprocity rather than prolonged combat.

The United States continues to believe that the allied policy of seeking a responsible negotiated settlement and of withdrawing U.S. forces as the South Vietnamese become more capable of assuming the burden of their own defense, together with the President's statement that all U.S. forces will not be withdrawn until all U.S. prisoners of war are released, provides the best prospect of bringing all our men, in prison or in the field, out of Vietnam and in a way that gives the South Vietnamese a reasonable chance to defend themselves.

At this point, Mr. Chairman, I would like to direct the attention of my colleagues to an article in the New York Times including the text of the so-called Vietcong peace proposal.

[From the New York Times, July 2, 1971]

THE "SEVEN POINTS"—TEXT OF THE VIETCONG PEACE PROPOSAL

PARIS, July 1 (Reuters)—Following is the text of the Vietcong's seven-point peace proposal presented at today's session of the Vietnam peace talks:

1. Regarding the deadline for the total withdrawal of U.S. forces.

The U.S. Government must put an end to its war of aggression in Vietnam, stop the policy of "Vietnamization" of the war, withdraw from South Vietnam all troops, military personnel, weapons, and war materials of the United States and of the other foreign countries in the U.S. camp, and dismantle all U.S. bases in South Vietnam, without posing any condition whatsoever.

The U.S. Government must set a terminal date for the withdrawal from South Vietnam of the totality of U.S. forces and those of the other foreign countries in the U.S. camp.

If the U.S. Government sets a terminal date for the withdrawal from South Vietnam in 1971 of the totality of U.S. forces and those of the other foreign countries in the U.S. camp, the parties will at the same time agree on the modalities:

A. Of the withdrawal in safety from South Vietnam of the totality of U.S. forces and those of the other foreign countries in the U.S. camp.

B. Of the release of the totality of military men of all parties and the civilians captured in the war (including American pilots captured in North Vietnam), so that they may all rapidly return to their homes.

Those two operations will begin on the same date and will end on the same date.

A cease-fire will be observed between the South Vietnam People's Liberation Armed Forces and the armed forces of the United States and of the other foreign countries in the United States camp, as soon as the parties reach agreement on the withdrawal from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp.

2. Regarding the question of power in South Vietnam.

The United States Government must really respect the South Vietnam people's right to self-determination, put an end to its interference in the internal affairs of South Vietnam, cease backing the bellicose group headed by Nguyen Van Thieu, at present in office in Saigon, and stop all maneuvers, including tricks on elections, aimed at maintaining the puppet Nguyen Van Thieu.

The political, social and religious forces in South Vietnam aspiring to peace and national concord will use various means to form in Saigon a new administration favoring peace, independence, neutrality and democracy.

The Provisional Revolutionary Government of the Republic of South Vietnam will immediately enter into talks with that administration in order to settle the following questions:

A. To form a broad three-segment government of national concord that will assume its functions during the period between the restoration of peace and the holding of general elections and organize general elections in South Vietnam.

A cease-fire will be observed between the South Vietnam People's Liberation Armed Forces and the armed forces of the Saigon administration as soon as the government of national concord is formed.

B. To take concrete measures with the required guarantees so as to prohibit all acts of terror, reprisal and discrimination against persons having collaborated with one or the other party, to ensure every democratic liberty to the South Vietnam people, to release all persons jailed for political reasons, to dissolve all concentration camps and to liquidate all forms of constraint and coercion so as to permit the people to return to their native places in complete freedom and to freely engage in their occupations.

C. To see that the people's conditions of living are stabilized and gradually improved, to create conditions allowing everyone to contribute his talents and efforts to heal the war wounds and rebuild the country.

D. To agree on measures to be taken to ensure the holding of genuinely free, democratic, and fair general elections in South Vietnam.

3. Regarding the question of Vietnamese armed forces in South Vietnam.

The Vietnamese parties will together settle the question of Vietnamese armed forces in South Vietnam in a spirit of national concord equality, and mutual respect, without foreign interference, in accordance with the postwar situation and with a view to making lighter the people's contributions.

4. Regarding the peaceful reunification of Vietnam and the relations between the North and South zones.

A. The reunification of Vietnam will be achieved step by step by peaceful means, on the basis of discussions and agreements between the two zones, without constraint and annexation from either party, without foreign interference.

Pending the reunification of the country, the North and the South zones will reestablish normal relations, guarantee free movement, free correspondence, free choice of residence, and maintain economic and cultural relations on the principle of mutual interests and mutual assistance.

All questions concerning the two zones will be settled by qualified representatives of the Vietnamese people in the two zones on the basis of negotiations, without foreign interference.

B. In keeping with the provisions of the 1954 Geneva agreements on Vietnam, in the present temporary partition of the country into two zones, the North and the South zones of Vietnam will refrain from joining any military alliance with foreign countries, from allowing any foreign country to have military bases, troops, and military personnel on their soil, and from recognizing the protection of any country, of any military alliance or bloc.

5. Regarding the foreign policy of peace and neutrality of South Vietnam.

South Vietnam will pursue a foreign policy of peace and neutrality, establish relations with all countries regardless of their political and social regime, in accordance with the five principles of peaceful coexistence, maintain economic and cultural relations with all countries, accept the cooperation and economic and cultural relations with all countries, accept the cooperation of foreign countries in the exportation of the resources of South Vietnam, accept from any country economic and technical aid without any political conditions attached, and participate in regional plans of economic cooperation.

On the basis of these principles, after the end of the war, South Vietnam and the United States will establish relations in the political, economic and cultural fields.

6. Regarding the damages caused by the United States to the Vietnamese people in the two zones.

The U.S. Government must bear full responsibility for the losses and the destructions it has caused to the Vietnamese people in the two zones.

7. Regarding the respect and the international guarantee of the accords that will be concluded.

The parties will find agreement on the forms of respect and international guarantee of the accords that will be concluded.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Chairman, this amendment ought to be known as the "put up or shut up amendment." Hanoi has said that if we fix a date certain for our troop withdrawal they are willing to release our prisoners of war and agree to a cease-fire.

This amendment does set that time and if, indeed, our prisoners are not released by June 1, all bets are off.

This amendment does give us for the first time an opportunity to say to Hanoi: "put up or shut up." If our prisoners are not released by June 1, then we will take another course of action after June 1.

Mr. Chairman, I have listened to those who have opposed this amendment in the past. This time let us do it our way and if we cannot bring this tragic war to an end, we have nothing to lose in trying to force Hanoi into a release of our prisoners by adopting this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. RYAN).

Mr. RYAN. Mr. Chairman, during the 7 years since President Johnson's first supplemental appropriation bill to finance the war in Vietnam came to the House on May 5, 1965, I have time and again taken the floor of the House to urge that the Congress assume its responsibilities and use the appropriation process, by exercising its power over the purse, to bring the death and destruction in Southeast Asia to an end. Through two administrations the Congress has acquiesced in, and sanctioned, this undeclared, dead-end war by voting the appropriations necessary to conduct it.

The American people have now rejected the war and are looking to the Congress to assume its responsibility and set a final termination date since it is obvious that the President has no intention of doing so.

The Boland amendment offers an opportunity for the House to set a fixed date—June 1, 1972—by prohibiting use of any funds in this defense appropriation bill for fiscal year 1972, "to finance any military combat or military support operations by U.S. forces in or over South Vietnam, North Vietnam, Laos or Cambodia, after June 1, 1972," subject to the release of all American prisoners of war and an accounting of all Americans missing in action.

As the Members of the House well know, I do not believe the war should continue for 1 minute more, and I would prefer an immediate cutoff of funds—an action which I have urged the Congress to take for 7 long years. However, the least the House can do, if it is to pay a modicum of respect to public opinion in this country, is to accept the Mansfield amendment which the Senate adopted as an amendment to the Military Procurement Act but which was modified in conference.

Title VI of the Military Procurement Act signed into law today by President Nixon establishes as national policy the termination of all U.S. military operations in Indochina at the earliest practicable date, and the prompt and orderly withdrawal of all U.S. military forces at a date certain, subject to the release of all American prisoners and an accounting for the Americans missing in action.

The Boland amendment would restore the critically important specific deadline, which was deleted from the original Mansfield amendment in conference. It would provide the vehicle for implementing what is now national policy by setting the date certain as June 1, 1972. It is essential that a termination date be set by Congress, especially in view of the reported declaration by the President today that he will ignore the Mansfield language in the Military Procurement Act.

All the illusions of Vietnam have been shattered. All that now remains are the stark realities of a brutal and senseless war.

For a decade this Nation has sent her young men to die in Asia. The price from this tragic venture has been incalculably high: in terms of lives lost and bloodshed, in terms of opportunities missed and treasure squandered, in terms of the disaffection of our young, and the polarization of our society.

The administration's vaunted Vietnamization policy has not brought peace, but continued death and destruction. It contemplates South Vietnamese armed forces pursuing a military victory sustained by American air and logistical support.

The President's announcement last week that 45,000 troops would be withdrawn during January and February did not change anything. The distinguished chairman of the Committee on Appropriations has stated that the President obviously has a negotiating plan which he should be free to follow. That is reminiscent of candidate Nixon's 1968 campaign statement that he had a secret plan to end the war. The President has had 3 years to reveal it, but the only known element in it is the plan to maintain a U.S. residual force in Vietnam as long as necessary to prop up the present Saigon regime.

It has been argued that adoption of the Boland amendment would force us to "relinquish our prime position of power," making it impossible to leave Vietnam with honor. That refrain has been heard too often over the past 7 years. How many more American and Vietnamese lives are to be lost—how

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many more villages are to be destroyed—how many more billions of dollars are to be dissipated—while the administration wages war in the name of peace with honor?

The answer rests with the House of Representatives today, for the Boland amendment offers the Congress of the United States the opportunity to live up to its responsibility by exercising the only power it has to end the war. It offers us the opportunity to give peace a chance. Let us seize it now.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. DEVINE).

(By unanimous consent, Mr. MYERS yielded his time to Mr. DEVINE.)

Mr. DEVINE. Mr. Chairman, one gets sick and tired of hearing the same old political speeches, the same old retread speeches and accusations about who is responsible for the war in Vietnam. However, I will say to the members of the committee that President Nixon is the only President of the last four to turn this thing around. During Eisenhower's administration there were some 750 advisers, then during the administration of the late President Kennedy he started a multi-thousand-man buildup of American combat troops in Vietnam which reached a crest when Mr. Johnson was President. The number of U.S. troops in Vietnam rose to over 540,000 during L. B. J.'s administration. Yet, today, under the Nixon plan and direction of President Nixon, 80 percent or over 400,000 of our troops are out of there. Casualties have been reduced from 300 a week to less than 10 a week.

Mr. Chairman, the Vietnamization policies are working, the Nixon doctrine is working and now all of these people whom we have heard speak in support of this amendment are scrambling to get on the bandwagon in order to say that they did it and that the war is over because they belatedly set a date of cut-off. Ridiculous.

I predict that in the 1972 campaign Vietnam will not be an issue, because Vietnamization is working and U.S. troops are being withdrawn at a faster rate than anticipated.

Mr. Chairman, I talked to the President as late as yesterday about the prisoners of war. He cannot reveal to everyone—all negotiations that are being made, through a number of avenues, but he is making every effort to secure the release of our prisoners of war, and that is one of the crucial areas involved here. He is constantly working on it and the Vietnamization policy; and let us give that policy an opportunity to work, without tieing the hands of the President.

If it wasn't so serious, it would be laughable to record the gyrations and reverse gymnastics of some of our colleagues who manage to place themselves on both sides of an issue. Now that President Nixon has established the success of his Vietnamization and is truly winding up the war, the boys are not only scurrying to get on the bandwagon, but are even trying to twist history around in an effort to claim credit. If they established a date certain, they would then claim they forced the President to end the war, which he already accomplished. It is high time to forget politics and demagoguery and act responsibility in the interest of our country and ultimately a generation of peace. Let us defeat the Boland amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Chairman, I oppose the Boland amendment for good and sufficient reasons. This amendment is so far reaching that every Member should provide a clear explanation for his vote, whether it be in support or opposition.

The first thing that must be made clear beyond any doubt is that a vote against the Boland amendment is not a vote for the war, or a vote to prolong the war. Twice, the House has approved the so-called Mansfield amendment to end the war in Southeast Asia at the earliest practicable date. That amendment permitted an orderly withdrawal. The adoption of this amendment today could even slow the rate of withdrawal. Even worse than slowing orderly withdrawal, this action could even stop the present rate of withdrawal until our military leadership could develop adequate alternatives to the present schedule in the knowledge there will no longer be a shield for orderly withdrawal but an irrevocable and arbitrary date certain on June 1, 1972.

Nearly all of us have come to realize that either the war was wrong, or at least we have fought this war in the wrong way. But at this point in time what should we do? What is the best course left to take? In the debate someone described this amendment as the roughest and hardest way of imposing the will of the Congress on our President. If we recognize that the President is the Commander in Chief of our military forces and if he insists it is a wise course to maintain a residual force, then this amendment would not only cut off the pay of our men in such residual forces, it would cut off their logistics, including food, and even take away the transportation to bring them home after June 1, 1972. Abraham Lincoln, as a Member of the House in the 30th Congress in 1847, was an outspoken opponent of the Mexican war but he refused to vote to cut off money for our troops in the field.

The true facts are that the President has reduced the troop level through the process of Vietnamization from 540,000 to 180,000. As I read the amendment it would become an obstacle to the success of Vietnamization because the words, "military support operations by the United States forces in South Vietnam" would include the training of South Vietnamese forces in Vietnam. Does the author of this amendment propose that we stop training the South Vietnamese to take over the war and thus protect their country against the forces of the North? If the amendment prevails, the only way we could train the South Vietnamese allies would be to transport them to some place other than South Vietnam, such as Laos or Cambodia for training. Does the author suggest we go through the expensive process of transporting our South Vietnamese allies to Hawaii or the mainland for training and then bear the expense of returning them to their homeland?

Anything that the Congress does at this time should serve the best interest of peace or to end the war. If we expect to be fair we must agree that 90 percent of our troops will have been out of Vietnam before the date imposed by the amendment. But to cut off all funds at an arbitrary date risks some grave consequences. No doubt the time is long past when we can achieve a military victory, but somehow, some way, we must still try for an honorable conclusion to the war. At the very least we should not agree to an amendment that will disregard all the sacrifices of all those who have given their lives or been wounded and agree to a course that would completely abandon any effort for some kind of benefit from all the sacrifices.

If we indulge in this precipitous action today then all of our losses and sacrifices will have been in vain. It means we are completely throwing away any chance for an honorable settlement. If this amendment should be adopted we tie the President's hands at a most critical time. It means not only that his power to negotiate with Hanoi is gone. It means that hereafter he cannot speak with any authority on his visit to either Peking or Moscow. We have been pursuing a phased withdrawal. The war is near an end. Casualties are down to a minimum. Of couse, even four or five a week are too many. But the hard fact is if withdrawal is to continue there must be some kind of a shield to permit that withdrawal. The Boland amendment would undercut the entire withdrawal process. If the word goes out to the world that this body joined by the other body acts to cut off all funds on June 1, 1972, it would mean immediate chaos in South Vietnam. There no longer would be any shield for withdrawal. All the past efforts toward negotiations would be torpedoed and sunk.

But if we defeat this amendment then we retain our options. We do have some alternatives left. There remains the chance for the success of the visits to Peking and Moscow. We should not foreclose these chances by our action today. If we proceed to approve this amendment we tie the hands of our President.

For the Congress to try to stop the war by this arbitrary precipitous action is just not the way to handle foreign policy. There are those who would say the rate of withdrawal is too slow. By recent pronouncement the President says withdrawal will be determined by four factors: first, the level of enemy action; second, the progress of Vietnamization; third, the progress of release of our prisoners of war and fourth, agreement by the enemy to a cease fire in all of Southeast Asia.

Mr. Chairman, I have read the wording of the Boland amendment very carefully. The effective portion of the amendment starts out with the words, "subject to release of all American prisoners and an accounting of all Americans missing in action." In other words that portion of the amendment which says none of the funds appropriated in this act should be used after June 1, 1972, is all subject to release of our American prisoners and our Americans missing in action. In my judgment to say these two categories will ever be accomplished is optimism that is not justified. To the enemy our prisoners of war are not regarded as we regard their prisoners. Our men are regarded as criminals. In my opinion, if they are ever returned it will be by ransom. But as I read it, for this amendment to have any meaning the enemy must account for all of our missing in action. In my judgment such a requirement makes the amendment meaningless. We must either rely upon their word—which up to now has been worthless—or else insist upon a really strict accounting for all the missing. If we demand this strict accounting before the cut-off date can be effective then a cut off date might never arrive. For those who refuse to rely on the word of the enemy, or for those who believe the cut-off date is subject to a strict accounting, there is only one course to take and that is to vote against this amendment as meaningless.

No, a vote against the Boland amendment is not a vote to continue the war. It is not a vote to prolong the war. All of us want this war ended. Equally important, we want to be sure that there cannot be another Vietnam. We all want to make it impossible to drift into such a war again, step by step, as we did in Southeast Asia.

Mr. Chairman, that is why a little while ago I supported the so-called Yates amendment which, under H.R. 11731, would not permit the President to substantially increase troop levels or troop strength. I supported the amendment of the gentleman from Illinois because it provides that after 60 days following an acceleration of total troop strength, there would be no further expenditures of appropriations for such troop increases without obtaining the approval of the Congress. In different words, this means that if there is any indication of any kind that we are drifting into another Vietnam war, we will be able to face the issue very early. This amendment would require the President to come before the Congress and explain his reasons for increasing troop levels before any appropriations would be available. I supported this amendment because it could prevent an easy drift into another Vietnam. Although it failed by a small margin on our side of the Congress, I hope it may be added to this defense appropriation bill by the other body.

I hope there may not be any who vote for this amendment but hope it will not pass. That kind of thinking is a dangerous course because with a recorded teller count it is most difficult to know the course of a vote until the final tally is announced by the tellers. Someone said this amendment should probably be tagged the "put up or shut up" amendment. Others have been less complimentary and described it as the "bug out" amendment. Without passing judgment on which is more accurate, certainly this amendment would change the course of orderly or phased withdrawal or a "walkout" to the precipitous, arbitrary, and shieldless kind of withdrawal that could become a "run out."

I cannot subscribe to the argument of those who say the withdrawal schedule announced by the President is nothing more than a holding action to get him through the Peking visit. On the other hand the passage of this amendment would leave him with no bargaining power at Peking. But if the President should fail at Peking and if we defeat this amendment our Chief Executive has the remaining negotiating course to open our own bilateral or private negotiations with Hanoi in Paris.

All the foregoing options are thrown away if we pass the proposed amendment today. In just a few words, the approval of this amendment means that we hand to the enemy a victory that they were never able to achieve on the battlefield.

(By unanimous consent, Mr. RANDALL yielded his remaining time to Mr. WAGGONNER.)

Mr. WAGGONNER. Mr. Chairman and Members of the House, I think we are all agreed on one point. That is, that we want to get out of Vietnam as quickly as we possibly can.

Further, I think we agree that in retrospect especially in view of the fact that we have never tried to win, that it was a mistake to get involved in Vietnam as we have. However, where we differ is how do we get out and over the long-period of time serve the best interests of the United States? This is the crux of the matter we are discussing here today.

The gentleman from Georgia (Mr. FLYNT) earlier said to you when he addressed the Committee of the Whole House on the State of the Union—and I think I remember what he said—that he believed that the President had already reached an agreement with regard to the release of the prisoners of war. My friends of the House, I do not believe this is so.

I do not believe that he has any reason to even speculate as to that whim, because I do not believe that the President of the United States would perpetrate such a hoax upon the people of this country so as to withhold that information from those who have relatives who are prisoners of war or on those who have relatives who are missing in action.

Further, there is something else that we ought to consider that the gentleman from Georgia (Mr. FLYNT) said. He said that he would not support again any appropriations for the military under certain conditions, and he said he would not support appropriations for the military as long as we supported a regime which allowed only one name on the ballot. Who ever heard of a Communist nation having two names on the ballot? Big Minh and Ky could have run if they had chosen to, but they were afraid they would get beaten. They insisted they would only run in a three man race. To my knowledge I cannot recall even a ballot in Red China. But I agree it would have been better if others had run from an ideal point of view.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. TALCOTT).

Mr. TALCOTT. Mr. Chairman, I have listened to the very appealing and emotional speeches of the gentleman from Indiana, the gentleman from New York, and the gentleman from Maryland, about their sons who once served in Vietnam. I think the sons should be permitted to speak for themselves; their views may be different from their father's. I would not presume to speak for my son, but I am willing to support any son in Vietnam, as I, and we, have supported their sons while they were in Vietnam, so I would hope that they would vote with me to support my son, who is serving in Vietnam now along with 139,000 other sons in Vietnam now.

This is not a "hard and tough" decision for us now. It would have been "hard and tough" in 1968 or 1969—when other sons were in Vietnam—some involuntarily—but it is easy now if our objective is to get one-up on the President who is systematically ending the war. It is easy if our objective is to garner some of the credit to which the President is entitled. It is "hard and tough"—even incredible—if our objective is to achieve peace as soon as practicable and to secure the release of all our POW's and obtain an accounting of our MIA's. We owe them and their families a great responsibility. We must keep our commitments to them. We should vote "no" on this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Maine (Mr. HATHAWAY).

Mr. HATHAWAY. Mr. Chairman, there has been a lot of talk here this afternoon about whose responsibility the termination of this war is, the Executive's responsibility or the responsibility of the Congress. I think it is crystal clear under the Constitution it is our responsibility, and I hope that this afternoon we exercise that responsibility by adopting the Boland amendment.

The overconcentration of power in the single office of the President has resulted in a constitutional imbalance, with one man holding nearly absolute power in matters of war and peace, life and death. The time to reassert congressional prerogatives and restore balanced constitutional government is now.

Article I, section 8 of the Constitution gives Congress the stated power to declare war, to raise and support armies, to provide and maintain a navy, to make rules for the Government and regulation of the Armed Forces, to provide for calling forth the militia, and to make all laws necessary and proper for executing the foregoing powers. In contrast, article II, section 2 of the Constitution states that the President shall be Commander in Chief of the Army and Navy. In addition, the President may, with the advice and consent of the Senate, make treaties and appoint ambassadors.

It is clear from the language of the Constitution that the war power is vested almost entirely in the Congress. That this was the intention of the framers is quite clear from reading the proceedings of the Constitutional Convention

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and the subsequent writings of the Founding Fathers. In a letter to James Madison in 1789, Thomas Jefferson wrote:

We have already given in example one effectual check to the Dog of War by transferring the power of letting him loose from the Executive to the Legislative body, from those who are to spend to those who are to pay.

It is important to note that the Framers wrote with the benefit of considerable hindsight regarding contests between English kings and the Parliament over war powers. It is most relevant that Parliament had successfully employed its power of the purse to prevent and halt royal adventures abroad. In fact, a legislative forerunner of the amendment before us today was passed in 1678, when Parliament specified that the Army of Charles in Flanders be disbanded by a certain date. The Framers clearly intended that the Congress should have at least that much power, and they bestowed more power on this body by requiring congressional action to initiate war as well as providing for congressional action to stop it.

Another manifestation of the Framers' intention that Congress exercise the power of the purse with special care on matters relating to military operations can be seen in the constitutional provision—article I, section 8, item 12—binding us to review all funds for military operations every 2 years. Although it is our practice to appropriate every year for all Government activities and programs, there is nothing in the Constitution that requires such a procedure except in the case of funding for the Armed Forces, in which case the requirement is for a biennial review. Theoretically, we could appropriate for all other programs every 10 or every 100 years, but the Framers singled out military appropriations for a special 2-year limitation.

Alexander Hamilton described the meaning of that limitation in Federalist No. 26:

The legislature of the United States will be obliged, by this provision, once at least in every two years, to deliberate upon the propriety of keeping a military force on foot; to come to a new resolution on the point; and to declare their sense on the matter, by a formal vote in the face of their constituencies.

The provision protects—and I think was intended to protect—the Nation against the indefinite commitment of American Forces or American military operations without systematic congressional review at least once every 2 years. We in the Congress have an express duty to provide review and control, and there is no way we can surrender that power to the President or anyone else without violating the Constitution.

It is time for the Congress to reassert our constitutional authority and not allow the President to be chief of police, district attorney, judge, and jury in foreign affairs. It is the purpose of our system of separation of powers to bring a balanced judgment to the issues we face. The American people deserve that; our Constitution requires it.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. HALL).

(By unanimous consent, Mr. HALL yielded his time to Mr. MINSHALL.)

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

(By unanimous consent, Mr. SEIBERLING yielded his remaining time to Mr. BOLAND.)

Mr. SEIBERLING. Mr. Chairman, we like to call ourselves "the People's House." Accordingly, I think it behooves us to consider the people's wishes on this issue. The Harris survey published in the Washington Post on November 8 reported:

By nearly 3 to 1, the American people favor "getting completely out" of Vietnam by next May.

Asked if they favored or opposed the United States "getting completely out of Vietnam by May, including all combat and noncombat troops," the vote was 62 percent in favor and 21 percent opposed.

Between October 26 and October 31, a cross section of 2,004 households was asked: If it meant keeping the Communists from taking over Vietnam, would you favor or oppose the following?

[In percent]

	Favor	Oppose	Not sure
Leaving 50,000 non-combat U.S. troops there	32	55	13
Continuing to use U.S. bombers and helicopters to support the South Vietnamese army	29	57	14
Continuing to send over $1,000,000,000 a year in military aid to the South Vietnamese	16	70	14

Even at the risk of a Communist takeover, sizable majorities of the public want the United States out completely from Vietnam.

Obviously the American people do not favor a Communist takeover in Vietnam. They are merely recognizing the bankruptcy of the Government's policy in Vietnam and that we have given the South Vietnamese Government more than enough chance to stand on its own feet.

And they are recognizing something else, as revealed by the Harris poll published in the Post on November 11, as follows:

The Vietnam issue simply will not go away as a major concern for the public in this country. A survey taken during the last week of October shows that a record high 65 percent now believe that it is "morally wrong" for the United States to be fighting in Vietnam.

How can the Congress continue to ignore the overwhelming and clearly manifested desire of the American people on an issue as basic as this? No issue has been more thoroughly debated and argued in the country and in the Halls of Congress. Unless we take prompt and decisive action to carry out the people's considered desires on this subject, how can we continue to call ourselves "the People's House?"

In the 2 years during which the Congress has been wrestling with the question of placing a specific cutoff date on further American military operations in Indochina, the President has indeed reduced our presence in Vietnam. The number of American troops remaining in Vietnam is now so small that they could all be evacuated in a few weeks if it were decided to do so. Certainly a deadline of June 1, 1972 imposes no serious risk to the protection of our remaining troops in Vietnam.

The Boland amendment, providing for such a deadline, is entirely reasonable, completely within the policy already adopted by the Congress, and creates no obstacle to the withdrawal of American POW's. In fact, since the withdrawal would be contingent on the return of all POW's, it gives the administration a further bargaining lever for the POW's.

For all these reasons, I find it hard to imagine why the House should not adopt the Boland amendment by an overwhelming majority.

If the House does not adopt the Boland amendment, then I will vote against the defense appropriations bill, in accordance with my pledge not to vote for funds to continue the war in Vietnam so long as the Government has not adopted a specific date for American withdrawal.

I do not oppose national defense and will support any reasonable defense appropriation bill that does not provide for the indefinite continuation of our military involvement in Vietnam. That involvement has added nothing to our national security. It has taken over $100 billion away from other defense needs and civilian needs. It has divided the country.

The people are demanding a complete and early end to this misadventure. It is time we heeded their demand.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky (Mr. CARTER).

(By unanimous consent, Mr. CARTER yielded his time to Mr. MINSHALL.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, the gentleman from Massachusetts (Mr. BOLAND), the author of the pending amendment, has said he is tired of the argument that we are tying the President's hands by passage of his amendment.

I would just like to say that a few years ago I felt somewhat that way when Nasser of Egypt was telling the United States to go drink from the sea and I offered an amendment to an agricultural appropriation bill to prohibit the further sale of surplus commodities to Egypt. I was supported unanimously on our Republican side of the aisle and joined by 71 Democrat Members. The amendment carried but 10 days later on a motion to instruct conferees on the very same subject 40 Democrats switched their votes after President Johnson twisted some arms and said he could not live with that kind of restriction.

Let me jog your memory of two more very relevant Presidential incidents. Remember when in October of 1962 President Kennedy issued the ultimatum to the Russians to get their missiles out of Cuba? Why do you suppose the Soviets responded affirmatively? Certainly not because of the President's good looks or his persuasive oratory, but because of the great military might of the United States that backed up what he said.

Remember when President Eisenhower was about to meet with Khrushchev in Paris for some very delicate negotiations and the whole conference blew up over the U–2 incident?

Why do I mention these three incidents? Because our President has said he is going to Peking to try and break the ice and open up a dialog with Chou En-lai and possibly get some agreements to guarantee us at least a generation of peace.

Can you imagine the President sitting down with the Chinese or Russians hobbled with this and other similar amendments? It would be catastrophic. If perchance this amendment were adopted by the Congress I would think the President would be justified in coming before a joint session of Congress and saying "Gentlemen, as I understand the Constitution we all have sworn to uphold, I do have the power and authority to conduct the foreign policy of this Government and negotiate agreements and treaties subject to the confirmation of the Senate. Unless I can negotiate from a position of strength—unfettered and without an albatross around my neck, I feel constrained to cancel my proposed trip to Peking."

Do you want that on your consciences? I will tell you as a father of four teenagers, three of whom could very well be serving in the Armed Forces within the next few years that I do not want it on mine.

Our President deserves our wholehearted support at this time not only for the selfish interests of our Government, but for all men who seek a peaceful world. This amendment should be defeated.

(By unanimous consent, Mr. MICHEL yielded his remaining time to Mr. MINSHALL.)

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, for the past 52 years Americans have celebrated November 11 as Armistice Day and Veterans Day in honor of the men and women who gave so much that America might survive as a free nation. If we pass the Boland amendment today, the Communist nations will celebrate November 17 for the next 52 years for on this day they will have won the victory on the floor of this Congress that they were unable to win on the battlefields of Southeast Asia.

The CHAIRMAN. The Chair recognizes the gentleman from Montana (Mr. SHOUP).

(By unanimous consent, Mr. SHOUP yielded his time to Mr. MINSHALL.)

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Chairman, someone said the President has turned this war around. I think that is true. I think he deserves credit for it. I am glad to have the troops withdrawn.

But I think he has turned the world around. We have Red China in the U.N. and Taiwan has been kicked out. May I say to those who argue that we have been winning this war since 1965, they pursuaded me then that we should defeat things like the Boland amendment and support this proposition. We have been winning this war since 1965, but every year we have more casualties, more MIA's, and more POW's. Our winning in Vietnam is like the man who won first prize—1 week in Philadelphia, while second prize was 2 weeks in Philadelphia. This is said to be one of the toughest resolutions we have ever had. I think it is the toughest toasted marshmallow on a plate of toasted marshmallows.

We do not declare war outright any more. We just declare war on the installment plan.

Let us just skip this payment and let them repossess this war. I urge support of the Boland amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I must oppose this amendment because it would simply say to the enemy that they do not have to negotiate with us on any matter whatever except release of prisoners. It would tell them in effect that if they will just simply hold on a little while longer, we will get out completely and let them settle the substantive issues of the future of Vietnam on their own terms.

Mr. Chairman, I would like to yield to my colleague, the gentleman from Texas (Mr. TEAGUE).

Mr. TEAGUE of Texas. Mr. Chairman, I understand the question has been asked whether anyone with sons serving in Vietnam is against this amendment.

Mr. Chairman, I have two sons and a son-in-law. My two sons each served two tours of duty over there. The last tour was voluntary. One was wounded twice and one received the Silver Star and one received the Bronze Star. My son-in-law just came back, and he is a captain in the Marine Corps, and they all tell me that an amendment of this kind is good for nobody except Hanoi.

The first four young ladies who went to Paris, widows and wives of our servicemen—those girls are not for this kind of an amendment. Two of them have sons—one a 7-year-old—who have never seen their fathers and the other two have never heard from their husbands.

Mr. Chairman, I am very much opposed to this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I want to express my appreciation to the distinguished chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON) and the ranking minority member, the gentleman from Ohio (Mr. MINSHALL) for their patience and their courtesy all during this debate.

It would seem to me that a simple explanation of this bill amendment is indeed a put-up or shut-up proposition to Hanoi.

Hanoi has been telling the world that it is willing to negotiate provided we have a terminal date. The terminal date is here. If it refuses to negotiate and if there is no movement on the prisoners of war and no movement on the missing in action, then the amendment limitation and the cutoff of funds in my judgment does not prevail.

The President of the United States in April of this year, I believe, attached two conditions to the ending of the war in Vietnam.

No. 1, the return of the prisoners of war.

No. 2, the reasonable chance for South Vietnam to survive.

If I heard the Secretary of Defense last Sunday correctly, he indicated now that South Vietnam has a reasonable chance to survive—and he said that in Saigon a week ago.

So one of the conditions has already been met.

The President's press conference last week presents a problem. I think the position is changed from a reasonable chance of survival to the assurance that the Thieu regime will not be overcome by the Communists. This is a deep and serious change of position.

I would think that if the war is ended within the next few months the possibility is that the Government of South Vietnam would survive. Nobody can say. Mr. Chairman, this is the first opportunity this Congress has had to limit funds for the Vietnam war. We have a terminal date. The funds would not be cut off unless we have some response from the Government of North Vietnam with respect to our prisoners of war and men missing in action. That is precisely what the amendment would accomplish. It would call Hanoi's hand and in my judgment, would get negotiations in Paris that have been stalled for so long to get into some meaningful and significant talks.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. MINSHALL).

Mr. MINSHALL. Mr. Chairman, at the outset I want to thank the other members of this committee who have so graciously yielded to me their allocated few seconds.

I would like to say that we have been around the barn. We have plowed the ground. We have been down the road numerous times on this question, and I do not think anything that I can say as we conclude this debate is going to change one vote one way or the other. But I do completely agree with my colleagues on the need for a national commitment to end rapidly our military involvement in Indochina. But of what use would the amendment under consideration be? It essentially reiterates a commitment that has already been made, not only by the President, but also by this Congress.

Not only are the objectives of this amendment rapidly being realized, but the means for achieving our objectives might be seriously impaired if the amendment were to be adopted. We could fail to do what we are earnestly hoping he will be able to do.

As I said under the 5-minute rule, at the conclusion of my remarks, this is a time to be cheering the Nixon administration. At the same time I do not want you to forget the important part that Mel Laird has played in this administration. Our former colleague has distinguished himself with his advice and counsel to our Chief Executive. Without question he is the best Secretary of Defense in recent history.

XUM

As has been frequently mentioned here this afternoon, he appeared last Sunday on the "Meet the Press" television program. I think that any American who saw his appearance cannot doubt for one minute his great ability, his sincerity, his devotion to duty, and his hopes that the Vietnamization program is coming to a good and honest conclusion. We all know the program is succeeding.

So I say again that this is a time for cheering the Nixon administration, not undercutting it, and a time for encouraging it to continue its drive toward peace and the safe return of all American men. I hope that all of you in your good conscience will vote against the Boland amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON) to close the debate.

Mr. MAHON. Mr. Chairman, I think all has been said that needs to be said in opposition to the pending amendment. I have opposed this amendment because I believe it would undercut the efforts of our Nation to achieve peace and the return of our prisoners of war. I am afraid that this amendment would tend to foreclose our chance of bringing this conflict to an end that will reflect credit on the men who gave their lives and those who give their devotion and effort in the service to this country. I earnestly hope and I certainly believe that this House will reject the amendment. I ask for a vote.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Massachusetts (Mr. BOLAND).

TELLER VOTE WITH CLERKS

Mr. BOLAND. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. BOLAND. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. BOLAND, RHODES, MAHON, and RIEGLE.

The Committee divided, and the tellers reported that there were—ayes 163, noes 238, not voting 30, as follows:

[Roll No. 399]

[Recorded Teller Vote]

AYES—163

Abourezk	Conte	Gaydos
Abzug	Conyers	Giaimo
Adams	Corman	Gibbons
Addabbo	Coughlin	Grasso
Anderson, Calif.	Culver	Gray
Anderson, Tenn.	Daniels, N.J.	Green, Oreg.
Annunzio	Danielson	Green, Pa.
Aspin	Dellums	Gude
Badillo	Denholm	Hamilton
Baring	Dent	Hansen, Wash.
Barrett	Dingell	Harrington
Begich	Donohue	Harvey
Bergland	Dow	Hathaway
Biaggi	Drinan	Hawkins
Blatnik	Dwyer	Hechler, W. Va.
Blester	Eckhardt	Heckler, Mass.
Bingham	Edwards, Calif.	Heinz
Boland	Ellberg	Helstoski
Brademas	Esch	Hicks, Mass.
Brasco	Evans, Colo.	Hicks, Wash.
Burke, Mass.	Fascell	Howard
Burlison, Mo.	Flynt	Hungate
Burton	Ford, William D.	Jacobs
Carey, N.Y.	Fraser	Jones, N.C.
Carney	Frenzel	Karth
Chisholm	Fulton, Tenn.	Kastenmeier
Clay	Gallifianakis	Kluczynski
Collins, Ill.	Garmatz	Koch
		Kyros

Landrum	Patten	Shipley
Leggett	Pepper	Slack
Long, Md.	Podell	Smith, Iowa
McCloskey	Preyer, N.C.	Stanton, James V.
McCormack	Pryor, Ark.	Steele
McDade	Pucinski	Stokes
McKinney	Rangel	Sullivan
Macdonald, Mass.	Rees	Symington
Madden	Reid, N.Y.	Taylor
Matsunaga	Reuss	Thompson, N.J.
Mazzoli	Riegle	Tiernan
Meeds	Rodino	Udall
Metcalfe	Roe	Ullman
Miller, Ohio	Rogers	Van Deerlin
Minish	Roncalio	Vanik
Mink	Rooney, Pa.	Vigorito
Mitchell	Rosenthal	Waldie
Moorhead	Rostenkowski	Whalen
Morse	Roush	Widnall
Mosher	Roy	Wilson, Charles H.
Moss	Roybal	Wolff
Murphy, Ill.	Ruppe	Yates
Nedzi	Ryan	Yatron
Nix	St Germain	Zwach
Obey	Sarbanes	
O'Hara	Scheuer	
O'Neill	Schwengel	
	Selberling	

NOES—238

Abernethy	Forsythe	Minshall
Albert	Fountain	Mizell
Anderson, Ill.	Frelinghuysen	Mollohan
Andrews, Ala.	Frey	Monagan
Andrews, N. Dak.	Fuqua	Montgomery
Archer	Gallagher	Morgan
Arends	Gettys	Murphy, N.Y.
Ashbrook	Goldwater	Myers
Ashley	Gonzalez	Natcher
Aspinall	Goodling	Nelsen
Baker	Griffin	Nichols
Belcher	Gross	O'Konski
Bell	Grover	Passman
Bennett	Hagan	Patman
Bevill	Haley	Pelly
Blanton	Hall	Perkins
Belling	Hammer-schmidt	Pettis
Bow	Hanley	Peyser
Bray	Hanna	Pickle
Brinkley	Hansen, Idaho	Pike
Brooks	Harsha	Pirnie
Broomfield	Hastings	Poage
Brotzman	Hays	Poff
Brown, Mich.	Hébert	Powell
Brown, Ohio	Henderson	Price, Ill.
Broyhill, N.C.	Hillis	Price, Tex.
Broyhill, Va.	Hogan	Purcell
Buchanan	Holifield	Quie
Burke, Fla.	Horton	Quillen
Burleson, Tex.	Hosmer	Railsback
Byrne, Pa.	Huil	Randall
Byrnes, Wis.	Hunt	Rarick
Byron	Hutchinson	Rhodes
Cabell	Ichord	Robinson, Va.
Caffery	Jarman	Robison, N.Y.
Camp	Johnson, Calif.	Rooney, N.Y.
Carter	Johnson, Pa.	Rousselot
Casey, Tex.	Jonas	Ruth
Cederberg	Jones, Ala.	Sandman
Chamberlain	Jones, Tenn.	Satterfield
Clancy	Kazen	Saylor
Clark	Keating	Scherle
Clawson, Del	Keith	Schmitz
Cleveland	Kemp	Schneebeli
Collier	King	Scott
Collins, Tex.	Kuykendall	Sebelius
Colmer	Kyl	Shoup
Conable	Landgrebe	Shriver
Crane	Latta	Sikes
Daniel, Va.	Lennon	Sisk
Davis, Ga.	Lent	Skubitz
Davis, S.C.	Lloyd	Smith, Calif.
Davis, Wis.	Long, La.	Smith, N.Y.
de la Garza	Lujan	Snyder
Delaney	McClory	Spence
Dellenback	McCollister	Springer
Dennis	McCulloch	Staggers
Devine	McDonald, Mich.	Stanton, J. William
Dickinson	McEwen	Steiger, Ariz.
Dorn	McFall	Steiger, Wis.
Duncan	McKay	Stephens
du Pont	McMillan	Stratton
Edwards, Ala.	Mahon	Stubblefield
Erlenborn	Mailliard	Stuckey
Eshleman	Mann	Talcott
Evins, Tenn.	Martin	Teague, Calif.
Findley	Mathis, Ga.	Teague, Tex.
Fish	Mayne	Terry
Fisher	Meicher	Thompson, Ga.
Flood	Michel	Thomson, Wis.
Flowers	Miller, Calif.	Thone
Foley	Mills, Md.	Vander Jagt
Ford, Gerald R.		Veysey

Waggonner	Wiggins	Wylie
Wampler	Williams	Wyman
Ware	Wilson, Bob	Young, Fla.
Whalley	Winn	Young, Tex.
White	Wright	Zablocki
Whitehurst	Wyatt	Zion
Whitten	Wydler	

NOT VOTING—30

Abbitt	Derwinski	Link
Alexander	Diggs	McClure
Betts	Dowdy	McKevitt
Blackburn	Downing	Mathias, Calif.
Blatnik	Duiski	Mikva
Boggs	Edmondson	Mills, Ark.
Collier	Edwards, La.	Roberts
Chappell	Griffiths	Runnels
Clausen, Don H.	Gubser	Steed
Cotter	Halpern	
	Kee	

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments to this section?

AMENDMENT OFFERED BY MR. RIEGLE

Mr. RIEGLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RIEGLE: on page 48, between lines 7 and 8, insert the following:

SEC. 745. Money appropriated in this Act shall be available for expenditure in the fiscal year ending June 30, 1972, only to the extent that expenditure thereof shall not result in total aggregate net expenditures of all agencies provided for herein beyond ninety-five percent of the total aggregate net expenditures estimated therefor in the budget for 1972 (H. Doc. 15).

Mr. RIEGLE. Mr. Chairman and colleagues, I am very much indebted to the gentleman from Ohio (Mr. BOW) for this amendment, because this amendment has historically been known as the "Bow expenditure limitation amendment." However, it is the first time it has been offered, to my knowledge, to a defense appropriation bill.

Mr. Chairman, this amendment applies directly to the actual spending contemplated by the Department of Defense for this fiscal year and, as such, in a significant way, goes beyond the amount of money contained in the appropriation bill that is before the Committee today.

You will be interested to know, for example, that nearly $18 billion of new obligational authority in the appropriation bill before us represents funds which will not be spent this year but, in fact, will be spent in some future year.

Mr. Chairman, what I am concerned about, and what this specific amendment goes to, is the actual amount of spending by the Department of Defense this year. If the members of the committee will refer to the committee report before us, they will find that there is budgeted $76 billion of fiscal year 1972 expenditures—approximately $50 billion being new money in this appropriation bill and something like $20 billion being carryover authority from previous appropriation bills of previous years.

Mr. Chairman, my amendment would require the Department of Defense to restrict its spending to only 95 percent of that amount—95 percent of the $76 billion it anticipates spending this year—which means it would have to absorb within the Department of Defense, a 5-percent reduction in its spending plans. This would create a dollar savings—an actual dollar savings, this fiscal year, of some $3.8 billion.

I think this is a significant money savings that the Department of Defense could be asked to absorb this year.

My friend, the gentleman from Wisconsin (Mr. ASPIN) will later offer an amendment that is very different.

His amendment would seek to reduce the amount of new obligational authority for the Defense Department. A reduction of that kind might apply to this year or might apply to some future year, and while I may support the amendment offered by the gentleman from Wisconsin (Mr. ASPIN) it does not make sure that actual defense spending for this year will be reduced by even $1. My amendment will absolutely assure that the actual defense spending will be reduced by some 5 percent.

Since 1964, including the planned expenditures for this fiscal year, we will have spent on defense in this country just since 1964, over $600 billion—over $600 billion. To anyone who wants to suggest that we have been stingy with the Defense Department, I would respond that the facts just do not back up that assertion.

Now, some people have objected to the Bow amendment because it is not an amendment that cuts the budget line item by line item. I too have the same objection, and I would much prefer to make a line item by line item reduction to this bill, but that is almost impossible in a bill that is the size of this one; one that is in the $70 billion range.

The full Committee on Appropriations, for your information, meets to consider this bill in full committee for approximately 2½ hours, and there is no way we can carefully go through line item by line item a bill of this size. This is no criticism of the committee. It is just a fact of the life we live with, and thus we must resort to this type amendment as it is the only way we can have a chance to effect any kind of spending reduction in this fiscal year.

The bill before us, which comes from the Committee on Appropriations, reduces planned expenditures by just about $1 billion. That is the figure they estimate as the reduction of the spending request that came in from the Defense Department. My amendment would go further than that; it would incorporate the $1 billion reduction, and then go beyond that to $3.8 billion.

With all due regard to the Secretary of Defense, who is our friend, and a former colleague of the Committee on Appropriations, I do submit that there is no Federal agency that can be run today in the United States without considerable bureaucracy, overlapping and waste. And I think the Defense Department is in this position, whether you want to talk about airplanes that do not fly, or cost overruns, or any one of a number of other things.

We are in an emergency condition. You may not know it, but the chairman of the Committee on Appropriations told the Committee on Appropriations the other day that his best estimate for the deficit for this fiscal year is $40 billion—and that comes on top of the deficit of last year of $30 billion. If we are going to reduce this deficit, then the Defense Department, which is the biggest single operation of this Government, certainly can absorb a 5-percent reduction in light of the emergency condition this country is in. Otherwise, where are you going to save any money? I think they can do it. I think it is a reasonable amount. I hope that my colleagues in the House will support my amendment. I will say that I will ask for a recorded teller vote on this because this is the only chance we can have to make a necessary reduction in the Defense Department spending.

In my experience in other organizations outside of the Federal Government, when they have been asked to absorb a 5-percent cut, it actually has helped them, because it gives them the tool to go inside the organization and to clean up some of the sloppy operations and wasteful methods.

So, Mr. Chairman, again I would ask my colleagues to give support to my amendment, which will be the only chance they have to actually save money in the Defense Department this year.

Mr. BOW. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan (Mr. RIEGLE).

I am glad to see that my friends on the other side are interested, and still interested in the Bow amendment, because we may have it again before long, and I appreciate the support it has had in the past.

However, as the gentleman from Michigan has said, this is the first time that the so-called Bow amendment has ever been offered on a defense bill, and never did offer it on a defense bill, and on the overall amendments we used to have I always excepted the Defense Department.

I do not believe we can afford to put a limitation of this kind on the defense bill, where the funds may be necessary for the security of our country. Now, there are other areas where we should—and, as I say, it may come again, and I will support it—but I never would support it on a defense bill. I think it would be wrong to do it.

I sincerely hope that the committee will reject this amendment.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Michigan indicated an inadequate consideration of the pending measure.

The 11-member Subcommittee on Defense Appropriations had months of hearings and there are nine printed volumes of testimony here on this table. It was well considered.

There has been no expenditure limitation on any appropriation bill this year. I do not know why this bill was singled out for this purpose.

Congress basically controls spending by controlling appropriations and other obligational authority, not by controlling expenditures.

The amendment proposes a meat-ax cut. The bill before you provides a reduction in expenditures of about $1 billion for the current fiscal year, and the gentleman would increase that by about $2.5 billion, and would leave it completely to the Executive as to where those reductions are to be made.

The appropriation cuts in this bill were specified particularly, and they are well described in the report.

The gentleman has not pointed out where he wants to make a reduction.

This amendment proposes an abdication by the Congress of its money powers.

Mr. Chairman, I join the gentleman from Ohio in asking that the amendment be voted down.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to thank my chairman.

I opposed this amendment in full committee. I said at that time, I opposed the Bow amendments because I did not agree with them. I do not believe an across-the-board cut is the way to control expenditures. We should have selective reductions. If there are weaknesses in this bill, let us go after the weak spots.

I think the amendment is ill planned and ill conceived and ill timed. After all, we have gone through 6 months of this fiscal year already and to have a 5-percent across-the-board cut will certainly be to the detriment of the whole defense bill. Therefore, I oppose the amendment and hope that it is defeated.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Chairman, I move that all debate on the pending amendment and all amendments thereto do now close.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. RIEGLE).

The question was taken; and the Chairman announced that the noes appeared to have it.

TELLER VOTE WITH CLERKS

Mr. RIEGLE. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. RIEGLE. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. RIEGLE, BOW, MAHON, and ASPIN.

The Committee divided, and the tellers reported that there were—ayes 74, noes 308, not voting 49, as follows:

[Roll No. 400]

[Recorded Teller Vote]

AYES—74

Abourezk	Esch	Melcher
Abzug	Fraser	Metcalfe
Aspin	Gaydos	Mink
Badillo	Green, Pa.	Mitchell
Bergland	Gross	Moorhead
Bingham	Hall	Mosher
Brademas	Hanley	Nix
Brasco	Harrington	Pryor, Ark.
Burton	Hathaway	Pucinski
Carey, N.Y.	Hechler, W. Va.	Rangel
Carney	Helstoski	Reid, N.Y.
Chisholm	Hungate	Riegle
Clay	Ichord	Rosenthal
Collins, Ill.	Kastenmeier	Roybal
Conyers	Koch	Ryan
Delaney	Kyros	Sarbanes
Dellums	Lujan	Scheuer
Denholm	McClory	Schwengel
Dow	McCloskey	Selberling
Drinan	McDonald, Mich.	Snyder
du Pont	Macdonald, Mass.	Stokes
Edwards, Calif.		Thompson, N.J.
Ellberg		Udall

XUM

Vanik	Wolff	Zwach
Waldie	Yates	
Whalen	Yatron	

NOES—308

Abernethy	Forsythe	Murphy, N.Y.
Adams	Fountain	Myers
Addabbo	Frelinghuysen	Natcher
Albert	Frenzel	Nedzi
Anderson, Calif.	Frey	Nelsen
	Fulton, Tenn.	Nichols
Anderson, Ill.	Fuqua	Obey
Andrews, Ala.	Galifianakis	O'Hara
Andrews, N. Dak.	Gallagher	O'Konski
	Garmatz	O'Neill
Annunzio	Gettys	Passman
Arches	Giaimo	Patman
Arends	Goldwater	Patten
Ashbrook	Gonzalez	Pelly
Ashley	Goodling	Pepper
Aspinall	Grasso	Perkins
Baker	Gray	Pettis
Baring	Green, Oreg.	Peyser
Begich	Griffin	Pickle
Belcher	Grover	Pike
Bell	Gubser	Pirnie
Bennett	Gude	Poage
Bevill	Hagan	Poff
Biaggi	Haley	Powell
Biester	Hamilton	Preyer, N.C.
Blanton	Hammer-schmidt	Price, Ill.
Boland		Price, Tex.
Bolling	Hansen, Idaho	Purcell
Bow	Hansen, Wash.	Quie
Bray	Harsha	Quillen
Brinkley	Harvey	Railsback
Brooks	Hastings	Randall
Broomfield	Hays	Rarick
Brotzman	Hébert	Rees
Brown, Mich.	Heinz	Rhodes
Brown, Ohio	Henderson	Robinson, Va.
Broyhill, N.C.	Hicks, Mass.	Robison, N.Y.
Broyhill, Va.	Hicks, Wash.	Rodino
Buchanan	Hillis	Roe
Burke, Fla.	Hogan	Rogers
Burke, Mass.	Holifield	Roncalio
Burleson, Tex.	Horton	Rooney, N.Y.
Burlison, Mo.	Hosmer	Rooney, Pa.
Byrne, Pa.	Howard	Rostenkowski
Byrnes, Wis.	Hull	Roush
Byron	Hunt	Rousselot
Cabell	Hutchinson	Roy
Caffery	Jacobs	Ruppe
Camp	Jarman	Ruth
Carter	Johnson, Calif.	St Germain
Casey, Tex.	Johnson, Pa.	Sandman
Cederberg	Jonas	Satterfield
Chamberlain	Jones, N.C.	Saylor
Clancy	Jones, Tenn.	Scherle
Clark	Karth	Schmitz
Clawson, Del	Kazen	Schneebeli
Cleveland	Kemp	Scott
Collier	King	Sebelius
Collins, Tex.	Kluczynski	Shipley
Colmer	Kuykendall	Shoup
Conable	Kyl	Shriver
Conte	Landgrebe	Sikes
Corman	Latta	Skubitz
Coughlin	Lennon	Slack
Crane	Lent	Smith, Calif.
Culver	Lloyd	Smith, Iowa
Daniel, Va.	Long, La.	Smith, N.Y.
Daniels, N.J.	Long, Md.	Spence
Danielson	McCollister	Springer
Davis, Ga.	McCormack	Staggers
Davis, S.C.	McCulloch	Stanton, J. William
Davis, Wis.	McDade	
Dellenback	McEwen	Stanton, James V.
Dennis	McKay	
Dent	McKinney	Steele
Devine	McMillan	Steiger, Ariz.
Dickinson	Madden	Stephens
Dingell	Mahon	Stratton
Donohue	Mailliard	Stubblefield
Dorn	Mann	Stuckey
Duncan	Martin	Sullivan
Dwyer	Mathis, Ga.	Symington
Eckhardt	Matsunaga	Talcott
Edwards, Ala.	Mayne	Taylor
Erlenborn	Mazzoli	Teague, Calif.
Eshleman	Meeds	Teague, Tex.
Evans, Colo.	Michel	Terry
Evins, Tenn.	Miller, Calif.	Thompson, Ga.
Fascell	Miller, Ohio	Thomson, Wis.
Findley	Mills, Md.	Thone
Fish	Minish	Tiernan
Fisher	Minshall	Ullman
Flood	Mizell	Van Deerlin
Flowers	Mollohan	Vander Jagt
Flynt	Monagan	Veysey
Foley	Montgomery	Vigorito
Ford, Gerald R.	Morgan	Waggonner
Ford, William D.	Moss	Wampler
	Murphy, Ill.	Ware
Whalley	Williams	Wylie
White	Wilson, Bob	Wyman
Whitehurst	Wilson, Charles H.	Young, Fla.
Whitten		Young, Tex.
Widnall	Wright	Zablocki
Wiggins	Wyatt	Zion

NOT VOTING—49

Abbitt	Dowdy	Link
Alexander	Downing	McClure
Anderson, Tenn.	Dulski	McFall
	Edmondson	McKevitt
Barrett	Edwards, La.	Mathias, Calif.
Betts	Gibbons	Mikva
Blackburn	Griffiths	Mills, Ark.
Blatnik	Halpern	Morse
Boggs	Hanna	Podell
Celler	Hawkins	Reuss
Chappell	Heckler, Mass.	Roberts
Clausen, Don H.	Jones, Ala.	Runnels
	Keating	Sisk
Cotter	Kee	Steed
de la Garza	Keith	Steiger, Wis.
Derwinski	Landrum	Winn
Diggs	Leggett	Wydler

So the amendment was rejected.

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPIN: Page 48, immediately after line 7, insert the following:

TITLE IX

APPROPRIATION LIMITATION

SEC. 745. Notwithstanding any other provision of this Act, the total sums appropriated by this Act for the fiscal year ending June 30, 1972, for the military functions administered by the Department of Defense, and for other purposes, shall not exceed the total sums appropriated to that Department for such functions and purposes in Public Law 91-668, approved January 11, 1971.

Mr. ASPIN. Mr. Chairman, I do not plan to take very long because this amendment is simple to explain. What the amendment does is to hold defense spending to last year's level.

Last year we appropriated $69.5 billion. This year the bill we are talking about is $71 billion. So that would mean a cut of $1.5 billion.

Mr. Chairman, I am presenting this amendment and raising the question here because it has not been adequately explained to me why this defense budget is higher than the one we had last year. It seems to me that is a very, very difficult thing to explain. The committee report itself has trouble explaining it.

After all, we have a war which is being wound down. We have less defense in the general purpose forces this year than last year. Why is the defense budget higher?

One reason given by the committee report for this year's budget being higher is inflation, and indeed inflation is a factor. To buy last year's budget at this year's prices will cost in money $2.4 billion more according to Mr. Moot, the Comptroller. So that is one factor.

But, on the other hand, the war is costing us less. According to the Secretary of Defense the war this year is costing us $4 billion less than the war cost us last year. So on balance, the inflation and the war, we end up ahead, and the budget overall should not be higher.

A second reason the committee gives for the budget being higher this year is because of unemployment in some places. But this amendment, contrary to the amendment offered by the gentleman from Michigan, does nothing about spending. All of it might be spent next year, some of it this year, or some, some other time. Even if this amendment is passed, the amount of outlay we spend this year might not change at all.

Another reason why this year's budget is higher, offered by the chairman of the committee yesterday, is the volunteer army. We are spending more money on pay for a volunteer army; therefore, the budget is higher. But, as the discussion yesterday revealed, there is no money or very little money for the volunteer army in this appropriation bill. Some $250 million out of $1.5 billion is in this bill. In fact, the amount of money that is going to be appropriated this year for personnel is less than the amount last year, so that cannot be the reason.

Perhaps it is because we are buying more defense, but certainly not in general purpose forces are we buying more defense.

This budget this year has one-third of an Army division less than the budget last year. It has one Navy air wing less than the budget last year. It has two Navy carriers less than the budget last year.

So, Mr. Chairman, why is this budget higher? Why are we appropriating $1.5 billion more this year for defense than we did last year? I would like to offer several reasons for it, none of which I am very happy about, which are all reasons why we are getting a higher budget and why we are spending more for defense and getting less from it.

No. 1 is cost overruns. A recent GAO report pointed out that of 45 selected programs, the cost overruns totaled $35.4 billion. Last year alone there were $8 billion in cost overruns.

The second reason why our budgets are going up is too much support. We now have in the Army more three- and four-star generals and admirals than we had at the peak of World War II. At the peak of World War II there were 12 million men under arms. Today there are 2.7 million men under arms and we have more generals and admirals than we had then. It just does not make any sense.

The third reason is we have too much overhead. We have too many bases and too many civilians. For example, this year's budget cuts our military manpower. It is cutting our military manpower over last year by 7.5 percent. But what are we doing about civilian manpower? We are cutting it by less than 1 percent.

A fourth reason for the budget going up is too much gold plating. The F-4 cost less than $4 million apiece. The F-14 will cost $16 million apiece. There is no indication whatever that the F-14 is worth four times more or is four times more effective than the F-4.

That is where our money is going and that is why our defense costs are going up.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ASPIN. Mr. Chairman, I ask unanimous consent to be allowed to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. CHAMBERLAIN. I object.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment, and I yield 1 minute to the distinguished gentleman from Wisconsin.

Mr. ASPIN. Thank you very much.

Mr. Chairman, it seems to me that with the budgets going higher and the amount of money we are getting for the budgets less, it is appropriate for this Congress and its Members to express their unhappiness with this situation.

This amendment does not tell the Pentagon what to cut, or where to cut or how to cut, but it does put the House on record as being opposed to buying less defense and spending more for it.

I urge the adoption of the amendment.

Mr. SIKES. Mr. Chairman, there is within the reach of each Member a report of 139 pages which tells clearly and specifically why defense costs more now than it has in previous years. I hope you have read it. I urge that you keep it for reference.

May I point this out to you, and please listen to me. The Aspin amendment would tie defense spending for fiscal year 1972 to the 1971 appropriations. That figure was $66.6 billion. The Aspin amendment does not call for an amount of $1.5 billion below the 1971 appropriation, but it calls for that much below the 1972 bill. Supplementals were approved subsequent to the passing of the 1971 bill in the amount of $66.6 billion. The supplementals were $3 billion, almost altogether for wages and salaries. The effect of the amendment has not been thought through.

Are you prepared to abolish the pay raises? How would you specify the areas of cuts, or is this a shotgun blast at all defense? Under the terms of the Aspin amendment, the total cut would be $4.5 billion below the committee's 1972 bill or $7 billion below the administration's 1972 budget. This is not a 2-percent cut, my friends. It would cut more deeply than the amendment just proposed for a 5-percent reduction and decisively defeated.

Now, this, of course, is wild blue yonder thinking. The House already has had a good look at the defense picture, we have spent 2 long days on the bill before us. Let me recapitulate. In constant dollars defense spending is not higher. Inflation and wages are running away with all costs, including defense. The proposed defense spending level means we will have smaller forces, we will have too little modernization, less total defense than in previous years even though the spending level is higher.

Mr. Chairman, it is a dangerous thing to have less defense in the face of growing Russian strength. Modernization is the key to national security. We need new weapons in greater number. The Soviets are ahead in size of forces, in numbers of modern weapons. They are building more nuclear-powered submarines and major surface ships than we are. The Russian Foxbat—listen to this—the Russian Foxbat which is flying around Israel is the most advanced aircraft of its class in the world. We do not have any. We need more tanks. The Communists have three times as many tanks as we and their tanks are newer than ours. The soldier who fights on the ground suffers most of the casualties. In a European-type war the tank is essential if our troops are to be successful.

Mr. Chairman, I do not think the House wants to embark into an uncertain prospect for national security by adopting a 5-percent cut—not a 2-percent cut—in appropriations for fiscal year 1972 defense spending. The amendment is an invitation to trouble—an invitation to Communist aggression. It can cripple our Nation's defenses and endanger America's security. This is a type of economy we cannot afford. I ask for a vote in opposition to the amendment.

Mr. YATES. Mr. Chairman, the committee report on the fiscal year 1972 Department of Defense appropriations bill is a document which is extraordinary for its candor. It is, I believe, a document which argues convincingly for a cut in military appropriations substantially below the levels recommended in the bill.

Page 6 of the report states:

> It has been the pattern of the United States to sharply reduce our military forces after the end of a major conflict. We did so after World War II and again after the Korean War. The war in Southeast Asia is not yet over but active participation by United States forces has greatly decreased. Even so, the fiscal year 1972 budget, and the appropriations recommended in the accompanying bill, represent increases over the previous year, not decreases.
>
> The decreases in military personnel in the past year would lead the Congress to anticipate a budget decrease, not an increase. The increase of $1.5 billion is supported by a number of factors. High costs due to economic inflation have caused defense costs to rise. The desire to continue ongoing programs and installations in order to provide jobs and in order to avoid a further increase in unemployment is probably a factor. Also, the military services, as is not uncharacteristic of Government agencies generally, have sought the opportunity to keep their budgets at a high level and have included favored programs in the Budget which could not be funded when the war made heavier demands on appropriations. The Committee believes that this is an area which calls for close Congressional scrutiny during this transition period and has tried to screen new proposals carefully.

The important element of that explanation of the increases in defense spending is that it makes almost no reference to any military requirement for a budget of more than $71 billion. Rather it admits that "favored programs" and the desire "to provide jobs" were in large part responsible for the failure to reflect the savings in the budget which we should expect from the winding down of the war in Southeast Asia. The military establishment whose bill we are being asked to approve today is roundly criticized even by the committee—one has only to read the report.

Though the Vietnam war will cost us some $4 billion less this year than last, and though military personnel costs are nearly $5.5 billion less than last year, the appropriations for defense have increased by $1½ billion over fiscal year 1971. Rather than saving $5 billion, we are spending more than last year. Why?

Inflation accounts for about one-half of the increase, or about $2.75 billion, but what about the other half? What has happened to the "peace dividend"?

A large part of the increase over last year comes in the procurement category, which is $2,156,000,000 higher than last year. There are "favored programs" mentioned in the report funded this year regardless of their merit or the status of their research and development. We are asked to provide the money not because the systems are good or even necessary, but rather because the Pentagon bureaucracy is incapable of making necessary changes, even when an accepted weapons system is almost without question a turkey. The Pentagon would rather have a C5-A with its wings or engines falling off than have no plane at all. This inflated budget reflects nothing so much as the fact that the Pentagon, despite all the new procurement practices Mr. Packard speaks of so often, still is the victim of the huge cost overruns of the last few years.

For example, as is indicated in the committee report, the F-14 Navy fighter program can only be called a procurement fiasco. After the Appropriations Committee wisely suggested a slowdown in the F-14 program in December 1969, the Navy, "prevailed upon the committee to reverse its decision." Congressional skepticism about the F-14 has given way to Navy optimism ever since, and this year there is more than $800 million in the budget for procurement of the F-14, which is admittedly obsolete even before it is fully tested.

According to the committee report, the F-14 is being procured because it would be able to cope with the new Soviet Mig-23 better than anything we now have in the inventory. There is no hard evidence, however, that the F-14 is even marginally better than the F-4 would be if it were modified to accommodate the Phoenix missile, and the F-4 costs only one-fourth as much as the F-14.

It is difficult to say anything with certainty about the performance of the F-14, since it is still in the early stages of its testing program. However, we do know it will not compete with the Mig-23. The bill includes $229 million for research and testing of the F-14, a figure which must give pause to anyone familiar with the waste which concurrent testing and procurement has produced in the past. The program has been concurrent for 2 years now and the committee's continued support for the production of such an untested plane is in direct contradiction to its goal, stated in the fiscal year 1970 report, of a "fly-before-you-buy" policy. The contract is a weird one. The report indicates a desire by the committee to get out of the F-14 contract but has decided not to do so because it points out it is cheaper to buy the planes, however unwanted, than to continue the contract.

The F-14, however, is only one of several weapons systems that is being funded this year in contradiction to lessons we should have learned during the last few years of Pentagon weapons failures. The DD-963 destroyer program is

XUM

funded to the tune of nearly $600 million, even though it is so heavily laden with electronic gear that it may well become a floating C-5A. The Senate Armed Services Committee report on this year's procurement authorization bill offers some sensible observations weapons systems which become so technologically musclebound that they are unable to perform their mission:

In a surprisingly large number of cases, DOD policies over the last several years have emphasized the development of platforms for weapons without sufficient emphasis on the weapons themselves. This is perhaps partially a result of attempts to make a single weapon system serve an inordinately large number of missions. Whatever the cause, it is striking that in many cases we have developed and produced aircraft of extraordinary capabilities without demonstrably reliable and effective air-to-air munitions, bombers without long range air-to-surface missiles, submarines without reliable and effective torpedoes or antiship missiles, and surface escorts without any surface-to-surface missiles of any kind. Moreover, simple and reliable modern weapons have often been neglected in the pursuit of weapons of great technological complexity.

I strongly support the "efficiency amendment" offered by Mr. ASPIN as a moderate, sensible step toward enforcing some restraint on Pentagon spending policy. Its passage would be an unmistakable message to the Defense Department that some major changes are required in the methods we use to develop and procure military weapons systems. Until those changes occur the Pentagon will continue to drain the Treasury and to make adequate funding of domestic legislation an impossibility. The Congress has been issuing polite reprimands for too long. It is time now to put some teeth in those reprimands by putting a lid on the defense budget through the Aspin amendment.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close immediately.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. ASPIN).

TELLER VOTE WITH CLERKS

Mr. ASPIN. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. ASPIN. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. ASPIN, RHODES, RIEGLE, and SIKES.

The Committee divided, and the tellers reported that there were—ayes 114, noes 278, not voting 39, as follows:

[Roll No. 401]

[Recorded Teller Vote]

AYES—114

Abourezk	Biaggi	Chisholm
Abzug	Biester	Clay
Anderson, Calif.	Bingham	Collins, Ill.
Ashley	Brademas	Conyers
Aspin	Brasco	Culver
Badillo	Broyhill, N.C.	Danielson
Barrett	Burke, Mass.	Dellenback
Begich	Burton	Dellums
Bergland	Carey, N.Y.	Denholm
	Carney	Donohue
Dow	Kastenmeier	Roe
Drinan	Koch	Roncallo
du Pont	Kyros	Rosenthal
Eckhardt	Leggett	Rousselot
Edwards, Calif.	Lujan	Roy
Ellberg	McClory	Roybal
Esch	McCloskey	Ryan
Ford, William D.	McDonald, Mich.	Sarbanes
Forsythe	McKinney	Scheuer
Fraser	Madden	Schneebeli
Frenzel	Mazzoli	Schwengel
Gaydos	Melcher	Sebelius
Gibbons	Metcalfe	Selberling
Green, Pa.	Mink	Snyder
Gross	Mitchell	Stanton, James V.
Gude	Moorhead	Stokes
Hall	Morse	Thompson, N.J.
Hamilton	Mosher	Udall
Hanley	Nedzi	Vanik
Harrington	Obey	Vigorito
Hathaway	O'Konski	Waldie
Hawkins	Pryor, Ark.	Whalen
Hechler, W. Va.	Pucinski	Winn
Heckler, Mass.	Railsback	Wolff
Heinz	Rangel	Yates
Helstoski	Reid, N.Y.	Yatron
Hungate	Reuss	Zwach
Jacobs	Riegle	
Karth	Robison, N.Y.	

NOES—278

Abernethy	Erlenborn	Lloyd
Adams	Eshleman	Long, La.
Addabbo	Evans, Colo.	Long, Md.
Albert	Evins, Tenn.	McCollister
Anderson, Ill.	Fascell	McCormack
Andrews, Ala.	Findley	McCulloch
Andrews, N. Dak.	Fish	McDade
Annunzio	Fisher	McEwen
Archer	Flood	McFall
Arends	Flowers	McKay
Ashbrook	Flynt	McMillan
Aspinall	Foley	Macdonald, Mass.
Baker	Ford, Gerald R.	Mahon
Baring	Fountain	Mailliard
Belcher	Frelinghuysen	Mann
Bell	Frey	Martin
Bennett	Fulton, Tenn.	Mathis, Ga.
Bevill	Fuqua	Matsunaga
Blanton	Gallifianakis	Mayne
Boland	Gallagher	Meeds
Bolling	Garmatz	Michel
Bow	Gettys	Miller, Calif.
Bray	Giaimo	Miller, Ohio
Brinkley	Goldwater	Mills, Md.
Brooks	Gonzalez	Minish
Broomfield	Goodling	Minshall
Brotzman	Grasso	Mizell
Brown, Mich.	Gray	Mollohan
Brown, Ohio	Green, Oreg.	Monagan
Broyhill, Va.	Griffin	Montgomery
Buchanan	Grover	Morgan
Burke, Fla.	Gubser	Moss
Burleson, Tex.	Haley	Murphy, Ill.
Burlison, Mo.	Hammer-schmidt	Myers
Byrne, Pa.	Hansen, Idaho	Natcher
Byrnes, Wis.	Hansen, Wash.	Nelsen
Byron	Harsha	Nichols
Cabell	Harvey	Nix
Caffery	Hastings	O'Hara
Camp	Hays	O'Neill
Carter	Hébert	Passman
Casey, Tex.	Henderson	Patman
Cederberg	Hicks, Mass	Patten
Chamberlain	Hicks, Wash.	Pelly
Clancy	Hillis	Pepper
Clark	Hogan	Perkins
Clawson, Del	Holifield	Pettis
Cleveland	Horton	Peyser
Collier	Hosmer	Pickle
Collins, Tex.	Howard	Pike
Colmer	Hull	Pirnie
Conable	Hunt	Poage
Conte	Hutchinson	Poff
Corman	Jarman	Powell
Coughlin	Johnson, Calif.	Preyer, N.C.
Crane	Johnson, Pa.	Price, Ill.
Daniel, Va.	Jonas	Price, Tex.
Daniels, N.J.	Jones, Ala.	Purcell
Davis, Ga.	Jones, N.C.	Quie
Davis, S.C.	Jones, Tenn.	Quillen
Davis, Wis.	Kazen	Randall
de la Garza	Keith	Rarick
Delaney	Kemp	Rees
Dennis	King	Rhodes
Dent	Kluczynski	Robinson, Va.
Devine	Kuykendall	Rodino
Dickinson	Kyl	Rogers
Dingell	Landgrebe	Rooney, N.Y.
Dorn	Landrum	Rooney, Pa.
Duncan	Latta	Rostenkowski
Dwyer	Lennon	Roush
Edwards, Ala.	Lent	Ruppe
Ruth	Steele	Wampler
St Germain	Steiger, Ariz.	Ware
Sandman	Steiger, Wis.	Whalley
Satterfield	Stephens	White
Saylor	Stratton	Whitehurst
Scherle	Stubblefield	Whitten
Schmitz	Stuckey	Widnall
Scott	Sullivan	Wiggins
Shipley	Symington	Williams
Shoup	Talcott	Wilson, Bob
Shriver	Taylor	Wilson, Charles H.
Sikes	Teague, Calif.	Wright
Skubitz	Terry	Wyatt
Slack	Thompson, Ga.	Wylie
Smith, Calif.	Thomson, Wis.	Wyman
Smith, Iowa	Thone	Young, Fla.
Smith, N.Y.	Tiernan	Young, Tex.
Spence	Ullman	Zablocki
Springer	Van Deerlin	Zion
Staggers	Vander Jagt	
Stanton, J. William	Veysey	
	Waggonner	

NOT VOTING—39

Abbitt	Diggs	McClure
Alexander	Dowdy	McKevitt
Anderson, Tenn.	Downing	Mathias, Calif.
Betts	Dulski	Mikva
Blackburn	Edmondson	Mills, Ark.
Blatnik	Edwards, La.	Murphy, N.Y.
Boggs	Griffiths	Podell
Celler	Hagan	Roberts
Chappell	Halpern	Runnels
Clausen, Don H.	Hanna	Sisk
Cotter	Ichord	Steed
Derwinski	Keating	Teague, Tex.
	Kee	Wydler
	Link	

(Mr. CULVER changed his vote from "no" to "aye.")

So the amendment was rejected.

AMENDMENT OFFERED BY MR. JACOBS

Mr. JACOBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JACOBS: On page 48, immediately following line 7, add the following new section under Title VII:

SEC. 745. In line with Title VI of the 1971 Military Procurement Act calling for termination of all U.S. military operations in Indochina at the earliest practicable date and for the prompt and orderly withdrawal of all U.S. military forces at a date certain, subject to the release of all American prisoners and an accounting for all Americans missing in action, and notwithstanding any other provisions in this Act, none of the funds appropriated by this Act shall be used to finance any military combat or military support operations by U.S. forces in or over South Vietnam, North Vietnam, Laos or Cambodia, after November 7, 1972, if all American prisoners shall have first been released and all Americans missing in action shall have been accounted for.

Mr. BOW. Mr. Chairman, I make a point of order against the amendment on two grounds:

First, very simply, the November 7, 1972, date goes beyond the fiscal year for which this appropriation is being made;

Second, and I think most important, is the final paragraph, which was also written into the Boland amendment: "if all American prisoners shall have first been released and all Americans missing in action shall have been accounted for."

This provision places an additional responsibility and duty upon someone, but there is nothing in the amendment as to who would have that responsibility and duty. The amendment provides that all prisoners must have been released or accounted for. I repeat that this is an additional responsibility in legislation in this amendment. Therefore I urge my point of order.

The CHAIRMAN. Does the gentleman from Indiana wish to be heard on the point of order?

Mr. JACOBS. Yes, Mr. Chairman. I would say, first of all, if the funds appropriated in this vehicle will end prior to the time mentioned in the amendment, then it would conform to the amendment in any case. So far as the responsibility is concerned, this is only a provision that the amendment will take effect on the happening of an event. That event may or may not happen. It places no responsibility on anyone.

If the prisoners are released before the event has taken place, it places no responsibility on anybody.

Mr. YATES. Mr. Chairman, further on the point of order I should like to point out, in response to the remarks of the distinguished gentleman from Ohio (Mr. Bow), that there are funds provided in the bill for programs that go beyond the end of the fiscal year.

The CHAIRMAN (Mr. ROSTENKOWSKI). The Chair is ready to rule. The Chair will point out, first, that there are funds in the bill that do go beyond this fiscal year, and therefore holds that the termination date included in the amendment of the gentleman from Indiana does not render the amendment not germane.

Second, as to the point raised by the gentleman from Ohio (Mr. Bow), there are no additional duties required by the last clause of the amendment. Those duties referred to by the gentleman from Ohio, if any, are already anticipated by title VI of the Military Procurement Act, which is referred to in the amendment and which was signed into law by the President today.

For these reasons, the Chair overrules the point of order.

The Chair recognizes the gentleman from Indiana (Mr. JACOBS) for 5 minutes in support of his amendment.

Mr. JACOBS. I have spoken to very few Americans who do not believe that American military intervention in Southeast Asia will end by next election day. I offer this amendment just to make sure.

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment.

MOTION OFFERED BY MR. MAHON

Mr. Chairman, I move that all debate on this amendment and all amendments thereto do now close.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. JACOBS).

The question was taken; and on a division (demanded by Mr. JACOBS) there were—ayes 52, noes 161.

So the amendment was rejected.

Mrs. ABZUG. Mr. Chairman, I rise in opposition to H.R. 11731, the Defense Appropriations bill for 1972. In the context in which we are functioning in the House of Representatives, a vote for this bill would be irrational.

First, I cannot with any shred of conscience, vote $1, to say nothing of $71.05 billion, until we have set a date to end the most hated and most expensive war in American history. The $23 billion a year that this war in Indochina has cost us has been the least of the prices we have paid. I count the suffering, the deaths and the injuries, among the people of Indochina as well as among our own young, the deepening cynicism, the alienation of our young people as part of the increasingly intolerable costs of this war. The President announces in an offhand way, the reduction of American troops in South Vietnam. He neglects to mention the increasing number of bombs and air attacks, the increasing number of refugees and civilian casualties. South Vietnam, thanks to moneys like those here before us today, U.S. defense moneys, has the fourth largest army in the world to "secure" a country the size of Texas with a population of 20 million. Thanks to moneys like these here before us today, Indochina has the most heavily bomb saturated terrain of any area ever in the world.

And our constituents cry out for an end: According to recent surveys more than 75 percent of Americans want us out of Vietnam now; some 55 percent do not want even a residual force left behind; and in the districts of the leaders of this House the expressed views of a majority of their constituents are not being represented by their Congressmen's continuing support for this unending war.

We in the House of Representatives do not reflect this agony. We act here to appropriate $71.05 billion, an estimated minimum of $10 billion of which will go for men and materiel in Indochina. I submit that the only rational act, the only representative act, we will do today is vote "yes" on the amendment offered by Mr. BOLAND to title VII to cut off funds for this war after June 1, 1972. We now have an opportunity to vote clearly on this war—not merely as an expressed wish of Congress, but in a most practical way—by cutting off funds. We have a chance to undo the damage done by this body's unquestioning support of the Gulf of Tonkin resolution which resulted in the enormous U.S. involvement in Indochina. The House voted to repeal the resolution; we can vote today to terminate its implications. Mr. HARRINGTON suggests—and I wholeheartedly agree with him—that to continue to support the executive in its undeclared war by financing it amounts to a declaration of war. I appeal to you to vote "yes" on Mr. BOLAND'S amendment.

Secondly, we act here, as the committee report accompanying this legislation reminds us, in the name of "national security." Yet we refuse to do what is necessary to make our country secure, to bring home the thousands of young people who have fled their country, the countless who are dying and suffering injury in a corner of the world whose impact on our national security is at best minimal and the prisoners of war who have endured long enough.

We act here, with only 3 hours of debate and a couple of amendments, to appropriate an amount just under that we have already appropriated this session for a total of 14 other fiscal year 1972 programs: In other words, this single appropriation is equal to the sum total of every other program our country has invested in for this period.

In title I of this bill, personnel, we vote on a figure to pay the employees of the defense establishment which, even with its cut from last year's figure at $21 billion, is still more than the biggest appropriation bill to come before us this session—the total $20.8 billion budget for the Department of Health, Education, and Welfare with its myriad of programs for the benefit of the American people. In title III, operations and maintenance, the committee recommends $20.4 billion, a sum only slightly less than the HEW appropriations and more than the entire $18 billion appropriations for HUD, the source of all Federal programs which attempt to ensure a "decent home in a suitable living environment for every American family." In title IV procurement, we will vote on the committee recommendation of $18 billion while the administration threatens to veto the Comprehensive Child Development Act which would authorize $100,000 for fiscal year 1972 to plan a program which would cost $2 billion in fiscal year 1973. To say nothing of title VIII which provides $93 million for ABM development and construction—four times the $17 million we appropriated over Mr. Nixon's objections, for summer food programs for our children. In light of our defense spending, the $1 billion we appropriated for the Emergency Employment Act can be seen in its proper perspective, and shows us for what we are—a country that places military needs above human needs.

The sum total sought in this legislation which we may well dispose of in short order, falls only slightly short of these 14 other bills on which we have spent at least 50 hours of floor debate and fought out countless amendments. And this in the name of "national security." I submit that it is precisely our national security we are jeopardizing by operating under the set of priorities that are reflected in our work this session of Congress on appropriations measures. The national security that we enjoy as a result of our frantic competitiveness in arms races, in nuclear testings, in the development of supersophisticated material is beyond the point of surfeit; it is overkill, to use the military jargon. It is our other national security, that of a loyal citizenry, employed, decently housed, fed, and educated, that we must turn ourselves to protecting. Until our perspective has righted itself, starting at the most elemental—getting the U.S. troops out of Vietnam—I cannot cast my vote for this bill.

Mr. COTTER. Mr. Chairman, I want to compliment the gentleman from Texas and his committee for their oustanding work on this most complicated bill.

I note with satisfaction that the committee report focuses on the so-called "fly before you buy" procurement concept that was heralded by DOD just a few months ago. This new policy seems to be mired in public relations with little or no substantive action.

I want to point out to the distinguished chairman that I have requested a "fly-off" between the trouble-plagued Cheyenne AH 56 helicopter and the Sikorsky 57 Blackhawk, because I am confident that the Sikorsky helicopter is a superior aircraft. I have not received a reply to

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this request and I was wondering if the gentleman could assure me that his committee will follow through on this and other procurement programs which could benefit from the "fly before you buy" policy.

Mr. VANIK. Mr. Chairman, in view of the action of the House in defeating the Boland amendment, I must vote against the defense appropriation bill. The Boland amendment was a very reasonable proposal to terminate our involvement in Southeast Asia on June 1, 1972, contingent on the release of our prisoners of war.

In view of the recent decision of the U.S. Court of Appeals in Massachusetts, a continuation of unrestrained defense spending in Southeast Asia constitutes ratification by Congress of the continuation of this tragic war.

For over 4 years I have stated my opposition and cast my votes for proposals to end this war. At the Democratic Convention of 1968, I supported the peace plank. In this Congress I filed a discharge petition on legislation to end the war.

Until peace is achieved in Southeast Asia, I fear that this legislation will be used one way or another to continue the conflict and our involvement. In good conscience I cannot support the continuation of the slaughter and destruction in Southeast Asia which continues to take a tremendous toll in human life.

Mr. PODELL. Mr. Chairman, the Boland amendment to the defense appropriation bill, which we are considering today, would cut off funds for any military or support operations by American forces in or over Indochina after June 1, 1972, subject to the release of all American prisoners of war. The defeat of this amendment would signify that our combat involvement in Southeast Asia would remain open-ended with no foreseeable termination date in sight.

It would mean that American boys will continue to fight and die in the faraway jungles of Vietnam although 55,000 have already lost their lives in Southeast Asia. It would mean that the American taxpayer already caught between the twin pincers of recession and inflation would need to continue to bear the onerous burden of financing this seemingly endless conflict that has cost our Nation more than $150 billion.

I shall vote in favor of the Boland amendment just as I have supported all progressive legislative attempts aimed at terminating our military involvement in Indochina. I recognize that Vietnam was not a betrayal, but rather, it was a mistake. The United States did not become involved in Southeast Asia for selfish gain but rather as a result of bad judgment. Our mistake was compounded in that when we saw our error, we tried to pull out by going in deeper. War has a fatal momentum of its own. The consequences of earlier military battles became the causes of later military action.

What will be remembered about Vietnam in the future? There is Mylai and the phrase "we had to destroy the village in order to save it." There were military phrases like "protective reaction" and the two that bracketed the Cambodian "incursion," first that the United States could not act "like a pitiful, helpless giant" and after it was over that it was "the most successful operation of this long and very difficult war."

There were the heroic sacrifices of many of our finest young men who were drawn from their homes, from their families, from their friends, to fight in a foreign land in a war that many of them did not understand.

One of the best evaluations of our long involvement in Southeast Asia was recently written by John Graham of the London Financial Times who observed that the United States "has bombed four countries and invaded two to withdraw from one."

America has done its duty in Vietnam. We have now trained and set up an army of a million South Vietnamese to fight an army certainly no larger in size. For far too long we have played the role of policeman in Indochina. It is now the responsibility of the Vietnamese to stand on their own two feet and to defend themselves.

The plain fact is that we need to reorder our national priorities and to fight the problems that beset us in America rather than devoting our attention to fighting the Vietcong in Southeast Asia. We need to turn our attention to the problems of crime, pollution, poverty, housing, and educational and job opportunities for our youth. We need to concentrate on establishing mass transportation programs in cities and on improving the lot of our nation's senior citizens so that they can enjoy their golden years free from the pangs of financial worry.

Until we recognize our responsibility to concentrate on solving these problems our cities will grow shabbier, our poor will become poorer, and unless permanent economic controls are implemented, our prices will get much higher.

Any reasonable appraisal shows that we have met our obligations in Vietnam. We made a mistake. If we can squarely face that hard and gritty fact, end the war in Vietnam, and turn our attention to our own problems, we will be an even greater Nation than we are now.

Mr. MAHON. Mr. Chairman, has the Clerk concluded the reading of the bill?

The CHAIRMAN. No. The Clerk has not.

The Clerk will read.

The Clerk concluded the reading of the bill.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes, pursuant to House Resolution 704, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 343, nays 51, answered "present" 2, not voting 34, as follows:

[Roll No. 402]

YEAS—343

Abernethy	du Pont	Kuykendall
Adams	Dwyer	Kyl
Addabbo	Edwards, Ala.	Kyros
Anderson, Calif.	Erlenborn	Landgrebe
Anderson, Ill.	Esch	Landrum
Andrews, Ala.	Eshleman	Latta
Andrews, N. Dak.	Evans, Colo.	Leggett
Annunzio	Evins, Tenn.	Lennon
Archer	Fascell	Lent
Arends	Findley	Lloyd
Ashbrook	Fish	Long, La.
Ashley	Fisher	Long, Md.
Aspinall	Flood	McClory
Baker	Flowers	McCollister
Baring	Flynt	McCormack
Begich	Foley	McCulloch
Belcher	Ford, Gerald R.	McDade
Bell	Forsythe	McDonald, Mich.
Bennett	Fountain	McEwen
Bergland	Frelinghuysen	McFall
Bevill	Frenzel	McKay
Biaggi	Frey	McKinney
Biester	Fulton, Tenn.	McMillan
Blanton	Fuqua	Macdonald, Mass.
Boland	Gallifianakis	Madden
Bolling	Gallagher	Mahon
Bow	Garmatz	Mailliard
Brademas	Gaydos	Mann
Brasco	Giaimo	Martin
Bray	Gibbons	Mathis, Ga.
Brinkley	Goldwater	Matsunaga
Brooks	Gonzalez	Mayne
Broomfield	Goodling	Mazzoli
Brotzman	Grasso	Meeds
Brown, Mich.	Gray	Melcher
Brown, Ohio	Green, Oreg.	Michel
Broyhill, N.C.	Griffin	Miller, Calif.
Broyhill, Va.	Gross	Miller, Ohio
Buchanan	Grover	Mills, Md.
Burke, Fla.	Gubser	Minish
Burke, Mass.	Gude	Mink
Burleson, Tex.	Hagan	Minshall
Burlison, Mo.	Haley	Mizell
Byrne, Pa.	Hall	Mollohan
Byrnes, Wis.	Hamilton	Monagan
Byron	Hammer-schmidt	Montgomery
Cabell	Hanley	Moorhead
Caffery	Hanna	Morgan
Camp	Hansen, Idaho	Morse
Carney	Hansen, Wash.	Moss
Carter	Harsha	Murphy, Ill.
Casey, Tex.	Harvey	Murphy, N.Y.
Cederberg	Hastings	Myers
Chamberlain	Hathaway	Natcher
Clancy	Hays	Nelsen
Clark	Hébert	Nichols
Clawson, Del	Heckler, Mass.	O'Hara
Cleveland	Heinz	O'Konski
Collier	Henderson	O'Neill
Collins, Tex.	Hicks, Mass.	Passman
Colmer	Hicks, Wash.	Patman
Conable	Hillis	Patten
Conte	Hogan	Pelly
Corman	Hollifield	Pepper
Coughlin	Horton	Perkins
Crane	Hosmer	Pettis
Culver	Howard	Peyser
Daniel, Va.	Hull	Pickle
Daniels, N.J.	Hunt	Pike
Danielson	Hutchinson	Pirnie
Davis, Ga.	Ichord	Poage
Davis, S.C.	Jacobs	Poff
Davis, Wis.	Jarman	Powell
de la Garza	Johnson, Calif.	Preyer, N.C.
Delaney	Johnson, Pa.	Price, Ill.
Dellenback	Jonas	Price, Tex.
Denholm	Jones, Ala.	Pryor, Ark.
Dennis	Jones, N.C.	Pucinski
Dent	Jones, Tenn.	Purcell
Devine	Karth	Quie
Dickinson	Kazen	Quillen
Dingell	Keith	Railsback
Donohue	Kemp	Randall
Dorn	King	Rarick
Duncan	Kluczynski	Reid, N.Y.
Rhodes	Skubitz	Udall
Robinson, Va.	Slack	Ullman
Robison, N.Y.	Smith, Calif.	Van Deerlin
Rodino	Smith, Iowa	Vander Jagt
Roe	Smith, N.Y.	Veysey
Rogers	Snyder	Vigorito
Roncalio	Spence	Waggonner
Rooney, N.Y.	Springer	Wampler
Rooney, Pa.	Staggers	Ware
Rostenkowski	Stanton, J. William	Whalley
Roush	Stanton, James V.	White
Rousselot	Steele	Whitehurst
Roy	Steiger, Ariz.	Whitten
Ruppe	Steiger, Wis.	Widnall
Ruth	Stephens	Wiggins
St Germain	Stratton	Williams
Sandman	Stubblefield	Wilson, Bob
Satterfield	Stuckey	Wilson, Charles H.
Saylor	Sullivan	Winn
Scherle	Symington	Wright
Schmitz	Talcott	Wyatt
Schneebeli	Taylor	Wylie
Schwengel	Teague, Calif.	Wyman
Scott	Teague, Tex.	Yatron
Sebelius	Terry	Young, Fla.
Shipley	Thomson, Wis.	Young, Tex.
Shoup	Thone	Zablocki
Shriver	Tiernan	Zion
Sikes		Zwach
Sisk		

NAYS—51

Abourezk	Ford, William D.	Obey
Abzug	Fraser	Rangel
Aspin	Green, Pa.	Rees
Badillo	Harrington	Reuss
Barrett	Hawkins	Rosenthal
Bingham	Hechler, W. Va.	Roybal
Burton	Helstoski	Ryan
Carey, N.Y.	Hungate	Scheuer
Chisholm	Kastenmeier	Seiberling
Clay	Koch	Stokes
Collins, Ill.	Lujan	Thompson, N.J.
Conyers	McCloskey	Vanik
Dellums	Metcalfe	Waldie
Dow	Mitchell	Whalen
Drinan	Mosher	Wolff
Eckhardt	Nedzi	Yates
Edwards, Calif.	Nix	
Eilberg		

ANSWERED "PRESENT"—2

Riegle	Thompson, Ga.

NOT VOTING—34

Abbitt	Cotter	Link
Alexander	Derwinski	McClure
Anderson, Tenn.	Diggs	McKevitt
	Dowdy	Mathias, Calif.
Betts	Downing	Mikva
Blackburn	Dulski	Mills, Ark.
Blatnik	Edmondson	Podell
Boggs	Edwards, La.	Roberts
Celler	Griffiths	Runnels
Chappell	Halpern	Sarbanes
Clausen, Don H.	Keating	Steed
	Kee	Wydler

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Thompson of Georgia for, with Mr. Podell against.

Mrs. Griffiths for, with Mr. Mikva against.

Mr. Boggs for, with Mr. Diggs against.

Until further notice:

Mr. Steed with Mr. Betts.

Mr. Link with Mr. Keating.

Mr. Roberts with Mr. Blackburn.

Mr. Runnels with Mr. Don H. Clausen.

Mr. Chappell with Mr. Derwinski.

Mr. Celler with Mr. Halpern.

Mr. Alexander with Mr. McClure.

Mr. Kee with Mr. McKevitt.

Mr. Dulski with Mr. Wydler.

Mr. Edmondson with Mr. Mathias of California.

Mr. Abbitt with Mr. Cotter.

Mr. Blatnik with Mr. Anderson of Tennessee.

Mr. Mills of Arkansas with Mr. Dowdy.

Mr. THOMPSON of Georgia. Mr. Speaker, I have a live pair with the gentleman from New York (Mr. PODELL). If he had been present he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Defense appropriation bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUEST TO ADJOURN TO 11 A.M. TOMORROW

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today that it adjourn to meet at 11 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. CRANE. I object, Mr. Speaker.

FOREIGN AID AUTHORIZATION, 1972

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 710, Rept. No. 92–674), which was referred to the House Calendar and ordered to be printed:

H. RES. 710

Resolved, That immediately upon the adoption of this resolution and without the intervention of any point of order the bills of the Senate S. 2819 and S. 2820 are hereby taken from the Speaker's table; that said Senate bills are hereby amended by striking out all after the enacting clause of each such Senate bill and inserting in lieu thereof the text of the bill H.R. 9910 as passed by the House on August 3, 1971; that the said Senate bills as so amended shall be considered as read a third time and passed; that the title of each such Senate bill shall be amended by striking out such title and inserting in lieu thereof the title of H.R. 9910; that the House insists upon its amendments to each such Senate bill and requests conferences with the Senate, and that the Speaker appoint managers on the part of the House to attend each such conference.

AMENDMENTS BY MR. THOMPSON OF NEW JERSEY TO AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 11060, A BILL TO LIMIT CAMPAIGN EXPENDITURES

Mr. THOMPSON of New Jersey. Mr. Speaker, at the appropriate time during consideration of H.R. 11060, a bill to limit campaign expenditures, I intend to offer an amendment to the text of H.R. 11280 if the text of that bill is offered as an amendment in the nature of a substitute for H.R. 11060. I ask unanimous consent to have the amendment printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The text is as follows:

AMENDMENTS OFFERED BY MR. THOMPSON OF NEW JERSEY TO AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED TO H.R. 11060

(Page and line references to H.R. 11280.)

Page 23, strike out lines 19 and 20 and insert in lieu thereof the following:

(g) "Registry" means the Registry of Election Finance, established by section 310(a);

(h) "Board" means the Federal Elections Board, established under section 310(b);

Page 23, line 21, strike out "(h)" and insert in lieu thereof "(i)".

Page 23, line 24, strike out "(i)" and insert in lieu thereof "(j)".

Page 25, line 21, strike out "Commission" and insert in lieu thereof "Board".

Page 26, beginning on line 9, strike out "Federal Elections Commission" and insert in lieu thereof "Registry of Election Finance".

Page 28, line 13, strike out "Commission" and insert in lieu thereof "Registry".

Page 26, line 16, strike out "him" and insert "the Registry".

Page 27, line 6, strike out "Commission" and insert in lieu thereof "Board".

Page 27, line 11, strike out "Commission" and insert in lieu thereof "Registry".

Page 27, beginning on line 17, strike out "Commission at such time as it prescribes" and insert in lieu thereof "Registry at such time as the Board prescribes".

Page 28, line 23, strike out "Commission" and insert in lieu thereof "Board".

Page 29, beginning on line 1, strike out "Commission" and insert in lieu thereof "Registry".

Page 29, line 7, strike out "Commission" and insert in lieu thereof "Registry".

Page 29, line 12, strike out "Commission" and insert in lieu thereof "Registry".

Page 29, line 13, strike out "it" and insert in lieu thereof "the Board".

Page 29, line 18, strike out "Commission" and insert in lieu thereof "Board".

Page 32, line 7, strike out "Commission" and insert in lieu thereof "Board".

Page 32, line 9, strike out "Commission" and insert in lieu thereof "Board".

Page 32, line 12, strike out "Commission" and insert in lieu thereof "Board".

Page 33, line 1, strike out "Commission" and insert in lieu thereof "Registry".

Page 33, line 15, strike out "Commission" and insert in lieu thereof "Board".

Page 33, line 16, strike out "Commission" and insert in lieu thereof "Board".

Page 33, line 23, strike out "Commission" and insert in lieu thereof "Board".

Page 34, line 23, strike out "Commission" and insert in lieu thereof "Registry".

Page 34, line 34, strike out "it" and insert in lieu thereof "the Board".

Page 35, strike out lines 3 through 8 and insert in lieu thereof the following:

"Duties of the Registry and Board

"SEC. 208. (a) It shall be the duty of the Registry—

"(1) to furnish such forms as the Board may prescribe for the making of reports and statements required to be filed with the Registry under this title to the person required under this title to file such reports and statements;"

Page 36, beginning on line 15, strike out "it shall determine and broken down into" and insert in lieu thereof "the Board shall determine for".

Page 36, line 21, strike out "it shall determine and broken down into" and insert in lieu thereof "the Board shall determine for".

Page 37, line 1, insert "as the Board directs" before "special".

Page 37, line 5, strike out "it" and insert in lieu thereof "the Board".

Page 37, line 8, insert "and" after the semicolon.

Page 37, strike out line 13 and all that

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follows down through line 23 on page 38, and insert in lieu thereof the following:

"quired under the provisions of this title.

"(b) It shall be the duty of the Board—

"(1) to direct the activities of the Registry to assure that it carries out the duties required of it under subsection (a) of this section;

"(2) to report apparent violations of law to the appropriate law enforcement authorities and take appropriate action under subsection (c); and

"(3) to prescribe such rules and regulations, and to take such other actions, as it determines are necessary or appropriate to carry out the provisions of this title.

"(c) (1) Any person who believes a violation of this Act has occurred may file a complaint with the Registry. If the Board determines there is substantial reason to believe such a violation has occurred, it shall direct the Registry to expeditiously make an investigation of the matter complained of. Whenever in the judgment of two-thirds of the members of the Board, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act or any regulation or order issued thereunder, the Board shall institute a civil action for appropriate relief in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or preliminary injunction or temporary restraining order may be granted without bond by such court, but no temporary restraining order may be granted without hearing.

"(2) In any action brought under paragraph (1) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

"(3) The courts of appeals shall have jurisdiction of appeals from orders issued under paragraph (1) in accordance with chapter 83 of title 28, United States Code."

Page 39, line 11, strike out "Commission" and insert in lieu thereof "Registry".

Page 39, line 16, strike out "Commission" and insert in lieu thereof "Board".

Page 40, line 11, insert before the semicolon the following:

": *Provided* that any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose"

Page 40, strike out line 15 and all that follows down through line 20 on page 43 and insert in lieu thereof the following:

"Registry of Election Finance and Federal Elections Board

"SEC. 310. (a) There is hereby created in the General Accounting Office a Registry of Election Finance.

"(b) In carrying out the duties prescribed by this Act the Registry shall be subject to the direction of a Board to be known as the Federal Elections Board, which shall be composed of seven members consisting of the Comptroller General of the United States, and six appointive members who shall be chosen from persons who, by reason of maturity experience, and public service have attained a nationwide reputation for integrity, impartiality, and good judgment, are qualified to carry out the duties of the Board. Two of such appointive members (who may not both be members of the same political party) shall be appointed by the President. Two of such appointive members (who may not both be members of the same political party) shall be appointed by the Speaker of the House of Representatives. Two of such appointive members (who may not both be members of the same political party) shall be appointed by the President pro tempore of the Senate. Of the members (other than the Comptroller General) who first take office—

"(1) one shall be appointed for a term of two years, beginning from the date of enactment of this Act,

"(2) one for a term of four years, beginning from such date,

"(3) one for a term of six years, beginning from such date,

"(4) one for a term of eight years, beginning from such date,

"(5) one for a term of ten years, beginning from such date, and

"(6) one for a term of twelve years, beginning from such date,

as designated by the Comptroller General at the time such members take office; but their successors shall be appointed for terms of twelve years each, except that a person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. No appointive member of the Board may be a Member of Congress or an officer or employee of the House or Senate. The Board shall designate one member to serve as Chairman of the Board and one member to serve as Vice Chairman. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office.

"(c) A vacany on the Board shall not impair the right of the remaining members to exercise all the powers of the Board; except that four members thereof shall constitute a quorum.

"(d) The Registry shall have an official seal which shall be judicially noticed.

"(e) The Board shall at the close of each fiscal year report to the Congress and to the President concerning the actions it has taken; the names, salaries, and duties of all individuals in the Registry's employ and the money the Registry has disbursed; and shall make such further reports on the matters within the Board's jurisdiction and such recommendations for further legislation as may appear desirable.

"(f)(1) Subject to paragraph (2), members of the Board shall, while serving on the business of the Board, be entitled to receive compensation at a rate fixed by the Director of the Office of Management and Budget, but not in excess of the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule, for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Board.

"(2) Members of the Board who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Board.

"(3) While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

"(g) The principal office of the Registry shall be in or near the District of Columbia, but the Board may meet or exercise any of its powers at any other place.

"(h) All officers, agents, attorneys, and employees of the Registry or the Board shall be subject to the provisions of sections 7323 and 7324 of title 5, United States Code (relating to political activities of Federal employees), notwithstanding any exemption contained in either such section.

"(i) The Board shall appoint an Executive Director of the Registry without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, to serve at the pleasure of the Board. The Executive Director shall be responsible for the administrative operations of the Registry and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Board. However, the Board shall not delegate the making of regulations regarding elections to the Executive Director.

"(j) The Board shall appoint and fix the compensation of such personnel as it is deemed necessary to fulfill the duties of the Registry in accordance with the provisions of title 5, United States Code.

"(k) The Board may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(l) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"'(131) Executive Director, Registry of Election Finance.'

"(m) In carrying out its responsibilities under this title, the Board shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Registry such personnel, facilities, and other assistance, with or without reimbursement, as the Board may request."

Page 44, line 10, strike out "Commission shall" and insert in lieu thereof "Board shall direct the Registry to."

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 946, FURTHER CONTINUING APPROPRIATIONS, 1972

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 711, Rept. No. 92–675), which was referred to the House Calendar and ordered to be printed:

H. RES. 711

Resolved, That it shall be in order to consider a conference report on the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, the same day reported on any day thereafter, notwithstanding the provisions of clause 2, Rule XXVIII.

HOUR OF MEETING TOMORROW

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TAKEN AT THE FLOOD

The SPEAKER pro tempore (Mr. BOLLING). Under a previous order of the House, the gentleman from Arizona (Mr. STEIGER) is recognized for 60 minutes.

GENERAL LEAVE

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. STEIGER of Arizona. Mr. Speaker, it is with a great deal of pride that I stand here today and talk about a bill that I am introducing—a bill that will have great meaning to millions of Americans concerned with individual freedom.

To paraphrase William Shakespeare:

If there are tides in the affairs of men which, when taken at their flood, lead on to fortune.

So, too, are there tides in the fortunes of social causes and movements which, if properly grasped, can propel them to dizzying heights.

In a speech a few years ago a great American U.S. Senator, Everett McKinley Dirksen, said that just such a tide had occurred for American labor in the mid-1930's, a tide, he said, "which was to lead to union power and privilege exceeding the visionary dreams of the most zealous of labor partisans, and to result in passage of the National Labor Relations Act in 1935, a statute which gave unions such an abundance of riches that for the next 20 years they virtually staggered under the load."

At the very top of the list of special benefits which this new Federal bonanza gave union officials was the right—the exclusive right—to represent all workers, union and nonunion alike, in any bargaining unit in which a union achieved majority status. Along with this privilege the act also authorized agreements between unions and employers that would require all employees to join the union and pay dues as a condition of employment.

As Senator Dirksen pointed out, union officials were quick to take advantage of the tide and made compulsory union membership their major organizing and bargaining goal. Under the sanction of Federal law, labor officials were so successful that from 1935 to 1945 union membership rose from 2 million to about 17 million. No accurate estimate can be made as to how many of these 17 million members were dragooned into the unions under compulsory union shop agreements but Senator Dirksen said a reasonable guess was between 2 and 3 million.

In spite of this amazing success, the officials of organized labor have never been able to convince the American people of the rightness of compulsory unionism and, beginning in 1944, some 19 States enacted right-to-work laws outlawing compulsory union membership. Eleven of these State laws were in force at the time Congress adopted the Taft-Hartley Act amendments to the NLRA in 1947, including the now famous section 14(b) that authorizes State right-to-work laws.

Eighteen years later—just 7 years ago—the advocates of compulsory unionism appeared to be riding the tide at its flood and the repeal of section 14(b) seemed imminent. But opposing them were Senator Dirksen and a stalwart bipartisan band of Senators who believed in individual rights for all Americans.

During the course of an extended Senate debate numerous constitutional arguments were made in support of the right-to-work principle, with many Senators expressing the view that compulsory union membership and coerced payment of union dues runs counter to the basic concepts of individual freedom expressed in the first, fifth, and 14th amendments to the Constitution and seriously infringes those rights. No person, Senator Dirksen argued, should be required to belong to or pay money to any private organization for the right to earn a living for himself and his family.

In this, they reflected the instinctive reaction of the American public. The fantastic flood of mail which poured into congressional offices during the debates ran as high as 20 to 1 against repeal, and every opinion research poll taken throughout the country by newspapers and professional pollsters showed the general public overwhelmingly opposed to the idea of forcing a man to join a union in order to keep his job.

The Chicago Daily News said:

Few things in life are more basic than the right of an individual to choose the method by which he earns his livelihood.

The Washington Daily News said:

We hold that any person has a right to join a union. He should have the same right not to join. He should not be coerced either by his factory-boss or by the union boss. Or should we quit pretending this is still a free country?

The Miami Herald said:

The right to join a labor union must be balanced by the right to stay out, if individual freedom is to be preserved.

The Portland Oregonian put it this way, saying:

We see little difference in the area of human rights between denying a person employment because of color, religion, race or sex and denying a person employment because he will not join a union.

The Philadelphia Inquirer commented:

It is one of the remarkable anomalies of our times that people who cherish their designation as "liberals" should be in the forefront of those pressing for compulsory unionism.

And the Worcester, Mass., Gazette put it so eloquently, saying:

Any federal action denying this civil right to the country's working man, would tend to make a mockery of recent executive, judicial and legislative action in behalf of other civil rights.

Section 14(b) was not repealed, thanks to Senator Dirksen and his allies. The tide had been turned.

Since then the opponents of compulsory union membership have steadily been gaining strength.

In 1970 this body debated and enacted by a wide margin a right-to-work law covering postal employees. The amendment to the postal reorganization bill was sponsored by Congressman DAVID HENDERSON and Congressman H. R. GROSS—and passed by a wide margin. Congress had spoken and its intent was clear—compulsory union membership is wrong and we must do something about it. By the way both Congressman HENDERSON and Congressman GROSS, I am pleased to say, are cosponsoring the bill I am introducing today.

Early this year the Senate again debated the use of compulsory dues for political spending, and defeated an amendment to the campaign reform bill introduced by Senator PETER DOMINICK. But 38 Members of that legislative body said, "No, it is wrong to take money forcibly from any American and spend it on political candidates and ideological causes he opposes."

Finally, just a month ago, the House Administration Committee approved an amendment to its campaign reform bill that would curb the use of compulsory dues for politics. That bill is now before the House.

Yes, the tide is building up. As the respected National Right to Work Committee said recently:

With almost unanimous agreement by the public and by most respected economists, that excessive union power is a key factor in bringing our nation to the brink of economic disaster, Congress and the President have the opportunity to deliver a telling blow at a root cause of union monopoly: compulsory union membership. Failure to deal with the fundamental problem of unrestrained union power—

The committee prophesied:

will leave no alternative to permanent straitjacket government regulation of the economy.

The point has not been lost by the majority of Americans who oppose compulsory unionism and most labor union members. In fact, according to a recent survey of union members by Opinion Research Corp. more than two-thirds of them place a negative rating on the performance of union officials, both in advancing the interest of union members and in meeting their public responsibilities.

The confidence gap is real. Most union members feel that their present union officials do not represent them. The union officials are not there because the members want them. The union officials are there because of compulsory union shop contracts which make it impossible to get rid of them. Poll after poll has shown this to be true, including a secret study done by AFL–CIO officials in 1967.

In 1935 Congress took the radical step of authorizing the forced unionization of workers who would not voluntarily affiliate with, and pay dues to, labor organizations. Experience has shown this to be a boon for union officials at the expense of the rank-and-file worker—many of whom did not want to be represented by the labor officials to begin with. The time has never been more ripe for the removal of this sanction. The vast majority of the American people want Congress to take action on this problem. They believe that each worker should be free to decide whether or not he will join a labor organization.

Mr. Speaker, the time is ripe, and if there are tides in the affairs of men which when taken at their flood lead on to fortune so too are there tides in the fortunes of social causes and movements which, if properly grasped, can propel them to dizzying heights.

I think the time is here to open the flood gates, so I have today introduced a bill that amends the NLRA and the Railway Labor Act by deleting those provisions authorizing compulsory unionism.

This bill is not antilabor but pro-worker.

This bill will not interfere with a union's right to organize, nor its right of collective bargaining.

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This bill merely changes Federal policy favoring compulsory unionism to one favoring voluntary union membership in all 50 States.

In closing let me say that it seems to me to be amazing that we here in the United States who are so preoccupied and concerned with individual liberties have so long tolerated such a flagrant abuse of individual liberty as compulsory unionism. It is time to stand up for freedom.

The bill reads as follows:

To preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 7 of the National Labor Relations Act is amended by striking out "except to the extent that such right may be affected by an agreement requiring membership in a labor organization as a condition of employment as authorized in section 8(a)(3)."

(b) Section 8(a)(3) of such Act is amended by striking out all of section 8(a)(3) after "labor organization" the first time it appears and inserting in lieu thereof a semicolon.

(c) Section 8(b)(2) of such Act is amended by striking out everything after "subsection (a)(3)" and inserting in lieu thereof a semicolon.

(d) Section 8(f) of such Act is amended by striking out clause (2), and by redesignating clauses (3) and (4) as (2) and (3) respectively.

Sec. 2. The Railway Labor Act is amended by striking out section 2, Eleventh, thereof.

A list of the cosponsors of the bill follows:

David Henderson, of North Carolina.
William J. Scherle, of Iowa.
W. M. Abbitt, of Virginia.
James Haley, of Florida.
Bill Archer, of Texas.
Ben B. Blackburn, of Georgia.
Earl F. Landgrebe, of Indiana.
O. C. Fisher, of Texas.
Robert Price, of Texas.
J. Kenneth Robinson, of Virginia.
William Scott, of Virginia.
John Schmitz, of California.
H. Allen Smith, of California.
James Collins, of Texas.
Edwin Eshleman, of Pennsylvania.
LaMar Baker, of Tennessee.
H. R. Gross, of Iowa.

Mr. SCHMITZ. Mr. Speaker, we Members of the House are duty bound to carefully weigh two irrefutable facts pertaining to this proposed change in our Federal labor policy.

The first of the unassailable facts is that millions of American wage earners are now being compelled to pay money to labor unions as a condition of earning their livelihood. Their failure or refusal to pay union dues or fees will cause them to lose their jobs. The Congress authorized this compulsion in the National Labor Relations Act and the National Railway Labor Act.

The second indisputable fact is that compulsory union dues are being used to support political candidates and causes which the duespayers would not willingly support if they were given a free choice.

Time and time again we have been told by union spokesmen and their allies that union political activities are financed exclusively by voluntary contributions.

This fiction is belied by the constitution of the Nation's second largest labor organization, the United Automobile, Aerospace and Agricultural Implement Workers International Union, which is commonly identified as the UAW.

Earlier this year UAW attorneys boasted publicly that—

It is the only international union in this country which provides a procedure by which individual members, as a matter of conscience, may dissent from the political activity of the UAW and enter an objection to the expenditure of a portion of their dues for political purposes.

This is a boast which merits the attention of the Congress and the American people. It clearly and unmistakeably acknowledges the diversion of union dues—as distinguished from voluntary contributions—into political channels.

Article 16, section 7 of the UAW constitution stipulates:

Any member shall have the right to object to the expenditure of a portion of his dues money for activities or causes primarily political in nature. The approximate proportion of dues spent for such political purposes shall be determined by a committee of the (union's) International Executive Board, which shall be appointed by the President, subject to the approval of said Board.

However, a dissenting member's objection will be considered only if he files his objection within 14 days after he becomes a member of UAW, or during a 14-day period following each anniversary of his union membership.

The UAW's lawyers admitted:

Since its inception, the UAW has considered political activity as part and parcel of its total function.

They said:

The union's officers have engaged in political spending in obedience to the union's constitution and convention mandates.

And, according to the union's attorneys:

The Congress has given its approval to political and ideological expenditures by union officers.

Mr. Speaker, I challenge this interpretation of the labor laws enacted by the Congress. The legislative branch has intended, and the courts have so ruled, that union dues are to be used only to defray the costs of negotiating and administering collective agreements.

The Supreme Court held in the Street case (*International Association of Machinist* v. *Street*, 367 US 740, 763, 6 L Ed 2nd 1158 (1961)):

Congress contemplated compulsory unionism to force employees to share the costs of negotiating and administering collective agreements and the costs of the adjustment and settlement of disputes. One looks in vain for any suggestion the Congress also meant to provide the unions with a means of forcing employees over their objection, to support political causes which they oppose.

This information pertinent to the UAW came to light as a consequence of a lawsuit filed in mid-March of this year by some of the rank-and-file members who oppose the union's partisan political action. They are employed at the General Motors Corp.'s Fisher Body plant at Willow Springs, Ill., and their formal complaint names UAW President Leonard Woodcock and four other officials of that union as defendants. The lawsuit demands an accounting of the union's political and ideological expenditures and repayment of money which they contend was spent illegally.

These dissenting members allege that Community Action Program Councils are being used as the UAW's political arm to channel dues money into the campaigns of candidates favored by the union's hierarchy.

According to a brief filed on behalf of the employee plaintiffs:

It is mandatory that each UAW local set aside a minimum of 3% of each member's monthly membership dues as a per capita payment of the Community Action Program fund. Membership dues average $10.00 a month, or $120.00 per member per year, paid by the 1.5 million UAW members. A simple mathematical projection shows that the total membership dues paid to the UAW amounts to $180 million a year, and the 3% mandatory assessment for CAP thus amounts to $5.4 million annually. The defendant UAW officers have never provided the union members with a report or an accounting showing how they have used this money.

These employee plaintiffs who are objecting to the union's use of their dues money for political causes they disapprove have only two options. One, they can resign from the union which would cause them to lose their jobs; or two, turn to the courts as they have done.

A third option must be made available to these union members as well as all of America's working men and women, an option that would permit an individual to drop his membership in a union and still retain his job.

Mr. Speaker, Congress can provide this latter option by favorably considering a National Right to Work Law.

Mr. BLACKBURN. Mr. Speaker, Great Britain's labor unions, wrote political reporter Anthony Lejeune recently, "have acquired the status of feudal barons. Governments are afraid to touch them, no matter what the national interest requires. This is a menace which affects the whole nature and continuance of free Western society."

This problem is not unique to Britain. Our governments have been known to jump through the hoop at a union official's call. Both Presidents Franklin Roosevelt and Lyndon Johnson, at first opposed to compulsory unionism, ended up supporting it because the union hierarchy insisted they must.

AFL–CIO President George Meany has been identified as "the most powerful political figure in the United States and I am not sure I would exclude President Nixon."

Those words should give us pause, pause, spoken as they were this year by nationally syndicated columnist and labor expert Victor Riesel. Has our democratic process become so distorted that a single union official is more powerful than the man democratically elected by the American people? How has this come about?

The answer can be found in a June Reader's Digest article titled "Where Labor Gets Its Political Muscle." The author says:

The development of this awesome political muscle became possible after Congress granted unions the power to make contracts forcing workers—if they want to keep their jobs—to join unions and pay dues (the union shop) or to pay a fee to unions in lieu of joining (the agency shop).

Increasingly, unions are using (these) compulsory dues to back causes and candidates of the leaders' choosing, without regard to whether any individual worker agrees with the choice.

This repugnant practice, therefore, became possible only after we in the Congress gave union professionals the power of compulsory unionism; only after we wrote into law a national labor policy that robs American workers of their individual and political freedom.

It is time, I submit, to change that policy. This can only be done through adoption of a national right-to-work law. Serious reflection leads me to believe that this is the only vehicle to correct an abuse that gnaws at the very vitals of the United States as a representative government.

We are told that the Federal Corrupt Practices Act prohibits unions from contributing any money to candidates for Federal office. Gentlemen, how ineffectively that bars the injection of compulsory dues money into the American political process is attested to by AFL–CIO President George Meany himself.

He said last year:

You know we have these laws on the books—and they have been there for many, many years—Corrupt Practices Act and so forth—and honored, as far as I am concerned, they have been honored by everybody in the breach. I don't know of any candidate for office anywhere that gives a damn where he gets the money as long as he gets it when he gets into a campaign.

Union officials have hidden behind the flimsy shelter of the Corrupt Practices Act for years, while singsonging the phrase that the forced dues of rank-and-filers cannot possibly be used for political purposes.

But this fiction, thanks to Mr. Meany and a little commonsense, has now been exploded, the common refrain is "Give a Buck to COPE." COPE is the AFL–CIO's "voluntary" political arm, known as the Committee on Political Education. This year it is "five bucks to COPE," perhaps because of inflation.

At any rate, if every union member in the country gave a "buck to COPE" this would net union professionals a warchest of $18 million. Yet one authoritative labor observer states categorically that union officials shoveled out $60 million for the 1968 presidental campaign alone.

Why the discrepancy? Theodore H. White, respected author of "The Making of the President, 1968," offers a clue:

The dimension of the AFL–CIO effort . . . can be caught only in its final summary figures: The ultimate registration, by labor's efforts, of 4.6 million voters; the printing and distribution of 55 million pamphlets and leaflets out of Washington, 60 million more from local unions; telephone banks in 638 localities, using 8,055 telephones, manned by 24,611 union men and women and their families; some 72 225 house-to-house canvassers; and, on Election Day, 94,357 volunteers serving as car-poolers, materials distributors, baby-sitters, poll-watchers, telephoners.

Sooner or later we in the Congress will have to face up to the problem of the pressures placed on us by groups, organizations, and individuals who think in terms of selfish interest.

The Nation's workers should not be forced to pay union dues that are used for political purposes with which they disagree. The national right-to-work law would solve this problem.

It is the only meaningful legislation that would remove the inordinate political clout of union officials. As Justice Arthur Goldberg, writing for himself, the Chief Justice, and Justice Brennan, stated, in *Griswold* v. *Connecticut* 381 U.S. 479 (1964),

The concept of liberty protects those personal rights that are fundamental, and is not confined to the specific terms of the Bill of Rights . . . the language and history of the Ninth Amendment reveals that the Framers of the Constitution believed that there are additional fundamental rights protected from governmental infringement, which exist along side those fundamental rights specifically mentioned in the first eight constitutional amendments.

Certainly among those rights is the right to work without being enshrouded in the garments of political slavery. As one of the Framers of the Constitution, Thomas Jefferson, once wrote:

To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical.

Mr. PRICE of Texas. Mr. Speaker, I rise today to cosponsor legislation which would amend the two basic Federal industrial relations statutes—the National Labor Relations Act and the Railway Labor Act—by deleting that language of these two statutes which permits union officials and employers to negotiate agreements requiring employees to pay union dues as a condition of employment. The bill would not make it illegal for a plant to be 100 percent union. It would only make agreements illegal which require a plant to be 100 percent union. At present, 19 States have right-to-work laws prohibiting the "union shop," where a worker must join the union within 30 days after being hired, and similar forms of mandatory union membership and support. Our bill would extend the right-to-work principle throughout the Nation.

I am cosponsoring this legislation today because I believe that the freedom to associate or not to associate with private organizations, such as unions, and the freedom not to associate with such groups is a basic American right derived from democratic and constitutional concepts. Compulsory unionism is a violation of this right. By contrast compulsory unionism does not exist in most Western European nations. It is prohibited by constitution, statute, or judicial decision in France, West Germany, Belgium, Holland, Denmark, Austria, and Switzerland. In fact, the United Nations, which is revered by most "liberals" in the United States, has itself in 1958 adopted a Declaration of Human Rights which states in article 20 that "Everyone has the right to freedom of peaceful assembly and association," but "No one may be compelled to belong to an organization."

It seems clear to me that we here in the United States, and particularly those of us who regard ourselves as the enlightened leaders of the Free World nations, should not permit a type of compulsion abhorrent to the United Nations and prohibited by most of our Western European allies.

I support national right-to-work legislation also because it would represent a major step toward restoring a balance of power between organized labor and management. The health and vigor of democracy needs at least a rough balancing of the power of the various pressure groups competing for legislative, executive, and judicial favor and influence. If any one interest group achieves overriding power, then democracy fades and authoritarianism flourishes.

When the Wagner Act was passed in 1935 with a provision permitting the negotiation of contracts providing for the union shop, organized labor was weak relative to employers. Public policy was to strengthen unionism so that it could effectively represent the worker with a minimum of Government help and intervention. Today the situation is generally the reverse. Labor has the upper hand. Management, let us never forget, is the source of jobs. If management does not provide jobs, who will? More and more the unemployed are turning to the Government for work. This is a chilling trend, because in that direction lies socialism.

I believe that public policy today should strive to strengthen the hand of the employer in his bargaining with organized labor. The power of the unions to bring our economy to a halt with nationwide and regional strikes is all too evident. We have seen it more than once in recent years in the railroad industry. In the past 2 years we have seen crippling strikes in trucking, automotive production, electric products manufacture, even in the Federal Postal Service. Today emergency situations exist because of dock strikes and the coal strike.

The power of organized labor goes beyond the bullying of capital. Events of the last couple of months, in connection with the President's economic stabilization program, have shown us that labor has the might to force even the White House to bend the knee.

According to a 1970 survey by the Bureau of National Affairs of 400 collective bargaining agreements, 90 percent require membership in the union or, where membership is not actually required, compulsory payment of fees in lieu of union dues. These mandatory financial contributions are the source of a large part of organized labor's muscle. If the unions can get these contributions through voluntary association by the workers, fine. It is association by coercion that I object to, and that our bill would prohibit.

Texas, the State that I represent, has had a right-to-work law since 1947. During that time Texas has thrived economically. Between 1959 and 1969, the number of manufacturing jobs in Texas rose by 53 percent. For all 19 right-to-work States as a group including Texas, the number of manufacturing jobs over the 1959–69 period rose by 45 percent. In

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contrast, the number of such jobs over the same time span rose in the States without right-to-work laws by only a 15 percent average. It is true that many factors fuel industrial growth besides prohibition of compulsory unionism, but I firmly believe that such prohibition encourages industrial development, brightens the profit picture, provides jobs, and exerts a moderating pressure on wage demands and consequent price increases.

Farmworkers are not now covered by any Federal collective bargaining statute, but the time probably is not too far distant when they will be. This makes it all the more imperative to amend the National Labor Relations Act now. Compulsory unionism for farmworkers would only help to speed the unfortunate exodus of small farmers out of agriculture into the already overcrowded cities, and would raise farm prices. Since the poorer families expend a higher proportion of their incomes for food, increases in farm prices operate as a sort of regressive tax—a tax imposed on the poor by the special interest unions.

Mr. Speaker, there is much truth to the old cliche that two wrongs do not make a right. In other words, the excesses of big business of the early 20th century have, like the swinging of a clock pendulum merely succumbed to more recent excesses of big labor, neither of which in the long run can serve the Nation's best interest. The time has come to redress the balance, and I strongly urge the prompt enactment of this bill I am cosponsoring today.

Mr. ROBINSON of Virginia. Mr. Speaker, I am a cosponsor of legislation which is intended to insure that no employee anywhere in the United States, be required to join a labor union in order to retain his employment, because of a provision in a collective bargaining agreement.

This certainly is not a revolutionary concept. Virginia, for example, has had a statute of this kind in effect for a number of years, as have other States. Although there has been some objection to the term as not being precisely descriptive, such statutes are commonly referred to as "right-to-work" laws.

Obviously, the language of the existing State statutes, or of the proposed Federal one, does not guarantee anyone that he will be hired, or that he will not be discharged for nonperformance, or because of changing economic conditions affecting his employer.

The protection provided is against any requirement that the employee once hired, join a labor organization by a deadline fixed in a labor-management contract.

Organized labor insists that "maintenance-of-membership" provisions in collective bargaining agreements not only are essential to the continued vigor of unions, but also are justified on equitable grounds, in that they operate to insure that all who benefit directly from gains in wages and working conditions obtained through collective bargaining contribute to the operating costs of the bargaining agent—the union.

If I were a union official, or organizer, I should regard the "union shop," or maintenance-of-membership, provision as creating a very comfortable state of affairs. I would know that it would not be necessary for me to "sell" new employees on the advantages of union membership, because they would be required to join in order to stay on the job.

When a legislator, State or Federal, supports a so-called right-to-work law, he is likely to be branded antiunion. Since first becoming a candidate for the Senate of Virginia, I have taken that position and accepted the risks, but I insist that one does not have to harbor an animus toward unions per se—as I do not—in order to see merit in the type of protection for the individual worker which we are discussing today.

The place of the labor organization—the union—in our free enterprise system is well-established. The excesses of some labor leaders in the use of the economic power which they have amassed is not the subject of the legislation which I have joined in sponsoring in the House. They are a matter for other approaches.

What is pertinent is something which seems to require correction in the interest of simple fairness and common sense—the fact that there are many instances in the United States in which a qualified individual who is hired by an employer impressed by his qualifications thereupon becomes subject to the necessity of affiliating with a particular labor organization—the necessity, not the choice—because of a provision of a contract the employer has signed with that organization.

The employee is not permitted to evaluate the objectives and services of the organization and then decide to join or not to join.

The organization is not required to maintain its membership through its own record of performance in serving its members.

As I have said, this may contribute to the security of the union official or organizer, but it also removes the free choice of the worker. It is that free choice that I want to guarantee on a nationwide basis.

Mr. BAKER. Mr. Speaker, the power now being exercised by big labor union officials under existing Federal laws confirms the wisdom of Lord Acton's observation:

> Power tends to corrupt, and absolute power corrupts absolutely.

Among the powers now wielded by the union hierarchy is the authority to discipline both voluntary and involuntary members. This particular power has been reinforced by a series of rulings by the National Labor Relations Board and the courts. The most recent decisions on this question by the U.S. Supreme Court are *NLRB* v. *Allis-Chalmers Manufacturing Co.*, 338 U.S. 175, 195 (1967) and *Scofield* v. *NLRB*, 393 U.S. 995 (1969).

The question raised by the Scofield case was whether a labor organization can legally impose fines upon members and suspend them for exceeding a piece-work ceiling. In 1961 UAW local 283 levied fines of $50 to $100 on Scofield and other employees of the Wisconsin Motor Corp. and also suspended them for 1 year. Its purpose was to penalize them for exceeding a limitation on productivity.

After the workers refused to pay the fines, the union brought suit in State court to collect the fines. The employee defendants sought relief from the National Labor Relations Board, but relief was not forthcoming. The Board, the Court of Appeals for the Seventh Circuit, and the U.S. Supreme Court all ruled against the protesting employees.

In the Allis-Chalmers case, the Supreme Court ruled that a union may legally fine members who choose to cross picket lines in order to continue working during a strike.

These decisions have produced an unhealthy rash of union fines, which are being used by union officials as a weapon for controlling restive and rebellious members.

Among the other offenses for which unions have fined members are—

First, accusing a union official of misconduct,

Second, filing a petition with the NLRB for the purpose of removing the union as the workers' exclusive bargaining agent,

Third, failing to attend union meetings,

Fourth, filing an unfair labor practice charge against a union official, and

Fifth, failing to serve on a union picket line during a strike.

Fines imposed by unions on their members have ranged in size from $20 in the Allis-Chalmers controversy to $21,500 in a Writer's Guild case.

Clearly, this weapon is being brandished by big union officials to convince the individual union member that the only way he can escape union discipline is to remain in their good graces. Our proposed legislation is indeed a workers' "bill of rights" for both union and nonunion people.

Union spokesmen profess to protect workers from employer abuses. In today's economic society the union member's need is more nearly for protection from his big union boss than from other assaults.

The union's right to bargain for the member is established by Federal statute. That some statute permits the dragooning of the individual worker into the union. My State of Tennessee has a long established right-to-work law. It has weathered many attacks and reflects the independence and confidence of our workers.

Inevitably, the privileges conferred by the Congress upon unions have spawned intolerable abuses. The proposed legislation now under discussion will restore full freedom of choice to the Nation's working men and women. The work force and the entire Nation will benefit from the removal of the weapon of compulsory unionism from the hands of the union hierarchy. We can do no less for our people who love freedom.

INTRODUCTION OF RIGHT-TO-WORK PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ESHLEMAN) is recognized for 30 minutes.

Mr. ESHLEMAN. Mr. Speaker, there are many valid reasons why the Congress should reverse a Federal policy which, in effect, forces millions of workers to pay for unwanted union representation.

Foremost among these reasons, of course, is the concept embedded in the very marrow of our citizens: that Americans are free men, beholden to no private organization for the right to share in the fruits of this bountiful land.

Who can argue with this? It is the heritage of free men.

However, our predecessors in the Congress unwisely restricted individual freedom when they enacted the National Labor Relations Act in 1935. They put the Federal Government's stamp of approval on collective bargaining agreements designed to deny employment opportunities to nonunion workers.

That is exactly what happens under compulsory union shop arrangements. Since such arrangements are legal in those States where workers are not protected by right-to-work laws, union officials invariably place the highest priority on demands for compulsory unionism. This gives them the right to exact forced dues money from all workers in the bargaining unit with which to pursue far-ranging economic, political, and social schemes. The worker either pays the dues or gets fired.

Compulsory unionism clauses are written into contracts, almost without exception, as tradeoffs between union professionals and employers for considerations important to one or the other. Result: Usually less money for the workers the union professionals claim to represent.

Make no mistake. Today employers across the country are deducting huge sums of money in the form of union dues from the paychecks of their employees and transmitting those sums to union officials. Under the law, the individual worker has the option of authorizing the withholding of union dues from his wages or remitting the dues money on his own initiative. But, in either case, he either pays the union or suffers discharge if he is subject to a compulsory union shop agreement.

Section 302 of our present Federal labor code will remain virtually meaningless until we strike down the other provisions which sanction forced unionism.

This proposed national right-to-work law will eliminate the principal source of intolerable union abuses by restoring freedom of choice to all wage earners throughout the country. I confidently predict the introduction of this bill will provoke an irresistible grassroots demand for its passage.

NATIONAL BLOOD BANK ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. VEYSEY) is recognized for 15 minutes.

Mr. VEYSEY. Mr. Speaker, today I am introducing a bill to deal with the deadly problems with human blood in America.

In 1971 over 2 million blood transfusions will be performed in the United States. One out of every 150 of these will cause a death from serum hepatitis in the over 40 age group, plus a lot of very sick younger people.

The HEW Center for Disease Control in Atlanta reported 52,583 cases of serum hepatitis in 1970. This is only the tip of the iceberg. Because of the malpractice implications of hepatitis and the delay of 1 to 6 months after infection for illness to set in, it is often not reported. There may be half a million cases of this liver disease in the United States every year.

The victims of hepatitis occupy thousands of hospital beds, inflate the cost of medical insurance premiums for everyone and cause countless days of lost work. An expert in this field, Dr. J. Garrot Allen, of Stanford Medical Center, estimates at least 455,000 hospital bed days are devoted to hepatitis every year.

But hepatitis is almost entirely preventable. Strong action today could virtually stop this disease. The bill I am introducing will move forcefully to stamp out serum hepatitis.

For years, it has been clear that much of the hepatitis in this country comes from one source: the paid blood donor. Here is the man or woman with a reason to lie about his past medical history to get the money. He may be an alcoholic or a drug addict or live in conditions that invite hepatitis. Commercial blood banks that depend on the paid donor move right into his neighborhood and make it easy for him to sell his body.

Reliable studies have repeatedly shown the risk of contracting hepatitis from the blood of paid donors is from 11 to 70 times greater than the risk from voluntarily donated blood. Blood banks that use paid donors make it easy to ooze for booze, but the product they sell is death by the pint.

I want it clearly understood that many blood banks do not operate this way. There are many conscientious and reliable blood banks in this country, but their reputations are smeared by the tactics of the others. The best way to aid reputable blood banks is to require the less scrupulous ones to live up to the same high standards. My bill would require this.

One of the keys to stopping hepatitis is recruitment of volunteer donors. Not enough people donate because Americans have grown to believe that untainted blood can be bought and sold like hamburger rather than understanding the precious nature of this life-giving fluid. The Red Cross, even with the assistance of organized labor, has not been able to do the job. As Dr. Tibor Greenwalt, of the Red Cross said in a recent TV interview:

> You cannot blame the commercial blood banks for anything that has happened in this country. They were needed to fill the gap. The gap that was not filled in a total program by the Red Cross.

The second factor in the explosion of hepatitis today is the lack of adequate inspection and supervision of blood banks. Seventeen States have no law whatsoever on blood banking, and 21 others have only one—that being a law to prevent patients infected by tainted blood from recovering monetary damages. In these States anything is legal. Anyone could run a blood bank. It would be legal to use the blood of cadavers, or of very ill people, only seven States license blood banks, and only five inspect them.

The Federal Government's efforts in this field are close to scandalous.

I have in my hand a voucher used to pay the donors at a commercial blood bank here in Washington, D.C., is made out for $5, which is the going rate, but the only place this voucher can be cashed is at Moe's Liquor Store in the 1200 block of H Street Northeast. We all know how this works, the donor it attracts and the death and suffering it spreads.

Now this voucher is from a blood bank that is licensed and inspected by the Federal Government. The NIH knows this is going on, they know how much hepatitis it spreads, but they do nothing about it. The NIH Division of Biologics Standards licenses only 166 of the 7,000 blood banks in this country. They only supervise the blood after it is in the bag, and ignore conditions that put hepatitis into the bag.

They do not license or inspect the companies that import massive quantities of human blood plasma from places like Haiti, India, or the Dominican Republic. Today, they do not even require that this potentially infectious material be tested for the presence of hepatitis by the 25-percent effective Australia Antigen test that has been available for the last 10 months.

What seems to have happened to the Division of Biologics Standards is deadly. Division of Biologics Standards seems to have been "captured" by the groups it is supposed to regulate. There appears to be a pattern of senior personnel in the Division going to work for blood banks that use paid donors. Some of these people even return to the employ of Division of Biologics Standards. The prospect of such a job has rightly been called a deferred bribe. It produces the kind of regulatory neglect we find in blood banking today.

The three answers to the dangers in blood banking today are regulation, recruitment and research. My bill is aimed at regulation and recruitment, the two which can make an immediate difference. My bill would bring adequate supervision to blood banking for the first time. It would establish a new office in HEW to license, inspect and regulate all blood banks in this country. Because of the problems I have described, I would not place this responsibility with NIH.

The lack of voluntary blood is the only justification for using paid donors, so my bill provides a major national effort to recruit voluntary donors. It also recognizes the dilemma faced by doctors who cannot judge the risk in the blood they administer. My bill requires the source of all blood to be clearly stated on its label.

A direct approach is urgently needed to assure safety to blood recipients in this country. With the program I propose today we could virtually stamp out transfusion hepatitis. Melodramatic as it may sound, it is truly a matter of life or death.

MORE CRITICAL INFORMATION ON SICKLE CELL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, sickle cell anemia has the following medical definition:

A hereditary, genetically determined hemolytic anemia, one of the hemoglobinopathies, occurring in the Negro, characterized by arthralgia, acute attacks of abdominal pain, ulcerations of the lower extremities, oat-shaped erythrocytes in the blood and, for full clinical expression, the homozygous presence of S hemoglobin as defined by hemoglobin electrophoresis. Also called sicklemia, Dresbach's anemia and Herrick's anemia.

In addition, Mr. Speaker, I think it is important to include the following information on sickle cell hemoglobin:

HAEMOGLOBINOPATHIES

Most abnormal haemoglobins have been discovered during surveys in many parts of the world, and do not cause any disease. Some are clearly pathological.

SICKLE CELL HAEMOGLOBIN

The first discovered and the most well-known haemoglobin abnormality is sickle cell haemoglobin (Pauling *et al.*, 1949). The haemoglobin S aggregates under conditions of low oxygen tension and causes the "sickle" deformation of the red cell. It was shown that a valyl residue substitutes for the normal glutamyl residue at the sixth position from the *N*-terminal of the β-chain (Ingram, 1961). Sickle cell haemoglobin may thus be designated $\alpha_2{}^A\beta_2{}^S$ or, more specifically, $\alpha_2\beta_2{}^{6(A3)Glu\rightarrow Val}$. It has been proposed that the substitution of an acidic group by a non-polar group at this position permits the formation of an hydrophobic ring at the *N*-terminal of the β-chains which can fit into complementary regions on α-chains of neighbouring molecules, so leading to the formation of the massive insoluble superhelices of Hb-S (Murayama, 1962, 1964). In the oxygenated condition with the movement of the β-chains towards each other, the bonding between neighbouring tetramers is prevented.

The sickling of the red cells causes an increased red cell mechanical fragility and an increased blood viscosity leading to red cell stasis and thrombotic symptoms. The heterozygous sickle cell trait does not show these symptoms and may possess certain genetic advantages in special circumstances. There is now good evidence that the heterozygous sickle cell trait condition confers some protection against the malaria *Plasmodium falciparum* (Allison, 1961).

Mr. Speaker, Drug Research Reports, "Blue Sheet," volume 14, No. 15, April 14, 1971, had an article on sickle cell anemia pertaining to urea treatment of the disease and its possible consideration for a wide scale clinical testing program. I include the article at this point.

UREA TREATMENT USED SUCCESSFULLY WITH 14 SICKLE CELL CRISIS PATIENTS; NEED IS FOR WIDE-SCALE CLINICAL TESTING 2,000–3,000 CASES NEEDED

Dr. Robert Nalbandian reports he has treated 13 patients once each and a 14th patient twice with intravenous urea to abort sickle cell anemia crises without a therapeutic failure, a medical misadventure, or a death.

The Grand Rapids, Mich., pathologist also said there is promising evidence that the more than 80 sickle cell patients on maintenance regimens of oral urea will have a normal life-span. Sickle cell victims usually die before 40.

Dr. Makio Murayama, PhD, a research biochemist at the Natl. Institute of Arthritis & Metabolic Diseases (NIAMD), whose molecular studies paved the way for the urea treatment, said the next step is wide scale clinical testing. NIH plans to spend $6 mil. in the coming fiscal year on sickle cell anemia research, five times the amount being spend this year. Murayama anticipates some of this money being used for clinical evaluation of urea.

It is not clear at the moment whether the Nixon Administration knows how close it may be to a research payoff of considerable political importance—both for Nixon's image as well as for NIH's. Nixon's health message to Congress was the first time sickle cell anemia has been given priority research treatment ("The Blue Sheet" Feb. 18, p. 9).

Murayama said that between 2,000 and 3,000 patients must be tested. Coordinating the $6 mil. will be the Natl. Heart. & Lung Institute, which has not yet determined its priorities. Some of the money is expected to be used for genetic counseling, research, and screening as well as for various diagnostic and therapeutic approaches. (For a story on the contenders for this money, see p. 9 of this issue of "The Blue Sheet".)

Urea is widely available (Travenol, Abbott, others) and, so far, there is no patent position which would reserve the agent for any one pharmaceutical mfr. However, the large market for it might bring several mfrs. into production, as in the case of I-dopa—which presented considerable production problems—and lithium, which was easily produced.

Traditionally sickle cell treatment has been symptomatic, often with narcotics or analgesics. In cases of severe crisis, blood transfusions have been used on occasion. There is now no prophylaxis treatment except the experimental oral urea.

DRUG RESEARCH REPORTS

Sickle cell research made a major step forward in 1949 when Dr. Linus Pauling, demonstrating his molecular disease theory, showed that sickling was due to the presence of abnormal hemoglobin molecules.

Murayama began work with Pauling at Caltech in 1954 and there developed the theory that hydrophobic bonding was responsible for sickling. Murayama has recalled that so many of his fellow scientists were scoffing at hydrophobic bonding with its apolar quality that he was somewhat embarrassed to speak of it in formal research reports.

Undeterred, Murayama decided to build a scale model of a human hemoglobin molecule after he joined NIH. The size of a footlocker, the model uses 10,000 precision units of colored metal, and magnifies the molecule 127 mil. times.

Working in the basement of his home for six years at night to build and refine his model, Murayama finally was able to demonstrate that substitution of two amino acids in the molecule, a known characteristic of sickle cells, resulted in hydrophobic bonding. This bonding, in turn, distorted the shape of the red cells.

This sickling distortion is a twisting of the cells out of their normal doughnut shape to that of a sickle. The distorted cells clog blood vessels and block circulation. The patient is in great pain and often thrashes about. Victims have been found with shattered bones from that thrashing.

WORKING ON MURAYAMA'S THEORIES, NALBANDIAN DEVELOPED A MOLECULAR STRATEGY

Nalbandian has been aware of Murayama's work since 1963. He calls him an "authentic genius." Working on Murayama's molecular studies, Nalbandian said, "I assumed a molecular strategy for a chemotherapeutic attack on these hydrophobic bonds." At Blodgett Memorial Hospital in Grand Rapids, he tried the urea with both positive and negative results. There was prompt desickling but there also was hemolysis.

Using a procedure developed by brain surgeons to prevent cerebral edema, Nalbandian mixed urea with solutions of invert sugar. The hemolysis problem was ended. The oral prophylaxsis approach was developed to keep the anemia under control if possible, rather than only react to a crisis situation.

Urea has more supporters than doubters now. However, Nalbandian believes that "Everybody is getting excited about our work for the wrong reasons." For the right reason, he cites Pauling that "Sickle cell anemia . . . has become one of the first diseases for which there is a known molecular basis for pathogenesis, a molecular basis for diagnosis, and a molecular basis for treatment."

The Statement by Pauling comes from his foreword for a book edited by Nalbandian, *Molecular Aspects of Sickle Cell Hemoglobin—Clinical Applications*. "We might consider that medicine is now entering a new state," Pauling writes, "in which the detailed molecular understanding of the nature of diseases will be used effectively in the search for therapeutic methods."

Said Nalbandian: "What we have done by chemical method is take an incorrectly structured metabolite, hemoglobin S, and modified it chemically in such a manner that the lethal property of sickling has been inhibited without interfering with the critical life-supporting property of oxygen transport. That kind of therapeutic molecular remodeling has never been achieved before in medicine." Although ignored by the lay public for many years because it affected only blacks, sickle cell anemia research then may provide the key to unraveling other diseases.

MINIMAL $6 MILLION FOR SICKLE CELL ANEMIA BRINGS APPLICANT DELUGE; NIH GOES TO LAY LEADERS FOR RESEARCH ADVICE; NHLI COORDINATES HEW SICKLE SPENDING

A leading voluntary health group in the sickle cell anemia field is opposed to broad clinical trials of the leading sickle cell experimental drug, urea. Mrs. Iris Cox, founder of the Natl. Sickle Cell Disease Research Foundation, has reported clinical trials have begun under her foundation's aegis, but the investigational drug is not urea. Mrs. Cox says her group's medical advisory board feels urea is unsafe.

This poses problems for HEW because the sickle cell $5 mil. effort written into the President's Health Message to Congress for fiscal 1972 ($6 mil. with previously tabbed funds) is clearly recognized as a politically-laden program and HEW has set up a complex advisory apparatus to make sure volatile opinion is adequately ventilated on how to spend the money.

In anticipation of a deluge of grant applications for the $6 mil. HEW has called a series of meetings, the latest April 5–6 at NIH with about one-third in attendance from NIH's hematology study section, one-third MDs closely associated with the disease, and the rest black laymen. The disease factor is carried by 10% of all blacks and is a constant threat even in the absence of symptoms.

At NIH it was the same story, so familiar in recent years of "priority-setting" in the absence of an adequate natl. commitment to attack an urgent natl. health problem. The meeting covered the waterfront from basic research to screening and genetic counseling, with such candidate programs in between as screening to locate victims and carriers, developing better diagnostic procedures, finding better theraples, and spending to educate MDs, few of whom have had knowledgeable experience with the disease.

First HEW asks public advice, then says advice is secret; research guidance highly political

Even within the area of research some decision will be necessary between expanding basic studies and enlarging expensive clinical trials of the most promising drug, urea. (See related story in this issue on urea research, p. 7.)

While the group that met at NIH April 5–6 started working on recommendations, their ideas will not be made public. Rather they will be subject to approval of a higher advisory group, not yet named, which will meet in early May. The second group will also include scientists and laymen from outside NIH. Whether even this higher group has the final say remains to be seen. Reports from others have already gone to Secty. Richardson.

Current money, to be spent before June 30, amounts to about $1.5 mil. The $6 mil. is in the fiscal 1972 budget. The Natl. Heart & Lung Institute is coordinating the spending for the entire dept. under Institute Deputy Director Robert Ringler, who's long had an interest in the disease.

Fiscal 1971's kitty, $1.5 mil., is being divided among NHLI, Natl. Institute of General Medical Sciences (NIGMS), and the Natl. Institute of Arthritis and Metabolic Diseases (NIAMD). NHLI is handling clinical trials, NIAMD the etiology, and NIGMS the genetics work. The division of labor is expected to prevail in 1972. Health Services & Mental Health Administration is expected to get some new money for screening and counseling.

Much of the $6 mil. is not "new" money. Some of it, for instance, comes out of the coronary drug clinical testing program under NHLI ("The Blue Sheet" Mar. 17, p. 18).

The key role Mrs. Cox's foundation will play, at a time HEW is giving ear to money requests from quarters not always heard from in medical research circles, is indicated in the make-up of the Natl. Sickle Cell Disease Research Foundation, which has been asked to advise HEW. It constitutes six organizations in as many cities with a seventh in Chicago seeking admission:

(1) Assn. for Sickle Cell Anemia Inc. (NYC), (2) Volunteers in Aid of Sickle Cell Anemia Inc. (Philadelphia); (3) Sickle Cell Disease Research Foundation (LA); (4) Mid-South Assn. for Sickle Cell Disease (Memphis); (5) Assn. for Sickle Cell Anemia Research (DC); and (6) Assn. for Sickle Cell Anemia of N.J. (Newark). These groups are primarily composed of parents of children with sickle cell anemia but include MDs on their advisory boards.

Influential chairman of the natl. group's medical board is Howard U. Pediatrics Chairman Roland Scott. Honorary exec director of the foundation is Dr. L. W. Diggs, just retired from Tenn. U. (Memphis) where he was head of the sickle cell center and intimately involved with the disease since 1915. The disease was not identified until 1910.

The component units' primary purpose is to seek visibility for the disease and educate people to its symptoms and dangers. The DC group, under President Charles Young, wants to set up screening programs in black schools, efforts which are being repeated around the country. A major aim of these organizations also is to inform MDs what patient services are available. Young told "The Blue Sheet" that DC MDs have shown a desire for such information.

Pharmaceutical Mfrs.' Support Sought By Voluntary Health Foundation; Ortho Underwrites Pamphlets

Negotiations are underway with several drug firms for support of the foundation's activities. Mrs. Cox said they also hope to get some federal funds.

At present Ortho is underwriting the expenses of printing 80,000 Questions & Answer pamphlets which will be provided to clinics, hospitals, and other health care centers. Ortho has been the "backbone" of the foundation, Mrs. Cox said, and was instrumental in developing the 3-minute sickle dex test for detecting the disease or the trait.

Another NYC-based organization, The Foundation for Research and Education in Sickle Cell Disease, received nation-wide recognition with the receipt of a $50,000 award from Chase Manhattan Bank Foundation to increase awareness of the problem among possible black victims. This group was formed as the result of a break with the NYC Assn. for Sickle Cell Anemia Inc. in 1966, which went on to join the natl. organization.

According to the natl. foundation, the Foundation for Research and Education in Sickle Cell Disease has sought to affiliate with the natl. group. They have refused, however, upon being told that NYC cannot handle two such groups and that they must fuse with the local Assn. for Sickle Cell Anemia Inc.

The foundation currently operates in conjunction with five hospitals in the NYC area equipped with special clinics for treatment of sickle cell anemia:

Jamaica Hospital, St. Luke's Hospital Center, Sydenham Hospital, Morrisania Hospital, and Kings County Hospital. Foundation services include free testing for presence of the disease at its offices, as well as through mobile units.

President of the foundation, Dr. Doris Wethers, told "The Blue Sheet" the group is practically unable to keep up with the demand for testing, even though they have yet to launch a large-scale educational campaign. Other services are provided by the clinics, with referrals often made from the foundation. The group hopes to be able eventually to provide more comprehensive services, possibly with help from an HEW grant.

Mr. Speaker, the preceding data was sent to me by Dr. Gerald P. Murphy, director of the Roswell Park Memorial Institute. Roswell Park is one of the leading cancer research centers in the world.

Dr. Murphy has expressed to me his own deep, personal feelings over the necessity of implementing recommendations for combating sickle cell disease as soon as possible. In the battle against the disease, we could have no greater ally than Roswell Park and Dr. Gerald Murphy and I am delighted at the interest that has developed on a national level.

I obtained a special order on November 5 and called the attention of my colleagues to this disease in a floor speech. I am glad to see some of the able sports writers bringing more facts to light. Tom Dowling in his column in the Washington Evening Star of November 16, 1971, pointed out the work the Black Athletes Foundation is doing in fighting sickle cell. At this point, I include his article:

[From the Evening Star, Nov. 16, 1971]

WORD OUT ON SICKLE CELL

Not so long ago the Black Athlete's Foundation took an electrophoresis machine out to a shopping center in Pittsburgh to test blacks for Sickle Cell, an hereditary blood disorder.

The testing was scheduled to run from noon to 6 p.m. and there was still a queue waiting to be tested at 9 p.m. The word is finally out on Sickle Cell—though the disease was recognized as early as 1910.

The word says that Sickle Cell attacks blacks almost exclusively, that it can kill and that its genetic ravages are passed on from generation to generation at alarming rates of increase.

In all, 3,700 people moved through the line; three hundred, forty two of them were found to be trait carriers; 16 of them—between the ages of 3 and 8—had severe forms of the disease. Four of those 16 are already dead and there is, at present, no long range hope for the other 12. There is, you see, no cure for Sickle Cell Anemia.

TWO MILLION AFFLICTED

There are 250,000 blacks in Pittsburgh and 25,000 of them are estimated to be Sickle Cell trait carriers—10 percent of the national black population, or two million people, being afflicted. When two trait carriers have children the possibility of the genetic disorder being handed down is one in four.

Those are the trait carriers. There also is a lethal form of the disease that strikes one in 400 carriers or perhaps 50,000 Americans. As Horace Davis, executive director of the Black Athlete's Foundation, puts it, "All you can do for those people is help them die a little more comfortable."

Davis, who started the Foundation six months ago in concert with Willie Stargell and Muhammad Ali, was in town late last week testifying on legislation to establish a National Sickle Cell Anemia Institute. The legislation envisions a $90 million federal expenditure over a three-year period on research, prevention and treatment of the disease.

Davis, an smiable if firm man, told the legislators that $90 million represented a mere 25 percent effort, which is well below the 110 percent effort athletes commonly strive for. The Nixon Administration told the same hearings that $90 million is about $90 million too much, terming the proposal "redundant."

In fairness, it must be said that the administration recently has added $5 million to the existing $1 million allocated for Sickle Cell research this fiscal year.

But in honesty, it must be said that $6 million or $30 million annually are piddling sums to debate where 50,000 dying people and two million trait carriers are concerned.

TOO LITTLE, TOO LATE

"Too little, too late"—that is the historical disease that has quarantined black America. Poor housing, poor education, poor opportunity—it can be argued, if spuriously that man can transcend such deprivations. But no one has ever claimed a human capacity to rise above genetic illness.

With Sickle Cell you don't pull yourself up by your bootstrap. Not when you're regularly short of breath from exertion, when you pass blood in your urine, when you're so bushed from a day of labor that you have to spend the next one in bed.

The significance of the Black Athlete's Foundation is that in a mere six months it has brought the Sickle Cell issue home to a wider public.

Athletes in our society are credible figures. Their physical acts speak for themselves, possess an adherence to standards of quality that are beyond narrow partisanship and the flummery of public relations.

You only had to see the congressman last week clamorously posing for photographs with such testifying foundation board members as Henry Aaron and John Henry Johnson to grasp the proposition that a black athlete is everyone's aristocrat.

No one can denigrate Willie Stargell's 46 home runs, John Henry Johnson's career yardage, Henry Aaron's 17 years of steady magnificence.

So, in the corridors of power, outside a house committee hearing room, Aaron said, "I was dumfounded to hear about Sickle Cell from Willie Stargell, whose daughter is a carrier. This hits deeply. We spend billions collecting moon-dust and $90 million doesn't seem too much to try to stamp out Sickle Cell."

Stargell, undergoing knee surgery in Pittsburgh, couldn't be in town to testify. Neither could Preston Pearson, Pittsburgh Steelers running back, who was practicing with the

XUM

disease for an upcoming game with the Miami Dolphins.

ELLIS AMONG VICTIMS

Neither could Dock Ellis—the Pirates' talented 19-game winner—who has a severe case of Sickle Cell that leaves him with one of the worst game completion records of any front-line big league pitcher.

Dock couldn't be here because he was visiting troops in Vietnam. But he was here to testify on a demonstration grant Sickle Cell program for the District two weeks ago. He is, among other things, a prominent hotel critic having found his accommodations in Baltimore and San Francisco not to his liking during the playoffs and World Series.

In Washington, Dock stopped at the Hilton Hotel, where he ultimately was locked out of his room when the hotel authorities demanded a $50 advance cash payment. Though Dock pointed out that he had an $18,000 World Series paycheck in hand, was in Washington at the request of Congress, was, above all, unlikely to discredit his work on behalf of Sickle Cell by skipping town with an unpaid hotel bill, the Hilton remained adamant. You have to wonder whether an equally eminent and prosperous white would have been treated with such pettifoggery.

The Hilton management, for its part, says it has 40,000 guests a month and has to go by the rules. No doubt the Nixon Administration's reluctance to spend $90 million in three years on combating Sickle Cell also has some basis in arcane bureaucratic regulations.

But hotels and administrations alike survive best when they learn to rethink the shortcomings in their own rules and regulations. In time, hotels are going to learn to accommodate Dock Ellis properly. In time, public policy is going to have to accommodate the 20 million American blacks who want something done about Sickle Cell.

CANNIKIN TEST SUMMARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. HANSEN) is recognized for 10 minutes.

Mr. HANSEN of Idaho. Mr. Speaker, I have requested special order time today to make a report on the known Cannikin test results as of approximately 0700 hours, Bering Standard Time, November 10, 1971. I was present at the test on November 6, along with Representative HOSMER as Joint Committee on Atomic Energy observers. I share with others the greatest pride in the dedicated and professional men and women on the test team which conducted the test successfully and with complete safety.

Representative HOSMER's remarks on November 9, summarized the test results as known approximately 24 hours after the test. The surveys then revealed only minor damage as predicted within the vicinity of the test site. There was no earthquake, tsunami, no radioactive material released and no irreparable harm to the island or its wildlife. I am pleased to report that subsequent surveys confirm that there are no indications of any significant environmental impact beyond the immediate test site and no such impact is anticipated. The results of these surveys are as follows:

CANNIKIN TEST RESULTS SUMMARY

This summarizes all known test results as of approximately 0700 hours, Bering Standard Time, November 10, 1971 (D plus 4 days). Severe adverse weather hampered and, in some cases, precluded direct observation of early post-shot conditions. However, it is believed that all significant effects noted in this report have been accurately assessed. Interpretation of the data presented herein will be reserved for a later, more comprehensive report. (All times given in this report are Bering Standard Time.)

I. ABSTRACT

Cannikin, the full yield test of a nuclear device designed for the Spartan ABM missiles was conducted at Amchitka Island at 1100 hours, November 6, 1971. The device, designed and constructed by the Lawrence Livermore Laboratory, was emplaced 5,875 feet below the surface and was fired from a Control Point on the Island some 23 miles distant. Preliminary seismic yield estimates indicate that the device performed nominally and early indications are that the weapons laboratory experiments were successful. To date, there are no indications of any significant environmental impact beyond the immediate test site and no such impact is anticipated.

II. CHRONOLOGY

Preparations on Amchitka Island were initiated in August 1967 with the commencement of drilling of the emplacement hole. Mining was completed in July 1971. Device emplacement was initiated on September 8, 1971, and downhole activity commenced on October 13, 1971. Upon receipt of the requisite authority to conduct the test, stemming was initiated on October 27, 1971. Preparations then proceeded without interruption to the established first readiness time of 1100 hours, November 6, when the detonation occurred.

III. GROSS EFFECTS SUMMARY

There has been no detectable release of radioactivity to the environment as a result of Cannikin. No large earthquake was triggered from the detonation. Teleseismically, the shock had a body wave magnitude of 7.0 and a surface wave of Richter magnitude 5.8. Early run-up gage reports indicate that water wave production for Cannikin was essentially similar to Milrow. No anomalous wave activity was observed on telemetric records at Shemya and Amatignak or reported by field observers at more distant islands along the Aleutian Chain. Bioenvironmental effects were noticeable but were confined to the Island itself (See Section VI). Except for the perceptible tremor on Adak and the barely perceptible tremor on Shemya, no effects of any nature have been reported from any off-island location.

IV. OPERATIONS

D minus 1 and D-Day evacuation flights reduced the on-island shot time population to 242 persons. At 0200 hours on November 6, the Test Manager reported readiness to proceed if weather conditions remained favorable. This was consistent with alternatives discussed between the Manager, Nevada Operations Office, and the General Manager, U.S. Atomic Energy Commission. A weather briefing was conducted at 0400. Weather at shot time was as follows:

A deep low pressure area centered near the Pribilof Islands and a high pressure area centered near 44 North 160 East produced northwesterly winds and mostly clear skies in the Amchitka vicinity. Surface and low level winds aloft were from 300 degrees at 30–40 knots. Air temperature was in the high thirties and low forties. Initial trajectories were toward the east-southeast, were expected to curve southward after 24 hours, and then curve toward the west after 36 hours.

JTG 8.3 military support units participated as scheduled. All units were in position at shot time. Units consisted of the following:

Aircraft

2 EC–121 Air Controllers.
2 WC–130 Trackers/Samplers.
3 P–3 Surveillance.
1 NC–135 Photo.
1 P–3 (Patrol Aircraft Standby Pool Track/Adak).
1 WC–135 (Standby—Long-Range Tracker/Anchorage).

Ships

1 Coast Guard Cutter—Sweep and Surveillance.
2 Destroyers (Sweep and Surveillance).
1 Landing Platform, Dock (LPD)—Standby in Northern Pacific.
1 Destroyer Escort—Escort to LPD.

Environmental Protection Agency personnel were located on the U.S. Coast Guard cutter, the two U.S. Naval destroyers, and the two U.S. Air Force sampling aircraft. A Canadian Government C–54 scientific aircraft which was to join the air array was unable to participate and had to return to Cold Bay, Alaska, due to icing and engine trouble. One contact was identified within the 50-mile warning area—a small American fishing vessel located in a bay on the eastern side of Semisopochnoi Island. This vessel was detected by the Coast Guard cutter on November 4, 1971, and advised that she was safe at this location, but if she got underway she should head north and east to clear the area. The vessel was warned again on November 6, 1971, prior to shot time and suffered no damage from the test. Readiness briefings were conducted during the week prior to D–Day to assure that all elements were on schedule and to review the developing weather conditions. On November 5, all systems were ready and weather predictions for the following day looked favorable. Therefore, a shot time of 1100 hours was established for November 6. A final readiness review was made on D–Day at 0400 and updated hourly, commencing at H minus 3 hours. No holds occurred during the countdown.

V. CIVIL AFFAIRS

Technical staff members of the Environmental Protection Agency/Western Environmental Research Laboratory were located at population centers in the Aleutian Chain and Western Alaska commencing approximately one week prior to D–Day. These locations included Adak, Akhiok, Akutan, Atka, Attu, Belkofski, Chignik, Chignik Lagoon, Chignik Lake, Cold Bay, False Pass, Ivanof Bay, King Cove, Nikolski, Nelson Lagoon, Old Harbor, Pauloff Harbor, Perryville, Sand Point, Shemya, Squaw Harbor, St. George, St. Paul, and Unalaska. A communications conference call was established among EPA personnel at the above locations prior to the test to transmit local weather, sea conditions, and readiness status. This network was maintained throughout the immediate post-shot period in order that timely notification could be given in the event of any hazardous condition (including unusually severe storm activity). Pursuant to earlier personal coordination with the Governor of Alaska, a senior AEC representative and a senior EPA staff member were made available at the State House in Juneau commencing on D minus 1 and were provided with current and detailed progress reports. Similarly, two AEC representatives were located in the City Manager's office in Kodiak. In addition to direct communications with Anchorage, they maintained communications with EPA representatives located at both Akhiok and Old Harbor, Alaska. The Mayor, the City Manager, Coast Guard Air Station Commander, a number of other civil officials, and local residents were in the municipal building at shot time. No unusual incidents occurred and no effects of CANNIKIN were noted.

VI. SCIENTIFIC PROGRAMS

A. Device Diagnostics

All classified experiments designed to measure the device performance recorded data. Preliminary examination of the records indicates that the desired information was obtained. The films and taped records will require detailed analysis.

B. Technical Documentary Photography

Photo stations were established in the recording trailer park to record the behavior of the shock mounting systems. Additional stations were established to record possible fault motion. The NC–135 photographic aircraft flew its mission as planned. Four runs to photograph sea otters were made pre-shot—two on the Bering side and two on the Pacific side. Five post-shot aerial mapping passes were made over surface ground zero. Radar positioning was good and, pending processing of film, all indications point to a successful mission.

C. Geophones

Geophones located around surface ground zero area continued to give occasional signals until H plus 37 hours, 54 minutes when collapse occurred.

D. Seismic Program

Seismometers, accelerometers, and other motion sensing instrumentation provided data at the Main Camp, the Control Point, and surface ground zero. Survey of the permanent displacement in the vicinity of surface ground zero was being initiated at the time of this report.

E. Water Wave Program

All bottom displacement gages, run-up gages, and ocean bottom gages were installed by D minus 2. The charter vessel Pacific Apollo took up a station at the northwest corner of the island instead of its intended location because of the D minus 1 storm and its aftermath. Water was too shallow to deploy the surface follower.

F. Marine Ecology

Because of the storm and the resultant high seas, the marine fish-holding pens could not be set up in the ocean off surface ground zero. Instead, two pens were set in the harbor, 15 kilometers southeast of surface ground zero. The University of Washington research vessel Commander took station at its intended holding position at the northwest corner of the island.

G. Sea Otter Program

Beach walks were conducted as scheduled on D minus 1 on both sides of the islands to look for evidence of pre-shot natural mortality of fish and mammals. On D-Day, pre- and post-shot photographic observations via aircraft were made. There has been no analysis as yet of these missions.

H. Limnology and Freshwater Ecology

During D minus 1, all cages were stocked and all planned samples taken. All instrumentation was in place for the test.

I. Radiological Safety Program (On Island)

A total of 14 radiation monitors and 112 stations of various types of environmental radiation monitoring units were positioned around the island. These stations include Remote Area Monitoring System (RAMS) units, air sampling units, and thermoluminescent dosimeters. All on-island personnel were issued film badges for personnel dosimetry. The RAMS units were positioned at surface ground zero, at the recording trailer park, and on a 2500' arc centered on surface ground zero. At zero time, all RAMS stations were operational. The initial shock caused three RAMS units to fail—one each on the arc, at the recording trailer park, and at surface ground zero.

J. Radiological Monitoring (Off Island)

Pre-shot background environmental samples of air, soil, vegetation, water, snow, milk, and foodstuffs as available were collected throughout the Aleutian Chain and on the Alaska mainland. Similar post-shot samples are presently being collected for comparison. Fifteen air sampling stations were operated both pre- and post-shot in Nome, Unalakleet, Palmer, Anchorage, Bethel, King Salmon, Kodiak, Homer, Seward, Cordova, Yakutat, Cold Bay, Sitka, Annette, and Dutch Harbor. Thermoluminescent dosimeter stations were also established pre-shot at all the air sampling stations.

VII. DETAILED EFFECTS

A. Surface Effects and Ground Motion

Shot time acceleration at surface ground zero was 15–20 G's with a displacement velocity of 38 ft/sec. This motion did not collapse a steel frame building adjacent to surface ground zero which was used to protect cable reels from the weather while the device was being lowered and stemmed. As the Control Point 23 miles away, the displacement velocity was 0.3 ft/sec with acceleration yet to be determined. The motion at the Control Point was described as a strong rolling one that lasted for about half a minute. On Adak, the motion was distinctly felt. On Shemya, some felt it and some did not. Even before collapse, there were numerous surface fractures in the tundra within a mile of surface ground zero. Some of these appear from the air to be fault displacement. Major rockfalls and surf slides occurred on the Bering side along a 12-000 foot strip of coast. These were of somewhat greater number and severity than expected. Intermittent falls and slides occurred on both coasts out to considerably larger distances. At about 38 hours after the detonation—0054 hours, November 8—the underground cavity collapsed. Initial survey shows the crater to be 60 feet deep with a radius of about 600 meters. The center is 375 meters from surface ground zero on a bearing of 120 degrees true.

B. Seismic Effects

Cannikin produced a seismic signal with a body wave magnitude of 7.0 and a surface wave of Richter magnitude 5.8 and was detected worldwide. There was no large earthquakes triggered as a result of Cannikin. Up until the time of cavity collapse, a high level of low magnitude seismic activity was observed, presumably aftershocks. These aftershocks were of local origin and were not detected by the instruments at Adak and hence were of magnitudes less than 3.5. Cavity collapse produced a shock observable by instruments at least as far as mainland Alaska. Its surface wave Richter magnitude was about 5.4. Following collapse, aftershock activity ceased. The uplift of the coastline near Cannikin produced no observable water wave at the nearby islands of Rat, Semisopochnoi, and Amatignak. On the other hand, several bays on the Amchitka coastline appear to have been set into oscillation. Further data reduction will be required before the amplitude of these oscillations or of any local water wave can be known.

C. Bioenvironmental Effects

All test time experiments were adversely affected by a severe storm on the day before the detonation. Marine experiments with fish-holding pens in the Bering Sea near surface ground zero could not be conducted because high seas prevented ship operations there. As a substitute, two pens were emplaced in Constantine Harbor, 15 kilometers from surface ground zero. The fish in these pens were not affected by the pressure wave since they were too far away. Similar live box experiments with freshwater fish were conducted in nine lakes located within two miles of surface ground zero. Although some stickleback and Dolly Varden were found dead in some of these live boxes after the detonation, it is believed that the cause of most of their deaths was wave action during the storm rather than the pressure pulse generated by Cannikin. Some fish were killed by being thrown out onto the banks of lakes or streams, but the number has not yet been determined. The surface fractures in the tundra and soil near surface ground zero have almost completely drained two small lakes, and have partially drained three others. In these lakes, fish that were not stranded out of water survived. One stream was partially dammed by a tundra slump. The most obvious effects were the rockfalls and tundra slides along the Bering Coast. It appears that as a result of these, one peregrine falcon eyrie (out of 20 on Amchitka) and about four bald eagle nesting sites (out of about 100 in recent use) were destroyed. The overall effect on bird populations will take time to determine. However, numerous rock ptarmigan, bald eagles, peregrine falcons, winter wrens, and other birds were observed after the shot in areas that suffered the greatest damage. These birds were apparently unharmed. Beach patrols have recovered one severely injured sea otter and 14 dead sea otters, four dead harbor seals (one injured seal was observed but could not be recovered), 17 dead birds (one greater scaup, 9 harlequin ducks, 3 pelagic cormorants, 1 horned grebe, 2 common murres, and 1 old-squaw duck), and more than 250 dead fish (mostly greenlings). All of these were found in marine areas except for a greater scaup which was recovered from a freshwater lake. Most of the animals and birds recovered appeared to have been killed by forces produced by Cannikin. Many of the fish died because they were stranded out of water on the intertidal areas along the Bering Sea Coast. One common murre and one harlequin duck died from unknown causes. Two sea otters died from natural causes before the test. Freshwater patrols during the same period found some three-spine stickleback and one Dolly Varden, undoubtedly killed by the Cannikin pressure pulse. These fish were recovered by seining in a lake located 1.5 kilometers from surface ground zero. (Similar mortalities were detected in two lakes after Milrow nuclear test in 1969.) Numerous live fish were recovered by this seining, so populations in this lake will undoubtedly recover. There were other freshwater mortalities but cause of death could not be definitely related to the storm on D minus 1 or to Cannikin.

D. Radiation

No radiation levels above pre-shot background have been detected on Amchitka Island or any other location.

VIII. EFFECTS ON SUPPORT FACILITIES

A preliminary damage survey of support facilities on the island, excepting those at surface ground zero, was conducted on D-Day and D plus 1. Measures had been taken before CANNIKIN to protect those facilities most susceptible to damage from ground motion. As expected, only minor damage occurred. At the Main Camp near the southeast end of the island, several minor plumbing leaks were discovered and corrected. Water supply to the Main Camp was cloudy with suspended silt but this condition represents only a minor inconvenience and is improving rapidly. The access road between the Main Camp and the Northwest Camp (Infantry Road) suffered minor damage at a few locations near surface ground zero. This road was open soon after the test, with instructions given to those using it to proceed with caution. The damaged portions of the road are being repaired and estimated completion is D plus five days. The access road off Infantry Road leading to the recording trailer park was also damaged. Repairs to this road are underway. The airfield and navigational facilities have been restored to operation and were given final FAA approval at 1000 hours on D plus 1 day.

Mr. Speaker, on November 15, Dr. James R. Schlesinger, the distinguished chairman of the Atomic Energy Commission, appeared before the Subcommittee on Public Works of the Committee on Appropriations, House of Representa-

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tives. Chairman Schlesinger briefed the members of that subcommittee on the Cannikin test. His prepared statement on the subject follows:

STATEMENT BY DR. JAMES R. SCHLESINGER

Mr. Chairman, I am pleased to have this opportunity today to report to the Committee on three activities of the Atomic Energy Commission which recently have attracted considerable Congressional and public interest.

These areas are: the proof test of the Spartan warhead for our Anti-Ballistic Missile system which took place November 6 on Amchitka Island; the implementation of the Federal Court decision in the Calvert Cliffs case; and the work we are doing to carry out President Nixon's policy of commercial demonstration of a fast breeder reactor by 1980 to help meet the nation's needs for clean energy.

CANNIKIN

First, let me discuss the Cannikin test on Amchitka.

As you know, before that test was conducted there were a number of melodramatic statments concerning the possibility of Cannikin triggering a major earthquake, causing a tidal wave, or otherwise resulting in substantial environmental damage. Based on our extensive experience and our calculations, we were confident there would be no such disastrous consequences.

I was present on Amchitka with my wife and two of my daughters when the Cannikin device was fired. Congressman and Mrs. Craig Hosmer also were there as was Congressman Orval Hansen.

I can report with pride that the Cannikin test appears to have been successful based on a quick look at the diagnostics, and we should now be able to introduce the Spartan warhead into the weapons inventory within the appropriate deployment schedule. From the environmental standpoint, damage was minimal. There were no large earthquakes, no tidal waves, no releases of radiation. To date there are no indications of any significant environmental impact beyond the area of the immediate test site, and none was anticipated.

As a matter of interest, it is possible that the nation may have received an unexpected benefit from the Cannikin test. Dr. E. R. Engdahl, a research physicist at the Palmer Seismological Observatory in Alaska, has stated the test may have provided information which will be useful in preventing spontaneous earthquakes. Dr. Engdahl has suggested that explosions such as Cannikin could be used to relieve stresses in the earth's crust, thus minimizing the chances of a buildup which would result in an earthquake. The matter merits further study by experts in seismology, both within the Commission and outside.

A MANDATE FROM THE PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. ARCHER) is recognized for 15 minutes.

Mr. ARCHER. Mr. Speaker, those of us in public life who seek to carry out the wishes of the people have a golden opportunity to do so by getting behind this national right-to-work legislation, of which I am proud to be a cosponsor.

We have no less than a mandate from the American people to pass this legislation as swiftly as possible. In fact, every reliable opinion poll ever taken on the subject shows that nearly two-thirds of the American people believe that union membership should be voluntary.

The most recent, of course, is the poll taken for the National Right to Work Committee by the Opinion Research Corp., Princeton, N.J., which was released—appropriately enough—on Labor Day 1971. That poll clearly showed that a national right-to-work law is favored by the American public by a 2-to-1 margin, and this includes a majority of union members' families.

For the RECORD, I would like to insert the complete results of that poll.

WHICH ONE OF THESE ARRANGEMENTS DO YOU FAVOR FOR WORKING IN INDUSTRY?

	Number of interviews		A man can hold a job whether or not he belongs to a union	A man can get a job if he doesn't already belong, but has to join after he is hired	A man can get a job only if he already belongs to a union	No opinion
	Unwanted	Wanted				
Total U.S. public	2,061	8,012	62	27	4	7
Men	1,031	3,854	61	31	3	5
Women	1,030	4,158	64	23	4	9
18 to 29 years of age	528	1,971	65	29	1	5
30 to 39 years of age	359	1,282	65	25	5	5
40 to 49 year of age	348	1,471	60	30	5	5
50 to 59 years of age	323	1,313	59	31	3	7
60 years or over	498	1,958	62	21	4	13
Less than high school complete	747	3,371	58	28	4	10
High school complete	679	2,743	61	31	4	4
Some college	623	1,848	72	21	2	5
Professional	290	946	76	18	2	4
Managerial	232	855	72	21	1	6
Clerical, sales	251	1,079	64	25	2	9
Craftsman, foreman	394	1,515	59	33	5	3
Other manual, service	421	1,798	53	38	4	5
Farmer, farm laborer	66	252	82	5	0	13
Non-Metro:						
Rural	263	958	75	15	1	9
Urban	391	1,655	63	25	4	8
Metro:						
50,000 to 999,999	583	2,223	63	28	3	6
1,000,000 or over	624	3,177	57	32	4	7
Northeast	464	2,038	59	29	4	8
North-central	611	2,205	59	33	3	5
South	599	2,447	68	20	2	10
West	287	1,322	62	27	6	5
Under $5,000 income	485	2,427	64	20	5	11
$5,000 to $6,999	309	991	56	34	4	6
$7,000 to $9,999	421	1,510	62	32	2	4
$10,000 to $14,999	492	1,760	60	33	3	4
$15,000 or over	311	1,158	68	23	3	6
White	1,828	6,968	63	26	4	7
Nonwhite	198	943	55	36	2	7
No children in household	1,032	4,213	62	25	3	10
With children under 18	1,026	3,794	63	29	4	4
With teenagers 12 to 17	463	1,895	60	30	6	4
Own home	1,383	5,185	63	27	4	6
Rent home	667	2,790	61	27	3	9
Union members	319	1,200	40	50	6	4
Union families	297	1,170	53	39	4	4
Nonunion families	1,423	5,534	69	20	3	8
Political affiliation:						
Democrat	910	3,654	56	32	4	8
Republican	467	1,632	75	17	3	5
Independent	515	1,960	62	29	4	5

In addition, support for the proposition that a man can hold a job whether or not he belongs to a union (the question asked of those being polled) clearly cuts across party lines. A solid majority of the Republicans, Democrats and Independents agreed on this.

One of the earliest polls on the subject was taken by the American Institute of Public Opinion in 1957. It asked Americans if they would vote for a law stipulating that each worker has a right to hold his job in a company, no matter whether he joins a labor union or not. A whopping 63 percent of the American public said "Yes," including 33 percent of union members. That latter figure, I might add, has since risen several percentage points and only a bare majority of union members now say they favor compulsory unionism.

On many occasions the American people have spoken loudly and clearly in behalf of voluntary unionism.

A nationwide survey released in 1966 revealed that by a 63- to 25-percent margin the American people believed that Congress should pass a law making all union membership voluntary rather than compulsory.

The American people are unimpressed by the union professionals' so-called "free rider" argument. Sixty-six percent of them insisted that even though a worker benefits from a union, he should be allowed to decide for himself whether or not to join. As the Washington Daily News put it then:

Public opinion polls indicates that most Americans oppose compulsory union membership.

In 1966 the Senate refused to shut off debate on the bill proposing repeal of section 14(b) of the Taft-Hartley Act and it was ultimately laid aside. Significantly, a top public relations man for a major union was quoted at the time as saying:

In public relations we're taught to evalute public opinion and adopt procedures consistent with the public interest. Every survey I've seen, even the one taken among our own men, shows that the public is opposed to repeal of 14(b). Yet, Congress is being pressured into going against the public interest and abridging one of our basic freedoms: The individual's freedom to choose.

To borrow a phrase from our distinguished Secretary of Labor, union professionals in 1965 and 1966 were out of step with the rank-and-file. Indeed, they were out of step with the country as a whole.

The AFL–CIO's own poll on the subject in 1966 showed this clearly. As an Associated Press feature described it:

The report, based on the most extensive survey ever made among union members, concludes that labor leaders aren't talking the same language as their members on many political, economic and social issues . . . The union shop issue, the AFL-CIO's top legislative goal until its defeat in Congress last year, "got practically no support" from the union members polled . . .

That poll, the AP report continued:

showed many union members disagreeing with AFL–CIO political endorsements, civil rights activities and legislative goals on Social Security, minimum wages, unemployment insurance and workmen's compensation. The survey "showed only 35 percent supporting AFL–CIO policies" on some issues, said an informed source.

AFL–CIO President George Meany has the only complete copy of that poll, which is tucked away in some carefully guarded file. It has yet to see the light of day. A particularly illuminating column on it by nationally syndicated columnist Ralph de Toledano has, however, just recently "seen the light of day." I would like to insert it here for the RECORD:

IN WASHINGTON—GEORGE MEANY LEARNS THE TRUTH—AND HIDES IT

(By Ralph de Toledano)

For years, an embattled organization known as the National Right to Work Committee insisted that George Meany and the labor sachems of the mass unions not affiliated to the AFL–CIO did not represent the rank-and-file member. This was brushed aside as self-serving propaganda and ignored by senators and congressmen whose political existence depends on the largesse of Big Labor.

Then came the wage-price freeze last August—and while Mr. Meany screamed and threatened, the press began noticing that a preponderance of union members favored the President's action. AFL–CIO public relations types indignantly denied this and complained that stories to the effect were part of an Administration drive to force a wedge between the rank-and-file and the labor leadership.

At this point, Opinion Research, Inc., of Princeton, New Jersey—in my book, the most reliable of all polling outfits—conducted a nationwide survey, which showed conclusively that Mr. Meany and the boys were in reality out of step with the dues payers. A majority of union families felt that Big Labor and its bosses did not represent them and had led the country down the road to runaway inflation. But the Washington press corps, now guilt-ridden because it had dared to question Mr. Meany's credentials, largely ignored the Opinion Research poll.

There is more than a little significance to this recital of past history. For it has now been learned that Mr. Meany has been suppressing a survey on union member attitudes taken by the polling firm of John F. Kraft for the AFL–CIO. This poll, the largest and most intensive ever taken of union members, corroborates fully what the National Right to Work Committee, the post-freeze press, and Opinion Research have been saying. In fact, the extent of rank-and-file disagreement with the political, social, and economic positions taken by the AFL–CIO is greater than many had believed.

The AFL–CIO, which frequently fulminates against "suppressed" government reports, was so rocked by the results of the poll it had paid for that it worked mightily to keep the contents secret. Of more interest, however, has been Mr. Meany's reactions to the findings. Not for a moment did he consider changing the policies opposed by those whose dues keep Big Labor's outsize bureaucracy in groceries. Instead, the labor sachems decided to spend the dues payer's money on Madison Avenue gimmicks to sell their program.

Adding extravagance to injury, the AFL–CIO is working on plans to dig deeply into its treasury to finance 5-minute radio shows, television programs, and newspaper advertising to convince the rank-and-file that Big Daddy is right and they are wrong. Since some 45 percent of union members voted in 1968 the way George Meany and Big Labor told them *not* to, this will be quite a job—and you can be sure that some Madison Avenue public relations firm will make a pot of money out of it.

But the Meany strategy goes beyond this. It is no secret in Washington that Mr. Meany and the labor members of the Pay Board plan to walk out unless they get just what they want and not an inch less. But with the only complete copy of the Kraft report in his pocket, Mr. Meany wants to make it look as if he is bending to the will of his membership when he makes his play at sabotaging the Administration's economic policies. So the walk-out, according to present plans, will be staged after the AFL–CIO Executive Board holds its annual chicken-fry at Miami Beach in December.

But this may present a problem. For it is just possible that the entourage of labor reporters who take the sunshine in Florida with Mr. Meany may raise the question: Who does the Executive Board represent? The answer, of course, is: Mr. Meany and the AFL–CIO bureaucracy. The rank-and-file did not elect the Executive Board. The rank-and-file, with very few exceptions, has almost nothing to say about what men will hold union office—from business agent and up. In fact, in their palmiest days, the big-city machines of New York, Philadelphia, Hoboken, Chicago, and points east and west, never had it so good or so safe.

George Meany has been president of the AFL–CIO for decades—and woe unto the man who tries to challenge him. He has as much chance of success as a Chicago ward-heeler who tries to take on Mayor Richard Daley. The AFL–CIO has refined the "one man, one vote" principle to the point where the one man is George Meany and the one vote he casts is deciding. This is called "labor democracy"—which is as good a way of saying it as any.

Another poll, conducted just this year, shows that union professionals continue to be out of step with those working men and women whom they purport to represent. Released on September 25, by the Opinion Research Corp., it shows that 63 percent of union families feel that union leaders have fallen down on their public responsibilities and poorly represent the interests of the working man. The same poll showed similar disenchantment with other goals arbitrarily set for the Nation's workers by its so-called spokesman.

The question naturally arises: How do union officials maintain their grip on union members? The answer was summed up recently by Mr. De Toledano, who noted:

Membership in most industries and in a majority of the states is compulsory, and if the rank-and-file attempts to withdraw, it can do so only if it is ready to give up its livelihood.

Mr. Speaker, it is abominable that a practice such as compulsory unionism is even tolerated in our free society. Let the word go forth that we will respect the mandate of the people and enact this national right-to-work law. Let us have relief from this oppressive abuse of individual freedom. Thank you.

SOLUTION TO POLLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SCHWENGEL) is recognized for 5 minutes.

Mr. SCHWENGEL. Mr. Speaker, it has been noted by a researcher on river pollution that in 10 seconds, 140 tons of U.S. soil is carried out to the sea by the Mississippi River and its tributaries. In 24 hours, we lose over 2 million tons to the Atlantic, the Pacific, and the Gulf of Mexico. This is our best soil, mostly from farm areas, that is going down the river and into the seas where it becomes totally inactive and where it will never be productive. Much of this soil stops in the river beds behind our dams where it also becomes unproductive and in addition, becomes a hazard to our flood problems.

As long as this soil, or any part of it, hangs in balance in these waters, it is contaminated by pesticides and chemicals for weed control and by fertilizers. They can only ride into the water areas on particles of soil. Since we know how to keep this from happening through and with watersheds, why not give this the highest priority. This makes sense when we know we can do so much more with the dollars we will invest in the solution to pollution by way of the development of our small watersheds.

Mr. Speaker, there is no real solution to the pollution of our water until we complete the small watershed programs in America.

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REPORT ON RACISM IN THE U.S. MILITARY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. CHISHOLM) is recognized for 30 minutes.

Mrs. CHISHOLM. Mr. Speaker, the congressional black caucus has been conducting this week a full set of extensive hearings into the blatant racism which pervades and cripples the military of this Nation. Because of the apparent lack of concern for the welfare of black servicemen fighting for this country by both the House and Senate Armed Services Committees, the black Members of this House feel compelled to remind the body of its duty to serve the interests of all, and to move on in spite of apparent congressional apathy.

Today I am officially releasing the contents of the findings of my chief assistant, Mr. Thaddeus Garrett, Jr., who just 3 months ago completed a 6-week fact-finding tour of American Air Force and Army bases in the NATO countries of Germany, Turkey, and Greece.

The purpose of his report is not to provide a comprehensive view of how the system of military justice functions, nor to return a blanket indictment against the U.S. military. It is rather expressly written to inform the public and the Congress of the "subtle" racism which has literally crippled and impaired the effectiveness of American troops in NATO countries.

The subtle racism that pervades the military is a disease not easily recognized by many white commanders, who have risen through the ranks throughout the years, and consequently, is really somewhat intangible. This discrimination has created an atmosphere which tolerates and generates an apparent disrespect for black officers as well as black noncommissioned officers.

Upon his return, Mr. Garrett presented both Congressman DELLUMS and me with a thorough briefing providing graphic illustration through tapings of direct testimony from black GI's overseas, as well as photographs depicting conditions of stockades and base housing.

While in these countries, Mr. Garrett served as the personal "eyes and ears" of the caucus, conducting extensive open and closed meetings with servicemen, as well as their commanders. He further met for nearly 3 hours with Gen. Michael Davison, the commander in chief of all U.S. forces in Europe, and as a result of his meeting was able to establish a direct line of communication, and I hope cooperation between the general and the congressional black caucus.

The report follows:

A REPORT ON RACISM IN THE U.S. MILITARY—OUR MEN ABROAD

INTRODUCTION

This report is a synopsis of some of the major findings of a six-week investigation of several United States air and army bases or compounds in Europe during July and August, 1971, by Thaddeus Garrett, Jr., Legislative Assistant to U.S. Representative Shirley Chisholm, chairman of the Congressional Black Caucus Military Affairs Committee.

The purpose of this report is not to provide a comprehensive review of how the system of military justice functions nor to return a blanket indictment against the U.S. military. It is rather expressly written to inform the public and the Congress of the "subtle" racism which has literally crippled and impaired the effectiveness of American troops in NATO countries. My specific mission carried me to bases in Germany, where the great bulk of racial tension exists, Turkey and Greece.

The subtle racism that pervades the military is a disease not easily recognized by many white commanders who have risen through the ranks throughout the years, and consequently, is really somewhat intangible. This discrimination has created an atmosphere which tolerates and indeed generates an apparent disrespect for Black officers as well as Black non-commissioned officers, and makes the life of a Black serviceman overseas undesirable. For those who have been drafted off of the streets of our nation's ghettos and thrown into a new and wholly foreign environment, the problems of existence are even more compounded and complex. I further fear, after many discussions with those who sit in the seats of command, that the explosiveness which prevails is made more serious by the amazing fact that many of those in command positions on all levels refuse to realize that even in a relatively controlled society as the military, racism can and does exist. When the refusal to acknowledge the existence of a problem occurs, the search for that problem's solution is even greater and more insurmountable.

There have been innumerable complaints from Black servicemen urging that the entire area of military justice, the NATO Status of Forces Agreement and how it affects American men in Europe be reviewed. The time has come for Congress to begin to exert all due influence on the State Department and, in turn, on foreign governments which are U.S. allies in the NATO Alliance to begin to amend this agreement because some of our men, indeed many of our men, have been literally "taken to the cleaners" by the courts in our NATO allied countries.

There must be pressure from the top on down—pressure in the sense that there must be a firm commitment from all top military brass to the idea that discrimination in the United States military will not stand. It must be made clear to base commanders, to unit commanders, and to the top command in Washington that the Congress will stay on top of all incidents of racial discrimination and will open up all channels for Black servicemen with complaints. Further it must be made very clear that Congress is going to take a stand against appalling conditions such as those in stockades and places of incarceration.

The American people have vested their trust and only sure investigatory recourse in the Congress of the United States. This trust must be realized in the full usage of the constitutional power and responsibility of oversight. For too long now, the military has been allowed to exist as a closed and unresponding structure of government. While we have seen the enactment of landmark human and civil rights laws, we have closed our eyes to and diverted our attention from the basic rights which have long been denied and suffering which has too long been endured by these minorities who serve this nation in combat. This report seeks only to aid in the conveying to those in the positions of governmental power, the urgent and earnest plea of a tired, scorned, and unwanted Black serviceman wandering in a foreign land.

ADMINISTRATION OF JUSTICE

The quality of military justice which Black servicemen receive is, in an overwhelming number of cases, extremely poor. Confronted by the discriminatory actions of both commissioned and non-commissioned officers, there exists an increasing feeling of resentment and tension among Blacks, reinforcing the potential of this explosive situation.

Black servicemen were quite open about their problems. They told of their impatience for action in their behalf and were quickly losing any faith that it would be forthcoming. They expressed total distaste for past congressional investigations and indicated their weariness of politicians who seek only to use the plight of the Black serviceman for their own political well-being. It is their belief that whenever a public inquiry is conducted, military authorities send the men "into the fields" to keep them away from the investigators.

In general, the feeling among Blacks stationed in Europe is that military standards apply in different degrees to whites than to themselves and that these standards are more stringently enforced on Blacks than they are on whites, resulting in a disproportionate number of Blacks being held on bad conduct charges and occupying the stockades. This feeling of dissatisfaction does not stop with enlisted men. Black commissioned officers as well have expressed concern over the slow pace of Black advancement in the military.

The general consensus among young Blacks is that the potential for violence is quite real. This, they admit, stems from their total frustration at the manner in which they have been treated and their hopelessness as to the prospects for change. Almost one hundred percent of the Blacks who met at mass meetings to discuss the conditions on their respective bases indicated a firm belief that the uniform code of military justice is discriminatorily applied.

Military justice is divided into two levels—judicial and non-judicial. *Judicial action* is basically the court proceedings and involves many of the due process guarantees of the American judicial system. Non-judicial action concerns the administration of discipline at the company level.[1] In process, this practice, Blacks complained, is carried out in an arbitrary style, that company commanders dispense punishment too loosely at their discretion. They felt that their basic constitutional rights were, to a large extent, being purposely ignored.

A source of a number of grievances revolves around the extensive usage of "article fifteens" and pre-trial confinements. Article Fifteen of the M.C.J. gives authority to the commanding officer to inflict non-judicial punishment on enlisted men for infringements of regulations. A serviceman has the option of a trial but invariably selects company imposed punishment to avoid court martial proceedings.[2] Blacks are convinced that white soldiers are either not punished or receive lesser punishment for the same offenses committed by Blacks. They told that, from personal observation, Blacks were receiving Article Fifteens at a greater rate than whites, in many instances because military standards were simply being applied according to color. This is borne out statistically. They also believe that because Blacks fear the consequences of challenging white authority and because they lack adequate knowledge of the Uniform Code of Military Justice, they tend to accept Article Fifteen charges rather than pay to a greater degree for questioning the situation. This outright coercion hangs as a threat to those Blacks who seek to speak out. Many conveyed the pressures which have been applied.

The following statistics show a disproportionate amount of special, general, and summary court-martials being given to Black servicemen.

[1] NAACP Report, p. 9.
[2] NAACP Report, p. 9.

1971 UCMJ PUNISHMENT [1]

Month	Black Number	Black Percent	White Number	White Percent
Special courts-martial:				
January	5	29	12	71
February	9	48	10	52
March	3	23	10	77
April	7	35	13	65
May	6	46	7	54
June	2	22	7	88
July	9	45	11	55
Total	41		70	
Summary courts-martial:				
January	10	38	16	62
February	7	46	9	54
March	3	23	10	77
April	9	50	9	50
May	3	17	15	83
June	3	15	17	85
July	6	29	15	71
Total	41		81	
General courts-martial:				
January				
February			1	100
March	5	83	1	17
April	1	100		
May				
June	2	67	1	33
July	2	100		

[1] Provided by Gen. William Coalt, Third Armored Division, Frankfurt, Germany.

Pre-trial confinement is often arbitrary and discriminating in its application to Blacks. Individuals can be confined for thirty days without being formally charged. If authorities desire to extend the confinement of an individual the permission of the officer exercising general court-martial jurisdiction must be obtained.[3] This procedure is often done by phone call and the confined serviceman is therefore denied the chance to enter a statement opposing this extension. Black servicemen told of cases where Blacks, who had already been confined for several months, were still awaiting the preferment of formal charges. They claimed that many Blacks in pre-trial confinement are innocent—that they were being framed merely because they are Black or because they have openly spoken out against military policies. They also revealed that they knew of several cases offhand where delays for trial had already reached as much as six months.

SOLDIERS HELD IN PRETRIAL CONFINEMENT

	Average number of prisoners [1]	Percent black
1970:		
July	452	49
August	444	54
September	421	59
October	407	60
November	428	62
December	412	[2] 62

[1] Black and white, in confinement for any reason.
[2] NAACP Report, p. 15.

The system of administrative discharge is also felt to be arbitrarily imposed upon Black servicemen. The NAACP Report and military case files reveal that Black veterans, particularly ex-Marines, feel that they have been given other than honorable discharges on the basis of race, often because they overtly challenged discriminatory practices while in the service. The NAACP Report stated that Blacks receive 45% of all the discharges issued below the category of honorable. This includes the entire armed services.

[3] NAACP Report, page 14.

Black servicemen profoundly distrust legal counsel available to them—be it military or civilian. There is a general complaint about the exorbitant cost of retaining civilian lawyers. At Chakmali Air Force Base in Turkey, Blacks complained that good lawyers were being discouraged by the command from taking cases. The same grievance was voiced at Mannheim and Frankfurt Bases in Germany—that lawyers are not really free to take cases because of pressure put on them through the idea that their career would be jeopardized by defending a Black and therefore, offending the command. Thus, because of a genuine lack of trust and confidence in lawyers, especially those supplied by the military, Blacks are unfamiliar with the alternatives open to them and consequently, suffer injustices which they do not merit.

At all European bases visited, Black servicemen reported that Blacks are treated with utter contempt by whites in the stockades. They also told that Blacks dominate the cell blocks because whites generally receive lesser sentences. Many times, it was reported, Blacks are put into the stockades after having been provoked into a fight by being called degrading names or just by having insults thrown at them by whites on the base and off. Relative to treatment in the stockades, Blacks spoke of times when they were severely beaten by guards for no reason at all and then denied medical attention. Some were sure that they had been beaten on orders from the command. Others spoke of times when, because of total frustration at seeing fellow Blacks being mistreated right before their eyes, they broke down and cried. At Mannheim, Germany, one Black soldier Pvt. James Mathews, 440th Signal Batallion, related the following incident:

"I have just been released from Mannheim Confinement Center—about a month ago. While in the stockade—I was placed in the box for causing a disturbance. There was no disturbance. I have proof to the fact. I was put in the box and wet with a hose. I don't know the exact amount of pressure the hose contained but it is said to be five hundred pounds of pressure. I'm not sure to this fact. They soaked me and my cell partner with the hose and left us in there for two days to lay in the water in our wet clothes—no beds, nothing. We stayed there. We asked for medical treatment. The medical man came around. They gave us no kind of help whatsoever. They asked us if we were okay. This is their daily routine—to ask if you're okay. If you're not, they'll come later on and see. That's all. I was sick. I told no one because I knew nothing would be done about it. For two days, this happened on a Friday, I didn't have any help until Monday when some NCO's came around . . . most of my time in Mannheim stockade, I was kept in the box for small things. Some I never did. Private guards put me in the box who had no rank, no authority. They threw me in the box and just said, 'Well, you can talk to the sergeant in the morning.' Sergeant (James) Witcher is responsible for the whole incident. He is a sergeant at the stockade. He has beaten prisoners in the stockade, Black prisoners. He has beaten whites also. But the whites are most likely scared to tell of the incidents because of Sergeant Witcher . . . my Unit, which is 440th Signal, is commanded by Colonel (name inaudible, possibly Colonel Herb). The situation with (this Colonel) and the Blacks has been critical . . . (he) has sent every Black I know that has stood up to him straight directly to Mannheim Confinement Center . . . he has just today transferred about three Blacks out of the company who he could not get out any other way. . . ."[4]

The following statistics exemplify the condition of over-representation by Blacks in the stockades.

STOCKADE POPULATION, 3D ARMORED DIVISION, FRANKFURT, GERMANY, 1971

	Black Number	Black Percent	White Number	White Percent	Others Number	Others Percent
Month:						
April	22	42.0	31	58.0		
May	25	45.5	27	49.0	3	5.5
June	22	46.0	24	50.0	2	4.0
July	20	54.0	15	40.5	2	[1] 5.5

[1] Provided by Gen. Wm. Craft, 3d Armored Division, Frankfurt Germany.

This incident is only one example of unjust military standards and tactics which Blacks and whites must fear while in service to their country. The crux of the problem obviously lies with those who have the authority to take appropriate action. The strength of military leadership, in many cases, is at a very low level. Pains must be taken to correct this condition.

PROMOTION AND EMPLOYMENT

Military promotion and hiring practices are of great concern to Black servicemen. Pointing to the scarcity of Black officers and Blacks in high ranking jobs, they suggested that discrimination is prevalent among those with the authority to hire, fire, promote, and degrade. Black officers, almost all of whom are older, lack rapport with younger Blacks and are considered tokens and pawns of the military and tangible incentives and divisible rewards for Black servicemen. It is felt that they offer little help.

At Athenai Air Base in Athens, Greece, Blacks expressed a firm belief that performance reports and qualifications test scores were being purposely altered or inexplicably lost in personnel offices, giving whites priority in Base employment. They said that many Blacks assigned to positions are not given the actual power and authority that normally accompany the jobs. Blacks also feel that they are not being given jobs which provide adequate exposure to areas which give a greater base for future tests for better jobs. When they apply for jobs, Blacks noted that they are heavily scrutinized and often declared ineligible for employment, whereas whites who frequently have lesser qualifications, are reviewed somewhat superficially and given more priority.

Blacks at Mannheim, Germany, were also concerned about discrimination in employment opportunities. One serviceman said that when Blacks apply for jobs, they are often told that, "we don't have any openings," "we don't need this," "we don't need that," "we can't use you," or "we're overstrengthed." When complaints are filed about these conditions, the same excuses are given. In his Division, this serviceman reported that there is not a single Black in personnel management, processing, financing, or recording, and that whites who were no more qualified than Blacks are now holding these positions.

Another serviceman told that upon returning from leave, he found that he had been replaced at his job in the base gymnasium, even though he had the qualifications and experience necessary for the job. He was offered no explanation for his dismissal.

A related incident, at the Mannheim Compound, involved the firing of a Black who also worked in the base gymnasium. He was told that a school major in physical education was needed for his particular job. Two whites were hired in his place. One of the whites had a major in English and the other a major in industrial arts; both having minors in physical education. A Black with a physical education major and two years of

[4] Interview with Private James Mathews, Mannheim, Germany.

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teaching experience behind him, who was a member of the Division, was never considered for the job.

Relative to promotion policies, the Third Armored Division at Frankfurt, Germany, set forth that "All of the Command will be given equal opportunity and treatment irrespective of race, religion, or ethnic or national origin. Every man will be judged on the basis of his job knowledge, his job performance, his on-duty and off-duty conduct as a soldier. Every member of the Division will be given equal opportunity to compete for promotions and privileges . . ." Yet, Black servicemen revealed that they knew of cases where Blacks had been in the service for a year or more and still had the rank with which they started. They claimed that when Blacks are up for promotion, in too many cases efficiency ratings are changed on orders from the Command by those who have access to the files. The following statistics show a clear discrepancy between what is military policy and what is actual fact.

1971 PROMOTIONS—3D ARMORED DIVISION

	Blacks		Whites	
	Number	Percent	Number	Percent
April:				
E-3 to E-4	22	11.0	182	89.0
E-4 to E-5	22	8.0	238	92.0
May:				
E-3 to E-4	49	12.5	341	[1] 87.5
E-4 to E-5	32	13.2	209	[1] 86.8

[1] Provided by 3rd Army Division, Frankfurt—General Craft.

In these two months, April and May, 1971, of 1095 promotions, the Third Armored Division, Frankfurt, only 125, or less than 11.2%, were awarded to Blacks.

	Blacks		Caucasians	
	Number	Percent	Number	Percent
June:				
E-3 to E-4	7	9.3	68	90.7
E-4 to E-5	5	7.1	65	92.9
July:				
E-3 to E-4	78	16.0	408	84.0
E-4 to E-5				

1971 PROMOTIONS AVERAGE TIME IN GRADE BEFORE PROMOTION

June	Blacks (months)	Caucasians (months)
E-3 to E-4	6.7	4.6
E-4 to E-5	17.1	[1] 8.6

[1] Ibid.

Note: These facts are self-explanatory.

ENLISTED PERSONNEL BY GRADE

(Compiled Dec. 31, 1970)

Navy	Whites	Blacks	Others	Total	Percent black
E-9	3,282	52	41	3,375	1.5
E-8	8,635	283	176	9,094	3.1
E-7	36,323	2,134	1,655	40,112	5.3
E-6	71,344	5,494	4,215	81,053	6.8
E-5	88,552	4,269	3,772	96,593	4.4
E-4	121,552	3,622	4,892	130,066	2.8
E-3	117,849	6,625	7,640	132,114	5.0
E-2	55,690	6,482	1,077	63,249	10.2
E-1	9,181	1,464	297	11,242	13.0
Total	512,708	30,425	23,765	566,898	[1] 5.4

ARMY (COMPILED DEC. 31, 1969)

	Total	Percent black
E-9	5,195	6.1
E-8	17,662	11.1
E-7	59,567	16.6
E-6	105,382	20.7
E-5	204,472	11.0
E-4	343,178	10.9
E-3	170,678	11.2
E-2	171,066	7.6
E-1	183,194	5.0
Total	1,260,394	10.7

MARINE CORPS (COMPILED DEC. 31, 1970)

E-9	1,107	2.3
E-8	4,219	5.3
E-7	8,884	10.5
E-6	15,648	13.4
E-5	30,052	10.6
E-4	39,882	8.1
E-3	42,815	10.4
E-2	33,512	13.6
E-1	32,448	14.2
Total	208,567	[1] 11.2

[1] Provided by Office of the Chief of Naval Operations (Zumwall)

AIR FORCE (COMPILED DEC. 31, 1970)

E-9	6,413	3.0
E-8	12,842	4.4
E-7	46,470	6.2
E-6	85,345	10.1
E-5	146,296	14.7
E-4	159,555	10.7
E-3	110,148	11.8
E-2	46,959	14.8
E-1	12,794	18.3
Total	626,822	[1] 11.7

OFFICERS BY GRADE

NAVY (COMPILED DEC. 31, 1970)

	Whites	Blacks	Others	Total	Percent black
07-10	313	0	0	313	0
06	4,228	3	1	4,232	.1
05	8,319	25	20	8,364	.3
04	14,930	82	50	15,062	.5
03	20,990	123	59	21,172	.6
02	16,917	103	45	17,065	.6
01	6,875	82	28	6,985	1.2
Total	72,572	418	203	73,193	[1].6

ARMY (COMPILED DEC. 31, 1969)

	Total	Percent black
07-10	513	0.2
06	6,319	.9
05	16,469	4.1
04	24,220	5.2
03	42,656	3.7
02	22,589	2.6
01	30,636	1.7
Total	143,402	[1] 3.7

MARINE CORPS (COMPILED DEC. 31, 1970)

07-10	78	0
06	751	0
05	1,634	.2
04	3,534	.3
03	5,317	1.4
02	7,477	1.5
01	3,039	1.9
Total	21,830	[1] 1.2

AIR FORCE (COMPILED DEC. 31, 1970)

07-10	429	0.2
06	6,133	.4
05	14,933	1.2
04	25,903	1.7
03	49,389	2.2
02	16,199	1.4
01	14,857	1.2
Total	127,843	[1] 1.7

It is rather clear from these statistics that the military practices discrimination in its promotion policy. It is the objective of the United States and therefore the United States military to ensure freedom and equality for its citizens. Yet, the military openly defies this standard. Frustration and resentment is felt by low ranking Blacks who believe that they have either been denied or not considered for jobs which have been offered to and filled by whites with similar or lesser qualifications. The result is a further breakdown in Black-White relationships on the base. With such open discrimination and lack of satisfactory action on the part of those in power, Blacks feel a growing alienation towards the military.

SOCIAL AND CULTURAL PROBLEMS

American military social values place a great deal of emphasis on individual and inherited characteristics and membership in a community or group. The military has seemingly categorized its servicemen into social classes, and in the process has denied the Black serviceman the right to his own life style. Cultural aspirations have been repressed. The very things which serve to arouse group awareness—special and personal names, dress, and mores—have been racially insulted. Through social embarrassment and intimidation, Blacks, have, in essence, been denied human dignity. In the United States and overseas, through both personal interviews and letters, they have expressed repeated complaints about the discriminatory practices of Whites and local civilians on and off base. They feel anger yet they feel apprehensiveness.

Thus, immense problems lie in this area. One Black soldier at the Mannheim Compound, Pfc. Donald Barbar, reported that Blacks there are already talking in terms of revolution and that some type of violence is inevitable, that they just do not care anymore. He also said that Blacks are often reprimanded for gathering in groups of more than three at a time, that, at times, they have gone out into the woods in the early morning hours just so they would be able to converse privately. Sometimes, when they are discussing subjects such as Black History, officers have been critical and have ordered an end to the discussion. Rather clearly, this is an overt denial of the constitutional freedoms of speech, association, and privacy.

In Greece, at Athenai Air Base, Black servicemen indicated that they are particularly resentful of the fact that the base hospital frequently refuses to admit Blacks and give to them full medical services, to which they are surely entitled. They complained of the lack of beauty parlor service, of Black entertainment, of discrimination in Greek bars and clubs, and that after they made these conditions known to the base commander, no satisfactory action was taken to alleviate the problem. After having reviewed the services available at Athenai, these complaints held apparent validity.

At Chakmali Air Force and Army Base in Turkey, there were complaints that neither Black literature nor periodicals were provided in either the PX or the Base library, which the total unit helps to fund. This situation, in fact, was found to be most common throughout our bases in Europe. Furthermore, the Base made no response in any way to the many requests that Black literature be provided. There was also testimony of discrimination in intramural sports, especially in the procedure used to set up teams and rules for eligibility to participate. Base entertainment is subsidized by a general fund—paid into by all servicemen. However, on almost every base visited, there is a lack of opportunity for Blacks to plan for the dispersal of such program funds.

At Mannheim, too, grievances were voiced over racism practiced by both Germans and White Americans. Blacks complained of segregated bars and other places of accommodation, that it is impossible for them to socialize except at the base, and that, for the most part, their grievances fall on deaf ears and undue procrastination. Often, a complaint registered will never reach anyone with the authority to take action. Relative to appearance, Blacks claimed that they are being deprived the right to wear an Afro-style haircut, thus depriving them of personal freedom and happiness. They also pointed to the lack of any real effort to obtain Black entertainment. They spoke of only two clubs in the city which are open to Blacks and even in these places, they felt an uneasy atmosphere and overwhelming tension. They were usually stared at, and have been the targets of sarcasm and mockery by others. One Black serviceman told of the following incident at a Frankfurt club:

"About nine Black servicemen approached the entrance of a nightclub which had a sign on its door reading "Admittance for Members Only." When they knocked on the door, a man answered it and, without provocation, threatened to call the police. The servicemen insisted that they had done nothing wrong and that other people, who were not members, were entering. They were then told that a coat and tie were necessary for admittance. After observing others entering and seeing that this was not the case, they were told that the club was overcrowded and that members only were being admitted at the time. This also proved to be false. After a short while and without using force, these Black servicemen went inside. Immediately, they were remarks about "colored boys." With tension building and violence imminent, the Black servicemen, wanting to avoid trouble, left. At the base, they reported the incident to Lt. Col. Porter, the Base Commander, who was somewhat indifferent. They tried to reach another colonel but were denied the opportunity. Their grievances went unheard and subsequently, nothing was ever done about the situation."

I personally visited this club and found the owner to be in command of a hostile and condescending attitude toward Blacks.

Besides complaining about the lack of a direct line of communication to the Base Commander about Black problems, Black servicemen also made mention of the fact that "soul" food was not provided and in particular, that they were explicitly ordered, time and time again, to refrain from using the Black power salute, something they consider to be a personal means of communication and unification. They spoke of being treated in terms of "they all are the same," "they all do this," "they all do that."

Other complaints revolved around reprimands for length of hair—such as being put on "KP" detail. Blacks were especially disturbed about being told not to listen to or play soul music. In one instance, they reported that the commanding officer ordered them to shut off soul music, though it was bothering no one when later on, white servicemen, who were throwing liquor bottles out windows and blasting music, were not even given so much as a warning.

It was found in Germany especially that very often base commanders over-react to the gathering of Blacks. There is a definite parallel to situations of this nature that exist in our own cities with police overreaction. One night, upon being alerted that a riot was to take place in Hanau, Germany, I spent the entire night going in and out of bars talking with both white and black servicemen. I found that the real stimulus to any outbreak of violence was the over-abundance of military police on the streets. There must have been five MP's or more per black soldier in bars and clubs. Many of the white MP's were not wearing name plates. Black servicemen told me that the absence of a name plate (the wearing of which is Army regulation) prohibited them from being able to report an MP if such a case arose. This type of experience serves as a clear example of a prevailing harassment which very often can ignite serious conflict and confrontation.

Discrimination is also present in on and off base housing conditions. It particularly affects married black servicemen who are provided with small allowances for dependents. On base housing is predominantly restricted to those with the rank of E–5 or above. Since blacks are disproportionately represented in these ranks, there exists an enormous problem among blacks when it comes to seeking housing off the base. In addition to this, when they search for off base housing, they run into the same type of racial practices which exist on the base. They reported having to pay more than white servicemen do for the same unit. Frequently, they are simply denied housing even though there are vacancies.

Black servicemen complain that the military has done literally nothing to alleviate the situation. Some military housing offices have turned their backs to the problem, giving it no acknowledgement of existence. They have continued to list places of residence which they know to be discriminating, knowing that this is in violation of military regulations. This indifferent attitude on the part of military authorities has only served to perpetuate the entire problem of racism in the military.

Black women teachers reported having difficulty finding placement. One elementary school in Frankfurt has approximately seventy teachers, only three of which are Black. A lack of Black administrators in the schools was also indicated. Only one was said to be known in Heidelberg. In Weisbaden schools, there were complaints about the miniscule usage of Black studies materials. Elementary schools receive them yet fail to make use of them, while high schools do not receive these materials at all. Regulations concerning this matter state "may teach" rather than "must teach." In other words, schools have the option of whether or not to accept the Black studies program.

Letters from Black servicemen indicate that the situation is comparable at bases in the United States. Blacks at Minot Air Force Base in North Dakota wrote that a big problem is hair length and methods of regulation enforcement and cite as an illustration of the issue, the following example.

Recently, pictorial guides were distributed on the base displaying the way blacks would be permitted to wear their hair. Immediately, there was discontent and constructive effort on the part of Black airmen to change the situation. Yet, it persisted. To further press the standards, "roving patrols" were initiated. Composed of a commissioned officer, a non-commissioned officer, and a photographer; their responsibility was to seek out violators, photograph them, and prosecute them.[5]

This gives rise to questions. "Is the roving patrol a repressive and oppressive concept?" "Does the right to be refused to be photographed exist?" "Does this restrict the freedom to privacy in personal appearance?" Rather obviously, the answers here are all definitely "yes."

These are merely a few of the examples which "typify" the sort of freedom Black servicemen are permitted in pursuing their life style. They are required to protect the integrity of democracy and the cultural values of those here in America and those abroad. Yet, they themselves lack the very benefits of these concepts. Military life has extensively deprived its Black servants the right to lead a normal life.

NATO STATUS OF FORCES AGREEMENT

The jurisdictional authority of the NATO Status of Forces Agreement is presently being questioned regarding the cases of Privates Bernard Tucker and Nathaniel Holmes. A review of NATO-SOFA reveals the following information:

A. The guarantees under Article VII, Section IX:

This particular section pertains only to those men who have been tried in a foreign court. "Whenever a member of a force or civilian component or a dependent is prosecuted under the jurisdiction of a receiving state, he shall be entitled:

1. To prompt and speedy trial;

2. To be informed, in advance of trial, of the specific charge or charges made against him;

3. To be confronted with the witnesses against him;

4. To have compulsory process for obtaining witnesses in his favor, if they are within the jurisdiction of the receiving state;

5. To have legal representation of his own choice for his defense, or to have free or assisted legal representation under the conditions prevailing for the time being in the state;

6. If he considers it necessary, to have the services of a competent interpreter; and

7. To communicate with a representative of the government of the sending state and, when the rules of the court permit, to have such representative present at his trial."[6]

B. In the same treaty: "The receiving state and sending state shall assist each other in the carrying out of all necessary investigations into offenses, and in the collection and production of evidence, including the seizure and, in proper cases, the handing over of objects connected with an offense."[5]

Privates Tucker and Holmes were convicted of the attempted rape of a German girl in December, 1970. They were sentenced to three years in jail. While their case was on appeal, Tucker and Holmes left Germany. This took place during the first week in June, 1971. They flew to the United States and enlisted the assistance of Representative Shirley Chisholm. They voluntarily surrendered to the Pentagon on June 9, 1971.

The trial of Tucker and Holmes was in direct and clear violation of NATO–SOFA, Article VII, Section IX, in the following respects:

A. Tucker and Holmes were denied the right to a prompt and speedy trial. The alleged offense occurred on July 4 or 5, 1970. Trial was held in December, 1970

B. Tucker and Holmes requested certain witnesses who said they would testify in their defense. They were told by authorities that they would fare better if they had fewer witnesses. Material witnesses departed Germany in the ensuing weeks. The United States representatives bad a responsibility to (1) flag the potential witnesses or (2) in the alternative, to request that they be returned to Germany from the States if these witnesses were still under military jurisdiction, or if these potential witnesses were no longer members of the armed forces, to seek them out and inform them that Tucker and Holmes had requested their presence and would be willing to finance their trip back to Germany.

C. Tucker and Holmes were denied legal representation of their own choice for their defense. Both men requested that they be represented by an American civilian attorney. Yet, they were told that Americans were not permitted to practice in German courts and that the Army would pay for a German attorney to represent them. Tucker and Holmes, not being learned in the German language, requested that this argument be presented to both American authorities and the German Court. They assumed their German attorney had done so. In sum, they were denied the right to have legal representation of their own choice.

[5] Letter from Case File, Minot AFB.

[6] NATO-Status of Forces Agreement.

D. Tucker and Holmes were denied the right to be confronted with witnesses against them. The German court allowed a United States Army CID agent to testify that one of the alibi witnesses who was no longer in Germany had told him that Holmes had told this potential witness to say that both he and Tucker were playing monopoly on the night of the alleged incident. The Judge asked the CID agent if he had this in writing. The CID agent did not. However, the German court considered this testimony in its finding of guilt. Tucker and Holmes were not given the opportunity to confront this witness. That is, their alibi witness, now allegedly turned government witness.

During the course of the trial, the German court ordered Tucker and Holmes and all Black spectators to be removed from the courtroom because of the alleged fear of the "victim" to testify in their presence. Confronting a witness implies the right to be physically present to hear as well as rebut the testimony.

E. Tucker and Holmes were granted an interpreter. Yet, from time to time, they were not aware of what was being said because parts of the testimony were being lost in the translation. An American lawyer would have made matters a great deal simpler. On June 10, 1971, Tucker and Holmes were placed in pre-trial confinement at Fort Belvoir, Virginia, on AWOL charges. These charges were not read to Tucker and Holmes and no immediate action was taken to try them for the offense or dismiss the charges, which is a requirement of the Uniform Code of Military Justice. On the same day, they were granted a temporary restraining order prohibiting the Secretary of Defense from sending them back to West Germany. Again, on the same day, Tucker and Holmes were charged with willfully disobeying a lawful order of a superior commissioned officer to remain in West Germany. They were not informed of the charges until October 14, 1971.

On June 23, 1971, and again on July 16, 1971, Tucker and Holmes demanded speedy trial. This was denied. On July 6, 1971, authorities extended the pre-trial confinement order beyond the original thirty day period. A request for speedy trial was made again on September 13, 1971. Again, this request was denied. Thus, attempts to demand speedy trial have been met with futility.

Military Counsel for Tucker and Holmes petitioned for a writ of habeas corpus from the Court of Military Appeals and requested the Court show cause why they should not be released. In its reply to the order to show cause, the Court saw fit to deny the release of Tucker and Holmes even though:

1. Tucker and Holmes have been kept in pre-trial confinement despite numerous requests for a speedy trial or dismissal of charges.

2. Tucker and Holmes have been imprisoned longer than the time they would have served for the AWOL charges which have been preferred against them.

3. On the basis of the conduct of Tucker and Holmes in appealing to military and civilian authorities for a speedy trial, there is every indication that they would not flee military or civilian jursdicton.

Under the NATO Status of Forces Agreement, the District Court for Washington, D.C., though it has granted a temporary order prohibiting the return of Tucker and Holmes to West Germany, believes that jurisdiction in this case belongs to the German court in which Tucker and Holmes were tried. Yet, the fact that pre-trial confinement has been extended by the U.S. Army implies acceptance of jurisdiction and therefore should immediately grant trial to Tucker and Holmes in the United States. Army Regulation 190–4, paragraph 1–3D(3) states:

"Pre-trial confinement in excess of thirty days will be permtited only when personally approved in each instance by the officer exercising general courtmartial jurisdiction over the command which ordered the investigation of the alleged offense . . ."

Thus, Tucker and Holmes must be tried at once or charges be dismissed. Otherwise, the extension of pre-trial confinement is illegal and Tucker and Holmes should immediately be released. What this all amounts to is preventive detention. Pre-trial confinement without any attempt to secure trial is unlawful. There is no reason why Tucker and Holmes cannot be tried in the United States for all the existing charges against them. The United States military has exercised its jurisdiction over the case simply by extending pre-trial confinement. The NATO Status of Forces Agreement does not pertain to the existing charges against Tucker and Holmes. Since it is irrelevant to the case, speedy trial should be granted at once. As of the printing of this report, the Court of Military Appeals has denied their petition for habeas corpus. The Federal Court of Appeals for the District of Columbia, has rendered no decision as to whether or not the District Court has jurisdiction to consider the fairness of Tucker and Holmes' trial pursuant to the guarantees to the NATO Status of Forces Agreement.

RECOMMENDATIONS

At the out-set, it should be noted that the attitude and spirit of General Michael S. Davison, the new Commander-in-Chief of United States forces in Europe, are both commendable and encouraging. In a two hour private session with the General, a forthright and frank discussion was held on possible co-operative moves that should be made on both our parts, to initiate solutions and remedies to discrimination. The General agreed that a basic first step must be a bold and firm commitment, from the top command both in Washington and in the field in order to eliminate prevailing racism—and a thorough follow-through with command dictates.

No one commander nor legislative body can produce a full recipe for curing a social and human cancer which has existed for decades in such a closed establishment as the United States Military. However, there are certain first steps which must be taken in order to make real many years hence, the possibility of a racist-free and effective military. Further, at this critical point it is highly important that we recognize the urgency with which Black servicemen have carried their plight to Washington, and the real potential for open hostility and violence both on bases and in the surrounding civilian communities at home and abroad.

Thus, the following recommendations are offered and urged for immediate consideration and implementation:

1. A complete review of the Military Code of Justice both by the Department of Defense and the Armed Services Committees of the U.S. House of Representatives and Senate.

2. The establishment of the position of Assistant Secretary of Defense for Equal Opportunity.

3. The establishment of the position of "Special Assistant for Equal Opportunity" to be placed under the direct and immediate command of the Secretary of Defense, the Secretaries of each branch of the service, as well as the Chief-of-Staff of each branch. It is imperative that this assistant maintain quick and open access to those men in the top command in the defense structure.

4. The commencement of investigatory hearings by the Armed Service Committees of the House and Senate into the N.A.T.O. Status-of-Forces Agreement with specific emphasis on those provisions affecting our maintainance in the Federal Republic of West Germany. That provision which provides for "exclusive jurisdiction" or custody over American military personnel must be fully scrutinized and altered.

5. The immediate establishment by command order (as has been agreed by General Davison) of Human Relations Councils on every American Military base in Europe as well as the United States. These councils are a necessary first step, and should reflect a broad cross-section of base life as well as administration in their composition.

6. A stepped-up recruitment campaign within the military and in co-operation with our nation's law schools for the placement of more Black legal officers in the Judge Advocate General's Corps. That further, the Army impanel a greater number of Black court-martial judges. The present court-martial panels reflect the days of the old South, where there existed only all white juries in our courtrooms.

7. That the United States government commence immediately negotiations with the Federal Republic of West Germany on the availability of off-base housing in military areas and specific measures which can be taken by both governments to alleviate the acute shortage, racial or otherwise, of available housing for Black servicemen and their dependents.

8. The prohibition of patronization of all of those social clubs and bars located in overseas communities that practice racial discrimination. Such a mandatory and command-imposed economic boycott is essential if racial barriers are to be eliminated. These "off-limit" sanctions should be imposed for an indefinite period of time—until the ownership of such establishments agree to alter their practices.

9. That the period of pre-trial confinement be held at a minimum, and that no serviceman be held in such confinement more than twenty-four hours without legal counsel.

10. That a wholesale review of punishment issued in U.S. Military stockades be ordered. Specific emphasis should be given to the elimination of the use of high-powered hoses and the reduced-diet as forms of reprimand.

The National Association for the Advancement of Colored People, under the very able leadership of Nathaniel Jones, its chief legal counsel, has put forth a number of constructive recommendations to the Secretary of Defense. Those proposals, which provide potential for the long-range cure of racism in the military, are heartily endorsed, and should be implemented without delay.

The recommendations which have been submitted in this report are drawn from the observance of the immediate need to commence a problem-solving process. They, by-in-large, can be implemented by executive or command discretion, and are seen as ways in which the immediate potential for open violence and hostility can be stemmed. They by no means can represent a "cure-all" approach to one of the most indulging and insidious enemies that the American soldier has fought on or off of the battle-field.

THADDEUS KOSCIUSZKO HOME NATIONAL HISTORIC SITE OF PENNSYLVANIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, in introducing this bill today, I think it is only fitting to say a few words about the man it proposes to memorialize.

A Polish patriot and revolutionary soldier, Thaddeus Kosciuszko figured heavily in the success of the American Revolutionary War. As a young man, he studied engineering and artillery. His imagination fired upon learning of the American fight for independence, he traveled to America where he worked with Delisle and Payne in drawing up plans to fortify the Delaware River. His successful work led to his commission as colonel of engineers in the Continental Army in October 1776. In the spring of 1777, he joined the Northern Army and advised on the fortification of Mount Defiance. The importance of Koscluszko's choice of battlefields and erection of fortifications cannot be underestimated and his decisions contributed in large part to the stunning victory over Burgoyne at Saratoga for the Americans.

Placed in charge of transportation under Nathaniel Greene during the winter of 1780–81, Kosciuszko's fine work was manifested in the masterly retreat and regrouping against Lord Cornwallis.

Serving in the cavalry in 1782, he was one of the first of the Continentals to enter Charlestown after British evacuation.

In 1783 Congress conferred upon him the great honor of brigadier general.

Returning to his beloved Poland in 1784, he became a major-general in the Polish army and led on two different occasions uprisings in resistance to the Russians, the second of which won him for a short time—March–October, 1784—a leadership role. During this period he promulgated many liberal reforms. In October, 1784, Kosciuszko was taken captive by the Russians, and after 2 years of captivity, was released. He then returned to Philadelphia.

An exile, he continued his brave, but unsuccessful fight for Polish freedom until his death in Switzerland in 1817.

I think it only fitting that we set aside a national historic site in Pennsylvania to pay tribute to this fine man who devoted his life to the ideals of freedom for all men. Whether in his adopted America or his beloved Poland, he dedicated his talents and energies to fighting the forces of aggression in pursuit of freedom.

It is also appropriate that we pay tribute to a man who played such an important role in the success of the American Revolution and I would urge my colleagues to join with me in my efforts to secure adoption of this legislation.

FEDERAL RESERVE POLICIES COULD LEAD TO DEPRESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, the Federal Reserve's tight-fisted monetary policies may wreck whatever chances we have for a real economic recovery.

The Federal Reserve needs to do two things to make sure that the Nation's economy expands and provide the necessary jobs:

Force a reduction in interest rates—a real reduction at all levels and not just limited to rates paid by the prime and affluent customers, and

Expand the money supply sufficiently.

Unfortunately, there are indications that the Federal Reserve is up to its old tricks of contracting the money supply at a critical juncture in the Nation's history.

Economic conditions are much worse than the political soothsayers within the Republican Party will admit. The President is going to have to take definite steps to make certain that the Federal Reserve does, indeed, carry out monetary policy in a manner consistent with an economic recovery program. If the Federal Reserve does not force a more dramatic drop in interest rates and if the money supply is contracted, we may be headed for a first-class depression.

Today, I received a copy of a letter written to Dr. Arthur Burns, Chairman of the Federal Reserve Board, by John W. Wright, president of Wright Investors' Service of Bridgeport, Conn. Mr. Wright whose business is keeping track of economic conditions, warns Dr. Burns of the grave problems facing the Nation if the Federal Reserve mishandles the monetary machinery at this critical period in our history.

I hope my colleagues will read Mr. Wright's letter carefully, and I hope that Dr. Burns and his colleagues at the Federal Reserve will consider the serious questions raised by this correspondence. Mr. Speaker, I place in the RECORD a copy of the letter:

WRIGHT INVESTORS, SERVICE,
Bridgeport, Conn., November 16, 1971.

Hon. ARTHUR BURNS,
Chairman, Board of Governors of the Federal Reserve System, Washington, D.C.

DEAR MR. CHAIRMAN: If you truly believe, as you have repeatedly stated, that "the country needs lower interest rates", the time has come for you to see to it that the Open Market Committee of the Federal Reserve Board suits its actions to your words. Time is, in fact, now running out fast, for unless vigorous corrective action is taken at once, the course of current FRB monetary policy will soon return the nation to the economic recession from which the Administration is endeavoring to free it.

You have repeatedly testified that non-inflationary economic growth requires consistent, moderate expansion of the money supply; but the record continues to reflect the extremes of contraction—expansion—contraction which have been typical of prior years. The excessive expansion of money and credit of 1967–8 which introduced inflation into a war strained economy, was followed by equally excessive and prolonged restrictions which, by the spring of 1970, brought the nation to the brink of financial collapse and caused the most severe decline in security values since World War II. As you well know, disaster was then averted only by a last-minute massive infusion of credit and a policy reversal to restore an adequate supply and maintain an adequate rate of growth of money and credit. Now we are once again witnessing another reversal from growth to depletion, a policy adopted in the name of inflation control, and prematurely calculated to slow a business expansion which has not yet even gotten under way.

We submit that this concept is completely false and that the present policy of the Open Market Committee of the Federal Reserve Board will, if not reversed immediately, have the most serious adverse effects on the economic welfare and the financial security of the people of the United States. The following facts should be self-evident to you:

(1) By every historic standard, the current money supply is not at all excessive in relation to the current depressed rate of Gross National Product, and is clearly inadequate to finance the restoration of economic growth which both the President and the Congress have established as an urgent national objective.

(2) Continued uninterrupted growth of the money supply is essential in order to bring about a progressive reduction in interest rates which are still far too high—much higher than in any prior period of economic recovery. No amount of federal deficit spending can get this country going again as surely as would 4½% bank loans and 5½% home mortagages.

(3) There is nothing inflationary about low interest rates. During the fifteen years prior to last year's extremes, interest rates were substantially below the current level and inflation averaged an annual rate of only 2.5%.

(4) There is no longer a need to maintain high interest rates at home in order to restrict the outflow abroad of U.S. capital. The Administration's new international program is adequately correcting our adverse balance of international payments; and, in fact, has already brought about a decline in foreign central bank rates which is substantially greater than the nominal reduction which your Board has thus far permitted in the United States.

(5) Persistence by the Open Market Committee in a policy of monetary and credit restriction at this time, would effectively negate the New Economic Program. It would obviously parallel the FRB's disastrous mistake in the early 1930's when it shrank instead of expanding the money supply and thereby fatally accelerated the downward economic spiral which has since been known as "The Great Depression".

The sharply contractionary current monetary policy of the Open Market Committee is now obvious to businessmen and investors generally; as is the fact that this policy is also sharply contradictory to the economic policies of the Administration and the Congress. The recent shrinkage of values and liquidity in the securities markets should be a clear warning to you of the dangers into which this course, if continued, will take the Board and the Nation.

Your leadership at today's meeting of the Open Market Committee can be decisive in determining the course of the economy and the securities markets for some time. What is wanted now is a clear and unequivocal statement by you which will reassure the business and investment communities that:

(1) The current level of interest rates is still excessively high and will be reduced to traditional levels.

(2) The Federal Reserve Board does not believe that a policy of reasonable credit ease and steady monetary growth is inflationary or in any way incompatible with the new economic program.

(3) Businessmen and investors may have full confidence that the Federal Reserve Board will take all appropriate actions to insure that these policies will be carried out effectively.

I would be most grateful for a prompt and forthright reply.

Sincerely yours,
JOHN WINTHROP WRIGHT,
President.

FORTIETH ANNIVERSARY IN LEGISLATIVE LIFE OF THE HONORABLE JOHN H. DENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DANIELS) is recognized for 10 minutes.

XUM

Mr. DANIELS of New Jersey. Mr. Speaker, I would like to take this opportunity of reminding my colleagues of a very important anniversary today. November 17, marks the 40th anniversary in legislative life of my good friend from Pennsylvania, the Honorable JOHN H. DENT.

JOHN DENT's first legislative position in 1931 was with the borough council of Jeanette, Pa. Since then he has been elected to the Pennsylvania General Assembly, after which he won election to the State senate.

Serving 20 years in the State senate, a record equalled by only 21 other men in the history of that body, JOHN served for 17 years as the Democratic floor leader.

During his career in the State senate, he was in the front lines of the battle to develop meaningful legislation to protect working men and women from unfair labor practices and poor working conditions.

If anyone typifies the qualities of the dedicated legislator my good friend JOHN DENT certainly has in him those ideal qualities. The art of good politics is the recognition of what is necessary to the interests of those whom we represent as well as the ability to effectively transform that public interest into meaningful legislation. More than a politician, however, JOHN DENT fills the role of a statesman. Certainly he meets the pragmatic definition of Walter Lipmann who wrote:

> The politician says: "I will give you what you want." The statesman says: "What you think you want is this. What it is possible for you to get is that. What you really want therefore is the following."

In the years he has been in the House of Representatives he has lived up to the role of statesman. Highly effective in the fight for practicable legislation in the interest of American working people, he was exceptionally instrumental in obtaining passage of more equitable amendments to the Minimum Wage Act, broader coverage of the Fair Labor Standards Act, the Coal Mine Health and Safety Act, vocational education, library services, and the elimination of age discrimination among older working Americans.

Mr. Speaker, I offer congratulations to my good friend, JOHN DENT, and my best wishes for as many terms in Congress and public life as he desires. For however long he is in public life, the public interest will be well served.

THE U.S.S. "WILKES-BARRE"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, I will be privileged on Friday morning of this week to deliver an address at ceremonies in Wilkes-Barre—the city I have been fortunate to represent in the House for nearly a quarter century—as the permanent memorial to the U.S.S. *Wilkes-Barre*, the beloved World War II naval cruiser which bore the name of the home city in northeastern Pennsylvania, is dedicated.

The ceremonies formally opening the official resting place of the ship's anchors will take place on the Luzerne County Courthouse lawn, with proper military rituals which will include music by the 4th Naval District Band, from Philadelphia.

The occasion will be the culmination of months of research and determined efforts by a group of proud residents who wanted to preserve at least a part of the cruiser which sailed the high seas during the war.

Scores of tributes could be paid to those who pursued so diligently the cause of a shrine for the two anchors, and I shall not attempt to name all of them today.

I daresay, Mr. Speaker, that were it not for the outstanding financial participation of Mr. Oscar Weissman, a renowned businessman and civic leader in the northeastern Pennsylvania area, this great occasion might never take place. With his backing, it was possible to make and carry to completion the innovative plans which brought the huge anchors from planned destruction in naval operations tests to their resting place at the Luzerne County Courthouse.

Mr. Weissman is carrying on in the proud distinguished tradition of his late father, Charles Weissman, who did so much for so many residents of northeastern Pennsylvania.

Mr. Robert T. Conway, representing the northeastern Pennsylvania Council of the Navy League was most instrumental in his role, along with David J. Philbin, the council president. I commend also the Luzerne County Commissioners: Frank Crossin, Edmund C. Wideman, Jr., and Mrs. Ethel Price for their appreciation of local history in making the land available for the memorial. Architect Carl J. Schmitt designed the memorial.

I could not let this occasion pass without also commending the untiring efforts of retired naval Commander John C. Bush, who performed so dilligently in keeping the public informed of the events which led to Friday's dedication. Commander Bush has over the years performed outstandingly as an information officer for this event and scores of other naval-connected affairs in northeastern Pennsylvania and in the entire Philadelphia Naval District.

I will be joined on the Friday morning program by Rabbi Abraham D. Barras, spiritual leader of Temple Israel, Wilkes-Barre, who will offer invocation. Reverend Jule Ayers, pastor of the First Presbyterian Church, will give benediction. Gino Merli of Peckville, Pa., will lead the pledge of allegiance. Mr. Merli is a Congressional Medal of Honor recipient.

The occasion will be enhanced, and truly completed in the historic sense, with the presence of Rear Adm. Robert L. Porter, the commanding officer of the U.S.S. *Wilkes-Barre* during its service in the Asiatic-Pacific waters during 1944 and 1945. Now in retirement in Wynnewood, Pa., Admiral Porter in 1945 was made an honorary mayor of the city of Wilkes-Barre, by former mayor, my good friend, Con McCole, thus displaying the proud sense of history which the people of the city held for this great cruiser.

The entire story of the U.S.S. *Wilkes-Barre*, from shipyard to decommissioning was brilliantly researched and reported by Harrison H. Smith, president of the Wilkes-Barre Times Leader Evening News in a seven-installment series beginning this fall. It is my pleasure at this time, Mr. Speaker, to submit for the RECORD the entire series, which was prepared by Mr. Smith, who also was most instrumental in the project of creating a permanent memorial.

Before doing so, Mr. Speaker, I would like to say in conclusion how proud I was to play a major part in arranging for the procurement of the two anchors, which were taken to Wilkes-Barre. As a member of the Subcommittee on Defense Appropriations, it is a source of great pride for me to speak at these ceremonies.

Mr. Smith's report follows:

U.S.S. "WILKES-BARRE"

It is doubtful whether employes of the Cramp Shipbuilding yards, or for that matter the residents of the nearby town of Kensington, Pennsylvania, ever witnessed such a patriotic demonstration as that which accompanied the laying of the keel of the USS Wilkes-Barre, thirtieth anniversary of which was marked on Wednesday of this week.

A special train had accompanied the Wilkes-Barre delegation of several hundred persons to Philadelphia, including members of Concordia Singing Society who not only livened up the group en route, but gave a brilliant performance at the official ceremonies.

It was actually a dual observance, since the Wilkes-Barre contingent was joined by a massive group of Kensington residents, the shipbuilding community along the Delaware where the yards were located, who were celebrating the fact that more than $30 millions in government contracts had just been awarded there for warship construction during this critical period of World War II.

DEMONSTRATION TERMED "JUBILANT"

Employes of the yard and Kensington residents alike, joined with Wilkes-Barreans in a huge parade interspersed with forty musical organizations prior to the start of the official ceremonies. An estimated crowd of 100,000 spectators and participants gathered for the historic event.

Under the heading, "Cruiser Wilkes-Barre Marked By Pomp and Panoply" one local editor remarked:

"A proud and delighted Wilkes-Barre, a jubilant and demonstrative Philadelphia and an interested Commonwealth and nation joined on Saturday in celebrating with pomp and ceremony the rededication of the 100-year-old Cramp shipyard at Kensington, along the Delaware River, and the laying of the keel of the 10,000-ton Cruiser Wilkes-Barre.

"As sounded at the keel-laying exercises the Wyoming Valley note was without precedent. The nation and the Commonwealth no less than the city were represented on the program by natives of Wyoming Valley.

"Admiral Harold R. Stark, chief of naval operations, son of Wilkes-Barre, a key man in the nation's defenses and today a world figure—it would be superfluous to say that he is a 'local boy who made good'—spoke for the Navy and the American people. He was flanked on the platform by at least five other admirals of the United States Navy.

ON NATIONAL NETWORK

"Pennsylvania was represented by Governor Arthur H. James, native of Plymouth, who said in his speech and radio broadcast heard over the nation, "To the keel-laying of the new light cruiser USS Wilkes-Barre I come not only to represent the Commonwealth, but as a lifetime resident of the Wilkes-Barre area.'

"Wilkes-Barre itself was represented by Mayor Charles N. Loveland, who expressed a hope that 'the efficiency, reliability and dignity for which our city is known will be built into the structure and plates of the new cruiser."

Floats depicting historic mile-posts had their eminently appropriate place in a parade which as it wound its way over the streets of Kensington passed within a stone's throw of where Penn and the Indians made their famous treaty. "Penn's Treaty with the Indians" was shown in picturesque fashion on one float.

As a crane lowered the eight-ton first section of the Wilkes-Barre's keel into place, the John D. Stark Post Band of Greater Pittston played "Anchors Aweigh." Forty-nine members of Concordia Singing Society of Wilkes-Barre, wearing white miners' caps, sang. Nearby was the colorfully uniformed bugle corps of Wilkes-Barre's Post 132.

OTHER DISTINGUISHED PARTICIPANTS

High ranking navy and army officers were on the speakers' stand. Other speakers included acting Mayor Bernard Samuel of Philadelphia, and Rear Admiral William G. DuBose, head of the shipyard and chairman of the exercises.

Among official delegates to the dedication were County Commissioners Robert Lloyd, Herman Kersteen, and Stanley Janoski; Mayor James Costello of Hazleton; R. H. Levy, president, and J. Arthur Bolender and Edward Smith, Jr., secretaries of Wyoming Valley Chamber of Commerce; James Garrity, secretary of Pittston Chamber of Commerce and E. L. Lindemuth, president of Wyoming Valley Motor Club. The exercises attracted many Philadelphians with Wilkes-Barre connections.

Among the spectators was Mrs. Edward B. Chase, sister-in-law of Admiral Stark, and her daughter, Miss Bernadene Chase.

In the parade were three floats representing Wilkes-Barre and the anthracite region, one carrying a model of the new cruiser, contributed by the City of Wilkes-Barre. Others were provided by Anthracite Institute and Blue Ribbon Cake Company.

Naval officials on the speakers' platform included Admiral S. M. Robinson, chief of the bureau of ships; Rear Admiral A. H. Van Keuren, assistant chief and Rear Admiral A. E. Watson, commandant of the Philadelphia Navy Yard.

PART 2

What could be referred to as "the fortunes of war" was the ironic note that the original Cruiser Wilkes-Barre, the keel of which was laid September 6, 1941, as outlined in last week's Valley Views, was to be designated by another name.

First word of this development brought keen disappointment to citizens of Wilkes-Barre and especially those who had labored long to assemble gifts and tokens for the officers and crew of the 10,000-ton vessel which was to have been the city's namesake.

Instead, on March 6, 1943, the ship was finally launched as the Cruiser USS Astoria, named for one of the three heavy cruisers sunk off the Savo Islands during a running battle with Japanese navy units in August 1942.

Prior to this time, however, Mayor Charles N. Loveland had received assurances from Navy Secretary Frank Knox that another cruiser, already in process of construction at the Philadelphia yards of the New York Shipbuilding Company, was to be named "Wilkes-Barre" to take the place of the ship originally scheduled to carry the city's name.

COMMITTEE REACTIVATED

The original committee was reactivated and expanded, and preparations began for another ceremony to be staged by representatives of the city to give the newly designated cruiser an adequate send-off.

However, wartime security regulations prevented circulation of information on the progress of construction and the exact date upon which the ship was to be launched. Finally, on December 24, the cruiser slid down the ways at Camden, following a ceremony which was brief and simple, in keeping with wartime custom and Navy regulations.

Sponsor of the ship was Mrs. Charles H. Miner, wife of a prominent Wilkes-Barre physician and mother of Lt. C. H. Miner, Jr., USNR, then in the Naval Training School in Hampton, Va. Her daughter, Miss Stella Miner, was "maid of honor" for the Navy formalities.

Only a small group of invited guests saw Mrs. Miner smash the traditional champagne bottle against the hull to send her down the ways, precisely at 12:36 p.m. on the day before Christmas, 1943.

COMMANDING OFFICER ASSIGNED

A Wilkes-Barre gold star mother was among the launching ceremony guests. She was Mrs. Stanley Snyder, two of whose sons had been killed in action while serving as Army sergeants. Others in attendance included Col. Ernest G. Smith, Mayor Charles N. Loveland and Rear Admiral Roy W. Ryden, Navy supervisor of shipbuilding in the Camden area.

In a little more than seven months after her launching, the Cruiser Wilkes-Barre was in a state of readiness for her commissioning.

With final stages of construction and placement of equipment approved by the Navy Department, July 1, 1944, was set as the date for the cruiser to be officially turned over to the officers and crewmen assigned. First commanding officer of the "Wilkes-Barre" was Captain Robert L. Porter.

Another representative group of citizens from Wilkes-Barre was then assembled for the journey to the Philadelphia Navy Yard, where utmost security precautions had been taken for the ceremony.

The local committee included Chamber of Commerce officials, heads of various civic organizations and a number of distinguished guests invited for the occasion.

The ceremony got underway at 3:30 p.m. on the afternoon of Saturday, July 1, with Captain Porter presiding. He stated:

TURNED OVER TO NAVY

"The ceremony which you will now witness represents the beginning of the career of the 'Wilkes-Barre' as an integral part of the Navy. Up to this time the ship has been in the process of construction, but now it is ready to join the fighting ships of the Fleet."

Captain Porter then placed the ship in commission, the national ensign was hoisted and the commission pennant broken. He then read the orders directing him to assume command, after which he set the watch.

This was the last official act performed by the Wilkes-Barre Cruiser committee before the ship embarked on its long and arduous tour of wartime duty which included logging more than 100,000 nautical miles in the South Pacific theater of war before being later assigned to European waters.

PART 3

When New York Shipbuilding Corporation's cruiser hull No. 466 was placed in commission at the Navy Yard, Philadelphia, Pennsylvania, on the first day of July, 1944, almost one and a half years after the laying of her keel, the USS Wilkes-Barre, under the command of Captain R. L. Porter, U.S. Navy, became a part of the United States Fleet—the first ship to bear that name. (The original cruiser Wilkes-Barre, whose keel was laid back in 1941 had been redesignated the USS Astoria, but in 1943 another cruiser of the same class was substituted as the city's namesake.)

A Cleveland class light cruiser, she had speed, endurance and power.

"Shakedown," a period of intense training under simulated battle conditions was undertaken and the marriage of the Wilkes-Barre and her crew was consummated.

From August 28 to October 9, 1944, in the Chesapeake Bay and the Gulf of Paria, Trinidad, B.W.I., the arduous training continued, after which the Wilkes-Barre returned to the Navy Yard, Philadelphia, her men and officers welded into a team, ready, after a short period of post-shakedown overhaul, to take their place in the Pacific Fleet in what none dared dream of then—the all out assault upon Japan.

DEPARTS FOR PACIFIC

With the overhaul and short "statewide" leaves completed, on October 23, 1944, the Wilkes-Barre departed from Philadelphia for the Pacific theatre via the Panama Canal and, after short visits to San Diego, and Pearl Harbor arrived at Ulithi Atoll, Caroline Islands, on December 14, 1944, where she joined her cruiser division (Cruiser Division 17) as a part of the Third Fleet and was assigned duty as a unit of the famed Fast Carrier Task Force 68.

From this point on, the log of the Cruiser Wilkes-Barre became an integral part of the fabulous history made by the men, ships and planes of Task Force 38 and Task Force 58, the powerful striking arms of the Third and Fifth Fleets.

The desire for action of the officers and men of this young cruiser was very shortly fulfilled, for on the 30th of December 1944, she departed Ulithi as a part of Task Force 38 under the command of Vice Admiral J. S. McCain and operated in the Philippines and China Seas in support of the American landings on Luzon.

During this January foray of Task Force 38 came what seemed like a "real chance" for Wilkes-Barre to hit the enemy.

It happened this way:

For ten days Task Force 38 aircraft had been making magnificent attacks through almost impossible flying weather against targets on Formosa and Luzon, holding the Japs on the ground so that they couldn't interfere with the Lingayen landings.

ORDERS FROM MAC ARTHUR

General MacArthur sent word urging the presence of the Third Fleet in the South China Sea to counter any threats from Japanese forces which might possibly attack Lingayen from both the North and the South, as his own Seventh Fleet was hard pressed and hard hit by enemy air attacks.

Task Force 38 boldly steamed through Luzon Strait with all its Fast Carrier Task Groups and thereby placed the full strength of its heavy ships, as well as its carriers in the breach between any surface strength the Nips could send down from the homeland or up from Singapore. Then, on the strength of a report that Jap warships recently had been sighted in Camranh Bay, French Indo China, Wilkes-Barre with other cruisers, battleships and destroyers was chosen to hunt down the enemy and destroy him in his lair.

ESCAPED FROM TRAP

But the bait had skipped the trap and no resistance was met. This trek into the South China Seas was not in vain, for the Task Force's Air Groups took every opportunity to strike at targets along the Indo China Coast from Saigon to North of Camranh Bay, and at Hainan, Hong Kong, Swatow, and Amoy.

All was not clear sailing, for stormy weather shipped up such tremendous seas

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that all operations were interrupted. Even the Northern exit through Balintang Channel became doubtful for a day or two, for a storm-tossed fleet threading through a narrow channel would be vulnerable to land-based plane attacks. Yet it was made without loss while Wilkes-Barre, during an air attack just at dusk, fired her guns for the first time in action with the enemy.

Back in Ulithi at the end of January Wilkes-Barre had an opportunity to replenish stores, ammunition, and fuel; to make repairs, to obtain a little rest and relaxation, to write reports, and to study the net operation. This period was marked by air alerts, during one of which a heavy carrier was damaged by a daring Kamikaze.

PART 4

In February, 1945, came the Iwo Jima Campaign. Wilkes-Barre retained her same protecting role with a fast Carrier Group, but this time in Task Force 58 with Vice Admiral Mitscher as part of the Fifth Fleet under command of Admiral Spruance.

"Target Tokyo!" was the word that went like wild fire throughout the ship as the Task Force sped northward to strike the first carrier blow since Jimmy Doolittle's flight from the deck of the Hornet. This time the Task Force pushed well within a hundred miles of the coastline while its air groups pounded the Jap air fields and surrounding industrial districts for two days.

Except for flashes of gun fire from other groups and an occasional bright ball of fire of a burning Nip plane sinking fast to the horizon, the only enemy sighted on this trip were survivors of Jap picket boats sunk by alert U.S. destroyers. The Task Force headed southward to help in the invasion of Iwo Jima, pounding Chichi and Haha Jima en route.

The going at Iwo was tough, Wilkes-Barre, and other cruisers of Cruiser Division 17, were called in to bolster the supporting fire from ships that lined the beaches. Wilkes-Barre stood close in to shore and kept up an incessant bombardment of enemy held positions, aided by the keen spotting of our own aircraft and fire control spotters ashore.

Dispatches from appreciative Marines on the beach attest to the effectiveness of Wilkes-Barre's fire against enemy gun positions, pill boxes, ammunition dumps, tanks and caves, while one report commends Wilkes-Barre's prompt and accurate fire which turned back a strong Jap counter-attack during the middle of the night.

Dusk at Iwo Jima had its exciting moments.

If the all-day preoccupation of navigating close in-shore near sharp rocks and jutting ledges were not sufficiently enlivening hazards, while collision threatened with thousands of small craft darting back and forth between beach and transport area and with other men-of-war lobbing shells over bow and stern and constant shore-side explosions filling the air with noise and missiles between the paralyzing concussion of Wilkes-Barre's own salvos, then the twilight period might provide the excitement. For suddenly the radio would blare forth the warning that enemy aircraft were approaching from several directions.

All ships in the vicinity were ordered to make smoke, laying a covering blanket over all that great mass of ships and boats.

SYMPHONY OF DESTRUCTION

Bombs, miraculously, dropped harmlessly. Darkness settled down, and the relentless routine of bombardment and invasion continued. Here was war as only an American amphibious team can wage it—men, ships, planes and guns in a symphony of destruction. This assault was the prelude to Okinawa and the final smashing of the overweening ambition of the Japs.

By March 1, 1945, the Cruiser Wilkes-Barre was provided a short period at anchor before tackling the Okinawa campaign.

Anchor was weighed with light hearts as all hands eagerly looked forward to the unfolding of the next chapter in this rapidly moving war of the Pacific. There was little doubt that this time Wilkes-Barre would participate in the destruction of more enemy planes and that air groups of Task Force 58 would undertake more daring missions than ever before.

The saga of Okinawa had been told; and the exploits of our carriers off the shores of Kyushu, Shikoku, and the Inland Sea, and the sinking of Japan's last mighty battleship, the Yamato. In one month Task Force 58's ships and planes destroyed over one thousand enemy aircraft. March blended into April and April into May as the slow work of attrition went on and on.

KAMIKAZE ATTACKS

The invasion forces on Okinawa needed protection afforded by the carrier's planes, and the carrier groups needed the protection afforded by their escorting ships' guns.

So the Wilkes-Barre saw plenty of action, firing thousands of anti-aircraft shells against desperate demoniac attacks that ended almost always in fiery death as torching Japanese planes splashed short of their prey. The fight was not always so one sided, however. The Wilkes-Barre saw more than one carrier suddenly burst into a ball of fire as flaming fragments were thrown high into the air—the results of a Kamikaze's successful death ride from out of a bank of low hanging clouds.

PART 5

The Cruiser USS Wilkes-Barre, already a veteran of the Philippines, Iwo Jima, Okinawa and Tokyo Bay campaigns, won fame assisting the carrier Bunker Hill hit May 11, 1945, off Okinawa by two Japanese suicide planes.

Quick action on the part of the crew of this city's namesake resulted in the saving of many lives aboard the crippled flattop. Many men were trapped in burning areas of the ship and were assisted to the deck of the cruiser by rescue squads.

Other personnel driven off the burning ship by smoke and flames sought safety on the cruiser's decks. Streams of water from ten hoses helped bring the flames under control as other hoses and fire-fighting equipment were passed to the carrier.

Many wounded, dead, and dying were transported by stretcher and breeches buoys rigged forward and aft. The lucky living ones later were transferred to a hospital ship, the dead committed to the deep with fitting ceremony.

MORE MAJOR OPERATIONS

On this cruise two independent operations were performed by the Wilkes-Barre in company with Cruiser Division 17, one late in March and the second early in May.

Each was a night bombardment of Minami Daito Jima in company with Destroyer Division 62. The primary target was the airfield, in order to deny its use to the Japanese. A healthy glow from fire and explosions was observed as the ships withdrew in the darkness.

No mere pen can ever describe the epic of naval history that encompassed the occupation of Okinawa.

For Task Force 58 it meant 79 days of continuous steaming with never a sight of land save that of the Japanese and that only through the sight of a gun.

Japanese planes were there in abundance as they futilely sought to stem the surging might of the American invasion forces.

Sleepless nights, tense moments and jubilation all blended into one as Task Force 58's planes and guns brought Japanese planes crashing down into the sea—some within shouting distance of the USS Wilkes-Barre.

Japanese flags painted on the Wilkes-Barre's bridge, awarded for sure "kills", attested to the accuracy of her fire and brought compensation for the long and tiresome hours of training that had gone before.

Finally word was received that Okinawa was completely ours. So the Wilkes-Barre, with part of the Third Fleet, headed southward for San Pedro Bay, Leyte, Philippine Islands for much needed and well earned rest and a period of replenishment. On June 1, 1945, the Wilkes-Barre entered San Pedro Bay and anchored, just in time to avoid a typhoon which swept over the remaining ships in the Okinawa area.

FIRST BIRTHDAY OBSERVED

As dawn broke on the first birthday of the Wilkes-Barre, July 1, 1945, she got underway and sortied for what was destined to be her last wartime cruise—swashbuckling up and down the coast of Japan with Admiral "Bull" Halsey's Third Fleet.

Tokyo, Nagoya, Osaka, the entire islands of Honshu and Hokkaido felt the shock of the Third Fleet's air power. With no Japanese fleet left upon which to unleash their guns, the Wilkes-Barre and her sister cruisers, accompanied by doughty destroyers, were ordered to seek out the Japanese within sight of his home islands, and commenced the anti-shipping sweeps and shore bombardments of the island of Honshu itself, which presaged the end of the island Empire.

On the night of July 14th, the Wilkes-Barre, and other ships of Cruiser Division 17, parted company with Task Force 38 and at high speed, headed for the coast of Honshu, where, within range of her smallest calibre close weapons battery, she conducted anti-shipping sweeps of the Japanese coast.

SEA BASE ATTACKED

Again, on the nights of July 24–25 these same ships laid aside their protective role and stood in to the coast of Japan, across Kii Suido they swept, alert for enemy shipping. On the following day, they opened fire with main and secondary batteries on Kushimoto seaplane base and Shionomisaki landing field, on the southern coast of Honshu. Not one answering shot was fired from the steel swept area and Wilkes-Barre returned with her division to resume her task of protecting her floating airfields.

Throughout this operation, the foe offered but few targets for the ships and planes of the Third Fleet. Those highly vaunted secret weapons, the Kamikazes, had apparently blown themselves out after the terrific losses they suffered during the invasion of Okinawa—more than 3000 planes destroyed by the planes and ships of the Third Fleet.

PART 6

With breathtaking abruptness came the news of Japan's acceptance of unconditional surrender, as Task Force 38 hovered off the islands of Honshu, and Hokkaido, poised for another air strike and shore bombardment of the heart of the Empire—a heart whose beat had become dangerously slow under the pounding of the Third Fleet and descended to but a feeble flutter with the advent of the atomic bomb.

Then came the days of waiting—irksome days—for the formal surrender; cruising just off the shores of southern Honshu as Task Force 38 continued to shoot down diehard (they really died quite easily) Kamikaze planes—but always, as Admiral Halsey said, in a friendly manner.

NEW CAPTAIN WELCOMED

It was during this period of tense waiting, of speculation and hope, that the Wilkes-Barre, on August 17th bid adieu to Captain Porter and welcomed Captain W. W. Juvenal USN, aboard as her new commanding officer.

At long last, on August 27, 1945, after 59 days at sea, the Wilkes-Barre joined the majestic parade of naval might for the triumphal entry of the Third Fleet into Sagami Wan, Japan. Here on the same day, but a short distance from Tokyo and in sight of Fujiyama, the Wilkes-Barre on the 423rd day of her short but eventful life came to anchor—103,950.1 steaming miles from her place of birth.

The Wilkes-Barre's respite here was but brief, for her guns were needed to cover the landings of the first Americans on Japan which included a part of her own Marine detachment.

But the Japanese had learned his lesson and all was peaceful and serene. Thus, her duties completed in Sagami Wan, the Wilkes-Barre got under way on the third day of September 1945 and entered Tokyo Bay and again came to anchor among the military might of the Third Fleet.

Even though the little men of the Island Empire had already affixed their signatures to their formal surrender aboard the flagship of Admiral Halsey, it was only now that the full realization of the cessation of the war came home to the officers and men of the Wilkes-Barre—Tokyo, Yokahama, Yokoshua—all within easy range of her now silent guns.

But the labors of the Wilkes-Barre were not ended.

DESIGNATED AS FLAGSHIP

Though deprived of their will to fight, the Japanese also had to be denied the means of carrying on a sneaking guerrilla war and to the Wilkes-Barre was assigned a major role in this undertaking. As the flagship of a demilitarization unit, she traveled up and down the coast of Japan (Tateyama, Onagawa, Wan, Aburatubo, Katsuura, Katsuyama), sinking and destroying the Japanese "last-ditch" suicide submarines and suicide boats, confiscating small arms and dismantling coastal defense guns.

Assigned to the newly created Asiatic Fleet, the Wilkes-Barre then rode at anchor in Tokyo Bay, already a veteran of the greatest, most aggressive and successful campaign in the history of naval warfare. Here she remained until early November, 1945, when orders were received by Captain Juvenal for the Wilkes-Barre to report to the Seventh Fleet off the coast of China.

ASSIGNED TO CHINA WATERS

Detached from the Fifth Fleet on November 9, 1945, the Wilkes-Barre sailed to Jinsen, Korea, where she remained three or four days and then continued to Tsing-tao, China.

A brief outline of the Wilkes-Barre's activities in the Pacific after this time was given later by Capt. William W. Juvenal, the new commander:

"After a short stay there, we went to Taku. Since there was nothing much in the way of operation in Taku, just a matter of watching things develop, we had the opportunity of sending the men on liberty in Tientsin and Peiping, for the first liberty since leaving the United States in the fall of 1944.

At that time, as a result of men leaving us steadily as demobilization proceeded, we had only 1,000 men."

When on December 18, the ship was sent to Chin Wang Tao, Capt. Juvenal became the Seventh Fleet's liaison with Chinese Nationalist Army.

"We stayed there until December 27 and sailed for Tsingtao. By that time, we were frozen in Chin Wang Tao and had to have an ice-breaker to get clear," Capt. Juvenal asserted.

Relieved on station by USS Columbus on January 13, 1946, the cruiser sailed for the West Coast by way of Pearl Harbor and arrived in San Pedro on January 31, 1946, with 450 Navy and Marine Corps separatees from China on board. At that time, the ship transferred for discharge 200 of her crew.

After leaving Chinese coastal waters the Cruiser Wilkes-Barre steamed directly to Pearl Harbor where she received fuel and supplies, and with her next stop being a brief anchorage off San Pedro, California, she then steamed directly to Philadelphia Navy Shipyards, arriving March 19, 1946, scorched and battle-scarred, to undergo a thorough overhaul to make ready to rejoin the active fleet.

Again the ship and its crew received a hearty welcome from a delegation of fifty Wilkes-Barre residents headed by Mayor Con McCole. This contingent was joined by fifty members of the families of ship's personnel from the Wyoming Valley area.

Rear Admiral C. H. Cobb, USN, base commandant, was piped aboard the ship, veteran of four Pacific campaigns, with the entire crew at quarters on the weather decks as the cruiser was maneuvered into its berth by Navy tugs.

Capt. R. L. Porter, USN, former commander of the ship, presented the Wilkes-Barre's battle flag to Mrs. Charles H. Miner who christened the cruiser in 1944.

Capt. Porter also presented Mayor McCole with a machine gun obtained in Japan.

M'COLE LAUDS CREW

Mayor McCole in his acceptance speech expressed "heartfelt gratitude for taking our own Cruiser Wilkes-Barre through the hot and turbulent Pacific safely and while doing so brought honor and glory not only to the ship but to our fair city."

He told crew members "to feel free to call Wilkes-Barre your 'home' where you will find a comforting welcome as warm and as intimate as the anthracite coal that has made your community one of which we are all proud."

Aboard the vessel returning to her home port for the first time since October, 1944, according to a list appearing in the newspaper, were the following crewmen from the anthracite regions:

Harold L. Hunsinger (S1c) of Conyngham; Paul J. Regan (S1c) of 927 Ridge St., Freeland; Leonard J. Petera (S2c) of 30 East Grant St., McAdoo; Edwin P. Williams (SF3c) of 93 Larch St., Scranton; Stanley F. Skokowski (S1c) of 517 West Green St., West Hazleton; Leonard T. Zarawbo (WT3c) of 112 Canal St., West Nanticoke and Lt. (jg.) John H. MacCarthy of 513 Stevenson St., Sayre.

A large group from Wyoming Valley was dockside when the Wilkes-Barre came alongside. There were representatives of service clubs, the Chamber of Commerce, labor unions, discharged veterans, relatives of crewmen and others.

VALLEY WELL REPRESENTED

Among those from Wyoming Valley in Philadelphia for the ceremony were the following: Joseph MacVeigh, president of the Chamber of Commerce, and Executive Secretary J. Arthur Bolender, Mayor and Mrs. Con McCole, and the Mayor's secretary Leo J. Johnson.

Others who attended that day were: Mr. and Mrs. Samuel Warriner of Philadelphia, formerly of Wilkes-Barre; George Abraham, city fireman who was a member of the crew before his discharge from the Navy; Patrolman Martin Blank, who served in the Navy; Mrs. William Davis, Regina Street, Lee Park, whose son was a member of the crew until discharge from the Navy. Richard Wallace, associated with Pennsylvania Power and Light Company; James McCarthy, radio announcer; Mr. and Mrs. Keith Williams of Scranton, whose son was a member of the crew; Mrs. Ernest G. Smith and daughter, Lois. The late Col. Ernest G. Smith originally proposed naming a naval vessel for the community.

Captain W. W. Juvenal, USN, who succeeded Capt. Porter as commander of the cruiser, outlined the cruiser's battle record and pointed to scars on the forecastle and port side.

NEW CAPTAIN ASSIGNED

Four months later on July 10, 1946, while the Wilkes-Barre was still at Philadelphia, Captain Rutledge B. Tompkins, USN, was designated as new commanding officer. Capt. Juvenal, who had a long commendable service record of 29 years had been ordered to the Bureau of Ordnance in the Navy Department in Washington.

In the meantime, however, the Wilkes-Barre Cruiser Committee, under the leadership of Mrs. Miner raised sufficient funds to provide for installation of modern sound amplification system for the ship and also additional funds to apply to the purchase of a suitable silver service.

By August of 1946 the ship's crew, which had dropped to a few hundred, under the impact of the rapid mobilization was rebuilt to about 900 men by the time the ship was removed from its dry dock. By that time, the ship had received a new nickname, the "Willie Bee."

She left the Navy Yard, October 2, 1946, bound for Newport, R.I. This particular tour of duty was outlined later in a statement released by the new commander, Capt. Tompkins, showing the following chronology of activities from September 27, 1946 to December 13, 1946:

"She has been completely overhauled at Philadelphia and during the trip many emergency and wartime drills were held to simulate actual emergency conditions.

"Arriving in Newport October 7, the ship operated out of this port on several training cruises, which continued until October 17.

"On October 19, 1946, the Wilkes-Barre left Newport and sailed down the Atlantic Coast and into the Gulf of Mexico to New Orleans, La. She arrived in New Orleans on October 25 for the Navy Day celebration. To celebrate the event, parties were held for the crew and officers. In addition to this, several hundred men witnessed a football game between Louisiana State University and Mississippi State University in the Sugar Bowl stadium. During this period visitors were permitted to come on board and observe the vessel.

"The Wilkes-Barre left New Orleans October 29 and sailed for Cuba, arriving in Guantanamo Bay on November 2.

"She had come to Cuba for the purpose of going on maneuvers with several other ships of the Atlantic Fleet.

FLEET MANEUVERS HELD

"Accompanied by the Aircraft Carrier USS Philippine Sea; the Cruisers USS Providence, USS Dayton and USS Macon, as well as a number of destroyers and auxiliary vessels, the Wilkes-Barre carried out intensive fleet maneuvers.

"Actual emergency conditions were produced during these operations. Imaginary air attacks were repelled, aircraft launched from the ship, and surface targets were fired on. The ship's personnel also carried out 'man overboard' procedures and ship abandonment drills.

"However, the time spent in the Caribbean was not without the lighter moments. Two 'king size' picnics were held for the officers and crew on Windmill Beach in Cuba. A softball team was organized which played teams representing other ships in the group. The men spent a great deal of their off duty hours swimming in the warm waters of the Caribbean.

"The Wilkes-Barre then sailed from Guantanemo Bay en route to Culera, in the Virgin Islands, with the Cruisers USS Dayton and USS Providence. They conducted shore bombardment practice December 9 and 10, which included night as well as day bombardment.

"From the Virgin Islands, the Wilkes-Barre sailed for Norfolk, Va. The voyage, rough at times, took three days, with the ship arriving at the Norfolk Naval Shipyard on

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December 13, where she was prepared for a cruise to European waters."

A PROPOSAL TO PROVIDE FISCAL RELIEF TO STATES FOR WELFARE COSTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. COLLINS) is recognized for 5 minutes.

Mr. COLLINS of Illinois. Mr. Speaker, because of my many colleagues who have shown vital concern regarding the welfare crisis, I am reintroducing H.R. 11586.

Mr. Speaker, the intent of this bill is to provide immediate interim fiscal relief to the States for their welfare costs. H.R. 1, as it passed the House on June 22, 1971, contained titles which would reform the present welfare system and which would have the effect of providing substantial fiscal relief to the States by reducing State outlays for welfare costs. The provisions in H.R. 1 would go into effect on July 1, 1972, thereby providing this fiscal relief beginning with that date—in effect, fiscal year 1973, the year for which many States are now making fiscal plans. The Senate shows little disposition to act expeditiously on H.R. 1, with the result that the President has assumed for purposes of his economic plan that the effective date of the welfare reform provisions will be postponed until July 1, 1973.

The effect of this development on State finances is severe and unexpected. The States had every reason to believe that the Congress would act expeditiously enough so as to assure that the fiscal relief provided by H.R. 1 would begin 8 months from now.

Mr. Speaker, immediate stopgap measures are needed to provide fiscal relief to States for their welfare costs. Therefore, I am reintroducing H.R. 11586 proposing that the Congress act immediately on this legislation which would provide interim fiscal relief to the States by limiting State expenditures for fiscal year 1972 and 1973 to the level of expenditures the State incurred in fiscal year 1971. The Federal Government would pick up the excess. If adopted, this proposal would afford immediate tax relief to State and local taxpayers on a national basis of $900 million for fiscal year 1972 and $1.1 billion for fiscal year 1973, for a total of $2 billion.

This bill would not affect the welfare reform bill that is awaiting action in the Senate.

Mr. Speaker, I am encouraged by the 31 of my colleagues who have cosponsored this bill and their names are as follows: Mrs. ABZUG, Mr. ANDERSON of Illinois, Mrs. ANNUNZIO, Mr. ASPIN, Mr. BINGHAM, Mr. BURKE of Massachusetts, Mr. CARNEY, Mr. DIGGS, Mr. ERLENBORN, Mr. FASCELL, Mrs. GRASSO, Mr. HALPERN, Mr. HARRINGTON, Mr. HATHAWAY, Mr. HAWKINS, Mr. HELSTOSKI, Mrs. HICKS of Massachusetts, Mr. KOCH, Mr. MATSUNAGA, Mr. METCALFE, Mr. MIKVA, Mr. MILLS of Arkansas, Mr. MOORHEAD, Mr. PEPPER, Mr. PRICE of Illinois, Mr. RANGEL, Mr. ROE, Mr. ROSENTHAL, Mr. ROY, Mr. ST GERMAIN, Mr. CHARLES WILSON.

My colleagues and I are hopeful that the chairman of the Ways and Means Committee will act expeditiously in reporting this most important and urgent bill out of committee.

DEPUTY ASSISTANT SECRETARY DAVIES' "STRAW MAN": A GREAT DISSERVICE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, our colleague, BENJAMIN S. ROSENTHAL, chairman of the Foreign Affairs Subcommittee on Europe, recently held a hearing on the plight of Soviet Jews. Appearing before him were a number of witnesses, including Deputy Assistant Secretary of State for European Affairs, Richard T. Davies. While most of Mr. Davies' testimony was helpful and accurate, it did contain within it a most harmful and prejudicial statement to which I should like now to address myself.

Mr. Davies said:

> Claims that Soviet Jews as a community are living in a state of terror seem to be overdrawn. There can be no comparison with the terrible era of the Nazi holocaust or Stalin's blood purge of Jewish intellectuals.

The implication is that those of us who have sought to bring the plight of the Soviet Jews to the attention of the American public and the world have overstated what is occurring in the Soviet Union. The fact is, to the best of my knowledge, no responsible person speaking on the subject has ever contended that the Jews in the Soviet Union "are living in a state of terror." What we have said is that the Soviet Union discriminates against that minority and has engaged in repressive acts vis-a-vis the Jews in the U.S.S.R.

Let me be more particular. The Soviet Union since 1935 has forbidden its Jewish minority from operating schools in which they could teach in either the Hebrew or Yiddish languages, although every recognized national group in the Soviet Union, and there are 120 of which the Jews are 12th in size, is guaranteed under the Soviet Constitution the right to maintain schools in their own national language, but an exception is made in the case of the Jews who are not allowed to have such schools.

A second illustration is the discriminatory way in which the Soviet Union treats the Jews in the practice of their religion. It is true that the Soviet Union official policy is that of an atheistic society, yet it does permit the practice of religion and while no one who is religious has it easy, it is especially difficult for those who are, to practice the Jewish religion. Other religions are permitted to maintain seminaries in which they train their priests; however the Jews are not permitted to do so and the several million Jews living in European Russia have only three aged rabbis ministering to them. The city of Moscow has an estimated 500,000 Jews and only one rabbi, Rabbi Levin, who is 78 years of age and ill. When he dies his replacement will have to come, in all probability, from the city of Leningrad which also has one rabbi who ministers to a Jewish population of approximately 300,000.

I could go on and talk about the anti-Zionist campaign conducted in the Soviet Union which is a euphemism for an anti-Semitic campaign because even in the Soviet Union it would not be seemly to be so direct as to publicly endorse anti-Semitism, so a new phrase has been contrived, anti-Zionism.

I mention this, Mr. Speaker, because whether it was intentional, or not, the State Department, and in particular, Mr. Davies, must be critized for having raised a "straw man" which has received the attention of the media and which will be used by anti-Semites in the U.S.S.R. and the United States to deprecate the efforts which are mounting to save Soviet Jews from cultural and spiritual genocide. In all candor I suspect that the State Department, which has dragged its feet so many times on those issues which relate to the safety and security of Jews whether they be in the U.S.S.R. or the State of Israel, is intentionally attempting to reduce the pressures which are building as a result of public concern in the United States by Jews and non-Jews for Soviet Jews and the State of Israel. It was regrettable that the State Department has contributed to the harassment of that oppressed people by giving ammunition to their enemies through Mr. Davies' misleading statement.

Mr. Speaker, what I am saying to our colleagues has been pointed out in an article which appears this week in Time magazine which I am appending to my statement. I am also inserting for printing in the RECORD my statement before Representative ROSENTHAL'S subcommittee in response to Mr. Davies' testimony of the same day.

The material follows:

SOVIET UNION: DEGREES OF TERROR

"There is no Jewish question in the Soviet Union," Soviet Premier Aleksei Kosygin told a press conference in Canada last month. "This question is from beginning to end an invented one."

That, to put it mildly, is something of an exaggeration. A talented Jew can rise to great eminence in Soviet society, as have Violinist David Oistrakh and Ballerina Maya Plisetskaya, but the ordinary Jew is subject to rigid quotas that often bar him from universities and good jobs. Teaching Judaism and Hebrew is illegal; Yiddish culture is severely restricted. In the streets, Russia's traditional anti-Semitism has never really died. "We may not be victims of physical genocide," says Mikhail Zand, a distinguished philologist who recently managed to get out of Russia and settle in Israel, "but we are the victims of a cultural and spiritual genocide, simply because the Russians refuse to let Jews live a Jewish life."

Carefully Balanced. For years, the Jews of Russia accepted their fate stoically—Novelist Elie Wiesel called them "the Jews of Silence"—but ever since the Arab-Israeli war of 1967 they have become increasingly vociferous. So have their supporters abroad. Last week a House Foreign Affairs Subcommittee headed by New York Democrat Benjamin S. Rosenthal opened an investigation into the problem by having the State Department present an evaluation. The Deputy Assistant Secretary for European Affairs, Richard T. Davies, appeared at the hearing with a 21-page statement. Though carefully balanced, it promptly touched off a chorus of protests

that demonstrated how touchy the whole question has become.

"All Soviet citizens—not just Jews—suffer from the Soviet government's policy of militant atheism and its refusal to consider migration as a right rather than a rare privilege," Davies said. He added that Jews were treated worse than other minorities, harassed by "anti-Zionist" campaigns and "deprived of the cultural ingredients needed to preserve their cultural and religious identity." He said that the State Department "deplored" this and was doing what it could to help. At the same time, Davies warned against exaggeration. "Claims that Soviet Jews as a community are living in a state of terror seem to be overdrawn," he said. "There can be no comparison with the terrible era of the Nazi holocaust or Stalin's blood purge of Jewish intellectuals."

There is certainly no disputing that statement. Still, Davies' cautionings were all that the Soviet dailies *Izvestia* and *Pravda* reported in stories declaring that the U.S. Government had in effect absolved Moscow of mistreating its Jewish population. Even the New York *Times* headlined: U.S. ASSERTS SOVIET JEWS ARE NOT LIVING IN TERROR. Predictably, the reaction was sharp.

Israeli officials cited scores of cases in Russia of Jews being attacked by Russian crowds, of Jewish graves being desecrated and of Soviet Jews being fired from their jobs or imprisoned for trying to emigrate. Davies' statement, said Leonard Schroeter, a U.S. lawyer now serving with Israel's Ministry of Justice, "is a classic instance of State Department evenhandedness, making no distinction between aggression and defense." "No, there is no reign of terror," said Philologist Zand. "But until last February there were waves of arrests and trials for those who longed to go to Israel."

Since then, however, the Soviets have been easing their restrictions on Jewish emigration, possibly as a result of outside pressures. The total for this year may reach 10,000. That is not many in a community of some 2,000,000, but it is a lot more than the 1,000 exit visas granted to Jews last year—and more than have been granted for any other Soviet minority.

Last month, at the international music congress in Moscow, U.S. Violinist Yehudi Menuhin voiced a daring wish. "May we yet live to see the day," said Menuhin, "when every human being can dwell where his heart calls, whatever his creed." That is no more than is guaranteed under Article 13 of the Universal Declaration of Human Rights, of which the Soviet Union is a signatory. But it is more than Moscow dares grant its citizens, and so not a word of Menuhin's speech was printed in the Soviet press.

HEARINGS CONDUCTED BY THE HOUSE FOREIGN AFFAIRS SUBCOMMITTEE ON EUROPE, NOVEMBER 12, 1971

AFTERNOON SESSION—2 P.M.

Mr. ROSENTHAL. The subcommittee will be in order.

Since the hearing commenced this morning there is a change, Congressman John Dow is presently involved in the amending of the Pesticides Bill on the Floor. My distinguished colleague from New York, Congressman Koch is appearing.

I know you have an important story to relate and we will be glad to hear you.

STATEMENT OF THE HONORABLE ED KOCH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. KOCH. Mr. Chairman, I appreciate the invitation. I was originally scheduled to speak tomorrow. Had I come on at the regular time I would have prepared and filed with you a formal statement but, as you pointed out, Congressman Dow is now commencing the debate on certain amendments and I am speaking a day earlier than scheduled. As soon as there are votes on the floor, of course, I will have to be there but meanwhile I did want to take the opportunity that was available, particularly so to comment on the statement which has been filed with you and, if I understand correctly, read before your committee by Mr. Davies of the Department of State. It is my intention to give you the benefit, if you will, of my experience in the Soviet Union which are somewhat different from those that would appear to be the experiences of the people who drew up this statement of the Department of State.

I went to the Soviet Union in April of this year because my constituents were very concerned about individual families, the husbands of those families then being in jail. Two names that have become very well-known here in the United States because they each got five years are Lasal Kaminsky, and Lev Yazman, husbands of the families that I met in Leningrad.

I went there in April of this year while they were then in jail and the trials had not yet started although they were expected to commence shortly and be secret trials, as they ultimately were, with the thought that I might be of some assistance to the families. Others had suggested that it would be helpful if members of Congress and other American public officials went there and came back and reported their experiences. That is why I went.

I spent a brief period of time, to be sure, just eight days. But in the course of that period I did have occasion to talk with the two women I mentioned, and to talk to a number of Jews in the Moscow synagogue, as well as to a number of the younger Jews outside of the Moscow synagogue and also to talk with Western newspaper reporters.

As you know, Mr. Chairman, I had introduced a bill which would provide that 30,000 non-quota refugee visas be made available to Soviet Jews in the event that the Soviet Union were to open its doors and permit them to leave. That bill received wide support both here in the House and also in the Senate and, as the report of the State Department indicates, and I am pleased that they do, they felt that the need for that bill was real. The response of the Attorney General, which was an unreserved commitment to permit the Jews that were permitted to leave the Soviet Union to come to the U.S. without quota restrictions as refugees, I applauded and accepted because it marked a change in the Administration's position, and I am grateful to the Attorney General for having led the way on that issue.

As a result of his unreserved commitment, I have not pressed for adoption of my bill because the Administration, to its credit, has done administratively what our bill, co-sponsored by 120 other members of Congress, would have done legislatively.

Now what I would like to address myself to is really the heart of the memorandum of the State Department presented to you which can be summed up as characterizing the plight of Soviet Jewry to be, in their words, "overdrawn." I would like to talk about that and talk about it in terms of the experiences related to me by several Russian Jews.

Mr. ROSENTHAL. And your own experiences?

Mr. KOCH. Yes, and my experience there.

First let me take them in order.

When I went to Leningrad, it was with the express purpose of making contact with these families. Indeed, as I have testified, I finally did come to the home of Mr. Lasal Kaminsky. She was petrified as was Mrs. Yagman. Their husbands were not then convicted but had been in jail for nine months. The charges which were alleged anti-Soviet acts were the following: that they had made copies and had translated from the Russian into Hebrew and Yiddish text books so that they could teach their children in those languages.

You must understand, Mr. Chairman, since 1937 there have been no schools which teach in the Yiddish or Hebrew languages. You might say, "Well, why should there be?" The answer is—because under the Soviet Constitution every nationality is guaranteed the right to teach in its own national tongue.

Now the Jews, whether you take the estimate of those who are not in the government, have a number which may exceed three million, or the estimate of the government, which is a little bit over two million—are a large minority, 12th in a nationality grouping of more than 120.

There are nationalities in the Soviet Union that are under a hundred thousand in number. The Jews are in excess of two million in number. That is one of the larger minorities in the Soviet Union. These other minorities, Volga Deutsch, lived in the Soviet Union for a long time but they were deemed to be traitors in the Soviet Union during the Nazi-Soviet battles in the Soviet Union and in the course of World War II.

The Volga Deutsch, as I say, were banished because of their traitorous actions in the Soviet Union. The Jews fought valiantly on the side of their Soviet compatriots. Yet, the Volga Deutsch are allowed to teach in their national language which happens to be German.

You might ask, "Well, are Jews perhaps treated differently and considered simply a religion and not also a nationality?" Not at all, Mr. Chairman. Under the Soviet Constitution Jews are recognized as a nationality. It is not just a simple identification as such which you then have in birth records and that is the end of it. Every Soviet citizen has an internal pass book and in that pass book is listed one's nationality, e.g., nationality Uzbek, nationality Volga Deutsch, nationality Ukrainian—but the rights accorded to other nationalities under the Soviet Constitution which should be likewise accorded to the Jews are not. That is one decided difference between the lot of others and the lot of the Jews.

I harp on that because we will always have people come forward and say it is not easy to live in the Soviet Union no matter what you are and surely not easy to be an observant person religiously.

They are correct, Mr. Chairman, it is not easy to be an observant Christian, it is not easy to be an observant Jew, although the Soviet Union says that while it does not approve of religion, and is an atheistic society, it recognizes the rights of religion. And that is true in other cases, Mr. Chairman, but the Soviet Union makes a distinction with respect to the Jews. In the European part of the Soviet Union where most of the Jews live, there are only three Rabbis. My recollection is that there is one in Moscow, his name is Rabbi Levin. He is 78 years of age, very ill. There is one in Leningrad, also an aged man, and one, I believe, in the City of Odessa. Only three to minister to their needs.

I should tell you parenthetically that there is a different situation in the State of Georgia, which is part of the USSR in Asia where there is a vital Jewish community and they do have a number of Rabbis there for the Georgian Jews. That is a very special situation. The vast majority of the Jews living in European Russia are limited to these three Rabbis.

When I say limited, Mr. Chairman, if you were to ask me what I mean by that it would be this, the other religions are permitted to train their priests in Seminaries. The Jews are not permitted to train their Rabbis. I consider that to be a decidedly important issue. If, in fact, Rabbi Levin dies—and let him live to the proverbial 120—there is no one to take his place. In fact when I was there, they said, what will happen is that they will have to take the Rabbi from Leningrad to

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place him in the larger community of Moscow.

Moscow does have a half million Jews and Leningrad has three hundred thousand Jews.

Let me go back to Mrs. Kaminsky. As we sat in her kitchen with those other people who were there, she said to me, "They are listening to us now," pointing to the air and meaning that we were then being monitored, as I am sure we were.

She said, "While I am frightened in talking with you I know that the only way that we have a possibility of saving our husbands and the possibility of leaving the Soviet Union," is to make the world aware of what is happening and then she would say, "We are not anti-Soviet, we just want to leave," and the reasons that she gave were that you cannot be a Jew in the Soviet Union, you cannot practice your Judaism.

She said, "We are talking to you, recognizing the dangers because only if the outside world hears us and speaks out, is it possible that there will be a change." She is not wrong, you know.

When the Soviet Union convicted in an earlier trial, I think it was fifteen people, two of them were sentenced to death and newspaper correspondents in the USSR told me that the only reason those sentences were commuted was that Soviet officials received telegrams from leading public officials throughout the world and they specifically referred to the telegram from the Prime Minister of Great Britain.

There is no internal public opinion in the USSR but there is outside world opinion to which they are sensitive. Indeed, as I understand it, again from comments that were made to me by the Western press in Moscow, the other delegates from Communist parties in Italy, from France, from other countries, gathered then in the Soviet Union as a result of the 24th Soviet Congress then being held were upset, and their complaints were causing the Soviet Union to give consideration to a change in its position.

Well, Mr. Chairman, the question arises, is what the Soviet Union doing to the Jews comparable to what Nazi Germany did? The answer is, no; and no one in his right mind would make that comparison because the Nazis involved themselves in physical genocide, where a whole people en masse was murdered. That is not taking place in the Soviet Union. But we do have cultural genocide. We do have individual cases where people are in fact treated in a manner which can only be described as barbaric.

I won't dwell much further on the cases of Mrs. Kaminsky and Mr. Lev Yozman. They said the second reason that their husbands were on trial was that they had applied for leave to leave the Soviet Union and they had sent a petition to U Thant asking for help. A very legitimate and legal act under Soviet law, but considered to be an anti-Soviet act and, of course, as you know, they were subsequently each given five years.

Let me tell you what it means to apply for an exit permit, that is to leave the Soviet Union. I went to Israel during the last Congressional recess. I spoke with Dr. Michael Zand. I notice, having read the Statement from the State Department, they quote Dr. Zand with respect to his opposition and antipathy to violence, and I can only echo every statement he made. Violence on the part of anyone in this country with respect to helping the plight of Soviet Jewry is totally counter-productive. It is an overworked word but it happens to be true. You cannot help Soviet Jews by engaging in violence in this country. But you can help Soviet Jews by peacefully picketing, by peacefully demonstrating, by peacefully speaking out against Soviet barbarism.

I intend to do that while at the same time saying to anyone who encourages violence, you are doing an act which is against the interest of everyone concerned, our own American government and our brothers and sisters in the Soviet Union. So, we must put down violence out of hand.

But peaceful demonstrations and bringing this to the attention of the American public is absolutely vital.

I want to go back to Dr. Zand because Dr. Zand is quoted as I would quote him, that he is against violence and I am against violence, too. Let me tell you what Dr. Zand told me about the Soviet Union which, unfortunately, the State Department did not include or maybe they did not interrogate him about that. Let me tell you what he told me. I met him in the City of Jerusalem. He had finally received permission to leave the Soviet Union. He is a scholar. He wears a skull cap which is very large, a highly decorative one, and I will tell you why I mention that in a moment. But immediately it gets your attention as you sit with him.

I said, "Dr. Zand, tell me what the situation is for Jews so far as you know in the Soviet Union." He said, "It is not possible to live as a Jew in the Soviet Union."

He said, "It comes to you slowly, this recognition of your Jewish heritage, because it has been repressed as we all know in the Soviet Union and you suddenly desire and have this almost unmanageable desire to speak out and stand up and be heard."

The Jews are doing exactly that, speaking up, standing up and being heard in the Soviet Union. That is why the Soviet Union is so distressed and may be considering changing its policies to allow these dissenters to leave. Hopefully that will actually occur in larger numbers. Dr. Zand said his first arrest—I can't give you the exact dates, I may be a little bit off on the months, but I think his first arrest happened in January of this year. When the Soviet Union called together a group of what can only be termed as House Jews, they used to be called in German the Hof Jude, Court Jews, Uncle Toms—we have that. There are other phrases and every group has them, of people who will betray their own people because of the material benefits that come to them by betraying their own. It is not unique to Jews. It is not unique to blacks, it is not unique to any groups. We all have them. We have to understand them, the flesh is weak.

The Soviet Union called together a group of Jews in the Moscow synagogue to say how wonderful it was to live in the Soviet Union. Dr. Zand, who is a scholar and also had Press credentials because of his work in the Press, was given entry. What he did is this, he stood up and said, "What is happening here is not true. These people don't speak for us. In the Soviet Union you cannot lead a Jewish life."

Well, he was arrested. They didn't hold him very long, just a day. But they warned him, stop this, Dr. Zand. He said to me, "I could not stop it, no more than you can stop the tides. I wanted to speak the truth."

He said, "On another occasion," I think it was June of this year, "he and a number of others stood up in the public center of Moscow and spoke out against the Soviet government's refusal to allow the Jews to leave." He was arrested again. This time he was given fifteen days in jail. He said that he went on a hunger strike as a matter of principle.

He said they permitted him to remain on the hunger strike, and he was in good health from the first day to the 13th day of his hunger strike. Then he said, they knowing that he was going to be released in two days, knowing that he had not suffered any physical harm as a result of that hunger strike but because, in his words, they wanted to "humble him"—those were his words, they wanted to break his spirit—they force-fed him, knowing he was going to be released in two days and that he was in no danger of illness. He said as a result of the force-feeding he suffered a heart attack. On his release, they said to him "next time we will send you to a mental institution".

I said to him—I could not help it because that yamulka that skullcap had been on my mind—"Dr. Zand, do you always wear such a large skull-cap?" It was really a very lovely one. He said, "For the last few years I started to wear it several years ago as a symbol of my protest for all to see."

It is for me a very moving experience. This man who fought such a magnificent fight he stood up and went to jail and caused them such difficulties in the Soviet Union, they finally said, "Let him go," and he left.

I want to tell you a third case which is that of a woman that I met in an Absorption Center in Ashdod, Israel, Mrs. Rohel Shpunghin. She has a brother who is a doctor in New Rochelle. I have been in touch with him since I met her in Israel, as I say I was there in August of this year. Mrs. Shpunghin spoke English. A magnificent person. She described to me what it means to apply to leave the Soviet Union. She said, "You know, there are some people who say we want to leave the Soviet Union because materially we will be better off by coming to Israel." She said, "That is not true." She said, "I am a biology teacher and my husband is a chemist. We both worked, we had a lovely apartment in Riga, far better than the one we are going to have in Israel. We even had a cottage by the sea because of our joint wages and because we were professionals. But," she said, "You could not live as a Jew, impossible to live as a Jew. You were subject to the slanders, the limitation in how high you could rise, you could not be a Jew. We decided," she said, "that we would leave to go to Israel." She said, "Do you know what that means?" She did this four years ago. She said, "You have to apply to your factory manager. My husband applied to his factory manager. He said, "No." Before you can even apply to the government you have got to get permission from your factory manager and then from your neighbors." She said, "My husband applied to the factory Soviet, so to speak. They berate you and call you traitor. He was turned down. He had to quit his job and take a lesser job in another place where he knew they could not be so virulent, which he did. He was able to get a certificate which said they did not object to his leaving."

She said so far as she was concerned, rather than risk not getting the certificate, she quit her job so that she left professional life to become, so to speak, a housewife so as not to have to get this permission. Then she said, "You have to apply to your neighbors. We have a Soviet in the building. They call you traitor. They say you are going to Israel. Some day you are going to come back and you are going to shoot us."

It is incredible the way Israel is held up to contempt by the Soviets and also the way they envisage that State.

She said, "They see Israel,"—not the Russian government but the Russians she talked with—"as a state equally large in size to the Soviet Union. Some day Israel is going to come and invade the Soviet Union is the way it is put forth."

You can understand what this propaganda does to the neighbors. They said to this family, "You are traitors." They still prevailed. Imagine what that means to an individual. First to go through that kind of confrontation with your fellow-worker, then that kind of confrontation with your fellow-neighbor and then you have to continue to live there three or four years until the permit comes permitting you to leave. What happens in the meanwhile? You lose your job.

Let me tell you something else that happened to these people. When their children reached university age—the first one, to my recollection, reached it two years later, age

18, applied to the university and he was told, "You may not go to the university, your parents are traitors."

That is what it means to apply in the Soviet Union for permission to leave.

Now, let me talk about another aspect and that is this, the statement of the State Department points to the fact that statistically the Jews don't appear to suffer from discrimination. I will give you some statistics on that.

I am not an expert on statistics so I called the Library of Congress. I said, I would like to have a comparison. I would like to know now what the number of Jews are in the areas I am going to give you and what they were the last time you had a figure on this. There is no question that percentagewise if the Jews constitute one or two or three percent of the population in some areas there are going to be more of them than percentagewise would be expected but it was my understanding that the Soviets take the position that the people went to the university if they were able to pass the test, not if they were Uzbeks, Jews or Ukrainians. That is no longer the rule. The rule now is if you are a Jew you go under a quota. So I asked about other areas.

Let me tell you what the Library of Congress gave me. The Supreme Soviet, which is the highest public body, in 1968—let me give you the old figures because it makes it more dramatic, the figure they gave me. In 1938 out of the 3,594 members of the Supreme Soviet, 2.5 percent were Jewish. I suppose that basically reflected percentagewise what they were at that time although I can't really say that to be accurate. In 1968, out of the Supreme Soviet which has been reduced in number to about half the size, the present number in the Supreme Soviet is 1,517 members, of which 12 are Jewish. That is eight tenths of one percent. A huge falling off. The Central Committee, which is really the governing body of the Communist Party, in 1926, out of 104 members, had 11 Jewish members, which was 10.6 percent.

In 1968, out of 190 members, one is Jewish and that is one half of one percent. That is the group that runs the Soviet Union. One out of the top body out of 190 is Jewish.

God only knows whether he identifies as a Jew. I didn't ask that question but I suspect he probably does not although I hope I don't do him a disservice. If he or she is, then I say, "Thanks be to God," and I want to applaud his or her courage.

In the area of science in 1947, 16.8 percent of the people who were listed in that profession were Jewish. In 1961, 8.8 percent, one-half. Let me tell you what that means.

In my trip to the Soviet Union in April I went to Moscow University, I met students there. I met American students who were exchange students and I met Russian students. There is no question, I am telling you now what was told to me, not only is there a quota with respect to the Jewish student body, but there is a decided effort on the part of the Administration to limit the number of Jews in the teaching posts. I don't know that they remove them. They may. I don't have independent knowledge on that, but they don't permit a Jew to fill the job. This information was given to me by American students and exchange professors people who are at the Moscow University.

Mr. ROSENTHAL. I wonder if I could kind of crystallize the thrust of your presentation in some way. What does this mean to the atmosphere, the climate, the spirit? How can you describe that in concise terms?

Mr. KOCH. In the Soviet Union at this particular moment in time, and everybody who has been there says this, that the Jews, since the six day war, knowing that there are people who are interested in them, knowing that Israel wants to receive them, knowing that their American religious compatriots are speaking out, knowing that they are not alone, have in some way, whether it is miraculous or otherwise, God knows, the courage to stand up and say to the Soviet Union, "Let us leave, let us leave. You will not let us live our lives as Jews as you allow other groups to live. So let us leave."

Now the Western Press when I was there told me the reason that they are allowing a larger number to leave this year than they did last year and I don't know what the accurate statistics are, but in my recollection in 1970 about a thousand Jews were permitted to leave, and this year it is about 7,000. I think that is the figure I saw in the New York Times recently. The reason, said these reporters, is that the Soviet Union decided that if they allowed a few dissenters to leave that would be the end of the problem. But they found that everytime a dissenter, or troublemaker in their words, was permitted to leave there were ten more to take that persons place. So, maybe they are making a decision now to allow them to go. I hope so. Why not? Not permitting them to go means they are violating two things. They are violating their own constitution which permits free immigration and they are violating the Universal Declaration of Human Rights which they signed.

Mr. ROSENTHAL. As a result of your trip, how would you assess the fear component? Is there any fear on the part of these people?

Mr. KOCH. When I went to the Moscow Synagogue, which I alluded to, but didn't go into any detail, people crowded about me. You have to understand it was rather filled. There were over 500 Jews in that Moscow Synagogue but there are 500,000 Jews in the City of Moscow and there is only one Synagogue with a Rabbi. So it is not such a huge figure when you think about that. They crowded around me. During the course of the service people whispered to me, "Help us, help us. We want to go to Israel. Help us."

In the course of the service there comes a part where one stands and says, "Jerusalem, Jerusalem." There were tears on the faces of the people around me. They were saying to me, "Help us, we want to go to Jerusalem."

When I went outside the Synagogue a number of young people crowded around me.

Mr. ROSENTHAL. Were there any police people or KGB people involved?

Mr. KOCH. No. Occasionally a Soviet militiaman, which is a Soviet policeman, would walk by. Whether there were KGB people in the neighborhood, I can't tell. I certainly was not in danger and these people who were said to me, "We don't care if they see us talking. We are Jews."

These young people who came to me said, "We are not religious, but we are Jews and we identify as such as that is why we are here."

Then they said to me, "Could you get," and they gave me the names of their relatives, "could you get my Uncle to write to me? I will give you his name. Could you get my Aunt to write to me?" Then one person said, "Could someone write to me from America?" I said, "Yes." I have made all those contacts for them.

Just simply said, Mr. Chairman, I don't know that every Jew would leave the Soviet Union, given the opportunity. Large numbers would. If the Soviet government doesn't think that large numbers would, let them put that to the test.

Mr. ROSENTHAL. Mr. Frelinghuysen?

Mr. FRELINGHUYSEN. I have been very much interested in Mr. Koch's testimony. I suppose the Soviet authorities might feel that if this precedent were established and Jews are allowed to leave because they were Jews, others might well feel the same impulse to leave and would use other excuses as they see them. You say this is not really a religious thing, it is a racial thing. There are lots of races in the Soviet Union. Presumably there might be other pressures to immigrate to get away from an oppressive regime. I suppose that is one of the reasons why they are reluctant to make the decision which I assume we all hope they will and that is to lift the barriers which still exist.

Mr. KOCH. May I comment on that, Mr. Frelinghuysen?

Let me tell you in my judgment, based on what Jacob Malik, said at the U.N., it is not just simply a nationality question at all. That is part of it. The Soviet Union has said Jews are a nationality. That is fine, it is an ethnic group, there is no question about that. But if you look at the comments of Jacob Malik in the U.N. forum, and people sat silently by and didn't utter a word in condemnation, which shocked me, when he got up and said to Ambassador Tekoah, the delegate from Israel, "You will take your long nose out of our garden."

I think, Mr. Frelinghuysen and Mr. Chairman, that that reflects a certain anti-Semitic mind, just to use that kind of phrase. I would at least suspect so.

Let me go further and talk about some other aspects because I want to point out to you the virulence of the Soviet government, not just on the same question that the Jews are a nationality, and not treated as such and that they want to leave, but the virulence that is directed at the Jews. Jacob Malik said, "How dare the Jews to talk of themselves as the chosen people. That is criminal in the 20th century."

I don't have to tell you, I know you are aware of it, the concept of the chosen people means that the Jews chose to take on the obligation of the Ten Commandments, and the Torah, and to have for themselves higher obligations that would be required before they can enter heaven. Not in anyway could that be construed as racial superiority. If anything, as I guess it was Ambassador Tekoah who said, "Yes, we were chosen, chosen to suffer." Is that criminal? Is that concept criminal? But nobody stood up to reply. Then he equated Zionism with Fascism, my colleagues, I am a Zionist, I am never going to live in Israel, I love the United States, I am a member of Congress, I am devoted to the United States yet I love Zion. I would assume that while I don't know your antecedents, Mr. Frelinghuysen, but whatever that country is that your ancestors came from, I assume that you have a special feeling for its inhabitants.

Mr. FRELINGHUYSEN. It is a long time ago, Mr. Koch. We are Dutch, a name like this must be Dutch. But 250 years ago, I suppose I have a special feeling. I have only been there twice in my life.

Mr. KOCH. Let me say this to you. There are millions of our citizens today, Irish, Dutch, English, French and so many others who look back to the countries of their origin with great feelings of love and sympathy. Their hearts go out. Those of us who, when we are called upon to respond to some tragedy in that country, let us take the country of Italy when it had the devastation and the art objects were destroyed and we all wanted to help. I know you certainly did. It seems to me that it is understandable if someone whose antecedents were Italian that he would have a special feeling about that that you and I could not match as much as we wanted to help.

I think it is fair and reasonable to say that I could have a special feeling about Zion. Zion is Israel; that I could have a special feeling about Zion in no way affects my loyalty to the United States as it would in no way affect the loyalty of a colleague of mine who happens to be of Irish or Italian extraction, or of German extraction who would have special feelings for those countries. I think you would agree with me on that.

Mr. FRELINGHUYSEN. I certainly would not disagree.

Mr. KOCH. When Malik in the highest

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forums of international diplomacy can utter these anti-Semitic obscenities and no one rises in that forum to speak out, that shocks me. I must say I spoke out here in the House, as did Congressman Rosenthal, calling attention to the fact that no one had risen in the U.N. and I am delighted to say that I was lated singled out for personal attack by Jacob Malik. I had mixed feelings about that. I thought if I were going to be mentioned at the U.N. it should be in a better context but I was delighted that the response of Congressman Rosenthal and myself had so nettled him, calling attention of the world to his anti-Semitic statements, that he felt called upon to personally attack me.

What I am pointing out is that there is now a new virulent anti-Semitic feeling present, not just the "normal" anti-Semitism that has existed in the Soviet Union and before it in Czarist Russia and surely under Stalin with his Doctor's Plot and then under Khrushchev. It has always been there. But it is even more virulent today. I suspect the reason is really that the Jews are not being forgotten by their compatriots in other lands and hopefully by those who are not Jews but are concerned for humanity.

It seems to me that there is nothing wrong, whether you are Jewish or not Jewish to understand their plight. I say to you I feel very strongly about the plight of the Pakistani, the nine million, and I have spoken out on this on the Floor of the House and I think we ought to be doing something about that, as well as for the Catholic Irish minority of Northern Ireland.

I will continue to speak out about those kinds of oppressions.

Mr. ROSENTHAL. If you go to Pakistan, you are losing the jurisdiction of this subcommittee.

Mr. FRELINGHUYSEN. You are arousing my interest, Mr. Koch. Before you go, my wife and I went to the Soviet Union with four of our children two years ago. What really shocked us was the general anti-religious effort being made and the fact that there really does seem to have been a suppression of what you would think would be awfully strong religious feelings. In other words, the Moslems, what has happened to them in a generation or two, you find practically no practicing mosques or synagogues, or practicing churches. It is inconceivable to me how successful the Soviet Union has been in suppressing the natural instincts of people that have been developed over a period of centuries. I can understand as you say why there is a sensitivity where there has been an increase in awareness on the part of Jews and a feeling on the part of those outside of the Soviet Union that this kind of oppression is wrong and that the least the Soviet Union should do is let them go.

Mr. KOCH. As I pointed out, Mr. Frelinghuysen, there is also this difference that the Christian churches are permited to train their priests in seminaries.

Mr. FRELINGHUYSEN. I am not trying to say that there isn't differences between them. What shocked us generally is the fact that there was a virtual wiping out so far as the mass of population is concerned. They don't know any of the consolidations of religion, I would guess. I would think it must be a severe loss for the Russian people.

Mr. ROSENTHAL. Thank you very, very much, Congressman Koch. We are deeply grateful to you.

Our next witness is Mr. Bertram Zweibon of the Jewish Defense League.

Without objection we will include in the record at this point immediately following the testimony of Congressman Koch the testimony of the Honorable Parren J. Mitchell, a Representative in Congress from the State of Maryland.

MORE U.N. PERFIDY

(Mr. GROSS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. GROSS. Mr. Speaker, the perfidious Tower of Babel in New York City, otherwise known as the United Nations, took its latest slap at the United States yesterday alleging "grave concern" because this Congress finally stood on its feet and voted to end the band on Rhodesian chrome ore imports.

After callously displaying its immorality by kicking out Free China—a charter member—the United Nations now has the unmitigated gall to criticize the first sensible action this branch of our Government has taken in respect to Rhodesia since that nation declared its independence in 1965.

Of course, Mr. Speaker, if Lyndon Johnson and the cookie pushers of Foggy Bottom had not spinelessly knuckled under to the British request that we join the Rhodesian blockade, we would not have to put up with this sort of business.

The mentality of the United Nations is well illustrated by its pious claim that tiny Rhodesia is a threat to world peace. Nothing, of course, could be further from the truth.

The United Nations blockade of Rhodesia is about as effective as most of its other projects. It is but one more example of why we should promptly end our association with this international debating society.

A STATEMENT ON PEACE AND WAR

(Mr. DENHOLM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DENHOLM. Mr. Speaker, the basic law of this land provides that the "Congress shall have Power—to declare War—to raise and support Armies—" Article 1, section 8, U.S. Constitution.

The original Articles of Confederation, made prior to the adoption of the Constitution of the United States, conferred upon Congress the "sole and exclusive right and power to determining on peace and war." But the United States could not engage in war "unless nine States assent to same."

More definite and full language was written by our Founding Fathers and is used in the existing Constitution of the United States of America. All those powers are attributes of nationality and would exist without mention in the Constitution. But it was desirable to make definite the department of the government in which they should reside.

In the Constitutional Convention some of our forefathers thought the President should have the power; others favored restoring such powers upon the Senate as representing the States in equal number from each represented State; but the prevailing opinion was that the grave acts of declaring and conducting war should be performed by the whole Congress.

In 1812 Congress passed an act in declaring war on Great Britain because of hostile acts done by that country.

In 1846 the Congress declared a state of war with Mexico by a resolution owing of hostile acts of that nation.

In 1898 Congress declared war on Spain.

In 1917 a resolution of war was passed by Congress as a result of the sinking by Germany of the "*Lusitania*" and other merchant ships with the loss of American lives, and of other violations of international law with respect to the United States.

In 1941, Japan attacked at Pearl Harbor. Congress immediately declared that a state of war existed between the United States and Japan, Germany, and Italy.

The United States emerged as the only great Nation in the modern world that had never lost a war. This proud record again demonstrates the strength of free institutions. When the representatives of the people vote for a war, the people respond.

The important lesson to be learned here is that in the United States one man—or one coterie—cannot conduct or declare war.

The conduct and Declaration of War can be done only by the two Houses of Congress whose members are elected by the direct vote of the people. The argument and theory pursued by our forefathers was that action is not likely to be hurried or unjust when submitted for the due care and deliberation of such a body of representatives of the people duly assembled in a joint session of Congress.

"The genious and character of our institutions are peaceful," said the Supreme Court of the United States—1849—"and the power to declare War was not conferred upon Congress for the purpose of aggression or aggrandizement, but to enable government to vindicate by arms, if it should be necessary, its own rights and the rights of its citizens." The question before the Supreme Court was then whether the City of Tampico, Mexico, while in the military possession of the United States in 1847, ceased to be a foreign country so that custom duties could not be laid on imports from it. The answer was no.

While the United States may acquire territory, it can do so only through the treaty-making or the legislative powers—the victories of the President as Commander in Chief "do not enlarge the boundaries of this Union, nor extend the operation of our institutions and laws beyond the limits before assigned to them by the legislative power."

Congress shall have the power to raise and support armies which is an implied power from the expressed constitutional power "to declare war." But to leave no question as to what department of the government would do it, the power was expressly conferred upon Congress; for otherwise the President as Commander in Chief might assume to raise armies after Congress had made the declaration of war. The President cannot raise an army, nor can Congress maintain one by an appropriation for a longer term than 2 years.

CONCLUSIONS

There is no constitutional authority or precedent authorizing and justifying the President to declare war. The President as Commander in Chief may under the emergency powers of the President mobilize the Armed Forces in the interest of national security. The power to declare war is expressly reserved to the joint session of Congress. It is further restricted by the provisions for appropriations not in access of 2 years without another request to the Congress for further appropriations to finance war.

The more subtle and difficult issue is what may from time to time constitute an act in the national interest? There can be no doubt that when this Nation, its people or its possessions are attacked directly by a foreign aggressor our national interest is placed in jeopardy. Absent of a direct attack the citizens of this country have not historically condoned war. It is unmistakably clear that when the citizens have acted through their representatives in Congress this Nation has always prevailed whatever the adversities.

The second and equally frustrating issue of our time is premised upon the notion that national security is somewhat or somehow exposed and absent of any act by Congress, the President has continued to commit the country to military involvement. The underlying question of such an issue is to what magnitude must such military involvement be committed absent of an act of war. Necessary appropriations to finance modern war are far in excess of any recorded in the history of all wars of this Nation.

In summary the United States entered Vietnam pursuant to a resolution passed by the Congress in 1964 and granted unto President Lyndon B. Johnson the power to repel the Vietcong in the interest of national security. The Congress has continued to appropriate adequate funds to protect our military commitments and men in Vietnam under the Gulf of Tonkin resolution. President Nixon entered Cambodia without any act, counsel or resolution of the Congress. However expedient in the sense of military science the act of aggression in the country of Cambodia was without precedent and of questionable merit as to national security. The continued escalation of military commitments in Indochina without congressional approval will continue to divide reasonable people on the priority of the issues of our times. It is my considered judgment that this Nation can ill afford to further pursue such policies without a full disclosure by the executive branch of Government to the Congress for an evaluation of our national interest. It is the duty of the Congress to respond and if war is to be declared it is for Congress to decide whom the act of war should be declared against and to lead and unite the citizens of this Nation in the common cause against the enemy. It is my belief that the Congress cannot and will not identify the enemy, the nation or the people for whom any declaration of war will issue in Southeast Asia under present existing circumstances. If there is not to be an act of declared war by the Congress the policy of military involvement in Indochina should and must be reviewed to determine a true evaluation of how our national interest is in jeopardy.

It appears that our military commitments and our military involvement has exceeded any reasonable degree of temporary defense of our national security in Indochina. If we seek but the balance of power in a by-polarism struggle of world politics between communism and the people of free governments then it is for Congress to decide to what extent we must be committed economically, monetarily, and politically to achieve the equilibrium of power among nations.

It is my conclusion that Congress cannot fail to act upon these grave questions confronting the citizens of our country. It is wrong for the President to pursue a course of no apparent purpose and particularly so without consultation of the Congress. It is wrong for the Members of Congress to pursue individually the political expediencies of public opinion at the expense of divided citizenry. The present policies cannot and should not be continued and it is the duty of every elected Representative of the people to do all that he can to bring these grave issues to a united decision through the consultative processes of our democratic Government by official action of the Congress.

The time for action—is now.

HANSEN AMENDMENT TO ELECTORAL REFORM BILL

(Mr. HANSEN of Idaho asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANSEN of Idaho. Mr. Speaker, at the proper time during tomorrow's consideration of the various Federal election reform proposals, I intend to offer the following amendment. It deals with the use of union treasury funds during political campaigns, an area of abuse that is neglected by the otherwise excellent bill approved by the Senate last August and introduced in the House by Congressmen FRENZEL and BROWN.

Mr. Speaker, the language of the current statutory provision governing the use of corporation and union moneys in behalf of campaigns for elective office is quite vague and has prompted a number of Supreme Court rulings designed to specify its concrete application. These opinions provide that unions may use treasury money to inform their members about the views and positions of candidates, and to support voter registration drives and get-out-the-vote activities aimed at union members and their families. By contrast, the Court's rulings explicitly prohibit the use of union treasury funds for these purposes if they are directed at the general public.

Mr. Speaker, the purpose of my amendment is to clarify and codify these rulings in statutory form. We all know that the privilege granted by the court to unions to use treasury funds for activities directed at their members and families has been abused and must be stopped if our election financing process is to be cleaned up and if it is to retain the confidence of the American public. My amendment, I believe, will accomplish this end in a way that is fair to all parties concerned. I include it at this point in the RECORD:

AMENDMENT OFFERED BY MR. HANSEN OF IDAHO TO THE AMENDMENT IN THE FORM OF A SUBSTITUTE INTRODUCED BY MR. FRENZEL AND BROWN OF OHIO (H.R. 11280)

Page 13, line 20, renumber Section 205 as Section 206 and insert in lieu thereof a new Section 205 to read as follows:

Section 610 of Title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations, is amended by adding at the end thereof the following new paragraph:

"As used in this section, the phrase 'contribution or expenditure' shall include any direct or indirect payment, distribution, loan, advance, deposit or gift of money or any services, or anything of value to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section; but shall not include communications by a corporation to its stockholders and their families or by a labor organization to its members and their families on any subject; non-partisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families or by a labor organization aimed at its members and their families; the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization; provided, that it shall be unlawful for such a fund to make a 'contribution or expenditure' by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination of financial reprisal; or by dues, fees or other monies required as a condition of membership in a labor organization or as a condition of employment, or by monies obtained in any commercial transaction."

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a Nation.

One of the most influential factors in making America a strong and prosperous Nation has been the contribution by thousands of concerned civil and business organizations to our way of life.

The Rotary Club was founded in February, 1905 by Paul Harris, a Chicago lawyer. With only three original members, the organization was expanded into Rotary International in 1922. Today Rotary International contributes substantially to the promotion of understanding throughout the business world.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KEE (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. BLATNIK (at the request of Mr. O'NEILL), for today, on account of illness.

Mr. CHAPPELL (at the request of Mr. O'NEILL) for today, on account of official business.

Mr. COTTER (at the request of Mr. O'NEILL), for today, on account of illness.

Mrs. HANSEN of Washington, for November 18, on account of official business.

Mr. HILLIS (at the request of Mr. GERALD R. FORD), for November 18, 1971, and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SHOUP) to revise and extend his remarks and to include extraneous matter:)

Mr. VEYSEY, for 15 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. HANSEN of Idaho, for 10 minutes, today.

Mr. ARCHER, for 15 minutes, today.

Mr. SCHWENGEL, for 5 minutes, today.

(The following Members (at the request of Mr. MCKAY) to revise and extend his remarks and to include extraneous matter:)

Mr. GONZALEZ, for 10 minutes, today.

Mrs. CHISHOLM, for 30 minutes, today.

Mr. BURKE of Massachusetts, for 5 minutes, today.

Mr. CULVER, for 5 minutes, today.

Mr. PATMAN, for 15 minutes, today.

Mr. DANIELS of New Jersey, for 10 minutes, today.

Mr. FLOOD, for 60 minutes, today.

Mr. COLLINS of Illinois, for 5 minutes, today.

Mr. GIBBONS, for 60 minutes, on November 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MAHON, to revise and extend his remarks on H.R. 11731 today, and to include extraneous material.

Mr. YATES, to revise and extend his remarks during debate on the Aspin amendment.

Mr. RANDALL to extend his remarks prior to the remarks of the gentleman from Louisiana, Mr. WAGGONNER, during limitation of time before recorded teller vote No. 400.

(The following Members (at the request of Mr. SHOUP) and to include extraneous material:)

Mr. BRAY in two instances.

Mr. WYMAN in two instances.

Mr. MCCLORY in four instances.

Mr. SCHMITZ in four instances.

Mr. HANSEN of Idaho.

Mr. ROUSSELOT.

Mr. MCDONALD of Michigan.

Mr. PRICE of Texas.

Mr. RUTH in 10 instances.

Mr. ESHLEMAN.

Mr. KEMP in two instances.

Mr. ESCH.

Mr. FREY.

Mr. FINDLEY.

Mr. BOB WILSON.

Mr. MCCULLOCH.

Mr. VANDER JAGT.

Mr. SCHWENGEL.

Mr. PELLY in two instances.

Mr. BROYHILL of Virginia.

Mr. ASHBROOK in two instances.

(The following Members (at the request of Mr. MCKAY) and to include additional matter:)

Mr. ASPIN in 10 instances.

Mrs. HICKS of Massachusetts in two instances.

Mr. BURTON of California.

Mr. GONZALEZ in two instances.

Mr. RARICK in three instances.

Mr. WALDIE in three instances.

Mr. HAGAN in three instances.

Mr. ROGERS in five instances.

Mr. RANGEL in five instances.

Mr. FASCELL.

Mr. MATSUNAGA in three instances.

Mr. BADILLO in three instances.

Mrs. GRIFFITHS in two instances.

Mr. RYAN in three instances.

Mr. DAVIS of Georgia.

Mr. FOLEY in two instances.

Mr. FRASER in two instances.

Mr. HARRINGTON in three instances.

Mr. HAMILTON.

Mr. BYRON in 10 instances.

Mr. BINGHAM in three instances.

Mrs. SULLIVAN in two instances.

Mr. VANIK.

Mr. JACOBS in two instances.

Mr. BEGICH in five instances.

Mr. PEPPER.

Mr. EVINS of Tennessee in two instances.

Mr. HAWKINS.

Mr. DANIEL of Virginia.

Mr. HOLIFIELD.

Mr. TIERNAN in two instances.

Mr. SMITH of Iowa.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2672. An act to permanently exempt potatoes for processing from marketing orders; to the Committee on Agriculture.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The Speaker announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 306. An act for the relief of Eddie Troy Jaynes, Junior, and Rosa Elena Jaynes;

S. 389. An act for the relief of Stephen Lance Pender, Patricia Jenifer Pender, and Denese Gene Pender;

S. 629. An act for the relief of Chen-Pai Miao;

S. 708. An act for the relief of the village of Orleans, Vt.; and

S.J. Res. 132. Joint resolution extending the duration of copyright protection in certain cases.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 4729. A bill to amend section 2107 of title 10, United States Code, to provide additional Reserve Officers' Training Corps scholarships for the Army, Navy, and Air Force, and other purposes;

H.R. 7072. To amend the Airport and Airway Development Act of 1970 to further clarify the intent of Congress as to priorities for airway modernization and airport development, and for other purposes; and

H.R. 11418. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

ADJOURNMENT

Mr. MCKAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 12 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, November 18, 1971, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1291. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204 (d) of the Immigration and Nationality Act, as amended; to the Comimttee on the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

1292. A letter from the Comptroller General of the United States, transmitting the second report on the audit of payments from the special fund to Lockheed Aircraft Corp. for the C-5A aircraft program, covering the quarter ended September 30, 1971, Department of Deefnse; to the Committee on Armed Services.

1293. A letter from the Comptroller General of the United States, transmitting a report that the Consumer and Marketing Service's enforcement of Federal sanitation standards at poultry plants continue to be weak, Department of Agriculture; to the Committee on Government Operations.

1294. A letter from the Comptroller General of the United States, transmitting a report on problems in paying for services of supervisory and teaching physicians in hospitals under medicare, Department of Health, Education, and Welfare; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HÉBERT: Committee on Armed Services. H.R. 11824. A bill to amend the Military Construction Authorization Act, 1970, to authorize additional funds for the conduct of an international aeronautical exposition (Rept. No. 92-671). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 7130. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage under that act, to extend its coverage, to establish procedures to relieve domestic industries and workers injured by increased imports from low-wage areas, and for other purposes; with an amendment (Rept. No. 92-672). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. H.R. 8858. A bill to authorize an additional Deputy Secretary of Defense, and for other purposes; with amendments (Rept. No. 92-673). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 710. Providing for taking the bills S. 2819 and S. 2820 from the Speaker's table, amending both bills, passing both bills and amending the titles thereof; insisting on the House amendments, requesting conferences with the Senate and authorizing the Speaker to appoint conferees to attend said conferences (Rept. No. 92-674). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 711. Providing for the consideration of a conference report on the joint resolution (H.J. Res. 946) on the same day reported or any day thereafter (Rept. No. 92-675). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARCHER:

H.R. 11816. A bill to amend section 1257 of title 28, United States Code, to provide that the Supreme Court shall not have jurisdiction to review a State court final judgment or decree that an act or publication is obscene; to the Committee on the Judiciary.

By Mr. BROTZMAN (for himself, Mr. DENHOLM, Mr. BEGICH, and Mr. MCCOLLISTER):

H.R. 11817. A bill to require that all schoolbuses be equipped with seatbelts for passengers and seatbacks of sufficient height to prevent injury to passengers; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLINS of Illinois (for himself, Mr. MILLS of Arkansas, Mrs. ABZUG, Mr. ANDERSON of Illinois, Mr. ANNUNZIO, Mr. ASPIN, Mr. BINGHAM, Mr. BURKE of Massachusetts, Mr. CARNEY, Mr. DIGGS, Mr. ERLENBORN, Mr. FASCELL, Mrs. GRASSO, Mr. HALPERN, Mr. HARRINGTON, Mr. HATHAWAY, Mr. HAWKINS, Mr. HELSTOSKI, Mrs. HICKS of Massachusetts, Mr. KOCH, Mr. MATSUNAGA, Mr. METCALFE, Mr. MIKVA, Mr. MOORHEAD, and Mr. PEPPER):

H.R. 11818. A bill to amend the Social Security Act to provide that the total amount of a State's required expenditures for aid or assistance under the cash public assistance programs during either of the fiscal years 1972 and 1973 shall not exceed the total amount of its expenditures under such programs during the fiscal year 1971; to the Committee on Ways and Means.

By Mr. COLLINS of Illinois (for himself, Mr. MILLS of Arkansas, Mr. PRICE of Illinois, Mr. RANGEL, Mr. ROE, Mr. ROSENTHAL, Mr. ROY, Mr. ST GERMAIN, and Mr. CHARLES H. WILSON):

H.R. 11819. A bill to amend the Social Security Act to provide that the total amount of a State's required expenditures for aid or assistance under the cash public assistance programs during either of the fiscal years 1972 and 1973 shall not exceed the total amount of its expenditures under such programs during the fiscal year 1971; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 11820. A bill to amend title 39, United States Code, to provide for the mailing of letter mail to Senators and Representatives in Congress at no cost to sender, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. HICKS of Massachusetts:

H.R. 11821. A bill to provide a penalty for the robbery or attempted robbery of any narcotic drug from any pharmacy; to the Committee on the Judiciary.

By Mr. HOWARD:

H.R. 11822. A bill to encourage national development by providing incentives for the establishment of new or expanded job-producing and job-training industrial and commercial facilities in rural areas having high proportions of persons with low incomes or which have experienced or face a substantial loss of population because of migration, and for other purposes; to the Committee on Ways and Means.

By Mr. LONG of Louisiana:

H.R. 11823. A bill to create a Marine Resources Conservation and Development Fund; to provide for the distribution of revenues from Outer Continental Shelf lands; and for other purposes; to the Committee on the Judiciary.

By Mr. STAGGERS (for himself and Mr. SPRINGER):

H.R. 11824. A bill to assist railroads in acquiring and utilizing rolling stock, to proscribe disproportionate taxation of certain interstate carriers' property by State or local governments, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself and Mr. SPRINGER) (by request):

H.R. 11825. A bill to amend the Federal Aviation Act of 1958 to provide for the regulation of rates of air carriers and foreign air carriers in foreign air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 11826. A bill to amend the Interstate Commerce Act, as amended, and acts amendatory and supplemental thereto, to provide for increased reliance on competition in the establishment of carrier rates, charges, and practices, to liberalize entry and exit in the several modes of surface transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEIGER of Arizona (for himself, Mr. HENDERSON, Mr. SCHERLE, Mr. ABBITT, Mr. HALEY, Mr. ARCHER, Mr. BLACKBURN, Mr. LANDGREBE, Mr. FISHER, Mr. SCOTT, Mr. SCHMITZ, Mr. PRICE of Texas, Mr. ROBINSON of Virginia, Mr. COLLINS of Texas, Mr. SMITH of California, Mr. ESHLEMAN, Mr. BAKER, Mr. GROSS, and Mr. JONAS):

H.R. 11827. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and Labor.

By Mr. VEYSEY:

H.R. 11828. A bill to establish a Federal program to encourage the voluntary donation of pure and safe blood, to require licensing and inspection of all blood banks, and to establish a national registry of blood donors; to the Committee on Interstate and Foreign Commerce.

By Mr. YATRON:

H.R. 11829. A bill to amend the Randolph-Sheppard Act for the blind so as to make certain improvements therein, and for other purposes; to the Committee on Education and Labor.

H.R. 11830. A bill to amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes; to the Committee on Education and Labor.

H.R. 11831. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11832. A bill to amend subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11833. A bill to amend the age and service requirements for immediate retirement under subchcapter III of chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11834. A bill to increase the contribution of the Federal Government to the costs of employees' health benefits insurance; to the Committee on Post Office and Civil Service.

H.R. 11835. A bill to amend chapter 89 of title 5, United States Code, to provide improved health benefits for Federal employees; to the Committee on Post Office and Civil Service.

By Mr. ABOUREZK (for himself, Mr. ASPIN, Mr. HARRINGTON, Mr. ROSENTHAL, Mr. ROY, and Mr. SEIBERLING):

H.R. 11836. A bill to amend sections 9 and 11 of the Clayton Act, as amended, to provide for the continuance of the family farm and to prevent monopoly, and for other purposes; to the Committee on the Judiciary.

By Mr. BURKE of Massachusetts:

H.R. 11837. A bill to provide for the establishment of the Thaddeus Kosciuszko Home National Historic Site in the State of Pennsylvania, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CASEY of Texas:

H.R. 11838. A bill to protect collectors of antique glassware against the manufacture in the United States or the importation of imitations of such glassware; to the Committee on Interstate and Foreign Commerce.

By Mr. COLMER:

H.R. 11839. A bill to amend the act of January 8, 1971 (Public Law 91-660; 84 Stat. 1967), an act to provide for the establishment of the Gulf Islands National Seashore, in the States of Florida and Mississippi, for the recognition of certain historic values at Fort San Carlos, Fort Redoubt, Fort Barrancas, and Fort Pickens in Florida, and Fort Massachusetts in Mississippi, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ERLENBORN:

H.R. 11840. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and means.

By Mr. HANLEY (for himself, Mr. UDALL, Mr. BOGGS, Mr. ABOUREZK, Mrs. ABZUG, Mr. ADAMS, Mr. ADDABBO, Mr. ANNUNZIO, Mr. BADILLO, Mr. BEGICH, Mr. BIAGGI, Mr. BINGHAM, Mr. BRADEMAS, Mr. BRASCO, Mr. BROYHILL of Virginia, Mr. BURKE of Massachusetts, Mr. BURTON, Mr. CARNEY, Mr. CLAY, Mr. CORMAN, Mr. DANIELS of New Jersey, Mr. DANIELSON, Mr. EDWARDS of Louisiana, Mr. EILBERG, and Mr. ESCH):

H.R. 11841. A bill relating to comparability adjustments in pay rates of Federal employees; to the Committee on Post Office and Civil Service.

By Mr. HANLEY (for himself, Mr. UDALL, Mr. EVANS of Colorado, Mr. FASCELL, Mr. FRASER, Mr. GALLAGHER, Mr. GAYDOS, Mrs. GRASSO, Mr. GUDE, Mr. HALPERN, Mr. HARRINGTON, Mr. HAWKINS, Mr. HELSTOSKI, Mrs. HICKS of Massachusetts, Mr. HOGAN, Mr. HOLIFIELD, Mr. KASTENMEIER, Mr. KOCH, Mr. LEGGETT, Mr. MATSUNAGA, Mr. MELCHER, Mr. METCALFE, Mrs. MINK, Mr. MITCHELL, and Mr. MOORHEAD):

H.R. 11842. A bill relating to comparabil-

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ity adjustments in pay rates of Federal employees; to the Committee on Post Office and Civil Service.

By Mr. HANLEY (for himself, Mr. UDALL, Mr. MOSS, Mr. MURPHY of New York, Mr. NICHOLS, Mr. O'NEILL, Mr. PEPPER, Mr. RANGEL, Mr. REES, Mr. REUSS, Mr. ROE, Mr. ROSENTHAL, Mr. ROY, Mr. RYAN, Mr. ST GERMAIN, Mr. SARBANES, Mr. SCHEUER, Mr. SISK, Mr. JAMES V. STANTON, Mr. THOMPSON of Georgia, Mr. TIERNAN, Mr. WALDIE, Mr. WILLIAMS, and Mr. CHARLES H. WILSON):

H.R. 11843. A bill relating to comparability adjustments in pay rates of Federal employees; to the Committee on Post Office and Civil Service.

By Mr. HELSTOSKI:

H.R. 11844. A bill to amend title 10 of the United States Code so as to permit members of the Reserves and the National Guard to receive retired pay at age 55 for non-Regular service under chapter 67 of that title; to the Committee on Armed Services.

By Mr. MOSS:

H.R. 11845. A bill to amend the Federal Aviation Act of 1958 to authorize the Civil Aeronautics Board to permit an air carrier to hold both scheduled and supplemental certification; to the Committee on Interstate and Foreign Commerce.

H.R. 11846. A bill to amend the War Claims Act of 1948 to abolish the Foreign Claims Settlement Commission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROE:

H.R. 11847. A bill to amend the Watershed Protection and Flood Prevention Act, as amended; to the Committee on Agriculture.

By Mr. SCHWENGEL:

H.R. 11848. A bill to amend the act requiring evidence of certain financial responsibility and establishing minimum standards for certain passenger vessels in order to exempt certain vessels operating on inland rivers; to the Committee on Merchant Marine and Fisheries.

By Mr. ST GERMAIN:

H.R. 11849. A bill to amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes; to the Committee on Education and Labor.

H.R. 11850. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on House Administration.

By Mr. STEELE:

H.R. 11851. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to a taxpayer who is a student at a college for certain expenses incurred in obtaining a higher education; to the Committee on Ways and Means.

By Mr. STUCKEY:

H.R. 11852. A bill to designate certain lands in the Okefenokee National Wildlife Refuge, Ga., as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. BADILLO:

H.J. Res. 971. Joint resolution relating to the publication of economic and social statistics for Spanish-speaking Americans; to the Committee on Post Office and Civil Service.

By Mr. SCHWENGEL:

H.J. Res. 972. Joint resolution proposing an amendment to the Constitution of the United States relative to disapproval and reduction of items in general appropriation bills; to the Committee on the Judiciary.

By Mr. UDALL:

H.J. Res. 973. Joint resolution relating to the publication of economic and social statistics for Spanish-speaking Americans; to the Committee on Post Office and Civil Service.

By Mr. YATRON (for himself, Mrs. ABZUG, Mr. ANDERSON of Illinois, Mr. ASPIN, Mr. BRADEMAS, Mr. BURTON, Mrs. CHISHOLM, Mr. DELLENBACK, Mr. DERWINSKI, Mr. EILBERG, Mrs. GRASSO, Mr. HALPERN, Mr. HARRINGTON, Mr. HAWKINS, Mr. HELSTOSKI, Mrs. HICKS of Massachusetts, Mr. KYROS, Mr. MATSUNAGA, Mr. MAZZOLI, Mr. MITCHELL, Mr. MORSE, Mr. PETTIS, Mr. ROE, and Mr. ROONEY of Pennsylvania):

H.J. Res. 974. Joint resolution authorizing the President to proclaim the third Sunday in October of each year as "National Shut-In Day"; to the Committee on the Judiciary.

By Mr. YATRON (for himself, Mr. ST GERMAIN, Mr. STEELE, Mr. TIERNAN, and Mr. WINN):

H.J. Res. 975. Joint resolution authorizing the President to proclaim the third Sunday in October of each year as "National Shut-In Day"; to the Committee on the Judiciary.

By Mr. KEMP (for himself, Mr. PODELL, Mr. KUYKENDALL, Mr. STEELE, Mr. VANDER JAGT, Mr. CAMP, and Mr. GUBSER):

H. Con. Res. 462. Concurrent resolution expressing the sense of Congress with respect to placing before the United Nations General Assembly the issue of the dual right of all persons to emigrate from and also return to one's country; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 11853. A bill for the relief of Michael E. Toro; to the Committee on the Judiciary.

By Mr. BRASCO:

H.R. 11854. A bill for the relief of Anthony M. Daleo; to the Committee on the Judiciary.

By Mr. ECKHARDT:

H.R. 11855. A bill for the relief of Ibrahim Mohamed Zaki Oweiss; to the Committee on the Judiciary.

By Mr. EDWARDS of California:

H.R. 11856. A bill for the relief of Hilda I. Rodgers; to the Committee on the Judiciary.

By Mr. HANNA:

H.R. 11857. A bill for the relief of Patrick W. Russ; to the Committee on the Judiciary.

By Mr. HÉBERT:

H.R. 11858. A bill for the relief of Christine R. Anderson; to the Committee on the Judiciary.

By Mr. STEPHENS:

H.R. 11859. A bill for the relief of William H. Spratling; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

158. The SPEAKER presented a petition of Ron Jones, Nedrow, N.Y., relative to the terms of a treaty between the United States and the Iroquois Confederacy; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

COMMUNITY SCHOOL CENTER DEVELOPMENT ACT

HON. DONALD W. RIEGLE, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. RIEGLE. Mr. Speaker, today, I have introduced the Community School Center Development Act. This will serve as the House version of the same act recently introduced in the Senate by Senators CHURCH and WILLIAMS. I congratulate them for their initiative in this matter.

The crisis in our schools is an acknowledged fact, particularly in our city schools and schools in low-income and rural areas. The problems are manifold—outdated curriculum and teaching materials, inability to attract and keep good teachers, lack of public support and willingness to pay for improvements, the dilemma of community participation and control, inadequate tax base, the unfair financing reliance on property taxes, educational experience not adequately personalized to the needs and potential of individual children, and so forth.

In short, the relationship between the school and the individuals and groups who make up the community around the school is confused and inadequate for the needs of our time. As a result, not enough young people are realizing the potential they must if they are to be productive and involved citizens in the 1970's, 1980's, and 1990's. Another widely documented condition in today's society is the loss of a sense of community. The forces which fragment and divide a community are greater than those which bring people together to participate and share in larger common interests. This problem can and must be overcome.

One encouraging response to these problems is the community school concept—where the school becomes a fully utilized, decentralized community center, open from early in the morning until late at night, 6 or 7 days a week. The community school concept was pioneered and developed in Flint, Mich., over 30 years ago under the leadership and direction of Charles Stewart Mott and the Mott Foundation. Mr. Frank Manley, of Flint, first organized the concept which the Mott Foundation carried forward.

Under the community school program, the school becomes a neighborhood facility serving not only schoolchildren but adults, senior citizens, community groups and the like with a full array of services: educational, social, recreational, health, local government, public safety, vocational and, in general, whatever the community wants and needs. Everybody in the community gives something to the effort and everybody gets something.

Although there is no pat formula which can be uniformly applied to all communities, there are some battle-tested ways of helping communities to establish their own particular kind of community education as a function of their own special needs, problems, and resources. There is good evidence that this approach can help to make education more responsive to the community, more meaningful to both children and adults, and in the process give a neighborhood a rallying point around which to form a new sense of mission and involvement which cuts across age and interest groups.

The Community School Center Development Act which I have introduced today is aimed at expanding the community school program nationally. It will provide every community throughout the United States with the opportunity to become a part of an educational program which has not only demonstrated its success in over 600 school districts across the United States, but also has unique cost effective benefits which make it attractive to our taxpayers and school systems which are already financially strapped. We have found for example that we can increase facility utilization by 150 percent with a 5-percent increase in operating expenses. This is a bargain that the country desperately needs.

This act is designed to promote the expansion of the community school program in several ways: First, it authorizes Federal grants to be made to colleges and universities interested in developing or expanding community education centers for the training of community school directors. Second, it will make Federal funds available to school districts wanting to establish new community school programs—or expand ongoing programs. These grants may also help cover the cost to communities or school districts for the training and salaries of community school directors.

In order to promote the adoption of community school programs across the Nation, the Commissioner of Education is authorized to distribute information on these programs to local communities as well as appoint up to 25 fourman teams to assist interested communities in program development. Finally, a Community School Advisory Council will be appointed to advise the Commissioner of Education on policy matters relating to community schools.

As a product of the Flint community school system, I have long supported this concept and have worked jointly with the Mott Foundation to encourage its development. Since coming to Congress in 1967, we have worked to acquaint Members of Congress as well as various Federal officials with the unique advantages of this program. While a member of the District of Columbia Subcommittee on the Appropriations Committee—in September of 1967—the Mott Foundation—working together with our District of Columbia Subcommittee of Appropriations, its Chairman WILLIAM NATCHER, and District of Columbia school officials for a pilot project involving two District of Columbia schools—an elementary and a junior high school. More important than the financial support, the Mott Foundation and the Flint school people shared their experiences, technical assistance, and expertise with District of Columbia citizens, educators, and students to see if this concept could work in a major urban center. The results have been so positive that the program has grown to 13 community schools with further plans for expansion. The evidence takes the form of such things as:

Overall increase in average daily attendance.

Improved attendance at PTA meetings.

Window breakage decreased and illegal entries into the school was reduced.

Library book circulation increased.

Elementary school children's reading score levels improved.

Greatly increased pride and involvement in the school and the educational process on the part of parents, teachers, students, and citizens in the surrounding neighborhood.

Recently, a group of District of Columbia senior citizens and blind people—who attend adult education classes sponsored by the District of Columbia Community School program—visited the White House to explain to President and Mrs. Nixon how Flint schools and the Mott Foundation have helped District of Columbia start its own community school program—and how this type of program could help other cities and other senior citizen groups around the country.

In addition, we have discussed the community school concept with HEW Secretary Elliot Richardson who indicated his support for the concept and stated that—

> We are assessing ways in which the Federal Government might contribute to strengthening the community school concept.

Both the Economic Opportunity Act and the Elementary and Secondary Education Act have identified the community school concept as an integral part of any community action program designed to help a disadvantaged area. However, I feel very strongly that the time has come for the Federal Government to go beyond passively applauding the merits of the community school program and actively contribute to its further growth and expansion.

In addition to the many social and educational advantages stemming from the community school program, there are a number of unique economic advantages worth mentioning:

In Flint alone—which has a population of approximately 200,000, 92,000 people use our schools after school hours; 80,000 adults are presently enrolled in 1,200 adult education classes; a millage election has not been defeated since 1950; no community school program involves expenditures of more than 5 percent of the school's total operating budget—and utilization of the facility is increased by 150 percent; 4,200 adults are now enrolled in high school credit classes—aimed toward graduation; and 230 adults graduated from the adult high school in 1971.

In conclusion, the reasons and advantages for the Federal Government to undertake leadership in encouraging the community school program include the fact that; it attacks multiple community-related problems; it uses existing systems and facilities and thereby avoids duplication; remains flexible and reflects the needs and wants of the local area each of which are different; it is a cost-effective investment; and it helps build a sense of neighborhood and community which is so badly needed in today's fragmented society.

Education is not a partisan issue—and I would like to urge all of my colleagues here in the House to join in supporting the Community School Center Development Act. I am hopeful that we will see the same kind of enthusiastic support for this program here in Congress as has been shown in so many communities throughout the United States.

I attach the bill so that it can be printed in full at this point in the RECORD.

H.R. 11709

A bill to promote development and expansion of community schools throughout the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Community School Center Development Act".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to provide recreational, educational, and a variety of other community and social services through the establishment of the community school as a center for such activities in cooperation with other community groups.

DEFINITIONS

SEC. 3. As used in this Act the term—

(1) "Commissioner" means the Commissioner of Education;

(2) "State" includes, in addition to the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(3) "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of State elementary and secondary education or if there is no such officer or agency, an officer or agency designated by the Governor or State law;

(4) "Council" means the Community Schools Advisory Council;

(5) "institution of higher education" means an educational institution in any State which (A) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (B) is legally authorized within such State to provide a program of education beyond secondary education, (C) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (D) is a public or other nonprofit institution, and (E) is accredited by a nationally recognized accrediting agency or association or, if not so accredited, (i) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (ii) is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provision of clauses (A), (B), (D), and (E). For purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered;

(6) "local educational agency" means a public board of education or other public

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authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts of counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school; and

(7) "community school program" means a program in which a public elementary or secondary school is utilized as a community center operated in cooperation with other groups in the community to provide recreational, educational, and a variety of other community and social services for the community that center serves.

TITLE I—COMMUNITY EDUCATION CENTER GRANTS

SEC. 101. (a) The Commissioner shall make grants to institutions of higher education to develop and establish programs in community education which will train people as community school directors.

(b) Where an institution of higher learning has such a program presently in existence, such grant may be made to expand the program.

APPLICATIONS

SEC. 102. A grant under this title may be made to any institution of higher education upon application to the Commissioner at such time, in such manner, and containing and accompanied by such information as the Commissioner deems necessary. Each such application shall—

(1) provide that the programs and activities for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) describe with particularity the programs and activities for which such assistance is sought;

(3) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(4) provide for making such reasonable reports in such form and containing such information as the Commissioner may reasonably require.

AUTHORIZATION OF APPROPRIATIONS

SEC. 103. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

TITLE II—GRANTS FOR COMMUNITY

SEC. 201. (a) The Commissioner may, upon proper application, make grants to local educational agencies for the establishment of new community school programs and the expansion of existing ones.

(b) Grants shall be available for the training and salaries of community school directors as well as actual and administrative and operating expenses connected with such programs.

APPORTIONMENT

SEC. 202. (a) The number of project grants available to each State, subject to uniform criteria established by the Commissioner, shall be as follows:

(1) States with a population of less than five million shall receive not more than four projects;

(2) States with a population of more than five million but less than ten million shall receive not more than six projects;

(3) States with a population of more than ten million but less than fifteen million shall receive not more than eight projects; and

(4) States with a population of more than fifteen million shall receive not more than ten projects.

(b) Grants shall be made to the respective State educational agencies for payment to the appropriate local educational agencies.

CONSULTATION WITH STATE EDUCATIONAL AGENCY

SEC. 203. In determining the recipients of project grants the Commissioner shall consult with each State educational agency to assure support of a program particularly suitable to that State and providing adequate experience in the operation of community schools.

PAYMENTS

SEC. 204. Payments under this title shall be made from a State's apportionment to any State educational agency which has been selected by the Commissioner in accordance with section 203.

AUTHORIZATION OF APPROPRIATIONS

SEC. 205. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

TITLE III—COMMUNITY SCHOOL PROMOTION

PROMOTION

SEC. 301. In order to promote the adoption of community school programs throughout the United States the Commissioner shall—

(1) accumulate and disseminate pertinent information to local communities;

(2) appoint twenty-five teams, consisting of not more than four individuals on each team, to assist communities contemplating the adoption of a community school program; and

(3) establish a program of permanent liaison between the community school district and the Commissioner.

ADVISORY COUNCIL

SEC. 302. (a) There is hereby established in the office of the Commissioner a Community Schools Advisory Council to be composed of seven members appointed by the President for terms of two years without regard to the provisions of title 5, United States Code.

(b) The Council shall select its own Chairman and Vice Chairman and shall meet at the call of the Chairman, but not less than four times a year. Members shall be appointed for two-year terms, except that of the members first appointed four shall be appointed for a term of one year and three shall be appointed for a term of two years as designated by the President at the time of appointment. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall serve only for the remainder of such term. Members shall be eligible for reappointment and may serve after the expiration of their terms until their successors have taken office. A vacancy in the Council shall not affect its activities and four members thereof shall constitute a quorum. The Commissioner shall be an ex officio member of the Council. A member of the Council who is an officer or employee of the Federal Government shall serve without additional compensation.

(c) The Commissioner shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities.

FUNCTION OF THE COUNCIL

SEC. 303. The Council shall advise the Commissioner on policy matters relating to the interests of community schools.

COMPENSATION OF MEMBERS

SEC. 304. Each member of the Council appointed pursuant to section 302 shall receive $50 a day, including traveltime, for each day he is engaged in the actual performance of his duties as a member of the Council. Each such member shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

AUTHORIZATION OF APPROPRIATIONS

SEC. 305. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

TITLE IV—MISCELLANEOUS

PROHIBITIONS AND LIMITATIONS

SEC. 401. (a) Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

(b) Nothing contained in this Act shall be construed to authorize the making of any payment under this Act for the construction of facilities as a place of worship or religious instruction.

JUDICIAL REVIEW

SEC. 402. (a) If any State or local educational agency is dissatisfied with the Commissioner's final action with respect to the approval of applications submitted under title II, or with his final action under section 405, such State or local educational agency may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such agency is located a petition for review of that action. A copy of that petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner shall file promptly in the court the record of the proceedings on which he based his action, as provided for in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

ADMINISTRATION

SEC. 403. (a) The Commissioner may delegate any of his functions under this Act, except the making of regulations, to any officer or employee of the Office of Education.

(b) In administering the provisions of this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

PAYMENTS

SEC. 404. Payments to a State under this Act may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment, and may be made directly to a State or to one or more public agencies designated for this purpose by the State, or both.

WITHHOLDING

SEC. 405. Whenever the Commissioner, after giving reasonable notice and opportunity for hearing to a grant recipient under this Act, finds—

(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this Act; or

(2) that in the operation of the program or activity there is failure to comply substantially with any such provision;

the Commissioner shall notify in writing such recipient of his findings and no further payments may be made to such recipient by the Commissioner until he is satisfied that such noncompliance has been, or will promptly be, corrected. The Commissioner may authorize the continuance of payments with respect to any programs or activities pursuant to this Act which are being carried out by such recipient and which are not involved in the noncompliance.

AUDIT AND REVIEW

SEC. 406. The Commissioner and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination, to any books, documents, papers, and records of a grantee, under this Act, that are pertinent to the grant received.

REPORTS TO THE CONGRESS

SEC. 407. The Commissioner shall transmit to the President and to the Congress annually a report of activities under this Act, including the name of each applicant, a brief description of the facts in each case, and the number and amount of grants.

THE WAR IN VIETNAM

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. WOLFF. Mr. Speaker, the war in Vietnam has been dragged on and prolonged for months and years now, to the point where the American people are impatient for an end to the American involvement. My constituents in the Third Congressional District of New York continually raise their voices to implore that everything be done to bring this tragic conflict to a close.

The village of Great Neck Estates, in a special meeting of the board of trustees on September 15, 1971, passed the following resolution, which clearly expresses the sentiments of not only the residents of the village, but, I think, the wishes of the majority of Americans. I therefore commend this resolution to my colleagues, and join the trustees of the village of Great Neck Estates in urging the withdrawal of all American troops from Southeast Asia.

The resolution follows:

RESOLUTION

Whereas military spending for the Viet Nam War represents a substantial portion of the Federal Budget and diverts public funds from more urgent needs of this nation, including purposes which benefit municipalities, both large and small, and their residents; and

Whereas the President of the United States has already taken initial steps to terminate American involvement in the Viet Nam War; and

Whereas doubt exists throughout all segments of the Nation and our Government as to the propriety and morality of now prolonging the said War,

Now, therefore, at a Special Meeting of the Board of Trustees of the Village of Great Neck Estates, held at the Village Hall on September 15, 1971, the Board of Trustees of the Village of Great Neck Estates has unanimously passed the following Resolution:

Be it resolved that the Board of Trustees of the Village of Great Neck Estates, County of Nassau, State of New York, hereby urges the President and the Congress of the United States to do all in their power to withdraw all United States military forces from Viet Nam, Laos, and Cambodia as soon as possible and not later than December 31, 1971.

DAILY DEATH TOLL

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. DIGGS. Mr. Speaker, starting on November 8 and continuing until Thanksgiving, a group of Americans are "dying" symbolically each day in front of the White House, or as near as they can get to it. There are 300 of them daily—the same as the number of human beings that are actually dying every day in Southeast Asia. These concerned people from many areas of the country, cooperating in the Project Daily Death Toll, under the leadership of two groups—the Fellowship of Reconciliation and the Clergy and Laymen Concerned—are showing clearly, dramatically, quietly, peacefully—the horror of the sheer numbers of dead that are paying the toll in a war that is said to be "winding down."

I can only hope that these dedicated people achieve their objective—to reach the minds and hearts and consciences of the Nation, so that the "winding down" of the war becomes not another cynical copout but turns into the reality of ending the war now.

Each week in the news we get matter-of-fact, almost cheerful reports of how few Americans are dying in the war in Vietnam—the "low average weekly body count" as compared with some previous time—now that "the war is winding down."

What we do not hear is that each day the war goes on, 300 Vietnamese are killed—plus more Cambodians and Laotians. We do not hear that the average tonnage of bombs dropped by the United States is higher now than ever before. We are not told of the constantly rising average monthly number of new war refugees in Indochina.

"Now that war is winding down"—how reassuring that sounds. Winding down to what? Until when? President Nixon has assured us that by next July—still seven and a half months away with 300 dying daily—there will be "only a residual force of no more than 100,000 troops" left in the war zone; in order to protect this residual force, of course, it will be necessary to continue and perhaps increase the air support—which means, very likely, more and more and more killed, made homeless—civilian as well as military, if military is the right word to use for the subteenage boys, as in the Cambodian forces.

The President has the power to end the killing. He can set a date for the withdrawal of all troops from Southeast Asia and put an end to the bombing. With those steps, the killing would stop and the American prisoners could come home. Negotiations could easily settle the remaining political questions.

THE CANCER BATTLE REQUIRES A SEPARATE AGENCY

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. BRASCO. Mr. Speaker, very recently the Senate passed a measure calling for a concerted effort on the part of this Nation to find the cause of cancer plus an accompanying cure or cures for this killer.

Such a laudable objective is meaningless in itself unless accompanied by legislation setting up some structure upon which to mount the effort. This the Senate sought to do by calling in its measure for the creation of an independent agency to handle, oversee and administer this long overdue work. I favor this approach, for a variety of reasons which I shall delineate.

This body has just passed a similar measure, again with laudable purpose. It seeks the same goal as the Senate bill does. Unfortunately, it does not provide the appropriate machinery for doing so. That is why I was one of the five Members who opposed the final form of the legislation.

For years, I have felt that the National Government should and must mount this kind of massive, allout research and scientific work. Nationally, I feel that the overwhelming majority of Americans favor such activity. If we can spend billions upon sterile wars and weapons systems cost overruns, we can surely appropriate and invest a reasonable sum of money to attack the menace that is the disease of cancer.

Yet it seems that we are intent upon diffusing rather than concentrating our efforts. The House-passed version calls for the setting up of such an agency as we have in mind within the already existing framework of the National Institutes of Health.

This organization is a massive operation, entering into dozens of health and research fields on behalf of the American people. In recent years we have found that by its very vastness and diversity, some work and projects have gotten lost in the shuffle. Funds intended for one good work somehow are diluted because yet another laudable undertaking requires people, equipment, space and funds. None of this is ever done by accident. No one ever acts in bad faith. Most of what emerges is excellent work, yielding a good return to the taxpayer.

Unfortunately, the nature of the beast we deal with here is vast. A cancer attack program envisioned by the Congress would inevitably, almost certainly be watered down as other programs have been within this complex operation that is the National Institutes of Health.

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In order for us to make the progress we seek in conquering this disease, we must create a special agency, fund it, staff it, equip it and give it one instruction, and only one instruction—find a cure for cancer as swiftly as is humanly possible. Or at the very least, isolate the cause of as many varieties of the disease as is possible.

This would not be done under the measure the House has just passed. We will only lose the force and momentum already built up by merging this quest with so many others.

In no way do I denigrate the other efforts that are aimed at ridding mankind of so many other afflictions. In no way do I question any motives, for all involved in this area, I believe, operating in the most sincere manner possible. I still feel, however, that the Senate-passed version was the correct approach to take, and that we have missed a vital opportunity by putting our measure in the final form it took.

Mr. Speaker, because the House version of the bill is different than the one the Senate passed, 79 to 1, there will be a conference to iron out the differences. I sincerely hope the conferees will seize this opportunity to go forward with the concept of a single new agency to mount an all out attack on this merciless killer—cancer.

NATIONAL WEEK OF CONCERN FOR OUR PRISONERS OF WAR

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. WOLFF. Mr. Speaker, I rise today in support of the efforts of my colleague the gentleman from Indiana (Mr. ZION) to designate a National Week of Concern for Our Prisoners of War in Indochina. It has been 7 years and 235 days since the capture of the first American POW. The time has come to bring this statistic to an end. We cannot afford to delay.

The profound concern of all Americans about our POW's and MIA's is clearly evident. In my talks with the families of American POW's, I have been given to understand that the setting of a definite withdrawal date would accelerate the return of our POW's. We also know that the conditions under which these servicemen are incarcerated are so poor that many of them will be unable to survive much longer. Thus, plans for a residual force and the refusal of the administration to set a withdrawal date are actually working against the very men whom they are trying to save.

We cannot allow our brave servicemen to become pawns in a faulty political chess game. We in the Congress must demonstrate our genuine concern for the plight of these men by taking steps to end the war as soon as practicable and thus secure their immediate release. An early end to this war is the best way to guarantee their safe return home and to prevent any more Americans from suffering a similar fate.

SALVATORE J. REALE OF OZONE PARK HONORED

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. ADDABBO. Mr. Speaker, a most interesting and courageous story developed recently when Salvatore J. Reale subdued a knife-wielding robbery suspect in New York City. Mr. Reale is a resident of Ozone Park, N.Y., in my congressional district, and I am particularly proud of his unselfish and brave actions in this case.

Recently Mr. Reale was honored by the mayor of New York City for his heroic action. I want to take this opportunity to bring the facts of this incident to the attention of my colleagues in the House by placing in the RECORD at this point the text of the Long Island Press article in the presentation of the Distinguished Service Award to Salvatore J. Reale:

PRIVATE EYE HONORED—GETS DISTINGUISHED SERVICE AWARD

(By Howard Reiser)

Nine-year-old Gina Marie Reale had this big smile across her face, just like any young girl or old girl for that matter, would have if she were picked up and kissed by Mayor Lindsay.

To Gina, this was even more important than the fact that her dad, an Ozone Park private detective was being honored by the mayor for subduing a knife-wielding man who had allegedly pulled off a $300 showroom robbery and then slashed the victim across the chest.

"Gina couldn't stop talking about how she wanted to meet the mayor," said Reale yesterday after receiving a "Distinguished Service Award" for his act. "And she is so flattered that the mayor gave her so much attention."

Moments earlier, the 34-year-old head of the Roma Investigations Agency in Brooklyn stood with his family in City Hall's Blue Room and listened to Lindsay and Police Commissioner Patrick Murphy laud him for his act.

"This is something I never dreamed of" he said. "And I just can't believe how many telephone calls of congratulations I've been getting."

On Wednesday Reale, who was guarding a $100,000 shipment of diamonds at 51st Street and 6th Avenue in Manhattan, fought for his life against the knife wielder for a full five minutes on a crowded street and not one person came to his aid.

"About 500 people stood around," Reale told the mayor and Murphy yesterday. "No one helped me, but after I finally subdued the suspect every one started to clap."

The 5-foot-10, 170 pound private eye was up against a 6-foot-2, 200 pounder later identified as James Jones, 29, who gave addresses in Corona and Manhattan.

"It was a difficult situation," said Reale. "But you have to act quickly and do what you have to do."

The action for which Reale was praised yesterday began to unfold at about 3 p.m. Wednesday when the detective and one of his men, Pierre Thompasionas of Queens Village were guarding Jack Hertz of Howard Beach, jewel trader, who was delivering $100,000 in cut diamonds to the Diamond Exchange.

The three men, standing at the 51st Street location, heard screams and saw Jones running, making slashing motions with an open switchblade knife, and scattering pedestrians before him.

Chasing Jones was Albert Lattanz, 62, manager of a Sperry Rand showroom. Police said Jones had grabbed $300 from Lattanz' cash register after slashing the manager across the chest.

Reale then left his two companions to chase the suspect for five blocks before catching up with him at 54th Street and 5th Avenue. Jones turned on Reale with the knife and the detective drew his gun. The two then scuffled, fell to the sidewalk and rolled out onto 5th Avenue, halting traffic.

Following a five-minute fight Reale subdued the suspect just as police cars arrived.

Reale, whose wife, Nina and father, John, proudly took part in yesterday's ceremonies, recalled he had met Lindsay once before.

"It was three years ago," he related. "I was a bodyguard of his for three hours when he visited the Flatlands Industrial Park."

ADMISSION OF COMMUNIST CHINA TO THE UNITED NATIONS

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. WYATT. Mr. Speaker, the admission of Communist China to the United Nations has been described as a recognition of reality. I will not quarrel with that view, although I question just how much reality was involved in the parallel vote expelling Taiwan.

However, there is one reality I would like to discuss, and that is the issue of member dues to support the U.N. and its numerous subagencies.

Mr. Speaker, the United Nations is behind in its dues collections and other assessments by $176-plus million. The Soviet Union owes nearly $87 million, and the other Communist bloc countries are delinquent $31 million. At the same time, the United States is bearing a disproportionate 33⅓-percent share of the costs. Or to put it more accurately, the American taxpayer is shouldering this load; I sometimes think we lose sight of just who is footing the bill.

Mr. Speaker, I do not believe we have ever had a satisfactory explanation of just why the U.N. is unable to collect from many nations. How does the U.N. operate if it cannot collect its assessments? Why have we taken on such a magnanimous share of the costs?

I think it is time we had these, and some other questions answered, and I have written to Secretary of State William Rogers for some of the particulars on the operation of the United Nations. I believe public demand is going to require our cutting back our contribution to a rightful 5.8 percent as the price of continued participation within that organization. With the notorious reluctance of the Communist nations to pay their fair share, I doubt if the American taxpayer is going to be willing to add Red China to its financial burden.

Despite the many weaknesses of the United Nations, I do not believe that we should resign our seat because of our "defiant" on the Taiwan vote. Ignoring mainland China has only served to aggravate, not solve, world problems, particularly in the Far East. Red China's entry into the United Nations will at least make that nation accountable to the remaining member nations concerning its actions.

I recently read a speech by a prominent elected official who deplored efforts to reduce the U.S. contribution to the U.N. on the rather tenuous theory that the organization is more important to America today than it has ever been. I found this a little difficult to accept, particularly in light of the fact that this official studiously avoided any suggestion that the delinquent countries at least contribute their fair share.

Mr. Speaker, do we believe that we are winning friends by contributing the lions share of the costs of operating the U.N.? Will we never learn that successful diplomacy is not measured in dollars? I sometimes wonder. I am convinced that you cannot run as effective organization by assuming the financial burden of others, as we have done. I would hope the Congress takes a firm position in this respect.

SEA-VEST

HON. BROCK ADAMS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. ADAMS. Mr. Speaker, our current unemployment rate in the Pacific Northwest is extremely high, and all of us are seeking means to help those who have lost their jobs and are looking for work. I would like to bring to the attention of my colleagues the fine work which is being done by Sea-Vest, or Self-help Employment Association for Volunteer Engineers, Scientists and Technicians, to aid in this effort. I would like to include in the RECORD a statement of their purpose and the service which they provide to unemployed persons:

SEA-VEST

I. What is Sea-Vest? Sea-Vest is an organization of unemployed and under-employed engineers and other professionals, dedicated to assisting its membership in finding suitable employment.

The VEST program is sponsored by the U.S. Department of Labor through the State Employment Services. VEST stands for Volunteer Engineers, Scientists, and technicians. Sea-Vest is the portion of the VEST program sponsored by the Washington State Employment Service, and covers the entire Puget Sound Area.

II. How does Sea-Vest differ from private and other volunteer employment agencies? Sea-Vest *is* primarily an employment agency. It differs from private employment agencies in that there is no fee to either employer or employee, except that the members are obligated to work at Sea-Vest at least 8 hours per week. Many work 40 hours or more.

It differs from other volunteer employment agencies in that as an unpaid arm of the federal and State governments, it is provided quarters, furniture, equipment, reproduction services, telephone service including to the federal telephone network, franked mailing privileges, and clerical support by the government.

III. How can Sea-Vest serve the prospective employer? Sea-Vest can provide the employer with pre-screened candidates who *are qualified* for his job openings. We can assist him in defining his jobs and the characteristics most suitable in the man to fill them. Our Special Projects Group can assist potential employers in feasibility studies and proposals. The prospective employer need only contact our Job Finder Organization.

IV. How can Sea-Vest serve the professional? We can help him help himself in finding a suitable job. We provide assistance in writing effective resumes, learning good interview techniques, and can refer him to jobs. He must come to our offices to register and to contribute.

V. Can Sea-Vest provide information to Groups? Our Publicity Group will be glad to provide information to any individual or groups. We are anxious to provide speakers to business, trade, and fraternal groups for their meetings.

VI. How can I contact Sea-Vest? We are located on the second floor of the Old Washington State Patrol Building at 905 Dexter Street, Seattle, Washington. To telephone our Job Finders Group or Publicity Group, call (206) AT4-9752. For other services call 285-2300, Ext. 1 or 2.

ALASKA PROCLAIMS SUPPORT OF VETERANS DAY

HON. NICK BEGICH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

OF ALASKA

Mr. BEGICH. Mr. Speaker, I am taking this opportunity to show the people of the United States Alaska's support for our veterans. Recently, the Nation celebrated Veterans Day in an effort to show its gratitude to all the Americans who have served in our Armed Forces. We in Alaska felt it only proper that we show our appreciation to those brave Americans by proclaiming our support of Veterans Day and urging all Alaskans to observe this day appropriately.

It is the bravery and courage displayed by our veterans that makes the United States the great Nation it is. They, above all else, are the leaders of freedom and democracy. Their vigorous defense of democracy and freedom has been proof to the world of the desire and need for men to be free.

The following is a copy of the proclamation made by Governor Egan of Alaska. I am inserting this proclamation so my colleagues may share in Alaska's pride in our veterans:

PROCLAMATION: VETERANS DAY

The Congress of the United States and the Legislature of Alaska have designated the fourth Monday in October a legal holiday to be known as Veterans Day, and have dedicated it to the cause of peace with honor, and to show the respect and admiration we have for our veterans.

American servicemen have responded to their Nation's call to duty in the face of loneliness, hardship, danger, and even death. After each war or conflict these dedicated Americans who performed so valiantly as servicemen return to build a stronger country.

The men and women who have served in our Nation's armed forces have made a major contribution to the preservation of America's freedom. The Nation and the free world are eternally grateful for the contributions of American veterans to the advancement of the cause of an honorable world peace.

We have set aside one day of the year to honor the dead and the living whose actions have testified to their courage and devotion to country. We can never repay our debt to them, for it is beyond price, but we can show our recognition of the gift they have made their country.

I, William A. Egan, Governor of Alaska, do hereby proclaim October 25, 1971, as Veterans Day and urge all Alaskans to observe this day with appropriate ceremonies expressive of our desire to maintain peace, and our determination to preserve those principles of freedom for which so many brave men and women of our Nation have given their lives. Further, I urge that we pay proper homage to the millions of our fellow citizens who, by their service of our country, have advanced and maintained the cause of peace. I also call upon all Alaskans to display the flags of the United States and the State of Alaska on all public, business, and residential buildings on Veterans Day.

Dated this 19th day of October, 1971.

WILLIAM A. EGAN,
Governor.

Attest:

H. A. BORUHU,
Lieutenant Governor.

PRISONER OF WAR: VINNY McGEE

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. HELSTOSKI. Mr. Speaker, our Nation has rightly been concerned with the plight of American prisoners of war in Southeast Asia. However, there is another type of prisoner of war who has gone practically unnoticed in the press and the public eye. This is the draft resister who has chosen to violate the selective service law rather than his conscience and has gone to jail as a consequence.

The story of one of these prisoners of conscience, Vinny McGee, was movingly told in a recent issue of the Union Theological School Journal. This article was brought to my attention by the Reverend Robert Miller of the Union Theological School, a former mayor of Englewood, N.J. I commend it to my colleagues as evidence that the spirit of idealism and devotion to conscience are alive and well in America today:

[From Union Theological Seminary Journal, October 1971]

PRISONER OF WAR: VINNY MCGEE

(By Tom F. Driver)

The prisoner of whom I write is a captive of war, a P.O.W. held by his own government, which he has never betrayed and to which, in fact, he is uncommonly devoted. He did refuse to follow its orders in a matter offensive to his conscience, for which reason that government holds him captive day and night.

Lieutenant Calley is also a prisoner of war in much the same sense, though I find the ironies of that similarity almost too great to bear. Calley, I believe, offended his own conscience in order to do what he thought his commanders wanted. For that he became a convict. McGee disobeyed directives in order to follow his conscience. For that he became a convict. Calley slaughtered. McGee refused to be part of a military that causes slaughter. Both are convicts.

To the Government, I suppose, both erred in opposite directions. To behave would be to take a middle way. That seems reasonable until we ask what way lies in the middle. The middle way is a war—in particular, the Vietnam War, which has been an atrocity and nothing but an atrocity since 1954. Such a median McGee refused even his tacit support, and so he became a prisoner.

He is a Federal prisoner No. 173154. He is

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confined at Allenwood, the prison farm in Pennsylvania. He is convicted of three minor infractions of the Selective Service Law: not returning a questionnaire, not carrying his draft card, not going for a preinduction physical. His sentence is two years. His case was heard by the Supreme Court. He is a Roman Catholic and a pacifist. From 1967 to 1969 he was a student at Union Theological Seminary, a friend, sometime antagonist, and confidante of John C. Bennett. Among his admirers who yet disagree with him is John N. Irwin, who has entertained the convict at his offices in the Department of State.

The case of Vincent F. McGee, Jr., is a case of "establishment protest," of conscience and Christian witness. To understand it, you have to know that the most impeccable forms of religion can be breeders of adamant resistance. McGee's is a story of particular interest to Union Seminary and the neighborhood it lives in, for this is the milieu in which Vinny was born and brought up.

When I first met McGee, I was astonished by two things. First, he was the only student at UTS I had then (or since) met whose home was Morningside Heights. Union attracts students from all over the world, but to come here from 122nd Street is unheard of!

Second, he was uncommonly mature. I met him on a night when Bill Coffin of Yale was discussing resistance with Union students in the Social Hall. Late in the evening, a voice was heard from the rear of the room. It was a flat voice with only the hint of an Irish lilt, but what grabbed me was its words of wisdom about taking an action and being responsible for it. "Who's that?" I asked. "That's Vinny McGee," someone said. When the meeting broke up, I bee-lined toward him. I saw him last inside the walls of Lewisburg.

Here is the story in brief. Raised in a lower middle-class Irish family as patriotic as it was religious, Vinny attended Corpus Christi Church on 121st Street, where his early mentor was The Rev. George B. Ford, that great Catholic liberal born out of time who has been loved on the Heights for more than four decades. Vinny became an altar boy and, at fourteen, a student at Minor Seminary. Finishing high school, he took time out to do office work in a Wall Street law firm. Thinking to return to seminary, he applied to Dunwoodie, the diocesan school, only to be turned down because of his Ford-inspired liberalism. (The time was 1962.) He went instead to the University of Rochester, where he studied by night while supporting himself by day in a job on the production line at Eastman Kodak.

While at Rochester, where he also managed to study at Colgate-Rochester Divinity School, Vinny became a conscientious objector and so notified his draft board. "I could not," he says, "reconcile the gospel with killing." The draft board (in New York City) replied that they would consider his CO claim when his student deferment expired. But Vinny's pacifism kept growing. He reasoned that the instrument of killing was not only the Army but also the draft system that fed it. If he wouldn't go into the Army, he shouldn't be in the Selective Service System either. "It struck me that the only thing of which I was a card-carrying member was the Selective Service System."

But if you are in, how do you get out? Not even a plea of insanity will release you from its files. To be a male citizen of a certain age is to be under that system. So goes the law. But is the law just? In particular, is it just to the pacifist conscience? McGee decided to raise that issue.

Of course, he could have left the country. He thought about that and decided not. He could have gone underground, but he is very much an above-ground person. He doesn't even like things under the table. There's an Irish forthrightness about him. He looked for the gesture that would make his position clear, and from which he could scarcely turn back. He found it in a well-known act to which he gave an unprecedented twist.

In the spring of 1967 he went to a peace demonstration in Central Park and burned his draft card. That is, and here he broke ranks with other burners, he sent half of it up in flames while he put the other half in an envelope with a letter. He walked out of the park to a mailbox and posted the letter and the charred evidence to Lyndon B. Johnson.

History does not yet record the reaction of the President to this piece of mail, which perhaps he never saw; but the Government seems to have decided that McGee was a ringleader of the resistance movement. At least, the Prosecutor later said that he was. In truth, he was no such thing—too much the individualist. It seems to me the Government finds it preferable to deal with conspiracy than with conscience, from which it follows that every resister is a conspirator. McGee was said, without any evidence, to be a conspiratorial leader; and this provided the line of his interrogation before two Grand Juries. I have to laugh, because he didn't even know the people in the resistance movement. Of course, as soon as the Government moved, he knew them all.

Anyhow, the Federal Attorney in New York threw the book at him. In September of 1967 Vinny entered Union Seminary. He was already classified 1A, and by December he had been summoned for induction and had refused to "step forward." He was then indicted on four counts, more than any other resister up to that time. ("Oh, said Joan Baez upon meeting Vinny at her marriage to David Harris, "so *you* are the most-indicted man in the movement!") The Government did not, however, prosecute him for draft-card burning. It simply got from a Grand Jury two indictments concerning that offense (this makes six in all), which it is still able to pull out of the drawer any time it wishes.

In the fall of '68, Vinny was tried and convicted on four counts. These were the three minor offenses I mentioned above, plus the only one that usually matters: refusal of induction. I skip over the trial now, to return to it later.

The case went through the Court of Appeals to the Supreme Court, where it was heard in February of 1971. The verdict was handed down on May 17. (That was Union Seminary's Pilgrimage Day, when J. Brooke Mosley was installed as President. I got the news in a phone call from Vinny just as I was about to go to the Quadrangle to "celebrate." Mosley had met Vinny the previous Christmas and was immediately warmed by him.)

The high court sustained conviction, with only Justice Douglas dissenting. "If there were a lawlessness in this case," said Douglas, "it was that of the Selective Service Board." But who, as we must ask so often these days, is Justice Douglas among so many? The majority opinion was from the pen of Justice Thurgood Marshall.

What happened next is full of technicalities. Please bear with me, for on technicalities hang American law and justice.

In 1970, in *Gutknecht v. U.S.*, the Supreme Court had ruled that a person's induction into the Army could not be "speeded up" for any punitive reason. That meant, contrary to General Hershey, that the draft could not be used to punish resisters. Just this had been attempted in McGee's case. However, his defense had been prepared before the Gutknecht decision, so the court had not ruled on that point *a propos* McGee. The trial judge, Thomas Murphy, was now asked to overturn McGee's conviction for refusal of induction, and he did so! Nor did the Government contest this, for it was patent from the record that the draft board had indeed, once McGee ceased cooperating, moved hastily to put him in I–A and summon him to "service"—that is, to force him to back down or else. Now, nearly four years later, and even after a trip to the Supreme Court, this strategy was invalidated.

People like me (and including many lawyers) think that, if the Government's prosecution strategy fails, the defendant ought to benefit. This proves to be a naive expectation. Judge Murphy was now asked, quite logically, to reduce sentence. He answered: "Motion denied." He ruled on this the very day that McGee was taken into custody, July 6, 1971; and the two-year sentence began.

To those who were present at Vinny's trial, the most revealing testimony was that of the draft-board chairman, the first such ever to be subpoenaed to testify in court. Under cross-examination it became clear that 1) the draft board kept no minutes of deliberations at its meetings, 2) the chairman could barely recall the meeting, if it ever took place, at which McGee was re-classified I–A, 3) McGee's long-standing request for CO status was not evaluated on its merits, and 4) the draft board had reacted more to prodding by the FBI than to the contents of McGee's file.

Yet all this testimony was destined, by Judge Murphy's order, never to reach the ears or eyes of the jury. In such manner may our courts reserve to the judiciary the right to decide the most sensitive issues in jury trials. Murphy "found," as a matter of judicial privilege, that the draft board had done as it should. As a result, the very issue McGee had sought to raise before a jury—the merits of the draft system—was withheld from the jury. When the Government later declined to challenge the dismissal of the main charge against Vinny, it was to prevent the actions of the draft board from being re-examined. And anyway, what did the Government lose? For McGee was put away for two years just the same. A prisoner of war is a prisoner of war.

So McGee, who once proudly walked the halls of Union Seminary, who was a stalwart member of the Union Commission, and who played a mediating role in the Black crisis of 1969, is now a jailbird. He withdrew from UTS in 1969, to become the Executive Director of Business Executives' Move for Peace in Vietnam ("establishment protect" again), the post he held until his arrest. Last April he was married. Now he resides at Allenwood. Three nights a week he teaches some fellow-prisoners to read and write. His treatment to date has not been inhumane. He requested, and has given subscriptions to *The New York Times* and the *Wall Street Journal*. Among his books at Allenwood is Bethge's life of Bonhoeffer. Yet the Government, its guards and wardens, command two years of his life. The name for this, at best, is involuntary servitude. It was one of the issues over which our fathers fought the War of Independence from England.

I raise not here the question of pacifism nor even the rights and wrongs of the Vietnam War. I raise, in Vinny's name, the question of the right of government to command the lives and consciences of its citizens.

The draft requires two years. The court shall require the same. I feel sure this was the equation in Judge Murphy's mind. It is a formula that leaves unquestioned the right of Government to force people to give up their lives. "Called upon to sacrifice" is the euphemistic phrase. Cruelty is the right name—cruelty to people, and cruelty to language. By the latter you may do the former. A sacrifice not willingly made is not a sacrifice but a butchery. A call backed up by threat of prison is not a call but an imperial decree.

McGee's *is* a sacrifice, but only because he has chosen, within the limits of loyalty to his nation, the form it will take. Were I in his clothing, I should be bitter, but he is not.

For that reason, I shall give him the last word. He wrote this poem while at Lewisburg, "behind the wall," where they can put him again at any moment if he does not watch his step.

WAR PRISONERS

These are saner bars—inside.
No more the shadow bars of myth and hopes
and credibility.
Easier grasp the limits—
Lie fallow avenues of chance.
Light up other fires or go out in widow's
weeds and stripes.
No Pauline baskets for the cheering crowd.
Tears misguided here.
Fellow prisoners,
Take up the bars,
The job's not over yet.

VINCENT F. MCGEE, JR.,
Lewisburg Penitentiary, July 1971.

RED CHINA EXPLOITS U.N. TO FURTHER WORLD COMMUNIST REVOLUTION

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. RARICK. Mr. Speaker, earlier today in my 1-minute speech, I warned our colleagues that Red China would exploit her seat at the United Nations for propaganda purposes in promoting revolution around the world.

No better example can be found than a recent story from Rhodesia concerning Mozambique. The brazen announcement by Communist China calling for a Vietnam-style guerrilla war to liberate Mozambique from "the Portuguese colonialists backed by U.S. imperialism" makes a mockery of any pursuit of world peace by the United Nations. It is further evidence that the United Nations is now being overtly used to further Communist style "peace"—which can only be when there is no resistance to communism.

The warmaker in Korea is still the enemy of peace even though she may occupy a seat among her enemies—the member nations of the United Nations.

I insert a newsclipping at this point in the RECORD.

[From the Rhodesia Herald, Oct. 29, 1971]

PEKING SET FOR ACTIVE ROLE?—CHINA WANTS VIETNAM-STYLE GUERRILLA WAR IN MOZAMBIQUE

HONG KONG.—The Government of Red China has called for a Vietnam-style guerilla war in Africa.

In the official weekly Peking Review, Mao Tsetung's Government has suggested that such a war would be suitable to "liberate" Mozambique from "the Portuguese colonialists backed by U.S. imperialism."

The story said such a struggle was necessary because "the hearts of the ordinary people are with the guerillas fighting for national independence and liberation".

The article represents a shift in emphasis on the subject of colonial wars in Africa from passive support on the part of Peking to potentially active participation.

The Chinese have for years professed solidarity with what they term "revolutionary struggles", in places like Mozambique, but they have never before seemed quite so eager to share in the action. Furthermore, this marks the first time Peking has drawn a parallel between the devastating war in Indo-China and struggles elsewhere in the world. Up to now, Vietnam and its surrounding neighbours have been treated as a special case.

However, the article does not commit Peking to a fullscale war. That was left to a Frelimo leader, Samora Moises Machel. His word on the subject, they reasoned, would be more effective an instrument of propaganda than that of a Chinese editorial writer.

In an interview with a New China News Agency reporter in Peking, he claimed that one-third of Mozambique is now in the hands of terrorists, expressed his sympathy for revolutionary groups elsewhere in the world and said he expected complete victory soon.

This in itself was not unusual, but the space devoted to the interview and the verbal embroidery put around it by the Chinese Press seems to indicate that somebody in Peking thinks the anti-Portuguese revolution is more important than others.

"Protracted revolutionary struggle has made the Mozambique fighters deeply understand the truth," said the story. "Only by mobilizing all the people can the revolutionary war be won."

It quoted Machel as saying: "We and the Vietnamese people are comrades in the same trench. Our aim is the same: it is to oppose imperialism and colonialism and for independence and freedom for the motherland."

The report—as distinct from Machel—suggested that the Mozambique rebels might be wise to "persist in a protracted people's war and continuously defeat the enemy," a statement which has in the past been applied to the efforts of Hanoi's Government to take over South Vietnam.

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The story also pledged China's "complete support", for the Mozambique revolutionary movement, instead of the usual "solidarity". While this may seem a mere semantic trifle to those unacquainted with Peking's rhetoric, it is regarded as significant here. Such slight changes in wording occurred before China's massive arms shipments to North Vietnam and also before the entry of Chinese "volunteers" into the Korean War.

What gives Peking's new stance a frightening edge is the presence of several thousand Chinese technicians and labourers in two of the countries adjoining Mozambique, Tanzania and Zambia, and the possibility that the Chinese shipping which even now moves in and out of Dar-es-Salaam at a furious clip is carrying a lot more than merely materials for the Tanzam Railway.

The only puzzling thing about China's suddenly-increased interest in the seven-year-old Mozambique rebellion is why it has happened now instead of years ago.

About the only reasonable answer Chinese experts here can supply is that China now feels the Vietnam War is coming to a close and the effort expended in Indo-China up to now can profitably be turned elsewhere.

But why Mozambique?

There are several good reasons, none related to Portuguese "colonialism". First, a rebel victory in Mozambique would give China three friends and allies all lumped together in the same section of Africa. Second, they consider the Portuguese can easily be defeated, and a real Vietnam-style war in Mozambique would give China a chance to get in on the winning side without taking very much risk. And third, support of an anti-colonial war in Africa with more than mere platitudes would gain China even more support from small, newly independent nations around the world than she already has.

DEFINITION TIME

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. JACOBS. Mr. Speaker, definition time:

Peacetime Economy 1972: One in which the Administration military appropriation request "floats up" above that for 1971 by nearly five thousand times a million dollars." [1971 Adm. request: $68,745,000,000; 1972 Adm. request: $73,540,000,000.]

Ain't peace grand. About seventy-three million five hundred forty thousand grand.

IMPROVE OUR HIGHWAY SAFETY

HON. JACK H. McDONALD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. McDONALD of Michigan. Mr. Speaker, we have made great gains over the past several years in highway safety. There are new techniques and new devices that are saving lives daily, and as a member of the Public Works Committee, I am proud to have taken part in the hearings and debates on legislation concerning the implementation of these techniques and devices.

Although our efforts to save lives and reduce injuries on our Nation's highways have been successful, we cannot ignore the staggering statistics of highway accidents last year. That one statistic in and of itself is enough for me to increase my efforts on highway safety. But there is more. The property loss runs into millions of dollars. And the human suffering caused by the loss of a loved one is not measurable in dollars and cents. How can you calculate the senseless loss of a loved one in a traffic accident.

Mr. Speaker, the ranking minority member of the Public Works Committee, my friend and colleague, Mr. WILLIAM M. HARSHA, has long been a powerful supporter of highway safety. He has a long and outstanding record of accomplishment in this field, and I am proud to have worked with him in this vital area. He too, feels there is more to be done; that the work cannot stop now.

Mr. HARSHA articulated his feelings about highway safety last week in a letter to the President. In that letter, Mr. HARSHA calls for a White House Conference on Highway Safety which would bring together a coterie of professional people interested and trained in promoting safety on our highways.

I support Mr. HARSHA's proposal, and would like at this time to add my voice to his in calling for this conference. For the benefit of my colleagues, I hereby submit for printing in the RECORD a copy of Mr. HARSHA's letter to the President.

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 10, 1971.

Hon. RICHARD M. NIXON,
President,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: I would like to take this opportunity to express the deep concern and dismay I feel over the frightening toll of deaths and injuries sustained each year on our Nation's highways. As you well know, last year alone fatalities on American highways exceeded all combat deaths resulting from the entire Vietnam War. I believe, Mr. President, there are solutions to this problem which we can and should pursue.

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In my judgment, the greatest single obstacle to a quick reduction of this needless, tragic toll is the lack of an adequate and dependable source of funding for highway safety programs. Put simply, we have much of the technology to combat the causes and reduce the carnage on our roadways, but we have not allocated the money to get the job done.

Because I feel Americans can no longer complacently accept this appalling loss of life and treasure, earlier this year I introduced a bill, H.R. 9482, which has a two-fold purpose. If enacted, my bill will produce a quantum jump in funds allocated for safety programs while once again focusing public attention on our present, inadequate safety campaign. Briefly stated, my proposal would direct an amount equal to 40 percent of the revenue derived from the excise tax on alcoholic beverages toward funding of this greatly expanded highway safety effort.

My estimates indicate that over $2 billion would be generated annually by this legislation. I envision that these funds would be used to increase the scope and efficiency of our present safety efforts.

In conjunction with my legislation, I would like to request that you, Mr. President, convene a White House Conference on Highway Safety. Such a gathering would bring together all elements of our society interested in promoting safety on our highways. Included would be highway engineers, builders, users, insurance representatives, safety experts and others dedicated to reducing traffic mishaps to an "irreducible minimum". By promoting increased coordination and cooperation in both the public and private sectors, I believe the Conference could make a significant contribution to the cause of highway safety.

I further believe that the Conference will yield an added dividend by helping to mobilize the kind of massive popular support which will bring final success to our safety efforts.

In addition to these benefits, the Conference could seek to identify specific highway problems for priority attention and to formulate plans for funding promising new avenues of research. I am convinced that through progressive planning, dramatic breakthroughs in the safety field can and will be made.

Finally, emphasis and attention could be given to the investigation and development of plans and programs in such additional areas as:

1. installation of breakaway signs, cushioned rails and abutments and other safety features throughout the entire Federal-aid highway system at the earliest possible date.

2. expanded construction of preferential bus lanes, traffic flow devices, and fringe area parking facilities to help reduce urban traffic congestion, and

3. reduction of urban area traffic "bottlenecks".

Mr. President, I urge you to call a White House Conference on Highway Safety early in 1972. I have discussed the advantages of such a convocation with other Members of Congress, with representatives of the Executive Branch and with private citizens, and all are favorable to the idea. In addition, I am personally contacting officials of State government and of the highway industry to encourage their support for my proposal.

I am convinced, Mr. President, that through your participation in the Conference you can make highway safety *the* national issue and concern that it should be. Rest assured that I will do everything in my power to be of assistance to you in making the Conference a success.

Sincerely,

WILLIAM H. HARSHA,
Representative to Congress.

NO SPECIAL FAVORS, PLEASE

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. PUCINSKI. Mr. Speaker, during the past week, the two Chicago newspapers published by the Newspaper Division of Field Enterprises, Inc., have spoken out sharply against any special concessions to the news media in the form of exemptions from phase II of the wage and price control program.

Mr. Marshall Field, publisher of the Chicago Sun Times and the Chicago Daily News, may well have set the pace for the Nation in the newspaper industry in rejecting any special exemptions for his two publications.

Since this entire subject will become part of a national dialog in the issue, I am today placing in the CONGRESSIONAL RECORD both of the editorials.

The Chicago Sun Times editorial follows and immediately after it, the Chicago Daily News editorial:

PRICE CONTROLS FOR THE MEDIA

Exemption of news media—newspapers, magazines and broadcasters—from Phase II price controls is under study by the government. It is the position of the Field Newspapers—publishers of the Chicago Sun-Times and The Chicago Daily News—that there should be no such exemption; circulation and advertising rates should be subject to whatever government controls and regulations are adopted for all businesses.

Our position is contrary to that taken by some media spokesmen. They believe that the exemptions of World War II and the Korean War for the communications media should be allowed.

We do not believe the present conditions or the state of the communications industry warrant such exemptions. The wartime exemptions were granted by Congress which listened to arguments that any power to regulate the news media would collide with the First Amendment of the Constitution which forbids passage of any law that would abridge freedom of the press. Congress wished to avoid any challenge that controls might be used to affect editorial judgment.

We yield to no one in our zeal to protect freedom of the press which is a fundamental right of the people to an uninhibited and untrammeled flow of news and opinion. We have for example, stood firm against proposals for licensing or other state or federal special legislation intended to put government in a position to interfere with a newspaper's right to be the sole judge of its editorial content or its right to access of information. We most recently argued against the right of the government to prohibit publication of the Pentagon Papers, a position upheld by the U.S. Supreme Court.

We do not, however, believe that a general price regulation, applied with uniformity to business and industry generally, falls in the category of the restrictions described here. During the present freeze, we have been prevented from putting into effect an increase in advertising rates that was announced before the Aug. 15 presidential proclamation and which was to take effect Sept. 1. The increase was deemed necessary because of increases in our own expenses, particularly new and more costly labor contracts already in effect. If the Price Commission should authorize an increase under such particular circumstances, as the Pay Board has authorized noninflationary wage boosts, we surely will accept it. But this would be under rules adopted for all businesses and not because of an exemption for the media. During the freeze and the economic burden it has put on us, we have no complaint that our rights under the First Amendment have been imperiled.

Price controls will not inhibit our freedom of expression or our responsibility to criticize the government itself or the operations of the controls themselves. Publishers should not feel that they must be exempt from the law so as to preserve their duty to act as a check on government. To the contrary we believe the press and other communications media would be more credible in the eyes of the public if they operate under the same laws written for other businesses.

NO SPECIAL FAVORS, PLEASE

In the discussion of Phase II wage and price controls, the possibility of exempting newspapers and other news media has been advanced by various media representatives. Some publisher spokesmen favor such an exemption on grounds that applying controls to the media would collide with the First Amendment's guarantee of freedom of the press. We do not agree.

We believe that in matters pertaining to their commercial operations, newspapers and other media should be treated like other private businesses. We consider ourselves subject to the same rules, regulations and laws that apply generally to our readers and advertisers. As we see it, the special protection of the First Amendment was intended to protect our right to print what we consider fit in our news and editorial columns.

We would of course oppose any efforts by government officials to use their regulatory or lawmaking powers to gag the media so as to cover up corruption or suppress embarrassing news, or attempt to stifle the free expression of editorial opinions. But Phase II economic controls are not intended to intimidate the media or compromise the integrity of news reporting or editorial views.

In World War II and the Korean War the media were exempted from price controls. This was done by Congress to avoid any possible contention that such controls were invoked unconstitutionally to influence the editorial content of newspapers and other media. Such exemptions were unnecessary then, and are now.

It so happens that as a business the Field Newspapers—The Daily News and The Sun-Times—did suffer financially from President Nixon's wage-price freeze in August. Increases in advertising rates that we had scheduled for Sept. 1 were postponed by the freeze, resulting in a substantial loss of revenue. Because a newspaper cannot recoup losses in the way a manufacturer of less perishable products sometimes can, this is a permanent loss. Our losses (other media were more fortunate in their timing) were our bad luck; we accept them as such.

We are prepared to continue to cooperate down the line with the President's Phase II. We expect to be subjected to the same regulations as any other business operating under the free enterprise system. We expect and will insist that the controls be fair and uniform, but we want no special privileges on questionable constitutional grounds. We will stand on our constitutional rights only when doing so coincides with the public interest—specifically, the peoples' right to know. The main thrust of the wage-price controls is to try to contain the inflation that long threatened to make beggars of us all. The public interest will be best served if the controls work. So far as we are concerned, making them apply to the media is one way of helping to ensure success.

REPRESENTATIVE JIM WRIGHT OF TEXAS REVIEWS ENVIRONMENTAL CHALLENGE WITH REASON AND ELOQUENCE

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, November 17, 1971

Mr. RANDOLPH. Mr. President, millions of Americans are concerned about the condition of the world in which they live. The crusade for a clean environment has produced many spokesmen, but none more realistic than our colleague in the House of Representatives, JIM WRIGHT of Texas.

On November 4, Representative WRIGHT addressed the National Water Resources Association in Dallas, Tex., in remarks entitled, "Nature and Man—and Water." Representative WRIGHT discussed the creation and maintenance of a clean environment. His thoughts reveal a thorough and well-reasoned view of the environmental situation, and they were expressed with great clarity and eloquence.

Mr. President, I ask unanimous consent that excerpts from the text of Representative WRIGHT's remarks be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

NATURE AND MAN—AND WATER

(Remarks of Representative JIM WRIGHT)

Let us think together of Man and Nature—and of Water, nature's most priceless gift and man's most useful servant.

Nature is a marvelous mechanism. So is the human body. Both were engineered and created by the Divine Intelligence to perform their appointed functions efficiently and effectively.

But just as the human body can get out of balance and require corrective surgery to perform its functions properly, so also nature itself can get out of balance and require the corrective, healing surgery of man to perform its functions effectively, efficiently, and beneficially in the interests of both nature and man.

Nature exists for man, and man is expected to exercise beneficient dominion.

He is not expected to prostrate himself supinely before the floods; nor to abandon the arid earth to dust where water lies beneath the soil; nor let the waters wash away the land and leave both man and earth bereft. All of our knowledge cries out against such folly.

In the past two years, a sudden public awareness of our environment has burst upon the scene like an earthquake. To those of you who for decades have led the lonely and often thankless struggle for conservation and environmental quality, this should be great good news. A public awakening was long overdue! But—as is so often the case—the price we pay for long public neglect is a sort of hysterical over-reaction.

Unfortunately, among the new converts there is vast misunderstanding of all that the dedicated handful of conservationists has been doing for all these years. There is a deadly tendency to want to stop everything, to tear out all that man has built, to reverse the hard-won victories the conservation movement has achieved, and—incredibly—to turn the clock back to the unenlightened era when nature ravaged man and man was powerless to protect himself.

For many in the newly popular "ecology" movement, scapegoats have become more popular quarry than solutions. Stopping programs of resource development has become more fashionable—and it was always easier—than performing those programs.

For some the Environmental Policy Act of 1969 has been misconstrued as a trumpet call to retreat into the past and seek the improbable goal of a dead and distant age before man's massive intrusion, when nature was supreme—an age when floods were thought to be the inevitable will of God and when it was the accepted rule that a river would cleanse itself in seven miles without any help from man.

But those who so interpret the commandment of that legislation have failed to understand its meaning.

Nowhere do I read in these purposes any intent to halt the development of our nation's water resources.

Nowhere do I see expressed a desire to lock up our rivers for the exclusive enjoyment of those few who wish only white-capped waters running rampant and uncontrolled.

Nowhere in that legislation is implied a call for retrogression. The law contains no mandate for any self-appointed group to exalt itself above the established agencies of orderly government and bring their work to a grinding halt!

Nowhere in that law do I read any intent to abrogate the clear will of Congress as reflected in water development projects fully authorized for construction—and some of them already begun—by the Bureau of Reclamation, the Soil Conservation Service, and the Corps of Engineers.

There comes a point in every human society when study must give way to action. The average water resource development project of the Corps of Engineers today must traverse the labyrinthine path of almost 18 years of study and restudy between the point of a survey resolution and the turning of the first spadeful of dirt.

Conservation and development are not mutually exclusive. Development of the earth's resources is the tool by which man carries out the goal of conservation.

There is no irreconcilable gulf between a sound ecology and a sound economy.

To be a wise conservationist or an intelligent environmentalist does not mean to halt our development and harnessing of the water resources of our planet. To greater or lesser degree this has been necessary since man first intruded upon the earth. It is more necessary today than ever because there are more and ever more people.

We cannot, alas, keep people from intruding upon the earth. And the interest of people must come first.

Twentieth-century America, like the prodigal son, has drawn heavily upon the bank account of its native endowment and squandered the substance in riotous misuse. More bountifully endowed than any nation in history, we've adopted the rather casual assumption that Providence protects America. We've extracted the riches of our natural legacy, exploited them to build a shining society, and wasted them in copious quantities.

We recall that other civilizations, also blessed with a spark of greatness, have strutted across the stage of world eminence only to fade and wane, their brief, bright promise unfulfilled. In the uncomprehending sand and heat of arid desert waste, their monuments lie buried.

Let no future archaeologist tell the story for us. We have the knowledge to tell it for ourselves—if we have the wisdom. There is *enough* water to serve our needs for future time, if we learn to use and reuse it well. And there is *enough* time to do what we must. But there's not much of either to spare.

CONGRESSIONAL ACTION ON TRADE WITH RHODESIA

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. SIKES. Mr. Speaker, the Congress has spoken on the matter of trade with Rhodesia and I am hopeful the President will heed the voice of the people.

I was gratified by the House action a few days ago regarding the importation of chrome ore from Rhodesia. For too long, our own Government placed the sanctity of the United Nations above the security of the United States by going along with the absurdity of sanctions against our friends in Rhodesia, but now that matter can be rectified. All that is required is the backing of President Nixon for the action of Congress.

As each Member of Congress knows, the United Nations decided that the United States would not accept critical ore from Rhodesia. The effect of this decision was to make us dependent on Russia to supply us with a material which is widely used in defense programs to protect us from Communst attack. What an anomaly. While Russia purchased quantities of chrome ore from Rhodesia at low prices, the United States purchased chrome ore from Russia at a price almost double that paid by the Soviets for what may well have been the same ore.

The United States went along with this charade for years, Mr. Speaker, despite statements by many Members of Congress that should have jolted the administration into corrective action. Now action has been taken by the Congress to bring sanity into the picture, and I trust the President will promptly take the lead in implementing a new policy on chrome purchases.

It is more than a little interesting that the United Nations General Assembly has seen fit to criticize the Congress for exercising its own responsibilities in a sensible way on the question of Rhodesian chrome. It is disconcerting that our own representatives to the United Nations sat on their hands while this was going on. It would appear that they overlooked the fact that their responsibility is to the United States when we are under attack.

Having taken a decisive step with regard to Rhodesia, the Congress now should direct its attention to correcting other situations which punish our friends and help our enemies.

South Africa is a case in point. This vigorously anti-Communist government has managed to maintain a strong economy despite hostile attitudes fostered by the United Nations wherever possible. South Africa protects the vital sea lanes around the southern tip of the African Continent and insures the availability of a very important port for the United States and other Western powers. The number of these is shrinking. It stood with the United States on the China question before the U.N. Despite our halting attitude, South Africa has not wavered in her friendship for the United

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States. Instead of appreciation for the constant support, the United States has played the deadend game of the U.N. toward South Africa. That organization has just rewarded us for years of overgenerous support by repudiating the most important proposal our Nation has advanced in the U.N. for years.

To the credit of Congress, it can be said we have sustained the sugar quota for South Africa. We should take any remaining steps which are needed to bring about normal trade and closer relations with South Africa.

These votes are an indication that the Congress is fed up with having U.S. policy dictated by the United Nations. Let us now finish the work we have begun by reinstating full and friendly relations with our friends.

OKINAWA

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, November 16, 1971

Mr. BYRD of Virginia. Mr. President, Okinawa lies within 1,700 miles of all the Asian nations with which the United States has security agreements.

The Roanoke, Va., World-News in an editorial of November 15, 1971, discusses Senate notification of a treaty by which the United States gave Okinawa to Japan.

I ask unanimous consent that the editorial captioned "Who Won Second Battle of Okinawa?" be inserted in Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHO WON SECOND BATTLE OF OKINAWA?

The eventual reversion of Okinawa to Japan—sealed in the Senate last week in a lopsided treaty ratification vote—was hinted at by none other than John Foster Dulles. In 1951, in an effort to appease the Japanese, he recognized their right of "residual sovereignty" over Okinawa and the chain of islands of which it is a part.

Dulles could not have foreseen that so many other factors—neo-isolationism in the U.S., revived nationalism in Japan, etc.—would change residual to actual sovereignty. But it has happened, and by the middle of next year, Okinawa, "Keystone of the Pacific" will be a Japanese prefecture, or state.

Eighty-four senators ratified the reversion agreement, in spite of the island's importance to the military (though that importance is diminishing in an age of new strategic weaponry) and in spite of all the money the U.S. has poured into the island, only a portion of which it can ever expect to regain.

The strategic importance of Okinawa—in strictly geographical terms—is evident when one realizes that within a radius of only 1,700 miles lie all the Asian nations with which the U.S. has security agreements. No other Pacific island fills the military needs of the U.S. as neatly as does Okinawa.

Virginia's Sen. Harry F. Byrd Jr. aided by Sen. Barry Goldwater carried out a valiant rear-guard action against ratification. Sen. Byrd's major contention is that as long as our commitments in the Pacific and Asia remain, it makes no sense for us to give up partial control over the major base that gives those commitments credibility.

It is a moot question as to how much the agreement diminishes U.S. control over the military use of Okinawa. We still will retain military use of 100 installations on the island; but the actual use in combat would have to be after consultation with the Japanese government. Premier Sato has assured the U.S. that Japan will continue to let us use the base in fulfilling any Pacific treaty obligations; but the senator points out that he is making such a verbal guarantee only for his government, which won't be in command much longer.

Whatever the developments in implementing the agreement, there will be SOME decrease in U.S control over the military use of Okinawa. And Sen. Byrd considers Okinawa so important to our commitments, that if the agreement is ratified by the Japanese the U.S. should reduce its commitments in Asia and the Pacific.

Perhaps that was also the indirect message of the vote in the Senate: that the U.S. is overcommitted in the area and that unrestricted use of Okinawa is one of the factors that has lead us into that overcommitment.

The Okinawans have been pampered by aid from both the U.S. and Japan and buoyed by military employment; it is highly probable that any real American disengagement from the military affairs of the island would dump an enormous responsibility on the Japanese government.

There is an interesting side issue in the Okinawan question that shouldn't escape notice: The Soviet Union maintains an iron grip on several northern islands that the Japanese could claim with as much validity as they have claimed Okinawa. They probably won't demand reversion of Habomei, Shikotan, Etorofu and Kunashiri because they know all they would get from the Soviet Union would be a very scrutable belly-laugh.

THE NEED FOR PROFIT

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. WYMAN. Mr. Speaker, we must preserve and maintain an economic system in America that allows the making of profit. Neither individuals nor corporations can, or will, remain in business unless they can make a profit.

Taxes are paid from profits and our huge costs of government—State and Federal—are paid from profits. Hard work, industry, enterprise, increased production efficiencies all leading to a profit—these must be preserved and encouraged—not destroyed by collectivism.

Unfortunately, profit is already very much under control as is pointed out by a recent article published by the American Economic Foundation. I commend this article to the thoughtful consideration of all who realize that we must not kill the goose that lays the golden egg.

The article follows:

THE FALLACIES WE LIVE BY—THAT PROFIT IS NOT ALREADY "UNDER CONTROL"

Here is the situation in a nutshell, as reported by the Wall Street Journal on May 13th. Since 1965, the Gross National Product has increased 52%, wages and salaries are up 60% and profits are *down* 4%.

What has been "controlling" profits? First, the power of labor to virtually write its own wage ticket. Second, the growing customer resistance to the prices forced upward by unearned, inflationary wage increases. Management, if it is to save the business, must collect (or try to collect) from the customer, the inflated wages and enough profit to reward the stockholder, whose invested savings make the business possible. As you can see from the above figures, profits have been the whipping boy of inflation.

There is an old story of a Scotsman who was scientifically reducing the daily rations of his mule. "Just when I got him eatin' right, the danged critter up and died." This has already happened to some businesses and it could happen to a lot more. Profit is the essential food of free enterprise.

Vice President Agnew spoke an important truth when he said: "Rising corporate profits are good for the average man, and are needed more than ever by the poor." There are few, if any, "average men" who, directly or indirectly, do not depend upon profit to bolster the strength and security of their investments, life insurance, pensions and retirement funds. All the poor people and welfare clients rely upon profit to produce the taxes needed for their public assistance. Corporation income is taxed twice—first, when it is earned, and second, when stockholders pay taxes on their dividends. Profit is indeed important to both the average man and the poor man.

In the face of these facts, why is there so little public sympathy for the corporation and so much public support of higher wages? Incredible as it sounds, most people still believe *that profit amounts to at least as much as payroll.* This fairy tale has been believed for more than fifty years.

The following figures (in billions) from the Wall Street Journal give the facts:

Year	Wages, salaries	Corporate profits
1965	$359	$46.5
1966	394	49.9
1967	423	46.6
1968	465	47.8
1969	509	44.5
1970	541	41.2

From these figures, which would you say has lacked control, profit or wages?

HEARING ON COMMUNITY DEVELOPMENT NEEDS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. ALEXANDER. Mr. Speaker, among the witnesses appearing at the hearing on community development needs which I conducted in Walnut Ridge, Ark., on October 23, was Dr. Lonnie E. Talbert. He is chairman of the division of general business and economics and professor of economics in the College of Business at Arkansas State University.

During these hearings, I have attempted to have presented testimony from witnesses representing a variety of areas which have a direct interest in the revitalization of the economy of nonmetropolitan areas. Dr. Talbert's testimony was excellent and would, I believe, be of some value to my colleagues who are concerned about the problem of outmigration from nonmetropolitan to metropolitan regions and the need for expanded community development in small towns and communities.

Therefore, I would like to share Dr. Talbert's testimony at this time.

The testimony follows.

STATEMENT BY LONNIE E. TALBERT

Congressman Alexander, I am Lonnie E. Talbert, Chairman of General Business and Economics Division and Professor of Economics, Arkansas State University. I wish to express my appreciation to you for this opportunity to express my views on the problems and needs associated with economic development in East Arkansas.

Years of economic growth and development have meant years of change for all segments of our society at the national, state and local levels. Some of these changes have taken the form of geographical shifts in economic activities and productive resources. History reveals that for many years we have experienced the movement of industrial activities from the north to many areas of the southern regions because of the shift in markets and the search for labor. The agrarian south has been able to furnish this labor supply because of farm mechanization which released much labor from agriculture. In fact, the "surplus" labor created in this fashion was more than enough to supply the needs of incoming industry; therefore, we experienced the outmigration of thousands of people to other areas in search of jobs. This shift of population has been true not only from south to north but also from rural to urban as well.

We are cognizant that these changes in the name of economic development have brought with them many problems for both the recipients (cities) and the givers (rural areas or small towns). The cities have received a large block of the poor and unskilled citizens to house, educate, serve and protect. The rural areas and small towns have lost thousands of citizens who had the potential of being educated and skilled and made into productive elements of our economy, but because of a lack of foresight and planning, they have been thrust into the role of a deprived, dejected mass of social problems in our metropolitan areas. So, in a sense, both the cities and rural areas have lost in this shuffle of resources and so have the unfortunate individuals caught in the middle.

Now, let's bring the discussion up to date and down to the immediate area we are discussing today. I have reference to the five-county area of Clay, Greene, Jackson, Lawrence and Randolph counties. Arkansas has had a net loss in population for the past several decades up until the most recent one. From 1960 to 1970, the State experienced a 7.7 percent increase in population as compared to a 13.3 percent increase for the Nation. Appendix Table I of this report will show that four of the five counties being considered here today experienced a net loss in population during the decade of the sixties and the other county, Randolph, had only a 1 percent increase. Although the rate of decrease in population varied among the counties, it tends to show that this area is still experiencing a loss in population while much of the other parts of the State and Nation are increasing in population. When one compares the income situation in this area with that of the State and Nation it stacks up on the low side. Appendix Table 2 reveals that for 1960 the per capita income was considerably lower in all five counties than for the State, and in 1969 the same was true except for Jackson County. Jackson County had an increase of 111.5% in per capita income for 1960 to 1969 which placed its per capita income at $2,677 as compared to $2,642 for the State as a whole. Not only were the other four counties lower in per capita income in 1960 but all four counties experienced a smaller percentage increase in per capita income than did the state as a whole. This means the counties grew worse relative to the State during this period. These data tend to show that the problem of low income and out-migration from the study area still persist even today. The primary reason for this situation is the lack of job opportunities for the young people graduating from high school and for those who have been displaced through mechanization of agriculture and other factors.

A check will find that these people are moving to urban and metropolitan centers in search of job opportunities. For some of them who have skills that are in demand this is perhaps the thing to do since there is nothing to attract them to stay in the area. For thousands of others, we know from previous experiences it will be a mistake.

The question that many people are asking is, "What can be done to stop this greater and greater movement of people to metropolitan areas." They contend that people are going to move where they want to regardless of the circumstances. Personally, I don't believe this is true and recent developments will bear me out. Recent census data reveal that despite the urbanization trends, the central cities have been developing at a slower rate than have the urban communities during the past decade. Many central cities have actually experienced an absolute decline in population since 1960. This reversal of population movement is a very significant factor when one starts examining the implications for economic development.

Our demographers tell us that because of the deplorable living conditions in the central city, the high crime rates and related factors, many of the people who are leaving these areas are moving to the suburban communities and many are moving out to the rural communities and small towns. We also find that the centrifugal forces pulling population away from central cities have also drawn commercial and industrial establishments to the suburbs and to the small to medium size cities. As manufacturing structures become obsolete replacement structures are required, manufacturers find zoning regulations restrictive, inexpensive land sites are no longer available, modern horizontal layouts are unavailable and the cost of remodeling obsolete structures prohibitive. In addition, external economies such as well developed transportation networks and diversified labor forces that were formerly available only in central cities have now been extended to outlying areas, even "rural" areas.

In many instances this reversal of the population movement is not because of lack of job opportunities in the central city but because of a desire to improve the living environment of the family. May I cite briefly a personal example in this regard. About eight months ago I hired a secretary who had just moved from Detroit, Michigan into our area with her family. She and her husband both gave up good paying jobs and moved south to a small rural community where neither had any job prospects. This was a very courageous thing for them to do but they felt so strongly about getting away from the large metropolitan area and the disadvantages which it holds for rearing children that they were willing to take the risk.

This reversal of population movement may assist the urban centers to "catch up" on many problems that have been attributed to past migration patterns. However, at the same time, it means that rural areas and small cities are faced with a dual problem now, that of attempting to provide incentives for their people to stay and at the same time provide opportunities to those who desire to come back. In order to provide these accommodations, it will be necessary for the smaller cities and towns to improve their image as well as the physical facilities and to increase employment opportunities.

We know that in order for employment to occur it is necessary that jobs be made available and that skills be created to fit those jobs. This simply means that the task of economic development and increasing the economic well being of people in our rural areas and small towns will necessitate the investment of considerable funds in two primary areas: (1) the training and retraining processes to equip labor for the jobs, and (2) to provide the necessary environment to attract industries to the smaller communities.

Let me hasten to add at this point that I do not advocate that every small town and hamlet needs a plant or two plants or that every person born and reared in a small town or hamlet should necessarily remain in this location for the remainder of his lifetime. We have considerable evidence to show that people working in small towns where only one or two industries are located are very vulnerable. If one or both plants are suddenly shut down this leaves the people in a very precarious situation. Also, we find that many small towns are characterized by low wages, low-skill workers, low taxes, tax exemptions, and a starved public sector. This condition leads to a low quality public sector management and low quality public services. Generally, these communities are also less able to compete for federal funds. Communities such as these certainly need assistance to improve their present situation with respect to public management; however, considerable preparation would need to occur before they were really ready to pursue a vigorous program of industrialization.

On the other hand, there are many communities of the 10,000 to 50,000 population range which are viable with respect to economic development and can become job centers for thousands of people in the surrounding area. We find this happening to some extent already.

The leaders in many of these communities will tell you that before they can make much additional progress toward economic development through job creation, there are several specific and serious needs that must be met. These needs include the improvement of educational facilities, both public school and training and retraining programs for adults, the improvement of public utilities, sewer systems, housing, recreational facilities, transportation facilities, police and fire protection, solid waste disposal, hospitals, ambulance service, and perhaps other similar facilities. The establishment and improvement of these facilities is a prerequisite to any long range plans of economic development.

Another ingredient that is vital is that of developing good leadership in the communities. It will be necessary to recognize and develop youthful leadership to provide assistance now and guidance in years to come in order to provide continuity to the development process.

In brief, one of the primary goals of economic development in small communities would be to encourage private investment in the form of industrial expansion. But, before these private endeavors will be forthcoming, it will be necessary for the public sector to meet the test and provide certain physical facilities, educational programs and a sound financial base.

With proper planning, which is certainly one of the first items that should be undertaken, I can foresee many new developments taking place in our small to medium size towns. These developments need not be limited to the traditional industrial and manufacturing type enterprises. It is true that industrial decentralization is "happening" around the country, and has been for several years. We also know that in recent years one of the fastest growing areas of employment has been in the service industries. We find much of this type of employment now filter-

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ing through to these small communities. We find additional emphasis being given these days to such developments as centers for science and technology and local county science laboratories. These kinds of endeavors are not oriented toward raw materials or markets but rather located where the proper facilities and trained labor can be acquired. Other possibilities for economic development in this five-county area and other similar areas would certainly include tourism and recreation. It is ideally situated for these kinds of development activities.

What would be the results of planned economic development for small communities? It would provide first of all for an improved tax base which would lead to additional funding for future expansion and therefore provide sort of a multiplier effect. On the other hand, it would provide jobs and income for people living in or moving into the area. These people would also be paying taxes and enjoying a higher level of living. This would mean less dependence on the public sector.

Others who will be appearing on the program today are much better prepared to tell you about the specific difficulties encountered in attempting to pursue some of the projects and proposals I have just mentioned. I am sure that without exception the local public officials who are here today will testify to the fact that one of the major obstacles in pursuing these economic development projects would be the lack of financial resources. I realize there are various sources of funds available for different kinds of undertakings. However, there are instances where sufficient funds are not available for certain endeavors or the criteria for obtaining said funds are so rigid and waiting time is so long that officials become discouraged.

In these few minutes I have only been able to scratch the surface on some of the problem areas confronted by local communities. There are many others that are related only indirectly to economic development but are nevertheless very important.

Congressman Alexander, it is a pleasure indeed for me to go on record at this time in support of your new community development proposal. Such a proposal could provide the much needed financial resources which are the key ingredients in promoting the community facilities necessary for the economic development processes to occur. This issue is very urgent because the problem is now upon us and will become increasingly more important in weeks and months ahead. Thank you.

APPENDIX TABLE I.—TOTAL POPULATION, URBAN POPULATION AND PERCENT CHANGE FOR ARKANSAS AND SELECTED COUNTIES, 1960 AND 1970

Area	Total population		Urban population		Percent urban		Percent change (total population 1960–70)
	1960	1970	1960	1970	1960	1970	
Arkansas	1,786,272	1,923,295	765,303	960,865	42.8	50.0	7.7
Clay	21,258	18,771	2,776	5,792	13.1	30.9	−11.6
Green	25,198	24,765	9,947	10,639	39.5	43.0	−1.7
Jackson	22,843	20,452	7,007	7,725	30.7	37.7	−10.5
Lawrence	17,267	16,320	3,547	3,800	20.5	23.3	−5.5
Randolph	12,520	12,645	3,665	4,544	29.3	35.9	1.0

Source: U.S. Census of Population, 1960 and 1970.

APPENDIX TABLE II.—PERSONAL INCOME ESTIMATES—SELECTED COUNTIES, ARKANSAS 1960 AND 1969

Area	1960		1969		Percent change, 1960–69	
	Total personal income (thousands)	Per capita income	Total personal income (thousands)	Per capita income	Total personal income	Per capita income
Arkansas	$2,459,000	$1,372	$4,963,000	$2,642	101.8	92.6
Clay	24,563	1,155	40,506	2,118	64.9	83.4
Green	29,897	1,186	51,389	2,075	71.9	75.0
Jackson	28,926	1,266	55,259	2,677	91.0	111.5
Lawrence	18,178	1,053	31,396	1,931	72.7	83.4
Randolph	12,824	1,024	23,455	1,867	82.9	82.3

Source: State and County Economic Data for Arkansas, Industrial Research and Extension Center, College of Business Administration, University of Arkansas, Little Rock, Ark.

Mr. Speaker, this is the ninth insertion in the CONGRESSIONAL RECORD of testimony and other materials which I have gathered during my search for ways to assist community development in areas of low population. Other materials on this subject appear in the CONGRESSIONAL RECORDS of September 22, pages 32740–32741; October 1, pages 34505–34506; October 6, pages 35409–35410; October 13, pages 36133–36135; October 21, pages 37358–37361; October 28, pages 38121–38123; November 3, pages 39156–39158, and November 11, pages 40813–40817.

DR. WILLIAM D. McELROY, DIRECTOR OF NATIONAL SCIENCE FOUNDATION, LEAVES LEGACY OF ACCOMPLISHMENTS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. EVINS of Tennessee. Mr. Speaker, Dr. William D. McElroy, director of the National Science Foundation, is leaving NSF to return to the academic world and I wanted to take this means of commending and congratulating Dr. McElroy for his outstanding work as director of the Science Foundation.

Dr. McElroy is an able and competent administrator, a distinguished scientist, a great American with an acute perspective of the role of science in Government and in the Nation generally.

Dr. McElroy has been an able and innovative administrator, has welcomed new ideas, new concepts, and new proposals. He is always seeking ways to improve programs of education in science and as director has rendered a distinct national public service.

During Dr. McElroy's tenure of service he has broadened the base of NSF support to include smaller colleges and universities of the Nation in programs of the foundation to a greater degree than heretofore.

He has recognized the basic premise that science belongs to all the people of America and has sought to strengthen instruction in science throughout our country.

I have had occasion to observe Director McElroy in his appearances before the Subcommittees on Independent Offices, Housing, Space, Science Appropriations, and have been impressed by his great ability and interest in scientific advancement and new knowledge.

We commend Dr. McElroy as he leaves the Science Foundation but wish him good luck and success in his new work at the University of California.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

INTERNATIONAL TOASTMISTRESS WEEK

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. BEGICH. Mr. Speaker, in today's fast-moving and progressing society, the need for better communication is essential. Communication not only on a large worldly scale, but also on the individual level. We are constantly in contact with more and more people than ever before and we must be able to communicate with them.

Providing this individual self-improvement is one of the major opportunities offered by the International Toastmistress Clubs. They are dedicated to leadership in this area. They provide the opportunity for Alaska's women to obtain the communications skills needed to move ahead in today's society.

To show Alaska's appreciation for the dedication shown by these women, Gov. William A. Egan of Alaska proclaimed the week of October 24 as International Toastmistress Week. Following is a copy of the proclamation for my colleagues' inspection:

PROCLAMATION

INTERNATIONAL TOASTMISTRESS WEEK

Communicative skills of effective speaking and listening are the basis for achieving greater understanding throughout the world, and the development of leadership skills is necessary for the efficient functioning of our modern society.

Individual self-improvement provides the key whereby Alaska's women can realize their full potential as a motivating force in today's world.

The International Toastmistress Clubs throughout the world, including the seven clubs in Alaska, are dedicated to providing the opportunity for developing these leadership talents.

As Governor of Alaska, I, William A. Egan, do hereby proclaim the week of October 24–30, 1971, as "International Toastmistress Week" in recognition of the praiseworthy achievements of the International Toastmistress Clubs, and urge all Alaskans to avail themselves of this opportunity to acquaint themselves with the fine program carried on by these clubs.

Dated this 19th day of October, 1971.

WILLIAM A. EGAN,
Governor.

SECOND-MORTGAGE NIGHTMARE

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. FAUNTROY. Mr. Speaker, Ronald Kessler of the Washington Post has recently written a hard-hitting, illuminating article discussing Washington's second-mortgage money market. According to Mr. Kessler, "judges, lawyers, lenders, and bankers familiar with the problem call it a widespread and vicious racket that preys primarily on blacks, the poor and uneducated, taking away their homes over illegally inflated loans."

The article is well worth reading, and I commend it to the attention of my colleagues:

[From the Washington Post, Oct. 17, 1971]

THE SECOND-MORTGAGE NIGHTMARE

(By Ronald Kessler)

You need money, and the man in the carpeted office is eager to help with a loan. As security, he'll take a second mortgage on your home. Just sign here.

Signing there for some Washington residents has started a waking nightmare when they discover they are repaying double and triple what they actually received as a loan, plus standard interest, in apparent violation of D.C. usury laws.

Unless they file suit, home owners who find the burden of paying off the inflated sums too great lose their homes and up to 15 years in first mortgage payments they have put into them. They suffer these losses over small loans that sometimes have more than been repaid.

The lenders promptly resell the house at windfall profits.

Just how often this occurs is not clear. Those who file suits generally obtain court orders stopping the sales, avoiding loss of their homes.

But judges, lawyers, lenders, and bankers familiar with the problem call it a widespread and vicious racket that preys primarily on blacks, the poor and the uneducated, taking away their homes over illegally inflated loans.

One former second mortgage lender admits to giving some $5 million in inflated second mortgages, or second trusts as they are technically called in Washington, over three years. And more than 100 lawsuits have been filed in U.S. District and D.C. superior courts since 1968, many in the past year, to stop foreclosures over allegedly usurious, inflated loans given through fraud.

"This is one of the worst rackets in the nation," says Howard T. Frazier, national director of the 1,500-member Consumer Education and Protective Association, Inc. "The poor and the black are being taken time and again and put out on the streets, while everyone else rakes in the profits."

Inflation of mortgages to double and triple what was actually received is "worse than usury, it's unconscionable," says L. A. Jennings, chairman of Riggs National Bank, the area's largest bank.

The foreclosures that result from these mortgages in Washington are an "outrage," says one U.S. District Court judge, and another refers to much of Washington's second mortgage business as a "vicious racket."

One who should know, Joel Kline, until recently under consideration for appointment as Maryland's new banking commissioner, calls the business "usurious, immoral, and illegal." He admits to once being in the business himself, as a purchaser of second mortgage agreements, but he says he was not aware at the time that the loans he bought were inflated.

Informed of the practices found by The Washington Post, Seymour Glanzer, chief of the U.S. attorney's fraud unit, said he will investigate "the whole foreclosure procedure, how it affects home owners, and any irregularities by which home owners may be defrauded and deprived of their money or property through false pretenses or schemes."

Glanzer, adding he intends to consider presenting the matter to a grand jury for action, said the investigation will focus on possible violation of federal fraud law, which carry penalties of up to five years in prison or up to $1,000 in fines for each offense.

Some 20 persons have lost their houses to second mortgage lenders since last June 1, auctioneer's records indicate. Most of the owners lived in the houses. How many of the foreclosures may have stemmed from inflated mortgages is not known.

JUDGE CITES OUTRAGE

But one U.S. District Court judge, who asked that his name not be used because of foreclosure cases pending before him, said he believes "outrageous" foreclosures occur far more frequently than the 100 court suits would indicate because many of the victims are too poor to afford lawyers to file suits for them and aren't aware of free legal aid programs.

Once a home owner files suit, he can generally save his house until the case is settled. But auctioneers' records indicate that sometimes the return receipts on registered letters notifying home owners of foreclosures do not come back, apparently indicating they did not receive the notice.

Another difficulty is that to stop foreclosure, home owners must pay about $250 as an auctioneer's fee, most of it for classified newspaper advertising announcing the auction dates. But Washington's two house foreclosure auctioneers submit to home owners for reimbursement a newspaper bill at a higher rate than the discount rate the auctioneers actually pay for the ads.

The targets of the court suits, some filed as recently as a month ago, are companies and individuals in the second mortgage business, a small local industry of perhaps 100 persons who either make the loans, or finance them by buying the loan agreements from the lenders, estimates Harold Rothman, the former lender who admits to creating $5 million in inflated loans.

Second mortgages are relatively small loans in which a house serves as collateral. They may be used for any purpose, although legitimate ones are commonly used to help pay a downpayment on a house. If the second mortgage lender forecloses because payments are behind, the remaining first mortgage payments must be assumed by the new owner.

First mortgages, the principal way of financing the purchase of a house, are not involved in the suits, nor are banks and savings and loan associations. Banks are prohibited by law from giving second mortgage loans except in unusual circumstances because the loans are considered too risky, and S&L's rarely give them as a matter of policy.

Federally regulated S&L's can only give a second mortgage if they already hold a first mortgage on the property.

Those involved in the court suits, on the other hand, are hardly fly-by-night operators. One of the principal targets of the suits is Alvin J. Steinberg, whose full-time job is president of County Federal Savings and Loan Association in Rockville. Steinberg is also a director and past president of the United Givers Fund's distribution arm, the Health and Welfare Council, and he is chairman of the D.C.-Maryland regional board of B'nai B'rith's Anti-Defamation League.

Steinberg, who operates his second mortgage business for personal investment out of an unlisted telephone number in Bethesda's Linden Hill Hotel, says he only buys the loan agreements, or notes as they are called, and has no knowledge of how they were created or if they were inflated. He forecloses only as a last resort, he says and the unlisted number, which he says was "unintentional," was not to make it difficult for anyone to reach him.

Another target of the suits is Kline, the former candidate for appointment as Maryland's banking commissioner, who is a Montgomery County investor.

Prefacing his remark with, "This is off the record," Kline ended an interview by offering to contribute to any charity this reporter chose.

On the record, Kline acknowledged that all the second mortgage notes he bought until he went out of the business in 1968 were inflated. He did not know this at the time, he said, but he sad he should have. Much of Washington's second mortgage business, Kline observed, is "usurious, immoral, and illegal, and should be exposed."

At the heart of the problem, critics such as Frazier say, is the fact that only half the states require court review prior to foreclosure. In these states, a judge or court auditor examines loan documents and hears any defenses by the home owner to determine if the loan was usurious or fraudulent, or if foreclosure would be unjust.

In Maine, Rhode Island and California, court suits have been filed to challenge foreclosure without court approval as a violation of the U.S. Constitution's dictum:

"No person shall . . . be deprived of life, liberty, or property without due process of law."

Virginia Knauer, President Nixon's consumer adviser, has begun a review of state foreclosure laws to determine if "they adequately protect borrowers as well as lenders, and if not, what changes should be made.

In Maryland, court approval of foreclosures is required, while in Virginia it is not. In Washington, there is this anomaly:

To evict a tenant from a rented apartment, a landlord must obtain a court order by convincing a judge that rental payments are indeed behind. The tenant may claim his delinquency is justified because the landlord has not met his obligations.

To foreclose on a home owner, however, a lender, whether he gave a first or second mortgage, simply alleges to a private auctioneer that mortgage payments are behind. Mortgage agreements generally permit foreclosure after payment is as much as a day late, although in practice Washington lending institutions generally wait three months before foreclosing. On the lender's allegations, the auctioneer sets an auction date, and the new owners who successfully bid on the property are recorded in the land records.

As a result, says Bettin Stalling, past national president of the Federal Bar Association, the government lawyers' group, and former American Bar Association committee head on mortgage law, foreclosures can and do occur in Washington that are "unconscionable, unnecessary, and vicious."

Consider the suit of John Henry and Emma D. Young, Civil Action No. 387–70 in U.S.

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District Court. Their house at 2004 C St. NE was sold at an auction last year over a loan that had its beginnings in 1966, the suit states.

A friend had suggested that they could consolidate debts they had for a used car, a vacuum cleaner bought on time, and auto insurance, by taking one loan from All-State Mortgage Co., formerly on Georgia Avenue NW.

All-State, which has no relation to Allstate Insurance Cos., was a purchaser of some of the second mortgage agreements created by Monarch Construction Co., a defunct home improvement company. The Washington Post in 1967 disclosed Monarch's practice of pressuring home owners into signing second mortgage agreements to pay for installation of "town house fronts" on their homes, then failing to complete the work properly.

A grand jury investigation called by Glanzer of the U.S. attorney's office resulted in the conviction of eight persons on fraud charges involving Monarch and other home improvement firms. Four of the eight received prison sentences.

The Youngs visited All-State, and were told by "a nice man who was like helping us," Mrs. Young said recently, that they could have a $1,200 loan to pay off the old debts. It would be payable at $45 a month for three years, he said.

In the legal language of the lawsuit, the Youngs, both black and with grade school educations, relied on "defendant All-State's representations and their good faith (and) signed the papers (agreeing to the loan) according to defendant All-State directions, without reading them . . ."

SIGNED THIRD MORTGAGE

What they signed, according to the suit and and records, was a third mortgage (they already had a second mortgage which financed a new back porch) obligating them to repay $2,190 rather than the $1,200 actually borrowed. Six per cent interest was to be added on top of $2,190. And because the $45 monthly payments would not cover what the Youngs agreed to repay, the excess—$850—was to be paid as a lump sum or "balloon" payment at the end of three years. The Youngs say they were not told this.

The suit does not state how the allegedly inflated $2,190 figure was arrived at. But it does say the purpose of the procedure was to violate the D.C. usury law, which then limited interest on such loans to 6 per cent.

On its face, the mortgage agreement or deed of trust signed by the Youngs and filed with the Recorder of Deeds carries interest of 6 per cent. It gives no hint of the Youngs' allegation that the loan was actually for $1,200. Based on a $1,200 loan, the repayments which the Youngs agreed to amount to annual interest of 22 per cent, according to a Federal Trade Commission interest expert. Interest rates on other loans that are the subject of the court suits range up to 68 per cent.

"I hate for anyone to know that we was trapped into this; you just don't take time to read these things," Mrs. Young said recently. "He just told me he was inverting (sic) the bills into one loan. He sat back in the chair and explained what the monthly payment would be and on what date, and he didn't say how much I was signing for. He turns around and said, 'Now, Mr. and Mrs. Young, you just sign here.'"

All-State failed to file an answer to the suit, and efforts to reach its representatives were unsuccessful.

The Youngs signed, and they made their $45 monthly payments for three years to Security National Bank, which acted as the collection agent, the suit says. Rather than demanding the $850 balloon payment at the end of three years, the lender continued to collect $45 a month from the Youngs until August, 1969, when they missed a payment because, the Youngs say, they were on vacation.

Unknown to the Youngs, the note was sold the following month to Steinberg's partnership, Capital Syndicate in Bethesda. Steinberg said the missed payment had nothing to do with the sale of the note, since he does not buy a note if it is in default. If it is in default, he cannot legally qualify as the owner or "holder in due course," he explained.

The next thing that happened in an increasingly confused sequence of events is that Security Bank returned the Youngs' next $45 payment, saying the collection account had been withdrawn, the suit says.

Robert K. Koontz, president of the bank, says the bank must follow the lender's instructions when he decides to remove his note from the bank, but he should then notify the home owner of where to send payments.

Mrs. Young said she called the bank and was told that if no one notified her, the loan was probably all paid off. All-State was by then out of business in D.C., and Mrs. Young assumed it was paid off.

In going over the course of events later, Mrs. Young told a reporter she had found a letter from Capital Syndicate asking for the balloon payment, which had been reduced through her monthly payments to $678. But she said she thought it was "some kind of mixup," since the letter didn't refer to All-State or Security National Bank, asked for a balloon payment which she was not aware of, and listed a return address of Pooks Hill Road in Bethesda, where she was sure she had never been.

"I ain't never heard tell of any Capital Syndicate," Young, a janitor, says.

Steinberg says he sent the Youngs three letters, which he displayed to this reporter, but his lawyers declined to make copies of them available.

The next thing the Youngs knew, they say, is that Mrs. Young's sister burst through the red enamel front door of their home one evening with a copy of The Evening Star. Under auctions, in the classified section, it said their house was to be sold at a public auction Jan. 27, 1970.

"It was like a dream. I just got so weak. I couldn't believe it," Mrs. Young said.

The date of the ad was Jan. 26. Mrs. Young saw a lawyer the next day, but it was too late. The house was sold for $900 (plus assumption of the remaining first mortgage payments). They got no money from the sale.

It could not readily be determined exactly how much the Youngs lost, since they refinanced their first mortgage in 1965. Based on the refinanced mortgage only, the sale wiped out $3,500 they had put into the house.

The Youngs' suit says they lost their home over a third mortgage balance of only $678, and that they had already repaid $1,860 on the original $1,200 loan.

The Youngs' lawyer referred them to Neighborhood Legal Services, which defends the poor free of charge, and a suit was filed to undo the sale two weeks after it took place.

The realty company that had agreed to purchase the house at the auction voluntarily withdrew its deposit, giving it back to the Youngs, and Capital Syndicate—while saying it had no knowledge of the allegations of fraud made in the suit—recently settled the case by agreeing to forget about the note and the $678 balance. The Youngs thus regained ownership of their home.

The action is pending against All-State.

Steinberg, 49, a soft-spoken, handsome man with slightly graying hair, said that all the Youngs had to do was "pick up the phone or write a letter," and Capital Syndicate would have stopped foreclosure proceedings.

He said the partnership, whose members he refused to name, is "not looking for foreclosure or lawsuits of any kind" and tries to settle suits such as the Youngs' "as quickly and equitably as possible."

Steinberg conceded it was an injustice to take the Youngs' home for a $678 debt "from the point of view that they could have stopped it by just calling that it could have all been avoided by the call."

"What would you do?" he asked rhetorically.

As the former head of Capital Credit Corp., a local bill collection agency, Steinberg enunciated a policy that it is better to help a man back on his feet than to set him flat on his back.

"We feel that we are charged with a responsibility to understand the nature of a debtors' problem and try to re-establish him as a respectable member of the community," Steinberg said in a 1957 Washington Post interview focusing on Capital Credit.

Steinberg stressed he is not aware that any of the notes he purchases—fewer than 50 a year—may be inflated. He said he buys the notes for 70 cents to 92 cents for every $1 owed on the note.

Such discounts, say Joel Kline and others in the mortgage business, should indicate to the purchaser that the loans were inflated. What is involved is a piece of common sense. If the lender or creator of the note gives a $1 loan, then sells it for 70 cents, he loses money. There would be no reason, as a standard practice, to sell it for anything less than $1, Kline says.

But if the lender gives a loan of 40 cents, induces the home owner to sign a note saying he owes $1, then sells it for 70 cents, he has made a good profit, Kline says, without waiting years for interest to come in.

To the "sophisticated purchaser," says Jennings of Riggs, such discounts would mean the loans were inflated.

Efforts to obtain comment on this point from Steinberg were unavailing.

Steinberg said he sees no irony in the fact that he has been an active opponent of black anti-Semitism through the Anti-Defamation League while being charged by black home owners with unjust foreclosure of their homes. Steinberg said, "We have not abused anyone. We gave them ample notice. At Capital Credit we were one of the first companies to hire blacks in clerical and managerial positions."

He added, "We don't single out anybody and to suggest that I'm trying to take advantage of anyone white or black is ridiculous" and "horribly unfair."

Steinberg said he buys most of his notes from Gerald S. Lilienfield, a licensed D.C. real estate broker who has more lawsuits filed against him than any other second mortgage lender.

In 31 suits filed against him since 1968, the 38-year-old Lilienfield is charged repeatedly with inducing home owners to sign inflated, usurious notes, then selling them to others who foreclose.

Asked about the charges, Lilienfield referred all questions to his lawyer, Leonard C. Collins. Collins declined to discuss the cases, saying he did not want to try them in the newspapers.

Lilienfield, whose office is at 1010 Vermont Ave. NW, solicits customers in various ways, the suits indicate. One is through this advertisement, which appeared in Washington newspapers, as recently as a year ago.

Other home owners allege in the court suits that they were visited by Lilienfield at their homes, sometimes when they were being threatened with foreclosure by their first mortgage lender. Lilienfield at times left calling cards from "Jerry Fields," the suits state.

Whatever the method, the suits all charge that the loans Lilienfield gave were fraudulently inflated, and some of the documents submitted with the court complaints provide fascinating insights into how this was allegedly done.

Attached to the suit of the Thorntons, for example, is what is known in real estate terminology as a settlement sheet, an official-looking, lined form that shows charges when houses are purchased or mortgages placed on them.

The form, filled in long hand, shows that the Thorntons received a loan of $2,500 but signed for a loan of $5,922, to be repaid over eight years.

How did $2,500 become $5,922? Very simply.

The sheet shows that various title search and credit report fees were added to the $2,500 loan, bringing it to $2,961.

The $2,961 figure is then doubled.

The explanation for this calculation, noted where the figure is doubled, is: "8 years—G. S. Lilienfield."

Thornton, then a Post Office clerk, recalls seeing the $5,922 figure and thinking it was "unusually high," but he says he thought it represented interest at 6 per cent.

"They get you to sign papers, and they say it's 6 per cent, but I don't have no calculating machine to figure it out, and even if I did I wouldn't know how to," he observes.

Actually, the doubled figure of $5,922 did not include interest, although the settlement sheet which the Thorntons signed indicates it did. An additional 6 per cent interest was to be paid on top of $5,922, according to the binding deed of trust on file with the recorder of deeds.

Although there was no way for the Thorntons to know this from the documents they signed, the additional interest would have resulted, after they had made monthly payments for eight years, in an unpaid balance at the end of eight years of $2,284, according to calculations by American Security & Trust Co. on figures supplied, without identification of the parties involved, by The Washington Post. The balance would have been due as a "balloon" payment.

Total repayments on the $2,500 loan actually received indicate an effective annual interest rate at 30 per cent, according to an FTC interest rate expert.

The settlement sheet is on the letterhead of Realty Title Insurance Co., whose primary assets have since been purchased by District Title Insurance Co. In its answer to the suit, District Title said that although the sheet is on Realty Title's stationery, it is not prepared in conformance with Realty's accounting procedures, was not prepared or authorized by Realty Title, and was used without Realty Title's knowledge.

SHEET LACKS CASE NUMBER

Expanding on the company's statement to the court, Thomas Penfield Jackson, a lawyer for District Title, said the settlement sheet bears no case number, and a check of the company's records produced no trace of the fees allegedly disbursed, as indicated on the sheet.

He called the doubled figure on the sheet "a lot of nonsense."

Lilienfield's name, written in longhand as part of the notation beside the doubled figure, appears to be a replica of his signature as it appears elsewhere in court papers submitted by him in other cases.

When asked if he had prepared the sheet, Lilienfield declined to comment again referring inquiries to his lawyer, Collins, who declined to discuss the case. In his answer to the court suit, Lilienfield denied all allegations of wrongdoing.

A letter and other papers in the court file show that after the Thorntons got two months behind in their payments on the loan, it was sold to Capital Syndicate, which immediately threatened to foreclose.

Commenting on whether he was a legal holder of the note if he bought it when it was in default, Steinberg said negotiations to buy it may have started several months earlier when the payments were current. Lega. experts, however, say the note must be paid up on the date it is purchased for the holder to qualify as its legal owner.

The Thorntons, who said they had repaid $1,817 of the original $2,500 loan, brought suit and obtained a restraining order in District Court to stop foreclosure. Last March, Capital Syndicate settled the case by agreeing to halt further foreclosure action and accepting $447 from the Thorntons to wipe out the remaining debt.

Not every case against Lilienfield follows the same pattern. The settlement sheet filed with the suit of Marcleo G. Wells and his wife, Mildred, shows that a loan of $3,008 turned out to be for $6,995 primarily by adding $900 as a "commission" to L&S Investment Co., Lilienfield's primary company, and by adding another figure representing 8 per cent interest over the five-year term of the loan.

The interest figure listed is $2,793. The correct total interest on such a loan would be $652, according to American Security, which calculated the amount on figures given to it by The Post. (American Security used the declining balance method, the one specified on Lilienfield settlement sheets and used in D.C. on mortgage loans. Another method, add-on interest, would increase interest to $1,203.)

All commissions must be included as interest when computing interest rates under the D.C. usury law, says Benny L. Kass, former executive director of the D.C. Study Commission on Interest Rates and Consumer Credit.

Effective interest on this loan, according to the FTC, was 40 per cent a year.

Foreclosure on the Wellses, after Lilienfield had sold the note to Capital Syndicate, was stopped by a District Court restraining order. In answers filed with the court, both Lilienfield and Capital Syndicate denied any wrongdoing.

The Wellses settlement sheet is on the letterhead of a different title company, City Title & Escrow Co. An attempt to obtain comment from its president, Richard L. Sugarman, was met by referring questions to the company's lawyer, who also happens to be Collins. Collins reiterated that he doesn't want to try cases in the press.

Before forming City Title, Sugarman was an assistant treasurer of Realty Title and its successor, District Title. He frequently appears as a trustee on Lilienfield loans and has served as Lilienfield's lawyer.

SIXTY-EIGHT PERCENT

One Lilienfield loan carried effective annual interest of 68 per cent, according to FTC calculations based on the allegations in a suit.

The suit, filed in District Court, presents a copy of a canceled check from City Title as evidence showing that the plaintiff, Jessie Mae Warren, received $566.50 as a loan. The deed of trust on file with the recorder of deeds shows that she obligated herself to repay $2,000, including interest.

At the time she got the loan, Miss Warren admits, she had already filed suit against another lender over similar allegations of an inflated loan. Although her second suit does not claim that she got that loan unknowingly, she says she told Lilienfield what had happened to her the first time and that he assured her he was an honest businessman who would not inflate a loan. The case has since been settled, but she would not disclose the terms.

One suit, by Angeline Bates, alleges that when she fell behind in her payments on a note to Lilienfield, she signed papers giving her house to him, wiping out $5,500 in equity.

Her settlement sheet, on City Title stationery, shows she received a $600 loan but signed for $1,862, or effective interest, the FTC says, of 25 per cent.

The difference between the loan and what she signed for was explained on the sheet variously as a "placement fee—L&S" (Investment Co.), a fee for "Gerald S. Lilienfield services rendered, and 2 per cent additional interest over eight years—16 per cent."

When Mrs. Bates became late in her payments, Lilienfield told her she could pay $100 a month as rent to him for a year, and then her house would be given back to her, the suit alleges.

Mrs. Bates was late on the rental payments, too, and she lost possession of the house, which Lilienfield sold a year later for $13,500. Since the balance of her mortgages was about $8,000, the suit says, Mrs. Bates lost $5,500.

In answering the allegations, Lilienfield admitted only doing business with Mrs. Bates and denied allegations of fraud. Subsequently, he offered a bill from a general contractor to show that he put $3,450 in improvements into the house before he sold it at a profit. The bill, from a part-time contractor who has since died, itemizes only $540 of the work.

Collins quotes Lilienfield as saying he is now out of the second mortgage business. However, land records show Lilienfield took a second mortgage as part of his compensation on a house he sold as recently as August. The note was immediately sold to Capital Syndicate. Asked about this, Collins declines to comment.

Although none of the suits against second mortgage lenders has gone to trial, the essential allegations in one case, involving Joel Kline, were accepted last April by D.C. Superior Court Judge James A. Belson.

In granting a preliminary injunction halting foreclosure on John W. Wood and his wife, Belson ruled that the Woods had borrowed $2,000 but signed for $4,100 and had already repaid $2,800 when Kline attempted to foreclose.

Kline has not filed an answer to the suit, but in an interview he said he had purchased the note in 1965 from Harold Rothman, then general manager of Maryland Financial Corp., Hyattsville. The Company is no longer in business.

Kline then sold the note to a 71-year-old Silver Spring widow, his distant cousin. Kline continued to manage collection on the note through one of his companies, Ilene investment Co., and when Mr. Wood, a minister of God of Prophecy Church in Washington, stopped paying because his lawyer advised him he had more than repaid the loan, Kline started foreclosure action.

Comparing the $2,000 loan actually received with the total repayments required indicates the effective interest on the $2,000 loan was 31 per cent per year, the FTC says.

In his Silver Spring office, Kline, 32, said he generally purchased second mortgage notes from several dozen people for 60 cents to 95 cents for each dollar owed. He bought some $200,000 worth of "inflated" notes from Harold Rothman, and Rothman confirms this.

Kline, he said, who said he started buying notes when he was 21, stated: "For me to sit here and tell you that I didn't know (that the loans were inflated), I'd have to be awfully naive—today," he hastened to add. "I didn't know then," he said. "I know the score now. I don't think ignorance is any excuse. I should have known. No question about it."

Kline said if he had been aware of the prices he was paying for the notes, he would have known they were inflated, but he said the day-to-day operation of the business was handled by someone else.

In the interview prior to Gov. Marvin Mandel's selection of another candidate to be banking commissioner, Kline said of himself, "There is no one else better qualified to be banking commissioner."

XUM

Rothman, for his part, acknowledged in telephone interviews from New York City, where he is employed by a jeweler that he asked not be identified, that Maryland Financial under his direction gave some $5 million in notes over three years, and that the actual loan given on all of the notes was below the face amount. He said he didn't know how many loans he gave.

However, if one assumes an average face amount of $3,000, the number would be nearly 2,000.

Rothman said he started the second mortgage business with only $40,000 in capital and eventually employed 40 people. On each loan, he said, he made a profit of $300 and sold the notes, a day to a year later, to some 30 to 40 customers who paid 50 cents to 80 cents for each dollar borrowed.

Rothman, 52, said his company always told borrowers exactly what they were signing, and he disparages others for "prostituting" the second mortgage business by deceiving borrowers.

"I like to think," Rothman said, "that I put as much integrity as I could into a dirty business."

Mr. Wood affirmed that he knew he was getting $2,000 but signing for $4,100.

"When you need money, you got to have some," he explains simply.

"These are people who are really up against it, and they'll do anything to get it (a loan)," said a District Court judge quoted previously. He said inflated notes are "obviously usurious and illegal," and "to take advantage of a person in this fix is terrible."

Those who purchase the notes the Judge added, "know damn well who they're dealing with. They're not stupid." They say they are legally entitled to hold the notes and knew nothing about how they were created, he observed. "That's a lot of poppycock."

It is "clearly unjust," says Maribeth Halloran, the Neighborhood Legal Services attorney who has filed many suits challenging foreclosure, when people lose their homes and thousands of dollars invested in them over usurious, relatively small loans. None of these foreclosures would occur, she contends, if court approval were required first, and the free legal assistance program's law reform unit, which she has headed, has filed several suits questioning the constitutionality of foreclosure without court order.

Miss Halloran, who resigned from the legal aid unit recently, suspects that some lenders purposely foreclose. She says many notes are purchased when the amount owed is low or when difficult-to-collect balloon payments are due.

"When this happens it indicates to me that the noteholders want the houses rather than the payments on the notes," she says.

LARGE PROFITS CITED

Examination of land records shows that there are large profits to be made in foreclosing. What happens is that the second mortgage lender forecloses, buys the house back at the auction, and resells it on the open market.

In each of the following four transactions, Lilienfeld created a second mortgage, either foreclosed or sold it to someone else who foreclosed, then bought the house back and resold it for the prices and profits shown. The houses were both bought and sold subject to assumption of first mortgage payments, which do not affect the net cash profits.

Address	Auction price	Resold within	At price of	Profit
1365 Emerald St. NE.	$300	6 months	$8,768	$7,968
4332 Polk St. NE	500	7 months	9,714	9,214
4138 7th St. SW	500	Same day	6,000	5,500
151 Adams St. NW	1,690	do	10,181	8,581

The profits listed do not take into account the debt owed on the second mortgage, since the court suits allege many debts owed to Lilienfeld are greatly inflated. If the debts were deducted, the cash profits made on the transactions would still be substantial.

Some properties become revolving doors, with old and new owners indebted to the same person. At 3464 23d St. SE, for example, Lilienfeld placed a second mortgage on the house in 1967. Foreclosure occurred last July. Lilienfeld bought the house for $500 at auction and resold it, giving a second mortgage to the new owners.

The former owner, Charles E. Monroe, a U.S. Supreme Court laborer, lost some $2,000 in first mortgage payments, according to land records and estimates by the lender, the Berens Cos. Lilienfeld's profit, land records show, was some $9,000, after deducting his painting and sanding expenses, estimated by the new owners at less than $500.

Monroe bought the semidetached house in 1959. In 1967, he got behind in his first mortgage payments by about two months, he says. To avoid foreclosure, he visited Lilienfeld, whose ad Monroe had seen in the paper.

Lilienfeld promised to obtain for Monroe a new first mortgage to replace the old one, and give a second mortgage to pay off what was owed on the first mortgage, Monroe says.

The net effect of the intricate transaction, land records show, is that Monroe's monthly payments on the mortgages shot up from $54 to $129 and ownership of the house was passed from Monroe to his girl friend.

Monroe explains the change in ownership this way: He says Lilienfeld asked him if he knew someone whom Monroe could depend on. This person, Lilienfeld is quoted as saying, would act as a cosigner on the new mortgages since Monroe's credit record was not good.

When the papers came back, however, title had passed entirely to the girl friend, who left him about a year ago. Monroe's name does not appear in the land records.

Monroe, living with his four children, continued to pay on both mortgages until last May. At that time, he said, the payments became too much, and he decided that no matter how long he paid, he would never own the house, since it was not in his name.

"It was like paying rent," he said.

Monroe left the house and is living elsewhere with his children.

Foreclosure was ordered, and Lilienfeld bought the house back at the auction for $500, selling it the same day for $9,900 (plus assumption of first mortgage payments), land records show.

The couple that bought the house, James H. Blackwell, a D.C. special policeman, and his fiancee, Marjorie W. Bell, paid for the house by obtaining a second mortgage from Lilienfeld, who immediately sold it to Capital Syndicate.

Blackwell says he learned of the house through classified ads in The Washington Daily News. The ads, it turns out, began appearing last July 2, although the auction, when Lilienfeld purchased the house, took place more than three weeks later on July 27, according to land records. Blackwell's copy of a contract with Lilienfeld to buy the house is dated July 8, nearly three weeks before Lilienfeld owned the house, official records show.

Lilienfeld's lawyer, Collins, declined to comment on the matter.

In theory, any profit from an auction sale goes to the home owner, but in practice this rarely happens because of the low prices bid at the auctions, experts say. A suit, settled last April, shows that in one situation when it did, the home owner, Christine J. Price, got little of the alleged $5,000 profit from the sale.

The reason, the suit charges, is that most of the money was disbursed for various fees by City Title, whose president, Sugarman, was also a trustee on the second mortgage that foreclosed.

Among the fees, the suit said, was $1,725 for legal services. A City Title officer admitted in court papers, and Sugarman confirmed in a telephone interview, that all but $750 of the legal fee was an "error."

One reason mortgage prices are low is that Washington's deed of trust system of granting mortgages protects home owners by vesting title to houses in two trustees while the mortgages on the homes are being paid off. The trustees are supposed to be disinterested parties.

However, many of the suits against second mortgage lenders allege that one of the trustees who foreclosed was also the holder of the note. At 4332 Polk St. NE, a property cited earlier, Steinberg ordered foreclosure as a trustee on a debt to himself. On this point, Steinberg said it is "much more convenient" to be a trustee on his own notes because notice of fire insurance cancellation on properties gets to him quicker.

TRUSTEE SILENT

Steinberg said he can't comment on the opinion of some legal experts that such a dual position is a breach of legal responsibility to the home owner and invalidates the foreclosure.

Even if the lender is not himself a trustee, says Vern Countryman, a Harvard Law School commercial law professor, he still picks the trustees, with expectable results. Countryman contends that nationally, the trustees, who handle the auction arrangements on a foreclosure, do not advertise the sales effectively because it is to the advantage of the lender that few people show up to bid. The lender then can buy the house back at a low price, Countryman says.

In Washington, as many as 12 foreclosure ads appear on a single day in The Evening Star, where the auctioneers generally advertise. The ads list the address of the property and a one-phrase description—frame dwelling, row-brick dwelling. Any resemblance to house-for-sale ads as they appear elsewhere in the classified section ends there.

The ads do not mention how many rooms the house has, the size of its lot, or its proximity to schools. Those who prepare the ads acknowledge that the average househunter would be hard-put to find the home of his dreams from the foreclosure ads.

The ads are placed at least 30 days after the home owner has been notified by registered mail that the house is to be foreclosed. Some 3,000 letters are sent each year, according to the recorder of deeds' office, which must by law receive a copy. Since most of the homeowners pay up, only 500 houses actually go to auction and are sold.

On a recent afternoon, a property was being auctioned every 10 minutes in the green-carpeted offices of Thomas J. Owen & Son, which handles more than 90 per cent of the house foreclosure business in Washington.

One of Owen's auctioneers, a lean, blond man in a blue suit and green shirt, steps to the front of the room and starts talking rapidly to the three men and a reporter seated before him:

AUCTION DESCRIBED

"Ladies and gentlemen, may I have your attention please . . ." He reads the foreclosure notice as it appeared in the paper, then opens the floor for bids.

One of the men is a trustee on the mortgage foreclosing and does not bid, although he must be present. The other two bid the house up in increments of $100.

"You'll take it then?" one of the men says. The other nods.

The house is sold . . . for $500.

Four of the five houses sold are bought back by the lender, who is more often than not the sole bidder.

Thomas J. Owen, who heads the auction company, is also president of the Washington Board of Realtors and a director of the Metropolitan Washington Board of Trade. He said he generally refuses to auction a property unless the mortgage payments are three months overdue. He said he also sends a postcard to the occupant of each property just before foreclosure to give them final warning. This is not required by law, while the registered notice is.

Last March, of 77 return receipts requested on 77 registered letters sent out, 25 receipts failed to come back, indicating the owners probably didn't pick up the letters at the Post Office after letter carriers found no one home, Owen said. He attributes this to an aversion on the part of homeowners to hearing bad news. (The law does not require that notice be received, only that it be sent.)

Owen charges a commission of $40 if a house is sold, $30 if foreclosure is stopped before the auction, and a sliding commission on houses sold for $10,000 or more.

He sends his bill to the trustees who order the foreclosure, and eventually the money comes out of the pocket of the homeowner.

The bill lists Owen's commission plus expenses, the largest of which is about $200 for five ads placed in the Star for each foreclosure. Owen attaches a bill from the Star, stamped "paid" by the Star, to show for how much he should be reimbursed.

The Star's bill, Owen acknowledges, is based on the paper's rate for a single ad. What he pays, Owen says, is a discount rate based on the large volume of ads that he places each year.

The discount is given to him in the form of a rebate at the end of the year, under the terms of a contract he signs at the beginning of the year, Owen said. Although the Star bills are marked "paid," he does not pay The Star until he gets one bill at the end of each month, Owen said.

Owen says the discount is 6 per cent. His minicompetitor, Adam A. Weschler & Son, the only other house auctioneer in the city, says it gets 10 per cent for far fewer ads.

Inquiries at The Star elicited different answers. Lowell B. Steele, classified manager, denied that there are any discounts on auction ads or that the paper sends out two bills. Jack C. Schoo, advertising manager, acknowledged that two bills are sent but denied that there is discount; in a subsequent inquiry, Schoo said he refuses to answer the question of whether there is a discount.

At The Post, James J. Daly, vice president and general manager, said two bills are not given by this paper on any advertisement.

Owen, whose father, Thornton W. Owen, president of Perpetual Building Association, the area's largest savings and loan association, headed the auction company until 1969, defended his billing practice on the grounds that home owners would have to pay the higher ad rate if they placed the ads themselves.

The markup is to cover the expense of preparing the ads, placing them, and guaranteeing payment to The Star, since some of Owen's bills are not paid on time, Owen added. (Owen sometimes requires a deposit from trustees before placing the ads, but this is not the rule.)

Glanzer of the U.S. attorney's office called it a practice that "we have to look into. If it's designed to conceal the truth and is misleading, it's certainly a pernicious practice." The size of the discount, Glanzer added, is unimportant if "someone is being injured or deceived by it."

In 1967, an effort was made to require court approval prior to foreclosures in D.C., but after introducing such a bill, former Sen. Joseph D. Tydings (D-Md.) withdrew it because of opposition from Washington bankers and realtors, including Thomas J. Owen, according to a former Tydings legislative aide.

The former aide, Robert A. Burt, said the local businessmen proposed a compromise: they'd accept a law requiring that registered notice of foreclosure be sent to home owners, if the provision requiring court review was dropped.

Burt, now a University of Michigan associate professor of law, said he and Tydings agreed with the opposition's argument that court review would inflate foreclosure costs and delay them to the point where lenders would be discouraged from giving loans here. The notice law was passed in 1968. Stalling, of the Federal Bar Association, however, says the increased costs would be worth it if they prevented injustices, and the lenders would be in business regardless.

A 1968 American Bar Association survey shows that the cost of foreclosing in many states where court review is required is about the same or only slightly higher than foreclosure expenses in Washington, where no court review occurs. Maryland, where court review is required, however, has one of the highest foreclosure costs, estimated by savings and loan association lawyers at more than $1,000.

Other reforms to protect home owners have been proposed. John A. Spanogle, a University of Maine law professor who recently worked for Ralph Nader on a consumer credit research project, says inflated loans and unwarranted foreclosures would be considerably diminished if those buying second mortgage notes were held as legally responsible as those that create the notes. Most state laws specifically limit the legal defenses that a home owner can raise against the note purchaser.

Such a change, says Collins, Lilienfeld's lawyer, who is a professorial lecturer in law at George Washington University, would practically eliminate illegal second mortgages. What would probably be needed would be a congressional act, he said.

Laws regulating money lending and interest rates in Washington are a mass of exceptions and confusion, says Kass, the interest rate expert.

All lenders in D.C. should be regulated as closely as banks and savings and loan associations are regulated by the federal government, Kass says.

ADL DENOUNCES POST

The D.C.-Maryland Regional Office of B'nai B'rith's Anti-Defamation League denounced The Washington Post for mentioning its name in a story on second mortgage foreclosures.

Jason R. Silverman, director of the regional office, made the statement after learning that the story would describe the practices of Alvin J. Steinberg in buying and foreclosing on second mortgage notes. Steinberg is chairman of the regional board of ADL.

Silverman said mentioning Steinberg's affiliation with ADL in the story makes it appear "that ADL is involved in and party to the allegedly questionable activities of a few individuals," when in fact it is not.

ADL can only conclude, Silverman added, that ADL's name was included in the Post story "for purposes of sensationalism and is irresponsible news reporting."

CORRESPONDENCE SCHOOLS NEED REGULATING

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. WALDIE. Mr. Speaker, any Member of this body who has taken the time to watch an evening's worth of television will understand my reasons for rising today.

Numerous advertisements for educational and vocational schools are appearing on television, designed for young people who want to have a better life. A number of these ads represent good companies. Unfortunately, many ads represent very bad companies.

I have received, Mr. Speaker, a remarkable letter from a man who sold courses for one of these companies. I feel his remarks shed a great deal of light on the problem we are faced with in trying to improve the lot of our veterans and young people.

Mr. Speaker, I submit the following letter from Mr. Milton Swan of Oakland, Calif., for inclusion in the RECORD, in hopes that my colleagues will get a better understanding of a problem we must deal with as soon as possible:

GENTLEMEN: I would like to take this opportunity to bring to light certain circumstances which I feel should be looked into.

I have just recently been in the employ of a large organization dealing in correspondence course sales here in California and across the nation, with their headquarters located in Chicago, Illinois. The circumstances surrounding my getting the position in the first place were quite bizarre, and only after involvement with the Better Business Bureau was I able to finally acquire the position. I worked for nineteen days with the company and according to predetermined guidelines I was released.

Since I am not with the company any longer I feel it my duty to bring to light certain practices which are quite fraudulent in nature and involve the misappropriation of millions of dollars of government educational funds, fraudulent use of government mails and countless accounts of deceptive sales practices, which have probably been going on since this company began operating on a large scale some years ago.

As a sales representative for Advance Schools, Inc., (Advance Trade Schools Inc.) I was required to present a correspondence course package program to selected applicants with which the area office had made previous telephoned appointments. I would enter their home with a memorized presentation and a slide projector and recordings describing the courses offered. The first part of the presentation consisted of a questionnaire sheet to determine the prospects prior education, status, military experience, credit evaluation, and desires as far as furthering his education. The questionnaire was used basically to evaluate the prospects credit and to determine which of the limited fields we offered he could easily be put into. (If a field of interest could not be determined over the phone.) We then presented a fifteen minute film and recording of a field which we as representatives felt the applicant could be placed in. One of the basic tools of our sales presentation was that "the government was going to foot the bill." Now with the thousands of ex-military types being discharged each year who have not as yet taken advantage of their educational benefits this was made to look like a natural for them to get into a field where they could make "$15.00 an hour", and since the government was footing the bill they would be a fool not to take advantage of the opportunity. The ex-military person was one type of lucrative prospect for their sales. The next individual was the non-military type who would qualify under the Health Education and Welfare Federally Insured Student Loan Program.

This program allows a prospective student to borrow from the government the necessary funds for his education and not have to pay the government back until nine months after graduation. However, this program is made to look as if the prospective student is getting something for nothing by the representative, in light of the fact that they

have three years to complete the course and the repayment schedule does not start until nine months after that. In many cases this was conveniently passed over by the representative altogether.

Deceptive sales practices of this nature alone would be cause for concern, however, the problem is much more involved than that. If a nationwide graph could be drawn up, you would see that the majority of sales offices in the major cities of the country were located well within range of the nation's poverty pockets and ghetto areas. These lower income areas and under-educated minorities are prime targets for Advance Schools, Inc.

In the sales films that are shown in the homes it is clearly stated that a high school diploma or its equivalent is all that is necessary to qualify for acceptance into Advance Schools home study program, but a representative is quick to inject that all the prospect has to do is pass a preliminary written examination administered right in the home to determine qualification. The test in itself is quite simple, however close to fifty percent of the applicants fail to qualify. This is then quickly graded and when necessary changed to allow each applicant whose credit seems passable to qualify for acceptance into the school. Therefore, today there are thousands of students taking courses with Advance Schools who do not qualify for these courses in the first place but are pushed through one way or the other and the U.S. Government is paying the bill under the Student Loan Program. I have found out recently that there is a five million dollar deficit of payments from people who have one way or the other attempted to educate themselves under this program. This may be a small amount compared to the overall number of students studying under this program but remember a student has up to forty-five months to pay back the government. Consequently, there are a number of years to go before the amounts flowing out from the Student Loan Program become due. And if the present amount is any indication, then in the coming years these amounts will become astronomical. Also it may be noted that approximately $35,000,000 a month is being pumped into V.A. education by the Federal Government.

As far as I am concerned I would like to see everyone further their education, however, to push someone into a course that they cannot handle, built on wild promises of increased wealth, and success, knowing full well that completion of the course is an unlikelihood, and knowing if the applicant did complete the course, with the schools help to make their records look good, he couldn't find work with his limited knowledge of a given field anyway.

I'm not against education by any stretch of the imagination; however, to feed on poor people and those from minority groups, the very ones that need the advantages of higher education, those are the ones who are most susceptible to misrepresentations and false promises!

Another item to be considered is the practice of making out duplicate forms for ex-military type prospects. Regardless of whether military type prospects eligibility for educational benefits can be determined at the time or not, the individual is still required to sign the student loan forms. This serves as a backup for the School so that if the student does not qualify under his military benefits, his application will automatically be sent in under the Student Loan Program, without the student knowing about it, AND he doesn't usually find out until nine months after graduation!

One of the reasons Advance Schools has been so successful in its sales program is the fact that all the applicant has to do at the time of his enrollment is pay a minimum fee of $2.50 for state tax and a six to nine dollar fee, depending on the course, for an insurance policy in case of death, or disability. This insures the school will get their money. The maximum any prospective student pays is about fifteen dollars, which in many cases is not picked up at the time of enrollment. The representative may say that the money is not important and that he could pick it up later. Then he *fronts* the enrollment with his own money, making out a money order with his own name on it. If the applicant kicks out at a later date or cancels his enrollment, the salesman gets his money back. This is quite common since there is a forty-five dollar commission on the sale and it will be going up soon. Also the schools require ten enrollments minimum each month from its representative.

Another infraction involves the paperwork which is necessary to enroll an applicant. There are approximately sixteen forms to be signed by the husband and wife together to complete an application. The law states that a copy of the enrollment application, statement of finance charges, and a record describing the course be left with each applicant. However, in practice only the enrollment application is left in a majority of cases. The plastic recording and the statement of finance charges is conveniently kept by the representative to insure against future cancellations.

Another deceptive sales tool used by company representatives is in the case of a potential ex-military type student. He is told during the interview that he has the right to keep his G.I. education payments instead of sending them direct to the company. In this case his cost for the course will be charged to the Federally Insured Loan Program. (I previously mentioned that all applicants are required to sign both forms). Since the G.I. has signed the student loan form as well as his V.A. forms, the student keeps all reimbursements from the V.A. and the cost is deferred to the Student Loan Program, repayable in forty-five months!!

I would also like to mention a few words about the method in which the appointments are made for the sales representatives for Advance Schools. The names and addresses are randomly selected from the phone book. They are called and asked to answer some questions for an educational survey; or they may be told that "This is Mr. Jones from the Government Educational Benefits Department of . . . Advance Schools" etc. etc. so eventually when an appointment is set up the prospect expects to be visited by a government employee.

In this day and age of catastrophic wastes going on within our governments, the slow drain of our tax dollars for such things as national defense, poverty programs, foreign aid, etc. etc., I'm sure that if we can cut down on wasteful spending of the taxpayers dollars in every way possible, and divert our spending power to useful endeavors, this country will be a better place to live yet!

Respectfully yours,

MILTON D. SWAN.

OAKLAND, CALIF.

WHAT DID THEY EXPECT?

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. WYMAN. Mr. Speaker, yesterday at the United Nations Red China's new Ambassador to the U.N. started off in form. He reiterated Red China's claim to sovereignty over Taiwan and said:

The Chinese people are determined to liberate Taiwan and no force on earth can stop us from doing so.

He spoke of Vietnam in this vein, saying:

The peoples of the three countries of Indo-China in their war against U.S. aggression.

Of the Middle East tinderbox he spoke of Arab peoples struggle against "aggression by Israeli Zionism."

Of Africa he spoke in behalf of all peoples of all whiteruled countries "in their struggle against white colonialist rule and racial discrimination."

Of Japan and the United States he spoke of collusion between these two nations to create "two Chinas" as being defeated in a victory for Communist Party Chairman Mao Tse-tung's revolutionary line in foreign affairs.

Lies, hatred, anti-American propaganda—cheered no doubt by many of the U.N. member nations delegations.

From Red China—what did they expect?

CHILD DEVELOPMENT LEGISLATION SHOULD BE DEFEATED

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. ASHBROOK. Mr. Speaker, concern is growing around the country among thoughtful citizens that the so-called "child development" provision of the OEO bill currently being considered by a joint House-Senate Conference Committee is ill-conceived. There is a growing recognition that the proposal is misnamed, and that perhaps a better name for this monstrosity would be "child control" act or the "parent replacement act."

Mr. Speaker, I join with those who see this proposal as fundamentally wrong and I contend it should not be approved by this body.

In the House Education and Labor Committee, I was one of the only voices against this proposal. There is no doubt in my mind that it would offer the professional education bureaucrats the greatest opportunity ever imagined to direct thinking along the lines they deem correct. This legislation would open the door for what they call creative education. Stripped of its veneer, this is little more than life adjustment and application of behavioral science techniques which these professional liberals have sought to implement during the past two decades.

On many occasions I have placed in the RECORD information on this trend and my series of speeches started in 1961 with an exposé of the grandiose scheme of the U.S. Office of Education which is contained in its Federal Education Agency of the Future blueprint. Psychological tests or brainpicking tests which invade the private home and personal life of the student have been a part of this pattern.

The opportunity to develop attitudes is what these people are really after. Not the traditional goals of education which are directed toward informing the student and teaching him to think so he will make his own decisions. Rather, to think what these bureaucrats think is right. By taking charge of child development they foster the cradle to the grave dependency on the Federal Government. Even more, however, by fostering a dependency on the Government and its so-called innovative programs, the socio-economic and race mix of students would reach its greatest potential under this legislation. The possibility of abuse is great even though safeguarding amendments offered by Senator BUCKLEY and myself have been incorporated in both the House and Senate versions of this bill.

Parents everywhere should be alert to this invasion of their prerogatives. The defense that it is voluntary due to the inclusion of the Buckley-Ashbrook amendment should not lessen the opposition of parents to this bill. It holds out the greatest possible opportunity for meddling, thought direction and invasion of the rights and responsibilities of the parent. It should be defeated.

At this point I submit for the RECORD a very cogent analysis of the child development bill by my good friend, James J. Kilpatrick. Mr. Kilpatrick hits the nail right on the head and his timely comments are a warning of this proposal's threat to the home and our educational process. The article follows:

CHILD DEVELOPMENT ACT—TO SOVIETIZE OUR YOUTH

WASHINGTON.—When the House met September 30, not more than 40 or 50 members had any clear idea of what might be contained in a proposed "Child Development Act." The bill was not even before them.

Before the afternoon had ended, after a legislative coup led by John Brademas of Indiana, the House had voted, 203 to 181, to graft this unbelievable bill onto the Economic Opportunity Act of 1971. The Senate some weeks ago adopted a milder but similar plan. The whole scheme now awaits action by conference committee.

The Brademas bill runs to 11,000 words. It occupies 22 columns of fine type in The Congressional Record. No measure of greater importance has cleared the floor of the 92nd Congress, and few have had less attention from the press.

The bill is a monstrosity. No other word suffices. Many observers had expected, as part of plans for welfare reform, to see some bill enacted that would provide modest federal subsidies for a few day-care centers in major cities. These had been vaguely envisioned as places where welfare mothers could leave their children while they went to work.

Instead, the House has approved a breathtaking, full-blown plan for the "comprehensive" development of children to the age of 14. It is the boldest and most far-reaching scheme ever advanced for the Sovietization of American youth.

The bill begins with a recital that Congress finds "that millions of American children are suffering unnecessary harm from the present lack of adequate child-development services, particularly during early childhood years."

To remedy this harm, the bill directs the secretary of health, education, and welfare to foster programs that will provide "comprehensive physical and mental health, social, and cognitive development services necessary for children participating in the program to profit fully from their educational opportunities and to attain their maximum potential."

Such programs may include food and nutritional services; medical, psychological and educational services; appropriate treatment to overcome emotional barriers; and "dissemination of information in the functional language of those to be served, to assure that parents are well informed." Religious guidance plays no part.

Applications for federal financing would be funneled through various Child Development Councils. These in turn would supervise Local Policy Councils, to be composed either of parents or of representatives "chosen by such parents in accordance with democratic selection procedures approved by the secretary."

Local proposals would float up to a new Office of Child Development. This office would create a committee to develop Federal Standards for Child Development Services. Another committee would prepare a Uniform Minimum Code for Child Development Facilities. The facilities would be financed through a new Child Development Facility Insurance Fund.

Meanwhile, a National Center for Child Development would foster "research." A Child Development Research Council would smile upon it all.

The bill would provide "free" care for all children of families earning not more than $4,320 a year. Other children would pay a small fee, Congressman Brademas could not really say what the program might cost—maybe $350 million in fiscal '73—but the House authorization is open-ended.

The bill contemplates, ultimately, federal support of "the entire range of services that have to do with the development of a child."

Doubtless the contrivers of this nightmare had good intentions. In the context of a Sovietized society, in which children are regarded as wards of the state and raised in state-controlled communes, the scheme would make beautiful sense.

But it is monstrous to concoct any such plan for a society that still cherishes the values (however they may be abused) of home, family, church and parental control.

This bill contains the seeds for destruction of Middle America; and if Richard Nixon signs it, he will have forfeited his last frail claim on Middle America's support.

An indication of how the bureaucrats are sidestepping the issues in this controversial bill is best illustrated by the letter which HEW is sending to those parents who have written the President in opposition to child development. Here is a copy of the letter which is being sent out:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF THE SECRETARY,
Washington, D.C., November 9, 1971.

DEAR MISS: The President has asked this Office to respond to your recent correspondence concerning child development legislation now being considered by the Congress.

The President has on many occasions stated that strengthening families must be a national priority, and I assure you that any steps to reduce the central role of the family in rearing children would not have the support of this Administration. We seek legislation which helps families, especially families in need, to raise their children as they wish.

Both the bills to which you refer, S. 2007 and HR 10351, are entirely voluntary and specifically provide that nothing in them "shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, or physical development of their children."

While there is room for disagreement about various other aspects of these bills, there is no disagreement about this provision.

Your concern about this issue is a healthy sign that our Nation cares deeply about our children. I am sure that you will find that we will uphold the high value that you place on family life.

Sincerely,

EDWARD ZIGLER,
Director, Office of Child Development.

The language cited is, of course, the Buckley-Ashbrook amendment. Note that nothing of substance regarding the legislation is included in this HEW response. As stated before, our amendment does insure against coercion by the Government but this does not make the bill acceptable.

Mr. Speaker, there have been problems with the manner in which this provision came to be part of the OEO bill. The opportunity to read and study this proposal was cut short because of the manner in which it came to the floor for consideration. The hearings held were incomplete. Little public exposure has been given to this bill, other than a few misguided editorials whose authors mistakenly view this child development proposal as a day care center bill. Child development is not day care. The House approved day care in H.R. 1. This is something very different. The authors and supporters of the plan have made the differences quite clear, but few seem to be listening to them.

OPPOSITION IS BUILDING

I submit for the consideration of the Members a report from the Emergency Committee for Children, a group of academicians and religious leaders opposed to the proposed expansion of public power and bureaucratic control into the lives of this Nation's children and families.

The members of the Emergency Committee include some of the most respected names in American scholarship. A partial list includes: Dr. George Baird, president of the Educational Research Council of America; Dr. George Crane, a psychologist, columnist, and textbook author; Mr. M. Stanton Evans, columnist and editor of the Indianapolis News; Dr. David Crane of Indiana University School of Medicine; Robert Galm, the director of the Indiana Youth Council; Professor Jerzy Hauptmann, editor of Lutheran Scholar magazine; Dr. Will Herberg, graduate professor of religion and culture at Drew University; Dr. Russell Kirk, well-known author, educator, and lecturer; Mr. Fulton Lewis, radio commentator and author; Rev. Angus MacDonald, editor of Religion and Society; Dr. William H. Marra, philosophy professor at Fordham University; Dr. William Oliver Martin, philosophy professor at the University of Rhode Island, an authority on education in the Soviet Union; Dr. Charles Moser, of the George Washington University; Dr. Gerhart Niemeyer, professor of politics at University of Notre Dame and author of "Between Paradise and Nothingness"; Dr. Charles Rice, professor of law at University of Notre Dame and author of "The Vanishing Right to Live"; Dr. George C. Roche III, the president of Hillsdale College in Michigan; Mr. H. Lyman Stebbins, president of Catholics United for the Faith; and Dr. Ben Wood, director of collegiate research at Columbia University.

Mr. Speaker, I submit the whole report of this distinguished group in the interest of legislative and public awareness, because it seems to me that there is a basic misunderstanding as to what is the purpose of this provision to establish a so-called child development program.

The report follows:

XUM

A REVIEW AND REPORT OF THE PROPOSED FEDERAL PROGRAM OF "CHILD DEVELOPMENT"

THE BILL S. 2007 AND H.R. 5748

This bill provides for the establishment of "Child Development Programs" (comprehensive childrearing centers), "Child Development Councils" (to govern the programs), and a "Model Federal Government Child Development Program" (to try out the idea on the children of civilian government employees). It also provides guidelines and money for "National Child Advocacy Projects" (to draw attention to the needs of children), "Neighborhood Offices of Child Advocacy", and "Neighborhood Councils on Child Development". A permanent HEW Office of Child Development would also be established.

The bill would see, in a few years, that the Federal government will have assumed a major role in the mental, physical, and social examination, diagnosis, identification, and treatment for every child under 15 years of age in the nation. As a matter of the child's right shall the government exert this control over the family, because, as one proponent of the bill has said, "We have recognized that the child is a care of the State." It would seem that the supporters of this legislation are interested in a Federally-cared for and governmentally-nurtured child.

"CHILD DEVELOPMENT" ADVOCATES

"Recognizing that communal forms of upbringing have an unquestionable superiority over all others, we are faced with the task in the immediate years ahead of expanding the network of such institutions at such a pace that within fifteen to twenty years they are available—from cradle to graduation—to the entire population of the country."

Dr. Urie Bronfenbrenner, a leader at the White House Conference on Children, quotes such statements in his book Two Worlds of Childhood: U.S. and U.S.S.R., one of the popular authorities cited in defense of the child development proposals presently in Joint Conference and shortly to go before the President for approval or veto. The public relations of this bill presented it as strictly a beneficent day care program, to facilitate the employment of poverty-level mothers. The provisions of the bill are somewhat more wide. And the supporters of the legislation indicate their support in such ways as to cause trepidation regarding the eventual course of some of their provisions.

Statements like one by Siv Thorsell, a Swedish child development expert: "It is unreasonable to demand that the parents should meet all the child's needs, still less that the mother should accept responsibility for the child's upbringing to the extent she does now" reflect a lack of proper respect for certain fundamental institutions of society. Dr. Reginald Lourie, President of the Joint Commission on Mental Health of Children, is openly opposed to the family: "there is serious thinking," he says, "that maybe we can't trust the family . . . to prepare young children for this new kind of world which is emerging."

The child development bill is obviously more than another anti-poverty measure; it is blatantly a social experiment scheme to change the nature of American society by undermining the basic unit of that society: the family. It falls well beyond the range of necessary and proper legislation into the discolored realms of orwellianism and mind-control. It is more than a violation of the rights of citizens: it is an assault on the already weakened fortifications of Western civilization.

CONGRESSIONAL FINDINGS

In examining the legislation, the intent of its framers and supporters must be carefully scrutinized. We find the first section (501) of the Senate bill (S. 2007) particularly revealing in this regard. This section purports to reveal "Congressional findings," namely:

That "millions of children . . . are suffering unnecessary harm from the lack of adequate child development services."

But there is no evidence that anywhere near such numbers of children suffer such harm. Since the beginnings of the Republic there have been laws governing mistreatment of children. Some children may, indeed, suffer deprivation or cruelty—but they do not suffer the lack of government services. And what are "child development services" anyway? "Comprehensive physical and mental health, social and cognitive development services necessary . . . to profit fully from . . . educational opportunities," says the bill elsewhere [§ 512(2)(A)]. That provides little clarification. What is meant by "mental health services"? Mandatory examination and treatment? Experimental therapy? The bill does not indicate.

That "comprehensive child development programs . . . should be available as a matter of right to all children."

The language of the legislation as it passed the House established in law that children have a "right" which they formerly did not possess. The nature of that right/rights is not explained other than by implication, e.g., the various programs and projects created by the Department of Health, Education, and Welfare and institutionalized through the HEW Office of Child Development will be available to children as a matter of "right."

Let us presume for a moment that a parent is against a program or unwilling to permit his child to be incorporated into it. The result will be that the parent was/is depriving the child of "rights" established by law, and could be potentially confronted by some remedial action to "restore" to that child his "rights" under the child development act. One could envision the future in which a "child advocate", in an attempt to restore a child's "rights", could obligate the parent to appear before some board or court for purposes of reviewing his qualifications for parenthood.

Even if such a formal mechanism is not established, the child development act, by its nature, when operational, would establish a de facto situation in which those operating the program could cause significant turmoil between the program and the parent, and between the parent and the child.

That "it is essential that such programs be undertaken as a partnership of parents, community, and State and local government, with appropriate assistance from the Federal Government".

But it is not at all "essential" that every level of government become involved in the training of the children of private citizens. History invariably shows that "partnerships" with the government soon become greatly imbalanced. The Child Advocacy section of this bill might be a classic example of that "partnership". Child Advocacy Officers, positions established by this bill to find and satisfy otherwise undiscovered needs of children, will seek to defend the child's right against his parents' ignorance or reluctance to submit him to federal assistance. Professionally-trained, overzealous staffers will be no match for simple parents whose instincts are right, but who are not educated or prepared to argue with program operatives. A de facto situation of coercion will be created.

That "it is the purpose . . . to provide every child with a fair and full opportunity to reach his full potential".

It is good for children to have opportunities for self-improvement; in America today such opportunities exist in multitude, probably more so than anywhere else in the world. The nation's children, from A. Lincoln on, have certainly reached great potential, and have done so without "child development services". The fact of the matter is that such extensive governmental intervention will probably accomplish precisely the opposite of the stated intent. Large institutions, as opposed to parental initiative, tend to stifle the child's imagination and expressiveness. Government intervention can make the deeply personal experience of growth and education a massive bore, and forget that it is trying to provide opportunities as it becomes preoccupied with standardizing results.

And "to establish the legislative framework of the future expansion of such programs to universally available child development services."

What is perhaps most alarming is the provision for these programs to be universal. Such a provision discloses that the framers implicity contend that, whatever maladies may exist among the nation's children, they are not limited to the economically deprived. The premise is that practically every child is deprived in some way. But every child in America does not suffer otherwise irremediable wrongs; in fact, most children are well cared for and well provided for by their parents, with adequate amounts of love and generally sufficient amounts of discipline. The demand for universal application of any program to all American children leaves far too much room for irresponsible social experimentation with the nation's youth by excessively idealistic or ideologized executors.

LIMITED HEARINGS

The fallacious contentions and erroneous conceptions of this bill should have been revealed and publicized in the Committee hearings. But the investigative function of the Committee hearings was largely ignored with this bill. The House Committee on Education and Labor, Subcommittee on Education, held a total of three hearings on the bill, with only five main witnesses. Two of them, Congresswomen Chisholm and Abzug, aired some rhetoric on the sufferings of women in need of day care. Two Governors and one former Governor also testified, but their discussion focused almost exclusively on technicalities of administration. Many times before, Federal administration of Federal programs on local levels has created duplication of these efforts with State efforts, squandering considerable money in the process. Governor Moore of West Virginia cautioned in his testimony that ". . . the proposed system . . . would spawn so cumbersome and conflicting a bureaucracy that the needs of children—and of quality services for children—would be overshadowed by political and bureaucratic concerns."

RIGHT TO NOT PARTICIPATE

That the proposed legislation would spawn anything more than an inefficient bureaucracy was not considered in the Hearings. Discussion of the substance of the bill was carefully avoided. With one exception, the written testimony submitted to the Committee was invited and devoted itself to praising the legislation. The one exception was C. Ross Cunningham, of the Christian Science Committee on Publication, who stated that "specific language in the statute itself is necessary to protect those with religious scruples from over-zealous workers at the local level." A clause to exempt children from treatment on grounds of religious objection was later added to S. 2007, perhaps in direct response to this testimony. Testimonies from other religious leaders were evidently not solicited.

Furthermore, there is reason to believe that the limiting provision to permit religious objections might be unconstitutional as a denial of equal protection of the law. Regardless, the provision acknowledging the right of the parent to be free of meddlesome bureaucrats is far too narrow. The right to rear the child rests exclusively with the parent, and the law in the interests of family structure ought to reflect that relationship. While in the minds of many, religion may be the foundation of the parental right, it should be expressed in the law that as a matter of right the parent is not required to either participate in any "child development" program or even explain his reason.

PARENTAL RELATIONSHIP

Included in the report of the hearings was a recent report of the Education Commission of the States, Task Force on Early Childhood Education. This report supported the adoption of more extensive child development programs, but in one respect it differs significantly from Federal concepts. The first priority of the States regarding child development services was "strengthening of the role of the family as the first and most fundamental influence on child development."

To the Emergency Committee for Children this seems an entirely proper emphasis to maintain. The Bill adopted by the House, like that by the Senate, mentions scarcely anything to indicate respect for this basic institution. The Education Commission of the States was not preoccupied with promoting the "emotional and social adjustment" of children, as seems to be the case with legislative proposals from the Congress.

The potential of this piece of legislation is clearly and definitely the revolutionizing of the traditional family structure in America. The parental role in children's upbringing will be deemphasized and the role of government greatly expanded. As government assumes parents' responsibilities, parents' rights over their children will tend to be sacrificed, de facto or de jure. Such a development, in our opinion, is contrary to the best interests of our society and not in concert with the Western tradition. It is disastrous and tragic. The family is the cornerstone of emotional stability and strength, the first educator and strongest influence toward decent human natures and relationships. To replace the rich, loving family with depersonalized bureaucracy would be to destroy the most valuable social institution in America, and to weaken immeasurably the strength of the American nation.

COMMUNALITY FOR CHILDREN

Central to the arguments of certain advocates and sponsors of the child development bill is an implicit direction toward a total revamping of American society, beginning with the popularization of one or another form of collective child-rearing. Occasionally this direction becomes explicit, as in the writings of Dr. Urie Bronfenbrenner. Bronfenbrenner's contention is that Soviet society is worth more than American society because the concern of one generation for the next is so much greater there. This concern is exemplified for him in the "children's collectives", where infants from three months of age are brought for communal upbringing.

The most lauded advantage of communality is the facilitation of discipline. The greatest virtues of a Soviet child are obedience and self-discipline, both developed through skillful fostering of the earnest desire to conform to the group, which, in turn, accepts its values from adults or other authoritative figures, eventually the State. Conformity, thus, is the paramount virtue in collectivized children, and, of course, in collectivized adults.

Yet the Soviet Union seems more than satisfied with its crop of programmed citizens. Plans for the future are burgeoning to make a child's life a series of transitions from nursery to day and night kindergarten, to boarding school, to independent life, in the hopes that, in time, the family "will dissolve within the context of the future social commune."

Dr. Bronfenbrenner is, of course, entitled to his views. But what he advocates is, fortunately, so alien to our culture that any attempt to impose the Soviet system here would be doomed to disastrous failure. However, the proposals of this bill definitely encourage the attitudes necessary for such a system to ever be adopted. This country does not want Soviet childrearing. Conformity has never been regarded as a supreme virtue by the American people; in fact, individuality from diversity within and among families is much sounder and more reflective of American institutions. Parents love their children and are dedicated to their welfare. Privacy and personal intimacy are the keynotes of American family life. Congress may write lists of contrived complaints about American childrearing, but such complaints will not reconcile the American public or the traditions of American life to surrendering children to government agents.

CONCLUSION

We of the Emergency Committee for Children are grateful for the individualistic streak in the American personality, believing that it is the greatest possible protection against the utopian schemes of misguided collectivists. We of the Committee, whose backgrounds are in the Academy and religious life, are united in our concern and opposition to what we see as a significant threat to Western civilization and American society as we presently know it.

NEED FOR MID-DECADE CENSUS

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. ROUSSELOT. Mr. Speaker, my colleague from California, the Honorable CHARLES H. WILSON, who is chairman of the Subcommittee on Census and Statistics of the House Committee on Post Office and Civil Service, on which I serve as ranking Republican member, recently addressed the Federal Statistics Users' Conference on the urgent need for a mid-decade census. I felt that these remarks, which were made before the group at the Madison Hotel in Washington, D.C., on November 16, were both interesting and provocative and should be submitted to our fellow Members for their consideration:

THE URGENT NEED FOR A MID-DECADE CENSUS

I was most gratified to be invited to speak to this distinguished group of statisticians and most pleased to be able to participate in this Fifteenth Annual Meeting of the Federal Statistics Users' Conference. It is usually quite difficult for us in Congress to accept many speaking engagements as our work schedules and commitments are dictated by ever-changing and last minute developments. However, inasmuch as your Executive Director, John Aiken, has so willingly and expertly responded to the requests of my Subcommittee on Census and Statistics, I felt obligated to reciprocate. John had more or less expected me to discuss a topic of great interest and concern to me and my Subcommittee—the enactment of mid-decade census legislation.

I shall talk about the urgent need for such a census series, but let me digress a moment to insert a few observations on the current statistical scene from our vantage point in the Congress, before giving you my feelings on the subject of a mid-decade census. Whereas we are generally pleased with the steady improvement in the technical aspects of planning and compilation of statistical data, we are at the same time taken off balance by various rumblings within the Federal Statistical System, and about which you have been reading in the newspapers.

Without going into detail, I shall only give a brief outline of a few of the items which the Members of my Subcommittee are pressing me for attention, review and action.

1. Reorganization of Federal Statistical Activities.

2. Use of the Census Bureau's undertaking of a "Public Opinion Type Poll" on the Wage/Price Freeze.

3. Recent elimination of professional statisticians in the analysis of the data released by the Office of Employment and Manpower Statistics, Bureau of Labor Statistics.

4. Discontinuance of the press conference by professional BLS statisticians on the employment-unemployment situation in the country.

5. Utilization, staffing, and cost of ever-increasing data processing systems.

In particular, I should relate my concern over the use of the resources of the Census Bureau in undertaking a "public opinion type poll" for presumably measuring the attitudes of the general public on the Administration's recently imposed Wage/Price Freeze. As some of you may know, I issued a press release on this subject. In that press release I indicated my deep concern—without exaggeration my fear, that the statistical program of the Federal government was being purposely manipulated to conform to the policies of the incumbent Administration.

No sooner had I sent out my statement objecting to the Administration's statistical game plan, then I found out that a censor had been installed at the Census Bureau to manage the release of statistical data to the public. A Mr. James Berger was stationed at the Bureau to alter statistical reports so they conform to the Administration's policies. This alone would justify a Congressional inquiry, however, Mr. Berger is not the first Administration stalwart to be appointed to a job at the Census Bureau. Since the present Administration has come to power, there have been no less than three other political partisans appointed to high level jobs at the Census Bureau. This procedure seriously jeopardizes a long tradition of professional career development within the Bureau of the Census.

In reaction to these events, I dispatched letters to the Secretary of Commerce and the Secretary of Treasury demanding the rationale and explanation for authorizing the Census Bureau as the collecting and compiling agency for a public opinion poll. The responses I have received have been totally unsatisfactory and consequently my Subcommittee is reassessing our previous Congressional commitments to the possible scheduling of investigative hearings on this matter plus other topics to which I have just referred. In the meantime, I have directed my Subcommittee staff to carry out a thorough investigation of the statistical activities of our government with specific reference to recent events.

I realize that I am discussing this matter with perceptive and sophisticated people and I would not for a minute attempt to persuade you that as an elected official I am not political in nature. However, in my opinion, the collecting and reporting of statistical data by the Federal Government has been and should continue to be independent of partisan politics. Frankly, I am pledged to the continuance of that tradition.

Before I proceed to the main thrust of my speech, I would extend an invitation to any of you in the audience that may wish to offer some assistance or information on these aforementioned topics to please feel free to get in touch with my Subcommittee staff.

As the United States experiences rapid and volatile growth in terms of population and internal mobility, many census users correctly conclude that a census every decade is simply not adequate. Indeed, five year censuses have been authorized and are being undertaken in the fields of agriculture, manufactures, wholesale and retail trade, services, construction, transportation, and governments. It is an unfortunate anomaly that censuses of population and housing remain on a ten year basis.

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In recent years numerous Congressmen and representatives of many public and private groups have expressed support for a mid-decade population census. During the 87th, 88th, 89th, 90th, 91st, and 92nd Congresses, legislation designed to authorize such a census has been introduced.

It should be noted that in 1967, Representative Bill Green, then Chairman of the Subcommittee on Census and Statistics, introduced H.R. 7659 proposing a mid-decade census of population. His bill was approved by the House by an overwhelming vote of 255 to 127, but unfortunately died in the Senate for reasons not associated with the merits of the legislation.

In May and June of 1971, hearings were held before my Subcommittee on Census and Statistics to consider the various proposals for a mid-decade census. With a degree of unanimity seldom encountered in Congressional hearings, witnesses stressed the importance of mid-decade census figures for many types of decision making.

Almost universally they pointed out that the forces of economic and social change experienced by the nation since the end of World War II and especially over the past decade have made a national census conducted every 10 years grossly inadequate to meet the immediate and future needs of business, labor, research and planning organizations and government at all levels.

More specifically, the rapid increase in Federal programs allocating block grants and categorical aid to States, localities, and various segments of our Nation's populations, signals a specific need for a mid-decade census.

For example, Governor Rockefeller in a letter to President Nixon pointed out that the family Assistance Act and the Revenue Sharing Plan proposed by the Administration will be predicated on various census data. Rockefeller went on to say that billions of dollars would be distributed in the proposed special revenue sharing programs for manpower training, urban and rural development, education, and transportation. Any major population shift during the interval of decennial census would result in an unfavorable impact upan a rapidly growing area while unfairly rewarding areas of diminishing populations. Such misallocation of resources results in reduced dollar effectiveness as well as the inequitable distribution of funds.

The Decennial Census taken in 1970 will cost approximately $220 million. The cost of a mid-decade census will vary according to the scope and methods used in conducting the census. The figure has been approximated at $150 million in 1970 dollars. A little over a year and a half ago, some ten billion dollars per year were being distributed on a basis of some use of population as a criterion. Relying on outdated statistics from the decennial census in the latter years of the decade costs our government probably considerably more than $150 million.

State and local governments have greatly increased their role in the area of social and economic reform. The distribution of Federal-State-local taxes, and improvement in the tax structures of the respective governments themselves, require detailed information on income distribution, occupation and employment patterns, distribution of property values, and the like.

The plight of the cities has brought directly to the attention of Congress for relief, and hopefully for solution. Mayors, City Managers, and Administrators are searching for new sources of revenue to meet the continuing and increasing service demands. The National League of Cities and the Conference of Mayors are on record strongly supporting the need for mid-decade census data.

Furthermore, we should not overlook the business sector of the economy in the consideration of a quinquennial population census. Due to the rapid growth and diversification of business in the economy, more and more firms are finding it increasingly important to have more up-to-date information on the characteristics of our population on a local and national scale. A properly constructed mid-decade census would be of immense value to most business firms today.

It should also be noted that in the area of quinquennial censuses of population the United States has fallen behind other countries in which neither the need for the data nor the ability to pay for them would appear to exceed our own.

Our Subcommittee has traveled to Europe, the Far East and Australia and was met with consistent and overwhelming support for quinquennial censuses. Canada, Japan, Australia and Great Britain are pertinent examples. Canada conducted its first mid-decade census in 1956, and found that one of the chief values of such a census was that it provided information for small areas which cannot be obtained from inter-censal estimates.

This is not to say that support for a mid-decade census is lacking in the United States. In fact, support in this area has increased steadily. Through the years, all levels of the Federal Government as well as State and local governments have given their support along with a wide range of business, labor, and other segments of our society.

Unfortunately, the position of the present Administration is not so positive. On June 10, 1971, in a hearing of our Subcommittee on Census and Statistics, Dr. George H. Brown, Director of the Bureau of the Census, reported that the Administration "does not recommend a mid-decade census."

Dr. Brown stated that the Administration planned to launch a study to determine the feasibility of using administrative records (such as Internal Revenue Service, Social Security, immigration and birth-death data) as a substitute for mid-decade census information.

The Social Security Administration and the Internal Revenue Service do compile pertinent statistics; however, these data do not include the entire population, nor do they provide information by geographic area small enough to identify neighborhood needs.

Since 1960, Congress has enacted some twenty-three laws which require population information for their proper administration and distribution of funds. Equitable distribution of funds under many of these programs, especially housing programs, requires current information on the population of small areas.

Data collected through agencies other than the Census Bureau have further limitations. Regrettably, much of this information is not compatible due to the difference in time and/or procedures in which it is collected and processed. Various characteristics in the census can be related to common geographic areas whereas data from diverse sources present problems.

It was with true regret and surprise that we learned of the Administration's position, especially considering the widespread recommendations and support for the quinquennial census. We had thought from earlier statements made by Secretary of Commerce Maurice H. Stans, Assistant Secretary of Commerce Harold Passer, and Dr. George H. Brown that the Administration supported the establishment of a mid-decade census. Yet, such a setback has not succeeded in dampening the spirit of myself and those others working for a mid-decade census series.

Perhaps at this juncture, I should put in focus several other developments attesting to the germanenness of our position. The Decennial Census Review Committee appointed by Secretary Stans, and of which I was a member, submitted its report in July 1971. Included among its findings was a strong recommendation for a mid-decade census designed to collect basic population data on a complete enumeration basis.

My own Subcommittee staff conducted a survey of Federal, State and local government officials, planners, statisticians and others who had communicated their feelings about a mid-decade census to our Subcommittee. The results of the survey showed continued overwhelming support for a mid-decade census.

At the time of our hearings early this year, I asked your executive director, John Aiken, to poll the members of the FSUC to determine their views on mid-decade census legislation. In reviewing Mr. Aiken's report, I note that he considers this survey to be the most definitive one ever conducted by the FSUC, and that the rate of response was the highest of any survey taken by this organization. It contains pertinent data of great value to the census planners, and not too surprisingly the results conclusively show an extremely high percentage of respondents favoring a mid-decade census.

Furthermore, the survey fairly well confirmed the judgment of the Subcommittee on Census and Statistics that a scaled down census taken on a complete enumeration basis would be most appropriate and applicable at this point in our history. As another major note of interest, which was highlighted by Mr. Aiken, the FSUC Survey provided strong evidence of the great need for small area data.

I can assure you that we will give full consideration to this apparent demand for such information. The survey was a monumental achievement by the FSUC and we in the Congress wish to commend Mr. Aiken for his splendid effort in effecting this in-depth study.

And finally, I requested the General Accounting Office to conduct a practical and detailed study comparing the use of administrative records versus the establishment of a mid-decade census.

I had expected to release a summation of their report or at least their recommendations to this distinguished group of experts at this annual meeting, but unfortunately, the staff assigned to this task has found this study to be more involved than originally anticipated. Whereas the basic research work has been completed and the findings have been reported, the analysis phase by the policy officials is still in process.

Consequently, we will have to look for a later occasion to announce the GAO conclusions concerning the desirability of the use of administrative records versus the undertaking of a mid-decade census taken on a complete enumeration basis.

As of this date, I still have rather strong convictions to introduce appropriate legislation for the collection and compilation of population data every five years. If the GAO report contains a positive recommendation for a mid-decade census to be taken in 1975 on a complete enumeration basis, then you can be assured that this will play a decisive role in influencing the resultant actions of my subcommittee. If the GAO report should as a first priority present a recommendation other than the above, then we will have to make a reassessment.

In any event, I plan to introduce responsible legislation on this general subject at the earliest possible opportunity next session. This timing will hopefully permit passage of a bill into law before the summer recess. With this schedule there should be sufficient time to allow the Bureau of the Census to plan, prepare and initiate in 1975 a program to produce population data that will meet small area data needs generally.

In conclusion, I wish to re-emphasize my strong and unbending support for such additional Federal census and statistical activities as needed to meet the critical demands of the American people.

UNITED NATIONS' DEFICIT

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, November 15, 1971

Mrs. SULLIVAN. Mr. Speaker, no organization can operate very long if its members refuse to pay their dues and to provide the funds necessary to carry out the decisions which they themselves have made.

This has been painfully true with respect to the United Nations—the one major international organization which has been operating in the red for a number of years.

According to information which was supplied to me the other day, the arrearages of the members of the United Nations are currently estimated at $186.9 million.

Seven years ago, a former colleague of ours, Congresswoman Edna F. Kelly, of New York, called attention to this problem and introduced a resolution on the subject.

Standing in the well of the House of Representatives, Congresswoman Kelly reminded all of us that nearly 200 years ago, our forefathers in the United States fought the war of independence to uphold the principle that there shall be "no taxation without representation."

She urged that the corollary of that principle—that there be "no representation without taxation"—be applied to the United Nations, and that the penalty of article 19 of the U.N. Charter—denial of vote in the U.N. General Assembly—be enforced against those members who were more than 2 years in arrears in paying their dues to that organization.

Seven years ago, the House of Representatives by a unanimous vote, and then the Senate, upheld the position advanced by Edna F. Kelly.

Unfortunately, the majority of the membership of the United Nations refused to follow the road of fiscal responsibility and have refused to apply the sanctions of article 19 to the delinquent members.

As a result, the United Nations is in worse financial straits today than it was 7 years ago.

As of January 1 of this year, the United Nations owed nearly $70 million to others.

If the arrearages of $186.9 million were paid, the United Nations would be solvent and able to move forward in carrying out its responsibilties.

Mr. Speaker, I believe that the principle enunciated in 1964 by our distinguished former colleague, Edna F. Kelly, is more valid today than it was then. The countries which refuse to pay their dues should not be allowed to vote in the U.N.'s General Assembly.

In light of the present situation, those who refuse to live up to their agreements under the charter, should be expelled.

CANADA'S POSITION ON THE ALASKA PIPELINE ISSUE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. ASPIN. Mr. Speaker, last week I introduced a joint resolution in the House that would first, delay Federal approval of any permits for the development of Alaska's North Slope oil until at least January 1, 1973 and second, require the Interior Department to undertake an independent and thorough study of a Canadian oil pipeline route as an alternative to the proposed trans-Alaska pipeline. The resolution will be reintroduced with cosponsors after the Thanksgiving recess.

There are both excellent economic and environmental reasons for supporting a Canadian pipeline over the Alaska line. But one important question that many of my colleagues have asked me recently is: Where does the Canadian Government stand on the Alaska pipeline issue in general and, in particular, on efforts to have a Canadian pipeline alternative fully studied before a decision is reached on the proposed trans-Alaska pipeline?

I would like to include in the RECORD today a speech by the Canadian Minister of Energy, Mines and Resources, J. J. Greene, which very succinctly states the Canadian position on this issue. His speech makes it clear that the Canadian Government strongly favors our efforts to delay the decision on the Alaska pipeline until a Canadian pipeline route has been fully studied. Mr. Greene's speech follows:

NATIONAL RESOURCE GROWTH: BY PLAN OR BY CHANCE? OIL AND GAS PIPELINE DEVELOPMENT

One of the most critical resource developments proposed for the next few years in Canada is that of the construction of pipelines to carry discoveries of gas and oil in Alaska to U.S. continental markets. These proposals are critical in many ways. They raise, immediately, the problem of Canada's geographical situation as a "land bridge" between two parts of the U.S.A. on this continent, and they bring us in a visible and tangible way closer to a decision with respect to our role in the management of the North American land mass.

The day has gone in international affairs when each country can carry on, sovereign in its own territory and impervious to the impact of its actions on its neighbours. This is true of the U.S.A. in its relation to Canada and it is true of Canada's actions in relation to the U.S.A.

In terms of pipelines and the development of the Canadian petroleum industry, there are a few truths which should be noted: 1) the only economic way now known for the U.S.A. to transport its natural gas from Alaska to the continental U.S.A. is by pipeline across Canada. 2) substantial oil and gas potential in Canada lies in the areas in the Yukon and the western portion of the Northwest Territories. They are, however, remote from markets and remote from transportation, but they might become economically accessible and useful to Canada if major oil and gas trunk lines, based on economics of their own, could pass through this potentially resource-rich area of Canada.

Assuming that we can satisfy ourselves that the ecology of our northern environment can be protected, and that the economic impact of such a substantial development can be absorbed constructively, can we deny this vital service to our neighbour? At the same time, would our neighbour not recognize that there are vital services which can be rendered to Canada?

The Canadian Government is not opposed to the construction of oil and gas lines from Alaska through Canada to the continental U.S.A. and the Government of Canada has already acted in a broad way to define the national goals of such a development. On August 13, 1970 I announced some definitive guidelines to assist industry in their planning. These included:

(1) The ministers of Energy Mines and Resources and Indian Affairs and Northern Development will function as a point of contact between government and industry and prospective applicants will receive guidance and direction to those federal departments and agencies concerned with the particular aspects of northern pipelines.

(2) Initially, only one trunk oil pipeline and one trunk gas pipeline will be permitted to be constructed in the north within a "corridor" to be located and reserved following consultation with industry and other interested groups.

(3) Each of these lines will provide either "common" carrier service at published tariffs or a "contract" carrier service at a negotiated price of all oil and gas which may be tendered thereto.

(4) Pipelines in the north, like pipelines elsewhere which are within the jurisdiction of the Parliament of Canada, will be regulated in accordance with the National Energy Board Act, amended as may be appropriate.

(5) Means by which Canadians will have a substantial opportunity for participating in the financing, engineering, construction, ownership and management of northern pipelines will form an important element in Canadian Government consideration of proposals for such pipelines.

(6) The National Energy Board will ensure that any applicant for a certificate of public convenience and necessity must document the research conducted and submit a comprehensive report assessing the expected effects of the project upon the environment. Any certificate issued will be strictly conditioned in respect of preservation of the ecology and environment, prevention of pollution, prevention of thermal and other erosion, freedom of navigation, and the protection of the rights of northern residents, according to standards issued by the Governor General in Council on the advice of the Department of Indian Affairs and Northern Development.

(7) Any applicant must undertake to provide specific programs leading to employment of residents of the north both during the construction phase and for the operation of the pipeline. For this purpose, the pipeline company will provide for the necessary training of local residents in coordination with various government programs, including on-the-job training projects. The provision of adequate housing and counselling services will also be a requirement.

In response, industry is carrying out research projects with ecological, technical and economic consideration which are commendable and which will allow an early assessment of these questions. The final policy decision for the creation of a gas pipe-

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line has not been taken, but we are prepared to address ourselves to the real problems as soon as industry is ready to present their proposals to us.

Personally, I think that the U.S.A. oil industry has been too hasty and too unplanned in its decision to move Alaska north slope oil across Alaska from Prudhoe Bay to Valdez and then by sea to receiving points in the U.S.A. northwest. Too hasty, because they did not give proper care and attention to the problems of the physical security of the oil line, the security of the environment in Alaska, the protection of the Alaska, British Columbia and Washington coastlines from sea-going tanker disasters, and to the question of the long-term economics of the operation of such a line and for policies which would lend themselves to the maximization of potential oil and gas supplies to the U.S.A.

There is no doubt in my mind that the U.S.A. Government will give the closest examination to the total merits of the alternatives available for the securing of supplies not only to the U.S.A. West Coast market, which is accessible to many supply sources but also to the fast growing and highly urgent problems of the U.S.A. Midwest. National strategies for the U.S.A. are every bit as important to them as our own strategies are to us.

To us it appears that an oil line from Alaska through Canadian territory would have the advantage of ruling out a vulnerable tanker link to markets and would provide more economic transportation of oil to the U.S.A. Midwest. A rough estimate indicates that oil through an all-Canadian line would be in the range of 30 cents a barrel cheaper, delivered at Chicago, than Alaska crude oil shipped by tanker to the West Coast and then by some pipeline from Seattle to Chicago.

I can see no merit whatsoever in the argument that the national security of the U.S.A. requires construction of a trans-Alaska oil pipeline and an ocean route. Canadian policies and Canadian undertakings are no less secure than those given by Americans within the U.S.A., and it will be a sad day for Canada-U.S.A. relations if the development of the Canadian economy, particularly the resource economy, is made to pay a subsidy because of an assertion about insecurity. One of the most important links in the natural gas supply of Ontario crosses the U.S.A. I refer to the Great Lakes pipeline which is 50 percent owned by Trans-Canada Pipelines. I think it has never occurred to us that this line across a "land bridge" in the U.S.A., linking two parts of Canada, is politically insecure.

I cannot believe that any serious concern could be expressed in the U.S.A. with the reliability of an agreement between our two countries under which Canada, for its part of the bargain, would undertake to ensure the uninterruptibility of the flow of Alaska oil down a Canadian "land bridge" line equivalent in volume to any flow which could be put through the TAPS lines.

Failure of the U.S.A. to adequately consider the Canadian route for Alaskan oil could render a signal disservice to the growth of the western Canadian oil economy.

FRED SCHWENGEL: LEADING FOE OF PRAYER AMENDMENT

HON. WILLIAM M. McCULLOCH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. McCULLOCH. Mr. Speaker, all Americans who love freedom owe a debt of gratitude to the gentleman from Iowa, FRED SCHWENGEL. He led the fight against the so-called prayer amendment at a time when few others had as yet mustered the courage to do so. And FRED SCHWENGEL did so because he was convinced that the proposed amendment posed a threat to our religious freedom. I believe that his efforts were, in no small measure, responsible for the eventual defeat of the amendment.

A number of newspapers have recognized Representative SCHWENGEL's efforts in behalf of religious liberty in their editorials and commentaries. I join with the sentiments expressed in those publications which follow:

[From the New York Times, Nov. 9, 1971]

LEADING FOE OF PRAYER AMENDMENT

(By Paul Delaney)

WASHINGTON, Nov. 8.—Representative Fred Schwengel, an Iowa Republican, would seem an unlikely leader of the forces in the House that wanted to reject a proposed constitutional amendment permitting prayer in public schools.

Mr. Schwengel is from a conservative Bible-reading district where a majority of the residents favor prayer in the schools. He and Mrs. Schwengel attend Calvary Baptist Church here every Sunday, and he has served as a trustee, deacon and Sunday School superintendent and teacher at the First Baptist Church in Davenport, Iowa.

The Schwengels hold daily morning prayers at home and he attends the weekly Congressional prayer breakfast and the annual Presidential prayer breakfast.

"Some of my friends warned me against it, but I threw caution to the wind; I had to do it," Mr. Schwengel said today following the House vote against the amendment.

"I am deeply committed to religious freedom," he continued. "I feel so strongly because my mother and father were Baptist in Germany.

"I believe in the great bulwark of separation of church and state. I think we'd lower the quality of prayer if we let the state write it."

Representative Schwengel said he had gotten into the fight as soon as the discharge petition had enough signatures for a vote on the floor of the House.

"I started the ball to rolling immediately. I took the floor every day," he remarked. "Some good friends asked why I jeopardized my political future, and some people have said they would put billboards up all over my district against me, but I've fought billboards before."

The Congressman and friends and aides said they did not know what kind of political result his position would entail.

"Conceivably, his efforts could have an adverse political effect, but we don't know how serious," commented one aide. "But he fights for what he believes and he was never concerned with being hurt politically."

Mr. Schwengel said many residents of his district were against him at first, but he believed that through a process of education "they are for me now." A friend commented that when constituents listened to the Congressman's reasons for fighting the amendment, "their enthusiasm against him changed, if not their minds."

TO LEFT OF CONSTITUENTS

Mr. Schwengel has always been somewhat of a maverick, and he is a little to the left of his constituency.

A Republican, he was swept out of office in the Lyndon B. Johnson landslide in 1964, only to be re-elected in 1966. Other than that two-year absence, he has been in the House since 1954. He serves on the Administration and Public Works Committees and the Joint Committee on the Library.

He is best known for his fight for home rule for the District of Columbia and against proposals that would allow the width of buses operating on the Federal Interstate highway system to be increased.

Mr. Schwengel is also noted for his switch from a hawk to a dove on the Vietnam war issue. He changed his mind after a visit to Southeast Asia in 1967, because, an aide reported, he found wide discrepancies in what was reported in Washington and "the reality of the situation."

[From the Des Moines Register, Nov. 10, 1971]

COURAGE ON PRAYER

A major effort to get House approval for the school prayer amendment to the Constitution fell only 23 votes short Monday of the two-thirds majority needed. The closeness of the vote will encourage supporters of the amendment to try again.

Iowa Representatives Fred Schwengel, Wiley Mayne, John Culver and Neal Smith deserve commendation for withstanding the emotional arguments to "vote for prayer." Iowa's other House members, William Scherle, John Kyl and H. R. Gross voted for the amendment.

Schwengel merits special praise since he was one of the leading opponents of what was doubtlessly a popular proposal, though a misunderstood one. Schwengel helped make clear that the issue posed by the proposed amendment was erosion of the First Amendment, which guarantees religious freedom for every person while barring the government from interfering with religious matters.

It took courage to object to something as cherished as prayer. Schwengel found himself denounced as vehemently as were the Supreme Court justices who had kindled the controversy by ruling against obligatory school prayers and Bible reading.

After Monday's voting, Schwengel was threatened with political reprisal by supporters of the amendment, who promised to back efforts to unseat the Iowan next year. It is ironic that backers of a constitutional amendment meant to instill greater appreciation for religious influences should show a vindictive attitude after the vote.

[From the Davenport Times Democrat, Nov. 10, 1971]

THE PRAYER AMENDMENT

The House of Representatives has turned back an attempt to tinker with the Constitution regarding the matter of prayers in public buildings.

In view of all the confusion that has erupted over the issue the action was well taken.

"Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof." So reads the First Amendment.

In 1962 the Supreme Court ruled New York officials were violating this amendment by requiring a certain prayer to be used in public schools. A year later it handed down a similar decision in cases involving Bible readings and recitation of the Lord's Prayer in schools of Maryland and Pennsylvania.

In neither instance did the court deny the right to pray. It did not say a pupil could not pray before school, after it, or even during classes as long as he did it privately and did not interfere with others.

But many Americans got the idea that the right to pray somehow had been diminished. A constitutional amendment was proposed to the effect that "Nothing contained in this Constitution shall abridge the right of persons lawfully assembled, in any public building which is supported in whole or through the expenditure of public funds, to participate in nondenominational prayer."

Opponents, including major churches and religious organizations, eventually came to the conclusion that the very term "nondenominational" eroded the Bill of Rights by implying official sanction. Somebody in the schools would have to decide what qualifies as a "non-denominational prayer," thereby replacing the free exercise of religion by fiat.

When the amendment came up for consideration Monday, the term "nondenominational" was changed to "voluntary prayer or meditation." Even so, the required number of the members of the House could not see any sense in tampering with the present guarantee relating to religious freedom. It would hardly be worth mobilizing the massive machinery needed to amend the Constitution—two thirds of the States and the Senate membership would still have had to concur—to make a point already in the Constitution.

Rep. Fred Schwengel, R-Iowa, has been reaping praise for leading the fight against the proposed amendment but says he has been warned of retaliation by some of his constituents who believe it is "godless to oppose prayer."

We believe that those who make a calm re-appraisal of the arguments for and against the House action will realize that it could not be fairly called anti-religious.

Indeed, it may have scuttled a tempting precedent to toy with other provisions of the Bill of Rights freedoms which protect us from extremists of either the right or left.

[From the Muscatine (Iowa) Journal, Nov. 10, 1971]

THANKS, FRED

Don't believe it if Congressman Fred Schwengel is attacked in the 1972 election as being a "godless" person.

That label will perhaps be pinned on some of the U.S. Representatives who voted Monday to kill the controversial "school prayer" amendment which had been designed to overturn the Supreme Court's ban on organized prayers in public schools.

Congressman Schwengel, who represents this district of Iowa in the U.S. House of Representatives, was one of the national leaders in the fight against the so-called prayer amendment.

By taking the stand he did, Schwengel invited the wrath of an Ohio housewife, Mrs. Ben Ruhlin, organizer of the Prayer Campaign Committee, who threatened political reprisals against leading opponents of the amendment.

Schwengel said Monday, shortly before the debate in the House, that Mrs. Ruhlin "sent word to us that she would come into our districts and put up billboards all over the place opposing us in the next election."

Congressman Schwengel said the proposed amendment would have been a boobytrap for religious freedom. Voluntary prayer, nondenominational or not, is now permissible anywhere. Voluntary prayers have never been prohibited by the Supreme Court and are allowed in schools today.

Opponents of the Prayer Amendment—and that includes most of the major churches and religious organizations—said it would tamper unnecessarily with the Bill of Rights and that it would whittle down the existing protection of religion and breach the wall dividing church and state.

The wall separating church and state in America is built on the First Amendment. "Congress", that amendment states, "shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

In 1962 the Supreme Court held that New York school officials violated the First Amendment when they required a certain prayer be used daily in public school classrooms—even if the prayer was a nondenominational one and participation was voluntary. A year later the court ruled that Maryland and Pennsylvania school officials violated the First Amendment when they required schools to begin the day with Bible reading or recitation of the Lord's prayer. The court said the First Amendment commands the government to be strictly neutral, neither aiding nor opposing religion.

Congressman Wiley Mayne (R Sioux City) supported Schwengel's position by saying the proposed prayer amendment would "qualify and becloud" the protection of the First Amendment and "lead to governmental determination of which prayer was proper and which was not. This is the very danger which framers of the Bill of Rights warned against and labored to avoid."

Keep that in mind next year, during election time, when the cheap "godless" label may be tossed at Schwengel.

His actions were not against prayer. His purpose was to preserve religious freedom. For that, we should be thankful.

NO DIPLOMATIC RECOGNITION FOR RED CHINA

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. SCHMITZ. Mr. Speaker, a proverb says: First the finger, then the hand, then the arm.

The response to my districtwide report to constituents has been extremely gratifying. This report, mailed to all residents of the 35th Congressional District, dealt solely with the administration's new policy toward Red China and the abandonment of our long-time ally, the Republic of China.

The report requested that my constituents inform me of their views on this matter, whether they agreed with my position or not. To date, 1,659 letters and telegrams have been received, with 1,247 of these replies—over two-thirds—supporting my position in opposition to the new China policy. In addition to this response, our office has received over 400 letters protesting the ouster of Nationalist China from the United Nations.

Clearly there is substantial feeling against embracing Peking at the expense of Nationalist China, at least in the great 35th Congressional District—the most populous in the Nation. As the ill effects of the administration's current course in Asia become ever more apparent and the myth of the "two China policy" is exploded by unfolding events, opposition will surely grow even more widespread—to a point.

That point comes when accumulated misfortunes make opposition look hopeless. This is the point when the myth of inevitability takes hold of the opposition, drives the prospect of possible success from their minds, and seals the fate of Free China with the death's wind of passive resignation. This point need not be reached, and it is imperative that we do all in our power to assure that it is not.

While continuing to oppose the President's journey to the court of Oriental despot Mao Tse-tung, we must also fight to prevent the fastening of the next link of the chain which is being bound around the Chinese people. We must oppose diplomatic recognition of Red China by the United States.

While the expulsion of Nationalist China from the United Nations was a defeat, diplomatic recognition of Red China by the United States would begin a rout. For Free China's ouster from the U.N. to be followed by its ouster from the United States would be close to a fatal blow. And this is exactly what diplomatic recognition of Red China would mean.

Those same voices which told us that there was no reason why the two China policy at the United Nations could not succeed will be advising us that the United States can have diplomatic relations with both Nationalist and Red China. The same principle, however, applies for our Nation diplomatically, as applied at the U.N. There can be no two China policy.

The evidence is overwhelmingly clear. There are 58 nations which now have diplomatic relations with Nationalist China and 61 nations which have diplomatic relations with Red China. No nation has diplomatic relations with both. This is not just happenstance. Of the 15 nations which have established diplomatic relations with Red China since December 1969, eight severed their diplomatic ties with Free China, and the other seven had none to begin with.

When two governments both claim the entire territory of the other as their rightful domain, as Free and Red China do, diplomatic recognition of the claims of both would take foreign policy wizardry of the first order. As the outcome of the U.N. vote showed, we do not have wizards of this type.

ESTABLISHMENT OF NATIONAL SICKLE CELL INSTITUTE

HON. LOUISE DAY HICKS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mrs. HICKS of Massachusetts. Mr. Speaker, I would like to take this opportunity to call to the attention of my colleagues the importance of establishing a National Sickle Cell Institute.

I have introduced H.R. 8423, to amend the Public Health Service Act to provide for the establishment of a National Sickle Cell Anemia Institute, and I have cosponsored H.R. 10935, making a supplemental appropriation for the Secretary of Health, Education, and Welfare for detection and treatment of, and research on, sickle cell anemia.

My district which is the Ninth Congressional District in Massachusetts lies within the city of Boston.

According to the U.S. Census 1970, as reported by the Research Bureau Boston Redevelopment Authority: In Boston, 104,483 of the 641,000 citizens are of black ancestry; this equals approximately 16.3 percent. The census of 1970 almost certainly underestimated the actual population of black citizens and there has been a definite increase in the number of blacks in Boston during the last year or so. It would be realistic to state that the population of blacks in Boston currently numbers between 110,000 and 120,000 which is approximately 20 percent of the population and live in the South End, North Dorchester, and Roxbury areas. A number of surveys have been conducted in the last 35 to 40 years as to the prevalence of sickle cell trait. The several surveys conducted of urban population give

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a prevalence level as stated of sickle cell trait of 8.5 percent which means that Boston contains in its population approximately 9,000 individuals with sickle cell trait. Accordingly, the prevalence in Boston of sickle cell anemia must be about 180 individuals.

Today I would like to confirm my continuing support for a significant increase in Federal funds for an attack on sickle cell anemia. I introduced, in May of this year, H.R. 8423 in the belief that it was time to establish a priority effort to gain control of and eliminate this terrible disease of black America.

Sickle cell anemia was first identified more than 60 years ago. Research on a cure for this disease was initiated shortly thereafter but the first major breakthrough in demonstrating the molecular basis for the disease did not occur until 1949 when Dr. Linus Pauling, a well-known biochemist and Nobel prize winner, showed that the characteristic sickling of the red blood cell was due to an abnormal hemoglobin molecule. Just recently, and using Dr. Pauling's work as a basis for the investigation, a small step has been taken toward the evaluation of a new chemical treatment for patients in the acute stages of the disease. We need to exploit this progress which has been achieved if we are to avoid another half century of awaiting a cure.

This disease is unusual in its occurrence. Sickle cell anemia is limited primarily to black citizens of our country who have inherited the trait for the disease from each of their parents. The evidence suggests that the disease became established in the Negro population as a result of some poorly understood evolutionary processes associated with a resistance to malaria. In Africa, where this disease had its origin, the biochemical protective mechanism afforded blacks with the sickling trait a greater degree of resistance against the lethal effects of malaria than blacks without the trait. As a result this mutation of the hemoglobin molecule has survived.

Individuals who inherit the trait for the disease from each of their parents suffer terribly from the disease. The manifestations of the disease in small children is particularly pitiful to see and patients with the disease seldom live beyond the age of 40. One difficulty in combating the disease has been that the disease requires special testing for identification and diagnosis and this testing has not been readily available.

Federal support for investigation of sickle cell anemia is scattered throughout several institutes of the National Institutes of Health, including the National Institute of Arthritis and Meabolic Diseases; the National Heart and Lung Institute; and the National Institute of General Medical Sciences; and the Health Services and Mental Health Administration. Although coordination of effort has been assigned to the National Heart and Lung Institute, the history of research on this disease indicates that it has never received any priority of attention.

In 1971, President Nixon announced that Federal funds to combat sickle cell disease would be increased to $6 million. While this level of funding represents almost a fourfold increase in effort, it is not nearly enough to take immediate advantage of the knowledge which is already available and to extend this knowledge to the black population. Clearly what is needed is some means of improving the lot of individuals affected with sickle cell anemia, hopefully by so modifying this aberration of hemoglobin that it does not cause symptoms, or at worse, causes very minor symptoms. This means research. As I have indicated, there have been a few promising signs for the treatment of the disease. Genetic counseling services and screening to identify the presence of the disease could be provided. These services should be provided to their fullest extent.

It is my opinion that one of the major obstacles to a successful confrontation of the problem of controlling this disease is the decentralization of effort which exists now. The attack on this disease requires a strong and centrally controlled administration of effort. The National Sickle Cell Anemia Institute which I am proposing would provide for this direction of effort, and I trust its main thrust would be the underwriting and support of extramural research grants.

There is some indication that the several voluntary organizations which have been trying to secure visibility for the disease and to educate people to its hazards will be coordinating their efforts through affiliation with a newly established National Sickle Cell Disease Research Foundation. Federal efforts in research, diagnosis, screening, genetics counseling, and treatment would profit immeasurably from a similar centralization of effort. The establishment of a National Sickle Cell Anemia Institute would demonstrate also that there is congressional concern with the fact that the disease has been neglected for too long and would assure the black citizens of our country of our intention to provide the continued support necessary to gain control of this disease.

REPORT FROM YOUR CONGRESSMAN—ED ESHLEMAN

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. ESHLEMAN. Mr. Speaker, I have just recently sent my constituents a newsletter. I am including the contents of that newsletter in the RECORD at this point.

WASHINGTON SPOTLIGHT

(Report from your Congressman—ED ESHLEMAN)

PEACE NOT WAR

Amidst political charges and countercharges and the seemingly endless parade of domestic and international crises, it is sometimes difficult to see the really meaningful things which are happening around us. Where there are problems, there are also solutions. Where there is crisis, there is also stability enough to withstand the crisis and then to resolve it. But most important today, where there once was only the shadow of war across the world, there is a new direction toward peace and cooperation among nations. The policies of the major powers not only have become centered upon limiting arms and reducing military forces, but there is an evident desire to avoid world war or even regional war.

The effort to curtail military spending is growing in this country, and other countries are experiencing a similar trend. The reason seems to be a worldwide concern with domestic problems for which solutions are impossible without some cuts in the amounts spent on weapons. Domestic problems are in large part related to population growth, for as populations grow so do their demands upon their governments.

And, as governments find they must become more responsive to the needs of their own people, it seems to lead to an international spirit of cooperation in dealing with the huge and complex questions which face everyone. The results of this spirit are a more peaceful world. Consider the evidence. The Soviet Union has become less belligerent because she has recognized that her people are restless and that the restlessness can be cured only by better living standards and a stronger economy. Red China and the U.S. have agreed mutually to seek a new relationship. Russia and the U.S. are engaged in talks which may lead to limitations of strategic arms and even to the abolition of nuclear weapons.

The war in Southeast Asia is being de-escalated and could be ended by next year. In Europe, there seems to be a willingness to discuss troop withdrawals on both sides of the Iron Curtain. The Middle East remains a tinderbox, but even there indications are that a peaceful settlement is a very real possibility. In Latin America, rebellion and unrest are not over, but neither do they appear to be the politics of the future.

Throughout the world the trend is towards peace and the methods of peace. And despite the bitter words of our critics to the contrary, the American people are very much a part of that new state of human affairs. It is our past and continued good will, faith and humanitarianism which are in large part responsible for a world moving off in a new direction. That direction is away from war and towards peace.

WINSTON WISDOM

Winston Churchill said it, but we certainly should keep it in mind: "No folly is more costly than the folly of intolerant idealism."

CUBA CAITIQUE

Some of our self-proclaimed revolutionaries have tried to portray Cuba as a land of freedom and opportunity. In some cases this theme also has been taken up by the news media. One of our more prominent Senators has said that we ought to consider extending recognition to the Castro government. What is often overlooked is the real character of Communist Cuba. For instance, Cuban children are taught the "advantages" of Communism and the "weakness" of religion in school. They are asked to pray to God for candy. After several days of unavailing prayer, they are asked to pray to Fidel for candy. These prayers are answered quickly—and the "lesson" has been learned. But those who learn "In Castro We Trust" must suffer some disillusionment when they see the outside world. While our news media made much of a recent victory over the U.S. by a Cuban basketball team at the Pan American games in Colombia, there was hardly a line about the fact that five members of the Cuban squad defected, cited political repression and asked for asylum in Colombia.

POLLUTION SOLUTIONS

A young man told me once that a college professor of his had summed up the environmental quality question this way: "The solution to pollution is dilution." And, when you think about it a little, it makes some sense. But the question facing Congress is how do we go about legislating the proper solutions, whether they be dilution or something else.

Our answer to the question last year in the case of air pollution was to get tough. The result has been that even though some industries claimed we were asking the impossible, the automobile industry in particular, they are now finding new technology to meet the standards we imposed. Therefore, my guess is that on the water pollution question this year, our answer again will be to get tough. And maybe the result will be creeks and rivers and lakes clean enough to be enjoyed by everyone.

POINT WELL TAKEN

A colleague of mine contributed this piece of wisdom to the storehouse of congressional knowledge the other day: "Tact is the knack of making a point without making an enemy."

SEASON OF THANKS

When our forefathers gathered for the first Thanksgiving more than three centuries ago, they felt it was important to offer thanks together for their new lives in a new home. Togetherness has remained very much a part of this holiday. It is a day when families gather to acknowledge their blessings. From my family to yours, a wish for good food and, most important, good fellowship as we all acknowledge our gratitude for the fullness of our lives, the security of our homes, the inspiration of our faith and the greatness of our Nation.

TOO EASY?

The Indianapolis Star suggests that one way an individual can avoid the horrors of prison life is to refrain from committing crime.

PRIVATE VERSUS PUBLIC

Private enterprise has come under attack from many directions in recent years. However, it still proves itself capable of doing a job more efficiently in many cases than publicly-owned and operated services. Take the trash collection situation in New York City as an example. There is a city trash collection agency and also a private firm. The private firm collects at a cost of $17.50 per ton. The cost to the city-run agency is $49 per ton. The private firm manages to keep 95 percent of its 980 trucks in service. The city keeps only about 65 percent of its 1,850 trucks on the streets. The private firm pays taxes. The "non-profit" city collection costs the taxpayers $180 million annually.

ULTRAMODERN FAIRY TALE

Once upon a time in a far-away country, there lived a little girl called Red Riding Hood. One day her mother asked her to take a basket of fruit to her grandmother, who had been ill and lived in a cottage in the forest. It happened that a wolf was lurking in the bushes, overheard the conversation, went to the grandmother's house, killed her, dressed in her nightgown and jumped in bed to await the little girl. When Red arrived, he made several nasty suggestions and then tried to grab her. She ran screaming from the cottage.

A woodcutter working nearby heard her cries and rushed to her rescue. He killed the wolf with an axe, and Red Riding Hood's life was saved. All the townspeople hurried to the scene and hailed the woodcutter as a hero. However, at the inquest, several facts emerged. The wolf had not been advised of his rights. The woodcutter had not made any warning swings of his axe before striking the fatal blow. The defense stressed the point that, although the act of eating Grandma may have been in bad taste, the wolf was only "doing his thing" and thus should not be punished by death.

The SDS appeared on behalf of the defense and contended that the killing of Grandma should be considered self-defense since she was over 30 and therefore beyond the age of serious regard.

This evidence was convincing enough for it to be decided there was no basis for charges against the wolf. On the other hand, it was felt that the woodcutter should be indicted for unaggravated assault with a deadly weapon. One year after the "Incident at Grandma's," her cottage was made a shrine for the wolf who bled and died there. All the village officials spoke, but Red Riding Hood gave the most touching tribute. She said that, while she had been selfishly grateful for the woodcutter's intervention, she now realized he had overreacted. As she knelt to place a wreath in honor of the brave wolf, there wasn't a dry eye in the forest.

BANNING BUSING

To bus or not to bus was the question before the House of Representatives early this month. In several lopsided votes, the House made it clear that it was opposed to Federal funds being used to bus school children to achieve racial balance. As this sentiment became obvious, the black Congresswoman from New York made the emotional but valid point that there was no such concern when black children were being bused past white schools to maintain segregation. But to recognize that segregation was wrong, and that the things used to maintain it like busing were wrong, should not be a reason for compounding those past wrongs. School buses should be used to make the trip to school shorter, not to lengthen the trip.

WE GET LETTERS

Mail is important to me. It's one of my principal ways of finding out how you feel about issues or hearing about personal problems you may be having with the Federal Government. I get letters from constituents on all kinds of things which they feel should have my attention. (See letter reprinted at right.) That correspondence gets my personal attention.

I dictate many of the replies myself, and my staff helps draft some of the others. My legislative aides, for example, research many of the questions people ask about particular bills. To those who wonder if their one letter expressing an opinion does any good, my answer is an underlined "*yes.*" I'm listening and I hope you never hesitate to write.

SUMMER JOBS

Students who want to work for Uncle Sam next summer should begin making application for qualifying tests that will be given January 8, February 12, and March 11 at colleges and universities throughout the country.

Application for the January test date must be made by December 3. Young people who wait until spring to begin Federal job hunting are nearly always out of luck. Most regular jobs are filled from test rosters, but late-date tests are not as likely to be used for job selection. Parents of students away at school should advise them to see a job counselor at the school and make application for the qualifying tests.

THE HIGHER EDUCATION ACT OF 1971

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1971

Mr. SCHMITZ. Mr. Speaker, the House of Representatives spent the first 4 days of November debating H.R. 4279, the Higher Education Act of 1971, concluding with a marathon session November 5 which lasted until nearly 3 a.m. the following day. Several important amendments were adopted which eliminated some of the worst features of the bill and replaced a highly significant new restriction on the power of the Federal courts to compel local schools to bus children for purposes of racial integration. But the bill as finally passed represents a large increase in Federal support for colleges and universities, despite the fact that in recent years many of these institutions have forfeited—all too often with good reason—the greater part of the high public confidence and respect they once enjoyed. Consequently, my vote was cast against it.

Specifically, H.R. 7248 would authorize more than $1.3 billion in new spending during the remaining months of the current fiscal year, and a total of nearly $5 billion in the next fiscal year and more than $5 billion in the ensuing 3 fiscal years, for 16 different categories of Federal aid to higher education. The lion's share of the new money—$955 million for the remainder of the current fiscal year and over $1 billion for each of the next 4 fiscal years—would go as a general subsidy to all colleges and universities in the Nation, primarily in proportion to their student enrollment.

This new handout drops all pretense that the Federal Government, in engaging in aid to education, is financing only special projects and programs of particular concern to the country as a whole, or those requiring unusually heavy capital expenditures. Now every college and university is to get a direct Federal subsidy simply because it exists. This means an end to meaningful independence for the private colleges—including those which are church-affiliated—for everyone knows now that, especially in education, what the Federal Government subsidizes it increasingly controls. It also means a repudiation of the clearly expressed will of the people in those States, including California, where bond issues and new taxes for State institutions of higher education have been voted down in recent years because of the growing lack of public confidence in these institutions.

One may read through the many pages of argument by supporters of this bill and find scarcely any reference to the most obvious economy a college or university genuinely caught in a "cost-price squeeze" can make: an increase in the faculty teaching load—with a corresponding reduction in the number of high-salaried professors—from the absurdly low 9 hours a week now common, or the scandalous 6 now in effect at some universities, or even the barely reasonable 12 which is now the absolute maximum, to the 15 hours a week which most college professors used to teach as a matter of course. I have taught as many as 18 college hours a week, as many others have done without ill effect, though most do not like to be reminded of it.

Be that as it may, our present system of higher education has, especially in the last decade, rather spectacularly failed to prove itself deserving of more billions of dollars a year from the taxpayers at any level. Nor can it make a reasonable claim to deserve this kind of support unless and until it reforms itself—which means, above all, restoring academic learning as its reason for being and eliminating political agitation, especially by faculty members.

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While H.R. 7248 as a whole did not pertain to primary and secondary education, the issue of forced busing of school children for purposes of racial integration has become so critical that it was applied to this bill in a series of amendments emphatically reiterating the intent of Congress that such busing should not be required by the courts. The most important amendments prohibited lower Federal courts from requiring schools to bus until all appeals from pro-busing decisions had been heard, up to the U.S. Supreme Court. This represented the first action by Congress in modern times under the authority of article III, section 1 of the U.S. Constitution which gives Congress full power to regulate or eliminate the jurisdiction of the Federal courts in specific areas. This is the constitutional authority for the much more sweeping legislation I have introduced (H.R. 10614) to take away entirely the power of the Federal courts to rule on the issue of school busing for racial integration.

JOHN S. KNIGHT BLASTS U.S. AIR WAR IN INDOCHINA

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. SEIBERLING. Mr. Speaker, among those few national figures who saw from the very outset the folly of our Government's course in Indochina, none has spoken with more force and eloquence than Mr. John S. Knight, president of Knight Newspapers. The latest of Mr. Knight's famous "Editor's Notebook" columns points out that, despite the President's winding down of U.S. involvement in the ground war in Indochina, the air war continues with scarcely unabated ferocity.

Mr. Knight points out that in South Vietnam alone, the United States has dropped four times as much tonnage as was dropped in the Korean war. That only 5 to 8 percent of the air sorties were flown in direct support of troops in battle, and that there have been over 1 million civilian casualties and 6 million have become refugees. He also points out that the air war has resulted in a massive onslaught on the ecology of Indochina. More than one-third of the forest area has been sprayed with defoliants and enough food destroyed by herbicides to feed 600,000 people for a year.

The massiveness of the destruction defies the imagination. All this against a country which has in no way threatened the security of America.

As Mr. Knight so aptly says:

It all adds up to a melange of misconceptions by muddle-headed U.S. leadership through the years.

The text of Mr. Knight's editorial follows:

[JOHN S. KNIGHT'S NOTEBOOK]

BUT WHAT ABOUT THAT OTHER WAR?

During this past week when World War I vets of my vintage observed the true Armistice Day on November 11, casualty lists in the Vietnam War were reported as "the lowest in months."

"The low casualty levels," said the Associated Press, "reflected a general lull in battlefield action as well as the continuing withdrawal of American forces from combat."

A mere reading of the official casualty list, eight Americans killed in combat, 13 wounded and 33 dead from non-hostile causes, is evidence that we are indeed winding down the ground war as President Nixon proceeds with his "plan."

But what about that other war, the massive deployment of American air power and renewed emphasis on saturation bombing by B-52 Stratofortresses?

A recent report by Cornell University researchers shows that in Cambodia, American air operations have been conducted with sustained intensity since 1970. B-52 raids in Northern Laos, as reported by James McCartney of our Washington bureau at the time, were carried out for more than a year before official acknowledgment. "Protective reaction raids against North Vietnam," says the Cornell report, "strike a wider range of targets than their official description implies."

While the Cornell study concedes that "there has indeed been a significant withdrawal of American air power from Southeast Asia, more than enough planes remain to permit a continuation of the air war on a massive scale."

So it appears that contrary to reports and impressions, the air war in Indochina is not being wound down like the ground war. Cornell's conclusions are that the administration's policy of "withdrawal-without-political-compromise" leaves it still boxed in by the enemy's military initiatives; the only response available is massive retaliation from the air.

To review our past and present policies, what have been the costs and results of massive aerial firepower? The study, sponsored by the Center for International Studies at Cornell University, offers these statistics:

1—In 1971, as much bombing is being done in Indochina as was conducted in all theaters of World War II.

2—By the end of this year, the Nixon administration will have deployed in three years as much bomb tonnage as did the Johnson administration in five.

3—In South Vietnam lone, the U.S. has dropped 3.6 million tons of bombs, almost four times as much as we used in the Korean War. Only 5 to 8 pct. of the air sorties flown in South Vietnam were in direct support of troops in battle; the rest were for interdiction, harassment and retaliation in a country not being attacked from the air.

The result was widespread civil destruction among the population whose allegiance was and is being sought. It is estimated there have been over 1 million civilian casualties, including 325,000 deaths while 6 million people have become refugees.

4—Bombing in North Vietnam between 1965 and 1968 failed to yield significant results. Economic damage inflicted was about $500 million, casualties reached 100,000 of which 80,000 were civilians. Yet CIA and Defense Department studies showed no mensurable reduction in North Vietnam's "will or capacity for contributing to the war in the South."

After the bombing "halt" in 1968, the emphasis shifted first to below the 20th parallel, and then to Laos and the Ho Chi Minh Trail.

5—Despite administration denials, a U.S. major air effort has been carried out in Northern Laos to support the Royal Laotian government. Cornell reports widespread devastation of Laotian society, but says despite these massive bombing efforts the Pathet Lao (Communist) now control more territory than ever before.

6—The direct budgetary cost of the air war has been around $25 billion, or about one-quarter the cost of the Indochina War.

7—The air war has resulted in a massive onslaught on the ecology of Indochina. More than one-third of the forest area of South Vietnam has been sprayed with defoliants, one-half of the country's mangrove forests killed off, and enough food destroyed by herbicides to feed 600,000 people for one year.

The Cornell study concedes that aerial bombing has undeniable military advantages in conventional warfare with massed troop concentrations. In guerrilla warfare, however, "the American capital-intensive response, substituting lavish firepower for manpower, is both inefficient and indiscriminate."

A conclusion is drawn that heavy civilian damage from the air helps to consolidate enemy morale and projects an unfavorable image of the United States. The study maintains that "it has yet to be shown that air power under Indochinese conditions can reduce the flow of men and materiel enough to curtail guerrilla activities."

While statistics are not in themselves all-inclusive or easy to digest, they do nevertheless provide powerful and convincing evidence of the folly of being drawn into wars which promise neither victory nor the achievement of elusive goals.

The cost of the Vietnam involvement in blood and treasure; the resulting disenchantment of the people at home; the deleterious impact of inflation upon a weakened economy; phony commitments (SEATO); the dubious morality of killing or maiming hundreds of thousands of civilians on both sides—all tot up to a melange of misconceptions by muddle-headed U.S. leadership through the years.

And that, esteemed readers, is precisely what I have been attempting to point out for the last 15 years.

WATCH OUT FOR THE "SILVER DOLLAR" OFFERS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mrs. SULLIVAN. Mr. Speaker, on November 3 I called to the attention of the Members, through the CONGRESSIONAL RECORD, the fact that the Federal Reserve Board had begun distributing to all of the commercial banks of the country the new issue of cupronickel $1 coins authorized by Congress last year, containing the portrait of the late President Eisenhower on the obverse and, on the reverse, a design emblematic of the landing of the Eagle of Apollo 11 on the moon. I said then that they should soon be available to the general public without difficulty, "and also, of course, without any fees or side payments, for $1 each."

I have been told that these coins are being offered for sale by coin dealers as something very special for $1.75 each. Why anyone would pay a premium for one of these coins, I do not know—they are being minted in huge quantities and should be obtainable now or shortly at any bank.

They are not "silver" dollars—there is not a grain of silver in them. Congress authorized the minting of a limited quantity of the new $1 coins to be made of 40 percent silver, but these are being sold directly by the mint to individual purchasers as either uncirculated coins at $3 each or as proof coins at $10 each.

The mint has limited orders for each type to no more than five per person, and is just beginning to mail out sets to those whose orders were accepted up to October 8, when orders were cut off for the 1971 silver coins. Hence, it is hardly likely that any dealer would have any substantial number of the genuine silver Eisenhower dollar coins available to offer for sale at a premium.

However, the very recent availability of the nonsilver $1 Eisenhower coins has led to a spate of advertisements for "silver" dollars. One of the leading manufacturers of men's jewelry items is marketing key chains which are attached to Eisenhower dollars, and one ad this morning for this item, at $8.50 each, refers to the coin as "the new silver dollar." I presume it is a cupronickel dollar, however, worth exactly $1; of course the key chain may be worth the other $7.50.

As chairman of the Subcommittee on Consumer Affairs of the House Committee on Banking and Currency, which has jurisdiction over coinage, I have sent word to the Federal Trade Commission today that advertisement of the cupronickel $1 coins as "silver" dollars would be false and highly misleading, because, although the cupronickel coins are the same size as the old silver dollars, which contained 90 percent silver, and are identical except in metallic content to the 40-percent silver Eisenhower dollars being sold at premium prices by the mint, they are not "silver" dollars.

So watch out for the offers of "silver" dollars at premium prices, or as special rarities, because they are likely to be the common, run-of-the-mint cupronickel dollar coins available to anyone for $1 each.

BATTLEFIELD THOUGHTS

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. PEYSER. Mr. Speaker, Mr. Ralph B. Doane of Salem, N.Y., has written a poem which I want to call to the attention of the Members of this House because of the circumstances under which it was written and because of the great sacrifices which Mr. Doane has made for his country.

His poem was written by Mr. Doane while aboard ship in the early morning hours just preceding the invasion of Europe during the Second World War. As a result of this invasion Mr. Doane was totally disabled with his spine fractured in four places. He was 18 years of age when this happened.

Mr. Doane has received international recognition for this poem and he has now submitted it to the American Revolution Bicentennial Commission for recognition during our Nation's anniversary celebration.

BATTLEFIELD THOUGHTS

(By Ralph B. Doane)

The hand of death is over me,
I see its palm stretched out,
And know the thoughts that men have known,
The things they fight about.

A peaceful home with lawn so green,
And trees to shade the sun,
A squeaky swing when night draws near
As children halt their fun.
A garden plot where flowers grow
To show their buds above,
A hand is there to care for them;
Men fight for things they love.

A dusty farm with rows of grain
And work that must be done.
A sweating brow still high with hope
That can compare with none.
The cows to herd, the wheat to tie,
The grain that must be sown,
A heart is there to toil beside,
Men fight for things they own.

A chapel high upon a hill
Where cares can all be told,
A moment's peace from daily strife
Away from tears and gold.
A prayer about a distant friend,
Or things that one should give,
A minute then to talk to God;
Men fight that men may live.

Though death still stalks my every step
I know my land is right,
Although I am on battlefields
I walk with God tonight.

NEED FOR ECONOMIC DATA ON SPANISH-SPEAKING AMERICANS

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. BADILLO. Mr. Speaker, for far too many years Spanish-speaking persons have been denied access to many of this country's institutions and have been excluded from the mainstream of American life. Mexican-Americans, Puerto Ricans, Cubans, Dominicans, and other Spanish-speaking Americans have not been afforded the opportunity to share the benefits of this country on the same basis as other citizens and we have frequently been prevented from fully and equally participating in the political, economic, social, and cultural life of this Nation.

However, the time is long past that we must endure the second-class status to which we have been relegated. The unique and special problems of Spanish-speaking Americans can no longer be ignored. Our government—Federal, State, and municipal—must come to grips with the problems of poverty, deprivation, poor education and housing, and disease with which we are confronted. Our governmental establishments must play a more active role in identifying the urgent and special needs of this country's approximately 15 million Spanish-speaking citizens.

If we are to receive our full and fair share of Federal, State, and local aid, we must know exactly where we stand—especially in the area of unemployment. However, routinely collected data on Spanish-speaking Americans is generally nonexistent and we frequently do not receive the proportional share of assistance to which we are entitled because of these informational gaps and the lack of meaningful statistics and data.

In order to correct this situation I am today introducing legislation which provides that the Department of Labor and the Bureau of the Census should compile and publish national unemployment rates for Spanish-speaking Americans in the Bureau of Labor Statistics' monthly employment report. In addition, this resolution calls upon the Departments of Labor and Agriculture, in cooperation with the Census Bureau, to collect and publish statistical data which would furnish more useful indicators of the social and economic condition of Spanish-speaking persons in urban and rural America. The resolution further stipulates that the compilation of the unemployment rates for Spanish-speaking persons—which are appreciably higher than any other individual group—would begin no later than January 1972.

Companion legislation is being introduced in the Senate by the distinguished Senator from Minnesota, Mr. HUMPHREY. I commend him for his leadership and initiative in this important area.

The lack of meaningful statistics to determine the actual status of Spanish-speaking persons—such as data on the labor force, total employment and unemployment, hours and earnings—and to ascertain our specific needs in certain areas places us at a serious disadvantage. The supply of this type of social and economic information which this legislation calls for is essential if the Federal Government—as well as other governmental units—are to properly identify and resolve the difficulties encountered by the Spanish-speaking community. This measure is only a first step but an important one in achieving equality.

I believe the Humphrey-Badillo resolution provides for urgently needed information and I am hopeful the Congress will take prompt and favorable action on it.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

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THE IMPENDING SHORTAGE OF NATURAL GAS

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. PRICE of Texas. Mr. Speaker, I have read with great concern the recent accounts in the local newspapers that the shortage of natural gas, about which the Congress has been repeatedly warned over the past 2 years, has finally reached the Washington area. The local gas utility will no longer accepted new customers for any than single residential establishments. Warnings about the potential gas shortage were given to Congress by both administration and gas industry spokesmen at hearings that were held before the Senate Interior and Insular Affairs Committee on November 13 and 14, 1969. At that time some local shortages had already occurred and it was obvious that unless some changes in public policy were made that the supply situation would worsen and shortages of gas would occur in many parts of the Nation.

Three years ago, for the first time in U.S. history the amount of gas discovered during a year was less than that consumed. In 1968 the deficit was 5.5 trillion cubic feet out of a total demand of 19.4 trillion feet. In 1969 this experience was repeated and deficit was even larger—about 12 trillion feet. Again in 1970 the reserves fell and reached the 1959 levels. The reasons for the decline in reserves are easily understood. The drilling rate for new oil and gas wells has declined steadily since 1956. At that time over 55,000 wells were drilled per year but this has declined steadily until in 1969 only 33,000 wells were drilled. Without drilling it is impossible to find the oil and gas which the geologists tell us is locked in the reservoirs beneath the on-shore and off-shore lands of this Nation.

In 1969 the Federal Power Commission published a study entitled "A Staff Report on National Gas Supply and Demand." The study concluded that:

A major new government-industry program is needed immediately to insure the continued growth of natural gas service during the next decade. The program must be directed to speeding up the exploitation of the natural gas resource base and the development of supplementary gas sources. Basic elements for consideration should include: exploration incentives; Federal government leasing policies both onshore and offshore; policies for imports of pipeline natural gas and liquefied natural gas; priorities for gas use in a short supply situation and Federal and private R & D expenditures for synthetic fuels.

The report has proved to be all too accurate with respect to the need for Federal action to prevent shortages. The shortages, in fact, no longer can be avoided. They are upon us and we still have not taken action in those areas where changes in policy would reduce magnitude of the supply problem and eventually eliminate it.

Why has the drilling rate been reduced to these submarginal levels? The FPC report estimates that 160,000 feet of new wells would have to be drilled in order to keep our reserves to production ratio from declining further. The actual footage drilled in 1969 was only 148,000. The reasons are clear. Instead of providing the incentives for drilling that it was obvious would be needed to prevent supply shortages we continued to price natural gas at such low values that it was used for purposes for which other fuels could have been used. Natural gas was such a bargain that it supplanted other more costly fuels. Because natural gas is the cleanest of the fossil fuels, not only during its use but also during its production, upgrading and transportation that demand for it has escalated as fuel consumers try to meet the newly enacted environmental standards. The combination of cleanliness and low cost is placing a demand on the supply that will not be able to be met for a number of years.

While there are differences among the experts as to how much oil and natural gas will be found, there is no disagreement that much of these natural resources remains in untapped reservoirs. It is thought we could at last double our known reserves if we provided the right incentives to make it attractive for the industry to drill and find it. However, as long as better investment opportunities exist elsewhere, the financial commitment required to locate and utilize gas and oil reserves simply will not be forthcoming.

In recognition of our Nation's ever-growing energy needs, plus our increasing dependence upon oil from the politically volatile but strategic Middle East, I have introduced several bills in recent months to promote the exploration and utilization of domestic oil and gas resources, including a bill to allow oil and gas operators at 12.5 percent annual tax credit over a 10-year period to offset expenditures made for exploring or developing new domestic oil and gas reserves; a similar tax credit to those who develop a deposit of oil or gas on a secondary recovery basis; and a bill to deregulate the price of natural gas at the wellhead.

Mr. Speaker, since we have recently followed a policy which has effectively discouraged oil and gas exploration thereby resulting in impending shortages of these vital fuel resources, we must make new efforts to extend our indigenous resources to supply the demands of our citizens.

A TRIBUTE TO HAROLD E. CHANDLER

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. HAWKINS. Mr. Speaker, whenever personalities of the labor movement are discussed in Los Angeles, the name of Harold E. Chandler comes immediately to the forefront.

The late Harold Chandler was a leader in the trade union movement. He was a crusader and a champion for the rights of the rank and file members. He had an immeasurable and intense dislike for those in the movement who did not regard those in the lower ranks with the same respect as those in the upper echelons. He clearly demonstrated this while serving as a vice president of the AFL–CIO Laundry and Dry Cleaning International Union and as secretary-treasurer of Local 52 of that union.

Harold's life was the trade union movement. His membership dated from his high school days when he was employed as a dry cleaner in Troy Laundry shortly after he moved to Los Angeles in 1946. During his long service as a union member he held many positions of trust and responsibility, including service as a member of the executive board, business representative, recording secretary, vice president, president, and as vice president of the Los Angeles County Federation of Labor, AFL–CIO.

Though he devoted many hours to his union responsibilities, he still found time to participate in numerous community activities, and to enjoy his hobbies of billiards, fishing, and other sports.

He served on the executive board of the Los Angeles NAACP, participating diligently in the struggle of black people for equal rights. He also maintained membership in such organizations as Men of Tomorrow, the Urban League, William Nickerson Lodge-Masons, Watts Labor Community Action Committee, ACLU, Los Angeles County District Attorney's Advisory Committee, and the Crenshaw United Methodist Church.

Harold Chandler was born August 13, 1921 in Georgia and died in Los Angeles on August 28, 1971 at the premature age of 50. He is survived by his wife, Myrlee, two daughters, Harolyn Chandler and Madelyn Willis, a granddaughter, Alisa Willis, five sisters, one brother, and a host of devoted friends.

His passing leaves an unfillable void among those stalwart warriors in the battle for a better world for all people, but his life and works stand tall as an example to be emulated by those who will endeavor to carry on in the fight to achieve that goal.

KGTF WEEK IN GUAM

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. BURTON. Mr. Speaker, KGTF, Guam's public television channel, began its second year of service to the community last week. As one of the more than 200 stations served by the Public Broadcasting Service, KGTF provides the citizens of Guam with excellent programing in the arts, public affairs, and education. In recognition of the station's service to Guam, Gov. Carlos G. Comacho, proclaimed last week KGTF Week. KGTF and the Public Broadcasting Service are to be commended, and I call the attention of my colleagues to Governor Comacho's resolution:

Whereas, in the United States, the 211 stations comprising television's educational network, Public Broadcasting Service, have just launched another season designed to provide a "New Face of Television," and

Whereas, Guam's Public Broadcasting Station, KGTF, Channel 12, is beginning its second year of service to the community; and

Whereas, KGTF has captivated the youngsters with such Public Broadcasting Service offerings as "Sesame Street" and "Misterogers' Neighborhood" and has begun to broadcast educational programs to elementary schools; and

Whereas, KGTF can only become a source of greater community interest and involvement along cultural, informational, and educational lines as it increases its coverage and expands its broadcasting schedule aimed at both civilians and adults;

Now, therefore, I, Carlos G. Comacho, Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam, as amended, do hereby proclaim the week of November 7–13 as KGTF Week in the Territory of Guam. I urge everyone to recognize KGTF as Guam's Public Broadcast station, capable of enhancing the teaching-learning process in schools through carefully scheduled educational programs, and capable of providing a diversity of stimulating offerings providing both pleasure and satisfaction for all.

In Witness Whereof, I have hereunto set my hand and caused the Great Seal of Guam to be affixed in the City of Agana, this 2nd day of November, in the year of our Lord nineteen hundred and seventy-one.

REMARKS OF CONGRESSMAN JACK McDONALD

HON. JACK H. McDONALD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. McDONALD of Michigan. Mr. Speaker, as I noted yesterday, the problem of illegal immigration into the United States has had little attention. Its effect on our unemployment situation has gone virtually unnoticed.

Richard Starnes of the Scripps-Howard Newspapers has been doing a commendable job of public service reporting in trying to focus attention on this issue.

Yesterday, I placed in the RECORD an article and column by Mr. Starnes describing the impact of illegal immigration on the American economy, particularly where it concerns jobs and public welfare.

In another article, published in yesterday's Washington Daily News, Mr. Starnes explores another critical aspect of the problem: the fact that illegal immigrants are sending home $1 billion a year, further aggravating the Nation's balance-of-payments woes.

I commend this article to the attention of my colleagues:

BALANCE-OF-PAYMENTS DRAIN—MIGRANTS EXPORT $1 BILLION A YEAR

(By Richard Starnes)

Illegal immigrants working in the United States are estimated to be sending home more than $1 billion a year—and aggravating the nation's balance of payments problem, described today as the worst in U.S. history.

There is no accurate count of the number of illegal aliens. But a House Judiciary subcommittee on immigration estimated last month that there may be as many as two million.

The U.S. Immigration and Naturalization Service refuses to put a figure on the number of aliens who have eluded its nets. But veteran INS officers have offered a rule-of-thumb estimate of 1.8 million.

Whatever the total it is considerable. In the 12 months ending last June 30 some 412,000 illegal immigrants were shipped out of the country and about 200,000 more were detected but permitted to remain here temporarily.

WORK AND SEND MONEY

Talks with INS enforcement officials give this picture of the economic impact of illegal immigration:

Almost all of them work. Of those who are apprehended 95 to 98 per cent are employed, either full- or part-time.

A random sampling of 100 illegal immigrants rounded up in the District area showed their average earnings were $5,200 a year, of which about $1,000 was sent to kin in the alien's native land.

Eighteen Chinese "illegals" picked up in the Norfolk, Va., area over a 12-month period showed average earnings of $7,200. And each had sent sums varying from $2,000 to $4,000 to relatives overseas.

There has been no systematic nationwide study of the economic problems created by illegal immigrants. But a spokesman for the National Council of Immigration and Naturalization Service locals (an affiliate of the American Federation of Government Employees) says INS enforcement personnel feel $1,000 a year is a rock-bottom estimate of the sum the average illegal immigrant sends home in a year.

The union, which claims to represent 5,000 of INS' 6,900 employes, is bitterly critical of the agency administration. It disputes INS statistics, insists U.S. borders are woefully undermanned, and charges that morale among immigration personnel is at shoe-top level.

"An illegal alien who does not work is very rare," says Lee G. Cremer, president of the national council. "That's what they come here for in the first place. And almost without exception they send money home regularly."

EXCEEDS $1 BILLION

If somewhere between one and two million illegal aliens are employed in this country, and if it is assumed the average amount each returns to his homeland is about $1,000, then the total outflow of cash from this source is well in excess of $1 billion.

Basic to the disagreement between union and officialdom at INS is a dispute on the best means of keeping illegal aliens out. The union says the INS budget (currently around $130 million annually) should be doubled to improve enforcement.

INS, which is a branch of the Justice Department, continues to resist growing pressure to add significantly to its enforcement staff, however. Instead, immigration officials say they are pushing for adoption of a law to bar the hiring of illegal immigrants.

PENSIONS AND POLITICS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. CRANE. Mr. Speaker, the so-called Crane amendment to the Hays-Abbitt bill (H.R. 11060) has been described by the AFL–CIO as "patently antilabor" and "prohibiting all union activity financed by Treasury money connected in any way with Fedcral elections."

In fact, Mr. Speaker, the Crane amendment does no such thing. What the Crane amendment does is prohibit the use of any dues, fees, or assessments which are a requirement for membership in a national bank, corporation, or labor organization from being spent for a political purpose.

The Crane amendment does prevent the kind of extortion which was so ably revealed by the prize-winning reporter, Jerry Landauer, of the Wall Street Journal in that newspaper on November 15, 1971.

Mr. Landauer's article exposes the corruption and coercion which is involved in the Marine Engineers Benefit Association's pension fund. The MEBA is a constituent unit of the AFL–CIO. They finance their political activities by compulsory assessments of $10 a month from retired members and widows of members and, according to Mr. Landauer's article, virtually extorting this money from these members before providing them with the remainder of their pensions. I insert his article in the RECORD at this time:

PENSIONS AND POLITICS: HOW ONE UNION GETS RETIREES TO FUND CAMPAIGNS

(By Jerry Landauer)

For half his lifetime, 73-year-old James Green has been a union man, proud of his membership in the Marine Engineers Beneficial Association, AFL–CIO. He's retired now, living in Baltimore and drawing a union pension of $315 a month. "Things are getting kind of tough," he reflects. Yet along with nearly 2,000 other pensioners he grudgingly gives his union $10 every month, "to help them out."

The Marine Engineers, or MEBA, is not a union that seems in need of help. It collects initiation fees of $1,000 from young men wanting to join, and it can afford to pay President Jesse Calhoon a $75,000 salary.

But MEBA lacks a membership willing to give generously to the union's political fund. So, to compensate for stinginess among seagoing engineers, it leans on pensioners who can't so easily elude the political collectors—and at times leans on deceased members' widows, too.

Supposedly, the retirees are all donating voluntarily, as federal law requires. But because the union controls pension payments, a member applying for retirement thinks twice before refusing to contribute. Once a pensioner has agreed to give, the union makes sure he doesn't forget; it deducts the $10 contributions from the monthly retirement checks it sends out.

In most cases, the oldsters supplying political dollars don't know where their money is going. "I didn't know it was for politics," says Jimmy Green.

HELP FOR SENATOR FONG

The union's retired men are supplying more than $250,000 this year, mostly for campaign contributions to help AFL–CIO President George Meany reelect labor's friends and fight political battles such as the one brewing in Congress to compel payment of pre-freeze wage boosts. Collectively, MEBA's pensioners constitute the chief financial backers of the campaign-giving operation of the AFL–CIO's Committee on Political Education, the federation's political-action arm.

Last year this union of only 13,000 members managed to send campaign checks to more than 120 candidates for Congress. The individual amounts ranged up to $6,250, which went to GOP Sen. Hiram Fong of

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Hawaii; the union brass bought 25 tickets at $250 apiece to a fund-raising event for Mr. Fong at New York City's Waldorf-Astoria Hotel.

In all, the Marine Engineers spent $450,000 for political purposes last year, displacing the Seafarers International Union at the spearhead of a $1 million-a-year drive by maritime labor to expand subsidies for the U.S. merchant marine. (Just 11 Representatives opposed a $506 million maritime subsidy bill for this fiscal year; Senators authorized the money without a roll-call). And only two unions in any field, the 1.3 million-member United Auto Workers and the 455,000-member International Ladies Garment Workers, reported raising more for national politics last year than MEBA.

The bulk of MEBA's money—$224,617—came from 1,750 or so pensioners giving as much as $170 each to the Marine Engineers Beneficial Association Retirees Group, an unfortunately title outfit that's actually a political fund. Pensioner Jimmy Green was among 1,535 men who gave precisely $120 each, in 12 installments of $10. As the money rolled in, the retirees group transferred $201,000, in eight installments, to Mr. Meany's COPE. No other union's fund came close to matching this big gift.

I'M NOT TALKING ABOUT THAT STUFF

MEBA's massive political fund-raising is known only to a few labor insiders. President Calhoon won't answer questions about any aspect of the union's fund-raising or political spending. "I'm not going to talk about that stuff," his public relations counselor quotes him as saying. And though the tactics used seem questionable to some, union chieftains appear confident that no government agency will act to break up their collection scheme. So far certainly, the Justice Department has made no effort to determine how this little union has raised so much political cash.

The union has been careful, however, to avoid infringing certain legal prohibitions. The retirees fund is set up as an independent entity, separate and distinct from the union. If it were admittedly part of MEBA, the fund couldn't donate to candidates for President, Senator or Representative, either directly or through COPE; unions and corporations can't legally contribute members' dues or shareholders' assets to campaigns for federal offices.

Apparently to give the appearance of independence, the retirees fund recently moved from MEBA headquarters near the New York waterfront to a small office in Washington, and to preserve that appearance the union shields the fund's five trustees from interviewers; though their names are known, the union refuses even to tell where they live. "This information isn't secret," President Calhoon's publicist explains. "It's just not available to the press."

MR. CALHOON AND MR. GREEN

What is available, though, is the record of political donations; by law, in reports to the clerk of the House of Representatives, a political treasurer must identify the source of all donations exceeding $100. These reports show, among other things, that MEBA's pensioners are giving more than are most of the union's highly paid brass.

President Calhoon, for one, isn't listed among the donors to separate, straightforwardly named political kitties sponsored by each of the two districts constituting the National Marine Engineers union. His salary last year exceeded $60,000, plus $15,473 in "retroactive pay." Vice President Charles A. Black (1970 salary: $68,851) parted with $120 for politics, not one dime more than pensioner Jimmy Green (1970 retirement income from the union: $3,780).

Moreover, the union's collectors rarely seem to tap themselves. John F. Brady, secretary of MEBA District 2 in Brooklyn (salary: $28,620) and treasurer of the district's political fund, listed no donations above $100 in his reports to the clerk of the House, not even from district president Raymond McKay (salary: $43,112 plus $20,671 for expenses). But Mr. Brady has on occasion collected more than $100 from widows whose dead husbands failed to pay political "voluntaries," as the union calls them, on time.

Among several cases that can be documented, Mr. Brady in 1969 collected $705 partly for his political fund and partly to pay union assessments, from Lorraine Clark, a widow in Oshkosh, Wis. He even issued a receipts—for political gifts that must by law be voluntary—in the name of her late husband, Otto Clark, a MEBA man who died months before.

In the same year, Mr. Brady required Jeanne R. Crehan of Kenmore, N.Y., to sign over a $325 check to the union before she could receive survivor's benefits following her husband's death. "Please have Mrs. Crehan sign this check and return it to the office," he instructed. The written reason: "Mr. Crehan didn't pay any voluntaries, and the $325 check represents voluntaries of $65 per year for the years 1964 through 1968 inclusive."

A SONG AND DANCE

Indeed, if voluntary means informed consent, no more than a small fraction of the union's vast political income can be so regarded. George Birmingham of Baltimore, an alert 81-year-old, does know that he's giving "to politicians who vote the way our lobbyists want them to." But talks with dozens of donating pensioners suggest that most don't know the political purpose.

Lawrence Henkel of Baltimore believes his annual $120 gift "pays for our doctors." Lionel Brown of Brooklyn assumes he's giving to some welfare fund: "I'm a union man and I listened to what they told me," he says. George Wansor of New York says he's donating "because the union came to me with a song and dance about hiring a lawyer to take care of our pensions." John E. Palmer, a pensioner in the Bronx, believes he's helping to buy eyeglasses or finance clinic care for other men; "It's got nothing at all to do with politics," he feels sure.

Some fraction of the retirees fund's expenditures ($30,560 of $294,312 last year) is indeed devoted to what the fund calls "nonpolitical purposes." But these purposes include large fees to friendly Senators who travel frequently to Baltimore for short speeches. In one six-month period, four Senators each earned fees (the largest, $2,500, went to Democrat Gale McGee of Wyoming) for imparting knowledge about maritime matters in brief talks to recruits at MEBA's training school there; delivery of just 905 words yielded $2,000 for Maryland Republican Charles Mathias.

MEANWHILE, BACK AT THE SEAFARERS

While the MEBA chiefs won't talk about their politicking, inside sources say they seem confident that the union's collection methods can withstand legal attacks. This confidence could be based on the respectful treatment that Congressmen and ranking Nixon men are still giving the Seafarers International Union, even though that union's political activities have run afoul of the law.

In June 1970, the Justice Department won indictment of the Seafarers on 17 counts of conspiring to violate the election laws. Among other things, the indictment alleged that foreign seamen were paying into that union's political fund (1970 receipts: $344,905) for the right to work aboard higher-paying U.S.-flag ships.

The union has denied the charges. In any case, all sorts of things have happened since the indictment to keep the Seafarers happy. Lawmakers authorized $475,000 to dredge a channel leading to the Seafarers training base at Piney Point, Md. More recently, a galaxy of big names—House Speaker Carl Albert, House GOP Leader Gerald Ford, Sen. Ted Kennedy, presidential aspirant Henry Jackson, Commerce Secretary Maurice Stans (President Nixon's chief 1968 fund-raiser)—all appeared at the Seafarers annual convention to embrace the union leadership or, in the words of Maritime Administrator Andrew Gibson, to praise it "for proving that labor unions are looking ahead for the welfare of the working man."

AMERICAN OIL LEADS THE WAY IN SOIL AND WATER CONSERVATION

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. COLLINS of Texas. Mr. Speaker, American Oil has been recognized by Petroleum Engineer as a pacesetter in conservation of our country's vital natural resources. American Oil received a first-place rating in the publishing company's environmental control development program for its aerated lagoons for treatment of industrial wastes and sewage.

We are proud that American Oil and the entire petroleum industry are continuing to develop new methods of protecting America against pollution. We also salute Petroleum Engineer for its program which makes available to the rest of the petroleum industry the innovations of companies such as American Oil, in hopes that other companies will follow their lead in making pollution in America a thing of the past.

The award to American Oil reads:

Aerated lagoons have become increasingly popular for treatment of industrial wastes and domestic sewage because of their reliability, simplicity, ruggedness, versatility and adaptability.

To improve quality and aesthetic characteristics of the effluent from aerated lagoons treating refinery process waste water, American Oil Co. conducted an extensive pilot plant program investigating several chemical coagulation and filtration or air flotation combination treatment processes.

Results indicated that a process comprised of chemical coagulation and filtration in a mixed-media filter would improve the aesthetic characteristics of the effluent while providing quality consistent with normal expectations for tertiary treatment.

Such a process was installed to treat 1400 gpm of aerated lagoon effluent at American's Yorktown, Va. refinery, and has been in operation since June. A study of the new facility is being partially financed by a research and development grant from the Water Quality Office of the Environmental Protection Agency.

As modified by American's research department, the process consists of a simple gravity filter plus ancillary facilities which include chemical addition and filter backwash equipment. The filter itself is a three media bed held in a concrete tank and supported by a porous bottom grid.

The media materials, anthracite coal, silica sand and garnet, are arranged according to size and density, resulting in a filter bed with decreasing interstitial spacing with depth. Such an arrangement is the reverse of that encountered in conventional single media filters and allows indepth filtration for more effective utilization of the bed volume.

Aluminum sulfate is added to the waste water stream as a primary coagulant immediately prior to the filtration step. Coagulation and flocculation of suspended solids take place within the filter bed where flocculated material is retained.

Material accumulated in the filter bed is removed by backwashing the filter automatically when pressure drop across the bed reaches a predetermined value. Solids, mainly biological cell material, are returned to the aerated lagoon to further enhance biological oxidation of dissolved contaminants.

Limited data obtained to date indicate that effluent quality targets for biochemical oxygen demand, suspended solids, oil and turbidity are all being met or exceeded, American says. Typical removal efficiencies experienced to date are biochemical oxygen demand—45%, suspended solids—90%, oil—60%, and turbidity—90+%.

SPEAKER CARL ALBERT CALLS FOR A PROGRAM OF ACCELERATED RURAL DEVELOPMENT, AND STEPS TO STIMULATE THE ECONOMY

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. EVINS of Tennessee. Mr. Speaker, I was most impressed with the excellent speech which was delivered recently by Speaker CARL ALBERT at the American Petroleum Institute in San Francisco, Calif.

I was especially interested in his review of the plight of our urban areas and in the Speaker's call for an accelerated program of rural development to strike at the roots of this problem—the continuing migration from rural to urban areas, and of the need for a program of rural development.

Because of the excellence of this address I insert the full text of Speaker ALBERT's address in the RECORD.

The speech follows:

SPEECH OF REPRESENTATIVE CARL ALBERT

It is a great honor to be on your program. Your organization is not only a major factor in the great industry to which it is oriented; it is also an important arm of the great American economy, the very heart and soul of which are tied to ever-increasing demands for sources of energy.

I am proud of the contributions which the petroleum industry has made to this nation. I am proud that I come from a great petroleum State, and of the leadership it has given to the production and development of the petroleum industry around the world.

I do not need to tell you how important this industry is to my own constituency. Nearly one-half of the gas and one-third of the oil produced in Oklahoma are produced in my Congressional District.

Your industry and the nation have moved into the last third of the 20th century. It might be profitable for us to reflect together on how critical these times are for the quality of life on this planet for future generations.

Change is sweeping the earth at a breathtaking rate. Old patterns of living, the stable institutions, the traditions and customs which charted the course of our lives a few decades ago, are slipping away. The onward rush of technology—the stunning advances in communication and transportation—threaten to make the world we know obsolete.

Our challenge is to find ways to control and channel the forces of change, to dedicate our ingenuity, our foresight, and our wisdom to the enhancement of the life of all mankind. The task before us is urgent, the sands of time running out.

Incredible as it may seem, we are systematically destroying the very elements of life from which we draw our breath and our sustenance. Unthinkable as it is, we go on waging destructive wars that solve none of our problems but instead degrade the species and the very quality of life on earth. We have learned to go to the moon but have not yet explored in full the possibilities for life on earth.

We are warned, most aptly I believe, that man has ceased to be a community dweller in this mass society and has lost the affinity with neighborhood that at once provides identity and identification. More than three-forths of all Americans are living on two percent of our available space, and by the turn of the century, there will be more than 300 million of us crammed into three teming metropolitan belts.

The effect of crowded urban life on the behavior of people is readily observable. Every form of crime, violence, and social dislocation is intensified. Paradox that it may seem, life is de-humanized under the weight of too many people, and the roots are laid for the alienation that has become the hallmark of the American psyche, to be reflected in our arts and our social criticism.

I need not recite in detail the tragedy that life in the inner cities has become. It is an all-too familiar story. We have attempted remedies—urban renewal, manpower training, community action, legal services—but each of these is a finger in the dike. Just as we have learned to divert rivers from their course to the service of long-range human goals, so we must face up to the need for a planned population dispersal to halt the inmigration which has made our great cities unlivable and unmanageable.

We attack a disease not in its symptoms but at its roots. And one of the roots is the fact that much of the proliferation of urban America over the last fifteen years has been the direct result of rural migration.

The simple truth is that rural America is in a state of disastrous decline. Across the breadth of this land abandoned farmhouses, shuttered storefronts, and decaying towns tell the sad story. One of every four rural dwellers lives in poverty today. Sixty percent of the inadequate housing in this nation is rural. More than 30,000 small towns have no water system, and 32,000 communities are without adequate waste disposal. Rural schools lack libraries, laboratories, and other facilities for quality education. Doctors are woefully scarce. Hospitals are antiquated and understaffed.

The spectre of unemployment, exceeding eighteen percent of the workforce in many areas, is the real clue to the decline of small-town America. While we have concentrated our efforts on the more publicized problems of the burgeoning cities, we have failed to provide any suitable alternative to urban life.

Today unemployment and welfare case loads are proportionately higher in the country than in the city and create insoluble problems where there is no growing tax base. The fourteen million poor in rural America are more than half of the nation's disadvantaged, and we will find no satisfactory solution to urban poverty so long as we ignore its counterpart beyond the city limits.

Simply put, we need opportunity in the country as badly as we do in the city, perhaps even more, for without it we cannot hope to stem migration into our urban centers. This means attracting industry. Once we make it economically feasible for industry to locate where the availability of manpower, energy supplies, and natural resources has not been enough to overcome the lack of transportation, we begin a desirable reversal of our demographic pattern.

Waterway development in my own part of the country—largely financed by the Federal government—is providing dramatic progress in that direction. Tax incentives, rural credit programs, development of waste disposal and water systems, wildlife development, and recreation are all tools at our disposal for the urgent task of revitalizing life in the great reaches of the land beyond metropolitan America.

I am also concerned that our hopes for the future will not be realized unless we turn our energies to the transformation of our lagging economy. It is my belief that we have failed woefully to apply our ingenuity to the integration of human needs with the imperatives of an increasingly technological industrial base as we approach the 21st century.

The natural flux of the marketplace has simply not provided jobs for men and men for jobs in a satisfactory way. With five million Americans suffering the tragedy of unemployment month in and month out, we are scarcely prepared for the projected addition of twenty million new workers to the labor force in the coming decade. While we have partially committed ourselves to government as the employer of last resort, we need other more permanent solutions—intensive retraining programs, incentives for industry to decentralize, experimentation with a shorter workweek, and long-range plans for economic conversion to reverse the disastrous loss of scientific and technical expertise from our aerospace and defense industries.

The professional and technical occupations are the fastest growing in America. Yet this summer some 75,000 scientists and engineers—five percent of the 1.2 million total—were jobless, and forecasts of 200,000 without work by year's end have been made. The winding down of the Vietnam war and successful arms limitation agreements threaten to accelerate the trend.

The distressing fact is that industries which have for years been dependent on aerospace and defense contracts are not preparing for conversion of their plant and personnel to the great range of civilian needs of the future. These companies, which have been highly successful in bringing together unique combinations of managerial and technical skills, could now be looking to other fields—low-cost housing, mass transit, pollution control, environmental planning, oceanic research, population distribution, health care, and public education, to name a few of the most important.

A massive government-industry partnership is mandated to undo the severe dislocation being caused by the transition in our economy. A program like this could be the key to the massive unemployment problem afflicting our country today. Every engineer put to work creates at least ten jobs in his wake, and an expansion of our minimal industrial participation in fields such as those I have enumerated could also provide the stimulation our lagging economy so badly needs.

Surely our hopes for the future are tied to the full utilization of our capacities and the full development of each individual to the limits of his potential. We cannot afford the idling of one-fourth of our industry, and the joblessness that follows. Inflation is only one facet of the overall problem, and a suspicion that the new economic policy will be neither stimulative nor creative of sufficient new jobs is reflected in the current uncertainty afflicting the country.

Consumers are not spending, capital spending by business remains low, and the decline of the stock market has been precipitous. I quite frankly do not believe we are on the road to satisfactory economic recovery yet, and while in the main the Congress is cooperating with the Administration in the implementation of wage and price restraints that we have so long been urging as part of the solution, I fear that we will find it necessary in the months ahead to devise more

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stimulative measures to get the economy moving.

The depth of our economic problem was reflected in the President's drastic attempt to reverse our deteriorating international trade picture. Faced with our first foreign trade balance of payments deficit in this century, and increasing uneasiness abroad over the stability of the dollar, the Administration's heavy-handed response could well trigger a trade war similar to ones in the past that have brought with them world-wide recession. If other nations' threats of retaliation are carried through, the import surcharge may blow up in our faces. It is unfortunate that our blunderbuss program has hit old friends and trading partners with the same force as the economic competitors it was aimed at.

Surely a little give on our part is due. An agreement to raise the price of gold, for example, would not cause us long-range damage and could serve as a symbol of our willingness to make some of the sacrifices necessary to solve our own problems. It might be morally justifiable to call in I.O.U.'s from trading partners, but it is unrealistic to expect them to shoulder the entire weight of our dilemma. We must keep in mind that whatever dislocations we are asking them to absorb in our behalf—devaluation, inflation, import surpluses in their own countries—are political liabilities for the party in power and could easily lead to their demise. Diplomacy is essential in this crisis, and the bludgeon simply will not do.

We must acknowledge that new forces are abroad in the world that we have to become accustomed to. Among them are the emergence of Japan and Germany as economic superpowers, the new muscle of the Common Market, the recent awarding of a United Nations seat to mainland China.

What has become most clear is our inability to control events. This may be for the good, for it places a higher premium on skillful diplomacy and reduces the tendency to resort to the threat of force, which all too often has been a prelude to war. We need not despair to learn we are not omnipotent. But we need to stop acting as if we believe we are.

We have learned to live in a world in which the nuclear standoff between ourselves and Russia has created not a reign of terror but rather a strange sort of stability. The same could be true with China. We must look behind the revolutionary rhetoric to determine what this backward nation's real needs are, and I predict—or at least I hope—that its evident eagerness to join the world organization foreshadows that it will be a considerably less belligerent member than expected.

I was of course disappointed at the expulsion of our Taiwan allies. Besides my displeasure at this summary treatment of a longtime friend, I do not like the establishment of such a precedent in a world body necessarily predicated on universality if it is to have a chance to accomplish its aims. But if we are going to be a part of the community of nations in which we expect others to abide by the votes of the majority, we cannot walk away from an action we do not like as a petulant child would do.

The United Nations was not founded as an instrument of American policy. Nor does the admission of mainland China make it a tool of worldwide Communism as some have charged in the heat of the moment. Belgium, Holland, England, France, Ireland, Italy, Sweden, Denmark, Norway, and Canada rejected our two-China stand, and it is hard to believe that a list including such democracies and allies as these would align themselves against the forces of freedom.

The simple truth is that a majority of the nations of the world—many of them already engaged in trade and diplomatic relations with Peking—were no longer willing to go on pretending that the future could be made secure with one-fourth of the world's people unexposed to the persuasion and pressures of our only international forum. A deoating society it is, as some of its severest critics aver, but how much more civilized to thrash out international disputes through words rather than bullets!

I sincerely believe that the deep yearning for peace, so evident across the breadth of America today, mandates a continuing quest in every bilateral and multilateral forum available. The true test of our fitness for international leadership lies in the days and months ahead.

And in addition to the overriding issue of war and peace, we are confronted with a growing range of problems that are of multinational concern rather than ours alone. The international drug traffic, pollution of the atmosphere and oceans, the exploration of space—all, like peace, affect nations without regard for boundaries. The days when we could retreat comfortably into isolation are long gone. We must now face up to reality and gird ourselves for the challenge of living and competing in a transformed world.

The new realities impinging on our lives are not the concern of government alone. Citizen-action groups are mobilizing and participating in the political process in unprecedented numbers. Their effectiveness is demonstrated in court decisions and in the shaping of public-interest legislation.

The new public concern being demonstrated by American corporations fits into this picture. There has been in recent months a gratifying involvement of businessmen in community affairs, an involvement that is not based on self-interest but a deeper conviction that our fates are all intertwined for better or worse in a rapidly contracting world.

Such signs portend that we will not let the future overtake us. We are aware of the problems and prepared to accept the challenge.

We know we need reform of institutions, the reallocation of resources, the rearranging of priorities.

We are attempting to broaden our political life and bring government closer to the people.

A broad-based partnership is forming, and this joining of hands between government, business, and the public bodes well for our future. Such an alliance can be the energizing force in the restructuring of the American community—for liveability, breathing space, healthy environment, wholesome recreation, decent housing, quality schooling, and a life of abundance at work and at leisure. The face of our world is changing, and I have confidence that we have the will, the wisdom, and the capacity to shape it to accord to our own vision of the future.

LATIN AMERICANS SUPPORT LATF PROGRAM

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. FRASER. Mr. Speaker, I am honored to have served for the past 3 years as a member of the National Advisory Board of the Latin American teaching fellowships program, Fletcher School of Law and Diplomacy, Tufts University. I note with interest that my distinguished colleagues in the Congress, the gentlemen from Massachusetts (Mr. MACDONALD and Mr. MORSE), the gentleman from Florida (Mr. FASCELL), the Senator from New York (Mr. JAVITS), and the Senator from Idaho (Mr. CHURCH) are also supporting the LATF program by serving actively as members of the Board.

I would like to place in the RECORD, for the benefit of my fellow Members and all others interested in U.S. relations with Latin America, a copy of the October 25, 1971, letter I received from Lic. Jorge González Chávez, director of academic programs at Mexico's distinguished Instituto Tecnologico Autonomo.

Lic. Chávez's letter is particularly timely since there is today great concern within our Nation concerning our foreign assistance programs. The letter strongly suggests that foreign aid programs—and I believe this applies to all programs, governmental, private, and mixed—must interact with local institutions in a plan that has been defined by the local institution and which is implemented under their direction. This approach has been the hallmark of the innovative Tufts' program. It is worth noting that while many programs in Latin America have been cut back, the LATF program has been expanded by 550 percent during the last 3 years.

I am pleased that two of my constituents are currently participating in this unique program. Mrs. Kathy Schminsky of Minneapolis is teaching at the Universidad de Simon Bolivar, the splendid new university in Venezuela. In the short space of 3 years this institution has established itself as one of the foremost centers of scientific and technological studies in South America.

Mr. Gary Maybarduk, also of Minneapolis, will begin his 3-year assignment with LATF next month.

Our foreign assistance effort is at a crossroad. As we consider which path we will follow, we must look carefully at those privately developed and sponsored programs that have succeeded so brilliantly. We can learn much from them.

Two programs, both out of Boston, historically a center of Yankee ingenuity, come to mind—LATF of the Fletcher school and LASPAU, which David Henry of Harvard has developed so successfully. I am pleased to place in the RECORD, Lic. Jorge González Chávez' letter. Let us not ignore his statement that "such programs as LATF are widely supported."

The letter follows:

INSTITUTO TECHNOLOGICO
AUTONOMO DE MEXICO,
October 25, 1971.

Hon. DONALD FRASER,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN FRASER: While relations between our countries are quite low at the moment, I find one note of optimism. For some time we here at the Instituto Téchnológico Autónomo de México (ITAM) have had professors from the Latin American Teachers Fellowship (LATF) program, which is administered from the Fletcher School of Law and Diplomacy of Tufts University. We are very impressed with the program because its representatives have made a positive impact on our Institute.

Two members of the program stand out. First, Mr. William Cloherty has been in touch with us for a number of years and has done a difficult job well. Second, Mr. Robert Bezdek has been teaching at ITAM since March of this year and has impressed us with his ability to communicate. He has organized conferences, movies, and made outside contacts for us. In addition, Mr. Bezdek has given many talks on various topics in Mexico City, Pachuca, Xalapa, Veracruz, Culiecán, Hermosillo, and Mazatlán. Since he is introduced not only as a LATF professor but also as a full-time professor from ITAM, his speaking tours add to the Institute's prestige.

If you have a chance to visit Mexico, please drop by for a visit.

Hoping that such programs as LAFT are widely supported, I remain

Sincerely,

LIC JORGE GONZÁLEZ CHAVEZ,
Jefe de Servicios Académicos.

VETERANS' ADMINISTRATION PHYSICIAN, EDWARD D. FREIS, M.D., RECEIVES LASKER MEDICAL AWARD FOR HYPERTENSION CLINICAL RESEARCH

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. TEAGUE of Texas. Mr. Speaker, throughout the extensive VA hospital system there are currently about 5,000 ongoing medical research projects to help broaden man's knowledge to help save and prolong the lives of tens of thousands of people.

Mr. Speaker, in New York on Thursday, November 11, 1971, an outstanding physician, Dr. Edward D. Freis of the Veterans' Administration's Department of Medicine and Surgery, who is currently on the staff of the Washington, D.C. Veterans' Administration Hospital, received national recognition for achievements in medical research. At that time, before an assembled group of many of the leaders in American medicine and health care, Dr. Freis was presented the Clinical Research Award of the Albert and Mary Lasker Foundation for his work in demonstrating the lifesaving effectiveness of diagnosis and treatment of one of the most common forms of heart disease.

It is of interest to note that this highly coveted award to biomedical researchers was established in 1946, and that 22 winners of this award have subsequently received Nobel Prizes for their work.

The basis for the award to Dr. Freis, and the method in which the research was planned and carried out is an outstanding example of the capacity of the health care system of the Veterans' Administration to do what no other single health care system or institution in America can do. By utilizing the staff and facilities of its 166 hospitals, 202 clinics, and 73 nursing homes, that system has the unique capacity for cooperative research. Through this system, studies of the efficacy of the clinical use of various professional techniques and/or therapeutic drugs can be carried out in the shortest possible time with a maximum of accuracy, a minimum of expense, and be made available for immediate use. As a result, this knowledge can not only be applied to the life-saving care and treatment of veterans, but can subsequently be made available to all people through the scientific community of this country and the world.

The following wording of the Citation awarded to Dr. Freis details his outstanding achievement:

CLINICAL RESEARCH AWARD PRESENTED TO EDWARD D. FREIS, M.D. SENIOR MEDICAL INVESTIGATOR, VETERANS' ADMINISTRATION HOSPITAL, WASHINGTON, D.C.

Dr. Freis has demonstrated the life-saving effectiveness of the use of drugs in the treatment of moderate hypertension, and the dramatic reduction of deaths from stroke and congestive heart failure, which can be realized when blood pressure is kept within normal limits.

Hypertension—or high blood pressure—is a leading cause of stroke. Stroke, in turn, kills over 200,000 Americans a year, and is the third leading cause of death in our country.

Hypertension affects almost 23 million Americans, and is a major public health problem.

Dr. Freis has been working on hypertension for over 25 years. His recent contribution has been the definitive study and demonstration of the fact that even *moderate* hypertension is dangerous, and should, and *can* be treated successfully.

In 1964, Dr. Freis, with his colleagues in the Veterans Administration, set up the V.A. Cooperative Study Group on Antihypertensive Agents, for moderate hypertension. The results of this five-year, 17-hospital study, established two major points:

1—That drug treatment for moderate hypertension reduced the death rate by more than 50%.

2—That drug treatment is 67% effective in preventing major complications which arise from cases of even moderately high blood pressure. These complications include, among others, strokes, congestive heart failure, and kidney failure.

Dr. Freis' study offers a momentous opportunity to clinical medicine.

It is an exemplary demonstration of the potential of preventive medicine for saving and prolonging the lives of tens of thousands of Americans. The results of this work justify his belief that with continued and intensive efforts, we can control all of the major cardiovascular diseases—the number one killer of our people.

For, Dr. Freis' dedication and persistent leadership toward this goal, this 1971 Albert Lasker Clinical Medical Research Award is given.

It should also be noted with great interest by those concerned with the question of bridging the gap of scientific knowledge between the laboratory and the bedside, that Dr. Freis, in his acceptance speech, in the great tradition of American medicine, called for a major effort in this area. He stated:

Thank you on behalf of myself and all of those who have made this advance against hypertension possible. Amazingly the conquest of this most common of diseases has received little public attention. Yet, if we apply the knowledge we already have we can control moderate hypertension now.

There are literally millions of Americans who do not even know that they have high blood pressure. There is, therefore, the need to develop adequate mass screening for the detection of hypertension as well as more effective programs in public education.

How may these goals be achieved? Firstly, by a greater effort on the part of national and local governments to provide facilities and personnel for the detection and treatment of hypertension in the general population. Secondly, the news media, such as television, radio, newspapers and magazines should publicize effectively the simple truth that hypertension now is a controllable disease. This is a real challenge for creative journalism. Thirdly, volunteer health agencies should actively lead and guide this effort. The problem is one of public education and it is too big to be left entirely to the practicing physician.

There is still another problem which requires public attention. Although the drugs we have today are good they are not ideal. None is effective in all patients and none is entirely free of side effects. However, no new anti-hypertensive drugs have been approved by the Food and Drug Administration in the past 10 years. This is in striking contrast to the situation in Europe where several new drugs have been introduced recently and are being used with benefit by European physicians. Because the American pharmaceutical companies are finding that drug research in hypertension is a frustrating and unprofitable enterprise, their great talents and know-how are in large measure being directed into other channels. Informed public opinion is needed to restore a climate in the FDA where new drug research in hypertension will be encouraged rather than discouraged.

Recent surveys have shown that only 20% of the patients with persistent hypertension in the United States are receiving effective treatment. This fact points up the real need for mass screening and detection of hypertension in its early stages; for intensive public education; for provision of adequate treatment facilities; and finally, for a concerted research effort to develop even more safe and effective drugs than are available today.

Mr. Speaker, I want to take this opportunity to publicly congratulate Dr. Freis and the Veterans' Administration on this outstanding achievement, and I hope that it will be possible to expand these research programs in the future so that this great work can be accelerated.

CONGRESSMAN CHARLES B. RANGEL'S STATEMENT ON SICKLE CELL ANEMIA LEGISLATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. RANGEL. Mr. Speaker, I commend the Subcommittee on Public Health and Environment of the House Committee on Interstate and Foreign Commerce on the opening of hearings on a dread disease which victimizes the black community—sickle cell anemia.

It is imperative that Congress act promptly to enact legislation committing the Federal Government to a massive program of detection, treatment, and research. While one out of every 500 black babies born in our country dies from sickle cell anemia before their 20th birthday, we have been forced to rely on the goodwill and bigheartedness of the Department of Health, Education, and Welfare for any Federal funding. It is time for Congress to awaken from its hibernation and earmark funds for sickle cell anemia programs.

On Friday, November 12, I submitted a statement to the subcommittee detailing the need for sickle cell anemia legislation and discussing several feasible mechanisms for carrying out a Federal commitment.

The statement follows:

STATEMENT OF CONGRESSMAN CHARLES B. RANGEL

Mr. Chairman, I appreciate this opportunity to present my statement to the Subcommittee on Public Health and Environ-

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ment in support of legislation which would commit the federal government to an all-out fight against deadly sickle-cell anemia.

Unfortunately, it is common for the Congress to belatedly acknowledge the problems of the poor and minority groups in the United States. Look how much time was required to enact lead-based paint poisoning prevention legislation or to fund bilingual education programs. Earlier this month, the House of Representatives killed the ethnic heritage studies provision of the Higher Education Act.

That is why these hearings are such a promising step. We in the black community have waited a long time for Congressional action. We watch one out of every 500 black babies born in the United States die from sickle cell anemia by the age of twenty. We see 10% of the black population in this country carrying the sickle cell trait genetically with inadequate means of detection of the trait.

In human terms, what we have experienced can best be described by the graphic tragedy of one patient which appeared in the October 1971 issue of *Ramparts Magazine*:

She is twenty-four years old and has been in the hospital eighteen times. She would get tired easily ever since she was a child; she did not develop as rapidly or as well as the other children; she would often get colds and more respiratory infections. At age seven her tonsils were removed. At age eight she was hospitalized for a month with severe joint pain, fever, and heart murmers, diagnosed incorrectly as rheumatic fever. At twelve she developed ulcers on both ankles which would not heal, even now, twelve years later. She then began having periodic attacks of severe, incapacitating pain in her bones and joints, her back and her abdomen. These "crises" would last about a week, leaving her exhausted, weaker than ever, and sore all over.

When she was fourteen her appendix was removed. At sixteen her spleen was removed. In the last eight years she has had six more hospital admissions for the treatment of her recurrent leg ulcers which have eaten down to the layer of muscle and bone. Two admissions for pneumonia, two for long episodes of fever, chills, night-sweats and diarrhea. Now she tells you, she is urinating blood and her belly is swelling like a balloon and her heart, her doctors have told her, is too big and is getting tired.

She cannot sleep lying down, but only on three pillows, and she wakes up at night gasping for breath. Her eyes have been yellow for six years and her liver, she knows, is not working right. In her life she has received (if she remembers right) eighty-six transfusions of whole blood.

Research has been painfully slow. Dedicated physicians such as Dr. Roland B. Scott and Dr. Angela Ferguson of Howard University have labored for twenty years, hampered by a lack of critically-needed funds.

We have neglected this killing disease for too long. That is why this legislation before you is so important to millions of Americans, many of whom have already given up any hope of substantial federal action. The slashing of $6,000,000 earmarked by the Senate to fight sickle cell anemia by the House-Senate conference on the H.E.W. appropriations this past summer is a perfect example of our misguided priorities. We callously refuse to fund sickle cell anemia detection, treatment and research yet we enact the military procurement appropriations with scarcely a dissenting vote.

H.R. 10932, my bill to establish a National Sickle Cell Anemia Institute, and H.R. 11171, Congressman Fauntroy's bill of which I am a cosponsor to establish a sickle cell anemia prevention program, are now before the Subcommittee. Each attempts to deal directly with the problems of sickle cell anemia, rather than leaving programs up to the discretion and goodwill of the Secretary of Health, Education and Welfare.

The National Sickle Cell Anemia Institute would conduct and support research programs for the diagnosis, treatment, and prevention of sickle cell anemia and would provide training and instruction in related matters. In addition, it would provide a nationwide screening program for school-age children and set up, with adequate funding, community counseling and education services. An advisory council would be appointed by the Secretary of Health, Education and Welfare to advise, consult with and make recommendations to him on matters relating to the Institute. Finally, the Institute would assist the Secrteary of Defense in screening GIs for sickle cell anemia and its traits.

H.R. 11171, the National Sickle Cell Anemia Prevention Act, would empower the Secretary of H.E.W. to make grants to and contracts with public and non-profit private organizations to set up and operate voluntary sickle cell anemia screening and counseling programs and to develop and make available educational materials relating to this dreadful disease. He may also fund demonstration programs. Public Health Service facilities would be made available for screening, counseling and treatment services. Further, the Secretary would prepare an annual report to Congress on the implementation of this legislation. The Secretary of Defense would be required to promulgate rules and regulations for the voluntary counseling and screening of servicemen and civilian Defense Department personnel, as well as potential enlistees and draftees at Armed Forces examining and entrance stations; he, too, would annually report to Congress and make recommendations for additional legislation.

A critical section of H.R. 11171 is the mandate to the Veterans Administrator to notify veterans of the availability of voluntary screening, treatment and counseling programs and to furnish care to eligible veterans.

I cannot stress strongly enough the vital nature of the military and veterans provisions in these two bills. Today, a young man with braces on his teeth is exempt from the military draft, but a young man with sickle cell anemia is still considered suited for military duty. What this means, in down-to-earth terms, is that young draftees and enlistees continue to die shortly after going on to active duty. The *New England Journal of Medicine* on May 14, 1970, recounted the heart-rending deaths of four young men in basic training. The Army had made no attempt to determine whether or not they had sickle cell anemia, and this criminal negligence resulted in their death. It is time for the Congress to tell the Defense Department that our prime concern must be the health of the individual serviceman, that all necessary steps to preserve that health must be taken, and that no American should be forced into military service if that service poses a tangible and lethal danger to his health.

Mr. Chairman, I do not view these two bills as contradictory. Rather they supplement one another. Therefore, it is my recommendation that the Subcommittee give serious consideration to combining the two bills. Specifically, I urge you to establish a National Sickle Cell Institute within the National Institutes of Health to assure black Americans of a Congressional commitment to defeat this disease. The Institute should be endowed with the powers enumerated in H.R. 10932 and H.R. 11171, with special emphasis on treatment and screening of schoolchildren, GIs and veterans. It should be funded annually with a minimum of the $30,000,000 authorized in H.R. 11171. The Institute should assist the Secretary of Defense and the Veterans Administrator in establishing their own voluntary programs, providing technical and professional assistance where necessary. Annual reports to Congress should be required since it is imperative that Congress be fully aware of the progress and difficulties of the sickle cell anemia programs.

Congress must make a pledge now that it will wage war against sickle cell anemia until every citizen of this country can live free of fear that he, or his children, or his friends, will be stricken by the disease. We must guarantee all Americans the best medical care available. Favorable action by the Subcommittee on Public Health and Environment is crucial if we are to make rapid progress in our struggle against sickle cell anemia.

NORTHERN IRELAND

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. TIERNAN. Mr. Speaker, the increased inhumane brutality taking place in Northern Ireland concerns me greatly. Recent reports from Amnesty International, a private organization which acts on behalf of political prisoners around the world, indicate that men being detained in Northern Ireland have been subjected to "savage beatings" and torture. The organization called for an international commission of inquiry on the basis of violations of the Universal Declaration of Human Rights.

When brutality charges were made earlier this fall, the only public response by Prime Minister Faulkner and Prime Minister Heath was that they doubted the validity of these reports. In token response they appointed an official British commission to look into the situation.

Yesterday the investigating team rejected the brutality charges, while admitting that some of the men arrested under internment had suffered calculated "ill-treatment." I do not know how far one must go before these men would consider it brutal treatment, but I personally feel that the following are acts of extreme inhumane brutality: Subjecting men to deprivation of sleep; standing anywhere from 9 to 49 hours while leaning on their hands, legs apart, against a wall; constant exposure to a high-pitched sound for days on end; a bread-and-water diet; and being hooded with a sack or opaque bag throughout the 2- to 4-day period of interrogation.

A relative of mine from Northern Ireland recently wrote that—

> A young teacher, father of five with no politics except civil rights, was taken from his home at 4 a.m. and for 12 days the authorities refused to tell his pregnant wife where he was. Finally, when she was allowed to see him he was almost unrecognizable and a physical wreck.

This too, I maintain, goes beyond simple "ill-treatment."

The brutality, of course, is not limited to one side. The two cases in which young women were tied to lamp posts, had their heads shaven and then had tar poured over them were repulsive. The tension in Northern Ireland has apparently reached the point when no action, no matter how brutal, is ruled out. Unless Prime Minister Heath acts and acts now, no life will be safe.

First and foremost there must be an immediate end to the internment policy. Until this is done, there will be no chance for peace to return to the streets of Northern Ireland. And until peace returns, it is unlikely that the serious political, economic and social problems which exist will be resolved.

EDUCATORS HAVE NEW RESPONSIBILITY WITH 18-YEAR-OLD VOTE LAW

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. KEMP. Mr. Speaker, now that our young citizens, barely out of high school, will be casting their votes, eventually, in every election, it is imperative that our schools develop curriculums to prepare the future voters for their responsibilities.

I am happy to say that Miss Kathleen Louise O'Brien, eighth grade history teacher at Public School No. 63 in Buffalo, N.Y., is one teacher who sees the need for this type of instruction. American history students in her class have spent 3 weeks studying the three branches of the Federal Government. As a result, the children were interested in becoming actively involved in the democratic process. I received a letter from every student as a result of their desire to become involved.

Mr. Speaker, the letters covered a wide range of issues and will take some time to answer. However, to set a good example for other educators who might read these remarks along with my colleagues, I have selected some of the letters to insert. These show that Miss O'Brien has obviously done an outstanding job in stimulating their interest and concern in the workings of government. The letters follow:

BUFFALO, N.Y.,
October 8, 1971.

Congressman JACK KEMP,
Washington, D.C.

DEAR SIR: My name is Keith Sharples. I'm in public school 63 in the eighth grade.

My letter is about, well you know how there is all this urban renewal in Buffalo that in the good neighborhoods there is hardly no place to play, most of the times when we want to play in the school playground we get hollered at. They are also going to take down central park for apartment housing then we will have no place to play.

Well I hope you can do something about this.

Thank you,

KEITH SHARPLES.

BUFFALO, N.Y.,
October 8, 1971.

Congressman KEMP,
Washington, D.C.

DEAR SIR: My name is Kathy LaLonge and I am an eighth grader of Public School No. 63. My principal's name is Mr. Axlerod, and my Social Studies teacher's name is Miss O'Brien.

I am concerned about the High Schools and all the trouble that has been going on. The kids who are getting hurt because of color. I know you can do something about it.

Thank you sir for at least reading my letter. I know you have thousands of letters to read and reply to. I'm sure you'll take action.

Thank you,

KATHY LALONGE.

BUFFALO, N.Y.

Congressman JACK KEMP,
Washington, D.C.

DEAR CONGRESSMAN KEMP: My name is Michelle Houck I am an 8th grade student at public school #63. Our principal is Harold D. Axlerod.

We are studying the American Government in our Social Studies class. Our teacher, Miss O'Brien, has assigned the class to write a letter to our Congressman. Our school is on Minnesota Ave. and lies in the 39th district, therefore you are the Congressman I must write to.

Congressman Kemp, how would you control tension and racism in the Buffalo schools? What can we do to teach students in the schools that there should be no difference in race or nationality?

I'd like to thank you for looking at my questions and wish you much luck as a Congressman in the future.

Sincerely,

MICHELE HOUCK.

BUFFALO, N.Y.,
October 8, 1971.

Congressman JACK KEMP,
Washington, D.C.

DEAR JACK KEMP: Hello, Mr. Kemp. My name is John Bauer. I live at 211 Shirley Avenue. I am thirteen years old and concerned with some state problems. I am concerned with air pollution and water pollution. There are two major problems which are killing life. Air pollution is killing people; they are getting bad eyes, and it is getting into their lungs, and it is irritating them. They don't want to walk around and breathe all this bad air. Then there is water pollution which is killing our fish and fish is a popular food. It is killing a sport which I love fishing; there are no good spots anymore, some but not many. It really isn't hard to stop this if you could get factories to do something with smoke. Invent something so that they could use it over again.

Well, this is about all I have to say. I just wish you could do something about this so it wouldn't irritate people and we could fish again. Then it would be America the Beautiful.

Your friend,

JACK BAUER.

BUFFALO, N.Y.,
October 4, 1971.

Congressman JACK KEMP,
Washington D.C.

DEAR SIR: I am an eighth grader. This is an assignment. We are supposed to write on how you are doing. What you think of the Bills and the new stadium?

I wanted to ask you about what you are doing about summer Little League. What I mean to say is that every Little League in our district is run by the city execpt Ken Little League. They say we will have a field by next year. But they have been saying that for thirteen years. But now at least they have plans. It is now October and they have not even leveled it off or other wise plan grass. My father is vice president. Would you see what you could do.

Thank you for reading my letter and for an answer.

Yours truly,

SCOT GOWANS.

BUFFALO, N.Y.,
October 4, 1971.

Congressman JACK KEMP,
Washington, D.C.

DEAR SIR: I am Patty Carrington, an eighth grader at P.S. #63. My principal is Mr. Harold D. Axlerod and my Social Studies teacher is Miss O'Brien.

I am a concerned student here at school 63, and I have a problem that is quite important to me. As I am studying the American government right now in Social Studies class, I thought that you, as a representative of my own district, might be able to answer it. My own particular concern is violence. Lately there has been too much violence and too many riots everywhere. Violence in the schools especially bothers me, since the school that I'd been planning to go to when I graduate has had "trouble" lately and now I'm undecided on where to go. Have you any plans to curb violence and unrest in our schools and cities? Any laws that you're planning to enforce or any new amendments that you may introduce?

Thank you very much for taking the time to read this letter.

Yours truly,

PATTY CARRINGTON.

BUFFALO, N.Y.,
October 8, 1971.

Congressman JACK KEMP,
Washington, D.C.

DEAR CONGRESSMAN KEMP: I am an eighth grader of Buffalo Public School No. 63. You probably know this area as the University District. Our Principal is Mr. Harold D. Axlerod, who is a very competent man at his job. We have very fine teachers here and I am glad to be a member of this school.

The reason I am writing to you is this: Here at school we are studying American history and government. I am very interested in this subject and enjoy the various historical parks and forts in New York State, especially the ones that have to do with the Revolutionary War. The 200th anniversary of our country is coming up and many revolutionary battles were fought here in New York State. I was wondering if any special celebrations such as reconstructions of battles and exhibitions will be held in the areas where battles were fought between the British and Americans, during the revolution, in the years 1975–77. If not, are you doing anything for the situation? You should be. It's a good idea.

I appreciate your reading my letter and do sincerely hope that things are planned for the years 1975–77. I think you are a fine Congressman and appreciate the work you are doing to help our area and the country. Thank you very much.

Sincerely,

JOHN FITZWATER.

WASHINGTON SUMMER INTERN PROGRAM

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. ESCH. Mr. Speaker, as did a number of my colleagues, I participated in the University of Michigan's Washington summer intern program. I found the program to be both very worthwhile for my intern and very useful to the office. I should like to share with the members of the House an evaluation of the program.

The University of Michigan summer internship in Washington program was

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organized in 1970. Its purpose was to provide an opportunity for students to gain insight into the operations of our Federal Government by placing them in the offices of Congressmen, Senators and executive agencies. Similar programs have been conducted at such schools as Stanford, UCLA, Berkeley, Wellesley, Mount Holyoke, and Smith.

Over 400 students applied to the University of Michigan program. The 400 applicants were interviewed individually by interns who had participated in preceding years. Through the results of the interviews and on the basis of the information on the application, 100 students were selected to submit résumés to the program. The final selection of interns was made by the individual offices.

Work in congressional offices included regular clerical work, as well as more demanding duties such as answering constituent mail and researching and evaluating special bills. Agency positions provided a variety of office work as well as a number of research projects. Unlike the 1970 program, the one this past summer also expanded into the offices of public interest groups and the mass media. These two types of offices offered yet another view of how our Federal Government functions.

It is agreed by almost all who have participated that the program is a success. For the interns the program affords a unique vantage point from which to monitor the inner working, the political personalities, and the output of at least some segment of the Government. A majority of interns feel that while before they may have intellectually understood some of the problems of the governmental process, the intern programs gave them a chance to realize on an emotional level the necessity of dealing with both ideals and practicalities. Perhaps more than anything else, the program gave the students personal, practical experience which provided insights into government beyond detached academic studies. As one participant says:

> I am leaving Washington with numerous new acquisition . . . I know the capitol building as a second home. I have met some of whom I feel are the most brilliant people in our country while at the same time coming across those as equally unqualified yet holding important positions. The word "congressman" now takes on a personal meaning—the role and how he fulfills it are within my understanding. I am beginning to understand how the citizen fits into the democratic set-up and know how he can best fulfill his political desires beyond voting. But most importantly, I now better understand the meaning of the word "politics."

For the offices in which they worked the intern program was also very worthwhile. The interns not only helped relieve the workload but also contributed to the constructive ideas of the offices in which they worked.

Beyond the mutually beneficial values for the students and offices, the intern program is of significant value to the university. In the very fact that it exists, the program helps the university fulfill its primary function of providing students with a worthwhile educational experience.

For all concerned then, the university's Washington summer intern program has been of great value. I commend those in the university who have developed and coordinated the program, and sincerely hope that it will be continued in the future.

THE IRRESPONSIBLE FHA

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mrs. GRIFFITHS. Mr. Speaker, on October 14, I submitted for the RECORD a Detroit News article written by Mr. Don Ball. The article concerned the irresponsibility of management in the FHA which has enabled HUD to acquire 3,000 vacation homes in the city of Detroit at a cost of $3 million.

This mismanagement, however, extends beyond fiduciary irresponsibility. Nearly 1,000 vacant Detroit homes have been damaged or destroyed by fire so far this year. Most of these homes are owned by HUD. Besides expending $250,000 to fight these fires, the Detroit fire department has suffered injuries to 56 of its members. The possibility of future vacant home fires threatens the lives and property of entire Detroit neighborhoods.

Today, I submit for the RECORD a second article by Don Ball indicating how serious and dangerous this problem has become for the city of Detroit. The FHA has not confined its irresponsible management to the city of Detroit, however, and I urge my colleagues to read this article in order to understand the necessity for immediate action to correct this national problem.

The article follows:

[From the Detroit News, Nov. 10, 1971]

DETROIT PLAGUED BY FIRES IN VACANT HOMES

(By Don Ball)

Nearly 1,000 vacant Detroit homes have been hit by fires so far this year—a rate greater than all such fires in 1970 when the total reached 860.

The fires have ranged from superficial blazes to multiple alarms which damaged adjoining homes. With few exceptions the fires were set by trespassers in the empty houses.

Joseph J. Deneweth, executive chief of the Detroit Fire Department, said yesterday:

"Empty houses pose serious fire hazards to residents in many neighborhoods and already have cost the department an estimated $250,000 in unnecessary operational expenses.

"We've had 56 firefighters injured so far this year putting out fires in empty houses, many of which would have been torn down anyway.

"I'm afraid that we'll have some persons killed, either citizens or firemen, if something isn't done about the increasing number of fires in vacant houses in the city.

"Because of the large number of vacant houses on some streets, a whole neighborhood could be swept by a fire which got out of control before it was spotted."

Many of the vacant homes hit by fires so far this year belonged to the U.S. Department of Housing and Urban Development (HUD) as the result of foreclosures on FHA-insured mortgages.

HUD owns dozens of empty houses on some east side Detroit streets.

A substantial number of vacant houses damaged by fires this year were properties of real estate investors who have been unable to find buyers for them since HUD tightened FHA procedures earlier this year.

With few exceptions, the fire-damaged houses have been empty for many months.

Fire Department reports show:

There were fires in 888 empty Detroit homes by Oct. 1 of this year—28 more than the total last year.

More than half of the fires this year apparently were started by children playing with matches.

Fires in some 190 vacant houses were believed by investigators to be the work of professional arsonists, presumably in an effort to collect fire insurance.

At least 14 percent of the fires this year in empty houses were attributed to tramps and thieves.

Typical of the fires was the one last week which swept through three houses on Fairview, just north of Jefferson, on Detroit's east side.

The fire started from an "undetermined cause" around 9 p.m. in the empty house at 1557 Fairview and spread to HUD-owned houses which flanked it on both sides, according to a Fire Department report.

The house where the fire started was gutted. The HUD homes were damaged severely.

Residents in neighboring homes had to be evacuated until the blaze was put out. Their homes also suffered fire damage.

Most of the homes and apartments on the street are occupied and well kept. The three houses had been vacant for more than a year and had been vandalized a number of times.

Residents had complained repeatedly to government agencies that the homes were open to trespass and were a danger to the entire neighborhood.

There also had been an earlier fire in the home at 1557 Fairview.

The residents' complaints brought no response from the government agencies.

The histories of the three vacant houses are typical of the empty houses found throughout Detroit's east side.

The home at 1557 Fairview was bought by a private investor for $4,000 in March 1970 and has been unoccupied since then. The owner has a $3,500 loan on the building from a mortgage company.

The city Department of Buildings and Safety Engineering was preparing an order for the demolition of the house as a "dangerous building" at the time of last week's fire.

The home at 1551 Fairview was bought for $9,500 by Charles E. Williams with an FHA-insured mortgage in August 1967. Williams abandoned the home after the death of his wife and HUD repossessed the house last February.

HUD planned to tear the house down but had not let a contract by the time the fire hit.

The home at 1563 Fairview was bought by a welfare family for $9,000 in September 1969. The family defaulted on the FHA-insured mortgage and HUD repossessed the house on Sept. 11, 1970.

Last January, HUD officials "programed" the house to be torn down.

Actual demolition of the house had not started when the fire hit last week, 10 months later.

TRANSFER OF POSTAL PROPERTIES CREATES NEW PROBLEMS IN IMPACT AID

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. PUCINSKI. Mr. Speaker, earlier this year when the U.S. Post Office went out of existence and the U.S. Postal Service came into being, practically all Federal post office buildings were transferred to this new corporation. One of the unexpected results of this transfer, we have discovered, is that more than 700 school districts will receive reduced payments or no payments at all under the impact aid program for this school year.

Mr. Speaker, yesterday I introduced H.R. 11809, a bill to give these school districts a temporary reprieve, a 2-year grace period, before their payments are reduced or terminated. I am pleased to announce that I was joined in introducing this bill by Mr. PERKINS, Mr. WILLIAM D. FORD, Mr. MEEDS, Mr. HAWKINS, Mrs. MINK, Mrs. CHISHOLM, Mr. BIAGGI, Mrs. HICKS of Massachusetts, Mr. MAZZOLI, Mr. BADILLO, Mr. BELL, Mr. VEYSEY, Mr. PEYSER, Mr. DENT, and Mr. GAYDOS.

Under Public Law 874, commonly known as the impact aid program, school districts are eligible to receive Federal assistance on the basis of students enrolled in their schools whose parents live or work on Federal property. "Federal property" is defined in the act as "real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivision of a State or by the District of Columbia." Section 303(1)(B) expressly provides for a "grace period" to a local school district after Federal property has been sold or transferred by the United States. This provision was intended to allow school districts receiving Public Law 874 funds a phaseout period after Federal activity ceased.

However, section 303(1)(B) expressly excludes "any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services." The recent transfer by the General Services Administration of Federal facilities under their jurisdiction to the newly-created U.S. Postal Service threatens to cause tremendous hardships to those school districts which have been receiving payments on behalf of children whose parents work in such facilities. Approximately 700 school districts in about 200 congressional districts are affected by these transfers to the U.S. Postal Service.

It is the purpose of my bill to give these districts similar treatment to that given other districts in which Federal property has been sold or transferred. The amendment would authorize a 2-year "grace period" for such school districts in order to allow them to receive the impact aid which they have already budgeted for this year and to receive funds for 1 more year as they reduce or eliminate their reliance on the program.

Include the following:

H.R. 11809

A bill to provide that for purposes of Public Law 874, Eighty-first Congress, relating to assistance for schools in Federally impacted areas, Federal property transferred to the United States Postal Service shall continue to be treated as Federal property for two years

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all real property of the United States which was transferred to the United States Postal Service and was, prior to such transfer, treated as Federal property for purposes of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), shall continue to be treated as Federal property for such purpose for two years beyond the end of the fiscal year in which such transfer occurred.

POST OFFICE BUILDINGS TRANSFERRED TO POSTAL SERVICE JURISDICTION

Attached is a listing, by State and Congressional District, of Post Office Buildings *claimed in prior years* which have been transferred to the jurisdiction of the U.S. Postal Service and have been declared ineligible for the 1971–72 school year under the definition of Federal property contained in section 303(1) of P.L. 81–874. The P.L. 874 applicants claiming them are indicated with each.

Other Post Office Buildings were transferred but, to date, have not been claimed or have been determined ineligible under P.L. 874 prior to the transfer. Not all buildings that were transferred will become ineligible.

ALASKA

At Large

Cordova City S.D.
1606 Ketchikan Gateway Borough S.D.
2 Greater Sitka Boro S.D.
805 Wrangell Pub. Schs.

ARKANSAS

Fourth Congressional District

Camden S.D. No. 35, Quachita County.

CALIFORNIA

First Congressional District

Old Adobe U.S.D., Petaluma.
Tamalpais U.H.S.D., Larkspur (also 6th Cong. Dist.)
Larkspur S.D. (also 6th Cong. Dist.).
Marlin Jr. Col. District, Kentfield (also 6th Cong. Dist.).
San Rafael S.D. (also 6th Cong. Dist.).
San Rafael H.S.D. (also 6th Cong. Dist.).
Dixie S.D., San Rafael (also 6th Cong. Dist.).
Novato Unif. S.D. (also 6th Cong. Dist.).

Third Congressional District

Rio Linda U.S.D.
Sacramento City Unif. S.D.
Los Rios Jr. Col. Dist., Sacramento.
Robla S.D., Sacramento.

Fourth Congressional District

Washington Unif. S.D., North Sacramento.
Marysville Jr. Unif. S.D.
Fairfield Suisun Unif. S.D.
Martinez Unif. S.D.

Fifth Congressional District

San Francisco Unif. S.D. (also 6th Cong. Dist.).
Catati Elementary S.D., Sonoma County.

Sixth Congressional District

Larkspur S.D. (also 1st Cong. Dist.).
Marlin Jr. Col. District, Kentfield (also 1st Cong. Dist.).
Tamalpais U.H.S.D., Larkspur (also 1st Cong. Dist.).
San Rafael S.D. (also 1st Cong. Dist.).
San Rafael H.S.D. (also 1st Cong. Dist.).
Dixie S.D., San Rafael (also 1st Cong. Dist.).
Novato Unif. S.D. (also 1st Cong. Dist.).
San Francisco Unif. S.D. (also 5th Cong. Dist.).

Eighth Congressional District

San Leandro Unif., S.D.
Berkeley Unif. S.D.
Fremont Unif. S.D.
Pleasanton, Jr. S.D.
Amador Valley Jt. U.H.S.D., Pleasanton.
Oakland Unif. S.D.
Murray S.D., Dublin
S Co. Jt. Coll. Dist., San Leandro.
Hayward Unif. S.D.
San Lorenzo Unif. SD.
Peralta Jr. Col. Dist., Oakland.
Castro Valley Unif. S.D.
Emery Unif., S.D., Emeryville.

Tenth Congressional District

Palo Alto Unif. S.D.

Eleventh Congressional District

Laguna Salada U.S.D., Pacifica.
Jefferson S.D., Daly City.
Jefferson U.H.S.D., Daly City.
San Mateo U.H.S.D.

Thirteenth Congressional District

Los Angeles Unif. S.D. (also 17th, 20th, 21st, 22d, 24th, 26th, 27th 28th, 29th, 30th, and 31st Cong. Dists.).

Fourteenth Congressional District

Pittsburg Unif. S.D.
Mt. Diablo Unif. S.D., Concord.
Lafayette S.D.
Richmond Unif. S.D.
Walnut Creek S.D.
Orinda U.S.D.
Acalanes U.H.S.D., Lafayette.
Moraga Sch. Dist.
San Ramon Valley Unif. S.D., Danville.

Fifteenth Congressional District

San Joaquin Delta Jr. College, Stockton.

Seventeenth Congressional District
Twentieth Congressional District
Twenty-First Congressional District
Twenty-Second Congressional District
Twenty-Fourth Congressional District
Twenty-Sixth Congressional District
Twenty-Seventh Congressional District
Twenty-Eighth Congressional District
Twenty-Ninth Congressional District
Thirtieth Congressional District
Thirty-First Congressional District

Los Angeles Unif. S.D.

Thirty-Fifth Congressional District

Oceanside U.S.D.
Chula Vista City S.D.
Santee S.D.
Grossmont U.H.S.D.
Cajon Valley S.D., El Cajon.
Escondido U.S.D.
S. Bay U.S.D., Imperial Beach.
Lakeside U.S.D.
Sweetwater U.H.S.D., Chula Vista.
Lemon Grove S.D.
La Mesa Spring Valley, S.D.
San Diego Unif. S.D.
Orange Glen S.D.
Jamul Las Flores U.S.D.
Grossmont Jr. Col. Dist.
Sweetwater Jr. Col. Dist., Chula Vista.
San Diego Comm. Col. Dist., San Diego County (also 36th and 37th Cong. Dists.).

Thirty-Sixth Congressional District
Thirty-Seventh Congressional District

San Diego Comm. Col. Dist., San Diego County (also 35th Cong. Dist.).

COLORADO

First Congressional District

S.D. No., Denver.

Second Congressional District

Jefferson Co. S.D. No. R1, Lakewood.
Englewood S.D. No. 1.
Adams Arapahoe Jt. S.D. No. 28, Aurora.
Adams Co. S.D. No. 14, Commerce City.
S.D. No. 6, Littleton.
Westminster S.D. No. 50.
S.D. No. 12, Denver.
Mapleton Pub. S.D. No. 1, Denver.
St. Vrain Valley S.D. Re. 1J, Longmont.

Third Congressional District

Colo. Springs S.D. No. 11.

Fourth Congressional District

Roaring Fork S.D. Re. 1, Glenwood Springs.
Garfield S.D. Re. 2, Rifle.

CONNECTICUT

Second Congressional District

Town of East Lyme Bd. of Ed.
Town of Colchester Bd. of Ed.

XUM

New London Bd. of Ed.
Town of Salem S.D., Norwich.

Third Congressional District

Milford Public Schs.
City of W. Haven Bd. of Ed.
Derby Bd. of Ed.
Orange Co. Bd. of Ed., Orange.
New Haven Bd. of Ed.
Town of Oxford Bd. of Ed.
City of Waterbury Bd. of Ed., New Haven County.

Fourth Congressional District

Bridgeport Bd. of Ed.
Town of Stratford Acting as a S.D.
Shelton Bd. of Ed.
Trumbull Bd. of Ed.
Town of Monroe Bd. of Ed.

Sixth Congressional District

Windsor Locks Public S.D.
Granby Bd. of Ed.
Enfield Bd. of Ed., Thompsonville.
Windsor Bd. of Ed.
Hartford Bd. of Ed.
Town of Suffield Bd. of Ed.
Bloomfield Bd. of Ed., Hartford Co.

DISTRICT OF COLUMBIA

At large

D.C. Public Schools.

FLORIDA

Ninth Congressional District
Tenth Congressional District

Broward Co. Bd. of Pub. Instr., Ft. Lauderdale.

Eleventh Congressional District
Twelfth Congressional District

Dade Co. Bd. of Pub. Instr., Miami.

GEORGIA

Third Congressional District

Muscogee Co. S.D., Columbus.
Harris Co. Bd. of Ed., Hamilton.
Houston Co. Bd. of Ed., Perry.
Crawford Co. Bd. of Ed., Roberta.
Twiggs Co. Bd. of Ed., Jeffersonville.
Pulaski Co. Bd. of Ed., Hawkinsville.

Fourth Congressional District

De Kalb Co. Bd. of Ed., Decatur.
City Schs. of Decatur.
Atlanta Pub. Sch. System (also 5th Cong. Dist.)
Fulton Co. Bd. of Ed., Atlanta (also 5th Cong. Dist.).

Fifth Congressional District

Atlanta Pub. Sch. System (also 4th Cong. Dist.)
Fulton Co. Bd. of Ed., Atlanta (also 4th Cong. Dist.).

Sixth Congressional District

Clayton Co. Bd. of Ed., Jonesboro.
Bibb Co. Bd. of Ed. & Orph., Macon.
Henry Co. Bd. of Ed., McDonough.
Carroll Co. Bd. of Ed., Carrollton.
Fayette County School System, Fayette County.
Monroe Co. Bd. of Ed., Forsythe.

Seventh Congressional District

Cobb Co. Bd. of Ed., Marietta.
Douglas Co. Bd. of Ed., Douglasville.
Paulding Co. Bd. of Ed., Dallas.

Ninth Congressional District

Cherokee Co. Bd. of Ed., Canton.

HAWAII

First Congressional District
Second Congressional District

Bd. of Ed. of State of Hawaii, Honolulu.

ILLINOIS

First Congressional District
Second Congressional District
Third Congressional District

Chicago Public Schools No. 299 (also 5th, 6th, 7th, 8th, 9th, 10th, & 11th Cong. Dists.).

Fourth Congressional District

Posen Robbins Sch. Dist. No. 143½, Cook County.

Fifth Congressional District
Sixth Congressional District
Seventh Congressional District
Eighth Congressional District
Ninth Congressional District

Chicago Public Schools No. 299 (also 1st, 2d, 3d, 10th, & 11th Cong. Dists.).

Tenth Congressional District

Chicago Public Schools No. 299 (also 1st, 2d, 3d, 5th, 6th, 7th, 8th, 9th, & 11th Cong. Dists.).
Melrose Park Broadview S.D. No. 89, Maywood.
Park Forest S.D. No. 163.
Rich Twp. H.S.D. No. 227, Park Forest.
Proviso Twp. H.S.D. No. 209, Maywood.
Cook Co. E.S.D. No. 102, La Grange Park.
Komarer S.D. No. 94, North Riverside.
Harvey Pub. Schls. Dist. No. 152, Cook Co.
West Harvey Dist. Schl. Dist. No. 147, Cook Co.

Eleventh Congressional District

Chicago Public Schools No. 299 (also 1st, 2d, 3d, 5th, 6th, 7th, 8th, 9th, & 10th Cong. Dists.).

Twelfth Congressional District

Mundelein Cons. H.S.D. No. 120.
Twp. H.S.D. No. 110, Highland Park.
Mundelein E.S.D. No. 75.
Grayslake Comm. H.S.D. No. 127.
Community Unit S.D. No. 60, Waukegan Lake Co.

Fourteenth Congressional District

Lisle E.S.D. No. 70.
Maercker S.D. No. 60, Clarendon Hills.
Downers Grove H.S.D. No. 99.
Downers Grove E.S.D. No. 58.
Naperville Comm. H.S.D.
Naperville E.S.D. No. 78, Wheaton.
Lace Marion Hills S.D. No. 61, Wheaton.
Goodrich S.D. No. 68, Woodridge.
Comm. Cons. S.D. No. 181, Hinsdale.
Hinsdale Twp. H.S.D. No. 86.
Darien Pub. Sch. Dist. No. 61, DuPage Co.
Joliet Pub. S.D. No. 86 (also 17th Cong. Dist.).
Joliet Twp. H.S.D. No. 204 (also 17th Cong. Dist.).
Plainfield Comm. Cons. S.D. No. 202 (also 17th Cong. Dist.).
Lockport E.S.D. No. 96 (also 17th Cong. Dist.).
Lockport Twp. H.S.D. No. 205 (also 17th Cong. Dist.).
Community Consolidated Schools, DuPage Co.

Seventeenth Congressional District

Georgetown E.S.D. No. 177.
Joliet Pub. S.D. No. 86 (also 14th Cong. Dist.).
Joliet Twp. H.S.D. No. 204 (also 14th Cong. Dist.).
Plainfield Comm. Cons. S.D. No. 202 (also 14th Cong. Dist.).
Lockport E.S.D. No. 96 (also 14th Cong. Dist.).
Lockport Twp. H.S.D. No. 205 (also 14th Cong. Dist.).

Nineteenth Congressional District

Rock Island S.D. No. 41.
Moline S.D. No. 40.
East Moline Pub. S.D. No. 37.
Hampton E.S.D. No. 29.
Comm. Unit S.D. No. 200, Sherrard.
Geneseo Comm. Unit S.D. No. 228.
Rockridge Comm. Unit S.D. No. 300, Taylor Ridge.
Comm. Unit S.D. No. 115, Oquawka.

Twenty-Second Congressional District

Comm. Unit S.D. No. 335, La Harpe.

INDIANA

Sixth Congressional District

Clark Pleasant Comm. Sch. Corp., Whiteland.
Mooresville Cons. Sc. Corp.
Metropolitan S.D. of Martinsville.
Franklin Comm. Sch. Corp.
Comm. Sch. Corp. of Southern Hancock Co., New Palestine.
Greenwood Comm. Sch. Corp.
Center Grove Comm. Sch. Corp., Greenwood.

Seventh Congressional District

Avon. Comm. Sch. Corp., Indianapolis.
Plainfield Comm. Sch. Corp.

Eighth Congressional District

Metropolitan S.D. of Mt. Vernon.

Ninth Congressional District

Metropolitan S.D. of Vernon Twp., Crothersville.
Scott Co. S.D. No. 2, Scottsburg.
Salem Comm. Schs.

Eleventh Congressional District

Metropolitan Sch. Dist. of Lawrence Twp., Indianapolis.
Metropolitan S.D. of Warren Twp.
Indianapolis Pub. Schs.

IOWA

First Congressional District

Bettendorf Comm. S.D.
The Davenport Comm. S.D.
Pleasant Valley Comm. S.D.
Burlington Comm. D.S.
Danville Comm. S.D.
Mediapolis Comm. S.D.

Sixth Congressional District

Sergeant Bluff Luton Comm. S.D.
Westwood Comm. S.D., Sloan.
Sioux Comm. S.D.
Lawton-Bronson Comm. Sch. Dist., Woodbury Co.

Seventh Congressional District

Lewis Central Comm. Schs., Council Bluffs.
Council Bluffs Comm. S.D.

KANSAS

Second Congressional District

Unif. S.D. No. 437, Topeka.
Unif. S.D. No. 501, Topeka.
Unif S.D. No. 343, Perry.
Unif. S.D. No. 340, Meriden.
Unif. S.D. No. 337, Mayetta.
Oskalooka Unif. Sch. Dist. No. 341.
Shawnee Heights Unif. S.D. No. 450, Tecumseh.
Unif. S.D. No. 464, Ronganoxie.

Third Congressional District

Shawnee Mission Rural H.S.D. No. 6.
Common S.D. No. 110, Overland Park.
Antioch C.S.D. No. 61, Overland Park.
Shawnee Common S.D. No. 27.
Roeland C.S.D. No. 92, Shawnee Mission.
Prairie S.D. No. 44.
Valley View C.S.D. No. 49, Overland Park.
Olathe Unif. S.D. No. 233.
Unif. S.D. No. 231, Gardner.
Bonner Springs Unif. S.D. No. 204.
Unif. S.D. No. 500, Kansas City.
Stanley Unif. S.D. No. 229.
Shawnee Mission Unif. S.D. No. 512.

Fourth Congressional District

Haysville Unif. S.D. No. 261.
Valley Center Unif. S.D. No. 262.
Unif. S.D. No. 260, Derby.
Maize Unif. S.D. No. 266.
Unif. S.D. No. 259, Wichita.
Unif. S.D. No. 265, Goddard.
Unif. S.D. No. 263, Mulvane.

Fifth Congressional District

Leon Unif. S.D. Jt. No. 205.
Douglass Unif. S.D. No. 39.
Rose Hill Unif. S.D. No. 394.

Andover Unif. S.D. No. 385.
Unif. S.D. No. 353, Wellington.
Unif. S.D. No. 356, Conway Springs.
Arkansas City Unif. S.D. No. 470.
Belle Plaine Unif. S.D. No. 357.
Osage City Unif. S.D. No. 420.
Unif. S.D. No. 434, Overbrook.
Unif. S.D. No. 454, Burlingame.
Marais Des Cygnes Valley D. No. 456, Melvern.
Lawrence Unif. S.D. No. 497.

KENTUCKY

Third Congressional District

Louisville Public Schools.

Sixth Congressional District

Berea Ind. Sch. Dist.
Fayette Co. Bd. of Ed., Lexington.
Clark Co. Bd. of Ed., Winchester.
Georgetown I.S.D.
Paris I.S.D.
Courbon Co. Bd. of Ed., Paris.

LOUISIANA

First Congressional District

St. Bernard Parish Sch. Bd., Chalmette.
Orleans Parish Sch. Bd., New Orleans (also 2n Cong. Dist.).

Second Congressional District

Orleans Parish Sch. Bd., New Orleans (also 1st Cong. Dist.).
Jefferson Parish Sch. Bd., Gretna.

Sixth Congressional District

St. Tammany Parish Sch. Bd., Covington.

MAINE

First Congressional District

S. Portland Bd. of Ed.
Old Orchard Beach Sch. Dist.
Biddeford Suptg. Sch. Comm.
Cape Elizabeth Sch. Dept.
Portland Pub. Schs.
Yarmouth S.D.
Town of Jefferson Sch. Committee, Windsor.
Sch. Adm. Dist. No. 57, East Waterboro.
Maine Sch. Adm. Dist. No. 35, South Berwick.

Second Congressional District

Calais Sch. Dept.
Vanceboro Sch. Dept., Danforth.
Sch. Admin. Dist. No. 19, Lubec.
City of Bangor Sch. Committee.
Twn of Machias S.D.

MARYLAND

First Congressional District

St. Marys Co. Bd. of Ed., Leonardtown.
Calvert Co. Bd. of Ed., Prince Frederick.

Third Congressional District
Fourth Congressional District

Bd. of Ed. of Balt. Co., Towson (also 7th Cong. Dist.).

Fifth Congressional District

Prince Geo. Co. Bd. of Ed., Upper Marlboro.
Bd. of Ed. of Charles Co., La Plata.

Sixth Congressional District

Bd. of Ed. of Fred. Co., Fred.
Bd. of Ed. of Washington Co., Hagerstown.
Bd. of Ed. of Howard Co., Ellicott City (also 8th Cong. Dist.).

Seventh Congressional District

Bd. of Ed. of Balt. Co., Towson (also 3d and 4th Cong. Dists.).

Eighth Congressional District

Bd. of Ed. of Mont. Co., Rockville.
Bd. of Ed. of Howard Co., Ellicott City (also 6th Cong. Dist.).

MASSACHUSETTS

First Congressional District

Town of Hatfield Sch. Comm.

Second Congressional District

Wilbraham Sch. Committee.
Hampden Wilbraham Reg. S.D.
Ludlow Sch. Comm.
City of Springfield Sch. Comm.
Sch. Comm. of the City of Chicopee.
City of Holyoke Sch. Comm.
Twn. of W. Springfield Sch. Comm.
Westfield Sch. Comm.

Third Congressional District

Shrewsbury Sch. Committee.
Southboro Sch. Comm.
Milford Pub. Schs.

Sixth Congressional District

Nahant Sch. Committee.
Middleton Sch. Committee.
Saugus Sch. Committee.
Danvers Sch. Comm.
Lynnefield Sch. Committee.
Rowley Sch. Comm., Georgetown.
Lynn Sch. Comm.
Masconomet Reg. S.D., Boxford.
Swampscott Pub. Sch.
Salem Public Schools.

Seventh Congressional District

Town of Wakefield, S.D.
City of Revere Sch. Comm.
Marlborough Sch. Comm.

Tenth Congressional District

New Bedford Sch. Comm.
Fairhaven Sch. Comm.
Town of Dartmouth Sch. Comm.
Acushnet Pub. Sch.

Twelfth Congressional District

Falmouth Sch. Comm.
Bourne Sch. Comm.
Town of Barnstable Sch. Committee.
Town of Sandwich Sch. Committee.

MICHIGAN

Second Congressional District

Pub. S.D. of City of Ann Arbor, Washtenaw Co.

Seventh Congressional District

Sch. Dist. of the City of Flint, Genesee Co.

Eighth Congressional District

Lansing Sch. Dist., Ingham County.

MINNESOTA

First Congressional District

I.S.D. No. 196, Rosemount.
I.S.D. No. 191, Burnsville.

Third Congressional District

I.S.D. No. 14, Fridley.
I.S.D. No. 12, Circle Pines.
Anoka Hennepin I.S.D. No. 286.
I.S.D. No. 16. Minneapolis.
Brooklyn Center I.S.D. No. 286.
Special S.D. No. 1, Minneapolis.
I.S.D. No. 281, Robbinsdale.
I.S.D. No. 271, Bloomington.

Fourth Congressional District

I.S.D. No. 621, New Brighton.
I.S.D. No. 625, St. Paul.
North St. Paul Maplewood S.D. No. 622, N. St. Paul.
I.S.D. No. 624, White Bear Lake.
I.S.D. No. 831, Forest Lake.
I.S.D. No. 833, Cottage Grove.
I.S.D. No. 623, St. Paul.

Sixth Congressional District

I.S.D. No. 742, St. Cloud.
I.S.D. No. 912, Milaca.
Princeton I.S.D. No. 477.
I.S.D. No. 728, Elk River, Sherburne Co.

Eighth Congressional District

I.S.D. No. 137, Lindstrom.
I.S.D. No. 136, Lindstrom.
I.S.D. No. 139, Rush City.
I.S.D. No. 138, North Branch.
I.S.D. No. 578, Pine City.

MISSISSIPPI

Fifth Congressional District

Biloxi Mun. Sep. S.D.
Ocean Springs Mun. Sep. S.D.
Gulfport Mun. Sep. S.D.
Bay St. Louis Mun. Sep. S.D.
Jackson Co. Unit S.D., Pascagoula.
Harrison Co. S.D., Gulfport.
Laurel Municipal Sep. S.D., Jones Co.

MISSOURI

Fourth Congressional District

Cons. S.D. No. 2, Raytown.
Reorg. S.D. No. 7, Lees Summit.
Grain Valley S.D. No. 4.
Ft. Osage S.D.R. 1, Independence.
S.D. of the City of Independence.
Blue Springs Reorg. S.D. No. 4.
Wellington Napoleon Schs. R. 9.
S.D. of Kansas City.
Grandview Cons. S.D. No. 4.
Hickman Mills Cons. S.D. No. 1.
Reorg. S.D. No. 7, Odessa.
S.D. of Harrisonville R. 9.
Kingsville S.D.R. 1.
Center S.D. No. 58, Kansas City.
Midway Reorg. S.D. No. 1, West Line.
Belton S.D. No. 124.
Raymore Peculiar S.D.R. 2.
Warrensburg S.D.R. 6.
Cass Co. S.D. No. R. 8, Creighton.
Archie Pub. Sch. Reorg. Dist. R. V, Archie.
Miami Reorg. S.D. No. 1, Bates Co.

Sixth Congressional District

Clay. N. Kansas City S.D. No. 74.
Liberty Publ. S.D. No. 53.
Richmond S.D.R. 13.
St. Joseph S.D.
Polo Public S.D.R. 7.
Excelsior Springs S.D. No. 40.
Reorg. S.D. No. 2, Kansas City.
Norborne S.D.R. 6.
Lawson Reorg. S.D.R. XII.

Seventh Congressional District

S.D. of Springfield R. 12.
Willard S.D.R. 2.
Republic S.D.R. 3.
Fair Grove S.D. No. R 10.
Greene County S.D. R–8. Greene Co.

MONTANA

Second Congressional District

Billings E.S.D. No. 2.
Billings H.S.D.
H.S.D. No. 1A, Great Falls.
E.S.D. No. 1, Great Falls.
Vaughn S.D. No. 74.

NEBRASKA

Second Congressional District

S.D. of Omaha.
Rapillion Pub.. S.D. No. 27.
Ralston S.D.
S.D. of the City of Bellevue.

NEW HAMPSHIRE

First Congressional District

City of Portsmouth Bd. of Ed.
Oyster River Coop. S.D., Durham and Madbury.
Rollingsford S.D.
City of Dover S.D. No. 11.
Timberland Regional Sch. Dist., Atkinson.
North Hampton S.D.
S.D. of the Town of Exeter.
Nottingham Cooperative S.D.
Winnacunnet Coop. S.D., Hampton.
Concord U.S.D.
Newmarket S.D.
Epping S.D.
Raymond S.D.
Londonderry S.D.
Derry Coop. S.D. No. 1.
Manchester S.D. No. 37.
Goffstown S.D.
New Boston S.D.
Merrimack S.D.
Candia S.D.
Hooksett S.D., Suncook.
Allanstown S.D., Suncook.
Hudson S.D.

Second Congressional District

Gorham S.D.
Berlin Sch. Dist. No. 3, Coos Co.

NEW JERSEY

First Congressional District

Brielle Bd. of Ed.
Boro of Freehold Pub. Schs.

XUM

Second Congressional District
Bloomfield Mun. S.D. No. 6.
Third Congressional District
South Belmar Bd. of Ed., Monmouth Co.
Middletown Twp. Bd. of Ed.
City of Perth Amboy Bd. of Ed., Middlesex Co. (also 15th Cong. Dist.).
Fourth Congressional District
Trenton Bd. of Ed.
Hamilton Twp. Bd. of Ed.
Fifth Congressional District
Morris Hills Reg. H.S.D., Rockaway.
Sixth Congressional District
Bd. of Ed., Cinnaminson Twp.
Burlington City Bd. of Ed.
Burlington Twp. Bd. of Ed.
City of Beverley Bd. of Ed.
Riverside Twp. Bd. of Ed.
Westhampton Twp. Bd. of Ed., Mt. Holly.
Edgewater Park Twp. Bd. of Ed., Beverley.
Florence Twp. Bd. of Ed.
Burlington Co. Voc. Bd. of Ed., Mt. Holly.
Pemberton Twp. Bd. of Ed., Browns Mills.
Moorestown Twp. Bd. of Ed.
Seventh Congressional District
Hackensack Publ. Sch., Bergen Co.
Eighth Congressional District
Passaic Bd. of Ed., Passaic Co.
Tenth Congressional District
Bd. of Ed. of Newark (also 11th Cong. Dist.).
Eleventh Congressional District
Bd of Ed. of Newark (also 10th Cong. Dist.).
Essex Co. Voc. Schs., Essex Co.
Thirteenth Congressional District
Jersey City Bd. of Ed., Hudson Co. (also 14th Cong. Dist.).
Bayonne S. A.
Fourteenth Congressional District
Jersey City Bd. of Ed., Hudson Co. (also 13th Cong. Dist.).
Fifteenth Congressional District
City of Perth Amboy Bd. of Ed., Middlesex Co. (also 3d Cong. Dist.).

NEW MEXICO
Second Congressional District
Clovis Municipal S.D. No. 1, Curry Co.

NEW YORK
First Congressional District
C.S.D. No. 5 Twn of Brookhaven, Holbrook.
U.F.S.D. No. 5 Twn of Islip, Bayport.
U.F.S.D. No. 2 Twn of Babylon, Huntington.
C.S.D. No. 5 Twn of Smithtown, Kings Park.
U.F.S.D. No. 1 Twn of Huntington, Elwood.
U.F.S.D. No. 12 Twn of Islip, Brentwood.
U.F.S.D. No. 3 Twn of Islip.
Ctr. S.D. No. 7 Twn of Islip, Oakdale.
Ctr. S.D. No. 11 Twn of Brookhaven, Centereach.
U.F.S.D. No. 10 Twn of Huntington, Commack.
U.F.S.D. No. 3 Twn of Brookhaven, Port Jefferson Station.
U.F.S.D. No. 1 Twn of Babylon, Dix Hills.
U.F.S.D. No. 9 Twn of Islip.
U.F.S.D. No. 5 Babylon, Suffolk Co (also 2d Cong. Dist.).
Second Congressional District
U.F.S.D. No. 5 Babylon, Suffolk Co. (also 1st Cong. Dist.).
U.F.S.D. No. 21 Twn of Oyster Bay.
U.F.S.D. No. 2 Twn of Hempstead, Uniondale.
U.F.S.D. No. 22 Twn of Farmingdale.
U.F.S.D. No. 17 Town of Oyster Bay, Hicksville.
Town of Hempstead, East Meadow, Nassau Co. (also 4th and 5th Cong. Dists.)
Central S.D. No. 4, Twn of Oyster Bay, Nassau Co. (also 4th and 5th Cong. Dists.).
Fourth Congressional District
Fifth Congressional District
Town of Hempstead, East Meadow, Nassau Co. (also 1st Cong. Dist.).
Central S.D. No. 4, Twn of Oyster Bay, Nassau Co. (also 1st Cong. Dist.)
Sixth Congressional District
Seventh Congressional District
Eighth Congressional District
Ninth Congressional District
Tenth Congressional District
Eleventh Congressional District
Twelfth Congressional District
Thirteenth Congressional District
Fourteenth Congressional District
Fifteenth Congressional District
Sixteenth Congressional District
Seventeenth Congressional District
Eighteenth Congressional District
Nineteenth Congressional District
Twentieth Congressional District
Twenty-First Congressional District
Twenty-Second Congressional District
Twenty-Third Congressional District
Twenty-Fourth Congressional District
School District of the City of New York, Brooklyn.
Twenty-Fifth Congressional District
City S.D. of the City of Peekskill.
City S.D. of Yonkers, Westchester Co.
Thirty-Fourth Congressional District
Thirty-Fifth Congressional District
S.D. of the City of Syracuse.

NORTH CAROLINA
Third Congressional District
Onslow Co. Bd. of Ed., Jacksonville.
Fifth Congressional District
Forsythe Co. Schs., Winston-Salem.
Sixth Congressional District
High Point City Schs., High Point, Guilford Co.
Seventh Congressional District
Fayettville City Bd. of Ed.
Cumberland Co. Bd. of Ed., Fayetteville.
Hoke Co., Bd. of Ed., Raeford.
Eighth Congressional District
Rowan Co. Admin. Unit S.D., Salisbury.

OHIO
Fourth Congressional District
Bethel Local S.D., Miami Co.
Seventh Congressional District
Mad River Twp. Local S.D., Dayton.
Dayton City Bd. of Ed.
Vandalia Butler City Schs.
Fairborn City S.D.
Northridge Local S.D., Dayton.
New Carlisle Bethel Local S.D.
Kettering City S.D.
Xenia City S.D.
Washington Twp. Local Schs. Centerville.
Beavercreek Local Bd. of Ed., Xenia.
Springfield City S.D.
Madison Twp. Local S.D., Trotwood.
Jefferson Twp. Local S.D., Dayton.
W. Carrollton City S.D.
Northeastern Local S.D., Springfield.
Urbana City Sch.
Eleventh Congressional District
Exempted Village S.D., Windham.
Thirteenth Congressional District
Akron City S.D.
Fourteenth Congressional District
Barberton City Schs., Summit Co.
Sixteenth Congressional District
Seventeenth Congressional District
Canton City Bd. of Ed., Stark Co.
Twenty-Fourth Congressional District
Middletown City S.D., Butler Co.

OKLAHOMA
First Congressional District
Broken Arrow I.S.D. No. 3.
Skiatook I.S.D. No. 7.
Sand Springs I.S.D. No. 2.
Sapulpa I.S.D. No. 33.
Jenks I.S.D. No. 5.
Union I.S.D. No. 9, Broken Arrow.
Owasso I.S.D. No. 11.
Tulsa I.S.D. No. 1.
Kiefer I.S.D. No. 18.
Liberty I.S.D. No. 14, Mounds.
Sperry I.S.D. No. 8.
Second Congressional District
Pryor I.S.D. No. 1.
Catoosa I.S.D. No. 2.
Claremore I.S.D. No. 1.
Coweta I.S.D. No. 17.
Inola I.S.D. No. 5.
Sequdyah I.S.D. No. 6, Claremore.
Cleveland I.S.D. No. 6.
Wagoner I.S.D. No. 19.
Omulgee I.S.D. No. 1.
Mannford I.S.D. No. 3.
Oilton I.S.D. No. 20.
Lone Star Dep. S.D. No. 8, Sapulpa.
Porter I.S.D. No. 3.
Third Congressional District
Krebs D.S.D. No. 9.
Wilburton I.S.D. No. 1.
Panola I.S.D. No. 4.
Stigler I.S.D. No. 20.
Sixth Congressional District
Elk City I.S.D. No. 6.

OREGON
Second Congressional District
Creek Co. S.D. No. 2, Creek Co.
Fourth Congressional District
Eagle Point S.D. No. 9.
Jackson Co. S.D. No. 91, Butte Falls.
Medford Sch. Dist. No. 549C.
Central Point S.D. No. 6, Jackson Co.

PENNSYLVANIA
Tenth Congressional District
Blakely Borough S.D., Peckville.
Valley View S.D., Peckville.
Mid Valley Sch. Dist., Olyphant.
Lakeland Sch. Dist., Lackawanna Co.
Old Forge Sch. Dist.
North Pocono S.D., Moscow.
S.D. of the City of Scranton.
Riverside S.D., Taylor.
Dunmore Pub. S.D.
Eleventh Congressional District
Pittston Area S.D.
Wyoming Area S.D., West Pittston.
Wilkes Barre City S.D.
Dallas Sch. Dist., Luzerne Co.
Wyoming Valley S.D., Kingston.
Plains Jt. S.D., Plains Wilkes Barre.
Greater Nanticoke Area S.D.
Ashley Sugar Notch Jt. Schs., Ashley.
Twelfth Congressional District
Susquentia Area S.D., Duncannon.
Fourteenth Congressional District
Penn Hills Township, Allegheny Co. (also 20th and 27th Cong. Dists.).
Wilkinsburg Borough Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
Churchill Area Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
Keystone Area Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
Duquesne Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
Braddock Borough Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
South Fayette Twp. Sch. Dist., Allegheny Co. (also 18th, 20th and 27th Cong. Dists.).
Clariton S.D., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
S.D. of Pittsburgh (also 20th and 27th Cong. Dists.).

Sixteenth Congressional District
Palmyra Area S.D.
Annville Cleona S.D.
Cornwall Lebanon Sub. Jt. Sch. Sys.
Northern Lebanon S.D., Fredericksburg.
Eighteenth Congressional District
Wilkinsburg Borough Sch. Dist., Allegheny Co. (also 14th, 20th and 27th Cong. Dists.).
Churchill Area Sch. Dist., Allegheny Co. (also 14th, 20th and 27th Cong. Dists.).
Keystone Oaks Sch. Dist., Allegheny Co. (also 14th, 20th and 27th Cong. Dists.)
Duquesne Sch. Dist., Allegheny Co., (also 14th, 20th and 27th Cong. Dists.).
Braddock Borough Sch. Dist., Allegheny Co. (also 14th, 20th, and 27th Cong. Dists.).
South Fayette Twp. Sch. Dist., Allegheny Co. (also 14th, 20th, and 27th Cong. Dists.).
Clariton S.D., Allegheny Co. (also 14th, 20th and 27th Cong. Dists.).
Twentieth Congressional District
Penn Hills Twp, Allegheny Co. (also 14th and 27th Cong. Dists.).
Wilkinsburg Borough Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
Churchill Area Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
Keystone Oaks Sch. Dist., Allegheny Co. (also 14th, 18th, and 27th Cong. Dists.).
Duquesne Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
Braddock Borough Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
South Fayette Twp. Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
Clariton S.D. Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
McKeesport Area Sch. Dist., Allegheny Co. S.D. of Pittsburgh (also 14th and 27th Cong. Dists.).
Twenty-First Congressional District
New Kensington-Arnold Sch., Westmoreland Co.
Twenty-Fourth Congressional District
Farrell Area Sch. Dist., Mercer Co.
Twenty-Sixth Congressional District
Peters Twp. S.D., McMurray.
Connelsville Area Sch. Dist., Fayette Co.
Twenty-Seventh Congressional District
Penn Hills Twp., Allegheny Co. (also 14th & 20th Cong. Dists).
Wilkinsburg Borough Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.)
Churchill Area Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.)
Keystone Oaks Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.)
Duquesne Sch. Dist. Allegheny Co. (also 14th, 18th & 20th Cong. Dists.)
Braddock Borough Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.)
South Fayette Twp. Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.)
Clariton S.D., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.)
Sto-Rex Sch. Dist., Allegheny Co.
Carlynton S.D., Carnegie.
Bethel Park S.D.
Montour S.D., McKees Rocks.
West Allegheny S.D., Imperial.
Fox Chapel Area S.D., Pittsburgh.
South Park S.D., Library.
Baldwin Whitehall S.D., Pittsburgh.
Brentwood Boro S.D., Pittsburgh.
Chartiers Valley S.D., Pittsburgh.
West Jefferson Hills S.D., Pittsburgh.
S.D. of Pittsburgh (also 14th & 20th Cong. Dists.)
S.D. of the Twp. of Upper St. Clair, Bridgeville.

RHODE ISLAND
Second Congressional District
S. Kingstown Sch. Comm., Wakefield.

SOUTH DAKOTA
First Congressional District
Brookings I.S.D. No. 122.
Lennox I.S.D. No. 100.
West Central I.S.D. No. 154, Hartford.

TENNESSEE
First Congressional District
Sullivan Co. Bd. of Ed., Bloutville.
Kingsport City Sch. Sys.
Sevier Co. Bd. of Ed., Sevierville.
Second Congressional District
Knox Co. Bd. of Ed., Knoxville.
Blount Co. S.D., Maryville.
Knoxville Bd. of Ed.
Maryville City Schools.
Alcoa City S.D.
Third Congressional District
City of Chattanooga Bd. of Ed.
Marion Co. Bd. of Ed., Jasper
Hamilton Co. Bd. of Ed., Chattanooga.
Fourth Congressional District
Warren County Bd. of Ed., McMinnville.
Anderson Co. Bd. of Ed., Clinton.
Fifth Congressional District
DeKalb Co.
Sixth Congressional District
Franklin Co. Bd. of Ed., Winchester.

TEXAS
First Congressional District
Dalngerfield I.S.D.
Cason I.S.D.
Third Congressional District
Grand Prairie I.S.D.
Irving I.S.D.
Duncanville I.S.D.
Lancaster I.S.D.
Cedar Hills I.S.D.
De Soto I.S.D.
Dallas I.S.D.
Fourth Congressional District
Howe I.S.D.
Terrell I.S.D.
Sixth Congressional District
Red Oak I.S.D.
Midlothian I.S.D.
Tenth Congressional District
San Marcos I.S.D.
Lockhart I.S.D.
Blanco I.S.D.
Hays Cons. I.S.D., Kyle
Eleventh Congressional District
Conally Cons. I.S.D., Waco.
La Vega I.S.D., Bellmead Branch, Waco
Waco I.S.D.
Midway I.S.D., Waco
Robinson I.S.D., Waco.
Crawford I.S.D. No. 901.
China Spring I.S.D.
Mart I.S.D. No. 101 908.
Lorena I.S.D.
Bosqueville I.S.D., McLenna County.
Rosebud Lott I.S.D., Rosebud, Falls County.
Twelfth Congressional District
Birdville I.S.D., Ft. Worth.
White Settlement I.S.D., Fort Worth.
Hurst Euless Bedford I.S.D.
Arlington I.S.D.
Thirteenth Congressional District
Lewisville I.S.D.
Lake Dallas I.S.D.
Bridgeport I.S.D.
Denton I.S.D.
Seventeenth Congressional District
Coahoma I.S.D.
Forsan Co. Line I.S.D.
Twentieth Congressional District
Harlandale I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
S. San Antonio I.S.D. (also 21st & 23d Cong. Dists.).
Southside I.S.D. No. 912, San Antonio (also 21st & 23d Con. Dists.).
Edgewood I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
Southwest I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
East Central I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
San Antonio I.S.D. (also 21st & 23d Cong. Dists.).
North East I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
Somerset I.S.D. (also 21st & 23d Cong. Dists.).
Northside I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
Alamo Hts. I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
Judson I.S.D. No. 916, Converse (also 21st & 23d Cong. Dists.).
Twenty-first Congressional District
Harlandale I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
S. San Antonio I.S.D. (also 20th & 23d Cong. Dists.).
Southside I.S.D. No. 912, San Antonio (also 20th & 23d Cong. Dists.).
Edgewood I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
Southwest I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
East Central I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
San Antonio I.S.D., (also 20th & 23d Cong. Dists.).
North East I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
Somerset I.S.D. (also 20th & 23d Cong. Dists.).
Northside I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
Alamo Hts. I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
Judson I.S.D. No. 916, Converse (also 20th & 23d Cong. Dists.).
Boerne Co. Line I.S.D.
Comal Co. I.S.D., New Braunfels.
Twenty-third Congressional District
Harlandale I.S.D., San Antonio (also 20th & 21st Cong. Dists.).
S. San Antonio I.S.D. (also 20th & 21st Cong. Dists.).
Southside I.S.D. No. 912, San Antonio (also 20th & 21st Cong. Dists.).
Edgewood I.S.D., San Antonio (also 20th & 21st Cong. Dists.).
Southwest I.S.D., San Antonio (also 20th & 21st Cong. Dists.).
East Central I.S.D., San Antonio (also 20th & 21st Cong. Dists.).
San Antonio I.S.D. (also 20th & 21st Cong. Dists.).
North East I.S.D., San Antonio (also 20th & 21st Cong. Dists.).
Somerset I.S.D. (also 20th & 21st Cong. Dists.).
Northside I.S.D., San Antonio (also 20th & 21st Cong. Dists.).
Alamo Hts. I.S.D., San Antonio (also 20th & 21st Cong. Dists.).
Judson I.S.D. No. 916, Converse (also 20th & 21st Cong. Dists.).
Devine I.S.D.
Schertz Cibolo I.S.D.
Floresville I.S.D.
Potect I.S.D.
Marion I.S.D.
Laredo I.S.D.
United Cons. I.S.D., Laredo.

VIRGINIA
Second Congressional District
Fredericksburg City Schs.
City of Alexandria Sch. Bd.
City of Fairfax Sch. Bd.

XUM

Portsmouth City Sch. Bd.
Sch. Bd. of the City of Norfolk.
Sch. Bd. of the City of Virginia Beach.
Sch. Bd. of the City of Chesapeake.

Third Congressional District

Co. Sch. Bd. of Chesterfield Co.

Fourth Congressional District

Co. Sch. Bd. of Prince George Co., Prince George.
Sch. Bd. of Nansemond Co., Suffolk.
Sch. Bd. of Isle of Wight Co., Isle of Wight.
Co. Sch. Bd. of Prince William Co., Manassas.

Sixth Congressional District

Co. of Roanoke Sch. Bd., Salem.
Roanoke City Pub. Schs.

Tenth Congressional District

Co. Sch. Bd. of Arlington Co.
Co. Sch. Bd. of Fairfax Co., Fairfax.

WASHINGTON

Second Congressional District

Edmonds S.D. No. 15, Lynnwood.

Third Congressional District

Newport Cons. Jt. S.D. Nos. 56, 417.
Peninsula S.D. No. 401, Gig Harbor.
Vancouver S.D. No. 37.

Fourth Congressional District

Walla Walla S.D. No. 140.
Dayton S.D. No. 2.
Yakima S.D. No. 7.
Clarkston S.D.
Union Gap S.D. No. 2.
Moxee S.D. No. 90, Yakima.
Nachez Valley S.D. Jt. No. 3.
Zillah S.D. No. 205.
Selah S.D. No. 119.

Fifth Congressional District

Mead S.D. No. 354.
Spokane S.D. No. 81.
Chenev Jt. Cons. S.D. No. 360, 316.

Sixth Congressional District

N. Kitsap S.D. No. 400, Poulsbo.
Clover Pk. S.D. No. 400, Lakewood Center.
Franklin Pierce S.D. No. 402, Tacoma.
Eatonville S.D. No. 404.
Bremerton Cons. S.D. 1000.
Uni. Place S.D. No. 83, Tacoma
Stellacoom S.D. No. 1.
Bethel S.D. No. 403, Spanaway.
Tacoma S.D. No. 10.
Sumner S.D. No. 320.
Puyallup S.D. No. 3.
Fife S.D. No. 417, Tacoma.

Seventh Congressional District

Kent S.D. No. 415.
Highline S.D. No. 401, Seattle.
Seattle S.D. No. 1.
Northshore S.D. No. 417, Bothell.
Bellevue S.D. No. 405.
Fed. Way S.D. No. 210.

WEST VIRGINIA

Second Congressional District

Jefferson Co. Bd. of Ed., Charles Town.
Tucker Co. Bd. of Ed., Parsons.

Fourth Congressional District

Cabell Co. Bd. of Ed., Huntington.
Wayne Co. Bd. of Ed., Wayne Co.

WISCONSIN

Second Congressional District

Jt. S.D. No. 8, City of Madison.
Jt. S.D. No. 2, Sun Prairie.
McFarland C.S.D., Jt. No. 8.
Jt. S.D. No. 10, Village of Arlington, Poynette.

Third Congressional District

Jt. S.D. No. City of Prescott.
Jt. S.D. No. 9, City of Elroy.

Eighth Congressional District

Jt. S.D. No. 1, City of Green Bay.
Jt. S.D. No. 2, West De Pere.

Tenth Congressional District

Jt. S.D. No. 1, City of Hudson-Troy, St. Croix Co.

RESULTS OF LEGISLATIVE OPINION POLL OF RESIDENTS OF SIXTH CONGRESSIONAL DISTRICT OF LOUISIANA

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. RARICK. Mr. Speaker, as of November 1, 10,554 constituents had replied to my 1971 legislative opinion poll. This response is a healthy indication that citizens of the Sixth District of Louisiana are interested in good Government.

I was especially pleased to note the responses of many young people who expressed a concern in Government. In general, the views of young adults reflected those of their parents.

Inflation, crime and drugs, and corruption in government, in the order given, were considered the three major problems facing the Nation today. The school crisis rated as the number one problem last year was fourth in importance this year.

Elimination of unnecessary Government spending was given as the most desirable way to curb inflation. The number one choice for revenue sharing was to reduce or repeal the Federal income tax laws so as to leave more money at the State and local levels. A "hands off" policy was the first choice regarding the policy our Nation should pursue in the Mideast. Having both Chinas in the U.N. was favored by 59 percent. Sixty-eight-percent indicated that the Federal Government should allow parents to be responsible for the control of their children.

Mr. Speaker, for the benefit of our colleagues I insert at this point in the RECORD the questions asked in the poll and the tabulated results. I am also sending a copy of the results to the President. The answers are on a percentage basis.

The results of the poll follows:

1. What do you consider to be the three most important issues facing us today?

	Percent
Inflation	19.9
Crime and drugs	14.7
Corruption in Government	14.6
School crisis	11.0
Pollution	9.9
Vietnam war	8.8
Communism	7.3
Unemployment	6.2
Distorted news	3.3
Health care	1.8
Poverty	1.3
Mideast	.8
Other	.4

2. How should inflation be curbed?

	Percent
Stop unnecessary Government spending	57.3
Wage and price controls	32.4
Other	5.2
Lower taxes	4.7
Raise taxes	.4

3. Which form of revenue sharing do you prefer?

	Percent
Reduce or repeal income tax to leave money in local community	50.6
Allow personal deductions for all State and local taxes	23.1
Return part of Federal taxes to State and local governments	21.7
Other	4.6

4. What should our Nation's policy be regarding Midwest dispute?

	Percent
Hands off	61.2
Send arms and planes to Israel	27.2
Other	8.1
Send U.S. troops as police force	3.4
Send arms and planes to Arabs	.1

5. What should our Nation's policy be regarding the U.N. and Red China?

	Percent
Admit both Chinas	59.3
Exclude Red China	31.1
Other	7.3
Exclude Nationalist China	2.3

6. Which role should U.S. Government play in control of children?

	Percent
Let parents be responsible	67.8
Provide legal protection to child against abuse by parents and teachers	11.7
Provide day care centers	8.7
Provide Headstart programs	6.3
Family supervision by Government	5.5

7. Do you favor return of U.S. troops from Europe?

	Percent
Yes	56.2
No	35.6
Undecided	8.2

8. Do you favor U.S. recognition of Red China?

	Percent
Yes	48.6
No	39.0
Undecided	12.4

9. Do you favor U.S. trade with Communist China?

	Percent
Yes	36.0
No	52.3
Undecided	11.7

URSULINE COLLEGE'S 100TH ANNIVERSARY

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. VANIK. Mr. Speaker, today, November 17, 1971, Ursuline College in Pepper Pike, Ohio, is celebrating its 100th year of outstanding achievement in the education of young women. Founded in November 1871, by the Ursuline Nuns of Cleveland, Ursuline College is the oldest chartered women's college in the State of Ohio, and one of the oldest chartered liberal arts colleges for women in the Nation. It was founded by Mother Mary of the Annunciation Beaumont, a woman of foresight and courage, who felt that women deserved a more complete education than the "seminary" teaching for elementary school teachers offered to the women of her time. From its founding, Ursuline College has always been open to women of all races and creeds.

As many women's colleges are making plans to become coeducational, Ursuline College, after careful review of its contributions and abilities in the field of education, has elected to remain a women's college. Sister M. Kenan, president of the college, explains the reasons for this decision:

At a time when the image and role of women is undergoing great change, we feel that a women's college has much to offer in helping to effect this change in the most positive way. To do something and to be somebody is the best method of women's liberation. At a women's college, a young woman has the unique opportunity to discover how to be somebody and do something well for herself, her family, and her community.

Ursuline College, located in my congressional district, offers a Bachelor of Arts degree in 13 areas of concentration in the arts and sciences. Geared through its liberal arts curriculum to innovation and change both in course content and teaching methods, the college strives for a close cooperation between student and instructor in planning and administering the student's individual program. A low-faculty-student ratio—1 to 11—enables each student to be known as an individual, and classes are kept small to allow for close, personal contact between student and teacher. The faculty is composed of Ursuline nuns and laymen and laywomen of all faiths.

Ursuline students as a whole are highly motivated toward participating in their own education. Over half of the students are the first persons in their own family to receive a college education. Sixty-two percent receive some form of financial aid which many supplement by working part-time in surrounding communities. While the majority of the students are from Ohio, the college increasingly attracts students from out-of-State and foreign countries. A recent survey of graduates indicates a strong-service orientation in their career choices: 23 percent go on to graduate school; 53 percent become teachers; 87 percent of these in public schools; 30 percent enter social work, and the remainder work in the sciences.

One of the significant aims of the college is to educate women to use their skills and talents in the service of their fellowmen. To this end, students are encouraged to contribute 40 hours a semester to volunteer community service in a wide range of activities including tutoring inner city high school students—a program funded by the Lubrizol Corp.—working in hospitals, county welfare programs, and municipal and juvenile courts. The college supports a program of internships in many of its major disciplines in order that students will have genuine work experience in the field they wish to enter.

Because of its outstanding contribution to education for women, it is indeed a pleasure to congratulate Ursuline College on its 100 years of achievement.

GRAIN SALES TO RUSSIA

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. SMITH of Iowa. Mr. Speaker, the administration recently announced a sale of some grain to Russia. Some of the facts involved in this sale were not made known at that time. I think my colleagues would be interested in knowing more about this sale so that they can form their own conclusion as to its meaning and long-term ramifications. My purpose is not to either endorse or criticize what was done but rather to bring out more of the facts and to alert my colleagues of some of the additional facts involved.

I have prepared a memorandum based upon additional information which I secured and I am also including an article by an alert investigating reporter, George Anthan, from the Des Moines Register.

They are as follows:

GRAIN SALES TO RUSSIA

(By Neal Smith)

CCC sold 27.5 million bushels of barley to one exporter and 11.5 million bushels to another exporter. They sold 20.65 million bushels of oats to one exporter and 3.51 million bushels to another. Sale price for some of the barley was 91 cents Duluth, for the rest, it was 88 cents Duluth and 83 cents Minneapolis. Eighty-three cents Minneapolis is the equivalent of 90 cents Duluth. Sale price on the oats was mostly from 40 to 42 cents at the interior points. However, some will come from Norfolk at a higher price. The corn to Russia sold at $1.20 f.o.b. gulf ports. That is approximately equivalent to 90 cents at Iowa points. Cash market for unrestricted use at Duluth for barley is $1.20 but Canada is willing to sell it below our cash market price and subsidized. Therefore, the sale of barley could not be made at the cash market price. The Department claims they do not know what Continental and Cargil will receive for the barley and oats which CCC is selling to them at less than cash value for unrestricted use.

They were required to take one ton of corn for each ton of barley and also to take the oats as a part of the deal. They wanted a lot of barley at that price but did not really want oats. CCC was anxious to move the oats because they have been in inventory and they are not selling.

Last year's total utilization of barley was 500 million bushels but that included a big shipment to Romania as a result of the floods and was a one-shot deal. Exports last year jumped from 17 million bushels in the previous year up to 77 million bushels. Without an abnormal sale like the one to Russia, exports would be expected to drop back to around 17 to 20 million bushels. Total supply on hand for this marketing year of barley is 636 million bushels of which 470 million bushels represent production and the rest is carryover. Total use of oats last year was 890 million bushels and total supply is 1.4 billion bushels including a 1971 production of 885 million bushels. Carryover is about 50 percent of one year's production. The carryover of barley consists of 90 million bushels in government hands and 66 million bushels in free stocks.

The grain companies which made the sale to Russia did not want to make the sale unless they could acquire the barley at a low price from one seller. The reasons given by the Department for their sales seem to support the idea that government-held reserves can help promote exports yet they have opposed my reserve bill. One purpose of the reserve bill is to give them an opportunity to promote exports by accumulating supplies at terminal positions and selling them in large blocks as long as they replace that grain with the same number of bushels from interior points within the marketing year.

The Department in 1971 has calculated the nutrient value of barley at 75 percent of the value of corn bushel for bushel. For 1972 they are calculating it at 80 percent.

It has been said that this may be the first step in expanding commodity shipments to Russia. If they will only buy at prices far below the cost of production, the question that arises is, do we want to permanently subsidize their livestock industry? Why should anyone think that they will buy our corn at its true cash value when what they really want is barley and they won't buy it from us with a corn mixture unless we sell at 75 percent of its cash value in the United States and about 60 percent of its cost of production. Canada produces a lot of barley and would presumably continue to have a supply available at below our cost of production. If we are starting a long range program of selling grain to Russia at less than the cost of production in competition with Canada, these questions must be answered:

(1) Is it in our interest in the long run to subsidize the expansion of the Russian livestock and poultry industry?

(2) Can we compete successfully in a price war where our product (corn and barley mixed) is not as preferable to the customers as straight barley which is available from Canada?

Whether one believes we should or should not develop a long-term subsidized market to Russia, everyone is entitled to know that the sale of grain to Russia was made at prices less than the cost of production and less than current depressed prices in the United States. Everyone is also entitled to know that a heavily subsidized market is probably all that is available in the foreseeable future in sales to Russia rather than a cash market at a price which will earn American farmers at least a return of their cost of production. This situation is not likely to change until or unless there is no other country which is willing to make subsidized sales to Russia.

The information released by the Department last week was incomplete and upon examining the additional information it is obvious that no facts have been presented which justify a conclusion that a profitable cash market in Russia is available as long as other countries with barley supplies are willing to sell at depressed prices.

U.S. CUTS GRAIN PRICE FOR REDS

CRITICS SEE SUBSIDY TO SOVIET FARMS

(By George Anthan)

WASHINGTON, D.C.—Officials of the U.S. Department of Agriculture (USDA) confirmed Tuesday they have approved sale of government-owned grain to the Soviet Union at below U.S. market prices.

The U.S. government is even selling some of the grain at a financial loss.

Critics charged that such a sale means U.S. taxpayers are subsidizing the Russian livestock industry. (The American grain will be used by the Soviets as livestock feed.)

USDA officials said Tuesday that the cut-rate prices were necessary in order to obtain the $140-million sale of corn, barley and oats to the Soviets. They said that if the U.S. government had not sold the grain at the cheap rates, other countries, possibly Canada, would have.

The sale, announced recently by the Nixon administration, includes 80 million bushels of corn, 30 million bushels of barley and 24 million bushels of oats.

TWO FIRMS BENEFIT

The grain actually is being sold to the Soviet by two large U.S. grain companies—Continental Grain Co. of New York City and Cargill, Inc. of Minneapolis, Minn.

USDA officials said Tuesday that corn to be shipped to the Soviet Union has been or is being purchased by the two firms on the open market in the U.S. at going prices.

But, according to the USDA, the barley

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and oats are being sold to Cargill and Continental by the federal government from stocks of the Commodity Credit Corp., a USDA agency. These barley and oats, they said, will be resold by Continental and Cargill to the Soviet Union.

The USDA said it is selling 24 million bushels of oats at prices ranging from 40 cents a bushel to 43 cents a bushel.

The USDA said recent market prices for oats in the U.S. have ranged from 65 cents a bushel at Minneapolis to 77 cents a bushel at Kansas City. The officials acknowledged that grain bought on the open U.S. market at these points would cost even more delivered to coastal ports.

The oats to be supplied by the USDA to Cargill and Continental will be delivered to several ports, including Duluth, Minn., Baltimore, Md., and Norfolk, Va., the USDA said.

The federal government also is selling 39 million bushels of barley at prices ranging from 83 cents to 91 cents a bushel.

Barley currently is selling at Minneapolis for $1.30 a bushel, according to the USDA.

LOAN IS CRITICAL

Representative Neal Smith (Dem, La.) said Tuesday that "the Russians are getting a huge bargain. They're getting our grain at below the cost they could grow it themselves, even if they had our climate. In effect, American taxpayers are subsidizing their livestock industry."

A spokesman for the Farmers Grain Dealers Association of Iowa said the organization has an investory of oats that it paid 64 cents a bushel to acquire. "I sure wish we could buy it for 40 cents or 47 cents a bushel," he said.

Officials of neither Continental nor Cargill would comment Tuesday on how much the Soviets are paying the two companies for the U.S. grain.

Harold Vogel, a Continental official in New York City, said "I can't give you any information regarding what prices we are selling grain at to the Russians."

A spokesman for Cargill in Minneapolis said, "We don't feel this information would contribute to progress between a buyer and a seller. It would be outside our willingness to publicly discuss these things."

USDA officials contended that they have not been told the prices being charged the Soviets by Continental and Cargill.

Glenn A. Weir, director of the grain division of the USDA's Agricultural Stabilization and Conservation Service, was asked why the U.S. is selling the grain to Continental and Cargill. He replied: "Because we can sell at below the market."

Weir said the barley and oats are being sold to Continental and Cargill at a cheaper rate so the Russians can buy the commodities at world prices, which he said are below the U.S. price.

USDA officials estimated the federal government has from 85 cents to $1 invested in each bushel of barley it is selling at from 85 cents to 91 cents.

Also, they estimated the government has invested up to 70 cents a bushel for the oats it is selling for up to 30 cents a bushel less.

The government officials acknowledged that American farmers and private grain elevators currently have surpluses of both barley and oats.

Privately held oats surpluses, they estimated, total some 320 million bushels. The USDA holds 197 million bushels of oats.

They estimated privately held barley surpluses at 170 million bushels, plus 35 million in government stocks.

Under federal regulations, the USDA is not allowed to sell government-owned grain at less than 115 per cent of the current U.S. price.

But USDA officials said this prohibition does not supply if the grain is destined for overseas delivery. "It's legal for us to sell at below market price," one official said.

The USDA emphasized that the barley and oats it is selling to Continental and Cargill also were offered for sale to other U.S. buyers for possible overseas delivery.

Iowa's Smith said, "Legally, the USDA can sell it this cheap. But a farmer in Iowa couldn't buy it this cheap."

He added: "When we talk about grain sales to the Russians, everybody should know just what's going on. Even though the net effect is that we move some of our surpluses, we're selling for far less than it costs us to produce it.

"Is there really any hope of developing a permanent market with the Soviet Union on this basis? I doubt if we want to permanently subsidize their livestock industry."

Weir and other USDA officials said one major reason the federal government decided to supply Continental and Cargill with the government-owned grain was that the companies preferred to pick up the commodities of central warehouses, rather than have to buy it from scattered private stocks.

USDA warehouses are located in the Duluth and Minneapolis areas where, according to a USDA official, "they're pretty handy for the companies to load it on Great Lakes ships."

GLOBAL POLLUTION—U.N. AS POLICEMAN

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. BRADEMAS. Mr. Speaker, the respected ecologist Dr. Barry Commoner tells us that the first law of ecology is "everything is connected to everything else." Recently, our distinguished colleague Senator EDMUND MUSKIE, phrased Dr. Commoner's general dictum in terms that should have particular significance for us as lawmakers.

Said Senator MUSKIE:

The simple truth is that—we are far from one world politically. But, by necessity if not by choice, we are one world environmentally. States have sovereign rights—but so do people. We cannot rely on the political habits of the past to save our environment for the future.

Mr. Speaker, environmental pollution respects no national boundaries. Oil slicks care not on whose shores they wash. Foul air drifts across the English Channel and the Great Lakes, scoffing at border patrols and national frontiers.

Recognizing that there is something seriously wrong with where this earth is going, the United Nations has scheduled a Conference on the Human Environment to meet in June of next year in Stockholm. Whether we as Members of Congress represent rural or urban constituencies live on one coast of this Nation or the other, the activities of this conference should rightly command the attention of us all.

I therefore commend to your reading an article by a longtime friend of mine, Richard N. Gardner, Henry L. Moses professor of law and international organization at Columbia University. The article, which appeared in the Saturday Review of August 7, 1971, is a perceptive review of the six major subjects to be dealt with at Stockholm. Since these subjects are also the concern of almost daily debate in this Chamber, and will be for many years to come, I am sure Members will find the article both topical and instructive.

Professor Gardner's article follows:

[From the Saturday Review, Aug. 7, 1971]

GLOBAL POLLUTION—III: U.N. AS POLICEMAN

(By Richard N. Gardner*)

One of the boldest adventures in international cooperation ever attempted—the United Nations Conference on the Human Environment—will reach a climax at Stockholm, Sweden, during the two weeks from June 5 to 16, 1972. Representatives of 130 countries and several dozen international organizations will come together then to deal with six enormous subjects:

Planning and management of the environmental quality of human settlements everywhere.

Environmental aspects of natural resource management (defined broadly to include animal, botanical, and mineral resources).

Identification and control of environmental pollutants and nuisances of broad significance.

Educational, informational, social, and cultural aspects of environmental issues.

Economic development and the environment (including environmental policies as a component of comprehensive planning in developing countries).

International organizational implications of proposals for action.

Since the conference is limited to two weeks, and since Stockholm has only three conference halls large enough to hold all the proposed participants, there is only one week available to cover each of these items. How can it be done? One U.N. official answers: "The Stockholm conference is like a marriage ceremony. Most things are being arranged beforehand, and as little as possible will be left to chance on the day."

The simile is apt enough. It is difficult to remember any other U.N. meeting so thoroughly prepared in advance as this one. Under the overall direction of a twenty-seven-nation preparatory committee, intergovernmental working groups are drafting concrete proposals on marine pollution, soil conservation, environmental monitoring, a World Heritage Foundation, and the text of a Declaration on the Human Environment. Concurrently with these activities, governments are submitting reports describing their experience in environmental management and suggesting ideas for international action. And the interested specialized agencies of the U.N. are preparing a consolidated statement of their current work and future plans.

CONCEPTUAL FRAMEWORK

A conceptual framework for the Stockholm deliberations is expected to be ready for publication in the spring of 1972. It will be issued as a report on the state of the global environment. Considering that Maurice Strong, Secretary General of the Stockholm conference, only left his former post as head of Canada's International Development Agency to assume his new duties at the beginning of this year, he and his small staff in Geneva will perform a miracle if the conferees are able to take more than a fraction of the decisions necessary to preserve the global environment. A senior international official recently put the situation this way:

"The Stockholm conference comes both too late and too early. Too late if its purpose is to arouse public opinion; this has already happened, at least in the developed countries. Too early if it is to take decisive action; most governments aren't ready, and besides in many areas we simply don't have the knowledge necessary."

*Richard N. Gardner is Henry L. Moses Professor of Law and International Organization at Columbia University and serves as the U.N. representative of the International Union for the Conservation of Nature and Natural Resources.

Inevitably, then, the most important agenda item at Stockholm will be the last one listed above—international organizational implications of proposals for action. For if final answers to the world's environmental problems cannot be looked for next June, there must be established at least an institutional framework in which those answers can be effectively sought in future years.

Curiously, nobody gave much thought to the organizational question until recently. To help move things forward, a kind of "Mini-Stockholm" was organized at the end of May by two private organizations—the Institute on Man and Science and the Aspen Institute of Humanistic Studies—at the former's idyllic headquarters in Rensselaerville, New York. Under the chairmanship of Philip C. Jessup, former U.S. judge on the International Court of Justice, forty key decision-makers from governments, international agencies, and the scientific community spent three days probing the central question: "How can the international community be organized most effectively for environmental action?"

PRELIMINARY CONSENSUS

While the meeting was not intended to and did not reach formal agreement on an institutional design, it yielded a surprising consensus on some issues and usefully clarified the choices facing the Stockholm conference on other matters. The areas of consensus may be summarized as follows:

The new institutions for environmental action should be within the framework of the United Nations. Environmental problems are global as well as regional and local; they need to be dealt with by global as well as regional and local institutions. An organization limited to developed countries or to NATO countries could not deal effectively with environmental problems on the territory of non-members or with the ocean environment, which is the common concern of all. Despite much talk to the contrary, most developing countries face serious environmental problems and want help in solving them. As Strong told the Rensselaerville meetings:

In my recent travels in the developing countries, I have found that while the word "environment" has not yet acquired the magic it has in the more industrialized countries, the issues it embraces are of real and growing concern to them: polluted water supplies, degradation of agricultural lands, depletion of wildlife and fisheries, and, perhaps most urgent, the problem of cities which are growing at rates unprecedented in human history. Some of these cities face the prospect of water contamination and health hazards which will make them unfit for human habitation within the next decade or so. Indeed, the "eco-catastrophes" of which we hear so much are much more likely to occur in the developing world than in the wealthier countries which have the resources to deal with these problems.

One thing not to do is to establish a new U.N. specialized agency. Environment covers a broad range of subjects already being dealt with within the functional responsibilities of existing U.N. agencies—atmospheric pollution in the World Meteorological Organization, environmental health in the World Health Organization, conservation of soil, forest, and animal resources in the Food and Agriculture Organization, etc. Environmental matters also are being dealt with in the U.N.'s Regional Economic Commissions. A Specialized Agency for the Environment would result in duplication of activities and would compound already serious coordination problems.

NEW INSTITUTIONS

The principal need is for new institutions at the center of the U.N. system to serve as the "brain" of the international environmental network. The central institutions should undertake a global review of environmental trends, policies, and actions; should determine important issues to be brought to the attention of governments; should suggest priorities for further action in respect of those issues; and should identify gaps in the knowledge and in the performance of organizations carrying out measures of environmental control. The central institutions should draw upon rather than duplicate ongoing work in existing functional and regional agencies and should be flexible and capable of adaption as understanding of environmental problems grows.

One element in the central mechanism should be a small, highly competent secretariat operating on the interface between the scientific community and the political process. It should be headed by an Undersecretary General or a Commissioner for the Environment, and should enjoy sufficient independence within the U.N. system to operate effectively.

Another element in the central mechanism should be some kind of intergovernmental body to which the secretariat would be responsible. There could be an environmental board established by the General Assembly, or an environmental committee under the Economic and Social Council (ECOSOC), or perhaps even periodic ECOSOC meetings at the ministerial level devoted to the environment.

Some participants in the Rensselaerville meeting urged that environment be kept in the ECOSOC framework so that one institution could face the interrelated issues of development and environment; these people warned that separate bodies on environment and development could result in two sets of conflicting resolutions each reflecting a limited and inadequate perspective. Others urged that environment needed greater visibility and status than could be achieved in ECOSOC, which in their view has an unsatisfactory record.

Although the issue was not resolved, there was agreement that whatever intergovernmental body is created should be composed not just of career diplomats acting upon instructions but of highly qualified government officials responsible for environmental affairs. Moreover, the work of the intergovernmental committee should be reviewed regularly by one of the main committees of the U.N. General Assembly and perhaps also by a periodic "Stockholm conference."

The central secretariat and intergovernmental body should be assisted by some kind of scientific group to provide independent and expert judgment free from government influence. One possibility is an International Center for the Environment (ICE), a proposal that has gained support in the International Council of Scientific Unions. ICE could conduct research on environmental problems and assist specialized agencies such as WMO and WHO in the designing of environmental monitoring networks and in the evaluation of information received. A more modest possibility would be a scientific advisory group attached to the intergovernmental committee and composed of persons serving in their individual capacities, perhaps with subgroups on specific environmental problems.

Whichever possibility is chosen, representatives of some of the specialized agencies at Rensselaerville said, the agencies should design their own monitoring networks and evaluate the data derived from them. The agencies are clearly reluctant to have any central scientific group performing functions that they regard as within their traditional fields of competence.

It was further agreed that the new international environmental institutions should encourage existing agencies to get on with other fundamental tasks. One is the training of personnel needed for environmental management. Another is formulation of environmental education programs for schools and for the general public. A third is establishment of environmental criteria to be applied by national and international development agencies. A fourth is the devising of means to avoid undesirable trade barriers resulting from different national approaches to pollution control.

That was the extent of the consensus at Rensselaerville. But some crystallization of opinion occurred on several other key questions.

Should there be some kind of environment fund—and (if so, what should be the arrangements for its administration? An environmental fund, it was urged, would help coordinate the activities of individual agencies. It would provide developing countries with extra financing over and above existing aid funds to help them take environmental protection measures they otherwise could not afford; it would also assure developed countries that funds they contributed for environmental purposes would be used for top-priority environmental projects. But several governments represented at Rensselaerville were not yet ready to commit themselves to such a fund. Moreover, there was no consensus as to whether a fund should be managed by the U.N. Development Program or by a new body. Nor was there agreement on the kind of governance of the fund that would satisfy both developed and developing countries.

HOW SETTLE DISPUTES?

What kind of institutions should be established for the settlement of environmental disputes? More specifically, what degree of international control should be established over the actions of a nation within its territory that might affect the environment of others? Some examples given in Rensselaerville were U.S. uses of the Colorado River injurious to Mexico, possible damage by the Aswan Dam to the fisheries and beaches of the eastern Mediterranean, and the potential climatic effects of contemplated Soviet diversion of rivers presently flowing from Siberia into the Arctic Ocean.

In his address to the opening session of the May meeting held at U.N. Headquarters, U.S. Senator Edmund Muskie proposed that U.N. members should henceforth report to the United Nations on all their actions that might affect the environment of others. While conceding that nations were not yet ready to accept an international veto over national decisions on environmental matters, Muskie urged that every nation not only should make full disclosure of its environmental actions but should consult in good faith with other nations and international agencies when they advanced comments or objections. In cases of disagreement, he said, an impartial group should report on the facts and make appropriate recommendations.

The sessions at Rensselaerville produced a number of different reactions to the issues raised by Senator Muskie. Judge Jessup urged that the International Court of Justice be used for the settlement of environmental disputes. The Court could sit in special chambers for this purpose and make use of scientific "assessors," or fact-finders, where necessary. Other Rensselaerville participants felt a need for more flexible machinery than the Court could provide. In their view, it would be better to bring environmental disputes to the proposed intergovernmental committee on the environment and its scientific advisory group. Dr. Gerardo Budowski, director general of the International Union for the Conservation of Nature and Natural Resources, suggested that his organization could usefully serve as an "expert witness" in international disputes because of its non-governmental character. In his view, moreover, the international community sooner or later would have to face the need for some kind of "policing" to prevent actions causing irreversible damage to the environment.

The Rensselaerville discussions revealed

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that this thorny issue might be difficult to resolve at Stockholm.

A number of diplomats and government officials expressed doubt that governments would be ready to accept international review of national actions. Dr. Konstantin Ananichev, director of the International Organizations Department of the U.S.S.R. State Committee for Science and Technology, emphasized that any new environmental machinery should be of an "international and not of a supranational character" and should operate "only through cooperative actions of sovereign states." However, he also stressed the need for "joint research on agreed international programs" and did not exclude the possibility that such joint research could be organized on a case-by-case basis with the consent of all the parties involved to evaluate the international consequences of national actions.

POLLUTION AT SEA

What international machinery should be established to deal with pollution of the seas? The participants at Rensselaerville agreed that this was a matter of urgent importance, since the marine environment, accounting for 70 per cent of the Earth's surface, is presently subject to almost no effective measures of protection.

The Intergovernmental Working Group on marine pollution is considering an international agreement regulating ocean dumping (the transportation from national territory to the oceans of waste materials that could harm the marine environment). Even if this were approved at Stockholm and ratified by governments, it would still leave untouched the main sources of marine pollution—the pollutants coming to the oceans directly from land, from rivers, and from the atmosphere.

Should some international machinery be established to monitor and eventually regulate all these additional sources of marine pollution? Should it be global in character, or should we begin with separate regional efforts to clean up the Mediterranean, the Baltic, and the North Sea? Should pollution from vessels in maritime commerce continue to be dealt with by a separate agency—the Intergovernmental Maritime Consultative Organization—or should one agency deal with marine pollution from all sources? What should be the relation between agencies concerned with marine pollution and the proposed International Seabed Authority that would have responsibility for exploitation of the deep sea bed? Should there be a single agency for all the problems of the oceans, including the difficult issue of fisheries as well? It was clear at Rensselaerville that the international community was very far from a consensus on these fundamental questions.

Finally, which nations should participate in international institutions for environmental control? Senator Muskie urged that the next General Assembly make the United Nations universal in membership; if this were not possible, it should at least invite all governments to participate in the Stockholm conference. This would mean mainland China and both Germanys, to mention the most important, and others such as both Koreas and both Vietnams.

There was strong sentiment at Rensselaerville for the proposition that participation at Stockholm should be universal. But this was coupled with a good deal of uncertainty as to whether the next General Assembly would make the United Nations universal in membership and whether, if it failed to do so, governments not admitted to the U.N. itself would be willing to come to Stockholm.

The Rensselaerville meeting served to underline the complexity of these unresolved organizational questions. Nevertheless, the meeting did reveal one bit of common philosophy on environmental problems. It was best stated by Senator Muskie at the opening session:

The simple truth is that . . . we are far from one world politically. But, by necessity if not by choice, we are one world environmentally. States have sovereign rights—but so do people. We cannot rely on the political habits of the past to save our environment for the future.

METAPSYCHIATRY AND THE ULTRACONSCIOUS

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. PEPPER. Mr. Speaker, I believe my colleagues, and all those who read this RECORD, would be interested in the article written by my good friend and constituent, Dr. Stanley R. Dean, of Miami, Fla., which was published in the November 1971 issue of the American Journal of Psychiatry, on the subject of "Metapsychiatry and the Ultraconscious," and which is inserted immediately following these remarks:

METAPSYCHIATRY AND THE ULTRACONSCIOUS

Sir: The purpose of this letter is to focus psychiatrists' attention upon a host of esoteric, poorly defined psychic phenomena loosely regarded as occult, mystical, or simply, "psi." For psychiatric purposes a more congruent terminology is needed. I had previously suggested the word "ultraconscious" to designate a suprasensory, suprarational level of mention otherwise known as cosmic consciousness, transcendental illumination, *unio mystica*, *satori*, *samedhi*, *kairos*, etc. (1, 2).

The existence of the ultraconscious, especially in the Orient, has been recognized since antiquity. Miraculous healing powers have been attributed to it, and from it have sprung the highest creativity and genius known to man. Yet it has received surprisingly little attention from modern psychiatry.

It therefore seems appropriate to propose still another word—"metapsychiatry" (cf. metaphysics)—to delimit the psychiatric ramifications of the subject. The special province of metapsychiatry would be the cogitative and scientific investigation of such diverse "psi" categories as: mental telepathy, ESP, clairvoyance, prophecy, precognition, premonitions, intuition, *déjà vu*, sixth sense, premonitory dreams, miracles, spiritualism, trances, hallucinations, hypnosis, charisma, faith healing, personal magnetism, psychedelic states, auras, psychokinesis (PK), catalepsy, graphoanalysis, tactile sight, radiesthesis, bioluminescence, cosmobiology, etc.

I use the words "cogitative" and "scientific" advisedly for many of these phenomena are adaptive not only to apodictic reasoning but also to objective research by electronic and other technological devices.

Never has the time seemed more ripe for such research. Some countries, notably various Communist states, have instituted government supported laboratories staffed by eminent scientists. Although much of their work is classified, some astounding technological findings are described in a remarkable book by Ostrander and Schroeder (3). According to their impressively annotated data, Russia alone had 20 or more centers in 1967, with an annual budget approximating $20 million.

Having pioneered the exploration of outer cosmic space, the Russians seem determined to pioneer the penetration of inner psychic space as well. The late Leonid L. Vasiliev, first chief of the state-funded laboratory for parapsychology at the University of Leningrad, stated uncompromisingly: "The discovery of the energy underlying ESP will be equivalent to the discovery of atomic energy" (4).

It seems to me that our country will not be indifferent to such a challenge, and American psychiatry might well consider the establishment of a Task Force for Metapsychiatry in order to determine the directions to be taken. This would provide us with an opportunity to reexamine ancient beliefs that have remained tenaciously ubiquitous despite scientific indifference. To deride in a laboratory what one believes in a church is surely one of the supreme ironies of our age.

According to Aldous Huxley, mysticism is the only single effective method that has yet been found for the radical and permanent transformation of personality. A modern philosopher, Plochmann, cautioned that the "mystical is neither an asylum of ignorance nor a place where for some reason logic leaves off so that we have to keep quiet" (5). Freud himself was well known for his preoccupation with psychic phenomena. And such contemporary psychiatrists as Kelman (6) believe that ultraconscious faculties are latent in all of us and that major and minor degreees of "illumination" could be developed and used by informed psychiatrists to augment present psychotherapy. Then, if the resulting clinical data were collected, pooled, and collated with technological research, the accrued information might well provide a breakthrough to the practical utilization of this hitherto inscrutable subject. In the process of formation for this special purpose is the American Metapsychiatric Association (AMPA). Inquiries are invited.

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LESSONS FROM CANNIKIN

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. HOLIFIELD. Mr. Speaker, we have been made acutely aware that those who cry "wolf" most loudy to further a given cause also maintain the deepest silence when their pet prophecies of doom fail to materialize. In this regard there was a very perceptive article in the November 12, 1971, issue of Nature magazine entitled, "Lessons From Cannikin."

Nature is strongly oriented toward the biological sciences and the environment and has been severely critical of the Cannikin test for the past year or so. Nevertheless, "Lessons From Cannikin," from Nature, points out the environmentalists were desperately seeking from the scientists a concerted declaration warning of impending dangers when, as a matter of fact, the risks were indeed small, even negligible. The writer concludes:

It is indeed conceivable that the environmental movement has been harmed by the Cannikin affair.

For Nature to have printed such an article about Cannikin is a good indicator that they now recognize that inputs from pseudo-scientists and pseudo-environmentalists should be carefully scrutinized before being accepted for printing. This article should make good reading for some of the political "pros" in this city and elsewhere.

I, my colleagues on the joint committee, and other informed members of this body, many times took to the floor to point out that the issues on which the Atomic Energy Commission was being taken to task as being negligent in preparing for Cannikin were for the most part specious. As many of us have said many times before, if it is the will of this country, of the President and of the Senate to have a comprehensive test ban treaty for political reasons and political reasons alone, let those who would force this issue to do so directly and forthrightly, without reverting to subterfuge. I request that the above-mentioned article be placed in the RECORD.

[From Nature, Nov. 12, 1971]

NUCLEAR WEAPONS—LESSONS FROM CANNIKIN

What the US Atomic Energy Commission scientists learned from the Cannikin test on the Island of Amchitka will probably never be known, being apparently vital to national security. The lessons for all other participants in the affair are more obvious.

The drama associated with Cannikin was appropriate to a Moon shot. Environmentalists have fought during the past week a desperate court action to have papers on the environmental impact of the test released and then to use them in demonstrating that there were significant risks of earthquakes, tidal waves and radioactive leakage. On the very morning of the test, the Supreme Court sat to hear arguments on the environmental impact, and voted 4 to 3 that the test could proceed. Thereafter the AEC, clear of its last hurdle, went ahead and fired the shot which predictably triggered no earthquakes or tidal waves. It is too early to tell whether there will be any radioactive leakage, but there appears to be no concern about it.

One of the most remarkable and least noted features of this test is that in the fifties and early sixties the United States fired such shots in the atmosphere with impunity. The American public has come a long way in its attitudes since then. Unfortunately, the issues on which the AEC were challenged were in the opinion of many flimsy. It is of course an old political trick to steer clear of the central arguments and try to make the peripheral questions seem more important. The AEC did not even have, consciously, to pursue this policy; the environmental question was the only one which generated a significant amount of heat. To be sure, there is never a zero risk of environmental damage and no scientist has come out with a statement that environmental arguments are nonsense, but it appears to have been the considered opinion of practically all those who studied the problem in a detached manner that the risks were very slight.

What environmentalists would desperately have liked would have been a concerted declaration from scientists warning of dangers. No such statement was forthcoming. It is indeed conceivable that the environmental movement has been harmed by the Cannikin affair. Its members may have learned the hard way that scientists with some sympathy for the movement can be alienated by a stance that scientists could not maintain. They may have lost some credibility with those middle Americans who are unimpressed when the Doomsday does not show up to order. The first callers to radio talk shows immediately after the blast were saying, "Well, what was all the fuss about then?" They may also have learned that when dealing with politicians they are talking to pragmatic people for whom a 10 per cent, let alone 1 per cent, chance of catastrophe is acceptable. The environmentalists have to walk on a tightrope above scientists, lawyers, politicians and the general public. The Cannikin affair may have helped them to learn new tactics.

Of course, what Cannikin was really about was national security. If a good number of Senators had banded together early enough to express disbelief that this one explosion was more vital to national security than good relations with Canada and Japan, the soft centre of the Administration's argument would have been revealed. Fresh from previous insults from the new Nixon, these two countries in particular were bitter about the test and are going to be more difficult to deal with in the future as a result of it, earthquake or no. Whether the milliseconds worth of X-rays is more valuable than good relations with two allies is much the most debatable issue in the whole affair.

CONSTITUTIONALITY OF INDIVIDUAL CAMPAIGN CONTRIBUTION LIMITATIONS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. BINGHAM. Mr. Speaker, when the House debates the campaign spending legislation, I shall offer an amendment to the Senate bill, S. 382, if it is offered as a substitute for the House Administration Committee bill, H.R. 11060, to establish reasonable limitations on individual contributions to political campaigns.

Some opponents of individual contribution limitations claim that the amendment would be unconstitutional. Since this is a very complex question of law, which deserves Members' careful attention, I would like to offer the following correspondence between my colleague FRANK THOMPSON of New Jersey, and Prof. Albert J. Rosenthal of Columbia Law School. Professor Rosenthal's letter to Mr. THOMPSON presents a number of strong arguments supporting the constitutional validity of this amendment.

The following is the text of the correspondence between Mr. THOMPSON and Professor Rosenthal:

NOVEMBER 12, 1971.

Prof. ALBERT J. ROSENTHAL,
Columbia Law School,
New York, N.Y.

DEAR PROFESSOR ROSENTHAL: I understand that you attended a recent seminar on the control of election expenditures and may have some views on the subject which would be useful to the Congress. In particular, as you may know, new legislation is scheduled for debate and, hopefully, action next week in the House of Representatives.

One provision which will be before the House is Section 202 of S. 382 which would, if enacted, repeal 18 U.S.C. sec. 608. This section presently imposes a $5,000 limitation on individual campaign contributions.

I feel strongly that the $5,000 limitation or, if it is the will of the Congress, some larger limitation should remain in force. I am concerned about the disproportionate political power and entree enjoyed by large contributors in comparison with the power available to the individual voter who makes no political contributions, or very modest ones. Accordingly, I plan next week to take whatever action I can to preserve either the $5,000 limitation imposed by 18 U.S.C. sec. 608 or some other dollar limitation on contributions.

In this connection I anticipate an argument from those who oppose individual contribution ceilings that 18 U.S.C. sec. 608 is unconstitutional. In order to counter this argument, I would greatly appreciate a statement from you of your view as to the constitutionality of this statute.

The debate will probably begin on Tuesday, November 16th. The debate is subject to a rule which will abbreviate the proceedings. I am sorry to make this request of you on such short notice, but I would greatly appreciate hearing from you as soon as possible, and, hopefully, by Tuesday, November 16.

Sincerely yours,

FRANK THOMPSON, JR.

COLUMBIA UNIVERSITY SCHOOL OF LAW,
New York, N.Y., November 15, 1971.

Hon. FRANK THOMPSON, JR.,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN THOMPSON: This is in response to your letter of November 12, 1971, requesting my views as to the constitutionality of federal legislation, such as 18 U.S.C., § 608, limiting the amounts that may be contributed by individuals for the election campaigns of candidates for President, Senator and Representative.

First of all, there seems little doubt that regulation of the financing campaigns for federal office falls within Constitutional grants of authority to Congress. With respect to Congressional elections, Art. I, § 4, gives Congress control over "[t]he Times, Places and Manner of holding Elections for Senators and Representatives," and the Supreme Court has construed these as "comprehensive words [which] embrace authority to provide a complete code for congressional elections . . ." *Smiley* v. *Holm*, 285 U.S. 355, 366 (1932); see also *Ex parte Siebold*, 100 U.S. 371 (1880). Authority to protect Presidential elections from undue financial influence does not spring from this clause but has been stated to rest upon the inherent power of Congress "to preserve the departments and institutions of the general government from impairment or destruction, whether threatened by force or by corruption." See *Burroughs* v. *United States*, 290 U.S. 534, 545 (1934); *Ex parte Yarborough*, 110 U.S. 651, 657, 666–67 (1884). These cases would also serve as additional support, if any were needed, for legislative power to control contributions for Congressional elections. And since contributions induce the purchase of goods and services, and pay for the costs of speakers and communications that cross state lines, regulation could also be sustained independently under the grant of authority to Congress to regulate interstate commerce (Art. I, § 8, cl. 18).

Assuming, therefore, presumptive Congressional authority over the subject, the question may be raised as to whether restrictions on how much a person may contribute violate his freedom of speech or press under the First Amendment. To be sure, to limit what a person may spend on behalf of a candidate restricts to some degree his ability to communicate his views. But First Amendment rights are not absolute—as illustrated by Justice Holmes' classic example of shouting "fire" in a crowded theatre—and questions of constitutionality necessarily require a balancing of the interests sacrificed against the goals and values sought to be achieved.

Moreover, spending money is not the same as speech-making, even if the former may

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pay for the latter; the weight accorded the right to spend would undoubtedly count for far less in any such balancing process than would the right to speak. It should be noted that even in his dissent in *United States v. United Automobile Workers*, 352 U.S. 567 (1957), Justice Douglas (joined by Chief Justice Warren and Justice Black), while contending that a radio broadcast by a labor union on behalf of a candidate could not constitutionally be forbidden, conceded: "If Congress is of the opinion that large contributions by labor unions to candidates for office and to political parties have had an undue influence upon the conduct of elections, it can prohibit such contributions...." (352 U.S. at 598, n. 2).

Assuming, however, that limits on contributions impose some restraint on freedom of speech, this must be weighed against the values sought to be achieved. One such value is the reduction of the possibility of large contributors exerting undue influence over candidates and office-holders. If this were the only interest to be served by limiting contributions, the present $5,000 limit might seem unrealistically low; in the light of the large scale of the expenses for the typical Presidential or Congressional election, it appears unlikely that a single $5,000 contribution would exert much sway. On the other hand, to the extent that large numbers of contributions of that size from individuals espousing a common point of view might cumulatively have such an effect, the present ceiling might be justifiable. *Cf. United Public Workers v. Mitchell*, 330 U.S. 75, 101 (1947). But a somewhat higher ceiling would be even less vulnerable, and should increase the weight properly to be accorded the interest in discouraging contributors' undue influence.

There is, however, an additional value to be protected by ceilings on individual contributions, which would undoubtedly be extremely significant in any balancing of constitutional interests regardless of the size of the limit. Since campaign contributions are intended to influence the way people will vote, large ones tend to exert proportionately greater influence. The Supreme Court has repeatedly held that equality of voting power was constitutionally protected, not only in the apportionment cases but also in cases overturning state laws that imposed financial burdens or property qualifications upon the right to vote. *S.g., Harper v. Virginia Board of Elections*, 383 U.S. 663 (1966); *Kramer v. Union Free School District*, 395 U.S. 621 (1969); *City of Phoenix v. Kolodziejski*, 399 U.S. 204 (1970). It is, of course, not suggested that Congress is *compelled* by the Constitution to eliminate disparities in political influence arising from the differences between rich and poor in their ability to make large campaign contributions. But the fact that the Constitution requires that each man's vote count equally must weigh heavily in favor of the conclusion that Congress is *permitted* to reduce these differences in power to influence the result, through limiting the size of contributions.

In conclusion, therefore, it is my opinion that restrictions on the size of individual campaign contributions are constitutionally valid, and would on balance greatly contribute to, rather than diminish, the constitutional rights of American citizens.

Sincerely yours,

ALBERT J. ROSENTHAL,
Professor of Law.

FRANCE CLOUDS THE FACTS IN ITS ATTEMPT TO DEFEND ITS ANTI-DRUG PROGRAMS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. RANGEL. Mr. Speaker, Monday's mail brought a pamphlet entitled "French-American Cooperation on Narcotics Control," distributed by the Press and Information Service of the French Embassy in New York. The pamphlet contains many unwarranted statements which do not square with the facts of French failure to successfully crack down on heroin processing and trafficking. It is a blatant attempt to brainwash the American people into believing that the French Government is stopping the merchants who peddle death disguised as a white powder—heroin.

It is important that my colleagues in the House of Representatives take a look at this propaganda piece and recognize its clumsy effort to play hide-and-seek with the truth.

The pamphlet follows:

FRENCH-AMERICAN COOPERATION ON NARCOTICS CONTROL

(Ambassade de France, Service de Presse et d'Information)

French and American authorities have been cooperating for several years in the fight against drug trafficking. Recently, however, the increase of drug abuse in several Western countries, including France and the United States, has made it necessary to intensify this fight and strengthen international cooperation in it.

NARCOTICS CONTROL IN FRANCE

Within France, the Central Office for the Repression of Illicit Drug Trafficking coordinates the fight of the various government agencies (Police Judiciaire, Customs, etc.) against drug abuse and trafficking. It is represented in various regions of France by the Police Judiciaire to which are assigned special agents trained by the Central Office. The regional police of Paris and Marseilles are assigned greater numbers of these agents, for most of the trafficking occurs within their areas. The number of special narcotics agents has increased considerably in the past few years; it rose from 30 in 1965 to 150 in 1969, 300 in 1970 and in 1971 reached 520; in addition, 3,000 police officers received basic training in narcotics control. Given the nature of their work, customs agents also play a part in the fight against trafficking and they too have received basic training. A new law recently adopted by the French Parliament has increased penalties for trafficking offenses: offensive may be sentenced to from 10 to 20 years' imprisonment and may be fined as much as 50 million F. (approximately $9 million). These penalties may be doubled in case of repeated offense.

INTERNATIONAL COOPERATION

The fight against trafficking in France has been accompanied on the international level by an increase in the joint efforts in various countries.

On August 6, 1971 President Pompidou sent a letter to the heads of government of the other five countries of the Common Market proposing to coordinate the fight against drug abuse. After describing what he believes is the seriousness of the drug problem, President Pompidou proposed that a twice yearly meeting of the ministers concerned (health, education, interior and justice) should be held. The ministers would be aided by a permanent organization of experts in the fight against drug addiction.

At the same time President Pompidou wrote to the British Prime Minister, Edward Heath, and proposed that the two countries work together now, without waiting for Britain to enter the Common Market. Mr. Heath immediately made it known that he was in favor of this proposal. The replies from other heads of government were also very positive. The details of this plan for European cooperation were presented by French Foreign Minister Maurice Schumann in Brussels on September 20, 1971. France also cooperates very closely with the United States.

THE MEASURES TAKEN BY FRANCE AND THE UNITED STATES

Included in the measures taken by France and the United States is the assignment of three agents from the US Bureau of Narcotics to Paris and three to the Marseilles region. Two French narcotics agents were likewise assigned in New York to the US Bureau of Narcotics to provide assistance and coordination in all international trafficking affairs concerning France.

The BNDD and the French National Police have organized joint training sessions in Paris, Lyons and Marseilles which the Director of the US Bureau of Narcotics described as an "unqualified success."

A French-American International Commission to combat drug abuse meets four times a year with the participation of the Royal Canadian Mounted Police. During the meeting which took place in Washington on November 3 and 4, 1970 and which was presided over by Max Fernet, Director of the French Police Judiciaire, and John Ingersoll, Director of the US Bureau of Narcotics and Dangerous Drugs, a draft protocol between the French and the American governments was prepared concerning the joint efforts of the two countries to combat international drug trafficking. The final protocol was signed in Paris on February 26, 1971 by US Attorney General John Mitchell and by French Minister of the Interior Raymond Marcellin.

At the meeting which took place on May 25, 1971, it was decided to hold an international symposium in Washington in September, to which all European countries belonging to Interpol would be invited. This seminar was held from September 13 to 24 and brought together specialists in the fight against drug abuse from 14 countries in Western Europe.

FRENCH-AMERICAN COOPERATION: STATEMENTS BY AMERICAN OFFICIALS

On various occasions, high-ranking American officials have made a point not only of belying the supposed inadequacy of the French effort but also of expressing their satisfaction with the close collaboration between the responsible French and American agencies.

The Director of the US Bureau of Narcotics and Dangerous Drugs, John Ingersoll, in a statement made on July 24, 1970:

"There has been a traditional, fraternal relationship between the French narcotics police and their US counterparts. Upon merger of the US drug enforcement agencies into the BNDD in 1968, I undertook immediate steps to strengthen these somewhat informal contacts with all foreign police agencies in countries which affected the US drug abuse problem. Because French territory was being used illegally for clandestine heroin processing and trans-shipment, special effort was made to formalize the relations with the Surete Nationale and Police Judiciaire in France. These efforts were extremely well received by the French authorities.

"This cooperation has been manifested in the successful conclusion of several joint investigations conducted by the French police and BNDD agents, the latest of which resulted in the seizure of 344 pounds of morphine-base in the Marseilles area and at Milan with the cooperation of the Italian police. Six international traffickers with Near-Eastern backgrounds were arrested in this investigation."

The Attorney General of the United States, John Mitchell, and the French Minister of the Interior, Raymond Marcellin, in a joint communique published at the close of the latter's visit to Washington on July 31, 1970:

"The French Minister of the Interior, Mr. Raymond Marcellin, has been in Washington from the 29th to the 31st of July 1970 invited by the Attorney General of the United States. His visit took place in the framework of the cooperation between the two countries which was recently emphasized by the visit to the United States of Mr. Georges Pompidou, President of the French Republic.

"The Attorney General of the United States and the French Minister of the Interior had a wide exchange of view concerning in particular the problem of fighting the international traffic of narcotics.

"In this matter there exists the fullest cooperation between the American and the French governments.

"A Franco-American protocol concerning international narcotics control will be signed shortly. It will formalize the existing cooperation between the respective enforcement agencies of the two countries in this particular field.

"The conversations which, for the first time, were held on a ministerial level, form part of the regular consultations which since December 1969 have taken place between the competent French and American services. Three meetings of that kind have already taken place either in Paris or Washington. A new session will be held in Washington in the fall.

"Every three months there will be further meetings of this kind.

"The Attorney General of the United States and the French Minister of the Interior have expressed their satisfaction about the efficiency of the measures taken jointly in the interest of both countries."

The Ambassador of the United States to France, Arthur K. Watson, in a letter to Time magazine published September 28, 1970:

"To prevent rumor through repetition being taken as fact, I want to specifically deny that the U.S. government has any French police reports, or any other reports for that matter, indicating laxity in the enforcement of drug laws in France. Another variation of this story, which appeared in two Paris publications, suggests that we have evidence linking French political figures with the narcotic traffic. It is also without foundation.

"The truth is that we do have a widespread and increasingly successful effort to choke off the drug traffic from Europe and the government of President Pompidou is helping us in every way that it possibly can."

The former Ambassador of the United States to France, Sargent Shriver, in a televised interview on October 7, 1970:

"Let me just say that the number of people working under the French government on that problem in France is about five times as great now as it was 18 months ago.

"Secondly, the clandestine laboratories where heroin is processed in France are very difficult to discover. They used to be, most of them, in Italy and Sicily; and once we were able to work with the Italian government and get them out of there, then they went to France.

"I think the tragedy is that probably if we're successful in getting them out of France, they'll move someplace else. The reason is there's so much money in it. The profits are incredible. And until we start knocking at the people who are actually getting the maximum of the profit, we're not going to stop it simply by getting it out of France.

"I'm in favor of getting it out of France and the French government is working with us; but I'm desperately afraid that if it gets out of there it'll be someplace else simply because of the dollars involved."

The US Secretary of State, William Rogers, in the section of his report on US foreign policy 1960–1970:

"When the Administration undertook an international campaign against illicit drug traffic in 1969, one of the major initiatives was with the French, launched by an exchange of letters, in November 1969, between the President and President Pompidou. It was agreed to intensify cooperative efforts between the two countries to control the illicit production and traffic of heroin. An intergovernmental task force was established and meets quarterly, alternately in Washington and Paris. The number of French and American agents assigned to uncover and eliminate the processing and shipment of heroin was substantially increased. During a recent 12-month period, more than 300 drug traffickers were indicted in France and more than 1,700 pounds of opium and heroin were seized. As part of this continuing cooperation, the Attorney General is visiting Paris at the end of February 1971, reciprocating the visit of the French Minister of the Interior to the United States last summer. On this occasion the two ministers will sign an interagency agreement formalizing and detailing the nature of cooperative agreements between the narcotics control authorities of the two governments."

The US Assistant Secretary of State, Martin J. Hillenbrand, before the European Subcommittee, House Foreign Affairs Committee on July 2, 1971:

". . . Illegal drug operations are international in scope. Information developed in one country may lead to arrests and seizures anywhere along the path of the illegal narcotics as it is processed and shipped to the U.S. Recognizing that one cannot always pinpoint the major responsibility for a seizure or arrest, the results are so far encouraging. As a result of cooperation with French authorities and operations in France, seizures of morphine-base and heroin (one pound of morphine-base converts to one pound of heroin) have been: 1969, 992 lbs.; 1970, 1,014 lbs.; 1971 (six months) 2,864 lbs."

The U.S. Secretary of State, William Rogers, in a press conference held at the White House on September 7, 1971:

". . . France has been cooperating with us very well, and I think there is an awareness on the part of the French government that the problem is an international problem, not just a problem for the United States. There is no attempt at all to criticize France. I think France has been very cooperative."

THE U.N. AND NARCOTICS CONTROL

France supported the draft resolution, drawn up by the special session of the Commission on Narcotic Drugs which was held in Geneva in September 1970, and submitted to the United Nations Economic and Social Council. The Permanent Representative of France to the United Nations, Jacques Kosciusko-Morizet, said in particular on this subject on November 11, 1970:

"In order to achieve the goal it set itself the Commission recommends that the Council urge the Secretary General to create, as a matter of urgency and as an initial measure, a United Nations fund to combat drug addiction which would be funded by voluntary contributions.

"The French delegation is generally against the proliferation of special funds due notably to the administrative costs they involve. My delegation will, however, vote in favor of this proposal for we see in it a means for the international community to affirm its intention of waging a very intensive campaign against the abuse of dangerous drugs. But my delegation feels that the fund's resources should be utilized mainly to increase information available to national and international services as well as to dispense appropriate technical assistance to such governments as may request it. On the other hand, this fund should not be used to finance the budgetary expenditures of existing agencies.

"The best means of achieving this would be to entrust to an experienced United Nations agency such as the UNDP the management of the funds as was done for population activities. . . .

"This is the reason why my delegation will support the draft resolution which several delegations, including that of the United States, are submitting to the Economic and Social Council so as to make concrete the recommendations of the Commission on Narcotic Drugs.

"Against this international plague, this physical, intellectual and moral pollution which is threatening the young and the adults of all nations indiscriminately, it is fitting to use all possible means, national and international. On a bilateral basis with the United States, we have set up a complete cooperation. We are ready to extend it on a multilateral basis; these efforts have to be integrated into the international effort which is being conducted by the United Nations and in which we mean to participate unreservedly."

SOME RECENT ARRESTS AND SEIZURES

According to the French Ministry of the Interior, the number of traffickers arrested in France rose from 86 in 1968 to 120 in 1967, 154 in 1968 and 206 in 1969. The number of drug users arrested increased from 82 in 1966 to 155 in 1967, 207 in 1968 and 994 in 1969. Between August 1, 1969 and September 27, 1971, 946 drug traffickers were arrested, including 35 international traffickers; during the same period seizures included 628 kg (1380 lbs.) of opium, 899 kg (1977 lbs.) of morphine-base, 200 kg (440 lbs.) of heroin and 1108 kg (2437 lbs.) of cannabis. During the first six months of 1971, 11 drug traffickers were sentenced to more than 10 years imprisonment and in 1970 and 1971 more than 680 foreigners convicted of drug use were deported.

Special attention is being paid by French narcotics agents to uncovering the so-called laboratories (in fact makeshift installations) where drugs may be processed.

The collaboration of the French and American agencies has resulted in the arrest of numerous traffickers and the seizure of significant quantities of drugs. Arrests and seizures in 1971 include:

January 1: Nice, 3 foreigners, 140 kg of morphine-base (308 lbs.);

January 14: Marseilles, 2 French, 9.5 kg of heroin (20 lbs.);

February 3: Montpellier, 2 traffickers, 2.8 kg of cannabis (6 lbs.);

February 11: Marseilles, 2 foreigners, 2 French, 32 kg of opium (70 lbs.);

February 25: Marseilles, 2 French, 2 foreigners, 358 kg of morphine-base (789 lbs.);

March 3: Orly Airport, 4 foreigners, 70 kg of hashish (154 lbs.);

XUM

March 21: Nice, 3 foreigners, 140 kg of hashish (308 lbs.);
March 31: Marseilles, 1 foreigner, 2.5 kg of cannabis (5 lbs.);
April 16: Marseilles, 1 French, 5 foreigners, 162 kg of morphine-base (357 lbs.);
May 27: Orly, 12 kg of heroin (26 lbs.);
August 16: Paris, 3 foreigners, 18 kg of pure heroin (40 lbs.);
October 6: Paris, 4 French, 106 kg of heroin (233 lbs.).

I

In the pamphlet, France boasts of the increased number of police assigned to narcotics control. The French Government states:

Given the nature of their work, customs agents also play a part in the fight against trafficking and they too have received basic training.

This underrating of the vital nature of customs in controlling the flow of drugs, coupled with the decreasing number of customs agents assigned to Marseilles makes me wonder about the depth of the French understanding of the dimensions of the problem. Claude Gravagna, spokesman for the General Confederation of Labor, claims that the number of customs agents at Marseilles has dropped from 940 in 1950, to 670 in 1971, as reported in the New York Times on September 7, 1971. Marseilles, the largest port on the Mediterranean, is the center for much of the heroin processing in France. Its shipping traffic has been growing annually, in contrast to the number of customs officials assigned there.

II

Although one section of the phamphlet deals with the United Nations and narcotics control, there is good reason to question France's sincerity in seeking strengthened international efforts to fight drugs. On July 1, the Division of Narcotics of the United Nations reported that France had not yet paid its promised contribution to the U.N. Fund for Drug Abuse Control. In mid-September, the United Nations confirmed to my staff that the French contribution still had not been paid. It was not until international publicity revealed French failure to fulfill its financial commitment that, earlier this month, France announced that it would contribute $100,000 in 1972 to the fund.

III

The pamphlet contends:

Special attention is being paid by French narcotics agents to uncovering the so-called laboratories (in fact makeshift installations) where drugs may be processed.

The American people should not be pacified by this statement. Should we humble ourselves in gratitude to French ardor in seeking out these laboratories which process death for our young people and servicemen? Not until these laboratories are closed.

John Cusack, European desk chief of the Bureau of Narcotics and Dangerous Drugs, has estimated that between eight and 12 clandestine laboratories are currently operating with impunity in the Marseilles region alone. Others are located around Paris and Le Havre. Only 13 labs have been raided since the early 1950's. None have been raided and shut down since the fall of 1969—2 years ago.

IV

Included in the pamphlet is a list of a dozen recent seizures of narcotics by French police and accompanying arrests. What these statistics gloss over is the fact that the vast majority of heroin processed in France is successfully smuggled out of the country and into the international drug market. What about the April 5 seizure of 96 pounds of pure heroin, worth $12 million, discovered by a U.S. customs agent in New Jersey? The heroin was hidden in an automobile shipped from Le Havre.

What about the seizure in May of this year of 201 pounds of pure heroin, worth an estimated $30 million at street prices, in San Juan? The drugs were hidden in a Citroen and two French citizens, one an employee of the city of Manosque, were arrested.

What about the arrest of two Frenchmen in Puerto Rico on July 23? They were captured with 100 kilos of heroin in their car which had been shipped from Marseilles.

The list of French police-customs failures continues, as does the spreading addiction of thousands of Americans. Who do the French think they are kidding?

V

Finally, France denies the complicity of government officials in the manufacturing of heroin from morphine base and in the trafficking of heroin to the United States. On September 1, 1971, regional leaders of the French national union of customs officials charged:

There is a very influential underworld in Marseilles which had and still has political protection.

The New York Sunday News of November 14 and the New York Daily News of November 15 reported the disclosure of top-level corruption in the area of narcotics. The News reported:

A top-secret federal investigation of the multimillion-dollar flow of narcotics—particularly pure heroin—from France to the United States has unmasked a French government official as a key member of the flourishing dope smuggling ring. Among his illicit activities was the recruitment of dope carriers from the ranks of government service, the source said.

These and subsequent articles follow:

[From the New York Sunday News, Nov. 14, 1971]

PARIS OFFICIAL CALLED KINGPIN IN BIG HEROIN SMUGGLING RING

(By Alex Michelini)

A top-secret federal investigation of the multimillion-dollar flow of narcotics—particularly pure heroin—from France to the United States has unmasked a French government official as a key member of the flourishing dope smuggling ring, it was learned yesterday.

The official was said to hold a sensitive position in the French government that gives him access to confidential security information. Among his illicit activities was the recruitment of dope carriers from the ranks of government service, the source said.

Federal authorities here reportedly are close to breaking the case, which is expected to send shock waves through Franco-American diplomatic channels, and which could lead to a heavy crackdown on the importation of narcotics from France much of which finds its way into the New York area.

CACHE IN VOLKSWAGEN

A federal grand jury in Newark is scheduled to hear evidence in the case, possibly on Tuesday, with an eye toward taking official action.

The super sensitive investigation, which has involved high-level meetings in Washington among the Justice and State departments and the Federal Bureau of Narcotics and Dangerous Drugs, grew out of the inquisitiveness of a young woman customs agent who discovered 96 pounds of heroin under the floorboards of a Volkswagen bus aboard the French freighter Atlantic Cognac in Port Elizabeth, N.J., April 5.

The find, by red-haired Lynn Pelletier, 22, was valued at $12 million, one of the largest smuggled hauls in the northeast.

PROBE CONTINUED

Two days later, Roger Xavier Leon Delouette, a 48-year old French agricultural engineer who once worked for the French government, was arrested on charges of importing and concealing the heroin. He was indicted by a Newark federal grand jury on May 11.

At the time, U.S. Attorney Herbert J. Stern, who handled the case with one of his top assistants, Donald Merklebach, did not rule out the possibility that de Louette was part of an international smuggling ring. "All I can tell you is that the investigation in this matter is continuing," Stern had said.

Delouette a tall executive type is being held in $500,000 bail at the Somerset County Jail in Somerville, N.J., where he reportedly is assigned duties as a chef. He was placed in the jail, which is not a federal institution, for security reasons, sources said.

For the last seven months, Delouette has cooperated with the government in the continuing investigation, his court-appointed Newark lawyer, Donald Robinson told The News.

"Mr. Delouette expressed his gratitude for the courtesies accorded him here and said he wanted to help the U.S. government," said Robinson. "He has cooperated completely and furnished useful information."

It is uncertain what effect an action by a grand jury here would have on a member of a foreign government. An indictment would necessitate extradition to the United States for trial, an action which it is doubted the French government would take. But the case could provide the impetus for the French to take action against government members accused of involvement in dope trafficking.

WATSON'S DENIAL

Arthur K. Watson, the U.S. ambassador to France, said in a statement on Sept. 28, 1970, that published reports in Paris that "we (the U.S.) have evidence linking French political figures with the narcotics traffic" were "without foundation."

Last Feb. 26, U.S. Attorney General John Mitchell and French Interior Minister Raymond Marcellin signed an agreement designed to smash the drug traffic. But Justice Department officials are known to feel that the French have failed to enforce the agreement aggressively and that more effective French participation is necessary.

Less than two months after Mitchell and Marcellin signed the agreement, the girl customs agent in Port Elizabeth came across her find. Since then others have been uncovered.

VEILED IN SECRECY

The operation of the smuggling ring in France was said to be highly organized and mysterious. Couriers rarely came into direct contact with higher-ups.

Sources said that the case of one particular courier revealed how he was directed by unnamed telephone callers to look in the telephone book of a French cafe for cryptic instructions on where the drugs would be stashed. Other messages secretly deposited in bistros and stores supplied him with the code names of contacts in the United States.

[From the New York Daily News, Nov. 15, 1971]

FRANCE DOUBTS STORY ON AIDE TIED TO DRUGS

(By Bernard Valery)

PARIS, Nov. 14.—The Interior Ministry expressed "serious reservations" today that a report about a French government official was involved in international drug trafficking.

The statement said the official named belongs to the Documentation and Counter-espionage Service, French equivalent of the Central Intelligence Agency, and that the finger man in the case "could have motives of resentment against him." Other French sources said the finger man himself was a former spy who had been fired by the official he later sought to implicate.

The official statement pointed out that the report, published in The Sunday News, was based "solely on the statements of a drug trafficker arrested redhanded who—because of the nature of American procedures—has the greatest interest in throwing suspicion on an official to reduce his guilt."

COOPERATION PLEDGED

The ministry statement pledged that French official agencies would continue to "do everything necessary so that the already effective collaboration between the United States and France in the fight against drug traffickers may play a full role in this affair."

Sources close to the American embassy said that even if charges against the official proved correct, it would prove "nothing else than that there might be a rotten apple in any barrel."

"Franco-American war on narcotics will continue, in close cooperation," these sources said.

Earlier this month, France pledged to contribute $100,000 to the United Nations Fund against Drug Abuse in 1972. The French said the donation "supplements measures taken by France to dismantle the network of illicit traffic, and shows that the French authorities are resolutely determined to use all means in fighting drug addiction."

The Interior Ministry statement referred to a Frenchman arrested in the U.S. last April 7 on federal charges of importing and concealing heroin. He is Roger Xavier Leon Delouette, 48, who is held in $500,000 bail at Somerset County Jail, Somerville, N.J.

He was arrested two days after a cutoms agent, Lynn Pelletier, 22, discovered a 96-pound cache of heroin under the floorboards of a Volkswagen bus on the French freighter Atlantic Cognac in Port Elizabeth, N.J.

GOING TO GRAND JURY

Delouette, who is understood to be working as a chef at the New Jersey jail, "has cooperated completely" with U.S. authorities since his arrest, according to his attorney, Donald Robinson of Newark, N.J. A federal grand jury in Newark was expected to hear testimony in the case shortly, possibly this week.

French sources said Delouette worked for nine weeks for the French espionage agency and was dismissed for incompetence and irresponsibility. The charges were said to represent the "inventions of a liar and of a disgruntled former employe who decided to even an old score."

The official statement noted that French authorities sought to interrogate Delouette, but were refused permission by authorities in New Jersey, who wanted prior assurance that Delouette would not be prosecuted in France.

The French juge d'instruction, the judge presiding over investigations, "could only reply that it was legally impossible for him to give such a commitment," the statement said.

It said that this judgment was confirmed to "the New Jersey prosecutor" who visited Paris Nov. 6. The name of the prosecutor was not given. It was understood that the visit was an unannounced one, but that the American visitor was given "full cooperation" by French authorities.

The stress on "full cooperation" in describing the reception of the American indicated to observers here that the visitor met personally with the accused official, whose alleged rule in the drug trafficking was recruitment of drug couriers.

[From the Washington Post, Nov. 16, 1971]

FRENCH AIDE ACCUSED IN SMUGGLING OF HEROIN WORTH $12 MILLION INTO UNITED STATES

(By Morton Mintz)

NEWARK, N.J., November 15.—An official of the French counterpart of the CIA conspired to smuggle $12 million worth of heroin into the United States, a federal grand jury charged today in a three-count indictment.

The indictment named Col. Paul Fournier, a supervisory agent in the SDECE (Service de Documentation Exterieure et de Contre-Espionage). The agency has no responsibility for controlling illicit narcotics traffic.

U.S. Attorney Herbert J. Stern told newsmen that French authorities have known for seven months of Fournier's alleged role—ever since a former subordinate, Roger X. L. Delouette, initially accused him under questioning by a French police officer, Commissaire Daniel Hartwig, and an American customs agent.

In Paris, there was no indication of any French government proceeding against Fournier—or an acknowledgment of his existence.

In a statement Sunday night, the Ministers of Interior and Justice suggested that unspecified feelings of revenge may have motivated Delouette—a charge indignantly denied by his court-appointed lawyer here, Donald A. Robinson.

The indictment names Delouette as a co-defendant. He is to be arraigned Tuesday. Stern said it is for French authorities to decide whether to proceed against Fournier or to make him available for trial here.

The French Ministers of Justice and Interior and the American Embassy in Paris joined in praising the cooperation of the two countries against narcotics trafficking and in saying that the same cooperation will apply in the heroin case.

The indictment charged that Fournier—who is not listed in the official French military directory—"contacted and solicited" Delouette last Dec. 15 to agree to the smuggling mission. He was to receive $50,000.

FOUND BY INSPECTOR

The alleged mission was frustrated by an alert customs inspector, Lynn Pelletier. In a spot inspection at Port Elizabeth, N.J., she discovered 96 pounds of pure heroin—with a "street corner value," as prosecutor Stern put it, of about $125,000 per pound—secreted in the wall panels and under the floor boards of a Volkswagen camper.

Bureau of Customs agents arrested Delouette on April 5, when, they said, he came to claim the VW. The French police officer and a customs officer interrogated him the same day.

Since that time, Stern said, he has made "all the information" in his possession available to French authorities, including a French examining magistrate, G. Roussel, whom he saw in Paris 10 days ago.

France, according to John E. Ingersoll, chief of the Justice Department's Bureau of Narcotics and Dangerous Drugs, is the source of the vast majority of heroin reaching the United States.

In late August, a Marseilles newspaper carried a three-part interview in which John Cusack, the bureau's chief for Europe, charged that all but official French connivance figured in the failure of a joint French-American effort to find any of the eight to twelve heroin laboratories around the Mediterranean port city.

OPIUM CONVERTED

Such laboratories, which are highly portable and compact, convert opium from the Middle East into heroin. Cusack said the heroin traffic brings $10 million a month to Marseilles.

French government officials reacted angrily. President Georges Pompidou disclosed that he had asked Common Market officials and Britain to form a united front against drug trafficking.

Cusack's French counterpart, François Le Mouel, apparently offended by an offer by the American to pay informers, said, "Informers should go directly to the French police, not outsiders."

And Interior Minister Raymond Marcellin called for the death penalty for drug traffickers, should existing deterrents fail.

At about the same time, however, regional leaders of the union of French customs agents backed Cusack's charges. "There is a very influential underworld in Marseilles which had and still has political protection," a spokesman said at a press conference.

Stern also said he has offered to seek court permission to give French Authorities testimony Delouette gave the grand jury, provided only that they would not use it to prosecute Delouette in France. The restriction is intended to immunize the defendant against possible self-incrimination, a protection assured by the U.S. Constitution.

The French government statement said magistrate Roussel—under a different legal system—could not immunize Delouette. But his attorney, Robinson, said that French consular officials in New York City had told him that, under a special Franco-American agreement on drugs, immunity could be granted.

NUMEROUS QUESTIONS

After receiving numerous written questions from French judicial officials, Robinson told a reporter, he wrote Roussel that Delouette would answer, in writing, if given immunity. He sent the offer on Aug. 2 but has gotten no reply, the lawyer said.

The Justice Department, however, did grant immunity and, in July, administered two lie-detector tests to Delouette, Robinson said. "He passed with flying colors," he added.

[From the Washington Post, Nov. 17, 1971]

FRENCH DRUG RING "PROTECTION" HINTED

(By Morton Mintz)

NEWARK, N.J., November 16—An implication that French government officials protected higher-ups engaged in criminal narcotics trafficking emerged in U.S. District Court here today from two letters written by U.S. Attorney Herbert J. Stern in late September.

The letters which Judge Frederick B. Lacey put into the record of an unusual two-hour arraignment proceeding, reveal that Stern told Paris authorities:

That French police had agreed to "an appropriate prosecution" of Col. Paul Fournier, a supervisory official of the French counterpart of the CIA, for his alleged role in a heroin-smuggling episode, provided certain terms would be met.

That the terms—an agreement by Roger X. L. Delouette, Fournier's accuser, former subordinate and alleged accomplice, to take and "pass" a polygraph (lie detector) examination—in fact were met.

(In Paris, investigating magistrate Gabriel Roussel questioned Fournier—a possible alias—for five hours today, but Fournier told a reporter that it was about "a personal matter," that he was innocent of any wrongdoing, and that he was sure French officials would not indict him.)

That Delouette, in the polygraph teat, which the Justice Department administered Sept. 21 said that Fournier had directed him to receive $17,000 in counterfeit American currency, for utterly unexplained reasons.

That Delouette, in the same test, said Fournier had given him a "contact" in the French Consulate in New York City.

DeLouette came before Judge Lacey today to plead guilty to the conspiracy count in a narcotics indictment that named him and Fournier codefendants.

The indictment, returned only Monday, accused them of having conspired to smuggle heroin with a retail value of $12 million into the United States.

The judge accepted the guilty plea after a lengthy examination to assure that it had a "factual basis" and that Delouette had made it free of any pressure or promises.

In doing so, Lacey put the imprimatur of the court on charges in the indictment—verified almost word for word by Delouette that Col. Fournier:

"Solicited" him for the narcotics smuggling, for which he was to have received $50,000; directed him to meet with a "John Doe" in Paris who, in turn, told him to buy a Volkswagen Camper in which he would conceal 96 pounds of pure heroin, and instructed him to meet a "Robert Roe" who helped him hide the narcotic in the wall panels and under the floor boards.

"Directed" Delouette to fly to New York, pick up the VW at Port Elizabeth, N.J., drive to the Park-Sheraton Hotel in Manhattan and await a contact who would take the heroin in exchange for the $50,000.

Customs Inspector Lynn Pelletier found the heroin in a spot check of the VW. Delouette was arrested when he came to pick it up. Prosecutor Stern has left it to French authorities to decide whether to prosecute Fournier in France, or to turn him over to the Justice Department.

The French Ministers of Justice and Interior, on the eve of the indictment, urged the "most extreme reservations" about Delouette's implication of Fournier.

Judge Lacey, making the Stern letters public in the interests of a full public record, rejected an objection by the prosecutor's top aide, Jonathan L. Goldstein, that Justice Department approval should be sought first.

The letters, sent to Magistrate Roussel and Max Fernet of the French Criminal Police, centered on the willingness of the prosecution and defense counsel Donald A. Robinson to turn over Delouette's grand jury testimony on a single condition: that the French not use it to incriminate him.

The letters told of a meeting Stern had in Washington Sept. 14 with officials of the Bureau of Narcotics and Paris police officials, including Honoré Gévaudan and Michel Nocquet.

The French officials—on the basis of a four-day inquiry in April—indicated a belief that Delouette was lying, Stern told Fernet. Stern promised to seek a 20-year sentence if Delouette refused to take or failed a polygraph test. The French, he said, agreed to prosecute Fournier if Delouette took the test and passed. The results were "positive," meaning that Delouette told "the truth," Stern said.

The magistrate never granted Delouette immunity, the purpose of which, Stern said, was primarily to enable the French "to proceed against the 'higher-ups' in a criminal organization."

Today, affirming, through an interpreter, the accuracy every detail of the conspiracy charge, Delouette said he was aware he faced a mandatory minimum prison sentence of five years. No action was taken on two other indictment counts.

I am hopeful that these revelations will lead to a French sweep against its own corrupt officials.

VI

Mr. Speaker, this public relations attempt to defraud the American people must not go unchallenged. This is not meant to belittle the steps which France has taken. It is imperative, however, that both the American people and our government know that, propaganda blitz to the contrary, France has a very long way to go before it deserves to pat itself on the back for its fight against illicit trafficking in narcotics.

THE POSITION OF THE PRESIDENT CONCERNING SCHOOLBUSING

HON. JOEL T. BROYHILL
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. BROYHILL of Virginia. Mr. Speaker, with respect to the continuing school desegregation issue President Nixon has consistently supported retention of the neighborhood school system and opposed unnecessary busing of pupils merely for the purpose of trying to achieve a racial "balance" in schools beyond the requirements of law. In this the position of the President may be said to support the principle and purpose underlying House Joint Resolution 651, of which I am one of the sponsors.

The President has drawn attention to the fact that integration is a nationwide problem, pointing out, for illustration, that in 1970 the percentage of Negro children who were attending schools that were 95 percent black was 85 percent in Chicago, the same as in Mobile, Ala. Mr. Nixon has also pointed out that whatever affects the schools stirs deep feelings among parents, and among our people in general.

Mr. Speaker, I insert in the RECORD at this point brief excerpts from several of the President's statements, in chronological order, relating to integration and busing of schoolchildren. I submit that these statements by the President on a matter of nationwide concern merit a thoughtful review by every Member of Congress.

The statements follow:

SCHOOL DESEGREGATION PLANS

("School Desegregation Plans." Statement by the President upon Designating a Cabinet-Level Working Group to Explore Executive Branch Assistance to Local Communities. February 16, 1970. *Weekly Compilation of Presidential Documents*, February 23, 1970, p. 191. (Excerpt—emphasis added).)

As a matter of general policy this administration will respond affirmatively to requests for assistance in the formulation and presentation to the Courts of desegregation plans designed to comply with the law.

I have directed that these principles should be followed in providing such assistance.

1. *Desegregation plans should involve minimum possible disruption—whether by busing or otherwise—of the educational routines of children.*

2. *To the extent possible, the neighborhood school concept should be the rule.*

3. Within the framework of law, school desegregation problems should be dealt with uniformly throughout the land.

I realize that in the school districts affected by the Courts' mandates, putting even the most carefully-considered desegregation plans into effect is going to cause controversy. Required changes will inevitably be accompanied by apprehension and concern at the time of their implementation.

On one point there should be no argument: the hundreds of thousands of children in the affected districts deserve what every other child in America deserves: a sound education in an atmosphere conducive to learning. This is my paramount interest, and in this regard I am sure I speak for the Nation.

DESEGREGATION OF AMERICA'S ELEMENTARY AND SECONDARY SCHOOLS

("Desegregation of America's Elementary and Secondary Schools." Statement by the President Setting Forth Administrative Policies. March 24, 1970. *Weekly Compilation of Presidential Documents*, July 30, 1970, pp. 424, 427, 429–432, 433–435. (Excerpts—emphasis added.))

In the 1964 Civil Rights Act, the Congress stated, ". . . nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or otherwise enlarge the existing power of the court to insure compliance with constitutional standards."

In the 1966 amendments to the Elementary and Secondary Education Act, the Congress further stated, ". . . nothing contained in this Act shall . . . require the assignment or transportation of students or teachers in order to overcome racial imbalance."

I am advised that these provisions cannot constitutionally be applied to *de jure* segregation. However, not all segregation as it exists today is *de jure*.

I have consistently expressed my opposition to any compulsory busing of pupils beyond normal geographic school zones for the purpose of achieving racial balance.

WHAT THE LOWER COURTS HAVE SAID

To summarize: There is a constitutional mandate that dual school systems and other forms of *de jure* segregation be eliminated totally. But within the framework of that requirement an area of flexibility—a "rule of reason"—exists, in which school boards, acting in good faith, can formulate plans of desegregation which best suit the needs of their own localities.

De facto segregation, which exists in many areas both North and South, is undesirable but is not generally held to violate the Constitution. Thus, residential housing patterns may result in the continued existence of some all-Negro schools even in a system which fully meets constitutional standards.

But in any event, local school officials *may*, if they so choose, take steps beyond the constitutional minimums to diminish racial separation.

THE PROBLEMS

In some communities, racially mixed schools have brought the community greater interracial harmony; *in others they have heightened racial tension and exacerbated racial frictions. Integration is no longer seen automatically and necessarily as an unmixed blessing for the Negro, Puerto Rican, or Mexican-American child.* "Racial balance" has been discovered to be neither a static nor a finite condition; in many cases it has turned out to be only a way station on the road to resegregation. Whites have deserted the public schools, often for grossly inadequate private schools. They have left the now resegregated public schools foundering for lack of support. And when whites flee the central city in pursuit of all- or predominantly-white schools in the suburbs, it is not only the central city schools that become racially isolated, but the central city itself.

These are not theoretical problems, but actual problems. They exist not just in the realm of law, but in the realm of human attitudes and human behavior. They are part of the real world, and we have to take account of them.

THE COMPLEXITIES

Courts are confronted with problems of equity, and administrators with problems of policy. For example: To what extent does desegregation of dual systems require positive steps to achieve integration? How are the rights of individual children and their parents to be guarded in the process of enforcement? What are the educational impacts of the various means of desegration—and where they appear to conflict, how should the claims of education be balanced against those of integration? To what extent should desegregation plans attempt to anticipate the problem of resegregation?

These questions suggest the complexity of the problems. These problems confront us in the North as well as the South, and in rural communities, suburbs, and central cities.

The troubles in our schools have many sources. They stem in part from deeply rooted racial attitudes; in part from differences in social, economic, and behavioral patterns; in part from weaknesses and inequities in the educational system itself; *in part from the fact that by making schools the primary focus of efforts to remedy longstanding social ills, in some cases greater pressure has been brought to bear on the schools than they could withstand.*

THE CONTEXT

Progress toward school desegregation is part of two larger processes, each equally essential:

The improvement of educational opportunities for all of America's children.

The lowering of artificial racial barriers in all aspects of American life.

Only if we keep each of these considerations clearly in mind—and only if we recognize their separate nature—can we approach the question of school desegregation realistically.

It may be helpful to step back for a moment, and to consider the problem of school desegregation in its larger context.

The school stands in a unique relationship to the community, to the family, and to the individual student. *It is a focal point of community life.* It has a powerful impact on the future of all who attend. It is a place not only of learning, but of living—where a child's friendships center, where he learns to measure himself against others, to share, to compete, to cooperate—*and it is the one institution above all others with which the parent shares his child.*

Thus it is natural that whatever affects the schools stirs deep feelings among parents, and in the community at large.

Whatever threatens the schools, parents perceive—rightly—as a threat to their children.

Whatever makes the schools more distant from the family undermines one of the important supports of learning.

Quite understandably, the prospect of any abrupt change in the schools is seen as a threat.

As we look back over these 16 years, we find that many changes that stirred fears when they first were ordered have turned out well. In many Southern communities, black and white children now learn together—and both the schools and the communities are better where the essential changes have been accomplished in a peaceful way.

But *we also have seen situations in which the changes have not worked well.* These have tended to command the headlines, thus increasing the anxieties of those still facing change.

OVERBURDENING THE SCHOOLS

One of the mistakes of past policy has been to demand too much of our schools: They have been expected not only to educate, but also to accomplish a social transformation. *Children in many instances have not been served, but used—in what all too often has proved a tragically futile effort to achieve in the schools the kind of a multiracial society which the adult community has failed to achieve for itself.*

If we are to be realists, we must recognize that in a free society there are limits to the amount of government coercion that can reasonably be used; that in achieving desegregation we must proceed with the least possible disruption of the education of the Nation's children; and that our children are highly sensitive to conflict, and highly vulnerable to lasting psychic injury.

Failing to recognize these factors, past policies have placed on the schools and the children too great a share of the burden of eliminating racial disparities throughout our society. A major part of this task falls to the schools. But they cannot do it all or even most of it by themselves. Other institutions can share the burden of breaking down racial barriers, but only the schools can perform the task of education itself. *If our schools fail to educate, then whatever they may achieve in integrating the races will turn out to be only a Pyrrhic victory.*

With housing patterns what they are in many places in the Nation, the sheer numbers of pupils and the distances between schools make full and prompt school integration in every such community impractical—even if there were a sufficient desire on the part of the community to achieve it. In Los Angeles, 78 percent of all Negro pupils attend schools that are 95 percent or more black. In Chicago the figure is 85 percent—the same as in Mobile, Alabama. Many smaller cities have the same patterns. Nationwide, 61 percent of all Negro students attend schools which are 95 percent or more black.

Demands that an arbitrary "racial balance" be established as a matter of right misinterpret the law and misstate the priorities.

In this same connection, we should recognize that a smug paternalism has characterized the attitudes of many white Americans toward school questions. There has been an implicit assumption that blacks or others of minority races would be improved by association with whites. The notion that an all-black or predominantly-black school is automatically inferior to one which is all- or predominantly-white—even though not a product of a dual system—inescapably carries racist overtones. And, of course, we know of hypocrisy: *not a few of those in the North most stridently demanding racial integration of public schools in the South at the same time send their children to private schools to avoid the assumed inferiority of mixed public schools.*

INNOVATIVE APPROACHES

Most public discussion of overcoming racial isolation centers on such concepts as compulsory "busing"—*taking children out of the schools they would normally attend, and forcing them instead to attend others more distant, often in strange or even hostile neighborhoods.* Massive "busing" is seen by some as the only alternative to massive racial isolation.

However, a number of new educational ideas are being developed, designed to provide the educational benefits of integration without depriving the student of his own neighborhood school.

For example, rather than attempting dislocation of whole schools, a portion of a child's educational activities may be shared with children from other schools. Some of his education is in a "home-base" school, but some outside it. This "outside learning" is in settings that are defined neither as black nor white, and sometimes in settings that are not even in traditional school buildings. It may range all the way from intensive work in reading to training in technical skills, and to joint efforts such as drama and athletics.

By bringing the children together on "neutral" territory friction may be dispelled; by limiting it to part-time activities no one would be deprived of his own neighborhood school; and the activities themselves provide the children with better education.

This sort of innovative approach demonstrates that the alternatives are not limited to perpetuating racial isolation on the one hand, and massively disrupting existing school patterns on the other. Without uprooting students, devices of this kind can provide an additional educational experience within an integrated setting. The child gains both ways.

POLICIES OF THIS ADMINISTRATION

It will be the purpose of this administration to carry out the law fully and fairly. And where problems exist that are beyond the mandate of legal requirements, it will be our purpose to seek solutions that are both realistic and appropriate.

I have instructed the Attorney General, the Secretary of Health, Education, and Welfare, and other appropriate officials of the Government to be guided by these basic principles and policies:

In devising local compliance plans, primary weight should be given to the considered judgment of local school boards—provided they act in good faith, and within constitutional limits.

The neighborhood school will be deemed the most appropriate base for such a system.

Transportation of pupils beyond normal geographic school zones for the purpose of achieving racial balance will not be required.

BUSING OF SCHOOLCHILDREN

("Busing of Schoolchildren." Statement by the President. August 3, 1971. *Weekly Compilation of Presidential Documents*, August 9, 1971. p. 1118.)

The Justice Department is today announcing the Government's decision to take an appeal on limited constitutional grounds in the case of the *United States* v. *Austin Independent School District*, involving school desegregation.

The Attorney General advises me that he must appeal the District Court's decision that the school board's plan to bus children periodically for interracial experiences eliminates the dual school system, because that decision is inconsistent with recent rulings of the United States Court. The Justice Department is not appealing to impose the HEW plan. In the process of the appeal, the Justice Department will disavow that plan on behalf of the Government.

I would also like to restate my position as it relates to busing. *I am against busing as that term is commonly used in school desegregation cases. I have consistently opposed the busing of our Nation's schoolchildren to achieve a racial balance, and I am opposed to the busing of children simply for the sake of busing.* Further, while the executive branch will continue to enforce the orders of the court, including court-ordered busing, I have instructed the Attorney General and the Secretary of Health, Education, and Welfare that they are to work with individual school districts *to hold busing to the minimum required by law.*

Finally, I have today instructed the Secretary of Health, Education, and Welfare to draft and submit today to the Congress an amendment to the proposed Emergency School Assistance Act that will expressly prohibit the expenditure of any of those funds for busing.

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SEEKS ADEQUATE LEGAL STAFF IN SOUTHEAST ALASKA

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. BEGICH. Mr. Speaker, I recently received a resolution from the Southeastern Alaska Community Action program that raises to a very alarming issue. This resolution concerns itself with assistance to the poor people of southeast Alaska. Alaska's poor people are becoming more and more aware of the relief and assistance that is now available to them. But there is a problem in obtaining needed assistance. We have established numerous programs to provide for aid to the poor, but we have fallen substantially short in supplying the legal representation needed to obtain the desired end.

The Alaska Legal Services Corp. was given the responsibility of providing legal representation for the poor, but because the Alaska Legal Services are understaffed, the demand for their services far exceed their abilities. The resolution which I am including in today's RECORD seeks three additional attorneys to assist in representing poor people in Alaska. The three additional attorneys will be employed in the Ketchikan, Sitka, and Juneau areas.

It is our responsibility to provide viable programs for the relief of the poor. Equally important is our responsibility to assure the needy the opportunity of using these programs.

The resolution follows:

ADEQUATE STAFFING OF LEGAL SERVICES IN SOUTHEAST ALASKA

Whereas: Alaska Legal Services Corporation, a delegate agency of Rural CAP is charged with the responsibility of providing legal representation to the poor and economically disadvantaged of Southeast Alaska; and

Whereas: Those persons of Southeast Alaska who would qualify for free legal assistance have obtained a greater degree of awareness of the utilization of legal remedies to resolve their immediate needs and long term goals; and

Whereas: The demand for legal services exceeds their availability in Southeast Alaska communities; and

Whereas: The present level of staffing of the existing Alaska Legal Services Corporation offices is inadequate to meet these increasing demands; and

Whereas: The Juneau Alaska Legal Services Corporation office has recently received an increase in its attorney staff which only partially alleviates this problem. Now therefore be it

Resolved: By the Board of Directors of Southeastern Alaska Community Action Program, that Alaska Legal Services Corporation gives the highest priority to staffing the Southeast Alaska offices in the following manner:

(1) An additional attorney in Ketchikan to serve the Ketchikan area as well as other communities in the Southeast portion of Southeast Alaska.

(2) An Attorney in Sitka to serve the Sitka area as well as other communities in middle Southeast Alaska.

(3) An additional attorney in Juneau to serve the communities in the portion of Southeast Alaska.

TECHNOLOGY ASSESSMENT

HON. JOHN W. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. DAVIS of Georgia. Mr. Speaker, the concept of technology assessment has spread rapidly since the Committee on Science and Astronautics, and particularly the Subcommittee on Science, Research, and Development, began work on it over 5 years ago.

As many Members are aware, the bill to create an Office of Technology Assessment within the legislative branch as an information aid to the Congress has been approved unanimously by our committee. We hope to have the bill on the floor early in the next session.

Meanwhile, I would like to call attention to some of the very extensive and concentrated studies in this area which have been undertaken in government, in the academic community, and in industry.

For example, the program of policy studies in science and technology, which has been carried on by the George Washington University for a number of years now, largely through grants from the Federal Government, has produced over 200 discussion papers as well as a variety of reports and studies on the many facets which make up technology assessment.

We are also aware of a number of assessments which are now underway on an experimental basis or which have recently been completed.

One of these is a program under the direction of Prof. Don E. Kash at the University of Oklahoma whose task group is now working on technologies for offshore oil development, and is planning a second assessment project in the biomedical area.

Another prototype effort of high quality has been completed in its preliminary aspects by Prof. Raymond Bowers and Jeffrey Frey at Cornell University. Their effort is directed toward the assessment of solid state microwave devices. I think the concluding remarks of this preliminary assessment are particularly appropriate in projecting the flavor of what one specific assessment is designed to do and not to do:

We have discussed some of the prospects, benefits and problems that may be associated with the development of cheap solid state microwave sources. Our discussion has been limited to problems associated with use of the spectrum, potential hazards to health and the issue of privacy. We have not attempted to assess the impact on social processes; they are likely to be substantial in those areas where wired communication systems do not exist (e.g. the Indian and Alaskan projects). Our purpose was not to present firm conclusions but rather to initiate debate on these issues and to indicate areas where more detailed analysis is necessary. We especially hope that the technical community will devote some of its resources at meetings and in its publications to the continued discussion of these problems, inviting contributions from social scientists as well as from physical scientists and technologists. This is part of the public responsibility of the research and development community.

Finally, I might mention the pilot programs in technology assessment which were done by Mitre Corp. under contract to the Office of Science and Technology of the Executive Office of the President. This experimental work covered five particular problem areas involving advanced technological application. These are automotive emissions, computer communications, industrial enzymes, sea farming, and domestic waste.

I do not suggest that all or any of the foregoing efforts represent sophisticated, truly effective assessments. We are just beginning to learn how to do this job.

But we believe they are steps in the right direction, and that Congress must provide its own capability in this field as well.

AMENDMENT TO AMENDMENT TO H.R. 11060

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. FREY. Mr. Speaker, tomorrow I plan on offering the following amendment to Mr. MACDONALD's amendment to H.R. 11060. The text follows:

AMENDMENTS OFFERED BY MR. FREY TO AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS TO H.R. 11060

Page 1, strike out lines 7 and 8 and insert in lieu thereof the following:

(1) The term "communications media" means broadcasting stations, newspapers, magazines and outdoor advertising facilities.

Page 4, strike out lines 8 through 21, and insert in lieu thereof the following:

SEC. 105. (a) (1) No legally qualified candidate in an election (other than a primary or primary runoff election) for a Federal elective office may—

(A) spend for the use of communications media on behalf of his candidacy in such election a total amount in excess of the greater of—

(i) 10 cents (or such greater amount as may be certified under paragraph (4) (A) (i) multiplied by the voting age population (as certified under paragraph (4) (B) of the geographical area in which the election for such office is held, or

(ii) $50,000 (or such greater amount as may be certified under paragraph (4) (B) (ii), or

(B) spend for the use of broadcast stations on behalf of his candidacy in such election a total amount in excess of 60 per centum of the amount determined under subparagraph (A) with respect to such election.

Page 6, beginning on line 15, strike out "a broadcasting station, newspaper or magazine," and insert in lieu thereof "communications media."

Page 6, beginning on line 19, strike out "receive such broadcast, newspaper or magazine" and insert in lieu thereof "be reached by such communications media."

Page 6, beginning on line 24, strike out "in the Federal Register" and all that follows down through "1972." in line 3 on page 7, and insert in lieu thereof the following:

in the Federal Register—

(i) an amount which bears the same ratio to 10 cents, and

(ii) an amount which bears the same ratio to $50,000, as the value of the communications price index for the last calendar year ending before the date of certification bears to the value of such index for 1972.

Page 8, beginning on line 7, strike out "any newspaper or magazine" and insert in lieu thereof "any newspaper, magazine, or outdoor advertising facility."

SENATE—*Thursday, November 18, 1971*

The Senate met at 8:30 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

For Thy mercies which are new every morning, we give Thee thanks, O Lord.

For Thy grace which restores both body and soul, we give Thee thanks, O Lord.

Teach us the ancient truth that they that wait upon the Lord shall renew their strength. Make us to know when to wait, how to wait, and for what to wait. Teach us when to speak, when to pray, when to remain silent, and in all we do to glorify Thee.

O Lord, be with our Nation. Save us from all that defiles or corrupts or anything which tarnishes the national character. Restore morality and virtue. Send a revival of religion cleansing and redeeming that this "one nation under God" may be revealed in every thought, word, and deed.

In Thy holy name we pray. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, November 17, 1971, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

VIETNAM

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD the lead editorial published in the Billings, Mont., Gazette of November 11, 1971, and also a column in the Hungry Horse News of November 12, 1971, which was taken from the Montana Kaimin, student newspaper at the University of Montana.

There being no objection, the editorial and column were ordered to be printed in the RECORD, as follows:

GET OUT OF VIET, GET COMPLETELY OUT

President Nixon is expected to announce the withdrawal of the last combat division from Vietnam soon. At the peak of U.S. involvement in 1968, there were nine full divisions plus two brigades equal to two other divisions in that torn Asian nation.

After the pullout, expected to be early 1972, there will remain 40,000 U.S. support troops, including fighter-bomber squadrons, helicopter, artillery, logistics and support units.

The withdrawal is welcome. The war remains unpopular, and a deepset infection in the flesh of the Republic. The question is whether Mr. Nixon will dare to take the final step: total withdrawal of the remaining units.

We hope he will. The Gazette favors an unqualified withdrawal from a war we should never have plunged into in the first place. The South Vietnamese seem to have their nation stabilized, and the Viet Cong have been reduced to guerrilla warfare. Thus the time is propitious for concluding the war.

The danger in leaving even support troops in Vietnam is that they will pose a continuing temptation to escalate the struggle once again. If the struggle goes badly for the South Vietnamese army, or if the remaining American units are suddenly beseiged by a revived North Vietnamese force, it could be the Gulf of Tonkin all over again, with the deployment of massive military force to go to the relief of the remaining Americans.

The Gazette feels that a clean break is necessary: If, as administration officials keep insisting, the South Vietnamese are strong and viable, then our presence will not be necessary.

PUBLIC OPINION LETTER

(By Thomas Binsted)

Two years and four days ago, Mike Gilbertson died in a rice paddy, twenty miles south of the DMZ, Republic of Vietnam. On that day, I stood and I watched the blood and the screams and the life pour from his body.

Mike died in the manner of a scared nineteen-year-old boy. He screamed and cried and he called for his mother. Not at all like on television. Not at all like the characters between the covers of a Sgt. Rock comic book. Mike died a very real death.

To a good many people in the United States, Mike did not die. Neither did the 13 others who were killed that day. They were killed that day. They were merely statistics stuck on the back pages of the newspaper near the comic strips.

It's ironic that Mike's death came so close to Veterans Day—a day on which we celebrate our young men for their service to their country. The irony is two-fold. First, Mike was a draftee and one that didn't want to serve his country in that particular manner. Second, he did not serve his country by dying in Vietnam. Mike died without reason or cause.

It's important that I remember Mike; he was my friend. It's important that you remember him, too; he was a person.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Pennsylvania seek recognition?

Mr. SCOTT. Mr. President, I have nothing worthwhile to say at this moment. I hope that my example of restraint may be followed.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. SCOTT. I am glad to yield.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that all committees be permitted to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Florida (Mr. CHILES) is recognized for not to exceed 15 minutes.

(The remarks of Mr. CHILES when he introduced S. 2872 are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Arizona is recognized.

THE JUDICIAL PHILOSOPHY TEST AND WILLIAM REHNQUIST

Mr. GOLDWATER. Mr. President, in a very few days the Senate will mark a historic occasion by undertaking to offer its advice and consent on the nominations of the 99th and 100th Justices ever to sit on the Supreme Court of the United States. As we are about to embark upon this momentous event, we can witness once again, as has occurred often in our Nation's past, the efforts by a few Members of this body to scrutinize and judge a nominee solely on the basis of his political philosophy.

Mr. President, the advocates of the use of this criteria make no bones about it; they are concerned with knowing whether or not a nominee's judicial and political philosophy fits the same mold as their own views on social issues of the day. This position became evident, at the recent nomination hearings held by the Judiciary Committee, in the ground rules laid down by four liberal members of that committee.

Mr. President, as I sat at the witness table, accompanying William Rehnquist and hearing his critics, I thought about a recent poll of scholars undertaken by Life magazine which rated 96 prior Supreme Court Justices.[1] I wondered how the 12 selected as "great" would have fared under the liberal-oriented criteria of those Members now challenging the philosophy of the man who is to be seated as the 100th Justice on the High Bench.

It would be interesting, I thought, to take a look at the words and deeds of these 12 great Justices and see how they might stack up against the test used by the current liberal wing of the Senate.

I might say, Mr. President, that my legal assistant, Mr. Terry Emerson, a brilliant law scholar, compiled this paper for me.

For example, we might inspect the record of an early Justice who is hailed today for his stands in solitary disagreement with his colleagues against segregation, a man who is well known today for his assertion that "Our Constitution is colorblind."[2]

And yet, prior to serving on the Court, this Justice had been a member of a slaveowning family in Kentucky, a bitter foe of the Civil War amendments, and a critic of Federal civil rights legislation.[3] In 1854 he began his political activities by joining the Know-Nothing Society, a secret organization having for its purpose the restriction and destruction of the influence of foreigners and Catholic priests in our political affairs.[4]

In 1859, upon being nominated for a congressional seat, he set out to prove himself the more devoted defender of property rights in slaves. He not only endorsed the holding of the Dred Scott

Footnotes at end of article.

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decision that Congress lacked power to exclude slavery from the territories, but he claimed that the case meant that Congress was dutybound to pass laws for the full protection of the rights of slaveowners.[5]

Later, running for election as attorney general of Kentucky, he denounced President Lincoln's promulgation of the Emancipation Proclamation and came out strongly against the 13th amendment to the Constitution abolishing slavery.[6]

Once he became attorney general, this Justice argued several cases involving slave issues and civil rights. In *Commonwealth* v. *Palmer*,[7] he prosecuted a Union general for being guilty of the crime of aiding slaves to escape. In *Bowlen* v *Commonwealth*,[8] he asked the Kentucky Court of Appeals to overturn a lower court decision which had permitted the introduction of Negro testimony against a white defendant indicted for larceny.

We might also observe that in the 1865 elections for State legislature this individual took the stump in support of "a thorough union of all citizens who are opposed to the admission of the Negro to the ballot box or to the enjoyment of other political advantages."[9]

He is, I should mention, none other than John Marshall Harlan, author of the famous dissent in the Supreme Court decision of *Plessy* v. *Ferguson*.

Turning to another early Justice, whose background may cause some raised eyebrows, I might discuss a gentleman of whom it is said:

Judged by the standards of the present day, or even by those of 18th century colonial America, he was given a paltry foundation in the law.

In fact, an authoritative, new biography of all Justices of the Supreme Court up to 1969, states that the extent of his formal education included 6 weeks of attendance at George Wythe's law lectures at William and Mary and some reading from Bacon's Abridgement, and that was all.[10] This future great was both a slaveholder himself and an official of the American Colonization Society, which was dedicated to the transportation of free Negroes back to Africa.

It is particularly striking to notice that 7 years before the famed decision of *Marbury* v. *Madison*,[11] this Justice had argued before his future tribunal that "the judicial authority can have no right to question the validity of a law, unless such a jurisdiction is expressly given by the Constitution," a conferral which he knew was not expressly granted.[12] Yet, in 1803, it was he who ruled in *Marbury* v. *Madison* that an act of Congress was unconstitutional, a move that is considered perhaps the most important decision in Supreme Court history. Of course, I am referring to the unanimously recognized great, John Marshall.

Here we have a man who in his pre-Court days argued vehemently that the Court could not review and veto acts of a legislature and then, who turned around 7 years later, and wrote the most famous decision of his career by holding that the Court could do this very thing. We might remember this incident when we hear criticisms made of the positions taken by Mr. Rehnquist as an advocate for the U.S. Government or as a private practitioner on behalf of his private clients.

Next we might review the history of another Chief Justice. Like Marshall, this one, too, was a member of the Colonization Society and was born into a slave-owning family. A descendant of a prominent Maryland Tidewater family, he sided with rural area representatives as a member of the Maryland Legislature and remained a State's-rights man in that body.[13]

Once, as attorney in a case, the future Chief Justice argued:

The African race in the United States, even when free, are everywhere a degraded class. The privileges they are allowed to enjoy are accorded to them as a matter of kindness and benevolence rather than of right.[14]

Later, as Attorney General under President Andrew Jackson, he rendered opinions which repeated his view that slavery was basically a problem for the States alone; except that he allowed that the Government might pass fugitive slave laws upholding the property rights of Southerners.[15]

During this same period he gave some suggestion that a Court headed by him might abdicate its right of judicial review. He said:

The opinion of the judges has no more authority over Congress than the opinion of Congress has over the judges and on that point the President is independent of both.[16]

In these days of marked contest by Congress to reassert its role in relation to that of the President, imagine how these words would go over with our liberal friends. In similar manner, the spokesmen for civil liberty would undoubtedly be horrified at the following words written by this future Justice upon the occasion of hearing about a riot caused by workingmen whose savings had been wiped out a year before by the collapse of a Maryland bank. He wrote his son-in-law:

There ought not to have been a moment's hesitation about the use of fire arms, and the firm and free use of them the moment that force was attempted by the mob. The first stone thrown . . . should have been the signal to fire.

So said Roger Brooke Taney in 1835.[17]

Shades of Kent State and Washington's May-Day disturbances, can you picture how this inflammatory message would be received by Joseph Rauh and other radical spokesmen were they to be expressed today?

Mr. President, the last Justice selected from the 1800's leaves little to grasp in examining his pre-Court history. As the youngest person ever to sit on the Supreme Court, his prior record did not offer much opportunity for making distinct marks of his philosophy.

The one and only case which brought this attorney to national attention was one in which he was retained to uphold the money interests of Massachusetts speculators in lands which they had snapped up from a corrupted Georgia Legislature.[18] According to the authoritative four volume biography on Justices of the Supreme Court by Friedman and Israel, the young attorney thus began "the work he was to complete as a judge—a transformation of the contract clause of the Constitution into a bastion for the rights of property."[19]

In view of the sparseness of material on this individual in his pre-Court life, I am taking the liberty of mentioning his view on an important political question which he expressed 9 years after taking his seat on the bench. I use this reference only because it was made in the constitutional convention of Massachusetts relative to the composition of the State legislature in which he had earlier been a member and because his remarks seem to reflect a long-held position.

When the convention reached the issue of determining the basis of representation in the State senate, he rose to attack the idea that population should serve as the basis of seats in the senate rather than the amount of taxation derived by each county. He said:

Cases may be easily supposed, in which, from the peculiar state of society, such a basis would be universally deemed unsafe and injurious. Take a State, . . . where there are five or ten thousand wealthy persons, and 90 or 100 thousand artisans, reduced to a state of vice, and poverty, and wretchedness, which leave them exposed to the most dangerous political excitement. . . . Who would found a representation on such a population, unless he intended that all property should be a booty to be divided among plunderers?[20]

Elsewhere in the same speech the Justice, whom I shall reveal as Joseph Story, said:

The more numerous the body the greater the danger from its movements . . .[21]

Now where, I must ask, in these views is the spirit of human compassion that liberal critics deem necessary in candidates for the High Bench?

Let us turn now to 20th century men who have been chosen as outstanding Justices. First, we might study the background of a personality who is known today as the peoples attorney. By 1895 the peoples attorney "was rapidly becoming a millionaire. He was esteemed in the Nation's highest financial and business circles. Big businessmen and heads of great corporations were among his clients and friends." When he was appointed to the Court in 1916, he had become a millionaire twice over.[22]

In 1902 the peoples attorney incurred the wrath of Samuel Gompers by proposing to take away from unions their immunity from suit by incorporating them. He said:

If Unions are lawless, restrain and punish their lawlessness; if they are arbitrary, repress their arbitrariness . . .

The unions, he said, "need something to protect them from their own arbitrariness."[23] Two years later he found something. When acting as counsel for an employers' organization, he obtained an injunction ending a union strike.[24]

As further indication of his concept of industrial relations, I might quote from his address before the Central Labor Union in 1905, when he advised labor it

Footnotes at end of article.

"should strive to make the earnings of any business as large as possible," "should be so faithful and diligent that espionage will not be needed," and "should not limit the production of individuals."[25]

In 1899 the peoples attorney was, all at the same time, an investor, a director, and a lawyer in the shoe industry monopoly held by the United Shoe Machinery Co. In this capacity he publicly opposed legislation which would break up the monopoly by overriding a provision of United's contract which forced a shoe manufacturer to use United's entire line if he wanted to use any at all.

In his brief on behalf of United he argued:

We have found in Massachusetts that in certain things we have got to have a monopoly.[26]

On the occasion of the Supreme Court ruling of 1913, holding that manufacturers of patented articles could not fix the price at which retailers sell their product to the consumer, the peoples attorney angrily wrote:

The Supreme Court is all wrong . . . When a Court decides a case upon grounds of public policy, the Judges become, in effect, legislators.[27]

Do these revelations reflect a sensitivity to the protection of the poor and the weak? Did a statement signed by seven past presidents of the American Bar Association declaring "he is not a fit person to be a member of the Supreme Court of the United States"[28] indicate that degree of recognition by his brethren at the bar that would meet the approval of our liberal colleagues in the Senate today? Yet, if the Senate had conformed to the test now suggested by them, the Nation would never have had the services of Justice Louis Brandeis.

Moving to another Justice, now celebrated for his zeal for social justice, we encounter an individual who, as dean of Columbia Law School, was sorely troubled with the view that judges "should consciously endeavor to mold the rules of laws to conform to their own personal notion of what is the correct theory of social organization and development."[29]

When public discussion centered on a decision which invalidated the Workingmen's Compensation Act of 1910, the future Justice rallied to the defense of the decision on the theory that the mere fact the goal was economically desirable did not justify the taking of property from the employer. He stated:

The proper method of securing the economic benefits of workmen's compensation . . . is "by the orderly process of constitutional amendment . . ."[30]

During controversy over another human rights law, the Tenement House Act of 1901, he endorsed a court ruling exempting an apartment house owner from the law. He admonished:

The view that it is possible to base judicial decisions upon some vague notion of social justice finds frequent expression in these days of hasty and ill-considered criticism. Social justice may mean anything, and therefore, as a basis of judicial decision means nothing.[31]

Footnotes at end of article.

But there is more in the man's record to suspect that his appointment to the Court would never have been cleared by today's liberal standards. Sitting on a Presidential board of inquiry reviewing conscientious objector cases in World War I, he "entertained a profound repugnance" toward the political, or nonreligious objector.[32] A year after Armistice Day, he observed:

One can but wonder what forces are at work in our social and educational life to produce the ill-balanced and distorted intellectual processes by which these young men, in many respects intelligent, had worked out their social philosophy.[33]

Even as to religious objectors he felt, "many were plainly fanatics, with abnormal mental experiences."[34]

As dean of Columbia Law School he expressed much the same thoughts about youth at large. In 1917, he stated:

I observe generally that the average college student of today has a radical tendency.[35]

Finally, I should mention his role in supporting the efforts of the J. P. Morgan estate against Colonel Ownbey. In this unusual case, the future Justice argued before the Supreme Court that Ownbey had not been denied any fundamental right simply because neither he nor his attorney had been allowed to testify or offer proof denying the allegations in the case against him. It mattered not that the Morgans were thereby enabled to seize everything the old Indian scout owned. Speaking in defense of the ancient Delaware practice which effectively prevented Ownbey from being represented in the court below, the Morgans' attorney proclaimed that the correction of old methods ought to be left to the legislators, not the courts.[36]

Now if this view of the Constitution indicates a deep-seated commitment to individual liberties of the kind required by my liberal friends, I would be very much surpised. Had this nominee been disapproved on the ground of his approach to questions of human liberty, however, the Court would have lost its future Chief Justice, Harlan Fiske Stone.

Next we might examine the past record of a Chief Justice who began his career convicting criminals, first as deputy city attorney, then in the county district attorney's office, and later in the State attorney generalship.[37] As attorney general he denounced Communist radicals, attacked his election opponent for opposing a bill to make schoolchildren salute the flag, and blocked the nomination of a liberal-minded law professor to the State supreme court.[38]

As a Governor, he was a leading proponent of the wartime order removing all persons of Japanese ancestry from the west coast and putting them in concentration camps. Opposing the return of the evacuees in 1943, he told a Conference of Governors:

If the Japs are released, no one will be able to tell a saboteur from any other Jap.[39]

Through most of his career in State politics he was regarded as a favorite of what his biographer calls rightwing politicians. William Randolph Hearst promoted him for the Republican presidential nomination in 1944. The Saturday Evening Post described him admiringly as an ardent believer in States rights.[40] His name, if you have not guessed it by now, is Earl Warren.

Another man, revered as a defender of personal liberties, got his start as a police court judge after which he became prosecuting attorney for his county. In the course of this experience he is said to have tried more murder cases than he could ever remember.[41]

Backed by the Ku Klux Klan, he was sent to the U.S. Senate. From the time he came into this Chamber, he was a leader against all efforts to pass an anti-lynching law. On the Senate floor he sarcastically charged that the attempt to pass such a law "could well be designated a bill to increase lynching."[42]

As an ironical twist on fate this individual, later to be known for his dedication to freedom of speech, was chairman of a special Senate committee which demanded, under blanket subpena, the delivery to it of all telegraph messages transmitted by a daily newspaper and magazine publisher covering a 7-month period of 1935. The newspaper firm was forced to go to the U.S. court to get an order enjoining the committee from copying and using these telegraph messages.[43]

Perhaps the most interesting characteristic of the nominee, at the time his name was before the Senate, is found in his total silence during vigorous argument over whether or not he had ever been a member of the Klan. Holding his silence throughout the entire confirmation proceedings, it was later proved that he had taken the oath of a Klansman early in his political career.[44] Yet, I suppose, most observers would believe that subsequent events have definitely vindicated the appointment of Justice Hugo Black to the Bench.

Another of the Supreme Courts' dozen greats had, during his 18 years on the New York Court of Appeals, established a reputation of adherence to the theme that solutions to the great problems of the 20th century are for the legislature.[45] For example, in the 1920's he wrote an opinion upholding a statute of the State of New York which gave preference to its citizens over aliens in the construction of public works.[46]

Was such discrimination in opposition to human rights? He said:

It is not enough that it may seem to us to be impolitic or even oppressive. It is not enough that in its making, great and historic traditions of generosity have been ignored. We do not assume to pass judgment upon the wisdom of the legislature.[47]

In 1927 he handed down a decision in favor of a husband who had, in a moment of fury, caused the arrest of his innocent wife. The judge held that neither statutes nor the Constitution granted women legal rights in cases such as this. Their remedy must lie in legislative action, not judicial interpretation.[48]

An examination of his cases on criminal law in the New York Court of Appeals indicates that he carried over the same strict view of interpretation into this field. In general, he gave great weight to the interests of society in effective law enforcement.[49] Consider, if you will, the 1927 case in which he held there

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was no violation of personal liberty in a State statute which automatically provided for life imprisonment once a criminal was convicted for a fourth time. Admitting that this would result in too cruel a punishment in some instances, he nevertheless did not consider the statute to be in conflict with the Constitution.[50]

A year earlier, in People against Defore [51] he had held that evidence obtained through an illegal search and seizure was admissible in a criminal proceeding. Though the defendant had been unlawfully arrested and the evidence against him obtained by lawless force, the future Justice ruled the evidence could still be used against him.

In so ruling, the judge had expressly rejected a growing line of Federal decisions that were at variance with his opinion. His attitude toward the issue is reflected in his reasoning that the pettiest peace officer would have it in his power, through overzeal or indiscretion, to confer immunity upon an offender for the most wicked crimes He wrote:

> A room is searched against the law, and the body of a murdered man is found. The privacy of the home has been infringed, and the murderer goes free . . . We may not subject society to these dangers . . .[52]

Again, I must ask, what evidence of a "breadth for vision" is demonstrated on this record? Would our liberal colleagues find that these decisions cast a cloud over the judge's commitment to justice so that they could not have supported his nomination? I wonder if Benjamin N. Cardozo would be confirmed today under the doctrine of the new left?

Our next candidate of greatness was a Boston Brahman, an irreverent agnostic, and economically upper class. In his personal politics he was rated a conservative. It is said that almost by instinct he tended to mistrust Democrats.[53]

Judged by some today as "the greatest judicial liberal the Court had known," it may be interesting to consider some of his personal pronouncements on the nature of human beings. He has written:

> I only mean that when one thinks coldly I see no reason for attributing to man a significance different in kind from that which belongs to a baboon or to a grain of sand.[54]

He also held:

> That man at present is a predatory animal, I think that the sacredness of human life is a purely municipal ideal of no validity outside the jurisdiction.[55]

The theme running through his letters and papers is that "might makes right." One commentator describes his philosophy as meaning that since—

> The binding force in law is nothing but physical force applied through decisions of courts to the bad man, namely the man who runs counter to the dominant groups' completely changeable tastes, the only important thing in law is to try to predict how public policy, i.e. dominant tastes will change, and in changing change decisions. The smart judge should keep his eye on fast developing tastes and write a minority opinion based on the same, betting that some day that minority taste will be the dominant taste in public policy. And so he called himself a bettabilitarian.[56]

Footnotes at end of article.

According to this view, if the dominant taste in the community was changing from one of great emphasis on the rights of the accused to a call for law and order, judges should change their decisions in line with the latest trend. If society should be changing its taste from a regard for the advancement of minorities to a protection of the interests of the majority, this judicial philosophy would mean that a smart judge had better begin to change his decisions accordingly.

For one who held no personal standard for testing the goodness or badness of public policy, "except what the crowd wants," [57] this drastic turnabout in his position on the great issues of the day would have seemed the practical thing to do. But whether this eccentric approach to questions of human liberty would have enabled Oliver Wendell Holmes to be confirmed by present-day liberals raises a serious question.

When the name of the next of 12 great Justices was before the Senate as a nominee, Senator George Norris charged:

> Perhaps it is not far amiss to say that no man in public life so exemplifies the influence of powerful combinations in the political and financial world as does he.[58]

As a Wall Street lawyer, he had been an attorney for the American Petroleum Institute, arguing before the Federal Governments that it had no power and no means by which to restrain, control, or direct the great oil companies in the production of oil.[59]

Early in his career he represented other vast commercial ventures. In the late 1880's, when heavy electric light cables on poles were falling to the ground constantly killing people, this great man represented the electric light companies in pleading that city orders to get the wires underground were "an invasion of the rights of property." In deciding in favor of New York City, the Court rebuked this position. "The companies," the Court said, "are without excuse, and when they claim that the destruction of these instruments of death is an invasion of the rights of property, such claim seems to proceed upon the assumption that nothing has a right to exist except themselves." [60]

Later, as Secretary of State in Harding's administration, this man became known for his "narrow and uncomprehending insistance at all cost on the most extreme interpretation of American property rights, notably in our oil diplomacy." [61] Also, as Secretary of State, he violently fought recognition of Soviet Russia until there should exist "convincing evidence" of a restoration of "private property, the sanctity of contract and the rights of free labor." [62]

Finally, to give away the game, I will mention that this great figure was attacked during debate over his nomination for having already resigned a seat on the Supreme Court in order to run as a candidate for President of the United States.[63] It was charged that his example would establish a precedent tending to lower the standard of the Supreme Court down to the level of the political machine. How this matter and the overall record of Charles Evans Hughes would look to the judicial philosophy theorists today is an intriguing question.

Mr. President, the remaining Justice among the 12 greats is the only one who appears to have an impeccable past record as a liberal. Strangely enough, he is also the only one whom Life magazine appraises as fitting "President Nixon's definition of a 'strict constructionist.' "

His pre-Court background reads like a "Who's Who" of liberalism. He was one of the founders of the Civil Liberties Union, a legal adviser to the NAACP, and counsel to the National Consumers League. He participated in a number of important human rights cases, such as support of the Oregon maximum hour labor law and the District of Columbia minimum wage law.[64]

He wrote editorials in the New Republic arguing that labor injunctions must go, an article for the Atlantic Monthly denouncing the terrorist methods used against Sacco and Vanzetti, and worshiping essays about Justices who cherished civil liberties.[65]

Life magazine says:

> Once on the Court, however, he adhered to strict judicial restraint.

This philosophy is well illustrated in an opinion he wrote upholding State "right-to-work" laws, which make it unlawful to forbid employment to a person simply because he does not belong to a union.[66] He wrote:

> But even if a law is found wanting on trial, it is better that its defects should be demonstrated and removed than that the law should be aborted by judicial fiat.

He added:

> The Court is not saved from being oligarchic because it professes to act in the service of human ends.

Applying this philosophy to other issues before the Court, the Justice upheld the practice of States to allow their police, without a warrant, to search and seize a person's papers and effects, rejected the view that speech and press were absolutes, and refused to embrace the general approach that speech and press are preferred freedoms. In other significant opinions he held that a State may try a man after he had been acquitted of a Federal crime based on the same facts, voted to uphold criminal prosecution of Communist Party leaders under the Smith Act, and concluded that a State could require Jehovah's Witness children to salute the flag on pain of expulsion from public school.[67]

From these cases alone, it is evident that Justice Felix Frankfurter could not be counted upon to deliver his judgment routinely in support of the latest accepted tenet of the liberal program. More than any other illustration, the judicial record of Justice Frankfurter should prove that it is impossible to predict with certainty how a Justice will vote once he joins the Nation's highest court.

In truth, Mr. President, those who would use the judicial philosophy test are engaged in an utterly falacious practice. I believe it is safe to say that, if the criteria suggested by the liberal element of the Senate had been applied to the 12 Justices selected as great, only one of them would have been assured of his seat on the Court. In fact, I think that if we had had that element in the Senate over the nearly 200 years of our history, we never would have had a Supreme Court.

There was something tangible and significant in the background of each of the other nominees which could have disqualified them from acceptance by the judicial philosophy advocates.

But let me respectfully suggest that a person who becomes a member of this legislative body does not thereby become endowed with the all-seeing powers of Providence. We, like other mere humans, are incapable of judging what a man's course will be after he is seated on the most eminent court of our land.

As this brief review has shown, there is some real spark of independence that ignites men once they become immune from all political pressures. As Justices, they sit as neither conservative nor liberal, but as intelligent human beings doing their utmost within their God-given capacities to search for and uphold the truth.

What the liberal opponents of William Rehnquist are doing is to decree that because he may not openly espouse the identical political and sociological doctrines to which they hold dear, he is incapable of supporting human liberty and freedom. A man is deemed guilty in their minds of an unwillingness to enforce the guarantees of the Constitution until he proves otherwise. Lacking even the faintest evidence of any deed or activity which might, even when taken out of context, be used against him, Mr. Rehnquist's opponents have fallen back on a blatant political criteria.

Mr. President, not only is this method repudiated by the clear facts of history and by the nominee's personal record of integrity, but it is a patently unfair and presumptious device. Those who hold to the judicial philosophy criteria act as if there had been no change in the man who sits in the White House. They assume that their own liberal views have carried on in the mainstream of majority opinion, forgetting that such a doctrine was soundly rejected by the American people in 1968.

Mr. President, it is my opinion that the President of the United States should be given broad leeway in choosing judicial nominees who might reflect the same broad philosophy as his own on major matters of the day. Thereby the will of the people, as most recently announced in our only election for a nationwide office, can be given some possibility of expression. So long as a nominee is a man of high integrity, scholarship, ability, and diligence, and does not have a serious conflict of interest in his past record, he should be confirmed by the Senate. On these grounds the current nominee, William Rehnquist, is eminently qualified.

Furthermore, Mr. President, contrary to the cruel innuendos raised by his detractors, William Rehnquist is a man with a proven deep regard and respect for individuals and their problems. On all issues, he shows a human vein and a respectful understanding of the other man's viewpoint. He is a man who will make a great and honorable Justice.

FOOTNOTES

[1] Life Magazine, at 52–59 (Oct. 15, 1971).
[2] See his dissent in *Plessy* v. *Ferguson*, 163 U.S. 537 (1896).
[3] See Leon Friedman and Fred Israel, the Justices of the United States Supreme Court 1789–1969 (1969), vol. I, at 1282. Also see generally, Alan F. Westin, "John Marshall Harlan and the Constitutional Rights of Negroes: The Transformation of a Southerner," 66 Yale L. J. 637 (1957).
[4] Westin, *supra* note 3, at 640.
[5] *Id.* at 643.
[6] *Id.* at 649.
[7] 65 Ky. (2 Bush) 570 (1866).
[8] 65 Ky. (2 Bush) 5 (1867).
[9] Westin, *supra* note 3, at 653.
[10] See Friedman and Israel, *supra* note 3, vol. I at 288–289.
[11] 1 Cr. 137 (1803).
[12] Fred Rodell, Nine Men (1955), at 88.
[13] See generally Friedman and Israel, *supra* note 3, vol. I, at 635–641.
[14] Rodell, *supra* note 12, at 120.
[15] Friedman and Israel, *supra* note 3, at 638–639.
[16] Rodell, *supra* note 12, at 112–113.
[17] Friedman and Israel, *supra* note 3, at 641.
[18] The so-called "Yazoo" lands case, 6 Cranch 87 (1810).
[19] See Friedman and Israel, *supra* note 3, vol. I, at 437.
[20] See the Miscellaneous Writings of Joseph Story, Cambridge Press (1835), at 516–517.
[21] *Id.* at 522.
[22] See Alpheus Thomas Mason, Brandeis, A Free Man's Life (1946), at 103.
[23] *Id.* at 142.
[24] *Id.* at 149.
[25] *Id.* at 151.
[26] *Id.* at 215–217.
[27] *Id.* at 424.
[28] *Id.* at 489.
[29] See Alpheus Thomas Mason, Harlan Fiske Tone: Pillar of Law (1968 ed.), at 115.
[30] *Id.* at 115–116.
[31] Id. at 116.
[32] *Id.* at 102.
[33] *Id.* at 108–109.
[34] *Id.* at 108.
[35] *Id.* at 109.
[36] A lengthy criticism of this case is set forth in the remarks of Senator Heflin, at 66 Cong. Rec. 3042–3050 (Feb. 5, 1925).
[37] In general, see Friedman and Israel, *supra* note 3, Vol. Iv, at 2727.
[38] *Id.* at 2728.
[39] *Id.*
[40] *Id.*
[41] *Id.*, vol. III, at 2324.
[42] See 81 Cong. Rec. 9069 (Aug. 17, 1937).
[43] *Id.* at 9072.
[44] Friedman and Israel, *supra* note 3, Vol. III, at 2326.
[45] *Id.*, Vol. III, at 2290.
[46] George S. Hellman, Benjamin N. Cardozo (1969), at 73.
[47] *Id.*
[48] *Id.* at 147.
[49] Friedman and Israel, *supra* note 3, Vol. III, at 2302.
[50] Hellman, *supra* note 46, at 148.
[51] 150 N. E. 585 (1926).
[52] *Id.* at 588.
[53] Rodell, *supra* note 12, at 180–181.
[54] See Frances Lucey, "Natural Law and American Legal Realism," 30 Georgetown L. J. 493 (1942), at note 9, pp. 498–499.
[55] *Id.*
[56] *Id.* at 503.
[57] *Id.* at note 22, p. 503.
[58] 72 Cong. Rec. 3373 (Feb. 10, 1930).
[59] 72 Cong. Rec. 3450 (Feb. 11, 1930).
[60] 72 Cong. Rec. 3555 (Feb. 13, 1930).
[61] Alpheus Thomas Mason, The Supreme Court from Taft to Warren (1968 rev. ed.), at 84.
[62] Friedman and Israel, *supra* note 3, vol. III, at 1902.
[63] 72 Cong. Rec. 3372–3373 (Feb. 10, 1930).
[64] Friedman and Israel, *supra* note 3, vol. III, at 2404.
[65] Felix Frankfurter, Law and Politics, Occasional Papers 1913–1938 (1971), at 61–126, 140, and 218.
[66] *Lincoln Federal Labor Union* v. *Northwestern Iron & Metal Co.*, 335 U.S. 525 (1949).
[67] See generally Friedman and Israel, *supra* note 3, vol. III, at 2411–2416, for a discussion of these cases.

REVENUE ACT OF 1971

The ACTING PRESIDENT pro tempore. Under the previous order, the Chair now lays before the Senate the unfinished business, H.R. 10947, which the clerk will state.

The second assistant legislative clerk read as follows:

> A bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The Senate resumed the consideration of the bill.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the Mathias amendment (No. 699). The time between now and the vote at 10 a.m. today is equally divided between the Senator from Maryland (Mr. MATHIAS) and the Senator from Rhode Island (Mr. PASTORE).

Who yields time?

Mr. COOK. Mr. President, will the Senator from Maryland yield?

Mr. MATHIAS. I am happy to yield 5 minutes to the Senator from Kentucky.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky is recognized for 5 minutes.

Mr. COOK. Mr. President, in going over this matter last night—and I wish the majority leader would stay in the Chamber for a moment——

Mr. MANSFIELD. I will.

Mr. COOK (continuing). To listen to this, one of the things we failed to discuss last evening, over and above the political ramifications—which, I am afraid, got a little bit too heavy last night—was the fact that we were talking in terms, in the bill, that someday there may be a deficiency in the fund and, therefore, it would be reduced proportionately in relation to the expense.

In all fairness to the majority leader, who is a cosponsor of the amendment, and contends that this is not a tax that can be checked off by the taxpayer every 4 years, let me say that this is a tax that the taxpayer can check off every year, if he so desires. In other words, this is a fund that can build for 4 years. If it is conceivable that every taxpayer will designate that $1 may be deducted from his taxes, that would amount to $113 million a year, and it could be four times that $113 million, because on page 29, the Pastore amendment (No. 692), beginning on line 6, states:

> Every individual (other than a nonresident alien) whose income tax liability for any taxable year is $1 or more may designate that $1 shall be paid over to the Presidential Election Campaign Fund in accordance with the provisions of section 1006(a)(1) of the

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Presidential Election Campaign Fund Act of 1971.

The point I am trying to make is that this is a fund that will build every year, and it would be convenient, as the Senator from Rhode Island indicated, and the Senator from Massachusetts made firm, to include other candidates for public office, not particularly the Senator from Rhode Island, but certainly the Senator from Massachusetts.

If a fund is built up for 4 consecutive years, rather than saying that this is a checkoff that can be made by the American taxpayer in the year of a political election for President and Vice President, we would then find ourselves in the position of allowing one of the most tremendous political funds to be built that anyone could conceivably imagine, because it would be available every year.

I return to page 29 of the Pastore amendment (No. 692), item (a), under the title "In General." That is a deduction that the taxpayer can pay out of his taxes to a presidential election campaign fund every year, not just in the year of an election. So I would say that this constitutes a grievous error in the preparation of the bill.

Also, in this connection, in the debate last night an idea arose that ultimately we would have public-financed campaigns at all levels. I do not believe there can be any question about it.

I shall end by saying that what, in effect, we will be doing will be to freeze our political system.

Through the years, we have had the Federalist Party, the Democrats, the Republicans, the Democrat-Republicans, the National Republicans, the Whigs, the People's Party, the Progressive Party, and the States' Rights Party.

In the future, that could not happen because the biggest percentage of the money would always go to the two major parties, and the minor parties would get money in relation to what they received 4 years earlier. So 10 years from now if the "American Party" had not done too well because, say, they had to file an affidavit that they have not received any contributions from anyone, they would be stuck because they were sitting at the 6.8 percent level, because the only time a candidate could receive any money from the fund would be after a political convention, which occurs in the late summertime.

Let me read from Theodore White's book, which is very interesting. He says:

> The convention does not stand by itself as an isolated event in a year. The convention is the final flexible coupling in a year-long adventure of many men, in many states, whereby the fixed, parochial preferences of each state are finally bargained out on one site, at one time. Its vital values are best illuminated by a glance at its most widely discussed alternative, the national primary. The national primary in America could only be a disaster, requiring sums of money for media, travel and promotion equivalent to the cost of a general election. None but the best-financed could contend, and the best media techniques would determine the winner. And appeal, within each party, would be made to the extremes within the party, thus tending to present the nation suddenly with two candidates in the general election sharply at clash, neither reflecting the broad center spectrum of American opinion.
>
> The conventions as they stand today, however, come at the end of a long education process. The primaries stretch over months, with a rhythm of their own, each one exposing a bit more of a candidate's personality, judgment, behavior and style. A man like Eugene McCarthy, so pitifully underfinanced at the beginning of 1968, was able, in the present system, to assemble his troops for action, and month by month earn audience and attention. A man like John F. Kennedy, so burdened by religious intolerance and prejudice at the beginning of 1960, could demonstrate his ability, state by state, to call to men above prejudice. A man like Richard Nixon, repudiated and abandoned by all political wise-men, could prove in the primaries of 1968 the resilience of his nature, the depth of his forgotten appeal. The conventions cap this process of public education, root the choice of leader in the earth of differing communities, beneath the manipulation of the media-masters or of political bosses.

We have discussed these things. If we move in this direction, do we move the effect of the fund back to include the primary? Obviously, if the money were collected every year, there would be more than enough money. However, I can only say, with all of the problems in the amendment, how one could take the hearings last held in 1967 and put a copy of them on the desk of each Senator as a justification for some of the problems incorporated in the amendment, I cannot understand.

I spent a great deal of time last evening reading all of the remarks of past Presidents with regard to this matter.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. MATHIAS. Mr. President, I yield the Senator from Kentucky 1 additional minute.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky is recognized for an additional minute.

Mr. COOK. Mr. President, I read the remarks of Presidents Truman, Eisenhower, Johnson, and Kennedy. The closest they came to Federal financing from the total standpoint was the letter which President Kennedy sent to the Senate in 1962, in which he said that maybe it is conceivable that a system could be set up whereby taxpayers send a check for $10 to a party and that amount could be matched; and he said that he looked forward to the Federal funding of campaigns.

Mr. LONG. Mr. President, will the Senator yield?

Mr. COOK. But he admitted that he looked forward to that.

Mr. LONG. Mr. President, will the Senator yield on my time?

Mr. PASTORE. Mr. President, I yield to the Senator from Louisiana.

Mr. LONG. Do I understand the Senator to say that that was the closest a President came to recommending funding?

Mr. COOK. The closest in title X, title IX. I am talking about the letter President Kennedy sent to the Senate.

Mr. LONG. That is the closest we have come as of what time?

Mr. COOK. I think the Senator totally misunderstands.

Mr. LONG. As far as the President has gone concerning what? The Senator should read what President Johnson said when he signed the same measure the Senator is talking about.

Mr. COOK. Mr. President, I am not going to get into the arguments I got into last night. I heard about nitpicking last night, and how we should extend funding this down to the Governors, and that someday maybe we should include sheriffs and something to the effect that the fund will be so big that no political system could be viable, other than the system that is then in effect. That is what bothers me about the amendment.

Mr. PASTORE. Mr. President, I yield 3 minutes to the Senator from Louisiana.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for 3 minutes.

Mr. LONG. Mr. President, I have struggled with this matter through the years. It is so unusual to hear people arguing first in one direction and then meet themselves coming back from the other direction.

Mr. COOK. Mr. President, will the Senator yield?

Mr. LONG. Mr. President, I recall when this matter was up earlier. My Republican friends felt that we did not do enough for third parties. They spoke about how they loved George Wallace, how this proposal did not do enough for him, and that it did not help to bring third parties into the system.

I called George Wallace and asked him about the problems of financing campaigning. He informed me that he thought it would be fine to have an approach like this, provided it was fair to a third party and gave it a fair amount of money proportionate to the votes it receives. He agreed that we should not provide for a third party if they did not have but 30,000 votes. However, he thought that if it was a substantial party and a contender, they ought to have some help.

George Wallace called the Senators from Alabama and asked them to vote for basically what is here.

To use President Nixon's statement, if we want to talk about dominoes, go and talk to the third party and find out. They are for it.

On the one hand, our Republican friends do not want to do anything for a third party. But then they want us to do something for them for fear that we might keep a third party from defeating the Republican Party some day.

Mr. COOK. Mr. President, I am afraid the Senator did not understand what I said at all. I am afraid that is his interpretation.

Mr. PASTORE. Mr. President, I ask for the regular order, if we are going to yield time.

The ACTING PRESIDENT pro tempore. The regular order has been called for.

Mr. LONG. Mr. President, they are working both sides of the street. On the one hand, they want to do something for a third party; and on the other hand, they do not like George Wallace.

The point is that we should treat third parties on a proportionate basis. Giving them the same proportionate amount we provide for the other parties, in relation to their votes compared to the votes for the two major parties. I suggest they ought to have proportionately the same amount of money because they ought to be equal. That is the theory on which we have allotted equal time in years gone by.

Then we have the thought, "Oh, wait a minute. The amendment does not do everything we want." Mr. President, I have not seen a bill yet that does everything. All we could say for any bill we have passed is that it is a good bill as far as it goes. At least as far as our Republican friends are concerned, for the next election it does solve the problem of the man at present in the office. If he wants to go so far as to participate in the public financing of the campaign, that is fine. They can have a chance to try it out so that their man will not have to worry about asking for a single campaign contribution from anyone. He can go on and not worry about that.

So far as the Republican Party is concerned, if they want to find out how it works before the election, they can try it out right now. If they do not want to do so, that is fine. However, as far as the Democratic Party is concerned, we might have some problem trying to find financing for our party. We are willing to struggle along with that and do the best we can to work it out in our primaries and maybe go deep into debt; but we will find out who our candidate will be in the next election.

Neither side will have to make any further commitments to get the money to present their case to the American people. What is wrong about that?

Then, we have heard, "Oh, wait a minute." If you start this now and the people like it and it works well, why not?

The Senator from Kentucky was afraid that the people might put more money into the fund than needed. He was afraid, on the one hand, that 114 million taxpayers might use it. That would be great. That would indicate that they thought we did the right thing.

On the other hand, the Senator fears that not enough people would use it. Then, what harm would come of it?

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. PASTORE. I yield the Senator from Louisiana 1 additional minute.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for 1 minute.

Mr. LONG. Mr. President, then the Senator fears that a man running for the office of President might steal his own campaign money and not spend it in trying to get elected. If he is that kind of thief, as the Senator suggests, it would be much better for him to steal his own campaign money and not get elected.

Mr. COOK. A point of order, Mr. President.

Mr. LONG. Yesterday the Senator from Massachusetts, Mr. President——

The ACTING PRESIDENT pro tempore. Will the Senator yield for a point of order?

Mr. PASTORE. I yield for a point of order.

Mr. COOK. Mr. President, I should like the Official Reporter to show anywhere in the RECORD of last night that this Senator stated at any time that any presidential candidate would steal any of the money from this fund and not use it for the purpose intended. I ask the Official Reporter to check the RECORD to see whether that was said by this Senator.

Mr. PASTORE. Mr. President, I yielded for a point of order. That is not a point of order. That is rebuttal.

The ACTING PRESIDENT pro tempore. The RECORD speaks for itself.

Mr. LONG. Mr. President, the Senator from Kentucky said it in diplomatic language. And that is what is wrong with diplomatic language. One cannot understand what it says. That is what the Senator meant, as best I understood it.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. PASTORE. Mr. President, I yield 1 additional minute to the Senator from Louisiana.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for 1 additional minute.

Mr. LONG. Mr. President, the Senator was fearful that someone might use his own campaign money as a candidate for President.

Yesterday the Senator from Massachusetts pointed out that we are getting ready to trust a man with the fate of the entire Nation and a budget of over $200 billion a year. What is too bad about trusting him with a $20 million campaign fund to get himself elected?

But suppose he were the sort of rascal who misused his own campaign money. If he were that kind of man, it would be hoped he would not be elected, and if he were that kind of rascal, one would hate to think what would happen if he did use it to his own advantage.

Then we hear Theodore White quoted from his book. I would like to have Senators read what he said when HUMPHREY was seeking the election.

Mr. PASTORE. Mr. President, I yield myself 2 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized for 2 minutes.

Mr. PASTORE. Mr. President, I can understand the position of our distinguished friend from Kentucky. He was never for this plan. He was never for this philosophy, and he has so stated. Naturally, of course, good lawyer that he is, he will find fault with every particular sector of that title to give substance to his argument. That is natural; I cannot find fault with that.

Yet last night a great contention was made on the other side of the effect that if the taxpayer is going to support political campaigns, we will not have enough money. This morning we hear the argument that because the deduction could be made every year, we are building a fund for 4 years. I think that is a good idea. But I remind the Senator from Kentucky that on page 17, section 1006(2), the language is very clear:

> (2) If, after a presidential election and after all eligible candidates have been paid the amounts to which they are entitled under section 1004, there are moneys remaining in the fund, the Secretary shall transfer the moneys so remaining to the general fund of the Treasury.

That takes care of it. If a fund is built up to $103 million and only $50 million is needed, then, after the election the balance goes right back to the Treasury, and no harm would be done. That is exactly as it should be.

Mr. COOK. Mr. President, will the Senator yield?

Mr. PASTORE. I am willing to yield, but I think the Senator should get time from the Senator from Maryland, because I think he wants to speak.

Mr. MATHIAS. Mr. President, I yield myself 10 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Maryland is recognized for 10 minutes.

Mr. MATHIAS. Mr. President, I want to make perfectly clear at the outset that I am in strong support of title IX of the Pastore amendment. I think this is a desirable and necessary improvement on our method of financing campaigns. I think that title IX deserves support, and I intend to support it strongly.

I feel just as strongly that title X should be stricken. The short view is that this is a political poverty program, that one party is reputed to have—and there is some color to that, so we might as well confess it at the start—is reputed to have cash on hand, and another party is reputed to be in debt.

But I do not want to debate this on that transient set of circumstances. We are talking about a very fundamental change in the American political system, and in the long view the positions of parties can be reversed.

I think we should view this proposal as the fundamental change it is. I think, however, that even in the short run there are some very serious inadequacies in the bill that need to be addressed by the Senate if we are to do our job right.

For instance, as the Senator from Kentucky mentioned a moment ago, the question did come up last night as to whether or not the issue of the integrity of a presidential candidate was raised by the bill. I think, of course, that there is language in title X which does raise the very kind of questions of integrity which are raised today under the Corrupt Practices Act. I think the language makes clear that if the presidential candidate decides to take advantage of public moneys provided by the bill, he cannot receive or spend other money.

But in the criminal section of the bill, section 1010, it is stated.

> It shall be unlawful for the candidates knowingly and willingly

Mr. PASTORE. Willfully.

Mr. MATHIAS. Willingly to incur additional campaign expenses.

Where have we heard these words before? These are the words of the Corrupt Practices Act, which exists today, and these are the words that have gotten us into trouble.

Mr. PASTORE. Mr. President, will the Senator yield to me on my time?

Mr. MATHIAS. I yield.

Mr. PASTORE. The Senator stated it incorrectly. The Senator did not read it correctly. The section states "willfully."

Mr. MATHIAS. Willfully.

Mr. PASTORE. Evil-mindedly.

Mr. MATHIAS. Willfully.

Mr. PASTORE. The Senator did not read the language correctly.

Mr. MATHIAS. Those are the words of the Corrupt Practices Act in effect today, and the words behind which a lot of hanky-panky is done. That is what we are discussing this morning. Those are the words being carried over into this bill and the words that will get candidates into trouble in the future.

There are other problems in this bill. It is a bill which addresses itself to presidential races; but there is a loophole provision which would make it applicable to other races because the committee which receives the funds can participate in State and local races, and there is no real way to determine how the money would be divided.

There are tremendous auditing problems. The question of judicial review was brought up by the Senator from Kentucky and the Senator from Tennessee last night.

There is the question of the adequacy of funds and what would happen if not enough money were generated by the fund. Would we have to appropriate money at that point?

There is a question of candidates on the ballots in 10 States. I think it is something of an affront to us sitting here in the District of Columbia that the District of Columbia is not considered a qualifying State, although it does cast ballots in the electoral college for the election of the President.

So I say that in the long run we are working here on a fundamental change, but even in the short range there are serious inadequacies. We have to realize this is not a change but is just a way to pay the freight under the old system; it is reform only when taken together with the election reform bill which the Senator from Rhode Island deserves great credit for having managed in the Senate. It is only if it is taken in conjunction with that bill that it has the aspect of reform.

Mr. PASTORE. Mr. President, will the Senator yield to me on my time?

The ACTING PRESIDENT pro tempore. Does the Senator yield?

Mr. MATHIAS. I yield.

Mr. PASTORE. On my time.

I think this is an illuminating discussion, and I would like to clear up something, because I think no Senator is fairer than the Senator from Maryland. All I want to say on my time, is this:

I realize that there can be some difference of judgment with respect to some of the sections contained in this particular title. But fundamentally, of course, the Senator from Maryland is opposed to the basic concept.

Mr. MATHIAS. I am not fundamentally opposed to it, and I am going to develop that point.

Mr. PASTORE. Very well. If that is not the case, there are certain items in these sections that can be corrected in the public good.

In the beginning, I stated that I am not trying to make this a democratic piece of legislation. If any improvements can be made on the question of appeal from the Comptroller General issue, and to add the words "unless capriciously and arbitrarily done," I am willing to do something like that. I am willing to agree to something like that. The reason for these provisions is that when this bill originally came to the floor of the Senate 5 years ago and we passed it, there was some question whether or not the public purse was being protected and how far we should go in that protection.

It was nullified only because an expiration date was inserted; but when the committee reported another bill, it contained most of the features that are in this proposal. That is the reason we accepted it and why it is in the bill. If it is the view of the Senator from Maryland that certain problems have to be resolved, I am perfectly willing to listen to the Senator. But I am telling the Senator very frankly—and I think I state this very honestly—that regardless of what I accept, and regardless of what the Senator proposes—in the final analysis he does not want the title, anyway. That is where it stands, and I think we ought to say it. The Senator just does not want it, and no matter how much I perfect it, he just does not want it.

Mr. MATHIAS. I am going to take the Senator from Rhode Island at his word in just a moment, but I do have one practical objection here that I think has to be raised.

Mr. President, how much of my 10 minutes are remaining?

The PRESIDING OFFICER (Mr. CANNON). The Senator has 4 minutes remaining.

Mr. MATHIAS. One of the practical objections which I do not think we can overcome is the fact that individual tax returns for 1971 are now being printed and sent to taxpayers. The Treasury advises that the only thing that can be done is a supplemental mailing of an additional tax sheet, on which taxpayers can make their designation, at a cost of $500,000 to $1 million.

More importantly, it would not be possible to have all these extra sheets in the hands of the taxpayers until late February. Some 25.5 million taxpayers filed their 1970 returns in January and February of 1971, and it is reasonable to expect that as many or more will file them early next year. So, it is doubtful that many of these taxpayers, after they have already filed their returns, will file the designation sheets.

Mr. PASTORE. Mr. President, will the Senator yield, on my time?

Mr. MATHIAS. No.

Mr. PASTORE. I have a good suggestion. I have a marvelous suggestion. I think the Senator ought to hear it. All they have to do is get a little piece of paper and put it in the same envelope and pin it to their income tax returns.

Mr. MATHIAS. The Department of the Treasury says it cannot be done.

Mr. PASTORE. It is a marvelous suggestion, and there I claim perfection.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. MATHIAS. Mr. President, I ask unanimous consent that the letter from the Department of the Treasury covering this point be printed in full at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, D.C., November 18, 1971.

Hon. CHARLES MCC. MATHIAS, JR.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MATHIAS: As you know, Senator Pastore and others have proposed an amendment to the Tax Revenue Act of 1971 (H.R. 10947) which would, among other things, provide for the financing of Presidential election campaigns through the establishment on the books of the Treasury Department of a "Presidential Election Campaign Fund." Under the amendment there would be appropriated to this fund each fiscal year amounts designated by individual taxpayers on their income tax returns. Every individual would be entitled to designate that $1 ($2 in the case of a husband and wife filing a joint return) of his tax liability for the year should be paid into the fund. The fund would be created as of January 1, 1972, and individuals would be entitled to provide that $1 of their tax liability for 1971 be paid into the fund.

Wholly apart from the question whether this is a desirable method of financing the campaign costs of Presidential candidates, it presents serious administrative problems which are of great concern to the Treasury Department.

The individual income tax returns for 1971 are now being printed and mailed to taxpayers. It would, therefore, be impossible to explain on the 1971 form or the instructions the right given the taxpayer to require that $1 of his tax liability be paid into the Presidential Election Campaign Fund. The best that could now be done would be to have a supplemental mailing to taxpayers of an additional sheet on which they could make their designation. However, this would be extremely costly. A preliminary estimate is that it would cost in the neighborhood of $500,000 to $1,000,000. It would be necessary to print the extra sheet containing detailed instructions on a "crash" basis and to repeat the just-completed task of mailing the new sheets to all taxpayers. There is even some question whether the Internal Revenue Service has the capability of accomplishing another national mailing at this crucial time.

More importantly, however, it would not be possible to have all of these extra sheets in the hands of taxpayers until late February. Some 25.5 million taxpayers filed their 1970 returns in January and February of 1971, and it is reasonable to expect that many or more to file early next year. It is doubtful that many of these taxpayers, after they have already filed, would file the additional designation sheet. Even if it is assumed, however, that a significant portion of these taxpayers would thereafter file the supplemental sheet making their designation to the fund, it would be extremely difficult and time consuming for the Internal Revenue Service to associate the supplemental filings with the previously filed returns. This would, of course, be essential to ascertain that the individual had, in fact, filed a return and paid at least $1 in tax.

I felt it incumbent upon us to point out the administrative burdens the amendment would impose upon the Internal Revenue Service. It is even possible that these administrative difficulties would delay the determination of the amount available to the fund past the point in time when the program would have to be implemented to be utilized in the 1972 Presidential campaign. I must also point out that all of this involves a further allocation of the Internal Revenue Service's resources away from the collection of the revenues at a time when the economic stabilization program is already diverting a substantial portion of the money and manpower available to the Service.

Sincerely yours,

JOHN S. NOLAN,
Deputy Assistant Secretary.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. MATHIAS. No, I am not yielding.

We must consider that this bill standing alone may encourage, and not discourage, greater commercialism and more slick potential PR than we have under the present system.

The Senator from Rhode Island was discussing this point last night. I would say to him that, as this is now constructed, the new system would positively guarantee more of a Madison Avenue approach than we have today. It guarantees it because the ad boys know they will get paid and they will pull out all the stops. I think it will guarantee it, because a powerful candidate can pour it on in the preconvention campaign, and there is no need to have any reserve. If he is going to make the grade at the convention, he can count on a brandnew campaign fund of $20 million or thereabouts if he is nominated. I think that is the weakness of this proposal, because it may well result that the preconvention money will be more tainted than the ordinary large contribution today. The general public will think that it has done its job when it has made the checkoff on April 15; that it has paid the bill for the campaign; and the average small contribution will thereafter be very hard to come by.

So I suggest that the larger contributions in the preprimary period are going to be perhaps more tainted and more influential than they are today, and the presidential hopefuls will find it harder to raise preprimary money in the future. And so, like the new theater shows in New York——

The PRESIDING OFFICER. The 10 minutes of the Senator have expired.

Mr. MATHIAS. I yield myself 3 minutes.

Like the new theater shows in New York, they are going to need angels to get them on the road before they open on Broadway. Where these angels will come from will be extremely pertinent to the American scene, with the result that there will be a potentially greater dependence on the large money men and less commitment on the part of candidates than we even have today.

The question then arises of control, and I think we ought to understand what we are talking about. We are not talking about control of funds, because that problem exists today. A candidate controls his campaign funds, and he will do it in the future, so this bill is neutral as far as the question of who controls the funds is concerned. But the question does arise as to the taxpayer's control of his dollar. One can say it is a pittance. He can say, "Who cares about the taxpayer's one dollar?" But I think it makes a big difference, because that is a very serious question. When he makes his checkoff on the tax return, in effect—let us assume a hypothetical case—he is contributing 40 cents to Nixon, 40 cents to the Democratic nominee, who may be Senator PASTORE, he may be contributing 8 cents to Gene McCarthy, and 12 cents to George Wallace. When he makes that kind of contribution, it is something new on the American political scene. It is not a contribution in the sense that has ever been known before by honest men in this country who are not just hedging their political bets.

I think if we want to buy a forum so that everybody who wants to be President can run, that is well and good. If we want to go to that system, let us appropriate the money and buy the forum, but let us not cloak it in the garb of tax reform.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. MATHIAS. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. MATHIAS. I will reserve my 1 minute and yield 3 minutes to the Senator from Pennsylvania.

Mr. SCOTT. Mr. President, could I yield myself time on the bill?

The PRESIDING OFFICER. There is no time on the bill.

Mr. SCOTT. Mr. President, if the Senator will yield me 1 minute, I will compress my remarks accordingly.

Mr. MATHIAS. I yield 1 minute to the Senator from Pennsylvania.

Mr. SCOTT. Mr. President, I rise in support of the Mathias-Scott amendment to delete from the Pastore amendment that section creating a presidential campaign fund through a check-off system. Never in my tenure as a Member of this body have I seen a more careless and hastily contrived piece of draftsmanship than is evident by this amendment.

I have been pleased and honored to work very closely with the distinguished senior Senator from Rhode Island (Mr. PASTORE) for over a year to develop a sound campaign reform bill. His diligence and expertise in this matter is not easily surpassed and he was instrumental in having the Senate pass, by a wide margin with bipartisan cooperation, the strongest election reform bill in history. His present amendment does his earlier work a tremendous disservice.

When Senators MANSFIELD, PASTORE, and CANNON first introduced S. 382, the Election Reform Act of 1971, they included an alternative tax credit or tax deduction for small political contributions. My own bill, S. 956, contained a similar provision. Yet now we have the Pastore amendment presented to us as an all or nothing proposition. The Senate has not held one hearing on this proposal in over 5 years and now we are being asked to have the American taxpayer cough up a dollar, not only to finance the candidate of his choice but his opponent as well. This is witless and invites the taxpayer to ignore this double-edged invitation to bite himself.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. MATHIAS. I yield 1 additional minute to the Senator from Pennsylvania.

Mr. SCOTT. Mr. President, when the Senate Commerce Committee hearings on campaign reform back in March, Senator PASTORE said that public financing of campaigns is "10 years ahead of its time." He was right. Well, only 8 months have passed and we still have about 9 years and 4 months to go. The Senate's approval of this Pastore amendment will lead to utter chaos in the administration of a presidential campaign and will deny American citizens the opportunity of financially supporting the candidates of their choice.

Mr. PASTORE. Mr. President, will the Senator yield, on my time?

Mr. SCOTT. I have not time to yield.

Mr. President, I am totally committed to campaign reform. I have not changed my position. I have urged the House of Representatives to adopt the Senate-passed bill. But I reject out of hand any attempt to so radically change without prior consideration the way Americans have traditionally expressed their political support for presidential candidates. The principle of a check-off is appealing. Its application here defeats the taxpayer's interest.

I urge the Senate to approve the Mathias-Scott amendment.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, I yield 5 minutes to the Senator from Montana (Mr. MANSFIELD).

Mr. MANSFIELD. Mr. President, I believe I am the first Senator to speak on this subject who does not happen to be a lawyer, and who, therefore, is not interested in the technical points, but who, nevertheless, is interested in an issue which the everyday man and woman in the street can understand.

In the past, the distinguished minority leader has been interested in and has expressed strong support for the concept of reducing the candidate's dependence on the gigantic economic interests within the Nation.

This is one of the most important issues which will face this Congress during this decade, and perhaps even during this century. At stake is nothing less than the survival of our democratic process as it was constituted and hopefully as it will stay preserved.

As the Senate proceeds with its consideration of this amendment, I would hope that the issue would be judged in the bipartisan fashion in which it arose originally. I would hope that it would not be judged in the context of partisan advantage. There is no advantage to a man barred from seeking office for lack of money.

Instead, I would hope that this amendment would be assessed by what is happening to our institutions of government and to the erosion of public confidence in those institutions. I would hope as well that the merits of this amendment are weighed on the basis of what it can do to preserve our democracy so as to insure the independence of the public officials who happen to serve it.

The goal is quite simple. What it says is that office holders and office seekers alike be free of special interests.

The officeholder today who is free of a connection with special interests of some kind or another is a rare animal indeed.

As a matter of fact, I can think of only one member of this body to whom that category should be applied unequivocally, though there may be others, and I refer to the distinguished dean of the Republicans in this body, the senior Senator from Vermont (Mr. AIKEN). In the last campaign he received no contributions, and spent $18.46. That was an increase of $2.61 over his previous campaign cost, and the explanation was that the price of postage stamps had gone up.

But I think the rest of us have to depend on contributions; and when somebody gives us $1,000, $2,000, $3,000, or $5,000, we spend a little more time with that guy. We give him a little more consideration and attention, and if he writes us, we read his letter personally, and we read it two or three times.

So you can exhibit all the idealism you wish. Oh, no, you are under no obligation. Maybe you are not, but the thought is back there, because this guy helped you, and you want to show your friendship and appreciation.

To put it bluntly: some form of public financing is the only way to put an end to the day of "labor's" man or "industry's" man or whatever else's man; whether that man aspires to reside in the White House or whether he seeks the post of county prosecutor, it make no difference. Under this amendment, he would be the "people's" man.

The distinguished Senator from Louisiana, the able chairman of the Committee on Finance, has advocated the concept of public participation for many, many years. There were times when he stood alone, but he was consistent.

And what of the arguments against this form of public participation? It has been suggested that a presidential candidate refusing public financing will face cries of going to the so-called fat cats for support. But is not that the whole issue? It is to put an end to the notion that a political contribution is in fact just another economic investment.

In short, unless something is done there is no way that the profession of politics—of running for office—can avoid becoming the exclusive and sole preserve of the rich or of those who, for whatever reason, win support of the major economic interests within the Nation. And may I say that what certain rich men are doing today is investing.

In the politics of the Presidency, who really bankrolls all these candidates on both sides?

It should be said that it was not this kind of dependent system that was carved out by our Founding Fathers. The time is close at hand, however, when it will become such a system—a system that in no way can serve the public interest.

Whether we like it or not—and the finger is not pointed at a single Senator—politicians who become elected officials become beholden in the process to some special economic interest. This is the issue before the Senate. Preserving the independence of the President is absolutely vital. The Pastore amendment would achieve that end. The Mathias amendment would prevent it. I hope the Senate will vote down the Mathias amendment.

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. Mr. President, I yield 3 minutes to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I rise in support of the amendment of the Senator from Maryland. Let us lay the cards on the table. The Senator from Rhode Island has written a very distinguished bill, with the exception of title X. But, Mr. President, title X smells. To the extent that the Democrats want to claim this particular piece of legislation, they are welcome to it. And to the extent that I admit to not wanting title X, no question about it, I do not and neither does my party. In effect the advocacy of title X is the Democratic Party telling the people of America, "You will give." No longer is it a question of the quality of the candidates or the substance of the issues, but rather, "You will give."

What the Senator from Louisiana calls diplomatic language, tells the American people they are going to make a contribution.

I suppose the question might be asked, If not enough money is raised through this method, then will we have a direct appropriation to finance their campaign?

But what is even worse is, this is an affront to democracy. It disregards democratic reliance on the quality of the candidates and on the logic of the issues.

If there is a practical problem——

Mr. PASTORE. Mr. President, will the Senator yield for a question on my time?

Mr. WEICKER. On the Senator's time.

Mr. PASTORE. Does the Senator think it is in the public interest, and the best way to elect a President of the United States, when you have one candidate go in there because it is easy for him to do it, with $50 million, and have another candidate go in with $5 million? Does the Senator think that is fair? Does he call that democracy?

Mr. WEICKER. Shall I answer the question of the Senator from Rhode Island?

Mr. PASTORE. Yes.

Mr. WEICKER. I say to the Senator that any man who, is of lofty character and integrity, and is popular insofar as his stands on the issues are concerned, will be elected; and if the Democratic Party is having difficulty getting in today, it is because they bombed out prior to the last campaign. It is because the issues were not with them. This is purely and simply a way of trying to legislate yourselves back into office and painlessly avoid the consequences of Democratic blunders.

Mr. PASTORE. Will the Senator yield on that point?

Mr. WEICKER. On the Senator's time.

Mr. PASTORE. We passed this bill 5 years ago in the Senate, and we had a Democratic President. What does the Senator mean, we were bombed out? We did this when we had control of the White House. I repeat again, this is not a partisan issue directed against Nixon or the Republican Party, and this charge that we were "bombed out" is ridiculous.

Mr. WEICKER. I will go back on my time. I want to make clear to the Senator from Rhode Island that the concept of the bill is the responsibility of the Democratic Party. It is they who are attempting to dictate to the American people that they will give. They are not willing to move forward on the basis of the candidates on the issues, but only "You will give."

Mr. PASTORE. Will the Senator yield again on my time?

Mr. WEICKER. On the Senator's time.

Mr. PASTORE. Of course, it is up to the taxpayer to say willingly, "I want to give that dollar and be part of the democratic process to elect my President." He has got to say it willingly. He is not being forced to do it. The Senator is only afraid he might do it willingly.

Mr. WEICKER. Oh, no. I know that any man in this country, any woman in this country, with the right stand on the issues, and who has a record of performance, can make it. What I am saying is that we are not in favor of attempting to use Government money to force ourselves into office. Let us do it on the basis of what we stand for. You cannot keep a good man or a good issue down in this country; but apparently the Senator thinks you can, on the basis of the Democratic record over the past 4 years.

Mr. PASTORE. Will the Senator yield again?

Mr. WEICKER. On the Senator's time.

Mr. PASTORE. You have to get exposure to bring your issues to the public, and today that costs millions and millions of dollars on television and radio, and the Senator knows that. You have to have the money. You have to have the necessary wherewithal in order to get the exposure to present the issues. That is the name of the game, and that is what we are trying to do. We are trying to work out some semblance of equality so that the people of America will judge not on the mighty dollar but on the issues, on the personalities, and on the worth of the candidate.

Mr. WEICKER. Could I get back to my time?

Mr. PASTORE. That was on my time.

Mr. WEICKER. I pointed out to the Senator from Rhode Island that in the matter of campaign reform, the bill minus title X is a good step toward reform; but the concept of dictating to the American people that "they will contribute" let that be laid to the democratic doorstep. That is what has been done so far as section X is concerned. Reform, yes, but only as to the rest of the bill.

The minority leader has indicated that it has his full support, the support of my party—but not section 10. Let us not dictate where the people's money goes. Rather, let it be on the basis of issues and not self-serving legislation.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PASTORE. Mr. President, what is the status of the time?

The PRESIDING OFFICER. The proponents have 3 minutes remaining, and the opponents have 6 minutes remaining.

Mr. PASTORE. I yield 2 minutes to the Senator from Massachusetts, three if he wants it, and four if he would like.

Mr. KENNEDY. Mr. President, with respect to an earlier remark of the Senator from Maryland about the difficulty the Treasury would have in making adjustments for the checkoff in printing the 1971 tax forms, it is interesting that the Treasury apparently has no difficulty with any of the other provisions in the bill we are now debating. The Senate of the United States has not even completed action on this measure. We are still debating the administration's tax package.

The Senator from Minnesota (Mr. HUMPHREY) had an amendment last week with respect to the low-income allowance. The amendment was passed by this body, and it affected the tax year 1971. The Treasury will have to accommodate that amendment in the 1971 tax forms, if it is accepted by the conferees. The Senator from Kentucky (Mr. COOK) actually voted for that amendment. He was not worried last week that there would have to be printing adjustments in the 1971 tax form, or that there would be an additional expense for it.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. LONG. They told us yesterday that with these printing problems, we had to let them know what the bill was going to provide for personal exemptions for 1971 so they could get the forms printed, and that they needed nearly 3 months. After saying that, here is the form, a week later. It is already printed, and it could be mailed out. If they can do that in a week, why do they need 3 months?

Furthermore, the Senate apparently didn't think the printing delay was serious when it adopted the Humphrey amendment to increase to low-income allowance to $1,300 for 1971. So the form will have to be changed and reprinted if the Senate bill is adopted, anyway.

Mr. KENNEDY. When the checkoff legislation first came up in 1966 and 1967, I recall the debate conducted on this matter. Senator Gore and Senator Robert Kennedy had serious reservations about the version the Senate passed in 1966. As a result, the 1966 act was nullified in 1967. But there is no question that the major hearings that were held by the Finance Committee in 1967 have made a solid record in support of the present version, as has the excellent committee report filed in November 1967.

This is not a fly-by-night measure. It has been given careful consideration. Major hearings have been held on it, and the Finance Committee reported it favorably in 1967. I feel that is a most important reform, and the groundwork has been carefully laid.

I reject the suggestion by the Senator from Connecticut. He does not understand title X. The checkoff it provides is purely voluntary, and I think it will be one of the most significant and important reforms we have ever enacted for our democracy.

It involves two very important factors. First, it broadens the base of participation in our political system and, second, for the first time in the history of our Nation, it provides the kind of financial independence required for people who wish to seek high office, but who do not want to be dependent upon special interests in this country.

For the reasons outlined, I hope the amendment will be adopted.

Mr. SCOTT. Mr. President, if the Senator from Maryland will yield me 30 seconds, I ask unanimous consent that the time before the vote be extended for 30 minutes. We have a number of speakers.

Mr. PASTORE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MATHIAS. I yield myself such time as I have remaining.

Mr. President, I want to repeat what I said last night to the Senator from Rhode Island. I think the real question before us is, Does this broaden the political process in this country? I doubt it, because I believe title 10 would further dehumanize the political system. It is going to remove further the average citizen from the choice of his own destiny and influence over his own fate, because he does not contribute to the candidate of his choice; he contributes to the system.

At this point, I want to take up the challenge of the Senator from Rhode Island and tell him that if he can work out an amendment which makes it possible to check off and choose, then I will support it.

Mr. PASTORE. The Senator will vote for it?

Mr. MATHIAS. I will.

Mr. PASTORE. Why does not the Senator draw an amendment himself?

Mr. MATHIAS. I will. And will the Senator accept it?

Mr. PASTORE. Let me take a look at it.

Mr. MATHIAS. Because then we would have some real and broader participation.

As it is now, the local committees are going to be relieved from any action after a convention, and the fat cats and the national party bosses will pick it up at the convention point. I think the political process is going to be narrowed greatly; and instead of widespread community action, you are going to have a narrowing of the political base.

I think this is going to do a great deal to further dehumanize the political process. I think it is a gimmick to pay the bills. It is not going to lower the cost of elections, and it certainly is not going to guarantee us a better product, because of the preconvention period, the critical period when the angels will have to come in and provide the wherewithal. In the last campaign, for example, the Democratic Party spent some $25 million in presidential primary activity.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. MATHIS. I yield.

Mr. DOLE. We are about to witness the biggest Democratic fundraising affair in history.

Mr. MATHIAS. I hope that the Pastore bill, the election reform bill, does pass the other body, that it receives the President's signature, and that it becomes law. I hope that title IX of the Pastore amendment passes the Senate and passes the other body and receives the President's signature and becomes law, because I think in that way we can have some real progress and a sound foundation for constructing some future improvement. But I think that to adopt title X as it is now proposed will dehumanize the political process, narrow the political base, and discourage the broadest kind of political participation in this country.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Rhode Island has 3 minutes.

Mr. PASTORE. Mr. President, in exactly 3 minutes we shall have reached the Rubicon, and we will have to say yes or no. But before that, I want to make it abundantly clear to my colleagues that I went out of my way not to make this an amendment that could not be labeled Democratic with a capital "D"—This is in answer to the Senator from Kansas. We passed a like bill 5 years ago, and it was passed in the House. This is only a slight refinement of that, to the extent that the money goes to the candidate who shall himself or herself be responsible and not to the chairman of the National Republican Committee. I suppose that would be Mr. DOLE.

Mr. President, there is nothing here that compels Mr. Nixon to come under this provision. If he already has in the bank $40 million that he wants to spend, he can do it, under this amendment, limited only by whether or not the House will pass a ceiling as to expenditures; I hope they will do that, as we did in the Senate some months ago.

Mr. President, what are we doing here? Are we picking out every Tom, Dick, and Harry? Of course not. We are talking about what? The Presidency of the United States, the Commander in Chief of our country.

All we are saying is that we want to give proper exposure to legitimate candidates who will not falter and fail because they do not have the money to project themselves and the issues which they propagate and discuss. We are talking here about fairness; we are talking about equality; we are talking about the public interest.

If the Presidency of the United States is going to be only within the realm of the wealthy, then I say, "God help this Democracy." We are beginning to see it more and more and more. You see it when you call up CBS, NBC, and ABC and discuss a national hookup. The Senator from Kansas knows as well as I that it costs almost thousands of dollars for one exposure. Where are you going to get this money, unless you have it in your family or unless you go out and get it. How do you get it—with a $500 dinner? Who buys a $500 ticket to go to a political affair? Someone who loves you? Or someone who has an angle? I think it is always someone who has an angle.

What do you say to the contributor when he calls you up and wants to see you before a vote? Do you say, "Oh no, I cannot see you today." Do not tell me that the $500 did not count. Of course it counts.

What we are trying to do here is to purify our system. The only way to do it in regard to the Presidency of the United States is to make it possible for all candidates, whether rich or poor, to go before the people and have the proper projection. That is the name of the game. That is the reason for this amendment. That is the reason why I hope we will

reject the amendment of the Senator from Maryland.

Mr. President, I yield back the remainder of my time.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. CANNON). All time has now expired. The question is on——

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kansas will state it.

Mr. DOLE. I am not certain of the rules of the Senate, but will the presidential candidates, by a vote on this amendment——

Mr. PASTORE. Mr. President, a point of order. We are on limited time, are we not?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The inquiry of the Senator from Kansas is not a parliamentary inquiry.

All time on this amendment has now expired and——

Mr. DOLE. Mr. President, I suggest the absence of a quorum——

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

Mr. DOLE. Mr. President, I suggest the absence of a quorum——

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum——

Mr. SCOTT. Mr. President, I suggest the absence of a quorum——

Mr. PASTORE. Mr. President, we have a unanimous agreement here to vote at 10 o'clock——

Mr. DOLE. We have a Constitution, too.

Mr. SCOTT. Mr. President, Mr. President, the absence of a quorum is demanded.

The PRESIDING OFFICER. A quorum call is in order.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. My parliamentary inquiry, is the total Pastore amendment divisible for a vote as to the separate titles, if demanded by any Member?

Mr. PASTORE. Yes.

The PRESIDING OFFICER. Yes, it would be.

Mr. JAVITS. I thank the Chair.

Mr. COOPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kentucky will state it.

Mr. COOPER. Under the unanimous-consent agreement terms, if a motion to table is made at this time, would more time be available to debate this amendment?

The PRESIDING OFFICER. A motion to table would not be in order because the Senate has, by unanimous-consent agreement, agreed that a vote on adoption of the amendment would come at 10 o'clock this morning.

CALL OF THE ROLL

The PRESIDING OFFICER. A quorum call is in order. It has been requested, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll, and the following Senators answered to their names:

[No. 353 Leg.]

Aiken	Ervin	Mondale
Allen	Fannin	Montoya
Allott	Fong	Moss
Anderson	Fulbright	Muskie
Baker	Gambrell	Nelson
Bayh	Goldwater	Packwood
Beall	Gravel	Pastore
Bellmon	Griffin	Pearson
Bennett	Gurney	Pell
Bentsen	Hansen	Percy
Bible	Harris	Proxmire
Boggs	Hart	Randolph
Brock	Hatfield	Ribicoff
Brooke	Hollings	Roth
Buckley	Hruska	Schweiker
Burdick	Humphrey	Scott
Byrd, Va.	Inouye	Smith
Byrd, W. Va.	Jackson	Sparkman
Cannon	Javits	Stafford
Case	Jordan, N.C.	Stennis
Chiles	Jordan, Idaho	Stevens
Church	Kennedy	Stevenson
Cook	Long	Symington
Cooper	Magnuson	Taft
Cotton	Mansfield	Talmadge
Cranston	Mathias	Thurmond
Curtis	McClellan	Tower
Dole	McGee	Tunney
Dominick	McGovern	Weicker
Eagleton	McIntyre	Williams
Eastland	Metcalf	Young
Ellender	Miller	

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), and the Senator from Virginia (Mr. SPONG) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment of the Senator from Maryland. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), and the Senator from Virginia (Mr. SPONG) are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana (Mr. HARTKE), and the Senator from Virginia (Mr. SPONG) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 46, nays 49, as follows:

[No. 354 Leg.]

YEAS—46

Aiken	Dole	Packwood
Allott	Dominick	Pearson
Baker	Ervin	Percy
Beall	Fannin	Roth
Bellmon	Fong	Schweiker
Bennett	Goldwater	Scott
Boggs	Griffin	Smith
Brock	Gurney	Stafford
Brooke	Hansen	Stevens
Buckley	Hatfield	Taft
Byrd, Va.	Hruska	Thurmond
Case	Javits	Tower
Cook	Jordan, Idaho	Weicker
Cooper	Mathias	Young
Cotton	McClellan	
Curtis	Miller	

NAYS—49

Allen	Harris	Moss
Anderson	Hart	Muskie
Bayh	Hollings	Nelson
Bentsen	Humphrey	Pastore
Bible	Inouye	Pell
Burdick	Jackson	Proxmire
Byrd, W. Va.	Jordan, N.C.	Randolph
Cannon	Kennedy	Ribicoff
Chiles	Long	Sparkman
Church	Magnuson	Stennis
Cranston	Mansfield	Stevenson
Eagleton	McGee	Symington
Eastland	McGovern	Talmadge
Ellender	McIntyre	Tunney
Fulbright	Metcalf	Williams
Gambrell	Mondale	
Gravel	Montoya	

NOT VOTING—5

Hartke	Mundt	Spong
Hughes	Saxbe	

So Mr. MATHIAS' amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRIFFIN. Mr. President——

The PRESIDING OFFICER. The question now occurs on the amendment of the Senator from Rhode Island. Who yields time?

Mr. GRIFFIN. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. GRIFFIN. I send to the desk an amendment to the amendment of the Senator from Rhode Island (Mr. PASTORE) and ask that it be stated.

The PRESIDING OFFICER. The amendment is not in order until all time has been used or yielded on the amendment of the Senator from Rhode Island.

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Who yields time on the amendment of the Senator from Rhode Island?

Mr. GRIFFIN. Mr. President, I wonder if in the interest of getting this——

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. I yield whatever time the Senator needs.

Mr. GRIFFIN. Only for an inquiry.

The PRESIDING OFFICER. The Senator from Rhode Island yields to the—May we have order in the Senate so the Chair can hear.

Does the Senator from Rhode Island yield time on the amendment to the Senator from Michigan?

Mr. PASTORE. Yes.

Mr. GRIFFIN. I wonder if it would be in the interest of orderly procedure to proceed in considering the Pastore amendment as though we were considering a bill. If the Senator does not want to do that, we can wait until all time on the Pastore amendment has expired.

But a number of amendments to the Pastore amendment will be offered. The Senator from Kentucky (Mr. COOK) and the Senator from Tennessee (Mr. BAKER) have amendments. I do not know what the leadership on that side desires, but it would be my suggestion that these amendments be considered now, and the Senator from Rhode Island can still reserve his time on the principal amendment.

Mr. PASTORE. The Senator from Rhode Island wants to be fair, I suggest the absence of a quorum so we may discuss this, without the time being charged against either side.

Mr. JAVITS. Before the Senator does that I wish to demand a separate vote.

The PRESIDING OFFICER (Mr. BYRD of Virginia). Does the Senator from Rhode Island withhold his request?

Mr. PASTORE. I do.

Mr. JAVITS. Mr. President, I demand a separate vote on title X.

The PRESIDING OFFICER. The Senator from New York will delay his request until the Senate is in better order. The Senate will be in order.

The Senator from New York may proceed.

Mr. JAVITS. I demand a separate vote on title X.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield for that purpose?

Mr. PASTORE. I yield for that purpose.

The PRESIDING OFFICER. A division is demanded under the rule.

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

Mr. PASTORE. Is this debatable?

Mr. JAVITS. Did the Chair rule?

The PRESIDING OFFICER. The matter being susceptible of a division, a division can be demanded.

Mr. JAVITS. I demand it.

The PRESIDING OFFICER. That would be in order. The amendment will be divided.

Mr. JAVITS. I thank the Senator.

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMINICK. Do I understand——

The PRESIDING OFFICER. The Senate will be in order. The Senate will be in order.

Mr. DOMINICK. I cannot hear myself, let alone anyone else.

The PRESIDING OFFICER. The Senate will not proceed until the Senate is in order.

Does the Senator from Rhode Island yield time for a parliamentary inquiry?

Mr. PASTORE. Mr. President, I am not the only one who has time. The opposition has time. Why does not the opposition do a little yielding?

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, the Senator from Rhode Island suggested that we have a quorum call.

Mr. PASTORE. That is right. I was interrupted. Do we or do we not?

Mr. GRIFFIN. Yes.

Mr. PASTORE. All right. Let us do it. Without charging the time to either side, let us have a quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I ask unanimous consent that it be in order for any Senator to offer amendments in the second degree to the amendment in the first degree without the time on the amendment in the first degree having expired.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PASTORE. Reserving the right to object, with the condition that each amendment will have 1 hour?

The PRESIDING OFFICER. There is already an order for 1 hour on amendments in the second degree.

Who yields time?

Mr. GRIFFIN. Mr. President, as I understand it, I sent an amendment to the desk but it was not in order at that time.

The PRESIDING OFFICER. The Senator is correct.

Mr. GRIFFIN. So I have no amendment pending. I yield to the Senator from Tennessee (Mr. BAKER), who has a similar amendment, and I ask him that my name be added as a cosponsor of his amendment.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I call up the amendment I have at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 29, line 8, before the word "shall", insert the following: "in addition to his tax liability"

On page 29, line 14, before the word "shall", insert the following: "in addition to his tax liability"

Mr. BAKER. Mr. President, I ask unanimous consent that the name of the distinguished junior Senator from Michigan (Mr. GRIFFIN) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Is this amendment subject to controlled time?

The PRESIDING OFFICER. The amendment is subject to controlled time, with a limitation of 1 hour.

Mr. BAKER. Thirty minutes on a side?

The PRESIDING OFFICER. Thirty minutes to each side.

Mr. BAKER. I yield myself such time as I may require.

Mr. President, yesterday during the general debate on the amendment of the Senator from Rhode Island (Mr. PASTORE), I made the initial observation that I was concerned with the general thrust of his amendment and the program that it proposes, particularly with reference to the fact that it is not a checkoff system as such, but rather a dedication of general tax revenues, and that the dollar which is authorized to be paid over to the presidential campaign fund is a dollar that would otherwise be available from the Treasury for general governmental purposes, and therefore constitutes a general fund contribution of the Government of the United States to political campaigns.

The purpose of my amendment, Mr. President, is to change that situation to make sure, in the vernacular, that you can check off and pay instead of check off and deduct, and to change the situation so that the dollar which is added to the income tax liability otherwise owed would not be a raid on the Federal Treasury and would not diminish the fiscal resources of the Government of the United States to meet the other problems and challenges that confront it.

In a word, this proposal would raise precisely the same amount of money, or presumably the same amount of money, as would the amendment of the Senator from Rhode Island, except that it would meet the objection which I raised yesterday that we are using a hard-pressed Federal Treasury and funds from it to finance presidential campaigns when we ought to order our fiscal priorities in some other way, and spend that money for some other purpose.

This amendment, then, gives the people of the United States the opportunity to elect, on their income tax return, to pay $1 in addition to the tax liability they would otherwise owe into a special trust fund which would be used solely and exclusively for presidential and vice presidential campaigns.

I would hope that the distinguished Senator from Rhode Island, the author of the amendment, might consider the fact that theoretically my proposal does not alter the amount of money that would be available; that it does not alter any of the material and operative sections of his amendment; and that it does not change the picture on the availability of funds for presidential and vice presidential campaigning. It will, however, keep us from raiding funds that would otherwise be available for housing, social security, or some other purpose, and keep us from dedicating them instead to presidential campaigning.

With this in mind, I wonder if I might inquire of the Senator from Rhode Island if he has any disposition to accept the amendment.

Mr. PASTORE. Of course not. This would defeat the entire concept.

The thing that amuses the Senator from Rhode Island is the characterization that this is "a raid on the Treasury." We are spending $75 million a day in Vietnam, where we should not be; $75 million a day, and all this is going to cost is in the neighborhood of $50 million to $60 million. To do what? To elect a President of the United States. And still the Senator talks about priorities.

Mr. BAKER. Mr. President, I ask for the yeas and nays.

The yeas and and nays were ordered.

Mr. BAKER. Mr. President, I wonder if the Senator from Rhode Island would respond further, then, on the proposition that the same amount of money would be generated under this amendment as would be under his amendment.

Mr. PASTORE. I would not say so. Not exactly.

Mr. BAKER. Why not?

Mr. PASTORE. Because this is money

that you already owe, under our concept, and you check it off. The Senator is telling the individual taxpayer that if he wants to participate, he must come up with the dollar. We have already provided for a credit; we have already provided for an allowance. Between the two of us, I think this is a hocus-pocus idea.

Mr. BAKER. Mr. President, I think that just points up the fact that the amendment of the Senator from Rhode Island constitutes a raid on the Treasury to finance political campaigns.

I reserve the remainder of my time.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PASTORE. I yield the Senator from Louisiana whatever time he requires.

Mr. LONG. Mr. President, this amendment is patently ridiculous, and I think I know why it is being offered. It is being offered in the hope that our Republican friends can get more people in town and that some of the Democrats will leave town between the last rollcall vote and the next one.

With this amendment, the bill will be such that if a wealthy man wants to contribute $100 to his good friend for his own selfish advantage, to be sure the man on his side gets in and helps him with his business or with activities, he gets a $70 tax advantage from the deduction. But some little fellow who just wants to contribute $1, asking no special advantage for himself—he wants both sides to have a chance to be heard and is willing to contribute something for a third party or a fourth party, not knowing who that might be—just wanting to make a contribution to good government, gets no advantage.

A $70 advantage is given to a man who can afford to contribute $100, and no advantage is given to a little fellow who has no ax to grind. You are rewarding those who seek special advantage and penalizing the little fellow. It is difficult for me to conceive that anybody could seriously vote for that amendment.

I think we ought to tell our Republican friends that we know this is a very important matter and we do not propose to lose it on absentees. That rollcall vote demonstrated that there are 52 Democrats, not one Republican, who will vote for what is in the Pastore amendment on this part of the bill; and if every Republican were here, including that very sweet, sick fellow who is in the hospital at Bethesda, they would have 48 votes.

I saw our Republican friends win this struggle 5 years ago by just maneuvering and operating so that they would win it on absentees. They got hold of our list of absentees. They got the Democratic checkoff list. Then they would arrange to get their people in town and let us vote on a certain day at a certain time; and once we got our people back in town, there were no votes.

On one occasion, I arranged to wait until they got our checkoff list. They had it, but they did not know I knew they had it. Then I arranged to go to work and get our people back in town, and managed to get our people back for a rollcall vote, which we won. They were the most surprised people in the world. They thought they would catch us with seven absentees. They caught us with only three.

I think it is about time to tell our friends that if they want the bill to pass, we will vote on the bill. We will vote on what you want to pass, if you will vote on what we want to pass. It is just as important to us as it is to you. To us, this is a cause of good government, and we are sorry that you are not prepared to vote for it. That is how we think it ought to be done. We will pair your absentees if you will pair ours, and we will vote as soon as you want to vote.

I think we would be foolish at this point to give away a victory in removing the pressure of money from the decisions of Government, or at least taking a long stride in that direction, at a time when it is clear that a majority of the Senate wants to do that.

I do not think people are going to be misled by this kind of amendment, which would just negate what the Senate has indicated it wants to do by the prior rollcall vote.

Mr. BAKER. Mr. President, I must say that the distinguished Senator from Louisiana must know something about his absentees that I do not know, because he must understand, as I am sure he does, that this amendment is not going to delay these proceedings for very long. It is subject to a time limitation and, so far as I am concerned, I expect that we may take less time than that which has been allotted.

I have not made any head count. I do not know of the situation on absentees. But I do feel that the statement by the distinguished Senator from Louisiana that this amendment is designed to operate against the little fellow who wants to contribute $1 equally and equitably to the political campaign, without fear or favor, is incorrect. The amendment of the distinguished Senator from Rhode Island (Mr. PASTORE) provides for the designation of $1 of public tax funds, and it is not a voluntary contribution at all.

My amendment does provide for a voluntary contribution, because my amendment provides that the individual has the opportunity to pay that dollar and to fit all the formula and criteria that the Senator from Louisiana specifies. But this amendment would do it without raiding the Treasury of the United States for $113 million.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BAKER. I am glad to yield.

Mr. LONG. In the beginning, I started with the proposal that you let every person contribute $1 and have a tax advantage of $1, if he wanted to put up $1; and, having moved with that proposal, that one person could put up $1 and have a $1 tax advantage. I found—and I still find—that it is almost impossible to administer. But that is how it works out.

If you gave everybody a $1 tax advantage by letting them contribute just $1 and have a $1 tax credit, and that $1 goes to help pay both sides—even a third party—so they can make their presentation to the people on the issues and try to lift the Presidency above the pressure of money, then you would achieve the same result as the current proposition; that is exactly how this proposal would work, except that it is simpler.

Mr. BAKER. Mr. President, might this time be charged against the time of the Senator from Louisiana?

The PRESIDING OFFICER. Does the Senator yield time?

Mr. BAKER. Senator PASTORE has control of the time, and I do not want to be difficult. Might this time be charged against the time of the Senator from Rhode Island?

Mr. PASTORE. That the Senator from Louisiana used? Of course.

Mr. LONG. That is basically what we have here. But in order to meet the problems of accounting, the problems of funneling these small contributions through to where they are intended to go, it was necessary and desirable to use the tax collection system, so that funds could be collected and funneled to the people to whom they should go, so that you could have an accounting of every nickel of it. That is the only reason why a checkoff is used instead of just using a tax credit where a person wants to make his own contribution.

The Senator is willing to let the tax collector collect the money and distribute it. He wants to put a burden on the fellow who wants to make a contribution with no ax to grind. I do not see how the Senator can justify that, if he is going to give a $70 tax advantage to a person who is in a position to contribute $100.

Mr. BAKER. I think the position of the Senator from Louisiana is substantially the position I am offering in this amendment. When he first proposed this idea, if my memory is correct, he offered the alternative of permitting the contribution of $1, not the deduction of $1 from a person's tax liability.

I yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, the concern of the distinguished chairman of the Finance Committee about absentees on his side is interesting, because the junior Senator from Michigan, like the Senator from Tennessee, is not aware of any absentees. I do not know whether the presidential hopeful on that side of the aisle is in town or not. There are quite a few of them. It has even been questioned as to whether they should vote on this amendment because of the problem it might pose.

I want to support the amendment of the Senator from Tennessee. I am going to use a word which I use with some consideration and deliberation; but I want to say in advance that I mean no criticism of the Senator from Rhode Island (Mr. PASTORE). The Pastore amendment is a fraud, in my opinion. It seeks to hold out to the American people and make them believe something that is not true. There has been an attempt to explain and justify the amendment on the basis that it would encourage small taxpayers to participate in the political system in a voluntary way; to make some small contribution toward good government in the campaign and election of the President. To hold out that impression is a fraud, because that is not what the amendment would do. Every taxpayer, whether he makes a check on that form or not, will

be paying a part of whatever goes into the campaign kitty for the presidential candidates created by this amendment. We all know that, if we think it through.

Mr. PASTORE. Mr. President, will the Senator from Michigan yield right there?

Mr. GRIFFIN. The money to be used for presidential campaigning will be coming out of the Treasury. It will not be this dollar of this taxpayer, or that dollar of that taxpayer. What will happen is that that much money will come out of the Treasury. Every taxpayer, whether he makes a check or not, will be paying his share of the total. Will not the Senator from Rhode Island agree?

Mr. PASTORE. No. Will the Senator yield to me?

Mr. GRIFFIN. Of course, I yield.

Mr. PASTORE. The Senator from Michigan talks about the terrible "fraud" which, to me, is an obnoxious term——

Mr. GRIFFIN. I understand that, and I regret having to use it, but——

Mr. PASTORE. The Senator repeated it by saying "and I mean that." If the Senator is talking about fraud, look at what is in this amendment. What we are actually saying is that if a poor man wants to participate and be a part of the election process in electing the President of the United States, he has got to impose an additional tax of $1 on himself. If that is not fraudulent, I do not know what is. The Senator is asking that man, if he is going to give the money, that he will impose an additional tax on himself, and that will be in addition to the tax liability added to the liability of the $1.

Mr. BROCK. Mr. President, will the Senator from Michigan yield?

Mr. GRIFFIN. I yield.

Mr. BROCK. Is it more fraudulent to impose it on himself, or for us to do it here? Is that not what the pending amendment would do, to impose a tax on every American? Regardless of what the Senator from Michigan says, every single American citizen will participate in an automatic subsidy to candidates over whom he has no control whatsoever.

Mr. GRIFFIN. By contrast, under the amendment of the senior Senator from Tennessee, which I am supporting, the taxpayer knows exactly what he is doing. He has a voluntary choice as to whether he will pay his $1, which would be a contribution and not a tax, and he is entitled to do it. He knows where the money is going. It is not and it cannot be described as fraud.

Mr. BROCK. It is his choice.

Mr. GRIFFIN. That is right.

Mr. BROCK. It is not Congress imposing a tax without any opportunity to get redress on the part of the individual taxpayer.

Mr. GRIFFIN. The other taxpayers who would check the box would not be affected by this amendment.

Mr. WEICKER. Mr. President, will the Senator from Michigan yield?

Mr. GRIFFIN. I yield.

Mr. WEICKER. As I understand the amendment of the Senator from Tennessee and the Senator from Michigan, what they are saying is that the giving of the political moneys should be motivated by the quality of the candidate, by the logic of the issues, by the stands of the candidate, and not by any tax gimmickry which goes ahead and cajoles the taxpayer into giving money to a presidential campaign fund.

In other words, is not priority, in the minds of the Senators from Tennessee and Michigan, given to the quality of the man, and the quality of the issues, rather than to some tax dodge?

Mr. GRIFFIN. To be candid, I would have to say that the Baker amendment would not go quite that far. I believe it is necessary to take one step at a time. The amendment of the Senator from Tennessee goes only to the point of whether the $1 checked off by a taxpayer will come out of the Treasury or will be a voluntary contribution in addition to his tax liability. Unfortunately, even if the amendment were adopted, we would still be in a position where the taxpayer would not know which candidate he would be supporting. The money would still be divided on the same formula as now in the amendment.

Mr. WEICKER. If I may clarify that, you are not trying to motivate the act of giving by giving a tax advantage, you are, in other words, trying to motive political contributions by factors other than special tax advantages.

Mr. GRIFFIN. What the Baker amendment would do is to provide a convenient way—a vehicle—for the taxpayer who wants to make a modest contribution to help support the campaign for the Presidency of the United States.

I believe that the Baker amendment has great merit and should be adopted. It seems to me it should underscore for the press and for the public exactly what this debate on the Pastore proposal is all about. If the Baker amendment gets as much attention as the vote we had on the Mathias amendment—and the people really find out what this is all about—I believe the Pastore proposal can be rejected.

Mr. PASTORE. Mr. President, we talk about the issue. We know what the issue is. This amendment would not have come up in God's world only but for the last vote we took. The Senator from Tennessee knows that. He would never have suggested this as an original idea. The purpose here—if you want me to be completely frank and honest about it—is a subterfuge to destroy the bill, to vitiate the vote we just took. Otherwise, this amendment would never have come up.

I dare say that many Senators on that side of the aisle, if this is defeated, would never vote for final passage of it.

Who is kidding whom? What you are trying to do is to emasculate the bill. What you are trying to do is to emasculate the amendment. You are trying to destroy the amendment in this devious way, instead of coming out and saying let us vote it up or down.

I say to everyone on that side of the aisle who has spoken on this amendment, and there could be others, that you would never have suggested it if it had gone the other way. You know that, deep in your hearts. Yet you stand up and you use the word "fraud." I think it is shameful, because where the fraud is, the fraud is in this, that you really do not mean it in your hearts.

Mr. LONG. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. LONG. There is not a Republican in this Senate, I believe, who would vote for this bill, with that Baker amendment on——

Mr. PASTORE. It is an imposition of a new tax.

Mr. LONG. Yes. Let us see what it would do with the Baker amendment, which will get some Republican votes, I am sure. At least the Senator from Tennessee will vote for it. If that Baker amendment goes on the bill, here is what the bill will then say, that we can tell a millionaire who puts up $100 that he will save $70 to advance his own special interest. Then you vote at the same time to say, if you are a little fellow who cannot afford $100 but wants to contribute something to good government, then you can put up $1 for presidential campaigns but you will not be granted any special advantage. But, for the sake of good government, we are going to take 100 percent of 100 percent out of your hide. So we will penalize the cause of good government and reward the cause of those who contribute for their own advantage.

Mr. PASTORE. There is another way to say it. If you want to give this $1 to his support—what it amounts to, is that you give a dollar tax to his support—but if you give $100, you can take it as a deduction and knock off $70. That is for the rich. That is what we are talking about here today: the rich versus the poor. I repeat, the rich versus the poor.

Let me tell you. Maybe today you are bloated, maybe you are bloated with money today, but the day will come when you may be on the other side of the coin, and then you will be pleading as PASTORE is now pleading.

All I am pleading for is equity and justice.

Mr. BAKER. Mr. President, we are not talking about the rich or the poor. We are not talking about subterfuge. We are not really talking about fraud. We are talking about the question of whether we are going to let the Senator from Rhode Island in his amendment dedicate $113 million of money from the Federal Treasury that would otherwise go to the poor and the needy, for social security, and a whole range of other crying issues in this country, to be devoted to a closed circuit system whereby the public body politic guarantees its own incumbency.

Mr. President, I yield 5 minutes to the Senator from Colorado (Mr. DOMINICK).

The PRESIDING OFFICER (Mr. GAMBRELL). The Senator from Colorado is recognized for 5 minutes.

Mr. DOMINICK. Mr. President, I express my appreciation to the distinguished Senator from Tennessee (Mr. BAKER) for this time.

I have been listening to the debate with great interest. I listened to it on the Mathias amendment and I am listening to it now on the Baker amendment.

I must say, after listening to the Senator from Rhode Island, for whom I have a great deal of respect under ordi-

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nary circumstances, that I surely do not understand him on this one.

All we are doing in the Baker amendment is to say that if anyone wants to contribute to a slush fund for the political parties for the office of President and Vice President, they can. There is no tax involved. They still have to pay their ordinary tax liability, surely, but if they want to contribute something else, they can.

Let us put it in its right terms, because a slush fund is saying to them, "This is an easier way to collect the money because we are using the Internal Revenue Service as a method of collecting your contribution instead of having a political party going out and raising it themselves." That is all it says.

Let us assume that we get the Baker amendment through. I will vote for it. However, I would still vote against title X. The Senator from Louisiana and the Senator from Rhode Island are right on that. Let me tell them why. It is because they are putting it into a pot and there is no possibility for them to say who is going to get their dollars.

What is the matter with having dollars for Nixon or dollars for HUMPHREY or dollars for McGOVERN or dollars for PASTORE? I would not mind that.

Mr. PASTORE. Mr President, will the Senator yield?

Mr. DOMINICK. I yield on the Senator's time.

Mr. PASTORE. Is the Senator actually saying that he will vote for this but has no heart for the bill, and in the final analysis will not vote for the $1 to be deducted from the tax for this purpose? The Senator said that the final analysis he is against title X. If this becomes part of title X, he will vote against it.

Mr. DOMINICK. I did not say anything like that. I said it was a voluntary contribution. It is not a tax in any way whatsoever. The Senator from Rhode Island knows that perfectly well.

I said that even if we get it on in this way—and this would be better than it is now—we will put in a total situation where everyone will get taxed, because this will be the number one priority in the Federal Treasury under the bill as now written. I do not think that ought to be the No. 1 priority with respect to anyone's tax bill or anyone's tax liability.

If one contributes to the political parties, he ought to do so to a party of his choice voluntarily and not have it this way.

We still have an enormous number of problems with the whole bill. I have some amendments that I will put in, in an effort to try to clear up title IX not title X.

When do we know whether there will be this money in the pot, whether it is an additional contribution or a deduction? We will not know until the final returns are in. So we will not know how much money is in the pot.

How about the people who will be running as candidates? Will they be able to tell how much money they will get out of it? They will not be able to do so unless they know ahead of time that everyone will check it off and that there will be x number of dollars available for their use.

On page 10 of the amendment it says that a candidate shall qualify only if he agrees under threat of perjury that he will not accept any contributions. How about that? They cannot accept any contributions under title X if they want Federal funds at all.

Mr. PASTORE. What is wrong with that?

Mr. DOMINICK. They will not know until heaven knows how much additional administrative expense and additional expense on the part of the taxpayers goes in to determine what is in the pot. They will not know what they will get. They will not be able to determine ahead of time the scheduled budget.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield on the Senator's time.

Mr. PASTORE. Mr. President, the people file their returns by April 15, 1972. The Democratic Convention is in July 1972. The Republican Convention is August 1972. By that time we will know how much money is in the fund. We will have 4 months in which to find out.

Mr. DOMINICK. Mr. President, in the meanwhile everyone who is running for office who thinks he might get the nomination does not know where his funds are coming from and will not know until he has gotten the nomination and knows who the candidate actually will be, and he will not be able to collect from a private fund if he does want to get public funds. It is the most messed up thing I ever heard of in my life.

Mr. PASTORE. Will the Senator yield?

Mr. DOMINICK. I will yield to the Senator later on his own time.

Mr. PASTORE. I want to ask a question. The Senator is not afraid of that.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. DOMINICK. So we have a totally messed up bill. That is the point I am making. Were the Baker amendment agreed to, the Baker amendment says, "OK; if you want to contribute you can." The Pastore amendment says, "You are not contributing anything." One might just as well go ahead and say, "All right, there will be a draft on the Treasury as the No. 1 priority, the No. 1 slush fund for the presidential campaign."

I do not understand how we can go ahead on that basis, I am frank to admit. The thing that I want to make sure that the RECORD shows—whether anyone is listening to me or not—is that what the Senator from Louisiana and the Senator from Rhode Island said that this would be an additional tax, it simply is not true. It is a voluntary contribution under the Baker amendment and no kind of tax. We are using the mechanism which the Senator from Rhode Island started, to say that where they do want to make that contribution, they can.

I thank the Senator from Tennessee for his time.

Mr. BAKER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Tennessee has 10 minutes.

Mr. BAKER. Mr. President, I am happy to yield 3 minutes to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I rise to support the amendment. I thank heaven for a perceptive press. We have been listening to spectacular rhetoric from the Senator from Rhode Island and the Senator from Louisiana.

This story just came across the UPI wire in relation to the vote we just took:

> Senate Democrats beat down a Republican challenge today to their plan to finance next year's presidential election campaign through a $1 per taxpayer checkoff on the 1971 income tax returns.
>
> Conservative and liberal Democrats joined in an unusual display of party unity to defeat a Republican effort to scuttle the plan, designed to provide $20.4 million for their debt-ridden party's candidate, as well as another $20.4 million for the Republicans.

Speaking for the Republicans, we are not asking for $20.4 million. So let us put it on the table. It has nothing to do with what the Senators from Louisiana and Rhode Island say, but it has a lot to do with bailing their party out of the situation it finds itself in.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WEICKER. I will yield to the Senator on his time.

Mr. PASTORE. The Senator used the expression that the Democrats beat down the Republicans. There was not one Republican that voted the other way. Yet several Democrats did. I do not know what calls were made or what arm twisting went on. The Republicans were solid, which proves what? It proves that the Republicans are flush with the dollars.

Mr. WEICKER. Mr. President, it proves itself in the bill because the Senator proposes to use the taxes of American taxpayers. The bill no longer gives the taxpayers a choice on candidates or issues. However, it will give a subsidy for mediocrity. That is what the Senator is asking for, because if in fact the Democratic Party does not have money the Republican campaign fund does.

It is because Mr. Johnson did not cut it in 1968 and Mr. Nixon did and does.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BAKER. Mr. President, I yield 1 additional minute to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 1 additional minute.

Mr. WEICKER. Mr. President, the Democrats fell down on the job. When they come up with candidates and issues they will get the support of the American people.

That is the greatness of the free American system as compared to what we are trying to impose on the American public here today.

Mr. BAKER. Mr. President, I yield 1 minute to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 1 minute.

Mr. GRIFFIN. Mr. President, I want to go back to the strong word I used earlier. It is heartening and encouraging that the wire story referred to is a straight story—giving straight information to the people. Unfortunately, when the taxpayer comes to filling out his return, if this Pastore amendment should become law, he will be misled because he will think that he has some choice as to whether or not his tax dollar will go into the political fund—when, really, it will not make any difference whether he makes a check in the square or not.

The so-called checkoff device in the Pastore amendment is really a charade. It would be better, and more understandable—although I would be against it—to simply appropriate the money that is to go into this political kitty. Why go through the charade of a checkoff on the tax form? It does not mean anything.

Mr. PASTORE. The reason we do it this way is that we will leave it up to the people. If we tell them we are going to appropriate money, they have no part to play in this. But we say to the little taxpayer, "If you want to be part of the democratic process of electing a President, you check it off. If you do not want to do it, don't check it off." But Congress is not going to tell you what they are going to do.

Mr. BAKER. Mr. President, I reserve the remainder of my time.

Mr. PASTORE. Mr. President, I yield to the Senator from Florida whatever time he needs.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I listened with great interest to the arguments by the other side that this is a raid on the public Treasury; that this is a $100 million raid on the public Treasury. I wonder whether or not the public is better off under the present system when we allow contributions of any size and amount. Do they save money and not lose $100 million when we see Government run on the basis of those who contribute the most getting the favors? Do we save money when we see a surprising change of what is going to be the base price of milk after tremendous contributions are made? Do we save money when we get into a debate on what the depletion allowance is going to be? Money speaks every time.

What is wrong with having taxpayers feel that every man's vote counts the same? I think it is the cheapest $100 million the taxpayer will ever get out of this Government, to have a President elected who would be able to make his appointments without determining that he has to send this man as an ambassador there because he raised $100,000, or to do this for this group because of the money they raised. That is the way it has been for years.

Now for the first time we are facing the opportunity to be able to say that every man will be the same.

If those on the other side want to make it an issue, and it is being made an issue, I am delighted because I think the public is tired of the biggest man's dollar speaking. I think the public realizes what the cost is, and the taxpayer is paying for it in many ways.

For the first time here we are trying to make every voice equal so that a President will be able to be free to make appointments and decisions without that pressing thought, "I have to run for reelection so I have to have another pot of money, so how am I going to raise it?"

Every man would know he would get the money if he is the choice of his party.

If that is a raid on the public treasury I am delighted to raid it; if it is a direct appropriation I would vote for a direct appropriation today so we could relieve the presidency of what we have had in this Government over the years, where those with the most money had the loudest voices and got the special favors. There is no way to say it has not been happening. Now, in this amendment today we have an opportunity to correct that situation.

Mr. BAKER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. BAKER. I yield 4 minutes to the distinguished Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BROCK. Mr. President, I am delighted with this debate today. I think we are drawing some issues that should have been drawn a long time ago.

We see in the amendment of the Senator from Rhode Island the absolute classic application of the old philosophy: Tax and tax, elect and elect.

Is this a brandnew concept? We would tax people without their consent, without them knowing or having a choice as to where their money is going. We would tax them to perpetuate those in power.

I was absolutely fascinated when the Senator from Rhode Island said the Baker amendment was the imposition of a new tax. There is no tax in the Baker amendment. It is a voluntary system whereby a person could make his own choice.

The amendment of the Senator from Rhode Island is, however, a tax—a new kind of tax. A checkoff system would be used to determine the amount of the raid on the Treasury—rich versus poor.

I wish to remind the Senator from Florida of something. In my 8 years in the House we made a study of political contributions to the two parties. It showed that 75 percent of the funds for my party came in contributions of less than $100 and 75 percent of the contributions to his party came in the form of contributions of more than $100. The big contributors? Let the record show that they are not over here. Let us get it on the table. Where is this raid going to go? Will it go to bail out the party that is in there now? It will not be bankruptcy alone which afflicts the party which loses.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. BROCK. I wish to first make one last comment.

Mr. President, I go to campus after campus and I talk to young people across the country. The young people of this country are terribly frustrated over the fact that they have no voice in the political process. Time and time again they say, "We do not want to belong to any party. We want our own voice."

Mr. President, what would this amendment do? The amendment of the Senator from Rhode Island would perpetuate the status quo. It would deny to the American people who want to go a different route or have an adequate voice the opportunity to do so. It is an absolute foreclosure of diversity in the political process because it does not allow an individual to make up his mind. We would be back to the old days of tax and tax, elect and elect.

That is what is wrong with the amendment of the Senator from Rhode Island. We can pass the amendment of the Senator from Tennessee (Mr. BAKER) and return to the processes that made this country strong.

Mr. PASTORE. Mr. President, my amendment has nothing to do with people on campuses or people who work in jewelry shops. It has nothing to do with that. We are talking about money that belongs to the taxpayers. It is their money. What are they spending it for if they designate a dollar? They are spending it to elect a good President, the best President this country can elect. We are talking about the office of the Presidency of the United States.

The Senator talks about a study 6 years ago. How about a week ago? All these parties at $500 a ticket that were held all over the country, when the President flew from New York to Chicago and they raised $5 million?

Mr. BROCK. I thought the Senator's President had a President's club for $1,000.

Mr. PASTORE. That is right. That is absolutely right. That is bad, and that is why we passed this when President Johnson was President. This is not a Republican bill or a Democratic bill.

Mr. BROCK. Now you are going to tax all the people to pay off your debts.

Mr. PASTORE. Pay off whose debts? To elect the President of the United States—that is what we are talking about.

I want to say this to the Senator from Florida. I have an article from the Washington Post of last Sunday. There is a little box here that should go in the RECORD. It is entitled "Contributions of 12 Prominent Families, 1968." Do you want me to read it?

Du Pont, total contributions of $107,000; to the Republican Party $99,800, and to the Democratic Party $1,700.

Field, to the Republican Party $2,000, and to the Democratic Party $17,000.

Now we have Ford. They gave $57,750 to the Republicans and $52,000 to the Democrats. They are playing both sides of the street.

Now, Harriman. It says here to the Republicans $16,500 and nothing to the Democrats. That is what it says here. That is what it says. I do not know what Harriman this is. This must be the Harriman who has the dough.

Then there is Mellon. He gave $278,962 to the Republicans and $17,000 to the Democrats.

Adding it up they gave $2,580,785 to the Republicans and $149,700 to the Democrats.

Now, I am not talking so much of what they gave to the Republicans and what they gave to the Demcorats, but I mean, is the President and his public office for sale? Is it for sale? Does it go to the highest bidder, or is it an office that belongs to all the people for them to participate in? That is all I want to do.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request to have the matter printed in the RECORD?

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

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CONTRIBUTIONS OF 12 PROMINENT FAMILIES, 1968

Name	Number of members contributing[1]	Total contributions	Contribution breakdown: Republican	Democratic	Miscellaneous
Du Pont	32	107,000	99,800	1,700	5,500
Field	4	39,000	2,000	17,000	20,000
Ford	8	109,750	57,750	52,000	
Harriman	2	17,000	16,500		500
Lehman	7	51,000	2,500	48,500	
Mellon	22	293,962	278,962	17,000+	3,000
Olin	7	70,000	70,000		
Pew	[2] 11	213,549	207,898		5,651
Reynolds—No contributions					
Rockefeller	21	[3] 1,714,375+	1,700,875	13,500	
Vanderbilt	2	12,000	11,000		1,000
Whitney	6	133,500	133,500		
Total	122	2,766,136	2,580,785	149,700	35,651

[1] In this analysis, husbands and wives were counted separately. Therefore, Mr. and Mrs. —— would constitute 2 contributing family members.
[2] The estate of J. N. Pew deceased was counted as 1 contributing member.
[3] This Rockefeller total does not include the $356,000 contribution made by Nelson Rockefeller for his own campaign.

Mr. CHILES. Mr. President, if the Senator will yield for a question, if a college student had a sandwich route or a laundry business and had to pay an income tax and he checked off his dollar, would he not have the same voice as Mr. Du Pont in the election of a President?

Mr. PASTORE. Of course.

Mr. CHILES. When it comes to whether the President was going to have to appoint Mr. Du Pont or somebody else as Ambassador to France, for example, would not the college student stand on the same footing as Mr. Du Pont?

Mr. PASTORE. One man, one vote, that is right. One man, one vote, one dollar.

Mr. BAKER. Mr. President, I yield 1 minute to the distinguished Senator from Arizona (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. President, I was very interested in the catalog that the Senator from Rhode Island just developed before the Senate. I would like to read a few figures, myself.

In 1970 the Democrats received from labor organizations $4,153,746. We poor Republicans got $143,550 out of the labor movement.

At a later time I intend to read the names of some very, very substantial contributors to the Democratic Party that heretofore have not been too well known.

Mr. BROCK. Mr. President, does the Senator know of any specific labor organization that gives its members the right to say where their money is going to be spent?

Mr. GOLDWATER. I do not know of any.

Mr. BROCK. And the labor union members would be treated no differently when this provision is the law, because we are going to tax them.

Mr. GOLDWATER. I am not arguing with the Senator from Rhode Island that there is no connection between what he is trying to do and what we are trying to do.

Mr. PASTORE. I know the Senator is not.

Mr. GOLDWATER. I intend to speak on this subject, because I do not think there is a man in this body who has raised more money than I have or has had the experience I went through in a presidential campaign. I am glad to see the Senator from Maine here. I often told him that if he came to me for advice, I would save him a lot of trouble.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PASTORE. I will yield the Senator on my time.

Mr. GOLDWATER. No. I intend to speak later on this. I did not want the reading of the list of large contributors to the Republican Party to go unanswered.

Mr. PASTORE. If the Senator will yield, this is directed to labor as well as industry. We want to cut it all out, to tell the truth. We do not want nominees to be harassed by any organization, no matter what it is.

Mr. GOLDWATER. I admire the Senator's objective, but unless we quit printing paper money we are not going to do away with all the evils.

Mr. PASTORE. Well, we can help, and that is what we are trying to do. I am not ready to lie down and play dead, and I think there is something that can be done to bring a semblance of fairness and honesty to the democratic process. We can avoid the idea that whoever has the money has the best chance to win.

Mr. GOLDWATER. That does not always hold true.

Mr. PASTORE. It does not always happen, but in a presidential campaign, unless the nominee can get the proper exposure, unless he can pay the high costs of television and radio and everything that goes with it, he just does not get before the public. The Senator knows that. He just does not get there.

Mr. GOLDWATER. I will develop that later. I hope the candidates, including their managers and the people who work for them, can do a much better job of spending the money than they have done.

The PRESIDING OFFICER. Who yields time?

Mr. BAKER. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Tennessee has 3 minutes and the Senator from Rhode Island has 9 minutes.

Mr. LONG. Mr. President, the Senator from Rhode Island left his time with me. The Senator from Arizona talked about labor contributions and, frankly, that is the kind of thing we are trying to stop. We are trying to put campaigns on a different basis so that when a man is to be elected President, he and the job will be lifted above the pressures that force the candidate to do things he does not want to do, which he really does not believe to be in the national interest, in order to raise funds for his campaign.

I would like to read a paragraph or two that have always remained in my mind from Mr. White's book "The Making of the President." The Senator from Oklahoma will know what I am talking about when I read it. It has to do with the problem Senator HUMPHREY had in his primary campaign in West Virginia, when he was opposed by a very fine man, Mr. John Kennedy. I read from page 110:

> Strangled for lack of money (Humphrey's expenditures in West Virginia were to total only $25,000—nothing, in the scale of American politics), knowing himself in debt, aware of the nature, depth and resources of this final Kennedy drive, as the final week end approached Humphrey became a figure of pathos. He needed advertising, he needed workers, above all he needed TV to show himself across the state.
>
> I remember the final Saturday morning, shortly after it was revealed that Kennedy's TV expenditures alone across the state had mounted to $34,000. Humphrey had had but four hours' sleep that morning and was up at seven, prepared to barnstorm north from Charleston in his bus on a rainy morning; at that point one of his assistants informed him that the TV station that had booked him for a Sunday night half hour were threatening to cancel unless they were paid that day, cash in advance, for the time.
>
> It was one of the few times I have seen the temper of that genial man snap.
>
> "Pay it!" snarled Humphrey. "Pay it! I don't care how, don't come to me with that kind of story!" Then, realizing that his crestfallen aide was, like himself, destitute, Hubert pulled out his checkbook at the breakfast table and said, "All right, I'll pay for it myself," and scribbled a personal check of his own.
>
> Mrs. Humphrey watched him do so, with dark, sad eyes, and one had the feeling that the check was money from the family grocery fund—or the money earmarked to pay for the wedding of their daughter who was to be married the week following the primary.
>
> My memory tells me that the sum of that check was $750—not a particularly large sum for a statewide hookup of half an hour. But such a grocery-money check buys time only—it does not buy the production, the preparation, the care a major television manipulation of the public requires.

I know our Republican colleagues will say, "But this does not do anything about the primary." I admit that. It is a good bill as far as it goes. It provides only for the general election. But that is all we can get in any good bill. If it helps meet this problem and solve differences between this side of the aisle and that side of the aisle, then we may want to do something about the primaries later. I have no doubt that the public will support our doing something about the primary. But if we cannot do anything about the general election problem, then we cannot do anything about any of the problems. Do we want to do something about this problem, where most of the corruption is coming into Government? If we want to do something about it, we ought to vote for the Pastore amendment, and vote against some of the proposals that would destroy it or undermine it or keep it from working or destroy the purpose of it.

If, on the other hand, we want to keep this sort of mischief from existing in Government, if we want to keep out corruption, we ought not to require men to bankrupt themselves. We ought to let them stand for the issues, let them campaign and be heard, even though they express the view of the poor, which is very unpopular with those who have the money to finance the campaigns.

If other Senators desire to speak, I shall be glad to yield time to them.

The PRESIDING OFFICER. Who yields time?

Mr. BAKER. Mr. President, I understand I have 3 minutes remaining.

The PRESIDING OFFICER. The Senator is right.

Mr. BAKER. I yield 3 minutes to the distinguished senior Senator from Kentucky.

Mr. COOPER. Mr. President, I shall use only 2 minutes.

I wish to address myself to the so-called democratic process and the democratic qualities of the Pastore amendment. I think it is in fact the most undemocratic amendment that could possibly be offered, and I wish to state my reasons.

In the first place, under this amendment, all of those citizens who do not pay income taxes—and there are about 10 million of them, including young people and senior citizens—would not participate in this so-called democratic process.

Secondly, it is very undemocratic because a Republican is forced to contribute to a Democratic candidate for whom he does not wish to vote, and similarly a Democrat contributes to a Republican candidates whom he opposes. Both Republican and Democrats would be forced to contribute to the Communist Party candidate, or to Governor Wallace, and to all the other candidates with whom we do not agree.

Third, it is undemocratic because it would institutionalize the Republican and Democratic Parties. If you want to go farther and give the splinter parties an equal chance, you would give them all an equal share of the pot. On the other hand, giving to candidates who have not been able to obtain public support, you give them support they cannot win for themselves, and the proposal is undemocratic in that respect.

The Senator from Rhode Island is very good with slogans. He sponsored a clean election bill that has passed the Senate; I understand it is about to be voted on in the House of Representatives, and they will probably accept the Senate version. Yet, with that bill, of which he was chief architect, now before the House of Representatives, he is proposing this measure. I would only have to say, despite all the things that have been said about the democratic processes of his amendment—utterly specious—about all the corruption and everything—and there is corruption, but it can be aborted if we are willing to do it with the clean election bill—and with all its slogans and promises, it amounts to just a scheme, in fact to bail out the Democratic Party, to pay its debts, and to finance its campaign. That is all it is. I say if the party and its candidates can win popular support, they will be financed. If they cannot, they will not be. And the same is true for the Republican Party.

I have been informed that the article the Senator from Rhode Island read was written by Mr. Joseph Califano, the general counsel for the Democratic National Committee.

I think this is an outrageous proposal. It has no democratic elements in it, and we ought to go back to writing, improving, reducing campaign expenditures in clean election bills such as that which the Senator from Rhode Island was the chief architect. Now we are asked to increase campaign expenditures—financed by the taxpayers in the most undemocratic and unfair way.

Mr. LONG. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes.

Mr. LONG. I would like to respond to the remarks of the Senator from Kentucky; then I shall yield time if I have any.

I, too, would like to speak about the person who owes no money and does not pay any income tax. To my mind, the person who marks the $1 checkoff is making his contribution so that everyone can be heard, and that is not conditioned on whether you agree with him or do not agree with him. He is marking it so that people who want to be heard can be heard, and be heard loudly, and, if they are elected, still louder in the future.

There is no advantage to the person who marks the $1 checkoff, except that he is saying he wants everybody who merits public approval to be heard, and that he does not want them to have to seek private contributions in order to have that right.

If the Senator wants to let the persons who do not pay an income tax contribute, it is easy enough to take care of that. I would support an amendment to do that. It is easy enough to say we will send them a voucher, and anyone on social security who does not pay an income tax, or anyone who writes in, we can let them go down to the post office, pick up a voucher, put their social security number down, and say they would like to pay a dollar out of their social security tax, or even their welfare payments.

So many people can find so many issues to raise on some little mechanical problem, where the answer is obvious enough, but they do not want any answers. They can find their own answer to the problem they raise as easily as anyone else, and half the time it is not a real problem.

We understand what the real problem is. We want to make a major change that would be a tremendous improvement toward lifting the Office of the Presidency above the power of private money to control it, and we just do not have any cooperation from the other side of the aisle. I do not seek to attribute motives, but, Mr. President, as far as this Senator is concerned, I was advocating this proposition and fighting for it, and the majority of the Democrats were fighting for it, at a time when we had every reason to think we had a candidate in the White House who would run for reelection; and there was no problem about money to finance Lyndon B. Johnson. He indicated back at that time that he had no need of such legislation, but he felt that sometime there might be another candidate like little Harry Truman, who, because he did what he thought was right and offended certain wealthy people, could not find the money to take his case to the people. Johnson said there ought to be such a law, because some day there might be another Harry Truman who could not find enough money to finance his cause.

Mr. President, people do not want their President to go around asking for money, and asking fat cats, defense contractors, vested interests, and money lenders, or those who have an ax to grind, to put up the money to finance his campaign. They do not want to give him an advantage over other candidates. All they want to do is see that both sides have an equal chance to be heard. That purpose would be accomplished by enacting the amendment of the Senator from Rhode Island.

The PRESIDING OFFICER. All of the Senator's time has now expired.

Mr. BAKER. Mr. President, do I correctly understand I have 1 minute remaining?

The PRESIDING OFFICER. The Senator from Tennessee has 1 minute.

Mr. BAKER. Mr. President, we are spending a lot of time in the Senate, and properly so, in talking about conflicts of interest. But I suggest we are talking about the granddaddy conflict of interest of all when we talk about the Pastore amendment, because when we consider that, according to the press, there are at least three candidates for the nomination for the Presidency in this Chamber—McGOVERN, MUSKIE, and KENNEDY—and that any number of Senators are being mentioned as potential candidates for Vice President, including TUNNEY, CHILES, HOLLINGS, and many others, it seems incredible to me, Mr. President, that we would sit here blandly, with no concern for conflict of interests, and deal with a $20-million conflict of interest.

I think, Mr. President, that we have serious problems involved in the whole elective process, and I think if we pass the Pastore amendment, we will exacerbate those problems.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LONG. Mr. President, I ask unanimous consent that the time be extended for 2 minutes on each side.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I would like to make it 5 minutes, because I would like a little time, if we are going to engage in further colloquy.

The PRESIDING OFFICER. Is there objection? Without objection, the time is extended 5 minutes on each side.

Mr. LONG. Mr. President, I have often thought about this conflict-of-interest problem. It has seemed to me that when one is voting for what is in the national interest, and his interest is in the same direction, he has no conflict. He has the same interest as the people;

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his interest is parallel to theirs. There is no conflict in that. It is only when someone has an interest which is adverse to the national interest that there arises a conflict of interest.

I would like to ask, in this situation, who has the conflict? Is it a man seeking to run for office, who seeks no advantage over his neighbor but only an equal right to be heard, or is it the man down in the White House—who also will have to act in this legislative process by either signing or vetoing this measure—who has every prospect that he is going to have $5 available to him for every dollar his opponent has, making it possible for him to shout the other man down and deny him an opportunity to be heard? Who has the greater conflict?

Let us face it, Mr. President: Every citizen in this Nation, every man in the Senate, every Senator, rich or poor, has an interest in this amendment, and there is no doubt about it. So you can put the conflict wherever you want it, either in terms of giving everyone an equal right to be heard, or in terms of giving one man the right to shout the other fellow down.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, going back to a point made earlier, I should like to add to what the junior Senator from Tennessee has said. He may not have included this in his figures, so I want to be sure it is in the RECORD. What I am about to read is based on a study done by Alexander Heard:

> Senator Goldwater's record-breaking receipts in 1964 came primarily from smaller contributions. An astonishing 72 percent, more than $14 million of his funds, came from contributions of less than $500. He received more support from small contributions than President Johnson received from all sources including the Democratic Party committees and organized labor. Yet, some 69 percent of President Johnson's support was represented by contributions of at least $500. In 1968 approximately 83 percent of George C. Wallace's $7.2 million was from contributions of less than $500.

Mr. President, on another point: The argument has been made here today—and I am afraid it may have been accepted by some—that by adopting the Pastore amendment and by enacting the so-called campaign disclosures reform bill which is now in the House, there will then be a meaningful lid on how much money can be spent in campaigns. That argument is false.

The Pastore amendment will actually add to the amount of money that can be spent in campaigns. The only difference is that, if the Pastore amendment is adopted, a large percentage of what is spent will be coming out of the Treasury of the United States.

When the earlier bill, which was called campaign reform—and such titles are often very misleading—was before the Senate, it was pointed out that there is a great, big loophole in it; that it does not really limit or restrict labor organizations as to what they can do politically. An amendment to put a meaningful lid on in that respect was offered by the Senator from Colorado (Mr. DOMINICK). An enlightened debate took place and we had a vote. But the amendment was rejected, so the loophole in that bill is still there. Accordingly, there is no meaningful limit in that bill, particularly as far as labor organizations are concerned.

The Pastore amendment will not put ceiling on how much money can be spent. It will only add more money to the total that will be spent in campaigns. The real difference is that a large part of what will be spent is going to come right out of the Treasury—or, in other words, out of the taxpayers' pockets—rather than being voluntary contributions.

I yield to the Senator from Tennessee.

Mr. BROCK. If the sponsors of the amendment of the Senator from Rhode Island really believed and really had confidence in the American people, they would not have written it so that the American people would be taxed without any right to say where the money was going. If you have faith in the people of this country, let them say where their tax dollar is going to go. Then I will believe you, but I do not now.

Mr. PASTORE. Mr. President, I invite the Senator from Tennessee, anytime he desires, to go to Rhode Island and ask my constituency how I feel about the people.

Mr. BROCK. I do not question the Senator's regard for his own people. It is a matter of the people being able to take part in the election process.

Mr. PASTORE. I do not question anybody else's regard for the people. All I am saying here is that this is making it possible for the broadest scope of our American citizenry to take part in the process, the democratic process, of electing a President.

Mr. BROCK. To take part without having an option.

Mr. PASTORE. Mr. President, this amendment is a subterfuge. This amendment never would have been proposed if it had not been for the vote on the last amendment.

What this amendment actually does is to impose an additional tax of $1 as a liability of a taxpayer if he wants it to go to the political process. I say that that vitiates, that violates, that contravenes the very concept of what we are talking about here today.

When we talk about what we are doing, about raiding the fund, we are talking about the taxpayers' money. As the Senator from Florida said, there is possibly no better investment that the American people can make, to make sure that they are under a fair and equitable process.

Mr. BROCK. Then, let them make it.

Mr. PASTORE. Under a fair and equitable process that will elect the best President that is available to the people of this country—the Commander in Chief, the Chief Executive, the man who guides the destiny of our land and, hopefully, the destiny of all mankind.

I have the highest respect for the office. As a matter of fact, I have sustained President Nixon on this floor many more times than some of his own Republican friends. I have done it time and time again. I think no man knows that better than President Nixon himself.

This is not a political bill. The only purpose of this amendment is to vitiate our vote of a short time ago, and I hope it will be overwhelmingly defeated, even by those who voted for the Mathias amendment.

Mr. GRIFFIN. Mr. President, is there some time remaining on this side?

The PRESIDING OFFICER. Two minutes.

Mr. GRIFFIN. I yield 1 minute to the Senator from Connecticut.

Mr. WEICKER. Mr. President, the whole Pastore amendment is a subterfuge, the way it comes to the floor of the Senate. The Senator talks about the little people. We are supposed to be dealing with an economic package that is going to get our people back to work and strengthen our economy. But the Senator cannot have this election bill stand on its own two feet. He is putting it on a package where the President has no choice. The Senator from Louisiana says the President can veto or not. Well he cannot. The Senator is forcing him to accept this particular provision if, in fact, he wants to see our people get back to work and our economy strengthened.

So when we talk about subterfuge, the subterfuge lies in sticking this amendment on the Revenue Act of 1971.

Mr. GRIFFIN. Mr. President, I yield 1 minute to the Senator from Tennessee.

Mr. BAKER. Mr. President, I am delighted that we have had this debate. If I sought justification for offering my amendment, over and above this single justification, it would be unnecessary. This debate has shown, beyond the shadow of a doubt—and the Senator from Rhode Island now concedes—that we are not talking about a contribution, but that we are talking instead of the appropriation of general funds from the Treasury to finance the campaigns of the Republican and Democratic nominees for President and Vice President. That is what we are about. That is what this debate has shown, and that is what I intend to vote against.

Mr. PASTORE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 1 minute.

Mr. PASTORE. All I want to say to the Senator from Tennessee is this: Do not put words in my mouth. I did not say anything about appropriations. All I am talking about is a checkoff of $1 of what you owe the Government to go toward the process of voting for the President of the United States, period; so that both parties will have the opportunity, fairly and squarely, to present their issues to the American people. There is no bigger bargain in this country than to buy the best President of the United States.

Mr. LONG. Mr. President, will the Senator yield me 30 seconds?

Mr. PASTORE. I yield.

Mr. LONG. I am not the one who is offering this amendment. It is being offered by the Senator from Rhode Island. But I would remind Senators that revenue bills must originate in the House. This amendment is in the nature of a revenue measure. The Senator from Rhode Island could not have originated this bill, under the Constitution, unless he were in the House. He is not a Member of the House; he is a Member of the Senate. The only way he could offer this amendment would be to offer it as an amendment to a revenue bill.

Mr. PASTORE. It has been done time and time and time again.

The PRESIDING OFFICER. All time on the amendment has expired. The question is on agreeing to the amendment of the Senator from Tennessee. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Will the Chair state what the vote will be on?

The PRESIDING OFFICER. The question is on the adoption of the amendment by the Senator from Tennessee to the amendment of the Senator from Rhode Island.

Mr. BAKER. I thank the Chair.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska (Mr. GRAVEL), and the Senator from Indiana (Mr. HARTKE), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New Jersey (Mr. CASE) is necessarily absent.

The result was announced—yeas 39, nays 56, as follows:

[No. 355 Leg.]

YEAS—39

Aiken	Curtis	Pearson
Allott	Dole	Percy
Baker	Dominick	Roth
Beall	Fannin	Schweiker
Bellmon	Fong	Scott
Bennett	Goldwater	Smith
Boggs	Griffin	Stafford
Brock	Gurney	Stevens
Brooke	Hansen	Taft
Buckley	Hruska	Thurmond
Cook	Jordan, Idaho	Tower
Cooper	Mathias	Weicker
Cotton	Miller	Young

NAYS—56

Allen	Hart	Montoya
Anderson	Hatfield	Moss
Bayh	Hollings	Muskie
Bentsen	Hughes	Nelson
Bible	Humphrey	Packwood
Burdick	Inouye	Pastore
Byrd, Va.	Jackson	Pell
Byrd, W. Va.	Javits	Proxmire
Cannon	Jordan, N.C.	Randolph
Chiles	Kennedy	Ribicoff
Church	Long	Sparkman
Cranston	Magnuson	Spong
Eagleton	Mansfield	Stennis
Eastland	McClellan	Stevenson
Ellender	McGee	Symington
Ervin	McGovern	Talmadge
Fulbright	McIntyre	Tunney
Gambrell	Metcalf	Williams
Harris	Mondale	

NOT VOTING—5

Case	Hartke	Saxbe
Gravel	Mundt	

So Mr. BAKER'S amendment to Mr. PASTORE'S amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LONG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ALLEN. Mr. President, I send an amendment to the desk and ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

AMENDMENT 692

Page 9, lines 10 and 12, after the word "party" insert: "(or a combination of political parties)".

Page 9, insert at the end of line 14 the following: "As used in this paragraph, the term 'minor party' includes any combination of parties having the same candidate for the office of President of the United States."

Page 14, lines 11, 17, and 22, insert after the word "party" the following: "(or combination of parties)".

Page 14, line 25, insert before "5 percent" the following: "(or as candidate of a combination of parties)".

Page 15, line 10, insert after the word "party" the following: "(or combination of parties)".

Mr. ALLEN. Mr. President, I ask unanimous consent that the amendments be considered en bloc. They have only one central idea, which I will be delighted to explain.

Mr. JAVITS. Mr. President, reserving the right to object, let us hear the central idea before we agree to the request.

Mr. FONG. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

PRIVILEGE OF THE FLOOR

Mr. FONG. Mr. President, I ask unanimous consent that a member of my staff, Charles Kern, be granted the privilege of the floor today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, may we get the yeas and nays on the amendment, or is the request still pending?

Mr. ALLEN. Mr. President, I had not planned to ask for the yeas and nays.

Mr. GRIFFIN. The junior Senator from Michigan does intend to ask for the yeas and nays.

Mr. ALLEN. Very well, Mr. President, the amendment is made necessary by the fact that the intent of the bill is not clearly expressed in the wording of the bill. The distinguished Senator from Rhode Island (Mr. PASTORE) on yesterday pointed out that the bill is designed to provide campaign funds for minor parties at the same pro rata rate as funds provided for major party candidates. However, the bill itself confines the third-party candidates to the vote received by the candidate as the candidate of one party only and ignores the votes he receives on other party tickets.

Many Senators might not be aware of the fact that it is hard for a third-party candidate to get on the ballot in all of the States of the Union. Whereas he might start out as a candidate of one political party, in order to get on the ballot in all of the States, he might have to accept the nomination from other parties in some States. Yet the electors would be pledged to him. It would be a unified third-party effort.

In the 1968 election, Governor Wallace was the candidate of eight separate parties. The total votes that he received was 9,900,000. In the explanation that the Senator from Rhode Island made of the amendment which he has offered, Governor Wallace, or any third-party candidate for that matter, would receive only the benefit of the vote that he received as a candidate of one party and would not get the benefit of the combination of parties whose candidate he was.

I am delighted to yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, the Senator from Alabama wanted to propound a request that his amendments be considered en bloc. I can tell the Senator if he wants to renew that request, there is no objection on this side.

Mr. ALLEN. Mr. President, I do ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, if the Senator from Alabama would permit me, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President——

The PRESIDING OFFICER. The Senator from Alabama has the floor.

Mr. ALLEN. Mr. President, I am delighted to yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, there was a dialog on this particular phase of the bill yesterday, and because of an ambiguity which exists in the bill, because the language that is contained in the bill was contained in the previous bill we had passed, and there, of course, the money was being given to the party rather than the candidate, this bill changed that. It provides here for the candidate who is the responsible person.

The Senator from Alabama raised the question about the minority candidate. He mentioned the name of Wallace, but it could be any minority party that runs as a candidate for presidency under two, or different, party labels. In allocating whatever he may be entitled to if he comes under the provisions of this law, it ought to be predicated on the total vote of the individual candidate.

That is all this amendment does. It clears up an ambiguity. I am willing to accept it. If there is any opposition, I give the time to the Senator from Michigan if he wants to oppose the amendment. I think this is a fair amendment and that it carries out the intent of the bill. I do not see why it should not be agreed to.

Mr. ALLEN. I thank the distinguished Senator from Rhode Island.

Mr. DOMINICK. Mr. President, will the Senator yield for a few questions?

Mr. PASTORE. I yield.

Mr. DOMINICK. On whatever time there is that does not take it away.

Mr. GRIFFIN. I yield to the Senator from Colorado such time as is needed.

Mr. DOMINICK. Mr. President, I want to be clear, because the amendment was never read. What would the amendment do? Could we get that from the Senator from Alabama? Could he tell us what is intended?

Mr. ALLEN. Mr. President, I request that the clerk read the amendment.

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THE PRESIDING OFFICER. The amendment will be read.

The amendment was read as follows:

Page 9, lines 10 and 12, after the word "party" insert: "(or a combination of political parties)".

Page 9, insert at the end of line 14 the following: "As used in this paragraph, the term 'minor party' includes any combination of parties having the same candidate for the office of President of the United States."

Page 14, lines 11, 17, and 22, insert after the word "party" the following: "(or combination of parties)".

Page 14, line 25, insert before "5 percent" the following: "(or as candidate of a combination of parties)".

Page 15, line 10, insert after the word "party" the following: "(or combination of parties)".

Mr. ALLEN. Mr. President, in answer to the question of the Senator from Colorado, this merely substitutes "combination of parties" for "party" and gives any third-party candidate, not only in past elections but in future elections, credit for all votes cast for his election to the office of President, under whatever party label he might run.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. GRIFFIN. If my characterization is unfair, I wish the Senator would correct me. Would the practical effect of the amendment not be that it would guarantee if Governor Wallace does run again based on returns in the last election he would, under the amendment, if it is agreed to, be entitled to some $6 million under the Pastore bill—or is it more than that?

Mr. PASTORE. Slightly more.

Mr. GRIFFIN. It is $6.3 million.

Mr. ALLEN. Yes; not that much in money is handed to him. It would be reimbursement for certified campaign expenses just like candidates of the major parties.

Mr. GRIFFIN. I understand.

Mr. ALLEN. Yes.

Mr. PASTORE. It is a matter of treating everyone alike.

Mr. DOMINICK. This does not take into account the situation where there is a party starting in a presidential election, because under the words now the candidate would have to run as a party or combination of parties in the preceding election.

Mr. ALLEN. No; there is another section taking care of future elections. He would have to have at least 5 percent of the votes in order to qualify. Under the bill as presently drawn it would have to be 5 percent from one party. Under the amendment it would be 5 percent from a combination of parties.

Mr. DOMINICK. The Senator, being more knowledgeable about the effort that was made by Governor Wallace under the American Independent Party, and other parties in 1968, knows what a problem he had both in getting on the ballot and trying to get the support he felt he was entitled to.

Suppose we have another party coming up this year on which there is a great deal of speculation at the moment. I could name people who are or have been Members of this body who are thinking seriously about creating a fourth party. If that is true is my understanding correct that they are not entitled to a nickel under the bill?

Mr. ALLEN. No, that is not correct. If he got as much as 5 percent of the vote he would be entitled to his pro rata part of the amount paid to a major candidate.

Mr. PASTORE. Will the Senator yield?

Mr. DOMINICK. I do not understand. If I may, I would like to read the rest of the bill.

Mr. ALLEN. It appears in two places, one as to past elections and one as to future elections.

Mr. DOMINICK. It defines a major party. That is the point I am making.

Mr. PASTORE. Will the Senator yield?

Mr. DOMINICK. I have the floor.

Mr. PASTORE. If the Senator will yield to me I will explain it to him.

Mr. DOMINICK. I want to make my point first and then I will yield.

This bill states they are going to get contributions out of the general treasury to minor parties and the major parties. Then it defines what a major party is and what a minor party is.

On page 9, subparagraph 7, it states specifically:

(7) The term "minor party" means, with respect to any presidential election, a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office.

If a candidate does not fit into that definition, he is not entitled to any money.

Mr. ALLEN. As I explained, the Senator is reading the section having to do with past elections. If the Senator will read section 1004(a)(3) on page 14 he will see that provision is made for a start of a new party.

As this Senator sought to explain to the Senator from Colorado, there are two sections, one on the entitlement to proceeds based on past elections and the other basing it on current or future elections.

Mr. DOMINICK. I can read it. Maybe I am misinterpreting this language, but it does not seem to me that this takes care of the problem because the problem originates in the early portion of the bill where it states the only people who are going to get it are major and minor party candidates and then it defines a major party candidate.

This language on page 14 does not say anything about minor parties. It talks about eligible candidates other than a major political party. It does not say "minor."

Mr. ALLEN. Yes. If the Senator will look at page 14, subparagraph (3) it states:

The eligible candidates of the political party (other than a major party) . . .

What would that be?

They go on to state if they get 5 percent of the vote they have an entitlement.

If they do not get 5 percent, there is no entitlement.

Mr. DOMINICK. I do not understand where the distinguished Senator is referring.

Mr. ALLEN. Page 14, fourth line from the bottom.

Mr. DOMINICK. I see that, but it does not say anything about a minor party.

Mr. ALLEN. The eligible candidates of a political party other than a major party.

Mr. DOMINICK. It could be the Agrarian Party or anything else, but the word "minor" party is specifically defined back in the page I referred to, and the contributions go only to major and minor parties.

Mr. ALLEN. It takes 5 percent to make it such a minor party, and that is in the bottom line of page 14.

Mr. DOMINICK. Let us assume that is the intent of the bill. I think it is badly worded, if I may say so, because it conflicts with the provision the Senator from Colorado read before.

Mr. ALLEN. That is the reason I put this amendment in.

Mr. DOMINICK. It means whoever is running in a fourth party, for example, will not know whether he is entitled to a nickel until he is all the way through the election. So he has to proceed on full faith and credit, or whatever you want to call it, to try to get people to extend credit for television, radio, advertising, all the way through, hoping he can receive a little money, but knowing that unless he gets 5 percent of the vote, he is not going to get any money from the Federal Treasury, and the people who are giving him full faith and credit are going to be left holding the bag.

Mr. ALLEN. That is just one of the problems of a third party candidate. Also, he does not have to come under the provision of this law. No rights are taken away from him.

Mr. DOMINICK. It seems to me the Senator's amendment is an improvement over what the bill provides.

Mr. ALLEN. Yes. I agree.

Mr. DOMINICK. But it seems to me the bill is lacking in this particular. We are killing off the opportunity for other people to come into the presidential race in honor of those who have been established, through a third party, for example. It seems to me that is unfair.

It illustrates to me just one further thing that is wrong with this particular bill.

Let me ask another question with respect to a problem. Over on page 12 of this bill it states that—

In order to be eligible to receive any payments the candidates of a major party—

These are the Democrat and Republican Parties—

shall certify to the Comptroller General, under penalty of perjury, that no contributions to defray qualified campaign expenses have been or will be accepted by such candidates or any of their authorized committees, except to the extent necessary to make up any deficiency in payments received out of the fund.

Looking at that and the way it is worded, it means one cannot go out and get any contributions because he has to certify that this was not done before he is entitled to any public money. To avoid this problem, one would have to go out and expend to the wildest extent and then he could certify, "I have not done anything. Everybody has loaned me these services from the very beginning, and I want the taxpayers to pay these bills. If I do not get enough, I want somebody else to pay it."

If one is a dead horse after an election, trying to get money to pay off political debts of a candidate who has not won is not a very easy thing to do. I imagine the Senator from Alabama will agree.

So we have another problem with this bill, because if we do not do this or if a candidate goes out and gets contributions, or if any of his committees do, the national committee, or anyone else, Democratic or Republican, the candidate certifies they have not done that except to the extent necessary. All I can say is that when it is done, it is perjury, and it is done by someone who is running for President of the United States.

I frankly cannot understand the bill. I think the Senator from Alabama will have improved it, if his amendment is adopted, but he has not addressed himself to these problems.

I thank the Senator.

Mr. PASTORE. Mr. President, if the Senator will yield, it is most unfortunate that the Senator was not here when I made my statement explaining the amendment. I explained it thoroughly. I suggest he read the RECORD. I think he will find that everything he has said here is a misconception.

Mr. DOMINICK. I have read the RECORD.

Mr. PASTORE. Then the Senator did not read it correctly.

Mr. DOMINICK. Perhaps not, but I can read legislation, and this is what the legislation says.

Mr. PASTORE. As a matter of fact, the formula is very simple. As of April 15 we know how much money is in the fund. There is no question about that. The Democrats will choose their nominees in July of 1972. The Republicans will choose their nominees in August 1972. We will know just what is in the fund. So from the fund the candidate is entitled to $20 million. If there is not enough in there, say only $10 million, the candidate will know he has to raise $10 million. If the money is in the fund, he does not have to raise anything, but if it is in the fund he cannot go out and raise the money privately, because that would be unjust enrichment.

In the case of a minority party, we go back to the last election, because we have a track record. We have no track record in the case of a new candidate. Therefore, we have written into the law that 30 days thereafter he can get reimbursement, according to the vote, provided that, if he collects more than he is entitled to, he must return it to the contributors. And nothing would be fairer.

Mr. SCOTT. Mr. President, if the Senator will yield, which will never be returned. We are all practical.

Mr. PASTORE. It has to be returned.

Mr. SCOTT. What will we do to him if he does not?

Mr. PASTORE. Send him to jail. It is in the law.

Mr. SCOTT. He will never be prosecuted.

Mr. PASTORE. It depends on who the Attorney General is.

Mr. SCOTT. It depends on a lot more than that. We have never had an Attorney General who prosecutes that kind of thing.

Mr. President, will the Senator from Alabama yield to me briefly?

Mr. ALLEN. I yield.

PRIVILEGE OF THE FLOOR

Mr. SCOTT. First, Mr President, I ask unanimous consent that Mr. Ken Davis be permitted the privilege of the floor during the debate on the campaign amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Second, this bill ought to be called the Campaign Spending Evasion Act.

I yield some of my time to the Senator from Kentucky (Mr. COOPER), if the Senator from Alabama will permit.

Mr. COOPER. Mr. President, I would like to say that, within the scope of the proposed amendment of Senator Pastore, the amendment of the Senator from Alabama brings to it an element of fairness; but I agree wholly with the Senator from Colorado (Senator DOMINICK) that the Pastore amendment is unfair in its term to parties, candidates and the taxpayers.

The Senator from Rhode Island was not on the floor a few minutes ago when I spoke. I would like to repeat, in some measure, what I said at that time. I do this with great respect for the Senator from Rhode Island.

I recall that the Senator from Rhode Island was the chief proponent, the chief architect, of the so-called election reform bill. He debated it vigorously and earnestly on the floor, with the powerful argument that it would cure most of the abuses in the election process, and there are many. It was proposed during the debate that limitations be placed on individual contributors.

I do not know whether the Senator from Rhode Island voted for that amendment. He can tell me. But it was argued, in that respect, that such a limitation could be unconstitutional; that a person has the right to express, through his contribution, his choice under the first amendment.

The Senator from Alabama, Senator ALLEN as I recall, in the rules committee which had partial jurisdiction over the election reform bill, proposed that expenses be further limited to, as I recall, 10 cents per eligible voter, for all other expenses—expenses other than advertising in the news media.

His amendment was defeated in committee, and I do not believe he offered it upon the floor.

Mr. ALLEN. It was offered on the floor.

Mr. COOPER. I had forgotten.

Mr. ALLEN. And it got a respectable vote, but it was defeated.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SCOTT. I yield the Senator 2 additional minutes of our time.

Mr. COOPER. I voted against the amendment because we had no information on such costs. Upon reflection, I think the amendment should have been adopted. It would have reduced the total cost of campaigns, which has gone far beyond reason.

Now, this amendment of the Senator from Rhode Island does not reduce the total cost of campaigning. If the system works, it would produce about $20 million for each of the major parties to spend. In fact, it would encourage them to spend $20 million.

I read in the newspaper yesterday that the House of Representatives might accept the Senate version of the Senator from Rhode Island's Election Reform bill. Yet, in the face of that, he proposes this amendment, which would inordinately increase the cost of campaigns. I think it is wrong to vote to increase campaign spending.

Mr. PASTORE. Mr. President, will the Senator yield on this point?

Mr. COOPER. I yield.

Mr. PASTORE. I want it understood that insofar as the bill as it passed the Senate was a limitation upon campaign expenditures, I would sincerely hope that the House would adopt the Senate bill, or do something similar that we could resolve in conference. I think that is a must.

I said yesterday, of course, that this amendment supplements that bill, and that bill supplements this measure. The Senator will recall that when the campaign expenditures bill was originally introduced, we did have an element of a credit and also an allowance, and the bill was sent to the Finance Committee of the Senate. It was also sent to the Rules Committee of the Senate, and also to the Commerce Committee. It was sent to the Commerce Committee because it included broadcasting, radio broadcasting and the other nonbroadcast media.

The reason why we eliminated the fiscal element of that bill, which was sent to three committees, was that at that time the chairman of the Finance Committee (Mr. LONG) brought out the fact that inasmuch as all financial matters must originate in the House of Representatives and not in the Senate, we did not have the authority or the jurisdiction to work on it originally. So for that reason, to avoid a point of order, we deleted it from the bill.

It was originally my intention that when a fiscal bill came before us that had originated in the House of Representatives, such as this, which we could amend, we would do something about this financing proposition we are talking about today. Insofar as the element of the checkoff is concerned, that is not a new thing at all. We did pass that 5 years ago in this body. It was also passed in the House of Representatives. It was nullified because of the expiration date.

Mr. COOPER. Mr. President, I cannot yield to the Senator further, because it is not my time.

Mr. PASTORE. No, on my time.

Mr. ALLEN. I yield the Senator from Rhode Island such time as he may require.

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Mr. PASTORE. I am answering the question of the Senator from Kentucky. As far as I am concerned, I want to see that bill on campaign expenditures passed. This measure was a first in the original bill. All it does is add the other two elements, an allowance and a credit, contained in the original bill introduced. These elements had to be deleted on the point of order. That is the only reason that happened.

I quite agree with the Senator, if I may have his attention, that the time will come when there has to be an overall ceiling on all expenditures, and the Senator from Alabama will remember that when I discussed it with him, I was not too sure but that maybe 10 cents would be a little bit too much.

Frankly, I think the 10 cents overall, that is 10 cents additional over the 10 cents we had in the bill, which would have brought it to 20 cents multiplied by the total of voters over the age of 18, would have brought it far out of bounds. This proposal provides 15 cents.

I would hope, at some later date, we would have an overall expenditure ceiling, because I say frankly this whole business is getting out of hand. I have heard Senators declare they had to spend $400,000 or $500,000 on television time alone to win the office of U.S. Senator. I have heard that campaign expenditures for some Senators and Representatives have run into the millions of dollars. That is ridiculous, and I state very frankly, a lot of this money is wasted.

It becomes a competitive thing. Because your opponent spends a certain amount of money, you feel you have to spend it. If he puts up a billboard, you put a billboard up. If he sends out a pamphlet, you send out a pamphlet.

I think if we set an overall ceiling, we will all be better off. To answer the Senator's question, I liked the bill we passed on a ceiling on expenditures, and I hope the House of Representatives will do the same.

But this is a financing measure; this is not a bill to provide a ceiling.

Mr. COOPER. This bill would provide more money for campaigns than ever previously known, and of course this money could be used for TV without any restrictions at all.

I have been in seven campaigns for the Senate. I know how difficult it is to raise money. I have never been able to raise enough. We all say that, of course, whether we have or not.

But if a candidate takes money from a labor union and wins then he must pass their representatives day after day in the corridors and when there is a bill up for a vote, he may be under some influence. Or if a candidate takes money from the great rich contributors, whether it is true or not—and I believe it is not—they think you are in their pocket, and the public thinks you are in their pocket, or they think you are in the pocket of the labor unions, and this is awful. It is outrageous.

Reforms must be enacted.

But as I have previously stated, this bill is undemocratic. The Senator from Rhode Island characterizes it as democratic, but I want to repeat what I said a few minutes ago in that respect.

It would take the money of the taxpayer, who may be a Republican or a Democrat, but gives him no choice. His money goes to the Republican Party, to the Democratic Party, to the Communist Party, and to the Governor Wallace party. The same is true whether you are a Republican or a Democrat. I say that is not democratic. That is one objection.

I think I have had a good labor record. They have supported me sometimes, and sometimes they have not. But, of course, as the Senator knows, their members have their money taken in a checkoff, and sometimes their money is spent for things and candidates in which they do not believe.

This bill does the same thing. And, of course, the Senator has left out those who do not pay any taxes at all, the young people and the old people who do not pay any taxes; therefore I say it is not democratic as to them.

One can even question whether it is democratic as between the parties. It would freeze the Republican Party and the Democratic Party, and give them the money to continue to be the major parties. I hope they will be, myself, but is it fair? Does it afford full and free expression for the people?

The Senator from Colorado raised a very fine point, about the effect of the bill on a new party. Because it is a new party, it may have more popular support at the particular time than, say, another so-called third party. I have read in the newspapers that our former colleague, whom I respect very much, admire, and have great affection for, Eugene McCarthy, has said there may be a fourth party. On the Republican side, over in the House of Representatives, we have Representative McCLOSKEY, who, I believe, has suggested a third party. I am against him with all my heart, but at least he has a right to run.

Then parties would be left out under the amendment.

The bill tells the candidates to keep an account of the money they have collected, and that it will be considered as loans from their contributors; then, if they are able to secure a certain percentage of votes, they will be given money from the fund, and the loans from contributors will be repaid. But in the provisions of this bill you have denied them the same opportunity that you have denied other parties.

Finally, we all know this: Every one of us has run many times. As I say, I have had the opportunity of running seven times for the Senate in 20 years. But it taught me something about campaigns. It taught me a great deal about the people and I am grateful to them. They vote for you if they believe in you. They contribute to you if they believe in you.

Why should we force the people of the United States to contribute to a party in which they do not believe and to candidates in which they do not believe—and, in fact, to which they are totally opposed?

With all respect to the Senator from Rhode Island, as he does make a very fine argument, I think it is implausible; it is fallacious. I do not know of a more undemocratic proposal upon the election process that has come before the Senate. I wish it were possible to defeat it. I do not think we can, because it is a party matter. But if I were the President of the United States and this bill came to me with this amendment in it, much as I want to get the economic and tax bills through, I would say that this amendment is so absolutely undemocratic between major and minor parties, forcing individuals to contribute to candidates they do not believe in, ruling out the opportunities of the young people, who may want to vote for Eugene McCarthy or for—what is the other fellow's name?

Mr. WEICKER. McCLOSKEY.

Mr. COOPER. McCLOSKEY. Nothing personal, but I would not vote for him. I would rather vote for Eugene McCarthy. I am for President Nixon. But you deny other candidates an equal chance. I think it is awful; I think it is outrageous; I think it is undemocratic.

The PRESIDING OFFICER. Who yields time?

Mr. GAMBRELL. Mr. President, will the Senator yield?

Mr. ALLEN. I yield 3 minutes to the Senator.

Mr. GAMBRELL. Mr. President, I yield to the Senator from West Virginia for the purpose of a unanimous-consent request.

PRIVILEGE OF THE FLOOR

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that Senator BAKER's aide, J. P. Jordan, may be permitted the privilege of the floor during the debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Michigan has 14 minutes, and the Senator from Alabama has 10 minutes.

Mr. GAMBRELL. Mr. President, I rise to support the amendment of the Senator from Alabama, to state my reasons for supporting the amendment of the Senator from Rhode Island, and to answer to some extent statements which have been made by the distinguished Senator from Kentucky.

I do not consider this bill to be undemocratic. One of the most undemocratic things that is going on in elections in this country today is the proposition that, when some new candidate has the idea of running, the first thing you hear about him is that "He is unknown," or "He does not have any money. How can he possibly win? Forget about him; he is an unknown. He cannot get up any money."

This bill guarantees that everybody who wants to run can step up on a platform and offer himself. If he exposes himself and people vote him down or if he exposes himself and receives no support, he will be eliminated.

The point of the proposed legislation is to give everyone an opportunity to at least get up on the platform, to eliminate the statement being made, as soon as he raises his hand, that he does not have a chance, that he is an unknown, or that he does not have a chance because he has no money on which to run. I think it is most democratic that every citizen who is qualified to hold an office will have some opportunity to have sufficient financing to compete in one of these elections, and I think that is the most democratic reform that possibly could be introduced into elections at all levels, not just the presidential elections.

As has been said here, this is a start, and I hope this proposal can be pressed forward in all elections in this country.

I have had the experience of being a campaign treasurer in a campaign which was lost, and I know about campaign debts. I have been campaign treasurer in a campaign that has won, and I know how much easier it is to raise money when you are a winner than when you are a nobody.

Mr. President, I support both of these amendments—the amendment of the Senator from Alabama to the amendment of the Senator from Rhode Island.

Mr. GOLDWATER. Mr. President, will the Senator yield me 5 minutes?

Mr. COOPER. I yield.

Mr. GOLDWATER. Mr. President, I intend to vote against this amendment, although I recognize that, in the wisdom of the Senator from Rhode Island, he feels that this is right. I feel it is wrong, and I agree with everything that has been said here by the senior Senator from Kentucky.

I recall that the last time we talked about this, there was a rather strong uprising in the country against it, for various reasons. One trouble is that a northerner might not want his money to go to support George Wallace. There will be many southerners who will not want their money to go to support a northerner. There will be people across the country who will not want to support an easterner or a westerner. There will be people who will not want to support a Democrat or a Republican. I think this is a very undemocratic way to get at this whole problem, if we see this as the only problem, which I do not.

What we are saying here, in effect, is that everyone of us in this Chamber, the President in the White House, and every President we have had has been owned by various groups of people in this country—corporations, labor unions, and so forth. I deny that, and I defend the occupants of the White House from any insinuation relative to that control.

Mr. President, I know something about this financing. I do not think there is a person in this Chamber who has raised as much money as I have for political purposes during the last 25 years. I dislike to try to count the millions of dollars it has amounted to.

I have run for the office of President. I have seen the problems that come up in relation to spending money in a campaign. This bill, in my opinion, does not solve one of the major problems, although it supposedly does. I got into this subject one day when I was in the Senate before, in a discussion with Walter Reuther, when he appeared before our Select Committee on Campaigning.

I proposed that every committee organized to support a candidate would have to receive the approval of the candidate; and Mr. Reuther made a very wise observation, in my opinion. He said:

Senator, it is my constitutional right, freedom of speech, freedom of association, to speak for and associate with the candidate of my choice. I have the right to support you. I will never do it, but I have the right to support you whether you want me to or not.

This, Mr. President, is where we begin to get into trouble. It is all right to say that each person in this country can contribute $1 for the presidential campaign whether he wants to or not. But what is there to stop me from supporting the candidate of my choice, by forming a committee without his knowledge, without his having any way of knowing about my committee, and, under my constitutional rights and the constitutional rights of those associated with me, to spend that money, to buy television advertising that he knows nothing about, to buy radio advertising—and use it—which he knows nothing about, to spend it in any way I see fit? This bill supposedly tries to eliminate that, but there is no way, unless we amend the Constitution, that I can be prevented, as an American citizen, from supporting the man of my choice with as much money as I care to use, up to the legal limit that each individual is allowed to spend to support the Presidency or a man running for Congress.

We have pretty well eliminated the national committee here, but we have not eliminated the outside committees that are organized.

To give some idea of the magnitude of the problem, I think that my campaign for the presidency cost those people backing me approximately $14 million. I will be the first to say that it was too much. I will be the first to admit that most campaigns waste more than half the money they raise and spend. But the total amount of money that I have heard was spent on my campaign was $25 million. I have no idea in the world where that other $9 million came from, who spent it, or what it was spent for. I think there are still dabs of that money lying around the country. I would like to get my hands on it. This bill may purport to end the practice, but it will not do so. It will not end the practice of an individual's obtaining money he wants to, whether it is $1 or $1,000.

We have heard remarks in this Chamber during the past few days about the problem the Democrats are having in raising money. I remind my friends on the other side of the aisle that there have been only two Republican Presidents in the past 35 years. We went through some lean and hungry years when we could not raise any money. It is not an easy thing to do today.

I recall the days of President Kennedy and President Johnson and their thousand dollar clubs. I see nothing wrong with that. At that time, the Democratic National Committee was in the black but now it is in the red. The Republican National Committee will probably be in the same way if it ever loses the White House.

Mr. President, before I go on to another point, to get back to my comments about my own campaign, we received contributions from 1,300,000 people, the largest one of which was $500.

I am not saying we did not get larger contributions than that because we did, but 1,200,000 people sent in checks for less than $500, and a great majority of them were for less than $10. That was for the only presidential campaign in my life. We finished that campaign in the black. I left the Republican National Committee with over $1 million. If I can do that, anyone can do it.

Mr. President, what is there to prevent a candidate who is a wealthy man from spending his own money on himself in a way that cannot be reported?

These are not men who sought the office of the President but there were two men running in the primaries for Governor of Texas who spent over $200,000 apiece out of their own pockets.

A candidate seeking a congressional seat in Virginia spent $77,000 out of his own pocket.

How are we going to control that?

I know he is supposed to report it, but suppose he does not? Suppose his brother buys some time on television and the candidate says, "I did not know my brother was spending money that way." There is no way we can prevent that.

Mr. PASTORE. Mr. President, will the Senator from Arizona yield on that point, on my time?

Mr. GOLDWATER. I yield

Mr. PASTORE. That is covered by S. 382. I keep repeating that. What we are trying to do is to characterize this particular bill as complementary legislation on campaign expenditures and campaign financing. This is the financing part. We have already passed the other bill and I am hopeful that the House will pass the same bill and it will become law. JOHN CONYERS, Representative from Michigan, made a statement today on that very bill and I think the time has come to put a ceiling on it.

On the proposition the Senator is talking about, we took care of that 3 months ago when we passed S. 382. I would hope the House would pass it. I would admit that this bill does not cure that part. But we have already taken care of that. Hopefully, that bill will pass in the House and the President will sign it and the two together will give us a complete package.

Mr. GOLDWATER. Because I did not vote for the other bill and because this is probably the only chance I will have to make my comments on the whole subject, I am probably abusing the Senator's ears and the floor by a discussion of another bill, to some extent, in this bill. But we get to the point, the important question of the matter of cash and I would like to have one-hundredth of what was sent in all the campaigns that comes to you in an envelope saying, "Meet Joe in a white shirt at so and so aviation company and he will give you a brown envelope." No names are mentioned. There might be $50,000 in that brown envelope. Do we report it? We cannot report it because we do not know where it came from. No one will believe us——

Mr. PASTORE. You should not even take it.

Mr. GOLDWATER. Oh, I take it. If you are a Democrat in a Republican State, you take most anything.

The point I was trying to make before,

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on which I agree with the Senator from Kentucky, is that this is not only undemocratic because of the points he made but it is undemocratic in that we are, in effect, denying constitutional rights to people, not necessarily under this amendment, but under the whole concept that we are playing with here.

I have heard on this floor the names of a number of prominent Republicans. I do not want to bore the Senate but I want to read—here is one name—I think he is a Republican—Henry Ford, II—I always thought he was a Republican, at least—he gave $30,000 to the Democratic Committee last year. Mr. and Mrs. Herbert Allen of New York gave $56,000. Mr. and Mrs. Daniel J. Bernstein gave $110,000. Mrs. June Degnan of California gave $60,000.

Mr. President, I ask unanimous consent to have this list of contributors to the Democratic Party or its candidates in 1968 printed in the RECORD, a short statement on candidates who gave to their own campaigns, and a news release from the Americans for Constitutional Action of August 19, 1971.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The following list gave in excess of $30,000 to the Democratic party or its candidates in 1968. The asterisk (*) indicates that some or all of the information on the given amount was received from interviews or special lists, rather than from official campaign fund reports. A number of these people have also given modest amounts to the Republican Party or its candidates.

The information below, other than job descriptions, comes from Financing the 1968 Election by Herbert E. Alexander. Mr. Alexander is Director of the Citizen's Research Foundation and is considered one of the foremost authorities on campaign financing.

1968 CONTRIBUTIONS

Mr. and Mrs. Herbert Allen, New York, New York; $56,000; Partner, Allen & Co.

*Mr. and Mrs. Lester Avnet, New York, New York; $49,672.

*Mr. and Mrs. Robert S. Benjamin, New York, New York; $32,000; Chairman, United Artists.

*Mr. and Mrs. Daniel J. Bernstein, Scarsdale, New York; $110,236; Investment Banker.

Mr. and Mrs. Harry Brandt, New York, New York; $45,000; Motion Picture Theatre Owner, Trans Lux, Corp.

*Chester Carlson, Pittsford, New York; $30,700.

*Ellsworth T. Carrington, New York, New York; $106,000+; Investment Banker.

*Blair Clark, New York, New York; $75,000+; Clark Thread Heir.

*Dr. Manfred Clynes, Palisades, New York; $30,000.

*Bernard Cornfield, $30,000; Pres (Ex) of I.O.S.

Norman Cousins, New York, New York; $57,000; Former Editor, Saturday Review.

*Mrs. June Degnan, California; $60,000.

*Robert W. Dowling, New York, New York; $102,754+; Chairman, City Investing. Director, United Artists.

*Mr. and Mrs. Jack J. Dreyfus, Jr., New York, New York; $169,000+; Dreyfus Fund.

Mr. and Mrs. John Factor, Hollywood, California; $102,500.

*Martin Fife, New York, New York; $72,000; Fife Industries.

Henry Ford, II, Grosse Point, Michigan; $30,000; Chairman, Ford Motors.

*Robert Gimbell, New York, New York; $50,250+; Saks Fifth Ave. Corp.

Raymond R. Guest, King George, Va., $36,000.

Mrs. Doris Lanier, Bal Harbor, Florida; $50,000; Principal Stockholder, Washington Scientific Industries.

Mrs. Albert D. Lasker, New York, New York; $69,400.

*Larry Lawrence, New York, New York; $30,000.

Mr. and Mrs. Howard S. Levin, New York, New York; $30,000.

Honorable Frederick Mann, New York, New York; $35,500.

*Allan Miller, Boca Raton, Florida; $108,000.

*Stewart Mott, New York, New York; $255,500+; G.M. Stockholder.

*Martin Peretz, Cambridge, Mass.; $144,400+; Prof. Harvard. Wife member of Singer Sewing Machine family.

*Mr. and Mrs. Samuel Rubin, New York, New York; $76,000; retired Exec. Faberge.

Mr. and Mrs. Roger L. Stevens, Washington, D.C.; $30,000; Pres. Kennedy Center.

*Martin Stone, Los Angeles, Calif.; $40,000; Chairman, Monogram Pictures.

Mr. and Mrs. Lew Wasserman, Beverly Hills, California; $54,096; MCA, Inc.

In 1968 the following candidates gave to their own campaigns:

OFFICE SOUGHT

Dolph Briscoe, Governor of Texas (Primary), $460,000.

David B. Kinney, 10th Congressional District of Virginia, $77,000.

Edward Whittenburg, Governor of Texas (Primary), $200,000.

[Americans for Constitutional Action, Press Release, Aug. 19, 1971]

TIE-IN WITH SEPARATE ACA STUDY

Organized labor, working through 44 known labor political organizations, contributed substantially more than $4,000,000 to candidates for the U.S. Senate, the U.S. House of Representatives and governorships during the 1969–1970 period culminating in the 1970 elections according to an analysis released last night by Americans for Constitutional Action (ACA), the national conservative political action committee.

This analysis was based on figures filed in part by the unions themselves or by candidates with various governmental agencies—the Clerk of the U.S. House of Representatives, the Secretary of the U.S. Senate and various state and county agencies which require disclosure of campaign contributions and which were available for review.

According to Mr. Charles A. McManus, ACA national President of this non-partisan group, "the contributions actually totaled $4,297,297.04, including $1,767,044.73 for candidates to the Senate, $1,521,939.92 for House candidates and $1,008,312.39 for Gubernatorial candidates."

Democratic candidates in the three categories received the lion's share of contributions, the Democratic total being $4,153,746.52 as against the total for Republicans of $143,550.52.

The breakdown follows:

Democrats:	
Senators	$1,718,744.73
Representatives	1,439,189.40
Governors	995,812.39
Subtotal	4,153,746.52
Republicans:	
Senators	48,300.00
Representatives	82,750.52
Governors	12,500.00
Subtotal	143,550.52
Grand Total	4,297,297.04

Mr. McManus stressed that these figures represent only 44 identifiable labor political action committees, and that there unquestionably were a number of other such labor organizations involved. The totals, of course, do not reflect labor's actual contribution represented by overhead costs, voter registration and voter vote drives, manpower, educational programs, etc.

He stated, "inasmuch as organized labor is not required to report such additional expenditures, no total figure as to the union's overall financial participation for these national and state offices are available to the public."

Mr. ALLEN. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER (Mr. HOLLINGS). The Senator from Alabama is recognized for 3 minutes.

Mr. ALLEN. Mr. President, if I heard correctly, I wish to differ somewhat with my good friend from Arizona when he says that northerners would not want to vote for George Wallace.

Well, I have the 1968 presidential election results in my hand and they show that in Illinois, for instance, 390,000 northerners voted for George Wallace for President. In Michigan, 331,000 northerners voted for George Wallace for President. In the great State of New York, 358,000 northerners voted for George Wallace for President, and 378,000 northerners voted for George Wallace for President in the State of Pennsylvania.

Mr. President, the point was made on yesterday by opponents of the Pastore amendment, that it would freeze in the two major parties as the only vehicles or instruments whereby the people can express themselves at the polls, and that it would discourage formation of minor parties—a third party or a fourth party.

That is not correct if the amendment that I have submitted is adopted, because that would give a third-party candidate the credit for all of the votes that were cast for him under any ticket or label.

Where is the equity or the fairness in saying that under one label, the candidate received a certain number of votes and they will be used in computing this formula, but this 1 million or 2 million or 3 million that may have voted for that candidate under a different label, we will disregard those?

All this amendment does is to combine the vote that the presidential candidate received on all tickets or under all labels, that were voting for this candidate or in the future will vote for a candidate of a minor party. Why rule all those out and say, "We will not count you but will count only those under a particular label"?

Mr. President, they say that the Pastore amendment is not democratic. The distinguished Senator from Colorado stated that the amendment submitted by the junior Senator from Alabama, in his judgment, is an improvement over the Pastore amendment as submitted, that it did make for a better bill.

I hope that he will see fit to support the pending amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD the final 1968 presidential election results as contained in the 1969 Congressional Quarterly Almanac.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

POLITICAL REFORT—FINAL 1968 PRESIDENTIAL ELECTION RESULTS BASED ON COMPLETE VOTE TOTALS REPORTED TO CONGRESSIONAL QUARTERLY BY THE GOVERNMENTAL AFFAIR INSTITUTE

[Total popular vote cast: 73,211,562]

[D—Democrat, I—Independent, AI—American Independent, AP—American Party, W—Wallace Electors, CPK—Conservative Party of Kansas, IA—Independent American, CP—Courage Party]

	State	Total popular vote				Electoral vote				Percentages		
		Nixon (R)	Humphrey (D)	Wallace (AIP)	All others	Nixon	Humphrey	Wallace	Plurality	Nixon	Humphrey	Wallace
D	Alabama [1]	146,923	196,579	691,425	14,982			10	494,846 AIP	14.0	18.7	65.9
I	Alaska	37,600	35,411	10,024		3			2,189 R	45.3	42.6	12.1
AI	Arizona	266,721	170,514	46,573	3,128	5			95,207 R	54.8	35.0	9.6
AP	Arkansas [2]	190,759	188,228	240,982				6	50,223 AIP	30.8	30.4	38.9
AI	California	3,467,664	3,244,318	487,270	52,335	40			223,346 R	47.8	44.7	6.7
AI	Colorado	409,345	335,174	60,813	5,867	6			74,171 R	50.5	41.3	7.5
W	Connecticut	556,721	621,561	76,650	1,300		8		64,840 D	44.3	49.5	6.1
AP	Delaware	96,714	89,194	28,459		3			7,520 R	45.1	41.6	13.3
W	Florida	686,804	676,794	624,207		14			10,010 R	40.5	39.9	28.5
I	Georgia	380,111	334,439	535,550				12	155,439 AIP	30.4	26.8	42.8
AP	Hawaii	91,425	141,324	3,469			4		49,899 D	36.7	59.8	1.5
AI	Idaho	165,369	89,273	36,541		4			76,096 R	56.8	30.7	12.5
W	Illinois	2,174,774	2,039,814	390,958	14,203	26			134,960 R	47.1	44.2	8.5
W	Indiana	1,067,885	806,659	243,108	5,945	13			261,226 R	50.3	38.0	11.4
AI	Iowa	619,106	476,699	66,422	5,454	9			142,407 R	53.0	40.8	5.7
CPK	Kansas	478,674	302,996	88,921	2,192	7			175,678 R	54.8	34.7	10.2
AP	Kentucky	462,411	397,541	193,098	2,843	9			64,870 R	43.8	37.6	18.3
AP	Louisiana	257,535	309,615	530,300				10	220,685 AIP	23.5	28.2	48.3
W	Maine	169,254	217,312	6,370			4		48,058 D	43.1	55.3	1.6
W	Maryland	517,995	538,310	178,734			10		20,315 D	41.9	43.6	14.5
I	Massachusetts	766,844	1,469,218	87,088	8,602		14		702,374 D	32.9	63.0	3.7
AI	Michigan	1,370,665	1,593,082	331,968	10,535		21		222,417 D	41.5	48.2	10.0
AP	Minnesota	658,643	857,738	68,931	3,198		10		199,095 D	41.5	54.0	4.3
I	Mississippi	88,516	150,644	415,349				7	264,705 AIP	13.5	23.0	63.5
AP	Missouri	811,932	791,424	206,126		12			20,488 R	44.9	43.7	11.4
AP	Montana	138,835	114,117	20,015	1,437	4			24,718 R	50.6	41.6	7.3
AP	Nebraska	321,163	170,784	44,904		5			150,379 R	59.8	31.8	8.4
IA	Nevada	73,186	60,598	20,432		3			12,590 R	47.5	39.3	13.2
W	New Hampshire	154,903	130,589	11,173	633	4			24,314 R	52.1	43.9	3.8
W	New Jersey	1,325,467	1,264,206	262,187	23,535	17			61,261 R	46.1	44.0	9.1
AI	New Mexico	169,692	130,081	25,737	1,828	4			39,611 R	51.8	39.7	7.9
CP	New York [3]	3,007,932	3,378,470	358,864	46,421		43		370,538 D	44.3	49.7	5.3
AP	North Carolina	627,192	464,113	496,188		12		[4] 1	131,004 R	39.5	29.2	31.3
AP	North Dakota	138,669	94,769	14,244	200	4			43,900 R	55.9	38.2	5.7
AI	Ohio	1,791,014	1,700,586	467,495	603	26			90,428 R	45.2	42.9	11.8
AP	Oklahoma	449,697	301,658	191,731		8			148,039 R	47.7	32.0	20.3
I	Oregon	408,433	358,866	49,683	2,640	6			49,567 R	49.8	43.8	6.1
AI	Pennsylvania	2,090,017	2,259,405	378,582	19,924		29		169,388 D	44.0	47.6	8.0
W	Rhode Island	122,359	246,518	15,678	383		4		124,159 D	31.8	64.0	4.1
I	South Carolina	254,062	197,486	215,430		8			38,632 R	38.1	29.6	32.3
I	South Dakota	149,841	118,023	13,400		4			31,818 R	53.3	42.0	4.8
AP	Tennessee	472,592	351,233	424,792		11			47,800 R	37.8	28.1	34.0
AP	Texas	1,227,844	1,266,804	584,269	489		25		38,960 D	39.8	41.1	19.0
AI	Utah	238,728	156,665	26,906	269	4			82,063 R	56.5	37.1	6.3
W	Vermont	85,142	70,255	5,104	902	3			14,887 R	52.8	43.5	3.2
AI	Virginia [5]	590,319	442,387	321,833	6,950	12			147,932 R	43.4	32.5	23.6
AP	Washington	588,510	616,037	96,980	2,744		9		27,527 D	45.1	47.2	7.4
AP	West Virginia	307,555	374,091	72,560			7		66,536 D	40.8	49.6	9.6
I	Wisconsin	809,997	748,804	127,835	4,902	12			61,193 R	47.9	44.3	7.6
AI	Wyoming	70,927	45,173	11,105		3			25,754 R	55.8	35.5	8.7
	District of Columbia	31,012	139,566				3		108,554 D	19.2	81.8	.....
	Total	31,785,480	31,275,165	9,906,473	244,444	301	191	46	[6]510,315 R	43.4	42.7	13.5

[1] Alabama Humphrey total is a combination of National Democratic (54,144) and Independent Democratic (142,425) votes; the AIP Wallace vote was cast as Democratic in this State.

[2] Arkansas Nixon, Humphrey, and Wallace vote each increased by amendment in early canvass in Jefferson County.

[3] New York Humphrey total includes 311,622 votes as Liberal candidate.

[4] North Carolina Republican elector cast his vote for Wallace.

[5] Virginia Wallace vote increased by 1,561 over State canvass for vote in Shenandoah County omitted in original report.

[6] Because of Humphrey's 3d-place finish in the South, plurality column does not add up to national total.

Mr. COOK. Mr. President, I yield 3 minutes to the distinguished Senator from Connecticut (Mr. WEICKER).

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 3 minutes.

Mr. WEICKER. Mr. President, reference was made by the distinguished majority leader to the distinguished Senator from Vermont and the fact that $17.09 was spent on his campaign, and the prior one that cost $16.09. Yet here he sits in the Senate Chamber, representing the great State of Vermont.

I am sure that his opponents spent a good deal more money than that, but the State of Vermont sent him here because of his stands on the issues, because of his integrity, because of his character. That is why he is there, not because of money.

Do my friends on the Democratic side of the aisle think they do not occupy the White House today because they did not have enough money to get there? The answer to that question is very simple. They do not occupy the White House today because they engaged our country in a rather unpopular war in Vietnam. That was the reason for the Democratic defeat in 1968.

If we make the same kind of mistakes on this side of the aisle, we are not going to be in the White House come 1972.

It has nothing to do with money. Yet the Senators on the other side of the aisle have equated the intelligence of this Nation with money rather than to quality of issues or quality of performance.

Mr. President, I yield back the remainder of my time to the Senator from Kentucky.

Mr. COOK. Mr. President, the amendment of the Senator from Alabama was brought up in the discussion yesterday to the extent that when he was talking about the funds that would be available, he was talking about a particular nominee and that consequently, because the present Governor of Alabama really ran under eight different party labels, that would cause a very serious problem.

Frankly, I think the Senator's amendment clarifies the situation to a great extent.

The only point that I would like to make is that I still think in reference to the entire matter under discussion that the inequity still lies, that the minor party receives the funds based upon the number of people who voted for that minor party 4 years ago. And as a result, that minor party would receive $6.8 million—as, I think, was pointed out in the press—and the two major parties would receive $20 million.

I repeat the statement made by the Senator from Rhode Island when he said in response to the Senator from Kentucky:

How can a man with $5 million beat a man with $20 million? That is why we have the bill and that is why the bill provides equity.

I will support the amendment of the Senator from Alabama.

However, the equity is not there because how can a man with $6.8 million beat two major party candidates having $20 million apiece? I believe the answer is that it will be rather difficult.

Mr. ALLEN. It is possible that he will not succeed.

XUM

Mr. COOK. It is possible that he will not succeed. I think that there is something else rather important in the bill, and we should probably correct it before we move along. Perhaps the Senator from Alabama might take a look at it.

Let us suppose the two major parties might always maintain the particular percentage that would allow them to be major. However, suppose that one of the majors goes below 25 percent. It then becomes a minor and goes in a different category. We will then have one major party in the United States that picks up its marbles in advance, based upon a sworn statement submitted to the Comptroller General of the United States. But the other party might not be able to do that.

This is one amendment that I think clarifies the situation. I hope that we can have more.

Mr. ALLEN. Mr. President, I thank the Senator from Kentucky.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. LONG. Mr. President, the party is dealt with even more favorably than the Senator from Kentucky seems to think, because the minor party would be assured of the amount of money that is indicated, if that is the legislative intent. In addition, the minor party candidate could accept private contributions. So, he could seek some private contributions so that he could have more money than the $6 million.

Mr. ALLEN. He could go up to a certain amount—the total to be received by a major candidate.

Mr. LONG. He would be subject to a limitation. He could not accept any more money than would be available to a major party. So, if a party had $25 contributions available and $50 contributions and they wanted to make available $5 million or $6 million or up to $13 million more, he could accept those contributions.

That would thereby with the private contributions give him the same opportunity to be heard as one of the major candidates. And even if one of the major parties should fall off so badly at some time in the future that it became a minor party—and it has been a long time; in fact, I cannot recall in recent history back to the Civil War when one of the two major parties got clobbered that badly in a general election—in that case, if one of the major parties were to become a minor party, it could then solicit private contributions to bring up its fund so that it would be given a better chance to be heard.

Mr. ALLEN. It is likely that, if that should happen, the minor party might become a major party, and we would then still have two major parties.

Mr. COOK. Mr. President, did the Senator from Alabama by that say that the major parties can be sanctified in the fact that they do not have to go out and seek those contributions, but the minor party has to grovel for those contributions, as he put it yesterday?

Mr. ALLEN. I would say the bill treats the minor party candidates most favorably.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. COOK. My time has expired.

Mr. ALLEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. CHILES). All time having expired, the question is on agreeing to the amendment of the Senator from Alabama. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HANSEN. I have a live pair with the junior Senator from Michigan (Mr. GRIFFIN). Were he present, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

Mr. SCOTT. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Michigan (Mr. GRIFFIN) and the Senator from New Jersey (Mr. CASE) are necessarily absent.

The pair of the Senator from Michigan (Mr. GRIFFIN) has been previously announced.

The result was announced—yeas 63, nays 27, as follows:

[No. 356 Leg.]

YEAS—63

Allen	Ellender	Metcalf
Anderson	Ervin	Mondale
Baker	Fannin	Montoya
Bennett	Fulbright	Moss
Bentsen	Gambrell	Muskie
Bible	Gurney	Nelson
Brock	Hart	Pastore
Buckley	Hollings	Pell
Burdick	Hughes	Proxmire
Byrd, Va.	Humphrey	Randolph
Byrd, W. Va.	Inouye	Ribicoff
Cannon	Jackson	Roth
Chiles	Jordan, N.C.	Smith
Church	Kennedy	Sparkman
Cook	Long	Spong
Cooper	Magnuson	Stennis
Cranston	Mansfield	Symington
Dole	McClellan	Talmadge
Dominick	McGee	Thurmond
Eagleton	McGovern	Tunney
Eastland	McIntyre	Williams

NAYS—27

Aiken	Goldwater	Percy
Allott	Hatfield	Schweiker
Beall	Hruska	Scott
Bellmon	Javits	Stafford
Boggs	Jordan, Idaho	Stevens
Brooke	Mathias	Taft
Cotton	Miller	Tower
Curtis	Packwood	Weicker
Fong	Pearson	Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Hansen, for.

NOT VOTING—9

Bayh	Griffin	Mundt
Case	Harris	Saxbe
Gravel	Hartke	Stevenson

So Mr. ALLEN's amendment to Mr. PASTORE's amendment was agreed to.

Mr. DOMINICK. Mr. President, I send an amendment to the desk and ask the clerk to state it.

The PRESIDING OFFICER. The amendment will be read.

The legislative clerk proceeded to read the amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 9, beginning with the comma following the word "Federal", strike through the word "caucus", line 12, and insert in lieu thereof the following: "or State elective public office in any primary, general or special election, or in any National or State convention."

On page 3, line 20, strike the comma following the word "Federal", and insert in lieu thereof the word "or".

On page 3, line 21, beginning with the comma following the word "State", strike through the word "local".

On page 4, line 10, strike the comma following the word "Federal", and insert in lieu thereof the word "or".

On page 4, line 10, beginning with the comma following the word "State", strike through the word "local".

On page 5, line 5, following the word "State", strike the words "and Local".

On page 5, line 6, following the word "Columbia", strike through the word "State", line 9.

Mr. DOMINICK. Mr. President, this particular amendment deals with title IX of the Pastore amendment, as opposed to title X, which we have been considering before, and it makes technical changes on pages 3, 4, and 5, for the purpose—and I say this with real conviction—of not providing Federal funding for local candidates. It maintains the right of a tax credit or it maintains the right of a deduction for a State or Federal election, but it cuts it out insofar as local elections are concerned.

Let me, if I may—and in so doing I yield myself 10 minutes—give my colleagues some idea why I am offering the amendment. When we get into a political subdivision or local election, we are talking about school board members, members of a water board, one who is trying to take over a precinct chairman's position. We are talking about, in one single word, officers who are essentially local in nature. If we maintain the bill as it is, we are in effect saying that we are going to have Federal funding of every local election there is in the country. It does not seem to me to be proper to do that. What we are really saying in the countryside as a whole is that, the more we can get people to run for local office, the better our local governments will be, but in almost every case there is very little money involved in the process of running for local office.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. DOMINICK. Mr. President, let me just take some examples, if I may. Under the bill as it is written, as I see it at the moment—and if I am wrong I hope someone will correct me—a person is entitled to take up to a $25 Federal income tax credit on contributions that he or she may make to any local candidate. A $25 income tax credit, no matter how one slices it, in terms of revenue to the Federal Government means a pretty substantial amount of money. As I have said on many occasions, it amounts to a gift which is far bigger than the $25 which will be accruing to the benefit of the person. It also means that wealthier people who have the money will be the ones who will be choosing the local candidates, because they will be the ones who will be pouring the money in.

I do not know how it is in other States, but in our area of the world, most of the local candidates, whether they run for a water board or for the city council or for a trusteeship, do it as the Senator from Florida, who is now in the Chair (Mr. CHILES), did it recently—on their feet. They do it by going out and meeting people.

I do not see why we should not maintain that idea as far as local candidates are concerned. When one starts running for State office, whether it be Secretary of State or the State legislature, or whatever it may be in that statewide office, he gets into a little expense, because in any geographically large State he has to get some radio and television time, and, if through no other way, put out brochures to let the people know who he is. So he does hope to get some campaign expenses. I ran for the State legislature in 1954, 1956, and 1958. I had no campaign contributions. One man gave me $20 to run. That was only because I met him on the street. He did not even live in my district. He said, "You are doing a pretty job. Here is some money for your campaign." The rest of the expense I funded myself, which was not very much. However, this is not true in Texas and other States, where quite a bit of money goes into campaigns for State office. This is not true in terms of local elections.

So theoretically, under the bill as it is now written, someone who decides that he wants to get a lot of tax credit for himself and thereby reduce his tax liability could start giving money to one local candidate after another in fairly small amounts, and say, "I have given x number of dollars to this candidate, and x number of dollars to this candidate." I do not see anything in the bill which does not permit him—in fact, I think it does permit him—to take a tax credit for every single candidate he contributes to so he can knock down his tax liability almost immediately by following that procedure.

It is also possible in precinct caucuses. One is permitted to count contributions to precinct caucuses under the bill as it is written. In that instance a husband and wife could decide that the wife gives the husband money, or vice versa, to run for office, even though they do not follow up at all.

This particular bill applies to primary elections, special elections, and general elections, and to local precinct caucuses and conventions, as well as it does to State and Federal.

It is for that reason that it seems to me we ought to make some changes, and not just proliferate and increase the centralization of government to the point where we try to get the Federal Government to take care of every single expense one may have in the political field. I say this with some experience in the field, having been in State politics as well as in national politics.

The specific changes I have proposed can be found on pages 3, 4, and 5. What I do is simply provide that—

> The term "political contribution" means a contribution or gift of money to an individual who is a candidate for nomination or election to any Federal or state elective public office in any primary, general or special election, or in any national or state convention.

It just eliminates the word "local."

Then, as far as the committees are concerned, I say the same thing with respect to the committees down on page 3, and then, on page 4, I have left in subsection (E), which refers to a local committee, because if the amendment is adopted, you can still give contributions to a local committee, but that local committee can only give it to a State or Federal nominee, or a person seeking the nomination. Therefore, we left that in.

I do not really think this is terribly difficult to understand, and I do think it is important, so that we do not continue to proliferate all the tax credits and deductions which we now have in our Federal income tax system.

Having said that, I am happy to reserve the remainder of my time, unless someone else wishes to speak on it at this point.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, the Senator from Rhode Island (Mr. PASTORE) has asked me to manage his time in his temporary absence.

It is the feeling of Senator PASTORE, and it is also my feeling, that this matter could be handled either way. You could limit it to only Federal candidates, or Federal and State candidates, and you could do that with considerable logic, as the Senator suggests, or you could permit the taxpayer to take advantage of his $100 deduction to contribute wherever he feels the contribution would most serve the interests of good government or his own personal interests. If he thought that a campaign for sheriff was where he could spend his money most effectively to advance the cause, he could make his contribution to the candidate for sheriff. It might be that that would be the most important single election, as far as his interests were concerned, or the most important election might be a race for the school board. Perhaps his brother might be running for the school board. As much as he might be concerned about the outcome of the presidential election, the school board election would be the most important election as far as he was concerned. It might be his wife running for the school board; for him, that would be the most important election in many years.

As I understand the Pastore amendment with regard to the $100 deduction, it is based on the theory that the taxpayer would have the privilege of claiming a deduction made for up to $100 of campaign contributions for whatever election or to whatever candidate he thought would be most desirable.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. TALMADGE. Does the Senator not feel that if it is in the public interest, by way of either a tax deduction or a tax credit for campaign contributions to aid candidates for Federal office, it is equally important and in the public interest to aid candidates for Governor of a State, or as attorney general of the State, or county school superintendent, or county sheriff, or mayor of a municipality?

Mr. LONG. That makes good sense.

Mr. TALMADGE. To follow any other course would, in effect, amount to invidious discrimination against State, county, or local officeseekers, would it not?

Mr. LONG. The Senator is correct. The theory of this provision is that the taxpayer has the right to make a political contribution where he thinks it should be made, and it might seem to the taxpayer that it is far more important to contribute to a candidate for mayor, Governor, or attorney general. It might be that he might feel, for example, in a particular State, that the No. 1 problem in government, from his point of view, was the fact that they did not have a good attorney general in the State, to ferret out corruption and assist the district attorneys, or do the job for them they would not do for themselves.

Mr. TALMADGE. Will the Senator yield further?

Mr. LONG. I yield.

Mr. TALMADGE. Does he not think there would be severe criticism leveled against the Congress of the United States if we were to pass a measure of this kind extending a particular benefit or privilege to candidates for the Senate or the House of Representatives, but denying the same benefit or privilege to candidates for State, county, municipal, or local office?

Mr. LONG. I think we could explain it, but I think we would have to do a lot of explaining to make our constituents understand. I can understand how it can be defended, but I think we would have to do quite a bit of explaining, especially every time we appeared before the League of Women Voters or some other group which had a nonpartisan interest in good government, why we wanted to grant a tax advantage for a person to contribute to a Federal election but not to a State or local election.

Mr. TALMADGE. Will the Senator yield for a brief comment?

Mr. LONG. Yes.

Mr. TALMADGE. It is my belief that this particular provision is in the national interest. It will enable a candidate for political office to attempt to solicit and collect a maximum number of small and modest contributions, and will free that particular candidate from the severe problem of trying to solicit and collect large contributions from big business, big labor, or someone who may have a political ax to grind.

All of us know that with the advent of television, and particularly with inflation, campaigns are now enormously expensive. It is reported that in many States a candidate for Governor must spend millions of dollars, and in many

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States a candidate for the U.S. Senate must spend millions of dollars.

Where is that money to be obtained? Either from big business, big labor, or some other special interest that may have some political ax to grind. I think it is in the national interest to try to create an atmosphere and a tax policy where the average citizen, whether he be the butcher, the baker, or the candlestick maker, will be encouraged to make modest contributions to aid a candidate of his choice for any office, whether that office be local, municipal, county, State, or national.

I do not think we can make that a policy for national offices, and deny it as a policy for State offices. I do not think we can make it a policy for national offices and deny it as a policy for county offices or municipal offices or local offices. If it is fair for one, it should be fair for all, and it should be all-inclusive.

There is ample protection here, because every taxpayer is entitled to only one credit or one deduction, as the case may be, for his political contributions in any particular tax year, and that particular taxpayer can make a choice of the candidates and election that interest him most.

He may think, "We have a corrupt sheriff, and we want to kick that corrupt sheriff out," and if that is the case, he and the other people of that particular county can join together, under this tax policy, and make up a fund of modest contributions to kick out that corrupt sheriff. The same thing may be true of any other local official, State official, or Federal official.

I think it is a good policy, and I think the amendment offered by the distinguished Senator from Colorado is wrong, because if it is a good policy for national candidates, it ought to be a good policy for every candidate.

I thank my distinguished chairman for yielding.

Mr. LONG. Mr. President, I appreciate the statement of the Senator from Georgia. The Senator, down through the years, as far as I can determine, has been the principal sponsor of the thought that we ought to have a $100 tax deduction or a tax credit for every citizen, no matter what election he wanted to contribute to, whether it be State or Federal.

One of the problems, Mr. President, is that to grant a deduction or a tax credit for a contribution to a Federal election and not to a State election would seem to imply that we suggest one should think it proper to contribute to the outcome of a Federal election but not proper to contribute to the outcome of a State election; and, of course, no one intends to suggest that. Or it would tend to suggest that, it is a higher cause to contribute to a Federal election than a State election, and we do not wish to suggest that, because local government is every bit as important as National Government, if the people of this land are not to be ruled by those who would do so without their consent.

So, while I am sure it can be argued that if we can clean up the Federal Government, the States ought to have the burden of cleaning up State government, as a practical matter, it is the Federal Government that collects these vast amounts of money in income taxes.

If this approach is to be used to help finance government through small contributions of individual taxpayers, then it would seem to me that it is better to let them contribute to all. I think that this will be a good bill either with the Dominick amendment or without it; but I am constrained to the view that the taxpayers would understand better our purpose and approve of it more completely if we proceeded as suggested by the senior Senator from Georgia, rather than limiting this matter to Federal elections.

Mr. COOK. Mr. President, will the Senator from Colorado yield?

Mr. DOMINICK. I yield.

Mr. COOK. This gives me serious problems, if it says what I think it says, and I would like it cleared up.

Last year, during the debate on this bill, when we were discussing the ability to have a tax deductible credit and a credit to make a campaign contribution, it was limited specifically to candidates for Federal offices. I argued vehemently then that it was wrong, that it was unfair, and why would you deny a candidate for mayor or a candidate for Governor or a candidate for sheriff, or whatever the case might be, the right to fit within the same category? Is this the essence of what the Senator from Colorado is doing?

Mr. DOMINICK. I am saying that you can contribute to any primary, special, or general election for Federal or State office, but not for the local office. I have to make that clear.

The reason is that we are talking about primaries and even talking about local caucuses and conventions. So in a caucus, under this, you could theoretically contribute x number of dollars to your wife to run for the caucus; she puts her name up; and you have a deduction, and she does not even run. This is the problem of this bill as it is now.

It seems to me that we are saying that everybody in a high income tax level who has enough money to give away $100, can get a tax deduction for every Tom, Dick, Harry, or Jane who wants to run for office. They do not have to run. They say they are a candidate and sit on their front porch for the rest of the time, and this gives them an income tax deduction. I do not think it is right to have it that way.

Mr. COOK. I thank the Senator.

I must confess that I am still rather concerned about the fact that I can see the Senator's point perfectly on local conventions and caucuses. I think the person ought to be a bona fide candidate, and I think he ought to be a qualified candidate under the State law and ought to be a filed candidate for office. But I do have problems with the fact that we get to the State level and we say, for example, that a mayor, a judge, or a magistrate who is a bona fide filed candidate under the laws of my State—or any other State—should not be given the right to solicit funds and have a portion of those funds from the contributor constitute a deduction by the contributor.

I have had problems with the words "local convention and caucus" ever since we read the amendment. I think that perhaps this goes too far.

I am wondering if there is some way the Senator might amend the amendment to include bona fide candidates or bona fide filed candidates so that we cannot discriminate against a group who I feel should not be discriminated against.

Mr. DOMINICK. I will say this to the Senator from Connecticut: What I am trying to do here is simply to have some limit on the amount of people who are going to be claiming deductions because some friend of theirs stood up and said, "I want to be a candidate."

Let me point out to the Senator from Kentucky that in order to be a candidate to whom one might contribute, all you have to do is to publicly announce that you are a candidate for nomination or election. So that, presumably, anybody who wants to, who is running, whether it be for the city council or the water district or the sewage district or anything else, can get up and say, "I am a candidate." Then he gets a contribution from his wife. Then he does not do any more. He does not even get the nomination or win the election. But they get a tax deduction or a tax credit, depending upon which way they want to go. I do not think it is right.

I do not have the figures of the number of committees and caucuses and local offices there are in this country, or how many people run for office every 2 years; but I will say that we have 535 Members of Congress, 50 Governors, at least 5,000 State legislators, at least 315 State offices in the country, and I would think a whale of a lot more than that. That already amounts to 5,900, in round figures, of State and Federal people, not counting anybody else who may have been a candidate and did not win. Then you go into the local areas in the districts, the water districts, the sewage districts, the school districts, the city councils, the city villages, the city township—every one of these you can think of, whether it be in Louisiana or Colorado or New York; and you are dealing not only with the people who have been nominated by their party and who are running, but also the ones who are seeking nomination, the ones who get eliminated from the primaries or whatever it may be.

I can assure you that you are going to have hundreds of thousands of eligible people to whom anybody can give money and get a tax deduction. It does not seem to me that this makes any sense.

What we have been trying to do in this bill, to some extent, is to maintain some fiscal credibility with the people of this country, so that we do not have a larger deficit in 1973 than the one that is already anticipated. I think if we go this way, we are really going to be creating a major impact on the Federal budget.

Mr. COOK. Mr. President, I thank the Senator.

Mr. DOMINICK. I will continue, if I may, because I think it is important.

When we get down to the political contribution, subsection (b), it says that you can make a political contribution to any committee, association, or organization, whether or not it is incorporated, organized, and operated exclusively for the purpose of influencing or attempting to influence the nomination or election of one or more individuals who are candidates for nomination—not nominated—or election to any Federal, State, or local elective public office, for use by such association or organization to further the candidacy of such individual or individuals for nomination or election to such office.

If you leave it that way, you are going to have the greatest proliferation of associations, committees, and organizations, whether they are for the benefit of the Senator from Colorado or the Senator from Kentucky, or for whoever else may decide they are going to run on either the "vegetarian" ticket or the "stars and stripes" ticket, or whatever it might be. They are going to be all over the country, and everybody is going to be taking advantage of this. For what purpose? Not because they are going to win, because they have an issue, but because they want to get a tax deduction.

It seems to me that if we are going to have tax deductions in this way, we ought to maintain them for a universal purpose such as the ones we have now in the income tax law—educational, charitable, and beneficial purposes.

Here we say that we are going to do it for everybody, all over the country, who is running for political office. I confess that I simply cannot see why we should go this far. I think we are going pretty far when we get into a situation in which we are dealing with both primaries and general elections, and when we are dealing with special elections and with State and Federal elective offices.

I just did a quick computation, and we already have more than 5,900 people right there, not holding office, not even those who are candidates. So an enormous number of people will be dealing with this problem.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. BENNETT). Who yields time?

Mr. WEICKER. Mr President, will the Senator from Colorado yield me 3 minutes?

Mr. DOMINICK. I yield.

Mr. WEICKER. Mr. President, I commend the distinguished Senator from Colorado on his amendment. He realizes, as do I, that the whole package that is before the Senate is an irony, aside from being wrong. Let me read the summary as it appears on the first page of the committee report, as to what we are supposed to be doing on the Senate floor today and in days past. We are supposed to be acting on the Revenue Act of 1971.

The summary states:

> Put our present lagging economy on the high growth path.
>
> Increase the number of jobs and diminish the high unemployment rate.
>
> Relieve the hardships imposed by inflation on those with modest incomes.
>
> Provide a rational system of tax incentives to aid in the modernization of our productive facilities.
>
> Increase our exports and improve our balance of payments.

Mr. President, the pending Pastore amendment probably could be called, in my opinion, "the Emergency Politicians Employment Act of 1971," because that is the only employment, I see, that will be increasing in the days ahead, as we will be taking care of ourselves before we will be trying to help the American people.

This does not stand as a separate issue before the Senate but, rather, is the creation of this large fund to be made available to the politicians of this country.

I represent the State of Connecticut which has 10 percent unemployment today, because of the miscalculations of previous Democratic administrations in getting us into the Vietnam war which the American public as a whole must pay for. I suspect, more than the money, that is the reason why the Democrats are not in the White House today. Yet they have the gall to come on to the floor of the Senate at a time when Americans are being asked to sacrifice at home in order to get the country back into a strong economic position, and try to squeeze this amendment into the Revenue Act of 1971.

I think that is irony.

I believe that the American public will not appreciate that for very long.

If anyone can show me the connection between this amendment and what I shall repeat exactly what the bill is supposed to be all about; namely, the first item, "put our present lagging economy on the high growth path." This fund would be made available to candidates at all levels. Where does that relate to "putting our present lagging economy on the high growth path"?

The second item in the summary is "increase the number of jobs and diminish the high unemployment rate." How does this amendment accomplish that?

"Relieve the hardships imposed by inflation on those with modest incomes." We cannot do that because it takes $1 out of everyone's pocket and puts that money into the pockets of politicians.

"Provide a rational system of tax incentives to aid in the modernization of our productive facilities." I suggest that if the Democratic party wants to modernize itself, it do so on the issues rather than on the people's money.

"Increase our exports and improve our balance of payments." If there is some connection between any of the purposes I have cited in the report of the committee of the distinguished Senator from Louisiana (Mr. LONG), I would very much like to know what it is.

In the attempt of the distinguished Senator from Colorado to try to whittle down the bill, he has my 100-percent support. But may I suggest that I do not think it stands to the credit of this body if we should adopt the Pastore amendment when we have people throughout the country who are very much in need and who are suffering. We keep talking about the "little people" who are out of work, and so forth, but that does not have anything to do with what we are discussing here, except that we are trying to figure out a better way of slicing up the American taxpayers' money and giving it to ourselves.

I think it is a disgrace.

Mr. DOMINICK. Mr. President, I thank the distinguished Senator from Connecticut for a very cogent and powerful statement.

Mr. President, with respect to this particular amendment that I am dealing with now, I invite the attention of the Senate to the fact that if an individual is allowed to determine whether he will take a tax credit or a deduction, it will obviously mean that anyone in a tax bracket where he can take a real tax advantage—in other words, the wealthier people, as this thing goes up and we scale it up on the income tax brackets—will be taking the deduction. Heaven only knows how much this will mean in terms of its impact on Federal revenues, because the wealthier people will be giving contributions to any number of nominees for any of the local offices and then taking deductions on all of them. If it will drop them into a lower bracket as a result, that will mean a bigger tax advantage for them, probably twice as much as the amount they contributed to the candidate. I do not understand why we should take a bill which tries to deal with this problem and then proliferate it to this extent.

I listened very carefully to my good friend from Georgia, when he started to talk about the sanctity of local political offices. I agree that they are. They are great offices. Hopefully, we will get great people to run for them. In most cases, we do—not all, but in most cases; but when we take the Federal revenue and say that those we will give it to will be determined by the number of people running for any local public office, we will have everybody in the country running. That does not seem to me to make very much sense.

Mr. President, I reserve the remainder of my time.

Mr. LONG. Mr. President, those of us on this side in opposition to the amendment are prepared to yield back our time, if the Senator from Colorado is.

Mr. DOMINICK. Mr. President, what is the time situation now?

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Colorado has 6 minutes remaining and the Senator from Louisiana has 20 minutes remaining.

Mr. LONG. Mr. President, I yield back my time.

Mr. DOMINICK. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Colorado (Mr. DOMINICK).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Indiana (Mr. HARTKE), the Senator from South

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Dakota (Mr. McGOVERN), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. McGOVERN) would vote "nay."

Mr. SCOTT. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New Jersey (Mr. CASE) and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

The result was announced—yeas 23, nays 69, as follows:

[No. 357 Leg.]

YEAS—23

Aiken	Dominick	Stafford
Allott	Fannin	Stevens
Baker	Goldwater	Taft
Bennett	Hansen	Thurmond
Buckley	Hruska	Tower
Cooper	Jordan, Idaho	Weicker
Cotton	Percy	Young
Curtis	Smith	

NAYS—69

Allen	Fulbright	Miller
Anderson	Gambrell	Mondale
Beall	Gravel	Montoya
Bellmon	Gurney	Muskie
Bentsen	Harris	Nelson
Bible	Hart	Packwood
Boggs	Hatfield	Pastore
Brock	Hollings	Pearson
Brooke	Hughes	Pell
Burdick	Humphrey	Proxmire
Byrd, Va.	Inouye	Randolph
Byrd, W. Va.	Jackson	Ribicoff
Cannon	Javits	Roth
Chiles	Jordan, N.C.	Schweiker
Church	Kennedy	Scott
Cook	Long	Sparkman
Cranston	Magnuson	Spong
Dole	Mansfield	Stennis
Eagleton	Mathias	Stevenson
Eastland	McClellan	Symington
Ellender	McGee	Talmadge
Ervin	McIntyre	Tunney
Fong	Metcalf	Williams

NOT VOTING—8

Bayh	Hartke	Mundt
Case	McGovern	Saxbe
Griffin	Moss	

So Mr. DOMINICK's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HOLLINGS) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 1828) to amend the Public Health Service Act so as to establish a Conquest of Cancer Agency in order to conquer cancer at the earliest possible date, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. ROGERS, Mr. SATTERFIELD, Mr. KYROS, Mr. PREYER of North Carolina, Mr. SYMINGTON, Mr. ROY, Mr. SPRINGER, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, and Mr. SCHMITZ were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 640. An act to amend the Tariff Schedules of the United States to permit the importation of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins free of duty;

H.R. 6065. An act to amend section 903 (c) (2) of the Social Security Act;

H.R. 7577. An act to amend section 3306 of the Internal Revenue Code of 1954;

H.R. 10604. An act to amend title II of the Social Security Act to permit the payment of the lump-sum death payment to pay the burial and memorial services expenses and related expenses for an insured individual whose body is unavailable for burial; and

H.R. 11731. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

The message further announced that the House had agreed to the resolution (H. Res. 709) requesting the return to the House of the bill (H.R. 10729) to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes, and that the Clerk had been authorized to reengross the bill, with a correction.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 2559) to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans.

The enrolled bill was subsequently signed by the President pro tempore.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 640. An act to amend the Tariff Schedules of the United States to permit the importation of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins free of duty;

H.R. 6065. An act to amend section 903(c)(2) of the Social Security Act;

H.R. 7577. An act to amend section 3306 of the Internal Revenue Code of 1954; and

H.R. 10604. An act to amend title II of the Social Security Act to permit the payment of the lump-sum death payment to pay the burial and memorial services expenses and related expenses for an insured individual whose body is unavailable for burial; to the Committee on Finance.

H.R. 11731. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes; to the Committee on Appropriations.

NATIONAL BETA CLUB WEEK

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 475, Senate Joint Resolution 153.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The joint resolution was read by title as follows:

A joint resolution (S.J. Res. 153) designating each week which begins on the first Sunday in March as "National Beta Club Week."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution which had been reported from the Committee on the Judiciary with amendments on page 1, line 4, after the word "proclamation", strike out "each year"; and, in line 5, after the word "March", insert "1972"; so as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the week which begins on the first Sunday in March, 1972, as "National Beta Club Week", to recognize the National Beta Club for its dedication to the positive accomplishments of American youth and to encourage the furthering of its goals to promote honesty, service, and leadership among the high school students in America.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. GOLDWATER. What is the National Beta Club?

Mr. BYRD of West Virginia. I refer the question to the distinguished Senator from North Carolina, who is a coauthor of the bill.

Mr. JORDAN of North Carolina. It is an honorary high school society, about the same as Phi Beta Kappa in universities, which stands for patriotism, scholarship, and a great many things the country needs badly and which I hope we can encourage by this resolution.

The Senator from Arkansas (Mr. McCLELLAN) and the Senator from Nebraska (Mr. HRUSKA) reported the joint resolution from their committee unanimously and I would like to see it pass.

Mr. GOLDWATER. I thank the Senator. I hope they have better luck than they have had in some Phi Beta Kappas.

Mr. BYRD of West Virginia. Mr. President, I ask that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are considered and agreed to en bloc.

The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question

is on the third reading of the joint resolution.

The joint resolution (S.J. Res. 153) was ordered to a third reading, was read the third time, and passed.

The title was amended, so as to read: "A joint resolution to designate the week which begins on the first Sunday in March 1972, as 'National Beta Club Week'."

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. WEICKER. Mr. President, I call up my unprinted amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 7, line 8, delete "1971" and insert in lieu thereof "1977";

On page 26, line 22, delete "1972" and insert in lieu thereof "1977";

On page 29, line 2, delete "1970" and insert in lieu thereof "1976".

Mr. WEICKER. Mr. President, we have had some very serious charges put forth on this floor during the course of this debate. In essence accusations have been made that there might be some impropriety on the part of those Senators who are potential presidential candidates voting themselves a slice of public money. In addition, it has been perceived by this Senator and members of the press, that this is not a campaign reform but rather a bill to wipe out the deficit of the Democratic Party.

The purpose of the amendment is to remove any suspicion of impropriety by any Senator in this Chamber, Republican or Democrat. It makes the effective date of the legislation 6 years from now.

Therefore, none of us could be accused of having voted for a bill which is going to inure to our financial benefit. It will also mean when each of us stand for reelection we will have it as a part of our record.

By the same token, it does away with any intimation that the Democrats are using the guise of campaign reform to pay off their deficit. No deficits of the past would be covered if the effective date of the bill were 6 years from now.

Lastly, it says to the Senator from Rhode Island that the concepts of campaign reform which he has in this bill have merit and that they should not be muddied up. That theory should not be confused with the harsh realities as presented here today.

Certainly, it would be of concern to me were I a member of the opposition, to read the UPI release which I state:

WASHINGTON.—Senate Democrats beat down a Republican challenge today to their plan to finance next year's presidential election campaigns through a $1 per taxpayer checkoff on 1971 income tax returns.

Conservative and liberal Democrats joined in an unusual display of party unity to defeat a Republican effort to scuttle the plan, designed to provide $20.4 million for their debt-ridden party's candidate as well as another $20.4 million for the Republicans.

It would bother me. Why should thought-out legislation designed to improve our campaign procedures be confused with the very real issue of a Democratic debt? By the same token, I think there is not one of us in this Chamber who would care to have our beliefs or our votes confused with the issue of conflicts of interest or the fact that we are being self-serving.

There is great disbelief in the Nation today as to the profession which is ours, Mr. President, the men I have served with at the local, county, and State level, and in the House and the Senate, Mr. President, are without question honorable men.

However, there are those who try to sully, if you will, by words and by innuendo, the service that each one of the Members of this body performs, and we give our detractors grounds for attack when we pass this kind of legislation.

On the other hand, if we shall be enlightened enough to remove ourselves from the benefits of our own legislation, then we create credibility as between politicians and the public.

I have already indicated to my colleagues that questions are going to be asked, why this particular piece of legislation at this moment in time? I thought the purpose of the bill before us, the Revenue Act of 1971, basically was designed to stop inflation, so the dollar would be worth something, so it would stay in the pockets of the people, so it would get people back to work, which means a great deal to me, coming from a State with 10 percent unemployment, to go ahead and create a fair trade situation throughout the world. Those are the purposes of the legislation to which this proposal has been tacked on.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. DOLE. Do I understand that the Senator's amendment delays the effective date of this amendment or the distribution of the funds until 1977?

Mr. WEICKER. It would delay the distribution under this amendment until 6 years from now, so that no man serving in this body would benefit from the legislation, at least until he had stood before his own people who had elected him and said, "This is what I voted for myself."

Mr. DOLE. But 6 years from now there will not be a presidential election.

Mr. WEICKER. That is right. The next presidential election will be in 1980.

Mr. DOLE. But there may be some present Members who will be seeking the Presidency in 1980. Will they be included?

Mr. WEICKER. They will also have the opportunity to go back to the people in their home States and say, "I voted for this money. If you do not think I am right, you have an opportunity of getting me out of office," but they must own up to their action.

Mr. DOLE. If the Senator is going to put the date back to make sure nobody here will benefit from it, that is difficult to do, because we all have different longevities. This is the greatest fund-raising thing in history. I have gone to campaign activities where one did not have anything to eat. But we can see what happens when the majority will override the minority. We are concerned about fund raising in the Republican Party. We have the same difficulties they have in the other party. One may talk about organizations and fat cats, but we could say the same about labor unions pouring millions of dollars into Democratic campaigns.

But at stake here is much more than that. It is not participation when we give Federal money to a political party or a political candidate. Why not a checkoff for the Boy Scouts? Why not a checkoff for the Red Cross? Why not a checkoff for all the other things? It does seem to indicate, as the Senator said, that we seem to take care of ourselves first. We talk about poverty, about the needs, about hunger, and about all the other problems, but the first thing we do is see an opportunity to raise $20 million for a Democratic or Republican candidate.

I think it is wrong in principle. I think it is the wrong place to do it at this time. We are talking about creating jobs. This is going to create some jobs—a lot of people might run for President. They might get a job. What we have seen today is a partisan effort—I do not say to pay off a deficit; maybe this would not be enough for that, but it does indicate that we are laying the foundation for the Federal Government to take over the entire role of financing presidential elections, and that should be the role of the private citizen.

Mr. WEICKER. I thank the Senator. Mr. President, when the vote comes, I ask that it be by the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered.

Mr. WEICKER. I yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. WEICKER. I yield.

Mr. AIKEN. Does this bill, without his amendment, curtail the amount that one can give as a tax-exempt contribution to charities and others? I was wondering, if we encouraged people to give to political candidates, whether they would not deduct that from the amount they would give to the Cancer Society, Girl Scouts, Boy Scouts, churches, and other worthwhile institutions.

Mr. WEICKER. That is very possible. I concur.

Mr. AIKEN. Unless there is an increase in the total percentage of deductible income which can be contributed to this purpose, because many organizations receive it in small contributions, under $100, and get it from people who do not have much money but who are generous in spirit. So if they give money to a political candidate, they cannot give it to the Boy Scouts, environmental societies, or other organizations and have it deductible.

Mr. WEICKER. I would like to ask the Senator from Vermont, also, because he is a man of experience in the legislative field, does he honestly feel, as he has seen legislation develop over the years, that the amounts in the bill to be allocated to politicians are going to stay at the same

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level, or does he think they are going to be raised?

Mr. AIKEN. The amount will undoubtedly be raised and that is not going to improve the integrity or honesty of the candidate in any way. As far as I can see, I think the whole amendment is bad and will contribute to more dishonesty in election time, rather than improve the situation.

Mr. WEICKER. I thank the Senator from Vermont.

Mr. AIKEN. I do not know how we can make a candidate honest if he does not want to be honest. We cannot legislate honesty. We cannot legislate ethics. We can provide penalties for infractions of some of the rules of humanity, but it is not easy to enforce them. I do not think we can legislate honesty.

Mr. WEICKER. I concur. Of course, what we are doing here is subsidizing mediocrity. That is what we are doing.

Mr. AIKEN. I feel the money would come from that which would otherwise go to people and organizations that could use the money to do some good.

Mr. WEICKER. I repeat what I said previously. The Senator from Vermont, in the last campaign, spent $17. He splurged in the last campaign, because in the previous campaign he spent $16. Obviously, it is the integrity of the man to be elected to office that counts. His opponent spent much more than that. The American people are not so blind as not to recognize these qualities. Plaster as you will his name on television and radio—it is what the man stands for that is going to bring him to these Halls.

Mr. COTTON. Mr. President, how much time does the Senator have remaining?

Mr. WEICKER. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 15 minutes remaining.

Mr. COTTON. May I have 4 minutes?

Mr. WEICKER. I yield 4 minutes to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I did not intend to participate in this debate. One reason is that I hold the distinguished Senator——

The PRESIDING OFFICER. Will the Senator use his microphone, please?

Mr. COTTON. I thank the Chair.

I did not intend to participate in this debate. One reason is that I serve with the distinguished Senator from Rhode Island (Mr. PASTORE) on the Committee on Commerce. I hold him in the highest regard since I personally know of his sincerity in all things. I therefore did not want to get into the position of being unduly critical of his amendment knowing of his good intent. I happen to know the Senator from Rhode Island has labored long and hard, not just this year, and not just this session, to work out a reasonable and effective method to control campaign expenditures and to reform the election process.

However, owing to the remarks made by the Senator from Connecticut (Mr. WEICKER) on his amendment, I find myself compelled to call the Senate's attention to two or three things.

First, I agree wholeheartedly with the Senator from Conecticut (Mr. WEICKER) in his previous remarks that this whole subject of campaign financing is completely foreign and alien to the purposes of the bill H.R. 10947, which is before us.

It is not only completely foreign and alien, but it represents a contradiction.

In the second place, I think the Senate should realize that a bill, S. 382, dealing with campaign expenditures and the furnishing of money for campaign expenditures already has been studied long and hard by two committees of this body. First, it was considered by the Commerce Committee, where the distinguished Senator from Rhode Island (Mr. PASTORE), the author of this amendment, led the deliberations of that committee, and many points were thrashed out. Then, after being reported by the Commerce Committee, it went to the Committee on Rules and Administration. There again it was subjected to intensive scrutiny. Finally, it came to the Senate where, after several days of debate, it was passed in August of this year. That bill, S. 382, dealt with this whole question.

Now, as for the amendment of the distinguished Senator from Rhode Island (Mr. PASTORE), it does nothing to limit expenditures. In fact, it encourages expenditures. On the other hand, the bill, S. 382—and much of the credit for it should go to the Senator from Rhode Island (Mr. PASTORE)—which the Senate passed earlier, had careful limits on expenditures for television, radio, and other media. While I did not agree with every feature of that bill, it was a complete bill. It was the work product of long and careful study by committees and floor debate.

That bill, S. 382, then went to the House of Representatives, where similar companion measures were again subjected to close scrutiny by two House committees—the Committee on Interstate and Foreign Commerce and the Committee on House Administration. And, today those similar House measures, as well as S. 382, are on the floor of the House of Representatives where their consideration has commenced.

When we are dealing with as revolutionary a subject as laying down new rules of procedure governing the most vital political institution in America—the conduct of the election of candidates for high Federal office—it requires very careful scrutiny. Yet, without such careful scrutiny in committee, we are confronted with this amendment. It is not an amendment that has not been given some thought, because the Senator from Rhode Island (Mr. PASTORE) has long been advocating reform in this area. Nonetheless it was brought up here as a floor amendment to the bill, H.R. 10947.

Also, until this very moment I have not had a member of the minority staff of the Committee on Commerce on the floor of the Senate to advise me. Members of the majority staff of the Commerce Committee, however, have been participating in the consideration of this matter, although it is a Finance Committee measure. Additionally, I note that four members of the Committee on Commerce are cosponsors of amendment No. 692 proposed by the Senator from Rhode Island (Mr. PASTORE).

Mr. President, this is not a whole proposition. It does not touch on many of the most vital areas. It is obviously pointed at just one object, as the Senator from Connecticut (Mr. WEICKER) has stated so well. I compliment him.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WEICKER. I yield the Senator 1 additional minute.

Mr. COTTON. The Senator from Connecticut (Mr. WEICKER) has stated it very well. H.R. 10947 is an act to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes. It is a measure to stimulate the economy and provide jobs. Therefore, at a time when the Senate has acted earlier on a comprehensive bill, S. 382, dealing with the subject election campaign reform and the House is debating it this very day, after which it no doubt will be sent to conference committee if passed, I think this whole amendment——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COTTON. I ask for one-half minute.

Mr. WEICKER. I yield the Senator 30 seconds.

Mr. COTTON. This whole amendment offered by the distinguished Senator from Rhode Island (Mr. PASTORE) is unwise, premature, and should not be a part of the pending measure, H.R. 10947.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, regretfully I find myself in the position, if I may say so to my good friend from New Hampshire, that I have to keep repeating myself, because the same arguments apply, apparently, on practically every amendment that comes up.

I am not seeking to legislate on morality nor am I seeking to legislate on honesty. That is not the question here at all. I think we can presume that all public officials are honest until they are proved to be otherwise.

Much has been made about the bill that was passed by this body 3 months ago. S. 2302. It was referred to by my good friend from New Hampshire. That is a bill that has to do with a ceiling on expenditures. This is a measure that has to do with the financing of a campaign for the Presidency of the United States. It does not go beyond that.

I want to say to my friend from Connecticut that if this law will be good in 1977, it is good now. If it is not good now, it will not be good in 1977. I do not think, to use an expression I have heard, that benefits inure to us. There are no benefits as such. I do not know, unless the Senator from Connecticut is going to be a candidate for the Presidency of the United States, how it could inure to his benefit. It might affect him. I know it does not affect me.

Mr. WEICKER. Mr. President, will the Senator yield at that point?

Mr. PASTORE. I yield.

Mr. WEICKER. Unfortunately, as the only foreign-born Member of this body, I am not eligible to be President of the United States.

Mr. PASTORE. I wish we could somehow amend the Constitution so the Senator would be eligible.

But the fact still remains that what we are doing here we are doing in three parts. First of all, we are facilitating the ability of a man of modest means to become an effective candidate for the Presidency of the United States; and in this day and age, that assistance has become necessary.

Why has it become necessary? For the simple reason that the costs have risen so astronomically that such candidacy has become almost impossible, unless a man is a multimillionaire in his own right, or becomes beholden to vested interests—and you can name them by the score—in which event he loses some of that independence that we seek in a President of the United States.

I do not like to see my President go to a fundraising dinner. I think it demeans the office. I do not like to see my President hopping from one city to another. And whether he is a Republican or a Democrat, he is my President. I do not like to see him do that. I would like to see him free to run that office unfettered, without obligation to anyone.

I do not like to see my ambassadors chosen because of the contributions they make to a party; and that has been the fashion. That has been the style. That has been the custom, and that has been the practice. That is what we are trying to obviate here. When the Senator says this would affect us, it would not affect us in that sense of the word.

The allowance goes to any candidate for any office, sheriff of a county, mayor of a city, candidate for a school board, selectman; and the credit applies to any office, Governor, mayor, sheriff, whatever the public office happens to be.

So this idea that we are legislating benefits for ourselves is, of course, fallacious. There was no such intention on my part. It certainly does not apply to me in any way, shape, or form.

Why did I do it? I come to the remarks of the Senator from New Hampshire. Why did I do it?

Mr. COOK. Mr. President, will the Senator yield there?

Mr. PASTORE. May I finish? Just a minute. We passed this legislation 5 years ago. This is not a new idea. For a long, long time there has been a school of thought in this country, that something ought to be done about eliminating this evil of having to raise so much money and becoming beholden to too many people in order to attain high public office. There have been those who felt that every office should be financed through public funds, and these are well-meaning people. I do not think we ought to go that far. I think that would be quite an innovation.

So what did we do? Five years ago we decided that we would finance the campaign for the Presidency in this way, but the law was nullified through the expiration of a date. A modified bill was reported by the Senate Finance Committee in 1967. When the question came up that something ought to be done, we suggested this amendment this year.

No one is trying to take advantage of another. When the complaint came up, "But the Republicans have already raised much more than the $20 million, and you are trying to chop them down," I said there was no such idea on my part. For that reason, I made the method of financing his campaign elective on the part of a candidate. So Mr. Nixon does not have to come under this.

The Senator from New Hampshire made the suggestion that some people will charge him with being evil because he does not come under this. When you run for public office, you are charged with many things; but I do not think that is going to frighten Mr. Nixon at all, and I do not think it will affect the result at all one way or the other.

What we are trying to do here, if I may be as explicit as possible, is this: If a man is nominated at a convention, or if an individual qualifies under the law to become a candidate for the office of President, at least he will have adequate money. This is designated for him through the process of building up this fund through the elective choice of the taxpayer who just allocates $1 to that purpose—the candidate will have enough money to be exposed to public attention so that the public will know him, know the issues as the candidate sees and solves them on the same level as the next man who is competing for that office.

What is so horrendous, what is so immoral, what is so dishonest about that? What we are trying to do here is to put a little equity and justice in the presidential election process. If I have failed to present that properly, if I have failed to establish sincerity of this amendment, then I beg Senators to vote against it.

This is not an anti-Republican bill. This is not an anti-Nixon amendment. This is an amendment to do something about something that needs to be corrected—and without further detour or delay. When they read that certain families have given a quarter of a million dollars in 1 year's campaign in which the Presidency was not even involved, when they hear a Senator say, "I can't afford to run unless I raise $2 million or $3 million"—do not people begin to wonder what happens to that office if it costs so much to obtain? When I hear a colleague of mine say that a man who is running against him, has a father who is a multimillionaire and the multimillionaire father makes the public declaration, "I got the money. If it costs me a million dollars, I want to see my son in the Senate"—I say when you get to that, I ask myself whether public office in this country has reached the sorry state that it is on the auction block. And I say, God help us if that has to happen.

That is what this is all about. If Senators do not believe this argument, if they do not believe this bill, please vote against it. But be certain of this—nobody is trying to take advantage. Nobody is trying to write off any debt. Nobody is trying to put something over anybody else. This is done with all the sincerity I possess, and I leave it up to the membership of this body. If Senators believe in it, they should vote for it. If they do not believe in it, they should vote against it.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. LONG. Mr. President, it seems to me that this important issue has been debated for 5 years, and there have been many arguments and disputes about precisely how this should be done I think we have resolved the many difficult problems that could be raised in connection with it.

Now we get down to the main issue, and it should not be a matter of who is right. It should be a matter of what is right. If Senators think that what the majority here want to do is right, they should vote to do it at the earliest possible opportunity. If they do not think it is right, they should never vote for it. It is that simple.

Since the day I entered politics, I have felt that we should try to find a way to reduce the influence of money in determining what happens in government. That is what this is all about. If Senators think we should do it, they should vote to do it at the earliest opportunity. If there is something wrong about the bill, they should try to improve it. After all these years of struggling with the complexity of this issue, the issue is very simple. When we finally have resolved that, it seems to me that we should vote to do it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. AIKEN. Although I am opposed to the amendment offered by the Senator from Rhode Island, I want to say this: If all publicly elected officials, including Members of Congress, and all candidates were as conscientious in their work as is the Senator from Rhode Island, we would not need to try to work up legislation to keep them going on the straight and narrow path.

Mr. COOK. Mr. President, will the Senator yield?

Mr. WEICKER. I yield 2 minutes to the Senator.

Mr. COOK. Mr. President, I listened to the dissertation of the Senator from Rhode Island, and in all fairness I must say that that is not what it is all about; because this amendment gives to the nominee for the presidency this sum of money after he is the nominee at his party convention. There are 23 State primaries in which candidates run for the presidency. The $200,000 contributions are still going to be looked for. The big contributions of how you run in California and New Hampshire and Florida are still going to have to be sought.

As the Senator from Louisiana said last night, you are still going to have to grovel for that money until August; and then when you are the nominee of your party, you know you can depend on $20 million or $21 million from August to November. But the candidates are running now, and they are incurring expenses now, and they have to get individual, private contributions to pay the bill.

Incidentally, under this bill you cannot get money after the convention when you are a full-fledged nominee and pay off the debts that you incurred before the convention. So you still get that $5,000, $10,000, $50,000, or $100,000. You still have that man who gave you $200,-

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000 because he might want to be an ambassador.

I do not think the Senator ought to sit here and say that all that is going to stop because of the Pastore amendment. That is all I am saying. Let us put it in perspective. Let us not plead with the American people and say, "All your problems are solved. No more politicians are going to have to ask for contributions from anybody, because we now have it all solved for you, and the Senator from Rhode Island said the problems are solved because "You are going to give a dollar." You are not going to give a dollar. If your taxes are $200 to the Federal Government, you are going to check, you are going to send $200 to the Federal Government, and they are going to take a dollar of your tax dollars and put it in a presidential fund. You are not contributing to this. Your tax dollars are contributing to it, and the Federal Treasury is going to be short that amount of money.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. WEICKER. I yield 2 minutes to the Senator from New York.

Mr. BUCKLEY. Mr. President, I should like to point up one aspect of the Pastore amendment which I believe is cured by the amendment which has been offered by the Senator from Connecticut, and one which ought to be of particular interest to about a half dozen of our colleagues who are mentioned as possible candidates for the Presidency next year.

I had lunch today—totally coincidentally—with a lawyer in the Justice Department. I described to him what was going on in the Chamber, and he raised a constitutional question, a question which could outlaw the candidacies of those colleagues. He referred specifically to section 6, article I of the Constitution, which states—and I read only the pertinent part:

> No Senator or Representative shall, during the Time for which he was elected, be appointed to any civil Office under the Authority of the United States, which shall have been created, or the Emoluments whereof shall have been encreased during such time; . . .

Mr. President, perhaps the amendment offered by the distinguished Senator from Rhode Island does not fit into the letter of the constitutional provision, but it surely does go against the spirit. It surely would raise a grave constitutional problem for any colleague of ours who has his hat in the presidential ring.

Certainly we are creating a quasi-official office or a candidate for the President of the United States. Certainly the receipt of $20 million with which to pursue that candidacy would be a most handsome emolument.

I, therefore, urge the entire Senate, especially those contemplating the Presidency, to carefully consider whether it is not in their best interests, and in the best interests of the Senate, to postpone the effective date of this legislation for 6 years, as proposed.

The PRESIDING OFFICER (Mr. BENNETT). The time of the Senator from New York has expired.

Mr. COTTON. Mr. President, who controls the time on the bill?

The PRESIDING OFFICER. There is no time on the bill. The Senate is working on each amendment, one at a time.

Mr. COTTON. So there is no time available?

The PRESIDING OFFICER. There is no time available on the bill.

Mr. COTTON. I thank the Chair.

Mr. PASTORE. Mr. President, what is the time situation on the amendment?

The PRESIDING OFFICER. The proponents have 7 minutes and the opponents have 17 minutes remaining.

Mr. PASTORE. How much time would the Senator from New Hampshire like to have?

Mr. COTTON. Just about 2 minutes.

Mr. PASTORE. I will yield the Senator 2 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 2 minutes.

Mr. COTTON. I thank the Senator from Rhode Island (Mr. PASTORE) very much. I want these 2 minutes granted to me through the generosity of my friend from Rhode Island (Mr. PASTORE) to comment on his reply to me.

Mr. PASTORE. That is all right. I do not mind that.

Mr. COTTON. The Senator mentioned my name a few minutes ago. I do not question the motives of the Senator from Rhode Island (Mr. PASTORE) or any other Senator. But, let us not stand around here for 2 or 3 days and kid ourselves. The result of this amendment, if it is adopted, is as plain as the nose on one's face.

What would it insure? It does not mean that the Democratic candidate for the office of President of the United States or the Republican candidate for the same office will not get money, because when one is the head of the national party, with Senators, Representatives, Governors, and everyone else running as a team, the money comes in and no one can stop its being spent. Thousands of people on both sides are spending the money.

But, what the amendment will actually accomplish—and let no one fool himself—is to make sure that the Governor of Alabama will have the ways and means to split the South. That is the prime thing that will be accomplished by this amendment. Let no one deceive himself. That is what it is intended to accomplish. Now, I do not wish to impute this motive necessarily to the Senator from Rhode Island (Mr. PASTORE). He could have been innocently entrapped by other politicians [laughter] but that is the aim of his amendment. We can talk all we want to. We know it.

To quote what once was said about a great candidate who did not get very far, "In your hearts you know he's right!" [Laughter.]

Mr. PASTORE. All I want to say to the distinguished Senator from New Hampshire is: Talk for yourself now.

Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota (Mr. HUMPHREY).

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. HUMPHREY. Mr. President, I rise in support of the amendment of the Senator from Rhode Island. I speak from experience. This amendment is badly needed. It is imperative. It is sound public policy.

This amendment goes to the heart of the political processes in the United States: The relationship between politics and money. It affects the most important and most critical elective office in this Nation: the Presidency.

Mr. President, there is a saying in this country that "anyone can run for President." But, it is not true, Mr. President. For the basic fact is that the cost—the dollars and cents it takes to run for office—is fast pricing the Presidency beyond the reach of many highly qualified, dedicated, public men.

Campaign costs increase every year. Estimates for all campaign expenses in 1968 have been calculated at almost $250 million—including primaries, congressional, senatorial, and local races.

Campaign costs are estimated to have been over $44.2 million for the presidential race alone in 1968.

Mr. President, it costs money to hire a competent staff, to maintain a headquarters, to pay for telephones, to pay travel expenses.

And it costs money for media—for advertising, for television, for radio.

Politics is not cheap. But, that is just the point—it should be inexpensive. Because politics determines the course of the country. And, every citizen has an interest in how this Nation develops.

Mr. President, since August, we have been in the midst of the economywide freeze. I call upon the President of the United States, the Republican and Democratic Members of the Congress, to vote to freeze campaign costs—to stop the spiral that is pushing politics beyond the people.

And I think this amendment is a solid first step. It complements the reform efforts we passed earlier this session.

The $1 checkoff, the $25 tax credit, and the $100 deduction are badly needed reforms in campaign financing.

These amendments will accomplish several goals.

First, they will help increase the knowledge of our citizens of events, issues, and the viewpoints of candidates. Citizens will have a viable, visible stake in the election. They will feel part of the process, rather than being shutout of the process.

Second, it will stabilize the cost of campaign funds—and it will still provide the maximum latitude for candidates to get their message to the people.

Third, it would re-establish the notion that the Presidency is not out of the reach of American citizens. It would humanize the presidential institution.

Fourth, it would broaden the base of political financing. Numerous surveys have shown that over 80 percent of our citizens have said that they would be willing to contribute to a political campaign if asked. This method of this amendment would allow them to do so.

Finally, Mr. President, I would like to deal with one last issue: I do not believe that the Presidency is for sale. Wealthy people do not buy candidates for the Presidency.

But, what is at stake in our system is the ability to articulate issue, to provide leadership, guidance and bring about policy changes that meet the needs of people.

Ours is a nation that thrives on the interchange of ideas—that relishes the arguments of ideas. To the extent that ideas are kept from coming to the fore by the lack of financing, all Americans suffer. To the extent that only citizens of private wealth have a hearing before Government, our Nation suffers.

Mr. President, President Eisenhower has said that it is "outrageously costly to get elected to public offices." Presidents Kennedy and Johnson have sent message on the subject of campaign financing to Congress. President Nixon has alluded to finding some limitation on campaign spending.

Mr. President, the time has come for us to heed the advice of the people, to heed the advice of former Presidents, and pass this legislation.

Everyone points the finger at those who run for public office today. If we run for the highest office in the land, then the whole hand is pointed at us. People say, "There must be something wrong. Who are the big contributors?" We have to go around explaining that the contributors are not asking for anything or that they are making no demands. I can honestly say that no demands have been made on me as a condition for making contributions.

The only way the question can be finally answered is to do it by means of the Pastore amendment, which would provide that the citizenry of this country will have something to say about the financing of politics.

Mr. President, I always thought, during a campaign, that most of the money that was collected never even got to the candidate. I always felt there were several middlemen in the picture. [Laughter.]

Adoption of the Pastore amendment will insure that the money will be collected honorably by the Internal Revenue Service and will be made available to the respective political parties and the candidates.

I know what it means to see a political party and a political candidate without the resources to carry on a campaign. So do others. It is not a unique situation to be in. I am one of the two men in this body that have gone through that experience. I am not happy about it. I am not happy to have to report to the Senate that you sit around and spend a lot of your time looking at people and saying, "Will you help me?" Then someone calls you off into a side room and says, "How do you feel about this or that?" If I give them an honest answer, they say, "Good bye." If you just fudge, then they look at you and give you half. [Laughter.] If you tell them what they want to know, they will give it to you. Then you are either obligated or you have to doublecross them.

Mr. President, this is no way to have to run for the highest office in the land, or for the second highest office in the land, or for a Senator, or for any other public office.

Politics costs money. We all know that. As a matter of fact, let us talk about something here, political advertising. When you place a political ad, you are charged more for it than if you wanted to advertise whisky, cigarettes, or a horse race.

I do not suppose that we can take out of politics all of its sins, all of its evils, or all of its limitations, because politics is people, and as long as people run for office I suppose we will always find weaknesses and limitations. But, we can minimize them. Whether Republican or Democratic, I think that the candidate of that party should have the opportunity to be heard. I do not think he should have to bow down before any special contributors. I do not believe that he should have to go around with hat in hand, or be held in suspicion. Today, our whole Government is under suspicion. That is one of the great problems in this country today.

I say the time is at hand to end that suspicion.

This is the chance for us to clean the stables. This is a chance for us to be honorable men and make the political process honorable.

Mr. WEICKER. Mr. President, the Senator from Minnesota says that we are under suspicion. We are rightly under suspicion when we sit here dealing with bills intended to get Americans back to work and instead are taking care of ourselves. That is why we are under suspicion. It is for just this type of situation.

I am glad that the Senator addressed his remarks to the amendment of the Senator from Rhode Island. They are not addressed to my amendment.

My amendment states that none of us would share in the Pastore amendment benefits. I think such action might enhance our integrity and credibility in the eyes of the American voter.

Mr. President, I yield 2 minutes to the Senator from Tennessee.

Mr. BAKER. Mr. President, earlier today I took the floor to suggest that we are much concerned with conflicts of interest in this body, and properly so. But in this particular case we have the granddaddy of all conflicts of interest. We have a $20 million conflict of interest, because the net effect of the Pastore amendment is to appropriate $20 million of the funds from the Treasury of the United States to pay for the presidential and vice-presidential campaigns of the Republican and Democratic Parties and certain minor parties if they qualify otherwise.

The only way to avoid that conflict of interest and the necessity—and I am sure the painful necessity—of Members of this body who may become candidates for the nomination of either party for President or Vice President would be to postpone the effective date of the proposal.

I think the Senate owes a debt of gratitude to the distinguished Senator from Connecticut for delivering the candidates for President and Vice President from the suspicion that would be cast upon them. And this is the only way in which we can do it. I do not see how we can escape the idea or the allegation that the next effect of the bill is to provide $20 million for them to spend in 1972.

We worry a lot about income and honorariums, and we worry a lot about other things; and that is properly so. However, does that mean that when the matter involves $20 million, we stop worrying?

Surely the principal contenders for President and Vice President are in the Chamber. And surely they must be concerned about the difficulties that come about by reason of appropriating public funds for their campaign for 1972.

I rise in support of the amendment that I think has very properly been offered by the junior Senator from Connecticut. I commend him for his contribution to this debate.

In brief reply, in the few remaining seconds I may have, to the statements made by the distinguished Senator from Minnesota, who is one of the two Members of this body who has run for the office of President, I point out that he also ran for Vice President once, and was elected to that office, and therefore he has an edge, having been through this twice.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WEICKER. Mr. President, how much time remains to the proponents?

The PRESIDING OFFICER. Three minutes remain to the proponents.

Mr. WEICKER. Mr. President, I yield 1 additional minute to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for an additional minute.

Mr. BAKER. Mr. President, the disguished Senator from Minnesota is doubly aware of the defects involved because he has been a candidate for both President and Vice President. But I respectfully suggest in reply to the accurate representations, I am sure, that he made in his remarks that there is no way on earth for legislation to guarantee the morals of any man who is taken into that back room. And there is no way that we will be able to say whether he will give the right answer and get all of the money, or fudge and get half of it, or get nothing of it.

The only thing we can do is to circumscribe the cost of political campaigns. And we have done that, but not in this bill.

This bill is to provide public funds for political campaigns, and it has little to do with the matter suggested by the Senator from Minnesota.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President, in conclusion, arguments have been made on the floor by the proponents of the Pastore amendment that it is rich versus poor, that Republicans have all the money, that money should not be able to buy an election.

I point out that there are more Democrats than there are Republicans in the Senate. And there are more Democrats than there are Republicans in the House. So, I do not think we have been buying many elections. I do not think that money has done much good. And it has not done

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so because people will support the candidates on the basis of what they stand for.

The reason that there are more Democrats than there are Republicans in the House and in the Senate is that for a long period of time we did not cut the mustard with the American people. We did not come up with enough of the right proposals in order to get elected.

This will be the case in the future. I am not worried about the American people being able to withstand the lure of money. I will be disappointed with the American people when they do not recognize ability, farsightedness, integrity, and all of the qualities of excellence that make for success in our great profession.

What is at issue in the amendment is not Senator PASTORE'S desire for a reform that office be open to every man. But rather that those of us voting on this legislation will not share in its benefits and that what we do is for future generations rather than for ourselves.

If we act in that fashion, I think that the word "politician" will not be a word of disrespect but rather a word of honor.

Mr. PASTORE. Mr. President, the amendment of the Senator from Connecticut would make the effective date set out in the bill 1977 instead of 1971 and 1972. The fact remains that the word "naiveness" has been used. I am not so naive that I do not know what is going on here. Because of that 49-to-46 vote, several attempts have been made, and they will continue to be made, to either render the legislation innocuous or vitiate it completely.

I do not mind their exercising that strategy. However, it ought to be characterized for what it is.

I have only one further thing to say and then I will yield back the remainder of my time. If there is any worthwhileness in this legislation in 1977, there certainly is today.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been consumed or yielded back. The question is on agreeing to the amendment of the Senator from Connecticut. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 43, nays 54, as follows:

[No. 358 Leg.]

YEAS—43

Aiken	Dole	Pearson
Allott	Dominick	Percy
Baker	Ervin	Roth
Beall	Fannin	Schweiker
Bellmon	Fong	Scott
Bennett	Goldwater	Smith
Boggs	Gravel	Stafford
Brock	Griffin	Stevens
Brooke	Gurney	Taft
Buckley	Hansen	Thurmond
Byrd, Va.	Hatfield	Tower
Cook	Hruska	Weicker
Cooper	Jordan, Idaho	Young
Cotton	Miller	
Curtis	Packwood	

NAYS—54

Allen	Hart	Mondale
Anderson	Hollings	Montoya
Bayh	Hughes	Moss
Bentsen	Humphrey	Muskie
Bible	Inouye	Nelson
Burdick	Jackson	Pastore
Byrd, W. Va.	Javits	Pell
Cannon	Jordan, N.C.	Proxmire
Case	Kennedy	Randolph
Chiles	Long	Ribicoff
Church	Magnuson	Sparkman
Cranston	Mansfield	Spong
Eagleton	Mathias	Stennis
Eastland	McClellan	Stevenson
Ellender	McGee	Symington
Fulbright	McGovern	Talmadge
Gambrell	McIntyre	Tunney
Harris	Metcalf	Williams

NOT VOTING—3

Hartke	Mundt	Saxbe

So Mr. WEICKER'S amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TALMADGE and Mr. LONG moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, while many Senators are here, let me say that there are two amendments that I think I shall accept, one sponsored by the Senator from Kentucky (Mr. COOK) and the other by the Senator from Tennessee (Mr. BAKER).

I was wondering if we might be informed on how many more amendments there might be.

Mr. MATHIAS. Mr. President, as the Senator from Rhode Island knows, I have an amendment pending, on the checkoff with a choice.

Mr. PASTORE. I understand that. The Senator from New York (Mr. BUCKLEY) has one, I believe.

Mr. BUCKLEY. Mr. President, I have an amendment in the nature of a technical correction to make it easier for third-party candidates.

Mr. FANNIN. Mr. President, I have an amendment.

Mr. PASTORE. Are there any others? Frankly, if we can get moving on this, I think we can expedite the business of the Senate.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. BYRD of West Virginia. I do not see the Senator from Kentucky (Mr. COOK) present on the floor at the present time, but I know earlier in the day he had four.

Mr. MATHIAS. Mr. President, I was about to say I know the Senator from Kentucky has one or more amendments. In addition, the Senator from New Hampshire (Mr. COTTON) has amendments.

Mr. LONG. Mr. President, may I suggest that we vote on an amendment a day? In that way every Senator can be here when he wants to be here, and there will be no pressure on anyone to get on with the business. We can be sure when someone is out of town. We can adjourn and come back the following day, when the troops are back in town, and take our time on the bill.

I am sure some Senators are not ready to vote, and I am sure that has generated some amendments. Why do we not agree to adjourn until a particular day or in the meantime take up some other legislation? It seems to me if Senators do not want to vote on the amendment, there are better ways to delay than by bringing in more and more amendments. I would agree to set aside the bill today and go on to something else.

Mr. PASTORE. Well, I think we are making good progress. I would hope we would not get into dilatory tactics and that we would give the Senate a chance to exercise its will. I am hopeful we can make some progress.

Mr. LONG. Frankly, I do not know of anything that is a bigger waste of time than trying to prevent a Senator from delaying the Senate in getting on with its business when he is determined to delay the Senate from getting on with its business. We know what the power of a Senator is, and how one Senator can keep us from voting on the Pastore amendment up or down for a long time. I have done it myself on other amendments.

One Senator can keep us here for 3 or 4 days if he does not want to proceed to a vote, even under the agreement we have, under which we have a limitation of 1 hour on each amendment.

If there is a feeling here, particularly on the part of Senators who do not like the Pastore amendment, that they do not want us to vote any time soon, let us see if we can determine that. If that is their desire, we do not have to pass this bill today or tomorrow or next week or the week after. We can keep the bill before the Senate or set it aside and bring it up when they are ready.

Mr. PASTORE. I think the President is quite anxious to have the bill passed, and I would hope his colleagues here in the Senate would feel the same way.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may proceed for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT—RETURN OF H.R. 10729 TO THE HOUSE OF REPRESENTATIVES

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from further consideration of H.R. 10729, the Federal Environmental Pesticide Control Act of 1971, and that the bill be returned to the House of Representatives to be reengrossed and returned to the Senate, pursuant to the request of the House found in House Resolution 709.

Mr. TALMADGE. Mr. President, I concur in that recommendation. It was pointed out to me that there was an error in the engrossment of the bill. The House asks to have it returned to correct the error in engrossment. I urge the Senate to take this action.

Mr. BYRD of West Virginia. The Senator is correct. In the engrossment of the bill in the other body, sections 3 and 4 were left out.

The PRESIDING OFFICER (Mr. ROTH). Is there objection to the request? Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (S. 2819) to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes, with amendments, in which it requested the concurrence of the Senate; that the House insisted upon its amendments to bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MORGAN, Mr. ZABLOCKI, Mr. HAYS, Mr. FASCELL, Mr. MAILLIARD, Mr. FRELINGHUYSEN, and Mr. BROOMFIELD were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes, with amendments, in which it requested the concurrence of the Senate; that the House insisted upon its amendments to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MORGAN, Mr. ZABLOCKI, Mr. HAYS, Mr. FASCELL, Mr. MAILLIARD, Mr. FRELINGHUYSEN, and Mr. BROOMFIELD were appointed managers on the part of the House at the conference.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. BUCKLEY. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 9, line 10, after "election," insert "(A)".

On page 9, line 14, before the period insert a comma and the following: "(B) or a political party, other than a major party, whose candidate has qualified to have his name on the election ballot (or to have the names of electors pledged to him on the election ballot) in 80 percent of the States, or in States whose population comprises 80 percent or more of the population of the United States (as determined by the Bureau of the Census on the basis of the latest data available)".

On page 14, line 11, strike "The" and insert "(A) Except as provided in subparagraph (B), the".

On page 14, between lines 21 and 22, insert the following:

"(B) The eligible candidates of a minor party in a Presidential election, who are eligible candidates of such party solely because of the provisions of section 1002(7)(B), shall be entitled to payments under section 1006 equal in the aggregate to 10 percent of the average amounts payable to candidates of a major party in the same election."

Mr. BUCKLEY. Mr. President, I yield myself such time as I may require to make my introductory remarks.

Mr. President, I was deeply impressed by the remarks made earlier today by the distinguished senior Senator from Rhode Island when he called for equality in the treatment of presidential candidates and when he emphasized the vital importance of freeing the electoral process from the dependence on the fat cats, labor bosses, and other special interest groups on which so many candidates have had to rely in the past.

My amendment to the distinguished Senator's amendment represents a modest attempt—a minimal attempt—to insure some degree of equality and some measure of financial independence to any significant, bonafide candidate for President.

We have entered a period of great fluidity in American politics, a period in which fewer and fewer voters are formally affiliating themselves with any political party. Today, for example, it is estimated that as many as 31 percent of the registered voters are unaffiliated, in contrast to 23 percent in 1960. There is every indication that this trend toward independence will, if anything, accelerate as more and more young people register to vote.

Three years ago, George Wallace conjured up a national party and was able to qualify it, in a matter of months, in every State of the Union; and he went on to receive 13.49 percent of all votes cast for the office of President in the 1968 campaign.

Two Members of this body were elected last year as third-party candidates.

There is talk today about the possibility that at least two independent candidacies will be declared in 1972—by Eugene McCarthy and John Lindsay—and no one can seriously doubt that their backers have the organizational capacity to place their names on the ballot in most if not all of our States, if they choose to go forward and; if they do, that they will receive a significant vote.

I submit, Mr. President, that any third-party candidate who is able to secure a broad enough national backing to have his name placed on the ballot in 80 percent of our States or in States representing 80 percent or more of our Nation's population must be presumed to be candidates who are entitled to a share in the public largess provided for in the Pastore amendment.

As it now stands, the Pastore amendment does not provide the equality urged by its sponsor. The inclusion of the provision for minor parties, as defined in the amendment, simply will not enable a new party or a new movement to qualify. George Wallace demonstrated in 1968 that he was a serious candidate whose candidacy had a serious impact on the outcome of that election. We may not like what he was saying, but we cannot deny that he had a right to be heard. Yet if the Pastore amendment had been in effect in 1968, both the Republican and Democratic candidates would have been handed about $20 million each, while Mr. Wallace would have received nothing, even though 13½ percent of the contribution to the Pastore campaign chest would have been paid in by taxpayers who voted for Mr. Wallace.

The Pastore amendment, as now written, would do nothing for the candidacy of a Mr. Lindsay or a Mr. McCarthy, because neither one had the foresight to organize a national political party in 1968.

The impact, therefore, of the Pastore amendment would be to make it that much more difficult for fresh new voices to make themselves heard, and would, therefore, force them to rely on the same sinister sources of financial help which the good Senator from Rhode Island so eloquently seeks to eliminate from presidential politics.

The effect of my amendment would be to provide any candidate who in 1972 and subsequent years meets the qualifications set forth in my amendment the right to receive 10 percent of the amount which would be made available to a single major party, which is equal to 5 percent of the total provided the two major parties. This calculation, based on the estimates for 1972, would mean that independent party candidates would receive approximately $2 million in 1972. As the Senator from Rhode Island pointed out, this amount of money will be hardly enough to make the candidate heard on a nationwide television broadcast on more than two or three occasions. But it would give him a hearing. It would interject some degree of fairness into the amendment offered by Senator PASTORE. I, therefore, very much hope the senior Senator from Rhode Island will agree to accept this amendment.

Mr. PASTORE. What was the Senator's last statement?

Mr. BUCKLEY. I expressed the hope that the Senator might be able to accept the amendment.

Mr. PASTORE. No, I do not accept the amendment. First of all, of course, I have not had a copy of it. It has just been handed to me. But I have been listening very attentively to the distinguished Senator from New York, and I believe his amendment more or less changes the whole concept of the formula that we have provided in this proposal.

I say to my friend, first of all, from just listening to him, that I would consider it a burden or a disadvantage to the new starters to be compelled to qualify in 80 percent of the States, as provided by the amendment. Then, of course, it does disturb the formula that I think we were very meticulous in working out, after long hours of labor.

I regret that I cannot accept the amendment, and I do earnestly oppose it.

Mr. BUCKLEY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, I am prepared to yield back the remainder of my time.

Mr. BUCKLEY. Mr. President, I urge the distinguished Senator from Rhode Island to reconsider. I cannot see how my amendment would do anything but protect his amendment from the accusation of freezing the present political situation in the United States by excluding meaningful third-party candidates who have secured such a degree of support as to be able to accomplish the almost impossible task of organizing the vast network of supporters throughout the country required to circulate the petitions, secure the signatures, and

otherwise qualify as a candidate in at least 80 percent of our sovereign States.

Mr. PASTORE. Mr. President, if the Senator will yield, does that not put an added burden on a first starter, who, under my proposal, would only have to do it in 10 States? Under the Senator's amendment, he would have to do it in 80 percent of the States.

Mr. BUCKLEY. The Senator is correct.

Mr. PASTORE. This is discriminatory. Moreover, the Senator says they are entitled to 10 percent. They ought to be entitled to more, depending on what they have done. I think the Senator is changing the whole concept.

Mr. BUCKLEY. If the Senator suggests this is discrimination, that is true, just as he discriminates between major and minor party candidates.

Mr. PASTORE. But I do not crucify them. The Senator would crucify them.

Mr. BUCKLEY. Perhaps one should say that any candidate who has national credentials should be able to split this pot evenly, just as any individual is entitled to be heard equally by the American people in the very serious business of offering his candidacy for the American Presidency.

I submit that the Pastore amendment, as now written, will freeze out from this common fund meaningful candidates just because they happen to come on the scene subsequent to the prior presidential election. We know that things are happening very rapidly in this country today. We know that candidacies such as former Senator McCarthy's can catch fire in a few months. We know that his name on the ballot in 80 percent of the States would mean that a meaningful segment of the American public feels that this man has the qualifications to be President. Under the logic of the Pastore amendment, it seems clear that it would be discriminatory to freeze this man out from those dollars that were contributed by the people who are supporting him.

Mr. PASTORE. The Senator could not be more wrong. I do not know whether the Senator is familiar with the provisions of the bill. This bill is very amenable to the first starter, very amenable to the minority party candidate. We went out of our way to assure that, because we did not want to be accused of making this a Republican-Democrat bill.

Mr. BUCKLEY. But the Senator limits the inclusion of minority parties to those which happen to be in existence for 4 years.

Mr. PASTORE. No. He can run as an individual, and he is entitled to the difference between the vote he gets on that election day and the average of the two major parties, which could be more than $2 million, depending on the vote he got.

Mr. BUCKLEY. Mr. President, before replying to the point raised by the Senator from Rhode Island, I yield 5 minutes to the Senator from Colorado.

Mr. DOMINICK. Mr. President, the Senator from New York is bringing up some of the same points I made in my colloquy with the Senator from Alabama, when the Senator from Rhode Island pointed out that a person could run, as I understand it, without being within the definition of a minority party; and then if he gets 5 percent of the vote—and this is determined after the election—he is entitled to some percentage of a kickback out of the public funds that are being used for this campaign as a whole.

The difficulty with that seems to be obvious. First, How in the world is he going to be able to do this when he first has to say, under threat of perjury, that he will not accept any contributions to start with? Second, How in the world does he get people to give him the credit, when the likelihood of his winning is going to be very, very poor? Therefore, he will not get the contributions, and he will be outgunned by taxpayer funds which are going to the other two or three parties, whichever it may be.

What is going to happen, for example, with the long-term party which has been on the ballot in many States, either the Socialist Party or the Socialist Workers Party? Would they have received any funds? The chances are that they would not have, and they would have gone down to a demise much quicker than they have. I do not see how we can say that this is fair to a third-party system.

Being active on the political scene so far as the Republican Party is concerned, I suppose I should not be concerned about that, but I am concerned just the same. In all fair play within our country, I think that if someone feels that he is qualified to run for this office and can get enough people to support him, he should be put on the same plane as everybody else and have the same opportunities as everybody else in the major political parties; and I do not think they have it under the bill as written. I made that point as one of the reasons why I supported the Allen amendment, in order to clarify that so far as the American Independent Party is concerned; but I do not think it has been clarified with respect to the Independent Party, the Progressive Party, the Conservative Party, or whatever it may be, who are still trying to get their noses under the tent, as they say.

Mr. BUCKLEY. I thank the Senator from Colorado for his remarks.

I should like to address a question to the Senator from Rhode Island. I had thought earlier, before drafting my amendment, that the provision he cited was in his amendment—namely, that a candidate could, at the end of the election, seeks reimbursement of his costs, which still violates part of the principle of his amendment—but I cannot find it in the text. I would appreciate the reference.

Mr. PASTORE. I refer the Senator to page 14, subsection (3).

Mr. BUCKLEY. I saw that. I thought that because of the definitions contained within the amendment, this applied to the candidate of a minority party as defined in the amendment, which in turn refers you back to the prior election. I thought the purpose of that section was at least to bring a quantitative parity after the election in question.

Mr. PASTORE. Will the Senator from New York be a little patient while I read this?

Will the Senator please look again at page 14?

Mr. BUCKLEY. Yes.

Mr. PASTORE. Subsection (3):

The eligible candidates of a political party (other than a major party)—

We are talking about eligible candidates—

in a presidential election whose candidate for President in such election receives, as such candidate, 5 percent or more of the total number of popular votes cast for the Office of President in such election shall be entitled to payments under section 1006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of popular votes received by such candidate in such election bears to the average number of popular votes received in such election by the candidates . . .

In other words, he has to get at least 5 percent of the vote to qualify.

Mr. BUCKLEY. I am glad the Senator from Rhode Island has clarified what could have been an ambiguity.

I think that in itself is helpful, but it still leaves the amendment itself subject to the disability that it requires a candidate of a minor party which had not been in existence for 4 years to accept contributions from those sources which the good Senator tells us the purpose of this amendment is to protect him from.

Mr. PASTORE. On the other hand, he has to receive at least 5 percent of the votes on election day to be a formidable candidate. Otherwise, he is not entitled to the money.

After all, we are not going to pass this money out to every Tom, Dick, and Harry who gets the idea. You have to mean something; and if you do not get at least 5 percent of the vote in running for the office, I do not think you are to be entitled to any Federal funds. That was the reasoning of the committee.

Mr. BUCKLEY. What we are talking about is making it possible for a candidate to reach the people by utilizing funds taken from all the people for this purpose.

Mr. PASTORE. But you do not have a track record. You are a candidate for the first time. So, naturally, we do not know how to work the formula until such time as we count your votes on election day.

Mr. BUCKLEY. This is precisely why I am suggesting——

Mr. PASTORE. You want to give the candidates seed money.

Mr. BUCKLEY. I am suggesting to the senior Senator from Rhode Island an alternative formula. He says, "Let us wait until the election is over and see what this fellow is able to get, while his supporters are contributing to the campaign chests of his opponents." I suggest that any time anyone has such backing as to be able to register himself throughout the Nation, such a candidate automatically is entitled to the equality of treatment which the senior Senator from Rhode Island was urgently asking for earlier today.

Mr. PASTORE. I have made my position clear, and the Senator from New York has made his position clear.

I am ready to vote. I am ready to yield back my time.

Mr. BUCKLEY. I will be glad to yield back the remainder of my time unless someone else desires to comment on the matter.

SEVERAL SENATORS. Vote! Vote!

Mr. BUCKLEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from New York. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 27, nays 68, as follows:

[No. 359 Leg.]

YEAS—27

Aiken	Byrd, Va.	Hansen
Baker	Cook	Hruska
Beall	Curtis	Roth
Bellmon	Dole	Scott
Bennett	Dominick	Stafford
Boggs	Fannin	Taft
Brock	Goldwater	Thurmond
Brooke	Griffin	Tower
Buckley	Gurney	Welcker

NAYS—68

Allen	Harris	Moss
Allott	Hart	Muskie
Anderson	Hatfield	Nelson
Bayh	Hollings	Packwood
Bentsen	Hughes	Pastore
Bible	Humphrey	Pearson
Burdick	Jackson	Pell
Byrd, W. Va.	Javits	Percy
Cannon	Jordan, N.C.	Proxmire
Case	Jordan, Idaho	Ribicoff
Chiles	Kennedy	Schweiker
Church	Long	Smith
Cooper	Magnuson	Sparkman
Cotton	Mansfield	Spong
Cranston	Mathias	Stennis
Eagleton	McClellan	Stevens
Eastland	McGee	Stevenson
Ellender	McGovern	Symington
Ervin	McIntyre	Talmadge
Fong	Metcalf	Tunney
Fulbright	Miller	Williams
Gambrell	Mondale	Young
Gravel	Montoya	

NOT VOTING—5

Hartke	Mundt	Saxbe
Inouye	Randolph	

So Mr. BUCKLEY's amendment was rejected.

Mr. PASTORE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. LONG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

At 4:30 p.m. message from the House of Representatives on House agreeing to conference report on House Joint Resolution 946, continuing appropriations for 1972.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. TAFT. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. ROTH). The clerk will report the amendment.

The assistant legislative clerk read as follows:

On page 11, line 20, insert the following:

(13) The term "new party" means, with respect to any Presidential election, a political party which has filed with the Comptroller General petitions signed by residents of one or more States having attained the age of 18 years or more. Said petitions shall declare that it is the intention of the petitioners to nominate a candidate for the office of President of the United States at the next Presidential election. The signers of such petitions shall list their house number, street, city, state and date of signing. Any "new party" may file petitions from more than one State, provided that no one petition shall bear the signatures of residents of more than one State. Each petition shall bear the signature of the circulator who shall attest before a Notary Public of the State in which such petition was circulated that he personally saw each signer affix his name thereto.

The invalidity of any signature shall not invalidate the petition to which it is affixed except that the invalidity of the signature of the circulator or the failure of the circulator to have his signature attested before a Notary Public shall invalidate the petition of such circulator.

Any person signing a petition may withdraw his name therefrom at any time prior to the time when such petition is filed with the Comptroller General.

The petitions filed on behalf of each "new party" shall contain not less than 10,000 valid signatures.

No individual may sign petitions on behalf of more than one "new party" within any four year period unless the prior signed petition was not filed with the Comptroller General for a period of one year or more after the date of signature.

On page 15, after line 14, insert the following:

(4) The eligible candidates of a new party in a Presidential election shall be entitled to payments under Section 1006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of signatures on petitions filed with the Comptroller General in behalf of such new party under Section 1002(13) of this Act bears to the average number of popular votes received by the candidates for President of the major parties in the preceding Presidential election.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. JAVITS. Mr. President, will the Senator yield for a question?

Mr. TAFT. I am glad to yield to the Senator from New York.

Mr. JAVITS. I like what the Senator has done very much.

Mr. PASTORE. Mr. President, we cannot hear.

The PRESIDING OFFICER. The Senator will suspend for a moment. It is requested that the Senate be in order so that Senators can be heard.

The Senator may proceed.

Mr. JAVITS. Mr. President, I like what the Senator has done in trying to encourage establishment of new parties which have grassroots support. That is all for the good. However, what concerns me, and what I hope the Senator thinks about, is that in dealing with the Presidency it takes an appreciable following. My question is: Should it be some number of States—and I suggest as a possibility five—but if a candidate is going to try to get on the ballot in 10 States he should start with support in more than one State.

Mr. TAFT. I thank the Senator for his suggestion. I believe it is well taken. I think perhaps the number five is a reasonably logical number, and I amend my amendment in line 3 to delete one or more and insert the number "five".

Mr. JAVITS. On that basis I would like very much to support the amendment.

Mr. TAFT. I thank the Senator for his support.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. How much time is there on the amendment?

The PRESIDING OFFICER. There is 1 hour to be divided equally between the proponent of the amendment and the opposition.

Mr. TAFT. I thank the Chair.

The PRESIDING OFFICER. Will the Senator explain his modification again, please?

Mr. TAFT. In the third line the words "one or more" are deleted and the words "five or more" are substituted therefor.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

On page 11, line 20, insert the following:

"(13) The term "new party" means, with respect to any Presidential election, a political party which has filed with the Comptroller General petitions signed by residents of five states having attained the age of 18 years or more. Said petitions shall declare that it is the intention of the petitioners to nominate a candidate for the office of President of the United States at the next Presidential election. The signers of such petitions shall list their house number, street, city, state and date of signing. Any "new party" may file petitions from more than one state, provided that no one petition shall bear the signatures of residents of more than one state. Each petition shall bear the signature of the circulator who shall attest before a Notary Public of the state in which such petition was circulated that he personally saw each signer affix his name thereto.

The invalidity of any signature shall not invalidate the petition to which it is affixed except that the invalidity of the signature of the circulator or the failure of the circulator to have his signature attested before a Notary Public shall invalidate the petition of such circulator.

Any person signing a petition may withdraw his name therefrom at any time prior to the time when such petition is filed with the Comptroller General.

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The petitions filed on behalf of each "new party" shall contain not less than 10,000 valid signatures.

No individual may sign petitions on behalf of more than one "new party" within any four year period unless the prior signed petition was not filed with the Comptroller General for a period of one year or more after the date of signature.

On page 15, after line 14, insert the following:

"(4) The eligible candidates of a new party in a Presidential election shall be entitled to payments under Section 1006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of signatures on petitions filed with the Comptroller General in behalf of such new party under Section 1002(13) of this Act bears to the average number of popular votes received by the candidates for President of the major parties in the preceding Presidential election.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator from Ohio yield briefly?

Mr. TAFT. I yield.

Mr. MANSFIELD. Will the Senator allow me to call up what I understand is a most important bill that has been cleared all around, and on which the Senator from Missouri wishes to speak for 2 minutes? If the matter takes more time than that we will lay it aside. And I ask that the time not be charged to either side.

Mr. TAFT. I yield.

DISTRICT OF COLUMBIA CONSUMER CREDIT PROTECTION ACT OF 1971

Mr. EAGLETON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1938, the District of Columbia Consumer Protection Act of 1971.

The PRESIDING OFFICER (Mr. ROTH). The bill will be stated by title.

The bill was stated by title as follows:

A bill (S. 1938) to amend certain provisions of subtitle II of title 28, District of Columbia Code, relating to interest and usury.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment in the nature of a substitute to strike all after the enacting clause and insert in lieu thereof the following:

That the text of section 28-3301 of subtitle II of title 28, District of Columbia Code, is amended to read as follows:

"Except as otherwise provided in section 28-3308, chapter 36 and chapter 39 of this subtitle, the parties to an instrument in writing for the payment of money at a future time may contract therein for the payment of interest on the principal amount thereof at a rate not exceeding 8 percent per annum."

SEC. 2. The text of clause (2) in the first sentence of section 28-3303 of subtitle II of title 28, District of Columbia Code, is amended to read as follows:

"(2) in writing, to pay a greater rate than is permitted under section 28-3301 or 28-3308 or under chapter 36 or 39 of this subtitle, the creditor shall forfeit the whole of the interest so contracted to be received."

SEC. 3. Chapter 33 of subtitle II of title 28, District of Columbia Code, is amended by adding the following section:

"§ 28-3308. Finance charge on direct installment loans

"(a) On a loan in which the principal does not exceed $25,000 (other than a loan directly secured on real estate or a direct motor vehicle installment loan covered by chapter 36 of this subtitle) to be repaid in equal or substantially equal monthly, or other periodic, installments, any federally insured bank or savings and loan association doing business in the District of Columbia may contract for and receive interest at the rate permitted under this chapter or, in lieu of such interest, a finance charge which, if expressed as an annual percentage rate, does not exceed a rate of 11½ percent per annum on the unpaid balances of principal. This section does not limit or restrict the manner of contracting for the finance charge, whether by way of discount, add-on, or simple interest, so long as the annual percentage rate of the finance charge does not exceed that permitted by this section.

"(b) If such installment loan is precomputed,

"(1) the finance charge may be calculated on the assumption that all scheduled payments will be made when due, and

"(2) except as provided in subsection (c), upon prepayment in full of the unpaid balance of a precomputed direct installment loan, refinancing, or consolidation, an amount not less than the unearned portion of the finance charge calculated according to this section shall be rebated to the debtor. If the rebate otherwise required is less than $1, no rebate need be made.

"(c) Upon prepayment in full of such direct installment loan other than a refinancing or consolidation, whether or not precomputed, the lender may collect or retain a minimum charge within the limits stated in this section if the finance charge earned at the time of prepayment is less than any minimum charge contracted for. The minimum charge may not exceed the smaller of the following: (1) the amount of the finance charge contracted for, or (2) $5 in a transaction which had a principal of $75 or less, or $7.50 in a transaction which had a principal of more than $75.

"(d) The unearned portion of the finance charge is a fraction of the finance charge of which the numerator is the sum of the periodic balances scheduled to follow the computational period in which the prepayment occurs, and the denominator is the sum of all periodic balances under either the related loan agreement or, if the balance owing resulted from a refinancing or a consolidation, under the related refinancing agreement or consolidation agreement.

"(e) As used in this section, 'finance charge', and 'annual percentage rate' shall have the respective meanings under the provisions of the Truth-in-Lending Act (82 Stat. 146 et seq., 15 U.S.C. 1601 et seq.) and the regulations and interpretations thereunder; and 'federally insured bank or savings and loan association' means an insured bank as defined in section 3 of the Federal Deposit Insurance Act or an 'insured institution' as defined in section 401 of the National Housing Act."

SEC. 4. Subtitle II of title 28, District of Columbia Code, is amended by adding at the end thereof the following chapters:

"CHAPTER 36.—DIRECT MOTOR VEHICLE INSTALLMENT LOANS

"§ 28-3601. Direct motor vehicle installment loans

"The provisions of the Act approved April 22, 1960 (Public Law 86-431, 74 Stat. 69, D.C. Code, 1967 ed., chapter 9 of title 40), covering installment sales of motor vehicles, as amended, and the regulations issued thereunder, shall apply, to the extent appropriate, to a direct installment loan secured by a security interest in a motor vehicle, made by a federally insured bank or savings and loan association doing business in the District of Columbia, subject to section 28-3602.

"§ 28-3602. Finance charge

"Such a bank or savings and loan association may contract for and receive interest at the rate provided for in chapter 33 or, in lieu of such interest, a finance charge which, if expressed as an annual percentage rate, does not exceed a rate of 11½ percent per annum on the unpaid balances of principal.

"§ 28-3603. Definitions

"As used in this chapter, 'finance charge' and 'annual percentage rate' shall have the respective meanings under the provisions of the Truth-in-Lending Act (82 Stat. 146 et seq.; 15 U.S.C. 1601 et seq.) and the regulations and interpretations thereunder; and 'federally insured bank or savings and loan association' means an insured bank as defined in section 3 of the Federal Deposit Insurance Act or an 'insured institution' as defined in section 401 of the National Housing Act.

"Chapter 37.—REVOLVING CREDIT ACCOUNTS

"§ 28-3701. Definitions

"As used in this chapter—

"(1) 'revolving credit account' means an arrangement between a seller or financial institution and a buyer pursuant to which (A) the seller may permit the buyer to purchase goods or services on credit either from the seller or by use of a credit card or other device, whether issued by the seller or a financial institution, (B) the unpaid balances of amounts financed arising from purchases and the credit service and other appropriate charges are debited to an account, (C) a credit service charge if made is not precomputed but is computed on an outstanding unpaid balance of the buyer's account from time to time, and (D) the buyer has the privilege of paying the balances in full or in installments.

"(2) 'credit service charge' means the sum of (A) all charges payable directly or indirectly by the buyer and imposed directly or indirectly by the seller as an incident to the extension of credit, including any of the following types of charges which are applicable: time price differential, service, carrying or other charge, however denominated, premium or other charge for any guarantee or insurance protecting the seller against the buyer's default or other credit loss; (B) charges incurred for investigating the collateral or credit-worthiness of the buyer or for commissions or brokerage for obtaining the credit, irrespective of the person to whom the charges are paid or payable, unless the seller had no notice of the charges when the credit was granted.

"(3) 'seller' means a person engaged in the District of Columbia in the business of selling goods or services to retail buyers.

"(4) 'buyer' means a person who buys goods or obtains services from a seller pursuant to a retail credit sale and not principally for the purpose of resale; and includes a person who enters into a prior agreement with a financial institution whereby the latter agrees to pay the debts of the buyer as they accrue at various retail sellers, designated by the financial institution, in consideration of the buyer paying to the financial institution the cash sales price plus the credit service charge on the purchase.

"(5) 'person' includes any individual, partnership, corporation, association, trust, joint stock company, or any other group of persons however organized.

"(6) 'financial institution' means a person who enters into an agreement with a buyer whereby the former agrees to extend credit to the buyer and to apply it as directed by the buyer pursuant to a credit card issued to the buyer by the financial institution; and this term includes any federally insured bank as defined in section 3 of the Federal Deposit Insurance Act doing business in the District of Columbia.

"§ 28-3702. Amount and computation of credit service charge

"(a) The seller or financial institution may contract for the payment by the buyer of a credit service charge not exceeding that permitted by this section.

"(b) A credit service charge may be made in each billing cycle. For the purpose of computing the outstanding balance subject to the credit service charge, (1) the outstanding balance on any day shall consist of an amount which shall not exceed the sum of the total charges to the account less the amounts paid or credited to the account prior to such day, or (2) the outstanding balance may be computed by the average daily balance method. The credit service charge may also be computed for all outstanding balances within a range of not in excess of $10 on the basis of the median amount within such range if as so computed such credit service charge is applied to all outstanding balance within such range.

"(c) If the billing cycle is monthly, the charge may not exceed 1½ percent of that part of the outstanding balance which is $500 or less and 1 percent on that part of this amount which is more than $500. If the billing cycle is not monthly, the maximum charge is that percentage which bears the relation to the applicable monthly percentage as the number of days in the billing cycle bears to thirty. For the purposes of this section, a variation of not more than four days from month to month is 'the same day of the billing cycle'.

"Chapter 38.—CONSUMER PROTECTIONS

"§ 28-3801. Scope—Limitation on agreements and practices

"This chapter applies to actions to enforce rights arising from a consumer credit sale or a direct installment loan.

"§ 28-3802. Definitions

"As used in this chapter—

"(1) 'revolving credit account' means a revolving credit account as defined in section 28-3701 of this subtitle.

"(2) 'consumer credit sale' means a sale of goods or services in which—

"(A) credit is granted by a person who regularly engages as a seller in credit transactions of the same kind;

"(B) the buyer is a natural person;

"(C) the goods or services are purchased primarily for a personal, family, household, or agricultural purpose;

"(D) either the debt is payable in installments or a finance charge is made; and

"(E) the amount financed does not exceed $25,000.

The term includes any contract in the form of a bailment or lease if the bailee or lessee contracts to pay as compensation for use a sum substantially equivalent to or in excess of the aggregate value of the property and services involved and it is agreed that the bailee or lessee will become, or for no other or a nominal consideration has the option to become, the owner of the property upon full compliance with his obligations under the contract.

"(3) 'direct installment loan' means a direct installment loan as that term is used in section 28-3308 of this subtitle and does not include a loan secured on real estate or a direct motor vehicle installment loan covered by chapter 36 of this subtitle.

"(4) 'cross collateral' means an arrangement wherein a seller in a 'consumer credit sale' secures a debt arising from the sale by contracting for a security interest in other property if as a result of a prior sale the seller has an existing security interest in the other property. The seller may also contract for a security interest in the property sold in the subsequent sale as a security for the previous debt.

"§ 28-3803. Balloon payments

"With respect to a consumer credit sale or direct installment loans except for revolving credit accounts:

"(1) No creditor shall at any time enter into an agreement which contains or anticipates a schedule of payments under which any one payment is not equal or substantially equal to all other payments, excluding any final payment which is less than the average of previous payments or any down payment received by the creditor contemporaneously with or prior to the consummation of the transaction, or under which the intervals between any consecutive payments differ substantially.

"(2) Notwithstanding any provision of this section, where a consumer's livelihood is dependent upon seasoned or intermittent income, the parties may agree in a separate writing that one or more payments or the intervals between one or more payments may be reduced or expanded in accordance with the needs of the consumer if such payments are expressly related to the consumer's income. The separate writing shall contain a conspicuous notice directly above the signature line stating: 'I waive my right to have all payments to be made under this agreement in substantially equal amounts'.

"(3) In the event that the provisions of paragraph (2) apply, the consumer shall have the right at any time, without further cost or obligation, to revise the schedule of payments to conform both as to amounts and intervals to the average of all installments and intervals.

"§ 28-3804. Assignment of earnings and authorization to confess judgment prohibited

"(a) A creditor may not take an assignment of earnings of the consumer for payment or as security for payment of an obligation arising out of a consumer credit sale or direct installment loan.

"(b) A creditor may not take or accept from the consumer a warrant or power of attorney or other authorization for the creditor, or other person acting on his behalf, to confess judgment arising out of a consumer credit sale or direct installment loan.

"(c) An assignment of earnings or an authorization in violation of this section is subject to the provisions of section 28-3813(d)(1) of this subtitle.

"§ 28-3805. Debts secured by cross-collateral

"(a) If debts arising from two or more consumer credit sales, other than sales pursuant to a revolving charge account (§ 28-3701), are secured by cross-collateral, or consolidated into one debt payable on a single schedule of payments, and the debt is secured by security interests taken with respect to one or more of the sales, payments received by the seller after the taking of the cross-collateral or the consolidation are deemed, for the purpose of determining the amount of the debt secured by the various security interests, to have been first applied to the payment of the debts arising from the sales first made. To the extent debts are paid according to this section, security interests in items of property terminate as the debts originally incurred with respect to each item are paid.

"(b) Payment received by the seller upon a revolving charge are deemed, for the purpose of determining the amount of the debt secured by the various security interests, to have been applied first to the payment of credit service charges in the order of their entry to the account and then to the payment of debts in the order in which the entries to the account showing the debts were made.

"(c) If the debts consolidated arose from two or more sales made on the same day, payments received by the seller are deemed, for the purpose of determining the amount of the debt secured by the various security interests, to have been applied first to the payment of the smallest debt.

"§ 28-3806. Attorney's fees

"With respect to a consumer credit sale or direct installment loans the agreement may provide for the payment by the consumer of reasonable attorney's fees not in excess of 15 per centum of the unpaid balance of the obligation.

"§ 28-3807. Negotiable instruments prohibited

"(a) In a consumer credit sale, no seller shall take or otherwise arrange for the consumer to sign an instrument, except a check, payable 'to order' or 'to bearer' as evidence of the credit obligation of the consumer.

"(b) Any holder of an instrument prohibited by subsection (a) of this section 28-3807, if he takes it with knowledge of a violation of this section, takes it subject to all claims and defenses of the consumer up to the amount owing on the transaction total at the time of the assignment.

"§ 28-3808. Assignees subject to defenses

"(a) With respect to a consumer credit sale, an assignee of the rights of the seller or lessor is subject to all claims and defenses of the consumer or lessee arising out of the sale notwithstanding any terms or agreements to the contrary, but the assignee's liability under this section may not exceed the amount owing to the assignee at the time of the assignment.

"(b) Rights of the consumer or lessee can only be asserted as a matter of defense to or set-off against a claim by the assignee.

"§ 28-3809. Lender subject to defenses arising from sales

"(a) A lender who makes a direct installment loan for the purpose of enabling a consumer to purchase goods or services is subject to all claims and defenses of the consumer against the seller arising out of the purchase of the goods or service if such lender acts at the express request of the seller, and—

"(1) the seller participates in the preparation of the loan instruments, or

"(2) the lender is a person or organization controlled by or under common control with the seller, or

"(3) the seller receives or will receive a fee, compensation, or other consideration from the lender for arranging the loan.

"(b) The lender's liability under this section may not exceed the amount of the loan. Rights of the debtor can only be asserted affirmatively in an action to cancel and void the sale from its inception, or as a matter of defense to or set-off against a claim by the lender.

"§ 28-3810. Referral sales

"With respect to a consumer credit sale, the seller or lessor may not give or offer to give a rebate or discount or otherwise pay or offer to pay value to the buyer or lessee as an inducement for a sale or lease in consideration of his giving to the seller or lessor the names of prospective purchasers or lessees, or otherwise aiding the seller or lessor in making a sale or lease to another person, if the earning of the rebate, discount, or other value is contingent upon the occurrence of an event subsequent to the time the buyer or lessee agrees to buy or lease. If a buyer or lessee is induced by a violation of this section to enter into a consumer credit sale, the agreement is unenforceable by the seller or lessor and the buyer or lessee, at his option, may rescind the agreement or retain the goods delivered and the benefit of any services performed, without any obligation to pay for them.

"§ 28-3811. Home solicitation sales

"(a) As used in this section, 'home solicitation sale' means a cash sale or a consumer credit sale of goods, other than farm equipment, or services in which the seller or a person acting for him engages in a personal

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solicitation of the sale at or near a residence of the buyer and the buyer's agreement or offer to purchase is there given to a seller or a person acting for him. It does not include a sale made pursuant to a preexisting revolving credit account or prior negotiations between the parties at a business establishment at a fixed location where goods or services are offered or exhibited for sale.

"(b) Except as provided in subsection (f), in addition to any right otherwise to revoke an offer, the buyer has the right to cancel a home solicitation sale until midnight of the third business day after the day on which the buyer signs an agreement or offer to purchase which complies with this section.

"(c) Cancellation occurs when the buyer gives written notice of cancellation to the seller at the address stated in the agreement or offer to purchase.

"(d) Notice of cancellation, if given by mail, is given when it is deposited in a mail box properly addressed and the postage prepaid.

"(e) Notice of cancellation given by the buyer need not take a particular form and is sufficient if it indicates by any form of written expression the intention of the buyer not to be bound by the home solicitation sale.

"(f) The buyer may not cancel a home solicitation sale if the buyer requests the seller to provide goods or services without delay because of an emergency, and

"(1) the seller in good faith makes a substantial beginning of performance of the contract before the buyer gives notice of cancellation, and

"(2) in the case of goods, the goods cannot be returned to the seller in substantially as good condition as when received by the buyer, and

"(3) the buyer has signed separately the following notice which appears under the conspicuous caption: 'WAIVER OF RIGHT TO CANCEL' and reads as follows: 'Because of an emergency I waive any right I may have to cancel this home solicitation sale'.

"(g)(1) In a home solicitation sale, unless the buyer requests the seller to provide goods or services without delay in an emergency, the seller must present to the buyer and obtain his signature to a written agreement or offer to purchase which designates as the date of the transaction the date on which the buyer actually signs and contains a statement of the buyer's rights which complies with paragraph (2) of this subsection.

"(2) The statement must—

"(A) appear under this conspicuous caption: 'BUYER'S RIGHT TO CANCEL', and

"(B) read as follows:

"'If this agreement was solicited at or near your residence and you do not want the goods or services, you may cancel this agreement by mailing a notice to the seller. The notice must say that you do not want the goods or services and must be mailed before midnight of the third business day after you signed this agreement. The notice must be mailed to:----------

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(insert name and mailing address of seller)

If you cancel, the seller may not keep any of your cash down payment.'

"(3) Until the seller has complied with this section the buyer may cancel the home solicitation sale by notifying the seller in any manner and by any means of his intention to cancel.

"(h)(1) Except as provided in this section, within ten days after a home solicitation sale has been canceled or an offer to purchase revoked the seller must tender to the buyer any payments made by the buyer and any note or other evidence of indebtedness. A provision permitting the seller to keep all or any part of any payment, note, or evidence of indebtedness is in violation of this section and unenforceable.

"(2) If the down payment includes goods traded in, the goods must be tendered in substantially as good condition as when received by the seller. If the seller fails to tender the goods as provided by this section, the buyer may elect to recover an amount equal to the trade-in allowance stated in the agreement.

"(3) The seller is not entitled to retain a cancellation fee.

"(4) Until the seller has complied with the obligations imposed by this section the buyer may retain possession of goods delivered to him by the seller and has a lien on the goods in his possession or control for any recovery to which he is entitled.

"(i)(1) Except as provided by the provisions on retention of goods by the buyer (subsection (h)(4) of this section), within a reasonable time after a home solicitation sale has been cancelled or an offer to purchase revoked, the buyer upon demand must tender to the seller any goods delivered by the seller pursuant to the sale but he is not obligated to tender at any place other than his residence. If the seller fails to demand possession of goods within a reasonable time after cancellation or revocation, the goods become the property of the buyer without obligation to pay for them. For the purpose of this section, forty days is presumed to be a reasonable time.

"(2) The buyer has a duty to take reasonable care of the goods in his possession before cancellation or revocation and for a reasonable time thereafter, during which time the goods are otherwise at the seller's risk.

"(3) If the seller has performed any services pursuant to a home solicitation sale prior to its cancellation, the seller is entitled to no compensation.

"§ 28–3812. Limitation on creditors' remedies

"(a) This section applies to actions or other proceedings to enforce rights arising from consumer credit sales, consumer leases, and direct installment loans (other than a loan directly secured on real estate or a direct motor vehicle installment loan covered by chapter 36 of title 28, District of Columbia Code); and, in addition, to extortionate extensions of credit.

"(b)(1) During the thirty-day period after a default consisting of a failure to pay money the creditor may not because of the default (A) accelerate the unpaid balance of the obligation, (B) bring action against the debtor, or (C) proceed against the collateral.

"(2) Unless the creditor has first (A) notified the debtor that he has elected to accelerate the unpaid balance of the obligation because of default, (B) brought action against the debtor, or (C) proceeded against the collateral, the debtor may cure a default consisting of a failure to pay money by tendering the amount of all unpaid sums due at the time of tender, without acceleration, plus any unpaid delinquency or deferral charges. Cure restores the debtor to his rights under the agreement as though the defaults cured had not occurred.

"(3) Posting of any notice required by law shall be deemed valid if mailed by certified mail to the debtor's last known address.

"(c)(1) The debtor may redeem the collateral from the creditor at any time—

"(A) within fifteen days of the creditor's taking possession of the collateral, or

"(B) thereafter until the creditor has either disposed of the collateral, entered into a contract for its disposition, or gained the right to retain the collateral in satisfaction of the debtor's obligation pursuant to the provisions on disposition of collateral in section 28–9–505 of subtitle I of title 28, District of Columbia Code.

"(2) The debtor may redeem the collateral by tending fulfillment of all obligations secured by the collateral including reasonable expenses incurred in realizing on the security interest.

"(d) Subject to the provisions in this part, the parties may agree that the creditor has the right to take possession of the collateral on default. In taking possession, a secured party may proceed without judicial process if this can be done without breach of the peace and with consent of the debtor. Those who take the collateral through repossession shall be deemed the agent of the creditor, and the creditor shall be civilly liable for any of the actions of its agents.

"(e)(1) This subsection applies to consumer credit sales of goods or services and to direct installment loans secured by interests in goods.

"(2) A creditor may not maintain a proceeding for a deficiency unless he has disposed of the goods in good faith and in a commercially reasonable manner.

"(3) If the creditor repossesses or voluntarily accepts surrender of goods which were the subject of the sale and in which he has a security interest, the consumer is not personally liable to the creditor for the unpaid balance of debt arising from the sale of a commercial unit of goods of which the cash price was $2,000 or less. In that case the creditor is not obligated to resell the collateral unless the consumer has paid 60 percent or more of the cash price and has not signed after default a statement renouncing his rights in the collateral.

"(4) If the creditor takes possession or voluntarily accepts surrender of goods which were not the subject of the sale but in which he has a security interest to secure a debt arising from a sale of goods or services or a combined sale of goods and services and the cash price of the sale was $2,000 or less, the debtor is not personally liable to the creditor for the unpaid balance of the debt arising from the sale and the creditor's duty to dispose of the collateral is governed by the provisions on disposition of collateral in section 28–9–505 of subtitle I of title 28, District of Columbia Code.

"(5) If the creditor takes possession or voluntarily accepts surrender of goods in which he has a security interest to secure a debt arising from a direct installment loan and the net proceeds of the loan paid to or for the benefit of the debtor are $2,000 or less, the consumer is not personally liable to the lender for the unpaid balance of the debt arising from the loan and the lender's duty to dispose of the collateral is governed by the provisions on disposition of collateral in section 28–9–505 of subtitle I of title 28, District of Columbia Code.

"(6) The consumer shall be liable in damages to the creditor if the debtor has wrongfully damaged the collateral or if, after default and demand, the debtor has wrongfully failed to make collateral available to the creditor.

"(7) If the creditor elects to bring an action against the buyer for a debt arising from a consumer credit sale of goods or services, when under this section he would not be entitled to a deficiency judgment if he repossessed the collateral, and obtains judgment—

"(A) he may not repossess the collateral, and

"(B) the collateral is not subject to levy or sale on execution or similar proceedings pursuant to the judgment.

"(f)(1) If it is the understanding of the creditor and the debtor at the time an extension of credit is made that delay in making repayment or failure to make repayment could result in the use of violence or other criminal means to cause harm to the person, reputation, or property of any person, the repayment of the extension of credit is unenforceable through civil judicial processes against the debtor.

"(2) If it is shown that an extension of credit was made at an annual rate exceeding 45 per centum and that the creditor then had a reputation for the use or threat of use of violence or other criminal means to cause harm to the person, reputation, or property of any person to collect extensions of credit or to punish the nonrepayment thereof, there is prima facie evidence that the extension of credit was unenforceable under paragraph (1) of this subsection.

"(g)(1) With respect to a consumer credit sale, or direct installment loan, if the court as a matter of law finds—

"(A) the agreement to have been unconscionable at the time it was made, or to have been induced by unconscionable conduct, the court may refuse to enforce the agreement, or

"(B) any clause of the agreement to have been unconscionable at the time it was made, the court may refuse to enforce the agreement, or may enforce the remainder of the agreement without the unconscionable clause, or may so limit the application of any unconscionable clause as to avoid any unconscionable result.

"(2) If it is claimed or appears to the court that the agreement or any clause thereof may be unconscionable the parties shall be afforded a reasonable opportunity to present evidence as to its setting, purpose, and effect to aid the court in making the determination.

"(3) For the purpose of this section, a charge or practice expressly permitted by this section is not in and of itself unconscionable in the absence of other practices and circumstances.

"§ 28–3813. Consumers' remedies

"(a) The remedies provided by this section shall be liberally administered to the end that the consumer as the aggrieved party shall be put in at least as good a position as if the creditor had fully complied with this chapter. Except as is otherwise specifically provided where there are willful and repeated violations of this chapter consequential and special damages may be had in lieu of the specific penalties allowed, and in addition punitive damages may be had as indicated.

"(b) Any right or obligation declared by this chapter is enforceable by action unless the provision declaring it specifies a different and limited effect.

"(c) 'Transaction total' means—

"(1) in the case of transactions pursuant to open end credit plans or consumer credit transactions, the total of the following calculated as if the amount or amounts financed were paid over the maximum period of the plan or, if there is no such period, over twelve months beginning with the next billing cycle or cycles following the transaction or transactions:

"(A) the amount financed, plus any down payment or required deposit balance, and

"(B) the total finance charge, including any prepaid finance charge;

"(2) in the case of other than open end transactions or consumer credit transactions, the total of the following:

"(A) the amount financed, plus any down payment or required deposit balance, and

"(B) the amount of all precomputed or precomputable finance charge, including any prepaid finance charge.

"(d)(1) In the discretion of the court, a consumer may recover from the person violating this chapter, in addition to the damages the law otherwise allows, 10 percent of the transaction total, if applicable, or $100, whichever is greater, for violations to which this section applies.

"(2) This section also applies to all violations for which no other remedy is specifically provided.

"(e) If a consumer prevails in a suit brought under this Act, the court may assess reasonable attorney's fees in addition to any other amounts recoverable under this chapter.

"(f) Any charge, practice, term, clause, provision, security interest, or other action or conduct which can be shown to be in willful violation of the provisions of this chapter shall confer no rights or obligations enforceable by action.

"§ 28–3814. Debt collection

"(a) This section only applies to conduct and practices in connection with collection of obligations airsing from consumer credit sales, consumer leases, and direct installment loans (other than a loan directly secured on real estate or a direct motor vehicle installment loan covered by chapter 36 of title 28).

"(b) As used in this section, the term—

"(1) 'claim' means any obligation or alleged obligation, arising from a consumer credit sale, consumer lease or direct installment loan;

"(2) 'debt collection' means any action, conduct or practice in connection with the solicitation of claims for collection or in connection with the collection of claims, that are owed or due, or are alleged to be owed or due, a seller or lender by a consumer; and

"(3) 'debt collector' means any person engaging directly or indirectly in debt collection, and includes any person who sells or offers to sell forms represented to be a collection system, device, or scheme intended or calculated to be used to collect claims.

"(c) No debt collector shall collect or attempt to collect any money alleged to be due and owing by means of any threat, coercion or attempt to coerce in any of the following ways:

"(1) the use, or express or implicit threat of use, of violence or other criminal means, to cause harm to the person, reputation, or property of any person;

"(2) the accusation or threat to falsely accuse any person of fraud or any crime, or any conduct which, if true, would tend to disgrace such other person or in any way subject him to ridicule, or any conduct which, if true, would tend to disgrace such other person or in any way subject him to ridicule or contempt of society;

"(3) false accusations made to another person, including any credit reporting agency, that a consumer has not paid a just debt, or threat to so make such false accusations;

"(4) the threat to sell or assign to another the obligation of the consumer with an attending representation or implication that the result of such sale or assignment would be that the consumer would lose any defense to the claim or would be subjected to harsh, vindictive, or abusive collection attempts; and

"(5) the threat that nonpayment of an alleged claim will result in the arrest of any person.

"(d) No debt collector shall unreasonably oppress, harass, or abuse any person in connection with the collection of or attempt to collect any claim alleged to be due and owing by that person or another in any of the following ways:

"(1) the use of profane or obscene language or language that is intended to unreasonably abuse the hearer or reader;

"(2) the placement of telephone calls without disclosure of the caller's identity or with the intent to harass or threaten any person at the called number; and

"(3) causing expense to any person in the form of long-distance telephone tolls, telegram fees, or other charges incurred by a medium of communication, by concealment of the true purpose of the notice, letter, message, or communication.

"(e) No debt collector shall unreasonably publicize information relating to any alleged indebtedness or debtor in any of the following ways:

"(1) the communication of any information relating to a consumer's indebtedness to any employer or his agent except where such indebtedness has been guaranteed by the employer or the employer has requested the loan giving rise to the indebtedness and except where such communication is in connection with an attachment or execution after judgments as authorized by law;

"(2) the disclosure, publication, or communication of information relating to a consumer's indebtedness to any relative or family member of the consumer unless such person is known to the debt collector to be a member of the same household as the consumer, except through proper legal action or process or at the express and unsolicited request of the relative or family member;

"(3) the disclosure, publication, or communication of any information relating to a consumer's indebtedness by publishing or posting any list of consumers, except for the publication and distribution of "stop lists" to point-of-sale locations where credit is extended, or by advertising for sale any claim to enforce payment thereof or in any other manner other than through proper legal action, process, or proceeding; and

"(4) the use of any form of communication to the consumer, which ordinarily may be seen by any other persons, that displays or conveys any information about the alleged claim other than the name, address, and phone number of the debt collector.

"(f) No debt collector shall use any fraudulent deceptive, or misleading representation or means to collect or attempt to collect claims or to obtain information concerning consumers in any of the following ways:

"(1) the use of any name, while engaged in debt collection, other than the debt collector's true name;

"(2) the failure to clearly disclose in all communications made to collect or attempt to collect a claim or to obtain or attempt to obtain information about a consumer, that the debt collector is attempting to collect a claim and that any information obtained will be used for that purpose;

"(3) any false representation that the debt collector has in his possession information or something of value for the consumer, that is made to solicit or discover information about the consumer;

"(4) the failure to clearly disclose the name and full business address of the person to whom the claim has been assigned for collection, or to whom the claim is owed, at the time of making any demand for money;

"(5) any false representation or implication of the character, extent, or amount of a claim against a consumer, or of its status in any legal proceeding;

"(6) any false representation or false implication that any debt collector is vouched for, bonded by, affiliated with or an instrumentality, agent, or official of the District of Columbia or any agency of the Federal or District government;

"(7) the use or distribution or sale of any written communication which stimulates or is falsely represented to be a document authorized, issued, or approved by a court, an official, or any other legally constituted or authorized authority, or which creates a false impression about its source, authorization, or approval;

"(8) any representation that an existing obligation of the consumer may be increased by the addition of attorney's fees, investigation fees, service fees, or any other fees or charges when in fact such fees or charges may not legally be added to the existing obligation; and

"(9) any false representation or false impression about the status or true nature of or the services rendered by the debt collector or his business.

"(g) No debt collector shall use unfair or unconscionable means to collect or attempt to collect any claim in any of the following ways:

"(1) the seeking or obtaining of any written statement or acknowledgment in any form that specifies that a consumer's obligation is one incurred for necessaries of life where the original obligation was not in fact incurred for such necessaries;

"(2) the seeking or obtaining of any written statement or acknowledgment in any form containing an affirmation of any obliga-

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tion by a consumer who has been declared bankrupt, without clearly disclosing the nature and consequences of such affirmation and the fact that the consumer is not legally obligated to make such affirmation;

"(3) the collection or the attempt to collect from the consumer all or any part of the debt collector's fee or charge for services rendered;

"(4) the collection of or the attempt to collect any interest or other charge, fee, or expense incidental to the principal obligation unless such interest or incidental fee, charge, or exepnse is expressly authorized by the agreement creating the obligation and legally chargeable to the consumer or unless such interest or incidental fee, charge, or expense is expressly authorized by law; and

"(5) any communication with a consumer whenever it appears that the consumer has notified the creditor that he is represented by an attorney and the attorney's name and address are known.

"(h) No debt collector shall use, or distribute, sell, or prepare for use, any written communication that violates or fails to conform to United States postal laws and regulations.

"(i) No debt collector shall take or accept for assignment any of the following:

"(1) an assignment of any claim for attorney's fees which have not been lawfully provided for in the writing evidencing the obligation; or

"(2) an assignment for collection of any claim upon which suit has been filed or judgment obtained, without the debt collector first making a reasonable effort to contact the attorney representing the consumer.

"(j)(1) Proof, by substantial evidence, that a debt collector has willfully violated any provision of the foregoing subsections of this section shall constitute a complete defense to any legal action undertaken by any person to enforce the claim that was being collected at the time the violation or violations occurred, and shall be deemed to constitute full satisfaction of a judgment on such claim property obtained before the occurrence of the violation or violations.

"(2) In addition to the remedy provided in paragraph (1) of this subsection, a debt collector shall be liable to any person affected by a violation of the foregoing subsections of this section for all damages proximately caused by the violation.

"(3) Punitive damages may be awarded to any person affected by a willful violation of the foregoing subsections of this section, when and in such amount as is deemed appropriate by the court and trier of fact.

"§ 28–3815. Administrative enforcement

"(a) As used in this section—

"(1) 'Commissioner' means the Commissioner of the District of Columbia or his designated agent;

"(b) Compliance with the requirements imposed under this chapter shall be enforced by the Commissioner. Nothing contained herein shall be construed to affect the authority and jurisdiction of the respective agencies designated in section 108 of the Truth-in-Lending Act (82 Stat. 146 et seq.; 15 U.S.C. 1601 et seq.)

"§ 28–3816. Inconsistent laws: What law governs

If any provision of law or regulation promulgated thereunder is inconsistent with this chapter, this chapter shall govern, unless this chapter or the inconsistent provision of the other laws specifically provides otherwise.

"Chapter 39.—SMALL LOAN COMPANIES

"§ 28–3901. Definitions

"As used in this chapter—

"(1) 'Commissioner' means the Commissioner of the District of Columbia or his designated agent.

"(2) 'Council' means the District of Columbia Council or its designated agent.

"(3) 'District' means the District of Columbia.

"(4) 'Organization' means a corporation, agency, trust, estate, partnership, cooperative, association, individual, or firm.

"(5) 'Lender' means a licensee authorized to make small loans.

"(6) 'Finance charges' means the sum of all charges, payable directly or indirectly by the person to whom the credit is extended, and imposed directly or indirectly by the creditor as an incident to the extension of credit, including any of the following types of charges which are applicable:

"(A) Interest, time price differential, and any amount payable under a point, discount, or other system or additional charges.

"(B) Service or carrying charge.

"(C) Loan fee, finder's fee, or similar charge.

"(D) Fee for an investigation or credit report.

"(E) Premium or other charge for any guarantee or insurance protecting the creditor against the obligor's default or other credit loss.

"§ 28–3902. Power to regulate and enforce

"Notwithstanding the provisions of any Act to the contrary, the Council is hereby authorized and empowered to make such regulations as it in its discretion deems appropriate for the governing of small loan transactions, including, without limitation, provisions:

"(1) establishing maximum finance charges;

"(2) governing the form and substance of instruments made or entered into;

"(3) requiring small loan companies to be licensed;

"(4) establishing the requirements for granting licenses;

"(5) specifying the maximum loan restrictions;

"(6) establishing the form of security and restrictions thereupon;

"(7) requiring the books and records of persons engaged in the business of financing small loan transactions to be subject to production for examination by the Cmmissioner and Council; and

"(8) specifying the types and maximum amounts of insurance which may be required, at the expense of the debtor, to protect from loss the lender or his assignee or any other organization entitled to payment.

"§ 28–3903. Fixing maximum finance charge

"The Council shall from time to time investigate the economic condition and other factors relating to and affecting finance charges, and shall ascertain all pertinent facts necessary to determine what maximum charges should be permitted in such transactions. Upon the basis of such ascertained facts, the Council, notwithstanding the provisions of any other subsection, shall from time to time by regulation or order determine and fix the maximum finance charges sufficiently high to result in a fair return on investment to organizations engaged in the business of small transactions, but not so high as to constitute an unreasonable economic burden on small loan debtors. The Council may from time to time, upon the basis of changed conditions or facts, redetermine and refix any such maximum finance charge, but, before determining or redetermining any such maximum charge, the Council shall give reasonable notice of their intention to consider doing so, and provide a reasonable opportunity to persons desiring to be heard with respect to any such proposed determination or redetermination. Notice of the action proposed by the Council shall be published once a week for two consecutive weeks in one or more of the daily newspapera published in the District. Any such changed maximum finance charge shall not affect any preexisting loan arrangement entered into between the lender and the debtor.

"§ 28–3904. Additional regulations

"The Council is further authorized, in its discretion, to make such additional regulations as it deems necessary to insure that individuals who engage in small loan transactions are not being required, directly or indirectly, to pay finance, insurance, or other charges in excess of those authorized by the Council pursuant to the authority vested in it.

"§ 28–3905. Classification provision

"In exercising its powers and authority under sections 3902 and 3904 of this chapter, the Council is authorized, in its discretion, to make reasonable classifications (1) according to the parties to small loan transactions, or (2) according to the parties to instruments of security, or (3) according to other basis, or (4) according to two or more of the foregoing clauses (1) through (3), and to exercise such powers and authority under this section with respect to any one or more of any classifications so made or with respect to all of said classifications.

"§ 28–3906. Waiver restriction

"No provision shall be inserted in any small loan contract whereby the buyer waives or purports to waive any provision of this chapter or regulation pursuant thereto, and any such waiver or purported waiver shall be void and of no effect. The Council is authorized in its discretion, by regulation (1) to prohibit the inclusion in any small loan contract of any provision waiving or purporting to waive any provision of any regulation promulgated by the Council relating to small loan transactions, and (2) to provide that any such waiver or purported waiver, shall be void and of no effect.

"In connection with the licensing of organizations under the authority of this chapter, the Council is authorized to require either bonds or such other security as it may by regulation deem necessary, of organizations engaged in the business of small loan transactions. In connection with the licensing of said organizations, and the bonding of said organizations, the Council, in its discretion, may by regulation require applicants for licenses:

"(1) to furnish and keep in force a bond running to the District, or other security, to protect members of the public against financial loss by reason of the failure of the licensee or of any officer, agent, employee, or other person acting on behalf of said licensee, to observe any law or regulation in force in the District of Columbia applicable to the licensee's conduct of the licensed business;

"(2) to procure and keep in force public liability insurance or property damage insurance or both;

"(3) to appoint the Council as its true and lawful attorney upon whom all judicial and other process or legal notice directed to such person may be served.

"§ 28–3908. Right to bring suit

"Any person aggrieved by the violation of any law or regulation applicable to the licensee's conduct of the licensed activity shall have, in addition to his right of action against such licensee, a right to bring suit against the surety on a bond authorized by section 28–3907 of this chapter, either alone or jointly with the principal thereon, and to recover in an amount not exceeding the penalty of the bond any damages sustained by reason of any act, transaction, or conduct of the licensee, or of any officer, agent, employee, or other person acting on behalf of said licensee, which is in violation of law or regulation in force in the District relating to the licensed activity.

"§ 28–3909. Suspension or revocation of license

"The Council is further authorized and empowered to make any regulations that may be necessary in furtherance of the purpose of this chapter and to suspend or revoke any license issued hereunder when, in its judgment, such is deemed desirable in the interest of public decency or the protection of lives, limbs, health, comfort, and quiet of the citizens of the District, or for any other reason it may deem sufficient.

"§ 28–3910. Penalty; prosecution

"(a) Any person who shall violate any provision of this chapter or of any regulation promulgated by the Council under the authority of this chapter shall be guilty of a misdemeanor and shall be punished by a fine not exceeding $500 or by imprisonment for not more than six months, or both.

"(b) Prosecutions for violations of this chapter, or of the regulations made pursuant thereto, shall be conducted in the name of the District by the Corporation Counsel or any of his assistants. As used in this chapter the term 'Corporation Counsel' means the attorney for the District by whatever title such attorney may be known, designated by the Council to perform the functions prescribed for the Corporation Counsel in this chapter.

"§ 28–3911. Supplementary authority

"The authority and power vested in the Council by any provision of this chapter shall be deemed to be additional and supplementary to authority and power now vested in it, and not as a limitation."

SEC. 5. The text of section 16–571 of subchapter III of chapter 5 of title 16, District of Columbia Code, is amended to read as follows:

"(a) As used in this subchapter, 'wages' means that part remaining after the deduction from wages of any amounts required by law to be withheld of:

"(1) wages, salary, commissions, or other remuneration for services performed by an employee for his employer, including any such remuneration measured partly or wholly by percentages or share of profits, or by other sums based upon work done or results produced, whether or not the employee is given a drawing account; and

"(2) any drawing account made available to an employee by his employer.

"(b) 'Garnishment' means any legal or equitable procedure through which the wages of any individual are required to be withheld for payment of any debt."

SEC. 6. The text of clauses (1), (2), and (3), in the first paragraph of section 16–572 of subchapter II of chapter 5 of title 16, District of Columbia Code, is amended to read as follows:

"(1) no attachment if wages are less than $325 due or to become due to the judgment debtor from the employer-garnishee for the pay period or periods ending in any calendar month;

"(2) 10 per centum of so much of the wages as exceeds $325 but does not exceed $500 due or to become due to the judgment debtor from the employer-garnishee for the pay period or periods ending in any calendar month; plus

"(3) 25 per centum of so much of the wages as exceeds $500 due or to become due to the judgment debtor from the employer-garnishee for the pay period or periods ending in any calendar month."

SEC. 7. Subchapter III of chapter 5 of title 16, District of Columbia Code, is amended by adding the following sections:

"§ 16–583. No garnishment before judgment

"Notwithstanding any other provision of law, prior to entry of judgment in an action against a debtor, the creditor may not obtain an interest in any property of the debtor by attachment, garnishment, or like proceedings.

"§ 16–584. No discharge from employment for garnishment

"No employer shall discharge an employee for the reason that a creditor of the employee has subjected or attempted to subject unpaid earnings of the employee to garnishment or like proceedings directed to the employer for the purpose of paying a judgment."

SEC. 8. (a) The analysis of chapter 33 of title 28 of subtitle II, District of Columbia Code is amended by adding at the end thereof the following new item:

"28–3308. Finance charge on direct installment loans."

(b) The analysis of subtitle II of title 28, District of Columbia Code, is amended by adding at the end thereof the following new items:

"36. District Motor Vehicle Installment Loans---------- 28–3601.
"37. Revolving Credit Accounts--- 28–3701.
"38. Consumer Protections------- 28–3801.
"39. Small Loan Companies------ 28–3901."

(c) The analysis of subchapter III of chapter 5 of title 16, District of Columbia Code, is amended by adding at the end thereof the following new items:

"16–583. No garishment before judgment.
"16–584. No discharge from employment for garnishment."

SEC. 9. (a) The provisions of the Act entitled "An Act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real-estate brokers in the District of Columbia", approved February 4, 1913 (D.C. Code, sec. 26–601), shall not be construed to apply to the legitimate business of mortgage bankers and other institutional lenders engaged in making loans secured by real estate, life insurance companies (as defined in section 10 of the Act of February 4, 1913 (D.C. Code, sec. 26–610), and small business investment companies licensed and operating under the Small Business Investment Act of 1958, conducted in the District of Columbia.

(b) The provisions of this section shall be deemed to have taken effect as of February 4, 1913.

SEC. 10. This act may be cited as the "District of Columbia Consumer Credit Protection Act of 1971".

Mr. EAGLETON. Mr. President, this bill, S. 1938, has as its thrust and focus bank interest rates in the District of Columbia and numerous provisions relating to consumer protection, including balloon notes, and so forth. Extensive hearings have been held on the bill before the Committee on the District of Columbia and it has been submitted to and examined by various commercial and consumer interests in the District of Columbia.

The bill was unanimously reported by the committee yesterday.

Mr. President, I shall give a brief description of the purposes of S. 1938. They are as follows:

First. To provide maximum interest ceiling rates in connection with direct installment loans and direct automobile installment loans;

Second. To establish maximum credit service charge rates for revolving credit accounts including credit cards growing out of retail sales in the District of Columbia;

Third. To provide remedies to safeguard consumers from unconscionable and fraudulent sales, credit, and collection practices;

Fourth. To provide for the regulation of finance charges for small loan companies;

Fifth. To revise certain aspects of the law relating to garnishment of wages; and

Sixth. To provide an exemption from the usury statute for mortgage banking, real estate investment trusts, and to make retroactive the present exemption of life insurance companies and small business investment companies.

Mr. President, hearings were held by the committee on August 5, 1971, at which bankers, merchants, the District government, economists, and representatives of consumer groups and the public testified. The problem has been before the committee for many years, and earlier hearings were held by the Business and Commerce Subcommittee in December 1967 and January and February 1968. The committee has had the benefit of various governmental views: A Federal Trade Commission economic report on installment credit and retail sales practices of District of Columbia retailers, published in March 1968; a report of the Federal Trade Commission of June 1968 on a District of Columbia consumer protection program conducted by the Commission during the period June 1965 to June 1968; and a report and recommendations of the District of Columbia Commission on Interest Rates and Consumer Credit, set up by the city council to study interest rates and consumer credit. All of the information available to the committee clearly demonstrates the need for changing the existing District of Columbia interest rates and usury law and to provide for effective consumer protections and safeguards in the Nation's Capital.

Mr. President, the reason for the need to expedite this bill is the opinion of the U.S. Court of Appeals for the District of Columbia handed down 2 days ago.

This opinion and its disastrous consequences on the real estate market of the District of Columbia. Without engaging in a discussion as to the corrections of the court's decision in the aforementioned case, suffice it to say that the opinion creates an intolerable situation.

Mr. President, if we pass this bill now, it will be able to proceed to the House and be acted upon by the House before the House adjourns for Thanksgiving.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. JAVITS. Mr. President, the Senator from Connecticut (Mr. RIBICOFF) and I sponsored a consumer protection bill. The Senate passed it, and the House passed a bill, and probably we will have to match up those two bills. Is there anything in this bill which in substance would operate adversely to that?

Mr. EAGLETON. As I understand the Ribicoff-Javits bill, this bill would be in harmony with that bill, this bill pertaining solely to the District of Columbia.

As I already pointed out, the reason for the urgency in moving this bill to the House of Representatives is the result of the 2-to-1 opinion in a case entitled In re Packwood, Inc.

If we pass the bill at this time and get it over to the House of Representatives it can be acted upon by the House before they adjourn for their protracted recess.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. MATHIAS. Mr. President, I associate myself with the statement of the

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chairman of the Committee on the District of Columbia.

Mr. FULBRIGHT. Mr. President, may we have order in the Senate and will the Chair request that Senators use their microphones so we will know what is going on?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MATHIAS. Mr. President, I would like to associate myself with the chairman of the Committee on the District of Columbia.

As the Senator said, this bill had very searching scrutiny from the business community and those who take a particular interest in consumer problems in the District of Columbia. I think it will be a model piece of legislation. It is urgently needed. I concur in the chairman's request to pass the bill today.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I thank the Senator from Ohio for yielding.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, the amendment which I have pending before the Senate at this time would have the effect of permitting new parties to participate in the provisions of title X of the bill. In doing so I would like to make it abundantly clear, as I indicated by my vote yesterday, that I am in disagreement with the provisions and the approach of title X. I believe it is a mistake. And I believe if we should pass it the people will deeply resent it.

Mr. President, with respect to the route of taking campaign funds out of the public treasury, I know full well there are many difficulties with the present system or lack of system, and there are abuses which should be corrected. I supported the campaign practices bill that went to the other body. Last year I supported the campaign practices bill which came to the House and I even supported it in the attempt to override the veto of the President because I felt so strongly about the issue.

However, it seems to me that the approach that is taken in title X is one that is bound to be subject to confusion, abuse, and discrimination; it is going to be very, very difficult to eliminate. In spite of my opposition to the bill, I feel equally strongly that, if we are to have a provision of the type which is included in title X for a contribution of millions of dollars out of the Federal Treasury to presidential candidates of major parties, and if we are to have a similar procedure for contributions to the campaigns of minor party candidates, we should in all equity, and I believe we are required by the Constitution to provide a reasonable basis for the participation in such a program for new parties.

I think all of us have to go back and reflect that the parties of which we are members were at one time new parties—new parties which had not participated in prior elections—and to give the automatic advantage that title X would give to the already existing major and minor parties, to the exclusion of those desiring to form a new party, it seems to me would be a great mistake.

I also believe, as I said, that serious constitutional questions are raised. For example, in Ohio we had a law which required a very large number of signatures in order to get the name of a candidate on the ballot. The courts have thrown it out as being an unreasonable and undue requirement based upon the size of the number of names that were required.

My provision approaching this problem would say that, as to a new party, participation in this program could occur if petitions were filed by the residents of five or more States who are over the age of 18, declaring that it is the intention of the petitioners to nominate a candidate for the office of the President of the United States at the next presidential election.

There are requirements, then, that, to declare the validation of the petition, there must be a declaration that the signatures are genuine.

There is a further provision that the invalidity of a single signer of the petition shall not invalidate the entire petition but that the signature of the circulator of the petition must be valid.

There is a requirement that a person signing the petition may withdraw his name therefrom at any time prior to the time when such petition is filed with the Comptroller General of the United States.

There is a requirement that on such a petition there must be not less than 10,000 valid signatures.

There is a further provision to prevent duplication of signatures on these petitions, to the effect that no individual may sign petitions on behalf of more than one new party within any 4-year period unless the preceding petition was not filed with the Comptroller General for a period of 1 year or more after the date of the signature.

The definitions go into the definition part of the bill on page 11 and define what a "new party" means.

After having taken care of the definition of "new party" we then turn to page 15 and add a new qualification for participation in the payments out of the fund.

I will read again the specific language I wish to add:

(4) The eligible candidates of a new party in a Presidential election shall be entitled to payments under Section 1006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of signatures on petitions filed with the Comptroller General in behalf of such new party under Section 1002(13) of this Act bears to the average number of popular votes received by the candidates for President of the major parties in the preceding Presidential election.

This mechanism is modeled almost identically on the provision for distribution to the minor party. I feel that this amendment is extremely important today. There are certain groups in our society that I think are very vocal today in offering many new ideas, but certainly, if they wish to submit a candidate for President, they should not be excluded from practical participation under the contributions selection of this bill.

I particularly refer to our young people. We have millions of new voters between the ages of 18 and 21. The public opinion polls which have been taken as to the general feelings and opinions of these voters indicate that a vast preponderance of these young voters feel they are independent voters, not members of either political party. It seems very likely to me on the national scene, as we have seen already occur in some local elections, that the young people who have just come into the voting franchise may wish, in large numbers, to associate themselves with political groupings and parties, and submit candidates for the Presidency.

To vote against this amendment would be, I think, to vote against their right fairly to participate in the election process, because an advantage is being given to the built-in party over the new party which they might form, and would militate against their chances of success—not merely in winning the election, but in building up the party so it may in the future come under the classification of minor party which it might become if it got the requisite number of votes.

I will talk about a very large group in our society which we all know is becoming more politically aware all the time. We have the women of America. If there is a desire on the part of the women of America to form a new political party to attempt to promote a woman candidate for the Presidency, I feel that individual should be entitled to participate and the candidate of that party should be entitled to participate in the political contributions program proposed under title 10.

I, of course, could go on and enumerate many, many other groups that might want to present their own candidates for the Presidency. Indeed, there are members on the other side of the Capitol who have indicated their likely intention of that taking place and to participate in the presidential election possibly not within the major or minor parties today existing.

I think we have to proceed on the basis that we are trying to make the application of this program a universal one. That is the only basis on which it could properly be received.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 20 minutes remaining.

Mr. TAFT. Mr. President, I shall be glad to have the other side take some time.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I get the impression that the name of the game at the present time is to delay a final vote on the Pastore amendment. I am under the impression, unless I misread the temper on this side of the aisle, that we intend to bring the Pastore amendment to a vote and we do not intend to have this matter brushed aside in this fashion.

Frankly, we are of the impression that the President thinks this bill should pass, and if the Pastore amendment, or something along that line, is to be acted on, it will have to be done in this bill. So the determination on this side is to proceed to a decision.

Frankly, I think we might do better to adjourn and come back tomorrow, and then adjourn and come back on Monday.

The amendment before us is an amendment to subsidize, not a minor party, but a minuscule party and someone who has 10,000 signatures in several States to offer a candidate for the Presidency. We do not favor it. We have studied this matter for a great deal of time through the years, and we do not think we should subsidize a miniscule party.

I yield back my time.

Mr. DOMINICK. Mr. President, will the Senator from Ohio yield to me?

Mr. TAFT. I yield to the Senator from Colorado.

Mr. DOMINICK. If my understanding is correct, as the situation is now set up, without the Senator's amendment we have a situation where, in order to be eligible for tax funds which will be poured into these campaigns, one has to be either a candidate of a major party or a candidate of a party which ran in the last election, or he has to be a person who has the sheer courage to put himself up before the electorate, to incur an enormous number of debts, and then try to say, "OK, if we get 5 percent of the votes I will get a little of this money back."

But unless he does that, no one else would be eligible to run on a presidential ticket, if he is going to get any of these funds.

My understanding is that the Senator from Ohio is saying, "Let us make it easier for other parties to get into this act"—the young people who, as he said, are not enamored of either of the major parties or of the American Independent Party, they do not want to be members of the Socialist Party or the Socialist Workers Party, and they would like to form their own. What I gather the Senator is saying is that if they can get petitions in sufficient numbers from five States, at that point they would be eligible to get a base grant out of the proposal he has here; is that correct?

Mr. TAFT. That is correct. The only comment I would make on the Senator's comment is that I believe the situation is even more extreme than the Senator represented, in that even if a new party, having raised its own funds or borrowed money to get into this kind of situation, should succeed in getting 5 percent of the vote, it would not be entitled to be reimbursed for its expenses in that particular campaign. Going into the next presidential campaign, as I understand the amendment as presently drafted—and if I am wrong I would appreciate being corrected by the author of the amendment—as I understand it, until the next campaign, a new party would not be entitled to one penny of the public funds being distributed under this proposed title 10.

Mr. DOMINICK. We had a series of colloquies on this very point with the Senator from Rhode Island, and he kept referring us all the way through to subsection 3, starting on page 14 and going on to the end of the first sentence on page 15, the effect of which was, he said in effect, that if you run and you get 5 percent of the vote, under that provision you are entitled to something.

I have maintained all the way through that because of the definition of a minority party, this probably was not true. But he distinguishes between the second sentence on page 15, which refers to minor parties, and the first sentence, which refers to the candidates of a political party other than a major party. I do not really know what the distinction is, but this, apparently, is what is intended.

In any event, it seems to me that what the Senator is doing is trying to provide more equitably for those people who would like to start in the political field, but now find no real mechanism by which to do it.

Mr. TAFT. The Senator is absolutely correct. It seems to me, as I say, that American history is replete with instances of new parties having been formed, and with the tendency and direction that we see today of a multiplicity of parties and a multiplicity of interests in political matters, I think it is more likely to be true than ever.

Mr. DOMINICK. I would certainly hope we can get as many of the young people and the great leaders of this country over into the Republican and Democratic Parties as possible, but I also understand that, in sheer equity, we should not, by virtue of using the Federal Treasury, to which everyone who pays an income tax contributes, effectively eliminate minor parties. It seems to me that is what we would be doing by the proposal of the Senator from Rhode Island; so I certainly endorse the theory and the amendment of the Senator from Ohio, and I would hope that perhaps those on the other side of the aisle, the manager of the bill and the Senator from Rhode Island, would accept the Senator's amendment.

Mr. KENNEDY. Mr. President, will the Senator from Ohio yield for a question?

Mr. TAFT. I am glad to yield to the Senator from Massachusetts.

Mr. KENNEDY. I understand that, under the terms of his amendment, a candidate could meet the minimum requirement to qualify for Federal funds by getting 10,000 signatures in each of five different States. Is that correct?

Mr. TAFT. The Senator is correct.

Mr. KENNEDY. And the funding ratio for such a candidate involves the total number of votes in the last election; is that correct?

Mr. TAFT. Let me correct the Senator. The total number of major party candidates.

Mr. KENNEDY. Then you multiply that ratio times the $20 million that a major candidate is eligible to receive. Is that also correct?

Mr. TAFT. Yes, or whatever the amount is that is determined to be the base.

Mr. KENNEDY. Under this legislation as of now, that figure is $20 million, as indicated in the bill.

Now, if you take the minimum number of signatures, 50,000, then divide by the 30 million votes a major candidate receives, $50,000, and then multiply by $20 million, how much in Federal money will such a candidate receive, if he just meets the minimum qualifications? Has the Senator worked out the mathematics on it?

Mr. TAFT. No, I have not. We can figure it in a moment.

Mr. KENNEDY. Well, I have worked out the mathematics, and I find that to be approximately $33,000, or about 67 cents for each signature. Is $33,000 what we are talking about, as the minimum?

Mr. TAFT. I think that is very nearly correct.

Mr. KENNEDY. What we have been trying to do here, in the Pastore amendment, is to develop a formula that strikes a proper balance for minor parties. We do not want to lock in the present two-party system, and we do not want to give excessive encouragement to minor parties. We have extensive hearings on the issue, and I think the amendment strikes the right balance.

Mr. TAFT. Mr. President, I think the Senator's comments show exactly what is wrong with the proposal of the Senator from Rhode Island. He is refusing to deal with the constitutional issue that is involved here.

The chairman of the committee has poo-pooed this suggestion, but there are serious constitutional questions here. I do not care how small the party is, it seems to me if it can get 10,000 signatures, it is entitled to participate in the American political process, and just as far as the major parties, which may have millions and millions of dollars.

Mr. KENNEDY. What we are trying to do is achieve some significant reform. We

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know that unless you are either a wealthy candidate or a candidate who can depend upon the wealthy for contributions, you will not be a successful candidate. Obviously, we have to reach a formula that is sensitive to first amendment rights. But that does not mean we have to give $33,000 to anyone who collects 50,000 signatures.

Mr. TAFT. Suppose a group of some young voters between 18 and 21, who have been somewhat disillusioned by the American political process, decide they want to start out this very year and nominate their own candidate for President, knowing they have no chance of prevailing, but, being dissatisfied with either major party candidate, they want to be heard. Is the Senator saying to me that they should not be entitled to participate just as fully in the distribution of public funds to support their candidate as the candidates for the major party? I think that would be a terribly disillusioning, unfair, and restrictive practice. Certainly there is no reason why we have to sacrifice that kind of participation to obtain some kind of easy formula, which the Senator apparently seeks. I think the formula should be fair, and fair to all Americans, no matter what their political party might be.

Mr. KENNEDY. If the amendment were adopted, would the Senator from Ohio support this legislation?

Mr. TAFT. No. As I indicated, I think the concept is completely wrong.

Mr. KENNEDY. I ask the chairman of the Finance Committee whether, in reaching the formula here, the first amendment issue was considered, and whether the formula which has been included in the amendment of the Senator from Rhode Island is the result of the balanced judgment of the committee.

The PRESIDING OFFICER. Will the Senator withhold? Who is yielding time?

Mr. TAFT. It is my time.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. TAFT. I am glad to yield to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I do not want to interject myself into the inquiry made by the Senator from Masachusetts of the distinguished chairman of the committee.

Mr. KENNEDY. We will suspend that for a moment.

Mr. MATHIAS. I simply wanted to propound a further question. There has been some reference here to hearings. I hope the distinguished chairman will tell us if there were hearings on this proposal, when they were, and under what conditions, because I think the very logical questions the Senator from Massachusetts has asked reflect the fact that we have really not gone back and had any real committee consideration of this matter, and so I am glad the Senator from Massachusetts has brought it up.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, the last hearings on this were in 1967.

I am not worried about the constitutional aspect of this matter. Any important matter, such as a bill of this type, can have constitutional considerations. We had the best advice the Johnson administration could give us, and it was the best advice that we could obtain from the counsel we had for our committee. We are not worried about the constitutional aspects.

Frankly, I do not think the Senator is worried about the problems of a minuscule party. I find great difficulty believing that the Senator from Ohio is really trying to start a new party. In any event, I really do not believe that it serves much purpose to debate it further. I do not think the Senate wants to subsidize a minuscule party. We have worked on this proposal over a period of years, with considerable study, to make adequate financing available to a substantial third party, and that has been done.

Mr. President, I am ready to yield back the remainder of my time.

Mr. TAFT. Mr. President, I yield to the Senator from Kentucky.

Mr. COOK. I merely want to say to the Senator from Ohio, relative to the remark that was made by the Senator from Massachusetts, that last night we were told by the distinguished Senator from Louisiana that, if we wanted to make these changes, we ought to offer amendments. Now every amendment is based on the fact that if we take this amendment, or even consider this amendment, you vote for the bill or for the amendment of the Senator from Rhode Island.

All I can say is that if you have such a disastrous piece of legislation as proposed in this amendment, and it has already been passed by the remarkable vote of 49 to 46, with everybody on that side of the aisle voting for it, minus three, and everybody on this side of the aisle voting against it, I think that as legislators we have an obligation to try to right some of the wrongs in it without being taunted every time we come up with an amendment and be asked, "Now that you put your amendment up, will you be for the amendment?"

Last night we were told by the Senator from Louisiana that, if we wanted to correct these problems, we ought to get our amendments in because, after all, we should not be swatting at gnats if we can get an amendment in to correct these little situations. All I can say is that what some of us on this side of the aisle are attempting to do—unfortunately, we are going to be outweighed in the final analysis—is to make some corrections in this.

Mr. LONG. I was under the impression that if someone was trying to correct the shortcomings of a bill, he would talk to those who are sponsors of it and make suggestions and say, "This is how it can be corrected." This was not even shown to me prior to the time it was offered.

I yield back the remainder of my time.

Mr. TAFT. I should like to explain, in answer to the comments of the chairman that, of course, this is an amendment to an amendment. I did not know, and nobody knew, until the Pastore amendment was presented on the floor, what the terms of that amendment were going to be. It takes time to review these things and to prepare the amendment. I did take to the desk of the Senator, before I offered the amendment, a copy of the amendment.

I think the proposal is simple. I think we can vote up and down on it, without having a prolonged period of study. There is a principle involved that I think it is important we consider.

I am not trying to delay. I am not going to favor title 10 of this bill, no matter what occurs on this amendment, but I do not like to take part in a legislative process that I think is unfair, inequitable, and unconstitutional, and therefore is likely to be set aside by the courts, at great public expense.

Mr. COOK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. COOK. Mr. President, I am delighted that the Senator from Louisiana made that remark, because I am on the Commerce Committee, and we worked very hard to bring out a political campaign bill. I was rather surprised when the Pastore amendment was apparently made available to everybody in the press. It was in the newspapers. We could not get a copy of it. A copy of it was not available. We read about the cosponsors.

My office asked for copies of the amendment the first thing Tuesday morning. They were not able to get any. Nobody could get them. It was not until almost noon on Tuesday that they were available to anybody. Yet, when the distinguished Senator from Rhode Island came in to handle this bill, in came the entire entourage from the Commerce Committee. This is not a Commerce Committee amendment. The Commerce Committee brought out a bill, and we had all the people from both the majority and the minority staffs of the Commerce Committee on the floor when we debated that campaign bill.

Apparently, we face a situation in which this was not written by the staff of the distinguished Senator from Rhode Island but was written by the staff of the Commerce Committee. How or why or under what circumstance, I really do not know. But it seems rather strange to those of us on the Commerce Committee—and I say this to the manager of the bill—that those of us on the Commerce Committee, when apparently the Commerce Committee staff was writing the amendment, could not even get a copy of this amendment until noon on Tuesday. Yet, we read about it in the newspapers, and we read who the cosponsors were. And it was not even available and was not submitted to the desk for printing until 4 o'clock Monday afternoon. Yet, the agreement that 6 hours would be required on this amendment was made on the floor of the Senate before the amendment was even available to anybody here.

So when the Senator from Louisiana says that when one comes up with an amendment, he usually talks to the managers of the bill, this is true, and I have no argument about that.

I might suggest to the Senator from Louisiana that I have a bill on the calendar which has been here since the middle of the summer, and it has had a "hold" on it. So I would hope that some

day when I bring up this bill, nobody on the floor of the Senate will say that this came to them as a surprise.

I suggest that when we argue these things, we ought to be fair to the Members of the Senate and say, "Here we are with a situation that was brought in on this bill after we had pounded it out in the Commerce Committee and came out with the campaign spending bill," and not this bill at all as an amendment. All of a sudden, we find that the whole entourage is here to handle it for the benefit of the distinguished Senator from Rhode Island. Then we are told, "Here it is. Take a look at it, and then make some logic and sense out of it."

I can only say to the Senator from Ohio, no wonder he brings up this amendment. If a Senator sees that he cannot be successful in defeating a bill he thinks is bad, he has the legislative obligation, to the best of his ability, to correct what he considers problems in it, and he should not be criticized for doing so.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. I have yielded back my time.

Mr. TAFT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Ohio. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 29, nays 68, as follows:

[No. 360 Leg.]

YEAS—29

Aiken	Cooper	Percy
Allott	Dole	Roth
Baker	Dominick	Scott
Beall	Fannin	Stafford
Bennett	Goldwater	Taft
Boggs	Griffin	Thurmond
Brock	Hansen	Tower
Buckley	Hruska	Welcker
Byrd, Va.	Javits	Young
Cook	Mathias	

NAYS—68

Allen	Gravel	Montoya
Anderson	Gurney	Moss
Bayh	Harris	Muskie
Bellmon	Hart	Nelson
Bentsen	Hatfield	Packwood
Bible	Hollings	Pastore
Brooke	Hughes	Pearson
Burdick	Humphrey	Pell
Byrd, W. Va.	Inouye	Proxmire
Cannon	Jackson	Randolph
Case	Jordan, N.C.	Ribicoff
Chiles	Jordan, Idaho	Schweiker
Church	Kennedy	Smith
Cotton	Long	Sparkman
Cranston	Magnuson	Spong
Curtis	Mansfield	Stennis
Eagleton	McClellan	Stevens
Eastland	McGee	Stevenson
Ellender	McGovern	Symington
Ervin	McIntyre	Talmadge
Fong	Metcalf	Tunney
Fulbright	Miller	Williams
Gambrell	Mondale	

NOT VOTING—3

Hartke	Mundt	Saxbe

So Mr. TAFT's amendment was rejected.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President——

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. PASTORE. Mr. President, may we have order, please? This is a very important announcement.

Mr. MANSFIELD. Mr. President, could I have an idea as to how many amendments are to be offered.

I ask the Senator from Connecticut whether that means five or just one?

Mr. WEICKER. One, and possibly five.

Mr. COTTON. Does the distinguished majority leader mean to the bill?

Mr. MANSFIELD. To this section. I note that there are two from the Senator from Colorado.

Mr. DOMINICK. Six, I hope, but at least one.

Mr. MANSFIELD. That looks like seven at least. I understand that the pencils may be working overtime.

Mr. SCOTT. Mr. President, would the distinguished Senator yield?

Mr. MANSFIELD. I yield.

Mr. SCOTT. Mr. President, the distinguished junior Senator from Kentucky is not here. He is on his way here, and we will ask him if he has anything to contribute to this. I think he has one or more amendments.

I inform the distinguished junior Senator from Kentucky that we were waiting so that he might inform us whether he has any more amendments.

Mr. COOK. I have three.

Mr. MANSFIELD. That makes 10.

UNANIMOUS-CONSENT REQUESTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the two divisions occur at 10 o'clock tonight.

Mr. PASTORE. Three divisions.

Mr. DOMINICK. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the divisions, all of them, two or three as the case may be, occur at 11 o'clock tonight.

Mr. DOMINICK. I object.

Mr. COOK. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on all the divisions occur at 10 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. TUNNEY). Is there objection to the request of the Senator from Montana?

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Well, Mr. President, I think the picture is pretty clear that there is a filibuster, not in the offing but in operation. It means, of course, that the President's program will be delayed. He is interested, I understand, in this tax package, which has been reported out of the Finance Committee and which has been considered on the floor for the past 4 or 5 days. There are many more amendments besides those which have been indicated, and they number 10. It is not my intention to keep the Senate in operation during a filibustering operation. And if it means delay or the defeat of the President's program, then I think the finger will have to be pointed at the party or parties who are responsible for this delay.

Mr. SCOTT. Mr. President, will the distinguished Senator yield?

Mr. MANSFIELD. I yield.

Mr. SCOTT. Mr. President, I have seen the pencils in the gallery moving at a magnificent rate of speed.

Mr. MANSFIELD. All day.

Mr. SCOTT. And I am certain they will now be ready to report that a filibuster is in progress, which I am immediately and categorically obliged to deny. And I will tell the Senate why—[Laughter.]—after the laughter of the traditional filibusterers has subsided.

Mr. COOK. I agree with that.

Mr. SCOTT. Mr. President, let me state that whenever amendments are offered by the distinguished majority leader's side of the aisle, they are referred to as legislation. We are confronted here by a surprise amendment which was concealed from us. Until yesterday afternoon, we were not apprised of the amendment which affects the whole future of the American electoral system, an amendment which is a tax grant, which is a slush fund, which is a bailout, and which is an attempt to require the unsuspecting taxpayer who will, by April, long since have forgotten the debate of November concerning the contribution of his money for candidates whom he is not supporting, whom he has no idea of supporting.

It is the most natural thing in the world that, confronted with a $20 million tax grant, the guardians of the public interest, here represented by the Republican Party, would react and react with considerable force.

This is not a filibuster. This is a reaction. This is a reaction against a slush fund. This is a reaction against the fact that the Democratic Party is unwilling to submit its candidate for the Presidency to the scrutiny of those who might support such a candidate in his electoral efforts, and the fact that those who do not believe they can raise the funds by straightforward methods are going to grab the taxpayers' money without telling him what they are doing. And they are going to say to the people of this country, "We only took $1 from each one of you." Well, those dollars multiply into a slush fund.

Mr. MAGNUSON. Mr. President, is the distinguished minority leader filibustering against me?

Mr. SCOTT. No, sir. I never filibuster against my friend, whom I love and admire. I am simply trying to correct an understandable error. (Laughter.)

The understandable error is that he would ever suspect this side of the aisle of filibustering.

Mr. MANSFIELD. Well, I see the pencils are still going pretty fast up there.

Mr. SCOTT. Mr. President, I would like the majority leader to know that we have as much right to offer amendments

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as his side does. And when you are outnumbered, you need amendments. [Laughter.]

When you are outnumbered, you need an opportunity to fall back and regroup, because the steamroller is operating. And this steamroller is operating in such a fashion that they have even brought back all the presidential candidates because the click, click, click, and the dong, dong, dong of the cash register has been heard in every senatorial district in America. I do not wonder that they are here. They are here to vote for a program without having to demean themselves. No longer will they have to lower themselves to their constituents and say, "Please support me." All they have to say is "Slip this thing through, get us money from the taxpayers, and we will not have any trouble at all. We will use the money that normally comes in to pay our abject deficit and then we will take the rest and finance our campaign at the expense of the taxpayers."

Mr. MANSFIELD. But it cannot finance all of them.

Mr. SCOTT. But you are doing the best you can.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I have heard one of the most eloquent political speeches in all seasons by the minority leader.

Mr. SCOTT. Mr. President——

Mr. PASTORE. I did not interrupt the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island has been recognized.

Mr. SCOTT. As the keynoter of his party he makes excellent political speeches.

Mr. MANSFIELD. As the former national Chairman——

Mr. SCOTT. So do I. [Laughter.]

Mr. PASTORE. Mr. President, all I want to say is that in the prolonged issue of the Senator's speech he more or less contradicts himself in the Senate in saying that there is a strategy of delay on the final vote on this matter. We have talked time and time again about the majority expressing its will. I might agree that you Republicans were rather solid in your opposition to this bill. I simply have tried to explain as plainly and simply as I could that there was no intention on my part to make this a political amendment. [Laughter.]

Well, laugh if you will, but read the amendment, and you will understand what I am saying. After all, you gentlemen did vote this 5 years ago. You voted it 5 years ago. Why has it become so distasteful now that you have a Republican President? You voted for it when we had a Democratic President.

That is all we are doing again. We are reiterating what we did 5 years ago because of what is happening to the democratic process of electing a President. That is what this amounts to.

If you people have all the money you are boasting about, and you must have it—if that dinner you held a week ago where you raised $5 million in one night was any indication of what has been happening, then it is a pretty clear indication where you stand.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. PASTORE. Not that I begrudge it. [Laughter.]

Mr. PASTORE. Not that I begrudge it.

Mr. SCOTT. Mr. President, will the Senator yield for one brief comment?

Mr. PASTORE. Very briefly.

Mr. SCOTT. Does the Senator think that jealousy or envy is ground for legislation?

Mr. PASTORE. It is not jealousy or envy; it is a matter of realism. After all, gentlemen, you people have been saying time and time again that what the Democratic Party is trying to do is pay off its debt. That is not the story at all. All we are trying to do is give to a candidate an equal opportunity to project himself to the public. If it cost Nixon $50 million to do it, nothing in this bill would prevent it. We say the least you can do is to make sure other candidates have an opportunity for popular projection so the issues can be presented to the public.

You have taken the position we should not have a vote at all. The bill the President wants has to do with his fiscal policy, and I am one who voted for the 7-percent investment tax and I am one who voted for ADR—and I did that when many of those who are colleagues of the President, and were down there last week to his dinner, voted against it.

This idea that we are anti-Nixon or that we are antiadministration is a fallacy. We think something should be done here about financing a Presidential campaign. We said it before and we say it again.

If you people want to go on with dilatory tactics, stalling this and stalling that, your own bill will be jeopardized.

Mr. COOK. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. COOK. First, I wish to say to my colleague, the Senator from Rhode Island, that we started this amendment yesterday afternoon at something like 2 o'clock. It is a 29-page amendment. I might say the Senator from Rhode Island stayed to the end last night, as I did, and I think there were about four of us here, and I think there have been about four of us here today, until the bells ring.

I can only say to the Senator, and I hope the majority leader will agree, I have never supported a fillbuster and never will support a filibuster. I was at all times unchanged in my position, which cannot be said for many Members of this body relative to rule XXII. I wish to see it amended and I will continue to wish to see it amended. But at the close of a legislative session I hate to be told by the majority leader on the floor, and by the majority whip in private conversations, that we have to get out of here. We did not bring this amendment up. It is my understanding that this amendment was brought up with the understanding of the manager of the bill, so he was aware this amendment was going to come up.

I can only say I know it is right to try to the best of one's ability to agree on time limitations on amendments, but we agreed yesterday, and I think the majority leader will agree to that, that we would vote on the Mathias amendment at 10 o'clock this morning—well short of the 6 hours of debate.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. MANSFIELD. Mr. President, the RECORD should be corrected, as far as the assistant majority leader and I are concerned. We did not say we had to get out of here by the 1st. We said we were seeking to achieve that objective and we thought that was what the Senate wanted. If the Senate wants to stay in until midday on January 3, it is all right with us.

Mr. COOK. I apologize to the Senator.

Mr. MANSFIELD. No apology is necessary.

Mr. COOK. I think that is correct. The unfortunate part is that when a situation like this occurs, an amendment like this comes up, we are immediately asked whether we will limit amendments to 1 hour or to 30 minutes.

I might say that when an amendment like this goes on a major tax bill of this nature I can understand the frustration of the majority leader and the majority whip. Chaos occurs and chaos has occurred.

I am not sure what this amendment has to do with the bill. It does not have anything to do with it, but it is here. It was brought up by Members of this body who thought this was the time and place. Unfortunately, if we have to take more time on it, that is our duty and our responsibility. But, after a day and a half, Republicans are going to be accused of filibustering when I have seen honest, live filibusters go on for days and days and days before being called a filibuster, so I have to register some degree of objection to that.

Mr. MANSFIELD. I appreciate the remarks of the Senator. There is a certain amount of validity in what he says but the facts have to speak for themselves.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WEICKER. I thank the majority leader for yielding. I can assure him this is no filibuster on my part. I say to the Senator from Louisiana and the Senator from Rhode Island that, representing a State with 10-percent unemployment, we would like to know why this body is taking all this time on a measure to line its own pockets and keep itself in office—at a time when we have 85,000 people without a job in my State.

I said this afternoon in connection with the report on the bill—

Mr. PASTORE. Mr. President, on whose time is the Senator speaking.

The PRESIDING OFFICER. On the time of the Senator from Rhode Island.

Mr. PASTORE. I do not yield for that purpose.

Mr. MANSFIELD. Mr. President, I ask that the time be apart.

Mr. WEICKER. I believe the Senator yielded to me.

The PRESIDING OFFICER. Is the majority leader making his request from the time the Senator commenced?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. The purpose of the legislation before us, as stated by the report, was to:

Put our present lagging economy on the high growth path.

Increase the number of jobs and diminish the high unemployment rate.

I would like to know what the Pastore amendment has to do with that.

Relieve the hardships imposed by inflation on those with modest incomes.

I would like to know what the Pastore amendment has to do with that.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WEICKER (reading):

Provide a rational system of tax incentives to aid in the modernization of our productive facilities.

I would like to know what the Pastore amendment has to do with that.

Increase our exports and improve our balance of payments.

I would like to know what the Pastore amendment has to do with that.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WEICKER. Not right now.

Mr. MANSFIELD. I will yield to the Senator from Rhode Island next time.

Mr. WEICKER. As far as I am concerned, what bothers me is the legislation introduced by the Senator from Rhode Island has nothing to do with any of these factors, other than to employ Democrats, and particularly Democratic politicians, and I feel quite vexed that this side is accused of filibustering when in fact the other side has brought in irrelevant material and there are people out of work while we debate this grab on behalf of Democratic presidential candidates. I am going to stay in the Senate all night, if need be, until we can get down to considering legislation to get the economy back on the road and get people back to work. That is what we are here for—not for ourselves.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PASTORE. What did the Gurney amendment on social security have to do with this bill, and what did the Percy amendment on welfare have to do with the bill? But I voted for both of them. If the Senator is going to talk about what is irrelevant, they are all irrelevant matters, but the only trouble is that apparently it is an irrelevant situation that the Republicans on the other side go along with.

Mr. WEICKER. I believe we tabled that amendment.

Mr. PASTORE. That is right.

Mr. WEICKER. If the Senator will withdraw his amendment, I will withdraw mine, and let us get back to considering a bill to get people back to work.

Mr. PASTORE. All I want is a vote. If the Senator has the votes, he can have it and he wins, and if we have the votes, we can have it and we win.

Mr. MANSFIELD. Mr. President, this is a wholesome debate. [Laughter.]

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SCOTT. Mr. President, it seems to me, since we are all confronted here with an incipient conflict of interest, since we are the beneficiaries of this shakedown, or checkoff, or whatever we call it, of the innocent taxpayers of the country, the best thing we could do would be to change the bill and have it apply after the election of 1972, because there may be presidential candidates who may be so motivated and so honorably and so completely convinced of the wrongness of this kind of shakedown that they would refuse to accept the money, and I am sure every Member of the Senate would refuse to accept the money, because, naturally, we cannot shake our constituents down against their own will. Maybe that is the way to do it, but while we are thinking that over and while we are considering our conflicts of interest, perhaps we had better consider going over until tomorrow morning, and perhaps by then sanity will have gained ascendancy and may even prevail.

Mr. MANSFIELD. Mr. President, may I say the use of the word "shakedown" is ill-advised—very ill-advised—because under the checkoff system what is done is done voluntarily. Nobody is forced to do any contributing under the measure now before us unless he desires to do so voluntarily.

I think that we have probably run out of reasonableness today, and therefore, Mr. President, I wish to make a further request.

ESTABLISHMENT OF A SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION—REFERRAL OF S. 2097 TO COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. MANSFIELD. Mr. President, yesterday the Senator from Connecticut (Mr. RIBICOFF) reported from the Committee on Government Operations a bill (S. 2097) to establish a Special Action Office for Drug Abuse Prevention to concentrate the resources of the Nation in a crusade against drug abuse.

By prior unanimous consent, this bill, when reported, was to have been referred to the Committee on Labor and Public Welfare, but inadvertently it was placed on the calendar. Therefore, Mr. President, I ask unanimous consent that S. 2097 be taken from the Senate Calendar and referred to the Committee on Labor and Public Welfare for their consideration. I ask unanimous consent also that the names of Senators ERVIN, HARRIS, METCALF, HUMPHREY, MUNDT, MATHIAS, ROTH, and BROCK be added as cosponsors of this bill at the next printing.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move——

Several Senators addressed the Chair.

Mr. MANSFIELD. I yield very briefly.

Mr. SCOTT. Mr. President, would the Senator consider other amendments, in that case, which we might be able to dispose of tonight, other than on the Pastore amendment?

Mr. MANSFIELD. No; I think we had better stick with this until we decide one way or another.

Mr. SCOTT. As the Senator knows, we are anxious to get out of here.

Mr. MANSFIELD. Mr. President, again I make my unanimous-consent request that we vote on the divisions at 10 o'clock tonight.

Mr. SCOTT. That is up to the Senate.

Several Senators objected.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that we have a vote at 11 o'clock tonight.

Several Senators objected.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that we vote on them at 10 o'clock tomorrow morning.

Several Senators objected.

Mr. MANSFIELD. Mr. President, there was no objection.

Mr. GOLDWATER. Yes, there was.

Mr. PASTORE. How about 5 o'clock?

Mr. MANSFIELD. I will take that suggestion.

Mr. President, I ask unanimous consent that there be a vote on the divisions at 5 o'clock tomorrow afternoon.

Mr. GOLDWATER and other Senators objected.

Mr. SCOTT. Mr. President, I ask unanimous consent that the Pastore amendment and all amendments thereto be set aside and that the Senate proceed to the consideration of and vote on amendments to the tax bill.

Mr. MANSFIELD. Mr. President, I object, and I move that the Senate adjourn——

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MANSFIELD. Very briefly.

FOREIGN MILITARY ASSISTANCE AUTHORIZATIONS, 1972

Mr. FULBRIGHT. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2819.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing that it had passed the bill (S. 2819) to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes; with amendments on which it insisted, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE AUTHORIZATIONS, 1972

Mr. FULBRIGHT. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2820.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing that it had

passed the bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for the fiscal year 1972, and for other purposes, with amendments on which it insisted, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

The PRESIDING OFFICER. Without objection, action will be taken on the two messages from the House en bloc.

Mr. FULBRIGHT. Mr. President, the Senate today has been asked to engage in a very unusual and unique activity—an activity which for reasons of precedent concern the legislative role of the Senate.

We are asked to name conferees on a bill which was soundly defeated in the Senate by a vote of 27 to 41—the foreign aid bill. The bill we defeated by that vote on October 29 was H.R. 9910. After defeat of that bill, the Senate then passed two bills, S. 2819 and S. 2820.

But today, by a vote of 269 to 115, the House adopted a rule which resurrected H.R. 9910. The text of that most unusual rule follows:

Resolved, That immediately upon the adoption of this resolution and without the intervention of any point of order the bills of the Senate S. 2819 and S. 2820 are hereby taken from the Speaker's table; that said Senate bills are hereby amended by striking out all after the enacting clause of each such Senate bill and inserting in lieu thereof the text of the bill H.R. 9910 as passed by the House on August 3, 1971; that the said Senate bills as so amended shall be considered as read a third time and passed; that the title of each such Senate bill shall be amended by striking out such title and inserting in lieu thereof the title of H.R. 9910; that the House insists upon its amendments to each such Senate bill and requests conferences with the Senate, and that the Speaker appoint managers on the part of the House to attend each such conference.

The effect of the adoption of this rule is that the other body has flatly refused to give any consideration to the two bills passed by the Senate. This action is in the opinion of experts on procedure without any known precedent.

This is an extraordinary procedure. I hope that before this session ends the House as a whole will have an opportunity to have a direct vote on foreign aid legislation in accord with the procedure usually followed in these matters.

For my part, I shall do everything I can in conference to insure that the will of the Senate prevails.

Mr. FULBRIGHT. I move that the Senate agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. FULBRIGHT, Mr. MANSFIELD, Mr. CHURCH, Mr. SYMINGTON, Mr. AIKEN, Mr. MUNDT, and Mr. CASE conferees on the part of the Senate.

Mr. FULBRIGHT subsequently said. Mr. President, I ask unanimous consent that the name of the Senator from Kentucky (Mr. COOPER) be substituted for the name of the Senator from South Dakota (Mr. MUNDT) as a Senate conferee.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Now, Mr. President——

Mr. MAGNUSON. Mr. President, will the Senator yield for just one question?

Mr. MANSFIELD. I yield.

Mr. MAGNUSON. As the Senator knows, and the Senate should know, the Appropriations Committee is ready to report the Defense appropriation bill.

Mr. MANSFIELD. That is going to be called——

Mr. MAGNUSON. I want to ask this question, for the benefit of Senators, because it is a $73 billion bill——

Mr. BYRD of West Virginia. Mr. President, we cannot hear what the Senator is saying.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MAGNUSON. When does the Senator think we will bring up the Defense appropriation bill?

Mr. MANSFIELD. When we are through with the pending business, which could be this week, but is very unlikely now. It could be next week, but, if necessary, it could be after Thanksgiving.

Mr. MAGNUSON. I thank the Senator for his answer. I wanted the Senate to know that, because many people are waiting for the Defense appropriation bill.

FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1972—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes.

I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. TUNNEY). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report which reads as follows:

CONFERENCE REPORT (H. REPT. NO. 92-676)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.J. Res. 946) "making further continuing appropriations for the fiscal year ending June 30, 1972, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment: That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

That the joint resolution of July 1, 1971 (Public Law 92-38), as amended, is hereby further amended (1) by striking out "November 15, 1971" in clause (c) of section 102 and inserting in lieu thereof "December 8, 1971"; and (2) by adding at the end thereof the following new section:

"SEC. 108. Notwithstanding any other provision of this joint resolution, obligations incurred hereunder for foreign economic and military assistance and sales shall not exceed the rate provided for in authorization bills for such assistance passed during the first session, ninety-second Congress: *Provided*, That, whenever the rate of obligations for such assistance made available under such an authorization bill as passed by the Senate is different from that contained under such a bill as passed by the House, the rate of obligations shall be limited to the lower rate."; and the Senate agree to the same

GEORGE MAHON,
JAMIE L. WHITTEN,
OTTO E. PASSMAN,
FRANK T. BOW,
GARNER E. SHRIVER,
Managers on the Part of the House.

ALLEN J. ELLENDER,
JOHN L. MCCLELLAN,
WILLIAM PROXMIRE,
DANIEL K. INOUYE,
MILTON R. YOUNG,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
Managers on the Part of the Senate.

Mr. ELLENDER. Mr. President, the House passed this continuing resolution on November 10 and stipulated that the previous continuing resolution be continued until the sine die adjournment of tht first session of the 92d Congress.

The Senate version of the resolution extended the expiration date to December 1, 1971. The Senate amendment also provided that the interim rate for operations for the foreign assistance program would be the lower of the rates contained in the foreign assistance authorization legislation passed by either House in the present session or the rates that obtained during the period of July 1, 1971, through November 15, 1971—the lower amount in each instance.

In conference with the House of Representatives on November 18, 1971, it was agreed that the House would accept the Senate amendment relating to the foreign assistance program. However, the conferees decided to make the expiration date of the continuing resolution December 8, 1971, rather than the date of December 1 as provided in the Senate amendment. The managers on the part of the House advised the Senate conferees that there was no way they could report on the remaining appropriation bills by December 1, but that there was a reasonable chance to process them before December 8.

Mr. President, I ask unanimous consent that the requirement that the conference report on this resolution be printed as a Senate report be waived inasmuch as, under the rules of the House of Representatives, it will be printed as a report of the House of Representatives. The reports are identical.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the conference report.

Mr. FULBRIGHT. Mr. President, when the conferees agreed to the extension until December 8, was it with the understanding that there would be no continuing resolution beyond that date?

Mr. ELLENDER. That is the understanding under which the Senate conferees agreed to the conference report.

Mr. JAVITS. Mr. President, we cannot hear. What was the question of the Senator from Arkansas?

Mr. FULBRIGHT. The Senator from Louisiana merely confirmed my understanding that the condition under which the Senate conferees accepted the date of December 8 was that there would be no further request for a continuing resolution.

Mr. JAVITS. The only amendment is that they extended the date until December 8, and that is all?

Mr. ELLENDER. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ROUTINE MORNING BUSINESS

The routine morning business transacted today is printed at this point in the RECORD by unanimous consent.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following letters, which were referred as indicated:

REPORT ON DEPARTMENT OF DEFENSE PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report on the Department of Defense Procurement from Small and Other Business Firms, for July-August, 1971 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

PROPOSED FOREIGN AID TRANSPORTATION REGULATORY ACT OF 1971

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 to provide for the regulation of rates of air carriers and foreign air carriers in foreign air transportation, and for other purposes (with accompanying papers); to the Committee on Commerce.

REPORT OF ACTIVITIES OF EAST-WEST CENTER IN HONOLULU

A letter from the Secretary of State, transmitting, pursuant to law, a report of the activities of the East-West Center in Honolulu, for the year ended June 30, 1971 (with an accompanying report); to the Committee on Foreign Relations.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Savings Available By Consolidating Certain Reserve Fleet Activities," Department of Commerce, Department of Defense, dated November 18, 1971 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Audit of Financial Statements of Saint Lawrence Seaway Development Corporation Calendar Year 1970," Department of Transportation, dated November 18, 1971 (with an accompanying report); to the Committee on Government Operations.

PROPOSED LEGISLATION CONCERNING DISTRIBUTION OF JUDGMENT FUNDS TO PERSONS OF CALIFORNIA INDIAN DESCENT

A letter from the Assistant Secretary of the Interior submitting proposed legislation to provide for the preparation of a roll of persons of California Indian descent and the distribution of certain judgment funds (with accompanying papers); to the Committee on Interior and Insular Affairs.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"SENATE JOINT RESOLUTION No. 46

"Relative to private industry employee retirement or pension plans

"Whereas, The growth in size, scope, and numbers of private industry employee benefit plans in recent years has been rapid and substantial, and the continued well-being and security of millions of employees and their dependents are directly affected by these plans; and

"Whereas, Private industry employee benefit plans have become an important factor affecting the stability of employment and the successful development of industrial relations and have significantly influenced commerce because of the interstate character of their activities, and of the activities of their participants, and the employers, employee organizations, and other entities by which they are established or maintained; and

"Whereas, Owing to the lack of employee information and adequate safeguards concerning their operation, it is desirable in the interests of employees and their beneficiaries, and to provide for the general welfare and the free flow of commerce, that disclosure be made and safeguards be provided with respect to the establishment, operation, and administration of such plans; and

"Whereas, Such plans substantially affect the revenues of the United States because they are afforded preferential federal tax treatment; and

"Whereas, Despite the enormous growth in such plans many employees with long years of employment are losing anticipated retirement benefits owing to the lack of vesting provisions in such plans, and because of the inadequacy of current minimum standards the soundness and stability of plans with respect to adequate funds to pay promised benefits may be endangered; and

"Whereas, Due to the involuntary termination of plans before requisite funds have been accumulated, employees and their dependents have been deprived of anticipated benefits; and

"Whereas, It is therefore desirable in the interests of private industry employees and their beneficiaries, for the protection of the revenue of the United States, and to provide for the free flow of commerce, that minimum standards be provided assuring the equitable character of such plans and their financial soundness; and

"Whereas, Public employees' retirement plans have been established by various state legislative bodies, and are operated under their control and review, are subject to their direction and audit and as such are adequately controlled and should not therefore be subject to the control of federal legislation; and

"Whereas, There are two or more bills presently under consideration by the 92nd Congress of the United States, which would implement comprehensive plans to alleviate the problems or inequities presently existing in the area of employee benefit plans; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the United States Congress be memorialized to consider legislation to implement comprehensive plans to alleviate the problems or inequities presently existing in the area of private industry employee benefit plans; and be it further

"Resolved, That public employee retirement plans be specifically exempted from such legislation; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Foreign Relations:

"SENATE JOINT RESOLUTION No. 42

"Relative to an exchange program between Argentina and California regarding the Bermejo River Basin Inter-American Multiple Development Project

"Whereas, The Bermejo River Basin Project is of International and Inter-American character and represents the establishment of a direct bond of union among Argentina, Bolivia, Brazil, Chile, Paraguay, and Uruguay, and an indispensable basis for the proposed Latin American Free Trade Association; and

"Whereas, The navigable canals of the project will facilitate intercommunication between the Atlantic and Pacific Oceans across the southern part of South America, and the multiple development will include all aspects of land development, production of natural resources, and industrialization; and

"Whereas, The multiple development of the Bermejo River Basin with its canals, dams, hydroelectric and other projected works will solve national and international economic and national social problems of the countries involved; and

"Whereas, The State of California has specialists and engineers in the State Departments of Agriculture, Water Resources, and Public Works, who have unique expertise in regard to all aspects of projects similar to the Bermejo River Basin Multiple Development Project; and

"Whereas, An exchange program between Argentina and California that would allow personnel who have ably demonstrated their capabilities for these California agencies to participate in the development of the Bermejo River Basin in conjunction with the United States government would improve and strengthen inter-American relationships on both a western hemisphere and country-to-country basis; now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California, jointly, That the Legislature of the State of California respectfully requests the President and Congress of the United States to appropriate foreign assistance funds for the purpose of an exchange program between Argentina and the State of California as set forth regarding the multiple development of the Bermejo River Basin; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President of the United States, to the United States Senate, to the United States House of Representatives, and to each of the Senators and Representatives from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Veterans' Affairs:

"SENATE JOINT RESOLUTION No. 38

"Relative to establishment of national cemeteries

"Whereas, It has come to the attention of the Members of the California State Legislature that there are currently no spaces available in national cemeteries in California to bury the veterans of wars which were fought to preserve our freedom; and

"Whereas, Since the Civil War, this nation has guaranteed to veterans who faithfully

served in wartime the privilege of interment; and

"Whereas, There are now over thirty million veterans who are eligible to be buried in a national cemetery, with only approximately two hundred thousands spaces available; and

"Whereas, Every year during the Vietnam War we add over one million new veterans to the long list of those who qualify for burial in a national cemetery; and

"Whereas, Even though the veteran and his family, if they so request, are buried at no cost to themselves, they must nevertheless pay the costs of transportation to the nearest national cemetery; and

"Whereas, The nearest national cemeteries to California with space are located in Portland, Oregon, and in San Antonio, Texas; and

"Whereas, Last year the entire town of Port Chicago was condemned to provide a buffer zone for the Naval Weapons Depot and this vacant land is now serving no useful purpose; and

"Whereas, The area of Port Chicago and the land adjacent thereto contains 2,867.82 acres, which are capable of providing over two and a half million grams, with adequate space left for landscaping and roadways; and

"Whereas, Lands surplus to the needs of the Navy and incident to the bigger zone created for protection to the public are appropriate to a national cemetery; and

"Whereas, The desert area near Palm Springs, California, would serve as an additional appropriate site for a national cemetery to serve the burial needs of veterans in southern California and adjacent areas; and

"Whereas, Vandenberg Air Force Base would also serve as an additional appropriate site for a national cemetery to serve the burial needs of veterans in southern California and adjacent areas; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California memorializes the Congress of the United States and the Veterans Administration to consider for national cemeteries such sites together with all other potential sites in California, and to establish one or more national cemeteries in California; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Director of the Veterans Administration, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the California Legislature; to the Committee on Veterans' Affairs:

"ASSEMBLY JOINT RESOLUTION No. 52

"Relative to providing treatment for drug addiction of Vietnam veterans

"Whereas, The effects of the war in southeast Asia have led to an outbreak of an insidious epidemic of drug addiction afflicting thousands of American servicemen in Vietnam with a deadly disease they cannot control; and

"Whereas, The veterans of this war are now returning to their homes within the United States, and suffering from the pain and horror of drug addiction without benefit of medical treatment, rehabilitation, and preventive education; and

"Whereas, The federal government of the United States should assume responsibility for the health and welfare of those men victimized by this war; and

"Whereas, There is within the State of California an institution administered by the state's Department of Veterans Affairs which has the physical capability to provide for the necessary medical treatment, rehabilitation, and preventive education of Vietnam veterans returning to their homes within the State of California; and

"Whereas, The Veterans Home and Hospital located at Yountville, California, should be utilized by the federal government, in close cooperation with the government of the State of California, for the purpose of providing for the necessary medical treatment, rehabilitation, and preventive education of California residents who are returning home from Vietnam afflicted with drug addiction; and

"Whereas, There are within the State of California many drug treatment programs in community mental health facilities (including more than 20 methadone maintenance programs) and at state hospitals which are capable in assisting in the treatment of drug addiction of veterans of the Vietnam War; and

"Whereas, There is within the State of California at DeWitt Hospital a most suitable treatment center capable of assisting in the treatment of drug addiction of Vietnam veterans; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the federal government of the United States be requested to take all actions necessary, including financial assistance, in close cooperation with the government of the State of California, directed toward the utilization of the Veterans Home and Hospital in Yountville, California, DeWitt Hospital in Auburn, California, and the community mental health facilities and state hospitals in California for the purpose of providing for the necessary medical treatment, rehabilitation, and preventive education of Vietnam veterans who are afflicted with drug addiction, and who are residents of California; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, the Administrator of Veterans Affairs, the Director of the California Department of Veterans Affairs, and the Director of Mental Hygiene.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Appropriations, with amendments:

H.R. 11731. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes (Rept. No. 92-498).

By Mr. McCLELLAN, from the Committee on the Judiciary, without amendment:

S.J. Res. 149. A joint resolution to authorize and request the President to proclaim the year 1972 as "International Book Year" (Rept. No. 92-499).

By Mr. EAGLETON, from the Committee on the District of Columbia, without amendment:

S. 2878. A bill to amend the District of Columbia Election Act, and for other purposes (Rept. No. 92-502).

By Mr. EAGLETON, from the Committee on the District of Columbia, with an amendment:

S. 1938. A bill to amend certain provisions of subtitle II of title 28, District of Columbia Code, relating to interest and usury (Rept. No. 92-500).

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 50. A concurrent resolution authorizing the printing of the handbook entitled "Guide to Federal Programs for Rural Development" as a Senate document (Rept. No. 92-492);

S. Res. 138. A resolution authorizing the Committee on Interior and Insular Affairs to expend additional funds from the contingent fund of the Senate (Rept. No. 92-493);

S. Res. 182. A resolution to provide additional funds for the Committee on Finance for routine committee expenditures (Rept. No. 92-494);

S. Res. 185. A resolution to provide additional funds for the Committee on Veterans' Affairs (Rept. No. 92-495);

S. Res. 187. A resolution authorizing the printing for the use of the Committee on Government Operations of additional copies of part 4 of its hearings entitled "Organized Crime" (Rept. No. 92-496);

S. Res. 197. An original resolution temporarily suspending rule IV of the Rules for the Regulation of the Senate Wing of the U.S. Capitol to permit a photograph of the Senate in session (Rept. No. 92-497);

S. Res. 198. An original resolution to pay a gratuity to Williemae C. Abney; and

S. Res. 199. A resolution to pay a gratuity to Mamie B. Wallace.

REPORT ENTITLED "CONSTITUTIONAL AMENDMENTS"—REPORT OF A COMMITTEE (S. REPT. NO. 92-501)

Mr. BAYH, pursuant to Senate Resolution 335, 91st Congress, second session, submitted a report entitled "Constitutional Amendments" from the Committee on the Judiciary, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CHILES:

S. 2872. A bill to amend the Social Security Act to increase benefits, raise the earnings base, improve computation methods, and otherwise improve the program of old-age, survivors, and disability insurance programs; to make improvements in the medicare, medicaid, and maternal child health program with emphasis upon improvements in the operating effectiveness of such programs; and to improve the public assistance programs; and for other purposes. Referred to the Committee on Finance.

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 2873. A bill for the private relief of James J. Eder, Sr. Referred to the Committee on the Judiciary.

By Mr. ERVIN:

S. 2874. A bill for the relief of Roy Ramon Solano Salas. Referred to the Committee on the Judiciary.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 2875. A bill to amend the Rail Passenger Service Act of 1970 in order to restore certain rights to free or reduced rate rail passenger transportation granted by railroads to employees upon retirement and to clarify the intent of such Act with respect to the preservation of such rights. Referred to the Committee on Commerce.

By Mr. BOGGS:

S. 2876. A bill for the relief of Anne M. Connell. Referred to the Committee on the Judiciary.

By Mr. TAFT:

S. 2877. A bill to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. EAGLETON, from the Committee on the District of Columbia:

S. 2878. An original bill to amend the District of Columbia Election Act, and for other purposes. Ordered placed on the calendar.

By Mr. JAVITS:

S. 2879. A bill to authorize the President of the United States to agree to change the par value of the dollar. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SYMINGTON:

S. 2880. A bill for the relief of Manuel Yaroschevsky, Paulina Yaroschevsky (also known as Paulina Strolliar), Daniel Yaroschevsky, and Claudia Yaroschevsky. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHILES:

S. 2872. A bill to amend the Social Security Act to increase benefits, raise the earnings base, improve computation methods, and otherwise improve the program of old-age, survivors, and disability insurance programs; to make improvements in the medicare, medicaid, and maternal child health program with emphasis upon improvements in the operating effectiveness of such programs; and to improve the public assistance programs; and for other purposes. Referred to the Committee on Finance.

Mr. CHILES. Mr. President, our national and State systems for providing financial and other assistance to those who truly need it have reached the crisis state. I use the description carefully; alarmists who characterize every major problem as a crisis fool us into believing that we can treat all such problems equally, that one is no more important than the other.

But the crisis in welfare is real and is so out of control that the number of welfare recipients in the United States has doubled from 7.2 million in 1961 to about 14.4 million today. During 1970 alone, welfare recipients grew by 2.3 million. Another 26 million Americans receive social security benefits. Welfare, including our social security system, is—after the general state of our economy and international security—the most pervasive and important influence on our pocketbooks, on our morale, and on the future of our Nation as a strong, independent Union.

But every crisis has both a challenge and an opportunity. Our challenge is:

To support all of the truly needy throughout our Nation adequately while equitably distributing the financial burden for that support.

To encourage the work system and family system by providing strict requirements and strong incentives which are fairly and uniformly enforced.

To separate those who are potentially self-dependent from the truly needy and restrict direct public payments only to the truly needy.

Our opportunity is:

To take advantage of the general public support for welfare reform which now is widespread throughout the Nation.

To build on the good features of reform measures already proposed.

I offer today an alternative to welfare reform which responds directly to our threefold challenge by combining new ideas with the best features of reform plans already under consideration.

In support of my bill, today I want to:

Define the nature of the welfare crisis so that we can react intelligently to its causes and characteristics.

Discuss the history of major welfare programs.

Outline recent major reform proposals and their responses to each of the causes and characteristics of the current welfare crisis.

Offer an alternative plan which builds on the good features of some recent proposals and sets forth ways to respond positively to the causes and characteristics of the welfare crisis which are not adequately treated by the other major reform proposals.

I shall discuss each of these major points in turn.

NATURE OF THE WELFARE CRISIS

All the rhetoric about the welfare crisis boils down to a vicious cycle which can be simply stated but not simply stopped:

Increasing numbers of people on welfare, closely tied to increasingly large benefit payments, place a greater and greater financial burden on the low- and middle-income taxpayer. As his relative tax burden—including social security payroll taxes as well as income taxes—increases, the taxpayer's incentive to work decreases. If he is on the low end of the income scale, the working taxpayer may find that welfare payments are larger than any after-tax income he or his family can bring in. He thus may slide over into the growing group of nonworking poor who are supported only by welfare checks. His family may fall apart, an alarming trend encouraged by the current welfare system which often makes it unprofitable for families to stay together.

As more and more people go on welfare, the truly needy—those who do not have the physical or mental abilities to support themselves—receive relatively less, sometimes less than they need to stay alive. This entire cycle is made even worse by cumbersome administrative processes and even fraud.

All together, our Federal and State welfare systems are undermining our faith in the work and family traditions which always have been at the core of our strength. Americans have begun to doubt the very ability of their Government to cope adequately with difficult, pervasive problems.

Today we have created a welfare nursery in which we are seeing the results of the third and fourth generation child we have placed in this nursery, and how we break that cycle is the problem we must try to solve.

From this cycle, we can identify six major causes and characteristics of the current welfare crisis which must be considered by any reform attempt:

First. Deterioration of belief in the work ethic among those who are physically and mentally capable of supporting themselves and their families. A good welfare system would strengthen the work ethic by separating the truly needy from those who can support themselves and limiting Government support to the truly needy.

Second. Deterioration of reliance on our family structure, both among the truly needy and among those who can but do not support themselves. A good system would encourage family stability by including greater relative benefits for families who stay together.

Third. Lack of adequate support for the truly needy. A good system would provide equal and adequate support, in the form of financial payments and necessary health and counseling services, to all the truly needy. If those who can support themselves are given strong incentives to do so, then more money and energy will be available to provide adequately for the truly needy.

Fourth. Inequitable distribution of the welfare financial burden. Low- and middle-income taxpayers, primarily those in the $6,000 to $11,000 annual income group, now bear a greater relative burden of income and social security taxes than higher bracket taxpayers. This causes some of the working poor to think frequently about dropping out and placing their names on the growing lists of welfare recipients. A good welfare system would distribute the tax burden equitably, requiring those with more income to pay their fair share and relieving the low-income taxpayer of a difficult burden which undermines his belief in the work ethic.

Fifth. Difficult, cumbersome administrative procedures now hamper separation of the truly needy from the potentially self-supporting, result in inadequate benefits to the truly needy and undermine the work ethic and the family structure. A good system would be simple to administer, would apply uniformly and fairly to all who came in contact with it, and would be decentralized as much as possible for effective response to citizens' needs.

Sixth. Periodic fraud has tagged the welfare system with a "give-away" label. A good system would benefit only the truly needy, be fairly administered, and close unjustifiable loopholes through which billions of welfare dollars now flow.

The six causes and characteristics of our current welfare crisis are closely tied together. What is cause and what is effect will be the subject of endless debate for years to come.

Endless debate intrigues some. But it does not feed the truly needy, ease the financial burden which welfare now places on the low- and middle-income taxpayer, or stop the fraud.

I want to stop the cruel welfare cycle which is deadening our spirits and robbing our pocketbooks needlessly. But I want to do it by recognizing the real nature of the welfare crisis and by building on the best features of efforts which have preceded mine.

An article written by Robert L. Bartley, and published in the Wall Street Journal of July 22, 1971, discusses the nature of the welfare crisis in more detail. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 22, 1971]

WHY THE WELFARE CRISIS IS A CRISIS

(By Robert L. Bartley)

WASHINGTON.—In the first place, everyone agrees that the nation faces a welfare crisis. In the second place, everyone agrees that

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something must be done. In the third place, trouble is, few people agree on what makes the welfare crisis a crisis in the first place.

With a new round of the welfare debate about to open, as the Senate Finance Committee holds the first public hearings on this year's much-modified proposals, it may be an apt moment to ask a few basic questions: What is it, precisely, that makes welfare a crisis, anyway? What went wrong? And why?

What is it, in still other words, that we want welfare reform to accomplish? Failure to agree on objectives was the intellectual trouble that helped kill President Nixon's Family Assistance Plan in the Finance Committee last year. The House Ways and Means Committee came up with its own answers to the problem this year in private sessions, writing the bill that Chairman Wilbur Mills then steered quietly through the House. The problem has been that many objectives are urged, most of them are valid, most of them are mutually exclusive and most of them are not really rooted in a firm sense of what constitutes the crisis.

In many quarters, including most of the welfare bureaucracy, the automatic assumption is that the objective of welfare reform is to get more money to the poor, and to reduce regulation of them to a humane minimum. Certainly this is a valid objective. No one would relish raising a family on even the most generous welfare grant, let alone the pitifully low ones in Southern states. No one who has ever dealt with any bureaucracy could fail to sympathize with anyone whose very livelihood depends so directly on the decisions of one.

NEW YORK CITY'S CRISIS

Yet what does this have to do with the welfare crisis? Could we solve the crisis by raising all benefits to the poverty level and determining eligibility by a simple declaration of need? New York City has already done both of those things. The state legislature has been cutting back the welfare benefits there, but at one time welfare and associated programs like Medicaid gave a family of four an income equivalent to about $5,500 a year. In three welfare centers the declaration system has in fact applied. Has the welfare crisis been solved in New York City? No, it is particularly intense there.

On the opposite side of the debate, though, the equally automatic assumption is that welfare is too costly and the rolls too large. Again, there is validity here. Aid to Families with Dependent Children, the welfare category where the problem is, now supports 10 million persons, or 5% of the entire nation. It costs the federal government more than $3 billion a year, and the additional state contributions have put heavy strains on their treasuries.

Yet some 26 million people receive Social Security benefits. The Veterans Administration pays $2.4 billion a year merely in the category of "non-service-connected" pensions. There is no "Social Security crisis" or "veterans crisis." Why is there a welfare crisis?

There are a number of answers to this question, some of them not very pretty. The disproportionally black AFDC rolls, for example, make them an object of racial prejudice. Yet the sense of a welfare crisis reaches far beyond the racists, and it does have an entirely legitimate basis. The beginning of wisdom is to understand that the welfare crisis arises not from the size of the rolls, but from their rate of growth.

In 1967 Congress was already upset at the growth in welfare rolls, which had doubled to 4.6 million in the previous decade. It wrote a bill intended to slow the growth by promoting work, and was denounced as "anti-welfare" for doing so. By today, less than four years later, the rolls have more than doubled again. During 1970 alone they grew by 2.1 million, almost as much as the decade's growth that originally upset Congress. By 1977, according to government projections, they will stand at 20 million, a five-fold growth in 10 years under the 1967 law.

Almost anyone will instinctively recognize this sort of growth as a crisis. But, to continue with the basic questions, precisely why? The financial implications are far from trifling, as generous states like New York have discovered. But this is not the heart of it, and transferring these costs to the federal government would not end the crisis. The heart of it is that such growth has powerful overtones of social disintegration.

This growth, which has continued in the midst of economic boom as well as the recent slowdown, suggests that the welfare system has somehow evolved into something quite more than a means of sustaining the destitute and tiding the unlucky over bad times. The destitute and unlucky simply cannot be increasing that rapidly and consistently. The question inevitably arises, how did all those people get along the year before? How can there by 5.4 million persons who made it in 1967 but have no alternative to welfare in 1971?

The growth suggests that welfare is in the process of becoming a means of supporting a growing non-working class, and this can scarcely be a happy omen for society. Work is not merely an economic device, after all, but has important social consequences. Certainly it's a source of interpersonal ties and social identity. A family not tied to the work system is likely to suffer intense social isolation, especially in urban slums with little other social structure.

Society has enough divisions, also, without one pitting a class collecting welfare against a class paying for it through taxes. This is especially dangerous if the division runs, as it tends to in so many minds, parallel to a racial one.

While the Protestant ethic may indeed be outmoded as a moral code, finaly, it remains the only visible path to upward social mobility. Even if given individuals have little prospect for jobs that yield immediate social advance, this path remains important for their children and their social groups. It's hard to see how children reared in a non-working class could acquire the habits and expectations likely to make them upwardly mobile. Intriguingly, New York City, with its progressive welfare system, seems to be one of the few places in the nation where black incomes failed to rise faster than white ones during the 1960s.

What has gone wrong with welfare, what causes the crisis, is a caseload growth that signifies the creation of a huge, unrooted urban class, existing beyond many of the informal bonds that hold any society together. If this is true, the next basic question is, why? What causes this to happen? Alas, no one is confident of any answer to this question.

Some of the best hints, though, are found in a study done in 1969 for the Ways and Means Committee. Among other things, it included a study of welfare usage in 11 cities, correlating a number of economic, administrative and attitude-measurement variables with the proportion of each city's poor population dependent on welfare support. The researchers warn that results are tentative, as always, but they are interesting nonetheless.

The factor having the strongest relationship to welfare use was the professionalism of the city's caseworkers. Welfare usage was dramatically lower in cities where a relatively large proportion of welfare workers belonged to professional associations, read professional journals and had taken graduate courses in social work. This factor and low welfare use had a statistical correlation of .825 out of a possible 1.000; correlations this high are only rarely discovered in statistical work.

There was a particularly dramatic comparison between New York City and Rochester, N.Y., where both departments work under identical rules and laws. New York City, with the lowest score in caseworker professionalism, ranked first of the 11 cities in welfare use. Rochester, with the best professionalism score, ranked seventh.

The next highest factor that researchers found relevant to welfare usage was the size of the welfare grant. This had a correlation of .610, still well within the range statisticians consider evidence of a meaningful relationship. The researchers concluded, "Grant levels do seem to act as a disincentive to employment when they exceed wage levels."

THE CHEATING FACTOR

The study, by contrast, did not offer much support for the idea that "cheating" has been a large factor in caseload growth. Field investigations of a sample of New York AFDC cases found 9.4% of them ineligible, though half of these were eligible by need standards and merely classified in the wrong welfare program. This ineligibility rate, as well as the overpayments and underpayments the study discovered, is a serious administrative problem, but it is not the sort of figure that explains the explosive growth in welfare caseloads.

Note carefully, though, that "cheating" is applying for welfare *in addition* to working. The figures in the 1969 study in no way measure the extent to which AFDC caseloads represent recipients applying for welfare *instead* of working. The latter is by far the most interesting and more important question.

The conventional wisdom of course, is that few welfare recipients are employable. Employable adults, we're told, make up only 4% of the rolls, but this figure is misleading on its face. Each adult has on the average three dependents, so putting that 4% to work would reduce the rolls 16%.

Beyond that, such figures rest on an assumption that mothers should not work. Yet nationally the labor force already includes 40% of all American mothers with children under 18, and a third of those with children under six. The conventional wisdom seems increasingly suspect, finally, as the soaring caseload sweeps in more women with favorable educational backgrounds and work experience.

Rep. Mills seems to be closer to the truth when he told the House that new recipients "do come from the working poor." That 1969 study in New York City found that only 18% of welfare mothers had never worked, down from 29% in 1961. Another 18% had experience in white-collar jobs, up from 7% in 1961. All in all, the picture that rather strongly emerges is one of welfare recipients being increasingly induced to neglect work and depend entirely on government benefits.

Administrative approaches and grant levels play a part in these inducements, the 1969 study suggests. But the same study also says all of the factors studied are so closely interrelated that they suggest "a single underlying condition." And several close students of the welfare problem believe this condition is nothing less than a change in social and cultural values, particulary toward low-status jobs.

A CHANGE IN VALUES

Increasingly it's seen as simply wrong to work as a janitor or maid, and certainly to urge anyone else to do so. Recipients should go off welfare, most good people believe, only to jobs with "career ladders" or other visible advancement possibilities. Harvard sociologist Nathan Glazer writes, "To my mind, the heart of the crisis is a massive change in values which makes various kinds of work that used to support families undesirable to large numbers of potential workers today. How to reform that, I don't know, since this change in values is itself the product of an affluent society."

A cruel irony, then, haunts all efforts at welfare reform. It's impossible to dismiss the chance that a huge unrooted class is inevitable, that the by-products of affluence include a lumpen proletariat, increased strains between workers and non-workers and a decline in social mobility.

This possibility is obviously not one to be accepted stoically; remedies ought to be tried even if they eventually fail. And there is enough data on the caseload increase and its causes to assess at least tentatively whether welfare reform proposals make sense in terms of the real crisis. But no reform is likely to succeed if we fail to recognize the haunting possibilities implicit in the recent caseload trends, if we fail to understand what the crisis is all about.

HISTORY OF MAJOR WELFARE PROGRAMS

Mr. CHILES. Before the major economic dislocations suffered by the United States during the 1930's, care of the needy was solely the responsibility of State and local governments. Widely varying customs and social attitudes of local communities toward relief and its recipients, and differing fiscal capacities and administrative organizations, created multiple systems of State and local welfare programs. The absence at that time of widespread rapid communications and transportation systems which we regard as so common today meant that people were much less mobile and that their general standards of living conformed more to local economic conditions than to national expectations.

But the 1930's changed our lives. A national economic depression affected everyone. The multiple State and local relief systems were unable to provide for the costs of relief on the massive scale required during the 1930's. At the same time, farms were closing down and people were moving to the cities. Increased mobility meant that local standards no longer were satisfactory. The financial resources of the cities, already as strained as individual finances, became even more burdened by the inmigration of increasing numbers of jobless citizens. Previous methods no longer were adequate. A new system was needed to alleviate the risks of old age, unemployment, death, and certain types of disabilities.

The Social Security Act, passed in 1935, sought to meet these new needs. Under the old-age and survivors insurance and unemployment insurance titles of the Social Security Act, the Federal Government provided certain social insurance benefits, financed through payroll taxes and available in cases where a loss of earnings could be assumed to indicate a need for public income maintenance payments.

An excerpt from "Social Security Programs in the United States," published in 1968 by the Social Security Administration, outlines the development of Federal assistance programs up to and since the Social Security Act of 1935. I ask unanimous consent that the excerpt be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM SOCIAL SECURITY ADMINISTRATION, "SOCIAL SECURITY PROGRAMS IN THE UNITED STATES"

HISTORICAL DEVELOPMENT

The social security structure has been shaped both by longstanding traditions and by changing economic and social conditions. The United States, in its early history, was an expanding country with a vast frontier and a predominantly agricultural economy. The virtually unrestricted opportunities offered by a rapidly growing population, an abundance of rich natural resources, and an open frontier firmly established in the American tradition the concept of the "rugged individualist" who, through hard work, initiative, and thrift, could be expected to accumulate sufficient resources to meet any future threats to his economic security.

This faith in individualism was further fortified by the fact that during this early period most people extracted their livelihood from the soil and depended in large part upon their own skill and industry in producing goods for their own consumption. Economic disasters and personal catastrophes might occur, but as long as the person lived in an economically self-contained society with closely knit family and communal ties, the threats to his economic security could be minimized.

Up to 1870, more than half the Nation's adult workers were farmers. In the years that followed, however, industry developed rapidly and the economy tended increasingly to be characterized by industrialization, specialization, and urbanization. The result was increasingly a nation of more employees working for wages and proportionately fewer independent farmers, artisans, and tradesmen engaged in family enterprises. Hired workers and their families, and increasingly farmers as well as the nonfarm self-employed, found themselves almost completely dependent on a continuing flow of money income to provide themselves and their families with the necessities of life. Any misfortune that interrupted their current income could mean destitution and poverty.

The shift from a predominantly agricultural to a highly mechanized interdependent society, while tremendously increasing the productive capacity of the Nation and providing the basis for an ever-increasing standard of living, created new risks to family security and lessened the ability of families to take care of their own members.

From the earliest colonial times, local villages and towns recognized an obligation to aid the needy when family effort and mutual assistance provided by neighbors and friends were not sufficient to meet economic adversity. This aid, carried out through the poor relief system and almshouses, was often given grudgingly and included many repressive features which were intended to discourage the needy from applying for public relief except in dire extremity. Gradually, measures were adopted to give more appropriate and adequate care to different groups of needy persons. State governments initiated special institutional arrangements for the needy aged, the blind and deaf, the homeless children, and the insane and feeble-minded. By the early 1900's, efforts were directed at providing cash relief to various categories of the poor in their own homes. Mothers' pension laws were designed to make it possible for orphans—and, under later provisions, for other children without paternal support—to live at home with their mothers rather than in institutions or foster homes. Such laws were adopted in a number of States before World War I. In the mid-1920's, a growing number of States began to experiment with old-age assistance and aid to the blind legislation.

Meanwhile, both the States and the Federal Government had begun to recognize that certain risks in an increasingly industrialized economy could best be met through the application of social insurance principles. In the United States, as in most industrial countries throughout the world, social insurance first began with workmen's compensation (i.e., industrial accident insurance). A Federal law covering civilian employees of the Federal Government engaged in hazardous jobs was adopted in 1908, and the first State compensation law to be held constitutional was enacted in 1911. By 1929, workmen's compensation laws were in effect in all but four States. These laws made industry responsible for the costs of compensating workers or their supervisors when the worker was injured or killed in connection with his job.

Retirement programs for certain groups of government employees—mainly teachers, policemen, and firemen—date back to the 19th century. The teachers' pension plan of New Jersey, which was established in 1896, is probably the oldest Statewide contributory retirement plan for government employees. By the early 1900's a number of municipalities and local governments had set up retirement plans for policemen and firemen. New York State and New York City set up retirement systems for their employees in 1920—the same year that the civil service retirement system was set up for Federal employees.

Another area where the Federal Government accepted an early responsibility was in the provision of benefits and services for persons who served in the military forces. These veterans' benefits at first consisted mainly of compensation for the war disabled, widows' pensions, and land grants. Later, emphasis was placed on service pensions, and domiciliary care. Following World War I, provisions were made for a full-scale system of hospital and medical care benefits.

In general, though, the development of social security in the United States lagged behind that in other industrial nations. Unbounded confidence in the efficacy of individual effort as a means of achieving security conccaled the new forms of insecurity that were being created in a changing America, where the number of urban, industrial workers dependent on a weekly paycheck was rapidly growing.

Other forces retarding the growth of social security legislation were a Federal-State consititutonal system which, as interpreted by the courts, limited national governmental action in this area; the relatively high wages of labor and a high standard of living; and the lack of support of social insurance by most of the organized trade union movement and by the well-established private insurance industry.

The severe depression of the 1930's dramatized the fact that many American workers were now almost universally dependent on factors beyond their individual control for their economic risks of unemployment, old age, death, and disability no longer proved adequate or guaranteed security in the face of nationwide economic disaster.

THE SOCIAL SECURITY ACT

Federal action became a necessity, as neither the States and the local communities nor privately organized charities had the financial resources to cope with the growing need among the people. Beginning in 1932, the Federal Government made first loans, then grants, to States to pay for direct relief and work relief. Then, special Federal emergency relief and public works programs were started. In 1935, President Franklin D. Roosevelt proposed to Congress long-range economic security legislation, embodying the recommendations of a specially created Committee on Economic Security. There followed the passage of the Social Security Act, signed into law on August 14, 1935.

This law established two social insurance programs on a national scale to help meet the risks of old age and unemployment: a Federal system of old-age benefits for retired workers who had been employed in industry and commerce and a Federal-State system of unemployment insurance. The choice of old age and unemployment as the risks to be covered by social insurance was a natural development, since the depression had wiped out much of the lifetime savings of

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the aged and had reduced the opportunities for gainful employment.

The law also provided for Federal grants-in-aid to the States to help them in giving financial assistance to three groups of needy persons—the aged, the blind, and dependent children. It established other Federal grants to enable States to extend and strengthen maternal and child health services, services for crippled children, and child welfare services. The act also provided Federal grants to States for public health services and services of vocational rehabilitation. Provisions for these grants were later removed from the Social Security Act and incorporated in other legislation.

OASDHI CHANGES SINCE 1935

Before the old-age insurance program was actually in full operation, significant changes were adopted. Congress in 1939 made the old-age insurance program a family program rather than a program for retired workers only by providing monthly benefits for a worker's dependents and survivors. Also, the basis for computing benefits was changed from cumulative lifetime earnings after 1936 to average monthly earnings in covered work, making it possible to pay reasonably adequate benefits to many workers approaching retirement age at that time and to their dependents. The 1939 amendments also made monthly benefits first payable in 1940, instead of 1942 as originally planned.

No major changes were made again in the program until 1950 when it was broadened to cover many jobs that had been excluded at the beginning chiefly because experience was needed to work out ways to report earnings and collect contributions of certain occupational groups. Among the groups covered by the 1950 amendments were regularly employed farm and household employees and most persons—other than farmers and professional people—who work for themselves. Coverage was made available on a voluntary group basis to employees of State and local governments not under public employee retirement systems and to employees of nonprofit organizations.

During the 1950's, further extensions of coverage brought farm operators and most self-employed professional people under the program. Members of the Armed Forces were covered on a contributory basis (previously, noncontributory wage credits had been provided for certain military service). Coverage was also made available to State and local employees covered by retirement systems (except for policemen and firemen in some States) on a voluntary group basis. In 1965, self-employed doctors of medicine were covered.

With the exception of most Federal employees, and some State and local government employees, virtually all gainfully employed workers are now covered by OASDHI. In the private employment sector, only farm and domestic workers who do not earn enough or work long enough in their jobs to be covered, low-income self-employed people, and some employees of nonprofit organizations are excluded.

In 1950, when coverage under the program was broadly extended, the law was amended to allow a worker's average monthly earnings to be figured on the basis of his earnings after 1950. Similar consideration was given to the groups newly covered by the program in 1954 and 1956 by allowing up to 5 years of lowest earnings to be dropped from the computation of average earnings. So that people already covered by the program would not be treated less favorably than the newly covered groups, these special provisions were made available to all persons who worked in covered employment after 1950, regardless of when their jobs were first covered.

Over the years, changes have also been made in the amount of work required to obtain an insured status. Under the 1939 amendments, a worker was generally eligible for benefits if he had worked in covered employment half the time (one out of every two calendar quarters) after 1936 and before age 65 and had a minimum of six quarters of coverage. In 1950, in order to give newly covered workers the same opportunity to qualify for benefits as workers covered under the original act, a "new start" provision was enacted which related the amount of work required to the time a worker could have been expected to have worked after 1950. Further liberalization of the work requirements (on a short-term basis) accompanied the extension of coverage under the 1954 and 1956 acts. In 1960, a provision was enacted which changed the insured status requirement to one quarter of coverage for each three calendar quarters elapsing after 1950. The present provision, under which a person is insured if he has credited for covered work roughly equal to one-fourth of the time (one out of four calendar quarters) after 1950, was provided by the 1965 amendments. The 1965 amendments eased the eligibility requirements for people 72 and over who were not eligible for benefits by introducing a transitional insured status under which a special monthly benefit may be paid with respect to persons with three to five quarters of coverage. A 1966 amendment extended these special monthly benefits to certain people aged 72 and over who could not meet even these minimal requirements.

The scope of the basic national social insurance system was significantly broadened in 1956 through the addition of disability insurance. Benefits were provided for severely disabled workers aged 50–64 and for adult disabled children (if disabled before age 18) of deceased and retired workers. In 1958 the act was further amended to provide benefits for dependents of disabled workers similar to those already provided for dependents of workers retired because of old age. In 1960 the age-50 limitation for disability benefits was removed so that disability benefits could be payable at any age before 65. The 1965 amendments modified the definition of disability so that a severely disabled person could qualify if his impairment could be expected to last at least 12 months. The previous requirements was that the disability be expected to be of long-continued and indefinite duration. Under the 1967 amendments, disability benefits at a reduced rate were extended to certain disabled widows and widowers, starting at age 50.

The original Social Security Act required that the individual reach the age of 65 before any retirement benefits could be paid. This eligibility age was lowered from 65 to 62 for women in 1956, to 62 for men in 1961, and from age 62 to 60 for widows in 1965. The benefits for working men and women, wives, and dependent husbands who claim benefits before age 65 and for widows who claim them before age 62 are reduced to take account of the longer period over which they will receive their monthly payments.

The benefit structure has been improved several times since 1950. During the 1940's, with the attention of the Congress largely directed toward foreign affairs, benefit provisions under the program remained unchanged, with a consequent loss in the purchasing power of the benefits as a result of wartime and postwar inflation. In 1950, Congress reaffirmed old-age and survivors insurance as the Nation's basic income-maintenance program by increasing the value of the benefits of those on the rolls and raising future benefit levels through the use of a new benefit formula applicable to persons claiming benefits after August 1950. Contributing to the effectiveness of the new benefit formula was an increase in the maximum annual earnings that could be taxed and credited toward benefits—from $3,000 to $3,600.

Since 1950, benefits have been increased periodically by legislative action, reflecting not only the changed value of the dollar but also the rising level of living for the population as a whole. Benefits were increased for all groups of beneficiaries in 1952, 1954, 1958, and 1965. In 1955 the annual contribution and benefit base was increased from $3,600 to $4,200, in 1959 to $4,800, and in 1966 to $6,600. The 1967 amendments provided for a 13-percent across-the-board benefit increase effective February 1968, and an increase in the contribution and benefit base to $7,800 beginning in January 1966.

As a result of the changes made by the Congress, benefits have done somewhat better than keep up with increases in prices that have occurred since benefits first became payable, although they have lagged in relation to rising wages. A beneficiary who came on the rolls in 1940 with a benefit equal to the average for that year and who is still drawing benefits now receives a benefit with purchasing power about 23 percent greater than that of his first benefit check. Over this same span of years, real per capita disposable personal income—that is, the average purchasing power of the entire population after payment of personal taxes—increased about 90 percent.

By far the most important step forward in recent years was the establishment of a comprehensive health insurance program for persons aged 65 and over (Medicare). The 1965 social security amendments set up a basic hospital insurance program financed through a separate earnings tax and trust fund that provides protection against the costs of hospital and related care for social security and railroad retirement beneficiaries. The same protection financed from general revenues is provided aged persons who reached age 65 before 1968 and who are not eligible for monthly social security or railroad retirement benefits. The amendments also established a voluntary supplementary medical insurance plan financed through monthly premiums and a matching Federal Government contribution that covers part of the cost of physicians' services and other related medical and health services not covered by the hospital plan.

CHANGES IN OTHER PROGRAMS SINCE 1935

Paralleling the development and expansion of OASDHI has been the development and expansion of the Federal railroad retirement program, which started in the mid-1930's with retirement and disability annuities but, in 1946, added survivor benefits and in 1951 added wives' and dependents' benefits. A special system of unemployment insurance for railroad workers was adopted in 1938; benefits for temporary disability due to nonoccupational illness or injury and maternity were added in 1946. Health insurance was made available to aged railroad workers and beneficiaries under the 1965 amendments to the Social Security Act. The latest change in the program has been the enactment of a system of supplemental annuities for certain career railroad employees who were awarded their regular retirement annuities after June 1966.

The other programs, in addition to the old-age insurance program, established by the Social Security Act have also been significantly changed during this period. The Federal-State public assistance program was broadened in 1950 to provide Federal grants-in-aid to help the States give assistance to needy adults who are permanently and totally disabled. Federal financial participation in the costs of medical care paid directly to doctors, hospitals, and other suppliers of medical services on behalf of recipients (vendor payments) was also provided at that time. In 1960, a new program was established providing grants to participating States for medical assistance for aged persons needing help in meeting their medical expenses. The 1965 amendments set up a single, separate medical care program to replace the vendor medical programs provided under the five different federally aided public assistance programs.

Congress has changed the formulas many times (1965, the latest) for calculating the amount of Federal sharing to provide increased Federal grants to the States for public assistance. The Federal grant for each program is now based on each State's average monthly assistance payment per recipient, including medical vendor payments in States that do not choose to have a single separate medical assistance program. Originally, the limit on Federal matching applied to each individual payment. The average-payment principle enables the States to balance their high and low payments in claiming Federal funds. Furthermore, Federal sharing now varies, in part, according to each State's per capita income. Since States with low fiscal capacities now receive proportionately more Federal money, they are able to make more adequate and more equitable payments than would otherwise be possible.

In the 1960's, provision was made for Federal grants to help pay the cost of assistance to children who are in need because their father is unemployed. Under other amendments, States were encouraged to provide more services by increased Federal sharing in the cost of certain social services and training activities. Under the 1967 amendments, referral to work-training programs was made mandatory for certain families receiving public assistance.

In 1954, Congress enacted the first major extension of coverage under the unemployment insurance program by including employees of firms employing four to seven workers in 20 weeks, effective January 1956. Under the original law only employees of firms with eight or more workers were covered. It also added a new title to the Social Security Act providing unemployment insurance benefits for Federal civilian employees beginning January 1955, financed by Federal funds, and paid by State agencies under their own benefit formulas as if Federal employment were service under the State law. In 1958, this program was extended to members of the Armed Forces.

Under the State unemployment insurance laws, coverage has been broadened and the amount and duration of benefits provided unemployed workers have increased during the years since the enactment of the Social Security Act. During the postwar period, however, the dollar maximums incorporated in State laws lagged behind rising wage levels, thus curtailing the benefit levels of many workers. Average benefits are now a smaller proportion of weekly wages than they were when the program started.

Congressional concern over the growing number of persons exhausting benefit rights before again finding work during periods of recession led to the passage of Federal legislation in 1958 and 1961 temporarily lengthening the period of unemployment compensation by up to 50 percent of the regular duration under the State law. Similar legislation was enacted for railroad employees. Recognition of the increasing number of workers whose jobs are being displaced by technological and economic developments led to legislation in 1961 and 1962 to provide direct aid to these unemployed workers in the form of weekly cash training allowances and related assistance.

Other public programs not included under the Social Security Act also made advances in the period since 1935. In 1948, the last of the States adopted a workmen's compensation program. Many of the laws relating to work-connected accidents were gradually improved by paying unlimited benefits in case of permanent disability, by liberalizing waiting period requirements, by removing limits on medical care benefits, and by extending coverage to occupational diseases. In addition, dollar amounts payable for cash indemnity benefits were increased, but, as with unemployment insurance, the maximums contained in the laws have not kept up with wage levels, thus preventing many workers from receiving the full proportion of wage loss specified in the statutes.

During the 1940's, four States adopted legislation providing weekly cash sickness benefits to workers who are temporarily disabled because of nonoccupational illness or injury. For Federal civilian employees, a program was enacted in 1954 providing group life insurance and in 1959, a program providing health insurance benefits. An increasing number of State and local government jurisdictions initiated retirement programs for their employees, with the proportion of such employees covered by these programs practically doubling between 1935 and 1966. At present over half of all full-time State and local employees are covered both by the national OASDHI program and by a State or local system.

As a result of World War II and subsequent conflicts, special veterans' legislation, with primary emphasis on assisting ex-servicemen to adjust from military to civilian life, was enacted. Not only were the older compensation and pension benefits and medical services available to World War I veterans carried forward, but veterans were provided vocational rehabilitation, unemployment allowances, educational and training benefits, and counseling and job placement services.

While there is no system of family allowances in the United States, workers with dependent children are given deductions in the computation of their Federal income tax liability. Free public education is available to all children through secondary school and, in some States and localities, through college. Also, Federal and State programs provide schoolchildren with breakfasts, lunches, and milk at nominal cost or no cost at all. Orphaned children and their mothers are eligible for survivor benefits, and the children of retired and disabled workers and the mothers of these children are eligible for dependents' benefits, under OASDHI; and needy children may receive public assistance through federally aided State and local programs if one parent is dead, unemployed, disabled, or absent from home. And Federal money helps children of deceased and disabled veterans to receive educational and counseling assistance.

Mr. CHILES. A program not mentioned by the excerpt is food stamps, an effort to provide food subsidies for the needy. This program expanded 250 percent in 1970 alone.

This historical background provides us with a basis upon which to analyze current proposals for welfare reform.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks two documents designated as exhibit 1 and exhibit 2, which I shall describe in a moment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibits 1 and 2.)

RECENT MAJOR REFORM EFFORTS

Mr. CHILES. In the last 3 years, two major welfare proposals have attracted much attention in our country and have begun to increase public recognition of the urgent need for reform.

In exhibit 1, I have outlined the major characteristics of these two programs—first, the family assistance plan—FAP—presented by President Richard Nixon in 1969 to the last Congress and reintroduced in this session; and second, H.R. 1, the omnibus reform proposal, initiated by House Ways and Means Committee Chairman WILBUR MILLS. The exhibit also outlines the major characteristics of the current welfare system for comparison and my proposed alternative—which I will discuss in more detail subsequently.

In exhibit 2, I have summarized the responses of the current system, FAP, H.R. 1 and my proposed alternative to the six major causes and characteristics of the welfare crisis which I have outlined previously.

PROPOSED ALTERNATIVE PLAN

The alternative welfare reform proposal, which I submit to the Senate for consideration today, builds on the best portions of existing reform proposals and uses the existing social security assistance system to benefit those who would otherwise go on general welfare rolls under either of the other two major plans.

The major characteristics of my proposal, outlined in exhibit 1, are summarized as follows:

First. Social security financing and benefit structure revitalized. Social security was conceived as an insurance program; workers would pay premiums into the trust fund while they were working in return for guaranteed payments after retirement. But the "insurance concept," under which social security taxes are considered "insurance premiums", is no longer valid. Social security taxes, like income taxes, are compulsory. Altogether social security taxes are scheduled to bring in nearly $50 billion in fiscal year 1972, one-quarter of all Federal revenue and second in size only to the personal income tax. No close relationship exists between social security benefits received and the amount of "premiums" or social security taxes a specific individual has paid in over his lifetime. The current law provides benefits for millions of people who have made little or no contribution, and current recipients of social security payments receive substantially more than the sum total—plus appropriate interest—of their past payments.

More serious, perhaps, is the gross inequity which the current system of social security taxation imposes on the low and middle income American worker. Although actually a tax, the social security payments bears little relationship to "ability to pay," or to what a person will ultimately receive, as most equitable taxes should. Everyone pays the same 5.2 percent of his earnings up to $7,800; his employer contributes a like amount. No income below $7,800 is exempted; all income above $7,800 escapes without being subject to social security taxes. Even the very poor pay social security payroll taxes on the first dollar they earn. Large families pay the same amount as do small ones, even though both may have the same earnings. As a percentage of income, the man who earns below $7,800 thus pays more in social security taxes than the man who earns any amount over $7,800.

Although welfare payments, such as aid to families with dependent children, are financed from general revenue—derived primarily from Federal personal and corporate income taxes—and social security benefits are financed from a separate trust fund—composed of payroll contributions made by employees and employers—the relationships of the two

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are very close. Middle income taxpayers with a significant amount of their income under $7,800 a year will pay a relatively high percentage of that income to the Federal Government in the form of social security taxes and personal income taxes. The very people who can least afford to pay—those in the $6,000 to $11,000 annual income bracket—end up paying a larger portion of their income than any other group to support the social security system and their fair share of the general revenue welfare systems. These are the people we should be encouraging to work, yet their incentive to do so is reduced by a high tax burden which grows constantly.

Other proposals do not meet this problem adequately. For example, a man with a wife and two children who earns $3,000 a year pays no Federal income tax but would pay social security taxes of $156 a year in 1972, rising to $181.50 in 1987. H.R. 1 would increase his taxes to $162 in 1972, rising to $222 in 1977. With an average wage of $3,000 a man could become entitled to a social security benefit of $154.50 a month at age 65, under H.R. 1. However, a man 65 who never worked could qualify for a monthly payment of up to $150 a month under the welfare provisions of H.R. 1. Moreover, the man who earned the $3,000 a year would find that as the result of having paid social security taxes his retirement income would disqualify him for medicaid and that he, unlike the welfare beneficiary, would have to pay the part B medicare premium—now $5.60 a month—so that he would have less money in his pocket than the man who had never worked.

This is a system we must reform. My specific proposals for doing so are these:

Eliminate minimum benefits for future beneficiaries. Under the current system, the minimum benefit is $74 at age 65. No income test applies for this minimum amount. Yet the minimum benefit is paid to many people who have no special need, whose retirement income is sufficient to support them well—retired Federal and State employees, for example. No one who truly needs assistance would suffer if the minimum benefit were eliminated. I want to emphasize that I am talking about people who would qualify for minimum benefits in the future. I do not suggest that anyone who gets benefits now should have his benefits reduced.

Limit maximum social security taxes to income tax liabilities. Under our current system, a man can pay more social security tax than income tax, thus eliminating the progressive effect of our personal income tax system. Using my previous example, a man with a wife and two children who earns $3,000 a year pays no Federal income tax but would pay social security taxes of $156 per year in 1972, rising to $181.50 in 1987. My proposal would limit maximum social security to the amount of personal income tax paid by an individual. Social security taxes paid by certain low-income people thus would not exceed the amount they pay in income taxes. A refund or credit against unpaid taxes would be permitted to make this financial adjustment. Refunds or credits would be charged against general revenue, not against the social security fund.

Increase maximum earnings to $3,000. The current social security law provides that a beneficiary who has substantial amounts of earnings from work—as opposed to other forms of income—will have some or all cash benefits withheld. This provision—generally called the retirement test—attempts to insure that benefits will be paid to a worker only when he has substantially retired or to dependents and survivors only when they do not have substantial earnings from work. The current maximum earnings rate of $1,680 is too low. Beneficiaries should be able to earn enough to bridge the gap between the maximum earnings rate and the poverty threshold, especially after high social security taxes are deducted.

Increase tax base from $7,800 to $10,200 in 1972. When adopted, the maximum tax base of $7,800 a year was fairly close to the median family income. But that income level has increased and the social security tax base should increase with it. No one pays payroll taxes on earnings over $7,800 under the current system, so people with high salaries pay a smaller proportion of their earnings than people with low salaries. Those with higher incomes should bear a greater relative share of the burden. My proposal accelerates the increase of the tax base to $10,200 in 1972. Under existing law, the base would rise to $9,000 in 1972. I see no reason why those with higher incomes should not begin to pay more of their fair share immediately.

Increase overall social security benefits and build-in cost of living increases. A 5 percent across-the-board increase in benefits is long overdue, as H.R. 1 recognized. Also like H.R. 1, I propose that benefits be increased in the future according to a cost-of-living increase formula.

Decrease employee's payroll tax rates. The net effect of these reforms is to decrease social security payroll tax rates for employees significantly. The following charts illustrate these decreases, and related increases for employers, and compare them with changes which would occur under H.R. 1.

CHART 1.—PROPOSED SOCIAL SECURITY TAX RATES COMPARED WITH RATES IN H.R. 1

[In percent]

	Employees [1]			Self-employed		
	OASDI	HI	Total	OASDI	HI	Total
H.R. 1: [2]						
1972–74	4.2	1.2	5.4	6.3	1.2	7.5
1975–76	5.0	1.2	6.2	7.0	1.2	8.2
1977 and after	6.1	1.3	7.4	7.0	1.3	8.3
Proposal: [2]						
1972–74	1.2	1.2	2.4	1.8	1.2	3.0
1975–76	2.0	1.2	3.2	3.0	1.2	4.2
1977 and after	3.1	1.3	4.4	4.6	1.3	5.9

[1] Employee tax rate equal to employee tax rate.

[2] Employer tax rate equal to employer tax rate under H.R. 1.

CHART 2.—SOCIAL SECURITY TAXES UNDER H.R. 1 AND UNDER PROPOSAL TO ELIMINATE MINIMUM BENEFITS AND WITH MAXIMUM TAX LIMITED TO INCOME TAX LIABILITY, 1972

	Annual earnings							
	$3,000		$3,500		$4,000		$4,500	
	H.R. 1	Proposal	H.R. 1	Proposal	H.R. 1	Proposal	H.R. 1	Proposal
Unmarried person	$162	$72	$189	$84	$216	$96	$243	$108
Couple	162	72	189	84	216	96	243	108
Couple and 1 child	162	4	189	78	216	96	243	108
Couple and 2 children	162	0	189	60	216	70	243	108

CHART 3.—SOCIAL SECURITY TAXES UNDER H.R. 1 AND UNDER PROPOSAL TO ELIMINATE MINIMUM BENEFIT AND WITH MAXIMUM TAX LIMITED TO INCOME TAX LIABILITY, 1977

	Annual earnings							
	$3,000		$3,500		$4,000		$4,500	
	H.R. 1	Proposal	H.R. 1	Proposal	H.R. 1	Proposal	H.R. 1	Proposal
Unmarried person	$222	$126	$259	$147	$296	$168	$333	$189
Couple	222	108	259	147	296	168	333	189
Couple and 1 child	222	4	259	69	296	154	333	189
Couple and 2 children	222	0	51	69	296	142	333	189

Note: Charts 2 and 3 are based on current income tax rates.

Second. Aid to families with dependent children and food stamp programs continued with strict work requirement. I propose that we continue these programs, under current State/Federal sharing formulas, as ways to care for the truly needy. I have imposed a strict work, or work training, requirement for adult members of families receiving funds under AFDC.

Third. Aid to the aged, blind and disabled financed 100 percent by Federal funds and supported by a minimum monthly income base. I recommend that a national minimum income level be established for the needy aged, blind, and disabled of at least $150 for a single individual or $200 per couple. States would insure such a minimum income and would be reimbursed by the Federal Government. Federal standards for determining who is eligible for this program would bring needed uniformity. Recipients are excluded from the food stamp program. Food stamps are mainly an emergency technique to fill the needs of individuals not otherwise qualified for enrollment in Federal assistance programs. There is no need, under the financial support and services offered in the AABD program, for an AABD family to request food stamps.

Fourth. Improved medical programs instituted which permit financing of private Health Maintenance Organizations—HMO's. Medical protection under the medicare program is extended in my proposal to additional needy beneficiaries and new, privately financed, health maintenance organizations are encouraged as a means of keeping sky-rocketing health costs down.

Fifth. Decentralized State administration. Systems are now in place for administration of welfare programs on the State and local levels. I think that this is the best place for rapid and targeted responses to individual needs. Complete Federal administration is not the answer to the very sensitive personal issues involved in welfare administration. States would be encouraged under this arrangement to supplement Federal payments in order to tailor programs to local needs.

Sixth. Stiff fraud penalties. We cannot afford for welfare dollars to be thrown away by permitting ineligible participants to receive them. We are recognizing more and more that our resources are limited and that we must reserve our funds for the truly needy who cannot support themselves. I therefore propose stiff fraud penalties for individuals who attempt to abuse the welfare system.

As outlined in exhibit 2, my proposal responds to the major causes of welfare crisis by:

Making it more financially attractive to work than to go on welfare; enforcing strict work requirements for AFDC adult welfare recipients.

Reducing the welfare load, thus avoiding the pressures for nonworking fathers to desert families in order to get relief; adding additional family incentives under social security programs.

Providing increased benefits for all.

Lower taxes for low and middle income.

Increased benefits for truly needy.

Distributing welfare tax burden more equitably by reducing payroll tax burden on low and middle income groups.

Maintaining decentralized administrative structures for effective responses to local needs.

Reducing fraud possibilities by imposing stiff fraud penalties. In summary, my proposal responds to our threefold challenge of:

Supporting the truly needy while equitably distributing the financial burden for that support.

Encouraging the work and family systems.

Separating potentially self-dependent persons from the truly needy and reserving our welfare funds for the truly needy.

We now have an opportunity to build on existing proposals and on widespread public support for welfare reform. Let us act now to accept the opportunity and meet the challenge of reforming our welfare system.

Mr. President, in closing, the prime purpose of this program is to provide for the elimination of minimum benefits for future beneficiaries and to have a true system based on receiving a benefit one had actually earned, and then to take care of the truly needy under a welfare plan, rather than to grant a minimum benefit to someone who had not earned the money.

In addition, my proposal would relieve the individual from the payment of any tax on social security up to the point that he would pay any income tax, so that on the first $3,600 of his income, if he paid no Federal income tax, he would not be required to pay any social security tax, or he would receive a credit for that payment.

Most of the other portions of the bill follow other current proposals now being set forth. I send the bill to the desk, and ask unanimous consent that a section-by-section analysis be printed at this point in the RECORD.

There being no objection, the section-by-section analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

TITLE I—PROVISIONS RELATING TO OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE

Section 101: Provides for a general increase in social security benefits of 5 percent, effective with the benefits payable for January 1972.

Section 102: Provides for 5 percent increase in the special benefits—the so-called Prouty benefits—payable to certain elderly people who did not work long enough to qualify for regular benefits.

Section 103: Provides for increasing the benefits paid to widows (and dependent widowers). The purpose of the provision is to provide a widow with the benefit equal to the amount that her husband had received as a retirement benefit; or, if he had not lived to retirement, the amount that he would have received had he retired. In general, the benefit paid to a woman who becomes entitled to benefits at 65 would be increased from 82½ percent of the husband's retirement benefit to 100 percent of that amount.

Section 104: Provides identical rules for computing benefits based on the earnings of men and women. The more liberal rules for women in the present law would be applied to men. Because men's benefits would be based on the number of years that elapse up to age 62, rather than age 65, men retiring in the future would need fewer years of earnings to qualify for benefits and most of those who worked after age 62 would get higher benefits. The provision would go into effect over a 3-year transitional period.

Section 105: Provides an increase from $1,680 to $3,000 a year in the amount that a social security beneficiary under age 72 can earn and still get all of his benefits for that year. Under the present law, each $2 earned between $1,680 and $2,880 results in a $1 reduction in benefits and each $1 earned above $2,880 causes a $1 reduction in benefits. This section would provide that the $1-for-$2 reduction would apply to all earnings above $3,000 a year, rather than to only the first $1,200 above that amount.

Section 106: Provides a change in the way the earnings test is applied to earnings in the year a person reaches 72. Under the changed provision, earnings after a person's 72nd birthday would no longer be counted to determine whether he had earned more than $1,680 ($3,000 under the bill) in the year he reaches 72.

Section 107: Permits the payment of reduced benefits to dependent widowers at age 60, as present law provides for widows.

Section 108: Provides that childhood disability benefits may be paid to people who become disabled before age 22, rather than before age 18.

Section 109: Revises the provisions for paying disability insurance benefits to blind people. Under the section, disability insurance benefits would be payable to any blind person who had credit for 6 quarters of work (about 1½ years) covered under the social security program. The benefits would be paid without regard to the blind person's ability to work.

Section 110: Eliminates a technical defect in the present law which permits certain people to have their benefits reduced when there is a general benefit increase.

Section 111: Revises the present rules that determine whether a child who is adopted by a social security beneficiary can qualify for social security benefits. Under the present law, the rules vary depending on whether the adopting parent qualified for disability or old-age benefits. Under the section, the child adopted by a person who is entitled to old-age or disability insurance benefits could become entitled to social security benefits if: (1) the adoption was decreed by a court of competent jurisdiction within the United States, (2) the child lived with the person in the United States for the year before the person became disabled or entitled to social security benefits, (3) the child received at least one-half of his support from that person for that year, and (4) the child was under age 18 at the time he began living with the person.

Section 112: Increases the social security tax base from $7,800 a year to $10,200 in 1972, rather than the $9,000 base scheduled to go into effect in 1972 under present law.

Section 113: Provides a new, reduced schedule of social security taxes, as follows:

Year	H.R. 1: Employee and employer taxes, each	Proposal	
		Employee taxes	Employe taxes
1971	5.2	5.2	5.2
1972–74	5.4	2.4	5.4
1975–76	6.2	3.2	6.2
1977 and later	7.4	4.4	7.4

Section 114: Revises the allocation of social security taxes between the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund to take account of the new tax schedules provided by the bill.

Section 115: Authorizes an increase in the amount of social security trust fund monies that may be used to pay for the cost of rehabilitating social security disability insurance beneficiaries. The amount authorized

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would be increased from one percent of the previous years disability benefits to 1.25 percent for fiscal year 1973 and to 1.5 percent for fiscal years thereafter.

Section 116: Revises the provisions of present law that apply when a child is entitled to benefits on the basis of more than one person's earnings to assure that the child is always paid on the account that will result in his getting the higher payment. Under the present law, the child is paid on the account with the higher primary insurance amount which no longer guarantees that the child will get the higher payment.

Section 117: Makes a technical change in the law regarding the recomputation of benefits in certain situations where railroad employment is involved.

Section 118: Permits additional relatives (by blood, marriage, or adoption) to receive social security cash benefit payments due on the account of a social security beneficiary who has died.

Section 119: Provides a two-month reduction in the disability insurance waiting period. Under this provision disability insurance benefits would be payable after a 4-month waiting period, rather than after the 6-month period required by present law.

Section 120: Revises the provisions of present law that apply when a widow remarries. Under the present law, when a widow marries, her widow's benefit in reduced to the amount that she would have been paid as a wife or, if it is larger, she may be paid the wife's benefits based on her new husband's earnings. This provision creates financial hardship or precludes marriage in some cases where the man concerned has retired and is entitled to neither social security benefits nor any other public pension. To reduce this financial hardship and to eliminate this obstacle to marriage, the provision permits a widow to continue to receive her full widow's benefit, regardless of her remarriage, if she marries a man who is not and who will not become entitled to a social security benefit or any other public retirement pay.

Section 121: Provides for the payment of retroactive disability insurance benefits to a few people who established a period of disability under a provision of the Social Security Amendments of 1967. The provision applies to some people who when the disability insurance program was new had been so severely disabled that they did not have the opportunity or ability to file an application for benefits.

Section 122: Social Security benefits would be increased automatically each year if the Consumer Price Index has risen at least 3 percent. However, there would be no increase for any year in which Congress has acted to: (1) increase benefits, or (2) change the tax base, or (3) change the schedule of social security taxes for cash benefits.

In addition, the amount that a beneficiary can earn and still get all of his benefits would be increased every other year according to the rise in average earnings taxed for social security.

One-half of the cost of these automatic changes would be met through increases in social security tax rates and the other one-half through increases in the social security tax base; both increases going into effect in the same month that benefits are increased.

Section 123: Provides that an adoption of a child by a step-grandparent (in addition to other relatives specified in the present law) will not cause a child's social security benefits to stop.

Section 124: Eliminates the minimum social security benefit for future beneficiaries. Under a grandfather clause those people who now get the minimum benefit or benefits based on the minimum will continue to receive benefits on the basis of the present law.

Section 125: Provides social security benefits for a grandchild if (1) the child is legally adopted before or after the grandparent becomes entitled to social security benefits, or (2) the grandchild is not adopted but was living with and receiving at least one-half of his support from the grandparent at the time the application for child's benefits is filed. In both situations the child must have been under 18 at the time he began living with his grandparent.

Section 126: Eliminates for social security purposes the $20,000 a year exclusion from self-employment income that now applies for both social security and income tax purposes to U.S. citizens who work outside the United States but who retain a residence in the United States. As a result, those citizens who are self-employed outside the United States would compute their social security taxes—but not their income taxes—in the same way as those who are self-employed within the country.

Section 127: Permits disability insurance benefits to be paid if an application for benefits is filed within three months after the month in which a disabled worker dies. Benefit payments which would have been payable to the disabled worker would be payable for up to twelve months prior to the month in which the application is filed.

Section 128: Extends additional social security credits to service in the uniformed services in the period 1957–67. Under the present law, military service after 1957 is covered on a contributory basis, just like all other covered employment, and in addition, extra credits are given for service after 1967. These additional credits are intended to provide social security coverage for the non-cash salary components in military pay.

In addition, the way in which the military wage credit is computed would be changed to provide a uniform credit of $300 a calendar quarter rather than $100 for each $100 of basic pay, up to $300, in a quarter.

TITLE II—PROVISIONS RELATING TO MEDICARE, MEDICAID, AND MATERNAL AND CHILD HEALTH

Part A—Eligibility and payment for benefits

Section 201: Extends medicare protection to social security and railroad disability beneficiaries. Those covered would include disabled workers, disabled widows and disabled dependent widowers between the ages of 50 and 65, people age 18 and over who receive benefits because they became disabled before age 22, and disabled qualified railroad annuitants.

Section 202: Provides that people reaching age 65 who are ineligible for hospital insurance benefits under medicare would be permitted to enroll, on a voluntary basis, for hospital insurance coverage under the supplementary medical insurance part of medicare. Those who elected to enroll under the program would pay the full cost of their hospital insurance. In addition, States and other organizations, through agreements with the Secretary of Health, Education, and Welfare, would be allowed to purchase this protection on a group basis for their active or retired employees who are age 65 or over.

Section 203: Provides that future increases in the supplementary medical insurance premium would be limited to not more than the percentage increase in social security benefits that had gone into effect since the last rise in premiums.

Section 204: Provides that people who are entitled to hospital insurance benefits would be automatically covered for supplementary medical insurance benefits unless they indicate that they do not want the coverage.

Section 205: Provides incentives for the States to provide comprehensive care under medicaid through contract with health maintenance organizations or similar facilities. In addition, provides disincentives to discourage prolonged stays in institutions. Specifically there would be—

(1) an increase of 25 percent (up to 95 percent) in the Federal Medicare matching percentage of States who contract for care with comprehensive health care facilities;

(2) a decrease in the Federal matching by one-third after the first 60 days of care in a general or TB hospital;

(3) a decrease of one-third in the Federal matching after the first 60 days of care in a skilled nursing home unless the State has an effective utilization review program;

(4) a decrease of one-third in Federal matching after 90 days of care in a mental hospital and a provision for no Federal matching after an additional 275 days of such care during an individual's lifetime, except that the 90-day period could be extended for an additional 30 days for patients who would benefit from the additional period of hospitalization; and

(5) authority for the Secretary of HEW to compute a reasonable cost differential (for reimbursement purposes) for services provided by skilled nursing homes and intermediate care facilities.

Part B—Improvements in operating effectiveness

Section 221: Provides that in determining the amount that providers of services are to be reimbursed under medicare, medicaid, and maternal and child health programs, reimbursement will not include factors taking into account large capital expenditures which are inconsistent with State or local health facility planning.

Section 222: Requires the Secretary of Health, Education, and Welfare to develop experiments and demonstration projects designed to promote efficiency and economy in the medicare, medicaid, and maternal and child health programs.

Section 223: Authorizes the Secretary of Health, Education, and Welfare to establish limits on amounts that would be considered as reasonable costs under medicare. These limits would be based on comparisons of the cost of the service to various providers in the same geographical region.

Section 224: Provides limits on amounts that would be considered as prevailing charges for medicare, medicaid, and maternal and child health programs. The reasonable level for prevailing charges would be established at the 75th percentile of actual charges in a given area and future increases would be based on rises in the cost of practice and earning levels of physicians.

Section 225: Authorizes the Department of Health, Education and Welfare to contract with health maintenance organizations to provide health care to medicare beneficiaries. Under the provision, medicare beneficiaries could choose to have all of their covered medical care provided by such an organization and the organization would be reimbursed on a per capita basis, rather than on a fee-for-service basis, at a rate equal to 95 percent of the estimated per capita cost of providing medicare to beneficiaries in the same area who were getting medical services on a fee-for-service basis.

Section 226: Provides that payments under Medicare for the services of teaching physicians would be on the basis of reasonable costs, rather than on a fee-for-service basis, unless a bonafide private patient relationship had been established or the hospital had customarily been paid (as opposed to charges carried on the books but not paid) on a fee-for-service basis. In addition, medicare payments would also be authorized on a cost basis for services provided by the staff of a medical school.

Section 227: Provides that Medicare beneficiaries will be presumed to require certain minimum periods of care in an extended care facility following hospitalization. The period over which care will be required would be determined, according to the condition for which the individual was hospitalized, under regulations of the Secretary of Health, Education and Welfare.

Section 228: authorizes the Secretary of Health, Education, and Welfare to prohibit payments under medicare and medicaid for services performed by suppliers who have been found guilty of program abuse.

Section 229: Eliminates the requirement in present law that States have comprehensive medicaid programs by 1977.

Section 230: Permits the States to eliminate or reduce the acope and extent of health services which are optional under the Federal medicaid law, e.g., outpatient drugs, eyeglasses and dental care.

Section 231: Permits the States to develop their own methods and standards for determining the reasonable costs of the services to be reimbursed under medicaid. The costs, however, could not be more than the comparable costs under medicare.

Section 232: Provides that payments for institutional services under medicare, medicaid, and the maternal and child health programs could not be higher than the regular charges for such services.

Section 233: Requires health institutions seeking reimbursement under medicare to have a written plan reflecting an operating budget and a capital expenditures budget.

Section 234: Authorizes Federal payments to the States for the costs of designing, developing, and installing mechanized claims processing and information retrieval systems for medicaid.

Section 235: Prohibits the reassignment of medicare and medicaid payments to anyone other than a patient, his physician, or other person providing the services, except where the person providing the services is required as a condition of employment to assign his fees to his employer or where there is a contractual arrangement between a physician and the place where the services were performed under which the physician's billing is carried out.

Section 236: Provides that the same utilization review requirements that now apply under the medicare program will also be applied to medicaid.

Section 237: Provides that when a utilization review committee of a hospital of extended care facility finds that care is no longer necessary, payment would be cut off after 3 days.

Section 238: Requires State medicaid programs: (1) to establish and implement plans prepared by the appropriate State agency for professional review of the care provided to Medicaid patients, and (2) to provide that the State medical agency which licenses health institutions shall perform the function for medicaid.

Section 239: Provides that a State medicaid program which arranges for medicaid care through a comprehensive health care plan will not be in violation of the Federal medicaid law.

Section 240: Requires the Secretary of Health, Education, and Welfare to develop and employ proficiency examinations to determine whether health care personnel, not otherwise meeting specific formal criteria now included in medicare regulations, have sufficient training, experience, and professional competence to be considered qualified personnel for purposes of the medicare and medicaid program.

Section 241: Broadens and applies to medicaid the present penalty provisions relating to the making of false statement or representation of a material fact in any application for medicare payments to include the soliciting, offering or acceptance of kickbacks or bribes, including the rebating of a portion of a fee or a charge for a patient referral, by providers of health care services.

Anyone who knowingly and willfully makes, or induces the making of, a false statement of material fact with respect to the conditions and operation of a health care facility or home health agency in order to secure medicare or medicaid certification of the facility or agency, would be guilty of misdemeanor punishable by up to 6 months' imprisonment, a fine of not more than $2,000, or both.

Section 242: Establishes an appeals board to hear appeals on medicare reimbursement decisions made by intermediaries where the amount at issue is $10,000 or more.

Part C—Miscellaneous and technical provisions

Sections 253–274 would make a number of minor and technical changes in the medicare and medicaid programs.

TITLE III—PROVISIONS RELATING TO AID TO THE AGED, BLIND OR DISABLED

Section 301: Establishes a national minimum income level for people who receive cash assistance under Federally matched State welfare programs for the needy, aged, blind, and disabled. States would be required to provide a level of assistance sufficient to assure persons in these categories a total monthly income from all sources of at least $150 for a single individual or $200 for a couple. In addition, people receiving such assistance would be ineligible to participate in the food stamp program.

Sections 302 and 303: Provide for the establishment of nationally uniform definitions of blindness and disability for purposes of the Federal-State programs of assistance to the blind and disabled. The definitions adopted are those already applied in the disability insurance program established under Title II of the Social Security Act.

The term "disability" would be defined as "inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months."

The term "blindness" would be defined as "central visual acuity of 20/200 or less in the better eye with the use of correcting lens." Also included in this definition would be the particular sight limitation which is referred to as "tunnel vision."

Under the present law each State is free to prescribe its own definition of blindness and disability, and the new provisions would permit States to continue assistance to individuals who are now on the rolls under the existing State definition, but who would not be considered blind or disabled under the new Federal definitions.

Section 304: Provides that the Federal Government will reimburse the States for full cost of paying the minimum welfare benefit required under section 301.

Section 305: Provides that as a condition of approval State welfare programs must contain provisions designed to assure that welfare payments will be made only to people who are present in the State making the payments and that individuals do not qualify for more than one welfare payment.

Section 306: Permits State welfare programs to make children ineligible for welfare payments because a parent has deserted the home in situations where the child is living in parent-child relationship with a non-relative adult.

Section 307: Requires, generally, that adult recipients of welfare payments under the program of aid to families with dependent children participate in public service types of work activities unless they are participating in a work or work training program.

TITLE IV—TAX RELIEF WITH RESPECT TO SOCIAL SECURITY TAXES FOR LOW-INCOME INDIVIDUALS

Section 401: Provides that the social security taxes paid by certain low-income people shall not exceed the amount they pay as income taxes. Under the provision, social security taxes would be deducted from an individual's pay just as they are under the present law. However, at the end of the year the individual could qualify for a refund of the excess social security taxes paid or he could apply the excess as a credit toward any unpaid income taxes. This would be similar to the procedures that now apply when an individual overpays social security taxes because he has more than one employer. The maximum credit allowed under the provision would be equal to the social security taxes on $3,000 of earnings. People who earn more than $3,000 a year would have the credit reduced by 10 percent of the amount by which their adjusted gross income exceeds $3,000. A married couple could qualify for the credit only if they filed joint income tax returns and any person who was claimed as a dependent on another person's income tax return would not be eligible for the credit.

EXHIBIT 1

COMPARATIVE DESCRIPTIONS OF FEDERALLY AIDED WELFARE PROPOSALS

Existing system	Family Assistance Plan (H.R. 16311 as resubmitted June 1970)	H.R. 1	Chiles' proposal
PROGRAMS[1]			
Aid to Families with Dependent Children (AFDC), Old Age Assistance (OAA), Aid to Blind (AB), and Aid to Permanently and Totally Disabled (APTD), Social Security System, Food Stamps, Medicare/Medicaid.	AFDC abolished. Replaced by Family Assistance Plan (FAP) (with federally-aided State supplemental programs) for families with children; and Aid to Aged, Blind and Disabled combining existing adult categories. Current Social Security system continued.	AFDC abolished. Family Assistance Plan (FAP) for families with children and with no potential employables. Opportunities for Families Program (OFP) for welfare and "working poor" families in which at least 1 person is found to be employable. Adult programs for aged, blind and disabled consolidated. Social Security system continued.	AFDC retained, but employables required to accept work. Adult program—Aid to Aged, Blind and Disabled (AABD—continued and modified. Social Security system restructured for increased benefits and decreased payroll taxes. Health maintenance programs extended. Food stamps continued but limited.

XUM

Existing system	Family Assistance Plan (H.R. 16311 as resubmitted June 1970)	H.R. 1	Chiles' proposal
ELIGIBLE RECIPIENTS			
AFDC—Families with dependent children who are deprived of parental support or care due to death, incapacity, or absence of parent. Each state establishes income and resources limitations for determining eligibility and amount of assistance. OAA, AB, and APTD—Aged, blind and disabled individuals who meet State's definitions. Social Security—Nearly all workers are eligible for benefits upon retirement or disablement.	Family Assistance Plan (FAP)—Families with children with income below specified levels ($1,600 for family of four without earnings, up to $3,920 for a family with earnings) eligible for Federal payment. Female-headed families also eligible for State supplementary payments. Federal definition of "income" and allowable resources. AABD—Aged, blind and disabled individuals who meet Federal definitions and requirement for income and resources.	FAP—Families with children and no potential employables would be provided with a guaranteed annual income of up to $3,600 per year if its countable resources are less than $1,500 (with certain exclusions.) Excluded from Food Stamps. DFP—Families with children in which at least one person is employable are eligible for the same benefits provided by FAP provided that the employable member registers for work, participates in manpower services or training and accepts available employment. Benefits are reduced for those who do not work and are adjusted for income (with exemptions up to $3,000). Food Stamp exclusion. AABD—Individuals and couples when their monthly income is less than amount of federally determined monthly payment. Social Security—Additional recipients eligible.	AFDC—Same as existing system except requires adult members of family to work, participate in work training program or participate in public service work programs. AABD—Aged, blind and disabled individuals who meet Federal definitions will receive federal payments to provide them with minimum income. Social Security—Enlarges current eligibility for widows and widowers, adopted children, additional relatives and servicemen. Increases earnings maximum and all benefits are based on earnings. Health—Enlarges current eligibility to social security and railroad disability beneficiaries. Encourages HMO's and other widening of state programs.
AMOUNT OF PAYMENTS			
AFDC—Each state determines its own standard of need and amount it will pay. In March 1970, the average payment to an AFDC recipient in the U.S. was $46.30. Mississippi had the lowest average monthly payment—$12.05, and Minnesota had the highest—$89.15. OAA, AB, APTD—Each State determines its own standard of need and the amount it will pay. States must disregard certain amounts of earnings for recipients who are blind, and may disregard certain earnings for aged and disabled. Social Security—Minimum benefits of $74 per are paid to all eligibles. Additional benefits are paid to eligibles whose earnings do not exceed $1,680 per year and who otherwise qualify. Health—Medicare and Medicaid pay "usual and customary" fees to physicians and reimburse hospital care.	FAP—(1) Federal payment of $500 each for first two members of family and $300 for each additional member ($1,600 for family of four). (2) States would be required to add supplemental payments to families (generally female-headed and excluding those headed by unemployed father) eligible under existing law at least equal to amount family without any income would have been entitled to receive at present. Payments would be reduced by amount of other income. OAA, AB, APTD—States must have standard to assure each needy recipient without other income, minimum $110 a month, or $220 for couple. States must disregard specified amounts of earnings for recipients aged, blind, and disabled. Social Security—Same as existing system.	FAP and DFP—Family benefits would be computed at the rate of $800 per year for the first two members, $400 for the next three members, $300 for the next two members and $200 for the next member. This would provide $2,400 for a family of four, and the maximum amount which any family could receive would be $3,600. A family would not be eligible if it had countable resources in excess of $1,500. If any member of the family fails to register, take required employment or training, or accept vocational rehabilitation services, the family benefits would be reduced by $800 per year. States may supplement. AABD—Full monthly benefits for a single individual would be $130 for fiscal year 1973; $140 for fiscal year 1974, and $150 thereafter. Full monthly benefits for an individual with an eligible spouse would be $195 for fiscal year 1973, and $200 for fiscal year 1974 and thereafter. Benefits would not be paid for any full month the individual is outside the U.S. States may supplement. Social Security—Increased by 5 percent and increased in future according to cost-of-living rises. Health—Widens benefits including Medicare for social security disability beneficiaries.	AFDC—Same as existing system. AABD—Qualified recipients would receive a guaranteed total monthly income from all sources of at least $150 for a single individual or $200 for a couple. States may supplement Federal guarantee. Social Security—Benefits increased 5 percent. Automatic cost-of-living increase. Minimum benefits eliminated. Benefits based on earnings in all cases. Health—Similar to HR-1.
EMPLOYMENT, TRAINING AND CHILD CARE			
AFDC—State welfare agencies must refer individuals (with exceptions) "appropriate" for employment or training. Payments are supposed to be cut off to any individual who refuses (without cause) to participate in work or training, but program has not been effective. Those excluded from referral are: (1) persons ill, incapacitated, or of advanced age, (2) those remote from projects, (3) children attending school full time, (4) persons whose presence is required at home to care for ill or incapacitated member of household. Child care must be provided by welfare agencies to those who need it to participate in work or training. Manpower training provided.	FAP—Recipients must register for employment or training except (1) persons ill, incapacitated, or of advanced age, (2) mothers of children under age 6, (3) mothers when the father registers, (4) persons who must care for an ill or disabled member of household, (5) children attending school. Payments not made to individual who refused (without cause) to register or participate in work or training, but enforcement potentially difficult. Child care would be provided to those needing it in order to participate in employment or training. Manpower training provided.	FAP—No work requirement after unemployable status determined. OFP—Every member of a family who is found to be available for work by the Secretary of Health, Education, and Welfare would be required to register for manpower services, training and employment. An individual would be considered available for work unless such person (1) Is unable to work or be trained because of illness, incapacity, or age (2) Is a mother or other relative caring for a child under age 6 (age 3 beginning July 1974) (3) Is the mother or other female caretaker of a child, if the father or another adult male relative is in the home and is registered (4) Is a child under the age of 16 (or a student up to age 22) (5) Is needed in the home on a continuous basis because of illness or incapacity of another family member. Child care services provided. Manpower training provided.	AFDC—Work, or training, required for adult recipients of AFDC. Child care and manpower training provided as under existing system.
ADMINISTRATION			
Programs administered by State welfare agencies or local agencies with State supervision.	FAP—Three possible alternatives: (1) Federal administration of Federal payment and, under agreement, of State supplemental, (2) under agreement with HEW, State could administer both payments, (3) Federal administration of Federal payment and State administration of supplemental. AABD—States could continue to administer to these recipients or make agreement with Federal Government for Federal administration.	Centralized Federal administration with optional Federal administration of State supplements.	Decentralized state/local administration with Federal Standards.
SOCIAL SERVICES			
States may receive 75 percent Federal matching for social services. Funding open-ended.	Closed-end appropriation with basic allotment made on basis of State's expenditures for social services in FY 1971. Additional smaller appropriation would be distributed under equalization formula. Generally, Federal matching share would be 75 percent. Increased authorization for foster care.	Closed end appropriation with 75 percent Federal matching.	Same as current program.

Existing system	Family Assistance Plan (H.R. 16311 as resubmitted June 1970)	H.R. 1	Chiles' proposal
FEDERAL FINANCING			
AFDC—Federal Government pays five-sixths of first $18 for each recipient, plus 50 to 85 percent of additional payments, depending on State's per capita income and whether it chooses to receive matching on basis of regular AFDC formula or Medicaid matching formula. OAA, AB, APTD—Federal Government pays $31 of first $37, plus 50 to 85 percent of additional payments, depending on State's per capita income and whether it chooses to receive matching on basis of regular adult category formulas or Medicaid matching formulas. Social Security: Trust fund.	FAP—Federal Government pays basic benefits ($1600 for a family of four without other income), plus 30 percent of additional payments up to poverty level. Matching not available for State supplementation for working poor or families headed by unemployed father. AABD—Federal Government pays 90 percent of first $65 and 25 percent of remainder (on average payment basis) up to limit set by HEW. Social Security: Trust fund.	FAP/OFP—100 percent Federal guarantee up to $2400. State may supplement. Under "hold harmless" provision, Federal Government will guarantee that state will not spend more for welfare than it did in 1971, even if its caseload increases. AABD—100 percent Federal. Social Security—Limit on taxable earnings increased to $10,200 by 1972. Tax rates redetermined.	AFDC—Same as current program. AABD—100 percent Federal up to minimum level. Social Security—Relinanced. (1) Limit on taxable earnings increased to $10,200 in 1972 instead of $9,000. (2) Taxes reduced as follows: H.R. 1 Year: Employee/employer taxes, each (percent) 1971 5.2 1972–74 5.4 1975–76 6.2 1977 and later 7.4 PROPOSAL Year: Taxes (in percent) Employee 5.2; Employer 5.2 1971 5.2 5.2 1972–74 2.4 5.4 1975–76 3.2 6.2 1977 and later 4.4 7.4 (3) Payroll tax limited to income tax.
CAUSE/CHARACTERISTIC OF CURRENT WELFARE CRISIS			
Total Federal and State cost for welfare: 1973 (est.): $14.5 billion	1973 (est.): No estimate	1973 (est.): $18.4 billion	1973 (est.): $16.1 billion.
Total number of welfare recipients: 1973—15 million	Estimated potential recipients—1973—25.2 million.	Estimated potential recipients—1973—27.7 million.	Estimated potential recipients—1973—15 million.

[1] Although all programs are listed, only major ones are detailed below.

EXHIBIT 2

COMPARATIVE RESPONSES OF FEDERALLY AIDED WELFARE PROPOSALS TO CAUSES OF WELFARE CRISIS

Existing system	Family assistance plan	H.R. 1	Chiles' proposal
CAUSE/CHARACTERISTIC OF CURRENT WELFARE CRISIS			
1. Deterioration of belief in work ethic: Lax work requirement in AFDC programs creates large and growing nonworking class. Heavy burden of payroll taxes on low and moderate income groups and high level of welfare benefits reduces incentive to work.	Guaranteed minimum income discourages potentially self-sufficient from working. Social Security tax burden remains discouragingly high for low and middle income groups.	Strict work requirement reduces work-incentive problems found in FAP. Social Security tax burden increased.	Reduced social security tax burden for low and moderate income groups gives increased financial incentives for potentially self-supporting to work. Strict work requirement made part of AFDC program. Increased maximum earnings encourages retirees to remain active and supplement earnings, if they wish.
2. Deterioration of reliance on family structure: High tax rates encourage families to quit work and enroll in AFDC program. AFDC regulations encourage destitute male heads of families to desert in order to qualify their families for AFDC.	Wide variance in benefits from state to state will eliminate incentive to desert in some states but increase it in others. High Social Security rates, combined with minimum income guarantee, still encourage "dropping out" from work force with consequent and harmful effects on families.	Adults classified as employables may desert. High welfare rolls encouraged by continued high Social Security tax burden with consequent harmful effects on families.	Employables encouraged to work by lower tax burden instead of deserting to receive AFDC. AFDC held to a minimum. Family Social Security benefits increased—e.g., adoptees, grandchildren.
3. Lack of adequate support for truly needy: States running out of money because of high caseload, encouraged by tax burden. Higher caseload means less money for truly needy. Support of aged, blind and disabled meager. Benefits vary widely.	Welfare rolls would be very high with consequent drain on state and federal resources and less money for truly needy. Minimum benefits would vary widely from state to state.	Welfare rolls would be very high with consequent drain on resources and less available for truly needy. Overall Social Security benefits increased, but taxes higher. Minimum benefits guaranteed for aged, blind and disabled.	Because of lower tax burden, lower and middle income groups pay less, continue to work and stay off welfare rolls. Reduced welfare rolls means that more is available for truly needy. Overall Social Security benefits increased, along with lower taxes. Minimum benefits guaranteed for aged, blind and disabled.
4. Inequitable distribution of welfare financial burden: Lower and middle income groups bear higher relative burden of Social Security payroll taxes.	Lower and middle income groups bear higher relative burden of Social Security payroll taxes.	Some redistribution of tax burden takes place by raising level of tax base, but taxes also increase significantly.	Burden is decreased for lower and middle income groups and redistributed to higher income groups and employers through changes in Social Security system and shifting of some financing to general revenue.
5. Difficult, cumbersome administrative procedures: High AFDC caseload and too much "red tape" keeps social workers busy acting as "policemen" and file clerks.	Administrative attitude focused toward getting people on welfare rolls.	Federal structure too centralized. Split of responsibilities between HEW and Labor Department complicated. Proposed system difficult to create.	Decentralized structure focuses on local needs. Existing decentralized system now in place. Administrative attitude focused toward getting people off welfare rolls and into work force.
6. Fraud: "Red tape" has led to many inequities and attempts to receive undeserved benefits.	Fraud penalities strengthened but loopholes closed mainly by opening welfare rolls to everyone.	Fraud penalities strengthened.	Fraud penalties strengthened. Limited AFDC recipients will be easier to monitor.

XUM

By Mr. TAFT:

S. 2877. A bill to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes. Referred to the Committee on the Judiciary.

Mr. TAFT. Mr. President, I send to the desk a bill to amend the Immigration and Nationality Act of 1965 in order to stem the sharp decline in immigration from countries which have traditionally contributed large numbers of immigrants to this country.

As a result of the 1965 act, immigration from northern Europe, particularly Ireland, sharply declined and the backlog in the fifth preference, particularly with respect to Italy, was reduced by an insignificant amount.

The intent of the bill is to reverse the decline by providing those countries immigration benefits which were intended for them but which were denied as a result of the 1965 act.

I cosponsored similar legislation when I was a Member of the House and am happy to sponsor this measure which is identical to the bill which has been reported by the House Judiciary Committee.

By Mr. JAVITS:

S. 2879. A bill to authorize the President of the United States to agree to change the par value of the dollar. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. JAVITS. Mr. President, I introduce a bill, in which I have joined with Representative REUSS of Wisconsin, which would give the President the power to devalue the dollar against gold not in excess of 10 percent, in connection with a revaluation of all major world currencies.

Mr. President, if we are to gain a major currency realinement, negotiate a settlement to pending international monetary crises, and avoid what I think is a coming world recession, the President needs this authority. Mr. President, in introducing this amendment I did give consideration to the alternate or complimentary possibility of redefining the value of the dollar in terms of SDR's. I did not introduce a bill to this effect at this time since this redefinition of the dollar also would require amendment of the Articles of Agreement of the International Monetary Fund. In turn the ratification of many governments and parliaments would be required so this clearly could not be accomplished over the short term. A unilateral change in the the dollar-gold parity could be accomplished over the short term with strong administration leadership as part of an interim settlement. The SDR question then would be left for the overall package settlement.

Mr. President, I ask unanimous consent that a press release in connection with this matter be printed at this point in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

JAVITS, REUSS INTRODUCE BILL TO PERMIT DEVALUED DOLLAR IN TERMS OF GOLD AS PART OF CURRENCY REALINEMENT PACKAGE

Rep. Henry S. Reuss (D-Wis.) and Senator Jacob Javits (R-N.Y.), Chairman and ranking minority members respectively of the Joint Senate House Subcommittee on International Exchange and Payments, today introduced legislation to permit the United States to participate in an international realignment of currencies by a change in the bookkeeping price of gold. They indicated that this measure was intended to facilitate, for the President, an interim settlement of the world monetary crisis. They stated that they fully recognized that extremely difficult negotiations lie ahead in terms of the overall balance of payments package settlement. "However," said Reuss and Javits, "it is our view that failure to reach a prompt interim settlement would jeopardize any chance of reaching overall agreement with serious consequences for our domestic economy, the international economic system of the free world and in turn our national security."

"All the major countries—France, Germany, Italy, Benelux, Japan, Canada, Great Britain, Sweden, Switzerland,—have indicated their willingness to participate in a meaningful realignment of currencies, provided the United States recognizes its share of responsibility by a modest dollar devaluation," Javits and Reuss said. The other nations' offer came in a joint statement last September 13. For the past two months, the Treasury has refused to negotiate on a package containing such a dollar devaluation.

Both legislators have repeatedly urged a change in the U.S. position. That change apparently came Tuesday night November 16 when Treasury Secretary Connally told the Economic Club of New York, in response to a question concerning devaluation of the dollar, "the U.S. is willing to talk about anything. Nothing is sacred. First, though we have to see some flexibility on the part of the other nations. We will be glad to talk about anything when we know that they are willing to do so."

The bill would allow the President to devalue—by a bookkeeping change in the price of gold—by up to 10 percent, (the expectation is that the devaluation included in a package would be somewhat less), provided it is part of a realignment package.

"A prompt realignment of currencies has been, and should be, our first order of business," Javits and Reuss said. "The dollar's overvaluation must be altered, if we are to improve our exports, avoid being flooded with artificially low-priced imports both factors which contribute to the present high rate of unemployment. We are confident that as soon as the Administration has obtained a satisfactory realignment package, the Congress will validate U.S. participation in it by prompt passage of our bill."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1485

At the request of Mr. RIBICOFF, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of S. 1485, a bill to establish a Department of Education.

S. 2324

At the request of Mr. METCALF, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 2324, a bill to establish a national power grid system.

S. 2332

At the request of Mr. TOWER, the Senator from New Hampshire (Mr. COTTON) was added as a cosponsor of S. 2332, to permit a member of the U.S. Armed Forces to send mail matter without payment of postage if the member is performing duties at an overseas isolated or hardship area.

S. 2349

At the request of Mr. TUNNEY, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 2349, the Voting Rights Act Amendments of 1971.

S. 2436

At the request of Mr. HRUSKA, the Senator from Arkansas (Mr. MCCLELLAN) and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 2436, a bill to amend title 18, United States Code, to provide for expanded protection of public officials and foreign officials, and for other purposes.

S. 2529

At the request of Mr. HRUSKA, the Senator from Pennsylvania (Mr. SCOTT) was added as a cosponsor of S. 2529, a bill to incorporate Junior Achievement, Incorporated.

S. 2676

At the request of Mr. TUNNEY, the Senator from North Carolina (Mr. JORDAN) was added as a cosponsor of S. 2676, the National Sickle Cell Anemia Prevention Act.

S. 2677

At the request of Mr. TUNNEY, the Senator from Illinois (Mr. STEVENSON) was added as a cosponsor of S. 2677, a bill to authorize programs in the District of Columbia to combat and control the disease known as sickle cell anemia.

SENATE JOINT RESOLUTION 117

At the request of Mr. MCINTYRE, the Senator from New Hampshire (Mr. COTTON) was added as a cosponsor of Senate Joint Resolution 117, requesting the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day."

SENATE RESOLUTION 197—REPORT OF A RESOLUTION TO PERMIT A PHOTOGRAPH OF THE SENATE IN SESSION

(Ordered to be placed on the calendar.)

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported the following resolution:

S. RES. 197

Resolved, That Rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting the United States Capitol Historical Society to photograph the United States Senate in actual session.

SEC. 2. The Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements therefor, which arrangements shall provide for a minimum of disruption to Senate proceedings.

SENATE RESOLUTION 198—REPORT OF A RESOLUTION TO PAY A GRATUITY TO WILLIEMAE C. ABNEY

(Ordered to be placed on the calendar.)

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported the following resolution:

S. RES. 198

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Williemae C. Abney, widow of Robert Abney, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 199—REPORT OF A RESOLUTION TO PAY A GRATUITY TO MAMIE B. WALLACE

(Ordered to be placed on the calendar.)

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported the following resolution:

S. RES. 199

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mamie B. Wallace, widow of Robert J. Wallace, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTIONS

SENATE CONCURRENT RESOLUTION 33

At the request of Mr. BROCK, the Senator from New York (Mr. BUCKLEY), and the Senator from California (Mr. TUNNEY) were added as cosponsors of Senate Concurrent Resolution 33, regarding persecution of Jews and other minorities in Russia.

SENATE CONCURRENT RESOLUTION 49

At the request of Mr. ALLOTT, the Senator from Georgia (Mr. TALMADGE), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Maryland (Mr. MATHIAS), the Senator from Ohio (Mr. TAFT), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of Senate Concurrent Resolution 49, calling for the humane treatment and release of American prisoners of war held by North Vietnam and its allies in Southeast Asia.

FINANCIAL ASSISTANCE TO THE NATIONAL RAILROAD PASSENGER CORPORATION—AMENDMENT

AMENDMENT NO. 705

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. WEICKER (for himself and Mr. PELL) submitted an amendment intended to be proposed by them jointly to the bill (S. 2760) to amend the Rail Passenger Service Act of 1970 in order to provide financial assistance to the National Railroad Passenger Corporation for the purpose of purchasing railroad equipment, and for other purposes.

EQUAL EMPLOYMENT OPPORTUNITIES ACT OF 1971—AMENDMENT

AMENDMENT NO. 707

(Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted an amendment intended to be proposed by him to the bill (S. 2515) to promote equal employment opportunities for American workers.

REVENUE ACT OF 1971—AMENDMENTS

AMENDMENT NO. 704

(Ordered to be printed and to lie on the table.)

Mr. MONDALE submitted an amendment intended to be proposed by him to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 706

(Ordered to be printed and to lie on the table.)

Mr. PACKWOOD submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

AMENDMENT NO. 708

(Ordered to be printed and to lie on the table.)

Mr. FANNIN proposed an amendment to Amendment No. 692, proposed to the bill (H.R. 10947), supra.

AMENDMENT NO. 709

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS. Mr. President, I submit an amendment to Amendment No. 692 proposed to H.R. 10947, the Revenue Act of 1971, and I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 709

On page 9 strike out lines 3 through 14, and in place thereof add the following definition: (redesignate succeeding paragraphs)

(6) Party for the purposes of this act shall mean any political party which registers its name with the Comptroller General in accordance with regulations promulgated by the Comptroller General, and declares its intent to nominate a candidate for the office of President and Vice President in the next presidential election.

On page 14, beginning with line 2, strike down through line 3 on page 16 and insert in lieu thereof the following:

SEC. 1004. (a) Subject to the provisions of this subtitle an eligible candidate shall be entitled to payments under section 1006 in an amount equal to the amounts in the fund designated for his use, or for the use of eligible candidates of the party of which he is a member, provided no nominee shall be entitled to payments in excess of 15 cents multiplied by the total number of residents within the United States who have attained the age of 18, as determined by the Bureau of Census in June of the year preceding the year of the presidential election.

On page 16, line 4, strike out "(c)" and insert in lieu thereof "(b)".

On page 29, line 14, after "fund." insert the following: "Individuals designating money to be paid over to the Presidential Election Campaign Fund under this subsection shall designate the party of their choice. Funds designated for the party shall be controlled by the nominee of such party in accordance with regulations prescribed by the Secretary.

AMENDMENT NO. 710

(Ordered to be printed and to lie on the table.)

Mr. WEICKER submitted an amendment intended to be proposed by him to Amendment No. 692, proposed to the bill (H.R. 10947), supra.

AMENDMENT NO. 711

(Ordered to be printed and to lie on the table.)

Mr. JAVITS submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

AMENDMENT NO. 712

(Ordered to be printed and to lie on the table.)

Mr. COOK submitted an amendment intended to be proposed by him to Amendment No. 692, proposed to the bill (H.R. 10947), supra.

AMENDMENT NO. 713

(Ordered to be printed and to lie on the table.)

Mr. GRIFFIN submitted an amendment intended to be proposed by him to Amendment No. 692, proposed to the bill (H.R. 10947), supra.

NOTICE OF CHANGE IN TIME OF HEARINGS ON BILLS RELATING TO THE NATIONAL ENVIRONMENTAL POLICY ACT

Mr. BYRD of West Virginia. Mr. President, I make the following statement on behalf of the distinguished junior Senator from Washington:

Mr. JACKSON. Mr. President, on November 12 I announced that the Committee on Interior and Insular Affairs will hold a hearing to consider H.R. 56, S. 681, and S. 1216, measures amending or relating to the National Environmental Policy Act. The hearing is scheduled for November 19 and will be held in room 3110 of the New Senate Office Building. I should like to announce that the time for opening the hearing has been changed from 10 a.m. to 10:30 a.m.

NOTICE OF HEARINGS OF THE SELECT COMMITTEE ON EQUAL EDUCATIONAL OPPORTUNITY

Mr. MONDALE. Mr. President, in accordance with the requirements of section 111(a) of the Legislative Reorganization Act of 1970, I announce that the Select Committee on Equal Educational Opportunity will hold hearings on the following days:

November 22, 1971, 11 a.m., room 1318, New Senate Office Building; metropolitan aspects of educational inequality.

November 23, 1971, 10 a.m., room 1318, New Senate Office Building; metropolitan aspects of educational inequality.

December 1, 1971, 10 a.m., room 1318, New Senate Office Building; educational information.

December 2, 1971, 10 a.m., room 1318, New Senate Office Building; educational information.

December 3, 1971, 10 a.m., room 1318, New Senate Office Building; educational information.

ADDITIONAL STATEMENTS

THE SENATE SHOULD PASS BLACK LUNG LEGISLATION PROMPTLY

Mr. SCHWEIKER. Mr. President, on November 10 by a vote of 312 to 78, the House passed, and sent to this body, H.R. 9212, a bill making numerous amendments to title IV of the Federal Coal

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Mine Health and Safety Act of 1969—the title dealing with black lung benefits.

This bill has now been referred to the Committee on Labor and Public Welfare, on which I serve, and I am requesting the chairman of our committee, the distinguished Senator from New Jersey (Mr. WILLIAMS) to give this bill priority. It makes a number of important improvements in the existing black lung benefits law. These proposed changes in the law would enable many if not all of the 30,000 or more Pennsylvania miners and widows who have been denied benefits to receive them in the future.

This is a large number of disappointed miners and widows and I intend to do all that I can to see that they receive benefits. I do want to point out that Pennsylvania has led all the other States in the percentage of black lung claims approved—70 percent, as compared to the national average of 50 percent and Kentucky's figure of 32 percent approved.

As a result, 36,551 Pennsylvania miners, 31,092 widows and 30,033 of their additional dependents are receiving black lung payments today. Every month these Pennsylvanians receive a total of $11.3 million in benefits. Since the program began in 1970, $190,620,000 has been paid to beneficiaries in Pennsylvania alone.

Mr. President, I am proud to have been one of the original sponsors of this legislation when it was added in 1969 on the Senate floor to the coal mine health and safety bill. This program has, on the whole, done an excellent job in Pennsylvania and other States, but it still should be reaching additional miners, widows, and their families. Thus, I support the four main provisions of H.R. 9212, which would:

Extend the Federal phase of the black lung benefits program for 2 more years, so that the States would assume responsibility for paying these benefits at the end of 1974. The current law would make this transfer of responsibility at the end of 1972, but it has been shown that all States, including Pennsylvania, need additional time to prepare for this shift, after which Federal responsibility will cease.

Prohibit the use of a miner's chest X-ray as the sole basis for denying a black lung claim. This would require the Social Security Administration to consider medical evidence other than X-rays, such as lung function tests, before denying a claim. Judging from the mail I receive from many disappointed miners, who have great difficulty breathing but who are turned down solely on the basis of X-rays, I regard this as one of the key problems in administration of the black lung program. Since medical opinion is divided on whether X-rays should or should not be the sole detriment of a case of pneumoconiosis—black lung—I feel miners should have the benefit of the medical profession's doubt on this point.

Clarify the law so that a miner drawing social security disability benefits would not lose any of these benefits when he qualified for and began receiving black lung benefits.

Extend the benefits to "double orphans," that is, dependent surviving children in families where both the miner and his widow are deceased. Present law provides for payment of benefits to the miner, or to his widow if he is deceased, but provides no benefits in cases where both are deceased.

Mr. President, these are the four changes in the law made by the House-passed bill, H.R. 9212. In addition, there is another aspect of the law that should be amended by Congress—the overly rigid requirements for a miner to qualify as "totally disabled."

The House bill does not cover this problem, but two bills now before our committee, S. 2675, introduced by the distinguished Senator from West Virginia (Mr. RANDOLPH), and S. 2289, offered by the able Senator from Indiana (Mr. HARTKE), do address themselves to this situation.

Miners, in order to draw black lung benefits, must now prove they are totally disabled from taking gainful employment. In many cases, miners are told after their examinations that although they are too ill with black lung ever to return to mining again, they can still do less strenuous kinds of work and hence cannot be considered "totally disabled."

This classic standard applied by the Social Security Administration may be a fair one throughout the country, but when applied to coal miners with black lung it works an obvious inequity. First, these men are almost all veteran miners of advanced years, since these are the typical sufferers of black lung. As older men, they face greater than average handicaps in finding alternate employment. Second, the coal industry is found in regions of Pennsylvania and other States that are characteristically one-industry areas, and coal mining is that industry. Unlike other types of industry, coal mining is done in rural or non-industrial areas where jobs outside of the coal industry simply do not exist in significant numbers.

Being told that they can still do lighter work than coal mining, and hence cannot draw black lung benefits, is scant comfort to the typical coal miner in his 50's, who has worked his best years down in the mines and still has heavy family responsibilities to bear. In effect he is being forced to pull up his roots in his home community and leave to find a job he can do, if, under today's lagging economy, he can find a job elsewhere.

This problem has been described to me by Pennsylvania miners themselves, in visits to my field offices or in letters and telephone calls. I think it is time we corrected this inequity in the black lung program.

In the Randolph and Hartke bills, the "total disability" criterion applied to miners seeking black lung benefits would be simply that they be unable to perform work in underground mining, or comparable work. This, it seems to me, is the only fair way to decide if a coal miner is disabled.

Mr. President, I look forward to the Committee on Labor and Public Welfare taking prompt action on H.R. 9212 and related matters concerning the black lung benefits program. I intend to work vigorously to see that this legislation is passed promptly in the Senate.

H. K. THATCHER—MR. RIVER MAN

Mr. FULBRIGHT. Mr. President, the Crossett, Ark., News-Observer of November 11 contains a highly interesting article about Mr. H. K. Thatcher of Camden, Ark.

The article, very fittingly, is entitled "Mr. River Man." Mr. Thatcher, executive vice president of the Ouachita River Valley Association, is certainly deserving of the title "Mr. River Man," for his long and untiring efforts on behalf of river development in south Arkansas.

As the article in the News-Observer states:

Thatcher has had to demonstrate the patience of a saint, coupled with the tenacity of a bulldog.

Mr. Thatcher has been the central figure in the 21-year effort on behalf of the Ouachita River navigation project. More recently he has been active in the effort to establish a national wildlife refuge in the area.

Mr. President, the writer of the article, Janice Clark, does an excellent job of reviewing Mr. Thatcher's contribution, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MR. RIVER MAN

(By Janice Clark)

"I have learned that in dealing with water resources improvements it takes a long time to secure the authorization and completion of projects. The job cannot be done by the work of any one individual, or even one organization."

This statement last year of H. K. Thatcher, executive vice president of the Ouachita River Valley Association (ORVA), perhaps explains more concisely than anything else the reason for his effective service in development of the Arkansas waterways. He also said on that same date, "Because they are so interrelated, it is difficult to say whether any one single water resource project (with which I have been involved) can stand out above the others; but, perhaps the nine-foot navigation project in the Ouachita River is the biggest and has been the most difficult."

Surely, in the 21-year fight for the nine-foot channel project, Thatcher has had to demonstrate the patience of a saint, coupled with the tenacity of a bulldog, along with the special genius of a choreographer in bringing to bear on the project the devoted effort, varied talents and special influence of many individuals and organizations.

It is most fitting that as this man approaches his 81st birthday in February, he sees the wheels turning on all fronts toward completion of the nine-foot channel which will bring commercial navigation as far up the Ouachita as Camden, providing a transportation system which, as he says, "under modern barging practices makes every river port an export-import shipping center."

The rich icing on this birthday cake is the addition of a 65,000-acre wildlife refuge to be established by the Department of Interior in the Felsenthal Basin in Arkansas, with an additional 12,000-acre refuge along the navigation channel in Louisiana.

Thatcher was employed 21 years ago, in 1950, as executive director of ORVA, following the announcement by the US Corps of Engineers that they would close down the locks and dams on the Ouachita River because there was insufficient commercial navigation on the river to warrant their operation.

To measure the concern of the urban and industrial complexes which have developed along the Ouachita since the present six-foot navigation channel "organized" the flow of water, one needs only to listen to those who remember it before the present seven locks and dams were built in 1924.

Mrs. Charlie Woods, of Crossett, who has fished on the Ouachita River for over 60 years, says, "I've waded it many a time. In the fall of the year during the dry season sometimes the river would be no more than four feet wide, and the water didn't more than come up to my knees. There weren't any dams or anything to hold the water. And then when the rainy season came the water would come clear out to the hills. There wasn't any road to El Dorado then, and the water would stretch as far as you could see—to the hills on the other side—about 20 miles."

Industries which have developed with that water source as a determining factor in their growth became justifiably alarmed over the prospect of its being returned to its old fluctuation from sluggish stream to rampaging flood.

Sportsmen were upset because the Ouachita provides some of the finest fishing in the state, and literally thousands of boating enthusiasts find weekend recreation on its waters. Countless brightly-painted houseboats provide regular weekend "vacations" for mill workers and their families, fishing boats find small bays and sloughs to tie up for quiet angling, and faster boats tow skiers down the river's channel. Sand bars offer stop-off points for skiiers to rest and groups to picnic, and Audubon Society members gain entry to unpeopled parts of the bordering woodlands from its waters.

The Ouachita's willow-edged banks backed by great forests, maintained by woods-products industries, make it one of the most beautiful rivers in the nation. The National Geographic Magazine once declared it to be the third most beautiful river in America, and there are thousands whose recreational life is centered on the Ouachita who would agree. In fact, at the time when the closing of the locks and dams was threatened, the mill workers of Crossett Lumber Company signed a petition measuring 100 feet in length which they sent their congressmen pleading for the life of the river around which their recreation was centered.

When employed by ORVA Thatcher was already a highly respected man in the economic and water resources development of Arkansas. Members of ORVA and the US Corps of Engineers had agreed that a nine-foot channel in the river would be necessary to handle modern barge traffic. Thatcher was 60 years old when he came into the organization, and it was expected that his job would be over in five years with the completion of the navigation channel. This would have dovetailed nicely with Thatcher's 65th birthday—and retirement age.

However, the Korean War caused funds for the project to dry up, and it was shelved until 1962, when the plans were dusted off and revised. Rather than digging the nine-foot channel, it was agreed that higher dams to raise the water would be more practical and less expensive.

And here is where the bulldog qualities of Mr. Thatcher and his saintly patience kept him on his job long after he had earned the right to lie around in the sun reviewing his life of considerable achievements, recollecting his frequent dealings with many of the "greats" on the political scene during a life that spans memories of Mark Twain, Teddy Roosevelt, Woodrow Wilson, Franklin D. Roosevelt, Harry Truman, an afternoon of fishing with Herbert Hoover, listening to Albert Einstein speak, and our present greats on the national and local scene.

He was instrumental in drawing industrial and community leaders the length of the Ouachita River and over the states of Arkansas and Louisiana into the work of saving the river, each bringing his own special skill, influence and effort toward the creation of a useful commercial navigation channel.

When the money freeze thawed, Louisiana went right to work to obtain the land for their dam sites and any increased property necessary for the spread of water created by the deeper channel. However, the river banks in Louisiana are relatively high, so there was little additional land needed for the navigation pools. The locks and dams have been built at Jonesboro and Columbia, and the Louisiana part of the total project will be dedicated in July or August of 1972.

The low banks of the Felsenthal basin brought about a real land-acquisition problem. The raising of the water level from six to nine feet resulted in the creation of a minimum navigation pool of 14,500 acres, almost triple its present size. This was more land than the state could find the money to purchase.

As Thatcher says, "The job cannot be done by the work of any one individual, or even one organization." Many individuals and a number of organizations were drawn into the effort. However, the central figure in the 20 years of progress-halt-inch ahead-fall back-turn and twistpush and pull—was the great figure of the onetime Olympic athlete, H. K. Thatcher.

His 65th year is now 16 years behind him. The tall man is stooped a bit when he stands too long. But he retains all of the craft of a master team captain as he stubbornly coaxes, pleads, bullys and table-thumps to bring his 21-year-old vision for the Ouachita River and those who have settled on its shores to a reality.

The major land acquisition problem was solved early this year when the US Department of Interior was authorized to buy lands for wildlife refuges. The Wildlife Federation of Arkansas along with the congressional delegations of both Arkansas and Louisiana were helpful in bringing a commitment from the Department of Interior to purchase some 65,000 acres of land in Arkansas and 12,000 acres in Louisiana for wildlife refuges, specifically for migratory waterfowl havens.

With the blessings of Governor Dale Bumpers and the Arkansas Legislature the Arkansas Game and Fish Commission has allocated $200,000 for the lands on which the locks and dams will rest, and for navigation channel cut-offs to eliminate major bends in the river which would interfere with barge traffic.

And so—with the dedicated work of many men and many organizations, carefully choregraphed by the doggedly tenacious and incredibly patient H. K. Thatcher—the completion of the $111,500,000 nine-foot channel for the Ouachita River and the 100-square-mile wildlife refuge is expected within the next five years.

Thatcher's words hold significant meaning: In light of the years this great figure has been a part of the river development in this area it has become abundantly clear that "it takes a long time to secure authorization and completion of water resource improvements," and also that "the job cannot be done by the work of any one individual, or even one organization."

However, it is a fortunate cause, indeed, that has H. K. Thatcher as the ramrod at the center of its main effort!

SALUTE TO CLARENCE RUPP

Mr. PEARSON. Mr. President, on Monday and Tuesday of this week, the Kansas Farm Bureau held its annual State convention in Wichita. I regret that the heavy voting schedule here in the Senate made it impossible for me to accept an invitation to address the convention. The Kansas Farm Bureau, of course, is an outstanding organization and their annual meeting constitutes an important and impressive gathering of Kansas farmers.

I particularly regret not being able to be with the Kansas Farm Bureau members on Tuesday evening, but at that time the Senate was debating my rural job development tax credit amendment. The Farm Bureau members were meeting to pay tribute to Clarence Rupp who is retiring after serving 25 years as director of research for the Kansas Farm Bureau. I do not suppose there is anyone in the State of Kansas who knows more about Kansas agriculture and the Kansas State legislative process. I, personally, have known Clarence for a good number of years. He is a most unusual man, a man of great integrity and conviction. And he has served the Kansas agriculture community over these many years with great distinction. His active service on behalf of Kansas agriculture will be sorely missed.

I would have preferred to have been on hand to personally salute Clarence Rupp, but I want to take this opportunity to do so now from the Senate floor, and also bring Clarence Rupp's outstanding record of contributions to the attention of my colleagues.

UNITED STATES-JAPAN RELATIONS

Mr. STEVENSON. Mr. President, the November 8 issue of the Wall Street Journal contains an excellent article by our distinguished colleague, Senator HUMPHREY, on United States-Japan relations.

The Senator's lucid analysis comes at a time when our relations with Japan have plummeted to the lowest point in at least a decade. In rapid succession the United States confronted the Japanese first with an abrupt and spectacular change in its policy toward mainland China and then with an abrupt shift in international economic policy. These actions have been taken in apparent disregard of their disruptive effects on Japan and other allies.

Mr. President, we cannot have it both ways. If we want other nations to share our global responsibilities, we cannot treat them as poor cousins whose needs and views have no effect on the formulation of our policy.

I hope that the administration will heed Senator HUMPHREY'S wise counsel before more damage is done, and I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOR TREATING JAPAN LIKE AN EQUAL

(By HUBERT H. HUMPHREY)

U.S. actions and official statements over the past few months have had the seriously unfortunate consequence of portraying U.S. relations with Japan in adversary terms.

President Nixon has often talked about a shift from "an era of confrontations to an era of negotiations." Is it not ironic that this now seems to connote that we reserve negotiations for adversaries such as China and Russia while confrontations seem destined for our friends like Japan? Intentional or not, rhetoric that has this effect is contrary to our national interests, whatever its possible tac-

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tical advantage. It is essential that we now step back and re-examine our position. Much is at stake in our multi-polar world.

The progress of post-war Japan, we often forget, represents in part a remarkable success of U.S. post-war policy, a policy carried out by both parties. Commentators usually refer to the Marshall Plan and Europe as the most dramatic success story in U.S. post-war foreign policy; but the experience in Japan is equally impressive. Japan's roaring economy has received the most attention: In two decades Japan has become the third largest industrial power in the world and has managed to build a record of sustained economic growth that is unprecedented in world history. In 1960 Japan's gross national product was two-thirds that of China, but by 1980 this may be larger than all of Asia combined.

JAPAN'S INTERESTING ROLE

Close relationship with America and her post-war defense arrangements have permitted Japan to play an interesting role in Southeast Asia generally, staying aloof from many of the crises that have racked the region while at the same time responding to calls for economic assistance from the developing countries. Much of the recent debate between our governments has neglected to note that while Japan's foreign aid was only one-sixteenth that of the U.S. in 1964, it grew to one-fourth as much by 1969, a level exceeding our U.S. foreign assistance as a percentage of our GNP.

Recent discussions about Japan's economy, moreover, have overlooked that it has certain structural deficiencies, including an inordinate number of older, small and medium-sized industries and that much of Japan's agriculture must be modernized. Now that U.S. pressure has forced Japan to limit noncotton textile imports to the U.S., imports that account for only 1.2% in value of the total U.S. textile market, we are suddenly learning that Japan has been trying to help other developing countries and now imports $300 million in textiles from Asia annually.

What the new agreements with the U.S. portend for Japan is an estimated loss of 300,000 jobs, plus new hardships to poorer Asian nations that have been trying to break into the Japanese market. While some small political gains may accrue to the Nixon administration from the new textiles quotas, many U.S. textile workers and their employers will not benefit by such moves alone, and their just complaints will be heard again.

How the U.S. carries out its relations with Japan will be a key element in what happens in Asia and, in some respects, in what happens in the world. U.S.-Japanese cooperation will be essential to assure peace in Asia. The U.S., Japan, and Western Europe must cooperate to assure a well-functioning world economic system. And the U.S., Japan, and Western Europe must work closely together to build arrangements that hold promise for the aspirations of the poor countries of the world. These goals would be as unattainable without Japan as they would be without the United States.

Japan, we often forget, has become a great functioning democracy. How the U.S. carries out its relations with Japan should be based on the fact that public officials must be elected in Japan—as they must in the United States. Domestic issues and domestic pressures are no less a problem for Japanese leaders than for U.S. leaders. That is what being a democracy means. It can be a clumsy and time-consuming way to operate, but it is a source of great strength and social well-being. Mr. Nixon's failure to give the Japanese government adequate warning on the proposed Peking visit, combined with subsequent unilateral actions on economic reform not only left the impression that he did not understand that U.S.-Japanese relations remain the single most important relations in the Pacific, but that despite his long years as a practicing politician, he was out of touch with Japan's democracy. In consequence, his moves have clearly left a bad taste in Japan—when this need not have resulted.

Japan must take a good share of the blame for the current world economic crisis. It delayed too long in removing its import restrictions, and it has delayed to long in avoiding a revaluation of its currency. But the U.S., too, shares in this blame, principally because the Nixon administration proved unable for too long to bring inflation under control or to achieve full employment. At one point during the past few years the U.S. had the highest interest rates in 100 years and the highest unemployment rate since the last recession in 1958. As the U.S. does its part by stabilizing its economy and regaining a satisfactory level of economic growth, however, it can and should legitimately press Japan to do its share in resolving the world's economic problems.

LOOKING TOWARD THE FUTURE

For the future the important factor is to negotiate with Japan as an equal and to recognize that it is a major U.S. ally. We cannot forget that Japan, a land of scarce resources, lives by trade and that some responsible Japanese political leaders believe that "should the Straits of Malacca ever be closed, Japan's economy would grind to a halt." For this reason we must be sensitive, as Mr. Nixon clearly has not been, to Japanese national feelings.

There is no need for kid gloves or special treatment. To the contrary, the U.S. should bargain hard, especially since the Japanese economy is a strong one. Still, in doing so we should be sensitive to the similarity between our two systems as well as the differences. We should stress the former. The U.S. and Japan are great democracies and large industrial powers, as well as close allies; we share in common the goal of peace, security, and a world where individuals can prosper and seek fulfillment in a congenial environment.

When President Nixon made his move toward China—a move I have always favored—he left the impression that he did not understand these realities. While perhaps not true, I would hope this impression could be corrected.

TRIBUTE TO THE LATE SENATOR SPESSARD HOLLAND

Mr. FONG. Mr. President, I join my Senate colleagues in expressing extreme sorrow over the passing of Senator Spessard L. Holland, who served his State, Florida, and the Nation with distinction for 24 years in this Chamber.

I feel a sense of loss at his passing for I did learn to know and respect him while working with him on the Senate's Appropriations Committee and its important Agricultural Appropriations Subcommittee.

My distinguished colleagues will agree with me, I am sure, that his efforts toward the passage of the 24th amendment to the Constitution which outlawed the poll tax was a most outstanding achievement. This Nation's prosterity will remember this with gratefulness.

My wife Ellyn and I extend our deepest condolences to Mrs. Holland during this period of great personal grief.

SPESSARD HOLLAND

Mr. JACKSON. Mr. President, on November 8, I was privileged to be in Bartow, Fla., to join with the family and friends of Spessard Holland in a final tribute to Florida's great Senator. The simple dignity of that ceremony was a reflection of the man himself. And all of us there were moved by the honor the people of Florida chose to bestow on their distinguished elder statesman.

Spessard Holland's life began in a small Florida community, but the impact of what he did was felt all across America.

As someone who served with him for 18 years in the Senate, I knew him as a truly unique man. He was a scholar who received the highest honors of his university, and his scholarship was reflected in the broad historical perspective he brought to major public issues.

He was a courageous soldier who received the Distinguished Service Cross in World War I, and his courage was reflected in his determination to defend the principles he knew to be right. He was a brilliant lawyer, and his legal craftsmanship was reflected in the far-reaching statutes he helped write.

And because he was all these things, the people of Florida chose him as a prosecuting attorney, a county judge and as a State senator—and then as their Governor and U.S. Senator.

I remember how he envisioned a greater United States by being an early supporter of statehood for Alaska and Hawaii. I remember how he fought to extend the franchise to all Americans, so that the 24th amendment to our Constitution became a monument to his perseverance in a cause he knew to be right.

So Spessard Holland combined the virtues of a scholar, a soldier, and a statesman, and made himself one of the most respected U.S. Senators of our time. He never tried to be one of the loudest voices—but his voice was heard simply because it was a voice of knowledge, of understanding, of reason. When he spoke in the Senate, his colleagues listened. And we all profited, personally and collectively, from his thoughtful counsel.

Spessard Holland created a tradition of excellence in Florida politics. That is his legacy to the people of his State. This tradition will live on, I am sure, as people remember Spessard Holland with admiration and respect and gratitude for his service to his State and his country.

M.D.'S AND THE 4-DAY WORKWEEK

Mr. PACKWOOD. Mr. President, a recent editorial in the Nevada State Journal comments on the growing interest in this country in a 4-day workweek.

The editorial also comments on recent testimony by an Oregon friend of mine, Dr. Max Parrott, chairman of the board of trustees of the American Medical Association. Dr. Parrott points out that although the number of physicians in the country have increased by 28 percent in the last 10 years, most physicians still work at least 50 or 60 hours per week.

The editorial also points out that physicians have a big stake in making any health insurance plan passed by Congress effective in the delivering of care to 205 million American patients.

Because both health insurance and the 4-day workweek are issues which will be before the Congress, in some form or another, in the near future, I think this editorial is particularly appropriate, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Nevada State Journal, June 20, 1971]

NO ROBOTS—THOSE M.D.'s

Judging by the growing interest in a four-day workweek, the three-day weekend will be a fact of life for most Americans in a comparatively few years—with a few notable exceptions. Very likely, physicians will be among those exceptions. Legislative proposals for National Health Insurance treat doctors as if they were pieces of X-ray equipment—to be worked 24 hours a day.

In the course of testifying before a Congressional Subcommittee on matters pertaining to national health care, Dr. Max H. Parrott, chairman of the Board of Trustees of the American Medical Association, remarked that, "The American doctor is the one who will be asked to provide health care for out people, whether we stay with our present system, modify it . . . or scrap it to substitute something unproven . . . he has a capability that is rarely matched. He has virtually elliminated an impressive list of diseases. He has increased his ranks by 28 percent in the last ten years . . . but he still, most often, works a 50- or 60-hour week. And, though he has personal, daily access to the highest quality health care in the world, he lives no longer than anyone else. The American physician is largely responsible for the state of his art. He is proud of it. And he wants it to be even better, to improve it wherever possible, ot provide better and better care for everyone."

No, the doctors will likely never see a four-day workweek—nor do they want it. They would much prefer to see the perfecting of a medical system which they have worked hard to build on the principles of voluntarism and free choice.

MINNESOTA AND URBAN DEVELOPMENT

Mr. MONDALE. Mr. President, as our Nation is about to enter its third century, it is facing perhaps the greatest challenges of its history—namely, those of population imbalance and the urban crisis. The necessity of meeting these problems head on, with bold and corrective solutions, can hardly be overstated, for the condition and health of tomorrow's cities, environment, and population depend almost entirely upon the action which we take today. For too long, remedial and half-hearted measures have sufficed in dealing with the growing problems of our cities and urban development.

The creation of new cities, with a major emphasis on unity of design, integration of functions, and anticipation for the future, offers a significant opportunity for understanding and reversing the problems of urban development.

I am proud to say that the State of Minnesota has taken a bold initiative in analyzing and implementing models of new city development. The idea of the experimental city originated at the University of Minnesota in the mid-1960's, and this year the Minnesota State Legislature created and funded an Experimental City Authority.

The experiment is presently entering its second phase, concerned with the elaboration of its planning framework and the design of a planning process to permit implementation.

On September 23, 1971, Otto A. Silha, publisher of the Minneapolis Star and Tribune, spoke before the National Board of Directors meeting of the American Institute of Architects. Mr. Silha, who is also presently serving as chairman of the Minnesota Experimental City project, spoke of Minnesota's experimental city and its role in the Nation's future urban development. I feel that his speech most emphatically describes the problem, and the significance of the experimental city in its solution.

Mr. President, I ask unanimous consent that Mr. Silha's speech before the AIA be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

MINNESOTA'S EXPERIMENTAL CITY—AND THE NATION'S FUTURE URBAN DEVELOPMENT

The need for new cities has been recognized by virtually every serious student of urban problems and national growth policy. If one thing is clear in that complex of issues, it is that we cannot continue indefinitely to pack people into existing metropolitan areas. And because of the lead times involved, it is imperative that we begin as a nation to take corrective—and I would stress corrective as opposed to remedial—action now.

The leading indicators of serious problems are unmistakable; the storm warnings are flying. Environmentally we are developing the public mechanisms to contain the problem, but there is much to be learned about what to do. Politically, the breakdown of major social service delivery systems and the fiscal crises and bankruptcies of local governments tell us that we must be doing something wrong. Socially, the desperation seen in our judicial and penal system is to me an all-too-clear indication of the urgent need for some basic actions. The common element among our national problems is that they all tend to converge in our major cities.

Barbara Ward has stated the rationale for new cities quite succinctly when she says ". . . excessive growth in very large cities can best be controlled not by any rigid attempt to set limits; rather, expansion can be checked only by attracting it to other centers." Our problem has been that we don't have any "other centers" or any effective way for creating them.

In its analysis of the problem of a national urban growth policy, the National Goals Staff in the White House outlined four alternatives:

The first is to continue with present policies which will result in more sprawl, more concentration into a few metropolitan areas, more patch-work redevelopment.

Second, we can try to create a higher rate of growth in rural areas, but we know that this approach, assuming we knew what to do, is only a part of the solution to the larger problems and that it can have almost no effect on the national pattern.

Thirdly, we can stimulate the development of growth centers by various governmental actions. This approach has its limitations as well as its pluses.

The fourth strategy, which has worked well abroad, is one which has been tried only to a limited extent in this country—the creation of new cities, both as parts of major metropolitan areas and as truly new cities.

New cities offer the opportunity for major advances in the state of the art in every facet of urban design, social and physical, to test and prove out both social and physical systems which can subsequently contribute to existing cities. The general experience of the U.S. new cities, however, has been an inability to realize inherent social goals and a difficulty in achieving significant innovation in both physical and social systems.

Their experiences suggest, in fact, a further hardening of patterns established in the suburban development since 1945 and very little contribution to the solution of the problems of the central city and its residents. Reasons for this situation include economic and financial constraints; an inability to deal with the entire process of innovation including technical, financial, political and market factors; and the absence of models of alternative systems on which to build.

I am convinced that a key strategic reason for the paucity of urban innovation is that we are sadly lacking in models for future development, for carefully spelled out and demonstrated alternatives to present patterns. This can be critical to unblocking other constraints.

Certainly we are not lacking for ideas. What we are lacking is an opportunity to put a series of ideas together in a systematic manner, then actually implement them in an integrated, experimental setting, designed to prove out our best thinking in an operational situation. We do this in virtually every phase of American industry, but when it comes to the most important thing of all—the environment in which we and succeeding generations will live—we somehow assume that serendipity will take care of us. The evidence, I would suggest, is to the contrary.

The current generation of new communities, both in this country and abroad, is a welcome addition to our urban development; they are badly needed to meet current needs and for the most part they represent a significant advance over urban developments of the immediate past. But the irony of the new communities—as fine as they are—is that they are tending to reinforce patterns which have proved to be unsatisfactory. They will become a part of the problem.

Let me illustrate: A new city of half a million people has been proposed for the meadowlands in New Jersey just west of Manhattan. I have every expectation that it will be well planned and well executed, and will represent an improved living condition for its inhabitants. But the question which must be asked is whether it is wise to put still another half million people into the heart of the most troublesome urban complex in the country. Should we not instead be finding ways to bring about a better balance of population and resource distribution on a national basis?

Most new cities are forced into obsolete technology. The pattern of new cities, I fear, will represent a great opportunity missed. One of the lessons of the British in their first generation of postwar new towns near London has been just that: that they were too conservative in building their new cities, that they were not sufficiently innovative; that they were willing too early to "accept the inevitable" and to abide by the conventional wisdom of another era.

It is apparent that there is a wide gap between what we espouse as desired goals for urban growth for the next several decades and our capabilities to date in achieving these goals, that we are not making the best use of the technological and other resources which are ours. Clearly, the process of adapting and applying current technology into urban settings is more complex than it appears. The steps from "here" to "there" are not well understood.

Some of the basic concepts for the MXC project are to evaluate the current state-of-the-art in terms of a specific prototype situation, to advance that state-of-the-art, and to provide a "real" opportunity for testing and further advancing models of new city development and the application of technologies to these ends. That is to say, to learn

how and to build a city better than we have done to date in this country.

When David Starr Jordan was president of Stanford University, he observed that wisdom is knowing what to do, knowledge knowing how to do it, and virtue, having done it. In a sense, that is the theme of the Experimental City. At least in a general way, we do know what the problem is and have some good hypotheses about what to do; we certainly have the technology and the resources; but up to now we are acting—when at all—at an almost minimal level.

The idea for an experimental city originated at the University of Minnesota in the mid-1960's. The University obtained funding from private sources and from three federal agencies (HUD, HEW, and EDA) to investigate the concept and to determine what some parameters would be. Grants of $80,000 each from these three agencies plus grants of $10,000 from a dozen private firms—largely Minnesota-based—provided the funding for the first phase.

We arranged for a series of 14 workshop sessions which brought together almost 200 scholars and practitioners from across the country. In many cases issue papers were prepared beforehand, and after usually three days of discussion, reports and recommendations were issued. The output of the workshops has been published and has found widespread interest. The discussions were organized around major urban systems—education, transportation, energy sources, manpower, communications, city building technology, government, and so on.

In addition, a national steering committee was formed to develop the general conceptual framework for an experimental city and to provide overall policy direction. This committee includes nationally recognized physical and social scientists, engineers and and humanists ranging from such diverse backgrounds as Buckminster Fuller to the late Whitney Young. The contribution of these people to the project has been invaluable.

The Phase I study arrived at a number of conclusions about the key parameters which will largely determine the location and some of the physical characteristics of the city. A population of 250,000 was determined to be "the right size" if the city is to be essentially self-sufficient or freestanding. (This turns out to be the same conclusion the British reached about their second generation new city—Milton Keynes.) Such a city will perhaps require 35,000 to 50,000 acres.

Environmental and economic analysis in Phase II will further refine that figure. Minnesota has thousands of acres of low-utilization, publicly-owned land, some of it in very large tracts, which could be logically acquired for an Experimental City. This would tend to minimize many of the dislocation problems, minimize the cost of acquisition, and suggest new concepts in the use and control of public lands.

The Phase I participants agreed that for the city to have maximum impact, it should be built largely in a relatively short period of time—10 to 15 years. And to ensure that it be truly freestanding and not adversely influenced by existing urban constraints, the City will be at least one hour's ground travel time from a major metropolitan area.

The second, and current, phase is concerned with the elaboration of the framework provided by Phase I and with the design of a planning process to permit implementation. Two major parts of the Phase II effort have been completed, and, as you will see, both are critical to our future success.

We recognized from the outset that government—at several levels—must be involved in the project as an active participant. Accordingly, we began working with the State of Minnesota two years ago. The Legislature created joint operating committees of the House and Senate which held extensive hearings to determine what the State's role should be. Their findings were presented to the 1971 Session which created and funded a Minnesota Experimental City Authority.

The Authority is charged with the selection of a site, recommending the manner of land acquisition and financing, and general approval of plans. It will report to the Governor in January of 1973, so that the Legislature can take action during the 1973 session. The Authority is made up of eleven citizens, appointed by the Governor. To provide needed liaison, the directors of the state departments of planning, economic development, pollution control, and natural resources are ex officio members. Most of those departments have already been involved in our deliberations.

As soon as a site has been designated, no later than October 15, 1972, all public improvements on the land will be frozen, effectively stopping any development until the decision can become final and the land assembly begun. To my knowledge, this is the first time such powers have been granted to a state agency, and we believe that it represents a major innovation.

Sometime next month, an economic base study for the experimental city will be completed. It was determined in Phase I that the city's economic base would be significantly different from that of most cities today, reflecting the structural changes which are occurring in our economy. Activity will be heavily oriented to the knowledge-based industries and will have a large services component and a relatively small basic manufacturing component.

Our current base study is identifying which industries are the most logical candidates for location in the city and what their locational requirements are likely to be. From that information, we are determining the character of the public and private infrastructure investment and staging, and the workforce which could be anticipated. This, in turn, tells us what kind of demographic mix is probable and provides a good initial base for planning. The information from the study is clearly of use to the Experimental City planning, but it can also be the basis for a better base of information for future urban planning elsewhere.

Our Phase II timetable calls for research and preliminary planning in the major systems areas, running in parallel with the site selection and land assembly process, which we hope can be completed by late 1973 or early in 1974.

It is significant to note that we are not talking about vast new expenditures to already overburdened public budgets. We are talking about a better, more rational expenditure of the billions which we will be spending anyway in this country over the next generation or so simply to house the millions of new Americans who will be arriving and to replace certain of our physical plant which has become obsolete.

In an all-too-real sense, our expenditures for urban development are the most critical ones to make, because they shape our environments conclusively for years to come. Yet, we invest less on research and development and planning on which to base those expenditures than in almost any other field of endeavor I know about. In the aerospace industry, for example, it is usual to devote from five to ten percent of a total budget to research and development (and I am not suggesting that this is not appropriate). I am convinced that a much smaller investment in urban research and demonstration could be one of the most effective expenditures we could make. We must take what President Nixon has so aptly termed "the long view". We must "look down the road" not just at initial expenditures, but consider the total costs—economic, social, and environmental—we incur as we continue to build this country.

We are well aware of the magnitude and the complexity of the task we propose. We do not suggest that it is a panacea, rather a single but significant step toward a better America.

As this nation prepares to enter its third century, it is fitting that we question the values which underlie the way in which we live, to challenge assumptions and established practice, to ask why—and why not. It is an appropriate time to look at our national goals, to see how well they are reflected in the patterns of urban living which characterize our society today, to find if we like what we see, to re-set our sights.

We have a need to demonstrate—as Americans did two hundred years ago—that we can again articulate the American dream in ways which can motivate all our citizens toward the realization of our common goals. We must translate our disappointments and dissatisfactions of today into possible dreams and plans, and hence into a legacy, for tomorrow. And that is what the Minnesota Experimental City is really all about.

TRIBUTE TO THE LATE SENATOR HOLLAND

Mr. JORDAN of Idaho. Mr. President, it was with sadness that I learned of the passing of the Honorable Spessard L. Holland on November 6.

Although we sat on separate sides of the aisle, the late Senator and I shared many interests. As a matter of record we voted together most of the time. He was never one to alienate a person whose opinions may have differed from his own and in his own reserved way, he became a powerful and respected Member of this body during his quarter of a century tenure.

Senator Holland served his State in a manner most faithfully with its best interests at heart. He elected to retire after a distinguished career in public service. His loss will be lamented by his many friends and coworkers. Mrs. Jordan and I extend our most heartfelt sympathy to Mary Holland—may she take comfort in the knowledge that during her husband's years here on earth, he was a great and good man whose devotion to public service earned him the respect of his fellowman.

THE WSB STORY

Mr. MONDALE. Mr. President, modern food technology and the enterprise of American food processors are being linked together to help fight hunger in the world and close the protein gap threatening serious malnutrition in many areas.

One example of this that has been brought to my attention is a paper delivered by Dr. Frank E. Horan, director of research for the Archer Daniels Midland Co. of Decatur, Ill., at the Western Hemisphere Nutrition Congress III held August 30 to September 2 at the Americana Hotel in Bal Harbour, Miami Beach, Fla. Entitled "The WSB Story," it is an impressive account of development and use of a new low-cost, high-protein food product that is gaining rapidly increasing acceptance in the food-for-peace program, is the mainstay of the CARE program for feeding refugees in the Gaza Strip, and is currently serving the same constructive purpose of providing essential sustenance for Pakistani refugees in both India and strife-torn East Pakistan.

Mr. President, I ask unanimous consent that this address by Dr. Horan be printed in full in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE WSB STORY

(By Dr. F. E. Horan)

To give a progress report on one of the more recently developed nutritionally formulated high-protein foods, namely, WSB (Wheat Soy Blend), here in Bal Harbour, Florida is indeed a salutary experience. Some of you may recall that in May, 1969, The Sixth Conference of the Americas on Malnutrition as a Factor in Socio-Economic Development was held in this same city, and at this Conference, WSB actually made its official debut as a new food type to assist in combatting malnutrition throughout the world. By means of an exhibition booth WSB was demonstrated in the form of beverages and a pudding. Brochures describing this new product were available in English and Spanish.

Of course, the introduction of WSB here in Florida two years ago was not actually the birth of the product; it might be looked upon as the baptism. To gain a better comprehension of the development and marketing of a new food product of this type it might be worthwhile to review briefly the history of WSB.

In 1965 the USDA's Committee on Food Processing in Developing Nations in conjunction with the Department of State's Agency for International Development (AID) issued "Guidelines for Food Formulation for Infants and Children" in order to assist industry and other government agencies in developing food aid programs.[1] One essential requirement of the guidelines was that the basic cereal components of the newly developed products should be wheat or corn, alone or in combination.* With the passage of the Food for Peace Act of 1966, the stipulation that a commodity be in surplus to be eligible for distribution under the foreign donation program (Public Law 480–Title II) was removed, thus broadening the range of ingredients which might be used in new blended food products. The principal criteria which must be met in new foods are: Palatability, low cost, ease of preparation, high nutritional value per unit of cost, and satisfactory storage characteristics.[2]

The work of Bradley[3] in 1965 which indicated that calorie for calorie, wheat shorts (a flour milling by-product) have a level of essential amino acids twice that of human milk stimulated new interest in wheat as a potentially important ingredient to be considered in food aid programs. The Millers National Federation appointed an Ad Hoc Committee for World Food News in 1966 to develop wheat products which might find a useful place in the U.S. Food for Peace programs.[4] This work was accelerated by the development of a process by Fellers[5] for recovering a high protein (20 to 22 per cent) flour from milling by-products, and this fraction is now referred to as wheat protein concentrate (WPC). Working in cooperation with the U.S.D.A., Flour Blend A (70 per cent straight grade hard winter wheat flour and 30 per cent WPC) was conceived and developed for use primarily as a replacement for domestic bread flours in developing countries. The protein content of Blend A is 13–14 per cent and the PER value is 1.01, as compared to 0.77 for straight grade wheat flour.

Continued efforts by the Ad Hoc Committee resulted in a second type of blended precooked product, which was intended for use as a beverage or a porridge for preschool children, but which could also serve as an emergency food for adults. This product is now known as WSB, and consists of 73 per cent of wheat-derived material, 20 per cent of defated soy flour, 4 per cent stabilized soy oil, and a vitamin-mineral premix. The protein content of WSB is at least 20 per cent, and the PER value is 2.4. At least five U.S. Firms ** have production facilities available to produce WSB, and may submit bids on requests by the Agricultural Stabilization and Conservation Service (A.S.C.S.).

The development of a new food product in the laboratory, and the successful scaling-up of a process for uniform and efficient plant production may bring considerable satisfaction to the professionally trained technical man, and the technical achievements related to WSB were highly commendable. However, a technological success does not necessarily ensure a commercial or marketing success, nor does it automatically follow that a highly nutritional product will solve the malnutrition problems in the world. The new food product must be introduced to those who need it and must be accepted by them in their daily diet. To accomplish this requires a well-coordinated and cooperative effort on the part of a variety of competent organizations with energetic and capable personnel.

The WSB story exemplifies this type of cooperation very well. At the outset it was necessary to realize that WSB was an entirely new product and could not be regarded as an exact duplicate of any other commercially available food item. Therefore, recipes for its use had to be developed, and the essential functional characteristics of the product, including its limitations, had to be evaluated. Under the auspices of Bulgur Associates, Inc. and the Millers' National Federation in cooperation with Foreign Agricultural Service (USDA) a booklet entitled "WSB-Growth Power" was published to promote the many excellent features of this new product. This booklet is now available in English, French, Spanish, Portuguese and Arabic.

In addition to the close cooperation with the USDA's Agricultural Research Service in developing the technical and nutritional characteristics of WSB, Bulgur Associates sought and received great assistance from the Food for Peace office in Washington, which in turn enlisted the services of its personnel throughout the world in cooperation with many of the U.S. voluntary agencies as well as several multilateral organizations.

Bulgur Associates set out on a determined course to introduce WSB. In August of 1969 (FY–70) an airgram (Circular A 1821) was sent out by the Washington Food for Peace office to forty-two countries in Africa, Latin America, Near East-South Asia and East Asia. The following excerpt is taken from that airgram:

"This week we are air-mailing a small supply of WSB samples packed one pound net in polyethylene bags. The samples have been donated by Bulgur Associates. You may find them useful for display and for distribution to voluntary agency representatives and local government people interested in the Food for Peace Program. Additional samples will be provided upon request. WSB has been purchased in quantity for a number of countries and is available for PL 480, Title II, programs in FY 70. Cooperating sponsors may (a) request a carload lot (100,000 pounds) of WSB for experimental purposes without supplemental program documentation and (b) call forward WSB in lieu of approved cereal products provided this commodity adjustment does not exceed the total dollar value of the approved program."

As a follow-up of this airgram, starting in the fall of 1969, personal visits were programmed to key countries to explain the value of WSB in upgrading nutrition and of improving the health of the people, particularly children. Through June of 1971, some 63 personal visits have been made to 48 different countries in the various regions of the world. This is summarized in Table 1:

TABLE 1.—PERSONAL VISITS ON BEHALF OF WSB

Region	Number of countries	Number of visits in countries		
		1	2	3 or more
Africa	14	7	6	1
Europe	2	1	1	
Near East-South Asia	8	4	3	1
East Asia	5	1	2	2
Latin America	19	9	7	3
Total	48	22	19	7

To be sure it is difficult to correlate exactly the effectiveness of personal visits in terms of the actual acceptance of the product in a particular country. Nevertheless, an observation of the increase in actual shipments of WSB since its first introduction suggests that there is some cause-effect relationship at work. In FY–69, approximately 2.9 million pounds of WSB were shipped; in FY–70, the total was about 11.3 million; and in FY–71, which has just ended, the tentative figure is 33.3 million pounds. Some 42% of the WSB sent in this past year has gone to Africa, with about 73% of that going to Nigeria; approximately 25% of the total has been sent to Latin America and another 25% to the Near East-South Asia. The recipients are more evenly distributed in the countries of these two areas. A comparison of the WSB shipments for FY–70 and FY–71 is given in Table 2:

TABLE 2.—WSB SHIPMENTS FOR FISCAL YEAR 1970 AND FISCAL YEAR 1971

Region	Fiscal year 1970		Fiscal year 1971	
	Hundredweight	Percent	Hundredweight	Percent
Africa	67,500	57	139,335	42
Latin America	20,780	17	83,019	25
Near East-South Asia	25,280	21	87,260	26
East Asia	6,200	5	23,214	7
Total	119,760	100	[1] 332,829	100

[1] Tentative total for fiscal year 1971.

The initiation of a request for WSB for use in a particular country generally must come from the agency in that country who has developed a program for the ultimate disposition of the product as a food. This request is handled by the local Food for Peace officer who relays it to his office in Washington which then turns it over to the USDA which, through its Agricultural Stabilization and Conservation Service sends our requests for bids from producing companies. A portion of the WSB orders is handled on a government to government arrangement through AID. To date the U.S. Voluntary Agencies handling WSB are as follows: [6]

CARE, Inc.
CRS (Catholic Relief Service)
CWS (Church World Service)
LWR (Lutheran World Relief, Inc.)
SAWS (Seventh Day Adventist Welfare Services, Inc.)

The multilateral organizations presently involved are:

UNICEF (United Nations Children's Fund)
WFP (United Nations World Food Program)

An estimated breakdown of the usage of the total amount of WSB shipped is as follows:

* See appendix.

Footnotes at end of article.

** Archer Daniels Midland Co., Decatur, Ill.; Burrus Mills, Dallas, Texas; California Milling Co., Los Angeles, Calif.; Fisher Flouring Mills, Seattle, Wash.; and Lauhoff Grain Co., Crete, Nebr.

XUM

	Percent
Preschool children	40
School lunch programs	40
Food-for-work	10
Institutional	5
Family rehabilitation	5

Even though it is well nigh impossible to know how all of the WSB shipped overseas is consumed the following breakdown gives some evidence of the versatility of the product:

(a) *As a gruel.*—Bolivia, Brazil, Cameroon, Chile, Dominican Republic, Ecuador, El Salvador, Guatemala, India, Indonesia, Mauritania, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines.

(b) *In bakery products*—British Honduras, Brazil, Ceylon, Congo (Kinshasa), Gaza, Israel, Kenya, Liberia, Panama, Philippines.

(c) *As a beverage*—Chile, Congo (Kinshasa), Dominican Republic, Ecuador, India, Indonesia, Jamaica, Jordan, Laos, Nigeria, Pakistan, Panama, Paraguay, Peru.

(d) *In soups*—Hong Kong, India, Indonesia, Mauritania, Panama, Philippines.

Experiences in some countries may serve to identify a few of the unusual problems encountered in the introduction of a new food product such as WSB.

(1) Dominican Republic and Panama:

These two countries were among the first to use WSB, but during the early stages of this program the WSB was shipped in a plain cotton bag, similar to that used for wheat flour. During storage dark brown spots appeared on the bags, due probably to the relatively high oil content of the product, and eventually the material became infested with insects. As a result, these two countries discontinued the use of WSB.

After discussion among Bulgur Associates, Inc. members and key people in the Government, it was decided that WSB should be packed in a 50-lb., 5-ply, I.R.T. (insect resistance treatment) paper bag with a polyethylene line, and the A.S.C.S./USDA officially approved it and directed WSB producers to start using this new type of bag, effective in December, 1969.

These two countries, the Dominican Republic and Panama, resumed ordering WSB, and during FY–71 each received approximately one million pounds.

(2) *The 90–10 Obstacle:*

In 1969, when WSB was in its introductory stage, a Government policy existed in which foreign aid recipient countries were required to pay for 10% of the ocean freight cost on donation commodities. This resulted in such a handicap that many Voluntary Agencies could not call forward any commodities for many months simply because the recipient countries did not have money available to pay for the freight. Eventually this regulation was rescinded, and a troublesome obstacle for WSB shipments was removed.

(3) *WFP (World Food Program):*

This multilateral organization of FAO/UN showed considerable interest in a nutritional product such as WSB for use in many of its programs. However, any new food product must be certified as nutritionally acceptable by the FAO Nutrition Department in Rome before it may be used. In March, 1970, WSB appeared on the WFP approved list of commodities available for use in its programs. In FY–71 WFP handled approximately 10 million pounds of WSB, most of which went to Nigeria to assist in solving recent feeding problems there.

In connection with the acceptance of WSB in Nigeria it is interesting to note that much of the preliminary background work was done originally in the U.S. In January, 1970, a project entitled "Nigerian Food Adaptation" was started by a non-profit organization, based in Washington, D.C., known as Food Business Center; this particular project was supported by Bulgur Associates, Inc. Working with knowledgeable Nigerian people in Washington, it was possible to evaluate WSB in many native Nigerian recipes, the results of which studies indicated that WSB would probably be an acceptable food in that country.••

(4) *Ceylon:*

This country has a successful school lunch program operated by CARE. At the time of a first WSB visit to Ceylon in October, 1969, CARE had two manufacturers making acceptable biscuits (cookies) using non-fat dry milk solids as the protein source. Even though there was some understandable reluctance to modify the formula being used, in 1970 CARE did decide to upgrade the nutritive value of the biscuit further by incorporating WSB into the formula. At the present time the emphasis in the program has shifted to a bakery bun, in which WSB is being used.

(5) *British Honduras:*

This country likewise has a well-organized school feeding program run by CARE, Bulgur Associates, Inc. worked out a recipe for a cookie, using a 40% replacement of the wheat flour with WSB, thus enhancing the overall nutrition. These cookies have a satisfactory shelf life of several weeks and stand up well during the transportation to interior places over rough country roads. Some of the knowledge gained in Ceylon was put to use in British Honduras.

An unusual outgrowth of this cookie program in British Honduras is the awakening of interest here in the U.S., whereby one business firm* is introducing to the consumer market a high-protein cookie made from WSB.

(6) *Morocco:*

One should not be misled by concluding that a personal visit to a particular country with WSB in hand will automatically have WSB established in the diet of that country immediately. The WSB experience in Morocco gives testimony to the fallacy of this conclusion. Bulgur Associates Inc. have received excellent cooperation from Food for Peace officers and Government officials in Morocco, and in turn have put considerable effort into this country by eventually sending a baking specialist to demonstrate the use of WSB in bread, the dominant food of Morocco. After approximately two years of efforts in Morocco, WSB is now included in the School Lunch Program under the auspices of CRS. The Moroccan Bureau of Food and Nutritional Education, in the Ministry of Primary Education, has just produced its own booklet on WSB.

In conclusion, it is reasonable to state that this new, highly nutritional product WSB has been very successful in being accepted and in being put to good use in feeding programs in various parts of the world. This success would not have been possible without the splendid cooperation of scientists, technologists, economists and a large assortment of other dedicated professional people in industry, industry trade groups, and Government Agencies, both here and abroad.

The A.S.C.S. purchase for July export donation signifies a trend in the fact that the totals of both flour and corn meal bought were relatively small while awards on specially blended products of higher nutrition were of near record proportions. Quoting from a recent editorial in the Southwestern Miller[7] entitled "Rapid Relief Food Shift":

"The message came through loud and clear from the awards made by the Agricultural Stabilization and Conservation Service for July export relief donation. It is that the long-anticipated shift in foreign relief procurement from "straight" products such as flour and corn meal to blended foods compounded to meet particular nutritional requirements is beginning to proceed at an accelerated rate. This development should surprise no one who has followed the pronouncements in recent years by officials of both the A.S.C.S. and the Food for Peace office in the Agency for International Development. Newly-developed products, most of which gain a name made up of the initial letters of the principal ingredients, are proliferating. From CSM, which stands for corn soya milk, to the newer WSB, a wheat soy blend, the emphasis has been on foods that have the potential of improving upon the already excellent nutritional contribution of their component parts."

APPENDIX

•Parenthetically, an important contributor to the concepts of nutritionally blended foods was Dr. W. N. Makaroff, a medical doctor in California who was convinced that proper feeding was the best preventative medicine to combat high morality rates. He gave up his practice in 1962 and served as a Food for Peace Officer. Working with Frank Eillis, H. J. Waters and others in the Food for Peace office, a decision was reached by the USDA and industry leaders to try the formulated food approach.

••A Nigerian company is now seeking to arrange commercial purchases of the product for repackaging in consumer-size packs. Also, WFP has requested that 50-lb. sample sacks of WSB be sent to each project director in some 22 other countries of the world for consideration in food-work projects.

FOOTNOTES

[1] Sentl, F. R.; Copley, M. J.; and Pence, J.W.: *Cereal Science Today*, 12 (Nov.), 1967.

[2] Sullivan, Betty: *American Miller & Processors*, 95:11–13 (June), 1967.

[3] Bradley, W. B.: *Northwest Miller*, 274(4), 17, 1965.

[4] Bass, E. J.: *Protein-Enriched Cereal Foods for World Needs*, St. Paul: American Association of Cereal Chemists, 1969.

[5] Fellers, D. A.: Shepherd, A. D.; Bellard, Nancy J.: and Mossman, A. P.: *Cereal Chem.*; 43:715–725, 1966.

[6] *Food for Peace*, 1969 Annual Report on Public Law 480, 91st Congress, 2d Session, House Document No. 91–352, The White House, June 18, 1970, Washington, D.C.

[7] Editorial: The Southwestern Miller, 50: 17 (June), 1971.

FOOD USES FOR WSB

Country	Gruel	Beverage	Bakery products	Soups
Africa:				
Cameroon	×			
Congo		×	×	
Kenya			×	
Liberia			×	
Mauritania	×			×
Nigeria	×	×		
East Asia:				
Hong Kong				×
Indonesia	×	×		×
Laos		×		
Philippines	×		×	×
Near East—South Asia:				
Ceylon			×	
Gaza			×	
India	×	×		×
Israel			×	
Jordan		×		
Pakistan	×	×		
Latin America:				
Bolivia	×			
Brazil	×		×	
British Honduras			×	
Chile	×	×		
Dominican Republic	×	×		
Ecuador	×	×		
El Salvador	×			
Guatemala	×			
Jamaica		×		
Panama	×	×	×	×
Paraguay	×	×		
Peru	×	×		

••See appendix.

• Kern Bakery, Lynchburg, Virginia is offering for sale a high-protein cookie called "Pro-Trim".

THE NEED TO MAINTAIN A STRONG STRATEGIC POSTURE

Mr. DOMINICK. Mr. President, on July 29, 1971, I spoke before the Senate on the imperative need for the United States to maintain a strong strategic posture. In that speech I pointed out that the Soviets' policy in regard to the world's commercial shipping lanes is especially alarming and that the Soviets have continued to expand their control over the world's oceans. It is a fact that Soviet naval forces now range through the Indian Ocean, the Strait of Malacca and the Atlantic and Pacific Oceans, unimpeded and unchallenged.

In my view the situation in the Indian Ocean is especially critical. Since the withdrawal of the British to west of the Suez, the Soviets have been rushing to fill the void.

Mr. President, I am glad to report that others share my concern over this growing threat. In the November issue of the U.S. Naval Institute Proceedings, Mr. Lawrence Griswold in an article entitled "From Simonstown to Singapore," makes an excellent analysis of the importance of the Indian Ocean to U.S. strategic interests and points out that the ascendancy of the Soviet Navy in the Indian Ocean area has troubled the waters east of Suez and west of Malacca. Mr. Griswold informs us that of the 40-odd vital imports required for the normal peacetime maintenance of our industrial structure, imports which in wartime would be critical, about half are shipborne from countries bordering the Indian Ocean.

Mr. Griswold correctly notes that with the Suez and Red Sea closed the cape route is the only remaining link between the Indian and Atlantic Oceans and that access to the South China Sea and the Pacific can be controlled through dominance of the Strait of Malacca.

Mr. President, Mr. Griswold's article is well worth reading by anyone who wants to know the real situation in the Indian Ocean and the threat this situation poses to our strategic interests. So that others may have the benefit of Mr. Griswold's most thoughtful analysis I ask unanimous consent that the complete article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FROM SIMONSTOWN TO SINGAPORE

(By Lawrence Griswold)

NOTE.—In the Indian Ocean, as things now stand, the Russian Navy is well in the lead. It is a very new navy and its leaders have learned that no great number of warships is needed to control an ocean. A nation needs only enough to control the gateways. With the exceptions of the long southern route around Australia and the narrow and tricky waters of the Sunda and Lombok straits of Indonesia, the Indian Ocean has only three portals: the Suez Canal and Red Sea, the Strait of Malacca and the Cape of Good Hope. Now, during the long passage between South Africa's Simonstown Dockyards and independent Singapore, the merchant marine of the West sails unguarded.)

The Suez Canal, physically closed by sunken blockships and silting as consequences of the Arab-Israeli War of 1967, may soon be open again. But, since Russia has established naval-air bases in Egypt, Port Sudan, Yemen and South Yemen, as well as in Somalia and additionally, has completed an air and communications station on Socotra, any ship transits between the Indian Ocean and the Mediterranean may be completed only by courtesy of the Kremlin. If, for any reason, the mood of the Kremlin happens to be inhospitable, Western shipping may suffer from the same forms of harassment and delay which have so often afflicted Western road traffic along the much shorter Berlin corridor. Nor would neutral flags, especially those of Liberia, Panama, or even Ghana, offer much in the way of protection. Moscow knows who owns the cargoes and the offended governments of the offended flags may make their protests to the United Nations.

Aside from the wide diversion of normal peacetime trade for NATO nations dependent for certain strategic materials upon such countries of Asia and East Africa as produce them, the four-year closure of the Suez Canal has compelled them to route their shipping through the remaining gateways at greatly expanded costs in both time and money. And Middle Eastern oil is by no means the only commodity affected, although the giant unwieldly tankers that now carry petroleum and its by-products around the Cape of Good Hope have received the most publicity.

So far as the United States alone is concerned, petroleum is well down toward the foot of the list. Since the end of the gloriously spendthrift years of Lend Lease, the United States has become a "have-not" nation. Fortunately, most of the list of crucial strategic raw materials can use the shorter seaways of the Atlantic and Pacific. But of the 40-odd vital imports required for the normal peacetime maintenance of the American industrial structure—in wartime the need is critical—about half are ship-borne from countries bordering the Indian Ocean.

These essentials range alphabetically from asbestos, beryllium, and chromite through graphite, mica, and pyrethrum, to rubber, talc, tantalum, tin, titanium, and so on. And those are imports needed to maintain American industry and the economy. (Strike-prone U.S. labor leaders should bear in mind that recent sharp increases in the labor component of Pentagon contracts have contributed to "cost over-rides" cited in the mass media.) The finished exports to pay for them, covering an even denser range of the alphabet, also find the Indian Ocean a necessity.

Thus, with the Suez Canal and Red Sea closed and their futures compromised, the Cape Route is the only remaining link between the Indian and Atlantic oceans. Access to the South China Sea and the Pacific is, practically, a monopoly enjoyed by the Strait of Malacca. And the future of that lengthy seaway is now being threatened by progressive Communist domination over Southeast Asia, specifically the coastal nations of Vietnam, Cambodia, Thailand, and Malaysia. Should these States succumb successively (those truly pathetic dominoes!), the Strait of Malacca could soon be made impassable for the merchant shipping and warships of the West. When this becomes a reality, as now seems inevitable, two of the three gateways will have been slammed shut. What, then, would be the impact on "unaligned" Indonesia?

Even if Malaysia and Singapore should succumb to Communist guerrilla warfare, so making the Asian shore of the Strait of Malacca a hostile front, there is still Indonesia and its long Sumatran coastline opposite Malaysia and Singapore. Officially a nonaligned nation, Indonesia's bitter experience with Communists, both Russian and Chinese, is not likely to tempt Jakarta into a complacent quiescence should Chinese-inspired guerrillas or the Russian Navy attempt to obstruct free passage of the Strait. Even with its modern and powerful Navy—the most powerful in Asia—now largely immobilized for lack of spare parts, Indonesia would resist. And, faced by that extremity, Russia would balk at committing the force necessary so far from its bases and without secure communications with either Vladivostok or Alexandria.

The fact that Russia could survive the loss of the Strait of Malacca far better than the West is a fact not lost on the Politburo. Russia can get its rubber and tin (to cite only two of its industrial necessities) from Southeast Asia through continental sources. The West must import them by shipping, and the Strait of Malacca is the only alternative to the Cape of Good Hope.

Geographically, Indonesia is as important to any strategy involving the Indian Ocean as Australia. The two nations, with the African continent, form the opposite shores, and Indonesia is far richer than Australia in potential naval bases, though Australia's Cockburn Sound, still undeveloped, lies directly on the ocean front, where as Indonesia's principal naval-air base of Surabaja lies on the northeast extremity of Java, just around the corner from the Indian Ocean but well over 1,200 miles from Singapore. But Indonesia and its associates would find the many excellent harbors on Sluawesi (Celebes), such as Makassar and Menado, invaluable.

Militarily, Russia now controls the southern littoral of the Mediterranean and Red seas and the Horn of northeastern Africa, as well as the tiny and impotent nations of the Arabian Sea. With the use of abandoned British naval facilities at Aden, Berbera, Mogadishu, and Socotra—the last considerably improved—the Russian navy can harass or interrupt ocean traffic between the Strait of Hormuz and the Mozambique Channel. With the improved facilities at India's Bengal Bay base at Vizagapatam, pro-Communist Ceylon's ports and once-British naval-air base at Trincomalee—and, by no means impossibly, the facilities still existing at Singapore—future Russian control of the entire northern Indian Ocean must be taken into account.

At about this point someone might ask, "What about all of those Anglo-American bases I have read about in the newspapers? Isn't there anything left?" A straight answer is forced: "Just about nothing."

It is hardly surprising. British seapower declined with the British Empire. Most of the U.S. Navy was moth-balled after 1945. Confused by the alternatives of the Nuclear Age, neither country has made a serious effort to maintain an effective naval arm, concentrating instead on that Ultimate Weapon which both, rightly, fear to use this side of imminent nuclear extinction. Meanwhile, employing a basic long-range strategy of *all means short of nuclear war*, Russia has built a modern navy armed with modern weaponry to claim the right of rulership over the seas voluntarily abdicated by Britain and never accepted by the United States.

Unlike the United States, which has no real estate in or adjacent to the Indian Ocean, Britain still has title to a number of small clusters of atolls and a Commonwealth association with others, such as the Maldive Republic, Mauritius, and the British Indian Ocean Territory which includes Diego Garcia, in the Chagos Group. Diego Garcia, as Gan and Aldabra have also been, has recently been mentioned in the mass media as a joint Anglo-American "base." This atoll, with a deep water passage into its lagoon, was a World War II emergency landing strip which has recently been extended. It has neither the territory, the facilities, nor the defensibility of even a very minor naval-air base.

As this is written there are simply no adequate bases in the Indian Ocean remaining to any Western nation either worthy of the name or capable of performing the minimal duties of a military base. Bases, nowadays, must include thoroughly capable air estab-

lishments, as well as efficient and comprehensive naval dockyards and adjuncts covering over a hundred square miles exclusive of supply lines to industrial and agricultural centers. All the old British bases are presently, however shakily, under new management.

Now, in belated recognition of Russian ambitions toward the strategic waterways of the world, the NATO nations must locate and build new and much more modern bases in an ocean where no NATO nation except Portugal has adequate holdings. Fortunately, at least one ANZUS nation is as well equipped.

Before passing to a more positive side of the picture, some passing consideration should be given to pre-1941 naval strongholds, commencing with the former French colony of Madagascar, now the independent Malagasy Republic.

Diego Suarez, at the northern tip of Madagascar, was the main French naval base in the Indian Ocean. A deep-water, well-enclosed and well-fortified natural harbor, it was, for its time, an extremely well-situated base of naval operations. Supported by Fort Dauphin on the southeast coast, the French Navy could not only monitor all traffic passing through the Mozambique Channel but also vessels on a more direct course to Malacca and Australasia from the Cape of Good Hope. As Paris realized before the onset of the 19th century, the great island would always be the key to the southern Indian Ocean.

It is probably academic to search for the origin of Red China's commitments in Malagasy's neighbor, Tanzania. Whether the idea was born in Moscow or Peking is now of less importance than the fact that it is China and not Russia which, politically, holds the continental coast immediately north of the Mozambique Channel. Tanzania is certainly the most virulent vector of guerrilla activities against Portuguese Mozambique and white South Africa and Rhodesia, but these countries' worries would be more acute if Tanzania were under the heavier and much closer Russian thumb. And, for that matter, so would those of the NATO allies. Russia's persistent and opportunistic coastal advance toward the south must be halted above still another Parallel; this time the 10th.

But, to return to our discussion of the Malagasy Republic, which is only a little smaller than Texas. It flanks almost the entire length of Portuguese Mozambique, but its closest point to the mainland is 250 miles. It is a member of the French Community and France supplies it with arms and officers to train a small army and smaller navy and air force. Malagasy's economy is agricultural and based on exports of coffee and vanilla. There is no industry of importance, although a recent agreement between Malagasy and Mozambique to construct a shipyard at Tuléar on the southwest coast of Madagascar has been put into effect. It may, however, be some time before the first trawlers put out to sea.

Basically of Malayan stock, the average Malagasy is less political than the Indian population of neighboring Réunion and Mauritius, but the Malagasy government is extremely poor and may welcome tangible income from any source. Malagasy has not, so far, entered into any treaty arrangements with Russia or China. Last November a trade treaty was concluded between Malagasy Republic and South Africa. An occasional French warship calls at Diego Suarez and other Malagasy ports, and so do Russian warships and trawlers, but France holds a lease on Diego Suarez; Russia does not.

So far as base possibilities are concerned, aside from the island's association with France, Diego Suarez is obsolete, almost entirely because of the lack of an industrial source of supply closer than South Africa or, for munitions of war, France. However, as a secondary naval-air base to a major NATO bastion on the East African mainland, it could be invaluable.

Réunion and the Comoro Islands, the latter situated astride the northern end of the Mozambique Channel and the former some 400 miles due east of the central Malagasy coast, are still colonies of France but are of little military significance. Réunion's port of St. Denis has few facilities for the small ships calling there and the Comoros have even less. French Kerguelen and Crozet Islands are both well below the Roaring Forties and offer only harborage. Gazelle Bay, on Kerguelen's east coast, is said to have a good ground for anchorage and fresh water and so may have some value for cruising submarines, but that about sums it up. Presently, there are two scientific teams exploring Kerguelen, one French, the other Russian.

The volcanic island of Mauritius, about a hundred miles east and north of Réunion, is now Britain's largest Commonwealth partner in the Indian Ocean and is the site of a sizeable naval communications station manned by about 375 officers and men. Port Louis is the capital and the largest port. Port Grand, diagonally across the island on the southeast coast, has a smaller harbor and an airport (Plaisance). Its population, basically Hindu and African, is chronically indigent. About 900,000—54% of the population—is under 21 and 35 to 40% of these are unemployed. The main crop is sugar. Port Louis has a Japanese-owned fish cannery and a treaty with the Soviet Union providing for Russian flights to Plaisance Airport "for the replacement of trawler crews." Other treaty arrangements with Russia, providing for technical assistance, have not been officially acknowledged by the Mauritian government. Political instability is only one of the many factors militating against its potential as a naval air base. Fewer than 5% of the Mauritian population can be regarded as conservative and the leftward balance appears to be fragmented between Marx and Mao. A few students, veterans of the 1968 Paris riots, have founded a political party known as the Mouvement Militaire Mauricien as a rival of the Sino-Indian Peoples Democratic Party. This, however, is still a Commonwealth problem.

A much more hopeful picture for the future in the Indian Ocean can be found at its horizontal extremities: Australia's Cockburn Sound and Mozambique's Nacala Bay. Completely undeveloped now, both have the terrain and the topography as well as somewhat distant industrial pools on which to draw at need. Geographically, the two deep water sounds, both capable of defensive missile and artillery installations, are well situated to monitor maritime traffic between Simonstown and Singapore, as well as western Indonesia and Australia. Moreover, a defensive arc deployed from the Mozambique Channel, or Cape Agulhas, to the Perth-Fremantle area of West Australia and including a number of British-owned atolls where communications facilities have already been set up, could exert a strongly sedative influence on Politburo expansionists. In effect, it could negate solitary control of the route between the Arabian Sea and Sumatra.

Cockburn Sound, with its mouth opening northward toward Fremantle, resembles a pocket with a large hole in the bottom, lacily patched by rocks and shoals. A few of these will soon be used by Australian engineers as foundations for a broad causeway to close the hole and to provide a roadway from Garden Island, the seaward arm of the Sound, on which the proposed naval establishment is planned. The site nominated by the Australian government for dockyards is known as Careening Bay, a deeply cut half-circle of steeply shelving sandy beach, now with depths between 7 and 9 fathoms. Present channel depths from the northern entrance to the waters surrounding the anchorage area opposite the Kwinana Refinery of the British Petroleum Company on the mainland, range from over 10 to eleven fathoms. On the comparatively shallow mainland shore, docks have been constructed for tankers and freighters and, in 1968, a channel dredged to the shore.

Two years ago, the long rail connection—the Pacific-Indian Railway—between Perth and Sydney was completed. It is now a single-track line, but the service is fast and links Australia's industrial cities with the Indian Ocean coast. Perth and Fremantle are located in agricultural areas, well-watered and close to sources of skilled and semi-skilled labor. There is already one extensive U.S. Naval Station at Exmouth Gulf, about 700 air miles from Garden Island.

Australia is not a NATO member but it is an ANZUS member. Australia has its own present commitments to Southeast Asia and with special reference to Malaysia and Singapore, where Australia's R.A.A.F. has stationed substantial portions of its aircraft, both at Singapore and Malaysia's Butterworth, opposite the old British naval base at Penang Island. Australia's Cocos (Keeling) Island, nearly north of the Nacala Bay-Cockburn Sound arc, has a usable airport and communications station.

NATO forces will be welcomed by Australia since that country's future is also at stake and a comprehensive naval-air establishment on the Indian Ocean coast of Western Australia and its inevitable contribution to the Australian economy would more than write off Australia's share of the construction and maintenance costs.

So much for the eastern bastion. As for the western, there is Nacala Bay on the continental coast of East Africa facing the Channel in Portuguese Mozambique.

Geopolitically, the southern African continent below Tanzania in the east and the Congos on the west coast comprises a technological enclave bordered by the neutral oceans and at the north, the non-technological and socio-politically confused tribal states of central, sub-Saharan Africa.

Anglo-Dutch South Africa and Anglo-Saxon Rhodesia comprise the industrial center of the enclave while Portuguese Angola and Mozambique, with full racial integration, are fundamentally agricultural and much less dependent on industry. Eventually, Portuguese Angola on the Atlantic and Mozambique on the Indian Ocean, may be joined by overland highway through the "Caprivi Strip"—a narrow strip of South African territory between Zambia and Botswana—now linking Angola with Rhodesia. An international transcontinental highway of this nature could also serve as a political line separating pro-Communist African states and the anti-Communist nations of the south.

Mozambique's Channel coast is deeply indented by wide-mouthed bays and harbors from Lourenco Marques at the extreme south to Cape Delgado in the extreme north. Roughly 300 miles south of Cape Delgado and opposite Malagasy Analava, where the Channel broadens to a width of nearly 400 statute miles before opening into the Indian Ocean, is the wide Bay of Fernao Veloso with depths almost up to the shore line of 500 meters. Near the southwestern end of the bay lies the relatively narrow and deeply channeled entrance to the Bay of Nacala, otherwise landlocked.

Opening into the mouth of Nacala Bay at about 14°20' and proceeding in a generally south-southeasterly course through deep water (20 fathoms at mean low water at center) flanked by shallows and swamp fringing the shoreline to a distance somewhat under 10 statute miles before reaching the end, about 90% of the 3-mile wide bay is usable, deep water with plenty of room for maneuvering, especially for warships not exceeding 25,000 tons displacement, and for submarines. A broad continental arm of sand and coral, lightly wooded and with a number of small villages on the bay shore, separates the Bay of Nacala from the ocean. The arm ranges from four to eight miles in width and is 14 miles in length. It is capable of supporting lengthy runways and facilities.

Porto Amelia, 90 miles north of Nacala, is a deep water harbor and anchorage but smaller in size than Nacala Bay and without the shelter of a semi-enclosed inner bay.

Whereas Australia's nominee for naval-air base status—Cockburn Sound—is, although distantly, backed by the mills and factories of Sydney, Melbourne, and Brisbane, as well as neighboring Perth, it would be necessary for military establishments in Mozambique to be industrially self-sufficient. At need, resources available at Simonstown and, perhaps, Durban, might be drawn upon, but, aside from normal reserves of spare parts each base should contain its own repair shops and refitting yards as well as the necessary trained personnel. Talent native to central Africa is, to overestimate it, scarce, and Portugal's resources are already committed.

During the quarter century of the Nuclear Age, it has become evident that international options are less likely to leap to the extremity implied in massive retaliation than to the politico-economic field of gamesmanship as in the Japanese game of Go-Ban wherein encirclement or a crushing alignment of mass power wins the game. More pungently expressed by the aphorism, "If you can't lick 'em, join 'em!" NATO nations may have the choice of jointly defending their national interests in the world's oceans or, perhaps imminently, face the threat of economic and political strangulation through a monopolistic control of the strategic waterways.

Insofar as the Indian Ocean is concerned the best that now can be achieved by NATO, after a decade of indecisiveness, is the use of the remaining geography to erect a strategic arch between the opposite bastions in African Mozambique and Australian Cockburn Sound and so flanking a potential Russian line extending from Aden to Malaysia. With adequately deployed air and seapower, the end product might well be the attainment of stalemate—another peace guaranteed by a balance of power.

The nomination of strategic naval-air bases at opposite sides of the Indian Ocean is based on the assumption that future engagements at sea will have small resemblance to those of the recent past. There will be no more stately lines of battle, no more massings of ponderous floating airports. Mobility and striking power, below, on, and above the surface of the oceans and seas will count more than the exchange of broadsides or surface-to-surface missilery.

"WRECKREATION" IN OUR NATIONAL FORESTS

Mr. PROXMIRE. Mr. President, the June 1971 issue of Parks and Recreation published an article by Dr. Robert B. Ditton, director of the scientific advisory staff of Wilderness Watch, entitled "Wreckreation in Our National Forests—We're as Concerned as You Are."

In his article Dr. Ditton says that there is a need to use our national forests in such as way that they benefit all Americans and not just some. He feels our forests should be made available for many complimentary user groups rather than one or two. Because many of our ecosystems are delicate they can easily be upset by too much use. This is not to say that the use of our forests should be restricted to a few, but rather that they should be protected from the danger of overuse.

Dr. Ditton makes a number of points which Congress should take into consideration in watching over our forests. Mr. President, I ask unanimous consent that Dr. Ditton's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"WRECKREATION" IN OUR NATIONAL FORESTS . . .
"WE'RE AS CONCERNED AS YOU ARE"*

(By Robert B. Ditton)

Recreation is usually considered an unlimited opportunity, the economic backbone of many states, the frosting on the American Dream, and rarely a problem. Yet the impact of providing for peoples' recreation activities has left and continues to leave its mark on our already beleaguered environment—often with the official blessing of the government agencies involved.

First, many recreation resources have been acquired by the federal government with little thought as to how they will sustain the massive human impact to which they are being and will continue to be subjected.

Second, we find that many federal resource development schemes sold on their recreation values are in fact ecological disasters. The true recreation values of many of our natural resources are being misused today in the brutal process of project justification. As a result, regional grassroots organizations are springing into existence to prevent further destruction of the environment in the name of leisure and recreation.

It may be difficult to consider recreation as a pollutant, because we have been saying all along that recreation is the first to suffer from water pollution and other environmental degradations. But the increasing numbers of recreators engaged in diversified recreation pursuits (many with a high environmental impact such as camping, snowmobiling, all-terrain vehicle use, powerboating, and trail-bike use), together with many of the developments specifically planned for their use, are actually furthering the deterioration of natural resources.

LOVING OUR NATURAL RESOURCES TO DEATH

Madison Avenue advertising organizations, ecologically-insensitive resource planners, communities bent on economic windfalls from our public lands, conservation groups with narrow self-sstisfying objectives, and the development-minded public are all actively promoting the leisure misuse of our natural resources. They are unknowingly encouraging over-use or improper use. In everyday language, we are encouraging people to love our natural resources to death. This was first recognized and reflected in the policy of the American Waterworks Association—a group of water supply administrators who restrict the recreation use of water supply reservoirs, regardless of treatment and enforcement levels. They recognize the leisure impact on water quality, but do not have the means to mitigate the impacts.

In his 1970 State of the Union message, President Nixon proposed new financing methods for purchasing open space and parklands "now before they are lost to us." In light of present "pork barrel" management of the public domain, the mere allocation of more recreation resources, or making those lands now in public ownership more accessible, is not the answer but often the beginning of the problem. Our nation's 200 million-plus population with more leisure on its hands is beginning to exert physical pressures on our natural resources that are beyond the comprehension of many resource planners.

In the past, federal acquisition has helped to spare many of our natural resources from exploitation by private enterprise. But this is only part of the story. A number of areas have been spared defilement at private hands only to endure exploitation by the public resource management agencies to whom they have been entrusted. While unanimously supporting public acquisition, environmental protection groups have nevertheless become disheartened with many of the development and management activities being carried out by federal agencies. The U.S. Army Corps of Engineers has probably received the greatest attention in the past because of its impoundment procedures. The emerging trend of the National Park Service toward mass recreation development has been recognized. Court actions have involved the Federal Power Commission and the U.S. Department of Transportation. The seemingly always-distant Bureau of Land Management is even beginning to come under scrutiny.

TRUST IN FOREST SERVICE IS MISPLACED

But what of the U.S. Forest Service? Until recently, this agency has not received the attention accorded the other agencies. Through this agency's historic beginnings with Gifford Pinchot to its present day use of such altruistic images as Smokey Bear, the friendly Forest Ranger, and the Lassie television program, people have been led to believe that the Forest Service is the ultimate protector of our public lands, woods, and waters. But recent experience has shown that such thinking is naive and the trust misplaced. Because of their inability to predict and eliminate the environmental destruction of their holdings, environment protection groups have brought several federal court actions against the U.S. Forest Service.

If we are to sustain the magnificence of the public domain, federal management of recreation resources must insure that they survive the onslaught of being too accessible to humans. The Forest Service misses this point altogether and counters with "you are trying to lock up our resources for a few people." Rather than locking up our delicate resources, they need to be managed in such a way that unique ecologies are sustained. (The word "preserved" is avoided here because of the recognition that unique ecologies are naturally dynamic.) Resources can be sustained by determining the human carrying capacity of each natural area. Regulation of these human carrying capacity levels can be done, hopefully, through a management plan that recognizes man's collective impact on our natural resources—or the hard way, by restricting the number of users to an area and closing it daily when this limit is reached. The latter approach is particularly unsatisfactory in light of the dramatic increase in outdoor recreation predicted for the future. But we may have to endure this approach because many planners lack the imagination and tools to correlate numbers of people with the environmental qualities of our natural areas.

In addition to these increasing physical impacts, the Forest Service has shown little concern for the impact of their development and management decisions on peoples' recreation experiences. Many of these decisions are gradually reducing the number of recreation alternatives that can be pursued. Many management and development procedures have been conveniently tied to the wishes of majority interests rather than the maintenance of a wide number of user-groups, each with predictable recreation experience requirements. The results indicate that the public domain is being slowly fitted solely for those recreation pursuits involving the greatest number of people. The impact of these majority-focused management decisions on the recreation experiences of particular user-groups, such as wilderness users, has not been recognized to date.

* This paraphrased quote is a favorite bureaucratic response to inquiries raised by environmental groups and private individuals regarding mismanagement of public lands.

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POPULARITY VERSUS VALUE

Popularity of an activity should not be confused with its value. The fact that several federally funded studies indicate that driving for pleasure is the number one recreation pursuit in the country does not mean that we need more roads in our National Forests. Many planners, however, rely too heavily on these national trends as their development barometers. Providing facilities for the most popular recreation activities is in itself a safe guarantee that they will be used. Even more so, it is a crass promotion of these very pursuits. With more demand generated, there must be further development. Not only is much of present recreation development closing environmental alternatives but, just as importantly, it is narrowing the breadth of peoples' available leisure opportunities. Many people are having to conform to the recreation developments provided because of lack of diversity. The impact of this "leveling process" on peoples' leisure opportunities is yet to be fully determined.

Federal agencies must interpret recreation and their authorized responsibilities for providing recreation opportunities for a variety of user-groups, e.g., hikers, snowmobilers, primitive campers, convenience campers, nature enthusiasts, hunters, canoeists, picnickers, motorboaters, fishermen, etc. These user-groups cannot be lumped together in the site planning process if resource management agencies expect to provide quality recreation experiences for any one group. Areas need to be planned for complementary user-groups if recreation is indeed to be a human outcome of resource use. With the United States rapidly becoming a nation of congested, frustration-ridden urban centers, it is imperative that our recreation resources maintain their ability to provide people with satisfying recreative experiences.

The provision of open space and recreation lands is not a sufficient goal for the federal government. They must insure through user-resource planning that 1) a balanced variety of human recreation needs are met, and that 2) environmental degradation of these resources is minimized if not totally prevented.

A review of ill-conceived federal recreation resource development projects reveals the growing role of the U.S. Forest Service in environmental destruction:

While not necessarily thought of as a reservoir builder the Forest Service has warmed to the task because "the need for water-oriented recreation opportunities is important in providing essential benefits to the public." But in providing for the public well-being, we should know what is being sacrificed. In the Shawnee National Forest (Illinois) the U.S. Forest Service has development plans which would sacrifice the unique ecology of Lusk Creek, a cool, clear free-flowing stream which contrasts sharply with the many other murky bottomland streams found in this locale. Lusk Creek is presently used for a number of recreation pursuits, mostly of an environmentally compatible low impact nature. With the wide variety of recreation lakes in Southern Illinois, it is incomprehensible why one more unique stream and woodland resources need be inundated to provide the same recreation experience that is now a common commodity. The future of Lusk Creek is presently in the hands of the Forest Service, but more importantly, Congressional appropriations.

In 1968 the U.S. Forest Service seriously considered a Disney-inspired resort area in the Mineral King Valley in the Sequoia National Forest. Planning was carrieed out in anticipation of 1.7 million visitors annually. To place this in perspective, we should note that Yosemite Valley in Yosemite National Park receives about 1.7 million visitors annually—only Yosemite Valley is seven times larger. With problems of environment impact readily apparent in Yosemite, the Sierra Club brought legal action against the proposed resort deveelopment—and won. Recently, however, the Sierra Club's right to bring this suit against the Forest Service has been challenged by a California Federal Court of Appeals decision and the battle continues.

With pressure from a number of national conservation organizations, the Sylvania Tract in Michigan's Upper Peninsula was acquired in 1965 by the U.S. Forest Service because of its wilderness qualities and its ability to provide people with a unique experience. Today the tract is knowingly or unknowingly being developed for high impact recreation pursuits with little concern for the environmental implications of access and resulting human impact. Ecologically inappropriate and uncontrolled use is being encouraged creating further enforcement problems. Development is threatening the habitat and solitude of a rare but reproducing population of bald eagles in Sylvania. Even with partial restrictions instituted, remaining use (and management) of snowmobiles and all-terrain vehicles threatens to negate all previous conservation efforts in behalf of the vanishing bald eagle in the north country. Timber is being cut on the tract by the Kimberly Clark Corporation of Neenah, Wisconsin—further detracting from the quality of the wilderness experience. The uniqueness of Sylvania is being destroyed by the very thing it is capable of providing—recreation opportunities. It is being destroyed by the access roads that not only have led to the silting of boglands, but also make it overly accessible. Sylvania's destruction is entangled with the political process which places high priority on development for the public and low priority on wilderness.

It is not enough to merely consider the recreation resource planning activities carried out singularly by the U.S. Forest Service. There are a number of other federal agencies who seek to sell their public works projects to the great silent majority on their incidental ability to satisfy leisure needs:

Federal roadbuilding efforts have recently sought to bring people to unique areas with little realization of the ecological dangers accompanying the roadbuilding process. Roads have a way of reducing uniqueness rapidly—you have seen a hundred examples of roads which swallow up the views you were supposed to see. The Department of Transportation is cooperating with the U.S. Forest Service in the construction of the Ellis Loop Road that will render the Sandia Crest Recreation Area in the Cibola National Forest (New Mexico) more accessible. The present low-standard road to the Crest follows a less objectionable path than the proposed road and also serves as a buffer against over-use of the area. If the proposed road is constructed, recreation use of the Crest will certainly increase and it is highly likely that more roads will be needed. Secretary of Transportation John Volpe justifies the construction of this super-blackway through the northern Sandias with simplistic wisdom: "In the early 1960s the President's Advisory Council on Recreation conducted an intensive nationwide study of recreation activities of the American public. This study revealed that "driving for pleaure is the nation's most important outdoor activity." If the road is to be built, it will be done over the documented objections of a number of conservation groups.

In 1936 the Secretary of Agriculture dedicated 3,800 acres of virgin forest in Western North Carolina to the memory of Joyce Kilmer, author of the well-remembered poem "Trees." The area was "to be preserved in its natural state and to include only the simplest recreation facilities." But today this forever-wild designation is threatened by the bulldozer and bureaucratic doubletalk. Working with the U.S. Department of Transportation, the Forest Service has proposed the construction of a scenic highway through the Joyce Kilmer Memorial Forest. Originally the highway route was scheduled to run south of the Memorial Forest; but many of the local constituency want the road to cross the high peaks in the northern part of the Forest because of the extra-scenic view and the promise of added tourist dollars. The proposed intrusion involves more than unsightly road cuts, turbid waters, and the destruction of a virgin forest; it violates a 1936 commitment to all Americans to maintain this tract in its natural state amid development and urbanization pressures whatever they may be. Probably an easy commitment to make in the thirties; it is seen today as a landmark decision in the wilderness-short eastern United States. If the commitment is broken, the future security of many of our other recreation resources, however designated, is uncertain.

Even the U.S. Navy's proposed Project Sanguine is being billed by its leading Congressional proponent as potentially one of the greatest tourism and recreation attractions in the country. What is Project Sanguine? The project is described by the Navy as an ultra low-frequency antenna buried six feet underground to transmit one-way messages to Polaris submarines at sea. The antenna will underlie the northernmost 21,000 square miles of Wisconsin, a 26-county area. Once again, the U.S. Forest Service is involved: this time with the U.S. Navy. The project, if completed, would require that 30-foot swaths be cut in a grid pattern every two-to-six miles throughout the Chequamegon National Forest (Wisconsin). Aside from Sanguine's not-too-apparent tourism value, planning authorities are quick to point out that the project will conveniently create snowmobile trails and more deer browse. Concurrently, environmental studies conducted by the Hazelton Laboratories of Falls Church, Virginia, have demonstrated substantial environmental impact at power levels far below what the proposed 1.5 million dollar project will ultimately require. To date, the Forest Service has demonstrated little public response to these environmental study findings. Aside from the development damage involved, can we expect our National Parks and Forests to be openly vulnerable to defense hardware testing and military fortifications in the future? Sanguine's disposition will give us a clue to the answer in so far as the U.S. Forest Service is concerned.

RECREATION PLANNING CLOSELY TIED TO ECONOMICS

Why does much recreational resource development continue to be ecologically dysfunctional? Why? It appears that an answer lies in the fact that much federal recreation planning is more closely tied to economics than ecology. Ecological disasters begin with the nationwide trends projected for leisure activity. Improperly so, these national participation projections guide the extent and type of development at *local* development projects. Regardless of delicate or atypical natural conditions, a site's development plan is usually geared to meet these projections and then justified on the basis of their attendant economic benefits to the immediate region. With economic justification a prerequisite, recreation resource planners must play the "numbers game" . . . even if the "numbers game" disregards good ecological savvy. Maximum recreation resource development is much easier to justify economically than optimum development because the value of sustaining a resource in high quality condition is difficult to express in dollars and cents.

This dysfunctional planning process has a number of inherent weaknesses: 1) Concepts of human ecology are generally ignored; 2) There is usually more concern with bringing large numbers of people to an "attraction" than there is in sustaining its environmental quality; 3) Little consideration is given to such nonproduction oriented intangibles as aesthetics; and 4) There is failure to conceptualize all the factors involved in environmental quality and the related quality of human life.

Management plans are needed that will keep open recreation alternatives for the future, and that will insure a sustained yield of high quality indigenous recreation. Working counter to this goal, however, are the economic incentives encouraging increased development which return 25 percent to all National Forest production (including recreation) receipts to local county government. Many resource economists, therefore, support a system whereby local government units are compensated for losses in their tax base due to government purchase of recreation lands with in-lieu-of-tax payments for an agreed upon number of years. Without such legislation, recreation resource planning, based entirely on economic impact, will continue with critical repercussions for our National Forests. The singular planning concept of economic impact or a "local-get-rich-quick" philosophy stands to be rejected by federal agencies. They must begin to believe that a good ecological decision will, in the long pull, be good economics. A typical example of such thinking already employed by the U. S. Forest Service is the decision to employ sustained yield production rather than the uncontrolled clearcutting of yesteryear.

MORTAL MEN ARE PREOCCUPIED WITH PRESENT

Why can't the Forest Service perceive the potential environmental degradation that may result from their plans and actions? Such agencies are staffed by mortal men who, along with most other Americans, are preoccupied with the present. Concerns for the quality of tomorrow are not only difficult to express, but difficult to put into practice in today's government maze that places high-priority on project justification in short-term economics. "Planning for today" is also encouraged by the irrational pressures of many "conservationista" with narrow objectives who argue for maximum development as a means of "making areas public." While these "conservationists" are familiar with concepts of ecology and use them freely when concerned with water and air pollution, they generally ignore this man-environment concept in dealing with recreation planning. In catalytic fashion they play into the hands of resource planners who are more concerned with the politics of placating local interests than the maintenance of unique ecosystems.

All federal agencies involved in recreation planning and development have a clear responsibility to predict and be sensitive to the environmental consequences they may initiate. To wait for resource deterioration to begin before taking remedial action to restrict or modify use pressures is no longer acceptable. Many of the over 200 university departments specializing in recreation are preparing professionals capable of this prediction responsibility. Yet their graduates are still excluded from employment by the U.S. Forest Service. A new set of employment qualifications for recreation resource planning positions (Series GS–023) has been developed by the U.S. Civil Service Commission. But these are only qualification standards. There are as yet no assurance that recreation graduates will be employed along with foresters and landscape architects to deal comprehensively with the ecological complexities of recreation planning.

The American people must also become more sensitive to the intricacies of environmental quality management if the environmental 70s is to be more than a decade. We need to respond to more than the popular and easily visualized environmental degradations depicted by the media if we are to expect recreation resource planners to do so. With increasing population, more abundant leisure, and subsequent user-resource pressures, the public as well as their congressional representatives must begin to recognize that recreation resource development (when over-developmental or when incompatible recreation pursuits are promoted) can be as great an exploiter of the environment as industries that dump their wastes into our nation's rivers. Just as industry needs to be curbed, so too must the U.S. Forest Service lose its taste for pork and begin to recognize and respect the long-term public interest.

In doing so, they will genuinely demonstrate that "they are as concerned as we are."

THE HELLS CANYON-SNAKE NATIONAL RIVER

Mr. PACKWOOD. Mr. President, the Sport Fishing Institute has as its motto on its regular SFI bulletin, the words: "The Quality of Fishing Reflects the Quality of Living."

It is therefore notable that such a motto is followed in the November-December 1971 issue with the words, "Hells Canyon-Snake National River—the Sport Fishing Institute—SFI—whole-heartedly supports the Packwood bill."

Inasmuch as the above quoted article from SFI bulletin discusses one important aspect of the Hells Canyon-Snake National River bill—the protection of the important Salmon River—I ask unanimous consent that the article be printed in RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the SFI Bulletin, Nov.-Dec., 1971]

HELLS CANYON-SNAKE NATIONAL RIVER

The backbone of the remaining Columbia River basin anadromous fish resource, particularly chinook salmon and steelhead trout, consists of the spawners that ascend the Middle Snake River to seek out its several major tributary rivers. The most important of the latter unquestionably is the Salmon River, which embraces the ancestral spawning grounds for nearly one-third of the Columbia basin's remnant chinooks and steelheads. Obviously, any threat to the integrity or accessibility of that vital river threatens also to break the back of the Columbia basin's irreplaceable and priceless anadromous fisheries. . . .

Several destructive proposals for development of the Middle Snake River and/or its important tributaries have arisen in recent years. Fortunately, these have all been blocked or denied for one reason or another. For example, the Washington Public Power Supply System (WPPSS) proposed construction of the very high Nez Perce Dam on the Middle Snake, immediately below the confluence of the Salmon and Snake rivers. That enormous block of concrete would not only have prevented successful passage of anadromous fish; it would have also caused direct obliteration of spawning grounds as a result of inundation by impounded waters. The Nez Perce proposal was opposed by the Corps of Engineers, on the grounds of irreparable damage to the fisheries, as well as by conservationists. It was also opposed by Pacific Northwest Power Company (PNP), a consortium of power companies seeking to build alternative hydropower facilities.

The latter proposed to construct the High Mountain Sheep Dam, to be located on the Middle Snake River a short distance upstream from the mouth of the Salmon River. Ostensibly, this would "save" the vital Salmon River. There was however, a dangerous "sleeper" in the High Mountain Sheep project in the substance of the supplementary Lower Canyon Dam on the Salmon River. Although PNP insisted privately to conservationists that it did not intend to build Lower Canyon, its inclusion as part of their proposal to the Federal Power Commission (FPC) for the High Mountain Sheep Dam was vitally important in presenting a favorable cost-benefit ratio. The design called for diversion of water from Lower Canyon by tunnel to add to the hydraulic "head" of water behind the High Mountain Sheep Dam.

Conservationists were not fooled by the pious protestations of PNP that, once granted a license, they would not touch the Salmon River. Neither were they persuaded by lavish entertainment and skilled "lobbying" to lessen their distrust and weaken their opposition. In 1967 the Supreme Court overturned a 1964 decision by the FPC granting a license to PNP for the High Mountain Sheep project.

Now comes a recommendation by an FPC Examiner (in late February, 1971) that a license be granted to allow construction (jointly by former antagonists WPPSS and PNP) of the controversial 1,640-megawatt Pleasant Valley-Mountain Sheep hydroelectric power plant on the Middle Snake River, on the Idaho-Oregon border, a short distance upstream from the mouth of the Salmon River. FPC examiner William C. Levy's recommendation would delay construction of the project until September 11, 1975. This would permit the Agriculture and Interior Departments time to consider designation of the Middle Snake, the portion affected by the project, as a scenic river, thereby barring construction permanently.

About a month after the FPC examiner made his recommendation (April, 1971), Oregon Senator Robert Packwood urged top Administration officials to initiate immediate studies of the Snake River so that it could be designated a "wild river" (and preclude the construction of additional dams). The Snake already has been designated to be studied as part of the "Wild Rivers" system. However, no such study has been started. To force the issue, Packwood has introduced the "Hells Canyon-Snake National River" bill (S. 717) which would prohibit development of additional dams on a 120-mile stretch of the Snake River in Oregon, Washington, and Idaho. The area extends from a southernmost point near Homestead, Oregon, along the Oregon-Idaho border, to a northernmost point near Asotin, Washington.

As a result of Senator Packwood's laudable efforts public hearings have been held on his bill (S. 717) to establish the Hells Canyon-Snake National River, cosponsored by a significant fraction of the whole U.S. Senate. Along with most other leading national conservation groups, the Sport Fishing Institute (SFI) wholeheartedly supports the Packwood bill. Some earlier reservations held by SFI, to the effect that S. 717 afforded scant protection to the important Salmon River, are now substantially resolved. It now seems clear that passage of S. 717 would effectively preclude development of that key tributary. Thus, the Packwood bill should serve to help maintain both the accessibility and integrity of the Salmon River's ancestral spawning grounds that are so vital to continued maintenance in the Columbia basin of viable stocks of chinook salmon and steelhead trout.

Mr. PACKWOOD. Mr. President, S. 717 was cosponsored by over 20 Senators, and in September almost 3 full days of hearings were held on this important conservation measure. At the conclusion of those hearings in Washington, Chairman BIBLE indicated that he had been approached as to the possibility of field hearings on this bill. It is my hope that the committee will be able to schedule field hearings sometime next year. It is a great distance to Washington, D.C., from the Far West, causing one to expend much in both time and

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money. Many witnesses felt the cost was too much for them to bear as individuals. It is commendable that Senator BIBLE has expressed his desire to accommodate those citizens who could not make the trip to Washington; and I hope the committee's schedule will make such field hearings possible.

THE STATES CAN HELP ENFORCE THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, it has been argued that the United States should not be a party to the Genocide Convention because it might undermine our Federal system of government. Article V obligates signatory nations to enact legislation to provide for the punishment of persons found guilty of genocide. It is said by some that since this legislation would be enacted by Congress, it would take power traditionally reserved to the States away from them. Is this necessarily the case?

The Supplementary Convention on the Abolition of Slavery is in some respects similar to the Genocide Convention and provides a helpful precedent. The first six articles of the Supplementary Slavery Convention, which was approved by the Senate on November 2, 1967, by a vote of 77 to 0, list a number of practices which the contracting parties agree to prohibit by appropriate legislation.

The United States has fulfilled this obligation under this treaty. Some of the necessary legislation was enacted by Congress in the Slave Trade Prohibition Act. But some of the legislation was enacted by the several States. For example, article II of the Supplementary Slavery Convention deals with the area of marriage; an area that has been the sole jurisdiction of the States. The Congress did not regard this article as requiring Federal legislation and did not attempt to infringe on the States' jurisdiction. The laws of the States help to enforce the Supplementary Slavery Convention.

The same thing can be true of the Genocide Convention. The laws of the several States can help enforce this convention. It is possible for the Congress, in enacting legislation in this area, to acknowledge a concurrent jurisdiction among the Federal Government and States. This has happened before with the Supplementary Slavery Convention and it can happen again with the Genocide Convention. This treaty does not require that power be taken from the States in order to enforce it.

Mr. President, the Senate should ratify the Genocide Convention without further delay.

CRIME IS CAUSED BY CRIMINALS

Mr. HANSEN. Mr. President, the editor of the Wyoming State Tribune, Jim Flinchum, in an editorial on November 8, emphasized what I feel is the foundation of the entire argument that has raged in the Congress in recent years over firearms, and that is, that crime is caused by criminals.

I ask unanimous consent that Mr. Flinchum's editorial, "The False Issue of Handguns," be printed in the RECORD along with an article in this week's National Observer, entitled, "Crime Is Caused by Criminals."

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

THE FALSE ISSUE OF HANDGUNS

Another move is underway in Congress to make handguns illegal. There are innumerable things wrong with this proposal.

One is that making it against the law to own pistols would not deprive criminals of such weapons. In a shooting case that happened in our own community a month ago, which involved the wounding of a police officer, possession of a firearm by the individual who committed this crime was in the nature of a low priority offense.

First, he had been jailed in another state for another alleged crime, second he had escaped jail, third, he allegedly had stolen one car to make his way here, third he was in possession of a firearm after the commission of a felony, and subsequently in fleeing he committed at least four other potential crimes, stealing a car, driving the stolen car across a state line, again carrying a pistol across a state line and finally being armed while in the commission of a felony.

Most of these are federal firearms regulations violations. But that is of no moment—the mere possession of a handgun was minor as compared with the other possible violations.

Sen. Philip Hart, D., Mich., one of the Senate's biggest liberals, has introduced a bill to not just register handguns, but to confiscate them. Hart's measure proposes that the government buy up all of the 25 million handguns estimated in the hands of private owners in this country today, which would cost at least a half-billion dollars, perhaps more.

Besides requiring a huge outlay of funds, however, such a confiscation program does not insure that all of the handguns in this country would be turned in, and there would be no way short of a massive effort on the part of the government to ferret out these weapons, which would create a police state atmosphere in America.

Despite all its efforts, the government never was able to make liquor disappear during prohibition; if anything, production of whiskey and other kinds of booze actually increased during prohibition because trafficking in it became a profitable business. The same has taken place with narcotics. But firearms intrinsically are not stigmatic items as is the case with heroin, marijuana and other forms of dope; there are too many people who own handguns for one reason or another, primarily home protection.

The argument is advanced that handguns are responsible for an overwhelming majority of the murders committed in this country, but again the counter-argument can be made that it is people who commit murders, not the weapon, which after all is an inert thing subject only to man's usage.

But those who may find themselves in a perilous situation or otherwise undefended against possible assault or incursions by prowlers, particularly elderly persons, rely on presence of a pistol for personal safety, and even for reassurance of protection if nothing else.

A local man who is 75 and who lives alone in a house recently remarked that because of his age and physical condition, the .45-caliber revolver he owns is his only protection against a prowler at night. He has never had to use this weapon, but at least it is there, and he knows that if all else failed him, he might be able to defend himself in his house where he lives all alone, against attack.

But what about persons such as Felix Toro, the 35-year-old grocer in New York who was the subject of an editorial in this same space a few days ago. In a year's time Toro has been forced to protect his store against robbers on repeated occasions in doing so he has had to kill three stickup men, and wound four. Toro keeps a .38 caliber revolver handy to protect his store against bandits in a robbery-prone neighborhood. He does not have time to call the police who might not arrive in time anyway. And he cannot afford to be robbed out of business.

But the real problem at issue here is not ownership of handguns, or possession of firearms at all, but criminal intent. It is only when we bring about a different moral climate in America that we shall see a decline in crime, not by depriving people of firearms.

[From the National Observer, Nov. 20, 1971]

CRIME IS CAUSED BY CRIMINALS

(By Prof. Fred E. Inbau and Frank G. Carrington)

The authors of this article, law Professor Fred E. Inbau of Northwestern University and Frank G. Carrington, are with the Americans for Effective Law Enforcement, Inc., of Chicago. The article is reprinted from the Annals of the American Academy of Political and Social Science with permission.

The problem propounded by the topic of how to mount an effective crackdown on crime can be brought into perspective by considering two phenomena of the decade 1960 through 1969. They are: (a) during that 10-year period, safeguards for the criminal accused and permissiveness toward lawless, violent acts reach heights in the United States such as no other nation has ever witnessed; and (b) in the same span of time while our population increased by 13 per cent, serious crimes increased by 148 per cent. The two are not coincidental. In any society, the incidence of lawlessness is directly related to the number of criminally inclined individuals who are at liberty to prey upon others, and it is precisely the permissiveness shown toward criminals in this country which has resulted in their being free to practice their depredations to an unprecedented extent.

Crime is caused by criminals; the fact is as simple as that. When a strong-arm robber slugs his victim in order to relieve him of his watch and wallet, he has committed a crime. No amount of elaboration on the question of whether or not the assailant came from an environment of poverty or a broken home makes the robbery itself any the less a crime. Likewise, when a youthful demonstrator, intolerant of this country's pace in solving its social problems, throws a rock that strikes a policeman on the head, an aggravated assault has been committed. Apologists for criminal behavior may wring their hands as much as they like about the robber "striking out at a society which has brutalized him" or the demonstrator "merely expressing his idealistic young concern"; the fact remains that both are criminals.

The answer, then, to the question of how to mount an effective crackdown on crime lies basically in first recognizing that crime is committed by criminals, and second, in getting as many criminals as possible out of circulation so that they are no longer free to victimize the law-abiding.

This position is called the "hard line" on crime. It is not fashionable among certain liberal social scientists, who have been characterized by Attorney General Mitchell as being able to ". . . explain the motivations of the criminal, but who can do little to protect the innocent against the mugger or armed robber." To these individuals, the "hard-line" is "simplistic," or "lacking in compassion." We suggest that neither of these appellations is valid, and that, instead, he may be better described as one who takes a realistic position with regard to the crime problem.

It is quite true that there is nothing particularly compassionate toward a law violator in advocating that he be locked up; yet it would seem that the worthy object of compassion would be the victim rather than the assailant, the oppressed rather than the oppressor. If a 75-year-old woman on a ghetto street is knocked to the pavement because she has the temerity to struggle with a husky 18-year-old purse-snatcher—the result being a broken hip which, at her age, may never mend—the most elementary concepts of fairness would seem to dictate that the victimized woman is more deserving of our sympathy than her attacker.

When liberality dictates that the lawless remain free to victimize others, it is clearly misplaced. This, in short, is the hard-line position that we believe to be both realistic and valid; it favors consideration for the victims of crime and for public safety above that for the offender himself.

THE HARD-LINE APPROACH

Let us consider, then, the hard-line approach to the problem of crime in light of our stated aim of suggesting how to mount an effective crackdown on the criminal. First, we shall sketch the dimensions of the crime picture in this country with special emphasis on the truly intolerable extent to which crime victimizes the poor. Next we will glance briefly at public opinion about crime—the line the law-abiding majority of our citizens want taken. We then turn to the specifics—why we are not safe from the criminal and, more importantly, what can be done about it.

Before proceeding to this analysis, however one point must be made. Just because we favor a hard-line approach, it does not mean that we are insensitive either to the factors in our society which breed criminals or to the tremendous importance of the rehabilitation of those who have been convicted and are amendable to rehabilitation. The breeding factors of crime—environmental, hereditary, educational, social, and economic—are, of course, elements which go into the making of a criminal. Anyone who is seriously concerned with the over-all problem, be he a hard-liner or not, must recognize the importance of these breeding factors, and he must also subscribe to the view that once a person has committed a crime every feasible effort should be made to rehabilitate him. But there is nothing incompatible between an acceptance of those two positions and a recognition of the need to make our society reasonably free from criminal harm—especially between now and the time when we are able to make effective progress toward those two general objectives. Moreover, we must not lose sight of the fact that even if we should develop effective rehabilitation procedures, we will still have a serious crime problem unless we recognize the need for effective criminal sanctions . . . .

The right to be safe from criminal harm—particularly among the poor and the racial minorities—has become an illusion. They are the ones who are most often the victims of crimes of violence—murder, rape, robbery, and aggravated assault. These crimes have increased 130 per cent during the past decade, and the upward trend continues undiminished.

Professor Herbert L. Packer of Stanford University reported in 1970 that street crime victimizes ghetto dwellers at least 100 times more than it afflicts the affluent citizens who live in the suburbs. A recent story, "Black Crime Preys on Black Victims," released by the Associated Press, described the problem:

Between 70 and 80 per cent of major big city crime is harbored in Negro or predominantly Negro precincts. Little is visited upon whites. On police maps, the colored pins flock gregariously in ghetto neighborhoods detailing the rapes and robberies.

The undeniable fact is that the poor pay for crime in a most usurious way . . .

More dramatic than statistics on crime is the manner in which the lives of all of us, particularly the poor and members of minority groups, have had to be adjusted because of the ever-present threat of violent crime. In most of our cities, the law-abiding citizens have had to surrender possession of the streets after dark to the robber and those who may even bludgeon someone out of sheer delight. Many persons are literally afraid to leave the sanctuary of their homes for fear that they will fall victim to some form of violent attack; and for those who must be out on the streets, protective measures, unheard of ten years ago, are being used. Taxicab drivers, for example, no longer favor their passengers with opinions because the customer cannot hear the driver through the two-inch thickness of bulletproof glass which separates the front and rear seats of most taxicabs today. Bus riders must prepare themselves with the exact amount of their fares because, nowadays, bus drivers do not carry change in order to discourage robberies. In short, we have been forced to accommodate our lives to the specter of criminal terror.

Although the human misery and the physical and mental suffering inflicted upon the victims of crime are the most hideous aspects of the picture, the devastating economic impact of crime, upon victim and nonvictim alike, must also be considered. The total annual price tag for all forms of lawlessness in the country has been estimated to exceed 51 billion dollars. It takes very little imagination to conceive of what could be done with that kind of money toward alleviating some of the social ills that beset this country . . .

Why is our crime picture as horrendous as it is, despite overwhelming public opinion against lawlessness? The answer lies in the fact that in many—far too many—cases, the law-enforcement processes in this country have broken down, with the result that more and more criminals are free to prey upon the law-abiding. This breakdown is threefold, and stems from:

1. Failure to apprehend criminals
2. Failure to convict criminals
3. Failure to incarcerate criminals

When we analyze each of these failures, it becomes apparent why we are not safe and why a hard line is needed.

The deficiency of failure to apprehend in our criminal justice system is related to the law-enforcement function, but this in no wise means that it is the fault of our police departments. By and large, the caliber of law enforcement, man for man, has never been higher than it is today; yet, more and more often the police find themselves at a tremendous disadvantage in their efforts to apprehend criminals. One reason for this is the shortage of policemen, particularly in the core cities where they are needed most.

THE THIN BLUE LINE

Few major cities have enough men to do the job, and recruitment is difficult. With crime rising to unprecedented heights, the police line has never been stretched thinner. In addition, and all too often, the already meager police strength in certain cities is being diverted away from the proper police function—the apprehension of criminals—to peace-keeping duties at demonstrations, sit-ins, and sundry other "protest" activities. It is axiomatic that a police officer "babysitting" at a rally of one sort or another is unavailable to watch for the burglar and the robber and perhaps thus, by the very visibility of his presence, deter the commission of crime.

Another reason for underpolicing in some areas of large cities is the understandable reluctance of police officers to subject themselves to the risk of assassination while on patrol. As this article was being written, four police officers in New York City were shot, two of them dying as a result, simply because they were policemen, although in the minds of the assassins they were, of course, "Fascist pigs."

All police officers accept the risk of being killed in the prevention of serious crime and in the course of apprehending criminals, but it is asking too much of them to incur the increasing risk of an assassin's bullet.

Police are also becoming more reluctant to make arrests at the scene of a crime or disturbance out of fear that they will perhaps attract a crowd and touch off a riot, or for fear that an arrest of certain individuals or groups of individuals will result in allegations of "police brutality" or other false charges.

Court-imposed restrictions of an unrealistic nature—which in our opinion were not constitutionally or practically required—serve to further inhibit the conscientious police officer: for instance, the Miranda rule requiring a litany of advice about legal rights before the interrogation of an apprehended suspect can be conducted.

Even if a criminal is arrested, the likelihood is great that he will not be convicted. According to Senator John L. McClellan of Arkansas, in recent years verdicts of not guilty in robbery cases have increased 23 per cent, and in burglary cases 53 per cent. The hedge of procedural safeguards which the Warren Court erected around the person accused of a criminal offense and the efforts of the judiciary to "police the police" have created such a maze of technical requirements for police conduct that, in case after case, obviously guilty persons must be freed because an officer neglected to act with the propriety demanded by the Court. Senator McClellan has characterized this situation as one in which the Court's rulings have threatened "to alter the nature of the criminal trial from a test of the defendant's guilt or innocence to an inquiry into the propriety of the policeman's conduct."

At the core of the barrier which has been erected between the factual guilt of a person and the legal proof of guilt is the so-called "exclusionary rule." This rule, which was made a part of the jurisprudence of this nation by a Supreme Court in 1961, holds that no evidence, regardless of how relevant or probative it may be, can be used against a defendant if it was improperly obtained. For instance, if a dope pusher has been found in possession of narcotics but the search of his person, automobile, or room which revealed the narcotics is held to have been illegal *for any reason*, the narcotics cannot be used as evidence against him. Thus, the upshot of the exclusionary rule is that the *question of actual guilt or innocence is completely disregarded;* if the policeman has blundered in the slightest, the guilty party must be released—returned to society, free to continue his career of crime. The same is true of a defendant whose confession is rejected because the police interrogator failed to tell him that he had a right to remain silent, that whatever he says can be held against him, that he is entitled to have a lawyer present, and that if he could not afford a lawyer one would be provided free. Compounding the handicap is the fact that once a lawyer comes on the scene the standard advice is to tell the client to keep his mouth shut.

THE WRONG REMEDY

If all police work consisted of wilful or wanton disregard for the legal rights of criminal suspects, the exclusionary rule might have some validity; but even then, the way to keep the police in line is by direct action against them, and not through the route of setting the criminal free in order to teach the police a lesson. The exclusionary rule works to return the criminal to the street, with an absolute and total disregard for the rights of those whom the newly released criminal may decide to victimize next. . . .

On one recent day in Chicago—identified in a local newspaper editorial as a red-letter for convicted criminals—the following events occurred:

A 16-year-old killer of another teenager was found guilty of murder. He was placed

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on probation for five years because it was his "first offense."

A 17-year-old pleaded guilty to setting fire to a police car, striking a policeman, throwing rocks and bottles at policemen, and grabbing a policeman's gun while resisting arrest. He, too, received probation. This was his "first offense."

Three Black Panthers pleaded guilty to buying machine guns and hand grenades for the party's arsenal. Each one was given three years' probation, even though two of them had been fugitives and one had been convicted of assault and battery growing out of the shooting of a policeman.

These cases are illustrative of one of the reasons why the streets are no longer safe.

Contrary to the general belief that, since crime and population have both increased considerably within the past ten years, our state and Federal penitentiaries must be bulging with inmates, the number of prison inmates is just about the same, if not slightly less than it was in 1960. Twenty-nine states have experienced a decrease in prison inmate population as of March 1971. Consider the situation in three of our largest states. In New York, the prison population in 1960 was 17,207; last March it was 14,554—*down* 2,653. In Pennsylvania there were, 7,802 prison inmates in 1960; in March 1971, there were 6,422—*down* 1,380. In Illinois, 9,064 in 1960; 7,206 in March 1971—*a decrease* of 1,858.

The Federal inmate population decreased by 3,699 during the period 1960–1967, the latest year for which officially released figures are available.

Thus we see one of the most logical reasons for rampant crime: Even after they have been convicted, criminals are returned to the streets because some judges simply will not incarcerate them, no matter how vicious or depraved their crime.

The answer to what can be done lies, in our opinion, in a massive outpouring of active citizen concern and involvement. The attitude of the law-abiding majority (and again we stress the fact that this majority crosses all lines of color and class) is definitely hard-line, but it must be translated into action. When that is done, the crime picture in the United States will improve.

PROTECTING THE POLICE

1. *In the area of failure to apprehend criminals*, there must be massive citizen support for the policeman when he is doing his job properly. This will create a climate under which police recruiting will be enhanced and officers will not hesitate to do their job for fear of civil suits by vocal pressure groups such as the American Civil Liberties Union and other "police watcher" organizations. A strong public sentiment against civilian review boards, and demonstrable public outrage against attacks on the police—as opposed to grumbling in country club locker rooms and at cocktail parties—would do more toward overcoming the problems of shortages of policemen and "underpolicing" than any other single thing.

2. *In the area of failure to convict criminals*, public outcry and pressure are necessary to curtail drastically those contrived "rights" of criminal suspects which serve only to protect the guilty without any compensating benefits. This can be done without diminishing the basic rights of all citizens. For instance, the Fourth Amendment's guarantee of freedom from unreasonable search and seizure must be preserved, but it can be done without the use of an exclusionary rule that turns so many guilty persons loose; moreover, it is ineffectual, anyway, as a police disciplinary measure.

The exclusionary rule should be removed from our criminal justice system and replaced by procedures for dealing directly with the officer who wilfully violates a person's Constitutional rights. Great Britain has never had the automatic exclusionary rule as we know it, and that country has never been turned into a police state.

THE BUSINESS OF THE COMMUNITY

3. *In the area of failure to incarcerate*, there are those who believe that the sentencing process is nobody's business but the judge's. This is not true. It is the function of a judge to sentence a convicted criminal; but the sentence itself—the determination of whether, or how soon, a potentially dangerous felon will be released into the community—is clearly the business of the community whose safety is involved. Just as the President, a governor, or a state or national legislator is accountable to the people in the final analysis, so is a judge whether elected directly or appointed by elected officials. In this area, citizen concern can be translated into action, as has been done already in several jurisdictions, by citizens' groups who follow a judge's sentencing record and then report pro or con, to their fellow citizens.

Our suggested solutions to the crime problem are admittedly "hard-line," but we believe that such an approach must be taken. If crime is to be significantly diminished, the concern of the law-abiding citizen will have to be translated into constructive action. Lawlessness threatens to engulf this country, and a firm stand is necessary to stem the tide. Nonpartisan educational groups can be formed to inaugurate and follow through on projects that will harness citizen support for proper, non-abusive law enforcement. Particularly in the appellate courts it has been found effective to file "friend of the court" (*amicus curiae*) briefs in support of the law enforcement side of the question in important criminal law cases. With citizen action such as this on the scene against crime, the future is encouraging.

DRUG ABUSE CONTROL

Mr. HUMPHREY. Mr. President, yesterday the Senate Committee on Government Operations, of which I am a member, ordered reported a bill that can be of major importance in launching a nationwide effort to control the abuse of drugs. The accelerating problem of drug abuse in America demands an equally escalated response—a sustained and comprehensive attack launched in the areas of drug abuse prevention, education, treatment, and rehabilitation, and law enforcement efforts that effectively halt the traffic in narcotics. And this all-out offensive, employing the full resources of our Federal and State Governments as well as the private sector, must be effectively coordinated at the highest level, with objectives clearly pinpointed and progress carefully monitored.

For these reasons, I have been pleased to join in sponsoring S. 2097, the Drug Abuse Office and Treatment Act of 1971—the substantially revised committee version of the original administration legislative proposal. One principal finding of this act, establishing a Special Action Office for Drug Abuse Prevention, in the Executive Office of the President, is that the control of drug abuse requires the development of a comprehensive, coordinated, long-term Federal strategy that encompasses both effective law enforcement against illegal drug traffic and effective health programs to rehabilitate victims of drug abuse.

I am gratified that not only this finding, but also the operational mechanisms spelled out in this bill for an effective national program of drug abuse control, incorporate the three basic concepts of an original bill which I introduced: The Drug Cure and Control Authority Act, S. 2155. First, the full implementation and total coordination of Federal agency programs which can affect the control of drug abuse but which too often are inadequate and disparate—sometimes even working at cross purposes—can only be accomplished through a high-level authority directly responsible to the President and clearly accountable to Congress.

Second, those directly responsible for these programs and those having expertise in the several fields of drug abuse prevention, rehabilitation, and control must be brought together in advisory and strategy planning and monitoring councils that are tied in with the Federal drug abuse control action authority.

Third, special emphasis must be placed on effectively interrelating law enforcement activities with drug abuse prevention and rehabilitation efforts. Not only must the effects of continuing to separate these approaches to drug abuse control be clearly identified, but there must also be a far more effective national program of law enforcement to clamp down on the narcotics traffic and to apprehend and convict the dope peddlers who would make a profit at the expense of human lives.

I found it impossible to understand why the administration left law enforcement out of a total drug abuse prevention effort, in its original legislative proposal to establish a Special Action Office. And I was amazed at the assertion of the Attorney General, in the course of testimony on this legislation at joint hearings last July by the Senate Subcommittees on Executive Reorganization and Government Research and on Intergovernmental Relations, that there were only "a few small areas in which there may be a * * * cross action" between prevention, treatment, and law enforcement.

We must bring all law enforcement agencies into the battle against the dope smugglers and the pushers. There must be a substantial improvement in intelligence operations, in detection techniques, and in the coordination of law enforcement activities at all levels of government to shut off the illicit trade in narcotics. And there must be a far more improved effort to establish close working relationships between rehabilitation programs and the courts—as, for example, in the expanded use of civil commitment programs authorized under the Narcotic Addict Rehabilitation Act of 1966. And with tests establishing a 5.4-percent heroin use rate among GI's returning from Vietnam, and with the careful estimate that there are more than 500,000 heroin addicts in America today—one-fourth being teenagers—we must take every diplomatic, economic, and law enforcement measure possible to curtail the production of heroin abroad and to halt it from being illegally imported into the United States.

There can be no question that, at the same time, we must move quickly to make full use of existing health care resources for drug abuse treatment and rehabilitation. And that is why I introduced legislation to require the establishment of treatment and rehabilitation programs for drug addicts and other persons with drug abuse and drug dependence problems, in our community mental health centers and in Public Health Service hospitals and medical facilities. This can be an effective means of making these services immediately accessible to the addict—reaching out to the man and woman who need and want help, rather than forcing them to climb a path of fear and to surmount bureaucratic obstacles. And this bill also recognizes the need to greatly expand treatment and rehabilitation services for our veterans, in authorizing the community mental health centers to enter into agreements with the Veterans' Administration and the armed services to make these programs available to servicemen and veterans.

These are but examples of the comprehensive and long-term national effort that must be made to combat the critical problem of widespread drug abuse in America. I urge the Senate to act with dispatch on the Drug Abuse Office and Treatment Act so that this offensive against one of the most serious illnesses our Nation has ever confronted, can be launched without delay.

FOREIGN AID

Mr. JAVITS. Mr. President, as my colleagues know, a debate about the rationale for and future of the foreign aid programs of this country continues in the Congress as well as in the press. One of the most widely discussed statements was that of Senator CHURCH which set forth in detail his disillusionment with the present bilateral foreign assistance program in explanation of his negative vote on the bill.

In the past week, three eminent authorities have replied to Senator CHURCH's thesis. They are Lincoln Gordon, a ranking university official who earlier served as the Assistant Secretary of State for Inter-American Affairs and Consulate to Brazil; Father Theodore Hesburgh of Notre Dame University, and Robert Hunter of the Overseas Development Council. I ask unanimous consent that their articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THROWING OUT THE BABY: IN DEFENSE OF FOREIGN AID

(By Robert E. Hunter)

There is much wisdom in what Senator Frank Church said last week in *The New Republic* about our bilateral foreign aid program. He correctly places the blame for many failures on our attitudes of power that have made foreign aid serve policies of arrogance, omnipotence and even exploitation. It is difficult to fault the Senator's concern about the role of our military aid policies, which have left the Nixon Doctrine with little that does not derive from the defense support programs of the 1950's. But the Senator reserves some of his harshest criticism for bilateral aid designed for economic development.

Mr. Church bases his argument on the premise that development aid in the 1960s failed. It did not deter Communism, strengthen democratic governments, gain influence or furnish the destitute with a broader measure of social justice. In some instances he is right. But this is largely a reflection of the inflated expectations for economic aid that various administrations have fostered. The Senator himself is not entirely free of this—witness his ambivalence on aid's being unable to win us support in the UN vote on China.

Behind the rhetoric, there was only one real goal that was—and is—a practical one: to promote some economic development, whatever objectives may be achieved incidental to it. Senator Church's central case really rests, therefore, on a single proposition: that U.S. bilateral economic aid cannot contribute significantly to this one goal. I don't think he makes his case. Furthermore, he provides no workable design for the new positive approach he rightly says is needed for development cooperation. Before wrecking the old structure, he should help construct a new one.

Even in arguing against bilateral economic aid, Senator Church is precise in his focus: technical assistance, administered through the Peace Corps, should go on. But development loans must be curtailed; and we must cease US government insurance of private foreign investment. Both of these he sees as merely forms of export-creation and profit-generation financed by the American people and benefiting only private industry.

The issue of development loans, to begin with, is far more complicated than Senator Church makes it out. His litany of failures overlooks many positive successes, and the fact that, for whatever reason, developing countries did achieve the one target set during the 1960s—growth at five percent per year. This was a spectacular achievement. It represented a greater sustained leap forward than the US or Western Europe ever achieved in any ten-year period during the period of our development. It can hardly be disputed that aid did furnish some of the sinews of growth. Because of aid, people were trained, capital was put in place and is producing goods; and countries like India were able to double their wheat production. More than this could hardly be expected from the relatively minor amount of money which Congress committed to the effort. Like ending poverty at home, poverty abroad will not disappear under the pressure of good wishes and token payments. Of course, resources from outside are no substitute for local efforts; but in many countries they provide the extra help that spells the difference between success and failure, confidence and lassitude.

Senator Church questions whether development loans and credits for our agricultural commodities might not do more harm than good. He is concerned that this aid creates "relationships of dependency," beginning with a level of debt that is a burden on poor countries' future development. The answer, however, is simple: don't kill the flow of resources that are needed for development, but rather increase the percentage of loans that is outright grant. And definitely don't *triple* the interest on these loans as the Senate Foreign Relations Committee did two weeks ago.

Similarly, if US goods purchased with development loans are priced higher than in the world market, as the Senator indicates, why do poor countries accept these loans? Most often, they simply cannot buy on commercial terms because they lack foreign exchange. Thus, even when the cost of US goods is higher, the favorable credit terms of the aid loan often represent the difference between a country's being able to buy tractors, trucks and wheat from us or have none at all. Here, Senator Church implies that our aid is worth less than the administration says it is. He is right. But this is an argument for doing more, not less—for lending more, lending on softer terms, and giving more aid as grants.

Senator Church is also concerned that our aid—economic as well as military—helps to prop up repressive regimes. It is no secret that some regimes that receive our aid are "repressive" though many are not, including India, which has been the chief beneficiary of our development loans over the years. This whole issue consistently begs the question of the role that US foreign aid, in any form, can play in preserving any regime. Belief in American omnipotence is not limited to the political right; it has just as firm a grip on the left. The left may make a different judgment of American actions (evil instead of good), but it shares a belief with the right in our power to influence events. Yet, we need only to look at the extreme cases of trying to do so—economic sanctions against countries like Rhodesia and cutting off all aid to Ceylon for expropriating US business—to realize how hollow this pretension is. Other than exceptional cases like Vietnam, our economic aid doesn't prop up regimes and withdrawing it won't make them fall.

Furthermore, there is a bold assumption underlying the belief in a "hands off" policy for the United States. Senator Church thinks that withdrawing our support will not only help lead to the downfall of repressive regimes, but will also permit the springing forth of "radical revolutions" that are the "only real hope for development" in many countries. In some places revolution may be required. But in how many is it the key? Can one simplistic theory be substituted for another? There have been too many revolutions in the world since our own, for us to forget that many fruits of that tree have been bitter. Action in the name of the "People" is no guarantee that there will be a more equitable distribution of income, Nor should we Americans judge that a stagnant economy like Cuba's is better—however much "equality" it provides—than an authoritarian regime like Taiwan's that has an impressive record of both growth and social justice. In some countries, there may be little "trickle down" of aid while the economy grows. But is that worse than none at all? And how do we judge whether we are expecting too much social change, too soon?

Senator Church states that U.S. aid merely widens the gap between the developing world and ourselves—and between rich and poor in developing countries, themselves. In the former case, however, the problem would be worse if there had been no aid at all. And in the latter case, the Senator has lumped together all development loan aid and condemned it wholesale. Yet the bulk of it goes to educate children, to buy better seeds and fertilizer for farmers, to provide birth control information, clean drinking water, roads, bridges, generators and food supplements. These things that aid buys can help to close the income gap, not widen it.

These are some of the problems raised by Senator Church's critique. Some of these may be reduced—if not solved—by more modesty in our expectations; and some by thinking through again the reasons that we have an aid program at all. Not only is there the simple humanitarian motive of wanting to see poorer countries have a chance to do something for themselves; there is also our general interest in a world-wide trading and monetary system that can only work if developing countries can play a role in it based on a greater sense of equity than at present. Already we are beginning to need the help of developing countries in coping with problems of the environment and narcotics. Tomorrow the degree of interdependence will be greater. And there are positive benefits in the sheer survival of countries in the developing world, with some hope for the future. Development can be the key to all of these in many poor countries. And development will suffer if we close our pocketbook.

India is a prime example. We cannot rule out the importance of India's economic survival to us and to others. Nor can we ignore the dilemmas that would be posed for us if that country, too, disintegrated as Pakistan is in the process of doing. But aid

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to refugees in the two Bengals is insufficient: India's political future also turns on having enough outside economic assistance that there will be a chance for it to cope with massive problems of poverty, malnutrition and unemployment. Of course, we don't know that development loans from the United States will spell the difference between success or failure for India; but it is worth an investment of a few hundred million dollars a year to find out; especially since the Indian government itself makes the request. And the issue is an even larger one: India—like Indonesia—depends on our bilateral development loans as the basis of an international cooperative effort, led by the World Bank, that multilateral institutions cannot sustain on their own. If we reduce our help for India, other rich countries will probably do likewise, and international cooperation will become more difficult in a number of fields.

Furthermore, India is a good example of how we *can* avoid the dilemmas feared by Senator Church repressive regimes, a US military venture following an initial commitment of economic resources, a growing gap between rich and poor, and domination by the United States. Indeed, because India is the chief recipient of our aid—most likely to be hurt by any cut—it must be the prime example in any analysis.

This example of a positive role in US policy for bilateral economic aid is not an isolated one. It is repeated in other areas where the US continues to have an interest in stable development. Some of the methods need to change and our definition of "self-interest" needs to be broadened; but the goal is still valid.

A disdain for legitimate US self-interest is particularly evident in Senator Church's criticism of the role of US private investment and trade abroad. It is true that the Export-Import Bank acts primarily to promote US trade, not to aid development. It also is true that the bulk of US development loans provide a subsidy to American business, since they are largely tied to purchases in this country. And it is true that Food for Peace is a form of subsidy to the American farmer. But what of it? These subsidies still help the poor countries develop, and if curtailed would be replaced by some other form of government support for business and agriculture. If the Senator wants to end the subsidy to American business, he will support the President's efforts to get all rich countries to stop tying their aid to their exports. He doesn't need to kill our export and investment promotion programs.

Entirely different, however, is the question of whether US investments in developing countries always help more than they hurt. Abuses are obvious and have been cited by Mr. Church. We do face a dilemma in extracting ourselves from exploitative arrangements—as in the case of Chile. But some countries, notably Mexico and several in East Asia, have worked out mutually satisfactory arrangements for a US business role in their development, including increased local participation, control, and progressive divestment of outside ownership. There is nothing inherent to prevent US private investment from earning reasonable profits under equitable arrangements with developing countries.

To be fair to Senator Church, he is not against the transfer of resources to the developing world, as such. For example, he has called for improvements in the terms of trade for poor countries: the ratio of the prices that countries get for their exports to those they pay for imports. This is a worthy objective, but it will require major changes in U.S. policy that are not now apparent, and these will be fought by business interests all the way. In recent years it has become harder, rather than easier, for poor countries' products to enter the U.S. Hopefully, Senator Church will take the lead in the Senate to reverse this trend.

Furthermore, Senator Church wants to rely increasingly on international financial institutions, like the World Bank. Many experts agree with him; the President has already embraced this concept, as part of the Peterson Report. Unfortunately, the United States is severely limited in the extent to which it can at this time channel increased resources through these institutions. As the system currently works—at the insistence of Congress—any major increase in our contributions must be matched by other countries, which they will only do gradually. Instead of simply killing bilateral aid, Senator Church might try persuading his congressional colleagues' to let the U.S. make voluntary, unmatched contributions.

It must be admitted there is a real danger this would increase our influence in the way loans are granted by the multilateral institutions, thus bringing in some of the dilemmas that the Senator sees in bilateral assistance. The Inter-American Development Bank is a good illustration: because of our overwhelming financial contribution, pressures have built up within the Congress for the U.S. to dominate the Bank's operations.

It is certainly a good idea to "go multilateral." But wanting to do this quickly is really arguing that the U.S. should curtail drastically the total amount of resources it devotes to development loans. Moreover, many Senators and Representatives support a bilateral loan program and oppose a multilateral one, precisely because of the matter of U.S. control over how the money is used.

Senator Church may support larger contributions to the multilateral institutions, though he is also concerned with the sheer magnitude of the foreign aid budget (in commentary following his Senate speech, he cites our balance of payments difficulties.) Yet, he himself has taken pains to show how little real economic aid we give, and how almost all of it—93 percent of bilateral aid—is spent in this country. He simply cannot have the argument both ways; nor can he expect to reduce the dilemmas of aid without cost.

He emphasizes the importance of reordering our national priorities—the need to use the money here at home. But it is difficult to argue that the United States—the richest country in the world—cannot afford its proportionate share of an international effort that may be of critical importance to countries that are so much worse off than we. No one will have much sympathy for a people who "poor mouth" with a trillion dollar economy. It is no idle statistic that we now rank 12th out of the 16 wealthiest countries in percentage of GNP devoted to governmental economic aid.

At heart, what we are deciding now is whether the US will play its part in meeting international responsibilities towards poor countries. A careful formula for sharing the burden has been agreed among the rich countries—a formula on which our government is now seriously in default. We should design a foreign aid program that has fewer dilemmas. But the question most developing countries ask us is not "how?" but "how much?" And the answer has been: "very little."

In the vote on foreign aid on October 29, many Senators were primarily concerned to shock the administration into making some major changes in the program—indeed in its whole foreign policy. This is an honored technique in Washington, and it may work this time. At least, in the long term, there is real value in separating economic from military aid in the appropriations process—as the Senate Foreign Relations Committee wants and as the President has recommended. Even if this results in lower economic aid in the short-term, it may be worth it if we can establish a better way of looking at the needs of poor countries. But without a fundamental commitment to the objectives of economic aid, however these are redefined, this change will only prove another excuse to shortchange the poor of the world.

A REBUTTAL TO SENATOR CHURCH'S "FAREWELL TO FOREIGN AID: A LIBERAL TAKES LEAVE"

In the fervor of his disillusionment with foreign aid, Senator Church has grossly overargued his case against bilateral development assistance. His desire to separate genuine foreign aid from military and defense support is readily understandable; it was, indeed, anticipated by the Peterson Committee a year and a half ago. But his arguments on economic aid reflect bad economic analysis and questionable political analysis. These new myths will scarcely help his stated belief "that any country as advantaged as ours should do what it can to help other people improve their lot."

Here are some examples of the bad economics:

"Aid is self-serving because the funds are spent in the United States."

The whole purpose of economic aid is to transfer resources—mainly capital and technology—from advanced to less developed countries. Aid tying is objectionable because it limits competition among suppliers and lessens the real value of the aid dollar, e.g. in comparison with World Bank loans and credits which require international competitive bidding. But the United States is the world's largest producer of capital goods and of advanced technology. If our competitive strength among advanced countries were what it should be, untied aid would come back, directly or indirectly, to be spent on American goods and services. That does not make it any the less genuine aid; in fact, there is no real aid unless such resources are transferred.

"P.L. 480 puts aid receivers in debt to us."

Since P.L. 480 sales are for national currencies which are then lent back to the recipients for their own development programs, and in no case become dollar debts, the $22 billion "indebtedness" is simply a bookkeeping fiction. In real terms, the agricultural surpluses have been given to the recipient countries.

"American direct private investment decapitalizes Latin America."

This faulty conclusion is drawn by subtracting annual remittances for profits, interests, royalties, and other payments from annual net new investments. But the main effect of private foreign investment on the balances of payments of Latin American countries is in saving imports and generating new exports. When these effects are taken into account, the "decapitalization" argument vanishes. Companies controlled wholly or partly by foreigners have played a large part, for example, in Brazil's spectacular export improvement during the past four years. Apart from this "capitalizing" effect private investment also contribute heavily to local job creation, technological advance, better management techniques, enlarged tax resources, and productivity improvement. It would be foolish to claim that what is good for the investment climate abroad is always good for the host country's economic development, but Senator Church seems close to arguing that what is good for business is always bad for development. The factual record is heavily against him.

FOREIGN INVESTMENT DECAPITALIZES THE UNITED STATES

Having just argued that foreign investment "decapitalizes" the host countries (presumably to the advantage of the United States), Senator Church turns around and argues that our urban ghettos and declining rural areas are starved for capital because of investments abroad encouraged by the official guarantee program. He cannot logically have it both ways.

Were it not for the reply from columnists and commentators, I would overlook the silly canard that our official missions in Brazil employ almost as many people as the British had in administering the whole of India before independence. In making this comparison, Senator Church counted both

American and Brazilian employees, (588 and 811 respectively), compared with some 1,000 British civil servants in India. Britons in the army are not mentioned. The silliness of this point is, of course, that for decades it had been well established British policy to administer India with Indian personnel. As H. V. Hodson says in his recent book, "The Great Divide": "Day by day and year by year, its agents from Viceroy to newly joined police officer, and their subordinates, did the work that lay before them . . . from judges to village *chowkiders*, from army commanders to government clerks, the agents and servants of the Raj went on doing as they had been wont to do, while political storms raged around them." Hodson's categories would number in the hundreds of thousands or millions, not Senator Church's 1,600.

The political issues deserve fuller discussion than is possible here, but can be summarized. The central thrust of Senator Church's argument is that American aid "is being used not to promote development but for the quite opposite purpose of supporting the rule of corrupt and stagnant—but vociferously anti-Communist—dictatorships." Yet the largest recipient of development aid has been India, which scarcely fits his description. In Latin America, of special interest to Senator Church, Chile under Frei and Colombia under Lleras Restrepo were the two largest recipients per capita. As to Brazil, the regime can justly be criticized for repression and authoritarianism, but it is notably less corrupt than its predecessors and is promoting one of the most rapid rates of development in the world—the opposite of stagnation.

Senator Church has come to realize that the Kennedy administration policy-makers greatly exaggerated the prospects for a "benign gradual take-off into self-sustaining growth." As one of the architects of the Alliance for Progress, I share some of his disappointment. Surely in 1961 we overrated the possible speed of development and reform and the stability of the then apparently democratic regimes of Argentina, Brazil and Peru. But the record has been better than he acknowledges, not only in overall growth but also in the enlargement of middle classes, the increase in social mobility, and the participation of wider segments of the population in the modern economies.

Now Senator Church would have us accept a counter-myth: that peaceful reform is utterly impossible and that development simply cannot take place without radical revolutionary change catalyzed by "an indigenous nationalism giving rise to a sense of community, commitment, and shared sacrifice." That sounds uncomfortably like the Indonesia of Sukarno, the Ghana of Nkrumah, or the Cuba of Castro. Neither the two who are gone or the one who remains present attractive models of economic and social progress. If Indonesia and Ghana now show prospects of real progress, it is partly because they have awakened from the overheated nationalist delusions propounded by their former leaders.

For a true liberal, who places high value on open societies, on individual opportunity and protection from arbitrary treatment, and on wide popular participation in the decision-making that counts, Senator Church's new myth is a counsel of despair.

Finally, the hard practical issue remains of the relationship between bilateral aid and multilateral aid through the World Bank Group and the Regional Banks. The Pearson Commission two years ago believed that it was setting an ambitious target in recommending that the multilateral share of total official aid from all advanced countries be increased from 10 per cent to 20 per cent by 1975, while also increasing the total. It would no doubt be good to accelerate the shift. But bilateral aid still constitutes the overwhelmingly large share of total official aid, and the OECD has confirmed the United States' dismal ranking of twelfth among the providers of aid. An orderly shift of responsibility while maintaining or increasing the totals is one thing; the overnight scrapping of bilateral development lending is something entirely different. The practical results of Senator Church's new policy are disastrous for the hopes and opportunities of the world's poorer countries and a serious setback to the interest of the United States in a world of open societies and increasingly self-reliant peoples.

LINCOLN GORDON.

[From the New York Times, Nov. 10, 1971]

THAT OLD-TIME ISOLATION

(By Theodore M. Hesburgh)

SOUTH BEND, IND.—In a few hours of precipitous action on foreign aid, the Senate dealt another major blow to the development prospects of more than 100 developing countries. It followed President Nixon's equally unexpected action adversely affecting the poor countries.

They then were the innocent victims of a trade crisis cross-fire between the rich countries. As a consequence the U.S. cut its aid to them by 10 per cent and imposed a 10 per cent surcharge on their fastest growing exports. These abrupt and unilateral actions not only treat the poor nations as pawns of the rich and the powerful but they are jeopardizing the already inadequate international efforts to promote justice and peace in the world.

As both President Nixon and the Congress have rightly made clear in the course of this year, the United States urgently needs a new approach to the developing countries, one better suited to the realities of the 1970's. But we must avoid the real danger that in the struggle between the Senate and the executive branch we once again victimize those most in need of our help. Both the U.S. and the low-income countries will be losers.

In the first place, by any measurement of fair share, Americans need to be doing more rather than less in aiding others. Twenty per cent of the world's population enjoys 80 per cent of its resources, and we Americans are a large portion of that fortunate 20 per cent. The rich U.S. at present contributes less proportionately than do most other nations. Last year we placed a bad twelfth out of sixteen so-called rich nations in the Organization for Economic Cooperation and Development.

In the second place, the Senate fight over foreign aid lost sight of the fact that this program is a catalyst for a vast network of cooperative activities by private American institutions. Bilateral development assistance makes it possible for scores of American universities to carry on constructive educational and other activities overseas and for 15,000 foreign students to study in the United States and elsewhere.

Third, if we fail to respond now, there are many people in the world who will say, unjustly or not, that we are acting out of pique at being defeated in the United Nations on the issue of Taiwan. As a great nation, we must not withdraw our support, even temporarily, in an act unworthy of our past efforts.

Fourth, we need to be able to meet emergencies in the developing world, of which the growing refugee problem in Bengal is today the most pressing. And we cannot cripple international agencies such as the United Nations Development Program and the Food and Agriculture Organization as they assume a larger part of the cooperative effort.

Finally, responsibility in U.S. actions is particularly critical during this period of uncertainty in international trade and monetary relations. If we even temporarily abdicate responsible conduct, the chances are that we will be viewed with distrust and suspicion at the very time we need the cooperation of the low-income countries to create a better international economic system that will serve the interests of all nations—developed and developing.

Of course, there are many things wrong with the bilateral assistance program of the past. I believe there should be less emphasis on military assistance, and it should be separated from the development programs as suggested in the last two Presidential study commissions on foreign aid.

We cannot see the problems of America and of world peace in isolation—shutting ourselves off from the outside world, four-fifths of which barely exists on one-fifth of the world's resources. Our immediate, critical need is to continue a substantial bilateral development assistance program in some form while we craft a new development cooperation program. If we can avoid the near-term hazards, the Senate's precipitate action could prove to be a blessing.

THE UNITED STATES AND NATO: TROOP REDUCTION—XIII

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD set No. XIII of the commentaries, columns, article, and editorials relative to the U.S. troop position in Europe in relation to NATO.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Sun, Nov. 10, 1971]

GAVIN SAYS U.S. AIDS SOVIET POLICY

(By Gilbert A. Lewthwaite)

The United States' new image as an "exporter of repression" has given the Soviet Union its best chance ever for "more intimate and more fruitful" relations with Western Europe, said Lt. Gen. James M. Gavin, USA (Ret.), diplomat, author and businessman.

He was speaking at the fifth annual Milton S. Eisenhower symposium at the Johns Hopkins University yesterday.

General Gavin, recently returned from a trip to Europe and Iran, blamed U.S. military spending largely for the country's economic plight.

SHIFT IN PRIORITIES

He called for a halt to U.S. engagement in Southeast Asia, a reduction in American troop levels in Europe and a new list of domestic priorities to include such programs as a national health service and housing.

"We can easily spend far too much of our resources on military weapons systems at the expense of our survival. We must therefore use careful judgment and selectivity.

"In dealing with Soviet power, if they choose to put military technology above all else, I think the wisest thing we can do is not to follow, but to think through what we are doing."

He said that if Soviet military spending continued at the current rate, their society would go down "at a very rapid rate."

"CONSIDERABLE TROUBLE"

"Today our economy indeed is in considerable trouble. Having just come back from abroad, I can assure you that whatever popularity we may have enjoyed abroad is diminishing very rapidly. People now see us as the exporters of repression."

General Gavin was speaking on the theme of the "dilemmas of power" between the Soviet Union and the U.S.

He said, "We have no dilemma. We merely have particular opportunity to arrive at judgments on what to do with this great nation."

Asked his assessment of the Soviet leadership under Leonid I. Brezhnev, he said the Kremlin was "succeeding quite well" in its "most powerful diplomatic initiative" to bring Western European nations closer to it.

"The Soviet Union has not changed its attitude one iota towards the West," he said. "I expect nothing less from him than I did from Khrushchev, who was a sensitive man. I think Brezhnev is looking after the Soviet Union and the Communist party, and we had better look after ourselves."

[From the Washington Post, Nov. 10, 1971]

TIME FOR A BIG PUSH ON REDUCING FORCES

(By Chalmers M. Roberts)

Very soon now Manlio Brosio, the former secretary general of the North Atlantic Treaty Organization, will journey to Moscow on behalf of the NATO allies to ask how the Soviets wish to discuss a reduction of the rival conventional military forces in Europe. Whatever he finds will be reported to the NATO ministerial meeting in Brussels on December 6 and 7.

This will be the latest step along the road toward what the Americans call MBFR—mutual balanced force reductions. There is an increasing sense of urgency within the Nixon administration to begin MBFR talks because of the Pressures from Congress to cut the American troop level in Western Europe, chiefly the 7th Army in West Germany.

While there is no formal Western precondition to MBFR there is a practical one, a Berlin settlement. That now depends on agreement between the two Germanys under the umbrella already set up by the United States, the Soviet Union, Britain and France. Since East Germany would be a key participant in MBFR talks, and East German-West German agreement, subject to Big Four approval, is a sine qua non. Hopefully, this should be wrapped up around the end of this year.

A Berlin agreement is a stated NATO precondition for the European Security Conference Moscow wants. The Russians have indicated that MBFR could form part of an ESC agenda and they want an ESC in 1972. It is currently felt in Washington that such a conference now is inevitable rather soon after a Berlin agreement.

Thus far President Nixon has held only one National Security Council meeting on MBFR. His central premise is that any American troop cuts should be matched by Soviet cuts; in essence, that the U.S. should not unilaterally reduce its forces. But budget pressures and the international monetary crisis make it difficult to hold that line unless he can argue that East-West talks are under way. Once they start he will argue that any unilateral move would be giving away a bargaining chip.

Sen. Mike Mansfield lost his first roll call on a unilateral cut but he hasn't given up and he has many allies. Some simply want to save money; others consider American troops in Europe part of a "cold war paranoia," a term recently used by Sen. George McGovern. McGovern described this as "the thinking which dictates that 25 years after World War II, we must keep half a million American troops in Europe to defend the 250 million people of Western Europe from 200 million Russians, who meanwhile have to worry about 700 million Chinese at their back door!"

Such numerical juggling totally ignores the fact the American troops are in Europe as much to protect the United States' interests as those of Western Europe. A much more balanced view of the problem is contained in a new book, "U.S. Troops in Europe," by John Newhouse and others of the Brookings Institution. This careful and calm inquiry into the issues, costs and choices involved is required reading for anyone who is able to put aside the McGovern type of emotion in favor of a reasoned examination.

"The size and character of American force deployment in Western Europe," the authors conclude, "do not fit a precisely calculable military requirement. How much is enough is not the issue. It is rather how many and what kind of forces will satisfy a number of considerations, some of them political, others strategic. These considerations should not be seen as immediate or short-term. They have to do rather with the kind of world order the United States seeks to encourage; with the kind of lasting relationship we wish to establish with Western Europe; with how to impart greater stability to the East-West environment while avoiding steps that might encourage latent instabilities."

And: "Thus the question is not whether, but when and how, such a reduction [in U.S. forces] will take place. This study argues that the *when* awaits basic political changes and that the *how* will emerge from multilateral decision-making. Admittedly, this is a counsel of patience—a rare quality that is especially elusive today."

Newhouse does not argue that present U.S. troop levels are sacrosanct; indeed he and his colleagues consider a 5 to 10 per cent unilateral cut would be "tolerable." What Newhouse does argue is that in order to preserve the American relationship with Western Europe any troop cuts should come via an MBFR agreement as part of an overall pattern of East-West accommodation along with a Berlin agreement, an initial SALT pact and other measures plus a new monetary arrangement among non-Communist nations.

There is one aspect of troop cutting that deserves special mention. Deep cuts in American troop levels would lower the nuclear threshold, the point at which nuclear weapons would be used because there is insufficient conventional force. The "flexible response" thesis which began in the Kennedy administration calls for enough conventional force, in case of conflict, to gain time for diplomacy before resort to nuclear weapons. But the McGoverns brush this aside by declaring that Moscow isn't going to start any kind of war anyway.

Whether an MBFR conference can be soon arranged and whether it will hold off congressional pressures for unilateral cuts is questionable. The Soviets seem willing (and Brisio may learn more about this) to sit down at a conference table. But they obviously are not going to pay for American withdrawals with Soviet withdrawals if the U.S. intends to pull back unilaterally.

The United States is in the throes of lowering its world-wide profile and reduction of forces in Europe is an obvious part of that goal. But logic calls for a strong try for agreed East-West reductions, not for unilateral cuts.

[From Christian Science Monitor, Nov. 9, 1971]

EUROPE: A SENSE OF CHANGE

(By Zygmunt Nagorski, Jr.)

Europe is changing—in moods, ambitions, desire and in its relationship to the two superpowers.

Both East and West have acquired a better sense of political options. The East has learned through a series of costly and bloody uprisings the limits of its dreams. The West is approaching a period of heavier self-reliance. This includes both its defense and economic sectors. Their interdependence is clear; heavier defense responsibilities may mean lower standards of economic growth.

The sense of change stems also from the new attitudes of the two big powers. They appear less interested and less involved in Europe's fate. America leads the way in that mood of neglect and the Soviet Union follows by sheer force of other problem areas. American neglect generates feelings of insecurity; Soviet signs of it encourage Eastern European dissenters. The two pull apart, rather than draw together the two European halves.

European security concepts, promoted loudly by the Eastern bloc, mean a Europe without the Russians for Romanians, and a Europe with the Americans for Germans. But what kind of continent will emerge in the West after the American era ends? Western Europe appears today to be wealthy and satisfied, a middle-aged nation avoiding trials and adventures. Its youth seems to drift, rather than look for challenges. In some instances, like Holland or even West Germany, life appears to be approaching the level of tensionless existence similar to that in Scandinavia.

In the East the low ceiling of national potential calls for self-generating initiatives, creating semblances of challenges. Semi-independent Romania is a case in point. The new Hungarian economic reform is another attempts to fight a slightly subversive economic battle in the total absence of political options. The three major Eastern capitals—Bucharest, Budapest, and Belgrade—watch passionately the European evolution.

All three fear Soviet intervention. All three profess their adherence to the socialist family with distinct national colors. All three would be concerned should the U.S. pull out of Europe and leave Western Europeans to manage their own affairs. They fear the German dominance and a bigger political leverage of the Soviet Union. Romanians, underlining their independence, already cite Willy Brandt's *Ostpolitik* as an element of Soviet direct influence. The Germans, in Romanian interpretations, have a more limited freedom of action than they do. It is up to the Soviet Union to implement or to shelve the *Ostpolitik*. And yet the future of Brandt's government hinges heavily on his opening to the East.

Internal patterns of changes show a degree of similarities in the East and the West. Social inequalities preoccupy Frenchmen and Yugoslavs alike. France, deploring silently its diminished role in world affairs since the days of Charles de Gaulle, is looking inward, attempting in various ways to transform an individual-oriented to a collective-oriented society. Yugoslavia, through a series of economic moves, is gradually transforming state-run enterprises, research institutes and alike to privately operated units. The new, affluent class of managers and scholars kept on the state payrolls must now fare for itself.

In Romania European security is viewed as an ultimate goal in a similar context as the Italian Communists view it from Rome. Both aspire to a neutrality of their respective countries, with a silent—seldom voiced—desire to see the American nuclear umbrella somewhere in the background. While Italy's officials worry about the Mediterranean Sea and the Soviet naval presence, Romanians point proudly to the total absence of the Soviet forces on their territory.

[From the Philadelphia (Pa.) Inquirer, Nov. 6, 1971]

U.S. PRODS ALLIES ON DEFENSE FUNDS

BAUSSELS.—Defense is perhaps the only area in which Europeans feel a sense of guilt for the problems of the dollar, but it is not getting priority attention in the struggle to correct the imbalance of payments.

Washington is playing down for the moment the issue of NATO burden-sharing. The Germans are expected to renew their offset payments, which will absorb less than half of the $1.9 billion foreign exchange loss which the U.S. projects for 1971. The losses grow as the mark gains in value, but Washington keeps its focus on inequities in trade and currency rates.

There are valid reasons for this Nixon strategy. Defense Secretary Melvin Laird is prodding the Allies hard to raise their defense spending. The risk of asking for too much on too many fronts at once is that Allies now led by left-of-center governments may decide taking a chance with Soviet intentions is easier than bearing the political strain of a heavier defense burden.

Cohesion within the alliance, the old confidence that "the forces which bind us together are more important than the problems which divide us," is unsettled by visions of detente. The possibility of negotiating force reductions with the Russians threatens to relax the will to negotiate from a posture of strength. It is, as Laird perceived, not a propitious moment to ask the Allies to do more so that the United States can do less.

Moreover, Europeans within NATO have difficulty adjusting to the notion of American impoverishment.

Yet the Europeans know, from their own statistics, that their share of the common defense does not reflect the revival of their economies. Laird's pressures have yielded one grudging move to raise the total European effort by $200 million a year. But only Germany and Britain seem ready now to go beyond this small step.

Twelve European countries devote, on the average, approximately less than 4 percent of their national product to defense and at least four of them are cutting back. Only the United States is committed to 8 percent and a two-year draft.

They argue here that no initiative to spread the burden will succeed because the Europeans have gone as far as they will go at this point. West Germany, beset by a sense of squeeze, is negotiating stiffly on renewal of the offset agreement. The French are being courted for cooperation instead of badgered for the $800 million cost of the NATO evacuation.

In this climate, favor is certain to grow in America for the Mansfield proposal to cut the U.S. garrison by half. Indeed, much of what the European nations have agreed to do was stimulated by the Mansfield threat. But few believe here that the European response to the cut, if it actually occurs, will fill the vacuum created by the departing Americans.

It remains obvious that the NATO deployment is crucial and that the Mansfield cut could be a disaster. It is not a promising time to ask the Allies to share more of the budget costs of NATO. But they do have a sense of guilt and they may respond to remedial pressures of the balance of payments.

[From the Spokesman-Review, Oct. 31, 1971]

FRENCH GALL

In a manner reminiscent of the late Charles de Gaule, a high French official recently made as astonishing statement. Apparently speaking for French President Georges Pompidou, the official declared his country wants assurance from the United States that any troops we withdraw from Germany in an East-West agreement will be returned immediately whenever the NATO council deems it necessary.

His presumptuousness is remarkable in view of the fact that it was France which pulled its forces out of NATO in 1966 because of jealousy of U.S. influence. Soon afterward, the French, stating they did not appreciate U.S. troops in France, evicted the NATO headquarters from Paris.

But suddenly the situation has changed. The French, worried that the Soviet Union may not live up to a mutual troop withdrawal agreement with the U.S., are demanding that the United States assure them it will rush back its troops to defend them should the Russians threaten from the east.

Considering France's past actions, that country is in no position to demand anything from the United States—a nation which has managed to retrieve French soil from aggressors in two world wars. Contrary to what the French seem to think, it is not the obligation of the United States alone to support NATO and protect France.

The French demand for U.S. NATO support is audacious indeed, for France has all but sabotaged the NATO organization in recent years.

[From Christian Science Monitor, Nov. 5, 1971]

GERMAN BILLETS FOR GI'S HIT

(By Harry B. Ellis)

BONN.—"Terrible concern" were the words used by Secretary of the Army Robert F. Froehlke to describe his reaction to housing conditions endured by many American troops in Germany.

Low-ranking enlisted men with families were forced to live on the German economy, Mr. Froehlke said, at rents they could not afford. Single soldiers "in too many areas" live in unsuitable barracks.

He welcomed the intention of the West German Government to donate millions of dollars over the next three years to renovate American-used facilities.

But Mr. Froehlke offered no immediate solution to the overall housing problem beyond pledging that its improvement had become one of his top priorities.

The newly appointed secretary was making an inspection tour of U.S. army posts in Europe, to learn at first-hand the problems faced by Gen. Michael S. Davison, Seventh Army commander, and the men in his command.

HOUSING AT TOP OF LIST

Mr. Froehlke appeared to rank poor housing at the top of the list of factors destructive to the morale of Seventh Army troops.

He stressed also the race problem, but praised the efforts of General Davison, a newcomer to the Seventh Army command, to devise imaginative ways to bring black and white soldiers together.

The general, among other things, has created a suggestion box, to which any soldier can write and be assured that his query will be read by the commander. The soldier then receives an answer from the general. Key letters and answers are printed in "The Stars and Stripes."

Mr. Froehlke expressed gratitude that no one to whom he had spoken had tried to hide problems, but had brought them into the open. This, he felt, was the first step toward solution.

MORALE BUILDING NEEDED

Following talks with hundreds of officers and men, the secretary would go back to Washington, "reread my notes," and work toward solutions.

He was cautious in answering a reporter's question, whether the Seventh Army had slumped so badly that no longer was it combat ready.

"Under the circumstances," Mr. Froehlke replied, he felt the Seventh Army was reasonably ready" to withstand aggression, though much needed to be done to raise morale.

Repeatedly he praised General Davison as a leader able to effect morale and technical improvements. This praise is echoed by observers who have watched the general's vigorous efforts to establish contact with his men.

Many soldiers, Mr. Froehlke said, had told him their work lacked challenge. Others ignored opportunities to mingle with Germans and showed little understanding of why they were stationed in Europe.

Mr. Froehlke deplored racial discrimination shown by some German landlords, innkeepers, and others toward black Americans, but said there was little the Army could do "in a legal sense" to lessen this.

[From the CONGRESSIONAL RECORD, Nov. 9, 1971]

HESSEN NATO SOCIAL DEMOCRATIC PARTY IN WEST GERMANY CALLS FOR A REPUDIATION OF THE DEFENSE PARTNERSHIP WITH THE UNITED STATES

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, it has come to my attention this week that the Social Democrats in West Germany are taking the next logical step in the implementation of the Brandt government's policy in Eastern Europe. A news report of the recent meeting of the Hessen Social Democratic Party in West Germany announced the Hessen party's demand for the adoption by the Social Democratic Party at the national party meeting to be held later this month, of a resolution which, in effect, calls for a complete repudiation of the defense partnership with the United States.

Specifically, the suggested resolution demands the following:

First. Reduction in defense expenditures of the Federal Government in Germany.

Second. Complete cessation of offset payments to the United States for the stationing of U.S. troops in West Germany.

Third. Utilization of the funds obtained by these reductions for cultural and other developments in West Germany.

Surely, the Hessen party must realize the disastrous effects such a position, if taken, would have on the security of Europe at a time when the Soviet Union is engaged in a massive arms buildup. I shudder to think what could happen if such a policy were adopted. However, aside from the dangers inherent in pursuing such a policy of appeasement, I personally resent the unprecedented vituperation and slander leveled against the United States by the Hessen party. At its meeting, the Hessen party stated that—

The United States keeps its troops in the Federal Republic of Germany not for the defense of the population but and only for the defense of its own interest as a world power.

And that "the United States supports fascists regimes in Greece, Spain, and Portugal" and thus "helps the suppression of Greek and Spanish nations as well as the exploitation of the third world." Of course, none of these statements or the inferences made in them could be further from the truth, and the Hessen party should know as much.

The Hessen party is convinced that "only by the decisive reduction in armament expenditures can the new German peace policy become credible."

In continuation of their "peace policies," they have also demanded the creation of a commission for a strategy of disarmament. This commission would prepare plans for the 1973 political campaign and for the strategic forces of West Germany with the view toward reducing the armaments and the size of the German armed forces. These plans of the Social Democrats appear to coincide with Brandt's Ostpolitik. Unfortunately, they also appear aimed at reducing American influences in Western Europe and potentially enhancing the Soviet position there.

I hope that Chancellor Brandt will renounce the irresponsible statements made by members of his own party and reassure the West in a clear-cut statement that he wants to prevent the further disintegration of Western defense policies in the center of Europe. Such a statement by Brandt would go a long way in advancing the cause of real peace in the world.

[From the Washington Daily News, Nov. 12, 1971]

MONEY SPLITS NATO RANKS

BRUSSELS.—America's European allies will refuse next month to start paying more for their own defense, a high NATO official said today.

"The Europeans are going to be unwilling and, in some cases, unable to meet the demands," the NATO official said.

The topics of more money from NATO members and the possibility of East-West

XUM

troop cuts will dominate the Dec. 8 meeting of NATO defense and foreign ministers.

American requests for more money led last year to the European defense improvement program, under which nine European NATO members promised $1 billion for improvements in communications and air base facilities.

"But the Americans don't see this as the end of the road," a NATO official said. "The Europeans can rightly point out their program is spread over five years and they will consider a new program at the end of that period."

"For the Americans, this is not enough" he said. "There has been great progress in the improvement program—altho some countries cannot find the money to pay for it—but at the same time the national defense of many countries is falling way behind. The notable exceptions are Britain and West Germany."

Improvements in the quality and strength of the 300,000 American troops in Europe have been helped by the withdrawal of troops from Vietnam. The U.S. units in Europe are now at 90 per cent of full strength.

"Even so, the Americans are going to be under great pressure in the next year to withdraw at least some troops from Europe," the NATO official said.

ELECTION YEAR

"President Nixon's promise to make no U.S. cuts without equivalent Warsaw Pact cuts is going to come under attack in an election year," he said.

"The possibility of talks with Russia on mutual troop cuts has led to a reluctance in Europe to consider new force improvements. But the longer Russia delays such talks, the more chance it has of getting U.S. troop cuts without having to make any concessions," the NATO official said.

"The pressure is going to come at the wrong time. The U.S. trade and monetary measures—which look like they will continue for some time—are counter-productive. The only thing we can hope for is qualitative improvements in training and weapons systems," the NATO official said. "But again this needs money, and the money is simply not available."

[From the Los Angeles (Calif.) Times, Nov. 9, 1971]

AMERICA'S COMMITMENT TO NATO

President Nixon, from his first term in Congress, has been an advocate of a strong American commitment to Europe. One of his first acts after moving into the White House was to tour the Western European capitals to affirm American intentions to maintain close ties with the allies. He has opposed congressional moves to cut the American commitment to the North Atlantic Treaty Organization.

This posture has not always been persuasive to the Atlantic allies. They continue to fear a retreat into isolation by America. And now, quite unnecessarily, the President has given cause for a new wave of doubts.

Robert Ellsworth resigned last June as U.S. ambassador to NATO. The post has been vacant ever since.

Embassy business goes along with or without an ambassador. The regular staff is there. George Vest, an experienced and competent career officer, is handling the business of the U.S. government.

But the empty office has a symbolic meaning. It signals to the Atlantic allies a preoccupation in the White House with other priorities.

This is hardly the time to leave any doubt about the priority of America's commitment to NATO. In the perspective of national security, if not of newspaper headlines the routine at NATO headquarters outweighs the initiatives with China. The American role in NATO is all the more important at this moment when the prospect of detente in Europe offers the temptation to take risks in the military defense. There are pressing problems, including strategy for negotiations with the Soviet Union on a mutual and balanced reduction of forces, and planning for a European security conference which could come as soon as next year.

[From Stars and Stripes, Nov. 9, 1971]

USAREUR "SLUM BARRACKS" MAY BE ON WAY OUT

(By Otto Doelling)

FRANKFURT.—"This is a slum," a U.S. Army major said, pointing an accusing finger at a moldering barrack. "I'm not saying it is. But that's what the troops are calling it."

Throughout West Germany, American troops by the thousands are living in slum-like conditions because funds needed to rehabilitate barracks have been diverted to fighting the war in Vietnam.

Sixty per cent of the 230 U.S. Army posts in West Germany are rated substandard. Walls are peeling, plaster cracking, pipes leaking, toilets backing up, heating breaking down and electrical wiring tearing.

"When you see the conditions under which our troops live and then go across the street and see the fine barracks German soldiers have, you begin to wonder who lost the war," a high-ranking American staff officer said.

West German Defense Minister Helmut Schmidt has been having similar thoughts. He has said it is intolerable that American troops in Germany should live in poorer conditions than German troops.

Schmidt is offering for the first time to give the United States "several hundred million marks a year" to improve the living conditions of American troops in Germany. The money would be part of a package agreement now under negotiations between Bonn and Washington. It involves West Germany's offsetting the foreign exchange costs of stationing U.S. forces on its territory.

The Schmidt offer would mean a welcomed boost to the Army's recently intensified barracks improvement program, which includes the complete gutting of buildings and their reconstruction from stem to stern.

U.S. Army engineers estimate they would need about $225 million to bring barracks up to par. Last year, a total of $40 million was budgeted by the U.S. Defense Department for barracks improvement in West Germany. Half went to the stem-to-stern programs.

With dollars scarce, the Army has been trying to keep pace with the decay through self-help programs. The Army supplies the material and the men themselves do minor repairs and repainting.

If West Germany begins paying the costs of repairing American troop billets, it would relieve Army engineers of the necessity of planning improvement projects with one eye cocked on the U.S. Congress, which has been supplying the funds.

"The political atmosphere is such that no one will say how long we'll be in Germany," Col. Louis W. Dornbush said. "We've been here more than 25 years now, but only one year at a time. As a result future planning has been rather slow."

Dornbush is top Army engineer of the Hesse district, which stretches from the Rhine River to the East German border.

Among the posts Dornbush is charged with maintaining is the Schloss Casern in Butzbach, which dates back to 1608.

The colonel held up a termite-eaten board taken from the Butzbach post and said, "The Hessians lived there who fought in the Revolutionary War."

Other posts in the area date back to the last century and many are of 1930 vintage.

While the victors took the spoils, the West German armed forces built new barracks when they were formed in the 1950s.

The accelerating decay of American barracks has caused morale problems.

Maj. Vernon D. Thompson, the Frankfurt facilities engineer, commented:

If you were a soldier and were pulled out of your home into the army, if you were used to a certain standard of living and put into barracks dating back to 1896 and if you came into billets where latrines had urine coming out of the walls and toilets backing up on the floors, if you walked into bleak rooms . . . I think that you would be deeply depressed."

Thompson showed a newsman a latrine at Edwards Casern on the outskirts of Frankfurt. The mortar was crumbling from the cracked walls, light fixtures were cracked, some faucets didn't work and others that did poured water through drains directly onto the floor.

"Would you believe it if I told you this latrine is better than average?" Thompson remarked.

[From the Washington Star, Nov. 17, 1971]

SO MANY CHIEFS, SO FEW INDIANS

(By Frank Getlein)

A body of ethnic jokes so venerable they never were even considered ethnic was the collection of stories about Pat and Mike. The two Irish immigrants usually were found "walking down Broadway" as the story opened, but occasionally they turned up elsewhere, even at work.

In one, Pat was digging a ditch while Mike was sitting on the ground above. The digger asked the sitter to join him in the pick-and-shoveling, but Mike, alluding to the value of supervisory brains in any enterprise, explained to Pat: "One man up here, overseeing the works, is worth 10 men down there, shoveling up the dirt."

Whereupon, Pat climbed out of the ditch, sat down with his chum and said with satisfaction: "By golly, Mike, now we've got 20 of us down there, we'll be done in no time."

What's good enough for Pat and Mike has now become good enough for the Army, the Navy and the Air Force, according to figures released last week by the House Appropriations Committee.

Over in the Pentagon, at posts around the world and on all the ships at sea, the celebrated "winding down" process has meant more and more general officers and field-grade officers up on the edge of the ditch, wielding their mighty brains, and fewer and fewer junior officers and enlisted men down there shoveling the stuff out.

Making comparisons with the closing days of World War II, when the American armed forces were at their all-time peak strength, the committee found that in 1945 there were 38 four-star generals and admirals; 26 years later there were 45, a gain of 7. Three-star general officers in June 1945 numbered 101 and now number 145, an even more striking advance.

The comparisons in the field grades are the same, if not worse. As against a drop of 900,000 in the number of officers of all ranks since the height of World War II, there has been a gain of 6,000 in the number of middle-management colonels and Navy captains and commanders.

The committee also made some comparisons between the peak officer strength during the Korean War and that strength during today's "winding down." During Korea, to supervise 3.6 million men in uniform, the services needed 190 fewer generals and admirals than are now required to oversee a force of 2.7 million. Likewise, there are now 16,000 more middle-level, field-grade officers than at the height of Korea with a million more men then under arms.

No doubt, the cheaply cynical would draw from these comparative figures the conclusion that our field-grade and general officers are getting less competent as the years go by, since it requires more and more of them to supervise fewer and fewer men.

Fortunately, most of us are not that cynical and will instead conclude, along with Pat and Mike, that this growing increase in the number of chiefs in the face of a shrinking

of the number of Indians is another example of military efficiency at its finest.

The same efficiency has brought about a bombing of Vietnam vastly increased over our bombing of Germany and Japan back in World War II. Since, as we know, victory is achieved through air power, our victory in 'Nam is twice as solid as our victory in World War II. This is attested by the fact that we have now, according to our own reliable body counts, killed every person of military age in North Vietnam 2½ times and are working on doing it three times.

That's the kind of gratifying results you can expect when you get more and more supervisors up out of the ditch, and fewer and fewer dirty old diggers cluttering the place up with their shovels.

There is great hope for mankind in the figures released by the House Appropriations Committee. Drawing upon the art of statistical analysis, we can easily project two basic graph lines, one of increase in the number of big shots, one of decrease in the number of little shots.

Once we have determined the actual rates of increase and decrease respectively, it will be simple to forecast a date by which everyone in the Army will be a colonel or a general, everyone in the Navy an admiral or a captain.

Since we know from folk wisdom that most of the shooting in shooting wars tends to get done by little shots, on that happy day peace will be achieved at last.

Or, Pat and Mike were walking around the Pentagon. . . .

[From the New York Times, Nov. 15, 1971]

BRITISH PLANNING BIGGER NATO FORCE

(By Drew Middleton)

LONDON, November 14.—Britain has begun a defense program aimed at strengthening North Atlantic alliance forces.

Official sources said the reinforcement was in addition to Britain's contribution to the European Defense Improvement Program instituted last November by Eurogroup, comprising 10 European members of the North Atlantic Treaty Organization.

Eurogroup met in Brussels Friday and, after reviewing the first year of the Defense Improvement Program, found progress "generally satisfactory," NATO officials said.

According to Lord Carrington, Minister of Defense, Britain will:

Place orders for two guided-missile destroyers, four frigates and a number of support vessels and smaller craft in an acceleration of the naval-construction program.

Expand into full battalions, of about 800 men each, four infantry units that have been maintained at company strength.

Add one squadron of Buckcaneer strike aircraft to the Royal Air Force.

A $260 MILLION COST

The program is expected to add more than $260-million to defense costs over the next three years, an official said.

The Government sees the program as a "constructive contribution" to a program adopted by NATO a year ago and "in particular to the collective European effort within that program."

Eurogroup defense ministers are sensitive to United States charges that European members of the alliance are not following through on their promises of a year ago to improve the quality and quantity of defense contributions.

Secretary of Defense Melvin R. Laird made it clear when he visited Brussels last month that he did not think the European members were doing enough. Their efforts are being contrasted in military circles with recent reinforcements of United States Army, Navy and Air Force units in Europe.

U.S. FORCE AT 310,000

According to American officials, these forces are now at 99.2 per cent of war strength and the total American force in Europe has been increased from 300,000 to 310,000 men.

The British program is part of the Government's answer to American criticism in the Administration and Congress. The overall European answer will be made Dec. 7, when the Euro-group meets again in Brussels to present additional defense efforts for the coming year.

Eurogroup is made up of the Defense Ministers of Britain, West Germany, Italy, Netherlands, Belgium, Luxembourg, Norway, Denmark, Greece and Turkey. France, which is not a military member of NATO, Iceland, which has no defense forces, and Portugal, most of whose forces are tied up in African anti-insurgency warfare, are not members.

The acceleration of the British naval program is a response, high officials said, to the growing number of new vessels, particularly submarines, in the Soviet Navy. Recent NATO reports have emphasized the necessity of modernizing naval antisubmarine and surveillance forces.

"Britain is fully aware," a high official said, "that unless the North Atlantic can be kept reasonably clear of submarines in the event of war, there's no use talking about American reinforcement."

A recent upsurge in recruiting for Britain's volunteer army has made possible the additions to the army's strength.

ULSTER CRISIS INVOLVED

Four additional battalions "doesn't sound like much by World War II standards," a British general conceded. But, he pointed out, "given present standards of infantry armament" a modern battalion "approximates the hitting ability of a brigade in 1945."

The four battalions will ease the pressure on the British Army of the Rhine in Germany arising from the demands made by the crisis in Northern Ireland, officials said.

Officials at the alliance headquarters in Brussels agreed that it was too early to say how much more could be done by European powers to reinforce Western defense.

According to reports reaching that headquarters, however, there is a general feeling that "something will have to be done" because most European defense and foreign ministries believe that the United States intends to carry out some form of military disengagement in Central Europe in the next two years.

"Force levels among European countries should and must go up," a NATO official said. "It's an illusion to think they're spending excessively on defense."

SCHOOL FINANCING

Mr. CRANSTON. Mr. President, on November 13 I addressed the California Teachers' Association meeting in Los Angeles. CTA is among the most vital education organizations in the country. As Senator from California, I am proud of the excellent work they are doing.

I took the opportunity to share with these educational leaders some thoughts on providing equal educational opportunity through equitable school finance and other means. Here in the Senate, the Select Committee on Equal Educational Opportunity chaired by Senator MONDALE, and the Education Subcommittee headed by Senator PELL, are holding hearings on school finance and its implications for the Nation's schoolchildren. I want to add my own thoughts to this important dialog.

I ask unanimous consent that my remarks to the California Teachers' Association be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF SENATOR ALAN CRANSTON

In recent days two Senate committees, and many members of Congress, have addressed themselves with urgency to the financial plight of the Nation's schools.

No dialogue could be more timely.

The recent California court decision, calling the State's system of financing education discriminatory and unfair, has sparked an atmosphere of fresh thinking and—I hope—action.

It could be the best thing that has happened to school in years.

It could also be among the worst—if we in the Congress, and at other levels of Government, don't grasp the hint that something is terribly, desperately wrong.

"Reform" is always nipping at the heels of education.

That's as it ought to be. "Education" and "change" cannot be divorced.

But as you well know, talking and doing are two different things.

It's high time the Congress huddled with State and local governments, and with you, to turn the dialogue about school finance into a program for national action.

What's at stake here is equal—and, hopefully, excellent—educational opportunity for all our Nation's children.

To fail the challenge is to fail the millions of bright young minds that are our present hope and represent all our future prospects.

The school finance crisis has been brought close to me in a number of ways—none more forceful than a letter I received from the East Whittier City school district here in California.

It had been mailed to parents and citizens of the district to announce budget cuts for this school year—cuts made necessary by higher costs and reduced income.

Listen to some of the programs cut this school district was forced to make: Eliminate transportation services—for all except the handicapped; stop all food services; eliminate two nurses, leaving only three to serve sixteen schools; drop elementary school music; eliminate one psychologist position; reduce noon duty assistants; trim clerical assistance in all elementary schools; reduce capital outlay and repair of buildings; stop replacing audiovisual equipment; eliminate district-financed reading specialists; and borrow nine hundred thousand dollars to meet payrolls through December, due to inadequate cash flow and reduced reserves.

These abandoned services could hardly be called educational "frills."

Elimination of food services means some children won't eat.

Three nurses serving sixteen schools does not constitute an adequate health program. The financial crisis facing this school district is not isolated and unusual.

It's just the tip of a national iceberg.

Schools all over the country are trimming services, cutting schedules even cancelling days, weeks, and months of the school year.

Why this disastrous trend?

This year, we will spend eighty-five billion dollars for all educational goods and services.

To educate our sixty and two-tenths million American students we devote about eight percent of our yearly Gross National Product.

Sounds like a lot.

Is it enough to do the job?

No!

The best estimate I've seen of what it will take to bring all our schools, rural and urban, to the level of our better suburban systems is an additional thirty-five billion dollars a year.

That thirty-five billion dollar measure came from a task force appointed by the Nixon Administration. It was also ignored by the Nixon administration.

The task force was expertly headed by California's own Wilson A. Riles.

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The Riles report said that the forty-eight and eight-tenths billion dollars projected for public elementary and secondary financing this year should be closer to eighty-four billion dollars, if we are to accomplish even the minimum goals we have set.

Actually, sadly, schools are now being forced to trim, cut back, or close.

If we look at where school monies now originate, we can see a major source of the problem.

More than ninety-two percent of the cost of public elementary and secondary education falls on local and state governments.

For the fiscal year just ended, local governments paid fifty-one and eight-tenths percent; the States paid forty and nine-tenths percent; and just seven and two-tenths percent came from the Federal Government.

Taken together, the rising costs of education, and a greatly increased burden on the local property tax, make it virtually impossible for the local taxpayer to pay more or even maintain present rates.

The demands are inequitable.

So are the results.

The real thrust of the California court decision was that differences among tax bases in school districts are so great that equal educational opportunity is *not* provided and *cannot be* provided.

The resulting inequities, the court said, constitute a violation of the Fourteenth Amendment.

Let me be quick to note that an equal provision of monies among schools is not the whole answer to equal educational opportunity.

Of all educators, perhaps teachers know that best.

Daily in the classrooms you face uneven learning rates; differences in family and social backgrounds; variations, for one reason or another, in abilities and past learning achievements.

All of these are important factors in charting equity.

But of the things that can be done to provide an equal starting point for a child's education, provision of money and services is among the most important.

And on this point, we're failing—badly.

The President's commission on school finance is about to release a study on spending comparability among school districts across the country. Some preliminary statistics, recently published in the press, are astounding.

Over the 50 states, comparing highest and lowest spending districts, the minimum variation is 43 percent.

Most states vary 200 to 600 percent.

In California, some districts are spending four times as much per pupil as other districts. And in Wyoming, the highest per-pupil expenditure is fourteen-thousand, five hundred fifty-four dollars—compared to a low in one district of six-hundred and eighteen dollars.

That's a variation of 2,255 percent within one state.

As the national educational finance project says: "One seldom finds superior quality at a low cost, except in very unusual circumstances. This logic of the market place is applicable to school expenditures. Although there are no doubt schools with high costs and poor quality, it is difficult to find high quality at a low cost."

Obviously, if spending comparability has anything to do with equality of educational opportunity, some of our children are being cruelly and unconstitutionally cheated.

And so are the teachers and administrators that serve them—not to mention the rest of America.

Aid from the Federal Government to reduce these inequities has been long-recognized as essential.

As far back as 1933 the national commission on the financing of education concluded, "Just as there are inequalities in ability to support schools within a State, so there is variation in ability to support schools among the states themselves. Children suffer the denial of educational opportunity because of these inequities. This situation, can be remedied only when a larger proportion of the school revenue comes from the nation as a whole."

I am deeply disturbed that, twenty-eight years later, we are reaching the same conclusion all over again.

When will we act?

We can start by reordering our present set of Federal spending priorities—now which unfair to children, teachers, and to American education across the board.

In the last school year, Federal expenditures for defense alone were over seventy-five billion dollars.

Yet Federal spending for education was estimated at four and four-tenths billion dollars, or seven percent of the national cost.

The National Education Association points out that the cost of the antiballistic missile system alone—twelve billion dollars—could pay almost one-third of the basic cost of public education.

The cost of producing the F–111 plane exceeded the total 1970 budget of the U.S. Office of Education.

So far, the Vietnam war has cost us one-hundred twenty billion dollars.

Estimates I've seen, from reliable sources, of the total we'll pay for it when the final bill is in many years hence, range from four-hundred billion dollars to one trillion dollars.

Does a trillion sound out of this world?

Since World War II, the U.S. has spent one trillion, one-hundred billion dollars on arms and war.

Right now, of all the taxes you and I pay, knowingly and unknowingly, direct and indirectly, to all levels of government, forty-six cents out of every single tax dollar is consumed not by education, not by health, not by welfare, not by farm subsidies, but by one sole cost: the cost of war.

Over the years, the effect of each war on the cost of our Government has been incredible.

The Federal Government spent more in four years of civil war than it spent in all its previous years of existence.

It spent more in two years of World War I than in all its previous years of existence.

It spent more in four years of World War II than in all its previous years of existence.

In this single year of 1971, still in Vietnam, and deep in the arms race, we will spend more on our Government than in all the years between 1789 and 1941.

Wars have another remarkable monetary trait.

They permanently increase the cost of Government, and hence our tax burden.

Listen to the figures on the per capita cost of the Federal Government, before and after war:

Civil War: before, $2.59; after, $6.82.
World War I: before, $8; after, $32.
World War II: before, $64; after, $261.
Korea: before, $272; after, $434.
Vietnam: before, $617; now, the war still on, $957.

The present high level of defense spending produces a devastating effect in areas of great social need like education.

What purpose can such spending possibly serve if we don't do much, much more to insure that we have a nation all citizens deem worth defending?

We simply have to give the growing needs of our schools a higher priority in the Federal budget.

Until we do, equal education opportunity will move farther and farther from our grasp.

I believe we're on the threshold of a new and more productive Federal role in education.

The present dilemma of the schools is simply too clear and too alarming for most Members of Congress to ignore.

The press for a Federal program of general aid to the Nation's schools is growing. Through these and other proposals we can begin to unravel some difficult problems.

I strongly back the demand for more Federal monies to the schools.

I will support the most comprehensive and equitable general aid proposal we can devise.

I expect to sponsor such a bill.

But I believe we should be wary of programs that simply perpetuate the very inequities we are trying to cure.

For this reason, I am concerned about the number of general school aid proposals now in the Congress that call for phasing out categorical aid programs as a condition for general aid.

I think this is unrealistic and unfair.

At the Federal level, we have made strategic, specific commitments: Programs for the disadvantaged; personnel investment programs, such as the Education Professions Development Act; expansion of library services across the country; and major efforts in still-neglected areas such as bilingual education, to name just a few.

Some view these categorical commitments as a tangle of Federal strings that hamper educational progress, skirt local control, and force school administrators, as well as teachers, into a marathon of "grantsmanship."

These are reasonable criticisms.

But they can be resolved. They must be resolved.

First, we must remember that present categorical programs constitute less than ten percent of U.S. Office of Education programs.

The remaining ninety percent are formula grants, over which the office has little control.

Second, recent advances in American education are in many instances due to the specific provision of funds and services to meet needs clearly in the national interest but beyond the ability of communities and States to finance.

Moreover, in making these commitments, the Congress recognized that American education needs now, perhaps more than ever, a coalition of advanced ideas.

We need dissemination programs clearly beyond the ability of the States to mount.

We need a nationwide emphasis on early childhood programs. We need special programs for blighted urban areas.

I emphasize the word "national." Because I think this is the key to what categorical programs are all about.

If there is one role the Federal Government can perform better than any other unit, it is that of an ombudsman for equal educational opportunity for every man, woman, and child across the country.

We are a highly mobile people.

The average American family moves every five years.

We are long past the day when a family could expect to start its children in the early grades and see them through their secondary education within a single school district, or a single town, or a single State.

We are long past the day when you, as teachers, could reasonably expect to start and end your teaching career in one geographical location, even a broad one.

I think that says a great deal about the role the Federal Government must play.

If an American family moves from California to New York, from Delaware to Ohio, from Colorado to Mississippi—they should have nothing short of a Federal guarantee that their children will enter schools of no less quality than those they left behind.

The same should be true for families who move from rural to urban schools, from urban to rural schools, from one school district to another within the same county or state, or simply from one school to another.

This is basic to equal educational opportunity. We have not yet achieved it. To do so will require a fresh and helpful role for the Federal Government.

We must see to it that different needs among schools and students are answered through aid programs that recognize those needs and meet them.

This kind of overview and constant adjustment is essential if we are to reorder our educational priorities as the Nation changes.

We have only begun to provide this vantage point and we must broaden it.

I am convinced that no program of general school aid, no matter how large or well-intentioned, can enliven and enrich classroom education unless it is recognized that special programs are essential to meet specific needs.

And the more complex our Nation becomes, the more varied and changing those needs will be.

You know my feeling that sheer provision of Federal funds won't provide true equal educational opportunity.

Far more is needed in terms of talent, ideas, and solidarity of purpose.

You who are here represent one of the most important, vital, valuable resources American education possesses, the teachers of California and of our country.

To attempt broad changes in what we do in education without your help and advice seems to be common.

It is also absurd.

I could guess that if you were to isolate a single word bandied about in education that seems particularly scarey, it might be "innovation."

It's not that you don't want it.

It's just that you have a rather basic right to know what it means.

It is, after all, apt to be lurking in a corner of your classroom on any given day, daring you to cope with it.

If those of us at the Federal level would ask you, I think you might have a few things to say—not about abolishing change or chasing away innovation, but about how we might help you with the most difficult task of all: translating educational theory into classroom action.

Yet I fear you are being left farther and farther behind in the Federal decision-making process.

The other day Donald E. Morrison, a fellow Californian and head of the National Education Association asked the commissioner of education for a survey of teacher representation on U.S.O.E. advisory councils. There are approximately 30 such councils serving the Office of Education.

Commissioner Marland found that of the 540 persons serving on the councils, only 29 are classroom teachers. The commissioner also found that teachers are especially scarce on the major policy councils.

Dr. Marland reacted quickly and decisively by announcing he will fill four current council vacancies with teachers.

I commend his action.

But I feel we have to do better.

I believe it is the responsibility of every Federal official and Member of Congress to see to it that where educational policy is shaped, where the Federal influence is exercised, teachers are involved to the fullest possible extent.

This is the only way we can create policy and programs that make sense for you.

And if they don't make sense for you, they won't make sense for your students.

A moment ago I said some things about the importance of equality of educational opportunity. I want to make sure you know what I mean; how I think you share in this; and what you can do to make it happen.

I believe that equal educational opportunity means that children in every quarter of the Nation, from whatever background or ethnic origin, should have equal means to assure an equal chance at achieving individual goals.

It does not mean that we are educating our children to be identical cogs in society's machinery.

It does mean that the task of the school is to equalize opportunities among differing social groupings by the end of the compulsory schooling period.

To do this will require a number of things.

One of the most important will be more and more good teachers, encouraged to develop their interests and talents, and free to move about the country unhampered by penalties for mobility.

As you know, that isn't possible now.

When you move across State lines, retirement benefits don't go with you.

And sadly enough, even if you stay in one State you risk the loss of your benefits if your Governor can't keep his books straight.

We've got to change that.

That is why I have cosponsored the Mobile Teachers Retirement Assistance Act.

It is indispensible to equal educational opportunity.

If passed by the Congress, it will set up a Federal incentive program for the States to improve their teacher retirement programs; put them on a sound fiscal basis; establish safeguards to protect your money; and let you carry your retirement benefits wherever you might go to teach.

This legislation is important not only to you but to the full spectrum of American education.

Equality of educational opportunity applies as much to teaching careers as it does to student learning.

They can't be separated.

This brings me to your role in the political process and how you can help bring about some of the changes that are needed.

I see the teachers of America as a potentially powerful group of lobbyists in the public interest.

I hope you will become so, individually and collectively, if you are not already active.

Your presence in this room indicates that you are already doing a good deal.

The growing role of the CTA in political action is even more important than perhaps you realize.

There are 535 Members of Congress, plus your own State legislators, who need your advice and your help.

Enormous tasks for education face all of us.

They cannot be accomplished without a spirit of cooperation and consensus of purpose.

Where we are going—why, and how—are questions that cannot—should not—be decided without you.

And that means political action.

Teachers, parents, and school administrators who have taken the time to talk to the Congress have had a tremendous effect upon Federal policy in the past few years.

Your voices have overriden two Presidential vetoes of Federal education appropriations.

The information and ideas you have provided have brought more and more Members of Congress around to thinking that education should be a higher priority. Thanks to you, if they don't know that now, they will know it more each alternate November.

That's an essential part of your job as educational leaders.

I urge you to continue to build on the splendid base you now have within CTA.

It's an important battle. It is a contest that will shape what our policies for education, and funding for education, will be.

You have won in the past and you can win again. But the real winners will be the kids.

And as long as you are their vocal, political champions, they will not lose.

DEVALUATION OF DOLLAR BY CHANGE IN PRICE OF GOLD

Mr. BROCK. Mr. President, on October 14, 1971, Dr. N. R. Danielian, president of the International Economic Policy Association, testified before the Committee on Finance on the President's Economic program. Of particular significance is Dr. Danielian's discussion of the question of devaluing the dollar by a change in the price of gold.

Dr. Danielian warns that we should not accept an increase in the price of gold in addition to dropping the 10-percent surcharge, to get some revaluations of other currencies. He points out that the gold producers and hoarders would be rewarded at the expense of the American taxpayer. They have probably $50 billion, both public and private, whereas we have only $10 billion. Thus an increase in the gold price would be 5 to 1 against us.

In addition, Dr. Danielian feels that it would be well to know if we have "gold content" guarantees in various swap arrangements and "offset" paper such as "Roosa" type bonds. Such information in the "fine print" of Treasury and Federal Reserve obligations is not readily available to the public. It should be made available to Congress. According to Dr. Danielian, any gold price increase would up these obligations. Our capital subscriptions to international financial institutions, such as the World Bank, involve maintenance of value guarantees in terms of gold.

I feel that Dr. Danielian's views are imaginative and particularly valuable because of his extensive experience and background in international finance. I ask unanimous consent that his statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ORAL PRESENTATION BY DR. N. R. DANIELIAN

I would like to have your permission to place my full statement in the record and highlight its salient points.

We support the President's program as submitted to Congress, with certain further suggestions of our own.

With respect to the investment tax credit, we approve the 7 percent allowed in the House bill, but would respectfully suggest the restoration of the 10 percent credit for the first year in order to give a particular stimulus to investments in the immediate future.

The repeal of the automobile excise tax is desirable at this time. It would redress a serious cost disadvantage of the domestic producers and offset the large contribution that imports of passenger cars and parts have been making to our balance of payments deficits. In 1970 this was $2.8 billion, and it was running at a $3.7 billion annual rate up to June 30 of this year. The elimination of the excise tax, the adoption of the 10 percent surcharge on imports, and the investment tax credit should go a long way to redress this imbalance.

On the DISC proposal, we support the Administration's recommendations with certain amendments, but have reservations on the changes made in the House. The House version tries to limit the advantages of DISC to incremental exports. This is not practical. All it will do is encourage new and untried ventures, which most likely will take business away from established exporters who have done so much in the past to main-

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tain our export position. We suggest, therefore, that the Committee restore the Administration's proposal.

We are in favor of expanding the concept of DISC to include service industries. The House of Representatives included among qualified export receipts engineering and construction services. We suggest very strongly that this principle should also be extended by amendment to cover travel and tourism, including equipment used in bringing foreign tourists to the United States. Our deficit on tourist account is still $2 billion a year. It is better to deal with this problem, not by restricting the right of Americans to travel abroad, but by giving incentives to encourage foreigners to visit the United States. I suggest, therefore, in section 993(a)(1) of H.R. 10947 on "Qualified Export Receipts," a new subsection (I) as follows: "Gross receipts from the performance of tourist and travel services for foreign visitors to and within the United States not in excess of the foreign exchange earnings of such services."

In addition to these measures, we would recommend that the Internal Revenue Code be amended to permit repatriation of earnings from abroad for eligible investments in the United States without immediately incurring tax liabilities under the constructive dividend concept. This will probably bring more funds back to the United States than will all the bureaucratic red tape of OFDI. It will also create jobs here in this country.

Mr. Chairman, this Committee will remember that over the past decade our organization has warned, before this Committee as well as others, that if we persisted along the policy lines of the post-war era and ignored the balance of payments effects of those policies, we would have a crisis and something would have to give—the value of the dollar, or liberal trade policy, or foreign aid, or military expenditures abroad. All four of these things have now happened. IMF and GATT are in disarray. The dollar has depreciated in world markets, we are forced to cut foreign aid and retreat from our world-wide commitments. Those who recently recommended benign neglect must now have second thoughts.

The danger that we confront is of two kinds: on the one hand, a retreat into a self-contained, autarchic, fortress American economic and military nationalism; and on the other hand, continued complacency and repetition of old mistakes.

Most of us would have preferred that the measures undertaken on August 15 would not have been necessary; but they were necessary and the President must be commended for the courage he showed in undertaking them.

S. 2591, which is before this Committee, raises the first danger. With respect to the second danger, there are already voices in the country who would like to force the President to give up the 10 percent surcharge merely in exchange for revaluation of other currencies abroad. If we settle for so little, without changing other policies, we could have another crisis within the decade.

Our studies indicate that a revaluation of a few selected foreign currencies in terms of dollars by 10 or even 15 percent would not redress our trade position and would simply increase the dollar cost of our military expenditures. The deterioration of our trade position is due to cost differentials higher than any contemplated currency revaluations; but more importantly, the causes are not price sensitive, such as the EEC Common Agricultural Policy, the Japanese reluctance to import our manufactured goods, and the evolution of common markets, which by their very nature discriminate against us.

We must, therefore, focus on other issues beyond trade and exchange rates. Minimum conditions for more stable arrangements should include: an agreement on access for our agricultural products to foreign markets; an agreement for elimination of non-tariff barriers and border taxes and rebates; an agreement for nondiscriminatory, reciprocal and national treatment of foreign investments, which in the case of the United States is the major breadwinner abroad; and an agreement for a more equitable distribution of the costs of mutual defense. To achieve this last point, we have proposed setting up an International Security Fund to neutralize the balance of payments effects of U.S. troop deployment in NATO. I hope in time this principle can also be extended in the Pacific with our allies, Australia, New Zealand and Japan. Cost sharing in defense is a better alternative than withdrawal of American protection; and, in addition, it will ameliorate our balance of payments deficits and contribute to monetary as well as military stability.

Finally, Mr. Chairman, a word on the international financial crisis itself. The $60 billion in Euro-dollars, much of it created by U.S. deficits, splashes around from country to country for quick speculative gains in exchange rate gyrations or to benefit from interest rate differentials. It is a new factor, and it will not be eliminated by any increase in the price of gold, floating rates, crawling pegs, or currency revaluations. The international financial community faces one of the most important challenges of our time to determine how this huge reservoir of investable funds will be neutralized as a speculative force and guided into worthwhile and productive uses. Private companies borrowing in this market for investment purposes are probably making the best use of these funds. It should be a negotiating posture of the U.S. Government that American companies should not be discriminated against in their access to this market, and that exchange rates agreed upon should be the same for current account as well as capital account transactions.

The question of devaluing the dollar by a change in the price of gold may come to the Congress sooner or later. I hope our negotiators will not accept an increase in the price of gold in addition to dropping the 10 percent surcharge, to get some revaluations of other currencies. That would really be a bad bargain. What will be the actual effects of an increase in the price of gold? We know that the gold producers and hoarders (the Committee knows the countries that are involved) would be rewarded. They have probably $50 billion, both public and private. We have 10 billion. Any increase in the gold price would be 5 to 1 against us. Even beyond this, it would be well to know if we have "gold content" guarantees in various swap arrangements and "offset" paper such as the "Roosa" type bonds. Such information in the "fine print" of Treasury and Federal Reserve obligations, so far as I know, is not available publicly. But it should be available to Congress. Any gold price increase would up these obligations. Our capital subscriptions to international financial institutions, such as the World Bank, involve maintenance of value guarantees in terms of gold.

In short, if the dollar price of gold is raised, the Congress will sooner or later be called on to authorize and appropriate billions of dollars to make good on these commitments. All the arguments in favor of a gold price increase are self-serving for those who have it; but it is of no conceivable benefit to us. If other countries want to raise the price of gold, let them; and then they can merrily exchange gold amongst themselves. We should stay out of it.

Thank you.

U.S. DAIRY INDUSTRY HURT BY PRESIDENT NIXON'S INACTION ON IMPORTS

Mr. HUMPHREY. Mr. President, President Nixon is hurting our domestic dairy industry by not establishing quotas on certain types of cheese which the Tariff Commission recommended be done last summer. He should delay no longer in taking action.

Early this year the President requested the Tariff Commission to make recommendations to him on three import categories of cheese costing 47 cents a pound or more on which there were no quotas. These were swiss, Gruyere-process, and a comprehensive grouping which, for import purposes, is labeled as "other cheese."

It should be pointed out that any of these types of cheese which cost less than 47 cents a pound were limited by import quota, but if the cost was above that amount no quota applied.

I feel the President was right in asking the Tariff Commission to look into this matter. In 1970 there were about 97 million pounds of such cheese imported, of which 41 million was under quota and 56 million was exempt from quota. When the nonquota total exceeded that under quota and the only criteria was whether it cost more or less than 47 cents a review was in order.

On July 28 the Tariff Commission submitted its report to the President. The four Commissioners unanimously recommended that the price break be eliminated and that a single quota be established for each type of cheese, combining that costing under 47 cents with that costing above that figure. They divided evenly—2 to 2—on the level at which such quotas should be set. I might add that much of the dairy industry was not completely satisfied with the quota levels which were recommended, though they are still unanimous in their desire to have these limitations imposed by the President, at such level as he determines to be proper.

Nearly 4 months have passed since the President received the Tariff Commission's recommendations and in my opinion he has had ample time to act. His failure to act is continuing to hurt our Nation's dairy farmers. They are producing adequate milk so that some of this domestic production which is replaced by the continuation of these imports is having to be purchased by the Government.

And as he delays the importers are increasing their shipments of nonquota cheese. Each of the three categories is showing an increase over last year, as follows:

(January–September)

Nonquota types	1970 pounds	1971 pounds	Increase (percent)
Swiss-Emmenthaler	16,444,000	18,519,000	13
-Gruyere-process	6,677,000	7,356,000	10
Other	15,767,000	18,175,000	15
Total	38,888,000	44,050,000	11

President Nixon should delay no longer. He should proceed promptly to implement the recommendations of the Tariff Commission and place import quotas on these items.

ADMINISTRATION GOAL: VETERANS' WELL-BEING

Mr. HANSEN. Mr. President, as a member of the Committee on Veterans' Affairs, I am concerned about recent criticism of the Nixon administration, this time in the area of veterans' benefits. Much ado has been made lately concerning what is supposed to be a very long waiting list for admission to VA hospitals. Let me set the record straight on this subject right now.

This waiting list for admission to a Veterans' Administration hospital consists of veterans who have applied for hospitalization, have been determined to be eligible for and in need of hospital treatment for a disease or disability, but for whom a VA hospital bed is not immediately available.

The list, however, does not include any veteran in need of treatment for a service-connected disease or disability. In service-connected cases, where immediate hospital treatment is required, either a VA bed will be found for the veteran or he will be entered into a non-VA hospital at VA expense. Also, if a veteran's service-connected condition does not require immediate attention, the applicant will be scheduled for VA hospitalization on a definite date.

Furthermore, the waiting list does not include any emergency cases, whether the condition is service-connected or nonservice connected. Such veterans are admitted immediately.

Therefore, the veterans placed on the waiting list are those whose non-service-connected ailments do not require immediate admission to the hospital. The list is maintained in order that such veteran will be admitted in equitable sequence.

The VA hospital system has always had a waiting list. In 1966, during the previous Democratic administration the waiting list was almost 12,000. Since then it has been declining because of improved treatment methods and better staffing ratios, permitting faster turnover of patients.

Quite to the contrary, under the Nixon administration, the waiting list declined to its lowest point in December 1970—2,861—and because VA experience for the year preceding that had been well under 4,000, VA has considered a waiting list of 3000–3500 to be normal.

But most important, veterans and the general public should know that the wounded are cared for in a medical system that is infinitely better than it has ever been. This medical system, which not only cares for the Vietnam veteran but the aging veteran as well, has made tremendous strides since the year 1965, which, incidentally, is the year when there was an attempt by the then Democratic administration to close large numbers of Veterans' Administration hospitals.

Not only has the VA medical care budget doubled since that year but three additional new VA hospitals and two major additions are now nearing completion and a new one is now being planned.

The disabled veteran has the best possible assurance of high quality medical care because he has first call on medical talent that is not only treating every service-disabled veteran but is also treating unprecedented numbers of older and disadvantaged veterans who need care they cannot afford for problems of age or disease not related to service.

These statistics underscore the point that all veterans have a better chance than ever of being treated by VA.

In fiscal year 1971, VA hospitals treated 818,000, of whom less than one-third had service-connected problems. There were 94,507 Vietnam veterans with either non-service-connected or service-connected problems.

In 1965, only 730,000 were treated with about the same ratio of service-connected to non-service-connected cases.

More than 800,000 more outpatient visits were recorded in VA medical facilities during 1971 than during 1965.

Quality of these expanded care programs becomes apparent with information on such yardsticks as the number and quality of staff, ratio of staff to patients, patient turnover rates, and contributions to medical progress.

For example:

MEDICAL STAFF

Medical care employees totaled 151,860 in August of this year, an increase of 11,041 over August 1969. Since the first of this year, 8,100 new medical and paramedical employees were hired including many hard to get psychiatrists. Of the more than 6,000 full-time VA physicians, 43.6 percent are board certified while only 31.3 percent of all U.S. physicians are board certified. In addition to these full-time physicians, the services of the Nation's finest medical educators and physicians are available to VA patients through affiliations with medical schools and medical consulting arrangements. These plus the residents and interns bring VA physician staffing to over 15,000. VA physicians and allied professionals work with over 500 medical schools, universities, nursing schools and colleges

EQUIPMENT AND TREATMENT MODALITIES

Specialized care units increased during the last fiscal year to a total of 800, and an additional 150 are being added this year. These units, part of a continuing modernization program that allows these hospitals to give better care to more patients and restore them to health faster, include 84 nuclear medicine units, 32 for open heart surgery, 64 mental hygiene clinics, 55 cardiac catheterization laboratories, 32 drug treatment centers, 87 intensive and coronary care units, 20 supervoltage units, eight organ transplant units, 95 pulmonary function laboratories and hundreds of others providing the full range of the most modern specialized care for all types of medical problems.

Recent reports that "fully 40 percent of the veterans who apply for hospitalization are turned down" is simply inaccurate. The implication that 40 percent of our veterans who need hospitalization are rejected willy-nilly for budgetary reasons or for a lack of hospital space is untrue.

In an emergency, life-or-death situation, no person—be he a veteran or not—is turned away at a VA hospital. Veterans whose ailments are associated with their military service have absolute priority for immediate admission. Then, under the law, veterans with non-service-connected conditions may be admitted to VA hospitals if they need hospitalization, and cannot pay the cost of hospitalization elsewhere.

Therefore, Mr. President, although the waiting list for VA hospitalization has fluctuated recently and at times risen very moderately, I anticipate that the VA waiting list will very soon be reduced to the normal range. This will be possible because of additional funding by the Congress and an upward revision of the numbers of veterans to be treated on a daily average from 79,000 to 83,000. To reach this new and higher average, the VA will be operating for the period November 1971 through June 1972 at a level about 85,000 per day. This substantial increase will have a marked, favorable impact on the waiting list situation.

I think this discussion shows, Mr. President, that President Nixon and his Administrator of Veterans' Affairs, Don Johnson, intend to provide the best possible medical care for those to whom this country owes so much, our veterans. Far from being criticized, the Nixon administration deserves our highest praise for the priority it has assigned to the well-being of our veterans and the progress which has been made in upgrading and expanding medical services personnel and facilities available to American veterans. This is not to say that there is not room for continued improvement, but it is obvious that improvement of veterans services is the policy of the Nixon administration.

IMPOUNDMENTS AND 75 MILLION AMERICAN CHILDREN

Mr. HUMPHREY. Mr. President, last week the Senate passed amendment No. 601 to H.R. 10947 which calls upon the President to notify the Congress, the Comptroller General and the public when he partially or completely impounds appropriated funds.

I sponsored this amendment because Members of Congress and the public are not being informed when billions of dollars of appropriated tax revenues are not being spent as intended by the Congress.

I want to share a letter I have received from the American Parents Committee, Inc., with my colleagues. In supporting the Federal Impoundment Information amendment, this fine organization briefly discusses how the children of America have often been on the losing end when a President impounds appropriated funds.

Mr. President, I ask unanimous consent that Mrs. Barbara D. McGarry's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

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THE AMERICAN PARENTS COMMITTEE, INC.,
Washington, D.C., November 17, 1971.

Att: Mr. Robert L. Healy.
Re H.R. 10947, Amendment No. 601, Federal Impoundment Information.

Hon. HUBERT H. HUMPHREY,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: On behalf of the American Parents Committee, I wish to record our particular appreciation and strong support for your successful Amendment No. 601 to H.R. 10947, the Revenue Act of 1971. It is indeed gratifying to learn that this amendment was approved 48–18 by the Senate on November 13, and we earnestly hope that Senate conferees will prevail with its inclusion in the forthcoming House-Senate conference on resolving differences between the House-passed bill and the Senate version still to be completed.

In our organization's quarter-century of support for effective legislation aiding child health, welfare, and education, we have noted an increasing tendency by the Executive branch to exercise an "item-veto" particularly affecting appropriations for citizens under voting age. Over the past dozen years, this has happened with such ongoing programs as the "Impacted Areas" section of the Elementary and Secondary Education Act; the Special Milk and School Lunch programs; the Juvenile Delinquency Prevention and Control Act and its extensions; the Children's Mental Health Act; Title IV–A (Child Health) of the Social Security Amendments; and many aspects of child welfare legislation. No single Administration can be faulted for this practice; it is rather an indication, we feel, of the steady deterioration of the "separation of powers" concept, in violation of Article I, Section 7 of the Constitution.

The restoration of this intended balance of powers will depend, certainly, on the degree to which the Congress is willing to reassert its insistence on its Constitutional prerogatives. We can think of no more important issue on which to base this reassertion, than on the equal protection of our youngest citizens.

Sincerely,

(Mrs.) BARBARA D. MCGARRY,
Executive Director, APC,
Advisory Editor, Parents' Magazine.

BUSING OF CHILDREN TO ACHIEVE RACIAL BALANCE

Mr. BROCK. Mr. President, it has been my good fortune to have the support of some of the most prestigious members of the educational community in my effort to correct what I believe to be a tragedy of the first order in recent court orders relating to the busing of children to achieve racial balance.

One such person is Dr. Marvin Berkeley, trustee of the Dallas Independent School District and a member of the executive committee of the Big City Boards of Education, who recently presented a report to that committee which makes an excellent case for enactment of legislation forbiding discrimination on the basis of race, creed, or color in the matter of school admissions. I ask unanimous consent that Dr. Berkeley's report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMITTEE REPORT

FOREWORD

The early 1970's are proving to be a time in the history of American education when school trustees are being called on as never before to stand up and state their beliefs. Here are a few of my beliefs as they relate to the subject of desegregation.

I believe in the unitary school system in which students are assigned to home schools without regard to race, creed, or color. In such a system children of all races and ethnic backgrounds would be provided equally effective education to fulfill their personal needs and potential.

I believe one's "home school," especially for elementary children, should be in the immediate neighborhood.

I believe in compensatory education to supplement a basic education for those children whose early childhood experiences were deprived. Such education should be funded separately and in three ways: generally at the federal level, programmatically at the state level, and individually at the local level.

I believe that children learn more outside of a school building than within, therefore, the community-at-large, especially in an urban setting, provides great educational opportunities.

I believe in challenging all students, especially those who are highly talented, through the use of magnet schools or educational parks, containing the most modern equipment and materials and the latest technology.

I believe that problems in the field of housing should be solved by changes in housing laws and their administration, not by changes in education laws and their administration.

I believe that busing solely for racial balance is neither educationally nor economically sound. I believe that busing to fufill a clearly-identified educational need is a necessary and long-practiced tool of education.

I believe in the democratic way of life and the checks and balances inherent in a tripartite form of government. I believe an informed citizenry will become an involved citizenry, and only by so doing will we have a government of, by, and for the people.

I believe we need a constitutional amendment in the area of student assignment to enhance and support the aforementioned beliefs, and this is the reason for this position paper.

There probably has never been more public controversy in recent years over a domestic issue than that surrounding the extensive busing of public school children for purposes of racial balance. Following the landmark Swann decision, when the Supreme Court held that busing was a possible tool of desegregation, a myriad of lower court decisions have since required varying degrees of busing in order to meet racial quotas—per school and per class—resulting in community upheaval and great expense. You can hardly communicate with others on this subject on a temperate and rational basis. If you state a position, you are immediately subjected to super-simplistic logic, being labeled pro-busing or anti-busing, after which rational judgment often gives way to less rational argument. It's as though the Messina Strait closed in on Ulysses as he strove to sail between the whirlpools of Scylla and Charybdis—there's no in-between. And yet, like all broad issues of public opinion, there's a considerable "in-between." It's not a simple pro-busing, anti-busing choice. Now is the time for leaders to lead, and for the general public to listen, and then respond with reason and compassion.

The Courts have been interpreting the law governing this area, thus it is not surprising that the law itself is being challenged in the form of a proposed constitutional amendment. This amendment is sponsored by Senator William E. Brock (R-Tennessee) with 15 co-sponsors in the Senate, and an indentical amendment is sponsored in the House by Representative Norman Lent (R-New York). The Brock Amendment reads as follows:

"No public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school. Congress shall have the power to enforce the article by appropriate legislation."

If the Brock Amendment passes, busing into a new "home school" solely for racial balance will thereby become unconstitutional. In view of commonplace, de facto segregation occasioned by private housing patterns, how would the Brock Amendment affect the 1954 Supreme Court decision of Brown versus Topeka, in which it was held, under the equal protection clause of the 14th Amendment, that separate but equal facilities for the races was unconstitutional? It is our position that the passage of the Brock Amendment would not necessarily lead to racially-separate "facilities," at least in the sense that a dual school system has previously been described and defined. Note that the amendment simply states that race, color, or creed are prohibitive factors in considering school assignment. The amendment does not say student assignment cannot and should not be governed by *educational need.*

What then is "educational need?" It is not difficult to define educational need when dealing with handicapped children who are assigned to schools with specialized teachers and equipment. Similarly, there may be so-called magnet schools to meet the needs for career development in highly technical and specialized areas. There may be educational needs served in schools for dropouts, or schools for expectant mothers, or schools designed to pilot innovative techniques and materials. Busing of students to such schools for full- or part-time study would clearly serve educational purposes and has general public support.

Educational need becomes very difficult to define, however, when it is applied to everyday basic coursework, especially that related to the cultural and social development of children and youth. How to maximize such development must be left to the professional educator guided by and responsible to dedicated lay Boards of Education.

Such professionals must be given adequate resources, flexibility and community support. They must then be held publicly accountable for the educational products—namely, a more responsible generation of citizens equipped to live more productively in a complex integrated society. In this regard, the Brock Amendment would not prohibit sorely-needed compensatory education where early childhood deprivation requires a sustained booster support. Hopefully, passage of the amendment, if it does anything, should stimulate Congress as well as state and local officials to respond more realistically in the compensatory area. Also, the Brock Amendment would not prohibit social development through a closed circuit television network or the shuttling or mixing of students between and among schools on intercultural or inter-neighborhood projects, clearly an educational value in a modern society and, where effectively administered, a definite contributor toward a unitary school system. Indeed, some desegregation efforts of the recent past have proven the advantages inherent in joining clusters of schools or in going to "schools without walls," where the project grouping is purposeful and goal-oriented.

It is a vastly different story, however, when masses of students are bused out of their immediate neighborhood for full-time attendance at a distant school, with little or no regard to educational need and potential but simply for the sake of mixing the races to fit a pre-conceived quota. The Brock Amendment simply would prohibit arbitrary assignment of students on the basis of parentage rather than on the basis of the educational needs of each child, which is the only reason for a school's existence.

Busing solely for racial balance is regarded by some today as a necessary first step to force public officials to provide enforceable open housing ordinances, the lack of which, it is claimed, is the real culprit in fostering a segregated society. If open housing laws are in reality absent or unenforceable, our society should engage that problem head-on. We should not manipulate children's lives in order to solve housing inequities perpetuated by adults.

In summary, an amendment to the Constitution has been introduced by Sen. Brock of Tennessee, which, if passed, would prohibit student assignment to a public school based on race, color or creed. This amendment would eliminate busing solely for racial balance which, as a Court ordered tool of desegregation is creating great disorder and expense in public education today. Where housing patterns are racially segregated, would the passage of this amendment return our country to a dual school system of separate but equal education for the races? I strongly believe the reverse will be true; it will reinforce the requirement for a unitary school system. Why? The amendment would not prohibit busing to serve clearly-identified educational purposes, a long-practiced and acceptable tool of education. Since the equal protection clause of the 14th Amendment prevails, and, with the passage of the Brock Amendment, school leaders will be forced to develop meaningful programs within the overall school district, i.e., across its own school boundaries and cultural groups. Furthermore, a likely by-product of the Brock Amendment would be the more realistic funding of compensatory and supplemental education and the enactment and enforcement of open housing ordinances.

The Brock Amendment should be passed forthwith. In addition, and as a natural follow up to its passage, various legislative and administrative bodies at all government levels, as the guardians and trustees of the next generation, would do well to intensively reexamine and respond to the needs of public education in our country—its goals, its management systems, its personnel, its facilities, its finances, and especially its graduates.

REPEAL AUTOMOBILE EXCISE TAX

Mr. HART. Mr. President, since I represent a State with an economy that is heavily dependent on automobile sales, it will not surprise many that I favor eliminating the automobile excise tax once and for all.

Still, I am hopeful that my arguments may not be swiftly dismissed as principles born of parochial necessity.

The cold, hard fact is that the automobile excise tax, like all sales taxes, places its heaviest burden on those who can least afford it.

When Federal excise taxes were first conceived, they were proposed as "luxury" taxes levied on nonessential items generally available only to the wealthy.

It is, indeed, an irony that excise taxes have since been lifted on items that could be truly described as luxuries—jewelry, theater tickets, and the like, but remain intact on the one product that most Americans today would call a necessity—the automobile.

The excise tax raises substantially the cost of a product that even families of very modest means find they cannot do without.

More than one-fourth of all new cars are purchased by families having incomes of under $10,000.

To these families, the $125 to $200 paid in excise taxes represents a sizable portion of yearly income.

Moreover, it should not be forgotten that the excise tax on new cars contributes to higher prices on used cars. Used car prices are pegged to new car prices, and when the price of new cars comes down, used car prices diminish accordingly.

That is particularly significant to families of modest means because fully half of all used-car purchases are made by families having less than a $10,000 annual income.

Secretary Connally and UAW President Leonard Woodcock, two men who are not invariably in accord, do agree that this tax discriminates against low- and middle-income families.

These families, it seems to me, deserve more than just temporary relief. I urge that the automobile excise tax be eliminated on a permanent basis.

PROBLEMS OF THE ELDERLY

Mr. MATHIAS. Mr. President, I recently had the honor of sponsoring a forum in Baltimore, Md., to discuss the problems of the elderly. I was most impressed by the deep interest shown by the more than 800 senior citizens who attended this pioneer meeting. "Out of sight, out of mind" has been for far too long our characteristic approach to both old age and old people. My belief is that America, and I mean Americans of all ages, must now wake up to the fact that people do not go into some sort of suspended animation, or precipitous decline, when they reach 60 or 65. America's senior citizens have a great deal to offer and they deserve a great deal more than they get. For the benefit of my colleagues who share my concern about our Nation's elderly, I ask unanimous consent that my opening remarks be inserted in the RECORD.

There being no objection, the text of the remarks was ordered to be printed in the RECORD, as follows:

OPENING REMARKS BY SENATOR CHARLES MCC. MATHIAS

"To live long and die young"—that, somebody once said, is no small part of the American dream.

Through the marvels of modern medicine, we are fulfilling at least the first half of that dream—we are living longer and longer.

But we have not yet found a way—and we never will—to preserve our youth at the same time that we prolong our lives.

The longer we live the older we get; that is a fact of life that we, as Americans, have always found difficult to face—a fact of life that, in this age of accelerating change and instant obsolescence, we go to great lengths to avoid or ignore.

We try to hide or hold off the onset of age upon ourselves; and we cut old people off from any genuine participation in our society.

"Out of sight, out of mind" is our characteristic approach to both old age and old people.

I called this Conference because I believe it is time that we in America wake up to the fact that people do not go into some sort of suspended animation, or precipitous decline, when they reach sixty or sixty-five—they do not enter some sort of limbo, or twilight zone, between life and death—they do not, at the stroke of midnight on their sixtieth or sixty-fifth birthday, become suddenly incapable of living creative and constructive lives both as individuals and as members of society—and they do not cease to need a decent standard of living.

We like to think of ourselves as a young people. In fact, the number of Americans over 65 has, in this century, grown much faster than the overall population. Since 1900 our overall population has tripled, while our older population has increased sevenfold. Today, one out of every ten Americans is over 65—and as our population growth slows, as we approach zero population growth, that proportion will grow.

Our senior citizens are, in fact, a pioneer generation—the first in history to experience a long and early retirement. And their experience thus far does not bode well for the future. For far too many of them, retirement is simply a euphemism for a paralyzing sense of isolation, of uselessness, of life emptied of its purpose or meaning. For far too many, retirement means material as well as emotional and spiritual poverty, as they find their savings and fixed incomes devoured by soaring prices, property taxes and other forms of inflation.

In the older Americans Act of 1965, Congress promised the elderly "an adequate income in retirement in accord with the American standard of living." Yet last year we discovered that, for the first time since we've kept poverty statistics, the number of elderly persons on the poverty rolls actually *increased* during a period when poverty was declining among all other age groups. Today, older Americans are *more than twice* as likely as younger Americans to be poor.

All too often, the elderly find that their limited incomes cannot buy them even the basic necessities of life—food, housing, medical care—especially medical care. Since 1960 health costs have gone up twice as fast as the cost of living, and hospital costs have gone up five times as fast. More and more of our elderly, despite some help from Medicare, are forced to go without badly needed care. Medicare did cover nearly half of the total health care expenses of the aged in 1969. Yet it left uncovered an average health bill far greater than the *total* health bill for the younger person. Medicare does little to take care of recurring doctor bills, nor does it cover back-breaking drug expenditures for chronic conditions or long term nursing home bills. The whole focus of Medicare is on the crisis condition, rather than the preventive care that becomes more and more critical as we grow older.

About a million of our old people live in nursing homes which are, all too often, exorbitantly expensive and atrociously run. Fewer than half the nation's 25,000 nursing homes offer any skilled nursing. They have often and aptly been described as "warehouses for the dying" and "waiting-rooms for the grave."

Like other Americans with little money, the old suffer from our severe shortage of comfortable, low-cost housing. Over the next ten years, they will need an estimated 1.2–1.6 million low cost units—or some 120,000 a year. Yet last year the elderly poor could find only 41,000 such units, and 6 million old people were forced to live in substandard housing.

But the problem is not simply that many of our old people are denied a decent standard of living. Many, far too many, are denied a life worth living. They find themselves, often, exiled from ordinary human affairs, strangers in a society they helped build. They no longer have a place in the human community. They are in the way—a bother, a nuisance, a drag.

Many old people just give up—they give up even going through the motions of trying to stay alive. The Senate Committee on Aging reports that malnutrition among the elderly is reaching the proportions of a "national emergency"—not just because they

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lack money, but because they've lost the will to live.

If old age is not to become for increasing numbers of Americans a kind of living death, a hell on earth, we will have to execute a 180-degree turn in our attitude toward old age and old people—indeed, in our attitude toward all the stages in life. We need to stop thinking of the young simply in terms of play and school, of the middleaged simply in terms of work, the old simply in terms of retirement. We need to think, instead, of enabling the young to work more, the middleaged to play more, and the old to go back to school. In particular, we need to regard old age as a chance for doing and discovering new and different things, for growing and creating and accomplishing, for exploring new possibilities within ourselves and in our relations with others and with our society. We need to think of old age in the spirit of Peter Drucker who said not long ago: "Here I am 60 years old and I still don't know what I'm going to do when I grow up."

Such a change in our attitude, I suspect, will not come soon or easily. But I see encouraging signs that we are, as a nation, beginning to pay far greater attention to the needs and problems of our elderly.

Next month, the White House Conference on Aging, only the second of its kind in our history, will convene. It will examine and recommend specific proposals for programs to meet the needs of older Americans in the fields of health, housing, job training, transportation and recreation. President Nixon has recently asked the Congress for $6 million to improve the regulation and inspection of nursing homes.

Earlier this year, Congress passed a 10 percent across-the-board increase in social security benefits. The Senate Committee on Aging began hearings last Thursday on the President's request to beef up the regulation and inspection of nursing homes.

H.R. 1, the Social Security Amendments of 1971, would raise social security benefits by 5 percent—with automatic increases tied to the cost-of-living—and increase to $2,000 a year the amount a social security beneficiary can earn without losing any of his social security benefits. This June, I introduced a bill to raise that permitted income ceiling to $3,000. The monthly pay check under social security is to begin with, so pitifully small that most recipients cannot survive on that alone. That paycheck, moreover, is not a form of welfare—it it not some sort of handout; it is a form of insurance whose premiums every person receiving it has paid during his younger years. And he is entitled to that insurance, when the due date, comes whether or not he is working. I find it impossible to fathom the logic that would deny people money that they have, in a real sense, earned during their younger years on the grounds that they are continuing to employ to the benefit of society skills that they have spent a lifetime developing.

I am very pleased to announce that I am cosponsoring a comprehensive and far-reaching package of 12 bills—introduced by Senator Percy of Illinois—which are designed to help meet many of the most acute problems afflicting the nation's elderly.

Six of the bills seek to improve long-term care for the elderly by setting up better and more stringently enforced standards for nursing homes as well as various programs to train nursing home employees. The remaining six bills would:

Establish comprehensive community centers for the elderly;

Strengthen the only two housing programs designed exclusively for the elderly as well as coordinate other housing programs which include the elderly;

Provide half-fares for the elderly on mass transit, buses, trains and planes during nonrush periods;

Expand the job opportunities for middleaged and older workers by helping them find new opportunities, by easing the transition to full retirement or the return to full-time work, and by helping them adjust to changes in technology.

Extend medicare coverage to prescription drugs;

Give greater tax relief to the elderly, including the deduction of *all* medical expenses.

So we are, in the Congress and in the country, starting to recognize and respond to the problems and needs of older Americans.

An we are doing so, in large part, because older Americans have become increasingly less inclined to supinely suffer the indignities and injustices that have been their lot.

They have begun to come together and work together to meet common needs and common goals.

They have begun to realize they are, potentially, a potent political force. People over 65 constitute 15 percent of our total voting population—and, like other minorities, they are finding that, when they join together and speak with one voice, they can no longer be ignored.

I hope that this day of discussion will be, for all of you, the beginning of an increasingly active and effective involvement in the political process—of an increasingly rich and productive involvement in the life of a nation which is beginning to realize how much it needs the wisdom and the compassion and the understanding that you have to give.

EQUAL EMPLOYMENT OPPORTUNITY

Mr. ALLEN. Mr. President, giving emphasis to the rising tide of sentiment against the EEOC expansion bill, S. 2515, is a splendid lead editorial which appeared in the Birmingham (Ala.) News of November 8, 1971.

Entitled "A Dangerous Grab for Power," the editorial cogently points out that S. 2515 is deliberately designed to subvert the prime tenet of Anglo-Saxon jurisprudence that an individual is presumed to be innocent until proven guilty. The legislation would do this, Mr. President, by lodging in the Equal Employment Opportunity Commission cease-and-desist powers, coupled with the unfettered authority to act as investigator, prosecutor, judge, and jury, with only limited review by the courts. I wholeheartedly agree with the wise words of the editorial writer that:

> To place that agency in a position where it may investigate and file complaints, and then, in turn, hear arguments and defense and then rule on the issue is too much like a "hanging jury" to fit the concept of the democratic process.

In addition to making an out-and-out mockery of our dedication to due process of law, S. 2515 also does violence to other rights and freedoms which our Founding Fathers and the framers of our Constitution deemed indispensable to liberty. For example, S. 2515 would vest in the EEOC autocratic and despotic power over the internal administration of State and local governments. In addition, it encroaches upon religious and academic freedom by seeking to gain control of the hiring and promotion policies of all educational institutions, including church-supported schools.

Mr. President, I have never witnessed such a bold and colossal grab for naked power as is represented by the combined impact of S. 2515.

I submit that the groups and individuals who have been called upon to endorse the far-reaching proposals contained in S. 2515 have not received a full explanation of the fundamental and basic constitutional issues which are involved and the threat which this pernicious legislation poses to individual rights, liberties, and freedoms. I do not believe that fully informed Americans would sponsor or support legislation such as S. 2515 which calls for the outright surrender of principles and concepts which are so inseparable from our cherished system of democratic government.

I ask unanimous consent that the editorial from the Birmingham News of November 8, 1971, be printed in RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

[From the Birmingham News, Nov. 8, 1971]

A DANGEROUS GRAB FOR POWER

Another move to deliver statutory enforcement into the hands of a federal administrative agency at the expense of the country's employers is presently before Congress.

What this would amount to, if granted, would be to place a federal agency in the position of being prosecutor, judge and jury in cases where adjudication has rested effectively, until the present, in the federal courts.

The basic effort is known as the Williams Bill (S. 2515), the provisions of which would hand over to the Equal Employment Opportunity Commission cease and desist powers in the area of employment complaints, similar to that power now held by the National Labor Relations Board, a lever that has proved to be more of an abuse of employers than a protective arm for complainants.

There is no argument heard today that protection against unfair employment practices is unneeded or that still more stringent enforcement powers should not be given the EEOC. To place that agency in a position where it may investigate and file complaints, and then, in turn, hear arguments and defense and then rule on the issue is too much like a "hanging jury" to fit the concept of the democratic process.

The Dominick amendment to the Williams measure provides for initial adjudication of employment complaints in federal district courts, an area which, contrary to arguments by proponents of the Williams Bill, is equipped to render decisions within a reasonable length of time.

Supporters of the Dominick amendment do not base their arguments on a desire to thwart the presentations of fair employment opportunities to all qualified persons regardless of race, sex or creed. The day when job bias will be tolerated is past. And it is the duty of Congress, as we see it, to fashion legislation which will give appropriate federal agencies the power to bring fair employment opportunities to all people who are qualified and willing to hold a job.

We do not believe, however, that another step in the encroachment of federal bureaucracy, which possesses no greater expertise in this field than do the courts, is the answer to employment abuses.

The Williams Bill suggests handing government another cudgel to wave at the private sector of the nation's economy. The Dominick amendment suggests a far more conciliatory method and one that will have a more satisfactory effect for all parties involved.

Progress in the area of job opportunities will not be accomplished at the expense of equitable treatment for all.

BUSING OF SCHOOLCHILDREN

Mr. BROCK. Mr. President, I am delighted to join the distinguished Senator from Georgia (Mr. GAMBRELL) in cosponsoring amendment No. 551 to S. 2515 the Equal Employment Opportunity Commission legislation. Tennessee is not alone in its agony and frustration brought on by the mass program of forced busing of our schoolchildren in a vain attempt to satisfy the courts and the Department of Health, Education, and Welfare. In our sister State of Georgia and, in fact, all of the South as well as across the length and breadth of this land mothers are sending their children off in the morning schoolbus with a prayer for their safe return. This is not a problem of race, of geography or of creed but one of deep concern for the safety and well-being of children as well as for our public schools as an institution.

In Norfolk alone, according to the superintendent of schools enrollment has dropped some 7,000 pupils, denying funds to the schools which their attendance would have made available.

Where are these children? If my mail is any indication they have been sent to stay with relatives to escape the agonies of forced busing, they have been enrolled in private schools, or they have determined that they will not go to school if they must attend a strange school in strange surroundings and they have become dropouts. Is this really what we want for our children? I think not. Amendment No. 551 to S. 2515 would do two things: First, remove the schools from the jurisdiction of the courts until all final appeals are decided; second, forbid the HEW from requiring more busing than ordered by the courts in order to qualify for Federal funds.

This is admittedly a short-time solution. It is meant to be for I believe only a constitutional amendment can settle this problem conclusively. However, during the interim, giving us time to pass an amendment I believe this measure would afford some relief for the situation.

SAVAGE ATTACK ON STAFF MEMBER OF PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. McCLELLAN. Mr. President, I invite the attention of Congress and the public to an act of outrageous violence committed on Tuesday night, November 16, upon a staff member of the Senate Permanent Subcommittee on Investigations. In San Antonio, Tex., while he was carrying out the duties and responsibilities of his office, staff investigator William B. Gallinaro was assaulted, brutally beaten, and robbed in his hotel room.

Mr. President, this was no common run-of-the-mill robbery or mugging such as we have become accustomed to as a factor of life in the United States today. The man or men who savagely attacked Mr. Gallinaro in the darkness of his hotel room knew exactly what they were seeking and were able to obtain it by means of this criminal assault. Leaving Mr. Gallinaro unconscious on the floor after they had struck him on the head and beaten and kicked him, they stole from his possession papers relating to an interview he had conducted on that Tuesday afternoon. I use the pronoun "they" in referring to the assault on Mr. Gallinaro and the theft of the Senate's papers, because I am certain that even if only one man carried out the attack, he was sent to the hotel room by others who were involved and vitally concerned with the investigation being conducted by Mr. Gallinaro.

Because there is the necessity of safeguarding and protecting other persons who might be in danger, I have declined to reveal the nature of the investigation which Mr. Gallinaro was conducting for the subcommittee. However, I assure Senators that the work he was doing was very important and involved allegations of serious crimes and activities of organized crime elements. Because they stole his working papers, his assailants are now informed about Mr. Gallinaro's assignment in San Antonio, but I consider it advisable not to make public disclosure of it at this time.

Mr. President, these were the circumstances of the attack: After conducting his interview that afternoon, Mr. Gallinaro returned to his hotel room and later went out to dinner. When he returned to his room sometime shortly after 10 o'clock on Tuesday evening, he noticed that the lights in his room, which he had left on, were turned off. He opened the door and was immediately struck on the head by some instrument heavy enough to induce unconsciousness. When he recovered his senses, he found that he was in severe pain from having been kicked and beaten. He managed to telephone for help, and then, he called a colleague on the subcommittee's staff to report the attack. Mr. Gallinaro was confined in a San Antonio hospital, and I am happy to report that apparently he has suffered no serious lasting injuries.

This shocking and brutal assault upon an investigator of the subcommittee is unprecedented in the long history of the subcommittee. Our capable and responsible investigators do not carry firearms or other weapons of defense. We have never considered such practices necessary, and we do not now, even though one of our men has been brutalized. However, I might say parenthetically, Mr. President, that the cowards who struck down Mr. Gallinaro in the darkness might have had their hands full if they had not surprised him; he is an experienced law enforcement officer with more than 30 decorations for his police work, including the Medal of Honor of the City of New York and a commendation from former Attorney General Katzenbach.

This ruthless and vicious attack upon a subcommittee employee will not deter us from the inquiry he was pursuing at the time he was cruelly struck down. With good fortune, we may determine who the attackers were and who arranged for them to commit the crime.

In any event, we will continue with the investigation he was conducting and we will carry out our duty and responsibility to disclose organized crime's illegal activities and corruption wherever and whenever we find them, according to the obligations placed upon the subcommittee by the U.S. Senate.

I find, however, Mr. President, that heinous as was the attack upon Mr. Gallinaro and important as it is to the U.S. Senate, the assault itself is not specifically covered by Federal statute. Mr. Gallinaro was a Federal official acting in the proper discharge of his duties during his visit to San Antonio, but the brutal attack upon him does not fall within the provisions of the Federal statutes covering protection of officers and employees of the United States—sections 111 and 1114 of title 18 of the United States Code. These sections specifically provide severe penalties for those who attack certain Federal officials and employees, but they do not include or provide for the protection of congressional employees and certain other persons within the Federal Government whose duties may lead to personal hazard at times.

The distinguished senior Senator from Nebraska (Mr. HRUSKA) has introduced at the request of the administration, S. 2436, which has among its purposes the amendment of title 18 to provide exactly the kind of protection to other categories of Federal employees that the potentially deadly assault on Mr. Gallinaro has demonstrated is sorely needed.

I endorse these features of S. 2436 wholeheartedly and will do my utmost to see that they are enacted into law. I wish to call upon my colleagues to support Senator HRUSKA's bill when it reaches the floor of the Senate, which I hope will be relatively soon, and to exert any influence they may have to insure that the bill is favorably acted upon in the other body. We need the amendment to existing law to provide Federal jurisdiction when any Federal employee is attacked or brutalized in the conduct of his duties, and to enable the full force of Federal investigative agencies to seek and find his assailants and bring them to justice.

The attack upon Mr. Gallinaro has been, as I have said, a shocking and greatly disturbing crime. I am deeply gratified that he apparently has suffered no lasting injury. I also hasten to say that our investigation of organized crime, which earlier this year resulted in a series of significant hearings about the role of criminal organizations and their members in the theft and conversion of hundreds of millions of dollars' worth of securities, will continue with earnest effort to make further disclosures of the corrupt, violent, and nefarious activities of organized crime in this country.

I have joined as a cosponsor of S. 2436, a bill introduced by the distinguished Senator from Nebraska (Mr. HRUSKA) to amend title 18, United States Code, to provide for expanded protection of public officials and foreign officials, and for other purposes.

THE YOUNG COOPERATOR PROGRAM

Mr. MATHIAS. Mr. President, this year the first annual young cooperator program was sponsored by the Penn-marva Dairymen's Cooperative Federation. Programs such as this can only help our country produce the kind of citizens that help provide the basic needs of our society.

The dairyman has long figured in the history of the United States, and though at times he goes unrewarded, all of us rely upon his labors.

XUM

Two hundred seventy-five young farmers participated in this program that drew participants from Maryland, West Virginia, Virginia, Pennsylvania, Delaware, and New Jersey. Those that decry the youth of this Nation are indeed shortsighted to overlook such energetic young people as these.

Mr. President, that is why at this time I would like to offer a news release of the Maryland Cooperative Milk Producers, Inc. for the RECORD.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PENNSYLVANIA, MARYLAND DAIRYMEN WIN OYC AWARDS AT PENNMARVA MEET

Two young dairymen from Pennsylvania and one from Maryland captured top honors June 24 as the Pennmarva Dairymen's Cooperative Federation held its first annual Young Cooperator program.

More than 275 young dairymen, their families and guests attended the day-long session held at the Hunt Valley Inn near Cockeysville, Md. In addition to the competition to select the outstanding young dairyman from each of the three member co-ops of Pennmarva the meeting featured a panel discussion of the Federation's growth and its directions for the future.

Winning the titles of Outstanding Young Cooperators were Mr. and Mrs. Benjamin E. Dum, Elliottsburg, Pa., Inter-State Milk Producers Cooperative; Mr. and Mrs. Leroy R. Bupp, Seven Valleys, Pa., Maryland Cooperative Milk Producers, and Mr. and Mrs. Frank C. Dowhey, Williamsport, Md., Maryland and Virginia Milk Producers Association.

Placing second to Mr. and Mrs. Dum in the Inter-State OYC contest were Mr. and Mrs. Lester C. Jones Jr., Mt. Holly, N.J. with Mr. and Mrs. P. Robert Wenger, Quarryville, Pa. in third. A total of 15 contestants participated in the competition.

Nine contestants competed in the MCMP contest, the tenth annual OYC competition to be held by the cooperative, with Mr. and Mrs. John P. Burns Jr., Charles Town, W. Va., taking the runners-up honors.

Mr. and Mrs. Marlin Hoff, New Windsor, Md., and Mr. and Mrs. Robert R. Cosby, Powhatan, Va., placed second and third respectively in the Maryland-Virginia contest. Eleven district winners competed in this the first OYC contest to be sponsored by the Maryland-Virginia cooperative.

Scoring was based on the young dairymen's progress in the dairy industry, his civic and agricultural activities and public speaking ability. Each winner will receive a trip to the National Milk Producers Federation convention to be held in Florida in November. Additionally each of the winners will represent the young dairymen of their respective cooperatives in functions during the coming year. The Young Cooperator program includes those dairymen between the ages of 21 and 35 years.

Inter State's winners, Mr. and Mrs. Benjamin E. Dum farm 50 acres with a herd of 90 Holsteins averaging more than 17,000 pounds of milk and 600 pounds of butterfat for the past year. They have three children. Dum, 29 years old, is a high school graduate and has completed several courses through the Pennsylvania State University correspondence program. He is serving as president of the Perry County local unit of the Inter-State cooperative.

The MCMP's Mr. and Mrs. Bupp farm more than 330 acres and have a herd of 93 registered Holsteins. The herd average for the past year was 14,690 pounds of milk and 558 fat. Mr. Bupp, 26, was chosen the outstanding young farmer in Pennsylvania by the Jaycees in 1967, the youngest ever to win the state title. He is active in county and state Farmers Associations, county, state and national Holstein clubs and the Adams Electric Co-op. He is a member of the Lutheran Brotherhood, holds the FFA American Farmer degree and is a student pilot.

Mr. and Mrs. Downey, the first Young Co-operators selected to represent the Maryland-Virginia co-op, are partners in the well-known Guernsey operation of Downey Farms, Inc. A graduate of the University of Maryland, Frank was a member of the national champion 4–H dairy cattle judging team in 1960. This same team went on to win the International judging contest held in England the following year. The Downey Farma herd numbers more than 350 registered Guernseys and Frank is serving as secretary of the Maryland Co-op Guernsey Breeders Association.

During the afternoon program a panel consisting of the presidents and managers of the three Pennmarva co-ops discussed the Federation's growth including its role in the merger of the three federal milk marketing orders governing the Baltimore, Philadelphia and Washington, D.C. markets and the initiation of the 12-month's base plan designed to help maintain milk production in line with market needs. Taking part in the panel were Wilbur Seipt and Dr. James Honan, president and manager respectively for Inter-State; Herbert W. Wessel Jr., president, and Ralph L. Strock, manager, MCMP, and Edward C. Norman and James E. Click, president and manager of Maryland-Virginia. Walter Martz, president of Pennmarva and vice president of Maryland-Virginia served as panel moderator.

The Pennmarva Federation includes 5,000 dairymen among its three member co-ops with membership in six states—Maryland, Delaware, Virginia, West Virginia, West Virginia, Pennsylvania and New Jersey. Pennmarva members market more than two billion pounds of milk annually supplying milk needs throughout the six states.

MEET YOUR 1971 DISTRICT WINNERS—M.C.M.P. OUTSTANDING YOUNG COOPERATOR CONTEST

District 1—John H. Kilby Jr., Liberty Grove, Md., is 31 years old, married and he and his wife Nancy have one child. He attended both Duke University and Johns Hopkins and holds an A.B. degree. He served six years in the Maryland National Guard holding the rank of Sgt. E–5. John has owned a 312 acre farm specializing in dairy for one year. The herd numbers 104 grade Holsteins with a DHIA average on 93 cows of 13,850 milk and 510 fat. He feeds a 16% pelleted ration, corn silage and alfalfa hay and haylege. The herd is on a near zero grazing program. A former 4–H Club member, he was employed by Southern States for ten years serving as a manager for seven years and office manager for a grain marketing cooperative for three years.

District 2—Eddie L. Armacost, Upperco, Md., is 23 years old, married, and he and his wife Linda have two children. He is a partner in the family's 500 acre dairy operation which includes 200 head of grade Holsteins. He also works as a relief technician for the Maryland Artificial Breeding Co-op and handles the A.I. work for his own herd. Corn silage is fed out of a trench silo through a bunker system with limited grazing and no-till crop production. Eddie is a member of the Farm Bureau, Forest Baptist Church, National Rifle Association. Izaak Walton League, National Wildlife Federation and Southern States. He has spent considerable time working on conservation projects through the Izaak Walton League.

District 3—Myron Lee Wilhide, Detour, Md., is 31 years old, married, and he and his wife Joyce have two children. He is a partner in the family's incorporated farm. Prior to the formation of the corporation he was in partnership with his father and brother for four years and worked for his father for four years. The farm includes 460 acres with a herd of 215 registered and grade Holsteins. A new dairy steer project was begun last April with 45 head now on feed. The Wilhide herd has been on DHIA for 21 years with its present rolling herd average at 14,172 milk and 532 fat. The herd is housed in a free stall operation, fed high moisture corn, divided into different feed groups according to production and stage of lactation. An 18% dry grain mix is fed in the parlor. Teat dipping and dry cow treatment are used in mastitis control programs. Myron is a member of the Farm Bureau, state president of the FB Young Farmers and won the 1970 FB Young Farmers Achievement Award. He is serving as president of the Carroll County Ag Center and has helped with the MCMP ice cream stand at the Carroll County Fair.

District 4—Charles L. Black, New Windsor, Md., is 35 years old, married, and he and his wife Geraldine have two children. Charles works with his father and brother operating the family's 247 acre farm specializing in dairy with 60 head of registered and grade Brown Swiss cattle. Grain crops are raised on the farm along with about 200 tons of corn silage and 7,000 to 8,000 bales of hay a year. Approximately 60 acres of the farm are used as pasture. Charles is a member of the Linganore United Methodist Church, Linganore Grange, Maryland 4–H All-Stars. A former 4–H and 4–H Older Youth member, he was a delegate to the National 4–H Club Congress in 1956 and the Jackson Mills 4–H Camp in 1957. He was selected to attend the national Grange convention this year.

District 5—Roy Walter Crum, Jr., Woodbine, Md., is 25 years old, married, and he and his wife Gail have one child. He farms in partnership with his father. The farm includes 450 acres with 110 registered and grade Holsteins and a dozen or more steers. The herd has been on DHIA for ten years with a 1970 average of 13,300 milk and 504 fat. They feed home grown grains, corn silage and alfalfa hay in winter, green chop, alfalfa and mixed hay in summer. The cows are fed in a free stall area in winter and summer. They are on pasture during the evening in the summer. Roy is serving as chairman of his ASCS committee, is secretary-treasurer of Howard County Holstein Association, director of the DHIA unit, a two-time winner of the DHIA Increased Production award, and has served as secretary and member of the Church Council.

District 6—William T. Edmundson, Rising Sun, is 35 years old, married and he and his wife Margaret have five children. They farm 235 acres on shares and have a herd of 75 registered and grade Holsteins. They previously farmed on shares for three years and rented for four years. They have been on DHIA for eight years with the present herd on for one year. At the time they took over the present herd they had a severe mastitis problem but through teat dipping and other measures the problem has been brought under control. A former 4–H member, he is active in the Ebenezer Methodist Church, was a former member of the Inter-State Milk Producers Co-op, a member of the Farm Bureau serving as a county director, and managed a Little League team for two years. He was a crop award winner in 4–H, a member of the state vegetable judging team and has helped coach the Rising Sun FFA vegetable judging team.

District 7—Leroy Raymond Bupp, Seven Valleys, Pa., is 26 years old, married, and he and his wife Joyce have one child. He has operated his own farm for eight years farming 336 acres at present. The herd numbers 93 registered Holsteins plus all bull calves most of which are raised beef but a few from the top cows are raised and sold for breeding purposes. On DHIA since starting farming, the latest herd average is 14,690 milk and 558 fat. He feeds a 16% pelleted-flaked feed in the parlor, haylege in summer, corn silage and hay in winter, near zero grazing. Changes brought to the farm include 51 stall free stall housing, new milking system, young stock and calf barns. Leroy was one of eight Penna. dairymen chosen for an experimental computer farm accounting service. Member Red Lion Area Young Farmers, Penna. Young Farmers, national, state and York County Holstein Associations, Adams Elec. Co-op, York County Farmers and Penna. Farmers Association. Chosen 1967 Penna. Outstanding Young Farmer (youngest ever to win this honor), 1968 Young Couple award Adams Elec. Co-op, chosen to attend REA convention in Dallas, Texas. Holds American Farmer degree in FFA, member Lutheran Brotherhood, Jaycees and is a student pilot.

District 8—Robert L. Grove, Greencastle, Pa., is 31 years old, married, and he and his wife Norma have two children. A farm owner for one year he previously was in partnership with his father for seven years. Farms 171 acre dairy operation with herd of 111 purebred Holsteins. Feeds grain and silage from bunk and grain from parlor according to production, corn silage and hay fed daily. Uses two five acre lots for day and night exercise. A former FFA officer, he is a member of the state and national Holstein organizations, member, Deacon, Sunday School superintendent for the Antrim Brethren in Christ Church, Youth Committee of the United Churches of Greencastle. In February this year the Grove farm was featured on the Franklin County Dairy Tour with dairymen studying 80 X 180 foot totally enclosed milking parlor and free stall housing system.

District 10—John P. Burns Jr., Charles Town, W. Va., is 31 years old, married and he and his wife Frances Mary have two children. Farming in partnership with his father for three years, prior to this managed farm for nine years on wages. Operation includes 1048 acres of owned and rented land, 166 grade Holsteins, 99 Angus cows, 52 Hereford cows, 300 hogs. Has applied for DHIA membership, herd averaging close to 13,000 milk and 500 fat based on plant tests. Feeds 16% grain, silage free choice year round, hay in winter, green chop in summer, uses blue grass, small grains Sudax for pasture. Took over farm management at age of 13, father suffered stroke six years earlier and was unable to operate farm. Since taking over management farm has grown from six cows, hand milked to 166 cows and modern operation. Member Presbyterian Church, Jaycees, Southern States Co-op, 4–H Camp Association, Farm Bureau, president Jefferson County 4–H Fair Association for six years, director South Jefferson Ruritan Club, 1958 FFA state Farmer Mechanic award, State Farmers award for West Virginia, 1966–67 Jaycees Outstanding Young Farmer for Jefferson County, 1968 District 10 and runner-up to MCMP OYC winner, attended AIC in 1969 as MCMP representative. While in high school helped form and served as first president of the National Honor Society.

District 12—Ronald A. Williams, Williamsport, Md., 25 years old, he and his wife Patricia have two children. Operates 540 acre farm in partnership with his brother. In addition to herd of 112 purebred and grade Holsteins farm includes seed corn sales. On DHIA three years with latest average 11,200 milk and 410 fat. Feeds 18% grain according to production and stage of lactation, corn silage and alfalfa hay in winter, green chop in summer. Moved herd from Howard County last September. Member and director Washington County Holstein Club, formerly member and director of Howard County Association, Farm Bureau, Carroll County Young Farmers, Glenelg Methodist Church, Southern States, served as MYF advisor for teens of Glenelg Methodist Church.

THE SENATE'S ROLE IN THE CONFIRMATION PROCESS

Mr. BAYH. Mr. President, Prof. Charles L. Black, of the Yale University Law School, has written a thoughtful and interesting piece on the role of the Senate in the confirmation of Supreme Court nominees. Professor Black takes the position that—

A Senator, voting on a presidential nomination to the Court, not only may but generally ought to vote in the negative, if he firmly believes, on reasonable grounds, that the nominee's views on the large issues of the day will make it harmful to the country for him to sit and vote on the Court, and that, on the other hand, no Senator is obligated simply to follow the President's lead in this regard, or can rightly discharge his own duty by so doing.

I ask unanimous consent that Professor Black's article be printed in the RECORD, for it will surely be of great interest to every Senator as we approach the question whether to advise and consent to the nominations of Mr. Lewis Powell and Mr. William Rehnquist.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A NOTE ON SENATORIAL CONSIDERATION OF SUPREME COURT NOMINEES

(By Charles L. Black, Jr.*)

If a President should desire, and if chance should give him the opportunity to change entirely the character of the Supreme Court, shaping it after his own political image, nothing would stand in his way except the United States Senate. Few constitutional questions are then of more moment than the question whether a Senator properly may, or even at some times in duty must, vote against a nominee to that Court, on the ground that the nominee holds views, when transposed into the judicial decisions, are likely, in the Senator's judgment, to be very bad for the country. It is the purpose of this piece to open discussion of this question; I shall make no pretense of exhausting that discussion, for my own researches have not proceeded far enough to enable me to make that pretense.[1] I shall, however, open the discussion by taking, strongly, the position that a Senator, voting on a presidential nomination to the Court, not only may but generally ought to vote in the negative, if he firmly believes, on reasonable grounds, that the nominee's views on the large issues of the day will make it harmful to the country for him to sit and vote on the Court, and that, on the other hand, no Senator is obligated simply to follow the President's lead in this regard, or can rightly discharge his own duty by so doing.

I will open with two prefatory observations.

First, it has been a very long time since anybody who thought about the subject to any effect has been possessed by the illusion that a judge's judicial work is not influenced and formed by his whole lifeview, by his economic and political comprehensions, and by his sense, sharp or vague, of where justice lies in respect of the great questions of his time. The *loci classici* for this insight, now a platitude, are in such writers as Oliver Wendell Holmes, Jr., Felix Frankfurter, and Learned Hand. It would be hard to find a well-regarded modern thinker who asserted the contrary. The things which I contend are both proper and indispensable for a Senator's consideration, if he would fully discharge his duty, are things that have definitely to do with the performance of the judicial function. The factors I contend are for the Senator's weighing are factors that go into composing the quality of a judge. The contention that they may not properly be considered therefore amounts to the contention that some things which make a good or bad judge may be considered—unless the Senator is to consider nothing—while others may not.

Secondly, a certain paradox would be involved in a negative answer to the question I have put. For those considerations which I contend are proper for the Senator are considerations which certainly, notoriously, play (and always have played) a large, often a crucial, role in the President's choice of his nominee; the assertion, therefore, that they should play no part in the Senator's decision amounts to an assertion that the authority that must "advise and consent" to a nomination ought not to be guided by considerations which are hugely important in the making of the nomination. One has to ask, "Why"? I am not suggesting now that there can be no answer; I only say that an answer must be given. In the normal case, he who lies under the obligation of making up his mind whether to advise and consent to a step considers the same things that go into the decision whether to take that step. In the normal case, if he does not do this, he is derelict in his duty.

I have called this a constitutional question, and it is that (though it could never reach a court), for it is a question about the allocation of power and responsibility in government. It is natural, then, for American lawyers to look first at the applicable text, for what light it may cast. What expectation seems to be projected by the words, "The President . . . shall nominate, and by and with the Advice and Consent of the Senate shall appoint . . . Judges of the Supreme Court. . . ."[2] Do these words suggest a rubber-stamp function, confined to screening out proven malefactors? I submit that they do not. I submit that the word "advice," unless its meaning has radically changed since 1787, makes next to impossible that conclusion.

Procedurally, the stage of "advice" has been short-circuited.[3] Nobody could keep the President from doing that, for obvious practical reasons. But why should this procedural short-circuiting have any effect on the *substance* so strongly suggested by the word "advice"? He who merely *consents* might do so perfunctorily, though that is not a necessary but merely a possible gloss. He who *advises* gives or withholds his advice on the basis of *all* the relevant considerations bearing on decision. Am I wrong about this usage? Can you conceive of sound "advice" which is given by an advisor who has deliberately barred himself from considering some of the things that the person he is advising ought to consider, and does consider? If not, then can the Presidents, by their unreviewable short-circuiting of the "advice" stage, magically have caused to vanish the Senate's responsibility to consider what it must surely consider in "advising"? Or is it not more reasonable to say that, in deciding upon his vote at the single point now left him, every Senator ought to consider everything he would have considered if, procedurally, he were "advising"? Does not the word "advice" permanently and inescapably define the *scope* of Senatorial consideration?

It is characteristic of our legal culture both to insist upon the textual reference-point, and to be impatient when much is made of it, so I will leave what I have said about this to the reader's consideration, and pass on to ask whether there is anything else in the Constitution itself which compels or suggests a restriction of Senatorial consideration to a few rather than to all of the factors which go to making a good judge. I say there is not; I do not know what it would be. The President has to concur in

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Footnotes at end of article.

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legislation, unless his veto be overridden. The Senate has to concur in judicial nominations. That is the simple plan. Nothing anywhere suggests that some duty rests on the Senator to vote for a nomination he thinks unwise any more than that a duty rests on the President to sign bills he thinks unwise.

Is there something, then, in the whole structure of the situation, something unwritten, that makes it the duty of a Senator to vote for a man whose views on great questions the Senator believes to make him dangerous as a judge? I think there is not, and I believe I can best make my point by a contrast. The Senate has to confirm—advise and consent to—nominations to posts in the executive department, including cabinet posts. Here, I think, there is a clear structural reason for a Senator's letting the President have pretty much anybody he wants, and certainly for letting him have people of any political views that appeal to him. These are his people; they are to work with him. Wisdom and fairness would give him great latitude, if strict constitutional obligation would not.

Just the reverse, just exactly the reverse, is true of the judiciary. The judges are *not* the President's people. God forbid! They are not to work with him or for him. They are to be as independent of him as they are of the Senate, neither more nor less. Insofar as their policy orientations are material—and, as I have said above, these can no longer be regarded as immaterial by anybody who wants to be taken seriously, and are certainly not regarded as immaterial by the President—it is just as important that the Senate think them not harmful as that the President think them not harmful. If this is not true, why is it not? I confess here I cannot so much as anticipate a rational argument to which to address a rebuttal.

I can, however, offer one further argument tending in the same direction. The Supreme Court is a body of great power. Once on the Court, a Justice wields that power without democratic check. This is as it should be. But it is not wise, before that power is put in his hands for life, that a nominee be screened by the democracy in the fullest manner possible, rather than in the narrowest manner possible, under the Constitution? He is appointed by the President (when the President is acting at his best) because the President believes his worldview will be good for the country, as reflected in his judicial performance. The Constitution certainly permits, if it does not compel, the taking of a second opinion on this crucial question, from a body just as responsible to the electorate, and just as close to the electorate, as is the President. Is it not wisdom to take that second opinion in all fullness of scope? If not, again, why not? If so, on the other hand, then the Senator's duty is to vote on his whole estimate of the nominee, for that is what constitutes the taking of the second opinion.

Textual considerations, then, and high-political considerations, seem to me strongly to thrust toward the conclusion that a Senator both may and ought to consider the life-view and philosophy of a nominee, before casting his vote. Is there anything definite in history tending in the contrary direction?

In the Constitutional Convention, there was much support for appointment of judges *by the Senate alone*—a mode which was approved on July 21, 1787,[4] and was carried through into the draft of the Committee of Detail.[5] The change to the present mode came on September 4th, in the report of the Committee of Eleven[6] and was agreed to *nem. con.* on September 7th.[7] This last vote must have meant that those who wanted appointment by the Senate alone—and in some cases by the whole Congress—were satisfied that a compromise had been reached, and did not think the leigslative part in the process had been reduced to the minimum. The whole process, to me, suggests the very reverse of the idea that the Senate is to have a confined role.

I have not reread every word of *The Federalist* for this opening-gun piece, but I quote here what seems to be the most apposite passages, from Numbers 76 and 77:

But might not his nomination be overruled? I grant it might, yet this could only be to make place for another nomination by himself. The person ultimately appointed must be the object of his preference, though perhaps not in the first degree. It is also not very probable that his nomination would often be overruled. The Senate could not be tempted, by the preference they might feel to another, to reject the one proposed; because they could not assure themselves, that the person they might wish would be brought forward by a second or by any subsequent nomination. They could not even be certain, that a future nomination would present a candidate in any degree more acceptable to them; and as their dissent might cast a kind of stigma upon the individual rejected, and might have the appearance of a reflection upon the judgment of the chief magistrate, it is not likely that their sanction would often be refused, where there were not special and strong reasons for the refusal.

To what purpose then require the cooperation of the Senate? I answer, that the necessity of their concurrence would have a powerful, though, in general, a silent operation. It would be an excellent check upon a spirit of favoritism in the President, and would tend greatly to prevent the appointment of unfit characters from State prejudice, from family connection, from personal attachment, or from a view to popularity. In addition to this, it would be an efficacious source of stability in the administration.

It will readily be comprehended, that a man who had himself the sole disposition of offices, would be governed much more by his private inclinations and interests, than when he was bound to submit the propriety of his choice to the discussion and determination of a different and independent body, and that body an entire branch of the legislature. The possibility of rejection would be a strong motive to care in proposing. The danger to his own reputation, and, in the case of an elective magistrate, to his political existence, from betraying a spirit of favoritism, or an unbecoming pursuit of popularity, to the observation of a body whose opinion would have great weight in forming that of the public, could not fail to operate as a barrier to the one and to the other. He would be both ashamed and afraid to bring forward, for the most distinguished or lucrative stations, candidates who had no other merit than that of coming from the same State to which he particularly belonged, or of being in some way or other personally allied to him, or of possessing the necessary insignificance and pliancy to render them the obsequious instruments of his pleasure.[8]

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If it be said they might sometimes gratify him by an acquiescence in a favorite choice, when public motives might dictate a different conduct, I answer, that the instances in which the President could be personally interested in the result, would be too few to admit of his being materially affected by the compliances of the Senate. The *power* which can *originate* the disposition of honors and emoluments, is more likely to attract than to be attracted by the *power* which can merely obstruct their course. *If by influencing the President be meant restraining him, this is precisely what must have been intended* [emphasis supplied]. And it has been shown that the restraint would be salutary, at the same time that it would not be such as to destroy a single advantage to be looked for from the uncontrolled agency of that Magistrate. The right of nomination would produce all the good of that of appointment, and would in a great measure avoid its evils.[9]

I cannot see, in these passages, any hint that the Senators may not or ought not, in voting on a nominee, take into account anything that they, as serious and public-spirited men, think to bear on the wisdom of the appointment. It is predicted, as a mere *probability*, that Presidential nominations will not often be "overruled." But "special and strong reasons," thus generally characterized, are to suffice. Is a Senator's belief that a nominee holds skewed and purblind views on social justice not a "special and strong reason"? Is it not as "special and strong" as a Senator's belief that an appointment has been made "from a view to popularity"—a reason which by clear implication *is* to suffice as support for a negative vote? If there is anything in *The Federalist Papers* neutralizing this inference, I should be glade to see it.

When we turn to history, the record is, as always, confusing and multifarious. One can say with confidence, however, that a good many nominations have been rejected by the Senate for repugnancy of the nominee's views on great issues, or for mediocrity, or for other reasons no more involving moral turpitude than these. Jeremiah Sullivan Black, an eminent lawyer and judge, seems to have been rejected in 1861 because of his views on slavery and secession.[10] John J. Crittenden was refused confirmation in 1829 on strictly partisan grounds.[11] Wolcott was rejected partly on political grounds, and partly on grounds of competence, in 1812.[12] There is the celebrated Parker case of this century.[13] The perusal of Warren[14] will multiply instances.

I am very far from undertaking any defense of each of these actions severally. I am not writing about the wisdom, on the merits, of particular votes, but of the claim to historical authenticity of the supposed "tradition" of the Senators' refraining from taking into account a very wide range of factors, from which the nominees' views on great public questions cannot, except arbitrarily, be excluded. Such a "tradition," if it exists, exists somewhere else than in recorded history. Of course, all these instances may be dismissed as improprieties, but then one must go on and say why it *is* improper for the Senate, and each Senator, to ask himself, before he votes, *every* question which heavily bears on the issue whether the nominee's sitting on the Court will be good for the country.

I submit that this "tradition" is just a part of the twentieth-century mystique about the Presidency. That mystique, having led us into disastrous undeclared war, is surely due for reexamination. I do not suggest that it can be or should be totally rejected. I am writing here only about a little part of its consequences.

To me, there is just no reason at all for a Senator's not voting, in regard to confirmation of a Supreme Court nominee, on the basis of a full and unrestricted review, not embarrassed by any presumption, of the nominee's fitness for the office. In a world that knows that a man's social philosophy shapes his judicial behavior, that philosophy is a factor in his fitness. If it is a philosophy the Senator thinks will make a judge whose service on the Bench will hurt the country, then the Senator can do right only by treating this judgment of his, unencumbered by deference to the President's, as a satisfactory basis in itself for a negative vote. I have as yet seen nothing textual, nothing structural, nothing prudential, nothing historical, that tells against this view. Will someone please enlighten me?

FOOTNOTES

* Henry R. Luce, Professor of Jurisprudence, Yale University, B.A. 1935, M.A. 1938, University of Texas; LL. B. 1943, Yale.

[1] I shall not provide this discussion with an elaborate footnote apparatus. I am sorry to say that I cannot acknowledge debt, for I am writing from my mind; experience teaches that, when one does this, one unconsciously drawe on much reading consciously forgotten; for all such obligations unwittingly incurred I give thanks. I have had the benefit of discussion of many of the points made herein with students at the Yale Law School, of whom I specifically recollect Donald Paulding Irwin; I have also had the benefit of talking to him about the piece after it was written.

HARRIS, THE ADVICE AND CONSENT OF THE SENATE (1953) came to my attention and hands after the present piece had gone to the printer. This excellent and full account of the entire function would doubtless have flashed out my own thoughts, but I see nothing in the book that would make me alter the position taken here, and I hope a single-shot thesis like the present may be useful.

[2] U.S. CONST. art. II, § 2, cl. 2.

[3] Even this short-circuiting is not complete. First, the President's "appointment," *after* the Senate's action, is still voluntary (Marbury v. Madison, 5 U.S. (1 Cranch) 137, 155 (1803)), so that in a sense the action of the Senate even under settled practice may be looked on as only "advisory" with respect to a step from which the President may still withdraw. Secondly, nominations are occasionally withdrawn after public indications of Senate sentiment (and probable action) which may be thought to amount to "advice."

[4] 2 RECORDS OF THE FEDERAL CONVENTION OF 1787, at 83 (M. Farrand ed. 1911).

[5] *Id.* at 132, 146, 155, 169, 183.

[6] *Id.* at 498.

[7] *Id.* at 539.

[8] THE FEDERALIST No. 76, at 494–495 Modern Library 1937 (Alexander Hamilton).

[9] *Id.* No. 77, at 498 (Alexander Hamilton).

[10] 2 C. WARREN, THE SUPREME COURT IN UNITED STATES HISTORY 364 (rev. ed. 1926).

[11] 1 *id*, at 704.

[12] *Id.* at 413.

[13] L. PFEFFER, THIS HONORABLE COURT, A HISTORY OF THE UNITED STATES SUPREME COURT 288 (1965).

[14] C. WARREN, THE SUPREME COURT IN UNITED STATES HISTORY (rev. ed. 1926).

THE 275TH ANNIVERSARY OF ST. JOHN'S COLLEGE

Mr. MATHIAS. Mr. President, on October 15, 1971 there appeared in the Evening Capital of Annapolis, Md., an article noting the 275th anniversary of St. John's College. St. John's College is the third oldest college in the United States.

I feel that this is, indeed, an historic milestone for American education, for St. John's College epitomizes the American tradition of liberal education. Antiquity in itself is not a proper source of pride of, rather it is age coupled with excellence that deserves recognition.

Mr. President, the tradition of St. John's College begun 275 years ago, has provided this country with keen young men and women for many generations. It should be a tradition recognized with honor and continued by the loyalty and commitment of all friends of St. John's.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ST. JOHN'S CELEBRATES ITS 275TH YEAR

St. John's College of Annapolis, Maryland, third oldest college in the United States and famed for a liberal arts program devoted to the study of "Great Books," is celebrating its 275th anniversary on its historic campus. The festivities conclude tomorow.

A small but elite think tank of eminent educators, historians, scientists and writers convened to participate in three two-hour panel discussions on "What—and How—Should a Liberal Arts College Teach?"

The anniversary celebration will end tomorrow with a convocation ceremony to be attended by guest faculty members of more than 75 colleges and universities. Guest speaker will be Dr. Martin Meyerson, President of the University of Pennsylvania.

St. John's, which came into existence in 1696 as King William's School, is believed to be the first free school in America.

When, in 1937, it adopted what was considered a radical liberal arts program, it struck out in uncharted educational waters. Time has proved that this small, non-sectarian liberal arts college has an important place in American education. A second St. John's campus was opened at Santa Fe, New Mexico, in 1964. Several large universities, recognizing the de-humanizing effect of mammoth classes and depersonalized teaching, set up similar small liberal arts type colleges within their frameworks. The trend continues.

St. John's is not only unique for its dedication to the Great Books, but it also permits no majors and no electives. It uses no textbooks. Faculty members, regardless of seniority or the number of their degrees, are all known as tutors. Together tutors and students study the timeless books which are the cornerstone of Western civilization.

Learning at St. John's takes place via tutorials and seminars. The two hour seminar, a twice weekly "must," is the modern equivalent of the dialectic process by which the students of Plato and Socrates learned. Two Tutors conduct the seminar and keep the dialogue and questions alive.

King William's School was founded on July 8, 1696, when the House of Burgesses in the Colony of Maryland passed the Petitionary Act and Governor Francis Nicholson signed it.

The project of collegiate education in the colony occupied the General Assembly as early as 1732, but little came of the efforts to found a college in Annapolis. A bill in 1761 that would have financed a new college by a tax on ordinary licenses, wheel carriages, slaves, Irish papist servants and bachelors was defeated through efforts of delegates from the Eastern Shore.

St. John's College was not chartered until 1784, taking its name from St. John's College at Cambridge University. Property, funds, masters and students of King William's School were conveyed by an act of the General Assembly to the new institution. The college's aim was the liberal education of youth in the principles of virtue, knowledge and useful literature.

Founders included Samuel Chase, Thomas Stone, Charles Carroll, and William Paca, most of them associated with the Declaration of Independence and the establishment of the young republic.

The college's charter was the first in the U.S. to specifically prohibit religious discrimination. At that time, both faculty and students were exempted from all rates and taxes on their salaries and from all military duty except in cases of actual invasion of the State or when general military law was declared.

The original college program consisted of a three-year course to which a student might be admitted if he had mastered writing and arithmetic, Greek and Latin.

Freshmen studied Livy, Xenophon, Plato, Euclid, algebra, plane and spherical trigonometry, logic and metaphysics. Juniors dealt with an Introduction to Rhetoric, Aristotle's Poetics, surveying, principles of navigation, fortification, conic sections, and forensic disputation. Seniors qualified for a degree of Bachelor of Arts through moral philosophy, Epictetus, civil history, astronomy, use of the celestial globe and sketches of natural history.

The college began with one building, now known as McDowell Hall, after the first president of the school. It was not until 1838 that the second building, Humphreys Hall, was constructed by the president whose name it bears.

The Civil War interrupted the College in 1861 when the campus was turned into a receiving station for Southern prisoners of war.

After the war, Henry Barnard was named president of the school, but he soon left to become the first U.S. Commissioner of Education.

Affairs of the college remained unsettled until 1886 when Dr. Thomas Fell became president. During the 37 years of his administration the college engaged in a program of compulsory military training.

The military program was abandoned in 1923 in favor of the elective liberal arts curriculum characteristic of American colleges and universities. A period of athletic greatness followed—when the school's lacrosse teams won two national championships and its football teams struggled against West Point and New York University. It was also a period of financial difficulty, induced in part by the depression, but also by a scheme for buying up colonial properties in Annapolis. By the mid-30's, the college was practically bankrupt, its accreditation was gone and it appeared likely to become an educational casualty.

Meanwhile, at the University of Chicago, a group of educators gathered to develop an ideal curriculum for a liberal arts college, in protest against the specialization and fragmentation of students' learning.

In 1937, the St. John's Board of Visitors and Governors invited two members of the Chicago study group, Stringfellow Barr and Scott Buchanan, to become president and dean of the college, bringing with them what has come to be known as the St. John's program. The program, a renaissance in American education and, the restoration of a modern equivalent of the traditional liberal arts curriculum, was brought up to date by the inclusion of modern science.

THREE PATRIOTS

Mr. PERCY. Mr. President, on November 15, 1971, at Heald Square, Wacker Drive and Wabash Avenue, Chicago, a ceremony was held to mark the designation of a monument as a Chicago historical and artistic landmark. The monument memorializes three American patriots, George Washington, Robert Morris, and Haym Salomon. It was created by the great sculptor, Lorado Taft. It commemorates the contributions of the three men to the American Revolution, and symbolizes the theme that persons of all origins and creeds participated in the founding of the United States and that civilians as well as soldiers played important roles in the Revolution.

Robert Morris, born in Liverpool, England, was a businessman and Superintendent of Finance for the Continental Congress. In that role he had the job of raising funds to support George Washington's forces. Haym Salomon, an American Jew from Poland, was one of Morris' chief aides in the effort.

In connection with this occasion, a book has been published by the noted biographer Harry Barnard. The book, entitled "This Great Triumvirate of Patriots," tells how the monument came

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into being and the significance of the collaboration of Washington, Morris, and Salomon.

The monument was designated as Chicago's first sculptural landmark by the Chicago City Council on the recommendation of the official Commission on Chicago Historical and Architectural Landmarks. I am pleasd to bring this information to the attention of the Senate.

BIG DAY AT SPARROWS POINT YARD

Mr. MATHIAS. Mr. President, in the September 1971 issue of the Bethlehem Review there appeared an article describing the dedication of the largest vessel built in Bethlehem Steel's shipyard in Sparrows Point, Md., and the dedication of the largest shipbuilding basin in the shipyard.

This article is important in that it highlights the link with the sea that the State of Maryland has enjoyed for her long and rich history. Such endeavors as this also point out the economic growth of Maryland, and emphasize the contribution that Maryland is making to the building of a strong merchant fleet for the United States.

Mr. President, Maryland is, indeed, proud of this growth, and the State's contribution to the American merchant marine.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG DAY AT SPARROWS POINT YARD

It was Sunday, May 16. It would be the biggest single day in the long shipbuilding history of Bethlehem's Sparrows Point, Md., shipyard.

They were scheduled that day to launch the largest vessel ever built at the yard—Union Oil Company's S.S. *Sansinena II*, a 70,000-dead-weight-ton tanker. And right next door, they were to dedicate a shipbuilding basin and its associated facilities in which the yard would be building ships so large that they would make *Sansinena II* look small.

Every detail—and it's hard to imagine the hundreds of details that must be put together for a dual ceremony such as this one—went as planned, except the weather.

But Walter F. Williams, Bethlehem's vice president, shipbuilding, or William H. Collins, the yard's general manager, or someone else even worked out that detail. Just as the first busload of guests pulled into the yard, the rain stopped. And shortly after the ceremonies were completed, the rains returned.

The basin dedication came first. There were speeches, a symbolic ribbon cutting, and a lot of "oohs" and "aahs" from the crowd. And well they might "ooh." The basin is longer than three football fields laid end to end (1,200 feet, actually) and twice as wide. In it Bethlehem will be able to construct tankers up to 300,000 deadweight tons.

Dedication ceremonies were concluded by the Rev. Mr. Alphonso A. Thompson, pastor of the South Baltimore United Methodist Church and an employee at the yard for more than 30 years.

Guests and employees and their families then moved a couple of hundred yards north to Building Way No. 10 where the *Sansinena II* rested. But the official launching party still had a long way to walk—up three long flights of stairs to the launching platform. Never before had Bethlehem shipyard men erected such a high launch platform, but, then, Bethlehem had never launched a ship whose prow reached so high into the air. At the forepeak, it was 100 feet above ground level.

Sansinena II's other statistics are equally impressive. Its 810-foot length required a 72-foot extension of the way. Its beam is 105 feet, the width limit for the Panama Canal. It will be able to transport nearly 560,000 barrels of crude oil at normal sea speeds of 15½ knots; its cruising range exceeds 7,300 miles.

When in service, *Sansinena II* will carry crude oil from Alaska's Cook Inlet to Union Oil's refineries on the West Coast.

Mrs. Fred L. Hartley, wife of the president and chief executive officer of Union Oil was *Sansinena II's* sponsor.

Though they were not an official part of the big day's activities at the yard last May, two other important facilities recently have been completed there—a panel shop and a blast and paint shop. Along with the new building basin, the new fabrication and painting facilities are a part of the long-range expansion and improvement program nearing completion at the yard.

In the 750 x 90-foot L-shaped panel shop, flat ship subassemblies, up to 60 x 60 x 25 feet, will be assembled faster and more economically than ever before. The fully mechanized and partially automated line will permit fabrication of subassemblies weighing up to 200 tons for later erection either on the building ways or in the new building basin.

Adjoining the panel shop is a new climate-controlled blasting and painting shop, where new and exotic coatings, required for today's tankers, will be automatically applied to the steel.

On the books ahead for 4,000 Sparrows Point shipyard workers are five more 70,000-dwt. tankers, four 120,000-dwt. tankers, and two large container ships. In the past 20 years Bethlehem's Sparrows Point shipyard has produced twice as much merchant tonnage as any other yard in the United States. With the new facilities that were dedicated last May and the current order book there is reason to believe the yard will continue that leadership.

TRIBUTE TO OKLAHOMA'S MENTAL HEALTH DIRECTOR

Mr. BELLMON. Mr. President, a few weeks ago it was my pleasure to participate in a testimonial dinner to Oklahoma's director of mental health, Dr. Hayden Donahue. Featured speaker for the gathering of 450 persons in Oklahoma City was Dr. Bertram S. Brown, Director of the National Institute of Mental Health.

In his address, Dr. Brown paid tribute to Dr. Donahue for a lifetime of commitment to service for mental health. He traced his impressive career as an educator, State and Federal Government official, psychiatrist, and mental health leader.

During my term as Governor of Oklahoma, it was my experience to be associated with Dr. Donahue in some of the most significant advancements made in the mental health field in our State. I am quite proud that during this time overcrowding at mental institutions was reduced and legislation was passed to make possible the establishment of community mental health facilities.

In order that Senators may be aware of the accomplishments that have been made under the leadership of Dr. Hayden Donahue, I ask unanimous consent that the text of Dr. Brown's testimonial dinner address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMITMENT TO SERVICE

(By Bertram S. Brown, M.D., Director, National Institute of Mental Health Health Services and Mental Health Administration U.S. Department of Health, Education, and Welfare)

I quote from The Daily Oklahoman:

"Misery Rules in State Shadowland.

"Not enough doctors, not enough nurses, not enough toilet paper, not enough covers for cold nights. When the laundry did not get around to the wards in time, there were not enough sheets and not enough pillow cases. There wasn't enough of anything but patients.

"This quotation from 'The Snake pit,' current best-seller about life in a mental institution, could be applied almost wholehog to the conditions under which more than 10,000 mentally ill Oklahomans exist in the six mental hospitals run by the State.

"At the three major hospitals for white insane—Central Oklahoma State at Norman, Eastern Oklahoma at Vinita, Western Oklahoma at Fort Supply—and at the hospital for the Negro insane at Taft, for mental defectives at Enid, and for epileptics at Pauls Valley, the story is an unbelievably shameful one."

That appeared in 1946 and was penned by Mike Gorman who, as you know, went on from Oklahoma to become a sharp critic of poor treatment for the mentally ill and a champion crusader for better mental health care throughout the Nation.

Now, let me quote some current statistics about the mental health program in Oklahoma:

In 1953 there were 8,600 patients in State hospitals—today there are only 3,000.

In 1953 the average patient stayed 2,964 days at a mental hospital in Oklahoma—today he goes home in just 28 days or only 5.5 days if he was admitted to a community mental health center.

The pathetic system that Mike Gorman described admitted only 2,400 patients a year—while today more than 22,000 Oklahomans are served.

And more than 75% of those are treated on a voluntary admission basis—one of the best percentages in the Nation.

There are in Oklahoma today some of those most innovative and creative programs to be found in the Nation. Witness the mental health centers on college campuses which capture the best of two great social institutions—health and education.

Witness the innovative programs involving law enforcement and corrections. Witness Oklahoma's commitment to better mental health programs for children.

Ladies and gentlemen, we are here tonight to honor the man who is responsible for this highly significant difference in Oklahoma's mental health story.

I am delighted to have the honor of paying tribute to one of your State's great men and my very good friend, Hayden Donahue, for his lifetime of commitment to service for mental health. It is also refreshing to get out to where the action really is in mental health and to visit a State that is boldly attacking the serious individual and societal conditions that form the modern complex of mental illness.

It is also a pleasure to read this telegram which I received about an hour ago:

"Since 1946, when I first condemned the care and treatment of patients in Oklahoma's mental hospitals, I have seen tremendous progress all across the country. Men, like you, Hayden Donahue, deserve all the praise this Nation can bestow when you consider the tremendous amount of human suffering that has been alleviated I am sure that you would want me to say—especially in the presence of all—the Congressional and government officials present tonight, that just as Dr. Donahue deserves testimonials, so does he need financial support to continue his works, for there is much to be done.

"Mike Gorman, October 2, 1971."

Oklahoma, as I have just noted is certainly where the action is. And Dr. Donahue is certainly a man who is "getting it all together." Since 1947 when he wrote one of the first statements supporting community mental health concepts he has been one of mental health's hardest workers.

Just last week he closed his second hospital. I can't help but mention that that hospital is in Lexington, Oklahoma and that I, too, have a Lexington hospital—as those of you familiar with the national drug abuse program well know.

Dr. Donahue has turned his Lexington over to the corrections programs here in the State where some highly creative programs that treat and understand criminals will be started. This is significant because it heralds a new role for community mental health centers, but it is also meaningful because it is a tangible step toward the true integration of social institutions—in this case mental health and corrections—into a service that best serves society.

While my Lexington is not destined to this particular future it is not just a coincidence that another hospital of mine, Fort Worth, is being turned over to the Federal Bureau of Prisons pending Congressional approval. We hope to see the same kind of cooperation at the Federal level as it becmes a medical facility in the Federal Bureau of Prisons. This kind of cooperative program has been one of my ardent causes for several years, and I am confident that cooperative advocacy, as I call and Dr. Donahue practices it, is the wave of the future.

Law enforcement and health have been traveling on parallel roads for some time. Now we are converging, with common goals. And there is so much to be done. If I summarize a bit:

1. There is great need for community alternatives to institutionalization, whether the institutions be State hospitals or prisons.

2. More innovative and effective treatment programs are needed for offenders in institutions.

3. There is need for general improvement of the Juvenile Court system. (NIMH currently is supporting a complete analysis of the system, from arrest through adjudication and treatment.)

4. New models must be developed, for the training of professional and non-professional service personnel and behavioral and social science researchers.

5. Innovative and more effective programs are needed for mentally disordered offenders, as well as research pertaining to issues of law and mental health. (We still do not have the answers; this is distressing, it is tragic, and it calls for new thinking and affirmative action.)

The NIMH and the Law Enforcement Assistance Administration are setting the Federal example by cooperating on a number of projects—most notably in the area of drug abuse where a special task force with three sub-committees is working to merge programs and dollars wherever possible.

The fact that Dr. Donahue beat me to the punch is not at all surprising. He is truly an innovative man. If there is room for a dark note to be cast tonight, I should then mention—in true Mike Gorman fashion—that Oklahoma does not rank very high at all in its total expenditure for mental health. No wonder Dr. Donahue is innovative. As he says himself, "When you haven't got any money, you have got to be innovative."

Dr. Donahue's concern for money is an ardent one that we all share. But Dr. Donahue—at least in mental health circles—has a special reputation for finances, since he served for a long time as the treasurer of the American Psychiatric Association. What an honor—to be the only man that 26,000 psychiatrists trust with their money.

My concern for budgets and expanded resources for the Nation's mental health programs is closely related to my concern for cooperative advocacy—the sharing of resources to accomplish needed social services—and to my views concerning the many meanings of politics for mental health.

Oklahoma has a developing consciousness about mental illness and doing something about it. The Oklahoma Department of Mental Health, the Oklahoma Mental Health Association, along with their public and private allies and other agencies concerned with mental health, are striving to reach people where they live and help them when they need help.

Now, the kind of program you have today and what you will have in the future is, besides being a tribute to leaders like Hayden Donahue, also a tribute to the power structure in itself. I use the term power structure in the best sense, for it can be, and is here, for the public good.

Much of the power structure responsible for the founding, functioning, and funding of the Oklahoma mental health program is represented here today. And I say that it is a good thing when statesmen, public officials, scientists, medical men, health workers, educators, and, last but far from least, community leaders get together as a power structure and make possible programs and progress for mental health improvement.

Let me talk for a minute or two about politics and the meanings of politics for mental health.

To some, politics inevitably conveys something loathsome and to be feared. In this view, mental health services are not better off than when they existed at the whim of a rich patron, when they depended upon the vagaries and the gratitude of princes.

But I do not hold this view. Nor, I believe, do you. To me, politics is a challenge and opportunity for us to arouse interest and attention, to gain concern and support, for science and health programs. Politics is a methodology, a set of protocols almost, like those of research, which we can utilize if we will.

Psychiatrists who have gotten heavily involved with community psychiatry, as I have, have begun to learn this. In my own case, by an unusual combination of aspiration and luck, my particular specialty has become the little known field of political psychiatry. This has brought about a considerable amount of personal involvement with some of the higher levels of government and, in particular, the present Administration and the past two in the White House.

Full appreciation of my role was made clear to me at one of the high points in my career when on a solemn occasion at the White House I was introduced to the Governor of one of our largest States as the "Mentally Retarded Advisor to the President."

What I am talking about in all of this is not that kind of politics characterized as backroom, filled with cigar smoke, and star chamber. I am talking about the politics of mobilizing society's support for human services in difficult areas such as mental health and illness and their many faces—from alcoholism to narcotic addiction to crime and violence and on to suicide and schizophrenia.

What is significant in this context is the very presence of mental health in the corridors of politics. It is, of course, becoming more important in the State and the Federal health scenes.

It is, financially, not as big federally as it is in the States, but it is not inconsiderable in Washington, when all aspects are considered. In the States, mental health is usually the biggest employer and has the largest or one of the largest public budgets.

This means that we are, in a sense, big business. Big business means big politics; and thus, in our society, those concerned with mental illness and health must enter and find their place in the political arena. And this is why I urge that mental health people work more, not less, in this arena. It is one, I am sure from my own experience, in which intellectual and personal negotiation and reasoning and collaboration—what, in a word, I like to think of as cooperative advocacy—can be achieved.

To sum this up in another word, cooperative advocacy means people of all kinds and from all groups—politicians, physicians, civic leaders, consumers, businessmen, labor, management, and on—joining together in positive partnership for the conquest of mental illness and the advancement of mental health.

In still another word, this kind of thing is what the life and career of Hayden Donahue is all about, for he has both preached and practiced cooperative advocacy for mental health over all the years since he made his commitment to its service and dedicated his energies and abilities to it.

Dr. Donahue's biography reads like it belongs in the "Who's Who's" not just a mental health but of those in education, church affairs, hospital work, science, the Southwest and, indeed, of all America. Indeed, his record does belong in those kinds of "Who's Who's"; and if you look you'll find it there.

Many of us know of his long and eminent career in medicine and mental health and teaching, but a few highlights help us to recall how meaningful his achievements really are.

Born in El Reno, Hayden Donahue received his college education at the Universities of South Dakota and Kansas and his medical education at Kansas. His internship was at the University of Georgia Hospital, and there he also received three years of accredited psychiatric training.

Right here, before I talk of his accomplishments in other fields, I want to emphasize that we in psychiatry claim him as one of our very own—and finest—and I must mention that he is a fellow of the American Psychiatric Association, American Association for Mental Deficiency, and American College of Psychiatry.

His work history is altogether fascinating. It is as wide-ranging and interesting as it is distinguished.

He had an early interest in engineering and worked in that field, in lake and water conservation engineering, in his younger years.

During World War II, Hayden Donahue served as a Flight Surgeon, at Wright Patterson Air Force Base, Dayton, Ohio, and as Group Surgeon of the USAAF in North Africa. He then served the Army as Director of Professional Services at its Neuropsychiatric Center in St. Petersburg and at its neuropsychiatric convalescent hospital in San Antonio. His government career was further distinguished when he was Chief of Hospital Operations of the U.S. Veterans Administration in Washington.

Continuing in hospital work, Dr. Donahue served in education, research, and administrative health fields in Arkansas and was engaged in medical work for the Texas State Board for Hospitals and Special Schools before coming home to Oklahoma in 1953 as Director of Mental Health.

What he has done here is too familiar for me to dwell in detail upon it. But to us and to you, I think, he has by his deeds and action become "Mr. Mental Health"—or, if you prefer—"Dr. Mental Health".

I would like to cite one or two other things, however.

Hayden Donahue has served the nation as

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well as the people of Oklahoma in his work and has contributed a great deal to many regional, national, and international committees, boards, and other advisory groups on which he has served in non-mental health as well as mental health, hospital, medical, and related fields.

He has been honored numerous times by the people of Oklahoma and by others, such as civic and professional organizations for whom he has done so much.

Dr. Donahue has carried on research and special studies in a broad spectrum of important fields, such as flying fatigue, war neuroses, narcosynthesis, alcohol and drugs, use of drugs in treating mental patients, problems of the aged, hospital training, hospital operations and management, the use of rehabilitative therapies, and forensic psychiatry.

Let me close this brief tribute with one specific, but highly significant illustration of just one of his particular contributions to mental health. This one, in part, may be owing to his early interest in engineering, perhaps when he worked as a draftsman and topographer. If this is so, it is a part of his education and experience that has really paid off, for all of us as well as for Hayden Donahue:

For it is very well worth mentioning that Oklahoma is gaining architectural fame through its mental health program—and because of Dr. Donahue. New concepts developed in your State, using architecture to aid in the treatment of mental illness and promoting mental health, have been attracting a great deal of attention in professional circles both here in the U.S. and abroad.

This was evidenced earlier this year when a presentation was made, in Denmark at an international meeting of psychiatrists, describing the facilities and activities at Central State Griffin Memorial Hospital. As Dr. Donahue said, the Norman Facilities were designed to provide new methods of delivering services to the mentally ill.

New methods for delivering services are paramount in programs run by Dr. Donahue. The plan to bring mental health centers to Oklahoma's colleges and universities where the centers will be staffed by a much wider range of talent—including involved young people—than might otherwise be available is but one more example.

This aspect of Oklahoma's program will open the way for *people* to get into the system. College students will get involved and the education "establishment" will get involved in the mental health care system in Oklahoma.

I also share Dr. Donahue's concern for children. Just as I drew an earlier parallel with his collaborative programs between mental health and correction institutions, I can wholeheartedly endorse his total commitment to increased mental health services for children.

When I first became Director of NIMH, I established three high priorities—child mental health, minority mental health, and the mental health aspects of law and order. I have emphasized two of these, and I will make our tribute to Dr. Donahue complete by mentioning his strong personal commitment to Indian programs.

In the area of minority mental health, he is certainly a pioneer when we consider that he moved early to provide mental health programs for Oklahoma's most significant and America's oldest minority group.

This concern for the human rights and dignity of others has been interpreted into meaningful programs.

At many levels, Dr. Donahue—in ways that I think are outstanding examples that should be replicated throughout the Nation—has demonstrated leadership in the field that all of us here are committed to. The fact that he has provided the dynamic leadership that has enabled Oklahoma to provide mental health, alcoholism, and drug abuse prevention services under one overall system of health care—is in itself indicative of his recognition that health care systems must be flexible to provide human services when and where they are needed.

I must conclude that the group assembled here tonight is evidence of support for the principles for which Dr. Donahue stands. I have tried to emphasize that I, too, am in support of these principles. We are both counting on your support.

This support, at all levels of government, as well as that of private organizations and the public generally, is a necessity if we are to succeed. Meeting this necessity calls for what I spoke of earlier as *cooperative advocacy.*

Cooperative advocacy has many faces, opportunities, and uses for us. In a sense, it is decentralization and involvement of more and more citizens and community groups, the consumers, in decision making. It also means working together with each level—from local to State to national—making appropriate decisions and sharing problems, investments, and benefits.

The mental health community has already had experience in this. We now need to do more of the same things, find new cooperative avenues, and do the work better.

At the NIMH, for example, we are stepping up collaborative programs, both citizen participation and cooperation among government agencies to meet our current priorities—child mental health, mental health in minority groups, and the search for the causes and cures of crime and anti-social behavior.

But we all need the ideas and participation of more citizens and more groups; and we need their support, for example, in funding services for mentally disturbed children, for minorities, for alcoholics, and for narcotic addicts.

Problems like these highlight the fact that we are today in a social crisis, whether you look at crisis in the Oriental sense as opportunity and danger, or in the catholic sense of transition.

We know that the stress of crisis sometimes makes it possible for an individual to come through as a better and more responsive person.

Just as this can occur for an individual, I really believe that, by the nature of mental health collaboration and partnership with others, the joint contribution can emerge as a far more significant contribution to the needs of people than has ever been the case before.

I think that it is proved by the contributions already in evidence here in Oklahoma, which have come from a full commitment to service you have made and our friend and colleague, Hayden Donahue, has made.

My final words of tribute, Dr. Donahue, are that while all of us here have been paying tribute to you—you have been working. You have "put a bug" in Senator Bellmon's ear, and you have talked to Speaker Albert about help for mental health programs. This I think is most significant—that even at your own testimonial you place the future of your profession first above all else.

Dr. Donahue, we salute you!!

THE REVENUE ACT OF 1971

Mr. TUNNEY. Mr. President, last Saturday the distinguished chairman of the Finance Committee (Mr. LONG) and I engaged in a discussion which I believe has clarified the intent of Congress regarding the application of the investment tax credit to the motion picture industry. I appreciate very much his assistance in stating clearly that the credit applies to motion picture and television films.

FOREIGN DISCRIMINATION IN THE FILM INDUSTRY

There is another point upon which I wish to comment, and that is the discriminatory practices of many foreign countries against American films. Throughout my 7 years in the Congress, it has always been my belief that the interests of all our citizens in a good job and in the lowest possible prices for goods are best served if all nations engaged in trade on a free and equal basis. One thing that we have learned in our history as a nation is that American workers and American firms have the skill, the technology, and the desire to compete vigorously in world markets. My own State of California has been particularly strong in world trade. In 1970, California accounted for about one-tenth of all U.S. exports.

Yet we find that the motion picture industry, an industry that is particularly important to California's economy, has long been subject to all manner of discriminatory practices in many foreign countries, which are the antithesis of free and open competition. The variety of these restrictions and discriminations is most extensive and has operated as a severe limitation on the ability of American companies to pursue worldwide markets that would have a dramatic effect upon employment in the industry.

Among the discriminatory practices and tax barriers which foreign countries have constructed are these:

Screen quotas require theaters to devote a specified proportion of their screen time to the showing of domestic films. This has the effect of limiting the amount remaining for imported pictures, thus reducing their earning capacity. There are 17 nations which apply such quotas.

Import quotas became widespread after World War II. As the major exporter of motion pictures—American films are estimated to occupy close to 50 percent of free world screen time—the United States was the prime target. While quotas usually are described as designed to conserve foreign exchange, in most instances the primary objective is to protect local film producers from competition of popular American films, with conservation of foreign exchanges only a secondary consideration. Most restrictions have now been removed but there are nine free world countries that still apply quantitative restrictions.

Discriminatory admission taxes: Six countries impose higher admission taxes on foreign films than on domestic pictures, either directly or through tax rebates when domestic films are shown.

Film rental price controls, through direct government edict or by indirect pressures, impose disadvantageous film-rental terms or pernicious conditions on our film sales in 12 countries.

Remittance restrictions following World War II for years posed an extremely difficult problem for the U.S. film industry. Many have been overcome, but they still exist in various degrees in 15 countries.

Local printing decrees necessitate the manufacture of prints for theater use in laboratories of the country to which imported. This is an expensive and inefficient type of restraint which is spreading. Six countries impose such requirements.

Dubbing must be done in local laboratories in three countries. Four others prohibit the dubbing of foreign films into the local language, as a measure to reduce the competitiveness of imported films.

Foreign distributors are barred from having film distribution branches or subsidiaries in seven countries. This type of restriction is designed to force distribution of American films into the hand of local, and often inefficient, firms.

Exorbitant income or related tax levies are common devices applied against American film companies to drain off their earnings. Six particularly bad situations are noted in this report.

Production subsidies, often financed by taxes or other levies on foreign film imports—mainly American—exist in 17 countries listed herein. They subsidize the cost of local production and thus place films made elsewhere, which receive no such subsidies, at a competitive disadvantage.

Miscellaneous measures include such devices as heavy "dubbing" or "release" fees, compulsory purchase and distribution of domestic pictures, or the establishment of import monopolies.

Mr. President, I am deeply concerned about the effect of these barriers. As I stated previously, I believe that free markets worldwide are the best answer to expanding American industry. Thus I believe that these foreign discriminations must be eliminated. I have pursued that concern extensively with Senators and with the appropriate officials in the executive branch. In particular, I have sought assurances from the administration that our Government will work vigorously to end foreign discrimination against American films. I have urged these officials to make concerted efforts in international negotiations to convince foreign countries to drop barriers and restrictions and to join in our own free trade policies regarding films. The United States does not discriminate in any way against foreign made films.

Mr. President, in order to establish a substantial legislative history of the intent of the Congress that the appropriate officials of the executive branch pursue a policy of vigorous negotiation to obtain elimination of foreign restrictions, I have recently requested written assurances to that effect. I ask unanimous consent that a letter from Mr. John S. Nolan, Deputy Assistant Secretary of Treasury to me, dated November 12, 1971, and setting forth such assurances, be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPARTMENT OF THE TREASURY,
Washington, D.C., November 12, 1971.

Hon. JOHN V. TUNNEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TUNNEY: You have requested advice as to our position on the discriminatory practices adopted by various foreign countries with respect to movie and television films produced in the United States. These practices are described on page 27 of the Senate Finance Committee report on H.R. 10947, the proposed Revenue Act of 1971, and are of a nature which either discriminate directly against U.S. made films or discriminate indirectly by favoring films made in the particular country.

We have been deeply concerned as to the existence of these practices, and we intend to continue concerted efforts to convince these countries to drop all such barriers to free trade. We will continue as our first line of endeavor to ask them to emulate our own past policy of not discriminating against foreign films. While some temporary measures have been necessitated by our present balance of payments emergency, our basic long term objective in the area of the entertainment industry as elsewhere is fair trade with other nations on a basis of free exchange of goods and services without artificial restraints or subsidies which favor domestic over foreign produced goods.

Sincerely yours,

JOHN S. NOLAN,
Deputy Assistant Secretary.

Mr. TUNNEY. Mr. President, it is my hope that the executive branch will pursue the elimination of those foreign barriers as its first line of endeavor. We all recall the meeting which President Nixon held at San Clemente earlier this year with representatives of the film industry, and the commitments which he made to take action to assist that industry to revive itself. Surely that is a commitment which can and must be kept by pursuing the elimination of foreign trade barriers.

We are not asking special favors for this industry. We seek only that it may be allowed to compete on an equal footing with those industries of other nations. Once they are given that equal footing, I am confident that the strength, the pride, and the ingenuity of the American motion picture industry will enable it to meet any competition successfully.

RESOLUTIONS OF NATIONAL GUARD ASSOCIATION AT 93D MEETING

Mr. THURMOND. Mr. President, the efforts of the National Guard Association of the United States over the years to promote the defense of our Nation are well documented.

The Guard Association members speak to the Nation through a number of mediums such as resolutions at their annual convention.

During the Guard's 93d General Conference in Honolulu, Hawaii, the membership issued a number of resolutions which deserve the attention of the Congress and the Nation.

Mr. President, I ask unanimous consent that some of these resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

NATIONAL GUARD ASSOCIATION OF THE UNITED STATES 93D GENERAL CONFERENCE—SEPT. 23, 1971

RESOLUTION NO. 4: SUBMITTED BY THE COMMITTEE ON RESOLUTIONS, RELATING TO THE SUPPORT OF THE NIXON DOCTRINE

Whereas, The President of the United States is attempting to achieve peace in Southeast Asia; and

Whereas, The three pillars of the Nixon Doctrine—partnership, strength and willingness to negotiate—must be applied; and

Whereas, Some individuals and organizations are giving aid to the enemy by undue and inaccurate criticisms which are adversely affecting the morale of our Nation and undermining National policies; now

Therefore, be it resolved, That the National Guard Association of the United States support by all means possible the Nixon Doctrine and other policies of our President in his actions to achieve and maintain an honorable peace in Southeast Asia which would hold our Nation in esteem.

RESOLUTION NO. 5: SUBMITTED BY OHIO, RELATING TO ARTICLE VI OF THE U.S. CONSTITUTION PERTAINING TO TREATMENT OF PRISONERS OF WAR

Whereas, Article VI of the United States Constitution specifically states that provisions of treaties ratified by the United States Government become the "supreme law of the land", notwithstanding contrary limitations of the Constitution itself; and

Whereas, Notwithstanding solemn promises ratified at the international conference at Geneva that all prisoners-of-war captured would be given humane treatment; that Article 2 of the convention provides that it "shall apply to all cases of declared war or any other armed conflict which may arise between two or more of the High Contracting parties, even if the state of war is not recognized by one of them"; and

Whereas, The Government of North Viet Nam acceded to the convention in June 28, 1957, and the Government of South Viet Nam acceded to the convention on November 14, 1953, and the Government of the United States acceded to the convention in August 2, 1955; no pretense of compliance has been advanced by North Viet Nam or the National Liberation Front (Viet Cong) despite a request to do so on June 11, 1965, by Jaques Freymond, Vice-President of the International Committee of the Red Cross and numerous appeals by international humanitarian organizations subsequently; and

Whereas, Repeated appeals on the part of wives, parents, relatives, and dependents of those unfortunate victims of Communist inhumanity have proven ineffective through diplomatic, military and humanitarian channels; now

Therefore, be it resolved, That the National Guard Association reaffirms its position and condemns in the strongest terms the repressive and cruel treatment of American and allied prisoners and petition that the Government of North Viet Nam act as follows to:

1. Observe the international accords of the Geneva Convention in the same manner in which the Government of South Viet Nam accords to captured troops of the North Viet Nam Government and their allies.

2. Release names and physical condition of all prisoners held.

3. Immediately release sick and wounded prisoners.

4. Provide for impartial inspections of prisoner-of-war facilities by international humanitarian organizations.

5. Provide for medical treatment of all prisoners.

6. Provide for regular flow of mail, food, and comfort items.

7. Cease using prisoners for purpose of public degradation, political propaganda and mental torture of prisoners and their innocent families.

8. Agree to immediately negotiate through international humanitarian organizations for the fair and equitable exchange of prisoners of both sides; and

Be it further resolved, That copies of this Resolution be forwarded to the President of the United States, the President of the U.S. Senate and Speaker of the House.

RESOLUTION NO. 6: SUBMITTED BY THE COMMITTEE ON RESOLUTIONS, SUPPORTING THE B-1, WHICH IN TURN SUPPORTS OUR FUNDAMENTAL PHILOSOPHY AND STRATEGY OF DETERRENCE

Whereas, The Nation relies on the Triad of a mixed force of land-based missiles

(ICBMS), sea-launched missiles (SLBMS), and manned bombers to deter war; and

Whereas, We believe that an evolving Triad will provide the U.S. with a credible strategic deterrent indefinitely; and

Whereas, The B-1 is an absolutely essential part of the Triad; and

Whereas, The B-1 provides the flexibility to deter lesser levels of aggression and to provide an effective capability at those lesser levels; should deterrence fail; and

Whereas, The newest B-52 is 18 years old and needs to be replaced with a viable strategic bomber with increased capability to operate in the 1980s; now

Therefore, be it resolved, That the National Guard Association of the United States endorse and support the B-1, the USAF's Number One development program for strategic force improvement; and

Be it further resolved, That the National Guard Association of the United States immediately urge the Department of Defense and the Congress to provide adequate resources for the development and equipment of the USAF with adequate B-1 bombers to satisfy our National deterrent philosophy.

RESOLUTION NO. 7: SUBMITTED BY THE COMMITTEE ON RESOLUTIONS, RELATING TO SUPPORT OF THE IMPROVED MANNED INTERCEPTOR (IMI)

Whereas, Deterrence is a product of both offensive and defensive forces; and

Whereas, Soviet manned bomber capability continues to exist and some appraisals show an increased capability; and

Whereas, NORAD's air defenses have declined substantially during the past five years; and

Whereas, the USSR is reported to be developing a swingwing supersonic bomber and is exploiting technology from its TU-144 supersonic transport; and

Whereas, The present F-106 aircraft in the Regular Air Force and the F-101 and F-102 aircraft in the Air National Guard are obsolescent and will be incapable of adequate response against an advanced manned bomber threat; and

Whereas, If an IMI is not procured and promptly deployed the air defense capability gap will widen and U.S. defense deterrent will be further compromised; now

Therefore, be it resolved, That the National Guard Association of the United States make such representations as are necessary to the members of Congress and DoD agencies to foster the development of an Improved Manned Interceptor and procurement in appropriate numbers so that the United States Air Force will be able to maintain an assured defensive deterrent capability.

RESOLUTION NO. 8: SUBMITTED BY TEXAS, RELATING TO CONTINUATION OF THE SELECTIVE SERVICE SYSTEM

Whereas, The National Guard Association of the United States in General Conference assembled unanimously resolved to recommend continuing the Selective Service System; and

Whereas, During the National Guard Association of the United States General Conference the U.S. Senate passed a Draft Bill by a substantial majority; now

Therefore, be it resolved, That the National Guard Association of the United States commend the Congress of the United States for its passage of the Bill to continue the Selective Service System.

RESOLUTION NO. 9: SUBMITTED BY SOUTH DAKOTA, KANSAS, CALIFORNIA, MISSISSIPPI, MINNESOTA, MICHIGAN AND ALASKA, RELATING TO LEGISLATIVE INCENTIVES TO HELP MAINTAIN AUTHORIZED STRENGTH IN THE CIVILIAN COMPONENTS

Whereas, The National Guard is required to maintain mandatory strength levels; and

Whereas, The Departments of Defense, Army and Air Force have stated that high levels of mobilization-readiness will be required of the National Guard since the National defense policy is to consider the National Guard and other Reserves as the first resources for augmentation of the Active Forces in future emergencies; and

Whereas, Secretary of Defense Laird has recognized that the National Guard and other Reserve Forces must be fully supported to produce a high degree of readiness; and

Whereas, Considerable efforts are being made to reduce reliance upon the Draft, thus reducing its effectiveness as a motivation toward enlistment in the National Guard; and

Whereas, The Active Forces have been given greatly increased resources and inducements to attract voluntary enlistments and to reduce reliance upon the Draft; now

Therefore, be it resolved, That the National Guard Association of the United States strongly urge Congress and the Secretary of Defense to authorize for the National Guard and other Reserves such incentives as will be required to maintain authorized strengths during and following the transition to the zero Draft by providing as a minimum:

a. Reenlistment bonuses to encourage experienced National Guard personnel to extend their service beyond the initial six-year period;

b. Benefits in the form of annuities to survivors and dependents of National Guardsmen and Reservists who have completed 20 or more years of satisfactory service but who die before reaching the age of 60;

c. Reduction of the age at which Reserve retirement benefits payments start;

d. Proficiency pay for highly-skilled National Guardsmen and Reservists whose experience and skills are necessary to maintain the high quality of training and operations.

RESOLUTION NO. 12: SUBMITTED BY THE COMMITTEE ON RESOLUTIONS, RELATING TO AMENDMENT OF SECTION 269(E)(2) TITLE 10, UNITED STATES CODE, TO PROVIDE THAT THERE SHALL BE NO REDUCTION IN THE READY RESERVE SERVICE REQUIREMENT OF A RESERVIST UNDER THAT SECTION UNLESS HIS PERIOD OF ACTIVE DUTY (OTHER THAN FOR TRAINING) SHALL HAVE BEEN FOR AN AGGREGATE OF AT LEAST 61 DAYS

Whereas, There is an ever-increasing need for retention in the National Guard of trained and qualified members; and

Whereas, Section 269(e)(2), Title 10, United States Code, provides that except in time of war or of National emergency declared by Congress, a Reservist who is not on active duty, or who is on active duty for training, shall, upon his request, be transferred to the Standby Reserve for the rest of his term of service, if he served on active duty (other than for training) in the Armed Forces for an aggregate of less than five years, but satisfactorily participated, as determined by the Secretary concerned, in an accredited training program in the Ready Reserve for a period which, when added to his period of active duty (other than for training), totals at least five years; and

Whereas, A fair and impartial application of this statute in the case of both National Guardsmen and other reservists results in the reduction from six years to five years of the Ready Reserve service requirement of those individuals who may have served as little as one day of active duty (other than for training); and

Whereas, These reductions bring about the early release from affected National Guard units of highly-trained and qualified individuals; and

Whereas, The application of this statute in several States where large numbers of National Guardsmen were called to active duty (other than for training) for brief periods of time in connection with strikes and civil disturbances has resulted in a serious impact on the readiness of our National Guard forces; and

Whereas, The potential for other National Guard units to be ordered or called to brief periods of active duty (other than for training) in similar situations continues to exist; and

Whereas, Such an occurrence would, in light of the present provisions of Section 269(e)(2), Title 10, U.S. Code, act to magnify an already difficult situation; now

Therefore, be it resolved, That this Association initiate action for the introduction and passage of legislation to amend Section 269(e)(2), Title 10, U.S. Code, to provide that there shall be no reduction in the Ready Reserve service requirement of a reservist under that section unless his period of active duty (other than training) shall have been for an aggregate of at least 61 days.

RESOLUTION NO. 13: SUBMITTED BY MICHIGAN, RELATING TO RETIRED MILITARY PAY

Whereas, The disparity in the retirement pay for members of the Armed Forces retired prior to the periodical pay increases authorized for active duty members on which retirement pay is calculated for those retiring subsequent to the adoption of such active duty pay increase is cumulative and not compensated for to any appreciable degree by the so-called "cost-of-living" increases given retired military personnel; and

Whereas, This inequitable method of retirement pay computation based on the pay scale for active duty personnel in effect on the date of retirement violates a principle recognized for more than 50 years of computing the retirement pay of all retirees from the Armed Forces on the current pay scale in effect for active duty personnel regardless of the date of retirement; and

Whereas, As the buying power of the dollar shrinks, the economic status and the living standards of retired military personnel decline rapidly because of the unjust and inequitable method now in force for the computation of retirement pay, which admittedly widens the living standard gap between groups of retirees and equal years of active service and of equal rank; and

Whereas, To continue the current method of computing retirement pay inevitably results in the loss of the service of our finest military personnel at an early age because they can take up civilian employment in which retirement rates of compensation are vastly greater and are nondiscriminatory; now

Therefore, be it resolved, That the Congress of the United States of America be petitioned to enact legislation during the current 1971–72 session which will provide that retirement pay for the Armed Forces of the United States be equalized and computed on the traditional, logical and fair basis of the current pay scale for military personnel on active duty, of like grade and length of service; and

Be it further resolved, That such equalized and recomputed retirement pay for all retirees regardless of the date of retirement, include all military personnel now or in the future retired.

RESOLUTION NO. 14: SUBMITTED BY ALASKA AND ALABAMA, RELATING TO ACCUMULATION OF RETIREMENT POINTS

Whereas, The current strength situation within the National Guard of the United States calls for additional, expanded recruiting and retention programs; and

Whereas, The provision for retirement through National Guard membership is already a proven incentive to retain membership for 20 years or more; and

Whereas, There are already provisions for recognition of certain non-pay activities of Guardsmen such as correspondence courses, extra unit training assemblies and recruiting efforts by award of additional retirement points, due to a Regulation limiting accumulation of inactive duty retirement points to a maximum of 60, such extra points are wasted and without credit; and

Whereas, Any member of the National Guard of the United States who attends 40 assemblies and receives 15 gratuitous points for being a member of the National Guard already received 63 points, three retirement points over the maximum allowable, without consideration to any extra qualifying or recruiting activities in a non-pay status; now

Therefore, be it resolved, That the National Guard Association of the United States call upon the Congress to change applicable laws concerning a maximum accumulation of inactive duty retirement points, thus allowing all individual members to accumulate for *creditable retirement* purposes *all* the points that they have duly earned by their individual efforts throughout any retirement year, not to exceed 365 points.

RESOLUTION NO. 20: SUBMITTED BY ARKANSAS, RELATING TO ELIMINATION OF PRIORITIES OF ENLISTMENTS

Whereas, At present there appears to be an attitude by a large segment of this Nation's population deprecating military service and, in addition, a general decline in patriotic fervor; and

Whereas, The present method of call to individual military service by the Selective Service System has resulted in the establishment of priorities for enlistment and extensions of enlistment in the National Guard, such priorities being established originally with a view to creating a desire by well-qualified young men to volunteer for enlistment in the National Guard to discharge their military obligation; and

Whereas, Army Regulations 135–91 requires individuals applying for initial enlistment in Reserve Component units to be accepted in accordance with priorities and procedures established therein; and

Whereas, National Guard Regulation 601–200 states that recruitment, enlistment, and extension of enlistment are the responsibilities of the several States, Commonwealth of Puerto Rico, and the District of Columbia; and

Whereas, the States are forced to remain within these strict priorities established by the Department of Defense and, therefore, cannot always take advantage of available applicants who are of more mature nature, highly-motivated and educated; and

Whereas, The Unit Commander, who has the responsibility for recruitment, enlistment and high level of mission performance of his unit, is presently denied the prerogative of exercising his best judgment of an applicant's military skill aptitudes, educational qualification, geographical location and motivation, and in consequence a significant number of poorly-motivated and qualified individuals have been enlisted; now

Therefore, be it resolved, That the National Guard Bureau be requested to urge and take any and all necessary support action for removal of the present priorities of enlistment.

RESOLUTION NO. 21: SUBMITTED BY ALASKA, RELATING TO VETERANS' ADMINISTRATION HOSPITAL CARE

Whereas, The National Guard Association of the United States is a Nationally-organized component for the National defense, and is recognized as such in peace and in war; and

Whereas, The members are vitally interested in the well-being and care of the men and women in our Armed Forces and do owe a debt of gratitude and responsibility to those wounded in action; now

Therefore, be it resolved, That the National Guard Association of the United States urge the Congress to appropriate the necessary funds to up-grade and to provide more adequate care to the men and women in our Veterans Administration Hospitals.

RESOLUTION NO. 23: SUBMITTED BY GEORGIA AND VIRGINIA, RELATING TO LOW INTEREST LOANS TO STUDENTS AS A MEANS OF RECRUITING AND RETENTION

Whereas, The National Guard Association of the United States is vitally interested in resolving the growing problems of recruiting and retaining individuals of high quality in the Army and Air National Guard; and

Whereas, With the advent of the all-volunteer concept and the zero Draft the National Guard will be confronted with the enormous problems of recruiting and retention of qualified personnel; and

Whereas, Various methods of inducement for reenlistment, including a cash bonus, are under consideration; and

Whereas, A program is needed which promotes both enlistment and retention; now

Therefore, be it resolved, That the National Guard Association of the United States does hereby recommend, as a means of recruiting and retaining quality personnel in the Army and Air National Guard, that the Congress provide funds for the National Guard Bureau to develop a program which provides for low-interest educational loans to be made to students who enlist in the Army and Air National Guard, which loan and accrued interest would be due at the end of the initial period of enlistment; and which further would provide that a portion of the outstanding loan and accrued interest would be waived or written-off subsequent acts of reenlistment.

RESOLUTION NO. 27: SUBMITTED BY COLORADO, RELATING TO RETIREMENT POINTS AND OTHER BENEFITS WHILE HOSPITALIZED CAUSED FROM INJURY IN LINE OF DUTY

Whereas, Present Regulations contained in AFR 168–1 and NGR 40–3 do provide for hospitalization and other medical benefits for National Guard members who incur injury or disease in line of duty while on active duty or Active Duty for Training (IAW 32 U.S.C. 502(f), 503, 504, 505 or 316) and National Guard members injured in line of duty while on inactive duty training (IAW 32 U.S.C. 502); and

Whereas, Present Regulations in paragraph 60341, paragraph eight, DoD Military Pay and Allowances Entitlements Manual, provide for pay and allowances (IAW 10 U.S.C. 3687 and 8687 and 37 U.S.C. 204); and

Whereas, NGR 640–1 and ANGM 35–7 allow credit or points to be awarded reservists only for period of hospitalization covered under original active duty orders (IAW 10 U.S.C. 1001, 1002, 1331–37); and

Whereas, Under present law National Guardsmen who are injured or contact disease in line of duty are not entitled to retirement points and certain other benefits following expiration of the training period,

Therefore, be it resolved, That the National Guard Association of the United States be requested to seek enactment of the necessary legislation to assure that members of the National Guard and other reserve components, their dependents and beneficiaries, of all benefits they would be entitled to receive while such member was on active duty, during the period of hospitalization for an injury or disease incurred or contracted in line of duty.

RESOLUTION NO. 30: SUBMITTED BY OHIO, RELATIVE TO MODERNIZATION OF THE AIR NATIONAL GUARD

Whereas, The Reserve Forces now bear increased responsibilities for the security of the United States and its mutual security allies—said responsibilities deriving from revised DoD policy as announced by the Secretary of Defense in August, 1970; and

Whereas, These increased responsibilities thrust elements of the Air National Guard into new prominence, demanding unprecedented readiness for World-wide response with capabilities heretofore characteristic of Active United States Air Force elements only; and

Whereas, Those capabilities which are required dictate weapon system equippage and support compatible with that of United States and allied nation's modernized air forces; and

Whereas, Present and programmed Air National Guard weapon systems are characterized by serious obsolescence as attested to by United States Air Force justifications for their retirement from Active Force inventories; and

Whereas, No weapon system has yet been procured for the specific purpose of modernizing Air National Guard combatant elements despite the acknowledged need and despite the past and continuing programs of grant assistance for the modernization of combatant forces of allied nations; and

Whereas, Failure to program immediately the orderly modernization of Air National Guard weapon systems will result in degradation of the total Defense capability as reduction in Active Forces proceeds, predicated, upon the viability of Reserve Forces, and produces unrealistic burdens upon voluntary Reserve Force personnel who may face an enemy while equipped with inferior systems; and

Therefore be it resolved, That the National Guard Association of the United States make such representations as are necessary to the members of Congress and DoD to develop a program of modernization for Air National Guard combatant elements comparable to that previously undertaken and presently continuing to modernize the air forces of grant aid recipient nations.

THE PRESIDENT'S TAX PROPOSAL

Mr. BYRD of Virginia. It is my desire to support the President's economic program.

I applaud his address to the Nation on August 15.

I approve the temporary surtax on imports; I believe the wage-price freeze was justified; cutting the Nation loose from gold was necessary for the simple reason that our gold stock is now only $10 billion, yet we have liquid liabilities to foreigners totaling $46 billion.

So all of this, I feel, was sound.

Now we come to the President's tax proposal embodied in H.R. 10947. As amended by the Senate, it would reduce annual revenues by $14 billion.

I favor most of the proposals incorporated in H.R. 10947.

However, I have not yet been able to convince myself that it is wise or sound or logical to reduce revenues by such an amount, at a time when the Government is running Federal funds deficits of $30 to $35 billion.

The three big items—insofar as loss to the Treasury is concerned—are the 7-percent job development credit, the increase in personal exemptions and repeal of the excise tax on automobiles, the latter creating a loss of $2.5 billion.

First, the job development credit. This is the same as the 7-percent investment tax credit first enacted in 1962. President Johnson recommended its suspension in the fall of 1966. I opposed this, as I felt the credit had been helpful in stimulating capital investment and thus creating new jobs. President Johnson's view prevailed—but 6 months later he reversed himself and asked the Congress to reinstate the investment tax credit, which the Congress did.

Then in 1969, President Nixon asked that it be repealed. Again the Congress agreed. Now the President wants it reinstated under a new name. I feel there is a great deal of merit in this proposal as a job stimulant.

With reference to the tax cut for in-

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dividuals to be achieved by increasing personal exemptions, this will diminish the revenue of the Government by a great deal but will mean very little to the individual citizen.

Now, where does this tax package leave the Government insofar as tax revenues are concerned?

For the current year, revenues would be reduced by $14.2 billion; next year the revenue loss would be $14.8 billion.

The Government already is running a smashing Federal funds deficit. These reductions in revenue will add to the deficit.

Deficit spending by the Federal Government is a major cause—if not the major cause—of the inflation the Nation is experiencing today. And it is to control inflation that President Nixon has put into effect wage and price controls.

If there were any real likelihood of a reduction in expenditures, a reduction in taxes would be highly desirable.

But I do not see much indication that either the Congress or the administration is prepared to reduce spending. In fact, the administration urged the Congress to increase the amount appropriated for foreign aid from $1.9 billion in 1970 to $3.5 billion for 1972—almost double; it is urging Congress to enact a new $1.5 billion program dealing with school desegregation; and, worst of all, it is strongly urging the Congress to approve a new welfare proposal that would increase the annual cost at least $5.5 billion.

The President submitted a budget badly out of balance—and the Congress added to the imbalance.

So a reasonable reduction in Federal spending does not now seem apparent.

Again, I say that I approve many of the proposals incorporated in H.R. 10947.

But is it sound to reduce annual revenues by $14 billion at a time when the Federal Government is running smashing deficits, which deficits are highly inflationary?

The Federal funds deficit for fiscal 1971 was $30 billion; the Joint Committee on Internal Revenue Taxation estimates the 1972 Federal funds deficit will be $35 billion.

In a letter to me dated October 13, 1971, John S. Nolan, Deputy Assistant Secretary of the Treasury, puts the revenue loss—prior to Senate amendments—as follows:

	Calendar Year	
	1972	1973
1969 Reform Act:		
Individuals	−$7.5	−$10.2
Corporations	+3.9	+4.0
Net effect, 1969 act	−3.6	−6.2
ADR regulations (before change by H.R. 10947):		
Individuals	−.7	−.8
Corporations	−2.7	−3.2
Net effect, ADR	−3.4	−4.0
H.R. 10947:		
Individuals	−5.9	−3.6
Corporations	−1.9	−2.3
Net effect, H.R. 10947	−7.8	−5.9
Total	−14.8	−16.0

Of this total, the revenue loss from H.R. 10947, including ADR is $14.8 billion minus $3.6 billion—from 1969 act—or $11.2 billion for 1972; and $16 billion minus $6.2 billion—from 1969 act—for 1973—or $9.8 billion.

To the figures cited above must be added the action of the Senate which further reduced revenues by $3 billion for fiscal year 1972 and by $5 billion in fiscal year 1973.

Thus, the revenue loss from H.R. 10947 will total $14.2 billion for 1972 and $14.8 billion for 1973.

It is this revenue loss at a time of heavy deficits that causes me deep concern—and for this reason I must vote against H.R. 10947.

A table with pertinent figures showing the heavy deficits incurred by the Federal Government is as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1953–72 INCLUSIVE

[In billions]

Year	Receipts	Outlays	Surplus (+) or deficit (−)
1953	$64.7	$74.1	−$9.4
1954	64.4	67.5	−3.1
1955	60.2	64.4	−4.2
1956	67.9	66.2	+1.7
1957	70.6	69.0	+1.6
1958	68.6	71.4	−2.8
1959	67.9	80.3	−12.4
1960	77.8	76.5	+1.3
1961	77.7	81.5	−3.8
1962	81.4	87.8	−6.4
1963	83.6	90.1	−6.5
1964	87.2	95.8	−8.6
1965	90.9	94.8	−3.9
1966	101.4	106.5	−5.1
1967	111.8	126.8	−15.0
1968	114.7	143.1	−28.4
1969	143.3	148.8	−5.5
1970	143.2	156.3	−13.1
1971	133.6	163.8	−30.2
1972[1]	143.0	178.0	−35.0
20-year total	1,853.9	2,042.7	188.8

[1] Estimated figures.

Source: Office of Management and Budget, except 1972 estimates.

THE SURTAX ON IMPORTS SHOULD BE ELIMINATED FOR MEXICO

Mr. TOWER, Mr. President, U.S. foreign policy is going through a time of change. This is as true of the Nixon doctrine as it is of the recent actions of the Senate on foreign aid. The time has come for the United States to rethink its basic relationships with all its trading partners to reflect more realistically the changes in our economy and financial relationships that have evolved since the war.

President Nixon took basic steps on August 15 to attack our economic problems at home and to redress the imbalance in our international economic position. As a very necessary part of these actions, the United States placed a 10-percent surtax on the import of goods not covered under quotas or voluntary agreements. This was designed to protect our balance of payments during the transitional period while the realinment of exchange rates was taking place.

The time has now come, however, for our Government to consider the consequences of the import surtax on our imports from Latin American countries, particularly Mexico, in order that our own economic progress and that of our partners will not be delayed. In keeping with a basic tenet of postwar economic relations, the United States imposed the surtax on a nondiscriminatory basis for all countries. One result has been that the developing countries, while attempting to industrialize, have found that their new industries, which export to our market, have been hurt.

The import surtax is a temporary measure to alleviate pressure on our balance of payments. However, with Latin America our balance-of-payments position has traditionally been in surplus. The surtax has already been in place long enough that its impact is becoming substantial. Our Latin American friends are hit hard by this. They trade with us more than other developing countries and depend on our plant and equipment exports more for development. The Latin Americans have not received the preferential access that certain developed countries have granted some other developing countries on a discriminatory basis. The additional duty may be necessary as a means of achieving fundamental equilibrium with those developed countries whose exchange rates need to be realined, and who restrict U.S. exports entering their markets. It serves no such purpose with our allies in Latin America. It is true that many of the products of developing countries are exempted. But those that remain are essential to economic growth. Mexico is among those hardest hit by the surcharge. And although the surcharge affects only a small portion of the total exports of the other Latin American countries, it hits the exports which have a potential for expansion hardest. These account for 23 percent of Latin America's total exports. Its application to manufactures limits the growth potential of these countries by restricting their ability to diversify and expand their exports. In short, for many countries, the surcharge imposes an import constraint on their ability to develop and increases their need for external assistance, at the very time when the trend is toward lower levels of assistance. For countries with already serious unemployment and other problems, the reduction in export potential will serve only to aggravate these difficulties, with attendant political consequences.

The import surcharge is fundamentally inflationary for the United States. Under it, the prices of imports can rise. This is not compatible with the price freeze or the President's valiant efforts to stem the tide of inflation. It is therefore in our own interest to limit the application of the surcharge to the extent that it has limitations compatible with our other objectives.

We buy one-eighth of our imports from Latin America, just as they sell 35 percent of their exports in the United States. I might add that we sell 13 percent of our exports in Latin America and that they buy nearly half of their imports here. We are wedded body and soul to Latin America through international trade.

I realize that lifting the surtax for all of Latin America would not necessarily serve the best interest of the United States. Exempting certain countries may cause a reaction from those whose exports remain affected. We must also consider barriers both to our exports and unfair action against our investments. Perhaps a better way would be to lift it selectively on certain major products which would benefit those countries which have the closest financial and economic ties with the United States.

Clearly the strongest case for lifting would be for our good neighbor and closest friend in Latin America—the Mexican Government and people. The long ties of friendship between our two nations have been increasingly strengthened during recent years and I believe that good relations with our closest neighbor is most desirable. Mexico purchases on the average close to $300 million more from us than we buy from her and, in general, treats our investments no differently from those of its own people.

I do not mean to imply that the United States should not, however, examine how we can dismantle existing barriers to flows of trade and capital and improve the level of all our people. The United States should be keenly interested in lowering the trade barriers with the Latin American nations. If other nations of the world insist upon forming blocs which are inward-looking instead of outward-looking, erecting more and more difficulties for the free flow of goods and capital, then perhaps it is time for the United States to stop being the only country interested in such a system and concentrate on building up closer trading relations with our neighbors both to the north and to the south.

I suggest that our Government consider very seriously lifting the surcharge on Mexican exports to the United States, and that of good friends to the south would not be postponed.

Accordingly, I am requesting Secretary of the Treasury Connally to consider taking this action, and I am also requesting Secretary of State Rogers to consider discussions with the Mexican Government regarding possible reinstatement of their duty-free personal import practices in conjunction with any action the United States might take to remove the 10-percent surcharge.

Mr. President, I ask unanimous consent that the text of my letters to Secretary Connally and Secretary Rogers be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., November 17, 1971.

Hon. JOHN B. CONNALLY,
Secretary of the Treasury,
Washington, D.C.

DEAR JOHN: The 10% tariff surcharge imposed by the President in August was a necessary step to help restore some balance to our deteriorating trade situation and to serve notice to our trading partners that the United States is being seriously injured by foreign trade barriers and undervalued foreign currencies and would like to see progress made in reducing these barriers to fair trade.

However, there are countries which have been adversely affected by the 10% tariff surcharge which have not contributed to our balance of payments problems and for which consideration ought to be given as to possible recision of the surcharge. In particular the surcharge has now been in effect long enough that it has deeply affected Mexico, one of our best trading partners, which depends very heavily upon exporting its products to us and upon importing our plants and equipment for its further economic growth. The long ties of friendship between our two nations have been increasingly strengthened in the recent years and I would like to see continuation of those good relations. We have a $300 million surplus in trade with Mexico yearly, and in view of these facts I believe it would be very appropriate to dismantle the 10% tariff surcharge as it regards Mexico.

As a former Governor of the State of Texas, you are particularly familiar with the nature of the border economy along the U.S.-Mexico border, and are therefore particularly well qualified to assess the impact of this surcharge upon the economy of our own border areas. Since Mexican export earnings have dropped off due to the surcharge and consequently reduced export volume, Mexican bulk and retail purchases from the Texas border area have dropped off substantially, leading to considerably reduced economic activity in these normally high unemployment areas. This reduction in Texas economic activity is even further enlarged because the Mexican government, presumably to help offset its loss of export earnings, has clamped down on duty free personal imports into Mexico from the U.S., thereby greatly restricting retail sales on the U.S. side of the border.

Therefore, in addition to requesting you to consider recision of the tariff surcharge as it affects Mexico, I am also requesting Secretary Rogers to discuss with Mexican officials the possibility of a contemporaneous relaxing of the Mexican tariff policies if the U.S. should take action to rescind the tariff surcharge on Mexican goods. The combination of these two actions would greatly alleviate the economic hardship on the U.S. border area and on the Mexican economy as well.

I hope that you will review this aspect of our trade situation and consider the possible recision of our tariff surcharge as it relates to Mexico, both for our own vital economic interests as well as for those of our good friend and neighbor, the Republic of Mexico.

Sincerely yours,

JOHN TOWER.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., November 17, 1971.

Hon. WILLIAM P. ROGERS,
Secretary of State,
Washington, D.C.

DEAR BILL: By letter to the Secretary of the Treasury, a copy of which is enclosed, I am requesting that consideration be given by the Administration to the recision of the 10% tariff surcharge as it applies to the Republic of Mexico, due to the economic injury that it is causing both Mexico and the United States.

Due apparently to the impact of the American surcharge on Mexican export sales, the Mexican government has clamped down on duty free personal imports into Mexico, thereby greatly restricting retail sales on the U.S. side of the border. This development, coupled with the adverse effect generally on U.S. exports to Mexico due to the reduction in their import earnings, has led to a substantial decline in economic activity along the Texas border, and presumably along the remainder of the U.S.-Mexico border.

In view of the economic advantages to Mexico that would accompany the recision of the U.S. surcharge, I would request that the State Department, in coordination with the Treasury Department, consider discussing with the Mexican government the possibility of relaxation of Mexican tariff policies to accompany any favorable U.S. action in regard to removal of the tariff surcharge as it affects Mexico. The combination of these two actions would greatly alleviate the economic hardship which has affected the U.S. border area and the Mexican economy due to the imposition of our surcharge.

I would greatly appreciate your favorable consideration of this request and I urge your review of this situation at the earliest possible time.

JOHN TOWER.

WILL THIS NATION BE A SORE LOSER?

Mr. BAYH. Mr. President, the proverbial illustration of a bad loser is the fellow who, when his team is behind, takes the game ball and goes home. The story is related with scorn for the sore loser.

Regrettably, there are those in this country who are acting like sore losers in response to the defeat of our effort to preserve a General Assembly seat for Taiwan in the U.N. Some have suggested outright U.S. withdrawal from the U.N. and others have proposed major cutbacks in U.S. payments to the world body.

It would be unwise to cut deeply into U.S. payments to U.N. programs—although some adjustment in our extremely high contribution is in order. It would be totally counterproductive to withdraw from the United Nations at a time when our foreign relations are in such disarray and when the U.N. is itself about to take on even greater importance. It serves our interests to stay put.

One of the most important reasons why we must not leave the U.N. is that it would facilitate a takeover of the U.N.'s many important programs by forces diametrically opposed to the principles and goals to which we have been committed for almost 200 years. Our withdrawal from the U.N. would not kill the world body—it would instead give life to a potentially serious anti-American world force. Perhaps the greatest argument for continuing our U.N. membership is that a U.S. withdrawal would be welcome in Moscow and Peking. Why play into the hands of those totalitarian forces?

While I can see no viable course of action but to continue as an active member of the world body, I am convinced that certain alterations in the relationship between the United States and the U.N. are in order.

This is why I cosponsored the resolution introduced by the senior Senator from California (Mr. CRANSTON) requesting the President to initiate efforts for a broad review of the United Nations Charter. Such a step is consistent with the provisions of the original U.N. Charter to permit periodic modernization of organization procedures.

A revised charter could make more equitable arrangements for funding the U.N.'s regular operating budget and its voluntary programs such as UNICEF and the World Health Organization. Another item that could be subject to review is whether some form of weighted voting should be instituted, giving additional votes to more populous nations and those that pay the highest proportions of the budget.

While I see a continued role for the

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United States within the United Nations. I can understand the need for that role to be revised and the excellent suggestion of the Senator from California is a worthwhile step in that direction.

There have been other recent events which reflect the need for adjusting relations between this Nation and the U.N.

The United States is now paying 31.5 percent of the regular operating budget of the U.N.—a figure found too high by the President's Commission for the Observance of the 25th Anniversary of the United Nations. The Senate wisely approved an amendment urging the President to take the first steps to bring the U.S. contribution for regular operating expenses down to no more than 25 percent.

The Senate also accepted an amendment which would give the Foreign Relations Committee authority to review the U.S. spending for the U.N. on an annual basis. Heretofore this has been done every second or third year, thereby diluting congressional review of U.N. expenditures.

While the Senate is obviously willing to give much closer scrutiny to our spending in the United Nations we cannot forget that almost 60 percent of what we spend in the world body is for voluntary, humanitarian programs. This money goes for medical supplies, food for children, development assistance, and other programs consistent with the fundamental precepts of this Nation. When the issue is giving a minimum diet to hungry kids or healing the wounds of natural disaster this country has never flinched from its rightful responsibilities.

Mr. President, unless this country is willing to abdicate its major role in world affairs—something I hope we will never do—we cannot leave the United Nations. But we can and we should set as a constant goal equitable treatment in the world body.

We may have lost a vote. I only hope this Nation is not going to yield to impulsive forces which would make us a sore loser.

ABANDONED AND ORPHANED CHILDREN OF VIETNAM

Mr. HATFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Kansas City Times concerning legislation (S. 2479) coauthored by Senators HARRISON WILLIAMS, HAROLD HUGHES, and myself, along with 13 cosponsors, to care for abandoned and orphaned children of Vietnam.

It is our hope that hearings on this legislation will be held after the first of the year. Unsolicited support is pouring in from all parts of the country, and it is my feeling that once the American people become completely aware of the tremendous need to rehabilitate the lives of these youngsters they will insist that the Congress fund legislation such as S. 2479.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Kansas City Times, Nov. 11, 1971]

CLEAR U.S. OBLIGATION TO THE CHILDREN OF A WAR

When the bombs stop falling and the armies quit the field, all of the victims of war are not in the cemeteries. Many more survive—but with their bodies or their lives disfigured—and the most tragic among these are the children, who must endure the consequences of wiser men's crusades.

For the children of South Vietnam, the outlook at the moment is unrelievedly bleak. It has been estimated that nearly one-third of a million have lost one or both parents. Thousands more have been left maimed. An uncertain number, probably in the range of 10,000 to 15,000, are "war babies" in the truest sense—children of mixed parentage fathered by American servicemen. Some 25,000 Vietnamese youngsters in all categories are being cared for in undersupported institutions.

Studies by U.S. voluntary agencies have pointed up the regrettable conditions in many of these institutions. Health services are negligible, with mortality of children entering some orphanages exceeding 50 per cent. Often no education, even at the elementary level, is available. Children with at least one parent or relative to cling to probably fare generally better. But for those with black GI fathers especially, a life of lonely rejection awaits.

The question now is what responsibility the United States is prepared to take for these children—not just the ones its soldiers produced but for all the Vietnamese and half-Vietnamese youngsters that war has left behind. Concern is amply justified because the U.S. record in its previous conflicts has not been glittering. Private agencies operating with donated funds have helped as they could, but in Europe, in Japan, in Korea there was never formal acknowledgement of direct national responsibility for this consequence of war.

In Vietnam, again, the scale of the problem is beyond the capabilities of the private agencies, however welcome their contributions may be. The American troop presence is rapidly being scaled down, and with it, as a result, the voluntary assistance that has come from concerned servicemen themselves. The Vietnamese Ministry of Social Welfare is neither organizationally prepared nor sufficiently well-funded to take on the burden. International adoptions address only a fraction of the problem.

The prognosis is all too clear: The direct U.S. involvement in South Vietnam will end, the agony of the conflict will be put out of mind and no one will want to think of it again. In any case, given a few years, these children either will die or will grow into young adults and their appeal—whatever their need—will be less touching.

In short, it is soon or never for a plain declaration of national intent in this matter.

Legislation has been introduced in the U.S. Senate calling for the creation of a Vietnam Children's Care Agency, publicly funded, to address this tragic situation. The proposed agency would not supplant private programs or the efforts of international organizations, but would supplement them at whatever level of support was necessary to see that the clear moral obligation is met.

That the United States Congress could fail to act on the measure or the administration to vigorously support it, despite their shared distaste for anything about this war except its speedy end, is unthinkable. Some Vietnamese children are suffering wholly because the U.S. went to war there; some partly because of it. But they are suffering. That is beyond debate.

When it comes to adding up the moral equities of this episode in American foreign policy, the question of whether the U.S. responded decently or shabbily to its obligation to the war's young victims will be germane to the calculation.

TRAGEDY IN ULSTER—V—BRITAIN'S VIETNAM

Mr. KENNEDY. Mr. President, the New York Post of November 9, 1971, contains an excellent column written by Pete Hamill, describing his view of the recent violence in Belfast and the current situation in Northern Ireland. At several places in his column, Mr. Hamill draws an analogy between Britain's experience in Ulster and the American tragedy in Vietnam. In the column, Mr. Hamill also describes the cruelty of the internment policy, the violence in the concentration camps where the internees are held, and the bias with which the British Army favors the Protestant majority at the expense of the Catholic minority in Ulster.

Mr. President, I ask unanimous consent that Mr. Hamill's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CIVIL WAR

(By Pete Hamill)

BELFAST.—The city of Belfast is gradually becoming a ruin. Every night, the bombs explode, the houses collapse, and in the morning the men from the scrap dealers poke their way through the wreckage, looking for remainders. Blocks of houses have ugly gashes in their faces; boards cover the holes where downtown stores once stood. The civil war here—and it can be called nothing else now—is destroying the city; some blocks look like continental Europe at the end of the Second World War; and the only prospect at this point is for more and more destruction.

The British government is muddled and unsure about how to deal with the civil war in the North of Ireland. Most English politicians, and some important military men, understand that the war cannot be ended by force, not unless they are willing to kill 500,000 Catholics in the name of the 1,000,000-strong Protestant majority. And yet we see again the inexorable logic that led Americans to disaster in Vietnam: three British soldiers are machine gunned by the guerrillas of the IRA; the Army denounces the IRA soldiers as cowardly murderers and sends in 2000 more troops.

Lies are piled upon lies, as Northern Ireland Prime Minister Brian Faulkner appears on television to announce that the IRA are being beaten, or the Army announces that the tide has turned. They are about due for their first speech about the light at the end of the tunnel and when the speech is over there will still be men waiting in the alleys of Belfast with machine guns.

"They think they can win this with statements to the press," one Irish journalist said. "They had 50 years to work it out some other way, but they don't do that, so now they are trying to do it with lies."

In the weeks since I was last here the situation has gotten much worse. The major move of the Faulkner government this year has been the policy of internment, which Faulkner claimed had broken the back of the IRA. Under the Special Powers Act, Irishmen, like the Jews of Hitler's time, can be held without charge, apparently forever. One of the main concentration camps is located just outside of Belfast and is called Long Kesh. (Is it one further irony that America's biggest jail in Vietnam is called Long Binh?) The camp is run by the Northern Ireland government and protected on the outside by the British Army.

Two weeks ago there was a revolt in the camp; the British Army came in, put down the revolt, and five Irish prisoners were taken to the hospital. The revolt, it was learned later, was triggered in part by news that the wife of one of the prisoners had been shot by a British soldier.

"As a result of the disturbance five men were taken to Musgrave Park Hospital," the Northern Ireland government said, "but they will be returning to the camp within the next few days. None of them are suffering from anything more serious than minor lacerations and bruising." Among those with "minor lacerations and bruising" was a man who had both arms broken.

But Long Kesh is only a symbol of the incompetence of the Northern Ireland rump government at Stormont; for each of the men it has interned (about 450 at this writing), it has probably created another 100 IRA men. If the government locks up your uncle, it does not take much of the dark night of the soul to decide which side of the fight you are on. And every night the bombs go off; the British Army does not look safe anywhere, as highly efficient IRA sniper teams strike from ambush and as off-duty British soldiers go back to base from the pubs and are machine-gunned in civilian clothes.

The British Army was at first welcomed in 1969 by the Catholic population in Northern Ireland, many of whom had read a lot about British fair play and justice, and who hoped that the Army would protect them from the Protestant extremists who were trying to kill them. Those extremists were acting with the protection and encouragement of the Orange Order, who have used religion to keep the Protestant majority in full retaliatory classes apart for a century now.

But the British Army soon made clear what side it was on. As far as I can find out, there has never been an arms search in a Protestant area of Northern Ireland, although the government knows that the Protestants have about 300,000 guns, far more than the IRA. The British Army did not, as far as I can determine, place any Protestant extremists in internment camps. The Catholic population justifiably sees the British Army as an instrument of the Northern Ireland government, whose major task is the disarming of the Catholic population, which would then lead to the unleashing of the Protestant majority in full retaliatory fury. Thanks to the British Army, the IRA now swim like fish through water, and the prospects are only for more and more blood.

STRENGTH PROBLEMS FACING NATIONAL GUARD AND RESERVES WHEN DRAFT EXPIRES

Mr. THURMOND. Mr. President, the dangers facing the National Guard and the Reserves as regards minimum strength levels once the draft expires are well expressed by Maj. Gen. Francis S. Greenlief in the November 8, 1971, issue of U.S. News & World Report.

The present strength of the National Guard and Reserves rests upon the fact that the majority of enlistments resulted from the pressure of the draft. Once the draft expires in June of 1973, the Guard and Reserves will face serious strength problems.

Mr. President, I have introduced a number of bills to make the Guard and Reserves more attractive for this day of reckoning in 1973.

The U.S. News & World Report article indicates that the crunch in maintaining a strong Guard and Reserve will undoubtedly come in 1973, when the draft expires. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WITHOUT A DRAFT—CAN NATIONAL GUARD SURVIVE?

(NOTE.—Guard units were overrun with volunteers when the draft was hot. It's different now. Some wonder how long the Guard can operate, if today's trends go on.)

In city halls and State capitols across the country, officials are worrying over this fact:

Figures now in show that the flow of recruits to National Guard units slowed to a standstill during the past summer, when drafting was suspended for three months.

To these officials, that experience raises a real question of whether the National Guard, as presently constituted, can survive without a draft—either as an incentive to "volunteers" seeking an alternative to Army duty, or as a direct provider of Guard manpower.

The basic problem is this—

Of the nearly half a million young men presently serving part-time in the National Guard, surveys show between 80 and 90 per cent entered the Guard only because of the threat of being drafted for the Army.

Now that threat is being lifted. Draft calls this autumn are low and the Nixon Administration has firm plans to end inductions completely by mid-1973.

"ESCAPE HATCH" CLOSES

On October 27, the Pentagon dealt the Guard another blow by directing that draft-eligible 19-year-olds could no longer be enlisted in National Guard units if any older or younger youths are available. This places young men of prime draft age in the lowest enlistment priority, according to Dr. Theodore C. Marrs, Deputy Assistant Secretary of Defense for Reserve Affairs, and is aimed at closing the Guard as an "escape hatch" for men about to be drafted.

Defense officials also ordered the Guard on October 27 to double the number of blacks in its ranks, with a goal of 11,964 Negro Guardsmen within the next year. This adds to the Guard's recruiting problems.

As a realistic indication of what probably will happen to the National Guard without the incentive of the draft, the chart on this page shows how overall strength of the Army and Air National Guard declined abruptly during the no-induction summer months.

Even more significant is the fact that the long waiting lists maintained by most Guard units since 1965 often have melted away during this period. On a national basis, Guard headquarters estimates that names on waiting lists for the Army Guard have dropped from about 55,000 to under 16,000, and Air Guard lists from 25,000 to 15,000, since last Spring.

LOSS OF PROTECTION

Behind the growing concern of mayors and governors is this: The Guard is their main protection when destructive mob action threatens to overwhelm local police. Tens of thousands of National Guardsmen were called up last year, for example, to quell 92 "civil disturbances" in 31 States. In other cases, Guard unit alerts stopped potential riots from developing.

In the same year, thousands of Guardsmen also were summoned to help cope with more than 90 floods and other disasters. No State has a police force big enough to handle emergencies of this kind.

The present Guard also is slated to be called up immediately to federal military duty if the U.S. becomes involved in another "Vietnam" war. So the Pentagon has a stake, too, in the Guard's manpower troubles.

Maj. Gen. Francis S. Greenlief, the chief of the National Guard, says the situation has become serious. He gives his views on what needs to be done about it in an exclusive interview starting on page 62.

A colonel in Guard headquarters in Washington gave this candid analysis:

"The meat of the problem is that the same type of men who were smart enough to figure that joining the Guard was best for them during the period of high draft calls are smart enough to see that draft calls are going down and their chances of being drafted are rapidly declining.

"This means the Guard must add other incentives, or face an inevitable decline in strength around the country."

A survey made by "U.S. News & World Report" correspondents points up the Guard's problems and prospects at this time.

AN ALARMING TREND

What has happened to the rolls of California's Army National Guard units is fairly typical. Their strength declined during the summer from 98.4 per cent of the authorized level of 22,000 men to 91.7 per cent now, probably the lowest level in 10 years.

"The drop certainly indicates we have problems facing us," says an officer at State headquarters in Sacramento. "The situation is by no means hopeless, but it shows an alarming trend.

"Without the draft, we must have new incentives to enlist young men, and something more in the way of re-enlistment bonuses to retain trained people."

Waiting lists appear to be vanishing in area after area. Brig. Gen. William U. Ogletree, assistant adjutant-general of the Maryland Guard, put it this way:

"We're still getting recruits. They're coming in. But the waiting lists we enjoyed when the Vietnam conflict was at its height have disappeared.

"During the Vietnam war, every one of our units had waiting lists—some with 100 or more men waiting to get in, some less. But no longer."

In Dallas, the 72nd Infantry Brigade reports that its entire waiting list was exhausted about a month ago. Said Col. James H. McKnight, "It's getting tougher to recruit new people, as a result."

This Texas unit, like many across the U.S., expects to face a manpower crisis in the months just ahead when the present six-year enlistments expire for an unusually large number of Guardsmen, recruited at the height of the Vietnam build-up in 1965. A fourth of the Brigade's current strength is involved.

DOWN 900 IN NEW JERSEY

The drop in Guard strength in New Jersey already has brought that State's units down to 13,100 men, 900 below the authorized 14,000. Brig. Gen. Wilbert Allen, deputy chief of staff, commented:

"The rate at which we are going down in strength is not alarming, but it is significant because of the continued downward trend. A year ago, we had a large number of people waiting to get in. Now we do not."

Efforts are being made in New York, and in many other States, to improve the conditions under which Guardsmen serve, in a campaign to induce more men to stay in.

"We don't know yet how much of a problem we're going to have," said Lt. Col. Raymond Joyce, Jr., at New York State headquarters. "The concern obviously is caused by the threat of the discontinuance of Selective Service. If that is discontinued, the inducement for many young men to join the National Guard will no longer exist."

NONURBAN AREAS IN TROUBLE

Biggest declines in Guard rolls during the summer appeared often, but not always, in small towns across the country. In Ohio, for example, new vacancies were reported to be

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concentrated in the smaller, rural units, with waiting lists still existing in the urban areas.

In northern California, too, Brig. Gen. James T. Keltner, commander of a Guard brigade, said: "We are not having as great a problem in recruiting in the metropolitan areas as we do in the small towns. There are a lot of students in the metropolitan areas, which makes it easier.

It is college students, in fact, who are the big hope of many Guard officials, at least as a short-run answer to their problems. They reason that, with college deferments being phased out under the draft law passed by Congress in late September, undergraduate students will soon be coming to the Guard as a means of guaranteed deferment from even a small draft during their college days. At present, upperclassmen retain their student deferments, but this year's freshmen do not.

In the case of the Texas Guard's 71st Airborne Brigade, Lt. Col. Jack Fisher reports in Houston that most of its recent volunteers, except for returning veterans, are college students with low draft-lottery numbers.

"Because we are airborne, we usually have openings, and some of the students who are now facing the draft prefer jumping out of airplanes to Vietnam," he said.

CONSIDERED ANTIBLACK

Special efforts have been made in recent months to recruit Negroes into the nearly all-white National Guard, even before a Pentagon directive on October 27 calling for a doubling of black enlistments. But efforts thus far have produced meager results. Capt. Ed Wheeler, an intelligence officer in the Oklahoma Guard's 45th "Thunderbird" division, explained it as follows:

"The big difficulty in recruiting blacks is that the Guard is considered anti-black as a result of riot duty in ghetto areas of big cities. The black Guardsman feels the same sort of pressure from the black community that a black policeman feels."

Riot duty itself is considered a major handicap to recruiting for the Guard in many areas, though not in all.

"No one likes to go out on riots," said Maj. Gen. Donald N. Anderson, commander of the Oregon National Guard, but he added that he does not see riot duty as a big deterrent to volunteering in Oregon. In that State's last major confrontation with disorders, he points out, only a dozen of the 5,000 Guardsmen called up said they would prefer KP or some other nonriot duty.

At Marietta, Ga., 1st Lt. Richard Riggs stated flatly that riot duty scares away many potential Guardsmen and spurs dropouts from the Guard.

"I've lost some of the better people in my unit because of the possibility of riot duty," he said, adding that other Guard units in the metropolitan Atlanta area have had similar experiences.

On the other hand, a senior colonel in the Georgia Guard declared that "a feeling of protecting your community" makes the prospect of riot assignments an attraction of today's Guard, rather than a disadvantage. "The men want to be able to have a gun in their hands" when trouble erupts, he observed.

Everywhere, Guard units now are stepping up their recruiting efforts, as manpower problems grow. Brig. Gen. John R. Phipps, assistant adjutant-general of the Illinois National Guard, made this typical comment:

"We're trying to regear ourselves to the recruiting game we haven't had to play since before the Korean War."

A 28-year veteran of the Guard, Chief Warrant Officer Aloysius G. Zappassodi, of the 56th Brigade in Philadelphia, adds this point:

"People don't join the National Guard because they love it. We get 1 veteran out of 50. I've only seen one veteran of the Korean conflict join up since 1959. If Congress ever ends the draft, the Guard will be in serious trouble."

WHEN DRAFT CALLS STOPPED, GUARD STRENGTH DECLINED

Draft calls were suspended last June 30, and enlistments in National Guard units began to sag. Units that once had long waiting lists for available openings found themselves with more "slots" than applicants. Draft calls have been resumed, but the Guard remains below its authorized strength of 488,670 men.

In 1971	Army National Guard	Air National Guard	Total Guard strength
June 30	402,172	85,689	487,861
July 31	398,324	85,750	484,074
August 31	394,790	85,594	480,384
September 30	391,178	85,705	476,883

Source: National Guard Bureau.

OUR MOST SERIOUS PROBLEM

(Interview With Maj. Gen. Francis S. Greenlief, Chief of National Guard Bureau)

Q. General Greenlief, are you concerned about the decline in volunteering for the National Guard?

A. Yes, I'm very much concerned. I consider people to be our most serious problem in the Guard at this time. In the past, our problem has been lack of equipment with which to do the job; a lack of support. Now, we're getting the equipment and the support, but suddenly our most critical resource—a supply of recruits—is drying up.

Q. How important has the draft been as an incentive for joining the Guard?

A. It has been a very strong motivator. As a matter of fact, the circumstances have been such that the draft really produced in our ranks the most highly educated and the most intelligent manpower we've ever had. Unfortunately, it's also the manpower that was least motivated to become career Guardsmen—that is, to serve beyond the six-year enlistment required for draft deferment.

We've been fighting a war that has been unpopular with the people. We had an Administration that announced that the policy would be not to call the Guard and the Reserve for duty in Vietnam. And the law provides service in the Guard and the Reserve as a legal alternative option to service on active duty.

That combination certainly produced draft-motivated manpower in our ranks?

Q. What has happened during this past summer to your recruiting, with the draft lifted for three months?

A. A very serious impact. At the end of June, the strength of the Army Guard was 402,000. Two months later in the hiatus in the draft, our strength dropped 7,500. That put us about 5,500 under strength. Now, that's serious indeed.

In the Air Guard, the picture was not quite so severe. The Air Guard was about 3,000 under strength at the end of the fiscal year [June 30]. That was a financial problem rather than an inability to recruit. Air Guard has lost slightly since that time—not nearly as severely as the Army side. It's just a fact of life that men are more attracted to service in the Air National Guard than they are to the Army National Guard.

Q. Is fear of being called out for duty in riots a handicap in recruiting men?

A. I suspect that riot-duty call-ups have had some impeding effect on our ability to recruit people. Civil-disturbance duty is very unpleasant duty. Soldiers have to withstand some very harsh abuse. There is a severe impact on their ability to work at their job or go to school—whatever they're doing in civil life.

I don't believe, however, that this has been—up to now—a drag on our ability to recruit. I doubt very much that it will be in the future. Generally speaking, the Guard has done an outstanding job in civil disturbance, and, generally speaking, the men of the Guard are proud of the service they've rendered.

Q. Have college students begun to volunteer for Guard duty now that they're losing their student deferments from the draft?

A. It is too early to tell. I would think that a college man losing a draft deferment might be more motivated to join the Guard now. But we had a great number of college students before.

Q. General Greenlief, have you had any success in recruiting more black Guardsmen, or is the Guard still nearly all white?

A. We haven't had any great success recently. I think we're on the verge of it, however.

Nationwide, our percentage of blacks in the Guard is about 1.26 per cent, I think. That, coming after about five years of really hard effort, just has to be considered a failure rate.

I'm not at all sure, though, that this is just the failure of the Guard.

It is a fact that the black community, if you will, or the black organizations have not made membership in the National Guard an objective. So what we've been talking about is trying to achieve a white man's objective. And I think for us to be successful that we have to get it established as a black man's objective.

In that regard, I think we've made real progress. The National Urban League is working with us, and they have made black membership in the Guard an objective of theirs. I think this will help. We're working now with the National Association for the Advancement of Colored People, hopeful that they also will make it their objective.

Q. Do you have any plans for new incentives for recruiting to replace the draft if it really ends in mid-1973?

A. I'm convinced that we will require a re-enlistment bonus. I believe there needs to be improved survivor benefits and medical protection. I think we need those things even if there is no zero draft.

There are many other benefits needed. At the same time, I think that we have to improve our training techniques and our utilization of people.

And finally, we have to participate in turning the whole country around. The young man who might be sneered at by his fellow worker across the desk or on the next lathe for being in the Guard is unlikely to volunteer. It has to be recognized as an honorable, socially acceptable, necessary-for-national-defense service.

Q. Do you think it is possible, then, to maintain a National Guard of adequate strength without the draft?

A. Yes, if all those three things happen—if we do have a reasonable, adequate incentive package; if we improve ourselves, and if the Administration and the Congress and the people in general fully support it.

People can't have it both ways. They can't sneer at or degrade the military and at the same time expect other young men to volunteer for that service.

Given all three of those things, yes, I believe we can make it.

Q. What would happen if you can't get enough volunteers? Would you favor drafting men for service in the Guard?

A. Failure of the National Guard to sustain its strength would have its impact upon the ability of the nation to defend itself. Since this would be the effect, I don't believe the people will allow the Guard to fall below required strength.

I oppose drafting men for service in the Guard, since men would be faced with involuntary service in what has been for over 300 years a basically volunteer organization. Turning to a draft to man units in the Guard would be a measure to be undertaken only if this was absolutely the only way to accomplish the training that is necessary to keep the Guard in a highly ready condition.

[From Christian Science Monitor, Nov. 2, 1971]

UNITED STATES GETS NO TESTIMONY ON PENTAGON LEAK

(By Trudy Rubin)

BOSTON.—The clearest fact to emerge so far from the Boston grand jury looking into the publication and distribution of the Pentagon papers is the enormous difficulty the government is having to get witnesses into the jury room.

The U.S. Court of Appeals for the First Circuit, in an emergency session, has halted all grand-jury inquiry into the Pentagon papers until Thursday at the request of Sen. Mike Gravel (D) of Alaska. Prior to that, not one of the nine well-known professors, journalists, friends, and relatives of Dr. Daniel Ellsberg who were called to testify had willingly entered the grand-jury room (many of them had declined to testify at earlier grand-jury sessions).

In refusing to testify freely, they, along with Senator Gravel, have raised a tangle of legal and constitutional issues that appears likely to keep this grand jury meeting for weeks to come.

THRUST NOT CLEAR

The focus of the investigation is not yet clear. It is known to be interested in the activities of Dr. Ellsberg, the self-admitted source of the Pentagon papers, as well as Neil Sheehan, the New York Times reporter who broke the story on the papers, and his wife, Susan. It has been seeking information on the distribution process by which the papers reached various media, and on who had access to the study from which the papers were drawn before they were made public.

Sources here speculate that the government is seeking a conspiracy indictment, tying in anyone who may have played a role in distributing the papers. They argue that it may be easier for the government to convict Dr. Ellsberg on a conspiracy charge on the East Coast than it would be to make the present charges of illegal possession and copying of government documents stick on the West Coast. If a superseding indictment were handed down here, they say, it might deprive Dr. Ellsberg of the chance for a highly publicized and politicized trial on his own.

But any indictments appear far off. Witnesses, backed by an impressive array of lawyers, continue to troop close mouthed from the grand-jury room of the Federal Courthouse Building to the District Court upstairs to raise constitutional arguments as to why they should not testify.

The most important issues raised so far are the following:

Can a grand jury examine actions of a senator or his aides or third parties related to normal legislative activities which are protected from inquiry by the Constitution?

BASIC ATTACK CHARGED

On June 29, the day before the Supreme Court OK'ed the newspaper publication of the Pentagon papers, Senator Gravel read long sections and later inserted nearly all the 7,000-page study into the official transcript of a special midnight meeting of his Senate subcommittee. Subsequently his aide, anti-war physicist Dr. Leonard Rodberg, whom he hired June 29, negotiated the publication of the papers by Beacon Press in Boston. Dr. Rodberg has been called before the grand jury, as has Howard Webber, editor of the MIT Press, which declined to print the papers.

Senator Gravel's attorneys have argued that the inquiry itself makes "a fundamental attack on the doctrine of separation of powers" by inquiring into matters related to the publication of an official transcript of a Senate subcommittee. District Court Judge W. Arthur Garrity Jr. has ruled that witnesses cannot ask about the conduct of the Senator or Dr. Rodberg at, or in preparation for, the subcommittee meeting, or in arranging for private publication of the transcript (the latter ban for 10 days only).

But Senator Gravel's attorneys have turned to the Court of Appeals for further relief denied them by Judge Garrity: They want lists of witnesses with privileged information and questions for such witnesses specified in advance.

The government's chief prosecutor, David R. Nissen, has argued that the government is concerned "not with any legislative activity" but with inquiring into unlawful acts. He says that listing witnesses and questions in advance would be "completely destructive of the grand jury's duty."

The Court of Appeals will hear the case Thursday and has halted all testimony on the papers until then, at Senator Gravel's request, so as not to moot the question of violation of the Senator's rights in the meantime.

Can grand-jury witnesses challenge their subpoenas if they believe the jury's questions are based on illegal wiretap evidence?

Nearly every witness has attempted to quash his subpoena on grounds it was based on illegally obtained wiretap evidence.

On Friday, Judge Garrity ordered the government to deny or confirm within one week any tapping at all on Prof. Noam Chomsky, linguist and antiwar activist from the Massachusetts Institute of Technology, or Richard A. Falk, professor of international law at Princeton, or have their subpoenas permanently quashed.

The judge stressed that a witness must have good reason to suspect he is tapped before relief would be granted. Professor Chomsky said he had talked with defendants in the Harrisburg conspiracy case, in which the government has admitted tapping.

If the government admits any tapping, Judge Garrity stated, the court would have to sort out admissible from inadmissible evidence. The judge's decision was a setback for the government, which had maintained in the Chomsky case and other cases that grand-jury witnesses do not have standing to raise the wiretap issue and that the government should decide which wiretap evidence is legal.

CAN SCHOLARS SCREEN SOURCES?

Are scholars, like journalists, entitled to protect their sources in deference to the public's right to know?

This argument has been raised unsuccessfully before Judge Garrity by Professors Falk, Chomsky, and Samuel Popkin, a specialist on Vietnamese village life and assistant professor of government at Harvard. Professor Popkin mustered affidavits from 21 other Cambridge, Mass., professors, including Profs. Edwin O. Reischauer and John Kenneth Galbraith, in support of his argument that scholars, like journalists, must rely on confidential sources in government for legitimate information that could dry up if the sources feared disclosure.

But the issue of academic freedom could arise again when Professor Popkin is recalled. On Friday he was granted immunity from prosecution for his testimony by the government and is liable for a civil-contempt sentence of up to 14 months if he now refuses to answer questions.

CHROME IMPORTS FROM RHODESIA

Mr. McGEE. Mr. President, the recent action by the U.S. Congress to resume chrome imports from Rhodesia in violation of a U.N. ban, continues to cause repercussions—the latest in the United Nations itself.

Just 2 days ago, on November 16, the United Nations General Assembly, by a vote of 106 to 2, asked the U.S. Government to abide by the ban which this country was largely responsible for initially obtaining U.N. approval. Our action in the U.N. seeking sanctions against Rhodesia had its roots in our alliance with one of our oldest and most trusted allies—Great Britain.

Yesterday's—Nov. 17—edition of the Washington Post carried the story of the U.N. vote. The article, written by Anthony Astrachan, pointed out the General Assembly expressed its "grave concern at the recent move by the U.S. Congress to resume imports of Rhodesian chrome despite U.N. sanctions against the breakaway British African colony."

Astrachan also noted:

The U.S. delegation here appeared embarrassed by White House failure to mount any significant opposition to the Rhodesian chrome despite the fact that it tends to make the United States violate a treaty obligation.

It was during the debate on the amendment to the military procurement bill which would allow us to violate this ban that I warned of such future repercussions as I failed in my attempts to have that section deleted from the bill.

I believe the action on the part of the U.S. Congress, as I warned nearly 2 months ago, has had a detrimental impact on our relations with black African nations. It most certainly played a significant role in the U.N. General Assembly's vote against our two-China policy in that body. And finally, we have received what amounts to a censure from the U.N. I think all this is quite a high price to pay for what has become a frivolous legislative blunder on the part of the U.S. Congress.

I ask unanimous consent that Mr. Astrachan's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.N. CALLS ON UNITED STATES TO RETAIN BAN ON RHODESIAN CHROME

(By Anthony Astrachan)

UNITED NATIONS, Nov. 16.—The General Assembly today expressed its "grave concern" at the recent move by the U.S. Congress to resume imports of Rhodesian chrome despite U.N. sanctions against the breakaway British African colony.

The assembly adopted a resolution by a 106 to 2 vote calling on the U.S. government to continue the ban on Rhodesian chrome imports.

Portugal and South Africa voted against the resolution and there were 13 abstentions. The United States did not participate in the vote because the Congressional action, in the form of an amendment to the defense authorization bill, has not yet been signed by President Nixon.

Peking cast its first vote in the assembly in favor of the resolution.

The U.S. delegation here appears embarrassed by White House failure to mount any significant opposition to the Rhodesian chrome amendment despite the fact that it tends to make the United States violate a treaty obligation.

The bill actually says that the President

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may not prohibit the importation from a "free world" country of any strategic and critical material on the stockpile list if the same material is being imported from a Communist country.

The United States has long imported chrome from the Soviet Union, but the proportion has risen to almost 60 per cent of the total since the ban on Rhodesian chrome.

Some diplomats here take the view that the United States will not violate the U.N. charter until chrome is actually imported from Rhodesia.

Washington sources said Mr. Nixon has three ways to keep Rhodesian chrome out, under the proposed law, if he so wishes. He could stop imports from the Soviet Union, but no free world sources could meet the need.

He could take chrome off the strategic list—the likeliest option. The United States has so much chrome in its strategic stockpile that the General Services Administration proposed that 1.3 million tons—enough for 10 years of defense needs—be declared excess.

Or Mr. Nixon could assert that U.S. treaty obligations take precedence over the chrome amendment—a move which could lead to a court battle.

THE CAMPAIGN FINANCING ACT AMENDMENTS

Mr. EAGLETON. Mr. President, yesterday afternoon I spoke briefly in support of the Campaign Financing Act amendments to the Revenue Act. At that time, I said that this proposal offers a chance to make a fundamental change for the better in American government.

Two newsstories published in yesterday's newspapers furnish startling evidence of the need to change the way in which the financing of campaigns in America is conducted. The first story, published in the Washington Post, describes testimony by the Deputy Attorney General—the Nation's second highest law enforcement officer—concerning a $100,000 "campaign contribution" offered in return for help in quashing an indictment for alleged criminal violations of the securities laws.

The second story, published in the Washington Star, states that thousands of dollars were contributed during the 1968 election campaign using the names of Greek-American donors who say they never gave the money. According to the writer of the article, James R. Polk, it is still a mystery where the money came from.

These two separate accounts demonstrate the dire necessity for bringing campaign financing into the open and for meeting the increasing and well-founded public concern about the responsiveness of government.

Mr. President, I ask unanimous consent that these two newspaper articles be printed in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 17, 1971]

KLEINDIENST TELLS OF CAMPAIGN CASH OFFER AT TRIAL

(By David C. Berliner)

NEW YORK, November 16.—The deputy attorney general of the United States testified here today that he had received an offer of a $100,000 "campaign contribution" to help quash an impending indictment, but that he did not at the time consider it a bribe.

Richard G. Kleindienst said at the federal bribery-conspiracy trial of Robert T. Carson, that he waited a week before reporting the incident, doing so after learning that the FBI was about to bug Carson's office in the New Senate Office Building.

The testimony came during the fourth day in the trial of Carson, 65, suspended administrative assistant to Sen. Hiram L. Fong (R-Hawaii). The former Hawaiian Republican state chairman is charged with conspiracy, bribery and perjury by the government, which contends he agreed to fix criminal securities indictments and had gone to Kleindienst in an attempt to elicit his help.

Late today the prosecution rested its case.

A strong point in the government's argument had been its allegation that Carson told Kleindienst in late 1970 that a $50-100,000 contribution to the Nixon re-election campaign would be made if he could do something about the impending indictments.

Testifying under cross-examination that he did not consider the offer a bribe at the time it was made, Kleindienst said under re-direct that he did change his mind a week later.

"Were you serious about the answer" Defense attorney Joseph Brill asked, picking up the questioning again.

"Well," Kleindienst replied quickly, "I'm serious about it but I'd like to explain it." A moment later, however, he was dismissed as a witness.

Shortly before resting the government's case this afternoon, assistant U.S. Attorney Joseph Jaffe read portions of a grand jury transcript made last January during which Carson testified he would not identify the names, and in one case a photograph, of persons who later were indicted with him or revealed to have been working for the FBI as undercover agents.

Two other men, Joseph Bald and Edward Adams, were indicted with Carson in connection with the purported payoff scheme. The government is claiming that a payoff as high as $1 million was to have gone to the senatorial aide if he could help Bald and another man escape prosecution.

Both Bald and Adams pleaded guilty last week to the conspiracy charges and are scheduled to be sentenced Dec. 28.

THE 1968 DONOR LIST IS GREEK TO THEM

(By James R. Polk)

Thousands of dollars were pumped into the Nixon-Agnew campaign in 1968 using the names of Greek-American donors who say they never gave the money.

Where the campaign money came from is still a mystery.

The names were taken from a list of Greek-Americans who paid to attend a very private, $1,000-a-person dinner with then-candidate, now Vice President Spiro T. Agnew in a Chicago suburb during the 1968 race.

Many of the same names were then duplicated, with a few changes, and connected inaccurately with a second set of contributions for Nixon-Agnew in campaign-financing reports to Congress.

At least $25,000, and perhaps $40,000 or more, is involved in the false listings on the sworn statements filed with the clerk of the House.

The names include those of former San Francisco Mayor George Christopher, who once was a Nixon running mate in California; an assistant Illinois attorney general; and a worker who heads a society of immigrants from Agnew's ancestral home.

Although Congress is debating various reform bills this week in a strong push to plug loopholes which allow hidden flows of campaign money, the Greek names point to a big gap that may never be closed up: Virtually no one checks the truthfulness of the campaign reports that Congress does get.

Christopher was falsely listed as giving $5,000. The Greek society president, Nick Halazonitis, was listed for $4,000 he said he didn't give. A dozen other Chicagoans—lawyers, restaurant owners, electrical contractors and other businessmen—were named for a mysterious extra $1,000 each.

None of the duplicated donors had been aware of the use of his name. There is no indication that Agnew was involved in any way, either, beyond his presence at the original dinner.

The money from the Agnew dinner was split among three separate campaign committees in 1968. Names from each of these listings then popped up falsely on the records of yet a fourth Nixon-Agnew fund-raising arm, the Victory '68 Committee.

The order in which the names were used, the number of committees, the scattered inclusion of valid donations on the Victory '68 Committee list, and the small variations added in by hand make it unlikely that the duplications stemmed from any simple clerical error.

Illinois Asst. Atty. Gen. Peter A. Fasseas, one of the few people who handled the full list of those at the Agnew affair, said he has no idea how the false entries were made on the Victory '68 report.

"Maybe they had the money—and needed some names," Fasseas said.

The Victory '68 Committee was a major workhorse in the Nixon-Agnew stable of fund-raising groups in the 1968 race. Its bulky report to Congress was submitted in the name of an assistant treasurer, Eleanor L. Williams, who is with the Republican National Finance Committee.

"We're fastidious about our records, and I can't understand how a mistake could be made," she said.

Asked about details of how the Chicago listings were sent into the campaign's New York headquarters in 1968, she laughed and said, "I'm notorious about not remembering, and right now I'm not sure I want to."

Eighteen donors listed for $22,000 in the Victory '68 records confirmed in interviews that they didn't give the money. Bunched among the false listings were names of a dozen more persons who refused to answer questions, didn't remember, couldn't be found, or had died.

Christopher, who was Nixon's running mate in his 1962 California defeat, was a money-raiser in 1968 as chairman of the Grass Roots Committee for Nixon-Agnew. He did give $5,000 for a ticket to the Agnew gathering outside Chicago. That donation was reported properly by the committee which received it.

MUST BE MISTAKE

But the Victory '68 Committee also included Christopher's name, his San Francisco office address, then added in handwriting a Mr. and Mrs. notation with $2,500 for each of them.

The former San Francisco mayor had an accounting firm check his books and verified the first donation, but said of the other entries, "There must be a mistake somewhere because I did not make these contributions."

The Agnew dinner had been attended mainly by wealthy Greek-American businessmen in Chicago, although it also drew a St. Louis mop manufacturer, a Milwaukee radio executive, and one Miami donor.

The affair at a Des Plaines, Ill., restaurant was arranged mainly by Andrew Fasseas, who was then the supreme president of the nation's largest Greek organization, the American Hellenic Educational Progressive Association (AHEPA). He now is retired and ailing in Tucson, Ariz.

The younger Fasseas estimated the dinner raised about $58,000. He still keeps his own list of the dinner's donors in a bottom filing drawer in his 19th-floor office in Chicago. He suggested the list either was repeated by GOP officials in a bookkeeping mixup or was used to obtain names to account for an unknown chunk of money.

"To be honest with you, I don't know where the duplications came from," he said.

GAVE $6,000

Much of the fund-raising for the Agnew dinner was handled by William S. Deree, a retired Chicago banker now living in Scottsdale, Ariz. Deree's name is the top one on a three-page sequence of duplicate donors on the Victory '68 report.

The banker confirmed he gave $6,000 for the Agnew gathering, but said he couldn't recall whether he made the extra $2,000 contribution listed by Victory '68. He was the only person involved whose second listing was not an exact repetition of the original donation.

Deree also raised Greek-American money for the GOP at a hotel meeting and a Chicago breakfast. Several valid donors from those sessions were recorded accurately among the group of false entries.

Deree said he was unaware of the duplications and didn't know how they happened.

LIVES IN WALKUP

In contrast to most of the rich businessmen at the Agnew dinner, Nick Halazonitis lives in a second-floor walkup apartment above a laundromat on Chicago's West Fullerton Avenue. He was surprised to learn that Congress' records show him as giving $8,000 for Nixon in 1968.

The first $4,000 was given in Halazonitis' name from his Garglianoi organization of Greek-Americans from the Agnew family's home town. The second $4,000 shows up on Victory '68 records, with Mr. and Mrs. written after his name, then $2,000 marked in twice by hand.

"No, no, we did not give it," he said.

Agnew's office had no comment.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 708

Mr. MANSFIELD. Mr. President, I yield to the Senator from Arizona (Mr. FANNIN), for the purpose of submitting an amendment which will not be debated today.

Mr. FANNIN. Mr. President, I send an amendment to the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendment be considered as read, and that it become the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN's amendment (No. 708) is as follows:

On page 29, after line 19, insert the following:

PROHIBITION OF CERTAIN POLITICAL ACTIVITIES

SEC. 1062(a) Section 501 (relating to exemption from tax) is amended by redesignating subsection (f) and (g) and by inserting after subsection (e) the following new subsection:

"'(f) PROHIBITION OF CERTAIN POLITICAL ACTIVITIES.—No organization described in section 501(c)(5) which requires any person to pay membership dues, fees, or other assessments, as a condition of employment shall be exempt from taxation under subsection (a) for any taxable year in which any part of its income or of the amounts received for its support is used—

"'(1) to support or oppose any candidate for public office,

"'(2) to support or oppose any political party.'

"(b) The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the divisions occur at 5 o'clock tomorrow afternoon.

Mr. GOLDWATER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

ADJOURNMENT TO 9 A.M.

Mr. MANSFIELD. Mr. President, I move that the Senate adjourn.

Mr. DOLE. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. TUNNEY). The question is on agreeing to the motion of the Senator from Montana that the Senate now adjourn. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH) and the Senator from Indiana (Mr. HARTKE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Idaho (Mr. JORDAN) is necessarily absent.

The yeas and nays resulted—yeas 55, nays 40, as follows:

[No. 361 Leg.]

YEAS—55

Allen	Hart	Muskie
Anderson	Hollings	Nelson
Bentsen	Hughes	Pastore
Bible	Humphrey	Pell
Burdick	Inouye	Proxmire
Byrd, Va.	Jackson	Randolph
Byrd, W. Va.	Jordan, N.C.	Ribicoff
Cannon	Kennedy	Sparkman
Chiles	Long	Spong
Church	Magnuson	Stennis
Cranston	Mansfield	Stevens
Eagleton	McClellan	Stevenson
Eastland	McGee	Symington
Ellender	McGovern	Talmadge
Ervin	McIntyre	Tunney
Fulbright	Metcalf	Williams
Gambrell	Mondale	Young
Gravel	Montoya	
Harris	Moss	

NAYS—40

Aiken	Bennett	Case
Allott	Boggs	Cook
Baker	Brock	Cooper
Beall	Brooke	Cotton
Bellmon	Buckley	Curtis
Dole	Hruska	Scott
Dominick	Javits	Smith
Fannin	Mathias	Stafford
Fong	Miller	Taft
Goldwater	Packwood	Thurmond
Griffin	Pearson	Tower
Gurney	Percy	Weicker
Hansen	Roth	
Hatfield	Schweiker	

NOT VOTING—5

Bayh	Jordan, Idaho	Saxbe
Hartke	Mundt	

The PRESIDING OFFICER (Mr. TUNNEY). On this vote the yeas are 55, the nays are 40. Under the previous order, the Senate stands adjourned until 9 o'clock tomorrow morning.

Thereupon (at 5 o'clock and 59 minutes p.m.) the Senate adjourned until tomorrow, Friday, November 19, 1971, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate November 18, 1971:

U.S. DISTRICT COURTS

Thomas A. Flannery, of Maryland, to be a U.S. district judge for the District of Columbia vice Leonard P. Walsh, retired.

U.S. COURT OF CLAIMS

Robert L. Kunzig, of Pennsylvania, to be an associate judge of the U.S. Court of Claims vice Don N. Laramore, retiring.

IN THE COAST GUARD

The following-named officers of the Coast Guard for promotion to the grade of commander:

Richard E. Sardeson	Gerald K. Mohlenbrok
James A. Granger	Jon C. Uithol
Richard F. Elden	Carl A. Gruel
James G. Glasgow	Stevens H. Smith
Costa J. Alton	Ernest B. Acklin Jr.
George M. O'Brien	Francis F. Silvia
Joseph J. Wicks	Walter W. MacDougall
Cecil S. Berry	Marshall E. Gilbert
Robert E. Warakomsky	Richard T. Hess
David A. Naus	Christopher M. Holland
Kenneth M. Roughgarden	Edward V. Grace
Larry E. Telfer	James D. Martin
Robert C. Williams	Melvin L. Sites
Douglas G. Currier	Neil F. Kendall
Terry R. Grant	Robert J. Watterson
David A. White	Michael J. O'Brien
Alan G. Dahms	Robert F. Dugan
Richard A. Sutherland	James Watt
Frederick F. Burgess, Jr.	Peter J. Cronk
John C. Spence	James D. Webb
Robert F. Ingraham	Richard J. Akridge Jr.
Wilhelm A. Wulff	Ralph Winn
Robert W. Miller	Daniel N. Sessions
John M. Wypick	Rodney D. Harder
Emlyn L. Jones, Jr.	Charles R. Hinrichs
Frank R. Grundman	Benjamin E. Joyce
Bert T. Potter	Charles J. Kelly
John C. Ikens	Robert E. Whitley
Alexander R. Larzelere	Lawrence R. Montali
Robert S. Tuneski	Lonnie L. Mixon
Walter E. Peterson, Jr.	Roy E. Dash
James O. Sullivan	Jarold C. Carlton
Ronald D. Rosie	William R. Hudson
Ira B. Jacobson	Max E. Zbinden
Robert T. Nelson	James E. Curry
Robert F. Bennett	Joseph C. Russo Jr.
	Edward P. Lewy
	Paul E. Pakos

The following-named Reserve officer to be a permanent commissioned officer of the Coast Guard in the grade of lieutenant commander:

David L. Nelson

XUM

HOUSE OF REPRESENTATIVES—*Thursday, November 18, 1971*

The House met at 11 o'clock a.m.

Rev. Joseph W. Avery, Oswichee Baptist Church, Phenix City, Ala., offered the following prayer:

Our Father, as we are involved in the complicated situations of world affairs may we become more involved in the certainties of Thy will. May Thy servants be devoid of any sense of futility.

Give us the same sense of security which our Founding Fathers had because of their faith in Thee. Help us make Thee the object of our worship and source of our strength.

May these, Thy servants, be delivered from the distractions of nonessentials. Grant them courage and wisdom to confront and resolve the real issues of government today.

As we thank Thee, O God, for the example of Congress in the past, we implore that this one may be conscious of Thy leadership. Through Jesus Christ our Lord we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2559. An act to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans.

THE REVEREND JOSEPH W. AVERY

The SPEAKER. The Chair recognizes the gentleman from Georgia (Mr. BRINKLEY).

(Mr. BRINKLEY asked and was given permission to address the House for 1 minute.)

Mr. BRINKLEY. Mr. Speaker, may I express the appreciation of the House to our visiting Chaplain, the Reverend Joseph W. Avery of Phenix, City, Ala. I have known Dr. Avery for several years both as a pastor and as a friend, and would like to point out to my colleagues that on September 26 of this year Dr. Avery observed his 42d anniversary as a minister.

Prior to his recent retirement, Dr. Avery's pastorates included the First Baptist Church of Phenix City, the Hillsboro Heights Baptist Church of Huntsville, Ala., and the Oswichee Baptist Church of Fort Mitchell, Ala., which was the home church of my wife during her childhood.

Dr. Avery holds a bachelor of arts degree in theology from Mercer University in Macon, Ga., and was also graduated from the Southern Baptist Seminary in Louisville, Ky. Dr. Avery is a member of the board of trustees of Samford University in Birmingham, Ala., where for the past 10 years he has served as chairman of a committee that organized and developed the extension division for Christian training—which is now being used as a model by other colleges across the Nation. In 1955 Samford University conferred an honorary doctorate of divinity degree on Reverend Avery.

Dr. Avery's many outstanding community activities include serving as a past president of the Phenix City Ministerial Association, and as a member of the board of directors of both the Phenix City-Russell County Chamber of Commerce and the Columbus, Ga., Executives Club.

Mr. Speaker, let me conclude by saying that Dr. Avery is not only a fine man and a dedicated minister but an exceptional teacher as well, for he demonstrates by example the ministry he preaches.

Mr. ANDREWS. of Alabama. Mr. Speaker, will the gentleman yield?

Mr. BRINKLEY. I am glad to yield to my friend from Alabama.

Mr. ANDREWS of Alabama. Mr. Speaker, I would like to congratulate the gentleman in the well for having Dr. Avery here today. I have known him for years. He is a wonderful preacher and he has done a wonderful work in the religious circles of our area.

Mr. BRINKLEY. I thank the gentleman who represents the Third Congressional District of Alabama so well and whose home is just to the south of Fort Mitchell, Ala., where Oswichee Baptist Church is located.

APPOINTMENT OF CONFEREES ON S. 1828, TO AMEND THE PUBLIC HEALTH SERVICE ACT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1828) to amend the Public Health Service Act so as to establish a Conquest of Cancer Agency in order to conquer cancer at the earliest possible date, with the House amendments thereto, insist on the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, ROGERS, SATTERFIELD, KYROS, PREYER of North Carolina, SYMINGTON, ROY, SPRINGER, NELSEN, CARTER, HASTINGS, and SCHMITZ.

CALL OF THE HOUSE

Mr. ROUSSELOT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 403]

Abbitt	Diggs	Hillis
Abzug	Dowdy	Keating
Alexander	Dulski	Kemp
Anderson, Tenn.	Dwyer	Lennon
	Edmondson	Link
Ashley	Edwards, Ala.	McClure
Blackburn	Edwards, La.	McKevitt
Blatnik	Findley	Mathias, Calif.
Boland	Foley	Michel
Brooks	Ford, William D.	Mills, Ark.
Brown, Ohio		Pickle
Byrne, Pa.	Fraser	Powell
Celler	Fulton, Tenn.	Rangel
Chisholm	Fuqua	Roberts
Clark	Goldwater	Rosenthal
Clausen, Don H.	Gray	Runnels
	Griffiths	Scheuer
Clay	Halpern	Stokes
Conyers	Hansen, Wash.	Teague, Tex.
Corman	Hébert	Ware
Cotter	Heinz	Wydler
Dellums	Helstoski	
Derwinski	Henderson	

The SPEAKER. On this rollcall 366 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FOREIGN AID AUTHORIZATION, 1972

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 710 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 710

Resolved, That immediately upon the adoption of its resolution and without the intervention of any point of order the bills of the Senate S. 2819 and S. 2820 are hereby taken from the Speaker's table; that said Senate bills are hereby amended by striking out all after the enacting clause of each such Senate bill and inserting in lieu thereof the text of the bill H.R. 9910 as passed by the House on August 3, 1971; that the said Senate bills as so amended shall be considered as read a third time and passed; that the title of each such Senate bill shall be amended by striking out such title and inserting in lieu thereof the title of H.R. 9910; that the House insists upon its amendments to each Senate bill and requests conferences with the Senate, and that the Speaker appoint managers on the part of the House to attend each such conference.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH), pending which I ask unanimous consent that the gentleman from Ohio may speak out of order for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ALL INSIDE MAIL MUST BE FRANKED OR STAMPED

Mr. HAYS. Mr. Speaker, this morning a matter was brought to my attention by the Postmaster. He has been delivering any number of categories of inside mail, without a frank or stamp including mail for the telephone company.

By a coincidence, I received in my office this morning a scurrilous letter, inside mail, without any identification on it, either a frank or a stamp. I do not know how widespread this is, but I do not see any reason why the taxpayers should deliver the telegraph company's mail free of charge or why the telephone company should have theirs delivered.

So, from now on if Members want to send inside mail, it will either have to be in a franked envelope or a stamped envelope.

If you want to have flat mail, that is, announcements or amendments unfolded, delivered, simply send a covering letter with it. If you have an announcement to make about an amendment or something, send it with a covering letter on your stationery and the House Postmaster will deliver it.

Other than the above, there will be no more inside mail delivered for all and sundry without either a frank or a stamp.

Mr. BOLLING. Mr. Speaker, some say that this rule is without precedent. I have not searched the precedents. I do not know. But I do know it is a very unusual rule, and I think it deserves explanation so that the Members who are interested will know what the rule does and what its significance is. Those who listened to the rule will know that, if the resolution is adopted by the House, the House action will be as follows: The House will take two Senate bills on foreign aid, one on foreign economic assistance and one on foreign military assistance, from the Speaker's table. It will amend each of those bills by striking out all after the enacting clause and putting in each of them the text of the bill that the House debated, amended, and passed on the 3rd of August 1971, and it will then send the matters, the two bills, to conference.

The resolution provides that the Speaker can appoint conferees.

What this does, in very frank terms, is to get before a conference the two Senate bills and the House-passed bill. Most of you will remember that the bill passed the House, went to the Senate, it was debated at length, amended and defeated. Then the Senate came back with two separate bills, which were passed by very substantial majorities.

The chairman of the Committee on Foreign Affairs and the ranking minority member came before the Committee on Rules and asked for this procedure. What it does is get us into a conference. I am going to yield time at a later moment to the chairman of the Committee on Foreign Affairs to indicate what he expects will happen in the conference and why he asked for the rule.

The rule, while unusual, does a very simple thing. It saves the House going through the process of passing another one or two foreign aid bills and gets the House into conference with the Senate on the action of the Senate. That is all it does. We in the Rules Committee felt that it was a very wise way to deal with the problem, and we accepted the suggestion of the Committee on Foreign Affairs, the chairman and the ranking minority member.

I reserve the balance of my time.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, once again I hesitate to take the time when a rule has been explained so ably by the gentleman from Missouri (Mr. BOLLING). By the same token, this is a rather unique situation and I would like my statement in the RECORD because the time may come in the future when we will have to refer back and see what we are doing today.

House Resolution 710 provides for 1 hour of debate, 30 minutes to be under the control of the gentleman from Missouri (Mr. BOLLING) and 30 minutes to be controlled by myself. At the end of that time the resolution will be voted up or down. We are not going into the Committee of the Whole for any debate. There will be just 1 hour of debate on House Resolution 710 and then we will vote it up or down.

Mr. Speaker, I think it might be helpful to the Members if we would have a little background of this situation. You will recall that in August of this year, August 3, the House passed H.R. 9910, the Foreign Assistance Act Amendments of 1971. The bill came to the floor of the Senate late in October, and after debate covering several days it was defeated by a vote of 41 to 27 on October 29.

Thereafter, the Senate Committee on Foreign Relations, on November 8, reported two bills to the floor of the Senate, S. 2819, providing for foreign military assistance, and S. 2820, providing for foreign economic assistance.

Both bills passed the Senate on November 10. I doubt that the Senate Foreign Relations Committee or the Senate itself had very much opportunity to consider in detail the provisions of the two bills. At the present time, both Senate-passed bills reside on the Speaker's table.

The problems facing the House are first, how to get to conference and second, what to go to conference on.

Let me answer the second question first, H.R. 9910, the House-passed foreign assistance act, was defeated by the Senate. The Senate has sent to the House, in two bills, its version of the assistance programs. Unless the House can devise a means of insuring that its position gets to the conference, the only other alternative is to accept the Senate bills. Most House Members, I believe, would prefer that when a conference is held, the conferees have before them both the Senate and House bills. It is for this reason that the resolution reported by the Committee on Rules specifically provides that the language of the House passed bill will be before the conferees.

The question of how to get to conference requires an unusual solution. I have said that the Senate killed the House bill and in place of it passed two separate Senate bills, which now are on the Speaker's table. Of course, the House bill is dead in the Senate. The solution arrived at by the Committee on Rules and embodied in the resolution (House Resolution 710) is to take from the Speaker's table each of the Senate bills, to strike from the bills the Senate language, and to insert as the text of each of the bills, the language contained in H.R. 9910, as it passed the House. This provision resurrects the House bill as a viable basis for going to conference with the Senate and insures that House conferees will be able to negotiate differences in the bills as passed by each House with the Senate conferees. The resolution further provides that the House insist upon its amendments to each of the Senate bills, requests conferences on each bill with the Senate and authorizes the Speaker to appoint conferees to each conference.

As I stated, Mr. Speaker, this is an unusual, even unique, resolution. I do not personally recall any other major ongoing program in which an extension was passed by the one House of Congress, defeated in the other House of the Congress and later that other House, having first killed the program, then resurrected it.

At the committee hearing on this matter yesterday, both the chairman and ranking minority member of the Foreign Affairs Committee appeared and requested that the Rules Committee make it possible for them to go to conference with the other body upon the House-passed version of the bill as well as the two Senate bills.

Testimony reflected that this was the only way that House conferees would have any opportunity to do anything but accept or reject in full the Senate version of the foreign assistance programs. The Rules Committee believed that Members of the House did not wish to see their conferees so restricted due to the parliamentary situation in which we find ourselves. Even those Members—including myself—who do not support the foreign assistance programs can support this resolution—and I do support it. I feel that the House Members and the conferees are entitled to go to conference in an effort to resolve the differences in this program. It is purely procedural in nature so far as I am concerned. It provides merely a means to get to conference with the other body and to insure that the House conferees will be able to negotiate, not merely accept or reject the bills passed by the other body.

Mr. Speaker, I urge adoption of this resolution. I reserve the balance of my time, and I will say to the gentleman from Missouri that I do have several requests for time.

Mr. BOLLING. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania, the chairman of the Foreign Affairs Committee (Mr. MORGAN).

POINT OF ORDER

Mr. THONE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Mr. THONE. Mr. Speaker, I ask unanimous consent to withdraw my point of order.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MORGAN. Mr. Speaker, the purpose of this resolution is to enable the House to avoid being outmaneuvered by the Senate on the pending foreign aid legislation.

The House passed the foreign aid authorization bill last summer on August 3. The House has been ready and willing to go to conference ever since.

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The other body did not like the House bill and defeated it.

The other body could have enacted its own bill and included all the policy amendments, both germane and not germane, it wanted to and then gone to conference.

Instead, the other body, after defeating H.R. 9910, passed two foreign aid bills—one dealing with military aid and the other with economic and humanitarian assistance. Both these bills are now before the House.

Except for changes in amounts, the two bills included the provisions contained in a Senate version of H.R. 9910, which was defeated. They included some 20 provisions dealing with foreign policy. There are some provisions that have nothing to do with foreign aid. Several of the provisions are directly contrary to what I believe, and most Members of the House, in my opinion, disagree with them. All of them should be examined very critically in conference.

The differences do not relate only to the war in Southeast Asia. The Senate economic bill provides for congressional support for shifting economic aid to international or multilateral agencies. I do not believe that the answer to our foreign aid money is to turn U.S. money over to international organizations to spend.

If we followed the normal procedure, the House would now have to start all over again and write a new foreign aid bill, starting with the Senate bills.

This would not be fair to the House. The House has done its work. We passed the authorization on August 3. The House passed the continuing resolution, making funds available to keep the program in operation, last week.

The House is not responsible for the delays and the road blocks.

The bill we passed last summer is a comprehensive bill. It includes military aid, economic aid, and military sales. All of these matters will be in conference. The position of the House will have to be considered.

It is my belief that the money amounts the House approved last summer are too high. Since then, the President has announced that foreign aid should be cut 10 percent. Since then, also, a number of the less developed countries showed at the United Nations that they did not place a very high value on U.S. assistance. I can assure the House that there will be a substantial reduction in the authorization.

A basic difference between the House and Senate is that H.R. 9910 as reported by the Committee on Foreign Affairs and approved by the House and the bills passed by the Senate is that the House bill was a stopgap bill to keep operations going so the committee could make a detailed study of the reorganization and redirection of foreign aid.

The Senate bills provide a number of changes in basic policies, some of which would not be germane under the rules of the House.

There have been press reports that the other body takes the position that unless the House accepts the views of some of its distinguished Members, there will be no foreign aid bill.

I urge the House to send the language of H.R. 9910 to conference so that we can see if it is possible to bring back a bill that is acceptable to the House.

Mr. PASSMAN. Will the gentleman yield?

Mr. MORGAN. I will be glad to yield to the gentleman from Louisiana.

Mr. PASSMAN. If this bill is sent to conference and you reach agreement with the other body, it is subsequently returned to the House. If the bill passes the House, it is then sent to the Committee on Appropriations; is it not? And the subcommittee which handles the foreign operations appropriations can scrutinize the bill very carefully and if we find places where additional reductions can be made, that would be our responsibility; would it not?

Mr. MORGAN. I want to say to the gentleman that I am for giving the President a foreign aid bill this year, because I think it is vitally necessary both in Southeast Asia and in other problem areas of the world. Both military and economic programs are necessary. I can assure the gentleman that the House conferees will be in these working as rapidly as possible to try to bring back a conference report that can put the gentleman and his subcommittee of the Committee on Appropriations in business.

Mr. PASSMAN. If the gentleman will yield further, may I repeat my question?

After the authorization bill is enacted into law, it is then the responsibility of the Foreign Operations Subcommittee on Appropriations to scrutinize the bill, and we have the right to go through the bill with a fine-tooth comb, and if we find places where additional cuts can be made, such a procedure would be in order; would it not?

Mr. MORGAN. That is correct.

Mr. PASSMAN. I thank the gentleman from Pennsylvania.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. If it is a fair question, I would like to ask my distinguished chairman when he had this change of mind about H.R. 9910 being overpriced and overcosted?

Mr. MORGAN. The gentleman from Iowa knows that we passed this bill on August 3 and on August 13 the President gave his economic message in which he recommended a 10-percent cut.

I like to follow my President. This 10-percent cut in the foreign aid program would reduce the House bill by $344 million. I recommend that we go along with this recommendation of your President and my President.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further all those facts were available to the gentleman between August 3 and August 12, were they not?

Mr. MORGAN. No, they were not. I knew nothing about the President's economic message until I received a call the night before the message was delivered. The gentleman will recall that the House was in recess at that time.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. BOLLING. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Ohio.

Mr. HAYS. I would say to the gentleman from Iowa that it is rather difficult to follow your President, because he was dissatisfied with the bill which we passed when we passed it, and said so. He said it was not nearly enough. Then 10 days later, he wants a 10-percent cut.

Of course, I might be in favor of giving him a 20-percent cut, because if we just give him a 10-percent cut, he might ask for another 10-percent cut. You know, he zigs and zags a little sometimes so one might get lost along the way.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield further to the gentleman from Iowa.

Mr. GROSS. I would be glad to join your President and mine in a 100-percent cut in foreign aid.

Mr. SMITH of California. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I have been intrigued by at least a couple of statements that have been made, and especially the statement by the gentleman from Pennsylvania, the distinguished chairman of the House Foreign Affairs Committee, as to the ease with which the foreign giveaway program glided through the House on August 3. If the gentleman wants to make capital out of that, I assure him if I am around next year, the good Lord willing, I will try and stretch it out and make it more difficult for him. But the fact of the matter is that when the bill passed the House it was not quite as simple and easy as the gentleman tries to make it appear. It passed the House by a vote of 200 to 192.

And the very fact that that bill passed the House by only eight votes has a great deal to do with what is being perpetrated here today.

Mr. Speaker, the gentleman from Missouri says that this is an unusual rule, and in that statement I agree with him 10,000 percent, if any percentage figure is applied. But he says that the end result is simple. I think that is the oversimplification of the year.

Now, just what does this rule do? Instead of the Rules Committee telling the Foreign Affairs Committee, "If you want to apply artificial respiration to the bill H.R. 9110 which the House passed on August 3; if you want to apply artificial respiration and revive the bill H.R. 9910, that was killed by the Senate, you, the House Foreign Affairs Committee, just take your bill, to committee, repass it and then give it a rule and we will have another run through the House and see whether we cannot pick up the nine votes necessary to defeat it."

Oh, no, they are not about to run that risk again in the House because they are not sure there would not be a good deal more than eight votes to defeat it under the circumstances that exist today.

Mr. MORGAN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from Pennsylvania.

Mr. MORGAN. I recognize that the distinguished gentleman from Iowa is a very active and able member of the Foreign Affairs Committee. I must say that the gentleman works very hard as a member of the committee and offers many, many amendments during the mark-up.

Mr. GROSS. I am sure the gentleman knows that the bill could have been called up in the Foreign Affairs Committee and voted out again without further hearings. That would have properly breathed new life in it and given the House another direct vote instead of this subterfuge.

Mr. MORGAN. Mr. Speaker, if the gentleman will yield further, would the gentleman vote in the committee to revive it?

Mr. GROSS. I would not. Of course, I have only one vote. I am in the minority of the minority on that committee as the gentleman well knows, but I would not vote for it.

What you are doing here today is reviving a dead horse over in the Senate, and killing, by striking the enacting clauses, two foreign aid bills that the Senate approved. It is rumored around here that there have been communications flying back and forth between the Democrat leaders of the other body and the Democrat leaders of the House accompanied by warnings that you may not get a foreign aid bill at all out of this kind of maneuvering. Certain members of the Senate are not going to be at all happy by this proposed action. I am not in the business of making them happy, but I think they are going to be made more unhappy than they were when they killed H.R. 9910. The position here should be that the other side of the Capitol should back down, and not that the House bail them out of a situation they created.

That is the situation in a nutshell. I insist that the House has no business at all striking the enacting clauses of the two Senate bills. I oppose the resolution and warn again that it may create more trouble than it will cure.

The SPEAKER. The time of the gentleman has expired.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana, the distinguished majority leader (Mr. BOGGS).

Mr. BOGGS. Mr. Speaker and Members of the House, the gentleman from Iowa has made, in my judgment, a very fine statement, and confirms, in my judgment, the need for this rule. First he says the House should not back down. Well, that is exactly what we are doing—not backing down.

Mr. GROSS. Mr. Speaker, if the gentleman will yield, the House is backing down.

Mr. BOGGS. The House sent to the Senate a bill that had been duly considered in the Committee on Foreign Affairs, that had been debated on the floor, passed by the House, and then the other body killed it and substituted therefor two separate bills.

Now, the gentleman from Iowa says we should go back to the committee and come back with another bill. Well, in truth and in fact we are really doing just that. We have used the Rules of the House of Representatives which, despite all the criticism that one hears from time to time, are very flexible—and we have brought before the full House a rule which brings up for consideration again the House bill. This is not backing down.

What we are saying to the other body, rather than backing down, is that the House Committee on Foreign Affairs acted on this bill, the full House acted on this bill, and we think our conferees are entitled to the right to go to conference on that bill.

That is all we are really doing here.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOGGS. I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. Of course the House is backing down. It proposes to strike the enacting clauses in two Senate bills in order to breathe new life into a bill the Senate killed. I say the positive action would have been for the House Foreign Affairs Committee to have revived H.R. 9910 and brought it again to the floor of the House.

Mr. BOGGS. I have stated, and I will repeat it to my distinguished friend, the gentleman from Iowa, that that is exactly what we are doing here. We are reviving that bill without going back thrugh the long process of holding new hearings, having it marked up, a new rule, and new debate on the floor, but the result is exactly the same, and I congratulate the Committee on Rules.

Mr. Speaker, I get a bit annoyed on occasion as I am sure most of the Members do, with just negative criticism of this body. I know that we have flexible rules, and I am very happy that the Committee on Rules was able to report this resolution. It may be unusual, but it is not unique, and it is completely in keeping with the Rules of the House and the committee. In my judgment, it is sound and logical procedure because the alternative is what the gentleman from Iowa recommends, namely, long delay with little prospect of success.

As the distinguished gentleman from Louisiana (Mr. PASSMAN), the chairman of the subcommittee that handles the actual money allocations for this program said—this is an authorization and not an appropriation. Each item contained in the conference report, as finally adopted by the House, will be subject to the careful scrutiny of the gentleman from Louisiana and his subcommittee and the full committee headed by the gentleman from Texas (Mr. MAHON).

I would suggest then that this is sound procedure. I agree with some of the criticisms that have been made. It may very well be that our whole structure of foreign aid should be looked at very carefully by the respective congressional committees, but certainly we do not have the time in this session of this Congress to do that.

We would waste time if we had a new bill from the Committee on Foreign Affairs dealing with this subject this late in this session of the Congress.

I hope that come next January the distinguished gentleman from Pennsylvania and other members of his committee will conduct such a study. But the orderly thing to do now is to adopt this resolution and to permit these gentleman to go to conference and come back with a conference report on a bill that we can enact and continue the foreign aid program.

Mr. SMITH of California. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Speaker, I rise to urge support for this legislation.

CALL OF THE HOUSE

Mr. HAYS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 404]

Abbitt	Daniel, Va.	Lennon
Abourezk	de la Garza	Link
Addabbo	Dellums	McClure
Alexander	Derwinski	McKevitt
Anderson, Tenn.	Diggs	Mathias, Calif.
Bell	Dingell	Michel
Blackburn	Dowdy	Miller, Calif.
Blatnik	Dulski	Mills, Ark.
Boland	Edmondson	Patman
Brooks	Edwards, La.	Pickle
Byrne, Pa.	Findley	Pike
Byron	Fulton	Roberts
Camp	Fuqua	Rooney, N.Y.
Carey, N.Y.	Goldwater	Runnels
Celler	Gray	Stanton,
Chamberlain	Griffiths	James V.
Chisholm	Gubser	Stuckey
Clark	Halpern	Thompson, N.J.
Clausen, Don H.	Hansen, Wash.	Vesey
Clay	Harsha	Wilson,
Conyers	Heinz	Charles H.
Corman	Henderson	Wyatt
Cotter	Hillis	Wydler
	Jarman	
	Kuykendall	

The SPEAKER. On this rollcall 361 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FOREIGN AID AUTHORIZATION, 1972

The SPEAKER. The Chair recognizes the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Speaker, I rise to urge support of this resolution.

As the distinguished ranking minority member of the Committee on Rules has earlier pointed out, one does not have to be a proponent of the foreign assistance program to vote "aye" on this procedural question. This is simply to permit the House committee to go to conference with a bill already approved by the House, and there to represent a position which, as the distinguished chairman of the House Committee on Foreign Affairs has pointed out, has already won the approval of a majority of this body.

If you wish to vote for the chairman of the Committee on Foreign Relations of the other body to unilaterally direct the foreign policy of these United States an appropriate vote might be "no." If you wish, however, to uphold the prerogatives of the House of Representatives and to retain its voice in this important for-

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eign policy consideration, the vote would appropriately be "aye."

Through the restrictions imposed by the other body in the bills passed over there the President is hedged about with limitations and restrictions which in my judgment would be disapproved by many Members of this body.

The blows in the limited funding in those bills would fall most heavily on those areas which should have the most support, even among those who are doubters of foreign assistance itself. It would fall upon the economic supporting assistance to Vietnam, which is essential in the spending of these millions to underwrite the billions we have spent there in our efforts, and the thousands of irreplaceable lives that have been lost. It would fall heavily on our military assistance to such countries as Cambodia and the Republic of Korea, there the blow would fall the hardest. These are aspects which many of those who do not approve of the overall assistance program might well support. We are underwriting the President's Asian doctrine in which we seek to supplant our involvement in such conflicts as Korea and Vietnam with economic and military assistance to such countries, and there is not adequate funding for this in the Senate bills.

Mr. Speaker, we should uphold the prerogatives of the House, and preserve its voice in foreign policy. We should not look upon the Senate bills with favor that propose a turn to almost total emphasis on multilateral spending in which we are diluting the control of the Congress over whatever foreign assistance programs we do have.

I urge you to support the committee by voting "aye" on this procedural question, whether or not you are a supporter of the foreign assistance program. If you favor it then I urge you to support the House position for a better and more fully funded bill.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield to the distinguished gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman for yielding. I simply want to commend him for his statement. I too suport this rule. Regardless of how we may feel about our foreign assistance program, I trust that we all want this matter to go to conference.

Admittedly this rule represents an unusual way to make a conference possible but this results not from any action, or inaction, in this body but because of recent actions of the other body.

May I add also, Mr. Speaker, that there is real need for a conference. Not only will there be major dollar differences to reconcile, but also other matters of considerable consequence. The responsibility of the conferees will be unusually heavy, and coming as it does so late in the year there may be unusual difficulty in reaching a reconciliation of differing views.

CALL OF THE HOUSE

Mr. CRANE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

One hundred thirty-nine Members are present, not a quorum.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 405]

Abbitt	Dulski	Miller, Ohio
Adams	Edmondson	Mills, Ark.
Alexander	Edwards, La.	Morse
Anderson, Tenn.	Findley	Murphy, N.Y.
Bell	Fulton, Tenn.	Pepper
Blackburn	Fuqua	Pickle
Blatnik	Glaimo	Pike
Boland	Goldwater	Rees
Brooks	Gray	Reid, N.Y.
Byrne, Pa.	Green, Pa.	Roberts
Camp	Griffiths	Roy
Casey, Tex.	Gubser	Roybal
Celler	Halpern	Runnels
Chisholm	Hansen, Wash.	Sandman
Clark	Hawkins	Saylor
Clausen, Don H.	Heckler, Mass.	Sikes
Clay	Heinz	Stanton, James V.
Conyers	Henderson	Stuckey
Corman	Hillis	Symington
Cotter	Kelth	Teague, Calif.
Dellums	Lennon	Terry
Derwinski	Link	Tiernan
Diggs	McClure	Veysey
Dow	McKevitt	Wilson, Charles H.
Dowdy	Mathias, Calif.	
	Michel	
	Miller, Calif.	

The SPEAKER. On this rollcall 354 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FOREIGN AID AUTHORIZATION, 1972

The SPEAKER. The Chair will state that the gentleman from California (Mr. SMITH) has 16 minutes remaining and the gentleman from Missouri (Mr. BOLLING) has 10 minutes remaining.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. MAHON), chairman of the Appropriations Committee.

Mr. MAHON. Mr. Speaker, what I shall say has probably already been said better by others, but I do wish to make this statement: I do not regard a vote on the resolution which is pending as a test of whether a Member favors the House version of the aid bill or the Senate version or whether he favors any bill at all. I regard this as a mechanism to enable Congress to work its will on the foreign aid issue, whatever the level is and whether we have it at all.

I personally do not favor all of the provisions of the House bill, or all of the provisions of the Senate bills. I personally feel that when the Committee on Appropriations presents a foreign aid bill the proposed level of spending will be lower than the figures in either of these bills.

The problem is that before we adjourn we must dispose of this issue in some manner. I want to commend the Committee on Rules for proposing this method of bringing this matter to a point where a decision can be made.

Mr. SMITH of California. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. HALL).

Mr. HALL. Mr. Speaker, I just cannot imagine anyone standing here in good faith and saying that a vote for this resolution is simply a mechanism for proper procedure, and is not a vote in favor of the "foreign aid giveaway."

Mr. Speaker, I have heard this called a rule without precedent, unique, and very unusual. I have heard it called orderly process. It is not orderly, it is simply expeditious and the other euphemisms.

Obviously, Mr. Speaker, this now proves that our Committee on Rules can do anything regardless of precedence, or the rules of the House, as long as the House will support it—and this becomes very important, because the final action on this rule or resolution is simply to vote it up or down.

I hope the House will tarry long enough to face and carefully analyze the true situation in which we find ourselves.

Our good friend and my colleague, the gentleman from Pennsylvania (Dr. MORGAN) came here and purged himself. In that process, by some legerdemain, he resurrected this action. The resurrected action is that we have a $3 billion bill made in order again for the conferees—not all of us—instead of a $2 billion foreign aid bill.

These are the factors I think you must consider.

For years you have each and every one known the legislative process and have known how bills come into acts, or become statutes. Now for the first time we are making in order a conference on a bill or bills that have not been passed by both bodies.

Just a word, Mr. Speaker, about the conference technique. Do the duly elected Members who are Representatives in their own right, each from their own district, not realize that this is a device and a division of many heads, a resolving it into the minds of a few—in conference—and then the conference report according to the rules of the House itself, must be voted either up or down? I say, if the other body committed mayhem or even homicide on duly processed H.R. 9910, then in the name of heaven let that body of the Congress bear the blame, and at least do its own resurrection.

Mr. Speaker, this rule should be defeated out of hand. I hope that after proper consideration, and in view of the resurrection, the purgation and the passing out, the infusions on the reinspiration, that we will come to ourselves, we will awaken from full syncope, and vote down this rule.

Mr. SMITH of California. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in support of House Resolution 710.

Mr. Speaker, it is true there is an article in the press that described it this morning—that this particular resolution does represent the almost unlimited power of the Committee on Rules to effect legislative procedures of this House subject, of course, to ratification by a majority vote.

I have listened with interest as various similes have been employed in the debate this afternoon to describe the action of the Committee on Rules. I think the gentleman from Iowa referred to it

as artificial respiration. Then again as reviving a dead horse that had already been killed in the other body.

This afternoon I would like to take a somewhat more positive view of the matter and suggest that this kind of resolution may well herald a new and even more creative chapter in the distinguished history of the Committee on Rules, and maybe instead of calling it artificial respiration, we should say in effect that we have created a foreign aid program by immaculate conception in view of the purity of the members of the Committee on Rules.

I am not particularly disturbed by the charge that we are bailing out the other body. Perhaps in this instance the other body did not serve as the saucer to the teacup, as one of the Founding Fathers suggested that it might.

Perhaps in a sense we are bailing them out of the folly that they perpetrated several weeks ago. I happened to be one of those who supported a continuation of the foreign aid program when it was on the floor of the House on August 2 of this year.

I think it would be nothing short of tragic if we were ever to vote against this resolution today on the basis of trying to kill that program.

When the gentleman from Pennsylvania, the distinguished chairman of the House Committee on Foreign Affairs, appeared before us yesterday, he gave us once again a public unequivocal pledge that promptly upon the conclusion of this matter, upon the resolution of the differences between the two Houses on this authorizing legislation, he will hold hearings—and I am sure he will—on the recommendations for the reform and the restructuring that is badly needed in this program as proposed by the President's task force on reform of the foreign aid program.

Mr. Speaker, I am content to accept this assurance and I urge the Members today to adopt this resolution.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to my colleague.

Mr. MATSUNAGA. Mr. Speaker, I commend the distinguished member of the Rules Committee for his sage observations. I agree with him that the adoption of House Resolution 710 will mean the recognition by the House of almost unlimited power vested in the Rules Committee in setting procedural rules. It should also be observed that although the Rules Committee is normally known for its exercise of negative power, House Resolution 710 represents an unprecedented and unusual exercise of positive power by the Rules Committee. Here is a classic example of the positive role which the Rules Committee can play to expedite the legislative process in the Congress. However, if we adopt the gentleman's theory of immaculate conception, where would that put the father of foreign aid, the gentleman from Louisiana (Mr. PASSMAN)?

Mr. ANDERSON of Illinois. In view of the obvious discomfiture of the gentleman from Louisiana the other day when the question of his paternity of the foreign aid program was raised, I would not want to continue the discussion as to that matter.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman.

Mr. GROSS. Slice it thick or thin, this resolution still makes in order a bill that 192 Members of the House voted against.

Mr. ANDERSON of Illinois. But a majority of this House supported it.

Mr. BOLLING. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Speaker, I am going to vote for this resolution because I consider it merely a vote to go to conference. If the conferees come back, and I may be one of the conferees—I have been in the past—if they come back with more than what I think ought to be in the foreign aid bill, I can vote against the conference report and I reserve the right to do that.

I think this is a good idea and I said so in committee when we met to decide what to do about it. The Committee on Rules can do anything it wants to under the sun, if the House votes to let them do it. This is to save us from going through the rigmarole of having more hearings and coming back with another bill. This is simply nothing more or less than going to conference.

As to reviving a dead horse or whatever, as the gentleman from Iowa (Mr. GROSS) described it the other day, he said this bill is as dead as a dodo bird—and he should have said as dead as a phoenix, because it has risen from the ashes this afternoon.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman.

Mr. GROSS. What about the committee action that was taken that endorses this action? I never heard of any committee action and I am a member of the Foreign Affairs Committee.

Mr. SMITH of California. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Speaker, I believe the House knows by now what we are up against here, so I am not going to take the 3 minutes. I merely wish to say that this is the only way we could figure out how to get into conference what the Senate did in the field of foreign aid and what the House did in the field of foreign aid. That is our normal procedure in the legislative process. We go to conference with whatever the two bodies have decided.

Under the peculiar circumstances facing us, the proposal is the only device any of us could figure out as to how to accomplish that objective, the normal thing, of letting the two Houses in conference decide their differences. I hope there will be, regardless of how one may feel about the program, strong support to give us this opportunity, because a good vote here this afternoon will make it a lot easier for us to come out of what is inevitably going to be an extremely difficult conference.

Mr. SMITH of California. Mr. Speaker, I yield 2 minutes to the distinguished minority leader, the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, let me make three points very quickly:

First. As has been said by many, this is a procedural issue. It does not involve substance. It involves a technique for getting to conference.

Second. Members ought to vote "yea," in my judgment, because it is one way in which we can reassert the position of the House and let the other body know that they made a mistake, in our judgment, in taking the action they did by specifically and obviously killing the House bill.

Third. Let us all recognize that this is legislation in one form or another that has to be considered before we adjourn, and if we are interested in achieving that result, it seems to me the quickest and best way to accomplish that is to vote "yea" on the rule this afternoon.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey (Mr. GALLAGHER).

Mr. GALLAGHER. Mr. Speaker, we have heard a great deal today about resurrecting the foreign aid bill. If that is so, it merely points up what a great chairman Dr. MORGAN is.

Not only is he a great chairman of the Foreign Affairs Committee, but he is also one of our great physicians. I suggest it is this combination of abilities that brings this resolution before us today.

I might point out that it is the other body that killed the bill and then resurrected a bill in its own image in two parts. What we are doing here today is simply reaffirming what the House in its wisdom and its liberality has already done. We are sending to conference a bill that has already been determined to be in the Nation's interest by this Chamber.

We also have heard a great deal of talk about Southeast Asia. We seem to have a vote on this question almost every week now. But if we are really interested in ending our involvement in Vietnam, then this resolution must not be killed. Because it is this resolution that provides the tools needed to wind the war down and bring American troops home.

Specifically, this resolution provides the necessary level of supporting assistance funds. These are the funds that are used to transfer the burden of defense from United States to local forces in the countries of Southeast Asia.

The Governments of Vietnam, Laos, and Cambodia are assuming an ever-greater responsibility for their own defense. But maintaining large standing armies inevitably has an inflationary impact.

That is where supporting assistance comes in. These funds are used to finance imports which are sold commercially and this increases Government revenues. Without these imports and the resulting hike in revenues, inflation would soar. And the major new economic reform program in Vietnam would be imperiled.

Let me enlarge on this problem of inflation. Without an adequate level of supporting assistance hoarding would soon become widespread. Goods would disappear from the marketplace and economic chaos would follow; as would political instability.

Whatever the wisdom of past U.S. policy in Vietnam, an abrupt reduction

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in supporting assistance is hardly what we need now. We all want to get out of Vietnam. And one way of insuring this happens is to provide the President with the foreign aid tools needed to do the job.

One other point, we have heard a great deal today about the wisdom of the other body and how we should follow the Senate's lead. I would like to point out that the Foreign Affairs Committee spent 27 full days on this bill. By contrast the other held only 3 days of hearings.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. GALLAGHER. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, it has been suggested that a vote to send these bills to conference is a vote against turning aid over to multilateral organizations. I wonder if the gentleman will explain this, because if it is true, I am going to vote for this.

Mr. GALLAGHER. The gentleman is asking about channeling aid to multilateral organizations?

Mr. LONG of Maryland. Yes.

Mr. GALLAGHER. The other body incorporated an approach that distinctly favors multilateral over bilateral aid. Needless to say this approach lessens the ability of this Chamber to control how our foreign aid dollars are spent.

Mr. MORGAN. Mr. Speaker, will the gentleman yield?

Mr. GALLAGHER. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. I would like to answer the gentleman from Maryland, because I know of his interest in this. In one of the bills a provision was put in by the Senate to terminate bilateral aid, ending by June 30, 1972. Another is a new declaration of and support of cessation of multilateral aid. All through this bill is the theory the gentleman opposes.

Mr. LONG of Maryland. Mr. Speaker, I am opposed to giving up the powers of this body and giving them to a multilateral organization.

Mr. GALLAGHER. Mr. Speaker, I thoroughly agree with the gentleman on this point. Let us consider in general what the other body has been up to. First the Senate—with one-third of its Members absent—voted down the foreign aid authorization bill. Then it refused to go along with the House in accepting a continuing resolution. Finally, when it got around to legislating on foreign assistance once again, it split the bill in two and approved almost a billion dollars less than the House version.

Why, we may ask ourselves, has the Senate gone through this unprecedented and tortuous sequence of maneuvers? Is the foreign aid program so different this year? Is the world situation so very different? Is there indeed any solid basis for a radically different treatment of the aid program by the House in the wake of the other body's perambulations over the past several weeks?

I think that, on reflection, we would agree that the answer to all these questions is "No."

The other body, after all, did not scuttle foreign aid for reasons of substance, but rather because of a grab-bag of extraneous concerns. All of a sudden the foreign aid bill became a political football because of Senate unhappiness with the war, the United Nations, the administration, the Greek Government, you name it.

This is not legislating on the merits of an issue but rather reacting on the basis of whim and, at times, personal pique.

Yielding to the other body on the foreign aid bill is not going to reverse the United Nations' vote on China. I personally was as unhappy as anyone in this Chamber at that outcome. But, put plainly, what is done is done and it makes no sense now to take out any animus at the United Nations by throwing punches at foreign aid.

Similarly, winding down the war and getting American troops home is the top priority item on our national agenda. But any limitations on the conduct of our foreign policy in Southeast Asia should be approached directly—not as a sideshow to the foreign aid debate.

The fact is that economic assistance has worked well on the whole. Economic growth rates in the developing world are up and rising, and our humanitarian relief programs have shown that this country does care.

Granted that AID has encountered operating problems. These must not be ignored. But they are best treated in the context of a basic reconsideration of the enabling legislation next session.

Similarly, the military aid program is responsibly geared toward enabling other nations to defend themselves and thereby keep this country out of Vietnam-type situations. I take the administration at its word when it talks of using military aid as an important means of insuring a generation of peace.

What it all comes down to, then, is this. The House acted responsibly in approving H.R. 9910 on August 3. Nothing whatsoever has happened since to warrant a change in signals at this late date.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. GALLAGHER. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I join with the gentleman from New Jersey, and I compliment him on his remarks. A great deal has been said about the mother and father of this bill. I think the Senate has produced a couple of illegitimate children here, and the only way we can legitimize them is by adoption of the House bill and send it to conference.

Mr. GALLAGHER. When we say the Congress should have a larger voice in foreign policy we mean just that. But a larger voice in foreign policy does not mean just being eccentric and irresponsible and following the other body. A larger voice means being able to correct things that are wrong but also supporting things that are right.

I urge the House to adopt this rule for it is the right thing to do.

This rule will enable our conferees to work their will. I am sure that they will bring back to this House a bill that the majority can support.

Mr. BOLLING. Mr. Speaker, I urge strong support for sending the foreign aid matter to conference. That can be done by voting for this resolution.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 269, nays 115, not voting 46, as follows:

[Roll No. 406]

YEAS—269

Abzug	Eshleman	McFall
Addabbo	Evans, Colo.	McKay
Anderson, Calif.	Fascell	McKinney
Anderson, Ill.	Fish	Macdonald, Mass.
Andrews, N. Dak.	Fisher	Madden
Annunzio	Flood	Mahon
Arends	Foley	Mailliard
Ashley	Ford, Gerald R.	Mann
Aspin	Ford, William D.	Matsunaga
Aspinall	Forsythe	Mayne
Badillo	Fraser	Meeds
Barrett	Frelinghuysen	Metcalfe
Begich	Frenzel	Michel
Belcher	Frey	Mikva
Bergland	Gallagher	Mills, Md.
Biaggi	Garmatz	Minish
Biester	Gaydos	Mink
Bingham	Gialmo	Minshall
Boggs	Gibbons	Mitchell
Bolling	Gonzalez	Mollohan
Bow	Goodling	Monagan
Brademas	Grasso	Moorhead
Brasco	Gray	Morgan
Bray	Green, Oreg.	Morse
Broomfield	Green, Pa.	Mosher
Brotzman	Grover	Murphy, Ill.
Brown, Mich.	Gubser	Murphy, N.Y.
Brown, Ohio	Gude	Natcher
Broyhill, Va.	Hamilton	Nedzi
Buchanan	Hanley	Nelsen
Burke, Fla.	Hanna	Nix
Burke, Mass.	Hansen, Idaho	O'Hara
Burleson, Tex.	Harrington	O'Neill
Burton	Harvey	Passman
Byrnes, Wis.	Hastings	Patman
Cabell	Hathaway	Patten
Caffery	Hawkins	Pelly
Carey, N.Y.	Hays	Perkins
Carney	Hébert	Peyser
Carter	Heckler, Mass.	Pike
Cederberg	Heinz	Pirnie
Chamberlain	Helstoski	Podell
Chisholm	Hicks, Mass.	Poff
Clark	Hicks, Wash.	Preyer, N.C.
Clay	Hogan	Price, Ill.
Cleveland	Holifield	Pucinski
Collins, Ill.	Horton	Quie
Colmer	Hosmer	Railsback
Conable	Howard	Rangel
Conte	Jacobs	Rees
Conyers	Johnson, Calif.	Reid, N.Y.
Coughlin	Johnson, Pa.	Reuss
Culver	Jonas	Rhodes
Daniels, N.J.	Jones, Ala.	Riegle
Danielson	Karth	Robinson, Va.
Davis, Wis.	Kazen	Robison, N.Y.
Delaney	Kee	Rodino
Dellenback	Keith	Rooney, N.Y.
Dellums	King	Rooney, Pa.
Dennis	Kluczynski	Rosenthal
Dent	Koch	Rostenkowski
Devine	Kuykendall	Roybal
Dickinson	Kyl	Ruppe
Dingell	Kyros	Ryan
Donohue	Latta	St Germain
Dow	Lent	Sandman
Downing	Lloyd	Sarbanes
Drinan	Long, Md.	Scheuer
du Pont	McClory	Schneebeli
Dwyer	McCloskey	Schwengel
Eckhardt	McCormack	Sebelius
Edwards, Ala.	McCulloch	Selberling
Eilberg	McDade	Shipley
Erlenborn	McDonald, Mich.	Shriver
Esch	McEwen	Sisk
Smith, Calif.	Teague, Calif.	Whalley
Smith, Iowa	Teague, Tex.	Widnall
Smith, N.Y.	Thompson, N.J.	Wiggins
Springer	Thomson, Wis.	Williams
Stanton, J. William	Tiernan	Wilson, Bob
Stanton, James V.	Udall	Winn
Steele	Ullman	Wolff
Steiger, Wis.	Van Deerlin	Wright
Stokes	Vander Jagt	Wyatt
Stratton	Vanik	Wydler
Stubblefield	Vigorito	Yates
Sullivan	Waggonner	Yatron
Taylor	Wampler	Young, Tex.
	Ware	Zablocki
	Whalen	Zion

NAYS—115

Abernethy	Hall	Pryor, Ark.
Abourezk	Hammer-schmidt	Purcell
Andrews, Ala.	Harsha	Quillen
Archer	Hechler, W. Va.	Randall
Ashbrook	Hull	Rarick
Baker	Hungate	Roe
Baring	Hunt	Rogers
Bennett	Hutchinson	Roncalio
Betts	Ichord	Roush
Bevill	Jarman	Rousselot
Blanton	Jones, N.C.	Ruth
Brinkley	Jones, Tenn.	Satterfield
Broyhill, N.C.	Kastenmeier	Saylor
Burlison, Mo.	Keating	Scherle
Byron	Kemp	Schmitz
Chappell	Landgrebe	Scott
Clancy	Landrum	Shoup
Clawson, Del	Leggett	Skubitz
Collier	Long, La.	Snyder
Collins, Tex.	Lujan	Spence
Crane	McCollister	Staggers
Daniel, Va.	McMillan	Steed
Davis, Ga.	Mathis, Ga.	Steiger, Ariz.
Davis, S.C.	Mazzoli	Stephens
de la Garza	Melcher	Talcott
Denholm	Miller, Ohio	Terry
Dorn	Mizell	Thompson, Ga.
Duncan	Montgomery	Thone
Edwards, Calif.	Moss	Veysey
Evins, Tenn.	Myers	Waldie
Flowers	Nichols	White
Flynt	Obey	Whitehurst
Fountain	O'Konski	Whitten
Galifianakis	Pettis	Wilson, Charles H.
Gettys	Poage	Wylie
Griffin	Powell	Wyman
Gross	Price, Tex.	Young, Fla.
Hagan	Quie	Zwach
Haley		

NOT VOTING—46

Abbitt	Corman	Hillis
Adams	Cotter	Lennon
Alexander	Derwinski	Link
Anderson, Tenn.	Diggs	McClure
Bell	Dowdy	McKevitt
Blackburn	Dulski	Mathias, Calif.
Blatnik	Edmondson	Miller, Calif.
Boland	Edwards, La.	Mills, Ark.
Brooks	Findley	Pepper
Byrne, Pa.	Fulton, Tenn.	Pickle
Camp	Fuqua	Roberts
Casey, Tex.	Goldwater	Roy
Celler	Griffiths	Runnels
Clausen, Don H.	Halpern	Sikes
	Hansen, Wash.	Stuckey
	Henderson	Symington

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Celler with Mr. Halpern.
Mr. Blatnik with Mr. Don H. Clausen.
Mr. Runnels with Mr. Bell.
Mr. Roberts with Mr. Goldwater.
Mr. Dowdy with Mr. Hollis.
Mr. Abbitt with Mrs. Hansen of Washington.
Mr. Brooks with Mr. Findley.
Mr. Sikes with Mr. McClure.
Mr. Henderson with Mr. Blackburn.
Mr. Lennon with Mr. Pepper.
Mr. Byrne of Pennsylvania with Mr. McKevitt.
Mr. Cotter with Mr. Miller of California.
Mr. Casey of Texas with Mr. Symington.
Mr. Dulski with Mr. Mathias of California.
Mr. Edmondson with Mr. Camp.
Mr. Pickle with Mr. Alexander.
Mr. Diggs with Mr. Derwinski.
Mr. Boland with Mr. Anderson of Tennessee.
Mrs. Griffiths with Mr. Corman.
Mr. Link with Mr. Fuqua.
Mr. Stuckey with Mr. Fulton of Tennessee.
Mr. Adams with Mr. Roy.

Mr. RUTH changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints as conferees on the part of the House on the bills S. 2819 and S. 2820 the following Members: Messrs. MORGAN, ZABLOCKI, HAYS, FASCELL, MAILLIARD, FRELINGHUYSEN, and BROOMFIELD.

PROVIDING FOR THE CONSIDERATION OF H.R. 11060, FEDERAL ELECTION REFORM

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, and at the request of the distinguished gentleman from Mississippi (Mr. COLMER) I call up House Resolution 694 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 694

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11060) to limit campaign expenditures by or on behalf of candidates for Federal elective office; to provide for more stringent reporting requirements; and for other purposes. After general debate, which shall be confined to the bill and to the amendments made in order by this resolution, and which shall continue not to exceed two hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on House Administration, and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order immediately after the enacting clause is read to consider without the intervention of any point of order the text of the bill H.R. 11231 as an amendment in the form of a new Title I to the bill H.R. 11060. Following disposition of this amendment, it shall then be in order to consider without the intervention of any point of order the text of the bill H.R. 11280 as an amendment in the nature of a substitute for the bill H.R. 11060. At the conclusion of the consideration of H.R. 11060 for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and if an amendment in the form of a new Title I or an amendment in the nature of a substitute is reported from the Committee of the Whole, it shall be in order in the House for any Member to demand a separate vote on any amendment adopted in the Committee of the Whole to that amendment. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 11060, it shall be in order in the House to take from the Speaker's table the bill S. 382 and to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 11060 as passed by the House.

The SPEAKER. The gentleman from California (Mr. SISK) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 694 provides an open rule with 2 hours of general debate for consideration of H.R. 11060, the Federal election reform bill. The 2 hours of debate will be equally divided between the Committee on House Administration and the Committee on Interstate and Foreign Commerce. It shall be in order to consider, without the intervention of a point of order, H.R. 11231 relating to political broadcasting as an amendment in the form of a new title I to the bill H.R. 11060. It shall also be in order to consider, without the intervention of a point of order, H.R. 11280, a Federal Election Campaign Act, as an amendment in the nature of a substitute for H.R. 11060. After passage of H.R. 11060 it shall be in order to take S. 382 from the Speaker's table, move to strike all after the enacting clause and amend it with the House-passed language.

H.R. 11060 places a limit on campaign contributions and expenditures in Federal elections and restricts a candidate from making expenditures from his personal funds.

It provides requirements for detailed disclosures and provides for effective prohibitions against violations.

H.R. 11231 is a political broadcasting bill to limit expenditures for use of communications media in Federal campaigns and is similar to H.R. 8628 as reported by the Committee on Interstate and Foreign Commerce.

H.R. 11280 covers the communications media, places a limit on campaign contributions and expenditures, provides for disclosure and is similar to the bill passed by the Senate.

Mr. Speaker, again we are faced with a somewhat unusual rule in that the Committee on Rules was faced with two bills coming from two committees dealing to some extent with the same subject, but at the same time dealing with their own particular areas of jurisdiction, and so the Committee on Rules felt that the procedure which is outlined in the resolution was the fairest and best way to get the matter before the House in order that the House might work its will on such legislation.

Further, because of interest on the part of a number of Members—and I might say here, parenthetically, as I have indicated—that of course H.R. 11060, which is really the basic instrument on which a rule is being granted, is a bill out of the Committee on House Administration authored by the gentleman from Ohio (Mr. HAYS) and other members of that committee.

The bill out of the Committee on Interstate and Foreign Commerce, authored by the gentleman from Massachusetts (Mr. MACDONALD) H.R. 11231, of course, is being made in order to be offered as a part of the overall H.R. 11060, as a title I.

Then, finally, the Rules Committee has made in order the consideration of H.R. 11280, which is a bill introduced by the gentleman from Minnesota (Mr. FRENZEL) and cosponsored by the gentleman from Ohio (Mr. BROWN) and, as I

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understand it, either identical with, or nearly so, the Senate-passed bill.

Actually, what this rule would do, if adopted, would be to make it possible for the House to consider all three approaches, or a combination of any two or three approaches, in connection with this legislation.

Mr. Speaker, in order that the House may proceed to discuss the merits and demerits, if there be those, about the various pieces of legislation to be pending, I urge adoption of the resolution.

Mr. SMITH of California. Mr. Speaker, I yield myself such tin e as I may use.

Mr. Speaker, once again I am in the position of having a rule explained very ably by the gentleman on the majority side, Mr. SISK of California.

Once again we are faced with another unusual rule. I believe I remarked the other day to the gentleman from Iowa that we were going to have some beauties before this session was over. We have one of those now. I do feel I should have my remarks in the RECORD, because we will be facing back to situations like this perhaps at some time in the future.

Mr. Speaker, House Resolution 694, in effect, makes in order consideration of three separate bills. They all deal with various phases of campaign spending, disclosure of receipts, and expenditures by candidates.

Let me explain my understanding of the parliamentary procedure under which the House will consider these three bills.

The rule makes in order consideration of H.R. 11060. That bill, popularly known as the Hays bill, was reported by the Committee on House Administration. Under the rule, 1 hour of general debate will be equally divided between the chairman and ranking minority member of the Committee on House Administration. The rule provides for a second hour of general debate which will be controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce. At the close of general debate, and as soon as the enacting clause of the Hays bill has been read, it will be in order, without an intervention of a point of order, to offer as an amendment in the nature of a new title I of the Hays bill, the text of the bill, H.R. 11231, popularly known as the Macdonald bill, the bill from the Committee on Interstate and Foreign Commerce. That bill is identical with H.R. 8628 as reported by the Committee on Interstate and Foreign Commerce. H.R. 11231 is used in the rule because it is a clean bill and thus the amending process will be easier to carry out. H.R. 8628, as reported, was a committee substitute for the introduced bill.

After the Macdonald bill is offered, it, of course, will be open to perfecting amendments as any amendment is under the normal amending process.

After the Macdonald bill is perfected and is voted on by the House, it will then be in order to consider, without the intervention of a point of order, a substitute for whatever is before the House at that point, either the Hays bill or the Hays bill as amended by the Macdonald bill. This substitute, H.R. 11280, is identical with the Senate-passed bill, S. 382, which bill is currently on the Speaker's table.

When the substitute is offered it too will be open to amendment under normal procedures. After all perfecting amendments to the substitute have been disposed of, the vote will occur up or down on the substitute. If the substitute is agreed to, then the Committee will rise and report the substitute to the House. If the substitute is voted down, we will begin the normal amendment process on H.R. 11060, the Hays bill.

Finally, Mr. Speaker, the rule provides that after passage of H.R. 11060, in whatever form that may be, it will be in order to take from the Speaker's table the Senate bill, strike all after the enacting clause and insert in lieu thereof the text of the bill, H.R. 11060, passed by the House. This is normal language to enable the bill to go to conference.

Now, as to H.R. 11060, it is my understanding that the purpose of the bill is to place a limitation on all campaign contributions and expenditures, to require disclosure by candidates of both contributions and expenditures on their behalf, with appropriate prohibitions against any violations.

The aggregate amount of total contributions as well as the aggregate amount of total expenditures are both restricted. In each case, the permissible amount is the larger of $50,000 or 6 cents multiplied by the population of the election area. The population total of the United States would apply for presidential elections, the entire State for a senatorial election and the congressional district for a Representative to the House election.

Further, a candidate is limited from making expenditures from his own funds including personal funds of his immediate family under his control. The ceiling is $35,000 if he is running for President or Vice President, $20,000 if he is running for Senator, and $15,000 if he is running for the House. The same limits apply where an individual desires to make contributions to the candidacy of others from his own funds or those under his control.

Reporting requirements are contained in the bill. Each candidate for Federal office and each committee, person, corporation, union, or other group supporting his candidacy must make reports of expenditures and contributions. The first report must be made between 10 and 15 days prior to the election; the second and final report must be made not later than 45 days after the election.

Any person, group, or organization which violates these requirements and is not a candidate is liable to a fine of $10,000 or imprisonment for up to 1 year or both. A willful violation is punishable by a fine of up to $10,000 or imprisonment for up to 2 years.

Candidates who violate the law may also be penalized. A candidate for President or Vice President who violates the act can be fined up to $25,000. A candidate for Congress can be disqualified from taking office and no certificate of election may be filed until a winning candidate has reported his contributions received and expenditures made as required. A candidate who violates the act can be disqualified from seeking office for a period of years, 7 if he was running for the Senate, 5 years if seeking a House seat. Any person seeking a Federal office, except President or Vice President, who violates the act while seeking the nomination of his party must forfeit the nomination.

All reporting under the bill is to be made to Federal officials. All reporting concerning a presidential or vice presidential primary or general election campaign must be made to the Comptroller General. The Clerk of the House and the Secretary of the Senate respectively will oversee and receive reports required with respect to elections to the Congress.

Now, as to the second bill, the Macdonald bill, it is my understanding that the purpose of the bill is to repeal the "equal time" provisions of the Communications Act as they apply to the presidential election, to limit the total campaign spending on all media, printed and broadcast, to 10 cents per voter, to insure that all candidates for Federal office who purchase time or space from the various media will not be required to pay premium rates, and to prohibit any candidate for Federal office to spend more than 5 cents per voter on radio, television, or cable television advertising.

Section 315(a) of the Communications Act now requires that all broadcasters, if they provide time for any candidate for public office, provide equal time for all other candidates for the same office. The bill would permanently repeal this provision with respect to the presidential election. All other elections would still be covered and stations would be required to provide equal time in all election contests except that of President and Vice President.

The bill further provides that all broadcasters who sell time to qualified candidates running for any elective office must sell that time at a rate not to exceed the lowest unit charge of the station for the same amount of time in the same time period as would be charged to commercial advertisers. No national standard is set; the lowest rates in the candidate's own area would prevail.

With respect to newspapers and magazines, the bill requires that if such publications sell space to any qualified candidate the charge for the space may not exceed the normal charges for comparable use of the space by other advertisers. Further, if a magazine or newspaper sells space to one candidate they must sell it to all candidates for the same office who asks to purchase it.

Finally, the bill places a limitation on total media spending by candidates for all Federal offices equal to 10 cents for each person of voting age in the area in which the candidate runs. However, of this 10 cents per voter, no more than 5 cents may be spent on radio, television, and cable television advertising. There is no limitation within the overall ceiling for print media spending.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Ohio.

Mr. HAYS. There is a good bit of confusion in the House, and I have listened to the gentleman very carefully. However, the bill he just got through describing is the Macdonald of Massachusetts bill; is that correct?

Mr. SMITH of California. Yes; that is the bill from the Committee on Interstate and Foreign Commerce, the so-called Macdonald bill.

Mr. HALEY. Mr. Speaker, if the gentleman will yield further?

Mr. SMITH of California. I yield to the gentleman from Florida.

Mr. HALEY. On the original bill that you have brought to the attention of the committee and the House with reference to the 6 cents the gentleman said per population, does the gentleman mean the population or the voters of that particular district?

Mr. SMITH of California. That is based upon population. One of the bills is based upon population and one of them is based upon the number of voters. The first bill, the Hays bill, in my opinion is 6 cents multiplied by the population of the election area. The bill out of the Committee on Interstate and Foreign Commerce, the so-called Macdonald bill, provides that not to exceed 10 cents of the eligible voters.

Mr. HALEY. Would that expenditure be based upon the 1970 census?

Mr. SMITH of California. It is based upon the voting age population; not those registered, but the voting age population.

Mr. HAYS. Mr. Speaker, if the gentleman will yield further, the gentleman is exactly right. It would be based on the 1970 census. The reason that we chose 6 cents in the original bill times the population is because this is a census figure which cannot be disputed, while the voting population is an estimated figure. I do not know that this would happen, but it seemed that there could be a possibility that someone could bring a lawsuit based upon the fact that it was not an accurate figure. But may I say to you that, 6 cents times the population or 10 cents times the voting age population comes out roughly at the same amount of money. We simply chose the 6 cents because it is something you can tie down exactly and definitely and there can be no argument about it.

Mr. SMITH of California. May I finish my statement? I have requests for time to the extent of 15 minutes, but, perhaps, the gentleman from California would yield to me additional time.

One of the statements that causes me concern about this bill is the 1970 census. You may recall that we had to restrict in 1967 under the one-man, one-vote rule and we had to go back to the 1960 census in order to do that. Earlier in California the congressional district population was figured at approximately 450,000 but when they redistricted in 1967 that same district was composed of a population between 700,000 to over 850,000. There is one district which has a population of 900,000. If you have to use this 1970 census for the elections in 1978, it may present some problem.

I am for full disclosure and complete reporting. My treasurer has always reported every nickel and dime, the sources from which it came and how it was expended, and a certified copy is filed in the office of the secretary of state at Sacramento and with the registrar's office in Los Angeles County.

We do not get our certification of election from the secretary of state until this is done. So from that standpoint I am in agreement with the purpose of full disclosure. But none of these three bills, in my opinion, actually accomplish this. I do not think any of them cover the full disclosure in the manner that some people seem to indicate to some of the Members that they want.

We are going to be writing legislation on a very important subject on the floor of the House with not too much time left before we adjourn. I personally think we may have been forced into this to some extent, and this has led us into bringing this to the floor of the House, and also because of a certain lawsuit that was brought against the Democrat and Republican National Committees in which, as I understand, they both admitted certain differences and possibly as a result of what they did there may be a summary judgment.

But in any event, that has led us to believe that there is an emergency, and we should consider this. But I do not think we should be writing legislation by taking three bills and possibly a Senate bill, and with two different committees of the House and writing new legislation on the floor of the House before we adjourn.

When they say that the people want this legislation, and we hear comments in the press, and we receive letters—I have received letters asking me to support legislative reform, but the letters that I have received are of the opinion that this legislative reform is going to control organizations like COPE, or other similar organizations, or labor. But in my opinion none of these three bills in any way will control or affect COPE, or any organization like it. So I think we may be kidding our constituents and ourselves when we say we are going to be getting legislative reform and reporting reform.

There is some language in one of the bills on unions, that is true, but in my opinion I do not think it is explicit enough.

I think that population and all eligible voters may also cause difficulty. If it goes on eligible voters in Los Angeles County, it would be absolutely impossible for any Congressman in Los Angeles to comply with it. In Los Angeles County the registrar of voters closes the rolls 54 days before the election. Then there are all the moves and changes of address and registration, and then next year there will be the 18-year-old voters, and there could well be thousands or hundred of thousands of changes to be made, and they will all go down into the tabulations, and they will all file them with the congressional districts, the assembly districts, and it will be probably not until 8 or 10 days before the election date that we will have the precinct lists, and actually know who the voters are in the particular districts of Los Angeles County. It will be extremely difficult to get a letter out to them.

Mr. HAYS. If the gentleman will yield, under the Hays measure this will pose no problem.

Mr. SMITH of California. That is right.

Mr. HAYS. Because the top limit is $50,000, which is far above the 6 cents times the population which would presumably be about $30,000. That is the reason we put the ceiling in there, so that in a congressional district where the voters shift there would not be that confusion in this calculation.

Mr. SMITH of California. By the same token, if you have something for stamps, postage, printing, and precinct work, and you figure out what you are going to spend, and if you end up with more population, that would make it more expensive, you are in a difficult position. At least, that is a possibility.

Then on the question of the repeal of section 315, the requirement on the cost of advertising, and equal space, I think there is a very great possibility that parts might be unconstitutional.

Then we are going to be faced with joint billboards where they put the Governor and the Congressman, and the assemblyman, how do you figure out what that cost is to you?

Then you have the local committee organizations, both Democrat and Republican, where they put out cards in the congressional districts for the various candidates, the President, Vice President, the Senate, and they hang them on doors. How do you figure out that cost to your limit? What is your share when you don't contribute to this?

Mr. HAYS. Will the gentleman yield?

Mr. SMITH of California. I do not have time to yield.

Mr. HAYS. Because I know I can answer that question in maybe 30 seconds.

Mr. SMITH of California. If the gentleman will wait until I am finished, I will yield if I have time.

I do not think we can legislate honestly—I do not think it can be done. Every candidate is the keeper of his own integrity. I repeat that I am in favor of complete reporting but the person must report honestly. We can pass all the laws we want, but some will find a way to evade the legislation unless it is more clearly spelled out than any of these bills do.

So far as I am concerned, I am in support of appropriate legislation. I sincerely feel that we would be better off if we could have the House Committee on Administration and the Committee on Interstate and Foreign Commerce have a little time next year to get together when we are not so rushed as we are now and then bring a good piece of legislation to us for consideration.

I do not think any bill when we finish writing it here on the floor of the House will accomplish what I would like to see accomplished.

Mr. Speaker, how much time have I used?

The SPEAKER pro tempore. The gentleman from California has consumed 19 minutes.

Mr. SMITH of California. Then I cannot yield any further.

XUM

Mr. SISK. Mr. Speaker, if the gentleman from California desires, I will try to help him and yield him some time.

Mr. SMITH of California. I yield to the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. The gentleman raised a very real problem with reference to the slate, card, or joint billboard advertising. The committee will have an amendment prepared that someone will offer to exempt those two categories. I happen to think they are not very useful ones and I believe, as you do, that it would require a magician to figure this out.

I will say to you that I do not think any of these bills are perfect. We labored long and hard in the committee and anticipated every contingency that we could think of, but that was not one that came up. So there will be an amendment to take care of that particular feature where there are several candidates on the billboard and several candidates on a slate card. That just will not be considered a part of the $50,000 limitation.

Mr. SMITH of California. I appreciate that.

Every congressional district is different. We cannot use television in Los Angeles. I think there are 12 or 13 stations in that area and the cost is prohibitive and we would have to have a spot on every station at the same time to be effective. The cost would be impossible to handle.

Mr. HAYS. Let me say to you that he is exactly right about every district being different.

When we marked up the bill, we had 25 members and there were 25 different problems. That leads me to believe that there are 435 different problems in trying to write a bill which will cover everybody. So the bill has to be flexible, but I think it ought to have some overall outside limits.

Mr. SMITH of California. I have 13 minutes assigned to Members. May I inquire of the gentleman from California how much additional time he is going to give me?

Mr. SISK. I have some time that has been requested. I would suggest that I might now yield to another member of the committee, the gentleman from Indiana (Mr. MADDEN) and then I think I will have ample time to yield you additional time.

Mr. SMITH of California. Mr. Speaker, I reserve the balance of my time, and I will yield later if I can.

The SPEAKER pro tempore. The gentleman from California has consumed 21 minutes.

Mr. SISK. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana (Mr. MADDEN).

Mr. MADDEN. Mr. Speaker, the pending rule calls for debate and passage of legislation which has been too long delayed by this Congress. The enactment of this legislation, plus strict enforcement, will restore the election of public officials to the control of the rank and file of American voters. In recent years the fabulous campaign funds used to influence the voting public has been bordering on a national scandal.

The chairmen and members of the House Administration Committee and the Interstate and Foreign Commerce Committee are to be congratulated for the long hearings and deliberations they have held on this legislation and successfully bringing it to the floor of the House for passage. In the next presidential and congressional elections over 3 million young Americans between 18 and 21 will be voting for their first time. These young voters are looking to this Congress to pass a strict and enforceable limitation on campaign funds so that the minds of the American voters are not high-pressured and warped with multimillion-dollar financed political propaganda in the next general election. Last summer when I addressed a meeting of college students in Indiana the problem of candidates and political parties accumulating millions of dollars to influence and indirectly purchase public office was the main interest of the youthful questioners who are anxious to participate in their government.

Young American voters under 35 fully realize that a very small percentage of their group will be able to accumulate fabulous campaign funds in order to succeed in holding public office. Young America wants the Congress to effectively act on legislation to return our elective system to the common people. In recent elections it was obvious to the American public that only well financed candidates seem to be successful in possessing large funds to buy TV, radio, newspaper advertising, billboards, political workers, and so forth.

What this Congress does on the pending legislation to protect the integrity of the American election system will be one of the major issues in the 1972 campaign.

The 1968 elections revealed a 100 percent increase in campaign expenditures over the 1952 national election. In the 4 years between 1964 and 1968 political spending for radio and TV broadcast time increased by 70 percent.

Another feature of the pending legislation is that all major contributors to political parties or candidates must report both before and after the election the amount of their contribution and to the party or candidates to whom they contributed. The present Federal laws pertaining to campaign contributions have been nothing more than a political sieve without effective enforcement provisions. Tax loopholes, large corporations, and special-privileged groups can contribute, without curtailment or restriction, any amount of money directly or indirectly to their party or choice of candidates without restriction or penalty.

The average American voter has for some time been protesting the high cost of Federal, State and local taxes and are now realizing the fact that the salary and wage earners of America with an income of $20,000 a year or less are paying approximately two-thirds of the Federal taxes. I have mentioned in the Rules Committee and on the floor of the House on numerous occasions in recent years the astounding tax loopholes enjoyed by industrial and retail conglomerates, big oil, large foundations, estates, and so forth, that are practically tax exempt compared to their fabulous profits. The American taxpayer is rapidly realizing that large campaign contributions in presidential, senatorial, congressional and State elections are derived from these special privileged groups. The large political donors are not much interested in the personality, honesty, or ability of the candidate, but are much concerned with the special concessions, exemptions, depletions, credits, Federal contracts, and indirect benefits which large campaign contributors will receive for their corporations or personal benefits.

One only has to read the daily press to know that almost immediately after the last elections the political fundraising dinners started, the most notorious of which were the $1,000 a plate dinner in New York and another in Texas followed by numerous $500 a plate dinners which continued in increasing numbers up to the present time. The American public was astounded only last week to read in the press that almost a dozen $500 a plate dinners were held in 1 night which resulted in about $5 million for the Republican National Committee.

I firmly believe that the shock which the American public received from that brazen political fundraising effort to use multimillions in the fall of 1972 will arouse the American electorate to the realization that Federal public office in this great land of ours is up for sale to the highest purchaser. The people were astounded to read in the New York Times that in a recent State election the Governor of New York admitted that $10 million was spent in his election to secure another 4 years as Governor of the great State of New York. It is common knowledge that many U.S. senatorial campaigns over the Nation have cost as high as $2 or $3 million for some of the candidates. In many of our States the Governor elections have developed into a contest as to which candidates or parties can raise the most money to influence the voting public with the same enthusiasm and competition as displayed at a public auction.

Chairman HAYS and his committee, along with Chairman STAGGERS and Subchairman MACDONALD of the Interstate and Foreign Commerce Committee devoted days, weeks, and months on legislation which the House is considering today in an effort to purify and establish free elections unhampered by multimillion-dollar campaign funds to stampede the American voter. The voting public throughout the country is looking forward to an effective election reform bill in this session of the Congress. President Nixon veto of the election reform bill passed in the last Congress was used in Indiana last November as an effective issue. The President carried Indiana in 1968 by over 280,000 votes when he was elected President. Two years later his election reform veto was one of the controversial issues and greatly aided in electing a complete Democratic State ticket in 1970.

According to the Los Angeles Times of November 8, 1970, in an editorial entitled "Campaign Spending Limits," stated:

> Political campaign spending has become so outrageously high, and politicians so dependent upon selfish interests for the requisite campaign funds, that the entire process of American democracy is in danger of corruption.
>
> Experts estimate that spending by, and in behalf of, all political candidates came to $300 million in 1968. Of this, some $100 million was spent in the various phases of the presidential race alone.
>
> If the rules remain as they are, total campaign spending next year may reach $400 million to $500 million.
>
> The money has to come from some place, and 90% of it comes from less than 1% of the people. It comes mostly, in other words, from special interest groups which expect, or at least hope, to get a return in the form of favored treatment. The resulting potential for corruption is intolerable in a self-respecting democracy.
>
> There is a case to be made for proposals that the Federal Government subsidize TV appearances by party nominees. But a broader approach is really in order.
>
> As a practical matter, reform should be aimed at limiting campaign spending, particularly political advertising; at providing stiff disclosure requirements so the public will know where the money comes from, and at broadening the base of political contributions so that candidates will be less beholden to big donors.

Mr. Speaker, the House of Representatives today has the opportunity to effectively enact this long-awaited election reform. Millions of voters over the Nation plus the 3 million young Americans who will cast their first vote in the presidential election next year are looking forward to the action of the Congress to produce effective legislation for honest and unfettered elections throughout the Nation.

Mr. SISK. Mr. Speaker, I yield 5 additional minutes from my time to the gentleman from California (Mr. SMITH).

Mr. SMITH of California. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I believe that the remarks with which I begin are particularly necessary in view of at least some of the comments which were made by the preceding speaker in the well.

Winston Prouty, a former Member of this body who also served with distinction in the U.S. Senate until his untimely death a few weeks ago, had a reputation for both integrity and candor. He left a testament that is well worth repeating on this occasion, when, in opening the Senate debate several months ago on an election reform bill, he said:

> Let me at this point express the hope that the consideration of this measure does not become bogged down in partisan politics. All Americans have waited too long for effective and realistic reform of our election laws to have the consideration of that reform become nothing more than gamesmanship as to which political party can derive the greatest benefits or penalties from the enactment of the law.

I became interested in this subject more than a year ago when we had under consideration the so-called political broadcasting bill which was ultimately vetoed by the President. In his veto message the President properly challenged the Congress to come up with a measure that plugged not only one hole in the sieve, but was comprehensive in scope and which made some effort to deal fairly with both incumbent and challenger. As a result of this admonition, I introduced legislation last year and again early this year with more than 80 cosponsors from both sides of the aisle. The gentleman from Arizona (Mr. UDALL) who joined me in sponsoring this effort has consistently demonstrated the kind of nonpartisanship and dedication to real reform that I think should infuse our efforts here on the floor today.

Our original proposals were far more ambitious in scope than the bills before us today. They would have provided for subsidized blocks of television program time to allow meaningful discussion of election issues; they would have provided reduced mailing rate privileges for candidates to partially offset the advantage of incumbents; they would have provided for a tax credit for political contributions to broaden the base of campaign finance; and they would have established a flexible 10-cent spending limitation on five major and verifiable items of basic campaign expenditure.

It has become obvious in the intervening months during which hearings were held by the two committees which have bills before us today, that all of these ideas could not get the broad acceptance needed to secure their inclusion in an election reform measure. Though I still think the ideas were sound and hope that they would be the basis for future consideration, our task today is to fashion a minimally effective measure that can command a wide basis of support.

Mr. Speaker, in my view the criteria for that kind of measure are as follows:

First. It must have strong reporting and disclosure provisions. The American people want to know "who gave it and who got it" so that they can express their preferences at the polls accordingly.

Second. It must have a reasonable, flexible limitation on the major, enforceable items of campaign expenditure. The pollution of our political process that has been brought about by excessive campaign spending is the major source of the dangerous erosion of public confidence in our political process;

Third. It must provide an independent mechanism to insure timely publication of campaign finance reports and to insure that violators do not go undetected or unpunished;

Fourth. It must deal with abuses of privileges like campaign credit offered by government regulated companies and with abuses of the privilege granted to unions and corporations to inform their members and stockholders about candidates and political issues;

Fifth. It must be designed genuinely in the public interest without partisan calculations or undertones.

Mr. Speaker, it is my opinion that the Hays-Macdonald bills do not satisfy these objectives.

First, the Macdonald bill repeals the equal time clause for presidential races only. That is an obvious partisan swipe at the President and deserves no place in an honest campaign finance reform effort.

Second, the provisions relating to reporting and disclosure in the Hays bill are woefully inadequate. By requiring only one report prior to an election and no reports in off-years, it represents a retrogression from even the current defective law.

Third, the Hays bill makes no provision for an independent agency to publicize reports and investigate alleged violations. But meaningful disclosure, I would submit, is a two step process. It requires not only adequate information from candidates and their committees but also a mechanism that can get this information to the public in time to be reflected in decisions made on election day.

In contrast to the Hays bill, the Senate bill provides fully for this vital second step in the disclosure process by requiring that reports be filed with the local district court as well as the Federal elections agency so that local citizens and representatives of the press may have ready access by requiring that reports be made available to the public within 2 days after filing, and that the elections commission provide standardized forms, copying facilities, and, in general, facilitate the rapid and widespread distribution of campaign finance data.

Fourth, the Hays bill contains an unworkable and undesirable overall spending limitation. It widens a major loophole in the current law by specifying that only expenditures made "at the direction, request or consent of the candidate" shall be computed against his allowable limit. This obviously opens the way for widespread evasion of the limitation by allowing candidates to turn their heads while third parties make expenditures in their behalf, albeit without the candidate's direction, request or consent. If a ceiling is to be effective, a candidate must be responsible for all expenditures in his behalf and be given the means to carry out that responsibility through some kind of prior authorization.

Moreover, the Hays bill is unenforceable because it is literally impossible to determine a standardized, fair market value for most of the nonmedia items of campaign expense. An overall ceiling of this kind would merely invite widespread evasion through the "hidden spending" of special discounts and arrangements made between candidates and providers who happen to favor their election.

Mr. Speaker, the Senate bill avoids these major deficiencies by limiting its coverage to visible, standardized items of media expenditures and by giving the candidate responsibility to control all spending in his behalf.

Finally, the individual contribution limitations in the Hays bill are ill-advised. I should say that I introduced legislation that contained contribution limitations and in full agreement with the principle that we must somehow reduce the influence of concentrated sources of wealth in our political process. But I would challenge my colleagues here today to come up with a formula and legislative language that does not leak like a sieve before it is even tested in its first election.

I tried. But by the time I was satisfied that all of the potential loopholes were filled, I have a Rube Goldberg-like legislative contraption filled with so many definitions and prohibitions that it defied ready understanding and was probably unconstitutional.

XUM

By contrast, the limitation developed by the Hays committee is far simpler, but leaves all the loopholes wide open. Why are $25,000 contributions by individuals bad, but not similar donations by interest group committees like COPE or BI-PAC? But the Hays limitation does not touch these nor does it do anything about contributions to national multicandidate committees that exceed the limitation, but can be earmarked for a particular campaign with nothing more than a wink of the eye. How far would you get trying to detect that or establish evidence in court as to that particular practice? And then let us not forget about dummy committees, transfers between these committees and all the other ingenious strategems that can and would be devised to circumvent the limitations. In short, there is too much cynicism in our campaign finance process already; we do not need to gratuitously invite more.

Finally, Mr. Speaker, let me return to the note on which I began. Let me reiterate the late Senator Prouty's plea that there is far too much at stake here today to allow partisan motivations and calculations to kill this long overdue campaign reform effort aborning. The Senate bill provides a vehicle that can prevent such a calamitous outcome from overtaking us, that can keep our efforts today on the bipartisan track of compromise and reasonable accommodation. It is by no means perfect and I plan to support a couple of strengthening amendments.

But let me stress this: the faith of the American people in our political process, and especially this U.S. House of Representatives, is dangerously eroding. We will do ourselves and this great Republic of ours a disservice of immeasurable proportion if by our actions today we once again make the House the graveyard of election reform.

I know there will be a great temptation on the part of many to offer this or that pet amendment. After all, as one reporter commented yesterday, the House is composed of 435 experts on campaign finance. But we are not here today to write a perfect law, or a law that will stand for all time, or a law that will satisfy everyone. We are here to enact a measure that puts an end to the major areas of abuse, that can begin to provide the minimal conditions necessary to restore public confidence in our political process, and that can receive a majority of the votes when the final tally is counted. If amendments there must be, then let me challenge those who would offer them to ask themselves the following questions: Will it substantially enhance the effectiveness of the best vehicle we have before us—the Senate substitute? Will it add votes to the "yea" column on final passage? If the answer to both of these questions is not a confident yes, then I would plead with you: Do not jeopardize this last chance for perhaps years to come to do what is right, to respond to what the American public overwhelmingly demands, to do what is necessary to restore the integrity and viability of this great experiment in democratic government in the United States of America.

Mr. SMITH of California. Mr. Speaker, I yield 4 minutes to the gentleman from Missouri (Mr. HALL).

Mr. HALL. Mr. Speaker, I come again on consideration of the rule to discuss that rule. I am strongly in favor of proper election reform, but before us now we have House Resolution 694. It has been described as open, yet waiving all points of order, and it certainly has been described as "a beaut" and "a beauty." It is certainly a "weirdo" in that it mixes up the duties of the Federal Communications Commission, two different committees of this House, ethics and conduct of the Members of this and the other body, campaign lobbying, and alleged personal transgression.

Mr. Speaker, when a gentleman gets up here and discusses the contents of the bill that this rule would make in order and which extends over a considerable period of time, I find it peculiar that he would mention only large campaign contributions on one side of the fence and not those which preclude the massive union contributions for campaign expenses on the other side of the fence, without subordination to the same rules and equities.

But, Mr. Speaker, I stand here confused and befuddled over this rule.

I feel a little bit like Casey Stengel might have felt after a bad day on the field when he looked at the bench and said, "Ain't there nobody here who can play this game?"

Mr. Speaker, I was under the impression that during the 91st Congress, just passed, this distinguished body had "climbed the mountain" and gained infinite wisdom that was personified in the enactment of the Legislative Reorganization Act of 1970. Yet, with each passing day, yes, even from the opening ceremonies of this past January 21, complete with alleged new leadership we have been prevailed upon to close our eyes, turn our backs, and ignore the very rules that we have deemed necessary for the fulfillment of our elected responsibilities.

Mr. Speaker, we are 435 Members, equal Representatives and we need rules in order to prevent chaos and bedlam as we consider over 16,000 proposals a year and enact over 900, we have consistently been required to waive points of order. We have consistently been required to observe closed rules and today we have been handed resolutions that have obviously been conjured up out of the same formula used by Robert Louis Stevenson when he created Dr. Jekyll and Mr. Hyde.

Mr. Speaker, the Senate lacks the same order and self-regulation to which we subscribe, and their own past transgressions as to lack of germaneness for example, coming home to roost in that body.

Mr. Speaker, I think this rule should be voted down out of hand and that we should refer back to the committed Joint Commission on Continuing Congressional Reorganization the problem of germaneness between the two bodies as to how to properly get a rule in order that we could discuss the proposals before the two bodies.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from Iowa.

Mr. GROSS. I want to compliment the gentleman from Missouri on his statement, and ask how much time the gentleman has left because I would like to ask the gentleman from California a question concerning the operation of this latest, strange rule.

The SPEAKER pro tempore. (Mr. PRICE of Illinois). The gentleman has 30 seconds remaining.

Mr. HALL. Mr. Speaker, I yield back the balance of my time.

Mr. SISK. Mr. Speaker, I yield myself 1 minute in order for the gentleman from Iowa to ask a question.

Mr. GROSS. I am not clear as to what happens in the consideration of this resolution, making H.R. 11060 in order first. Then comes H.R. 11231. If that is adopted, if H.R. 11231 is adopted, is school out and over?

Mr. SISK. No, it is not. I thought the gentleman from California, my colleague (Mr. SMITH) outlined very specifically the order of procedure as it would develop.

Mr. GROSS. But how about amendments?

Mr. SISK. H.R. 11231, which will be offered as title I to H.R. 11060 can be amended.

Mr. GROSS. Can amendments be offered to H.R. 11060 if the move is made immediately to substitute H.R. 11231?

Mr. SISK. Not until after the perfecting and disposition of the Macdonald amendment (H.R. 11231) as a new title I to the bill under consideration, which is H.R. 11060. And then, of course, you understand a third bill (H.R. 11280) is made in order as an amendment in the nature of a substitute for the whole package.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SISK. Mr. Speaker, I yield myself 1 additional minute.

So you see the bill out of the Committee on House Administration, H.R.11060, can be amended and it can be further changed and perfected if H.R. 11280 is voted down.

So I think, as far as the rule is concerned, the gentleman will find that the House will be given wide opportunity to adopt and perfect the particular bill desired by a majority of the Members.

Mr. GROSS. Then if H.R. 11280 comes on as a substitute, and is adopted, then that must be the end, and without amendment?

Mr. SISK. Mr. Speaker, I did not understand the gentleman, did he refer to H.R. 11231?

Mr. GROSS. No, H.R. 11280.

Mr. SMITH of California. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to my colleague, the gentleman from California (Mr. SMITH).

Mr. SMITH of California. H.R. 11231, when it is offered as title I, it is an amendment, and the amendment is then subject to an amendment to perfect that bill, then the Macdonald bill is voted on to decide the title.

Then we proceed on with the Hays bill, or when we get to the substitute, if the substitute is agreed to, we will rise and vote on the substitute. If it is turned down we will then go back and go into the ballgame further. While the substitute is being debated it can be perfected. This is a good rule.

The SPEAKER. The time of the gentleman has expired.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF THE CONFERENCE REPORT ON H.J. RES. 946, FURTHER CONTINUING APPROPRIATIONS, 1972

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 711 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 711

Resolved, That it shall be in order to consider a conference report on the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, the same day reported or any day thereafter, notwithstanding the provisions of clause 2, rule XXIII.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH), pending which I yield myself such time as I may consume.

Mr. Speaker, this resolution as has been indicated by the reading is very simple. It simply waives the 3-day rule and permits this matter to be called up today or any day hereafter.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman.

Mr. HALL. The gentleman admits this House resolution coming out of our Committee on Rules waives that part of the Reorganization Act requiring such documents to be in the hands of Members 3 days prior to consideration; is that correct?

Mr. SISK. The gentleman is exactly correct.

Mr. HALL. I would like to ask the gentleman if, to his knowledge, the conferees have now met and do have a report ready.

Mr. SISK. It is my understanding that they have met and they do have a report ready.

I will be glad to yield to the gentleman from Texas (Mr. MAHON) if he would care to make a statement.

Mr. HALL. The gentleman's word is good enough for me and I thank the gentleman for yielding.

Mr. MAHON. The conferees met this afternoon on the continuing resolution and with the exception of some adjustment of the expiration date, the Senate version of the continuing resolution was agreed to in conference a very short time ago.

The agreement arrived at is as follows: With respect to foreign assistance, the Senate version prevailed, which means that the only change from the previous resolution is that the foreign aid program will operate at a level about $700 million lower than the House version of the continuing resolution—in other words, at the annual rate of about $2.6 billion, as explained in our discussion here on the floor a couple of days ago.

The date was changed from the unrealistic date of December 1 proposed by the other body to what, in my opinion, is a much more realistic date, namely, December 8. It seems to me that by a bit of telescoping of some of our operations here, we have a very good chance of actually bringing all of our appropriation business to completion by the 8th of December, provided of course we do not encounter some very special unforeseen difficulties.

So I am delighted and grateful to the conferees of the other body for their agreeing to extending the date to December 8. We, of course, had originally suggested a sine die adjournment date but that was not acceptable. The Senate had suggested December 1. December 8 does not seem to be too unrealistic, provided we do not encounter unforeseen difficulties.

I believe the House will be delighted to accept the conference report on the continuing resolution.

I would be glad to undertake to answer any questions if the gentleman from California (Mr. SISK) will yield for that purpose.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman.

Mr. GROSS. The gentleman says December is a realistic date. Was sine die adjournment a realistic date?

Mr. MAHON. Yes, it was a more realistic date but of course the gentleman realizes that in the legislative process you have to compromise, to give and take.

Mr. GROSS. How can you compromise realism? I do not quite understand it. If December 8 has been decided as the date for adjournment, then what is wrong with a continuing resolution to sine die adjournment?

Mr. MAHON. There are those who feel that a sine die adjournment agreement would create a more lackadaisical attitude with respect to the business of adjournment and we might very well be here until Christmas Eve.

I do not hold with that idea but it is possible and it does have some validity.

Mr. GROSS. Mr. Speaker, will the gentleman again yield briefly?

Mr. SISK. I yield to the gentleman.

Mr. GROSS. The purport of this rule is to waive the 3-day requirement; is that correct?

Mr. SISK. That is correct.

Mr. GROSS. Is not the 3-day requirement something that we fought, bled and died for to install as a rule in this House?

Mr. SISK. Yes, that was part of the reorganization act of 1970 which a great many of us supported.

Mr. GROSS. So, we just cannot wait for an opportunity to overturn a rule that we fought so hard for here. I do not know of any serious opposition when we provided for a 3-day layover of conference reports, yet here we are at the first jump out of the box, ready to throw it out.

Mr. SISK. Let me say to my good friend, in connection with this matter, of course, we are operating under the rules and I am sure that my colleague from Iowa will agree.

I would say that very rarely in this session that I know of have we waived the 3-day rule. I know my friend is as concerned about getting this Congress adjourned as I am and, therefore, the Committee on Rules simply feels that this is a good and a justifiable reason in view of the background of this matter, for waiving the 3-day rule.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman.

Mr. GROSS. The gentleman from Iowa is not in such a hurry to adjourn sine die that he is willing to rape every rule of the House.

Mr. SISK. The gentleman from California certainly, of course, is not interested in raping any of the rules of the House.

We are proceeding basically under the rules of the House.

Mr. HAYS. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. SISK. I yield to the gentleman from Ohio for a parliamentary inquiry.

PARLIAMENTARY INQUIRY

Mr. HAYS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HAYS. Can the Chair advise that upon the adoption of this rule what the next order of business will be?

The SPEAKER. If the conference report on the continuing resolution is ready, we will take it up because it is a matter of utmost urgency. Then we will come back and finish the general debate on the election bill.

Mr. HAYS. Can the Chair advise whether it is planned to finish the general debate on the election bill today?

The SPEAKER. We hope to.

Mr. HAYS. It is the understanding of this Member that once the general debate on the election bill is finished, which obviously is going to be late tonight or sometime tomorrow, the rest of the consideration of that bill will be put over?

The SPEAKER. The gentleman is correct. That question would normally be addressed to the majority leader, but that is the understanding of the Chair.

Mr. HAYS. I thank the Chair.

Mr. SMITH of California. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from California.

Mr. SMITH of California. I certainly agree with what has been said. When the conference report is called up, it can be discussed and voted upon at that time. So I concur and urge adoption of the resolution.

Mr. SISK. The statement of my colleague from California is exactly correct. Basically this procedure is being followed in order to enable the House to proceed expeditiously to handle its work.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Ohio.

XUM

Mr. BROWN of Ohio. With reference to the scheduling and the question of the date on this continuing resolution and the sine die adjournment, how many continuing resolutions can be put in? In other words, what is the firmness of the December 8 date vis-a-vis the sine die adjournment?

Mr. SISK. Though the matter about which the gentleman inquires is not one to be determined by me, there is, so far as I know, no limit. I would assume that if, for reasons unknown to me at the moment, it should become necessary for the House to continue its business, let us say, beyond the 8th of December, and that it was necessary to continue because of lack of final passage of legislation in certain areas, a resolution would be in order.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Ohio.

Mr. BOW. I think I can answer, in part at least, the question of the gentleman from Ohio. Our distinguished chairman the gentleman from Texas (Mr. MAHON) and the distinguished chairman of the Appropriations Committee of the other body, in our discussions on the continuing resolution to date, have worked out a schedule by which all appropriation bills will be in the Senate by the 3rd of December. That being the case, the Senate has agreed to take them up immediately. So it is my feeling that there will be no question but what all appropriation bills will be passed by both bodies and completed by the 8th of December and, despite the confirmation of the nominees for the Supreme Court, we expect to get the appropriation bills through by that date. I would say there would be no additional continuing resolution, and by having them all completed by that time, I should think the 8th would be a pretty realistic date for sine die adjournment.

Mr. BROWN of Ohio. That means we must really depend upon how rapidly the Senate might act on those appropriation bills.

Mr. BOW. I must say this to the gentleman from Ohio. The distinguished Senator from Louisiana (Senator ELLENDER) has done a magnificent job this year in getting the appropriation bills through the Senate when we have been able to get them over to him. Authorizations have held us up. The delay has not been caused by either the Appropriations Committee there or in the House. The delay has been in authorizations. This year has been the best year we have seen in the other body in getting the appropriations through. We have their assurance now that once we get the bills over to them, they will act on them promptly.

Mr. BROWN of Ohio. I must draw my hope for the firmness of that date from my confidence in the Senate. Is that correct?

Mr. BOW. Yes, I think that is correct.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 366, nays 15, not voting 49, as follows:

[Roll No. 407]

YEAS—366

Abernethy	Dent	Jacobs
Abourezk	Devine	Jarman
Abzug	Dingell	Johnson, Calif.
Adams	Donohue	Johnson, Pa.
Addabbo	Dorn	Jonas
Anderson, Calif.	Dow	Jones, Ala.
Anderson, Ill.	Downing	Jones, N.C.
Andrews, Ala.	Drinan	Jones, Tenn.
Andrews, N. Dak.	Dulski	Karth
Annunzio	Duncan	Kastenmeier
Archer	du Pont	Kazen
Arends	Dwyer	Keating
Ashley	Eckhardt	Kee
Aspin	Edwards, Ala.	Keith
Aspinall	Edwards, Calif.	Kemp
Badillo	Ellberg	King
Baker	Erlenborn	Kluczynski
Baring	Esch	Koch
Begich	Eshleman	Kuykendall
Belcher	Evans, Colo.	Kyl
Bell	Evins, Tenn.	Kyros
Bennett	Fascell	Landrum
Bergland	Fish	Latta
Betts	Fisher	Leggett
Bevill	Flood	Lent
Biaggi	Flowers	Lloyd
Biester	Flynt	Long, La.
Bingham	Foley	Long, Md.
Blanton	Ford, William D.	Lujan
Boggs	Forsythe	McClory
Bolling	Fountain	McCollister
Bow	Fraser	McCormack
Brademas	Frelinghuysen	McCulloch
Brasco	Frenzel	McDade
Bray	Frey	McDonald, Mich.
Brinkley	Gelifianakis	McEwen
Broomfield	Gallagher	McFall
Brotzman	Garmatz	McKay
Brown, Mich.	Gaydos	McKevitt
Brown, Ohio	Gettys	McKinney
Broyhill, N.C.	Giaimo	McMillan
Broyhill, Va.	Gibbons	Macdonald, Mass.
Buchanan	Gonzalez	Madden
Burke, Fla.	Goodling	Mahon
Burke, Mass.	Grasso	Maillard
Burleson, Tex.	Gray	Mann
Burlison, Mo.	Green, Oreg.	Martin
Burton	Green, Pa.	Mathia, Ga.
Byrnes, Wis.	Griffin	Matsunaga
Byron	Grover	Mayne
Cabell	Gubser	Mazzoli
Caffery	Gude	Meeds
Carey, N.Y.	Hagan	Melcher
Carney	Hamilton	Metcalfe
Carter	Hammer-schmidt	Michel
Cederberg	Hanley	Mikva
Chamberlain	Hanna	Miller, Calif.
Chappell	Hansen, Idaho	Mills, Md.
Chisholm	Harrington	Minish
Clancy	Harsha	Mink
Clawson, Del	Harvey	Minshall
Clay	Hastings	Mitchell
Cleveland	Hathaway	Mizell
Collier	Hawkins	Mollohan
Collins, Ill.	Hays	Monagan
Colmer	Hechler, W. Va.	Montgomery
Conable	Heckler, Mass.	Moorhead
Conte	Heinz	Morgan
Conyers	Helstoski	Morse
Coughlin	Hicks, Mass.	Mosher
Culver	Hicks, Wash.	Moss
Daniel, Va.	Hogan	Murphy, Ill.
Daniels, N.J.	Holifield	Murphy, N.Y.
Danielson	Horton	Myers
Davis, Ga.	Hosmer	Natcher
Davis, Wis.	Howard	Nedzi
de la Garza	Hull	Nelsen
Delaney	Hungate	Nichols
Dellenback	Hunt	Nix
Denholm	Hutchinson	Obey
Dennis	Ichord	O'Hara
O'Konski	Ruppe	Terry
O'Neill	Ruth	Thompson, Ga.
Passman	Ryan	Thompson, N.J.
Patman	St Germain	Thomson, Wis.
Patten	Sandman	Thone
Pelly	Sarbanes	Tiernan
Perkins	Satterfield	Udall
Pettis	Saylor	Ullman
Peyser	Scherle	Van Deerlin
Pickle	Scheuer	Vander Jagt
Pike	Schneebeli	Vanik
Pirnie	Schwengel	Veysey
Poage	Scott	Vigorito
Podell	Sebelius	Waggonner
Poff	Seiberling	Waldie
Powell	Shipley	Wampler
Preyer, N.C.	Shoup	Ware
Price, Ill.	Shriver	Whalen
Price, Tex.	Sisk	Whalley
Pryor, Ark.	Skubitz	White
Pucinski	Slack	Whitehurst
Purcell	Smith, Calif.	Whitten
Quie	Smith, Iowa	Widnall
Railsback	Snyder	Wiggins
Randall	Spence	Williams
Rangel	Springer	Wilson, Bob
Rees	Staggers	Wilson, Charles H.
Reid, N.Y.	Stanton, J. William	Winn
Reuss	Stanton, James V.	Wolff
Rhodes	Steed	Wright
Riegle	Steele	Wyatt
Robinson, Va.	Steiger, Ariz.	Wydler
Robison, N.Y.	Stephens	Wylie
Rodino	Stokes	Yates
Roe	Stratton	Yatron
Roncallo	Stubblefield	Young, Fla.
Rooney, N.Y.	Sullivan	Young, Tex.
Rooney, Pa.	Symington	Zablocki
Rosenthal	Talcott	Zion
Rostenkowski	Taylor	Zwach
Roush	Teague, Tex.	
Roy		
Roybal		

NAYS—15

Ashbrook	Haley	Rogers
Collins, Tex.	Hall	Rousselot
Crane	Miller, Ohio	Schmitz
Dickinson	Quillen	Steiger, Wis.
Gross	Rarick	Wyman

NOT VOTING—49

Abbitt	Cotter	Henderson
Alexander	Davis, S.C.	Hillis
Anderson, Tenn.	Dellums	Landgrebe
Barrett	Derwinski	Lennon
Blackburn	Diggs	Link
Blatnik	Dowdy	McCloskey
Boland	Edmondson	McClure
Brooks	Edwards, La.	Mathias, Calif.
Byrne, Pa.	Findley	Mills, Ark.
Camp	Ford, Gerald R.	Pepper
Casey, Tex.	Fulton, Tenn.	Roberts
Celler	Fuqua	Runnels
Clark	Goldwater	Sikes
Clausen, Don H.	Griffiths	Smith, N.Y.
Corman	Halpern	Stuckey
	Hansen, Wash.	Teague, Calif.
	Hébert	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Blatnik with Mr. Gerald R. Ford.
Mr. Hébert with Mr. Mathias of California.
Mr. Sikes with Mr. Blackburn.
Mr. Byrne of Pennsylvania with Mr. Don H. Clausen.
Mr. Runnels with Mr. Findley.
Mr. Edmondson with Mr. Camp.
Mr. Cotter with Mr. Hillis.
Mr. Celler with Mr. Halpern.
Mr. Brooks with Mr. Goldwater.
Mr. Abbitt with Mr. McClure.
Mr. Link with Mr. McCloskey.
Mr. Roberts with Mr. Smith of New York.
Mr. Pepper with Mr. Teague of California.
Mrs. Griffiths with Mr. Anderson of Tennessee.
Mr. Dowdy with Mr. Davis of South Carolina.
Mr. Casey of Texas with Mr. Fulton of Tennessee.
Mr. Boland with Mr. Clark.
Mr. Alexander with Mr. Fuqua.
Mr. Mills of Arkansas with Mr. Corman.
Mr. Diggs with Mr. Derwinski.
Mrs. Hansen of Washington with Mr. Heinz.
Mr. Lennon with Mr. Henderson.
Mr. Stuckey with Mr. Landgrebe.
Mr. Barrett with Mr. Dellums.

Mr. JARMAN changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REQUEST TO ENTERTAIN MOTIONS TO SUSPEND THE RULES AND CONSIDER CONSENT CALENDAR BUSINESS ON NOVEMBER 29, 1971

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that on Monday, November 29, 1971, it shall be in order for the Speaker to entertain motions to suspend the rules notwithstanding the provisions of clause I, rule XXVII, and that it shall also be in order to consider business under clause 4, rule XIII, the consent calendar rule.

Mr. HALL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 946, FURTHER CONTINUING APPROPRIATIONS, 1972

Mr. MAHON submitted the following conference report and statement on the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year ending June 30, 1972, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 92-676)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.J. Res. 946) "making further continuing appropriations for the fiscal year ending June 30, 1972, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment: That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"That the joint resolution of July 1, 1971 (Public Law 92-38), as amended, is hereby further amended (1) by striking out 'November 15, 1971' in clause (c) of section 102 and inserting in lieu thereof 'December 8, 1971'; and (2) by adding at the end thereof the following new section:

" 'SEC. 108. Notwithstanding any other provision of this joint resolution, obligations incurred hereunder for foreign economic and military assistance and sales shall not exceed the rate provided for in authorization bills for such assistance passed during the 1st session, 92d Congress: Provided, That, whenever the rate of obligations for such assistance made available under such an authorization bill as passed by the Senate is different from that contained under such a bill as passed by the House, the rate of obligations shall be limited to the lower rate.' "

And the Senate agree to the same.

GEORGE MAHON,
JAMIE L. WHITTEN,
OTTO E. PASSMAN,
FRANK T. BOW,
GARNER E. SHRIVER,
Managers on the Part of the House.

ALLEN J. ELLENDER,
JOHN L. MCCLELLAN,
WILLIAM PROXMIRE,
DANIEL K. INOUYE,
MILTON R. YOUNG,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 946), making further continuing appropriations for the fiscal year 1972, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Two questions were committed to the Committee of Conference, namely, the expiration date for the continuing resolution and the interim rate for operations for the foreign economic and military assistance and sales programs beginning November 16, 1971.

EXPIRATION DATE

With respect to the expiration date, the House version of House Joint Resolution 946 would have extended the previous continuing resolution from its expiration date of November 15, 1971 to the sine die adjournment of the first session of the 92nd Congress. The Senate version of House Joint Resolution 946 would extend the expiration date to Wednesday, December 1, 1971, or in other words, by about two weeks.

The conference agreement sets the expiration as Wednesday, December 8, 1971.

This will allow extra time for processing the remaining regular annual appropriation bills, namely, the Department of Defense Appropriation Bill; the District of Columbia Appropriation Bill; the Foreign Assistance Appropriation Bill; and the closing supplemental bill.

THE FOREIGN ASSISTANCE PROGRAM INTERIM RATE FOR OPERATIONS

With respect to the interim rate for operations for the foreign assistance program, that is, for the brief period between November 15 and December 8, 1971, the managers have agreed to the Senate version with minor perfecting amendments to change the words "act" and "acts" to "bill" and "bills", respectively.

Under the conference agreement, the interim rate for operations during this brief period would be the lower of the rates that obtained during the period July 1-November 15, 1971, or the lowest rate provided for in foreign assistance authorization legislation passed by either House at the present session. While the rate for operations is determined on an individual program and activity basis in line with the appropriation structure, and thus the applicable rate would vary depending on the figures with respect to each individual program or activity, the *aggregate* rate for operations under the conference agreement for the brief interim period would be approximately $2.679 billion. This is roughly $700 million below the $3.396 billion rate that obtained from July 1 through November 15, 1971, and compares with an aggregate figure of about $2.845 billion arrived at by taking the lower of the amounts, item by item, in authorization bills. These figures include, for comparability, certain authorized receipts, reimbursements, and certain deobligations-reobligations.

GEORGE MAHON,
JAMIE L. WHITTEN,
OTTO E. PASSMAN,
FRANK T. BOW,
GARNER E. SHRIVER,
Managers on the Part of the House.

ALLEN J. ELLENDER,
JOHN L. MCCLELLAN,
WILLIAM PROXMIRE,
DANIEL K. INOUYE,
MILTON R. YOUNG,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
Managers on the Part of the Senate.

Mr. MAHON. Mr. Speaker, I call up the conference report on the joint resolution (H.J. Res. 946), making further continuing appropriations for the fiscal year ending June 30, 1972, and for other purposes, and ask for its immediate consideration.

The Clerk read the conference report.

The SPEAKER. The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Speaker, prior to November 15, the House passed a continuing resolution because of the expiration date of the prior continuing resolution. It was sent to the other body, where it was amended.

The reason this emergency action is being taken today is that some departments of the Government have been operating without authority since November 15, the expiration date of the prior resolution. We asked for the rule in order to expedite the disposition of the continuing resolution so that Government departments involved, such as the Department of Defense, might make certain that they act within the framework of the law.

The conference report on the continuing resolution provides an expiration date of December 8, instead of December 1, as fixed by the Senate, and instead of sine die adjournment as fixed in the House version of the continuing resolution.

The report provides a minor change in that the word "act" and the word "acts" in the Senate version of the continuing resolution—in reference to the foreign assistance provision—were changed to read "bill" and "bills," which is a technicality, but the change was made in an effort to be more accurate and precise.

The foreign assistance aspect of this resolution provides that for the period of the continuing resolution, from November 15 to December 8, the annual rate for operations for foreign assistance will have to be at the rate of not exceeding $2,679,000,000.

I think there is nothing controversial about the continuing resolution. I believe it is well understood. I realize that we can debate it at some length, but unless there is some question, I would think we might adopt it promptly.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Mr. Speaker, let me first commend the conference for using the designation of "bill" instead of "act". I wonder if this pleased the other body, since their legislation is designated "an act," whereas on the part of the House our legislation is a bill. I think it can safely be said that the conferees on the part of the House have achieved a victory in getting the Senate to agree to "bill" instead of "act".

Mr. MAHON. Words are wonderful things, and we fortunately use them appropriately in this instance, and thanks are due to the gentleman from Iowa (Mr. GROSS), and I believe to the gentleman from Missouri (Mr. HALL), for this change.

Mr. GROSS. The conferees on the part of the other body consented to making this change?

XUM

Mr. MAHON. They agreed to the new phraseology.

Mr. GROSS. I thank the gentleman. That is one achievement for today. Let me ask the gentleman if this $2,845 million figure is related to foreign aid?

Mr. MAHON. It is related to foreign aid and it is placed in the statement of the managers in order to make it clear that the $700 million reduction is apparent, but when we apply the zig-zag rule of continuing resolutions, so to speak, and compare item by item the various projects in foreign aid, we achieve a lower figure, which is the figure of $2,679,745,000 for the interim period.

Mr. GROSS. I see.

Mr. MAHON. This was the same figure that the gentleman and I had a colloquy about a few evenings ago.

Mr. GROSS. I think the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I think the gentleman will be reasonably pleased with the action taken.

Mr. Speaker, I yield to the distinguished ranking minority member of the Appropriations Committee, the gentleman from Ohio (Mr. Bow).

Mr. BOW. Mr. Speaker, I thank the gentleman for yielding.

I have only to suggest that the gentleman move the previous question.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 344, nays 26, not voting 60, as follows:

[Roll No. 408]

YEAS—344

Abernethy	Brademas	Colmer
Abourezk	Brasco	Conable
Abzug	Bray	Conte
Adams	Brinkley	Conyers
Addabbo	Broomfield	Coughlin
Anderson, Calif.	Brotzman	Culver
Anderson, Ill.	Brown, Mich.	Daniel, Va.
Andrews, Ala.	Brown, Ohio	Daniels, N.J.
Andrews, N. Dak.	Broyhill, N.C.	Danielson
Annunzio	Broyhill, Va.	Davis, Ga.
Arends	Buchanan	Davis, Wis.
Ashley	Burke, Fla.	de la Garza
Aspin	Burke, Mass.	Delaney
Aspinall	Burleson, Tex.	Dellenback
Badillo	Burlison, Mo.	Dellums
Barrett	Burton	Denholm
Begich	Byrnes, Wis.	Dennis
Belcher	Byron	Dent
Bennett	Cabell	Devine
Bergland	Caffery	Dickinson
Betts	Carey, N.Y.	Dingell
Bevill	Carney	Donohue
Biaggi	Carter	Dow
Biester	Cederberg	Downing
Bingham	Chamberlain	Drinan
Blanton	Chappell	Dulski
Boggs	Clancy	Duncan
Bolling	Cleveland	du Pont
Bow	Collier	Dwyer
	Collins, Ill.	Eckhardt
	Collins, Tex.	Edwards, Ala.
	Conable	Edwards, Calif.
	Conte	Ellberg
	Conyers	Erlenborn
	Coughlin	Esch
	Culver	Eshleman
	Daniel, Va.	Evans, Colo.
	Daniels, N.J.	Evins, Tenn.
	Danielson	Fascell
	Davis, Ga.	Fish
	Davis, Wis.	Fisher
	de la Garza	Flood
	Delaney	Flowers
	Dellenback	Flynt
	Dellums	Foley
	Denholm	Ford, William D.
	Dennis	Forsythe
	Dent	Fountain
	Devine	Fraser
	Dickinson	Frelinghuysen
	Dingell	Frenzel
	Donohue	Frey
	Dow	Gallifianakis
	Downing	Gallagher
	Drinan	Garmatz
	Dulski	Gaydos
	Duncan	Gettys
	du Pont	Giaimo
	Dwyer	Gibbons
	Eckhardt	Gonzalez
	Edwards, Ala.	Goodling
	Edwards, Calif.	Grasso
	Ellberg	Green, Oreg.
	Erlenborn	Green, Pa.
	Esch	Griffin
	Eshleman	Grover
	Evans, Colo.	Gubser
	Evins, Tenn.	Gude
	Fascell	Hagan
	Fish	Hamilton
	Fisher	Hammer-schmidt
	Flood	Hanley
	Flowers	Hanna
	Flynt	Hansen, Idaho
	Foley	Harrington
	Ford, William D.	Harsha
	Forsythe	Harvey
	Fountain	Hastings
	Fraser	Hathaway
	Frelinghuysen	Hawkins
	Frenzel	Hays
	Frey	Hechler, W. Va.
	Gallifianakis	Heinz
	Gallagher	Helstoski
	Garmatz	Hicks, Mass.
	Gaydos	Hicks, Wash.
	Gettys	Hogan
	Giaimo	Hollifield
	Gibbons	Horton
	Gonzalez	Hosmer
	Goodling	Howard
	Grasso	Hull
	Green, Oreg.	Hungate
	Green, Pa.	Hunt
	Griffin	Hutchinson
	Grover	Ichord
	Gubser	Jacobs
	Gude	Johnson, Calif.
	Hagan	Johnson, Pa.
	Hamilton	Jonas
	Hammer-schmidt	Jones, Ala.
	Hanley	Jones, N.C.
	Hanna	Jones, Tenn.
	Hansen, Idaho	Karth
	Harrington	Kazen
	Harsha	Keating
	Harvey	Kee
	Hastings	Keith
	Hathaway	Kemp
	Hawkins	King
	Hays	Kluczynski
	Hechler, W. Va.	Koch
	Heinz	Kuykendall
	Helstoski	Kyl
	Hicks, Mass.	Kyros
	Hicks, Wash.	Landgrebe
	Hogan	Landrum
	Hollifield	
	Horton	
	Hosmer	
	Howard	
	Hull	
	Hungate	
	Hunt	
	Hutchinson	
	Ichord	
	Jacobs	
	Johnson, Calif.	
	Johnson, Pa.	
	Jonas	
	Jones, Ala.	
	Jones, N.C.	
	Jones, Tenn.	
	Karth	
	Kazen	
	Keating	
	Kee	
	Keith	
	Kemp	
	King	
	Kluczynski	
	Koch	
	Kuykendall	
	Kyl	
	Kyros	
	Landgrebe	
	Landrum	
	Leggett	
	Lent	
	Lloyd	
	Long, La.	
	Long, Md.	
	McClory	
	McCollister	
	McCormack	
	McCulloch	
	McDade	
	McDonald, Mich.	
	McEwen	
	McKay	
	McKevitt	
	McKinney	
	McMillan	
	Macdonald, Mass.	
	Madden	
	Mahon	
	Mailliard	
	Martin	
	Mathis, Ga.	
	Matsunaga	
	Mayne	
	Mazzoli	
	Meeds	
	Melcher	
	Metcalfe	
	Michel	
	Mikva	
	Miller, Calif.	
	Mills, Md.	
	Minish	
	Mink	
	Minshall	
	Mitchell	
	Mizell	
	Mollohan	
	Monagan	
	Montgomery	
	Moorhead	
	Morgan	
	Morse	
	Mosher	
	Moss	
	Murphy, Ill.	
	Murphy, N.Y.	
	Myers	
	Natcher	
	Nedzi	
	Nelsen	
	Nichols	
	Obey	
	O'Hara	
	O'Konski	
	O'Neill	
	Passman	
	Patman	
	Patten	
	Pelly	
	Perkins	
	Pickle	
	Pike	
	Pirnie	
	Poage	
	Powell	
	Preyer, N.C.	
	Price, Ill.	
	Pryor, Ark.	
	Pucinski	
	Purcell	
	Quie	
	Railsback	
	Randall	
	Rangel	
	Rees	
	Reid, N.Y.	
	Reuss	
	Rhodes	
	Riegle	
	Robinson, Va.	
	Robison, N.Y.	
	Rodino	
	Roe	
	Rooney, N.Y.	
	Rooney, Pa.	
	Rosenthal	
	Rostenkowski	
	Roush	
	Roy	
	Roybal	
	Ruppe	
	Ruth	
	Ryan	
	St Germain	
	Sandman	
	Sarbanes	
	Scherle	
	Scheuer	
	Schneebeli	
	Schwengel	
	Scott	
	Sebelius	
	Selberling	
	Shipley	
	Shoup	
	Shriver	
	Sisk	
	Skubitz	
	Slack	
	Smith, Calif.	
	Smith, Iowa	
	Smith, N.Y.	
	Snyder	
	Staggers	
	Stanton, J. William	
	Stanton, James V.	
	Steed	
	Steele	
	Steiger, Wis.	
	Stephens	
	Stokes	
	Stratton	
	Stubblefield	
	Stuckey	
	Sullivan	
	Symington	
	Talcott	
	Taylor	
	Teague, Tex.	
	Terry	
	Thompson, Ga.	
	Thompson, N.J.	
	Thomson, Wis.	
	Thone	
	Tiernan	
	Udall	
	Ullman	
	Van Deerlin	
	Vander Jagt	
	Vanik	
	Veysey	
	Vigorito	
	Waggonner	
	Wampler	
	Ware	
	Whalen	
	Whalley	
	White	
	Whitehurst	
	Whitten	
	Widnall	
	Wiggins	
	Williams	
	Wilson, Bob	
	Wilson, Charles H.	
	Winn	
	Wolff	
	Wright	
	Wyatt	
	Wydler	
	Wylie	
	Yates	
	Yatron	
	Young, Tex.	
	Zablocki	
	Zion	
	Zwach	

NAYS—26

Archer	Jarman	Rousselot
Ashbrook	Latta	Satterfield
Baker	Lujan	Saylor
Baring	Miller, Ohio	Schmitz
Clawson, Del	Price, Tex.	Spence
Crane	Quillen	Steiger, Ariz.
Gross	Rarick	Wyman
Haley	Rogers	Young, Fla.
Hall	Roncallo	

NOT VOTING—60

Abbitt	Blackburn	Camp
Alexander	Blatnik	Casey, Tex.
Anderson, Tenn.	Boland	Celler
Bell	Brooks	Chisholm
	Byrne, Pa.	Clark
	Clausen, Don H.	Fuqua
	Clay	Goldwater
	Corman	Gray
	Cotter	Griffiths
	Davis, S.C.	Halpern
	Derwinski	Hansen, Wash.
	Diggs	Hébert
	Dorn	Heckler, Mass.
	Dowdy	Henderson
	Edmondson	Hillis
	Edwards, Calif.	Kastenmeier
	Edwards, La.	Lennon
	Findley	Link
	Ford, Gerald R.	McCloskey
	Fulton, Tenn.	McClure
		McFall
		Mann
		Mathias, Calif.
		Mills, Ark.
		Nix
		Pepper
		Pettis
		Peyser
		Podell
		Poff
		Roberts
		Runnels
		Sikes
		Springer
		Teague, Calif.
		Waldie

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Blatnik with Mr. Gerald R. Ford.
Mr. Hébert with Mr. Mathias of California.
Mr. Sikes with Mr. Blackburn.
Mr. Byrne of Pennsylvania with Mr. Don H. Clausen.
Mr. Runnels with Mr. Findley.
Mr. Edmondson with Mr. Camp.
Mr. Cotter with Mr. Hillis.
Mr. Celler with Mr. Halpern.
Mr. Brooks with Mr. Goldwater.
Mr. Abbitt with Mr. McClure.
Mr. Link with Mr. McCloskey.
Mr. Roberts with Mr. Pettis.
Mr. Pepper with Mr. Teague of California.
Mrs. Griffiths with Mr. Anderson of Tennessee.
Mr. Dowdy with Mr. Davis of South Carolina.
Mr. Casey of Texas with Mr. Fulton of Tennessee.
Mr. Boland with Mr. Clark.
Mr. Alexander with Mr. Fuqua.
Mr. Mills of Arkansas with Mr. Corman.
Mr. Diggs with Mr. Derwinski.
Mrs. Hansen of Washington with Mr. Mann.
Mr. Lennon with Mr. Henderson.
Mr. Podell with Mr. Clay.
Mr. Waldie with Mrs. Chisholm.
Mr. Gray with Mr. Nix.
Mr. McFall with Mr. Bell.
Mr. Dorn with Mrs. Heckler of Massachusetts.
Mr. Peyser with Mr. Poff.

Mr. HULL changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE A REPORT ON H.R. 9526, SHIP LOAN BILL, UNTIL MIDNIGHT TOMORROW

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tomorrow night to file a report on the ship loan bill, H.R. 9526.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERSONAL EXPLANATION

Mr. SPRINGER. On rollcall 408, on the conference report on House Joint Resolution 946, I was unavoidably absent from the Chamber. Had I been present, I would have voted "yea."

FEDERAL ELECTION REFORM

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11060) to limit campaign expenditures by or on behalf of candidates for Federal elective office; to provide for more stringent reporting requirements; and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11060) with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Pursuant to the rule, general debate will continue for not to exceed 2 hours, 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on House Administration, and 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce. Under the rule, the gentleman from Ohio (Mr. HAYS) and the gentleman from Ohio (Mr. DEVINE) and the gentleman from West Virginia (Mr. STAGGERS), and the gentleman from Illinois (Mr. SPRINGER) will each be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, 46 years have passed since the Federal Corrupt Practices Act was enacted into law. No basic reform of our Federal political process has been enacted into law since 1925. Yet, every Member of this House knows that the Corrupt Practices Act is riddled with loopholes and hopelessly outdated.

This is scandalous, Mr. Chairman. The people of this country want political reform and they want it now. Today, we are beginning consideration of legislation which could be the most important step in providing that reform. When reduced to its simplest terms, this legislation as I see it, would eliminate money as the principal determining factor of who is elected to Federal office, or for that matter who can run for Federal elective office which in some cases is just as important. True, money will still be a factor in the elective process, but not the major determining one.

If we do not act effectively and responsibly on the legislation before the House today and election campaign costs and expenditures continue to skyrocket there is a serious threat that America will cease to be a democracy and will become instead a plutocracy—with wealth or access to it the principal qualifications for Federal office. We know about the escalating costs of getting elected to this House and we hear stories of millions being spent in some Senate races and in the presidential election campaign. Each election it becomes more and more difficult for honest men of limited means to run and get elected to Federal office. I believe that this Nation was developed, grew, and prospered because the men elected to public office were the best qualified to hold public office. Today as never before we need the able men in Federal elective office. We must assure that wealth or access to great sums of money, with its attendant corrupting influence, does not become a qualification for Federal elective office. The legislation which is before the House today could be the most important step taken in that direction in 46 years.

Let me review briefly for Members of the House what the legislation, H.R. 11231, from the Interstate and Foreign Commerce Committee would do. It would:

First. Repeal the equal opportunity provisions of the Communications Act of 1934—hereafter the act—with respect to candidates for President and Vice President of the United States so as to permit the broadcast networks to donate broadcast time for the presentation of significant candidates for those offices—section 3.

Second. Provide that legally qualified candidates for public office may not be charged more than the lowest unit charge for broadcast time—section 4(a).

Third. Provide that legally qualified candidates for Federal elective office, or nomination thereto, may not be charged more for the use of advertising space in newspapers and magazines than the charges made for comparable use of such space for other purposes—section 4(b)(1).

Fourth. If space in a newspaper or magazine is sold to one legally qualified candidate for Federal elective office, or nomination thereto, entitles any other candidate for that office to buy equivalent space on the same basis—section 4(b)(2).

Fifth. Limit the amount which could be spent by or on behalf of any candidate for Federal elective office, or nomination thereto in any primary, runoff, special, or general election on radio, television, cable television, newspapers, and magazines to 10 cents times the voting age population of the area of the election—section 5(a).

Sixth. Provide that no such candidate may spend more than half his expenditure limitation on radio, television, and cable television—section 5(a)(1)(B).

Seventh. Include escalator provisions so the the media expenditure limitations in the legislation reflect increases in the cost of the media—section 5(a)(4)(A).

Eighth. Be enforced with civil and criminal penalties—section 7.

Ninth. Take effect January 1, 1972—section 8.

Mr. Chairman, the Subcommittee on Communication and Power of our committee held 5 days of hearings on this legislation. This was also in conjunction with a bill that was passed last year by this House and by the Senate and was vetoed by the President. It took the subcommittee 3 days to mark up the bill, and it took the full committee 5 days to mark up the bill. We have worked our will to the best of our ability, and it is now up to the House to do what it thinks best. As I say, this bill is not perfect, but it is a good start.

Under our bill, we have set out to eliminate money as the determining factor getting elected to Federal elective office. Money will always be a factor, we know, but this means that some person with millions cannot come up and say, "I want to be a Congressman or a Senator."

Costs are skyrocketing. There is a serious threat that America will cease to be a democracy but will become a plutocracy with wealth or access to it as the principal qualification for elective office.

Fantastic sums are being spent now by some candidates in running for office. They are not always elected, but many are.

The bill, as I said, can be amended, and the House will be able to work its will. I know of no better way to bring this bill to the House. In a democratic way, the House can work its will.

If this is not done, we will be able to find in some newspapers in the future, probably, some ads such as these—and I should like for the Members of the House to listen—

One of the future ads might be:

Votes for sale in blocks of thousands. Lowest cash prices. Delivery guaranteed.

Another ad might be:

Why campaign? See us for best deals.

Still another might be:

Political assassinations arranged. Strict secrecy assured.

A fourth:

Unlimited expenditures. Unlimited corruption.

Another might be:

Constantine bought the imperial crown. Who will be the modern Constantine?

Another:

America, the land of the civil office for hire.

Another:

Buy your way to power.

I believe if we continue the way we are going any of these could fit the future political trend. We must do something to stop it and to see that men with qualifications to serve in the Congress of the United States have an opportunity to come here and serve the people of the Nation; not just those who have great sums of money or access to such sums.

So this is a start. The House has an opportunity to work its will. Let us not hear any more of people saying this is the wrong time or the wrong way to write this legislation. This is the democratic way, with the whole House having an opportunity to work its will.

I hope that this will not be a completely partisan issue. I disagree with some aspects of the bill as it is now constituted, but I trust we can adopt necessary amendments and pass this legislation.

Mr. SPRINGER. Mr. Chairman, I yield myself 5 minutes.

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Mr. Chairman, I believe it would be most easy for those who wonder about whether this is a good bill to read the minority views, which are found on page 28 of the report which accompanies the Macdonald bill to the floor. The minority views, as expressed by 12 of us, are on page 30.

There are additional views submitted by the gentleman from Massachusetts (Mr. KEITH), the ranking Republican on the subcommittee.

There are also additional views, on page 33, by the gentleman from North Carolina (Mr. BROYHILL).

There are also separate views of Mr. BROWN of Ohio, Mr. NELSEN, Mr. COLLINS of Texas, Mr. MCCOLLISTER, and Mr. DEVINE on pages 34 and 35; all of them finding the Macdonald bill inadequate to cover the matters that they believe ought to be included in any fair campaign elections bill.

Now, what does this bill provide?

First with reference to section 315 of the Federal Communications Act of 1934, as amended in 1958, this bill repeals as to the President and the Vice President.

Now, what has been the history of that provision? In 1960 it was suspended temporarily only for the 1960 campaign. In 1964 and 1968 this body did nothing. Now in 1972 there is a great rush to do it. I cannot say there is not politics in this, because there is. This is the first time that this body has sought to repeal section 315 as to the President and the Vice President since 1960. It was blocked in both 1964 and 1968 by the President of the United States, Mr. Johnson. I think that is pretty well known. They are now trying to repeal it rather than suspend it as to President and Vice President so that there will be no misunderstanding about it in the future.

Now let us go to the second, which has to do with expenditures for broadcasting. It covers only those matters which our committee has jurisdiction of.

The Macdonald bill provides for 10 cents per potential vote for all media, but not over 5 cents of it can be spent for broadcasting on radio and television. That is the second provision.

Now, the third provision pertains to charges for broadcasting and newspapers. The Macdonald bill provides first the lowest unit rate for broadcasting. In other words, anyone who goes into a television station who is a candidate, must be given the lowest unit rate of that station.

Now you come to newspapers, and it uses these words: "Comparable rates for newspapers." There is serious doubt in my mind as to whether that provision is constitutional, because if you could do this, then they could do it for 5 cents a line, I suppose you could say, which would clearly be found unconstitutional by any court, because it would be below cost.

There is a serious question, also, as to whether the other newspaper provision in the Macdonald bill is constitutional. It provides that a candidate must have equal access to a newspaper. In other words, if that newspaper editor allows one candidate to have an ad in the paper, then he must allow the other candidate to have access to the same amount of space at the same cost. There is a serious question as to whether that is constitutional.

Now on the matter of contributions, I might say first of all that there is a provision in the Senate bill which does handle those matters.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPRINGER. Mr. Chairman, I yield myself 2 additional minutes.

In the Senate bill there is a provision which takes care of credit by airlines and utilities, including the telephone and telegraph utilities. There is no provision in this bill and there is no such provision in the Hays bill to that effect, either.

I think one of the worst matters we had in the last two elections of 1968 and 1970 was the amount of money charged off as credit by the airlines and by the telephone companies. These moneys have not been collected even to this day.

Now with reference to total contributions. The House Committee on Interstate and Foreign Commerce does not cover that matter. However, it is covered in the Senate bill and in the House Administration Committee bill.

As to reporting and disclosure, that is in the Senate bill as well as in the House bill, but there is nothing in the bill which has been reported out by the Committee on Interstate and Foreign Commerce as to enforcement.

The House Commerce Committee has a $1,000 civil penalty and a $10,000 penalty as to willful violation of the provisions of our bill.

Mr. Chairman, pulling together the two House bills on political expenditures, with major revisions, one or the other would result in some possible contradictions like this:

First. A congressional candidate could use up to 5 cents per potential voter for broadcasting.

Second. He could spend the balance of 10 cents per potential voter for other media.

Third. He could spend the difference between these—as adjusted by the price index—and 6 cents per person—or $50,000—for all other campaign expenses.

Fourth. The candidate would be certifying to TV stations and newspapers on one criteria—under rules of FCC and the Attorney General—and to the "supervisory officer" for the balance under another criteria.

Fifth. It also appears that on a national basis the 10 cents for media based on voters may be more money than the 6 cents on population which the Hays bill allows for everything.

Now, Mr. Chairman, what is the real objective? May I say that we said this was a "sweetheart" bill designed to assure as far as legislation can do so the continuation of incumbent Congressmen in office, and I think it is. What do I mean by "sweatheart" bill?

Mr. Chairman, I picked up an old Illinois colloquialism which is very common in the newspapers out there since the Powell scandal, which indicates this is a bill for incumbents, it is a bill for incumbent Members of Congress, and it is a bill for incumbent Presidents of the United States.

If I were down at the White House, I would be tickled to death if we took the provisions of this bill, because it would limit it to about $6.5 million, that is the expenditures of the challenger, and I do not believe anyone would have a chance against the present incumbent President who would probably get $15 or $20 million of free time in the year 1972. So, Mr. Chairman, I say it is an incumbents' bill.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. Let me proceed with this thought. I cannot yield to the gentleman at this time.

This is an incuments' bill, and I do not see how if this is enacted you would ever get a Member of Congress out of office with all of the mailing privileges that he has—and that is the biggest single advantage he has, with the limitation on the amount of expenditures that one challenger can make.

We know very well that in some of these districts it is very common to spend $100,000 or $200,000 in order to get elected, and in some instances it will take more. This limitation of $50,000 would be adequate in my district, but I could name you at least 25 other districts throughout the United States where in every election they spend $100,000 or more.

I do say that we went into this, in my opinion, extensively, and we on the minority side feel that this is an incumbents' bill, whether it is a Democratic or a Republican, it is an incumbents' bill.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SPRINGER. I yield myself 2 additional minutes.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Minnesota.

Mr. NELSEN. I would like to refer to the media rate requirements in the Macdonald and the Brown-Frenzel bill. In the committee I offered the amendment to strike section 4 which requires the lowest rate from broadcasters. That means making the lowest rate available, and also the "comparable" rates for newspapers. In addition a newspaper must make space available to all candidates if it makes it available to one. In other words, you must make it available to others, giving the media no discretion whatsoever in the matter.

I will again offer this amendment when we get to the amendment stage on this bill because I do believe that this feature contained in both bills is totally unfair and should be changed by amendments.

I thank the gentleman for yielding.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my distinguished colleague, the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. I would point out to the gentleman that I agree with him about charging airline tickets and not paying for them. The distinguished gentleman from Ohio (Mr. DEVINE) brought that up in the markup of the bill and on page 3 in the item under the term "contribution" we include gifts, subscriptions, loans, advances, or deposit of money or property or services of significant value.

That means if a candidate charges airline tickets he has to report that. However, we did not feel that we should become a collection agency for the airlines if they are foolish enough to let someone charge tickets for which they do not think they will be paid.

But at least he has put that down, and it comes within the limits that he can spend. If the gentleman knows of a better way to handle it let me say I am open to suggestion and acception of an amendment that will do it better.

Mr. SPRINGER. I thank the gentleman from Ohio for his contribution. At least he recognizes the problem. I think we can offer an amendment which I believe would be persuasive, and I think might solve the problem.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SPRINGER. Mr. Chairman, I yield myself 1 additional minute.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, the gentleman has indicated that this is an incumbent's bill. It would seem to me that that is true in the occasional case where an incumbent is faced by some multimillionaire who comes along with vast sums of money, which does happen time after time, and who can buy his way in. In this case the incumbent would be protected against that type of person.

But it seems to me normally the incumbant can raise more money than the challenger. I have seen that happen time and time again. The incumbent because he is in office, can raise the money. So I do not think for the most of us this is an incumbent's bill.

Mr. SPRINGER. I can cite you at least 25 that come to my mind, and I can name them if you wish. And I can name you the case of our former colleague, the gentleman from New York, Mr. Ottinger. I do not know how much money he spent in order to get into the Congress in the beginning. That is just one example. You asked me for examples, and I give that one to you. And I am not citing that example in any way so as to impugn Mr. Ottinger. He was on our committee, and he was a fine gentleman.

Mr. LONG of Maryland. I can give you 110 instances that are not.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STAGGERS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, just in reply to the gentleman from Illinois, and to some of the suggestions made in his statement, section 315 of the Communications Act was suspended for the presidential election of 1960. We passed a bill in both Houses to suspend section 315 for the 1964 presidential election, and we had a Democratic President then. But it never came out of conference.

In 1968, we passed a House bill that was killed in the Senate. I think most of you know why it was killed over there. It was filibustered by the Senator from Illinois, who has now passed away.

But we passed a bill in 1970, both Houses, and it was vetoed by the President.

This should not be a partisan bill and it is not intended to be. Nor is it intended to be an incumbent's bill.

I think it is certainly unfortunate that anyone would say that, because that is the type of misinformation that could spread across the country. I certainly do not think it is an incumbent's bill in any way.

I think the way to campaign is to get out and talk to the people, and give them your views. I do not think that you can just merchandise a person on TV and say that this person should sit in the Congress of the United States. I believe that the candidates must get out and meet the people, shake hands with the people, and tell them their views, and let them know what kind of a man they are, instead of being merchandised like toothpaste or razor blades.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts (Mr. MACDONALD).

Mr. MACDONALD of Massachusetts. Mr. Chairman, and Members of the House, I am sorry that there are not more Members present, because this is a very complicated and important bill.

I did not choose to have the bill of our Committee on Interstate and Foreign Commerce put together with the bill submitted by the very distinguished gentleman from Ohio, but that is what was decided.

I think what we do need, though, is a reform bill. I believe that my chairman was so right in saying that House seats and Senate seats should not be up for sale.

It is a proven fact lately that if you get an awful lot of money, you have a really pretty good chance of coming here to Washington and representing either a State or a congressional district.

There are two parts to the presentation which I would like to make.

First, the reason why we need a bill.

Second, what is contained in the bill that the Commerce Committee brought through the Committee on Rules and which is to be joined together here on the House floor with the Hays bill.

I respect the senior Republican member of my committee very much, but I do not understand why he talks about this as being an incumbent's bill. Because it really is a public interest bill. I think our political system can end up in grave trouble if people can just put up enough money and buy a seat in the Congress. This is what, at least, title I of the bill will prevent. It has been proven that the most effective way to campaign these days is to campaign by means of television.

I would just like for a moment to talk to those who were not here or maybe to those who have forgotten about a very similar bill which we passed a year ago. We passed it here in the House by a vote of 272 to 97. The other body passed it by a vote of 58 to 27. We went to conference and, for once, the Members of the other body accepted practically line by line and word by word our version of the bill. That was because both parties worked together on the legislation and we all saw the specter of money running politics.

I think the only thing we gave in on was the effective date.

The conference report was passed by a vote of 247 to 112 in the House and in the Senate it passed by a vote of 60 to 19.

Now, I think it is a grave mistake to turn this bill into a partisan thing. We all know—or we all think we know at least—that people on the other side of the aisle, the Republican Party in general anyway, usually have more money than we do over here.

But members of my party also abuse campaign sending. Therefore, I do not think there should be partisanship in this bill.

I look with dismay at the fact that this could become a partisan issue. My distinguished colleague—and, as I have said, a man who I know is a very, very good Member of this Congress—talked about political things. I do not think it should be political in the slightest. If our bill is accepted and passed, it is not you and I who are being protected—it is the public interest that is being protected.

Do you think we should go back to an era in which money just buys a seat here? Do you think a man should be elected on the basis of the advertising agency he retains and the 30-second TV spots the agency makes for him?

In my area someone with a deep voice, with the background of the ocean rolling, is talking. It is not the candidate. It is not the candidate at all. It is an advertising agency, and I think that that is something that should be stopped.

There are probably other things in political campaigns and in the political area that should be cleared up. I believe Mr. HAYS has tried very hard to do that. But what I am concerned with is title I of the bill.

I would just like to call to your attention that last week Senator HARRIS had to drop out of the race to become a presidential candidate because he lacked funds. According to the figures I have had given me, he spent over a quarter of a million dollars in 2 months and now, currently, he is $400,000 in debt. His efforts to wage a campaign for the presidential nomination floundered because he did not have enough money. So, more and more, politics in our great country are becoming a rich man's preserve.

I should like to give you a concrete example, and I was surprised when I was furnished these figures. In the Nation's seven largest States in 1970, 11 of the 15 major senatorial candidates were millionaires. The four who were not millionaires lost their bid for election. Again I say that is not a partisan issue, and I hope we do not get partisan. I understand that the President is afraid of having to engage in debates if this legislation is passed. But there is nothing in this bill that would make the President debate. It would merely relieve the networks of the duty, if they give broadcast time to a major-party presidential candidate, of having to give equal time to the presidential candidate of the Vegetarian Party, the Greenback Party, or you name the party.

That is why in our bill we have re-

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pealed the provision relative to the President and the Vice President.

Do you know that if we repeal section 315, as applied to candidate for the House, the broadcasters could give time to your opponent and then refuse to sell you time? That is one reason, as I said earlier, I feel we should have more Members here to hear this debate.

Last year we sent a good bill down to the White House and the President vetoed it. He said that it discriminated against the broadcasting industry, since the other advertising media were not included. So we have included the print media. We have tried—and I mean not only the Democrats on our subcommittee and the committee, but all the members of the full committee tried very hard to come out with a fair bill. I know time is limited, so I would like to give a brief summary of what my bill would do.

First, it repeals section 315—that is the equal-time provisions of the Communications Act, for the presidential and vice-presidential candidates. The broadcast industry goes along with us on this.

Second, the bill places an overall limitation on the amount of money which can be spent by or on behalf of any candidate for Federal office. The limit is obtained by multiplying 10 cents by the voting age population of the district or State. The bill further limits the amount which a candidate can spend on the broadcast media to 50 percent of the overall limit.

Third, we have separate limits which apply both to primaries and to general elections. In the case of presidential primaries, candidates' expenditures are limited on a State-by-State basis with the candidate able to spend no more than a candidate for the Senate could spend within that State.

Fourth, and I think this is important to all of us, broadcast stations are required to extend to the candidates their lowest unit rate—and if any broadcasters write Members that we are telling them what rates should be charged, they are just wrong. They have a rate card, and they determine what rate.

Also, no advertising can be accepted from or on behalf of any candidate unless the candidates certify themselves in writing that the expenditure involved is within his spending limit.

So it seems to me that partisan politics should not be a part of this. We represent all. I have any number of Republicans in my district and I hope I represent them as well as I hope I represent the Democratic people in my district. I think it is long overdue that this Congress should do something about the abuse of money and of media in campaigns for Federal elective office.

Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, the gentleman stated the broadcast industry wanted the equal time provision repealed.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I did not say they wanted it.

Mr. HAYS. I thought the gentleman did, I am sorry.

Mr. MACDONALD of Massachusetts. What I did say was that they would go along with it.

Mr. HAYS. I understood from the gentleman's chairman and others that the broadcast industry wanted the equal time provision repealed, period.

Mr. MACDONALD of Massachusetts. That is correct. But they will go along with repeal for presidential and vice presidential candidates.

Mr. HAYS. Of course, this is one of the things I am bitterly opposed to, because it is becoming more and more popular, and we have had a case in the district next to mine in the last election in which an announcer for the local television station had exposure after exposure after exposure and decided to run.

He decided to run for Congress, and he got the nomination of one of the parties, and if it had not been for the equal time provision, he would have had all the time, and his opponent would not have had any time at all unless he paid for it.

That situation can pervade and spread like mushrooms.

Mr. MACDONALD of Massachusetts. It happened in Dallas in the mayoralty campaign. The television announcer got elected.

Mr. HAYS. Then would it be fair to call the substitute bill a television announcer's bill, as some of the opponents are calling this an incumbent's bill?

Mr. MACDONALD of Massachusetts. I am not familiar with the substitute. I am talking just talking about our bill—title I.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, would the gentleman please explain to me what he means by the unit price?

Mr. MACDONALD of Massachusetts. Yes. The lowest unit rate means the gentleman under the bill would get the same rate on a television station as somebody who, because of the volume of his advertising the year around, gets the station's lowest price.

But we do not set that. The stations do.

Mr. KAZEN. Let me tell the gentleman that I was one of those who voted against the bill last year because of this specific thing. I will tell the gentleman why. I represent a rural district, with several small radio stations. The people who keep those radio stations on the air are the corner grocery store and the corner drugstore, day in and day out, year in and year out, who have the same news programs and weather programs, and they get a special rate.

Mr. MACDONALD of Massachusetts. Let me cut in on the gentleman. I remember the gentleman's argument.

But what do these people on TV and radio get a license to do? The license says, "public interest, convenience and necessity." If they want to sell automobiles or second-hand furniture or something else, that is up to them, but if they receive a broadcast license they have a duty to the community they serve.

Mr. KAZEN. I agree with the gentleman.

Mr. MACDONALD of Massachusetts. Then why did the gentleman vote against it?

Mr. KAZEN. But there are so many fields of service they perform every single day for local clubs and local churches.

Mr. MACDONALD of Massachusetts. I guess the gentleman did not understand what I said. They get a license to operate on a public radio frequency. They do not own anything except perhaps the physical plant. They are given by the Federal Government a right to have a monopoly on radio frequency. They are supposed to operate in the public interest.

The CHAIRMAN. The time yielded to the gentleman from Massachusetts has again expired.

Mr. STAGGERS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Arizona.

Mr. UDALL. I want to commend the gentleman. The public at large, the American people, owe the gentleman in the well a great debt of gratitude. He has fought this battle for 2 long years.

I should like to comment on something the gentleman said. He said that we needed bipartisanship. The gentleman had it a year ago. The committee adopted the bill by a bipartisan vote, and it was adopted in the House by a bipartisan vote. Now we seem to be in danger of losing that.

I believe this is wrong, because all of us have an interest in giving our people a better system. We ought to be looking to the needs of the next generation, as well as to the needs of the next election.

I should like to ask the gentleman a question. There has been a great worry about 315, for the Presidency. Does not the gentleman agree that no incumbent President is going to be embarrassed by refusing to debate with a nonincumbent opponent?

Mr. MACDONALD of Massachusetts. He may be embarrassed; he does not have to do it.

Mr. UDALL. Does the gentleman believe it would be any great handicap for Lyndon Johnson in 1964 to say, as he did:

> I do not want to debate Senator GOLDWATER. I know national secrets. I have all these other questions and considerations, and I cannot do it.

It is said this is an anti-Nixon provision.

Mr. MACDONALD of Massachusetts. It is not.

Mr. UDALL. I do not believe he will lose one vote if he refuses to debate on the ground he is an incumbent and his opponent is not.

Mr. MACDONALD of Massachusetts. He will not.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Michigan, a very distinguished gentleman who used to serve on the subcommittee.

Mr. HARVEY. I thank my good friend from Massachusetts for yielding.

I would point out to the Members in the House that the facts speak for themselves. This Congress refused in 1964 to pass a bill out that would have permitted debates or would have suspended the equal-time provision for the President. It passed a bill out in 1968, and now again is urging it. I think one can say this is nonpartisan, but it speaks for itself.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. STAGGERS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MACDONALD of Massachusetts. The gentleman from Michigan, I believe, is very incorrect, because there is nothing in this bill that makes any President—whether he be President Nixon, President Johnson, or any other President—debate. It just gives the networks a chance to present the significant presidential candidates to the public, which they are supposed to do anyway, so the puolic can look at those candidates.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Michigan.

Mr. HARVEY. The real question before the Members of the House is the decision that they have to make whether the broadcasters have really reached a degree of maturity where they will treat all candidates for political office fairly. It is not any different for Richard Nixon than it is for Mr. KENNEDY in Massachusetts or Mr. MACDONALD in Massachusetts, whether he be a Congressman or a Senator or a President.

The question is whether the broadcasters will treat the candidate fairly.

Mr. MACDONALD of Massachusetts. The fairness doctrine is one thing; equal time is another.

Mr. HARVEY. I will say to the gentleman—and he knows this very well, because certainly he is the chairman of the subcommittee and the most knowledgeable—he knows the fairness doctrine will stay in regardless of what we do here.

Mr. MACDONALD of Massachusetts. But it is just a doctrine; it is not the law.

Mr. HARVEY. But the real question is whether the broadcasters are going to act fairly. Will my friend agree with me?

Mr. MACDONALD of Massachusetts. Section 315 gives us the protection of equal broadcast treatment. If we give that up we would be turning over the country to the broadcasters.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Chairman, I yield the gentleman 1 additional minute. That is all the time that there is left, and I yield him the last minute.

Mr. BROWN of Ohio. Will the gentleman yield to me on that?

Mr. MACDONALD of Massachusetts. I yield to the gentleman.

Mr. BROWN of Ohio. How did we survive in the years when we had no broadcasting and just had newspapers in this country? There was no equal time provision for newspapers, and yet the republic survived.

Mr. MACDONALD of Massachusetts. I cannot tell you. I have no expertise about that. I was not here.

Mr. KEITH. Mr. Chairman, this is a rather difficult presentation to follow.

I will be happy to yield to the gentleman from Massachusetts (Mr. MACDONALD) 1 minute if he would like to further enlighten us.

I yield to the gentleman from Maryland for a unanimous consent request.

Mr. HOGAN. Mr. Chairman, the complexity of the parliamentary procedure under which we are considering the various campaign reform bills before this body is matched only by the complexity of the legislation itself and the problems which it seeks to resolve.

We are faced with a choice of three different bills, reported from different committees and even from different bodies of this Congress. From the number of complaints that have been circulating during the last week about the deficiencies in each of these bills, it is clear that a firm and strong campaign reform bill will have to be written in this Chamber. Although I ordinarily disapprove of this type of legislating, in this case the entire House membership will have to be called into action because of the deficiencies arising from the jurisdictional conflicts over the subject matter of these bills.

Basically, the three bills before us, H.R. 11060, 11231, and 11280, include various provisions regulating the following aspects of election reform: ceilings on expenditures and contributions allowed, reporting requirements for both campaign contributions and expenditures, enforcement provisions for violations of the law, partial or total repeal of the equal time provisions of the Communications Act, and establishment of a political advertising rate in all media.

When taken at face value these are all laudable provisions, but the language and practical ramifications of some of the provisions would still allow some unscrupulous politicians to evade the law through the available loopholes. Many amendments will be offered in the following days to close these loopholes and I hope that we will choose wisely and well to approve only those amendments which will strengthen this legislation and formulate a law which is fair to the American public and to their candidates for public office.

For my own part, I expressed my major concerns in this area in testimony before the Committee on Standards of Official Conduct. I am pleased to see that one of my suggestions, relating to the loophole in the present Federal Corrupt Practices Act which allows a candidate to accept loans for his campaign from corporations and not repay the loans. This has been corrected in the bill reported by the Committee on House Administration. Under the definition of "contributions" in H.R. 11060 is included "a gift, subscription, loan, advance, or deposit, of money, or property or services of significant value, except a bona fide loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business, and includes a contract, promise, or agreement, whether or not legally enforceable to make a contribution." I urge my colleagues to retain this definition as included in section 1(a)(6) of H.R. 11060 in whatever bill we finally approve. I hope that, if this provision is included in the bill passed, the legislative history will show that this prohibition also includes the extending of credit to a candidate. A corporation can under present law extend credit and never get paid, thereby evading the prohibition against corporate contributions.

My second recommendation for improvement of the campaign spending laws has not been included in the bills before us and I will direct my energies to securing the passage of an amendment to be offered by our colleague from Minnesota (Mr. FRENZEL) which will, hopefully, rectify this situation. This amendment to H.R. 11060—if it is deemed in order as we proceed under the amending process which has been set for this legislation—will direct that "any amount expended for entertainment, or food at, or direct mail advertising for, any fundraising event shall not be considered to be an expenditure" for purposes of section 2—Expenditure Limitations for Candidates for Federal Elective Office—of this bill.

To backtrack for a moment, Mr. Chairman, and examine the reasons behind the need for such an amendment. I believe that all of us in this Chamber will agree that it is in the best interests of the public to broaden the base of campaign financing. The more individuals we have contributing small amounts of money to political campaigns, the more effective our democracy will be and the more independent the elected Representatives' votes on the issues will be.

If every voter would contribute $1 to the candidate of his or her choice, the campaigns would be adequately financed and the elected representative would feel no debt of gratitude to special interest groups who might have contributed heavily to his campaign, but merely to the electorate at large, which in a very real sense elected him.

Mr. Chairman, if the committee will forgive a personal reference, in my own 1970 campaign for reelection, a total of 4,294 individuals contributed financially, of which number 3,953 contributed $50 or less. Of that number, 3,200 contributed less than $10. These figures should be compared to the 344 contributors donating over $50 to my campaign.

In my first congressional campaign in 1968, I received contributions from more than 5,000 people, the average contribution being $22.50.

I mention this as a prelude to establishing the need for this amendment. If we are going to place a limitation on the amount of money which can be spent in a campaign, then we must give some consideration as well to the amount of money "wasted" by the candidate in raising money from a large group of contributors.

My own broad base of support from contributors of small amounts of money resulted primarily from mass mailings. This is a very costly way to raise money because only a small fraction of the people receiving such letters respond with donations. On the other hand, another candidate might, through a few phone calls or personal visits, raise his war chest for his campaign from special interest groups. Similarly, if a candidate were independently wealthy, he would not have to rely upon financial support from the mass of voters.

If, for example, Mr. Chairman, we approve H.R. 11060 with a spending limit

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of $50,000 or 6 cents per constituent; or if we approve H.R. 11231 with a spending limit of 10 cents per eligible voter; or even H.R. 11280 with either a $60,000 or 10-cent-per-voter limitation on spending. The candidate who must rely on broad-based support from small contributions might have to expend nearly half of the authorized limit in order to raise his $50,000 or $60,000. So we can see very obviously and blatantly, that a dollar limitation of the sort envisioned in all three bills, while being basically a highly laudable reform, would favor the wealthy candidate and the candidate who relies on special interest groups for his campaign financing, unless an amendment such as that to be introduced by our colleague from Minnesota (Mr. FRENZEL) is approved. The wealthy candidate and the special interest group candidate would receive full benefit from the $50,000 or $60,000, whereas the candidate seeking broad-based support would receive only half benefit.

Mr. Chairman, in sum I would hope that this amendment would be approved, and that a healthy compromise incorporating the most workable and most worthwhile provisions of these three campaign reform bills will be approved by this body.

Mr. KEITH. Mr. Chairman, I yield as much time as he may consume to the gentleman from Massachusetts (Mr. CONTE).

The CHAIRMAN. Will the gentleman yield a specific amount of time?

Mr. KEITH. Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. CONTE) 5 minutes.

Mr. CONTE. Mr. Chairman, if we are to maintain a truly democratic system of government, we must agree today to enact the strongest bill possible to control campaign spending. It is no secret that the present procedures for controlling, reporting, and monitoring elections are woefully inadequate.

Unless we take decisive action we will soon end up with a Congress that is little more than a club for millionaires and those beholden to wealthy interests. This was not the intent or the desire of our Founding Fathers, nor is it the desire of the people we represent.

No one in this Chamber has to be reminded of the awesome power of the dollar in waging an effective campaign. The best of intentions, the highest qualifications, an admirable record—all of these can be overriden by massive, expensive campaign practices and gimmicks. We now have the opportunity to curtail the influence of the dollar, and we must take advantage of that opportunity.

Our distinguished Committees on Commerce and House Administration have reported to us two bills designed to close up some of the present loopholes. I commend them for their efforts, but I respectfully disagree with the approach they recommend.

In comparing the bills before us with that already passed by the other body, I am convinced that the Senate version will be more effective in accomplishing the reform we desire. For this reason, I support and will vote for the amendments to write the more preferable provisions of the Senate bill into our legislation.

Immediate public disclosure of campaign spending and the monitoring of campaign practices by an independent body is one of the best ways to keep campaign financing honest. Spending and contribution limitations will be meaningless unless we have an effective means of enforcement. The Senate version, with its reporting requirements and provisions for an Independent Federal Elections Commission, affords this means of enforcement.

I fear that all of our good intentions will end in frustration if we fail to adopt these provisions.

I do not want to create the impression, however, that I am completely satisfied with the bill passed by the other body. It too can be strengthened. While I favor limits on broadcast and other media spending, I would like to see us go even further and adopt a limitation on all expenditures. I know that some have claimed that the total expenditure limitation will give the incumbent an advantage, but I do not agree with this argument. An incumbent has a record. Whether it is good or bad, he has earned it and will run on it. Given our present laws against the misuse of franking privileges, I believe that any unfair advantage arising from being an incumbent will be offset by the fact that he must run on his performance rather than promises.

I am also dissatisfied with the Senate bill's provisions relating to contributions. They pertain only to contributions of the candidate and the candidate's immediate family. The evils of large contributions are too apparent to warrant discussion. We need a limitation on individual contributions without regard to who the donor may be.

I urge that we all cooperate in enacting a bill that will be free of loopholes, that will end the abuses that threaten our system of representative government.

Mr. KEITH. Mr. Chairman, I now yield 5 minutes to the gentleman from Florida (Mr. FREY).

Mr. FREY. Mr. Chairman, we have had partisanship in this bill, I think, in our committee. The final vote in the committee, if my memory is correct, was 23 to 20. I do not think that this is a good thing, because we need reform in this area.

Mr. Chairman, one of the things that turns many of the young people off is the fact that we do not police ourselves. If we do not want to do it now and approach this problem at this time, I think we can write it off for a number of years.

As the chairman of the subcommittee, whom I respect very much and who was extremely fair during the consideration of this legislation, knows, I fought him very hard on several amendments with reference to section 315 across the board on the 10-cent limitation with the 5-cent subceiling for radio and TV.

I, personally, feel very strongly that the sin is not where the money is spent but the amount in which it is spent. We know that the cost of buying votes has gone up from 19 cents in 1952 to about 60 cents in 1968. We know further that it has practically become a geometric proposition and it must be solved at this point.

Frankly, because of my feelings in this area I think we all, maybe, have to give a little in order to get a decent bill. However, I intend to offer an amendment to the Macdonald bill which will do two things:

First, we hope to add billboards to the type of controllable expenses. Right now we have four items which include radio, TV, newspapers, and magazines. I would like to add billboards and to add other things such as telephone and postage expenses. However, I recognize the fact that we cannot get it through the House.

I think with respect to the 10-cent limitation I would like to retain it, but as far as the radio and television goes, I would like to allow them a little more leeway. I would like to allow them 60 cents instead of 50 cents. This will increase it a little bit. It does not go as far as I want to go but it would allow some discretion.

Mr. Chairman, every candidate who runs in a congressional district in this country is confronted with different problems. A candidate running for office in Boston or New York cannot afford to go onto television and radio, but in the Far West you have to do it. However, this amendment will give them flexibility.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. FREY. Yes, I yield to the gentleman from Ohio.

Mr. HAYS. The gentleman said he fought the subcommittee chairman on section 315?

What is the gentleman's position on section 315?

Mr. FREY. My personal conviction was that I thought it should be repealed for the Presidency, and the Senate and the House of Representatives. It seemed to me that we were in a peculiar position and in effect saying you go ahead and debate but we are not going to debate ourselves. This was my position.

Mr. HAYS. Mr. Chairman, if the gentleman will yield further, the thing that bothers me and which I do not understand is if you repealed it totally——

Mr. FREY. "Debate" is a wrong term.

Mr. HAYS. In other words, a radio station would give the potential opponent as much as they like and give discretion in that manner?

Mr. FREY. I think there is this danger. I do not believe there would be as many people on the TV stations with reference to what they are going to do.

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. FREY. I yield to the gentleman from Washington.

Mr. ADAMS. Does not the gentleman believe there is a qualitative difference in the effect of section 315 as it relates to the Presidency as opposed to a congressional district race?

Mr. FREY. Certainly, there has to be.

Mr. ADAMS. Should there not be a distinction made between the two for handling this matter?

Mr. FREY. Obviously the gentleman is taking one direction which is the Presidency, but the total impact of section 315 as to the House of Representatives versus the Presidency, I do not think so.

I think this is an equal branch as much as the executive branch and I think the people should have the right to know what is going on. We are talking about spending and a buying situation. Section 315, in my opinion, is one way you can assure that you do not have to spend too much. The record shows that in 1966 the cost was about 10 or 11 times as much as any other year. I think this would carry over to the Senate and also the House.

Mr. Chairman, in conclusion I would like to say that on this amendment I am willing to go a certain length on this thing because of my overriding feeling that we do need a bill on this and this is really, I think, our last chance to get it.

I will offer this amendment for the purpose of compromise and hope that the chairman and the other Members will accept it.

Mr. KEITH. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, the gentleman from Minnesota (Mr. FRENZEL) and I introduced H.R. 11280 after the Committee on House Administration and the Committee on Interstate and Foreign Commerce had each completed consideration of the respective bills on election reform, which fell under their respective jurisdictions. After seeing those two bills, the ones being discussed today, it was apparent to us that the prospects were slim of resolving the conflicting principles and language in the two bills during any floor consideration of the Committee of the Whole.

Although the Senate bill on this subject, S. 382, did not completely conform to our individual views on campaign reform, it seemed a much more sensible vehicle for us to use in attempting to achieve any orderly reform.

Since the Senate bill had been considered as a single unit by one committee of the Senate, its original draftsmanship had few conflicts. Many amendments were considered on the floor of the Senate, several were adopted, and the bill was passed by an overwhelming, bipartisan vote of 88 to 2.

I serve on the Communications Subcommittee of the Committee on Interstate and Foreign Commerce which worked on the Macdonald bill, and the gentleman from Minnesota (Mr. FRENZEL) serves on the Elections Subcommittee of the Committee on House Administration which worked on the Hays bill and each of us feels that those bills were both partisan and proincumbent when they came from those committees.

The Senate bill seemed to avoid those obvious pitfalls.

Since the Senate bill had never been referred to a committee here in the House, we introduced it as our own, and asked the Committee on Rules to make it in order as an amendable substitute, and permit its amendment. That was done and our substitute itself will be amendable under the rule.

It is our hope that the Macdonald bill will be amended to conform it toward the broadcast provisions of the Senate bill, our substitute H.R. 11280. And then that our bill will be substituted for the Macdonald bill and the Hays bill.

In that interest, Mr. Chairman, I ask unanimous consent to insert at this point in the RECORD an outline of the differences in the three bills which will be under consideration. This chart also includes comparison with the present law.

The CHAIRMAN. The Chair will ask the gentleman from Ohio whether this is the gentleman's own compilation?

Mr. BROWN of Ohio. A form of this compilation has already appeared in print.

The CHAIRMAN. The Chair will state to the gentleman from Ohio that the problem is whether permission can be granted by the Committee of the Whole, or whether permission has to be given in the House. If this is the gentleman's own compilation then permission can be granted by the Committee of the Whole. If it is not the gentleman's own compilation, if there is extraneous matter, then permission will have to be granted in the House.

Mr. BROWN of Ohio. It is a personal compilation.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. HAYS. Mr. Chairman, reserving the right to object, and I do so in order to ask the gentleman from Ohio a question:

The gentleman referred to the compilation in a local newspaper, and presumably he is going to follow that as a guideline in his own compilation. Is he aware that that had a mistake in it in which they said that the Committee on House Administration had allowed $5,000 for all purposes, and it should have been $50,000?

Mr. BROWN of Ohio. I am aware of the error.

Mr. HAYS. And in the estimated example again they used $5,000 instead of $50,000? Will the gentleman from Ohio correct that?

Mr. BROWN of Ohio. That portion will be omitted.

Mr. HAYS. I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The material referred to follows:

THE CHOICES BEFORE THE HOUSE

SPENDING LIMIT PER CANDIDATE

Hays bill—House Administration Committee

Fifty thousand dollars for all purposes or 6 cents per constituent—(Whichever is higher).

Macdonald bill—House Commerce Committee

Five cents per voting-age constituent for broadcast ads.

Ten cents per voting-age constituent for newspaper, magazine, and broadcast ads.

Senate bill—Sponsored by House Republicans

Six cents per voting-age constituent for broadcast ads.

Six cents per voting-age constituent for newspaper, magazine, billboard ads, but not over 10 cents per voting-age constituent for broadcast, newspaper, magazine and billboard ads or $30,000 minimum limit for each category.

Present law—Corrupt Practices Act of 1925

Twenty-five thousand dollars for U.S. Senate, all purposes.

Five thousand dollars for U.S. House, all purposes.

SPECIAL MEDIA PROVISIONS

Hays bill—House Administration Committee

Not in committee's jurisdiction.

Macdonald bill—House Commerce Committee

Repeal of "Equal Time" provision for presidential race only.

Broadcast rates cannot exceed "lowest unit charge" for same time period.

Print media rates cannot exceed charge for comparable commercial ads.

Equal space required of print media.

Senate bill—Sponsored by House Republicans

Repeal of "Equal Time" provision for all federal races.

"Lowest unit charge" broadcast rates just before elections.

LIMITS ON CONTRIBUTIONS

Hays bill—House Administration Committee

From any individual: $35,000 to any presidential candidate; $5,000 to any Senate candidate; $5,000 to any House candidate; Plus limits on candidate's use of his own money.

Macdonald bill—House Commerce Committee

Not in committee's jurisdiction.

Senate bill—Sponsored by House Republicans

Limits on candidate's use of his own money only.

Present law—Corrupt Practices Act of 1925

Individual contributions limited to $5,000 per candidate.

REPORTS OF CONTRIBUTIONS, EXPENDITURES

Hays bill—House Administration Committee

To: Clerk of House, Secretary of Senate.

Required only 10–15 days before election, and 45 days after election.

Reports include all items over $25.

Macdonald bill—House Commerce Committee

Not in committee's jurisdiction.

Senate bill—Sponsored by House Republicans

To: Federal Elections Commission, Clerk of local U.S. district court.

Required four times yearly plus before elections.

Reports include contributions $100 or more; expenditures over $100.

Present law—Corrupt Practices Act of 1925

To: Clerk of House, Secretary of Senate.

Four times yearly plus before elections.

PENALTY FOR VIOLATION

Hays bill—House Administration Committee

Candidate for President: $25,000 fine.

Others: denial of seat, disqualification for future elections.

Macdonald bill—House Commerce Committee

$10,000 fine and 1-year prison term for willful violation.

Senate bill—Sponsored by House Republicans

$5,000 fine and five years prison for media sections.

$1,000 fine and one year prison for reports section.

Present law—Corruption Practices Act of 1925

$10,000 fine and 2 years prison.

(All bills apply to candidates for federal office only. Figures given are for general elections; equal additional sums permitted in most cases for primary, special or runoff elections.)

Mr. BROWN of Ohio. Mr. Chairman, the principal differences in the Macdonald bill and our substitute are that the Macdonald bill repeals the equal time provision, section 315(a) of the Commu-

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nications Act, for the President only. Our substitute would repeal it for all Federal elective offices, President, Vice President, Senate and House. We feel that what is sauce for the goose is sauce for the gander.

The Macdonald bill provides a 10-cent spending limit per person of voting age, as does the substitute, but the Macdonald bill's limits apply to broadcasting, newspapers and magazine advertising, while the substitute also covers billboard ads. But the Macdonald bill further limits spending on television and radio to 5 cents, while the substitute permits candidate discretion to spending up to 6 cents on broadcasting or print media so long as the total does not exceed 10 cents in the covered areas.

One other problem that exists in the Macdonald bill which does not exist in the substitute at all is the provision that requires newspapers to provide the same space to all candidates for the same office if it provides space for any candidate for that office. It is our hope that there will be amendments to the Macdonald legislation so that we can move that legislation toward the Senate substitute, the bill H.R. 11280, which we have introduced, and then the substitute will be approved.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KEITH. Mr. Chairman, I yield myself 5 minutes.

Mr. KEITH. Mr. Chairman, once again I would like to compliment the chairman of the Committee on Interstate and Foreign Commerce and in particular the chairman of the Subcommittee on Communications and Power. These gentlemen and their committees and staff worked long and diligently to make this bill one which would be in the public interest.

But the kinds of reforms, it seems to me, that Chairman STAGGERS indicated were necessary in order to cope with the kinds of advertisements that he prophesied for the future, were really not within the sphere of the Commerce Committee. That is, except in the limited way it related primarily to the media. We tried to reform or improve the bill in other respects, but it was not just an adequate vehicle for us to do that.

I have one amendment in particular which I referred to on the floor earlier, relating to the use of credit in regulated industries. It will be discussed when the time comes for amendments.

But in my view, this bill does not enable us, as it comes from the Commerce Committee, to accomplish the reforms that we so badly need. Nor am I certain that the Hays bill speaks to or reflectively speaks to the reforms that were outlined in the Anderson-Udall bill which I cosponsored many months ago.

The Senate bill seems to me to get the closest to the subject of true reform.

It does not matter whether we do our work here, under the rules that have been devised to assist us to work our will on this legislation. It will be necessary, I believe, to get it closer to the people. In this matter, the States must take action.

It is all very well to have adequate laws in Washington, but it is much better if you can have them in the State, where the facts will be readily available to the local press in a timely fashion.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. KEITH. I yield to the gentleman.

Mr. HAYS. Many States do have very restrictive reporting laws. The State of Ohio's laws are very similar to the House Administration Committee bill. But what do you do about States who do not have any laws?

Mr. KEITH. I am just using this forum to say that no matter how well we should or could perfect this legislation, it is not going to be adequate unless it not only requires full disclosure—but is at a place that is easily accessible.

If I recall correctly, your particular bill only requires reporting and disclosure 10 days before the election and 45 days afterward.

Mr. HAYS. That is right.

Mr. KEITH. Why did not you incorporate the Ohio provisions in your bill?

Mr. HAYS. The Ohio provision does not require any reporting before and one report 45 days afterward. I went beyond that.

Mr. KEITH. I believe the law that we have in Massachusetts is better than that. It provides for continuing reports and is quite effective.

Mr. HAYS. Let me say to the gentleman, and I will yield him some time if I transgress too much on his time—we tried to get a consensus. Some people did not want any report until after the election. But there was an amendment offered that they would have to report between the 15th day and the 10th day—in that interval—how much they spent up to then. That is an improvement over what we have now, I think.

Mr. KEITH. It certainly is an improvement over what we have now.

Mr. HAYS. If the House wants a tougher amendment, they will have an opportunity to offer one.

Mr. KEITH. I rather hope we will.

May I say I think it is very late. In any event I realize my time is running out.

I would call to your attention an excellent article written in last Sunday's Post by John Oberdorfer. The editor of the newspaper excerpted the following phrases—

> Unless the House acts without further delay, the struggle to regulate campaigns for Federal office will be dead for this year and years to come.

There is, it seems to me, a decided possibility that if we do not do an adequate job, we will have to live for another 50 years with a half-way measure. So I propose, Mr. Chairman, that we use these rules to work, not the politicians' will, but the peoples' will!

If there are no further requests for time, I yield back all my time.

Mr. HAYS. Mr. Chairman, this is what I like about general debate and always have liked. It is pretty near useless because there is nobody here to listen to it, and I am sure very few people will read it. So I do not propose to use very much time.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Texas.

Mr. KAZEN. Would the gentleman like me to call for a quorum?

Mr. HAYS. No; I would not, because if the gentleman calls for a quorum, I will move that the Committee rise.

Mr. KAZEN. I would like to get some Members here.

Mr. HAYS. I do not think you would. Most of them are gone for the week.

Be that as it may, I am sure we will have some time in the amending procedure to answer any questions. I would merely like to say that the House Administration Committee bill was worked on for 7 days in hearings and 7 days in markup, and everybody, I think even the four who voted against the bill, will say that in the markup every member of the committee had adequate time to present his amendments. I hope Mr. FRENZEL is listening. Every Member had adequate time to present his amendments. There was no attempt to steamroller the bill. Every amendment was discussed and was put to a vote.

The end product, let me say, in my judgment is not perfect. I must say that this is the first time since I have been here that speaker after speaker seemed to demand instant perfection in a bill when it was brought to the floor. But the bill was near enough perfect that there were 20 members out of the 25 who voted for it; one was not present, and four voted against it.

All I would ask is that if it is the will of the House—and I intend to vote that way—to accept the Macdonald bill with whatever amendments are agreed upon as title I, that they would turn down the Senate bill, the remainder of the bill, and let us go to conference with the Senate. I do not subscribe to the theory that the Senate is perfect, and we ought to swallow what they have done hook, line, and sinker.

Finally, as I said, I am not going to attempt to explain this bill because the audience is very small, the time is late, and we will have plenty of time in the amending process. But I do not think there is a majority on either side of this House that wants to repeal section 315 in toto and turn over to the television broadcasting stations in our districts the right to name the next Congressman from that district, which they would do in many instances.

I gave the example of television broadcasters running for Congress. They have a lot of exposure, and I think it would certainly be about as unfair a thing as you could think of.

As I said earlier, some people have called this an "incumbent's bill." I do not agree with that. But if you repeal section 315, you had better call it "the television announcer's bill."

What about the "incumbent's bill" charge? Well, the incumbent has certain advantages by being an incumbent with or without any regulation. But what about the challenger? We are here tonight. We are going on record every day. You can have a challenger back home now running around footloose and fancy free for a year before election, making all the meetings you have to miss for being here, challenging whatever votes he wants to challenge, attacking your record, and you have to run on a record and he has to run on promises.

Well, let me tell you something. I found in my time that it is sometimes easier to be a challenger than it is to be an incumbent.

I do not propose to load the bill the other way. I hope we can come out with a bill that is fair to everybody and not loaded in favor of either side, and I think this House administration bill will be that kind of bill if some of the amendments we propose to offer are adopted to make it even better than it is—and I am sure there are people who have some amendments I do not know about, some of which may very likely be acceptable, and some of which may make it an even better bill than it is now.

Mr. DEVINE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I would like to record a little bit for posterity here. We wonder about the great clamor for legislation of this nature. I counted the House just before assuming the floor, and I find less than 10 percent of the Members are present on the floor.

We are not supposed to mention the press gallery, so I will not mention the fact that there are less than half a dozen reporters up there.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, if my eyes do not deceive me, the fellow who has written the most about it in criticizing the Congress is not up there either.

Mr. DEVINE. Mr. Chairman, also the clock now reads exactly 19 minutes before 6 o'clock.

Mr. Chairman, I commend the chairman of the House Administration Committee for bringing the Federal election reform legislation to the floor of the House for consideration.

This is one of the matters that has been discussed and cussed over the years. I remember the Committee on House Administration a few years ago did get an election reform legislation bill out, but the House leadership did not see fit at that time to set it for action, but at least we have reached this stage, so we will have an opportunity to vote it up or down.

It has been long recognized that there are many inadequacies in the laws on the books relating to campaign spending on Federal elections and efforts to do something about it always seemed to fall short of success, so it is definitely a very encouraging step forward to have this legislation before us today. The unfortunate part is that this bill has various undesirable features which detract seriously from its merits. Many of these are set forth in the additional and supplemental views in the committee report, and I certainly recommend that these views deserve the attention of all Members.

As we go through the committee report—and I am making reference to the bill as it emerged from the Committee on House Administration—we will see there are separate views signed by the gentleman from New York (Mr. BINGHAM), the gentleman from Michigan (Mr. NEDZI), and the gentleman from California (Mr. HAWKINS); and additional views, signed by the gentleman from Ohio (Mr. DEVINE), the gentleman from Alabama (Mr. DICKINSON), the gentleman from Iowa (Mr. SCHWENGEL), the gentleman from Michigan (Mr. HARVEY), the gentleman from Idaho (Mr. HANSEN), the gentleman from Pennsylvania (Mr. WARE), the gentleman from California (Mr. VEYSEY), and the gentleman from Minnesota (Mr. FRENZEL); and supplemental views of the gentleman from Alabama (Mr. DICKINSON); and additional views of the gentleman from New Hampshire (Mr. CLEVELAND); and dissenting views of the gentleman from Illinois (Mr. CRANE); and supplemental views of the gentleman from California (Mr. VEYSEY); and additional views of the gentleman from Minnesota (Mr. FRENZEL).

So the Members will see there is anything but unanimity on the handling of this particular legislation. The major drawback in H.R. 11060 in my opinion is the unrealistic limitation it would place on campaign expenditures. All of us here are aware that the makeup of congressional districts across the country varies greatly. Geographically, districts come in all shapes and sizes from large to small; some are entirely urban and some entirely rural; they differ greatly economically; there are vast differences in the communications and transportation facilities among congressional districts.

In spite of these and other significant differences, which produce widely varying campaign spending needs from district to district, the bill arbitrarily lumps all of them into one category and places essentially the same limit on all.

We did in committee increase the top limit from $30,000 to $50,000 to try to take care of what appears to be gross inequity. Our hearings certainly produced no information or unanimity of opinion in support of such a campaign spending limitation or concerning what might be a proper limit, so this really amounts to a classic case of legislating in the dark.

There are other features in the bill which give cause for concern. It has no guidelines as to precisely what spending would come under the limitations. This means that scores of questions could arise. Does the use of a candidate's private auto, for example, amount to a campaign expense, or his lodgings or meals? Do incumbent's activities have to be included, such as including the cost of his district office space, mailings to constituents, and so forth. Expenditures in a business which conceivably could redound to the benefit of a candidate presents questions. These are only a few of the many potential questions that could arise.

It is a matter of concern that a candidate for office would be subject to the far-reaching sanctions of such a law which contains indefinite and vague guidelines as to its requirements.

It could be stated that if the bill contains so many potential questions as to what would come within the spending limitation, why not spell out what would be included. The trouble is that you run squarely into the same old problem all over again. What should be included in the definition? Certain types of spending are easily identified as campaign expenditures, but there could be many that are not so easily categorized. What is a campaign expenditure from one point of view is not in another. Essentially the problem arises from the fact that an attempt is made to limit overall expenditures.

Coupled with this serious drawback to the bill is the fact that in part it would be the officials of the States, in the case of congressional candidates, who would make the determinations as to whether the law had been violated. There could thus be as many different interpretations of the law as there are States and it seems to me this could result in a completely intolerable situation.

The section of the bill that would deny individuals the right to run for public office for a number of years if they are deemed violators of its provisions is of doubtful constitutionality. The portions of the bill that limit contributions and expenditures from candidates personal resources are also of doubtful constitutionality. The reporting requirements of the bill are inadequate.

I should like specifically to invite the attention of Members to the views which appear on page 25 of the report. We are lacking in this, and the chairman very graciously stated he would hope to cure the credit card situation. In here it shows that as a result of the last election the National Democratic Committee has unpaid airline bills with American Airlines alone as of last April of $426,000 plus.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. DEVINE. Mr. Chairman, I yield myself 1 additional minute.

Without going into the figures here, I can say this is nonpartisan, because there are hundreds of thousands of dollars owed by both political parties and candidates, and by deceased candidates, which have not been paid. But it appears to me to be a violation of the Corrupt Practices Act. Indirectly these corporations are making writeoffs, doing what they cannot do directly. This is something to which we did not address ourselves.

I have touched on major drawbacks in the bill before us today. It seems clear that further modification is needed if we want to make this a workable and reasonable law to update our Federal elections.

We have an open rule on H.R. 11060, the rule also makes it in order to consider as an amendment in the nature of a substitute the bill H.R. 11280, which is identical with the Senate-passed election bill, S. 382. The membership will have an opportunity to improve this legislation. If we do not, perhaps a recommital would be the better course for a new start to meet the real problems head on, and legislate meaningful reform—not just a political approach to protect incumbents and an effort to single out the President, through repeal of section 315 in the Macdonald approach. We are supposed to legislate for the good of the country—not just for the 1972 campaign.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

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Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. My time has expired.

Mr. HAYS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. DEVINE. I yield to the gentleman from Ohio.

Mr. HAYS. Does the gentleman have any specific amendment in mind that would cure the airline credit card thing?

Mr. DEVINE. Yes, I have an amendment. It is the same amendment I offered in the committee, if the chairman remembers.

Mr. HAYS. Yes.

Mr. DEVINE. At the proper time I intend to recommend it. In effect, it goes to the three regulatory agencies involved, to have them set up rules and regulations to cure this problem. Those would be the CAB, the FCC, and the ICC.

Mr. HAYS. The gentleman from Ohio who is the chairman of the committee would be glad to take a good look at any amendment the gentleman has on this, and if it seems remotely workable, so far as he is concerned, would say he would accept it, because this is an evil which should be cured.

Mr. DEVINE. If I am not mistaken, when this amendment was offered in the committee the chairman did support it.

Mr. HAYS. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. First, Mr. Chairman, I should like to commend very highly the Committee on Interstate and Foreign Commerce, and in particular the gentleman from Massachusetts (Mr. MACDONALD) who has worked on this legislation for a number of years.

I believe it is impossible to exaggerate the importance of the three bills which are under consideration, because in the long run our democratic society will endure only if our democratic elections system is protected and maintained.

One of the hallmarks of that system, first, is that the franchise must be broadly based. I am delighted, incidentally, that the 26th amendment has now extended the franchise to 18-year-old citizens.

Just as important, the system must be honest and open, free of corrupt practices and insidious influences by a few powerful interests.

The history of this legislation in the Committee on House Administration is not limited by any means to the 7 days of hearings and the 7 days of mark-up to which our distinguished chairman alluded. The history of it goes back many years. I happen to have served on the committee for 17 years, and I have been active in trying to develop some form of election reform legislation over a period of at least 7 years myself.

There is not one single person here, as a newspaper recently wrote, who cannot qualify as an expert at least to a degree in elections.

Some of us might be better and thereby have larger margins, but all of us at least are expert enough or have others who are expert enough around us so we are here.

Implicit in any legislation involving Members of this and the other body is the fact that incumbents have an advantage. We all know that all an incumbent needs to do to have an advantage is to be a diligent representative, to have a good staff, and to vote the way in his conscience he feels he should and hope to satisfy the majority of his constituents. We all get during a 2-year period of incumbency infinitely more publicity than any potential incumbent, aside from a very, very few isolated ones, can get in our districts. It seems to me that we simply cannot legislate away these advantages, but what we can do and what we made an honest attempt to do is to prohibit the purchasing of seats in the House of Representatives and the purchasing of seats in the other body and the President's seat.

There is a lot of talk about partisanship and of bipartisanship. I know a great many Members on both sides who have a real, genuine interest in this. I know a great many Members who have some heat on them as a result of their activities to try to bring about election reform. The fact is, as our colleague from Indiana (Mr. MADDEN) said so colorfully earlier in the day, the eyes of the people are upon us and there is in fact and in deed a nationwide demand for this type of legislation.

We are going to come back here following a recess and we are going to begin the 5-minute rule. The chairmen and the subcommittee chairmen of the respective committees involved and a number of others of our colleagues, all perfectly able and capable of answering any questions among the group of them that can be raised, are willing, as Chairman HAYS indicated just a minute or so ago, to the distinguished gentleman from Ohio (Mr. DEVINE) are willing to consider constructive, workable amendments at any stage of the game. Mr. HAYS, my chairman, has said time and time again that he has a major objective, and I consider that that major objective is a reasonable one, and he has also talked about compromise day in and day out, up and down, and all around until I am sure he is going to be glad for a few days of respite between now and the time that this thing is debated.

Any suggestion in advance, however, that this matter should be disposed of by a motion to recommit and sent back for further study is pure unadulterated poppycock. It cannot wait; it will not wait; the people will not wait. I assure you of that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMPSON of New Jersey. If I may have 1 more minute.

Mr. HAYS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. THOMPSON of New Jersey. I would suggest that we approach this in the manner as has been suggested by the two committee chairmen; namely, that we work on this and work the will of the House and we get a bill and pass a bill and indeed not that we recommit one, even though it might be more comfortable for some of the brothers, as MO UDALL would say, not to have anything.

Mr. Chairman, it would be impossible to exaggerate the importance of the three bills under consideration today: In the long run our democratic society will endure only if our democratic election system is protected and maintained. What are the hallmarks of a truly democratic election system? First, the franchise must be broadly based; and I am delighted that the 26th amendment has now extended the franchise to 18-year-old citizens.

Just as important, the election system must be honest and open; It must be free of corrupt practices and insidious influence by a few powerful interests. Mr. Chairman, it is an unfortunate but undeniable fact that the cost of conducting a political campaign has soared during the last decade. It is also an unfortunate but undeniable fact that in order to meet rising campaign costs, candidates have become increasingly dependent upon either their own personal wealth or the wealth of a few large contributors. This dependence of candidates upon the concentrated wealth of a few individuals or organizations is basically undemocratic. Furthermore, it opens the door to corrupt and insidious influences on our election system.

When candidates are dependent upon a small number of large contributions, the contributors may be in a position to exert an unhealthy influence on the conduct of Government by promoting special interests at the expense of the public welfare. In a democratic society, competition between candidates should be determined on the merits of their qualifications and political views, not on their ability to attract support from sources of concentrated wealth, whether the wealth of the candidate, his family, or outside individuals and organizations.

Mr. Chairman, there are a number of ways to counteract the growing dependence of candidates on large contributions from concentrated wealth. First, one could place a strict limit on the amount a contributor may give to a candidate. Second, one could require large contributors to report their contributions, hoping that public disclosure would inhibit contributors from attempting to influence the conduct of government in unjustifiable ways. Third, one could establish a tight limit on the cost of campaigns, thereby making it unnecessary for a candidate to depend on large contributors. Fourth, one could generate adequate finances for campaigns by using tax incentives to encourage a large number of people to make modest contributions. Last, one could provide direct Government subsidies to candidates from public funds.

Frankly, Mr. Chairman, I believe the fourth alternative, using tax incentives to generate widespread grassroots financial support for candidates, is the best alternative for the long run. However, the bills under consideration would use various forms of the first three alternatives—limitations on contributions, reporting requirements, and limitations on expenditures. These measures are desirable first steps in the process of developing legislation to guarantee a democratic election system in an age of soaring campaign costs.

H.R. 11060 would establish limitations on overall campaign expenditures, limitations on contributions, and require reporting of expenditures and contributions. H.R. 11231 would establish limitations on communication media expenditures and repeal the equal-time provision on broadcasts connected with the presidential general elections. H.R. 11280 is the Senate-passed bill and would repeal the equal-time provision establish limits on communication media expenditures, limit the amount a candidate may contribute to his own campaign, and require reporting of expenditures and contributions.

Mr. Chairman, as we begin work on this very complex issue, I believe we should keep three goals in mind. First, an informed electorate is the foundation of a democratic election. Therefore, we should support measures which encourage widespread debate on public issues and on candidates for public office. Second, we should reduce the opportunity for a candidate with a large campaign fund to distort the election process by monopolizing communication facilities during a campaign. Third, we should reduce the dependence of candidates on support from a few sources of concentrated wealth. Above all, Mr. Chairman, we should oppose any proposal which would have the effect of prohibiting widespread participation in nonpartisan election activities, such as voter registration and get-out-the-vote drives. We should defeat measures which outlaw the use of contributions of money and services from great numbers of workers, since such proposals are profoundly undemocratic, and would tend to close our election system rather than make it more open.

Mr. HAYS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I have heard a statement made today and many times previously that any campaign limitation bill cannot be enforced.

Well, let me tell you something. The British have a campaign expenditure bill that limits them to something like $2,000 per candidate and 3 weeks of campaigning, and it is enforced and can be and it has been.

So, if that kind of a stringent bill can be enforced, certainly one with a $50,000 limitation and some reporting can be enforced if they want to enforce it.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Missouri.

Mr. HALL. Did the gentleman's committee consider a time limitation as well as the other items in the writeup of this bill?

Mr. HAYS. I will say to the gentleman that we did not. I wish we had. I wish it were possible to have one. I think it would be wholesome if we could limit it to about 60 days or so.

Mr. HARVEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Utah (Mr. LLOYD).

Mr. LLOYD. Mr. Chairman, it is appropriate and necessary that we make an honest effort to place tighter and more understandable control on contributions which we made to candidates for public office and the purposes for which those contributions are spent by the candidate. It is not only our obligation to make this attempt because we have experience in the mechanics of the political process and should be most familiar with its shortcomings, but it is also a clear mandate from the citizens we represent that this action be taken. I compliment the gentleman from Ohio (Mr. HAYS) and his committee for bringing this bill before us for action.

I do not believe we can devise a perfect campaign contribution and expenditure system, but we can do the best we can with the tools we have. We can improve existing legislation on the subject by taking certain necessary steps, for example:

First. We can improve disclosure provisions and provide for reporting which will be meaningful. I believe we should create independent enforcement machinery for this purpose.

Second. We should provide that spending limitations be meaningful; that wealthy candidates do not have an unfair advantage over candidates who do not represent wealthy families or associations. We can provide that the candidate shall not be at the mercy of specific advertising media. In this respect I believe it is unfortunate that the current most popular medium for political candidates, namely television, has within its power granted by the federal government the means to give favored treatment, despite current legislation designed to the contrary. We can, however, aim to reduce the chances of affording such favorite treatment. It is not only in the interest of the candidate, but certainly in the interest of public-minded citizens who make contributions for political campaigns, that the difficult effort to secure and provide adequate funds for campaigning is not exploited by irresponsible advertising media of any kind. Political campaigns can provide a windfall of excessive profits for some advertising media who follow discriminatory or selfish practices aimed at soaking up the political dollar. Actually it is not enough to provide equal time. True fairness is the result of honest and sincere policy which prevents employees of television stations or other advertising media from exercising cute and harmful practices to the injury of the candidates whom they hold in disfavor.

Third. Our political system should be open to new ideas and new candidates. No policy should deliberately and intentionally discriminate in favor either of the incumbent or the challenger.

Fourth. Spending limitations should be nondiscriminatory as to specific media.

Fifth. Disclosure and reporting should apply to nonelection years as well as election years. The sometimes phony "get well partics" have provided easy evasion of some laws where reporting is required only during the election season.

I believe that ultimately we should adopt campaign expenditure control which has more effective enforcement potential built right into the system. This would be a control which would be exercised by the political candidates themselves who, after all, are the most sensitive and concerned.

For example, if a candidate were required to report at proper intervals all money spent in his behalf for public advertising; specifically where such advertising was placed with the correct specifications; and the amount spent for each advertisement, his opponent would know immediately in most cases whether the report was complete and honest and also importantly, whether the advertising media were giving fair and impartial treatment in charges and placements of advertising.

If this Congress is unsuccessful in enacting meaningful, understandable, fair and essential campaign spending legislation, then we inevitably face the stern alternative of public financing of election campaigns. If we provide legislation in which the public can have faith, then a greater number of citizens will voluntarily share the expenses of campaigning in behalf of their favorite candidate. If we fail to enact meaningful legislation, or enact legislation in which the public has no confidence, then the list of those who contribute to political campaigns will be narrowed and one way or the other, candidates will be exposed to excessive influence of those on whom they must depend for financial support to finance the campaign.

Finally, I repeat, the public should not expect perfection or even near perfection. There are too many ways for evasion of even the tightest legislation. For example, a $1,000 limitation on a single contributor could be evaded simply by a $5,000 contributor dividing up his financial influence among five associates. Organizations could supply free labor which is not susceptible at this point to legislative restriction. Anyone in public life can make a long list of evasions of the spirit of control which no legislation can prevent. We can do much, however, and we have the obligation and the mandate to do as much as we can and to be candid and forthright in our explanation to the citizenry.

Mr. HARVEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, with the beginning of debate this afternoon on a Federal Elections Campaign Act, the House is facing one of the most important issues in its long history. The importance of the Federal Elections Campaign Act lies not in the specifics of the various bills before us today, but rather in the implications such legislation has for the future of the American political system. Because of the fundamental changes any bill, which would effectively limit campaign contributions or expenditures, will have on our two-party system, it is absolutely essential that every Member of this great body be aware of the issues at hand. I urge my colleagues to take this time, if they have not already done so, to familiarize themselves with the arguments on both sides of the issues; the consequences are too significant to be left to snap decisions.

I have done a great deal of thinking and reading on this vital subject, and I would like to share some of my thoughts with my colleagues at this time. Last spring, I introduced legislation to grant a Federal income tax credit for election campaign contributions to strengthen disclosure and reporting requirements. In my statement that accompanied that

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bill. I indicated that the best political finance system is one based on a large number of small contributions, and the only way to achieve this goal was to instill confidence in the voters. Stiff reporting and disclosure requirements were aimed at doing just that. At that time, I did not feel it was necessary to legislate limits on contributions and expenditures.

I have long considered attempts to limit campaign contributions and expenditures as a violation of the first amendment. As Prof. Ralph Winters, of Yale University, so eloquently stated during the Senate hearings on this subject:

> The first Amendment plainly prohibits the setting of a legal maximum on the political activities in which an individual may engage.

Any limit on the amount of money a candidate may spend can be viewed as an attempt to limit his political speech. The situation is somewhat analogous to saying that a speaker in public parks can only speak for 10 minutes.

The charge has also been made that limitations on campaign contributions and expenditures discriminate against some candidates and in favor of others. To limit campaign contributions and expenditures is to increase the relative importance of those groups that conduct extensive educational programs for political purposes. Labor unions, for example, can support these limitations because their political activity extends to other areas. Limits on direct spending increase the importance of voter registration drives, news releases, and so forth, none of which would be affected by the proposed legislation. Now I am not saying we should limit these activities; I simply want to point out to my colleagues that contribution and expenditure limits can be viewed as discrimination against candidates who receive money from individuals and in favor of candidates who have interest groups working on their behalf.

The Members of the House and Senate, however, seem to favor some form of limitations, as witnessed by the three bills the distinguished Rules Committee has determined should be considered under one rule.

Mr. Chairman, I have studied all of these measures very carefully, and I have come to the conclusion that of the three, the Senate-passed bill—the bill the Rules Committee has permitted to be introduced as a substitute—is by far the best and the one that should be adopted by the House.

My decision to support the Senate bill is based not only on practical reasons, but also on its treatment of the issues. In the realm of the practical, I believe the Senate bill is the vehicle that will lead to immediate reform. If this Congress is going to pass legislation in time for the 1972 elections, it will have to do so quickly. The Senate bill has the advantage of already having overwhelming Senate approval, and any minor amendments in the House could easily be reconciled in conference.

The second practical reason for supporting the Senate bill is that it has Presidential support. The President has stated his strong opposition to any attempt at imposing limitations on campaign contributions. As I read this "strong opposition," it spells "veto" for any bill that would include such limitations, a measure that I am sure the President and the House would find most embarrassing. In addition, I believe it would errode the public's confidence in their elected officials once they realized that they could not agree on such a fundamental issue as election reform.

If there were no other arguments in favor of adopting the Senate bill, I believe these two practical reasons would strongly support its treatment of the problem, I believe there are several reasons for selecting the Senate version over either the Hays or the Macdonald bills.

First, the Senate bill, and only the Senate bill, establishes what I consider to be adequate disclosure provisions. As I stated previously, strong disclosure provisions can only strengthen the public's confidence in its representatives. The Senate bill provides for an independent Federal Elections Commission and quarterly reports with additional reports prior to the election of all contributions and expenditures of $100 or more. The Hays bill only provides for two disclosures—10 to 15 days prior to the election and 45 days after the election—and many people consider this to be worse than the present law, which we all admit has more loopholes than we know what to do with. The Macdonald bill has no disclosure provisions.

A second argument in favor of the Senate bill is its flexibility with regard to media spending. While it does not place an overall spending limit on candidates, it does place spending limits on broadcast and nonbroadcast communications. It initially sets a limit to 5 cents per person of voting age—or $30,000, whichever is greater—for broadcast spending and an additional 5 cents per person—or $30,000—for nonbroadcast spending. It does provide for a 25-percent interchangeability within these two categories, making the final breakdown 6 to 4 cents for broadcast and nonbroadcast spending respectively.

While some may consider broadcast spending excessive, it is sometimes the only way for a candidate to overcome the built-in advantages of the incumbent. Since, as we all know, recognition is essential to election, television and radio exposure are sometimes the only way a challenger can get his name before the public, especially when the opponent is a well-known politician, or a sports or movie star. And for those who claim that excessive broadcast advertising can buy an election, I need only cite the experiences of our former colleague from New York, Richard Ottinger, or Senator TAFT's opponent in Ohio, Howard Metzenbaum.

Finally, the Senate bill treats the matter of section 315 of the Communications Act fairly. I have grave personal doubts about the repeal of section 315, but I do believe that any action taken should treat all Federal elections equally. The Senate bill, of course, repeals section 315 for all Federal elections; the Macdonald bill provides for the repeal of the "equal time" provision for Presidential races only.

One of the arguments made in support of this action states that the repeal makes time available for the candidates while saving these parties money. This reason, I believe, is only a surface argument. The President always has minor party candidates opposing him, and our experience in the 1970 general elections shows that minor party opposition in House and Senate elections is definitely a factor that must be considered.

To say that section 315 should not be repealed with regard to House and Senate elections is nonsense. According to the official election returns for the 1970 general election, 35 minor parties fielded candidates in House and Senate elections. Eighteen of these parties nominated a total of 41 senatorial candidates, and six additional individuals listed themselves as "independents." The numbers in House elections were even greater: 30 minor parties and 163 candidates are listed in the 1970 returns. Together with the 20 House candidates running as independents, 183 individuals not of the Democratic or Republican Parties sought election in 151 House districts.

For these reasons, Mr. Chairman, I am supporting the Senate version of the Federal Election Campaign Act. When the proper time comes to offer the Senate bill as a substitute, I would hope a majority of my colleagues would lend their support, so that we can pass it without amendment.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Ohio.

Mr. HAYS. I would say to the gentleman that they may very well be unconstitutional. I do not know. But I have heard since I came to this body on nearly every piece of legislation someone say that it was unconstitutional.

If there is anyone around here who can predict what the nine gentlemen across the street or the seven gentlemen at the present time are going to rule as to what is constitutional or unconstitutional he is a lot better off than most of us. I have always felt that we should legislate the best way we could and then if someone wanted to take it to the Supreme Court then the Supreme Court would have to make that decision. We have limitations in the Ohio law and no one has ever challenged it in the courts and made it stick.

Mr. HARVEY. I say again that this was one of my own thoughts. I felt it was unconstitutional. I felt that it also sharply discriminated in the treatment of people who wanted to participate in our political system, some of whom want to contribute money, some whom want to contribute time and other things. However, when you put a limitation on the amount a person can give, you discriminate against that person who wants to participate by contributing money, and I might say you discriminate against him in favor of organizations who want to do it through one fashion as, for instance, labor unions do in registering the vote and getting out the vote and doing this sort of thing.

Mr. HAYS. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. PODELL).

Mr. PODELL. Mr. Chairman, I thank the gentleman from Ohio for yielding.

Mr. Chairman, I have I suppose the unique position of having the opportunity of serving on both the Committee on Interstate and Foreign Commerce, as well as the Committee on House Administration and, along with the gentleman from Ohio (Mr. DEVINE), found myself running back and forth to both committees in connection with the markup of legislation that was before us.

The major problem that presented itself was that while the matter before us under the jurisdiction of the Committee on Interstate and Foreign Commerce and the matter that was under the jurisdiction of the Committee on House Administration were interrelated, they are quite different. They are as different as apples and oranges.

Sure, the Senate bill was passed almost unanimously. Do you know why? Simply because the Senate was concerned with those matters that affect the Senate, primarilly radio and television.

Radio and television is of no concern in my district. Shall I spend money to reach 20 million people, the money it would cost for a 1-minute spot on CBS or ABC for the purpose of soliciting the votes of 500,000 people? That does not make sense.

So the first problem we must immediately resolve is that the Senate is interested primarily in radio and TV because they operate statewide. A House candidate has other concerns.

Leastwise this Member does not care about radio, or TV nor will he place even a 10-cent ad in a newspaper because it is of no value to the limited confines of his congressional district.

Obviously we must treat these problems differently but at the same time try to resolve all of them, if we possibly can. This is the dilemma which will require give and take as well as compromise by all concerned.

I recall in 1968 when I was asked by a number of individuals whether or not I wanted to run for Congress to fill a vacancy that occurred because my predecessor had been elected to the bench. I said I might be interested. They then stated and I quote: "There is one qualification I want to talk to you about."

I thought they would ask me whether or not I agreed with my party on certain issues. They did not—the qualification was—"How much money can you raise?" That was their first question. I said—"Well, do you not want to hear my position on the issues? Shall we discuss my national policy or my domestic policy?" Their response was simply—"No, first tell us how much money you can raise."

I really did not know. I never tried to raise large sums of money. But surely it is frightening that while we approach the problems of the seventies, the criteria was "how much money you can raise before you can run for public office?"

While the Senate bill has some excellent provisions and indicates major areas of concern, the fact that the bill does not contain a limit on the amount of money a candidate can spend in a political campaign, then it is not worth the paper it is printed upon so far as the Congressman from the 13th Congressional District is concerned.

In 1968 in that special election, I ran against a man who spent a quarter of a million dollars—and none of it for advertising on radio or TV or the newspapers. But you take seven first-class districtwide mailings, each containing a brochure labeled and addressed at a cost of $14,000 for each mailing. Do you know where the postage came from? It was postmarked in Yonkers which is about 60 miles north of my district because that is where his business factory was—that was who paid for it, his business.

The Hays bill seeks to put a stop to that. I cannot afford to run against a multimillionaire. I do not know how many Members of this House can. This man ran not as a Republican, not as a conservative and not as a liberal party candidate. He organized his own party and called it the New Leadership Party. He had the support of no major party and no major organization. I had the support of the Democratic Party plus 14 years in the State legislature plus having the experience of having run in something like 16 different elections and primaries. I beat him by 4,000 votes out of about 60,000 votes.

That is what could happen. I came pretty close to losing. Three months later the same gentleman ran against me as a candidate in the Democratic Party in the primary. By this time, of course, I had the advantage of an incumbent and I won by a considerably larger margin.

Someone said that this is an incumbent's bill. True—the incumbent does have some advantage; are we not entitled to some small advantage?

Let me tell you that if I voted for a bill that was not at least somewhat advantageous to an incumbent, I think the people back in my district would think I am out of my head. I am sure that would be their view if I would vote for a bill that would give anyone seeking to run against me additional advantage.

Briefly, the Hays bill and the Macdonald bill does three things that are important.

First. It sets a limit. $50,000 is more than enough to spend for a seat in the House of Congress.

Second, it limits the amount an individual can contribute to a political candidate. No one can make out a check for $10,000, because if they did, you would be beholden to that individual. When a person gives you that kind of money for a campaign, you will owe him something, and do not kid yourself.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. PODELL. I yield to the Chairman.

Mr. HAYS. The gentleman will remember that the gentleman from Michigan (Mr. HARVEY) said that he did not want to limit campaign contributions because he did not want to interfere with somebody's right to participate, if spending money was the way they wanted to participate.

Well, I had an opponent running against me who had a $250,000 contribution in five separate checks, through five different committees, and from the same fellow in Texas. He had to ask my campaign manager who the guy was. He had never heard of him. He did not know him. Well, the fellow knew me, and he did not want me down here. I do not really consider that to be the kind of freedom we ought to be handing around to people.

Mr. PODELL. I thank the Chairman. I might add that I think it would make it more logical if we could limit campaign contributions to $1,000. The Hays bill does something else. It limits the amount that an individual can contribute to his own campaign. It would take care of the situation of money spent in Ohio by Mr. Metzenbaum in which a daughter 12 years old contributed $60,000 to her daddy's campaign. Those are the kinds of things that are important to us, in addition to the other problems that Mr. MACDONALD has talked about.

With a limitation on TV, if a man can spend $50,000 and he wants to spend $40,000 on television or radio, that is his business. He can do so.

I can only say this, gentlemen: If we do not put a stop to the kind of proliferating expenses that accompany political campaigns, as has happened in recent times, we shall be making a terrible mistake. We have got to do it. Give us a bill that will stop this spending. That is what we need. That is what the Hays bill does. Surely it is not perfect, but it is an important step in the right direction.

Mr. HAYS. Mr. Chairman, I yield to the gentleman from Missouri for a unanimous-consent request.

Mr. ICHORD. Mr. Chairman, I wish to commend the House Administration Committee, its chairman and the members of that committee, as well as the chairman of the Interstate and Foreign Commerce Committee and the members of that committee for bringing these two measures to the House. Anyone who has examined the problem of campaign expenditures well knows the difficulty under which these two committees have labored. It is very easy, Mr. Chairman, to complain about campaign expenditure abuses, but it is very, very difficult to draw effective campaign expenditure control without rewarding the unscrupulous participants and candidates at the expense of the scrupulous. So I commend the chairman and the members of the committee.

Mr. Chairman, the framers of the Declaration of Independence and the Constitution of the United States especially intended to establish a representative form of government as the best way to preserve man's God-given right to be free and enjoy equality under the law, as well as the right to freely compete. Their theory was that such a system would work best if people from various walks of life, occupational backgrounds, religious convictions, and geographical regions were brought together to make the laws and supervise the operation of the Government.

It is for this reason that the statutory and established provisions regulating public officeholders contain few stipulations concerning the qualifications of a candidate for public office, except such basics as citizenship and minimum age requirements. With the exception of a few offices such as prosecuting attorney or attorney general, where a legal back-

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ground is required, there are no educational, professional, ancestoral, financial, or status requirements to be elected to represent the people.

We have pointed with pride over the years to the fact that only in this country could a man rise from such humble beginnings to become President of the United States as did Abraham Lincoln. In my opinion, Mr. Chairman, the spiraling costs of campaigns have brought into quest this basic American tradition. If we do not take effective steps to control and limit the amounts of money that can be spent on the various political campaigns, we stand in danger of limiting the holding of elective office to those who are either very rich, or to those who are willing to accept the large contributions from individuals or organizations with special interests along with the possible obligations that accompany such contributions.

I submit to you today that our Government cannot function in such a way to preserve our heritage and way of life if we reach the point that most or all elected officials have great wealth or owe their political life to special interest groups. If this development ever takes place, the people will not be fairly represented.

In an affluent society where people are conditioned to buy certain products by high-powered public relations and advertising specialists trained to produce the TV commercial which will get results, it is becoming easier to "sell" a candidate with the money to buy the TV time. In the State of New York the successful candidate for Governor has spent from $5 to $10 million in each of the last two campaigns. In my own State of Missouri, which has a population of slightly less than 5 million people, the losing candidate in a recent U.S. Senate race allegedly spent over $1 million, while a congressional candidate reportedly spent around $200,000 also in a losing effort. A number of candidates for the U.S. Senate have been reported spending in the neighborhood of $1 million in primary campaigns alone. Figures compiled in 1969 on the total amount of campaign spending as reported in Washington was $70.1 million, compared to the previous record spending of $47.8 million in 1964. Of course, these figures represent less than a third of the total spending since no reports are required to be filed in Washington on primaries or State-level spending. It has been estimated that $300 million was spent in 1968 on campaigns for candidates on all levels of government. This figure is also estimated to be a 50-percent increase of total campaign spending in 1964. I am strongly inclined to believe that the figure of $300 million could be on the low side.

In the State of Illinois, for example, no reports of contributions and expenditures for campaigns are required to be filed in the State capital. In my own State of Missouri there is no requirement to report any money collected or spent in advance of 90 days before the primary election. This means if a candidate is able to purchase TV time prior to the applicable date for reporting—TV time that may be used at any point in the primary campaign—he has no legal obligation to file any report concerning this expenditure.

The statute concerning the filing of political contributions and expenditures in Missouri simply states that the report of a political committee for a candidate must be filed in the county of residence of the committee treasurer. In another recent campaign for the U.S. Senate in Missouri at least two committees for one candidate filed their reports in other States. One report of $53,000 was filed in one neighborhood State, and another report involving sums unknown to me was filed in a second neighboring State. I obviously have no way of knowing whether or not this action was taken with the candidate's knowledge of the same. But, surely, someone in the campaign organization should be responsible for supervising the filing of reports to conform with the law. This would appear to be a violation of the spirit of the law, if not the letter of the law. Whatever may be the case, it is a good example of how loosely State corrupt practices acts are drawn or not enforced.

Mr. Chairman, I am well aware that it is extremely difficult to control totally the receiving of contributions and campaign spending in any election. However, it is incumbent upon this House to take some action to limit individual and committee contributions to a candidate; to limit overall spendng in campaigns especially in regard to the media; and to set up a system of overseeing and enforcing these regulations.

Admittedly the measure H.R. 11066 is not a perfect bill. The area of campaign expenditure control is a difficult area in which to legislate effectively and we must be careful that the unscrupulous candidate is not given an advantage over the scrupulous candidate because of the great difficulty of enforcing such controls. At least three different approaches will be presented to the House in the course of debate. I sincerely hope that what does emerge will place a realistic limit on campaign expenditures, provide full and detailed disclosure of the source of campaign contributions, and also provide for fair and effective enforcement with penalties for violations of the law.

Mr. FRENZEL. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Chairman, every Member of Congress is vitally concerned with a campaign reform bill, but in the three approaches that we are taking to this, all of the provisions are heavily weighed in favor of the incumbents. Since none of the potential challengers are here, it is well that we consider both sides of the campaign bill when we evaluate it.

We are designing legislation here that will absolutely guarantee the reelection of every man that is in Congress. There is no question about it. This bill will bring back every man to Congress except in two particular situations. One occurs, if the area is redistricted, and the incumbent gets relocated, and the other is if an incumbent retires. But other than these two instances, we will absolutely guarantee the reelection of every Congressman.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, will the gentleman leave that last sentence in the RECORD about returning every Member to Congress?

Mr. COLLINS of Texas. This is a personal expression, I will say to the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. I just thought if the gentleman would leave it in, we could get these bills passed by acclamation.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Arizona.

Mr. UDALL. I am surprised by the gentleman's statement that he prefers to have the present system which, at least, gives the outside a showing. The Congressional Quarterly shows that in the last presidential election 90 percent of the House contests were won by incumbents, and in 1970 in the mid-term election, 96.7 percent of the House incumbents were elected.

How much more showing for the incumbent can we have than we have now?

Mr. COLLINS of Texas. I agree that under the present system the incumbent has a pretty good chance of returning, but under any new plan suggested the incumbent has a guaranteed reelection. This is what will happen. We will absolutely guarantee the incumbent will return in the future, unless we provide a higher spending limit for the challenger over the incumbent.

Let me mention some of the advantages we, as incumbents, have, and my fellow Members know them. We get excellent newspaper coverage. We are in newspapers every day. We get television and radio exposures, and when we go home, we get full televised programs. We send out newsletters to all our constituents. When we go home, we have an opportunity to speak to luncheon groups, high school graduations, and civic meetings.

I think we have tremendously favorable name identification. I can think of only two situations where there is equally good name identification. One of them is if a person is a famous athlete and the other is if a person is a well-known television announcer. But outside of those situations, it would be pretty hard for a businessman or a lawyer or the average civic leader to start out from scratch and be able to get political name identification and win.

We could provide one thing, which would be a tremendous help. We could provide extensive debates.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I would just mention there was a candidate in Ohio who had a pretty good name identification. The name of the candidate was John Glenn. Does the gentleman know what he did for a living?

Mr. COLLINS of Texas. Apparently he was not well known in Ohio.

Mr. BROWN of Ohio. He was the first man in space and an astronaut. That is why he thought he would not need to spend a great deal of money in Ohio.

Mr. COLLINS of Texas. I might say astronauts' political record is not as good as that of athletes and television announcers.

Mr. HAYS. If the gentleman will yield, if there is anything in Ohio that is not named for John Glenn, I do not know what it is. He might have been overexposed.

Mr. COLLINS of Texas. I thank both gentlemen for their very sage comments.

We could provide help to the challenger by providing for debates on television and radio, where every incumbent would face every challenger and in that way make them thoroughly familiar. We had debates in a recent mayor's election in Dallas, and it was very effective in bringing an unknown challenger to the attention of the public.

When this bill was discussed in our subcommittee, I submitted an amendment that provided the challenger would be allowed twice as much campaign spending limit as an incumbent. I again submitted this amendment before the general committee, and we had more support in the general committee, but again we did not receive a majority vote, so it was not accepted.

Mr. HAYS. Mr. Chairman, if the gentleman will yield, will the gentleman offer that amendment on the floor and see how many backers there are?

I would be tempted, if this would not embarrass the gentleman, to put it to a teller vote and see how many supporters there are for this.

Mr. COLLINS of Texas. I would be glad to, if the gentleman recommends this. Some of my colleagues say they would rather not follow that suggestion but would prefer to have a voice vote. But, before our general committee, it did not get much enthusiasm. The only really favorable comment was from one of my colleagues, who said he thought it was a good idea if it would apply only to the Third District of Texas.

In my district we would not consider it much of a contest if we had the Irving High School football team try to take on the Dallas Cowboys or to have a Golden Gloves boxing match between a 250-pound heavyweight who would take on a 160-pound middle-sized fellow.

In other words, it is not a fair match under the proposed campaign bills.

Mr. HAYS. What was the name of that high school team again?

Mr. COLLINS of Texas. Irving, Tex.

Mr. HAYS. Well, everybody but them would beat the Dallas Cowboys, lately. Perhaps they ought to take them on.

Mr. COLLINS of Texas. I thank the distinguished gentleman from Ohio. I hope he has an opportunity to come out to see the football game next Sunday between the Washington Redskins and the Dallas Cowboys.

If all things were balanced equally like this game—for this is going to be an even football game—we would have balanced, fair, and challenging elections.

Even in a horse race, if a horse has a record of winning and winning and winning, usually they weight him to give the challenger a fair chance.

I hope that some of us on the floor can find ways to provide in this legislation for balanced competition, to provide equity for a challenger, so that a challenger will be given a fair chance.

Mr. HAYS. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. PRICE), the chairman of the Committee on Standards of Official Conduct.

Mr. PRICE of Illinois. Mr. Chairman, I want to commend the chairman of the Committee on House Administration and also the chairman of the Subcommittee of the Commmittee on Interstate and Foreign Commerce for the work they have done in this very important area. I know the hard job they have had and the difficult problems with which they have had to deal. I believe they have given the House now an opportunity to deal with this subject.

Mr. Chairman, I hope Members will have an opportunity to read my statement on this subject.

Mr. Chairman, no literate American, in or out of elective office, could possibly have escaped the present demand for reform in the way we pay for American politics. But it seems that some of those not in office ascribe to those who are, motives which amount to a conspiracy not to bring about this reform. Any elected official knows this just is not so that the reason reform has been slow in coming is that we must be sure what we do is in fact reform, and not a cure worse than the disease.

As chairman of a committee which has some limited jurisdiction in this area, I have spent many hours studying this problem. From this, I am able to offer some observations in three areas which I respectfully ask my colleagues to consider carefully, lest we end up with a cosmetic gesture, which may only change the form and not the substance of the problem.

First, I want to size up the problem; second, I want to ask whether the measures we are about to consider reach the problem; and third, what other facets of the problem are we ignoring.

In sizing up the problem, I must first take exception to the incessantly repeated proposition that campaign costs in this country are astronomically high. Surely some campaigns are too expensive, often so much so that they manage to defeat the leading spender. But averaged out and leveled over a 4-year period, the total election process costs us less than $1 per person per year, or less than the bookmaking take in just one large city. Shall we take a shotgun approach against the overall process or shall we legislate only to the needs?

Mr. Chairman, let us make it clear that it is not just how much money the overall process costs, but rather the overconcentration of costs in some particular races that present the evil we are seeking to remedy. But most of all, let us not obscure the real problem, in any instance, and that is, whether our present system or any new ones we may adopt, afford the potential for that elusive concept, conflict of interest. However reform appearing it may be, it will, in fact, not be that, unless we test our propositions against this principle and the proposition survives the test. My second point reaches essentially to these tests.

In effect we have before us three bills, each containing some good points and some weak points. If our efforts are to be worthy we must somehow lift out the best features of all three and arrange them into a meaningful whole.

In one of these, the so-called modified Senate bill, we will be considering limits on some campaign expenditures. But I ask, is a partial limit—that is, one that covers TV media cost alone and excludes cost of production, and excludes alternative channels into which campaign money may pour—really any limit at all? It is true that media-only costs could be policed, but is it not also true that unless you can police the others, we have half a loaf? Will halfway measures really reduce our costs of elections? Is it not possible that we will revive ward-healing practices of decades ago by driving the unenforceable portion of the spending underground? And who knows, we may be stalking the ghost of TV spots, which by the time we can redo this effort may have faded in favor of new techniques like computerized direct mailings to prejudice profiled mailing lists which the modified Senate version of limits ignores? And how will this type of expenditure ceiling hold accountable committees established to oppose a candidate? Deduct those figures from his opponents limits?

But above all, can we invoke a uniform ceiling proposed at $50,000 on 435 seats in this body without bringing up to that ceiling the cost of the 90 percent of those seats which now cost less, and at the same time, possibly limit legitimate political communication on the remaining 10 percent?

Mr. Chairman, I make these observations not in opposition to spending ceilings. I firmly support the proposition of realistic and enforceable limitations. But I must point out that limitations in name only will not solve the problem.

Another proposition we will consider will be so-called full disclosure. As worthy as this concept is in general, it also contains some hazardous areas. Most important of these is what will be the effect on contributors? Will even the most legitimate contributions dry up? Our goal must be to broaden the base of contributors.

An important failing of disclosure as a discipline is one simple reality—cash. If the purpose of this whole exercise is to hold accountable those who give and those who receive, is it not hollow to rely on a technique so open to circumvention?

I emphasize I am not opposing full disclosure. Among the several devices we will be discussing, it is by far the most reasonable. But what I am suggesting is that along with full disclosure we need more emphasis on developing legitimate sources of broad-based participation, which will permit disclosure with no fear of drying up legitimate campaign money.

The essential deficiency of the unenforceable limitations and any degree of disclosure is that both will tend to restrict, rather than wholesomely generate, the needed money for the process most elementary to our entire system.

Looking to the third area of my observations, let me take a more positive position and suggest additional consid-

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erations that ultimately must be elements in any true reform of this process—elements so far ignored:

First. The focus must be on how to raise the money properly—the source, not the amounts. This should take the form of establishing a public mechanism for contributions in increments small enough for the donor to expect nothing in return, yet large enough for him to feel a sense of involvement.

Second. Public support of the process, but channeled so that the taxpayer-contributor has some say-so about who he is supporting.

Third. Support year-round political party organizations. This alone would do much to reduce overall costs of elections by simply providing for better planning and more effective full-time political communication.

Fourth. And, we must consider all elective offices in the country, Federal, State and local. The mixture of governmental responsibility today, can no longer ignore this aspect.

Mr. Chairman, I am mindful that what I have said is once again more of a restatement of the problem than an open sesame formula to resolving it. My urging here is not for inaction, but for constructive, true, bona fide reform—reform that will merit the confidence of the American people and not merely some gesture to placate for the time being, awaiting that moment of truth when all is revealed. I stand prepared to support all that accomplishes true reform. I cannot be a party to that which merely embalms it.

Mr. Chairman, true reform of this vital process is clearly not beyond our ability to attain. For over 2 years now I have been working on an entirely new and separate approach. It involves some methods which government in other areas has already clearly demonstrated can work. It amounts to its own internal discipline—it is not of the proscription, sanction, enforcement school of problem solving. I hope as soon as some few more refinements are worked out, to offer a program called operation clean bill.

This program will be directed toward raising funds from a very broad base and establish a kind of public marketplace in which legitimate campaign contributions can be made.

I can also assure you that it will have thoroughly considered all of the other questions I earlier raised.

Mr. FRENZEL. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, very few Members of this House would take the position that our election laws do not require updating and reform. Since each of us is a certified election expert, and since each of us has different kinds of districts, the definitions of reform and updating are as diverse as our membership.

Personally, while I am inclined very strongly toward full disclosure, a broadened base of participation in all campaigns and effective independent supervision of election laws, I have strongly opposed limitations on contributions or on spending as contrary to our democratic spirit and to the principles of our Constitution.

But, as in most legislative endeavors, at the time of the moment of truth, some compromise is necessary. Therefore, I have authored, along with Congressman CLARENCE BROWN of Ohio, H.R. 11280, which as S. 382 passed the other body in August by a vote of 88 to 2. It is not, and never was, my personal first choice for election reform. Nevertheless, it is so far superior to the alternatives available to us today that I have felt compelled to author it and to now give it my unqualified support.

H.R. 11060, the Hays bill, is in my judgment, a poor choice for an election reform vehicle. Coupled as it may be to H.R. 11231, the Macdonald bill, it becomes a package that simply does not fit either election conditions or our Constitution.

Generally, Hays bill will tend to restrict rather than broaden political participation. Its disclosure provisions are inadequate, and it provides for inappropriate supervision. Specifically, it has the following major flaws:

First. Inadequate disclosure—the Hays bill disclosure is inadequate since only two reports per year are required. Our—Harvey—substitute requires quarterly reporting and also on the 15th and 5th days next preceding an election.

Second. Inappropriate supervision—The Secretary of the Senate and the Clerk of the House provide supervision under the Hays bill. They are good people, but because they are employees of incumbent candidates, they are inappropriate supervisors. Our—Harvey—substitute provides for a balanced Federal Elections Commission with adequate powers.

Third. Unconstitutional penalities—The Hays penalties are so doubtful constitutionality. State government officials are authorized to withhold election certificates, and candidates may be prevented from filing again for 5 years. Our—Harvey—substitute provides tough fines and jail sentences, but no denial of election certificates. These very harsh and unconstitutional penalties will encourage mischief. Since they provide an opportunity to deny the election victor his seat, we may expect plenty of contests. The contests will probably involve campaign committee members as well as candidates.

Based on the way the Hays bill is written and the probability of contests, I believe it will be extremely difficult to get anyone to serve on your campaign committee, much less to serve as your chairman or treasurer. The risk is just too great. It does not require a willful violation to send a committee officer to jail. Who among your supporters wants to take the risk of spending a year in jail.

Fourth. Unequal equal time—The Macdonald bill repeals equal time for presidential candidates only. Our—Harvey—substitute repeals equal time for all Federal elections. I believe that equal time is either fair for everybody or for nobody.

Fifth. Unfair spending limits—The Hays bill sets an overall limit of 6 cents per person, subject to a minimum of $50,000. The Macdonald bill sets a limit of 5 cents per eligible voter for broadcast media and 5 cents for print media. Our—Harvey—substitute is similar to the Macdonald version, but includes an option to shift 20 percent—1 cent—at the discretion of the candidate. The fixed limits in the Hays bill do not consider district differences and give incumbents enormous advantages over challengers.

We incumbents are knowledgeable and experienced. We have the frank. We have staff. We have access to the media. We have recognition. The challenger must spend, but our need to spend is less. The Hays bill would strip from the challenger his only weapon in this unequal struggle—93 percent of the incumbents were successful in the 1970 elections.

These spending limits will also narrow the base of political participation because fund-raising costs are included in the limits. Candidates who seek the broadest financial base of support will find themselves penalized because the costs—direct mail or food—will be included in their spending limits. Under the Hays bill there is a strong incentive to find 10 big donors rather than 1,000 small ones.

Sixth. Unreasonable personal contributions limits.—The Hays bill limits personal contributions to $35,000 for President and $5,000 for Congress. Our—Harvey—substitute has no limits on contributions by noncandidates, but has similar limits to the Hays bill on candidates' contributions to their own campaign. During hearings the Justice Department raised constitutional questions about limits on contributions.

There are other differences. Our—Harvey—substitute, H.R. 11280, has features such as a cost-of-living escalator, credit card restrictions, prohibitions on contributions in the name of another, immediate reporting of large contributions, and other items which are not dealt with in the Hays or Macdonald bills.

Any elections bill that limits anything cannot help giving special assistance to incumbents. On September 23, 1971, I introduced into the CONGRESSIONAL RECORD a study conducted by Professors Lott and Warner of the University of Connecticut. Their conclusions were that equal and absolute limits on campaign spending will increase the possibility that the incumbent will be elected. Based on the 1970 returns, that possibility is already above 90 percent. Professors Lott and Warner go on to state that the spending ratio between challenger and incumbent, which varies with amounts and voter registration, show that a challenger must spend in the neighborhood of 10 times what an incumbent must spend to get the same number of votes in a similar district. Mr. Chairman, I insert tables 1, 2, 3, and 4 and the conclusion section of the Lott-Warner papers, following my remarks.

Today this House has the opportunity to pass a reasonable compromise, which is certainly not my first choice and probably not any other Member's first choice, or to pass a combination bill which is probably partially unconstitutional, does not fit together, is shot full of loopholes and which may never emerge from the conference committee. If we really want election reform, in my judgment we would be well advised to pass the Harvey substitute amendment. If not, we may have lost the country's best chance to achieve significant election reform.

THE CONCLUSIONS

The results of our analysis are preliminary and incomplete, and do not do justice to the enormity or importance of the problem. On the basis of our research, however, some tentative conclusions can be drawn:

1. That there is an extremely small marginal return to campaign expenditures. This return is even smaller if, as we suspect is the case, actual expenditures exceed reported expenditures by a factor of, say, 20 percent.

2. That equal and absolute limits on campaign spending will move in the direction of a more "competitive" election but not far enough. Ordinarily by limiting the amount a challenger could spend the possibility that the incumbent will be re-elected will be increased. We would argue that remedial legislation ought to *equalize*, rather than magnify the imperfections in present election procedure.

It is clear that our analysis needs to be expanded. We have analyzed only three of a vast number of variables in the election process. Our results cannot help but benefit from further research.

TABLE 1.—ESTIMATES OF CONDITIONAL MEDIAN PERCENTAGE VOTE FOR CONGRESSIONAL CANDIDATES IN 1970; BY PERCENTAGE OF VOTERS REGISTERED IN CANDIDATES PARTY AT VARIOUS LEVELS OF CAMPAIGN EXPENDITURES—INCUMBENT

Levels of campaign expenditure	Voters registered in candidates party (as a percentage of total voter registration)				
	30	40	50	60	70
10,000	42.26	49.08	55.10	60.54	65.55
20,000	46.74	54.29	60.95	66.97	72.52
30,000	49.55	57.57	64.63	71.03	76.91
40,000	51.65	60.00	67.37	74.04	80.17
50,000	53.33	61.96	69.57	76.46	82.79
75,000	56.52	65.67	73.74	81.04	87.76
100,000	58.89	68.42	76.84	84.45	91.45
150,000	62.38	72.49	81.41	89.48	96.90

TABLE 2.—ESTIMATES OF CONDITIONAL MEDIAN PERCENTAGE VOTE FOR CONGRESSIONAL CANDIDATES IN 1970; BY PERCENTAGE OF VOTERS REGISTERED IN CANDIDATE'S PARTY AT VARIOUS LEVELS OF CAMPAIGN EXPENDITURES—CHALLENGER

Levels of campaign expenditure	Voters registered in candidate's party (as a percentage of total voter registration)				
	30	40	50	60	70
10,000	29.97	34.79	39.04	42.88	46.41
20,000	33.14	38.47	43.18	47.73	51.34
30,000	35.14	40.80	45.78	50.30	54.45
40,000	36.62	42.52	47.72	52.43	56.75
50,000	37.81	43.91	49.28	54.14	58.61
75,000	40.07	46.53	52.23	57.38	62.13
100,000	41.75	48.48	54.42	59.80	64.74
150,000	44.23	51.36	57.66	63.35	68.59

TABLE 3.—70 PERCENT CONFIDENCE INTERVAL ON CAMPAIGN EXPENDITURE NECESSARY TO OBTAIN AN EQUAL A PRIORI CHANCE OF ELECTION

[Voter registration in the party of the candidate, as a percentage of total registration]

Percent	Incumbent		Challenger	
	Upper limit	Lower limit	Upper limit	Lower limit
30	$295,166.50	$3,300.17	$4,225,512.00	$40,620.05
40	97,437.69	1,045.36	1,272,803.00	14,100.94
50	43,088.61	410.21	524,373.25	5,939.43
60	22,712.07	186.05	261,606.31	2,846.19
0	13,440.64	93.76	148,247.88	1,497.87

TABLE 4.—MAXIMUM LIKELIHOOD POINT ESTIMATE OF CAMPAIGN EXPENDITURE NECESSARY TO GIVE CANDIDATE AN EQUAL A PRIORI CHANCE OF ELECTION

Vote registration in the party of the candidate, as a percentage of total registration	Expenditures	
	Incumbent	Challenger
30	$31,335.59	$343,960.69
40	11,091.46	121,747.36
50	4,955.96	54,399.96
60	2,566.08	28,167.05
70	1,470.89	16,145.54

Mr. TAYLOR. Mr. Chairman, it has long been my concern that Congress should enact legislation to place meaningful limitations on campaign spending and it is my intention to vote in favor of a bill which promises to accomplish this objective. There must be a lid on campaign spending.

Action must be taken to preclude any possibility of an individual or his political party buying the Presidency or likewise, a seat in the U.S. Senate or the House of Representatives. A candidate should not win just because he has the largest campaign budget or can hire the best advertising agency. People of Abraham Lincoln's background and means are needed in government and should be afforded an opportunity to seek and be elected to responsible offices for which they are qualified.

In my judgment, whatever reforms are ultimately adopted should establish limits on spending for television and radio and newspaper advertising and should also contain a total limitation on campaign spending for all purposes. I further feel that we should impose a limit on the amount of money that any candidate can receive from any one source and should require a complete disclosure of all campaign donations.

Studies on campaign spending during the last decade suggest that we have arrived at a point in our political life when a candidate's financial resources, or his ability to muster them, overshadow the importance which should be directed toward his attitudes and personal qualifications. If this trend is permitted to continue, American voters could well be forced into the habit pattern of picking their public leaders on the basis of their ability to utilize television and other high-priced advertising media to guarantee the projection of a well-coached image rather than upon an objective evaluation of their true substance.

It is my further concern that an effective mechanism must be devised to discourage the offering and acceptance of large contributions which might compromise the integrity of either donor or recipient. As was so eloquently stated recently by my distinguished North Carolina colleague, Senator B. EVERETT JORDAN:

We cannot afford a system under which only the rich can succeed in politics—or, probably worse, a system under which only a man or woman willing to accept really big money can win public office.

Candidates should not be pro industry or pro labor, but should be for all the people.

It is merit, not money, which we are obligated to keep instilled in the American political system. I urge that Congress embrace this opportunity to keep the doors of the public offices in America opened wide to all of its citizens.

Mr. VANIK. Mr. Chairman, traditionally the House floor has been the burial ground for effective, enforceable election legislation. As a result, we are now reaping the harvest of 46 years of accumulated legislative loopholes and inconsistencies.

The problem, simply stated, is that American candidates are more and more dependent on large sums of campaign cash, and public officials are increasingly tied to those individuals and groups who can supply the money. High elected office, particularly statewide and national races involving expensive advertising campaigns, is becoming a career open only to the rich or those who can somehow win the support of major economic interests. As the costs of campaigning skyrocket, so does the influence of the dollar.

Neither regulation nor restraint has been provided by the law on the books, the Corrupt Practices Act of 1925, which is laced with loopholes and invitations to evasion. Not only is the law ignored by officeseekers and officeholders but also by the Justice Department which is supposed to enforce the law.

The result is a situation where ability will not be necessary to run for public office—only personal wealth or the ability to acquire financial backing.

Eighteen years ago, during my first congressional campaign, I spent $6,000 in order to be elected. Between 1956 and 1966 I never spent more than $3,500 for a campaign. Until the 1968 election I was able to maintain that low level of campaign spending. However, in 1968 my district was abolished and I was forced to run in another district against a 28-year incumbent, if I wanted to remain in Congress. During this campaign, almost $90,000 was spent in my campaign while over $240,000 was spent in campaign expenditures by both candidates.

My 1968 experience is certainly not an isolated incident. Throughout the country, similar campaign expenditures are a normal occurrence, and the level of campaign spending is increasing.

In 1968 an estimated $300 million or 60 cents a vote, was spent on all political campaigns. This compares with 29 cents in 1960 and 10 cents in 1944.

The national Democratic and Republican committees' expenditures on national elections has risen from $11.6 million in 1952 to $44.2 million in 1968. Total broadcasting charges for general election campaigns amounted to $40.4 million in 1968 compared to $9.8 million in 1956. Presidential and vice-presidential candidates alone accounted for a staggering $28.5 million of the total in 1968. In the nonbroadcasting media, it has been estimated that $11.6 million was spent on newspaper ads alone in 1968 with $2.8 million of it being spent for presidential candidates during the general election period.

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In the Nation's seven largest States in 1970, 11 of the 15 major candidates were millionaires. I certainly applaud any man who can make a million dollars honestly, but a mandate of personal wealth for public office takes us back to the monarchies of Europe.

The present spectrum of legislation before us does not provide enough control of election spending. But I will support the strongest bill, which is the Senate version.

S. 382 will establish a Commission for Federal Elections. This Commission will be responsible for overseeing the entire campaign expenditure process, and will have the power to investigate and initiate prosecution against the violators of the provisions of that bill. It provides for expenditure ceilings on campaigns and makes other necessary reforms.

While I favor the Senate bill and intend to support it, there are still major areas of campaign procedures that are not effectively equalized in the bill.

I believe that the high degree of incumbency in both Houses is due to the unfair advantage that the incumbent has during a campaign. In the House, the average length of service is presently 11.8 years. In 1968, out of 400 elections where incumbents were trying to regain their seats, only 10 lost. This amounts to a 97.5-percent return rate for Members of the 90th Congress to the 91st Congress. In the 1970 congressional election there was a similar figure of over 95 percent. The maintenance of such astonishing rates of return for those wishing to keep their seats illustrates a decisive advantage to the incumbent and a decisive edge against a challenger.

A Member of Congress has franking privileges, staff access to the press, office space, and long-distance phone privileges, that most challengers just cannot match. This gives a tremendous advantage to the incumbent since he can send out newsletters up to election day, or have his name in any newspaper almost at will.

Several weeks ago the Republican Party raised an estimated $5 million campaign war chest for 1972 by selling $500 dinner tickets to major contributors throughout the Nation. Some companies bought entire tables; the oil industry alone purchased 400 tickets for a single regional dinner in Houston—a total of $200,000 by one industry—an industry deeply interested in Federal policies. Because of the loopholes in virtually all of the Federal laws regulating elections, none of those contributions to the Republican war chest will be disclosed.

With political contributions of the magnitude I question whether the loyalty of a public official is closer to his constituents, or his contributors. I feel this is a great irony of democracy, and a challenge to the responsiveness of our system.

I will continue to push for stronger controls over election spending than have been proposed at this time. But the first step must be taken. The irregularities that have existed in our electoral system have severely limited the qualifications of potential public officials to the wealthy or those who can rally the support of major economic interests. The financial burden of campaigning is a challenge to the democratic process. I urge my colleagues to support S. 382 to preserve integrity within our elective process.

Mr. MATSUNAGA. Mr. Chairman, as we consider the various proposals to reform Federal campaign finance practices, I think we can all agree that some legislative action is imperative. Indeed, of all the bills before this Congress, perhaps this legislation will be the measure with the most profound effect on our national politics and our system of government.

There can be little question that the rapidly mounting costs of political campaigns are undermining the integrity of the electoral process and progressively narrowing the pursuit of public office to those who possess great personal wealth or have access to large sums of money. Estimated 1968 total expenditures of $300 million, for example, represent an increase of 50 percent just in the 4 years since 1964. If these trends continue, by 1980 we will be speaking of multibillion-dollar campaigns.

Clearly, Mr. Chairman, we cannot allow this trend to continue. The great social thrust of the last decade has been to reaffirm equality of opportunity for all Americans, especially with rgeard to the power of the ballot. We must not let these important advances to be eroded by a growing inequality in campaign finance and access to public office.

Vital elements in whatever plan the House approves should be timely, enforceable provisions for disclosure of what has been spent and where it came from, and reasonable, enforceable limits on spending.

There is one area not covered by any of the bill before the House, Mr. Chairman, to which I should like to address myself briefly. Like many other Members, I have sponsored bills which provide tax incentives for political contributors of small amounts. As some of my colleagues may know, my own State of Hawaii is one of at least nine States which provide some type of tax incentive for political contributions. The others are Iowa, Minnesota, California, Utah, Oklahoma, Missouri, Oregon, and Arkansas. In Hawaii, the taxpayer may deduct up to $100 each year, provided that his contribution is made to an active political party.

The Senate, I understand, has adopted, as part of the revenue bill, a proposal similar to those I have advocated. I do hope the House will concur at the proper time.

Mr. Chairman, the present statute, the Federal Corrupt Practices Act of 1925, has been described as "more loophole than law." It does not serve to curb the evils that are associated with high finance in political campaigns.

Public office should not be for sale, either to wealthy contributors who pile up influence through large contributions, or to wealthy candidates who pay their own way.

Although we do not know the precise effect of spending on a particular election result, we cannot ignore the fact that money translates easily into political power, and political power, in turn, attracts new and increased amounts of money.

It is not an overstatement, then, to observe, as one writer did recently, that "the future of American politics is up for vote this week on the floor of the House of Representatives."

Mr. Chairman, that vote must come out correctly. I pledge my best efforts to achieve that result.

Mr. SCHWENGEL. Mr. Chairman, I rise in support of the substitute containing language identical to the Senate-passed bill, S. 382. I feel this bill is a much better bill than the committee bill, H.R. 11060, and I intend to support it with certain amendments which I shall discuss later.

Let me start, Mr. Chairman, by commending the leadership of the House, of the House Administration Committee, the House Commerce Committee, and the Committee on Standards of Official Conduct for the various roles they have played in finally bringing this issue before the House for action. Quite frankly, it is my conviction that the House has not acted as responsibly in this matter as has our Senate. The other body has passed an election reform bill on four occasions in the recent past only to have it die in this body. I hope, therefore, that the House will not disappoint our colleagues in the Senate for the fifth time by failing to act affirmatively on a strong bill. Perhaps, if we pass an especially strong bill we can make up in some degree for our earlier failure to act on this problem.

The need for reform of our procedures for financing campaigns is clear to nearly all citizens. They can see this just from looking at the astronomical figures spent in the 1968 and 1970 elections. In fact, some of us have had even more pointed personal experiences with the problem. My opponents spent over $500,000 in their attempts to defeat me in 1970.

The case is further documented in two recent publications. The first, entitled "Electing the Congress, the Financial Dilemma," was published by the Twentieth Century Fund of New York in 1970. The second is entitled, "Making Congress More Effective," and was published by the Committee for Economic Development in September 1970. Pertinent excerpts follow:

[Excerpts from "Electing Congress, the Financial Dilemma"]

I. PUBLICIZING CAMPAIGN FINANCE

1. FULL DISCLOSURE

We believe that full public disclosure and publication of all campaign contributions and expenditures are the best disciplines available to make campaigns honest and fair. We also believe full public reporting will tell the public where political contributions are going, where they are needed, and thus encourage more people to make contributions to political campaigns.

More than half the money spent in congressional elections today is not reported to the public. The federal Corrupt Practices Act requires candidates and committees to file reports on contributions and expenditures, but the law is riddled with loopholes and, as a result, few campaigns are fully reported. In 1968, 182 candidates for Congress filed reports stating that they had personally spent nothing and knew of no committee expenditures that needed to be reported at the federal level.

Some of those who reported nothing at the federal level filed more complete campaign income and spending reports with state or county agencies. However, thirty-one states either have no reporting laws or require reports of varying degrees of completeness only after an election. Almost no state has adequate auditing or enforcement procedures to deter or uncover illegal activities. As a result of the weaknesses of federal and state laws, some candidates spend more than $1 million in their campaigns without reporting any of it to the public.

Total spending on the 1968 congressional campaigns reported under the federal statutes totaled $8,482,857. Actual spending was probably more than $50 million. We believe the public has the right to know who is paying how much for congressional campaigns. So long as the public is denied this information, beliefs about political finance that undermine respect for our political institutions will persist. The routine failure of candidates for high public office to disclose how much they spent in their campaigns and where they got the money contributes to this growing cynicism. If respect for our political institutions is to be restored, finance regulations must be changed. The public cannot be expected to respect the law when those who would be its lawmakers avoid or break the law to get elected.

Information about campaign finance should be available to the public in easily comprehended form during the campaign. Both the public and the candidates should be confident that attempts to conceal campaign contributions or expenditures will be investigated, exposed, and penalized.

At present, the federal statute specifically excludes primary elections from reporting requirements. In many areas primaries are more important than general elections. We believe that money contributed and spent to influence the selection of the party nominees in a federal election should be as fully reported to the public as the contributions and expenditures of the election itself.

We recommend that every political organization and committee that spends money or other resources to influence a primary or general election for federal office be required to register with a federal elections commission and to keep orderly and open records of its activities.

Any such organization or committee that raises or spends $1,000 or more in any year should be required to file a report with a federal elections commission quarterly and fifteen and five days prior to a primary or general election.

Reports should be clear, simple, and easy for the public to understand. They should provide complete information about the source of all contributions, pledges, and new or outstanding loans; and about the recipient and purpose of all expenditures.

We recommend that firm and realistic penalties be established and enforced to deter late, inaccurate, or incomplete reports. Candidates and their authorized agents should be held responsible for the accuracy and completeness of reports filed by their campaign committees.

2. FEDERAL ELECTIONS COMMISSION

No agency is now responsible for supervising compliance with federal campaign finance regulations. The Secretary of the Senate and the Clerk of the House are the statutory repositories for campaign spending reports but they do not have the authority, the staff, or the motivation to do anything but accept the reports that are filed. Further, there is no office that keeps records and provides information about political contributions and expenditures of committees seeking to influence federal elections.

There is no federal agency that regularly investigates serious charges of illegal conduct during a campaign. Nor is there any agency competent to give legal advice about campaign activities. We believe this administrative void must be filled if campaign finance regulations are to be effective.

We recommned the establishment of a bipartisan federal elections commission to administer regulations affecting federal campaigns. The commission should audit and publicize all campaign finance reports and report possible violations, including late filing, to the appropriate enforcement agencies for action. The commission should have the staff, resources, and independence to do the jobs assigned to it. It should have the power to investigate charges of illegal activity in federal campaigns, to subpoena evidence, and to establish uniform accounting and reporting procedures for political committees.

3. SPENDING LIMITS

The traditional intent of campaign finance regulation in the United States has been to limit the size of campaign contributions and expenditures and to prohibit contributions from certain sources. The Corrupt Practices Act limits the amounts candidates and political committees may spend in any one year and limits the contributions an individual may make to political committee in any year. Contributions from corporations, unions, and government contractors are prohibited entirely.

We do not believe this policy of ceiling has served the public well because expenditures have been neither limited nor disclosed. The limits now in the law—$5,000 for a House candidate, $25,000 for a Senate candidate, and $3 million a year for a political committee—are unrealistically low. They do not significantly affect the amount of campaign spending. They are unenforceable and while some members of the Task Force would prefer legal limits we believe that no workable set of limits can be devised.

Many people are concerned that candidates spend too much in their campaigns. At least one candidate for the House in 1968 spent $2 million in the general election alone. In some Senate campaigns, in the primary and general elections, as much as $5 or $6 million have been spent. Current laws have been ineffective in preventing or disclosing these expenditures.

If there were full public disclosure and publication of all campaign contributions and expenditures during a campaign, the voters themselves could better judge whether a candidate has spent too much. This policy would do more to protect the political system from unbridled spending than legal limits on the size of contributions and expenditures.

Some candidates probably spend too much, but that is not the point; the larger problem is that many candidates, especially challengers, do not have enough money for their election campaigns.

We recommend that all spending limits for congressional campaigns be elliminated.

4. LIMITS ON INDIVIDUAL CONTRIBUTIONS

This Task Force was concerned that removing all limits on individual contributions to political committees might open the prospect of rich individuals buying federal elections. We would like to protect our political system from that threat. The Task Force agreed that neither rich candidates spending their own money, nor rich contributors supporting a candidate should be allowed to have undue influence on elections. Full disclosure will warn the voters when such an attempt is being made.

The Corrupt Practices Act prohibits individuals from giving more than $5,000 to a political committee in any year. This law has not deterred people who wanted to make large contributions to candidates. They simply give their contributions to several committees supporting the same candidate.

Gifts, including political contributions, of more than $3,000 to any single recipient in any year are subject to the gift tax provisions of the internal revenue code. This may be a more effective restraint on individual contributions than the limit in the Corrupt Practices Act.

Several members of the Task Force favor a limit on the amount an individual, including the candidate himself, may contribute to a campaign. Mary Zon and Thomas B. Curtis believe that such a limit should be enacted and can be enforced. However, we were unable to prescribe an effective device for enforcing such a recommendation.

We considered recommending a $5,000 limit on individual contributions even though it might not be fully enforceable. But since we believe one of the principal challenges of our electoral system is to restore its credibility with large numbers of the American people, we were reluctant to recommend anything that we did not think could be enforced. Moreover, we feel that unreported large contributions are much more of a danger than large contributions that are publicly reported.

The principal burden for reporting campaign contributions and expenditures ought to be borne by campaign organizations. However, reports from individuals who contribute substantial amounts of money to politics will serve as a valuable addition and cross-check to these reports.

We recommend that limits on the size of individual contributions to political committees be elliminated.

We recommend that individuals who contribute more than $5,000 in a year to federal candidates and political committees be required to file a report with a federal elections commission listing the date, recipient, and amount of all contributions (including purchases of tickets to fund-raising events), pledges and loans of $100 or more, and the aggregate total of all contributions of less than $100. Such donors should be required to certify that they have contributed their own money and that they will not be reimbursed in any way.

5. BAN ON CONTRIBUTIONS FROM CORPORATIONS, UNIONS, TRADE ASSOCIATIONS, AND GOVERNMENT CONTRACTORS

Corporations, unions, and government contractors are now prohibited from making contributions to federal campaigns. Several ways have been developed to evade this prohibition. In the past, however, there have been only sporadic efforts to enforce this ban.

But we believe that corporations, unions, trade associations, and government contractors are unacceptable as sources of money and resources for federal campaigns. Contributions from these sources create too many potential, ethical problems for both the contributors and the recipients. We believe candidates should guard against such contributions. When illegal contributions are discovered and prosecuted, the names of the candidates who received them should be released to the public. This has not happened in the recent prosecutions.

Mary Zon objects to the equating of unions and corporations because of their wholly different purpose, constituencies, and methods of adopting and administering policies are different.

We recommend corporate and union nonpartisan efforts to encourage employees and members to contribute personal money and time to political campaigns and parties. We encourage corporations and unions to expand these activities. They should be allowed to continue financing them with regular operating funds.

We recommend that current prohibitions against corporate, union, and government contractor contributions to federal campaigns be continued and vigorously enforced. When a corporation, union, association, or contractor is prosecuted for making illegal contributions to federal campaigns the names of candidates who received such contributions should be released to the public.

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We recommend that nonpartisan political solicitation programs financed by corporate and union operating funds be encouraged.

6. A SINGLE RESPONSIBLE CAMPAIGN COMMITTEE

A common way for candidates and their managers to avoid the current limitations on spending and reporting is to establish many committees to finance and organize a single campaign. This procedure usually obscures information about the amount and sources of money spent in their campaigns. We believe that the elimination of contributing and spending limits removes any possible justification for the establishment of multiple financial structures for any congressional election campaign. To simplify disclosure of the sources of funds and use of money being spent in any campaign, only one official campaign committee should be established.

The majority of the task force members believe that if this recommendation is to be effective, individual contributors should make all of their contributions to one committee. Neil Staebler and Charles Barr are concerned that limiting individuals in this manner is impractical and may, in fact, have an adverse effect on broadening the base of campaign givers.

We know that many candidates and managers believe it is useful to organize their campaigns around many specialized committees. We have no intention of interfering with the proliferation of political committees unless this practice is carried out to evade the law and obscure financial data. This recommendation would not stop truly independent committees supporting a candidate from being set up.

We recommend that all candidates for federal office be required to designate one official campaign committee. All subsidiary and specialized committees should be responsible to the official campaign committee which shall file all required income and spending reports for the entire campaign. Individuals should be prohibited from making contributions to more than one committee organized specifically to support the same candidate.

[Excerpts from "Making Congress More Effective"]

THE PRESSURES OF CAMPAIGN FINANCING

The stakes involved in issues before Congress are extremely high, involving tens of billions of dollars in taxes, expenditures, and the impacts of regulatory requirements. Pressures upon Members by lobbyists for every kind of special interest are increasingly severe, gaining strength from swiftly rising costs of Congressional election campaigns. Candidates need heavy financial support, and the resulting temptations are far greater than any that might lead Members or their assistants to use power or influence for direct personal gain.

Congress has recognized that loss of faith in the integrity of government and in the probity of its officials poses grave dangers. It has encouraged establishment of higher standards to minimize conflicts of interest in both the Executive and the Judicial Branches. The Corrupt Practices Act of 1925 and the Legislative Reorganization Act of 1946 sought to eliminate improper campaign funding and require registration by lobbyists although neither measure has had much effect.

In 1068 the House and the Senate each adopted a "Code of Ethics." The Senate Code requires Senators, Senatorial candidates, and key Senate employees to report publicly all contributions and each honorarium of $300 or over. It also requires them to give under seal to the Comptroller General income tax returns, itemization of legal fees over $1,000, and disclosure of all business connections, trusts and properties, major liabilities, and gifts received. These documents may not be opened except by a majority vote of the Senate Ethics Committee.

Under the Code of the House of Representatives, Congressmen and key assistants are required to file two types of annual reports: one public, disclosing major sources of outside income; and one sealed, specifying amounts, which may be examined only upon majority vote of its Ethics Committee. The House Code forbids acceptance of money or services from sources with any interest in official actions and further regulates campaign funding.

There is dissatisfaction with these Codes in both House and Senate because they are incomplete in their reporting requirements and do not provide adequate public disclosure of financial interests involved in legislation. Measures to improve these Codes are under consideration in both chambers, most actively in the House of Representatives. The highest officials of the Executive and Judicial Branches have begun to publish the basic facts about their personal finances; Congress ought not to permit itself to become the last stronghold of secrecy in these matters.

CED's 1968 Statement on National Policy, *Financing a Better Election System*, pointed out the dangers to this democratic society from the rapid escalation of campaign costs and the means being used to fund them. Each year the situation grows more serious. Yet Congress has not acted to assure full disclosure nor to provide strong incentives for campaign gifts through tax credits, as recommended. Consequently, the situation permits lobbies for every kind of special interest to influence public policies and affect the careers of Members.

Lobbies provide information that busy Members would not otherwise have. They inform the public about prospective legislation and may serve as a collective voice for groups of scattered individuals who are otherwise helpless. However, Congress has recognized the need for some degree of regulation of lobbying activities. The Legislative Reorganization Act of 1946 did not limit lobbying except to require registration as a means of identifying pressures on legislators.

In the nearly 25 years that the law has been in force, there has been only one conviction for failure to register. Obviously, the law calls for only a minimal disclosure. Less obviously, the law contains loopholes that permit lobbyists to avoid registration and to mask the actual amount of funds spent and the way in which these funds are channeled. The law as presently administered is unfair to those few organizatons that faithfully report the exact terms of their operations.

There are at least three things that can be done in this sphere to prevent further erosion of public confidence in Congress.

We recommend (a) a thorough reform of campaign finance arrangements, including fuller disclosure and tax incentives to encourage campaign contributions; (b) stronger control and full reporting of all lobbying activities; and (c) establishment of more stringent Congressional "Codes of Ethics," actively enforced.

In order to achieve meaningful reform of our campaign financing the bill must meet a minimum of the following objectives:

First. There must be strong, timely reporting and disclosure provisions along with an independent enforcement mechanism so that voters have a fair opportunity to learn the source of campaign funds and express their preferences accordingly.

Second. Election laws must be fair to challengers as well as incumbents so that our political system may remain open to new ideas and candidates; pro-incumbent legislation would tend to freeze the Republican Party into its current minority status.

Third. Spending limitations must be reasonable, flexible, enforceable, not discriminate against one media or plug just one hole in the spending sieve.

Fourth. Reform legislation must be genuinely in the public interest and not designed with partisan motivations or intentions to politically embarrass the President.

The language contained in the substitute comes much closer to meeting these objectives than the committee bill.

While the language referred to in the substitute is the more preferable bill, there are two areas where I feel it is significantly deficient. The first is the enforcement mechanism, and the second deals with repeal of the equal time regulations of the Federal Communications Commission as they apply to House candidates.

With all due respect to the incumbents of the office of Clerk of the House, and the office of Secretary of the Senate, it is inconceivable to me that an employee is going to be terribly aggressive in enforcing laws against his boss. And that is exactly what you would have under the provisions of either H.R. 11060 or the substitute. We simply must make those persons responsible for enforcement more independent. For that reason, I will support an amendment to the substitute establishing a Registry of Election Finance in the General Accounting Office. The Registry would have the same duties and power as the Independent Election Commission contained in the substitute. It would, however, be governed by a seven-member board, with two members appointed by the Speaker of the House, two by the President pro tempore of the Senate, two by the President, with the Comptroller General serving as the seventh member. The amendment also provides that no Member of Congress or congressional employee may serve on the board and that appointments shall be made on a bipartisan basis.

The second deficiency in the bill deals with repeal of the equal time provisions of the FCC. While I favor repeal of this section, a sudden termination without proper controls could work a serious hardship on House candidates. In those congressional districts served by a handful of broadcasters repeal of the equal time provisions without a corresponding adjustment of the fairness doctrine could confer inordinate political power on a few stationowners. It would be extremely difficult to develop here on the floor, adequate provisions to deal with this problem. Therefore, I will support an amendment to the substitute to delay repeal of the equal time provisions as they relate to House candidates, and to require the FCC to study the question and develop adequate legislation to deal with it.

Mr. FRENZEL. Mr. Chairman, I have no further requests for time, and I yield back the remainder of my time.

Mr. HAYS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Mr. HAYS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker, having resumed the chair (Mr. BOLLING), Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11060) to limit campaign expenditures by or on behalf of candidates for Federal elective office; to provide for more stringent reporting requirements; and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks during general debate on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERSONAL ANNOUNCEMENT

(Mr. PICKLE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, on rollcall No. 405 I am not recorded. I was en route to Washington from a longstanding speaking engagement in another city. If I had been present I would have voted "no" on Rollcall No. 470.

I wish the CONGRESSIONAL RECORD to show that I was in favor of sending the foreign aid bill to committee rather than to conference.

WASHINGTON SUBURBAN TRANSIT COMMISSION RESOLUTION 5-71

(Mr. GUDE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GUDE. Mr. Speaker, in 1966 as a member of the Maryland State Senate representing Montgomery County, Md., I worked with considerable interest and enthusiasm to refine and firm up Maryland's part of an interstate compact with Virginia and the District of Columbia for the creation of the proposed Washington Metropolitan Regional Transit System. I felt then and have continued to believe that through this ratified compact, we had devised a most effective and representative instrument for intergovernmental cooperation.

Today, however, the planned transportation system for which this compact was created is critically threatened because the District of Columbia's financial commitment has not been met. Already Maryland and Virginia jurisdictions have contributed $133 million into Metro, but as of today Congress has continued to withhold $72 million of District of Columbia contributions money which District of Columbia is committed to spend as its share of the regional system and its obligation to that compact.

Mr. Speaker, I commend to my colleagues the following resolution of the Washington Suburban Transit Commission, and I join in its support:

WASHINGTON SUBURBAN TRANSIT COMMISSION RESOLUTION 5-71

Whereas, the viability of a regional rapid rail transit system for the Metropolitan Washington area is heavily dependent upon the ability of the Washington Metropolitan Area Transit Authority (WMATA) to adhere to its "critical path" construction schedule; and

Whereas, the capital contractual obligations of Maryland, Virginia and the District of Columbia to WMATA must be met in a timely fashion; and

Whereas, the Washington Suburban Transit District has, in the past, met its capital obligations due WMATA as required; and

Whereas, the District of Columbia, due to the highway impasse, has failed to meet its contractual obligations to WMATA for Fiscal Years 1971 and 1972; and

Whereas, the highway impasse for which the funds of the District of Columbia are being held "hostage" is not a matter under the WMATA's control, nor the responsibility of all the members to the interstate compact; and

Whereas, solutions to the highway impasse are being sought through the courts; and

Whereas, the Maryland and Virginia participating governments of the interstate compact have faithfully and promptly contributed the shares for which they have contracted; and

Whereas, the lack of action on the part of the Congress of the United States is in effect penalizing the suburban participating jurisdictions to the interstate compact, adding daily to the cost of construction; and

Whereas, the continued delay of Congress in appropriating funds to the District of Columbia threatens to increase the cost of the regional rail system above that which the participating governments can be reasonably expected to assume,

Now, therefore, be it resolved, that the Washington Suburban Transit Commission urges the President of the United States and the Congress to release the funds requested in the District of Columbia appropriations request for Fiscal Years 1971 and 1972, allowing the District of Columbia to meet its contractual obligations to WMATA in order to avoid further delay to the regional project.

USE OF SATELLITES TO DETECT POPPIES

(Mr. FREY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FREY. Mr. Speaker, one of the greatest weaknesses in present narcotic enforcement efforts is the inability to obtain accurate information concerning the amount of and specific location of poppy fields. The International Narcotic Control Board created by the Single Convention on Narcotic Drugs in 1961 has been unable to monitor the illegal cultivation of opium because signatories to the convention have not reported accurately and the Control Board lacks the means to ascertain what the true facts are.

The earth resources technology program—ERTS—which I have spoken of so highly in past remarks on the House floor, may provide the means for effective international control of illegal opium cultivation.

The ERTS program is a satellite system that is aimed eventually at a comprehensive as well as specific survey of the earth's resources. According to NASA officials with whom I have discussed the ERTS program, it should be possible by remote sensing to detect poppy fields. Poppies cannot be concealed from above since they are varicolored when in bloom and must grow in direct sunlight. Thus, they can be detected, providing the growth is not sparse.

Detection of the marihuana plant presents difficulties in that illicit growth is usually found mixed with other growth, especially other grasses and particularly corn. In general, marihuana cannot be separated out from the other growth, but some work is being contemplated on detecting the plant. The separation of the plant may be possible because the male plant becomes senescent before the female, and this fact may give a lead to detection by remote sensing techniques. Thus, there is some hope for detection of marihuana plants, although some refined techniques will have to be found before a remote detecting system is usable.

Cocaine-yielding coca plants cannot be detected by aircraft or satellite, since this plant grows lower to the ground beneath a multistory rain forest canopy.

The first NASA satellite that could be of use in detecting poppy fields is the earth resources technology satellite-A—ERTS-A—to be launched in the spring of 1972. It is believed that fields as small as 10 acres can be detected from ERTS. NASA hopes a proper experiment can be devised to study this problem from the ERTS spacecraft.

NASA earth resources survey program officials have had discussion with the U.S. Department of Justice on remote sensing of drug-producing plants. If the initial experiments verify the feasibility of detecting poppy fields with ERTS, I would strongly urge the President to propose that the International Narcotic Control Board in cooperation with the U.S. Government use the ERTS program for more effective international narcotic enforcement.

NATIONAL BIBLE WEEK

The SPEAKER pro tempore (Mr. KEE). Under a previous order of the House, the gentleman from Alabama (Mr. BUCHANAN) is recognized for 60 minutes.

Mr. BUCHANAN. Mr. Speaker, the week of November 21-28 marks the 31st anniversary of National Bible Week. Founded in 1940 to encourage the reading and study of Holy Scriptures, National Bible Week is celebrated annually during the week of Thanksgiving. This annual observation is sponsored by the Layman's National Bible Committee of New York City, John F. Fisler, executive director, in cooperation with the American Bible Society, the Greek Orthodox Archdiocese Department of the Laity, the Jewish Committee for National Bible Week, and the U.S. Center for the Catholic Bible Apostolate.

This year's national chairman is former Supreme Court Justice Arthur J. Goldberg, serving as chairman of the Governor's committee is Gov. Luis Ferre, of Puerto Rico, with Mayor Louie Welsh,

of Houston, as chairman of the mayor's committee. It has been my privilege to serve as cochairman of the congressional committee along with Senator JOHN A. PASTORE, of Rhode Island, the first year such a committee has been established.

As he did in 1970, President Nixon is serving as honorary chairman and has issued the following statement in commemoration of this year's observance:

National Bible Week once again summons Americans to draw upon the wisdom of a Book that has influenced generations of men and women.

In our own country the hand of every President has rested on the Bible as he has taken the oath of office; and in its pages President, public servants and citizens of all ages have continued to find the principles on which we have built the American way of life.

One of my distinguished predecessors once said that if our democracy is to remain the greatest hope of humanity, it must continue abundantly in the faith of the Bible. The truth of these words is made consistently clear, and chapter after chapter of our history attests to their meaning in our lives.

As we celebrate both Bible Week and Thanksgiving during the next several days, I encourage families across the country to begin reading the Bible regularly, and thus to add a new perspective to each day's activities and gain fresh insights on how better to serve both God and their fellowman.

The theme for National Bible Week this year is "One World, One Book" and it is easy to understand why. The Bible has universal appeal—it offers to the individual of every race, religion, or nationality a guide for living, and answers to the great questions man has always raised about life and death, the purpose and the meaning of man's existence and the nature of the world of which he is a part.

The Bible has been fully translated into more than 200 languages and portions of the Bible can now be read in more than 1,100 languages. It is truly the most international book of all.

Even within such officially atheistic nations as the Soviet Union, there are millions of citizens who read the Bible and receive courage from it, and there are many more who would do so were the Bible available to them.

Not only is it universal in appeal, it is timeless in its wisdom. Through the depth of understanding of the human soul as revealed by the Bible, each of us can more fully understand himself and pursue those actions which will benefit not only himself, but mankind. We can also better understand our fellowman—understanding which is vital if we are to achieve a world of peace and love.

Appropriately enough, three new translations of the Bible published in 1971 focus attention again on God's word as a vital force in today's world. The first of these, The Living Bible, by its very title imparts to readers its purpose of presenting the word in the living language of the present day. The New American Standard Bible seeks successfully to follow the principles used in the American Standard Version published in 1901, and to put the translation of that version in a fluent and readable style. The King James II Version of the Bible attempts to keep the majesty and beauty of the original King James Version while removing from it the Elizabethian English which is sometimes difficult for today's reader.

National Bible Week, with its concentrated emphasis on the Scriptures, provides an opportunity for getting better acquainted not only with the new translations but also with the ever-increasing body of literature about the Bible.

The Bible is as treasured and as relevant today as it has always been. Many of our pioneer ancestors ventured into the wilderness with only three possessions—their rifle, their ax, and the Bible. And of the three, the Bible was by far their greatest personal treasure. It contained the hope, the promise, and the inspiration which gave them the necessary courage to keep going.

One hundred years ago, a group of gentlemen presented a Bible to Abraham Lincoln at the White House. President Lincoln said at that time, and I quote:

In regard to this Book, I have but to say, it is the best gift that God has given to men. All the Good Saviour gave to world was communicated through this Book. But for it we could not know right from wrong. All things most desirable for man's welfare, here and hereafter, are to be found portrayed in it.

The words of the Bible have been a source of solace in the time of war—and a force for enlightenment and progress in time of peace. In this day of crime in the streets and man's inhumanity to man, the words of the Ten Commandments are as meaningful as they were thousands of years ago. "Thou shalt not kill . . . neither shalt thou steal . . . neither shalt thou bear false witness against thy neighbor . . ."

Tragically, few Americans realize the extent to which the Bible has influenced the life of Western civilization. The Bible besides being a virtual library of various types of literature—history, poetry, biography, drama, preaching, and letters—is, in my judgment, a priceless treasury of spiritual truth. From it have come the basic ideas and ideals on which the best of our democratic culture is founded. Every legal system in the world, including our own, has been built upon the foundation of the Ten Commandments. The Judeo-Christian tradition has permeated every part of our society.

Like countless others before me, I have found the Bible to be both inspired and inspiring. It has been my privilege and practice to turn to the Bible for spiritual illumination and instruction. Bible study has allowed me to watch divine deeds which have changed human destiny, to sit at the feet of great prophets, to learn from the insight of dedicated teachers, to find guidance in distinguishing right from wrong, and to come under the compelling influence of God himself. The Bible is not an end in itself but a means to an end. It is the means to an encounter with the living God and serves as a catalyst for such an encounter.

The Bible as the word of God can influence our interpersonal relationships because through its teachings, we come to understand, appreciate, and accept the sacredness, worth, and dignity of the individual. Most importantly, the Bible's spiritual truths enabled us to maintain an abiding hope for the future of man: love will conquer hate; right will triumph over wrong; truth will prevail over falsehood; life will be victorious over death; the God of men and nations will survive any and every false god which man may ever fashion.

The Bible remains man's best handbook for life.

Since Thanksgiving is America's only universally observed nonsectarian religious holiday it provides common ground for man of every race, creed, and color to reaffirm their faith in those fundamental principles and teachings contained in the Bible which can indeed crown our good with brotherhood.

Mr. MAZZOLI. Mr. Speaker, I would like briefly to call attention to the 31st annual observance of National Bible Week, November 21–28.

To me, this is a most special occasion. In homes all across America, citizens of all faiths will be setting time aside to reaffirm their belief in the teachings of the Bibles and sacred writings of their respective religions.

The Bible plays an important role in my home, where it not only is invaluable in lending guidance and instruction to my children, but binds together the entire family in a common shared experience.

The Bible, of course, should be a 52-weeks-a-year source of inspiration, but in today's busy, often hectic, society, it is well that 1 week be specifically set aside each year during which we all remind ourselves that the answers to the many questions that trouble us, reside no further away than in the pages of our family Bibles.

Mr. WARE. Mr. Speaker, I am happy to join my colleagues in their commemoration of National Bible Week, November 21–28. The Bible, containing the sacred writings of Judaism and Christianity, is probably the most influential collection of books in human history. The Bible's role in the development of western culture and in the evolvement of many eastern cultures make acquaintance with its literature and history an indispensable mark of the educated man.

Phrases and sentences have passed into the common speech of many countries, although their origin often is forgotten in the process; thus the saying that "a house divided against itself must fall" is attributed as often to Abraham Lincoln as to the Gospels.

Besides providing hope, encouragment, and comfort for many, the Bible with its beauty and power is a source of inspiration and insight for all.

Mr. DELLENBACK. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Speaker, I thank the gentleman from Alabama for yielding, and I join in the efforts of the gentleman to call the attention of our colleagues and, through his special order today, the attention of those who will read the CONGRESSIONAL RECORD, to what I think is a very worthwhile purpose in setting aside and designating the coming week as National Bible Week. I commend the gentleman for his part in recognizing the importance of the Bible in our daily lives—I commend the gentleman for not only recognizing that importance, but the way in which the gentleman in his actions here in the House of Representatives has carried out those precepts of the Bible.

Mr. DELLENBACK. Mr. Speaker, the Bible has been listed as a best-seller for years, often given as a gift on some special occasion and then, most regretably, given a reverent but quiet burial among impressive looking books on a corner bookshelf. In so doing, however, we are depriving ourselves of the "millions of surprises" which George Herbert said were to be found in the opened Bible.

No matter what one may believe about the divinity of the Bible, it certainly must be viewed as one of the most magnificent pieces of literature ever published. Reaching further back than any history book to the creation of the world, it follows the growth of the nomadic Hebrew people through conquests and failures, through judges and kings, through moral heights and decay and ends with the beginning strugglings of Christianity. The Bible has a host of lessons to teach and it uses both prose and poetry to unfold its story. Countless generations of men have gone to the Bible to learn, for its wisdom is unmatched and its principles have time after time been proven true. But the Bible is far more than a book of biography, of law, of literature, of history, of ethics, of prose, or of poetry.

For those who believe, as I do, that the Bible is the word of a loving God to His children, a sustained reading of the scriptures offers the renewed hope and strength necessary to meet our daily challenges. As Representatives in the U.S. Congress we bear enormous responsibilities, the weight of which can be discouraging or cause useless anxiety. I have found a strong faith in my own life to be the most effective cure for this type of worry. The epitaph of one great American leader, Benjamin Franklin, reads:

The Body of
B. Franklin, Printer,
Like the Cover of an Old Book,
Its Contents torn out,
And stript of its Lettering & Gilding
Lies here, Food for Worms.
But the Work shall not be lost:
For it will, as he believ'd
appear once more
In a new and more elegant Edition
Corrected and Improved
By the Author.

This is the type of faith which I personally need to face and solve the issues confronting us, and I find that faith reinforced by my reading of the Bible.

Perhaps the biggest surprise many would find in opening the Bible today is that there really is a good reason for its being a best seller. Our Government and many of our institutions have been built on the base of the code of ethics established in the Bible, and it is this code which underlies the system of justice in our country today.

The Bible is relevant to our time because it is relevant to all times. Our problems are not new—they are only clothed in new and modern contexts and terminology.

As we observe National Bible Week next week, it would be well for all of us to turn to the Bible and the wisdom found therein and to expose or reexpose our minds to the ideas and concepts to be found there, so that our actions may indeed be judged worthy and meaningful by the ultimate Judge.

Mr. BUCHANAN. Mr. Speaker, I thank the distinguished gentleman from Oregon for his contribution, and for the gracious remarks he has made.

Mr. Speaker, it is my hope that during this Thanksgiving recess, which will coincide with National Bible Week, that the Members of this body will take that opportunity to express for themselves and to their constituents their support for National Bible Week and their understanding of the importance of this basic Book.

Mr. KEITH. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Massachusetts (Mr. KEITH).

Mr. KEITH. Mr. Speaker, representing as I do the first colony in this country, Plymouth, where the first Thanksgiving was celebrated some 350 years ago this coming Thursday, I want to congratulate the gentleman from Alabama on bringing to the attention of the Congress and the people of this Nation this wonderful time of the year when religion and thanksgiving go hand in hand.

I would like to extend the warm hand of fellowship from those of us up in the Plymouth Colony to those here in the Congress, and particularly to the gentleman's constituents in the Deep South. We are having a very extensive celebration there on the night of November 28 where, instead of serving turkey, we are going to serve clams and lobsters, just as the Indians did so many hundreds of years ago.

Mr. BUCHANAN. Mr. Speaker, I thank the distinguished gentleman from Massachusetts (Mr. KEITH). We are thankful for what the people of Plymouth Colony did, and for what the people of his State have done from colonial times forward, to help create and to fulfill the great traditions of our society, both in matters of faith and of freedom.

I thank the gentleman for his contribution.

Mr. FRENZEL. Mr. Speaker, I regret that the House will not be in session during American Bible Week, November 21–28, 1971. I think it would be worthwhile then for this House, to take note of this important designation.

I hope that the Nation will give thoughtful consideration to this 31st annual interfaith observance. Bible Week is more than a 7-day adventure. The designated week is symbolic of a continuing spiritual experience.

In recent years the Bible has begun to be increasingly appreciated for its literary, historic, and dramatic values as well as its spiritual values. While I wish to detract nothing from these other fascinating Bible values, I hope that National Bible Week will give all of us a renewed appreciation for the special spiritual and spiritual values of our Bible and other holy books.

Mr. VEYSEY. Mr. Speaker, I am pleased to join my colleagues in calling for observance of National Bible Week.

At a time when Western man sees his values challenged as never before, the Bible still stands as the greatest source of strength and counsel we have ever had.

The Bible is filled with real people who grapple with real life problems. Their stories and the solutions they find undergird almost all our traditions and institutions. No man can claim to be truly well educated if he has no familiarity with the Bible.

I hope National Bible Week will encourage more people to read this matchless book.

Mr. FOUNTAIN. Mr. Speaker, I want to thank my friend and colleague, the gentleman from Alabama (Mr. BUCHANAN) for getting the time to enable some of us to participate in this observance of National Bible Week.

Thy word is a lamp unto my feet, and a light unto my path.

These words of the Psalmist might well serve as a fitting text for the observance of National Bible Week, November 21–28 of this year. Sponsored by the American Bible Society as an interfaith effort to emphasize the need for a rededication to reading and studying the Bible, National Bible Week strikes a deeply responsive chord in the hearts and minds of all Americans in these difficult days.

Knowledge of the Bible and adherence to its timeless teachings—these are the purposes which Bible Week—and Bible Sunday on November 21—symbolize. The values and ideals which we Americans cherish and honor are to be found in the Bible, which is the source and inspiration for the noblest thoughts and aspirations of humankind. Amid the frenzy, the passion and prejudice, the hate and strife of the day, the Bible sounds a clear and single-minded call:

Seek ye first the Kingdom of God, and His righteousness, and all these things shall be added unto you.

The pages of history powerfully indicate that nations which heed the saving message of God as contained in the Bible are spared the spiritual blight which afflicts those to whom the Bible no longer speaks with authority. Wherever the word of God is proclaimed freely and without fear, men are transformed. So it is with nations.

May this observance of National Bible Week touch the lives—and prayers—of all our people. May we rededicate our lives and in turn this Nation to the basic principles set forth in the Bible, and thus say with Joshua of old:

Choose whom ye will this day, but as for me and my house we will serve the Lord.

A faith thus affirmed might well prove to be the renewing of America and her salvation.

We read in II Timothy:

All scripture is given by inspiration of God, and is profitable for doctrine, for reproof, for correction, for instruction in righteousness.

This is the spirit which ought to mark our keeping of National Bible Week—and every week of the year. And its pur-

pose may be stated in another verse—Luke 24:45:

Then opened he their understanding, that they might understand the Scriptures.

There is no more valuable observance in the whole of the year than that of National Bible Week: may we keep it in our lives as in our homes and places of religious worship.

Mr. WAGGONNER. Mr. Speaker, there used to be an old folksong alluding that the answer to it all is "a Bible on the table and a flag upon the wall."

Although the song goes back a couple of generations, I am not so sure its sage advice is not just as appropriate today—or even more so. When families quit praying together, they quit staying together, and kindred values, such as patriotism, fall by the wayside.

Where papa used to read a passage of Scripture at bedtime and lead the blessing at the table, the Bible's gathering dust in the brocade living room no one dares go into, and papa's eating a TV dinner in the den. Mama's gone to play bridge, and junior's busy sewing stars and stripes on his faded and frazzled jeans. To them all, Adam used to be on "Bonanza," Eve's on "Mothers-in-Law" and Peter? He patrols streets on "Mod Squad" instead of the Pearly Gates.

The answer to it all, of course, is: Back to the Bible. For it was from this all-time bestseller that our Nation got its very foundation that seems to be crumbling under our feet. In saluting Bible Week to be observed next week, I will strive for relevant phrasing in advocating daily devotion to this best handbook for life: It is high time we all got on the go-go for God, backed by the Bible.

Mr. GRIFFIN. Mr. Speaker, it is a pleasure for me to make a few remarks in support of National Bible Week coming November 21 through 28.

National Bible Week is an annual observance founded in 1940 and sponsored by the Laymen's National Bible Committee in cooperation with the American Bible Society, the Greek Orthodox Archdiocese, the Jewish Committee for National Bible Week, and the U.S. Center for the Catholic Bible Apostolate.

Its founding purposes and continuing efforts are directed toward encouraging study and practice of the Bible's great moral lessons. It is observed every year during Thanksgiving week—a most fitting time.

The sponsoring organizations, as a quick glance will show, are but one more indication of the universality of the Bible's teachings. It has been translated totally into over 200 languages and one portion or another is available in more than 1,100 of the world's tongues. It offers every human being, regardless of background, a personal guide for living and for meeting life's great questions of death, afterlife, and purpose here on earth.

I believe it is particularly appropriate for us to join in the observation of National Bible Week. I urge all our colleagues to join us in the reaffirmation of our commitment to the Bible and its great moral teachings.

These great teachings of the Bible comprise the Judeo-Christian tradition on which all Western societies are founded. They permeate our literature, history, biography, drama, poetry, and our legal systems.

In fact, Mr. Speaker, the Ten Commandments of the Judeo-Christian heritage are the very cornerstone and foundation of every legal system in the Western world. From these basic philosophies arose the world's great democracies which, as exemplified by the United States of America, preserve and protect more freedom for more people than any other system at any other time in the history of mankind.

Not only have the Bible's great moral teachings heavily influenced the development of our institutions, Mr. Speaker, but the Bible itself bears witness to that influence each time a President, Supreme Court Justice, Senator or Congressman assumes the mantle of office. Like nearly every courtroom witness, State, county, and local official, we all place our hands on the Holy Bible and swear our allegiance and fidelity before Almighty God in the pursuance of our duties.

I think the observation of this week is most worthy and should effectively remind us who we are, where we have come from, and where we are going. I hope the Nation will pause a minute and contemplate the great influence of the Bible on our history.

Further, I believe that all leaders in government should refer more frequently to the Bible as we conduct the business of the country.

Mr. DE LA GARZA. Mr. Speaker, it is my privilege to join my worthy colleagues in the House of Representatives in support of American Bible Week which was founded as an interfaith effort to encourage the reading and study of the Holy Scripture.

The Bible is the Word of God. It is a record of the unique spiritual experience of a people. It is the most powerful book in the world. It is the most quoted book. It is the best selling book of all time. It has been called the "unread best seller," but this assertion is only partly true. It has been read by countless multitudes of people—young and old, rich and poor, mighty and humble alike.

The Old Testament was evidence of the spiritual experience of the Jews. Religious faith came first. Because of its vitality its expression in literature was the natural outcome.

The Bible is loosely called a book, but actually, it is a library of books. It contains history, laws—the forefathers in many cases of our own system of courts, judges, and higher and lower courts—poetry, biography, stories, letters, revelations.

For the Jewish people the Bible consisted of 24 books as the Old Testament. Some of these books were divided into volumes during the 16th century, making a total of 28 books.

The modern Protestant Bible has 66 books, to which the apocrypha may be added.

The Roman Catholic Bible, which includes apocryphal books, has a total of 73 books.

Regardless of which version of the Bible is claimed by any faith, it has the loftiest moral sentiments, sentiments which have inspired some of our greatest works of art and literature. It is admired, loved and revered. It is praised as a reservoir of infinite wisdom and inspiration. It contains the religious and moral teachings to which even the worst transgressors are at times moved to pay lip service. Yet on important points in the Bible, both religious leaders and the masses of mankind differ.

Sad to say, today, as in generations past, the Bible is at times called unbelievable and unwholesome. It has been disliked, ignored, despised, and ridiculed. It has been used by men and women for low motives as well as high.

I, for one, am therefore happy to join my colleagues in the House of Representatives in an effort to emphasize the vital role of the Bible in all aspects of our lives and encourage its study and its teachings for men of good faith everywhere.

Thank you.

Mr. BROWN of Ohio. Mr. Speaker, the 31st annual interfaith observance of National Bible Week will begin this Sunday, November 21. The Bible, for all Judeo-Christian faiths and societies, has been one of the most widely employed and sustained forces for exploration and peace throughout the history of the world.

From unknown Christian missionaries in Africa and Asia; to the pioneers of American westward expansion; to astronauts reading psalms from deep in space, the Bible, more than any other spiritual or philosophical writing, has provided the spiritual foundation for building our moral and democratic ideals, and for sustaining our humanitarian goals of expanding our knowledge and frontiers to bring all peoples of the world closer together in understanding and progress.

Dr. Albert Schweitzer brought medical aid and education to the people of Africa, while religious spiritualism gave our pioneers the will to continue when all else seemed lost. Today, even in our increasingly secular society, millions of young people are returning, or are finding the strengthful meaningfulness of the Bible. Recently, a majority of the House, even though failing to gain the necessary two-thirds for passage of the prayer amendment, reaffirmed a belief in the need for religious faith in our society.

National Bible Week is a time for all of us to renew our faith in the meaning and teachings of the Bible.

Mr. PRICE of Texas. Mr. Speaker, the annual observance of National Bible Week is in keeping with our most precious American traditions of faith and freedom. "Blessed is the Nation," wrote the Psalmist of old, "whose God is the Lord." From the very beginning, Americans have been a religious people, truly affirming that the God who gave life also gave liberty.

The Declaration of Independence derives life, liberty, and the pursuit of happiness from God's creative act by which men are endowed with these "unalienable" rights, "unalienable" in that they can be neither granted nor revoked by any man or association of men without violation of the divine intent. Behind the language of the Declaration stands a heritage of faith tested in the refiner's fire of war and tribulation, a heritage which gives meaning and direction to our national history, lighting the future with an assured hope.

Central to the religious witness of our Judeo-Christian tradition is the Bible, with its enduring message of eternal life. Untold millions of men and women have found in it the Word of Life. Nations faithful to its principles have triumphed over their enemies. Through the dark and bloody pages of history there runs the golden thread of faith in God, a faith which is able to redeem and to heal.

O send out thy light and thy truth: let them lead me.

Surveys have shown that Americans still worship more regularly than the citizens of any other country, despite the relative ebb in church attendance, and that Americans hold to basic religious beliefs with greater tenacity than do their Western neighbors.[1] There are many reasons for this condition including the voluntary nature of religion in America, which has nutured both freedom and enduring religious loyalties, and the continuing influence of the Bible, freely read and proclaimed, as the fountain and source of all our liberties.

National Bible Week is an especially fitting time for all of us throughout the land to "read, mark, learn, and inwardly digest" the imperishable truths of Scripture, a time for men and women of diverse denominational traditions to recover and reaffirm the things of God which are set forth in both the Old and New Testaments for our souls' health and for the well-being of our beloved Nation.

These are perilous days for America and for the world, days in which the Word of God is perhaps more needed than ever before. May we all, in our churches and synagogues, in our families and homes, find strength and inspiration in prayerful reading of the Bible that, in the word of the great seal of the United States, God may continue to favor our undertaking.[2] In that light, may we see light.

GENERAL LEAVE

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their remarks on the subject of my special order of today, National Bible Week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MUTUAL SAVINGS BANKS PROMOTE RISE IN HOUSING STARTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, before this year is out, the Nation may well see the construction of nearly 2 million new housing units. We still have a tremendously long way to go to catch up with housing needs, but this year's construction figures are encouraging.

Part of this improving trend can be attributed to the contributions of the mutual savings banks in making available the credit necessary for much of this housing. Despite some very severe restrictions on their activities, the savings banks in New York and other States have compiled a really excellent record in helping to put people in decent housing.

Recently, I had the opportunity to address the 78th annual meeting of the Savings Banks Association of New York State and I was greatly impressed by the leadership and dedication of this organization. The savings bank structure exists only in a handful of States, but I think people—who are interested in housing—should take a good look at the record of these savings banks as an example for the entire Nation. They have done their job well.

Mr. Speaker, I place in the RECORD a copy of my speech to this organization:

REMARKS OF CHAIRMAN WRIGHT PATMAN

Thank you very much for inviting me.

This year, I have attended meetings of a number of financial groups in various parts of the Nation. I have been struck by the feeling of change—the acceptance of new approaches—in an industry where status quo has ruled for so long.

This is refreshing—and while there may be vast differences of opinion about the shape of these changes, I think this is a good development for both the financial community and the public. Obviously, there will have to be some basic changes—in both structure and attitudes—if this Nation is going to meet the tremendous challenges and needs which are so apparent for the remainder of this century.

These financial needs—the credit requirements—dwarf anything that has been talked about in the history of this Nation.

We already have a tremendous backlog of needs and with the growing concern about environmental quality, these requirements are certain to skyrocket.

For example, there have been estimates that the Nation will have to spend up to $70 billion in the next five years just to clean up our water supplies. It seems likely that we will need $100 billion of credit annually just to meet basic housing needs. State and local governments have been postponing projects during the extended period of high interest rates and this pent-up demand will soon be spreading out across the credit markets.

All of this will necessitate a new and imaginative approach to banking and financial services. Some of this new approach must encompass a wider distribution of the privileges and responsibilities among the various classes of financial institutions. I question whether the basic credit needs of this Nation can be met so long as the commercial banks are given so little responsibility and so much monopoly.

Despite its advertising campaigns and public relations handouts, the commercial banking industry today largely serves as a conduit of credit for the big business community. There are exceptions—certainly among the smaller commercial banks—but what I am talking about here are the dominant multi-billion dollar institutions which largely control banking in the United States.

These giants do not serve—other than for public relations purposes—the vast housing market. And many of them don't even know what the word "consumer" means. Yet, these big banks continue to retain monopoly privileges over key elements of the financial industry.

To listen to the advertising campaigns of the American Bankers Association, you would think that the commercial banks were suddenly recognizing the great need for housing in the nation.

The newspapers and the television screens are filled with heart-rending stories of the commercial banks' assistance to housing. The public—and the Congress—are supposed to be deluded into believing that the commercial banks are using their monopoly privileges for the public benefit.

The real truth, however, is that the commercial banks are reducing—sharply reducing—their participation in housing. Three years ago, the commercial banks were investing around 8% of their funds in home mortgages. That was 1968—but the figures for 1970 show that the banks are now investing only 2.1% of their loans in home mortgages. So while the public relations campaign soars ever upward, the banks' support for housing plummets.

The same slippage in performance is evident in the consumer credit field. Back in 1968, the banks had 11.1% of their loanable funds in consumer credit. By last year—1970—this figure had dropped to 4.5%.

It is time for the Congress, the Administration, the financial writers, and the general public to realize that the big money center banks do not serve broad public purposes. They do not serve the homebuyers or the consumers—to any large extent. They are pure and simple big business lenders.

Yet, we have a national policy which gives these big commercial banks special privileges—monopoly control over many banking functions—and a long list of subsidies. The theory behind all of this favored treatment is that these big commercial banks are serving a broad public purpose. It just isn't so.

Meanwhile, the thrift institutions—the mutual savings banks and the savings and loan associations and the credit unions—are placed in a second-class category, their powers greatly restricted. Without the mutual savings banks and the savings and loan associations, our housing efforts would have come to almost a total halt. In my opinion, there is nothing more important to the future of this nation than providing decent homes at reasonable rates—at reasonable costs—to America's 50 million families.

I look with disfavor on banking laws and regulations which hamstring institutions whose prime lending function is in the housing field. I look with disfavor on banking laws and regulations—and monetary policy—which consistently place the whims of big business ahead of homebuyers and consumers.

The present policies have given us a housing industry which is being constantly buffeted by sharply shifting boom or bust cycles.

We need to develop a rational housing policy which will allow us to meet specific goals. The 1968 Housing Act called for the annual construction and rehabilitation of at least 2.6 million housing units each year. So far, we have not come close to meeting this figure. This year, we may see almost two million new homes built—the best figures since 1950—but it is far short of the real needs. We have fallen into a sad situation when the Government brags about its ability to meet only ¾ of a national goal.

More importantly, this year's increase in housing construction—and accompanying rosy statements—do not take into account the extremely low level of construction over the past few years. In 1969, the nation produced only 1,467,000 units and, in 1970, only 1,434,000 units.

So, not only do the projections for 1971 fail to meet the current goal, but they do nothing to make up for the tremendous gaps which were created in 1969 and 1970. The biggest need is a source of funds—a source

[1] Gallup Poll, December, 1968.

[2] Annuit Coeptis: He (God) has favored our undertaking.

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of funds at reasonable interest rates and large enough to sustain long-range construction requirements. We must find the means to insulate the housing market from the ups and downs of monetary policy. Housing has always borne an unfair share of the burden of fighting inflation. Tight money and high interest rates have always hit the housing industry first and the hardest.

Obviously, a number of remedies must be adopted to correct this problem. One of the remedies must be a more dynamic approach in the thrift institution area. The mutual savings banks—and the savings and loan associations—must be given a freer hand in meeting these growing needs for housing credit.

The large banks have abandoned the housing field. They are no longer entitled to their monopoly control over checking accounts and they no longer deserve a protected consumer credit market.

The mutual savings banks—for example—are putting 75% of their assets into housing. The commercial banks are putting 2.1% in this same field. Certainly, such a record says that the mutual savings banks deserve at least an equal break with the big commercial banks.

Good public policy—policy in keeping with the national housing goals—seems to dictate that we give the mutual savings banks a broader role in the economy.

First, I am firmly convinced that all financial institutions—mutual savings banks, savings and loan associations, and credit unions and commercial banks—should have the right to provide their customers with checking account services.

The customer should not be required to go to one institution to deposit savings and to another for checking account privileges needed to pay for monthly bills. The commercial banks today have almost $250 billion in checking accounts—demand deposits—and this represents about 50% of their total deposits. Naturally, they don't want to share this with anyone. And they might be able to get away with this attitude—and with this outlandish monopoly—if they had made any kind of showing of assistance to such areas as housing. But the cold hard figures show that the banks have given the public very, very little in return for this lucrative privilege.

Checking account services would enable thrift institutions to attract many savers who now deal solely with commercial banks simply because of the convenience. This would mean that more funds would be available for housing. This would be particularly helpful—in my opinion—during periods of tight money—during times when savings banks have a difficult time maintaining an inflow of savings.

Now is the time for the Congress to end this commercial bank monopoly over checking accounts—a special privilege which must go down as one of the most absurd monopolies ever granted by the elected representatives of the people.

Secondly, the mutual savings banks—along with the savings and loan associations—should be allowed to move fully into the consumer credit field. This would serve a number of public purposes.

Paramount among these is the fact that these new services would give the public a chance to escape the fast buck loan sharks. It would be a great benefit to the young families—and the low income people—who are saddled too often with unfair and usurious charges on small loans. Many young families starting out are hit with fantastic interest charges on furniture, appliances and automobiles. Many get behind the financial eight-ball early in life and never do recover.

By giving Federally-insured savings and loan associations and mutual savings banks the right to make a full range of consumer loans, we could put an end to much of this sordid loan-sharking.

Of course, the right to make consumer credit available would give the mutual savings banks another chance to attract more savings—savings which would eventually find their way into more housing loans.

Like the checking account services, consumer credit would enable your banks to attract and keep customers. This would give the mutual savings banks a real chance to bring in the young savers—the young families so desperately in need of consumer credit at reasonable rates.

Thirdly, the Federal Government—and its various agencies—must make better use of their deposits of public funds. The Treasury Department maintains Tax and Loan Accounts which range between $6 billion and $10 billion in various commercial banks. In addition, Federal agenices maintain substantial deposits around the nation. All of these deposits represent a lucrative subsidy to the commerical banks.

With the vast needs facing this nation, these funds should be put to work. The Treasury Department should use some imagination in moving these funds around to the institutions willing to make loans with a broad social purpose. Institutions which are willing to help in financing low and moderate income housing should receive priority when the Treasury Department selects the depositories.

If the Administration is not willing to do this voluntarily, the Congress should consider legislation which would specifically provide for deposits of public monies in financial institutions which make a certain percentage of loans for housing and similar purposes. There should be specific administrative or legislative steps taken to assure that mutual savings banks and savings and loan associations share fully in these public deposits.

There has also been talk of adding flexibility to the insurance on deposits—as another means of attracting deposits to the smaller financial institutions and to the institutions which are meeting necessary social functions. At the present time, deposits are covered up to $20,000 by the Federal Deposit Insurance Corporation regardless of the size or the functions of the particular banking institution. The same is true for the savings and loan associations which are insured through the F.S.L.I.C.

Consideration might be given to raising these limits to $40,000—or possibly higher—for the smaller banks and for those financial institutions which invest a high percentage of their funds in housing and similar projects. Admittedly, this plan has not been thoroughly investigated but I raise it here today as a possible means of obtaining additional equity among financial institutions.

The larger commercial banks—the money center institutions—are obviously less in need of these devices to attract deposits. As the studies of the Banking and Currency Committee have plainly shown, the big banks are solidly interlocked—through directorships and loan relationships—with the huge corporations. These interlocking arrangements give these banking giants easy access to deposits by the biggest of the big corporations across the land. By raising the level of deposit insurance for the other institutions, we might be able to bring a minor degree of equality in what is now a very unequal situation.

In fact, one of the basic problems of our financial community today is the heavy concentration of assets in a handful of money center banks. Less than one per cent—or 100 banks—control 45% of the commercial bank deposits in the United States.

Under these conditions, it is obvious that the big banks aren't going to be hurt if steps are taken to equalize benefits among the smaller banks, the savings banks, and savings and loan institutions. There is plenty of room—and plenty of need—for all of these types of financial institutions.

The savings bank concept has been highly successful. You can prove a long record of achievement. You can prove that you have lived up to the state charters granted over the years. With this record, it is regrettable that savings banks are isolated in only a handful of states.

The Federal Government—despite some strong efforts in the past—has never extended formal legal recognition to the savings banks The Federal Government has chartering machinery for savings and loan asociations, credit unions, and commercial banks; but, it has not extended the chartering mechanism to your industry.

The idea of Federal charters for mutual savings banks has been kicking around the Congress for a long time, but it has never been successfully pushed through to enactment. In 1966, your industry came close—very close—to gaining the right to Federal charters. As you will recall, the Banking and Currency Committee—after long hearings—finally got the Federal chartering bill reported. But the bill died in the House Rules Committee.

That failure in 1968 pointed up the need for greater public understanding of the record of savings banks and their potential for meeting basic credit needs. The savings bank industry needs to explain more fully to the public and the Congress what it has done for housing over the years and what it might be able to do if the Federal Government was willing to extend its formal recognition to this industry.

Undoubtedly, there are going to be some changes in the Federal Government's approach to financial institutions Many issues are going to be raised when the President's Commission on Financial Structure and Regulation makes its formal report in December. As these changes are considered, it seems very likely that the question of Federal charters for mutual savings banks will once again obtain serious consideration in the Congress.

It is no secret to this audience that I have raised questions about the Commission on Financial Structure and Regulation. I have been concerned about the fact that the membership of this Commission is so heavily loaded with people from the industries it is assigned to study. The situation seems to be worsened by the fact that some of the principal regulatory agencies—which the Commission was supposed to look at—are actually providing the funds for its operation. Over all, I do not look with favor on Presidential Commissions being used to supplant legislative functions or to serve as extra-legal lobbying arms for special interests.

Nevertheless, I know that there are many among the mutual savings banks who are very hopeful about the upcoming report of this Commission. It is difficult at this point to know what, if any, influence the report will have on Congressional actions in the financial field.

Many of these considerations are being over-shadowed by the efforts to stabilize the economy, to end inflation, and to put the jobless back to work. The Banking and Currency Committee has been wrestling with this problem and very soon we will have a legislative package on the Floor of the House encompassing the President's Phase II program.

The entire success of this plan is dependent on the Congress and the Administration working out a program which is clearly equitable for everyone. Any hints of favoritism will rapidly erode public confidence and destroy the whole wage-price effort.

That is why I have been so anxious—and so insistent—that the Administration bring all elements of the economy under the new stabilization program. The Administration seems willing to apply controls on wages, prices, salaries and rents, but it is hesitant when anyone talks about extending these authorities—in a meaningful way—to interest rates, dividends and profits.

The Administration is making a very serious mistake in treating these areas as specialized segments to be singled out for a kid glove approach. Despite all of the propaganda—and the economic rationalizations—the favoritism does not escape the people whose wages and salaries are frozen.

Now is the time to apply interest rate controls. They are needed now to help control the high interest rates on consumer lending. They are also needed as a bulwark to withstand the heavy pressures that are certain to appear in 1972. The Federal Government will be going into the market to finance record deficits; state and local governments will be heavy borrowers; and the business community must have the loan funds to fuel the expansion so badly needed in the economy.

In fact, if the Administration's economic program—centered around the investment tax credit—has any validity at all, then we are going to see a heavy loan demand in 1972.

Under the timid approaches which have been outlined by this Administration, it appears that no interest rate controls would be applied until interest rates had reached record levels again—if then. Obviously, it is easier to apply the controls now than it will be after the demands build up and the political pressures rise in 1972.

In my opinion, the financial community has been one of the big losers in the Administration's failure to apply controls equally across the economy. The public resents the favored treatment that has been accorded lenders under the new economic program, and if this continues, it may well affect future legislative efforts for all segments of the industry. My mail has reflected this public resentment, and this attitude will grow as the wage-price program bites harder into the economy.

It is my hope that the Administration will see the folly of its ways and take definite steps to put real equity into the wage-price program.

This has been a wonderful trip down here and I have enjoyed the opportunity to meet and talk with so many people in the mutual savings bank field. I appreciate this opportunity.

Thank you.

THE MISSED VOTE SYNDROME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SKUBITZ) is recognized for 5 minutes.

Mr. SKUBITZ. Mr. Speaker, what I have to say is not very earth shaking but I suspect that many of my colleagues must experience the same frustration.

In short, how does a Member meet his obligations in his home district and still avoid missing an occasional vote on this floor? Mind you, I am not talking about presidential candidates, actual and potential.

I am talking about a Kansas Congressman whose friends 3 months ago arranged a little $10-a-plate fundraising dinner—none of those $50 or $100 or $500 affairs where I come from, Mr. Speaker—and who suggested to those friends that a Monday would be most suitable. After all, Mondays are consent calendar and suspension of rules days. Only bills are scheduled that are so noncontroversial they pass by unanimous consent or easily obtain a two-thirds vote.

Well, what happens? Last Monday while in Pittsburg, Kans., attending the dinner and allowing my friends and neighbors who have known me most of my life to admire me and praise me—an unusual and happy event for a Member of this body, let me assure you—this House "does me in" by having six record votes. Of course, the votes were lopsided: 350 to 5 on the cancer bill; 344 to 0 on the Interpol bill; 300 to 49 on continuing copyright protection; 350 to 0 and 351 to 0 on two veterans bills; and finally a tax treatment measure rejected by 203 to 148.

But what do you suppose a clever and cunning opponent could do with those six missed votes? Well, first he is going to do some fast arithmetic and compute my percentage of missed votes. He is going to trumpet to all and sundry the dark secret that SKUBITZ has missed perhaps 5 percent or 10 percent of the votes—a miserable record indeed. Next he is going to point out, by way of example, that SKUBITZ did not vote for that important cancer bill. That is designed to make SKUBITZ look like he is all for cancer.

Of course there will be a deep silence about the fact that SKUBITZ is a member of the committee that handled the bill and reported it to the floor. There will be silence that missing a vote is not the same as voting against. There will be the deepest silence of all that only five votes were cast against the cancer bill.

Now seriously, Mr. Speaker, I am really not very disturbed about what my still unknown opponent may say or do about me and my record next November. I do believe, however, that this business of rollcalls on bills, where there is no controversy, is time consuming and defeats the real purpose of the rule. So far as I am concerned it is for the birds—particularly when a Member is engaged in that most important duty of all—fundraising for his campaign which deserves more than nominal attention.

COMPREHENSIVE CORRECTIONS MANPOWER AND VOCATIONAL SERVICES ACT OF 1971

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BELL) is recognized for 30 minutes.

Mr. BELL. Mr. Speaker, the need for penal reform has long been recognized and much discussed, but only desultory attempts have been made to achieve any significant change. The recent tragedies at Attica and San Quentin represent the culmination of the anger, frustration, and futility felt by those imprisoned in what have proved to be merely custodial instead of correctional institutions.

Rather than further lament these tragic occurrences, we must now act quickly and decisively to effect a massive reformation of these institutions—to make them truly rehabilitational rather than additionally detrimental to those individuals detained in them.

The bill I am introducing today, the Comprehensive Corrections Manpower and Vocational Services Act of 1971, is designed to accelerate this long-recognized goal. The measure presents a tangible, workable plan to equip prisoners with marketable skills so that they may return to society and lead dignified, meaningful lives. This is the only way crime and recidivism will be reduced.

The bill's objective is to increase the potential for full rehabilitation and reintegration into the community of criminal and youth offenders. The high rate of recidivism that currently exists clearly indicates that we are not even approximating that goal. Over 60 percent of all felonies are committed by repeaters, and two-thirds of the 200,000 inmates of Federal and State prisons are "alumni" of other prisons.

Other statistics in the 1970 national jail census published by the Law Enforcement Assistance Administration are equally staggering: Of the Nation's 4,037 jails, 89 percent lacked educational facilities; 86 percent had no facilities for exercise or recreation; 49 percent lacked medical facilities; 26 percent were without visiting facilities; and 1.4 percent had no toilets.

With conditions such as these, it is not surprising that the unemployment rate for released Federal prisoners was 17 percent in 1964 according to a study by the Department of Labor—three times the U.S. rate that year.

The philosophy that has guided our correctional system has been both contradictory and self-defeating. Society cannot have vengeance at the same time it wants offenders reformed. While the present system keeps society secure for a time while the offender is incarcerated, it clearly is not doing enough to prevent him from returning to criminal activities once he is released.

The provisions of my bill are straightforward and self-explanatory. I should like to point out, however, the main emphases on comprehensiveness, coordination and technical assistance.

The concepts of coordination and comprehensiveness are closely interrelated. The latter includes programs of vocational training, on-the-job training, counseling, testing, work evaluation and adjustment, job placement, and followup services. The bill also calls for purchase of equipment for the relevant vocational training programs and the hiring of qualified faculty to conduct the programs. It calls, as well, for occupational training for some ex-offenders to use their own experience and expertise to serve either during or after release from correctional institutions in such roles as paraprofessional corrections personnel, probation officers, parole officers, and narcotic treatment counselors. Employment of this type would serve a dual purpose: first, it would insure especially meaningful employment for ex-offenders; second, it would reduce the distrust that, unfortunately, frequently exists between prisoners and the authority figures with whom they come in contact, thereby enhancing communication and increasing the effectiveness of these functions.

Coordination includes negotiating with Government, business, and service organizations to provide training for inmates in skills for which there is a demand in

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the community in which the released prisoner will work. Another important aspect of coordination is the active cooperation of all appropriate groups in the community such as private and public business, labor organizations, civic action groups, and institutions of State and local government, to implement the work training and placement program.

Technical assistance would be provided by the Department of Labor Division of Corrections Manpower and Vocational Training Services which the bill establishes within the Department of Labor.

Under the provisions of the bill, the Secretary of Labor is authorized to make a limited number of grants to or contracts with not more than eight States to establish comprehensive model programs provided that the States follow the guidelines set forth by the comprehensive State board which the Governor would appoint from representatives of State, local, and private bodies appropriately related to the manpower needs of criminal and youth offenders. These representatives will include, but not be limited to, members of the State executive office, local governments, the corrections system, vocational training and employment services, the LEAA State planning agency, private industry, labor organizations, the chamber of commerce, and other pertinent civic and private groups.

In applying for a grant or contract under this act, the State plan must include such projects as pretrial services, coordinated with the court system of the community, including screening, evaluation, and counseling, which may result in offering alternatives to incarceration through screening, job training, placement, and close supervision. This provision of the measure would greatly improve the prospects for the some 160,000 persons in jail in 1970 who had not yet been convicted.

Another important requirement for the State plan proposals is the inclusion of motivational and incentive training and counseling, including assurances of an effort to urge appropriate officials to require that a given sentence for a crime be handed down under the condition that an inmate enroll in a training program, pass the requisite tests, and otherwise successfully complete the course of comprehensive occupational training.

The funding I have suggested for this program—$75,000,000 for the fiscal year ending June 30, 1972; $100,000,000 and $125,000,000 for the 2 succeeding fiscal years—is not exorbitant when one considers the fact that crime has been estimated to cost the Nation between $50 and $100 billion a year.

In addition to the economic advantages of rehabilitation and reintegration of prisoners into the community, a program such as the one I am proposing would restore self-confidence and dignity to these individuals by preparing them for productive employment and assuring them placement in decent jobs.

Society has an obligation to assist these persons who, for the most part, experienced disadvantaged childhoods and did not have the opportunity to benefit from the foresighted enrichment and vocational training programs available to the underprivileged segments of our population today.

I urge a careful reading of the text of the bill which follows; it is not long, and it is not unduly complicated. I believe it offers an eminently practical step toward resolving one of the most urgent issues of our time. It is not feasible, as a noted criminologist has suggested, to leave the mammoth penitentiaries we have as memorials to our failure to deal intelligently with the whole prison dilemma.

If there can be a single most important lesson to be learned from the tragedy at Attica, it is the need to deal effectively, innovatively, and quickly with this monumental problem. The bill follows:

H.R. 11887

A bill to assist State and local criminal systems in increasing the potential for full rehabilitation, and reintegration into the community, of criminal and youth offenders, and in preventing criminal recidivism by providing for the development of comprehensive, innovative, and coordinated community-oriented programs to provide such offenders with sufficient occupational skills, attitudes, and services to gain meaningful employment after release

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Comprehensive Corrections Manpower and Vocational Services Act of 1971".

MISCELLANEOUS PROVISION

SEC. 2. Effective on the date of enactment of this Act, section 251 of the Manpower Development and Training Act of 1962, as amended (42 U.S.C. 2610b), is repealed.

FINDINGS AND PURPOSES

SEC. 3. The Congress finds as follows:

(1) It should be the objective of correctional institutions to increase the potential for full rehabilitation and reintegration into the community of criminal and youth offenders and thereby reduce criminal recidivism.

(2) Successful rehabilitation and reintegration into the community is directly related to employment success.

(3) Satisfying work experiences and the assurance of decent jobs for released offenders should be at the heart of the rehabilitation process.

(4) Present occupational training programs in the Nation's correctional system are grossly inadequate to provide training and job placement for released criminal offenders and the upgrading of their skills and self-confidence for a successful return to a crime-free life in society.

(5) The correctional institutions of the United States on the local and State level and the criminal and youth offenders who inhabit such institutions would benefit from the establishment of comprehensive State model programs to implement the latest knowledge of rehabilitation techniques.

(6) Some ex-offendera could be given occupational training so that they can use their own experience and expertise to serve either during or after release from correctional institutions as paraprofessional corrections personnel, probation officers, parole officers, narcotics treatment counselors, and in similar roles.

(7) A comprehensive approach to such education and training must include active cooperation from all appropriate groups in the community such as private and public businesses, labor organizations, civic action groups, as well as institutions of state and local governments, and other public and private agencies, individuals, and organizations.

(8) Federal efforts to develop rehabilitation programs in State and local correctional institutions should be effectively coordinated among appropriate Federal, State, and local agencies and institutions so that resources will be most effectively utilized and the rehabilitation and resocialization of criminal and youth offenders will proceed most effectively.

(9) Imprisonment results for most individuals in disadvantages in gaining employment after release from a correctional institution; therefore criminal offenders should be regarded as disadvantaged persons whom vocational training and manpower programs should serve.

(10) Our correctional system should be responsible for assuring that every person leaving a correctional facility is prepared for and assisted in placement in productive employment.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. There are authorized to be appropriated $75,000,000 for the fiscal year ending June 30, 1972, $100,000,000 for the fiscal year ending June 30, 1973, and $125,000,000 for the fiscal year ending June 30, 1974, for the purpose of carrying out this Act. Some appropriated pursuant to this section shall remain available until expended.

APPORTIONMENT OF APPROPRIATIONS

SEC. 5. The Secretary of Labor (hereinafter referred to in this Act as the "Secretary") is authorized to make a limited number of contracts or grants, not to exceed 8, with a limited number of States or combinations of States, for the purposes of this Act. Such contracts or grants shall be separate and distinct from planning grants authorized under section 6 of this Act.

DIVISION OF CORRECTIONS MANPOWER AND VOCATIONAL TRAINING SERVICES

SEC. 6. (a) There is hereby created in the Department of Labor a Division of Corrections Manpower and Vocational Training Services which shall be under the direction of an Administrator, to be known as the Administrator of the Division of Corrections Manpower and Vocational Training Services (in this Act referred to as the "Administrator"). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate.

(b) The Secretary may, subject to the provisions of title 5 of the United States Code governing appointments in the competitive service, appoint such employees as he deems adequate to carry out his functions and duties under this Act, including the provision of adequate technical assistance to States receiving grants or contracts under this Act, and shall fix their compensation in accordance with the provisions of such title relating to classification and General Schedule pay rates.

STATE PLANS

SEC. 7 (a) The Secretary is authorized to make grants to a limited number of States (or combination of States) for the purpose of planning comprehensive State model programs consistent with the purposes of this Act. In making such grants, the Secretary shall—

(1) insure that appropriate and adequate technical assistance is made available to the States in formulating such comprehensive State model plans;

(2) insure that guidelines are established to require the State to designate a single, comprehensive State board which shall be appointed by the chief executive of the State from among persons representative of State, local, and private bodies appropriately related to the manpower needs of criminal and youth offenders including, but not limited to, representatives of the office of the chief executive of State and local governments, the corrections system, vocational training services, employment services, the Law Enforcement Assistance Administration State Planning Agency, private industry, labor organizations, the Chamber of Commerce, appropriate civic groups, and other appropriate public and private organizations engaged in activities related to the purposes of this Act;

(3) insure that the comprehensive State board involved in the formulation of a plan pursuant to this part will make arrangements to supply and utilize appropriate supporting services which are available;

(4) require that the plan include a prospectus concerning the appropriately related activities of other social agencies which, when inadequate, prevent manpower services from being effective; the prospectus shall include a concise explanation of legal, health, housing, counseling, educational, and other services as they relate to manpower problems from juvenile to adult and from arrest to release;

(5) make planning grants to a limited number of States or groups of States, not to exceed eight such grants in the first • • • twelve months beginning after the date of the enactment of this Act;

(8) insure that individuals or organizations funded for the purpose of providing technical assistance to State agencies possess adequate orientation and training in the field of correctional rehabilitation;

(7) insure that detailed guidelines establishing standards and procedures for the provision of technical assistance are established;

(8) appoint a technical advisory committee to provide advice on matters of general policy relating to the rehabilitation of persons intended to be benefited by this Act, and such committee shall meet with representatives of the other agencies described in this Act to facilitate coordination of technical advice of the appropriate Federal agencies;

(9) set forth policies and procedures designed to insure that Federal funds made available pursuant to this Act will be used so as not to supplant State or local funds, but to supplement and, to the extent practicable, increase the amounts of such funds that would, in the absence of such Federal funds, be made available for the improvement of State and local correctional systems.

STATE PLANS AND PROGRAMS

SEC. 8. Any State desiring a grant or contract under this Act shall submit a State plan setting forth an innovative, comprehensive, coordinated State model program for furnishing manpower services to criminal and youth offenders. Such plan shall include but not be limited to projects providing for—

(1) Pretrial services, to be coordinated with the court system of the community, and to include screening, evaluation, counseling, and other services to individuals after arrest; experimental programs offering alternatives to incarceration through intervention with screening, job training, placement, and close supervision; and services to inmates of detention facilities while they are awaiting trial or sentencing;

(2) Institutional training services, including vocational education and training, on-the-job training, job placement counseling, testing, work evaluation and adjustment, incentive and motivational training, cooperative programs with pre-existing vocational institutions, training of inmates to serve as corrections personnel and community service workers, and other services consistent with the purposes of this Act, except—

(A) at least some element of the institutional training shall be community-based unless State law prohibits such a program; and

(B) adequate technical assistance shall be furnished by the Secretary in coordination with other appropriate Federal agencies;

(3) Prevocational basic and secondary educational services;

(4) Provisions to coordinate and insure that training carried out under the provisions of this Act will be relevant to the job needs of the community or area in which a trainee lives or intends to live, including—

(A) provisions such as contracts with private, profitmaking organizations, to determine the demand in a community or area in which a trainee lives, or intends to live, for persons with particular occupational skills or vocational training;

(B) provisions for an approved course of training in a particular occupational area for which a demand has been determined to exist;

(C) motivational and incentive training and counseling, including assurances of an effort to urge appropriate officials to require that a given sentence for a crime be under the condition that an inmate enroll in a training program, pass the requisite tests, and otherwise successfully complete the course of comprehensive occupational training;

(D) if possible, develop programs with private industries and labor organizations in the community;

(5) Pre-release services, including a substantial amount of involvement by ex-inmates as counselors;

(6) Job placement, to be coordinated with existing public and private employment services and with private industries and labor organizations;

(7) Follow-up services, including counseling, cooperative programs with appropriate private industries and labor organizations, and evaluation provisions;

(8) Research and demonstration programs and innovative pilot programs, as provided in section 9.

INNOVATIVE RESEARCH AND DEMONSTRATION PROGRAMS

SEC. 9. In making contracts or grants under this Act, the Secretary shall require provisions for innovative research and demonstration programs of training and education for persons in correctional institutions who are in need thereof. Such projects may include, but are not limited to—

(1) pre-trial services;

(2) services including the use of educational television and other visual aids for persons confined to detention facilities before they have been sentenced for any crime;

(3) programs in coordination with other public agencies;

(4) prison industries and factories;

(5) training and employment programs in coordination with private industries or labor organizations;

(6) training of inmates to be probation and parole officers, paraprofessional aides to probation and parole officers, narcotics treatment counselors, or paraprofessionals within the correctional system;

(7) the use of technological facilities such as educational television to provide access to services which would not otherwise be available to the correctional institutions involved;

(8) other appropriate innovative programs consistent with the purposes of this Act.

NOTICE

SEC. 10. Whenever the Secretary, after reasonable notice and opportunity for a hearing to the State comprehensive board administering a plan approved under the provisions of this Act, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of this Act; or

(2) in the administration of the plan there is a failure to comply substantially with any such provision, the Secretary shall notify the State board that the State will not be regarded as eligible to participate in the program under this Act until he is satisfied that there is no longer any such failure to comply.

REPORTS

SEC. 11. The Secretary shall make annual reports to the President, the Congress, the Secretary of Health, Education, and Welfare, the Administrator of the Law Enforcement Assistance Administration, and the Administrator of the Bureau of Prisons concerning the administration and operation of programs authorized by this Act. Such report shall include an evaluation of the efforts undertaken to coordinate all aspects of the program with appropriate Federal, State, and local agencies. A comprehensive report shall be submitted not later than June 30 of each year following the date of enactment of this Act.

COORDINATION

SEC. 12. (a) In making contracts or grants under this Act, the Secretary shall operate in cooperation with the Secretary of Health, Education, and Welfare and the Administrator of the Law Enforcement Assistance Administration, shall designate a council comprising equal numbers of representatives to meet no less than once every month to discuss methods by which cooperation and coordination of programs and other efforts in the area within the purposes of this Act might be increased and improved. Such council shall be known as the "Intergovernmental Coordination Council for Correctional Rehabilitation Services".

(b) The Secretary is authorized to appoint such special or technical advisory personnel as he deems appropriate to advise the council referred to in subsection (a) on matters of general policy related to the programs undertaken pursuant to this Act.

EVALUATION

SEC. 13. (a) The Secretary shall provide for evaluations that describe and measure the impact of programs, their effectiveness in achieving goals as defined in the purposes of this Act, the impact of those goals on related programs, and the effectiveness of the coordination among the appropriate Federal agencies and among the appropriate State and local agencies and groups.

(b) The Secretary shall require the State comprehensive agencies to provide independent evaluations.

(c) Federal agencies administering programs related to this Act shall—

(1) cooperate with the Secretary in the discharge of his responsibility to plan and conduct evaluations of related programs as he deems appropriate, to the fullest extent permitted by other applicable law; and

(2) provide the Secretary with such statistical data, program reports, and other materials as they presently collect and compile on program operations, beneficiaries, and effectiveness.

(d) In carrying out evaluations under this Act, the Secretary shall, whenever possible, arrange to obtain the opinions of program participants about the strengths and weaknesses of the programs.

(e) The Secretary shall publish the results of evaluative research and evaluations of program impact and effectiveness no later than sixty days after its completion.

(f) The Secretary shall take necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

DR. RALPH W. LOEW TO RECEIVE NATIONAL BROTHERHOOD CITATION AWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, Dr. Ralph W. Loew, pastor of Holy Trinity Lutheran Church in Buffalo, will receive the Na-

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tional Brotherhood Citation Award for distinguished service to the community of Buffalo and Western New York at the 1971 National Brotherhood Citation banquet sponsored annually by the Buffalo area chapter of the National Conference of Christians and Jews. It is my high privilege and honor to serve on the banquet committee to help recognize the great work of Dr. Loew.

Harlan J. Swift, president of the Erie County Savings Bank and a former recipient of this national honor in 1961, will serve as banquet chairman. In making the announcement he said:

Certainly no citizen of Buffalo is more deserving of this National tribute, for his is a record of selfless service to his fellowman which far exceeds a pure professional responsibility and has earned for him, both total community respect and admiration, as well as national and international recognition.

Dr. Ralph W. Loew was born and grew up in Columbus, Ohio, where he received his A.B. degree from Capital University. He did graduate work at Ohio State University and received his bachelor of divinity from the Hamma School of Theology in Springfield, Ohio.

Before his arrival in Buffalo in 1944 as pastor of Holy Trinity Lutheran Church, he served two previous pastorates in Millersburg, Ohio, and Washton, D.C.

He has risen to preeminence in the civic as well as religious life of Buffalo. As a minister, he has served locally as president of the Ministerial Association, the Council of Churches of Buffalo and Erie County and the Lutheran Coordinated Ministry of Buffalo.

Nationally, as well as internataionally, he has served the United Lutheran Church of America for two terms as president of their board of foreign missions, followed by two terms on the executive council. He now presides as president for their board of world missions to which he was first elected in 1966. In 1947 he attended as delegate to the Lutheran World Federation in Sweden and again in 1963 the International Convention in Helsinki.

He has spoken throughout the world: at Berchtesgaden, Germany, in 1956; in Malaysia, Hong Kong, and Japan in 1959 and 1960; as a British-American exchange preacher in England and Scotland during 1966; and in 1968 at church conferences in India. Besides authorship of several books published by the Muhlenberg Press and Prentice-Hall, Dr. Ralph W. Loew is the author of a weekly column entitled "From My Window" appearing in the Buffalo Courier-Express since 1952. From 1960 to 1967 he authored a nationally syndicated column entitled "Finding the Way." In 1957 Life magazine selected his sermon, "The Eternity of a Little While," as one of six notable Easter sermons.

In the civic life of Buffalo Dr. Loew has performed outstanding service and leadership across all racial, religious, and ethnic lines: In 1968 he acted as central coordinator for Project Good Neighbor, a most successful open-occupancy housing drive to arouse citizens commitment to basic human justice throughout the city of Buffalo and surrounding areas.

He is a member of the boards of directors of Deaconess Hospital, the Buffalo Council of World Affairs, the Community Action Organization of Buffalo and Erie County which he also served for one term as president, the Niagara Frontier Housing Development Corp., and the Empire State Housing Foundation of New York. He is a long time member of the executive board of NCCJ and for the Buffalo chapter of the American Red Cross, he presently serves as president of their board of directors and chairman of their youth program.

He received the NCCJ Brotherhood Week Citation in 1962. He served as brotherhood chairman for the NCCJ Buffalo chapter during the full year of 1970. He was recipient of the 1966 "Man of the Year" award presented by the Greater Buffalo Advertising Club. In 1969 he was singled out for honor by the Buffalo Chamber of Commerce publication, Profile, and in 1971 was presented with the 125th anniversary award for distinguished community services presented by the State University College at Buffalo.

Mr. Speaker, despite urban problems, this Buffalo congregation of Holy Trinity remains strong and confident. One reason is its pastor, Ralph Loew. At the conclusion of my remarks I will insert an article from the April 7, 1971, issue of the Lutheran which points out that Dr. Loew's church ties a city together. Also I wil linclude Dr. Loew's sermon of May 9, 1971, which he preached after 27 years at Holy Trinity and 40 years in the ministry.

The articles follow:

HOLY TRINITY TIES A CITY TOGETHER

(By Carl T. Uehling)

September 2, 1945. V–J Day. In churches throughout America people gave their thanks for the end of the war.

Holy Trinity Lutheran Church in Buffalo, New York, had a half dozen services through the day and into the night. Finally the people stopped coming, and five of the congregation's laymen gathered in the study with the exhausted pastor, Dr. Ralph W. Loew.

"Ralph," one of the men said, "you've told us that we have another margin of time in which to do something for a world of peace. Now let's do something."

Between them, that night, those men cabled $1,200 to Lutheran pastor Martin Niemoller in Germany. "You've given us hope," they wrote with the gift. "Use this to bring hope." Another $1,200 went to the United Lutheran Church's Board of Foreign Missions. "Give us a missionary," they said, "in Japan."

And, they agreed that from then on their church would have a 50/50 budget, half for themselves, and half for others.

"That was the beginning," Loew remembers. "All the many projects this church has sponsored stemmed from there. If we hadn't had laymen with that kind of imagination, we couldn't have done it."

At the time he had been the pastor for only a year, the fourth since its founding in the 1880's. But he was as confident as the others about Holy Trinity and its role in the world. The strength of the church, back then, was in large central city congregations like Holy Trinity.

With peace came prosperity, housing developments, shopping centers, suburban churches, neighborhood changes, "different" people. Big urban congregations wrote letters of transfer by the fistful. Strong churches weakened. Many died.

Holy Trinity didn't die. Ralph Loew is still the pastor. And people are as confident about their church and its role as they were a quarter-century ago.

Loew is one of the reasons. A short, unfailingly pleasant man, he has an artist's sensitivity but a psychologist's temperament. As president of the LCA's Board of World Missions and chairman of numerous community committees, he is often a presiding officer. Inevitably he is a reconciler, finding the good in everybody and bringing the pieces back together.

In 27 years he's had opportunities galore for other positions. All were politely declined. Just once he accepted a call and prepared to leave. Buffalo was plunged into mourning, and his congregation promptly called him back when he hinted that his mind might be changing.

Next year the Greater Buffalo Advertising Club voted him Buffalo's "Man of the Year."

If Buffalo loves Ralph Loew, Ralph Loew loves Buffalo. His affection shines through his talk about baptisms and confirmations and weddings and funerals. Everyone is his friend . . . priests, rabbis, politicans, reporters, lawyers, doctors, university presidents.

Everyone. Not just establishment. He pointedly avoids membership in civic clubs with discriminatory practices. His friends in community action groups cannot doubt his sincerity because of such affiliations. And in Lent there are congregational suppers before mid-week services, and Loew leads his people to neighborhood restaurants so that their owners and the church folks can get acquainted.

The other reason why Holy Trinity didn't die is that it had a habit of giving itself away. In the 1890's the congregation would spin off a hundred members a year, give them a $3,000 treasury, and tell them to start a new church. The custom survives in a $50,000 revolving loan fund for new missions.

That wasn't exactly selfless, of course. Lutherans were taking care of Lutherans as cities expanded. By now the flow has reversed in many places, and the helped are sending funds to what's left of the helpers.

But Holy Trinity is still the helping church, and in new ways that go beyond the old priority of Lutherans helping Lutherans. A $2 million apartment house for senior citizens is being constructed on land given by the congregation for the purpose. An experimental community school uses Holy Trinity's facilities, as does a pastoral counselling center and the Buffalo Lutheran Coordinated Ministry. Adjacent to the church is a student center housed in another of the congregation's buildings. Roman Catholics and Lutherans share in that ministry.

A boyish-looking priest, Father John Chandler, showed me the third floor chapel where he conducts Sunday night mass each week. He is on the staff of a nearby church, but spends much of his time with students. Several hundred come into the converted residence each day, since their business college a block away doesn't have a student center.

Chandler worked with a former Holy Trinity associate pastor (J. David Mumford, now pastor of Zion, Niagara Falls) to develop a program "which didn't thing of students in terms of denominations, but only as students."

The coordinator of the Lutheran Coordinated Ministry (LCM), Pastor John E. Christ, Jr., has been filling in for the student work vacancy. He told me about LCM, an agency involving eight congregations which got its start from a three-year grant by Holy Trinity.

One of the projects of LCM involved a church which merged with another, then made its property available to LCM so that it, in turn, could give it to a community group.

"According to one study," John Christ said, "Buffalo, now 20 percent black, will be 46 percent black in 10 years. How will that affect Lutherans? Giving that property means

that we're locked into the destinies of the black community, no longer strangers."

Through LCM, and through programs of its own, Holy Trinity is helping people to help themselves. A young suburban housewife, Mrs. Maryann Brock, told me of her interest in the congregation's Social Ministry Committee, which led to active involvement in an inner city teen center. "But," she said, "now the inner city people are running the center themselves."

Helping others also seems to be the theme of the congregation's music program. John Becker is Holy Trinity's full-time director of music, an imaginative and enthusiastic man who oversees Bach festivals, folk masses, summer music programs, and children's groups "that aren't performance-oriented."

"Music is one of the ways out," he declared. "The performing arts are a way of drawing people together . . . and when you can do that, you learn to work together."

As he laid aside his stethoscope, Dr. Kenneth H. Eckhert leaned back in his chair in his office and talked about what Holy Trinity meant to him, a life-long member. It's a living church," he said, "living with the community, continuously changing as the community changes, seeking to exert its influence as a Christian institution."

"Do other Lutherans resent Holy Trinity's influence?" I wondered.

"Well," he thought, "maybe some are jealous. But I don't think anyone is shooting at us, and they look to us for leadership."

That leadership is unique. It makes Holy Trinity a kind of cathedral, and American Lutherans tend not to have cathedrals. When Buffalo people think of Lutherans, they think of Holy Trinity.

When they think of Lutheran clergymen, they think of Ralph Loew.

Irving Levick, a Jewish business and community leader, said that Loew was a representative not only of the church but also of the city. I asked if there had been any tension, since it's often feared that clergymen get involved only to promote the interests of their institutions.

"Ralph," he answered, "sits on the hospital board with me and swallows a lot of extraneous remarks which are just plain stupid. He can smooth over most any kind of situation. There wouldn't be any tensions he couldn't defuse. He's a very level-headed man, and he knows how to handle people."

I sat in on a committee meeting chaired by Loew . . . a special committee set up by the University of Buffalo after a series of violent episodes on campus spilled over into the school's neighborhood. Present were students, faculty, community leaders, city officials. All knew Loew, and he knew everyone. The meeting proceeded smoothly, to the apparent satisfaction of those present. He does know how to handle people.

Not all of the members of the congregation are committed to community involvement, of course. "Some people," Loew said, "dismiss things as Ralph's whims. They tolerate me. Some are absolutely opposed, for example, to open housing. Yet I headed Project Good Neighbor. Not that I needed to preach about it constantly. They knew where I was.

"A smaller church might have been split wide open by this kind of witness. But I've got a wider pulpit than just Sunday mornings. Radio and television, my newspaper column, various community activities. The people who come on Sundays for guidance and comfort can have it, since we have these other opportunities."

Loew likes the diversity of Holy Trinity. "So many churches are discouraging to their people because they don't have the resources to serve."

Holy Trinity has the resources. The endowment fund, earmarked for benevolent purposes only, has grown from $45,000 to a whopping $800,000. Active membership, in an elderly section of the city with convenient suburban churches in every direction, is still almost 1,300.

And opportunities. Some 20 artists are members and each month a different one exhibits his work in the church. Full-scaled dramas are directed by a Catholic nun from a nearby college. A hundred deacons each assume shepherding responsibilities for eight families in the congregation. And a retired men's club has a solemn project . . . to housesit when families are attending funerals. Buffalo has a rash of robberies at such times.

Holy Trinity, according to William Folger, religion editor for the Buffalo *Courier-Express*, "more than any other (church) cuts across the community with alertness and adaptation to change, because neither the congregation nor the pastor is interested only in self-preservation."

"But will the church survive Ralph Loew?" I asked.

"Of course," Folger answered. "It goes beyond the personality of a single man. Loew certainly has stimulated its growth, but he has found wide support from his people."

I told Maryann Brock in her quiet suburban home that it was exactly 10 miles by my car's speedometer from Holy Trinity to her house.

"Really?" she answered. "It doesn't seem that far."

Modern expressways make a difference, of course. The bigger difference is that Holy Trinity has helped tie all of Buffalo and its surroundings together.

THE FAMILY: THE RENEWAL OF HOPE

(By Ralph W. Loew)

From time to time Paul in his letters to the churches of Asia Minor would include such a sentence as this: "Greetings to the church which meets in your house." This was the time when the Christian congregations did not have either the privilege or the burden of such buildings as this one. They met as a little group of people to have a meal together, to share with one another and to know one another. They celebrated the sacrament of the Lord's Supper and they read from letters which had been received from Paul and from others.

And all of this was in the beginning of the Christian community and there was something very wonderful and warming about it, something which we need to recover for all of this coming together in neat rows and assembling ourselves with great dignities and pieties in our times has for itself certain merit but it lacks in the fact that we who have gathered here do not know one another and gathered in this place this morning there must be those whose hearts are heavy with loneliness and who are simply unknown. Some place, some where the church must meet in the house where we can recover for one another this sense of the warm and the personal. But now see the other side of it.

In a vignette taken from a Gospel of Matthew, the 12th chapter where the people had come to a house and there in that place a friend came to Jesus and said, "Your mother and your brothers and your sisters are outside", and Jesus answered, "who is my mother, who are my brothers?" Then he pointed to his disciples and said, "Look, here are my mother and my brothers for the person who does what my father in heaven wants him to do, that person is my mother and my brothers and my sisters." So he takes them out of the house, as it were, and reaches out to the whole of the world.

Now it is in this context that I want to think with you about what has been going on in this building for all of these many, many years and in the fellowship which we call the church and in this sense an understanding of the family which is still our hope for renewal in society today. It is, as a matter of fact, our strongest possibility to keep the integrity and the meaning of that which we call our civilization for we haven't come easily to an understanding of what we can mean as families in the world. Think back for instance to the days of those ancient forefathers of ours who dwelt in caves, a lonely little company of a father and mother and children and over in another cave another such group and in another cave another such group.

There were only a few hours of the day in which they could really hunt and scavange for food and supply their few needs. They were afraid of the dark. No one knew what was just out there beyond the place where they were able to move and to go and so in this dark, forbidding, unfriendly atmosphere they must live and then they discovered fire. They discovered that they could warm themselves, they could cook their meat, they could have light which could assault the darkness and give them a chance to go out and with that discovery they began to work together and then out of their organization they came upon a tremendous idea.

A whole group of the younger fathers gathered together and said out beyond there must be more food than what we can find here at hand, so we will take the fire with us and we will move out into the dark, we will leave the older men here to guard our wives and our children, and we will go for several days and bring food home to our families. And so they started and that's how traveling salesmen were born.

If you want to see the modern counterpart of it go out to the airport tonight. You will see them all leaving . . . fathers, business men, headed out to find food someplace out there and there will be wives and children greeting them on Friday night welcoming them home. And over this long distance, you see, we have come with the same patterns trying to keep something of familyhood, understanding, a relationship between people and human beings alive. And it's astonishing that we should think that with all of the assaults made upon the tradition of the family we could still put some hope in the renewal of the family in our own time. Yet that's precisely what is happening.

Look at what is going on among so many of a younger generation who would be done with the traditional forms of our family and who leave like the prodigal to go out and make their own way, to do what. To establish communes, to establish new settlements of people, to gather together with disciplines and restraints and constraints, living a life which shocks many of the rest of us of our generation, but trying to express the same principles in their own way and in their own time, and once again another development of the family. Now in the midst of all of this, the family becomes the place where the church can meet and the church becomes the place where the family can find strength and it is in this duality that I call your attention to at least two attitudes which I hope you will develop in your own thinking and way of expression this week and as you deal with one another in your own family situations.

For, says Jesus, "whoever does my will is my brother". Think of that . . . Whoever does my will is my brother . . . and suddenly we are aware of a relationship that's not only with each other but with Christ. That is, here is something of the eternity that we believe is a part of this word of God which has come into the passing situations which we call our family relationships or our community situation in which we live. And life always gets done in terms of that person to person relationship, brother to brother.

Almost every Saturday I sit with young people and others who are coming for counseling and young people wanting to get married and I always ask them, how did you meet, because everybody meets in an un-

usual and interesting way and its fascinating to know how did they get together, why do they think now they want to get married, and you hear a fascinating panoply of stories of people telling you of how someone introduced someone to someone and this interchange of relationships that now brings them to the place where they want to be married . . . they want to establish a home and a family. Or, how did I get to be a minister or how did you get to do what you are doing? Why are you here in Buffalo and why are you doing what you are doing? And you find this chain of influence from person to person to person.

Suddenly we will be telling each other of the magnificent professors, some great man who in his own way was teaching, was influencing and now looking back across the years you say, Ah, he was the person who opened the window and helped me to see something I could not have seen of my own and this becomes our family. Now this is the larger sense of the family and anyone of us here this morning who goes about saying I don't have any family any more is simply missing the possibility of living. For, said Jesus, "Whoever does my will is my family . . . that's my brother."

Now would you like to know about my family? Oh, I can tell you I've got dozens of cousins. I haven't seen most of them for forty years and that's not my family. You are my family. My family is the relationship of the people with whom I work and live, with whom I can have ambitions, restraints, disciplines, hopes, dreams. This becomes the family relationship and all the rest of them who will get mention some day in the obituary are simply there because there was a family tie but now we are caught in another relationship.

This is your family and when we begin to talk about these family relationships we can look and think of the people, the teacher with the pupil, the nurse with the patient, the doctor with the person who is ill, the lawyer with the individual who is in trouble and trying to find his way through, the craftsman who needs something to be made. This week those of us who gathered back here at this rapidly developing building found ourselves talking with bricklayers, with construction people, with the so-called "hard hats" of our time, and person after person coming because we shared a meal together saying what a warm and wonderful situation this is.

We were a family and all of us somehow blending what we could together in a new kind of a relationship. Now step along with this and you come to the other side of it. My father doesn't understand me . . . my parents don't approve of the way I live . . . I don't know what they are talking about . . . they say things but they really don't live it out. These are the things I have heard during the past few weeks and you see this is the other side of it as people try to depart from one form of life and one way of thinking and move out into some other expression.

All of this is simply to say that everyone of us has the opportunity to live in a family relationship and those who, as the scriptures have told us this day, keep their ears open and their eyes open and their sensitivities alert, are aware that they can live in the large relationships of life. That's why it is tragic when families or groups or associations of people try to limit themselves and keep people whom they don't see fitting into their immediate social situation out of their relationship.

The family needs us, all of us. That's what Tenzing who wrote that fine story called "Tiger of the Snows" said. He was a sherpa, a guide, a mountaineer and an unusually articulate one. He went up to the top of Everest with men and as he thought about what he had experienced he said, "As I came to the summit I could think of all those people that were gathered down there in the valley. They would like to have been with me and they made it possible for me to climb to the summit, yet they did not come. Many of them wanted to go further but they treated their work as a job and so they turned back. But as for me, I wanted to go higher, higher on the mountain, and when I am on Everest I can think of nothing else. I want to go farther and farther because it is a dream and a need and a fever in my blood, and this we must have if we are to climb a mountain."

Yes, and we have to have it if you are going to live on Main Street, to know that there can be this larger family and family relationship. Now test it. There are three tests for any good family and they grow right out of these words of scripture. One is the test that comes to those who understand what it is to give encouragement. How do you test any family? It ought to be that kind of relationship where those who come near to it find the encouragement of a widespread interest.

St. Paul had trouble with his family; that is, his family of friends. You remember there was John Mark who got homesick on the first missionary journey and began to think about his mother and decided he would go home and left Paul at the first port of call and went home. Paul couldn't forgive this kind of turning back and so refused to take him along on the second journey, but there was Barnabas and Barnabas took John Mark, took him to the Isle of Cyprus and there they worked for seventeen years. You got a book in your New Testament called John Mark, the Gospel of Mark. We don't know for sure that it was this Mark that wrote it but probably so. Nonetheless, what do you suppose would have happened to John Mark if Barnabas had not been there.

What would have happened to this homesick boy as he made his mistakes and turned back if there had not been someone who could give encouragement, concern and share with him and bring him to the place where ultimately Paul could say at the end of his life, bring to me my cloak, bring to me my manuscripts and bring to me John Mark. Every church has got to have some Barnabases about it. Every neighborhood must have some Barnabases about it and every civilization must have some Barnabases about it and this church ought to be producing the kind of Barnabas who can move around in the society about us with these youngsters who are walking our streets today and keep alive the encouragement that they belong to the family.

The church is in the house and the house must know the church. And so there must be the ministry of challenge. That's the second test for a family, the kind of a family where they get more than their meals and cleanliness and the ordinary routines . . . all of that is a part of it . . . but the real family that encourages ia that family where the various members of the family are living to their best, willing to speak, willing to take their chances, willing to be the kinds of persons who move beyond and who in their own quiet way have set the pace.

Now if I were to go around the pews of this church this morning and ask you about your parents or the persons that influenced you, you'd tell me that story for the real parent has not been that person who tied a child to an apron string but who set the environment for responsible freedom and it has been a quality which we have to restore over and over again if the family is to be the renewal of hope and only when the family of the church is willing to be that kind of a family, to take all risks, make our mistakes, but to speak into today, situation, living today will be able to keep something of the integrity of faith which Jesus brought to those people about him when he said, "Whoever does my will is my brother and my sister and my mother."

And the third test, and is your family such a family, the third test is a ministry of hope, to take the most hopeless and despairing of situations and put a future tense to it and make it possible for someone who was ready to give up to take fresh courage to have a new door opened and to find for one's self that glorious moment when an ancient tradition is spun out afresh and anew and there is a new day possible.

There's a word that is getting much overused in our time but it is a great word called "charisma". It comes from an old Greek word charis which means grace. A person of charisma is one who has got a subtle kind of influence. Some politicians have it and some people don't have it. Some preachers have it and some don't, some persons have it and some don't. It's not something that you can put down one, two, three or four, but either you develop it or have it or you don't, but charisma has a point. Charisma is saying simply that if the Christian community is to have charisma, it is going to have to be that kind and quality of a family through which that grace of encouragement and goodness is known, where we can be seen and known and understood that those who draw close can find what Lord Moulton once said was the greatness of people for he said it is in the number of its citizens who yield obedience to the unenforceable laws.

The family is still the place where hope is renewed. It met once in a home. Greetings to the church that meets in your house, and it got out of that house into the highways of the world. Whoever does my will is my mother and my father, my sisters and my brothers. To that family we are called in order to renew encouragement in such a time as this.

VICA: PREPARING FOR LEADERSHIP IN THE WORLD OF WORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 15 minutes.

Mr. MILLER of Ohio. Mr. Speaker, for nearly 2 years now I have endeavored each day to bring to the attention of my colleagues in the House a noteworthy item which underscores the greatness of this Nation. Under the heading of "Take Pride in America" we have attempted to accentuate the positive rather than the negative side of our Nation and it is in keeping with the objectives of "Take Pride" that I publicly sight an organization which is representative of not only of America's conscientious youth, but also the millions of hard working citizens who have labored diligently to put America in first place and to keep her there.

"Take Pride" calls for a renewal of faith and confidence in both ourselves and our Nation. And it is, indeed, with a great deal of pride that I salute today the Vocational Industrial Clubs of America—VICA—and its representatives who are this week visiting Washington to attend their annual National Leadership Training Conference. VICA is a national organization for boys and girls enrolled in vocational industrial education programs.

Approximately 100 young people from every State along with club and State VICA officials have spent this week discussing the goals of their fine organization and in general, the future of vocational education. The State youth representatives are all high school age young men and women. Ohio is fortunate to

have two outstanding young officers attending the national conference this week. Mark Jago, a senior in machine trades at Morgan city high school in McConnelsville, Ohio, is the new State president of VICA and Anette Space, from Painesville, a senior enrolled in cosmetology training at Lake County joint vocational school. Anette is a national officer in the club. I would also like to recognize the State VICA advisor, Mr. Charles Dygert, for his leadership in making this worthwhile organization responsive to the need of our young people.

In addition to taking a great deal of pride in the contributions VICA has made, I think it is important to bring to the attention of the Congress the VICA Creed:

I believe in the American way of life.
I believe in education.
I believe in fair play.
I believe that satisfaction is achieved by good work.
I believe in high moral and spiritual standards.
I believe in the dignity of work.

Let me add one additional personal observation—I believe these are the factors making America great.

According to VICA members with whom I spoke, the organization could attract as many as 1 million members by 1975.

VICA emphasizes trade, industrial and technical education and is designed to help vocational students become productive, mature members of society.

VICA's programs are an outgrowth of its goals, established by the youth who founded VICA in 1965. Central to all of these programs is the total development of the individual.

The National Program of Work, outlined by a youth committee meeting at the constitutional convention at which VICA was founded, is the basis for all VICA activities. It is stressed that every club member know what the National Program of Work is and, then, that he and his fellow members work toward the fulfillment of these goals.

The students attending the First National Conference for Trade and Industrial Youth, May 5, 6, and 7, 1965, in Nashville, Tenn., felt an urgent need to establish goals for the Vocational Industrial Clubs of America to guide all State associations and local clubs and set the pace of VICA nationwide. A student committee was assigned the task of developing a national program of work to give all members common objectives.

The committee discussed the needs of today's industrial education, but soon found that it must not only look at State and national problems but also must view today's problems from a universal vantage point in order to determine the role that VICA must play.

The proposal prepared by the committee and presented to the delegate assembly was approved unanimously on its first reading. In presenting this proposal, the youth committee expressed its feeling that: "The Vocational Industrial Clubs of America surely cannot expect to solve all the problems of the world; but the youth of VICA, if we will concert our efforts, can contribute significantly to the betterment of not only ourselves but also mankind."

At this point, Mr. Speaker, I insert the VICA Pledge and two articles from the Morgan County Herald, McConnelsville, relating to the recent meeting of the Southeast, Ohio Region of VICA.

THE VICA PLEDGE

Upon My Honor, I Pledge

To prepare myself by diligent study and ardent practice to become a worker whose services will be recognized as honorable by my employer and fellow workers.

To base my expectations of reward upon the solid foundation of service.

To honor and respect my vocation in such a way as to bring repute to myself.

And Further, to spare no effort in upholding the ideals of the Vocational Industrial Clubs of America.

[From the Morgan County (Ohio) Herald, Nov. 3, 1971]

Mark Jago, senior in machine trades at Morgan High School, was elected president of the Southeast Region of the Vocational Industrial Clubs of America. He also becomes Ohio VICA president.

The honor came Saturday when Morgan High hosted the Southeast Region Fall Convention. The region is made up of some 23 counties and is one of four in the state.

Also winning were Patti Worthington, who was elected regional treasurer, and Carla Mayle, who was second runnerup in the VICA Queen contest. She will be competing on the state level for the honor of Ohio VICA Queen.

Mark is the son of Mr. and Mrs. Richard Jago of Route 1, Malta. He is president of the Morgan VICA Club. Other activities include Student Congress. M-Club, track and basketball.

Mark will be flying to Washington, D.C. to take part in the National and State Officers Leadership Conference November 15–18. From November 19–21 he will attend the State and Regional Officer Leadership Development Conference at Camp Muskingum.

Patti, a junior in cosmetology, is the daughter of Mrs. Fred Worthington of Chesterhill. She is a member of the Chesterhill United Methodist Church, MYF, Art Club, Study Club, VICA where she is sergeant-at-arms in the Cosmetology Club, and the Morgan Raider Band.

Carla, a senior in cosmetology, is the daughter of Mr. and Mrs. Neil Mayle of Route 2, Stockport. She is a cheerleader, member of VICA, NYC and her hobbies are softball, dancing and cheerleading .

Other Morgan students who ran for office were Roger Norris, who ran for sergeant-at-arms, and Dave Copeland, who ran for vice president.

Some 260 students, delegates, supervisors and advisors were registered for the convention, which saw many campaign skits, speeches and demonstrations.

There were 29 candidates running for office and 43 delegates present for voting. Schools represented were Morgan, Lancaster Vocational, Marietta Senior, Eastland Joint Vocational School, Paul C. Hayes Tech, Hilliards, Meigs, Muskingum Tech, Tri-County Vocational, Heath Vocational, Westland and Walnut Ridge. Also present was Charles B. Dygert, VICA state advisor.

Rodney Starling is the Morgan High VICA advisor this year. Howard Parsons is supervisor of the Trades and Industrial Education Department.

VICA (Vocational Industrial Clubs of America) is a national organization for boys and girls enrolled in vocational industrial education programs.

It presently has a potential of more than one and three-quarter million members. With the emphasis now on trade, industrial and technical education it is predicted that VICA could have one million members by 1975.

The goal of VICA is to help students with interests in the trade, industrial, technical or health fields become happy, mature and productive citizens.

The 1971–72 southeast Ohio region VICA officers are Sharon Evans, Eastland Joint Vocational Center at Groveport, reporter; Patti Worthington, Morgan County High School, treasurer; Mark Jago, Morgan County High School, president; Vic Lucus, Lancaster Vocational, vice president; Connie LeVeck, Lancaster Vocational, parliamentarian; Duane Stroude, Paul Hayes Technical School at Grove City, sergeant at arms; Saadia Saylers, Eastland Joint Vocational School, secretary.

[From the Morgan County Herald, Nov. 3, 1971]

ROUND ABOUT MORGAN COUNTY

(By Don Keller)

Put 29 candidates, their campaign chairmen and supporters, delegates and spectators—more than 260 persons—into an assembly room and you'll have the makings of an exciting convention election.

Such was the case Saturday at Morgan High School, which hosted the Southeast Regional Convention of the Vocational Industrial Clubs of America, more often known as VICA.

Every hall, nook and corner and the entire Little Theatre were covered with campaign posters. Campaign workers were busy drumming up support for their favorite candidates; in fact, it looked like the Republican and Democrat National Conventions both going on at the same time in the same place.

Some 12 schools in the Southeast Region were represented at the all-day convention. Highlights of the meeting included the election of new officers—complete with speeches, skits and demonstrations—and the selection of the Southeast Region VICA Queen.

Morgan, running on a "hillbilly" platform, came out with the new regional and state VICA president, regional treasurer and second runnerup in the queen contest, which involved 11 girls.

Morgan High School's own Mark Jago was elected Southeast Region President, who, this term, will also be Ohio VICA President.

And Morgan's Patti Worthington was elected Southeast Region Treasurer.

And Morgan's Carla Mayle copped second runnerup spot in the queen contest. She will be competing for the honor of Ohio VICA Queen.

Congratulations Mark, Patti and Carla. You have brought honor to Morgan High and have made all of us in Morgan County proud of you and your school.

TRUTH IN THE CONGRESSIONAL RECORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ERLENBORN) is recognized for 30 minutes.

Mr. ERLENBORN. Mr. Speaker, in recent years, Congress has seen fit to enact truth in lending, truth in advertising, and other laws designed to tell things like they are; designed to prevent possible misrepresentation of a loan, a product, or a service. It seems to me the Congress would do well to remedy the misrepresentation it imposes on the public and upon legislative history by the manner in which it permits the CONGRESSIONAL RECORD to be printed.

"Permission to revise and extend" is a necessary freedom granted to Members of Congress, and I am not for a moment

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suggesting that we cast it aside. In speaking spontaneously, we, as humans, err in our sentence structure, in our grammar, and even in our presentation of facts. Perhaps we fail to speak audibly, and a reporter misinterprets what we have said. It is important, for all these reasons and more, that we have an opportunity to correct these human mistakes.

During the consideration by this body of the Legislative Reorganization Act of 1970, our colleague from Wisconsin (Mr. STEIGER) offered an amendment to require that a special type be used in printing in the CONGRESSIONAL RECORD those remarks that were not actually made on the floor. In this way, he argued, anyone reading the RECORD could readily differentiate between what was actually said on the House floor and what was added later. His amendment was rejected.

Those who opposed the Steiger amendment probably did so, not because they want to deceive anyone, but rather perhaps because they did not understand what was intended. The intent was merely to prevent any possible misunderstanding or misconstruction by the readers of the RECORD. I believe it is a laudable intent, and one that Congress should approve.

We should not ask more of lenders, advertisers, or anyone else than we are willing to ask of ourselves.

Long a supporter of the Steiger amendment, a series of events over recent weeks has convinced me that we should undo our action of a year ago and enact the Steiger amendment. With it in effect, no one will labor under illusions about what was said, misunderstandings will be prevented, we and the public will be better for it, and legislative history will be less clouded.

The events I refer to relate to the substitute bill I offered, and which the House adopted, to the equal employment opportunity enforcement bill. To put them in perspective, it will be helpful to consider them chronologically.

On March 25, 1971, together with several of my Republican colleagues on the Education and Labor Committee, I introduced, H.R. 6760, a proposal to further promote equal employment opportunities for American workers. None of its provisions is pertinent to the purpose of this discussion save one, that which would make title VII of the Civil Rights Act of 1964 the exclusive Federal remedy for discrimination in employment charges. Title VII is entitled the "Equal Employment Opportunity Act," and it prohibits discrimination in employment based upon race, creed, religion, national origin, and sex.

On June 2, 1971, having considered and rejected all of the provisions of H.R. 6760, including the one which would make title VII the exclusive Federal remedy for employment discrimination cases, the Education and Labor Committee ordered reported a similarly described bill, H.R. 1746. The gentlelady from Oregon (Mrs. GREEN), and I both serve on this committee and participated in the markup of H.R. 1746.

On June 17, 1971, our colleague on the committee (Mr. MAZZOLI) and I introduced H.R. 9247, a revised version of H.R. 6760. The revised version contained the provision under discussion. A month later, on July 16, we sent to each of our colleagues in the House a letter explaining H.R. 9247.

Attached to it was a comparison of the present law, H.R. 9247, and H.R. 1746. These same materials were printed in the CONGRESSIONAL RECORD of July 21. A similar letter of explanation was also sent September 13 to each Member of Congress, including again a discussion of the provision which would make title VII the exclusive Federal remedy for persons alleging discriminatory job practices.

The House on September 16 adopted H.R. 9247 in its entirety as a substitute to H.R. 1746 as reported by the Education and Labor Committee.

Immediately after House adoption of the Erlenborn-Mazzoli proposal, the gentlewoman from Oregon requested that Under Secretary of Labor Silberman furnish her with an opinion as to the effect of the exclusive remedy provision of the bill upon the Equal Pay Act. With a copy to me, Mr. Silberman responded September 28 to Mrs. GREEN's inquiry by forwarding an opinion provided by Alfred G. Albert, Acting Solicitor of Labor, which stated:

> At the time the Erlenborn amendment was first proposed, we did not believe it had any effect at all on the Equal Pay Act . . . Mr. Erlenborn's explanation of his amendment certainly shows that he was not thinking in terms of nullifying the Equal Pay Act . . . The many statements made with respect to the Equal Pay Act during the course of the debates in the House on the passage of the Erlenborn Amendment, especially those made by Congresswoman Green, cast considerable doubt on our initial construction of the Amendment since they are now part of its legislative history.

On September 29, during committee markup on H.R. 7248, amendments to the Higher Education Act, Mrs. GREEN submitted the Silberman letter and its enclosure for the record. In doing so, she commented—on the record—that I had not responded to her question during the debate on H.R. 1746 as to the effect of my amendment upon the Equal Pay Act. My reply to her was:

> It occurs to me that what this letter is saying is not that the Equal Pay Act has been repealed or that it was my intention to so-repeal it, but the actions of the gentlewoman from Oregon have cast doubt on the construction. What makes it doubly difficult is that . . . those comments that cast this doubt were not committed on the Floor but were added when the gentlewoman revised and extended her remarks. The first time I recall her raising the question was after the amendment passed. It was not, therefore, possible to even debate the question on the Floor.

The gentlewoman did not respond. She did, however, on October 12, during the House debate on the so-called Equal Rights Amendment, again imply that I had ignored the question she presumably raised on the House floor September 16; and, in fact, referring to her charge that the amendment repealed the Equal Pay Act, she stated:

> Never once was it refuted by Mr. Erlenborn or anyone else.

On November 4, while the House was debating H.R. 7248, and specifically during the debate on title X, I again offered the gentlelady the opportunity to deny the fact that she had inserted those comments into the RECORD and had not actually stated them on the floor. Again there was no response.

It seems to me that the Steiger rule could have prevented all this. The Steiger rule would have made it possible for both of us and, more importantly, for all those who read the CONGRESSIONAL RECORD to know that I had not avoided the gentlelady's charge. Most importantly, her comments and the apparent lack of a reply from me would not have caused doubt to be cast upon the construction of the exclusive remedy provision of my amendment.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to my colleague, the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman yielding.

Mr. Speaker, I associate myself with the remarks of the gentleman from Illinois, and I think the distinguished gentleman from Illinois is again calling to the attention of the House in a specific circumstance the difficulty that the CONGRESSIONAL RECORD, as it is now operated, poses for Members of the House and for those who are charged within the administrative branch or the judiciary with the responsibility for determining the intent of Congress.

At the time that the amendment was offered, on July 29, there were essentially two comments made as to why it would be inappropriate to adopt what I proposed as new rule for the CONGRESSIONAL RECORD. One was that if we do not allow revision and extension on the same type face as presently allowed, it might encourage more Members actually to speak on the floor of the House.

The second was that it is difficult, given the time constraints under which the Government Printing Office operates, for there to be this ability to set type when a Member makes a statement in one type face and then to add in a different type face that which he did not say but which he extended.

As a follow through to the defeat of the amendment during consideration of the Legislative Reorganization Act, the distinguished gentleman from Texas (Mr. ECKHARDT) and the distinguished gentleman from California (Mr. REES) and the distinguished gentleman from Arizona (Mr. RHODES) and the distinguished gentleman from New Hampshire (Mr. WYMAN) and I sent a letter to the Joint Committee on Printing on October 23, 1970, in which we urged that the Joint Committee on Printing use the jurisdiction which the statutes give to it to undertake a more thorough analysis of this problem.

The Joint Committee on Printing staff director, Mr. Haley, responded on November 10, 1970.

Mr. Speaker, in essence the Joint Committee on Printing takes the view that this would be time-consuming, that it would be difficult for the Members to operate under, and therefore they are not constrained to make a change in the operation of the CONGRESSIONAL RECORD.

May I say, Mr. Speaker, that with respect to the experience of the gentleman from Illinois, and the experience of other Members of the House, the gentleman from Texas during debate on the Legislative Reorganization Act pointed to examples in which he participated, and I could point to at least two examples during consideration of the conference report in which what was said on the floor and what appears in the RECORD does not give one a full, clear, and concise explanation of the intent of the conferees in adopting provisions of the conference reports.

All of this is by way of suggesting that it is time to undertake another attempt to insure a degree of honesty and accuracy in the CONGRESSIONAL RECORD. It is not accurate now. Whatever we do, whether it be different type faces or whatever form the changes take—and I do not care what form they take—it ought to be done so as to insure that the Members of the House are protected in terms of what they say and what is the context of their remarks, and that the House and the Senate are protected so that the interpretations of the laws passed by the House and the Senate are accurate reflections of what in fact both bodies have indicated to those who have the responsibility for implementation.

So I do want to join the gentleman from Illinois in urging that we go back to this issue. I would hope if we do have an opportunity to amend the rules during the 92d Congress that I, at least, can raise the issue again. I am grateful to the gentleman from Illinois for calling this to the attention of the House, and urge my colleagues to weigh carefully the effect of our failure to act in this field.

The letters and material referred to are as follows:

OCTOBER 23, 1970.

The Honorable SAMUEL N. FRIEDEL,
Chairman, Joint Committee on Printing, Washington, D.C.

DEAR MR. CHAIRMAN: As you may know during the consideration of H.R. 17654, the Legislative Reorganization Act, an amendment was offered to make certain changes in the Congressional Record. (A copy of the amendment proposed by Mr. Steiger of Wisconsin is enclosed along with a copy of H.R. 720 introduced by Congressman Wyman that calls essentially for the same changes in a somewhat simplified manner.)

We believe that the changes suggested in the amendment deserve consideration and thus write to you to urge that the Joint Committee on Printing undertake to effect changes in the practice and procedure of the Congressional Record. Such practices are clearly within the jurisdiction of the Joint Committee.

It is our understanding that certain technical problems would have arisen under the language of the Steiger amendment and the gentleman from California, Mr. Sisk, raised valid procedural questions insofar as the operation of the House is concerned. Such difficulties are in our judgment not insurmountable and can be handled appropriately.

Thus, we urge the Joint Committee to exercise its jurisdiction and authority under Title 44, Chapter 9, to accomplish significant change in the present practice relating to the Congressional Record. The debate on the amendment in the House begins on page 26413 of the CONGRESSIONAL RECORD, volume 116, part 19, and in it are outlined some of the reasons for changing the present procedure.

We believe the Congress and the nation would be well served by making the Congressional Record an accurate reflection of that said on the floor.

We look forward to hearing from you and helping in any way we can in your deliberations. Thank you for your consideration.

Sincerely yours,

BOB ECKHARDT, M.C.
THOMAS M. REES, M.C.
JOHN J. RHODES, M.C.
WILLIAM A. STEIGER, M.C.
LOUIS C. WYMAN, M.C.

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON PRINTING,
November 10, 1970.

The Honorable BOB ECKHARDT, WILLIAM A. STEIGER, THOMAS M. REES, LOUIS C. WYMAN, and JOHN J. RHODES,
U.S. House of Representatives, Congress of the United States, Washington, D.C.

GENTLEMEN: Your letter of October 23, 1970, urging that the Joint Committee on Printing undertake to effect significant changes in the practice and procedure of printing the CONGRESSIONAL RECORD, has been referred to me by the Chairman for review and reply in accordance with the thoroughly grounded and long-established Joint Committee policy.

The suggestions covered by the amendment to H.R. 17654 proposed by Mr. Steiger, as paralleled in H.R. 720 introduced by Mr. Wyman of New Hampshire, have been carefully reviewed in the light of the Committee's policy.

This is not a new subject to the Joint Committee. Its files are replete with evidence testifying to repetitive indications of interest by Members of both the House and the Senate, private citizens, and members of the press, in having the body of the RECORD reflect only words, or pertinent data thereto, which are spoken on the floor of the House or Senate.

Out of all that historical background, there emerges one crystal clear point. The realization of that worthwhile objective cannot realistically be achieved through the manipulation of type faces while still maintaining the printing production schedules necessary to assure the prompt delivery of the daily RECORD consonant with Congressional needs.

The statutory responsibility and authority of the Joint Committee on Printing as it relates to this aspect of the RECORD is necessarily dependent, respectively, on the applicable rules of the House and Senate and their relative effectiveness when correlated with unanimous consent practices.

It is concluded, therefore, that the suggested approach for achieving the described purpose can only be accomplished via printing procedures at such an exaggerated sacrifice in timeliness that it would not be consonant with Joint Committee policy nor acceptable to Members of Congress.

Respectfully yours,

JACK HALEY,
Staff Director.

Amendment offered by Mr. STEIGER of Wisconsin: On page 39, immediately after line 4, insert the following:

"PRINTED RECORD OF HOUSE FLOOR PROCEDURES

"SEC. —. The Rules of the House of Representatives are amended by adding at the end thereof the following new Rule:

"'Rule XLV

"'Printed Record of Floor Procedures

"'1. The body of the Congressional Record for the House of Representatives shall contain an accurate and verbatim account of remarks actually delivered on the floor of the House together with such permitted tables, statistics, and other supporting data dealing directly with the subject matter under discussion; and such remarks and data shall appear in the order in which they were delivered.

"'2. Extensions and revisions of remarks in the Congressional Record delivered on the floor of the House shall be limited to the correction of grammatical and typographical errors; and in no event shall such corrections make any change in the meaning, content, or substance of those remarks.

"'3. Members shall be entitled to make insertions in the Congressional Record of remarks not actually delivered on the floor. As appropriate, such insertions shall appear following the record of the entire debate to which they are germane and prior to the record of a vote: *Provided*, That such insertions shall be printed in a type face distinctively different from that used for verbatim remarks.'"

Mr. Chairman, the Joint Committee on the Organization of the Congress in its report in 1967 said:

"The Congressional Record is intended to fulfill a number of functions. It is a chronology of the floor proceedings of both Houses. It is a basic source document for information on current legislative issues. It is a tool for the transmission of the views of the officeholder to his constituents."

In a chapter in the book "We Propose: A Modern Congress" the distinguished and able gentleman from Arizona (Mr. RHODES) in his chapter on "Floor Procedure" on page 213, said this:

"Finally, I would call attention to the privilege of Members to "revise and extend" remarks in the *Congressional Record*. The privilege is useful, and in the light of the very heavy burden today's Congressman carries, perhaps even necessary. In the interest of historical accuracy, however, I would recommend (1) that all remarks not actually delivered on the Floor of the House be set forth in different print from recorded debate, and (2) that the privilege of revising one's remarks be confined to grammatical correction and never allowed to alter the meaning or to misrepresent the circumstances of debate in colloquy between Members."

Mr. ERLENBORN. I thank the gentleman for his contribution.

Mr. Speaker, I would like to make it clear that, intending to mention the name of the gentlewoman from Oregon (Mrs. GREEN) this afternoon, I did advise her, and she is present on the floor, and I would be happy to yield to her if she so desires.

Mr. Speaker, I yield back the remainder of my time.

DEBATE ON EQUAL EMPLOYMENT OPPORTUNITIES ENFORCEMENT ACT OF 1971

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Oregon (Mrs. GREEN) is recognized for 30 minutes.

Mrs. GREEN of Oregon. Thank you, Mr. Speaker, I thought it would be just as well to speak on my own time.

I have been very much interested in the comments of the gentleman from Illinois, and, if I may say so, it seems to me it is a case of "Me thinks thou dost protest too much."

I suspect it is partly due to the fact that the women around the country are now waking up to the fact that the Equal

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Pay for Equal Work Act is in jeopardy. I will ask in a minute to have the entire letter from Mr. Silverman from the Labor Department placed in the RECORD.

The women of the country are now waking up to the fact that the Erlenborn amendment, adopted by the House in the EEOC debate, would in effect repeal this law, and of course the women were not aware of it at the time the debate occurred.

On that particular day I was on the floor most of the time, and the gentleman from Texas (Mr. BURLESON) called a meeting on another matter, and I had promised I would attend it, which I did. I had hoped to get back to continue to participate in the debate before the final vote occurred, because the Erlenborn amendment, I thought, was a very bad amendment.

I have checked the RECORD. Fourteen other people extended their remarks that day and did not actually appear on the floor to make their criticism of the Erlenborn amendment or of the committee bill, either way they wanted to debate it. But 14 extended their remarks.

An interesting thing—and I think the RECORD ought to be clear—is that on September 15 the manager of the bill, Congressman JOHN DENT of Pennsylvania, said:

> I know it is not perfect. There are a lot of problems in here. But I do not believe that we should vote for a piece of legislation that wipes out the Equal Pay Act of 1963 for women that was passed by the Congress with a clear understanding that the matter of sex should not be a determination of how much is paid for a particular job when it is performed by both sexes. The substitute proposal by the gentleman from Illinois wipes it out under the section of the act dealing with executive remedy.

Mr. ERLENBORN spoke according to the RECORD, about 5 minutes later. He made no denial of Mr. DENT's allegation. In fact he ignored Mr. DENT's statement.

Then we find that on the next day, September 16, there was a debate, on page 32092 of the CONGRESSIONAL RECORD, between Mr. HAWKINS and Mr. O'HARA and Mr. HAWKINS said:

> Mr. HAWKINS. Is it not also true under the Erlenborn substitute the individual will also give up the right to sue under the 1866 act, the Equal Pay Act, and possibly under half a dozen other civil rights acts?
>
> Mr. O'HARA. That is absolutely correct. The Erlenborn substitute would not only take away his right to go promptly to court on his own behalf, it would deprive him of his right to a remedy under other statutes. There are remedies under the NLRB Act and under some of the old civil rights statutes that he would sacrifice under the Erlenborn substitute.

Again Mr. ERLENBORN spoke, and according to the RECORD, it must have been within 5 minutes or so, and he made no denial of this statement that Mr. HAWKINS or Mr. O'HARA made.

Then on the same day, on September 16, on page 32097, the gentlewoman from New York (Mrs. ABZUG) said:

> The Erlenborn bill provides that charges filed under title VII constitute an exclusive remedy. That means that working people would be denied the remedies Congress has already provided, such as the Equal Pay Act of 1963 and the Civil Rights Act of 1966 and the National Labor Relations Act.

Again on page 32100 of September 16, Mr. HAWKINS again called the attention of the Members of the House to the fact that the Erlenborn amendment would repeal that act:

> What the Erlenborn substitute does is to nullify the Civil Rights Act of 1866, which later became the 14th amendment, as far as employment discrimination is concerned. It nullifies the Equal Pay Act. It wipes out the Office of Federal Contract Compliance where title VII now applies. And it wipes out other Civil Rights Acts as well.

Again the gentleman from Illinois made no denial and, as I understand it, he was managing the bill on the Republican side. Now let us think about where any possible deception occurred. Why did not the gentleman from Illinois respond?

I am also told that one other Member—I have not been able to find the exact reference, as yet—but I am told that there is a fifth person who also made an allegation on the floor that the Erlenborn amendment did indeed wipe out the Equal Pay for Equal Work Act. If the gentleman from Illinois is concerned on November 18, 2 months after the debate—why was he not concerned on September 15 and September 16 when the statements were made in the debate.

Now the gentleman from Illinois takes exception to the fact that I extended my remarks on that day, although I too wish I might have been here. He states that I raised the question about the Equal Pay Act for the first time after the actual debate ended. It seems to me it is clearly not so, because it had been raised definitely by at least four other people and, I believe, by a fifth person besides myself.

So, if he did not feel that this was the effect of his amendment, then it seems to me he had ample opportunity on both September 15 and on September 16 to deny the allegation and to make the Members of the House aware of exactly what his amendment did do and did not do.

That was not the case. On September 16—and I am going to ask, Mr. Speaker, that at this point in the RECORD the statement I made on that day 2 months ago in Extensions of Remarks be placed at this point in the RECORD, because it sums up exactly the reasons why I said the Erlenborn amendment did wipe out that Equal Pay for Equal Work Act.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. GREEN of Oregon. Mr. Chairman, I rise to oppose the Erlenborn amendment. First of all, I worked for 7 years on a bill to provide equal pay for equal work. On page 4 of the Erlenborn bill, on line 14 it reads:

"A charge filed hereunder shall be the exclusive remedy of any person claiming to be aggrieved by an unlawful employment practice of an employer, employment agency, or labor organization."

In a memorandum from Mr. ERLENBORN's office, dated June 17, 1971, on pages 1 and 2:

"2. *Exclusive Remedy.* Section 3(b) of the bill adds a provision that charges filed under title VII shall be the exclusive federal remedy for persons claiming to be aggrieved by discriminatory practices of covered respondents. . . . One effect of this section is to supersede employment discrimination proceedings now being filed under the Civil Rights Act of 1866 and the National Labor Relations Act, amongst others."

The Equal Pay for Equal Work Act is one of those "amongst others."

Mr. ERLENBORN stated yesterday, in supporting his substitute:

"So a person bringing an action under this cannot shop around for another forum on which to base another law suit, we would make the Equal Employment Opportunity Act the sole Federal remedy for relief from discriminatory employment practices."

From these statements, I cannot but conclude that a woman no longer has the protection of the Equal Pay for Equal Work Act. This is another reason why I believe that the Erlenborn substitute is misnamed. It is not an equal employment bill if it wipes out in one fell swoop the provisions for some justice for the majority of the people in this country and for one-third of the labor force: The women, black and white, red and brown, who have historically been doing identical work to that of men and have been paid less. In 1963 this Congress finally passed the equal pay for equal work bill. Is the minority leader, is Mr. ERLENBORN, and are other Members of this House willing to pass a bill today which denies equal employment rights in the form of equal pay to some 36 million American women?

Mr. Chairman, let me turn to the argument over the power that might be exercised under the cease-and-desist provision. My State of Oregon has had cease-and-desist powers as have some other 30 States in the Union. It is not under the cease-and-desist power that unfair practice occur in Portland and in other parts of my State. The inequities, the injustice comes about because of the almost absolute power which the Office of Contract Compliance exercises. Yesterday I referred to three cases of which I had personal knowledge. One of those was a ship conversion plant in Portland. In Oregon we have a 5 or 6 percent black population. This ship conversion plant had on their payrolls 15 percent minority employees. Long before OFCC was established this plant had gone out to actively recruit members of the minority races. The Contract Compliance Office in San Francisco said a 15-percent quota was not sufficient and that they must hire 15 percent in every job category. They demanded that 15 percent of all welders be members of the minority race; that 15 percent of all of the electricians be of a minority race; that 15 percent of all carpenters be of a minority race; that 15 percent of the clerical employees be of a minority race.

The Office of Contract Compliance further threatened to hold this company in noncompliance and ineligible for Federal contracts unless they complied with their demands. The management of the plant explained that there were not a sufficient number of qualified welders among the minority groups to meet that 15 percent quota. The answer was, we have a surplus in Chicago, we will bring them to Oregon.

The management of the plant decided that any appeal was hopeless and that it was almost impossible to successfully appeal an order from the Contract Compliance Office.

Under the cease-and-desist orders there is an automatic right to appeal the case. It seems to me that this is a much fairer way than a continuation of the awesome power exercised by the Office of Federal Contract Compliance which the Erlenborn substitute would now transfer to the EEOC.

In summary, Mr. Chairman, I oppose the Erlenborn substitute because it perpetuates the quota system established under the Executive order and in conflict with title VII of the Civil Right Act. I oppose the Erlenborn amendment because in giving special rights to some it denies equal rights and job opportunities to others. I oppose the Erlenborn amendment because it has clearly been misnamed. It is not an equal employment bill when it wipes out the Equal Pay for Equal Work Act which was finally placed on the statute books after years of work by almost every women's group in the country.

Mrs. GREEN of Oregon. Also, Mr. Speaker, I ask at this point that the full letter from the Department of Labor and the full memorandum—one paragraph only of which the gentleman quoted, be placed in the RECORD.

In the first paragraph, which was not read by the gentleman from Illinois a few minutes ago, of that memorandum it reads as follows:

> Several Representatives have raised the view that the exclusive remedy of the Erlenborn amendment, the Equal Employment Opportunity Enforcement Act, wiped out the Equal Pay Act of 1963. See the remarks of Representatives GREEN, HAWKINS, O'HARA, ABZUG, and DENT in the CONGRESSIONAL RECORD 31979, September 15, 1971, and 32092, 32093, 32097, and 32100 of September 16, 1971.

Mr. Speaker, I ask that the entire memorandum from the Department of Labor and not just one paragraph of it be printed at this point in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE UNDER SECRETARY,
Washington, D.C., September 28, 1971.

Honorable EDITH GREEN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN GREEN: In response to your inquiry concerning the impact of the Erlenborn Amendment on the Equal Pay Act of 1963, I am enclosing a copy of memorandum from the Acting Solicitor of Labor. It appears that some further action will be necessary to overcome the implications on this issue raised during the debate on the floor.

Sincerely,

L. H. SILBERMAN,
Under Secretary of Labor.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SOLICITOR,
Washington, D.C., September 27, 1971.

MEMORANDUM FOR THE UNDER SECRETARY

Subject: Erlenborn Amendment

Several representatives have voiced the view that the exclusive remedy provision of the Erlenborn Amendment (the Equal Employment Opportunities Enforcement Act) wipes out the Equal Pay Act of 1963. See the remarks of Representatives Green, Hawkins, O'Hara, Abzug and Dent at Cong. Rec. 31979, Sept. 15, 1971 and 32092, 32093, 32097, 32100, Sept. 16, 1971.

The "exclusive remedy" provision of the Erlenborn Amendment amends only section 706 of the Civil Rights Act of 1964 as follows:

> Except as provided in subsections (a) through (d) of this section and in section 707 of this Act, a charge filed hereunder shall be the exclusive remedy of any person claiming to be aggrieved by an unlawful employment practice of an employer, employment agency or labor organization.

Mr. Erlenborn claims that under the present law: "Employment discrimination proceedings now [are] being filed under Title VII, the National Labor Relations Act, the Civil Rights Act of 1866 *and other laws*" (emphasis added) and that his bill (H.R. 9247): "Provides that charges filed under Title VII shall be the exclusive Federal remedy (does not displace authority of the OFCC or the Attorney General's right to initiate pattern or practice suits)". Cong. Rec. 26555, July 21, 1971. He explains that "[w]ith a strengthened EEOC enforcing Title VII, recourse to other federal agencies and statutes won't be necessary" and that "[o]ne effect of this section is to supersede employment discrimination proceedings now being filed under the Civil Rights Act of 1866 and the National Labor Relations Act, *amongst others*" (*ibid.*, emphasis added). He assures the House, however, that "[t]his does not, however, displace the authority of the Office of Federal Contract Compliance, the Attorney General's statutory right to initiate 'pattern or practice' litigation, or proceedings under state fair employment practice laws." Again, on September 15, 1971, Mr. Erlenborn referred to Title VII being the "sole method of enforcing these rights," giving examples of other remedies "before the NLRB" and "under the old Civil Rights Act of 1866." Cong. Rec. 31973.

Mr. Erlenborn explains that: "So a person bringing an action under this cannot shop around for another forum on which to base another law suit, we would make the Equal Employment Opportunity Act the sole Federal remedy for relief from discriminatory employment practices." Cong. Rec. 31981, Sept. 15, 1971.

Mr. Erlenborn refers to "a plethora of forums to resolve these complaints, no one of which is exclusive, and it can happen that a multiplicity of cases arising out of the same set of facts can clog the courts." Cong. Rec. 31973, Sept. 15, 1971.

He specifically refers to suits by the same party "before the NLRB" and "under the old Civil Rights Act of 1866." However, the situation can also arise in proceedings under Title VII and equal pay provisions of the Fair Labor Standards Act by the use of an employee suit under section 16(b) of the Act.

Conflicts between Title VII and the equal pay provisions are largely averted, however, by section 703(h) of the Civil Rights Act of 1964 which provides that:

> It shall not be an unlawful employment practice under this title for any employer to differentiate upon the basis of sex in determining the amount of the wages or compensation paid or to be paid to employees of such employer if such differentiation is authorized by the provisions of section 6(d) of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 206(d)).

At the time the Erlenborn Amendment was first proposed, we did not believe that it had any effect at all on the Equal Pay Act. We did not consider the Equal Pay Act as one of the "other laws" to which Congressman Erlenborn had referred in his explanation. "[I]t is a cardinal principle of [statutory] construction that repeals by implication are not favored." *Silver* v. *New York Stock Exchange*, 373 U.S. 341, 357; *Mercantile National Bank* v. *Langeau*, 371 U.S. 555, 565; *Jones* v. *Mayer Co.*, 392 U.S. 409, 437. Mr. Erlenborn's explanations of his amendment certainly show that he was not thinking in terms of nullifying the Equal Pay Act.

The many statements made with respect to the Equal Pay Act during the course of the debates in the House on the passage of the Erlenborn Amendment, especially those made by Congresswoman Green, cast considerable doubt on our initial construction of the Amendment since they are now part of its legislative history. At the very minimum, we believe that we would have to litigate the issue if there is not further clarification in the Senate and any House-Senate conference.

ALFRED G. ALBERT,
Acting Solicitor of Labor.

Mrs. GREEN of Oregon. Now, Mr. Speaker, I am not sure how I voted on the amendment offered by the gentleman from Wisconsin (Mr. STEIGER) at the time of the reorganization act in the last session. I think that it has much to recommend it if everybody in the House followed those rules. I suspect that both the gentleman from Wisconsin and the gentleman from Illinois have extended their remarks in the RECORD many times during their service in the Congress and have come to certain conclusions in regard to legislation that was under debate that day—even though they themselves did not really speak those words. I shall make a study of this, because it interests me as to why Mr. ERLENBORN chooses this one extension of remarks as the opportunity to discuss the Steiger amendment.

I cannot help but believe that perhaps women in Illinois and in other States are no longer deceived; they know the threat of the Erlenborn amendment to the Equal Pay for Equal Work Act.

I was quite curious about one thing. As I understand their explanation of the Steiger amendment, Members would still be allowed to put extraneous matter into the RECORD but they would have to be on the floor to make any remarks. But to put in extraneous matter that the people in the House would not know about until after they read the RECORD the next morning is the same as revising and extending remarks.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the distinguished gentlewoman yield?

Mrs. GREEN of Oregon. I shall be glad to yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate the gentlewoman yielding.

May I just say the amendment that was offered would have provided that type face would not be different for those remarks actually spoken as compared to those simply extending and including extraneous matter.

It would be a relatively simple way of insuring that all of us would be able to know what was said and what was added.

Mrs. GREEN of Oregon. I thank the gentleman. If the extraneous matter also has an identifying type—that would be good.

Mr. Speaker, I just conclude by saying that I find it extremely interesting that the gentleman from Illinois has taken such strong exception to the remarks which I put in and he has referred to them as questions which I raised. I did not raise any questions at all, and if I may say parenthetically, during the Higher Education debate when he referred to the fact that I had not answered some 14 questions, I was at a loss as to what he was talking about and I turned to the staff and asked what in heaven's name he was talking about because I did not recall having been asked to answer any questions of the gentleman from Illinois.

My remarks in September were simply to talk of what I believed the Erlenborn amendment did, and the memorandum from the Department of Labor I think reinforces the views I held.

I regret very, very much that the women in the United States, all across the country, who had worked very hard for the Equal Pay Act were not aware of the full impact of his amendment. The gentleman from Illinois now apparently is surprised that I drew these conclusions

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when he had on four occasions during debate on 2 days, September 15 and 16, the opportunity to clarify exactly what his amendment would do in regard to the Equal Pay for Equal Work Act and he did not take advantage of that opportunity.

Mr. ERLENBORN. Mr. Speaker, will the gentlewoman from Oregon yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentlewoman for yielding.

First, let me try to clarify one point about the 14 questions. I have no recollection that I made any reference to 14 questions.

I am advised by the gentleman from Wisconsin—and I now recall since he mentioned it to me—that the gentleman from Missouri (Dr. HALL) had 14 questions that he wanted answered that day.

Mrs. GREEN of Oregon. I looked it up in the RECORD and in the RECORD it now reads "some questions" but I understood on that date the gentleman to say 14 questions and I turned to the staff and said, "What in heaven's name is he talking about?"

Mr. ERLENBORN. You must have that confused with some reference of Dr. HALL.

Mrs. GREEN of Oregon. There may be a question as to who is confused, but we would each have our opinion on that.

Mr. ERLENBORN. You have made reference to other comments in the RECORD during debate on the EEOC bill. I have no doubt that some of those were delivered on the floor.

The point I would make is this, and neither you nor I could tell by looking at the RECORD which were actually delivered on the floor and which were inserted under leave to extend as the gentlewoman extended her remarks. I am making the point that the gentleman from Wisconsin has a valid amendment that should be considered by this House so we can differentiate between them. I would also point out that not once in the debate as reported did anyone direct a question to me concerning the effects of my substitute.

Mrs. GREEN of Oregon. If the gentleman from Illinois would just allow me to say this: Do not hide behind the assertion that no one directed a question to you. It would require a real green freshman to not be aware of the fact that during any debate on the floor, when any allegation is made as to the truth, the person against whom it is being made has the opportunity and indeed the responsibility to clarify the matter for the other Members of the House. The gentleman from Illinois passed up that opportunity four times. Why?

It does not make any difference whether it is a question or whether it is an allegation; also now, by inference. I gather that the gentleman from Illinois is suggesting that the gentleman from Pennsylvania (Mr. DENT) did not indeed speak the words on the floor to the Erlenborn amendment in regard to repealing the Equal Pay Act.

The gentleman from Pennsylvania (Mr. DENT) did make that statement on the floor. Mr. HAWKINS and Mr. O'HARA engaged in a colloquy that could hardly be inserted in the RECORD after the debate on it. The gentlewoman from New York (Mrs. ABZUG) made a statement on the floor, she advises me. Those statements were made. The gentleman had plenty of opportunity during 2 days of debate to clarify the issue for the Members of the House.

It is exceedingly interesting that today, almost 2 months, in fact, more than 2 months later, the gentleman suddenly raises the question about the Extensions of Remarks in the RECORD in one case.

Perhaps "thou dost protest too much"—and perhaps now the women of Illinois and in the country are aware of the fact that that amendment did repeal a very important piece of legislation affecting the women of this country.

Mr. ERLENBORN. Mr. Speaker, will the gentlewoman yield further?

Mrs. GREEN of Oregon. Yes, I yield further to the gentleman.

Mr. ERLENBORN. Mr. Speaker, just one last comment or two:

First of all, I would repeat again that the report from the Labor Department said "Especially those made by Congresswoman GREEN," so that they relied heavily on the remarks you inserted in the RECORD, in making their opinion.

Mrs. GREEN of Oregon. I feel very flattered that the gentleman would so suggest, and that is why I have asked that the entire memorandum of the Labor Department be inserted in this RECORD, in this special order—and not just one paragraph which the gentleman read earlier.

Mr. ERLENBORN. If the gentlewoman would yield further, I am happy that we did. I trust that the matter, and I hope very much that the matter will be resolved in the courts of the country, because if it does get to the courts it will mean that the Erlenborn substitute would be finally passed by the Congress and signed into law by the President, and then the matter may be resolved in the courts.

Mrs. GREEN of Oregon. Allow me right there to say that perhaps you are looking ahead a bit too far. As I understand it, the bill has just been reported out of the Senate committee, and it corresponds more closely to the Dent bill, I am told, than the Erlenborn. It has not been acted upon by the other body, and the two bills have not come to conference. So maybe the court decisions on the Erlenborn amendment are a bit too far in the future.

Mr. ERLENBORN. Mr. Speaker, will the gentlewoman yield further?

Mrs. GREEN of Oregon. I yield further to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Speaker, I am looking in the future, and as I say it is a fond hope. I just hope also that when we do go to conference that the gentlewoman, as one of the conferees—as I am sure she will be—will join with the rest of the House conferees in trying to sustain the position of the House.

Mrs. GREEN of Oregon. I would hope that the conferees in the Senate would adamantly insist that no bill be passed by this Congress which would repeal the Equal Pay for Equal Work Act.

Mr. ERLENBORN. Mr. Speaker, would the gentlewoman yield just a bit further?

Mrs. GREEN of Oregon. Yes, I will yield.

Mr. ERLENBORN. Mr. Speaker I might just make this last comment. Obviously nothing in the amendment that I offered has any reference to the Equal Pay Act in terms of outright repeal. The most that it could do would be to put the enforcement authority in the EEOC. I find it passing strange that the majority bill which would have taken away from the Justice Department jurisdiction to enforce equal rights, take away from the Labor Department OFCC jurisdiction to enforce equal rights, take away from the Civil Service Commission authority to enforce equal rights and put them into the EEOC. If that is not too shocking, then I do not think that the authority to enforce equal pay for the different sexes was put in the EEOC could be too shocking.

Mrs. GREEN of Oregon. Mr. Speaker, I do not intend to continue on until midnight on this. But the gentleman now seems to admit that EEOC takes over the responsibilities formerly administered under the Equal Pay for Equal Work Act—if the Erlenborn amendment should finally prevail.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. Let me complete the statement that I have.

Mr. STEIGER of Wisconsin. Certainly.

Mrs. GREEN of Oregon. In the extension of remarks that day I talked about the repeal of the Equal Pay for Equal Work Act by the Erlenborn amendment, I talked about the Office of Contract Compliance, and I talked about cease-and-desist orders. I am interested, let me put it this way, in the fact that the gentleman from Illinois does not take umbrage in the fact I extended my remarks on cease and desist orders, and the Office of Contract Compliance, but only that I extended my remarks in regard to the repeal of the equal pay.

And so the RECORD will be clear, let me again just read from that RECORD of September 16, which the gentleman from Illinois (Mr. ERLENBORN) now brings to the floor, on November 19.

At that time in these extensions, I said as follows:

Mr. Chairman, I rise to oppose the Erlenborn amendment. First of all, I worked for 7 years on a bill to provide equal pay for equal work. On page 4 of the Erlenborn bill, on line 14 it reads:

"A charge filed hereunder shall be the exclusive remedy of any person claiming to be aggrieved by an unlawful employment practice of an employer, employment agency, or labor organization."

In a memorandum from Mr. ERLENBORN'S office, dated June 17, 1971, on pages 1 and 2:

"2. *Exclusive Remedy.* Section 3(b) of the bill adds a provision that charges filed under title VII shall be the exclusive federal remedy for persons claiming to be aggrieved by discriminatory practices of covered respondents. . . . One effect of this section is to supersede employment discrimination proceedings now being filed under the Civil Rights Act of 1866 and the National Labor Relations Act, amongst others."

The Equal Pay for Equal Work Act is one of those "amongst others."

Mr. ERLENBORN stated yesterday, in supporting his substitute:

"So a person bringing an action under this cannot shop around for another forum on which to base another law suit, we would make the Equal Employment Opportunity Act the sole Federal remedy for relief from discriminatory employment practices."

From these statements, I cannot but conclude that a woman no longer has the protection of the Equal Pay for Equal Work Act. This is another reason why I believe that the Erlenborn substitute is misnamed. It is not an equal employment bill if it wipes out in one fell swoop the provisions for some justice for the majority of the people in this country and for one-third of the labor force: The women, black and white, red and brown, who have historically been doing identical work to that of men and have been paid less. In 1963 this Congress finally passed the equal pay for equal work bill. Is the minority leader, is Mr. ERLENBORN, and are other Members of this House willing to pass a bill today which denies equal employment rights in the form of equal pay to some 36 million American women?

Then I continued, and discussed the cease and desist and the Office of Contract Compliance.

These were the remarks that I had intended to personally deliver on the floor at the time I went to the meeting called by the gentleman from Texas (Mr. BURLESON).

These remarks were put in the RECORD exactly as I had prepared to give them on the floor during that time if I could have returned in time.

So, Mr. Speaker, I simply would say I regret that this amendment was adopted. I think the Labor Department is absolutely correct—it places in question the entire Equal Pay for Equal Work Act.

Again I find it both amusing and interesting that this is the one occasion when the gentleman from Illinois feels nobody should extend their remarks unless he or she is on the floor. I was also interested in the comments of the gentleman from Illinois today that he took no umbrage by reason of the fact that on that same day after I extended my remarks, Mr. ASHBROOK extended his and Mr. BADILLO and Mr. STANTON and Mr. FRASER and Mr. PODELL and Mr. FRENZEL and Mrs. MINK and Mr. STOKES and Mr. BROOMFIELD and Mr. LEGGETT and Mr. ROBISON of New York and Mr. SHOUP and Mr. RARICK and Mr. FISHER.

I guess about 14 or 15 Members extended their remarks, and I feel quite honored that I was singled out for this special attention.

Mr. ERLENBORN. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. Mr. Speaker, how much time remains?

The SPEAKER pro tempore. The gentlewoman has 6 minutes remaining.

Mrs. GREEN of Oregon. I am glad to yield to the gentleman.

Mr. ERLENBORN. Then I would ask the gentlewoman, Did any of the people who extended their remarks on that day ask for an opinion based on the record they created?

Mrs. GREEN of Oregon. Would the gentleman repeat that?

Mr. ERLENBORN. Did any of these other people who extended those remarks that day ask for an opinion based on the record that they created—a legal opinion?

Mrs. GREEN of Oregon. I did not create the record. The gentleman from Illinois is the one who created the record when four times the allegation was made on the floor that his amendment repealed the equal pay for equal work amendment. As the author of the bill he is the one who created the record because he never once denied the charge that was made in any of those four instances. So if there was any record made, it is very clear that the gentleman from Illinois made it.

Now, as far as any request for an opinion is concerned, later I talked with the gentleman from Illinois, who said he did not think the equal pay bill was affected. I did. As I talked with women's groups who raised the question with me, I said, "Well, let us find out. Let us have an official opinion from the Labor Department." That opinion was requested, and that whole memorandum will be placed in the RECORD. I would hope the gentleman from Illinois, if he does not want his amendment to repeal the Equal Pay for Equal Work Act, and if he does not want the EEOC as it is passed by the House if it ever gets to conference between the Senate and the House, then I hope he will use his good talents to make the record clear and not confuse it; to make it abundantly clear that either he does or he does not want the Equal Pay for Equal Work Act repealed. Let him make the record that he does or he does not want his amendment to be the exlusive remedy. That is the remedy the gentleman from Illinois has.

The SPEAKER pro tempore (Mr. KEE). The time of the gentlewoman from Oregon has expired.

DIPLOMACY IN THE MIDDLE EAST

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 10 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, the purpose of my rising today is to add my voice to those of my colleagues who have risen to date to express their misgivings about recent trends in this country's policies toward Israel. I need not remind the Members of this House of the extreme delicacy of diplomacy in general, especially as conducted in the Middle East. I certainly am the last person who would want to be found guilty of rocking the boat or adding any more confusion or trouble to an area which has more than its share of both. But, lately there have been enough disquieting signs and a number of disturbing developments which it seems to me cannot go unmentioned or unchallenged. Taken altogether, these developments seem to me at least, to indicate that this Nation's approach to the Middle Eastern situation as embodied in its relations with Israel is undergoing fundamental change. Lately, what might have been a series of subtle shifts viewed separately, seem to constitute a radical departure from what I feel the overwhelming majority of Americans thought their Government's policy was in this part of the world. If my worst fears are unfounded, I will be delighted to be shown the contrary evidence. If they are in the end, well founded, then I hope that the State Department will take note that they are in serious danger of incurring the wrath of the American people and that they had better change before it is too late.

My feeling is that in the general aura of disgust with foreign conflicts and entanglement which has been sweeping this country because of our misguided policies in Vietnam, there are those in the State Department who are misinterpreting this as a weakening of our dedication to the preservation of the integrity of the nation State of Israel—a country which has proven again and again its willingness and ability to fend for itself and defend itself against outside forces, but a country nevertheless, which needs the support of American materiel and the arsenal of the free world if the balance of power in that part of the world is to be preserved. The recent decision by the Secretary of State to inform the Israelis that this was not the time for us to supply them with additional Phantom jets, seems to me to confirm reports in the press that this country is engaging in a considerable amount of private and public arm twisting to get Israel to ignore its own best interests and to accede to some rather unreasonable demands. If true, this course of action is not only totally unfair but could have disastrous consequences for the State of Israel. The fact is that Israel has been willing to make numerous concessions in relation to the Suez Canal, while Egypt has been growing increasingly intransigent. For the United States to even appear to be taking the side of Egypt against our traditional ally in these delicate negotiations is, I feel, a grave mistake.

Israel has, in fact, indicated its willingness to reduce its troop strength along the Suez Canal, to make the cease-fire unlimited and unconditional as originally stipulated by the United Nations. The Egyptians, meanwhile, appear to have stepped up their demands, perhaps encouraged by the arm-twisting of the United States to the point where they are demanding the withdrawal of Israeli forces into the middle of the Sinai Peninsula. President Sadat's latest pronouncements seem to indicate that the Egyptians and Soviets have no intention of removing their missiles from along the canal. Most regrettably, recent Egyptian statements are filled with ominous threats to resume warfare unless Israel capitulates and withdraws to the old armistice lines. On the subject of the Suez Canal, there has never been a willingness even suggested which would permit Israeli shipping through the canal as specifically required by United Nations Resolution 242. From the Israeli point of view, any concession on the canal at this point without a suitable quid pro quo would be to surrender one of Israeli's principal bargaining weapons to remove the Egyptian missiles in the standstill zone. Originally, the State Department terms the Egyptian demands unreasonable, especially Egypt's insistence on permission to send its troops across the canal as part of any settlement. Lately, Department officials appear to be easing their negative posi-

tion on the Egyptian proposals. The Department has been reported as indicating annoyance with Israel in the negotiations, and has even been reported as blaming Israel for holding up negotiations. It is in this context that the most recent public statement of the Department in refusing to supply Israel with more Phantom jets must be viewed. No jets have been sent since last summer. Secretary of State William Rogers has stated publicly that in his opinion, "The military balance has not been shifted" sufficiently to warrant it. And yet, on October 13, at the conclusion of a visit to Moscow by the Egyptian President, a statement was issued by the Russians pledging to take steps "to increase the military might of Egypt." This public support for Egypt contrasts dramatically with the definite cooling down in public support by this Government for Israel. In my opinion, Israel is sustaining in the process a very real diminution of credibility and effectiveness in the very delicate balance of power prevailing in the Middle East. The administration's latest position seems to depart radically from resolutions passed in Congress asking for the President to supply Israel immediately with more Phantom jets. In fact, the President himself, on March 4, stated that:

> We will be there to see that the balance of power is maintained in the Middle East, which we shall continue to do. Because, if that balance changes that could bring on war.

It is out of a concern for this very balance of power that I fervently urge the administration not to waiver from this position and to back up its word with actual support in the form of granting Israel's urgent request for more Phantom jets.

Mr. Speaker, all the administration has to do to kill increasingly widespread speculation about this country's commitment to Israel is to clarify the present confusion resulting from recent statements and actions. As long as the present course of action, or inaction, is followed, there will be growing uneasiness with our policies toward Israel. On Sunday, November 7, a New England leadership conference, representing 500 community leaders from 44 Jewish groups across New England, passed a resolution indicating its feeling that the United States is allowing the Soviet Union to win "a gratuitous victory" in the Middle East because of the State Department's misguided efforts. I certainly feel it is my duty to do what I can to bring these sentiments to the administration's attention.

DR. BUTZ AND OUR UNACCEPTABLE POULTRY INSPECTION—SPECIFIC PLANS ARE CALLED FOR

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Montana (Mr. MELCHER), is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, the announcement by the President of the appointment of Dr. Earl L. Butz to be the next Secretary of Agriculture, if confirmed by the Senate, has caused apprehension in agricultural circles. Farmers and farm organizations who recall Dr. Butz' performance in the 1950's while he was Assistant Secretary of Agriculture in the Eisenhower administration quickly expressed alarm and concern that his avowed policies of the 1950's, which were favorable to vertical integration and corporate farming, would demolish what is left of family farms if he were to pursue the same course as Secretary in the 1970's.

We should thank God for Senate hearings prior to confirmation by the Senate of cabinet appointments. Congress has delegated far too much authority to the Secretary of Agriculture to turn over the awesome power that the Secretary can wield to a man with the same views that Dr. Butz espoused in the 1950's.

The Senate Agriculture Committee is currently conducting public hearings to examine Dr. Butz' performance and policies before they vote on his confirmation in the Senate.

It is imperative that the Department of Agriculture take steps to bolster the income of America's farmers and ranchers. The Secretary has been delegated powers by legislation which allow him to raise farm price support loans and strengthen farm prices, and he should do that now. I have a bill pending in Agriculture Committee to raise wheat and feed grain loans 25 percent. They should be raised at least that much.

While the Department of Agriculture has many functions affecting agricultural producers, the Department also has substantial duties covering consumer protection. One of these is inspection of poultry processing plants. Dr. Butz' connection with Ralston Purina Co., which has built up large, vertically-integrated poultry operations, including poultry growing, processing, and sales, makes this one of the areas where it is important to determine the attitude and beliefs of the new nominee for Secretary.

I appeared before the Senate Agriculture Committee today, during Dr. Butz' confirmation hearings, to draw to their attention the General Accounting Office report of November 16, 1971, entitled Consumer and Marketing Service's Enforcement of Federal Sanitation Standards at Poultry Plants Continues to be Weak, Department of Agriculture B–163450. I pointed out to the Senators on the committee, and I also want to draw to the attention of the House that this is one of the functions of the Department of Agriculture where there are serious shortcomings. The General Accounting Office report covers 68 different poultry plants. Three of these plants are Ralston Purina plants, and in view of the association of Dr. Butz, who was a director of this company, it is essential to examine his attitude toward overhauling and improving consumer and marketing service to improve its poultry inspection.

Consumer and Marketing Service is doing less than a satisfactory job in poultry inspection as reported by GAO. I quote from their conclusions:

> Many of the sanitation deficiencies appeared to have existed over a long period. In GAO's opinion, this situation is indicative of a lack of strong, day-to-day enforcement by the agency's plant inspectors and of a lack of effective supervisory review. Weaknesses in the agency's enforcement of sanitation standards may be widespread.
>
> Adequate criteria and policies now exist for enforcing sanitation standards. Such criteria and policies, however, provide only a basis for improving enforcement. In the final analysis the effectiveness with which sanitation standards are enforced depends on the resolve of the agency's employees at every level—from plant inspectors to Washington officials.
>
> Ways must be found to demonstrate convincingly to the agency's inspection employees that consumer protection is the main objective of enforcing sanitation standards and that strict enforcement of such standards is essential.

The new Secretary of Agriculture is the man who will have to assure consumers that improvement will be forthcoming in poultry inspection and that the law will be obeyed. It will be his job to provide an inspection service to absolutely assure the health and wholesomeness of all poultry that is processed in all of the 1,180 federally inspected poultry plants.

There must be no doubt that the new Secretary will not compromise with standards. Back when poultry inspection was instituted, Senator James E. Murray, author of the original bill, opposed putting the inspection in a market-oriented branch of the Department, but that was done.

Now the GAO has again raised the whole question.

We need to assure the public that consumers' interests come first and that the Secretary will act strongly to enforce the law.

I suggest that Dr. Butz, who has said one bad chicken is too many, owes us a commitment as to the specific steps he will take to assure that his old associates in the vertically integrated poultry processing business will clean up beyond any trace of suspicion.

ADOPTION OF BOLAND AMENDMENT WOULD RESULT IN A VETO

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, I address myself to the Boland amendment which was considered and defeated in the House yesterday in association with the Defense appropriations bill.

I have spoken out against the war on numerous occasions and on several specific occasions I have supported that commitment with my votes. I voted for the Cooper-Church amendment in 1970 and I have voted twice this year in support of the Mansfield amendment. In addition, I have urged the President, as the Commander in Chief and as the principal constitutional spokesman of the United States in foreign policy, to publicly set a date for our withdrawal, and then, contingent only on the release of our POW's and an accounting of our MIA's, to honor that date. That is his constitutional responsibility and it is his constitutional authority to do so.

Last June, during consideration of the Defense authorization bill, the bill which we are funding today, the gentleman from Massachusetts offered a similar amendment. I voted against it then for the same reasons I have just outlined.

I continue to support the Mansfield approach of keeping pressure on the White House in a responsible manner.

Mr. Speaker, adoption of the Boland amendment would certainly result in a veto by the President, which would, in turn, as I pointed out last June, only serve to more deeply divide, confuse, and inflame the American people.

A MODERN WRIT OF INDENTURE

(Mr. FISHER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FISHER. Mr. Speaker, the gentleman from Arizona (Mr. STEIGER) has introduced H.R. 11827—a bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities. I was pleased to join as a cosponsor of this legislation. I would like to open my remarks today with a question. I would like to ask my fellow Members of Congress and the American people if they know what Walter Cronkite, Eric Sevareid, William F. Buckley, Jr., David Brinkley, Mike Wallace, Frank McGee, Daniel Schorr, and James J. Kilpatrick have in common besides being well-known commentators on commercial television?

The answer is that all are required to be dues-paying members of a private organization—in this case the American Federation of Television and Radio Artists—AFTRA—or they cannot broadcast over the public airways.

Incredible, is it not? As Bill Buckley put it recently:

> The requirement that an individual pay dues to a private organization in order to work is a modern writ of indenture, the requirement that he do the same in order to express an opinion over the public airways involves an act of coercion by a private organization operating under government sanction.

But that is exactly the way it is. Virtually all of our television commentators must pay dues or be denied their right to work on the public airways. Is this the American way? Bill Buckley does not think so and early this year filed suit against AFTRA. The formal complaint says that the compulsory unionism requirement deprives him of "his property without due process of law, and breaches his rights under the first, fifth, and ninth amendments of the Constitution, which amendments guarantee the individual citizen freedom of association, freedom to pursue the occupation of his choice, freedom from unwarranted invasion of privacy, and other fundamental personal and private rights.

But that is lawyer talk.

Here is how the eloquent Mr. Buckley describes it:

> What is involved here is a fundamental civil and human right. And unless this country has lost hold of its reason, the Supreme Court will acknowledge, as I am confident it will, the right of the individual to exercise his rights as guaranteed under the first amendment, even if he declines to join a union.

Many of the people in this country labeled as "liberals" Mr. Buckley went on, eloquently object to any compromise of the individual rights of the citizen against the Government—particularly free speech and privacy. I think it is time they join me in demanding that the individual have a right to join or not join, to pay dues or not pay dues, to a private organization without surrendering his right to speak.

Mr. Buckley, by the way, is being supported in his case by the National Right to Work Legal Defense Foundation, an organization founded a few years ago to give legal aid to workers suffering injustice as a result of employment discrimination under compulsory membership arrangements and to assist such workers in protecting human and civil rights guaranteed to them under the Constitution and laws of the United States.

Where is the American Civil Liberties Union and other self-styled civil rights groups? I suggest that their sincerity has been tested—and found lacking. For if they really mean all those things they keep saying about the rights of the individual they would join Mr. Buckley in denouncing compulsory union membership.

For an excellent look at this case I request permission at this point to insert into the Record an interview in the June issue of Nation's Business titled "William F. Buckley, Jr., on Compulsory Unionism."

So far M. Stanton Evans, editor of the editorial page of the Indianapolis News and a CBS–TV commentator; Fulton Lewis III, a Mutual Broadcasting System radio commentator and Nathan Hentoff, a prominent writer for New Yorker and a respected liberal civil libertarian have joined.

But where are the Walter Cronkites, the Sander Vanocurs, the David Brinkleys, the Eric Sevareids, the Frank McGees? Mr. Buckley has invited them to join in his fight for freedom under the first amendment but they have remained silent.

At this point it might be pertinent to comment on whether compulsory AFTRA membership affects a newsman's impartiality? It is pertinent to ask because Walter Cronkite has resigned from one private organization because he felt his impartiality as a newsman could be challenged. Mr. Cronkite as many of you know is a famous television broadcaster, a renowned defender of freedom of the press and an articulate spokesman for the first amendment. His credentials are impeccable. Or are they?

In resigning from the board of directors of the National Oceanography Association Mr. Cronkite said:

> A newsman should not ally himself with those who seek to influence legislation lest his own credentials of impartiality be challenged.

Bravo. But questioned as to why he did not resign from AFTRA—a private labor organization that used forced dues for political purposes—Cronkite answered:

> The great majority of newsmen, and all of those who are worth their salt, are trained to put their prejudices aside when working, as far as humanly possible.

So why did he resign from the NOA? I am not accusing Mr. Cronkite of deliberate bias. But is not it just possible that his freedom of speech is impaired when he knows full well that he cannot work unless he belong to AFTRA?

I suggest Mr. Cronkite, if he really is concerned about freedom of the press, would do well to join Mr. Buckley or at least emulate the position of Chet Huntley, who told a national audience in early 1966 when he was then a top NBC–TV commentator:

> To the casual observer it would seem that the labor unions might be much stronger institutions if membership were entirely voluntary. . . . It is difficult for the average citizen to understand what there is about labor that is so special that it requires the weapon of the union shop . . . but labor clings tenaciously to its right to coerce.

It is indeed difficult for Americans to understand why union officials should have such a weapon and it is time for Congress to step in where up to now the courts have feared to tread. It is time that all Americans have the right to work without being forced to pay tribute to a labor boss. Or maybe we should quit pretending this is a free country.

[From Nation's Business, June 1971]

ON COMPULSORY UNIONISM

(By William F. Buckley, Jr.)

William F. Buckley Jr. is one of the most articulate voices of the conservative cause in America, championing individual responsibilities and rights.

He has a variety of outlets—a column that appears in over 300 newspapers; the magazine, *National Review*, which he founded; books; the lecture circuit and his television interview show, "Firing Line."

Many of his fans think Mr. Buckley is at his best on television, where his gestures and facial expressions underline his sharp wit and mastery of the English language.

But he's appeared on his show since its beginning under a particularly rankling condition—that he belong to a labor union or be barred, in effect, from appearing on television.

Now, he is counterattacking.

Mr. Buckley has filed in federal court suit challenging the constitutionality of collective bargaining agreements that make him an involuntary member of the American Federation of Television and Radio Artists (AFTRA), an AFL–CIO union.

"A writ of indenture" is what he calls his compulsory unionism.

The National Right to Work Legal Defense Foundation is backing him in the suit, and he's invited other radio and television personalities to join him in the battle.

He discusses the court case, and his views on some other issues, in this interview with a Nation's Business editor.

Mr. Buckley, why have you brought this suit against compulsory unionism?

Well, the basic argument is an extremely simple one—that the right of free speech is especially singled out for protection by the First Amendment to the Constitution of the United States; that it is inconceivable that the Constitution, having forbidden to Congress the right to encumber one's freedom of speech, should permit Congress to pass a law which, in turn, allows somebody else to encumber freedom of speech.

We take the position that what Congress can't do, AFTRA can't. And therefore, if AFTRA interprets a law of Congress as enabling it to do just that, either it has misinterpreted the law or the law as passed was unconstitutional.

Were there other grounds in addition to the First Amendment rights?

Yes—the right of association, the right to pursue an occupation of your own choice.

and deprivation of liberty and property without due process of law.

What is your opinion of compulsory unionism in general, in addition to that in radio and television?

I am opposed to it. I am opposed to all monopolies and oligopolies. I have written over the years, spoken over the years, in opposition to compulsory anything where there is a practical alternative.

What was the genesis of your program "Firing Line"? Why did you want to become host of a television talk show?

To ventilate the conservative point of view.

Did you think the talk shows then on the air went too far in the liberal direction?

I didn't think. I knew. I had been on all of them, and I saw them.

Your show went on the air in 1966. At what point did AFTRA arrive on the scene?

AFTRA arrived in the fall of 1964. The AFTRA people called up and told my secretary that I must join.

Why did they call that early?

I suppose they got word of the idea for the talk show. In 1964, Robert Kline, who is an independent producer, got a backer who agreed to finance a half-dozen trial balloons, using facilities at the New York World's Fair. We did three or four, after which the backer pulled out.

What happened?

He was terribly disappointed because his idea of a successful confrontation between me and Arthur Schlesinger Jr. was one that ended with Schlesinger throwing his arms in the air and saying "I apologize for all of my sins."

Since it didn't work quite that way, the backer lost interest, and the show didn't go on the air. Kline went around to look for other backers and had it just about organized when I decided to run for mayor of New York. So the whole thing was put in abeyance for one year.

Was the AFTRA issue also put in abeyance?

No. AFTRA renewed its demands in the spring of '65 and told me I had to join.

But the show, at that point, had never appeared on the air?

No, but AFTRA had heard it was going to be launched. And, because I made guest appearances on other shows, I was told I must join AFTRA irrespective of whether the "Firing Line" series ever went on the air.

What was your reaction to that?

A negative one. I called up the greatest lawyer in the world. He said I had to join; i.e., that they had the raw power to keep me from broadcasting. So it was simply a matter of acquiescing or being read out of the medium.

What did the union promise to do in your behalf? What benefits were supposed to flow to you from your membership?

I didn't read all their stuff, but essentially what they said was that they would negotiate a basic rate and I would never get paid less.

That, as a matter of fact, was a solid contribution because I usually wasn't paid anything at all.

But I have always maintained that if I want to go on the air for nothing, I should be permitted to do so, and that if I want to get paid, I have a right to negotiate my own honorarium.

What initiation fee did you have to pay when you joined?

$200.

Is AFTRA engaged in activities that you object to?

Sure.

Does it support causes, for example, that you oppose?

I am not aware whether it suggests to its conscript membership that they ought to vote for this guy or vote for that guy or whether it gives some sort of subterranean help to this guy or that guy.

But it is very active, for instance, in pressing its demands. AFTRA called a strike two or three years ago which had us all listening to network vice presidents giving the news and the weather reports.

So AFTRA is not above using muscle in order to press demands, nor above disciplining those members who are less than fully compliant with instructions.

When AFTRA says, "Get on the picket line tomorrow," they mean: "Get on the picket line tomorrow." And when they say, "Don't cross it," they mean: "Don't cross it." And they are capable of inflicting draconian penalties on anybody who is disobedient.

You have referred to this form of compulsory unionism as "a writ of indenture." What do you mean by that?

I mean that the AFTRA people have a total hold over me which they are unilaterally in a position to use. Without consulting me, they can tell me what I can't do. They can tell me that the only alternative I have is simply to stop using facilities which some people think of as at least semipublic in nature.

At one point, you tried to resign from AFTRA. What was the outcome?

I sent representatives who told AFTRA I wanted to resign and asked would they permit me to do so. They said they would not.

So my colleagues asked, "Would you run him off the air if he did?" The answer was that if I withdrew from the union, AFTRA would instruct stations with which it has contracts—which is, for all intents and purposes, all stations—to stop broadcasting "Firing Line."

So the next step was the filing of the lawsuit last January. Did anything specific bring it to a head?

No. The timing was, to a considerable extent, a matter of backing. I had been in negotiation with various people over a period of two or three years on getting the backing to bring the suit. It was and is impossible to foretell exactly how much it is going to cost. And I was not in a mood to pledge my entire financial future, on which *National Review* depends, to the cost of this lawsuit.

So, I didn't want to go into it unless I knew that the backing would be forthcoming. That took a long time and a very careful examination of the constitutional issues involved in my case. And, when finally everything did check out, I don't think we delayed very much. The lawsuit was filed two or three months after we decided that everything was O. K.

You have invited other commentators, particularly liberals who have been outspoken in defense of First Amendment rights and other liberties, to join you in this suit. What type of response have you received from them?

Sluggish. Eric Sevareid of CBS reported on Jan. 21 that he had asked his lawyers to look into the documents of the case. He must have slower lawyers than I have because, so far as I am aware, they haven't yet advised him. At least, he hasn't said Yes and he hasn't said No.

We've had, however, very direct action from one or two people—Nat Hentoff, the liberal author and columnist for *The Village Voice*, for instance, and James Jackson Kilpatrick, who writes from the conservative viewpoint. Tom Wicker of *The New York Times* sent me $50 and authorized me to advertise the fact he had done so.

I think a lot of liberals are really vexed. On the one hand, they have the tradition of permitting labor unions to do anything they want to do—because of a sort of class identification between liberals and the labor movement. On the other hand, they are visibly upset by the lucidity of the reasoning in this lawsuit. And that is why there is torment.

The New York Times can't write about it coherently, so confused are they by it.

The American Civil Liberties Union, which has long held that there is no violation of constitutional rights in union shop arrangements, has said it would review its position in the light of your suit. Have you heard any more from the ACLU?

No, I haven't. But I know it is going to be an uphill fight to get its support.

My guess is that the executive director of the ACLU is favorably disposed to this case, but that he is going to face a lot of trouble from those old trade union types who put in a lot of money to keep ACLU alive. Never mind the Bill of Rights, they aren't going to want to see themselves identified with anything as scabbish as this.

Do you see a conflict here between the ACLU's basic avowed purpose of protecting individual rights and the coercion involved in compulsory unionism such as a union shop?

Yes, yes. The ACLU does a lot of foolish things and has often attempted to absolutize the provisions of the Bill of Rights. If you do that, it seems to me, you pretty well make them incoherent. But I don't think it requires the absolutization of the First Amendment to reach the conclusion that nobody ought to be required to belong to any organization in order to appear on television or radio and say whether he is for or against the Common Market.

What sort of public response have you had to your suit?

I am just back from a lecture trip and I went nowhere on 10 college campuses where the subject wasn't raised.

There is an extraordinary knowledge of the lawsuit all over the country and a tremendous amount of curiosity about it. The students are fascinated by it.

They think it is perfectly O.K. to take a position contrary to the labor union. This doesn't make you a scab or a fascist, or anything of the sort, in their minds. It may very well be that that is because the younger generation is less identified with the labor unions as a matter of class solidarity.

What other impressions did you glean on your trip about the mood of students, after the upheavals of the past two or three years?

I have a feeling that students are less sold than they were a year ago on the utility of demonstrations. They know that the Viet Nam war is winding down, and they know that they didn't have a hell of a lot to do with it—it was winding down anyway.

Also, I think there probably is a certain sense of embarrassment over the lengths they went to in protesting the Cambodia incursion, which turned out to be a rather conventional military operation. All their apocalyptic talk in May of last year now sort of drifts around like fugitive mines after the war's end. And there are those of us mean enough to remind them of those mines.

It doesn't mean that students are now all integrated with the Administration. They don't like Nixon, they don't like Reagan, they don't like the Establishment, as I understand it. But I think they are less dispossed than they were to sort of move around licentiously and figure they can ring in a new order.

As a television personality yourself, how do you react when the Vice President and others question the objectivity of some of the news media, particularly network television?

I think it is the greatest redundancy in the history of our time. It has been obvious to me for a great many years that the networks tend to be biased. It is more interesting to observe the reactions than the charge.

In what way are the networks biased?

Liberal; a left-liberal position.

If you could implement just one change in the way that television news and commentary is given, what would it be?

I would encourage a conscious search for intelligent and well-informed people who don't go along with the *Zeitgeist*, who would be on the air on a fairly regular basis.

For instance, Howard K. Smith—who dissented from the general opposition to Viet-Nam—made an enormous difference in just the fact that he was there occasionally to say a few things on ABC.

I wish there were somebody like that to put other issues into focus on all the networks.

LEGISLATION INTRODUCED TO PUT INTO EFFECT PREVIOUSLY SCHEDULED PAY RAISE FOR FEDERAL EMPLOYEES ON JANUARY 1

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HANLEY. Mr. Speaker, yesterday, Representative MORRIS UDALL and I, along with cosponsors, introduced a bill which would put into effect a previously scheduled pay raise for Federal employees on January 1.

Recently, this House failed to veto a Presidential proposal to postpone the January 1 comparability increase to July 1. Many Members supported the President's proposal because of the uncertainty surrounding phase II of the President's new economic program.

Since that vote, however, the Pay Board established to institute phase II guidelines has announced that pay increases in the private sector of up to 5.5 percent will be approved. Recent Bureau of Labor Statistics figures indicate that the proposed Federal pay increase need not exceed these guidelines to be equitable. Now that we definitely know that this pay adjustment would not violate the Pay Board's guidelines, we can move ahead at once.

The Senate Post Office and Civil Service Committee has already unanimously approved a bill similar to ours, and it is now pending in the Senate.

I would like to emphasize that this bill would not allow Federal increases to exceed the phase II guidelines or any other standards issued pursuant to the Economic Stabilization Act of 1970.

It is totally unfair to single out Federal employees for discriminatory treatment. They should be placed on an equal footing with the other sectors of the economy. This bill does no more or no less.

While Wage Board pay is not specifically mentioned, the President's decision to postpone Wage Board surveys by 6 months was based on the white-collar pay freeze. I am confident that should our bill pass, the President would be forced to rescind his order on blue-collar pay.

In view of the change in circumstances, I strongly urge support of the bill by all of my colleagues.

PROPOSED REFORMS IN CAMPAIGN FINANCING

(Mr. WALDIE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WALDIE. Mr. Speaker, when we are talking about, and this House is considering, ways to correct the disfunctioning of the democratic process itself, and ways to make it credible and viable, and ways to give it life, and when we are really talking about the future of this system and of this country, it ought to be sobering and deeply disturbing to recognize that we are addressing this problem in terms of, hopefully, and at best, enacting the most minimum legislation.

And we ought to enact, at the very minimum, the best and most hopeful of those minimum reforms of campaign financing and disclosure that are offered.

That minimum legislation, which is the best we can do and certainly the least we must do, is contained in the basic bill that passed the Senate by a vote of 88 to 2 and the amendments offered by the distinguished gentleman from Arizona (Mr. UDALL) and the distinguished gentleman from Illinois (Mr. ANDERSON).

There is really no confusion among ourselves or in this Chamber about the fact that when we are talking about the chances for genuine and meaningful legislation to emerge from Congress before the next great test that faces this system we are talking about the Senate bill basically and the Udall amendments. And there is really no confusion about the parliamentary purpose of some of the other so-called reform amendments being offered.

But I really do not know how you talk about the failure of the democratic process to function in terms of minimum reform. I do not know how you talk about it in terms of the future of this system, or how you relate it to the people and the world that exists outside the narrow confines of the walls of this Chamber.

It is worthwhile to talk about it in terms of minimum reform in order to stress the absolute urgency and importance of at least doing nothing less than passing a bill from this House that can guarantee the enactment of at least some bill in this Congress, and which will be at least as good in the intent and effectiveness of its basic provisions as the Senate bill is in terms of disclosure and limiting campaign costs.

Adoption of the Senate bill with the amendments offered by Mr. UDALL and Mr. ANDERSON and rejection of ulterior amendments offers the one hope of accomplishing some measure of reform. And such a bill, though it represents a minimum beginning, carries with it the possibility of a real and genuine beginning.

That is of no small importance. In fact, I believe it is crucially important. Failure to enact the basic Senate bill with the Udall-Anderson amendments and to act in reforming and revitalizing the campaign spending and disclosure procedures of the political processes of democracy itself would be a scandal of such magnitude, so unexplainable and insupportable to the country, that what we do here carries a gravity of consequence at this time in our history that ought to be alarming and deeply troubling to any Member of this Congress.

And it has gravity for the House. It has gravity in terms of the position this institution occupies in relation to the other branches of Government, and to the Senate, and in terms of the position it occupies in the country.

But it goes beyond that.

Insofar as we speak for the system and the way this system operates, the consequences of what we do or fail to do in acting on the Senate bill and the Udall-Anderson amendments are really going to have a determining influence on the cynicism that exists in the country and among the young that will be far greater than I suspect the actual impact of any specific provision in whatever bill we may pass is going to have in terms of its hoped-for effect. Those specific effects may be considerable. But the real impact will be on the country and on the future of this political system.

This whole exercise raises, therefore, questions that ought to be deeply troubling and disturbing to us and we ought to give a response to those questions that satisfies our own conscience no less than the widespread and justifiable concern that exists in our country about the future of this system itself.

Who owns the democratic processes of this society?

Who determines whether you or I can run for Congress or for Governor or for President? Who really determines whether the people will have a choice, not an echo, and who is in a position to shape not only the electoral processes of this country but the results of those processes?

The functioning, or disfunctioning, and the national consequences, of the democratic system in our society is largely decided by 89 people in a society of over 200 million citizens.

These are the 89 people who contributed, in the last presidential campaign, a total of nearly $7 million. Their individual contributions amounted to $30,000 or more apiece.

If one counts individual contributors of $10,000 or more, a mere 424 persons, contributing a total of $12 million, largely determined the functioning of the democratic process in the last presidential campaign, in a country of 200 million citizens.

Nor are the benefits or advantages to be derived from some by this reliance on a few wealthy people for the conduct of our political election system in any sense partisan.

My own party no less than the opposite party was subject to a financial dependence on a relative handful of wealthy men and possibly even more so. In 1968, my party got 61 percent of its funds for the presidential campaign from individual contributors of $500 or more.

The opposite party depended for 47 percent of its presidential campaign expenses on individual contributors of like amounts, ranging upward from $500

The comprehension that 89 persons were responsible for contributing $7 million of the funds spent in a campaign for the office of President of the United States ought to have a staggering effect on the Members of this Congress in our deliberations this week of the various proposals for campaign spending reform.

They are, as our distinguished colleague, the Vice President, might put it and using the language he used to assail representatives of the print and broadcast media, 89 persons elected by no one and responsible to no one under the system as it now operates.

And yet they have a virtual stranglehold over the operation of the political processes of this country and, very frankly, over us, however indirectly.

We as Congressmen have supported or permitted this state of affairs over the years for one simple reason, and that is because we thought it was to our own personal advantage as Congressmen or candidates for reelection; or was of advantage to our respective political parties; or possibly because we simply did not wish to go out of our way to offend the sources of what has all-too-aptly and all-too-disturbingly been described as "the mother's milk of politics," by requiring that these 89 people or these 424 people or those large contributors in our own congressional districts actually stand up in public and identify themselves and say to the public, "I and 88 of my friends have spent $7 million to determine who will hold the office of the President of the United States." And to require that we get up ourselves and say our party took it, and from whom we took it. Or that we stand up in public as Members of Congress and identify the sources of our own support.

But it ought to be quite clear to all of us by now that we have not, in fact, secured any particular advantage to ourselves, either individually or for our political parties, by permitting the state of affairs to develop that now confronts us and impels us to some kind of legislation, any kind, that will be an improvement over the way the system operates now.

Certainly, it has been clear to most of us for a good long time that the country derives no advantages from the present processes of campaign expenditure and disclosure, and this really ought to be our only concern, and in a world of perfect men, it would be.

Quite the contrary to any advantages existing for the country in the present system, those processes are part and parcel of the gigantic cynicism toward the system itself, particularly on the part of young people. And that cynicism in this instance is warranted. You know it and I know it. And certainly the people know it, and how we resolve these questions this week relating to the way the electoral processes of this country are going to work or fail to work in the future is really going to say more about the system than all the specific words and provisions we write into the law governing campaign financing and disclosure, important as those specifics are.

But I think it should begin to become clear to us, and hopefully is, that those of us who are the practitioners of the present process have really made ourselves our own victims of our own shortsighted belief over the years that somehow we were creating some special advantage for ourselves or for our respective parties or were extending some protection of anonymity to our contributors and therefore preserving our own sources of financial support by allowing the present nightmare of campaign financing to develop.

It is becoming clear, and equally clear to both parties—at least on the congressional level if not the executive—that we have really become our own financial assassins.

And we ought, despite our more narrow and personal visions, to have a more than parenthetical concern that we are now bleeding the processes of democracy itself white in a vain and escalating effort, first to keep up with each other and finally to just keep up with ourselves.

We ought, equally, to be concerned with our own political and financial independence. And, very frankly, I think those of us in both political parties, in weighing this legislation, ought to exhibit a fair amount of independence from the national headquarters of our respective parties and from the presidential machinery of our respective parties that is now clanking and wheezing, or whirring, as the case may be, beyond the confines of this Capitol building in search of tens of millions of dollars. You and I are not part of that machinery, whether it be Republican or Democratic. We are not running presidential campaigns. Those who are running them may quite understandably have specific views on what ought to be done—or not done—in the way of reforming the campaign financing process.

It is all very fine and well for national party headquarters to have their own views of what we ought to do in this Chamber to limit campaign expenditures and to provide for fuller disclosure.

But I cannot really recall any examples of really massive assistance from our respective national parties in our own campaigns to help us meet the skyrocketing costs resulting in large measure from the fact our national parties have not been eager to genuinely reform a system which allows them to get $12 million from 424 people every 4 years. That $12 million does not really do a great deal for us in buying TV time in our districts. At least in the case of my own party, former President Johnson never really achieved a reputation as head of my party for his generosity to the State and local candidates of his party in helping them to meet these skyrocketing costs.

And I cannot really believe my Republican colleagues in the Congress are experiencing great rewards from their national headquarters for supporting a system that is bleeding them white in their own districts.

There has to be a reason why the former senior Senator from California, Senator Murphy, described the expenses of his unsuccessful campaign for reelection last year as "fantastic—astronomical—absolutely ridiculous." They are the same words used by his successful opponent.

There has to be a reason why Senator DOLE himself calls the present process "scandalous." He does it because he is talking about running in Kansas and the cost of it, and because he knows what it cost him.

So from the beginning, let us recognize that those who are running presidential campaigns for the respective parties next year have their interests in terms of campaign reform, and that we as Members of Congress have ours, and that those interests may be far from identical, and we ought to look to our own duties and responsibilities to the people of the United States as Members of the Congress of the United States.

Financially, the White House will somehow survive the present system if that is what is still in operation next year and I trust that through the talents of Mr. O'Brien and Mr. Short the Democratic National Committee will somehow survive. But I can really think of no compelling reason why it needs to be at the expense of the Members of this Congress of both parties, some of whom do not have regular recourse to national banquets that raise millions of dollars through a single mass serving of fried chicken, in the form of persuading us to renounce the genuine and meaningful reform on the State and local level in Federal elections where the bulk of the democratic process and its operation exists, where the costs bear most heavily, and where the people we serve are equally affected by the failure of the present system.

But I think the threat to our own independence as candidates and legislators is possibly of greatest concern.

We have witnessed what is to me a rather shocking phenomenon in recent weeks arising as a consequence of the present system and we have witnessed it twice .

In one instance, a large group of wealthy contributors convened in New York City—and contributors to liberal candidates and causes, I might add—to discuss the idea of collectively threatening to withhold their contributions as a sort of blackmail to induce liberal candidates to press for various reforms.

As someone who is in total sympathy and agreement with their objectives and who shares their belief in the urgency of the need for reforms in our society and in this Congress, this instance of pressure—however nobly motivated—is really a shocking and alarming illustration to me of exactly what I am talking about when I say the present method of financing campaigns and the present laws governing disclosure can no longer be tolerated in this country and can no longer be tolerated by you or me.

A second instance occurred in my own State of California—and again I speak of the experience only of my own party.

A wealthy group of Democratic campaign contributors collectively decided the costs of a free and open presidential primary campaign in California next June would be uncomfortably high to them.

They gathered together and decided it might be a good idea to collectively press for a "unity" slate which would go to the 1972 Democratic Convention uncommitted and to make this possible by persuading the different potential presidential candidates of my party to agree to stay out of the California primary.

These contributors estimated they might save millions of dollars they would otherwise normally be expected to contribute to the various presidential candidates.

Though their concern was understandable from a personal standpoint, fortunately for the voters of California and for the political processes of this society, the proposal did not receive the required agreement of the presidential candidates.

But the fact the attempt occurred at all ought to say something very loud and clear to us as Members of this Congress as to the broader and often more subtle forces at work that affect our own independence as candidates and as Members of Congress. And about the direction this whole present system is heading.

And I think almost all of us—if not all of us—really want to preserve maximum independence as Members of this Congress.

I think this is what we really came here for. I think we came here to exercise our own best judgment and to act from our own best and deepest instincts and, in short, to act as Members of the Congress of the United States, and to do, in our own way, the best and all we could for something beyond ourselves, for the trust we hold and for the dream I believe that we still believe in, however far short we may fall on occasion.

I really do not think we came here to make sure that the two national party headquarters downtown get $12 million again this year from 424 people so that we in turn could be forced into ever greater reliance in our own districts on the financial help of a handful of people to meet our own escalating election costs.

And while we may not feel sympathetically inclined to the notion of promoting opposition to ourselves in elections, I do not think we came here to guarantee perfect insulation for ourselves either.

Our genuine strength, here and with the people, really rests on our independence. And it is with the people that I think you and I really want it to rest, not with a circle of large contributors who thrive on anonymity. And I think that independence and that broad reliance on the people is really the best and finally the only guarantee of our own political security and survival, whether we have always recognized this to be true or not. But I think it is true, and possibly the truest thing that may be said during our entire debate and consideration of this legislation.

I think we as Members of Congress in acting on this legislation need to reassert our independence forcefully and publicly as officials elected to a public trust. I think we need to do it personally, as human beings. I think we need to do it as political leaders. I think we need to do it as members of a political body, as Members of the House of Representatives, at an hour when the respect for this institution and its influence in contemporary affairs has greatly and seriously declined in the public esteem.

When are we going to make this "the preeminent institution of Government"?

Sometime, I hope, before we get the word from our respective national headquarters. Sometime before we get the word from the White House. Sometime before we get the word from 89 political contributors. Sometime before we get the word that it is all right to do so from the large financial contributors in our districts.

This is one week when this House can begin to become "the preeminent institution of Government." This is one week when we can begin to reach the minds of

spirits of the young people of this country. This is one week when we can begin to determine whether the democratic process in this country is going to survive. This is one week when we can belong to the House of Representatives, and with Carl Sandburg say, "the People, Yes."

ADDRESS GIVEN BY HON. REUBIN O'D. ASKEW, GOVERNOR OF FLORIDA, BEFORE DEMOCRATIC UNITY DINNER HELD AT MIAMI BEACH, FLA., ON FRIDAY, NOVEMBER 12, 1971

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, the whole country has recognized that in 1970 the people of Florida elected one of the outstanding Governors of the Nation, the Honorable Reubin O'D. Askew.

Governor Askew, after a distinguished career of 12 years in the Florida State Senate, brings to the office of Governor a wide knowledge of the affairs of Florida, and of government in general.

Governor Askew waged a brave campaign for a fairer tax system for the State of Florida, and particularly for a constitutional amendment to provide for the taxing of the profits of corporations doing business in Florida. The courage, the character, and the competence of Senator Askew won him the overwhelming support of the people of Florida in his election as Governor.

Since Governor Askew has been in office, he has given a new quality and tone to the government of Florida and to public life in our State.

The Florida Legislature submitted to the people the corporate income tax amendment recommended by Governor Askew, and, after a diligent and dedicated campaign which Governor Askew made among the people of Florida, pressing for this measure, the people of Florida adopted the proposed constitutional amendment by a vote of 70 percent.

Governor Askew, in less than the year that he has been Governor, has accomplished magnificent progress for the State of Florida. He is now moving toward bringing about the enactment of other programs to promote the most significant progress of the State.

Governor Askew has caught the attention and won the admiration of the Nation in the sincerity and the deep concern which he has manifested for the people of Florida, and the outstanding integrity which he has reflected in the discharge of his duties as Governor.

He is a man of sensitive sentiment and has a deep sense of what is right. He spurns demagoguery and appeals to the finest instincts of the people for their support in his own election and for his programs.

Governor Askew was honored last Friday evening, November 12, in Miami Beach, Fla.—in my congressional district—along with our distinguished junior Senator, Senator LAWTON CHILES, at a Democratic unity dinner which was a great success. Governor Askew was the principal speaker at this dinner and delivered an address of moving sincerity, deep conviction, and persuasive eloquence. He called upon the political leaders of today to give leadership to the people in the expression of their noblest sentiments and the accomplishment of highest objectives. He laid out a course for the Democratic Party to pursue if it is to command the respect and the support of the people of America. As he spoke those beautiful words, Governor Askew himself personified the new leader who is emerging to guide the destinies of the people of our country in these troubled days.

Governor Askew would discharge, with dedication and distinction, the duties of any office in American, however high it might be. I venture, Mr. Speaker, that the whole Nation will, in due course—as he continues to exhibit the qualities of leadership so sorely needed in our country today—turn to him for such leadership as have we in the State of Florida.

Therefore, Mr. Speaker, I commend Governor Askew's able and eloquent address to my colleagues and to my fellow countrymen, and include his speech in the RECORD at this time:

REMARKS OF REUBIN O'D. ASKEW, GOVERNOR OF FLORIDA

It certainly is good to be among friends tonight.

And it's especially gratifying for me to be back in Dade County.

I was told a couple of weeks ago that tax reform just might have a chance in Dade.

I sure was glad to see it "squeak by" here.

I'm also happy that we managed to "edge out" the opposition in Broward and Palm Beach Counties.

Which brings to mind the Indian leader Gandhi's famous quote about how leaders need to catch up with their people.

I guess they used to have a republican problem in India, too.

You know, there's been some disturbing talk to the effect that I might become impossible to deal with as a result of the 70 per cent vote our program won last week.

There was even one suggestion during the campaign that I was a "nut with a Huey P. Long outlook" . . . and that I might become some sort of a ruthless dictator . . . who builds monuments to himself and stomps all over any opposition.

I want you to know that that's not true.

I was just telling Lawton a couple of hours ago . . . as we were riding over the "Reubin Askew causeway" . . . to get to the other side of the "Donna Lou bridge."

I was telling him how concerned I am about that kind of talk.

I didn't finish, however, before we had arrived here . . . at the "O'Donovan hotel."

Seriously though, I do appreciate the hard work and the long hours and the anxious moments so many of you went through to get our message to the people . . . and to get the people to the polls.

This was, by no means, a one-man effort.

Tax reform was, and will continue to be, the work of some of the most dedicated and talented legislators Tallahassee has ever known.

And November 2 was and always will be remembered as "the day of the people in Florida" . . . and I see many before me—while this was a non-partisan issue, I can't help but express my appreciation to Jon Moyle and the Democratic party for the tre-

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mendous support given us—without whom it might never have happened.

Florida is grateful to all of you.

And so am I.

Incidentally, I noticed the other day where President Nixon and the Republicans had a dinner like this up in Chicago.

Only there you had to pay five hundred dollars to get in . . . not $50.

The media says this is because the administration is putting together the biggest financial warchest in the history of American politics.

Sounds familiar, doesn't it?

The next thing you know, they'll be sending us Winn-Dixie melons from the California White House.

I'm happy to see our Florida Democratic Chairman, Jon Moyle, here tonight . . . doing his job.

And I certainly hope the Florida Republican Chairman, Mr. Tommy Thomas, is enjoying his present assignment.

Chairman Thomas, you might have read, is on a month-long government-paid tour of the Netherlands, where he is, and I quote, "inspecting the U.S. Embassy in the Hague."

Chairman Thomas is the man who says we need to cut the fat out of government.

I agree with that.

It's quite an honor to be here tonight and to share our evening with such distinguished company from outside the State.

We've said many times, since our Presidential Primary Bill passed the legislature last spring, that we expected several good things from it.

But one thing we didn't anticipate was the emergence of a bustling new tourist trade between the State of Florida . . . and the United States Senate.

Senator McGovern, we're delighted to have you with us.

We look forward to seeing you in Miami Beach next July when, thanks to the tremendous efforts of many people in this room, the first National Democratic Convention in the South since 1928 will be held.

You know, I have a campaign report that I've been delivering around the State at the expense of our visiting senator and some of his competitors.

Although many of you have probably heard it, I would like, in fairness to share the story with Senator McGovern.

The gist of it is that competition for votes has become so fierce down here that no less than 7 presidential hopefuls, 4 of them Senators, converged on one hapless fisherman up in the panhandle the other day.

Senator Jackson wanted to know if our man could use a Government-backed loan.

Governor Wallace offered him a bargain on a used school bus.

Mayor Lindsay gave him two tickets to the *Republican* National Convention.

But Congressman McCloskey grabbed the tickets *himself*, . . . saying *he'd* probably need them more than anybody. (Just to get in).

Senator Humphrey came up with fourteen hours of uninterrupted Senator Humphrey.

Senator McGovern attempted for fourteen hours to interrupt him.

And Senator Muskie, not wanting to risk overexposure, *just* waved from his car.

The poor Floridian disappeared into the surf and hasn't been heard from since.

You know, we used to have Senator *Harris* in that story, but, of course, he dropped out of the picture this week.

I was sorry to see that happen.

I've been neutral in this campaign, and I intend to remain so.

But I'm deeply disturbed that a man has been forced out of it simply because he has no money.

And I agree with Senator Harris' lament that "There's a great constituency out there for somebody."

It's a constituency whose candidate isn't likely to be well-funded. For this constituency is a new coalition demanding a new day of truth and honesty from those who would lead them.

Senator Harris and his populism might have surprised a lot of people . . . had he been able to stay in the race at least through the Florida primary.

For the corporate tax referendum, I think, was a clear sign that the new coalition has emerged, full-grown, at least in our State.

And I'm convinced it is a sleeping giant in the rest of the country . . . waiting only for someone to end its long and costly hibernation.

It's an unusual coalition . . . one which seems to cross all the old lines of race, religion, class and economic condition.

It is a coalition of the people . . . all kinds of them . . . people who are tired of being used, manipulated, fooled, frightened, divided and turned against themselves.

People who have come of age politically.

People who want leaders who will help them *overcome* their fears and prejudices . . . not cater to them.

People who want a government which respects and enhances their capacity to rise *above* themselves . . . not one which is content to see them trapped in ignorance and suspicion.

People who want a government which is responsive to them—not to a conglomeration of lobbyists, campaign contributors, influence peddlers and special interests.

People who demand, in short, a new day of national maturity in our approach to government . . . and to the governed.

This is what I think *Floridians* were saying last week.

This is what I think many other Americans were saying last year.

And this is what we Democrats had best be responding to today.

It's fine to talk of unity among ourselves as office-holders and party workers.

And I certainly hope we can *have* that kind of unity—without compromising our own individual views of what is right and fair and just, and of what must be done to make ours a better State, a better country and a better world.

For while unity among *ourselves* is quite important, I think the real challenge before us as Democrats . . . is to seek unity with the *people* and their needs.

We can have differences, we can have fights.

I've often said that a good and open fight is one of our more vigorous ways of searching for the truth.

But we must always remember that this "game" of politics is not a game at all.

It is the central thread in the achievements and failures of man.

And how we weave it can very well determine whether a mother has food for her children, whether the ignorant shall learn to read, whether a young man is to die in battle, and whether the world itself is to die of man-made suffocation.

This is why I find it ludicrous to refer to our national hopes and aspirations as a "gameplan."

I see neither a game nor a plan in what's happening in this country.

I see instead a tremendous challenge which is not being faced.

And I see our party as the best . . . indeed the *only* hope . . . for a change.

We're not going to win in 1972 by sitting on our hands and saying so . . . or by holding to the policies and procedures of the past.

Nor shall we win simply by reciting that we are and always have been the "party of the people."

We must prove it.

We must prove it by respecting the intelligence of today's voters; by showing them that political hypocrisy has no place in the new democratic party of the 70s; by remembering there are many who couldn't afford to attend even this dinner who need our help; by speaking honestly, candidly and courageously with the people, and by dedicating ourselves to good government . . . not just good politics.

I think we're learning in Florida that good government and good politics are one and the same.

That is as it should be. We must believe in our country. As Washington said, "We must raise a standard to which the honest and wise may repair." This is our task . . . this is our challenge and working together we shall not fail.

Thank you.

SPEECH BY LEONARD WOODCOCK, PRESIDENT, UNITED AUTOMOBILE WORKERS, AT 1971 ALBERT LASKER MEDICAL RESEARCH AWARDS LUNCHEON HELD IN NEW YORK CITY, NOVEMBER 11, 1971

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on November 11, 1971, at the distinguished 1971 Albert Lasker Medical Research Awards luncheon in New York City—an occasion always so significant in relation to the health and well-being of the people of America—Mr. Leonard Woodcock, president of the United Automobile Workers and chairman of the Committee for National Health Insurance, delivered the principal address on the subject of "The 'Monolithic' Myth in Health."

Mr. Woodcock, a great leader in the fight for better health care for the people of America, moved all those who heard him by the breadth of his knowledge, the moving eloquence of his sincerity in the strong appeal he made for an adequate program of National Health Insurance.

Few, if any, men are better qualified to speak upon this subject than Mr. Woodcock. He is one of the great voices of America, pleading for longer lives and better health, as well as greater happiness, for the people of our country, by making possible for them the highest quality of medical service which our country has to offer for those able to enjoy it.

Mr. Speaker, I commend Mr. Woodcock's able address to my colleagues and to my fellow-citizens, and include it at this point in the RECORD:

THE "MONOLITHIC" MYTH IN HEALTH

(Speech by Leonard Woodcock)

Chairman DeBakey, it is a great privilege for me to share this platform with you and with the scientists we are honoring today. The brilliant contributions to molecular genetics of Dr. Benzer, and Dr. Brenner, and of Dr. Yanofsky, are triumphs of the first order of medical science. Dr. Freis has made a wonderful contribution through his demonstration that treatment of moderate hypertension with drugs is life-saving. All scientists can take genuine pride in their successes, and laymen can take heart.

Although I do not profess to independent judgment in these matters, it seems clear the most obvious aspect of their work is that science has recorded a marvelous new advance. An equally important aspect will be how quickly, how well and how widespread these and other achievements of medical science can reach the people in the form of direct and helpful service. Besides being scientists and technicians, we are social beings. This aspect of human nature is as important as the scientific aspect. And I propose to address my further remarks to the support of continuing research and also to the applications in the service of human well being.

I also propose to say something about the word, "monolithic." That is the current pet word of people who like to scare other people. The workers whom I represent might not understand what it means, but they do understand from painful experience and personal family tragedies what it means not to get medical care.

The success of American medical science can be measured by the Lasker Awards and by the Nobel Prizes. Dr. Earl Sutherland, who was honored here last year and by Stockholm last month, was the 22nd Lasker Award winner subsequently to receive a Nobel Prize.

Today our research is the envy of the world and we must join together in keeping it so through adequate support. But we must also redouble our efforts to bring the fruits of medical research to the people.

In emphasizing the importance of delivering good medical care to all of our people, we must not overlook the fact that in treating the patient the doctor is totally dependent upon the scientific knowledge which medical research has provided to him.

On this point, I can quote no better authority than the Chairman of your Medical Research Awards Jury who, I am also happy to note, is a very effective Vice-Chairman of the Committee for National Health Insurance. In a recent article in the "Saturday Review", Dr. Michael DeBakey emphasized the mutual interdependence of medical research and the delivery of high quality care in these words:

"Without continued research, the most extravagant appropriations for the delivery of health care can produce no better quality than the application of *current* scientific knowledge permits; without further research into new ways of treating, curing, and preventing unconquered human ailments, the system will remain at a plateau."

I don't think the American people are aware of the fact that this country's accelerated medical research endeavor over the past 25 years has literally resulted in the saving of millions of lives and the prevention of countless disabling illnesses which, in an earlier era, consigned so many of our workers to lifetimes of incapacity and grinding poverty.

The research offensive against mental illness is a vivid illustration of this point. For almost two centuries, we put the vast majority of mental patients away in mental institutions because we had no treatment for them other than expensive psychotherapy for the very affluent. As a result, by 1955 we have constructed more than 300 of these institutions—massive human warehouses where we provided menial, degrading custody to more than 560,000 patients a year. The development of the tranquilizing and anti-depressant drugs in subsequent years turned the tide; today we have reduced the resident population of these hospitals by more than 250,000 and we are on our way to the total abolition of the custodial mental institution in this decade.

Apart from the alleviation of human suffering, the economic benefits are striking: (1) The saving of $6 billion in hospital construction costs; (2) the saving of over $6 billion in patient care costs; and (3) a vast increase in the productivity of persons who formerly would have been totally removed from the labor market.

The members of the United Auto Workers Union have reaped these benefits in full measure. In 1964, we negotiated a benefit with the major auto companies providing $400 a year in psychiatric out-patient care for each worker. As a result of this benefit, thousands of our members who would have formerly been consigned to lifetimes in state institutions have been successfully treated and are back on the assembly line.

I am delighted that among the scientists you honor here today with the coveted Lasker Awards, you single out for the Clinical Research Award Dr. Edward Freis of the Veterans Administration for his brilliant demonstration of the effectiveness of the use of drugs in the treatment of moderate hypertension.

A recent survey by the National Heart and Lung Institute disclosed the shocking fact that almost 23 million Americans are afflicted with high blood pressure, and an estimated additional five million Americans have this disease without being aware of it. High blood pressure, which in so many cases leads to coronary heart disease, each year hits hundreds of thousands of American workers, and they are the segment of the population with the highest incidence of *undetected* hypertension.

Through the medical research efforts of Dr. Freis and his colleagues throughout the country, the death rate from hypertensive heart disease has declined more than 50 percent since 1952. I have been told by medical authorities that we could all but eliminate this disease if we invested additional monies in more research and in a mass campaign to detect and treat high blood pressure in every community in this land.

Time does not permit a listing of the additional bounties from medical research in practically wiping out polio and influenza, in reducing the death toll from tuberculosis by 90 percent and in developing successful vaccines against both measles and German measles. Increased expenditures for medical research are a blue chip investment, far more valuable than anything being sold on Wall Street these days. These targeted medical research programs convert tax-eaters into taxpayers. In removing people from the welfare rolls and from scarce hospital beds, they restore them to lives of dignity and fulfillment.

However, in recent years there have been serious cutbacks in the research programs of the National Institutes of Health. Testifying this very year before a Congressional appropriations committee, the Director of the National Institutes of Health admitted that: "We are supporting less biomedical research at present than we did in 1966."

I submit that appropriations for the National Institutes of Health are still far too low. Last year, as a nation we spent per citizen $410 for national defense; $125 for the Vietnam War; $19 for foreign aid, but only $7 for the acquisition of new medical knowledge to preserve the lives of our citizens. We hear a great deal from Mr. Nixon about the dangers of an unbalanced federal budget, but when will this Administration wake up to the fact that its most important budget—its human budget—has always been in a certain sense unbalanced. Why? Because hundreds of thousands of our citizens have died ahead of their time. We have lost an irreplaceable asset each and every time this has happened. Human capital, not physical or financial capital, is the most precious resource of this Republic—its preservation is the means to, and should be the end result of, all of our endeavors.

My emphasis on the importance of medical research ties in very closely with my dedication to the principle of delivery of high quality health care to every man, woman and child in this country. I am all for expanded research in our scientific laboratories, but I want the gap closed between the laboratory bench and the bedside of the suffering patient. As a nation, we must develop goal-oriented clinical research against the major killers and cripplers of our time. Anyone who has studied the health scene in America today knows that too many of our spectacular medical research advances are confined to the medical schools and their affiliated teaching hospitals. It may be exciting to read in medical journals about the wonders of open heart surgery or comprehensive drug and radiation treatment against cancer, but how many poor and even middle-income residents of New York City have access to them? Here in New York City, you have seven medical schools and many world renowned hospitals and research institutes. Yet your death rate from disease is 15 percent higher than the national average. I think we can all draw the obvious conclusion—your affluent citizens get the best, but the best is far beyond the economic reach of the average working man and woman.

The main problem is that we have a faulty system for the organization, delivery and financing of personal health services. Our methods of paying for care distorts the system.

The health care system can learn much from the system we use for primary support of medical research.

A quarter-century ago medical research was in the predicament that health services now finds itself—that is, in crisis.

The financing of research was primarily through private resources. Funds were laboriously collected in small amounts through philanthropy or squeezed from the overstrained budgets of academic institutions. Private commercial research was conceived and supported not as a way of preventing sickness but as a way of increasing business through new production.

Until the establishment and development of the National Institutes of Health, we had no massive attack through research on the causes of killer diseases. NIH provided a monolithic funding arrangement which has resulted in the most productive scientific enterprise in the world. But the monolithic financing system did not stifle individual scientific efforts. It did not create a single massive research system. Rather, it weaved together and coordinated inter-related efforts. It supported multiple private efforts and a degree of freedom for the medical-scientific community that has yielded unprecedented health benefits for our people. The monolithic financing of medical research has made NIH a headspring of creative discovery.

Today, our nation can grasp the same opportunity for reform of health care delivery as we seized for medical research with the establishment of NIH. That is, we can shift from an essentially diffuse, ineffective, noncreative financing system to a monolithic financing system which will bring multiple new methods of delivering services to consumers. We can liberate medical care from a tyranny of wildly escalating costs and assure every family of new opportunities for preventive care, early diagnosis of illness and effective therapy and rehabilitation.

Or we can continue to subsidize our present medical care delivery system which has failed to bridge the gap between promise and performance.

Despite the successes of monolithic funding of medical research, we find ourselves today the victims of myth-making about "monolithic" financing. In fact, "monolithic" has become the scare word of the Seventies. It is employed by the very same people who in the Fifties and Sixties gave us other scare words, like "socialized medicine" and na-

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tionalized medicine." In the Thirties, they coined a series of dark, foreboding words to warn the people of the wretchedness of President Roosevelt's proposed Social Security system.

The cliches were then and are now the offspring of selfish, money-stained interests. Their strategy is to leave the average American mystified, confused and dependent on the old stand-bys—the American Medical Association and the insurance industry.

The "monolithic" cliche is being employed in the current national health insurance debate to condemn our proposal for National Health Security—or any plan that does not rely on the private insurance industry. According to the Nixon Administration, without the insurance industry to manage it, any national health insurance plan would be rigid and not adaptable to flexibility and diversity.

The myth-makers have, to a considerable extent, succeeded in creating confusion. But the fact is, as they well know, that while the financing under our Health Security program would be monolithic, as in the Social Security system, the health *services* would be provided by a system of resources for medical care which would be pluralistic.

In particular, the Health Security Act would create family health plans across the nation as alternatives to the present solo practice-fee-for-service medical system. The two key elements of the Health Security program are: Systematic and secure national funding by the Federal Government and multiform delivery of medical care by private providers. The organization, delivery and financing of services would be rationalized as medical research has been.

Even though they are making "monolithic" a scare word, the phrase-makers and jargon-coiners will fail to defeat National Health Security.

Organized medicine will fail because its rhetoric surpasses its performance. Not even a $1.5 million advertising budget can hide that fact.

The private health insurance industry will fail because, when you follow the problems of runaway costs and waste of consumer resources, they lead to the competitive practices of the insurance industry. Private health insurance is an idea whose time has gone.

The Nixon Administration will fail because its performance in health has instilled little public confidence. The President's health program is more form than substance.

What the people want are new and better methods of getting health care, and at reasonable not runaway costs. This will not be achieved by subsidizing private health insurance companies. The partnership of the Nixon Administration and the insurance companies will assure only a continuation of the inefficiencies and wasteful duplications of the present medical system.

Instead we need a single budget for health services, since multiple sources of payment only assure wasteful practices. We must end a horrible situation in which health services and research are required to lobby against each other for support in the HEW budget—a budget in which expenditures for medicaid, for example, can neither be controlled nor blocked off from research funds, under the present system.

Of all the national health insurance proposals, only Health Security provides the means for responsible budgeting of national expenditures for personal health services. Only Health Security would thus prevent depletion of funds intended and needed to support research.

Only the National Health Security Act will create comprehensive changes in our nation's personal health care system. It will make real the principle of health care as a matter of right. And it will enable this nation and its government to strike a proper balance between medical research and health service.

The word, "monolithic," is being used to scare people. But I submit to you that monolithic financing of personal health services is exactly what we need to assure that America will continue to be the center of excellence in medical research and will also become a model of excellence in health service to the people.

YOUNGSTERS PETITION CONGRESS TO SUPPORT DAY CARE LUNCH PROGRAM

(Mr. VANIK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VANIK. Mr. Speaker, this morning over 600 Washington area youngsters enrolled in day care programs petitioned the Congress to adequately fund and implement the day care lunch program which has been critically cut back by administration action. Delegate WALTER FAUNTROY joined me in receiving petitions for the support of the day care lunch program which began over 6 years ago after Congress adopted legislation which I originally sponsored.

A failure by Congress to appropriate adequate school lunch funds for day care centers and a failure by the Department of Agriculture to effectively and quickly allocate these funds is causing many children in the District of Columbia, in my State of Ohio, and elsewhere immediate danger of inadequate feeding in day care centers.

Here in the District of Columbia, the amount of money day care centers have been allowed to feed children has been cut in half. The 15 cents allowed for breakfast has been cut to 8 cents; the 30 cents for lunch has been cut in half—dropping to 15 cents. Snack allowances have been cut from 10 cents to 5 cents.

For many of these children, the meals they receive in day care centers are their only source of nutrition.

To cut the small amount allowed in half is unconscionable.

A strong effort must be made immediately in the Congress to provide adequate funds and sufficient allocations by the Department of Agriculture to sustain this program.

AGNEW DISCUSSES CHILD DEVELOPMENT

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, on Wednesday, November 17, the Vice President of the United States addressed the banquet meeting of the Illinois Agricultural Association. It was a remarkable and timely address, in which he directed long overdue attention to an analysis of the trends embodied in the so-called child development bill, which this body will shortly be called upon to either accept or reject.

Mr. AGNEW rightly pointed out the many dangers inherent in the various proposals of child development, which would negatively affect the parent-child relationship. Now, Mr. Speaker, I know that some view this as less than a real issue. To those, I urge they read the Vice President's speech, which I include in the RECORD.

Mr. Speaker, I should like to make one additional point. Many have characterized Vice President AGNEW's speeches as something less than what is to be expected from a public official. I have never agreed with that criticism. In fact, I feel that such attacks have very often been politically motivated and intended to obscure the meaning of the Vice President's public utterances. To those who have made the criticism in the past, I urge a review of Mr. AGNEW's remarks. What must have occurred to his audience last night and will occur to those who read the speech, is the seriousness of the address and his willingness to speak about things not normally the subject of "political speeches." Very few are willing to devote their time and energy to developing analyses such as the Vice President often—but especially in this speech—has done. Vice President AGNEW should be commended for this speech. Hopefully, many Americans will hear and heed the warnings contained in this address.

The address follows:

ADDRESS BY THE VICE PRESIDENT OF THE UNITED STATES

America as a society was founded on respect for the individual and an unshakable belief in his worth and dignity. We believe an individual should be able to assume whatever position in society his intelligence, character and ability can earn for him—regardless of his status at birth—and we guarantee that he shall have that opportunity. He has, we say, an "inalienable right" to life, liberty and the pursuit of happiness so long as he does not trample on the equal rights of others. Unlike many other societies, we ask only in time of national emergency that he subordinate his individual freedom in the interest of his country.

"Individuality is the aim of political liberty," wrote James Fenimore Cooper. "By leaving to the citizen as much freedom of action and being as comports with order and the rights of others, the institutions render him truly a free man. He is left to pursue his means of happiness in his own manner."

The spirit of American individualism opened a frontier and built a nation. It imbues our institutions of today and we guard it jealously. Nowhere have I seen the importance of individualism and the threat to it better expressed than in the philosophy of your own organization, the Farm Bureau.

Let me read these few excerpts which are very pertinent to what I want to discuss with you tonight. I quote from your brochure, "1971 Policy Resolutions of the Illinois Agricultural Association."

"Farm Bureau recognizes freedom, the dignity and worth of the individual, equal opportunity, initiative and compensation for accomplishment, as basic concepts in a large way responsible for our country's progress and stature among the nations of the world.

"Today there are those who with well-planned purpose or unwitting action would lead our country and our people into state socialism with its control of our lives and our means to produce and distribute the products of our labor, capital and management, with little or no regard for the contribution of individuals. Such a course leads steadily and surely to the degeneration of moral and economic standards and to a leveled, disillusioned, government-directed people and a decadent economy.

"We reaffirm our faith in incentives, individual responsibility, initiative and freedom, rather than over-dependence on government. We believe that we should act as individuals and as an organization to keep the determination of our destiny in the hands of the people where it must remain, if our organization and our country are to continue to be free and strong."

That is a creed that the overwhelming majority of Americans can subscribe to, and I wish it could be read and repeated every day at every gathering of the "futuristic planners" who are so anxious to change our society by tinkering with the individual. For there is currently a body of thoughts which I believe presents serious threats to our individual liberties. These threats are often couched in the language of human benevolence. Such subtle encroachments on human freedom and dignity are for the most part proposed by social planners who believe that the individual is incapable of managing his own affairs, indeed, of even knowing what is best for him.

Let me share with you a few excerpts from a recent report published in the NEA journal, Today's Education, on future trends in education.

"Biochemical and psychological mediation of learning is likely to increase. New drama will play on the educational stage as drugs are introduced experimentally to improve in the learner such qualities as personality, concentration and memory . . .

"The roles and responsibilities of teachers will alter . . . The basic role of the teacher will change noticeably. Ten years hence it should be more accurate to term him a 'learning clinician.' This title is intended to convey the idea that schools are becoming 'clinics' whose purpose is to provide individualized psychosocial 'treatment' for the student, thus increasing his value both to himself and to society."

We don't have to wait 10 years for this to happen, ladies and gentlemen. It is already here in what some would term our more progressive public schools. Perhaps you have heard of the so-called "psycho-dramas" that children of all ages are forced to act out in the classroom. Listen to this account that I read recently in a newspaper:

". . . teachers frequently ask them (the pupils) to act out such things as obtaining an abortion, inter-racial dating, smoking marijuana—and how their parents would react. Parents find even more objectionable 'psycho-dramas' in which children act out actual incidents from the home, something which parents consider a clear invasion of their privacy. There have also been 'talk-ins' where two or three children will go to the school counselor and answer highly personal questions, such as: 'What does your father wear when he shaves?' or 'Do you love your parents?' One child was assigned an essay on the subject, 'Why do I hate my mother more than my father?' "

Character that was once molded in the home is now more often the product of the classroom, and there are some who would like to take it a step further and indoctrinate or condition all pre-school age children from infants on up to kindergarten age. They admire the Soviet system in which the State takes over this function from the parent.

Dr. Reginald Lourie, President of the Joint Commission on Mental Health of Children, recently told a Congressional Committee: "There is serious thinking among some of the future-oriented child development research people that maybe we can't trust the family alone to prepare young children for this new kind of world which is emerging."

The Soviets, Dr. Lourie said, have long recognized the shortcomings of the family. That, he added, is "one of the reasons why they felt they needed to have access to the babies."

Dr. Lourie said that in the first 18 months of life the brain is growing faster than it ever will again. "It is then also more plastic and most available for appropriate experience and corrective interventions," he said.

Another expert witness testified that child-rearing by the State produces more obedient adults because the individual child is conditioned to conform to the behavior and values of the group in which he is reared.

You can see here that our traditional concept of the individual would disappear completely if it were left up to the behaviorists; moreover, the family would become an anachronism in the new scheme of things.

Now, I believe there are occasions when a child needs to be taken out of the home, both for his own good and that of society. I have said this many times. It may be he is totally neglected by his parents in his upbringing, or it may be that they are faced with severe problems that prevent him from receiving the kind of care and attention that he needs. In such cases, he would be better off in a foster home or boarding school. And certainly this Administration favors federal support of day care centers where children left by working parents can receive care and educational opportunities so critical in the early years. We have also encouraged innovations in educational techniques.

But what has been suggested in the examples I have cited to you is radical surgery on the national psyche—and it is absolutely unjustified under the circumstances that exist. Our futuristic thinkers might render society a better service by devoting their thinking to some of the immediate problems that confront us.

For example, instead of psycho-drama in the classroom let's restore conditions that permit and encourage learning. I saw an article in a Baltimore newspaper a few days ago where city officials were calling for the installation of metal detectors at school entrances to prevent acts of violence by *gun-carrying youngsters!* Now when discipline and respect for authority deteriorate that far, conditions have gotten pretty bad. But I'm sure they're no worse at schools in Baltimore than they are in many other cities of the land. I would think restoration of discipline and order ought to be a first priority—even ahead of curriculum—in the schools of this country. Because it's a simple fact that unless order is maintained there can be very little learning accomplished, no matter how modern or innovative the teaching techniques may be.

Instead of having students write essays on why they hate their mother more than their father, or relate what their father wears while shaving, educators might use this time more productively by emphasizing basic skills and subjects that will enable these students to make the most of their lives and their talents and improve their worth as individuals.

The principal danger in all of this, in my opinion, is a steady erosion of our belief in the individual and the value of his role in society. The assault continues daily.

One of the hottest books on the current best-seller list deals with "conditioning" people to conform to a bizarre view of what society should be like—a utopia to be achieved through what the author calls a "technology of behavior." The author is Harvard psychologist B. F. Skinner. The book is appropriately entitled "Beyond Freedom and Dignity."

Dr. Skinner holds, in effect, that man has neither soul nor intellect and is completely a creature of his environment. If you can control man's environment, he theorizes, you can control his actions and his thoughts.

The book can be expected to have a substantial impact. Dr. Skinner is generally regarded as the most influential of American psychologists and social thinkers. He is widely known and respected, even by some who disagree with him.

The magazine Psychology Today said of the Skinner book: "This new crusading manifesto . . . is an intellectually ruthless demand for the faithful to move ever onward—into domestic policy, business, education, the family and every other part of life. Their time, they believe, is now."

In a recent article, Time magazine quoted Dr. Skinner as saying the concept of freedom once played a vital role in man's overthrow of tyrants but that it is now outmoded.

"My book," he said, "is an effort to demonstrate how things go bad when you make a fetish out of individual freedom and dignity. If you insist that individual rights are the *summum bonum*, then the whole structure of Society falls down."

In his book, Skinner attacks the very precepts on which our society is based saying that "Life, Liberty and the pursuit of happiness" were once valid goals but have no place in 20th Century America or in the creation of a new culture such as he proposes.

Another advocate of changing man's behavior through external means is Kenneth B. Clark, President of the American Psychological Association. Writing in the New York Times last week, he said the formerly useful appeals of religion, moral philosophy, law and education—in his words—"are, in themselves, no longer appropriate" in a nuclear age.

What is needed, suggested Dr. Clark, is to stimulate certain areas of the brain of national leaders or drug them in order to—in Dr. Clark's words—"assure their positive use of power and reduce or block the possibility of their using power destructively."

"This form of psycho-technological medication," he said, ". . . would assure that there would be no absurd or barbaric use of power. It would provide the masses of human beings with the security that their leaders would not or could not sacrifice them on the altars of their personal ego pathos, vulnerability and instability."

That sort of drivel doesn't need any further comment from me with this audience. It speaks eloquently for itself. But you cannot dismiss it as unimportant. That would be a big mistake.

Such "behavorial thinking," as it is called, has great impact in some of the intellectual circles of this country. For this reason, such thinking must be taken seriously and countered with logic and reason. It is potentially very dangerous, and it is completely at odds with our basic belief in the dignity and worth of the individual. To the behaviorist, man is not an individual; he is one of a herd, a particle in a mass of humanity who does not know what is good for him and who needs to be saved from himself by a superior elite using intellectual cattle prods. Note well Dr. Clark's use of the term—"provide the *masses of humanity* with the security that *their leaders* would not or could not *sacrifice them* on the altars of their personal ego . . ." What arrogance! What contempt for the individual!

John Stuart Mill, in his famous essay, "On Liberty" said in 1859, "Whatever crushes individuality is despotism, by whatever name it may be called."

Applying Mr. Mill's standard to the behavorists of today, I would say we are contending with a new kind of despotism.

For a number of years now our young people have been concerned about a possible loss of identity through computerization and other technological advances. They do not want to become a mere number, another face in the crowd. "Do not fold, spindle or mutilate," they say in derision.

I would say to them in all sincerity that

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they, and future generations of Americans, face a far bigger threat to the loss of their individualism from the sugar-coated theories of social scientists and behavioral psychologists than they do from the machines we have developed, manufactured and can control to making life easier and more abundant for mankind.

The important thing is that we use our technological knowledge for the good of all mankind, that we use it in solving the problems that are now attacked more with rhetoric than with our God-given ingenuity. In the end, individuals—not masses—will come up with the answers to these problems, just as the Edisons, the Wrights, the Salks and the Einsteins have done so often during the past decades.

Perhaps there will be a Herbert Hoover combining his talents of engineering and management to organize a gigantic program for feeding the starving of this world, and marshalling the resources of not only this country but of other rich, producing lands.

It was a half-century ago that Mr. Hoover, who was later to become our 31st President, returned from his enormously successful food mission in Europe and put down on paper the spiritual, economic and political characteristics that enabled the American people to produce the materials needed to bring peace to the world and at the same time give economic assistance to people ravaged by war.

He called his book *American Individualism* and he spoke to the behaviorists of his day who would sacrifice the individual for the group.

"Salvation will not come to us out of the wreckage of individualism," said Mr. Hoover.

"What we need today is steady devotion to a better, brighter, broader individualism—an individualism that carries increasing responsibility and service to our fellows.

"Our need is not for a way out but for a way forward. We found our way out three centuries ago when our forefathers left Europe for these shores, to set up here a commonwealth conceived in liberty and dedicated to the development of individuality . . .

"Humanity has a long road to perfection, but we of America can make sure progress if we will preserve our individualism, if we will preserve and stimulate the initiative of our people, if we will build up our insistence and safeguards to equality of opportunity, if we will glorify service as part of our national character.

"Progress will march if we hold an abiding faith in the intelligence, the initiative, the character, the courage, and the divine touch in the individual. We can safeguard these ends if we give to each individual that opportunity for which the spirit of America stands. We can make a social system as perfect as our generation merits and one that will be received in gratitude by our children."

Ladies and gentlemen, Mr. Hoover's words are as applicable to our problems of today as they were to those of 50 years ago.

We have not yet achieved that perfect social system that he spoke of, but we have probably come closer than anyone else on earth, and we continue to make progress to that end.

And when we do finally achieve it, it will be because we have kept an abiding faith in the individual—in his intelligence, initiative, character, courage and the divine touch that exists in every man.

WILLIAM PACA HOME NATIONAL HISTORIC SITE

(Mr. ANNUNZIO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ANNUNZIO. Mr. Speaker, today I am introducing legislation to provide for the designation of the William Paca House in Annapolis, Md., as a national historic site.

William Paca is best known as being one of the signers of the Declaration of Independence. He also served as the third Governor of the State of Maryland.

Paca was born on October 31, 1740, near Abingdon, Md., the son of a wealthy planter who was of Italian origin.

William Paca received a master's degree from the College of Philadelphia, which later became known as the University of Pennsylvania, and he studied law at Annapolis and London. He was admitted to the bar in 1764, and by 1776, he had already received recognition as an outstanding lawyer in Annapolis, and was considered to be one of the leading patriots of Maryland.

Paca gave generously of his wealth, his time, and his influence to the cause of American freedom. He served in the Continental Congress from 1774 to 1779, and in the Maryland State Senate from 1777 to 1779. Later he became chief judge of the Maryland General Court, and subsequently in 1780, he became chief justice of the circuit court of appeals.

He was elected Governor of Maryland in 1782, and was twice reelected without opposition. In 1789, President George Washington appointed him as a U.S. district judge, and he remained in this post until his death 10 years later at the age of 59.

The William Paca House in Annapolis was formerly a part of the Carvel Hall Hotel, and ranks among the great Georgian mansions of historic Annapolis.

The Paca house is currently being restored by the Maryland historical trust in connection with the overall restoration of Annapolis' Old Town. The Paca house and its extensive gardens are important not only in themselves for their intrinsic architectural worth and beauty, but also for their historic association with William Paca.

A few years ago Historic Annapolis, Inc., bought the Paca house, and the State of Maryland, through the Maryland historical trust, bought the garden area to save them from destruction. The original Paca house was buried deep beneath an obsolete 1906 hotel, parking lot, and former bus station. Carefully guided by architects and archeologists, workmen excavated the garden, which originally covered 2 acres, and the Paca house, which was built in 1765. Today, the original proportions of the elegant 35-room, five-part William Paca House have been substantially recovered and restored, and the Paca garden is presently in the process of restoration.

At the present time, there are no landmarks designated to honor William Paca. Paca's house deserves the status of a national historic site, both to honor the life of a great American patriot and leader, Gov. William Paca, and also to preserve for posterity the dignity and grace of an earlier way of life in America.

William Paca was the only Italian-American to sign the Declaration of Independence, and the preservation of his home, therefore, is of concern to thousands of Italo-Americans across our Nation who are genuinely proud of Paca's great contribution to the establishment of our country, and who wish to see appropriate recognition given to this contribution.

Furthermore, in these changing and often troubled times, a project of this kind has special value for all Americans for it symbolizes the sacred heritage of our national past and it continues to influence our cultural development in the years ahead. I urge my colleagues, therefore, to join in bipartisan support of this legislation.

THE 53D ANNIVERSARY OF LATVIAN INDEPENDENCE DAY

(Mr. ANNUNZIO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ANNUNZIO. Mr. Speaker, Chicagoans today are observing the 53d anniversary of Latvian Independence Day. Our distinguished mayor, Hon. Richard J. Daley, has proclaimed November 18, 1971, as Latvian Day in Chicago.

The Chicago Latvian Association, which is ably headed by Viktors Vikšnins, president, has made arrangements for appropriate commemorative events to take place in Chicago on this 53d anniversary of Latvian independence.

The tragic plight of Latvia, as well as the other Baltic nations—Lithuania and Estonia—has long been a matter of deep concern to me. One of my first acts, upon becoming a Member of Congress in 1965, was to introduce legislation expressing the sense of the Congress against the continued incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialists Republic.

My resolution recommends that the President of the United States take this matter once more to the United Nations and seek a declaration of world opinion demanding that the Soviets withdraw all troops, agents, and controls from the Baltic nations.

In addition, my resolution urges that hundreds of thousands of Baltic exiles who still survive in Russian prisons and slave labor camps be permitted to return to their homeland, and finally recommends that free elections be held in Latvia, Lithuania, and Estonia in order that the Baltic peoples may choose their own form of government.

I do feel that the repeated demonstration of our determination to defend this righteous cause will in the long run help to make Baltic liberty a reality. I am pleased, therefore, on this occasion to extend my greetings to the Americans of Latvian descent in my own Seventh Congressional District and in the city of Chicago who are participating in the 53d anniversary celebration of Latvian independence.

Mr. Speaker, at this point in the CONGRESSIONAL RECORD I would like to insert a proclamation passed by the city council of Chicago and signed by Mayor Richard J. Daley regarding Latvian Day in Chicago, as well as a press release issued by the Chicago Latvian Association on the occasion of the 53d anniversary celebration of Latvian Independence Day. The proclamation and the release follow:

PROCLAMATION

Whereas, Latvian Independence Day in Chicago will be observed on November 18 and will mark the 53rd Anniversary of Latvian Independence; and

Whereas, the Latvian Community of Chicago has become a part of the life of this city with its people ever ready to serve all projects which have for their purpose the furtherance of the best interests of the city:

Now, therefore, I, Richard J. Daley, Mayor of the City of Chicago, do hereby proclaim November 18, 1971 as Latvian Day in Chicago, and urge all citizens to take cognizance of this fact.

Dated this fifteenth day of November, A.D., 1971.

RICHARD J. DALEY,
Mayor.

LATVIAN INDEPENDENCE

THE LATVIAN NATIONAL ANTHEM

God, bless free Latvian Land,
Guard well my Fatherland,
Thus pray my heart and mind:
God, save Latvia!
Let there sound free my voice,
Daughters and sons rejoice!
Let there be a happy choice!
God, bless Latvia!

We are still too close to the events to get a true perspective, but it may be confidently asserted that when the full story comes to be told, the epic of the Latvian struggle for independence will rank high among the world's record of such performance. Without an épopée, said Goethe, can never become of much worth, but in their quest of freedom the Latvian peoples have contributed much to the "Mosaic of America", and proved there worth. Therefore: it is the duty to those of us who are living in freedom to remind the world what we are, what we are going to be, why we have existed and why we are going to continue to exist.

The economic development in independent Latvia will show to those who have doubted and still doubt that, in spite of a comparatively small political unit for economic opportunity, Latvia could exist without the help, as the political exploitation was called, of her powerful neighbors.

At the end of World War Two, approximately 100,000 persons emigrated from Latvia and later were dispersed throughout the free world. Today, statistics show that, through three generations, many hundreds of this number are true scholars of higher learning in the humanities, as well as technical sciences and other departments. The numerical majority are of the younger generation, those who attained their success in emigration and this shows the strength of vital creativity in the people even during difficult times. Therefore, to reiterate the contributions of the Latvian peoples and there great endeavors to fit into the pattern of the "Mosaic of America", and bringing there hopes of freedom to this great country, their ethnic heritage and cultures, arts, science, history and knowledge which has contributed much to this great country of America.

The legal existence of Latvia stil continues despite the military occupation, of the U.S.S.R. The Soviet administration occupying Latvia lacks any legal basis, and in accordance with recognized principles of international law, should be regarded only as a temporary military occupation. The major powers, including the United States, have refused to recognize the incorporation of the Latvian State into the U.S.S.R. as claimed by the latter. In accordance with the principles of inter-national law, a military occupation cannot terminate the legal existence of a state. Unable to plead their own cause, we urge the President of the United States to bring the forces of world opinion at the U.N. and other international forums to bear on behalf of the restoration of the independence of Latvia. All men are by nature free and independent, and have certain inherent, and inalienable rights—among these are life, liberty and the pursuit of happiness. Lest we forget: we are thankful for privacy, sanctity and prayer. As an American, we must be thankful for many more blessings—the list is long.

RURAL ECONOMIC DEVELOPMENT ACT

(Mr. MIZELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MIZELL. Mr. Speaker, I am today reintroducing the Rural Economic Development Act I placed before the House last Tuesday.

My purpose for reintroducing the measure today is to allow several of my distinguished colleagues to join me in sponsoring this bill which can be of so much importance to rural America and ultimately to the Nation at large.

Since introducing the bill, I have received indications of support and interest from Representatives on both sides of the aisle and from all sections of the country.

This bipartisan and widespread support marks a good beginning point for action by this Congress on this very comprehensive and much-needed legislation.

Joining me today as sponsors are my distinguished colleagues: Mr. THONE of Nebraska, Mr. ALEXANDER of Arkansas, Mr. KING of New York, Mr. LATTA of Ohio, Mr. FLOWERS of Alabama, Mr. GRAY of Illinois, Mr. BEVILL of Alabama, Mr. CARTER of Kentucky, Mr. FLOOD of Pennsylvania, Mr. CLEVELAND of New Hampshire, Mr. CAMP of Oklahoma, and Mr. ANDREWS of North Dakota.

I thank the distinguished gentlemen who have joined me today, and I hope the bill I have introduced will continue to attract additional support.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

MESSRS. RODINO, EILBERG, FLOWERS, HOGAN, RAILSBACK, MCCLORY, and MCKEVITT (at the request of Mr. RODINO), November 29 through December 3, on account of attendance at 20th anniversary meeting of the Intergovernmental Committee for European Migration (ICEM);

Mr. EDMONDSON (at the request of Mr. ALBERT), for November 17, 18, and 19, on account of death in the family;

Mr. COTTER (at the request of Mr. O'NEILL), for today, on account of illness;

Mr. PEPPER (at the request of Mr. O'NEILL), for today, on account of official business;

Mr. CORMAN, for November 18, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 20 minutes today, and to revise and extend his remarks and to include extraneous matter.

Mr. BINGHAM, for 10 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mrs. GREEN of Oregon, for 30 minutes, today, following Mr. ERLENBORN, and to revise and extend her remarks and include extraneous matter.

(The following Members (at the request of Mr. MCKEVITT), to revise and extend their remarks and to include extraneous matter to:)

Mr. SKUBITZ, today, for 5 minutes.
Mr. BELL, today, for 30 minutes.
Mr. KEMP, today, for 15 minutes.
Mr. FRENZEL, today, for 5 minutes.
Mr. MILLER of Ohio, today, for 15 minutes.
Mr. ERLENBORN, today, for 30 minutes.

(The following Members (at the request of Mr. DENHOLM and to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 10 minutes, today.
Mr. BURKE of Massachusetts, for 10 minutes, today.
Mr. MELCHER, for 5 minutes, today.
Mr. MCCORMACK, for 15 minutes, on November 19.
Mr. GIBBONS, for 60 minutes, on November 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MADDEN and to include an editorial.
Mr. FRENZEL to include extraneous matter during his remarks in Committee of the Whole today.
Mr. MAZZOLI (at the request of Mr. BUCHANAN) to follow the special order of Mr. BUCHANAN.
Mr. WARE (at the request of Mr. BUCHANAN) to follow the special order of Mr. BUCHANAN.

(The following Members (at the request of Mr. MCKEVITT), and to include extraneous matter:)

Mr. BROYHILL of Virginia.
Mr. STEELE in four instances.
Mr. MCDADE.
Mr. SCOTT.
Mr. WYMAN in two instances.
Mr. HANSEN of Idaho.
Mr. MCCLORY in four instances.
Mr. ZWACH.
Mr. HILLIS.
Mr. DERWINSKI.
Mr. HOSMER in two instances.
Mr. KEMP.
Mr. FRENZEL in two instances.
Mr. BROOMFIELD in two instances.
Mr. PRICE of Texas in two instances.
Mr. QUIE.
Mr. COLLINS of Texas in six instances.

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Mr. YOUNG of Florida in five instances.
Mr. HORTON.
Mr. MORSE in two instances.
Mr. TALCOTT in two instances.
Mr. MILLER of Ohio in four instances.
Mr. PETTIS.
Mr. NELSEN.
Mr. RUPPE.
Mr. LANDGREBE in two instances.
Mr. MIZELL in eight instances.

(The following Members (at the request of Mr. DENHOLM) and to include additional matter.)

Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. ROGERS in five instances.
Mr. HAGAN in three instances.
Mr. HARRINGTON in three instances.
Mr. KARTH.
Mr. CULVER.
Mr. CORMAN in three instances.
Mr. EILBERG in two instances.
Mr. HAMILTON.
Mr. BOLAND in two instances.
Mr. ANNUNZIO in two instances.
Mr. ROSENTHAL in five instances.
Mr. BURKE of Massachusetts in two instances.
Mr. DOWNING in two instances.
Mr. BEGICH in five instances.
Mr. PURCELL in two instances.
Mr. PATMAN in two instances.
Mr. SCHEUER in two instances.
Mr. PEPPER.
Mr. WOLFF in two instances.
Mr. WRIGHT in two instances.
Mr. JACOBS.
Mr. MURPHY of Illinois in two instances.
Mr. CABELL in two instances.
Mr. BINGHAM in two instances.
Mr. FAUNTROY in five instances.
Mr. BIAGGI in two instances.
Mr. DE LA GARZA in two instances.
Mr. MAZZOLI.
Mr. SMITH of Iowa in three instances.
Mr. HECHLER of West Virginia.
Mr. FLYNT.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2559. An act to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans.

ADJOURNMENT

Mr. DENHOLM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 21 minutes p.m.), the House adjourned until tomorrow, Friday, November 19, 1971, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1295. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting a report of Department of Defense procurement from small and other business firms for July-August, 1971, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

1296. A letter from the Secretary of State, transmitting the 11th annual report of the activities of the Center for Cultural and Technical Interchange Between East and West, in Honolulu, covering fiscal year 1971, pursuant to the Mutual Security Act of 1960; to the Committee on Foreign Affairs.

1297. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 5 of the act of September 21, 1968 (82 Stat. 860), relating to preparation of a roll of persons of California Indian descent and the distribution of certain funds; to the Committee on Interior and Insular Affairs.

1298. A letter from the Director, Administrative Office or of the United States Courts, transmitting a draft of proposed legislation to improve judicial machinery by providing benefits for survivors of Federal judges comparable to benefits received by survivors of Members of Congress, and for other purposes; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee of Conference. Conference report on House Joint Resolution 946 (Rept. No. 92-676). Ordered to be printed.

Mr. CELLER: Committee on the Judiciary. H.R. 11394. A bill to create an additional judicial district in the State of Louisiana, to provide for the appointment of additional district judgeships, and for other purposes; with amendments (Rept. No. 92-677). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Select Committee on Crime. Report on a national research program to combat the heroin-addiction crisis (Rept. No. 92-678). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. ABZUG:

H.R. 11860. A bill to amend the U.S. Housing Act of 1937 to provide for grants to local public housing agencies to assist in financing security arrangements designed to prevent crimes and otherwise insure the safety and well-being of low-rent-housing tenants; to the Committee on Banking and Currency.

By Mr. BELCHER (for himself, Mr. STEED, Mr. CAMP, Mr. JARMAN, and Mr. EDMONDSON):

H.R. 11861. A bill for the relief of the owners of interests in the minerals and mineral rights in certain land located in Caddo County, Okla.; to the Committee on the Judiciary.

By Mr. CORMAN (for himself, Mr. ASPIN, Mr. BOLLING, Mr. DANIELSON, Mr. WILLIAM D. FORD, Mr. HALPERN, Mr. HAWKINS, Mr. HELSTOSKI, Mr. JACOBS, Mr. JOHNSON of California, Mr. MCFALL, Mr. MEEDS, Mr. MOORHEAD, Mr. MOSS, and Mr. OBEY):

H.R. 11862. A bill to gear the income tax more closely to an individual's ability to pay, to broaden the income tax base of individuals and corporations, and to otherwise reform the income and estate tax provisions; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. PEPPER, Mr. PIKE, Mr. REES, Mr. REUSS, Mr. RYAN, Mr. SCHWENGEL, Mr. SISK, Mr. STOKES, Mr. VAN DEERLIN, Mr. WALDIE, and Mr. CHARLES H. WILSON):

H.R. 11863. A bill to gear the income tax more closely to an individual's ability to pay, to broaden the income tax base of individuals and corporations, and to otherwise reform the income and estate tax provisions; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 11864. A bill relating to the appraisement of certain multipurpose metalworking machines; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 11865. A bill to amend title 10 of the United States Code so as to permit members of the Reserves and the National Guard to receive retired pay at age 55 for non-Regular service under chapter 67 of that title; to the Committee on Armed Services.

By Mr. McCULLOCH:

H.R. 11866. A bill to establish a Commission on Fuels and Energy to recommend programs and policies intended to insure, through maximum use of indigenous resources, that the U.S. requirements for low-cost energy be met, and to reconcile environmental quality requirements with future energy needs; to the Committee on Interstate and Foreign Commerce.

H.R. 11867. A bill to establish an Environmental Financing Authority to assist in the financing of waste treatment facilities, and for other purposes; to the Committee on Public Works.

By Mr. McFALL:

H.R. 11868. A bill to amend title 18 of the Social Security Act to provide payment under the medicare program (without regard to certain restrictions otherwise applicable) for emergency hospital and medical services furnished outside the United States in U.S. military hospitals or other Federal hospitals; to the Committee on Ways and Means.

By Mr. MARTIN:

H.R. 11869. A bill to amend title 5 of the United States Code to provide for the designation of the 30th day of May of each year as "Memorial Day"; to the Committee on the Judiciary.

By Mr. PERKINS:

H.R. 11870. A bill to encourage national development by providing incentives for the establishment of new or expanded job-producing and job-training industrial and commercial facilities in rural areas having high proportions of persons with low incomes or which have experienced or face a substantial loss of population because of migration, and for other purposes; to the Committee on Ways and Means.

By Mr. REUSS:

H.R. 11871. A bill to authorize the President of the United States to propose or agree to a change in the par value of the U.S. dollar; to the Committee on Banking and Currency.

By Mr. ROSENTHAL:

H.R. 11872. A bill to provide for the prevention of sickle cell anemia; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. BRADEMAS, Mr. BURTON, Mrs. CHISHOLM, Mr. CONYERS, Mr. FRASER, Mrs. GRASSO, Mr. HALPERN, Mr. HARRINGTON, Mr. HAWKINS, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. MAZZOLI, Mr. MIKVA, Mrs. MINK, Mr. MITCHELL, Mr. MOSS, Mr. PODELL, Mr. RANGEL, Mr. REES, Mr. ST GERMAIN, Mr. SEIBERLING, Mr. STOKES, and Mr. YATES):

H.R. 11873. A bill to provide for the discharge of members of the Armed Forces from active military service by reason of physical disability when suffering from drug dependency, to authorize the civil commitment of such members concurrent wtih their discharge, to provide for retroactive honorable discharges in certain cases, and for other purposes; to the Committee on Armed Services.

By Mr. WILLIAMS:

H.R. 11874. A bill to amend the Social Security Act to provide for medical and hospital care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mrs. ABZUG (for herself, Mr. DELLUMS, Mr. HALPERN, Mr. REES, and Mr. SEIBERLING):

H.R. 11875. A bill to amend the Foreign Assistance Act of 1961, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ANNUNZIO (for himself and Mr. GARMATZ):

H.R. 11876. A bill to authorize the Secretary of the Interior to establish the William Paca Home National Historic Site in the State of Maryland; to the Committee on Interior and Insular Affairs.

By Mr. CABELL (by request) (for himself, Mr. BROYHILL of Virginia, Mr. GUDE, Mr. HOGAN, and Mr. NELSEN):

H.R. 11877. A bill to amend the National Capital Transportation Act of 1969 (83 Stat. 320) to provide for Federal guarantees of obligations issued by the Washington Metropolitan Area Transit Authority, to authorize an increased contribution by the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. FRENZEL:

H.R. 11878. A bill to insure that Federal laws do not interfere with neighborhood school systems which are conducted on a racially nondiscriminatory basis; to the Committee on Education and Labor.

By Mr. HELSTOSKI:

H.R. 11879. A bill to amend the Economic Stabilization Act of 1970 to provide for the payment of certain pay increases which were withheld during the freeze of wages and salaries, and for other purposes; to the Committee on Banking and Currency.

By Mr. MIZELL (for himself, Mr. ALEXANDER, Mr. ANDREWS of North Dakota, Mr. BEVILL, Mr. CAMP, Mr. CARTER, Mr. CLEVELAND, Mr. FLOOD, Mr. FLOWERS, Mr. GRAY, Mr. KING, Mr. LATTA, and Mr. THONE):

H.R. 11880. A bill to create a partnership between the United States and the several States for the development of rural America's transportation, industrial growth, education, health, housing, environmental protection, and planning resources and capacity; to the Committee on Agriculture.

By Mr. PRICE of Texas:

H.R. 11881. A bill to provide more effective means for protecting the public interest in national emergency disputes involving the transportation industry, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RANGEL (for himself, Mrs. CHISHOLM, Mr. CLAY, Mr. CONYERS, Mr. DIGGS, Mr. FAUNTROY, Mr. GUDE, Mr. HALPERN, Mr. HARRINGTON, Mr. HATHAWAY, Mr. HAWKINS, Mr. HELSTOSKI, Mrs. HICKS of Massachusetts, Mr. LEGGETT, Mr. METCALFE, Mr. MIKVA, Mr. MITCHELL, Mr. MORSE, Mr. ROSENTHAL, Mr. STOKES, and Mr. DELLUMS):

H.R. 11882. A bill to establish minimum prisoner treatment standards for prisons in the United States, and to create an agency to hear complaints arising from alleged infractions of such standards; to the Committee on the Judiciary.

By Mr. SCHEUER:

H.R. 11883. A bill to amend the Social Security Act to provide for the payment (from the old-age and survivors insurance trust fund) of special allowances to help elderly low-income persons and families to meet their housing costs; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey (for himself, Mr. O'HARA, Mr. PERKINS, Mr. DENT, Mr. PUCINSKI, Mr. BRADEMAS, Mr. WILLIAM D. FORD, Mrs. MINK, Mr. SCHEUER, Mr. CLAY, Mrs. CHISHOLM, Mr. BIAGGI, Mrs. GRASSO, Mrs. HICKS of Massachusetts, and Mr. BADILLO):

H.R. 11884. A bill to amend the Service Contract Act of 1965 to revise the method of computing wage rates under that act; to the Committee on Education and Labor.

By Mr. ULLMAN:

H.R. 11885. A bill to provide for the conveyance of certain public lands in Klamath Falls, Oreg., to the occupants thereof, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WYLIE:

H.R. 11886. A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution; to the Committee on the Judiciary.

By Mr. BELL (for himself and Mr. HAWKINS):

H.R. 11887. A bill to assist State and local criminal justice systems in increasing the potential for full rehabilitation, and reintegration into the community, of criminal and youth offenders, and in preventing criminal recidivism by providing for the development of comprehensive, innovative, and coordinated community oriented programs to provide such offenders with sufficient occupational skills, attitudes, and services to gain meaningful employment after release; to the Committee on Education and Labor.

By Mr. PATMAN:

H.R. 11888. A bill to reestablish November 11 as "Veterans Day"; to the Committee on the Judiciary.

By Mr. SCOTT:

H.R. 11889. A bill to allow States and counties to levy personal property taxes on personal property located in Federal areas within the State; to the Committee on Ways and Means.

By Mr. WAGGONNER (for himself, Mr. SIKES, Mr. CRANE, Mr. BARING, Mr. BROYHILL of Virginia, Mr. DUNCAN, Mr. FLYNT, Mr. GROSS, Mr. LANDGREBE, Mr. PRICE of Texas, Mr. RARICK, Mr. ROBERTS, Mr. ROBINSON of Virginia, Mr. ROUSSELOT, Mr. SATTERFIELD, Mr. SCHERLE, Mr. SCHMITZ, Mr. SPENCE, Mr. SPRINGER, Mr. STEIGER of Arizona, Mr. THOMPSON of Georgia, Mr. YATRON, Mr. YOUNG of Florida, Mr. ZION, and Mr. LONG of Louisiana):

H.R. 11890. A bill to limit U.S. contributions to the United Nations; to the Committee on Foreign Affairs.

By Mr. RUPPE:

H.J. Res. 976. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. WHALLEY:

H.J. Res. 977. Joint resolution proposing an amendments to the Constitution of the United States relative to neighborhood schools; to the Committee on the Judiciary.

H.J. Res. 978. Joint resolution to declare the policy of the United States with respect to its territorial sea; to the Committee on Foreign Affairs.

By Mr. HUNGATE (for himself and Mr. BAKER):

H. Con. Res. 463. Concurrent resolution urging review of the United Nations Charter; to the Committee on Foregin Affairs.

By Mr. HUNGATE (for himself, Mr. BEVILL, Mr. BRADEMAS, Mr. BUCHANAN, Mr. COLLIER, Mr. COTTER, Mr. FLOWERS, Mr. GIBBONS, Mr. JOHNSON of Pennsylvania, Mr. SISK, Mr. SMITH of New York, Mrs. SULLIVAN, Mr. THONE, and Mr. WIGGINS):

H. Con. Res. 464. Concurrent resolution urging review of the United Nations Charter; to the Committee on Foreign Affairs.

By Mr. ROONEY of New York:

H. Con. Res. 465. Concurrent resolution calling for peace in northern Ireland and the establishment of a united Ireland; to the Committee on Foreign Affairs.

By Mr. BRASCO:

H. Res. 712. Resolution calling for the shipment of Phantom F-4 aircraft to Israel in order to maintain the arms belance in the Middle East; to the Committee on Foreign Affairs.

By Mr. HELSTOSKI (for himself and Mr. CHARLES H. WILSON):

H. Res. 713. Resolution expressing the sense of the House of Representatives relative to the Pakistani civil war and the furnishing of relief assistance to persons affected by it; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

284. The SPEAKER presented a memorial of the Legislature of the State of California, relative to providing treatment for drug addiction of Vietnam veterans, which was referred to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FREY:

H.R. 11891. A bill to direct the Secretary of the Interior to convey to William H. Muntzing phosphate interests of the United States in certain real property located in the State of Florida; to the Committee on Interior and Insular Affairs.

By Mr. McFALL:

H.R. 11892. A bill for the relief of Arturo Robles; to the Committee on the Judiciary.

By Mr. MIZELL:

H.R. 11893. A bill for the relief of the First Reformed United Church of Christ of Lexington, N.C.; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 11894. A bill to exempt from taxation certain property of the National Society Colonial Dames XVII Century in the District of Columbia; to the Committee on the District of Columbia.

PETITIONS, ETC.

Under clause 1 of rule XXII,

159. The SPEAKER presented a petition of the voters of the city of Pittsfield, Mass. in the election held November 2, 1971, relative to the immediate withdrawal of all U.S. troops and equipment from Southeast Asia, which was referred to the Committee on Foreign Affairs.

XUM

EXTENSIONS OF REMARKS

UNITED STATES BUYING PRIVATELY OWNED LANDS IN EVERGLADES NATIONAL PARK

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. FASCELL. Mr. Speaker, I am pleased to report to our colleagues that the long-awaited acquisition of the remainder of the privately owned lands within the Everglades National Park is finally underway. The National Park Service has made the first purchases with the $10 million which we appropriated for fiscal year 1972 and I am hopeful that they will make sufficient progress for us to be able to appropriate the remaining $10 million of the authorization next year.

Mr. Bob Lettino, of the Miami Herald, has written a most interesting article indicating that the acquisition of this land is being made just in time to prevent large-scale development which would result in the ruination of these magnificent waterways and parklands. I commend his article to our colleagues:

[From the Miami Herald, Nov. 15, 1971]

UNITED STATES BUYS PRIVATE LAND IN GLADES PARK

(By Bob Lettino)

With $10 million in their checking account, federal authorities have begun to write the final chapter of the establishment and acquisition of Everglades National Park—the purchase of the last 55,000 acres of private land within park boundaries.

The process is complex. It may take years to finish.

The $10 million may or may not be half the money required to do the job.

A second $10 million has been authorized by Congress for the purpose, but it remains to be appropriated, or even budgeted. Hopefully the money will become available in fiscal 1973.

No one knows if the full $20 million will finish the job, because appraisal has just begun, and the final value of the remaining private land within the park will not be set until the appraisal is finished.

But the process of purchase has at last begun.

It is being done by a staff from the National Park Service, housed in an old, white, colonial-style building on the old Richmond Airbase at the deadend of Coral Reef Drive.

Priority has been given to a strip of land that lies southwest of Tamiami Trail's Loop Road.

This is the area in which real estate developers have been selling land like crazy all this spring and summer.

Brown Forester of the Park Service's land acquisition office says slightly more than 100 parcels—ranging from full 640-acre sections down to five-acre plots—have been appraised, with the value fixed at $800,000. A dozen or so owners have accepted offers made for their properties, which means they have sold to the government, although no actual transfer of titles has occurred.

This much, Forester says, has stopped land sales in the area and has slowed down canal digging and road building in the Loop Road area outside park boundaries.

Rep. Dante Fascell, who with the late Sen. Spessard Holland, sponsored the $20-million authorization legislation said:

"It's really Spessard's baby. He fought for it all along and I'm really sorry he isn't here to see the start of the purchasing. It's been far too long in coming and I'm committed to seeing the second $10 million appropriated."

John D. Pennekamp, The Herald's associate editor, who headed the pivotal committee that got state legislation passed to help create the park, said: "We better have a fish fry to celebrate."

Pennekamp referred to the December 1947 dedication by President Harry S. Truman of the park at Everglades City. A fish fry was part of the festivities.

The $10 million Congress appropriated last June came in the very nick of time. If Congress had not acted, developers could have built roads straight across the park boundary, on into the park, and built condominiums or whatever they wished right on the shores of Huston Bay. There are no zoning restrictions in that area of Monroe County (the county seat is 200 miles away in Key West) and the federal government simply did not own the land.

Last April the Joe Cotton Realty Corp. was selling tracts of an acre and a quarter even farther inside the park on Plate Creek Bay and Lostman's Five Bay. At that time, Joe Cotton gave the price of parcels on the creeks as $995; parcels with bay frontage sold for $3,500. Eight hundred parcels had been sold at the time, Joe Cotton said. All of this was legal.

Asked if buying land within the park wouldn't develop into a problem with the federal government eventually, if not immediately, Cotton replied:

"That's no situation at all. It's private land. We paid cash. We got the deeds."

Cotton neglected to add that at that very moment the $10 million was in the Department of Interior budget. It was appropriated two months later, in June.

One thing the sudden development boom did do was make Forester's job difficult. Now there are thousands of individual owners of private land in this area of the park, called the Northwest Extension. They live as far west as California and Oregon in the United States, some live in England, many are South Americans.

According to law, each owner has to be sent a letter offering the right to accompany the appraiser (a private individual hired by the government) on an inspection trip of the property. If the owner declines, the appraisal is made and a letter offering to buy at that price is sent the owner. If the owner accepts, that's it. In time payment is made and title transferred.

If the owner declines the offer, the next step is condemnation proceedings in U.S. District Court.

The majority of owners so far have accepted the offer made.

The Northwest Extension comprises 33,000 acres.

There is another cluster of private land within the park in Dade County. This is called the "Hole in the Doughnut" and comprises 22,000 acres. The priority on purchase of the land in Dade is low because the developer has been cooperative, having given the names of all to whom he sold to the government.

It was the sudden development in the Northwest Extension that caused problems by multiplying the individual ownership so rapidly.

Inadvertently the Park Service itself contributed to the problem, through the best of motives.

For years, if one wished to go by boat from Everglades City at the north end of the park to Flamingo at the south end, one could go "outside" via the Gulf of Mexico or "inside" through the creeks and bays of the Ten Thousand Islands.

Only the knowledgeable could use the tricky, unmarked inside route.

Before 1968 there was one fishing camp on private land at Alligator Bay. The only other homesite was that of Arthur Darwin, the hermit of the Wilderness Waterway, who will be 96 Dec. 17. He is the only man allowed to live on public land in the park. He has been granted permission to live out his life on Possum Key, 20 miles south of Everglades City.

In 1968 the park rangers began clearing and marking the Wilderness Waterway and in 1969, when the job was finished, the University of Miami printed "A Guide to the Wilderness Waterway."

This was all done in the interest of letting more people enjoy the unique terrain and wildlife of Everglades National Park.

It became a wilderness highway of sorts.

And then the developers got into the act.

They bought the large tracts of land and broke them up for sale. Fishing camps sprouted all over Lostman's Five and adjoining bays. Some were simple shacks. Others were elaborate. Still others were fabricated ashore and brought in by barge.

One day they will all be gone.

Should Arthur Darwin live to see that day, he then would be the only man living in Everglades National Park.

AN EDUCATIONAL TV STATION PLANNED FOR HAGERSTOWN, MD.

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. BYRON. Mr. Speaker, I was pleased to learn recently that the Maryland Public Broadcasting Commission has filed an application with the Federal Communications Commission for a permit to establish and operate an educational television station covering the Hagerstown, Md., area.

I believe this will be a great step forward for educational television in the State of Maryland with benefits for the many residents of Washington and Frederick Counties. I would like to share with my colleagues an article from the Hagerstown Daily Mail of October 13 describing the proposed station:

EDUCATIONAL TV STATION PLANNED FOR HAGERSTOWN

The Maryland Public Broadcasting Commission has applied to the Federal Communications Commission (FCC) for permission to build a noncommercial educational television station to serve the Hagerstown area.

The station which will operate on UHF channel 33, will be a satellite of Station WMPB, the state's parent educational station in Baltimore. The Hagerstown satellite will be the second of six planned around the state.

The Public Broadcasting Commission has already received the go-ahead from the General Assembly to build the station. The state is now negotiating with Chesapeake and Potomac Telephone Co. for a transmitter site on Fairview Mountain, according to Richard W. Smith, a spokesman for the agency.

The commission has nearly completed plans for the station in advance of the FCC application because there are no other parties interested in broadcasting in the Hagerstown area, he said.

FCC approval is virtually assured, Smith added.

An FCC permit to begin constructing the broadcasting tower will probably be issued in three or four months, he said, but the station will probably not begin operating for at least a year.

Only the transmitter, to cost about $500,000, will be located here, Smith added. All programs will be produced at the Baltimore studios and beamed to Fairview Mountain by "microwave relay." The station will generally carry the same programs as the Baltimore station, although occasional shows may be produced specifically for the Western Maryland audience, Smith explained.

The station will begin broadcasting at 8 a.m. with teacher-training material. Industrial-training programs will be transmitted from 8:30 to 9.

From 9 a.m. to 3 p.m., the station will send programs for use in the county schools.

More industrial training programs will be offered from 3 to 4 p.m. Children's programs, including Sesame Street, will be scheduled from 4 to 6. The station will beam high school equivalency courses and college courses in operation with the Hagerstown Junior College from 6 to 7. Programs of general interest will be offered in the evening.

THE TRAGEDY OF COLONEL HERBERT

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. WALDIE. Mr. Speaker, I take this time today to call this body's attention to the unfortunate incidents surrounding the announced retirement of Lt. Col. Anthony Herbert.

It is not necessary, Mr. Speaker, to delve into the long story that surrounds this dedicated man. Suffice it to say that Colonel Herbert was our most decorated enlisted man in the Korean conflict and served with great energy, conviction, and pride in Vietnam. It was not until the latter conflict, however, that the amazing story of this man became known to millions of Americans.

Colonel Herbert is a dedicated career soldier. This man dedicated his life to the Army. He worked hard and improved his lot. He started out as a high school dropout and finishes his career as an educated officer. He lived by the book, constantly, believing those rules and regulations were written to be obeyed. There is never doubt where this man will stand on military issues. There is never the feeling that some regulations will be relaxed, some forgotten, and others enforced harshly. This man followed the book, and ultimately, it is this dedication to purpose and rules that is spelling the end to his career.

Lt. Col. Anthony Herbert, like many other soldiers, witnessed atrocities in Vietnam. Unlike many soldiers, Colonel Herbert realized his duty and reported those atrocities. His superiors, apparently, failed to complete the reports or follow up on them. Instead, Colonel Herbert—the man who had been named the "top commander" in Vietnam just a few weeks before—was given a poor fitness report and assigned to the rear.

Many military men would have taken this reprimand and said nothing. But, Mr. Speaker, we are dealing here with a dedicated soldier. He did not stop, he did not quit trying to see the rules and regulations he patterned his life after were followed. But he got nowhere.

It was not until the New York Times investigated the story, and Colonel Herbert began appearing on national television to tell his story, that the people and the Government realized what had happened.

The distinguished gentleman from Louisiana, the chairman of the House Armed Services Committee, Representative HÉBERT, immediately called on his committee to look into the matter. That body interviewed the colonel for an entire day, submitted its report to Chairman HÉBERT, and he involved himself in the case.

Mr. Speaker, I think the gentleman from Louisiana did a great service to his country and to the Armed Forces at that moment. He contacted the Secretary of the Army, asking him to review the case. That review brought the destruction of that patently unfair poor fitness report and the permanent promotion of Colonel Herbert to the rank of major.

Mr. Speaker, the distinguished chairman of the House Armed Services Committee did everything that could humanly be done to correct this inequity. The quick response to this tragic event by Chairman HÉBERT was highly commendable. But, unfortunately, the situation has developed to a point now beyond the grasp of even a man as capable as the gentleman from Louisiana.

Colonel Herbert has announced his intention to resign from the Army, effective in late February. He requested, and received, emergency leave so that he might provide help to his wife who is suffering under the nervous strain of this entire episode. It is here, Mr. Speaker, that this entire case stops being merely suspect and degenerates into a case of careless disregard and utter stupidity.

The U.S. Army has taken upon itself the position of judge, jury, and executioner in this matter. They have judged Colonel Herbert as incompetent—because he had the gall to say something was internally wrong with the Army. Their little clan of jurors decided the guilty verdict and sentenced him to continuous harassment until his Army career was dead. Now, a group of petty men are carrying out that verdict—calling Herbert's home at strange hours, then denying they called—conducting recruit saluting and posture lessons for this magnificent soldier as a demeaning exercise.

Mr. Speaker, I do not know if Colonel Herbert's atrocity charges are factual—only he and the South Vietnamese soldiers and American enlisted men know for sure. No one will really ever know, except Colonel Herbert, how much harassment is being given this dedicated man while he awaits retirement. And most certainly, Mr. Speaker, only the historians will ever know how much this incident and others like it will add to the deterioration of the U.S. Army.

We do not know one thing. This single case is symptomatic of a disorder occurring too frequently in our military services. It is one of the initial signs that the morale of our armies is desperately declining.

We are witnessing a change in the history of our armies. We are seeing the move toward a volunteer service, where men will sign their name to receive the training and experience that will help them defend our Government. We are seeing a time when that military is calling on us to allocate the funds and resources necessary to make the program work. Yet, in this time of great expectation, how many men will sign their name to become a part of a service that destroys its members for living by rules? How many young Americans will hesitate to volunteer now that they have seen what happens to a career soldier?

And how many of our good, dedicated, and trusting officers and noncommissioned officers will seek another term of service after looking at this incident and realizing that many things that happen around their lives are very similar?

In the midst of all this stupidity, all this complete ineptitude, all this complete frustration among those of us who really care, stands an honorable man who must end his military career because of harassment of his superiors in rank, but his inferiors as men.

All that is left now is a tribute to Lieutenant Colonel Herbert for the service he rendered this Nation in the Korean war and the job he tried to do in Vietnam. That stupid, regrettable war has had one more tragedy added to the columns of tragedies that depict its ugly course through history.

GIRLS LATIN SCHOOL CAPTURES BADMINTON TROPHY

HON. LOUISE DAY HICKS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mrs. HICKS of Massachusetts. Mr. Speaker, I would like to congratulate the Girls Latin School in Dorchester, Mass., which is in my congressional district, for again capturing the badminton trophy in competition recently held in Boston and becoming the city champions.

These fine American girls are upholding the finest traditions of the Boston public schools in keeping both physically and mentally awake at all times.

Credit must be extended to Miss Margaret Carroll, the headmaster of Girls Latin School, and to Mrs. Jean Thomsen, the girls' physical education instructor. Also to be congratulated are the Misses Libby Haynes, Elaine Johnson, both of the Jamaica Plain section of Boston; Laurel Boly of West Roxbury; and Joanne Mulligan of Dorchester, for their outstanding performance in the competition.

XUM

TRIP TO SOVIET

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. BINGHAM. Mr. Speaker, today, Commerce Secretary Maurice Stans is leaving to begin a 3-week trip which will take him to the Soviet Union to discuss problems of international trade and finance with Soviet officials. Along with a bipartisan group of 56 of my colleagues, I have sent a telegram to the Secretary urging him during this visit "to impress upon the Soviet leadership the genuine and deep concern of the American people for the plight of Jews in the Soviet Union." We informed Mr. Stans that Americans are counting on him "to urge the U.S.S.R. to live up to its commitments in the Universal Declaration of Human Rights and two human rights conventions, guaranteeing these Soviet citizens the right to practice their religion and preserve their traditions without fear of reprisal or threat of harm and to emigrate to other lands if they desire to do so."

Following is text of telegram and list of signers:

As you discuss with Soviet officials problems of international trade and finance on your forthcoming visit, we urge you to impress upon them the genuine and deep concern of the American people for the plight of Jews in the Soviet Union. We count upon you to urge that the U.S.S.R. live up to its commitments in the Universal Declaration of Human Rights and two human rights conventions, guaranteeing these Soviet citizens the right to practice their religion and preserve their traditions without fear of reprisal or threat of harm and to emigrate to other lands if they desire to do so.

Jonathan B. Bingham (D–N.Y.), Bella S. Abzug (D–N.Y.), Bill Archer (R–Tex.), William A. Barrett (D–Pa.), John Brademas (D–Ind.), William S. Broomfield (R–Mich.).

Phillip Burton (D–Calif.), Shirley Chisholm (D–N.Y.), W. C. (Dan) Daniel (D–Va.), John G. Dow (D–N.Y.), Don Edwards (D–Calif.).

Peter H. B. Frelinghuysen (R–N.J.), Richard H. Fulton (D–Tenn.), Robert McClory (R–Ill.), Joseph P. Addabbo (D–N.Y.), Herman Badillo (D–N.Y.).

Mario Biaggi (D–N.Y.), Frank J. Brasco (D–N.Y.), John Buchanan (R–Ala.), Hugh L. Carey (D–N.Y.), Philip M. Crane (R–Ill.).

James J. Delaney (D–N.Y.), Robert F. Drinan (D–N.Y.), Joshua Eilberg (D–Pa.), Bill Frenzel (R–Minn.), Cornelius E. Gallagher (D–N.J.).

James R. Grover (R–N.Y.), William L. Hungate (D–Mo.), William J. Keating (R–Ohio), John M. Murphy (D–N.Y.), Norman F. Lent (R–N.Y.).

Patsy T. Mink (D–Hawaii), Edward I. Koch (D–N.Y.), David R. Obey (D–Wisc.), Bertram L. Podell (D–N.Y.), Henry S. Reuss (D–Wisc.).

Peter W. Rodino, Jr. (D–N.J.), Edward R. Roybal (D–Calif.), James H. Scheuer (D–N.Y.), Fletcher Thompson (R–Ga.), Jerome R. Waldie (D–Calif.), James A. Burke (D–Mass.).

Seymour Halpern (R–N.Y.), Joseph E. Karth (D–Minn.), Jack F. Kemp (R–N.Y.), Peter N. Kyros (D–Me.), Spark Matsunaga (D–Hawaii), William S. Moorhead (D–Pa.), Robert N. C. Nix (D–Pa.), Edward J. Patten (D–N.J.), Charles B. Rangel (D–N.Y.), Donald W. Riegle, Jr. (R–Mich.).

Benjamin S. Rosenthal (D–N.Y.), William F. Ryan (D–N.Y.), Samuel S. Stratton (D–N.Y.), Robert O. Tiernan (D–R.I.), Lester L. Wolff (D–N.Y.).

WILL THE HOUSE ENACT MEANINGFUL CAMPAIGN REFORM?

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. WALDIE. Mr. Speaker, sitting by the fire on a winter evening and reading the poetry of Bathhouse John Coughlin, late of the First Ward of Chicago, is not one of those cultural exercises I regularly engage in. But in view of the subject matter before the House this week I thought it might be not entirely inappropriate to share with you what I deem to be some of the poetry of the occasion. Those not privileged to be familiar with the works of Bathhouse John have missed not only a rare poetic experience but, I think, a political one. Political scientists may, in fact, wrestle for decades with some of the more subtle political implications and meaning of such works as "Ode to a Bowl of Soup," "Ode to a Bath Tub," "Suds and Spuds," and what is presumably his finest love poem, entitled, "Two Thirsts With but a Single Drink."

It is the various campaign spending reform proposals before the House this week that came to mind, however, and what I expect may be the ultimate fate of campaign reform legislation in this Congress, when I struggled for the deeper shades of meaning in a political reform sense I trust were contained in what is regarded as his masterpiece—"She sleeps at the side of the drainage canal."

With apologies to the distinguished gentleman who now represents the First Ward of Chicago and possibly with apologies to the entire delegation from Chicago, and even Illinois, and with the present campaign reform prospects clearly in mind, I would now like to share with you the passionate prophecy of the great First Ward poet when he wrote—

In her lonely grave she sleeps tonight
By the side of the drainage canal,
Where the whip-poor-will calls at the midnight hour,
They've buried my darling Sal.
A mile this side of Willow Springs
Not far from the Alton track,
They've planted my Sal, my dear old pal,
And these tears won't bring her back.

Mr. Speaker, scholars and students of the work of Bathhouse John will have no difficulty, I believe, in recognizing that Sal was but a poetic euphimism employed by the great political bard to describe the demise of the political processes of democracy in his day.

It is a mark of great poetry that it achieves a universality that lives on and speaks to us even today. And as I reflect on the sentiments contained in "She sleeps at the side of the drainage canal" the relevance of the fate of the various campaign reform proposals before the House this week seems to me to be alarmingly clear.

Mr. Speaker, the poetry of Bathhouse John not only speaks to the ages. Regretfully, I believe it has spoken to some Members of this Congress as well, and that the sentiments of that poem lie buried in some of the proposals being offered for our consideration this week, and that therein lies buried the hopes for genuine and meaningful reform of the political processes of our democracy.

Bathhouse John, fortunately—or unfortunately, depending on your view, never lived to write a poem about the system. You and I will write that poem this week. This is going to be our chance to write something for the ages. And it is going to be read by those seeking more poetry in this system than they feel they have been finding to date. Or in us. Or, I suspect in this case, than many of us are seeking or finding in ourselves as guardians not of an impending political campaign but of the larger processes of democracy itself, not for a party but for a people, for a process that makes democracy meaningful or makes it meaningless, one that gives it life or one that buries it by the side of the polluted Potomac.

Mr. Speaker, Bathhouse John was not one of the major poets of our democratic system.

The major poet was Carl Sandburg.

And one of the greatest of the collection of poems he bequeathed us was entitled, "The People, Yes."

That would be the collection of poems I would hope would speak to us this week—as it speaks to and for the people themselves.

And for those among us in this Congress who may tremble at the thought of genuine and meaningful campaign reform, I would summon a spirit of heroism and devotion to duty at least equal to that described in the lines from one of Sandburg's poems, entitled "Losers," recounting—

That sergeant at Belleau Woods,
Walking into the drumfires, calling his men,
Come on you . . . Do you want to live forever?

FLORENCE FOWLER LYONS

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. SCHMITZ. Mr. Speaker, the voice of Florence Fowler Lyons has recently been silenced by a most untimely death. She was a very brave American woman, an unashamed patriot in a country where the efforts of its enemies have increasingly made patriotism a dirty word. She dared to think for herself and challenge what many of her fellow countrymen regarded as self-evident truths, which on closer examination proved to be nothing

of the kind. She was a careful and constant student of our proceedings here, a subscriber to the CONGRESSIONAL RECORD for many years. Those of us who carry on the fight for the America we love will miss her.

I am taking this opportunity to call to your attention the following editorial which appeared November 5 in the largest newspaper in Orange County, Calif., paying tribute to Florence Fowler Lyons.

[From the Santa Ana (Calif.) Register, Nov. 5, 1971]

FLORENCE FOWLER LYONS

The organization was six years old. It was backed by the armaments of empires. It was supported by the wealth of merchant princes and the tribute of nations. It combined the best brains from the leading universities, the most famous names in the chancelleries of power. It was solidly founded on the longings of millions for a brief moment of peace in which to till their land, rear their children, and worship their God.

Against this colossus came a woman. In physique she was frail. In intellect, she was tireless. For equipment she had a typewriter.

Those were the odds when Florence Fowler Lyons took on the United Nations in 1951. She wrote and she spoke. Her writings appeared in a few newspapers. But they were clipped, reproduced and circulated to millions. Florence Lyons did not resort to literary flourish. Her style was just the steady drumbeat of fact. Just fact, fact, fact, fact. Oh, how she beat that drum! The international planning clique could not answer her. So they did the next best thing, from their point of view; they tried to ignore her. But the facts kept coming.

Within 10 years, most Americans came to suspect that something was wrong with the United Nations. It wasn't, and isn't what it was cracked up to be. In the succeeding decade, it seemed that about half the population became convinced of what they previously only surmised.

That awakening was largely the accomplishment of Florence Lyons. In 20 years, she had beaten the international planning clique to an intellectual pulp. She had cut through the concealing propaganda and revealed the United Nations to be, not the edifice of peace as proclaimed by a servile press, but the ghastly enemy of human dignity.

Miss Lyons died Monday, age 60. Rites were Thursday in St. Mary's Church, Fullerton. She was buried in La Puente. After tremendous toil, she rests.

NATIONAL BIBLE WEEK DESERVES UNIVERSAL SUPPORT

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. SIKES. Mr. Speaker, November 21–28 is National Bible Week, an interdenominational observance designed to stimulate increased study and reading of the Holy Scriptures.

In these troubled times, I know of no better direction for each of us than toward the spiritual guidance and encouragement of the Bible.

True, there are those who would tear at our faith in the Good Book. Some would have us believe the message contained in the Bible is a false message. They would direct us to materialistic things, and they would have us believe that dope, sex, and personal possessions are more important than belief in the Hereafter.

But the millions of us who believe otherwise will win this battle if only we continue to expand our beliefs and our faith through regular reading and study of the Bible.

It is for that reason that National Bible Week is being set aside. A special committee made up of Members of Congress are helping to pass the word to the Nation through newsletters, speeches, and personal efforts in cooperation with the Laymen's National Bible Committee.

It is impossible to overstress the important role of the Bible in modern society. Every legal system in the world is founded on the Ten Commandments. Every code of organized life has the Word of God as its center. Every system of government which is dedicated to the worth and dignity of men recognizes the Bible as the handbook of life.

The true strength of the Bible as a force for good can be measured by considering the fear with which totalitarianistic governments view it. Communism cannot live in a society founded on Biblical teachings. That particular form of government is dedicated to eradication of the Holy Word.

So, it befits us all each day, and especially during National Bible Week, November 21–28, to pledge a renewed program of study of the Bible.

Truly, there is no other book like it.

FEDERAL CITY COLLEGE RESPONDS

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. FAUNTROY. Mr. Speaker, last week the House passed H.R. 11341, the District of Columbia Revenue Act of 1971. As I mentioned on the floor during the consideration of the bill, the committee staff submitted a report on the bill that was never reviewed by members of the committee. The report, as I indicated, is highly objectionable and wildly distorts many of the true facts about the District of Columbia.

One of the most outrageous sections of the report deals with Federal City College. The committee staff makes a number of unsubstantiated allegations about the college that should not go unchallenged. I want to share with my colleagues an analysis of the staff report that has been given to me by Dr. Harland Randolph, president of Federal City College, an analysis that I believe presents a more balanced picture of the situation at the College:

FEDERAL CITY COLLEGE'S RESPONSE TO THE REPORT OF THE HOUSE DISTRICT COMMITTEE, NOVEMBER 1, 1971

INTRODUCTION

This statement is a response to the House District Committees Report on the Federal City College. This statement will correct misinformation contained in that report, answer the report's allegations, and answer questions concerning the success of the College.

The Committee report contains factually incorrect statements and observations ranging from financial chaos to unfavorable media exposure of the College. Information contained in this statement was presented to the House District Committee in June, 1971. It is being restated for two reasons: (1) to provide facts to dispel the erroneous impressions created by the report, and (2) to provide information about the College that will allow an objective evaluation of the past, present and future successes of the College.

ADMINISTRATION AND MANAGEMENT

The Committee report states that the College has organizational and administrative problems and relates these problems to mismanagement of resources.

More than 30 nationally recognized consultants, educators and professionals in higher education have visited the College during 1971. Many of these experts were referred to the College by the Middle States Association of Colleges and Secondary Schools, the national accrediting body for this region. A summary of their written reports is that the College has shown remarkable stability and improvement in the areas of administration and management. None of these impartial experts found any basic condition at the College to be deplorable, nor did any of these consultants recommend any change in the fundamental directions of the College. They stated that as a developing institution, the College's level of operations are acceptable to superior for its stage of development and phenomenal growth.

Just as other colleges have a need to improve their organization and management, Federal City College will continue to improve in these areas.

FINANCES

The Committee report's allegation of "financial chaos" is in direct conflict with the reports of three (3) experts on college financial administration and management. These experts, Executive Vice President of the National Association of College and University Business Officers, Vice President and Treasurer of Duquesne University, and Chairman of the Board of Fry Consultants, said the College is utilizing its limited resources in effective ways.

In its March, 1971, report, the General Accounting Office (GAO) noted that the College has established budgetary and fund controls to correct past deficiencies. The GAO report further stated that "we believe that the system established is adequate to control appropriated funds."

The Assistant Director for Municipal Audits recently stated in a letter that " significant efforts are being made to provide improved record keeping and procedures which are designed to prevent the reoccurrence of deficiencies such as those set forth in our (earlier) reports."

RECORDS

Allegations of deficiencies in student record keeping are no longer accurate. Deficiencies did exist prior to April, 1971; they have been corrected and at present individual student records are available for all past and present students.

Since April, 1971, permanent records for the 12,331 students who have attended the College have been established in the Office of the Registrar. Permanent records on new students enrolled in the current quarter will be established upon receipt of grades for this quarter.

BUDGET REQUESTS

The charge of unsupported budget requests is wtihout base in fact. The College provides line-item justification for its budget

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requests with back-up information. This information is provided during the College's testimony before the House Appropriations Subcommittee. Such information is also available to the House Revenue Committee. The College's budgets and justifications have been approved by (1) the Board of Higher Education, (2) the Mayor, (3) the City Council, and (4) the Senate and House Committees.

ENROLLMENT

The charge that the College enrollment records are in disarray is incorrect. During a three-day hearing before the House District Committee in July, the College provided enrollment data for each quarter of operation since Fall, 1968.

TUITION

The Committee reports that the tuition at Federal City College is too low and does not compare with tuition charged by community colleges in the area.

It is correct that the actual dollar amount charged for tuition alone at the College is lower than tuition charged by area community colleges; however, the tuition at Federal City College is comparable when the total costs for education paid by the student is considered.

When total costs are compared, the tuition charged by Federal City College meets the congressional requirement that tuition be comparable.

For example, a student attending Federal City College and using private transportation will pay approximately $276 per quarter. This is higher than the cost of attending any of the area community colleges where similar costs range from a high of $244 to a low of $191. A student attending Federal City College and using public transportation will pay approximately $225 per quarter compared with similar costs at area community colleges which range from a high of $281 to a low of $228.

In considering tuition at Federal City College, it is necessary to consider the total cost to the student, the income levels of the atudent's family and the effects of these factors on the ability of the student to attend college.

Historically, as a national policy the National Association of State Land Grant Universities and Colleges has consistently supported the principle of low or no tuition. The Association has maintained that society has a responsibility to make education available at a cost that people can afford. Since the Congress has placed Federal City College into this Association, the College has developed tuition and admission policies that are consistent with the policies of institutions that are members of the Association.

STAFF AND OPERATING COST

The charge that the College is over staffed at excessively high operating costs is factually incorrect. A department by department study of the staff workload conducted by the College reveals the opposite to be true.

The College has only 74% of the total personnel needed. Even with full funding for FY 1972, the College will be understaffed by 11%.

This personnel shortage is documented in a study by the College's Personnel Office (details of the study are available on request) and resulted in the following conclusion: The organization and planning capabilities of the College can be improved if the College (1) has a 36% increase in the personnel it needs in its administrative areas, (2) received an indication of what dollars were approved before half the fiscal year was over, (3) finds some way to reduce the workload on the present staff and get people trained in the coordinated use of our new systems.

SALARY OF PROFESSORS

The Committee states: "At Federal City College the average salary of professors is approximately $20,000 which in the judgment of your Committee is far in excess of that in any institution of higher education in the country."

This statement is factually incorrect. The average salary for full professors at the College is $17,768. This places Federal City College in the seventh or lowest rank among area institutions. The average salary for full professors in these area institutions ranges from a high of $20,841 to the low at Federal City College of $17,768.

OPERATING COST

The Committee report made a similar incorrect observation when it said that "the operating cost per student (at Federal City College) far outdistanced the national average."

The per student cost at the College for 1971–72 is $2,740 per FTE (Full Time Equivalent) student compared to the national average of $3,050.

EXPANSION OF THE COLLEGE

The Committee reports that "the College has expanded far in excess of and far beyond any representation to your Committee at the time it was established." This observation is both incorrect and conceptually invalid.

It is correct in the sense that Washington Technical Institute and Federal City College were expected to enroll a combined total of 6,500 students while Federal City College now enrolls approximately 8,000 students (including both operational and grant funds).

The observation is invalid because the original representations were based on incorrect assumptions regarding the demand for higher education within the District. The College has had more than 42,000 persons apply for admission since it opened.

Consistent with the Congressional mandate to establish a public system of higher education for the District, the College has moved to provide educational opportunities to the residents of the District that are comparable to opportunities provided by the other states in the nation.

There is an implied statement in the Committee's report that is false. The implication of the report is that the College did not respect Congressional wishes by permitting an enrollment which exceeded the original projection.

This implication is wrong. The College in each of its budget presentations has clearly indicated the size of the student body that would be supported by that budget. Each of these requests have been specifically approved by the Congress, District Government and the Board of Higher Education.

It should be understood that while the enrollment of the College has exceeded the original estimates which were too low, the College is nowhere close to meeting the effective demand for higher education in the District or close to providing residents of the District with the number of opportunities that are given to the residents of other states.

INVESTIGATION

The statement that the "College is under current investigation" is incorrect. There is no investigation of Federal City College underway.

Currently the District Government is conduoting a comprehensive study of higher education in the District. The purpose of this study is to plan for the total higher education system within the District. Every state in the nation makes similar planning studies.

MEDIA COVERAGE

The contention of the Committee that the College has been "too often in disrepute even in an ordinarily favorable press" must be placed into proper perspective.

The College has had more problems than it deserves; however, the problems of Federal City College are small in comparison to those faced by many of the major universities in the nation.

The extent of media coverage is one indication of the importance of Federal City College to the Washington community and the nation's capital. Media has supported the institution with various editorials and by providing more time and space for favorable stories.

By giving front page coverage to problems of the College while giving less noticeable space to successes of the College, media has permitted some persons to believe that the College has more problems than successes.

While media has given front page to problems, they have failed to report when these problems have been solved. For example, the problem of student records is now solved. The problem with student government has been solved, the problem with the football team has been solved. The problem of conflict between administration and faculty is in the process of solution.

It is important that decision-makers look for evidence in addition to media coverage before making judgments about the viability of the College.

CONCLUSION

The Committee report raises four basic questions about Federal City College: (1) Is the College viable? (2) Can the College solve its problems? (3) Can the College provide a quality education for the residents of the District of Columbia? (4) Should the College be supported? The answer to each of these questions is yes.

Despite the limited resources and uncertainty of funding, 30 experts who visited the College since the first of the year have all testified to the viability of the institution. To quote the Vice President for Academic Affairs of Oakland Community College after a visit to Federal City College:

"The progress and expansion of the school matches that found in older institutions of higher education. You are confronted with all the usual problems of colleges plus that of being a special project of the U.S. Government with its attending high visibility . . . , however, my overall impression is very positive. I am particularly impressed with the freshness of your ideas for community education and the willingness of the College administration to develop a responsive program."

Like all colleges, Federal City College is faced with numerious problems. The College has demonstrated its ability to solve these problems.

The problem of student records which faced the College last year has been solved. Records are presently complete and easily retrievable. The problems surrounding the Student Government Association last year has been solved. A new student government has been established with proper financial controls. The problem of athletic eligibility was also solved.

The problems which face the College today and will face the College in the future are no more insurmountable than those of the past. The administration of the College is committed to their resolution.

Apart from solving the College's own internal problems, Federal City College has successfully brought its resources to bear on the problems of the District of Columbia. The President of the College in his May, 1970, report to the community, noted:

"As part of its urban commitment and its land grant responsibilities, the College operates 28 satellite centers where more than 30,000 people are helped to deal effectively with urban problems. The central mission of the College is to provide a high quality education for residents of the District that will enable them to improve their lives and to resolve critical problems facing Washington, D.C."

The best indication of the quality of education being provided by the College is the institution's acceptance as a recognized candidate for Middle States accreditation, the highest level of accreditation possible until the College graduates its charter class in June, 1972. Being accepted for accreditation is considered the proper initiation of institutions of higher learning into the corporate community of colleges and universities. In the words of the Commission on Higher Education of the Middle States Association:

"Acceptance as a recognized candidate for Middle States accreditation attests that the Commission on Higher Education considers an institution to be offering its students, on at least a minimally satisfactory level, the educational opportunities implied by its objectives. In the Commission's view the institution's organization, structure, and staffing are acceptable for its stage of development, its sponsors are committed to supplying its needs and are able to do so, its governing board is functioning properly, and its academic and financial plans are well designed."

Until 1968, the year Federal City College came into existence, the District of Columbia, with a population greater than that of 11 states, was the only state in the nation without a public institution of higher education. The residual demand has been great. Since 1968 more than 42,000 persons have applied for admission to the College. This demand by District residents for public higher education amply demonatrates the need for broad support for the College.

The College is training a cadre of qualified people for the District's largest industry—government. More than 32% of the working students enrolled at Federal City College are employed by the Federal Government; another 21% are employed by the District Government. The education they are receiving at the College is enabling them to improve their performance on the job. An additional 2,000 employees of the Department of Health, Education, and Welfare are seeking degrees from branch campuses of Federal City College at their place of employment.

In addition to the productivity benefits of a better educated employee, an increase in the educational level of District residents can be translated into dollars. Studies have shown that there is a 28 to one return on educational dollars through increased earning power and an increase in the taxable revenue.

The College has demonstrated its viability and the quality of education it provides. The College has demonstrated its ability to bring its resources to bear on the problems of the District of Columbia. The College has clearly demonstrated that it deserves support.

U.N. CHINA VOTE AND U.S. SUPPORT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. FRASER. Mr. Speaker, news commentator James J. Kilpatrick, broadcasting over WTOP radio on October 27, put the United Nation's China vote into perspective. Once the decision to seat Peking had been taken, he views Taiwan's ouster as inevitable. In contrast to the clamor for reprisal, Mr. Kilpatrick urges that we continue to support the U.N. Inasmuch as the United Nations provides our most reasonable hope for future peace, Mr. Kilpatrick's comments are a welcome addition to the current debate.

The transcript of the broadcast follows:

JAMES J. KILPATRICK—COMMENTARY—CHINA AND U.N.

The United States now has taken a licking in the UN General Assembly on the matter of the Chinese seat. Red China is all the way in; Nationalist China is all the way out. We have wound up with a face full of egg foo yung; and certain questions arise:

Did we deserve this defeat? The answer is yes. In trying to preserve a seat for Taiwan in an assembly of nations, the U.S. was pursuing a policy that could not be defended in law or logic. Sentiment to one side, Taiwan simply is not a "nation." If the Formosans want unilaterally to declare their independence from the mainland, and if they can get away with it, more power to them. A Republic of Taiwan would be welcome. But the prospect seems unlikely, and the question will have to be left to the future.

Does our defeat matter? The answer is, not much. Once the Security Council seat has been awarded to Peking, the significant decision had been made. The General Assembly is an overblown cave of winds. Its impotent resolutions have no more power than the resolutions of a village PTA—and command about as much respect.

Finally, what do we do about this defeat? One suggestion, variously advanced, is that we cut off the UN's water by drastically whacking our financial support. A worse piece of international relations could not be devised. Such a move would be regarded as the vindictive act of a poor loser, and it would confirm everything our worst enemies have charged. For the time being, we are struck with the egg foo yung. We don't have to like it, but we have to eat it. This is J.J.K.

CHANCES FOR STABILITY IN SOUTH VIETNAM SEEM BLEAK

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. HARRINGTON. Mr. Speaker, despite our efforts in Vietnam, despite our casualty list, the vast sums of money, the neglect of our domestic woes, and the internal conflict brought by the war, our stated goals in that country have not been achieved. Ostensibly, we were fighting to protect self-determination for South Vietnam. We were to bring stability.

President Nixon has announced another troop withdrawal of 45,000 men. The impression presented is of an ever-diminishing role in that conflict. The air war continues, though, just as heavily. But with fewer casualties each week, with a smaller army present, the American role seems to be one of bringing men out.

But an article in the November 11, 1971, Wall Street Journal by Peter R. Kann describes a far less than optimistic future for Vietnam, a future which shows a failure to achieve our stated goals.

"The situation has declined in the last 9 months," Mr. Kann reports. The long-term chances for stability in South Vietnam seem bleak. Public works programs are suffering from reduced American assets, and the Phoenix program designed to attack the Vietcong infrastructure has failed. Vietnamese exports total less the $15 million, and the most optimistic estimate is $100 million in exports by 1975.

Unfortunately, once we leave, we may be able to watch the country deflate like a balloon as our support is gone. At this time I wish to insert the article into the RECORD:

WHITHER VIETNAM? AMERICAN OFFICIALS IN SAIGON GROW INCREASINGLY PESSIMISTIC AS ROLE OF U.S. NEARS ITS END

(By Peter R. Kann)

SAIGON.—"There will be no debacle here before the '72 election in the States. But in the longer term? My computer says: 'Do not compute.'"

"I'm not saying Thieu won't be around four years from now, but I'm sure not betting that he will."

"A degree of military stability to 1974."

"1965 by 1973."

The quotes are from recent conversations with four old Vietnam hands—U.S. officials with a total of nearly 40 years of Vietnam service. Obviously, they aren't in complete agreement on what the future holds for this country to which they have devoted much of their adult lives. But, if there is a mood common to these men—and others like them—it seems to be one of growing uncertainty and, among many, of gathering gloom.

In the last nine months or so it seems that the "new optimists" have become tired optimists and that traditionally cautious in-house critics are turning into outright, though not public, pesaimists. The reasons have less to do with any specific setbacks than with a somewhat fuzzy feeling that security had slipped, that political opportunities have been lost and that the time for new starts has passed.

ANOTHER SLUE PERIOD

Moods are by nature vague and, on the basis of experience here, exaggerated and transitory. But perhaps the present one is different. During earlier blue periods (after the 1968 Tet offensive for example) Americans at least could go out and try to do something about it: chalk up higher body counts, start a new pacification program, stop bombing, start bombing again, invade a neighboring nation or two.

But not these days. A large part of the current low mood may simply be the realization that America's active role in Vietnam is pretty much over. The American military, with just under 200,000 men still in this country, has all but ceased ground combat. Indeed, sapped by problems of drugs, race, discipline and morale, the U.S. military's very ability to fight if called upon to do so is increasingly in question. And America's influence with its Saigon client appears to be at its nadir—as demonstrated by President Nguyen Van Thieu's victory last month in a one-candidate electoral charade that embarrassed and angered the U.S. embassy.

America, of course, continues to perform important, perhaps vital, military and other functions for the Vietnamese. But how much longer and at what level America will aid the Vietnamese are in doubt. America and Vietnamese officials generally have been assuming that a U.S. "residual force" of about 40,000 men will be stationed in Vietnam for years to come. But wide disagreement has existed here as to what sort of functions that force should perform and how vital such a force really would be. Of late, there has been considerable concern as to whether there will be a residual force at all.

CONFUSING THE ENEMY—AND ALLIES

Some of these questions may be answered by President Nixon in a Vietnam policy speech, expected within the next few days. But for some time, the President's policy has seemed to have his officials and his allies confused along with the enemy. Thus, the whole residual-force issue is adding to the mood of uncertainty and unease. The defeat by the U.S. Congress of the foreign-aid bill compounds this problem. Also adding to the mood is the President's planned visit to China, the White House says Vietnam won't be discussed in Peking. But many here still think (some hope, others fear) that the trip could influence Vietnam's future.

In Washington, the view on Vietnam is more optimistic than that held by many U.S.

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officials here. In fact, the Washington estimate is described as one of only slightly bounded optimism. A cross section of Washington officials believes that the security situation in Vietnam is improving, Saigon's army is fighting more efficiently, the economy is doing well and the political scene is at least tolerable.

Analysts in Washington say the pessimism often heard in Saigon comes from aides overly influenced by transitory or localized developments. They don't reflect the big picture, Washington's big-picture experts contend.

THE FACTOR OF TIME

One reason for the differences of viewpoints in the two capitals may be a time factor. Many here in Saigon are concerned with the longer-term prospects of the Vietnam government and how well it will ultimately deal with its many problems. In Washington, officials put more emphasis on the short term; this results in an optimism that officials feel justifies continued troop withdrawals and slow political disengagement from the current Saigon government.

As ever, the question looming over all scenarios is what the aims and the capabilities of the Communists are. Hanoi, no less than Saigon, is worried over President Nixon's Peking visit and the possibility of some deal being made at its expense. Hanoi also has been indulging in increasing self-criticism over economic problems, poor public morale, crime and corruption. In June, North Vietnam was struck by its worst flood of the century. It may have left 10,000 dead and a third of the nation's rice crop destroyed. And Hanoi's manpower pool continues to be drained on the battlefields of South Vietnam, Cambodia and Laos.

"I think South Vietnam has a pretty good chance of surviving because I just don't see how the North Vietnamese can keep going," a senior U.S. official says. But another analyst puts it differently: "I would be optimistic about South Vietnam's future if it weren't for the dreadful ebullience of the enemy." How North Vietnam—which President Johnson is once said to have called "a raggedy-ass little country of 17 million people"—has been able to keep fighting this long against America's military might has confounded waves of U.S. war planners. The betting by most veteran analysts here seems to be that Hanoi will keep on fighting and thus confound some more.

The South Vietnamese, meanwhile, seem increasingly embittered by American policy. President Nixon's Vietnamization program will—sooner or later—get Americans out of the war. But no one has any indication that the President has a "game plan" for getting the Vietnamese out of it. The toll of combat deaths announced last week was down to two Americans, but the toll of South Vietnamese was 269. Indeed, South Vietnamese casualties this year are running ahead of 1968. Americans may view this as a success of the Vietnamization program, but that's little consolation to the Vietnamese.

As usual, the Vietnamese attitude is ambivalent and, at least to Western eyes, contradictory. On the one hand, there is resentment at America for "bugging out" and leaving Vietnam to cope with a continuing war. And among the Vietnamese the suspicion is growing that all the U.S. really cares about by now is a "decent interval" between withdrawal and collapse. "The stability here will last long enough to show that if the Vietnamese fail, it will be their own fault," says one ranking American official, who seems to confirm what the Vietnamese suspect.

On the other hand, the Vietnamese are increasingly open in their criticisms of the U.S. presence here; "Americans, go home" is a fashionable non-Communist slogan these days. More and more Vietnamese are talking, in vague terms, about a "Vietnamese solution to a Vietnamese war" once the American presence—and U.S. backing for President Thieu—is withdrawn. In this view the American presence postpones peace. The view may be naive, but it is significant that even some traditionally staunch anti-Communist Catholic priests are talking in this vein, and so are some younger South Vietnamese army officers.

Few Americans, of course, are talking about outright collapse here—at least not for some time. Pacification statistics still show more than 95% of the people living under government control. The economy continues to display a remarkable degree of stability, and President Thieu's reelection at least demonstrated the ubiquity and even efficiency of the government's administrative apparatus on an issue that counts to its leader.

The South Vietnamese army (ARVN) has been assuming more combat and other responsibilities as Americans withdraw. While the army has suffered some reverses in Laos and Cambodia, the Communists right now don't seem capable of inflicting a major military defeat on ARVN forces within South Vietnam. Main-force Communist units are mostly operating near the Cambodian and Laotian borders and are generally avoiding sustained contact.

In short, compared with two years ago, the present South Vietnamese position seems stronger in almost every respect.

But, compared with about nine months ago the present situation shows signs of slippage. Some observers believe that a military high point may have been reached at the beginning of 1971 and that security has been on a very gradual decline ever since. Veteran officials speak of an increase in enemy attacks on Mekong Delta militia outposts, of roads being a bit less safe to travel, of enemy units appearing closer to Saigon, of an increase in enemy infiltration and activity in the northern I Corps, of enemy inroads in formerly pacified hamlets in the key coastal province of Binh Dinh, and of ARVN forces being stretched too thin to defend the Central Highlands against a slowly mounting enemy threat there.

Much of this slippage may be an inevitable effect of American withdrawal. It is hard to see how even an improved South Vietnamese military force of 1.1 million plus about 200,000 American noncombatants can be as potent a military power as 1.1 million South Vietnamese soldiers and a half-million American combatants.

Moreover, the grace periods purchased by the June 1970 invasion of Cambodia and the April 1971 invasion of Laos are about up. Both operations, whatever their failings, certainly bought some precious time for South Vietnam, but that time was never claimed to be unlimited.

And the chances of another dramatic time-buying foray seem nil. For one thing, South Vietnam has no more neighbors (except North Vietnam) left to invade. Mainly, however, the declining American presence and logistical support seem to rule out a repetition of the drive against the Ho Chi Minh Trail complex or even a major ARVN assault deep inside Cambodia. U.S. military sources, however, are talking about ARVN launching some far smaller, briefer and less ambitious cross-border operations in coming months, and the South Vietnamese still do have about 19,000 troops occupying Cambodian territory along the border.

Optimistic scenarios for South Vietnam's future aren't bolstered by retrospective assessments of that Ho Chi Minh Trail operation or of ARVN's performance at Seoul, in Cambodia, four months later. In the Laotian trail operations, despite massive American air support of all sorts, ARVN was forced to pull out of Laos well before planned, and the most favorable assessment that anyone now makes of the operation is to call it a standoff. It may have demonstrated that ARVN with U.S. air power is roughly equal to the enemy, but how long will ARVN have even a fraction of that level of air support? The combat, of course, took place on enemy turf, and that may be to ARVN's credit. But the set-pieces of 1972 or 1973 combat may have to be fought closer to home.

If that foray was in some sense a standoff, Snoul was more of a rout. There, with less U.S. air support but on much more favorable terrain, the ARVN Fifth Division withdrew in panic, abandoning at least 50 vehicles and three artillery batteries to the enemy and losing at least 450 men killed and another 300 listed as missing.

Last month's confrontation between the North and South Vietnamese armies near the Cambodian town of Krek turned out more favorably for ARVN, which managed to reinforce and thus cause the enemy to hack off. But again there was heavy American air support and the ARVN division commander in charge stated: "American air power turned the tide; it was decisive, all-important." Once again, how long and at what level ARVN have available to it American air power—helicopters for troop lift and resupply, Cobra gunships, tactical bombers and B52s? No one is sure.

The future test for ARVN, whatever its level of U.S. support, could well come in the Central Highlands of II Corps. The present Vietnamese strategy (approved, if not devised, by American advisers) is to concentrate most ARVN forces in that corps along the narrow coastal plain in which more than 90% of that area's population lives. American advisers express confidence that Saigon forces can hold the coast. "To get the willing cooperation of those people is a very difficult, very long-term objective, but to get their forced cooperation is easy because of the geography," a high-ranking American says. Meanwhile, he adds, "there will be no more stomping the Central Highland boondocks; now the aim in the five Highland provinces is to just survive." He thinks that American bombing plus a few mobile ARVN units can prevent the Communists from overrunning Highland towns.

Other veteran American analysts question that strategy. One recalls that enemy inroads in the Highlands in 1965 nearly forced ARVN to withdraw from the Highland centers of Kontum and Pleiku. It was only the arrival of American forces that forestalled abandonment and prevented South Vietnam from being cut in two—in the view, among others, of Gen. William C. Westmoreland, the current Army chief of staff and former U.S. commander in Vietnam.

"If you control the Highlands, you eventually get the coast," one longtime analyst says. He sees a repetition of 1965 but without any Americans to ride in to the rescue—thus, "1965 by 1973." He and others suggest that enemy forces will try to consolidate control of the Highlands, adding the area to contiguous territory in southern Laos and northeast Cambodia that they already control. The Communists could then lay formal claim to a tri-country "liberalized zone" in future peace talks. Or they could use the zone as a vast base for attacks on the central coast of Vietnam, the Mekong River towns of south Laos and the heartland of Cambodia.

Most experts questioned tend to believe that within two to three years Saigon will have abandoned to the enemy large chunks of territory, if not towns, in the Central Highlands and the western part of I Corps in the north. "There will be a northeast-southwest line along which two-thirds of the regular South Vietnamese army will be fighting in conventional format," a ranking official says. He thinks ARVN could hold that line, at least to 1974.

Others wonder if Saigon could ever get two-thirds of its regular army into sustained combat. The ARVN high command recently had to abandon efforts to send the Ninth Division north from its safer stomping grounds in the Mekong Delta; the division simply refused to go. In most ARVN units desertion rise dramatically when units are about to be shifted or sent into combat.

President Thieu frequently talks about a climactic showdown with the Communists in the dry season of 1973, but not all U.S. officials are confident that Mr. Thieu will be around by then. For public consumption the U.S. has tried to put the best possible face on his reelection, sending California Gov. Ronald Reagan and Treasury Secretary John Connally to congratulate him, stressing the dearth of democracy in most parts of the world, taking some solace from the Saigon government's election-day efficiency, telling the ARVN generals that President Thieu is still Washington's man and warning them against any thought of coups.

But, privately, U.S. officials' reactions to the election ranged from disappointment to dismay. Some believed democracy could be made meaningful here and thus see the Oct. 3 exercise in population control as a lost opportunity. Others are less concerned about Vietnamese democracy than about American leverage and thus see Mr. Thieu's election shenanigans as a kind of intramural contest between Mr. Thieu's palace and Ambassador Ellsworth Bunker's embassy, and, of course, the embassy lost.

There is a general American concern that the Vietnamese electorate, at least in urban areas, knows it was somehow cheated on Oct. 3 and that, as a result, Vietnam's numerous political factions may henceforth find more fertile ground for sowing seeds of political ferment. Officials also worry that an increasingly unpopular President Thieu will henceforth isolate himself further from his people and from social and political realities and that he will be more suspicious, more repressive, more reliant on vested interests, less reformist, less willing or able to deal with the moral malaise that infects almost every aspect of this society.

(One interesting indication of President Thieu's state of mind is the manner in which he has surrounded himself, politically and geographically, with members of a single trusted family. Le Van Tu, one of the president's closest cronies, is the chief of Gia Dinh Province, which surrounds Saigon. Tu's brother, his brother-in-law and two of his cousins are all chiefs in other provinces near Saigon—gateways for past military coups.)

While Mr. Thieu is markedly unamenable to U.S. influence, his fate ultimately remains tied to American aims. So long as America's paramount concern is stability under which orderly U.S. withdrawal can proceed, Mr. Thieu can presumably count on American backing. But if President Nixon chose rapid, complete withdrawal (or if a new American administration wanted to dump Mr. Thieu in hopes of achieving a political settlement with the Communists), President Thieu might be hard pressed to hang on. Even without any abrupt change in U.S. policy Mr. Thieu's position may get shakier. American influence with the ARVN generals is mostly based on American aid to fuel their patriotism and fatten their pocketbooks. And as U.S. aid inevitably declines, so may ARVN loyalty to America's man—Nguyen Van Thieu.

Pacification planners no longer seem to be bubbling with enthusiasm and new ideas. They find satisfaction in various developments of the last few years: improved performance by local militiamen, village and hamlet elections and land reform in the Mekong Delta. But public-works programs are being hurt by reduced American assets, a new program for "people's organizations" seems to have flopped, and the Phoenix program to attack the Vietcong infrastructure now is widely viewed as a failure. The program has been partly "Vietnamized," and, perhaps as a result, it is increasingly ineffectual and corrupted. There is also a feeling that the regional and popular forces that provide "territorial security" have gotten about as big and as good as they are going to get and that efforts to make them more mobile will probably fail.

An awareness is growing that Vietnam is an increasingly urbanized society (largely as a result of the war), that urban problems will worsen as American spending and employment decline and that the more politically sophisticated urban citizenry cannot be pacified with sheets of tin roofing or demonstration pigpens.

The expert who talks of gaining the "forced cooperation" of the people of the central coast is at least implying the crucial catch in pacification: Controlling people by military occupation or even pleasing them with increased prosperity is still some distance from really winning their hearts and minds. "These people are still Vietcong in their hearts," said an ARVN general recently of the people in some officially pacified hamlets of Binh Dinh Province.

Finally, pacification—whatever its failures and accomplishments—has always been a heavily American-motivated concept, and, as the American role in Vietnam diminishes, so probably will pacification.

Vietnam's economy, after years of inflationary crisis, now is something of a success story. At least galloping inflation has been checked. Economic controls are being relaxed. Rural prosperity is a reality in much of the Mekong Delta. A new round of economic reforms is expected to further stabilize and stimulate the economy.

But the longer-term outlook is gloomier. Vietnam's exports this year will total less than $15 million. Its imports, which keep inflation in check, total about $750 million a year, mostly financed by the U.S. Long-range plans for economic development remain hazy, and the most optimistic forecast one hears is $100 million in exports by 1975. Foreign private investment remains leery of Vietnam. There is talk of possible oil deposits off Vietnam's coasts, but so far it's only talk.

America is leaving behind here a vast complex of ports, airfields, bases and communications, but these aren't the kind of assets an underdeveloped economy can make good use of. For as far as anyone here is willing to peer into the future, Vietnam will be a beggar nation, overwhelmingly dependent on U.S. aid. And that aid is dependent on the whim of the American Congress.

The general view here is that without continued U.S. economic assistance at roughly the present level, the Vietnamese economy would collapse. Similarly, even the most critical or pessimistic U.S. officials seem to agree that to give the Saigon government even a fair chance of survival, America must continue providing military aid and material. A frequently mentioned figure for future military and economic assistance is $2.5 billion a year.

Another consensus is that some continued U.S. air power will be required, but no agreement exists on how much and what sort. Some analysts believe that the minimum requirements can be provided by planes based in Thailand and on aircraft carriers off Vietnam's coasts. Others see a need for at least a few Vietnam-based tactical air squadrons plus helicopters.

All sorts of "ideal" residual-force mixes are being mentioned these days. One, which assumes a residual force of about 40,000 men, breaks down like this: 500 helicopters with crews and maintenance and support units requiring about 10,000 men, three tactical air squadrons totaling about 4,000 men, four artillery battalions requiring a total of 5,000 men, a few thousand advisers, and another 20,000 logistics personnel with a small combat force to help protect their bases. The U.S. now has in Vietnam about 2,000 helicopters, a dozen artillery battalions, nine tactical air squadrons, 19 combat maneuver battalions and about 100,000 logistics personnel.

Other officials argue against any residual presence in Vietnam itself. Their reasons vary. One ranking official thinks the only way to assure the continuance of vital economic and military aid is to get all American soldiers out of Vietnam; this, he believes, might make a continued aid program more palatable to the U.S. public and its Congress.

Others fear for the safety of a residual force that would be largely dependent on ARVN troops for protection. Even enemy sapper attacks and mortar barrages could take a toll of American helicopter maintenance men or logistics units. An alternative would be to try to leave enough U.S. combat troops here to provide the protection.

However, the way the U.S. Army works it takes four or five support soldiers to back each combatant. Thus, the U.S. would wind up with a fat logistical structure to support the combat troops who would be protecting the logistical units that would be supporting the ARVN combat forces. And that would all add up to a very large residual force indeed.

Some officials see a residual force having adverse psychological effect on the Vietnamese. U.S. troops would be living in relative (to the Vietnamese) comfort in several big enclave bases. Their presence would continue to fuel various Vietnamese resentments (Americans living too well, warping their society, prostituting their women and so on) and there would no longer be the cogent counterargument that Americans are also out in the jungles dying for the Vietnamese. Rather, it would be a case of Vietnamese boys living in mud bunkers on the outskirts of U.S. bases, protecting (or failing to protect) the Americans.

Some officers further fear that even with a compact, all-volunteer residual force, there would continue to be problems of drugs discipline and morale.

And then there are those analysts who just don't see a residual force making much difference—except for delaying the inevitable. They figure that the only long-term hope for Vietnam is a political settlement with the Communists and that a U.S. residual presence only encourages the Saigon government to keep postponing that settlement.

In all the uncertainty and disagreement over residual forces, there is one thing that the old Vietnam hands seem to agree on: much of the current U.S. presence here could and should be reduced forthwith. One senior official says the mission council—the working committee of top U.S. officials in Vietnam—spends most of its time these days dealing with problems of the American presence in Vietnam rather than with the problems of Vietnam.

"We've just got to get leaner faster," another ranking officer says. And a third tells the story of discovering two adjacent military units on the sprawling U.S. logistics base at Cam Ranh. One was a signal unit and the other a base-support unit. The sole function of the signal unit, he says, was providing communications for the support unit, while the sole function of the support unit was providing services for the signal unit.

STOP SALT

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. SCHMITZ. Mr. Speaker, the House Committee on Appropriations in its report on the Department of Defense ap-

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propriations bill of this year had a few words to say about the strategic arms limitation talks which I would like to call to the attention of my colleagues.

While the Strategic Arms Limitation Talks have been in progress, the United States has refrained from increasing its strategic nuclear forces. The Soviets have increased their strategic forces rapidly during the same period. While it appears that today the United States has strategic strike capability which will continue to deter any possibility of a reasoned Soviet attack, the Committee believes that the Department of Defense cannot wait another year on an agreement in SALT while the Soviets produce additional strategic weapons and the United States does not.

The budget did not request one additional strategic bomber or one additional strategic missile, either land-based or sea-based, for our forces and none are provided in the authorizing legislation or in the accompanying bill.

One might ask why an administration which claims to base U.S. defense measures on the capabilities of the Soviet Union, as opposed to what can be divined of their intentions, is holding back on our strategic defenses because of talks. Talks certainly have nothing to do with capabilities and thus cannot serve as a factor one way or another in a U.S. force posture based solely on capabilities. Negotiations are nothing more than one indication of possible intentions.

In fact, using SALT to argue against, say, increasing our land-based ICBM force, is simply a roundabout way to argue against increasing U.S. forces on the basis of Soviet intentions without having to deal with such embarrassing factors as the Soviets historical record, the ideological bent of the Soviet leaders, or paradoxically, fast increasing Soviet military capabilities.

The administration has made a great contribution to a growing stock of Orwellian riddle lore. Question: When is an intention not an intention? Answer: When it is a SALT.

COPLEY PRESS DEPLORES U.N. ACTION

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. McCLORY. Mr. Speaker, the editorial messages of the Copley newspapers are a dynamic and energizing force in these restless times.

In addition to those expressions of opinion which are produced by their editorial writers, the Copley newspapers carry the columns of experienced journalists who possess both keen insight and broad perspective.

While I do not necessarily subscribe to all of the views which are contained in these editorials and columns, I find them most valuable. Examples of this valuable journalism were carried in the October 27 issue of the San Diego Union—a prominent newspaper of the Copley chain. These expressions relate to the recent vote in the U.N. to admit the People's Republic of China and to oust Nationalist China from its seat in the U.N. General Assembly.

I am pleased to attach these editorials for the edification of my colleagues and for all who are reached by this issue of the CONGRESSIONAL RECORD.

U.N. ACT PERILS CAUSE OF PEACE

Communist China held a double celebration in Peking last Monday—one to note the 21st anniversary of its declaration of war upon the United Nations forces in Korea and the other to celebrate its acceptance to full membership in the same world organization.

The 1950 Red Chinese declaration of war against the U.N. still stands. Also remaining on the U.N. ledger is the official resolution in which the world body condemned Communist China for its aggression in Korea.

As an act that lacked conscience, Monday's U.N. action has had few peers in history. Forgotten in the 76-35 vote was the Korean War, the U.N. resolution of condemnation and 22 years of hostility by the legions of Mao Tse-tung against the U.N. as well as the free nations of the world. Forgotten, in what Ambassador Bush condemned as a "carnival atmosphere," was the fact that Communist China was totally ineligible to join the world body under the U.N. Charter. Worst of all, the vote was bitterly cruel where Free China was concerned. The staunch dedication of that country over the years to the U.N. and to the cause of world peace is an inspiring example for us all.

The attitude of jubilation among members of the U.N. over Communist China's success, as well as their pleasure at the defeat of the United States of America, exhibits that not even they realize the cataclysmic events they have set into motion by yielding their principles to pressures of the moment.

Now the U.N. must face squarely the consequences of betraying its own morality. The cause of peace—the very reason for the U.N.'s existence—cannot be enhanced by rewarding an aggressor nation or by administering a parliamentary rebuff to the United States. Sooner or later, the small nations of the so-called Third World and in Asia which supported the unqualified entry of Communist China into the U.N. will understand also that their own security has become a far greater problem as a result of the intemperate actions of Oct. 25.

Finally, the nations—large and small—that perpetrated the melancholy affair will do well to ponder how their actions will alter the attitude of the United States, to which many of them are indebted for their very existence.

For more than a quarter of a century the United States has provided the strength, enlightenment and treasure that has contained communistic imperialism. By great sacrifice, including the blood of her young manhood, the United States has made it possible for millions of people to choose their own way of life. No other nation in the world today can replace the United States' role, a fact which should bring sobriety to many a capital.

The plain fact is, the U.N. and the prospects of peace around the world have suffered grave damage and to gloss it over would be the rankest kind of hypocrisy.

THERE'S CAUSE TO WEEP FOR UNITED STATES

(By John J. O'Malley)

There will be many a tear shed for the Chinese Nationalist government, summarily ejected from the United Nations. The lamentations will center—and properly—on the fact that the 14 million man nation has never violated a U.N. rule, never failed to meet a U.N. obligation, never behaved meanly in the U.N. forum.

In short, and in fact, it will be affirmed that to cast a founding nation out of the world body without reason is both capricious and dishonorable.

Those who lament the cruel treatment of the Republic of China might better save their tears for two other—more pressing—tragedies.

Taiwan, after all, is still where it was last week. It is prosperous, orderly and well-governed by the Chiang Kai-shek regime. Its products are still popular around the world, international investment there is still profitable, and its word is respected.

The island is separated from the mainland by 100 miles of Taiwan Strait and all the soldiers in Mao's army cannot negotiate that ocean area.

Taiwan, in short, is safe and substantial, and its main loss—admittedly a grave one—is in Asian face.

No, those who would deplore the action in New York might better reserve their sadness for the United Nations and for the United States of America.

They are the real casualties of the wickedness in the great glass building.

The U.N. was created in 1945 as an organization of rules, and its survival as an organization must depend on its respect for rules. Now, in one abrupt moment, its fabric of rules has been damaged irreparably.

A government openly committed to world violence has been enfolded in the U.N. structure in violation of a basic rule.

A nation, condemned by the U.N. as an aggressor, has been accepted as a member in violation of a basic rule.

A founding nation, a member of the Security Council, has been ejected from the world body without cause and in violation of a rule that goes to the very heart of the U.N. Charter.

There is no doubt about it, whether the current action had been taken in connection with Nationalist China or some other legitimate member, it flouted the world body's bedrock philosophy and the U.N. will never be the same. Henceforward, it can be no more than a forum for discussion. Its actions will be subject to the whim of a bloc of tiny countries whose right to be called nations is in serious doubt, and whose major function is to serve the political ends of the Soviet Union and Communist China.

Nobody has reason to expect great or sober actions to flow from the body again, and the wonderful dream of 1945 is dead.

Sad though that fact is, the greater casualty is the United States.

Great nations, so history tells us, are not given to temporizing. They make plain precisely what they believe, precisely where they stand, and then they behave in a manner which inspires confidence in their word.

We have violated this great principle in the case of Nationalist China and Red China, temporizing like the man who sought to hedge his fate in the hereafter by declaring. "The Lord is a good man and the devil is not a bad man." He did not end up in Heaven for his pains and it is not likely that we will fare much better.

Nor is our international stature to be salvaged by the eloquent and well reasoned 11th hour supplications of Mr. Bush for rational and decent behavior by his U.N. colleagues.

The fact is, we wavered on a matter of principle and when the jackals of the world saw us on the run they concluded that the penalties for flouting our pleas would be minimal.

So it is that the United States of America, without which there never could have been a United Nations, is the real paroah, a victim of its own irresolute actions.

And for this, there is real cause to weep.

H-BOMB TEST AT AMCHITKA

HON. W. C. (DAN) DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. DANIEL of Virginia. Mr. Speaker, today as I glanced through the newspapers, two items—an editorial and a news article—caught my eye. Both relate to the recent H-bomb test at Amchitka.

The first item, the editorial, appeared in yesterday's Lynchburg News. The writer, building around the old saying: "It's a sorry dog that won't wag its own tail," makes the point that now the test is over and we experienced neither earthquake, tidal wave, nor radiation leakage, it might be in order for those who had criticized so bitterly to acknowledge their inaccuracy, and offer a kind word for our Nation. It is apparent that the doomcriers operate under an adage of more recent vintage:

I've made up my mind; don't confuse me with the facts.

At this point I include the editorial to which I have referred in the RECORD:

LET'S WAG A LITTLE

The Government is claiming that the nuclear test on Amchitka island proved that a new nuclear weapon is reliable. But there was another benefit of equal importance the Government didn't dwell upon: the test shut up, for the time being, anyway, the professional doomsayers who prophesized tidal waves, earthquakes and wholesale radiation leakage.

After the Supreme Court in its ponderous wisdom proclaimed that the Government could conduct the test—thus setting the precedent that the Supreme Court now has the authority to rule on defense experiments—the wailing voices predicting monumental catastrophes have been silent.—No explanation as to why their dire warnings were wrong. Perhaps they are still in a state of shock that the world didn't come to an end.

In the main, the critics of the Amchitka test are the same clique that is opposing the pipeline proposed to carry oil from the North Alaskan fields. This oil will be a vital factor in keeping the U.S. economy running, and fueling its military establishment.

Perhaps one should not raise the question: but one cannot help but wonder why these people fall into a frenzy whenever the government or private business undertakes something to benefit the economy or improve our military defenses? We wouldn't want anyone to read any innuendoes into that statement; my, no. But we would like an explanation—along with an explanation as to why they are always wrong in their predictions.

Why is it that these people find so little, if anything, to praise in the United States? Why is it that, according to them, this country is an international menace, its people bigoted and racists, cold-hearted and murderous, greedy and selfish, despoilers of the environment? At the same time they condemn us for not working harder to support the world, and demand we give more.

There are plenty of things going on that we don't like. We find no fault with our form of government, or our social institutions, but we do find fault with the way some are mismanaging them. We find fault with Government that continually expands its control over the economy and the lives of individuals; with the prostitution of profits from the expansion of business, the creation of new jobs, and higher wages, to undermining the society and government through tax-free foundations. We find fault with those who let our military defenses deteriorate in the face of growing totalitarian might. We find fault with those who betray our friends, our principles, our ideals. And we find fault with the people for letting this happen.

At the same time, we respect and admire the vitality of the people, young and old and middle-aged, who are, with fractional exceptions, trying to live and let live and upholding the right of all. Our hearts swell with pride at the way they have conducted themselves, by and large, in Vietnam, against a treacherous enemy, under impossible conditions laid down by their so-called "leaders" in Washington; at their courage and dedication exemplified by the voyages to the moon. There is nothing wrong with this country that high-principled, courageous leadership can not right, and put the country back on the path marked by the founding fathers.

There's an old saying: It's a sorry dog that won't wag its own tail. Right now, we're not wagging our tails enough. We have plenty to be proud of, and we should take heart. We should point with pride, and attempt to build on that which has proved beneficial to mankind. We should keep what is good and throw out what is bad and improve that which can be improved. We should, in short, tell our story, instead of remaining silent while the downgraders and doomsayers continually blacken our reputation.

And we should always be wary of the motives of those who never find anything good to say about the United States. Nothing; nation, people, institutions, what-not, is as uniformly bad as these people would have us believe we are.

Mr. Speaker, the other item to which I referred, the news article, reports that Dr. James Schlesinger, head of the U.S. Atomic Energy Commission, has recently testified before this body's Committee on Public Works regarding the possibility of preventing earthquakes by underground nuclear explosions to relieve pressure in the earth's crust. While I hasten to point out that this is purely theoretical at this time, think of the horrible suffering which might be avoided in those areas where earthquakes regularly take a toll in lives and in injuries. It is ironic that this article carries a foreign news service byline. This is surely worthy of further exploration. The article follows:

AMCHITKA TEST OFFERS CLUES TO EARTHQUAKES

WASHINGTON.—America's biggest underground nuclear test on Amchitka Island may have provided information useful in preventing natural earthquakes, according to Dr. James Schlesinger, the head of the U.S. Atomic Energy Commission.

Dr. Schlesinger told the House Public Works subcommittee that the possibility of preventing earthquakes merited further study by the AEC and by scientific experts outside the commission.

Dr. Schlesinger said some scientists believe explosions such as the Amchitka test in Alaska—code-named Cannikin—could be used to relieve stresses in the earth's crust, thus reducing the chances of a build-up that could cause an earthquake.

Dr. Schlesinger, referring to the controversy over the test, told the panel the explosion had been successful and to date there were no indications of any significant impact on the environment beyond the immediate test area.

IN MEMORY OF A. LARS NELSON

HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. FOLEY. Mr. Speaker, American agriculture has lost one of its greatest leaders in the untimely death of A. Lars Nelson. Mr. Nelson died as a result of a heart attack on Saturday, October 9, in Seattle, Wash., and was buried on October 13 in his home community of St. John, Wash. Lars, as he was known to countless thousands of friends, had been the master of the Washington State Grange since 1953 and a National Grange overseer since 1961. For 35 years, as a devoted and enormously energetic Grange member, he held numerous offices of every level of the National Grange. He used these important positions of leadership not only to advance the interests of hundreds of thousands of members, but to support in every way he could the needs of American agriculture and rural Americans everywhere. His preeminence as a leader in agriculture was recognized by his appointment to the Farm Credit Board National Advisory Committee.

But these and other activities can only suggest a small measure of his energy, commitment and generosity in behalf of others. Everyone who knew him was deeply impressed by his warmth, his openness, and generosity of spirit.

Mr. Speaker, I would like to include in the RECORD, the eulogy to Mr. Nelson given by the Reverend Robert Rector at memorial services at the Methodist Church in St. John, Wash., on October 13, 1971:

IN MEMORY OF A. LARS NELSON

The times in which we have been seen, crossing and criscrossing the face of the earth—the present times—are supposed to be an age of reality.

Yet, all of our confidence in reality, does not insulate against realities we are not prepared to face.

Over and over again, the reality that catches us unprepared is death. A. Lars Nelson is gone.

Our immediate reaction is grief and loss. We gather together now, to say thank you and goodby. We are a strange community this afternoon. Some of us knew him as a youngster, some remember his high school days. Some of us were his fellow workers. But, few of us can say we knew him well.

Lars had such a strong personality that the man inside often remained a mystery. Only a small number can say, "I knew him inside and out."

We knew him as "grange master". It became his whole life. And it is hard for us to think of him as gone. We depended upon him, too much.

Son of a pioneer family, Lars grew up in our community, sacking grain, plowing behind a horse and eating dirt. It was harder then, harder than it is now; and let us not forget that.

Perhaps it was that extra measure of hard work that drove men to the grange. Everyone supported it—everyone believed in it. The grange was perhaps the only way out.

But more than anything else, the War and the U.S. government got us out; and Lars was left to work with a small core of dedicated men, salvaging what they could for

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agriculture—picking up a piece here, and adding a morsel there. We needed money. Lars helped us get that credit. We needed representation, Lars was there for us. Programs needed to be built, he built them. But, perhaps more than we realize, his work involved not building, but tremendous energy in the protection and saving of those programs that you and I depend upon.

It has been an uphill fight. Agriculture has never yet pulled itself together. Big business had Carnegies and Rockefellers and labor had its Samuel Gompers. But, farmers in America are still looking for a leader of that magnitude. The deepest tragedy is that agriculture has had men of that quality; but never a following capable of sustaining the vision together. We have left the visions to men like Lars. And to that end he talked more, schemed more, ate more, worked harder, argued longer, traveled faster, thought deeper, and slept less than anybody else we know.

For his hard work, you need not feel guilty, because Lars enjoyed his work. You know that if it had to be done over again, Lars would want to do it.

Through all of his years of work probably the ones who suffered most were in his family; seldom close, never together long enough, to get to know one another. Like a family reunion too short, they hardly had time to have a good argument. His family must say goodbye, perhaps before they had a chance to say hello.

To the place on which we are now standing, we invite the most daring faith that the human mind can generate. This includes the belief that life is essentially good, and that we thank God for sending each of us this way. Our time in eternity is not chaos, or chance, but affirmed by God. Thank you for Lars. May he rest, satisfied that he never gave up, satisfied that he spent his talents wisely.

Let us seriously admit one thing, that even in this age of reality, we have not yet come to an understanding of eternity. It is still a mysterious and superstitious realm.

Again and again, the question secretly returns to each of us: what is the final destiny of man? It now becomes our statement of faith. From the gospel of John, this is our confidence in the past and our hope for the future. A handle on eternity: "In the beginning was the Word, and the Word was with God, and the Word was God. All things were made by him. In him was life and the life was the light of men. The light stands shining in the darkness and the darkness has not overcome it." Amen.

A RICH HALF HOUR OF EVERYTHING

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. TIERNAN. Mr. Speaker, earlier this month I placed in the RECORD some information concerning "Catch 44," an innovative program aired weekly by WGBH educational TV in Boston.

I am now pleased to place in the RECORD a copy of the article which appeared in the TV review section of the November 12 issue of Life magazine. Life describes "Catch 44" as "everything UHF might be and a few things network TV should be." The article goes on to say that—

At a time when the bureaucrats of public television, traumatized by federal funding problems, censor their own programs, any half hour that isn't afraid of people and ideas—indeed, delights in them—deserves our thanks and carries our hope.

Mr. Speaker, I congratulate the editors of Life for bringing "Catch 44" to the attention of the public. I am hopeful that stations throughout the country will follow the example of WGBH.

The article follows:

[From Life magazine, Nov. 12, 1971]

LIFE TV REVIEW—A RICH HALF HOUR OF EVERYTHING

It's like eating lunch. You can go to one of those high-priced hash houses where the meal is ordered by number and consists of six "businessman's specials," each made of polyurethane. In which case you are only eating from habit, not because of desire, and you deserve what you get—a kind of consensus menu. Or you can go to one of those modest Chinese restaurants where there are 500 different dishes available in 10,000 combinations. In which case you are liberated, perhaps only to multiply your disappointments—but where there is multiplicity there is awareness.

The networks, of course, represent consensus television; the menu consists of six kinds of plastic. Where, then, is the Chinese restaurant of the air? UHF was supposed to be its equivalent. The extra channels were to be for TV what FM used to be for radio: an alternative, specialized programs for special audiences, a choice instead of a package. In practice, at least in New York, UHF has been mostly high-school football games and Spanish-language movies—plastic with an accent.

But before giving up on UHF and going whoring after cable TV—whose hustlers promise to deliver your newspaper electronically and teach you open-heart surgery at home—let's look at Boston. Boston has a UHF channel, 44, and a program *Catch 44*, that is everything UHF might be and a few things network TV should be. Five nights a week for half an hour, *Catch 44* is a Chinese restaurant of opinion, music and art.

Consider this menu: The Society for the Preservation and Encouragement of Barber Shop Quartet Singing. Medical treatment in the U.S.A. for Vietnamese children injured in the war. Friends of Micronesia. The Royal Scottish Country Dance Society. The Irish Republican Aid Committee. Organic foods. John Cage and friends. The Homophile League of Boston and Daughters of Bilitis. Girls' ice hockey. Trenton Hall and the Melody Ramblers. Gestalt sensitivity groups. Diet Workshop. The annual Great Boston Kite Festival. Marcus Garvey Week. Music of Portugal. The Polaroid Revolutionary Workers Movement. The Neponset Valley Young Republicans.

Catch 44 gives them a half hour each. All they have to do is ask—there's a two-month waiting list right now—and plan their own program. A producer stands ready to help them do whatever they decide. There is an hour's studio setup time before each program goes on live. WGBH, the local VHF public television channel runs one of the week's most interesting *Catch 44s* every Saturday for a larger audience. The only "catch" is that you'll be cut off the air if you defame private persons, incite violence, use obscenity or appeal for money. So far, no one has been cut off.

This is community TV with a vengeance that is sometimes embarrassing more often moving. Whether it's a half hour of opinion, entertainment or education, *Catch 44* is personal: no talk-show moderator mugging at the camera; no alley fighting between commercial interruptions; no slick packaging. Just citizens, reminding other citizens in their urgency and earnestness of how complicated, resourceful and exciting a community can be. A recent (pre-Attica) program on Billerica prison reform might have moved even Nelson Rockefeller. A program organized by the staff of *Hysteria*, a women's lib newspaper, should have been seen by Sigmund Freud. The Young Americans for Freedom, in a spoof of liberal radio panels, proved—if it still needs proving—that Bill Buckley isn't the only right-winger with a sense of humor.

Catch 44 offers access, provocation, understanding, diversity. It is exciting, and it should be cherished, and it must spread if UHF isn't to go the way of FM, from music to Muzak, from community programming to 24-hour news bulletins and weather reports. At a time when the bureaucrats of public television, traumatized by federal-funding problems, censor their own programs, any half hour that isn't afraid of people and ideas—indeed, delights in them—deserves our thanks and carries our hope. Otherwise, we shall all be sentenced to the hash house and a diet of plastic.

CIVIL DEFENSE AND DETERRENCE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. BOB WILSON. Mr. Speaker, I read with particular interest an article in the November–December 1971 issue of Survive, entitled "Civil Defense and Deterrence" by Richard C. Rasmussen. Mr. Rasmussen reviews the present maze of conflicting opinions relative to the building and maintenance of a strong civil defense program. The ability of this or any nation to build a strong and viable nonmilitary defense against attack is a crucial deterrent against aggression. In this uneasy world, we must maintain not only our watchfulness, but our military and civilian defense preparedness as well. I commend Mr. Rasmussen's comments to by colleagues' careful attention and am including his article at the conclusion of my remarks:

CIVIL DEFENSE AND DETERRENCE

(By Richard C. Rasmussen)

Some think that while nuclear weapons have not yet made war impossible, war must be abolished if mankind is to survive. Unfortunately, even if we believe that the philosophical theorists have devised a formula for such abolishment, the political practitioners have not been able to make it work.

Some believe that the nuclear weapon has made war unthinkable. Built more, perhaps, on hope than logic, this concept is not supported by current history and current events which suggest differently.

Some believe that civil defense would have no significant impact, pro or con, on the deterrent posture of a nation's defense Some experts believe, however, that to a nation with a strong civil defense, nuclear war would be more acceptable and therefore more likely to occur because such a nation would be less restrained in taking action that might lead to a nuclear attack.

Others believe quite the opposite, that a viable civil defense program would contribute to deterrence in that it would cause a potential aggressor to be more reluctant to launch a nuclear attack in consideration of the opposing nation's greater liklihood of being the stronger survivor of a nuclear exchange or able to recuperate more rapidly and more successfully.

One of the more knowledgeable researchers on civil defense is Dr. Jiri Nehnevajsa, Professor of Sociology, University of Pittsburgh, who says: "First of all, it is somewhat amazing how many physicists, chemists and engineers argue with great expertise sociological and psychological and economic problems connected with civil defense programs.

"Secondly, it is not without amusement that one notices how many psychiatrists, psychologists, and occasional sociologists argue the intricacies of nuclear weapons effects, Soviet targeting behavior, bacteriological and chemical weapons systems, and generally problems for which the behavioral scientists have not been known to be famous.

"Thirdly, as might be expected, various writers, journalists, and publicists who lack the knowledge of both the hard sciences and the behavioral sciences, tend to argue both about weapons effects and about psychological and social issues. This, of course, is their job.

"Although the arguments are not always altogether enlightening, they tend to be presented vigorously which is often all that can be construed in their favor."

One difficulty encountered in grasping the meaning of deterrence is that deterrence means that something does not happen. There is no event. It is based on strength; but the strength is not used. If it is used, there is no deterrence.

Deterrence is relative. It does not mean to stop—but to prevent. If something happens or if something is stopped, it may be possible to determine why. There is an event to study, to analyze. If something does not occur, it is much more difficult to determine why it does not.

There may be an analogy in the field of medicine. If the patient dies, there is an event to study, a body for post mortem. The cause of death may be determined. If the patient does not die, continues to live, the physician may never really know whether his treatment or prescription prevented death or if the patient would have continued to live anyway.

Deterrence is psychological. Since it is passive in nature, implies no action—only readiness for action—its strength or weakness lies only in the mind of the potential aggressor.

Roberta Wohstetter in her study of Pearl Harbor says: "There is a tendency in our planning to confuse the unfamiliar with the improbable. The contingency we have not considered seriously looks strange; what looks strange is thought to be improbable; what is improbable need not be considered seriously."

Historian Quincy Wright observes: "Appeasement is likely to make the aggressive state more aggressive. The method of treating aggression by non-resistance or appeasement, illustrated in the Munich settlement of September 1938, tends to increase the general prospect of war. Retreats before threats of violence will not prevent the development of potential aggression.

Richard Nixon said last year in a report to Congress: "The overriding purpose of our strategic posture is political and defensive: to deny other countries the ability to impose their will on the United States and its allies under the weight of strategic military superiority. We must insure that all potential aggressors see unacceptable risks in contemplating a nuclear attack or nuclear blackmail.

"Weakness on our part would be more provocative than continued U.S. strength, for it might encourage others to take dangerous risks, to resort to the illusion that military opportunism could succeed."

While opposition to civil defense as a deterrent is not necessarily opposition to civil defense, quite a strong suggestion that civil defense could be provocative comes from General Spaatz: "It will be particularly important for us to know from now on whether the Soviet Union is building civilian shelters for its own people. This can be one of the most significant indications of its intentions, if and when it gets ready to launch a surprise attack."

It is quite likely that Spaatz sees the Soviet Union as a nation morally capable of a first nuclear strike. Knowledge that the U.S.S.R. has indeed put more emphasis on shelters and civil defense than has the United States has not appeared to make the United States more likely to launch a first strike or start a nuclear war.

Lloyd V. Berkner, in *Project East River* said fifteen years ago: "A sound and effective nonmilitary defense coupled with adequate military power serves as the only real deterrent to war during our present troubled times. In fact, with near balance of military power, the nation with the strongest nonmilitary defense of its people and facilities may well control the situation.

"The job of nonmilitary defense is to increase the number of bombs that an enemy must deliver to damage us mortally, so that no enemy can imagine that any mass or surprise attack within his capacity can put us out of the running. This can be achieved, and when it is the dangers of atomic war against our population are greatly diminished. Thus, nonmilitary defense plays a vital role in the prevention of an all-out war."

Gen. Lyman L. Lemnitzer told a Congressional committee: "The extent to which we have the ability to defend against an attack, particularly the initial attack, is an essential element of our overall deterrent. Any doubt in the mind of the potential enemy with respect to his capability to deal us a decisive blow makes less likely the possibility that he will initiate a nuclear attack against us. This, then, is the important way in which civil defense contributes to deterrence. It provides further unmistakable evidence of serious determination on our part . . . A nation that is completely open to attack, and does not have adequate means of protecting its citizens whatsoever is, in my opinion, inviting attack."

Lt. General Malininov said in 1968: "The potential of weapons of mass destruction and of means of delivering them to their targets is now such that there is not a single state that could survive a modern nuclear missile war unless its people and economy were prepared for it; in other words, unless it had a strong civil defense."

Brigadier Maung Maung speaking for Burma, told his country's War College: "I need not elaborate the fact that aggression is not likely to take place if it is not likely to be successful. If the strength to resist aggression is strong enough, then a resort to peaceful settlement of international differences will prevail . . . Any would-be aggressor, if he knew that a nation though small is thoroughly prepared for its own defense, would certainly think many times before he decides to invade the latter. This is deterrence and civil defense, thus, clearly shows as one of the vital parts of the national security system of any country large or small."

Nobel prize winner Eugene P. Wigner has this to say: "If our population is undefended, it will be increasingly difficult for those whose natural inclination is to extend their power—and all dictators and dictatorships have such an inclination—to resist the temptation to pressure us into concession. By not offering the temptation of an unprotected populace, by instituting a vigorous civil defense program, we would be truly serving the interests of a lasting peace."

And General Nathan F. Twining: "Long before the nuclear bomb, it was quite evident—or at least accepted—that Britain's civil defense in World War II, i.e. the bomb shelters of London and other cities and the civilian citizenry's stubborn and courageous ability to use them, was a deterrent to Hitler's use of a ground force invasion—something he postponed much too long."

The deterrent effect of civil defense is a matter of national intent, psychological in nature both from the standpoint of the aggressor and the defender, if needed either or both can be identified as such.

It is a factor of relative strength. It is a factor of how a nation, or more than one nation, perceive the issues that are at stake.

It is a factor of the cost in terms of money and effort of the civil defense program.

With these factors in mind, a small civil defense posture, like the kind now existent in this and many other countries today, would have little effect on a nation's deterrent strength. And it certainly would not be provocative.

A civil defense program would not be provocative in nature unless it were a large, intense and high priority program—tangible enough to be perceived as such by a potential enemy. Such a program would have to cost about 10 percent or more of the total defense budget. In this country, then, a program costing seven or eight billion dollars per year might suggest a preparation of war.

Analysis of available facts and a review of history, suggest that while the superpowers have frequently been involved directly or indirectly with "limited" wars since the beginning of the cold war in 1946, they have exercised considerable restraint in terms of a nuclear confrontation.

Granted that a policy of deterrence is of fugitive comfort in an uneasy world; but if the credibility of deterrence can be increased by any means that increase total strength and, thus, reduces vulnerability to attack, a viable civil defense program, passive in nature, can serve as part of the deterrent of war.

SECRETARY MORTON ADDRESSES THE AMERICAN PETROLEUM INSTITUTE

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. VANDER JAGT. Mr. Speaker, the Honorable Rogers C. B. Morton, Secretary of the Interior, recently discussed the need for clean energy and a positive natural resources policy such as has been proposed by President Nixon. In an address to the American Petroleum Institute, the ecology minded Cabinet member again stated his firm belief that a flourishing environment and an advanced technology can and must be compatible.

Secretary Morton urged the oil and gas industries to support the President's reorganization plan to create a new Department of Natural Resources and to join in close cooperation with the Department of the Interior and the American people in building a safe, clean and abundant energy future for America.

Among the functions of the energy and mineral resources administration in the proposed new Department of Natural Resources, Secretary Morton listed the following:

Formulation and implementation of a national energy resources policy.

Development of energy production technology.

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Technology for resources development and utilization.

Management of uranium stockpiles and production of enriched uranium.

Mining recovery, processing, and utilization studies.

Waste disposal, reuse, recycling and substitution studies.

Protection and restoration of mined areas.

Fostering oil and gas pipeline safety, and mine safety and health.

Conservation of minerals and fuel resources.

Research and information services pertaining to the environment.

Secretary Morton reminded his industry audience that the petroleum industry has a vital commitment to meet energy requirements without degrading the environment and he cautioned that we cannot let our faith in technology trick us into believing that men are free from natural law.

I commend to the attention of my colleagues and to the public the remarks of Secretary Morton and I include them in full at this point:

SECRETARY OF THE INTERIOR ROGERS C. B. MORTON SPEAKS TO THE AMERICAN PETROLEUM INSTITUTE

In the beginning, the steps of man were soft upon the earth. Early man was a hunter. He filled his belly by stalking animals and gathering wild plants. Though most of the secrets of the earth were a mystery to him, he lived in the knowledge that he was dependent upon them for survival.

From the flint and shards of the stone age, we have leapt to the labs and reactors of the computer age. The productivity of our time is immense, bringing its wonder and benefits to more of our people than ever before. Its ingenuity is acute, delivering us plastics and TV dinners, nuclear spectre, and man on the moon . . .

And now in 1971 with all of these marvelous advances, I firmly believe that flourishing environment and an advanced technology can and must be compatible.

And to you, the American Petroleum Institute, whose members speak and act for most of the Nation's oil and gas industry . . . I say . . . you are doing a fine job.

In the past 25 years, oil and its companion resource . . . natural gas . . . have become the dominant fuels that have sparked the expansion of America's economy.

You have worked diligently and with great enthusiasm to make advanced technology and a flourishing environment compatible.

We are facing, in this country, a two-headed energy problem. One problem is immediate, the other is long-term. Nothing less than a two-headed solution will solve our energy demands . . . clean energy demands . . . these solutions must come within the framework and context of a national energy policy.

Our immediate energy problem is starkly reflected in the growing gap that exists between domestic energy supplies and growing energy requirements between now and 1985—just over the next fifteen years, we shall need 100 billion barrels of oil, and by the end of that period we shall be using oil at the rate of 22 million barrels a day.

In 1970 the United States consumed 14.7 million barrels a day of petroleum products, which comprised 43 percent of all energy supply that year. Of this total, 23 percent was imported; the remainder was derived from crude oil and natural gas liquids produced within the United States. By and large this balance reflects the operation of oil import controls under current policies. Recent projections indicate a steady rise in consumption of liquid fuels at an annual increase rate of 2½ to 4 percent until 1985, depending on the availability of gas during this period, so that in that year consumption will be about 27 million barrels a day, some 2 million barrels a day above the current rate. The average over the period would be around 21 million barrels a day.

Therefore, our energy policy must deal with the immediate problem that looks ahead five to ten years and must program the technological lead time needed to clean fuel supplies between 1980 and 2000 . . . and beyond.

In June the President recommended ways to deal with the energy shortage, including stepped-up efforts to control sulfur oxide, which would make available fuels not now used because of pollution considerations.

Control of sulfur dioxide will enable us to utilize considerable crude oil and much coal and oil shale not now available. Success in this area could become the cornerstone of a national energy policy that seeks an adequate supply of reasonably priced energy from stable and diverse sources without damage to the environment.

Conflicts in attaining these objectives.

The failure to add to oil and gas reserves.

And lagging production of the nuclear energy we thought was on the threshold.

Are at the core of our present dilemma.

We are an energy-deficient Nation based on data we have today. This situation must be viewed against an international backdrop wherein the balance of power has shifted from the hands of foreign oil companies to the politics of petroleum in oil exporting nations.

I have said that we are an energy-deficient Nation *based on where we are* today, but I didn't say we don't have sufficient resources to meet our foreseeable requirements. We are reticent to rely on foreign sources.

All the experience of the past twenty years, plus what we can infer from the bargaining actions of the O.P.E.C. nations during the past year and the actions of the Soviet Union in the Middle East and Mediterranean, lead us to conclude that we had better not become overly dependent upon energy supplies from this part of the world. Any dependence upon foreign petroleum would also have negative effects on our balance of payments.

We have the tremendous potential in undeveloped energy resources of the United States to make ourselves essentially independent of external sources for our future supply. We can certainly limit our dependence upon these sources to a degree commensurate with our national security.

The President has proposed a broad-front attack aimed at developing adequate supplies of energy from our domestic resources to provide ample and secure energy supplies to the Nation. Certain of the actions proposed are essentially long-term in nature. Others can be expected to produce results within the next five years or so.

Among the things the Department of the Interior can do that will pay off in the short run are:

Expedite the safe movement of North Slope oil and gas to market;

Under proper safeguards, speed up leasing of additional acreage on the outer continental shelf, particularly in areas where the industry is well established;

Accelerate techniques already in well advanced research and development stages of fracturing concepts being tested in West Virginia this year to increase natural gas recovery;

Increase efforts to identify new uncommitted supplies of low-sulfur coal in eastern United States;

Conduct reconnaissance to identify new prospective sources of uranium.

Beyond these efforts aimed at near-term payoffs, further action is necessary for securing adequate clean energy source in the future.

Interior will continue to urge industry to—

Develop commercially feasible methods for producing liquid and gaseous fuels from coal, oil shale, and tar sands;

Improve technology for discovering and recovering oil and gas from conventional deposits;

And to develop a commercially feasible method for desulfurizing flue gases from coal and residual fuel oil.

We can only take these actions within the broad framework of a fully planned and coordinated natural resources program.

President Nixon has taken a giant step toward bringing Federal energy policies into a pattern of efficiency and common sense. He did so last March when he proposed a reorganization of the Executive Branch of government.

Part of that proposal calls for the creation of a Department of Natural Resources. In making an assessment of the situation, the President declared:

"The time has come to match our structure to our purposes . . . to look with a fresh eye, and to organize the government by conscientious, comprehensive design to meet the needs of a new era."

Under the President's proposal, government functions relating to mineral and energy resources; water resources; land and recreation resources; oceanic, atmospheric and earth sciences; and Indian and territorial affairs would be grouped in individual administrations in the Department of National Resources.

Your personal interest cuts across many resource lines, and I am certain you grasp the importance of this proposal.

Functions of the energy and mineral resources administration in the new Department would include:

Formulation and implementation of a *National Energy Resources Policy*;

Development of energy production technology;

Technology for resources development and utilization;

Management of uranium stockpiles and production of enriched uranium;

Mining recovery, processing, and utilization studies;

Waste disposal, re-use, recycling and substitution studies;

Protection and restoration of mined areas;

Fostering oil and gas pipeline safety, and mine and health safety;

Conservation of minerals and fuel resources;

Research and information services pertaining to the environment.

The President's proposal will help us rebuild our domestic energy base. While the short-term outlook may dictate greater reliance on energy imports, we must enhance our domestic energy sources if we are to have assured supplies to meet future needs.

We must look to foreign sources to meet some of our energy needs, but we should keep in mind that the United States no longer is the primary purchaser of oil in the world market.

Every industrialized nation wants a supply of premium fuel and is bidding for it. Even if we wanted to, we could not possibly meet our petroleum needs from foreign sources.

Therefore, I urge the oil and gas industries of the United States to establish domestic reliability. We can achieve this through:

The President's reorganization plan;

A "fail-safe" program of oil leasing and production in the outer continental shelf;

Greatly increasing domestic exploration for petroleum and gas.

The petroleum industry has learned many lessons in meeting environmental problems that have come from exploring, producing, refining, storing, transporting, and marketing its products.

The petroleum industry has a vital commitment to meet energy requirements without degrading the environment.

We must adjust to the blinding speed at which our civilization is now developing. We can not let our faith in technology trick us into believing that men are free from natural law.

I am excited;

I am enthused;

I am confident;

Confident that you will not only stand on your past record, but also will join me;

The Department of the Interior; and the American people, in even closer and more effective cooperation;

And we will build a safe, clean abundant energy future for America.

CONSUMERS OF TECHNOLOGY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. HAMILTON. Mr. Speaker, my distinguished colleague from Indiana, the Honorable J. EDWARD ROUSH, was the principal speaker at the 1971 fall conference sponsored by the Aerospace Research Applications Center—ARAC—at Indiana University. The theme of the conference, held on November 15–16 was "The Exploitation of Information: What Should It Cost?"

ARAC is one of a number of regional dissemination centers, partially funded by the Government and partially by public subscription. The purpose of these centers is to make available and usable scientific, technical information derived from Federal research and development efforts, particularly from NASA research efforts. This technology can then be transferred or utilized by industries and other segments of society.

Congressman ROUSH was unable to deliver his remarks personally since there were a number of votes scheduled in the House for November 16, when he was to speak. His remarks on "Consumers of Technology" were delivered in his absence. I include the text of that speech:

CONSUMERS OF TECHNOLOGY

Once again, I am honored to be asked to address a special Conference here at Indiana University that is sponsored by the Aerospace Applications Center. I have introduced legislation in this session of Congress which is partially modeled on some of the activities you people are most familiar with, so I am glad to have this chance to explain that legislation to you, the rationale behind it, and hopefully, to secure your suggestions.

The theme of this conference is well suited to my purposes for I am mainly interested in the "exploitation of information", which in some scientific circles, might sound crass, but in my role as a U.S. Congressman is merely a reflection of what I am supposed to do. The federal government has spent a staggering $100 billion on research and development in the past decade. How can we justify such expenditures in the face of housing crisis, malnutrition and actual starvation on the part of some members of this society, the need for better mass transportation, for adequate pollution treatment and prevention, for quality education? who will be the consumers of this technology? whom will it benefit? These are questions of choice, required of those who spend the public's tax income.

I believe that it is the obligation of those who sit in Congress to endeavor to divest themselves of special interests, intellectual as well as financial. We must be prepared to consider the total general welfare of all the American people in the present and for the future. Whereas I might be enraptured, intrigued, and thoroughly convinced of the values of "pure" research, I must keep in mind that my role as a Congressman is strictly that of a steward of the people's wealth. And I well know that I will be held accountable, as I should be.

As you already know, I was privileged to be a member of the House Science and Astronautics Committee from its inception and thereafter for ten germinal years during which time we put a man on the moon and left important scientific instrumentation there to help unravel the mysteries of the universe. In this capacity, I have had a close and personal interest in the space program in and for itself as an extension of the frontiers of human knowledge and technological achievement.

But I have another interest, equally personal, but more related to my role as a U.S. Congressman. I am interested in seeing the information that has been derived from our space endeavor applied to all walks of American life. So I am a real believer, a dedicated devotee of technology utilization and the boundless potentialities technology transfer offers.

I am no longer a member of the House Science and Astronautics Committee, after a two-year enforced sabbatical, without pay, from the U.S. Congress. I am now a member of the House Appropriations Committee and one of my subcommittees is the one on Science, Space and HUD. This means that all funds spent on science and space activities by the Federal government pass through my subcommittee for review and approval before going to the full Appropriations Committee and then the House floor. So I have the opportunity to scrutinize how funds are spent and what they accomplish.

We Americans are in many ways a contradictory people. We are a free society, a pluralistic one, one in which the government does not make our economic decisions—usually—one in which enterprise is free, not in the sense that it is totally uncontrolled, but in the sense that the aims and goals of business are "found as we go", not dictated from national interest. This freedom offers definite and obvious advantages, but also distinct disadvantages. For you cannot corral the American people, even toward worthy goals.

Unless there is a war or a national crisis, Americans are not easily moved as a whole, and over a long period of time to work for an expensive, demanding goal, particularly one as esoteric to many as scientific research. The atomic bomb is one example of this, the space program another. Certainly the space program was couched in terms of a "race" to enable the American people to accept the national sacrifices it would cost.

Today, the problem is how to sustain that momentum and how to make sure that the American citizen receives the most out of his taxes spent on research. Accordingly, we must be interested in the path from "science to sales" in the innumerable ways in which the fruits of research and development funds have been multiplied and diversified and fully used.

Actually, I see infinite possibilities in technology utilization. With improved technology, we can prognosticate the weather; contribute toward the control of pollution problems, render machinery that is obsolete or detrimental usable and profitable; balance trade inequities, and move toward a systems approach in handling large-scale problems such as mass transportation and urbanization.

This is quite a list and each one has its own priority, each one makes technology utilization useful, practical, and necessary.

With these interests and connections in mind, I took a rather radical step in June of this year. I introduced a bill that would coordinate the present Federal efforts at technology transfer, technology utilization, a bill that would coordinate, re-use, and constructively adapt knowledge and technology brought about through the expenditure of Federal funds for purposes of defense, atomic energy, or space research—the three most important and prolific areas of experimentation.

My concern is for the full potential of this research to be applied in other areas and to different purposes than the original ones projected, because I have seen that this can be done so effectively; that we can discover new communications capabilities of via satellites; that we can devise advanced machinery for diagnosing and treating illnesses, that we can reduce the cost and better the quality of household equipment simply by turning R & D space or defense research to other purposes. I am interested in both horizontal and vertical technology transfer, and transfer to both the public and private sectors. And I have become convinced that our only hope for meeting this goal is through national coordination or federal coordination of our efforts.

The Select Committee on Small Business of the U.S. Senate, after lengthy hearings and consideration, issued a report in 1968 for the Subcommittee on Science and Technology called, *The Prospects for Technology Transfer*. They noted:

"Despite many years of wide publicity on the wonders of science, and despite considerable directed effort in technology transfer, relatively few firms, in a handful of industries, are consumers of technology."

Many of you could document another finding they reported:

"Testimony on the hearings supported the contention that present Federal programs are confusing to the business community. There is no single point of contact where all Government information is accessible."

How can we increase the number of consumers of technology? Well, my experience and observation over a number of years have indicated to me that in 1971, we still have a situation in which various Government agencies continue to "do their own thing" regarding technology utilization. There is, unfortunately, no overall, organized approach to the matter of supplying the American consumer with the knowledge and the know-how to make use of what our laboratories and universities have discovered using tax dollars.

Besides NASA's numerous activities, with which I believe you are all thoroughly familiar, the Atomic Energy Commission, the Department of Defense, the Small Business Administration, the Department of Commerce, the Department of Agriculture, are all involved in efforts to transfer technology.

Some of these departments and agencies serve a special and restricted "customer". Some, like the Department of Defense, simply collect and pass on information. The Defense Documentation Center sends unclassified information to the National Technical Information Service in the Department of Commerce. The Atomic Energy Commission operates through conferences and symposia as well as technical progress reviews to try and disseminate information that is not classified. The Small Business Administration obviously has a mandate to small business and so that agency is anxious to actually transmit information through seminars, workshops, etc.

I thought the Office of State Technical Services in the Department of Commerce offered great promise, but it has died an untimely death after being well recommended as performing "a useful and economic serv-

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ice" in a special study by the Arthur D. Little Company. The most important feature of this program was that it was modeled on what Dr. Edward E. David, Director of the Office of Science and Technology and Science Adviser to the President has described as the most successful technology utilization program—namely the Agricultural Extension Service. Dr. David gave me that analysis in testimony before the Appropriations Subcommittee on Space, Science, HUD. Personally, my experience has led me to give that accolade to NASA, but I certainly recognize the invaluable service of the Agricultural Extension Service allied with the Land Grant Colleges and the County Agents who have brought valuable information and technology to the farmer and vice versa.

The State Technical Services program was modeled on that program and operated through the states. Today, however, the National Technical Information Service in the Department of Commerce oversees the final phasing out of that program. NTIS now has several roles: first to coordinate commerce, business and technology information activities; and second, to serve as the primary focal point within the Federal government for the collection, announcement, and dissemination of technical reports and data. In this capacity, NTIS operates the Clearing House of Federal Scientific and Technical Information (formerly of the National Bureau of Standards), coordinating information of Federal agencies, announcing publications and R & D reports of interest to the public resulting from federally funded research. I think this promises to be an important resource.

But it does not answer all the needs, nor does any one agency. All of these agencies and departments in fact are performing a valuable service, either, as with NTIS collecting information, or as with SBA collecting and dispensing information and trying to find out who needs what and why and how to get it to them.

What we need, then, I am convinced, is a single agency, an independent agency, that collects all the information from all these diverse sources, stores that information, organizes that information, contracts for help in developing information, discovers what the needs are throughout the nation and brings together industry or educational institutions or communities or hospitals with the newly minted technology or with technology that is potentially usable. At present, there is a serious overlap which can also lead to omissions. And at times actual contact is never made between those who have access to the new information or technology within the Government and those on the outside who do not even know it is available, or have not identified their own problem enough to make use of new methodologies which they do not know exist. The result is waste of knowledge of our important technology resources and non-development of potential customers.

It is for all these reasons, then, that I have introduced H.R. 9379, to create an office for Federal Technology Transfer, which I hope will accomplish a unification of these technology utilization efforts and provide that "single point of contact" the Senate Committee discussed, a point of contact not only at which all government-sponsored information is accessible, but easily so, with information assistance provided out in the field.

Indeed, one thing has become obvious and that is that while data collection is essential, that is simply not enough. The good word needs to be spread actively. Of primary importance, as the special Arthur D. Little study of the STS showed, is field service, personal contact out in the field, identifying user needs, matching problems with solutions, identifying problems, matching solutions with problems as well. It is this kind of role that the Agricultural Extension Service has played so well.

In my legislative proposal, I therefore give special importance to Section 4(a)(2) which attempts to supply that need for "trained transfer agents," that vital "link between application engineering and the storage bank," for it provides for the establishment of "regional science and technology centers to obtain information as to the needs of potential users of federally developed technology and to more effectively disseminate such technology."

The national agency I have proposed would take over all the present technology utilization activities now performed by various Government agencies, including those I have mentioned, with the exception of the Agricultural Extension Service. This operation is so much older than the rest, so much better developed, and so specialized, at least for the time being, it should be left out. In addition, the President would have the power to add additional agencies and activities for the next three years, such as the technology utilization activities in the National Archives or the Smithsonian Institution's Science Information Exchange.

I hope that my legislation ties together three significant factors or needs: namely, a storage bank of up-to-date information usable for technology transfer; second, agents to actively solicit and elicit the "customers", or consumers of that information; industries, businesses, local communities, educational and other institutions which are looking for improvement, who have problems that need solving.

This is a triangular relationship that flows from part to part with mutual advantage. Indeed, being practical again, continued funding of science and the acceptance of the same by the American people, is dependent on finding what William James considered the "cash nexus" between ideas, the practical unableness of an idea, how it carries us from one point to another felicitously. Pragmatism is said to be the only original American philosophy and those of us who would continue the marriage of convenience of tax dollars with R. & D. programs are well aware that continued funding depends on demonstrated value.

Dr. Myron Tribus, Assistant Secretary of Commerce for Science and Technology, in hearings before a subcommittee of the House Science and Astronautics Committee in July 1970, made the following significant comment:

Scientific activities are supported by the wealth of the Nation. But the wealth of the Nation comes from its application of technology, which in turn requires science. Only wealthy nations can afford the scientific projects which generate the knowledge which supports the improvement of technology.

I would like to comment a bit on this issue of the wealth of the Nation, and the reciprocal importance of science and technology utilization to that wealth, as well as the relevance of that wealth to science and technology utilization, as indicated by Dr. Tribus.

The international trade picture for the United States is disturbing, to say the least. Checking with the Department of Commerce, I found that for the first nine months of this year, our trade deficit was $1.3 billion compared with a surplus of $2 billion this time last year. Secretary of Commerce, Maurice Stans, in remarks earlier this year had projected the possibility of a trade deficit for the first time in many years. Actually, we have not had one since the 1930's.

In hearings before the House Subcommittee on Science, Research and Development of the House Science and Astronautics Committee this July, Secretary Stans talked about the deterioration of our trade stance, and the decline in our technological lead. He discussed the United States' overall balance of trade in recent years and the weakened position of the United States vis à vis Japan and certain European countries. From 1960 to 1970, the U.S. output per man-hour went from 80 to 108 while Japanese productivity levels rose from 52 to 151; and West Germany's from 66 to 115. These two countries are, significantly, also placing a higher relative emphasis on civilian R & D as a percentage of their GNP.

Secretary Stans then suggested some objectives we might have regarding use of our technology to meet this crisis. He said we must strive to:

"Remove barriers impeding the use of existing technology.

"Stimulate better use of existing technology.

"Remove barriers impeding the development and use of new technology.

"Stimulate the development and use of new technology." I thoroughly agree.

He even recommended examining "the feasibility of establishing a single Federal focus for several activities directly related to enhancement, assessment and forecasting of industrial technology".

While I am not implying that Mr. Stans endorses my bill, which he certainly did not know about at that time, I do believe that he and I are on the same wave length, and that we both see the importance of improved technology to meet our deteriorating trade picture, to help us revive economically, as well as a need for coordination of these efforts. He also said: "Some of the above activities are not now being performed. Others are scattered throughout the Government and thus lack the consistent and coherent thrust that is required to obtain effective results."

I believe my proposal goes far to meet this need. I am interested in technology utilization because it promises better health facilities, better educational equipment, cheaper and more durable consumer items and a variety of other advantages. But I am convinced that we can have none of these if our economic base is not strong enough to support the science and research that make these possible.

If we are going to solve some of our present economic difficulties, if we are going to cut back inflation by making sure that productivity and prices are commensurate, if we are going to remain viable in the world trade market, we have got to apply our technology. I do not mean simply shipping technology overseas for other nations to adopt and adapt and then export back to us items we cannot produce as cheaply here. If we are going to keep that harmony between productivity and prices and at the same time pay wages that are higher than anywhere else in the world, we must prime our own technological machine.

We are on another frontier of the economic revolution that has been transforming the world these past few centuries. Americans pride themselves on leading the technological revolution. But today, we are slipping behind and if we are to take the leadership again, we must make technology useful, show how it can be so, and find the consumers for whom new kinds of equipment, new methods of operation, and new ideas can mean progress.

Dr. Patrick E. Haggerty, Chairman of the Board, Texas Instruments, Inc., said it better than I could when he told the House Science and Astronautics Subcommittee on Science, Research, and Development in August, 1970:

"When I examine the real problem which exists and the relative level of effectiveness which we must maintain in the United States to compete, my own concern is whether or not, at our high wage and salary levels, we can apply the admittedly excellent technology now and to be available with sufficient innovativeness to continue to improve our standard of living."

We have not, but I believe that we can. And it is with this hope that I have introduced the bill that I think would help us achieve this goal. It is a tentative proposal, open to changes and recommendations, but let us hope it will engender a dialogue that reaches beyond the confines of Congressional subcommittees.

LATVIA AND HER SONS

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. STEELE. Mr. Speaker, Latvians comprise one of the smallest, most compact and distinct ethnic groups in Europe. Latvians have lived in their native land on the Baltic Sea for centuries. However, their modern history has not been a happy one. During most of the last 400 years, they have had to endure unwanted and alien regimes. From the middle of the 16th century they were ruled by the Poles and in the late 18th century became part of the Russian Empire. But, throughout this time they maintained their language and cultural identity. In November of 1918 they had their chance for freedom and proclaimed their independence.

The new state, with a population of slightly over one million was in a precarious position from the beginning as it was surrounded by more powerful neighbors. However, Latvia survived and the interwar years marked a renaissance of Latvian politics and culture. For 22 years Latvian government functioned on the basis of a true proportional representation. Numerous political parties, of all opinions, existed and actively contested free and open elections. Latvia was a model democracy. Because the basis of a healthy democracy is an enlightened electorate, Latvians spent over 15 percent of their national budget on education. Free public schools were open to all and by 1940 the literacy rate was over 90 percent.

The vitality of the Latvian people was also indicated in their economic accomplishments. Latvia was one of the first European countries to reform its currency and financial system. The land reform law of 1920 distributed land of the old feudal German estates on a democratic basis. All segments of Latvian society participated in its economic life. By 1937 there were 5,717 industrial enterprises in Latvia and some 70 thousand farmers were enrolled in 2,300 educational societies. Latvian trade was almost completely with the West, being carried on Latvian ships.

On February 5, 1932, Latvia and the Soviet Union signed a treaty of non-aggression which absolutely forbade Russian intervention in Latvian affairs. But, soon afterwards, in violation of their written promise, the Communists began to undertake the active subversion of free Latvia. The pace was increased in 1935 and in August 1939 Latvia's fate was sealed by the infamous Nazi-Soviet Pact. It was indeed a dark day when Joseph Stalin, in open violation of international law and the nonintervention treaty, unleashed the Red Army to invade Latvia in accordance with the terms of the Nazi-Soviet Pact. When Hitler invaded the Soviet Union in 1941, there was a change in the status of the people of Latvia, but only in that their destiny was transferred from the hands of one totalitarian regime into the hands of another. For 2 years Latvians were subject to Nazi control, but as Hitler's army retreated, the Red Army and its legions of political agents returned to subjugate Latvia. After the war, the Russians consolidated their hold on Latvia by incorporating it into the Soviet Union.

Since that time, the liberty that we enjoy in America has been denied those who remain in Latvia. On this 53rd Anniversary of Latvian Independence Day, let us remind ourselves of this small nation's courageous struggle to be free and let us renew our fervent hope that the people of Latvia will soon achieve their freedom once again.

THE PUBLIC STATEMENTS OF WILLIAM H. REHNQUIST

HON. BIRCH BAYH

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, November 18, 1971

Mr. BAYH. Mr. President, there has been considerable controversy both in the Senate and out concerning the judicial philosophy of Mr. William H. Rehnquist, one of President Nixon's nominees to be an Associate Justice of the Supreme Court of the United States. Because of the widespread interest in what Mr. Rehnquist has said, I ask unanimous consent that a memorandum containing excerpts from some of his more prominent writings, speeches, and testimony be printed in the RECORD. I intend shortly to provide further excerpts from other public statements of Mr. Rehnquist which may be of interest to the Senate and the public.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM THE WRITINGS, SPEECHES, AND TESTIMONY OF WILLIAM H. REHNQUIST

A. RACIAL EQUALITY

1. Testimony before the City Council of the City of Phoenix, June 15, 1964, in connection with the Council's consideration of an ordinance guaranteeing equal rights of access to public accommodations. The ordinance was unanimously passed by the City Council on June 16, 1964. The following transcript of Mr. Rehnquist's testimony is taken from a tape on record in the office of the City Clerk:

Mr. Mayor, members of the City Council, my name is William Rehnquist. I reside at 1817 Palmcroft Drive, N.W., here in Phoenix. I am a lawyer without a client tonight. I am speaking only for myself. I would like to speak in opposition to the proposed ordinance because I believe that the values that it sacrifices are greater than the values which it gives. I take it that we are no less the land of the free than we are land of the equal and so far as the equality of all races concerned insofar as public governmental bodies, treatment by the Federal, State or the Local government is concerned, I think there is no question. But it is the right of anyone, whatever his race, creed or color to have that sort of treatment and I don't think there is any serious complaint that here in Phoenix today such a person doesn't receive that sort of treatment from the governmental bodies. When it comes to the use of private property, that is the corner drugstore or the boarding house or what have you. There, I think we—and I think this ordinance departs from the area where you are talking about governmental action which is contributed to by every tax payer, regardless of race, creed or color. Here you are talking about a man's private property and you are saying, in effect, that people shall have access to that man's property whether he wants it or not. Now there have been other restrictions on private property. There have been zoning ordinances and that sort of thing but I venture to say that there has never been this sort of an assault on the institution where you are told, not what you can build on your property, but who can come on your property. This, to me, is a matter for the most serious consideration and, to me, would lead to the conclusion that the ordinance ought to be rejected.

What has brought people to Phoenix and to Arizona? My guess is no better than anyone else's but I would say it's the idea of the lost frontier here in America. Free enterprise and by that I mean not just free enterprise in the sense of the right to make a buck but the right to manage your own affairs as free as possible from the interference of government. And I think, perhaps, the City of Phoenix is not the common denominator in that respect but that it is over on one side, stressing free enterprise. I have in mind, the state of the Housing Ordinance, last year, which a great number of people—you know, the opinion makers, leaders of opinions, community leaders were entirely for it. I happen to favor it myself and yet it was rejected by the people because they said, in effect, "We don't want another government agency looking over our shoulder while we are running our business". Now, I think what you are contemplating here is much more formidable interference with property rights than the Housing Ordinance would have been and I think it's a case where the thousands of small business proprietors have a right to have their own rights preserved since after all, it is their business.

Now, I would like to make a second point very briefly, if I might, and that is on the mandate existing to this Council and this again, of course, is a matter of one man's opinion against another. As I recall, the position taken by the preceding Council, of which I know you, Dr. Pisano, Mr. Hyde, Mr. Lindner were all on, was that there would be no compulsory public accommodations ordinance and as I recall, when this Council ran against the Act Ticket, which I would have thought would be the logical ticket, if elected, to bring in an ordinance like this, nothing was said about any sort of change that the voters might guide themselves in by voting in this particular matter. I don't think this Council has any mandate at all for the passing of such a far reaching ordinance and I would submit that if the Council, in its wisdom, does determine that it should be passed, it has a moral obligation to refer it for the vote of the people because something as far reaching as this without any mandate or even discussion on the thing at the time the election for City Council was held is certainly something that should be decided by the people as a whole rather than by their agents, hon-

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orable as you ladies and gentlemen are. I have heard the criticism made by the groups which have favored this type of ordinance in other cities that we don't want our rights voted on but of course, it is they who are bringing forward this bill. The question isn't whether or not their rights will be voted upon but instead, it's a question of whether their rights will be voted upon by you ladies and gentlemen who are the agents of the people or the people as a whole. Thank you very much for your time.

2. *Letter to the Editor, published in the Arizona Republic, June 21, 1964.*

To THE EDITOR,
The Arizona Republic:

I believe that the passage by the Phoenix City Council of the so-called public accommodations ordinance is a mistake.

The ordinance is called a civil rights law, and yet it is quite different from other laws and court decisions which go under the same name. Few would disagree with the principle that federal, state, or local government should treat all of its citizens equally without regard to race or creed. All of us alike pay taxes to support the operation of government, and all should be treated alike by it, whether in the area of voting rights, use of government-owned facilities, or other activities.

The public accommodations ordinance, however, is directed not at the conduct of government, but at the conduct of the proprietors of privately owned businesses. The ordinance summarily does away with the historic right of the owner of a drug store, lunch counter, or theater to choose his own customers. By a wave of the legislative wand, hitherto-private businesses are made public facilities, which are open to all persons regardless of the owner's wishes. Such a drastic restriction on the property owner is quite a different matter from orthodox zoning, health, and safety regulations which are also limitations on property rights.

If in fact discrimination against minorities in Phoenix eating-places were well nigh universal, the question would be posed as to whether the freedom of the property owner ought to be sacrificed in order to give these minorities a chance to have access to integrated eating places at all. The arguments of the proponents of such a sacrifice are well known; those of the opponents are less well known.

The Founders of this nation thought of it as the "land of the free" just as surely as they thought of it as the "land of the equal." Freedom means the right to manage one's own affairs, not only in a manner that is pleasing to all, but in a manner which may displease the majority. To the extent that we substitute, for the decision of each business man as to how he shall select his customers, the command of the government telling him how he must select them, we give up a measure of our traditional freedom.

Such would be the issues in a city where discrimination was well nigh universal. But statements to the council during its hearings indicated that only a small minority of public facilities in the city did discriminate. The purpose of the ordinance, then, is not to make available a broad range of integrated facilities, but to whip into line the relatively few recalcitrants. The ordinance, of course, does not and cannot remove the basic indignity to the Negro which results from refusing to serve him; that indignity stems from the state of mind of the proprietor who refuses to treat each potential customer on his own merits.

Abraham Lincoln, speaking of his plan for compensated emancipation, said:

"In giving freedom to the slave, we assure freedom to the free—honorable alike in what we give and in what we preserve."

Precisely the reverse may be said of the public accommodations ordinance: Unable to correct the source of the indignity to the Negro, it redresses the situation by placing a separate indignity on the proprietor. It is as barren of accomplishment in what it gives to the Negro as in what it takes from the proprietor. The unwanted customer and the disliked proprietor are left glowering at one another across the lunch counter.

It is, I believe, impossible to justify the sacrifice of even a portion of our historic individual freedom for a purpose such as this.

3. Letter to the Editor, published in the Arizona Republic, September 9, 1967.

The combined effect of Harold Cousland's series of articles decrying "de facto segregation" in Phoenix schools, and The Republic's account of Superintendent Seymour's "integration program" for Phoenix high schools, is distressing to me.

As Mr. Cousland states in his concluding article, "whether school board members take these steps is up to them, and the people who elect them." My own guess is that the great majority of our citizens are well satisfied with the traditional neighborhood school system, and would not care to see it tinkered with at the behest of the authors of a report made to the federal Civil Rights Commission.

My further guess is that a similar majority would prefer to see Superintendent Seymour confine his activities to the carrying out of policy made by the Phoenix Union High School board, rather than taking the bit in his own teeth.

Mr. Seymour declares that we "are and must be concerned with achieving an integrated society." Once more, it would seem more appropriate for any such broad declarations to come from policy-making bodies who are directly responsible to the electorate, rather than from an appointed administrator. But I think many would take issue with his statement on the merits, and would feel that we are no more dedicated to an "integrated" society than we are to a "segregated" society; that we are instead dedicated to a free society, in which each man is equal before the law, but in which each man is accorded a maximum amount of freedom of choice in his individual activities.

The neighborhood school concept, which has served us well for countless years, is quite consistent with this principle. Those who would abandon it concern themselves not with the great majority, for whom it has worked very well, but with a small minority for whom they claim it has not worked well. They assert a claim for special privileges for this minority, the members of which in many cases may not even want the privileges which the social theorists urge be extended to them.

The schools' job is to educate children. They should not be saddled with a task of fostering social change which may well lessen their ability to perform their primary job. The voters of Phoenix will do well to take a long second look at the sort of proposals urged by Messrs. Cousland and Seymour.

B. CIVIL DISOBEDIENCE

1. *Speech, "The Law: Under Attack from the New Barbarians," May 1, 1969 (unprinted).* (Excerpts.)

There may have been a time in this country, not too long ago, when the customary injunctions to obey and respect the law that are traditionally heard on Law Day might have seemed mere statements of the obvious. That is not the case today, however. The very notion of law, and of a government of law, is presently under attack from a group of new barbarians. They are found today on university campuses, in various public demonstrations and protests, and elsewhere, though they represent only a small minority of the numbers participating in these movements. Just as the Barbarians who invaded the Roman Empire neither knew nor cared about Roman government and Roman Law, these new barbarians care nothing for our system or government and law. They believe that the relatively civilized society in which they live is so totally rotten that no remedy short of the destruction of that society will suffice.

Reform groups in the past, however disillusioned they may temporarily have become with the society in which they lived, have directed their attention to the passage or repeal of particular laws or groups of laws. In so doing they have been willing to abide by the rules of popular government. The new barbarians, however, disclaim any such moderate tactics. "Bring down the system" is their cry. Notwithstanding their small number, they demand not only to be heard, but to be heeded. Failure to both hear and heed, on the part of the majority, brings in response not merely rhetoric, but willful and studied violations of the law—lying on the railroad tracks in front of a troop train, blocking workmen from entering a job site, occupation of university buildings against the will of university officials.

I suggest to you that this attack of the new barbarians constitutes a threat to the notion of a government of law which is every bit as serious as the "crime wave" in our cities. Because of this, the occasion of Law Day, 1969, calls for something more than the traditional encomiums to a government of law.

I do not suppose that there is any one precise definition of the phrase "government of law" that would be acceptable to all. I would think that in this country, the term means at least the following:

First, that the laws shall be made and unmade in accordance with the will of the majority;

Second, that any minority shall have full opportunity to urge its point of view in public debate of issues, and that popular elections be held regularly in order that the mandate of the voters be registered anew;

Third, that no man be held to answer except for a proven violation of an existing law; and,

Fourth, that those laws which have been duly enacted be evenhandedly enforced against all who violate them.

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The barbarians of the New Left have taken full advantage of their minority right to urge and advocate their views as to what substantive changes should be made in the laws and policies of this country. Almost without exception, their views have not prevailed. They have likewise urged at great length in various colleges and universities of this country the numerous changes which they believe that circumstances there require. Here their efforts have been more successful, though still short of complete achievement. To the merits of their various proposals I do not propose to address myself; I shall address myself to the tactics which they have employed where persuasion has proved initially unsuccessful. These tactics have time after time involved willful and studied disobedience of the law.

Such tactics can be rationally justified only by turning on its head the notion of a government of law. One would have to argue that the dissatisfied minority has not only the right to be *heard* with respect to its views, but also the right to be *heeded* with respect to those views. Such a right cannot be accorded to the minority, however, without totally divesting the majority of its right to govern.

We are thus brought to the question of what obligation is owed by the minority to obey a duly enacted law which it has opposed. From the point of view of the majority, and of the nation as a whole, the answer is a simple one: the minority, no matter how disaffected or disenchanted, owes an unqualified obligation to obey a duly enacted law. Government as we know it could not survive for a day if it permitted any group to choose the laws which it would obey, and those which it would not obey. Such right of choice would necessarily extend to other and less vociferous groups, who would doubtless choose to disobey different laws. The result would be anarchy. Neither idealism of purpose nor self-proclaimed moral superiority on the part of the minority qualifies in the slightest way its obligation to obey the law.

In insisting that a law be obeyed, and that disobedience be punished, society places its imprimatur not only on the particular law in question, but on the whole system of law which is the keystone of our civilization. It was Thomas Hobbes who said that life in the state of nature would be "nasty, brutish, and short"—a description with which many of us today would be disposed to agree. Yet this is the prospect which awaits us down the road if we permit the system of law and obedience to the law to be torn down by the new barbarians.

So much for the position of the majority, or of society, with respect to disobedience to law. What is the question that must be answered by the disaffected individuals? One hears much these days of "matters of conscience," and it is doubtless correct to say that in the last analysis each individual must determine for himself whether a law is so odious that it cannot be obeyed. But while no one can presume to decide this question for another, from an individual point of view, surely it is not too much to expect that rational consideration of the question will embrace the following points:

First, that it is nonsense in a nation of 200 million people to speak in any realistic way of the majority enforcing its will against the intransigence of even a small but determined minority. One need only consider the system of traffic regulation which obtains on our highways, or the system of self-determination of income tax liability which results in the filing of some 60 million returns with the federal government each year, to realize that the continuation of any system of government in a complex society depends in a very real sense, not only upon the consent of the majority, but on the consent of the minority as well.

The deliberate law breaker does not fully atone for his disobedience when he serves his sentence, for he has by example undermined respect for the legal system itself. William Evarts, a New Yorker who served both as Attorney General and Secretary of State in the latter part of the 19th century, once made an address in which he urged obedience to a particularly unpalatable law which had just been passed by Congress. In the course of the address, he made the comment that "he who strikes at a law strikes at the law." His observation is as true today as when it was made.

Second, that just as the minority has it within its power to frustrate the governance of the majority, so a large majority by process of constitutional amendment has it within its power to deny the right of free speech and free discussion to the minority. Rational citizens expect the majority to restrain itself in order to keep open the avenues of public discussion; so likewise should rational citizens except the minority to restrain itself in order not to bring the wheels of government to a halt.

Third, that there is a certain amount of arrogance in insisting that one's own personal predilections will not permit him to obey a law which has been duly passed by the legislative authority having jurisdiction over him. This arrogance is compounded by the reflection that the privilege claimed for conscientious disobedience is one that cannot be granted to the citizenry at large without bringing chaos; it is therefore, by implication, a privilege reserved to those with articulate and hyperactive consciences. The claim for conscientious disobedience is at war with the basic premise of majority rule.

. . . We have recently witnessed examples of assault by the new barbarians on the rules and regulations which govern many of our colleges and universities, as well as on the system of public law in the country . . .

It would be presumptuous of me, with no experience either as a teacher or an administrator, to venture comment on the various demands, negotiable and non-negotiable, with which institutions of higher learning have been confronted in the past few years. But I think even a non-educator—a barbarian, if you will—may freely observe that university discipline ought to be administered uniformly, and that both proscribed conduct and the penalties therefor should be known in advance. Once this has been done, it would seem that, by parallels with our legal system, the normal process of discipline should be carried out in an appropriate case, without any backing and filling on the part of administration officials. It would seem even more essential that there be no retreat from the normal processes of discipline in the face of force or the threat of force on the part of either those being disciplined or of their supporters.

Because many recent demonstrations and protests, at the universities and in the streets, have involved violence, it has become the fashion to deplore violence, without likewise deploring disobedience to law whether violent or nonviolent. But this approach misses a large part of the point. To deplore only violence, by whomever used, obscures the fact that the law must be enforced against all those who disobey it, regardless of the means by which such disobedience is accomplished. Force as a last resort in support of the enforcement of the law cannot rationally be equated with force used in disobeying the law. The former, when milder means have proved unavailing, is a necessity which has been recognized for centuries, both by common law and by statute; the latter is impermissible, not merely because it is violent, but more basically because it is disobedient. An officer of the law may shoot and kill, if necessary, a fleeing felon in order to prevent his escape, but the fleeing felon is not given a similar right against the officer of the law.

Though I do not presume to speak for, or even to, the universities on this point, I do offer the suggestion in the area of public law that disobedience cannot be tolerated, whether it be violent or nonviolent disobedience. I offer the further suggestion that if force or the threat of force is required in order to enforce the law, we must not shirk from its employment.

We have recently been treated to counsels, perhaps more directed to universities than to governments, which urge that we not "polarize the moderates," to employ a currently popular phrase, by using force or the threat of force to enforce rules and regulations. But "moderates" who shirk from the use of necessary force to compel obedience to valid regulations or laws are not moderates in any normal sense of that word. Instead they are persons who are either unable or unwilling to sensibly analyze the situation which confronts them.

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Our nation has experienced mass disobedience to law at other times during its history. In 1861, it was called by the name of rebellion. During the winter preceding Lincoln's first inauguration, the nation faced a crisis by reason of the threat of secession of the southern states. James Buchanan, the outgoing President, believed that the federal law should be enforced throughout the nation, but was unwilling to see the federal government resort to force to accomplish that end. He felt that the southern states had no right to secede, but he believed that the Union had power to do no more than express its regret at their secession. Scorned in his own time, it may be that he simply was born a hundred years too soon to be appreciated, and if he were living today, he would be a prominent university president.

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We must be mindful of the very significant characteristics of the rule of law which is today under attack. For the rule of law, or government of law, is a necessary condition not merely for order, but for freedom as well. Implicit in each of our daily lives is the reliance on our right to act as we choose in areas not proscribed by law, and reliance that the law will be enforced against those who wrongfully interfere with this exercise of freedom on our part. This is what "order" in a democratic society means—not repression or tyranny, but the principle that the only force used will be in support of the law, and that it will be used even-handedly on all of those who violate the law. He who stands in the door of the southern schoolhouse to defy a court order, he who prostrates himself on the railroad tracks to prevent the movement of a troop train, and he who wrongfully occupies a university building, are each in his own way attacking this basic premise. Our freedom exists by reason of the law's guarantee that others must respect it. It is no accident that one of our greatest jurists, Benjamin Cardozo, spoke of the "concept of ordered liberty"—for order and liberty are the obverse sides of the same coin.

This entire area is one in which emotions run high. It may be that just as there is no need to persuade the great majority of the virtues of a government of law, there is no possibility of persuading the new barbarians that such a system is the essential under girding, not only for the society which we now have, but for any civilized society worthy of the names. Yet there are doubtless moderates of another type who stand between these two views, torn between their general respect for the legal process, on the one hand and their sympathy both with the youthful idealism of its critics, and with the substance of many of their criticisms, on the other hand. To these our counsel must must be: Let there be the most vigorous and articulate support for the substantive demands of the critics; but if these demands be rejected by those legislative bodies empowered to act in the situation, let the line be drawn between such substantive support and the counseling, or joining in, violation of a law which is concededly legally valid. Edmund Burke, in his Reflections on the Revolution in France," advises us that:

"It is with infinite caution that any man ought to venture upon pulling down an edifice, which has answered in any tolerable degree for ages the common purposes of society, or on building it up again, without having models and patterns of approved utility before his eyes."

There is a real danger, in my opinion, that the danger posed by the new barbarians to the idea of a government of law may be underestimated. The original barbarians—the invaders of the Roman Empire—did not seem to pose a threat to the Empire when they first appeared on the banks of the Danube opposite the outer boundaries of the Empire. The Romans originally sought accommodation, by permitting them to move within this outer periphery of the Empire. The end result we know from Byron:

"(Rome) saw her glories star by star expire. And up the step, barbarian monarchs ride."

If we are not to see the glories of a government of law "star by star expire," we must articulate to all who will listen the absolutely essential nature of such a system. But we must do more than this; we must be prepared, if necessary, to devote whatever energies are necessary, at whatever sacrifice to private gain or pleasure, to see that these essential values of our system are maintained. Whether the attack on the system

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be motivated by youth idealism or by cynical calculation, the success of the attack would be an irreversible deterioration not merely of a particular legal system, but of civilized society itself. All of us who are concerned with the values of law which we celebrate on Law Day owe it to ourselves and our posterity to see that this does not happen.

2. *Speech, "Law and Conscience in a Democratic Society." August 23, 1971 (unprinted).* (Excerpts.)

Having discussed descriptively various kinds of civil disobedience which may manifest themselves, I think we are now in a better position to analyze them. Thoreau's highly individualized conduct, designed merely to catch the attention of his fellow citizens and ask them to think again about what they were doing, is quite consistent with the rule of law in a democratic society. The type of civil disobedience engaged in by Gandhi in South Africa and by Samuel Adams and his cohorts at the Boston Tea Party has no counterpart in a society where the majority does, in fact, rule. But the actions of the Mayday collective in Washington last spring are entirely at odds with any theory of civil disobedience which is consistent with the fundamental values of a democratic society.

The notion that any part of our citizenry, however large, or however outraged by the policies being pursued by the national government, should be entitled to take it upon themselves to "bring the government to a halt" as the Mayday sponsors urged in their written prospectus, is utterly at war with any notion of representative government.

The fact that the Mayday demonstrations occurred in the nation's capital is itself a significant fact. Civil disobedience which inconveniences the typical citizen is apt to have very little direct effect on the conduct of government. But civil disobedience which is directed particularly at the elected representatives of the people in the legislative branch of the national government, or at those in the executive branch attempting to carry out the policies mandated by Congress or by an elected president, takes on quite another dimension. This new dimension results, not from the fact that government officials or bureaucrats are to be treated as sacred cows, in contrast to the average citizen, but rather from the fact that the use of force or threat of physical force to prevent them from discharging their duties can itself have a direct and significant effect on the conduct of government.

It is a matter of common knowledge that Washington, D.C. is a much sought after place in which to hold demonstrations, parades, and marches just because it is the nation's capitol, and because an event which takes place there tends to get more national news coverage than does an event taking place somewhere else in the country. To the extent that those who stage such events rely on peaceful expression of opinion, and the show of large numbers in support of a particular cause, their choice of Washington, D.C. as a focal point is an entirely proper marshalling of resources on their part. But to the extent that they seek to go beyond such a purpose, and to physically prevent the government from operating, they are conducting quite a different sort of enterprise.

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Perhaps an argument most often employed in support of those who, in the vernacular, have chosen to work "outside the system" is the "unresponsiveness" of the system. While this may be a convenient debater's point, any sort of historical examination shows it to be a charge which is totally without foundation. Democratic institutions do not guarantee any particular form of change, nor any particular measure of change—they guarantee only that the institution will be capable of being changed when a majority decides upon change.

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Indeed, even imperfectly representative institutions have shown their ability to respond to demands for change, not from their constituents, but from those who had no voice in their selection. Probably the most classical example is the passage of the Great Reform Act in England in 1832. . . .

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If the members voting on this measure had responded only to the views of those who were then enfranchised, the result might well have been different. The same is true of the passage of the Eighteen-Year-Old Voting Act by Congress in 1970. Had the Congress which passed that measure, or the President who signed it, responded only to the views of those who already had the franchise, the measure might well have not have become law.

But it has been true on more than one occasion, of both English and American representative institutions, that in their better moments they represent not merely those of their constituents who have the franchise, or the purely selfish interests of those in their own district, but instead respond to a larger constituency and a higher call to duty.

Thus not only democratic institutions generally, but the particular democratic institutions which we enjoy in the United States, have time and again proved themselves capable of responding to a demand for change. If democratic theory is to have any meaning, when a new law is enacted those who have opposed its enactment must abide the will of the majority. This is true no matter how vigorously such change is opposed, or however deeply held are the views of the opponents. But this governmental theorem has a counterpart, which tends to be lost sight of by some of the proponents of civil disobedience. It is that where these same representative institutions have *declined to enact* into law a particular proposal for change, then the proponents of change must abide *this* result.

There is no doubt that the United States Constitution gives the government ample authority to protect itself against those who would overthrow that government, or those who would seek to bring to a halt any part of the normal operations of that government. In availing itself of this authority—as the District of Columbia government did during the Mayday demonstrations, with assistance from the federal government—government acts as a trustee for all the citizens of this country, in preserving the structure of a system which has grown over a period of seven centuries into the finest example of representative institutions that the world has ever seen. Indeed, it acts as trustee not merely for those of us who are alive today, but for generations yet unborn.

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The notion that this structure of representative institution and individual liberty, so painfully acquired over the centuries, should be "junked" or dismantled, because the people's representatives do not choose to heed particular pleas for change, is not merely misguided, it is utterly irresponsible. This system has proved, time and again, that it is more than responsible to demands for change when those demands are voiced by a majority of the nation's citizens.

Insofar, then, as "civil disobedience" connotes the sort of tactics resorted to by the Mayday demonstrators in Washington, or any other tactics or strategy which have as their goal the imposition on the people of this nation of particular policies which are not desired by the majority, and which are unable to command the necessary votes in the Congress to enact them, it is utterly inconsistent with democratic government. Insofar as "civil disobedience" is restricted to mean the sort of conduct engaged in by Thoreau—a symbolic moral act on the part of an individual or group of individuals, who fully intend to pay the legal consequences for their act—it stands in a somewhat better light. But even the individual who chooses to go to jail, rather than obey the law, is setting a precedent which can have the most damaging consequences of our system of government. Even though this individual is willing to pay the price exacted by the government for violation of the law, the notion that one's own conscientious judgment is entitled to moral force superior to the moral force behind the claim of the government that a duly enacted law be obeyed is fraught with mischief. Any suggestion that, in a nation of two hundred million people, each of us is free to obey only those laws of which he fully approves, or of which his conscience approves, can well be an invitation to anarchy. For if such a veto power is granted to one citizen or group of citizens, it must be granted to all citizens alike. No special consideration can rationally be granted to those whose feelings are proclaimed, at least by themselves, to be far more intense on a particular issue than those of normal people. The result of granting such dispensation to all citizens would be to substitute, not greater personal freedom, but ungovernable license, for the system of ordered liberty which is the hallmark of our institution.

More than one political scientist has observed that the phrase "self-government", often used to describe the system of government of a democracy, is a contradiction in terms. Analytically, of course, they are quite right, since in a nation of any size none of us govern ourselves, and each of us is required to submit to laws with which we may be in the most serious disagreement. But it may be that, in spite of the analytical shortcomings of the term "self-government", it actually does convey a very significant and fundamental element in the Anglo-Saxon tradition. It conveys the idea that not merely shall the majority be entitled to enact its will into law, but that the minority shall abide the decision of the majority, so long as the necessary conditions of genuinely representative government are met. Such laws are not only legal commands, but moral commands, which must be balanced against conscientious objection on the part of the individual. A fine or prison term may compensate for the legal wrong of disobedience, but compensation for the moral wrong is not so readily calculated.

It has been rightly said of the guarantee of free speech that it requires tolerance not merely of ideas of which we approve, but of ideas of which we violently disapprove. I think the same is true of self-government in a democratic society: it requires that we obey not merely those laws of which we approve, but those of which we strongly disapprove.

We all know that our procedures for both lawmaking and law enforcement work imperfectly in practice. Legislators, administrators, and judges in the flesh are fallible human beings, and they make mistakes. But these shortcomings are more often than not those of the individuals who administer our government, rather than of the system of government itself. When shortcomings such as these are discovered, they not merely justify but demand the most vigorous corrective action.

But corrective action to remedy specific defects, or to bring about particular changes in the laws, is a far cry from the demands heard today from those engaging in militant civil disobedience, and from their supporters, that "the system" be toppled in its entirety. When we hear such demands, we may fairly inquire what other plan or system these advocates would propose to substitute for the system of checks and balances which we have so painfully evolved through seven hundred years of

Anglo-Saxon political history. In responding to these demands, we might well bear in mind that admonition of Edmund Burke, in his "Reflections on the Revolution in France," wherein he says:

"The science of constructing a commonwealth, or renovating it, or reforming it, is like every other experimental science, not to be taught *a priori*. Nor is it a short experience that can instruct us in that practical science. . . . It is with infinite caution that any man ought to venture upon pulling down an edifice, which has answered in any tolerable degree for ages the common purposes of society, or on building it up again, without having models and patterns of approved utility before his eyes."

C. THE 18-YEAR-OLD VOTE AND THE EQUAL-RIGHTS-FOR-WOMEN AMENDMENT: ISSUES OF CHANGE AND "CONSENSUS"

1. Testimony, March 10, 1970, in Hearings before the Subcommittee on Constitutional Amendments of the Senate Committee on the Judiciary, 91st Cong., 2d Sess., on S.J. Res. 7 [and other Senate Joint Resolutions], "Lowering the Voting Age to 18," pp. 233–249. (Excerpts.) Mr. Rehnquist advanced three grounds to support the Administration's position that a Constitutional Amendment, rather than a statute, was the proper method for extending the franchise in national elections to 18-year-olds. The first ground was that "the constitutional validity of such a statute would be open to the most serious doubt."[1] *The second was that this doubt could cast an undesirable uncertainty upon the outcome of a presidential election. The third was that "the amending process, with its requirement of extraordinary majorities both in Congress and among adopting States, is better suited than a statute to manifest the necessary consensus for the proposal in question." (Id., at 233.)*

Finally, where Congress is dealing with a matter which has been left to the individual States since the adoption of the Constitution, where it is dealing with a question of minimum voting age about which fair-minded individuals may reasonably differ, and which has been traditionally thought to be a matter of discretion that could be decided one way as easily as another, conformity to a uniform view should be imposed only by the process of constitutional amendment, rather than by legislative majority in Congress.

The voting-age bill is not an effort to cure long-standing shortcomings in the enforcement of standards imposed by the 14th amendment, but rather an effort to enlarge the accepted and traditional age requirement for voting. The administration agrees that this step is desirable. But it is a step which may best be taken by the process of amending the Constitution.

It is claimed that while the court itself will not be willing to make a finding that the denial of franchise to the 18- to 21-year-old age group is discriminatory, Congress is empowered to do so under the 14th amendment. But though the forum is a different one, presumably evidence must be adduced in either one to support such a finding. Can it fairly be said that the States are discriminating in violation of the equal protection clause in denying the franchise to those between 18 and 21 years of age?

This is not a case of discrimination, but instead a case of whether there is sufficient national consensus to warrant imposing a uniform lower voting age requirement for national elections. If it proves that such national consensus is not present, that in itself is a significant argument against imposing such a requirement by any other means.

The administration has previously endorsed a constitutional amendment to this effect and continues to vigorously support it. However, if it proves that a constitutional amendment is not forthcoming, I think the answer our system gives is that this type of adjustment then be left to the States. (*Id.*, at 237–238.)

2. Testimony, April 1, 1971, before Subcommittee No. 4 of the House Committee on the Judiciary, 92d Cong., 1st Sess. on H.J. 208 "Equal Rights for Men and Women" (unprinted). (Excerpts.)

While the Department supports the enactment of House Joint Resolution 208, the equal rights amendment, there is no denying that opponents of that amendment have raised significant questions which deserve the serious consideration of the committee. The placing in the Constitution of such broad general language as is found in House Joint Resolution 208 would, by reason of doubt as to the scope of its language, add substantial uncertainties in this area of constitutional law which would probably require extensive and protracted litigation to dispel. Those who have testified in favor of the amendment in the past do not themselves appear to be in agreement as to the sweep of its language. Yet it is conceded that however broad its sweep, it would not reach many practices of private individuals which unjustifiably differentiate between men and women. The Department of Justice feels that the amendment, no matter how construed, would be a substitute for legislation, such as H.R. 916.

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We would have some doubt as to whether there is a national consensus for compelling all levels of government to treat men and women across the board as if they were identical human beings. Certainly many people feel that publicly maintained restrooms should continue to be separate, that differing ages of consent and majority are, under some circumstances, justifiable, and that laws which are adopted with the genuine purpose of protecting women, rather than as a disguise for discriminating against them, are likewise permissible.

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We are agreed that the EEOC needs additional enforcement machinery to function effectively. However, we favor legislation providing for direct actions in the district courts by the Commission, rather than legislation like H.R. 916 providing for administrative cease and desist orders, as a means of strengthing the EEOC's enforcement powers. (Tr. 312–321.)

D. CAMBODIA AND THE PRESIDENT'S WAR POWERS

Rehnquist, The Constitutional Issues—Administration Position, in Hammarskjold Forum: Expansion of the Vietnam War into Cambodia—The Legal Issues, 45 N.Y.U.L. Rev. 628 (1970). (Excerpts.)

I am pleased to avail myself of the opportunity of discussing the legal basis for the President's recent action in ordering American Armed Forces to attack Communist sanctuaries inside the border of Cambodia. So much of the discussion surrounding these recent events has been emotional that I think the Association of the Bar performs a genuine public service in encouraging reasoned debate of the very real issues involved.

I wish in these remarks to develop answers to several question which I believe lie at the root of the matter under dicussion. After having explored these questions in their historical context, I will make an effort to apply to the Cambodian incursion what seem to me to be the lessons of both history and constitutional law.

First, may the United States lawfully engage in armed hostilities with a foreign power in the absence of a congressional declaration of war? I believe that the only supportable answer to this question is "yes" in the light of our history and of our Constitution.

Second, is the constitutional designation of the President as Commander-in-Chief of the Armed Forces a grant of substantive authority, which gives him something more than just a seat of honor in a reviewing stand? Again, I believe that this question must be answered in the affirmative.

Third, what are the limits of the President's power as Commander-in-Chief, when that power is unsupported by congressional authorization or ratification of his acts? One would have to be bold indeed to assert a confident answer to this question. But I submit to you that one need not approach anything like the outer limits of the President's power, as defined by judicial decision and historical practice, in order to conclude that it supports the action that President Nixon took in Cambodia.

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Presidents throughout the history of our country have exercised this power as Commander-in-Chief as if it did confer upon them substantive authority. They have deployed American Armed Forces outside of the United States. They have sent American Armed Forces into conflict with foreign powers on their own initiative. Presidents have likewise exercised the widest sort of authority in conducting armed conflicts already authorized by Congress.

These are actually, I believe, three separate facets of the President's power as Commander-in-Chief. They are the power to commit American Armed Forces to conflict where it hasn't previously existed, the power to deploy American Armed Forces throughout the world, frequently in a way which might invite retribution from unfriendly powers, and the power to determine how a war that's already in progress will be conducted.

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The third facet of the power of Commander-in-Chief is the right and obligation to determine how hostilities, once lawfully begun, shall be conducted. This aspect of the President's power is one which is freely conceded by even those students who read the Commander-in-Chief provision least expansively. . . .

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The situation confronting President Nixon in Viet Nam in 1970 must be evaluated against almost two centuries of historical construction of the constitutional division of the war power between the President and Congress. It must also be evaluated against the events which had occurred in the preceding six years. In August 1964 at the request of President Johnson following an attack on American naval vessels in the Gulf of Tonkin, Congress passed the so-called Gulf of Tonkin Resolution. That resolution approved and supported the determination of the President "to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression." It also provided that the United States is "prepared as the President determines, to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom."

While the legislative history surrounding the Gulf of Tonkin Resolution may be cited for a number of varying interpretations of exactly what Congress was authorizing, it cannot be fairly disputed that substantial military operations in support of the South Vietnamese were thereby authorized. Steadily increasing numbers of United States Armed Forces were sent into the Vietnamese combat during the years following the passage of the Gulf of Tonkin Resolution. United States Air Force planes bombed not only South Viet Nam, but North Viet Nam.

[1] A closely divided Supreme Court subsequently sustained the constitutionality of legislation lowering the voting age to 18 in national elections. *Oregon* v. *Mitchell,* 400 U.S. 112 (1970).

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When President Nixon took office in January 1969, he found nearly half a million combat and supporting troops engaged in the field in Viet Nam. His predecessor, acting under the authorization of the Gulf of Tonkin Resolution, had placed these troops in the field, and I for one have no serious doubt that Congress and the President together had exercised their shared war power to lawfully bring about this situation.

President Nixon continued to maintain United States troops in the field in South Viet Nam in pursuance of his policy to seek a negotiated peace which will protect the right of the South Vietnamese people to self-determination. He has begun troop withdrawals, but hostile engagements with the enemy continue. The President feels, and I believe rightfully, that he has an obligation as Commander-in-Chief to take what steps he deems necessary to assure the safety of American Armed Forces in the field. On the basis of the information available to him, he concluded that the continuing build-up of North Vietnamese troops in sanctuaries across the Cambodian border posed an increasing threat both to the safety of American forces and to the ultimate success of the Vietnamization program. He also determined that, from a tactical point of view, combined American-South Vietnamese strikes at these sanctuaries had a very substantial likelihood of success. He, therefore, ordered them to be made.

The President's determination to authorize incursion into these Cambodian border areas is precisely the sort of tactical decision traditionally confided to the Commander-in-Chief in the conduct of armed conflict. From the time of the drafting of the Constitution it has been clear that the Commander-in-Chief has authority to take prompt action to protect American lives in situations involving hostilities. Faced with a substantial troop commitment to such hostilities made by the previous Chief Executive, and approved by successive Congresses, President Nixon had an obligation as Commander-in-Chief of the Armed Forces to take what steps he deemed necessary to assure their safety in the field. A decision to cross the Cambodian border, with at least the tacit consent of the Cambodian Government, in order to destroy sanctuaries being utilized by North Vietnamese in violation of Cambodia's neutrality, is wholly consistent with that obligation. It is a decision made during the course of an armed conflict already commenced as to how that conflict will be conducted, rather than a determination that some new and previously unauthorized military venture will be taken.

By crossing the Cambodian border to attack sanctuaries used by the enemy, the United States has in no sense gone to "war" with Cambodia. United States forces are fighting with or in support of Cambodian troops, and not against them. Whatever protest may have been uttered by the Cambodian Government was obviously the most perfunctory, formal sort of declaration. The Cambodian incursion has not resulted in a previously uncommitted nation joining the ranks of our enemies, but instead has enabled us to more effectively deter enemy aggression heretofore conducted from the Cambodian sanctuaries.

Since even those authorities least inclined to a broad construction of the executive power concede that the Commander-in-Chief provision does confer substantive authority over the manner in which hostilities are conducted, the President's decision to invade and destroy the border sanctuaries in Cambodia was clearly authorized under even a narrow reading of his power as Commander-in-Chief. (*Id.*, at 628–639.)

E. THE MAY DAY MASS ARRESTS AND "QUALIFIED MARTIAL LAW"

Speech, "Which Ones Have the White Hats? Conflicting Values in the Administration of Criminal Justice," May 5, 1971 (unprinted). (Excerpts.)[2]

Having arrived only this noon from Washington, my memory is naturally fresh with the event which those of us who live in the area of the nation's capital have had to contend with in the past few days. These events themselves show the traditional balancing process of the criminal law at work. Generally speaking, when a suspected criminal is arrested, the law requires him to be taken before a committing magistrate within a reasonable time in order that the magistrate may pass on the government's basis for holding the man, and may admit him to bail or otherwise release him if appropriate. In the usual circumstances, this is no significant burden on the government, since presumably by the time the decision is made to arrest the suspect, a case justifying that arrest has been put together. By the same token, the rule offers a very real protection to the suspect, since it is designed to prevent the use of the power of arrest to simply obtain police custody of a defendant in order to build the case against him after the time he is arrested.

This is all well and good in the ordinary situation. But the situation which prevailed in Washington on Monday was not the ordinary situation. A Metropolitan Police Force of approximately 5,000 men total strength found it necessary within a few hours to make no less than 7,000 arrests as a result of planned disruption of traffic with the announced purpose of "shutting down the government". During the morning hours, the police who made arrests were faced with the choice of either accompanying the person or persons they had arrested to the place of confinement, or of sending arrestees to a place of confinement in batches and themselves remaining on duty in the streets to preserve public order and ensure the normal flow of traffic. For each arresting officer to have gone with the person or persons he arrested, in order to make as good a case against those individuals as possible, and to ensure as prompt a processing of that case before a magistrate as possible, would have been following the ordinary procedure. But in this situation, the circumstances were extraordinary, rather than ordinary; had it been physically possible for the police officers to go with the persons they arrested to the place of confinement, the result would have been (because of the large number of arrests) a sharply depleted force on duty to prevent further law violations and to make subsequent arrests.

Understandably, the law makes some allowances in situations such as this. Without in any way attempting to comment on the particular facts that were present in Washington on Monday, the rule of a "reasonable time" to bring before a committing magistrate is framed in terms of all the circumstances which exist. Clearly one of these circumstances is the superior call on police manpower in the interests of preserving order on the streets, as opposed to the competing use of that manpower to make as quickly as possible the case against individuals who had been arrested. This is not to say that the extension of time for processing is, or should be, open-ended—it is only to say that courts have generally said they will consider all the circumstances.

Indeed, if one takes a more extreme situation than that which prevailed in Washington during the past couple of days, the law again accommodates itself to circumstances. Under a long series of cases decided by the Supreme Court of the United States, lower federal courts, and state courts, police and troops in emergencies have the authority to detain individuals during the period of an emergency without being required to bring them before a committing magistrate and filing charges of criminal conduct against them. Situations where this rule applies have been traditionally limited to those where violence or the threat of violence prevents the enforcement of the law through normal judicial process, and the doctrine which there obtains is customarily referred to as "qualified" martial law. In that situation, the authority of the nation, state, or city, as the case may be, to protect itself and its citizens against actual violence or a real threat of violence is held to outweigh the normal right of any individual detained by governmental authority to insist on specific charges of criminal conduct being promptly made against him, with the concomitant right to bail or release pending judicial determination of those charges. The courts limited the duration of the power to the duration of the emergency, however, and have also insisted that the claim of violence be not a mere sham.

F. PRIVACY, POLITICAL ASSOCIATION AND GOVERNMENT SURVEILLANCE

1. Speech, "Privacy, Surveillance, and the Law," March 19, 1971 (unprinted). (Excerpts.)

Now let us turn to what I will call the gathering of "public" information by law enforcement agencies, meaning by this adjective that the gathering involves no threat of criminal sanction in obtaining the information, and is based on observation of public records or actions by persons in public places. Let me start by noting that traditionally this type of information gathering has never been limited by statute, and has not to date held to infringe any individual or constitutional right of a person who was the subject of the information gathering. [Sic.]

There has recently been brought to public attention, however, the activities of the Army Intelligence Service in collecting, over a period of several years, a vast amount of information which that Service considered to be relevant to civil disturbances and potential civil disturbances. Assistant Secretary of Defense Froehlke, testifying before Senator Ervin's Committee freely conceded that much of the lower level Army activity in this area had been undertaken with insufficient guidance from the civilian officials in the Executive branch. The result was types of surveillance and information collecting which were both useless for any legitimate law enforcement purpose, and offensive to the traditions of a country which has always recognized the right of political dissent. The combination of these factors has caused a strong reaction, not only against this sort of excess of surveillance, but against "surveillance" in general. It has caused people within and without the government to ask themselves what sort of limits should guide law enforcement activities in this area.

General statements of policy regarding each end of the spectrum would, I believe, evoke little disagreement. Surveillance, whether by examination of public records, observation of activities carried on in public places, or by the use of undercover agents, is a vital tool of law enforcement. Those reasonably suspected of having violated federal criminal statutes ought to be the subject of surveillance, if such surveillance appears

[2] "Assistant Attorney General William Rehnquist argued that a condition of 'qualified martial law' legitimized the [May Day] arrests, but other Justice Department officials later conceded privately that up to 80 per cent had been unconstitutional." *Newsweek*, Vol. 77, No. 24 (June 14, 1971), p. 28.

reasonably designed to enable the government to apprehend them and bring them to trial.

Those whose conduct or declarations give reasonable cause to believe that they are about to violate a criminal law ought to be the subject of whatever surveillance is available and appropriate in order to prevent the commission of the crime, if that is possible, or if that is not possible to at least apprehend the suspect as soon as possible after the crime is committed. When the constitutional prohibition against unreasonable searches and seizures requires a warrant because the activity is not conducted in a public place, of course such warrant must be obtained.

I think most of you are old enough to recall the assassination of President Kennedy in November, 1963. There was a good deal of criticism of the Secret Service at that time for not having more diligently investigated the background and movements of Lee Harvey Oswald, the assassin, and thereby perhaps to have prevented the commission of that crime. Where life—as in the case of murder—liberty—as in the case of kidnapping—or property—as in the case of burglary or robbery—is at stake, law enforcement officials would be remiss if they did not by every means at their command, including intensive surveillance, try to protect the potential victims against such loss.

At the other end of the spectrum is the example of the peaceful meeting held for the purpose of expressing public disapproval of some governmental policy, such as the Vietnam War. There is no legitimate purpose served by any sort of surveillance whatsoever of this kind of meeting, and any contrary policy on the part of preceding Administrations has been emphatically repudiated by this one.

It is these easy cases, of course, that cause the least trouble. Probably the most difficult and troublesome area, lying between the two extremes of the spectrum, is the sort of meeting, demonstration, or rally at which the great majority of participants have nothing but expression of opinion on their mind, but where there is reasonable ground to believe that at least some participants are either planning activity which would violate criminal statutes, or have repeatedly in the past used such meetings as a springboard for engaging in conduct which would violate the criminal laws. Certainly the presence of this latter element among the larger groups should not taint the purpose of the meeting for the larger group, but just as surely the good intentions of the majority cannot immunize the evil designs of the smaller group. It requires no enunciation of any new principle to say that individuals should be judged on their individual conduct, and that law enforcement surveillance in this situation should be limited to persons or incidents which are reasonably believed on the basis of past conduct or present plans to have a law violation potential.

Another troublesome area is that of the large protest meeting. So far as the federal government is concerned, its concern with this subject is primarily in the District of Columbia, over which Congress has legislative jurisdiction, and over the protection of federal property and federal programs in other parts of the nation.

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The District of Columbia has had at least three major demonstrations in the past two years which were called to protest the policies of the government in connection with the Vietnam War. On each occasion, large numbers of people—in November, 1969, the crowd was estimated to be in excess of 200,000—streamed into the nation's capital for the purpose of demonstrating their support of peace in Vietnam. On each occasion, the vast majority did this and nothing more than this. But in November and May, 1970, there were isolated instances of destruction of federal property and other related offenses. The sheer size of such meetings would make any law enforcement agency seem foolish, indeed, if it did not do what it could to apprise itself of the plans of the demonstrators, and to make adequate personnel available during the demonstration to assure the protestors that their right to protest would be preserved, and to assure the rest of the public that anyone who violated the law would be apprehended and punished.

Principles such as I have just mentioned have been traditionally followed by most law enforcement agencies. The responsibility for gathering information on potential civil disturbances resides now in the Department of Justice, rather than in the Department of the Army. The Federal Bureau of Investigation, which is the principal investigative arm of the Department, has always been a good deal more cohesive and disciplined force for its size than many other investigative agencies. Whether restatement in a more formal way of guidelines which have in the past been followed in practice is a question upon which reasonable people may disagree. [Sic.]

But however such agreed guidelines be phrased, and whatever the source of the authority of such guidelines, I believe that no legitimate interest of any segment of our population would be served by permitting individuals or group of individuals to prevent by judicial action, the government's gathering information. We are here faced with the same sort of choice of values as is involved in the doctrine of media immunity in defamation actions, brought by "public figures". As you know, the Supreme Court in *New York Times v. Sullivan* held that a public figure was constitutionally prohibited from recovering damages for a publication that was both false and defamatory unless he could show that the article was published with actual malice against him or with reckless disregard of its truth or falsity. There is a similar possibility of conflict in the area of information gathering. On the one hand, there is the ever present danger that some law enforcement official of some agency, at some time, will depart from the guidelines in question and "survey", if that is indeed the word, some individual whom he has no reason to suspect of having committed a crime, or of being about to commit a crime. On the other hand, there is the danger that the intricate and complicated decision making involved in the successful pursuit and apprehension of any criminal, a function which has traditionally been the function of the Executive, will be in some measure transferred to the courts with the attendant risk that the judicial mode of inquiry will prove ill adapted to reviewing such decisions.

One can readily imagine the delight with which the granting of any such right of judicial supervision of information gathering would be greeted by the thoroughly capable attorneys for organized crime syndicates or violent revolutionaries. It would not be necessary that they prevail in a judicial action for them to seriously hamper effective law enforcement. They would need only to get access to files which showed in effect what the government "had on them", and which might very well have to be produced by the government in order to show that it had a legitimate basis for keeping them under surveillance.

The privilege accorded to the news media in actions for defamation by public figures is a virtually absolute one—subject only to the exceptions of recklessness and actual malice. High officials in all three branches of the federal government are generally immune from liability for damages for their public acts and the same rule obtains in most states. It has been recognized by the courts in each of these types of cases that the solution is not a perfect one, but that a lesser interest is sacrificed to a greater one. . . .

In explaining the reason for the related grant of absolute immunity from damage suits to public officers from damage suits arising out of their official acts, Judge Learned Hand said:

"The justification of doing so is that it is impossible to know whether the claim is well founded until the case has been tried, and that to submit all officials, the innocent as well as the guilty, to the burden of a trial and to the inevitable danger of its outcome, would dampen the ardor of all but the most resolute, or the most irresponsible, in the unflinching discharge of their duties. Again and again the public interest calls for action which may turn out to be founded on a mistake, in the face of which an official may later find himself hard put to it to satisfy a jury of his good faith."

I believe a similar judgment must be made in the area of information gathering by law enforcement agencies. The case for judicial supervision is the weakest here of any of the facets of privacy, since by hypothesis there is no legal sanction threatened in obtaining the information and no effort has yet been made to seek imposition of legal penalties on the basis of the information obtained. The threat of ultimate judicial restraint of legitimate law enforcement activity is not great. But the fact finding process of the courts, involving as it does extensive discovery of evidence on each side, could frequently make available to those who were quite legitimate objects of surveillance important information as to the nature of the government's case against them. Temporary injunctions and stays on appeal could stalemate investigative activities which were ultimately found to be entirely proper. The judicial process is ill suited to regulation of detailed and continuing investigative activities of law enforcement agencies, where frequently time is of the essence. I do not believe, therefore, that there should be any judicially enforceable limitations on the gathering of this kind of public information by the Executive Branch of the government.

Must we then leave the government to police itself? My answer would be that first, such a result is not as bad as it may sound, and, second, that forms of oversight other than those afforded by judicial supervision are available.

It is a common belief that government is a vast, monolithic structure, a law unto itself, which is somehow impervious to any criticism or direction from other branches of government or from the public at large. This is by no means entirely true. The Executive Branch is headed by a popularly elected President, and each of the Cabinet Departments is presided over by a person appointed by him and politically responsible to him. The fact that the present Administration has reversed what previous policies there were in the area of Army information gathering is certainly strong evidence that the Executive Branch, and Cabinet members such as Secretary Laird, are by no means insensitive to public concern in this area.

But public concern without an effective institution to focus that concern may be dissipated without significant effect. It is here that congressional oversight, of the type furnished by Senator Ervin's Subcommittee, plays one of its most valuable functions. Senator Ervin's Subcommittee, as a result of careful investigation—I will avoid the word surveillance—beforehand, and as a result of the public hearings which are now being conducted, has succeeded in bringing to light numerous incidents in the government information gathering process which are either plain abuses of that process or which at the least call for further explanation.

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The advantage of congressional oversight as opposed to judicial oversight in the area of information gathering is that the former is far more flexible than the latter. Fixed

rules of procedure, vitally necessary in courts, do not necessarily obtain in connection with these hearings, and material for which there is a genuine need for confidentiality may be made available to the Committee without necessarily being spread at large upon the public record. The Committee can use individual cases as a means of examining an entire system or set of procedures, rather than as a vehicle for simply adjudicating the rights of one particular individual.

In short, the combination of proper administrative supervision of information gathering activities, together with the sort of congressional oversight provided by committees such as Senator Ervin's, are an adequate protection against the rare, but nonetheless inevitable, departures from acceptable principles on the part of investigative personnel in the field. To place judicial supervision over such activities in addition to congressional oversight and administrative supervision would balance the scale too far against the interests of proper law enforcement. Judicial scrutiny, appropriate where the government seeks to impose sanctions on an individual who refuses to divulge information voluntarily, or where criminal penalties or other disabilities are sought against an individual on the basis of information collected, are inappropriate where neither factor is present. [Sic.]

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Finally, let me turn to a question more of abstract law than of policy. The question has been publicly raised as to whether government information gathering—which goes beyond the effort to apprehend criminal suspects—when accompanied by threat of compulsion, and when no use has yet been made of the information in order to seek, imposition of any legal sanction on a person, may not itself violate the First Amendment to the Constitution. That amendment, as you all know, states that Congress shall make no law abridging the freedom of speech, or of the press . . ." The argument in support of the contention that information gathering per se may violate First Amendment rights is that such information gathering may have a "chilling effect" on the exercise of First Amendment freedom.

I have previously stated my belief that the First Amendment does not prohibit even foolish or unauthorized information gathering by the government. I would like to briefly describe the basis on which I reached that conclusion. I began with the subject, and found no holdings in support of such a contention. Indeed, the contention has been rejected by at least two federal district courts. The contention was accepted by a New Jersey trial court, but that court's judgment on the point was unanimously reversed by the Supreme Court of New Jersey. No decided case of the Supreme Court of the United States has ever held or said that the "chilling effect" of a governmental activity by itself, unaccompanied by either an attempt to impose governmental sanctions either to compel the involuntary divulgence of the information or to impose criminal or other sanctions on the basis of the information obtained amounted to a violation of the First Amendment.

It is, of course, possible to extrapolate from decided Supreme Court cases, and conclude that the Court will further broaden the interpretation of the First Amendment to include a prohibition or circumscription on this type of activity. This is basically a matter of prediction, and my own opinion is that such expansion of existing doctrine is unlikely.

I have learned from experience that when one says that a particular governmental activity is not violative of the Bill of Rights, he is taken by some to imply that such activity is either laudable or at least permissible. I am sure that a group of outstanding law students such as you will not make this mistake. No one in the present Administration would at all favor a continuation of some of the types of surveillance conducted by the Army in the past, or the conducting of investigative activity that was not reasonably related to the prevention of crime or the apprehension of criminal suspects. Justice Frankfurter, in more than one opinion which he authored while on the Supreme Court, warned against the tendency to equate constitutionality with desirability. Just because a particular governmental practice is not forbidden by the Constitution does not mean that it is desirable or proper that the government engage in such practice.

I think that when the current debate about "privacy" and "surveillance" is ended, there will be a new alertness on the part of every branch of government, and on the part of the public as a whole, to possible over-zealousness on the part of those who gather information for the government. I think this result is eminently desirable. But we must take care that measures designed to assure privacy for the law-abiding do not also assure that anonymity for the criminal, and thereby make vain the hope for effective and continually improving law enforcement.

2. Testimony, March 9 and 17, 1970, before the Subcommittee on Constitutional Rights of the Senate Committee on the Judiciary, 92d Con., 1st Sess., "Investigative Authority in the Executive Branch of Government" (unprinted). (Excerpts.)

March 9

Mr. REHNQUIST. Mr. Chairman, I have a prepared statement which, with your permission, I would like to read, and then submit myself to questioning by the committee.

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I am pleased to appear before the Subcommittee this morning to discus the constitutional and statutory sources of the investigative power of the Executive Branch of the government generally, and of the Department of Justice in particular. This authority has properly been construed by the Executive to include the use of a wide variety of investigative techniques, among which are modern data processing systems.

The Department of Justice is convinced of the necessity to maximize the potential of these devices in combating organized crime, preventing acts of violence, controlling civil disorder, where appropriate, and enforcing the numerous federal statutes. At the same time, the Department is aware of the potential for injury to individuals which could result from unauthorized collection or unnecessary dissemination of such data. We believe that full utilization of advanced data processing techniques is by no means inconsistent with the preservation of personal privacy. We reject the suggestion that the more potential for abuse of these technological advances is a sufficient reason in itself to dispense with their use in the investigation and prosecution of crime.

The Department believes that careful attention to the potential for abuses will enable us to improve methods for preventing these abuses without significantly impairing the values of data processing techniques as an important tool of law enforcement.

Turning to the central inquiry of your recent letter to the Attorney General, Mr. Chairman, you have inquired as to the Department's position regarding the Executive's constitutional and statutory authority to gather information, and the possibilities of violation of individual rights that might result from surveillance of the private lives of individuals unrelated to any legitimate government interest.

The primary source of federal law enforcement power emanates from Article II, section 3, of the Constitution, which assigns to the President the duty to ". . . take Care that the Laws be faithfully executed. . . ." The word "(l)aws" in this context has been interpreted broadly by the Supreme Court in the Neagle case as encompassing not only statutes enacted by Congress but ". . . the rights, duties and obligations growing out of the Constitution itself, our international relations, and all the protection implied by the nature of government under the Constitution."

Implicit in the duty of the President to oversee the faithful execution of the laws is the power to investigate, and prevent the violation of federal law. . . .

In addition to the constitutional grant to the Executive of the authority to take care that the laws are faithfully executed, Article IV of the Constitution, and statutes passed in connection with it, are another basis of the information gathering authority of the Executive Branch. Article IV, section 4, provides:

"The United States shall guarantee every State in this Union a Republican Form of Government and shall protect each of them against Invasion; and on Application of the Legislature or of the Executive (when the Legislature cannot be convened) against domestic Violence."

This section of the Constitution represents a unique exception to the farmers' conception that the states should have virtually exclusive responsibility in the field of local law enforcement. The exception set forth in this section of the Constitution is applicable where domestic violence beyond the enforcement capability of the states, such as that which occurred during Shay's Rebellion in Massachusetts in 1786–87, makes federal troops the only available source of authority for restoring domestic order within a state. . . .

This section of the Constitution was implemented shortly after its ratification, in 1795, by the statutory predecessor of 10 U.S.C. 331. Upon request from the governor or legislature of a state, the President may dispatch federal troops where necessary to suppress an insurrection in the state.

Companion sections to 10 U.S.C. 331 were passed during Civil War and Reconstruction days. They provide that the President may, when he determines that unlawful obstructions make it impracticable to enforce federal laws in the states by ordinary judicial proceedings, use such of the armed forces as he considers necessary to enforce those laws or suppress the rebellion. 10 U.S.C. 332. In addition, 10 U.S.C. 333 provides for similar use of federal troops by the President if he determines that insurrection or domestic violence within a state is resulting in the denial to people within the state of rights protected by the Federal Constitution, and the state fails or refuses to protect such rights. In recent history we have had several occasions of the invocation of each of those sections.

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As was indicated by the comprehensive statement to this Subcommittee by the Department of Defense last week, the previous administration recognized the need for intelligence data concerning the possibility or probability of further civil disturbances that might require deployment of federal troops. Given the frequency with which federal troops were in fact used and alerted during that period of time, from the Watts riots on, and the possibility that they might be called up on very short notice, investigative activities that were directed to determine the possibility of domestic violence occurring at a particular place or at a particular time would appear to be clearly authorized by the constitutional and statutory provisions referred to above.

Turning to the Department of Justice, the functions and organization of the Department of Justice are outlined in the provisions of Part II of Title 28, United States Code

(Supp. V) and regulations promulgated thereunder. The Attorney General, as head of the Department, is the chief law enforcement officer. His duties include the appointment and supervision of investigative officials whose duty it is to ". . . detect and prosecute crime against the United States" and "conduct such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General."

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Turning from the Constitutional and statutory bases of the Executive's authority to gather information to more particular questions which you posed in your letter to the Attorney General, Mr. Chairman, the Neagle case is only one in a long line of Supreme Court decisions that deal explicitly or implicitly authorize a wide range of investigative activities that may be pursued by law enforcement authorities within the bounds of the Constitution. Understandably, such court-approved investigative activities include the use of both overt and covert surveillance.

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While there is obviously no justification for surveillance of any kind that does not relate to a legitimate investigative purpose, the vice is not surveillance per se, but surveillance of activities which are none of the government's business.

The Federal Bureau of Investigation uses both undercover agents and paid informers in its criminal intelligence activities. In many cases, arrest and prosecution of lawbreakers can be effected only through the use of such persons. Utilization of the full panoply of lawful investigative techniques is consistent with the oft-expressed desire of this administration to vigorously enforce the federal law.

It is our view that the computer is a useful aid in coordinating criminal intelligence gathering and fulfilling the overall purpose of efficient law enforcement. Thus far, we have only recently begun to use electronic data processing. Therefore, it has been of only limited use to date in the investigation and prosecution of crime. Yet we are beginning to realize that the computer with its ability to store, analyze, and quickly retrieve vast amounts of data can be of immense help to law enforcement administration.

Although we are anxious to increase the effectiveness of law enforcement through the use of technology, we do not propose to ignore the increased potential for abuse that arises from the expanded capability we will have to make complex analyses of investigative data. Indeed, we believe that stringent physical and personnel security measures can greatly reduce the risk of improper access and dissemination so that it poses no greater threat to personal privacy than manual data storage.

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Your letter to the Attorney General, Mr. Chairman, raised the question of whether the constitutional rights of individuals were violated by government surveillance in cases where there was not probable cause to believe that a particular individual had committed a crime. As I have previously said in my testimony, the responsibility of the Executive Branch for the execution of the law extends not merely to the prosecution of crime, but to the prevention of it.

Given the far-flung responsibilities of the Executive Branch for law enforcement, and the large complements of personnel required to discharge these responsibilities, it would scarcely be surprising if there were not isolated examples of abuse of this investigative function. Such abuse may consist of the collection of information which is not legitimately related to the statutory or constitutional authority of the Executive Branch to enforce the laws, or it may consist of the unauthorized dissemination of information which was quite properly collected in the first instance.

I know of no authoritative decision holding that either of these situations amounts to a violation of any particular individual's constitutional rights. I think the courts have been reluctant, and properly so, to enter upon the supervision of the Executive's information-gathering activities so long as such information is not made the basis of a proceeding against a particular individual or individuals. But the fact that such isolated Executive excesses may not be a violation of Constitutional rights does not mean that they are proper, and it does not mean that appropriate steps should not be taken to prevent their reoccurrence.

Departmental regulations of the Department of Justice forbid any employee or former employee to produce any material contained in the files of the Department, or to disclose any information relating to material contained in files of the Department, without prior approval of the Attorney General. This regulation is intended to preserve the confidentiality of information contained in departmental files, and to make certain that it will not be disseminated to unauthorized persons.

With the additional investigative capabilities made available by technological advances, it will undoubtedly be necessary to be vigilant against possible violations of this regulation. Physical security precautions must be improved in order to assure both those within and without the Department that unauthorized personnel do not have access to confidential information. Those in the Executive Branch generally, including the Department of Justice, properly alerted to the dangers of excessive zeal by some of the information testified to before this Subcommittee, must make certain that law enforcement intelligence gathering is limited to those areas in which the Executive Branch has constitutional or statutory responsibility for law enforcement.

I think it quite likely that self-discipline on the part of the Executive Branch will provide an answer to virtually all of the legitimate complaints against excesses of information-gathering. No widespread system of investigative activity, maintained by diverse and numerous personnel, is apt to be perfect either in its conception or in its performance. The fact that isolated imperfections are brought to light, while always a reason for attempting to correct them, should not be permitted to obscure the fundamental necessity and importance of federal information-gathering, or the generally high level of performance in this area by the organizations involved.

In saying this, I do not mean to suggest that the Department of Justice would adamantly oppose any and all legislation on this subject. Legislation which is carefully drawn to meet demonstrated evils in a reasonable way, without impairing the efficiency of vital federal investigative agencies, will receive the Department's careful consideration. But it will come as no surprise, I am sure, for me to state that the Department will vigorously oppose any legislation which, whether by opening the door to unnecessary and unmanageable judicial supervision of such activities or otherwise, would effectively impair this extraordinarily important function of the federal government.

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Senator ERVIN. Do you feel that there are any serious constitutional problems with respect to collecting data or keeping it under surveillance, or persons who are merely exercising their right of peaceful assembly or petition to redress a grievance?

Mr. REHNQUIST. My answer to your question is, no, Mr. Chairman. And by saying no I do not think it involves constitutional violations. I would not want to be thought as disparaging the importance of it or the undesirability of it. But I do not believe it raises a constitutional question.

Senator ERVIN. Has not the Supreme Court held in several cases that any surveillance or collection of information concerning individuals which tends to stifle their exercise of the right of freedom of assembly, or the right to meet or the purpose of petitioning for redress of grievances, is unconstitutional? [Sic.]

Mr. REHNQUIST. Mr. Chairman, I do not know of any case where the Supreme Court has held that the simple collection of information on the part of law enforcement agencies, so long as the law enforcement agency does not seek to take any action affecting an individual's status in some way, violates constitutional rights. Now, I would qualify that by saying that the result may be different where the information is gained from the individual by compulsion. In the St. Regis paper case of a few years ago where the Census said you have to give the information, there may be a question as to what dissemination you can make of it consistent with the Constitution.

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Senator ERVIN. Do you agree with me that it is not the function of the federal law enforcement agents to exercise surveillance over citizens, except for the purpose of gathering information where a crime has actually been committed, or for the purpose of gathering information concerning the people who are reasonably suspected of the purpose to commit a crime?

Mr. REHNQUIST. I can answer that generally yes, Mr. Chairman, with the proviso, I take it, that your statement would include the kind of statements that Mr. Katzenbach mentioned earlier in his testimony, given time, place and circumstances, such as the Klan activities in the early sixties in the south as one example, there may be need for knowledge about membership and activities of people in an organization that is simply committed, you know, as a matter of public knowledge and statement to violate the law. But I would assume that that would come within the general statement you have made. So I would agree with it.

Senator ERVIN. Certainly you would agree with me that the mere fact that any human being might at some time in the future commit a crime does not give the law enforcement agencies of the Federal Government authority to put all the people under surveillance?

Mr. REHNQUIST. I would certainly agree with you.

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Senator ERVIN. Do you agree with me that the First Amendment gives the people the right to freedom of speech, the right to peaceful assembly, to petition the government for the redress of grievances, and the right to associate with other people to further ideas and policies of government?

Mr. REHNQUIST. Certainly.

Senator ERVIN. Don't you agree with me that any surveillance which would have the effect of stifling such activities would violate those constitutional rights?

Mr. REHNQUIST. No, I do not. I would want to know more about the particular circumstances of the surveillance, the justification for it, and the strength of the case made for the fact that the rights were stifled.

Senator ERVIN. Don't you think—most people are sort of afraid of government surveillance, aren't they, and have been?

Mr. REHNQUIST. I do not doubt a number are, Mr. Chairman. I have noticed that certainly there have always been people willing to come forward and sue the government, as was done in the Northern District of Illi-

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nois and was done here in the District of Columbia, claiming that others were intimidated, but really admitting that they were not intimidated at all.

Senator ERVIN. Very well.

You have no opinion on the question of whether it does exercise an intimidating influence on people for them to be even under the surveillance of the federal law enforcement officials, or to suspect that they are?

Mr. REHNQUIST. I do not doubt that is the case with many people. But I do not think you can lay it down as a general principle.

March 17

Senator ERVIN. I want to ask you one or two questions. You laid stress that the power—that the Department of Justice had power to conduct investigations in order to assist the President in the performance of his duties, performance of his constitutional duties, to see that the laws are faithfully executed and, within certain limitations, I don't think anybody can quarrel with that proposition.

But I would like to know what limitations there are on the power of the Department of Justice to collect information on citizens.

Mr. REHNQUIST. Well, let me elaborate a little bit on what I believe I at least said shortly last time, that there must be a legitimate law enforcement purpose involved in order for the Department to be able to collect information under either Congressional authority or under the faithful execution of the laws clause of the Constitution.

The investigation of possible violations of federal criminal law and, I think, that can be broken down into two classifications, the attempt to apprehend suspects after the law has, in fact, been violated, or investigatory activities where it is believed that the law is about to be violated, with a view to preventing the violation or to better apprehend the suspects after it is violated if it is impossible to prevent the violation.

That is very much of an off-the-cuff summary but I think that would be roughly the role of the Department.

Senator ERVIN. You concede that it is the role of the Department to collect information on people who merely exercise their First Amendment rights to speak freely, to peacefully, to assemble peacefully, to petition for redress of grievances or to associate with other people for the purpose of advancing lawful ideas.

Mr. REHNQUIST. No, I certainly do not.

Senator ERVIN. Don't you think a serious government agency undertakes to place people under surveillance for exercising their First Amendment rights?

Mr. REHNQUIST. Senator, we discussed that briefly last week, I think and, as I say, I do not conceive it to be any part of the function of the Department of Justice or of any other governmental agencies to surveil or otherwise observe people who are simply exercising their First Amendment rights.

When you go further and say isn't a serious constitutional question involved, I am inclined to think not, as I said last week. Undesirable as this practice is and vigorously as it should be condemned, I do not believe it violates the particular constitutional rights of the individuals who are surveilled.

Senator ERVIN. I would agree with you to the extent that it would not constitute a violation of the Fourth Amendment where surveillance is had of people in public places because there is no search and there is no seizure, no search of a home or building and no search of papers and no seizure, but do you not concede that government could very effectively stifle the exercise of First Amendment freedoms by placing people who exercise those freedoms under surveillance?

Mr. REHNQUIST. No, I don't think so, Senator. It may have a collateral effect such as that but certainly during the time when the Army was doing things of this nature, and apparently it was fairly generally known that it was doing things of this nature, those activities didn't prevent, you know, two hundred, two hundred fifty thousand people from coming to Washington on at least one or two occasions to, you know, exercise their First Amendment rights to protest the war policies of the President.

Senator ERVIN. Well, we have evidence here that on one occasion, on the campus of Colorado College, that there were 119 people present at a rally to protest the war in Vietnam, and that of those 119 persons 52 of them were military intelligence agents, and not only that but a military intelligence agent was sent there with others to tape the speeches that were made at the rally and he couldn't tape them because the military forces had five helicopters flying right over the heads of the rally and making so much noise that the speeches that were made could not be taped.

Do you think that was a legitimate exercise of governmental power in view of the fact that the testimony shows that the speeches were not inflammatory in nature, that they consisted of rather mild protest against the policies of the government and no violence occurred?

Mr. REHNQUIST. No, I do not and, as I have said before, I think that is an illegitimate use of government power. I do not think it amounts to a constitutional violation of the First Amendment.

Senator ERVIN. Well, also there is evidence here of photographers having been present at many rallies, Army intelligence agents, pretending to be photographers were present at many rallies, who took pictures of people and then plotted up the inquiries about these people and made dossiers of them. Do you not think that is a interference of constitutional rights?

Mr. REHNQUIST. I do not, Senator. I think, from my reading of the cases, that the time at which the courts would say there has been an interference with an individual's constitutional rights in that area is where the government seeks by some sort of legal sanction either to force divulgence of information or to put the information it has gathered without forcing it to some use such as a criminal prosecution or a civil action against the individual.

I don't think the gathering by itself, so long as it is a public activity, is of constitutional stature.

Senator ERVIN. Well, the Supreme Court said, and I will read from about the latest book on constitutional law, "Modern Constitutional Law" by Professor Antieau, Volume II, page 273:

"Since the power of Congress to investigate arises only by necessary implication it is limited by the end to which it is employed. As early as 1881 the Supreme Court said 'we are sure that no person can be punished for contumacy as a witness before either House unless his testimony is required in a matter to which that House has jurisdiction into which to inquire, and we feel equally sure that neither of these bodies possesses the general power of making inquiry into the private affairs of the citizen.' Every inquiry, the Supreme Court has stated, must be related to and in furtherance of a legitimate task of the Congress. On another occasion it affirmed that Congress may only investigate into those areas in which it may potentially legislate appropriately."

Wouldn't you concede that Congress cannot legislate with respect to the exercise of—in such a way as to prohibit or to impair the exercise of—the First Amendment rights.

Mr. REHNQUIST. Yes.

Senator ERVIN. Congress hasn't the power to investigate in that field, haven't the courts held that on a number of occasions?

Mr. REHNQUIST. Yes, if it is simply an effort to inhibit people's legitimate expreesions without a legitimate legislative purpose.

Senator ERVIN. Certainly you don't concede, you don't claim, that the Department of Justice, for example, or the FBI or the Army can do something which Congress can't do?

Mr. REHNQUIST. No, I certainly won't make that claim, Senator.

Senator ERVIN. Now, don't you admit that in these decisions where, like the Alabama case and the Rumely case that the court placed, forbade—adjudged that a state violated the Constitution when it took steps which were calculated to deny people, to discourage people from exercising their First Amendment rights and said it could only be done where there was a, as they sometimes say, a very substantial governmental purpose to be served by them.

Mr. REHNQUIST. Senator, I think in each of the Congressional cases that you referred to, at least to my knowledge, there was not a question of enjoining a Senate investigation by a court which, I think, would raise the most serious sort of constitutional problems for a court to take that action. It was a case where the Senate Investigating Committee had attempted to ask a witness questions, the witness had declined to answer them, and then sought to punish him for contempt and there you have the attempt to exercise a governmental sanction against a person, and that is when the question arises.

Senator ERVIN. Well, the question has arisen in those cases, of course, and those cases hold, there are cases that deal with investigatory power of the government, the federal government, and you concede that you don't think that the Department of Justice, the FBI or the Army have a power of investigation superior to that of Congress, do you?

Mr. REHNQUIST. No, certainly I concede that.

Senator ERVIN. Now, in these cases the court ruled against the exercise of legislative power to obtain information on the ground that the obtaining of that information stifled or tended to stifle the exercise of such First Amendment rights as the freedom of speech, freedom of the press, right of association, right to petition the government for redress of grievances.

Mr. REHNQUIST. But the testimony was compelled, Senator.

Senator ERVIN. Yes, sir. But the Congress can't get the testimony by legal proceedings, or can't collect that information by legal proceedings under certain circumstances because it discourages people in the exercise of their First Amendment rights, but you say the executive branch of the government can go out and do something, take steps which discourage the exercise of First Amendment rights while the legislative branch of the government cannot.

Mr. REHNQUIST. I don't believe that is my position, Senator. I don't believe that the executive branch can compel testimony under the circumstances you describe any more than the legislative branch can. But I understood your question to relate simply to the gathering of information not by compulsory process, not by search or seizure but by simply observing what goes on in public.

Senator ERVIN. Well, isn't that saying—the reason they said that in these cases that the legislature, legislative power couldn't obtain the information was because it violated the Constitution. They had no right to the information.

Mr. REHNQUIST. No, Senator, I think had someone voluntarily appeared before a committee that was investigating and offered testimony, I think the legal question presented would be significantly presented than that of a witness who appears, refuses to answer, and then his answer is sought to be compelled by contempt proceedings. [Sic.]

Senator ERVIN. Well, is it your position that the government could take and put somebody, I believe it is called, a tail on me, and this man could walk around and follow me everywhere I went, and because he didn't compel me to go to those places, and just observed me, that I would have no legal remedy.

Mr. REHNQUIST. Well, to say you would have no legal remedy, I think, is more than I would care to say. As I have said before I think that is a waste of a taxpayer's money, it is an inappropriate function of the executive branch. I don't think it raises to a First Amendment violation.

Senator ERVIN. Well, it is certainly to be deplored in a free society to have the people spied on, isn't it.

Mr. REHNQUIST. I fully agree. But, Senator, if one were to follow your analogy and say any sort of governmental conduct that might remotely have a chilling effect, if one may use that word, on associational activities is a violation of the Constitution, we would tremendously expand the doctrines of, that have presently been developed, because, you know, take something like the Smith Act which does come close to the associational rights, or the Omnibus Crime provisions in 1968 forbidding the crossing of interstate lines for the purpose of inciting a riot, again which is close to associational rights, now if you say that the executive branch or the legislative branch may not even propose legislation like that, that the executive branch may not submit it or that Congress may not debate it, I think that is the logical consequence from what you are saying.

I think you have got to have some governmental sanction imposed on the person before you get a First Amendment problem.

Senator ERVIN. What more sanction can you have imposed on people than for the military, for example, to go out, send military agents to photograph people and have helicopters flying overhead to watch them. Isn't that governmental sanction?

Mr. REHNQUIST. No, it is not a governmental legal sanction in my opinion.

Senator ERVIN. What is it? In other words, I question, don't think that the Constitution permits the President of the United States to use military forces to discharge functions of a national police force or to spy on civilians, the civilian population of this country.

Mr. REHNQUIST. Well, certainly the Posse Comitatus Act places substantial limitations in that area.

Senator ERVIN. But it does not authorize the President to use the military except to suppress insurrection against the government or violent obstructions which are so serious in nature as to obstruct the enforcement of federal, the federal Constitution or federal laws from the ordinary course of justice in the courts.

That is all the power it gets under the Constitution, and under the acts of Congress implementing the Constitution.

There is not a syllable in there that gives the federal government the right to spy on civilians, that is, gives the Army the right to spy on individuals who are not connected with the military, and yet we had them even spying on people in churches where presumably they had gone to worship the Almighty according to the dictates of their own consciences.

Mr. REHNQUIST. Well, as I say, I think that was unauthorized and reprehensible. I do disagree with you as to the First Amendment question.

Senator ERVIN. Well, do you agree with me that the legislative branch of the government has no right to collect information which tends to stifle the individual's right or the individual's inclination or desire to exercise his First Amendment rights?

Mr. REHNQUIST. I agree with that it can't collect it by compulsory process.

Senator ERVIN. But you do take the position that the Army or the Justice Department can go out and surveil people, place under surveillance, people who are exercising their First Amendment rights even though such action on their part will tend to discourage people in the exercise of those rights?

Mr. REHNQUIST. Well, to say that I say they can do it sounds either like I am advocating they do it or that Congress can't prevent it or that Congress has authorized it, none of which propositions do I agree with.

My only point of disagreement with you is to say whether as in the case of Tatum against Laird that has been pending in the Court of Appeals here in the District of Columbia that an action will lay by private citizens to enjoin the gathering of information by the executive branch where there has been no threat of compulsory process and no pending action against any of those individuals on the part of the Government.

Senator ERVIN. Well, now, this information that is collected goes into the government files, doesn't it, and it is used to determine whether a man will be employed to work for the government in some cases even made accessible to private industry to determine that question. [Sic.]

Mr. REHNQUIST. I am not certain what use was made by the information gathered by the Army. The Justice Department has its own investigation made at the time a person seeks employment and, so far as I know, the type of information gathered by the Army was not made use of by the Justice Department,

Senator ERVIN. We have a great deal of difficulty finding out what use the Army made of it. . . .

In a dissenting opinion in a case from Arkansas where the State of Arkansas required teachers to make a disclosure of all the organizations they had belonged to for five years Justice Harlan, who dissented from the ruling that the information sought there was—didn't serve a legitimate state purpose, but he laid down this proposition, he said when the government goes to exercise its investigatory power there are two questions that have to be answered. The first is that the information which the government seeks must be for a legitimate governmental purpose, and, second, that even if it is for a legitimate governmental purpose it must be relevant to the accomplishment of that purpose.

Do you agree that is a correct statement of law?

Mr. REHNQUIST. Certainly when the government seeks to obtain it either by threat of discharge from a job or by threat of compulsory process I certainly do agree.

Senator ERVIN. But you think the executive branch of the government can go out and obtain it either by overt or covert methods, and no constitutional question is involved even though it may intimidate people in the exercise of their First Amendment rights.

Mr. REHNQUIST. Senator, I think you are a little bit putting words in my mouth which I have no desire to have put there. I do not think there is a First Amendment violation in that situation.

I think that as to the general authority of the government to do that or whether Congress has authorized it may be an entirely different question.

Senator ERVIN. The inference I would draw is that the power of the Congress under the Constitution is inferior to that of the executive branch of the government.

Mr. REHNQUIST. Certainly I would hope you wouldn't draw it from anything I have said because I don't believe that.

Senator ERVIN. Well, I don't know that it belongs to this, but in other words, a Congressional committee can't get information about people under certain circumstances but the Army or any other government agency can go out and collect that either overtly or covertly, and although both things, both legislative action which is prohibited and executive action which you say is permitted, tend to intimidate free American citizens in the exercise of their First Amendment rights, action on the part of the legislative body is unconstitutional but action on the part of the executive branch of the government which accomplishes exactly the same disastrous end is perfectly constitutional.

Mr. REHNQUIST. No, I don't agree with that at all. I think to make the two situations analogous you would have to posit a situation where a staff member of a congressional committee is seeking to acquire by voluntary interviews or by tailing somebody, if you want to put it that way, information which the person who is the object of the investigation feels is no proper business of the government, now could that individual then before any compulsory testimony is sought to be required from him before anything else has been done to him in the sense of the governmental action, could he bring an action to enjoin the investigator of the Congressional committee from seeking to collect information of that sort.

I don't believe he could successfully do that, and I think that is the parallel to the executive branch situation. (Tr. 949–989, 1332–1346.)

3. *Remarks, "Law Enforcement and Privacy," at a Panel Discussion on Privacy and Law in the 1970's, American Bar Association Convention, London, Release Dated July 15, 1971 (unprinted).* (*Excerpts.*)

Wiretapping

"Wiretapping" in its more limited sense refers to the interception of a telephonic communication of which the parties to the conversation are unaware. Loosely used, it can include "bugging"—the placing in a room, unbeknownst to its occupants, or on a party to a conversation, unbeknownst to the other parties, a transmitting device which will either record the conversation itself or transmit it to some other place where it will then be recorded. These latter manifestations are frequently associated with the use of undercover informants, who, though they are in the confidence of a suspected group of criminals, are nonetheless in the employ of the government.

There is something a little bit on the seamy side about all of these procedures, and in an ideal society their lack of social usefulness would doubtless cause them to be prohibited. Since the society in which we live—I speak for the United States, but I suspect the same is true here—is not ideal, the question is whether the admitted infringements on expected privacy which these methods of investigation give rise to are justifiable in terms of the aid they provide in the solution of serious and extensive crime.

In the United States, the Supreme Court about 45 years ago held that wiretapping was not a violation of the Constitution. Congress shortly afterward by statute prohibited the divulgence or use as evidence in the federal courts of information obtained through wiretapping. Less than five years ago, the Supreme Court overturned the earlier decision, and held that wiretapping was a form of "search and seizure" within the language of the Fourth Amendment to our Constitution. The Court indicated in that decision, and in other decisions rendered about that time, that a statutory authorization for wiretapping, providing for the rough equivalent of a warrant prior to the commencement of the tap, would be constitutional. Congress followed the Court's suggestion, and in the Omnibus Crime Act of 1968 authorized wiretapping under this sort of supervision.

There is no question that the vastly expanded use of electronic means of communication, and the vastly increased efficiency of the technology of interception and overhearing, have made wiretapping in its more gen-

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eral sense a more potent weapon for law enforcement personnel than it was forty or fifty years ago. But during this same forty or fifty years we in the United States have witnessed the burgeoning of what is loosely called "organized crime", which has attached its tentacles to more than one legitimate business or industry in our country. It, too, has increased apace with and through the use of modern technology.

The present Administration of the Department of Justice in the United States is committed to the use of wiretapping under the safeguards prescribed by Congress, and under the administrative safeguard requiring each application for a warrant to be personally authorized by the Attorney General. The commitment is based in large part on the fact that an effective attack on organized crime cannot be mounted without wiretapping.

When we deal with the activities of organized crime, we deal with the most sordid sort of trafficking in drugs, prostitution, and gambling, as well as in illegitimate aberrations of legitimate business. Persistent efforts, not always unsuccessful, to corrupt local law enforcement officials; murder, committed by anonymous hired guns, are its trademarks. Normal detection techniques in the tradition of Sherlock Holmes, Hercule Poirot, and the long succession of Scotland Yard inspectors who have been immortalized in print, are of far less use here. The faceless killer never knew the victim, and may never have seen him before; the bagman is an easily replaceable hood at the lowest level of the organization. The heads of these syndicates perform no criminal act themselves; they simply instruct others to perform them for him. Painstaking and imaginative sifting of readily available evidence, which may solve the murders envisioned by Arthur Conan Doyle and Agatha Christie will scarcely dent the upper echelons of organized crime.

Thus, the structure of crime in this area has changed just as dramatically as technology. If law enforcement methods do not somehow keep pace with these changes we must virtually write off the hope for making substantial inroads into this widespread and sinister form of criminal activity.

Is the invasion of privacy entailed by wiretapping too high a price to pay for a successful method of attacking this and similar types of crime? I think not, given the safeguards which attend its use in the United States. The Attorney General must report to Congress the total number of federal applications for wiretapping made each year, and the report he furnished indicated that last year the federal government sought 183 wiretap warrants. This is not a "pervasive" use of wiretapping, using that adjective in its narrowest possible sense. It is instead a restrained and careful use of that technique which has led to a series of genuinely significant arrests and convictions in the field of organized crime in the past three years.

In the limited area of what are described for want of a better word as "national security" investigations—the executive branch in the United States for more than thirty years has asserted the right to wiretap without securing any Fourth Amendment type of warrant. This position has been taken through the Administrations of six successive Presidents of the United States, dating from Franklin D. Roosevelt, and it is the government's position that the practice is both consistent with the Fourth Amendment and necessary to the effective protection of the national security. The practice has recently been the subject of sharp and quite widespread criticism. The issue has been submitted to several federal district courts and one court of appeals, which have reached differing results. The Supreme Court has agreed to decide the issue in its next term, at which time the issue of the legality of the practice will be settled. Whatever may be the ultimate decision by our highest Court on the merits of the question, I believe that a refusal of the Justice Department, in its role as advocate before the courts for the executive branch of the government, to vigorously argue in favor of its legality would be a wholly unwarranted abdication of the Department's responsibility.

Surveillance

To what extent may law enforcement officials properly observe members of the citizenry in public places? It has been suggested by at least one prominent figure in the privacy debate in our country that no suspect ought to be subject to such surveillance unless there is "probable cause" to believe that he is guilty of committing a crime. The imposition of such a standard, in my view, would be a virtually fatal blow to law enforcement.

At the outset of an investigation, law enforcement officers are confronted with the fact that a crime has been committed, and with varying numbers of "leads" which may or may not offer some hope for its ultimate solution. Every such lead must be run down if a solution is to be effected, even though the great majority of leads turn out to be dead ends. Frequently, in the process of running down dead-end leads, investigative attention turns to people who later prove to be entirely innocent of any offense. But their innocence can be known only in retrospect: the ultimately productive lead may look no better than the unproductive ones at the time an investigation has begun.

In view of the very nature of the investigative process, it would be highly unrealistic to require that there be "probable cause" to suspect an individual of having committed a crime in order that his activities may be inquired into in connection with the investigation of the crime. Quite the contrary, probable cause—for an arrest or specific search—is hopefully to be found at the *conclusion* of an investigation and ought not to be required as a justification for its *commencement*.

The basic limitation which may properly be placed on investigative authority is that it must be directed either to the solution or to the prevention of a crime, and that it pursue leads reasonably believed to aid in that activity.

In the United States we have recently had experience with the collection of what may be loosely called "civil-disturbance" information by Army intelligence sources, rather than by regular law enforcement officials. This program, begun about five years ago because of the same generally agreed need for a great deal more information about potential trouble spots in urban centers, tended to become broader and broader in scope as it filtered down the echelons of the Army command. Examples have recently been adduced of Army intelligence files kept on prominent public figures, and consisting largely of newspaper accounts of the statements made by these figures on current political issues. Whatever may have been the merits of the program in its inception, it rather clearly got out of hand. That program has been discontinued by the present Administration. The cataloging of the opinions of citizens, public or private, on the issues of the day is not a proper function of government in a free society. The collection of genuine civil disturbance information, to the limited extent necessary under federal law, has now been returned to their regular law enforcement branches of the government.

Who shall regulate the regulators?

Many of those deeply concerned with privacy in our country feel that either by court decree or legislation the extent of law enforcement activities in the fields which I have discussed should be sharply curtailed. Implicit in their suggestion is that somehow the Executive Branch of the United States Government is not in any sense responsible to the public will and that controls must be imposed by any other branches of the Executive Branch. While our Executive is separate from the Legislative Branch, rather than directly responsible to it, it is surely ultimately responsible to the electorate of the Nation. The President stands for reelection every four years, and must at that time—as well as at frequent intervals in between—defend his stewardship of the Executive power.

As to the merits of proposed legislative or judicial curtailment of the investigative authority of law enforcement agencies, I simply do not believe that a limitation on the investigative activities of law enforcement officials engaged in seeking the solution to crime would be either desirable or workable. If such a restriction were to have teeth in it, it would necessarily involve judicial review of an investigation, not at its end, but at its commencement. The opportunity for skillful defense lawyers to obtain information of great value to their clients, and to seriously delay a legitimate investigation, would be greatly enhanced by the availability of such a proceeding.

On the other hand restriction of the dissemination of information gathered in the process of criminal investigation is quite appropriate and desirable. Certainly the casual release of such information by law enforcement officials to persons outside the Government who have no legitimate need to have it is reprehensible. It is presently prohibited by regulation in the Department of Justice, and in many other law enforcement agencies. The embodiment of this sort of prohibition in a statute which was the result of a careful balancing of the competing interests would doubtless be entirely acceptable to those engaged in law enforcement.

G. OTHER FIRST AMENDMENT ISSUES

1. *Statement, September 25, 1969, before Subcommittee No. 3 of the House Committee on the Judiciary, 91st Cong., 1st Sess., on H.R. 11031 and H.R. 11302 [relating to mailing of prurient materials] (unprinted).* (*Excerpts.*)

I am pleased to appear before this Subcommittee today in support of H.R. 11031 and 11032, the Administration's proposals to curb the growing interstate traffic in salacious materials, especially advertisements. . . .

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Sections 1461 and 1465 of title 18 provide criminal sanctions for sending advertisements or other materials through the mails or other facilities of interstate commerce which are "obscene, lewd, lascivious or vile"; section 1461 adds the terms "indecent" and "filthy" for good measure. The courts have held, however, that these terms are virtually synonymous and that they reach only materials that are "obscene" in the narrow, constitutional sense. *Manual Enterprises* v. *Day*, 370 U.S. 478, 483–484 (1962). The effect of the judicial constructions of these statutes is that sexually-oriented advertisements may form the basis of a federal prosecution only if the advertisement is itself obscene or the materials it offers for sale are obscene. *United States* v. *Schillari*, 166 F. Supp (S.D.N.Y.); *Poss* v. *Christenberry*, 179 F. Supp. 411 (S.D.N.Y. 1959).

The technical meaning of obscenity, as it has developed in the Supreme Court's decisions, includes a congeries of separate legal standards. In *Roth* v. *United States*, 354 U.S. 476, (1959), the Supreme Court established the test of obscenity as "whether to the average person, applying contemporary community standards, the dominant theme of the material taken as a whole appeals to prurient interest." *Roth* v. *United States*, 354 U.S. 476, 489 (1959). The *Roth* test lent itself to a narrow reading, equating prurient appeal to obscenity. A subsequent decision, however, announced that "patent offensiveness" to current community standards of decency must be established independently of prurient appeal. *Manual Enterprises* v. *Day, supra*. A more recent decision added a third test of obscenity—the matter must be "utterly without redeeming social value," as well as prurient and patently offensive. *Memoirs* v. *Massachusetts*, 383 U.S. 413 (1966). Although members of the present Court have disagreed concerning the test of obscenity—only Justices Brennan, Fortas and Chief Justice Warren have endorsed "redeeming social value" as an independent test—the lower courts are apt to follow this triple test unless, and until a different standard is adopted by a majority of the Supreme Court. The result, of course, is that the federal government has a very heavy, and often impossible burden of proof in proceeding against prurient advertising under present laws.

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The bill would cover all of the advertising I have shown you by prohibiting the mailing or transporting in interstate commerce of any advertisement which is "designed or intended to appeal to a prurient interest in sex." It would be unnecessary to show, in contrast to present law, that the material is patently offensive to community standards or utterly lacking in redeeming social value. The bill prescribes penalties of imprisonment for not more than five years or a fine of $50,000, or both, for first offenses. These maximum penalties would be doubled for subsequent offenses.

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I wish to emphasize that the bill is focused exclusively on the commercial exploitation of sex. The bill covers only sexually-oriented commercial advertisements for the sale of other materials. The character of the materials offered for sale would be irrelevant to whether a violation has occurred.

The bill would not infringe the First Amendment guarantee of freedom of Speech. In *Valentine* v. *Chrestensen*, 316 U.S. 52 (1942), a unanimous Supreme Court held that the First Amendment does not apply to "purely commercial advertising." The doctrine has more than merely theoretical significance. For example, federal law prohibits deceptive advertising in a variety of interstate commercial contexts. See 15 U.S.C. 45, 77k(a). And literally hundreds of State and local laws regulating or prohibiting advertising of various kinds—such as advertising concerning contraceptives, gambling and alcohol—depend largely for their validity on the assumption that commercial advertising is not protected speech. See Note, "The Regulation of Advertising," 56 Columbia Law Review 1019 (1959).

The reason for excluding commercial advertising from First Amendment protection is apparent. The central purpose of the Amendment is to assure what Justice Holmes called the "free trade in ideas." *Abrams* v. *United States*, 250 U.S. 616, 630 (dissenting opinion). Thus a recent decision involving the impact of the Amendment on damage actions for alleged libels of public officials stresses the need to assure that debate on "public issues" be "uninhibited, robust, and wide open." *New York Times* v. *Sullivan*, 376 U.S. 254, 270 (1964). This is not to suggest, of course, that the Amendment extends only to expressions of a philosophical or political character. Constitutionally protected speech may include artistic works, social commentary, and many other modes of expression by which ideas may be conveyed or public attitudes shaped. But the purpose of ordinary commercial advertising is to sell a product, not an idea. Accordingly, such advertising ranks low on the scale of values underlying the First Amendment. It may be suppressed when necessary to promote other legitimate interests.

2. *Rehnquist, Public Dissent and the Public Employee, 11 Civil Service Journal (No. 3), p. 7 (January-March 1971).* (*Excerpts.*)

The free-speech guarantee of the First Amendment is probably the best-known provision of our Constitution. It is entirely proper that this is so, since the right of freedom of expression is basic to the proper functioning of a free, democratic society.

Less well known, but equally important, are those restrictions on complete freedom of speech which result from the balance of competing interests in the jurisprudential scale—the need to preserve order, the need to afford a remedy to the innocent victim of libel, the need of government to govern. It is the conflict between the latter and the free-speech clause with which we deal today.

Once we get past the celebrated cases involving Secretary Wallace and General MacArthur there is a pronounced difference of understanding as to the latitude accorded public statements and public acts which are made by persons entrusted to carry on the Nation's business. The issue is now of front-page importance, probably put there because of the highly politicized nature of our society today. There is a tendency on the part of young people entering government service to feel that they should have complete and unrestrained freedom to speak out on political and policy matters, regardless of how detrimental their speech may be to Government programs in general or to the proper functioning of their own assigned responsibilities within the department.

At one time, the courts approached this issue in terms of a "rights versus privilege" analogy, as epitomized by Justice Holmes' famous dictum concerning the dismissal of a policeman:

"The petitioner may have a constitutional right to talk politics, but he has no constitutional right to be a policeman." *McAuliffe* v. *City of New Bedford*, 155 Mass. 216, 220, 29 N.E. 517 (1892).

As we all know, courts in recent years have retreated from this stern dichotomy and have expanded government employees' free-speech rights considerably. But now we are hearing equally categorical statements from the champions of employee free speech. Without much critical analysis, they insist that unless the public employee has every bit as much right to speak freely on public issues as a private citizen, the public employee becomes a "second-class citizen" who has given up some of his constitutional rights by virtue of accepting public employment.

If the vice of the Holmes analysis is that it separated entirely the government as sovereign from the government as an employer, the vice of the "second-class citizen" argument is that it entirely equates the two phases of governmental action. If Justice Holmes mistakenly failed to recognize that dismissal of a government employee because of his public statements was a form of restraint on his free speech, it is equally a mistake to fail to recognize that potential dismissal from government employment is by no means a complete negation of one's free speech.

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The principal case from the Supreme Court of the United States on the subject, *Pickering* v. *Board of Education*, 391 U.S. 563 (1968), makes clear that the test in this area, as in related branches of constitutional law, is a balancing of the claim for freedom of speech against whatever governmental interests may be opposed to that claim. . . .

Here, the interest on the other side of the scale may be generally described as the interest of the government in governing effectively. The Supreme Court in earlier cases has said that government has the right to carry on public business even at the expense of some forms of individual freedom of expression. Thus, regulations limiting picketing in front of a courthouse, in order to permit free access and exit, are constitutionally permissible. *Cameron* v. *Johnson*, 390 U.S. 611 (1968). And Congress may constitutionally restrict government employees in conducting political campaigning. *United Public Workers* v. *Mitchell*, 330 U.S. 75 (1947).

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The Government does have an interest in governing. While the words "loyalty," "harmony," and avoidance of "dissension" all express part of what this notion embodies, I don't believe that all of them together convey the entire idea. In the executive branch of the Government, policy, decisions, at least in theory, come down from the top since the President of the United States is the only official of that branch who can lay claim to a popular mandate.

While it is quite proper that his policy decisions be debated and challenged in the legislative branch, and be subjected to vigorous criticism in the country as a whole, the rule within the executive branch must be quite different.

The President and the Secretary of Defense whom he appoints should be able to push for the funding of an anti-ballistic missile without necessarily obtaining the approval of a majority of the employees of the Defense Department; the President and his Attorney General should be able to push for a crime bill in the District of Columbia even though a majority of the employed lawyers in the Justice Department, if given their "druthers," might oppose some of its provisions. If the case be otherwise, the executive branch will be controlled not by an elected President, but by a number of temporary tenants of Government jobs who have no vestige whatever of a popular mandate to operate the branch.

If the executive branch is to be reasonably efficient, it must have a certain amount of internal cohesion in its operation. In the midst of the anti-ballistic missile battle on Capitol Hill, it simply would not do for the Secretary of Defense, the Deputy Secretary of Defense, or any other high-ranking Defense official to publicly state that he had now had second thoughts about the proposal and sees that it is wrong. By the same token, in the midst of the debate over whether or not Judge Haynsworth should be confirmed to the Supreme Court of the United States, it will not do for the Attorney General or for any Assistant Attorney General to publicly state that he now sees that the presidential nomination was a mistake, and that he certainly understands why the Senate will probably reject it. If the President is not free to dismiss advisors such as this for such public statements, the executive branch might just as well shut up shop tomorrow.

As we get to situations involving government employees, less close to the final decisionmaking authority, less responsible for carrying out those decisions, the Government's interest in governing becomes lesser in the scale, and the employee's right as a citizen to speak his mind becomes greater.

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The courts have made quite clear that just as the government does not have the freedom to deal with an employee in this area as would a counterpart employer in private industry, so the public employee does not have the same freedom from government restriction on his public statements as would the employee's counterpart in private industry. The government as employer has a legitimate and constitutionally recognized interest in limiting public criticism on the part of its employees even though that same government as sovereign has no similar constitutionally valid claim to limit dissent on the part of its citizens.

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But how do we apply these very general principles to concrete cases? What factors must we use to meet the balancing test pronounced in *Pickering*? One factor is the level of the job. Thus, a President may fire a Cabinet officer or other political appointee for any reason whatever, or for no reason. No court would second guess the President on such a matter for any reason. . . .

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The occupation involved also has significance. Teachers may well be given more freedom to speak out than others in the community because of the deep-rooted concept of academic freedom. . . .

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Whatever may be the situation with respect to teachers, there can be no doubt that attorneys occupy a special relationship to their employer, whether it be a private client or the Government of the United States. The peculiar position of trust occupied by attorneys is evidenced by the traditional attorney-client privilege, which suggests that unauthorized public disclosure of information on any issue which has been committed to their professional trust by their clients would be a serious breach of that trust which would justify dismissal.

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I think one may fairly generalize that a government employee, and certainly a government attorney, is seriously restricted in his freedom of speech with respect to any matter for which he has been assigned responsibility. It is in this area where I stressed earlier that the President's popular mandate could be negated by members of a particular executive agency publicly dissenting to that department's policies.

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When we move from the "assigned-responsibility" situation into the "off-duty" or "extracurricular" situation, the claim for freedom of expression is stronger. If a person identifies himself as being associated with a particular agency or holding a specific government job when he makes public statements, his case is not as strong as where he is content to be identified simply as a member of the general public.

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Another factor that inevitably is in the background of every dismissal action is the concept of discipline, personal loyalty, and harmony in the working relationships among employees which I illustrated earlier in connection with the *Meehan* case involving the Panama Canal Zone policeman. The Federal Government is entitled to demand at least as large a part of the same personal loyalty owed by any employee to his employer.

For example, the Court of Claims in *Harrington* v. *United States*, 161 Ct. Cl. 432 (1963), held that a civilian employee of the Air Force was justifiably dismissed for printing and circulating a pamphlet criticizing Air Force efficiency and conduct. One simply cannot work a part of the time in serving the Air Force or any other organization and then expend other efforts in tearing it down.

The impact of a public statement on one's co-workers, and the ability to continue working efficiently with them, is a related facet of the overall picture. Most government employees are not as isolated from coworkers as Marvin Pickering was, from other teachers, but in many cases enjoy a close working relationship.

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Such insubordination affects the normal functioning of an office and obviously cannot be tolerated by any organization, governmental or private.

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Although not as certain of application as the extremes put forth by Justice Holmes or the proponents of absolute free speech, the present balancing approach of the courts offers, it seems to me, a reasonable approach in protecting the reasonable rights of public employees to free expression and the equally necessary ideal of the government's right to govern. In light of the importance of the interests involved, the added burden of tallying up the foregoing factors in each case becomes a worthwhile exercise. (*Id.*, at 7–12.)

H. ISSUES IN CRIMINAL PROCEDURE

1. *Speech, "Official Detention, Bail, and the Constitution," December 4, 1970 (unprinted). Excerpts.*

We all assume that under our philosophy of government the individual is guaranteed the freedom or sanctity of his person—in short, the "right to be let alone." One aspect of this freedom is, of course, freedom from unwarranted official detention or other intrusions on one's physical being. But another aspect of this notion of freedom is surely the right to be free from robberies, rapes, and other assaults on the person by those not occupying an official position. A government which does not restrain itself from unwarranted official restraints on the persons of its citizens would be a menace to freedom; but a government which does not or cannot take reasonable steps to prevent felonious assaults on the persons of its citizens would be derelict in fulfilling one of the fundamental purposes for which "governments are instituted among men." A society as a whole has a right, indeed a duty, to protect all individuals from criminal invasions of the person.

At the borderline between an individual's right to be let alone and society's right, through its officers, the police and prosecutors, is a confrontation between sometimes irreconcilable goals. The constitutional definition of the limits in the protection of these rights is of primary importance to the direction the country can take in the elimination of crime.

[The Fourth, Fifth and Eighth Amendments] . . . taken together, clearly express a constitutional right to be let alone, and as we all know this right has been vigorously protected by the Supreme Court. . . .

As cherished and as established as this right is, however, there are many instances of lawful interference with a person's freedom. For example, indeterminate civil commitment for sexual psychopaths, narcotics addicts, chronic alcoholics, the mentally ill, and others considered dangerous are not uncommon, and have generally been held constitutional. . . .

In addition, even where there is no physical danger to society, the Supreme Court has permitted restrictions on the freedom of movement. While concededly not a very limited area restriction, the validity of restrictions on travel abroad that was held in *Zemel* v. *Rusk*, 381 U.S. 1 (1965), as constitutionally permissible indicates that some restrictions on movement will be found to jibe with constitutional rights.

As we move closer to the criminal process, we also observe constitutionally permitted restrictions on the person. A defendant determined to be mentally incompetent to stand trial, for example, can be constitutionally detained, even though not insane, if his release would probably endanger the officers, property, or other interests of the United States. *Greenwood* v. *United States*, 350 U.S. 366 (1956).

In the criminal process, too, police officers and prosecutors have similar constitutional room to maneuver in detaining persons or searching their persons. At some point in their investigatory and prosecutorial process the police can detain persons without infringing that individual's freedom of the person. After conviction, of course, no one would argue that detention pursuant to a prison sentence imposed by a court is unconstitutional. Arresting a person on probable cause that he has committed a crime is similarly permissible.

As we follow the prosecutorial process back to its earlier stages, official acts get closer to the infringement of the individual's freedom of the person until at some point that right has actually been unconstitutionally invaded. A controversial, but still constitutional, area is the stop and frisk of persons on mere suspicion that something is amiss, a procedure upheld in *Terry* v. *Ohio*, 392 U.S. 1 (1968). Perhaps even more controversial, but in my mind no less constitutional, is the pretrial detention of dangerous persons as provided in some of the more criminal legislation. . . .

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As written by the Congress and as interpreted by the Courts, the Bail Reform Act (of 1966) absolutely precludes a trial judge from considering danger to the community in setting conditions of pretrial release in a non-capital case.

This development, together with the virtual elimination of money bond, has indeed put pressure on traditional bail practices; for, in fact, danger to the community has long been considered by trial judges who manipulated money bond to effect detention.

Bail manipulation for this purpose is undesirable, not because it successfully detains some dangerous defendants before trial, but because in practice it is unreliable, discriminatory, and utterly hypocritical. It provides no set standards or due process safeguards to protect a defendant under suspicion; and unless the bail set is truly excessive, it offers almost nothing for a court to review.

But minimizing the use of money bond does not eliminate the social need to detain those persons who pose a serious threat to the public safety. Under the Bail Reform Act, every defendant in the District of Columbia charged with forcible rape, arson, kidnapping, armed robbery, burglary, bank robbery, mayhem, manslaughter, and assault with intent to kill has an absolute, unequivocal statutory right to release before trial, *unless* there is substantial evidence that he will attempt escape. The almost inevitable result of this statutory mandate has been an unacceptable incidence of pretrial recidivism among felony defendants who have been released.

The imperative necessity to deal with these dangerous defendants in federal courts, and the desire of this Administration to root out the hypocrisy of money bail in the legal system, impelled the Administration to sponsor pretrial detention legislation, which was enacted by Congress and signed into law by the President earlier this fall.

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. . . I think it may be fairly said that while we do not have available the data for a precise determination of the incidence of recidivism among bailed defendants, it is not open to doubt that such recidivism is a significant contributive source of criminal conduct. . . . [T]he general thrust of the statistical data simply confirms what we have reason to believe on the basis of experience and common sense; a small number of highly dangerous, recidivistic non-capital defendants exist in the federal system. Under the Bail Reform Act, before the recent enactment of the D.C. Crime Bill, the Federal Government was legally powerless to detain any of these non-capital defendants on grounds of dangerousness before trial.

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Under the federal Bail Reform Act as originally enacted, a defendant charged with any of the serious non-capital offenses like rape or armed robbery has a statutory *right* to pretrial release. Thus, a defendant could be caught in the middle of an armed robbery—he could shoot at citizens or police—he could be desperately addicted to heroin—and he could have a long record of violent crime—and he would *still* be entitled to pretrial release.

Senator Hugh Scott observed last spring that John Dillinger robbed at least 13 banks, three supermarkets, a mill, a drugstore, and a tavern before he was first captured in 1933. Today, under the Bail Reform Act, John Dillinger would be entitled to pretrial release in Indianapolis, in Washington, or in Philadelphia, and this strikes as very undesirable public policy. [Sic.]

In addition, without a change in the Bail Reform Act, the sudden abolition of capital punishment by legislative action or judicial decision would render the government incapable of detaining *any* defendant before trial, regardless of the threat he posed to others.

I believe that society has the right to protect its citizens, for limited periods through due process procedures, from persons who pose a serious threat to life and safety. We do not believe a free society can remain free if it is powerless to prevent wanton misconduct by dangerous recidivists during pretrial release. I believe the pretrial detention provision of the D.C. Crime Bill accomplishes this result in a manner entirely consistent with the spirit and the letter of the U.S. Constitution.

It has been suggested that if we would only provide speedy trials for defendants on bail, the problem of crime while on bail would disappear. But the suggestion will not withstand analysis. With the plethora of rights recently granted him by the U.S. Supreme Court, the criminal defendant can and does do a good deal more than merely present evidence at trial. He attacks by motion and writ every phase of the proceedings against him, with the result that the time between indictment and trial has necessarily lengthened. Speedy trials of course will be helpful; but, even assuming that the time between indictment or information and trial could in the average case be reduced to 60 days, the type of person about whom we are concerned is not likely to suspend his criminal activity for 60 days while awaiting trial. On the contrary, the narcotics addict, the incorrigible troublemaker, the defendant who wishes to "bank roll" his family, and the man out for a "last fling" have every motive to accelerate their offenses. Any notion that a heroin addict, with a $100-a-day habit, is suddenly going to control himself for eight weeks is completely at odds with the real world.

Those opposing pretrial detention assert two constitutional arguments, one based on the Eighth Amendment and one based on the due process clause of the Fifth Amendment. Neither provision, in my opinion, bars the enactment of pretrial detention provisions in anticrime legislation.

The Eighth Amendment provides that "Excessive bail shall not be required. . . ." This language does not establish a right to bail; it forbids judges from requiring excessive bond in cases where the defendant has a statutory right to bail. . . .

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It has sometimes been argued that if Congress can determine which offenses are bailable and which offenses are not, then it could abolish the right to bail and the Eighth Amendment would become "meaningless." But as I have observed earlier, the framers of this Amendment deliberately chose language confined to a relatively narrow set of circumstances, not granting a right to bail but prohibiting the exaction of "excessive" bail where *some* right to bail otherwise exists. The Due Process clause of the Fifth Amendment would bar a total abolition of bail, not because it grants a right to bail but because it requires that there be a rational connection between an important governmental interest outweighing the individual's claim to be "let alone" before there can be detention other than as a result of a full dress criminal trial. Total abolition of bail could not be defended for *all* offenses.

The requirement of due process, of course, is another constitutional check on the right to detain persons and the procedures used in doing so. Critics of pretrial detention argue that the entire concept is a constitutional violation of the Fifth Amendment. However, . . . due process arguments are susceptible to the balancing process and the test of reasonableness under the circumstances. . . .

2. *Speech, "The Administration of Criminal Justice," December 2, 1970 (unprinted). (Excerpts.)*

The present Department of Justice, under Attorney General Mitchell, has taken a different approach to some particular problems in the enforcement of the criminal law than was taken by its predecessor under Attorney General Clark. During the 1968 presidential campaign, Richard Nixon as a candidate spoke out with considerable emphasis for more vigorous enforcement of the criminal law. If there is any sort of mandate to be derived from presidential elections, it is certainly understandable at least in terms of the operation of representative government that the effect of his election should be somehow reflected in the operation of the Department of Justice, which is the agency of the federal government primarily charged with the enforcement of the federal criminal law.

Congress, in enacting the Omnibus Crime and Safe Streets Act of 1968, authorized a procedure whereby the federal government might apply for, and obtain, warrants authorizing the interception of telephone communications. The preceding administration of the Department of Justice had taken no steps to carry out this legislation, because of its expressed view that "wiretapping" was very likely unconstitutional, and also because it felt that wiretapping was not a useful source of evidence for criminal prosecution. Shortly after Attorney General Mitchell came into office, the Department proceeded to carry out the authorization which Congress had given it.

The Attorney General felt that the wiretapping authority, carefully circumscribed as it was and requiring prior judicial approval as it did, was far more apt to be held constitutional by the courts than not. He also concluded, on the basis of a number of factors, not the least important of which was the strong view of a number of career officials in the Department of Justice, that wiretapping was not only a useful tool in obtaining evidence of criminal activity, but that in cases involving organized crime it offered virtually the only probability of bringing to justice the prepetrators of this kind of criminal activity. . . .

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I think it is worth noting at this point that the Department of Justice is basically the law enforcement arm of the Federal Government of the United States. It is not to the Department, but to the courts, that any final decision as to the constitutionality of legislation passed by Congress is confided. If the Department of Justice were to refuse to enforce the legislation of Congress because of doubts as to its constitutionality, the matter would never get to court for decision. If, on the other hand, the Department of Justice, as it did in this case, proceeds on the assumption that it will enforce any law enacted by Congress unless its unconstitutionality is clear beyond a doubt, the question is then placed in a position where it may be ultimately decided by the courts. The Department will proceed under the statutory authority to offer evidence at the trial of a criminal defendant, and the courts will hear argument, just as did the court in the Southern District of Florida, from government lawyers urging the validity of the law, and from the lawyer for the defendant urging its invalidity. The final decision as to constitutionality is therefore made by the Judicial Branch of the Government, after hearing arguments on both sides of the question. I believe this is a far more faithful adherence to our tripartite system of government than for an agency of the Executive Branch, such as the Department of Justice, to take it upon itself to decide that a law enacted by Congress and signed by the President is unconstitutional, and that therefore it will not be enforced.

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Because of an alarming incidence of crimes committed by persons who were released on bail in the District of Columbia, this Administration supported provisions in the recently enacted District of Columbia Crime Bill which would authorize, under carefully limited circumstances, pretrial detention of some defendants without bail.

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. . . The Department of Justice, after careful research, concluded that these provisions of the District of Columbia Crime Bill were entirely consistent with both the Eighth Amendment of the United States Constitution, which forbids excessive bail, and the Fifth Amendment to the Constitution, which guarantees that no person shall be deprived of liberty without due process of law. But, here, as in the case of wiretapping, the ultimate decisions as to the constitutionality of such legislation will rest with the courts, and not with the Department of Justice. Had the Department refused to push for legislation such as this, recommended by several different committees and students of the subject, and reasonably designed to deal with an obvious malfunctioning of the existing system, society might well have been left without an important protection against violent street crime.

In the same District of Columbia Crime Bill, a provision is contained authorizing police officers under some circumstances to enter a dwelling without previously knocking or identifying themselves. To avail himself of this authority, a police officer must have a valid search warrant, and must in addition, if he has reason to know them in advance, present to the magistrate issuing the warrant the reasons why the warrant should permit entry onto the premises to be searched without first knocking. The two principal examples of situations which would authorize such entry are the officer's reasonable fear of his life if he identified himself first, and the probability that evidence being sought—typically gambling or narcotics paraphernalia—would be destroyed between the time identification was announced and the time the premises were voluntarily opened to the search. This provision of law is actually nothing more than a codification of constitutional law, and of practices which were held not to violate the Constitution in a case decided a few years ago by the Supreme Court of the United States.

If these foregoing criticisms of the present Administration's position in the field of criminal justice could be summarized in one sentence, I suspect it would be this: Are you not entirely misdirecting your fight against crime when you concentrate on strengthening the hand of law enforcement authorities as against that of the accused defendant, when the real way to fight crime is to eliminate its root causes, such as bad housing, discrimination, and unemployment. If I could summarize equally shortly the response of the Administration to this criticism it is this: No one denies the paramount importance of getting at the root causes of crime, whatever these may be and however they may be gotten at—a matter upon which many informed individuals agree. But to suggest that this is the *only* problem is to

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entirely overlook the equally important problem of dealing with those who are now committing criminal acts, whatever the reasons for their antisocial behavior. It is of little consolation to a woman who is mugged on the street of a large city to be told that the person who mugged her grew up in an urban ghetto. This is particularly true if, as is so often the case, she herself is a resident of an urban ghetto. It is of little solace to the victims of the countless tentacles which organized crime has attached to our society, whether as a result of commercial trafficking in drugs, control of gambling, or other manifestations of its activities, to be told that the criminal designs of those who have victimized them can be traced to antisocial elements in their early childhood. Just as a desire to fill the jails with lawbreakers out of vindictiveness cannot be allowed to obscure the need for doing our best to get at the "root causes" of crime, so the desire to accomplish the latter cannot be allowed to obscure the necessity for providing as best we can for reasonable safety for our citizens in their streets and homes, and for reduction to the lowest possible level of the inroads of organized crime into our society. We must not only do our best to reduce the disposition to commit criminal acts, in future generations, but we must also strive to curtail—indeed, if you will, "repress"—[criminal acts committed today.][1]

But wait a minute, say the critics. How can we expect conviction and imprisonment of individuals found guilty of criminal activity to deter crime, when we all know that the great majority of our prisons are breeding grounds for crime?

In this area, the position of the present administration of the Department of Justice differs little, if at all, from that of its predecessors. Prisons do breed crime as they are presently operated. Prison reform is long overdue. This Administration has urged, with a good deal more success than its predecessors, that Congress provide the necessary funds for sweeping reforms of the federal prison system, and for substantial grants to state prison systems in order that they may undertake needed modernization and reform.

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The failure to appropriate enough funds to do the best we can with our system of rehabilitation may lie in part with this and preceding Administrations, and with this and preceding Congresses. But it is not entirely fair to fault the Congress, or the taxpayer (whose views Congress often and rightly reflects), for being unwilling to appropriate all of the money necessary to ultimately create an ideal prison system. It is unfortunately true that there are many more worthwhile government activities that might be carried on that can possibly be funded at existing levels of tax support, at least in the case of the Federal Government. This is true even though that portion of the federal budget allocated to defense spending will undoubtedly drop at least to some extent as a result of our disengagement in Vietnam. The case for prison reform must be sold in competition with the case for any number of other worthwhile expenditures of public money, and the best way to sell it is to learn some of the facts and some of the arguments which could make reasonable legislators favor it over a competing claim for expenditure of public money.

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Finally, this Administration has sought and obtained from Congress expanded coverage of federal statutes prohibiting bombings related to federal property and programs, and to the manufacture or use of explosives in connection with interstate commerce. The bombing of a building constitutes the crime of arson under the laws of almost all of our states, and of course the states have concurrent jurisdiction to punish this offense. But the recent rash of bombings throughout the country has produced a familiar response from almost every quarter of our society—let's make it a "federal offense." Federal jurisdiction can be very useful in affording much greater personnel resources in detecting and apprehending persons who have committed acts which are criminal under both state and federal law, particularly where such persons have fled the state in which they committed the offense. To this extent the expansion of federal authority can be a useful adjunct to the states in enforcing their own criminal laws, since frequently a criminal defendant apprehended by the Federal Bureau of Investigation for a federal offense will be turned over to a state for trial of the same offense under applicable state laws.

3. *Testimony, September 14, 1971, before the Subcommittee on Constitutional Rights of the Senate Committee on the Judiciary, 92d Cong., 1st Sess., on S. 895, "To Enforce the Sixth Amendment Right to a Speedy Trial" (unprinted).* (*Excerpts.*)

The Department believes, however, that before it can lend its support to that provision of the [speedy trial] bill, the bill should be revised to include additional provisions directed towards the attainment of the end of prompt dispensation of criminal justice which we all seek.

The members of your Subcommittee would doubtless be the first to agree, Mr. Chairman, that the type of delays in the administration of criminal justice to which your bill is addressed are but a part of the manifold delays which now beset the system.

I would note parenthetically that some of the causes for delay, such as the requirement for indictment by a grand jury, are plainly mandated by the Constitution and cannot be affected at all by legislation.

Other possibilities for cutting down on delays in criminal cases undoubtedly raise constitutional questions, but if found to be meritorious their further study and enactment as statutes should be seriously considered. For more often than not the enactment of such a measure, and its subsequent testing in court, would be the only method for determining its constitutionality. First and foremost of these, I would think, would be an effort by statute to modify all or part of the exclusionary rule which now prevents the use against a criminal defendant of evidence which is found to have been obtained in violation of his constitutional rights. Chief Justice Burger, in a dissenting opinion last term, suggested that an alternative method of enforcing such constitutional rights might persuade the Court that the exclusionary rule was no longer a necessary sanction for the Fourth and Fifth Amendments to the Constitution.

Another proposal worthy of serious consideration is whether in the federal system, non-unanimous jury verdicts—such as by a vote of 10 to 2, or perhaps 9 to 3—may be permitted to dispose of a criminal case, rather than continuing to require unanimity as is done at the present time. The Supreme Court of the United States now has pending before it two state cases the decisions of which may well answer the constitutional question raised by such a procedure. Other causes of trial delay are the result of practices on the part of members of the Bar which are more properly the subject of court rules than of legislative enactment.

Not only the trial phase of criminal adjudication needs revision, but the present extended delays between sentence and disposition of appeals by appellate courts is itself a cause of significant delay which deserves careful study.

The Department of Justice is presently addressing itself to a number of these problems, and may in the near future be in a position to propose to the Congress legislation designed to enact some of them into law.

We are fully aware, however, Mr. Chairman, that it would be both unfair and unworkable for us to suggest that S. 895 should somehow become an omnibus vehicle whereby all or even most of the immediate causes of delay in the system of administration of criminal justice should be addressed. But, we do strongly feel that S. 895 should couple with the sanction of mandatory dismissal imposed on the prosecution additional provisions dealing with reform of present practice under the federal habeas corpus statutes. Abuses and malfunctions in these practices are a contributing cause of delay in the trial stage of criminal justice, and a major cause of interminable delays and uncertainties following the trial of a case.

The Department is firmly convinced that S. 895 would be a thoroughly desirable vehicle for modification of existing practice relating to federal habeas corpus, because even a relatively modest limitation on the present expansive use of that writ would significantly advance the goal which I am sure is envisioned by the sponsors of S. 895; the prompter dispensation of criminal justice. If federal habeas corpus practice were reduced to more manageable proportions, the time now spent by the federal district courts in considering masses of filings by convicted prisoners could be instead devoted to the trial of criminal cases within the mandatory time limit prescribed in S. 895. In addition, a system of criminal justice which insists that defendants be brought to trial within a mandatory time limit of, for example, 60 days, but then permits a convicted defendant to spend the next ten or 20 years litigating the validity of the procedures used in his trial, is a contradiction in terms.

Penologists seem virtually unanimous in their conclusion that speed and certainty of punishment, even more than its severity, are important factors in its efficacy as a deterrent to crime. The Department believes that any serious attack on delays in the administration of criminal justice must be aimed not merely at obtaining speedy trials—though this is an essential element of such a program—but must also be aimed at the broader goal of assuring prompt administration of criminal justice at all levels.

While no one would wish, under the head of "prompt" or "speedy" administration of criminal justice to countenance its dispensation in a slipshod, assembly-line manner, the ends of promptness and finality may be reasonably served without running any such risk. The goal of the system should be the administration of criminal justice in such a manner that the defendant is afforded a fair and prompt trial, that the innocent are acquitted, that the guilty are convicted, and that the process for making this determination is one which begins and ends within reasonable time limits. This is not an overly ambitious goal for a system such as ours. But if that goal is to be achieved, we must couple with any mandatory period for bringing a defendant to trial a substantial modification in present habeas corpus procedure. I use the term "habeas corpus" in its broadest sense to include all remedies under Chapter 153 of Title 28, and also common law writs of collateral attack such as coram nobis. Habeas corpus reform and speedy trial are closely intertwined elements in the search for prompt administration of criminal justice for two reasons.

First, the total lack of finality to any judgment of criminal conviction, so long as the prisoner may conceive some new claim of violation of his constitutional rights which occurred at his trial, is itself an affront to the notion of a system which promptly administers criminal justice. Under present practice, either a state or federal prisoner may relitigate again and again the validity of the procedures used to convict him, so long as he can think of some new constitutional argument which has not been directly disposed of adversely to him in the rulings on his past petitions. Indeed, one petitioner in the federal courts has filed no less than 50 petitions for habeas corpus. Such procedures detract from public confidence in the system of justice, and detract likewise from the possibility of effectively rehabilitating a convicted defendant.

These are not the views of the Department of Justice alone. Justice Harlan, concurring in the recent Supreme Court opinion, observed:

"No one, not criminal defendants, not the judicial system, not society as a whole, is benefited by a judgment providing that a man shall tentatively go to jail today, but tomorrow and every day thereafter his continued incarceration shall be subject to fresh litigation on issues already resolved."

Chief Judge Henry Friendly, of the Court of Appeals for the Second Circuit observed in a recent Law Review article:

"It is difficult to urge public respect for the judgment of criminal courts in one breath and to countenance free reopening of them in the next."

Professor Paul Bator of Harvard Law School has pointed out the impact of this lack of finality upon the rehabilitation process. He observed that the first step in rehabilitating offenders is a "realization by the convict that he is justly subject to sanction, that he stands in need of rehabilitation . . ."

Yet the interpretations placed by the courts upon the federal habeas corpus statute are quite at odds with the views of these jurists and scholars. (Tr. 174–179.)

4. *Speech, "Which Ones Have the White Hats: Conflicting Values in the Administration of Criminal Justice," May 5, 1971 (unprinted).* (*Excerpts.*)

What seems to me a rather extreme example of the application of the exclusionary rule is the case of *United States* v. *Greene,* decided by the Court of Appeals for the District of Columbia Circuit. . . .

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The Court of Appeals held that the identification procedure had violated the defendant's constitutional rights. The result was that Harper's eyewitness evidence of the fact that the defendant had robbed him at gunpoint was not allowed to be considered by the jury, and the jury's judgment of conviction was reversed. I think that a fair number of people—lawyers and non-lawyers alike—may think that however logically this result may flow from certain Supreme Court decisions, there is little to commend it to common sense.

One cannot help but feel, I think, as he goes through these materials, that perhaps an all or nothing solution may not be entirely desirable in these cases. If someone engaged in espionage against the United States for the benefit of a foreign government were to go free because of a technical violation of the law relating to unreasonable searches and seizures, many would feel that the balance had swung too far in favor of the criminal defendant. If, on the other hand, evidence is not only illegally but brutally or offensively seized from a defendant for the purpose of prosecuting the defendant for a minor offense, the vindication of the constitutional right may serve society better than the conviction of the defendant, if that choice must be made. It is interesting to note, in this connection, that the so-called English judges' rules governing police interrogation make it entirely discretionary with the judges whether or not to suppress illegally obtained confessions. The judge considers the gravity of the breach by police officers in deciding whether to admit such evidence. One might wish that the constitutional argument had not been drawn on quite such an either-or basis, particularly when some of the highly technical refinements of the law relating to searches and seizures are considered.

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. . . [U]nder the exclusionary rule, where evidence is excluded because illegality of search, you can see that often critical evidence may be subject to exclusion not because of some flagrant wrongdoing on the part of the law enforcement officials, but because of their erroneous decision of what is obviously a difficult and close question of law. This fact, in my mind, suggests that if we were deciding the question originally, there would be much to say for the English judges' rule, in which the severity of the violation is taken into consideration in deciding whether to exclude the evidence.

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. . . Ultimately, decision is made by the balancing of the need of society for protection against crime against the need of the accused defendant for a fair trial and just result. Both of these values stand so high in the scale of most of us that none would want to say that one should automatically prevail at the expense of the other.

I. CIVIL LIBERTIES AND THE SUPREME COURT

1. *Rehnquist, Who Writes Decisions of the Supreme Court? U.S. News & World Report, December 13, 1957, p. 74.* (*Excerpts.*) *The thesis of this article is that Supreme Court law clerks have little effect upon their Justices in the decision of cases or in the writing of opinions; that the clerks may well affect the Justices, to some extent, in the matter of granting and denying certiorari; that, in their certiorari memoranda, the clerks probably do not consciously slant the cases; but that "unconscious slanting of material by clerks" probably does influence the Court's certiorari work.*

The bias of the clerks, in my opinion is not a random or hit-and-miss bias. From my observations of two sets of Court clerks during the 1951 and 1952 terms, the political and legal prejudices of the clerks were by no means representative of the country as a whole nor of the Court which they served.

After conceding a wide diversity of opinion among the clerks themselves, and further conceding the difficulties and possible inaccuracies inherent in political cataloguing of people, it is nonetheless fair to say that the political cast of the clerks as a group was to the "left" of either the nation or the Court.

Some of the tenets of the "liberal" point of view which commanded the sympathy of a majority of the clerks I knew were: extreme solicitude for the claims of Communists and other criminal defendants, expansion of federal power at the expense of State power, great sympathy toward any government regulation of business—in short, the political philosophy now espoused by the Court under Chief Justice Earl Warren.

There is the possibility of the bias of clerks affecting the Court's certiorari work because of the volume factor described above. I cannot speak for any clerk other than myself in stating as a fact that unconscious bias *did* creep into his work. Looking back, I must admit that I was not guiltless on this score, and I greatly doubt if many of my fellow clerks were much less guiltless than I. And where such bias did have any effect, because of the political outlook of the group of clerks that I knew, its direction would be to the political "left." (*Id.,* at 75.)

2. *Rehnquist, The Bar Admission Cases: A Strange Judicial Aberration, 44 A.B.A.J. 229 (1958).* (*Excerpts.*) The thesis of this article—which begins with the sentence: "Communists, former Communists, and others of like political philosophy scored significant victories during the October, 1956, Term of the Supreme Court of the United States . . ."—is that the *Schware* and *Konigsberg* cases (353 U.S. 232, 252) manifest a marked departure from the ordinary and proper scope of appellate review of fact-finding.

Unless there is some reason why being denied admission to the Bar is a constitutionally more serious deprivation than being imprisoned or suffering a large adverse money judgment, or unless former Communists and suspected Communists are a specially favored class who alone may invoke this new due process, logically the Court has made almost every case a "due process" case.

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. . . The only remaining difference between *Schware* and *Konigsberg,* on the one hand, and a hypothetical litigant who would seek advantage of the rule of their cases, on the other, is that Schware was an admitted ex-Communist and Konigsberg was accused of being a Communist. Conceding that they should be treated no worse than other litigants, is there any reason why they should be treated better? Rationally it is difficult to understand why such persons are entitled to factual review and trial *de novo* in the Supreme Court while the ordinary man in the street is not. Since the result reached here is not ostensibly based on any "civil liberties" claim, even that ground of distinction is lacking.

. . . Just as *Schware* and *Konigsberg* cannot *rationally* be limited to Communists and suspected Communist bar applicants, they cannot *practically* be applied to other classes of cases without making the Supreme Court of the United States an appellate court of general jurisdiction. A decision of any court based on a combination of charity and ideological sympathy at the expense of generally applicable rules of law is regrettable no matter whence it comes. But what could be tolerated as a warm-hearted aberration in the local trial judge becomes nothing less than a constitutional transgression when enunciated by the highest court of the land. (*Id.,* at 231–232.)

3. *Letter to the Editor, published in the Washington Post, February 14, 1970.*

Having read the first two of your proposed three-part editorial on Judge Carswell, and strongly doubting that the concluding part will have an O. Henry type ending, I wish to register my protest on two counts: first, that there are substantial misimpressions created by your editorial, and, second, that your fight against the confirmation of Judge Carswell is being waged under something less than your true colors.

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My criticism of your editorial, however, goes beyond these misimpressions. The Post is apparently dedicated to the notion that a Supreme Court nominee's subscription to a rather detailed catechism of civil rights decisions is the equivalent of subscription to the Nicene Creed for the early Christians—adherence to every word is a prerequisite to confirmation in the one case, just as it was to salvation in the other. Your editorial clearly implies that to the extent the judge falls short of your civil rights standards, he does

[1] The Honolulu Advertiser, October 22, 1971 p. 1, reports that, instead of the bracketed words, Mr. Rehnquist's original prepared text contained the words "the proclivities of the criminally-inclined among the present generation." It is unclear when the change to the text above was made.

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so because of an anti-Negro, anti-civil rights animus, rather than because of a judicial philosophy which consistently applied would reach a conservative result both in civil rights cases and in other areas of the law. I do not believe that this implication is borne out.

Judge Carswell in his testimony before the Judiciary Committee stated that he did not believe the Supreme Court was a "continuing Constitutional Convention."

Such a philosophy necessarily affects a judge's decision in every area of constitutional adjudication. These areas include civil rights, of course. But they also include, for example, cases involving the right of society to punish criminals, the right of legislatures and local governing bodies to deal with obscenity and pornography, and the right of all levels of government to regulate protest demonstrations.

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A reading of Judge Carswell's decisions in the field of criminal law—particularly the notation of his dissent from the denial of a rehearing en banc by the Fifth Circuit of the *Agius* decision (which broadened the *Miranda* rule)—indicates that in this area, too, he is not as willing as some to see read into the Constitution new rights of criminal defendants which they may assert against society. Thus the extent to which his judicial decisions in civil rights cases fail to measure up to the standards of The Post are traceable to an over-all constitutional conservatism, rather than to any animus directed only at civil rights cases or civil rights litigants.

Quite obviously The Post or any other newspaper has a perfect right to urge the Senate not to confirm a judge who has decided cases in the manner in which Judge Carswell has. But in fairness to your reading public, you ought to make it clear that what you are really fighting for is something far broader than just "civil rights"; it is the restoration of the Warren Court's liberal majority after the departure of the Chief Justice and Justice Fortas and the inauguration of President Nixon. In fairness you ought to state all of the consequences that your position logically brings in its train: not merely further expansion of constitutional recognition of civil rights, but further expansion of the constitutional rights of criminal defendants, of pornographers, and of demonstrators. Such a declaration would make up in candor what it lacks in marketability.

J. HUMANITARIANISM

Letter to the Editor, published in the Stanford Daily, August 13, 1948. On August 2, 1948 a letter to the editor appeared in the Stanford Daily over the signature: "A Wounded Student Veteran." This letter decried the University's invitation to a German naval officer and a Finnish artillery officer to visit the campus the following year. "Wounded Student Veteran" recalled that the Axis troops had "massacred our troops whenever they thought they could get away with it"; and he suggested that "if those people come over here they should be taken care of the way we used to take care of their comrades when the war was a little hotter than it is now." "My remarks are admittedly non-Christian, charitable or any other soft-headed pap used to describe people who pet mad dogs."

Subsequent letters to the Daily rebuked "Wounded Student Veteran" for hate-mongering; and on August 6, 1948, the Daily published an editorial noting the "overwhelming prevalence of humanitarian sentiment" in these reply letters. The Daily editorial concluded that hate and prejudice, not the Germans, should be done away with.

The following letter, published August 13, is Mr. Rehnquist's reply to the editorial.

To THE EDITOR: Friday's editorial, "Emotion vs. Reason," strikes me as being singularly devoid of either reason or substance. The Daily hails with its highest approval the great prevalence of humanitarian sentiment in the replies to "Wounded Veteran's" letter, and decries the substitution of emotion for reason as being responsible for many, "faulty attitudes."

The suggestion that some attitudes are faulty, the implication that humanitarianism is desirable, both imply a standard of judgment or morality. However, any such standard must of necessity be based on emotion rather than reason: it is recognized by most moralists that moral standards are incapable of being rationally demonstrated. If we accept humanitarianism as a desirable end, we must realize that the basis of this acceptance is non-rational. Likewise, if "wounded Veteran" finds that his hatred for the recently vanquished enemy outweighs his humanitarian instincts, this also is an emotional, non-rational attitude.

It is logically impossible to weigh the merits of one of these emotions against the other. Thus The Daily errs (1) in assuming that reason can supplant emotion, and (2) in implying that humanitarianism is rationally superior to hatred of the Germans; neither can be proved to be right, and one personal conviction is no better than another.

Too often contributors to The Daily, whether staff or readers, cloak their own emotions in the thin, worthless fabric of a fallacious logic.

Further, the idea that humanitarianism is the road to world understanding is, IN MY OPINION, fallacious. As Clemenceau once said, if men were all brothers the Sermon on the Mount would have been realized some time ago. Perhaps hard-headed calculation of the human realities involved would be better insurance against future strife than "petting mad dogs."

Sincerely,

BILL REHNQUIST.

AN AMERICAN SUCCESS STORY

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. STEELE. Mr. Speaker, on this 53d anniversary of Latvian Independence Day, I would like to pay tribute to one of my most outstanding constituents, Mr. Ludis Upenieks.

Mr. Upenieks is an American citizen who was born near Dalgopils, Latvia, on November 15, 1918. He worked hard putting himself through elementary school in Svente and secondary school in Ilukste, not overlooking any jobs which would supplement his income. As a loyal Latvian, he joined the armed forces of his country when he graduated from school. In 1941, he was appointed secretary of the city and township of Ilukste, an important position in the government service of Latvia.

The upheavals of the Second World War separated Ludis Upenieks from his family and at the war's conclusion he established himself in Esslingen, Germany as a designer of custom made jewelry. His talents found quick recognition, and he had many customers. But, because of the greater opportunities in this country, Mr. Upenieks migrated to the United States in 1950.

When he arrived here he resumed his trade on the west coast. However, because he wished to build and create on a larger scale, he came to the east coast and began to learn the housing construction trade. After a year with a large construction firm in Manchester, Conn., Mr. Upenieks became a subcontractor for the same company. In 1956 he formed partnership with Mr. Ilmar Ruppner and the firm flourished. Since then, the Upenieks and Ruppner Construction Co. has provided hundreds of job opportunities for Latvian Americans in the home construction field.

The success of the Upenieks and Ruppner Construction Co. has meant more than helping his fellow countrymen to find employment. Because of his desire to help his adopted country, Mr. Upenieks had made substantial contributions to scholarships for young Americans of Latvian origin. Because of the generosity of this Latvian American, many young Americans have been able to continue their education and develop their full potential.

Mr. Upenieks is indeed an outstanding example for his community. We can be proud that such men as Mr. Upenieks have come to our shores to lend us their courage and their skill in building America. Ludis Upenieks' career is a true American success story.

FINANCING SCHOOLS

HON. ALAN CRANSTON

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Thursday, November 18, 1971

Mr. CRANSTON. Mr. President, on August 30 the California Supreme Court ruled on the State's system of financing schools, calling it discriminatory and unfair. The opinion is a benchmark for American education.

What the California court actually said, however, has been frequently misunderstood. The current issue of Saturday Review carries a cogent analysis that I feel would be helpful to Senators.

I ask unanimous consent that the article, written by Arthur E. Wise, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Saturday Review, Nov. 20, 1971]

THE CALIFORNIA DOCTRINE

(By Arthur E. Wise)

On August 30, 1971, the Supreme Court of California announced what may become as historic a decision as *Brown vs. Board of Education*. In *Serrano vs. Priest*, the court tentatively concluded that the state's public school financing system denies children equal protection guaranteed under the Fourteenth Amendment, because it produces substantial disparities among school districts in the amount of revenue available for education. The problem to which the case was addressed can be simply stated by an example. The Baldwin Park school district expended only $577.49 to educate each of its pupils in 1968–69, while the Beverly Hills school district, in the same county expended $1,231.72 per pupil. The principal source of this inequity was the difference in local assessed property valuation per child. In Baldwin Park the figure was $3,706 per child, while in Beverly Hills it was $50,885—a ratio of 1 to 13. Furthermore, Baldwin Park citizens paid a school tax of $5.48 per $100 of assessed valuation, while Beverly Hills residents paid only $2.38 per $100—a ratio of more than 2 to 1.

The idea that the unequal allocation of educational resources within a state might be unconstitutional was first suggested only during the mid-1960s. It was not that the allocation of educational resources among school districts within a state suddenly became unequal in the mid-1960's, nor were the inequities suddenly discovered. Rather, the inequities in school finance were, for the first time, viewed in the light of the then prevailing egalitarian thrust of the U.S. Supreme Court.

The Court, under Chief Justice Earl Warren, had been embarked on a campaign of guaranteeing fundamental rights to dispossessed minorities and had precipitated broad social change. In 1954, the Supreme Court declared that, at least as far as race is concerned, public education is a right that must be made available equally. Beginning in 1956, the Court began to attack discrimination based on wealth in a series of cases concerned with rights of defendants in criminal cases. In 1962, the Court moved to eliminate geographic discrimination by requiring legislative reapportionment. By 1966, the wealth discrimination argument had been extended to voting rights in a case that eliminated the poll tax.

In the context of this historic trend, a Constitutional attack on inequities in educational finance seemed eminently feasible. Many parallels among the rights at stake were possible. More important, perhaps, was the fact that the Warren Court had demonstrated a willingness to guarantee individual rights when legislatures failed to act. State legislatures had been struggling with miserly state school finance equalization formulas for at least as long as they had failed to reapportion themselves.

The California equalization suit was not the first such suit to be prosecuted. Earlier there had been unsuccessful efforts in Illinois and Virginia to challenge the Constitutionality of school finance legislation. The California court took pains to distinguish between the case before it and the earlier ones. The earlier complaints had contended that "only a financing system which apportions public funds according to the educational needs of the students satisfied the Fourteenth Amendment." The lower courts had found the notion of "educational needs" too nebulous a concept with which to deal, and the U.S. Supreme Court had affirmed their decisions that held that the equal protection clause did not apply to school financing. However, the U.S. Supreme Court was obliged to render a judgment when these cases were appealed to it from the lower courts because of a technicality. According to the California court, the U.S. Supreme Court's affirmance of these decisions was substantially the equivalent of a decision not to become involved in the issue at that time. Furthermore, the California court thought that its case was different in that it involved the simpler principle of discrimination on the basis of wealth. It should be pointed out, however, that the earlier cases had perhaps erred because they contained a remedy in the complaint. The California complaint attempted to have the present system of finance declared unconstitutional.

There were three steps in the reasoning of the California court as it reached its decision. First, it noted that "the U.S. Supreme Court has demonstrated a marked antipathy toward legislative classifications which discriminate on the basis of certain 'suspect' personal characteristics. One factor which has repeatedly come under the close scrutiny of the High Court is wealth." The California court reviewed precedents in which the High Court had invalidated wealth classifications that infringed on the rights of defendants in criminal and voting rights cases. It appeared to the court that California's school financing system does discriminate on the basis of the wealth of a district and its residents.

While the court had substantial judicial precedent for finding wealth a suspect classification, it did not have judicial precedent for finding education a "fundamental interest." Such a finding was an important second step for the theory that the court was attempting to develop. The court relied upon a number of decisions that "while not legally controlling" are "persuasive in the factual description of the significance of learning." The classic expression of this position came in *Brown* vs. *Board of Education:*

Today, education is perhaps the most important function of state and local governments. Compulsory school attendance laws and the great exepnditures for education both demonstrate our recognition of the importance of education to our democratic society. It is required in the performance of our most basic public responsibilities, even service in the armed forces. It is the very foundation of good citizenship. Today it is a principal instrument in awakening the child to cultural values, in preparing him for later professional training, and in helping him to adjust normally to his environment. In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity, where the state has undertaken to provide it, is a right which must be made available to all on equal terms.

These cases, together with the court's own analysis of the importance of education, compelled it to treat education as a "fundamental interest." "Education," the court stated, "is the lifeline of both the individual and society."

The final step was a determination of whether the California school financing scheme, as presently structured, constituted a "compelling state interest." Finding that education is a "fundamental interest" and that the present method of school financing interferes with no "compelling state interest," the court declared:

The California public school financing system, as presented to us by plaintiffs' complaint supplemented by matters judicially noticed, since it deals intimately with education, obviously touches upon a fundamental interest. For the reasons we have explained in detail, this system conditions the full entitlement to such interest on wealth, classifies its recipients on the basis of their collective affluence and makes the quality of a child's education depend upon the resources of his school district and ultimately upon the pocketbook of his parents. We find that such financing system as presently constituted is not necessary to the attainment of any compelling state interest. Since it does not withstand the requisite "strict scrutiny," it denies to the plaintiffs and others similarly situated the equal protection of the laws.

To this point the court was supporting the proposition that the quality of public education may not be a function of wealth other than the wealth of the state as a whole. [See *SR*, April 17, 1971, p. 76.] This proposition would permit educational quality to vary from school district to school district so long as each district had an equal capacity to raise funds for education. Thus, for example, a community that chose to tax itself at the rate of 1 per cent might have available $400 per student, irrespective of the wealth of that community. A community that chose to tax itself at the rate of 2 per cent might have available $800 per student, again irrespective of the wealth of that community. The state in this scheme commits itself to the specified level of expenditure per student regardless of what it raises by the local tax. The state gives aid in exactly the amount that local resources are insufficient to reach the specified expenditure. This scheme, known as "district power equalizing," is apparently, however, inconsistent with the principle of territorial uniformity.

The court took some pains to argue that territorial uniformity in school finance is constitutionally required. "Where fundamental rights or suspect classifications are at stake," said the court, "a state's general freedom to discriminate on a geographical basis will be significantly curtailed by the equal protection clause." In support of this interpretation, the court first relied upon the school closing cases in which the U.S. Supreme Court invalidated efforts to shut schools in one part of a state while schools in other areas continued to operate. Secondly, the court relied upon the reapportionment cases in which the U.S. Supreme Court held that accidents of geography and arbitrary boundary lines of local government can afford no ground for discrimination among a state's citizens. "If a voter's address may not determine the weight to which his ballot is entitled, surely it should not determine the quality of his child's education."

This analysis is consistent with the more egalitarian proposition that the quality of a child's education may not be a function of local wealth or of how highly his neighbors value education. In other words, it would prohibit variations in the number of dollars spent on any child by virtue of his place of residence. It would apparently permit variations based on educationally relevant characteristics of the child. One point that remains unclear in the opinion is whether the equal protection clause applies to children or to school districts. If it is children who are entitled to equal protection, then the quality of a child's education could not be subject to a vote of his neighbors.

It should be clear that the California court simply declared the present system of school finance unconstitutional. It (fortunately) did not prescribe solutions, but apparently left these to be developed by the California legislature. However, because the opinion is somewhat hazy, it is unclear what new plans will be acceptable to the courts. The next steps are in the hands of the defendants and the trial court to which the case was remanded.

(On October 21, the California Supreme Court issued a clarification of its earlier ruling, pointing out that it had not yet actually struck down the school finance system, but had merely ordered the case returned to the trial court. Apparently, however, the trial court, if it determines that the facts are as alleged, must find the system unconstitutional.)

In the weeks since the California equalization decision was announced, perhaps as many as twenty or thirty challenges to school finance legislation have been made throughout the nation. In the first of these to be decided, a federal district court in Minnesota has ruled, on grounds similar to those in the California case, that Minnesota's school financing system is unconstitutional. The court retained jurisdiction of the case but deferred further action until after the current Minnesota legislative session.

One of the most important outcomes of these lawsuits is their effect upon legislative bodies. To be sure, the California and Minnesota decisions explicitly call for responses from the state legislatures. However, the years since the legal theories were developed have seen an unprecedented level of school finance activity on the part of political bodies. While other factors have un-

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doubtedly played a part, the threat of impending lawsuits may have served as an impetus to action in an area that has been characterized by legislative intransigence.

The concept of "full state funding" has entered the vocabulary of education. President Nixon has appointed a Commission on School Finance and is reported to be "deeply conscious of the inequities and the inadequacies of the property tax as the principal source of support at the local level for the cost of education." The Advisory Commission on Intergovernmental Relations has recommended that the states assume "substantially all" of the responsibility for financing local schools in order to grant property tax relief and ensure equal educational opportunity. Governor William Milliken of Michigan has been endeavoring to achieve broad reform in educational finance in that state for the last two years. Reportedly, the Fleischmann Commission in New York State will recommend, before the end of the year, full state assumption of the costs of education, imposition of a statewide property tax, stabilization of spending in wealthy school districts, and ultimately greater spending in districts with poor, disadvantaged youth.

It is quite conceivable that *Serrano*, or a similar case, will be appealed to the U.S. Supreme Court in the near future. If it should refuse to review the decision, the effect would be to leave the judgment standing in California. The California legislature, under the supervision of the trial court, would have to develop a new school finance system, and the pace of filing suits in other states might be quickened. The California Supreme Court, a prestigious state court, would have established a precedent that, though certainly not binding on other courts, would carry some weight. One would expect decisions on both sides of the question. At that point, the U.S. Supreme Court would probably feel compelled to hear a case in order to establish a single interpretation of the equal protection clause in this area. By that time one or more states would have grappled with the implementation of a *Serrano*-type decision and have demonstrated whether or not school finance systems can be operated along lines consistent with *Serrano*.

On the other hand, it is possible that the U.S. Supreme Court would agree to hear an appeal on a *Serrano*-type decision immediately. The Court may be anxious to dispose of this potentially troublesome affair. Indeed, under certain circumstances, the Supreme Court is obliged to accept an appeal and render a judgment. Under present circumstances most observers would not predict that the decision would be upheld, and a negative judgment would spell the end of judicially induced school finance reform for some time. For this reason many legal experts believe that an appeal to the U.S. Supreme Court should be postponed for as long as possible.

The next months, indeed years, will be a time of substantial confusion in the history of American public school finance. A principal outcome of *Serrano* will be to free legislatures from the strictures of the past to experiment with new models of school finance. Efforts at reform will be aided by a growing discontent with the local property tax.

In sum, *Serrano*-type lawsuits are designed to attack our school finance systems that effectively deliver more educational resources to children in wealthy communities and less to children in poor communities. The suits have as their objective squaring the reality of school finance schemes with the rhetoric of equality of educational opportunity.

CONGRESSMAN STRATTON SETS NEW YORK TIMES STRAIGHT ON MONDAY HOLIDAYS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. McCLORY. Mr. Speaker, with the recent celebration of Veterans Day as one of the four Monday holidays established under H.R. 15951 of the 90th Congress, there were scattered repercussions including a sarcastic New York Times editorial typically belittling the U.S. Congress.

Mr. Speaker, I recall the long efforts of my colleague from New York (Mr. STRATTON) to secure passage of Monday holiday legislation and his cosponsorship of the measure which I sponsored in the 90th Congress, and which was signed into law on June 28, 1968. Accordingly, I was especially pleased to note that Congressman STRATTON replied appropriately to the New York Times editorial.

Mr. Speaker, in addition to reproducing both the editorial and Mr. STRATTON'S subsequent letter to the editor, I should point out the error in the editorial which indicates that Memorial Day has been designated as the fourth Monday in May. Under the measure passed by the Congress in 1968, Memorial Day is celebrated on the last Monday in May, which is frequently the fifth Monday in May as it was this year and as it will be again in 1972.

Mr. Speaker, the New York Times editorial and Mr. STRATTON'S response are as follows:

[From the New York Times, Oct. 26, 1971]

HOLIDAY

The Stock Exchange was open, but the banks were closed. Public schools were closed and so was the public library. Most stores were open. In short, it was Veterans Day, another of those semi-demi-holidays which commemorate no specific event in history and which nobody quite knows what to do with.

This is the first year in which the nation has observed the new schedule of holidays enacted by Congress. At one time we endorsed the proposal, but we have long since concluded that it was not a very good idea. In order to create four new three-day weekends, the observance of George Washington's birthday was moved to the third Monday in February, Memorial Day to the fourth Monday in May, Columbus Day was made a holiday and established as the second Monday in October, while Armistice Day, renamed Veterans Day, was moved from Nov. 11 to the fourth Monday in October. The model for this rearrangement was Labor Day, previously the only holiday which always falls on a Monday.

A successful holiday can only develop out of the emotions of large numbers of people. That is true of the four genuine holidays—Christmas, a religious feast; New Year's, a symbolic turning point; the Fourth of July, the nation's birthday, and Thanksgiving, a harvest festival, which has become the nation's secular feast day.

Other significant events and communal memories can be recalled more suitably than by shutting down or half-shutting down public and private business. Would it not be a much more moving tribute to the nation's war dead if, as is done in Britain, work and traffic ceased for two minutes of silence? The memory of George Washington and Christopher Columbus can best be perpetuated by dedicating their natal day to teaching school children about their ideals and accomplishments. For that educational purpose an exact date like Feb. 22 or Oct. 12 is much preferable to an arbitrary Monday.

Congress can pass a law but only the people can make a holiday. We doubt that the people will take to their hearts the holidays which Congress has manufactured.

OCTOBER 29, 1971.

LETTERS-TO-THE-EDITOR,
New York Times,
New York, N.Y.

EDITOR, NEW YORK TIMES: As the original author of legislation finally enacted in 1968 putting four national holidays on a Monday, I am sorry to see the New York Times changing its mind of the desirability of this shift (editorial, Oct. 26, 1971), especially for what are flimsy reasons.

We have now experienced all four of these new holidays in 1971. Besides that July 4th fell on a Monday and so was also celebrated as a 3-day holiday weekend. Somehow the Republic survived; and my own impression, though I cannot document it, is that the change has generally provide popular.

Your lament stems from what you regard as a somewhat lackluster celebration of Veterans Day last Monday, "another of those semi-demi-holidays," as you put it, "which commemorate no specific event in history and which nobody quite knows what to do with."

But your disenchantment resulted, I daresay, from the atrocious weather we had over that particular weekend. Actually, as a national holiday Veterans Day has never been fully observed as Memorial Day or the Fourth of July. Stores have remained open, just as they do regularly on Washington's Birthday. The shift to Monday has not yet altered that pattern. But despite the fact that Veterans Day did not fall this year on November 11, Birmingham, Alabama, where the sun shone brightly last Monday, put on as I understand it one of the greatest tributes to our veterans ever held in that city's history.

I believe our experience this year shows that, contrary to your estimate, the American people did take both Washington's Birthday and Memorial Day "to their hearts" as Monday holidays, and in addition warmly welcomed the opportunity to celebrate Columbus Day for the first time as an official national holiday, the only new holiday, incidentally, which you say "Congress has manufactured."

SAMUEL S. STRATTON,
Member of Congress.

PITFALLS IN ARMS TALKS

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, November 18, 1971

Mr. THURMOND. Mr. President, the complexities and pitfalls inherent in the strategic arms limitation talks are well defined in a column by John Chamberlain, published in the November 13, 1971, issue of the Augusta, Ga., Chronicle.

All of us would like to see a decline in the arms race, but it would be foolish to reach any agreement with the Soviet Union without necessary safeguards to assure compliance.

I ask unanimous consent that the article be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PITFALLS IN ARMS TALKS

OFFUTT AIR FORCE BASE, NEB.—Our military deterrent strategy is summed up here at Strategic Air Command headquarters in the one little word "Triad." Triad means that we count on the overlapping power of the ICBM (the intercontinental ballistic missile), the Polaris-Poseidon nuclear submarine and the supersonic manned bomber to deter the Soviets or the Red Chinese from ever trying to demolish the U.S. with a nuclear "first strike."

Surely, so any common-sense reasoning runs, no enemy could hope to paralyze all three arms of the Triad simultaneously. At least one element of our three-pronged deterrent would remain operative to strike back under present circumstances. Triad also serves as a hedge against a technological breakthrough that would render any one of the deterrents obsolete.

So, provided the unilateral disarmament fanatics don't elect Senator McGovern President and take over the country, the U.S. will retain some sort of impressive retaliatory power for the foreseeable future. But the Russians have a Triad, too. In the intricate game of diplomacy, with military credibility needed to back up what otherwise might be interpreted as bluff, the "comparatives" of the two sets of Triads are extremely important.

The Strategic Arms Limitation Talks (SALT) now going on between the Soviets and the U.S. have the worthy aim of keeping the astronomical Triad costs down on both sides. The Strategic Air Command does not comment on diplomatic matters, but it is easy to see that the U.S. Air Force Commander-in-Chief, Gen. Bruce Holloway, watches the SALT proceedings with a wary eye. He is not against saving money, though he is worried about something else. In a long interview I gathered that he was concerned about the semantic traps the Soviets could be laying for us in arms limitation negotiations. By a failure to see the side effects of a verbal agreement on any one item of arms cutback, the comparative deterrent strength of our own Triad could be vastly diminished.

For example, if there were a mutual cutback in strategic manned bomber programs, the trade-off might seem even without being even at all. With a steadily diminishing number of overseas bases, the U.S. does not go in heavily for the medium bomber; it is the long-range B–52 that has had to be employed to do our saturation work in Vietnam. The Soviets, on the other hand, are chock-a-block with medium-range bombers, with their Blinder and Badger models adding up to a total of 700 in all. Theoretically, these planes are no menace to the continental U.S.; the Soviets say they are for protection against war in Europe or in Asia.

General Holloway, however, begs to differ with this analysis. It is obvious, so the Strategic Air Command thinks, that medium bombers can be refueled from tanker planes en route to distant targets, and the Russian medium bomber force, if deployed from northern USSR staging bases, could easily reach vital objectives in the U.S. Morever, they would not have to return directly to Russia; there is always that haven in Castro's Cuba, which has been correctly described as an unsinkable aircraft carrier. If there is to be any agreement on comparative strategic air forces, the 700 Soviet "mediums" should be fed into the computer as something more than a bomber meant for European distances only.

Another item of arms limitation contention is the anti-ballistic missile. The Soviets, with their Moscow system missile interceptor, the so-called Galosh, are far ahead of us in this, and by the mid 1970s they could have as many as 2,000 ABM launchers. We would count it a diplomatic feather if we could trade our puny ABM efforts out for a curtailment of the Soviet ABM. But here, again, a warning is in order: the Soviets have something listed as an anti-aircraft missile, the SA–5, that might, if teamed up with a sophisticated tracking system, serve as a capable interceptor of ballistic missiles. Any agreement on mutual limitation of the ABM should include the SA–5.

Finally, there is the money spent on military research and development. The Soviets are currently spending $3,000,000,000 more a year on this than we do. When nations agree to limit the production of old weapons, there is always a shift to the development of new and untried substitutes or improvements. A seemingly safe SALT agreement on nuclear arms might merely touch off a race to lasers, or something even more fearsome. In which case, the power with the most extensive "R and D" would be in a position to dominate the future.

No doubt our SALT negotiators are aware of semantic traps. But the political urge to reach an agreement just to win an election could blur the issues, and a slip in the understanding of side-effects at SALT might easily spell our doom.

WHAT IS REALLY HAPPENING IN VIETNAM?

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. LANDGREBE. Mr. Speaker, recently I received a letter from a close friend and constituent, Lt. Col. Lewis Casbon of Valparaiso, Ind., who is now serving his third tour of duty in South Vietnam with the U.S. Air Force.

His letter is an indictment of those self-anointed pundits in the news media who seem to have a vested interest in an American disaster in that war. As long as things went badly, the war in Vietnam was big news. Now that things are turning around under the inspired leadership of President Nixon, the media is strangely silent—except when it can take an isolated incident out of context and make it look like more failure.

Mr. Speaker, I insert Col. Casbon's letter at this point in the RECORD, so that the House and the American people can have a chance to find out what's really going on in Vietnam, for a change.

The letter follows:

LETTER BY LT. COL. LEWIS CASBON

DEAR EARL: Eight months have slipped by since I arrived here and it seems like only yesterday. Time has really moved along, so much so that it has been a long time since I prepared a mass communique to friends. Much has gone by the wayside and I will attempt to put some of it on paper to offer a few thoughts on Vietnam among other things. I returned from home and my 14-day leave less than three weeks ago and needless to say that was a delightful time.

As of this minute I plan to retire right after the first of the year. I do not have a specific job in line but am confident there will be no problem, in spite of the gloomy job market. I have some good leads and am anxious to vigorously pursue a civilian career in the near future. The work here is interesting and I will never regret a minute of the tour, but now that the decision has been made I am eager to make the break before any more years slip by. I will never for a minute regret my military career, as it has been good to the family and me.

A few words on Vietnam and my pet peeve, the Media, are in order at this point. I would like to offer a few opinionated impressions. I believe it most appropriate to touch that off by setting the record straight on the GIs who allegedly wouldn't go on patrol at fire base PACE a couple of weeks ago. I have a friend who is a senior advisor in the area and was very close to the whole thing, so I feel confident my views are accurate. A French reporter made his way to the fire base and engaged himself in conversation with a group of soldiers and during the course of the conversation he asked them if they would be willing to go on a patrol from there. One of them responded with a negative. The conversation was subsequently relayed to the American press, and as a result there was great propaganda headlined by: "GIs refuse to go on patrol." At that time no real thought had been given to sending them on patrol and they had not been so directed by their superiors. It was almost as bad the next day when U.S. forces cancelled a patrol because it would have been an exact duplicate of a patrol conducted by the Vietnamese. As most of you probably remember, it was built into a great story and as near as I am able to determine it was a total distortion of the facts.

There has been far less war coverage lately and in addition to the fact that people are sick of hearing about it, I attribute it to the fact that the VC are being mauled quite badly in most areas. There are a number of different types of operations taking place which are for the most part mopping-up operations. These include a large number of areas being cleaned out that have never before been touched by the South Vitnamese. These are not classified and do appear in the local media, but does it not seem strange that the media which has such great access to everything is not able to report these operations? Vietnamization, which you may hear of as a failure, is highly successful and nearly completed. The Vietnamese forces of all services are making a favorable showing and gaining in confidence with each day that passes. Incidentally, the previous Laos incursion by the South Vietnamese, which I had previously written about, is now paying significant dividends. There are problems and a lack of security in the Northern areas, which in some cases is greater than in past months. I believe this to be partially caused by the vast amount of transitioning that has taken place from U.S. forces to Vietnamese.

The one-man election of recent weeks gave the media much to rave about and they did take advantage of it. Neither Ky nor Minh had a chance of winning, but it is too bad that both were more concerned with saving face than with feeding the left-wing propaganda mill by pulling out of the race. It is my observation that the population here has as much individual freedom as many people throughout the free world countries, including our own. There is good support here for the current government, although it would be misleading to say it is unanimous. There are many whom I have talked with that favor a government which would take a more dominant stand—dictatorial even—to reduce crime and corruption. One last example of the media. It seemed to be common belief because of the media that between 40–60% of the troops here were on some type of hard drugs. That issue died in a hurry after the urine testing started and the actual count went down to about 3.5%. That is high and alarming but certainly well below 50%. The

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testing apparently has psychological effect and scared a lot of the would-be experimenters that may otherwise become hooked.

From an overall standpoint, great progress is being made here but I believe it is time that we leave. I firmly believe that we could pull out now and the South Vietnamese would have no trouble making it on their own. However, it would be less costly in the long run if we were to leave technical and middle management advisors, as the South Vietnamese are inexperienced in those areas. The very sad issue of POWs is one which no doubt has a bearing on whatever efforts are being made for a U.S. pullout.

I am anxious to hear from friends, and any mail will be greatly appreciated. We have no idea at this minute where employment will take us after retirement, but wherever it is we will be happy. There are very few places in our great United States where we would not be satisfied. While here I have been able to get out of the office and fly a few times and collect a few good pictures and other souvenirs.

My best to you,

LEW.

A NEW LIFE FOR THE RETARDED

HON. J. GLENN BEALL, JR.

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, November 18, 1971

Mr. BEALL. Mr. President, I have previously in this Chamber expressed admiration to those who give themselves in service to their fellow human beings. Whether it is a local group of citizens conducting a cleanup campaign or a cancer fund drive, or helping people who are less fortunate, their dedication I hold in the greatest esteem.

It is with this thought in mind that I would like to bring to the attention of my colleagues the activities of a new action center for retarded young adults that opened on October 4 at the United Methodist Church in Lisbon, Md., under the direction of John Everett.

Mr. President, of all the disadvantaged groups, one of the most tragic are those who are born retarded, who cannot without proper training perform even the simplest functions.

I ask unanimous consent to have printed in the RECORD an article which appeared in the November 11 issue of the Ellicott City Times depicting the work that the action center has been engaged in since its opening to aid these disadvantaged young adults to lead a brighter and more productive life.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A NEW LIFE FOR THE RETARDED

(By Rena Rosenson)

The conception of the plight of the retarded—the picture of lonely, completely dependent people spending their lives in institutions or hidden away by their families—is not acceptable to John Everett, director of the new Activities Center for retarded young adults which opened October 4 in Lisbon's United Methodist Church.

Although he realizes that every retarded person cannot be trained to live as his normal brothers do, Mr. Everett sees the Activities Center as a step in the process of training its 11 enrollees to be as self-sufficient as possible.

"I see the Center as a mid-point between the day care center, which is geared to mentally retarded children," he said, "and the Sheltered Workshop, which prepares mentally retarded adults for future employment."

Mr. Everett and the Center's training assistant, Ruth Walls, instruct the group in everything from grooming and social skills to cooking and gardening. And though the group has been together only a month, they take an active interest in each other's progress and success.

The Center, established by the Howard County Association for Retarded Children and funded by the state and the county, has facilities for cooking, sewing gardening recreation and arts and crafts.

Working in these areas, the retardates learn to cook simple meals and make clothes for themselves, as well as occasionally making money for their efforts.

For example, the Center has a contract with the day care center to bake cookies for a small fee in return. And last week, the group was busy making baked goods for a bake sale Saturday.

A pansy field at the back of the Center has helped them to learn the methods of gardening and will provide a small income when they are big enough to be sold.

In arts and crafts, the group has been working with plastic to make numbers and letters for mailboxes and has made Christmas wreaths out of Baggies.

Additionally, Wilhide's Flowers has contracted the Center to help put the finishing touches on the envelopes which are attached to deliveries.

The members of the group take great pride in the work they do. Most of them have been able to feel a sense of accomplishment they have never experienced before.

Mr. Everett helps them in any way he can, but he says the program is designed so he will have to do as little as possible—"because self-sufficiency is the goal."

"A lot of these people have been pampered at home and are reluctant to do things for themselves," he said. "But most of them are doing very well."

Recreation is completely geared to adults. Shuffleboard, baseball and basketball are some of the group's favorite activities, but Mr. Everett steers them away from playing "catch" and most children's games.

Mr. Everett admits that the Center does not concentrate very much on academics.

"If a person still can't read by the time he is 29 and can't tie his shoes, I'd rather teach him how to tie his shoes," he said. "That kind of thing helps him to be able to take care of himself."

He explained that his purpose is to prepare these people to be able to take care of themselves. His goal: to equip them with personal and social skills which will enable them to enter the Workshop and eventually get a job.

He and Mrs. Walls instruct the group in grooming, health, social skills and domestic activities such as cleaning, table setting and making beds.

The Center has provided combs, brushes and a hair dryer and instruction in how and why to use them. Bottles of Listerine mouth wash were added to the lessons last week, and each member of the group tried it.

"Well, it didn't taste very good," one man said. "I don't think I'll use it again—but I know what it's for!"

For exercise in cleaning Mr. Everett insists that the group clean the Center each day before catching the bus home. He meets very little resistance to his requests, however, and the whole group pitches in to clean house.

When the Center is clean and all work is done, the group gathers around the record player, dancing, singing, playing cards or just watching what the others are doing. They obviously like the opportunity to socialize together.

The Center is working on a budget of $23,910 this year. The county foots a fourth of the bill and the state pays for the rest, except for a few thousand dollars contributed by the Association for Retarded Children.

The Center has received very few contributions so far, but the ones they have received have been quite valuable.

The sewing machine was given to the Center, as well as ends of material with which the group learned to sew. Last week, each one had completed an apron, made to fit his size and style.

The Coke machine in the Center has proved to be an enormous help to Mr. Everett and to the group. With it Mr. Everett taught them the difference between a dime and a quarter and eventually was able to send them to the corner store.

Now, most of them are able to go to the supermarket and come back with the things they were sent for as well as the proper change.

In the future, Mr. Everett sees some expansion, although the limited facilities restrict it.

He said, too, that he is hoping to get into weekend programming so the group will be provided with some social activity.

"We want to teach them how to howl and how to go to the movies," he said. "It is difficult to do with such a large group, but we will do it."

The group seems to love Mrs. Walls and Mr. Everett, and enjoy doing the things they are learning. But Mr. Everett admits that everyone cannot learn all of the things.

Some of the members of the group have a hard time with the sewing machine, some have problems with coordination and some have a hard time just sitting still to listen to a lesson.

But Mr. Everett strongly feels that an institution is not the place for a retardate, except perhaps for the severelly retarded.

"When parents can't support the child anymore, the only alternatives for the child are living with a relative or an institution," he said. "Here they can pick up the skills which can make them more acceptable to a relative."

But Mr. Everett isn't willing to settle for that either. He would like to see these people living in groups of about 15 with a resident couple for supervision.

He sees the homes as being scattered around cities, with the residents working or attending the Workshop in the daytime and returning home at night.

"In a small group home you can set a standard of behavior and you get them to accept it," he said. "Institutions seem to come down to their level rather than helping them to improve."

In the group home the residents would put to use the skills they learn in the Activities Center.

Mr. Everett noted that the group home idea has been brought up in Baltimore City, but the residents of the city objected to having the retardates in their neighborhoods.

"If it is defeated in Baltimore, I'm afraid it will set a precedent for the whole state," he said. "But I think it would work, and it certainly would be better than the big institutions with the signs all around announcing its presence."

"The best we could do," he added, "would be to train them to live by themselves and to be happily married. But we haven't reached that point yet and we have to take it one step at a time."

LATVIAN INDEPENDENCE DAY IS A REMINDER THAT BALTIC NATIONS ARE STILL ILLEGALLY ENSLAVED BY SOVIET RUSSIA

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. RARICK. Mr. Speaker, today marks the anniversary of the independence of Latvia. I insert in the RECORD at this point a press release issued on this occasion by the Latvian Association of the United States and Canada:

LATVIAN INDEPENDENCE

THE LATVIAN NATIONAL ANTHEM

God, bless free Latvian Land,
Guard well my Fatherland,
Thus pray my heart and mind:
God, save Latvia:

Let there sound free my voice,
Daughters and sons rejoice!
Let there be a happy choice!
God, bless Latvia!

We are still too close to the events to get a true perspective, but it may be confidently asserted that when the full story comes to be told, the epic of the Latvian struggle for independence will rank high among the world's record of such performance. Without an épopée, said Gothe, can never become of much worth, but in their quest of freedom the Latvian peoples have contributed much to the "Mosaic of America", and proved their worth. Therefore: it is the duty of those of us who are living in freedom to remind the world what we are, what we are going to be, why we have existed and why we are going to continue to exist.

The economic development in *independent* Latvia will show to those who have doubted and still doubt that, in spite of a comparatively small political unit for economic opportunity, Latvia could exist without the help, as the political exploitation was called, of her powerful neighbors. At the end of World War Two, approximately 100,000 persons emigrated from Latvia and later were dispersed throughout the free world. Today, statistics show that, through three generations, many hundreds of this number are true scholars of higher learning in the humanities, as well as technical sciences and other departments.

The numerical majority are of the younger generation, those who attained their success in emigration and this shows the strength of vital creativity in the people even during difficult times. Therefore, to reiterate the contributions of the Latvian peoples and there great endeavors to fit into the pattern of the "Mosaic of America", and bringing their hopes of freedom to this great country, their ethnic heritage and cultures, arts, science, history and knowledge which has contributed much to this great country of America.

The legal existence of Latvia still continues despite the military occupation, of the U.S.S.R. The Soviet administration occupying Latvia lacks any legal basis, and in accordance with recognized principles of international law, should be regarded only as a temporary military occupation. The major powers, including the United States, have refused to recognize the incorporation of the Latvian State into the U.S.S.R. as claimed by the latter.

In accordance with the principles of international law, a military occupation cannot terminate the legal existence of a state. Unable to plead their own cause, we urge the President of the United States to bring the forces of world opinion at the U.N. and other international forums to bear on behalf of the restoration of the independence of Latvia. All men are by nature free and independent, and have certain inherent and inalienable rights—among these are life, liberty and the pursuit of happiness. Lest we forget: we are thankful for primacy, sanctity and prayer. As an American, we must be thankful for many more blessings—the list is long.

It is appropriate on this occasion to recall some not so ancient history. Just over 31 years ago, to be precise between June 16 and 18, 1940, Russia invaded the Baltic States of Estonia, Latvia, and Lithuania and brought these free countries into the Soviet slave camp. The freedom-loving people of the Baltic nations were subjected to inhumane and barbarous treatment at the hands of the Communist leaders of imperialistic Russia. The Soviet occupation of the Baltic countries is contrary to accepted principles of international law.

An excellent historical account about Latvia under Soviet rule was written over 6 years ago by Melvin Munn of Life Line. Since history once made is not subject to change, I insert Mr. Munn's article in the RECORD at this point.

CAPTIVE NATIONS, 25 YEARS LATER

AUGUST 12, 1965.

It was 25 years ago this summer that the Russian hordes swept into Estonia, Latvia and Lithuania and "liberated" them into slavery, communist-style. The invasion came between June 16 and 18, 1940, and in August of that same year the three Baltic states were formally annexed as part of the Union of Socialist Soviet Republics.

There is no more commanding or compelling reason for the people of the United States to remain alert and vigilant than is found in the study of past communist deception and genocide against entire nations. Freedom and faith form our Life Line, and no patriot need ever apologize for counseling that this nation under God protect and defend itself against communism's avowed determination of long standing. That is, to capture and enslave our people just as they have enslaved half of Europe and most of Asia.

The methods used by communism to enslave or pillage or kill a nation, and to maintain control after the fact, are unbelievably ruthless and scientifically elaborate. Their systems of destroying noncommunist political forces and installing their cruel inhuman one-party program are diabolically successful.

In the three valiant but tiny Baltic nations, a love of Freedom and dignity was deeply ingrained. When the Red Armies marched into Latvia, Estonia, and Lithuania in that summer of 1940, Russia assumed total control while giving the people every assurance that free elections would be held. Elections *were* held, but with only one ticket. Attempts to enter opposition candidates for government posts were met by simply jailing or killing the leaders of the opposition. Though less than one percent of the population of the three enslaved states were members of the Communisty Party, Soviet News Agency Tass announced, 12 hours before the polls closed, that the communist slate had been elected by a vote of 98 percent of those old enough to vote. Naturally, no one ever had a chance to see the ballots except the commissars in charge.

Ironically, the USSR constitution then and now provides that nations joining the union will do so voluntarily, and may secede at will. That ghastly joke is stark and mocking when you read the list of nations swallowed up by the comunists, none of whom joined voluntarily, and most of whom fought overwhelming odds. In the end, they were simply absorbed.

Just one year after communist occupation of the three Baltic states in June, 1941, the Red Army and the hated NKVD, secret police, applied genocide to the adult population. Having already killed or deported those who had been political, religious and economic leaders, the next move was to scatter all other levels of leadership throughout slave camps in the arctic regions. Thousands upon thousands of Balt men and women, teachers, musicians, poets, authors, journalists, ministers, former city officials and other professionals were wrested from their homes and deported.

The dread sound of heavy marching boots in the dead of night; a rap on the door; a gruff order to "open up;" and another Balt patriot would be dragged away with his family left weeping and frightened.

One of the most reliable documentations of the true nature of Russian conquest over the small and weak is found in a report of the 1953–1954 Select Commitee on Communist Agression of the U.S. House of Representatives. This 8-man committee held hearings in Chicago, New York City, London, Munich and Berlin. The committee heard testimony from escaped victims of communist brutality. The nationalities of the 112 in-person witnesses; the more than 200 sworn statements placed in the record; and mountains of documents handed over to the committee serve as a roll call of captive countries.

The committee heard Poles, Hungarians, Bulgarians, Rumanians, Estonians, Latvians, Lithuanians, Ukrainians, Byelorussians, Germans, Czechoslovaks and Russians. Sworn statements came from Americans, Georgians, Azerbaijans, North Caucasians, Cossacks, Idel-Uralians and Turkestanians.

All these had one thing in common. They were eye-witnesses. They had seen and, in most cases, felt the brutal hand of Soviet farcical "liberation." Telling of a dreadful world of mass murder, anonymous graves, concentration camps, the ever-present secret police and hatred beyond the comprehension of decent people, these witnesses droned out a horrifying indictment against the terror of Soviet communism.

Typical of witnesses appearing before the Select Committee was a former MVD officer, Lt. Colonel Grigori Stepanovich Bur'itski. Before his escape to Freedom, Burlitski had been an officer in the NKVD, and rose to be a commanding officer in its successor, the MVD secret police.

Burlitski told, in great detail, how he and his fellow secret policemen took over and practiced genocide in a nation of more than 500,000 people, the mountain country of Chechen-Inguish. Wearing Red Army uniforms, MVD troops moved into every village, town and city of the mountain republic. They passed themselves off as veterans of the fight against German invaders, pulling back for billets and rest. The Nazis had occupied Chechen-Inguish until Russian World War II forces began driving them back.

Slowly the Inguish people accepted their visitors as friendly. They began inviting them to their homes, feeding and entertaining them. Inguish public officials encouraged the people to treat their guests as brothers in Freedom. So well did the Red secret police play their roles as heroes returned from battle that Chechen-Inguish citizens eventually welcomed them with open arms.

On a set day at a fixed time, every hamlet, village and city in Chechen-Inguish staged a great celebration. Their communist "brothers" had suggested such a gala affair to show

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the new-found affection between the Inguish and the central Russian people! On the appointed day the bands played, MVD men went to every house to insist that every able-bodied person "come to the party," and they did! People danced in the street, and in town squares oratory was king. Chechen-Inguish political leaders praised their visitors and paid glowing tributes to the vision of the Russian leaders. Disguised MVD officers, in turn, lauded their hosts on their hospitality and generosity.

At another appointed hour, in each location, a different MVD officer stepped up on the platform. His remarks were brief and to the point. Citizens of Chechen-Inguish had been too good to the Nazi hordes that occupied their land before the Russians came in. They had consorted with the enemy and had proven themselves dangerous to the Soviet Union. All these charges were made without a shred of evidence to support them. In truth, the Inguish people had been extremely uncooperative and hostile to the Germans, had made their stay miserable, and exercised vast underground counter-war against Hitler's men.

That made no difference to the MVD. These people were herded into cattle and freight cars. In less than an hour the entire population of Chechen-Inguish, more than 500,000 men, women and children, were en route to slave camps in the frozen north!

There was no water, food, or facilities for human needs. Thousands died of malnutrition, disease, and from injury under heavy boots of half-crazed people struggling to escape the tightly barred cars.

Twenty-five long years of enslavement have passed for the citizens of Latvia, Lithuania and Estonia, and more than 20 years have gone by since the 500,000 citizens of Chechen-Inguish were hauled off to slave camps by communist Russia. The story of the Baltic states and Chechen-Inguish was largely repeated in Poland, Czechoslovakia, Rumania, Hungary, the Ukraine and dozens of other states and colonies. Mr. Fedir Pihido, a Ukranian national, told the Select Committee on Communist Aggression of the United States House of Representatives of the forced famine used by the communists to punish the Ukranian people who were constantly trying to escape to Freedom. Mr. Pihido stated that between 6 million and 7 million Ukranians died from starvation in a famine manufactured by their captors.

The best remembered example of Russian brutality came in 1956 with the terrible crushing of the people of Hungary. The Red Army, with a force of arms many more times powerful than needed to exert its will, marched into Hungary and smashed a proud people. Those few who survived mass murders and managed to escape to the free world tell of horrors almost beyond belief.

The very basis of communist power has been terror. The Select committee received testimony and evidence to prove conclusively many of the atrocities carried out in the Baltic. For example, in Riga, the former capital of Latvia, photographs were made of torture rooms. One ingenious arrangement of the NKVD in 1940–1941 was a system of little concrete dugouts called "dog houses." These were tiny rooms no more than 3 feet square. Victims were thrust into these rooms in attempts to make them reveal anything the communists wanted to know. The person confined could neither stand nor lie down. At best he could only sit in cramped quarters or stand on all-fours.

Torture chambers were located in that same building. These were soundproof rooms having doors reinforced with iron and rubber sheets. All kinds of horrible torture tools were at hand. Photographs of these rooms show thousands of bullet holds in the walls where people had been shot as soon as their tormentors had gained the information they wanted.

An examining judge of the district court at Riga, Latvia, was able to investigate atrocities when the Red Army pulled out briefly in 1941. They were to return in a few months and ship thousands of Latvians to slave labor camps. Judge Atis Grantskalns reported in testimony: "Altogether I dug out over 900 bodies, and none of those victims were former criminals. They were the most respected citizens in our country. Among the victims were officers, army colonels, lawyers, laborers, doctors, businessmen, the aide of the Latvian Prime Minister, the director of the department of schools and ministers."

Lists were discovered that had been prepared by the Russian NKVD in 1939, a full year before they took over in the Baltic. These lists contained the names of those who were to be seized, executed or deported. 1939 maps of the Red Army also showed that Latvia, Estonia and Lithuania were included as part of the USSR a year before they were invaded.

Nothing has transpired to prove there is any fundamental change in the course of communist aggression. Red China, which has been even more brutal and indifferent to human life than the USSR, must be recognized as an equal if not stronger factory of hate than Russia itself.

Communism has never come to power except by brute and fearful force. Communism maintains control over captive nations, most of them overwhelmingly anticommunist, only through power and arms. Under communism the state is god and there is none other; treaties and agreements are scraps of paper to be torn up at will, and communism operates a vicious international criminal mechanism in attempts to enslave the whole world.

On the 25th anniversary of the capture and destruction of the three independent Baltic states, Life Line believes our greatest tribute to the courage of the Balt is to preserve, extend and strengthen our own Freedom. On this daily program we do not cry "fire" where there is no fire, and neither do we cry "wolf" where there is no wolf. Our purpose is constantly to remind our listener of the undeniable record of communism past, to inform you on communism present, and warn you of communism future. It is vital to your safety that you never forget what communism has done, what it is doing, and, above all, exactly what it is.

Until we meet again, remember: 25 years ago the Baltic states were swallowed up, but communist Russia must never be allowed to digest the fruits of real Freedom.

I find it strange that the world powers in the United Nations have ignored the grossly unjust situation to exist in Estonia, Latvia, and Lithuania and have taken no steps to restore self-determination and freedom to these unfortunate people.

Article 1 of the U.N. Charter states that one of the purposes of the United Nations is as follows:

To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples.

If the United Nations were a genuine peace-seeking organization, it would have long ago taken action to return self-liberation to the peoples of the Baltic nations.

For several years, I have introduced resolutions calling upon the United Nations organization to place the question of human rights violations in Soviet-occupied Estonia, Latvia, and Lithuania on the agenda of the world body. I insert in the RECORD at this point the text of these resolutions.

H. CON. RES. 341

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President, acting through the United States Ambassador to the United Nations organization, take such steps as may be necessary to place the question of human rights violations, including genocide, in the Soviet-occupied Latvia on the agenda of the United Nations organization.

H. CON. RES. 61

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President, acting through the United States Ambassador to the United Nations Organization, take such steps as may be necessary to place the question of human rights violations, including genocide, in the Soviet-occupied Lithuania on the agenda of the United Nations Organization.

H. CON. RES. 63

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President, acting through the United States Ambassador to the United Nations Organization, take such steps as may be necessary to place the question of denial of the right of self-determination, and other human rights violations, including genocide, in Soviet-occupied Estonia on the agenda of the United Nations Organization.

"FLUSHPOT" PLAN MAKES DAM A NATIONAL ISSUE

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. MIZELL. Mr. Speaker, I have told my colleagues in the House, on many occasions in the past, that the proceedings of the Federal Power Commission with regard to the Blue Ridge hydroelectric project in my district would loom as a matter of national import before they were completed.

I have sought to warn my colleagues in a variety of ways about the illogic and the danger of the controversial "pollution-dilution" theory that has played so prominent and ominous a role in this case.

The Department of the Interior is seeking in this case to make "pollution-dilution" an accepted national policy for abating pollution in the Nation's waterways. Environmental experts by the score have denounced this policy, and more and more of them are now coming out in active opposition to the Blue Ridge project on this very basis.

The fact that this project has national implications is underscored by the intense interest in the case that has been displayed by the very able environmental reporter for the New York Times, Mr. E. W. Kenworthy.

Mr. Kenworthy recently spent 10 days at the proposed project site, which includes Ashe and Alleghany Counties in North Carolina, part of my congressional district.

His analysis of the situation appeared, by means of the New York Times News Service, in the Winston-Salem Journal of November 7, 1971.

Mr. Kenworthy has done a masterful job in identifying the conflicts of opinion inherent in this project, and I really believe my colleagues would be well advised to study his analysis, for as I said earlier, this case may only be the beginning of a ruinous and destructive and ineffective national environmental policy.

For my colleagues' benefit, I insert the full text of Mr. Kenworthy's article in the RECORD at this time:

"FLUSHPOT" PLAN MAKES DAM A NATIONAL ISSUE

(By E. W. Kenworthy)

(The controversy about building a hydroelectric project on the New River has produced some questions of national interest. E. W. Kenworthy, a New York Times reporter whose specialty is the environment, took a look at the Blue Ridge project. This is what he found about the arguments for and against the project.)

WASHINGTON.—On Thursday the Federal Power Commission will hear more arguments about whether a license should be granted to the Appalachian Power Co. for a $350 million hydroelectric project on the New River on the western border of Virginia and North Carolina.

The hearing room will be crowded and tension-laden because the project has aroused bitter opposition, not only locally but also nationally among environmental organizations.

The controversy is now approaching a climax after a five-year battle of hearings and lawyers' briefs. The argument on Thursday will be the penultimate administrative proceeding.

Twice—on Oct. 1, 1969, and June 21, 1971—the power commission's presiding examiner, William C. Levy, has issued a license subject to commission review on appeal. Twice opponents have appealed. Now, if the commission approves the license, the opponents' last recourse will be the courts.

The Blue Ridge project, as it is known, will produce a whopping 1,800 megawatts of power and an annual income of $39 million for Appalachian Power, a subsidiary of American Electric Power Co. of New York. Its two reservoirs, besides storing water for power, will also store 160,000 acre-feet for flood control and 400,000 acre-feet initially (650,000 by 1987) to be used to dilute the pollution of the Kanawha River by the industrial complex at Charleston, W. Va., 260 miles away.

(An acre-foot is the water necessary to cover an acre to the depth of one foot.)

The reservoir will also obliterate 44 miles of the New River, one of the few remaining clean rivers in the eastern United States, and 212 miles of tributary creeks, including some of the country's best trout water. They will flood thousands of acres of rich bottom land and pastures and about 1,200 homes, requiring the relocation of roughly 5,000 people.

Hence the controversy.

On one side are the presiding examiner and some of the staff of the power commission, the Department of Interior and the power company.

On the other side are the State of Virginia; the State of West Virginia in the person of its Democratic attorney general, Chauncey H. Browning Jr. (Republican Gov. Arch A. Moore Jr. has tried unsuccessfully to block Browning's intervention); Grayson County, Va., and Ashe and Alleghany counties, North Carolina, whose people would be affected; the Appalachian Regional Commission; a number of state environmental organizations all with national affiliations, and the North Carolina Farm Bureau. (North Carolina has also intervened, but in such a minor way as to draw protests from Ashe and Alleghany counties at what they regard as indifference to their interests by Gov. Robert W. Scott and Atty. Gen. Robert Morgan, who intends to run for governor.)

The proponents argue that the project is essential to provide needed power at lowest cost for other areas served by American Electric's system (it would not be used locally); that the opponents are standing in the way of "progress"; that the lakes formed by the reservoirs will enhance the recreational potentialities of the area and prove a boon to what is now "a marginal economy"; that while the fishing will be altered, it will be improved; that while there may be some loss of tax base for the counties, this will be offset by tourist income, taxes on new industry that may locate in the area and by savings on some services such as schools that "may not have to be provided to the same extent" because of the relocation of former residents.

VAST CHANGE

The power company, in an environmental impact statement, summed up its arguments for the project in these words:

"The project will unquestionably result in a vast change in the area. Applicant believes that on balance the project and its attendant amenities to thousands upon thousands of people—residents of the area and visitors—are of much greater significance than the possible adverse environmental effects . . ."

And Mr. Levy, the presiding examiner, said in his decision last June:

"The long-term benefits will create a new and better environment and way of life for many people in the region . . . Low density hunting and fishing, limited tourism . . . will be replaced with large lakes, a substantial increase in fishing benefits and superior water-oriented recreation . . . Water quality will be improved all the way down to the Ohio River . . . The New-Kanawha will be a bigger, better, more productive and esthetically pleasing river . . . On balance, the region and the proud, independent, self-sufficient people who live there will benefit from the project."

PROUD PEOPLE DISAGREE

Most of the proud, independent and self-sufficient people, judging by seven days of interviews recently, disagree on about every point, and so do the affected counties and the State of West Virginia in their briefs.

They contend that the area is not poverty-stricken and note that good farm land is now valued from $600 to $1,000 an acre and more. They ask what is to become of families whose property is condemned since comparable land is not to be had, even if the company fulfilled its promise to help in relocation. As for improved fishing, recreation and esthetics, they cite the effects on all three of the drawdown of the water level in the two reservoirs for power production and water quality storage for Charleston, which they refer to scornfully as "pollution dilution" or "flushpot."

44.4 FEET

The maximum drawdown on the lower reservoir will be 44.4 feet. On the lower it will be 10 feet between June 1 and Labor Day—the summer recreation season—and 12 feet at other times.

The opponents cite in their briefs extensive testimony at power commission hearings by marine biologists that the bass, for which the New River is famous, will not be able to reproduce because fluctuations in water levels will destroy the eggs, and much of the trout fishing will be destroyed by the backing up of the water in the creeks.

The opponents note that Levy's decisions and the impact statements of the company and the power commission staff did not refer to this expert testimony, but cited only the testimony of their own chosen witnesses.

STEEP BANKS

They emphasize that even the company concedes that, except for some fishing, the drawdown of 44 feet will effectively eliminate recreational development in the lower reservoir which in most places will have steep banks.

As for the upper reservoir, Paul J. Johnson, Appalachian's superintendent of hydrogeneration, says that the 10-foot drawdown would expose only 50 feet of mudflats horizontally on the average, and that a 12-foot drawdown would expose only 60 feet on the average. The opponents reply that, while the averages may be correct, in many areas where the flooded land is gently sloping, unsightly, foul-smelling mudflats hundreds of yards wide will be exposed. They question whether the recreation on such a lake will be preferable to that now afforded by the New River, with its drift fishing from flatboats and its canoeing.

Standing in front of the filling station at Grassy Creek that he and his father have run for 50 years and that will be under water, Bradley E. Sturgill, brushing aside all the technical arguments, expressed to a visitor the other day the feeling of many people in the valley.

"I feel it is a dangerous thing," he said. "It's pretty hard to stop progress. But there's more to it than stopping progress. I feel we have about the only river left you can call an unpolluted river. I hate to see it destroyed. We have a lot of fine people along the river. I hate to see them moved out of here. They're going to be unhappy."

QUALITY STORAGE

But all the disputes over the effects of the project stem from one cause—the requirement that the company must impound above its power requirements 400,000 acre-feet for "water quality storage," that is, the water to dilute periodically the industrial pollution of the Kanawha into which the New River flows. The companies chiefly responsible for this pollution are Union Carbide, Dupont, Monsanto, FMC-American Viscose, FMC-Organic Chemicals, FMC-Inorganic Division, and Abbott Laboratories.

In their brief, the Conservation Council of Virginia, the West Virginia Natural Resources Council, and the Izaak Walton League charged: "It is for the benefit of these limited operations that the Interior Department would make a sacrificial offering of the New River."

BLACK BEAST

For the states, the counties and the environmental groups, the Interior Department is the black beast of Blue Ridge because it insisted that provision for water quality storage be included in the project.

It is this provision that has transformed the controversy from one involving parochial interests to one of national import. And it is around this provision that argument will swirl once again this Thursday.

The issue has become national because the Federal Water Pollution Control Act states that while water quality storage may be considered in the planning of any federal project or any project requiring a federal license, "such storage and water releases shall not be provided as a substitute for adequate treatment or other methods of controlling waste at the source."

NECESSARY SUPPLEMENT

The project's advocates insist that the 400,000 acre-feet (650,000 by 1987) will be used not as a substitute for treatment at the source, but as a necessary supplement to such treatment because the technology is not now available, and will not be available "in the foreseeable future" to reach West Virginia's immediate goal of 3 parts per million of dissolved oxygen in the Kanawha at

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Charleston, or its ultimate goal of 4 ppm, without dilution of wastes by "low flow augmentation," that is, "pollution dilution."

The project's opponents, relying on testimony of several nationally known engineers and scientists, insist that technology is now available to treat most of the pollution and will soon become available to treat the remainder. Therefore they contend that the law is being evaded, if not violated.

DANGEROUS PRECEDENT

Further, the environmentalists believe that if this concept is given federal sanction, it will set a precedent with disastrous consequences, permitting companies to postpone indefinitely the installation of adequate waste treatment systems and contributing to steadily increasing fouling of the nations rivers.

Lorne R. Campbell, counsel for Grayson County who is also an ardent conservationist, expressed this fear in a brief filed with F.P.C.:

"We believe," he said, "if the project proposed is licensed that every river basin in America will be endangered . . . Any industrial complex, by similar strategies employed in the Blue Ridge project, might contrive to bring about the inundation of thousands of acres of land under the guise of emergency power needs or pollution control."

There are two ironies in the situation. The first is that in the initial plan submitted to the power commission, the power company did not propose any water quality storage; that the whole concept was imposed on it by the Interior Department, acting through the power commission, and that Appalachian still takes a dim view of the concept, although it would now like to have the extra impoundment required for pollution abatement for generation of power.

Thus, in a recent interview in Roanoke, Johnson said:

"We've never asked for the 650,000 acre-feet, but if it's imposed on us by F.P.C., we can live with it. We'd be better off economically without the 650,000 acre-feet for water quality storage."

SECOND IRONY

The second irony is that there was almost no opposition at state or local level to the company's original project proposed in February, 1965. The company had, the local residents admit, done "a good selling job."

But in June, 1966, one month after the Federal Water Pollution Control Administration had been shifted to the Department of Interior from Health, Education and Welfare, Interior Secretary Stewart Udall, at the urging of his advisers, petitioned to intervene in the proceedings. His petition was granted.

Udall insisted the project include provision for water quality storage. He said later in a news conference that he had indicated to F.P.C. and the company that unless the Blue Ridge project, and "all future water resources projects," incorporated water quality storage, Interior would oppose the granting of a license. The company at first resisted the secretary's demand. Udall, according to his own account at the news conference, discussed the matter "privately" with Donald Cook, president of American Electric Co.

REVISED PROPOSAL

The result of all this, Udall related, was "a revised proposal." This "modified plan," submitted by the company in June, 1968, provided for water quality storage and closely approximated one prepared by the F.P.C. staff.

Udall has since had a change of mind. In his syndicated column last April 24, he said he had been "misguided" in forcing water quality storage on the Blue Ridge project, and vigorously attacked the whole concept. The effect of his intervention was a doubling of the size and cost of the original company proposal.

MUCH HIGHER

The original project would have flooded 19,450 acres—16,600 in the upper reservoir and 2,850 in the lower. The modified project will flood 40,400 acres—26,000 in the upper reservoir and 14,400 in the lower.

The original would have impounded a total of 1,441,000 acre-feet of water; the modified will impound 3,261,000.

The original would have cost $140 million and produced 980 megawatts; the modified will cost about $350 million and produce 1,800 megawatts.

The original would have displaced 500 people, the modified, ten times that number.

Opponents of the modified project are particularly aroused by two things.

The first is that William Levy, the examiner, did not mention in his two decisions the testimony of two expert witnesses—Professor Vinton W. Bacon and Dr. David D. Woodbridge, both with recognized credentials, who testified before the F.P.C. that technology was available now for treating much of the industrial waste dumped into the Kanawha. Instead, they complain, Levy relied almost entirely on the testimony of Curtis Bell, an Interior Department lawyer who was the leading advocate of the project; Edgar N. Henry, head of the West Virginia Water Resources Board, and Richard Vanderhoof, a former Interior Department official now with the Environmental Protection Agency.

The attorney general of Virginia charged in his brief last Aug. 19 that "the presiding examiner has obviously disregarded the evidence in his efforts to sustain his original initial decision," and ignored all recommendations except those of the Department of Interior.

Second, the opponents assert that information supplied to the power commission by Interior was "erroneous" because it assumed in stating the need for water quality storage, that there would not be any treatment at the source at all.

The power commission staff, in its brief, agreed that Interior's figures were erroneous, and said that therefore the 400,000 acre-feet insisted on by Levy and Interior were "excessive."

SUGGESTED NO STORAGE

It recommended no more than 250,000 acre-feet of storage for water quality control, and even suggested that no storage be provided.

In a brief for the Environmental Protection Agency, its associate general counsel, Robert W. Zener, said that the Environmental Protection Agency had no objection to licensing the project as proposed and that the question of whether the water quality storage was needed could be left for later determination.

In an interview, Zener was asked what recourse a farmer who had sold his land under condemnation proceedings following issuance of a license for the Blue Ridge project and then, when his land was under water, it was decided that water quality storage was not needed, Zener replied that there was little good farm land that would be taken. He was asked if he had visited the site of the proposed reservoirs.

WHAT COULD I LEARN?

"What could I learn by going down there?" Zener replied.

And so the lines are firmly drawn on the central issue. In his latest decision, Levy said:

"Conceding that Interior's waste load estimates may be excessive, that a better job of waste-load reduction and pollution control can and should be done by the Charleston area chemical industry . . . the fact remains that . . . the desired water quality clearly requires low-flow augmentation in addition to adequate at-source treatment."

And Page Evans, standing on a low-water bridge over the Little River, an estuary of the New, the other day put the substance of all the opponents' legal briefs into the language of a countryman:

THEIR OWN FLUSHPOT

"As far as we are concerned, it's the ruination of the beauty of our country. Let West Virginia industry build their own flushpot. We don't feel we should be punished 200 miles up the river."

And Guy Halsey of Independence, swinging slowly in a slatted wooden swing on his porch in the warm fall sunshine, looked over his rich green pasture land, and said:

"This is the best land that lays out of doors. The size of the project is too large. We are taking out of production the most efficient land in the country."

SICKLE CELL ANEMIA

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. ROSENTHAL. Mr. Speaker, 25 million Americans—primarily blacks—are threatened with the disease, sickle cell anemia. It is believed that this hereditary blood disorder is carried by 1 of every 10 blacks in this country. More common than muscular dystrophy, cystic fibrosis, or hemophilia, this largely ignored disease takes the lives of half of its 2 million victims by the age of 20. Seldom does a sufferer reach his 40th birthday.

Caused by an inherited, abnormal hemoglobin, sickle cell anemia results in the deformation of red blood cells. Instead of the usual biconcave disc shape, the diseased cells will take on a crescent shape, when their oxygen supply is low. It is from this crescent shape that the name of the disease is derived.

Though little else is known, researchers have confirmed the inherited nature of the disease. The anemia is visible in offspring only when both parents carry the trait, a condition called sicklemia. Not all of their children, however, will be born with the disease itself. Some will be quite normal; others will carry the trait but not be struck down by the disease. When only one parent carries the sickle trait, the children will not get the disease but some will carry the trait.

It is surprising how little is known about this disease. Among blacks, only 3 of 10 reportedly have heard of it. More disheartening, the disease is one of a select few almost completely ignored by the medical community. Only recently has sickle cell anemia begun to receive national attention. The time has come for the Congress to act.

The National Sickle Cell Anemia Act is a comprehensive program designed for the study, prevention, and cure of the disease. The bill provides:

First, $25 million a year for 3 years for grants by the Department of Health, Education, and Welfare for the purpose of identifying and counseling, on a voluntary basis, persons with the sickle cell trait and educating the public about sickle cell anemia, including grants for screening, referral and counseling services, and public education.

Second, $5 million a year for 3 years for demonstration grants to eligible institutions for the purpose of encouraging research in the prevention, treatment, and cure of sickle cell anemia, development of public education programs and centers for research, testing, counseling, or treatment of sickle cell anemia.

Third, that the Secretary of Defense shall prescribe and implement a policy to provide, on a voluntary basis, screening for the sickle cell trait, among members of the Armed Forces and their dependents, civilian employees of the Department of Defense and among persons examined at Armed Forces examining and entrance stations; counseling services on a voluntary basis for those with a positive trait regarding the nature and inheritance of the sickle cell trait; treatment for members of the Armed Forces and their dependents determined to have sickle cell anemia through Armed Forces-based medical programs or through any appropriate civilian program of facility.

Fourth, for similar programs by the Veterans' Administration to provide, on a voluntary basis, screening for the sickle trait, counseling and treatment for persons eligible for treatment by the Veterans' Administration.

With this bill, the Congress has an opportunity to begin freeing 2 million Americans from the specter of sickle cell anemia. I call upon all Members to join with me in supporting this vital piece of legislation.

The text of the National Sickle Cell Anemia Act follows:

H.R. 11872

A bill to provide for the prevention of sickle cell anemia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act shall be cited as the "National Sickle Cell Anemia Prevention Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby finds and declares—

(1) that sickle cell anemia is a disease resulting from the inheritance of a genetic factor relating to the sickle cell trait which afflicts a large number of American citizens, primarily among the black population of the United States;

(2) that the disease is a deadly and tragic burden which strikes approximately one of every five hundred black children, and that less than half of those children who contract the disease survive beyond the age of twenty; and

(3) that efforts to prevent sickle cell anemia must be directed toward increased research in the cause and treatment of the disease, and the education, screening, and counseling of carriers of the sickle cell trait;

(4) that simple and inexpensive screening tests have been devised which will identify those who have the disease or carry the trait;

(5) that programs to prevent sickle cell anemia must be based entirely upon the voluntary cooperation of the individuals involved; and

(6) that the attainment of better methods of prevention, diagnosis, and treatment of sickle cell anemia deserve the highest priority.

(b In order to preserve and protect the health and welfare of all citizens, it is the purpose of this Act to establish a national program for the prevention and treatment of sickle cell anemia.

AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

SEC. 3. (a) Section 1 of the Public Health Service Act is amended by striking out "Titles I to X" and inserting in lieu thereof "Titles I to XI."

(b) The Act of July 1, 1944 (58 Stat. 682), as amended, is amended by renumbering title XI (as in effect prior to the enactment of this Act) as title XII, and by renumbering sections 1101 through 1114 (as in effect prior to the enactment of this Act) and references thereto, as sections 1201 and 1214, respectively.

(c) The Public Health Service Act is further amended by adding after title X the following new title:

"TITLE XI—SICKLE CELL ANEMIA PREVENTION PROGRAM

"GRANTS FOR SICKLE CELL SCREENING AND COUNSELING PROGRAMS

"SEC. 1101. (a) The Secretary is authorized to make grants to and enter into contracts with public and nonprofit private entities to assist in the establishment and operation of voluntary sickle cell anemia screening and counseling programs and to assist in developing and making available information and educational materials relating to sickle cell anemia to all persons requesting such information or materials, and to inform the public generally about the nature of sickle cell anemia and the sickle cell trait.

"(b) In making grants and contracts under this section the Secretary shall take into account the number of persons to be served, the extent to which such screening and counseling is needed on a local basis, the relative need of the applicant, and its capacity to make rapid and effective use of such assistance.

"(c) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1973; $25,000,000 for the fiscal year ending June 30, 1974; and $25,000,000 for the fiscal year ending June 30, 1975.

"DEMONSTRATION GRANTS

"SEC. 1102. (a) In order to promote research in the diagnosis, treatment, and prevention of sickle cell anemia development of programs to educate the public regarding the nature and inheritance of the sickle cell trait and sickle cell anemia, and the development of centers for research, testing, counseling, prevention, or treatment of sickle cell anemia the Secretary is authorized to make grants to public or nonprofit private entities and to enter into contracts with public or private entities and individuals for projects for research and research training in such fields.

"(b) For the purpose of making payments pursuant to grants and contracts under this section there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1973; $5,000,000 for the fiscal year ending June 30, 1974; and $5,000,000 for the fiscal year ending June 30, 1975.

"VOLUNTARY PARTICIPATION

"SEC. 1103. The participation by any individual in any program or portion thereof under this title (whether by grant or contract) shall be wholly voluntary and shall not be a prerequisite to eligibility for or receipt of any other service or assistance from or to participation in, any other program.

"APPLICATIONS

"SEC. 1104. A grant under this title may be made upon application to the Secretary at such time, in such manner, containing and accompanied by such information as the Secretary deems necessary. Each application shall—

"(1) provide that the programs and activities for which assistance under this title is sought will be administered by or under the supervision of the applicant;

"(2) describe with particularity the programs and activities for which assistance is sought;

"(3) provide for strict confidentiality of all test results, medical records, and other information regarding screening, counseling, or treatment of any person treated, except for (A) such information as the patient (or his guardian) consents to be released; or (B) statistical data compiled without reference to the identify of any such patient;

"(4) provide for appropriate consultation with community representatives in the development and operation of any program funded under this title;

"(5) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of any accounting for Federal funds paid to the applicant under this title; and

"(6) provide for making such reports in such form and containing such information as the Secretary may reasonably require.

"PUBLIC HEALTH SERVICE FACILITIES

"SEC. 1105. The Secretary shall establish a program within the Public Health Service to provide for voluntary sickle cell anemia screening, counseling, and treatment. Such program shall be made available through facilities of the Public Health Service to any eligible person requesting screening, counseling, or treatment, and shall include notification of all eligible persons of the availability and voluntary nature of such programs.

"REPORTS

"SEC. 1106. (a) Secretary shall prepare and submit to the President for transmittal to the Congress on or before April 1 of each year a comprehensive report on the administration of this title.

"(b) The report required by this section shall contain such recommendations for additional legislation as the Secretary deems necessary."

PROTECTION OF ARMED FORCES PERSONNEL

SEC. 4. (a) The Secretary of Defense is authorized and directed to promulgate rules and regulations to provide for screening and counseling of members of the Armed Forces (including their dependents), civilian employees of the Department of Defense, and persons examined at Armed Forces examining and entrance stations, for the sickle cell trait and sickle cell anemia.

(b) Such rules and regulations shall provide for—

(1) voluntary screening for the sickle cell trait for persons described in subsection (a) who request such a test, at no cost to such person;

(2) communication to such person described in subsection (a) of the results of such test;

(3) voluntary referral of individuals determined to possess a positive trait to an appropriate military or civilian counseling or treatment agency;

(4) notification to persons described in subsection (a) of the cost-free and voluntary nature of the screening and referral programs implemented pursuant to this section;

(5) education of persons described in subsection (a) regarding the nature and inheritance of the sickle cell trait and sickle cell anemia; and

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(6) assurance that all information obtained on specimens submitted voluntarily under this Act shall be held confidential except for (A) such information as the patient (or his guardian) consents to be released or (B) statistical data compiled without reference to the identity of any such patient.

(c) The Secretary of Defense shall provide for voluntary counseling or treatment of such persons described in subsection (a) found to have the sickle cell trait or sickle cell anemia at an appropriate military or civilian facility as the case may be.

(d) (1) The Secretary of Defense shall prepare and submit to the President for transmittal to Congress on or before April 1 of each year a comprehensive report on the administration of this section.

(2) The report required by this subsection shall contain such recommendations for additional legislation as the Secretary of Defense deems necessary.

(e) The participation by any individual in any program or portion thereof under this section shall be wholly voluntary and shall not be a prerequisite to eligibility for or receipt of any other service or assistance from, or to participation in, any other program.

PROTECTION OF VETERANS

SEC. 8. (a) Chapter 17 of title 38, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER VI—SICKLE CELL ANEMIA PREVENTION

"§ 651. Notification and education

"(a) The Administrator shall notify all persons eligible for care under this chapter of the availability of screening, treatment and counseling programs with regard to the sickle cell trait and sickle cell anemia and the voluntary nature of such programs.

"(b) The Administrator shall establish a program of education regarding the nature and inheritance of sickle cell trait and sickle cell anemia and make such program available to all such eligible persons.

"§ 652. Screening and treatment

"(a) The Administrator shall furnish to any person eligible for care under this chapter who makes a request screening for sickle cell trait or sickle cell anemia.

"(b) Upon a finding that such eligible person has the sickle cell trait or sickle cell anemia the Administrator shall provide for voluntary counseling or treatment as the case may be.

"§ 653. Reports

"(a) The Administrator shall prepare and submit to the President for transmittal to the Congress on or before April 1 of each year a comprehensive report on the administration of this subchapter.

"(b) The report required by this section shall contain such recommendations for additional legislation as the Administrator deems necessary.

"§ 654. Voluntary participation

"The participation by any individual in any program or portion thereof under this section shall be wholly voluntary and shall not be a prerequisite to eligibility for or receipt of any other service or assistance from, or to participation in, any other program."

(b) The analysis at the beginning of such chapter is amended by adding at the end thereof:

"SUBCHAPTER VI—SICKLE CELL ANEMIA PREVENTION

"651. Notification and education.
"652. Screening and treatment.
"653. Reports.
"654. Voluntary participation."

REPLIES TO QUESTIONNAIRE

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. RHODES. Mr. Speaker, I am pleased to place in the CONGRESSIONAL RECORD today the tabulation of the answers I received to the questionnaire I sent to my constituents in August. Almost 20,000 replies were received, which I feel is an excellent response and gives a rather wide expression of the opinions of Arizona's First District citizens. I am proud of my constituents and their interest in and knowledge of today's issues, and grateful for their generosity in giving me their views and suggestions. These are always welcome and helpful in the decisions I must make.

The tabulation follows:

	Percent Yes	Percent No
PLEASE INDICATE YOUR PREFERENCE WITH A CHECK MARK		
1. With respect to raising an army to defend the Nation, do you favor:		
(a) continuing the draft lottery?	60 ☐	☐ 40
(b) replacing the draft system with an all-volunteer army?	69 ☐	☐ 31
2. It has been suggested that the United Nations establish a peacekeeping army of about 100,000 men. Do you favor such a plan?	50 ☐	☐ 50
3. Do you think it is important for the United States to maintain a strong Army and Air Force in Europe?	47 ☐	☐ 53
4. After United States ground forces are withdrawn from Vietnam, would you continue the use of United States airpower in Southeast Asia as long as needed?	50 ☐	☐ 50
5. Do you favor:		
(a) admitting Red China to the United Nations and opening diplomatic and trade relations with them?	61 ☐	☐ 39
(b) admitting Red China to the United Nations, but not opening diplomatic and trade relations with them?	81 ☐	☐ 19
(c) not admitting Red China to the United Nations, but opening diplomatic and trade relations with them?	24 ☐	☐ 76
(d) not admitting Red China to the United Nations and not opening diplomatic and trade relations with them?	41 ☐	☐ 59
6. In the Arab-Israeli controversy, which of the following do you favor:		
(a) increase of United States military assistance to Israel?	41 ☐	☐ 59
(b) reduction of United States assistance to Israel?	35 ☐	☐ 65
(c) a neutral position concerning both Israel and the Arab bloc?	67 ☐	☐ 33
(d) United States policy based on maintaining the balance of power in the Middle East?	70 ☐	☐ 30
7. Do you believe the United States should assist the lower income countries with manpower and funds to help them achieve social and economic development?	38 ☐	☐ 62
8. Do you favor a higher minimum wage, now set at $1.60, regardless of any possible inflationary effects?	28 ☐	☐ 72
9. Do you support the overall objectives of the President's revenue sharing proposal i.e., to move money and power closer to the people and to help relieve the fiscal crisis State and local governments face?	79 ☐	☐ 21
10. To fight pollution, would you support:		
(a) enactment of the President's $10,000,000,000 clean water program?	73 ☐	☐ 27
(b) spending even more money and passing even more stringent Federal laws?	68 ☐	☐ 32
(c) leaving the problems up to the States, where possible?	68 ☐	☐ 32
11. What do you think are the best means to cut our crime rate:		
(a) provide better police training and selection?	83 ☐	☐ 17
(b) stiffen punishment?	84 ☐	☐ 16
(c) increase the capacity of courts to handle criminal cases?	89 ☐	☐ 11
(d) improve rehabilitation programs in prisons?	82 ☐	☐ 18
12. Recognizing the traditions of labor-management relations, in order to prevent a strike against the public interest, should the role of government be:		
(a) no action?	12 ☐	☐ 88
(b) Federal mediation efforts?	74 ☐	☐ 26
(c) compulsory arbitration?	75 ☐	☐ 25
(d) focusing public attention on parties involved?	67 ☐	☐ 33
(e) a special Federal court for labor disputes assuring settlement without a national emergency strike or an inflationary wage increase?	84 ☐	☐ 16
13. Do you believe a certain racial mix is important to our educational system?	36 ☐	☐ 64
If so, do you favor busing school children to maintain it?	29 ☐	☐ 71
14. Do you feel that programs of city and slum area improvement would help to reduce crime?	66 ☐	☐ 34
15. Would you favor making bail bond more difficult to obtain by repeat offenders?	94 ☐	☐ 6
16. Regarding consumer protection, do you believe the Federal government should push for more stringent control in the advertising and selling of manufactured products?	80 ☐	☐ 20
17. Do you favor a welfare assistance plan whereby any employable family member must accept employment or undergo training for employment? (Note: under the present system a welfare recipient is supposed to be referred to available employment or training, but is not required to accept.)	95 ☐	☐ 5
18. Would you be in favor of using Federal funds to:		
(a) finance clinics for the treatment of drug abusers?	60 ☐	☐ 40
(b) finance clinics for their rehabilitation?	65 ☐	☐ 35

FOR THE FOLLOWING QUESTIONS, PLEASE MARK THE APPROPRIATE BOXES 1, 2, 3, 4, 5 TO INDICATE YOUR CHOICE OF ORDER OF IMPORTANCE

19. For the next ten years, we should concentrate our defense effort in:	
launching manned orbiting satellites	5 ☐
building better and faster airplanes	3 ☐
modernizing the Navy	2 ☐
beefing up our nuclear capability, including an ABM system to defend Minuteman sites	1 ☐
providing better conventional weapons for our Army	4 ☐
20. The biggest threat to our national security in the next ten years will come from:	
Russia	1 ☐
Red China	2 ☐
North Vietnam	4 ☐
the Middle East	3 ☐
21. What are the most important problems which the United States is facing today:	
crime and violence	1 ☐
pollution	3 ☐
inflation	2 ☐
foreign military involvement	4 ☐

PERSONAL IDENTITY

Your response to this questionnaire is anonymous. The Identity questions simply aid in its analysis.

1. Your age is:	
(a) 18 to 22	5 ☐
(b) 23 to 32	19 ☐
(c) 33 to 45	24 ☐
(d) 46 to 65	33 ☐
(e) Over 65	19 ☐
2. Employment:	
(a) Are you employed full time?	67 ☐ ☐ 33
(b) do you hold more than one job?	14 ☐ ☐ 86
3. How did you vote in 1970:	
(a) Democrat	7 ☐
(b) Republican	45 ☐
(c) split ticket	38 ☐
(d) did not vote	10 ☐

NEW REALITIES FOR A NEW U.S. FOREIGN ECONOMIC POLICY

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. CULVER. Mr. Speaker, the Subcommittee on Foreign Economic Policy of the Foreign Affairs Committee last week concluded 4 days of intensive hearings on U.S. economic relations with Japan. I believe that all of us who were able to participate in these hearings could not but receive several clear impressions:

First, the interlocking nature of political and economic policy can nowhere be better illustrated than in our recent policy with Japan. For Japan the new economic policy has been a severe jolt which has had repurcussions in all segments of Japanese policy and national outlook. Converging with the NEP have been independent new U.S. initiatives toward mainland China, and the futile effort, in which Japan joined, to maintain Taiwan in the United Nations. The Japanese have been both the intended special economic target and the probably unintended political victim of U.S. policy. Japan feels under the most intense pressure, and a new constellation of political forces and psychological reactions are taking hold in Japan.

Second, the unexamined premises and working assumptions of U.S. policy have intensified these difficulties, and have allowed a slippage in relations to occur which can still be reversed but could also slide further and faster. Japan has suddenly been pictured as a culprit for our economic distress—holding unique advantages, exploiting opportunities unfairly and developing an economic monolith without parallel. The truth is much more complex, and certainly not as sinister. Japan has built up huge and unwise economic reserves; she has in recent years had a growing trade account advantage with the United States; she has been slow but not rigid in liberalizing the legal and administrative impediments to foreign investment and open access to trade. But equally, Japan has not been exploitative. She has converted little of her reserves into gold; she threatens no trade war; she wages no form of economic imperialism. Moreover, Japanese society is beginning now to face the domestic costs of poor housing, pollution, retardation of public services while avoiding all temptations to rearmament and military adventurism. As a result, the rate of economic growth will fall.

Third, Japan has not only been the chosen target for all kinds of political markmanship and high noon rhetoric. She has also been the object of some extraordinarily clumsy diplomacy. A raft of demands and suggestions have been made in no particular sequence by a covey of accredited and semiaccredited envoys of various ranks. In most instances the instructions seem to emerge from the Treasury or offices in the White House; only rarely do they seem meshed with the State Department or our Embassy in Tokyo. And few of our spokesmen seem to go to Japan with much sensitivity to Japanese feelings, Japanese culture, or with recognition of the achievements which the Japanese have made not from special advantage but from its own human and social resources.

Fourth, the recent experience with Japan shows in aggravated form a number of weaknesses and stresses in the new economic program in the international dimensions. It raises the most serious questions about the program in its wider setting including the possibility of retaliations and an epidemic of national recessions in various countries.

In my judgment, the international economic strategy first outlined on August 15 has now clearly begun to harvest diminishing returns. Rather than being a lubricant of progressive and necessary change, the character of this policy threatens to choke up the international economic system, to arouse anxieties, to invite the prospect of trade wars, and to poison the political relationships on which our policy rests in Europe, Japan, as well as in this hemisphere.

The Secretary of the Treasury, who has proudly been wearing the hat of Secretary of State in this sphere of policy, says that solutions now lie entirely with other countries. In a Tokyo press conference he says that a resolution of the current impasse now lies mainly with the Europeans. To the Europeans and Canadians he implies that the solution rests in large measure with the Japanese. To the largely innocent and helpless bystander, such as the countries of Latin America and Canada, he says that principles of universality require the application of punitive measures to everyone and that we are helpless to find a way for their immunity from the surcharge, and can offer no notion when it might be removed. In Latin America and Africa we are moving toward a posture of neither trade nor aid.

The Secretary's moves are often as disguised from the Department of State as from our foreign associates. Our committee has found the representatives of State unable—for simple lack of authority and knowledge—to testify concretely on several issues, such as the Japanese textile negotiations, before the subcommittee. The answers rest with the Secretary of the Treasury and a few of his principle subordinates. The only other place where answers could be sought—the White House and the new Council on International Economic policy—have been fully clothed with executive immunity. Mr. Peterson talks abundantly for journalistic background, but carefully takes the veil when open congressional inquiries are made.

A serious byproduct of all this is that governments abroad are at least as confused and perplexed as are Congressmen and observers in this city. This confusion is compounded by genuine concern over the "who-blinks-first" attitude that now seems to overlay our international negotiations. Where at first the administration emphasized the need for quick shock therapy, now that more than 3 months have passed, it points instead to the need for time and the long agenda which needs to be covered. Almost every week the administration goes on a new skeet shoot—one time for Japanese textiles, the next for automobiles and electronics, then automobile manufacturers in Canada, the next Common Market agricultural policy, and so forth.

The shopping list is elastic and the litany of grievances constantly grows; apparent satisfaction on one point immediately releases a new request for yet another performance bond from this nation or that. So also the surcharge itself has gone through several guises—first, as simply one instrument for accomplishing monetary revaluation, then as a bargaining chip in winning a medley of trade concessions, now as the penny that will only drop when a favorable balance of payments shift of major proportions has occurred. And all the time these demands are wrapped in rhetoric about America's sacrificial record in trade and aid, quite oblivious to the fact that our adventure in Southeast Asia and economic mismanagement of the resulting inflation have together been the largest single contribution to the balance-of-payments crises.

This is certainly not to say that the United States has no just claims to make in international negotiations on money parities and trade. The Common Market's drift toward exclusivism in agriculture is a retrogressive trend; Japan's excessive inhospitality to foreign investment and barriers to more open trade and its self-abnegation in international economic relations are sources of concern; France's rigid adherence to gold and a fixed currency is another archaic impediment to a better international economic order.

Few large countries are blameless or carry a spotless record. But what is equally evident is that our voracious effort to achieve everything at once, at the neglect of and peril to our fundamental political relationships is not going to produce a new stability and more effective international system. And the notion that we sit by as a universal schoolmaster while errant and delinquent adolescents fall in line is bound to produce a countertide of resentment, or disbelief, and quite possibly among some simply a decision to leave school. We are tempting the Japanese to reshape not only their Government but their political objectives; we are inviting new restraints and monitors on U.S. investment in Canada; we may offer the Europeans no alternative than to devise a "European solution," thereby only postponing and undercutting the prospects for genuine international economic reform.

If we let slip the possibility of realistic monetary realinement now for the sake of a long series of other objectives which we cannot precisely define, then we may have a "busted play" where everyone scrambles for himself and the whole strategy of change dissolves. There is no doubt that the search for too much too quickly from too many countries may cause a default of the very real and important progress which is possible now in monetary reform. And we know too that present policy with the miasma of

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economic issues and political problems it raises does not forestall runaway protectionist pressures in the country and Congress. It is now beginning to feed them.

Therefore, there seem to me four overriding immediate courses of action:

First, the monetary realinement should now be explicitly severed from the package of trade and burden sharing reforms which will take many months and more to accomplish, and which require a multilateral framework in which to resolve them. We are within reach of establishing new parities and should seize that chance.

Second, with the setting of new parities, the surcharge should be removed forthwith as soon as a program and calendar for trade and burden-sharing negotiation have been set. Beyond that the surcharge becomes a wasting asset, and would itself distort the character of ongoing negotiations. In addition, the surcharge is unduly punitive and indiscriminate in its application to countries such as Canada, Mexico, and all of the third world.

Third, we have a large credibility gap to close and should jointly consider in the executive and Congress the grant of basic new negotiating authority in trade. Though little has happened in Congress to make such prospects glowing, it is equally clear that no progress is possible without the lead of the President and a fabric of recommendations for Congress to consider and work on. Integral to these proposals is the elaboration of a new and restructured trade adjustment assistance program which can be effectively triggered and usefully employed. Today, it is a largely inert program not unfairly called a "burial expense" fund. In this, other countries such as Japan may have some relevant experience for us to consider.

Fourth, we must be careful not to deal with Japan as if she were a separate and disjointed problem. Japan as the third economic power in the world commands a special position. For that very reason, we should do all that is possible to draw Japan into the international economic community and encourage it to carry its influence in trade and aid. And for our own interests, for Japan's, and for the integrity of the world trade system, we should do our best so that Europe relaxes its trade restrictions against Japan and opens that large market to her. We feel a sense of pressure from Japan in part because we are so much more open to Japanese trade than is the new European Economic Community.

Mr. Speaker, we must realize that we are in danger of losing our sense of perspective and abandoning reasonable standards of civilized negotiation with countries friendly to us. Moreover, we must guard that we do not become addicted to the intoxicating notions of the burdensome role we have in world affairs. When rhetoric becomes as inflated and chauvinistic as some of the pronouncements we have recently heard, then we become victims of a new delusion and a new sort of arrogance. Such discourse makes it all too likely that we shall become so absorbed in the difficulties of the moment and the political temptation to employ simplistic scapegoats as to lose all sight of the long-term interests we have as a nation in a world setting.

This is the true importance of the current international situation: it tests our capacity to meet real present problems not by mere improvisation, or false posturing, but by setting them against a horizon which makes room for new political accommodations as well as a new structure of world economic cooperation. To do so is obviously in the world interest. It also happens to be very much in our own.

ON THE DEATH OF RABBI JUDAH LEIB LEVIN

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. KOCH. Mr. Speaker, it was only yesterday that I advised our colleagues of the perilous state of affairs concerning Rabbi Judah Leib Levin, chief rabbi of Moscow's central synagogue. I mentioned then that he was infirmed and ill. I regret to inform our colleagues that on the very day that I brought this matter to the attention of the House, the rabbi died in Moscow.

I met Rabbi Levin during the course of my trip to the Soviet Union in April of this year. He was an imposing patriarchal figure. I have had occasion in the past year to discuss the rabbi's role visa-vis the Soviet Government as leader of his congregation. It was a controversial role and I recall the comment made to me by a young Jew in Leningrad with whom I visited, who with a sigh, regretted that Rabbi Levin had not spoken out as forcefully as that young man had hoped he would in defense of the rights of the Jewish minority in the U.S.S.R. In the conversations which I had with American Jews and distinguished rabbis who visited Rabbi Levin in Moscow and who received and escorted him in the United States when he was here, it was clear that they had great sympathy for his difficult role. Had he been militant, they pointed out, he would not have been permitted to continue his rabbinical functions and his congregation would have suffered. They also made it very clear that while his role was not that of a militant, he did all he could considering his age to protect the religious prerogatives which the Jews, like every other religion, were guaranteed under the Soviet Constitution.

The American Jewish Conference on Soviet Jewry, a major coordinating agency, has best described Rabbi Levin's role, and I quote:

In spite of the many pressures and handicaps placed on him by the Soviet Union with its repressive policy toward Jews and its denial of their religious freedom, Rabbi Levin saw his role as that of a servant of the religious Jews of Moscow.

As they said, his death is "a great and tragic loss."

Yes, Mr. Speaker, of the less than handful of rabbis ministering yesterday to the more than 2 million Jews living in European Russia, there is one less today.

TWO WEEKLY REPORTS TO NINTH DISTRICT RESIDENTS, NOVEMBER 1 AND 8, 1971

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the texts of my two weekly reports, November 1 and November 8, to Ninth District residents, on pollution control: the problems and the solution.

WASHINGTON REPORT—NOVEMBER 1, 1971

EDITOR'S NOTE.—This is the first of two reports on pollution control: the problems and the solutions.

We have in recent years, witnessed a phenomenal outcry over the pollution of our environment. Yet, while Americans demand an end to the despoilation of the environment, they continue to breathe dirty air, live by polluted waterways and look upon growing mounds of trash and debris. More and more insistently, they are asking, "Why is it taking so long to do something about pollution?"

The reasons are many, but foremost among them are (1.) lack of funds to implement antipollution programs, (2.) reluctance by government to enforce legislation now on the books, (3) opposition and delaying tactics by polluters, and (4.) the public's attitude that somebody else is responsible.

The environmental crisis will not be resolved quickly or easily by any simple piece of legislation, or without the expenditures of large sums of money. No "wonder drug" exists to cure all of our environmental ills.

The various approaches to control pollution should be examined in terms of how effective each is in dealing with different types of environmental problems. There are four basic approaches to combat pollution. They are:

1. *Education.* Educating the public is a necessary first step in changing the attitudes and the practices which permit—even encourage—pollution. Before regulations or programs can be carried out, it is necessary for the public to recognize the need for such measures. Without public agreement and support, environmental protection measures are unenforceable and ineffective.

The difficulty with education is that we learn very slowly, and in some instances, not at all. For example, even with great efforts to persuade people not to litter, we still find mountains of trash in public places.

2. *Regulations.* The most common approach to pollution is direct regulation to prohibit it. Unfortunately it is an oversimplified formula which has obviously not worked. Laws which flatly ban pollution are difficult to enact, and to enforce.

The direct regulation approach also suffers from confusion over jurisdiction in the enforcement of anti-pollution regulation. Local governments cannot enforce regulations in a neighboring community. State governments also are reluctant to enforce regulations to clean up mutual waterways.

Since pollution doesn't stop at the city limit sign or the state line, the Federal government obviously is needed to enforce anti-pollution regulations. The regulation approach should be used to control wastes which are so hazardous that the discharge of a small amount represents a threat to the environment.

3. *Subsidization.* This approach involves making government grants, loans and tax credits available to help pay the expense of cleaning up the environment. The principle involved here is to pay a polluter to stop polluting, and its most common application is government funds for municipal sewage treatment plants. Although subsidization obviously has important uses, it offers no assurance that the offender will completely correct his practices. Further, subsidization places the cost of stopping pollution on the taxpayers, who not only endure the pollution, but then have to pay to clean it up.

4. *Economic Incentives.* This approach is designed to control pollution by assessing a tax or fee on the wastes which the polluter discharges. Economic incentives are the most equitable way of controlling pollution because they make the polluter pay for his pollution and encourage him to reduce his wastes as quickly and completely as possible. They are also easy to administer because they provide a decentralized approach to control.

While the economic incentive approach to controlling pollution is often the most advantageous, the use of education, direct regulation and subsidization can be applied to specific environmental problems. In order to control pollution in the most comprehensive and effective manner, we must use the approach best suited for the particular type of pollution.

Next Week.—What is being done and what needs to be done.

WASHINGTON REPORT—NOVEMBER 8, 1971

EDITOR'S NOTE.—This is the last of two reports on pollution control: The problems and the solutions.

About the best that can be said for our past efforts to control pollution is that they have prevented the problem from getting worse. There are several reasons for our slow progress, among them, insufficient money, weak enforcement of anti-pollution laws, and strong opposition to tough, new regulations.

As I contended in last week's report, I believe a carefully orchestrated use of economic incentives, direct regulations, subsidization, and education will enable us to meet our environmental problems. While our present efforts to control air and water pollution are improving, they can be made more effective.

Air Pollution. Our present laws, which rely chiefly on direct regulations, give the primary responsibility for controlling air pollution to State and local governments. This approach has permitted costly, elaborate and lengthy procedures for making polluters comply. The Air Quality Act of 1967, and the Clean Air Amendments of 1970, do attempt to speed up the abatement and control process by (1.) establishing air quality control regions around the Nation, (2.) setting standards for the volume and toxity of polluters, (3.) requiring the States to submit plans to implement these standards, and (4.) if the State fails to act, giving the Federal government authority to bring the violators into court.

It will be several years until each State has adequate control plans for the wide variety of air pollutants, and, then, the enforcement of these plans through the courts promises still further delays before polluters are forced to reduce their emissions.

These delays and difficulties are inherent weaknesses of direct regulations. While regulations are needed, economic incentives would induce polluters to reduce their emissions more quickly and more completely.

To provide these incentives, we need a system of emission excise taxes on the two major sources of air pollution—motor vehicles and industrial wastes. An excise tax on leaded gasolines and a tax on motor vehicles based on the level of emissions from each model or type should help to reduce pollution. In the case of industrial pollution, a levy on emissions of sulfur oxides and particulate matter should be effective in reducing emissions.

The revenue collected from these taxes could be used to finance research and to develop new methods of controlling air pollution.

Water Pollution. Our efforts to control water pollution have suffered from several of the same difficulties as our air pollution laws. Presently, our approach to water pollution uses the "carrot" of Federal subsidies and the "stick" of direct regulations. Subsidies to induce municipalities to construct waste treatment plants have been inadequate in amount, and have been awarded without systematic planning. Direct regulations to control industrial wastes are as costly and as time-consuming as our air pollution control methods. Their ineffectiveness is shown by the fact that industrial wastes have increased by an astronomical 350 percent between 1957 and 1969.

The present system relies primarily on the States to set, and to enforce, their own water quality standards. These standards, however, are subject to Federal approval and provide the basis for cumbersome and lengthy enforcement action. To date, the standards of 32 States have been approved. A total of only 50 enforcement actions were taken between 1956 and 1970.

Clearly, water quality standards must be consistent in all States and in all waterways, enforcement procedures must be tightened to provide administrative abatement proceedings, quick access to courts, and tougher penalties. Funds must be increased for the waste programs for municipalities, and the whole system should be supplemented with economic incentives to induce polluters to reduce emissions sooner and more completely.

A system of national effluent charges would help to achieve this aim. Industrial polluters should be taxed according to the amount, and the hazard, of their wastes. A related proposal also is needed to permit municipalities to charge industrial firms construction costs based on the volume and toxicity of their wastes.

TRIBUTE TO MRS. ANITA ALLEN

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. NELSEN. Mr. Speaker, I wish to pay tribute today to Mrs. Anita F. Allen, retiring president of the District of Columbia Board of Education. We regret that this fine public servant will no longer be serving on the Board.

This exceptional woman believed that the 145,000 schoolchildren of the Nation's Capital deserve a better education than they are receiving, and she kept this goal always in mind.

Mrs. Allen brought to her position as president of the Board of Education a willingness to lead, highest personal standards and dedication, a commitment to the establishment of sound educational goals and a determination to reach these goals in the shortest possible time.

She appeared before congressional committees many times during her 2-year presidency, pleading for Congress to meet the District's educational needs and pledging her own efforts to eliminate waste, duplication, and unsound programs. She made progress in fulfilling her pledge to Congress.

As ranking Republican on the House District Committee, it is a pleasure to publicly thank Mrs. Allen for her hard work and dedication to quality education here in Washington, D.C. Every citizen of Washington can take pride in the leadership she provided.

SITUATION OF JEWISH POPULATION IN THE MIDEAST

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BROOMFIELD. Mr. Speaker, within the last year or so Egypt has allowed the release of most of its Jewish political prisoners, and now there no longer are travel restrictions placed on the movement of her Jewish citizens. The government has placed no restrictions on the ownership of property and they are allowed to run their businesses normally. Presently there are about 700 Jews living in Egypt who wish to stay in Egypt because it is their homeland. Most of these changes which have taken place within the last year are definitely a result of world opinion.

By these moves, Egypt has set a pattern for all the Arab nations to follow. Nonetheless, Syria has purposely denounced all policies established by Egypt toward the Jewish community. It is known that the Syrian Government has created a special investigation commission to probe into the personal and individual life of every member of the Jewish community over the age of 13. These actions are repugnant to the concept of human freedom and dignity. These are not ideals that may be given or taken away at the whim of governments; these are the undeniable rights of all citizens of all countries.

For over a decade, the Syrian Government absolutely has refused to permit emigration. Every Jewish man and woman caught seeking to make their way out of the country will receive a lengthy prison sentence and could possibly be sentenced to death. Just a few months ago 12 young men were seized seeking to escape.

To the Jewish community this situation is very clear and the overwhelming majority of the Jews want to leave this land, but are unable to do so until this oppressive government retracts their policies toward the Jews. This can be done only with the help of world opinion.

In Iraq the range of discriminatory measures imposed by the Iraqi regime on the Jewish community—including open legislation against Jews, has had harsh cumulative effects. Jews have been cut off from their assets and made destitute, so that they face possible starvation.

In January 1969, nine Jews—together with Christian and Moslem covictims—were strung up in public squares before jeering mobs which serves as an example of the plight of 3,000 Jews now living in Iraq. Many times in the past, I have expressed my deep concern over the barbaric treatment the Jewish citizens re-

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ceive in the Arab countries. The 4,000 Jews living in Syria are virtually a captive community living in constant fear. Approximately 2,500 Jews dwell in Damascus 1,500 in Aleppo and 40 to 50 families in the town of Kamichlie, on the Turkish border. Although Syrian nationals, they certainly are not treated as such. To many of these citizens, the question of emigration is no less than a matter of life or death.

Mr. Speaker, I feel it is my duty to ask that the U.S. Government take a stand on this issue and do what is possible to relieve the pressure put upon by governments unfriendly to the Jewish people.

To conclude, the freedom of life is in the hands of the peoples of the world. We can create it or destroy it. How we stand today against oppression will determine how man will live tomorrow.

UNETHICAL MORTGAGE LENDERS

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. PATMAN. Mr. Speaker, Congress should move with great care on proposals to bail out lenders who are in violation of local statutes.

There seems to be a pellmell rush to rescue mortgage lenders who the courts say have been violating laws in the District of Columbia.

At this time, I do not have the full details of this situation, but I hope that the appropriate committees will gather all of the pertinent data before suggesting a retroactive excuse going back several decades on mortgage lending. It is possible that a number of consumers—homebuyers—have substantial legal rights in this issue and I sincerely question whether it is the role of Congress to wipe out these rights in favor of a handful of lenders.

Mr. Speaker, the Congress should determine just who is to be benefited from the removal of the current interest rate ceilings. I suggest that we should determine:

First. What role the lenders are currently playing in the District of Columbia, including the type of housing being financed.

Second. What interest rate will be charged if the current ceiling is removed and whether the District of Columbia residents—who need housing—will be able to pay the additional charges.

Certainly the Congress should exact a specific pledge from these lenders that they will finance low- and moderate-income housing at reasonable rates before overturning the present statute. Without this assurance, the Congress would probably be simply endorsing the funneling of additional money into high cost housing in affluent areas.

I doubt that many low- and moderate-income families in the District could afford mortgages bearing effective interest rates of between 8 and 9 percent.

With these rates, the homebuyer must pay between $30,000 and $38,000 in interest on a $20,000 home. I hope that the Congress will not take any actions which endorse this kind of burden being placed on the backs of homebuyers.

Mr. Speaker, I am uncertain about what role mortgage bankers played in the financing of local housing efforts. From the news accounts, it appears that these lenders are basically middlemen standing between the homebuyer and some other financial institution. It may well be that this middleman is simply adding to the cost of the money and to the cost of the housing. If this is the case, the Congress should look at this situation closely and see what can be done to channel money into housing in a more efficient and less costly manner.

This would be a good time to take a broad look at all of the lending and mortgage practices in this area.

The Banking and Currency Committee has conducted several investigations into lending and housing practices in the District of Columbia area and the newspapers have conducted investigations on their own. All of these investigations have raised serious questions and I am not sure that the Congress would be dealing with the situation properly if it simply enacted an emergency statute designed to overturn a court decision.

The Congress should determine the role of the other lenders in the District of Columbia and make sure that there are not other statutes which may have been violated through the years in connection with mortgage lending.

In light of what has happened, the Congress should not wait until there are other court decisions pointing up problems of this nature. Congress ought not to wait for the courts to make all of the discoveries.

It is to be expected that the lenders will trot out the tired old lines that higher rates were needed to avoid drying up mortgage funds.

Lenders have never been able to prove that higher rates bring more mortgages, but it can be shown that low- and moderate-income buyers cannot afford the higher costs. There is strong suspicion that the lenders have already dried up the funds to low- and moderate-income families whatever the interest rates.

Housing problems in the District of Columbia—as in other cities—are tremendous and it is absurd to think they can be met by taking care of the lenders' legal problems. Congress should be devoting its efforts to obtaining a better allocation of credit at reasonable rates to areas of greatest need rather than to statutes designed to accommodate lenders and to make it easier for high interest policies to remain in force throughout the Nation.

ENVIRONMENTAL PROTECTION AGENCY

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. HANNA. Mr. Speaker, I believe the recent creation of the Environmental Protection Agency and the promulgation by that Agency of air and water quality standards marks a watershed in this Nation's fight against pollution and for a higher quality of life. The time has come not only for a redirection of our energies but also, to my mind, for a new look at the sources of these energies.

As one who has on the public record expressions of concern over our ecology as far back as the 89th Congress, and as one who has taken concrete steps to avert impending disaster, I feel I can honestly call to task those in our country who bear the responsibility for preserving at least our little corner of the world. This Congress has passed—and I have actively supported—major legislation to protect our waterways, both inland and off our ocean shores, to preserve endangered wildlife, to encourage maximum reuse of our natural resources, and to guarantee the purity of the very air we breathe.

Notwithstanding these marked achievements, I will concede—as any responsible and aware person must—that we have but begun the fight, that we have acknowledged merely the exposed tip of a frighteningly contaminated iceberg. It is this acknowledgment and realization of what still lies ahead to which I attempt to address myself today and for which I modestly suggest some possible directions we in Government—local and State as well as Federal—might take.

In speaking to this body on this issue, I am the first to acknowledge the predilection inherent in the portion of the country which I have the distinct privilege to represent in the Congress. The major pollution confronting my district and the surrounding area of southern California is also that which is usually most visible—air pollution—and which comes largely from a most visible source, the automobile. No one who has viewed and experienced the asphyxiating smog which frequently envelopes the Los Angeles area can fault me when I ascribe to this problem a high priority for resolution. Yet I feel I must question the approaches we in Government are exploring in seeking this admittedly vital solution.

We have, as I noted, established via the Environmental Protection Agency quite stringent air quality standards. We have also taken major steps toward realizing those standards by imposing limits on pollutants emitted by various industries and modes of transportation. I offer, however, the following two related questions which bear directly on any ultimate solution we may envision and/or attempt to achieve:

First. Can we continue to regulate emitted pollutants without having to face regulation of the polluter?

Second Should the Federal Government continue to bear the major burden in reducing pollution?

As federally imposed regulations have been brought more and more strongly to bear on the general public, I have occasionally glimpsed, through the clouds of general outcry on the two extremes of the argument, rational responses to this critical situation. I recently came across just such a response in a magazine representing, interestingly enough, a significant faction of the automobile enthusiasts in the country. Before continuing, I

commend the appended comments to the attention of my colleagues. While obviously not endorsing the entire contents of the article, I must impress upon my colleagues the significance of the source of the comments. They are offered by one vitally interested in the continued availability of the automobile as a basic means of transportation in addition to being fully aware of the need for alternatives and with full respect for the consequences should these alternatives not be responsibly sought. Such a source must, I believe, receive our careful consideration as it reflects a heretofore too often overlooked viewpoint.

As to specific approaches to this problem, Mr. Speaker, I am firmly convinced, as is pointed out in the aforementioned article, that in coping with the air pollution problem in areas of our country which have large automobile populations, we must acknowledge that it is now time to take steps to limit the use of automobiles. As has been pointed out elsewhere, any reductions in overall pollutants that could have been achieved by the fairly stringent regulations now in effect, will be more than negated by the increase in the number of automobiles being manufactured and sold now and in the immediate future. In making this point, I am answering in the negative my first question posed above. While recognizing the limits on any Federal actions in this regard, we must realize that certain indirect means are available, especially via the imposition of taxes designed to regulate activities as opposed to generating revenue. While this tactic is not often spoken of publicly, I hasten to emphasize to this body that our income tax laws are replete with such taxes, many of them being much less equitable and encouraging less noble ends than the purification of our air. I, myself, have cosponsored legislation providing for just such a tax on industrial air pollution. A tax of this sort, designed to reduce automobile usage could take many forms, two of which might be a general excise tax on the purchase of cars or an increased tax on gasoline purchases. Returning to the field of income tax law, might it not also be plausible to modify the current provisions for mileage deductions?

I readily admit that these suggestions could be quite far reaching and have consequences far beyond the immediate goal I am here considering, but I cannot accept such arguments as negating any consideration of these approaches—if not with specific enactment in mind, then at least as a vehicle for illuminating other ideas. I also believe certain of my colleagues have sponsored legislation providing further tax deductions for the cost of installing emission control equipment on cars. Why not—if we are truly committed to the ends being sought by such legislation?

Turning now to my second question, I must also answer it in the negative. While there are areas in which the Federal Government is the most logical and only truly effective agent to regulate pollution, the time has come for State and local government to shoulder their burden more readily and fully in the areas most susceptible to their regulation. This watershed which I mentioned initially must result in an equalizing of the burden through a dispassionate commitment by all levels of government to set standards and examples and to assume their obligatory role of leadership in times of crisis.

The means for a distribution of this burden are and have been for some time readily at hand. State and local government, having many of the police powers denied to the Federal Government, have equivocated too long in this battle. There exist means of exerting pressure on the automobile owner too numerous to list comprehensively at this point, but a few of which are local and county registration fees, State gasoline taxes, various forms of property tax, and specific restrictions on uses—that is, commuter taxes, restricted shopping areas, et cetra. Also, via building codes and zoning laws, indirect but highly effective restrictions can be imposed. And, once again, why not—if we are truly committed to these worthwhile and necessary ends?

I will be the first to concede that my remarks in their entirety presuppose the development of alternatives to the automobile. Yet we have—supposedly—already made this commitment through the creation of the Urban Mass Transportation Administration. While a conscientious commitment has in reality yet to be made, given the paucity of funds allocated to date and this body's reticence to make other similarly oriented moneys available, points well taken in the article which follows, we must begin now to work for a reduction in the use of the automobile. I have in the past actively supported waivers under Federal laws to permit my home State of California to impose standards more stringent than the Federal guidelines. I will, however, find it increasingly difficult to continue to support such waivers as the rationale for such support loses its efficacy without some indication of a commitment by other levels of government to the development of alternative regulatory means. Such a commitment may well accomplish two ends—directly reduce pollution and indirectly serve as an incentive for development of alternatives.

I will explore, Mr. Speaker, in later remarks to this body, some of the above-noted alternative regulatory means in more detail. For now, however, a time of awakening and rededication is appropriately upon us.

The article follows:

[From Road and Track, September 1971]

OF IMMEDIATE INTEREST

Now that the automobile has been named the great air polluter of U.S. cities, the federal government and the State of California are in a dead heat to see who can write the most stringent emission limits for new cars. The federal government has set limits for 1976 that are next to impossible, and the California legislators are now talking about going them one better.

Ridiculous. Now that these standards are on the books, let's get on with the next problem at hand, *limiting the amount of use* of automobiles in the urban environment. It makes absolutely no sense to go all-out to limit the emissions of the automotive unit while going on doing everything imaginable to encourage and increase the amount of use each car gets daily. We sit here in southern California watching exactly this happening, and it's so incredibly illogical that we can hardly believe it's happening. But it is, in Los Angeles and every other major U.S. city.

Specifically, in Los Angeles and elsewhere, urban freeways continue to be built—almost helter-skelter, except for the recent trend toward citizens protesting and blocking them. How on earth can urban area expect to bring pollution and congestion under control while continuing to accommodate the automotive flight to the suburbs?

The federal government has also set air quality standards for U.S. cities for 1975, via the Environmental Protection Agency run by William Ruckelshaus. Ruckelshaus says that Chicago, Denver, Los Angeles, New York, Philadelphia and Washington will have to cut down on the use of cars and suggests "prohibition of automobiles during peak traffic hours" as a course of action, besides mandatory car pools.

America seems to have a great tendency to prohibit things. If something offends, prohibit it. If fragile bumpers have cost hapless people a lot in repair bills, ban fragile bumpers—even for people who like fragile bumpers. If too many cars cause pollution and congestion problems, ban cars. Remember prohibition?

A more realistic approach is to *limit* the offending factor. If a problem grows out of proportion, put a lid on it. And we think this is the way to approach the urban traffic problem.

Why has the automobile become a problem for urban America? First, because it had a real and important attraction. It offered personal, private, convenient transportation. Second, Americans learned first how to produce the automobile in quantity and make it cheap. So nearly everyone could have one. Then we allowed public transportation to die. Mind you, *we* did it, not "they."

Everything went fine for decades. The federal government and many states even saw fit to write into law that taxes collected on gasoline for cars couldn't be used for anything but roads. Logical: those who use the roads pay for them. So we built roads—magnificent roads. We came to grips with the automobile, we thought, by doing everything possible to make sure everyone had one. We didn't tax it heavily, and we didn't tax the fuel to run it very much; after all, with these taxes so restricted in what they could be used for, there was plenty of revenue from the light taxes, which today range from 10 to 12 cents per gallon, state plus federal.

The national version of this is called the Highway Trust fund and it pulls in some $5 billion annually from the federal 4¢ per gallon, which in turn is doled out as assistance for highway building. When a city is considering freeways versus mass transit, there's hardly any choice: the federal government, via the Trust Fund, can match funds at a 9-to-1 ratio. The city gets $1 worth of freeway for 10¢. Any other form of urban transit will cost the city 30–50¢ on the dollar. And it's a self-perpetuating round: build the freeway, people decide they can live farther out, they fill it up and another new freeway is needed.

Last November, California voters had the chance to vote for a constitutional amendment that could have diverted 25 percent of that state's gasoline tax to mass transit and pollution research. It was defeated, largely because the local branch of AAA and five major oil companies mounted an impressive billboard campaign against it. Theme of the billboards: it would mean more taxes.

Yes, it would mean more taxes—especially if the assumption is that roadbuilding would continue unabated. But such an amendment would be wasted if that happened: one of its greatest attractions is that it could slow down roadbuilding.

Mass transit, to become competitive again, must be modern, speedy and comfortable. But

it must have compelling economic attraction as well: the American urban public—at least the majority—is affluent. It can afford to run cars, even gas-guzzling ones. And it likes the privacy well enough to put up with the traffic jams—at least at current cost levels. So mass transit has to become competitive—indeed imperative—on an economic basis. How?

Cars already are becoming more expensive to operate. Prices are going up because of safety and emission equipment; fuel economy is going down because of emission equipment. Insurance is a national problem, and in cities as crowded as New York the cost of parking is a strong deterrent to owning a car. The "natural" process, a direct result of the automobile having become a major environmental problem, may be enough to revive mass transit's attraction for America's city dwellers.

Or it may not be. It may—and probably will—take large new sources of revenue to finance public transit systems. And the logical source for it, we think, is the automobile. Gasoline taxes may have to go 'way up (in European countries, which do provide a lot of good public transit in cities, they are as much as 60¢ per gallon!); perhaps new-car purchase taxes, based on weight, engine size, initial price or overall dimensions, should be graduated from the current low American levels to something like the 40 percent applied to any new car of over 3-liter displacement in Japan. And it's probably the cities that will have to do the taxing; rural people neither need nor will get public transit.

We can already hear the screams of agony. "You want to lower our standard of living!" "Cars cost too much already!" But it's inevitable anyway, and we think it makes far more sense—especially from a personal freedom viewpoint—to tax up the cost of something instead of prohibiting it. Thus if one wants to drive badly enough he can work hard, make the money and do it. If not, he'll have the alternative of public transportation. The number of people driving—proportional to the population—must come down, and with the alternative of public transportation there for the choosing one has little complaint if he gets caught in a traffic jam.

So, in effect, we're suggesting that higher automotive taxes are a double solution to transportation and pollution problems: at one time they provide funds for public transportation and discourage excessive use of automobiles. We believe they must be phased in gradually, however; a fell swoop of tax increases would hit the poor hard before there was any alternative transportation, especially in a place like Los Angeles which is virtually devoid of public transportation.

We're not economists, nor are we public transportation experts. However, we cannot see our current mass dependence on the car continuing indefinitely and we do not like the idea of prohibiting this and that use of the car. So we offer the concept of automotive taxation as a force for balancing America's urban transportation *in lieu* of ever tougher emission controls and traffic prohibition. Think about it. Europe has lived with it for years, and look who builds the best cars.

PADRE OF YOUTH AWARD

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mrs. GRASSO. Mr. Speaker, a priest's life is an all-encompassing one—he is a constant companion for people during times of great joy and deep sorrow. Commitment, compassion, patience, faith, generosity, and love—all are his tools to do God's work in a troubled world.

It is my fortunate honor and privilege to commend a priest in my Sixth Congressional District, whose work is not only truly worthy of distinction, but as especially important because it involves the crucial development of the church's link to the future—her young people.

Rev. Augustine H. Giusani, now pastor of St. Ann's Church in New Britain, spent 25 years of his clerical life as a strong leader in the Catholic Youth Organization. From 1947 to 1954, Father Giusani headed the Waterbury CYO, and from 1954 to 1961, he guided CYO activities in New Britain. As director of CYO in the archdiocese of Hartford, from 1961 to 1971, Father Giusani coordinated the many educational, cultural and sporting activities for the over 125,000 young people who participate in CYO each year. He assumed additional responsibilities as director of the New England CYO from 1968 to 1971, and for the past 10 years, as a member of the National CYO Advisory Board.

Last week the National Catholic Youth Organization presented him with the coveted Padre of Youth Award at its national convention in Washington. The award is the more cherished coming as it does on the retirement of Father Giusani from office in the organization.

This well deserved recognition is tribute to Father Giusani's ability to serve as an inspirational leader and warm friend to young people in his bridge-building efforts between our youth and the church. Father Giusani's success in his life's mission is built on his philosophy that young people, and all church members, must "live the doctrines of faith, not just learn them."

As his new career of church pastor unfolds, loving memories of the thousands of young people who have benefited from his concern and advice will sustain Father Giusani through the challenges which lie ahead.

BUTTER SALES UP

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. ZWACH. Mr. Speaker, I note that as of November 17 overseas butter sales total 102,959,188 pounds under the program that was instituted the week of May 17.

At that time the butter was sold, mainly to England, at 50 cents per pound.

On October 6 the price was increased to 52½ cents.

These sales are being made without any disruption of our world export trade market.

Over 2 billion pounds of milk are required to produce this amount of butter.

As a result of this transaction we see a firming of our domestic butter market.

Mr. Speaker, this increase in foreign trade value is one of the avenues by which we can bring some improvement to the economy of our countryside.

"THE AIR WAR IN INDOCHINA": THE CORNELL REPORT

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. MIKVA. Mr. Speaker, a remarkable document will soon be published by a research group at Cornell University, detailing the facts and the futility of the bombing policy we have been pursuing in Indochina.

The massive bombing carried out throughout Indochina by the United States is not only inhumane, it is ineffective from a military standpoint. More tonnage has been exploded in and over Indochina than in all of World War II and the Korean war combined.

In North Vietnam, this war-by-proxy has produced more than 50,000 casualties a year, 80 percent of whom were civilians. In South Vietnam, there have been over 1 million civilian casualties from indiscriminate and militarily ineffective bombing. The report shows that only a fraction—5 to 8 percent—of the sorties flown in South Vietnam were in direct support of combat troops.

A tragic irony of such massive aerial warfare is revealed by the fact that more American soldiers have been killed by booby-trapped dud bombs—1,000 in 1966—than enemy soldiers killed by our air strikes, approximately 100 during the same period.

The air war has been unjustifiably costly in economic terms as well as human terms. The total economic cost is estimated by the Cornell study to reach $50 billion.

In the face of such facts, the world must conclude that we are mad. The air war in Indochina has cost us billions of dollars, thousands upon thousands of lives among our allies and our own troops, the respect and good will of the very people we are pretending to help—and all for naught. Aerial warfare has been a miserable failure militarily, as the report shows and as our own intelligence reports have continually advised.

Mr. Speaker, I would like to insert in the RECORD a brief summary of the Cornell University research report on the air war in Indochina. The truth is often unpleasant, but it must be confronted. If the imminent publication of the full Cornell report helps us to do that, it will be of immense value.

The summary follows:

THE AIR WAR IN INDOCHINA

This research report prepared by a group at Cornell University presents for the first time a comprehensive examination of the American air war in Indochina. The report contains a historical account and detailed statistical data for the air war in each of the countries of Indochina. A separate chapter is devoted to an analysis of the technical problems in the deployment of air power, including the scattering of ordnance which results from limited targeting accuracy, from target misidentification, from ground-fire suppression, and from such specialized missions as armed reconnaissance.

The presentation provides the basis for a more accurate interpretation of the present level of deployment of American air power and for a study of the trends for the immediate future. The data reveal that, despite a significant reduction in the amount of American air power in Indochina, very substantial forces remain in the theater and continue to be used at a high level. By the end of this year, the Nixon Administration will have deployed in three years as much bomb tonnage as the Johnson Administration did in five. It appears that the policy of withdrawal-without-political-compromise leaves the U.S. still boxed in by the enemy's military initiatives; as American ground forces are withdrawn, the only response available will be massive retaliation from the air. The report examines the characteristics of this type of response in the light of past experience and concludes that it is badly mismatched to the challenges of guerrilla warfare with which it may have to contend.

To illustrate the high intensity of the American bombing, tonnage figures for air munitions deployed may be compared with a case which has been studied in detail. The war against North Vietnam, waged almost exclusively from the air, used 100,000–200,000 tons of bombs per year; it was a lavish and hard-hitting campaign which, despite exceptionally strict controls on the targeting, caused widespread devastation and entailed as many as 50,000 casualties a year, 80 per cent of whom were civilians. This tonnage rate has been equalled or greatly exceeded in several theaters of the Indochina war. Even at present, in the first eight months of 1971, more than 500,000 tons of bombs were dropped by U.S. planes. The large scale of this effort is further emphasized if one realizes that the British, in their successful counter-insurgency war in Malaya, used only 33,000 tons of air munitions in the whole period of ten years.

In South Vietnam alone, the U.S. has already dropped 3.6 million tons of bombs. The report presents a study of the impact of an air war conducted on such a massive scale. Only 5 to 8 per cent of the air sorties flown in South Vietnam were in direct support of American or allied troops in battle; the rest were for interdiction, harassment, and retaliation—missions which, in a country being defended not attacked from the air, result in widesperad civil destruction among the population whose allegiance is being sought. The motivation for many of the air strikes is documented by the leaflet drops which preceded or followed them; the texts of several such leaflets are cited. In South Vietnam to date, it is estimated that there have been over one million civilian casualties, including 325,000 deaths, while over 6 million people (one-third of the population) have become refugees.

U.S. air activity in South Vietnam itself has been cut back, with the South Vietnamese Air Force taking up some of the tactical bombing assignments. U.S. emphasis is now more on saturation bombing by B–52 Stratofortresses. A typical mission of six B–52s drops 300,000 pounds of high explosive in a fraction of a minute. (A hand grenade contains less than one pound.) Such bombing without a detailed target demolishes an area corresponding to 200 city blocks. Over half the tonnage dropped in South Vietnam has been in such massive saturation raids.

Bombing of North Vietnam between 1964 and 1968 failed to achieve significant results. Economic damage and civilian casualties were very heavy, as noted above, but CIA and Defense Department studies at the time showed no measurable reduction in North Vietnam's will or capability for contributing to the war in the South. The statistics cited in the present report show that the 1968 bombing "halts" did not actually reduce air activity in Indochina, but only shifted its focus—first to below the 20th parallel, and then to Laos and the Ho Chi Minh Trail.

Despite Administration denials, a major air effort has been carried out in northern Laos to support ground activities of the Royal Laotian Government, which are totally unconnected with the conflict in Vietnam. U.S. bombing there during 1969 was as intense as that during the attack on North Vietnam (200,000 tons per year into an area the size of Kentucky), and even fewer restrictions were placed on the use of air power than in South Vietnam. The recurring reports of widespread devastation of Laotian society are credible in the light of these facts. Despite the massive bombing effort the Pathet Lao now control more territory than ever before.

In Cambodia, American air operations have been conducted with sustained intensity since 1970. They have included not only interdiction missions against supply and troop concentrations in the northeast, but also close-support operations for Cambodian and South Vietnamese troops. At present Cambodia has joined the list of Indochinese countries totally dependent on the U.S. for their military and economic survival.

The air war over the Ho Chi Minh Trail in southern Laos has been steadily escalating since 1966, with 400,000 tons of munitions expected to be dropped this year. This interdiction campaign has become the focus of the U.S. air war in Indochina; it has also served as a laboratory for the improvement of air-war technology. Elaborate and expensive electronic devices are being developed as instrumentation for an "electronic battlefield," the goal of which is automated and computerized warfare, providing an all-weather, day-night interdiction capability. This development is a further step in the depersonalization of war: "Machines fight the gooks, and no human beings are involved on either side!"

The air war has also resulted in a direct and massive onslaught on the ecology of Indochina. More than one-third of the forest area of South Vietnam has been sprayed with defoliants, one-half of the country's mangrove forests have been killed off, and enough food has been destroyed by herbicides to feed 600,000 people for one year.

Various examples point to the paradox inherent in the mechanized American response to guerrilla warfare. For instance, one Defense Department analysis showed that the extensive American bombing provided the enemy with more than enough explosives from dud bombs, 27,000 tons in 1966 alone, to make his mines and booby traps. Such devices killed over 1,000 U.S. soldiers that year, while the air strikes were estimated to have killed no more than 100 of the enemy.

The direct budgetary costs of the air war thus far have been about $25 billion, or about one-quarter of the cost of the Indochina war; the total U.S. economic costs are estimated at more than $50 billion. The immense cost to the people of Indochina cannot be put in such precise figures, but it must be taken into account in evaluating the air war.

The credibility of U.S. government statements about the air war is called into question by numerous discrepancies. The Pentagon Papers have now revealed developments through early 1968; this report draws attention to events since that time. In 1969, when 200,000 tons of bombs were dumped on northern Laos, Washington officially admitted only to flying "reconnaissance" missions. B–52 raids in northern Laos went on for more than a year before official acknowledgement. It was stated that U.S. planes were not giving close support to Cambodian troops when in fact they were. "Protective reaction" raids against North Vietnam strike a wider range of targets than their official description implies.

In surveying the present trends in the air war, the report finds that there has indeed been a significant withdrawal of American air power from Southeast Asia. Despite this relative decrease in the number of U.S. aircraft deployed in the theater, more than enough remain to permit a continuation of the air war on a massive scale. American attack planes are being withdrawn primarily from bases within South Vietnam; substantial numbers remain in operation from bases in Thailand and carriers in the South China Sea. At the same time, the South Vietnamese Air Force is being built up to take over many of the in-country operations, while relying, however, on U.S. aircraft for the maintence of air superiority and for missions in other parts of Indochina.

In terms of military effectiveness, the study finds that although air power has been able to achieve narrowly defined military missions, such mini-successes have not added up to yield an overall position of strength. Close air support of friendly troops has definite advantages—but only a small fraction of the U.S. air effort has been devoted to that mission. Interdiction is a valid objective—but it has yet to be shown that air power under Indochinese conditions can reduce the flow of men and materiel enough to curtail guerrilla activities.

While aerial bombing has undeniable military advantages in conventional warfare with massed troop concentrations, in guerrilla warfare the American capital-intensive response, substituting lavish firepower for manpower, is both inefficient and indiscriminate. Military gains, which at most buy time, are mitigated by heavy civilian damage from air war, the consolidation of enemy morale which frequently results, and the unfavorable image of the U.S. projected abroad. Indiscriminate destruction resulting from the use of air power amidst civilian populations contributes to the continuing weakness of friendly regimes in Indochina. U.S. political aims in Indochina are hardly more secure today then ten years ago.

In sum, the study concludes that, while the use of air power is tempting because of its relatively low cost in dollars and American lives, in the Indochina setting its military effectiveness is restricted and its indiscriminate devastation is politically counterproductive. The report suggests that the air war was prosecuted in the face of these facts not because American politicians were knaves or fools, but rather because of a failure of the imagination: a failure to develop policies more complex, but at the same time more humane and politically appropriate, than routine application of the massive firepower available to the United States through its advanced technology.

PRESIDENT NIXON IS KEEPING HIS WORD

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. McCLORY. Mr. Speaker, last week the President of the United States withdrew an additional 2,800 soldiers from Vietnam.

On January 20, 1969, there were 532,500 Americans enduring the perils of an Asian war. Today, there are 188,300 Americans in Vietnam who are planning to come home.

Mr. Speaker, President Nixon is keeping his word.

XUM

HOUSING FOR THE ELDERLY

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. SCHEUER. Mr. Speaker, this Nation's continued neglect of the elderly has reached nearly scandalous proportions.

All recent studies have found that the elderly constitute one of the few groups in the Nation whose numbers increase among the poor each year. In addition, as a group, the elderly face a national lack of facilities and services in such areas as housing, health, supportive services, and transportation. Finally, even where these services and facilities exist, the elderly poor are often unaware of their existence or find them inaccessible.

Despite the existence of these well-known problems, little has been done to ameliorate the situation. Social security payments are still too low to permit a decent standard of living and existing programs to provide facilities and services are still funded at a shockingly low level—a fact I noted when I offered a $40 million amendment for the elderly to the bill extending the Office of Economic Opportunity.

The most desirable solution to these problems involves a basic reordering of priorities—incomes must be increased, facilities and services provided, information as to the availability of programs disseminated.

I support these goals and will continue to work toward their achievement.

In the meantime, I am today introducing a bill to help the elderly poor meet one of their most pressing needs—decent, safe housing.

It is true that housing is a most important commodity for persons of all ages. But, in the words of a National Council on the Aging report, for the elderly—

> Safe and suitable housing is probably the most important single environmental factor in the well being of elderly persons.

Housing, for the elderly, "may mean the difference between living independently or in an institution; between solitude and socialization; between safety and danger; or, in extreme cases, between life and death."

Despite the important role that housing plays in the lives of the elderly, the fact is that a substantial proportion of the elderly poor live in substandard housing for which they must pay a disproportionate amount of their incomes.

To help remedy this situation, my bill would pay a shelter allowance to those elderly individuals who have a disposable income of $4,500 or less. This allowance would be equivalent to the difference between the maximum fair rental of their housing and 25 percent of their income, with a maximum payment of $1,200 per year.

It is true that Congress enacted a similar rent supplement bill in 1962. But, as a matter of fact, this program has been seriously underfunded and it is not available to the elderly as a right.

To remedy this situation, my bill would make the housing allowance a part of an individual's social security payments, payable from the social security trust fund.

Of course, enactment of my bill would necessitate an increase in social security taxes. However, the amount of the increase would be minimal. Based upon New York's experience with its rent increase exemption law for the elderly, the estimated total national cost of my bill would be approximately $97 million per year. As total national social security tax collections now amount to approximately $36 billion per year, the additional taxes required to meet the cost of my program would amount to less than one-tenth of 1 percent.

Mr. Speaker, the plight of the elderly is a national disgrace. We must move immediately to end the poverty and degradation that affects those to whom we owe so much. Although the bill I have introduced today is only a small step toward this goal, I do hope that it will make at least a small contribution to the total effort that is required.

JAMES J. KILPATRICK'S COLUMN ON NEW HOPE FOR MINORITY EDUCATION

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. PUCINSKI. Mr. Speaker, the distinguished American journalist, Mr. James J. Kilpatrick, has written an outstanding column for the Washington Star on a ray of light regarding education of minority pupils.

Mr. Kilpatrick has performed an enormous public service by giving national attention through his column to the findings of George Weber regarding four successful educational programs for our Nation's minority children

I believe every educator in America should read Mr. Kilpatrick's column which I am placing in the RECORD today. As chairman of the House Subcommittee on General Education, I sincerely believe Mr. Kilpatrick's column reporting Mr. Weber's findings can open a whole new vista of educational opportunities for the Nation's disadvantaged children.

The column follows:

A RAY OF LIGHT ON EDUCATION OF MINORITY PUPILS

(By James J. Kilpatrick)

In recent years, one of the great controversies of education has revolved around the inner-city school. By virtually every account, these schools have been failing in the primary function: They have not succeeded in giving their poor black, Puerto Rican or Mexican-American children a basic education.

Recognition of the widespread failure has led to a number of hypotheses, proposals and attempted solutions. One such theory, for example, holds that black children as a group are inherently or racially different from white children in their learning aptitudes. Another theory places the blame for poor achievement largely upon poor environment.

In the midst of this gloom and confusion, the Council for Basic Education has just produced a sensible ray of light. Convinced that inner-city children *can* be taught to read at national levels of achievement, the council set out to find ghetto schools that are not failing but in fact are succeeding. In a paper published last week, the CBE associate director, George Weber, describes his search for such schools. He found four.

Two of these success stories are being written in New York, one of them in the Chelsea section of the lower West Side, the other in Harlem. A third exemplary school was uncovered in Kansas City, a fourth in Los Angeles. The third-grade children of these schools are by and large the products of poverty and poor environment. Many of them arrive in the first grade speaking Spanish only. On the face of it, they have every reason to fail; but they are not failing. In these schools they are learning.

What makes them click? Why do they succeed when so many other ghetto schools, also examined in the CBE study, produce the same melancholy test scores? Weber's year-long investigation, limited though it was, has turned up some useful conclusions.

Weber begins by brushing aside the theory of inherited characteristics: "Higher average intelligence does not, in my opinion have anything to do with race or ethnic group." Neither could he find evidence to support the popular notion that smaller classes, in themselves, will improve the skills of inner-city pupils. He discards the concept of intensive pre-school training. He could find no correlation between achievement and physical plant. Two of the successful schools are roughly 50 years old, and all four are of the old-fashioned "egg crate" design.

Eight factors, his study indicates, apparently produce a successful school: "Strong leadership, high expectations, good atmosphere, strong emphasis on reading, additional reading personnel, use of phonics, individualization, and careful evaluation of pupil progress."

Woodland School in Kansas City, built in 1921, is 99 percent black Its 650 children are "very poor." Here one touches the core of the core city. Yet Kansas City has driving leadership in the person of Robert R. Wheeler, area superintendent for urban education. Wheeler simply will not accept "the myth that environmental factors develop unalterable learning depression." He scoffed at the notion that pupils do poorly because they "don't have enough oatmeal," or "need more trips to the zoo."

By putting its money into reading specialists, relatively large classes and a disciplined program of instruction grounded in phonics, Woodland is getting results.

Weber regrettably does not provide figures on per-pupil costs in the exemplary schools. Obviously, special teachers and individual instruction represent an added expense. Yet it seems a fair assumption that such a cost is much less than the cost of transporting ghetto children to the suburbs. Weber does not make the point, but the point ought to be made: The children, in other cities, are getting a good busing. Which makes more sense?

NEW COMPANY LOCATED IN BILLERICA, MASS.

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. MORSE. Mr. Speaker, last month I was privileged to be one of the speakers at the dedication of a new manufacturing facility in my congressional district—the MacBick Co., in Billerica, Mass.

While it is always a pleasure to see responsible industrial growth taking place in Massachusetts, I am especially pleased with the remarkable growth of this particular firm during recent years. Its expansion in Massachusetts signals what will hopefully be a rejuvenating force in the economy of eastern Massachusetts, which has unfortunately suffered by economic dislocations in the aerospace and defense industry. But of even greater significance, I feel, is the return of part of the textile industry to New England. The MacBick Co. will be utilizing the enormous technological expertise of Massachusetts residents in expanding the output of nonwoven textiles for hospital supplies. I am encouraged by this particular industrial activity and pleased with the prospect that the textile industry, once the dominant force in the New England economy, may be returning.

I commend to my colleagues' attention the following article, from the Lowell, Mass., Sun, which describes this encouraging economic development, and I insert it in the RECORD at this point:

[From the Lowell, Mass., Sun, Oct. 18, 1971]

DEDICATE NEW PLANT IN BILLERICA

BILLERICA.—The dedication of the MacBick Company's new 102,000-square-foot general offices and primary production plant on Concord Road in Billerica Sunday ran against two strong trends in the Greater Boston area:

1. Instead of cutting back on production and work force, the new MacBick plant is in full and growing production, employing over 200 workers, most recruited from the immediate area.

2. And the long, post-World War II trend of a disappearing textile industry, chiefly relocating in the South, has been countered in part by the opening of the Billerica plant which is geared to the production of a new generation of textiles of a non-woven variety, and which has been relocated from the MacBick plant site in Georgia.

The new plant produces surgical packs, drapes and other disposable items used in hospitals and clinics.

Principal speakers at the dedication, Congressman F. Bradford Morse of Lowell, and MacBick's President, George H. Olsen, Jr., hailed the opening of the new plant as a good sign for the hard-pressed Massachusetts economy.

MacBick is a pioneer and leader in the rapidly-growing field of non-woven textiles. Other company plants are located at Wilmington and at Fitzwilliam, New Hampshire.

Olsen and officials of C. R. Bard, Inc., MacBick's parent corporation and a major manufacturer of medical equipment and supplies, see a continuing need for such products.

Olsen said that company officials were particularly pleased to be joining the Billerica community at a time when the company's need for personnel also filled a community need.

"With may companies suffering depressed sales and promotion, resulting in reduced payrolls, we hope the MacBick plant will take up a bit of the slack," Olsen said.

"It goes without saying," he said. "That we hope to employ more and more of the good people of this area as our own company prospers and grows."

There is plenty of room for plant expansion, a company spokesman said. Phased expansion will utilize more of the site in future years. The first addition will double production capacity.

Approximately 500 company employees and their families attended the dedication. Bard's President, J. Wendell Crain, and Daniel A. Cronin, Jr., a Concord resident and a corporate group vice president, plus Bard officials, and leaders in the medical and hospital supply industry also attended the open house before and after the dedication ceremonies.

The plant is located on a 30-acre scenic-site overlooking the Concord River. A dedicatory cherry tree was planted at the beginning of the ceremonies.

Bard, headquartered at Murray Hill, New Jersey, had subsidiary and affiliated companies around the world.

FARM PROBLEMS AGAIN

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. MADDEN. Mr. Speaker, the news media and the farm community in general are very much upset regarding the appointment of the former Secretary of Agriculture Earl L. Butz to take the place of the out-going Secretary of Agriculture Clifford M. Hardin.

For a number of years I, along with other Members of Congress have been protesting the annual payments the large conglomerate farm operations over the Nation and especially farms in the Middle and Far West. I have been protesting the fabulous amount of money paid these large farm operations under the unfortunate policy of reimbursing farmers for idle land. In 2 separate years, the House restricted the payment to any one farm operation to $20,000 per year. This would eliminate hundreds of large corporate farms from collecting annual checks from the Government in six figures. The other body on two occasions have overruled the action of the House.

In 1969 four large farm operations in California, Texas, and Arizona received over $1 million for idle land.

The Members of Congress were very much in favor of helping the small farmers in every way possible to receive good prices for their products and are not opposed to a $20,000 limitation to take care of the little farm, but we do oppose the financial scandal which large conglomerate farm operations inflicted on the American taxpayer.

In the New York Times, Sunday, November 14, 1971, there was a very interesting editorial on the present farm situation and concerning the renomination of Earl L. Butz as Secretary of Agriculture to resume his old position controlling farm economy which proved a failure during his last regime. I include the editorial in the New York Times, Sunday, November 14, 1971, edition, with my remarks:

POLITICAL CORN

President Nixon's decision to ease out Secretary of Agriculture Clifford M. Hardin is another political maneuver in a long history of mismanagement of farm affairs by both political parties.

During the 1968 campaign, Mr. Nixon deplored the fact that under a Democratic Administration the parity ratio had declined to 74 per cent—"the lowest since the darkest days of the Depression."

The ratio is now 69 per cent.

When he took office President Nixon had no farm program and he has none now. The self-effacing Mr. Hardin's function was to serve as a buffer between the White House and the various elements in the farm community. As buffers do, he gradually got worn down and a new one had to be found.

In all essentials, Earl L. Butz, the Secretary-designate, is more of the same. Like Mr. Hardin, he is a native of Indiana, a graduate of Purdue, a professor of agricultural economics, a conservative Republican, a standpatter on farm policy. He is a director of Ralston Purina Company, the giant cereal manufacturer of which Mr. Hardin is now to become vice chairman.

The only difference is that Mr. Butz has political ambitions and a somewhat more aggressive, articulate style. During the coming political year, he will talk a better game than his predecessor. That is not to say that Secretary Hardin was ever known to resist White House hints to take a politically expedient position. His most notorious cave-in was to set Government-supported dairy prices at one level, then raise them substantially a few weeks after an outpouring of dairymen's protests—and of political cash to the Republican party.

President Nixon's abandonment of his own plan to reorganize the Agriculture Department out of existence by distributing its functions among four new departments is a further adventure in cynicism. The original plan made perfectly good sense but, as a practical matter, Mr. Nixon has sacrificed nothing since the plan was going nowhere in Congress.

In American agriculture today, consumers and taxpayers have the worst of both worlds. They pay in taxes for cumbersome, expensive "price support" programs for major commodities which prop up prices artifically but which occasionally—as now—fail to give even substantial farmers an adequate return on their capital or to prevent smaller, less well capitalized farmers from being squeezed out of farming entirely.

Preisdent Nixon and Mr. Butz, who was an assistant secretary of agriculture in the Benson period, have been tiptoeing around the edges of the farm problem for twenty years and can be expected to go on doing so. Mr. Butz told his first news conference that the President had promised "to back us all the way in our efforts to give our farmers the income they deserve."

"The price of corn is too low," he declared in ringing tones.

One thing is clear. Political corn, like real corn, is in abundant supply.

DONNA LEREW GIVES A RECITAL ON VIOLIN

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. McDADE. Mr. Speaker, all of us are aware that Capitol Hill is indeed blessed with many people with a multitude of talents. Often these talents find their way to a distinguished forum for their expression.

Such is the case with Miss Donna Lerew, who in professional life is an accomplished violinist. In private life, she is the wife of Mr. Jerry Zieman, majority counsel to the House Judiciary Committee.

XUM

Last Friday evening, Miss Lerew performed a violin concert in Carnegie Recital Hall in New York City displaying what critic Peter Davis of the New York Times called overall technical expertise with an uncommonly flexible style.

Mr. Speaker, I submit, for the RECORD, a copy of Miss Lerew's program and a copy of the New York Times review of her performance. I know the Members of the House will join me in expressing our great pride in her accomplishments.

The material follows:

PROGRAM

(Carnegie Recital Hall, Friday Evening at 8:00, November 12, 1971.)

Sonata in G Major, K. 301, W. A. Mozart.
Allegro con spirito.
Allegro.
Sonata for Solo Violin, 1944, Bela Bartok.
Tempo di ciaccona.
Fuga (Risoluto, non troppo vivo).
Melodia (Adagio).
Presto.
(Intermission.)
Three Miniatures for Violin and Piano, 1959, Krzysztof Penderecki.
Sonate, Maurice Ravel.
Allegretto.
Blues (Moderato).
Perpetuum mobile (Allegro).

[From the New York Times, Nov. 14, 1971]

DONNA LEREW GIVES A RECITAL ON VIOLIN

(By Peter G. Davis)

There were many admirable qualities to Donna Lerew's concert Friday night in Carnegie Recital Hall. Aside from her over-all technical expertise and rich, singing tone, the violinist is an uncommonly flexible stylist with the knack of projecting the precise musical essence of a piece.

Mozart's Sonata, K. 301, for instance, sparkled with infectious lyrical grace. The gentle avant-gardisms of Penderecki's Three Miniatures emerged sweetly and artfully poised, even when Miss Lerew was called upon to set the piano strings vibrating sympathetically by virtually crawling under the instrument's lid.

Miss Lerew's major challenge of the evening was the Bartók unaccompanied Sonata. The large, arching phrases of the opening movement and subsequent fugue were not fully sustained, although her unflinching attack, precise intonation and intelligence uncovered some interesting details.

Winding up with Ravel's Sonata, Miss Lerew and her polished accompanianist, Maria Stoesser, made fine capital from its rhythmic insouciance and cool melodies.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

CRITICAL SHORTAGE IN MEDICAL SERVICES

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. SMITH of Iowa. Mr. Speaker, I would like to share with my colleagues two interesting and informative articles about the critical shortage of medical services in rural America. One article entitled, "Rural Health Care Worsens as Doctors Retire, Move to Cities," appeared in the October 28, 1971, issue of the Wall Street Journal.

This article clearly demonstrates what some of us have been saying for a number of years, namely, that we have a serious health care situation throughout our rural communities. In an affluent Nation, it is said that our citizens in the rural communities fail to have the proper medical care.

Last February I made a speech on the floor urging that we should do something to solve this shortage of health care, especially where it is most acute, in the rural areas.

In my speech, I went even further to suggest that where the doctor shortage caused the closing of hospitals and clinics that we should take steps to improve our license requirements so that medical care could be offered by well-trained medical personnel assisting and working under doctors who may not necessarily be on the premises.

I urged President Nixon to call a national meeting of medical experts and others to urgently cope with our health dilemma. I made this appeal on February 17, 1971. Although I believe it was considered, the President still has not acted on my suggestion.

Meanwhile, a syndicated columnist, W. David Webb, has written an article in which he explains my plan and thinking on this critical situation. It appeared in a number of newspapers. I would like to also insert this article into the RECORD.

I think the Wall Street Journal clearly points out the difficulty of retaining the physician in the small community. I am distressed but not surprised that the Sears-Roebuck Foundation reluctantly killed a 14-year-old program to help rural communities attract doctors by establishing well-equipped medical centers. I never did think that would work. Doctors cannot be bribed into locating where they do not prefer to live and practice. Forgiveness of debt for education and furnishing facilities will not even shift the shortage from one area to another. By 1970, 52 of 162 such centers were closed and empty, the Wall Street Journal reports.

The Journal reporter, James P. Gannon, clearly points out the reason when he writes:

"The premise on which the program was founded—that a good facility will recruit and retain a physician—was no longer valid," a foundation spokesman explains. "There are fewer and fewer doctors who are willing to staff these clinics. It's an injustice to a community to encourage them to build these clinics when the likelihood of getting a physician is remote."

The Journal gives some interesting reasons why doctors reject a rural medical practice. The Journal reports:

Because medical training has become increasingly sophisticated, many of them wind up as specialists; their specialized expertise is in greater demand in larger cities than in thinly populated areas. In the country, the round-the-clock demands on a doctor, and "professional isolation" from his peers, seem uninviting. And disadvantages of small town living, such as schooling that sometimes is inferior and limited cultural activities, deter doctors.

Since we cannot attract enough physicians to the rural areas, I think the situation is critical that we come up with a substitute. My substitute is explained in Mr. Webb's article. I again appeal to the President to bring together as soon as possible medical experts and trained professionals to meet this problem now.

The articles are as follows:

RURAL HEALTH CARE WORSENS AS DOCTORS RETIRE, MOVE TO CITIES

(By James P. Gannon)

DAY CREEK, W. Va.—The Jeep-like mountain vehicle lurches up a rocky path along a stream bed littered with rusty steel drums, crawls past a fleet of abandoned, stripped automobiles, and churns to a dusty halt in front of a ramshackle cabin.

Sitting on the porch is frizzy-haired Audrey Pettry, rolling one of the bent and pinched cigarets she smokes constantly. "I was just sittin' her wondern' if you'd come," the 73-year-old widow of a coal miner says. Inside the dark front room of the cabin, decorated with out-of-date calendars, Mrs. Pettry sits down while Mildred Snodgress, one of her visitors, inspects the old woman's ulcered leg. Mrs. Snodgress, a registered nurse, cleans and rebandages the sore while Mrs. Pettry puffs her cigaret down to a tiny, finger-scorching nub. "If it wasn't for these women," Mrs. Pettry says to another visitor, "I wouldn't have nobody."

Mrs. Pettry is one of more than 15,000 very poor people in Raleigh County who are beneficiaries of an unusual rural-health-care system known as the Mountaineer Family Health Plan. Based in nearby Beckley, the plan provides comprehensive medical, dental and eye care for country folks in the county, a coal-mining area in the southern part of West Virginia.

Programs like this one are important because of the worsening health crisis in rural America. The medical care problems all Americans face—ranging from shortages of doctors and clinics to skyrocketing, prohibitive costs—are found in double doses in rural areas. As the nation has become increasingly urban and its medical practitioners even more specialized, personnel and facilities for health care have concentrated in larger towns and cities, leaving country people to the care of the dwindling numbers of country doctors.

FROM HERE TO ETERNITY

Thousands of such general practitioners once were sprinkled throughout the rural countryside, but few remain. Many of those left are aging and unable to handle heavy patient loads. "There used to be one doctor in every little hamlet," says Dr. Martha Coyner, who practices in Harrisville, W. Va., and heads the state medical society's rural-health committee. Ticking off the names of a dozen colleagues who have departed the precincts, she says that she and another Harrisville doctor now "are the only two MDs from here to eternity, practically."

Figures from the American Medical Association show only one doctor for every 2,145 residents in the nation's most thinly populated counties; in the most densely populated, on the other hand, there's one doctor for every 442 residents. The AMA finds 132 counties without a single doctor practicing. While suburbia swims in specialists, many rural areas are better supplied with veterinarians than with family doctors. AMA data show that Los Angeles County alone has more active MDs (14,203) than the 13 states of Arkansas, Idaho, Maine, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Dakota, South Dakota, Utah, Wyoming and Vermont combined. (The county has about 7 million residents, compared to over 11 million in those states, and since the states cover a far larger area it's often more inconvenient for their residents to get to a doctor.)

As discouraging as the enfeeblement of the old rural-health-care system is the fate of one major effort to preserve it. Last year, the Sears-Roebuck Foundation reluctantly killed a 14-year-old program to help rural towns attract doctors by establishing well-equipped medical centers. By 1970, 52 of 162 such centers were closed and empty.

BEATING THE DRAFT

"The premise on which the program was founded—that a good facility will recruit and retain a physician—was no longer valid," a foundation spokesman explains. "There are fewer and fewer doctors who are willing to staff these clinics. It's an injustice to a community to encourage them to build these clinics when the likelihood of getting a physician is remote."

Doctors reject a rural practice for diverse reasons. Because medical training has become increasingly sophisticated, many of them wind up as specialists; their specialized expertise is in greater demand in larger cities than in thinly populated areas. In the country, the round-the-clock demands on a doctor, and "professional isolation" from his peers, seem uninviting. And disadvantages of small-town living, such as schooling that sometimes is inferior and limited cultural activities, deter doctors.

Perhaps surprisingly, money isn't the controlling factor; those doctors who do practice in rural areas often (though not always) manage handsomely. Dr. John E. Van Gilder, a 26-year-old West Virginia University graduate, set up practice last June at West Union, W.Va., in one of the Sears-Roebuck program's empty clinics. He expects to earn around $30,000 a year, probably more than he would earn his first year in a city practice. "It's simply supply and demand," says Dr. Van Gilder, who is the only doctor in a county of 6,400 persons.

But even Dr. Van Gilder finds a rural practice unattractive in some ways. There's no hospital nearby, so his most difficult and "interesting" cases have to be referred to colleagues in Clarksburg, the nearest city. That leaves him with "colds, sore throats and arthritis," he says. He worries about keeping abreast of new medical techniques. Dr. Van Gilder freely volunteers that the threat of the draft prompted him to take his job in West Union—where, as the only doctor in the vicinity, he could get a deferment. He expects to stay in West Union five years or so and then go on for more training and a specialty—probably in a big city—after that.

West Virginia hoped to overcome its shortness of doctors by establishing a medical school a decade ago. Yet, of 138 graduates now in practice, only 34 have remained in the state, and only 14 of them are in rural towns. "I don't think solo practice is any longer a viable answer to problems in rural areas," says Dr. Robert L. Nolan, chairman of West Virginia University's division of public health and preventive medicine.

Dr. Nolan and other students of rural health prescribe a new system for delivering health care to rural places. They think the solution lies in regional health-care plans, stressing preventive medicine practiced by groups of physicians based at a central clinic with an "outreach" effort to bring in patients from remote areas. Though no model system exists, the Mountaineer Family Health Plan—and similar systems in Maine, Florida, Alabama and California—represent significant innovations. According to the U.S. Public Health Service, the Mountaineer plan is the largest of the rural comprehensive health-care systems in operation.

It began four years ago as a poverty-war project of the U.S. Office of Economic Opportunity. The aim was to provide complete health care at no charge to Raleigh County residents whose annual incomes are below official poverty levels, currently $3,600 for a family of four. It's easy to find such families around here; 5,200 of them, with over 15,000 persons, one-fifth of the county's population, are registered and eligible for the plan.

The plan is based at a $500,000 clinic next to the Appalachian Regional Hospital at Beckley. The medical staff consists of five physicians and three dentists. On an average day, the doctors see 100 to 150 patients and the dentists about 30. Nearly all the patients have reached the clinic in the rugged four-wheel-drive ambulances that make daily runs between Beckley and its mountainous outlands.

Seven satellite clinics in hamlets like Slab Fork and Trap Hill are the plan's "outreach" terminals. Teams of health workers—a registered nurse, aides, drivers and environmental health workers who help build sanitary privies and test water supplies—work out of the satellite stations and keep in touch with even the most isolated families.

A tour with Mildred Snodgrass, nurse-supervisor at the Marsh Fork satellite center, shows how the plan works. The trip begins in her Scout vehicle from outside the four-room office housed in the building formerly occupied by the region's only private physician.(He died five years ago, and the nearest doctor now is some 25 miles distant.) She steers the vehicle along a bumpy trail to a cabin nestled in a sunny hollow between two green mountains. Here she takes the blood pressure of 60-year-old Chris Dickens, a new patient who lives alone on welfare, and makes sure he understands when to take his four newly prescribed drugs.

The day before, Mr. Dickens had his first physical examination in four years, at the Beckley clinic. "I haven't ever been to the doctor much," says Mr. Dickens, who is being treated for hypertension and indigestion.

After a stop to treat Mrs. Pettry's ulcered leg, Nurse Snodgress gingerly wheels the Scout up a precipitous path above the Coal River to the home of Cuba Opal Wiley, a disabled miner troubled by lung ailments. With his tobacco-stained teeth showing as he smiles, Mr. Wiley tells a visitor, "If it wasn't for this program, buddy, I don't know what I'd do. If I got sick, I guess I'd just lay here and die, buddy, that's all I could do." His wife, a diabetic, also gets medical care, and she's scheduled for liver surgery.

COSMOPOLITAN STAFF

Continuing her rounds, Nurse Snodgress and her aide take a medical history from a new patient, remind another of his scheduled appointment in Beckley, and make other routine visits.

Back at the Mountaineer clinic, a motley group of elderly, disabled men, pregnant women, tots and teen-agers patiently wait their visits with the doctors. The doctors themselves are a varied lot, and their names—like Arcadio Alarcon, G. Sri Rama Gupta, and Suradech Kongkasuwan—suggest the difficulty of keeping indigenous physicians in the area.

In fact, all five of the clinic's doctors—three internists and two pediatricians—are foreign physicians working here under temporary state licenses. "We have difficulty attracting American doctors," says Dr. Forest A. Cornwell, the Mountaineer plan's director. The $28,317 yearly salary isn't enough, apparently, to attract U.S. doctors, though all three dentists, who get $25,520, are Americans. (The foreign physicians generally have a harder time obtaining temporary licenses to practice in desirable urban areas, which often have their pick of American medical-school graduates and simply don't issue temporary certificates to foreigners.)

To the doctors, it's clear that their services are badly needed. "You see many children who have never been to a doctor, who have never had their inoculations," says Dr. Jose Alphonso, a Cuban refugee physician. "I have seen many children here who have worms, and many underweight and underheight because of poor nutrition."

"There's a tremendous backlog of care that is needed," says Dr. Edwin H. Warfield, a dentist. About one-third of Mountaineer's patients never have been to a dentist, and practically all the rest have received only minimum emergency care, Dr. Warfield figures.

WHERE'S THE MONEY COMING FROM?

Beckley itself, with a population of nearly 20,000, has abundant health services. There are 23 dentists, 70 physicians and several group-practice clinics. But the rest of the 610 square miles in the county is a health wasteland, served only by the Mountaineer plan and its free transportation.

The major difficulty with the plan is its cost. Mountaineer has been nurtured by federal subsidies; a $2.1 million grant from the Health, Education and Welfare Department finances nearly its whole budget. But HEW indicates it doesn't plan to support the project indefinitely, and Mountaineer officials have been told that its survival depends on its progress toward "self-sufficiency."

Prodded by HEW, the plan just adopted a sliding-fee schedule under which clients currently registered will have to pay 15% of their bills. Dr. Cornwell says the long-range aim is to transform the plan from a poverty project to a broader-based plan open to any county resident. Meanwhile, the budget squeeze is limiting the number of new enrollees who are poor.

Costs have risen fast. From only $41.55 in mid-1970, the charge for a day in the hospital has risen to $81.54. The cost of the average drug prescription has risen to more than $4 from $3.44. Officials have dipped into the capital construction budget for operating funds, and they've scrapped plans for some new activities, such as a mobile dental unit.

The financial squeeze suggests that Mountaineer will have to scale back its services, or raise fees even higher, and it creates a painful dilemma. "It gets to be a normal decision," says Dr. Cornwall, "It's like having 10 people in a lifeboat, and if two don't get out, all 10 are going to sink."

The only feasible solution, in the minds of most rural-health authorities, is a massive federal rescue effort. Says Dr. Leopold J. Snyder, a doctor from Fresno, Calif., who is chairman of the AMA Council on Rural Health: "If there is to be any widespread improvement in today's dismal rural health scene, there will need to be large expenditures of honest human energies and a large infusion of public funds."

[Syndicated Column from the Newport News, Va., Daily Press]

CONGRESS CONCERNED WITH HEALTH PLANS

(By W. David Webb)

WASHINGTON.—Good health is the greatest need for all mankind. Without good health, nothing else is really important. A great concern is sweeping the nation to improve the health delivery system so that all may have adequate care.

XUM

Congress has got into the act with great gusto as more than a dozen health-payment plans have been advanced. The most extensive health care plan has been advocated by Sen. Edward Kennedy and its concept may well provide him with the most appealing issue to sweep him into the White House. Basically Kennedy's "cradle to grave" treatment plan would establish a government operated national health insurance program completely paid by the taxpayer so that all people would be covered.

The Nixon administration has countered the Kennedy proposal with its own plan to provide health insurance coverage for all workers and their families which meet federal minimum standards. Nixon says his plan would cost a mere $7 billion and warns that Kennedy's plan would bankrupt the nation to the time of $77 billion.

Everyone is in the act with a plan—the American Medical Association, the private health insurance companies, Sen. Russell Long with his catastrophic health insurance scheme, plus many other political leaders and organizations.

However, all the plans tackle only the financing and fail to meet the basic need of improving the nation's current health delivery dilemma today.

If the nation provides the finances, the end result may be that Pandora's box will be opened and a plethora of patients will descend into the overcrowded doctors' offices and hospitals. The danger could be that instead of improving the medical delivery system it would be critically wounded.

However, Rep. Neal Smith (D.-Iowa), who has carefully observed the medical dilemma as a chairman of a key appropriations subcommittee, has come up with an idea to help solve the current problem. Basically, Smith believes that a series of clinics should be opened throughout the nation where preventive medicine could be practiced. He believes that if doctors are unavailable then medically-capable nurses or paramedic personnel could help ease the health crunch. In private many physicians believe that Smith's idea has serious merit.

Congressman Smith last February in a floor speech called for President Nixon to bring together the best people in medicine and related fields to tackle the current health crisis. He talked with doctors, hospital personnel and other medical leaders about meeting the problem now with a crash program of clinics. The President asked HEW Secretary Elliot Richardson to take a hard look at the Smith concept. Although silence at first prevailed, Richardson evidentally thought the plan had merit because in August he approved a HEW report recommending changes in licensing of health personnel so that the manpower shortage would be eased.

Congressman Smith clearly demonstrates that something should be done now when he points out that throughout rural America doctors are scarce and in many cases nonexistent.

"In the U.S. we only have 151 physicians for each 10,000 of the population and they are distributed in such a way so that many millions of people are for all practical purposes without adequate preventive health care," Smith explains. "One hundred and nine counties in the nation have no physician and 153 only have one."

Congressman Smith points out a perfect example in his own Iowa congressional district where the small community of Monroe struggled and saved so they could build a health clinic. Although the clinic was finally built, it had to close down because of the lack of a doctor.

Rep. Smith points out that all states must change their current licensing laws so that preventive medicine could be practiced without doctors on the premises but in close communication with well-trained nurses and paramedical personnel. Some people raise their eyebrows and say that doctors must be on hand. However, most physicians would welcome this plan to relieve them of simple medical functions which could be performed as well through close communications with the doctor. Maybe, an early diagnosis could prevent misery in the future. In many cases a well-trained technician or nurse could spot the trouble and send the patient to the doctor.

The nation can ill afford to wait for Congress to work out a financial scheme and the many years it takes to train badly needed doctors. The states would be wise to take a hard look at the Smith plan and to start licensing changes.

FEDERAL REGULATION OF STATE PENSION FUNDS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. FRENZEL. Mr. Speaker, I wish to insert in the RECORD a recommendation on Federal regulation of State pension funds from the legislative retirement study commission, a permanent study commission of the Minnesota State Legislature. The resolution resulting from the study was passed by the Minnesota State senate; the State house adjourned before action could be taken. At this point in the RECORD I insert the recommendation:

LEGISLATIVE RETIREMENT
STUDY COMMISSION,
St. Paul, Minn., October 27, 1971.

I, the undersigned member of the Legislative Retirement Study Commission, am of the opinion that the Commission should recommend to both Houses of the Minnesota Legislature the accompanying resolution concerning contemplated federal legislation regulating pension funds.

I am further of the opinion that if the Legislature does not act on the aforesaid resolution, the staff of this Commission shall by appropriate means make known to the members of Congress from the State of Minnesota and other appropriate committees of the Federal Congress the fact that the Legislative Retirement Study Commission of Minnesota strongly favors the attached resolution.

At the next regular meeting of this Commission I will vote to confirm this proposed action.

J. A. Josefson, Chairman; Mel Hansen; Harmon T. Ogdahl; Richard J. Parish; Joseph T. O'Neill; Calvin R. Larson; Donald E. Forseth; Helen E. McMillan; Donald M. Moe; and D. H. Sillers.

RESOLUTION

A resolution memorializing the United States Congress to exempt Minnesota public pension plans from coverage under HR 1269, known as the Employee Benefit Security Act

Whereas, the United States Congress has before it HR 1269, the purpose of which is to establish national standards of fiduciary conduct for the management of all public and private pension plans; and

Whereas, the trustees of the public pension funds, by statute, already are charged with a fiduciary obligation to the state of Minnesota, the taxpayers which aid in financing the plans and the employees who are their beneficiaries; and

Whereas, specifically, the Minnesota statewide public pension plans have attained and are maintaining a high level of financing; and

Whereas, Minnesota public pension plans are required by statute to have annual actuarial valuations and are subject to close supervision and control by the Minnesota State Legislature and which regulations have become even more comprehensive since 1955, when a Legislative Retirement Commission was created, the single function of which is to study and investigate all public pension plans and to report at each session, its findings, conclusions and recommendations; and

Whereas, financial and actuarial reports plus the specific information required under HR 1269 already are disseminated to the members through various communication media; and

Whereas, pursuant to H.R. 1269 there is imposed upon the administrators of public pension plans, the obligation of duplicating these very activities and services, thereby not only adding to the administrative load of the plans with the accompanying considerable cost thereof to be borne by the already overburdened Minnesota taxpayers, but courting and risking conflict between state statute and federal law as well as funding concepts which, in resolution, could entail further expenditures of dollars, time and effort; and

Whereas, additionally, there may be imposed upon the public pension plans a compulsory contribution to an insurance fund, the sole object of which is to safeguard the rights of participants against termination of any pension plan, when liquidation of Minnesota public pension plans is contrary to all intents and purposes of the State Legislature and therefore such contributions by Minnesota public funds would constitute a payment for the support of terminated non-public pension plans; and

Whereas, it is conceded, based on nationwide reporting in publications of all kinds, that private pension plans and some public plans outside Minnesota may need this federal legislation for the protection of participants, it is evident that Minnesota public pension plans are already afforded this protection through state legislative control; and

Whereas, the very intent of H.R. 1269 thus is already vouchsafed by the sovereignty and integrity of the state of Minnesota which should not be considered less than, or take second place to, that of the federal government; now, therefore,

Be it resolved, by the Legislature of the state of Minnesota that the United States Congress exempt Minnesota public pension plans and comparable other public plans from coverage under H.R. 1269.

Be it further resolved, that the Secretary of State of Minnesota be instructed to transmit copies of this resolution to appropriate committees of the Congress and to the members of the Minnesota delegation.

OUR HERITAGE

HON. WILLIAM LLOYD SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. SCOTT. Mr. Speaker, a personal friend of mine, Charles E. Webber of Salem, Va., is the Sovereign Grand Inspector General of the Scottish Rite Bodies of the Masonic Fraternity in Virginia. Brother Webber was honored last week by having the Kazim Temple's fall ceremonial of the Ancient Arabic Order of Nobles of the Mystic Shrine fall class named after him. Of course this is a recognition of Brother Webber's contribution to masonry and shrinedom over a long period of years. A Past Imperial Potentate of the A.A.O.N.M.S., George E. Stringfellow, who himself has an excellent background both in private life and within the masonic fraternity, has some fine words to say about Illustrious Brother Webber and about the heritage of our country which I would like to share with my colleagues. Accordingly, the entire statement is inserted at this point in the RECORD:

OUR HERITAGE

(By George E. Stringfellow)

Illustrious Potentate Garland E. Sheets, Officers of Kazim Temple, Past Potentates, beautiful ladies and distinguished guests:

I am complimented by the invitation of Potentate Sheets to join you in honoring one of the most beloved and distinguished Masons of our time. In naming your Fall Class in honor of Illustrious Charles E. Webber 33°, Sovereign Grand Inspector General in Virginia and Grand Treasurer General, you have honored Kazim Temple.

Illustrious Brother Webber has served long and well all of the major Masonic Bodies in the Old Dominion State. He is truly the conscience of those fine organizations of which he has long been an integral part. By his conduct and example he is helping to make ours a better country.

It was Ralph Waldo Emerson in his great wisdom who said: "I consider him a great man who inhabits a higher sphere of thought into which other men rise with difficulty and labor." Emerson certainly must have had in mind such a person as Brother Webber for I know of no one who inhabits so high a sphere of thought.

May I speak to you for a few moments about our heritage. The dictionary defines "heritage" as that which is inherited, or passes from heir to heir; an inheritance; hence, the lot, condition, or status into which one is born; birthright; as, liberty of speech is the heritage of freemen.

No other people have been the recipient of such material and spiritual heritage as have we. Resources of mine and soil, water, field and forest, have been given to us in prodigal abundance. The power and wealth which have risen from the use of these resources are beyond comprehension, unrivaled by any empire, past or present.

Every American has a material heritage whose equal can be found nowhere else in the world. God has indeed been good to us. We are, however the beneficiaries of a spiritual heritage which transcends our material heritage as the sun surpasses, in all its splendor, the faintest star.

The Mayflower compact was the first of the notable documents marking the birth of our Republic. Its opening sentence "In the name of God, Amen" is followed by these spiritual words: "We have undertaken for the glory of God and the advancement of the Christian faith . . ."

In the stormy days of 1620, haunted by privation and tortured by anxieties, God was the refuge and the everlasting hope of our Pilgrim fathers. And so He is today.

It is difficult for us, in our comparative comfort and prosperity, to understand the hardships endured by those first settlers. They established for us the right to worship God according to the dictates of our conscience. Moral convictions motivated their decisions, as they should ours. They built here a society which would reverence and serve God. He supplied life and strength for their activities.

A century and one-half following the landing of the Pilgrim fathers, the signers of the Declaration of Independence held that moral laws are beyond the power of government to override. The final paragraph of that "passport to freedom" appeals to the Supreme Architect of the Universe for the recitude of their intentions.

God had a hand in the development of the Constitution of the United States which made us a free and prosperous people. In describing the Constitution, Gladstone said it was the most wonderful work ever struck off at a given time by the brain and purpose of man.

Our fair land was born and nurtured as a religious community dedicated to human liberty and the dignity of man. Our forefathers had iron in their backbone and granite in their character. They prayed to God and their prayers and efforts brought forth the form of government that wise and free men hold dear.

Let us contemplate these impressive words found on a time-worn tombstone: "My son, that which thy father hath bequeathed, you must earn anew if you would keep".

As you know, George Washington presided at the Constitutional Convention in Philadelphia. Back of his chair was a painting of the rising sun. "There were times during the convention" said Benjamin Franklin, the oldest member of the committee, "when I wondered whether the sun was rising or setting on America." At the end of the convention Franklin remarked, "With the signing of this great document, I now know that the sun is rising on America."

As he was leaving convention hall an elderly lady asked the venerable Franklin, "Mr. Franklin, what have you given us?" The wise man responded, "We have given you a constitution". Then he hesitated and said, "If you can keep it".

Statesmen all over the world expressed doubt that our Republic founded upon the Constitution could last longer than 100 years. More than 100 years ago James Russell Lowell, statesman and poet, was asked: "How long will the American Republic endure?" Lowell replied: "Only so long as the ideals and the philosophy of the men who made it, continue dominant in each succeeding generation."

There is disquieting evidence that many of us have drifted from the principles that made ours a great country. Some of our people do not realize that laws are rules by which we live. If we violate those rules, chaos reigns.

It is our duty to support all laws. Said President Cleveland: "The way to get rid of bad laws is to enforce them".

To be worthy of our heritage there is much for us to do. We must place God first in our lives. We must be stewards of His precious gifts. We must discharge our duties as citizens.

"Duty is the sublimest word in our language. One should do his duty in all things; he can not do more, and he would never wish to do less". So spoke that great patriot, General Robert E. Lee.

We must concern ourselves with what's right rather than who's right.

If we are to be a happy people we must take a positive position. We must not follow Hamlet who cried that the days were evil and cursed them. We must emulate St. Paul who, crying that the days were evil, labored to improve them.

Apathy can be changed to action. We Masons can help make ours a better country and a better world for our children and their posterity.

NATIONAL HEALTH INSURANCE PROPOSALS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mrs. ABZUG. Mr. Speaker, it is truly shocking to observe that with our gross national product exceeding $1 trillion annually, few Americans—rich or poor—receive adequate health care. Even if adequate care is available, its costs are often so high as to discourage less affluent individuals from seeking medical attention when they need it.

There is no excuse for this situation. Medical care is as much a right of every American as is public education or police protection, and no one should ever be denied it because of his financial condition.

The House Committee on Ways and Means is presently considering a number of health insurance/health care bills. Some of them are no more helpful than a bandage on a cancer. The Health Security Act, which is also known as the Kennedy-Griffiths bill and of which I am proud to be a cosponsor, is the only one of these bills which holds out any promise of fundamental change in the fragmented, ill financed, and often irresponsible. While it is not perfect, it is basically a strong, progressive piece of legislation.

Today, I had the privilege of presenting my views on this subject to the Committee on Ways and Means. At this point in the RECORD, I include the text of my statement to the committee:

TESTIMONY OF CONGRESSWOMAN
BELLA S. ABZUG

The American medical system, long assumed by Americans to be the world's finest, is under vigorous attack, and with good reason. Almost alone among the prosperous industrial nations, we have treated medical care as a commodity not very different from any other and have largely permitted the market place to regulate its organization, distribution, financing and quality control. There may be reason for producing and distributing automobiles this way, but it is no way to regulate the provision of a service that is a *sine qua non* of decent life.

Numerous legislative proposals now face the Ways and Means Committee. All purport to improve our medical care system; some are plainly rear-guard actions by frightened segments of the health care marketplace, desperate to preserve their influence; others offer trivial reforms that are far too limited to alter the consistent failure of American medicine to serve all Americans. Only the Health Security Act, which was introduced in the House by Representative Griffiths and four other Members of this distinguished Committee and in the Senate by Senator Kennedy, and of which I am a co-sponsor, demonstrates an accurate comprehension of the disgraceful gap between what our medical system is and what it should be.

I intend first to make a few remarks about the problems of our existing health care system and then to comment on pending legislative proposals to change it.

WHAT IS WRONG WITH TODAY'S HEALTH CARE

Distribution of services

Health services are not distributed according to the need for them. The poor suffer disproportionately from preventable but unprevented diseases and conditions like anemia, acute rheumatic fever, tuberculosis, malnutrition, and maternal death during childbirth, because there are too few hospitals and doctors serving them and because medical services cost more than they can pay. Rural areas, too, lack medical facilities, and there are entire counties without a single doctor.

We do not produce the right mix of medical personnel and services.

We have too few doctors in general practice but an excess in the more glamorous surgical specialties.

We have too many hospitals, sources of prestige to communities and community leaders, but too few out-patient facilities.

We have failed to attack our serious public health problems.

We, the world's most prosperous country, have tolerated crippling malnutrition in rural and urban poor and debilitating occupational diseases in miners and chemical workers.

We might have had present-day levels of auto safety years ago, had we cared to, and, many experts feel, we could have had a nearly crash-proof car by now.

We allow treacherous tires on our cars, highly flammable clothes on our backs, corrosives and poisons in our kitchens.

We have been half-hearted in our attempts to regulate the fouling of our air and water, sluggish in protecting our citizens against medical hoaxes, and timid in controlling the tobacco industry, a major cause of the cancer we are about to try to conquer.

Organization of medical care

Proper medical care, whether received through clinics, groups, or individuals, requires the attention of a generalist, who will be responsible for all aspects of preventive care and treatment of most medical problems, and readily available specialists who will deal with problems of greater complexity and advise and teach the generalist. Medical facilities should follow a similar pattern, with small installations for simple care and procedures, general hospitals for more difficult but still common problems, and sophisticated regional centers for treatment of obscure diseases, housing of expensive but infrequently used equipment, and maintenance of complex services requiring extraordinary skill, such as open heart surgery. Obviously, records must be kept and must flow freely from one level to another and the patient's movement from one level to another should be straightforward and unimpeded.

In fact, we have none of this. Most people have no doctor who is regularly responsible for their well-being. They do not know how to find out whether they need a specialist or what kind they do need. They do not know what tests to have annually. Their records do not travel with them. Our institutions all wish to be total services facilities; consequently, there is a fabulous redundancy of equipment and puerile competition for training fellows, patients and federal grants.

One reason for the development of a medical organization that leaves patients confused and undirected is the failure of medical institutions to bother asking patients, the consumers of health services, about their preferences. Any reorganization that fails to achieve significant consumer input will be unlikely to satisfy consumer needs better than the present one.

Financing

Medical care is a fundamental right, like police protection or primary education. The need for services should be sufficient reason to receive them. Personal wealth should be irrelevant. No bargain basement compromises can be countenanced, because medical care, unlike many commodities for which a cheap version will serve as well as a costly one, comes really only in two qualities, good enough and not good enough. The latter, no matter how cheap, is without value and fraudulent.

Americans have for years accepted the principle that the fundamental services provided by the government for all people, such as national defense, the judicial system, pollution control, food and drug regulation, etc., should be funded out of general revenues, and that these revenues should be collected principally by means of a progressive income tax. Medical care is just such a basic service and should be so funded.

The per capita cost of our medical care is rising rapidly and is already large compared with other industrial nations. This large relative cost, which has not brought us superior quality, is the consequence of several facts of the medical market place. The first fact is the doctor shortage, creating a sellers' market that will persist for the foreseeable future. The shortage is exaggerated by our failure thus far to make use of skilled paramedical personnel. The second fact is the position of the medical insurance companies, acting as fiscal intermediaries between patients and services but failing utterly to exercise the cost control that should be part of their function. There are several reasons for their indifference to rising medical cost. Their premium rates are adjusted to provide a set rate of profit, often by a cost-plus arrangement. Larger cash flow thus means a larger profit. Insurance companies invest money they hold and larger cash flow also provides more investment capital.

A very costly example of the insurance industry's failure to encourage efficient use of services has been their willingness to pay for unnecessary hospitalization. Because hospitalization has always been the catastrophe against which people most wanted protection, far more people own hospitalization insurance than have coverage for non-hospital costs. Diagnostic evaluations are therefore routinely performed in hospitals, where their real cost is large but where they are a covered service if a bogus "emergency" diagnosis is given. The same evaluations could be done more cheaply in outpatient facilities, but their cost would not be covered. Insurance companies have made no effort to discourage this practice by refusing to pay for these pseudo-emergencies, but have merely raised their rates to cover the deceptive practice.

The third fact is the outrageous profiteering and inefficiency of the medicine-associated industries, notably the drug industry. Drug manufacturers have an average rate of profit twice that of the average American company, although they have no unusual risks. Fully a quarter of their income is spent on promotion and marketing, a practice resulting in overuse of drugs and use of heavily promoted, new and expensive drugs instead of older, less expensive preparations which may be just and suitable. This modern medical sideshow is justified as needed to cover the cost the development of new, wondrous drugs, but research and development is only six percent of drug sales, and of that, the greater part is devoted to development willing to answer candidly will admit that he knows doctors who are too foolish, too old, or too irresponsible to meet even minimal standards of performance.

The point is not that doctors and hospitals are wretched; it is that we don't know much about them, because we don't look. They are self-regulating which means in medicine, as in every other human endeavor, unregulated except when disaster has struck or appears ready to strike. A proper national health insurance plan will set standards of care, evaluate performance in relation to these standards, and deal firmly with violations.

HEALTH CARE LEGISLATION

The health insurance proposals before the Ways and Means Committee vary as widely in cost ($2 billion to $70 billion) as they do in ambitiousness, but there are no bargains to be had. The total cost of medical care, now estimated at $70–80 billion per year, is more or less fixed, whether paid out of federal revenues or private resources. The question is whether reforms are going to affect a trivial part of that care and its cost or whether they will impinge on all aspects of the medical system. To emphasize this once more: we can only judge these legislative proposals as part of the whole cost of medical care. The "expensive" Health Security Act, at $70 billion, does not cost more than the Administration's "cheap" National Health Insurance Partnership Act, at $15 billion, when you add to the latter the $55 billion that will be paid by private and other governmental sources. The difference between the various proposals is not the cost, it is what we get, and what we get should be measured against the problems outlined above.

Some of our health care problems are more obvious, though not necessarily more important, than others. Obviously, the disaster of a catastrophic illness, destroying well-ordered, prudent families, is an event with which we all empathize, and there are many proposals to insure against this scourge. At the same time, Congress clearly is moved by the plight of the penniless and several proposals do provide free health insurance for them. The AMA-devised Medicredit plan, or Health Care Insurance Assistance Act, is one of these. It also provides some help to the near poor, though not much, since a family of four with a net income of about $5500 would receive a federal payment of only 10% of the cost of insurance. Such measures as these are directed at the extremities of the health care problem; they make no impression at all upon the body of our expensive, inefficient, fragmented, non-quality-controlled medical system.

Even worse, Medicredit would pour new billions into the health insurance companies that have financed, supported, and encouraged the present system. In testimony before the Senate Finance Committee, Secretary Richardson said that the bill "would have little effect on the organization and delivery of medical care or on controlling rising costs. The proposal would inflate demand for services yet it does not promote appropriate ways to use the leverage of new funds to help influence the quality and efficiency of services." The Secretary is correct, but similar criticisms apply just as strongly to the Administration-backed National Health Insurance Partnership Act.

The Administration bill purports to offer a new National Health Strategy, principally through encouraging doctors and hospitals to form comprehensive health care institutions, the health maintenance organizations (HMO's) and encouraging people to join them. I believe that an HMO, offering total, prepaid health care, can in fact be a more efficient provider of high-quality, unfragmented care than can doctors scattered about the community, and can perform patient education and preventive services, keep and organize records and evaluate therapy, to an extent impossible for the solo practitioner. It is the basic unit of an intelligent health care system if it is held to high standards and if its performance is under constant scrutiny by the people who receive its services and pay its bills. The existing HMO's such as HIP in New York, Kaiser-Permanente on the west coast, Group Health in Washington, and many others, have grown rapidly in recent years, indicating that despite some criticism of understaffing and a tendency to discourage use of the facility, these units have provided considerable patient doctor satisfaction.

Unfortunately, the HMO question would seem to be a bit of a smoke-screen at present, since, unlike the Health Security Act, the Administration bill does not provide much financial inducement for people to join HMO's or to doctors to form them. The proposal's principal feature is the requirement that employers buy three-fourths of a health insurance plan for their employees and employees' families. The minimum plan cannot have a very large cash value since there are substantial deductibles and coinsurance. The dollar value of the insurance would be applied at their employee's option, toward membership in an HMO, but there would be an additional cost to the employee equal to the actuarial value of the deductible and coinsurance, which is probably larger than the value of the insurance. The attractiveness of the HMO's will be inversely related to the extra money the family must pay to join.

An HMO needs doctors as well as patients. The National Health Insurance Partnership

Act does not attempt to control fees paid to private practitioners. Will large numbers of doctors give up the huge incomes of private practice for the merely generous incomes of the HMO?

If the Administration bill does not move consumers and doctors effectively toward HMO's it offers nothing more than the same new billions into private health insurance, without any more organizational change, that Medicredit would produce, and we've seen what Secretary Richardson thinks of that. The Administration bill also shares with Medicredit the particularly condescending features of deductibles and co-insurance, which are present because of a widely held view that poor people enjoy going to the doctor and will go often just for fun, even if they are not sick.

In his National Health Insurance speech President Nixon stressed cost consciousness. He said: "Only as people are aware of these costs will they be motivated to reduce them. When consumers pay virtually nothing for services and when, at the same time, those who provide services know that all their costs will also be met, then neither the consumer nor the provider has an incentive to use the system efficiently." It is very strange to put the responsibility for cost control on the patient, who, not being a doctor, does not know whether he is "sick enough" for medical care. (Interestingly, the HMO's supported by the administration do not have deductibles or coinsurance.) Cost control should be exerted by regulating the fees paid to providers, but this form of cost consciousness is not mentioned in the Administration bill. It seems to me to be a basic principle that we want no person to wonder, when he feels sick, whether he should spend money for treatment. Incredibly, it is a principle which both the present system and most of the pending bills stress. It has always been the situation faced by the poor. We want even the poor person to see a doctor, who can decide on the basis of his expert knowledge whether to treat the patient or reassure him. If we can educate patients so that they recognize certain symptoms as not serious, that will be excellent, but we do not want them to stay away because they don't have the cash.

The Health Security Act, in contrast to all of the other proposals before the committee, will promote broad organizational changes and will attack most of the ills of our health care system. As I will point out, it is far from a perfect bill, but it is worth reviewing briefly some of the beneficial changes it will promote with respect to problems outlined earlier.

Distribution of services

Wealth will no longer determine the amount or quality of one's medical care. There will be no financial barrier to seeking services; providers will be compensated directly by the system. The Act sets aside five percent of the total money in the Trust Fund for health planning and for dealing with a variety of distribution problems. Funds will be available for training specialists in short supply, for encouraging desirable geographic movements, and for planning and building facilities which are necessary to provide services. There is a commitment to equalize throughout the U.S. the availability of services by channeling more funds into areas which are now poorly served.

Organization of Medical Care

The Health Security Act encourages doctors to enter HMO's or comprehensive health service organizations, as the Act prefers to call them, by taking away the enormous fees now possible in fee-for-service medicine. Payments for a given service will be an appropriate fraction of the money available to care for a person's total health needs, i.e. the capitation payment. Therefore, comparable services delivered on a fee basis and on a capitation basis will lead to comparable incomes, except that the efficiencies of the HMO in terms of better use of paramedical personnel, office space, etc. may well permit greater net earnings to the HMO doctors. With rewards more or less equal the advantages to the physician of HMO's, such as easily available consultations, regular schedules and well-defined night call, and provisions for in-service continuing education, should prove adequate to bring doctors into that form of practice.

The Act provides funds for organizing new forms of health care delivery. Its governing board has the power to eliminate redundant service by ordering a provider to cease providing it, and to demand that new services be offered. Further, there is, for the first time an attempt to develop a consumer input into the medical care system. I will return to this a little later on.

Financing

Money for health care insurance and planning will come half from general revenues and half from employer and employee taxes. This is a far more progressive format than that of the Administration bill, although it suffers from the same flaws as our entire tax system does, generally failing to collect enough money from wealthy people. Payroll taxes appear at first to be a tax on businessmen; in fact, they are quickly passed along to consumers or compensated for by lower wages.

Private health insurance with its attendant costs will no longer be needed under the Health Security Act. Although the doctor shortage will not be eliminated overnight, the spiralling costs due to the sellers' market will be controlled by regulation of fees-for service and capitation payments. Overutilization of hospitals will be discouraged since outpatient services will be paid for.

Quality Control

Among current health proposals, the Kennedy-Griffiths Bill is the only one concerned with the quality of services delivered. All providers will be committed to furnishing information needed for peer review of utilization and for review of surgical procedures. Institutional providers will have to have good records, a proper utilization of review mechanism, and a therapeutics committee. HMOs must provide continuity of care, easy referral, and easy access to their services.

Practitioners will have to meet federal standards in addition to state licensing criteria and will have to meet federal continuing education requirements. Their participation as providers can be terminated for inferior care or unethical behavior. They cannot be paid for services delivered in a non-participating hospital.

In addition to its concern with the quality of services provided by health professionals and institutions, the Health Security Act will study broad trends in mortality, disease indigence, and therapeutics, attempting to evaluate the quality of the health care system as a whole.

The Health Security Act will encourage rational drug prescribing by paying only for drugs that are efficacious and safe and by requiring that doctors practicing outside the scrutiny of health institutions and their therapeutics committees identify the disease they are treating and use a drug known to be effective in treating that disease.

Despite the contentions of its critics, the Act encourages pluralism in delivery of care, permitting providers to organize in almost any way they choose, and be paid either on a fee-for-service basis or by capitation methods. It is "monolithic" only in that it will control the *amount* of payment and the *quality* of care.

The scope of the Kennedy-Griffiths Bill is impressive, but it does have some key deficiencies. A Bill called the Health Security Act, proposing to bring to all citizens equal and high-quality health care, cannot justifiably avoid dealing with aspects of public policy that have a large influence on health. Thus, while concern with auto safety has resided largely in the Department of Transportation, the death and injuries of tens of thousands of people in highway accidents has large health implications. Similarly, malnutrition, industrial disease, dangerous household products, air pollution, and smoking should be recognized as basically health problems. Allocation of resources to deal with them and studies of the efficacy of such allocations should flow from an agency whose concern is health.

Although the Bill empowers the Health Security Board to eliminate redundant services, it does not make explicit the desirability of having institutions, especially hospitals, be organized pyramidically, with, for example, large numbers of relatively small general hospitals and a much smaller number of regional centers where usually difficult or rare problems could be dealt with, where costly programs would be sufficiently utilized to justify their cost, and where high-quality clinical research could be maintained.

The financing of health care under the Kennedy-Griffiths Bill can also be criticized. Without entering into any discussion of our supposedly progressive income tax, I question the degree to which the Bill relies upon payroll taxes and social security-type levies. These are not progressive at all; in fact, the social security tax is quite regressive, since it has an income ceiling. At the very least, this ceiling should be eliminated. A payroll tax, in addition to being passed along to consumers, tends to make workers cost more and thus encourages an already-dangerous trend toward substitution of capital for labor. The most equitable and most rational financing mechanism would be from general revenues. It is condescending to suppose that Americans cannot understand that excise taxes take their money away just as unpleasantly as income taxes do.

The Health Security Act does not make a sufficient commitment to ending medical profiteering. It should be a stated goal that profits of medical industries not be larger than those of the average American industry. Measures suggested by the 1969 Task Force on Prescription Drugs would represent a fine start toward this end.

Although the Health Security Act will provide rigorous standards of quality control—there are essentially no standards now—it fails to set for solo practitioners the sort of demands it makes of doctors in comprehensive health service organizations. This makes little sense, since the solo doctor is often quite isolated from contact with other physicians and from new information. The Act should authorize the Health Security Board to set up local peer review committees for participating practitioners who do not belong to institutions already having such committees. Furthermore, it is time we recognized that while the M.D. degree, like a diamond, is forever, the knowledge and skills that came with it are not so permanent. In addition to requiring continuing education, the bill should demand periodic relicensing of physicians and possibly of other health professionals.

Perhaps the most important responsibility facing the organizers of health care is assuring that the system can never again become so isolated from and unresponsive to the people it serves. The Health Security Act provides for a Health Security Advisory Council made up of more than 50% health consumers. This Council also has regional and local counterparts. The function of these Councils is to advise the governing Health Security Board on matters of policy. Unresolved disagreements between Board and Council will be presented annually to Congress, but it would seem that the Board can ignore with impunity most of the Council's recommendations. One mechanism for partially easing the imbalance in power between

Board and Council might be to give the Council explicit standing before the federal courts in cases involving questions of whether the Board has carried out its functions properly.

Consumer input may be even more important at the level of primary patient care, but there are few requirements in the Health Security Act for such input. Comprehensive health service organizations are required only to consult with enrollees regarding policy; this provision is inadequate unless expanded. At the very least, it should provide that unresolvable disputes be brought promptly before the local Board for mediation, and before the courts if need be. Hospitals, nursing homes, and medical facilities other than the comprehensive health service organizations are not required to have any consumer input at all. This is a serious deficiency. All *medical* institutions receiving any public funds should be required to consult with the people they serve, have consumer representation on all peer review and other committees, and respond to criticism from enrollees.

This said, a hopeful word is in order. The current feeling that providers and consumers inevitably have hopelessly different aims, needs, and preferences is probably false. It is our institutions that make it seem so. Once the relations between health professionals and patients are no longer predominantly fiscal, they can relate to one another as parties interested only in quality health care.

While I consider the flaws in the Kennedy-Griffiths Bill real and significant, I must emphasize again my conviction that it is the only health insurance bill before the Ways and Means Committee that will change our health care system at all. It asserts for the first time a national interest in equitably distributed, progressively financed, intelligently organized, high-quality medical care and takes a giant step toward that goal. The other bills are tranquillizers, quieting the demand for medical reform without meeting it. They are worth little and would be worse than nothing, because they would create an illusion of our having acted, an illusion that would stifle real reform for years to come. Let us have something better.

TRIBUTE TO WILLIAM J. LYNCH

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BURKE of Massachusetts. Mr. Speaker, I invite my colleagues to join with me today in paying tribute to an educator, who during these last 40 years of dramatic growth and change in the educational systems and methods of this Nation, has been at the forefront of this tremendous evolution, at the local level where things are truly accomplished in this field.

On October 29, 1971, I attended a testimonial along with over 500 educators, clergy, Government officials, colleagues, former students, family and friends to honor William J. Lynch upon his retirement from his position of deputy superintendent of schools, in Randolph, Mass. At this occasion, he received countless plaques and citations from groups and organizations such as the Randolph School Committee, the Testimonial Committee, the Board of Selectmen of Randolph, the Lions Club, the Fire Department of Randolph, the St. Anselm's Alumnae Association, and the State Legislature of Massachusetts. In addition he received a citation and personal letter from Archbishop Medeiros from Aquinas, was made an honorary citizen of Quincy, Mass., and received a presentation from the Randolph Teachers Association.

I would like to quote here the program dedication from the recent testimonial:

The lives of thousands of Randolph pupils have been enriched because of the influence and guidance of veteran educator William J. Lynch, Deputy Superintendent of Schools.

Mr. Lynch will retire from his post on December 31. He prepared for his life as a dedicated educator at St. Anselm's College in Manchester, New Hampshire from which he graduated in 1931 with an A.B. degree and an award for outstanding citizenship. He furthered his education at Boston University where he received a master's degree in 1954 and a C.A.G.S. in 1957.

His teaching career began at Van Buren High School in Maine where he was appointed principal in 1932 after serving for a year as a teacher-coach.

He came to Randolph in 1934 as Director of Athletics and Head of the Math department at Stetson High School. Because of his fraternity with students and teachers, Bill Lynch earned the reputation as the school system's "Mr. Chips."

In 1943 he went to Hingham High School where he was appointed Head of the Math department, and in 1947 he became assistant principal of the High School. During his time at Hingham High School, he took an active part in Randolph town government, serving as a member of the school committee and the finance committee. He returned to Randolph in 1954 to the position of principal of the Stetson Elementary School. The following year he was appointed assistant superintendent of schools.

A man who was active in professional organizations, Mr. Lynch was selected by the National Education Association to be chairman of the Election Committee of the NEA in 1965. He conducted the National Elections of 10,000 delegates at Miami, Florida with such efficiency that he received a commendation from the national association.

For the past 17 years Mr. Lynch has played an administrative role in the Randolph School system and has been credited by the School Committee with successfully obtaining more than 600,000 in Federal grants. He has seen the Randolph Public Schools grow from 1,600 pupils to over 7,000.

It is not only for what he did, but also for what he is, that Mr. Lynch will be remembered: his deep convictions, his strong sense of propriety, his dependability, his complete unselfishness, his genuine modesty, his courage in overcoming physical problems, and his strong religious beliefs. He was always aware of the small everyday problems in the schools. None were too minor to be recognized and settled.

School personnel, students, graduates, and residents all join in wishing Mr. Lynch success and happiness in his retirement.

I thought you would be interested in sharing with me the following article from the Brockton Daily Enterprise, "Over 500 Honor Randolph's Bill Lynch."

OVER 500 HONOR RANDOLPH'S BILL LYNCH

RANDOLPH.—Over 500 educators, colleagues, clergy, government officials, former students, family and friends gathered to honor William J. "Bill" Lynch, retiring Deputy Superintendent of Randolph Schools at the Lantana Ballroom, Randolph, with tribute for over 40 years of service to the town and the schools. He was greeted with a long standing ovation. Father Hickey, St. Mary's Church, Randolph, rendered the invocation and the benediction.

James J. Lynch, son of the honored guest, introduced the members of Mr. Lynch's family. Mrs. Irene (Lynch) Sumption presented her mother with a bouquet of flowers.

TWO HEAD TABLES

An elevated head table as well as a sub head table had to be used to accommodate the dignitaries that attended the testimonial, which included Congressman James A. Burke who was the keynote speaker.

Many plaques and citations were presented to Mr. Lynch which included: School Committee Plaque, presented by the president, Thomas L. Warren, Randolph's Superintendent of Schools; the testimonial committee presented a plaque which was presented by Mr. Joseph Zapustus, Master of Ceremonies for the evening, and a gift from the committee was presented by Town Clerk and Treasurer Edward L. Clark; Chairman Norman B. Silk presented the citation from the selectmen; The Lions Club presentation was made by Harold M. Tucker; Fire Chief Robert D. Teece made the presentation from the Fire Dept.; a presentation from the State Legislature in behalf of state reps. Joseph Semensi, Randolph, and Joseph Manning, Milton, and state sen. George Kenneally was made by Edward C. Hoeg; a speech was made by Joseph P. Collins, National president of the Alumnae Association, in behalf of St. Anselm's Alumnae Association, of which "Bill" is a member.

OTHER HONORS

Other honors bestowed upon Mr. Lynch included: A citation and personal letter from Archbishop Medeiros from Aquinas which was presented by Miss Nancy Boland, publicity director of Randolph Schools; the senior class plaque was presented by the president, Howard Fixler; Randolph Teachers Association presentation was made by Mr. Alfred Galante, representing Joseph Kane; and the City of Quincy plaque, making "Bill" an honorary citizen of the city from Mayor James E. McIntyre, was presented by Assistant Superintendent of Schools John E. Zoino.

The committee who worked so hard on the arrangements for the evening were well rewarded for their efforts in making the tribute a success. Fall floral corsages were given to the ladies of the committee, Mrs. Marie Cormey, Miss Nancy Boland, and the wives of the men of the committee; Mrs. Edward T. Clark, Mrs. Joseph Zapustus, Mrs. Edward C. Hoeg, Mrs. John A. Brewster, Mrs. John E. Zoino, Mrs. Charles E. Green, Mrs. Russell Thompson, Mrs. Charles E. Olsen, Mrs. Frank Sullivan, Mrs. Murray Lewis, Mrs. Richard E. Coburn, whose husband deserves much credit as the man behind the scenes, coordinator of the entire program.

Senior Class treasurer Al Finocharlo was the photographer in charge of the guest book and photo album. Appropriate music was rendered by Lenny Rapoza, music coordinator of the Randolph Schools, and his orchestra during dinner and dancing, to round out an evening well deserved by "Bill."

VETERANS DAY, 1971, AN OUTSTANDING SUCCESS FOR HOSPITALIZED VETERANS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. McCLORY. Mr. Speaker, in further reference to the success of the first observance of Veterans' Day as part of the Monday holiday legislation, I call to the attention of my colleagues a recent communication from the office of the Administrator of Veterans' Affairs. Mr. Speaker, according to this advice, Veterans Day on Monday, October 25 was an outstanding success insofar as the welfare of hospitalized veterans was concerned.

Mr. Speaker, the communication signed by G. C. "Gus" Wallace from the Administrator's office is as follows:

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., November 17, 1971.

Hon. ROBERT MCCLORY,
House of Representatives,
Washington, D.C.

DEAR MR. MCCLORY: As Secretary-Treasurer of the President's Veterans Day National Committee, Dick Baker has requested that I inform you of the outstanding success on Veterans Day, Monday, October 25, of the "Very Important Patient" (VIP) program at our VA hospitals.

The three-day weekend enabled many patients to take advantage of a 72-hour pass to spend time with relatives, when otherwise they could not have, had the holiday been only of 24 hours duration. For the same reason, relatives were able to visit veterans in our 165 hospitals.

Many members of Congress, like yourself, were in their home districts for the long weekend and took time to visit VA hospitals in their areas. Large numbers of celebrities from the sports, theater, veterans organizations and local and State officials also participated in the VIP program.

These visits, signing of autographs and the willingness of celebrities to be photographed with hospitalized veterans was very stimulating and a great morale booster for these patients.

Mr. Speaker, some inquiries have been directed to me as to why the fourth Monday in October was designated as Veterans Day. I hasten to respond that this was a most logical selection of a long weekend holiday occurring, as it does, at a most beautiful time of the year. It is an excellent time for honoring our veterans of all of the wars. Also, it is an occasion for remembering our loved ones, for providing family reunions, including particularly reunions of veterans with their families and friends.

To have designated the second Monday in November would have placed this important holiday in such close proximity to the Thanksgiving holiday season, that the benefit of both holidays would have been diluted. Furthermore, to designate the first Monday in November would have meant that Veterans Day always would be the day before election day. This was deemed most undesirable by both veterans and others.

Even to assign the last Monday in October as Veterans Day would mean that frequently Veterans Day and Halloween would coincide—likewise a most undesirable choice.

Accordingly, the fourth Monday in October places Veterans Day in the season of the year when Veterans' Day has been traditionally observed and gives it both a greater significance and provides an expanded opportunity for the preparation of and carrying out of appropriate observances.

Mr. Speaker, it should not be considered that the Congress has changed Armistice Day, which will always be remembered as the calendar date upon which an armistice was reached, to bring the fighting in World War I to a close. Armstice Day is significant, both because of the date and of the hour on which it is traditionally observed, being the 11th hour of the 11th day of the 11th month. I share the hope with most veterans—particularly those veterans of World War I—that Armistice Day may always be observed with appropriate ceremonies, primarily with a few moments of prayerful meditation at 11 a.m. on November 11 of each year.

In addition, it is my hope that veterans, as well as all Americans, will give earnest support to the observance of Veterans Day on the fourth Monday of October in each year to honor all veterans of all the wars and armed conflicts in which our Nation has been engaged, to the end that the manifold benefits from this 3-day long Veterans Day weekend may become an ever more meaningful period during each successive year of our Nation's history.

VISITS TO MAINLAND CHINA

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. WOLFF. Mr. Speaker, a great deal of attention has been focused on the People's Republic of China in recent months, partly as a result of President Nixon's announcement that he intends to visit Mainland China within the next year. Since that time a select few have been invited to visit China from this country, and we have read their reports in various newspapers and magazines describing social and political conditions, the Chinese economy, and speculating on the Chinese military potential for the next decade or so.

One recent visitor, however, has taken us a step further in bridging the gap of misunderstanding by writing a careful documentation of the realities of everyday Chinese life, something we in America know little about. She has recorded for us her sensitive understanding of the essence of the Chinese nature and in documenting so well the thoughts and aspirations of the average citizens of that country has helped to reveal the common bonds we have with all the peoples of the world.

Mrs. William Attwood, wife of the publisher of the Long Island newspaper, Newsday, had the good fortune to be included in a recent 17-day trip to Peking with a select handful of American journalists. With them, Mrs. Attwood visited schools and hospitals, factories and communes and ended her stay by joining Premier Chou En-lai for dinner. Mrs. Attwood has given us a vivid picture of life in China today, and I commend her report, which appeared in the November issue of McCall's magazine, to my colleagues:

I DECIDED THAT THERE WOULD NEVER BE A BETTER TIME FOR ME TO TRY ACUPUNCTURE

(By Simone Attwood)

In the hot stillness of dawn, we heard reveille. There was the sound of marching feet. It was five-thirty in the morning, and the Chinese were starting their workday. And we were starting our two weeks' visit to a country which almost no Americans had visited in more than two decades, a country which had isolated itself from the rest of the world to develop a life-style unlike any other.

My husband and I were the first American citizens to buy Air France tickets from New York to Shanghai. Some eighteen hours after our departure from Paris, we had arrived in the People's Republic of China, and our questions were endless.

Would people be friendly? Would we be free to walk around as we wished or would we be followed and watched? Would we be able to take photographs, and if we did, would we be able to take the films out of China? What had the Cultural Revolution of 1966 done to the people's minds, to art, to literature, to everyday life? Was it true, as we had heard, that family life had been destroyed? That husbands and wives had been herded into communes to live in dormitories while their children were cared for in state nurseries? And could it really be true, as the government claimed, that women were in fact the equal of men—in a country where for centuries women had been held in such low esteem?

We had been met at the airport in Shanghai by a colorful display of musicians and singers. They were not there for us, but for the Yugoslav foreign minister, who was heading the first official mission to the People's Republic of China—a big diplomatic breakthrough, since the Yugoslavs have been second only to the United States on China's blacklist.

In the airport terminal, built to accommodate many times the small number of passengers it serves at present, we had passed health-card and passport inspection, and had explained in a combination of sign language and English how many watches and cameras we carried, how much film. None of our luggage was opened.

At first glance, it was difficult to tell whether the airport officials were men or women. They all wore the same baggy pants (green, khaki, blue, or black) the same shapeless tunics (which didn't necessarily match the color of the pants), and the same caps. It was easy to wonder if women who worked and dressed like men, who shared the same regulation hairstyles (short, straight hair), and who wore no cosmetics or adornments of any kind, felt sexless and unfeminine.

We spent a peaceful night at the airport hotel—an airport serving a city of 10 million—with our windows wide open, our sleep undisturbed by a single arrival or takeoff. The next morning we were on our way to the capital of China.

During the next two weeks, which we spent in and around Peking, we spoke to many women and saw them doing many different jobs—in communes and factories, in hospitals and universities. We saw them with their husbands and children, picnicking at the Great Wall, strolling through the parks of Peking and the gardens of the Summer Palace. On a few occasions, we saw young couples talking quietly on a park bench. As we saw them, some of our questions were answered.

Although they lack many things that women all over the world consider indispensable, Chinese women are lovely. They smile often. Their eyes are bright, their cheeks pink and glowing with health, their hair clean and shining. They are doing a job and are proud of it—and it shows in the way they walk, in the way they tell you about what they are doing.

They feel the work they do is for the glory of the state and for Chairman Mao. Since the gigantic power struggle in 1966 between Liu Shaochi (then chief of state) and Mao Tse-tung, every Chinese citizen's think-

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ing has been and still is being molded to conform with Chairman Mao's "pure Communism." According to Chairman Mao, China had begun to follow in the footsteps of Soviet Communism, developing a privileged bureaucratic and intellectual class which in time might lead the way back to Capitalism.

Until Chairman Mao emerged the victor, universities were closed throughout the country, while students, teachers, intellectuals, and bureaucrats were sent into factories and the countryside as laborers to be "reeducated." Today, propaganda teams work tirelessly to promote "pure" ideals: personal gain and "fame and fortune" must be rejected, and all personal effort submerged into the mass effort.

A working part of this mass effort is the Evergreen Commune, a group of villages about 30 miles outside of Peking. The commune has a population of 41,000 and it is typical of the thousands of communes throughout China. Its people raise fruit, vegetables, and pigs (the staple meat of the Chinese) for the markets of Peking. What makes it different from many others, however, is that the executive director is a woman.

Mrs. Wang Ung-wu is in her forties. The daughter of poor peasants, she was illiterate until 1950, when she learned to read in an adult-education class. Today she oversees all the activities of her commune: the day-to-day work, the accounting problems, the long-range projects.

Communes are, as far as possible, self-sufficient. They have their own nurseries, elementary and high schools, workshops for the repair and maintenance of the farm machinery, shoe-repair-shops, barbershops, and stores stocked with a surprisingly large selection of goods. Evergreen even has its own small coal mine.

Here, where the growing season is much shorter than in the south of China, crops are often planted in alternate rows—corn with wheat, potatoes with beans—so that when one crop is harvested, a second one will follow on the same plot. Not a square yard of land is wasted.

In communes the land is held in common. Families are allotted small plots near their homes where they raise whatever they wish for their own personal use; other than that, food can be bought cheaply. Each person earns work points based on his productivity. At the end of the year, a percentage of the earnings of the commune is retained for machinery, supplies, seeds, and improvements. The remainder is distributed according to the work points each person has earned. We were told that at Evergreen, the personal yearly earnings of each worker ranged from 300 to 700 yuans—or about $120 to $300 per year.

Mrs. Shih King-luan, a pretty young woman whom we visited, was obviously proud of the new home she shares with her family. They have three good-sized rooms, their own well and pump, electricity, and a radio. It's quite different from the days when, as a child, she and her family lived in a mud hut. There is no doubt, I think, that the peasants of China, who represent the overwhelming majority of the population, live far better than they have in the past.

All the communes have clinics—their number depending on how many people they serve—and each person pays the equivalent of fifty American cents a year for complete medical care. The clinic we visited was not fancy. What was impressive was its cleanliness and neatness. But although the conditions might seem primitive to us, the important thing to remember is that thirty years ago there was virtually no medical care of any sort for the poor. Since 1949, China has wiped out smallpox, cholera, typhus, and other epidemic diseases through mass inoculation. Tuberculosis, formerly a very serious problem, is rapidly vanishing. As in our country, the most serious illnesses are now cancer and cardiovascular diseases.

The clinics are staffed for the most part by Barefoot Doctors. This is the name given to the thousands of young women and some young men whose job it is to watch over the health of peasant families throughout the rural areas of China. These people are trained in first aid, midwifery, and the treatment of simple diseases, and are able to perform minor surgery and any follow-up care necessary after a patient's illness or operation. They combine medical work with agricultural work, and during the winter go to hospitals for further training.

One of the most important things the Barefoot Doctors do is to encourage family planning and the use of contraceptives. The Pill (a Chinese one), coils, and other means of contraception for married men and women are not only available, but strongly encouraged. Morals are puritan. Unmarried persons cannot obtain contraceptives at all, since premarital sex is considered taboo.

Sterilization for both men and women is also being promoted with a fair amount of success. Tradition dies hard, though, and in the rural areas family planning is still hampered by the preference for boy babies. Couples who have girls often continue having children until a boy or two is born.

Barefoot Doctors are trained in both traditional Chinese medicine and Western medicine, so that one or both may be used, depending on the patient's wishes. One aspect of Chinese medicine that is little known in the Western world is acupuncture—probably the world's oldest method of healing—which has been practiced in China for more than 5,000 years.

It is hard to believe that inserting a fine needle into specific "points" in the body can almost instantly cure headaches and stomach pains, relieve lumbago or a stiff neck. Why it works nobody knows—but then nobody knows exactly why aspirin works either.

Very simply stated, Chinese traditional medicine teaches that, to be well, a person's flow of energy—or life-source, the *Tch'i*—must circulate freely through the body along pathways called meridians. According to the Chinese, there are two kinds of energy—the yang, a positive force, and the yin, a negative force. The yang is activity, heat, male; the yin is rest, cold, female; and there is a constant change in our bodies from one to another. If this energy flow of yin and yang is not in equilibrium, illness will occur. And acupuncture supposedly restores this balance.

The Chinese also believe that emotion plays a very important part in man's well-being and good health. Frustration and anger exhaust us—impeding the flow of energy, often leading to serious illness. It may be difficult or impossible to remove the cause of our anxieties, but many doctors in Europe have found that acupuncture can relieve the muscular aches and pains we so often suffer as a result.

The most important new development in acupuncture's long history—and one which we may come to accept in our own country—is its use as an anesthetic. Western doctors have recently witnessed a number of major operations—including open-heart surgery and brain surgery—during which the patient was fully conscious while anesthetized by acupuncture.

At the Anti-Imperialist Hospital in Peking, I witnesed an abortion in which acupuncture was used to anesthetize the patient. As a young woman lay on the operating table, short needles were inserted into the cartilage of the upper part of her ear. She seemed to feel no pain. During the operation, she obviously felt nothing, and smiled and chatted with the attending nurse.

I was later told that there are about 50 "points," where needles can be inserted in the body to relieve headache and muscular pains. A student can be taught in a week or ten days. This is not to say that acupuncture is simple. There are more than 800 points; a skilled practitioner studies for years—and never really stops learning his art.

While in Peking, I suddenly had what felt like an acute attack of lumbago. I decided there would never be a better time to try acupuncture.

At the hospital, I lay on my stomach as the doctor touched various parts of my back and legs to determine where the trouble was. My husband watched with fascination—and some misgivings—as a very fine needle was inserted several inches into the back of one thigh, then the other.

Except for what seemed like the prick of a pin, I felt absolutely nothing as the needle went in. When the tip reached the nerve at the front of my thigh, there was some brief tingling pain; then no feeling at all as the needle was removed. There was no bleeding and no mark. My legs felt somewhat numb for a while afterward, but I must admit I felt better that night and had no pain the next day.

It was also at the Anti-Imperialist Hospital in Peking—a hospital founded in 1916 by missionaries and supported for about twenty-five years by the Rockefellers—that we had the privilege of meeting Dr. Lin Chauchi, head of gynecology and obstetrics, and one of the foremost women doctors in China. A doctor since 1921, Dr. Lin is a tiny, gray-haired woman who looks and acts much younger than her seventy years. She speaks excellent English (she studied in the United States and England for several years) and is enthusiastic about what has been accomplished during the last two decades to improve health in her country.

I asked her if there were psychiatrists in China. She smiled. Since she receives all our medical literature, she was well aware of the role that tranquilizers and psychiatrists play in the United States. "We have a few psychiatrists," she said. "But there seems to be very little mental illness in China—perhaps because the Chinese personality is very stable and stoic."

There is no doubt at all that one of the greatest changes brought about by the new government in mainland China is that women are treated with complete equality. The part they play in every aspect of Chinese life would have been unthinkable thirty years ago. Today, the key that opens the door to a responsible job or to a university is not whether you are a man or a woman—it is whether you practice correct political thinking.

Because of the Cultural Revolution in 1966, the entire Chinese system of education has been revised. Students must work for at least three years before applying for entrance to a university. Then, if found "politically acceptable" by co-workers and the revolutionary committee, and if they have sufficient ability, they are admitted.

During a day we spent at Tsinghua University, a polytechnical institution in the suburbs of Peking, those responsible for carrying out the new directives and ideas in education admitted that the University had reopened only this year, and had a freshman enrollment of 2,700—25 percent of whom are girls—the majority of them studying engineering.

To prevent the emergence of a new intellectual class, students now combine their theoretical studies with a great deal of factory and agricultural work, "to keep in touch with the masses." Courses have been reduced to four or five, instead of the seven or eight that students formerly carried, and they cover such subjects as engineering, math, and physics (no humanities are taught). The period of study is now three years.

The major problem seems to be that there is a great difference in the individual preparation students have had. Some are the equivalent of high-school graduates, some of junior high-school graduates; there are even some older work-students who have had many years of practical work and experience in their field but very little formal education. These older students are highly motivated and determined to succeed and it will be interesting to see how this new approach to higher education evolves.

None of the high schools I visited seemed to offer any of the courses in homemaking, cooking, or sewing that we have here in the United States. In the cities, Chinese women, like men, work a six-day week, and they are fed three meals a day where they work. Women, I was told, are not interested in being housewives. In any case, their work schedule, plus the political indoctrination talks they must attend, seems to leave them little spare time.

I suspect, though, that love of color and beauty dies hard in the feminine heart; although women usually do not deviate from the normal drabness of their own clothing, they dress their children in bright colors and with a good deal of imagination. This lingering feminine "weakness" may account for the many photographs of colorfully dressed ballet stars we saw on the walls of the homes we visited. (No home, of course, is without pictures of Chairman Mao.)

Ballet seems to be the only cultural activity. It is, of course, in keeping with acceptable political thought and referred to as "revolutionary dance drama." Dance themes deal with wicked landlords, the exploitation of the peasants, and the victory of the Revolution.

No poetry and fiction is published, but there are great quantities of all the writings of Mao Tse-tung (everyone, young and old, has a little red book), and some textbooks. Magazines for women, such as we know them, are nonexistent. Western literature is not available at all—except to those in higher echelons of government.

No account of a trip to the People's Republic of China would be complete without mentioning the food. There are many restaurants, and the fare they offered was delicious.

In Peking, of course, we sampled the famous Peking duck. Since it requires many hours of preparation before it appears, crisp and steaming, it must be ordered well ahead.

We often dine at Chinese restaurants here at home, and we were surprised to find that tea was never served *with* meals, but always before; and that soup (sometimes, at more elaborate dinners, more than one soup) was served during and after the main courses, and sometimes before dessert.

Our most memorable meal was a dinner for other visting American journalists and their wives by Premier Chou En-lai. It was served in the Fukien Room of the Great Hall of the People, an enormous building which dominates Peking's main square.

We were seated, in the traditional Chinese way, facing our host across a round table; and even the political talk did not dim the premier's charm and sense of humor and our enjoyment of the superb meal.

The menu, handwritten in English and stamped with the red-and-gold seal of state, included:

Hors d'oeuvres; silver agaric consommé; sea cucumbers, abalone, and meatballs; chicken slices with shrimp and peas; shad; mushrooms and lima beans; bean puree; pastries; and fruits.

One of the things the menu did not tell us was that the hors d'oeuvres were a meal in themselves. Innumerable cold dishes were placed on the table. They included chicken, crabmeat, shrimp, bean curd, and string beans. Nor did the menu tell us about a seemingly endless number of side dishes—the small rolls, stuffed dumplings, and traditional rice.

Sea cucumbers were a new experience. In reality, they are sea slugs with a delicate flavor and a gelatinous and slippery consistency. If you can eat those with chopsticks, you can eat anything with chopsticks. The shad, served in a sweet-and-sour nut sauce, was especially delicious.

The bean puree, I discovered, was a thick, sweet, very cold dessert somewhat like chestnut puree; the pastries were made of almond paste, sesame seeds, and flavored with honey. The fruits served were slices of watermelon and bananas.

Each main dish called for a toast, to good health and friendship, with *mao-tai*—a very strong liquor made of sorghum and tasting somewhat like vodka. Premier Chou himself raised his glass to the liberation of women everywhere. Then, almost three hours after we first sat down to dinner, we moved into a sitting room where we drank farewell cups of tea.

Another farewell—to China itself—followed shortly thereafter. The next morning we left for Hong Kong. Our luggage went unopened at customs, our undeveloped film was passed without question. We were sent on our way by one official who said, "Come again."

I hope we will. We had been treated with extraordinary courtesy during our visit. There had been no objection to our photographing anything we pleased, anywhere we went. True, we were stared at a great deal—even in Peking, foreigners are curiosities. And we did feel great frustration because of our inability to communicate: Our Chinese did not include anything except "thank you" and "goodbye," and in our travels we met few people who could say more than the very same thing in English. But as we wandered by ourselves through the parks and along the streets, we had been greeted with smiles—and that seemed a significant communication all its own.

THE INDEPENDENCE OF LATVIA

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. DERWINSKI. Mr. Speaker, today is the 53d anniversary of Latvian independence. On November 18, 1918, 1 week after the armistice had signaled the end of the First World War, the national council that had been established in Latvia proclaimed that country's independence.

Its brief period of freedom, which was destined to last for less than 22 years, began under very unpromising circumstances. Latvia had lost almost 40 percent of its population during World War I. Ten thousand farms had been completely destroyed. Practically all of its industrial machinery and other equipment, along with its industrial population of 100,000 workers, had been evacuated to Russia.

Despite the difficulties that confronted them, the people of Latvia were determined to establish a durable republic. They labored mightily to develop their new nation and enjoyed a certain degree of success. Unfortunately, the future of their land was not entirely in their own hands.

The defeat of the Germans and the overthrow of the Russian Government by the Communists produced developments in which a new and violent dictatorship grew to ultimately threaten Latvians and their newborn independence. The Communists had already seized power late in 1917, a year before the war ended, while Germany did not come under the domination of another leftwing force, national socialism, until early 1933.

These two totalitarian forces, which were ostensibly irreconcilable enemies, signed a treaty on August 23, 1939, that became a green light for the beginning of what eventually became a Second World War. The partition of Poland between Nazi Germany and Communist Russia was an indication to Latvia and her sister Republics on the Baltic, Estonia, and Lithuania, that their days of freedom were numbered.

The Soviet Union invaded Latvia in June 1940, all of it being in Russian hands by the 17th. On August 5 the free Republic of Latvia became a province of the huge Soviet Empire.

During the following summer the international gangsters fell out and Hitler's armies invaded the Soviet Union. Latvia was occupied by the Nazis from mid-1941 until nearly the end of 1944, when Stalin's forces again took possession.

Since the end of World War II, the history of Latvia has been a repetition of the history of all nations that have been subjugated by the forces of international communism, whether those forces are controlled from Moscow or Peking. Its farms have been collectivized, for all land is government property. Its industries have likewise been taken over by the government.

Education is also controlled by the government, over half of the teachers being non-Latvians whose only training has been in Communist political courses. The Communists have tried to stamp out religion, whether it be Christianity or Judaism.

Mr. Speaker, in my present assignment as a U.S. delegate to the General Assembly of the United Nations in a debate in the world body on the subject of self-determination, I directed the attention of the delegates from 130 member countries to the fact that the illegal occupation of Latvia, Estonia, and Lithuania by the Soviets is a denial of self-determination and is not acknowledged by our Government and should not be acknowledged by nations who have a legitimate interest in freedom.

Mr. Speaker, the example of Latvia, along with the kindred examples of Estonia and Lithuania and a score of other nations that lie beyond the Berlin Wall and the Iron and Bamboo Curtains, should be a solemn warning to free nations everywhere. Let us hope and pray that those countries where men and women still live in freedom will heed this warning and cease appeasing the evil forces of international communism.

"WHITE HOLLY"

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BEGICH. Mr. Speaker, the good ship *White Holly* of the U.S. Coast Guard has been a fitting tribute to the

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Coast Guard. The officers and men of the *White Holly* have been extremely dedicated to their duty both to the United States and to Alaska. They have been efficient in keeping our waters free of any foreign encroachment and they have aided and assisted the people of Ketchikan and southeast Alaska in any manner possible. They have aided in rescues, searches, disasters, and navigation through hazardous waters.

The U.S. Coast Guard is transferring the *White Holly* out of Alaskan waters and the people of Ketchikan felt it only proper to pay tribute to this ship and its crew. In keeping with the community spirit, Mayor William F. Hamilton of Ketchikan declared November 11, 1971, as *White Holly* Day. I would like to take this opportunity to join the people of Ketchikan in their tribute to the *White Holly*. I am inserting a copy of the Ketchikan proclamation for my colleagues' inspection so that they may be aware of the outstanding job done by the *White Holly:*

PROCLAMATION

Whereas, the U. S. Coast Guard has ordered the transfer of the good ship *White Holly* from its natural and historic role as guardian of the last frontier, and

Whereas, the good ship *White Holly* has played a spectacular role in the policing of international waters against foreign fishery encroachment, has assisted in many search and rescue operations involving America's finest fishermen, hunters, loggers and miners, has maintained aids to navigation in some of the most hazardous waters of the world, and

Whereas, Alaska now has attained statehood, the U. S. Coast Guard has mechanized much of its search and rescue operations by using aircraft to speed up its services to the outlying areas, and

Whereas, the officers and enlisted personnel of the good ship *White Holly* have become outstanding examples of the U. S. Coast Guard, have brought its services and relationships closer to the people of greater Ketchikan than to those of any other portion of America, and

Whereas, other portions of the United States of America now need and deserve this humanitarian service long rendered to Alaskans by the *White Holly*, and

Whereas, the door to the First City of Alaska remains always open to the *White Holly*'s officers and crew who will wish to return here for later duty or retirement,

Therefore, in recognition of the service of this vessel and personnel, I proclaim Thursday, November 11, 1971 as *White Holly* Day in greater Ketchikan and by virtue of the authority in me vested, requested all citizens of Greater Ketchikan to pay appropriate tribute to the good ship *White Holly* and its personnel.

Done under my seal and signature this 5th day of November, 1971.

WILLIAM F. HAMILTON, *Mayor.*

HIGH KARTH AIDE RESIGNS

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. KARTH. Mr. Speaker, all of us in Congress know the valuable work performed by our staff members—it hardly seems necessary for me to point out to our colleagues that their contribution is essential to the work that we do. That is why it is always a disappointment when a Congressman loses an assistant to another "firm" that comes up with a better offer. That is the circumstance of the announcement I have today. I might point out that in this case the "firm" I am losing an assistant to is the assistant's family—this is the kind of competition that no Congressman can overcome. Fortunately my staff takes a great deal of pride in being one of the best on the Hill—and one of the reasons for this is their approach to matters such as this. That is why, Mr. Speaker, it is with pride that I insert into the RECORD the following tongue-in-cheek "news release" penned by one of my staff members to announce the resignation of my assistant, Mrs. Kay Beckman.

HIGH KARTH AIDE RESIGNS

WASHINGTON.—A high aide to the Hon. Joseph E. Karth (D-Minn.) (who is well known for her afternoon nips, thereby gaining the title of a "high aide") submitted her resignation to Karth's Legislative Assistant, Ed Tonat, early this afternoon.

Kay Beckman, a veteran Capitol Hill secretary who previously worked for Reps. Fino, Keogh, and Annunzio, said that she is accepting an executive level position with Beckman and Son. She had extensive experience as secretary, military case worker and legislative mail writer.

The pert, blonde woman, a well known figure among knowledgeable Hill observers, said, "This new position is just too good to pass up—this will allow me to spend more time with my husband Don, er, that is Dan, and our son, uh, whathisname."

Her co-workers in Karth's highly efficient office immediately filed charges of treason against the irrepressible Ms. Beckman, claiming that she is guilty of the grossest form of desertion.

The entire sentiment of the staff was well summed up by a well enunciated obscenity from the press secretary, "Shucks."

Another staff assistant commented, "This only goes to show you the lengths that this staff will go to in order to have a party!"

MURPHY STRESSES URGENT NEED FOR GUN CONTROLS

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. MURPHY of Illinois. Mr. Speaker, there are many things wrong with this country today, things which we can rectify if we work together, and give a little time and energy to find solutions. One situation which confronts all of us is that of safety in our streets—safety from gun-toting hoodlums who would kill an innocent human being for a few dollars or simply for kicks.

It is indeed a sad note that many Americans are afraid to walk our city streets at night; that storeowners are threatened with a $5 pistol to give up their hard earned money; that homeowners are confronted in the middle of the night and forced to hand over their valuables to a petty crook who holds the power of life and death in his hands.

Our country is armed to the hilt with cheap handguns which are easy to obtain and even easier to use. When are we going to stop coddling every smalltime hood who thinks he can commit whatever crime he pleases because he has a gun?

People who oppose tighter control of handguns are often heard to say that "guns do not kill people; people kill people." This is twisted logic of the most extreme sort. Yes, people do kill people, but the possession of a so-called Saturday night special makes it easier for someone to take another's life.

What kind of a city is it where citizens fear for their lives and refuse to venture out at night? What kind of safety can we offer our families if accessibility to handguns is made easier because a few have the idea that the Government is attempting to register their guns for the purpose of confiscating them?

Those of us in favor of stricter gun controls are not denying the ownership of legitimate weapons used for hunting or target practice. We are interested in making it tougher for every small time criminal to obtain a gun for killing. We are interested in seeing that those who purchase guns with a legitimate reason are properly trained and responsible citizens.

Anyone who can deny the necessity for taking guns out of the hands of petty criminals and unresponsible persons is indeed denying the majority of our citizens their right to enjoy freedom from the fear of being assaulted. It is unbelievable that some persons could argue against gun control knowing full well that most crimes and rapes are committed at the point of a gun.

Are we all to arm ourselves in self-protection and by doing so return to the days of the Old West where men blazed away at each other on frontier streets? We have come a long way from that time and those situations, and it should not be necessary for every citizen to arm himself because his very life is threatened every time he sets foot out the front door.

I ask all citizens to support stronger gun legislation, designed to get "Saturday night specials" off the street and out of the hands of hoodlums. If we are ever to have law and order return to the streets of our communities, this must be the first step.

Men are never so brave as when they are holding a gun on an innocent victim. Our streets are never so unsafe as when the purchase of a cheap instrument of death is made easier by those who fear too much Government control. We must have stronger legislation to protect the majority of our citizens who are tired of being harassed by gun-wielding criminals. Only through stricter gun control can we once again say we are a country of domestic tranquility.

DEAN EARL BUTZ

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. HILLIS. Mr. Speaker, today I would like to take a few minutes regarding President Nixon's recent nomination of Dean Earl Butz of Purdue University as Secretary of Agriculture.

Dean Butz is an outstanding individual and it is my hope that he will receive early Senate confirmation.

Dean Butz was an Assistant Secretary of Agriculture under President Eisenhower and dean of the Purdue University School of Agriculture. At the present time he is dean of continuing studies at Purdue.

There have been some criticism of the nomination because Dean Butz is not an active farmer.

Mr. Speaker, let me tell you this: There are many active farmers who are better farmers because they went to Purdue and received their instructions from Dean Butz.

Dean Butz has made agriculture and the study of agriculture his lifework. He is a noted authority.

In Dean Butz, the President will also have an outstanding spokesman who will travel the Nation and learn of the problems and offer his solutions.

He is also respected by his fellow men.

His name was once placed in nomination for Governor of the State of Indiana and he is widely known throughout our State as an outstanding public speaker.

FIRST PLACE TO AMERICAN OIL FOR POLLUTION-FREE WASTE DISPOSAL

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. COLLINS of Texas. Mr. Speaker, In a program of awards for environmental control development endorsed by the Interior Department, the Environmental Protection Agency, the Commerce Department, and all phases of the petroleum industry, American Oil took top honors for their innovations in waste disposal. Petroleum Engineer awarded first place for America's development of a fluidized bed incinerator for safe disposal of oily sludges and spent caustic solutions without polluting the air.

Our country is proud of the petroleum industry as it sets the pace for protecting ecology in our increasingly industrialized society. American Oil was deservedly recognized as a leader in this program with the following citation:

Among the many waste disposal problems incident to petroleum refinery operations, the disposal of oily sludge and spent caustic is one which has been most perplexing. To solve it, the Mandan, N.D. refinery of American Oil installed a fluidized bed incinerator which has proved to be a safe and effective disposal technique while eliminating the air and water pollution problems associated with past disposal practices.

Since oily sludges and spent caustic are generated in substantial quantities in large refineries, the longterm solution of their disposal should be based on a reduction in volume and destruction of objectionable constituents to leave a compact volume of innocuous residue which can be disposed of easily and perhaps usefully. The fluidized bed incinerator was chosen because of its extremely high transfer efficiency, excellent mixing and stable combustion conditions. The unit consists of a vertical, refractory-lined furnace with ancillary facilities which include tanks and pumps to store and feed sludges and spent caustic, blowers to supply combustion and fluidizing air, automatic control equipment, and stack scrubbers to produce a clean, odorless exhaust gas. The organic portion of the wastes is completely burned inside the furnace within a fluidized sand bed to produce three stable combustion products: a clean, granular, inorganic ash; carbon dioxide, and water.

During operation oily sludge is pumped into the fluidized bed. As it enters the furnace the violent action of moving particles within the bed rapidly disperses the sludge throughout the entire bed. Water in the sludge evaporates immediately with the necessary heat provided by direct contact of the dispersed sludge with the bed material and hot combustion gases. Remaining oil and organic material rapidly ignite and burn within the bed. Heat released during combustion is absorbed by the bed material so the entire process is self-sustaining.

Spent caustic is introduced to the incinerator separately just above the bed. Stable products of its combustion, mainly sodium sulfate and carbonate, are deposited within the bed. Eventually the bed becomes composed predominantly of sodium sulfate and carbonate pellets, which serve the same purpose as the initial sand bed.

A temperature of about 1350 F is maintained in the bed during incineration, with about 20% excess air provided for complete combustion. Careful control of the temperature is necessary to maintain a temperature high enough for complete combustion and yet low enough to prevent fusion of the inorganic chemical residues.

Exhaust gases from the furnace are passed through a cyclone separator, where most of the entrained solids are separated from the gas stream. Recovered solids are returned to the furnace from the cyclone. Exhaust gases are then passed through a venturi scrubber, where final traces of particulate matter and any gaseous pollutants are removed.

OIL AND "THE TIMES"

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BIAGGI. Mr. Speaker, many of us have been concerned about the prospect of oil drilling off the Atlantic coast and what it will mean to those of us who have long enjoyed the fine recreational opportunities that the Atlantic shoreline has to offer. This morning's New York Times contained an editorial supporting a bill introduced by my good friend and colleague, Congressman NORMAN LENT of Nassau County, N.Y., which would put the Atlantic out of bounds for oil drilling unless foolproof environmental safeguards are developed. Because I was among the first of 70 Representatives from Maine to Maryland to join Congressman LENT in this effort, I want to take this opportunity to enter the Times editorial in the RECORD so all of our colleagues here in the House and the people of the entire Atlantic coast may have the benefit of these views.

SANCTUARY FOR THE SEA

The mighty oceans are in danger. As Jacques Cousteau observed in testimony before a Senate subcommittee, chemical pollution and reckless exploitation disrupt what are actually innumerable delicate balances between life and death in the world's oceans.

In the light of this clearly perceived menace, apprehension has been aroused on Long Island by reports that the Interior Department is considering the sale of leases for oil drilling on the continental shelf of the Atlantic seaboard. Technically the department has so far done no more than issue exploration permits, an all but automatic procedure. Yet the nervousness is warranted.

Secretary Morton has stated that no drilling will be sanctioned without a full consideration of environmental consequences, a pledge repeated in correspondence with members of Congress and others. That much he is required to do under the law. But the Secretary has made it equally clear that a paramount responsibility of his department is to meet the nation's demands for energy.

That is precisely the trouble. Mr. Morton's department, charged with both the promotion and regulating of oil production, is compromised from the start in deciding objectively where the production of oil threatens the integrity of the environment.

Certainly there is little reason to expect the department to ride herd on the oil prospectors of the Atlantic coast any more than it has on the despoilers of the Santa Barbara Channel and the Gulf of Mexico. There is even less reason to suppose that the companies will suddenly invest themselves with self-sacrificing concern for the environment.

It is natural enough for Long Island Congressmen to be taking the lead in trying to head off the sale of leases in view of the special threat to the island's beaches and wetlands. Representative Lent of Nassau County has proposed a moratorium on all oceanic drilling until the Secretary of the Interior can determine in conjunction with the Council of Environmental Quality just how much of the nation's natural resources are genuinely required for the years ahead—so that priorities can at last be clearly fixed. In addition, the Lent bill would provide for marine sanctuaries in the Atlantic permanently free of the threat of drilling.

Sanctuaries are similarly provided in a bill by Senator Cranston of California for the protection of that state's threatened coastline. The tragedy of the Santa Barbara oil catastrophe two years ago underscores the necessity of enhanced protection for the much-abused offshore waters of the Pacific and makes the Interior Department's foot-dragging response to the Cranston bill inexplicable.

Except as a last resort, when all other sources of energy have been used, the waters of neither the Atlantic nor the Pacific should be exposed to the added burden of oil drilling with its risks of spills and blowouts. The seas themselves are now in need of sanctuary.

VILLARREAL CONFIDENT OF BUFFALO TRANSIT PLAN

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. KEMP. Mr. Speaker, it was my pleasure to invite the energetic administrator of the Urban Mass Transportation Administration, Carlos Villarreal, to be the principal speaker at the Construction Industry Employers Association annual dinner in Buffalo on November 12, 1971.

He delivered an important and timely address which demonstrates the Federal concern for effective systems of transportation nationally and on the Niagara frontier.

At this point it is indeed a pleasure

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to insert his remarks into the RECORD and call this to the attention of my colleagues:

REMARKS BY CARLOS C. VILLARREAL

Gentlemen, good evening and thank you for your gracious invitation to come to Buffalo and visit with you this evening.

When your good Congressman, Jack Kemp, wrote and asked me if I could be here for this Annual Meeting of the Construction Industry Employers Association, my calendar was clear and I accepted the invitation with pleasure. As a matter of fact, I was particularly complimented by Jack's interest in our Federal mass transit program and am very pleased to have an opportunity to discuss it with you.

Little did I know that Secretary Volpe would jet home from Spain this past Saturday and ask me to accompany the Spanish Minister of Public Works Fernandez de la Mora and six or eight Spanish transportation officials on a coast-to-coast inspection trip. I want you to know that things are well in Phoenix, San Francisco, New York City and Washington—I know, because I have just come from all of those places!

Congressman Kemp's interest in our program and its effect on this region is very helpful to us in the Department of Transportation. I can tell you as the chief executive officer of a major Federal program, you get awfully lonely in Washington, and it is very reassuring to know that there are Members of Congress who are vitally interested in what we are doing.

The opportunity to meet with you is a welcome one. It enables me to talk to you briefly on what we are doing in Washington about mass transit and something about the construction implications and effects of the Federal public transportation program. Too often, mass transit is discussed only in terms of ridership, buses and transit cars, and the moving of people. The construction aspects of mass transit all too often are overlooked.

There is a common misimpression that mass transit construction competes with highway construction; that funds for mass transit means that less funds will be available for highways; that funds for transit construction means that less funds will be available for highway construction.

Not true. In fact, precisely the opposite is true. Mass transit complements and adds to our urban highway people-carrying capacity. Mass transit needs an equally effective surface street and freeway system for main line and feeder bus service. Furthermore, the construction of rapid transit, subway, and other exclusive right-of-way systems require and use the very same skills and construction know-how, and many of the same materials as are used in highway and other heavy construction. Even though mass transit means a whole new, big market for the heavy construction industry, I find very few contractors and builders who realize it.

As you know, just a little more than a year ago the Congress overwhelmingly passed President Nixon's Urban Mass Transportation Assistance Act of 1970. Even though earlier legislation in 1961, 1964 and 1966 provided year-to-year funding for mass transit development, only last year did we get the long-term Federal financing needed for the very large, big capital projects so characteristic of mass transit development.

This mass transit legislation that Secretary of Transportation John Volpe was so instrumental in obtaining, provides my Administration with $3.1 billion available for immediate obligation. It is part of a $10 billion, 12-year program to upgrade, rebuild, and extend existing transit service and to build new systems.

As one of the seven line agencies reporting directly to Secretary Volpe, the Urban Mass Transportation Administration is charged with the responsibility of using these funds to provide financial assistance for capital improvements to public bodies and to carry on a research program directed toward the development and demonstration of new transit systems.

In the past 10 years, about $1 billion Federal funds, matched by an equal amount of local funds, have been spent on public transportation. With the recognized need for a significantly larger national mass transit improvement program, and with the passage of the legislation last year, mass transit is now a big, new and important business.

Under the leadership of Secretary Volpe, we have seen our program grow from $175 million per year, to $400 million last year, to $600 million this year. We presently have under review for next year a program calling for $1 billion. Said another way, whereas Federal funds for mass transit have equalled $1 billion in the last 10 years, during the current 18 months—from January 1971 through June of 1972—we will obligate $1 billion, and thereafter, $1 billion per year.

Our legislation calls for biannual review of our obligation authority, so next year, Secretary Volpe and I expect to return to Congress and ask for the next increment of authority beyond the present $3.1 billion to carry this program forward.

I needn't tell you the Congress is a very severe task master and requires accomplishments and results from those managing programs for which the Congress makes funds available. I don't say this merely because Congressman Kemp is with us. I say it because it is true, and because it is important for you to know that we take seriously President Nixon's urban commitment and his very real desire to make progress in our cities.

Incidentally, I was interested to note that this area is known as the Niagara Frontier. When we were at the White House just about a year ago for the signing of our mass transit legislation, President Nixon spoke of frontiers. He said that whereas the West was the frontier of the 19th Century, the urban frontier is the frontier of the 20th century. From the very considerable progress that you are making in developing a regional public transportation capability here, it is very apparent to me that the Niagara Frontier won't be a transportation frontier very much longer. You will have a good bus and rapid transit service in operation.

Of course, we are disappointed the New York transportation bond referendum didn't pass last week. We are not discouraged, however. Undoubtedly you know that on Tuesday, the mass transit referendum passed in Atlanta, and that fast growing Southeast region is now proceeding with its planning for a regional bus and rapid transit system. Bear in mind that three years ago transit bonds failed in Atlanta—so you are not alone. They made it on the second try because the people in that region now realize there is no alternative to good public transportation.

It is unfortunate that some very much needed projects here in New York may be delayed or temporarily deferred. I need not tell contractors or their suppliers what happens to costs when construction projects are delayed. Where already there are more projects than there are local funds to finance them, delays can only aggravate an already chronic national shortage of State and municipal funds to carry forward transportation projects.

Having just come from the Bay Area Rapid Transit System in San Francisco the day before yesterday, I can tell you what construction delays cost. It now looks like the BART system will cost $1.4 billion, some $300 million more than the $1.1 billion estimated for the project when construction began in 1964. In Washington where $300 million worth of subway construction is underway and where some 1,800 men are at work, that system is now going to cost $3 billion, some 15% more than original estimates.

Going back to your transportation bond issue, I would hasten to add that New York is way ahead of most other states, however, having voted a $2.5 billion bond issue just three years ago, and already you are making substantial progress straight-across-the-board in a state-wide, all-modes transportation development program. This is not enough, I know. I am sure Governor Rockefeller wants to move ahead. I have to say that very few Governors have been as wholehearted and tireless in their pursuit of transportation improvements as Governor Rockefeller has been. I am also sure that in due course the necessary bonds will be passed.

Jack Kemp tells me that the transportation bond issue did carry upper New York State. Clearly, that is a very real indication of the broad public support I feel certain your currently developing local mass transit program has.

So don't be discouraged; proceed with your plans for a regional mass transit system, knowing that down in Washington we are anxious to help you make progress.

It is something of a mystery to me why big Federal programs—such as the one that I manage—aren't really well understood at the local level. I just want you to know that I am very familiar with the work being done by the Niagara Frontier Transportation Authority, particularly in mass transit. Our grant of $524,000 has helped the authority to analyze the feasibility of a 12½ mile rapid transit line in the Buffalo-Amherst urban corridor. We very much want to see this work go forward, along with the proposed development of a regional bus system.

Let me stop here for a moment. What about the Federal Government making money available to buy up private bus companies—like the seven bus companies in this area—substituting government enterprise for private enterprise? Let me make our policy on this question just as clear as crystal. And this policy question has received careful and meticulous attention by us in recent weeks.

Our policy is this: we are required by legislation—yes, by the Congress—to provide every opportunity for the full participation of private firms as well as public operators in carrying out Federally financed transit projects. It is becoming increasingly difficult, if not impossible, for private bus operators to earn an adequate return on their capital. Nonetheless, private operators should participate in our project to the fullest extent possible. And the work we do is directed towards this objective.

Having just been out to BART the day before yesterday, I am particularly reminded of the many construction aspects of this and other major rapid transit projects. You will be interested to know that a portion of the 75-mile, 34-station, fully automatic BART system will open in the Spring of next year. The complete system will open in November of 1972—just a year from now. This is the first completely new rail rapid transit system built in the United States in more than 50 years.

Of the $1.4 billion estimated total cost of BART, the largest single cost is not equipment or cars or automatic train control, as you might imagine. The largest single cost is construction—some $850 million. The total labor payroll will equal $200 million, representing nearly 35 million man-hours of labor, with an average annual employment of 2,500 men. The peak labor force, at times, during the past seven years has reached 8,000 men.

In the BART system, there are 2 million cubic yards of concrete; 3½ million barrels of cement; there are 19 million cubic yards of excavation, and 475,500 tons of steel. The numbers and quantities for the Washington Metro are equally impressive.

As you proceed with the development plans for a new rapid transit system for this area, know that the construction implications are enormous. It only makes good sense for you, as construction industry employers, to encourage and support local public officials, your local transportation planning and development agencies, and others working towards improved public transportation in the Buffalo region.

We have found that the principal difficulty in implementing major mass transit projects is not the design and engineering, not the requirements of technology, or indeed the time, difficulty and cost of construction. The principal problems are in overcoming what might be called the political and institutional constraints in implementation. Obtaining agreement on how to proceed, adopting a regional plan, raising the local one-third matching share and otherwise marshalling the resources of the local community, these things are far more difficult than any of the technical or mechanical problems.

So let me encourage you to lend your support to your local efforts to move ahead, and know that we in Washington stand ready to be helpful with the Federal public transportation program, intended by the Congress to accomplish the objectives you, and I, and all of us have for the Buffalo region.

My thanks to you for inviting me here this evening. I always enjoy coming to New York State. I look forward to being here again with you very soon.

Good luck to you and thank you very much.

HOUSE RESOLUTION 630

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. JACOBS. Mr. Speaker, I was wondering if, at this late date, any Member of Congress or any member of the executive branch would care to say he or she is willing, from this day forward, to give his or her life, limb, sanity, or freedom—POW even for another day—further to pro up the Saigon dictatorship.

Other Americans are being ordered to do so today.

Following is the language of House Resolution 630, which I introduced on September 30, 1971:

Whereas the President of the United States on March 4, 1971, stated that his policy is that: "as long as there are American POW's in North Vietnam we will have to maintain a residual force in South Vietnam. That is the least we can negotiate for."

Whereas Madame Nguyen Thi Binh, chief delegate of the Provisional Revolutionary Government of the Republic of South Vietnam stated on July 1, 1971, that the policy of her government is: "If the United States Government sets a terminal date for the withdrawal from South Vietnam in 1971 of the totality of United States forces and those of the other foreign countries in the United States camp, the parties will at the same time agree on the modalities:

"A. Of the withdrawal in safety from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp;

"B. Of the release of the totality of military men of all parties and the civilians captured in the war (including American pilots captured in North Vietnam), so that they may all rapidly return to their homes.

"These two operations will begin on the same date and will end on the same date.

"A cease-fire will be observed between the South Vietnam People's Liberation Armed Forces and the Armed Forces of the other foreign countries in the United States camp, as soon as the parties reach agreement on the withdrawal from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp."

Resolved, That the United States shall forthwith propose at the Paris peace talks that in return for the return of all American prisoners held in Indochina, the United States shall withdraw all its Armed Forces from South Vietnam within sixty days following the signing of the agreement: *Provided*, That the agreement shall contain guarantee by the Democratic Republic of Vietnam and the Provisional Revolutionary Government of the Republic of South Vietnam of safe conduct out of Vietnam for all American prisoners and all American Armed Forces simultaneously.

ON UNDERSTANDING CONGRESS—THE VIEW FROM THE HILL

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. MORSE. Mr. Speaker, I would like to share with my colleagues an article by Mr. William Shinn, Jr., that appears in the current number of the Foreign Service Journal. Bill Shinn, a Foreign Service officer presently serving in Vienna with the Arms Control and Disarmament Agency at the strategic arms limitation talks, and a former congressional fellow on my staff, explores in his article the new assertion of foreign policy-making power in the Congress and the age-old difficulty that politicians and diplomats have always had in understanding one another.

Bill considers a strong congressional role in foreign affairs to be not only the constitutional prerogative of this body, but also a healthy development that will insure that the major elements in our pluralistic society have some voice in determining national policy in this vital area. In addition, Bill calls for increased contact and better understanding between members of the diplomatic corps and the Congress.

I compliment Bill for his enlightened and knowledgeable discussion of the Congress' new consciousness of its responsibility in the process of foreign policy formulation, and I believe that his article can provide useful insights to those of us here in the Congress and to our counterparts in the State Department. I commend this article to my colleagues and insert it in the RECORD at this point:

ON UNDERSTANDING CONGRESS—THE VIEW FROM THE HILL

(By William Shinn, Jr.)

"Every man up here thinks he's smarter than the President and could do a better job," remarked a leading Democratic Senator of his colleagues at a recent meeting with the Congressional fellows. Few politicians would be so candid, but fewer yet would deny, at least in private, that this is so. It takes a vast amount of self-assurance, drive and just plain courage to get elected to public office, and these qualities infuse a constant dynamism in the game of politics. A congressman who retires of his own free will is a rarity. The natural urge is to go on to bigger and better things.

I would submit that this spirit is imperfectly understood by most practitioners of the diplomatic art. We instinctively resent the power of Congress to interfere in policies we conceive to be in the national interest, and we are rankled by the budgetary power of a few men over our very livelihood. We don't like to be pushed around but are frustrated, because if we fight back we are not being "diplomatic." Indeed, at times it must seem that some congressmen take a rather perverse delight in trying to make us "lose our cool."

Relations have rarely been smooth between Congress and the State Department and various reasons have been advanced to explain the difficulty. Dean Acheson, in his memoirs, points to the narrow constituencies and interests of legislators as the main trouble-making factor. Others argue that the potential for dispute is built into the Constitution, which actually allocates more specific powers in foreign affairs to the Congress than to the Executive. Indeed, it cannot be denied that the basic constitutional principle of checks and balances is an invitation to discord..

However, what may be the most important single cause of friction has, to my knowledge, been overlooked. It is the simple fact that politicians and diplomats are quite different human beings. In training, background and professional temperament, one could say they are almost exact opposites. Politicians seek public exposure as a marooned fish seeks the water. It's their natural element—the source of their existence. They are, for the most part, outgoing, outspoken, gregarious and acutely sensitive to the feelings and attitudes of others. They are also activists and seem to relish the tug and pull of argument and debate. Most are seemingly self-assured and display all the outward signs of classical hubris, but beneath a confident exterior, like characters in a Greek drama, they are haunted by the potential Nemesis of the electorate.

By contrast, a diplomat is schooled in the advantages of anonymity, taught to curb his passion and to maintain his reserve. While there are many exceptions to the "diplomatic" style, the natural bias of the profession encourages a kind of "poker face" syndrome. One's utterances should always be understated and one's movements ever cautious. If the rewards of politics are to be found in making public declarations and inciting public controversy, the success of a diplomat is measured by his ability to work quietly, patiently and behind the scenes, seeking to reconcile differences and resolve conflicts. Political misfires are easily forgotten. In diplomacy they can be fatal.

Is it any wonder then that we have problems understanding each other? It is all too easy for a Congressman to mistake reserve for arrogance, temperance for hostility and discretion for lack of candor.

Their stock in trade is getting through to people, and in dealing with Foreign Service officers, they often feel they are communing with Buddha. Hence the temptation to seize on mistakes and errors in judgment when they occur, blowing them up out of proportion and seeking to pillory the perpetrators. More often than not, this seems done less for political effect than in an effort, born of pique and frustration, to break through the impassivity of the Department and show that it does not have a unique monopoly on wisdom in foreign affairs.

The very atmosphere of the State Department is in stark contrast to the halls of Congress. Coming from the bustling sur-

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roundings of the Hill, a visitor to State is prone to compare the place with a large metropolitan hospital—white, antiseptic and quiet. It is our special misfortune that we are located in an area called Foggy Bottom. Apart from the symbolic implication that our perceptions may somehow be dimmed by an absence of clear air, there is a troublesome connotation that the lack of elevation corresponds to our relative status with other Departments of the Government and, most of all, with the lofty seat of the Legislative Branch.

Congress today is in a period of increasing assertiveness in foreign affairs and the trend seems certain to continue. The agony of Vietnam, our declining trade balance in a tight economy, the pressure to restructure our national priorities and the greater attention paid to events abroad by the public media have all contributed to make foreign policy a major political issue. No longer is Congress content to act as a mere check on the Executive. It is seeking to have a real voice in actually making policy. It is endeavoring to do what Senator Javits urged in his Foreign Affairs article of January, 1970, when he declared that "every element of foreign policy must be totally debated."

I fear that many of us are but dimly aware of the changes that have taken place. On May 10, when Senator Mansfield suddenly introduced his amendment to withdraw our forces from Europe, I was urgently called out of a Foreign Relations Committee hearing and asked to get to work on material for the debate which was reportedly to end in a vote that very afternoon. In a quick search for up-to-date information I called several of my colleagues in the Department. Some of them were quite helpful. But for the most part, I met only with expressions of sheer incredulity. How could the Senate disrupt years of patient negotiation, throw our NATO alliance into disarray and reverse our posture in Europe in a single sweep?

Anyone who had followed attitudes in the Senate closely would have known that Senator Mansfield's position had considerable support and that the arguments in its favor were not entirely lacking in reason. As it was the vote was postponed and the amendment was ultimately defeated. However, the issue is bound to remain with us in one form or another. In dealing with it we cannot avoid the domestic political factors involved.

George Kennan and others have argued that Foreign Service officers should not consider domestic political factors when making judgments on foreign policy. I respectfully disagree. The climate of American opinion and the attitude of Congress are often crucial to the success or failure of policy initiatives. True, we cannot be experts on domestic politics, but years of experience in studying the internal affairs of foreign countries should give us some insights into our own political processes. To operate in an ivory tower, immune from political currents, is unrealistic and can only add to the popular misconception of State Department officers as elitist and out of touch with grass roots sentiments. In a democracy, the attitude of the people is always ultimately crucial.

This is not to say that popular opinion as measured by the polls or the collective wisdom of 535 members of Congress is necessarily more right than the informed and carefully considered views of diplomatic professionals on matters of foreign policy. From the tragic and misguided action of the Athenian Assembly during the Peloponnesian War to the rejection of the Treaty of Versailles by the Senate in our own time, history of lack of dollar resources.

in foreign affairs. The Athenian Diodotus gave good advice when, during the debate on the Mitylenian Revolt in 427 B.C., he said: "A wise city without over-distinguishing its best advisors, will nevertheless not deprive them of their due." In the matter at hand, the advisors were heeded and a serious blunder was avoided, but in later years the rash passion of the multitude came to prevail and led in time to the defeat and destruction of Athens.

Our founding fathers were persuaded of the wisdom of a separation of power in government. However, there is a universal feeling on Capitol Hill today that the balance has tilted in favor of the Executive Branch and there is an overwhelming demand that it be redressed. This is why there is so much effort being made to reexamine the doctrine of executive privilege, to redefine the President's war-making powers and to reappraise our commitments abroad.

A real attempt is being made to scrutinize all aspects of foreign policy. The very rationale behind our departure from isolationism a generation ago is being challenged, and Senators who argued against internationalist policies then are again being quoted with approbation on the Senate floor. At the current session of Congress even the normally complaisant House Foreign Affairs Committee has bestirred itself to action, voting down aid funds for Greece and Pakistan, while expanding its activities into new fields with the help of additional subcommittees and a beefed-up staff.

The Foreign Service should not view this process as hostile to the interests of good and responsible government. It is a healthy sign of widespread concern over the problems of a world in flux and of our country's proper role in the changes taking place. A strong role by Congress in foreign affairs is not only its constitutional prerogative, but it also helps to ensure that at least the major elements of our pluralistic society have some voice in determining national policy. Congressional debate is no guard against folly, but the sense of national participation it provides can be a force for concord and unity, especially if things later go wrong.

The overwhelming majority of those who make the grade in politics are intelligent, responsible and dedicated men, but with few exceptions, they bring to office little experience in foreign affairs. They are influenced by a wide array of special interest groups, concerned constituents and newsmen, they learn from reading and foreign travel, and they are advised by retinues of bright young staffers, scholars and a surprising number of former Foreign Service officers. Unfortunately the counsel of the State Department is all too often held in low esteem.

This should not be so. Congress could profit by drawing more on the vast reservoir of knowledge, experience and talent that is possessed only by those who represent our country's foreign interests on a daily basis. In dealing with Congress there are, of course, many pitfalls. We are bound, and rightfully so, to defend the policies of the Administration. There is a danger of becoming involved in political skirmishing, of being used as a foil for those with unrestrained political ambition, and of compromising one's relationships with foreign governments. There is always the possibility that secret and sensitive information could be leaked for political advantage.

The undue fear of these hazards is to a large extent a legacy of McCarthyism, which is more responsible for the lack of trust with Congress than is generally recognized today. The scars of that painful era are not easily forgotten and have produced an understandable timidity, if not outright aversion, toward association with those in political life. All this has unfortunately contributed to the "fudge factory" picture of the State Department as an organization of faceless automations.

This image, however, can be changed. Diplomatic professionals should be uniquely qualified to comprehend the vagaries of human nature and to get along with all types of people. A politician who has won public trust in the hard crucible of the electoral process is justifiably proud of his achievement. Not many Foreign Service officers would have the fortitude to fight a political battle and fewer yet would have the special ability it takes to win one. But this does not mean that they cannot meet politicians on their own ground and deal with them forthrightly on terms of mutual respect, shedding the Delphic mask used in confrontations with diplomatic adversaries. True, there are some people on Capitol Hill who are not easy to get through to, but none of them would be where they are if they totally lacked the ability to respond in kind to an open and honest approach.

The mistrust and prejudice accumulated over the years between Congress and the State Department cannot be cleared away easily, but better mutual understanding through more frequent contact could help to improve things. If the wolf and the lamb will not dwell together short of the millennium, perhaps they might at least learn to appreciate each other's qualities a little more.

FLYING FICKLE FINGER OF FATE AWARD

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. PETTIS. Mr. Speaker, it seems to me that television viewers must have been appalled on November 8 when Laugh-In's "Flying Fickle Finger of Fate Award" was given to the Federal Government for planning to build a Veterans' Administration hospital 75 miles from the site of one destroyed by an earthquake last February, with loss of life.

Surely this is too serious a subject to be used as a takeoff for humor.

Also, Laugh-In ridiculed the new hospital site choice without knowing the background, judging from the Veterans' Administration explanation.

I would say the Federal Government knew what it was doing when it selected the new site at Loma Linda, Calif., because of the careful and thorough steps taken to make sure the best site was picked.

I would like to take this opportunity to present the reply that Administrator of Veterans' Affairs Donald E. Johnson has sent to the producer of the Laugh-In TV show. I feel you will find it interesting and informative.

VETERANS' ADMINISTRATION, OFFICE OF THE ADMINSTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., November 10, 1971.

Mr. PAUL KEYES,
Producer, The Laugh-In Show,
National Broadcasting Company,
Burbank, Calif.

DEAR MR. KEYES: Once the news is broadcast, I doubt that there is any effective procedure for declining a "Flying Fickle Finger of Fate" award.

If such a procedure exists, then, as the head of the agency most involved, I feel I must decline the award made on the Monday night Laugh-In program.

Modest though it may be, the reason for the declination is simple. The award is in no manner deserved.

Although I have always viewed Laugh-In as one of the funniest programs on the air, the effort Monday night to blend humor with the tragic consequences of an earthquake sorely missed the mark, and was based on erroneous information.

These are the facts you would have learned had your people bothered to check before the show was produced:

Prior to Loma Linda's being selected as the site of a new Veterans Administration hospital, a team of expert outside consultants studied all geological, seismological, and engineering aspects of the area. It was the combined opinion of these experts that a VA hospital could, indeed, be designed and constructed at Loma Linda that would remain operational even during a major earthquake.

If the "Laugh-In" theory should be followed to the ultimate, there probably would never be another VA hospital—or any other kind of hospital—constructed in California, the state with the greatest veteran population in the country.

No less an authority than Charles F. Richter has made clear that there is no area in California free of earthquake risk, and that earthquake faults are present almost everywhere in the state.

In his booklet, "Our Earthquake Risk—Facts and Non-Facts," Professor Richter says, "The popular press, by continual emphasis on active faults in general . . . gives its readers the idea that risk is concentrated near the faults. This is not true. In California there are so many active faults that in the long run every locality is exposed to the risk of heavy shaking. It is important to understand that the risk of strong shaking, whether close to the fault or far from it, depends mainly on the character of the ground."

The Los Angeles Times in an August 27, 1971, editorial reported on a major engineering study of last February's earthquake by experts from Cal Tech. The editorial noted that the fault which generated the San Fernando earthquake was *so little-known it was not even on most geological maps.* The study said the main hazard is not from surface faults, but from ground shaking. The report concluded flatly that "Buildings can be made to resist the strongest shaking without collapse."

And it is that kind of building that will be erected at Loma Linda—a hospital that will incorporate the most advanced design and construction safeguards known to man.

The Loma Linda area was selected for the new VA hospital to replace the one destroyed last February at San Fernando—some 75 miles from Loma Linda—because the area offers two great advantages in the care of sick and disabled veterans. It will permit close affiliation of the hospital with an outstanding medical school—just as 96 VA hospitals now form a partnership with 81 of the Nation's great medical schools. The location will also be much more accessible to veterans in the rapidly growing Riverside-San Bernardino area, an area where VA hospital utilization by veterans has been much lower than in Los Angeles and the rest of Southern California.

Since your award announcement no doubt created needless alarm and concern in the minds of your millions of viewers, I believe you will agree that a brief explanation of these facts on your next show is in order to alleviate this anxiety.

Sincerely,

DONALD E. JOHNSON,
Administrator.

THE SPIRIT OF GIVING

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. MAZZOLI. Mr. Speaker, I should like to call the attention of my colleagues to the career of a most exemplary citizen of my hometown, Mr. V. V. Cooke, Sr.

Mr. Cooke, who makes his home in Prospect, Ky., has been an inspirational leader of both the business community and the church community of Louisville, Ky.

His philanthropic contributions to the area's educational facilities have been nothing short of massive. Yet, his greater contribution to the community has been the example he has set through the dedication of his life to religious principles.

I, therefore, include the following newspaper article by Mr. Louis A. Moore, Jr., which appeared in the Louisville Times on November 1, 1971, in the RECORD:

THE SPIRIT OF GIVING
(By Louis A. Moore Jr.)

On a nippy November day in 1911, young Vinyard Vivian Cooke was on his way to be baptized in Green River in West Central Kentucky.

Before the 14-year-old youth could reach the spot where the religious immersion could occur, Cooke's horse halted suddenly for a drink of the icy water, dunking the lad prematurely into the river.

As a result of the two "baptisms" that day young Cooke wore frozen clothes throughout the long 7-mile journey back home.

Today V. V. Cooke Sr., now a 74-year-old successful Louisville businessman, enjoys telling the immersion anecdote—and what it symbolized as a turning point in his life

The same spiritual forces which made him willing to endure the cold water baptism also have influenced his attitude toward the fortune he has earned.

He has owned two Louisville automobile agencies and still owns a 1,000-acre Central Kentucky farm and a Louisville investment company as well as having many other smaller investments.

Cooke has also earned a reputation as a benefactor to the Louisville religious community, particularly among the Baptist denomination.

Cooke is a modest, friendly, affable man. And he has been reluctant to disclose the actual amount he has donated to charitable and religious organizations. But a source who should know places the figure at between $4.5 million and $5 million.

He began his philanthropic contributions in earnest in 1942, although since his youth he had practiced giving a tithe (10 per cent of his earnings) to religious activities.

The first large gift was to the old Louisville Baptist Orphans Home, which is now the Spring Meadows Children's Home in Middletown.

Since then he has made sizable contributions to other institutions, including the Student Union building at Kentucky's Georgetown College and the president's home and surrounding seven acres at the Southern Baptist Theological Seminary in Louisville. (The home was originally given to house the School of Church Music at the school. A new home for that school was completed last winter and named in honor of Cooke.)

Cooke also gave about $1.5 million to the Kentucky Southern College before it ran into financial difficulties and was taken over by the University of Louisville.

"Although it didn't go, I have no regrets," Cooke said of Kentucky Southern. He reasons that under U of L, the school is still carrying out the purposes of Kentucky Southern: to educate young people.

Education is a primary interest for the man who only completed three years of college himself.

Although he would "like to be able to" give to every notable endeavor, he acknowledges that "you can't give to all worthy causes."

Besides money, Cooke has also given his time. He is a deacon at Walnut Street Baptist Church in Louisville as well as a trustee of Southern Baptist Seminary. He has also been a trustee of Georgetown College, of the Kentucky Baptist Children's homes and of Kentucky Baptist Hospital.

Cooke, moreover, believes his success in business came as a result of his obedience to his faith as well as hard work.

But he was reluctant to talk to a reporter about his religious beliefs and their part in his financial success. He said he fears it will be misinterpreted by the public as being egotistical.

"I'm not one of those pious Christians who looks down his nose at anyone," he continued. "I'm just a sinner saved by grace, and I have many weaknesses.

"I sold all the merchandise I could as a Christian," he said, adding "I'm not bragging, but I tried to put into my business practice the Golden Rule, and be the same Christian on Monday, Tuesday, Wednesday, . . . as I am on Sunday."

As an example of putting his religious faith into practice, he cites how he handled Sunday closing.

Cooke's first Louisville automobile dealership opened Nov. 15, 1930, a Saturday. That day a representative of the manufacturer arrived in Louisville to talk with Cooke about handling his new business.

One point of discussion centered on opening on Sunday. Cooke told the representative, who insisted he remain open that day, "I'd rather have my place open six days a week and have the Lord on my side."

He kept his businesses closed on Sunday from then on.

A LIFE OF HARD WORK

Hard work has also been another factor in Cooke's life.

"I just enjoy working," he said. "I'd rather work without pay than to do nothing."

Although he recently had a pacemaker installed in his chest cavity to regulate his heart beat, Cooke still spends every weekday morning at his office on the first floor of the Medical Towers Motel, which he owns. That motel itself is an unusual investment. Situated in the Medical Center just east of the downtown area, the motel is for outpatients as well as for families of persons in one of the four hospitals in the vicinity.

Cooke's home is in Prospect. Each morning he and his wife Elva begin the day by reading the Bible aloud.

It is at their home that Cooke still plays the organ—something he has done since age 12.

"I think this (organ playing) had more to do with the kind of man I am today—along with my parents—and with the kind of life I have lived," he said.

He said he started playing the organ after his father purchased one for $30. It was the only one in their vicinity, and young Cooke and his sister were soon the only ones in the area who could play an organ.

Consequently, after several local churches purchased organs, Cooke was in demand as the church organist.

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CHILDREN ARE INVOLVED, TOO

The Cookes have three children and 11 grandchildren. And Cooke is proud of his children's involvement with religion, too.

The Cookes' older daughter, June, is married to R. L. Hook, president of Bob Hook Chevrolet, Inc. Their second daughter, Jane, is the wife of Joe D. Cross, president of Cooke Pontiac Co. V. V. Cooke Jr. is president of V. V. Cooke Chevrolet Co.

Cooke Jr. is a deacon at Crescent Hill Baptist Church, Cross is a deacon at Walnut Street Baptist Church, and Hook is a deacon at Broadway Baptist Church.

The elder Cooke calls his children "the greatest asset I have in the world, and the greatest thing I will leave in the world.

"If I hadn't produced good children, my life would have been a failure—even if I were a billionaire," he added.

Cooke intends to continue to be active at as many functions as he can, as long as he can, he said.

"I enjoy every day to the fullest," he said. "It's a great place to live (Louisville) and a great time to be alive.

"I have great faith in our country and in our God that as the world goes on we will be making progress," he added.

NEWSLETTER TO CONSTITUENTS ABOUT FORCED BUSING OF SCHOOLCHILDREN

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BROYHILL of Virginia. Mr. Speaker, for the past several weeks I have been speaking on the floor and extending my remarks to include articles from various newspapers and magazines concerning the frustration, concern, and danger created by a series of U.S. Supreme Court decisions which have resulted in forced busing of countless schoolchildren across the Nation to achieve racial balance.

In assembling this material I also had rather extensive research done on the decisions themselves, their contradictions, and the need for a constitutional amendment to restore to our Nation's children the right to attend the schools of their choice in their neighborhoods. This research was done in preparation of a newsletter for my constituents. But since I believe this subject is of grave concern not only to my constituents, but to all the citizens of this Nation, I insert the text at this point in the RECORD:

FREEDOM FROM FORCED BUSING

A CONSTITUTIONAL AMENDMENT TO CORRECT THE COURT

DEAR FRIENDS AND CONSTITUENTS: From your numerous letters, I know of your frustration and deep concern over the breaking up of neighborhood schools and the forced busing of children to other schools sometimes miles away to achieve the "racial balance" sought by the courts. I realize that many white people and black people alike—including a number of staunch believers in integration as an ultimate goal—are angered by the disruption in their children's education and the discrimination implied in *forced* integration. I am aware that many of you are still protesting the court orders; and that others of you, not wanting to break the "law of the land," are reluctantly "going along."

Conscientious law-makers who believe as I do are "on the spot": We cannot advise you to break the law, and yet we cannot advise you simply to acquiesce and take the bus to serfdom.

When Hitler came to power in Germany that country was suffering from the social evil of mass unemployment. Two hundred thousand men and women with doctorate degrees, as well as many hundreds of thousands of young people were out of work. Hitler was hailed as a liberator. One of his first acts was to free the country of unemployment. And how did he do it? He rounded up unemployed professors, engineers, artists, businessmen, factory workers and others from their villages and towns and forcibly transported them across the Polish Corridor to East Prussia, where they were put to digging ditches or anything else that needed to be done. This was the act of a tyrant who went on to other acts of oppression, always trying to cure one social evil with another.

We would not dream of tolerating a Hitler here. And yet we are forcibly transporting children out of their neighborhoods against their parents' will. We are assigning on the basis of race black children as well as white children to schools many do not wish to attend and in which, because of their unhappiness, they learn less than they should be learning. We are acquiescing in the courts' attempt to cure the social ill of discrimination by forced segregation by the equally abhorrent social ill of discrimination by forced integration. And it is driving us mad.

It is quite understandable that many people who are opposed to forced busing and everything that it implies are at the same time afraid that any tampering with the Supreme Court's 1971 busing decision might negate the Court's 1954 decision, prohibiting the assigning of children to schools on the basis of race. However, there is a valid way to solve this very serious problem *without returning to any semblance of de jure segregation.*

No doubt you have heard of the several House joint resolutions bottled up in the Committee on the Judiciary, which propose an amendment to the Constitution of the United States which would prohibit the assignment of pupils to public schools on the basis of race, creed or color. I am a co-sponsor of one of these resolutions and have joined with more than 100 of my colleagues, both Republicans and Democrats, from the North, the South, the East and the West, in agreeing to back H.J. Res. 620 introduced by Representative Norman F. Lent, Republican from Long Island. A discharge petition has been filed; and when 218 signatures have been affixed, H.J. Res. 620 can be brought to the Floor for a vote.

I would like to have your understanding of the position I am taking and your strong support of the only solution to this problem of forced busing which I feel to be feasible—that is, this constitutional amendment which would in effect reverse the decision of the Supreme Court in the case of *Swann* v. *Charlotte-Mecklenburg* delivered April 20, 1971. I want to tell you: (1) why I believe the vast majority of the American people would be for such an amendment, and why the resolution therefore has a good chance of passage by the Congress and ratification by the States; (2) what, in my opinion such an amendment would and would not do; and, (3) where in my opinion we will be heading if we allow the forced buses to continue to roll.

THE PEOPE V. FORCED BUSING

The news media have given so much coverage to the American people's anger over forced busing, from Boston to San Francisco, from Pontiac to Jackson to Austin—to mention only a few of the cities that have been in the news concerning this matter—that I shall do no more than touch on it here.

A recent poll showed 82 percent of the population to be opposed to forced busing, leaving only 18 percent in favor of it.

It is not only in the South that people are rebelling against the court's busing orders. Wherever in the North or West an official of the Department of Health, Education, and Welfare or a Federal or a State court has demanded school busing to achieve "racial balance" the anguished cries have been heard.

It is not only conservatives who have become forced busing rebels. Liberals who send their children to private schools rather than allow them to be bused "to achieve racial balance" show what they think by their actions if not by their words.

It is not only whites who are in rebellion against the busing orders, but many blacks. Chinese Americans, Mexican Americans and American Indians—representatives of the very racial minorities the Supreme Court purportedly is trying to protect—have also protested vigorously.

Americans of whatever race, creed, color or national origin, are confused and angry about forced busing for a variety of reasons. State and local authorities are confused and angry over the conflicting court orders and moan at the mounting cost of having to buy or rent fleets of buses to comply with this plan or that. Environmentalists are chagrined that the additional buses will further pollute the atmosphere. Traffic experts anticipate increasing rush hour traffic jams and safety problems.

Many white parents frankly oppose the compulsory busing of their children to black schools with admittedly low educational standards. Many blacks, following the teaching of James Farmer and other black leaders who believe in "black pride," openly advocate "black schools for black children." A few weeks ago several hundred protesting white mothers in a Boston suburb said they feared for the safety of their children if bused to a new Negro school situated in an inner city high crime area. At the same time several hundred protesting black mothers in Boston said they preferred their children to attend their own fine, new, inner-city neighborhood school. The brothers Alsop, Stuart and Joseph, and their fellow columnist, William Raspberry, a prominent black spokesman, have been carrying on a crusade for the massive up-grading of education in the black schools as an alternative to the disaster of forcing integration now, as a preliminary to natural, voluntary integration.

Chinese-Americans in San Francisco have complained that busing their children out of Chinatown to white or black schools miles away would disrupt their pattern of developing Chinese-American culture. They want to continue sending their children to the neighborhood American public schools in the morning and to their own private Chinese schools in the afternoon and evening to learn Chinese history and languages, and respect for elders.

An so it goes.

However, in spite of the various reasons for which different Americans are opposing forced busing, there is a common denominator, a common reason for revolt against it. Busing per se—as disagreeable and senseless as, under court order, it may seem—is a symbol; it is not the real issue. The real issue, the underlying reason so many American blacks, whites, Chinese and others are opposing busing is the *force* involved: it is the loss of individual freedom implicit in the compulsory assignment of one's children on the sole basis of race to a particular school against one's will.

This does not mean that Americans, black, white, yellow, red, or whatever, are essentially "racist." With the exception of a relatively few die-hard, white supremacists and black militants, it does not mean that whites hate blacks, or that blacks hate whites, or that

Chinese hate blacks and whites, or that American Indians hate Anglo-Saxons. It simply means that the American people like, to the extent that they are able, to send their children to schools of their choosing in neighborhoods where they choose to live; and they do not want the government telling them that they *must* send their children, because of their race, to some other particular school. They feel that their inalienable rights, their civil liberties are being infringed. And many parents weep for their children who are the principal victims of the courts' tragic mistakes.

White children assigned to a predominantly black school frequently experience a kind of culture shock, a feeling of hostility and of being discriminated against, and consequently a lowering of their school grades. Even more heart-breaking because it happens so much more frequently, black children, and particularly black children from very poor families, suffer from the indignity of knowing that it took a law and forced busing to get them into the predominantly white school to which they have been assigned. Then, once they arrive at their destination, they too, often experience culture shock, always made worse when they are confronted with the frustrating discovery that, by no fault of their own they are at least two grades behind the white children of their age.

Such cruelty, even though it be inadvertent and the result of the best intentions, should not be occurring in the United States. It should certainly not be occurring by court order, if we can help it.

THE COMMAND TO DESEGREGATE

Although the real issue is neither busing per se nor desegregation per se, it is difficult, if not impossible to understand our present dilemma over forced busing without seeing it in historic perspective.

There are those who argue that since there was no furor over busing when and where it was done to maintain racially separate public school systems, the present furor over busing to achieve racial balance is unwarranted and unfair. But it must be remembered that segregation was the law in many States until 1954; that the "separate but equal" doctrine had been upheld as Constitutional by the Supreme Court in 1896; and that racially separate schools were generally taken for granted by blacks as well as whites. It must also be remembered that by 1954 when the "separate but equal" doctrine was successfully challenged, the American Negro had come a long way. Many Negroes already had achieved "outstanding success in the arts and sciences as well as in the business and professional world." In the landmark case of *Brown* v. *Board of Education*, the Supreme Court found the "separate but equal" doctrine no longer appropriate and, under the equal protection clause, ruled legally instituted segregation to be unconstitutional.

The chief counsel for the NAACP, Mr. Thurgood Marshall (now Supreme Court Justice Marshall) had told the Court:

"If this Court would reverse and the case would be sent back, we are not asking for affirmative relief. That will not put anybody in any school. The only thing we ask for is that State-imposed racial segregation be taken off, and to leave the county school board, the county people, the district people, to work out their own solution of the problem to assign children on any reasonable basis they want to assign them on."

The Supreme Court command was to desegregate, not to integrate. It was to end legally enforced segregation, not to institute legally enforced integration. It was to become color-blind, not accutely color-conscious in the assignment of pupils to the public schools.

I do not intend to give here a blow-by-blow acccunt of all of the subsequent Supreme Court's civil rights decisions, of the constant litigation in the lower courts, or of the great burden of travail involved in actually carrying out the Court's command to dismantle legal (*de jure*) segregation. However, to indicate how it happened that the Supreme Court changed its 1954 command to desegregate, to its 1971 command to integrate, I must at least touch on the will of Congress in this matter, the blue-prints for social change drawn by the social engineers, and such court decisions as led indirectly to the forced busing decision.

CONGRESS, THE SOCIAL ENGINEERS, AND THE COURTS

The idea of forced public school busing to achieve racial balance first surfaced in the Congress of the United States, as a potential evil to be avoided, in the Civil Rights Act of 1964 which specifically forbade the use of funds for such practice.

In Title IV, Section 401(b) of the Civil Rights Act of 1964, the Congress expressed its will in the following language:

"Desegregation means the assignment of students to public schools without regard to their race, color, religion, or national origin, but desegregation shall not mean the assignment of students to public schools in order to overcome racial imbalance."

Title IV, Section 407(a)(2) authorizing the Attorney General to file suit to desegregate, is even more explicit. It reads in part:

"Nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance or otherwise enlarge the existing power of the court to insure compliance with constitutional standards."

In 1966, U.S. Commissioner of Education Harold Howe II, made headlines with his famous "Guidelines for School Desegregation"; with his attacks on *de facto* segregation (segregation existing, not by law but as a result of housing patterns) in the North as well as *de jure* segregation in the South; and with his publication of the "Equality of Educational Opportunity Report."

This report, better known as the "Coleman Report" was both hailed and denounced as a "bomb-shell." It revealed a U.S. Office of Education-funded survey of 645,000 pupils and 60,000 teachers tested in 4,000 schools. Johns Hopkins Professor James S. Coleman, principal conductor of the survey, came up with some pretty explosive findings. Children were tested at the beginning of grades 1, 3, 6, 9, and 12. The tests showed "that achievement of the average American Indian, Mexican-American, Puerto Rican and Negro (in this descending order) was much lower than the average white or Oriental American, at all grade levels . . ." This inequality was due, according to the professor, not so much to unequal buildings and equipment as to unequal social environments both at home and at school. The professor pointed out that various communities had been "struggling to achieve greater racial balance while retaining the neighborhood school." He noted that "busing, pairing, redistricting, consolidation and many other strategies had been tried"; many had failed, others had achieved at least partial success.

In his letter of transmittal of the "Coleman Report" Commissioner Howe said that the U.S. Office of Education, with the help of advisors would seek to determine how to use the results of the survey. The U.S.O.E. must have been already at work because shortly thereafter a U.S.O.E. draft bill entitled "The Equal Eductional Opportunity Act of 1967" was leaked to Congress. This amazing draft bill (which has been proved to be a blueprint of much that is taking place today) proposed in effect the complete restructuring of the American public school system, this to be accomplished through Federal bonuses (denounced as "bribes" by opponents) to school districts willing to comply.

Howe and his associates proposed that Title IV of the Civil Rights Act of 1964 be amended "to provide grants to support techniques appropriate to correct *de facto* segregation in individual communities." Such techniques might include (according to the proposal) comprehensive, district-wide rezoning of school attendance areas; pairing, grouping, or clustering of adjacent Negro and white schools by grade level; teacher assignment to assure faculty integration at all schools; careful site selection to locate new schools so as to maximize integration of residentially segregated student populations; development of "magnet" high schools, open to the entire school district on the basis of interest rather than ability; supplemental educational centers, comprehensive community schools, and shared-time programs to draw district-wide participation (usually called "educational parks"); open enrollment, voluntary enrollment, and free transfers; creation of metropolitan school districts to include urban and suburban areas; suburban-inner-city pupil exchanges; and—yes, you guessed it—*forced* busing of pupils.

Predictably Mr. Howe was roundly denounced by conservatives in Congress and out, as not only wanting to break up the neighborhood school system and local control of education, but also for apparently wanting to go beyond the Supreme Court decision in the case of *Brown* v. *Board of Education* which outlawed deliberate segregation. Seemingly Mr. Howe wanted legislative action which would lead to deliberate integration. In other words, the color-blindness of equal justice under the *Brown* decision would be replaced by the acute color-consciousness necessary for the attainment of "racial balance."

Debate raged in and out of Congress over what Congress really meant by the terms "desegregation" and "racial balance." Some insisted that the Congress meant that whereas the nation *must desegregate* and assign no pupils on the basis of race, color or creed, at the same time no Federal money was to be spent for *deliberate integration* whether by busing or any other means. Others insisted that the Congress meant that while *de jure* segregation must be overcome by whatever means (including busing if necessary), no Federal money was to be spent to overcome *de facto* segregation, that is segregation in the North.

In the case of *United States* v. *Jefferson County Board of Education*, 372 F. 2d. 836 (1966), the Fifth Circuit Court of Appeals in its opinion asserted: "It is clear . . . from the hearings and debates that Congress equated the term ('racial imbalance'), as do the commentators, with *de facto* segregation.'" In other words Federal money for busing was okay in the South to overcome *de jure* segregation, but forbidden in the North and West to overcome *de facto* segregation.

Judge Howard W. Smith of Virginia, the then Chairman of the Committee on Rules, did not see it as clear at all that Congress intended to equate "racial imbalance" with *de facto* segregation. In remarks on the floor of the House, during consideration of amendments to the Elementary and Secondary Education Act, Judge Smith said that trying to get a clear explanation of "racial imbalance" was like "trying to catch an eel in a barrel of lard." (CONGRESSIONAL RECORD, vol. 112, pt. 19, p. 25554.)

Well, there are still Senators, Representatives, judges, and Federal and local officials with their hands in the lard barrel, trying to catch that eel. Nevertheless, although "racial balance" certainly means different

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things to different people, the Congress has expressed its intent not only in the Civil Rights Act of 1964 but in legislation to outlaw forced busing no less than four additional times. Anti-forced-busing provisions were part of appropriations measures for the U.S. Office of Education in the years 1968, 1969, 1970, and 1971. *Today* the Commissioner of Education is prohibited by law to make any Federal grants of money appropriated under P.L. 92-48 for the purpose of forced busing.

In the case of *Green* v *County School Board of New Kent County*, 391 U.S. 430 (1968), the Supreme Court cracked down, ruling, in effect, that "freedom of choice" plans were only constitutional when the choice would lead to desegregation. The Court also ruled, in *Raney* v. *Board of Education*, 391 U.S. 443, that district courts were to maintain jurisdiction in segregation cases—thus keeping the courts in the business of controlling the affected schools.

While throughout the South freedom-of-choice plans were declared unconstitutional, the Department of Health, Education and Welfare demanded new desegregation plans satisfactory to that Department, which threatened a cut-off of Federal funds unless its demands were met. Before all of these plans were approved, the Supreme Court handed down its decision in the case of *Alexander* v. *Holmes Board of Education*, 396 U.S. 19 (1969), calling for immediate integration—as always, ruling regarding *de jure* segregation only.

In the pell-mell rush to obey the new command to avoid the out-off of funds, the courts and the school boards formulated assignment plans which in some instances simply could not be put into effect without the use of—yes, you guessed it—forced busing. The only alternative to forced busing in some instances was to leave the neighborhood schools as they were or to use some other means of forced transportation To leave the neighborhood schools as they were under "freedom of choice" was to defy the Supreme Court and risk the loss of funds; and to use Federal funds for forced transportation was to break the law as enacted by Congress in the Civil Rights Act of 1964 and in the current appropriations statute.

In 1970 attention in Congress and in the press was focused on resegregation and the question of *de facto* segregation.

It is true that in the Southern States, while *de jure* segregation was being dismantled, considerable resegregation had occurred under freedom of choice plans, with many blacks and whites alike choosing their own schools, as well as with population exchanges between the cities and their suburbs. Also, in the north, *de facto* segregation was continuing and resegregation occurring, with thousands of blacks moving to the big city "ghettos" and thousands of whites moving to the suburbs.

Some viewed resegregation as the failure of a liberal dream. Others considered it a circumvention of the law, or even as a deliberate unlawful punishable maneuver to be rectified Still others saw it as a sign that perhaps desegregation had been pushed too far, that perhaps many blacks actually did prefer to send their children to black schools, and certainly that black schools, especially in poor neighborhoods, needed up-grading.

During the years since 1954, the entire country, North, South, East and West had come to accept the unconstitutionality of *de jure* segregation. However, *de facto* segregation was coming more and more under attack. Senator Stennis said that for the Department of HEW and the Federal courts to keep up a steady barrage of demands for more and more desegregation in Southern school districts which once had legally maintained racially separate school systems, and to permit the same degree of segregation in parts of the Nation where segregation had always been *de facto* was discrimination against the South. Senator Stennis demanded equal U.S. desegregation treatment for the country as a whole. Senator Ribicoff decried *de facto* segregation in the North as hypocritical and called for Congressional outlawing of *de facto* segregation.

During the years since the *Brown* command to desegregate, the American Negro had again taken long strides forward in education, in employment, in increased earnings and in recognition in the professions. By 1970, "black pride" had become a by-word. Black voices rose to advise white America that blacks wanted to control their own black community schools, and they did not want to be *forced* to send their children to school with whites against their will.

In support of the South's record of compliance with the *Brown* decision and of black enrollment in white schools, I submit the following:

On June 18, 1971, the Secretatry of Health, Education and Welfare, Elliot L. Richardson, announced the "final results of HEW's second national survey of racial and ethnic enrollment in the public schools, comparing the 1968-69 and 1970-71 school years state by state." Mr. Richardson said in part:

"Compilation of the statistics confirms a January 14, 1971, projection by HEW that the 11-state South more than doubled the percentage of Negro students in majority white schools, up from 18 percent in the fall of 1968 to 39 percent in fall 1970. . . .

"Nationwide, the total of Negro students in majority white schools rose from 23 to 33 percent. In the six border states and in the District of Columbia, the regional percentage rose slightly to almost 32 percent in 1970. The 32 Northern and Western states remained unchanged at 28 percent. Hawaii was not included in the survey.

"In terms of numbers, 756,000 more Negro students were in majority white schools in the fall of 1970 than in the 1968 survey. A total of 690,000 of those students were in the 11-state South, and 66,000 in 38 other states.

"The number of Negro students in 100 percent minority schools decreased from 40 percent (2.5 million) in 1968 to 14 percent (941,000) in 1970 on a national basis. In the 11-state South, the decrease in Negro students who are totally isolated with minorities was even more marked, down from 68 percent (2 million) in 1968 to 14 percent (443,000) in 1970. Almost 79 percent of the Negro students in the 11-state South were in schools with 80 to 100 percent minority enrollment in 1968, but two years of change reduced this total to 39 percent."

It was in this climate of Southern compliance with the Supreme Court's 1954 command to desegregate, of developing black pride in black schools, and of liberals' zeal to reach their goal of total integration, that the Supreme Court justices, I am sure with the best of intentions, took up the cudgels for the liberal social planners.

THE COURT VERSUS THE CONGRESS

When, in the case of *Swann* v. *Charlotte-Mecklenburg Board of Education*, the Supreme Court by unanimous decision ruled that "Title IV of the Civil Rights Act of 1964 does not restrict or withdraw from the Federal courts their historic equitable remedial powers" the "nine old men" found "no basis for holding that school authorities may not be required to employ bus transportation as one tool of school desegregation." They said that their objective was "to eliminate from the public schools all vestiges of State-imposed segregation. . . ." They said that the courts have "broad powers to fashion remedies that will assure unitary school systems." They said that the first remedial responsibility of school authorities, "is to eliminate invidious racial distinctions" with regard to faculty, staff, transportation, extracurricular activities and facilities. They said that teachers may be assigned under court order "to achieve a particular degree of faculty desegregation." They said that resegregation must not take place. They said that racial quotas may be permitted—but that the "constitutional command to desegregate schools does not mean that every school in the community must always reflect the racial composition of the system as a whole." They said that the existence of a few one-race schools "does not in itself denote a system that still practices segregation by law," but that the courts should "scrutinize such schools." They said that the pairing and grouping of non-contiguous zones "is a permissible tool. . . ." Et cetera, et cetera.

The press saw this historic decision as having a nationwide impact; and it did. The battle over school busing was raging again. The lower courts looked upon it as a green light to order integration via massive busing, and it was so ordered in many cities throughout the South and in some other parts of the nation as well.

Chief Justice Warren E. Berger must have found the eel slipping back into the barrel of lard because he said, in substance, that he thought the lower courts were perhaps misinterpreting the *Swann* decision and were going too fast, too far.

I agree that the courts are going too fast and too far, but are they really misinterpreting Chief Justice Berger when he delivered the opinion of the Court? Or was Berger, in commenting on Berger, merely suffering a twinge of conscience?

It behooves us to take a closer look.

The *Swann* decision, like the *Brown* decision, was based on the equal protection clause of the Fourteenth Amendment. But while the equal protection clause can be interpreted as prohibiting legally instituted segregation, not on the wildest flight of the imagination can it be interpreted as commanding integration. To be sure, in the *Swann* case, the Court did not say that the equal protection clause "commands integration" with all deliberate speed—or words to that effect. But what does giving approval to pupil assignments on the basis of race, to racial quotas, to pairing, clustering, and forced busing as useful starting points "to eliminate invidious racial distinctions," add up to but forced integration? Did the Fourteenth Amendment really mean that in order to have equal protection of the law a small black child in a school that once was part of a legally segregated system, must be *forced* to go to a white school whether it wants to or its parents want it to or not?

I submit that the signitors of the Fourteenth Amendment had no such intentions. I believe that the command to integrate by forced busing, quotas and other such obnoxious practices is both unconstitutional and immoral.

This, I am sure, well-meant command has caused great divisiveness throughout the country: between the races, among the branches of government, between the Federal government and the states, between the North and the South. It has aroused anti-government feeling and a distrust of the lawmakers and of the courts. Its principal victims have been the children, both black and white.

This well-meant command has undermined public education, and the neighborhood schools. It has made millions of Americans angry. It has robbed all of us of an essential part of our freedom.

THE BUS TO SERFDOM

Assuming that we allow the *Swann* decision to stand and that we go along with the orders to bus, redistrict, pair, cluster and make up quotas—anything to achieve total integration—what lies ahead?

The following predictions are made, not merely on the basis of conjecture, but on the sound basis of what has already occurred plus the use of common sense and reason:

(1) Court orders to integrate will spread to the North. The recent court ruling that Detroit is practicing *de jure* segregation, is but one indication of what is in store for all sections of the country where *de facto* segregation exists.

(2) Since *every* public school district is in fact controlled by State or local law, *de facto* segregation will be declared *de jure* wherever it exists.

(3) More and more whites will flee to the suburbs and as the government rounds up their children to bus them back to the black city schools, more and more of these whites will flee further and further out into the country.

(4) When the distances and the traffic jams become too great for the practical use of buses, helicopters will be brought into play.

(5) When the helicopters become too costly, the courts will simply order the deliberate integration of housing both in the suburbs and rural areas; transporting inner city blacks whether they like it or not.

(6) At this point, blacks with pride will rebel.

(7) Meanwhile, the Supreme Court will have approved other blueprints drawn by such social engineers as Professor Coleman, whom I mentioned earlier in this newsletter. His suggestions for attaining racial and cultural integration include: replacing the family environment of disadvantaged children as much as possible with a school environment—"by starting school at an earlier age and by having a school which begins very early in the day and ends very late." The professor also suggests educational parks, private schools paid by tuition grants ("with Federal regulations to assure racial heterogeneity") and public (or publicly-subsidized) boarding schools.

But to carry out court orders along these lines will certainly require special police.

Do we really want to stay on the bus to a police state?

Freedom from force

Happily there *is* a solution. There is a way out, a way to regain the freedom which both black Americans and white Americans have lost by the Supreme Court's most recent, conflicting and confusing edicts. The solution is to annul those edicts.

Now there are three possible means by which this could be accomplished:

(1) The Court could reverse itself. This has occurred on occasion in the past after a change in the Court's membership.

(2) The Congress, under Title III, Section 2 of the Constitution, could limit the appellate jurisdiction of the Supreme Court in the field of teacher and pupil assignment.

(3) The Congress could pass and the legislatures of three fourths of the States could ratify a Constitutional amendment to return to the American people their freedom from force in the matter of teacher and pupil assignment.

After much thought I have come to the conclusion that there is little hope that the Court will reverse itself (even with the pending changes in membership or that the Congress will take steps to limit the appellate jurisdiction of the Supreme Court—at least in the foreseeable future. I therefore came to the conclusion that a constitutional amendment is the best solution.

House Joint Resolution 620 which I am supporting simply states that: "No public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school."

This actually upholds the *Brown* decision commanding the end of *de jure* segregation so as to give all children equal protection without regard to the color of their skins. It merely forbids assignment to any school on the basis of race—whether by forced busing or any other means.

I personally would like to see legislation passed simultaneously with the passage of this resolution that would give special aid for the education of disadvantaged children, black and white, who are the innocent victims of our society and especially of the Supreme Court's unfortunate opinions.

LEGISLATIVE PROGRAM

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. DELLUMS. Mr. Speaker, over the past months, many of my constitutents have written asking me about my legislative program since I entered the Congress.

I have introduced over 150 separate pieces of legislation since I took office, and the range of subjects is very wide.

Listed below—broken into functional categories—are what I consider the major bills I have sponsored between January 20 and October 31:

MAJOR BILLS SPONSORED

TOPIC, NUMBER, AUTHOR, AND SUBJECT

Agricultural

H.R. 3579 (Mr. Burton): Limit procurement of lettuce by the Department of Defense.

H.R. 9776 (Mr. Dellums): To terminate all price support for tobacco with 1972 crop: Programs beginning with 1972 crop, no price support for tobacco shall be made to producers; and no export subsidy paid for export of tobacco to foreign countries after 12-31-72.

H.R. 10444 (Mr. Roy): To provide for the establishment of a National Development Center.

Antitrust

H.R. 6604 (Mr. Dellums): Makes evidence gathered on Antitrust suits open to the public.

H.R. 11051 (Mr. Dellums): To reduce the concentration of industrial power in certain markets: Duty of Attorney General to investigate structure of markets which appear to be oligopoly industry.

Child welfare

H.R. 7336 (Mr. Dellenback): Comprehensive Child Development Act: Comprehensive child development program including health, education, social services essential to achievement of full potential of child.

H.R. 9731 (Mr. Dellums): Requires child care facilities in low rent public housing.

Civil liberties

H. Res. 340 (Mr. Dellums): To abolish Internal Security Committee.

H. Res. 410 (Mrs. Abzug): Formal investigation of the FBI by Congressional Committee.

H.R. 4241 (Mr. Matsunaga): Banning establishment of emergency detention camps.

H.R. 5640 (Mr. Mikva): Freedom from Surveillance Act: To protect the political rights and privacy of individuals and organizations and to define authority of Armed Forces to collect, distribute and store information on civilian political action.

H.R. 7617 (Mr. Dellums): Government must notify individual of records concerning them kept by government agencies.

H.R. 9738 (Mr. Horton): To limit the sale or Distribution of mailing lists by Federal Agencies.

H.R. 9893 (Mr. Fauntroy): Establish voting privileges for Ex-Convicts in D.C.

H.R. 10591 (Mr. Fauntroy): To establish Equal Opportunity program for Library of Congress employees.

H.R. 10862 (Mr. Mikva): To amend the Voting Rights Act of 1965: Federal voter registration system should not be hindrance to voter.

H.R. 11104 (Mr. Dellums): To amend the Voting Rights Act of 1965: Registration of students at institutions of higher education where attending.

H.R. 11415 (Mr. Mikva): To change the minimum age qualification for serving as a juror in Federal Courts from 21 years of age to 18 years of age.

Consumer affairs

H.R. 4430 (Mr. Rosenthal): To establish Office of Consumer Affairs and Consumer Protection Agency.

H.R. 5631 (Mr. Eckhardt): Consumer Class Action Act of 1971: The district courts of the U.S. shall have original jurisdiction of civil class actions brought by a consumer or group of consumers under this Act on behalf of himself or themselves and all consumers similarly situated. The jurisdiction of district courts of the U.S. under this section shall be concurrent with that of the courts of the several states. If an action under this Act is brought in a court of a State, the provisions of Rule 23 of the Federal Rules of Civil Procedure shall apply to such action to the same extent that such provisions apply in the case of an action brought in a U.S. district court.

H.R. 11106 (Mr. Dellums): To ban war toys.

District of Columbia statehood

H.R. 9599 (Mr. Dellums): Proposes a referendum on D.C. statehood.

H.R. 10197 (Mr. Fauntroy): To provide home rule for the District of Columbia.

Draft

H. Res. 379 (Mr. Mitchell): Resolved that Military Selective Service Act of 1967, as amended, repealed 12-31-71.

H. Res. 486 (Mrs. Abzug): Resolved that Military Selective Service Act of 1967, as amended, repealed, 12-31-71.

H.R. 6592 (Mr. Dellums): Provide legal counseling to draft registrants.

Drugs

H.R. 6607 (Mr. Dellums): Prohibits unsolicited mailing of drug samples.

H.R. 7822 (Mr. Dellums): To prohibit foreign assistance to countries not preventing narcotic drugs from entering the U.S.

H.R. 11466 (Mr. Badillo): To amend the Food Stamp Act of 1964 to provide food stamps to certain narcotics addicts and certain organizations and institutions conducting drug narcotics addicts and to authorize certain narcotics addicts to purchase meals with food stamps.

Economy

H.R. 10181 (Mr. Adams): Public Works and Economic Act of 1965: To establish an Emergency Federal Economic Assistance Program to authorize the President to declare areas of the nation which meet certain economic and employment criteria to be economic disaster areas.

H.R. 10321 (Mr. Monagan): To establish a Temporary Economic Emergency Guidance Board: Establishing price and wage guidelines.

Education

H.R. 9383 (Mr. Dow): Elementary and Secondary Education Act Direct Assistance: To encourage states to increase the proportion of the expenditures in state for public education which is derived from state rather than local revenue sources.

H.R. 10044 (Mr. Esch): To provide for educational assistance on behalf of or to certain eligible Vietnam veterans pursuing programs of education.

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Electric utilities

H.R. 10228 (Mr. Tiernan): National Power Grid System: For the purpose of assuring adequate and reliable low-cost electric power supply consistent with the enhancement of environmental values and the preservation of competition in the electric power industry.

Employment

H.R. 1746 (Mr. Hawkins): Equal Employment Opportunity Enforcement Act: The Commission is empowered to prevent any person from engaging in any unlawful employment practice.

H.R. 6608 (Mr. Dellums): Extends unemployment insurance to agricultural workers.

H.R. 6876 (Mr. O'Neill): Permits federal sharing of cost of unemployment benefits which extend 52 weeks.

H.R. 7685 (Mr. Clay): National Public Employee Relations Act of 1971: Declared policy of the U.S. that public employees be afforded the rights to which all employees working in a free democratic society are entitled.

H.R. 9104 (Mr. Riegle): Public Service Employment for Vietnam Veterans: Veterans Administrator shall enter into arrangements with eligible applicants to make financial assistance available to public and private nonprofit agencies and institutions during times of high employment for transitional employment for unemployed veterans of the Vietnam era, in jobs providing needed public services, training and manpower services related to such employment which in unavailable and enabling such persons to move into employment or training not supported under this chapter.

Environment

H.R. 279 (Mr. McCloskey): Designating third week in April each year "Earth Week".

H.R. 387 (Mr. Bingham): Requesting Secretary of State to call for ten year halt to killing of whale, porpoise and dolphins.

H.R. 4556 (Mr. Hechler): Environmental Protection Enhancement Act of 1971: Control of surface and underground coal mining operations which adversely affect environment.

H.R. 4911 (Mr. Bell): State can have tougher pollution laws against polluters than federal laws.

H.R. 5047 (Mr. Udall): Authorizes class action suits against polluters: Civil action on behalf of individual persons injured or endangered can be effective and useful machinery for protection against harmful effects.

H.R. 5223 (Mr. Halpern): Detergent Pollution Control Act: To ban from detergents all phosphate and those synthetics which fail to meet standards by 6-30-73.

H.R. 5438 (Mr. Anderson of California): Amend National Flood Insurance Act of 1968. Provide insurance protection against loss and damage resulting from earthquakes and earthslides.

H.R. 5684 (Mr. Gude): To protect wild horses on public land.

H.R. 6484 (Mr. Hechler): Environmental Protection and Enhancement Act of 1971: To abolish strip mining.

H.R. 6560 (Mr. Saylor): Requires Congressional authorization of Alaskan pipeline.

H.R. 6590 (Mr. Dellums): Safe Pesticides Act of 1971: To conduct study and investigation of effects of use of pesticides and ban certain pesticides.

H.R. 6591 (Mr. Dellums): Requires Defense Department to study disposal of materials in waters.

H.R. 6599 (Mr. Dellums): Bans internal combustion engines after 1-1-75.

H.R. 6600 (Mr. Dellums): To amend the National Emission Standards Act to require standards be set at most stringent possible level, and to require the use of National Bureau of Standards for certain technical service in connection with establishing such standard.

H.R. 6601 (Mr. Dellums): Smogless Vehicle Development Act: Research development, demonstration project for non-air-polluting motor vehicle.

H.R. 6602 (Mr. Dellums): To prohibit SST flights until studies made.

H.R. 6606 (Mr. Dellums): Federal Procurement Environmental Enhancement Act of 1971: To amend Federal Water Pollution Control Act and Clean Air Act and provide assistance in enforcing acts.

H.R. 6986 (Mr. Ryan): Noise Abatement and Control Act of 1971: To expand the functions and responsibilities of Office of Noise Abatement and Control; to establish means for effective coordination of Federal research and activities relating to noise and control; to establish standard in regard to noise to promote the public health and welfare; to provide grants, contracts and assistance to levels of state and local governments and regional bodies for development, establishment and carrying out of programs of noise research and control; to establish a Federal Policy of Procurement and contracting which promotes noise control, abatement and prevention; and to establish Noise Control Advisory Council.

H.R. 6988 (Mr. Ryan): Noise Disclosure Act: To disclose operational noise level of machinery distribution in interstate commerce.

H.R. 6990 (Mr. Ryan): Occupational Noise Control Act of 1971: To require adoption of standards which will provide effective protection to workers against the deleterious effects of excessive noise.

H.R. 7555 (Mr. Pryor): Ocean Mammals Protection Act of 1971: To protect ocean mammals from being pursued, harassed or killed.

H.R. 7618 (Mr. Dellums): Clean Air Amendment of 1971: To provide for the abatement of air pollution by the control of emissions from motor vehicles; preconstruction certification of stationary sources; more stringent State standards covering vehicular emissions, fuel additives and aircraft fuels; emergency injunctive powers; and public disclosure of pollutants.

H.R. 7619 (Mr. Dellums): Protection of marine wildlife through regulation of disposal in waters.

H.R. 9668 (Mr. Anderson of California): To prohibit use of poisons on public lands. Use of poisons, such as strychnine, thallium and compound 1080 (sodium monofluoroacetate) on public lands, unless specifically approved by the Secretary of Interior in conjunction with the Administrator of the Environmental Protection Agency; to establish a national policy and program with respect to wild predatory mammals.

H.R. 9680 (Mr. Harrington): Increased penalties under 1899 Refuse Act, Section 16, which reads "An Act making appropriations for the construction, repair and preservation of certain public works on rivers and harbors . . ." is amended to read, "every person and every corporation that shall violate, or that shall knowingly aid, abet, authorize or instigate a violation . . . shall be subject to a pecuniary penalty of not less than $10,000 and not more than $25,000 for each such violation and each day in which such violation occurs shall be a separate violation, or imprisonment, if violation is by a natural person, for not less than 30 days and not more than one year; or both such pecuniary penalty and imprisonment . . ."

H.R. 9685 (Mr. Koch): Issuing of permits under 1899 Refuse Act is amended as follows: "And provided further, that, whenever in the judgment of the Chief of Engineers anchorage and navigation will not be injured thereby, the Administrator of the Environmental Protection Agency may permit the deposit of any material above mentioned in navigable waters within limits to be defined and under conditions to be prescribed by him, provided application is made to him prior to depositing such material; and whenever any permit is so granted the conditions thereof shall be strictly complied with and any violation thereof shall be unlawful."

H.R. 9796 (Mr. Dellums): National Environmental Bank to authorize the issuance of U.S. Environmental Saving Bonds to establish an Environmental Trust Fund.

H.R. 10032 (Mr. Dow): To require the Congressional Record to be printed with recycled paper.

H.R. 10098 (Mr. Dow): To authorize the GSA to set regulations for recycled materials.

H.R. 10099 (Mr. Dow): To insure use by Federal Government of recycled materials.

H.R. 10291 (Mr. Mitchell): To reduce pollution which is caused by litter composed of soft drink and beer containers, and to eliminate the threat to the Nation's health, safety and welfare which is caused by such litter by banning such containers when they are sold in interstate commerce on a no-deposit, no-return basis.

H.R. 10354 (Mr. Veysey): To amend the Clean Air Act to clarify California's right to enforce its own stringent motor vehicle emission standards.

H.R. 10890 (Mr. Aspin): To amend the Internal Revenue Code to impose an Excise Tax on fuels containing sulfur.

H.R. 11102 (Mr. Dellums): To ban manufacture and military use and procurement of napalm and other incendiary weapons.

Equal rights for women

H. Res. 489 (Mr. Dellums) Proposing an amendment to the Constitution of the United States relative to equal rights for men and women. "Equality of rights under the law shall not be denied or abridged by the U.S. or by any State on account of sex. . . ."

Forcign aid

H. Res. 304 (Mr. Halpern): Cease all military aid to Pakistan.

Foreign policy

H. Res. 54 (Mrs. Abzug): Set withdrawal dates from Southeast Asia by July 4, 1971.

H. Res. 133 (Mr. Ryan): Total withdrawal of U.S. forces from Vietnam by 6-30-71.

H. Res. 193 (Mr. Wolff): Establish study team to observe Vietnamese elections.

H. Res. 296 (Mr. Dellums): Calling for war crimes inquiry by Congress.

H. Res. 317 (Mr. Leggett): Simultaneous end of war and release of prisoners.

H. Res. 491 (Mrs. Abzug): President must supply Congress with full and complete information on Vietnam policy decisions.

H. Res. 900 (Mr. Findley): To create an Atlantic Union delegation. Whereas a more perfect union of the Atlantic community consistent with the Charter of the United Nations gives promise of strengthening common defense, while cutting its cost, providing a stable currency for world trade, facilitating commerce of all kinds, enhancing the welfare of the people of the member nations, and increasing their capacity to aid the people of developing nations.

H.R. 4225 (Mr. Harrington): Prohibits use of U.S. forces in an invasion of North Vietnam.

H.R. 8063 (Mr. Koch): Soviet Jews Relief Act of 1971: Hereby authorizes to be issued thirty thousand special immigrant visas to aliens specified in Section 3 of this Act to enter the United States as immigrants; the spouse and children of any such alien, if accompanying or following to join him, may be issued special immigrant visas notwithstanding such numerical limitation.

H.R. 8955 (Mr. Dow): Act to End Combat in Vietnam: Declares that forty-eight hours after the enactment of this legislation, all United States Armed Forces shall cease all military combat and military support missions in the States of Cambodia, Laos, Vietnam and Thailand.

H.R. 9964 (Mr. Ryan): Making appropriations to the President for the development of a prototype desalting plant in Israel to carry out the provisions of Section 219(f) of the Foreign Assistance Act of 1961 relating to the development of said desalting plant.

H.R. 11103 (Mr. Dellums): To suspend the production and deployment of MIRV's, ABM's and site construction until conclusion of the Strategic Arms Limitations Talks.

Health

H Res. 108 (Mr. Long of Maryland): To keep Public Service Hospitals open.

H. Res. 512 (Mr. Selberling): Issue a mandate to Secretary of HEW to make comprehensive Survey of incidence and location of sericus hunger and malnutrition and health programs.

H.R. 2626 (Mr. Ryan): Making appropriations for lead paint poisoning program.

H.R. 3124 (Mrs. Griffiths): The Health Security Act: To create a national system of health security benefit which through national health insurance, will make comprehensive health services available to all residents of the U.S.

H.R. 3282 (Mr. Galifianakis): Amends Public Health Act to encourage physicians, dentists, optometrists and other medical personnel to practice in areas where shortages of such personnel exist.

H.R. 9596 (Mrs. Abzug): To amend the Food Stamp Act of 1964, the Adequate Nutrition Act of 1971, which broadens definitions of operating agencies and political subdivision, eligible household and administration.

H.R. 10870 (Mr. Rangel): Supplemental Appropriations for detection and research on sickle cell anemia.

H.R. 10936 (Mr. Rangel): Detection, treatment and research of sickle cell anemia.

H.R. 11171 (Mr. Fauntroy): To provide for the prevention of sickle cell anemia: Attainment of better methods of prevention, diagnosis and treatment of sickle cell anemia deserve the highest priority.

H.R. 11251 (Mr. Rangel): To make supplemental appropriation for Secretary of HEW for detection and treatment of and research of sickle cell anemia.

Holidays

H.R. 4097 (Mr. Conyers): Establish Martin Luther King Birthday Holiday.

H.R. 7114 (Mr. Nix): Martin Luther King Commemorative Stamp.

Legal services

H.R. 6360 (Mr. Meeds): National Legal Services Corporation Act: A private nonprofit corporation should be created to encourage the availability of legal services and legal institutions to all citizens of the U.S., free from extraneous interference and control.

Motor vehicles

H.R. 11105 (Mr. Dellums): To amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the establishment of certain standards with respect to light banks, governors and speed control panels.

H.R. 11107 (Dellums): To amend Section 402 of Title 23 of U.S. Code relating to informational regulatory and warning signs, markings and signals.

Native Americans

H. Res. 181 (Mr. Meeds): The termination policy declared in H. Con. Res. 108, 83rd Congress, no longer represents the policy of Congress and termination is not a Congressional objective in legislation on Indian affairs.

H.R. 7039 (Mr. Meeds): Alaska Native Claims Settlement Act of 1971: Congress hereby recognizes the claims of Natives and Native villages based upon aboriginal occupancy and use of lands within the State of Alaska, and finds and declares that there is an immediate needs for a fair and just settlement of all land claims by such Natives and Native villages and that the purpose of this Act is to effect such settlement by providing a grant to each Native village of title to the village site and additional lands; organization of Native corporations payment of $500,000,000 as compensation for Native lands taken in past or to which Native title will be extinguished by this Act; authority for individual Natives to acquire ownership of the lands; and protection of Native subsistence hunting, fishing, trapping and gathering rights.

H.R. 8937 (Mr. Meeds): To amend the Elementary and Secondary Education Act of 1965, to provide for administration programs of Indian education by a National Board of Indian Education in the U.S. Office of Education: Commissioner of Education is authorized to make grants to State and local educational and research agencies, organizations and institutions (including federally supported elementary and secondary schools for Indian children) to support planning, pilot, and demonstration projects which are designed to plan for, test and demonstrate the effectiveness of programs for improving educational opportunities for Indian children.

H.R. 9777 (Mr. Dellums): To enforce the Treaty of Guadalupe-Hidalgo as a treaty made pursuant to article VI of the Constitution in regard to lands rightfully belonging to descendants of former Mexican citizens, to recognize the municipal status of the community land grants.

H.R. 11305 (Mr. Udall): To provide for the settlement of certain land claims of Alaskan natives.

Public lands, parks

H. Res. 111 (Mr. Edwards of California): To establish San Francisco Bay Wildlife Refuge.

H. Res. 547 (Mr. Dingell): To establish Tule Elk National Wildlife Refuge.

H. Res. 3228 (Mr. Burton): To establish Juan Manuel De Ayala Recreation Area (Golden Gate Recreation Area).

H.R. 4270 (Mr. Waldie): To designate San Joaquin Wilderness.

H.R. 6595 (Mr. Dellums): Declaring a public interest in the open beaches of the Nation, providing for the protection of such interest, for the acquisition of easements pertaining to such seaward beaches and for the orderly management and control thereof.

H.R. 6598 (Mr. Dellums): To enlarge Sequoia National Park (Mineral King).

H.R. 6605 (Mr. Dellums): Creates National Coastline Conservation Commission.

H.R. 7238 (Mr. Waldie): Eel, Klamath and Trinity Rivers as components of National Wildlife and Scenic Rivers.

H.R. 9498 (Mr. Burton): To establish a National Recreation Area in San Francisco and Marin Counties.

H.R. 10155 (Mr. Mathias): To provide for the establishment of the California Desert National Conservation Area.

Senior citizens

H. Res. 254 (Mr. Pryor): Whereas the problems confronting our senior citizens are of such vital national concern as to require the full-time attention of a select committee of the House of Representatives; the committee is authorized and directed to conduct a full and complete investigation and study of any and all matters pertaining to problems of older people.

H.R. 9105 (Mr. Rosenthal): Free or reduced rates (transportation) for over 65 and handicapped.

H.R. 11259 (Mrs. Abzug): To amend the Urban Mass Transportation Act of 1964 to authorize grants and loans to private nonprofit organizations to assist them in providing transportation service meeting the special needs of elderly and handicapped persons.

Social security

H.R. 5991 (Mr. St Germain): To amend Title II of the Social Security Act to provide that no reduction shall be made in old-age insurance benefit amounts to which a woman is entitled if she has 120 quarters of coverage.

H.R. 6243 (Mr. Obey): To amend Titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a Formulary Committee, among the items and services covered under the hospital insurance program.

H.R. 7372 (Mr. Burke of Mass.): To amend Title II of the Social Security Act to provide a 50% across-the-board increase in benefits thereunder, with the resulting benefit costs being borne equally by employers, employees, and the Federal Government, and to raise the amount of outside earnings which a beneficiary may have without suffering deductions from his benefits

H.R. 7620 (Mr. Dellums): Social Security: Liberalize conditions of eligibility of blind to receive disability insurance benefits.

H.R. 10500 (Mr. Pepper): To amend Social Security to allow police a tax cut.

Taxes

H.R. 5082 (Mr. Wylie): To exclude first $3,000 of Retirement Income from taxes.

H.R. 7621 (Mr. Dellums): To extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns.

H.R. 7622 (Mr. Dellums): To amend the Internal Revenue Code in relation to bringing exemptions to $1000.

H.R. 9187 (Mr. Halpern): To amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence.

H.R. 9297 (Mr. Aspin): Excise Tax on nonreturnable bottles and cans.

H.R. 9298—(Mr. Aspin): Excise Tax on phosphate content of cleaning agents.

H.R. 10013—(Mr. Aspin): To amend the Internal Revenue Code of 1954 to increase exemptions by tying to cost of living.

H.R. 10435—(Mr. Koch): To amend the Internal Revenue Code so that blood donations are deductible from gross income.

H.R. 11396—(Mr. Danielson): To amend the Internal Revenue Code of 1954 to disallow deductions from gross income for salary paid to aliens illegally employed in the United States.

Veterans

H.R. 5279—(Mr. Teague): Veterans' Pension Act of 1959: Increases monthly rate of pension for World War I Veterans' Widows.

H.R. 11089—(Mr. Edwards of California): Authorizing the Secretary of the Army to establish a National Cemetery at Camp Parks, California.

H.R. 11108—(Mr. Dellums): To increase Servicemen's Group Life Insurance Coverage to a maximum of $50,000 to liberalize coverage under GI Life Insurance Program.

Urban affairs

H. Res. 252—(Mr. Morse): To create a Committee on Urban Affairs.

H.R. 4001—(Mr. Ryan): To provide supplemental appropriations and increased contract authority to fully fund the urban renewal, model cities, and rent supplement programs and the low income homeownership and rental housing programs for the fiscal year 1971.

H.R. 6593—(Mr. Dellums): To provide that certain expenses incurred in the construction of the Twelfth Street Bay Area Rapid Transit Station in Oakland, California, shall, to the extent otherwise eligible, be counted as local grants-in-aid toward the Chinatown Urban Renewal Project.

H.R. 6594 (Mr. Dellums): The Urban Mass Transit Act of 1971: To establish an urban mass transit trust fund.

H.R. 11146 (Mr. Dellums): To amend the National Housing Act to authorize the insurance of loans to defray mortgage pay-

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ments on homes owned by persons who are temporarily unemployed.

H.R. 11181 (Mr. Koch): To amend U.S. Code to authorize construction of exclusive or preferential bicycle lanes.

Welfare reform

H. Res. 423 (Mr. Ryan): Concurrent resolution expressing the sense of Congress that any individual whose earnings are substandard or who is amongst the working poor or near poor should be exempt from any wage freeze under the Economic Stabilization Act of 1971, as amended.

H.R. 7257 (Mr. Rangel): The Adequate Income Act of 1971: To insure minimum income

H.R. 11096 (Mr. Pepper): Annual Social Report from the President.

MEDICAL RESEARCH PROVES CHIROPRACTIC

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. HELSTOSKI. Mr. Speaker, a constituent of mine, Mrs. Camille Fattoross of East Rutherford, N.J., has written several interesting and perceptive essays on chiropractic. As one who has sponsored legislation to allow for the inclusion of chiropractic services under medicare, I found her call for patients' freedom of choice of the type of physician they desire for treatment particularly cogent.

In order to provide my colleagues with the benefit of another side of the chiropractic issue, I include Mrs. Fattoross' essays at this point in the RECORD:

MEDICAL RESEARCH PROVES CHIROPRACTIC

(By Camille Fattoross)

For the past 75 years, chiropractors have been proving over and over again, with millions of patients, that vertebrae out of place in the spine can cause headaches. Today, Medical researchers are beginning to discover the inescapable truth that vertebrae misalignment, putting pressure on nerves (irritation), can be the underlying cause of not only headaches, but many other aches, pains, illnesses and diseases.

Evidence of this appeared in a medical front report titled "Headaches Yield to Neck Treatments," in the Record Newspaper in New Jersey, on July 1, 1971. The article is written about Dr. Murray Braaf, an orthopedic surgeon, who has been tracing headaches to unsuspected neck injuries.

Dr. Braaf has traced many cases of Meniere's Syndrome (ringing in the ears, dizziness, lack of balance) to pinched neck blood vessels. He has treated former boxers, the victims of too many punches, and found that they had not suffered brain damage from being hit around the head, but had pinched neck arteries from the snapping of their necks as a result of the punches.

He reports that any position of the head which puts a strain on the neck or the ligaments supporting the spinal column can produce a problem of alignment and eventual trouble.

"There are 30 million people in the United States who suffer from headaches that do not respond to aspirin or ordinary treatment," says Braaf. "I guess if I have one goal in life, it is to get as many doctors as possible to look at these patients' necks before they load them up with more pain-killers or send them off for psychiatric treatment as psychosomatic cases."

Considering the remarkable increase in psycho-active drugs (in 1970 alone 220 million legal prescriptions were filled for psycho-active patients), wouldn't it seem logical then, to seek a doctor who may relieve a nerve disorder without drugs? And, considering even manipulation of the neck by cervical traction does in time provide headache relife, isn't it easy to see how the precise adjustment and re-alignment of vertebrae with specific chiropractic methods (developed through 75 years of research) can bring relief in even less time, increase the percentage of results and give longer lasting benefits?

Another article, A Pain in the Neck, which appeared in 70-Days Health and published by the American Medical Society in June, 1968, explains the spinal cord, the narrow, vulnerable tunnel formed by the arches of the seven neck vertebrae, the vital communication line between the above and the rest of the body below. It tells how the nerves of the neck control muscles and other vital functions in the body. The Vagus nerve in the neck has fibers which reach and affect the heart, lungs, larynx, stomach, intestines, liver, pancreas, spleen, and kidneys. The Phrenic nerve in the neck controls the diaphragm, the main muscle of breathing which separates the chest cavity from the abdominal cavity.

Ironically, it continues, most of the time, when something is wrong within the neck, the pain is felt in another part of the body. Headaches and shoulder pain and dizziness are probably the most common symptoms. Dr. Winters goes on to explain a common neck problem, which often is thought to be psychological but is actually organic. It is called the scalenus antecus syndrome.

The authors go on to say that almost all victims of scalenus antecus syndrome complain of persisting pain extending from the neck into the upper extremity and fingers. The pain is often described as dull and aching, but it may also be sharp and burning. The suffering is made worse by turning the head.

Severe pain may make it necessary for a physician to inject an anesthetic into the scalenus antecus muscle in the neck. If this fails, say the authors, surgery may be necessary to cut the muscle and release the pressure.

Because spinal adjustment to remove nerve disturbance is the basis of chiropractic, let us get a chiropractor's approach on improving health and possible prevention of surgery.

Chiropractors hold that if the vertebrae of the spine are in proper alignment, then the semicircular openings in any two adjoining vertebrae will coincide to provide full circular openings even as the spine is bent and twisted in the normal activities of living, and there will be no interference with the emerging nerves. They also emphasize that if the spinal vertebrae are not properly aligned the nerves issuing through the foramina will be compressed, stretcher, twisted or otherwise distorted.

By the correction of structural misalignments in the body, for the most part in the spinal column, interferences with the nervous system are eliminated and the body is enabled to cure itself.

Like medical doctors, the doctor of Chiropractic is thoroughly trained in all methods of diagnosis. In the physical examination of the patient, he makes a skillful analysis of the spinal column for body balance, postural distortions, and spinal defects which may be causing nerve irritation and resultant dysfunction. A careful examination of all skeletal structures and the nervous system is indeed an important factor in his diagnosis.

In addition, he may use in his diagnosis all modern laboratory and clinical procedures, such as electro-cardiography, stethoscopy, percussion, auscultation, nerve tracing, urinalysis, blood tests, blood pressure instruments, X-ray diagnosis, and other scientific instruments and procedures, as indicated.

In fact, the diagnostic value of the X-ray has played a very vital part in chiropractic's continuing research into the causes of diseases which stem from spinal defects, postural distortions, occupational hazards, and produce constant tension and nerve irritation. These bodily organs, conditions which may result in far more serious disease, if not promptly corrected.

Your chiropractor will depend very greatly on his highly trained and sensitive fingers in performing his analysis. He will examine your spine digitally with great care, noting the various curves and irregularities that are detectable by touch; this is known as palpation. In addition, when he locates an area that is sensitive, that reveals tenderness, pain, or that may even be numb, he will determine its extent and then follow the course of the nerve or nerves leading to or from it by means of his fingers; this is termed "nerve tracing".

Nerve tracing can also be done by means other than the fingers alone; there are various extremely sensitive devices which some chiropractors use to aid them in this part of the analysis. One of these is the neurocalometer—the name means simply "nerve heat meter". It takes full advantage of the fact that nerves whose transmission of impulses are hampered in some way throw off an abnormal amount of heat.

An advanced method for detecting spinal hyperemia, caused by nerve irritation, is done electronically by means of a photoelectric device.

Another means of locating nerve interference is by picking up minute electric currents from the tissues. A variety of instruments is used for this purpose.

Once he has determined the area that requires attention, the chiropractor will initiate you into the "adjustment". In this process he is seeking to correct an interference with nerve impulses. He does this by moving a vertebra in the direction necessary to realign it to normal position, and restore normal nerve function.

In short, chiropractic holds that by the correction of structural misalignments in the body, for the most part in the spinal column, interference with the nervous system is eliminated and the body is enabled to cure itself, without drugs and in many cases without surgery.

For its own good, mankind is hopefully looking forward to the day when all M.D.'s, accepting the proof of their own research, will take a closer look at chiropractic concepts, treatment, and results. The day is surely coming when M.D.'s will refer chiropractic cases to doctors of chiropractic, just as they refer to other specialists . . . and just as chiropractors now refer medical and surgical cases to M.D.'s.

There is no argument with a cured case, regardless of the method used. In view of statistics from both medical and chiropractic research, isn't it logical that medical doctors and chiropractors should work more closely together for better health for everyone?

A NOTE FROM THE AUTHOR

References for this article have been taken from Chiropractic Health, published by Pyramid Books in 1969, "Headaches Yield to Neck Treatment"—Record newspaper, New Jersey, 1971. "The Over-Medicated Woman"—McCall magazine, September, 1971. "A Pain in the Neck"—Today's Health, 1969. Chiropractic Society (Bulletins). "Legal Pill Popping Hits a High"—The Washington Post, 1971.

Liberated from the tortures of migrain headaches suffered for over thirty years, without drugs, it is my duty, both as a writer and patient to defend the principle of Chiropractic Health.

As a free-lance writer, my work has appeared in South Bergen News, Herald News, Free Press (all the preceding are local newspapers), Salesian Bulletin, "Why" magazine, Electrical Workers magazine, Pen magazine and a portion of an article was used in Readers Digest, September, 1969.

DOCTOR OF CHOICE

(By Camille Fattoross)

As Congress prepares its final version of the Social Security Amendment's Bill, the Chiropractic profession is again under attack from the American Medical Association and other health groups who will join to oppose the inclusion of Chiropractic payment under Medicare and National Health Insurance.

In the July issue of the Reader's Digest appeared the article "Should Chiropractors Be Paid With Your Tax Dollars?". Though obviously written with all good intentions, it is nevertheless a misrepresentation of the Chiropractic profession.

The American Medical Association, in its continuous campaign against Chiropractic, attempts to mislead the public in this collection of half-truths and innuendoes. As most Chiropractic articles, it not only degrades the Chiropractic profession, but it imposes a damaging and inaccurate view of Chiropractic before the public.

An example of this abuse was released last year in a series of articles written by Arthur Isbit entitled "Your Health and Dollar". Through the intercession and courage of Dr. Martin, Doctor of Chiropractic, some of the false images promoted by the American Medical Association were retracted and for the first time, Chiropractic came out with the dignity it deserves.

During that time, the *Bergen Record Newspaper* in New Jersey contained an article on "A Brief For the Elimination of Chiropractic in the State of New Jersey", a thoroughly worded document sent by the Bergen County Medical Society to Governor Richard Hughes, Attorney General Arthur Sills, and Bergen County Legislators.

The shocking aspect of the New Jersey Medical Society's attempt to ban licensing of Chiropractors is that the health freedom of the people of New Jersey would be denied them. It is also a shocking fact that organized medicine has almost a virtual monopoly over the flow of news concerning the healing arts, thus, in addition to belittling Chiropractic at every opportunity, organized medicine is able to exercise an almost complete blackout on the subject of Chiropractor's possible merits to the public.

In my research for materials for this article, I looked through the periodicals at the public library and could only find two articles or Chiropractic, both written by Lee Smith, and both degrading to the Chiropractic profession.

How then can the public judge for themselves if Chiropractic is beneficial or dangerous when the only available information is both damaging to the Chiropractic profession and misleading to the public?

The fact is that Chiropractic has proven successful, frequently after medical care has failed and a vast segment of the public have been guided by results rather than propaganda.

A striking example of this is the angry reaction of both the public and civic groups, who came to the support of the Chiropractic profession. These included the State Patrolmen's Benevolent Association, representing 16,000 law enforcement officers. The PBA said, "As professional law enforcement officers, we need the services of Chiropractic and feel that health is a personal matter which requires freedom of choice of doctor."

Letters such as the following poured into the *Bergen Record's* office:

FREEDOM TO CHOOSE

EDITOR, the Record:

I am only one of thousands of people who have been helped by Chiropractic. If it were not for this I would have undergone a major operation.

I am appalled at the fact that we are not free anymore to spend our money and go to the doctor of our choice. Since when has America taken these privileges away from us?

I feel that Chiropractors are being unjustly condemned.

Mrs. V. FERRANTE.

RIDGEFIELD.

FREEDOM OF CHOICE

EDITOR, the Record Call:

Medical doctors acting through their union, the American Medical Association, are now trying to take the licenses away from Chiropractors.

My own experience is perhaps helpful. I suffered for many years with stiffness and pains, diagnosed by medical doctors as arthritis and sciatica.

As a last resort, I tried Chiropractors. Now I can walk and work around my home without terrible pain, and no longer need a chair or table to support me as was the case before Chiropractors.

I do not pretend to know all the answers as to why I am better now. I do know that I am thankful I had the choice to make, and I deeply resent the attempt on the part of the A.M.A. to restrict my freedom of choice.

Now that man has gone to the moon, is it too much to ask that all cooperate to heal the sick in a massive community and national effort?

Mrs. MATILDA RAMMENSEE.

WESTWOOD.

MEDICHRIO

EDITOR, the Record Call:

There is an aspect of Chiropractic that the public at large should be concerned with. Notwithstanding the wide application of Chiropractic to alleviate spinal disorders, authorities have not given due recognition under Medicare to Chiropractic.

Could this be considered a form of discrimination?

ALLAN J. FIELD.

NORTH BERGEN.

HEALED

EDITOR, the Record:

Chiropractors are licensed in New Jersey by the Board of Medical Examiners.

For three months I have received treatment from a Chiropractor, licensed by the state. The tension, headaches, and back troubles which no pills could kill and several physicians were unable to deal with have disappeared. Does anyone need say more?

BERTRUN DELLI, Ph. D.

BERGENFIELD.

CHIROPRACTIC

EDITOR, the Record Call:

I can't possibly describe my reaction to the New Jersey Medical Society's position on trying to ban Chiropractors from practicing in this state.

This group of professional medicine men like to play God. They would like to tell me and other free thinkers like me that I don't need a Chiropractor.

There is more than one way to do anything. There is more than one way to heal.

CHIROPRACTIC

EDITOR, the Record Call:

I was totally shocked to see that a profession such as medicine could ever dream of destroying such wonderful healing art as chiropractic.

Chiropractic has helped so many sick people to get well when medicine has failed—they must be doing something right!

Since when does medicine dictate to the people where they should go for their health care? It is bad enough that their monopoly controls in the health field have kept chiropractic out of Medicare, Blue Cross, and Blue Shield.

. . . As for educational standards, the chiropractor has a minimum of two years undergraduate work and four years in chiropractic college. He also takes medical examinations in diagnosis, which does make his ability to diagnose equal to the M.D.'s, since their exams are the same as the medical doctor's.

If anything should be banned it is the present monopoly of organized medicine and the drug industry.

Mrs. J. R. INTELISANO.

PASSAIC.

I am angry, disgusted, and ready for a fight, and so are the thousands of people who are patients of Chiropractors and who want to make sure they stay in business as long as this old world turns.

Mrs. D. PALLOTTO.

HILLSDALE.

With all due respect to the Medical profession, who attempts to preserve us from the harm of Chiropractic, the inescapable conclusion is that both Chiropractic and medicine practice is capable of preserving good health depending on individual circumstances.

A worker with a "kink" in his back wants that kink removed by adjusting the malpositioned vertebra. When the paitent leaves the Chiropractor's office, with all or part of his pain removed, he knows that Chiropractic works . . . and so do millions of Americans who seek Chiropractic care every year.

A BILL TO IMPROVE LABOR-DISPUTE SETTLEMENT PROCEDURES IN TRANSPORTATION

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. PRICE of Texas. Mr. Speaker, today I am introducing a bill to provide a more effective means for protecting the public interest in national emergency disputes involving the transportation industries. My bill incorporates the President's recommendations for strengthening the dispute-settlement provisions of present law, recommendations which he first introduced in March 1970 in the 91st Congress and repeated in February of this year.

The transportation industries covered by my bill are the railroads, airlines, longshoring, marine shipping, and trucking. The bill would amend the two Federal statutes which deal with labor-management disputes—the Railway Labor Act, covering the railroads and airlines, and the Labor-Management Relations—Taft-Hartley Act—covering all other industries affecting interstate or foreign commerce. Neither the Railway Labor nor the Taft-Hartley Act, as they now stand, can actually put an end to any labor dispute, no matter how crippling or damaging such a dispute may be to the national economy or to any region. The only intervention open to the Federal Government under these two laws is to provide mediation services to the negotiating parties and, when all else fails, to postpone a threatened or actual

emergency creating work stoppage for 60 days under the Railway Labor Act and 80 days under the injunction procedures of Taft-Hartley. If the disputant parties still have not settled after the 60- or 80-day "cooling off" period, a strike can then take place with no further hindrance by the Federal Government unless the Congress intercedes with a special law to cover the situation.

On eight separate occasions within the past 8 years, Congress has felt obliged to do just that—to step in with specific legislation to delay or end threatened or actual emergency-creating strikes in the railroad industry. The pace of this case-by-case intervention has quickened as the breakdown of the Railway Labor Act accelerates—four of the eight instances of ad hoc legislation occurred during the past 2 years.

My bill would put all transportation labor disputes under the Taft-Hartley law, and would give the President three new procedures to prevent or end emergency-creating strikes in transportation. When all else fails—negotiations with mediation, proffers of arbitration, and cooling-off periods—the President will have the power to require the parties to come to a contract agreement. This Presidential power, authorized by the "final offer selection" provision of my bill, will spare the American public the trauma of a damaging withdrawal of necessary goods and services while two private parties struggle for personal gain, and will spare the Congress the burden of considering in a crisis atmosphere the enactment of special-purpose strike legislation.

The urgent need for a stronger arsenal of Presidential weapons to combat emergency strikes in transportation is evident in the deteriorated state of industrial relations on the railroads, by the tremendous dislocations caused by the Teamsters strike in 1970, and especially by the present dangerous situation created by the dockworker strikes. The west coast longshoremen are currently working under an 80-day injunction order, after being out on strike for over 3 months from July 1 to October 8 of this year. Pathetically, the major issue in the west coast dock dispute revolves around a jurisdictional struggle between the teamsters and the longshoremen as to which group has the right to pack containers before they are loaded on the ships—a struggle over which the struck employers have little or no control. The west coast longshoremen may strike again when the injunction period runs out. If so, there is nothing further under Taft-Hartley that the President can do. In six out of the seven previous occasions during the life of the Taft-Hartley law that an east or west coast longshore strike was enjoined, the workers struck again after the 80-day injunction had expired.

While the west coast longshoremen have been forced back to work because of a strike injunction, east coast stevedores in several cities remain on strike. At the present time the east coast strike is centered primarily in New York City, where longshoremen are pressing for a continued guarantee of employment. But now with the end of phase I of the wage-price freeze, other ports throughout the east and gulf coast area, which are under the International Longshoremen's Association, may join the strike in a bid for higher wages.

Mr. Speaker, as the representative of a district whose economy is closely dependent upon agriculture, I cannot overemphasize the seriousness with which I view the prospects of an extended strike throughout our Nation's seaports. In spite of all the recent unpleasant news about our balance-of-payments deficit, I should hasten to point out that American agricultural exports have been a strong factor in our favor. Last year farm exports reached a record total of $7.8 billion, and by the end of this decade the total value is expected to amount to $10 billion. Of course, the expansion of this export trade is entirely dependent upon our ability as a nation to first produce, and second to deliver our goods to our customers in a reasonable and orderly manner.

I can say for a fact that we shall have no trouble in producing the necessary food and fiber—American agriculture remains unchallenged for its efficiency and ingenuity. But it is our dependability as a transporter of goods which becomes the weak link—the simple fact is that the Japanese, the Europeans, and the rest of our customers, who expect to eat three meals a day, to keep their factories and mills going, and to keep their livestock fed, simply cannot afford to put themselves in a position of dependence upon a producer who may at any time suddenly cut off the source of supply. By playing this game of Russian roulette we are indeed gambling with our own economic well-being. An extended strike by longshoremen could have a disastrous effect on domestic producers who would find their commodities rotting at dockside as well as seriously undermining the channels of export trade which have been built up through long and hard years of effort.

Mr. Speaker, at the present time, dockworkers of the east and gulf coasts belong to one union, while west coast dockworkers belong to another, and each of these unions bargain independently. Thus, each union enjoys only a half stranglehold on the American economy. But Harry Bridges of the west coast ILWU and Ted Gleason of the east and gulf coast ILA have been talking merger. If a merger of these two unions should occur, the resultant labor monopoly will have a 100-percent stranglehold on U.S. commerce, and then heaven help us all.

Mr. Speaker, "big business" and "monopoly" used to be words applied primarily to our large corporations—and both of these terms have acquired an undesirable connotation. Americans long ago reacted to the "public be damned" attitude of certain barons of industry with a series of regulatory statutes at the Federal and State level. In more recent years, however, we have witnessed a mushrooming of power among our labor unions to the point where today they have in effect become "monopolies" and "big business." While unions have served a worthwhile purpose by improving working conditions for our men and women and hastening the end of corrupt and undesirable practices such as child labor, they have in more recent years carried certain demands beyond the point of reason, and with their concomitant growth of power have in some instances become capable of threatening the well-being of society itself. When we realize, for example, that the dockworkers of America can at will completely paralyze America's international commerce and bring chaos to our economy, we must face up to the fact that this power has gone too far and that the good of society must be paramount to the special interests of one group of workers. It is the obligation of the Congress to reestablish the proper perspective in protecting the public welfare in labor-management relations.

CAMPAIGN SPENDING REFORM

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BOLAND. Mr. Speaker, campaign spending reform is among the very highest priorities of this Congress.

The cost of running for national office, always high, is now all but prohibitive. Campaign spending in 1968 made a huge quantum jump—50 percent—over the spending rate just 4 years earlier in 1964. And, still worse, the costs continue to climb at an even more dizzying pace. National office is now beyond the reach of 95 percent of the population. Indeed, it is becoming the inviolable domain of the rich or of those skilled at tapping the pocketbooks of the rich.

The Washington Post, in an editorial published Tuesday, points out that 11 of 15 major senatorial candidates in 1970 were millionaires. The other four—this is hardly startling—were defeated. Let me cite just one further example: Senator FRED HARRIS, after spending an astonishing $250,000 in an early campaign for the Democratic presidential nomination, abandoned the effort just a few weeks ago. His campaign was foundering in debt and unable to raise anything more than trifling contributions.

It is not an exaggeration, Mr. Speaker, to say that public confidence in democracy itself may hinge on meaningful spending reforms.

The extortionate cost of campaigning—and the unseemly scramble for money that accompanies it—is a threat to the democratic process.

The House begins debate today on campaign spending. But we cannot approach this issue in the straightforward and workmanlike way that it merits. The parliamentary context is puzzling—indeed, bewildering. Jurisdictional rivalry among committees has yielded three separate bills—one already passed by the Senate, another from the House Commerce Committee, still another from the House Administration Committee.

The Senate bill, broadest and strongest of the three, calls for just the kind of sweeping reforms needed. It would repeal the unwieldy "equal time" provision now governing the appearance of candidates on radio and television, eliminating one of the most vexing problems faced by broadcasters and candidates alike. It would, still further, set a ceiling on the cost of television and radio time—the "lowest unit cost" paid by a broadcaster's biggest advertisers. Its provisions would prohibit candidates from spending more than 6 cents per eligible voter in broadcasting messages, or more than 4 cents per voter in conventional printed materials.

The bill, in short, would set up enforceable limits on campaign spending. And—perhaps even more significantly—it would demand public disclosure of just how much is spent and just where it came from.

Drafted by my colleague from Massachusetts, Mr. MACDONALD, the Commerce Committee bill seeks changes in "equal time" and broadcasting expenditures closely akin to the changes sought in the Senate's legislation.

It is ironic that the weakest of the three bills—the one from the House Administration Committee—is scheduled first for floor action.

An effort will be made to replace this legislation with the Commerce Committee bill and the most significant provisions of the Senate bill.

Needless to say, Mr. Speaker, I support this effort.

We must enact the strongest bill possible.

LEGISLATION EXTENDING INCOME TAX BENEFITS GIVEN MARRIED PERSONS TO SINGLE PERSONS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. FRENZEL. Mr. Speaker, the Secretary of State of the State of Minnesota has forwarded to me a copy of House File 66, Resolution 1 as adopted by the legislature of the State during its extra session. The resolution calls on Congress to enact legislation extending income tax benefits given married persons to single persons. The full text is as follows:

A RESOLUTION MEMORIALIZING THE PRESIDENT AND CONGRESS TO ENACT LEGISLATION EXTENDING INCOME TAX BENEFITS GIVEN MARRIED PERSONS TO SINGLE PERSONS

Whereas, there is inequality in the present income tax structure which places an unduly large financial burden on single taxpayers of this country; and

Whereas, this problem is becoming more serious with each increase in taxation; and

Whereas, fair income taxation to all people of this country, regardless of marital status, should be a prime concern of the United States Congress; now, therefore,

Be it resolved, by the Legislature of the State of Minnesota that Congress should speedily enact legislation, such as H.R. 4219, H.R. 850, and S. 869, which would extend to all single taxpayers the full tax benefits now enjoyed by married taxpayers filing joint returns.

Be it further resolved, that the Secretary of State of Minnesota transmit copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the Chairman of the Finance Committee of the Senate, the Chairman of the Ways and Means Committee of the House of Representatives, and the Minnesota Senators and Representatives in Congress.

HON. WILBUR MILLS DEDICATES THE LIBBIE MOODY THOMPSON BASIC SCIENCE BUILDING

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. TEAGUE of Texas. Mr. Speaker, it was my privilege to be in attendance on Friday, November 12 at the dedication ceremonies of the Basic Science Building at the Galveston, Tex., branch of the University of Texas Medical School. The building was named the Libbie Moody Thompson building after the wife of one of our former colleagues, Clark Thompson. It was a most impressive ceremony and under leave to extend my remarks, I wish to include the text of the dedicatory address delivered by the Hon. WILBUR MILLS, the distinguished chairman of the House Committee on Ways and Means:

REMARKS OF CONGRESSMAN WILBUR D. MILLS

Chairman Peace, Chancellor Le Maistre, President Blocker, Members of the Board of Regents, Faculty, Ladies and Gentlemen, I am pleased and honored to participate in these dedication ceremonies. This is, I know, a happy and proud time for all of you here.

You have reason to be proud of this magnificent building and the great purposes it is serving and will serve for many years to come. Today, November 12, 1971, we officially and formally commit this building to the service of not only the City of Galveston but also the State of Texas and the entire Nation. When Texas' first medical school celebrates its centennial two decades from now, this building will have constituted a substantial part of that century of service. And, it is fitting indeed that this building, dedicated to the service of humanity, will bear the name of a great and fine lady known for her dedication and ideals of service for the public good.

The building we dedicate today bears the name of this lady of Galveston—the Libbie Moody Thompson Basic Science Building. She was born here in Galveston, and, I am sure she would say, has spent the most enjoyable years of her life here. But fate was to require that she also spend many years far from her place of birth.

Fate appeared more than fifty years ago in the person of a young marine who was stationed here along with other strangers from the middle and far west of a Nation in its First World War. This young marine, who happened to belong to the same college fraternity as her father, wooed and won his Libbie. After their marriage in November, 1918, Libbie followed this marine officer "to the beach", as the marines say, in the First World War. She was to follow him again. Clark was called back into the Marine Corps from his reserve status in 1940 and was in the first marine expedition to leave the country after Pearl Harbor. This tour of duty was to last five and a half years, until World War II was won.

Then another type of public service called this dedicated couple and 1947 was the beginning of a two-decade period of a distinguished and fruitful career in the United States House of Representatives. This part of the career of Clark and Libbie was, of course, not entirely new to them; they came to Washington for two years in the early thirties when Clark completed the term of an incumbent who died in office.

Clark has often remarked that in politics, when they were campaigning together, Libbie got more votes than he got himself. I know very well from my own experience that the better half can get the better half of the votes, too!

But whatever circumstances Clark might say led to his seat in the House of Representatives, I can testify personally to the fairness and great wisdom so many of his colleagues relied upon in the course of great debates in the Congress. Clark Thompson was a valued, respected, and diligent member of the Committee on Ways and Means. And his wit and sense of humor got us over many a rough spot. It is a further tribute to Libbie that he was not only always sensitive to the needs and aspirations of the people back home but he could also see the larger needs of the Nation he had served with such distinction in two great wars. One thing we all know, Clark and Libbie are a team and I am sure it was that way from the day they decided to travel life's road as man and wife.

Those of you here today are more aware than I of the great interest Mrs. Thompson has shown in health matters over the years and of her particular interest in the University of Texas Medical Branch in Galveston. This great medical complex—the Medical School, the John Sealy College of Nursing, John Sealy Hospital, and the State Hospital for Crippled Children, the School of Allied Health Marine Biology Research—has served the needs of Galveston and Texas for eight decades and is destined, I know, to serve many more. Galveston and Texas need this new building. And so does the Nation. This institution has been blessed by the generosity of many of the leading citizens and organizations of Galveston—the Sealy and Smith Foundation, the Moody Foundation, the Hempner family to name just a few.

The Committee on Ways and Means is now engaged in public hearings on national health insurance. We have been hearing a good deal about what is considered wrong with our present health system, but we have also been hearing what is right.

And one of the things that is right is that so many public-spirited Americans are giving freely of their own time and money to see that their community has the best in health care. You people know that good health care cannot exist without the well-trained professionals who furnish the care. A good case has already been made in our hearings that many of the problems in health care today can be traced to shortages of well-trained health professionals.

Frankly, one of the most disturbing facts we have learned as our hearings began is our increasing dependence on foreign-trained physicians. Last year, while American medical schools were graduating 8700 new doctors of medicine, 8100 alien graduates of foreign medical schools, mostly Southeast Asian, entered the U.S., almost all of them to stay and practice here. It is certainly my hope that we can reverse this trend with the increased capacity of great training centers like this one.

There seem to be four or five major areas of concern which have been developing from these hearings.

One is the area of preventive health measures. This is a quite common theme of those who have been testifying, regardless of their position on specific bills. I hope before the hearings are over we will have gained more specific information and ideas on this important subject, including how to get people to take better care of their own health.

A second area which has been mentioned by many witnesses is the need for a method

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of helping the family which is made poor because it happens to be among the relatively few who are hit the hardest by high health costs. There are a variety of ways this problem can be solved but the one which is finally adopted must meet the tests of simplicity of administration and minimum interference with the present system.

The one point that is made by virtually every witness is the heavy inflation which we have seen in health care costs in recent years. We will need to examine carefully every one of the proposals which have been made to see what is possible and desirable in this area. But we will have to be sure that people understand that better health care costs more, too. And health costs aren't the only item in the family budget that have been rising rapidly. Since 1963, men's haircuts have gone up 42.8 percent and health costs 40.9 percent. But I haven't seen a bill in Congress to put the barbers on the Federal payroll.

I can assure you all that the Committee will take a close, hard look at all the proposals before us and we will not act in a hasty, ill-considered fashion. Any bill we finally approve will be so constructed as to retain the much that is good with American health care and to encourage the new and promising developments in our present system. And one of the good things about the present system is here before us—an illustration of how a community and State can help itself and so help the Nation.

It is most fitting and timely, then, that we pause in our daily routine and together dedicate this new addition to the medical school. All of you would agree, I am sure, that in a larger sense the ceremonies here today go beyond the dedication of mere bricks and mortar. Those of you who are associated with the Medical Branch no doubt find this a moment for the rededication of your lives to the fine work you have already begun.

We are also dedicating this building to the good works of your own Libbie Moody Thompson, and the auditorium in particular to the Thompsons' late daughter, another Libbie.

It is then with respect and much personal pleasure that I have been privileged to participate in these ceremonies—for the dedication of a new building to train physicians, for the rededication of the lives of those who will use it, and in honor of the lady of Galveston who has helped turn the dream into reality.

Thank you.

SHOWDOWN WITH RONALD REAGAN

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. WALDIE. Mr. Speaker, an excellent article on the crisis of higher education in California has been brought to my attention by Mr. Claude Ury of Aberystwyth, Wales.

In a time when the entire economy is under the gun, I think it is significant that the Governor of California sees the crippling of colleges and universities in the State as a primary means of eliminating monetary problems.

As my colleagues will note in reading this excellent article, the tactic could do a great deal more bad than good.

Mr. Speaker, I submit this article, entitled "Showdown with Ronald Reagan," from the London Times for inclusion in the RECORD. Noel Greenwood should be commended for his fine job of reporting:

SHOWDOWN WITH RONALD REAGAN

(By Noel Greenwood)

The higher education boom in the bellwether state of California has exploded amid tightened state spending and a general loss of public confidence.

The slump, which reverses at least 10 years of significant expansion, shows most dramatically in the state's nine-campus University of California and 19-campus state college system. Total budgets for both have been held at virtually their previous year's level although both are admitting thousands of additional students this fall.

Faculty staffing has been cut back for the first time in recent memory, and professors have been denied a customary cost-of-living pay raise by the Legislature and Governor Ronald Reagan for the second year in a row. Faculty members are being accused by Mr. Reagan and others of not working hard enough, and the long-standing tradition of tenure is under attack.

Average class sizes in both systems have risen to their highest levels ever and the flow of money for new campus construction has slowed to a trickle. The state's much-admired Master Plan for Higher Education, for the first time since its adoption in 1960, is being submitted to close scrutiny by a committee of legislators and a select citizens' committee, and the outcome is in doubt. A key measure, the amount of money spent a student by the state, has dropped below its previous year's level. Fees charged to students have been rising more rapidly than ever before. State support of scholarships and special programmes for minority group and low income students has been reduced.

Two, much-ballyhooed, university programmes to attack urban problems and air pollution have been crippled by lack of funding. A $246m health sciences bond issue (about £100m), for the University of California, enabling it to turn out more medical doctors, was rejected by voters last year in what was widely seen as a backlash against student demonstrations. A similar measure going on the ballot again stands little chance of approval.

The situation has led Dr. Charles Hitch, president of the university, to warn that this system is at a point where "distinction will become a memory" unless the pattern is reversed.

Dr. Hitch told the university's board of regents last month: "Without the necessary funds, the university probably could still enroll all eligible undergraduate Californians, but the character of the university would change drastically. Its character would probably be less controversial—and one might welcome this change at first—but it would also be a sterile university."

Even State College Chancellor Glenn S. Dumke who usually avoids any open disagreement with the governor, said that his system is now "providing services at a marginal quality level for a maximum number of students."

Perhaps the most unexpected broadside came from Dr. S. I. Hayakawa, the semanticist who is president of San Francisco State College and a favorite of the governor for the way in which Hayakawa used police force and a no-compromise attitude to put down campus disorders. Dr. Hayakawa charged that "budget technicians" were taking over control of higher education and declared: "The public should be interested to learn what is happening to their college system in the name of economy."

TIGHTENING THE BELT

Mr. Reagan, a Republican conservative and former movie actor, pays little attention to such declarations, saying that higher education has been richly provided for in the past and it can stand some belt-tightening along with the rest of state government.

Belt-tightening is certainly what happened this year. The University of California, which enrolls more than 100,000 students selected from the top 12½ per cent of all high school graduates, is the state's most prestigious system.

Faced with an enrollment increase of more than 4,000, its regents proposed a $372.8m budget, which Gov. Reagan trimmed to $336.6m, virtually the same amount appropriated in the previous year. Last month, Mr. Hitch added up the results for regents. "In the recent past the university has been forced to drop its state-funded summer classes, reduce state-funded research by $6m and lower overall instructional support by 5 per cent. The consequences of the last-named will be severe," he said.

"For example, some campuses are in desperate need of additional faculty support to meet the needs of even such basic courses as freshman chemistry and organic chemistry. Consideration has been given to reducing the number of laboratory sessions or reducing the number of students who are required to take such courses. Neither alternative can be followed without either lowering educational quality below minimum standards or delaying student progress in their major fields. These are the types of choices with which we are now faced."

Library hours have been cut back by 17 per cent, and library acquisitions by 15 per cent. Mr. Hitch said the latter cutback has weakened the campus library collections by forcing fewer purchases of new books ("which has created gaps in the collection") a drop in the number of journals to which libraries subscribe and dwindling purchases of out-of-print materials.

The student-faculty ratio is rising 21 per cent to 17.4:1. Because enrollment in many upper division and graduate courses must remain relatively small, the brunt of the increase will be borne by lower division classes, where enrollment in many cases already numbers in the hundreds.

Mr. Hitch is particularly disturbed about the impact on undergraduate education, which he had singled out for reform only a year earlier. "Our ability to improve undergraduate instruction has been crippled by the decimation of our budget request to the state", he said. "New courses and freshman-sophomore seminars can be offered only by elimination of other courses and increasing class sizes, unless we alter fundamentally the balance between instruction and research."

RESEARCH NEXT FOR ATTACK

University salaries once ranked among the 10 highest in American higher education, but in the latest ranking by the American Association of University Professors they have slipped to 64th place. The lean budget resulted in the loss of 480 faculty positions statewide, which the governor defends by claiming that university professors are not carrying a heavy enough workload.

Recently, state auditors began looking into university operations with special interest in the amount of outside research and consulting done by faculty members—probably indicating that this will be the next subject of attack by the governor. Tenure for professors is under attack not only by the governor but also some legislators and many of the general public. Their displeasure is mainly caused by militant leftist or radical professors, who have considerable job protection under tenure regulations. Although faculty members do not appear to be fleeing the system, there is more talk than usual—even by senior professors—of supporting the hitherto minor moves toward faculty unionization. University officials claim that the governor's attacks have made it difficult for the first time to attract bright young academics to the university faculty.

In some ways, the big (200,000 enrollment) state college system, which accepts students from the top one-third of all high school graduates, has been hit even harder than the university. The state college board of trustees, faced with almost 20,000 additional students, this year asked for $369.3m from the state. Governor Reagan cut the request to $315.8m, a mere $5m more than the prior year's budget. In so doing, the governor cut the existing faculty positions by 250. After the bad news was known, Mr. Dumke told trustees:

"The college presidents and their staffs have already begun to identify those classes which may have to be cancelled and those which may have to be deferred to future academic terms. This will inevitably disappoint numbers of students. Some students may be unable to get the precise classes they wish in the term they desire. This may result, in some cases, in delayed graduations and postponed career plans. The faculty-student ratio will increase more than 11 per cent. This will be translated into more crowded classrooms with necessarily more limited personal contact between faculty and students and a decrease in the amount of time faculty have available to counsel and advise students."

Faculty members in the state colleges, like their university counterparts, received no pay raise for the second year running. Unlike the university, the downturn in the faculty's fortunes seems to be having a visible effect in the state colleges. Faculty turnover is at a three-year high, but, more importantly, the number of senior faculty resigning has shot up 60 per cent compared with the prior year.

Talk of faculty unionization is spreading. A poll shows that a majority of state college faculty favour it, and even the Academic Senate, the main (and traditionally moderate) faculty body, is studying the question. State college faculty have suffered cutbacks not shared by their university colleagues. Awards for distinguished teaching have been abolished, sabbaticals were cut in half, special leaves for research were wiped out, and professors teaching graduate students—who demand more individual attention—now must carry the same workload as professors teaching undergraduates.

The morale of professors has slipped considerably, said one faculty leader, who declared: "It's pretty hard to get enthusiastic about teaching when at every turn you're confronted with what looks like an attack on the faculty."

State college libraries have cut back their hours and book purchases, and the move to year-round operation on all campuses has been stalled. Additionally, joint doctoral programmes with the university, teacher training, the master's degree programme in social work, study abroad programmes and instruction television have all taken budget cuts.

Foreign students in the state colleges were especially stung by the governor's budget actions. They left for summer vacation in June knowing they would have to pay increased fees this fall, but assured the total would be held at $600. The governor's budget pushed that figure to $1,100.

The lean days for higher education are also being felt in the state's 93 community colleges, which enroll more than 800,000 full and part-time students. The fastest growing of all higher education segments, the community colleges offer two-year programmes, both academic and vocational. Virtually anyone may enroll at these campuses, which are supported by tax funds from the state and the local community.

Local taxpayers have become reluctant to increase their support, and state support has decreased proportionately. The result has been tighter budgets, which in turn have increased the number of overcrowded classrooms and made it more difficult for students to get the courses they need.

Private colleges and universities, though not funded by the state, are having troubles of their own. Financing is harder to get and many institutions, including big campuses, like Stanford, have embarked on budget-cutting campaigns and slowed their growth. Enrollment applications are falling off, and one reason may be that the rapid rise in tuition at private colleges and universities is sending more and more students to the cheaper public institutions.

The great variable in all of this is how enrollment will grow in the next several years. Most studies suggest that the steady rise in higher education enrollment will continue through the 1970s. In the 1980s, the growth rate should decline and there is even the prospect of a net drop in enrollment—mainly because of population trends in the state. Then, in the 1990s, an upturn is expected.

Mr. Reagan is suggesting that California higher education can squeeze through the 70s with just about the staff and facilities it now has, then find relief when the growth rate slows in the 80s. But many higher education experts argue that the enrollment crush will be too heavy, and California will have to begin turning students away from its university and college campuses within a few years unless spending is markedly increased.

SECOND THOUGHTS ON GRANTS

Against this backdrop, the state is taking a look at its Master Plan for Higher Education, which set out the functions of the three segments (university, state college, community college) for the first time. Implicit in the two studies of the plan is the central question of whether California can afford to stand by its pledge to grant a higher education opportunity to anyone who can profit by it.

Some authorities are having second thoughts. The governor has suggested that the state colleges and university might have to become more selective. That would push the excess enrollment to the community colleges, but it is doubtful if those institutions could handle the load.

Mr. Reagan may have antagonized higher education circles by his actions, but he has won general support from the California public. Although campuses have been relatively quiet in the past year, Californians are still angry at the widespread disorders and demonstrations—especially those protesting the Vietnam war—in the years before.

Campus administrators were blamed by Mr. Reagan for not cracking down on dissident faculty members and students, and most of the public agreed with him. Issues like the case of Angela Davis, the young black communist professor fired from her job at UCLA over the protests of the faculty and the campus chancellor, and now standing trial in Northern California for her alleged role in a court-house shooting, provided fuel for their anger.

If nothing else, all this means that the golden years for higher education are ended in California and a long, difficult job of rebuilding public and legislative support lies ahead.

SID GOODMAN: IN MEMORIAM

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. UDALL. Mr. Speaker, on November 9 we lost Sid Goodman, a man whose type seems to be rapidly disappearing from American public life. Sworn into the Postal Service on St. Patrick's Day, 1937, his college career ended by the depression, he planted his feet where he found them and worked for 30 years to better the life of his fellow postal employees, rising through the ranks of the union to be president of the National Postal Union in 1964. He served as president until 1968 when, perhaps aware of the illness that was to cut his life short, he took advantage of the 30-year retirement he had fought for and withdrew from public life.

Sid Goodman was an egalitarian of a type that only the depression years seemed to produce. He said:

A voice and a vote for every member.

The national officers of NPU were elected by a mail ballot in which every member could vote. NPU became the third largest organization of postal workers during his presidency, only 10 years after it was founded. His power base was always the 22,500-member Manhattan-Bronx Postal Union where he served so many years, but NPU membership was three times that when he stepped down. He brought to it the distrust of institutions and sensitivity to the real needs of the rank-and-file employee that can so easily be lost when a man is in a position of power.

Self-taught, an intellectual and activist, he remained "young" in the best sense, never feeling that he had too much to lose to take risks. "Title, prestige. Who needs them?" he said. And again, as president of NPU, "If a guy wants to say, 'We don't want you any more,' he can do it." He made sure it was that way within NPU, for he had never reneged on the values of his youth.

In 1955-56, he was caught up in the repercussions of the Internal Security Act and with several other Federal employees suspended for 6 months until a Supreme Court decision reinstated them. As he put it:

I think it was a combination of the Depression and the Spanish Revolution that made me take a look at unionism. I had read the Marxist classics in college.

Goodman survived this period of witch-hunting working full-time for the union. His intellectually honest, open attitude was no pose, and he weathered the various storms of the times he lived in as well as any man because he identified his interest with that of his fellow workers.

The union movement and the Postal Service, from which he retired 3 years ago, will miss him but his influence will always be felt. His wife and his children will miss him, warm family man that he was. But most of all the country will miss Sid Goodman, an early loss from a certain group of men who came to maturity in the 1930's and drew the right moral and emotional conclusions from what they saw around them.

A PARALLEL: JOHNSON AND TRUMAN

HON. EARLE CABELL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. CABELL. Mr. Speaker, I would like to introduce into the RECORD an article by a good friend and astute columnist, Dick West of the Dallas Morning News. His

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subject brings out some very interesting reflections on former President Lyndon Johnson's tenure in Washington.

The article was printed in the Dallas Morning News on October 7, 1971, and is as follows:

A Parallel: Johnson and Truman

(By Dick West)

To those who know Lyndon Johnson personally and studied his troubled years in the White House, there are two interesting impressions of his book "The Vantage Point":

A striking resemblance between the five years he spent on Pennsylvania Avenue and the 7½ spent by Harry Truman; incidentally, they are the only two living expresidents.

The revolt against him—you can even call it double-cross—by the liberals for whom he did more than any other president in history.

A lot of the liberals, particularly those in the influential news media, have seized on publication of his book to renew their attacks.

The review in Newsweek, for example, is extensive in space as well as criticism. His book, Newsweek says, is "bland" and "self-serving." On Vietnam, it adds, "he focuses almost entirely on the facts that justify his decisions. Instead of a full view from the cockpit of history, we get tunnel vision."

As in 1964, which was the year Johnson ran against Barry Goldwater, Newsweek says, "We get just the information that suits Johnson's purposes" in the book just published.

Like Truman, Johnson took over a job he never expected to have and assumed it under the most difficult circumstances. When you don't expect a hot potato and it suddenly is thrust into your lap, you have to react and improvise quickly to keep from getting burned.

Truman faced circumstances that led to the conflict in Korea. The same was true with LBJ in Southeast Asia. Truman followed an anticommunist policy and was firm in carrying it out. So did LBJ.

Both presidents were poor and had an agrarian, populist philosophy. Both men had to take the oath in an atmosphere of sorrow—and both were reluctant, naturally, to change the course set by Roosevelt and Kennedy, respectively; yet both in time were forced to establish their own identities and to assert their own brands of national leadership.

Neither grew up in an environment of black-white friction; yet, next to forging a strong national defense, to both civil rights became a vital priority.

The hearts of both men remained in the United States Senate where they had served with distinction (particularly Johnson) and established their closest ties.

The two "did my best" in the face of constant carping and neither ran for the office but once, although Truman served almost eight years because FDR died after serving only 3½ months after his last election.

Three former presidents were living when Johnson took over after the assassination: Herbert Hoover, who was very aged; Truman, and Gen. Eisenhower. All offered their services and counsel, but this important paragraph in the book reveals the influence of Truman and the possible course the Texan would follow:

"He (Truman) pledged his support for our efforts in Vietnam. He told me he had faced the same problems of aggression in Greece, Turkey and Korea. He said that if we didn't stand up to aggression when it occurred, it would multiply the costs many times later. He said that his confrontation of those international challenges—particularly in Korea—had been horrors for him politically, bringing his popularity down from a high of 87 per cent to a low of 23 per cent. But he said they represented his proudest achievements.

"He told me always to bear in mind that I was the voice of all the people. A few of the big voices, he said, would try to drown me out from time to time, but the duty of the president was to lead and champion the people's causes."

The strangest irony of Johnson's 61 months in the White House was the bitter opposition from those he had helped the most—the so-called intellectual liberals.

John F. Kennedy was their ideal—yet JFK never, in his three years as president, gave them the broad legislation they had sought for years.

Kennedy's greatest failure was in his dealings with the Congress. It remained for Johnson to do what Kennedy never was able to do; this was because Kennedy's heart and soul were always above and apart from the Congress and Johnson's were imbedded in it.

Johnson's greatest genius was conceiving a bill and passing it. He knew the right time, the right places and the right men. He had been tutored by the old master, Sam Rayburn, but he combined that tutorship with amazing talents of political timing and persuasion.

His first big assignment in taking over the presidency, therefore was to establish rapport with Congress, then push through legislation which, frankly, Kennedy had been unable to do. Psychologically, this was important, so as to reassert the chief executive's importance.

Johnson approached this assignment skeptically. "Frankly, I was not certain I could get a single bill through Congress."

But the next 10 months saw passage of a tax-reduction bill, the civil-rights bill, the food stamp bill, the War on Poverty, the Urban Mass Transit Act, the Housing Act, the Wilderness Areas Act, National Seashore Act and Nurse Training Act.

What will the historians say of Lyndon B. Johnson of Texas? James Farley, who has known all the presidents intimately since Cal Coolidge, told me on his recent visit to Texas:

"I think Mr. Johnson's place will be alongside that of Harry Truman. I hope Johnson lives long enough to enjoy the praise that is certain to come to him in time. He met his complex and difficult assignment manfully, competently and with determination and courage."

SENATOR BYRD ON TAXES

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. DOWNING. Mr. Speaker, my distinguished Virginia colleague in the Senate, the Honorable Harry F. Byrd, Jr., has once again expressed his informative views concerning our national economy. These were covered most interestingly in the editorial columns of the Northern Virginia Daily. I am pleased to include the editorial so that everyone may have an opportunity to benefit by reading it.

[From the Northern Virginia Daily, Nov. 11, 1971]

Senator Byrd on Taxes

Virginia's Senator Harry F. Byrd, Jr., has expressed certain views regarding the Nixon economic program which were intended primarily for the U.S. Senate, but should be carefully studied by every American.

After making clear his support of the current effort to halt inflation, including the temporary surtax on imports, the wage-price freeze, and the abandonment of the gold standard, Sen. Byrd questions the advisability of President Nixon's tax proposal as embodied in the pending tax bill (H.R. 10947). The bill, if passed in its present form, would reduce annual tax revenues by some $10 billion.

These reductions would be accomplished by the following provisions in the bill:

1. A seven percent Job Development Credit (President Nixon proposed a 10 percent credit until August 15, 1972, and five percent thereafter).

2. Repeal of the seven percent excise tax on automobiles and repeal of the 10 percent tax on light trucks.

3. Accelerated reduction in individual income taxes beginning in 1971 by an increased personal exemption of $25 for 1971 and by an additional $75 for 1972; and an increase in standard reductions.

4. Deferral from taxation of portions of income derived from exports of Domestic International Sales Corporations (DISC).

5. Codifies depreciation on corporate capital assets.

Taken individually, Sen. Byrd sees merit in each of the above proposals, as being beneficial to either business or to individual taxpayers. This is especially true in regard to the seven percent Job Development Credit, which would in effect be a reinstatement of the old Investment Tax Credit which was repealed in 1969 at the instigation of the Nixon Administration.

However, what the senator questions is the implementation of extensive tax reductions at a time when "the government is already running a smashing federal funds deficit."

In the current year, he points out, "revenues would be reduced by $11.2 billion; next year the revenue loss would be $9.8 billion." And, these reductions are contemplated at a time when there appears to be no intention on the part of the Administration to cut federal spending.

In his statement Sen. Byrd put it this way:

"But I do not see much indication that either the Congress or the Administration is prepared to reduce spending. In fact, the Administration urged the Congress to increase the amount appropriated for foreign aid from $1.9 billion in 1970 to $3.5 billion for 1972—almost double; it is urging Congress to enact a new $1.5 billion program dealing with school desegregation; and worst of all, it is strongly urging the Congress to approve a new welfare proposal that would increase the annual cost at least $5.5 billion."

The federal deficit for fiscal 1971 was $30 billion. The Joint Committee on Internal Revenue Taxation places the 1972 deficit at $35 billion. Sen. Byrd raises this pertinent question: In view of the dismal outlook for continued federal deficits of enormous size, and in view of the fact that federal deficit spending is recognized as the major cause of runaway inflation, is this the time to talk about reducing tax revenues, an action which can only result in even greater deficits?

Wise fiscal heads will certainly hesitate before taking such a step, unless it can be accompanied by corresponding reductions in federal spending.

REPORTER SUMMARIZES A CHAMPION'S RECORD

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. EILBERG. Mr. Speaker, we of the Philadelphia delegation have always been proud of our distinguished colleague, Robert N. C. Nix. So it was with more than a little pleasure that I recently read an article by Jack Saunders in the Philadelphia Tribune, which puts the past record and future intent of Robert Nix in the perspective of his admirable service to not only his constituents, but to the Nation as a whole.

I enjoyed seeing in print the definite commitments by Congressman Nix on troublesome issues. I would like to call Mr. Saunders' article to the attention of all my colleagues and hope this article will again be brought to the attention of every constituent in the Second District of Pennsylvania so they can appreciate the sincere and vigorous statesman who represents them in the Congress:

Jack Saunders Says

(By Jack Saunders)

Champions seldom, if ever, retire while they are in their prime. Joe Louis was way past his peak when he retired as undefeated heavyweight champion of the world. So was the incomparable Sugar Ray Robinson when he stepped down as middleweight champion of the world.

Congressman Robert N. C. Nix, Sr., is a real champion in the halls of the United States House of Representatives. Thus, when I heard on the streets that Mr. Nix was thinking of retiring from Congress after he completed the current term, I went to his headquarters, at 2139 N. 22nd Street, last Tuesday night, and asked him the big question.

Congressman Nix looked at me is if he thought I had taken leave of my senses. "Retire?" he said, frowning. "Am I going to retire? From Congress?" He laughed, or rather chuckled. "No, Jack," he said, shaking his head, "I am not going to retire. I might retire ten years from now, but I certainly have no intention of doing it at the end of this session. I shall stand for reelection in 1972, and I shall be successful."

Robert N. C. Nix, Sr., was the first Black man elected to the United States Congress from the Commonwealth of Pennsylvania. And last Tuesday night, when I went to see him to question him about the retirement rumors, his son, Robert N. C. Nix, Jr., was elected to the Pennsylvania State Supreme Court, the first Black man to achieve that distinction.

Consequently, Congressman Nix was in exceedingly good spirits when I entered his headquarters, and his spirits were still soaring when I left. In the meantime, he had given the lie to rumors that he was considering relinquishing his seat as Pennsylvania Representative of the 2nd Congressional District.

I have known Congressman Nix since I was a newspaper cub reporter. His son was about seven years old the first time I heard Mr. Nix plead a case for a client in magistrate's court. He did a magnificent job, too, because he was then, and still is, a brilliant lawyer.

Quite frankly, I didn't believe the Nix retirement rumors when I heard them. He would never leave Congress while in good health—and his health is top-flight. He would never quit so long as he could represent his constituents in a manner that would gain for him the respect of all of his colleagues and gain for his constituents the kind of legislation beneficial to them and theirs.

Congressman Nix is not a do-nothing Congressman, he's a working Congressman. He has one of the best attendance records in the House, and his voting record on bills and measures of great significance to the nation, state, city and his district is almost without parallel.

A Member of Congress since 1958, Congressman Nix has the kind of seniority which enables him to walk with and legislate with the most powerful members of the House. As a result, he is a member of the potent Post Office and Civil Service Committee, the Foreign Affairs Committee, is chairman of the influential sub-committee on Postal Operations, and chairman of the House Interparliamentary Committee of the United States and Mexico.

As a working Congressman rather than a do-nothing Congressman, Mr. Nix has four offices where his constituents can call upon him or his administrative assistants: 2201 Rayburn Building, Washington, D.C.; 2139 N. 22nd Street; Customs House, 2nd and Chestnut Streets, and 8325 Stenton Avenue, Philadelphia, Pa.

I asked Congressman Nix to fully acquaint me with his Congressional record, last Tuesday night. Responding, he talked about Vietnam, Israel, Education, Health and Health Insurance, Consumer Legislation, Crime, Drugs, Equal Employment, Federal Employees Salary, Foreign Affairs, Income Tax, Small Business, Social Security, Obscenity, Pollution, Interstate Commerce, Memorials, Near East Peace and Monthly Benefits.

On memorials: "I introduced a Bill, HR 7745 which designates the birthday of the late Dr. Martin Luther King Jr., January 15, as a legal holiday; and HR 16685 which authorizes the President to present a gold medal to the widow of Dr. Martin Luther King Jr., for his work in the cause of human rights and the equality of men."

On Vietnam: "I have opposed the Vietnam conflict from its inception. I have introduced and joineu with other members of the House of Representatives in the introduction of 20 House Resolutions demanding the immediate cessation of the Vietnam War and the immediate withdrawal of all United States forces, and I shall continue the fight until this cruel and senseless slaughter is ended."

On Israel: "I am irrevocably committed to the preservation and prosperity of the State of Israel. My commitment to Israel was made known to President Nixon by direct communication, and by House Resolutions introduced by me alone, and in cooperation with other Congressmen in which demand was made for the sale of planes and the extension of credit to Israel."

On education: "Measures I have introduced in Congress aid and expand the educational field for our young people and these bills along with others for which I have voted and worked, reflect my own deep commitment to the value of full educational opportunity. In addition, I have secured over 1,500 college scholarships for young people in my district. Further, it might interest you to know that I have appointed over 30 young people (Black and white) to the Service Academies—West Point, Annapolis, and the Air Force Academy."

On income tax: "My bill, HR 12861, increases from $600 to $1000 the personal Federal income tax exemptions of a taxpayer."

Congressman Nix and I discussed his congressional career and record until early midnight, last Tuesday. At the conclusion, I was firmly convinced that I had been conversing with a public servant to whom "retirement" was an unthinkable word.

TESTIMONY IN SUPPORT OF CHILDREN AND YOUTH AND MATERNAL AND INFANT CARE PROJECTS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. KOCH. Mr. Speaker, a panel of five distinguished men appeared before the Ways and Means Committee on Tuesday, November 16, in support of the extension of the special project grants under title V of the Social Security Act. I have introduced legislation to extend the Federal funding for these children and youth and maternal and infant care projects for an additional 5 years at a funding level of $630 million. This bill, H.R. 8799, is cosponsored by 86 Members of the House and has been introduced in the Senate by Senators Gaylord Nelson and Edward Kennedy with 15 other sponsors. Their testimony was extraordinarily impressive and I append it for the interest of our colleagues:

Testimony of Fred Seligman, M.D., M.P.H.

My name is Fred Seligman. I reside at 1522 S.W. 81 Avenue, Miami, Florida. I am Director of the Children and Youth Project at the University of Miami School of Medicine and am here today as the Chairman of the Association of Children and Youth Project Directors. I represent the staff of the 68 Children and Youth Programs throughout these United States and the more than 500,000 children and youth who receive comprehensive health services through these programs. I endorse most emphatically the continuation of these programs under Title V of the Social Security Act. Specifically, our Association supports without reservation the bill introduced to the House of Representatives by Congressman Koch of New York (H.R. 8799) and the companion bill introduced to the Senate by Senator Kennedy of Mssachusetts and Senator Nelson of Wisconsin (S. 2135).

These programs exist throughout this Nation: in the Virgin Islands, Puerto Rico and Hawaii. There are programs in all corners of the Mainland—Miami, Concord, Los Angeles, and Seattle; Central America—Chicago and Omaha; Rural America—Little Rock, Charlottesville and Helena.

This Nation is moving in the direction of comprehensive health services to defined segments of the population. Many proposals have been receiving serious legislative concern by many members of Congress. Mr. Chairman, neither our Association nor any member of your Committee would advocate that we move recklessly in establishing a National Health Plan. This task requires considerable thought. Even though our health delivery system is far from perfect, we must resist the temptation to destroy what we already have, only to create something new. We must instead build on those components of our system that have proved their effectiveness and modify only those segments of the health system that require revision. We cannot afford the economic and human costs of abandoning programs that have demonstrated their efficacy. We cannot afford to ignore the critical health problems that daily face this Nation's young.

For these reasons, Children and Youth Projects as well as a variety of other significant health programs for mothers, infants, children and teen-agers, that are authorized under the current Title V of the Social Security Act, should be continued organizationally intact until June 30, 1977 and expanded to at least the $500,000,000 level which both bills recommend.

Because no perfect system has been developed, Children and Youth Projects should continue to demonstrate and develop improved health care delivery patterns to children. Ultimately, Children and Youth Projects will ably phase into an overall National Health Plan, or, if in the judgment of this Committee, the counsel of our Association be considered wise and visionary, a National Health Plan should ultimately be phased into and expanded upon a merging of the basic triad of Title V of the current Social Security Act, namely children and Youth Projects, Maternity and Infant Care Projects and Crippled Children's Programs.

Essential factors of quality health care include comprehensiveness and continuity. Concentration on a defined geographical area provides for efficiency. Neighborhood Health Center Programs are currently the

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only publicly-supported programs, other than children and youth projects that are explicitly committed to the delivery of comprehensive health services to a specific population group in a well-defined geographical area.

Children and Youth Projects, both organizationally and philosophically, are distinct from all previously conceived health programs. Children and Youth Projects focus medical and dental care to all children in a family; however, the provision of most ancillary services such as public health nursing, social services, nutrition and health education are usually family-based. Unless there is a specialized focus and concern for children, children frequently do not receive the priority they deserve in family oriented *medical* system. Children and Youth Projects have developed a meaningful model of health delivery with built-in standards accepted by the appropriate professional bodies, that is applicable to children nationwide and upon which can be built family-centered care to children and adults.

Children and Youth Projects are the only publicly-supported comprehensive health care system that has developed meaningful quality control and evaluative components. While there is a wide variation in average cost per registrant among individual projects, the average cost per registrant was $161 in calendar year 1969, and is estimated to be $130, per registrant for the present fiscal year. As compared to the national average health cost of $350, per man, woman, and child in this nation, these projects are performing economically, particularly considering that these children are drawn from least healthy geographical areas.

Our Program at the University of Miami, like many throughout the country, has demonstrated the efficacy of health care delivery that is based on a preventive rather than an episodic approach. Since initiation, we have decreased our overall cost per patient more than 80% in spite of inflation. Nationwide the Projects have increased the frequency of "well-children registrants" by 50%. There have been significant decreases in the number of diagnosed preventable conditions as well as diagnosed correctable defects. Such factors demonstrate the positive impact of these Programs through preventive services, correction of defects, and health promotion.

The value of a preventive approach is seen in respect to hospital admissions. In fiscal year 1969, the hospital admissions in Children and Youth Projects nationwide decreased 36%. The continued need for these programs is demonstrated by the fact that a relatively high percentage of children, particularly in the 5-9 year age group have a low immunization level in the geographic areas served by the Children and Youth Programs. One out of 10 registrants in these Programs fail the vision and hearing screening tests. There have been many published studies documenting these facts relative to Children and Youth Projects.

Children and Youth Projects are administered by teaching hospitals, official health departments, and Pediatric Departments in medical schools. The Projects are approximately equally divided between these three funding agencies. The impact that these Programs have had on these agencies has been profound, particularly on the voluntary hospitals that have been involved, and especially on the medical schools. As a medical educator, I can speak to the fact that these Programs have had major impact in exposing medical students and other trainees in the health sciences to an innovative inter-disciplinary health care delivery system, a system that is concerned with maximizing quality and efficiency. New manpower models have been developed in these Programs. Students are learning how they can ultimately interface with the many new ancillary health professionals in the field. An increasing number of these trainees are now choosing careers in community medicine having had meaningful exposure to these Projects.

These programs have attempted to solve the manpower crisis in health by retraining talented individuals, both professional and non-professional, who have been attracted to these programs. These individuals have thereby gained meaningful experience and expertise in the delivery of comprehensive health services, particularly to children.

Termination of these projects will mean that these now talented and vibrant individuals will return to the less meaningful professional and ancillary ventures that they came from. Mr. Chairman, our association invites your committee members to visit our programs. There you will sense the enthusiasm of health workers, you will perceive the vitality of concerned people, you will feel the hope and well-being of patients. You will sense an atmosphere of excitement and creativity. You will witness quality care.

Gentlemen, what this Nation needs is people who care. We speak of a health care crisis in America. Our emphasis has been on "Health". Our crisis is not so much in "Health" as in terms of "Caring", in terms of developing a cadre of professionals who truly care for the people they serve.

Termination of the projects will mean that both professionals and recipients will feel penalized for caring. Already there have been professionals who have left these projects feeling that those in positions of power and authority do not care. For example, four of the Children and Youth Projects in the greater New York City area presently do not have directors because of an uncertain situation.

Most importantly, termination of these projects mean that the children and youth in our various communities around the country decide again that they have no friends in the establishment and will return to anti-social behavior, juvenile delinquency, poor health habits, sickness and the cycle of poverty.

TESTIMONY OF VERNON E. WECKWERTH

My name is Vernon E. Weckwerth. I am a resident of St. Paul, Minnesota in the 4th Congressional District. I am a professor in both the School of Public Health and the Medical School in the Department of Family Practice at the University of Minnesota.

My testimony today is a distillation of over 5 years of personal involvement in developing an on going management and evaluation of the C & Y program.

Of the currently registered nearly 500,000 of the nation's poorest children living chiefly in central city slums, about 3 of 5 or 60% are black, about ⅓ or 34% are white with the remaining 5.4% comprised of chiefly American Indians. About 1 of 6 of 17% who are Spanish speaking or of Spanish surname.

Currently 68 local service projects located in all 10 HEW regions and in 31 states are delivering appropriate services which are citizen acceptable, easily available, readily accessible, of high quality and of low cost.

The C & Y as a program is national in scope but characterized by an American ideal of being tailor made by and directed to fit the idiosyncrasies of each local area, be it central city, rural or a mixture of population densities. The 68 projects are as diverse in tailor making care delivery to their local areas as their areas and this nation is diverse. Organizational forms include a full spectrum from classical fee for service solo practice private physicians to indigenous community worker quarterbacked coordinated home care delivery teams.

The C & Y Program has been intentionally cautious about publicity, not wishing to make promises it could not fulfill, not overselling the creative dreams of the hundreds of zealous workers who have too frequently seen demonstration programs satisfy the innovator's needs without benefitting the health of those they purported to serve.

Critical to C & Y is a rarely occurring if not unique organized flow of services with its data documentation system. This data system was created to produce on-going evidence of the effectiveness of alternative ways to deliver health services. It's data system was created to be the decisionmaking basis for allocating resources, documenting flows of children receiving services, documenting the kind of presenting problems, documenting the frequency and effectiveness of treatment and requiring a written care plan tailormade for each child to assure that timely and effective preventive services were received by the child.

Without question, the current crisis in health care delivery is the crisis of cost, because technically no services are free, someone must pay. Government at all levels must find means by which to obtain from the private sector the dollar resources to pay for the care of government has promised to millions of Americans who do not pay directly for such services.

Five years ago, one of the first endeavors we undertaken was to assure that the C & Y data system would be structured in such a way that annualized costs per child year of risk could not only be documented but that such data could be applied to project management on an on-going basis. As part of that development new theoretical efforts were solved and field tested to assure that they would work in the pragmatic day to day service would but also that conceptually they could be used for prediction. Each year for the past 3 years we have projected the annualized costs of services per child year as of the following year. We have always been within $2 of the actual expenditures once the cost incentive was in and anticipate similar accuracy for next year.

The dramatic performance in annualized cost reduction in the C & Y is simply summarized this way:

As of January 1, 1968 at the beginning of such mandatory reporting the annualized cost per child year was $201 per child, by December 19, 1969 it had fallen to $162 and by December 31 of 1970 it had fallen to $140. Our estimate for what the cost should have been as of June 30, 1971 was $129.81. We have not as yet received final audited expenses from all projects because not all are on a Federal fiscal year but the remaining projects are known by past history to average slightly less than the programs at large. To date that program average annualized cost is slightly less than $131.

Our predicted cost for June 30, 1972 is slightly over $126 per child per year—compared to the popularly cited cost per year per man, woman and child of $350 in the United States, the health care costs are unrealistically low for such a health deprived population when you consider that that $131 cost includes medical services, including hospitalization, dental services, nursing services, social services, speech services, hearing services, nutritional services, psychological services and physical and occupational therapy services in addition to health education, transportation by most projects and an array of specially tailored programs to meet problems of the preschooler, the adolescent, the unwed mother and some family planning services.

Although this management data system was developed over 5 years ago, the essence of its development was to answer questions believed to be those which would be asked and critical to be answered in the early 1970's.

For example the overall cost measure, annualized cost per child year is the operational term to implement the vague concept of capitation. The organizational forms include substitution and interchange of skills among non-professionals and professionals in teams structed so that less costly workers can do the job in lieu of more costly and usually scarcer workers. Such manpower is critical to most of the current national health services proposals be they acronymed by CHSO, HCC or HMD.

The array of performance measures which were developed as means of quantifying completeness and continuity of care is the heart of any mechanism for decision making and organizational direction and control or for reorganization of health services in existing alternatives currently proposed.

For example, each C & Y project receives each quarter a report on its absolute performance by an array of measures such as medical backlog, dental backlog, well child rate, reassessment interal etc. These measures tell the projects how they are performing, how long it will take to produce healthy children at their current productivity rate for all registrants and how they have allocated resources relative to the major jobs to be done in their project areas. In addition, each project receives a relative ranking to all other reporting projects on each performance measure.

Currently in vogue is another concept called outcomes of care. The C&L programs and its management information system was created to answer the outcome questions. Too long health programs, health workers and health facilities had believed their existence was a social good and that they were justified by expending time, effort and resources believing they were above accountability as stewards of societal resources. Their beliefs provided data which were no more than wing flapping statistics of head counts, lab tests, visits to clinics and dentists and physicians and days in the hospital. The unit item of service inputs never required nor could they answer whether all those resources did any real good, and only concentrated on accounting that the birds had in fact flapped their wings so many times. No one had questioned whether the bird flew—let alone how high, how far, how long. The C&L program and its tailor made management information system was designed to produce and document the production of healthy children and a management accountability system to assure that children were maintained in that healthy state—within the limits of our own knowledge and skill of the art and science of health care delivery.

To my knowledge, this is the only health program which is national in organization, which has an on going performance measuring system to reflect an accountability for health maintenance, with appropriate care which is available and accessible and acceptable which is adaptable to any locale in this diverse nation capable of adjusting locally required inputs by a process of providing services which result in accountable outcomes.

But this glowing tale of documented performance—no special date had to be created for this testimony, no case had to be made with scurrying for evidence of performance or cost benefit analysis—they're all there as an on-going part of this program—has a very bleak other side.

Our analysis shows that the costs are currently below what they should be. Backlogs are now rising, planned service rates are falling, the growth rate is approaching zero—meaning that many projects have closed their doors to new registrants and many more will within this fiscal year.

Even though we can with special and very sophisticated Markovian and foregone benefit economic analyses impute the annualized cost per child year for any project, compare it to the actual cost and then determine its economic efficiency the program at large is currently underfunded. Those underfunding effects are now showing operationally. They are deferring required services because of lack of dollar resources.

All of the program indicators taken in composite shows a jeopardizing of the state of health attained by these children. If the legislation is not extended, let alone if funding is not increased, these half million of America's most health economic deprived children face a return to the devastatingly inadequate, disease oriented crisis emergency scene that characterized the usual and usually only service available to nearly all of them prior to the implementation of these Children and Youth Projects.

Without question the need is critical, the evidence is in, the facts are available for the reading. The question in a sense becomes—is this just another great idea and a noble demonstration in the graveyard of the health field? Or is it one that has proven itself to become expanded and extended as a prototype for millions more of our children.

TESTIMONY OF DR. ROBERT E. COOKE CONCERNING TITLE V, SOCIAL SECURITY ACT, H.R. 1, NOVEMBER 16, 1971

MR. CHAIRMAN: I am Doctor Robert E. Cooke, Pediatrician-in-Chief, Johns Hopkins Hospital, professor of Pediatrics, Johns Hopkins University School of Medicine, and Chairman of the Scientific Advisory Board of the Joseph P. Kennedy, Jr. Foundation. Our Department at the Johns Hopkins Hospital operates one of the largest children and youth projects, caring for almost 20,000 poor infants, children, adolescents, and young adults of East Baltimore. For over five years the resources of the Children's Medical and Surgical Center of the Johns Hopkins Hospital have been dedicated to the 25% matching support for this program. The Johns Hopkins Medical Institutions have utilized the Comprehensive Child Care Clinic, as it is called, for research supported by private foundations, the Maternal and Child Health Service, and the National Institutes of Health, with participation by the Westinghouse Aerospace Industries. Studies are made on physician efficiency, clinic efficiency, the optimal design of outpatient facilities with respect to utilization of personnel and acceptability by patients.

RECOMMENDATION

I am appearing in support of amending H.R. 1 to extend Title V of the existing act as described in section 508 and 509 with full funding at the 350 million-dollar level with removal of 508B and 509B, as described in the Koch bill which was introduced by Congressmen Burke, Corman, Carey and others. This will continue project grants as 40% of the total, with funds being allocated on a state formula basis of 50% and for research 10.

JUSTIFICATION

The Maternal and Infant Care and Children and Youth programs have more than demonstrated their contribution to the health of mothers and children. I will devote my testimony primarily to the need for project grant continuation to permit the concentration of health care in high risk areas, rather than devoting the majority of my testimony to justification of the Maternal and Infant and Children and Youth programs.

The data is indeed impressive from Maternal and Infant Care centers for the reduction in infant mortality, and for the expansion of family planning services. These are services which cannot be carried out by traditional fee for service activities. The Children and Youth program has brought care to almost one half million needy children. In East Baltimore alone some 20,000 children are under care, with 70,000 visits being made each year, as well as 12,000 community home visits. Over 10,000 tuberculin tests and 3,500 vision screenings are made on an annual basis alone. This project provides the only medical care for some 25,000 children in an area where there is not a single physician caring for children. In one year alone, this project has detected over 200 cases of early tuberculosis, 225 behavioral disorders, 650 cases of asthma, and 200 cases of mental retardation and severe learning disabilities. All of these cases are under treatment. In a study of the effectiveness of the examination program in comparison with a similar control group not under Comprehensive Care, there was 50% greater elective correction of disabling defects—strabismus or squint leading to blindness if not corrected; hernias leading to disability in later life if not repaired early; and serious cosmetic defects which, if not corrected, could lead to serious psychic scars.

MAINTENANCE OF HEALTH

A highly sophisticated computer system has been developed in order to flag high risk patients or an uncooperative family needing special social work attention. This follow-up mechanism that we liken to the term "Esso's watchdog service" permits proper supervision of a large number of patients in a way that could not be done by any small group operation: In addition, it provides accountability data which is essential in any adequate assessment of financing.

COMMUNITY INPUT

The parents of the children's service provide continued input and review of the program through a fourteen-member Parent Advisory Board. They have assisted in the determination of the kinds and hours of service, made decisions regarding Food Stamps, and assisted in such activities as determining Food Stamp eligibility and housing problems. The parents have also assisted in a major way in combating drug abuse and school dropouts. The training programs for indigent poor have led to excellent employment programs, particularly by means of community health visitors who provide remarkable follow-up in social services.

A cancer screening program is established with blood and urine specimens assisting in the early detection and treatment of certain kinds of tumors and leukemia. A vigorous lead poisoning screening program has been in existence for several years. In one month alone some 246 children were screened, 88 were discovered with blood lead toxicity, 29 with major toxicity. Of the 29 with major toxicity, 24 have been spared brain damage by early detection, and the other five who were mentally retarded, have been given treatment. Extensive planning for family services has been made available. A training ground for personnel from the community, as well as physician training and recruitment, has been established.

Traditionally, Johns Hopkins has produced leaders in medical education. Now every medical student at Hopkins has the opportunity to see medical care in the community, to see effective preventive therapy in action. All these activities have been done at the cost of $142 per registered patient per year which includes outpatient and inpatient dental care, drugs, eyeglasses, appliances, and so forth. Of all the children in the census tract, the cost is approximately $153 per child per year.

Our project is not alone in having this excellent record. In Rochester, New York, sharp reductions in expenditures due to extensive economizing have been effected by Comprehensive Child Care. This includes a 38% reduction in expensive and usually unsatisfactory emergency visits.

NECESSITY FOR PROJECT GRANTS INSTEAD OF TOTAL STATE FORMULA ALLOTMENTS

If this amendment is not adopted, a decreasing amount of funds will go to states with urban populations. Following a 1935 formula which gave a double weight in funding for high rural birth areas, as a consequence, truly health depressed urban areas will lose their only source of comprehensive medical care. Fifty-six counties in the United States account for one half of all the

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yearly excess infant deaths in the United States. These fifty-six counties are mainly large metropolitan centers with large backlogs of other unmet child health needs. Every area needs more for mothers and children but urban ghettos have major health problems.

INFANT MORTALITY

Urban areas have far higher rates for infant mortality. For example, the District of Columbia has a mortality rate of 27.3% per 1,000 this is far higher than the national average.

PREMATURITY

Prematurity with its serious consequences of mental retardation in a high percentage occurs 2 to 3 times more frequently amongst the urban poor. Births out of wedlock, with a high risk of abnormality, are 10 to 15 times higher in urban areas, as are venereal disease rates in adolescents.

MEASLES

Measles occurs 2½ to 4½ times more frequently in low income urban areas. In Los Angeles, Dallas, Houston, and Little Rock, measles occurs earlier far more frequently, with brain damage from encephalitis leading to mental retardation. Inadequate measles immunization occurs in these cities with a much greater chance of spreading to epidemic proportions in crowded city areas.

TUBERCULOSIS

Tuberculosis occurs throughout the United States 18 cases per 100.000. In cities such as El Paso, Texas, the rate is 63.9 per 100,000; in Baltimore, Maryland, 54.4; in the District of Columbia, 48.9. Again, in crowded areas, tuberculosis spreads amongst the disadvantaged. Seventy-five percent of these cases could be kept from active disease if early identification and treatment could be carried out.

ACCIDENTS

In the National Health Survey of 1968, the accident rate, which is the major killer of youth, was higher by 25% in urban areas. Children had illnesses confining them to bed twice as frequently in the city and considerably more school was lost by the children who needed it most.

RHEUMATIC FEVER

Rheumatic fever is three times more common where there is crowding. In the city of Chicago, there are 35 cases of rheumatic fever per 100,000 as compared with Sweden, with 2.3.

MEDICAID NOT ADEQUATE SUBSTITUTE

In urban areas, Medicaid cannot substitute for Children and Youth programs. There are no physicians in most areas. The number of physicians giving primary care to children is dropping rapidly. As Doctor Albert Haynes has pointed out in his book *Health Care in the Ghetto*, there has been an extreme loss of physicians; in many center cities the only resource are Children and Youth programs.

An excellent study from Rochester, New York, published in the New England Journal of Medicine, indicates that the pattern of use by low income families has not changed at all as a result of Medicaid; medical services are not obtained except for major illness, in sharp contrast to the patterns of middle income families. Even if there are adequate numbers of physicians, the fee for service approach, conventional private practice approaches, or Medicaid approaches cannot reach the urban ghettos. To reach families who require help most, adequate organization extending into homes and into schools is needed. We have designated such approaches as "hot pursuit," an absolute essential. There must be a large active door-to-door field force and computer capabilities for flagging and identifying important cases.

EXPLANATION FOR DIFFERENCES

The major reason for the difference in approaches for staffing patterns which put emphasis on community follow-up results from a remarkable difference in compliance. For example, in community mental health programs amongst the urban poor, 50 to 60% drop out from conventional community mental health centers. Many mental health centers refuse social difficulties. If appointments are not kept, the patient is considered resistive and dropped.

On the other hand, centers such as those associated with C & Y activities have a vigorous follow-up program, and patients dropping out are considered to be the ones requiring treatment the most. The follow-up of tuberculosis needs active participation from a field force. INH, a very effective preventive measure in children without risk, can be given in a one-month supply but 50% of the children may not return.

Therefore intensive pursuit is required to develop effective treatment programs. Compliance in the taking of penicillin has been adequately studied. In private practice, 56% of children remain on penicillin for nine days for the treatment of streptococcal throat in order to prevent rheumatic fever. Of the urban poor, 71% have stopped taking penicillin in the treatment of streptococcal throat by the sixth day, and only 18% of clinic patients remain on penicillin through the ninth day, even when the penicillin is supplied free.

C & Y AS A FOUNDATION FOR CHILD DEVELOPMENT PROGAAMS

Congress has just passed major Child Development legislation. Many of these activities will use C & Y projects as a major foundation. Parent and Child Centers that are changing the patterns of development of poor young infants, as well as their parents, have frequently grown out of C & Y projects.

Title IV of the Elementary and Secondary Education Act has four of its eight projects through the Cooperative Research Act of the Office of Education, which are intimately associated with C & Y projects for health and nutrition services in Topeka, Kansas; New York City; Dayton, Ohio; and Galveston, Texas. Several of the new Advocacy Centers in Parent and Child Centers will depend upon C & Y projects for total health care.

DURATION OF EXTENSION

The administration has recommended a one-year continuation of the Special Project Grant component of Title V. Such a one-year extension can only be interpreted by the staff and those supporting C & Y projects as a terminal year. Less than a five-year extension will be interpreted as a lack of confidence and support by Congress with further deterioration of the program's activities.

A five-year extension will permit an incorporation of these activities in the prepayment plans of National Health Insurance programs if they come about, with very significant cost reduction features that have proven to be acceptable and efficient in operation.

These projects, according to a published paper of the Secretary of Health, Education, and Welfare, have been identified as excellent foundations for new Health Maintenance Organizations. It is absolutely essential that approval from Congress be expedited. Delay of the decision to next year will lead to severe morale problems and loss of critical staffs built up over the past five years.

SUMMARY

In over 30 years of medical activity, I believe these projects have accomplished more for the health of mothers and infants than any other federal activity. Instead of defending the continued existence of these projects, we should be encouraging their expansion with greater coverage in the care of needy mothers and children by effective health care programs, rather than simply patch-up procedures. The amendment which we support does not add to the tax burden and actually is one of the most effective means by which costly later disabilities, mental and physical, can be significantly reduced.

In conclusion, I should like to express my appreciation for the opportunity to appear before this Committee. The leadership of this Committee has traditionally provided wise direction and support for health and welfare programs for children throughout this nation.

TESTIMONY BY EDWIN F. DAILY, M.D., BEFORE THE COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES

(Charts mentioned not printed in RECORD.)

I am here today in my capacity as the Director of the Maternity, Infant Care-Family Planning Projects of the New York City Department of Health to explain the necessity of continued Federal support of the MIC Project in New York City and similar Projects in 50 cities throughout the United States.

H.R. 11484, introduced on October 28, 1971 by Congressman Edward Koch, if enacted, will assure continuation of these urgently needed health services for mothers and children.

New York City has one of the greatest concentrations of low-income families in this country, with more than one-million people receiving public assistance in 1971. As in 1963, they continue to strain the resources of this city, as I believe they do in many other large cities. Before the MIC grants to New York City, there was serious overcrowding of the maternity services in the 15 inadequately staffed, tax-supported city hospitals. These hospitals were two or three bus fares away from many families who had no place else to go for maternity care in 1963, so many mothers often got little or no prenatal care.

In 1963, 40% of the city's residents giving birth were medically indigent; in 1970 this had increased to 50%. In 1963, the incidence of prematurity among general service patients was three times that of the private patients receiving adequate prenatal care and the infant mortality rate of these low or no-income patients was twice as high as that of private patients.

The New York City MIC program started in 1964 with two maternity clinics in district health centers and has grown each year until now it is operating in 11 Health Department centers in those ghetto areas of the City where the poorest families live. (See map.) The large stars represent clinics providing both maternity and family planning services; the smaller stars where family planning services alone are provided.

In 1970, 13,000 maternity patients received care in these 11 centers. In 22 Health Department centers family planning services were provided to 35,000 patients. (The graphs attached to my testimony show the growth of the MIC program since 1964.) Medical care is provided by skilled obstetricians or certified nurse-midwives from the staffs of 10 voluntary and 3 municipal hospitals affiliated with the MIC Project. The women are delivered in these hospitals.

The MIC patients receive total maternity care during pregnancy, at delivery, and postpartum. In addition to obstetricians and certified nurse-midwives, the clinics are staffed with public health nurses, social workers, nutritionists, dentists and the ancillary personnel needed—all under the direction of specialists in the field of maternal and child health. The clinics are operated on the appointment system—broken appointments are promptly followed up. Humane and dignified patient-doctor, patient-nurse relationships are maintained. Consultation or hospitalization for complications is readily available in the affiliated hospitals. Specialized teenage clinic sessions are available to meet the many difficult problems of the young unmarried mothers.

The MIC program has made great strides in reducing infant mortality in New York City, as evidenced by the following figures. In 1964, when MIC started, the infant mortality rate was 27 per 1000 live births; in 1970, it was 21.6—a decrease of 24%. However, the Mott Haven Health District of the Bronx, where MIC placed two of its largest services, the infant mortality rate has dropped over 50% during these six years! In the adjoining Morrisania Health District, also with MIC services, the rate dropped 30%! Another adjoining Health District—Tremont—without MIC services had an increase in infant mortality during the same six year period.

The perinatal mortality rate (late fetal and early infant deaths) is lower for MIC delivered women than for all private and nonprivate births in New York City. Considering that the MIC patients live in the poorest areas of the city, many of whom are known to have had inadequate housing and food for most of their lives, this reduction in infant and perinatal mortality rates must be attributed in no small part to the work of the MIC program.

We talk with every prenatal patient about the importance of preventing unwanted pregnancies by using a birth control method after the baby is born. Before they leave the hospital, our peer-level family planning counselors get them started on a birth control regime of their choosing. Studies have shown that 40% of the children born to low-income families were not wanted by the parents. In New York City alone, this would mean 25,000 unwanted children are born each year to low-income families. Unwanted children often create serious social and economic problems within the family, especially if there are other children. That is why, at the same time we try to provide good maternity care under MIC, we make every effort to minimize the occurrence of unwanted pregnancies in future years. I am confident these efforts are related to the declining birthrate in New York City. Furthermore, the cost of raising these children educating them and providing health and social services is often a staggering cost to the community. If the MIC and In-Hospital Family Planning program, described in the reprint attached to my testimony, prevents even 10,000 unwanted pregnancies in a year among the 60,000 women to whom we provide post-partum and post-abortal family planning service each year, it will result in a savings of at least $10 million in tax funds per year—which is three times as much as the annual MIC grants to New York City.

Mayor John Lindsay, in a recent communication to Secretary Elliott Richardson, stated that "It appears most unlikely that local funds could be made available to support these lifesaving health programs if the Federal MIC funds are not available after June 30, 1972."

The New York City Health and Hospitals Corporation announced in October that, because they have been unable to operate within the budget approved for the Corporation, they plan to reduce through attrition, all staff (except physicians and nurses) in the municipal hospitals by 12%. Inasmuch as the municipal hospitals are already inadequately staffed, this can only have a highly deleterious effect on patient care.

To abandon the MIC program and return the MIC patients to the overcrowded clinics of inadequately staffed and under-financed municipal hospitals would scatter to the winds all of the advancement made in the delivery of maternity care during the past seven years. Once again, these patients, many of whom face special health hazards, would be subjected to long hours of waiting in the overcrowed clinics of most of the municipal hospitals. There would be a means test and charges which would result in many patients receiving no care.

The quality of maternity care now available through the MIC board-qualified obstetricians and nurse-midwives, social workers, nutritionists and dentists, and other staff in the MIC clinics would not be available to this population without MIC. Gone would be the warm patient-doctor and patient-nurse relationship never before known to most of the patients before MIC. The MIC clinics convenient to the homes of the patients, now serve one-fifth of all general service patients in the City. 30% of MIC patients are on welfare and 70% are from what have been designated as "working poor" families. Without MIC or other Federal funding, the MIC maternity clinics in New York City will have to close. Last week, I talked with Dr. Byron Hawks, the MIC director in Little Rock, Arkansas, who told me that if MIC funds are not continued, the low-income women in that city would have to return to "granny midwives" for maternity care.

The United States is one of the wealthiest nations in the world. There are funds to support armies, to aid other nations, to subsidize the farmers and yes, even to subsidize the railroads and aircraft industry. Surely funds can be found to finance essential health services for the nation's low-income women. I know your committee is giving consideration to various proposals for financing nationwide health services. I hope that whatever legislation is enacted will assure the financing of specialized high quality maternity and infant care services wherever needed. Since a new nationwide health program cannot be operative for several years, discontinuing MIC would leave an enormous void between 1972 and until a national health program is in full operation.

I can assure you that tens of thousands of women living in ghetto areas of the cities who have or will benefit from MIC services, will be grateful and relieved if the Congress approves continuation of these desperately needed health services for mothers and their children.

NEW YORK CITY'S IN-HOSPITAL FAMILY PLANNING PROGRAM

(By Edwin F. Daily, M.D., Aileen R. Sirey, and Lucille S. Goodlet)

In May 1970 over 2,800 medically indigent maternity or post-abortal patients in 23 New York City municipal and voluntary hospitals received family planning counseling—and in seven out of 10 cases were initiated on a contraceptive method—before hospital discharge. The counseling is provided on the maternity wards by 51 family planning counselors specially trained and employed by the Maternity and Infant Care-Family Planning Project (MIC-FP) of the New York City Department of Health. The counselors are themselves mothers; some had been on welfare; all live in the vicinities of the hospitals they serve.

The In-Hospital Family Planning Program was begun on an experimental basis in July 1969 with maternity patients in three hospitals. The program is expected to reach 4,000 low-income women each month by the end of 1970 and will be extended from the obstetrics and gynecology departments at least to the out-patient departments of the municipal hospitals. Two more municipal, eight voluntary and four state mental hospitals will be added to the program, with counselors assigned to medical, surgical, psychiatric and other services. It is hoped that eventually in-hospital family planning counseling and services can be offered to all of the 140,000 general service patients of child-bearing age who are discharged each year from New York City municipal and voluntary hospitals.

The major objectives of the new in-hospital program are:

To offer family planning information and services to large numbers of women of child-bearing age at a time when they are most receptive.

To create a community system to provide such patient education and service involving the cooperation of the Department of Health and the OB/GYN departments (and eventually other departments) of New York City's municipal and voluntary hospitals.

To develop an effective method to select and train community women so as to foster a maximum of commitment and initiative, and provide them with sufficient skill and knowledge so that they can work with a minimum of supervision,

To operate this program at a per patient cost far less than the cost of traditional outreach programs, and

To augment scarce manpower resources by employing community women and preparing them as family planning counselors, thus channeling much of the program's funding back into the communities that are served.

BACKGROUND

The MIC–FP project basically provides prenatal care for 12,000 new patients each year in 14 neighborhood centers and hospitals, and family planning services for some 16,000 new patients a year in 28 neighborhood centers.

Early in 1968 the Department of Health, Education and Welfare invited the New York City Department of Health to submit a plan and budget for an expanded family planning program. The MIC–FP director met with chiefs of obstetrics and gynecology in 12 hospitals then participating in the MIC–FP program to seek their advice. These physicians emphasized the importance of getting family planning help to patients as soon as possible after delivery, since this was the period when motivation to accept contraception was highest. They pointed out that numbers of patients were becoming pregnant between their hospital discharge and post partum visit, and that at least 60 percent of patients never returned for a post partum examination. They also suggested that it would be useful to introduce birth control to postabortal, medical, surgical and psychiatric patients of child-bearing age. Despite the tremendous need for introduction of such services, these physicians said, family planning was a low priority item for busy hospital residents, nurses and social workers. A new type of health worker was needed, they said, recruited from the patients' own communities, and specially trained to educate their neighbors about family planning.

Initiation of contraceptive counseling and services immediately after parturition had been tried with some success at Cook County Hospital in Chicago and Grady Memorial Hospital in Atlanta. In neither case, however, was the counseling performed by peer group women drawn from the patients' own neighborhoods. (In Chicago, volunteers—predominantly white and middle-class—counseled a patient group which was poor and mostly black; in Atlanta nurses provided the counseling.) The In-Hospital Family Planning Program was developed (and endorsed by the OB/GYN chiefs of the 12 hospitals and other key health and family planning leaders in the city) so that family planning counselors would be recruited from the hospital communities; trained by MIC–FP project staff and placed in hospitals which wished to initiate family planning for their patients. The plan and budget ($137,000 for the first 12 months; it is now up to $500,000 a year) was approved by the Department of Health, Education and Welfare (DHEW) Children's Bureau* in March 1969. By July:

A core staff of family planning coordinators had been hired in MIC–FP's Division of Community Education to organize recruitment, screening, training and supervision of the family planning counselors. The coordinators are college graduates, some with experience in teaching or the behavioral sciences, and all with a deep interest in the development of family planning services.

Site visits were made to Grady and Cook County Hospitals to observe the in-hospital family planning programs developed there.

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*The Childrens Bureau initially directed DHEW's family planning projects grant program, now under the jurisdiction of the National Center for Family Planning Services of the Health Services and Mental Health Administration.

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A seven-week training course for family planning counselors was developed, and an initial group of six women was recruited and trained.

DEVELOPING THE PROGRAM IN NEW YORK CITY

In October 1969 the program was extended to the OB/GYN departments of the nine voluntary and six municipal hospitals then currently participating in MIC–FP projects. Subsequently, agreements to participate in the in-hospital program were signed with a total of 13 municipal and 10 voluntary hospitals with two more municipal, eight more voluntary and four state mental hospitals expected to join the program by the end of 1970.

The in-hospital agreement is a formal document signed by the OB/GYN chief of the hospital and the MIC–FP director. The OB/GYN department of the hospital agrees:

To take charge of the family planning program in the hospital,

To offer all generally accepted methods of family planning (including IUD, pills, tubal ligation and rhythm),

To offer family planning services at least to all maternity and abortion patients, before discharge unless there is a medical contraindication,

To provide family planning services and materials to patients without charge,

To acquaint all doctors, nurses and nurses' aides working with women of childbearing age in the hospital with the importance of family planning to the health of the mother and of future children and to the economy of the family,

To inform all prenatal patients attending the hospital's OPD service of the importance of family planning and provide appropriate family planning literature,

To appoint a physician thoroughly familiar with all methods of family planning and the indications and contraindications for various methods, and give him responsibility for medical supervision of the in-hospital and out-patient family planning program.

To appoint a nurse-midwife or a nurse interested and fully informed about family planning to assume day-by-day supervision of the family planning counselors,

To instruct all nurses on daytime duty on floors covered by the family planning program about dispensing of pills when this is the method prescribed, and to instruct residents serving these floors about medical approval or disapproval of the methods selected and about insertion of IUDs,

That patients started on a family planning regimen (other than tubal ligation), will be given a written appointment for their first post discharge family planning visit in a hospital or health department clinic most convenient for the patient; a copy of the appointment slip will be sent to the clinic selected, and a copy sent to the MIC-FP director; and

That missed return appointments to the family planning clinic will be followed up by one or two telephone calls or letters requesting that another appointment be made.

The MIC-FP director agrees:

To employ and train family planning counselors and assign them to participating hospitals on a full- or part-time basis (depending on the average number of discharges per day of patients),

If the OB/GYN department already has family planning counselors, to reimburse the department for the number of hours each month spent on the in-hospital family planning program,

To pay the OB/GYN department to help defray its added costs: $4.00 for each in-patient initiated on a family planning regime of pills or diaphragm before discharge; $6.00 for each patient with an IUD inserted before discharge; $25.00 for each in-hospital tubal ligation before discharge.

The per capita reimbursement to the OB/GYN departments averages about $7.25 per patient who is initiated on a medically prescribed method.

The role of the counselor is clearly defined: Her duties consist solely of providing family planning information to patients, filling out statistical forms required for reimbursement and seeing to it that a post partum and family planning appointment is arranged for every patient who is initiated on a contraceptive method.

After the agreement is signed, the MIC-FP's Director of Community Education and Training and one of the family planning coordinators begin a series of informal meetings with key hospital staff to reinforce their awareness of program objectives and their understanding of the role of the family planning counselor, as well as to assist professionals in working through complementary role activities with these new peer counselors. Experience has shown that in some hospitals the program is met hesitantly at first.

Typical questions raised are: "Who *are* these people?" "What kind of training do they have?" "How much supervision will they need?" And, though never articulated, some staff members' attitudes clearly showed that they felt professionally threatened.

MIC–FP's coordinator is responsible at each hospital for establishing an atmosphere of cooperation, and assuring staff involved that the family planning counselors will not add to their already heavy responsibilities.

RECRUITMENT OF FAMILY PLANNING COUNSELORS

Community women are recruited as trainees for the in-hospital program through discussions with such grass-roots agencies as community corporations, Puerto Rican Manpower Development, Planned Parenthood's Community Action Department, the Puerto Rican Guidance Center and the New York State Employment Center. In some cases advertisements are placed in community newspapers.

No educational qualifications were established for the position of family planning counselor in order fully to utilize the untapped human resources in the community. At the same time some kind of criteria were needed to evaluate candidates so that the program would not be faced with continual turnover of staff into whose training a great deal of money, time and effort had been expended. A screening process was devised whereby groups of seven to 10 applicants are seen by a staff interviewer and observer. The interviewer describes the program, briefly outlines the responsibilities of the family planning counselor and stimulates group discussion on such subjects as local community problems or the applicants' feelings about family planning. Through this group screening process candidates are sought who can discuss "sensitive" topics on a mature level, show tolerance of the opinions of others and can articulate their own thoughts and feelings. Candidates are expected to show an interest in hospital work and need to be able to read and write sufficiently well to handle the statistical forms.

The interviewer and observer meet after each screening session to discuss each applicant's responses and to select candidates for training. Applicants about whom there is some question are asked back for an individual interview with a different staff member. About one out of five applicants are accepted for training.

Successful candidates are started in the training program immediately. The salary during the seven weeks of training is $2.50 per hour, $3.00 an hour when assigned to a hospital and $3.50 an hour after six months. The salary is supplemented with full health insurance (a benefit available for the first time to many of these women and their families).

TRAINING

The training program was developed to provide factual knowledge about family planning, reliable techniques to impart knowledge to patients and an understanding of hospitals and hospital procedures.

A number of questions about the training program soon became salient:

What did the trainees already know?

What would happen to the counselors' ability to relate on a "peer level" after intensive training?

If the counselors' education was formal and didactic, wouldn't they relate in the same formal and didactic way to the patients?

It was decided that a laboratory training experience tailored to each group's particular needs was required to encourage individual initiative.

The first day of training begins under the direction of a psychologist-consultant.

Both professional staff and trainees engage, on a first-name basis, in activities designed to break down the barriers to communication. On succeeding days the group discusses the role the counselor will play in the hospital. Out of the questions trainees raise about the job, topics for investigation are formulated about family planning, reproduction, human sexuality and hospitals. In the atmosphere of mutual respect engendered by this laboratory approach to training, life experiences are exchanged without self-consciousness, trainees giving "tell-it-like-it-is" reasons for human behavior, and the coordinators contributing factual knowledge from their own professional experience. Methods and media include lectures, panel discussions, role-playing and problem-solving sessions. On-the-job training experiences at a municipal and voluntary hospital are provided as part of the counselors' seven-week training course.

HOSPITAL EXPERIENCES

At least two family planning counselors are assigned for each hospital to talk about contraception with the patients and, where possible, with their husbands. When the patient is interested in a method, the counselor informs a resident, who prescribes a method after examining the patient. The counselor visits the patient again to explain the details of the method chosen. She completes the statistical form for reimbursement and makes a post partum-family planning appointment for four to six weeks after the patient is discharged. About one in five patients have received their prenatal care at an MIC clinic. These patients are referred to an MIC-FP center in their neighborhood for their post partum and family planning care. Others may come back to the hospital or are referred to a more convenient neighborhood facility. Appointment and counseling records follow the patients from hospital to clinic where a referral has been made. (Clinics have begun to participate in a joint record system whereby each patient is identified by a unique numbering system derived from her maiden name, date and place of birth.) The counselors have found almost all patients eager to discuss family planning (most have *never* discussed family planning before with a health worker) and to have their questions answered in their own language.* All the hospitals participating started the counselors on the OB/GYN service with instructons to interview all post partum and all post-abortal patients before discharge. Each counselor is able to reach about five to 10 patients each day. At the present time there are 51 counselors in 23

*Of the first 3,500 patients counseled in the program, half were Puerto Rican and only 200 were mainland white. Well over half of the counselors are bilingual in English and Spanish.

hospitals; in the month of May they interviewed more than 2,800 patients.

The problems that have arisen are as interesting and as varied as the 23 hospitals with which we are working. Three OB/GYN chiefs objected to the immediate post-partum use of steroids, but were willing to prescribe other methods; patients wishing the pill in the three hospitals were given a supply of foam to use until their post partum appointment, and were informed that they would be started on the pill three to four weeks later. In a few hospitals, at the beginning, residents balked at cooperating with the program; they saw family planning as a low-priority item in their busy schedules and feared that the counselors would make extra work for them. Other hospitals did not have residents who were able to insert an IUD. One hospital pharmacy refused to dispense pills to patients before discharge; while in another the chief of obstetrics had to be persuaded not to ask the counselors to give pills to patients. A few floor nurses feared that the counselors would overlap some of their functions or "be in the way." This fear was quickly allayed as the nurses observed how well informed the counselors were, and how much the patients liked and trusted them. Soon nurses and other hospital personnel began to come and listen in on the patient-counselor discussions to become more closely acquainted with patient problems related to family planning. One hospital administrator questioned whether it was legal for a health department employee to work in the hospital. (He was reassured that liability for the counselor was assumed by the health department.) In several hospitals, operating room time is at a premium, and tubal ligations, though requested by patients and their husbands and approved by the hospital committee, cannot be performed before discharge. Such patients are asked to return when the hospital is less crowded and are provided with an interim method of contraception.

STATISTICS

Table 1 shows that between July 1, 1969 and May 1, 1970 family planning counselors interviewed 17,706 patients in 21 New York City hospitals. At least nine out of 10 patients interviewed indicated that they wished to begin contraception before discharge; 68 percent of this group received contraception while still in the hospital. Of those initiated on contraception in-hospital, 51 percent received pills, 19 percent IUD's, 10 percent tubal ligations and 20 percent foam and other methods. Some of the hospitals are much more committed and better staffed to implement patient choices about in-hospital initiation of contraception than others.

Thus in 13 hospitals where there is strong endorsement by the OB/GYN chief, and a resident assigned full-time to the program, more than 80 percent of patients interested were provided with contraception before discharge. In one hospital, of 1,247 patients interviewed, 1,226 indicated that they wanted to start family planning and 1,212 were initiated on a method of contraception before hospital discharge. As the program becomes more smoothly integrated into the routine of more hospitals, it is expected that the number of contraceptive initiations will be closer to 100 percent of the patients interested. This trend can be seen in Table 1: Whereas 67 percent of patients counseled in the first six months received contraception in-hospital, 76 percent of patients counseled in April 1970 were so initiated. The number is not likely actually to reach 100 percent of patients, however, since the policy of the various hospitals about initiation of certain methods (namely orals and IUDs) immediately after parturition varies, as does their capability to perform certain procedures (e.g., tubal ligations) while the patient is in the hospital. Fifty-seven percent of the patients initiated on a method of contraception declared they wanted no more children. Sixty percent of the women accepting a method had two or fewer children. Fifty-six percent were married; forty-four percent were single, separated or divorced.

TABLE 1.—NUMBER OF NEW YORK CITY WOMEN WHO HAVE RECEIVED IN-HOSPITAL FAMILY PLANNING COUNSELING, REQUESTED AND RECEIVED CONTRACEPTION IN PARTICIPATING HOSPITALS,[1] JULY 1, 1969 TO MAY 1, 1970

Month	Number of patients counseled	Number requesting contraception	Number initiated on contraception before discharge	Number of participating hospitals
July 1969	712	677	454	10
August 1969	804	746	586	11
September 1969	1,000	894	698	11
October 1969	1,047	951	703	18
November 1969	1,891	1,790	1,032	18
December 1969	2,325	2,161	1,344	19
1969 (6 month) total	7,779	7,219	4,817	19
January 1970	2,382	2,136	1,306	19
February 1970	2,130	1,836	1,231	19
March 1970	2,667	2,356	1,668	21
April 1970	2,748	2,441	1,848	21
1970 total for 12 hospitals[2]	7,647	7,062	5,500	18
1970 total for 3 hospitals[3]	2,280	1,707	553	3
1970 (4 month) total	9,927	8,769	6,053	21
Grand total	17,706	15,988	10,870	21

[1] Participating hospitals are: Bellevue, Beth Israel, Bronx Lebanon, Brooklyn Jewish, Brooklyn-Cumberland, Brookdale, Flower-Fifth Avenue, Greenpoint, Kings County, Fordham, Lincoln, Long Island College, Methodist, Metropolitan, Morrisania, Roosevelt, St. Luke's, Sydenham, Coney Island, Harlem, Jacobi. (On June 1 the program was extended to Brooklyn Women's and Delafield Hospitals.)

[2] Hospitals in which all methods are prescribed prior to discharge.

[3] Hospitals in which the pill is not prescribed in-hospital.

FOLLOW-UP

Patients' visit behavior after hospital discharge is monitored through a simple visit information form. Clinics to which the patients are referred receive five visit forms numbered for the first and each subsequent patient visit, and are asked to return the forms each time an appointment is kept. These visit forms are filled out almost entirely by the family planning counselor, and stamped self-addressed envelopes are included to minimize demands on busy clinics. Since compliance is voluntary, however, response from the clinics is uneven (though it has shown considerable improvement in recent months as clinic clerks have become more used to the procedure). To check out the rate of return for the post partum clinic visit, the statistical form was matched with clinic medical records for an MIC-FP clinic and its affiliated hospital for one month. The study showed that the kept appointment rate for the hospital clinic was 71 percent and for the MIC-FP patients 89 percent. This compares to a kept appointment rate of 40 percent for hospitals and about 80 percent for MIC-FP clinics prior to initiation of the In-Hospital Family Planning Program.

Using the established reporting system, non-MIC patients from three hospitals complying with the follow-up protocol were studied. The results add to the impression that pre-discharge initiation on a method helps to increase post partum return. An overall post partum return rate was calculated for each hospital. The samples were then dichotomized into "initiated" and "non-initiated" subsamples. The overall return rates for the three hospitals were: 40 percent, 50 percent and 63 percent respectively. Corresponding return rates for the "initiated" subsamples were: 63 percent, 83 percent and 81 percent. For each hospital, the sample constituted patients counseled during one full month. Return was defined as a kept post partum appointment reported within three months of discharge. Of these initiated patients who returned for the post partum appointment, 97 percent, 87 percent and 84 percent, respectively, reported that they were active contraceptors in the interim period between hospital discharge and post partum return.

Patient retention, however, is a general family planning in big cities; an average of 50 percent of family planning patients have dropped out of New York City clinic programs in the course of each year, mostly, it is believed, because of frequent changes of address. It is expected that increased in-hospital contraception and the resultant improved post partum returns should improve overall retention. Traditional follow-up and outreach programs involving home-visits to patients does not appear to be practical in New York City because of the high degree of mobility and the practice, on the part of some maternity patients, of falsifying address to gain admittance to a particular desired hospital. One New York City study found that the cost of locating each delinquent patient, utilizing trained community women as home visitors, averaged $361.00 per patient who returned to the clinic.[1] Home visits, therefore, are only made where there is a specific medical indication, such as a positive Pap smear.

Because of the known difficulties of following very mobile low-income families, a three-month pilot study of a new follow-up method was begun June 1 of this year in one voluntary and one municipal hospital chosen to provide a patient population representative of the city as a whole in terms of ethnicity, age, parity, economic status and contraceptive method chosen. Women who have begun a method of family planning in the hospital are being advised by the family planning counselors that a routine part of the service is a monitoring of her satisfaction with her chosen method after hospital discharge. Patients are told that other counselors will be available by telephone from 9 a.m. to 8 p.m. every day (except Saturday and Sunday) to answer questions. Patients are asked to telephone MIC–FP on

[1] R. K. Westheimer, "Maternal Care, Family Planning, and the Paraprofessional Community Health Worker," paper delivered at the Ninth Annual Meeting of the American Public Health Association, Philadelphia, November 1969.

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dates suggested in advance for the first three months after hospital discharge.*

Each woman is asked to make the first call immediately after discharge to introduce herself to her "woman's health counselor." (The patient is given the name of the health counselor by the family planning counselor.) All patients are asked to call every week until one week after the post-partum visit. From that time the frequency of calls is varied systematically by patient groups (weekly, biweekly and monthly) to study which is most effective.

Patients are invited to call any time they have a question or problem, and are urged particularly to contact the counselor *before* discontinuing a method for any reason, or if they plan to move.

All groups are provided with a calendar that displays the telephone call schedule, the name of the woman's health counselor assigned to the patient and the MIC-FP direct line telephone number she is to call. The calls are without cost to the patient. A special telephone installation immediately processes *all* incoming patient calls toll-free. For example, a patient calling from a public telephone has her dime returned by the operator before the call is actually placed. And the patient is spared the potential embarrassment of telling the operator she wants to place a collect call: the special letter and digit combination of the telephone number itself advises the operator of the fact that the cost of the call will be borne by MIC-FP.

At least 50 percent of all patients counseled in the hospitals report having a phone in their own homes. The toll-free call system should encourage the use of public telephones among the balance of the women. The calls, whether placed from a home or a public phone, are a simple means to provide continuity.

The telephone calls are received at the MIC-FP central office by neighborhood women who have received the same training as the in-hospital family planning counselors as well as additional training in understanding telephone interaction. A complete record for every patient is kept adjacent to the telephone for immediate reference each time a call is received. With each new contact the record is updated. Calls from patients with problems or questions that require expert response are referred to appropriate MIC-FP professional staff.

A control group has been drawn from a similar patient population. Efforts will be made to contact this group three months after the counseling experience. In the interim these patients will not have had any deliberate reinforcement of their initial counseling other than that which would have occurred at the post-discharge clinic visits; opportunity for reinforcement of method use in the clinics is equally available to all groups. Substantive information secured from the study groups will be asked of the control patients at the time of delayed contact. Retention in the two groups will be compared.

COST OF THE PROGRAM

Unit cost for the first 11 months of the in-hospital program was calculated on the basis of the costs of professional, paraprofessional and clerical personnel, educational materials, operational supplies and reimbursements to hospital OB/GYN departments.

The cost for each patient initiated on a family planning method before hospital discharge was $15.28, of which $7.25 (approximately 50 percent) represents a fixed per capita return to the participating OB/GYN departments. The cost of the family planning counseling service currently is $6.23.*

The cost to the Department of Health and the Department of Hospitals for continuing family planning visits for these patients must also be considered. This is about $40–50 per year per woman remaining on family planning. Thus, the total cost of initiating and maintaining a new patient on family planning is about $55–65 the first year.

In-hospital initiation thus appears to be a comparatively efficient and low cost means of bringing family planning to a post-delivery patient.

It is expected that the in-hospital program may double in 1971 the number of new patients coming to tax-supported clinics in New York City as compared to the number of new patients admitted in 1969. The eventual additional cost of initiating and maintaining our target of 50,000 patients on family planning each year, will be in the neighborhood of $3 million. This should be compared to current costs for care of unwanted children.

Applying the recent findings of Bumpass and Westoff[2] on unwanted pregnancies to New York City, there are at least 40,000 unwanted births occurring each year. The medical, hospital and related costs alone for these unwanted births are approximately $60 million per year. The subsequent increased welfare costs, infant care costs, care of mentally retarded, etc. for these unwanted children create a far greater fiscal burden for the community each year.

CONCLUSIONS

Within 11 months the in-hospital program encompasses 23 hospitals and has counseled 18,000 patients. Currently, over 2,800 women a month are receiving counseling and more than seven out of 10 receive contraception before discharge from the hospital. The program is being expanded this year to the OPD department of all municipal hospitals and into the medicine, surgery and psychiatry departments in one voluntary and one municipal hospital to determine whether our first priority should be to expand the program in participating hospitals or to extend services into OB/GYN departments of additional hospitals.

Hospital OB/GYN departments and the Department of Health have demonstrated that they can cooperatively develop an effective and efficient program for initiating a family planning regime before women are discharged. We believe this program can be duplicated by other MIC–FP programs and by health departments working with hospital OB/GYN departments in many other cities. The end results, as measured by prevention of unwanted births, will not be known for several years, and then only if new methods of follow-up of highly mobile urban families are productive.

The selection and education of peer level counselors is considered by the authors as the most important element in assuring success of such a program. Their proven usefulness in this program is evidence that peer level counseling can be used far more widely in family planning. For example, could not such family planning workers be valuable in such settings as junior and senior high schools where the community and teachers wish to initiate family planning discussions with teen-age boys and girls?

*It was considered that follow-up would prove successful only if patients were invited to participate in a personally meaningful service available from the moment they left the hospital. It was decided, therefore, that counseling would be provided by a rotating staff of the very counselors the patients had come to know as informed peers; counseling would be immediately available, all day and through the evening hours, in a single, central location where there is supporting professional personnel.

*The proportion of the cost that represents reimbursement to hospitals is unaffected by cost-effectiveness considerations because it is fixed. The unit cost per patient interview, independent of initiation outcome, is the only aspect of cost that is sensitive to efficiency in the delivery of services.

[2] L. Bumpass and C. F. Westoff, "The 'Perfect Contraceptive' Population: Extent and Implications of Unwanted Fertility in the U.S.," *Science* (in press).

STATEMENT OF DR. ROGER B. BOST ON THE CHILDREN AND YOUTH PROJECT BEFORE THE HOUSE OF REPRESENTATIVES, COMMITTEE ON WAYS AND MEANS

INTRODUCTION

I welcome and appreciate this opportunity to talk with the Committee about a health care program, the continuance of which is vital to the State of Arkansas, individually, and the United States collectively—"The Children and Youth Project". I am Roger B. Bost, Director, Department of Social and Rehabilitative Services, State of Arkansas. I am also professor of Pediatrics at the University of Arkansas Medical Center, Fellow of the American Academy of Pediatrics and former Director of the Children and Youth Project in Little Rock, Arkansas.

GENERAL

The Little Rock Children and Youth (C&Y) Comprehensive Health Project 658 was funded 1 July 1968, initiating patient services 1 October 1968. Throughout its tenure, the Little Rock C&Y Project's primary thrust has been devoted to organizing and structuring a health care delivery system which would reflect the objectives envisioned by the 89th Congress in the 1965 Amendments to the Social Security Act. The prime objective has been to develop a system which would provide easily accessible, continuous, comprehensive health care services for children of low-income families through promotion of health including, "early case finding, preventive health services, diagnosis, treatment, correction of defects, and follow-up utilizing a multidisciplinary approach." One index relative to the effectiveness of these efforts is manifested by the $267,944 expended during Fiscal Year 1971 to support out-patient and in-patient services for our C&Y population. It is significant that these payments were authorized only after all other community resources had been petitioned, without success, to pay these charges. In Little Rock, and across America, the C&Y projects frequently represent the medically indigent's sole resource in obtaining health care for his family.

GEOGRAPHIC AREA

The Little Rock C&Y geographical area encompasses 25 census tracts in Pulaski County, Arkansas. Examination of the census tracts would reveal that they encompass the eastern portion of Little Rock and the southern and eastern portions of its twin city North Little Rock and three distinct areas outside the city limits. The principal criterion utilized in designing the project area was predicated upon the large number of low income families depicted on the 1960 census tracts. The total population for this area is approximately 118,103. There are approximately 25,521 family units of which 7,911 or 31% have a total income of less than $3,000 per year. There are approximately 35,248 children between 0–16 years of which an estimated 18,000 are eligible for treatment with project funds. Approximately 10,700 of these children are registered in the Little Rock C&Y Project. Children and youth costs per registrant per year have averaged approximately $60. Delivery of services along the entire health care continuum for this sum represents, by all accounts, a very favorable cost/benefit ratio.

HEALTH CARE DELIVERY SYSTEM

The children and youth enabling legislature encouraged creation of new health care delivery systems. We have therefore endeavored to produce an operational model which would be both sensitive and responsive to the health needs of the population within our particular geographical area. From these efforts there has evolved a network of care centers with varying levels of capability. The University of Arkansas Medical Center, with its concentration of expertise, provides the base for specialty consultations and sophisticated diagnostic and therapeutic support for complex medical problems. Arkansas Children's Hospital, an 85 bed non-profit voluntary hospital, affiliated with the University of Arakansas Medical Center, represents the next level of care in our delivery system. Approximately 50% of our episodic and acute problems are solved in this very excellent institution which is easily accessible to a large segment of our project population.

The next level of care consists of satellite neighborhood health clinics. Each satellite clinic is routinely staffed by Children and Youth Project pediatricians, nurses, social service workers, nutritionists, a laboratory technician and clerks. A psychologist, physical therapist, audiologist and speech therapist are available to augment the clinic staff upon request. Care provided in the satellite clinics consists of episodic care, preventive health services, and assessments. The first satellite clinic was established at College Station, a community located in southeastern Pulaski County where it is isolated both geographically and socio-economically. Its problems reflect poverty that is extreme even relative to other portions of the Children and Youth Project area.

The College Station clinic is located in a community-controlled building which is leased by the community Economic Opportunity Agency, (EOA). Cooperative arrangements exist between the C&Y Project, EOA, The Community School, Head Start and Follow-Through programs. The second satellite clinic was established at Kramer School, Seventh and Sherman Streets, Little Rock, Arkansas. It was found to be impractical and was discontinued. The third satellite clinic was established in the North Little Rock Health Department in North Little Rock. Public transportation available to the clinic makes this an ideal location for all registrants in North Little Rock. Patients presenting conditions beyond the capability of the satellite clinic are referred to either Arkansas Children's Hospital or the University of Arkansas Medical Center. Within the parameters of this particular health care delivery system we are able to move each child toward the best state of health that the art and science of health care can now create.

COMMUNITY HEALTH SERVICES COORDINATION

Cognizant that interagency cooperation can potentiate the value of a multi-disciplinary approach to comprehensive health care, the Little Rock C&Y Project personnel have been eager to cooperate, rather than compete, with other modalities of health care in the community. There have been both intensive and extensive efforts by the C&Y staff to assure existing community services were utilized in developing treatment plans for their registrants. Some of these agencies include: Little Rock, North Little Rock, Pulaski County and Arkansas State Health Departments; School Health Programs; Volunteer Health Agencies; EOA Clinics; USDA and Commodity Distribution; Crippled Children's Division; Maternity and Infant Program; Police Courts; Child Welfare Agency, etc. Similarly, there has been extensive interactions with community groups to assure the consumer's point of view was given proper consideration.

SUMMARY

The Little Rock Children and Youth Project has provided health care services that were badly needed, genuinely wanted, effective and not exorbitantly expensive. Additionally, the wisdom of the 89th Congress in establishing Children and Youth Projects as a vehicle for providing comprehensive health care to low-income families while concomitantly encouraging innovative approaches in developing effective health care delivery systems has been well documented. The Little Rock Children and Youth Project has been an effective instrument in translating from legislation to reality the principle that good health care is a right rather than a privilege. I strongly urge that the Children and Youth enabling legislation be extended.

GI BILL ABUSE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. ROSENTHAL. Mr. Speaker, 23 colleagues (Mr. BRADEMAS, Mr. BURTON, Mrs. CHISHOLM, Mr. CONYERS, Mr. FRASER, Mrs. GRASSO, Mr. HALPERN, Mr. HARRINGTON, Mr. HAWKINS, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. MAZZOLI, Mr. MIKVA, Mrs. MINK, Mr. MITCHELL, Mr. MOSS, Mr. PODELL, Mr. RANGEL, Mr. REES, Mr. ST GERMAIN, Mr. SEIBERLING, Mr. STOKES, and Mr. YATES) join me today in reintroducing H.R. 11532, my bill to provide for the honorable discharge of GI drug addicts and their rehabilitation at civilian treatment centers.

The problem of drug dependency in the armed services should strike the conscience of every American. While we have called upon our men in the military to make superhuman sacrifices for us, we have selfishly stood back and condemned them for human failings. Instead of viewing them as sick individuals, needing treatment, by our own self-righteousness we have cast them into a backwash of disregard. They are the genuinely silent Americans, for no one is their spokesman. They are left on their own to handle a problem which constantly threatens to destroy them.

The military is not equipped to cure drug addicts. The Pentagon detoxification programs are crippled by a lack of sincere commitment combined with an overwhelming shortage of doctors and hospital space. Moreover, the prospects of an extended stay in the service is no incentive for a drug addict to voluntarily commit himself for treatment. H.R. 11532 would be a first payment on the debt we owe our addicted servicemen. In essence, the bill does three things:

First. It provides for discharge under honorable conditions for drug dependent servicemen, upon a physician's recommendation, and their civil commitment to Public Health Service hospitals or other appropriate facilities for treatment (costs would be reimbursed by the Defense Department);

Second. It allows the retroactive granting of such discharges to those previously discharged dishonorably by reason of narcotics dependency, thus making them eligible for veterans' benefits for medical treatment and cures, and

Third. It establishes medical confidentiality in the doctor-patent relationship in the military, excluding use of information about the drug problems in any criminal prosecution on the patient for use or possession of drugs. (The ban on prosecution would not necessarily apply to crimes which might have been committed while under the influence of narcotics.)

The hour to act came long ago. But it is still not too late to begin solving the problem of GI drug addiction. With this bill we have the chance to end the decline of our services into "drug jungles." I call upon all Members to join with us in recognizing the Nation's responsibility to our drug-dependent servicemen.

NATIONAL HUNTING AND FISHING DAY

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. RUPPE. Mr. Speaker, today I am joining many of my colleagues in the sponsorship of a House joint resolution which provides that the President of the United States declare the fourth Saturday of each September as "National Hunting and Fishing Day." It is fitting that the sportsmen of our Nation be honored in such a way, and I am pleased to endorse such a measure of recognition.

Generally speaking, one finds that sportsmen are the true environmentalists of our country. These men are the great lovers of the out-of-doors. No one feels more deeply a sensitivity to nature and the need for preserving a balance of nature. In an age when all citizens share this interest in nature and their environment, it is particularly appropriate for us to establish a means of tribute to these individuals.

There are a large number of participants in hunting and fishing sports. Last year in the United States more than 39 million licenses were issued for this purpose. In the State of Michigan, almost 3 million hunting and fishing licenses were issued in that same time period. Over 200,000 of these were issued to out-of-resident applicants who enjoyed the beauty and tranquility of the Michigan countryside through their participation in these sports. The contribution that these people make, both to the economy in general, but most specifically to the wildlife conservation programs which such moneys support, is significant.

This resolution will call to the attention of the public the Nation's appreciation of both the recreational aspects of hunting and fishing as well as the environmental role of these sportsmen in our society. I am proud to sponsor this legislation and am hopeful that both the House and the Senate will act favorably upon it in the near future.

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HOUSE OF REPRESENTATIVES—*Friday, November 19, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Enter into his gates with thanksgiving and into His courts with praise: Be thankful unto Him and bless His name, for the Lord is good.—Psalms 100: 4.

Almighty and eternal God, beneath whose guiding hand our fathers crossed the sea and by whose providence they established here the beginnings of a free nation, we pause to offer unto Thee the gratitude of our hearts.

We thank Thee for the courage of the pilgrims for their devotion to freedom and to the coming of a new order of life in a new land. Now we pray that we who have entered into the heritage of their heroism may profit by their example and lift high the flag of freedom, hold steady the cause of justice, and persist in promoting the spirit of good will.

Let not the fun and festivities of this season blot out our remembrance of Thy goodness to our Nation and to us. With humble and hearty hearts we thank Thee and pray Thou wilt accept the gratitude of our sincere spirits.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On October 11, 1971:

H.R. 4713. An act to amend section 136 of the Legislative Reorganization Act of 1946 to correct an omission in existing law with respect to the entitlement of the committees of the House of Representatives to the use of certain currencies, and for other purposes.

On October 14, 1971:

H.R. 8866. An act to amend and extend the provisions of the Sugar Act of 1948, as amended, and for other purposes.

On October 15, 1971:

H.R. 9634. An act to change the name of the "Nebraska National Forest" Niobrara division, to the "Samuel R. McKelvie National Forest";

H.J. Res. 915. Joint resolution making a supplemental appropriation for the Department of Labor for the fiscal year 1972, and for other purposes; and

H.J. Res. 916. Joint resolution making further continuing appropriations for the fiscal year 1972, and for other purposes.

On October 23, 1971:

H.R. 6915. An act to amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

On October 27, 1971:

H.R. 9844. An act to authorize certain construction at military installations, and for other purposes.

On November 5, 1971:

H.R. 4590. An act to amend the Tariff Schedules of the United States with respect to the dutiable status of certain articles;

H.R. 10458. An act to broaden and expand the powers of the Secretary of Agriculture to cooperate with Mexico, Guatemala, El Salvador, Costa Rica, Honduras, Nicaragua, British Honduras, Panama, Colombia, and Canada to prevent or retard communicable diseases of animals, where the Secretary deems such action necessary to protect the livestock, poultry, and related industries of the United States; and

H.J. Res. 923. Joint resolution to assure that every needy schoolchild will receive a free or reduced price lunch as required by section 9 of the National School Lunch Act.

On November 17, 1971:

H.R. 8687. An act to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to authorize real estate acquisition and construction at certain installations in connection with the Safeguard anti-ballistic missile system, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1836. An act for the relief of Ruth V. Hawley, Marvin E. Krell, Alaine E. Benic, and Gerald L. Thayer;

H.R. 1867. An act for the relief of Bernadette Han Brundage;

H.R. 1899. An act for the relief of Mrs. Maria G. Orsini (nee Mari);

H.R. 1931. An act for the relief of Jesus Manuel Cabral;

H.R. 1962. An act for the relief of Dah Mi Kim;

H.R. 1970. An act for the relief of Mrs. Andree Simone Van Moppes and her son, Alain Van Moppes;

H.R. 2087. An act for the relief of Park Ok Soo and Noh Mi Ok;

H.R. 2107. An act for the relief of Jose Bettencourt de Simas;

H.R. 2108. An act for the relief of Nemesio Gomez-Sanchez;

H.R. 2408. An act for the relief of Louis A. Gerbert;

H.R. 2706. An act for the relief of Miguelito Ybut Benedicto;

H.R. 2803. An act for the relief of In Kyong Yi;

H.R. 2814. An act for the relief of Rea Republica Ramos;

H.R. 3041. An act for the relief of Mary James Kates, owner of the Gladewater Daily Mirror;

H.R. 3082. An act for the relief of Ronnie B. (Malit) Morris and Henry B. (Malit) Morris;

H.R. 3333. An act for the relief of Mrs. Mauricia A. Buensalido and her minor children, Raymond A. Buensalido and Jacqueline A. Buensalido;

H.R. 3425. An act for the relief of Helen Tziminadis;

H.R. 3475. An act for the relief of Paul Anthony Kelly;

H.R. 5422. An act for the relief of the American Journal of Nursing; and

H.R. 7085. An act for the relief of Eugene M. Sims, Sr.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 946) entitled "Joint resolution making further continuing appropriations for the fiscal year 1972, and for other purposes."

The message also announced that the Secretary had been directed to return to the House of Representatives the bill (H.R. 10729) entitled "An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes," in compliance with a request of the House for the return thereof contained in House Resolution 709.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2819) entitled "An act to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. MANSFIELD, Mr. CHURCH, Mr. SYMINGTON, Mr. AIKEN, Mr. COOPER, and Mr. CASE to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2820) entitled "An act to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. MANSFIELD, Mr. CHURCH, Mr. SYMINGTON, Mr. AIKEN, Mr. COOPER, and Mr. CASE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 153. Joint resolution to designate the week which begins on the first Sunday in March, 1972, as "National Beta Club Week."

FEDERAL REVENUE SHARING WITH THE STATES

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, in this morning's Washington Post, on page 2, there is a headline, "Agnew Attacks Mills' Delay on Tax Sharing" and the story goes on to say:

Vice President Agnew sharply attacked House Ways and Means Committee Chairman Wilbur D. Mills (D.-Ark.), today for holding up action on the Nixon administration's program of federal revenue-sharing with the states.

Agnew drew strong applause from the Republican Governors' Conference here for his attack, but some governors, including Francis W. Sargent of Massachusetts, expressed displeasure with extemporaneous throw-away lines.

Mr. Speaker, there is no doubt that this attack by the Vice President was politically inspired. It apparently was made by the Vice President because of his lack of communication with the White House, because a few months ago President Richard Nixon requested the House Ways and Means Committee to delay action on the revenue sharing proposal. In fact, he asked that the welfare bill, which was so strongly endorsed by Richard Nixon in August, saying it was the greatest piece of legislation in 35 years, also be held up. This attempt on the part of the Vice President to blame someone for legislation being held up in Congress is typical of the campaign rhetoric we can expect during the next 11½ months. To conclude may I quote from "The Disowned"—1828, chapter 33:

The easiest person to deceive is one's own self.

A PERIOD FOR SILENT PRAYER IN PUBLIC SCHOOL

(Mr. WYMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYMAN. Mr. Speaker, I am today introducing, with some 30 cosponsors from both sides of the aisle, a constitutional amendment to allow the scheduling in public schools of a period for silent prayer or meditation. Under my proposal there can be no chance of a State-prescribed prayer offensive to many Members who voted against the Wylie amendment 2 weeks ago.

This brief amendment makes it clear that while schools may schedule a period for silent prayer or meditation, any student has the right to decline to participate if he or she chooses. Nor would this proposal embarrass or coerce an individual student by requiring him to stand mute while others in his class engage in prayer.

If adopted, this amendment will answer the overwhelming public demand for modification of the 1963 Supreme Court decision forbidding State-prescribed prayer in public schools. It will help to remove the unfortunate impression that the representatives of the people of America are opposed to prayer by young people in our schools.

I sincerely hope that as the provisions of this simple proposal are more clearly understood it will receive widespread support in the Congress and soon be adopted as the 26th amendment to our Constitution.

My amendment provides simply:

"ARTICLE —

"Nothing in this Constitution shall deny the right of persons lawfully in attendance in any public school to participate or decline to participate in a period of silent prayer or meditation."

PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM FRIDAY, NOVEMBER 19, UNTIL MONDAY, NOVEMBER 29

Mr. BOGGS. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 466) and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 466

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Friday, November 19, 1971, it stand adjourned to meet at 12 o'clock meridian, Monday, November 29, 1971.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO RECEIVE MESSAGES AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Monday, November 29, 1971, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

DISPENSING WITH BUSINESS IN ORDER ON CALENDAR WEDNESDAY, ON DECEMBER 1, 1971

Mr. BOGGS. I ask unanimous consent that the business in order under the Calendar Wednesday rule on Wednesday, December 1, 1971, may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

GENERAL LEAVE FOR MEMBERS TO REVISE AND EXTEND THEIR REMARKS

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until November 29, 1971, all Members of the House shall have the privilege to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and also to include therein such short quotations as may be necessary to explain or complete such extension of remarks, but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the adjournment of the House.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE RECESS AT ANY TIME TODAY

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that it may be in order at any time today for the Speaker to declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, would the gentleman please explain the reason for this request?

Mr. BOGGS. Well, we have one bill on the calendar for today, and it may be that we will complete that bill rather soon, and it may be we will have some messages we will have to receive from the other body. I say it may be. It may not be. There are certain concurrent resolutions that must be passed by the other body, and we have to wait on them.

Mr. GROSS. Could the gentleman give us any idea how long this recess might be? Will that carry us into the night?

Mr. BOGGS. No. My expectation would be that it would not be long, and it may not be at all.

Mr. GROSS. That would be my hope. If we are going into recess for the transaction of business that could run until late, I would certainly make sure that there was a quorum here to transact such business. I only say this because——

Mr. BOGGS. I am entirely sympathetic with the gentleman's point of view. I am as anxious to let the Members conclude today's business as quickly as possible as the gentleman is, but we are all confronted, I think, with certain inescapable facts.

Mr. GROSS. I say that because I think the good things of life ought to be spread to the greatest number.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

LEGISLATIVE PROGRAM FOR WEEK OF NOVEMBER 29

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I take this time in order to ask the majority leader if he will inform us of the legislative program.

Mr. BOGGS. Will the gentleman yield?

Mr. ARENDS. I yield to the gentleman.

Mr. BOGGS. In reply to the gentleman, let me say that we will conclude the legislative program for this week with the conclusion of the pending bill. We will be in recess all of next week.

When we return on Monday a week, we will continue the consideration of the Federal election reform bill. We will be in the amendment stage on that bill when we return, and a final vote is anticipated either on Monday or on Tuesday.

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That will be followed by H.R. 11589, the foreign sale of passenger vessels, which has previously been on the whip notice. That has an open rule with 1 hour of debate.

Then we will have the D.C. appropriation bill.

I should like to announce in connection therewith that of the foreign aid appropriation and the supplemental appropriation, which are the last two regular appropriations to be considered, are ready for action, we will call them up sometime during that week.

H.R. 1163, strategic storable agricultural commodities amendment, subject to a rule being granted.

Conference reports may, of course, be brought up at any time and any further program will be announced later.

Mr. ARENDS. May I just say to the gentleman that according to this announcement, so the Members may know, the election reform bill will be the first order of business when we return on November 29

Mr. BOGGS. That is correct.

RAILROAD - HIGHWAY SAFETY — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I am pleased to submit to the Congress part I of a two-part study of railroad-highway safety in accordance with the requirements of the Federal Railroad Safety Act of 1970 (P.L. 91-458).

Railroad-highway grade crossing safety is not a simple issue. It has many complexities which arise from such factors as the division of authorities and responsibilities for grade crossing safety among many governmental levels and jurisdictions, the important role of the private railroad companies who own and maintain the rights-of-way, the division of financial responsibilities between government and the private industry, and the cost and reliability of protective devices and grade separations.

The Report was prepared by the Department of Transportation as a comprehensive background survey of the problems involved. It contains a useful history of the grade crossing issue, a review of current problems and a discussion of the grade crossing problem within the context of highway safety.

Any recommendations for specific action will be presented in Part II of this Report to be submitted by next July 1972, under the provisions of the Highway Safety Act of 1970 (P.L. 91-605).

I commend this Report to you as important groundwork for a better understanding of the issues in this field, and I request that any definite legislative action on this subject be deferred until Part II of the Report has been transmitted to the Congress.

RICHARD NIXON.

THE WHITE HOUSE, *November 19, 1971.*

EQUAL EMPLOYMENT

(Mr. DENT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DENT. Mr. Speaker, I read with interest the colloquy in yesterday's RECORD between my colleagues on the Education and Labor Committee, the gentleman from Illinois (Mr. ERLENBORN) and the gentlewoman from Oregon (Mrs. GREEN) concerning the effect of the Equal Employment Opportunities Act as passed by the House. I must say that all the discussion about the Legislative Reorganization Act and whether or not extensions of remarks should be placed in different type, certainly clouds the issue. The heart of the matter is whether the Erlenborn substitute, which was narrowly substituted for the committee bill, supersedes the Equal Pay Act.

In my opinion it does and in rereading the materials which Congressman ERLENBORN released at the time he introduced his bill I get the distinct impression that at that time he may have so concluded as well. In the "Explanation and Analysis of H.R. 9247," which the gentleman from Illinois inserted in the RECORD, he states that the effect of his "exclusive remedy" section was: "to supersede employment discrimination proceedings now being filed under the Civil Rights Act of 1866 and the National Labor Relations Act, amongst others." If the "amongst others" did not include the Equal Pay Act, I would like to know what others it did include. Mrs. GREEN's repeated contentions then, are absolutely precise.

Let me add in conclusion that our opinion of the effect of the Erlenborn substitute is supported by many others outside this Chamber. A casual reading of the hearings held recently by the Senate Labor Subcommittee on their version of the act provides several examples. In particular I call attention to the statements by Olga Mador, vice president of the United Automobile Workers, Mrs. Sherman Ross, chairman of the Legislative Program Committee of the American Association of University Women, and Doris Meisner of the National Women's Political Caucus.

PROVIDING FOR CONSIDERATION OF S. 18, ASSISTANCE TO RADIO FREE EUROPE AND TO RADIO LIBERTY

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 699 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 699

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 18) to amend the United States Information and Educational Exchange Act of 1948 to provide assistance to Radio Free Europe and Radio Liberty. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Foreign Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against said substitute for failure to comply with the provisions of clause 7, rule XVI are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to find passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 699 provides an open rule with 1 hour of general debate for consideration of S. 18 providing assistance to Radio Free Europe and to Radio Liberty. It shall be in order to consider the committee substitute as an original bill for the purpose of amendment and all points of order are waived against the substitute for failure to comply with the provisions of clause 7 of rule XVI—the committee substitute is nongermane.

The purpose of S. 18 is to provide a means for conducting a one-time study and evaluation of Radio Free Europe and Radio Liberty and to provide for financing while the study is in progress.

Until this year Radio Free Europe and Radio Liberty were financed by the CIA. This legislation would establish a tripartite commission, composed of representatives of the legislative and executive branches of the Government and of the public. The commission would expire on July 1, 1973.

The commission will "review and evaluate international radio broadcasting and related activities of Radio Free Europe and Radio Liberty" and report to the President by November 30, 1972.

Thirty-six million dollars are authorized to the chairman of the commission for fiscal year 1972 and $38.520 million are authorized for Radio Free Europe and Radio Liberty for fiscal year 1973 to continue operations pending completion of the study by the commission and action by the Congress.

The Committee on Foreign Affairs reported the bill by a vote of 23 to 1.

Mr. Speaker, I urge the adoption of the rule in order that the legislation may be considered.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur in the remarks made by the distinguished gentleman from Texas (Mr. YOUNG) in explanation of the rule. The reason that all points of orders are waived is included in the rule is because the Senate bill did not have this Commission in it for the study, so this is new material, and we had to waive points of order so that it could be considered.

Mr. Speaker, the purpose of the bill is to authorize funding for both Radio Free Europe and Radio Liberty during fiscal 1972 and 1973, and to create a commission to undertake a study and make recommendations concerning the future operations of the two broadcasting organizations.

The bill authorizes $36 million for fiscal 1972 and $38,520,000 for 1973 to finance the operations of both radio systems.

The report and recommendations which are to be the results of the study required by the bill are to be submitted to the President and the Congress by November 30, 1972. The Commission will cease to exist on July 1, 1973. It is to be composed of nine members as follows:

First, two Members of the House, appointed by the Speaker.

Second, two Members of the Senate, appointed by the President of the Senate.

Third, two members of the executive branch, appointed by the President.

Fourth, three members from the public, knowledgeable in mass communications, appointed by the President, one of whom shall be designated as Chairman by the President.

Radio Free Europe broadcasts to Bulgaria, Czechoslovakia, Hungary, Poland, and Rumania. Radio Liberty broadcasts to Russia. Program content consists of news, music, sports, political commentary, and other features. These programs have a very wide audience, estimated at 50 percent of the population over 14 years of age.

Prior to last year the CIA was the primary source of funds for these operations. Congress has halted this practice and funding is now carried out through the Office of the Secretary of State. However, some permanent system should be developed, if it is found advisable to continue the operations. The responsibility of the Commission is to determine whether these radio systems should be continued, and if so, how they should be administered and funded.

There are no agency letters contained in the report.

There are no minority views.

Mr. Speaker, I urge adoption of the rule.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. YATES).

(By unanimous consent, Mr. YATES was allowed to speak out of order.)

FAA IS DERELICT IN ITS SAFETY INSPECTION PROCEDURES

Mr. YATES. Mr. Speaker, on October 21 of this year, an aircraft operated by Chicago & Southern Airlines crashed in Peoria, Ill., taking the lives of 16 persons. The airline was operating a commuter service between Chicago and Springfield, Ill. It was a service often used by members of the State legislature and others having official business in the State capital.

There were questions from the very beginning about the propriety of awarding this route to Chicago & Southern Airlines. Their record was not good. In fact, the city of Springfield, the Springfield Airport Authority, and the Springfield Association of Commerce and Industry all fought the decision to award the route to Chicago & Southern. An injunction was sought by a competitor against the Chicago & Southern operation, but it was denied in Cook County circuit court.

Despite the misgivings of those who questioned the airworthiness of the aircraft operated by Chicago & Southern Airlines, the Illinois Commerce Commission granted a certificate to the company, and the Federal Aviation Administration certified the company's aircraft as well as their pilots and crews. I want to address myself to the FAA's approval of the company's aircraft, pilots, and crews.

Mr. Speaker, I am very much concerned about the adequacy of FAA certification procedures. Only a month after it was awarded the commuter route, Chicago & Southern Airlines was involved in a series of minor accidents. A major tragedy occurred when a Chicago & Southern chartered plane was involved in a fatal crash in a Cleveland suburb, an accident which also took place after the certificate was awarded.

These FAA-certified aircraft have a record of engine failures, collapsing landing gear, and a propensity for making one-engine approaches to the Springfield airport. Examples of these are enumerated in a complaint filed with the FAA July 20 by the Board of Springfield Capitol Airport.

Why did the FAA certify aircraft with a record such as this? Did the FAA really make a thorough examination of the aircraft operated by Chicago & Southern Airlines and their pilots and crews? The answer, Mr. Speaker, is "No." A review of FAA safety inspection procedures reveals that they were token only, that the FAA, in fact, delegated its safety inspection authority—rather, its responsibility—to the person least likely to perform this function responsibly, the company itself. Oh, it may have made occasional spot checks, but the fact is clear that under FAA's procedures, it authorized inspection of Chicago & Southern Airlines by Chicago & Southern Airlines itself.

Frank Hanson, the pilot who perished in that fatal C. & S. crash of October 1971, was president of the company and a FAA-designated chief check pilot. He was in charge of examining other C. & S. pilots and crews and determining their competency. The company's records disclose that he checked the pilots and approved their competency.

Yet, according to the Chicago Daily News, Frank Hanson himself had been involved in two prior aircraft fatalities, one in Michigan in 1967 and another near O'Hare Airport 3 years earlier. Mr. Hanson had previously been fined for four violations of FAA safety regulations.

On what basis did the FAA find it proper to entrust a pilot with a record such as this with the responsibility for determining the competency of other C. & S. pilots and crews? Compounding this dereliction in safety procedures, the records of the Federal Aviation Administration indicate that Frank Hanson was tested and found competent by his precursor as an FAA-designated check pilot, Mr. James Saterfield. It turns out that Mr. Saterfield was also a Chicago & Southern employee.

The system under which the Federal Aviation Administration delegates its authority in this manner is called the approved inspection program. It is so widespread and patently so inadequate that we must be concerned with the possibility that other crashes will occur at any time under its loose controls.

In the hearings before the Subcommittee on Transportation of the Committee on Appropriations, Mr. George Moore, associate administrator for operations of the FAA, estimated that at least 70 percent of their work in the certification was delegated. This figure was later reestimated by Mr. Moore to "go high as 90 percent."

This system of "delegated authority" is clearly inadequate in assuring public safety. Both in the inspection of airline manufacturing and operation, the FAA had abdicated its responsibility. We do not allow the National Association of Manufacturers to determine violations of the Fair Trade Practices Act, the drug manufacturers to approve the safety of their products. Why should airline companies be in almost total control over questions of safety of their operations? Truly, the FAA has hired the rabbit to guard the lettuce patch, the fox to guard the chicken coop.

Our regulatory agencies are supposed to exist for a reason. The FAA is supposed to assure the safety of commercial airlines operations. Under its current practices, it sloughs off its responsibility, it compromises public trust.

In commercial aviation, consumer protection is the protection of a passenger's life and limb. Those who rely on commercial aviation—the passengers especially, the business community, the general public, and the government—have the right to expect that when they board such planes, the Federal Government attests to the fact that maximum safety revies of pilot and aircraft have been analyzed.

It is up to the FAA to provide this assurance—to tell the public they have done everything possible to insure the safety of the aircraft in which they ride. That is not being done today. And it is up to the Congress to require the FAA to carry out responsibly the safety task assigned to it.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ANDREWS of North Dakota. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify ab-

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sent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 290, nays 3, not voting 137, as follows:

[Roll No. 409]

YEAS—290

Adams	Gonzalez	Murphy, N.Y.
Anderson, Calif.	Goodling	Myers
Andrews, Ala.	Green, Oreg.	Natcher
Andrews, N. Dak.	Green, Pa.	Nedzi
Annunzio	Griffin	Nix
Archer	Gubser	Obey
Arends	Gude	O'Hara
Ashley	Haley	O'Konski
Aspin	Hamilton	O'Neill
Aspinall	Hammer-schmidt	Patten
Begich	Hanley	Perkins
Belcher	Hanna	Pickle
Bennett	Hansen, Idaho	Pike
Berglund	Hansen, Wash.	Pirnie
Betts	Harsha	Poage
Bevill	Harvey	Poff
Biaggi	Hastings	Powell
Biester	Hawkins	Preyer, N.C.
Bingham	Hays	Price, Ill.
Blanton	Hechler, W. Va.	Price, Tex.
Boggs	Heinz	Pucinski
Bolling	Helstoski	Quie
Bow	Henderson	Quillen
Brademas	Hicks, Mass.	Railsback
Bray	Hicks, Wash.	Randall
Brinkley	Hogan	Rangel
Broomfield	Holifield	Rarick
Brotzman	Horner	Rees
Brown, Mich.	Howard	Reid, N.Y.
Brown, Ohio	Hull	Reuss
Broyhill, Va.	Hungate	Rhodes
Buchanan	Hunt	Riegle
Burke, Fla.	Hutchinson	Robinson, Va.
Burke, Mass.	Ichord	Rodino
Burleson, Tex.	Jacobs	Roe
Burlison, Mo.	Jarman	Rogers
Burton	Johnson, Calif.	Roncalio
Byrne, Wis.	Johnson, Pa.	Rooney, N.Y.
Byron	Jones, Ala.	Rooney, Pa.
Cabell	Jones, N.C.	Rosenthal
Caffery	Jones, Tenn.	Rouah
Carney	Karth	Roy
Carter	Kastenmeier	Roybal
Casey, Tex.	Kazen	Ruppe
Chamberlain	Keating	Ryan
Clawson, Del	Kee	Sarbanes
Collins, Ill.	Keith	Satterfield
Collins, Tex.	Kyl	Saylor
Colmer	Kyros	Scherle
Conable	Landgrebe	Scheuer
Conte	Landrum	Schneebeli
Coughlin	Lennon	Schwengel
Daniel, Va.	Lent	Scott
Daniels, N.J.	Lloyd	Selberling
Danielson	Long, La.	Shipley
Davis, Wis.	Long, Md.	Shriver
Delaney	Lujan	Sisk
Dellenback	McCloory	Skubitz
Denholm	McCormack	Smith, Calif.
Dennis	McCulloch	Smith, Iowa
Dent	McDonald, Mich.	Smith, N.Y.
Derwinski	McEwen	Spence
Dickinson	McKay	Springer
Donohue	McKevitt	Stanton, James V.
Dow	McKinney	Steed
Downing	McMillan	Steiger, Wis.
Drinan	Madden	Stephens
Duncan	Mahon	Stratton
Dwyer	Mailliard	Stubblefield
du Pont	Martin	Stuckey
Edwards, Calif.	Matsunaga	Sullivan
Eilberg	Mayne	Symington
Erlenborn	Mazzoli	Talcott
Evans, Colo.	Meeds	Taylor
Fascell	Melcher	Teague, Tex.
Findley	Metcalfe	Terry
Flowers	Michel	Thompson, Ga.
Foley	Mikva	Thompson, N.J.
Ford, William D.	Miller, Calif.	Thomson, Wis.
Forsythe	Miller, Ohio	Thone
Fountain	Mills, Md.	Tiernan
Fraser	Minish	Udall
Frelinghuysen	Mink	Van Deerlin
Frenzel	Minshall	Vander Jagt
Frey	Monagan	Vanik
Galifianakis	Montgomery	Vigorito
Garmatz	Moorhead	Waggonner
Gaydos	Morgan	Wampler
Gettys	Morse	Whalen
Giaimo	Mosher	White
Gibbons	Moss	Whitehurst
Gonzalez	Murphy, Ill.	Whitten
Goodling	Myers	Widnall
Green, Oreg.	Natcher	Wiggins
Green, Pa.	Nedzi	Williams
Griffin	Nix	Wolff
Gubser	Obey	Wyatt
Gude	O'Hara	Wydler
Haley	O'Konski	Wylie
Hamilton	O'Neill	Wyman
Hammer-schmidt	Patten	Yates
Hanley	Perkins	Yatron
Hanna	Pickle	Young, Fla.
Hansen, Idaho	Pike	Young, Tex.
Hansen, Wash.	Pirnie	Zablocki
Harsha	Poage	Zion
Harvey	Poff	Zwach
Hastings	Powell	
Hawkins	Preyer, N.C.	
Hays	Price, Ill.	
Hechler, W. Va.	Price, Tex.	
Heinz	Pucinski	
Helstoski	Quie	
Henderson	Quillen	
Hicks, Mass.	Railsback	
Hicks, Wash.	Randall	
Hogan	Rangel	
Holifield	Rarick	
Horner	Rees	
Howard	Reid, N.Y.	
Hull	Reuss	
Hungate	Rhodes	
Hunt	Riegle	
Hutchinson	Robinson, Va.	
Ichord	Rodino	
Jacobs	Roe	
Jarman	Rogers	
Johnson, Calif.	Roncalio	
Johnson, Pa.	Rooney, N.Y.	
Jones, Ala.	Rooney, Pa.	
Jones, N.C.	Rosenthal	
Jones, Tenn.	Rouah	
Karth	Roy	
Kastenmeier	Roybal	
Kazen	Ruppe	
Keating	Ryan	
Kee	Sarbanes	
Keith	Satterfield	
Kyl	Saylor	
Kyros	Scherle	
Landgrebe	Scheuer	
Landrum	Schneebeli	
Lennon	Schwengel	
Lent	Scott	
Lloyd	Selberling	
Long, La.	Shipley	
Long, Md.	Shriver	
Lujan	Sisk	
McCloory	Skubitz	
McCormack	Smith, Calif.	
McCulloch	Smith, Iowa	
McDonald, Mich.	Smith, N.Y.	
McEwen	Spence	
McKay	Springer	
McKevitt	Stanton, James V.	
McKinney	Steed	
McMillan	Steiger, Wis.	
Madden	Stephens	
Mahon	Stratton	
Mailliard	Stubblefield	
Martin	Stuckey	
Matsunaga	Sullivan	
Mayne	Symington	
Mazzoli	Talcott	
Meeds	Taylor	
Melcher	Teague, Tex.	
Metcalfe	Terry	
Michel	Thompson, Ga.	
Mikva	Thompson, N.J.	
Miller, Calif.	Thomson, Wis.	
Miller, Ohio	Thone	
Mills, Md.	Tiernan	
Minish	Udall	
Mink	Van Deerlin	
Minshall	Vander Jagt	
Monagan	Vanik	
Montgomery	Vigorito	
Moorhead	Waggonner	
Morgan	Wampler	
Morse	Whalen	
Mosher	White	
Moss	Whitehurst	
Murphy, Ill.	Whitten	
Murphy, N.Y.	Widnall	

NAYS—3

Gross	Hall	Schmitz

NOT VOTING—137

Abbitt	Dorn	Mathis, Ga.
Abernethy	Dowdy	Mills, Ark.
Abourezk	Eckhardt	Mitchell
Abzug	Edmondson	Mizell
Addabbo	Edwards, Ala.	Mollohan
Alexander	Edwards, La.	Nelsen
Anderson, Ill.	Esch	Nichols
Anderson, Tenn.	Eshleman	Passman
Ashbrook	Evins, Tenn.	Patman
Badillo	Fish	Pelly
Baker	Fisher	Pepper
Baring	Flood	Pettis
Barrett	Flynt	Peyser
Bell	Ford, Gerald R.	Podell
Blackburn	Fulton, Tenn.	Pryor, Ark.
Blatnik	Fuqua	Purcell
Boland	Gallagher	Roberts
Brasco	Goldwater	Robison, N.Y.
Brooks	Grasso	Rostenkowski
Broyhill, N.C.	Gray	Rousselot
Byrne, Pa.	Griffiths	Runnels
Camp	Grover	Ruth
Carey, N.Y.	Hagan	St Germain
Cederberg	Halpern	Sandman
Celler	Harrington	Sebelius
Chappell	Hathaway	Shoup
Chisholm	Hébert	Sikes
Clancy	Heckler, Mass.	Slack
Clark	Hillis	Snyder
Clausen, Don H.	Horton	Staggers
Clay	Jonas	Stanton, J. William
Cleveland	Kemp	Steele
Collier	King	Steiger, Ariz.
Conyers	Kluczynski	Stokes
Corman	Koch	Teague, Calif.
Cotter	Kuykendall	Ullman
Crane	Latta	Veysey
Culver	Leggett	Waldie
Davis, Ga.	Link	Ware
Davis, S.C.	McCloskey	Whalley
de la Garza	McClure	Wilson, Bob
Delaney	McCollister	Wilson, Charles H.
Dellums	McDade	Winn
Devine	McFall	Wright
Diggs	Macdonald, Mass.	
Dingell	Mann	
	Mathias, Calif.	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Gerald R. Ford.
Mr. Blatnik with Mr. Anderson of Illinois.
Mr. Boland with Mrs. Heckler of Massachusetts.
Mr. Byrne of Pennsylvania with Mr. Sandman.
Mr. Celler with Mr. Devine.
Mr. Davis of South Carolina with Mr. Goldwater.
Mr. Dingell with Mr. Esch.
Mr. Flood with Mr. McDade.
Mr. Fulton of Tennessee with Mr. Mizell.
Mr. Fuqua with Mr. Bell.
Mrs. Griffiths with Mr. Cederberg.
Mr. Runnels with Mr. Collier.
Mr. Roberts with Mr. Whalley.
Mr. Kluczynski with Mr. Blackburn.
Mr. Link with Mr. Nelsen.
Mr. McFall with Mr. Teague of California.
Mr. Mathis of Georgia with Mr. Pelly.
Mr. Nichols with Mr. Winn.
Mr. Pepper with Mr. Snyder.
Mr. Purcell with Mr. McClure.
Mr. Rostenkowski with Mr. Don H. Clausen.
Mr. Charles H. Wilson with Mr. Bob Wilson.
Mr. Sikes with Mr. King.
Mr. Slack with Mr. Kuykendall.
Mr. Staggers with Mr. Baker.
Mr. Barrett with Mr. Horton.
Mr. Addabbo with Mr. Robinson of Virginia.
Mr. Brasco with Mr. Halpern.
Mr. Delaney with Mr. Fish.
Mr. Dorn with Mr. Jonas.
Mr. Mollohan with Mr. Camp.
Mr. Macdonald of Massachusetts with Mr. Clancy.
Mr. Mann with Mr. Broyhill of North Carolina.
Mr. Pryor of Arkansas with Mr. Pettis.
Mr. St Germain with Mr. Kemp.
Mr. Gray with Mr. Hillis.
Mr. Brooks with Mr. Ashbrook.
Mr. Anderson of Tennessee with Mr. McCloskey.
Mr. Abbitt with Mr. Edwards of Alabama.
Mr. Ullman with Mr. Eshleman.
Mr. Passman with Mr. McCollister.
Mr. Edmondson with Mr. Cleveland.
Mr. Dowdy with Mr. Steiger of Arizona.
Mr. Evins of Tennessee with Mr. Mathias of California.
Mrs. Grasso with Mr. Crane.
Mr. Hagan with Mr. Veysey.
Mr. Wright with Mr. Grover.
Mr. Patman with Mr. Latta.
Mr. Chappell with Mr. Peyser.
Mr. Clark with Mr. Conyers.
Mr. Leggett with Mr. Diggs.
Mr. Waldie with Mr. Stokes.
Mr. Flynt with Mr. Rousselot.
Mr. Gallagher with Mr. Mitchell.
Mr. Carey of New York with Mr. J. William Stanton.
Mr. Corman with Mr. Davis of Georgia.
Mr. Alexander with Mr. Ruth.
Mr. Baring with Mr. Sebelius.
Mr. Podell with Mr. Dellums.
Mr. Cotter with Mr. Shoup.
Mr. Abourezk with Mr. Badillo.
Mr. Culver with Mr. Steele.
Mr. Mills of Arkansas with Mr. Ware.
Mrs. Abzug with Mr. Clay.
Mrs. Chisholm with Mr. Koch.
Mr. de la Garza with Mr. Hathaway.
Mr. Eckhardt with Mr. Harrington.
Mr. Abernethy with Mr. Fisher.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. ABOUREZK. Mr. Speaker, I was not present when the vote was just taken on House Resolution 699, and I wish to announce that if I had been present I would have voted "yea."

PROVIDING ASSISTANCE TO RADIO FREE EUROPE AND TO RADIO LIBERTY

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 18) to amend the U.S. Information and Educational Exchange Act of 1948 to provide assistance to Radio Free Europe and Radio Liberty.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MORGAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 18, with Mr. BRINKLEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. MORGAN) will be recognized for 30 minutes, and the gentleman from California (Mr. MAILLIARD) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. MORGAN).

Mr. MORGAN. Mr. Chairman, I yield myself such time as I may consume.

(Mr. MORGAN asked and was given permission to revise and extend his remarks.)

Mr. MORGAN. Mr. Chairman, S. 18 authorizes funds to finance the operation of Radio Free Europe and Radio Liberty for 2 years. It also provides for a commission to make a study of what these programs are trying to do and the best way to do what should be done in the future.

I am afraid that there is a good deal of misunderstanding about Radio Free Europe and Radio Liberty.

They exist primarily to serve the listening audience in the satellite countries of Eastern Europe and listeners in the Soviet Union with uncensored programs of local interest.

Both Radio Free Europe and Radio Liberty operate primarily from Munich. Radio Free Europe directs its programs to the Eastern European countries. Radio Liberty directs its programs to the Soviet Union. Both concentrate on news and comment on developments within the individual countries concerned.

They are staffed by people who have left these countries, who speak the language and who know the interests and reactions of the people in the various countries.

These operations are fundamentally different from the Voice of America. The Voice of America is concerned with U.S. foreign policy and with events and issues of worldwide interest.

Originally, these stations were concerned primarily with cold war issues. In recent years, they have focused on news and comments of interest to their listeners, much of which would be broadcast by their own stations if they were not subject to censorship.

Although Radio Free Europe and Radio Liberty have been in existence for more than 20 years, this is the first opportunity the House has had to pass judgment on them. The reason is that heretofore they have been funded by the Central Intelligence Agency. That source of funds has been ended. It is, therefore, necessary to authorize and to appropriate funds for their continued operation in the usual manner.

Both stations were incorporated in the United States in the years immediately following World War II when the cold war was getting underway. Radio Free Europe broadcasts to five Soviet bloc countries—Bulgaria, Czechoslovakia, Hungary, Poland, and Rumania. The broadcasts to each of these averages 15 hours a day in their native language. Radio Liberty broadcasts are directed to the people in the Soviet Union. Those broadcasts, which are around the clock, are made in Russian and 17 other major languages that are spoken in that country. Although the administrative headquarters of both organizations is in the United States, their base of operations is principally in Germany. The German Government licenses the stations as foreign nonprofit corporations.

The objectives of Radio Free Europe and Radio Liberty are much the same.

Members are well aware that the Soviet Union and the Soviet bloc countries practice heavy, even oppressive, censorship within their borders. It is only through the broadcasts of these two organizations that it is possible for the citizens of those countries to know what is going on in their own countries. Each organization maintains a highly specialized staff that analyzes news and information that comes from behind the Iron Curtain, whether in writing or in broadcasts. The quality of the staff work is recognized by western scholars, journalists, and government officials. In addition to news and information, the broadcasts are interspersed with music and other cultural material, sports, and other features.

Clearly, the unique contributions of Radio Free Europe and Radio Liberty arise from the fact that they provide material that would be available to their listeners if their own governments did not engage in censorship.

The Congress is faced with the issue whether Radio Free Europe and Radio Liberty serve our national interests and, if so, what is the best way to fund them.

The Senate provided stopgap financing for 1 year while it awaited the results of two reports—one by the General Accounting Office and one by the Library of Congress—to make a final determination. The administration recommended the creation of the American Council for International Communications, which would be a Government-financed but operationally independent agency.

The committee considered both the interim and the permanent approach. After hearings and executive consideration, we decided that there were too many unknows to warrant endorsing a permanent organization. We believed that large policy issues should be considered as well as plans for operation.

The committee, therefore, amended the Senate bill to provide for a far-ranging study by a body that would include Members of Congress as well as outside experts. Such a study would be carried out by a commission that would report by November 1972, and go out of business not later than June 1973. Pending the completion of that study, we also authorized funding for 2 fiscal years. In short, ours is also a stopgap measure that makes no final judgment on the future of Radio Free Europe and Radio Liberty at this time.

Mr. Chairman, I think we have chosen the only responsible course in this matter. I urge the House to pass this bill.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman.

Mr. STRATTON. I wonder if the distinguished chairman of the Committee on Foreign Affairs could explain what is the difference between these two radios included in this legislation and Radio Free Asia and why is that organization which appears to be on a par with these two not included in the legislation?

Mr. MORGAN. There is, as you know, a broadcasting station on Taiwan that broadcasts to Siberia and the parts of Russia that are in Asia. They do not broadcast to China, but the transmitter is on Taiwan.

Mr. STRATTON. Is there not an organization which calls itself Radio Free Asia and does that have the same sponsors?

Mr. MORGAN. That does not have the same sponsorship. I do not believe it is financed with Government funds. It may receive private contributions.

Mr. CABELL. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Texas.

Mr. CABELL. I thank the gentleman in the well for yielding.

I would like to say that several years ago I had the pleasure of serving as State chairman for Radio Free Europe in my State, and to have spent 2 weeks in Germany going over it carefully and trying very diligently to pick it to pieces. I have never found a better instrumentality for putting the American philosophy across to those people behind the Iron Curtain than Radio Free Europe was able to do.

I would like also to call the attention of this body to the fact that Radio Free Europe and its activities are not to be confused with the Voice of America program. Voice of America has a tinge that Radio Free Europe does not have because it has been separated from a strictly governmental agency.

I wish to commend the work that this committee has done and the chairman for bringing this legislation to light. I sincerely hope that this one instrumentality for bringing truth behind the Iron Curtain will be kept up. To prove the effectiveness of the program, if the Russians did not know that we are making inroads on their philosophy, they would not spend the millions of dollars they are spending in trying to jam the programs of Radio Free Europe.

Mr. MORGAN. I thank the gentleman from Texas. I share his views and I urge passage of the bill.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

Can you tell the Committee who is in charge of programing? Who determines the program content?

Mr. MORGAN. They have a large staff of specialists. As I said, the headquarters is in New York, but most of the staff is located in Munich, Germany. The overall supervision is in the hands of people in New York who are not government officials but who understand broadcast operation. Radio Free Europe is headed by William P. Dunkirk. On the board of directors are distinguished individuals including Gen. Lucius Clay. But the real programing is done by the professional staff in Munich, Germany. They run what is largely a news broadcasting operation.

XUM

Mr. MAILLIARD. Mr. Chairman, I rise today in support of S. 18. This bill, as amended by the Committee on Foreign Affairs, would create a temporary commission for conducting a one-time study of Radio Free Europe and Radio Liberty. The legislation would also provide financing for their operations on an interim basis.

It is my opinion, Mr. Chairman, that a study and evaluation of the international radio broadcasting activities of Radio Free Europe and Radio Liberty is very timely.

These radios have been operating since shortly after World War II. Radio Free Europe and Radio Liberty act as "domestic" radios providing news and information that is not supplied by the Communist government controlled news organs. The emphasis of these radios is upon encouraging liberalization and peaceful reform. On the whole, I believe they have done a good job.

However, after so many years of operation, I think it is appropriate that a commission conduct an independent and comprehensive study. The commission, consisting of nine members, representing the legislative branch, the executive branch, and non-Government experts, would go out of business after the completion of its study, no later than July 1, 1973.

Radio Free Europe broadcasts to five Soviet bloc countries—Bulgaria, Czechoslovakia, Hungary, Poland, and Rumania. Radio Liberty broadcasts to the Soviet Union in Russian and 17 other major languages spoken in that country. The focus in both Radio Free Europe and Radio Liberty is upon objective and accurate news reporting and balanced commentaries. They seek to encourage indigenous forces of peaceful reform as they provide news that listeners would receive from stations in their own countries if censorship did not exist.

Finally, I would like to emphasize the difference between these stations and the Voice of America, since their roles and functions are sometimes confused. Voice of America broadcasts on a worldwide basis as the radio arm of the U.S. Information Agency. Its purpose is to report and interpret U.S. life and policy. By contrast Radio Free Europe and Radio Liberty emphasize news, information, and entertainment, with a highly localized content and appeal. Their function and purpose are entirely different from the Voice of America. They use different frequencies and different transmitters from the Voice of America.

Mr. Chairman, while Radio Free Europe and Radio Liberty have done a good job, I believe the time has come to review their operations as we consider their future. In the meantime we should provide interim financing as provided for in the bill before us. I urge your support of S. 18 as amended by our committee.

Mr. HOGAN. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Maryland.

(Mr. HOGAN asked and was given permission to revise and extend his remarks.)

Mr. HOGAN. Mr. Chairman, I rise in support of S. 18, providing assistance to Radio Free Europe and to Radio Liberty.

The principal purpose of this Senate bill is to create a temporary mechanism for conducting a one-time study and evaluation of Radio Free Europe and Radio Liberty, and to provide for interim financing of those operations while the study is in progress. To this end, enactment of this legislation will establish a nine-member Commission on International Radio Broadcasting, composed of representatives of the legislative and executive branches of the U.S. Government and of the public.

Both Radio Free Europe and Radio Liberty were conceived in the years immediately following World War II and have been funded, until this past fiscal year, by the Central Intelligence Agency. The legislation before us is nothing more than a stopgap measure until the Commission reports its findings in 1973 as to whether these radio stations should continue in the future to be financed by the U.S. Government and, if so, how they should be financed.

Mr. Chairman, in the 3 years that I have represented the people of Maryland's Fifth Congressional District in this body, I have joined each year during the third week in July—Captive Nations Week—with numerous of my colleagues in commemorating the observance of this week.

Despite the worldwide publicity given to the U.S. Captive Nations Week resolution when it first passed the 86th Congress in July 1959, and the annual reports on it since, it still remains a mystery why so few in the free world comprehend the captive nations concept. Similarly, there are few people today who could give an intelligent answer when asked what Radio Free Europe or Radio Liberty are.

To enumerate the captive nations accurately and historically one must begin in 1920 with the subjugation of Byelorussia, Ukraine, Georgia, Armenia, and several others in the Soviet Union. The second wave of Communist aggression reduced Latvia, Estonia, and Lithuania to captivity in the early 1940's. The third wave in the late 1940's enslaved a whole new group of nations, including Hungary, Poland, Czechoslovakia, Albania, and many others.

It was during this third wave, in the late 1940's and early 1950's, that Radio Free Europe and Radio Liberty came into being. The current emphasis of RFE is to give encouragement to the indigenous forces of peaceful reform and to provide a mechanism for increasing within authoritarian governments the public accountability of public officials for their public acts. Radio Liberty broadcasts, on the other hand, offer positive alternatives to the Soviet system, couched in friendly terms, and for the most part, by indirection. In recent months Radio Liberty has devoted an increasing amount of its programs to the plight of Soviet Jews.

Mr. Chairman, during the 13th annual commemoration of Captive Nations Week this past July, I wrote to each Member of this body requesting my colleagues to join me in sponsoring a resolution to safeguard the Hungarian Holy Crown of St. Stephen. In my letter to my colleagues, I said:

> In the past years, many of us have joined together during this week and, on the floor of the House, lamented the plight of those many foreign nations who still live under Communist domination and oppression. Unfortunately, too often each year, our words are forgotten as quickly as they are spoken. Rarely is it possible to take some kind of constructive action which will live on after the well-meaning words have long since died away.

Thirty-nine of my colleagues have joined me in sponsoring a resolution (H. Con. Res. 385), expressing the sense of Congress that the Holy Crown of St. Stephen—Hungary's national treasure and symbol of constitutional government—should remain in the safekeeping of the United States until such time as Hungary once again functions as a constitutional government established through the free choice of the Hungarian people.

Similarly, Mr. Chairman, this legislation before us today again gives the Members of this body another opportunity to act, rather than merely to speak. The hopes of these peoples, and the hopes of their brothers and sisters in this country, are dependent upon the continuance of such activities as Radio Free Europe and Radio Liberty. I urge my colleagues to approve this legislation with dispatch.

Mr. MONAGAN. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Connecticut.

Mr. MONAGAN. Mr. Chairman, there is one point that I think is extremely important, which should be considered by the committee, and which is referred to in the report, and that is the importance of maintaining the morale of the many devoted people who are working for these agencies.

I myself feel that it would be helpful for us to emphasize the fact that many, if not most of us, believe strongly in the objectives and workings of these agencies and that this report and this action is not in any way meant to prejudge that there will be a termination of these activities.

Mr. MAILLIARD. Mr. Chairman, I would agree with the gentleman.

Mr. MONAGAN. Mr. Chairman, I support this legislation to provide assistance to Radio Free Europe and Radio Liberty for a period of 2 fiscal years and to authorize the formation of a commission to study the problem of the continuation and support of these two related activities.

The revelation of past governmental support of these broadcasting facilities has raised this problem and obviously it must be settled. I believe that much helpful work is done by these two organizations in news reporting, in commentary upon international happenings and in explanation of the workings of our society. It is interesting to note that the Germans are about to construct a station that will be more expensive by far than the facilities which we are discussing and the Chinese also have plans for a very substantial facility.

The main justification for the continuance of this function is the gradual education of people behind the Iron Curtain in the ways of democracy and the provision for them of a balanced appraisal of the happenings in this country and throughout the world.

I know from experience the avidity with which people in the socialist countries look for dispassionate news sources and we provide them with a notable service in bringing unadulterated news and commentary to them. In addition, in this way we furnish the basis for the eventual return of representative government to these countries while giving proportion to the distorted picture of the United States which they might otherwise derive from the information agencies available to them. This bill will also provide a commission to make a very necessary long-range study of this whole problem and with directions that a response be made to the Congress in time to determine what the future policy of our Government will be in this regard. I support this bill and hope that it will be adopted.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman for yielding.

I arise to say I feel very strongly that both Radio Free Europe and Radio Liberty make sense. I would guess that any evaluation of their functions would come to that same conclusion. This is not arguing against the advisability of setting up a commission. I certainly would have no reason to suggest that a commission is not necessary.

I think it is important that we continue these activities. This legislation, for that reason, is important, because it does provide authority for the financing for a 2-year period of both these Radios.

I would like also to point out, because there is sometimes confusion, the different roles played by Radio Free Europe and Radio Liberty and the Voice of America. The Voice of America, as its name implies, basically is interested in and concentrates on reporting on the American scene and the American way of life. In contrast, Radio Free Europe and Radio Liberty are in effect national voices of the geographical areas to which they send their broadcasts. They analyze and they organize news from certain countries, and report to them in the same way that an independent radio station would if their governments had such programs.

We need to keep the distinction between the two types in mind, and we need also to recognize that both have their place.

Our committee discussed the possibility of the Voice of America taking over the activities of Radio Free Europe and Radio Liberty. Although we should not prejudice, or predict, what the commission may decide, I hope that a merger will not be recommended by the commission, as the responsibilities are quite different.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Michigan.

RADIO FREE EUROPE AND RADIO LIBERTY AS SEEN BY DIPLOMATS AND SCHOLARS

Mr. BROOMFIELD. Mr. Chairman, in looking at the radios, their aims, their methods and their impact, we should consider not only the views of the administration but also the views of independent observers who are able to make meaningful judgments about their work. We need to hear the words of disinterested and expert scholars and journalists throughout Western Europe and the United States. We need to examine the thinking of former Ambassadors who were stationed in the countries concerned and the statements of people who have recently come from those countries and who were dependent for their knowledge on what they heard over those radios.

In the committee hearings, testimony was given by the Honorable U. Alexis Johnson, Under Secretary of State, based on his experience as Ambassador to Czechoslovakia. The record also includes impressive, firsthand testimony by three recent emigres from Poland, Czechoslovakia, and the Soviet Union, and from two of our former Ambassadors to the Soviet Union and Poland, respectively, Foy Kohler and John Gronouski. The record also includes statements by Prof. Zbigniew Brzezinski, director of the Research Institute on Communist Affairs at Columbia University and by a spokesman for the Polish-American Congress.

All of those witnesses strongly supported the continuation of the work of the radios. They were reflective of the serious concern in the academic and political worlds that this valuable service might be coming to an end. However, these statements were by no means the only ones being made publicly. For example, Dr. Hugh Seton-Watson, the distinguished professor of Russian history at London University and one of the most knowledgeable scholars on Eastern European affairs in the Western World, wrote to the London Daily Telegraph, in part, as follows:

> For the great majority of the people in the censor-ridden Communist world, broadcasting is the only means the West has of conducting a dialogue with them. . . . I know from long personal experience that both the Europeans and the Americans responsible for running Radio Free Europe are extremely well informed, balanced in their judgments and in no sense fanatical crusaders. On the contrary, they are people who have been working for years to bring about true understanding.

One might question whether these Western opinions were valid if they were not echoed even more strongly from the East. A recent emigre, Mr. Henryk Birecki, wrote a letter to the Washington Star a short time ago in which he outlined his own background as a Communist official in charge of the Department of Cultural Exchanges in the Polish Foreign Office and then made an eloquent plea for continuing the radios. He talked about the deep concern in the Polish Communist Party about the influence of Radio Free Europe and how the decision was made to use all available diplomatic and secret channels to bring about its closure. He then said:

> The day when this goal will have been achieved will be a dark one for all these members of the Communist establishment who, like myself, have never lost hope that the system may become more humane and tolerant, less cruel and aggressive. They will lose a powerful ally.

These radios have been called the voice of the silent opposition in Eastern Europe. Their news broadcasts and commentaries are read and discussed daily both by the peoples and by their Communist leaders. There is good reason to believe that even the central committees of the Eastern European Communist Parties start their days by reading broadcast summaries. As Birecki said:

> Communist leaders who have become prisoners of their own monopoly of information need this radio for their own private enlightenment, but at the same time fear its impact on others.

After listening to all of the evidence about these radios, the Foreign Affairs Committee voted to report out the bill we have before us. It provides for the establishment of a commission which will examine thoroughly the operations of the radios but will do so within the overall context of international radio broadcasting. Before making its recommendations, the commission can look thoroughly into what the radios do and not just what others say they do. It can look into how the information is gathered, how reliable it is, and what kind of impact it makes. If it chooses, it can examine broadcasting done by others in the area and broadcasting done by the Soviet bloc. All this will take some time and the November 30, 1972, deadline for the commission's report is designed to allow for careful study. To set a shorter period would mean that we would have to consider permanent legislation almost as soon as action on the present bill is completed. I hope that the House will accept this bill and that the funds will be provided to carry on with this important work.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I rise today to express my strong support for S. 18.

The Commission it would establish is essential to proper congressional consideration of the future of Radio Free Europe and Radio Liberty. The money it would authorize—$36 million for fiscal year 1972 and $38.5 million for fiscal year 1973—would continue the operations of these radios during this interim period.

The hearings of the Committee on Foreign Affairs have provided firm evidence of the success of these radios during the years in which they have operated.

The need for their services was well stated by former Ambassador to Poland, John A. Gronouski, when he testified before our committee. Mr. Gronouski said:

> It is not enough for the people of Eastern Europe to get undistorted news of events in other parts of the world, however important this in itself may be. It is even more important that they have access to information about events in their own country other than that which those in control wish to make known.

XUM

For if the international community is to make progress toward the East-West detente about which we all dream, this will come about through pressure exerted on their own governments by an informed citizenry.

This is the role, Mr. Chairman, that Radio Free Europe and Radio Liberty are helping to fulfill in their 24-hour-a-day broadcasts to the oppressed people of the Soviet bloc.

I would remind my colleagues of the House that much as we wish it, the battle for the minds of men is not yet over. So long as censorship prevails in the Soviet bloc, their citizens will seek to know the truth.

If we tire of the competition and write off the minds of millions in the Soviet bloc, we reduce their ability to influence their governments toward the liberalization of policies. To achieve a generation of peace, we must continue to compete for the minds of men.

Mr. Chairman, I would direct the attention of the House to the Commission which this legislation would establish. The Commission—composed of representatives of the legislative and executive branches of Government, and of the public—will perform an extremely important function as it reviews and evaluates the activities of Radio Free Europe and Radio Liberty.

The legislation we are considering today is a sensible and reasonable solution to the problem of funding Radio Free Europe and Radio Liberty. I urge its approval.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, as the distinguished chairman of the Committee on Foreign Affairs (Mr. MORGAN) indicated at the outset, the legislation before the House embodies a compromise and provides interim financing for the broadcasting operations of Radio Free Europe and Radio Liberty.

I had suggested that compromise when it became apparent, after several days of active consideration of the matter at hand, that neither the Senate proposal—which called for a 1-year authorization of appropriations through the Department of State—nor the executive branch request—which envisioned the setting up of a permanent corporation to fund these activities—would carry in the Committee on Foreign Affairs.

The alternative which is embodied in the amended bill, S. 18, attempts to steer a middle course:

It recognizes that these broadcasting activities, financed for years through the CIA, have been, and may well continue to be, an important adjunct of the overseas operations of the U.S. Government;

It acknowledged that most of us here know all too little about them, or about their relevance to our country's current foreign policy undertaking; and

It provides for a way in which these broadcasting activities can be reassessed by an impartial panel in which the executive branch, the Congress and the public will participate. This task of reassessment is essential.

During the past two decades, without most of the Members of the Congress being informed about it, several hundred million dollars of the taxpayers' money has been spent on these operations.

This represents very substantial, and enduring, commitment of public funds and governmental support.

We cannot, in all logic and fairness, either terminate or perpetuate this commitment without knowing what it is all about.

The solution which I have proposed envisions the setting up of a tripartite Presidential commission which can do a thorough job of evaluating these operations and informing the Congress, and the public, about their relevance to today's and tomorrow's foreign policy of the United States.

This job will take at least a year. When it is completed, the commission will go out of existence and the Congress, supplied for the first time with relevant information, can decide what should be done about these activities.

In the meantime, the legislation before us will also provide interim financing for Radio Free Europe and Radio Liberty—financing through an independent commission, rather than through the Department of State.

OPPOSING ARGUMENTS

Mr. Chairman, the amended bill, S. 18, came to the floor of the House with bipartisan support. It was reported from the Committee on Foreign Affairs by a vote of 23 to 1. And it is, we have been told, fully acceptable to the administration.

Nevertheless, some objections have been raised to it, first, on the grounds that Presidential commissions often have a way of perpetuating themselves without rendering effective service; and, second, on the grounds that interim financing through the State Department would be preferable to an independent agency route.

The Committee on Foreign Affairs has considered both arguments and rejected them for the following reasons:

First, the bill before us provides clearly that the commission which will study the operations of Radio Free Europe and Radio Liberty will go out of existence by July 1, 1973. There is no way in which the commission can perpetuate itself under this legislation. This is a one-shot affair designed to accomplish a specific job. Once that job is done, the commission will be finished and will cease to exist.

Second, as to performance, the commission is being given a very definite, clear-cut assignment. It is required by legislation to report on that assignment to the President and the Congress. And to assure that the commission does not fall down on the job, part of the membership will be drawn from the Congress.

Finally, regarding the financing of Radio Free Europe and Radio Liberty operations, our committee has considered the possibility of using the State Department route and has rejected it for very good reasons. Neither of these two radio operations is a part of the State Department. Neither of them has been officially connected with the normal foreign policy apparatus of the U.S. Government. For some 20 years, these radio broadcasting activities have been financed by the CIA and conducted under the cloak of "private" sponsorship. This is no time to shove them on the Department of State. The administration does not want that; the State Department does not want it; and the Committee on Foreign Affairs has recommended against it.

I hope and urge that the House approve the recommendations of the committee.

UNITED STATES SPEAKS WITH MANY VOICES

Mr. Chairman, I would like to take this occasion to comment on a separate, but related, subject: The need for a thorough reappraisal of all overseas broadcasting activities of the U.S. Government.

For a number of years, while serving as chairman of the Subcommittee on International Organizations and Movements, I was deeply involved in a study of the impact on foreign audiences of the many far-flung and uncoordinated overseas broadcasting activities of the U.S. Government.

In Europe alone, for example, there are some 155 U.S.-financed radio transmitters which operate on short-wave, medium-wave and long-wave frequencies, broadcasting American messages to tens of millions of Europeans and Asians.

There is the Voice of America, the official information arm of the U.S. Government.

There are Radio Free Europe and Radio Liberty, whose primary targets are Eastern Europe and the Soviet Union.

There is RIAS—Radio in the American Sector in Berlin—which entertains American troops as well as millions of West and East Germans with American jazz, news, and other programs.

Then there is a special megowatt transmitter in Munich which is used occasionally to jam Soviet broadcasts to Eastern Europe.

And, finally, there is the Armed Forces Network which numbers many millions of Europeans among its audience.

All of these activities are supported by the American taxpayers, operate with the sanction of the U.S. Government, and, whether rightly or wrongly, are deemed to carry out Nation's message to the world.

The problem is that each of these operations is fairly autonomous and neither the Congress nor the American people have any clear idea of how much they cost, how they carry out their respective mandates, or whether they contribute to the advancement of our national objectives abroad.

Three years ago, in a report entitled "The Future of U.S. Public Diplomacy," our subcommittee recommended that the U.S. Government undertake a thorough reexamination of these and many other overseas information activities financed with Federal funds. The need for such a reappraisal is still urgent.

CONCLUSION

In conclusion, Mr. Chairman, I would again urge the House to approve S. 18 as reported by the Committee on Foreign Affairs.

This action not only will contribute to a solution of an immediate problem and help the Congress obtain the necessary information to make an intelligent determination regarding the future of Radio Free Europe and Radio Liberty, but may also provide us with valuable experience and insights regarding how other problems in this area could be approached.

(Mr. WAGGONNER, at the request of Mr. FASCELL, was granted permission to extend his remarks at this point in the RECORD.)

Mr. WAGGONNER. Mr. Chairman, I submit that if we are going to find a solution to the question of how to preserve the good work of Radio Free Europe and Radio Liberty, we must be very clear about what it is we are preserving.

It has sometimes been fashionable to dismiss these unique communications activities as reactionary left-overs from the cold war. It may have been fashionable, but it has little to do with the facts.

The Los Angeles Times columnist Robert S. Elegant pointed this out last March, in a column which was reprinted in a number of leading papers. The attacks on Radio Free Europe and Radio Liberty by Communist governments are at least logical from the Communist point of view, Mr. Elegant said, because:

Authoritarian governments are understandably distressed by outsiders challenging their monopoly of information.

But in the West, Mr. Elegant said:

Attacks are levelled by the wrong people for the wrong reasons . . . True liberals should . . . support the stations' aims: free information and East-West relaxation . . . The fundamental point is simple. Neither tensions within Communist society nor tension between East and West would miraculously disappear if both stations went off the air tomorrow . . . Despite their human imperfections, both seek to reduce internal and international tension by the best means known to man—the freer flow of information.

This point deserves repeating. The distinguished Swiss newspaper Neue Zuercher Zeitung made its own thorough investigation of Radio Free Europe and Radio Liberty this spring and commented on June 30:

The reason and justification for these stations are to be found in the fact that the Communist states know no freedom of opinion—that they hinder a free exchange of information . . . In our modern age of global communications and mass media, the leaders in Moscow and the East European countries try to work against this communication, keeping the Curtain closed at least to that extent, maintaining a "camp of controlled information."

And the Swiss paper concluded:

It is their sealing-off that is unnatural and contradictory to the tendency of our age toward immediate, global and varied information—not the existence of the two stations, which fulfill important functions as gates to a world-wide process of communication, and thus actually serve that coexistence about which so much is said . . .

If we doubt this, we have only to turn to the Communists' themselves. When Czechoslovakia was occupied by Soviet and allied arms in 1968, and told to restore the censorship it had dropped during the Prague spring, party leader Dubcek and his Central Committee were forced to issue a resolution stating, and I quote:

The press, radio and television are primarily an instrument for the implementation of the policy of the Party and state . . . They are responsible for the mass-information media working in an exclusively socialist spirit.

Now you and I may say that in the long run censorship cannot work. And indeed it does not, but only because organizations such as Radio Free Europe and Radio Liberty believe that truth is not a tool of political control but an absolute value, and act on that belief.

Even wiser heads in Eastern Europe realize the same things. One notable example is Wladyslaw Bienkowski—an old party man, a distinguished sociologist, a former Polish Minister of Education and friend of former Polish Party Leader Gomulka. Here is what he wrote about his own party's efforts at censorship, in a book published late in 1969—a book which, incidentally, had to be published outside of Poland. I quote:

Today, when techniques of communication have done away with distances . . . the hierarchical method of selecting and censoring information has become a glaring anachronism. . . . If the authorities of a country employ the tactics of evading problems and hiding facts from their own people, there will always be others to do the job for them—who will inform the people, in the language of the country, and tell them why their own government kept these particular facts from them.

And Bienkowski goes on:

It is astounding and alarming how far the influence of this foreign propaganda—represented chiefly by Free Europe—has extended not only over the society, but over our authorities.

Today's Communist leaders would also do well to read their own Karl Marx. Here is what the founder of the movement wrote for a German paper, 139 years ago:

A censored press remains a bad thing, even when it publishes good products . . . A free press remains a good thing, even when it believes in bad products . . . The character of a censored press is the characterless disorder of unfreedom, a "civilized" atrocity, a perfumed monster.

Now, all of us can agree on the virtues of a free press and a free flow of information everywhere. But there are still two questions to which we should have clear answers:

First: If we carefully abstain from activities which the Communist leaderships of East Europe and the Soviet Union find objectionable, will they see the light? Will they abandon their ideological campaigns and efforts to arm their own people against us psychologically?

And second: Are these two radios actually worthy instruments to keep the channels of information open?

As to the first point, let me turn to official evidence from East Europe. In an April 1970 article, the then chairman of the Hungarian Parliament, Gyula Kallai, explained peaceful coexistence this way:

The policy of peaceful coexistence is cooperation as well as struggle at the same time. The method to be applied is cooperation and competition in the economic and scientific fields, and struggle in the political, diplomatic and ideological spheres.

This spring the official weekly of the Czechoslovak Party, Tribuna, predicted that through the decade ahead:

There will hardly be any reduction of tension in the ideological field . . . It is a long-term trend which will grow even sharper in the '70's.

As to whether Radio Free Europe and Radio Liberty are worthy instruments of freedom of information, allow me to quote a few impartial witnesses—neither East European nor American:

I have mentioned the Swiss daily Neue Zuercher Zeitung in another connection. In its June 30 study of the two stations, this paper also said, and I quote:

A critical look at the broadcasts shows that RL and RFE work with the same methods and sources as other Western radio stations, and are just as open and accessible as the latter, so that one cannot speak of secret or "agitating" stations . . . the news programs are put together from material from Western agencies and from the official pronouncements of the Communist countries. These news programs are varied and objective.

This June, Poland's Foreign Minister protested to the Bonn Government about RFE's broadcasts, which he called a "hostile activity." The Polish press chimed in to accuse Radio Free Europe of "false information" and "subversive activity." In response, the major West German daily Sueddeutsche Zeitung—a supporter of the Brandt administration—took an unusual step: It printed translations of a full day's news programs of Radio Free Europe's Polish service, spread across much of two pages, and invited its readers to judge for themselves whether Radio Free Europe was objective.

The Dutch National Radio Service also made a careful study and broadcast a documentary lasting almost an hour. The broadcast ended with this comment:

Radio Free Europe is not out of date . . . We would be doing an injustice to the people in East Europe if the station were to be closed down . . . Radio Free Europe is looked upon by the peoples of the East bloc countries in the same way we Dutchmen looked upon the BBC and *Radio Oranje* (the Dutch wartime freedom station) during World War II.

In regard to broadcasting to the Soviet Union, we have an eloquent statement from Anatoli Fedoseyev, the Russian scientist recently defected from the Soviet Union to England.

In talking about the shortsighted policies of the Soviet Government in the economic field, he said that the Soviet Union could, under other policies, make rapid advances and doing so would automatically put an end to the present tensions in Europe. He then asks:

What can the outside world do to speed change . . .? The answer is simple: Increase the flow of information. There is no need for anyone to try to teach the Soviet people what to think. But there is an enormous and insatiable demand for information, for facts, about the outside world, about other Communist countries, and especially about the Soviet Union itself. The citizens of the Soviet Union are often the last people to hear news of events inside their own countries.

Mr. Chairman, all of us want a relaxation of tension and a growth of understanding and trust between this country and the Communist world. But we cannot

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afford to forget that such policies are real and durable only when they are backed by the will of informed peoples on both sides of the world. Let me close with the words of a very perceptive editorial which appeared in the Washington Post June 25. Said the Post:

Detente, if it means anything, means widening the West's contacts with the East, not helping the East seal off its people from the West. It means the exchange of people, goods, words and ideas. This is the essential business of RFE and RL. The Congress, in its rightminded determination to shake the stations free of the CIA, should not lose sight of the reason for letting them continue it.

(Mr. SIKES, at the request of Mr. FASCELL, was granted permission to extend his remarks at this point in the RECORD.)

Mr. SIKES. Mr. Chairman, in the discussion of Radio Free Europe and Radio Liberty, I would like to look at the other side of the coin for a moment.

I am speaking of the international political effort of the Communist world—particularly as it displays itself through radio broadcasting.

Of course, you run into a contradiction immediately here. The Communist view of the doctrine of peaceful coexistence—whatever it means—does not include ideological coexistence—that is, a free exchange of ideas and information.

Thus if Western stations broadcast the truth as they see it, into areas under Communist control, that, in the eyes of Moscow and Warsaw and Prague is a violation of the spirit of peaceful coexistence. But if Communist governments are doing the broadcasting—and Radio Moscow is the world's leading international broadcaster—it seems to be something else again. Like all of us—but without any occasional saving grace of humility the Communists believe they have a patent on truth.

Soviet Party leader Leonid Brezhnev drew this distinction very plainly in his "State of the Union" message to the Soviet Party Congress this spring, when he said:

We are living in conditions of unceasing ideological warfare.

The Soviet leader evidently believes he has a patent on truth, and he proposes to use it. He went on to say:

Let the voice of truth about the Soviet Union be heard on all continents of the earth.

It is also interesting that Poland—after abstaining for many years—has recently resumed intensive "jamming" of RFE broadcasts. The Polish regime might be expected to argue—as its propagandists already argue—that RFE is a barrier to relaxing tensions in Europe because it interferes in internal affairs—Communist style.

However, we have heard nothing about any restriction of Soviet-bloc international broadcasts. And some of them are truly remarkable.

For example, in its broadcasts to Japan Radio Moscow has criticized local election candidates for—in its words—"flooding the voters' ears with sweet-sounding promises." To Indonesia, Radio Moscow quoted a publication of the outlawed Indonesian Communist Party and called on the Indonesian people for a confrontation with what it called the "new-order regime and its reactionary schemes."

A Soviet-operated station calling itself "Peace and Progress" radio has consistently criticized the Indian Government as well as non-Communist opposition parties in that country for the last 3 years. Other bloc broadcasts call for their listeners to overthrow the government of Turkey, Greece, Iran, and Brazil.

Soviet propaganda to West Germany goes still further. There is a powerful German-speaking radio—"Soldiers' Station 935"—which tries to create the impression that it is speaking from inside West Germany—but actually comes from East Germany; it addresses itself directly to the West German armed forces, and advises them on how to resist cooperation with NATO.

In other words:

At a time when the Soviet Union and its allies are campaigning to shut down Radio Free Europe and Radio Liberty, their own propaganda stations are going full blast.

The fact is that the Soviet Union today is broadcasting in some 79 languages for 332 hours daily—an increase of 14 percent in the last 4 years. In 1970, radio stations of the Communist states aired just under 1,000-hours a day in 99 languages. A recent British study of Communist broadcasting concluded that—and I quote:

Radio propaganda remains the most important means at the disposal of Communist countries in their attempts to gain credibility and to influence international developments in favor of Communist aims.

Therefore—even if RFE and Radio Liberty were to use the kind of tactics many Soviet broadcasts do—the Soviet and East European effort to call "foul" against Radio Free Europe and Radio Liberty would ring a bit hollow.

Mr. Chairman, the comment has been made in this country that Radio Free Europe is an anachronism, that it is out of place in an age of detente—an age, hopefully, of negotiation.

The answer to that charge is that in the attempt to bring about more normal relations between East and West, it is very important indeed to provide to East Europeans a full range of news and opinions about their own affairs as well as external matters. It is essential that East Europeans know the full truth about the real requirements for peace. Judging by careful interviews of East European travelers done by public opinion research institutes, Free Europe is heard regularly by 31 million people, over half the population over 14 in its audience area. In effect, it is they who have answered those who contend the radios have no function in the present era. Thirty-one million people do not listen to an anachronism. They do listen to Radio Free Europe in areas where it is very important that our side be heard. I consider it essential that this program continue.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Chairman, I commend the Committee on Foreign Affairs for reporting this legislation to amend the United States Information and Educational Exchange Act of 1948 to provide assistance to Radio Free Europe and Radio Liberty (S. 18).

These two information programs have been in operation since shortly after the close of World War II. At that time the threat of Soviet aggression still existed throughout countries of Western Europe.

To my mind the cheapest and probably the most effective offense and defense that the free world has against Communist aggression is to acquaint the people of the world both behind and outside the Communist Iron Curtain with the real facts and truths about Communist tyranny and enslavement. Numerous reports come from behind the Iron Curtain by the people who listen to the broadcast of Radio Free Europe and Radio Liberty to many of the secret operations of Communist tyranny from the standpoint of concealed enslavement of its people and the punishment rendered to its citizens who do not conform.

Through this information millions behind the Iron Curtain receive first-hand information of important news from the outside world and knowledge that our Nation and other free nations have not given up hope, and that the United States is continuing its programs and sacrifices to aid them in their fight for eventual freedom. Entertainment and informative programs are broadcast into their homes conveying aspects of American life and culture which is of great value to the families who are receiving the service of these broadcasts. For the billions of dollars that the American taxpayers have paid to curb the Communist tyranny from expansion, I think the educational and informative programs originating from Radio Free Europe and Radio Liberty are the most effective and produce great results in our program to curb Communist expansion throughout the free world.

Mr. PIRNIE. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from New York.

Mr. PIRNIE. I thank the gentleman for yielding.

I, too, wish to express my appreciation of the mission of Radio Free Europe and the way in which it conveys inspiration and encouragement to its millions of listeners behind the Iron Curtain. It does express in a very vivid and very appropriate manner the ideals and the true spirit of America, and does keep alive the spirit of freedom in the hearts of those who have reason to feel oppressed because of the environment in which they are forced to live. I have supported this program since its inception and am proud of its achievements.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. I thank the gentleman for yielding. I see by the report that Radio Free Europe had an additional $1.5 million in operating funds, which came from private sources, and Radio Liberty has almost no private contributions. Can the gentleman explain what is the source of the $1.5 million, and why people would be interested in contributing to one and not to the other?

Mr. MAILLIARD. I cannot give a positive answer to that, but I have heard on the radio and various other places appeals for private contributions for Radio Free Europe. I do not recall ever having heard one for Radio Liberty. They are separate. I would suppose it would depend on the effort they might make to get private contributions.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Of course, Radio Free Europe has always had an organized fund-raising campaign. There have been frequent announcements on television and the radio. Radio Liberty has no organized campaign, and receives only a few small contributions from individuals who have a serious interest in the program. They make no public solicitation whatsoever. Their donations and contributions have been very small, I would say not more than $5,000 or $10,000 a year.

Mr. MAILLIARD. I should think that is the case.

Mr. MILLER of Ohio. I thank the gentleman.

Mr. Chairman, I support S. 18.

Mr. FRENZEL. Mr. Chairman, I note that the committee report indicates in recent months Radio Liberty has devoted an increasing amount of its program to the plight of the Soviet Jews, and indicates that cultural programs have been featured along with Jewish holidays. I notice also that the Radio Liberty broadcasts in 17 languages. A number of us have tried to get some of its programing done with full programs in Yiddish. Radio Liberty and Radio Free Europe have resisted those suggestions. In my judgment, this is an important symbolic gesture on our part that these programs be made in Yiddish. I am wondering if the committee took this up and can give us any assurance that this kind of programing may be forthcoming.

Mr. MAILLIARD. I do not recall this particular question coming up during the hearings, but I did not attend them all. I will be glad to yield to the chairman of the committee for a response.

Mr. MORGAN. I agree with the gentleman who asked the question, that it is proper that some broadcasts should be in Yiddish. I want to assure him that the commission that will be formed to make a study under this bill will definitely have a responsibility to determine whether some of the broadcasts should be in Yiddish and Hebrew.

Mr. FRENZEL. Mr. Chairman, then I have the assurance of the committee chairman and the ranking Republican member that they will bend all their efforts to see to it we do get some broadcasts in Yiddish?

Mr. MORGAN. The bill provides that there will be two Members of the House on this commission. I am sure that whoever the the House Members on the commission are, they will recognize the importance of the issue which the gentleman has raised.

Mr. MAILLIARD. I am quite certain that this is one of the subjects that the commission should make some recommendations on.

Mr. FRENZEL. I thank both of the gentlemen, and I endorse this program wholeheartedly.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Chairman, I rise in strong support of this resolution simply because Radio Free Europe and Radio Liberty have been two of the most effective links that the free world has had with the people behind the Iron Curtain.

I had occasion to review many of the broadcasts of Radio Free Europe and some of the other work they are doing. I believe that Radio Free Europe has provided the heartbeat of hope and it continues to provide that heartbeat of hope for 180 million people behind the Iron Curtain living in the captive nations of Europe who, by listening to the Radio Free Europe program and broadcasts, are constantly reminded that we, as the free people of the United States, have not forgotten them and that we share in their great hope for the liberation and liberalization of these people with their ultimately rejoining the free nations of the world.

I think the adoption of this resolution will be a great morale booster for the many wonderful people who work for Radio Free Europe, people who have been making an enormous contribution. They are all people who have been carrying on this relentless struggle behind the Iron Curtain.

I must say that they have been showing a great deal of professionalism which they have developed over the years and that this has brought a great degree of confidence to the people listening to the broadcasts. Those who listen to Radio Free Europe and its broadcasts behind the Iron Curtain have certainly been given a great deal of hope from those broadcasts.

I have been behind the Iron Curtain to some of those countries and talked to those people and discussed with them the value and the importance of Radio Free Europe and Radio Liberty. In both instances they tell us that frequently this is the only link they have with the free world. Radio Free Europe is the only method by which these people can continue to understand what is happening to the rest of the world.

I certainly hope that the Commission goes over the program and sees to it that we have a continuation of the Radio Free Europe broadcasts after the 2-year period and that they give serious consideration to restoring Radio Free Cuba along with Radio Free Europe and Radio Liberty.

We had a very effective Radio Free Cuba operating into Cuba for a number of years and then it was shut down during the hysteria that swept this country a few years ago.

It seems to me that it is important for us to continue to get behind the Iron Curtain of Cuba and bring to the Cuban people the truth about America and what is happening on this continent.

So, I am most pleased and wish to congratulate the gentleman from Pennsylvania (Mr. MORGAN) and his committee on both sides of the aisle for not succumbing to the hysteria that swept our country a few years ago when there were strong voices trying to sweep aside Radio Free Europe for people behind the Iron Curtain.

Mr. Chairman, I think the Foreign Affairs Committee has shown excellent judgment in bringing this bill before the House and affording us an opportunity to vote on this measure in order to show the people in RFE the great confidence that we have in what they are doing.

So, Mr. Chairman, I strongly support the adoption of this measure.

Mr. MAILLIARD. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. REID).

Mr. REID of New York. Mr. Chairman, I wish to commend the Committee on Foreign Affairs and the chairman and ranking minority member for the action they are taking today on bills that were initially introduced by Senator CASE and myself, the purpose of which was to facilitate and insure ultimate direct funding for Radio Free Europe and Radio Liberty and to separate the funding from the CIA, thereby to increase, we believe, the credibility of the stations.

Mr. Chairman, I very much hope that the 2-year funding that is called for in the House version of the bill will prevail in any conference with the Senate. I think the assurance of continuity of these two stations is very important from several standpoints, not the least of which involves the personnel of the stations. Equally important, there are certain diplomatic implications beyond the study.

This study will take 1 year, and I hope that it may conclude not only that there is merit to continuing these stations, but also that they will be placed in broad-based American Council that would be analogous, perhaps, to the British Council which has so effectively carried forth endeavors that facilitate open communications.

I believe, therefore, that this bill should be supported. I think it only fair to say that when I was recently in Poland it was very clear that Radio Free Europe had played a very key, sensitive, and thoughtful role in reporting on the events brought on by the student riots in 1968 and, subsequently, in 1970.

These stations must become independent of the U.S. Government. Otherwise their credibility will be open to increasing question. And furthermore, we are dealing here with a sophisticated operation that must function within parameters of sensitivity, judgment, and the dictates of the truth.

What is called for is fidelity—straight news reporting, because we get from this a sensitivity to the kind of straight news that these countries do not have because of censorship, but which can be of very real benefit to the furtherance of open communications leading to higher living standards, more freedom and personal liberties in these countries.

Mr. BUCHANAN. Mr. Chairman, I rise in support of S. 18, as amended by the House Foreign Affairs Committee, because I believe the continuance of U.S. assistance to Radio Free Europe and Radio Liberty to be essential to the struggle for human rights around the world.

This legislation proposes a study, to be conducted by a Commission on International Radio Broadcasting, to determine what role the United States should play

in the support of Radio Free Europe and Radio Liberty in the future.

The House version also provides interim funds, totaling $36 million for fiscal 1972 and $38.52 million for fiscal 1973, to enable these two vital networks to continue broadcasting daily news and features behind the Iron Curtain where many people are denied even the day-to-day reports of events occurring in their own countries.

Through such factual broadcasts they fill the void of information so necessary to world understanding—a void created by Government control of news media.

During hearings on these two stations, the Foreign Affairs Committee heard testimony on the widespread influence and effect of both networks, first by former Soviet residents who believe strongly that the broadcasts of Radio Liberty can reach sufficient listeners to ultimately help bring about changes and give rise within the Soviet Union to greater freedoms. We heard similar opinions expressed by other former Iron Curtain residents about Radio Free Europe.

As one witness so poignantly described it:

Thought control was what enabled Stalin to invade Finland, Poland and the Western Ukraine, what enabled Hitler to occupy much of Europe. It is now being practiced at dangerous levels throughout the Soviet bloc.

While millions of Americans daily listen to and read the news and a divergency of opinion from independent media, they often take this uncensored dissemination of news for granted.

We in the United States have the opportunity to insure, through Radio Free Europe and Radio Liberty, that those behind the Iron Curtain will continue to receive at least a little of the truth for which they so hunger.

In my judgment, Mr. Chairman, these networks can help to bridge the gap of understanding between East and West and the truth itself can provide a foundation for peace with freedom in our time.

Support for S. 18 will guarantee the continuation of this vital service to millions of people who are daily denied the truth and thereby the weapon for freedom.

Mr. HORTON. Mr. Chairman, I rise in support of S. 18 as amended. The Foreign Affairs Committee of the House has acted wisely in calling for an extensive evaluation of Radio Free Europe and Radio Liberty while, in the interim, authorizing funds for their continued operation.

The measure reported out of the House Committee would establish a tripartite commission made up of representatives of the Congress, the executive branch, and the public. The commission is to review and evaluate the activties of Radio Free Europe and Radio Liberty and submit the results of its study to Congress by November 30, 1972. The bill authorizes appropriations to the commission chairman of $36 million for fiscal year 1972 and $38.5 million for fiscal year 1973 to enable Radio Free Europe and Radio Liberty to continue operations pending congressional evaluation of its report.

This approach is a realistic one. In the first place, it accomplishes the immediate goal of removing all secrecy and hidden funding of Radio Free Europe and Radio Liberty. At the same time, the bill withholds final judgment on whether and how to fund these broadcast operations. I am gratified that both the measure passed by the Senate and the bill under consideration by the House recognize the importance of continuing RFE and RL broadcasts pending further congressional evaluation.

The debate over the future of Radio Free Europe and Radio Liberty has perhaps received as much attention in the foreign press as in our own country. At this point, I would like to share with my colleagues several commentaries about RFE and RL that have appeared in the West European press:

The London Daily Telegraph on June 9 of this year stated:

There is now talk of revising the status of these stations, and signs of a "liberal" offensive on their freedom. It is odd that the self-appointed defenders of civil liberty in the West should have so little concern for the same liberties in the East. Would it really make the world any safer or the Soviet leaders any nicer if our last thin line of communication with the people of the Communist world were cut?

In August 1968, the Manchester Guardian observed:

When the West bemoans that it can do nothing to help, it forgets that it can supply information, and that is what eastern Europe needs to keep its hopes alive . . . It is not only in Czechoslovakia that honest news is needed. All the other satellite countries keep their people in ignorance of the facts. . . In fighting the sort of tyranny we now see in eastern Europe, a good transmitter is worth at least one nuclear submarine.

The Paris Nouvel Observateur commented in January of 1970:

No other station in the world, American or other, exercises such influence direct or indirect on the public opinion of five countries. . . . its five radios are certainly more dangerous today than they were yesterday for the East European regimes.

The Muenchner Merkur, a West German paper, stated in June of this year:

Careful analyses by the Federal Press Office already showed weeks ago that the American (RFE) take great pains, with extreme journalistic care and objectivity, in the formulation of their broadcasts. Precisely this—the non-tendentious representations of daily events in the West and East—is probably the true stumbling block for Warsaw.

The Hamburg liberal paper, Die Zeit, commented on July 2, 1971:

Factual accuracy and objectivity are the first order of news analysis (at RFE), which depends on the superlatively reliable and careful work of an 80-man-strong Research and Analysis Department . . . The "agitation station" in Munich help to close gaps which continue to arise thanks to the anachronistic information policy of the Communist regimes.

Mr. Chairman, the above comments demonstrate the tremendous importance other Free World countries place on the role of RFE and RL. A more extensive analysis of these radio stations appeared in the Zurich daily Neue Zuericher Zeitung entitled "Free News for Unfree Countries." This article further illustrates the strong support of RFE and RL by the press in Western Europe and I commend it to my colleagues' attention during the current debate:

[Translation from Neue Zuericher Zeitung, June 20, 1971]

FREE NEWS FOR UNFREE COUNTRIES

With a screeching crescendo, Communist propaganda is increasing its campaign against Radio Free Europe (RFE) and Radio Liberty (RL), and presents them as major hindrances to a relaxation of tensions in Europe. Both stations were set up at the beginning of the 1950's by the Americans in Munich for the purpose of broadcasting information behind the Iron Curtain and to giving the peoples of Eastern Europe and the Soviet Union their own voice. According to the late President Kennedy, they were created to give the people on the other side of the Iron Curtain a sign that they have not been forgotten, and to guarantee "that the peoples of all countries receive the truth and through it are able [to make] intelligent judgments."

OPEN WORLD ON THE AIRWAYS

The two stations, whose programming centers are located in Munich, are independent of each other, have their own desks and broadcasting installations, and have different tasks. Radio Liberty broadcasts to the Soviet Union—from Lampertheim, Spain, and Taiwan, with a capacity of 1,840,000 watts—in Russian and 17 other languages of the Soviet peoples. Radio Free Europe has five transmitters in Holzkirchen, nine transmitters in Biblis, and eighteen transmitters in Portugal (including four each with 100 and 250 kilowatts) with a total strength of 2245 kilowatts, broadcasting daily 20 hours to Czechoslovakia, 19 hours to Poland and Hungary, 12 hours to Rumania, and 8 hours to Bulgaria. The reason and justification for these stations are to be found in the fact that the Communist states know no freedom of opinion, that they hinder a free exchange of information, and that the ruling Party maintains its opinion monopoly with every available means. In our modern age of global communication and mass media, the leaders in Moscow and the East European countries try to work against this communication, keeping the Curtain closed at least to that extent, maintaining a "camp" of controlled information. It is their sealing off that is unnatural and contradictory to the tendency of our age toward immediate, global, and varied information—not the existence of the two stations, which fulfill important functions as gates to a worldwide process of communication and thus actually serve that coexistence about which so much is said, not hindering it, as they are accused of doing.

SOVIET COUNTERMOVES

Since Khrushchev's successors, out of their fear of "convergence" and growing intellectual opposition, introduced a re-ideologization in the spirit of the Brezhnev Doctrine, and in April 1968 called for "ideological class struggle," they have been conducting an intensified battle against the influence of foreign radio broadcasts in the area they rule. The programs directed at the Soviet Union and Eastern Europe, not only by Radio Free Europe and Radio Liberty but by the BBC, Voice of America, and Deutsche Welle as well, are fought against as "indirect imperialist subversion." Jamming stations, which had been closed down during the period of Khrushchev's coexistence policy, went back into action (with the exception of Hungary and Rumania); and in the Soviet Union, the punishment for listening to foreign stations was increased. As these countermeasures apparently bore little fruit, the Soviet leaders are trying by propagandistic and diplomatic means to silence the stations themselves. This is the goal of the campaign directed against RFE and RL, which, as American organizations operating from the territory of the Federal Republic, are apparently the most vulnerable.

RL's supporter is the Radio Liberty Committee in New York, whose honorary president is Harry Truman and which is directed by former Deputy Secretary of State Howland Sargeant. RFE belongs to Free Europe, Inc., led by prominent personalities of America and advised by a Western European committee under Dirk Stikker. It had already been known for a long time that these stations were not being operated solely with contributions from American organizations and private persons; the recent revelation by Senator Case of the financing by the CIA was thus no surprise. However, President Nixon's initiative to put the financing of the stations on a new basis and thus insure their further activity is combined by Congress with its own drive for greater control over the government's foreign policy, and has found an opponent in Senator Fulbright.

Communist propaganda is, of course, trying to take advantage of these domestic American discussions. The information broadcast by RL and RFE is presented to their own subjects as "imperialist agitation" from the "CIA's witches' kitchen," and, appealing to latent anti-Semitic sentiments, is denounced as "Zionist propaganda." The 20th Olympic Games in Munich in 1972 are being used as the lever with which to demand a closing down of the stations whose activity, according to the Soviet version, would be contrary to the "Olympic spirit." The magazine *Sport v SSR* even threatened in April that one could not expect Communist sportsmen to appear in a place like Munich where anti-Communist and "revanchist" organizations were active. However, Avery Brundage indicated in a television interview on May 9 that an exchange of letters with the presidents of the radio stations had given him assurance that they understand the ideals of the Olympic Games and will comply with them, and he said he believed "that there should be no difficulty from this side."

PRESSURE ON BONN AND MUNICH

The campaign against the Munich stations is, however, not only concentrated on the Olympics, but is broadly connected with Brazhnev's Western policy. Moscow and Warsaw are obviously trying to infer from the treaties with Bonn the demand for suspension of the freedom stations; they see in them a danger for "European security." The Polish Government recently even undertook diplomatic steps in Washington and Bonn to achieve the closing down of RFE. The Bonn Government, which is responsible for granting the license to broadcast and has just renewed it for another year, has reacted to such pressure soberly and calmly until now. For legal, organizational, and technical reasons it would in any case be impossible to close RL and RFE overnight. Observing the Communist campaign directed against the Munich stations, one can see the GDR as the driving force, as well as the close cooperation among the orthodox forces in the Eastern Bloc. The fact that the radio and press in East Germany, the Ukraine, and White Russia are the strongest agitators against the two stations' presence in the Federal Republic gives rise to the suspicion that these attacks could have something to do with the criticism of Moscow's understanding with Bonn which has cropped up in those areas.

NUMEROUS LISTENERS

Communist propaganda's constant attacks on RL and RFE are an indirect proof of their effectiveness among the population of Eastern Europe and the Soviet Union. Even Party leaders admit that the programs from RL and RFE are widely spread in their countries and that they serve as a source [of information] for the rulers themselves. In the Soviet Union, there are about 27 million radio sets with short-wave reception, which means that every fifth adult Soviet citizen can receive foreign broadcasts. It is estimated that in times of crisis over two-thirds of the Soviet citizens listened to foreign stations. Radio Free Europe has, through continuing empirical surveys and constant interviewing of tourists from Eastern Europe, been able to produce a more exact picture of its listening audience and their reactions and attitudes, confirmed and supplemented by official surveys in Eastern Europe. It has been ascertained that nearly 31 million, or one-half, of the residents over 14 years of age in the target countries listen to RFE: in Poland alone, 12 million (59%); in Rumania, 6.5 million (57%); in Czechoslovakia, 5.5 million (50%); in Hungary, four million (55%) and in Bulgaria, 2.5 million (44%). The most recent surveys clearly indicate how, during and after the Polish unrest in December, the number of listeners rose abruptly—RFE's listening audience in Poland to 83%, in Rumania to 66%, and in Hungary to 78%.

WIDE SELECTION

A critical look at the broadcasts shows that RL and RFE work with the same methods and sources as other Western radio stations and are just as open and accessible as the latter, so that one cannot speak of secret or "agitating" stations. However, they do place greater emphasis on spoken information; 16% of the broadcasting time at RL and RFE is reserved for news. The news programs are put together from material from Western agencies and from the official proclamations of the Communist countries. These news programs are varied and objective—which even the Communist side cannot completely deny, as they recently have had to wage their battle against the "de-ideologization" of Western radio propaganda. For instance, Moscow accuses Radio Liberty, which it tries to portray as a disturbance to European "relaxation of tension," of having a [too] stressed interest in questions of European unity and security.

The two stations have one special and important function: the communication of Western press voices to those countries in which the population is not allowed to buy foreign newspapers. Radio Liberty broadcasts several times daily in 18 languages—a five-minute press review, and transmits in addition texts or excerpts from important editorials and reportage in well-known newspapers. Radio Free Europe broadcasts press reviews daily to Bulgaria, Poland, and Rumania (10 minutes apiece), Czechoslovakia (15 minutes), and Hungary (25 minutes). Not only American newspapers are cited in them, but the Western European press as well has a lot to say, including *l'Unita* and *Humanite*.

Let us look at an example: On May 25, RFE included in its press review for Rumania and in information programs in the Rumanian language the following material: commentaries from AFP, Daily Telegraph, and UPI on Podgorny's trip to Cairo (6 minutes); Federal Chancellor Brandt's interview in *Spiegel* on Ostpolitik and a Berlin agreement (5 minutes); the statement by Czech exile politicians in the *Neue Zuercher Zeitung* on the Prague Party Congress (5 minutes); Paul Wohl in the *Christian Science Monitor* on the ideals and experience of the Soviet population (10 minutes); Ernst Fischer's essay "The Revolution is Different" in excerpts (7 minutes); and Topping's report in the New York Times on Chou En-lai's statements on the Soviet-China conflict (8 minutes). This transmission of Western press voices gives the listeners in Eastern Europe and in the Soviet Union a view of the world which they wish for and something against which to measure their own Party press. Communist journalists have demanded, in the face of RL's and RFE's effectiveness, that greater openness and broader coverage be permitted in their own press and in the mass media.

EASTERN COPYING

The Communist side even uses as much as it can the freedom of opinion in the West to spread its own propaganda and to interfere in the internal affairs of other countries. For example, *Radio Prague* operates in Spanish and Italian among the Gastarbeiter in the Federal Republic [of Germany] and Switzerland. The form of organization and manner of working of the two Munich stations has been copied by the Soviet Union and, in addition to the official *Radio Moscow*, an allegedly independent *Radio Peace and Progress* has been created, which is supposedly run by the trade unions, journalists' union, and the *Novosti* agency, and which obviously is connected with the Soviet KGB (Secret Service). This radio, by the way, also uses transmitting installations outside of the Soviet Union—for example, for its German language broadcasts it uses a relay transmitter in the area of Leipzig. *Radio Peace and Progress* by far outdoes *Radio Moscow* as concerns sharpness; in Chinese it is the mouthpiece of anti-Maoist propaganda. When the Indian Government protested against attacks by *Radio Peace and Progress*, the Soviet Government declared (with a shrug) that it has no influence on this "independent station". . .

Mr. FRASER. Mr. Chairman, I support the proposal to establish a commission to make recommendations as to the future status of Radio Free Europe and Radio Liberty. I have always believed that this country should exert maximum efforts toward reducing cold war tensions with Eastern Europe and the Soviet Union, and also that the people of those countries—and everywhere as well—are entitled to objective and accurate reporting of the news. I would hope that the activities of Radio Free Europe and Radio Liberty would have a constructive influence in both regards. Certainly, if they serve to aggravate the tensions and their news reporting is slanted in favor of a certain point of view, they do not deserve official support from the U.S. Government.

S. 18, the bill on this subject as passed by the other body, was unsatisfactory in that it simply authorized appropriations in the budget of the State Department to fund these two activities without concerning itself with the effect of the activities on U.S. foreign policy. On the positive side, the bill did provide for overt fundings through the Department of State, an improvement over the previous methods of funding by the Central Intelligence Agency. In the course of hearings on this subject in the Committee on Foreign Affairs, I became particularly concerned with the lack of effort or intentions on the part of the executive branch to undertake a serious evaluation of the radio's consistency with U.S. foreign policy goals. Most of the testimony we heard simply applauded the past work of Radio Free Europe and Radio Liberty without getting to the more fundamental question of what relationship the ongoing operation might or ought to have with the U.S. Government. In this time of rapid change and realinements in international politics, this question must be addressed with serious deliberation.

S. 18, as amended by the Committee on Foreign Affairs, at the initiative of our colleague, the distinguished gentleman from Florida (Mr. FASCELL), provides for both an evaluative study and interim financing for the two radio activities while the study is in progress. The membership of the proposed commission would be balanced, with representatives

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from the executive branch, both Houses of Congress, and the private sector. Those who share my concern that these activities and the executive branch should not be given carte blanche without regard to the foreign policy implications in a fast changing world, should be encouraged that S. 18, as amended, withholds final judgment on whether—and how—to fund these two activities. At the end of the study period of approximately 1 year, we should be in a much better position to determine the proper role of the U.S. Government regarding Radio Free Europe and Radio Liberty.

Mr. MORGAN. Mr. Chairman, I have no further requests for time.

Mr. MAILLIARD. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the substitute committee amendment printed in the bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is established a commission to be known as the Commission on International Radio Broadcasting (hereinafter referred to as the "Commission") composed of nine members as follows:

(1) Two Members of the House of Representatives appointed by the Speaker of the House of Representatives.

(2) Two Members of the Senate appointed by the President of the Senate.

(3) Two members appointed by the President from among officers and employees of the executive branch of the Government.

(4) Three members appointed by the President from private life, including experts in mass communication in the broadcasting field.

(5) The President shall designate one of the members appointed from private life to serve as Chairman of the Commission. Any vacancy in the membership of the Commission shall be filled in the same manner as in the case of the original appointment.

SEC. 2. (a) It shall be the duty of the Commission to review and evaluate international radio broadcasting and related activities of Radio Free Europe and Radio Liberty.

(b) The Commission shall submit its report to the President for transmission to the Congress not later than November 30, 1972, setting forth the results of its findings and conclusions, together with such recommendations as it may deem appropriate, including, but not limited to, recommendations with respect to future management, operations, and support of such activities; establishment of a corporate or other entity to administer support for, or to conduct, such activities; and protection of the rights and equities of past and present employees of Radio Europe and Radio Liberty.

(c) The Commission shall cease to exist on July 1, 1973.

SEC. 3. (a) In addition to his function as head of the Commission, the Chairman of the Commission shall provide grants to support the broadcasting activities of Radio Free Europe and Radio Liberty and submit to the President for transmission to the Congress not later than November 30, as appropriate, of each grant made and a statement describing the utilization of each such grant.

(b) There are authorized to be appropriated to the Chairman for carrying out the purposes of this section, $36,000,000 for the fiscal year 1972 and $38,520,000 for the fiscal year 1973. Except for funds appropriated pursuant to this section, no funds appropriated after the date of first appropriation pursuant to this Act may be made available to or for the use of Radio Free Europe or Radio Liberty.

SEC. 4. (a) Members of the Commission who are Members of Congress or officers or employees of the executive branch shall serve without compensation for their services as members of the Commission. Members of the Commission who are not Members of Congress or officers or employees of the executive branch shall receive per diem at the daily rate prescribed for level V of the Executive Schedule by section 5316 of title 5 of the United States Code when engaged in the actual performance of duties vested in the Commission. All members of the Commission, while away from their homes or regular places of business in the performance of services for the Commission, shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(b) The Chairman of the Commission is authorized to appoint and fix the compensation of such personnel as may be necessary. Such personnel may be appointed without regard to provisions of title 5, United States Code, covering appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Any Federal employee subject to civil service laws and regulations who may be appointed by the Chairman shall retain civil service status without interruption or loss of status or privilege. In no event shall any individual appointed under this subsection receive as compensation an amount in excess of the maximum rate for GS–18 on the General Schedule under section 5332 of title 5, United States Code.

(c) In addition, the Chairman of the Commission is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the maximum rates for GS–18 on the General Schedule under section 5332 of title 5, United States Code.

(d) Upon request of the Chairman of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist it in carrying out its duties under this section.

(e) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 5. There are authorized to be appropriated to the Commission such sums as may be necessary for its administrative expenses.

Mr. MORGAN (during the reading). Mr. Chairman, this bill was printed August 3 and I am confident that everyone is familiar with its contents. Therefore, Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BRINKLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (S. 18) to amend the U.S. Information and Educational Exchange Act of 1948 to provide assistance to Radio Free Europe and Radio Liberty, pursuant to House Resolution 699, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MILLER of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 271, nays 12, answered "present" 1, not voting 146, as follows:

[Roll No. 410]

YEAS—271

Abourezk	Danielson	Harvey
Adams	Davis, S.C.	Hathaway
Anderson, Calif.	Davis, Wis.	Hechler, W. Va.
	Dellenback	Heinz
Andrews, Ala.	Dennis	Helstoski
Andrews, N. Dak.	Dent	Henderson
	Derwinski	Hicks, Mass.
Annunzio	Dickinson	Hicks, Wash.
Archer	Donohue	Hogan
Arends	Dow	Holifield
Ashley	Downing	Hosmer
Aspin	Drinan	Howard
Aspinall	Dulski	Hull
Begich	Duncan	Hungate
Belcher	du Pont	Hunt
Bennett	Dwyer	Hutchinson
Bergland	Eckhardt	Ichord
Betts	Eilberg	Jacobs
Bevill	Erlenborn	Jarman
Blaggi	Fascell	Johnson, Calif.
Blester	Findley	Johnson, Pa.
Bingham	Fish	Jones, Ala.
Blanton	Flowers	Karth
Bolling	Foley	Kazen
Brademas	Ford, William D.	Kee
Bray	Forsythe	Keith
Brinkley	Fountain	Kemp
Broomfield	Frelinghuysen	Kyl
Brotzman	Frenzel	Kyros
Brown, Mich.	Frey	Lloyd
Brown, Ohio	Galifianakis	Long, La.
Broyhill, Va.	Gallagher	Long, Md.
Buchanan	Garmatz	Lujan
Burke, Mass.	Gaydos	McClory
Burleson, Tex.	Gettys	McCormack
Burlison, Mo.	Giaimo	McCulloch
Burton	Gibbons	McEwen
Byrnes, Wis.	Gonzalez	McKay
Byron	Goodling	McKevitt
Cabell	Green, Oreg.	McKinney
Caffery	Green, Pa.	McMillan
Carney	Griffin	Macdonald, Mass.
Carter	Gross	Madden
Casey, Tex.	Gubser	Mahon
Cederberg	Gude	Mailliard
Chamberlain	Haley	Martin
Clawson, Del	Hall	Matsunaga
Collins, Ill.	Hamilton	Mayne
Collins, Tex.	Hammer-schmidt	Mazzoli
Colmer	Hanley	Meeds
Conable	Hanna	Melcher
Conte	Hansen, Idaho	Metcalfe
Coughlin	Harsha	Mikva
Daniel, Va.		Miller, Calif.
Daniels, N.J.		

Miller, Ohio	Reid, N.Y.	Stratton
Mills, Md.	Reuss	Stubblefield
Minish	Rhodes	Stuckey
Mink	Riegle	Sullivan
Minshall	Robinson, Va.	Symington
Monagan	Rodino	Talcott
Montgomery	Roe	Taylor
Moorhead	Rogers	Teague, Tex.
Morgan	Roncalio	Terry
Mosher	Rooney, N.Y.	Thompson, Ga.
Murphy, Ill.	Rooney, Pa.	Thomson, Wis.
Murphy, N.Y.	Rosenthal	Thone
Myers	Rousb	Tiernan
Natcher	Roy	Udall
Nedzi	Roybal	Van Deerlin
Nix	Ruppe	Vander Jagt
Obey	Ryan	Vanik
O'Hara	Sarbanes	Vigorito
O'Konski	Satterfield	Waggonner
O'Neill	Saylor	Wampler
Patten	Scherle	Whalen
Perkins	Scheuer	White
Pickle	Schneebeli	Whitehurst
Pike	Schwengel	Widnall
Pirnie	Scott	Wiggins
Poage	Shipley	Williams
Poff	Shriver	Wright
Powell	Sisk	Wyatt
Preyer, N.C.	Skubitz	Wydler
Price, Ill.	Smith, Iowa	Wylie
Price, Tex.	Smith, N.Y.	Yates
Pucinski	Spence	Yatron
Quie	Springer	Young, Fla.
Quillen	Stanton, James V.	Zablocki
Railsback	Steed	Zion
Randall	Steiger, Wis.	Zwach
Rangel	Stephens	
Rees		

NAYS—12

Burke, Fla.	Kastenmeier	Schmitz
Denholm	Landgrebe	Whitten
Edwards, Calif.	Moss	Wolff
Hays	Rarick	Wyman

ANSWERED "PRESENT"—1

Selberling

NOT VOTING—146

Abbitt	Edwards, La.	Michel
Abernethy	Esch	Mills, Ark.
Abzug	Eshleman	Mitchell
Addabbo	Evans, Colo.	Mizell
Alexander	Evins, Tenn.	Mollohan
Anderson, Ill.	Fisher	Morse
Anderson, Tenn.	Flood	Nelsen
Ashbrook	Flynt	Nichola
Badillo	Ford, Gerald R.	Paseman
Baker	Fraser	Patman
Baring	Fulton, Tenn.	Pelly
Barrett	Fuqua	Pepper
Bell	Goldwater	Pettis
Blackburn	Grasso	Peyser
Blatnik	Gray	Podell
Boggs	Griffiths	Pryor, Ark.
Boland	Grover	Purcell
Bow	Hagan	Roberts
Brasco	Halpern	Robison, N.Y.
Brooks	Hansen, Wash.	Rostenkowski
Broyhill, N.C.	Harrington	Rousselot
Byrne, Pa.	Hastings	Runnels
Camp	Hawkins	Ruth
Carey, N.Y.	Hébert	St Germain
Celler	Heckler, Mass.	Sandman
Chappell	Hillis	Sebelius
Chisholm	Horton	Shoup
Clancy	Jonas	Sikes
Clark	Jones, N.C.	Slack
Clausen, Don H.	Jones, Tenn.	Smith, Calif.
	Keating	Snyder
Clay	King	Staggers
Cleveland	Kluczynski	Stanton, J. William
Collier	Koch	
Conyers	Kuykendall	Steele
Corman	Landrum	Steiger, Ariz.
Cotter	Latta	Stokes
Crane	Leggett	Teague, Calif.
Culver	Lennon	Thompson, N.J.
Davis, Ga.	Lent	Ullman
de la Garza	Link	Veysey
Delaney	McCloskey	Waldie
Dellums	McClure	Ware
Devine	McCollister	Whalley
Digga	McDade	Wilson, Bob
Dingell	McDonald, Mich.	Wilson, Charles H.
Dorn	McFall	Winn
Dowdy	Mann	Young, Tex.
Edmondson	Mathias, Calif.	
Edwards, Ala.	Mathis, Ga.	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Brooks with Mr. Ashbrook.

Mr. Anderson of Tennessee with Mr. McCloskey.

Mr. Abbitt with Mr. Edwards of Alabama.

Mr. Ullman with Mr. Eshleman.

Mr. Passman with Mr McCollister.

Mr. Edmondson with Mr. Cleveland.

Mr. Lennon with Mr. Steiger of Arizona.

Mr. Evins of Tennessee with Mr. Mathias of California.

Mrs. Grasso with Mr. Crane.

Mr. Hogan with Mr. Veysey.

Mr. Young of Texas with Mr. Grover.

Mr. Patman with Mr. Latta.

Mr. Chappell with Mr. Peyser.

Mr. Clark with Mr. Conyers.

Mr. Leggett with Mr. Diggs.

Mr. Waldie with Mr. Stokes.

Mr. Flynt with Mr. Rousselot.

Mr. Fraser with Mr. Mitchell.

Mr. Carey of New York with Mr. J. William Stanton.

Mr. Corman with Mr. Davis of Georgia.

Mr. Alexander with Mr. Ruth.

Mr. Baring with Mr. Sebelius.

Mr. Podell with Mr. Dellums.

Mr. Cotter with Mr. Shoup.

Mrs. Hansen of Washington with Mr. Badillo.

Mr. Culver with Mr. Steele.

Mr. Mills of Arkansas with Mr. Ware.

Mrs. Abzug with Mr. Clay.

Mrs. Chisholm with Mr. Koch.

Mr. de la Garza with Mr. McDonald of Michigan.

Mr. Hawkins with Mr. Harrington.

Mr. Abernethy with Mr. Fisher.

Mr. Evans of Colorado with McDade.

Mr. Jones of Tennessee with Mr. Lent.

Mr. Jones of North Carolina with Mr. Keating.

Mr. Landrum with Mr. Smith of California.

Mr. Hébert with Mr. Gerald R. Ford.

Mr. Blatnik with Mr. Anderson of Illinois.

Mr. Boland with Mrs. Heckler of Massachusetts.

Mr. Byrne of Pennsylvania with Mr. Sandman.

Mr. Celler with Mr. Devine.

Mr. Thompson of New Jersey with Mr. Goldwater.

Mr. Dingell with Mr. Esch.

Mr. Flood with Mr. McDade.

Mr. Fulton of Tennessee with Mr. Mizell.

Mr. Fuqua with Mr. Bell.

Mrs. Griffiths with Mr. Hastings.

Mr. Runnels with Mr. Collier.

Mr. Roberts with Mr. Whalley.

Mr. Kluczynski with Mr. Blackburn.

Mr. Link with Mr. Nelsen.

Mr. McFall with Mr. Teague of California.

Mr. Mathis of Georgia with Mr. Pelly.

Mr. Nichols with Mr. Winn.

Mr. Pepper with Mr. Snyder.

Mr. Purcell with Mr. McClure.

Mr. Rostenkowski with Mr. Don H. Clausen.

Mr. Charles H. Wilson with Mr. Bob Wilson.

Mr. Sikes with Mr. King.

Mr. Slack with Mr. Kuykendall.

Mr. Staggers with Mr. Baker.

Mr. Barrett with Mr. Horton.

Mr. Addabbo with Mr. Robison of New York.

Mr. Brasco with Mr. Halpern.

Mr. Delaney with Mr. Bow.

Mr. Dorn with Mr. Jonas.

Mr. Mollohan with Mr. Camp.

Mr. Boggs with Mr. Clancy.

Mr. Mann with Mr. Broyhill of North Carolina.

Mr. Pryor of Arkansas with Mr. Pettis.

Mr. St Germain with Mr. Michel.

Mr. Gray with Mr. Hillis.

The result of the vote was announced as above recorded.

The title was amended so as to read: "An act to authorize the creation of a commission to evaluate international radio broadcasting and related activities of Radio Free Europe and Radio Liberty, to authorize appropriations to the Chairman of the Commission, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

RURAL DEVELOPMENT—WHAT WE NEED IS THE RELEASE OF FUNDS WE HAVE ALREADY APPROPRIATED

(Mr. WHITTEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WHITTEN. Mr. Speaker, yesterday the Washington Post carried the following big headlines: "Both Parties Push Aid Program for Rural Areas." The story followed, pointing out what a number of my colleagues plan to do toward passing legislation to meet rural needs. Prominent among those mentioned is our good friend and colleague, Senator ROBERT DOLE, Republican Leader in the Senate, and under that—with a question mark—appeared the words, "the White House Bill".

Mr. Speaker, what we need is action, not more talk. What we need is the release of present funds, not more legislation. What we need is to get President Nixon and his Director of the Budget, Mr. George P. Shultz, to turn loose the money we in the Congress provided for rural area programs in the appropriations bill which I authored as Chairman of the Appropriations Subcommittee handling the subject, Public Law 92–73. These funds are available now, but the President and Director of the Budget refuse to release them.

These frozen funds total $58 million for rural water and waste disposal grants, $75 million for the Farmers Home Administration to make production loans, $216 million for rural electrification loans, and $5.9 million for rural telephone loans, funds for rural housing for domestic farm labor, for mutual and self-help housing, flood prevention, resource conservation and development, land conservation and development.

Mr. Speaker, the Congress has done its part; however the Bureau of the Budget, with the approval of the White House, has cut back the agricultural conservation program, now REAP, by $55.5 million for next year despite a congressional directive to continue it at its former level. This means that the President and Mr. Shultz are turning their backs on 1 million Americans all over the United States who have each year put up an equal amount of their own money, in addition to their labor, to really do something about pollution.

Such veto reduces soil technicians for the Soil Conservation Service and greatly retards watershed programs as

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well as regular soil conservation activities.

Mr. Speaker, I repeat: What we need is action, not any more talk. What we need is the release of present funds, not more legislation.

RED CHINA AT THE U.N. COULD JEOPARDIZE SETTLEMENT OF ARAB-ISRAELI CONFLICT

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, I want to alert my colleagues to a very serious situation that could arise in light of Red China's recent inflammatory remarks at the United Nations and the earlier expulsion of Nationalist China.

Let me first point out that when Nationalist China was thrown out, a dangerous precedent was set. It was the first time a member of the U.N. was expelled. Now, if they can make a claim that Taiwan is not a "legitimate" government, the same can be said of other governments.

Moreover, Red China has decided to cast itself as the self-styled champion of "third world" rights. The lesser developed nations of the world are ready to listen to the rhetoric of Mao and his cronies, and, what is more important, vote with them. As such this alliance can pose a formidable threat to peace efforts in the U.N.

Here is where the serious problem lies. Red China, in its maiden speech at the U.N. leveled a strong attack on Israel, claiming that it had committed aggression against the Palestinians and that it was not the legitimate government of the area. Will one of Red China's first acts in the U.N. be to order the expulsion of Israel and the seating of the Palestinian guerrillas?

The Middle East situation is the most explosive issue before the United Nations Security Council. The other four permanent members of that body have entered into negotiations in an effort to reach a settlement. Now with Red China on that Council, what chance will there be for a settlement of the Arab-Israeli conflict?

I am sure we will see a Red Chinese effort to thwart every action or initiative taken by the Security Council toward a settlement of the Middle East war. To permit a U.N. negotiated settlement would mean a "victory" for the Soviet Union in Red China's eyes. To see a continued confrontation would mean a greater opportunity for Red China to establish itself in the Middle East. Clearly the United Nations will become more impotent than ever.

I am sure we have not seen an end to the folly of the United Nations action against Taiwan. As one local newspaper recently put it, we have begun the era of "China in the Bullshop."

PRINCETON LYNCH MOB

(Mr. ICHORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ICHORD. Mr. Speaker, on October 28, 1971, I described on the floor of this House the makeup of a group calling itself the Committee for Public Justice that has been created to harass and criticize the Federal Bureau of Investigation.

At that time I remarked that at least one member of the Committee for Public Justice, Lillian Hellman, had been identified in sworn testimony before Congress as a member of the Communist Party, U.S.A. In addition, an individual commissioned to prepare a paper for the Committee for Public Justice, Frank Donner, was identified in sworn testimony as a member of the Communist Party, U.S.A., and like Miss Hellman, when given an opportunity to explain his past activities, exercised his right to invoke the fifth amendment.

On November 3, 1971, the St. Louis Globe-Democrat carried editorial comment on this so-called Committee for Public Justice entitled "Princeton Lynch Mob."

I think the editorial pretty well sums up the Committee for Public Justice as a "manufacturer of garbage" and a "kangaroo court."

I would like to insert this editoral in the RECORD.

PRINCETON LYNCH MOB

If the Ku Klux Klan announced that it was holding a conference at Princeton University to castigate the Federal Bureau of Investigation, it is highly unlikely that it would be given much credibility or news coverage.

Why then did certain liberal newspapers give a great amount of coverage to a conference at Princeton University held by a far leftist group that everyone knew was called for the single purpose of making a violent attack on the Federal Bureau of Investigation and its director J. Edgar Hoover?

Because certain leftist critics have no real case against Mr. Hoover or the FBI, they have to manufacture the garbage they put out.

Certainly the conference at Princeton (calling it a conference gives this kangaroo court too much stature) has to rank as one of the most vicious in memory. Under the sponsorship of the Committee for Public Justice, they proceeded to make a whole series of undocumented, unsubstantiated charges against the FBI and its director.

How could anyone give such an assemblage the slightest bit of credibility?

Just consider who some of the leading "critics" at the hate-the-FBI session were:

There was Ramsey Clark, who has been conducting a vendetta against Hoover and the FBI for years. In our book Clark was one of the worst Attorney Generals in the nation's history.

He was a weak sister from the word go. Hoover expressed it perfectly when he said several years ago that Clark was "like a jellyfish . . . a softie" when he was Attorney General.

There was Frank Donner, who in 1955 took the 5th Amendment when he was asked by the House Un-American Activities Committee about his connections with the Communist party. Donner made news in 1961 again when he attacked the Un-American Activities Committee in a book that was so biased most St. Louis bookstores refused to handle it.

There was Lillian Hellman, who was identified in sworn testimony before Congress in 1951 as having been a member of the Hollywood chapter of the Communist party, according to Rep. Richard H. Ichord, chairman of the House Internal Security Committee.

Ichord, who denounced the Committee for Public Justice for its hatchet job on the FBI, said Miss Hellman was a founder of that committee.

There also were three former FBI agents, several former assistant attorney generals, a professor and other known critics of the FBI who made various allegations about FBI surveillance and other operations—none of which had enough support to warrant a further inquiry.

Members of Congress, of course, should ignore the hot air from this verbal lynching of Mr. Hoover and the FBI.

The FBI may not be perfect but it continues to do a most outstanding investigative and enforcement job for the Department of Justice.

This kind of public smear attack on the FBI inevitably boomerangs. Those who engage in such stacked, public name-calling sessions make themselves look silly.

If these are the main accusers of the FBI, then the FBI and Mr. Hoover must be doing very well indeed.

Never has a barrage missed its mark so completely. The big artillery shell intended for the FBI plopped out of the Committee for Public Justice's howitzer and landed on top of the assembled leftist "eggheads." Hopefully this will be the last we will hear from this committee that apparently knows so little about public justice.

FREEZE OF FUNDS FOR AGRICULTURAL PURPOSES

(Mr. MYERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MYERS. Mr. Speaker, a moment ago the gentleman from Mississippi cited that some of the funds allocated for agricultural purposes and to help rural America are being held by OMB.

I have an extremely high regard for the gentleman from Mississippi, and I believe our voting records indicate we philosophically agree on most every point, but I believe the gentleman from Mississippi did miss one point, and that is this: This Congress and this House of Representatives consistently have appropriated over the budget, and they have in every instance this year appropriated more money with one exception, and that is the Defense appropriation.

Now, my friends, how in the world is the President of the United States going to spend more money than we have coming in without going out to borrow more money? We have placed a limitation on how much he can borrow. We have only so much money coming in from revenues. When we spend over that someone has to stop spending. The buck stops with the President and the OMB.

I am sure the President agrees with many of us about the desirability of some of the great programs. I certainly agree with the idea suggested by the gentleman from Mississippi that these rural programs are necessary. But the President is doing the only thing he can do, when we are forcing him to spend more than we have and that is to freeze those funds.

FREEZE OF FEDERAL FUNDS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, I just got in on the tail end of that conversation awhile ago about freezing funds, and I want to say that we can be pennywise and pound foolish.

We froze a lot of funds the other day when this House passed without a record vote the biggest giveaway program Congress has ever participated in and that was not needed. I am referring to the tax program which passed the House about 3 weeks ago. And the President supported that program, and I believe it is going to be disastrous for this country when one considers the fact that this year we will have a deficit of about $33 billion.

I want to say we could also be pennywise and pound foolish if we hold up money for construction of medical schools and things like that.

So there are two sides to this coin. Certainly there are some useless programs in this country that should be done away with, but it is not all a one-sided story. If the President wants to veto programs let him do so but I object to the withholding of funds to perhaps be released in time for an election.

MEXICAN DRUG ENFORCEMENT EFFORT

(Mr. FREY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FREY. Mr. Speaker, I recently spent several days in Mexico conferring with officials and seeing for myself what the Mexicans have done to stop the cultivation and trafficking in illegal drugs. I found, to my surprise, that the Mexicans are really trying to do something about the growing of poppies and the drug problem in general.

The following statistics indicate what the Mexican Government has been able to accomplish in the past 2 years in Operation Cooperation:

TOTALS OF OPERATION COOPERATION, OCTOBER 1969 TO OCTOBER 6, 1971

POPPY

Number of fields destroyed: 11,245.
Area in square meters: 28,534,200.
Number of plants destroyed: 313,549,402.
Seeds confiscated: 316 Kgs. 260 Grs.
Raw opium: 87 Kgs.
Heroin: 54 Kgs. 159 Grs. 6 Mgs.
Cocaine: 163 Kgs. 532 Grs.
Morphine: 11 Kgs.

MARIJUANA

Number of fields destroyed: 3,133.
Area in square meters: 18,006,809.
Dry Marijuana incinerated: 39 Tons 603 Kgs.
Confiscated Marijuana in stock: 76 Tons 434 Kgs. 550 Grs.
Seed confiscated: 348 Kgs. 690 Grs.

TOXIC PILLS

Barbiturates and amphetamines: 31,009,-240.
L.S.D.: 584.
"Peyote": 3 Kgs.

VEHICLES CONFISCATED

Planes: 5.
Boats: 3.
Automobiles: 44.

DETENTIONS

Prior investigations: 1,632.
Persons accused: 5,204.
Foreigners: 914.

INTENSIVE PHASE OF THE CAMPAIGN AGAINST MARIJUANA, 1971

Results obtained to date, in the States of Sinaloa, Durango, Chihuahua, Michoacán and Guerrero.

MARIJUANA

Fields destroyed: 1,334.
Area: (square meters) 5,704,368.
Plants destroyed: 106,776,433.

POPPY

Fields destroyed: 826.
Area: (square meters) 2,195,671.
Plants destroyed: 37,992,916.

Despite these impressive statistics, the Mexican Government could be doing a much better job if it had more personnel and equipment. There are only 250 Federal officers in the entire nation. Moreover, only 6.2 percent of the Mexican budget covers the army, navy, general administration, and law enforcement. As a result the Federal agents are not well paid—$120 to $150 a month—and there is a severe lack of equipment, especially helicopters and airplanes which are the principal tools in the drug enforcement activities.

Hopefully, the U.S. Government can continue to work closely with the Mexican Government and provide badly needed assistance, such as equipment and training, so that the results can be even more meaningful.

ATOMIC ENERGY COMMISSION TO SOON ANNOUNCE LOCATION OF FIRST LIQUID METAL FAST BREEDER REACTOR

The SPEAKER. Under a previous order of the House the gentleman from Washington (Mr. MCCORMACK) is recognized for 15 minutes.

(Mr. MCCORMACK asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. MCCORMACK. Mr. Speaker, during the next few months the Atomic Energy Commission will announce the site of the first liquid metal fast breeder reactor—LMFBR. This nuclear reactor and its associated research facilities will demonstrate the design and engineering feasibility of the next generation of nuclear power reactors.

The LMFBR will be paid for by the Federal Government—through funds that have already been substantially appropriated—by the manufacturers of the reactor, and by a large group of electric utilities.

My comments today are intended to make you aware of the fact that the people of the Hanford area in eastern Washington, where I live, are almost unanimous in support of locating the LMFBR in the Hanford site. In this respect, my congressional district seems to be unique in the entire Nation.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. I will be happy to yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, the gentleman from Washington is making a very important statement, and I want to compliment the gentleman on the dedication and interest that he has had in this particular subject which means so much not only to the people of his State, but also to the people of the United States, and to the world.

In fact, the subject of energy is gradually becoming a matter of primary concern to every Member of this body because informed estimates indicate that we must double our capacity in electric energy every 10 years in this country if we are to maintain our standard of living, and if we are to maintain the viability of this country.

We are faced with serious depletion of our fossil fuels—coal, oil, and gas. This is something that very few people know about. We are now short of gas, and short of sources of gas. We are becoming short of petroleum, and we are depending upon imported petroleum from sensitive areas in the world—I am speaking now of the Middle East as well as any of the ocean ways upon which oil has to be transported to this country.

We are also faced with an increase in the price of all fossil fuels. Within the last 2 years oil and gas have more than doubled in price to electrical utility plants, and they will continue to increase as the fuels become more scarce and as the need for energy continues to increase.

Mr. Speaker, I want to say a word of praise on behalf of President Nixon. President Nixon in his energy message this spring recognized this fact, and he came out very strongly for a program which would utilize every source of fuel more efficiently and with less damage to the environment.

He recognized, as I recognize, and the people who have studied this problem recognize, that we are going to need every kilowatt of electricity we can produce from all these sources. It is not a question of one fuel or another. It is a question of needing to use all of them, and needing that electricity to be produced at a cost which is compatible with our economy and with sufficient cleanliness to the environment.

With all these considerations in mind, the President has endorsed the liquid metal fast breeder reactor that the gentleman from Washington (Mr. MCCORMACK) is talking about.

As the gentleman said, the selection of the first site is going to be made soon. As to the locality, I cannot at this time take a position as to where that shall be. It depends on many factors; but, regardless of site, it is going to be followed by at least one more, and it might have to be followed by a third reactor before we get to the point of economic competitiveness.

This commitment—which in the long run will cost less than $3 billion—compared to the $50-some-odd billion we have spent to put a man on the moon and bring him back home—will, in my humble opinion, far exceed the value of its contribution to society through the access to this energy which we must have if we are to survive.

This fast breeder reactor will increase the recovery of energy from each gram

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of uranium by 100-fold. We now get heat from seven-tenths of 1 percent of the uranium, and with the LMFBR we will get heat from 70 percent, which is 100-fold more out of each gram of uranium.

This, in my opinion, will solve the problem of fuel for energy not only for our country but for the people of the world for the next 1,000 years.

So the gentleman is talking on a very important subject—important to his State and to the Nation and to the world. I compliment the gentleman for his interest in this matter and for the work he is doing in the subcommittee's Task Force on Energy Research and Development.

I believe the message he is bringing today will become more important as the years roll by.

Mr. McCORMACK. Mr. Speaker, I thank the gentleman for his comments.

We all know that Congressman CHET HOLIFIELD is the immediate past chairman of the Joint Committee on Atomic Energy, and is eminently qualified for making the comments he just made. I particularly appreciate his doing so.

I emphatically agree that this Nation needs every source of energy which may become available.

Mr. Speaker, to repeat, the people of the Hanford area and eastern Washington almost unanimously support the location of the LMFBR at the Hanford site. As you may be aware, the Hanford Atomic Energy Commission Reservation was one of the original nuclear energy sites established by this Nation, and was one of the two major production areas for plutonium for military purposes through the 1940's, the 1950's, and into the 1960's. The Hanford area remains intact in operation, but its mission has been substantially converted to research associated with the peaceful applications of nuclear energy.

This is an ideal site for many reasons. This is remote desert country, with a large buffer zone of unpopulated country.

It is an existing nuclear research park with the most competent personnel in the world in the science of breeder reactors already working on the site.

While I am aware that the Congress will have little direct influence on the location of this facility, I want you to know of the almost unique desire of the people of this area to have the reactor located at Hanford, and of the almost unique qualification of the site for the LMFBR.

Recently President Nixon visited the Hanford area. At that time the government of the State of Washington prepared a pamphlet spelling out why Hanford is the best site for the LMFBR. I am sending a copy of this pamphlet to every Member of the House of Representatives so that you will have an opportunity to peruse it and understand the reasons for locating the LMFBR at Hanford.

I would like to point out to you that we have the largest operating nuclear power reactor in the free world operating today at Hanford. This is known as a "J reactor." Many of you recall authorizing it originally as a dual purpose reactor. It is the reactor which we fought successfully to keep in operation earlier this year.

We have one of the largest nuclear research facilities on earth, which, incidentally, is where I was employed before I came to the Congress.

The fast flux test facility is already under construction at Hanford. This may be considered as the forerunner to the liquid metal fast breeder reactor.

We also have under construction the high temperature sodium test facility. The FFTF and the HTSFT are very large research installations which are designed to test materials for the LMFBR and future breeder reactors.

So I would point out to the Members of Congress and to my colleagues that this site is ideally located, not only geographically, and not only with respect to the terrain, and not only for the fact that it has qualified personnel available and working on site now, but also because of the fact that the people themselves of this area are anxious to have the LMFBR located at Hanford.

Mr. PRICE of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman.

Mr. PRICE of Illinois. Mr. Speaker, I want to join my colleague, the gentleman from California, and colleague on the Joint Committee on Atomic Energy and former chairman of that committee and one of the most expert Members of the House in this field in commending you for the statement you have made here this afternoon.

The gentleman from Washington himself, who is experienced in this field, having had similar experience in a working capacity before he came to Congress, has maintained his interest in nuclear energy since becoming a Member of the House. I assure the Members that the problems facing us in the nuclear field to which the gentleman from California (Mr. HOLIFIELD) referred are recognized by the President of the United States. I think the Congress of the United States recognizes it. The Congress has pointed out the importance of solving the energy problem, and nuclear energy is certainly going to play a very important role in the attempts to solve the problem.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. MILLER of California. I join my colleague from California in commending the gentleman from the State of Washington (Mr. McCORMACK) as I also wish to commend the gentleman, Mr. HOLIFIELD, himself. I wish to congratulate the gentleman in the well, who happens to be a member of the Committee on Science and Astronautics and chairman of the task force to study energy.

I heard what my friend said it would cost to go to the moon and back, and I am happy to know that the Committee on Science and Astronautics is also interested in energy and the facets of energy. I want to congratulate Mr. McCORMACK as chairman of the task force for the constructive and fine work he is doing and assure him we will give him our full support.

Mr. McCORMACK. I wish to thank my chairman. His comments were most kind.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. HOLIFIELD. I wish to say in support of what my colleague from California (Mr. MILLER) has just said in relation to the cost of the space program, that he knows I have supported the space program over these years and have voted for every space appropriation. So what I said was not said in derogation of the space program. It was said to emphasize the amount of money that we might need to spend to attain our goals. Therefore, the statement was not derogatory in nature.

I also want to say that there are certain people in this country who, in their overeagerness to preserve the environment and to prevent any kind kind of ecological change, are going to the extreme. They are stopping the development of energy from all sources—from gas, oil, coal, and nuclear materials. They are stopping these by intervenor suits throughout the Nation. Little do they know that they are standing in the way of the very objective which they claim they seek, which is a clean environment, because unless we have an abundance of cheap, clean energy, we cannot solve the problems of pollution. We cannot clean air. We cannot clear water. We cannot process sewage. We cannot concentrate solid waste for transportation or disposal. And we cannot recycle waste materials for the raw materials which this country will need.

So, in their exuberance at having discovered the word "ecological," these people who have gone off the deep and for 100 percent pure environment are going to live to rue the day if they stop the production of energy, because it is only through the production of additional energy—and it must be cheap and it must be clean and it can be cheap and it can be clean—that we are going to solve the problems of pollution in our environment. I would say to each and every one of these people who have suddenly discovered the words "environmental" and "ecological" that they might well look behind the allure and the romance of those words to the realistic facts of life, and that is that you cannot solve the problems of pollution in this country without an abundance of energy, and unless you have energy, the pollution which is burdening our whole environment is going to increase in amount to the detriment of the people of the world.

When I make that statement, I make the statement as a man who believes in a pure environment, in a clean environment, and one who wants to approach the problem from a practical standpoint and not from an idealistic, romantic standpoint. I thank the gentleman.

Mr. McCORMACK. I certainly thank the gentleman from California for his remarks.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I wish to commend the gentleman from Washington for his very forceful and very apt statement I would moreover like to commend him for the initiative he has shown in developing through the Task Force on Energy of the Science Research and Development Subcommittee a real in-depth study into the many aspects of energy, particularly as related to research, which requires a real study of the whole field.

I think the gentleman from California, Chairman MILLER, and the gentleman from California, Chairman HOLIFIELD, are both to be very highly commended for having agreed to the appointment of this task force under the Science and Astronautics Committee. I am happy and honored to be a member of the task force.

As a conservationist of many years' activities, and one who for many years has known the meaning of the word "ecology" and some of the others we now hear bandied about, I would like to say that I agree with the sentiments expressed by the gentleman from California, the distinguished past Chairman of the Atomic Energy Committee. I think the work of the task force of the gentleman from Washington (Mr. McCORMACK) is going to provide many of the answers to these problems.

Mr. Speaker, I thank the gentleman.

Mr. McCORMACK. I thank the gentleman from Ohio.

Mr. Speaker, In conclusion, I concur with the thrust of the remarks made by the gentleman from California (Mr. MILLER), the gentleman from Illinois (Mr. PRICE), the gentleman from Ohio (Mr. SEIBERLING), and the gentleman from California (Mr. HOLIFIELD).

I would like to point out that liquid metal fast breeder reactors are absolutely essential to providing clean energy during the remainder of the century. The LMFBR is the research prerequisite, and I hope the first LMFBR—not the second, but the first one—will be located at Hanford where people are anxious and able to accept it.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Mr. speaker, I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, I wish to join my colleagues in commending the gentleman from Washington (Mr. McCORMACK) for the leadership which he has shown in the area of providing sufficient energy for this country of ours. The gentleman's great foresight and enthusiasm in the pursuance of his goals will no doubt prove of great benefit to his State and to our country at large. The abundance of energy is one of the principal contributing factors to our greatness as a nation and the gentleman's depth of perception will help to maintain that greatness. His constituents have every right to be proud of their Representative to Congress. All Americans are fortunate to have the dedicated services of MIKE MCCORMACK.

THE U.S. STAKE IN WORLD TRADE AND CONTINUED INTERNATIONAL COOPERATION

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. GIBBONS) is recognized for 60 minutes.

Mr. GIBBONS. Mr. Speaker, the subject matter of this special order is "the U.S. Stake in World Trade and Continued International Cooperation." I believe that our stake in this is very high. It affects not only our pocketbooks and our standard of living, but it could well affect our ability to peacefully organize this planet.

I want to talk about a number of things today.

First, I would like to review the U.S. history concerning world trade. Next I want to talk about where we are today, and finally, where do we go from here.

There is no substantial debate in our country that has a longer political history than does our involvement in world trade. One of the moving factors which brought about the American Revolution was resentment by the colonists about restrictions on their ability to trade with others. We have always been a trading nation and for many years we have been the world's largest trading nation. In recent years, we have exported about 17 percent of the world's total exports and have imported 14 percent of the world's total imports.

If you examine the crucial turns in our history, such as the War of 1812, the Civil War, some of our great depressions, and times of prosperity, you find a strong theme of foreign trade involved.

No debate in this Congress is older than the issue of free trade versus trade restriction.

Our Founding Fathers in our basic documents wisely created a common market for this part of our continent with a common internal trade policy to be regulated by a national government. Our United States is perhaps the outstanding example of the benefit to be derived by mankind from the tearing down of artificial barriers to trade and commerce.

Yes, we are today the wealthiest nation on earth. We are just slightly less than 6 percent of the earth's population and we have the use of 40 percent of its wealth. Our standard of living is the highest on this planet. There can be no doubt that this standard could never have been achieved had it not been for the vast free and competitive market that has been developed by us on this North American Continent.

We have all profited because manufacturing and agricultural producers in various parts of this country have been competing against each other to provide us with better products and better services. Although we recognize that this creates temporary internal dislocations, it is part of what we call "the great American competitive system."

It is interesting to note that wherever people have bound themselves together and reduced the artificial barriers to trade and commerce, they have prospered. Perhaps one of the best illustrations of the ability of a people to prosper even though they may be scattered throughout many parts of the world, and possess many different cultures, is the example of the British Commonwealth, with its system of reduced internal tariff and trade barriers. That system allowed the free flow of goods across great distances and among diverse people to raise the standard of living of all of those involved—indeed there can be no doubt that all within a system of free trade will ultimately prosper. It is just good, sound economic sense for each of us to produce those products for which we are best suited, considering our natural resources, our climate, our skills and our needs.

Anyone who has visited Europe in the last few years can see the benefit that has already begun to accrue to those people so long divided by artificial lines. The benefits that have come to them from the European Economic Community, their Common Market, are plainly visible in their improved life style, their vitality, and their optimism concerning the future.

No one can seriously argue that the world, particularly the free world, would not profit by a reduction in trade barriers. No one who has seriously examined history can fail to be convinced that whenever trade barriers go up around the world, the results are likely to be depressions and wars.

Today, America has a great responsibility in the world for whether we like it or not, we are the leaders and we must accept responsibility. If the wealthiest and the strongest nation cannot accept responsibility, how can we expect the others to do so? After all, we have as much to lose as anyone else. Trade and commerce are built upon confidence and mutual respect. This is not a world poker game. This is mankind's struggle to free itself from poverty and to find a better life.

Why then are we here today? It is time, I believe, that Members of Congress spend some time trying to come to a better understanding of our trade and payments problems and the implications of proposed solutions to them. First, let us review the facts:

The United States is the largest, single foreign trading nation in the world—so that what we do vitally affects everyone else in the world. For 25 years the U.S. dollar has been accepted in lieu of gold. The U.S. dollar has become the measuring yardstick for every economic transaction. At the end of World War II, the other major industrial nations of this planet had been devastated. Germany's industrial plant was in ruins; the Japanese industrial plant was in ruins; the industrial capacity of other nations had either been worn out, confiscated, or destroyed.

The United States had a mighty edge in technology and the physical capacity to produce almost unlimited amounts of goods. Our farmlands produced an overabundance of food. We took upon ourselves the burden of rebuilding the world and the role of peacekeeping. All of this was responsible action and was in our great self-interest.

We embarked upon a policy of reducing trade barriers and became wealthier from that activity. Since that time some of our institutions have failed because they did not possess the characteristic of self-renewal and the capacity to meet changing circumstances. For instance, the International Monetary Fund, for which the dollar was the foundation, found itself with no adequate machinery to adjust the differences in exchange rates that were bound to arise as other nations regained their economic strength.

We as a nation have failed in recent years to exercise our leadership and responsibility in this matter and in other matters affecting trade. We concentrated

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our efforts on military strength and on the space race. In the years since World War II we have gradually lost our competitive edge. We can build the most sophisticated device man has yet imagined to take him to the moon and return, but we must depend upon the Japanese and the Germans for the technology to produce looms for double-knit cloth.

We pride ourselves on our wizardry in electronics, but who can say that our technology in consumer items has kept up with world technology?

Our automobile industry has concentrated its efforts on building bigger, flashier, more powerful cars with planned obsolescence designed to make the consumer dissatisfied with his vehicle before it is 3 years old—and who cannot say that the Volkswagen has captured a large share of the American market because of its plain utility.

Yes, there are many who believe that the United States has become fat and lazy with the wealth we have been able to accumulate and use—and as our lead has been challenged, we have sought to blame our troubles upon others outside of our own borders.

Like many other Americans, I breathed a sigh of relief when the President finally on August 15 decided to do something about our our domestic inflation, our lagging economic growth, and our misvalued dollar. The President's actions in stemming the appetites of inflation in this country are praiseworthy; although too late in coming, they were needed.

The President's decisions to suspend the dollar's convertibility into gold was wise and should be made permanent. The import surcharge was wise as a very temporary expedient, but it has already been on far too long and is adversely affecting some of our warmest friends and neighbors, including Canada and Mexico.

I believe, as I have stated before, that the President's tax policies already passed by the House are a mistake and I shall not take time to elaborate further upon them on this occasion.

As I said earlier, trade and commerce depend upon confidence. Unilateral actions without consultation destroy confidence and when confidence is destroyed the essential ingredient upon which the businessman must rely is missing.

The United States at the end of 1971 is a nation that is short of many of the vital things it needs for its own survival. Because of our vast appetite for petroleum products, an appetite that I think we should reexamine, we now must import vast quantities of petroleum. Because of the great demands of our society, we must import some metals. In fact, our demand has grown so large that we now import more than 90 percent of the tin, chrome ore, nickel and manganese ore we use.

We still have the world's best agricultural system and, on the whole, the best technology and the finest land and climate. As I stated earlier, our technology has been distorted by our emphasis upon military security and the space race, and our educational system, as good as it is, simply has not trained the manpower that the United States needs.

We are a nation that loves to travel and there is nothing wrong with that, but a substantial portion of our balance-of-payments problem is directly related to our travel appetite. In addition to foreign travel, another big reason for our balance-of-payments deficit is our desire to invest our wealth in other countries.

Certainly we can do a lot more for our balance of payments by encouraging more foreigners to visit the United States and by reducing our military expenditures abroad wherever possible. Also, the Council of Economic Advisers has estimated that by 1975 there will be a net balance of $10.5 billion on our foreign investment. That is, we will be receiving this much more in interest from our investment in other countries than we will be paying out to foreigners for their investment in this country. Other estimates put this amount as high as $16 billion.

No nation can long run a favorable or an unfavorable balance of trade, but look at the record of our country—over the last 20 years we have been running trade surpluses totaling nearly $125 billion.

All this really means is that we exported more of our wealth than we imported of other people's wealth. We exported more of the fruits of our labor than we got back from others around the world. Ideally, we should be at an equilibrium, for the materials we have exported are just the products of our sweat and our natural resources.

There is nothing magic about trade. It is just the simple process of exchanging something that we have for something that we want.

I have chosen to start this debate on trade now because I believe there is a very real chance that we are beginning to go the wrong way in our trade policies.

Obviously, nobody wants a trade war. But nobody wanted a war in Vietnam either. The problem is that nations often want things they can't have without war. Thus, it is extremely important for us to know exactly what we do want from foreign trade and how much we are willing to pay for it.

I do not think we know this yet, and I think we have to do some serious thinking about this—for we have no right to make mistakes that our children will have to pay for, as we did with the Smoot-Hawley trade restrictions.

Let us look back a bit. Not since the United States walked out of the London Economic Conference in 1933 and decided to fight its depression alone has the world been more worried about our economic policy.

It took a long time before most Americans admitted—even to themselves—that the actions we took back in the thirties made matters worse for everyone in the world. Instead, we looked for villains, for someone else to blame.

We blamed our World War I allies for not paying their war debts. We blamed big business, "merchants of death," with their overseas investments. Even when world trade virtually dried up, we were so worried about import competition that the National Recovery Act allowed our industries to determine the amount of trade—if any—that would be acceptable.

We do not want to go through all that again. Yet, some of the same sanctimonious and shortsighted views of the past are on the rise again in America. Once again, we are looking for villains.

How ironic it would be if our efforts to improve our balance of trade by means such as legislative quotas resulted in much lower levels of mutually beneficial trade. Even if we did achieve a big trade surplus in the end, the dislocations could be tragic for our own economy and for the rest of the world.

No one can be sure that any drastic reduction in imports will be matched by an increase in domestic production. How many families would just do without if low-priced imports were not available in the bargain basements of our department stores? It is unlikely that many Americans would be added to payrolls in these cases, but Americans engaged in transportation, sales, and servicing, and even financing of those products would surely suffer. The result would be an economic loss to consumers that could not come at a worse time than during this recessionary period. If there is any benefit, the American consumer and our own export industries would pay the price for stifling world trade. In trade, whatever one American receives as a benefit from a restriction on imports, another American must pay for in higher prices or in loss of a job.

Most of us do not realize just how important trade is to this country in providing raw materials for our own industries, in making a greater variety of products available to consumers, sometimes at a lower cost, and in providing business and jobs through our numerous export industries.

Last year we exported nearly $43 billion worth of goods and services. It is estimated that for each $1 billion of this export trade, 100,000 jobs are created for Americans. In manufacturing industries alone, nearly 7 percent of all jobs are directly related to exports and, in most cases, another one to two more jobs are indirectly related.

A great deal has been said about foreign imports causing a loss in jobs. But how much unemployment has really been caused by imports? A recent study by an economist at the Brookings Institution, who is regarded as one of the most knowledgeable foreign-trade specialists, concludes that very little of our unemployment is related to foreign trade. This study shows that during the period from the first quarter of 1970 through the first quarter of 1971, imports increased at an annual rate of about $4.1 billion, while exports rose by only about $3.1 billion. Yet this $1 billion difference did not cause any direct loss of jobs to the economy as a whole. While the rise in imports and the decline in certain categories of exports wiped out 182,200 jobs, the increase in other exports and the decline in a few categories of imports created 182,700 jobs.

An estimated 11 million people lose or change their jobs each year for personal reasons or because of changes in industry resulting from changes in consumer tastes, technological change, plant relocation or changes in patterns of Government spending. We must realize that any industry or job dislocations resulting from changes in our trade patterns

are only a small part of a continual adjustment process which Government assistance can, in many cases, help us make.

The American agricultural industry supplies about one-fifth of the world's agricultural exports. The crops harvested from one out of every four acres of our farm land are exported to other countries. This is true even though some countries have erected trade barriers to our agricultural exports.

Can you imagine how large our agricultural surplus would be if further trade restrictions—or a trade war—severely limited our agricultural exports?

There are many sources of information on the extent of our involvement in trade and its importance to our economy. One of these is the January 1971 State Department publication, Liberal Trade versus Protectionism.

The United States has set in motion powerful influences which are endangering world trade. Prolonged retention of the 10-percent import surcharge may have unintended and severely adverse effects. Our actions regarding monetary policy have made prices uncertain, with a deadly effect on international trade. Certain trade measures now pending in Congress seem likely to do us far more harm than good.

Frankly, I am worried. It seems quite unlikely that even the United States can have its way completely in today's world. Maybe other nations will meet all our desires and the surcharge will end and trade will be better than ever for Americans.

But maybe not. Maybe we will find ourselves with the tragic beginnings of an unintended and escalating trade war.

Some remarks that I have heard from my colleagues, and the pronouncements of the administration, give me cause for deep concern. I seem to have heard all of this before. Are not these the same things that were said in the 1920's before our great depression, and before the wars of the 1930's and 1940's?

We cannot live in splendid isolationism. We have recognized that militarily, but we have failed to recognize that our economic policy and our trade policy can divide this world and can divide us from our allies, and can lead to the type of subjugation that we dread. Further, no military alliance can survive over the long period unless it is based upon sound economic and commercial alliances. No one who has ever examined history can doubt this.

The freest possible exchange of goods and services among nations is one of the foundations upon which the wealth and prosperity of peoples and nations is built. The interests of the whole world are best served by reciprocal trade policies.

As international trade grows, it promotes communication and understanding between people. We are no longer isolated nations, living to ourselves, but we have common interests and desires—common desires to lift ourselves to higher standards of living, and common desires to wipe out poverty and ignorance wherever they exist.

Economic decisions made in one nation—in policies dealing with such matters as investments, interest rates, trade, and employment—have immediate and significant effects on other nations. But of all of these, our trading policies have the greatest impact on the world's economy.

I believe a reciprocal trade policy is necessary to develop peace, and build understanding between nations.

The real enemy in foreign trade is not Japan or Germany or any other country. The real enemy is the possibility of a trade war. We do face real international trade and payments problems but we must find constructive and cooperative solutions of these problems. If we let this all come to a trade war, we will all be the losers.

If some of the antitrade legislation that is now pending in Congress were to become law, this country would find itself in an even worse recession than we now have. In addition, this legislation would have the effect of destroying the confidence of all of our friends and neighbors in us as being the world's most responsible country. For if the wealthiest cannot be the most responsible, then who can?

I think there is one thing that should be made very clear in this debate and that is that our current troubles with inflation, high unemployment, and low growth rate, do not spring from, and are not caused by, our foreign trade competition. It seems to me that any in-depth examination will reveal that foreign trade, both export and import, is only about 8 percent of our GNP. In other words, we export and import about $80 billion worth of goods in an economy of $1 trillion.

Our economic problems spring from our failure to provide for a meaningful full employment program and for our failure to stem our own inflation. Our balance-of-payments deficit, while large, merely reflects our substantial overseas travel, investment, and large military expenditures.

Mr. Speaker, on May 21, 1970, the President of the United States appointed a distinguished group of Americans to study the principal problems faced in the United States in the field of international trade and investment. The Commission was composed of a broad spectrum of distinguished leaders in the field of commerce and labor, as well as economists and political scientists. The Commission made its report in July of this year, after a year of study, and this report is generally recognized as a balanced presentation of the complex issues we face.

The Commission appealed for a return to international, as opposed to unilateral, solutions to the vexing economic problems that divide us. It made many major recommendations, including an expanded and improved adjustment assistance program for firms and workers, and the elimination of all barriers to international trade and capital movements within 25 years.

Although there may not be agreement on all of the Commission's recommendations, I do not believe the Commission's report and its recommendations can be ignored. They deserve the careful consideration of all Members of Congress. At the conclusion of my remarks today, I would like to include the program for action from the Commission's report.

Mr. Speaker, I think it is most important that we spend some more time trying to come to a better understanding of our trade and payments problems and the implications of proposed solutions to them.

After the Thanksgiving recess I plan to ask for two more special orders to discuss the costs and dangers of trade restrictionism and, finally, constructive solutions to the real trade and payments problems we face.

I sincerely hope that other Members will join us in these debates. I think it is most important that Congress make a thorough study of our trade and payments problems.

The program for action from the July 1971 report of the President's Commission on International Trade and Investment Policy follows:

[From the report of the President's Commission on International Trade and Investment Policy, July 1971]

A PROGRAM FOR ACTION

A successful program of action must be based upon a clearly understood goal. Our primary interest is to maximize, on a continuing basis, the contribution of international trade and investment to the well-being of the United States.

In formulating an action program for the seventies, we address ourselves first to measures the United States itself can take to redress its international economic position. We shall then turn to immediate and longer-term problems that must be resolved on the international plane.

DOMESTIC MEASURES

Clearly, our present difficulties in international trade, investment, and payments are inextricably linked with domestic problems. We are, therefore, assigning high priority to measures the United States must take to increase the strength and resilience of its economy.

First of all, we must return to a condition of economic health, with much lower unemployment and greater price stability. This objective cannot be achieved by fiscal and monetary policies alone, although more could be done with those instruments. To avoid cost-push inflation, we will have to adopt other measures designed (to moderate wage and price increases, to increase productivity, and to improve the structure and functioning of our labor market.)

Second, we must take measures to stimulate economic growth and to improve the technological capability which largely supports our export performance. While a relative shift in U.S. economic activity from goods production toward services has been a constant feature of our economic growth (we should not contemplate becoming noncompetitive in goods production generally.)

(A high rate of growth would benefit exports by helping to hold down unit-labor costs.) It would also facilitate the reemployment of workers displaced by imports. Finally, the resumption of economic growth, with greater price stability (would make the United States more attractive to foreign, as well as U.S. investment.)

We believe the United States should adopt a program designed to develop the areas of potential strength in our domestic economy. Such a program should include government support (including tax incentives) for investment, research, and development; a more flexible policy on mergers consistent with competition and economic efficiency; regional development policies; and measures to remove structural impediments to the mobility and productivity of American labor and capital.

Third, the United States must launch a vigorous export drive for the 1970s. In addition to efforts to remove foreign barriers to

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our exports, such a program must include a new look at those U.S. policies, rules, and regulations which tend to impede our exports—for example, in the fields of antitrust, taxation, transportation, East-West trade, and export finance. Intensified export promotion efforts are also required. The entire program must be given impetus at the highest levels by the Council on International Economic Policy.

Fourth, we must deal with adjustment problems caused by import competition in ways which minimize potential injury to affected workers and small businesses and at the same time preserve the efficiency and competitiveness of our economy.

The government can ease adaptation to competition from imports in two ways. First, programs of adjustment assistance can enhance the mobility and upgrade the quality of our manpower and capital. Second, methods of temporary protection—import restrictions (tariffs or quotas) under the escape clause, or orderly marketing agreements—can provide time for industries to achieve a viable competitive position, either in the same or some other line of activity. The Commission feels that, in general, the government should encourage adjustment rather than impose restrictions on imports—except in those circumstances where orderly marketing agreements or escape clause restrictions may be more appropriate.

A major effort must be undertaken to strengthen and restructure the present program of adjustment assistance to workers, which is woefully inadequate and ineffective. More generous benefits are needed and much greater emphasis must be placed on measures to facilitate the retraining, upgrading and relocation of displaced workers. Procedures must be speeded up so that assistance and training become available when workers are laid off, not many months later. A way must be found to protect the pension rights and health and welfare benefits of workers who have to change jobs.

Adjustment assistance to firms should normally be limited to small businesses, but should be expanded to facilitate rationalization, modernization, diversification, or conversion to new product lines.

We believe a more effective program of adjustment assistance would substantially lessen the impact of import competition on workers and small firms. There may, however, be a case for temporary protection in some circumstances, where large segments of a major industry are seriously injured and adjustment assistance alone is not feasible.

The purpose of relief provided by import restrictions under the escape clause should be to permit a seriously injured domestic industry to become competitive again without continued restrictions. Such relief should be extended for a limited time only, and should normally consist of a temporary tariff increase; only in very unusual circumstances should import quotas be used.

Orderly marketing agreements may be appropriate when imports of particular products cause or threaten to cause severe problems of domestic adjustment in more than one importing country; when serious injury or threat of injury has been demonstrated under internationally agreed standards; and when the solution to the problem requires multilateral action. Negotiation of such agreements should normally be conducted under the auspices of GATT, with the participation of both exporting and importing countries. The arrangements themselves should be limited, as a rule, to no more than 5 years, should provide for a reasonable rate of growth of imports; and should be accompanied by measures of adjustment on the part of affected industries in all restricting countries.

ISSUES FOR NEGOTIATION WITH OUR MAJOR TRADING PARTNERS

The Commission believes that the time has been come to begin immediately a major series of international negotations:

To cope effectively with urgent international economic problems; and

To prepare the way for the elimination of all barriers to international trade and capital movements within 25 years.

The negotiations should be launched at the highest political level through a joint initiative by the United States, Western Europe, and Japan. A high-level international steering committee should provide direction and trust to the negotiations and monitor their progress.

We welcome the recent agreement to establish a high-level study group on trade problems in OECD as a step in this direction. We would hope that this initiative would be broadened to include investment and payments matters as well.

The ultimate goal should be to achieve for all people the benefit of an open world in which goods and captial can move freely.

Two concurrent, and parallel efforts should be initiated immediately.

Immediate problems

First priority should be given to these critical issues which now threaten to undermine the gains of past negotiations and block progress toward our long-term goal. These include:

The world payments problem. In addition to greater efforts on our part to stabilize U.S. prices, the solution of this problem requires (better coordination of monetary policy among major countries and more equitable sharing of the costs of the common defense.) It may also require, on the part of surplus countries, a further realignment of exchange rates along with removal of remaining quotas on imports and restrictions on captial exports. If the balance-of-payments problem persists, and if other countries find a further accumulation of dollars objectionable, the United States should indicate its readines to adopt a temporary, uniform import tax and export subsidy. Such a measure could improve the U.S. balance-of-payments position with minimum distortion to the U.S. and world economies.

The adverse effect on U.S. exports of the European Community's Common Agricultural Policy and preferential trade arrangements. We should seek a commitment to the elimination of illegal preferences, assurances that no further impairment of our agricultural trade interests will occur in the enlargement negotiations, and a commitment on liberalization of the Common Agricultural Policy as part of the negotiations on longer-term issues.

The problem of market disruption and the conditions under which orderly marketing agreements can be negotiated.

Our trading partners will undoubtedly wish to include subjects of priority importance to them.

Progress on each of these immediate problems seems essential to the development of a consensus in the United States in support of the goals sought in the longer-term negotiations.

Issues for the longer term

Concurrently with the negotiations on the immediate problems listed above, longer-term negotiations, looking toward the progressive reduction and eventual elimination of barriers to trade and investments, should be initiated.

These negotiations should be different in several respects from those of the past.

They should be comprehensive in scope. Unlike past negotiations, they should not be confined to tariffs, or even to trade problems in a broader sense. (They should also encompass foreign investment and measures to improve the balance-of-payments adjustments process.)

Reciprocity should be conceived in terms of the whole set of negotiations rather than as an objective to be achieved within self-contained compartments of trade, investment, or finance. In some cases, of course, it may be possible to arrive at mutually advantageous solutions within specific industrial sectors, and efforts should be made to find such solutions. On the other hand, in many cases a country will have to give more than it gets in one sector or functional area, and recoup by securing an equivalent advantage in another.

The United States, still the largest and most attractive market in the world, should more than in the past use its bargaining power in the defense of its economic interests. Where our rights in GATT have been impaired by actions of other countries, the United States should insist upon compensatory trade concessions or, failing this, take other steps to restore the balance of advantages.

The principal area for negotiation should include the following:

Reform of the international monetary system. Effective foreign trade and investment policies cannot be sustained in the absence of full currency convertibility and a well-functioning international payments system. In recent years, the world has experienced several international currency crises. A major task of the present decade is to develop a more responsive system of exchange rates to correct international imbalances which prove intractable by other means. We need a system which allows the changes in rates to be made in a more timely fashion. This would avoid the disruptive and costly speculative capital movements which have preceded most postwar changes in major exchange rates. Unless exchange rate changes can be made more timely, the open international economic system which has contributed so much to the present world prosperity is in danger of being damaged by tight controls over capital movements and increased barriers to international trade. All would lose by so fragmenting the world economy.

Agriculture. High priority should be given to the serious problems of agricultural trade, which have not been resolved in past trade negotiations. We believe the time is ripe for a concerted international effort to deal with all aspects of the problem including, in particular, the levels and techniques of agricultural support. Our main objective should be a substantial reduction in the high levels of support and protection of the European Community. The United States should be prepared, in turn, to improve the terms of access to its markets for imports of agricultural products in which other countries have a comparative advantage.

Preferential trade arrangements between the European Community and nonmember countries. The United States should oppose arrangements inconsistent with the requirements at GATT. Such arrangements deny us market access on a nondiscriminatory basis, and we should take appropriate steps both to prevent their proliferation and to obtain the elimination or phasing-out of existing ones. In the interim, the United States should insist upon compensation in the form of trade concessions on a most-favored-nation basis, benefitting in particular those U.S. exports which are adversely affected by the arrangements.

Nontariff distortions. Despite the tariff reductions of the last two decades, U.S. industries continue to meet difficulties at home and abroad as a result of foreign policies, practices, and institutional arrangements which distort competitive conditions to our disadvantage. Among these problems are technical, health and safety standards; subsidies and tax exemptions for domestic industries; tax incentives and special credit facilities to promote exports; and remaining quantitative restrictions. We should recognize, on the other hand, that a number of U.S. trade barriers are of concern to our trading partners. International agreements to reduce such barriers and distortions to trade are both necessary and feasible.

Public procurement policies. U.S. preferences for domestic producers are more visible than those in most other countries; our rules are published for all to see. We must work toward an agreement under which all governments make their procurement policies explicit and public, and where all agree to reduce the degree of preference to a uniform low level. We should deny access to public procurement in the United States to countries which do not adhere to such agreed rules.

Export subsidies. A pressing need exists for international action to discourage the subsidization of exports through the credit and tax systems. Rules should be developed, in particular, to limit competition in government-supported export credits. At the same time, the United States should take more vigorous action to enforce its countervailing duty and antidumping laws.

Tariffs. Our objective should be the progressive elimination of most tariffs over the next 10 years, and of all tariffs over the next 25 years. Progress toward this objective would gradually eliminate the discriminatory effects on the United States and other nonmember countries of the European Community and its preferential trading arrangements.

Foreign investment. The United States should strive to reduce artificial incentives and impediments to foreign direct investment in developed countries, whether they result from our own policies or from those of foreign governments. U.S. policy in this regard should continue to be guided by the principles of freedom of entry, of the respect for property rights, and of national treatment. A framework already exists in OECD which makes it a central forum for discussion and agreement on international investment issues among the industrial countries. The United States should cooperate in strengthening the codes, rules, and understandings which have been developed in OECD to ensure freedom of entry and acquisition, the remittance of earnings, and the avoidance of double taxation. Efforts to harmonize antitrust policies and tax rules should be continued and intensified.

International aspects of environmental policies. The mounting concern for preserving the quality of the environment will rapidly generate a plethora of new administrative regulations and procedures which may place domestic producers at a competitive disadvantage vis-a-vis foreign producers. The United States should join with other developed countries in an international agreement on principles of pollution control, incorporating in particular the rule that costs should be reflected in product prices and should not be borne by the government. If a workable agreement cannot be realized, the United States should take such measures as are necessary to ensure that our producers are not placed at a competitive disadvantage.

TRADE AND INVESTMENT RELATIONS WITH DEVELOPING COUNTRIES

The Commission supports the continuing U.S. interest in expanding trade with developing countries. These countries cannot rely on foreign aid to supply the foreign exchange for their imports and debt service payments—they must earn their own way through exporting. We should join with the other industrial countries in improving the developing countries' access to world markets.

Last year the industrial countries agreed in principle to extend temporary generalized tariff preferences to the developing countries. The Commission hopes that Congress will act promptly on the necessary legislation to enable the United States to carry out this agreement, which is already being implemented by the European Community and Japan. Even more important, the industrial countries should refrain from imposing new quantitative limitations on their imports from developing countries—subject to the usual safeguards against serious injury—and steps should be taken to reduce existing restrictions.

Foreign private investment in developing countries can make a major contribution to their economic progress. We support the program of insurance and guarantees currently administered by the Overseas Private Investment Corporation. While experience with joint ventures has been favorable in some cases, the United States should discourage host countries from setting rigid rules prescribing the form and extent of local participation in joint ventures. Moreover, investment, once made, should be granted equitable treatment.

Expropriation without prompt, adequate, and effective compensation should be vigorously opposed, and the President should have the authority to deny trade preferences as well as to cut off assistance if particular disputes cannot be equitably resolved and the host country refused to submit the issue to international arbitration.

ECONOMIC RELATIONS WITH COMMUNIST COUNTRIES

Within the bounds set by strategic considerations, the United States should attempt to expand its trade with the Communist countries. To this end, we should align our export restrictions and related regulations with those of other Western nations.

However, transfers of technologies, production processes, and/or assistance in the establishment of manufacturing facilities should continue to be subject to careful review by appropriate government agencies to ensure that they do not contribute significantly to the military capabilities of Communist countries.

The President should be given authority to remove the existing tariff discrimination against imports from Communist countries, in return for appropriate benefits for the United States.

We should explore with other Western governments possible multilateral arrangements designed to loosen the existing bilateral constraints on East-West trade.

THE NEED FOR DOMESTIC CONSENSUS

In discussing these issues with foreign countries, the importance of careful preparations at home cannot be stressed enough. Too often, the effectiveness of our negotiators has been impaired by a lack of coordination within the Executive Branch. With the establishment of the new Council on International Economic Policy, the United States should be in a better position to cope with negotiations of the scope and complexity outlined here. The Council should be used to ensure that domestic economic policy is made with an eye to its international implications and that coordination among foreign economic, political, and security policies is facilitated.

Even more serious, foreign governments have come to doubt the ability of U.S. Administrations to deliver on commitments made in international negotiations. They have difficulty in understanding the unique United States system of trade policy formation and administration. The U.S. Congress has the constitutional responsibility for regulating trade. It delegates the administration of this responsibility to the Executive, which has the constitutional responsibility for negotiations with foreign governments. This makes it all the more important that we do our utmost to provide for continuous, close communications between the Executive and the Congress, so as to ensure the effective pursuit of our national objectives.

We recommend that the negotiations be buttressed in advance by appropriate congressional action. In some areas, such as tariffs, a specific delegation of authority to negotiate and proclaim changes in U.S. restrictions will be needed. In other areas, the Administration should negotiate on the basis of a congressional declaration of intent; the results of the negotiations would be submitted to Congress, either for affirmative action, or preferably subject to an understanding that they could be implemented by the Executive unless rejected by Congress within, say, 60 days. Furthermore, some Congressmen should be included in the United States delegations to the negotiations.

Finally, we believe a greater effort should be made to bring the private sector into the negotiation process. Arrangements should be made for periodic consultations with business, farm, labor, and consumer groups to ensure that all interests are heard. Representatives of the private sector should be included in the U.S. delegations, as members or consultants, where appropriate.

THE NEED FOR URGENCY

The program we propose is ambitious. The difficulties are many and success is not assured.

Whether success can be attained will depend to a considerable degree upon the spirit and determination with which the United States and other nations deal with the immediate problems that have undermined confidence in the multilateral trade and payments system.

These problems will not wait. Several times during the past few years situations developed in which unilateral actions by one or another trading nation could have precipitated a major international crisis. The gains of a generation could have been lost.

We believe that the United States continues to have a compelling interest in preserving and improving the multilateral trade and payments system. We believe the United States should continue to try to solve the current problems in ways which will strengthen the system. We should avoid dealing with our short-term problems in ways which make it more difficult to realize a long-term goal: a world economic community of free nations.

But the time has come when this responsibility must be shared by the major trading nations and not carried disproportionately by the United States alone. Only through cooperative leadership can the world build on the existing foundation and forge an economic system which serves the interests of all.

(Mr. GIBBONS asked and was given permission to revise and extend his remarks.)

Mr. MORSE. Mr. Speaker, as the issue of U.S. trade policy becomes daily more visible, I am concerned by the arguments of many that the keystone in improving our trade policy is the imposition of expanded trade quotas. While there are a great number of constructive and necessary steps which can be taken to ease our trade and balance-of-payments problems, including initiatives to provide relief from unfair international trade practices and to increase the flow of U.S. exports, I fear that import quotas may, in fact, eliminate more American jobs through overall reductions in exports than will be gained by restricting imports.

I would like to take this opportunity to call to the attention of my colleagues the following report by Prof. Ann Krueger of the University of Minnesota in which the probable effect of trade quotas on our job market is analyzed:

Quotas on American Imports Would Reduce Employment in American Industry

(By Prof. Anne O. Krueger)

One of the most remarkable and encouraging developments of the past two and a half decades has been the rapid increase in international trade, and the continuing trend toward ever-greater liberalization of trade and payments regimes among the developed countries. This trend has, in large part, been the result of American foreign policy, and will probably go down in history as one of the outstanding achievements of American diplomacy in the post-World War II period. The United States is such a large factor in the world's trade and monetary system that American policy must, of necessity, set the pace. If the United States effectively restricts trade, other countries will be forced to retaliate.

The record of achievement is now threatened by the growth of protectionist sentiment in the United States, of which one expression is the import-quota bill currently pending before the American Congress. Most of the arguments against quotas are well-known: (1) quotas will be inflationary, by driving up the prices consumers must pay for goods; (2) quotas will result in reduced American exports, since American firms will have to pay higher prices for their inputs and will therefore be less competitive with foreign firms; (3) quotas will harm the efficiency of the American economy, by protecting domestic firms from international competition, and thereby increasing their domestic monopoly power; (4) quotas are difficult to administer, and provide larger windfall gains for those who receive them; (5) once quotas are legally sanctioned, it would be politically difficult, if not impossible, to resist pressures for new quotas so restrictiveness would inevitably increase.

If the pending quota legislation is passed, there can be no doubt that other countries will be forced to retaliate. Indeed, the Common Market countries have already warned the United States that passage of the quota bill will result in restrictions against American imports by Western European countries—our largest trading partners. The Japanese—who would probably be even more adversely affected—would also have no choice but to retaliate. The result would be a reversal of the gains of the past two decades, and increasing restrictions upon international trade.

This sorry outcome would be detrimental to the entire free world. Even for the United States' interests, narrowly interpreted, however, such a trade war would be disastrous. While there might be some companies whose profits would increase, and some workers whose jobs would be "saved," the gainers would be few and far between. Even for those who would gain, there are alternative ways of helping distressed industries which would impose a far smaller cost on the rest of American society. (Attention will return to this below.)

Surely, American agriculture would lose, and with that, farm incomes would decline. Meanwhile, the costs to the American taxpayer for storing agricultural surpluses, etc., would increase. Mining interests have little to gain: the United States is already a net importer of mineral products; these imports are vital for the maintenance of American industry.

This leaves American manufacturing interests, and it is on this ground that the battle over quotas is being fought. Many persons are concerned about the employment effects of imports on particular groups of workers. Among the affected industries, where concern for protection of employment opportunities appears paramount, are textiles, footwear, and steel. In some sectors of these industries, there are genuine problems associated with competition from imports, and policy measures (but not quotas) are needed. However, the likely employment effect of quotas and the inevitable foreign retaliation that would result is, in almost every instance, going to be negative.

The reason is that the employment opportunities in any industry depend, primarily, on the demand for that industry's product, less the volume of imports of that commodity. Demand for the product comes from consumers, from other industries, and from export demand.

Two things are generally overlooked in assessing the likely employment gains which might arise from quotas: 1) at higher prices of protected commodities, consumer demand will generally decrease; and 2) many products are exported indirectly. When an American firm exports a machine tool, for instance, that firm purchases steel, paint, packing materials, and a host of fabricated metal products from other American firms. As such, there are *indirect* exports of a variety of commodities which are seldom considered when evaluating the employment attributable to exports.

It would be extremely difficult to estimate the likely price increases, and associated decreases in domestic consumer demand, which might result from quotas. It is possible, however, to compute the *indirect* employment geenrated by American exports, and to contrast the direct and indirect employment opportunities resulting from American exports with those which would result by import replacement on an industry by industry basis. This is done in the remainder of this note.

To estimate the employment effects likely to result from quotas and the inevitable retaliation that would follow, data from the 1966 Census of Manufactures,[1] the 1963 input-output table of the American economy,[2] and 1966 export and import values were combined.[3]

The Census of Manufactures gives information on the number of workers per dollar of value-added (value of output less the value of inputs purchases from other firms) in each industrial sector, and also the average wage of production workers. The input-output table gives the purchase of each industrial sector from all the others per dollar of output. Combining these data with American export and import values, it is possible to compute what employment would have been had all goods which were imported been produced domestically (which is patently impossible, in some cases, because of lack of availability of raw materials). This hypothetical "quota-induced" employment can be contrasted with the direct plus the indirect employment actually generated by American exports in the same year. The results of this computation are given in Table I.

The first column of Table I gives estimates of the total number of jobs provided in each industry based on direct and indirect demand for exports. For example, 149,300 jobs in non-electrical machinery were attributable to direct and indirect exports. The second column gives an estimate of how many jobs, directly and indirectly, might have been provided, had all American imports been replaced with domestically-made goods on the assumption that costs would not rise, and consumer demand would be the same. Of course, this is an extreme assumption. For some products, such as pulp for paper, it would have been virtually impossible to produce enough domestically even at very high costs. At those costs, surely total American consumption would decline, so that these figures represent overestimate of possible jobs created. As can be seen, even in the industry where fewest jobs are dependent upon exports (footwear) relative to those that could be attained through replacing imports, the net potential employment gain is not large. Moreover, footwear is a commodity for which consumers decrease their purchases sharply in response to price increases. In general, the potential net employment gains are rather small and for most industries, there would be job losses.

Column (3) gives the ratio of the number of jobs attributable to exports (directly and indirectly) to the number which might have been created had the U.S. cut off all manufactured imports and produced the goods domestically. As can be seen, consideration of indirect demand alters the estimates of potential employment gains significantly. Steel is the most obvious case: direct exports of iron and steel in 1966 were $570.5 million, while imports were $1,477.2 million. Yet, when account is taken of indirect exports (in machinery, transportation equipment, and so on) the United States was, on net, a steel exporter. This is because American exports had a relatively high steel content, while American imports did not. Stated another way, if American manufactured exports ceased, and steel imports were cut off completely, the total demand for steel in the United States would decline, even without taking into account the effects of probably price increases on the quantity demanded.

Footnotes at end of article.

TABLE I.—EMPLOYMENT GENERATED BY EXPORTS, AND POTENTIAL IMPORT-SUBSTITUTING EMPLOYMENT

	Export employment (1)	Potential import employment (2)	Ratio (1):(2) (3)	Exports/imports (4)	Average wage, 1967 (5)
Food products	52,700	68,000	0.77	0.75	4,702
Tobacco products	3,400	400	8.50	16.64	4,428
Yarn, textiles, and apparel	47,900	124,200	.38	.34	4,161
Lumber and wood products	35,700	67,600	.53	.4	4,211
Furniture	3,500	5,500	.63	.48	4,818
Paper and allied products	41,700	59,200	.70	.47	6,151
Chemicals	53,800	29,300	1.84	2.82	6,950
Plastics	21,600	13,200	1.64	4.93	6,631
Drugs	6,700	2,999	2.31	3.12	5,882
Paints	3,009	1,800	1.67	4.16	6,216
Petroleum refining	9,400	12,100	.78	.48	7,780
Rubber and plastic products	29,300	25,100	1.17	1.13	5,615
Leather products	1,900	4,700	.40	.51	5,310
Footwear	2,200	18,400	.12	.08	3,758
Glass products	11,300	11,100	1.07	1.03	6,170
Stone and clay products	15,300	18,300	.84	.66	5,776
Primary iron and steel products	87,600	85,300	1.02	.48	7,341
Nonferrous metal products	37,300	54,300	.69	.38	6,674
Fabricated metal products	79,900	46,600	1.71	2.43	6,364
Engines and turbines	16,000	4,200	3.81	6.68	7,740
Farm machinery	13,100	7,800	1.68	1.59	6,393
Other nonelectric machinery	149,300	48,900	3.05	4.67	6,899
Electric machinery	138,600	80,900	1.71	1.85	5,757
Transport equipment	134,600	76,200	1.76	1.49	6,184
Instruments	34,900	18,900	1.85	1.80	6,041
Total	1,031,300	885,900			

This same general result holds in many other sectors: in non-ferrous metals, American exports are about one-third of imports. This, of course, is partially attributable to the fact that copper and other nonferrous metals must be imported. Even so, many of our exports (fabricated metal products, transport equipment, etc.) have relatively high nonferrous-metal contents, and so our actual position is that exports are about two-thirds of imports when indirect demands are included.

For all the industries listed in Table I, total employment generated by exports of manufactured commodities in 1966 amounted to 1,031,300 jobs. The potential in import-competing industries was 885,900 jobs; on net, there were 145,400 more jobs than there would have been in the absence of trade. These computations take into account production workers only; were non-production workers considered, the total employment effect would appear even larger.

Column (4) gives the ratio of the value of exports to that of imports in 1966. Comparison of those ratios with those in column (3) provides an easy way of estimating the importance of indirect demands by industries. When the ratio of exports to imports is above the ratio of direct and indirect employment effects, it implies that the industry's exports, on net, contain products from other sectors. When the ratio of exports to imports is below that in column (3), it implies that products of that industry were, on net, indirectly exported by other sectors. Generally speaking, for those sectors where there was a negative trade balance (a ratio of less than one in column (4)), indirect demands resulted in more exports than were apparent from the trade statistics, and conversely.

Inspection of the data indicates that there are very few industries where employment gains might be substantial through the imposition of quotas; these include yarn, textiles and apparel, and footwear. In all other sectors, there are either potential employment losses, or very small gains which would probably not be realized as consumers cut back demand. In some cases, too (e.g. paper and allied products), the reason for imports is the raw-material based nature of the industry; producing as much domestically would be nearly impossible.

One last item appears in Table I: the average annual wages, in 1967, of workers, by industry group. In general, wages are high in those industries which are export oriented. This reflects the fact that the American competitive advantage in international trade lies in the skills of its people. A trade war, and consequent reductions in American exports, would not only adversely affect total American employment, but it would also result in a reduction in the average wage level of American workers, as jobs lost would be in high-wage industries, while the additional import-substituting jobs would be in lower-wage industries.

It is evident that American consumers, American business, and American workers have a great deal to lose by the imposition of quotas, and their probable consequences. A few workers, in footwear, textiles, and apparel might gain, but their gains would be relatively small. The price paid for these gains, by the rest of society, would be enormous.

These considerations, and the data in Table I, suggest that there are better ways to meet the problems of those producers and workers in the few industries where foreign competition leads to real hardship. There are very few of them, but the problems for workers in those industries are very real. Those workers are generally less skilled than those in other industries, and hence would have difficulty locating other jobs. The long-run solution lies in providing training opportunities for America's young people, so that the low-wage, low-skill industries can grow less rapidly than the economy as a whole. For workers now in the affected industries, if retraining is impossible, an alternative is assistance to the affected firms to provide job opportunities in the short run. Such assistance, which has already been provided to "distressed areas", would solve the problem of the existing workers and firms in the industry, without imposing the very high costs of a trade upon the American people.

FOOTNOTES

[1] Bureau of the Census, *Census of Manufacturers*, 1967.

[2] Presented in the *Survey of Current Business*, November, 1969.

[3] The year 1966 was chosen because that was the most recent year for which data were available on a commodity classification comparable to the input-output table and the Census.

Mr. SEIBERLING. Mr. Speaker, the gentleman from Florida (Mr. GIBBONS), deserves great credit for obtaining this opportunity to start a long overdue discussion in the House concerning our international trade policy.

I have been increasingly concerned about this problem for several years. While the President's belated action on August 15 made a beginning toward developing a new trade policy for the country, there is obviously a long way to go.

The problems of multinational corporations, of imports, of the export of know-how, of the growth of trade barriers and new trading blocs, of the increasing competitiveness of foreign industry, research and development investment, and even of national priorities are all interrelated. They have been developing for a long time. It just happens they have been brought to a climax at this time as a result of our Nation's profligate policies in Vietnam.

I am not only concerned, but my constituents are concerned. For them the issue is very simple—jobs. I intend to do everything I can to help protect their jobs and to restore jobs to those who have lost them. I am sure this objective is shared by most Members of Congress. The question is how to do it without creating even more serious difficulties?

Mr. GIBBONS and I, among others, have spent much time in recent months conferring with economists and other experts in this field. I hope that the Ways and Means Committee will itself conduct hearings where these problems can be explored in all their scope and depth. In the meantime, I believe it would be helpful to offer some of the material that we have received from experts in the course of our conferences with them.

On November 4, Mr. Edward Fried, senior fellow at the Brookings Institution addressed a bipartisan group of Representatives and Senators on the question of foreign trade and the U.S. national interest. He did not have a prepared text but has made available to us the outline from which he spoke.

Mr. Fried was from 1967–69 a senior staff member of the National Security Council with responsibility for Western Europe and International Economic Affairs. From 1965–67 he was Deputy Assistant Secretary of State for Economic Affairs. Prior to that time he held responsible positions in the White House staff of President Johnson and in the State Department's policy planning Council, where he had responsibility for Foreign Economic Policy. He is a distinguished public servant and economist. In preparing his talk, he was assisted by another economist of the Brookings Institute, Fred Bergsten.

Mr. Fried's outline follows:

FOREIGN TRADE AND THE U.S. NATIONAL INTEREST

I. A LOOK AT CURRENT ARGUMENTS FOR PROTECTIONISM

A. Foreign trade is creating unemployment:

1. In 1968 and 1969 the trade surplus went down, but so did unemployment. In these two years, unemployment reached its lowest level in 20 years, despite the lowest two-year trade surplus in the postwar period.

2. An equal reduction in US exports and imports, which would probably result from a trade war, would reduce US jobs and incomes. The job content of a dollar of US exports is greater than the job content of a dollar of US imports.

3. Even when the trade surplus is low there are more jobs in exports than in imports:

4. The US trade surplus went down in 1968–71 primarily because prices got out of hand domestically, which over-stimulated imports and led to overevaluation of the dollar. Present policy is aimed at both these problems: reducing inflation and achieving a realistic exchange rate for the dollar.

5. The employment effects of foreign trade are in any event small in relation to normal job requirements of US economy. US needs to create 1.5 million new job opportunities every year to employ normal additions to the labor force, whereas annual job effects from foreign trade (plus or minus) is on the order of 0.1 million. If we can regain 4-5% real growth a year—the average for the 1960s—full employment would be readily achieved.

6. The basic function of foreign trade is to increase productivity and income—not to create jobs. Achieving full employment depends primarily on domestic fiscal and monetary policy—not foreign trade policy.

B. US is investing and licensing itself out of exports and out of jobs:

1. There is no reliable evidence that foreign investment has on balance either reduced or increased exports. The mid 1960s were years of high US trade surpluses, high foreign investment, and declining unemployment

2. Investment and licensing abroad can increase international specialization and contribute to investment in higher paying jobs at home.

Year	Trade balance (billions)	Jobs (millions) Exports	Imports
1966	$3.8	2.5	1.8
1969	1.2	2.7	2.5

C. Other countries are taking advantage of the US because we have overplayed the benefactor role and sold out our economic interests to buy foreign policy goals.

1. The US has legitimate complaints against:

Agricultural protectionism in Europe and Japan

Government procurement policies and other non-tariff barriers in Western Europe and Japan

Japanese administrative practices that restrict imports.

2. But these countries have legitimate complaints against the US. US quotas and voluntary restraints cover more trade than those of any other country, including Japan. The

US has more high tariff categories (above 20%) than anyone else. And we have our own Buy American rules and other non-tariff barriers.

3. In aggregate terms—Post-Kennedy Round tariffs among the major countries are not far apart. Weighted average tariffs are:

EEC	6.0
U.S	7.1
U.K	7.6
Japan	9.7

4. In sum, the US has received its share of trade benefits and commited its share of trade sins. Serious trade problems exist now and will arise over the future. They can only be managed through reciprocal multilateral bargains.

II. WHAT THESE ARGUMENTS IGNORE

A. International economic cooperation pays off in economic terms. Growth and prosperity in other countries contribute to US prosperity and jobs. If their economies now falter, our economy will suffer.

B. Trade is an important weapon to combat domestic inflation. Imports hold prices down and encourage efficiency in domestic industry.

C. Protectionism would involve substantial US political losses in Western Europe and Japan—with potentially significant adverse consequences for US security and higher US defense costs.

III. EXCHANGE RATES, TRADE, AND ALTERNATIVE POLICIES

Proper exchange rates affect trade and jobs positively, while protectionism affects trade and jobs negatively. The present international economic impasse provides an opportunity to move in either direction, with very different domestic and international consequences.

A. The U.S. can seek a reasonable settlement on monetary issues, avoid a breakdown in international cooperation and a trade war, and move toward a reduction of trade barriers. This will mean higher incomes and more jobs in the U.S.

1. New exchange rates, which other industrial countries agree are necessary to restore equilibrium to the U.S. balance of payments, would produce a U.S. trade surplus of $3–4 billion over the next two years or so. Exports would rise and U.S. industries could better compete with imports here.

2. Such a turnaround would create 500,000 additional jobs in the U.S. Many would be in the high paying capital goods and chemical industries, where our export surplus has steadily increased. In 1969, machinery exports alone (e.g. machine tools, computers and business machines, aircraft, and construction and farm machinery) involved 700,000 jobs.

B. Or the U.S. can move toward more quotas and trade restrictions. This would sacrifice the opportunity to set exchange rates right and to achieve reductions in foreign trade barriers. In addition, it would trigger retaliatory action by others and actually reduce levels of trade. The consequences would be:

1. Some gain in low income jobs but a much greater loss in high productivity jobs.

2. An increase in consumer costs and greater difficulty in regaining price stability. Present U.S. tariffs and quotas cost the consumer an estimated $10–15 billion—equivalent to about a 3% rise in the cost of living. Maintenance of the import surcharge and additional quotas would greatly increase these costs.

3. Adverse foreign policy consequences, which could dwarf the direct economic costs and ultimately add greatly to them.

IV. THE IMPACT OF CURRENT TRENDS IN THE WORLD ECONOMY

1. Rapidly accelerating wage rates in Western Europe and Japan are sharply narrowing the wage differential with the US.

2. Two-way investment is increasing, with foreign capital financing new US jobs.

3. There is increasing specialization within industries, rather than competition between whole industries, easing the adjustment to expanded international trade.

4. Economies are becoming increasingny oriented toward services rather than the production of goods, with jobs less affected by trade.

(60% of the US labor force is already engaged in services—health, education, trade, finance, transportation, etc.—and primarily interested in foreign trade as consumers. This proportion will rise to 70% by the end of this decade, and a similar trend is evident in Western Europe and Japan.)

5. These trends are all increasing the benefits of, and reducing the dislocations from, closer international economic cooperation.

V. POLICY DIRECTIONS

A. First priority is to achieve (a) a satisfactory realignment of exchange rates; and (b) international monetary reforms that will keep all countries, including the US, close to balance of payments equilibrium. The US gains immediately from these monetary improvements through a strengthening of its competitive position. But other countries will also gain from the assurance of continued world prosperity. US protectionist measures would be contrary to US interests because they would gravely jeopardize these prospects and would be self-defeating.

B. The US should move toward a renegotiation of GATT, as it is now renegotiating Bretton Woods.

1. The objective should be to build a framework of international rules and cooperation that meet the needs of the 1970s, and achieve for the future the same kind of benefits that the present GATT framework achieved in the past.

2. In this connection we should:

Explore the prospects of achieving a tariff-free world, both to maximize benefits from trade and to remove the trade effects of preferential areas on US exports.

Develop new provisions for agricultural trade and production, and for other non-tariff barriers.

Consider developing international rules for foreign investment.

3. This will be a lengthy process. If it is to be successful, the US must be prepared to make its share of concessions and adjustments.

C. We should seek a general approach to alleviate problems arising out of job dislocations from all forms of structural change in the US economy, including those from foreign trade.

1. A greatly improved adjustment assistance program is needed now to deal with job dislocations from foreign trade.

2. We should recognize, however, that adjustment assistance from foreign trade covers only a very small part of a more general problem. Even with full employment, sizable job dislocations occur from changes in consumer tastes, technological change, geographic shifts of industry, changes in government defense spending, and anti-pollution measures. These shifts dwarf those arising from foreign trade. Between 1968 and 1971 changes in defense spending alone reduced military and military-related employment by 2 million.

3. Providing new forms of income security and job retraining for workers who have a considerable job investment in threatened industries, and could not readily move to other industries, could ease the problems arising out of structural change. This would also facilitate policies in such fields as defense and the environment that would benefit US society as a whole.

4. There are many difficulties in moving in this direction. However, a program of this kind may be essential to achieve full employment with price stability in the 1970's.

Mr. HAMILTON. Mr. Speaker, the United States is the largest trader in the world. In 1970, we exported $42 billion worth of goods and imported $39.9 billion. Our exports alone constitute one-sixth of the world's total, and our imports one-seventh.

Trade is vital to our Nation. It promotes the kind of world we want, combats inflation, produces jobs, encourages prosperity, aids our balance of payments, and encourages effective use of resources.

ADVANTAGES OF TRADE

First. Trade promotes the kind of world we want. The United States for more than three decades has been the principal proponent and initiator of measures to reduce restrictions on the movement of goods and services across national boundaries. This Nation turns its back on such a course only at its peril.

Trade helps to maintain a peaceful, strong, and productive world. As President Nixon has said:

> We seek an open world—open to ideas, open to the exchange of goods and people—a world in which no people, great or small, will live in angry isolation.

This view reaffirms the consistent position of every President since the depression. President Johnson noted that continued trade flows means—

> New factories, more jobs, lower prices to consumers, and higher incomes for American workers and for our trading partners throughout the world.

President Truman also recognized the merits of trade when he said that—

> The United States will continue its efforts with other countries to expand trade by the reduction of elimination of barriers, and thus to build up the strength of the free world.

The growth of trade, based on mutual cooperation, reduces international friction and misunderstanding. It encourages man to turn his energies and ingenuity to peaceful and rewarding pursuits.

Second. Trade combats inflation. Trade is an important weapon in the fight against domestic inflation. Import competition holds down prices on domestically produced items, and provides more freedom of choice for many products, such as radios, footwear, clothing, and dairy products.

For producers, trade encourages efficiency in production techniques. As production costs decline, prices decline and the market for U.S. goods, both at home and abroad, improves. Costs of primary materials and components needed by our industries are also held down by the continued flow of imports.

Third. Trade produces jobs. Our stake in world trade is enormous in terms of jobs. Every $1 billion of goods and services we export supports 100,000 jobs. Taking the 1970 export level, this means that the jobs of 4.2 million Americans were directly dependent upon a continued market for our goods abroad. When combined with employment involved in imports, the figure exceeds 4.5 million workers.

Jobs in exports have a multiplier effect, as well. For every 100 jobs directly involved in producing items for export, there are 125 jobs in other industries indirectly involved in producing components for such items. Moreover, jobs directly associated with exports generate jobs to produce food, clothing, and housing for export workers, as well as jobs to erect the factories and build the machinery used by export industries.

Imports also create and support jobs for American shippers, transportation workers, and retailers. They keep factories running which might be idled or slowed down, if raw materials or component parts not available in this country were cut off.

American workers have a large stake in continued world trade. Weekly pay rates in major export industries are 10 to 30 percent higher than they are for manufacturing industries as a whole.

Economist Edward Fried has estimated that international cooperation in the reduction of trade barriers can mean 500,000 additional jobs in the United States, many of them in the high-paying capital goods and chemical industries, where our export surplus has steadily increased.

The basic function of foreign trade is to increase productivity and income—not to create jobs. Achieving full employment depends chiefly on the appropriate fiscal and monetary policies, not foreign trade policy, but, nonetheless, more jobs are an important aspect of expanding trade. Foreign trade has not created unemployment, as is often alleged, but rather it has created jobs.

Fourth. Trade maintains prosperity, at home and abroad. Expanding trade means busier factories, more profits, increased investments and a rising standard of living.

Our economy has been considerably bolstered by trade. In the 25 years since the end of World War II—1946 to 1970, our trade balance has been in surplus to the tune of $123.7 billion. Without that surplus, our balance of payments would be an economic disaster.

Trade is a two-way street. The strength of foreign economies contributes to the strength of our economy. Other countries cannot buy from us unless they earn dollars by selling to us.

Though we have exported more than we import, our trading partners have still earned over $405 billion in revenues through selling goods and services to us during that same 25-year period. We could buy from them because they had bought from us. Our exports cannot be expected to increase if foreign countries do not have their own export earnings to use. Clearly, the economies of trading nations are inextricably entwined for their mutual benefit.

Two-thirds of our foreign purchases are materials which we do not or cannot readily produce. Finally, imports generally stimulate efforts to increase efficiency, encourage improvements in quality, and spur technological refinements. In this sense they can be a boon to exports. As production costs decline and product quality improves, the market for U.S. export goods improves and industries threatened by imports are better able to compete.

Fifth. Trade encourages efficient use of resources. Trade forces countries to adhere to what economists call the theory of comparative advantage, whereby we export what we produce best and import goods that are not efficiently produced or just plain unavailable here.

Each trading country is looking for "best buys," where stressing the domestic production of certain items can result in savings from large-scale production, intense specialization, or low transportation costs. These items are the mainstay of our export market, and include such things as chemicals, pulp mill products, engines and turbines, and agricultural products.

Sixth. U.S. agriculture has a stake in trade. Farmers in particular have a large stake in our export trade. We are the world's largest exporter of farm products. Worth $6 billion in 1969, agricultural exports represented about one-sixth of the value of all U.S. shipments abroad, and in some years they have run as high as one-fourth of the value.

U.S. farmers supply about one-fifth of the world's agricultural exports. The crops from one out of every four acres harvested are exported. For certain crops, exports are especially important. Recently, we have exported on the average: 60 percent of our wheat, 81 percent of our dried peas, 42 percent of our soybeans, and 33 percent of our tobacco.

Agriculture makes an important contribution to the U.S. trade surplus. The excess of farm exports over imports in 1969 was nearly $1.1 billion.

Exports are important for the farmer because: exports provide employment for one out of every eight farm workers, they account for 17 cents of the farmer's market dollar, and for five of his major crops—soybeans, rice, wheat, grain sorghums, and raw cotton—exports are nearly 40 percent of his sales.

Seventh. Indiana's stake in trade. Our stake in world trade is brought closer to home when we turn from the national to the State level. In the case of Indiana, export sales of manufactured goods climbed 51 percent, to $998.5 million, in the period of 1966 to 1969. This was faster than the total U.S. export growth in these products, and ranked the State ninth in the Nation as a supplier to foreign markets.

Indiana also ranks among the top 10 in the exportation of agricultural commodities. The State's share of U.S. farm exports was estimated at $305 million in 1969–70, twice as much as it was a decade earlier. It is the third largest exporter of two important farm commodities that have seen rising demand abroad: soybeans and protein meal.

Mr. FRASER. Mr. Speaker, on November 12 and 13 I held a day and a half of hearings in Minneapolis on the new economic policy. Representatives of business, labor and the academic community testified along with interested citizens.

The subject of international trade was a recurring theme in many of the statements presented. Witnesses discussed several aspects of the trade picture, including the actions taken by the President and the move toward protectionism.

I would like to quote from a few of these statements to give you some idea of the interest Minnesotans have in this vital issue.

Mr. Edward Vinokur, director of world trade and transportation, Minnesota Department of Economic Development, discussed the importance of world exports to the economy of Minnesota. He stated that in 1970 approximately $500 million in manufactured goods were exported abroad from the State of Minnesota. Agricultural exports from the State reached approximately $275 million. This total of $775 million in exports for 1970 surpassed the 1971 projected goal by $25 million. The attached report, prepared by the U.S. Department of Commerce, identified Minnesota's major exports as of 1969.

[From State Export Origin series, April 1971]

EXPORTS FROM MINNESOTA, 1969

HIGHLIGHTS

Exports of manufactured goods from the State of Minnesota had an estimated value of $492 million in 1969;

Agricultural commodities shipped from the state to foreign destinations were estimated at $276 million in fiscal year 1969–70. Minnesota ranked ninth among the states in total value of agricultural exports and 10th on a per capita basis;

Iron ore exports from the state were valued at $21 million in 1969.

MANUFACTURED EXPORTS

Minnesota's exports of manufactures nearly tripled in the period 1960–69 to a level of $492.2 million. Over one-half of the trade gain was realized in the final three years. The rapid expansion in foreign sales boosted the state's national ranking from 24th place at the beginning to the 17th at the end of the sixties.

Export gains stemmed primarily from spectacular increases achieved by Minnesota's nonelectrical machinery industry. On top of large advances in 1960–63 and 1963–66, shipments abroad nearly doubled in the brief span of 1966–69 to a value of $243.3 million. Thus, nonelectrical machinery represented about one-half of the state's total manufactured exports, as compared to only one-fourth in 1960. Office and computing machines dominated this trade.

Products of the state's transport equipment and instrument industries have also shown considerable buoyancy. Exports of transport equipment, consisting overwhelmingly of motor vehicles and equipment, rose from only $9.3 million in 1963 to an estimated $52 to $57 million in 1969. (Disclosure regulations prohibit the publication of more specific information.) The spurt in shipments was influenced by the U.S.-Canadian Automotive Products Agreement of 1965, which provides for duty-free treatment of motor vehicles and original equipment moving between the two countries.

Foreign marketing of instruments and related products doubled in value between 1963 and 1969, reaching $27.5 million. Engineering and scientific instruments were in the forefront of the rise, with photographic equipment and supplies providing additional gains.

After expanding by 100% between 1960 and 1966, Minnesota's foreign sales of food and kindred products declined by nearly one-tenth to $66.3 million in 1969. Deliveries of grain-mill products dropped in recent years, although increases were noted in meat products and canned, cured, and frozen foods.

Survey results have shown a downward trend in exports of electrical machinery throughout the sixties. The 1969 estimate of $19.7 million was less than one-half of the 1960 value. This slippage is, however, inconsistent with increased production and employment reported by the industry and may

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reflect the survey's exclusion of relatively small manufacturing establishments.

The state's economy benefits from goods produced not only for direct shipment to foreign destinations but also for ultimate exports through other states. Such indirect exports are of particular importance in industries whose products require further processing or constitute components and parts for assembly into machinery or transport equipment. To avoid duplication, the finished products delivered abroad by exporters are credited at their full value to the state responsible for the final manufacturing process.

Minnesota's principal center for export production is the Twin Cities area, Minneapolis-St. Paul. About four-fifths of the state's transport equipment for the foreign market are made there. Duluth also supplies manufactures, notably nonelectrical machinery, for export.

AGRICULTURAL EXPORTS

Minnesota's agricultural exports are more diversified than those of most other states and provide a significant portion of its farm income. Foreign market sales accounted for 14% of the state's cash receipts from farm marketings in fiscal year 1969–70.

The state's share of U.S. farm exports, including some manufactures of agricultural origin, was estimated at $275.6 million in 1969–70, a modest increase of 15% in four years. A substantial export gain of 76%, however, was recorded for the full decade. Minnesota was ninth among the states in total value of agricultural exports and 10th on a per capita basis.

Minnesota led in exports of dairy products with sales of $35.2 million, or 32% of the nation's total. Its foreign deliveries of these products were about one-third higher than in 1965–66. Exports of soybeans, the principal farm commodity shipped abroad by the state, climbed even more rapidly to $72.7 million, 43% above their value, four years earlier. In the movement of feedgrains, however, there was a 16% decline in the same period, to $52.3 million.

Among other significant farm exports, shipments of protein meal more than doubled to $22.5 million, but wheat and flour dropped by one-fourth to $21.7 million. In meats and meat products and in flaxseed, in both of which Minnesota ranks third, foreign sales were valued at $8.9 million and $2.9 million, respectively.

MINERAL EXPORTS

Minnesota's exports of iron ore in 1969 reached the low point of the sixties. Foreign sales were valued at $21 million, a drop of 45% from 1966.

(See tables on exports of manufactures and shares of agricultural exports.)

STATE OF MINNESOTA: ESTIMATED EXPORTS OF MANUFACTURED PRODUCTS, PRODUCTION, AND EMPLOYMENT, BY INDUSTRY GROUP

[In millions of dollars, except as indicated]

Industry group	Estimated exports of manufactured products				Percent change		Percent of U.S. exports 1969	Manufacturing 1967	
	1969	1966	1963	1960	1966 to 1969	1960 to 1969		Production	Employment (thousands)
Total	492.2	326.5	222.1	171.6	+51	+187	1.7	9,443	[1] 300
Nonelectrical machinery	243.3	131.5	74.5	46.9	+85	+419	4.0	1,565	53
Food and kindred products	66.3	72.6	42.2	36.3	−9	+83	3.1	3,298	49
Transport equipment	(52-57)	22.9	9.3	(2)	(2)	(2)	(2)	338	9
Instruments and related products	27.5	18.7	13.8	(3)	+47	(4)	2.5	231	9
Miscellaneous manufactures and ordnance	25.8	18.5	19.8	16.9	+39	+53	2.4	[5] 136	[5] 8
Electrical machinery	19.7	21.4	33.5	45.0	−8	−56	.8	573	25
Chemicals and allied products	(10-25)	(5-10)	6.2	7.0	(2)	(2)	(2)	392	6
Paper and allied products	9.0	6.8	6.8	8.8	+2	+2	1.1	683	18
Fabricated metal products	6.5	8.8	5.4	4.9	−26	+33	.6	469	18
Textile-mill products	(1-5)	(1-5)	1.2	.6	(2)	(2)	(2)	40	3
Apparel and related products	(1-5)	(1-5)	1.6	1.6	(2)	(2)	(2)	127	9
Lumber and wood products	(1-5)	(1-5)	2.1	1.6	(2)	(2)	(2)	165	6
Printing and publishing	(1-5)	(1-5)	1.4	1.1	(2)	(2)	(2)	407	24
Rubber and plastics products, n.e.c.	(1-5)	(1-5)	(1-5)	(2)	(2)	(2)	(2)	(4)	(2)
Stone, clay, and glass products	(1-5)	(1-5)		(2)	(2)	(2)	(2)	160	7
Primary metal products	(1-5)	(1-5)	.7	(2)	(2)	(2)	(2)	170	8
Furniture and fixtures	(0-1)	(0-1)	.2	(2)	(2)	(2)	(2)	65	3
Petroleum and coal products	(0-1)	(0-1)	(0-1)	(2)	(2)	(2)	(2)	175	2
Leather and leather products	(0-1)	(0-1)	.2	(2)	(2)	(2)	(2)	(4)	(2)
Undistributed by industry group	94.1	23.3	3.2	.9				449	[6] 43

[1] Includes administrative and auxiliary employment of 23,900.
[2] Comparable data not available.
[3] Excludes ordnance.
[4] Withheld to avoid disclosing figures for individual companies.
[5] 2,500 employees.
[6] 1,000 to 2,499 employees.

Note: Export values are f.o.b. producing plant. Data for 1960, 1963, and 1966 have been revised from those in the State Export Origin Series issued April 1968. Production is represented by shipments, i.e., net selling values f.o.b. plant; data may include duplication arising from intrastate shipments between establishments.

Source: "Survey of the Origin of Exports by Manufacturing Establishments, 1969" and "1967 Census of Manufactures Minnesota," Bureau of the Census.

Mr. Vinokur indicated that the success in surpassing the projected goal could be attributed to increased purchases of soybeans, soybean products, feed grains, manufactured goods, electronic equipment, and electrical manufacturing materials. The entrance of many small and medium size companies into the export business also contributed significantly to this success.

Another major factor in determining the importance of exports to the economy of Minnesota is the employment resultant from these exports. Many jobs in the State are created due to exports, both in manufacturing and in the agribusiness sector, according to information provided by the Commerce Department and interviews conducted with various Minnesota companies. The Port of Duluth offers an example of the importance of exports in providing employment. Over 2,000 jobs at the port are a direct result of the export activities centered there.

Mr. Russell W. Laxson, vice president of Honeywell, Inc., based in Minneapolis, provided some interesting statistics on the effect of the multinational company on the U.S. economy:

Honeywell has worked with a number of government and private groups to study the impact of multinational companies on this country's economic climate. Recently one of those groups, the Emergency Committee for American Trade (ECAT), conducted a survey of 40 firms who were members of ECAT. The survey has returned some very important information:

From 1964 to 1969, these firms reported increased domestic employment "from 1.9 million to 2.5 million, a gain of over 27%. During the comparable period, total manufacturing employment in the United States increased by only 16.8%, from 17.3 million in 1964 to 20.2 million in 1969—a rate considerably below that for the multinational companies."

Thirty-seven of these firms reported "increased employment during the period 1964 to 1969; two reported virtually no change, and only one reported a significant decline in employment, which was due solely to competitive developments in the U.S. market."

The median increase in domestic employment with the multinational companies from 1964 to 1969 was "29% while the upper quartile and lower quartile gains were 42% and 18%, respectively. The employment gains in the lower quartile firms even exceeded the average increase in all manufacturing employment during the corresponding period."

In part because of the physical presence in foreign markets, the companies surveyed achieved a "net export surplus, i.e., a surplus of exports from the U.S. over imports into the U.S., of $5.4 billion in 1968 and $4.8 billion in 1969. (The decline in the latter year was substantially attributable to a reduction in exports of aircraft and parts in 1969.) Over two-thirds of the companies surveyed increased their net export surpluses from 1968 to 1969, and these enormous export surpluses of $5 billion annually lead to employment in our domestic plants of approximately 500,000 American workers."

In 1968 and 1969, the companies "repatriated $1.2 and $1.3 billion respectively in earnings to the U.S. These repatriated earnings (net of foreign taxes) represented a return on equity invested of 9.9% in 1968 and 9.2% in 1969."

DANGERS OF TRADE WAR

Several of those testifying expressed concern that retention of the import surcharge for much longer will result in reciprocal tariffs and lead to a trade war.

William F. Ogden, Jr. of the First National Bank of Minneapolis stated that:

as a result of the 10% surcharge, we have already seen a reduction in orders for imported merchandise which reflects the uncertainty in the minds of many U.S. companies as to how they should shape their future plans. Although the surcharge provides an immediate and useful tool in negotiating the elimination of tariff and nontariff barriers to U.S. exports, its effectiveness will diminish over a period of time. In any event, it should be concentrated against specific barriers in specific countries, and not as a general barrier. If it persists, it will lead, undeniably, to reciprocal barriers which will result in lower volumes of international trade. This will mean less jobs and lower standards of living for all Americans. The surcharge should be lifted by March, 1972. It must not be used to protect domestic industries from fair foreign competition. Assistance to inefficient domestic industries who are seriously affected by foreign competition should be in the form of relocation and retraining allowances.

Lloyd Brandt, executive director of the Minneapolis Chamber of Commerce, testified that:

In general, the Chamber supports the actions taken by the President as they relate to the international sector. Certainly the relationships between various currencies had gotten out of line and the action of freeing the dollar appears to be necessary as a temporary measure. The 10% surcharge on imports as a part of the package and as a temporary measure probably was unavoidable. However, we believe that every effort must be made to bring currencies into relative balance and to revoke the 10% surcharge.

Unfortunately, the longer the surcharge remains in effect, the easier it is going to be for various segments of our population to insist that it remain a permanent feature of our international trade posture. While retaliatory measures at this time have been very limited, the continuance of the surcharge for any period of time or the enactment by the Congress of other restrictive measures may well bring about massive retaliation from our trading partners. This must be avoided at any cost.

Mr. Vinokur stated that Japan is primary purchaser of the power transmission equipment manufactured in Minnesota. Before the 10 percent surcharge was imposed, the duty on this equipment was very reasonable and it was accepted into Japan as AO—automatically approved. Now Japan requires import licenses for this same equipment. There has been a cutback in orders to Japan as a result of this action.

GROWING PROTECTIONISM

Witnesses were also alarmed at growing protectionist sentiments in the country. Mr. Brandt was one of many who expressed this concern:

"The trend in the United States toward isolationist policies has developed strongly ever since the passage of the 1962 Trade Expansion Act. We agree that the United States' negotiating position in the past has perhaps not fully met the expectations of the American people and we highly endorse the changes in the last few years that have seen the enforcement of laws currently on the books such as the Anti-Dumping Act, Countervailing Duties, etc. But this is not the time for import quotas, nor is it the time to deal harshly with multi-national corporations. We are disturbed at the introduction of the Burke-Hartke Bill (S–2592, H.R. 10914) which would have very extreme ramifications if allowed to become law. At this particular time, we urge moderation and reason in the development of international trade policy which will be fair to both the United States and our trading partners around the world.

Michael Prichard, an officer in the Minnesota World Trade Association, outlined the principles he believes Congress should follow in considering any proposals affecting foreign trade and investment:

First, it is my contention that mankind can best prosper and survive in a world in which men are free to trade goods and services. The United States itself is a huge market in which barriers to trade have, to a large degree, been eliminated. The European Common Market is making significant progress in eliminating barriers to trade among its member nations. A long-range foreign policy goal of the United States should be the worldwide elimination of barriers to trade.

Second, we must recognize that the world monetary system has serious deficiencies which, although structural in nature, can profoundly affect the economies of the world. Although it may not have been feasible for political reasons, many of our present troubles could probably have been averted if we had been willing to devalue the dollar vis-a-vis gold, rather than adhering to a system which provided for considerable inflexibility in the rates of exchange among the major currencies of the world. Far-reaching changes in the world monetary system may be necessary at this time. The best talent available in the United States and the rest of the world should be used to develop these changes, and the United States should be prepared to accept a less important role for its dollar in any new system which is devised. In connection with a new world monetary system which may be devised, the United States may be required to submit to some degree of supervision by a world monetary authority on matters which could affect its internal economy. We must realize that our domestic economic policies have repercussions throughout the world and in a new monetary system it would be equitable to afford an opportunity for other nations to be heard.

Third, the United States should adopt as one of its goals the maintenance of a flexible production base (and hopefully, a fully employed, innovative and diversified production base, as referred to in the Preamble to H.R. 10914). This would mean utilizing our human, natural and financial resources to best maintain and improve our competitive position in world markets, and may mean that production of goods which have historically been produced in the United States would decline as a result of market forces. In my opinion, production of goods which are not competitive in world markets should not be artificially continued and maintained. I think it is a proper role of government to assist workers in industries whose production has rapidly declined as a result of sudden changes in world markets, until the workers are able to find employment in other industries. I do not think it is a proper function of government to support industries which are not competitive in world markets.

Fourth, a mechanism should be provided to give the President, or some other appropriate representative of the United States, authority to negotiate with foreign governments on a broad scale with respect to trade practices, and a broad range of non-tariff barriers to trade, with a view toward reciprocal elimination of such barriers.

Fifth, the United States Government should maintain an atmosphere in which those of our industries which are competitive internationally can expand and prosper.

Sixth, it is my opinion that our present economic and financial situation, domestically and internationally, is largely a result of the conduct of the Viet Nam war. This was conducted for a very long period of time without the imposition of wage and price controls. It has also resulted in a very heavy drain on our balance of payments. Hopefully, an end is in sight.

The most disturbing aspect of the wage-price freeze, the import surcharge, and the proposals of H.R. 10914, is the apparent willingness of the United States Government and a large segment of American society to move from a free enterprise economy to a government controlled economy, not merely as a very short run measure to correct a temporary situation, but as a longer term measure. While quantitative controls on imports, prohibitions on foreign investments, and tax and similar measures may all be legitimate short-term tools, they are not effective for curing basic ills, namely imbalance in monetary parities and huge fiscal deficits. In my opinion, the consumer, rather than the government, should determine what he will buy. If the United States automobile oligopoly will not produce a car responsive to consumer demand, the consumer should not be prohibited by government from buying a foreign car which meets that demand. If there is some aspect of the sale of that car in the United States which is truly "unfair," we should concern ourselves with that aspect. In my opinion, an investor, rather than the government, should determine where he will invest his funds. His decision will be made on the basis of expected return, risk and similar factors. The development of our country until the early part of this century was heavily dependent on the availability of European capital, and the only way the economies of the underdeveloped nations of the world will develop is through the transfer of capital and technology from abroad.

One witness presented his testimony on the international trade question from a very interesting and important perspective. Mr. Eugene Harrison is a representative of the British Trade Council and is currently stationed in Minneapolis. I would like to request that Mr. Harrison's entire statement be included in the RECORD.

At the important meeting of the International Monetary Fund (IMF) in September, Mr. Anthony Barber, our chancellor of the exchequer said: "The problems faced by the United States administration, both as to the balance of payments and as to the domestic American economy, are immense.

Here is a nation which over the years has shown a generosity unparalleled in history. A people who have been prepared to back one administration after another in their actions to fortify the industrial world and to aid the developing world.

They are now entitled to look to their friends and to call for a common solution to a common problem.

Having said that, my question is whether or not we are going the right way about solving this all important common problem.

The U.S. move to protectionism cannot be the right answer surely?

PROTECTIONISM

Did protectionism create Hitler?

The Wall Street Journal of October 26, 1971 headed an important editorial: "Did protectionism create Hitler"? It went on to illustrate that U.S. protectionism brought on the Smoot-Hawley Tariff legislation of 1930 which set in motion a series of international moves that inhibited the movement of trade and money.

Foreign trade withered, prices fell precipitately and all values plummeted. U.S. unemployment rose from 5½ million to 11 million in 6 months.

The world was plunged into the deepest depression ever recorded. Protectionism certainly watered the soil that could nurture a Hitler.

U.S. TRADING PARTNERS

Let us look at the United States present trading position: your trading partners are

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now much stronger in every way since the 1950's. And growing from strength to strength.

This is, of course, in many cases, due to the large effective and generous aid given by the United States after World War II.

Japan and Canada have substantial balance of payment surfeits—with the entry of Great Britain and others into the Common Market we will have a huge and wealthy market of 255 million people. In other words—the large trading partners and blocks are dealing from strength. Hence, there is the danger of starting a huge trade war and bringing on another awful depression all over the world. "When the U.S. sneezes, the rest of the world catches a cold."

EUROPE

Is the U.S. position really as bad as is painted? With Japan and Canada it is true there have been large trading deficits. But with Europe the story is quite different. The average annual balances of payments, *favourable* to the U.S.A. are as follows:

Common Market, $1.2 billion; United Kingdom, $500 million.

After we enter EEC it is likely to improve in the favour of the U.S.A.

THE U.K.

Whilst we thoroughly sympathise with the United States in her position, we do not like the 10% surcharge which is now beginning to hurt our exports to the U.S.A. And we certainly are not in favour of the discriminatory 7% tax investment credit with the "Buy American" label.

Taken together with changes in exchange rates, these measures could establish a margin against British capital goods of over 30%. We believe that the "Buy American" stipulation in an investment tax credit to be definitely in direct conflict with the provisions of Article III of the G.A.T.T.

No other principal trading country operates discriminatory fiscal incentives to invest in a major way. With such a deterrent to free, competitive trading, we believe that it will in the end be only the U.S. public that will suffer.

I believe the United States Senate has thrown out the investment credit in its present form—we hope it never becomes law. Her Majesty's Government has sent an aide memoire on this subject to the Government of the United States.

TRADE RESTRICTIONS

The United States has a much wider "spread" of tariff rates than most other countries. It has a comparatively *low average* industrial tariff but on a significant range of items a much more *savagely* protective tariff. On non-tariff barriers, many examples can be provided: American selling price on chemicals, etc., systems of valuation, documentation for customs, wine gallon assessments and "Buy American" restrictions, copywrite laws, etc. etc.

U.S. EXPORTS AND FREE TRADE

We in the U.K. are firm believers in absolute free trade. We live by our exports and overseas investments. It is to be fervently hoped that all the U.S. moves toward protectionism can be stopped in the very near future. In case you don't know, the proportion of U.S. exports to gross national products is only some 4%. In the U.K. and many European countries it is in the nature of 20% or more.

I believe the answer to most of these problems is opening up free world trade even more than ever before and to allow the great American free enterprise system to flourish and flower but all over the world with increased exports and investments.

Mr. Speaker, as a result of the testimony of these witnesses and similar expressions of concern from others in my district, I am more convinced than ever that we must fully understand the impact that protectionist trade policies would have on our own economy. In September 1970, 4,800 American economists appealed to Congress and to the President to reject the proposed import restrictions. They wrote:

Today, as in 1930, a protectionist policy . . . would directly impair our own prosperity. Foreign countries would have less purchasing power and hence less ability to buy from us. They would . . . retaliate . . . Prices in this country would tend to go up, reducing the real incomes of Americans, affecting especially those who can least afford it . . . But the right answer does not lie in triggering a trade war. That would only make a bad situation worse.

GENERAL LEAVE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

THE INSIGHTS, THEORY OF VALUES, AND PERSONAL PHILOSOPHY OF A GREAT PROFESSOR

The SPEAKER. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 30 minutes.

Mr. RANDALL. Mr. Speaker, my home city of Independence, Mo., is known as the Queen City of the Trails because it is the starting point of the Santa Fe, California, and Oregon Trails. In the last 30 years we have become famous as the home of the 32d President of the United States. Please note that in deference to our first citizen's preferences we have described him as the 32d President and not the 33d President. In my home community, we are also proud that it is the home of the world headquarters of the Reorganized Church of Jesus Christ of Latter Day Saints.

Mr. Speaker, I hope and I am sure that history will not limit our fame to the three things I have just enumerated. We have produced many famous persons—authors, actresses, musicians, historians, and writers.

One very able and most talented present day writer is Mary Salisbury Hare. She is the wife of a distinguished lawyer, George Michael Hare, and the daughter of the late Spencer Salisbury, a well-known and respected businessman and savings and loan company executive. I might add parenthetically Mrs. Hares' father served as a commander of an artillery battery that fought side by side with the battery commanded by Capt. Harry S. Truman in World War I. Her husband George M. Hare practices law under the firm name of Hare and Truman, with John R. Truman, a near relative of our former President.

Mary Pearl Hare, as she is best known contributes regularly to the Kansas City Star and its morning edition, the Kansas City Times. Recently, on Friday, November 12, 1971 she authored a five-column spread on the editorial page of the Kansas City Times entitled "Still Looking for a Literary Giant." Her article is centered around the life history and particularly the teaching years of Dr. Alexander P. Cappon, professor emeritus of English literature at the University of Missouri-Kansas City. Dr. Cappon retired from teaching last spring. He is now engaged in the prepperation of an anthology of the University Review which is the faculty publication of the University of Missouri-Kansas City where Dr. Cappon served as the editor-in-chief from 1937 to 1970. Among the authors who contributed to the University Review during those years were: Edgar Lee Master, J. D. Salinger, Robinson Jeffers, John Gould Fletcher and Pearl Buck.

Mr. Speaker, when I received my copy of this feature story, which is based upon an interview of Dr. Cappon by Mrs. Hare, I immediately recognize that here was a story that once again underlined the fact our Nation is fortunate to have a long tradition of public support of the importance of education and educational opportunities. As I read this article, it made me recognze once again that the American people will always be ready to support the strengthening and expansion of our educational institutions and opportunities. The Representatives of the people in the Congress are equally ready and willing to support educational institutions. Only a few days ago the U.S. House of Representatives passed and sent to the other body a monumental $22 billion aid to higher education bill.

Notwithstanding the money that has been or will be spent on education, the Congress, our educators and the general public have long been well aware that the quality of that education ultimately depends on the quality of the people who staff our educational institutions. It is so true that it is now accepted without question that without good teachers our schools and colleges can never hope to provide quality education. It is because of this awareness that it becomes so refreshing to read the article centering around the interview of Dr. Cappon who proved himself for many long years, not only to be a well qualified teacher but that he is one who was truly dedicated to the art of teaching.

The interview in the Kansas City Times, of Dr. Cappon embellished by Mrs. Hare covers a wide variety of subjects. As I look back over this story, it appears that it is devoted to two principal topics. First, the role of the professor in a university and also the role of the university in the community. Second, an appraisal of the contemporary scene in English literature.

Dr. Alexander P. Cappon, a long time student of English literature believes that while some of our 20th century authors have shown technological ingenuity, no literary giant has yet appeared on the scene. He points out that there have been writers who are not afraid to break with tradition but there is no one figure who seems to stand out above the rest.

About the only matter which a person such as myself, who is neither a writer nor a student of English literature could disagree with Dr. Cappon is that someone as he puts it:

A Mailer perhaps would come along and avail himself of what has been learned and make significant use of it.

If he refers to Norman Mailer, as I am sure he must, I hope the good doctor will please forgive me if I dissent or at least mildly disagree.

Mrs. Hare herself has shown she is capable of an excellent literary style of her own as she goes about her interview. It reminds one of the style of question and answer writing so effectively used by that popular and widely read news periodical U.S. News & World Report.

Her entire article is well arranged. Each question leads in an orderly sequence to the one that follows.

One of the highlights of the interview is the question answered by Dr. Cappon as to whether or not a university should have an elite quality. His answer was that while every university should be selective, every teacher should do all that he can for every student sent to him notwithstanding the admission and probation committees. Then once again in answer to the question as to which art form is the most demanding his interesting answer was, "all art forms."

Dr. Cappon goes on in the interview to theorize that for the artist, the novel, drama and poetry are extremely demanding. He says he is disappointed that few poets today write epics because a great epic could be written that could deeply influence our culture. It is his belief that great artists are endowed with a grasp of life, acute sensitivity, depth of insight and imaginative intensity of spirit.

It is clear from the interview this great teacher of English literature believes that no human being can produce a perfect work of art on the postulant that any of us have the world by the tail and that sooner or later we will, or must discover something of complete perfection.

A most revealing and also most interesting answer by Dr. Cappon was to the question of what did he gain most from his professorship of English literature. The answer, simple and straightforward—it gave him a greater understanding of the world and its people.

He went on to say he enjoyed his teaching because as students gain personal improvement, not in writing skills alone but in creative endeavor, they add to their own mental health and become better persons.

One of the very encouraging parts of the interview is the optimism expressed by Dr. Cappon when he was asked if the world was in a sorry plight. He agreed it is, but he also believes the world has always been in a sorry plight. He thinks education has always been faced with a race against the problems that have been enclosed upon it and against catastrophe which would even overtake us, if we were ever foolish enough to relax.

Because of Dr. Cappon's statements in the interview, we believe that the expressions of his personal philosophy contained in the comments of this interview have significance far beyond the confines of the area it is my privilege to represent in the Congress. It is for that reason that I read into the RECORD at this time, the full interview by Mary Salisbury Hare of Dr. Cappon, who in this interview states the insights he has gained from many years of experience and reflection. I feel certain, a careful consideration of these ideas will benefit those who read this RECORD. At this point, I will read the entire interview as follows:

STILL LOOKING FOR A LITERARY GIANT

(By Mary Salisbury Hare)

While 20th century authors have shown tremendous technical ingenuity, no literary giant has appeared on the scene, in the opinion of Dr. Alexander P. Cappon, Professor Emeritus of English literature at the University of Missouri, Kansas City.

"This has been the age of experimentation, of writers who are not afraid to break with tradition," Dr. Cappon points out, "but we now would hope that someone—a Mailer perhaps—would come along and avail himself of what has been learned and make significant use of it."

Dr. Cappon has high regard for Faulkner and others of this century, but when he thinks of figures who stand above the rest, he thinks of such men as John Milton, his favorite poet.

Dr. Cappon first was attracted to the 17th century writer through his poetry, but his esteem for Milton grew when he read essays on freedom of speech and press, education, religion, divorce, and one called "The Tenure of Kings and Magistrates."

"In this one the important point Milton brought out," Dr. Cappon recalls, "is that the people have the right to choose and depose their rulers. This, of course, led the way to democracy."

Dr. Cappon, who retired from teaching last spring, continues to take an active part in the life of the campus. In the following interview he looks back on his years of teaching, commenting on a wide variety of subjects.

CONTACT WITH STUDENTS

Q What do you most look back to with pleasure in your connection with the university?

A A teacher looks back most to his contact with students. This is most important but it is always imperfect. I think there is no finer word than "teacher" unless it is "learner". I perhaps most greatly enjoyed my days as a student, and that is perhaps why I wanted to be a teacher. The word "professor" does not suggest to me the idea of "one who professes"—it suggests to me one who, along with others, inquires or tries to discover.

Q Do the students "discover"—uncover knowledge?

A Yes. That is the main thing they do—or ought to do. This is of course difficult, for teacher and student.

Q How long have you been connected with universities, up to the time that you retired?

A Let me say "quite a long time"—without being absolutely specific. I usually feel that it is best not to turn the pages of time backward too much. I like to look forward. I was editor-in-chief of our faculty publication, the University Review, for more than 21 years (while also teaching) and I was a teacher, of course, for a longer period than this.

MANY AREAS

Q Do you rememer specific students?

A Yes, many. I remember, for example, the student I carried in my arms to a second-floor meeting of the English Club. She went everywhere in a wheel chair. She later took a Ph.D. at Columbia University and was married in New York.

Q Did good students come from all areas of Kansas City?

A I have had good students from Independence, from Central High, Westport, Belton, North Kansas City, Excelsior Springs, from Red China, India, Pakistan—good students from everywhere. Many, of course, took the M.A. later and some went on for Ph.D. degrees—a surprisingly large number in the 19th century field in which I had specialized.

Q Does a university or should a university have an elite quality?

A The university as it operates has a selective aspect. But the teacher should do what he can for every student who is sent to him by the selective process. This depends upon the admission and probation committees.

Q What about disadvantaged students?

A Early at the university I had strong feelings about the problem of deprivation. Something ought to be done here for those deprived materially and in other respects: Raise scholarship money for Indians, Mexicans and admit Negroes. I was the first to introduce a Negro speaker to address one of our halls. As it happened it was Langston Hughes, whom I greatly admired. A university should serve its city and the city, the university. A metropolitan area can be used as a laboratory.

BOTH TAUGHT

Q Are you the only member of your family in the teaching profession?

A. No, my wife also taught world literature for some years here at the university.

Q. A study of the world's major literary masterpieces.

A. Not pure literature. A course in germinal ideas welded together: Moral, religious, political, economic and literary. Both of us have been much interested in a broad orientation for students, a wider world view. Selections ranged from ancient Greek dramatists, Plato, the Bible, Shakespeare, Balzac, Thoreau, Marx, Dostoyevsky to Oriental and Occidental philosophy. For one student whom we saw recently, Dorothy's course opened up insight into Africa and its problems through "Cry, the Beloved Country."

Q. What art form do you consider most demanding.

A. All art forms. For the artist the novel, drama and poetry are extremely demanding. Today few poets write epics. A great epic could be written that would deeply influence our culture.

Q. With what special qualities are great artists endowed?

A. A vast grasp of life, acute sensitivity, depth of insight and imaginative intensity of spirit. The modern writer should probe deeply into past and present philosophic contributions we fortunately have available to us.

WHY WRITE?

Q What motivates a writer?

A Motivations are mixed. To believe in only one—the aesthetic—is simplistic. The need to create an aesthetic object in its own terms fails to take account of man's imperfectibility. We are all mixed creatures. No human being can produce a perfect work of art. Even in pure science errors in thinking have been based on the postulant that we have the world by the tail, that we might have discovered something of complete perfection.

Q As a senior professor of English language and literature and creative writing, what have you gained most?

A A greater understanding of the world and its people. One satisfaction has been to see students gain personal improvement, not writing skill alone. In the process of creative endeavor people change. They add to their own mental health. At first my attention centered on better craftsmanship, later on better persons. Even though the individual may be a better craftsman he may become a worse person.

Q At present you are engaged in a specific project?

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A I am working on the relationship between literature and philosophy in Wordsworth. My dissertation was written on a problem relating literature to philosophy in the works of Shelley. Also, the relationship between these areas in the work of Coleridge interests me.

Q Do you believe the novel is dead?

A. No. That's a great error. Rather the novel is in process of being taken apart rapidly in different ways. Out of this something richer will emerge. A novel's inner core is living, changeless, creative . . . very much alive. The original title "novel" meant something novel . . .

Q. Has Truman Capote's clinical reportage in the nonfiction novel, "In Cold Blood," established a serious new literary form?

A. He made a contribution of value. Despite our world of haste novels at times are still exceedingly large and astoundingly long. Joyce devoted the last chapter of "Ulysses" to Molly Bloom's unspoken monologue. Faulkner wrote unpunctuated sentences as long as 181 words in "Absalom, Absalom." Whatever form or style evolves the novel can't die.

Q. How did a writer of Faulkner's stature surface in the deprived State of Mississippi?

A. In an area that could not foster the arts Faulkner might have been lost. Fortunate circumstances combined with creative imaginative power saved him. In a sense the Nobel Prize winner's acceptance speech is an affirmation. I believe that man will not merely endure; he will prevail . . .

Q. What do you think of the modern world—for example, youth liberation?

A. I am friendly to youth—all my life I have been working on the side of liberation. In my younger days there was a current book published, "Youth in Revolt." I was brought up in that tradition.

Q. Has permissiveness been responsible for most of the ills of present-day youth?

A. I think not. Most parents will jaw at their youth too much. The trouble lies in this: We have a very complicated world to live in, and youth has a hard time adjusting to its complicated world. Also, teachers cannot be blamed for all the problems. Teachers in the high school are making a terrific effort and lower school work is being planned with a good deal of care. However, the problems are all difficult.

CAN'T GIVE UP

Q. Don't you think that the world is in a sorry plight?

A. Yes. But it has always been in a sorry plight. I would not want to underestimate the evils of the present world. Education has always been faced with a race against the problems that have been closing in—against catastrophe which might be imminent if we would foolishly relax.

Q. What do you think of modern poetry?

A. This question might mean: Are you in favor of conventional poetry? I am most friendly to modern poetry. We could think of formalized religion and formalized poetry. I am not attracted to anything which is formalized.

Q. What do you think of long-haired young men?

A. The length of the hair doesn't bother me a bit—or the scraggliness of the beard. I have had students like this in class—boys with very long hair who came to class in what appeared to be a girl's nightgown and a long string of colorful beads about their necks, as well as earrings. They turned out to be good students. Perhaps I have been lucky. The worst students tend to drop out early and therefore do not give rise to a problem.

I have almost always had a good core of reasonably good students. The long-haired students probably think of the teacher with shorter hair as the person who is formalized—that is conventionalized. But the students are willing to wait and see whether you are extremely conventionalized.

SENATOR BUCKLEY PROMOTES INTEREST IN THE RIGHTS OF ALL PERSONS TO EMIGRATE

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, I was very pleased to learn that earlier this week Senator BUCKLEY, on behalf of Senator BROCK and himself, introduced Senate Concurrent Resolution 51 which is identical to House Concurrent Resolution 462 which I introduced on behalf of myself and 51 cosponsors. In addition, Senator BUCKLEY sent out a dear colleague letter on November 18 requesting additional cosponsors. These resolutions recognize the persistent violations by Communist nations of the fundamental right of emigration, one that is specifically written into the United Nations' Universal Declaration of Human Rights. They also recognize the persistent refusal to allow a citizen to leave has most recently been dramatized by the plight of Russian Jews who seek to find a new life elsewhere.

Senator BUCKLEY has been extremely active in pursuing the issue of Soviet Jewry, including his taking a continuing and personal interest in Voice of America programing beamed to the Soviet Union and Soviet Jews. He and his staff have also continued to work with national and international bodies on matters affecting Soviet Jewry.

Besides numerous initiatives undertaken by Senator BUCKLEY's staff, at his direction, on a variety of factors affecting Soviet Jewry, such as assuring the free flow of mail to Soviet Jews from sympathetic Americans, Senator BUCKLEY has personally pursued the VOA programing issue since last March and has worked closely with Frank Shakespeare, Director of the U.S. Information Agency.

Mr. Speaker, it is indeed an honor for myself and all of the cosponsors of House Concurrent Resolution 462 to have Senator BUCKLEY, Senator BROCK, and their colleagues join us in bringing this matter to the attention of the United Nations and the world. Any of my House colleagues who would still like to cosponsor House Concurrent Resolution 462 should contact my office promptly. It is my understanding that the Europe Subcommittee of the House Foreign Affairs Committee could report out a resolution next week.

Mr. Speaker, Senator BUCKLEY delivered a speech on Soviet Jewry on Sunday, November 14, 1971, on the steps of the city hall in White Plains, N.Y. Portions of the speech will be translated and along with a report of the rally will be reported to the Soviet Union and Soviet Jews on the VOA. It is very fitting and a pleasure, therefore, to include at this point Senator BUCKLEY's speech.

MAJOR SPEECH BY SENATOR JAMES L. BUCKLEY

Thank you very much, Mr. Katz. It's obvious that you've done a magnificent job in turning out a tremendous crowd today.

I can think of no better way to open my remarks today than by quoting the words of the chairman of the Westchester Conference on Soviet Jewry, Mr. Ernest Goldblum, when he accepted the B'nai B'rith Brotherhood Award some months ago:

"The 'plague of darkness' is with us," he said, "when we fail to see the needs, the pain, the joys of our fellow, when each is so preoccupied with his own place that he never goes out to share the concern of his neighbor. Brotherhood is the blessing of light which dispels the plague of darkness, and each of us must work together to rid the earth of the darkness that threatens to destroy."

This is why we are together here this morning, to bear witness to our concern, to raise our voices in protest against the latest chapter in the Soviet Union's long history of oppression, to help keep alive the fires of hope in the hearts of her captive peoples.

These peoples have each in turn felt the implacable determination of the Soviets to dominate, to tyrannize the human spirit: the Baltic nations in 1940, the Hungarians in 1956, the Czechs in 1968, and now the Soviet Jews, who are once again being victimized for their steadfast loyalty to the faith of their fathers, and of their father's fathers.

I don't know how many of you noted the extraordinary exchange which took place at the United Nations three weeks ago between the delegates of the Soviet Union and Israel. During a bitter debate Russia's Yakov Malik challenged the Israeli delegate, Yosef Tekoah, to rise in the Assembly and declare that Jews were a chosen people, a people closer to God than all others. Trembling with indignation, Mr. Tekoah rose to shout his reply that if the Jews were a "chosen people," they had been "chosen to suffer."

Certainly, there has been little in this horror-filled century to prove him wrong. Destiny seems to have assigned a special role for the Jewish People. They have served as a kind of litmus paper of civilization, an unfailing test of the justness and humaneness of governments and regimes. Those which oppress the Jew usually attempt to tyrannize others; and those which are based on a fundamental repudiation of human dignity and individual rights seem sooner or later to focus upon their Jewish citizens a singular intensity of oppression. This principle of history is now being exemplified once again in the events transpiring in the Soviet Union.

When the Russian revolution was born in 1917, it came bearing promises of dignity and brotherhood for all; and in fact, during the early days of the new regime, Russian Jews were provided with full equality for the first time in centuries. Within a few years, Soviet Jewry was able to establish an impressive network of schools and cultural institutions which gave promise of a vigorous development of Jewish culture, and it appeared that the virus of anti-Semitism had been banished from the land.

It soon became apparent, however, that the ultimate goal of the new regime for its Jewish and other minorities was not to grant them the freedom to pursue their individual faiths and cultures within the framework of the Soviet system, but rather to assimilate them into the system, to cause them to abandon their distinctive traditions, customs and beliefs. The old patterns of Jewish life, because of their intimate relationship to the life of the spirit, were particularly regarded as "bourgeoise evils" having a "counter-revolutionary influence." It was made clear that a Soviet Jew would be allowed to participate fully and on equal terms in Soviet society only at the price of his abandoning every aspect of his being which would characterizing him as a Jew. This is what equality requires, Soviet style.

While all Soviet citizens share in common the tyranny of the spirit which is visited by their government on all its subjects, and while all who have sought to preserve their religious beliefs have felt the heavy force of official displeasure the Soviet Jews have in recent years been singled out for a special harassment which can only be described as cultural genocide; and in the process an explicit anti-Semitism has once again been loosed upon the land.

We who have been blessed—most of us from birth—to be the citizens of this great land in which the freedoms we enjoy are taken so much for granted, we too often find it beyond the reaches of our imagination to understand the subtle horrors to which the Jews and other captives of the Soviet system are daily subjected. We know intellectually that their misery exists, but we find it difficult to visualize its special quality.

I wish all of you could have been with me some months ago at a U.J.A. dinner in New York City to hear a young woman, one of the lucky few allowed to emigrate to Israel, describe in simple, poignant words what it is to be a Jew in Russia today; to hear from her lips of the ubiquitous hostilities and suspicions to which she was subjected in her schools and later at work, because she was a Jew. I wish you could have heard her describe the gnawing despair of all who still seek to follow the ancient teachings of their faith; and to hear her tell of her blinding joy when the unexpected news finally came that after years of effort, after all hope had disappeared, her application to leave Russia had finally been granted.

What she was able to convey was an understanding of the deep and growing frustration which recently led nine hundred courageous Soviet Jews from twenty cities to sign an appeal to the United Nations pleading for the elemental right to emigrate, to seek a new life in some more hospitable society. Their appeal described their plight in the following terms:

"Here, in the U.S.S.R., where there is no Jewish culture or national life, where there are no Jewish schools or Jewish theatres, where there is no possibility of studying Yiddish or the culture and history of the Jewish people, where the unprecedentedly low percentage of Yiddish-speaking Jews is declining from day to day, in this country there is no future for us as Jews."

There can be no greater example of the hypocrisy of the Soviet state, no greater act of self-condemnation than this denial to her people of the right to leave, to seek their own futures, to take their own chances in other lands. The Soviet constitution grants to all the freedom of religious worship, and the Soviet Union piously subscribes to the United Nations Universal Declaration of Human Rights which expressly lists as one of them the right to emigrate. But in practice, the whole despotic weight of the regime is brought to bear to make the practice of any religion virtually impossible, and all those who would seek to escape this tyranny are kept caged within the state.

The U.S.S.R. may encompass a vast land mass extending 6,000 miles east and west, and 3,200 miles north and south; but so long as it continues to deny its citizens the right to leave the peoples' paradise, it brands itself in the eyes of the world as a gigantic prison governed by jailers who are unwilling to put the loyalties of their subjects to the test.

This, then, is the plight of Soviet Jews today, the plight of all those who are caught in the iron grip of Soviet Communism. What we must now ask ourselves, is how we who enjoy the blessings of freedom can reach out to them, how we can help them in their struggle to achieve freedom and dignity. Let me suggest a few ways:

First of all, the United States must never relent in her historic concern for the oppressed in other lands. Since her birth almost two hundred years ago, this nation has been a beacon of freedom which has brought hope to peoples everywhere; she has represented a moral force which has moved events far from her shores.

I urge you to urge the President, as I have, to place Russia's treatment of her Jewish minority and her denial to her citizens of the right of emigration squarely on the agenda for his coming talks in Moscow. The Russians should be made to understand the full extent of American concern over the denials of basic human rights. It should be made clear that if the Russians are really serious about wishing to establish a meaningful dialogue between our two countries, this American concern cannot be ignored.

Secondly, we can continue to expand our efforts to reach the Jewish communities within Russia with news about Jewish religious and cultural events, with news about the free world's concern for them. In this way, we will help sustain that courage which has kept Jewish tradition and worship alive within the Soviet Union, that courage which has enabled tens of thousands to protest their treatment and to stubbornly insist on their right to leave the Soviet Union despite the sanctions which can be and are imposed on those who thus declare their opposition to the regime.

One way to let Russian Jews know they are not alone is by making the most effective use possible of our Voice of America broadcasts. Since March, I have been in constant touch with the United States Information Agency to see how its programming could be improved. In recent months broadcasts beamed to the Soviet Union have increased their coverage of items of specific interest to Jewish listeners; and I am pleased to be able to announce today that beginning on December 12th, the Voice of America will broadcast these items at specific times each week so that they may reach a maximum number of Jewish listeners. Items of religious, cultural and political interest to Soviet Jewry will be broadcast from that date forward each Sunday morning at 7:15, Moscow time, and they will be re-broadcast each Monday evening at 11:15. Portions of this speech, and incidentally a report of what we are doing here today are among the items of news which are scheduled to be broadcast to the Russian people by the Voice of America.

Thirdly, we can utilize the United Nations as an instrument for focusing the international spotlight on the Soviet Union's policy to deny her subjects the basic right to emigrate. This is a right which has been unequivically stated and restated in the Universal Declaration of Human Rights, and in subsequent solemn U.N. declarations which were unanimously approved by the General Assembly in 1948, 1965 and 1966, the Soviet Union being present and voting. I am supporting resolutions introduced by Senator Brock of Tennessee and Congressman Kemp of Buffalo which would urge the President to pursue in the General Assembly the issue of the Soviet Union's persistent violation of this elemental human right.

Fourthly, I believe that we should continue as we have been doing, raising our voices in protests, meetings, publications, and declarations. The voices of those who speak for those who suffer should never be stilled. Let those who rule in Moscow know that men of good will will not rest until justice is done and freedom won. Even totalitarian regimes must eventually take notice of the feelings of the people of the world.

Fifthly, there is the power of prayer. Let us, therefore, pray daily to God that the plague of darkness may finally be lifted from those lands now dominated by tyranny, that all men may come to know freedom, may be freed to pursue their individual destinies in peace.

Finally, and perhaps most important of all, we must sustain in ourselves and develop in our children a love for freedom and a determination to defend it when it is threatened. Perhaps the greatest hazard which we face is that we may come to take our own freedoms so much for granted that we will forget how precious they are. How many of us really understand what it means to be free? Those trapped behind the Iron and Bamboo Curtains know that to be denied freedom is a condition so numbing to the human spirit that tens of thousands of them each year risk their lives in desperate attempts to escape their oppression.

I shall never forget the first two paragraphs of a story in the New York *Times* three years ago which recited the extraordinary escape to freedom of a young East German who in ten days traveled 2500 miles through Czechoslovakia, Hungary, Rumania, and Yugoslavia before he finally reached safety in the West. The article began as follows: "The young East German, his tan scarcely hiding the strain of the wild ten day escape through four Communist countries, anticipated the question. 'I know it sounds trite,' he snapped, 'but I did it for freedom.' After a pause, he added, 'I would have tried anything to be a free man.'"

If we are to be worthy of our own gift of freedom, if we are to extend it to others, we must nurture the resources which make us human—faith, love, wisdom, sacrifice, and compassion. We must broaden our concerns and enlarge our vision. We must recognize that our duty as human beings is to feel the sufferings of those who are oppressed and to hear the voices of those who look to us for encouragement and help. We dare not rest until, in the words of the prophet, Amos, "Justice roll down as waters and righteousness as a mighty stream."

FEDERAL WATER POLLUTION ACT

The SPEAKER. Under a previous order of the House, the gentleman from North Carolina (Mr. MIZELL) is recognized for 5 minutes.

Mr. MIZELL. Mr. Speaker, I rise at this time to join with my distinguished colleagues on the Committee on Public Works in sponsoring amendments to the Federal Water Pollution Control Act of 1968.

I want to make it clear that I do not fully endorse these amendments in their present form, and that I am cosponsoring it partly in an effort to initiate further hearings and accumulate additional information on this vital issue.

Still, I am most enthusiastic about this legislation's major intent to clean up pollution in the Nation's waterways, and I want to do everything I can to insure the most effective, practical, and reasonable legislation possible.

I have certain reservations about various aspects of these amendments, and in the course of further hearings I would hope that both environmentalists and representatives of industry would be given the opportunity to express their views on these important matters.

The Senate, which drafted its water pollution bill behind closed doors, has made proposals related to some of these aspects without the benefit of expert testimony, and I believe it is our responsibility to devote additional time and attention that so important a piece of legislation merits.

I believe that if our Senate colleagues had really done their homework on this bill and taken the time to closely examine the legislation they were voting on, its passage would hardly have been unanimous.

The people of my district are greatly concerned about environmental quality and they are looking to the Congress to demonstrate leadership and concern in this vital area.

In the course of our deliberations, it may well be necessary to offer perfecting amendments to the legislation we are in-

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troducing today. I stand ready to introduce those amendments that would insure adequate protection of the environment while providing for the fair treatment of all concerned.

150 years, since the beginning of Amer-

We have been polluting our waterways carelessly and heavily for the past ica's industrial revolution. It is a well-worn phrase, but it is still true that we cannot solve this problem overnight.

Pollution must be controlled, but its effects on industry and the economy must be seriously considered.

I urge my colleagues to take all of these considerations into account, and let us concentrate on passing the fairest and most effective legislation possible.

DEPARTMENT OF COMMUNITY DEVELOPMENT HEARINGS

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. HORTON) is recognized for 10 minutes.

Mr. HORTON. Mr. Speaker, the Legislation and Military Operations Subcommittee of the Government Operations Committee is now holding hearings on H.R. 6962, a bill to create a Department of Community Development. The opening statement was made by the Honorable George Romney, Secretary of Housing and Urban Development on November 3, 1971. It is a clear and concise description of the proposed Department of Community Development, which would be created by pulling together related programs in HUD, DOT, Agriculture, Commerce, and OEO. Since this is an extremely significant piece of legislation, I felt all Members should have an opportunity to review his statement carefully, and thus, I am including the statement in the RECORD below.

This bill is part of the President's departmental reorganization program and properly has been called one of the most significant reorganizations of government ever attempted. Almost every domestic program would be affected by the reorganization, and its impact would probably be greatest on the ultimate beneficiaries and recipients of our domestic assistance programs, the people of this Nation.

In the lengthy overview hearings we held this summer on these proposals, we heard not only from present administration witnesses, but also from those active in previous administrations and from the academic world. In those hearings we found that there was a widespread feeling among those knowledgeable about government that a reorganization of the executive branch was necessary and, indeed, overdue;

We learned that the proposals made by the President reflected not only the work and thinking of the Ash Council but were similar to recommendations made by various study groups under Presidents Kennedy and Johnson;

We were told that some of the "instant experts" on governmental reorganization were wrong in their analyses of the effects of reorganization. For instance, the size of a department is not as important as developing an organizational structure that can handle the workload; and that the committee structure of Congress would not be affected by these proposals because there would be no change in the jurisdiction of the committees over programs.

On the basis of these overview hearings, I think it is fair to say that these are basically good bills, and that they are urgently needed bills.

Most important in our legislative work is the need to maintain the integrity of the basic concepts which underlie these bills. These concepts are:

First, the consolidation of programs, agencies, and departments around national goals;

Second, a building within the Federal Government of the capability to be responsive at the local level; and

Third, the strengthening of leadership and accountability within the departments.

These concepts are widely felt to be the best organizational principles for the Federal Government in this day. For the well-being of the Nation we must attempt to preserve these principles, even at the cost of upsetting certain entrenched interest groups. This Government needs reorganizing.

Certainly all three of the underlying concepts of this reorganization legislation are of crucial importance, but I think for the Members of Congress, the most important principle is the improvement of the responsiveness of the Federal Government to local and State needs. While the recent reorganization of HUD undertaken by Secretary Romney has improved the responsiveness of that department to community development needs, there is still a frustrating pipeline of delay, redtape, and paperwork which clogs the delivery of these services to localities. A Member of Congress sees these problems first hand, because it is he who receives the complaints from local officials, and who is asked to continually exert pressure to expedite Federal grants and loans and project approvals. In my office there are nine staff members who spend all or part of their time contacting Federal agencies to act as a go-between for local officials and organizations seeking action on a myriad of Federal program requests and applications.

In effect, we are a fully-staffed ombudsman office for my congressional district. Like other Congressmen, I am glad to provide this service, because I feel it is part of my job to make the Federal Government as responsive as possible to the needs of my constituents. But, at the same time, I see in this reorganization proposal an opportunity to improve the overall responsiveness of the Federal executive to these needs. I believe that we can enact a reorganization plan which can help to unclog the pipeline, untie the bureaucracy and improve the efficiency of service to the people of this country.

Efforts to expedite service on a case-by-case basis will always be necessary to one degree or another. But it is clear to me that these patchwork steps are insufficient to do the whole job. Three Presidents have recognized the need to correct these problems through comprehensive and basic changes in the Federal structure.

In the prepared statement printed below, Secretary Romney describes how the community development programs of the Federal Government would be pulled together to better serve the States, regional authorities, and communities which are the primary recipients of the community development programs. Secretary Romney goes into great detail on how the headquarters and field offices of the proposed Department would be structured and would operate. He appended to his statement numerous charts which illustrate many of the details covered in the text. Unfortunately, we are unable to print these charts in the RECORD and, thus, interested Members will have to apply to the Government Operations Committee or the Secretary's office in HUD for copies of the charts.

What makes this statement so outstanding is Secretary Romney's ability to describe the benefits of efficiency and effectiveness which could be expected from the proposed reorganization, using his experiences in private business, in State government, and as Secretary of the Department of Housing and Urban Development. The Secretary clearly understands the problems and opportunities involved in reorganizing large entities.

The Legislative and Military Operations Subcommittee is chaired by the Honorable CHET HOLIFIELD, who also chairs the Full Committee on Government Operations. Chairman HOLIFIELD has a well-earned reputation of being one of the most thorough and objective legislators in the Congress. Under his direction we can all expect that this Department of Community Development bill will receive the closest study, and that a review will be made of every responsible point of view. I expect that these hearings will be recognized as great acts of statesmanship by students of the legislative process—we have already substantial evidence that this will be the case in the overview hearings held on these proposals—now in print.

I believe the Government Operations Committee will be able to recommend to the House some of the most important and fundamental legislation of this or the past few Congresses. Under the leadership of our able chairman, I believe this legislation will effectively reorganize the Federal structure so that we might confidently address the issues and problems we will face as a Nation in the last third of this century.

STATEMENT OF GEORGE ROMNEY, SECRETARY OF HOUSING AND URBAN DEVELOPMENT, BEFORE THE LEGISLATION AND MILITARY OPERATIONS SUBCOMMITTEE OF THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS, ON H.R. 6962, TO ESTABLISH A DEPARTMENT OF COMMUNITY DEVELOPMENT, NOVEMBER 3, 1971

Mr. Chairman and Members of the Committee, I appreciate this opportunity to present my views on H.R. 6962, legislation proposed by the President to establish a Department of Community Development.

Your earlier hearings have dealt with this bill as one important part of the President's overall program to enable the Executive Branch to carry out its increasingly complex

tasks more effectively. Other witnesses—broadly representative of public and private life, and including several drawn from the highest ranks of both this Administration and the last Administration—have testified on the proposed four new departments concerned with human resources, natural resources, economic affairs, and community development. They have explained how this overall reorganization would provide a Federal structure under which major departmental functions and responsibilities are grouped according to basic Federal missions, and they have discussed the advantages of such a grouping.

I will not attempt to repeat, or even summarize, their statements. Instead I will try to draw on my own experience to explain why I am convinced that the advantages to be derived from the enactment of H.R. 6962 are not just theoretical, but very practical. And I will discuss in some detail the functions, the mission and the internal organization of the proposed Department of Community Development. While maximum benefits would flow from the creation of all four proposed Departments, the bill being considered today is so drawn that substantial gains would result from the separate establishment of this one Department. The Congress will of course be free to consider the other three on their merits.

Your Committee has had vast experience in the field of governmental management and organization. In less than two decades, you have participated in the creation of the Departments of Health, Education, and Welfand of Transportation, as well as of many smaller units of Government. I imagine that you share my feeling of "having-been-here-before" as you approach this bill. While each reorganization gives rise to questions and problems peculiar to it, there are certain common principles of organization and management which are derived from experience. My own enthusiastic support of the proposed new Department is in no small part based on the three major reorganizations in which I have played a part.

While I was President of American Motors, we merged two separate automobile companies, and at the same time created a management structure where increased efficiency resulted from delegating authority to the level where the relevant problems and information were to be found. And while Governor of Michigan, I reorganized the Executive Branch, reducing over 140 disjointed, inefficient State agencies and independent boards to 19 departments, more nearly organized along general purpose lines and headed, in most instances, by individuals. The heads of the 19 departments knew they were responsible and accountable for their actions and decisions.

Most recently, I have reorganized the Department of Housing and Urban Development along lines defined by basic purposes. In my testimony I will discuss this HUD experience because it throws light on why we should have a Department of Community Development and on the concrete benefits we expect to gain from its creation. But first I would like to make some general comments on the need for and the role of the proposed new Department.

NEED FOR DEPARTMENT OF COMMUNITY DEVELOPMENT

Between 1930 and 1970, the number of civilian employees of the Federal Government increased from 600,000 to almost 3 million, and the number of Federal grant-in-aid programs from about two dozen to over 500. Existing departments and agencies expanded piecemeal and haphazardly, and new special-purpose agencies were created, sometimes filling organizational gaps and sometimes competing with existing agencies.

Because there remain many areas of disjointed and over-lapping responsibility, we are not now achieving adequate coordination of our many domestic Federal programs. Below the White House level authority is much too divided. At the White House level the President's Domestic Council is constantly being distracted from matters of high policy by the need to focus on administrative details of closely-related, but frequently conflicting, programs administered by scattered bureaucratic units. Under the proposed reorganization, the DCD, and the other major new departments, would have sufficient scope to dispose of countless issues that now unduly burden the attention of the Domestic Council, and even of the President. Thus, as the Departments do a better job of day-to-day administration, the Domestic Council could better take its intended place alongside the National Security Council as a Presidential instrumentality specializing in policy coordination of the highest importance, free from operational chores.

Let me cite one example of fragmented domestic programs. There are now, divided among *seven* different agencies, *four* major Federal programs of assistance for water and sewer facilities and *eight* smaller programs. The major ones are—

HUD's basic water and sewer facilities program.

The Farmers Home Administration's rural water and waste disposal facilities program.

The Economic Development Administration's public facilities program, and

The Environmental Protection Agency's waste treatment and collection facilities program.

Other programs are found in the Departments of Health, Education, and Welfare, the Interior, and Defense. Communities are frequently eligible for two or more of these water and sewer programs. Some degree of coordination is achieved through project-by-project joint funding arrangements and multiple applications for single projects. But this is doing it the hard way.

PROGRAMS OF THE NEW DEPARTMENT

Turning now to the proposed Department of Community Development, it would, as indicated by this first chart, include:

All of the programs of the Department of Housing and Urban Development (except for the college housing program).

The highway construction and mass transit programs of the Department of Transportation, and its safety grant programs relating to highway design and construction.

The rural electrification, public facilities and housing programs of the Department of Agriculture.

Programs of financial and planning assistance for public works and development facilities (except business development) now administered by the Economic Development Administration of the Department of Commerce, and that Department's Regional Action Planning Commissions, and

The Community Action and "special impact" programs of the Office of Economic Opportunity.

As may be noted from the chart, several other programs from other agencies would also be included.

A single Federal department would thus administer the major Federal programs of assistance for the physical and institutional development of our communities. That is, a single Federal department would administer assistance for the planning and building of houses and supporting public facilities and highways; for strengthening State and local governmental processes; and for involving all interested public and private organizations and citizens in this endeavor.

By bringing together programs concerned with community development, the new Department would move beyond fragmented Federal program administration. Equally important, it could move toward a community-oriented approach to problems. For the first time, there would be a Federal department having the ability to respond—in a coordinated manner—to local comprehensive community improvement programs. And for the first time there would be a Federal department of broad enough scope to help State and local governments, private organizations, and the citizens themselves to participate jointly and actively in developing these local programs. This means participation in articulating goals, setting priorities, and devising the best ways and means of improving not only the physical, but also the economic and social, environment of all our communities, from the smallest village to the largest metropolis.

As your Committee knows, the establishment of a Cabinet-level Department of Housing and Urban Development six years ago was aimed toward this same goal. HUD's creation raised to Cabinet-level status the national concern about our cities and towns, both large and small. The Department now has jurisdiction over many community-oriented programs. It was a move in the right direction. But it took us only part way.

The problems of growth and development in rural, urban and suburban communities are closely interrelated. Yet, communities in rural areas and depressed regions must still seek help among three different departments for the planning and construction of their public facilities.

The Department of Community Development, because of its broad yet unified scope, could better serve our communities, regardless of their size. And the President and the Congress would surely find it a more useful source of information and advice to them as they attempt to shape a balanced national growth policy, concerned with—to use President Nixon's words—"the farm as well as the suburb . . . the village as well as the city . . . the building of new cities and the rebuilding of old ones."

THE MISSION OF THE NEW DEPARTMENT

The broad mission of the Department is briefly summarized on my second chart. In general, the Department would be concerned with the sound development, through growth and renewal, of both urban and rural communities so that they may provide their citizens a wholesome living environment.

This basic mission has two aspects. First, the Department should strengthen the institutional capacity of State and local governments to work with private business enterprise and civic organizations in solving community problems and meeting community needs. Second, the Department would assist State and local governments and the private sector in carrying out urban and rural development, transportation, and housing programs. Within the Department, different program activities would be grouped according to their general purposes.

A similar pattern has been adopted in the United Kingdom, with encouraging results. A new Department of the Environment, headed by a Minister of Cabinet rank, was formed in November 1970 by the amalgamation of three former Ministries. The new Department consists of three sectors: Housing and Construction; Local Government and Development; and Transport Industries. The British reorganization goes considerably further than is proposed for DCD by covering more environmental and transportation programs.

THE NEW DEPARTMENT'S INTERNAL ORGANIZATION

HUD too has recently been reorganized along general purpose lines, and we have seen the benefits that result. When we took office—as you can see from the January 1969 organization chart (chart 3)—housing production was split between two Assistant Secretaries. Each had his own staff of architects, engineers, and financial specialists. Each program had its own specifications—sometimes in conflict—which discouragd builders and developers. Today, as the chart 3 overlay shows, an Assistant Secretary in HUD is

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responsible for "housing production" and is held accountable for results in this area. It can be noted from this overlay chart, that HUD has also grouped related activities in the areas of Housing Management, Community Planning and Management, and Community Development.

It is no longer necessary for builders and architects to shuttle between two HUD Assistant Secretaries concerned with housing production; or for tenants' organizations to negotiate with two Assistant Secretaries concerned with housing management; or for a major to deal with three Assistant Secretaries concerned with federally-aided public facilities being provided in his city. Also, as a result of this realignment, and of delegations to the field that I will describe later, HUD has been able to streamline its procedures, and to handle a work load that has increased tremendously over the past few years with a staff that has increased very little. Good organization is often the key to sharply rising staff productivity.

Our recent experience under the HUD reorganization gives us added confidence that the proposed organization of the new Department of Community Development along similar lines will produce similar benefits.

As you can see from our fourth chart, DCD will have three major general-purpose program administrations—for urban and rural development, community transportation and housing.

The Urban and Rural Development Administration would be responsible for programs designed to assist the physical and institutional development of urban and rural communities. As can be seen from the fifth chart, the Urban and Rural Development Administrator would be served by a Deputy, the only one contemplated in the three major administrations. The Deputy would have administration-wide responsibilities and would also head an Office of Rural Development, thereby assuring appropriate attention to the special problems of rural communities.

HUD's own program activities in small towns and rural areas provide precedents for the much broader attention that DCD will give these areas—

HUD's Comprehensive Planning Program enables small towns and rural areas to pursue broad community development planning in such fields as housing, transportation and community facilities. During fiscal year 1971 alone, comprehensive planning grants were distributed to 155 rural districts covering 791 counties in 34 States.

The Nation's smaller communities and rural areas participate widely in the Department's various community facilities assistance programs. For example, 805 water and sewer grant projects, representing over 43 percent of all such projects funded by HUD since the program began, are located in rural areas.

The first HUD new community development project—Jonathan, Minnesota—is 20 miles southwest of Minneapolis in rural Carver County. We have recognized that our rural areas and small towns have a potential for community development that offers an alternative to both metropolitan congestion and suburban sprawl.

My *sixth chart* indicates the increasing attention that HUD has given to *smaller communities* in this Administration.

Turning again to the *fifth chart*, we can see that, in addition to having an Office of Rural Development, the Urban and Rural Development Administration would have jurisdiction over present HUD programs relating to new communities and community planning.

The Community Action and "special impact" programs of OEO would also become a part of this Administration. In addition, HUD's Urban Renewal, Model Cities, Open Space and Neighborhood Facilities programs would be included. So would the Water and Sewer programs of HUD, the Farmers Home Administration and the Economic Development Administration. Also incorporated would be the Public Facilities programs of EDA and the economic Regional Commissions, and the Rural Electrification program of the Department of Agriculture.

Second, there would be a *Community Transportation Administration*. It would be built around the Federal Highway Administration and the Urban Mass Transportation Administration. These and other details concerning this Administration are shown on the *seventh chart*. Its interrelated programs would be administered with full consideration given to the transportation needs of individual localities; to the need for a balanced national transportation system; and to the need for coordinating all community development programs.

Many recent experiences have demonstrated that the highway and urban mass transportation programs are more intimately related to community planning and to housing and community facilities than they are to the bulk of the other programs now in the Department of Transportation. Few day-to-day relationships exist between highways and the marine and seaway functions of the Department of Transportation. On the other hand, a highway project which approaches or traverses a city or a town and a mass transportation project must each be planned and executed within a framework of community and sound land use.

Unless a highway is planned and executed in coordination with a community's overall development plans, many things can go wrong. There is the danger of personal hardship and ultimate economic loss when a highway enters a community by what seems to be the shortest and least expensive path—but which actually turns out to be the most costly in terms of homes and businesses destroyed and real estate values diminished. We are all familiar with examples out of the past of the damage that highways can do, sometimes upsetting city's master development plan and sometimes, as in New Orleans, threatening a unique and historic quarter.

While serving as Governor of Michigan, I became all too familiar with the background of a tragic riot in the 12th Street area of Detroit. From 1957 to 1967, the population of that small area increased from about 16,000 to 34,000. The overcrowding of that area was among the causes of that riot. And it was the uncoordinated relocation of persons displaced from other parts of Detroit by highway construction and by urban renewal that caused the overcrowding. Highway relocation is still under the jurisdiction of the Department of Transportation and urban renewal relocation is still under the jurisdiction of HUD.

There is also the danger that opportunities will be missed—opportunities to so design a highway or a mass transportation system that it will bring communities and neighborhoods together, create new jobs, and enhance the overall environment. But this takes comprehensive, coordinated planning with full knowledge of such matters as housing densities, the proposed location of sewer and water lines, heavy and light industry, of shopping centers, of parks and recreational spaces. It requires knowing how the people of the entire community can most quickly and most cheaply move among the places where they will live and work and find recreation over the many years to come.

Finally, there will be a Housing Administration built around the housing production and management functions now in the Department of Housing and Urban Development and the rural housing programs of the Farmers Home Administration. Its contemplated organization is shown on our eighth chart.

One of the basic goals of HUD has been to provide decent housing in both urban and rural settings. Once again it is our rural experience that is least known. For example, during fiscal years 1968 through 1970, 122,000 single-family homes were built in rural areas, representing about 9 percent of all HUD-FHA-insured home mortgages. One sixth of all HUD-aided public housing units have been provided to communities of under 10,000 population and one tenth to communities of under 5,000 population. (Chart 9) The fact is that very many small rural communities have found HUD's public housing aids especially suitable to their needs.

HUD and the Department of Agriculture's Farmers Home Administration have already recognized the inter-relationship of their respective housing programs, both of which often operate in the same rural areas. HUD and the Department of Agriculture two years ago organized a continuing inter-agency Rural Housing Coordinating Group. This group, which was later broadened to include OEO, deals with mutual problems of housing policy, the allocation of funds, and program operations as they affect rural areas. But the proposed Department of Community Development would permit a far more natural and effective coordination of these rural and urban housing programs, with better service resulting for both urban and rural citizens.

We are all of course aware that any reorganization proposal will give rise to some fear that people served by present units will not be served as well. This is only natural since all change tends to be at least a little disturbing. I am reminded of the early fears that attended the creation of the Department of Housing and Urban Development. At one time, the people who deal with the Federal Housing Administration sought to keep that agency independent. They thought its programs would wither if brought into HUD. History has proven these fears to be entirely unfounded. The FHA programs have grown in scope, in funding and in vigor. I predict a similar outcome for the housing, rural electrification, transportation and community development activities to be included in the Department of Community Development.

The new Department would also include the Federal Insurance Administration as it now exists in HUD.

The Secretary of Community Development will have the resources and the authority to bring about the coordination of all the closely inter-related programs of the new Department. He will also have the flexibility to decentralize their administration.

FIELD STRUCTURE OF THE NEW DEPARTMENT

When I first became Secretary of Housing and Urban Development, I learned that, for most HUD programs, the actual decision points for the approval of applications and the funding of projects were in Washington.

As indicated by the tenth chart, we have decentralized to our field offices the basic approval action for HUD activities that represent over 90 percent of our total program budget. For most of our programs, action on applications for funds now takes place in our Area and Insuring Offices. Those Offices administer the programs. They make the funding decisions without second-guessing at either the Regional or Washington Offices. They are, of course, subject to general supervision and evaluation. We are still adjusting to the magnitude of this reversal of traditional Federal bureaucratic operation. Our decentralized structure is new, and is not yet functioning as well as it will. But we have created a more efficient and effective organization which is structured and equipped to make faster and better decisions and to carry out our programs in a manner responsive to HUD's missions and goals.

Our field structure was designed to achieve maximum program coordination, while bringing decision making closer to where the problems are. The HUD experience is a forerunner of what we can expect under DCD's field structure. First, HUD adopted the Standard Regional boundaries and Regional Office locations. Then, where workload and staff permitted, we created Area Offices, based on State boundaries where feasible, to handle day-to-day program activities. Authority to take final program actions has been delegated through our Regional Administrators to our Area Offices. This strong field structure allows Area Offices to handle activities close to the people being benefited, making HUD far more responsive to their needs.

This past August, we undertook an extensive survey of 26 cities and towns of various sizes to discuss reactions to both the concept and the functioning of our Area Offices. Mayors, city managers and other key officials were interviewed. We found these reactions:

(1) 89 percent of city officials interviewed want Federal decision making decentralized closer to the municipal level;

(2) 92 percent believed their Area Office had improved, and would continue to improve, HUD service to them; and

(3) 92 percent felt that the Area Office concept enables HUD to be more sensitive and responsive to local needs, while also providing one-stop service.

The decentralization of HUD's decision-making authority to the Area Offices has made it easier for local communities to coordinate their applications to HUD, and for HUD to coordinate its responses. The localities have been encouraged to prepare their own annual plans for coordinated community development. On the basis of these local plans, HUD enters into agreements with cities covering the full range of housing and community development projects for the year. These "Annual Arrangements" commit both the Department and the various local agencies of each community to a specific set of priorities for the year.

The benefits of our Annual Arrangements strategy were first reflected in our pilot experiment in Gary, Indiana.

In December of 1970, Mayor Hatcher of Gary completed a negotiation with the Department under which we committed ourselves to approve a coordinated set of applications, if they met required standards for certain projects in several programs—

Public Housing,
Urban Renewal,
Water and Sewer,
Code Enforcement,
Neighborhood Facilities,
Urban Beautification, and
Model Cities.

HUD also agreed to provide technical assistance to Gary, as well as to coordinate with the City the processing of applications for HUD-assisted housing to be located there. The City meanwhile undertook actions to expand the supply of housing for low and moderate income families in its own redevelopment and Model Cities programs.

Mayor Hatcher called this Annual Arrangement "an historic and excellent example of what can result from sound Federal-Municipal relationships."

He added:

"If this is how President Nixon and Secretary Romney intend to shape their Republican Federalism then, as a Democratic Mayor, I support it fully."

Mr. Chairman, the type of intergovernmental cooperation demonstrated in Gary is not feasible on a national basis without decentralized decision-making authority in a strong field organization.

It is the intention of the Executive Branch to establish a similarly strong and effective field structure for the Department of Community Development. The field organization would be based on the ten Standard Regions, as established by the President. Unified DCD Regional Offices would be established immediately. Regional Directors would be responsible for all DCD operations and personnel in their regions. Each would be supported by a Deputy Regional Director, program specialists, and field operation personnel. The proposed DCD field structure is laid out for you in our next chart (number 11).

"State" DCD offices would be established within each Region. While we anticipate that these offices would correspond to State boundaries in most instances, they would be located primarily on the basis of workload, so that some States might have more than one such office, and a few might be served by an office outside the boundaries of the State. These offices would administer grants for housing, planning, public and community facilities and community action assistance.

The before and after charts I am about to show you (charts 12 and 12(a)) illustrate, quite dramatically, the concrete and substantial benefits which could accrue to a city official from the one-stop service to be provided under the proposed DCD field structure. Now the Mayor of Duluth, Minnesota, has to deal with four departments and agencies at five separate offices in three different cities in order to take full advantage of Federal community development aids. If the proposed new Department of Community Development were established, that same Mayor could be offered one-stop service by the Department at a single location, Minneapolis-St. Paul, for many types of assistance. It seems to me that this type of simplification offers increased effectiveness in achieving both local and national development policies. It would be especially helpful to small communities that simply do not have the staff to find their way through a Federal bureaucratic maze.

Within each State, there would of course be other local DCD offices close to the people who use the Department's facilities. For example, the county office structure of the Farmers Home Administration would be brought into DCD intact, and the work of the county offices would be coordinated with DCD's other programs by the State Directors. Similarly, local Federal Housing Administration insuring offices would remain in the field.

The Division Engineers of the Federal Highway Administration would maintain their identity. To the extent possible and within a reasonable time, the State offices of the DCD and the Division Engineers would be located together to facilitate their working together. This should greatly improve the capacity of DCD's State Directors to deal with community development issues on a community-wide basis.

The new Department would maintain and enhance easy accessibility to Federal assistance where it already exists. Thus, sponsors of rural housing would, as now, be able to turn to county offices to make applications; the Federal highway programs would remain substantively and organizationally intact; and HUD housing aid programs would be administered as they are today—that is, in field offices. Charts 13, 14, and 15 illustrate how the several types of field offices could be used to serve more localities better.

The administration of other Federal community development programs—for example, mass transit and Economic Development Administration public works projects—would be brought closer to the applicant agencies and groups, and made part of an overall community approach by a unified State DCD Office. Chart 16 provides an illustration of this.

To summarize, we are seeking to design a field structure that will result in decision making which is—

1. faster than now,
2. more coordinated than now, and
3. more responsive to local needs and priorities than now.

At the same time, the capacity of the Federal Government to deal with problems of uneven national growth in a coordinated manner would be greatly enhanced. This is so for both urban and rural areas. The proposed Department could focus on public plans and facilities for growth centers in a truly comprehensive manner. As a result, the benefits of regional infra-structure planning on such centers would be real, instead of illusory. In addition, the Department's full range of powers could be brought to bear on improving rural communities so as to help stem the migrations which have contributed so much to rural stagnation, central city overcrowding and deterioration and suburban sprawl.

In fields such as water and sewer assistance, different existing categorical programs now administered by numerous officials of scattered agencies would be administered by a single official, readily accessible to local communities. Thus, related programs could be coordinated through unified administration. And inter-agency approvals and liaison now achievable only in Washington would be possible at the field level. I have here before-and-after charts (17 and 17(a)), relating to water and sewer programs, which illustrate the simplification DCD would achieve. The potential savings in time and effort are obvious—for Federal, State and local officials and for private industry and individual citizens.

Mr. Chairman, the enactment of this bill would be a bold step in that it would create a truly new Department important to the effective operations of the entire Federal system. It seems to me that the confidence of the American people in their government has weakened to an alarming extent. As President Nixon said in his Message to Congress on Executive Reorganization:

"At this moment in our history, most Americans have concluded that government is not performing well. It promises much but it does not deliver what it promises. The greater danger, in my judgment, is that this momentary disillusionment with government will turn into a more profound and lasting loss of faith."

I do not, for a moment, suggest that the creation of the proposed Department of Community Development will, in itself, solve our problems, or guarantee the achievement of its goals. But it will certainly make an extremely difficult task far less difficult.

Mr. Chairman, because I believe that the proposed Department of Community Development could most effectively attack the barriers to a decent living environment for all American families, I urge early and favorable action by this Committee on H.R. 6962.

EVALUATION OF THE WATERSHED PROGRAM—A SOLUTION TO POLLUTION

The SPEAKER. Under a previous order of the House, the gentleman from Iowa (Mr. SCHWENGEL) is recognized for 5 minutes.

Mr. SCHWENGEL. Mr. Speaker, the Conservation and Watershed Development Subcommittee of the Public Works Committee in the House of Representatives, chaired by Congressman JIM KEE, of West Virginia, and on which I am the minority leader, has been conducting a number of field hearings during the past several months. So far we have had hearings at six locations—Ardmore, Okla.; Bluefield and Princeton, W. Va.; Macon, Ga.; Greenville, Miss.—with representation from the States of Mississippi, Arkansas, and Louisiana; Davenport, Iowa; and Wichita, Kans. We plan to continue these hearings after the recess at several locations in the Western States.

Mr. Speaker, the purpose of these hearings as has been noted is to make an in-

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depth study of the entire watershed development program administered by the Soil Conservation Service. We want to meet with knowledgeable people at the grassroots level to ascertain whether the objectives of Public Law 83-566 are being met; to learn whether benefits have accrued as anticipated by the project sponsors when the act was passed; or whether we have fallen short or exceeded those contained in the original work plans. Also, we are interested in learning what additional authorities and funding would be helpful to make the program fully responsive to the needs of watershed communities.

We have been greatly impressed with the hearings to date. The testimony of witnesses has been overwhelmingly favorable in attesting to the many diverse benefits accruing to these watershed projects. Strong support for the program has been demonstrated by witnesses representing practically all public agencies and organizations—Federal, State, and local—concerned with resource conservation and development. It is clearly evident, as we had suspected, that many unevaluated or underevaluated benefits are accruing when these projects are fully implemented. The response at all locations was enthusiastic and the attendance more than had been expected. For example in Macon, Ga., the large courtroom where the hearing was conducted was filled to capacity with people standing in the aisles and along the back of the room. More than 90 testimony statements were offered. Also at Wichita, Kans., nearly 300 attended the hearing.

Witnesses repeatedly stressed the need for greater acceleration of the program and for amendments to the Public Law 566 to provide such authorities as Federal cost-sharing for municipal and industrial water supply and for water quality control; long-term contracts to strengthen and help accelerate the land treatment program; and authority to use other Federal funds for purchase of land, easements, and rights-of-way. These are the same amendments as contained in the House bill cosponsored by JIM KEE and myself along with a number of other House Members. Our bill is H.R. 11448, which was introduced October 27, 1971, and is identical to title II of Congressman BOB POAGE's rural development bill H.R. 10867.

I was particularly impressed with the work which we saw in our own State. The Rock Branch watershed project in Jefferson County is a "model" of what can be done when local people, State, and Federal agencies unite to solve their watershed problems. The land treatment phase, in which you people in the ASCS have played such an important part, is absolutely spectacular when viewed from the air. The impoundments behind the grade stabilization structures contained clear water—an indication that soil erosion is being controlled. As evidenced in talking to several farmers during the watershed tour and further demonstrated in the hearing testimony, there is real pride in the accomplishments brought about by this team arrangement.

Several things have become apparent to me as a result of these hearings.

First, I think we should look upon the expenditure of funds for watershed development as an investment in America's future. Local organizations, individual farmers, together with State and Federal agencies assisting these groups, are to be commended for the fine job they have done with the limited funding made available for this important work. At the present rate of progress, it will take more than 100 years to bring some 8,000 watershed projects still needing attention under control, and we will have suffered irreparable losses in that time. It is time we got on with this job.

Second, we cannot overemphasize the contribution of the land stabilization program so important in watershed work in reducing and trapping harmful sediment that would otherwise move into our streams and rivers. Sediment is now recognized as the greatest pollutant—by volume—of water. In addition to its detrimental effects in filling reservoirs, navigation channels, estuaries, and increased water treatment costs, it is the main cause of many harmful chemicals, components of fertilizers, pesticides, herbicides, and bacteria getting into the river systems. For it is the sediment particle that serves as the transport mechanism for these pollutants.

The significance of the job being done to trap harmful sediment is reflected in figures furnished by the SCS which show that more than 14,650 structures have been planned under the watershed program. These planned structures, which include reservoirs, debris basins, and grade stabilization structures, will store 1,640,810 acre-feet of sediment weighing 2.8 billion tons. To illustrate the magnitude of these figures it would take 40 million 70-ton gondola cars to haul this amount of sediment. Placed end-to-end the cars would extend for 470,000 miles, or more than the round-trip distance from earth to moon, or would girdle the earth nearly 20 times.

A bill before our Public Works Committee, already passed by the Senate, proposes the expenditure of some $14 billion over the next 10 years to clean up municipal and industrial water pollution. Even with that huge Federal expenditure, the pollution problem in our rivers will not be corrected. Do you realize the hillsides in the country produce and send 700 times more solid wastes into our rivers than all the cities and their industries combined? I firmly believe that the solution to our river pollution problem rests to a significant degree on the proper stabilization and management of our watersheds. What we need is a massive effort with adequate funding of several billions of dollars to complete the watershed treatment program in the next 10 to 15 years.

In summary, money spent by the Federal Government for these watershed conservation programs is a paying proposition and should be considered as an investment in America.

The success of the watershed program has demonstrated that it can make extensive contributions to:

First, improving living space for people through the conservation, protection, and wise use of land and water resources;

Second, stemming the tide of migration from rural to overcrowded urban areas;

Third, strengthening communities by providing wider economic, social, and cultural opportunities;

Fourth, assuring continued high standards of living for all Americans through wise use of the Nation's natural resource base;

Fifth, contributing basic resource information and interpretations needed in developing sound and workable national land-use policies; and

Sixth, assuring improvement of our lands and waters needed to sustain production of food, fiber, and forest products.

These and associated influences are the very foundation for a safe, wholesome, and productive environment for our people.

Mr. Speaker, there can be no solution to pollution without the completion of the watershed and conservation program as envisioned and promoted by all the farm leaders, indeed all our rural people.

PROBLEMS OF WATER POLLUTION

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. HARSHA) is recognized for 10 minutes.

Mr. HARSHA. Mr. Speaker, I would like to address my remarks to an issue of crucial national importance. Both the Congress and the people are keenly aware of the problems of water pollution. Unfortunately, we are obliged to experience them every day. Conscious as we are of the problems, the options are many and solutions for effective action are difficult. In part, this may be caused by the fact that there is no simple answer.

A really effective solution to major pollution problems is necessarily highly complex, involving all levels of government and requiring extremely good intergovernmental relationships. The effective solutions may well have to go to the basic structure of our economic and industrial life, to our technological and scientific capability, and it must involve an analysis of that goal often called environmental quality. However, that term necessarily incorporates decisions which will affect and, in part, determine our quality as a nation.

The basic Federal law addressed to the issue of water pollution control is the Water Quality Act of 1965, which created the first truly national water pollution control effort. It was a far-reaching measure, which we hoped and expected would move us effectively toward a solution to water pollution, which we recognized as a nationwide menace.

That act incorporated our best judgments as of 1965, whatever the merits or faults of that legislation and its amendments, or of the implementation of its provisions at Federal and State and local levels. I believe we can all agree that progress toward our goal has not matched our expectations. More must be done. New knowledge, new technology, and our experience must be kept in mind and evaluated as we consider and thoroughly evaluate new legislative directions. We hope that the final product will provide a framework which will produce the results we want—a restoration and maintenance of the quality of the Nation's waters.

Among the many complexities we must face in devising that new legislation, several key issues must be addressed, thoroughly analyzed, and resolved. Some of the issues which I see as key are these:

First. What is the goal that we are seeking in this whole effort of water pollution control? What is the quality of the water which we would identify as necessary and essential? Should this major program be addressed to the achievement of absolutely pure water? Is such a drastic step either necessary or desirable? By water quality do we mean the highest quality that technology can produce? Do we mean water quality for the people's use and enjoyment? Until this question has been clearly and accurately answered, none of our answers to the other issues will have any real validity.

Second. What are the social and economic costs of achieving our goal? What is the mechanism for relating those costs to the social and economic benefits we seek? Not only must the reasonable relationship between these two be recognized and articulated in our legislative solution, but the technique for relating these costs and benefits, and clear and administerable criteria for assessing such costs and benefits must be provided.

In view of the major problem we face and the expenditure of money and effort we must make, these social and economic tests, which are at the foundation of any realistic approach to the problem are critical. Even if we have clearly identified the goal, but we fail to provide for the assessment and application of the social and economic considerations, our strategy in achieving the goal may be thwarted or severely deflected with far-reaching and possibly disastrous consequences.

Third. Will our legislative solution be practicable? Will the tasks we place on Federal, State, and local governments be achievable? Will it take into account present capabilities and resources, and the pace at which these can be augmented, if necessary? Will the legislation provide for the achievement of specific goals on stringent and exacting time schedules which are nevertheless sufficient to permit thorough, well developed, and fully considered implementations, or will they be unrealistic and promise the American people more than can be delivered?

In short, we must provide a reasonable and rational scheme to achieve our purposes. We must avoid duplication, inefficiency, and confusion by providing clear, concise, reasonable direction for administerable programs.

Fourth. How will requirements for water pollution control be imposed upon dischargers? Should a system of Federal permits be the mechanism? Should a system of State permits be used? Is the best answer here some combination of Federal and State permits or some other system of administrative orders, legal suits, public hearings, or other techniques either in addition to permits or in lieu of Federal or State permits? The real and practical success or failure of our efforts is finally dependent upon the efficiency and equity of the enforcement of our regulatory requirements. However well and efficiently administered the other aspects of the program may be, they are meaningless, unless they finally result in obliging dischargers to make the necessary effort toward the achievement of water quality. At this point, Federal, State, local, and private interests converge and in part conflict. For this reason, the structuring of our enforcement mechanism must be as carefully and finely constructed as possible.

Fifth. What will the appropriate Federal and State role in this overall effort be? Is the Federal-State partnership approach the best or only approach? What do we mean by the Federal-State partnership? This question of intergovernmental relationships has been and must continue to be a central concern in water pollution control legislation and efforts.

There are already extensive networks of both Federal and State programs and actions. We have been continuously confronted with questions of appropriate respective roles and authorities. These networks must be made to mesh and work together effectively.

The Senate has given us its answers to many of these issues in S. 2770, which passed the Senate on November 2. That bill is radically different from any of the bills on which public hearings were held in that body. It bears little resemblance to any of the bills considered in hearings conducted by the Public Works Committee of this House earlier this year. Without going into the merits of that bill, it certainly serves to highlight many of the issues I have mentioned. I am not prepared to say that S. 2770 resolves those issues, nor do I believe that this House should be prepared to accept those answers until we have had the benefit of comprehensive hearings. I am firmly convinced that full and open discussion of the problems and the alternative solutions is of the utmost importance for a full consideration of the issues for the provision of the foundation for further deliberation, and ultimately for a resolution of those issues by the House.

To provide the basis for discussion of the issues, I now wish to introduce H.R. 1895, a bill prepared by the staff of the Committee on Public Works. The entire membership of that committee on which I have now served for 11 years join with me as cosponsors of this bill for that same purpose. However, this does not mean that all the cosponsors agree with all of the provisions of this bill. I emphasize, this bill is introduced to provide a basis for review of the issues by the Public Works Committee in public hearings.

The initial public hearings on H.R. 1895 are scheduled for November 30 in the Committee on Public Works. We will endeavor during the course of those hearings to solicit the widest spectrum of views and to delve into the issues, we may weigh and test the validity and practicability of alternative solutions in an effort to bring before this House for its consideration a strong, realistic, far-reaching, and effective water pollution control bill.

GONZALEZ ASKS INVESTIGATION OF FEDERAL WITNESS IMMUNITY STATUTE

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, I have today introduced a resolution calling for an investigation by the Judiciary Committee of the operation of the Federal witness statute.

This action comes about as the result of my continuing concern, spanning over most of this year, over the immunity granted Frank Sharp, who amassed $6 million fortune in Texas by bank manipulation and fraud.

I have repeatedly questioned the role of the U.S. Department of Justice and of the Federal court itself in granting immunity to the big culprit in the Sharp case, while indicting others as the result of Frank Sharp's testimony.

The Justice Department's criminal division head, Will R. Wilson, resigned on October 15 as the result of his involvement with Sharp.

Mr. Speaker, I want to know how many times and under what circumstances the Federal Government has granted immunity to witnesses in civil and criminal cases.

Among other things, I want to know just how and why the Justice Department saw fit to grant immunity to Frank Sharp, the chief culprit—the mastermind—of the biggest and most scandalous plot in the history of Texas. This man literally stole tens of millions of dollars, wrecked good businesses by the dozen, and subverted the greater part of the State government of Texas. Yet he was given absolute immunity, and I cannot understand why.

Aside from the monumental stupidity represented by the decision to grant immunity to Sharp, I cannot help but wonder if this represents a typical application of the immunity statutes. If it is, the law obviously is going to need some changes.

I want the Judiciary Committee to find out how this law is being applied, and whether it needs changes.

As the thing now operates, Federal judges have no choice but to grant immunity to criminals, when the Justice Department asks for it. This gives immense and unwarranted powers to prosecutors, and the result of this is immunity grants to men like Sharp. I think that the judges ought to at least have some discretion on the immunity question, so that they can demand that the Justice Department show exactly how it would be in the public interest to grant immunity.

Second, I wonder whether the immunity statute as it is currently written is even constitutional, and I believe that the Judiciary Committee ought to ascertain that.

Finally, under existing Federal laws and rules, a person can be convicted on the uncorroborated testimony of a witness who has immunity. Now a man with immunity will testify to anything, because he in effect is a puppet of the prosecutor. If he does not say what the prosecutor wants, he can be subject to

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punishment by the courts. If he pleases the prosecutor he will go free. So he will say anything. Now under Texas law, you cannot convict a man on the basis of uncorroborated testimony. We seem to have a pretty good record in Texas for the prosecution, so I cannot see why the Federal Government should not operate under about the same rules. I think that there is a need to require that testimony of immune witnesses be corroborated, before a conviction can arise. That would place no undue burden on prosecutors, certainly no greater than Texas law requires, and it would help end what appears to be massive abuse of the immunity statute under present procedures.

The whole Sharp deal stinks. I want to find out how many other Sharp deals have been made under cover of the immunity statutes, and why. Maybe this is a law that needs changing.

ADEQUATE HOUSING FOR THE ELDERLY

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE), is recognized for 25 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, today I seek recognition to discuss another major problem facing the elderly of our Nation—that of adequate housing. The need for shelter is probably one of the most basic, after food, that has faced man since the beginning of time. The problem has always been particularly acute for the aged and the infirm because, left on their own, many just cannot fend for themselves and provide for a roof over their own heads. The tragedy is that man has not progressed very far from earliest times in solving this basic dilemma of housing those unable to house themselves. In fact, in many ways the elderly today are probably worse off with respect to adequate housing than their ancestors 50 or 100 years ago. With all the jolts and shocks the family unit has experienced in the last 25 years, the elderly today just cannot rely on their own kith and kin for a basic need such as adequate shelter in their declining years. The ideal for the American family since the war seems to be for the young to get away from home as soon as possible and set up a home life of their own. The last thing today's families seem to want is a member of the older generation living with them to interfere in their private lives. Sunday visits are even going out of fashion and it is not surprising that nursing homes and homes for the aged are a multibillion dollar business today, whereas a few decades ago you had to drive for miles to find one. They are not filled to capacity with people that are really physically ill, but rather with people that have been left alone and put there, sometimes against their will, because there is no room for them, not at the inn, but the family home. The temptation to be melodramatic, I admit, is very great, but I do not think I am exaggerating in anything I have said so far.

At least, those who are spending their old age in institutional homes are those who can afford it or whose families find it worth the price. However, many millions more just cannot afford it or cannot depend on relatives who can afford it. These people are either in their own homes, some form of subsidized public housing, or literally living in hovels, in tenement houses and hotels. Statistics are lacking on the exact distribution in and among these different categories. The census never gave much information in this respect. The closest they came was in 1960 and then it was felt the questions were so personal and embarrassing that they were never asked in the latest census, in 1970. Thus, the most current official information available, limited as it is, goes back to 1960 when the census revealed that 30 percent of all households headed by persons aged 65 and over occupied housing that was either dilapidated, deteriorating, or lacking basic facilities. This figure represents about 2.8 million substandard units occupied by the elderly. Regrettably, there are few other sufficiently broad-ranged studies to rely on in this area and I admit that even this statistic does not begin to even scratch the surface of the real crisis facing the elderly. Through extrapolating available statistics, it is possible to estimate that since the President's Committee on Urban Problems concluded that "there was an immediate and critical social need for millions of decent dwellings to shelter the Nation's low income families" and that at that time, the Nation confessed to 24 million "poor" people, 20 percent were in all likelihood elderly. We are faced extrapolating further with the staggering statistic at the end of this circuitous route that some five million elderly citizens were in need of a minimum of between 1.2 and 1.6 million units in 1968. This need can then be projected as necessitating a minimum building rate of 120,000 units a year. Yet only 41,000 units of last year's housing starts could be identified as approved or committed to the elderly poor, according to the report of the Special Committee on Aging of the U.S. Senate, published in 1970.

There is no question that we are touching on a problem of massive proportions. To date, it is estimated that more than 20 million people in America are over 65 and by 1985, it is estimated that this age group will number 25 million elderly men and women. In view of the fact that even the elderly with adequate income are generally those with fixed incomes and experiencing rapid erosion of real income with today's inflation, I think the true proportions of the problem can begin to be appreciated. Basically, the elderly in this country are a hard-pressed sector of the economy whether they enjoy an income or not. It is this group, too, that must face a future of reduced physical ability and are not able to provide for themselves. Consequently, for all intents and purposes, they are totally reliant on friends or Government for help in their dilemma.

That the elderly are faced with a critical housing dilemma is unchallengable. Even the statistics that over two-thirds of the elderly are fortunate to own their own homes and that 80 percent of these are free and clear of mortgages is hardly comforting. The fact is that given their fixed income, this home-owning group has probably been the group most affected by the incredible skyrocketing in local property taxes of the past 10 years. These homeowners are rapidly falling by the wayside and I just wish somebody could come up with the real figures on how many of those in their declining years have been forced to give up the struggle of owning their own home because they just cannot afford to pay their taxes.

The wage earner or the self-employed businessman, while hard-pressed by rising taxes to the point of despair, at least is able to rely on the prospect of wage increases or fee increases that are just not available to those in old age living entirely on pensions and/or social security. Statistics show that the elderly homeowners tend to live in the older, blighted sections of town. The percentage of senior citizens in model cities target areas, for example, range from 10 to 50 percent. Their homes, in many instances, are deteriorating around them as they struggle to raise the money necessary for taxes. They just cannot afford the repairs in far too many instances to live in dignified surroundings. Things often get so bad that when the elderly finally give up the fight, they are very often selling rundown property for very little money in a downtown area. Younger, more affluent suburbanites looking for a way out of the commuter fray are presented with the opportunity of buying inner city property at an incredibly low price to restore and eventually sell at greater prices. This story has to have a familiar ring to it for every member here. I am glad to see our inner cities in some quarters experiencing a new growth and prosperity, a restoration. I regret, however, the fact that it has come about largely at the expense of the elderly who are selling out and leaving their home of years at a tragically low price. There are always two sides, it seems, to every story. In other words, because of their fixed income, in a real sense the elderly are really forced to watch what is for most their only asset depreciate and decline in relative value compared to the homes of those younger and more competitive.

Another way of looking at the importance of housing to the elderly and the shadow the spiraling costs of housing cast over their lives is the statistic that already it is estimated that 34 percent of a retired couple's budget goes to housing. With housing costs going up and up and their income remaining fixed this percentage would seem to have nowhere to go but up in almost every instance. Thus, our problem as Federal officials is not just that today's homeless are looking to us for assistance as their court of last resort but the fact that even those with homes today, but probably not tomorrow, are also looking to us for relief and consideration.

What does the Federal Government hold out to these people who look to it for housing assistance? Section 202 of the National Housing Act authorizes a program of direct loans from the Federal Government to nonprofit sponsors who decide to provide housing to the elderly and handicapped. This is the real housing for the elderly section of the National Housing Act, although even here the elderly are grouped with the handicapped—who need not always be elderly—in the competition for limited funds. The other most widely publicized section of the National Housing Act with some relevancy to the elderly is section 236 which provides rental and cooperative housing for lower income families. Since the elderly usually qualify as lower income, those interested in constructing housing for the elderly in many cases are applying under this section. Under this section nonprofit, limited dividend and cooperative corporations can obtain HUD-insured mortgages at the prevailing interest rates, with HUD making monthly payments to the lender reducing interest rates cost considerably.

Effective interest rates have been reduced to as low as 1 percent under this interest subsidy feature. Tenants pay either basic rental or 25 percent of their adjusted income. My chief criticism here is the elderly are really not able to compete effectively with others for the limited spaces available under this program. High-rise apartments designed for low-income families are not always suitable for the elderly who have often need for special supportive services in their housing projects, such as congregate dining facilities, special social and recreation programs, emergency nursing and housekeeping help, outside maintenance and transportation. To expect a construction firm to construct housing under this section which provides these services is to expect too much. As often as not, these services are just not available to the elderly. Consequently, even on paper it is not surprising that lumping the elderly in which all other low-income family situations, quite often families with young children, is almost doomed to failure before it is even put into practice. In practice, the results are quite disappointing. The facts of life being what they are, quite often because of intense community opposition to the idea of low-income housing, availability of apartments for the elderly is further reduced. All of which leads me to criticize the present trend in the administration since 1968 to lump all needy groups into one category with one massive housing program. The fact is that on paper and in practice the needs of the elderly are different from those of other low-income groups and should be attacked with special or separate national program. That is why it is particularly regrettable that section 202 funds have been reduced to a trickle in recent years in favor of beefing up section 236 programs. The elderly are just not getting a fair shake in having to rely almost exclusively on section 236 for large-scale housing development.

Again, I can take little comfort in the fact that most of the low-income elderly today are being serviced by the public housing program through which the Federal Government provides financial and technical assistance through HUD, to local housing authorities to plan, build, and acquire, own or lease and operate low-rent public housing projects. Again, the elderly in ones or twos far too often find themselves standing at the end of a long queue of families with children whose needs must also be recognized by the local housing authorities. It is unfair in my opinion, to have the elderly in ones or twos forced to compete for limited funds and available apartments with large families with children. Increasingly the local officials are being required to exercise the wisdom of Solomon in deciding who comes first, the elderly or the babies.

If I, therefore, have anything to contribute to the debate on the national housing shortage and if I have any observation after reviewing available Federal housing programs it is that section 202 funds should be revived and restored; for the elderly there has been no other program quite as successful. If it cannot be 202 then some other program should be instituted to take its place. The main conclusion I have reached in recent months is that the administration is doing no favor to the elderly in consolidating all housing programs for the needy into one category. Such a consolidation is to ignore the advice of the experts and all we have learned from experience about how to make life in public or large-scale housing projects more comfortable, more relevant, more tailored to the needs of the elderly in the 1970's.

I am not unmindful that HUD has in operation a number of programs which might help the elderly, such as a special rent supplement program. But even this does not address itself exclusively to the problems of the elderly. Section 231 mortgage insurance, while tailored exclusively to provide insurance coverage for new or rehabilitated rental housing for the elderly just cannot rank for effect and results with a program such as 202 fully funded and operational. A conservative estimate of how much should be appropriated if we are to have a meaningful program of housing for the elderly at the Federal level is $150 million a year. I repeat, specifically for housing for the elderly. I think it extremely regrettable that Congress has gone along with the administration to the extent that no funds were appropriated under the section 202 program in 1970.

Another area which should be explored intensely this Congress are measures providing a tax abatement on the Federal income tax for local property taxes paid by the elderly. Until now we have been content, on the Federal level, to sit and wait for relief to come at the State level in the form of an abatement on local State income taxes, where they exist. Not only would a drive in this area on the Federal level have the advantage of national uniformity but it would also, doubtlessly provide much more significant relief, in view of the Federal tax bite. We should also turn our attention to making the prospect of housing for the elderly less the undesirable development that it is at present for local communities who face the prospect of seeing their already limited property tax base shrunk further with additional nonprofit housing. This certainly is one of the elements contributing to the opposition of local communities around the country to the development of low income housing for the elderly within their boundaries. It is a natural taxpayer reaction. There must be a way to allay their fears on this count.

In closing, just let me say that adequate housing is a basic prerequisite for human self-respect and peace of mind. If our elderly are to spend their final years in the dignity they are entitled to, then a minimum prerequisite is adequate housing. Has this Nation grown so old that it has forgotten one of the most stirring issues of the war of independence? "A man's home is his castle" was no mere slogan but an expression of deep feeling that one's home was even worth fighting for. As we approach the 200th anniversary of that war, I say that adequate housing for all, especially for those unable to take care of themselves, will always be worth fighting for. More than 25 years ago when I first ran for the State legislature, it was at the forefront of my campaigns. I regret to say today, 25 years later, it still has to be there because the need is still there and this country has not begun to meet this need.

THE JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. JOHNSON of California) is recognized for 15 minutes.

Mr. JOHNSON of California. Mr. Speaker, the John F. Kennedy Center for the Performing Arts has at last become a reality, a living memorial to a beloved President and a shining symbol of our Capital City's cultural maturity. The great halls and stages of this magnificent structure today are presenting to our people, and to the world, the finest that America has to offer in contemporary music, the theater, ballet, symphony, and opera—in all the lively arts that illuminate the character and the culture of this Nation.

The creation of this cultural center on the shores of the Potomac is the fulfillment of a goal envisaged long ago by the Founding Fathers of the Republic, a goal finally achieved through the dedication and untiring efforts of many people, and not the least of them past and present Members of this body. And I believe it fitting, Mr. Speaker, that the contributions they have made to the John F. Kennedy Center be inscribed in the record of this Congress.

Many of them have served on, or worked with, the House and Senate Committees on Public Works, the committees which created the authorizing legislation that gave birth to this Center. Without them, this splendid addition to the cultural life of Washington and the Nation could never have been achieved.

High on the list of those whom we would honor is Representative ROBERT E. JONES of Alabama, who, as chairman of the House Subcommittee on Public Buildings and Grounds in 1958, had the vision to urge upon his colleagues the need for a national cultural center here at the seat of the U.S. Government.

Working closely with Mr. JONES at that

time on the Public Works Committee were Representatives JIM WRIGHT of Texas, J. Harry McGregor of Ohio, and Edwin B. Dooley, our former colleague from New York. The year 1958 also saw the present chairman of the Public Works Committee, Minnesota's JOHN A. BLATNIK, and KENNETH J. GRAY, now chairman of the Subcommittee on Public Buildings and Grounds, supporting the National Cultural Center legislation. The committee chaired then by Representative Charles Buckley of New York, reported out favorably H.R. 13017, which became the National Cultural Center Act.

Those same gentlemen led the floor debate, where they were joined by Representatives Jim Fulton of Pennsylvania, Carroll Kearns of Pennsylvania, FRANK THOMPSON of New Jersey—the bill's sponsor—HENRY S. REUSS of Wisconsin, ROBERT WILSON of California, Frances Bolton of Ohio, Richard Simpson of Pennsylvania and Ken Keating from New York. With their leadership, H.R. 13017 was passed 261 to 55.

The bill provided for the establishment of a Board of Trustees, 15 ex-officio and 15 appointed by the President, with funds to be raised by private subscription. It was part of the legislative program of President Eisenhower and was actively sponsored by White House officials, including Sherman Adams and Bryce Harlow. Critical assistance for the legislation also came from Leonard Carmichael and James Bradley of the Smithsonian Institution, in which the Center was made a bureau; from the District of Columbia Commissioners; from David Finley, Chairman of the Fine Arts Commission; from the National Park Service, and from the National Capital Planning Commission.

The building was to be constructed on Federal lands on the Potomac, a site arrived at only after the most vigorous controversy, with many Representatives, who otherwise supported the concept of a National Cultural Center, proposing a Mall site which had been designated for the air museum.

Comparable groundwork for the National Cultural Center was done by the Senate Subcommittee on Public Buildings and Grounds, chaired by Senator Pat McNamara of Michigan. Testimony was presented to the subcommittee in support of the Senate version of the national cultural Senate bill, S. 3335, by Senators FULBRIGHT of Arkansas and ANDERSON of New Mexico. The Senate bill, sponsored by Senator FULBRIGHT, later joined by Senators ANDERSON and Wiley, was reported out of committee by the then chairman, the late Dennis Chavez of New Mexico, with the active support of virtually all the committee members, including Senators CHURCH, HRUSKA, and COTTON, and former Senators Neuberger of Oregon, Gore of Tennessee, and Kuchel of California. This support was responsible for Senate approval of the measure which followed.

In 1959, technical amendments were made to the National Cultural Center Act, with leadership in the House provided by the Public Works Committee and Congressman THOMPSON, our colleague from New Jersey, Senator Lyndon B. Johnson of Texas provided leadership in the other body after favorable consideration by the Senate Public Works Committee—still under the chairmanship of Senator Chavez.

In 1963, additional amendments were made to the act, extending the time for raising funds and enlarging the board to 45 members. The board of trustees had made considerable strides by that time. Over $13 million in contributions had been raised throughout the country and the stage had been set for making the center a truly national institution.

Recognizing the need to sustain momentum, Congressmen Buckley of New York and JONES of Alabama continued in their commitment to see a national cultural center brought to life in the Nation's Capital. S. 1652 was favorably reported out of the House committee. On the floor, Congressman JONES once again led the fight, joined by other members of the Public Works Committee, including Congressman MCCLOSKEY of Illinois, our colleague, FRED SCHWENGEL of Iowa, and James C. Auchincloss, Congressman from New Jersey. James C. Wright, Jr., Public Works member and member of the center's board of trustees, took the floor in support of S. 1652, as he had supported the 1958 national cultural center legislation. In the other body, the Senate Public Works Committee once again led the way under the leadership of the ranking majority and minority members of the committee, Senators McNamara and COOPER. The bill, sponsored by Senators FULBRIGHT, Saltonstall, and Clark, easily passed the Senate. Former Senator Morse of Oregon, in the floor debates, after committee approval, eloquently set forth the responsibilities of the trustees when he stated that:

> In directing the trustees to present all forms of the performing arts, Congress intended the Center to be a showcase of the finest talents in America and from abroad. It follows that the trustees would therefore have an almost elemental interest in fostering the arts throughout the country.
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> The Center, like the Capitol itself, will belong to all the people, as do the Washington Monument, the White House, the Lincoln Memorial, and every other public building in the Capital.

The enactment of S. 1652 was followed by a flurry of activity, with President Kennedy and General Eisenhower in the forefront. Business leaders were convened in the fall and a massive national campaign was planned.

A broad consensus to see the project through had clearly been reached when President Kennedy was suddenly struck down by an assassin's bullet. Congressmen and Senators, too numerous to mention, rallied behind the Democratic and Republican leadership to support the concept of converting the National Cultural Center into a living memorial to John F. Kennedy. Senator Dirksen's behind-the-scenes efforts were particularly noteworthy in this nonpartisan movement.

Again the House Public Works Committee was instrumental in developing the legislation, originally House Joint Resolution 871 and guiding it through to passage. Unprecedented joint hearings, at the behest of the ranking members of the Public Works Committees, Representatves Buckley and Auchincloss and Senators McNamara and COOPER, were held on December 12, 1963, with further hearings on December 16, 1963. Our colleague from New York, Representative SEYMOUR HALPERN and the Honorable FRANK THOMPSON, Jr., testified at the joint hearings in support of the House Joint Resolution 871. The chairman of the House Public Works Committee, Representative BUCKLEY, promptly and favorably reported out the legislation. In justifying the renaming of the National Cultural Center, the House Public Works Committee stated in its report:

> Nothing was more characteristic of President John F. Kennedy than his support of the arts in America. His central concern was not merely with the immediate problems of government, important and difficult as those problems were, but with the quality of the American Civilization which he led. He was a follower of the arts himself. But, more than this, he believed that through its artists—its poets, musicians, painters, dramatists—a society expressed its highest values. He knew that the ultimate judgment of history upon the works and worth of mid-20th century America could rest not only on our ability to protect freedom and extend opportunity, but also on the quality of our cultural achievements and what those achievements told of our Nation. The history of man is witness to the validity of that belief. The triumphs of ancient Greece, of the Renaissance, of Elizabethan England, and of other great historical periods, are known to us largely through the artistic accomplishments of the times. John F. Kennedy knew and understood this and found it congenial to his own temperament and enthusiasms.
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> No memorial could serve as a better tribute to this spacious view than the National Cultural Center. The establishment of a climate within which the Arts could flourish, and man could find opportunity for expression of his noblest thoughts and deepest passions, was a central objective of his administration. This was, to him, one of the great challenges of a free American society. The National Cultural Center is an effort to contribute to such a climate. Within its walls the poetry, drama, and music of our time will find expression and support. It was because of this that President Kennedy gave so much of his own time and attention to the drive to establish the Center. We are confident that naming the Center after him will serve as an additional spur and incentive to the Center directors to realize the limitless possibilities which were the heart of his vision.

On the floor of the House the going was somewhat more difficult, but again members of the Public Works Committee spoke up and the legislation was passed. Support on the floor came from many Public Works Committee members of both parties, including Representative Auchincloss from New Jersey, Illinois Congressman MCCLOSKEY, Mr. MACDONALD, Representative from Massachusetts, Representative JIM WRIGHT of Texas and ROBERT JONES of Alabama, and the ranking subcommittee Republican, Representative Cramer of Florida. Senate Joint Resolution 136, in lieu of the House joint resolution, passed the House on January 8, 1964.

Senate Joint Resolution 136 had previously been approved in the Senate after the chairman of the Subcommittee on Public Works, Pat McNamara, reported favorably on the resolution with supporting ranking Republican, Senator COPPER, on December 17, 1963. Senators McNamara and COOPER have, over the years, devoted unstinting energies to the passage of necessary legislation for the Kennedy Center. They weathered the storm of argument and prevailed upon their colleagues in the 1963 Senate action and later in the critical 1969 legislative proceedings.

Senate Joint Resolution 136 was sponsored in the Senate by Senator FULBRIGHT on his own behalf and also for 54 other Senators from both sides of the aisle. The bill passed the Senate on December 18, 1963. The act, renaming the Cultural Center, provided for $15.4 million in borrowing authority and authorized a $15 million matching appropriation.

The bipartisan support which characterized the enactment of Senate Joint Resolution 136 has carried forward in both bodies to this day. It was only through the efforts of such men as Representatives GERALD FORD, former Speaker Joe Martin, SEYMOUR HALPERN, and Senators HUGH SCOTT, Dirksen, RANDOLPH, JORDAN of North Carolina, BYRD of West Virginia, Saltonstall, CASE, Prouty, and JAVITS that the bipartisan approach was attained.

The leadership of the House and Senate Committees on Appropriations following the enactment of Senate Joint Resolution 136 was critical to making the John F. Kennedy Center a reality. The Honorable Michael J. Kirwan, Congressman from Ohio, presided over subcommittee hearings on Thursday, February 20, 1964, on the Kennedy Center appropriations request. At that hearing, Daniel Shear, counsel for the National Cultural Planning Commission, testified concerning the acquisition of additional land for the Kennedy Center. Congresswoman HANSEN of Washington, always an ardent supporter of that which will enrich the lives of Americans, was particularly attentive to the needs of the Kennedy Center at this time, as were former Representative from Wyoming, William Henry Harrison, and Congressman Reifel of South Dakota. The committee reported favorably on the appropriations, and the bill was approved on March 17, 1964.

Staff support for the 1964 legislation was essential to its passage. John Jackson, administrative assistant to Senator Saltonstall, and Paul Eaton of the Appropriations Committee, worked diligently to insure that the memorial would be funded in the Senate. Their efforts were equal to those of Eugene Wilhelm, succeeded by George Evans, and other staff members of the House Committee on Appropriations.

The late Carl Hayden's Senate Committee on Appropriations favorably reported out H.R. 10433 on April 4, 1964. Floor debate took place on June 22, 1964; the bill was passed the following day with a slight modification of the House version. A conference report dated June 26, 1964, was submitted by Representative Kirwan and was adopted by the House and the Senate on June 29, 1964.

The efforts of the gentleman from Illinois, KENNETH GRAY, chairman of the Subcommittee on Public Buildings and Grounds, in making the Kennedy Center a reality, have been incomparable. In 1969 he mobilized the Public Works Committee and Members from both sides of the aisle, with the aid of Congressman Cramer, to support a critically needed additional authorization for construction. When others questioned why the funds were needed, he found out why: the unprecedented increase in construction wages during the period of Kennedy Center construction, coupled with initial delays because of the underestimation of the project by the architect/engineer. He impressed on his colleagues the immediate need to avoid further escalation in costs. With the characteristic bipartisan support of Public Works members GROVER of New York, the ranking subcommittee members, CLAUSEN of California, CLEVELAND of New Hampshire, and SCHWENGEL of Iowa, the authorization bill was approved. It increased the center's borrowing authority by $5 million to total $20.4 million and matching fund authorization by $7.5 million to total $23 million.

Our former colleague William Cramer provided in the 1969 authorization hearings uncommon understanding of the difficulties of running a performing arts institution which also would serve as a memorial to an assassinated President. He had foreseen in 1963 the need for an operation and maintenance appropriation which is being requested now by the Kennedy Center but which was not then envisioned. Mr. Cramer reestablished bipartisan support for the Kennedy Center and concurred with their Public Works Chairman George H. Fallon who favorably reported out H.R. 11249 from committee. However, a minority report was filed, which resulted in the relatively small margin of votes for the authorization—210 to 162.

The Congresswoman from Washington, Mrs. HANSEN, was instrumental in 1969 in bringing the project to fruition by her work on the appropriation request. The subcommittee which she chaired expedited review so that construction could continue without costly shutdowns which might have resulted in the Kennedy Center's being a lifeless monument on the Potomac. Again, South Dakota's Ben Reifel's support was critical to the prompt action given to the bill.

The very able chief counsel of the Public Works Committee, Richard J. Sullivan, has been a pillar of strength on many projects which will enrich the lives of millions of Americans, and particularly the Kennedy Center. His unceasing efforts to make the Kennedy Center available to all Americans, both in its performing arts activities and as a building which memorializes the late President, and his continued diligence and attention to detail have enabled me and my colleagues to eliminate the unnecessary and to meet the critical needs of the project from its inception. His work in 1969, with minority counsel Clifton W. Enfield, was thorough and of great service to the committee. And high tribute should also be given to the work of Robert L. Mowson, of the Office of Legislative Counsel to the House.

The Kennedy Center's general counsel, Ralph E. Becker, has been in the project for the past two decades. One of the first trustees who was appointed by President Eisenhower in 1958, Mr. Becker has helped unite both parties behind the Kennedy Center, establishing it as a unique bipartisan project. He has quarterbacked, has had a personal hand in all legislation relating to the Center, and has been, among other things, instrumental in obtaining many of the foreign gifts which grace the Kennedy Center today. His work also contributed immeasurably to meeting the needs of the Center in 1969. In 1969 they were joined in the lengthy floor debates supporting the critically needed Kennedy Center legislation by Senators JENNINGS RANDOLPH, of West Virginia, Public Works chairman; B. EVERETT JORDAN of North Carolina, Public Buildings and Grounds chairman; ROBERT BYRD of West Virginia, SHERMAN COOPER of Kentucky, CHARLES PERCY of Illinois, MILTON YOUNG of North Dakota, and Majority Leader MANSFIELD from Montana. As always, Senator FULBRIGHT was unequivocal in his support for the Center, and Richard Royce, J. B. Huyett, Jr., and the remainder of the Public Works staff worked tirelessly on the legislation.

These debates took place on the 3d and 6th of October 1969, when an attempt was made to postpone authorization of funds pending investigation of the cost escalation for construction of the Kennedy Center. William W. Schmidt, then Commissioner of Public Buildings of the General Services Administration, Robert B. Foster, Jr., Deputy Commissioner, Roger L. Stevens, Chairman of the Board, and Ralph E. Becker, General Counsel of the Center, had previously testified about the causes of the increase in costs. They frankly acknowledge where error had been made: by the trustees, the General Services Administration, the contractors on the job and the architect. This frank disclosure to the Congress carried the day and a later General Accounting Office review gave the Kennedy Center a clean bill of health.

There are, of course, numerous others, Members of this body and the Senate, White House officials under four Presidents, General Services Administration officials and civil servants and Kennedy Center staff and officials, who have had the courage over the years to understand the need for dynamic leadership for the country in the performing arts and to translate their understanding into affirmative action. The structure which now stands on the banks of the Potomac, the precursor to other Federal support of the arts in America, is the result of their labor.

On September 8, 1971, the Kennedy Center presented its inaugural performance in the Opera House of Leonard Bernstein's specially commissioned work, "Mass." The following day, the President attended the opening of the Concert Hall, where a revitalized National Symphony Orchestra played under the direction of Antol Dorati. Ginastera's "Beatrix Cenci," premiered in the Opera House on September 10, 1971, with a performance of the Washington Opera Society. The following week a rare production of Handel's "Ariodante" under

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the direction of Julius Rudel, was presented; at the same time Merle Haggard and "Chicago" performed in the Concert Hall. While thousands of Americans attended these and other performances, some with the benefit of reduced ticket prices, the Kennedy Center has been preparing for its annual, nationwide American College Theater Festival. At the same time it has thrown wide its doors for the public to see the memorial sculpture by Robert Berks and to roam the halls. All of these and other activities memorialize the late President John F. Kennedy. The building and activities which it spawns represent a challenge for us all to continue to enrich the Nation's cultural heritage in keeping with the aims of John F. Kennedy and three other Presidents—Eisenhower, Johnson, and Nixon—who have supported the Center.

RELIEF TO THE STATE OF ARKANSAS

(Mr. HAMMERSCHMIDT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HAMMERSCHMIDT. Mr. Speaker, the bill I am introducing today on behalf of myself and my distinguished colleagues, the Honorable WILBUR D. MILLS and the Honorable BILL ALEXANDER, is in response to the following petition to Congress for the relief of the State of Arkansas.

This legislation will not only bring equity but badly needed relief to the many people using the overburdened transportation system crowding Lake Norfolk in north-central Arkansas.

A new bridge would correct the expensive inconvenience and inequitable situation which has prevailed for the past 28 years. With huge hidden costs to road users and taxpayers, I am hopeful that Congress can recognize the ethical imperatives inherent in this early experiment and then in that light reopen for review and evaluation the true socio-economic impact of the Norfork Dam and Reservoir project and the consequent in-depth cost benefit relationships.

Mr. Speaker, I introduce for appropriate reference a bill to provide for a highway bridge across the Norfork Reservoir in Arkansas and insert the text of the printed bill after my remarks and petition:

PETITION TO CONGRESS FOR THE RELIEF OF THE STATE OF ARKANSAS

(Brief in support of the petition of the Arkansas State Highway Commission for the Congress of the United States to compensate the Arkansas State Highway Commission for the loss sustained by the Arkansas State Highway Department by the flooding of U.S. Highway No. 62 and State Highway No. 101 by the construction of the Norfork Dam.)

The construction of the Norfork Dam was begun in the Spring of 1941. The United States Government and the Arkansas State Highway Department could not reach an agreement as to just compensation for the taking of U.S. Highway No. 62 and State Highway No. 101 which would be flooded by the construction of the dam. On May 29, 1943, the United States of America filed a Declaration of Taking and deposited in the registry of the United States District Court Western District of Arkansas the sum of $1,422,000.00 as estimated just compensation for the taking of these highways.

On the same date judgment was entered vesting title in the United States of America to all those portions of U.S. Highway No. 62 and State Highway 101 including the bridges located in the reservoir area. This was during the period of time when the United States of America was engaged in World War II and the prime concern of the country was the conduct of the War. On November 1, 1944, the United States of America filed a motion requesting the Court to enter judgment that no compensation was due the State of Arkansas or the Highway Department for the taking of the lands. Although this motion was overruled on September 15, 1945, it is apparent that it caused great consternation in the Highway Department.

Within three months after the overruling of the motion stipulations were entered into and filed with the Court. The stipulation basically provided that the Highway Department was entitled to $1,342,000.00 for the substitute highways taking into consideration the use of the dam as a roadway and that the Court would determine whether or not the Highway Department was entitled to compensation for providing temporary ferry service and if so that the Highway Department was entitled to the sum of $80,000.00. From a reading of the judge's various opinions in this matter, it is clear he was astounded that the Highway Department would enter into such stipulations. What caused the officials of the Highway Department to enter into such stipulations can only be surmised.

Certainly the monies deposited into the registry of the Court had already been committed by the Arkansas State Highway Department and the loss of such funds would have caused serious repercussions throughout the State of Arkansas. We can only surmise at the pressure which was brought to bear upon the Highway officials to enter into these stipulations due to the conduct of the War and the possible loss of all funds deposited in the registry of the Court and other considerations which were in existence at the time. Again it must be remembered that the Court's questioning the Highway Department's entering into such stipulations was made after it was apparent that World War II would be concluded and the safety of the country was no longer in danger.

Since the amount in the stipulations conformed exactly to the amount of money deposited by the United States of America, it is reasonable to conclude that the agreement of the stipulations had been reached by and between the United States of America and the Arkansas Highway Department prior to overruling of the motion filed by the United States of America to the effect that the Highway Department was not entitled to any compensation. It is further clear that due to the circumstances that the prime concern of the Highway Department was to keep what monies had been deposited and withdrawn by it as a result of the filing of the lawsuit.

It is interesting to note the Court's statements in its finding as to the issues involved in this matter.

The Court found that the highways and bridges were actually flooded on September 15, 1943, to such an extent that they could not be traversed and that the temporary approaches of the highways and ferry would be abandoned when the permanent substitute highways were constructed, and traffic would be routed over the substitute highways and across the dam that spans the river. The Court further found that it was necessary to cross the reservoir and that the parties agreed that the most practical manner of doing so was to relocate the substitute roads so that they would lead across the dam and would obviate the necessity of building an expensive bridge. Accordingly the parties by stipulations agreed that the cost of the necessary substitute highway was $1,422,000.00 if the relocation is made in such a manner that a new bridge would not be necessary.

The Highway Department had by the stipulations precluded itself from showing that the substitute highways would not provide the same facilities for the traveling public that existed prior to the taking. Although the Highway Department had precluded itself from offering such evidence the Court went to great lengths to point out that had it not done so then the Court would have made a different award.

The Court further went on to state that compensation to the State of Arkansas could not be measured by the cost of substitute highways and that just compensation in the case would be the actual money lost by the Highway Department because of the taking of the roads and bridges. The Court pointed out that United States of America objected to the cost, operation and installation of the ferry. The Court said this was compensable and expressed amazement that the State of Arkansas agreed ot the sum of $80,000.00 for the temporary operation of the ferry.

It is clear from the reading of the opinion in this case that the trial court's decision was made on the basis that the use of the Norfork Dam as a roadway would serve the same purpose as the construction of a bridge across the lake at Henderson. The trial court pointed out that it was the duty of the State of Arkansas to provide the temporary crossings, that the State lost not only the $1,422,000.00 cost of the permanent substitute roads, but a good deal more and, but for the agreement of the parties would be entitled to recover such an amount. The Highway Department prevented itself from showing or offering evidence of the true measure of compensation in this case because of the stipulations that it had entered into. Attached hereto is a compilation of the history and statistical analysis of the traffic problems involved in this matter which conclusively shows that the roadway across the Norfork Dam did not adequately replace the highway facilities in place at the time of the taking of those portions of U.S. Highway 62 and State Highway 101.

The trial court understood this but felt that it was bound by the stipulations that were agreed to by the Highway Department and the Federal Government. From a reading of all the documents in this matter it is apparent that the trial court did not think that it was providing just compensation to the Highway Department and the people of the State of Arkansas for the taking of the lands involved in the construction of the Norfork Dam, but that the Court felt that it was bound by the stipulations.

The next inquiry is to what the Court would have found to be just compensation, had all the facts in evidence been properly considered.

It is ironic indeed that the very case, *United States v. State of Arkansas*, 164 F2d 943, that has been cited so frequently as exemplifying the federal rule of law there recited—"The fundamental principle is that the public authority charged with furnishing and maintaining the public way, whether it be a highway, a street, or a bridge, must be awarded the 'actual money loss which will be occasioned by the condemnation•••'" (164 F2d 944) can now be seen as falling demonstrably short of attaining that minimum objective.

It is to this rule that the Court is referring when it follows with the statement—"This amount is usually the cost of furnishing and constructing substitute roads." This is the federal rule of "substitute facilities", designed to furnish "just compensation" to the public condemnee when the United States is the condemning authority. (Note: *The Sovereigns Duty to Compensate for the Appropriation of Public Property*, 67 *Harv. L. Rev.* 1082–1120, at 1115, June, 1967; *Dau, Problems in Condemnation of Property Devoted to Public Use*, 44 *Texas L. Rev.* 1517–1534, at 1530, October, 1966.)

An excellent elucidation of this doctrine is found in the case of *United States v. Certain Property located in the Borough of Manhattan, City, County and State of New York*, 403 F.2d 800 (2 Cir. 1968). There the Court said:

"Under the Fifth Amendment, the owner of property in every condemnation case is entitled to 'just compensation.' The standard formulation for applying this Constitutional requirement is 'indemnity, measured in money, for the owner's loss of the condemned property.' Westchester County Park Commission v. United States, 143 F.2d 688, 691 (2 Cir.), cert denied, 323 U.S. 726, 65 S. Ct. 59, 89 L. Ed. 583 (1944). The owner 'is entitled to be put in as good a position pecuniarily as if his property had not been taken. He must be made whole but is not entitled to more.' Olson v. United States, 292 U.S. 246, 255, 54 S. Ct. 704, 708, 78 L. Ed. 1236 (1934). In most cases the concept of 'market value,' i.e., what a willing buyer (one not forced to buy) would pay to a willing seller (one not forced to sell) is applied. The standard of fair market value—particularly with private condemnees—has proven practical and effective.

"The principle of fair market value, however, 'is not an absolute standard nor an exclusive method of evaluation.' United States v. Virginia Electric & Power Co., 365 U.S. 624, 633, 81 S.Ct. 784, 791, 5 L.Ed. 2d 838 (1961). It should be abandoned 'when the nature of the property or its uses produce a wide discrepancy between the value of the property to the owner and the price at which it could be sold to anyone else.' United States v. Certain Land in Borough of Brooklyn, 346 F.2d 690, 694 (2 Cir. 1965).

"Frequently when public facilities are appropriated, the market value test is unworkable because these facilities are not commonly bought and sold in the open market, and seldom are operated for profit. (Note, Just Compensation and the Public Condemnee, 75 Yale L.J. 1053 (1965)). The result has been the development of the 'substitute facilities' doctrine to meet the unique needs of public condemnees. Brown v. United States, 263 U.S. 78, 44 S.Ct. 92, 68 L.Ed. 171 (1923) (entire town) (dictum); United States v. Certain land in Borough of Brooklyn, supra (playground); United States v. Board of Education of Mineral County, 263 F.2d 760 (4 Cir. 1958) (school grounds); State of Washington v. United States, 214 F.2d 33 (9 Cir.), cert. denied, 348 U.S. 862, 75 S.Ct. 86, 99 L.Ed. 679 (1954) (highway); Town of Clarksville v. United States, 198 F.2d 238 (4 Cir. 1952), cert. denied, 344 U.S. 927, 73 S.Ct. 495, 97 L.Ed. 714 (1953) (sewer system); City of Fort Worth v. United States, 188 F.2d 217 (5 Cir. 1951) (streets); *United States v. State of Arkansas*, 164 F.2d 943 (8 Cir. 1947) (highway); United States v. Des Moines County, 148 F.2d 448 (8 Cir.), cert. denied, 326 U.S. 743, 66 S.Ct. 56, 90 L.Ed. 444 (1945) (roads); Mayor and City Council of Baltimore v. United States, 147 F.2d 786 (4 Cir. 1945) (streets and alleys); Jefferson County v. T.V.A., 146 F.2d 564 (6 Cir.), cert. denied, 324 U.S. 871, 65 S.Ct. 1016, 89 L.Ed. 1425 (1945) (highway); United States v. Certain Land in City of Red Bluff, 192 F. Supp. 725 (N.D. Cal. 1961) (parking lot). Simply stated, this rule insures that sufficient damages will be awarded to finance a replacement for the condemned facility.

"When the public condemnee proves there is a duty to replace a condemned facility, it is entitled to the cost of constructing a functionally equivalent substitute, whether that cost be more or less than the market value of the facility taken. City of Fort Worth v. United States, supra, 188 F.2d at 223; Town of Clarksville v. United States, supra, 198 F.2d at 243. The duty may be legally compelled or one which arises from necessity, United States v. Des Moines County, supra, 148 F.2d at 449; the distinction has little practical significance in public condemnation. Insight into the usefulness and worth of community property may be gained as well from the responsible decisions of public officials and agencies acting under a broad mandate with discretionary powers, as from legislative determinations announced in statutes.

"Modern government requires that its administrators be vested with the discretion to assess and reassess changing public needs. If application of the 'substitute facilities' theory depended on finding a statutory requirement, innumerable nonlegal obligations to service the community would be ignored. Moreover, the 'legal necessity' test, applied woodenly, may provide a windfall if the condemned facility, though legally compelled, no longer serves a rational community need. We hold, therefore, that if the structure is reasonably necessary for the public welfare, compensation is measured not in terms of 'value' but by the loss to the community occasioned by the condemnation."

The public interest in streets, highways and bridges is the ability to use them for travel. The deprivation or impairment of this ability to travel would seem to measure the damage suffered by a unit of government when its streets are taken by eminent domain. Restoration of any diminished right to travel seems best accomplished by the present federal method of awarding the cost of substitute streets or roads, if substitutes are necessary and feasible. Otherwise, an award may be made for the cost of beefing up existing facilities to handle the increased traffic caused by the loss of the appropriated streets or roads.

But the present federal method has been expanded to include a consideration of an aspect of this cost-of-substitution measure of damages that, if not ignored in the case of *United States v. State of Arkansas*, supra, was certainly not reflected in the measure of damages awarded. The question of the adequacy of the substitute facilities and the degree of equivalence required by the courts was considered in the case of *City of Fort Worth v. United States*, 188 F.2d 217 (5th Cir. 1951), where a traffic artery was closed by condemnation. The federal government sought to award compensation by showing that an expressway was being constructed and an existing street could carry the diverted traffic. The city's evidence indicated that the diverted traffic added to the total on the additional facilities and that if the closed artery were opened, traffic on the other facilities would diminish. The court viewed the problem as one of determining the compensation necessary to enable the city to provide a facility that would carry the entire traffic load in an *equally adequate* manner as without condemnation. The Court said, 188 F.2d at page 222 and 223:

"It will not at all do to say that in determining the cost of providing any necessary substitutes, an award in condemnation may be denied because there are already in existence other available routes which will in some fashion handle the traffic diverted by the condemnation. • • • In any event, as is clearly shown by United States v. Des Moines County, supra; Jefferson County, Etc., v. Tennessee Valley Authority, 6 Cir., 146 F.2d 564; United States v. Los Angeles County, 9 Cir., 163 F.2d 124, and other cases which could be cited, the rule universally enforced in such an instance recognizes the existence of the duty of a municipality to provide for a necessary readjustment of its traffic facilities, and that the amount of compensation proper in such a case is the cost of constructing necessary substitute facilities in order to replace and rearrange its traffic arteries.

"In broad outline, the property taken is a part of the City's traffic system which it is under the duty to replace if neecssary. In any proper view of the requirements of just compensation, the substitute 'necessary' is that necessary to readjust its street and highway system to serve the municipality's requirements and needs in as adequate a manner and extent and with equal utility as such system would have provided had the facility in question not been condemned, so far as this is reasonably practical. United States v. Los Angeles County, supra, 163 F.2d 124.

"What means are necessary to reach this result, and the cost thereof, will of course vary according to the circumstances of each case, and we leave this primarily to the trial Court, but no application of the rule of necessity which is restricted only to whether there is or can be made, some arrangement whereby traffic can be handled, without due consideration of the benefits which would be derived by such handling if the condemnation had not been had, can in the very nature of the thing afford compliance with the primary requirement of just compensation. • • •

"It is true that there may, and probably will, exist some difficulty in dealing with such a subject in an endeavor to provide compensation sufficient to restore the municipality to its equivalent position prior to condemnation. While we are not expert in such matters, we must recognize that traffic engineering has become more or less of a science necessary in the plan and construction of streets and roads. It appears in this record that matters such as traffic counts and direction and destination of travel can, after observation for sufficient time, be estimated with accuracy so far as future needs are concerned. It would not appear extremely difficult for the Court after hearing evidence available and material on such questions, to make a determination fair and just to both parties in an amount necessary to restore a municipal traffic system as near as reasonably possible and practical to its former state of utility. This may or may not require duplicate reproduction as near as possible, or the restoration of each feature or form of the facility taken.

"In view of the nature of the subject matter condemned and the end to be attained, original cost or reproduction costs are not proper to be considered. The cost of adequate substitute facilities to be so computed, is proper whether such sum be more or less than the value of the street and facilities taken. U.S. v. Los Angeles County, Supra. We think the true rule in such cases is well stated in Jefferson County v. Tennessee Valley Authority, supra, 146 F.2d 564, 565, that 'The practical view is to consider the road and highway needs of the civil division affected by the taking and to allow the governmental unit such sum in damages as will pay the cost of road facilities equal • • • to those destroyed.

"• • • The constitutional phrase 'just compensation' means a full and perfect equivalent for the property taken. Monongahela Navigation Co. v. United States, 148 U.S. 312, 326, 13 S.Ct. 622, 37 L. Ed. 463. Just compensation rests on equitable principles and means substantially that the owner should be put in as good position as he would have been if his property had not been taken or as nearly so as is possible under the given circumstances.'"

In Town of Clarksville v. United States, the Government condemned parts of the city's water and sewer lines in order to establish a flood-control project. The stipulation between the parties that the construction of substitute facilities would constitute just compensaion provided for a judicial determination whether (1) the cost of construction of a sewage-treatment plant required by the state water control board under the proposed arrangement and (2) the cost of operation and maintenance of five lift stations (not needed under the old system), which the Government had agreed to con-

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struct, were compensable items. The court found both items to be properly included within the meaning of substitute facilities. The sewage plant was includible because the town could have probably operated under its old license for many years without the forced alteration by the Government. The lift stations were a new element forced upon the town by the action of the Government, which was required to bear the added burden thereby created. While the town sought to recover the operating costs for a period of ninety-nine years, the court allowed only the reasonable cost of operation for a reasonable time, which it left to the lower court to determine on remand. The equivalence requirement, then, relates to the utility of the substitute facility rather than the dollar value. Further, the substitute facility must be that which the claimant is legally required to construct and maintain, and it is immaterial that it be more expensive or efficient than the condemned facility.

Applying the logic of these two federal cases to the fact situation involved in the condemnation of highways and bridge in the Norfolk Dam Project, it is apparent that no consideration was given to the cost of the bridge *requisite* to restoration of equivalent utility. In the body of the opinion, the Court said, at page 944:

"We think the government's view of the case does not take into account the fact that the bridge was a part of the substitute highway, *the cost of which was not included in the sum paid.*"

An inadequate substitute, its manner of selection determined by the exigencies of the circumstance and the unavailability of materials required to furnish the equivalent bridge promised by the Government, is *no* substitute at all, and is *not* just compensation.

There is another facet of the "actual money loss occasioned by the condemnation" that remains as a hidden cost prevailing to the present date. This aspect of the case is covered in the case of *United States v. Certain Lands Located in the Townships of Raritan and Woodbridge, Middlesex County, New Jersey*, 246 F.2d 826 (1957). In that case the facts were that in 1941 the defendant-appellant, the County of Middlesex, New Jersey, owned a road known as the Industrial Highway. Because of World War II the United States expanded the Raritan Arsenal. A section of the Industrial Highway was appropriated by the United States in April 1942 to permit the expansion. The petition in condemnation was not filed until August 1946 and the case did not come to trial and judgment until 1956. The jury awarded the County of Middlesex $172,000.00 which represented the estimated cost of providing substitute highway facilities as of the date of taking, April 1942. The verdict recognized the necessity for the construction of a substitute road. The County had not constructed a substitute highway up until the time of the trial. The County sought to amend the judgment to include interest on the verdict.

In the opinion of the three-judge court of the Third Circuit Court of Appeals, the Court first recognized the general law that the measure of "just compensation" for the taking of a publicly-owned highway is the cost of constructing a necessary substitute-highway. Continuing, the Court said:

"While the general law expressed above is universally accepted there is a paucity of authority on the issue as to whether interest is payable on a sum awarded as compensation to cover the cost of providing substitute highway facilities. Perhaps one reason for the lack of authority on the issue is that where substitute roads are necessary they frequently have been furnished *in kind* by the United States. See Jefferson County, Tenn. v. Tennessee Valley Authority, supra, 146 F.2d at page 566; United States v. City of New York, supra, 168 F.2d at pages 390–391; *United States v. State of Arkansas*, 8 Cir., 1947, 164 F.2d 943, 944.

"We are persuaded that in the case at bar the Fifth Amendment and the equities require us to allow interest on the compensation awarded the County of Middlesex from the time of taking to the date of the payment. We are convinced that if we do not do so the County of Middlesex would be deprived of just compensation, which, as stated in United States v. Des Moines County, Iowa, 8 Cir., 1945, 148 F.2d 448, 449, 160 A.L.R. 953, should be related to 'financial loss or out-of-pocket expense caused or which will be caused, by the taking.' But the United States, while acting within its rights, elected to dispute the issue of whether substitute highway facilities were necessary.

"The jury found such facilities were necessary as of April 1942. We take judicial notice of the fact that the costs of building highways have greatly increased over what they were fifteen years ago, and we think it is equitable to take this factor into account. It is true that the County has been relieved of the burden of maintaining the road since April 1942 but it is also the fact that the County has been without a necessary substitute road for about fifteen years. In addition, an increased burden has been placed on the County's alternate highway facilities since April 1942."

Again we are confronted with a situation where the Norfork Dam condemnation (*United States v. State of Arkansas*, 164 F.2d 943) is cited as reflecting a rule of law or a fact situation that is not justified by a close examination of the opinion, along with the facts and restrictive stipulations upon which it was based.

If the United States of America had, in fact, furnished a substitute bridge in *kind* for the bridge on U. S. 62 at Henderson inundated by the Norfork Project the present claim of an inadequate and inequitable compensation would certainly not attain, nor would it be *necessary* to consider the costs stemming directly from the failure of the Corps of Engineers to carry through with the original plan agreed upon—an interim operation of a ferry service, at no cost to the State of Arkansas, and the construction of new bridge piers near the Highway 62 bridge, with the completion of the superstructure to be made after the war.

Applying the logic of the above case with regard to "the out-of-pocket expenses caused or *which will be* caused, by the taking," it is apparent that the State of Arkansas has been inadequately compensated for the "financial loss" that it has suffered over a period of twenty-eight years. It was not only inadequately compensated for its re-routing of the highways serving the Henderson Ferry, the building of long approaches to the ferry, the cost of construction of the ferry boats, barges and other equipment, and the cost of operating the ferry without cost to the traveling public to November 4, 1943 (Findings of Fact, Statement of District Court, Western District of Arkansas, October 14, (1946) but such out-of-pocket expenses have continued to mount to the present. The inadequacy of the payment made to accomplish even the minimum objectives of relocation of highways necessitated by the taking is reflected in the opinion of the Arkansas Supreme Court in *Jennings* v. *Lynch*, 228 Ark. 424, 307 SW 2d 781.

In that case, Cecil Jennings and others, all citizens and taxpayers living in the vicinity of Norfork Lake Baxter County, filed a suit in 1956 against Cecil Lynch and the other members of the Arkansas State Highway Commission, asking the Chancery Court to direct the Highway Commission to construct a road across the Norfork Dam and to relocate and reconstruct State Highways 62 and 101 in certain particulars. The Court said, at page 428:

"Exhibit No. 5, in the record, shows that the Highway Commission had, by 1950, spent on the ferry at Henderson and the roads in the vicinity of the dam as much money as it received from the U.S. Government."

The payment made by the United States had thus been expended by 1950 for necessary "out-of-pocket" expenses caused by the taking, with no substitute highways having been built to cross the dam, no bridges having been built to replace the old bridge ("the cost of which was not included in the sum paid"), and with the State still being required to shoulder the high cost of the ferry operation (Conclusions of Law: "It was the duty of the State of Arkansas to provide this temporary crossing. It could not allow the highways to be closed"). The "temporary crossings" that the State of Arkansas provided through its ferry service have been operated at a cost of some $4,000,000.00 since the operation began in September, 1943 (See Cost of Ferry Operations, Appendix A–1, Attached Proposal for Bridging Norfolk Lake), and the factor of inflated costs has operated not only to use all of the monies provided, but also to elevate the costs of providing a necessary substitute for this inadequate futile arrangement to such astronomical figures as to be completely beyond the fiscal resources supporting the Arkansas State Highway System. Has the "just compensation" standard of "the actual money loss occasioned by the condemnation" been met? It is the contention of the State of Arkansas that it has not even been approached.

"The actual money loss occasioned by the condemnation"—no, not even that minimum was adequately reflected in the sum paid. True, this failure was based on the stipulations entered into by the parties in that cause (*U.S. v. State of Arkansas*, supra), but equity requires consideration of the circumstances leading to those stipulations. In the statement of the District Court in the Conclusions of Law filed on October 14, 1946, District Judge John E. Miller stated:

"3. There is no doubt but that defendant had to readjust its system of roads when the reservoir area filled with water and inundated the bridge at the village of Henderson. The readjustment required something more than the mere relocation and building of new roads. It was necessary to cross the reservoir and all parties agreed that the most practical manner of doing that was to so relocate the substitute roads so that they would lead across the dam and thus obviate the necessity of building an expensive bridge. Accordingly the parties by stipulation have agreed that the cost of the necessary substitute highways is $1,342,000.00 if the relocation is made in such manner that no bridge will be necessary.

"In such a situation just compensation to the State of Arkansas cannot be measured or determined by the same rules as compensation for the taking of purely private property. Just compensation in such a case is the actual money loss occasioned by the condemnation and taking of the roads and the bridge. United States v. Des Moines County, Iowa, et al., 8 Cir., 148 F. 2d 448; Jefferson County, Tennessee v. Tennessee Valley Authority, 6 Cir. 146 F. 2d 564.

"4. The petitioner in the signing and filing of the stipulations based its objection to the allowance of more than $1,342,000.00 as just compensation on the contention that the cost of the installation of the ferry and its operation was not compensable, while the defendant, State of Arkansas, contended that such expenditures were items that were compensable and should be allowed, but strangely enough, the defendant agreed that if such expenditures were to be allowed as elements of just compensation that the court should take into consideration only the amount of $80,000.00.

"In the oral argument the petitioner contended that since the stipulation revealed that the cost of providing necessary substitute highways as of the date of the taking

was $1,342,000.00, that such sum constitutes and is just compensation.

"It is clear that the parties had in mind at all times such a relocation of the roads as would permit the use of the dam in lieu of a bridge, and the agreement as to the cost of the substitute roads only included the actual construction of the relocated roads across the dam, and the parties did not intend to agree that the sum of $1,342,000.00 included all the costs to the State that were caused by the condemnation. The State of Arkansas expended large sums of money providing temporary means of crossing the reservoir lake, and spent large sums in the operation of the ferry prior to the time when it was possible to use the dam for crossing the barrier. It was the duty of the State of Arkansas to provide this temporary crossing. It could not allow the highways to be closed. The State has not only lost $1,342,000.00, cost of permanent substitute roads, but a great deal more, and but for the agreement of the parties, would be entitled to recover such additional sums as are set forth in paragraph two of the findings of fact."

The State had indeed lost "a great deal more." It is difficult to now assess to what extent the decision to enter into the improvident stipulations had been influenced by: (1) the conference in the Office of the Secretary of War on February 16, 1943, at which time the State Highway Director had been advised that a new bridge on U.S. 62 near Henderson was out, including piers for same, that it was a ferry or *nothing*, (2) the motion filed by the United States on November 1, 1944, moving the Court to enter judgment adjudicating that, as a matter of law, *no compensation* was due for the taking of the interest of the State or Arkansas in the lands condemned, and/or (3) the federal government's insistence, upon each partial disbursement of funds made upon petition by the State of Arkansas, that such disbursements be made without prejudice to the rights of the United States of America to recover from the State or Arkansas any sums disbursed in excess of the sum finally determined as being the amount due the State of Arkansas. In the face of contentions that it was entitled to *nothing* and that it was threatend with the possibility of having to refund monies already withdrawn in the amount of $1,342,000.00, be it classified as duress or compulsion, the impulse or feeling of being driven toward acceptance of that which had already been withdrawn must have been irresistible.

In *State of Washington v. United States*, 214 F.2d 33 (1954), the Court said, at page 40:

"Where the government takes a segment of an arterial highway and there is in existence no other road or roads which can adequately handle the traffic diverted from the road taken, the government is required to *provide* a substitute road or its equivalent in money. In such cases the only issue is the amount necessary to provide the necessary substitute." City of Fort Worth, Tex. v. United States, 5 Cir. 1951, 188 F.2d, 217; *United States v. State of Arkansas*, supra; Jefferson County etc. v. Tennessee Valley Authority, supra.

In that case, *State of Washington v. United States*, supra, the Court had also said, at page 39:

"The facts of a particular case control the application of this rule." (substitute facilities rule)

The Court, in that case, never reached the question of the reasonable substitute, and its costs, because it affirmed a lower court ruling that there existed no reasonable necessity for replacing the highway taken. How different are the facts of this case! The Circuit Court of Appeals referred to the "continuing obligation of the state to furnish and maintain its highways for the use of the public." The District Court had said: "It was *necessary* to cross the reservoir."

Applying all of these standards for "just compensation" to the facts of this case it becomes apparent that the only way that the State of Arkansas can receive a just and adequate compensation for the "money loss occasioned by the condemnation" would be for the federal government, the United States of America, to *provide* a substitute bridge for the one inundated or its equivalent in money (the money required to bridge the Norfork reservoir).

In the classic case of *United States v. Wheeler Township*, 66 F. 2d 977, the Court said with reference to the expenses of maintaining public roads:

"To the extent that this burden has been increased by this taking there is a deprivation for which the law requires compensation. • • • If the present standard be taken, and tomorrow the township be compelled to build a better type of road, there would unquestionably be an added expense in building such road, caused solely by this condemnation burden. Why should not this added expense be made good by the one causing it?"

All of the added expenses have been caused by this condemnation of the federal government. "Why should not this added expense be made good by the one causing it?"

There is precedent, of course, for allowing, at a later date, the consideration of claims against the United States when subetantial justice requires a reopening of matters normally concluded by litigation or by operation of law. (See *County of Sarpy, Nebraska v. United States*, 386 F.2d 453 (1967), and Public Law 88–425, approved August 13, 1964, the special jurisdictional act referring the case to the Court of Claims. In the bill of congressional reference, jurisdiction was conferred, • • • "notwithstanding any statute of limitations pertaining to suits against the United States, or any lapse of time, or bar of laches • • •." See, also, *North Counties Hydro Electric Company v. United States*, 170 Ct. Cl. 241, 248–9 (1965) and H. Res. 189, 1st Session, 86th Congress, agreed to by the House of Representatives on May 19, 1959.

That resolution directed the Court to "proceed with • • • (H.R. 5093, a bill for the relief of plaintiff, introduced in the House on February 26, 1959) in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the House of Representatives, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable against the United States, and the mount of damages, if any, legally or equitably due from the United States to the claimant, *the statute of limitations, the plea of res judicata, laches, any lapse of, time, or any prior court decision of this claim by any court of the United States to the contrary notwithstanding.*")

The first of the Bill of Rights, Amendment No. 1 to the Constitution, prohibits Congress from making any law abridging "the right of the people . . . to petition the Government for a redress of grievances." It is clear, therefore, that from the very beginning, Congress has had a responsibility to act in areas which by statute, regulation, and contract are now delegated to others, but not altogether.

Citizens continue to petition Congress for the redress of wrongs. General laws cannot cover all situations equitably and "private laws" have been the standard answer for special cases. How is such a petition to Congress redressed? The petition itself, of course, does not confer on Congress any right to act. That right is spelled out and limited by Article I of the Constitution (Section 8. C. 1. Congress should pay the Nation's debts.

These debts may be legal or merely moral or honorary. Columbia Hospital v. United States, 125 Ct. Cl. 712 (1953)) and the Bill of Rights. The courts also have refined that right. When Congress pays a "debt" by private law it need not be a legal one but may be "honorary" or "moral" in the broadest sense of equity, and as such, a demonstration of the "Nation's conscience." As was said in the case of Burkhardt v. United States, 113 Ct. Cl. 658, 84 F. Supp. 553 (1949):

"• • • • the term 'equitable claim' as used in 28 U.S.C. 2509 is not used in the strict technical sense meaning a claim involving considerations of right and justice as administered by courts of equity, but the broader moral sense based upon general equitable considerations."

In this context, equity appears to be ethical rather than jural, and not grounded in any sanction of positive law.

In seeking private legislation, the petitioner is confronted with the necessity of convincing Congress that he has a claim it should consider. Having done so, he may obtain relief from a private bill passed for his benefit by both the Senate and the House and signed into law by the President, or he may be required by resolution of either House to present his petition to the Chief Commissioner of the Court of Claims who will accord him an adversary trial on the merits and make findings and a recommendation to the House that referred the bill to him. This then becomes the foundation for a private relief bill. At one time both the judges and the commissioners of the Court of Claims resolved these matters for Congress.

However, the Supreme Court has now declared the Court of Claims to be a constitutional court created under Article III of the Constitution and has suggested that it is improper for it to perform extra-judicial functions. So the Court of Claims no longer considers congressional references but limits its consideration to legal claims over which it has general jurisdiction or where jurisdiction has been conferred upon it by special legislation. The commissioners, who are the trial judges of the court but are not constitutional judges, continue to consider congressional references to determine their equities as that term has been defined above. In so doing, the commissioners are actually performing a legislative function in a judicial manner. Certain well-defined guidelines have been laid down for consideration of these claims for private relief and have been identified in an excellent discussion by the present Chief Commissioner of the United States Court of Claims, Colonel Marion F. Bennett, AFRes, in the November-December, 1967, JAG Law Review, "Private Claims Acts and Congressional References", Pages 9–19 and 39.

The relief by referral to the Court of Claims by Congressional resolution is, of course, in addition to the right of Congress to deal directly with the petition for redress, or to direct an administrative handling by the proper department or agency. Annually, for several years past, only a fraction of the private claims bills have required adversary, judicial processing. The overall volume of private claims bills and congressional references, when contrasted to the many thousands of claims annually asserted against the Government, bears eloquent testimony to the effectiveness of the manner in which most of them are disposed of administratively by Uncle Sam's departments and agencies.

But there will always be the unusual and closely contested claims, those suggesting need for an equitable exception to the general law, and claims which an agency is simply not authorized to adjust or will not for policy reasons. It is in this area that the sovereign has reserved its right to exercise its conscience with measures for special relief. The touchstone for such relief is that of moral and honorable treatment in the broadest sense of equity, such as exercised by the ancient chancellors in equity centuries ago.

The practicalities of time, a chief creator

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of injustice by delay in this case, indicate that following the procedure of referral to the Commissioners of the Court of Claims would not provide the remedy needed *now*. An administrative handling by direction of Congress or direct action by Congress itself would provide the needed immediate relief.

Congress, alone, has within its hands the power to remedy the inequities of this situation. An award, based upon the reasonable necessities of 1943, even if compounded by the allowance of interest from that date, as in the *County of Sarpy* case, or by a special allowance for delayed payment, as in *North Counties Hydro-Elec. Co.* case, would still fall far short of remedying the inequitable situation.

The bridges proposed, on the recommended locations, will lie wholly within the boundaries of the Norfolk Reservoir Reservation owned by the United States. The State of Arkansas would, at long last, receive a just and adequate compensation for "the money loss occasioned by the condemnation" if these bridges and approaches were to be built with monies appropriated for Corps of Engineers civil works.

The Arkansas State Highway Commission is obligated to submit this petition on behalf of the people of the State of Arkansas, for they are the ones who have been truly aggrieved. From the time of early planning of the Norfolk Flood Control Project, when they were assured that the bridge crossing for U.S. Highway No. 62 near Henderson would be retained, through their mass meetings and petitions to the Arkansas State Highway Department and the U.S. Corps of Engineers when it became apparent that such bridge location would be inundated, to their post-war pleas for help and public hearings directed toward a solution of the problems presented to the citizenry of the area and the traveling public, the public outcry has been loud, clear and insistent. The solution urged here has been the *one* consistently sought and the people of Arkansas have been the chief victims of the injustice created by the failure to provide such a remedy.

As President Lincoln said:

"It is as much the duty of government to render prompt justice against itself, in favor of citizens, as it is to administer the same, between private individuals."

We rely upon the Congress of the United States to render justice in favor of the citizenry of the State of Arkansas.

(Respectfully submitted, By: Arkansas State Highway Commission, Little Rock, Arkansas 72203.)

H.R. 11901

A bill to provide for a highway bridge across the Norfork Reservoir in Arkansas

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the comprehensive plan for flood control and other purposes in the White River Basin, as authorized by the Act of June 28, 1938 (52 Stat. 1215), and as modified and amended by subsequent Acts, is further modified to provide for a free highway bridge built to modern standards over the Norfork Reservoir at an appropriate location in the area where United States Highway 62 and Arkansas State Highway 101 were inundated as a result of the construction of the Norfork Dam and Reservoir. Such bridge shall be constructed, maintained, and operated by the Chief of Engineers, Department of the Army, in accordance with such plans as are determined to be satisfactory by the Secretary of the Army in order to provide adequate crossing facilities over such reservoir for highway traffic in the area.

SEC. 2. The cost of constructing the bridge authorized in the first section of this Act shall be borne by the United States except that the State of Arkansas shall be required to pay as its share of the cost of constructing such bridge the sum of $1,342,000, plus interest for the period from May 29, 1943, to the date of enactment of this Act. Such interest shall be computed at a rate determined by the Secretary of the Treasury to be equal to the average annual rate on all interest bearing obligations of the United States forming a part of the public debt on May 29, 1943, and adjusted to the nearest one-eighth of one per centum. The share to be paid by the State of Arkansas represents the amount paid by the United States to the State of Arkansas as insufficient compensation for the highways inundated as a result of the construction of the Norfork Dam and Reservoir plus interest from the date of payment.

SEC. 3. There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. HAMMERSCHMIDT. Mr. Speaker, today I am joining with 36 of my colleagues on the House Committee on Public Works in introducing a long-range water pollution bill. Our aim in cosponsoring this measure is to provide a vehicle for discovering legislative answers to the difficult and perplexing questions that confront us in the field of water pollution.

Water pollution abatement is a program which will require the investment of vast resources and which will likely have significant economic and social impacts on all Americans.

The abatement of pollution in our rivers and streams is subscribed to by almost everyone today. It is the means and methods of achieving our goals which have yet to be devised.

The bill my colleagues and I introduce today does not necessarily reflect a consensus among us. But, the proposed legislation is a starting place and will, in the days and weeks ahead with proper hearings, enable us to effectively come to grips with the critical questions and issues involved. These include:

First. The amount of money which must be authorized to accomplish our objectives;

Second. The formula for allocation of such funds;

Third. The Federal/State sharing formula;

Fourth. Whether sewage collective systems should be included;

Fifth. The impact on industry of attempting to achieve our water pollution goals;

Sixth. The number of jobs likely to be affected in the process; and

Seventh. The scope of the research and demonstration programs needed to assure the development of the kind of technology we require to achieve our goals.

And last, but not least, we will have to decide upon timetables and priorities for accomplishing our water quality objectives.

It is obvious from the foregoing that we have our work cut out for us. But, I am hopeful that the members of the Public Works Committee will, after examining witnesses' testimony from committee hearings and after due deliberation, be able to come up with the kind of practical and achievable bill that can be reported out to the House of Representatives and one that all Americans can subscribe to.

NATIONAL FAMILY WEEK

(Mr. MYERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MYERS. Mr. Speaker, more than a year ago, I first introduced a resolution which would establish a National Family Week observance coinciding with Thanksgiving.

With more than 400 proposals for special observances pending before Congress, the House Judiciary Committee has advised me that they can not complete consideration of this resolution in time for a proclamation this year. However, I am encouraged that action will be taken in time for a national observance in 1972.

Expressions of support for a National Family Week have come in from throughout the country. Because Thanksgiving is next week, I would like to share with my colleagues the following open letter which I direct to the President, Members of Congress, and Americans everywhere:

DEAR FELLOW AMERICANS: Our Nation's freedom was born in the families that formed our thirteen colonies.

Our system of justice, government, education and worship are all grounded in the family.

Unity without uniformity, courage without recklessness, faith without blindness, and hope without dependence are all products of the American family. We did not create them. We discovered and applied them.

In the American family lie the seeds of greatness. In the present tide of attacks upon the sanctity of the family and home lie the roots of our destruction.

If wars are ever to become past history and peace the light of day, the families of this Nation will have seen to it. If poverty is truly abolished, it will be because families cared about others. If illiteracy finally is banished, it will be by families who fear ignorance. If harmony is to return to our land, it will come only because families have practiced tolerance, patience, understanding, and affection to their own and to others. If prosperity is ever to be a natural part of our daily living, it will first emerge from homes where the spirit flourishes and where materialism is of second importance.

Lay before each American family the continuing challenge to save and preserve freedom, dignity, honor, and mutual trust among the people.

National Family Week will be a period of annual renewal of all that made of this land the place where freedom is born every moment of every day.

There must be a positive response to those who have rendered the verdict that the family is no longer of any value; has no purpose; and is useless in today's cruel crises.

Let that response be a National Family Week.

Let it be within the traditional week of Thanksgiving.

Let every succeeding President, each year, proclaim its high purpose.

Let every public official most responsible to citizens of towns, cities, counties and states echo that proclamation.

Then, let us be about restoring the family to its proper role in our national life.

DISTRIBUTION OF FUNDS APPROPRIATED UNDER TITLE I OF ELEMENTARY AND SECONDARY EDUCATION ACT

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, I received a disturbing rumor yesterday that I think I should share with my colleagues. I hope that the preliminary information I have received is incorrect. But, if the information I have received is correct, I hope that the hour is not too late for the administration to reverse itself and take the equitable course in distributing funds appropriated by the Congress under title I of the Elementary and Secondary Education Act to local educational agencies throughout the Nation.

My colleagues will recall that the Congress acted expeditiously in passing appropriations for fiscal year 1972 to the U.S. Office of Education. This legislation cleared both Houses on June 30, H.R. 7016. This enabled the U.S. Office of Education to make prompt notification to all the States on the allocations to local educational agencies for title I purposes. Certainly, this could have been done prior to the beginning of school in September when the funds were to be used. I have just been advised that official notice of these allocations has not yet been received by the States, even though we are well into the third month of the academic year in which the funds are to be used.

As yet, I have received no information as to why there has been this great delay in notification. I have received unofficial information that 15 States will receive less money for title I purposes in fiscal year 1972 than they received last year. This is a very startling result when it is considered that the Congress actually appropriated more funds for title I in fiscal year 1972 than they appropriated in fiscal year 1971. The unofficial information that I have received indicates that the States adversely affected are as follows:

State	1971 allocation	1972 allocation	Decrease
Alabama	40,257,134	36,617,250	3,639,884
Arkansas	24,214,456	22,251,414	1,963,042
Georgia	39,947,788	36,197,932	3,749,856
Kentucky	37,131,906	33,755,352	3,376,554
Louisiana	34,683,312	32,268,324	2,414,988
Mississippi	42,074,152	38,105,822	3,968,330
Missouri	25,579,100	24,449,299	1,129,801
North Carolina	56,260,988	52,532,926	3,728,062
Oklahoma	18,199,914	17,338,006	861,908
South Carolina	34,313,121	34,256,587	56,533
South Dakota	6,266,048	6,002,025	264,023
Tennessee	36,288,395	33,172,359	3,116,036
Virginia	33,803,541	32,278,380	1,525,161
Washington	12,255,022	12,109,147	45,875
West Virginia	20,524,496	18,385,071	2,139,425

BUREAU OF NARCOTICS AND DANGEROUS DRUGS KNUCKLES UNDER TO FRENCH POLITICAL PRESSURE

(Mr. RANGEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RANGEL. Mr. Speaker, I was shocked to learn that John Cusack, European desk chief for the U.S. Bureau of Narcotics and Dangerous Drugs, is being transferred out of Paris.

The reason? Cusack's hard-hitting fight against the French failure to crack down on the heroin processors and traffickers was embarrassing to the French Government. France is the source for most of the heroin which is flooding the United States.

The Department of Justice and the American Embassy in Paris are worried about smoothing the ruffled feathers of French pride. My concern, however, and that of John Cusack, is the lives of our children and servicemen, lives which are endangered by the heroin pouring in from our French "ally."

I have informed the House of Representatives on numerous occasions that France has refused to take action against the underworld kingpins who mastermind the French heroin traffic. The recent revelations of top-level corruption in the French Government which protects these merchants of death, coupled with the indictment of a French official for complicity in the smuggling of $12 million worth of heroin to this country further verifies the charges made repeatedly by Cusack. Now we find out that a French consular official in New York City has refused to testify before a Federal grand jury investigating this problem.

Today I have written Attorney General John Mitchell, requesting him to reverse his decision to transfer Cusack. My letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 19, 1971.

HON. JOHN MITCHELL,
Attorney General,
U.S. Department of Justice,
Washington, D.C.

DEAR MR. MITCHELL: It has just come to my attention that Mr. John Cusack, European desk chief for the Bureau of Narcotics and Dangerous Drugs, is being transferred out of Europe due to political pressure being exerted on our Government by the government of France.

I cannot understand why you, as head of the Department of Justice, can approve such a transfer since Mr. Cusack has been fighting the flow of heroin from France to the United States with more vigor and dedication than any other BNDD official in Europe.

Heroin is murdering the young people of my community, Harlem. It has spread like a plague across this nation, to our cities, suburbs, rural areas and even our servicemen. The majority of that heroin is coming from France where drug processors and traffickers flourish with impunity. Despite self-serving public relations attempts, the French government is unable to convince the people of my community that they are seriously cracking down on heroin traffic—because they are not cracking down.

Mr. Cusack has been a vocal and strong critic of the French hide-and-seek game with the truth, and now that revelations of top-level corruption are surfacing, he is being sacked. Why?

I urge you not to knuckle under to the French attempt to silence its critics and return to its business-as-usual policy of protecting the drug merchants.

CHARLES B. RANGEL,
Member of Congress.

Instead of being rewarded for his dedication to his mission and for his efforts to save the lives of thousands of young Americans, Cusack is being sacked. Therefore, the voice of every Member of Congress who is concerned about the narcotics epidemic should be raised in protest. Our Government should not knuckle under to diplomatic niceties and protocol when we are talking about drugs.

John Cusack should be permitted to continue his war against heroin in France.

I am inserting in the RECORD at this point several related articles:

[From the Washington Star, Nov. 18, 1971]

UNITED STATES TO SHIFT BOSS IN PARIS DRUG OFFICE

PARIS.—John Cusack, outspoken director of the U.S. Narcotics Bureau for Europe and the Middle East, will be replaced shortly, the American Embassy confirmed today.

Informed sources said Cusack's removal is an attempt to improve relations between French and U.S. agents fighting the illegal narcotics traffic.

Cusack has been a critic of French efforts to dismantle the illegal heroin laboratories in Marseilles, one of the major sources of narcotics destined for the United States. The sources predicted he will get a promotion in Washington.

His hard-driving, relentless style, although appreciated by his staff and superiors, has embarrassed and annoyed a number of high-ranking French police officers.

Cusack, 48, is due for rotation after more than five years of service in France, Italy and Turkey. His last 2½ years have been as chief of the expanded Narcotics Bureau operation in Paris.

The informants suggested Cusack's replacement became imminent with the indictment Monday in Newark, N.J., of Col. Paul Fournier, an officer in the French counterespionage service who is charged with conspiring to smuggle $12 million worth of heroin into the United States.

Fournier's superiors deny he is implicated in the case, and they are furious at the official American action against him. Cusack's replacement might placate them to some extent.

Cusack aroused French official ire in August when a Marseilles newspaper quoted him as big wheels in the drug business saying there were three or four there whose money and political contacts saved them from prosecution. The police commented that it wasn't the first time that "Mr. Cusack has, on his own initiative, made such declarations which until now have proved entirely unfounded."

Cusack denied the remarks attributed to him. But he also is known to believe that several underworld organizations connected to the Mafia maintain laboratories in the Marseilles area that transform Turkish morphine into high-grade heroin.

[From the New York Times, Nov. 18, 1971]

CONSULAR SUSPECT CLAIMS IMMUNITY

(By Ronald Sullivan)

NEWARK.—A middle-level official at the French Consulate in New York City who was identified as a "contact" in a $12-million heroin smuggling conspiracy has refused to appear before a Federal grand jury here, an authoritative Government source reported tonight.

The source said that the French official, whom the Government declined to name, although it knows his identity, had contended that he was protected by diplomatic immunity.

He was said to have asserted that American law-enforcement officials had no right to subpoena him or to compel him to answer any questions in connection with what the United States Attorney here describes as a major "criminal organization" trafficking in illegal narcotics between France and the United States.

An American Government official said, however, that there was some doubt within the Department of State whether the consular aide was entitled to the protection normally given to consulate and embassy officials from foreign countries.

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The doubt is apparently based on the assumption that if the official is proved to be implicated, then his alleged role in the conspiracy "certainly did not come within the scope of his official duties," which form the basis for his diplomatic immunity.

The American Government source said the French had thus far not demanded that the official be accorded immunity. Furthermore, considerable reluctance to push hard has been reported within the Department of State, since the consulate official's alleged involvement in the affair thus far is regarded as tenuous as best.

The consulate official was said to have agreed to respond to a series of written questions submitted by Herbert J. Stern, the United States Attorney for New Jersey, who led the Government's case against Roger de Louette, a former French counterespionage agent who pleaded guilty in Federal Court here yesterday to his part in an international heroin-smuggling conspiracy.

FRENCH COLONEL NAMED

De Louette testified that he was recruited and directed in the conspiracy by Col. Paul Fournier, a supervisory agent in the French Service of exterior Documentation and Counterespionage and de Louette's former superior officer.

During a lie-detector examination given by American officials to de Louette on Sept. 12, he said that Colonel Fournier had given him the "contact" in the French Consulate in Manhattan.

French consulate officials were not available today for any comment, and a French narcotics officer has branded de Louette's statements as "lies."

The official was said to be one of about 31 officers of varying rank who are assigned to the large, busy consulate at 934 Fifth Avenue.

In Washington, meantime, Nelson G. Gross, an assistant secretary of state and the department's senior adviser and coordinator for international narcotics matters, said that "we have been getting good cooperation from the French in this case."

DETERMINATION IN WASHINGTON

"At the same time, however," Mr. Gross said, "what must be done, must be done, no matter who is embarrassed."

Mr. Stern, the United States Attorney, has indicated that the French have not been as cooperative as they might have been.

Mr. Gross said that his department had received a communique from the French Ministries of Justice and Interior promising their full cooperation in investigating the charges made public here by a Federal grand jury on Monday.

In a three-count indictment, de Louette and Colonel Fournier were charged with smuggling into this country 96 pounds of heroin, concealed in a Volkswagen camper that was shipped from France to Port Elizabeth near here in April.

De Louette was arrested when he showed up to claim the vehicle and an alert customs agent searched the vehicle and discovered the heroin. He pleaded guilty to the charge yesterday and faces a prison term of from five to 20 years.

FOURNIER LIE TEST DENIED

As for Colonel Fournier, he was questioned earlier this week by an investigating magistrate in Paris. Today he was reported by the French newspaper France Soir to have taken a lie-detector test here last April in connection with the charges.

However, Mr. Stern said today that the report was a "lie" and that he had never so much as seen Colonel Fournier, despite his attempts to question him when he visited Paris two weeks ago. He sought French cooperation at that time to bring the colonel to trial.

Mr. Stern also said that in addition to the initial lie-detector test given to de Louette, he was given a second one on Oct. 4. The United States Attorney said the second test had been given at the request of French officials, who were allowed to submit their own questions.

The expert who gave both tests said that de Louette had told the truth both times.

FRENCH INQUIRY AT STANDSTILL

PARIS, November 17—French judicial authorities let it be known tonight that cooperation with the United States Attorney's office in New Jersey, which seeks to prosecute a French counterespionage agent as a narcotic smuggler was at a standstill.

"Authorized sources" issued a point-by-point refutation through the Agence France-Presse of statements made in court yesterday by Herbert J. Stern, the United States Attorney, when Roger de Louette pleaded guilty to a charge of conspiring to import heroin. The statements implicated the French agent, Col. Paul Fournier, in the trafficking.

Widespread skepticism here about the credibility of de Louette's testimony, differences between French and American law and annoyance over the attempt to involve an official in a sensitive security post have combined to put a serious crimp in French-American cooperation to curb narcotics smugglers to the United States. Both governments had been systematically praising the cooperation.

U.S. VERSION REFUTED

Tonight the French refuted to a large extent statements in a letter sent Sept. 28 by Mr. Stern to Max Fernet, head of the French criminal police—letter that Mr. Stern read in court yesterday.

It was confirmed that Mr. Stern had met with two high French police officials in Washington on Sept. 14, where the Frenchmen were attending a seminar on narcotics. But the French version of events revealed serious differences on the events after that.

A rogatory commission, a kind of subpoena, was issued Aug. 13 by Examining Magistrate Gabriel Roussel to Mr. Stern, the French said, to get evidence directly from de Louette. Through his lawyer, the French went on, de Louette refused to accept the commission unless he was guaranteed immunity from prosecution in France. Magistrate Roussel answered that French law did not contain a provision for such immunity.

When at the Sept. 13 meeting in Washington Mr. Stern expressed surprise that Colonel Fournier had not yet been arrested, according to the French version, the French police officials told him that they could not act unless they had an official statement from the person implicating the colonel—and that this de Louette had refused to give.

A TRIBUTE TO W. E. BURQUEST

(Mr. HALEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HALEY. Mr. Speaker, in this day and time when so many people are making demands upon our Government, it gives me great pleasure to pay tribute to an outstanding citizen of my congressional district who has given a lifetime in public and civic service.

On October 13, 1971, the Board of Supervisors of the Sarasota, Fla., Soil Conservation District honored my dear friend, W. E. Burquest, for his 25 years of service on that board in a position without salary. Mr. Burquest was instrumental in the organization of the conservation district. He has received many awards and recognitions for his work in agriculture and specifically in conservation.

The brief summary of his career which I place in the CONGRESSIONAL RECORD at this time demonstrates that he is a good sound citizen who, to paraphrase the words of the late President John F. Kennedy, did not ask what his country could do for him but who has spent many years in service to his community, State and country. Our Nation needs more "Burk" Burquests, who quietly and voluntarily do the work and provide the leadership that is the strength and the heart of our grassroots America.

BRIEF SUMMARY

The Board of Supervisors of the Sarasota Soil and Water Conservation District are presenting Mr. W. E. Burquest with a Plaque honoring him for his 24 years of Service with this Board. The presentation was made at their meeting on Wednesday, October 13.

Mr. Burquest started as a farmer in Sarasota County in 1928. He worked toward the Organization of the District and was elected a member of the Sarasota District's first Board of Supervisors, which met for the first time on September 23, 1947. He was elected chairman of the Board of Supervisors on October 26, 1953 and served in that capacity until October 5th of this year.

He was appointed a member of the State Soil Conservation Board by Gov. Ferris Bryant in 1963, later served as chairman, then the name was changed to the Soil and Water Conservation Advisory Council up until 1970. He was Area Vice-President of the State Association of Soil and Water Conservation District Supervisors from 1960 to 1964. On February 16, 1962, he received the Governor's Award under the Florida Wildlife Federation's Conservation Award Program.

He was elected Chairman of the committee of the Sponsors of the Sarasota West Coast Watershed Project when the application was first made in 1957 and has served in that capacity up until the present time.

Mr. Burquest has been a member of the Sarasota Chamber of Commerce for 33 years, serving as a director, as a Vice-President and as Chairman of the Committee on Agriculture and also the Committee on Flood Control.

He served as a Director of the Florida Fresh Fruit and Vegetable Growers Association for many years, is a past President of Sarasota County Farm Bureau and a past director of the Sarasota Livestock Ass'n.

He is a past President of the Sarasota Kiwanis Club and Past Lt. Governor of Kiwanis Division 9 of the Florida District. He was Chairman of the Sarasota Civic League in 1962.

Mr. Burquest is an Elder of the First Presbyterian Church. He has been a member of the Advisory Board of the Salvation Army for 25 years and is a past Chairman of this Body.

Mr. Burquest has certainly earned recognition of his service to the cause of Soil and Water Conservation as well as for his service to the Sarasota Community.

Mr. Lyle Dickman of Ruskin, Chairman and Mr. Robert N. Morris, Coordinator of the State Soil and Water Conservation Advisory Council as well as Mr. Lynn Harrison, of the Manatee River District, Vice-President of the State Association of Soil and Water Conservation District Supervisors will be with the local Supervisors for the presentation.

JUSTICE FOR TEACHERS

(Mr. MELCHER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, a doctrine of equity should always be the determining force in enacting and administering legislation. Every schoolchild is particularly cognizant of the attitudes of school authorities concerning fairness in the classrooms and in the schools. They recognize the need for authority to run the school but quickly rebel if the authority is not administered equally and fairly to all.

But now it is the schoolteachers who are watching their Government to see if they are going to continue to be subjected to unfair, inequitable treatment that denies most of them the rights of a valid contract signed last spring for their services this school year.

School boards throughout the country drew up contracts early in 1971 offering them to teachers for this academic year. When negotiations were completed, budgets were prepared and approved and sent on to county officials for their approval, and mill levies to collect the necessary taxes were set and the taxpayers are paying that bill.

All of these steps are followed in a very democratic manner and are neither hurriedly completed nor rashly executed. The public is fully informed of each stage, and the public's approval and acceptance should not be ignored nor set aside by arbitrary Federal actions.

The President's wage-price freeze which resulted in several dictums on teachers' salary contracts by the Cost of Living Council was most confusing as the school year started.

Following several contradictory statements, the Cost of Living Council eventually ruled that no contract could be recognized that called for salary increases unless the teacher had been actively teaching prior to the freeze date. In effect, they invalidated almost all the contracts. If not illegal, it is certainly a ruling that should be struck down for the sake of equity by either Presidential executive order or an act of Congress.

Most teachers are now being paid what they received during the 1970–71 school year and, in Montana, with an increase of personal State income taxes, their take-home pay is even less than last year. I do not need to spell out how this affects the members of one of our most valued professions.

Hence, while the cost of living has soared, these teachers must live on less than they did last year.

I fail to understand how any Government body can void legal and reasonable contracts signed in good faith as far back as 6 months prior to the freeze date. It goes against all sense of justice and fair play.

Americans strongly support the President's attempt to control inflation and are willing to sacrifice to help achieve that goal. However, rulings by the Cost of Living Council to deny contract benefits causes some people to do far more than their share.

I back the amendment to the Economic Stabilization Act adopted by both the House and Senate Banking and Currency Committees requiring retroactive payment of all reasonable, valid wage and salary contracts signed prior to August 15.

To do otherwise is inequitable, unjust and probably illegal. We must end it with retroactive adjustment.

URBAN MASS TRANSIT

(Mr. RYAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RYAN. Mr. Speaker, that our Nation's urban mass transportation systems are in dire financial straits needs no elaboration. We are all painfully aware of their fiscal plight. This plight is compounded by the fact that the backlog of applications for Federal assistance placed with the Urban Mass Transit Administration presently totals $2.6 billion.

Yet despite the fact that the Congress has appropriated $900 million to fund the Urban Mass Transportation Assistance Act of 1970—Public Law 91–453—for fiscal year 1972, and despite the fact that this full amount is so desperately needed, the Nixon administration intends to spend only $600 million of this amount.

This simply will not be sufficient to meet the need.

In an effort to make the administration aware of the serious consequences of not allocating the full amount of funding, 52 Members of the House, at the request of Congressman SEYMOUR HALPERN and myself, have signed a joint letter to the President urging that the full $900 million provided by the Congress be speedily allocated. Similar action, initiated by Senator CASE and Senator WILLIAMS, has been taken by 37 Members of the Senate.

Not only are these funds necessary, but they would be put to almost immediate use. According to the Urban Mass Transit Administration, the full appropriated amount of $900 million can be committed between now and the end of the present fiscal year—June 30, 1972. In addition, a substantial portion of these funds can be quickly put to use on existing construction projects, thereby creating jobs in this period of high unemployment.

Mass transportation stands at a critical juncture. Without adequate Federal assistance it will be unable to fulfill its vital task. The Federal Government has made a commitment to help the thousands upon thousands of individuals residing in our metropolitan areas deal with their serious transit problems. That commitment must be met.

It is essential that the $900 million appropriated by the Congress for that purpose be made available promptly.

At this point I include the text of the letter sent to the President:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 12, 1971.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We urge the speedy allocation of the $900 million provided by Congress for the urban mass transit program in fiscal year 1972.

There is ample justification for committing the full amount of this appropriation. After years of neglect, the cost of revitalizing and expanding our urban and suburban transportation systems will be substantial. One striking measure of the cost of the backlog of applications for Federal assistance placed with the Urban Mass Transit Administration. It presently totals $2.6 billion.

That the states and cities will not be able to undertake the job on their own is beyond question. They understandably must look to the Federal Government as their principal source of financing.

Under the 1970 law, which expanded the mass transit program, it will be possible to provide $3 billion over a five-year period to help finance mass transit improvement. However if the program is to meet the need, as well as live up to the expectation it has created, it must be adequately funded.

The Administration request for a $600 million program level is a step in the right direction. Under this approach, $510 million would be allocated to capital grants, the heart of any effort to replace, improve and expand local bus, rail and subway systems.

Yet we believe that at least the full $900 million appropriated by Congress is needed. Under the Congressional figure, the allocation to capital grants will be $810 million.

The Urban Mass Transit Administration advises that it can commit the appropriated amount between now and the end of the present fiscal year next June 30. In addition, it believes a substantial portion of the $810 million can be put to use quickly on existing construction projects and thereby create jobs in this period of high unemployment.

Mass Transit stands at a critical juncture. Without adequate support from the federal government it surely will fail in the vital job which only it can perform

The Federal Government has made a commitment to help the thousands upon thousands of people living in our metropolitan areas deal with their serious transportation problems. We must meet that commitment.

It is essential that the $900 million be made available promptly.

Sincerely,

William F. Ryan, Seymour Halpern, Bella S. Abzug, Joseph Addabbo, Les Aspin, Herman Badillo, Nick Begich, John Brademas, James A. Burke, Phillip Burton, Hugh Carey, William L. Clay, James C. Corman, John Conyers, Jr., Ronald V. Dellums, Frank E. Denholm, Harold Donohue, Robert Drinan, Joshua Eilberg, Dante B. Fascell, Donald M. Fraser, Bill Frenzel, Cornelius E. Gallagher, Ella Grasso, Michael Harrington, Augustus Hawkins, Henry Helstoski, Louise Day Hicks, Edward I. Koch, Spark Matsunaga, Abner J. Mikva, George P. Miller, Parren T. Mitchell, William S. Moorhead, Robert N. C. Nix, Claude Pepper, Bertram Podell, Charles B. Rangel, Thomas M. Rees, Peter W. Rodino, Jr., Robert Roe, Fred B. Rooney, Benjamin Rosenthal, Fernand St Germain, Paul S. Sarbanes, James Scheuer, Louis Stokes, Samuel Stratton, James W. Symington, Robert O. Tiernan, Charles Wilson, Lester L. Wolff.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. Pride in our Nation is reflected at the highest echelons of Government.

Consider these remarks of President Nixon:

Let us tell young Americans, all Americans, that we should love America. But let us love her not because she is rich and not because she is strong, but because America is a good country and we are going to make her better.

XUM

THE HUMAN SIDE OF STRIP MINING

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia, Mr. Speaker, there follows a statement delivered November 16, 1971:

STATEMENT OF REPRESENTATIVE KEN HECHLER, DEMOCRAT, OF WEST VIRGINIA. ACCOMPANIED BY IVAN R. WHITE, OF MADISON, W. VA., RETIRED COAL MINER AND MEMBER OF WEST VIRGINIA HOUSE OF DELEGATES. SENATE SUBCOMMITTEE ON MINERALS, MATERIALS, AND FUELS.

S. 1498, which I endorse, provides that the strip mining of coal is to be phased out six months after the enactment of the bill and includes a number of environmental safeguards covering the underground mining of coal.

Up until recently, most people have thought of strip mining as being a peculiarly Appalachian problem. Representing the largest coal-producing state in the nation, I can testify that strip mining has ripped the guts out of our mountains, polluted our streams with acid and silt, uprooted our trees and forests, devastated the land, seriously disturbed or destroyed wildlife habitat, left miles of ugly highwalls, ruined the water supply in many areas, and left a trail of utter despair for many honest and hard-working people.

Now strip mining is a national problem, with the land being ripped up and strippable reserves available in 28 states. The members of this subcommittee should visit stripped areas, and not only those where they are led to showcase reclamation projects where great sums of money have been spent to prove a point not generally applicable, or where reclamation has been carried out on strip-mined areas which used some of the older, smaller machinery to mine. This committee is well-acquainted with the damages caused by clear-cutting, and all you have to do is to multiply these environmental damages many times to get a concept of the devastation caused by strip mining.

This committee deserves the thanks of millions of Americans who share with pride the vast domain of our public lands. It is critical that this committee move quickly and decisively to protect America's public lands against the Damoclean sword of strip mining poised above them, ready to gouge, rip, tear and decapitate. Nearly one million acres of public and Indian coal lands in the west are already leased. The Bureau of Land Management indicates that there was a 50 percent increase in coal prospecting permits on Federal lands in the fiscal year ending July, 1970. In that year, strip coal prospecting permits hit 733,576 acres. In the same period, the Bureau of Indian Affairs issued coal exploration prospecting permits on 500,000 additional acres—which was precisely 500,000 acres more than the prior year.

As guardians of the public lands, this committee will, I trust, look seriously into these ominous developments. What belongs to all the people must be preserved for the people.

There is heavy pressure to expand the practice of strip mining into western lands. I hope that the members of this committee representing western states will take a sober look at what strip mining has already done to Appalachia before you eagerly embrace the systematic destruction of your own land, streams, and forests.

The arguments of economics are constantly being thrown back at those of us who are determined to stop this self-destructive harakiri. In West Virginia and throughout the Appalachian area, we are told that strip mining means jobs, profits, payrolls and taxes, so why destroy an industry to please some nature nuts? It is true that we need jobs, and people have been leaving West Virginia in great numbers. If strip-mining were so healthy for West Virginia's economy, I would think more people would stay and be attracted to come into our state. As a matter of fact, of the ten West Virginia counties which had the highest production of strip-mined coal between 1960 and 1970, nine out of the ten had losses of population ranging between 6.2 percent and 29 percent—or an average loss of 17.6 percent. This is a loss of nearly three times the statewide average loss in population between 1960 and 1970 (6.2 percent.)

The jobs in strip mining are temporary jobs, for when the coal is stripped out not only are the jobs gone but the land is gone too, and this makes the entire area unattractive for the tourist. Likewise, people do not flock to live in stripped-out areas where the water is polluted and the land ruined.

In all the discussions of the economics of strip mining and the energy crisis, too little attention has been paid to the human side of the dreary tragedies in strip-mined areas.

A quarter of a mile off the road up a hollow in Fayette County, West Virginia, Mr. and Mrs. Harvey Kincaid settled, bought and paid for a nice home in a clean neighborhood. Over a period of 13 years they remodeled the house a little at a time. "Then the strippers came four years ago with their big machinery and T.N.T.," said Mrs. Kincaid. "First they send in loggers to strip all the good timber out and then they come with their bulldozers . . . When the rains come and there isn't anything to stop the drainage, the mountains slide and the spoil-banks fall down to the next highwall and so on until the whole mountain slides. There is a small creek in the hollow and when the spring rains come, its banks won't hold the water. So where does it go—into people's yards; into their wells, under and into their houses. You have rocks, coal, and a little bit of everything in your yards."

Mrs. Kincaid went on: "Then the damages comes to your house because of so much dampness. The doors won't close, the foundation sinks and cracks the walls in the house, your tile comes up off your floors, your walls mold, even the clothes in your closets. Then your children stay sick with bronchial trouble." Mr. and Mrs. Kincaid moved four miles up the road, and one month after moving into their new house the same strip-mining company started blasting away, cracking the walls and foundations.

I wish each Member of this Committee could talk with Mr. and Mrs. Kincaid personally. I wish that the Members of the Committee could also talk with the thousands of other families in 26 states where the strip mining of coal is ripping up the land.

This is a human problem. It is hurting my people, and your people. I am shocked at the weak apologies and milk-and-water solutions being seriously advanced by the Administration. How can you justify, as the Administration Bill does, a two-year period beyond the passage of Federal legislation, during which the strippers *know* they can continue and escalate their devastation unchecked?

A few months ago a sixteen-inch rock crashed through the home of Glen Holliday at Stotesbury, W. Va. The rock resulted from a blast from a nearby strip mining operation of Ranger Fuel Corporation of Beckley, W. Va. The rock tore a hole in the roof the size of a wash bucket, and luckily missed his five children who were in an adjoining room. "The rock must have had a lot of force to it because it came straight down through the roof and put a hole in the floor," according to Holliday. "If anyone in the family had been there it would have killed them."

The newspaper publicity made the coal company very apologetic, and they sent a good carpenter to repair the roof. But everybody in the vicinity lives in fear of what may happen next.

In Amherstdale, W. Va., in my Congressional District, mud and rockslides come down from a hilly strip mine after almost every rain. The yards and lawns of the townspeople are coated with the gooey remains of the strip mine. I have had scores of letters from the unfortunate residents of Amherstdale, but nobody wants to offend a company which is a political power in the area. An elderly man took a short-cut through a muddy area three years ago, he got stuck, and nobody heard his cries. They found his body in the morning.

Mrs. Harold Almond of Buckhannon, W. Va., wrote me: "In a county not far from here, the mines have completely ruined the water supply and the people have become so apathetic that they just pour more Clorox in the water and go on." Mr. and Mrs. A. H. Harshbarger of Stollings, W. Va., wrote me: "Strip mining occurred up the creek several years ago. Now the bare mountainsides are left. When it rains, rocks, soil and plants wash down. They have filled up Dingess Run until it can no longer take care of the excess water which runs off the mountainsides in rainy weather. We are bothered by frequent floods since stripping was done."

A cancer of the earth is spreading across our nation. This cancer has already brought the death of mighty Appalachian mountains and rushing rivers. It has spread into the farmlands of the Midwest. It has recently attacked the ancient Indian homelands of the southwest: on the Black Mesa it is destroying the oldest area of continuous human habitation on the North American continent. Already, nearly 3,000 square miles of our land have succumbed to this cancer, along with hundreds of miles of streams and waterways. By the end of this century, unless its spread is curtailed, 10,000 square miles will be infected beyond recovery. Indeed, the U.S. Geological survey calculates that 71 thousand square miles of our land may be torn away by this disease—the equivalent of a strip of dead tissue, 25 miles wide, stretching from coast to coast.

This cancer is strip mining for coal. It is a menacing disease—a pathology deriving from our lust for energy at the cheapest monetary cost regardless of the social cost. Strip mining only seems cheaper because the environmental costs are passed on to future generations. The agents which transmit the disease are the giant earth-moving machines developed by an onrushing technology—machines which can gouge as much as 200 cubic yards of earth and rock at a single bite. The result is to pulverize and destroy layers of earth and rock which were fashioned in geological eras longer than human history but are now being uprooted in a single generation. Watertables are destroyed, depriving the earth of its channels of nourishment. The delicate surface fabric of life-supporting earth is cast to the bottom. Deep strata of rock and shale are pulverized and exposed to the elements, where they will leech acids and toxic minerals into the surrounding streams for generations. Mountains, now unstable, crack, slip and slide. Rains wash mud, sand and toxic substances down into the streams and rivers, filling their channels and poisoning their waters. And so the disease spreads as the waters flow from the mountains toward the seas.

The ultimate victims are human beings, people who must live in relation to the land. It begins with personal tragedies such as the Kincaid family and others I have mentioned; the families who have been subjected to a hail of boulders raining down on their yards from strip mine blasting; the families I know who lost their well water when the stripping shifted the underground water-courses. From personal tragedies stripping escalates to community tragedies. Surrounded by naked strip-mined mountains which hold no water, the silt-choked Coal River floods, periodically sending turgid waters into the living rooms of 100 homes and into the basements of uncounted others; the municipal water supply of the city of St. Albans, W. Va., is threatened as silt fills the natural reservoir which the river once provided and as the same silt carries growing quantities of bacteria into the strained treatment facilities; and, the ultimate irony, the people of Toney's Branch in Raleigh County, W. Va., planning to drive to their state capitol to protest strip mining, are locked in their own hollow when an overnight rain sends mud and rocks down from the strip mine to block their road.

The final victims of this cancer are entire political systems. As the mechanical monsters snatch jobs away from former coal miners, they also destroy the regions in which the miners live and all possibilities of alternative employment. What industry will locate next to flood-prone, silted and polluted streams? What housing can be built beneath an unstable spoil slope threatening to slide down the mountain? Who can lumber the once-rich hardwood forests where now hardly grasses and weeds can survive? What tourist will invest his vacation to inspect mountains defaced by endless highway scars and hideous rockslides? Who will hunt where there is no game, or fish in lifeless streams? And so we are seeing the growth of nothing but dismal ghost towns, whose death rattle you can hear when the strip miners scoop up their black diamonds of the soil.

As our mountains are destroyed to provide energy for your cities, our people are also forced to move to your cities to live on your welfare. The next time you figure the cost of your electricity, calculate in the cost of welfare paid to displaced mountaineers and farmers, the cost of abortive regional development programs, and the cost to future generations of the loss of great sections of our most beautiful and most productive land. Cheap power from strip mining is no bargain!

What is the cure for cancer? We passed a bill in the House yesterday, and the Senate has already acted. The cure, when it is discovered, is sure to require the removal of cancerous cells when they are found and the prevention of the rapid propagation of cancerous cells.

The Administration Bill on strip mining does not propose to remove this cancer. It merely sets up guidelines for the states. The states are required to administer the actual regulations—so the blame for the ensuing disaster can be kept a safe distance from Washington. Several Appalachian states are already administering regulations as rigorous as anything the administration proposes. The results are the natural and human disaster which is the reason for these hearings. Let us not pass law which will require us continuously to chase our tail in this manner while land and people are destroyed at an evergrowing rate.

As this Committee proceeds in its hearings it will be besieged with arguments concerning "reclamation"—a word of great promise and little substance. My colleagues on the House sub-committee gained wisdom by visiting one—and only one—reclamation site which is admittedly the most impressive in the nation: the Hanna Coal Company reclamation around Cadiz, Ohio. Here they exposed themselves only to the interpretation of the company. They returned impressed, in spite of the scars which clearly remain, in spite of the fact that only one species of grass has been induced to grow on this whole vast area of former farmland and woodland (an area uncharacteristically favorable for Ohio and Appalachia since the natural limestone neutralizes acid). They did not learn about the destruction of subterranean watercourses, changes in the surface temperature of the earth, the relative economic value and productivity of the land since strip mining, or the effect on the county tax base. They did not discover that the same company which reclaimed here failed to reclaim stripped lands a few miles away. Nor did they discover the documented fact that the waters running from this unusually non-acid land, even after treatment by the company, are still highly toxic, killing fish and discouraging plant growth. And Cadiz, Ohio, may be perhaps the best example the American stripping industry has to offer.

Gentlemen, you must visit strip mines to know the problem you are dealing with. But do not go out as sheep to be shorn. Do not rely on the wolves to be your guides. And do not rely too heavily on state reclamation officials who must justify their existence by sugar-coating the effects of their work. Don't get locked into showcases. Pick sites which are truly characteristic of current strip mining and "reclamation" practices. Pick sites which have been thoroughly studied by independent experts—not beholden to government or industry. Several such sites, I know, have been suggested to the Committee. Take such independent experts along with you so that your eyes are opened instead of blinded. And by all means, when you visit a strip mine, arrange to talk with some of the people who live nearby—common people whose lives are rooted in the community. They will tell you the real story of strip mining.

When you visit strip mining for coal in any part of this country you will see a practice which must be stopped. Your eyes can tell you that, and the conclusions of your eyes can be reenforced by ample independent scientific data in many areas, and by the witness of local residents who live with the effects of strip mining.

What we can plainly see must be stopped. But our perception is blunted by an array of arguments concerning "reclamation." The truth is that virtually no meaningful reclamation—truly restoring the land to its original usefulness, productivity and beauty—has been attempted in this country. Even limited-purpose reclamation, such as the $8,000 an acre spent by the State of Pennsylvania on Moraine State Park, is exorbitantly expensive. The argument about reclamation can seduce us into endless pilot projects, endless trials and endless errors, while all around the cancer is destroying the land at an ever increasing rate.

We cannot assume on the basis of vague and untested promises and theories, that a cumbersome and expensive regulatory bureaucracy, whether Federal or State, can wave magic wands and restore stripped lands to usefulness. We should not prescribe painkillers for cancer. We must stop the spread of the cancer.

The coal reserves of this country are abundant for the foreseeable future needs of our society. It is our one truly abundant mineral resource. Most of this coal can only be deep mined, and that which can be deep mined can supply all our expanding needs for centuries. In Boone County, W. Va., alone, just a small segment of one coalfield, there are 4.6 billion tons of coal recoverable by present technology—enough to supply our whole nation for seven years. Of this coal, only 310 million tons, less than 7% of these reserves, can be recovered by the strip mining which is spreading rapidly throughout the county. To strip mine all this coal, 80% of the land area of mountainous Boone County would be destroyed—80% of the land destroyed to obtain 7% of the coal. Who will be able to live there to mine the rest? It makes no sense.

Great sums of money have already been invested in strip mining for coal. Fortunately, most of this investment is currently in areas and in equivalent which could survive the conversion back to deep mining. The base facilities for cleaning and loading coal, the largest part of the investment, can be used just as well for deep mining on the same sites in most parts of Appalachia and in some other areas. Most of the earth moving equipment, except for the largest shovels, can be used for road construction. Most of the employees, likewise, are skilled in trades for which there is demand in other industries.

But this situation is rapidly changing for the worse. Already in the Southwest hundreds of millions of dollars of private and public capital have been invested in strip mines and companion power generating facilities around "Four Corners." Much of this investment is directly dependent upon strip mining. The loss of this may seem great, but it is dwarfed by the possibilities of the decade ahead. As this Committee is already becoming aware, vast multimillion dollar complexes for power generation and for coal gasification are being planned on the economic presumption of unlimited quantities of strip mined coal at prices so cheap that they preclude even token reclamation. The whole American energy complex is lusting after the mountains and plains of the Northwest and their strippable resources. Once this investment is in place, and the subsequent environmental and social disaster creates a new Appalachia on a vaster scale, who then will have the courage to shut down the plants?

The time to act is now. The time to end strip mining for coal is now, when the temporary job losses in most areas can be offset even in the short term by economic and social gains for the surrounding communities. Imagine the upheaval a decade from now if the law passed by this Congress proves to be insufficient.

We must not temporize with the cancer of the land. We cannot afford to be duped by quacks who prescribe pills, palliatives and pain killers. We must have the courage to recognize the severity of this disease, and proceed immediately to save our land and our people from this deadly scourge.

RECESS

The SPEAKER. Pursuant to a previous order of the House, the House will stand in recess subject to the call of the Chair; and the bells will be rung 5 minutes prior to the reassembling of the House.

Accordingly (at 2 o'clock and 27 minutes p.m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 3 o'clock and 2 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendment in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 466. Concurrent resolution providing for an adjournment of the House from November 19, to November 29, 1971.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1938. An act to amend certain provisions of subtitle II of title 28, District of Columbia Code, relating to interest and usury.

CONFERENCE REPORT ON S. 1483, FARM CREDIT ACT OF 1971

Mr. McMILLAN, on behalf of Mr. POAGE, filed the following conference report and statement on the bill (S. 1483) to further provide for the farmer-owned cooperative system of making credit available to farmers and ranchers and their cooperatives, for rural residences, and to associations and other entities upon which farming operations are dependent, to provide for an adequate and flexible flow of money into rural areas, and to modernize and consolidate existing farm credit law to meet current and future rural credit needs, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 92-679)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1483), to further provide for the farmer-owned cooperative system of making credit available to farmers and ranchers and their cooperatives, for rural residences, and to associations and other entities upon which farming operations are dependent, to provide for an adequate and flexible flow of money into rural areas, and to modernize and consolidate existing farm credit law to meet current and future rural credit needs, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Farm Credit Act of 1971".

POLICY AND OBJECTIVES

SEC. 1.1 (a) It is declared to be the policy of the Congress, recognizing that a prosperous, productive agriculture is essential to a free nation and recognizing the growing need for credit in rural areas, that the farmer-owned cooperative Farm Credit System be designed to accomplish the objective of improving the income and well-being of American farmers and ranchers by furnishing sound, adequate, and constructive credit and closely related services to them, their cooperatives, and to selected farm-related businesses necessary for efficient farm operations.

(b) It is the objective of this Act to continue to encourage farmer- and rancher-borrowers participation in the management, control, and ownership of a permanent system of credit for agriculture which will be responsive to the credit needs of all types of agricultural producers having a basis for credit, and to modernize and improve the authorizations and means for furnishing such credit and credit for housing in rural areas made available through the institutions constituting the Farm Credit System as herein provided.

SEC. 1.2. THE FARM CREDIT SYSTEM.—The Farm Credit System shall include the Federal land banks, the Federal land bank associations, the Federal intermediate credit banks, the production credit associations, the banks for cooperatives, and such other institutions as may be made a part of the System, all of which shall be chartered by and subject to the supervision of the Farm Credit Administration.

TITLE I—FEDERAL LAND BANKS AND ASSOCIATIONS

PART A—FEDERAL LAND BANKS

SEC. 1.3. ESTABLISHMENT; TITLE; BRANCHES.—The Federal land banks established pursuant to section 4 of the Federal Farm Loan Act, as amended, shall continue as federally chartered instrumentalities of the United States. Their charters or organization certificates may be modified from time to time by the Farm Credit Administration, not inconsistent with the provisions of this title, as may be necessary or expedient to implement this Act. Unless an existing Federal land bank is merged with one or more other such banks under section 4.10 of this Act, there shall be a Federal land bank in each farm credit district. It may include in its title the name of the city in which it is located or other geographical designation. When authorized by the Farm Credit Administration, it may establish such branches or other offices as may be appropriate for the effective operation of its business.

SEC. 1.4. CORPORATE EXISTENCE; GENERAL CORPORATE POWERS.—Each Federal land bank shall be a body corporate and, subject to supervision by the Farm Credit Administration, shall have power to—

(1) Adopt and use a corporate seal.

(2) Have succession until dissolved under the provisions of this Act or other Act of Congress.

(3) Make contracts.

(4) Sue and be sued.

(5) Acquire, hold, dispose, and otherwise exercise all the usual incidents of ownership of real and personal property necessary or convenient to its business.

(6) Make loans and commitments for credit, accept advance payments, and provide services and other assistance as authorized in this Act, and charge fees therefor.

(7) Operate under the direction of its board of directors.

(8) Elect by its board of directors a president, and vice president, a secretary, a treasurer, and provide for such other officers, employees, and agents as may be necessary, including joint employees as provided in this Act, define their duties, and require surety bonds or make other provisions against losses occasioned by employees.

(9) Prescribe by its board of directors its bylaws not inconsistent with law providing for the classes of its stock and the manner in which its stock shall be issued, transferred, and retired; its officers, employees, and agents are elected or provided for; its property acquired, held, and transferred; its loans and appraisals made; its general business conducted; and the privileges granted it by law exercised and enjoyed.

(10) Borrow money and issue notes, bonds, debentures, or other obligations individually, or in concert with one or more other banks of the System, of such character, terms, conditions, and rates of interest as may be determined.

(11) Accept deposits of securities or of current funds from its Federal land bank associations and pay interest on such funds.

(12) Participate with one or more other Federal land banks in loans under this title on such terms as may be agreed upon among such banks.

(13) Approve the salary scale of the officers and employees of the Federal land bank associations and the appointment and compensation of the chief executive officer thereof and supervise the exercise by such associations of the functions vested in or delegated to them.

(14) Deposit its securities and its current funds with any member bank of the Federal Reserve System and pay fees therefor and receive interest thereon as may be agreed. When designated for that purpose by the Secretary of the Treasury, it shall be a depository of public money, except receipts from customs, under such regulations as may be prescribed by the Secretary; may be employed as a fiscal agent of the Government, and shall perform all such reasonable duties as a depository of public money or financial agent of the Government as may be required of it. No Government funds deposited under the provisions of this subsection shall be invested in loans or bonds or other obligations of the bank.

(15) Buy and sell obligations of or insured by the United States or of any agency thereof, or securities backed by the full faith and credit of any such agency, and make such other investments as may be authorized by the Farm Credit Administration.

(16) Conduct studies and make and adopt standards for lending.

(17) Delegate to Federal land bank associations such functions rested in or delegated to the bank as it may determine.

(18) Amend and modify loan contracts, documents, and payment schedules, and release, subordinate, or substitute security for any of them.

(19) Perform any function delegated to it by the Farm Credit Administration.

(20) Require Federal land bank associations to endorse notes and other obligations of its members to the bank.

(21) Exercise by its board of directors or authorized officers, employees, or agents all such incidental powers as may be necessary or expedient to carry on the business of the bank.

SEC. 1.5. LAND BANK STOCK; VALUE; SHARES; VOTING; DIVIDENDS.—(a) The capital stock of each Federal land bank shall be divided into shares of par value of $5 each, and may be of such classes as its board of directors may determine with the approval of the Farm Credit Administration.

(b) Voting stock of each bank shall be held only by the Federal land bank associations and direct borrowers and borrowers through agents who are farmers or ranchers, which stock shall not be transferred, pledged, or hypothecated except as authorized pursuant to this Act.

(c) The board of each bank shall from time to time authorize the issue or increase of its capital stock necessary to permit the issuance of additional shares to the Federal land bank associations so that members of such associations purchasing stock or participation certificates therein may be eligible for loans from the bank.

(d) Nonvoting stock may be issued to the Governor of the Farm Credit Administration, and may also be issued to Federal land bank associations in amounts which will permit the bank to extend financial assistance to eligible persons other than farmers or ranchers. Participation certificates with a face value of $5 each may be issued in lieu of nonvoting stock when the bylaws of the bank so provide.

(e) Dividends shall not be payable on any stock held by the Governor of the Farm Credit Administration. Non-cumulative dividends may be payable on other stock and participation certificates of the bank. The rate of dividends may be different between different classes and issues of stock and participation certificates on the basis of the comparative contributions of the holders thereof to the capital or earnings of the bank by such classes and issues, but otherwise dividends shall be without preference.

SEC. 1.6. REAL ESTATE MORTGAGE LOANS.—The Federal land banks are authorized to make long-term real estate mortgage loans in rural areas, as defined by the Farm Credit Administration, and continuing commitments to make such loans under specified circumstances, or extend other financial assistance of a similar nature to eligible borrowers, for a term of not less than five nor more than forty years.

SEC. 1.7. INTEREST RATES AND OTHER CHARGES.—Loans made by a Federal land bank shall bear interest at a rate of rates, and on such terms and conditions, as may be determined by the board of directors of the bank from time to time, with the approval of the Farm Credit Administration. In setting rates and charges, it shall be the objective to provide the types of credit needed by eligible borrowers at the lowest reasonable coats on a sound business basis taking into account the cost of money to the bank, necessary reserve and expenses of the banks and Federal land bank associations, and providing services to stockholders and members. The loan documents may provide for the interest rate or rates to vary from time to time during the repayment period of the loan, in accordance with the rate or rates currently being charged by the bank.

SEC. 1.8. ELIGIBILITY.—The services authorized in this title may be made available to persons who are or become stockholders or members in the Federal land bank associations and are (1) bona fide farmers and ranchers, (2) persons furnishing to farmers and ranchers farm-related services directly related to their on-farm operating needs or (3) owners of rural homes.

SEC. 1.9. SECURITY.—Loans shall not exceed 85 per centum of the appraised value of the real estate security, and shall be secured by first liens on interest in real estate of such classes as may be approved by the Farm Credit Administration. The value of security shall be determined by appraisal under appraisal standards prescribed by the bank and approved by the Farm Credit Administration, to adequately secure the loan. However, additional security may be required to supplement real estate security, and credit factors other than the ratio between the amount of the loan and the security value shall be given due consideration.

SEC. 1.10. PURPOSES.—Loans made by the Federal land banks to farmers and ranchers may be for any agricultural purpose and other credit needs of the applicant. Loans may also be made to rural residents for rural housing financing under regulations of the Farm Credit Administration. Rural housing financed under this title shall be for single-family, moderate-priced dwellings and their appurtenances not inconsistent with the general quality and standards of housing existing in, planned or recommended for the rural area where it is located: *Provided, however*, That a Federal land bank may not at any one time have a total of loans outstanding for such rural housing to persons other than farmers or ranchers in amounts exceeding 15 per centum of the total of all loans outstanding in such bank: *Provided further*, That for rural housing purposes under this section the term "rural areas" shall not be defined to include any city or village having a population in excess of 2,500 inhabitants. Loans to persons furnishing farm-related services to farmers and ranchers directly related to their on-farm operating needs may be made for the necessary capital structures and equipment and initial working capital for such services. The banks may own and lease, or lease with option to purchase, to persons eligible for assistance under this title, facilities needed in the operations of such persons.

SEC. 1.11. SERVICES RELATED TO BORROWERS' OPERATIONS.—The Federal land banks may provide technical assistance to borrowers, members, and applicants and may make available to them at their option such financial related services appropriate to their on-farm operations as determined to be feasible by the board of directors of each district bank, under regulations of the Farm Credit Administration.

SEC. 1.12. LOANS THROUGH ASSOCIATIONS OR AGENTS.—(a) The Federal land banks shall, except as otherwise herein provided, make loans through a Federal land bank association serving the territory in which the real estate offered by the applicant is located. If there is no active association chartered for the territory where the real estate is located, or if the association has been declared insolvent, the bank may make the loan through another such association, directly, or through such bank or trust company or savings or other financial institution as it may designate. When the loan is not made through a Federal land bank association, the applicant shall purchase stock in the bank in an amount not less than $5 nor more than $10 for each $100 of the loan and the loan shall be made on such terms and conditions as the bank shall prescribe.

PART B—FEDERAL LAND BANK ASSOCIATIONS

SEC. 1.13. ORGANIZATIONS; ARTICLES; CHARTERS; POWERS OF THE GOVERNOR.—Each Federal land bank association chartered under section 7 of the Federal Farm Loan Act, as amended, shall continue as a federally chartered instrumentality of the United States. A Federal land bank association may be organized by any group of ten or more persons desiring to borrow money from a Federal land bank, including persons to whom the Federal land bank has made a loan directly or through an agent and has taken as security real estate located in the territory proposed to be served by the association. The articles of association shall describe the territory within which the association proposes to carry on its operations. Proposed articles shall be forwarded to the Federal land bank for the district, accompanied by an agreement to subscribe on behalf of the association for stock of the land bank equal to not less than $5 nor more than $10 per $100 of the amount of the aggregate loans desired or held by the association members. Such stock may be paid for by surrendering for cancellation stock in the bank held by a borrower and the issuance of an equivalent amount of stock to such borrower in the association. The articles shall be accompanied by a statement signed by each of the members of the proposed association establishing his eligibility for, and that he has or desires a Federal land bank loan; that the real estate with respect to which he desires a loan is not being served by another Federal land bank association; and that he is or will become a stockholder in the proposed association. A copy of the articles of association shall be forwarded to the Governor of the Farm Credit Administration with the recommendations of the bank concerning the need for the proposed association in order to adequately serve the credit needs of eligible persons in the proposed territory and a statement as to whether or not the territory includes any territory described in the charter of another Federal land bank association. The Governor for good cause shown may deny the charter applied for. Upon the approval of the proposed articles by the Governor and the issuance of such charter, the association shall become as of such date a federally chartered body corporate and an instrumentality of the United States. The Governor shall have power, in the terms of the charter, under rules and regulations prescribed by him or by approving bylaws of the association, to provide for the organization of the association, the initial amount of stock of such association, the territory within which its operations may be carried on and to direct at any time changes in the charter of such association as he finds necessary in accomplishing the purposes of this Act.

SEC. 1.14. BOARD OF DIRECTORS.—Each Federal land bank association shall elect from its voting shareholders a board of directors of such number, for such terms, in such manner, and with such qualifications as may be required by its bylaws.

SEC. 1.15. GENERAL CORPORATE POWERS.—Each Federal land bank association shall be a body corporate and, subject to supervision of the Federal land bank of the district and of the Farm Credit Administration, shall have the power to—

(1) Adopt and use a corporate seal.

(2) Have succession until dissolved under the provisions of this Act or other Act of Congress.

(3) Make contracts.

(4) Sue and be sued.

(5) Acquire, hold, dispose, and otherwise exercise all of the usual incidents of ownership of real estate and personal property necessary or convenient to its business.

(6) Operate under the direction of its board of directors in accordance with this Act.

(7) Elect by its board of directors a manager or other chief executive officer, and provide for such other officers or employees as may be necessary, including joint employees as provided in this Act; define their duties; and require surety bonds or make other provision against losses occasioned by employees. No director shall, within one year after the date when he ceases to be a member of the board, be elected or designated a salaried employee of the association on the board of which he served.

(8) Prescribe by its board of directors its bylaws, not inconsistent with law, providing for the classes of its stock and the manner in which its stock shall be issued, transferred, and retired; its officers and employees elected or provided for; its property acquired, held, and transferred; its general business conducted; and privileges granted it by law exercised and enjoyed.

(9) Accept applications for Federal land bank loans and receive from such bank and disburse to the borrowers the proceeds of such loans.

(10) Subscribe to stock of the Federal land bank of the district.

(11) Elect by its board of directors a loan committee with power to elect applicants for membership in the association and recommend loans to the Federal land bank, or with the approval of the Federal land bank, delegate the election of applicants for membership and the approval of loans within specified limits to other committees or to authorized employees of the association.

(12) Upon agreement with the bank, take such additional actions with respect to applications and loans and perform such functions as are vested by law in or delegated to the Federal land banks as may be agreed to or delegated to the association.

(13) Endorse and shall become liable to the bank on loans it makes to association members.

(14) Receive such compensation and deduct such sums from loan proceeds with respect to each loan as may be agreed between the association and the bank and may make such other charges for services as may be approved by the bank.

(15) Provide technical assistance to members, borrowers, applicants, and other eligible persons and make available to them, at their option, such financial related services appropriate to their operations as it determines, with Federal land bank approval, are feasible, under regulations of the Farm Credit Administration.

(16) Borrow money from the bank and, with the approval of such bank, borrow from and issue its notes or other obligations to any commercial bank or other financial institutions.

(17) Buy and sell obligations of or insured by the United States or any agency thereof or of any banks of the Farm Credit System.

(18) Invest its funds in such obligations as may be authorized in regulations of the Farm Credit Administration and approved by the bank and deposit its securities and current funds with any member bank of the Federal Reserve System, with the Federal land bank, or with any bank insured by the Federal Deposit Insurance Corporation, and pay fees therefor and receive interest thereon as may be agreed.

(19) Perform such other function delegated it by the Federal land bank of the district.

(20) Exercise by its board of directors or authorized officers or agents all such incidental powers as may be necessary or expedient in the conduct of its business.

SEC. 1.16. ASSOCIATION STOCK; VALUE OF SHARES; VOTING.—(a) The shares of stock in each Federal land bank association shall

have a par value of $5 each. No person but borrowers from the bank shall become members and stockholders of the association. If an application for membership is approved and if the applied-for loan is granted, the member of the association shall subscribe to stock in the association in an amount not less than 5 per centum nor more than 10 per centum of the face amount of the loan as determined by the bank. Stock shall be paid for in cash by the time the loan is closed. The association shall then purchase a similar amount of stock in the land bank. Stock shall be retired and paid at fair book value not to exceed par, as determined by the association, upon the full repayment of the loan and if the loan is in default may be canceled for application on the loan, or under other circumstances, for other disposition, when approved by the bank. The aggregate capital stock of each association shall be increased from time to time as necessary to permit the securing of requested loans from the bank for the association's members.

(b) The stock issued by an association may be voting stock or nonvoting stock of such classes as the association determines with the approval of the bank under regulations prescribed by the Farm Credit Administration. Each holder of voting stock shall be entitled to only one vote, and no more, in the election of directors and in deciding questions at meetings of stockholders. Participation certificates may be issued in lieu of nonvoting stock when the bylaws of the association so provide.

PART C—PROVISIONS APPLICABLE TO FEDERAL LAND BANKS AND FEDERAL LAND BANK ASSOCIATIONS

SEC. 1.17. LAND BANK RESERVES; DIVIDENDS.—(a) Each Federal land bank shall, at the end of each fiscal year, carry to reserve account a sum of not less than 50 per centum of its net earnings for the year until said reserve account shall be equal to the end of such year, after restoring and impairment thereof, to the outstanding capital stock and participation certificates of the bank. Thereafter, a sum equal to 10 per centum of the year's net earnings shall be added to the reserve account until the account shall be equal to 150 per centum of the outstanding capital stock and participation certificates of the bank. Any amounts added to the reserve account in excess of 150 per centum of the outstanding capital stock and participation certificates may be withdrawn from such reserves with the approval of the Farm Credit Administration.

(b) Any bank may declare a dividend or dividends out of the whole or any part of net earnings which remain after (1) the maintenance of the reserve as required in subsection (a) hereof, (2) the payment of the franchise tax as required by section 4.0 for any year in which any stock in the bank is held by the Governor of the Farm Credit Administration, and (3) with approval of the Farm Credit Administration.

SEC. 1.18. ASSOCIATION RESERVES; DIVIDENDS.—(a) Each Federal land bank association shall, out of its net earnings at the end of each fiscal year, carry to reserve account a sum not lesa than 10 per centum of such earnings until the reserve account shall equal 25 per centum of the outstanding capital stock and participation certificates of such association after restoring any impairment thereof. Thereafter, 5 per centum of the net earnings for the year shall be added to such reserve account until it shall equal 50 per centum of the outstanding capital stock and participation certificates of the association. Any amounts in the reserve account in excess of 50 per centum of the outstanding capital stock and participation certificates may be withdrawn with the approval of the Federal land bank.

(b) Any association may declare a dividend or dividends out of the whole or any part of its net earnings which remain after (1) maintenance of the reserve required in subsection (a) hereof and (2) bank approval.

(c) Whenever any association is liquidated, a sum equal to its reserve account as required in this Act shall be paid and become the property of the bank in which such association is a shareholder.

SEC. 1.19. AGREEMENTS FOR SHARING GAINS OR LOSSES.—Each Federal land bank may enter into agreements with Federal land bank associations in its district for sharing the gain or losses on loans or on security held therefor or acquired in liquidation thereof, and associations are authorized to enter into any such agreements and also, subject to bank approval, agreements with other associations in the district for sharing the risk of loss on loans endorsed by each such association.

SEC. 1.20. LIENS ON STOCK.—Each Federal land bank and each Federal land bank association shall have a first lien on the stock and participation certificates it issues, except on stock held by the Governor of the Farm Credit Administration, for the payment of any liability of the stockholder to the association or to the bank, or to both of them.

SEC. 1.21. TAXATION.—Every Federal land bank and every Federal land bank association and the capital, reserves, and surplus thereof, and the income derived therefrom shall be exempt from Federal, State, municipal, and local taxation, except taxes on real estate held by a Federal land bank or a Federal land bank association to the same extent, according to its value, as other similar property held by other persons is taxed. The mortgages held by the Federal land banks and the notes, bonds, debentures, and other obligations issued by the banks or associations shall be deemed and held to be instrumentalities of the Government of the United States and, as such, they and the income therefrom shall be exempt from all Federal, State, municipal, and local taxation, other than Federal income tax liability of the holder thereof under the Public Debt Act of 1941 (31 U.S.C. 742(a)).

TITLE II—FEDERAL INTERMEDIATE CREDIT BANKS AND PRODUCTION CREDIT ASSOCIATIONS

PART A—FEDERAL INTERMEDIATE CREDIT BANKS

SEC. 2.0. ESTABLISHMENT; BRANCHES.—The Federal intermediate credit banks established pursuant to section 201(a) of the Federal Farm Loan Act, as amended, shall continue as federally chartered instrumentalities of the United States. Their charters or organization certificates may be modified from time to time by the Farm Credit Administration not inconsistent with the provisions of this title as may be necessary or expedient to implement this Act. Unless an existing Federal intermediate credit bank is merged with one or more other such banks under section 4.10 of this Act, there shall be a Federal intermediate credit bank in each farm credit district. It may include in its title the name of the city in which it is located or other geographical designation. When authorized by the Farm Credit Administration, it may establish such branches or other offices as may be appropriate for the effective operation of its business.

SEC. 2.1. CORPORATE EXISTENCE; GENERAL CORPORATE POWERS.—Each Federal intermediate credit bank shall be a body corporate and, subject to supervision of the Farm Credit Administration, shall have power to—

(1) Adopt and use a corporate seal.

(2) Have succession until dissolved under the provisions of this Act or other Act of Congress.

(3) Make contracts.

(4) Sue and be sued.

(5) Acquire, hold, dispose, and otherwise exercise all of the incidents of ownership of real and personal property necessary or convenient to its business.

(6) Make and discount loans and commitments for credit, and provide services and other assistance as authorized in this Act, and charge fees therefor.

(7) Operate under the direction of its board of directors.

(8) Elect by its board of directors a president, any vice president, a secretary, and a treasurer, and provide for such other officers, employees, and agents as may be necessary, including joint employees as provided in this Act; define their duties and require surety bonds or make other provision against losses occasioned by employees.

(9) Prescribe by its board of directors its bylaws not inconsistent with law providing for the classes of its stock and the manner in which its stock shall be issued, transferred, and retired; its officers, employees, and agents elected or provided for; its property acquired, held, and transferred; its loans and discounts made; its general business conducted; and the privileges granted it by law exercised and enjoyed.

(10) Borrow money and issue notes, bonds, debentures, or other obligations individually, or in concert with one or more other banks of the System, of such character, and such terms, conditions, and rates of interest as may be determined.

(11) Purchase nonvoting stock in or pay in surplus to, and accept deposits of securities or of current funds from production credit associations holding its shares and pay interest upon such funds.

(12) Deposit its securities and its current funds with any member bank of the Federal Reserve System, and pay fees therefor and receive interest thereon as may be agreed. When designated for that purpose by the Secretary of the Treasury, it shall be a depository of public money, except receipts from customs, under such regulations as may be prescribed by the Secretary; may be employed as a fiscal agent of the Government, and shall perform all such reasonable duties as a depository of public money or financial agent of the Government as may be required of it. No Government funds deposited under the provisions of this subsection shall be invested in loans or bonds or other obligations of the bank.

(13) Buy and sell obligations of or insured by the United States or any agency thereof, or securities backed by the full faith and credit of any such agency and make such other investments as may be authorized by the Farm Credit Administration.

(14) Delegate to the production credit associations such functions vested in or delegated to the intermediate credit bank as it may determine.

(15) Approve the salary scale of the officers and employees of the association and the appointment and compensation of the chief executive officer thereof and supervise the exercise by the production credit associations of the functions vested in or delegated to them.

(16) Amend and modify loan contracts, documents, payment schedules, and release, subordinate, or substitute security for any of them.

(17) Conduct studies and make and adopt standards for lending.

(18) Enter into loss sharing agreements with other Federal intermediate credit banks and production credit associations.

(19) Exercise by its board of directors or authorized officers, employees, or agents all such incidental powers as may be necessary or expedient to carry on the business of the bank.

(20) Participate with one or more other Federal intermediate credit banks or production credit associations in the district, in loans under this title on such terms as may be agreed upon among such banks and associations.

(21) Perform any function delegated to it by the Farm Credit Administration.

SEC. 2.2. FEDERAL INTERMEDIATE CREDIT BANK STOCK; VALUE; DIVIDENDS; ADDITIONAL STOCK; RETIREMENT.—(a) The capital stock of each Federal intermediate credit bank shall be divided into shares of par value of $5 each and may be of such classes as its board of directors may determine with the approval of the Farm Credit Administration.

(b) Voting stock of each bank shall be held only by the production credit associations which stock shall not be transferred, pledged, or hypothecated except as provided in this title or as authorized under regulations of the Farm Credit Administration.

(c) The Board of each bank shall from time to time increase its capital stock to permit the issuance of additional shares to production credit associations in such amounts as shall be determined by the board.

(d) Nonvoting stock may be issued to the Governor of the Farm Credit Administration. Nonvoting stock may also be issued to production credit associations in such amounts as will permit the association to extend financial assistance to eligible persons other than farmers, ranchers, and producers or harvesters of aquatic products. Participation certificates, with a face value of $5, may be issued in lieu of such nonvoting stock when the bylaws of the bank so provide.

(e) Participation certificates also may be issued by a bank to financing institutions other than production credit associations which are eligible to borrow from or discount eligible paper with the bank.

(f) Dividends shall not be payable on any stock held by the Governor of the Farm Credit Administration other than the tax imposed by section 4.0(c) but noncumulative dividends may be payable on other capital and participation certificates in an amount not to exceed a per centum permitted under regulations of the Farm Credit Administration, in any year as determined by the board of directors. Such dividends may be in the form of stock and participation certificates or, when the Governor of the Farm Credit Administration holds no stock in the bank, in cash. The rate of dividends may be different between different classes and issues of stock and participation certificates on the basis of the comparative contributions of the holders thereof to the capital or earnings of the bank by such classes and issues, but otherwise dividends shall be without preference.

(g) Each Federal intermediate credit bank, with the approval of the Farm Credit Administration, may determine the amount of the initial or additional stock in the bank to be subscribed for by the production credit associations in the farm credit district served by the bank in order to provide capital to meet the credit needs of the bank. The amount so determined shall be allotted among the associations in the district upon such basis that, as nearly as may be practicable, the sum of the stock already owned and the additional amount to be subscribed for by each association will be in the same proportion to the total amount of stock already owned and to be subscribed for by all of the associations in the district that the average indebtedness (loans and discounts) of each association to the bank during the immediately preceding three fiscal years is of the average of such indebtedness of all associations to the bank during such three-year period. Each association shall subscribe for stock in the bank in the amount so allotted to it. Such subscriptions shall be subject to call and payment therefore shall be made at such times and in such amounts as may be determined by the bank.

Whenever the relative amounts of stock in a bank owned by the associations differ substantially from the proportion indicated in the preceding paragraph, and additional subscriptions to stock through which such proportion could be reestablished are not contemplated, the bank, with approval of the Farm Credit Administration, may direct either separately or in combination such transfers, retirements, and reissuance of outstanding stock among the associations as will reestablish the aforesaid proportion as nearly as may be practicable. Outstanding stock which is retired for this purpose, except as otherwise approved by the Farm Credit Administration, shall be the oldest stock held by the association and the bank shall pay the association therefor at the fair book value thereof not exceeding par.

The banks may issue further amounts of participation certificates with the same rights, privileges, and conditions, for purchase by institutions other than production credit associations which are entitled to receive participation certificates from the bank as patronage refunds. Participation certificates held by other financing institutions may be transferred to other such institutions upon request of, or with the approval of the bank.

After all stock held by the Governor of the Farm Credit Administration has been retired, the bank may retire other stock at par and participation certificates at face amount under regulations of the Farm Credit Administration. Such other stock and participation certificates shall be retired without preference and in such manner that, unless otherwise approved by Farm Credit Administration, the oldest outstanding stock or certificates at any given time will be retired first. In case of liquidation or dissolution of any production credit association or other financing institution, the stock or participation certificates of the bank owned by such association or institution may be retired by the bank at the fair book value thereof, not exceeding par or face amount, as the case may be.

(h) Except with regard to stock held by the Governor, each Federal intermediate credit bank shall have a first lien on all stock and participation certificates it issues and on all allocated reserves and other equities for any indebtedness of the holder of such capital investments to the bank.

(i) In any case where the debt of a production credit association or other financing institution is in default, the bank may retire all or part of the capital investments in the bank held by such debtor at the fair book value thereof, not exceeding par or face amount as the case may be, in total or partial liquidation of the debt.

SEC. 2.3. LOANS; DISCOUNTS; PARTICIPATION; LEASING.—(a) The Federal intermediate credit banks are authorized to make loans and extend other similar financial assistance to and discount for, or purchase from, any production credit association with its endorsement or guaranty, any note, draft, or other obligation presented by such association, and to participate with such association and one or more intermediate credit banks in the making of loans to eligible borrowers, all the foregoing to be secured by such collateral, if any, as may be required in regulations of the Farm Credit Administration. The banks may own and lease or lease with option to purchase, to persons eligible for assistance under this title, equipment needed in the operations of such persons.

(b) The Federal intermediate credit banks are authorized to discount for, or purchase from, any national bank, State bank, trust company, agricultural credit corporation, incorporated livestock loan company, savings institution, credit union, and any association of agricultural producers engaged in the making of loans to farmers and ranchers, with its endorsement or guaranty, any note, draft, or other obligation the proceeds of which have been advanced or used in the first instance for any agricultural purpose, including the breeding, raising, fattening, or marketing of livestock; and to make loans and advances to any such financing institution secured by such collateral as may be approved by the Farm Credit Administration: *Provided*, That no such loan or advance shall be made upon the security of collateral other than notes or other such obligations of farmers and ranchers eligible for discount or purchase under the provisions of this section, unless such loan or advance is made to enable the financing institution to make or carry loans for any agricultural purpose.

(c) No paper shall be purchased from or discounted for any national bank, State bank, trust company or savings institution under subsection (b) if the amount of such paper added to the aggregate liabilities of such national bank, State bank, trust company or savings institution, whether direct or contingent (other than bona fide deposit liabilities), exceeds the lower of the amount of such liabilities permitted under the laws of the jurisdiction creating the same, or twice the paid-in and unimpaired capital and surplus of such national bank, State bank, trust company, or savings institution. No paper shall under this section be purchased from or discounted for any other corporation engaged in making loans for agricultural purposes including the raising, breeding, fattening, or marketing of livestock, if the amount of such paper added to the aggregate liabilities of such corporation exceeds the lower of the amount of such liabilities permitted under the laws of the jurisdiction creating the same, or ten times the paid-in and unimpaired capital and surplus of such corporation. It shall be unlawful for any national bank which is indebted to any Federal intermediate credit bank, upon paper discounted or purchased under subsection (b), to incur any additional indebtedness, if by virtue of such additional indebtedness its aggregate liabilities direct or contingent, will exceed the limitations here in contained.

SEC. 2.4 TERMS.—Loans, advances, or discounts made under section 2.3 shall be repayable in not more than seven years from the time they are made or discounted by the Federal intermediate credit bank, and shall bear such rate or rates of interest or discount as the board of directors of the bank shall from time to time determine with the approval of the Farm Credit Administration, but the rates charged financing institutions other than production credit associations shall be the same as those charged production credit associations. In setting the rates and charges, it shall be the objective to provide the types of credit needed by eligible borrowers, at the lowest reasonable costs on a sound business basis taking into account the cost of money to the bank, necessary reserves and expenses of the bank and production credit associations, and providing services to borrowers from the bank and associations. The loan documents may provide for the interest rate or rates to vary from time to time during the repayment period of the loan, in accordance with the rate or rates currently being charged by the bank. No obligation tendered for discount by a financing institution, without the approval of the Farm Credit Administration, shall be eligible for discount upon which the original borrower has been charged a rate of interest exceeding by more than 1½ per centum per annum the discount rate of the bank.

SEC. 2.5. SERVICES RELATED TO BORROWERS' OPERATIONS.—The Federal intermediate credit banks may provide technical assistance to borrowers, members, and applicants from the banks and production credit associations, including persons obligated on paper discounted by the bank, and may make available to them at their option such financial related services appropriate to their on-farm operations as determined to be feasible by the board of directors of each district bank, under regulations of the Farm Credit Administration.

SEC. 2.6. NET EARNINGS—DETERMINATION; ANNUAL APPLICATION; SURPLUS ACCOUNT; AB-

SORPTION OF NET LOSS.—(a) If, at the end of a fiscal year a Federal intermediate credit bank shall have stock outstanding held by the Governor of the Farm Credit Administration, such bank shall determine the amount of its net earnings after paying or providing for all operating expenses (including reasonable valuation reserves and losses in excess of any such applicable reserves) and shall apply such net earnings as follows: (1) to the restoration of the impairment, if any, of capital stock and participation certificates, as determined by its board of directors; (2) to the restoration of the amount of the impairment, if any, of the surplus account of allocated reserve account established by this subsection, as determined by its board of directors; (3) 25 per centum of any remaining net earnings shall be used to create and maintain an allocated reserve account; (4) a franchise tax shall be paid to the United States, as provided in section 4.0 of this Act; (5) reasonable unallocated contingency reserve account may be established and maintained; (6) dividends on stock held by production credit associations and on participation certificates may be declared as provided in section 2.2(f) of this title; and (7) any remaining net earnings shall be distributed as patronage refunds as provided in subsection (b) of this section.

Amounts applied to reserve accounts as provided in (3) above, either heretofore or hereafter, shall be allocated on the same patronage basis and have the same tax treatment as is provided in subsection (b) of this section for patronage refunds. At the end of any fiscal year that the allocated reserve account of any bank exceeds 25 per centum of its outstanding stock and participation certificates, such excess may be distributed, oldest allocations first, in stock to production credit associations and participation certificates issues as of the date of the allocations.

If and when the relative amounts of stock in a Federal intermediate credit bank owned by the production credit associations are adjusted to reestablish the proportion of such stock owned by each association, as provided in the first or second paragraphs of section 2.2(g) of this title, amounts in the reserve account that are allocated to production credit associations may be adjusted in the same manner, so far as practicable, to reestablish the holdings of the production credit associations in the allocated legal reserve accounts into substantially the same proportion as are their holdings of stock.

No part of the surplus account established by a Federal intermediate credit bank on January 1, 1957, consisting of its earned surplus account, its reserve for contingencies, and the surplus of the production credit corporation transferred to the bank, shall be distributed as patronage refunds or as dividends. In the event of a net loss in any fiscal year after providing for all operating expenses (including reasonable valuation reserves and losses in excess of any such applicable reserves), such loss shall be absorbed by: first, charges to the unallocated reserve account; second, impairment of the allocated reserve account; third, impairment of the surplus other than that transferred from the production credit corporation of the district; fourth, impairment of surplus transferred from the production credit corporation of the district; fifth, impairment of stock and participation certificates held by production credit associations and participation certificates held by other financing institutions; and sixth, impairment of nonvoting stock.

(b) If at the end of a fiscal year a Federal intermediate credit bank shall have outstanding capital stock held by the Governor of the Farm Credit Administration, patronage refunds declared for that year shall be paid in stock to production credit associations and in participation certificates to other financing institutions borrowing from or discounting with the bank during the fiscal year for which such refunds are declared. The recipients of such patronage refunds shall not be subject to Federal income taxes thereon. All patronage refunds shall be paid in the proportion that the amount of interest earned by the bank on its loans to and discounts for each production credit association or other financing institution bears to the total interest earned by the bank on all such loans and discounts outstanding during the fiscal year. Each participation certificate issued in payment of patronage refunds shall be in multiples of $5 and shall state on its face the rights, privileges, and conditions applicable thereto. Patronage refunds shall not be paid to any other Federal intermediate credit bank, or to any Federal land bank or bank for cooperatives.

(c) If, at the end of a fiscal year a Federal intermediate credit bank shall have no outstanding capital stock held by the Governor of the Farm Credit Administration, the net earnings of such bank shall, under regulations prescribed by the Farm Credit Administration, continue to be distributed on a cooperative basis with an obligation to distribute patronage dividends and with provision for sound, adequate capitalization to meet changing financing needs of production credit associations, other financial institutions eligible to discount paper with the bank, and other eligible borrowers, and prudent corporate fiscal management, to the end that the current year's patrons carry their fair share of the capitalization, ultimate expenses, and reserves. Such regulations may provide for the application of less than 25 per centum of net earnings after payment of operating expenses to the restoration or maintenance of the allocated reserve account, additions to unallocated contingency reserve account of not to exceed such per centum of net earnings as may be approved by the Farm Credit Administration, and provide for allocations to patrons not qualified under the Internal Revenue Code, and the payment of patronage in stock, participation certificates, or in cash, as the board may determine. If during the fiscal year but not at the end thereof a bank shall have had outstanding capital stock held by the Governor of the Farm Credit Administration, provision will be made for the payment of the franchise tax required in section 4.0.

(d) Such allocations of reserve account shall be subject to a first lien as additional collateral for any indebtedness of the holders thereof to the bank and in any case where such indebtedness is in default may, but shall not be required to, be retired and canceled for application on such indebtedness, and, in case of liquidation or dissolution of a holder thereof, such reserve account allocations may be retired, all as is provided for stock and participation certificates in section 2.2(g) of this title.

SEC. 2.7. DISTRIBUTION OF ASSETS ON LIQUIDATION.—In the case of liquidation or dissolution of any Federal intermediate credit bank, after payment or retirement, as the case may be, first, of all liabilities; second, of all stock held by the Governor of the Farm Credit Administration at par; third, of all stock owned by production credit associations at par and all participation certificates at face amount; any remaining assets of the bank shall be distributed as provided in this subsection. Any of the surplus established pursuant to section 2.6 (excluding that transferred from the production credit corporation of the district) which the Farm Credit Administration determines was contributed by financing institutions other than the production credit associations discounting with or borrowing from the bank on January 1, 1957, shall be paid to such institutions, or their successors in interest as determined by Farm Credit Administration, and the remaining portion of such surplus (including that transferred from the production credit corporation of the district) shall be paid to the holders of voting and nonvoting stock pro rata. The contribution of each such financing institution under the preceding sentence shall be computed on the basis of the ratio of its patronage to the total patronage of the bank from the date of organization of the bank to January 1, 1957. The allocated reserve established pursuant to section 2.6 shall be paid to the production credit associations and other financing institutions to which such reserve is allocated on the books of the bank. Any assets of the bank then remaining shall be distributed to the production credit associations and the holders of participation certificates pro rata.

SEC. 2.8. TAXATION.—Every Federal intermediate credit bank and the capital, reserves, and surplus thereof and the income derived therefrom shall be exempt from Federal, State, municipal, and local taxation except taxes on real estate held by a Federal intermediate credit bank to the same extent, according to its value, as other similar property held by other persons is taxed. The obligations held by the Federal intermediate credit banks and the notes, bonds, debentures, and other obligations issued by the banks shall be deemed to be instrumentalities of the Government of the United States, and, as such, they and the income therefrom shall be exempt from all Federal, State, municipal, and local taxation, other than Federal income tax liability of the holder thereof under the Public Debt Act of 1941 (31 U.S.C. 742 (a)).

SEC. 2.9. [Vacant.]

PART B—PRODUCTION CREDIT ASSOCIATIONS

SEC. 2.10. ORGANIZATION AND CHARTERS.—Each production credit association chartered under section 20 of the Farm Credit Act of 1933, as amended, shall continue as a federally chartered instrumentality of the United States. Production credit associations may be organized by ten or more farmers or ranchers or producers or harvesters of aquatic products desiring to borrow money under the provisions of this title. The proposed articles of association shall be forwarded to the Federal intermediate credit bank for the district accompanied by an agreement to subscribe on behalf of the association for stock in the bank in such amounts as may be required by the bank. The articles shall specify in general terms the objects for which the association is formed, the powers to be exercised by it in carrying out the functions authorized by this part, and the territory it proposes to serve. The articles shall be signed by persons desiring to form such an association and shall be accompanied by a statement signed by each such person establishing eligibility to borrow from the association in which he will become a stockholder. A copy of the articles of association shall be forwarded to the Governor of the Farm Credit Administration with the recommendations of the bank concerning the need for such an association in order to adequately serve the credit needs of eligible persons in the proposed territory and whether that territory includes any area described in the charter of another production credit association. The Governor for good cause shown may deny the charter. Upon approval of the proposed articles by the Governor and the issuance of a charter, the association shall become as of such date a federally chartered body corporate and an instrumentality of the United States. The Governor shall have the power, under rules and regulations prescribed by him or by prescribing in the terms of the charter or by approval of bylaws of the association, to provide for the organization of the association, the initial amount of stock of the association, the territory within which its operations may be carried on, and to direct at any time such changes in the charter as he finds necessary for the accomplishment of the purposes of this Act.

SEC. 2.11. BOARD OF DIRECTORS.—Each production credit association shall elect from its voting members a board of directors of such number, for such terms, with such qualifications, and in such manner as may be required by its bylaws.

SEC. 2.12. GENERAL CORPORATE POWERS.—Each production credit association shall be a body corporate and, subject to supervision by the Federal intermediate credit bank for the district and the Farm Credit Administration, shall have power to—

(1) Have succession until terminated in accordance with this Act or any other Act of Congress.

(2) Adopt and use a corporate seal.

(3) Make contracts.

(4) Sue and be sued.

(5) Acquire, hold, dispose, and otherwise exercise all of the usual incidents of ownership of real and personal property necessary or convenient to its business.

(6) Operate under the direction of its board of directors in accordance with this Act.

(7) Subscribe to stock of the bank.

(8) Purchase stock of the bank held by other production credit associations and stock of other production credit associations.

(9) Contribute to the capital of the bank or other production credit associations.

(10) Invest its funds as may be approved by the Federal intermediate credit bank under regulations of the Farm Credit Administration and deposit its current funds and securities with the Federal intermediate credit bank, a member bank of the Federal Reserve System, or any bank insured under the Federal Deposit Insurance Corporation, and may pay fees therefor and receive interest thereon as may be agreed.

(11) Buy and sell obligations of or insured by the United States or of any agency thereof or of any banks of the Farm Credit System.

(12) Borrow money from the Federal intermediate credit bank, and with the approval of such bank, borrow from and issue its notes or other obligations to any commercial bank or other financial institution.

(13) Make and participate in loans, accept advance payments, and provide services and other assistance as authorized in this title and charge fees therefor.

(14) Endorse and become liable on loans discounted or pledged to the Federal intermediate credit bank.

(15) Enter into loss sharing agreements with the Federal intermediate credit bank and other production credit associations.

(16) Prescribe by its board of directors its bylaws not inconsistent with law providing for the classes of its stock and the manner in which its stock shall be issued, transferred, and retired, its officers and employees elected or provided for, its property acquired, held, and transferred, its general business conducted, and the privileges granted it by law exercised and enjoyed.

(17) Elect by its board of directors a manager or other chief executive officer, and provide for such other officers or employees as may be necessary, including joint employees as provided in this Act, define their duties, and require surety bonds or make other provisions against losses occasioned by employees. No director shall, within one year after the date when he ceases to be a member of the board, be elected or designated a salaried employee of the association on the board of which he served.

(18) Elect by its board of directors a loan committee with power to approve applications for membership in the association and loans or participations or, with the approval of the bank, delegate the approval of applications for membership and loans or participations within specified limits to other committees or to authorized officers and employees of the association.

(19) Perform any functions delegated to it by the bank or the Farm Credit Administration.

(20) Exercise by its board of directors or authorized officers or employees, all such incidental powers as may be necessary or expedient to carry on the business of the association.

SEC. 2.13. CAPITAL STOCK; CLASSES OF STOCK; TRANSFERS; EXCHANGE; AND DIVIDENDS.—(a) A production credit association may issue voting stock; nonvoting stock, preferred stock, participation certificates, and provide for an equity reserve. Holders of stock, participation certificates, and equity reserve shall have such rights, not inconsistent with the provisions of this section, as are set forth in the bylaws of the association. Stock shall be divided into shares of $5 par value each, and participation certificates shall have a face value of $5 each.

(b) Voting stock may be purchased only by farmers and ranchers, or producers or harvesters of aquatic products, who are eligible to borrow from the association. Each holder of voting stock shall be entitled to no more than one vote except as otherwise provided in subsection (d) hereof. No voting stock or any interest therein or right to receive dividends thereon shall be transferred by act of the parties or by operation of law, except to another person eligible to hold voting stock, and then only as provided in the bylaws.

(c) Nonvoting stock may be issued to the Governor of the Farm Credit Administration and to other investors.

(d) Preferred stock, which shall be nonvoting, may be issued to the Governor and to other investors when authorized by a majority vote of the outstanding shares of voting stock, by a majority vote of the outstanding shares of the nonvoting stock, and by a majority vote of the outstanding shares of preferred stock, except that all stock held by the Governor shall be excluded from voting hereunder. For the purpose of this subsection only, the holders of such stock shall be entitled to one vote, in person or by written proxy, for each share of stock held. The authorization to issue preferred stock shall state the privileges, restrictions, limitations, dividend rights (either cumulative or noncumulative) redemption rights, preferences, and other qualifications affecting said stock, and the total amount of the authorized issue to which it belongs.

(e) Participation certificates may be issued to persons eligible to borrow from the association to whom voting stock is not to be issued.

(f) Each borrower from the association shall be required to own at the time the loan is made voting stock or participation certificates as provided in the bylaws of the association, in an amount equal in fair book value (not exceeding par or face amount, as the case may be), as determined by the association, to $5 per $100 or fraction thereof of the amount of the loan. Such stock and participation certificates shall not be canceled or retired upon payment of the loan or otherwise except as may be provided in the bylaws. Notwithstanding any other provision of this section, for a loan in which an association participates with a commercial bank or other financial institution other than a Federal intermediate credit bank or another production credit association, the requirement that the borrower own stock or participation certificates shall apply only to the portion of the loan which is retained by the association.

(g) Voting stock shall, within two years after the holder ceases to be a borrower, be converted into nonvoting stock at the fair book value thereof, not exceeding par. Consistent with the provisions of this part, and as provided in the bylaws of the association, each class of stock and participation certificates shall be convertible into any other class of stock (except preferred stock) and into participation certificates.

(h) As a further means of providing capital, an association may, as provided in its bylaws, and with the approval of the bank, require borrowers to purchase stock or participation certificates in addition to that required in subsection (f) hereof, or invest in the equity reserve, in an aggregate amount not exceeding $5 per $100 or fraction thereof of the amount of the loan. Any portion of the amounts invested under this subsection which is no longer required for the purposes of the association may be returned to the owners thereof by revolving or retirement in accordance with its bylaws.

(i) Dividends shall be paid on preferred stock in accordance with the authorization of the stockholders to issue each stock. Dividends on stock, other than preferred stock, and on participation certificates may be paid by an association as provided in its bylaws at such rate or rates as are approved by the Federal intermediate credit bank in accordance with regulations of the Farm Credit Administration, and may be paid, upon such approval, even though the amount in the surplus accounts is less than the minimum aggregate amount prescribed by the bank as provided in section 2.14.

(j) Except with regard to stock held by the Governor, each production credit association shall have a first lien on stock and participation certificates it issues, allocated surplus, and on investments in equity reserve, for any indebtedness of the holder of such capital investments and, in the case of equity reserve, for charges for association losses in excess of reserves and surplus.

(k) In any case where the debt of a borrower is in default, the association may retire all or part of the capital investments in the association held by such debtor at the fair book value thereof, not exceeding par or face amount, as the case may be, in total or partial liquidation of the debt.

SEC. 214. APPLICATION OF EARNINGS; RESTORATION OF CAPITAL IMPAIRMENT; AND SURPLUS ACCOUNT.—(a) Each production credit association at the end of each fiscal year shall apply the amount of its earnings for such year in excess of its operating expenses (including provision for valuation reserves against loan assets in an amount equal to one-half of 1 per centum of the loans outstanding at the end of the fiscal year to the extent that earnings in such year in excess of other operating expenses permit, until such reserves equal or exceed 3½ per centum of the loans outstanding at the end of the fiscal year, beyond which 3½ per centum further additions to such reserves are not required but may be made) first to the restoration of the impairment, if any, of capital; and second, to the establishment and maintenance of the surplus accounts, the minimum aggregate amount of which shall be prescribed by the Federal intermediate credit bank.

(b) When the bylaws of an association so provide, available net earnings at the end of any fiscal year may be distributed on a patronage basis in stock, participation certificates, or in cash, except that when the Governor holds any stock in an association the cash distribution shall be such percentage of the patronage refund as shall be determined under regulations of the Farm Credit Administration. Any part of the earnings of the fiscal year in excess of the operating expenses for such year held in the surplus account may be allocated to patrons on a patronage basis.

SEC. 2.15. SHORT- AND INTERMEDIATE-TERM LOANS; PARTICIPATION; OTHER FINANCIAL ASSISTANCE; TERMS; CONDITIONS; INTEREST, SECURITY.—(a) Each production credit association, under rules and regulations prescribed by the board of directors of the Federal intermediate credit bank of the district and approved by the Farm Credit Adminis-

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tration, may make, guarantee, or participate with other lenders in short- and intermediate-term loans and other similar financial assistance to (1) bona fide farmers and ranchers and the producers or harvesters of aquatic products, for agricultural purposes and other requirements of such borrowers, (2) rural residents for housing financing in rural areas, under regulations of Farm Credit Administration and (3) persons furnishing to farmers and ranchers farm-related services directly related to their on-farm operating needs. Rural housing financed under this title shall be for single-family, moderate-priced dwellings and their appurtenances not inconsistent with the general quality and standards of housing existing in, planned or recommended for the rural area where it is located. The aggregate of such housing loans in an association to persons other than farmers or ranchers shall not exceed 15 per centum of the outstanding loans at the end of its preceding fiscal year except upon prior approval by the Federal intermediate credit bank of the district. The aggregate of such housing loans in any farm credit district shall not exceed 15 per centum of the outstanding loans of all associations in the district at the end of the preceding fiscal year. For rural housing purposes under this section the term "rural areas" shall not be defined to include any city or village having a population in excess of 2,500 inhabitants. Each association may own and lease, or lease with option to purchase, to stockholders of the association equipment needed in the operations of the stockholder.

(b) Loans authorized in subsection (a) hereof shall bear such rate or rates of interest as are determined under regulations prescribed by the board of the bank with the approval of the Farm Credit Administration, and shall be made upon such terms, conditions, and upon such security, if any, as shall be authorized in such regulations. In setting rates and charges, it shall be the objective to provide the types of credit needed by eligible borrowers, at the lowest reasonable cost on a sound business basis, taking into account the cost of money to the association, necessary reserves and expenses of the association, and services provided to borrowers and members. The loan documents may provide for the interest rate or rates to carry from time to time during the repayment period of the loan in accordance with the rate or rates currently being charged by the associations. Such regulations may require prior approval of the bank or of Farm Credit Administration on certain classes of loans; and may authorize a continuing commitment to a borrower of a line of credit.

SEC. 2.16. OTHER SERVICES.—Each production credit association may provide technical assistance to borrowers, applicants, and members and may make available to them at their option such financial related services appropriate to their on-farm operations as is determined feasible by the board of directors of each district bank, under regulations prescribed by the Farm Credit Administration.

SEC. 2.17. TAXATION.—Each production credit association and its obligations are instrumentalities of the United States and as such any and all notes, debentures, and other obligations issued by such associations shall be exempt, both as to principal and interest from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any State, territorial, or local taxing authority. Such associations, their property, their franchises, capital, reserves, surplus, and other funds, and their income shall be exempt from all taxation now or hereafter imposed by the United States or by any State, territorial, or local taxing authority; except that interest on the obligations of such associations shall be subject only to Federal income taxation in the hands of the holder thereof pursuant to the Public Debt Act of 1941 (31 U.S.C. 742(a)) and except that any real and tangible personal property of such associations shall be subject to Federal, State, territorial, and local taxation to the same extent as similar property is taxed. The exemption provided in the preceding sentence shall apply only for any year or part thereof in which stock in the production credit associations is held by the Governor of the Farm Credit Administration.

TITLE III—BANKS FOR COOPERATIVES

SEC. 3.0. ESTABLISHMENT; TITLES; BRANCHES.—The banks for cooperatives established pursuant to sections 2 and 30 of the Farm Credit Act of 1933, as amended, shall continue as federally chartered instrumentalities of the United States. Their charters or organization certificates may be modified from time to time by the Farm Credit Administration, not inconsistent with the provisions of this title, as may be necessary or expedient to implement this Act. Unless an existing bank for cooperatives is merged with one or more other such banks under section 4.10 of this Act, there shall be a bank for cooperatives in each farm credit district and a Central Bank for Cooperatives. A bank for cooperatives may include in its title the name of the city in which it is located or other geographical designation. The Central Bank for Cooperatives may be located in such place as its board of directors may determine with the approval of the Farm Credit Administration. When authorized by the Farm Credit Administration each bank for cooperatives may establish such branches or other offices as may be appropriate for the effective operation of its business.

SEC. 3.1. CORPORATE EXISTENCE; GENERAL CORPORATE POWERS.—Each bank for cooperatives shall be a body corporate and, subject to supervision by the Farm Credit Administration, shall have power to—

(1) Adopt and use a corporate seal.

(2) Have succession until dissolved under the provisions of this Act or other Act of Congress.

(3) Make contacts.

(4) Sue and be sued.

(5) Acquire, hold, dispose, and otherwise exercise all of the usual incidents of ownership of real and personal property necessary or convenient to its business.

(6) Make loans and commitments for credit, provide services and other assistance as authorized in this Act, and charge fees therefor.

(7) Operate under the direction of its board of directors.

(8) Elect by its board of directors a president, any vice presidents, a secretary, a treasurer, and provide for such other officers, employees, and agents as may be necessary, including joint employees as provided in this Act, define their duties and require surety bonds or make other provisions against losses occasioned by employees.

(9) Prescribe by its board of directors its bylaws not inconsistent with law providing for the classes of its stock and the manner in which its stock shall be issued, transferred, and retired; its officers, employees, or agents elected or provided for; its property acquired, held, and transferred; its loans made; its general business conducted; and the privileges granted it by law exercised and enjoyed.

(10) Borrow money and issue notes, bonds, debentures, or other obligations individually or in concert with one or more other banks of the System, of such character, and such terms, conditions, and rates of interest as may be determined.

(11) Participate in loans under this title with one or more other banks for cooperatives and with commercial banks and other financial institutions upon such terms as may be agreed among them.

(12) Deposit its securities and its current funds with any member bank of the Federal Reserve System, and pay fees therefor and receive interest thereon as may be agreed. When designated for that purpose by the Secretary of the treasury, it shall be a depository of public money, except receipts from customs, under such regulations as may be prescribed by the Secretary; may be employed as a fiscal agent of the Government, and shall perform all such reasonable duties as a depository of public money or financial agent of the Government as may be required of it. No Government funds deposited under the provisions of this subsection shall be invested in loans or bonds or other obligations of the bank.

(13) Buy and sell obligations of or insured by the United States or of any agency thereof, or securities backed by the full faith and credit of any such agency and make such other investments as may be authorized by the Farm Credit Administration.

(14) Conduct studies and adopt standards for lending.

(15) Amend and modify loan contracts, documents, and payment schedules, and release, subordinate, or substitute security for any of them.

(16) Perform any function delegated to it by the Farm Credit Administration.

(17) Exercise by its board of directors or authorized officers, employees, or agents all such incidental powers as may be necessary or expedient to carry on the business of the bank.

SEC. 3.2. BOARD OF DIRECTORS.—(a) In the case of a district bank for cooperatives, the board of directors shall be the farm credit district board and in the case of the Central Bank for Cooperatives shall be a separate board of not more than thirteen members, one from each farm credit district and one at large. One district director of the Central Bank Board shall be elected by each district farm credit board and the member at large shall be appointed by the Governor with the advice and consent of the Federal Farm Credit Board.

(b) For the purposes of this section the provisions of sections 5.1 (b) and (c), 5.4, 5.5, and 5.6 shall apply to and shall be the authority of the Central Bank for Cooperatives the same as though it were a district bank.

SEC. 3.3. BANK FOR COOPERATIVES STOCK; VALUE; CLASSES OF STOCK; VOTING; EXCHANGE.—(a) The capital stock of each bank for cooperatives shall be in such amount as its board determines, with the approval of Farm Credit Administration, is required for the purpose of providing adequate capital to permit the bank to meet the credit needs of borrowers from the bank and such amounts may be increased or decreased from time to time in accordance with such needs.

(b) The capital stock of each bank shall be divided into shares of par value of $100 each and may be of such classes as the board may determine with the approval of the Farm Credit Administration. Such stock may be issued in fractional shares.

(c) Voting stock may be issued or transferred to and held only by (i) cooperative associations eligible to borrow from the banks and (ii) other banks for cooperatives, and shall not be otherwise transferred, pledged, or hypothecated except as consented to by the issuing bank under regulations of the Farm Credit Administration.

(d) Each holder of one or more shares of voting stock which is eligible to borrow from a bank for cooperatives shall be entitled only to one vote and only in the affairs of the bank in the district in which its principal office is located unless otherwise authorized by the Farm Credit Administration, except that if such holder has not been a borrower from the bank in which it holds such stock within a period of two years next preceding the date fixed by the Farm Credit Administration prior to the commencement of voting, it shall not be entitled to vote.

(e) Nonvoting investment stock may be issued in such series and in such amounts as may be determined by the board and approved by the Farm Credit Administration and, except for stock held by the Governor,

may be exchanged for voting stock or sold or transferred to any person subject to the approval of the issuing bank.

SEC. 3.4. DIVIDENDS.—Dividends may be payable only on nonvoting investment stock, other than stock held by the Governor of the Farm Credit Administration, if declared by the board of directors of the bank.

SEC. 3.5. RETIREMENT OF STOCK.—Any nonvoting stock held by the Governor of the Farm Credit Administration shall be retired to the extent required by section 4.0(b) before any other outstanding voting or nonvoting stock shall be retired except as may be otherwise authorized by Farm Credit Administration. When those requirements have been satisfied, nonvoting investment stock may be called for retirement at par. With the approval of the issuing bank, the holder may elect not to have the called stock retired in response to a call, reserving the right to have such stock included in the next call for retirement. When the requirements of section 4.0(b) have been met, voting stock may also be retired at fair book value not exceeding par, on call or on such revolving basis as the board may determine with approval of the Farm Credit Administration with due regard for its total capital needs: *Provided, however,* That all equities in the district banks issued or allocated with respect to the year of the enactment of this Act and prior years shall be retired on a revolving basis according to the year of issue with the oldest outstanding equities being first retired. Equities issued for subsequent years shall not be called or retired until equities described in the preceding sentence of this proviso have been retired.

SEC. 3.6. GUARANTY FUND SUBSCRIPTIONS IN LIEU OF STOCK.—If any cooperative association is not authorized under the laws of the State in which it is organized to take and hold stock in a bank for cooperatives, the bank shall, in lieu of any requirement for stock purchase, require the association to pay into or have on deposit in a guaranty fund, or the bank may retain out of the amount of the loan and credit to the guaranty fund account of the borrower, a sum equal to the amount of stock which the association would otherwise be required to own. Each reference to stock of the banks for cooperatives in this Act shall include such guaranty fund equivalents. The holder of the guaranty fund equivalent and the bank shall each be entitled to the same rights and obligations with respect thereto as the rights and obligations associated with the class or classes of stock involved.

SEC. 3.7. LENDING POWERS.—The banks for cooperatives are authorized to make loans and commitments to eligible cooperative associations and to extend to them other technical and financial assistance, including but not limited to discounting notes and other obligations, guarantees, collateral custody, or participation with other banks for cooperatives and commercial banks or other financial institutions in loans to eligible cooperatives, under such terms and conditions as may be determined to be feasible by the board of directors of each bank for cooperatives under regulations of the Farm Credit Administration. Such regulations may include provisions for avoiding duplication between the Central Bank and district banks for cooperatives. Each bank may own and lease, or lease with option to purchase, to stockholders eligible to borrow from the bank equipment needed in the operations of the stockholder.

SEC. 3.8. ELIGIBILITY.—Any association of farmers, producers, or harvesters of aquatic products, or any federation of such associations, which is operated on a cooperative basis, and has the powers for processing, preparing for market, handling, or marketing farm or aquatic products; or for purchasing, testing, grading, processing, distributing, or furnishing farm or aquatic supplies or furnishing farm business services or services to eligible cooperatives and conforms to either of the two following requirements:

(a) no member of the association is allowed more than one vote because of the amount of stock or membership capital he may own therein; or

(b) does not pay dividends on stock or membership capital in excess of such per centum per annum as may be approved under regulations of the Farm Credit Administration; and in any case

(c) does not deal in farm products or aquatic products, or products processed therefrom, farm or aquatic supplies, or farm business services with or for nonmembers in an amount greater in value than the total amount of such business transacted by it with or for members, excluding from the total of member and nonmember business transactions with the United States or any agency or instrumentality thereof or services or supplies furnished as a public utility; and

(d) a percentage of the voting control of the association not less than 80 per centum, or such higher percentage as established by the district board is held by farmers, producers or harvesters of aquatic products, or eligible cooperative associations as defined herein;

shall be eligible to borrow from a bank for cooperatives.

SEC. 3.9. OWNERSHIP OF STOCK BY BORROWERS.—(a) Each borrower at the time a loan is made by a bank for cooperatives shall own at least one share of voting stock and shall be required by the bank with the approval of the Farm Credit Administration to invest in additional voting stock or nonvoting investment stock at that time, or from time to time, as the lending bank may determine, but the requirement for investment in stock at the time the loan is closed shall not exceed an amount equal to 10 per centum of the face amount of the loan. Such additional ownership requirements may be based on the face amount of the loan, the outstanding loan balance or on a percentage of the interest payable by the borrower during any year or during any quarter thereof, or upon such other basis as the bank, with the approval of the Farm Credit Administration, determines will provide adequate capital for the operation of the bank and equitable ownership thereof among borrowers. In the case of a direct loan by the Central Bank, the borrower shall be required to own or invest in the necessary stock in a district bank or banks as may be approved by the Farm Credit Administration and such district bank shall be required to own a corresponding amount of stock in the Central Bank, but voting stock shall be in the one district bank designated by the Farm Credit Administration.

(b) Notwithstanding the provisions of subsection (a) of this section, the purchase of stock need not be required with respect to that part of any loan made by a bank for cooperatives which it sells to or makes in participation with financial institutions other than any of the banks for cooperatives. In such cases the distribution of earnings of the bank for cooperatives shall be on the basis of the interest in the loan retained by such bank.

SEC. 3.10. INTEREST RATES; SECURITY; LIEN; CANCELLATION; AND APPLICATION ON INDEBTEDNESS.—(a) Loans made by a bank for cooperatives shall bear interest at a rate or rates determined by the board of directors of the bank from time to time, with the approval of the Farm Credit Administration. In setting rates and charges, it shall be the objective to provide the types of credit needed by eligible borrowers at the lowest reasonable cost on a sound business basis, taking into account the net cost of money to the bank, necessary reserves and expenses of the bank, and services provided. The loan documents may provide for the interest rate or rates to vary from time to time during the repayment period of the loan, in accordance with the rate or rates currently being charged by the bank.

(b) Loans shall be made upon such terms, conditions, and security, if any, as may be determined by the bank in accordance with regulations of the Farm Credit Administration.

(c) Each bank for cooperatives shall have a first lien on all stock or other equities in the bank as collateral for the payment of any indebtedness of the owner thereof to the bank. In the case of a direct loan to an eligible cooperative by the Central Bank, the Central Bank shall have a first lien on the stock and equities of the borrower in the district bank and the district bank shall have a lien thereon junior only to the lien of the Central Bank.

(d) In any case where the debt of a borrower is in default, or in any case of liquidation or dissolution of a present or former borrower from a bank for cooperatives, the bank may, but shall not be required to, retire and cancel all or a part of the stock, allocated surplus or contingency reserves, or any other equity in the bank owned by or allocated to such borrower, at the fair book value thereof not exceeding par, and, to the extent required in such cases, corresponding shares and allocations and other equity interests held by a district bank in another district bank on account of such indebtedness, shall be retired or equitably adjusted.

SEC. 3.11. EARNINGS AND RESERVES; APPLICATION OF SAVINGS.—(a) Each bank for cooperatives, at the end of each fiscal year when said bank shall have stock outstanding held by the Governor of the Farm Credit Administration, shall determine the amount of its net savings after paying or providing for all operating expenses (including reasonable valuation reserves and losses in excess of any such applicable reserves) and shall apply such savings as follows: (1) To the restoration of the amount of the impairment, if any, of capital stock, as determined by its board of directors; (2) 25 per centum of any remaining net savings shall be used to create and maintain a surplus account; (3) it shall next pay to the United States a franchise tax as provided in section 4.0 of this Act; (4) reasonable contingency reserves may be established; (5) dividends on investment stock may be declared as provided in this title; and (6) any remaining net savings shall be distributed as patronage refunds as provided in subsection (c) or (d) of this section: *Provided,* That any patronage refunds received by a district bank from any other bank for cooperatives shall be excluded from net savings of the district bank for the purpose of computing such franchise tax. Amounts applied as provided in (2) above after January 1, 1956, shall be allocated on a patronage basis approved by the Farm Credit Administration. At the end of any fiscal year any portion of the reserve established under (4) above which is no longer deemed necessary shall be transferred to the surplus account and, if the surplus account of any such bank for cooperatives exceeds 25 per centum of the sum of all its outstanding capital stock, the bank may distribute in the same manner as a patronage refund any part or all of such excess which has been allocated: *Provided,* That any surplus and contingency reserve shown on the books of the banks as of January 1, 1956, shall not be distributed as patronage refunds. In making such distributions except as otherwise provided in section 3.5 and distributions by the Central Bank, the oldest outstanding allocations shall be distributed first. Whenever used in this title, the words "surplus account" as applied to any bank for cooperatives shall mean any surpluses and contingency reserves shown on the books of the bank as of January 1, 1956, and any amounts accumulated as allocated or unallocated surplus after said date. Said surplus account shall be divided to show the amounts thereof subject to allocation as pro-

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vided in this subsection and may be further subdivided as prescribed by the Farm Credit Administration.

(b) Whenever at the end of any fiscal year a bank for cooperatives shall have no outstanding capital stock held by the Governor of the Farm Credit Administration, the net savings shall, under regulations prescribed by the Farm Credit Administration, continue to be applied on a cooperative basis with provision for sound, adequate capitalization to meet the changing financing needs of eligible cooperative borrowers and prudent corporate fiscal management, to the end that current year's patrons carry their fair share of the capitalization, ultimate expenses, and reserves related to the year's operations and the remaining net savings shall be distributed as patronage refunds as provided in subsections (c) and (d) of this section. Such regulations may provide for application of less than 25 per centum of net savings to the restoration or maintenance of an allocated surplus account, reasonable additions to unallocated surplus, or to unallocated reserves of not to exceed such per centum of net savings after payment of operating expenses as may be approved by the Farm Credit Administration, and provide for allocations to patrons not qualified under the Internal Revenue Code, or payment of such per centum of patronage refunds in cash, as the board may determine. If during the fiscal year but not at the end thereof a bank shall have had outstanding capital stock held by the United States, provision will be made for payment of franchise taxes required in section 4.0.

(c) The net savings of each district bank for cooperatives, after the earnings for the fiscal year have been applied in accordance with subsections (a) or (b) of this section whichever is applicable, shall be paid in stock or in cash, or both, as determined by the board, as patronage refunds to borrowers of the fiscal year for which such patronage refunds are distributed. Except as provided in subsection (d) below, all patronage refunds shall be paid in proportion that the amount of interest and service fees on the loans to each borrower during the year bears to the interest and service fees on the loans of all borrowers during the year or on such other proportionate patronage basis as the Farm Credit Administration may approve.

(d) The net savings of the Central Bank for Cooperatives after the earnings for the fiscal year have been applied in accordance with subsections (a) or (b) whichever is applicable, shall be paid in stock or cash, or both, as determined by the board, as patronage refunds to the district banks on the basis of interests held by the Central Bank in loans made by the district banks and upon any direct loans made by the Central Bank to cooperative associations, or on such other proportionate patronage basis as the Farm Credit Administration may approve. In cases of direct loans, such refund shall be paid to the district bank or banks which issued their stock to the borrower incident to such loans, and the district bank or banks shall issue a like amount of patronage refunds to the borrower.

(e) In the event of a net loss in any fiscal year after providing for all operating expenses (including reasonable valuation reserves and losses in excess of any applicable reserves), such loss may be carried forward or carried back, if appropriate, or otherwise shall be absorbed by charges to unallocated reserve or surplus accounts established after the date of enactment of this Act; charges to allocated contingency reserve account; charges to allocated surplus accounts; charges to other contingency reserve and surplus accounts; the impairment of voting stock; or the impairment of all other stock.

(f) Notwithstanding any other provisions of this section any costs or expenses attributable to a prior year or years but not recognized in determining the net savings for such year or years may be charged to reserves or surplus of the bank or to patronage allocations for such years, as may be determined by the board of directors.

(g) For any year that a bank for cooperatives is subject to Federal income tax, it may pay in cash such portion of its patronage refunds as will permit its taxable income to be determined without taking into account savings applied as allocated surplus, allocated contingency reserves, and patronage refunds under subsections (a) or (b) of this section.

SEC. 3.12. DISTRIBUTION OF ASSETS AND LIQUIDATION OR DISSOLUTION.—In the case of liquidation or dissolution of any bank for cooperatives, after payment or retirement, first, of all liabilities; second, of all capital stock issued before January 1, 1956, at par, any stock held by the Governor of the Farm Credit Administration at par, and all nonvoting stock at par; and third, all voting stock at par; any surplus and reserves existing on January 1, 1956, shall be paid to the holders of stock issued before that date, stock held by the Governor of the Farm Credit Administration, and voting stock pro rata; and any remaining allocated surplus and reserves shall be distributed to those entities to which they are allocated on the books of the bank, and any other remaining surplus shall be paid to the holders of outstanding voting stock. If it should become necessary to use any surplus or reserves to pay any liabilities or to retire any capital stock, unallocated reserves or surplus, allocated reserves and surplus shall be exhausted in accordance with rules prescribed by Farm Credit Administration.

SEC. 3.13. TAXATION.—Each bank for cooperatives and its obligations are instrumentalities of the United States and as such any and all notes, debentures, and other obligations issued by such bank shall be exempt, both as to principal and intereet from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any State, territorial, or local taxing authority. Such banks, their property, their franchises, capital, reserves, surplus, and other funds, and their income shall be exempt from all taxation now or hereafter imposed by the United States or by any State, territorial, or local taxing authority; except that interest on the obligations of such banks shall be subject only to Federal income taxation in the hands of the holder thereof pursuant to the Public Debt Act of 1941 (31 U.S.C. 742(a)) and except that any real and tangible personal property of such banks shall be subject to Federal, State, territorial, and local taxation to the same extent as similar property is taxed. The exemption provided in the preceding sentence shall apply only for any year or part thereof in which stock in the bank for cooperatives is held by the Governor of the Farm Credit Administration.

TITLE IV—PROVISIONS APPLICABLE TO TWO OR MORE CLASSES OF INSTITUTIONS OF THE SYSTEM

PART A—FUNDING

SEC. 4.0. STOCK PURCHASED BY GOVERNOR; RETIREMENT; FRANCHISE TAX; REVOLVING FUND.—(a) The Federal land banks, the Federal intermediate credit banks, the banks for cooperatives, and, subject to section 2.13 (d), the production credit associations may issue stock which may be purchased by the Governor of the Farm Credit Administration on behalf of the United States as a temporary investment in the stock of the institution to help one or several of the banks or associations to meet emergency credit needs of borrowers. The ownership of such stock shall be deemed to not change the status of ownership of the banks or associations, but, during the time such stock is outstanding, the pertinent provisions of the Government Corporation Control Act shall be applicable.

(b) The Governor shall require the retirement of such stock at such time as in his opinion the bank or association has resources available therefor and the need for such temporary investment is reduced or no longer exists. If the Governor determines that a production credit association does not have resources available to retire stock held by him, but in his judgment, the Federal intermediate credit bank of the district has resources available to do so, the Governor may require such bank to invest in an equivalent amount of nonvoting stock of said association and the association then shall retire the stock held by the Governor.

(c) For any year or part thereof in which the Governor holds any stock in a bank of the System, such institution after complying with sections 1.17, 2.6, 2.14, 3.11, respectively, shall pay to the United States as a franchise tax a sum equal to the lower of 25 per centum of its net earnings for the year before establishing any contingency reserves or declaring any dividends or patronage distribution, not exceeding a rate of return on such temporary investment calculated at a rate determined by the Secretary of the Treasury equal to the average annual rate of interest on all public issues of debt obligations of the United States issued during the fiscal year ending next before such tax is due, multiplied by the percentage that the number of days such stock is outstanding is of three hundred and sixty-five days. Such payments shall be deposited in the miscellaneous receipts in the Treasury.

SEC. 4.1 REVOLVING FUNDS AND GOVERNMENT DEPOSITS.—(a) The revolving fund established by Public Law 87-343, 75 Stat. 756, as amended, shall be available at the request of the Governor of the Farm Credit Administration for his temporary investment in the stock of any Federal intermediate credit banks or production credit associations as provided in section 4.0 and for any other purpose authorized by said Act. Funds received from the partial or the full retirement of such investments shall be deposited in this revolving fund.

(b) The revolving fund established by Public Law 87-494, 76 Stat. 109, as amended, shall be available at the request of the Governor of the Farm Credit Administration for his temporary investment in the stock of any bank for cooperatives as provided in section 4.0 of this Act. Funds received from the partial or full retirement of such investments shall be deposited in this revolving fund.

(c) The Secretary of the Treasury is authorized, in his discretion, upon the request of the Farm Credit Administration, to make deposits for the temporary use of any Federal land bank, out of any money in the Treasury not otherwise appropriated. Such Federal land bank shall issue to the Secretary of the Treasury a certificate of indebtedness for any such deposit, bearing a rate of interest not to exceed the current rate charged for other Government deposits, to be secured by bonds or other collateral, to the satisfaction of the Secretary of the Treasury. Any such certificate shall be redeemed and paid by such land bank at the discretion of the Secretary of the Treasury. The aggregate of all sums so deposited by the Secretary of the Treasury shall not exceed the sum of $6,000,000 at any one time.

SEC. 4.2. POWER TO BORROW; ISSUE NOTES, BONDS, DEBENTURES, AND OTHER OBLIGATIONS.—Each of the banks of the System, in order to obtain funds for its authorized purposes, shall have power, subject to supervision of the Farm Credit Administration, and subject to the limitations of paragraph (e) of this section, to—

(a) Borrow money from or loan to any other institution of the System, borrow from any commercial bank or other lending institution, issue its notes or other evidence of debt on its own individual responsibility and full faith and credit, and invest its excess funds in such sums, at such times, and on such terms and conditions as it may determine.

(b) Issue its own notes, bonds, debentures, or other similar obligations, fully collateralized as provided in section 4.3(b) by

the notes, mortgages, and security instruments it holds in the performance of its functions under this Act in such sums, maturities, rates of interest, and terms and conditions of each issue as it may determine with approval of the Governor.

(c) Join with any or all banks organized and operating under the same title of this Act in borrowing or in issuance of consolidated notes, bonds, debentures, or other obligations as may be agreed with approval of the Governor.

(d) Join with other banks of the System in issuance of System-wide notes, bonds, debentures, and other obligations in the manner, form, amounts, and on such terms and conditions as may be agreed upon with approval of the Governor. Such System-wide issue by the participating banks and such participations by each bank shall not exceed the limits to which each such bank is subject in the issuance of its individual or consolidated obligations and each such issue shall be subject to approval of the Governor: *Provided, however,* There shall be no issues of System-wide obligations without the concurrence of the boards of directors of each of the 12 districts and the Central Bank for Cooperatives and the approval of the Governor for such issues shall be conditioned on and be evidence of the compliance with this provision.

(e) No bank or banks shall issue notes, bonds, debentures, or other obligations individually or in concert with one or more banks of the System other than through their fiscal agent under any provision of this Act except under subsection (a) of this section: *Provided,* That any bank or banks may issue investment bonds or like obligations other than through the fiscal agent if the interest rate is not in excess of the interest allowable on savings deposits of commercial banks of comparable amounts and maturities under Federal Reserve regulation on its member banks.

SEC. 4.3. AGGREGATE OF OBLIGATIONS; COLLATERAL.—(a) No issue of long-term notes, bonds, debentures, or other similar obligations by a bank or banks shall be approved in an amount which, together with the amount of other bonds, debentures, long-term notes, or other similar obligations issued and outstanding, exceeds twenty times the capital and surplus of all the banks which will be primarily liable on the proposed issue, or such lesser amount as the Farm Credit Administration shall establish by regulation.

(b) Each bank shall have on hand at the time of issuance of any long-term notes, bonds, debentures, or other similar obligations and at all times thereafter maintain, free from any lien or other pledge, notes and other obligations representing loans made under the authority of this Act, obligations of the United States or any agency thereof direct or fully guaranteed, other readily marketable securities approved by the Farm Credit Administration, or cash, in an aggregate value equal to the total amount of long-term notes, bonds, debentures, or other similar obligations outstanding for which the bank is primarily liable.

SEC. 4.4. LIABILITY OF BANKS; UNITED STATES NOT LIABLE.—(a) Each bank of the System shall be fully liable on notes, bonds, debentures, or other obligations issued by it individually, and shall be liable for the interest payments on long-term notes, bonds, debentures, or other obligations issued by other banks operating under the same title of this Act. Each bank shall also be primarily liable for the portion of any issue of consolidated or System-wide obligations made on its behalf and be jointly and severally liable for the payment of any additional sums as called upon by the Farm Credit Administration in order to make payments of interest or principal which any bank primarily liable therefor shall be unable to make. Such calls shall be made first upon the other banks operating under the same title of this Act as the defaulting bank, and second upon banks operating under other titles of this Act, taking into consideration the capital, surplus, bonds, debentures, or other obligations which each may have outstanding at the time of such assessment.

(b) Each bank participating in an issue shall by appropriate resolution undertake such responsibility as provided in subsection (a), and in the case of consolidated or System-wide obligations shall authorize the Governor to execute such long-term notes, bonds, debentures, or other obligations on its behalf. When a consolidated or System-wide issue is approved, the notes, bonds, debentures, or other obligations shall be executed by the Governor and the banks shall be liable thereon as provided herein.

(c) The United States shall not be liable or assume any liability directly or indirectly thereon.

SEC. 4.5. FINANCE COMMITTEE.—There shall be established a finance committee for the banks organized and operated under titles I, II, and III, respectively, of this Act, composed of the presidents of each bank. Each such committee may have such officers and such subcommittees for such terms and such representation as may be agreed upon between the banks. When appropriate to the performance of their function, the subcommittees, or representatives thereof, of the various banks shall constitute such subcommittees in connection with System-wide issues of obligations. The finance committees and subcommittees acting for the banks of the System shall, subject to approval of the Governor, determine the amount, maturities, rates of interest, and participation by the several banks in each issue of joint, consolidated, or Systemwide obligations.

SEC. 4.6. BONDS AS INVESTMENTS.—The bonds, debentures, and other similar obligations issued under the authority of this Act shall be lawful investments for all fiduciary and trust funds and may be accepted as security for all public deposits.

SEC. 4.7. PURCHASE AND SALE BY FEDERAL RESERVE SYSTEM.—Any member of the Federal Reserve System may buy and sell bonds, debentures, or other similar obligations issued under the authority of this Act and any Federal Reserve bank may buy and sell such obligations to the same extent and subject to the same limitations placed upon the purchase and sale by said banks of State, county, district, and municipal bonds under section 355 of title 12, United States Code.

SEC. 4.8. PURCHASE AND SALE OF OBLIGATIONS.—Each bank of the System may purchase its own obligations and the obligations of other banks of the System and may provide for the sale of obligations issued by it, consolidated obligations, or System-wide obligations through a fiscal agent or agents, by negotiation, offer, bid, syndicate sale, and to deliver such obligations by book entry, wire transfer, or such other means as may be appropriate.

SEC. 4.9. FISCAL AGENCY.—A fiscal agency shall be established by the banks for such of their functions relating to the issuance, marketing, and handling of their obligations, and interbank or intersystem flow of funds as may from time to time be required.

PART B—DISSOLUTION AND MERGER

SEC. 4.10. MERGER OF SIMILAR BANKS.—Banks organized or operating under titles I, II, or III, respectively, may upon majority vote cast by their voting stockholders and contributors to their guaranty funds in accordance with the voting strength provisions of section 5.2(c) of this Act relating to elections of directors of the district boards, and with the approval of the Farm Credit Administration, merge with banks in other districts operating under the name title of this Act.

SEC. 4.11. BOARD OF DIRECTORS FOR MERGED BANK.—In the event of merger of two or more banks to serve borrowers in more than one farm credit district, a separate board of directors shall be created for the resulting merged bank. The board thus created shall be composed of two directors elected by each of the district boards involved, at least one of which from each district shall have been elected by the eligible stockholders of or subscribers to the guaranty fund of the merging banks, and one director appointed by the Governor with the advice and consent of the Federal Farm Credit Board. Notwithstanding the foregoing, the bylaws of the merged bank may, with the approval of the Farm Credit Administration, provide for a different number of directors selected in a different manner. The board so constituted shall have such separate and distinct powers, functions, and duties as are normally exercised by a district board related to the operations and policies of the banks which were merged.

SEC. 4.12. DISSOLUTION; VOLUNTARY LIQUIDATION; MERGERS; RECEIVERSHIPS; AND CONSERVATORS.—(a) No institution of the System shall go into voluntary liquidation without the consent of the Farm Credit Administration and with such consent may liquidate only in accordance with regulations prescribed by the Farm Credit Administration. Associations may voluntarily merge with other like associations upon the vote of a majority of each of their stockholders present and voting or voting by written proxy at duly authorized meetings, and with the approval of the supervising bank and the Farm Credit Administration. The Federal Farm Credit Board may require such merger whenever it determines, with the concurrence of the district board, that an association has failed to meet its outstanding obligations or failed to conduct its operations in accordance with this Act.

(b) Upon default of any obligation by any institution of the System, such institution may be declared insolvent and placed in the hands of a conservator or a receiver appointed by the Governor and the proceedinga thereon shall be in accordance with regulations of the Farm Credit Administration regarding such insolvencies.

PART C—RIGHTS OF APPLICANTS

SEC. 4.13. NOTICE OF ACTION ON APPLICATION.—Every applicant for a loan from an institution of the System shall be entitled to prompt notice of action on his application, and, if the loan applied for is reduced or denied, the reason for such action.

SEC. 4.14. RECONSIDERATION.—Any applicant who has reason to believe that the action on his application by an association failed to take into account facts pertinent to his application, or has misinterpreted or failed to properly apply the applicable law or rules and regulations governing his application, may, if he so requests in writing within thirty days of the date of that notice, request an informal hearing on his application and the action of the association in reduction or denial thereof, or the reason for such action, in person before the loan committee or officer or employee thereof authorized to act on applications under section 1.15(11) or 2.12(18). Promptly after such a hearing, he shall be notified of the decision upon reconsideration and the reasons therefor.

SEC. 4.15. NOMINATION OF ASSOCIATION DIRECTORS; REPRESENTATIVE SELECTION OF NOMINEES.—Each production credit association and each Federal land bank association shall elect a nominating committee by vote of the stockholders at the annual meeting to serve for the following year. Each nominating committee shall review lists of farmers from the association territory, determing their willingness to serve, and submit for election a slate of eligible candidates which shall include at least two nominees for each elective office to be filled. In doing so, the committee shall

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endeavor to assure representation to all sections of the association, territory and as nearly as possible to all types of agriculture practiced within the area. Employees of the association shall not be eligible to be nominated, elected, or serve as a member of the board. Nominations shall also be accepted from the floor. Members of the board are not eligible to serve on the nominating committee. Regulations of the Farm Credit Administration governing the election of district directors shall similarly assure a choice of two nominees form each elective office to be filled and that the district board represent as nearly as possible all types of agriculture in the district.

SEC. 4.16. PROHIBITION AGAINST TAX-EXEMPT GUARANTEES.—Notwithstanding any other provision of this Act, no guarantee shall be made on any instrument of indebtedness the income from which is exempt in whole or in part from Federal taxation.

TITLE V—DISTRICT AND FARM CREDIT ADMINISTRATION ORGANIZATION

PART A—DISTRICT ORGANIZATION

SEC. 5.0. CREATION OF DISTRICTS.—There shall be not more than twelve farm credit districts in the United States, which may be designated by number, one of which districts shall include the Commonwealth of Puerto Rico. The boundaries of the twelve farm credit districts existing on the date of enactment of this Act may be readjusted from time to time by the Federal Farm Credit Board, with the concurrence of the district boards involved. Two or more districts may be merged as provided in section 5.18(2).

SEC. 5.1. DISTRICT BOARDS OF DIRECTORS; MEMBERSHIP; ELIGIBILITY; TERMS.—(a) There shall be in each farm credit district a farm credit board of directors composed of seven members. Each farm credit district board may include in its title the name of the city in which the banks of the System for the district are located or other geographical designation.

(b) To be eligible for membership on a farm credit district board a person must be a citizen of the United States for at least ten years, and a resident of the district for at least two years.

A person shall not be eligible who—

(1) is or has, within one year next preceding the date of election or appointment, been a salaried officer or employee of the Farm Credit Administration or of any institution of the System;

(2) has been convicted of a felony or adjudged liable in damages for fraud; or

(3) if there is at the time of his election another resident of the same State who was elected to the district board by the same electorate, except where a district embraces only one State.

No director of a district board shall be eligible to continue to serve in that capacity and his office shall become vacant after his election or appointment as a member of a district board, he continues or becomes a salaried officer or employee of the Farm Credit Administration, of any institution of the System, or a member of the Federal Farm Credit Board, or if he becomes legally incompetent or is finally convicted of a felony or held liable in damages for fraud. In any event, no director shall, within one year after the date when he ceases to be a member of the board, be elected or designated to serve as a salaried employee of any bank or joint employee of the district for which he served as director.

(c) The terms of district directors shall be for three years, except that the terms of appointed directors may be for a shorter or longer term to permit the staggering of such appointments over a three-year period but in no event shall such appointed director be eligible to serve for more than two full terms.

SEC. 5.2. SAME; NOMINATION; ELECTION; APPOINTMENT.—(a) Two of the district directors shall be elected by the Federal land bank associations, two by the production credit associations, and two by the borrowers from or subscribers to the guaranty fund of the bank for cooperatives. The seventh member shall be appointed by the Governor with the advice and consent of the Federal Farm Credit Board.

(b) At least two months before an election of an elected director the Farm Credit Administration shall cause notice in writing to be sent to those entitled to nominate candidates for such elected director. In the case of an election of a director by Federal land bank associations and borrowers through agencies, such notice shall be sent to all Federal land bank associations and borrowers through agencies in the district; in the case of an election by production credit associations, such notice shall be sent to all production credit associations in the district; and in the case of an election by cooperatives which are voting stockholders or subscribers to the guaranty fund of the bank for cooperatives of the district, such notice shall be sent to all cooperatives which are eligible, voting stockholders or subscribers to the guaranty fund at the time of sending the notice. The notice in the case of associations shall state the number of votes the board of each association is entitled to cast for nomination and election based on the voting stockholders of the association as determined by the Farm Credit Administration as near as practicable to the date of the notice. After receipt of such notice those entitled to nominate a director shall forward nominations to the Farm Credit Administration. The Farm Credit Administration shall, from the nominations received within sixty days after it sends such notice, prepare a list of candidates for such elected director, consisting of the three nominees receiving the highest number of votes, except that for elections to fill vacancies the Farm Credit Administration may specify a shorter period than sixty days but not less than thirty days.

(c) At least one month before the election of an elected director, the Farm Credit Administration shall mail to each person or organization entitled to elect the elected director a list of the three candidates receiving the highest number of votes from those nominated in accordance with subsection (b). In the case of an election of a director by the Federal land bank associations, the directors of each land bank association shall cast the vote of such association for one of the candidates on the list. Each association shall be entitled to cast the number of votes specified in the notice prior to the nomination poll as determined by the Farm Credit Administration to be the number of voting stockholders of each association, and each direct borrower and borrower through agent shall be entitled to cast one vote. Each production credit association shall be entitled to cast the number of votes specified in the notice of nomination poll as determined by the Farm Credit Administration to be equal to the number of voting stockholders of such association. Each cooperative which is the holder of voting stock in or a subscriber to the guaranty fund of the bank for cooperatives shall be entitled to cast one vote except as provided in subsection 3.3(d). The votes shall be forwarded to the Farm Credit Administration and no vote shall be counted unless received by it within sixty days after the sending of such list of candidates, except that for elections to fill vacancies the Farm Credit Administration may specify a shorter period than sixty days but not less than thirty days. In the case of a tie another runoff election between those tying shall be held.

(d) Any vacancies in the board of directors shall be filled for the unexpired term in the manner provided in sections 5.1 and 5.2 for the selection of such directors.

SEC. 5.3 DISTRICT DIRECTORS CONSTITUTE BOARDS OF DIRECTORS FOR FEDERAL LAND BANKS, FEDERAL INTERMEDIATE CREDIT BANKS, AND DISTRICT BANKS FOR COOPERATIVES.—The members of each farm credit district board of directors shall be and shall have all the functions, powers, and duties of directors for the Federal land banks, the Federal intermediate credit banks, and the district banks for cooperatives in their respective districts.

SEC. 5.4. DISTRICT BOARD OFFICERS.—Each farm credit district board shall elect from its members a chairman and a vice chairman and shall appoint a secretary from within or without its membership as it may see fit. The chairman, vice chairman, and secretary shall hold office for a term of one year and until their successors are selected and take office.

SEC. 5.5. COMPENSATION OF DISTRICT BOARD. Members of each farm credit district board shall receive compensation, including reasonable allowances for necessary expenses, in attending meetings of the board as district board and as directors of the district banks including travel time. The compensation shall not be in excess of the level set by the Farm Credit Administration. In addition to attending said meetings, a director may not receive compensation and allowances for any services rendered in his capacity as director or otherwise for more than thirty days or parts of days in any one calendar year without the approval of the Farm Credit Administration.

SEC. 5.6. POWERS OF THE DISTRICT FARM CREDIT BOARD.—(a) Each farm credit district board shall have power to—

(1) Act as the board of directors for the district and of the several banks of the System in the district.

(2) Provide rules and regulations, governing the banks and associations in the district, not inconsistent with law.

(3) Elect or provide for joint officers and employees for the banks in its district which are institutions of the System or, upon agreement with banks in other districts, joint officers and employees of institutions in more than one district. The salary or other compensation of all such joint officers and employees and the allocation thereof between the banks shall be fixed by the district farm credit board. Officers and employees elected or provided for by the district farm credit board, whether separate officers and employees of the institutions or joint officers and employees, shall be officers and employees of the district institutions served by them. Employment, compensation, leave, retirement, except as provided in subsection (b) of this section, hours of duty, and all other conditions of employment of such joint officers and employees and of the separate officers and employees of the institutions in the district provided for by the board of directors shall be without regard to the provisions of title 5 of the United States Code relating to such matters, but all such determinations shall be consistent with the law under which the banks are organized and operate. Appointments, promotions, and separations so made shall be based on merit and efficiency and no political test or qualification shall be permitted or given consideration. The limitations against political activity and conflict of interest of such officers and employees shall be in accordance with rules and regulations prescribed by the Farm Credit Administration.

(4) Authorize the acquisition and disposal of such property, real or personal, as may be necessary or convenient for the transaction of the business of the banks of the System located in its district, upon such terms and conditions as it shall fix, and to prorate among such banks the cost of purchases, rentals, construction, repairs, alterations, maintenance, and operation in such amounts and in such manner as it shall determine. Any lease, or any contract for the purchase or sale of property, or any deed or conveyance of property, or any contract for the construction, repair, or alteration of buildings, authorized by a district farm credit board under this subsection shall be executed by the officers of the bank or banks concerned pursuant to the direction of such board. No provision of law relative to the acquisition or disposal of property, real or personal, by or for the United States, or relative to the making of contracts or leases by or for the United States, including the provisions set out in titles 40 and 41, and including provisions applicable to corporations wholly owned by the United States, shall be deemed or held applicable to any lease, purchase, sale, deed, conveyance, or contract authorized or made by a district farm credit board or the banks of the System under this subsection.

(5) Authorize agreements for the provision of joint services between institutions in the System and between districts for those banks' and associations' functions and for those services to borrowers which can most effectively be performed by the joint undertakings of the district or districts, all of such activities to be subject to the same supervision of the Farm Credit Administration as is applicable to such institutions under this Act.

(6) Formulate broad policy considerations concerning the funding operations of the banks in the district and, in concert with the other district boards, furnish unified long-range policy guidance for the funding of the System.

(b) The provisions of subsection (a) of this section are qualified as follows:

(1) Each officer and employee of the banks of the System who, on December 31, 1959, was within the purview of the Civil Service Retirement Act, as amended, shall continue so during his continuance as an officer or employee of any such banks or of the Farm Credit Administration without break in continuity of service. Any other officer or employee of such banks and any other person entering upon employment with any such banks after December 31, 1959, shall not be covered under the civil service retirement system by reason of such employment, except that (1) a person who, on December 31, 1959, was within the purview of the Civil Service Retirement Act, as amended, and thereafter becomes an officer or employee of any such banks without break in continuity of service shall continue under the civil service retirement system during his continuance as an officer or employee of any such banks without break in continuity of service and (2) a person who has been within the purview of said Act as an officer or employee of such banks and, after a break in such employment, again becomes an officer or employee of any of such banks may elect to continue under the civil service retirement system during his continuance as such officer or employee by so notifying the Civil Service Commission in writing within thirty days after such reemployment.

(2) Each of the banks of the System shall contribute to the civil service retirement and disability fund, for each fiscal year after June 30, 1960, a sum as provided by section 4(a) of the Civil Service Retirement Act, as amended, except that such sum shall be determined by applying to the total basic salaries (as defined in that Act) paid to the employees of said banks who are covered by that Act, the per centum rate determined annually by the United States Civil Service Commission to be the excess of the total normal cost per centum rate of the civil service retirement system over the employee deduction rate specified in such section 4(a). Each bank shall also pay into the Treasury as miscellaneous receipts such portion of the cost of administration of the fund as is determined by the United States Civil Service Commission to be attributable to its employees.

PART B—FARM CREDIT ADMINISTRATION ORGANIZATION

SEC. 5.7. THE FARM CREDIT ADMINISTRATION.—The Farm Credit Administration shall be an independent agency in the executive branch of the Government. It shall be composed of the Federal Farm Credit Board, the Governor of the Farm Credit Administration, and such other personnel as are employed in carrying out the functions, powers, and duties vested in the Farm Credit Administration by this Act.

SEC. 5.8. THE FEDERAL FARM CREDIT BOARD; NOMINATION AND APPOINTMENT OF MEMBERS; ORGANIZATION AND COMPENSATION.—(a) There is established in the Farm Credit Administration a Federal Farm Credit Board. The Board shall consist of not more than thirteen members, one of whom shall be designated by the Secretary of Agriculture. The remainder of the Board shall be appointed by the President, with the advice and consent of the Senate, one from each farm credit district, to be known as the appointed members.

(b) In making appointments to the Board, the President shall have due regard to a fair representation of the public interest, the welfare of all farmers, and the types of institutions constituting the Farm Credit System, with special consideration to persons who are experienced in cooperative agricultural credit, taking into consideration the lists of nominees proposed by the Farm Credit System as hereinafter provided.

(c) Each appointed member of the Board shall have been a citizen of the United States and shall have been a resident of the district from which he was appointed for not less than ten years next preceding his appointment, and the removal of residence from the district shall operate to terminate his membership on the Board. No person shall be eligible for nomination or appointment if within one year next preceding the commencement of his term he has been a salaried officer or employee of the Farm Credit Administration or a salaried officer or employee of any institution of the Farm Credit System. Any person who is a member of a district farm credit board when appointed as a member of the Federal Farm Credit Board shall resign as a member of the district board before assuming his duties as a member of the Board. No person who becomes an appointed member of the Board shall be eligible to continue to serve in such capacity if such person is or becomes a member of a district farm credit board, or an officer or employee of the Farm Credit Administration, or director, officer, or employee of any institution of the Farm Credit System. No director shall, within one year after the date when he ceases to be a member of the Board, be elected or designated to serve as a salaried officer or employee of any bank, joint officer or employee, or officer or employee of the Farm Credit Administration.

(d) The Secretary of Agriculture shall designate one member of the Board to serve at the pleasure of the Secretary. He shall be known as the Secretary's representative on the Board. He shall be a citizen of the United States and shall have been a resident of the United States for not less than ten years preceding his designation on the Board. No person shall be designated by the Secretary if such person is a member of a farm credit district board, an officer or employee of the Farm Credit Administration, or an officer or employee of any institution operating under the supervision of the Farm Credit Administration. The Secretary's representative shall not be eligible to serve as Chairman, Vice Chairman, or Secretary of the Board but shall otherwise possess all the rights and privileges of membership on the Board.

(e) The term of office of the appointed members of the Board shall be six years and such members shall serve until their successors are duly appointed and qualified. No appointed member of the Board shall be eligible to serve more than one full term of six years and, in addition, if he is appointed to fill the unexpired portion of one term expiring before his appointment to a full term, he may be eligible thereafter for appointment to fill a full term of six years.

All vacancies for the offices of appointed members shall be filled for the unexpired portion of the term upon like nominations and like appointments: *Provided, however*, That the district board of directors may select a representative to meet with the Board, without the right of vote, prior to the filling of a vacancy occasioned by death, resignation, disability, or declination in the office of member from that district, under rules and regulations prescribed by the Board.

(f) A list of nominees for appointment as an appointed member of the Board shall be presented to the President for consideration in the filling of any office of Board member. The list shall be composed of one selected by each voting group in the district in which the member's term is about to expire or in which a vacancy occurs, determined in accordance with the procedure prescribed in section 5.2 of this title for the nomination and election of members of a district farm credit board, except that the list of candidates for the Board for final election in the district shall be the two nominees of each voting group receiving the highest number of votes.

(g) The members of the Board shall meet and subscribe the oath of office and annually organize by the election of a Chairman and Vice Chairman. The Board shall appoint a Secretary from within or without the membership. Such officers of the Board shall serve for one year and until their successors are selected and take office. The Board may function notwithstanding vacancies exist, provided a quorum is present. A quorum shall consist of a majority of all the members of the Board, for the transaction of business. The Board shall hold at least four regularly scheduled meetings a year and such additional meetings at such times and places as it may fix and determine. Such meetings may be held on the call of the Chairman or any three Board members.

(h) Each of the Board members shall receive the sum of $100 a day for each day or part thereof in the performance of his official duties at regular and special meetings of the Board and regular and special meetings of district boards. In addition to attending said meetings, members may receive compensation for services rendered as member for not more than thirty days or parts of days in any calendar year, and shall be reimbursed for necessary travel, subsistence, and other expenses in the discharge of their official duties without regard to other laws with respect to allowance for travel and subsistence of officers and employees of the United States. The Secretary's representative if he is a full-time officer or employee of the United States shall receive no additional compensation for his official duties on the Board, but may receive travel and subsistence and other expenses.

(i) The Board shall adopt such rules as it may see fit for the transaction of its business, and shall keep permanent records and minutes of its acts and proceedings.

SEC. 5.9. POWERS OF THE BOARD.—The Federal Farm Credit Board shall establish the general policy for the guidance of the Farm Credit Administration and approve the necessary rules and regulations for the implementation of this Act not inconsistent with its provisions; may require such reports as it deems necessary from the institutions of the Farm Credit System; provide for the examination of the condition of and general

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supervision over the performance of the powers, functions, and duties vested in each such institution, and for the performance of all the powers and duties vested in the Farm Credit Administration or in the Governor which, in the judgment of the Board, relate to matters of broad and general supervisory, advisory, or policy nature. The Board shall function as a unit without delegating any of its functions to individual members, but may appoint committees and subcommittees for studies and reports for consideration by the Board. It shall not operate in an administrative capacity.

SEC. 5.10. GOVERNOR; APPOINTMENT; RESPONSIBILITIES.—The Governor of the Farm Credit Administration shall be appointed by and serve at the pleasure of the Federal Farm Credit Board. He shall be responsible, subject to the general supervision and direction of the Board as to matters of a broad and general supervisory, advisory, or policy nature, for the execution of all of the administrative functions and duties of the Farm Credit Administration. During any period in which the Governor holds any stock in any of the institutions subject to supervision of the Farm Credit Administration, the appointment of the Governor shall be subject to approval by the President and during any such period the President shall have the power to remove the Governor.

SEC. 5.11. COMPENSATION; SALARY AND EXPENSE ALLOWANCE.—The compensation of the Governor of the Farm Credit Administration shall be at the rate fixed in the Executive Pay Schedule. The Board shall fix the allowance for his necessary travel and subsistence expenses or per diem in lieu thereof.

SEC. 5.12. COMPLIANCE WITH BOARD ORDERS.—It shall be the duty of the Governor of the Farm Credit Administration to comply with all orders and directions which he receives from the Federal Farm Credit Board and, as to third persons, all acts of the Governor shall be conclusively presumed to be in compliance with the orders and directions of the Board.

SEC. 5.13. FARM CREDIT ORGANIZATION.—The Governor of the Farm Credit Administration is authorized, in carrying out the powers and duties now or hereafter vested in him by this Act and acts supplementary thereto, to establish and to fix the powers and the duties of such divisions and instrumentalities as he may deem necessary to the efficient functioning of the Farm Credit Administration and the successful execution of the powers and duties so vested in the Governor and the Farm Credit Administration. The Governor shall appoint such other personnel as may be necessary to carry out the functions of the Farm Credit Administration: *Provided*, That the salary of positions of Deputy Governors shall not exceed the maximum scheduled rate of the general schedule of the Classification Act of 1949, as amended. The powers of the Governor may be exercised and performed by him through such other officers and employees of the Farm Credit Administration as he shall designate.

SEC. 5.14. SEAL.—The Farm Credit Administration shall have a seal, as adopted by the Governor, which shall be judicially noted.

SEC. 5.15. ADMINISTRATIVE EXPENSES.—The Farm Credit Administration may, within the limits of funds available therefor, make necessary expenditures for personnel services and rent at the seat of Government and elsewhere; contract stenographic reporting services; purchase and exchange lawbooks, books of reference, periodicals, newspapers, expenses of attendance at meetings and conferences; purchase, operation, and maintenance at the seat of Government and elsewhere of motor-propelled passenger-carrying vehicles and other vehicles; printing and binding; and for such other facilities and services, including temporary employment by contract or otherwise, as it may from time to time find necessary for the proper administration of this Act.

SEC. 5.16. ALLOCATION OF EXPENSES FOR ADMINISTRATIVE SERVICES BY THE FARM CREDIT ADMINISTRATION; DISPOSITION OF MONEY.—(a) The Farm Credit Administration shall prior to the first day of each fiscal year estimate the cost of administrative expenses for the ensuing fiscal year in administering this Act, including official functions, and shall apportion the amount so determined among the institutions of the System on such equitable basis as the Farm Credit Administration shall determine, and shall assess against and collect in advance the amounts so apportioned from the institutions among which the apportionment is made.

(b) The amounts collected pursuant to subsection (a) of this section shall be covered into the Treasury, and credited to a special fund and, without regard to other law, shall be available to said Administration for expenditure during each fiscal year for salaries and expenses of said Administration. As soon as practicable after the end of each such fiscal year, the Administration shall determine, on a fair and reasonable basis, the cost of operation of the Farm Credit Administration and the part thereof which fairly and equitably should be allocated to each bank and association as its share of the cost during the fiscal year of such Administration. If the amount so allocated is greater than the amount collected from the bank or other institutions, the difference shall be collected from such bank or other institutions, and, if less, shall be refunded from the special fund to the bank or other institutions entitled thereto or credited in the special fund to such bank or other institutions for use for the same purposes in future fiscal years.

SEC. 5.17. QUARTERS AND FACILITIES FOR THE FARM CREDIT ADMINISTRATION.—As an alternate to the rental of quarters under section 5.15, and without regard to any other provision of law, the banks of the System, with the concurrence of two-thirds of the district boards, are hereby authorized—

(1) To lease or acquire real property in the District of Columbia or elsewhere for quarters of the Farm Credit Administration.

(2) To construct, develop, furnish, and equip such building thereon and such facilities appurtenant thereto as in their judgment may be appropriate to provide, to the extent the Federal Farm Credit Board may deem advisable, suitable, and adequate quarters and facilities for the Farm Credit Administration.

(3) To enlarge, remodel, or reconstruct the same.

(4) To make or enter into contracts for any of the foregoing.

The Board may require of the respective banks of the System, and they shall make to the Farm Credit Administration, such advances of funds for the purposes set out in this section as in the sole judgment of the Board may from time to time be advisable for the purposes of this section. Such advances shall be in addition to and kept in a separate fund from the assessments authorized in section 5.16 and shall be apportioned by the Board among the banks in proportion to the total assets of the respective banks, and determined in such manner and at such times as the Board may prescribe. The powers of the banks of the System and purposes for which obligations may be issued by such banks are hereby enlarged to include the purpose of obtaining funds to permit the making of advances required by this section. The plans and decisions for such building and facilities and for the enlargement, remodeling, or reconstruction thereof shall be such as is approved in the sole discretion of the Board.

SEC. 5.18. ENUMERATED POWERS.—The Farm Credit Administration shall have the following powers, functions, and responsibilities in connnection with the institutions of the Farm Credit System and the administration of this Act:

(1) Modify the boundaries of farm credit districts, with due regard for the farm credit needs of the country, as approved by the Federal Farm Credit Board, with the concurrence of the district boards involved.

(2) Where necessary or appropriate to carry out the policy and objectives of this Act, issue and amend or modify Federal charters or the bylaws of institutions of the System; approve change in names of banks operating under this Act; approve the merger of districts when agreed to by the boards of the districts involved and by a majority vote of the voting stockholders and contributors to the guaranty funds of each bank for each of such districts, voting in the same manner as is provided in section 4.10 of this Act; approve mergers of banks operating under the same title of this Act, merger of Federal land bank associations, merger of production credit associations and the consolidation or division of the territories which they serve; and approve consolidation of boards of directors or management agreements. Such mergers shall be encouraged where such action will improve service to borrowers and the financial stability, effect economies of operation, or permit desirable joint management, or consolidation of territories and office quarters.

(3) Make annual reports directly to the Congress on the condition of the System and its institutions and on the manner and extent to which the purposes and objectives of this Act are being carried out and, from time to time, recommend directly legislative changes.

(4) Except for associations, approve the salary scale for employees of the institutions of the System, and approve the compensation of the chief executive officer of such institutions.

(5) Coordinate the activities of the banks in making studies of lending standards, including appraisal and credit standards; approve national and district standards, procedures, and appraisal forms; prescribe price and cost levels to be used in such standards, appraisals, and lending; supplement the work of the district under the foregoing where necessary to accomplish the purposes of this Act.

(6) Prescribe loan security requirements and the types, classes, or number of loans which may be made only with prior approval.

(7) Conduct loan and collateral security review.

(8) Approve the issuance of obligations of the institutions of the System and execute on behalf of the banks consolidated and Systemwide obligations for the purpose of funding the authorized operations of the institutions of the System, and prescribe collateral therefor.

(9) Approve interest rates paid by institutions of the System on their bonds, debentures, and similar obligations, the terms and conditions thereof, and interest or other charges made by such institutions to borrowers.

(10) Make investments in stock of the institutions of the System as provided in section 4.0 out of the revolving fund, and require the retirement of such stock.

(11) Regulate the borrowing, repayment, and transfer of funds and equities between institutions of the System.

(12) Coordinate and assist in providing services necessary for the convenient, efficient, and effective management of the institutions of the System.

(13) Undertake research into the rural credit needs of the country and ways and means of meeting them and of the funding of the operations of the System in relation to changing farming and economic conditions.

(14) Prepare and disseminate information to the general public on use, organization, and functions of the System and to investors on merits of its securities.

(15) Require surety bonds or other provision for protection of the assets of the institutions of the System against losses occasioned by employees.

(16) Prescribe rules and regulations necessary or appropriate for carrying out the provisions of this Act.

(17) Exercise such incidental powers as may be necessary or appropriate to fulfill its duties and carry out the purposes of this Act.

SEC. 5.19. DELEGATION OF DUTIES AND POWERS TO INSTITUTIONS OF THE SYSTEM.—The Farm Credit Administration is authorized and directed, by order or rules and regulations, to delegate to a Federal land bank such of the duties, powers, and authority of the Farm Credit Administration with respect to and over a Federal land bank or Federal land bank associations, their officers and employees, in the farm credit district wherein such Federal land bank is located, as may be determined to be in the interest of effective administration; and, in like manner, to delegate to a Federal intermediate credit bank such of the duties, powers, and authority of the Farm Credit Administration with respect to and over a Federal intermediate credit bank or production credit associations, their officers and employees, in the farm credit district wherein such Federal intermediate credit bank is located, as may be determined to be in the interest of effective administration; to authorize the redelegation thereof; and, in either case the duties, powers, and authority so delegated or redelegated shall be performed and exercised under such conditions and requirements and upon such terms as the Farm Credit Administration may specify. Any Federal land bank or Federal intermediate credit bank to which any such duties, powers, or authority may be delegated or any association to which any power may be redelegated, is authorized and empowered to accept, perform, and exercise such duties, powers, and authority as may be so delegated to it.

SEC. 5.20. EXAMINATIONS AND REPORTS.—Except as provided herein, each institution of the System, and each of their agents, at such times as the Governor of the Farm Credit Administration may determine, shall be examined and audited by farm credit examiners under the direction of an independent chief Farm Credit Administration examiner, but each bank and each production credit association shall be examined and audited not less frequently than once each year. Such examinations shall include objective appraisals of the effectiveness of management and application of policies in carrying out the provisions of this Act and in servicing all eligible borrowers. If the Governor determines it to be necessary or appropriate, the required examinations and audits may be made by independent certified public accountants, certified by a regulatory authority of a State, and in accordance with generally accepted auditing standards. Upon request of the Governor or any bank of the System, farm credit examiners shall also make examinations and written reports of the condition of any organization, other than national banks, to which, or with which, any institution of the System contemplates making a loan or discounting paper of such organization. For the purposes of this Act, examiners of the Farm Credit Administration shall be subject to the same requirements, responsibilities, and penalties as are applicable to examiners under the National Bank Act, the Federal Reserve Act, the Federal Deposit Insurance Act, and other provisions of law and shall have the same powers and privileges as are vested in such examiners by law.

SEC. 5.21. CONDITIONS OF OTHER BANKS AND LENDING INSTITUTIONS.—The Comptroller of the Currency is authorized and directed, upon request of the Farm Credit Administration to furnish for confidential use of an institution of the System such reports, records, and other information as he may have available relating to the financial condition of national banks through, for, or with which such institution of the System has made or contemplates making discounts or loans and to make such further examination, as may be agreed, of organizations through, for, or with which such institution of the Farm Credit System has made or contemplates making discounts or loans.

SEC. 5.22. CONSENT TO THE AVAILABILITY OF REPORTS AND TO EXAMINATIONS.—Any organization other than State banks, trust companies, and savings associations shall, as a condition precedent to securing discount privileges with a bank of the Farm Credit System, file with such bank its written consent to examination by farm credit examiners as may be directed by the Farm Credit Administration; and State banks, trust companies, and savings associations may be required in like manner to file a written consent that reports of their examination by constituted State authorities may be furnished by such authorities upon the request of the Farm Credit Administration.

SEC. 5.23. REPORTS ON CONDITIONS OF INSTITUTIONS RECEIVING LOANS OR DEPOSITS.—The executive departments, boards, commissions, and independent establishments of the Government of the United States, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Reserve banks are severally authorized under such conditions as they may prescribe, upon request of the Farm Credit Administration, to make available to it or to any institution of the System in confidence all reports, records, or other information relating to the condition of any organization to which such institution of the System has made or contemplates making loan or for which it has or contemplates discounting paper, or which it is using or contemplates using as a custodian of securities or other credit instruments, or a depository. The Federal Reserve banks in their capacity as depositories, agents, and custodians for bonds, debentures, and other obligations issued by the banks of the System or book entries thereof are also authorized and directed, upon request of the Farm Credit Administration, to make available for audit by farm credit examiners all appropriate books, accounts, financial records, files, and other papers.

SEC. 5.24. JURISDICTION.—Each institution of the System shall for the purposes of jurisdiction be deemed to be a citizen of the State, commonwealth, or District of Columbia in which its principal office is located. No district court of the United States shall have jurisdiction of any action or suit by or against any production credit association upon the ground that it was incorporated under this Act or prior Federal law, or that the United States owns any stock thereof, nor shall any district court of the United States have jurisdiction, by removal or otherwise, of any suit by or against such association except in cases by or against the United States or by or against any officer of the United States or against any person over whom the courts of the State have no jurisdiction, and except in cases by or against any receiver or conservator of any such association appointed in accordance with the provisions of this Act.

SEC. 5.25. STATE LEGISLATION.—Whenever it is determined by the Farm Credit Administration, or by judicial decision, that a State law is applicable to the obligations and securities authorized to be held by the institutions of the System under this Act, which law would provide insufficient protection or inadequate safeguards against loss in the event of default, the Farm Credit Administration may declare such obligations or securities to be ineligible as collateral for the issuance of new notes, bonds, debentures, and other obligations under this Act.

SEC. 5.26. REPEAL.—(a) The Federal Farm Loan Act, as amended; section 2 of the Act of March 10, 1924 (Public Numbered 35, Sixty-eighth Congress, 43 Stat. 17), as amended; section 6 of the Act of January 23, 1932 (Public Numbered 3, Seventy-second Congress, 47 Stat. 14), as amended; the Farm Credit Act of 1933, as amended; sections 29 and 40 of the Emergency Farm Mortgage Act of 1933; Act of June 18, 1934 (Public Numbered 381, Seventy-third Congress, 48 Stat. 983); Act of June 4, 1936 (Public Numbered 644, Seventy-fourth Congress, 49 Stat. 1461), as amended; sections 5, 6, 20, 25(b), and 39 of the Farm Credit Act of 1937, as amended; sections 601 and 602 of the Act of September 21, 1944 (Public Law 425, Seventy-eighth Congress, 58 Stat. 740, 741), as amended; sections 1, 2, 3, 4, 5, 6, 7, 8, 16, and 17(b) of the Farm Credit Act of 1953, as amended; sections 2, 101, and 201(b) of the Farm Credit Act of 1956 are hereby repealed. All references in other legislation, State or Federal, rules and regulations of any agency, stock, contracts, deeds, security instruments, bonds, debentures, notes, mortgages and other documents of the institutions of the System, to the Acts repealed hereby shall be deemed to refer to comparable provisions of this Act.

(b) All regulations of the Farm Credit Administration or the institutions of the System and all charters, bylaws, resolutions, stock classifications, and policy directives issued or approved by the Farm Credit Administration, and all elections held and appointments made under the Acts repealed by subsection (a) of this section shall be continuing and remain valid until superseded, modified, or replaced under the authority of this Act. All stock, notes, bonds, debentures, and other obligations issued under the repealed acts shall be valid and enforceable upon the terms and conditions under which they were issued, including the pledge of collateral against which they were issued, and all loans made and security or collateral therefor held by, and all contracts entered into by, institutions of the System shall remain enforceable according to their terms unless and until modified in accordance with the provisions of this Act; it being the purpose of this subsection to avoid disruption in the effective operation of the System by reason of said repeals.

SEC. 5.27. AMENDMENTS TO OTHER LAWS.—(a) The Executive Schedule of basic pay (80 Stat. 458, 5 U.S.C. 5311–5317), as amended, is further amended by striking from positions at level IV the "Governor of the Farm Credit Administration." (5 U.S.C. 5315(51)) and inserting in positions at level III the additional position "(58) Governor of the Farm Credit Administration." (5 U.S.C. 5314).

(b) The third paragraph of section 15 of the Federal Reserve Act (12 U.S.C. 393) is amended to read as follows:

"The Federal Reserve banks are authorized to act as depositaries for and fiscal agents of any Federal land bank, Federal intermediate credit bank, bank for cooperatives, or other institutions of the Farm Credit System."

SEC. 5.28. SEPARABILITY.—If any provision of this Act, or the application thereof to any persons or in any circumstances, is held invalid, the remainder of this Act and the application of such provision to other persons or in other circumstances shall not be affected thereby.

SEC. 5.29. RESERVE RIGHT TO AMEND OR REPEAL.—The right to alter, amend, or repeal any provision or all of this Act is expressly reserved.

And the House agree to the same.

W. R. POAGE,
JOHN L. MCMILLAN,
ED JONES,
PAGE BELCHER,
CHARLES M. TEAGUE,
Managers on the Part of the House.

HERMAN E. TALMADGE,
GEORGE MCGOVERN,
JAMES B. ALLEN,
JACK MILLER,
HENRY BELLMON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1483) to further provide for the farmer-owned cooperative system of making credit available to farmers and ranchers and their cooperatives, for rural residences, and to associations and other entities upon which farming operations are dependent, to provide for an adequate and flexible flow of money into rural areas, and to modernize and consolidate existing farm credit law to meet current and future rural credit needs, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment generally represented a refinement of the Senate bill, making minor technical improvements and changes designed to remove objections raised by some groups. The conference substitute therefore adopts all of the provisions of the House amendment with one exception. Under the Senate bill services or supplies furnished by a cooperative as a public utility were excluded in determining whether a cooperative is eligible to borrow from a bank for cooperatives as not having business with non-members in excess of that with members. The House omitted this provision, and it has been reinserted in the conference substitute.

The principal differences between the Senate bill and the House amendment are as follows:

1. (a) Land bank first lien:
1. Senate: No limitation.
2. House: First lien on interests in real estate of classes approved by FCA.
(b) Land bank loan-value ratio:
1. Senate: No limitation.
2. House: Not to exceed 85 percent appraised value.
(c) Appraisals:
1. Senate: Appraisal standards prescribed as approved by FCA.
2. House: Appraisal standards prescribed by the bank and approved by FCA.
2. Rural Housing Limitations:
(a) Senate: Single family low- and moderate-priced dwellings.
House: Single family moderate-priced dwellings.
(b) Senate: None.
House: Not to exceed 15 percent of outstanding loans (similar PCA but 15 percent in each PCA or on prior approval larger percent but not to exceed 15 percent of all PCAs in district).
(c) Senate: None.
House: Rural areas for housing purposes not to include cities and villages in excess of 2,500 inhabitants.
3. Financially Related Services:
(a) Senate: Appropriate to their on-farm operation as determined to be feasible under regulations of FCA.
House: Appropriate to their on-farm operations as determined to be feasible by the board of directors of each district bank, under regulations of FCA.
(b) Senate report: "On farm." "This would exclude tax, estate planning and other services not necessary to their on-farm operating needs."
House report: Credit life insurance justified as "necessary and incident" to lending. "The committee intends that this policy be continued and that the various agencies of the Farm Credit System should not be allowed to write or sell any form of insurance except credit life insurance which is 'necessary and incident' to protect their outstanding loans." (Same for PCA and BC.)
4. Supervisory Associations:
Senate: Governor's power under charter or regulations to provide for organization, management, and conduct of the business of the association.
House: To provide for organization of the association (Same for PCAs).
5. Cooperative Eligibility:
(a) Business with non-members:
Senate: Excludes from 50 percent rule for business with non-members "services or supplies furnished as a public utility."
House: Deletes exception.
(b) Voting media:
Senate: Minimum of 66⅔ percent held by producers.
House: Minimum of 80 percent.
6. Merger of Similar Banks:
Senate: On majority vote of stockholders.
House: On majority vote cast by stockholders and contributors to guarantee funds in accordance with voting strength same as for directors.
7. Involuntary Mergers of Associations:
Senate: If they have "failed to provide adequate credit services at reasonable costs."
House: Deletes.
8. Prohibition against Tax-Exempt Guarantees:
Senate: No prohibitions.
House: No guarantee of any debt the income from which is exempt from Federal tax.
9. Single Security:
Senate: Sec. 4.2d.
House: Adds proviso requiring concurrence of 12 districts and Central Bank.
10. Change in District Boundaries:
Senate: In discretion of FFCB.
House: With concurrence of district boards involved.
11. Appointment of Seventh Member District Board:
Senate: Governor appoints and *may remove*.
House: *Appoints only.*
12. Joint Services Agreements:
Senate: Authorized with FCA approval
House: All subject to some FCA supervision as applicable to banks individually.
13. Powers of FFCB:
(a) General Senate: Establish general policy for FCA and the Farm Credit System in carrying out the act.
House: For guidance of FCA "and approve the necessary rules and regulations for the implementation of this act not inconsistent with its provisions."
(b) Modify district boundaries:
Senate: Approve boundary modifications.
House: With concurrence of the district boards involved.
(c) Approve merger of districts:
Senate: After majority of the voting stockholders and contributors to guaranty fund of each bank in each district.
House: Upon majority vote of the stockholders and contributors voting with voting strength the same as for directors.
(d) Legislative reports:
Senate: FFCB make annual reports and recommend legislative changes.
House: Both "directly to the Congress."
(e) Governor's approval of bank's chief executive officer:
Senate: Approve the appointment and compensation.
House: Approve the compensation only.
14. Appropriations Limitation:
Senate: Collect assessments—"fund authorized to be *appropriated*."
House: Fund "without regard to other law *shall be available*."
15. Court Jurisdiction PCA:
Senate: PCA actions in state courts.
House: Except where state court has no jurisdiction (Indians).

As indicated above, the conference substitute adopts the Senate position on item 5(a).

While the conference substitute adopts the language of the House amendment with respect to item 2(a) and authorizes loans for "moderate-priced" rather than low- and moderate-priced dwellings, there was no difference in substance on this point; since authority to provide loans for "moderate-priced" dwellings includes authority to provide loans for low-priced dwellings, as indicated in the letter set out below from the General Counsel for the Farm Credit Administration:

FARM CREDIT ADMINISTRATION,
Washington, D.C., November 10, 1971.
MR. HARKER T. STANTON,
Counsel, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR MR. STANTON: You will recall my discussion of that House amendment to S. 1483 in Sec. 1.10 which limits rural housing financed under the Act to "single-family moderate-priced dwellings" in lieu of the Senate language introduced by Senator Miller restricting such loans to "single-family, low- and moderate-priced dwellings."

Your attention is called to the House report language, page 12, particularly the sentence "The Senate authorization for low-priced housing was deleted because this is usually associated with some subsidy." You will also recall my oral statement that the Miller amendment language was adapted from the use of the terms low and moderate income housing in the Rural Housing Act of 1949, as amended, and in other housing legislation. Current housing programs contemplate interest supplements or subsidies down to as low as one percent interest to be paid by the borrower, depending on his repayment ability as compared with a full market rate or cost-of-money interest charge. Since the Farm Credit nonfarm rural housing loans will not be subsidized in any degree, it was believed that the description of low-priced housing should be eliminated from the Senate language. Nevertheless, it is my opinion that the "moderate-priced" limitation in the House bill will not preclude loans for low-cost housing by the banks and associations of the Farm Credit System so long as the borrower has ability to repay the rate then being charged on such loans by the banks and associations of the Farm Credit System. Testimony shows that it is anticipated that repair and modernization of low-cost housing through land bank and production credit association loans will be one effective means of upgrading the quality of housing in rural areas. The testimony also indicates that, in the intermediate-term loan field, relatively low-cost mobile homes located on permanent sites will be financed.

For the foregoing reasons it is my opinion that the House version fully accomplishes the objectives of the Miller amendment.

Sincerely,

HOWARD V. CAMPBELL,
General Counsel.

Item 3(b) does not involve a difference in language between the Senate bill and the House amendment, but rather concerns report language. The conferees agreed with the language used in the Senate report, to wit, "This would exclude tax, estate planning, and other services not necessary to their on-farm operations."; but differed with the House report language. The language in the House report appeared at page 17 as follows:

"Section 1.11.—Some credit related services are now available to land bank borrowers, such as credit life insurance. Present law permits only such credit related services as can be justified as 'necessary and incident' to the banks lending function. The committee intends that this policy be continued and that the various agencies of the Farm Credit System should not be allowed to write or sell any form of insurance except credit life which is 'necessary and incident' to protect their outstanding loans."

In a letter to Senator Talmadge, dated November 3, the Governor of the Farm Credit Administration commented on this item as follows:

"Section 3(b). We strongly recommend that the conferees accept the House language in Items 1.11, 2.5, 2.16 and 3.7 concerning financially related services to borrowers, but that the joint conference report reject the attempt by the House committee to limit the scope of such services to less than that authorized by the language of these sections in the field of placing insurance to only providing 'credit life insurance "necessary and incident" to protect outstanding loans.'

"Credit life insurance was declared 'necessary and incident' in 1954, hail insurance in 1967 and comprehensive insurance on point of purchase sales in 1965. These insurance services have been important to the financial wellbeing of the members, as well as a protection to associations in the extension of credit. To deny associations the right to continue these services threatens the best interests of the members and the associations.

"In the past, members have expressed a need for insurance services. The *need factor* has been evaluated at the local, district and Federal Board levels. This approval procedure should reassure the committee that the system is only concerned with providing services where member owners have determined that real needs exist. The inference that a member owned cooperative under appropriate FCA supervision cannot act in the best interest of its membership is contrary to the legislative history enacted by Congress over the years.

"The basic thrust of this entire bill is to provide a charter for the Farm Credit System which will allow it to meet both present and future needs of its members. The authority to meet members' insurance needs is a critical part of financial related services.

"The limitations imposed by the House committee report would deal a devastating blow to the present and future members of this system who look to their associations for assistance in achieving efficient and profitable farm and ranch operations."

The General Counsel for the Farm Credit Administration further expanded on the extent to which Farm Credit institutions sell insurance as follows:

FARM CREDIT ADMINISTRATION,
Washington, D.C., November 16, 1971.
MR. HARKER T. STANTON,
Counsel, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR HARKER: In accordance with your telephone request of this date, this will inform you that at the present time practically all of the production credit associations offer to their member-borrowers credit life insurance in connection with their indebtedness to the production credit association. The borrower has the privilege of purchasing this life insurance in connection with the loan. In some associations the percentage of the members which take advantage of this service is as high as 85 percent. In others, however, only 30 or 40 percent of the members are covered. Credit life insurance is placed with eleven different private insurers under blanket arrangements. The compensation under these arrangements is paid directly to the production credit associations although the manager or other personnel responsible for placing the insurance requested by the borrower may be required to be a licensed insurance agent under State law.

The production credit associations in most districts also offer to borrowers hail insurance. Only about half of the production credit associations engage in this activity. This, too, is optional with the borrower and is placed under blanket policies with some twenty-nine commercial companies across the country. Almost half of the PCA borrowers in eight of the twelve districts have some hail insurance. Hail insurance placed through the production credit associations is chosen by from 3 to 18 percent of the PCA borrowers whereas from 16 to 37 percent of the borrowers carrying hail insurance obtain it through other sources.

Production credit associations also have arrangements to place liability and extended coverage on farm machinery in connection with the point-of-purchase program. When an implement dealer sells the machine to a borrower, he notifies the PCA which places the coverage on the equipment immediately. The borrower's note to the dealer is then purchased by the PCA and the cost of the insurance is added to the borrower's account.

Most of the land banks carry at their own expense an errors and omissions blanket policy on fire and extended coverage on real estate loans. To our knowledge, only one district, the Columbia Land Bank, has a blanket policy under which coverage is obtained on real estate improvements to their insurable value if the borrower fails to present evidence that he has a paid-up fire insurance policy with another company.

We hope the foregoing information will be of assistance to you in advising the conferees on the Farm Credit Act of 1971.

Sincerely,

HOWARD V. CAMPBELL,
General Counsel.

The conferees discussed at length the scope of insurance services that should properly be made available to eligible borrowers. It is felt that the sale of liability insurance, and any insurance on passenger automobiles, is not "necessary and incident" to the functions of the lending institutions; but that they should be able to sell such insurance as may be necessary to protect the loan. Thus credit life insurance could be sold in an amount appropriate to insure repayment of the loan, and insurance against loss of any collateral securing a loan could be sold for the full value of such collateral. It is of course not the intent of the conferees that the borrowers' insurance necessarily be purchased through the Farm Credit System lender. These lenders should appropriately notify the borrowers that they possess the option of buying the insurance needed to secure the loan elsewhere if they so wish.

W. R. POAGE,
JOHN L. MCMILLAN,
ED JONES,
PAGE BELCHER,
CHARLES M. TEAGUE,
Managers on the Part of the House.

HERMAN E. TALMADGE,
GEORGE MCGOVERN,
JAMES B. ALLEN,
JACK MILLER,
HENRY BELLMON,
Managers on the Part of the Senate.

PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM NOVEMBER 19 TO NOVEMBER 29, 1971

The Speaker laid before the House the concurrent resolution (H. Con. Res. 466) providing for an adjournment of the House from November 19 to November 29, 1971, together with the Senate amendment thereto.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, strike out "1971." and insert: "1971, and when the Senate adjourns on Wednesday, November 24, 1971, it stand adjourned until 10 a.m., Monday, November 29, 1971.".

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

MR. HAGAN (at the request of Mr. BOGGS), for today, on account of official business.

MR. PEPPER (at the request of Mr. BOGGS), for today, on account of official business.

MR. CORMAN, for today, on account of official business.

MR. JONES of Tennessee (at the request of Mr. O'NEILL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

MR. RANDALL, for 30 minutes, today; to revise and extend his remarks and to include extraneous matter.

MR. JOHNSON of California, for 15 minutes, today, and to revise and extend his remarks and include extraneous matter.

MR. DENT (at the request of Mr. DAVIS of South Carolina), for 10 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. MCKEVITT) to revise and extend their remarks and include therein extraneous matter:)

MRS. HECKLER of Masachusetts, for 15 minutes, today.

MR. KEMP, for 15 minutes, today.

MR. MIZELL, for 5 minutes, today.

MR. HORTON, for 10 minutes, today.

MR. SCHWENGEL, for 5 minutes, today.

MR. HARSHA, for 10 minutes, today.

MR. VEYSEY, for 45 minutes, today.

MR. HORTON, for 30 minutes, on November 30.

(The following Members (at the request of Mr. DAVIS of South Carolina) to revise and extend their remarks and include therein extraneous matter:)

MR. BURKE of Massachusetts, for 25 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

MR. CABELL, to revise and extend his remarks immediately following those of MR. MORGAN.

(The following Members (at the request of Mr. MCKEVITT) to revise and extend their remarks and include extraneous matter:)

MR. GUBSER.

MR. DERWINSKI in two instances.

MR. MCCLORY in two instances.

MR. HALL.

MR. ESCH.

MR. SPENCE.

MR. HALPERN.

MR. SCHMITZ.

XUM

Mr. HORTON.
Mr. WYMAN in two instances.
Mr. LANDGREBE.
Mr. FREY.
Mr. HOSMER in five instances.
Mr. SCHWENGEL in three instances.
Mr. SCOTT.
Mr. MARTIN.
Mr. BURKE of Florida.
Mr. THOMPSON of Georgia.
Mr. KEMP in two instances.
Mr. MICHEL.
Mr. ANDERSON of Illinois.
Mr. FINDLEY.
Mrs. HECKLER of Massachusetts in five instances.

(The following Members (at the request of Mr. DAVIS of South Carolina) to revise and extend their remarks and to include extraneous matter:)

Mr. DULSKI in four instances.
Mr. WILLIAM D. FORD.
Mr. GONZALEZ in two instances.
Mr. RARICK in three instances.
Mr. ROGERS in five instances.
Mr. KLUCZYNSKI in two instances.
Mr. FOUNTAIN in three instances.
Mr. CORMAN in three instances.
Mr. RANGEL in two instances.
Mr. JONES of Tennessee in two instances.
Mr. BURKE of Massachusetts.
Mr. YATRON.
Mr. BOGGS.
Mr. DORN in two instances.
Mr. PURCELL in two instances.
Mr. STUCKEY.
Mr. SEIBERLING in two instances.
Mr. O'HARA.
Mr. ROUSH in two instances.
Mr. FRASER.
Mr. BINGHAM in five instances.
Mr. MILLER of California in six instances.
Mr. DONOHUE in two instances.
Mrs. SULLIVAN in two instances.
Mr. DINGELL in two instances.
Mr. BOLAND in three instances.
Mr. HECHLER of West Virginia in two instances.

SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1938. An act to amend certain provisions of subtitle II of title 28, District of Columbia Code, relating to interest and usury; to the Committee on the District of Columbia.

S.J. Res. 153. Joint resolution to designate the week which begins on the first Sunday in March 1972 as "National Beta Club Week"; to the Committee on the Judiciary.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 946. Joint resolution making further continuing appropriations for the fiscal year 1972, and for other purposes.

ADJOURNMENT

Mr. BOGGS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 466 the Chair declares the House adjourned until 12 o'clock noon on Monday, November 29, 1971.

Thereupon (at 3 o'clock and 4 minutes p.m.) pursuant to House Concurrent Resolution 466, the House adjourned until Monday, November 29, 1971, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1299. A letter from the Director, Office of Emergency Preparedness, Executive Office of the President, transmitting the semiannual report on the strategic and critical materials stockpiling program, covering the period ended June 30, 1971, pursuant to section 4 of the Strategic and Critical Materials Stockpiling Act; to the Committee on Armed Services.

1300. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notice of the intention of the Department of the Navy to donate a surplus electric railway crossing warning sign to the Pacific Southwest Railway Museum Association, Inc., San Diego, Calif., pursuant to 10 U.S.C. 7545; to the Committee on Armed Services.

1301. A letter from the Secretary of Health, Education, and Welfare, transmitting the second annual report of Gallaudet College on the establishment and operation of the Model Secondary School for the Deaf, pursuant to section 4(c) of Public Law 89-694; to the Committee on Education and Labor.

1302. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of October 31, 1971, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

1303. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to provide for the appointment of transcribers of official court reporters' transcripts in the U.S. district courts, and for other purposes; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee of conference. Conference report on S. 1483. (Rept. No. 92-629). Ordered to be printed.

Mr. HÉBERT: Committee on Armed Services. H.R. 9526. A bill to authorize certain naval vessel loans, and for other purposes; with amendments (Rept. No. 92-680). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK (for himself, Mr. CLEVELAND, Mr. DON H. CLAUSEN, Mr. SCHWENGEL, Mr. SNYDER, Mr. ZION, Mr. MCDONALD of Michigan, Mr. HAMMERSCHMIDT, Mr. MIZELL, Mr. TERRY, Mr. THONE, Mr. BAKER, and Mr. MILLER of Ohio):

H.R. 11895. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works.

By Mr. BLATNIK (for himself, Mr. JONES of Alabama, Mr. KLUCZYNSKI, Mr. WRIGHT, Mr. GRAY, Mr. CLARK, Mr. EDMONDSON, Mr. JOHNSON of California, Mr. DORN, Mr. HENDERSON, Mr. ROBERTS, Mr. KEE, Mr. HOWARD, Mr. ANDERSON of California, Mr. CAFFERY, Mr. ROE, Mr. COLLINS of Illinois, Mr. RONCALIO, Mr. BEGICH, Mr. MCCORMACK, Mr. RANGEL, Mr. JAMES V. STANTON, Mrs. ABZUG, Mr. HARSHA, and Mr. GROVER):

H.R. 11896. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works.

By Mr. BURKE of Massachusetts (for himself, Mr. ABOUREZK, Mr. BRASCO, Mr. HELSTOSKI, Mr. HILLIS, Mr. LENT, and Mr. RONCALIO):

H.R. 11897. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. DANIELS of New Jersey:

H.R. 11898. A bill to amend the National Flood Insurance Act of 1968 to increase flood insurance coverage of certain properties, to authorize the acquisition of certain properties, and for other purposes; to the Committee on Banking and Currency.

By Mr. DOW:

H.R. 11899. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GAYDOS:

H.R. 11900. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT (for himself, Mr. MILLS of Arkansas, and Mr. ALEXANDER):

H.R. 11901. A bill to provide for a highway bridge across the Norfork Reservoir in Arkansas; to the Committee on Public Works.

By Mr. HENDERSON (for himself and Mr. DULSKI):

H.R. 11902. A bill to provide for additional positions in grades GS-16, GS-17, and GS-18, to carry out the functions of the Economic Stabilization Act of 1970; to the Committee on Post Office and Civil Service.

By Mrs. HICKS of Massachusetts:

H.R. 11903. A bill to amend the General Education Provisions Act with respect to the maintenance of neighborhood schools; to the Committee on Education and Labor.

By Mr. HULL:

H.R. 11904. A bill to provide that for purposes of Public Law 874, 81st Congress, relating to assistance for schools in federally impacted areas, Federal property transferred to the U.S. Postal Service shall continue to be treated as Federal property for 2 years; to the Committee on Education and Labor.

By Mr. KEMP:

H.R. 11905. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LENT (for himself, Mr. WHITEHURST, Mr. DRINAN, Mr. COUGHLIN, Mr. LONG of Maryland, Mr. DULSKI, Mr. HOGAN, Mr. FRELINGHUYSEN, Mr. SMITH of New York, Mr. RYAN, Mrs. HECKLER of Massachusetts, Mr. DONOHUE, Mrs. DWYER, Mr. RODINO, Mr. MINISH, Mr. CONABLE, Mr. KING, Mr. STRATTON, Mr. REID of New York, Mr. HARRINGTON, Mr. DOW, Mr. HOWARD, Mr. HUNT, Mr. DANIELS of New Jersey, and Mr. THOMPSON of New Jersey):

H.R. 11906. A bill to amend the Outer Continental Shelf Lands Act, to establish a National Marine Mineral Resources Trust, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MOORHEAD:

H.R. 11907. A bill to provide for the prevention of sickle cell anemia; to the Committee on Interstate and Foreign Commerce.

By Mr. NIX:

H.R. 11908. A bill to assist in the provision of housing for the elderly, and for other purposes; to the Committee on Banking and Currency.

By Mr. QUIE:

H.R. 11909. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. SPENCE:

H.R. 11910. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey (for himself, Mr. DANIELS of New Jersey, Mr. HAWKINS, Mr. BURTON, and Mr. GAYDOS):

H.R. 11911. A bill to amend the Service Contract Act of 1965 to revise the method of computing wage rates under that act; to the Committee on Education and Labor.

By Mr. THONE (for himself and Mr. SCHWENGEL):

H.R. 11912. A bill urging units and individual members of the armed services to engage in civic works; to the Committee on Armed Services.

By Mr. DOW:

H.R. 11913. A bill to enable producers of commercial eggs to consistently provide an adequate but not excessive supply of eggs to meet the needs of consumers for eggs, and to stabilize, maintain, and develop orderly marketing conditions for eggs at prices reasonable to the consumers and producers; to the Committee on Agriculture.

By Mr. LANDGREBE:

H.J. Res. 979. Joint resolution to amend title 5 of the United States Code to provide for the 11th day of November of each year as "Veterans Day"; to the Committee on the Judiciary.

By Mr. RANDALL:

H.J. Res. 980. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as "Veterans Day"; to the Committee on the Judiciary.

By Mr. WYMAN (for himself, Mr. HALEY, Mr. MICHEL, Mr. SNYDER, Mr. WAGGONNER, Mr. HOGAN, Mr. GARMATZ, Mr. KARTH, Mr. BARING, Mr. CLEVELAND, Mr. RUNNELS, Mr. KING, Mr. PIRNIE, Mr. JONES of North Carolina, Mr. WARE, Mr. WHALLEY, Mr. GAYDOS, Mr. SAYLOR, Mr. ST GERMAIN, Mr. DUNCAN, Mr. KUYKENDALL, Mr. COLLINS of Texas, Mr. ARCHER, Mr. FISHER, and Mr. DOWNING):

H.J. Res. 981. Joint resolution proposing an amendment to the Constitution of the United States with respect to participation in silent prayer or meditation in public schools; to the Committee on the Judiciary.

By Mr. WYMAN (for himself, Mr. BROYHILL of Virginia, Mr. MOLLOHAN, Mr. KEE, and Mr. ZABLOCKI):

H.J. Res. 982. Joint resolution proposing an amendment to the Constitution of the United States with respect to participation in silent prayer or meditation in public schools; to the Committee on the Judiciary.

By Mr. BURKE of Florida (for himself, and Mr. BAKER, Mr. BARING, Mr. BROYHILL of Virginia, Mr. DENNIS, Mr. MCCLURE, and Mr. MANN):

H. Con. Res. 467. Concurrent resolution expressing the sense of the House of Representatives objecting to the eligibility of the Byelorussian Soviet Socialist Republic and the Ukranian Soviet Socialist Republic for membership in the United Nations; to the Committee on Foreign Affairs.

By Mr. GONZALEZ:

H. Res. 714. Resolution to provide for an investigation by the Judiciary Committee of the operation of the Federal witness immunity statute; to the Committee on Rules.

By Mr. PRICE of Illinois (for himself, Mr. SMITH of Iowa, and Mr. YATES):

H. Res. 715. Resolution calling for the shipment of Phantom F-4 aircraft to Israel in order to maintain the arms balance in the Middle East; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

285. The SPEAKER presented a memorial of the Legislature of the State of Michigan, requesting the Congress to call a convention for the purpose of proposing an amendment to the Constitution of the United States providing that no student shall be assigned to nor compelled to attend any particular public school on account of race, religion, color or national origin; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MCCLORY presented a bill (H.R. 11914) for the relief of Gonzalo Perez, Martha Perez, and Gonzalo Perez, Jr., which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

160. By the SPEAKER: Petition of the City Council, Englewood, N.J., relative to withdrawal of American forces from Southeast Asia; to the Committee on Armed Services.

161. Also, petition of Ralph Boryszewski, Rochester, N.Y., relative to impeachment of officials; to the Committee on the Judiciary.

SENATE—*Friday, November 19, 1971*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, in whose will is our peace, we lift our hearts to Thee to renew our vows and offer our daily service to Thee. In this hushed and holy moment of prayer may we find our hearts quickened and strengthened for the duties and responsibilities of this day. Make it a great adventure of faith and spiritual discipline. And if we should forget Thee do not forget us.

In troubled times may we find in Thee the light, the guidance, and the wisdom to lead the people. May each day bring a larger unfoldment of Thy will for this Nation. Through plodding and tedious hours keep us serene within and magnanimous without. May we be diligent in duties, faithful in high trust, and ever loyal to Thee. At length may we rest in the peace of those who do justly, and love Thee sincerely.

We pray in the Master's name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, November 18, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the recognition of the joint leadership under the standing order there be a period for the transaction of routine morning business, not to exceed 30 minutes, with statements therein limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with No. 440, and that the rest of the calendar be considered in sequence up to and including No. 472.

The PRESIDENT pro tempore. Without objection, it is so ordered.

INCREASES IN APPROPRIATION CEILINGS OF THE NATIONAL PARK SYSTEM

The Senate proceeded to consider the bill (S. 2601) to provide for increases in appropriation ceilings and boundary changes in certain units of the national park system, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 9, after "Virginia:", strike out "section II" and insert "section 11"; on page 2, after line 11, insert:

XUM

(3) Bighorn Canyon National Recreation Area, Wyoming and Montana: section 5 of the Act of October 15, 1966 (80 Stat. 913), is amended by changing "355,000" to "$780,000";

At the beginning of line 16, strike out "(3)" and insert "(4)"; at the beginning of line 19, strike out "(4)" and insert "(5)"; at the beginning of line 22, strike out "(5)" and insert "(6)"; on page 3, at the beginning of line 1, strike out "(6)" and insert "(7)"; in line 3, after the semicolon, insert "and section 2 of such Act is amended by revising the third sentence to read as follows: "Land and waters owned by the State of Missouri within such area may be acquired only with the consent of the State and, notwithstanding any other provision of law, subject to provision for reversion to such State conditioned upon continued use of the property for park purposes"; "; at the beginning of line 11, strike out "(7)" and insert "(8)"; and, on page 4, line 21, after the word "approximately", strike out "233.15" and insert "267.90"; so as to make the bill read:

S. 2601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—ACQUISITION CEILING INCREASES

SEC. 101. The limitation on appropriations for the acquisition of lands and interests therein within units of the national park system contained in the following Acts are amended as follows:

(1) Assateague Island National Seashore—Maryland and Virginia: section 11 of the Act of September 21, 1965 (79 Stat. 824, 827), is amended by changing "$16,250,000" to "$20,650,000", and by adding the following sentence after the period: "Funds authorized to be appropriated for the acquisition of lands and interests in land may, notwithstanding the foregoing limitation, be increased in appropriation Acts by such amounts as may be necessary to pay interest and deficiency awards owed by the United States as determined in condemnation actions for the acquisition of such lands and interests.";

(2) Big Hole National Battlefield, Montana: section 5 of the Act of May 17, 1963 (77 Stat. 18), is amended by changing "$20,000" to "$42,500";

(3) Bighorn Canyon National Recreation Area, Wyoming and Montana: section 5 of the Act of October 15, 1966 (80 Stat. 913), is amended by changing "$355,000" to "$780,000";

(4) Effigy Mounds National Monument, Iowa: section 5 of the Act of May 27, 1961 (75 Stat. 88), is amended by changing "$2,000" to "$14,000";

(5) Fort Donelson National Military Park, Tennessee: section 3 of the Act of September 8, 1960 (74 Stat. 875), is amended by changing "$226,000" to "$454,000";

(6) Lincoln Boyhood National Memorial, Indiana: section 4 of the Act of February 19, 1962 (76 Stat. 9), is amended by changing "$1,000,000" to "$1,320,000" and "$75,000" to "$395,000";

(7) Ozark National Scenic Riverways, Missouri: section 8 of the Act of August 27, 1964 (78 Stat. 608), is amended by changing "$7,000,000" to "$11,111,000"; and section 2 of such Act is amended by revising the third sentence to read as follows: "Land and waters owned by the State of Missouri within such area may be acquired only with the consent of the State and, notwithstanding any other provision of law, subject to provision for reversion to such State conditioned upon continued use of the property for park purposes";

(8) Shiloh National Military Park, Tennessee: section 1 of the Act of July 3, 1926 (44 Stat. 826), is amended by changing "$57,100" to "$150,100".

TITLE II—DEVELOPMENT CEILING INCREASES

SEC. 201. The limitations on appropriations for acquisition and development of units of the national park system contained in the following Acts are amended as follows:

(1) Herbert Hoover National Historic Site, Iowa: section 4 of the Act of August 12, 1965 (79 Stat. 510), is amended by changing "$1,650,000" to "$3,500,000";

(2) Booker T. Washington National Monument, Virginia: section 4 of the Act of April 2, 1956 (70 Stat. 86), is amended by changing "$200,000" to "$600,000";

(3) Johnstown Flood National Memorial, Pennsylvania: section 5 of the Act of August 31, 1964 (78 Stat. 752), is amended by changing "$2,000,000" to "$2,244,600".

SEC. 202. The additional sums authorized to be appropriated for development in the Acts as amended in section 201 are based on March 1971 prices and may be increased or decreased in appropriation Acts by such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indices applicable to the types of construction involved for each area.

TITLE III—BOUNDARY CHANGES

SEC. 301. The Secretary of the Interior is authorized to revise the boundaries of the following units of the national park system:

(1) Adams National Historic Site, Massachusetts: to add approximately 3.68 acres;

(2) Fort Caroline National Memorial, Florida: to add approximately 12.5 acres;

(3) George Washington Birthplace National Monument, Virginia: to add approximately 62.3 acres;

(4) Glacier National Park, Montana: to add approximately 267.90 acres and to exclude approximately 68.47 acres;

(5) Isle Royale National Park, Michigan: to add approximately 0.52 acre;

(6) Johnstown Flood National Memorial, Pennsylvania: to add approximately 53.6 acres;

(7) Lassen Volcanic National Park, California: to exclude approximately 482 acres;

(8) Muir Woods National Monument, California: to add approximately 49.7 acres;

(9) Petersburg National Battlefield, Virginia: to exclude approximately 257.53 acres.

SEC. 302. The boundary revisions authorized in section 301 shall become effective upon publication in the Federal Register of a map or other description of the lands added or excluded by the Secretary of the Interior.

SEC. 303. Within the boundaries of the areas as revised in accordance with section 301, the Secretary of the Interior is authorized to acquire lands and interest therein by donation, purchase with donated or appropriated funds, exchange, or transfer from any other Federal agency. Lands and interests therein so acquired shall become part of the area to which they are added, and shall be subject to all laws, rules, and regulations applicable thereto. Lands and interests therein excluded from the areas pursuant to section 301 may be exchanged for non-Federal lands within the boundaries as revised, or they may be transferred to the jurisdiction of any other Federal agency or to a State or political subdivision thereof, without monetary consideration, as the Secretary of the Interior may deem appropriate. In exercising the authority in this section with respect to lands and interests therein excluded from the areas, the Secretary of the Interior may, on behalf of the United States, retrocede to the appropriate State exclusive or concurrent legislative jurisdiction subject to such terms and conditions as he may deem appropriate, over such lands, to be effective upon acceptance thereof by the State. Any such lands not so exchanged or transferred may be disposed of in accordance with the Federal Property and Administrative Services Act of 1949, as amended.

SEC. 304. There are hereby authorized to be appropriated not to exceed $1,328,000 for the acquisition of lands and interests therein added to the areas referred to in section 301.

SEC. 305. The authorities in this title are supplementary to any other authorities available to the Secretary of the Interior with respect to the acquisition, development, and administration of the areas referred to in section 301.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-452), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NEED FOR AN OMNIBUS BILL

The Department of the Interior has been concerned for some time about the need to develop a less cumbersome means by which needed increases in appropriation ceilings and selected kinds of boundary changes in units of the national park system can be considered both by the Congress and within the executive branch. At the same time the Department believes such a method should be limited in its application to only those changes which are both necessary to implement the individual project and are consistent with the basic legislation authorizing a particular park service area. In cases where a change, regardless of how desirable it may be, would substantially alter the existing authorization insofar as the size, cost, or the general character of an existing area, the Department believes that separate legislation is desirable.

The Department has developed criteria which was used in the selection of the eighteen projects included in the proposal submitted by the Administration and it is contemplated that these same guidelines will be applied to future similar omnibus proposals. This procedure of combining a number of established and active units of the park system under one act appears highly desirable and from a practical standpoint would eliminate a considerable number of individual hearings on these separate projects.

ADMINISTRATIVE CRITERIA FOR OMNIBUS PROPOSALS RELATING TO EXISTING AREAS OF THE NATIONAL PARK SYSTEM

The National Park Service has considered a project for inclusion in omnibus proposals if the amendment to the original act meets one of the following criteria:

1. The proposed amendment is substantially in accord with the legislation establishing the area, and the proposed amendment is necessary to adjust or "round out" boundaries of existing areas to meet new management needs.

2. The proposed amendment is needed to authorize increasecd appropriations to complete land acquisition and development programs for an existing area, as it is now authorized.

A proposal would not be considered for inclusion in omnibus proposals if it would substantially after the existing authorization insofar as the size, cost, or the general character of the area.

DESCRIPTION

As introduced the bill consists of three titles, all relating to certain existing units of the national park system. Title I increases statutory ceilings in appropriations for land acquisition at eight areas as recommended by the committee; Title II increases statutory ceilings on appropriations for development at three areas; and Title III authorizes boundary revisions at nine areas.

Under Title I, increases in appropriation ceilings for land acquisition are needed for seven areas, as follows:

1. Assateague Island National Seashore, Maryland.—Increase in land acquisition from $16,250,000 to $20,650,000. This increase of $4.4 million is needed to acquire the remaining 2,923 acres of private lands within the authorized seashore boundaries.

There remains $800,000 available for land acquisition under the existing $16,250,000 limitation. We estimate that to complete the land acquisition program using the court's formula for the subdivision lots the sum of $5,200,000 will be needed. This, less the $800,000 already available, indicates a need for an increase in the statutory authorization of $4,400,000 which S. 2601, provides.

2. Big Hole National Battlefield, Montana.—Increase in the land acquisition ceiling from $20,000 to $42,500. The increase is needed for acquisition of the Clemow property, amounting to approximately 120 acres. This property lies within the authorized boundaries on the national battlefield. An option, to buy, in the sum of $22,000, has been agreed to by the owner for some time.

3. Bighorn Canyon National Recreation Area.—Increases the appropriation ceiling from $355,000 to $780,000, thus providing an additional $425,000 for land acquisition and highway improvement.

4. Effigy Mounds National Monument, Iowa.—Land acquisition ceiling increase from $2,000 to $14,000, for the acquisition of approximately 93.7 acres known as the Ferguson Tract. This property contains three small Indian burial mounds, one of which is an outstanding bird effigy. They all illustrate the primary theme of the national monument. Acquisition costs are $12,000; no development is proposed, and no additional staffing or operating costs are anticipated.

5. Fort Donelson National Military Park, Tennessee.—Twenty-one tracts consisting of approximately 22 acres are now urgently needed to enable Park Service personnel to improve interpretation of the historic resources of Fort Donelson, and to eliminate existing traffic hazards by redesigning roads. The proposed ceiling increase is from $226,000 to $454,000, an add-on of $228,000.

6. Lincoln Boyhood National Memorial, Indiana.—The acquisition of the 71.85 acres proposed in this legislation will complete the memorial by adding to it the remaining lands originally patented to Thomas Lincoln in 1827, with the exception of the railroad right-of-way still in use. This will raise the total acreage to 200—the legislative acreage ceiling for the area. The proposed land acquisition increase is from $75,000 to $395,000, an addition of $320,000.

7. Ozark National Scenic Riverways, Missouri.—A further total of about 8,400 acres of private land must be acquired, to assure adequate protection and development of the river resources. The estimated cost of acquiring these additional lands is $2,563,438.

The sum of $1,239,476 is also being requested to pay deficiency judgments on 46 tracts involved in condemnation actions already in progress. Finally, an additional $307,970 is the estimate for moving expenses and relocation benefits as provided by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

Thus, a total of $4,111,000 is needed to complete the land acquisition program for this area, and the bill would amend the 1964 authorization accordingly, from $7 million to $11,111,000.

8. Shiloh National Military Park (Tennessee).—The acquisition of four tracts totalling 191.5 acres, including the site on which historic Shiloh Church stood in 1862, would complete the park in accordance with the master plan.

The acquisition of the tracts will enable the Park Service to eliminate three of four existing accesses, thereby providing more effective control of visitors. For this reason, the bill proposes an increase of $93,000, bringing the new ceiling limitation from $57,100 to $150,100.

Under Title II, increases in appropriation ceilings for development there are:

1. Herbert Hoover National Historic Site (Iowa).—New ceiling authority totalling $3,500,000 is needed to permit the completion of proper visitor facilities at this site. This is an increase of $1,850,000 over the existing limitation of $1,650,000. The additional funds will be used for further land acquisition ($78,000) and general development ($1,772,000).

2. Booker T. Washington National Monument (Virginia).—In order to complete the development for this park, authority is requested to increase development ceiling costs by $400,000. This will permit the elimination of modern structures which intrude on the scene of the living farm, demolition of an existing dwelling, and the construction of three employee residences and appurtenant facilities such as a water supply and sewer system which are urgently needed. Reconstruction of significant historic structures and expansion of a small existing parking lot are also proposed. The proposed ceiling addition will increase the limitation from $200,000 to $600,000.

3. Johnstown Flood National Memorial (Pennsylvania).—The proposed development ceiling increase of $244,600 includes the construction cost of a pedestrian bridge, trails and interpretive facilities. Terrain characteristics at the Croyle Township portion of the memorial preclude development of parking facilities for visitors.

Following are the justifications for boundary changes in nine areas under title III.

1. Adams National Historic Site (Massachusetts).—Acquisition of the Beale property immediately west of the Adams site is sought because of its direct relevance to the historical environment of John Adams' day. Also because of its usefulness as protection for the Adams property against private development in that immediate area.

The cost of adding these 3.68 acres to the national historic site is $122,000. Development costs total $50,000.

2. Fort Caroline National Memorial (Florida).—Here, 12.5 acres have been proposed for donation to enable the Service to round out boundaries by including the remaining acreage of Spanish Pond and providing protection to Shipyard Creek on the western boundary. Parking areas at St. John's Creek and Spanish Pond will be enlarged, and an interpretive facility with exhibits will be placed at Spanish Pond. Utilities will be placed underground. Development costs are estimated at $89,100; no additional costs are anticipated for land acquisition.

3. George Washington Birthplace National Monument (Virginia.)—It is proposed to add 62.3 acres to the national monument. This land is located centrally to the interpretive area of the park—its acquisition will add additional land for the development of the living farm concept. Land acquisition costs are estimated at $57,000.

4. Glacier National Park (Montana).—A boundary change is proposed along the south edge of the park. The flood in 1964 on the Flathead River and its tributary Bear Creek forced the realignment of the Great Northern Railroad tracks in a number of places. A boundary adjustment to conform to the new river and railroad location is needed in order that a clear interpretation of the boundary can be made. This is especially needed during the hunting season. A total of 64.23 acres of parkland will be removed from the park and will become right-of-way of the railroad. Also 4.24 acres of parkland will be removed from the park and will become Forest Service land. One-hundred-sixteen acres of Forest Service land, 117.15 acres of railroad land, and a small tract of private land will in turn become parkland. This tract of privately-owned land, 34.75 acres, would become an inholding within the park, and would be acquired under the general acquisition authority for the park at a cost of $6,000. This will result in a net addition to the park of approximately 199 acres.

5. Isle Royale National Park (Michigan).—Proposed acquisitions include the abandoned Houghton Flour Mill property. The value of the subject tract to the programs of the National Park Service at Isle Royale is inestimable. The land acquisition cost will be approximately $31,500.

6. Johnstown Flood National Memorial (Pennsylvania).—In addition to the increase in funds for development, as authorized in Title II of the bill, there is a need for 53.6 acres over and above the 55 acres authorized by the Congress in 1964. This would provide a buffer zone around a good portion of the site and would involve the purchase of only one 12.24 acre property at a cost of $11,500. The remaining average would be donated by the township.

7. Lassen Volcanic National Park (California).—It is proposed to exclude a tract of land containing approximately 482 acres and transfer it to the Forest Service. A Forest Service access road leading to a fire lookout on West Prospect Peak is located on this tract. In addition to this use, the Forest Service needs this road as an access for a timber sale in Lassen National Forest planned for FY 1973. The transfer of this tract of land would facilitate the management of the park and the Lassen National Forest. There are no costs involved in this transfer.

8. Muir Woods National Monument (California).—This proposal calls for the addition to Muir Woods National Monument of a detached tract of land totalling 49.7 acres which is located on the opposite side of the State highway from the southeastern corner of the Monument. Most of these lands are in what is called the Camp Monte Vista subdivision. While there are a large number of lots and parcels in the subdivision (273), there are only 15 residences. There is also a snack bar-souvenir stand facility (now vacant) called Muir Woods Inn, which was purchased by the National Park Foundation for $110,000 in 1969, and which will be conveyed to the government at cost. The estimated acquisition cost for the 49.7 acres, including relocation costs, is $1,100,000.

At the time of the committee hearing on the bill, certain of the landowners within the proposed taking area for the Muir Woods addition were concerned about their property being taken and their existing uses for school purposes being discontinued. In approving park legislation in the past, the committee has consistently sought fair and equitable treatment of established residents and users of the land to be acquired. In the case of Muir Woods, the committee believes that the owners of lands devoted to private educational purposes should be given appropriate assurances that their land can continue in its present use for a reasonable time. The normal periods of retained use and occupancy are for the owner's lifetime, in the case of a natural person, or for a period of up to 25 years. The committee understands that the Park Service will negotiate continued use and occupancy rights with the

owners of the private schools affected on that basis. In such event the owners will receive full fair market value for their property with deductions appropriate to the term of use and occupancy retained by the owner.

9. *Petersburg National Battlefield (Virginia).*—An agreement has been reached whereby two areas of Petersburg National Battlefield not needed for park purposes, known as Flank and Defense Road—1.92 and 5.12 miles in length, respectively—will be transferred to the City of Petersburg, Virginia. The total land volume is approximately 258 acres. The proposed transfer will eliminate property no longer of value to the park, having been practically incorporated in the expansion of the City of Petersburg and no longer manageable as part of the park. There are no costs involved to the government; rather, it is expected that some savings will result.

COMMITTEE AMENDMENTS TO S. 2801

1. On page 1, line 9, strike "section II" and insert in lieu thereof "section 11". This is an editorial amendment.

2. On page 2, after line 12, insert the following new paragraph (3) and renumber the succeeding paragraphs in title I accordingly:

(3) Bighorn Canyon National Recreation Area, Wyoming and Montana: section 5 of the Act of October 15, 1966 (80 Stat. 913), is amended by changing '$355,000' to '$780,000';

The amendment increases the amount authorized for land acquisition at Bighorn Canyon Recreation Area from $355,000 to $780,000, an increase of $425,000. This additional sum, together with the amount of $165,000 presently available under the existing authorization is needed to complete the acquisition of lands and easements needed for the transpark road from the Horseshoe Bend area in Wyoming to the development area at Afterbay, near Fort Smith, Montana.

3. On page 2, after the semicolon in line 25, insert the following:

and section 2 of such Act is amended by revising the third sentence to read as follows: "Land and waters owned by the State of Missouri within such area may be acquired only with the consent of the State and, notwithstanding any other provision of law, subject to provision for reversion to such State conditioned upon continued use of the property for park purposes.";

This amendment is curative in nature. It would provide specific Congressional consent to enable the Department of the Interior to accept the donation of certain State park lands, upon which improvements are to be constructed, under a reverter provision. A statute of the Missouri legislature has specified that these donated State park lands must be continued in park use and must receive initial development expenditures within three years of the date of donation; otherwise the statute provides for reversion of the lands to State ownership. Three key properties are involved in the donation, as conveyed by deed of December 5, 1969: Big Spring, Round Spring, and Alley Spring State Parks.

In the opinion of the Department of Justice, title to these lands, upon which the Department of the Interior intends to place needed facilities, cannot be approved without the enactment of legislation to authorize acceptance of the property subject to the reversion if it is not used for park purposes. This Committee is of the opinion that Congressional action would be required to devote Federal park lands to any other uses, and it is not aware of any recent case in which the Congress has done so. The amendment would expressly cure the objection to the acceptance of the three State parks which has been raised by the Department of Justice.

4. On page 4, line 12, strike "233.15 acres" and insert in lieu thereof "267.90 acres". This amendment is needed to correct a clerical error in addition which was contained in the legislation submitted by the Department of the Interior.

ALBERT G. FELLER AND FLORA FELLER

The bill (S. 247) for the relief of Albert G. Feller and Flora Feller was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 247

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Albert G. Feller and Flora Feller, of Ketchikan, Alaska, the sum of $267.12, representing the cost to them of having the body of their deceased son transported from Anchorage, Alaska, to Ketchikan, Alaska, such son having drowned prior to returning from his United States Army preinduction physical examination in Anchorage.

SEC. 2. No part of the amount appropriated in this Act in excess of 20 per centum shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same is unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed $1,000.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–455), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to authorize and direct the payment of $267.12 to Albert G. and Flora Feller representing the cost to them of having the body of their deceased son transported from Anchorage, Alaska, to Ketchikan, Alaska, such son having drowned prior to returning from his U.S. Army preinduction physical examination in Anchorage.

STATEMENT

The facts of the case were set out by the Department of the Army in its favorable report on a similar bill of the 91st Congress, S. 2835, and are as follows:

The Department of the Army has no records concerning Albert G. Feller, Jr., son of Albert G. and Flora Feller, of Ketchikan, Alaska, but the following information was secured from the claimants, the Veterans of Foreign Wars, Juneau, Alaska, and the Selective Service System. In May 1966, Albert G. Feller, Jr., a selective service registrant, was given a transportation request by the Selective Service System to cover his necessary travel from Ketchikan to Anchorage, Alaska, for the purpose of being inducted into the Army. Mr. Feller reported to the induction center on May 24, 1966, but he did not meet existing standards for induction and was rejected. Mr. Feller was given another transportation request for the return travel to Ketchikan, and was scheduled to depart on May 26, 1966. On May 30, 1966, Mr. Feller drowned while swimming in Big Lake near Anchorage, Alaska. The transportation request was returned to the issuing agency, and Mr. Feller's body was shipped home at the expense of his parents.

All administrative claims made by the parents for reimbursement of transportation expenses for their son's body were denied by the Department of the Army on the ground that Mr. Feller had never acquired military status and no authority existed for payment. The Selective Service System also rejected claims by Mr. and Mrs. Feller for reimbursement on the ground that it had no authority to make payment. The pertinent Army regulation (AR 606–270, para. 12) in force at the time of Mr. Feller's death states that: "For registrants for induction, financial responsibility for transportation, meals, and lodging, while traveling to and from AFEES-Selective Service System [is responsible agency]." If Mr. Feller had lived, this provision would have covered his return transportation.

Mr. Feller traveled to Anchorage to report for induction. The United States was obligated to provide him with transportation to his home in Ketchikan. His untimely death terminated this obligation. There is no statutory or regulatory authority permitting administrative settlement of this claim. It is the opinion of the Department of the Army that it would be equitable to reimburse the parents under the unusual circumstances of this case.

The cost of the bill, if enacted, would be $267.12.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee.

The committee, after a review of the foregoing, believes that the bill is meritorious and recommends favorable consideration of S. 247, without amendment.

LUIS C. GUERRERO, GUADELUPE GUERRERO, AND ALFREDO GUERRERO

The Senate proceeded to consider the bill (S. 641) for the relief of Luis C. Guerrero, Guadelupe Guerrero, and Alfredo Guerrero which had been reported from the Committee on the Judiciary with an amendment on page 1, line 4, after the word "Act", strike out "Luis C. Guerrero, Guadelupe Guerrero, and Alfredo Guerrero" and insert Luis Guerrero-Chavez, Guadelupe Guerrero-Chavez, and Alfredo Guerrero-Chavez"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Luis Guerrero-Chavez, Guadalupe Guerrero-Chavez, and Alfredo Guerrero-Chavez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of May 20, 1958, and the periods of time each of them has resided in the United States since that date shall be held and considered to meet the residence and physical requirements of section 316 of such Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Luis Guerrero-Chavez, Guadalupe Guerrero-Chavez, and Alfredo Guerrero-Chavez."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–480), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill as amended is to enable the beneficiaries to file petitions for naturalization. The bill has been amended to reflect the proper names of the beneficiaries.

DR. BIMAN K. KHASTAGIR

The Senate proceeded to consider the bill (S. 1299) for the relief of Dr. Biman K. Kastagir which had been reported from the Committee on the Judiciary with an amendment in line 4, after the word "Act", strike out "Doctor Biman K. Kastagir" and insert "Doctor Biman K. Khastagir"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That, for the purpose of the Immigration and Nationality Act, Doctor Biman K. Khastagir shall be held and considered to have been lawfully admitted to the United States for permanent residence as of April 27, 1965.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Doctor Biman K. Khastagir."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–481), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to enable the beneficiary to file a petition for naturalization. The bill has been amended to correct the spelling of the beneficiary's name.

DR. ALFREDO R. SOLIVA

The Senate proceeded to consider the bill (S. 1436) for the relief of Dr. Alfredo R. Soliva which had been reported from the Committee on the Judiciary with an amendment on page 1, line 4, after the word "Act", strike out "Doctor Alfredo R. Soliva" and insert "Doctor Alfredo Rivera Soliva"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of the Immigration and Nationality Act, Doctor Alfredo Rivera Soliva shall be held and considered to have been lawfully admitted to the United States for permanent residence as of June 26, 1964, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Doctor Alfredo Rivera Soliva".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–482), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to enable the beneficiary to file a petition for naturalization. The bill has been amended to correct the spelling of the beneficiary's name.

HAROLD DONALD KOZA

The bill (S. 1923) for the relief of Harold Donald Koza was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Harold Donald Koza, lieutenant, United States Navy, retired, of Dothan, Alabama, is hereby relieved of all liability to repay the United States the sum of $4,583.28, representing overpayments of salary paid to him for services he performed as a civilian employee of the United States Army Aviation Center, Fort Rucker, Alabama, for the periods from February 24, 1964, through November 30, 1964, and April 18, 1965, through May 28, 1965, the said Harold Donald Koza having been appointed to such civilian position on February 24, 1964, in violation of section 2 of the Act of July 31, 1894 (repealed effective November 30, 1964), which prohibited the employment of certain retired military officers in a civilian position, and subsequently having been erroneously granted a step-increase and grade promotion based in part upon his illegal period employment prior to December 1, 1964. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States full credit shall be given for the amount for which liability is relieved by this Act.

(b) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Harold Donald Koza the sum of any amounts received or withheld from him on account of the overpayments referred to in subsection (a) of this section.

SEC. 2. (a) For the purposes of all laws, rules, and regulations conferring rights and benefits on Federal employees, including, but not limited to, civil service status, retirement, and retention rights, the service performed by the said Harold Donald Koza from February 24, 1964, through November 30, 1964, as a civilian employee of the Department of the Army shall be held and considered to be valid and creditable Federal service.

(b) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Harold Donald Koza an amount equal to the difference between the salary received by him as a civilian employee of the United States at Fort Rucker, Alabama, for the period from May 29, 1965, to the date of enactment of this Act, and the salary he would have received for such period had he been promoted from step 2 of grade GS–7 to step 1 of grade GS–9 effective as of April 18, 1965.

SEC. 3. No part of the amounts appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claims referred to in this Act, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to enable the beneficiary to file a petition for naturalization. The bill has been amended to correct the spelling of the beneficiary's name.

JUN JUEN CHIU YEE (JUN JUEN McNEELY YEE)

The Senate proceeded to consider the bill (S. 2048) for the relief of Jun Juen Chiu Yee (Jun Juen McNeely Yee) which had been reported from the Committee on the Judiciary with an amendment on page 1, line 4, after the word "Act", strike out "Mrs. Jun Kuen Chiu Yee" and insert "Mrs. Jun Kuen Chiu Yee (Jun Kuen McNeely Yee)"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(4) and 204 of the Immigration and Nationality Act, Mrs. Jun Kuen Chiu Yee (Jun Kuen McNeely Yee) shall be held and considered to be the natural-born alien daughter of Mrs. Charlene A. McNeeley, a citizen of the United States: *Provided,* That no natural parent of the beneficiary, by virtue of such parentage, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Mrs. Jun Kuen Chiu Yee (Jun Kuen McNeely Yee)".

JOSE AMARAL DE SOUZA

The Senate proceeded to consider the bill (S. 1481) for the relief of Jose Amaral de Souza which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, the periods of time Jose Amaral de Souza resided in the United States since January 22, 1956, shall be held and considered to meet the residence and physical presence requirements of section 316 of the said Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–479), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill as amended is to enable the beneficiary to file a petition for naturalization. The bill has been amended in accordance with established precedents.

DEPORTATION OF MONG WAH LEONG

The resolution (S. Res. 194) opposing the suspension of deportation of Mong Wah Leong was considered and agreed to, as follows:

Resolved, That the Senate does not favor the suspension of deportation in the case of the alien hereinafter named in which case the Attorney General has suspended deportation pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended (8 U.S.C. 1254; 76 Stat. 1247):

A–8912950, Leong, Mong Wah

XUM

ROBERT REXROAT

The bill (S. 1089) for the relief of Robert Rexroat was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Robert Rexroat may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Robert Stanley Rexroat, a citizen of the United States, pursuant to section 204 of the Act: *Provided,* That the brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-456), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in an immediate relative status of the alien child adopted by a citizen of the United States and his lawful permanent resident wife.

ANTONIO PLAMERAS

The bill (S. 1675) for the relief of Antonio Plameras was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Antonio Plameras may be classified as a child within the meaning of section 101(b)(1)(F) of such Act, upon the filing of a petition in his behalf by Dorothy Person, a citizen of the United States, pursuant to section 204 of such Act. The natural brothers or sisters of the said Antonio Plameras shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-457), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in an immediate relative status of the alien child to be adopted by a citizen of the United States.

RUTH V. HAWLEY, MARVIN E. KRELL, ALAINE E. BENIC, AND GERALD L. THAYER

The bill (H.R. 1836) for the relief of Ruth V. Hawley, Marvin E. Krell, Alaine E. Benic, and Gerald L. Thayer was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-460), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to authorize the Postmaster General, on such terms as he deems just, to compromise, release, or discharge in whole or in part the individual liabilities of four employees of the Post Office at Clare, Mich., for losses resulting from a burglary at that post office on the night of April 27, 1968.

STATEMENT

The facts of the case is contained in the House Report (No. 92-107) are as follows:

The Post Office Department in its report to the committee on a bill in the 91st Congress recommended relief in the form provided in the committee amendment and stated that it would favor the enactment of a bill in that form.

As is noted in the bill, the liability of the four clerks named in the bill resulted from losses due to a burglary on the night of April 27, 1968. The Post Office at Clare, Mich., was burglarized on that night. The burglars gained entry into the post office through a basement door by breaking the lock and splintering the door. An attempt was made to break into the walkin vault of the post office but the attempt failed. Investigation disclosed that Government loss of $1,237.16 was incurred when the vandals ransacked the envelope drawers of the four clerks causing shortages in stamp stock as follows:

Ruth V. Hawley	$528.37
Marvin E. Krell	305.78
Alaine E. Benic	303.14
Gerald L. Thayer	99.87
Total	1,237.16

The postmaster's claim for credit due to the loss was disallowed because the clerks had failed to place their stamp stock in the vault after their tour of duty ended, as required by postal regulations (Postal Manual 321.2).

Under existing law the Department has no alternative but to charge losses of this character to the postmaster or other employees whose negligence contributed to the loss. The Department noted that this practice is not in accord with current viewpoints of enlightened personnel management. Although liability is expressed in terms of compensating the Government for its loss, it must be looked upon realistically as a punishment and its enforcement as a deterent against future negligence.

The Post Office Department recognizes that the assessment of liability as punishment is capricious. This is illustrated by this case in which the liability of the clerks varies from $528.37 to $99.87, although their fault was the same. Other equitable considerations likewise cannot be evaluated under current law.

In recommending the provision for administrative relief as provided in the amended bill, the Department stated:

"We believe some relief might be granted in this case. However, consideration should also be given to the fact that the employees were negligent. For the foregoing reason, we believe the bill should be amended to provide that the Postmaster General, upon a determination that it is appropriate to do so, is authorized to relieve the employees named on such terms as the Postmaster General deems just and expedient of liability in whole or in part with respect to the transaction involved."

This language recommended by the Department provides the most practical means for reaching a just result in this case. It will enable the Postmaster General to grant relief in a manner which will recognize the interest of the Government, and the interest of each employee. In this connection it can be noted that the recently enacted revision of the postal laws which will take effect in the future provides similar authority for relief in section 2601 of revised title 39 of the United States Code.

The Committee agrees with both the recommendation of the Department and the views offered by the House. Accordingly, it is of the opinion that the bill be considered favorably.

BERNADETTE HAN BRUNDAGE

The bill (H.R. 1867) for the relief of Bernadette Han Brundage was considered, ordered to a third reading, read the third time, and passed.

MRS. MARIA G. ORSINI (NEE MARI)

The bill (H.R. 1899) for the relief of Mrs. Maria G. Orsini (nee Mari) was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-462), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Mrs. Maria G. Orsini (nee Mari). The bill provides for an appropriate visa number deduction and for the payment of the required visa fee.

JESUS MANUEL CABRAL

The bill (H.R. 1931) for the relief of Jesus Manuel Cabral was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-463), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to cancel outstanding deportation proceedings in the case of Jesus Manuel Cabral.

DAH MI KIM

The bill (H.R. 1962) for the relief of Dah Mi Kim was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-464), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States as an immediate relative of the alien child to be adopted by citizens of the United States, notwithstanding the fact that they previously adopted two alien children.

MRS. ANDREE SIMONE VAN MOPPES AND HER SON, ALAIN VAN MOPPES

The bill (H.R. 1970) for the relief of Mrs. Andree Simone Van Moppes and her son, Alain Van Moppes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-465), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to preserve second preference status for the widow and son of a lawful resident alien, which is the status to which they would have been entitled were it not for the death of their husband and father.

PARK OK SOO AND NOH MI OK

The bill (H.R. 2087) for the relief of Park Ok Soo and Noh Mi Ok was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-466), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States as immediate relatives of two alien children to be adopted by a U.S. citizen.

JOSE BETTENCOURT DE SIMAS

The bill (H.R. 2107) for the relief of Jose Bettencourt de Simas was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-467), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to waive the excluding provision of existing law relating to one who has been convicted of a crime involving moral turpitude in behalf of the son of a U.S. citizen.

NEMESIO GOMEZ-SANCHEZ

The bill (H.R. 2108) for the relief of Nemesio Gomez-Sanchez was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-468), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable Nemesio Gomez-Sanchez to be classified as a returning resident alien.

LOUIS A. GERBERT

The bill (H.R. 2408) for the relief of Louis A. Gerbert was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-469), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Louis A. Gerbert, of Grand Rapids, Mich., of liability of $820.75 for shipping charges arising in connection with the shipment, in 1966, of certain personal and other property from San Diego, Calif., to Grand Rapids, Mich., when he was on active duty with the Navy. The bill would authorize the refund of any amounts withheld or repaid because of that liability.

STATEMENT

The facts of the case, as contained in the House report, are as follows:

"The shipment referred to in the bill was made at the time that Louis A. Gerbert, then a chief petty officer in the U.S. Navy, was being transferred from the staff of the commander, Cruiser-Destroyer Force, U.S. Pacific Fleet, San Diego, Calif., to the U.S. Naval Communication Station, Stockton, Calif. At the time of his transfer he had his household goods moved to his home of record, Grand Rapids, Mich., rather than to Stockton, Calif.

"By authority of 37 U.S.C. 406(b) Petty Officer Gerbert was entitled to have his household goods moved to his new duty station of Stockton, Calif., at Government expense. On May 10, 1966, about 1 month prior to the actual movement of his goods, he signed a standard application form titled "Application For Shipment of Household Goods" (DD 1299) requesting shipment of his household goods to Grand Rapids, Mich.

"The committee has secured additional information concerning this move including that contained in a supplemental report from the Navy. The Navy has indicated its opposition to relief in this instance. As is indicated in its reports and in that of the Comptroller General, relief is opposed on the ground that, except in the case of prior authorization, shipment was not authorized to Grand Rapids. The liability is based on the fact that the orders to Stockton would only result in payment for shipment for the distance from San Diego and Stockton.

"The committee sought additional information on the circumstances of this move because of a paragraph in the Comptroller General's report which stated that the records available to the General Accounting Office indicate that Mr. Gerbert requested shipment to his home rather than to his new station for personal reasons and that those reasons included the fact that his wife was ill. The additional information supplied the committee disclosed that Mr. Gerbert has a wife and four children. Navy records also indicated that the health condition of one of his daughters may also have influenced his decision to send his family home to Grand Rapids. It should also be noted that because the family made this move no shipments were made to Stockton or subsequently from Stockton to Grand Rapids. In this connection it should be noted that as a chief petty officer with nearly 15 years of naval service, Mr. Gerbert was entitled to shipment of his household goods from his last duty station to his home of record at the end of his enlistment. In other words, he would have been entitled to shipment of his household goods from Stockton to Grand Rapids at Government expense. In view of these facts and in view of the indication in the General Accounting Office report that Mr. Gerbert may have received misleading information concerning his rights to have the Government bear the cost of shipment from San Diego, Calif. to Grand Rapids, it is recommended that the bill be considered favorably."

In agreement with the view of the House, the committee believes that the bill is meritorious and recommends favorable consideration of H.R. 2408 without amendment.

MIGUELITO YBUT BENEDICTO

The bill (H.R. 2706) for the relief of Miguelito Ybut Benedicto was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-470), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States as an immediate relative of the alien adopted son of a U.S. citizen.

IN KYONG YI

The bill (H.R. 2803) for the relief of In Kyong Yi was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-471), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States as an immediate relative of the alien child to be adopted by a citizen of the United States.

REA REPUBLICA RAMOS

The bill (H.R. 2814) for the relief of Rea Republica Ramos was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-472), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the adjustment of status as an immediate relative of the alien adopted daughter of U.S. citizens.

MARY JAMES KATES

The bill (H.R. 3041) for the relief of Mary James Kates, owner of the Gladewater Daily Mirror, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–473), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Mary James Kates, owner and publisher of the Gladewater Daily Mirror, of liability in the amount of $746.63 for revenue deficiency resulting from errors on postage on second-class material at the post office at Gladewater, Tex., in the period from October 26, 1966, to November 8, 1967. The bill would authorize the refund of any amounts repaid or withheld by reason of the liability.

STATEMENT

As originally introduced in the House of Representatives, H.R. 3041 was for the relief of Postmaster John Harwin Parrish and Mary James Kates. Subsequently the House Judiciary Committee amended H.R. 3041 deleting John Harwin Parrish from the bill since he had been relieved of liability by the Comptroller General.

In its favorable report on the bill as amended, the Committee on the Judiciary of the House of Representatives said:

"The Postal Service in its report to the committee on the bill stated that it would have no objection to its enactment because it had determined that honest mistakes were made which led to the revenue deficiency and that the publisher relied in good faith on advice received from the Postal Service at the regional headquarters in Dallas, Tex.

"The Post Office has advised the committee that its records disclose that during the period of November 2, 1966, through June 1, 1967, mailings of the Daily Mirror were accepted at the bulk third-class postage rate, when the second-class transient rate (39 U.S.C. 4362) was the rate properly chargeable to the publisher. In so accepting these mailings, both the postmaster and the publisher relied on the advice from the Postal Services Center at regional headquarters in Dallas. The advice received was erroneous, with the result that a postage deficiency occurred in the amount of $746.63.

"The additional information submitted to the committee indicates that the Gladewater Daily Mirror began publishing a shopper edition of the newspaper. This edition was to come out once a month and the publisher contacted the post office to secure the necessary permit for mailing. It was planned to mail slightly less than 6,000 additional copies of the paper to be sent to the rural route areas surrounding the city of Gladewater, Tex. It was in this period that the postmaster and the representative of the newspaper contacted the regional headquarters office of the post office in Dallas to verify the exact procedure to be followed in connection with these mailings. As the mailings were continued, the newspaper contacted the post office from time to time to check on the accuracy of the procedures they were following. It was not until 1967 that the postmaster received a question concerning the procedures being followed because of a post office bulletin he had received. A postal inspector reviewed the matter and it appears that he made some suggestion concerning a change of format but still the newspaper was not advised that the rates should be changed. As was indicated in the department report, it was ultimately determined in November of 1967 that the previous advice was erroneous and that the newspaper owed a postal deficiency.

"The Department, after a review of the matter, concluded that it would have no objection to the enactment of relief legislation. In this connection the Department stated:

"'The Department is satisfied that honest mistakes were made in this case which led to the revenue deficiency. Legally, the Daily Mirror is liable for the deficiency. On the other hand, it is also clear that the publisher relied in good faith on the erroneous advice received from Dallas, and that without fault on its part, the publication is now liable in the amount of $746.63 because of the administrative error. In the light of the circumstances, the Department would have no objection to the enactment of relief legislation in this case.

"'It should be pointed out that Postmaster Parrish has already been relieved of liability in this matter by the Comptroller General. Therefore, should the committee give favorable consideration to H.R. 3041, the bill should be amended accordingly.'

"In view of the facts outlined above and in the quotation from the departmental report, the committee has concluded that this is a proper matter for legislative relief. The Department has recommended that the bill be amended to show the amount of the deficiency as $746.63 and that the name of the postmaster be deleted from the bill because the postmaster has already been relieved of liability in the matter by the Comptroller General of the United States. These amendments are recommended by the committee and it is further recommended that the amended bill be considered favorably."

The committee believes the bill is meritorious and recommends it favorably.

RONNIE B. (MALIT) MORRIS AND HENRY B. (MALIT) MORRIS

The bill (H.R. 3082) for the relief of Ronnie B. (Malit) Morris and Henry B. (Malit) Morris was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–474), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States of the adopted sons of a U.S. citizen as immediate relatives.

MRS. MAURICIA A. BUENSALIDO AND HER MINOR CHILDREN, RAYMOND A. BUENSALIDO AND JACQUELINE A. BUENSALIDO

The bill (H.R. 3383) for the relief of Mrs. Mauricia A. Buensalido and her minor children, Raymond A. Buensalido and Jacqueline A. Buensalido was considered, order to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–459), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Mrs. Mauricia A. Buensalido and her minor children, Raymond A. Buensalido and Jacqueline A. Buensalido. The bill provides for appropriate visa number deductions and for the payment of the required visa fees.

HELEN TZIMINADIS

The bill (H.R. 3425) for the relief of Helen Tziminadis was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–475), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant first preference immigrant status to the adopted daughter of U.S. citizens, which is the status normally enjoyed by the natural-born alien sons and daughters of citizens of the United States.

PAUL ANTHONY KELLY

The bill (H.R. 3475) for the relief of Paul Anthony Kelly was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–476), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to waive applicable time limitations to permit the consideration and settlement of a claim under section 2733 of title 10, United States Code, in behalf of Paul Anthony Kelly, a minor, of Troy, N.C., for physical injuries he suffered on or about February 1, 1964, as the result of the explosion of a device left after an Army maneuver in the Uwharrie National Forest. The bill provides that a claim which was filed on or about July 7, 1966, shall be held and considered to have been timely filed and shall be considered, and, if found meritorious, settled and paid in accordance with otherwise applicable provisions of law.

STATEMENT

The facts of the case as contained in the House Report (No. 92–77) are as follows:

"The Department of the Army in a report to the committee on a bill for the relief of Paul Anthony Kelly in the 90th Congress indicated that it would have no objection to a bill waiving the applicable statute of limitations and authorized the settlement of the Kelly claim. The bill introduced in the present Congress, H.R. 8904, has been drafted to conform with the suggestion of the Department of the Army in that report.

"The accident giving rise to the claim referred to in the bill occurred on February 1, 1964, when Paul Anthony Kelly, then age 11, and two companions hitchhiked 9 miles from their homes in Troy, N.C., to Ophir, N.C., 'to see the Army camp' located nearby. They stopped to play in an adjacent community dump where Paul found a gray object, later identified as a grenade simulator. The boys exposed the main charge

of the device and Paul ignited the powder with a match. The resulting explosion burned his face and right arm and hand. The boys were taken home by a passing motorist, and Paul was taken to the Montgomery Memorial Hospital by his mother. He was treated for first and second degree burns of the face, and second degree burns of the right hand and wrist. On February 5, 1964, he was transferred to Womack Hospital at Fort Bragg, N.C., where his burns healed rapidly and he was discharged on February 17, 1964.

"Investigation by the Army reveals that grenade simulators identical to the one which injured Paul, had been used by the Army in a maneuver near the Uwharrie community dump 1 week prior to the accident. After carefully policing the area for unexpended ammunition and debris, Army personnel threw the refuse into the dump, soaked it with gasoline, and burned it. Apparently the simulator which injured Paul survived this procedure intact.

"The Army in its report stated that immediately after the accident Mrs. Ruth Kelly, Paul's mother, retained an attorney in Charleston, S.C., to seek redress for Paul's injuries. On February 8, 1964, the attorney requested claims information from the Army and then, in January of 1965, released control of the case to another attorney in Kannapolis, N.C. On July 7, 1966, the Kannapolis attorney forwarded a claim (dated July 5, 1966) for $4,000 for Paul's injuries and resulting medical expense to Headquarters XVIII Airborne Corps and Fort Bragg. The claim was received at Headquarters XVIII Airborne Corps and Fort Bragg on July 11, 1966. The Department of the Army was without statutory authority to pay the claim because the claim was not timely filed (10 U.S.C. § 2733), and the quantum of damages could not be determined from the evidence furnished the Department.

"The Army in its report in the 90th Congress pointed out that the authorization for the payment of a lump sum such as was proposed in the bill in that Congress would have been preferential and discriminatory in that it would substitute legislative action for the normal procedures provided for claims settlement under the Military Claims Act provisions of section 2733 of title 10, United States Code. The committee agrees that matters of this type should be settled in accordance with the authority and procedures provided for in that section. As has been noted, the bill, H.R. 8904, is consistent with this conclusion for it provides that the settlement of the claim is to be made under the procedures of section 2733 of title 10. The bill merely provides for a waiver of the applicable statute of limitations and the recognition of the claim filed on or about July 7, 1966, as a timely claim.

"In its report, the Army indicated that should the Congress find sufficient basis for the waiver of the statute in this instance, it would not object to relief. The committee has carefully considered the facts of the matter and concludes that the most equitable and just resolution of that matter would be to extend the relief provided by this bill. Here is a case where the child's mother sought legal advice immediately after the accident to determine what steps could be taken to obtain redress for the boy's injuries. While the attorney promptly requested information concerning the filing of a claim, apparently no action was taken by him until the matter was turned over to a second attorney in January of 1965. Here again there was a delay on the part of the second attorney and when the claim was ultimately filed, the 2-year statute of limitations had expired. The committee has concluded that the mother had shown diligence in seeking professional assistance in asserting the claim and therefore was diligent and prompt in seeking to protect the rights of the injured minor. Secondly it must be remembered that the person most directly prejudiced by the failure to file the claim is the boy himself. It is clearly unfair to impute to him delays on the part of other persons over which he would normally have no control. This is not a matter in which the facts and records are unavailable to the Government and it does not appear that the Government has therefore been prejudiced by the delay in this instance. Accordingly, it is recommended that the bill be considered favorably."

In agreement with the views of the House of Representatives, this committee likewise recommends favorable consideration of H.R. 3475.

THE AMERICAN JOURNAL OF NURSING

The bill (H.R. 5422) for the relief of The American Journal of Nursing was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–477), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to authorize the Comptroller General to settle the claim of the American Journal of Nursing for an advertisement carried by that journal in its August 1966 issue for the Department of Health, Education, and Welfare. The bill would authorize the settlement of the claim in the amount of $238.50 and make the payment payable from the appropriation "Hospitals and medical care, Public Health Service, 1967."

STATEMENT

The bill H.R. 5422 was introduced in accordance with the recommendations of the Comptroller General transmitted to the Congress in accordance with the provisions of section 236, title 31, of the United States Code, as a meritorious claim.

The August 1966 issue of the American Journal of Nursing carried an advertisement placed by the Public Health Service of the Department of Health, Education, and Welfare, advertising the fact that there was a vacancy in the position of nurse anesthetist on a public Health Service surgical team at Da Nang in South Vietnam. The bill for this advertising has not been paid by the Government because the advertisement was placed by telephone in advance of written authorization. The Bureau of Medical Services of the Public Health Service wanted to expedite the advertisement and desired to assure its appearance in the August issue of the American Journal of Nursing. The Comptroller General has observed that his action was taken in good faith and a requisition confirming the order was prepared on June 30, 1966, and approved by proper authority on August 5, 1966; however, the governing statute required proper written authorization prior to publication. The subsequent ratification of the placing of the advertisement was held not to comply with the terms of the statute.

The report of the Comptroller General to the Congress noted that the Bureau of Medical Services of the Public Health Service under an agreement with the Agency for International Development operates two surgical teams in South Vietnam. The teams are located in Da Nang and Nha Trang. The teams provide surgical care for the Vietnamese civilian population and their work involves treatment of casualties who are primarily war casualties. In June of 1966, the Bureau of Medical Services was faced with an unanticipated nurse anesthetist vacancy on the surgical team at Da Nang. The best method to recruit individuals for positions on the teams had been by notice in professional journals. The decision was, therefore, made to place an advertisement in the American Journal of Nursing in the same manner as had been done on previous occasions. As has been noted, the order for the advertising was placed by telephone because of the need to expedite the advertising and in order to place it in the August issue of the journal. The problem, of course, is that the technical requirement of prior written authorization was not complied with in time and the attempt to cure the discrepancy by subsequent confirmation was not effective.

In recommending this bill, the Comptroller General stated that it was the conclusion of the General Accounting Office that the exigencies of the Vietnam situation, the urgency of the recruitment need, and the fact that the services were ordered and rendered in good faith, constitute such elements of equity as to warrant favorable consideration of the claim by the Congress. The General Accounting Office therefore recommended that payment of the claim be authorized. The committee has carefully considered the facts set forth in the letter of the Comptroller General and agrees that relief is clearly required in this case. Accordingly, it is recommended that the bill be considered favorably.

EUGENE M. SIMS, SR.

The bill (H.R. 7085) for the relief of Eugene M. Sims, Sr., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 92–478), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation is to authorize the Secretary of the Army to settle the claim of Eugene M. Sims, Sr., based upon the loss of personal property while on active duty in the U.S. Army in Korea in 1950 by providing that it is to be held and considered as a claim cognizable under section 241 of title 31 of the United States Code. The Secretary of the Army would be authorized and directed to consider, settle, and if found meritorious, pay a claim based upon the said loss, if filed by the said Eugene M. Sims, Sr., within 1 year of the date of approval of this act.

STATEMENT

The facts of the case as contained in House Report 1070 of the 91st Congress on an identical bill (H.R. 14449) are as follows:

The Department of the Army in its report to the committee on the bill stated that it would not object to its enactment should the Congress find that the facts justify the relief provided by the bill.

The claim which is referred to in the bill arose during the Army service of Eugene M. Sims in Korea. The Army states that its search discloses only that Mr. Sims contacted the Army concerning the claim on March 30, 1965. Subsequent letters written by Mr. Sims and his attorney resulted in comprehensive searches but no record of any claim could be found, and no information was discovered which would confirm or deny the following version of the loss given by the claimant. Mr. Sims states that when his unit arrived in Korea (his recollection is that it was the city of Seoul), the mem-

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bers were told to pack all of their personal items in a box and turn the box in to a designated sergeant who would ship the boxes to the addressees. He packed the box and gave it to the sergeant for shipment to his mother. She never received the box. After completing his combat tour, Mr. Sims departed from Camp Wara, Japan, aboard the *General Brewster* and landed at the San Francisco Port of Embarkation Center in November 1952 (his date is in error). The returning soldiers were assembled in a room and told to fill out claims forms if they had lost items in shipment and the Government would pay for the items. Mr. Sims filled out the claim forms but does not remember the exact date in November 1952 that he completed and filed his claim. In the letter of March 1965, he was unable to recall a complete list of the items that he packed. In subsequent letters he claimed the loss of about $1,600 in currency, gifts of silverware and jewelry, and personal possessions.

When the first claim of record was received in 1965 Mr. Sims was informed that it could not be considered because of the 2-year statute of limitations imposed by the Military Personnel and Civilian Employees' Claims Act of 1964 (31 U.S.C. 241). The private relief bill under consideration would remove this bar.

The committee was supplied with further correspondence from Mr. Sims describing the circumstances of his loss. He states that the box containing his personal effects was sent to his mother, Mrs. Eva Sims Lewis, General Delivery Box 421, Napoleonville, La. He further states that upon arriving home, his mother confirmed that she had not received the box. His mother had written on a number of occasions that the box had not arrived and he states that it was for this reason that he made out a claim in San Francisco, as outlined in the Army report.

The Army in its report states that it is possible that Mr. Sims' claim was lost because of the large number of troops who were being processed at the time he returned to the United States.

CORBIE F. COCHRAN, JR.

The Senate proceeded to consider the bill (H.R. 5419) for the relief of Corbie F. Cochran, Jr., which had been reported from the Committee on the Judiciary with amendments on page 1, at the beginning of line 6, strike out "Junior,"; on page 2, line 1, after the name "Cochran", strike out the comma and "Junior,"; and, in line 10, after the name "Cochran,", strike out "Junior,".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act for the relief of Corbie F. Cochran."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-484), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE AMENDMENTS

The purpose of the amendments is to correctly state the name of the claimant in the bill.

PURPOSE OF THE BILL AS AMENDED

The purpose of the proposed legislation is to provide that an advancement in grade of Corbie F. Cochran as an employee of the Department of the Army is to be deemed to have been made in conformity with the law and to further provide that the employee is to be relieved of any liability based upon the advancement action validated by the provisions of the bill. The bill further provides that any money paid or withheld by reason of the liability referred to shall be refunded.

STATEMENT

The bill H.R. 5419 was introduced in accordance with the recommendation of the Comptroller General of the United States transmitted to the Congress in accordance with the provisions of section 236 of title 31 of the United States Code, as a meritorious claim.

On December 21, 1963, Corbie F. Cochran applied for an appointment as a claims investigator, GS-9, with the Department of the Army at the U.S. Army Transportation Center at Fort Eustis, Va. On March 4, 1964, Mr. Cochran was advised that he had been tentatively selected for that position and that his formal appointment would have to await a security clearance and a report of his medical fitness. While he was awaiting confirmation of his appointment to the position of claims investigator, grade GS-9, with the Department of the Army, he accepted a career-conditional appointment with the Department of Justice, Bureau of Prisons, in the grade of GS-6. This acceptance was made on April 13, 1964, and was his initial employment by the Government. Shortly thereafter, on April 21, 1964, he was notified by the Army that he had been selected as a claims investigator and was asked to report for duty on April 29, 1964. Mr. Cochran, therefore, resigned from his employment with the Department of Justice, effective April 24, 1964, after 12 days employment, and on April 29, 1964, was appointed to the position of claims investigator, grade GS-9, $7,030 per annum, with the Department of the Army. On May 9, 1965, he received a within-grade increase to GS-9, step 2, $7,465 per annum.

As is outlined in the letter of the Comptroller General, the difficulty of this case stems from the fact that section 1310 of the Supplemental Appropriation Act of 1952, 65 Stat. 736, as amended, 5 U.S.C. 43, 1964 ed., footnote, had the effect of barring an advancement from GS-6 to GS-9. This is because the bar specifically applied to any type of appointment, including reemployment and reinstatement made within 1 year after separation from a nontemporary appointment.

Therefore, the advancement of Mr. Cochran to grade GS-9 from grade GS-6 upon his reemployment with the Department of the Army was in contravention of both the statute and applicable regulations.

The commanding officer, Fort Eustice reports that the claimant made known at the time of his reemployment by the Army his brief employment with the Department of Justice, but this information was overlooked in fixing Mr. Cochran's grade and rate of compensation as a result of administrative error.

The error was not discovered until some time in May 1965. On June 1, 1965, the Deputy Chief of Staff for Personnel, Department of the Army, directed that Mr. Cochran's appointment be corrected effective April 20, 1964, to show his entrance grade at GS-6, step 1, $5,235 per annum, with statutory salary increase, effective July 5, 1964, $5,505 and step increase to grade GS-6, step 2, $5,690 per annum, on May 9, 1965. The Deputy Chief of Staff also directed that the resulting overpayment of $2,035.52 be collected from the claimant. On June 20, 1965, Mr. Cochran, having met the year in grade requirement of the Whitten amendment, was promoted to grade GS-7, step 2, $6,250. Both actions were accomplished by personnel journals dated July 30, 1965.

The Comptroller General's letter also points out that in accordance with a proviso in the limiting law, the Civil Service Commission has authorized prospective relief which has the effect of confirming Mr. Cochran's position to grade GS-9, effective as of August 9, 1965. However, this authority on the part of the Civil Service Commission does not authorize retroactive relief. Therefore, notwithstanding the fact that Mr. Cochran performed the duty of a claims investigator in grade GS-9 for over 1 year, he remains indebted to the Government in the amount of $2,035.52, less any repayments, for the difference between the compensation of a person occupying grade GS-6 and that of GS-9

After noting that the commanding officer at Fort Eustis commented favorably upon Mr. Cochran's record, the Comptroller General summarized the reasons for relief in this case as follows:

In this case, however, there are several factors which we believe warrant making an exception. First, the employment accepted by the claimant during the period April 13 to 25, 1964—some 12 days—with the Department of Justice, pending completion of his security clearance by the Department of the Army, was his first employment with the United States and undoubtedly was accepted by the claimant without actual knowledge of provisions of the Whitten amendment and the adverse effect such statute would have upon his contemplated employment with the Department of the Army. Second, Mr. Cochran actually and successfully performed the duties of the grade GS-9 position for over a year as evidenced by the report of his commanding officer. Third, the U.S. Civil Service Commission, after review of the claimant's case, accorded him that prospective equitable relief which is provided by the Whitten amendment as an exception to its time-in-grade requirements and authorized his promotion to grade GS-9, effective August 9, 1965.

In accordance with the recommendation of the Comptroller General and based upon the facts outlined in his letter and referred to in this report, the committee recommends that the bill be favorably considered.

EXTENSION OF TIME FOR SUBMISSION OF REORGANIZATION PLANS

The Senate proceeded to consider the bill (H.R. 6283) to extend the period within which the President may transmit to Congress reorganization plans concerning agencies of the executive branch of the Federal Government, and for other purposes which had been reported from the Committee on Government Operations with an amendment to strike out all after the enacting clause and insert:

That (a) section 901(a) of title 5, United States Code, is amended to read as follows:

"(a) The Congress declares that it is the policy of the United States—

"(1) to promote better execution of the laws, more effective management of the executive branch and of its agencies and functions, and expeditious administration of the public business;

"(2) to reduce expenditures and promote economy to the fullest extent consistent with the efficient operation of the Government;

"(3) to increase the efficiency of the operations of the Government to the fullest extent practicable;

"(4) to group, coordinate, and consolidate agencies and functions of the Government, as nearly as may be, according to major purposes;

"(5) to reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions as may not be necessary for the efficient conduct of the Government; and

"(6) to eliminate overlapping and duplication of effort."

(b) Section 901 of such title is amended by adding at the end thereof the following new subsection:

"(c) The President shall from time to time examine the organization of all agencies and shall determine what changes in such organization are necessary to carry out any policy set forth in subsection (a) of this section."

SEC. 2. (a) Section 903(a) of title 5, United States Code, is amended to read as follows:

"(a) Whenever, the President, after investigation, finds that changes in the organization of agencies are necessary to carry out any policy set forth in section 901(a) of this title, he shall prepare a reorganization plan specifying the reorganizations he finds are necessary. Any plan may provide for—

"(1) the transfer of the whole or a part of an agency, or of the whole or a part of the functions thereof, to the jurisdiction and control of another agency;

"(2) the abolition of all or a part of the functions of an agency;

"(3) the consolidation or coordination of the whole or a part of an agency, or of the whole or a part of the functions thereof, with the whole or a part of another agency or the functions thereof;

"(4) the consolidation or coordination of a part of an agency or the functions thereof with another part of the same agency or the functions thereof;

"(5) the authorization of an officer to delegate any of his functions; or

"(6) the abolition of the whole or a part of an agency which agency or part does not have, or on the taking effect of the reorganization plan will not have, any functions.

The President shall transmit the plan (bearing an identification number) to the Congress together with a declaration that, with respect to each reorganization included in the plan, he has found that the reorganization is necessary to carry out any policy set forth in section 901(a) of this title."

(b) Section 903(b) of such title is amended by inserting after "and to each House while it is in session" a comma and the following: "and furthermore shall not transmit more than one such plan to Congress within any period of thirty consecutive days".

SEC. 3. Section 904 of title 5, United States Code, is amended to read as follows:

"§ 904. Additional contents of reorganization plans

"A reorganization plan transmitted by the President under section 903 of this title—

"(1) may change, in such cases as the President considers necessary, the name of an agency affected by a reorganization and the title of its head, and shall designate the name of an agency resulting from a reorganization and the title of its head;

"(2) may provide for the appointment and pay of the head and one or more officers of an agency (including an agency resulting from a consolidation or other type of reorganization) if the President finds, and in his message transmitting the plan declares, that by reason of a reorganization made by the plan the provisions are necessary;

"(3) shall provide for the transfer or other disposition of the records, property, and personnel affected by a reorganization;

"(4) shall provide for the transfer of such unexpended balances of appropriations, and of other funds, available for use in connection with a function or agency affected by a reorganization, as the President considers necessary by reason of the reorganization for use in connection with the functions affected by the reorganization, or for the use of the agency which shall have the functions after the reorganization plan is effective; and

"(5) shall provide for terminating the affairs of an agency abolished.

A reorganization plan transmitted by the President containing provisions authorized by paragraph (2) of this section may provide that the head of an agency be an individual or a commission or board with more than one member. In the case of an appointment of the head of such an agency, the term of office may not be fixed at more than four years, the pay may not be at a rate in excess of that found by the President to be applicable to comparable officers in the executive branch, and if the appointment is not to a position in the competitive service, it shall be by the President, by and with the advice and consent of the Senate, except that, in the case of an officer of the government of the District of Columbia, it may be by the Commissioner or other body or officer of that government designated in the plan. Any reorganization plan transmitted by the President containing provisions required by paragraph (4) of this section, shall provide for the transfer of unexpended balances only if such balances are used for the purposes for which the appropriation was originally made."

SEC. 4. (a) Section 905(a) of title 5 of the United States Code is amended by striking out "or" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and the word "or", and by adding after paragraph (6) the following new paragraph:

"(7) dealing with more than one logically consistent subject matter."

(b) Section 905(b) of title 5, United States Code, is amended by striking out "April 1, 1971" and inserting in lieu thereof "April 1, 1973".

SEC. 5. Section 911(a) of title 5, United States Code, is amended by striking out "10 calendar days" and inserting in lieu thereof "20 calendar days".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "A bill to extend the period within which the President may transmit to the Congress plans for the reorganization of agencies of the executive branch of the Government, and for other purposes.".

Mr. MANSFIELD. Mr. President, that completes the call of the calendar.

COMMITTEE MEETINGS DURING SENATE SESSION TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senate will now have a period of 30 minutes for the transaction of routine morning business with each Senator limited to 3 minutes.

Is there morning business?

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE NATIONAL DEBT OF THE UNITED STATES

Mr. BYRD of Virginia. Mr. President, as of November 15 the national debt was $412.5 billion.

QUORUM CALL

Mr. BYRD of Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

EXTENSION OF PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business be extended until 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

INTERIM REPORT OF THE RAILROAD PASSENGER CORPORATION

A letter in the nature of an interim report from the chairman of the Financial Advisory Panel of the National Railroad Passenger Corporation; to the Committee on Commerce.

PROPOSED IMPROVEMENT OF JUDICIAL MACHINERY

A letter from the Director, Administrative Office of the United States Courts, Washington, D.C., transmitting a draft of proposed legislation to improve judicial machinery by providing benefits for survivors of federal judges comparable to benefits received by survivors of members of Congress, and for other purposes (with an accompanying

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paper); to the Committee on Post Office and Civil Service.

PETITION

The following petition was submitted:

A resolution from the General Assembly of the Christian Church (Disciples of Christ) meeting in Louisville, Kentucky, October 1971, concerning Indochina; to the Committee on Foreign Relations.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that today, November 19, 1971, he presented to the President of the United States the enrolled bill (S. 2559) to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Commerce, with amendments:

S. 1821. A bill to amend the Federal Aviation Act, as amended, with respect to the transportation of Government traffic by civil air carriers of the United States (Rept. No. 92-503).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

H.R. 3749. An act for the relief of Richard C. Walker (Rept. No. 92-504).

By Mr. JORDAN of North Carolina, from the Committee on Public Works, without amendment:

S. 2887. An original bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes (Rept. No. 92-506).

SENATE RESOLUTION 201—REPORT OF A RESOLUTION RELATING TO EXPENSES OF THE COMMITTEE ON THE JUDICIARY

(Referred to the Committee on Rules and Administration.)

Mr. ERVIN, from the Committee on the Judiciary, reported the following resolutions:

S. RES. 201

Resolved, That section 6 of Senate Resolution 32, 92d Congress, agreed to March 1, 1971, is amended by striking out "$3,000" and inserting in lieu thereof "$10,000".

REPORT ENTITLED "A PRE-WHITE HOUSE CONFERENCE ON AGING, SUMMARY OF DEVELOPMENTS AND DATA"—REPORT OF THE SPECIAL COMMITTEE ON AGING (S. REPT. NO. 92-505)

Mr. CHURCH. Mr. President, I submit a report from the Senate Special Committee on Aging entitled "A Pre-White House Conference on Aging, Summary of Developments and Data," together with minority and supplemental views.

The PRESIDING OFFICER. The report will be received and printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations and a treaty were submitted:

By Mr. FULBRIGHT and Mr. WILLIAMS, jointly, from the Committees on Foreign Relations and Labor and Public Welfare:

Joseph H. Blatchford, of California, to be Director of Action.

CONFIRMATION OF NOMINATION OF HENRY M. RAMIREZ TO BE CHAIRMAN OF CABINET COMMITTEE ON OPPORTUNITIES FOR SPANISH-SPEAKING PEOPLE

Mr. PERCY. Mr. President, it is my privilege, on behalf of the Committee on Government Operations and its distinguished chairman, the senior Senator from Arkansas (Mr. MCCLELLAN), to report that the committee has voted unanimously to recommend to the Senate that the President's nomination of Mr. Henry M. Ramirez to be Chairman of the Cabinet Committee on Opportunities for Spanish-Speaking People be confirmed.

Mr. President, the Government Operations Committee held hearings on the nomination of Mr. Ramirez on November 9. At that time the committee heard expressions of support from the Senators from California (Mr. CRANSTON and Mr. TUNNEY), from Mr. HOLIFIELD, the distinguished chairman of the House Committee on Government Operations, and from my distinguished colleagues, the Senator from Arizona (Mr. FANNIN) and the senior Senator from Maryland (Mr. MATHIAS). Senator FANNIN, Senator TUNNEY, and Senator MATHIAS appeared personally to speak on behalf of the nominee.

Representatives of several private groups testified, including the Puerto Rican Association on National Affairs, the National Association for Puerto Rican Civil Rights, the National Puerto Rican Leadership Conference, and the Advisory Committee on Chicano Affairs to the Governor of Oregon. Opposition to the nomination was voiced by a representative of the National Association for Puerto Rican Civil Rights, but his right to speak for the organization was withdrawn by the organization, and two members of its board appeared in order to support the nomination of Mr. Ramirez. The only group in outright opposition to Mr. Ramirez was the National Puerto Rican Leadership Conference. The committee concluded that the expressions of opposition were not significant or substantial, and did not cast doubt on the ability of the nominee. These criticisms were instead directed mainly at the past record of the Cabinet Committee, in particular at its prior lack of concern for the problems of Puerto Rican Americans, and the fact that few Puerto Rican Americans had been represented on its staff either in professional or clerical positions.

After Mr. Ramirez' testimony the committee was reassured that the Cabinet Committee would show a new concern for the problems of all Spanish Americans, whether of Puerto Rican, Cuban, Mexican, or Latin American origin.

Mr. Ramirez has appointed as executive director for program evaluation and coordination a qualified Puerto Rican American from New York. Other Puerto Rican Americans have been employed in positions of responsibility. Under close questioning by the senior Senator from New York, Mr. JAVITS, and myself, Mr. Ramirez assured unequivocally of his intention that the committee's staff and its programs will be representative of Spanish-speaking Americans of all origins and of all parts of the country, and that the Committee's programs will be equally oriented toward meeting the needs, solving the problems and improving the lives of all our Spanish-American citizens. The Government Operations Committee has jurisdiction over the Cabinet Committee and will have ample opportunity to review the Cabinet Committee's performance.

I want to note especially the contribution of Senator JAVITS, who has taken a very deep interest over the years in making the Cabinet Committee more fully concerned with the interests of all Spanish Americans, particularly the very significant population of Spanish Americans of Puerto Rican origin in New York. I think the senior Senator from New York has now achieved a long and hard-fought goal, and that the Cabinet Committee will conceive of its responsibilities and implement its programs with a much broader perspective than before.

I am placing on the desk the report of the Committee on Government Operations recommending the confirmation of the nomination of Mr. Henry M. Ramirez as Chairman of the Cabinet Committee on Opportunities for Spanish-Speaking People.

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Executive B, a Treaty to resolve pending boundary differences and maintain the Rio Grande and Colorado River as the International boundary between the United States of America and the United Mexican States, signed at Mexico City on November 23, 1970 (Executive Rept. No. 92-11).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MCCLELLAN (for himself and Mr. FULBRIGHT):

S. 2881. A bill to provide for a highway bridge across the Norfork Reservoir in Arkansas. Referred to the Committee on Public Works.

By Mr. HUMPHREY:

S. 2882. A bill for the relief of Lars Tommy Holm. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 2883. A bill for the relief of Miss Etsuko Yamamoto. Referred to the Committee on the Judiciary.

By Mr. THURMOND:

S. 2884. A bill for the relief of certain corporations, associations, and individuals. Referred to the Committee on the Judiciary.

By Mr. METCALF:

S. 2885. A bill to amend the act of May 19, 1948, with respect to the use of real property for wildlife conservation purposes. Referred to the Committee on Commerce.

By Mr. PERCY:

S. 2886. A bill to provide for the appointment of an additional U.S. Circuit Judgeship. Referred to the Committee on the Judiciary.

By Mr. JORDAN of North Carolina, from the Committee on Public Work:

S. 2887. An original bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes. Ordered to be placed on the calendar.

By Mr. CHURCH:

S. 2888. A bill to authorize the Secretary of Labor to make grants for the conduct of older Americans home-repair projects, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. JACKSON (for himself and Mr. ALLOTT) (by request):

S. 2889. A bill to amend section 5 of the Act of September 21, 1968 (82 Stat. 860), relating to preparation of a roll of persons of California Indian descent and the distribution of certain funds. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MCCLELLAN (for himself and Mr. FULBRIGHT):

S. 2881. A bill to provide for a highway bridges across the Norfolk Reservoir in Arkansas. Referred to the Committee on Public Works.

Mr. MCCLELLAN. Mr. President, I introduce on behalf of myself and my distinguished colleague, Senator FULBRIGHT, a bill to provide long overdue relief to the people of North Central Arkansas, who have suffered intolerably and unnecessarily from their loss of the bridge connecting U.S. Highways 62 and 101, which was inundated when the Federal Government built the Norfolk Dam in 1943.

In 1934 the State constructed a bridge to serve Highways 62 and 101. Then, in 1943—during the Second World War—the Federal Government built Norfolk Dam and the resulting reservoir destroyed the bridge. To compensate for the loss of the bridge, the State of Arkansas received $1,342,000 from the Federal Government.

This bill would authorize the Federal Government to replace this bridge, which, in all equity, it should have done earlier. The bill further provides that the State of Arkansas shall contribute the $1,342,000 it previously received, plus interest, toward the construction cost of the new bridge.

Mr. President, it is clear that the State of Arkansas was inadequately compensated for the loss it endured. Perhaps, it is only one of the multitude of inequities which can be attributed to the hectic days of World War II.

The State of Arkansas is willing to make full restitution of the inadequate funds they received from the Federal Government, plus interest, and it is, I think, only fair that the Federal Government be required to replace this bridge, whose loss has severely hampered the economic growth and development of the area.

This vital transportation link is sorely needed. It connects the major east-west artery between the northern part of Arkansas. Its replacement is essential to the growth of this area and even more vital to its capacity to serve the number of visitors from outside the State who are increasing yearly.

A new bridge will benefit not only the people of Arkansas but facilitate the travel of the many thousands of American tourists who each year come to this scenic section of the Ozark Mountains for their recreational pleasures. The day will surely come when this part of the country will be one of our most popular national recreation areas. Included in its attractions are Bull Shoals, Norfork and Beaver Lake, the Buffalo River—which hopefully will become a national river—and the Blanchard Springs Caverns—which may soon be opened to the public.

Mr. President, I introduce, for appropriate reference, a bill to "provide for a highway bridge across the Norfork Reservoir in Arkansas," and I ask unanimous consent that its text be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2881

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the comprehensive plan for flood control and other purposes in the White River Basin, as authorized by the Act of June 28, 1938 (52 Stat. 1215), and as modified and amended by subsequent Acts, is further modified to provide for a free highway bridge built to modern standards over the Norfork Reservoir at an appropriate location in the area where United States Highway 62 and Arkansas State Highway 101 were inundated as a result of the construction of the Norfork Dam and Reservoir. Such bridge shall be constructed, maintained, and operated by the Chief of Engineers, Department of the Army, in accordance with such plans as are determined to be satisfactory by the Secretary of the Army in order to provide adequate crossing facilities over such reservoir for highway traffic in the area.

SEC. 2. The cost of constructing the bridge authorized in the first section of this Act shall be borne by the United States except that the State of Arkansas shall be required to pay as its share of the cost of constructing such bridge the sum of $1,342,000, plus interest for the period from May 29, 1943, to the date of enactment of this Act. Such interest shall be computed at a rate determined by the Secretary of the Treasury to be equal to the average annual rate on all interest bearing obligations of the United States forming a part of the public debt on May 29, 1943, and adjusted to the nearest one-eighth of one per centum. The share to be paid by the State of Arkansas represents the amount paid by the United States to the State of Arkansas as insufficient compensation for the highways inundated as a result of the construction of the Norfork Dam and Reservoir plus interest from the date of payment.

SEC. 3. There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. METCALF:

S. 2885. A bill to amend the act of May 19, 1948, with respect to the use of real property for wildlife conservation purposes. Referred to the Committee on Commerce.

Mr. METCALF. Mr. President, earlier this month the Ad Hoc Subcommittee on Surplus Property, chaired by my distinguished colleague from Alabama, Senator ALLEN, held hearings on several measures to amend the Federal Property and Administrative Services Act of 1949.

During the course of the hearings, I questioned Mr. Harold S. Trimmer, Jr., Assistant Administrator of the General Services Administration, concerning that agency's justification in law for appraisers' decisions that ignore the recommendations of those more expert in a given subject. I had a specific example in mind, and used it to illustrate my question. Mr. Trimmer's response has led to the bill I will introduce today.

Senators may be interested in a brief history, in part excerpted from the hearings: Below Fort Peck Dam in Montana there is a former ranch of 1,660 acres that was declared to be surplus by the Bureau of Reclamation. Both the Bureau of Land Management and the Montana Fish and Game Commission asked that it be given to the Bureau of Land Management for recreational purposes or, if not to them, to the Montana Fish and Game Commission for recreation, and for a waterfowl and wildlife refuge.

The General Services Administration determined that the land was not useful for recreational purposes and put it up for sale. Citizens wishing to examine the land were prevented from doing so by a guard, posted on the access road, armed with a shotgun. The land was subsequently purchased by owners of land nearby.

The Migratory Bird Conservation Commission, of which I have had the honor to be a member almost as long as I have been in the Senate, bought a parcel of adjacent land, as we believed that the area has value for resource purposes.

It was our opinion and the opinion of the Fish and Wildlife Service, that the land declared to be surplus was important and significant recreational land. It is the opinion of Mr. Frank Dunkle, who is head of the Montana Fish and Game Commission, and recent recipient of the American Motors' award for his contribution to conservation, that the 1,660 acres would be valuable to the Montana Fish and Game Commission. It was the opinion of the man who is responsible for the Charles M. Russell Game Range, just above the land, that it would be a valuable adjunct to the range, and therefore important for recreational and wildlife purposes.

Yet, despite recommendations of all of these experts in resources management, the General Services Administration ruled that the land was not suitable for that use.

Mr. Trimmer agrees with me that none of his appraisers is a specialist in fish and wildlife management and development of conservation lands and that if their judgment—which I consider inferior in such matters—is to be corrected by the judgment of professionals, it could be accomplished by a simple amendment of the law.

Mr. President, I introduce a bill to achieve this purpose.

My bill would delete one word from 16

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U.S.C. 667b, the word "chiefly" which appears in the following passage:

Upon request, real property which is under the jurisdiction or control of a Federal agency and no longer required by such agency, (1) can be utilized for wildlife conservation purposes by the agency of the State exercising administration over the wildlife resources of the State wherein the real property lies or by the Secretary of the Interior; and (2) is chiefly valuable for use for any such purpose . . .

Mr. President, I ask unanimous consent that the entire section be printed in the RECORD following these remarks:

There being no objection, the section was ordered to be printed in the RECORD, as follows:

SECTION 667b. TRANSFER OF CERTAIN REAL PROPERTY FOR WILDLIFE CONSERVATION PURPOSES; RESERVATION OF RIGHTS

Upon request, real property which is under the jurisdiction or control of a Federal agency and no longer required by such agency, (1) can be utilized for wildlife conservation purposes by the agency of the State exercising administration over the wildlife resources of the State wherein the real property lies or by the Secretary of the Interior; and (2) is chiefly valuable for use for any such purpose, and which, in the determination of the Administrator of General Services, is available for such use may, notwithstanding any other provisions of law, be transferred without reimbursement or transfer of funds (with or without improvements as determined by said Administrator) by the Federal agency having jurisdiction or control of the property to (a) such State agency if the management thereof for the conservation of wildlife relates to other than migratory birds, or (b) to the Secretary of the Interior if the real property has particular value in carrying out the national migratory bird management program. Any such transfer to other than the United States shall be subject to the reservation by the United States of all oil, gas, and mineral rights, and to the condition that the property shall continue to be used for wildlife conservation or other of the above-stated purposes and in the event it is no longer used for such purposes or in the event it is needed for national defense purposes title thereto shall revert to the United States. (May 19, 1948, ch. 310, § 1, 62 Stat. 240; June 30, 1949, ch. 288, title I, § 105, 63 Stat. 381.)

TRANSFER OF FUNCTIONS

The functions, records, property, etc., of the War Assets Administration were transferred to the General Services Administration, the functions of the War Assets Administrator were transferred to the Administrator of General Services, and the War Assets Administration, and the office of War Assets Administrator were abolished by section 105 of act June 30, 1949.

EFFECTIVE DATE OF TRANSFER OF FUNCTIONS

Transfer of functions effective July 1, 1949, see note set out under section 471 of Title 40, Public Buildings, Property, and Works.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 667c, 667d of this title.

By Mr. CHURCH:

S. 2888. A bill to authorize the Secretary of Labor to make grants for the conduct of older Americans home-repair projects, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

OLDER AMERICANS HOME REPAIR ASSISTANCE ACT

Mr. CHURCH. Mr. President, I introduce for appropriate reference the Older Americans Home Repair Assistance Act.

For most aged persons, the home is their only major asset. But today, large numbers of older Americans are finding themselves financially paralyzed by rapidly rising maintenance costs. Many now live in dilapidated housing which is oftentimes structurally unfit for human occupancy. And in some rural areas, running water, indoor toilets, and screened windows—accessories which are taken for granted in most cities—are the exception, rather than the rule.

In far too many cases, vital home repairs must be postponed because there is insufficient income to meet the elderly's daily personal requirements, such as food, clothing, and medicines. Others cannot perform these tasks because failing health makes it impossible. And some, especially elderly widows, simply do not have the requisite skills.

As a consequence, their living quarters continue to deteriorate further. In fact, it is estimated that perhaps 30 percent of all housing occupied by persons 65-and-older is either dilapidated, deteriorating, or lacking important facilities.

The bill that I introduce today is designed to make home-repair services available for elderly homeowners who would have difficulty in paying for these costs. In carrying out this proposal, the Secretary of Labor would be authorized to enter into contracts with public agencies and private nonprofit organizations sponsoring home-repairs projects, which would provide new and gainful employment opportunities for individuals 55 and older. Under this proposal, the elderly property owner would be required to furnish the supplies and materials. But the labor would be available without charge. Appropriate safeguards are also included in the bill to assure that these projects will not result in the displacement of employed workers or impair existing contracts.

The National Council of Senior Citizens and the National Farmers Union, I am pleased to say, have strongly supported this concept in their "Platform for the Seventies for All Older Americans." For example, one of their key recommendations called for "the rehabilitation of housing units inhabited by older people which are being ruined by deterioration and decay."

Equally important, this measure would provide productive employment for older workers in a wide range of useful activities, such as repairing leaky roofs, rebuilding porches to make them safe again, replacing rotten floors, and installing window glass.

Moreover, this bill would provide a basis for building upon the successful programs under Operation Mainstream, such as the Green Thumb project. Today nearly 3,000 Green Thumbers, ranging in age from 55 to 94, have already left their mark on America by planting over 4 million trees to beautify our countryside, building hundreds of roadside parks, and restoring numerous historical sites. Additionally, these elderly participants have performed valuable repair work in public housing units. However, existing Department of Labor regulations preclude repairs on private homes. But under my bill, Green Thumb and other similar community service projects would be able to provide these important services for homeowners who would not be able to pay for these costs.

Pilot projects such as Green Thumb have clearly demonstrated that there are many older Americans who are ready, willing, and able to perform services benefiting their localities. Greater utilization of their skills and experience would not only help the elderly jobseeker but the public as well.

Today, safe and decent housing is absolutely essential for a full, satisfying life for all elderly persons. And enactment of the Older Americans Home Repair Assistance Act can be an important step forward in making this goal a reality.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2888

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Older Americans Home Repair Assistance Act of 1971."

DEFINITIONS

SEC. 2. For the purposes of this Act—

(1) "eligible individual" means an individual who is at least 55 years of age, who has an income, as determined by the Secretary, not in excess of 125 percent of the income for poor individuals established for that fiscal year under the Economic Opportunity Act of 1964, and who has or is determined reasonably likely to have difficulty in securing employment;

(2) "home-repair project" means any work determined by the Secretary to be appropriate for eligible individuals to perform with respect to the repair of a home of any adult categorical assistance recipient and includes carpentry, painting, masonry, plumbing, wallpapering, and electrical work;

(3) "eligible homeowner" means any person aged 65 or older whose income is not in excess of the intermediate budget for a retired couple in urban areas of the United States, as determined by the most recent data available to the Secretary;

(4) "Secretary" means the Secretary of Labor;

(5) "State" means the several States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands.

APPROPRIATIONS AUTHORIZED

SEC. 3. There are hereby authorized such sums as the Congress shall deem appropriate for carrying out the purposes of this Act.

PROGRAM AUTHORIZED

SEC. 4. (a) In order to promote work opportunities for unemployed or underemployed persons who are at least 55 years of age and who have poor employment prospects and to assist eligible homeowners to repair their homes, the Secretary is authorized, in accordance with the provisions of this Act, to enter into contracts with public or private nonprofit agencies or organizations for the conduct of home repair projects.

(b) The Secretary shall not enter into any contract under this Act unless he determines that such project—

(1) will provide work opportunities for eligible individuals who do not have opportunities for other suitable paid employment;

(2) will provide work for such individuals only on a home-repair project;

(3) will result in an increase in employment opportunities for eligible individuals and will not result in the displacement of employed workers or impair existing contracts;

(4) will utilize methods of recruitment and selection which will assure that the maximum number of eligible individuals will have an opportunity to participate in the project to be assisted;

(5) will include such short-term training as may be necessary to make the most effective use of the skills and talents of those eligible individuals who are participating, and will provide for the payment of the reasonable expenses of individuals being trained, including a reasonable subsistence allowance;

(6) will assure that reasonably safe and healthy conditions of work will be provided, and will assure that persons employed under such programs will be paid at rates comparable to the rates of pay prevailing in the same labor market area for persons employed in similar work, but in no event shall any person employed under such programs be paid at a rate less than that prescribed by section 6(a)(1) of the Fair Labor Standards Act of 1938, or the appropriate State minimum wage, whichever is higher;

(7) will be administered with the advice of persons who are knowledgeable with regard to the needs of older persons; and

(8) will authorize pay for transportation costs of eligible individuals which may be incurred in employment in any project assisted under this Act in accordance with regulations promulgated by the Secretary.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 5. The Secretary shall establish criteria designed to achieve an equitable distribution of assistance among the States and between urban and rural areas under this Act. In developing such criteria the Secretary shall consider, among other relevant factors, the ratios of population, unemployment, and income levels.

LIMITATIONS ON FEDERAL ASSISTANCE

SEC. 6. (a) Federal financial assistance to any program carried out pursuant to this Act shall not exceed 90 per centum of the cost of such program, including costs of administration. The Secretary may, however, approve assistance in excess of that percentage if he determines, pursuant to regulations establishing objective criteria for such determinations, that it is necessary to further the objectives of this Act to pay such excess. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

(b) Payments under this Act may be made in advance or by way of reimbursement, and in such installments and on such conditions as the Secretary determines necessary to carry out the objectives of this Act.

INTERAGENCY COOPERATION

SEC. 7. The Secretary shall consult and cooperate with the Office of Economic Opportunity, the Administration on Aging, and any other related Federal agency administering related programs, with a view to achieving optimal coordination with such other programs and shall promote the coordination of projects under this Act with other public and private programs or projects of a similar nature. Such Federal agencies shall cooperate with the Secretary in disseminating information about the availability of assistance under this Act and in promoting the identification and interests of individuals eligible for employment in projects funded under this Act.

PARTICIPANTS NOT FEDERAL EMPLOYEES

SEC. 8. Eligible individuals who are employed in any project assisted under this Act shall not be considered to be Federal employes as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

ADMINISTRATION

SEC. 9. (a) The Secretary shall prescribe regulations to assure that programs assisted under this Act have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, availability of in-service training and technical assistance programs, and other policies as may be necessary to promote the effective use of funds received under this Act.

(b) The Secretary may prescribe such additional rules and regulations as he deems necessary to carry out the provisions of this Act.

(c) In carrying out his functions under this Act, the Secretary is authorized to utilize, with their assent, the services and facilities of Federal agencies without reimbursement, and with the consent of any State or political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement.

REPORT

SEC. 10. The Secretary shall transmit, as a part of the annual report required of the Department of Labor, a detailed report setting forth the activities conducted under this Act.

By Mr. JACKSON (for himself and Mr. ALLOTT) (by request):

S. 2889. A bill to amend section 5 of the act of September 21, 1968 (82 Stat. 860), relating to preparation of a roll of persons of California Indian descent and the distribution of certain funds. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk for appropriate reference a bill to provide for the preparation of a roll of persons of California Indian descent and the distribution of certain judgment funds, on behalf of myself and the Senator from Colorado (Mr. ALLOTT).

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD at this point in my remarks.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., November 17, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a proposed bill to amend section 5 of the Act of September 21, 1968 (82 Stat. 860), "To provide for the preparation of a role of persons of California Indian descent and the distribution of certain judgment funds."

Section 5 of the Act provides that not more than $325,000 in all shall be available under the Act for the costs of roll preparation and the distribution of shares. Our proposal increases that limitation to $475,000.

Following approval of the 1968 Act regulations were issued which established December 31, 1969, as the deadline for filing applications for enrollment to share in the funds. More than 75,000 persons did so. Due to the flood of requests for forms and applications being filed, actual review of the applications could not begin until November of 1969. Since that time determinations have been made as to the eligibility of approximately 35,000 of the applicants. The Bureau of Indian Affairs has made every effort to complete the Indians of California roll and distribute the funds at the earliest possible date. To accomplish this objective the Bureau is undertaking an accelerated plan to review the remaining 40,000 applications.

The volume and complexity of the work on the California roll is overwhelming. In many cases an applicant's ancestry is derived exclusively from one or more of the tribes with claims for lands lying both within and without the State of California. Since these tribes, referred to as "splinter groups," have filed claims for compensation for lands in California as well as lands in adjoining states, they are excluded from sharing in the $29.1 million awarded "Certain Indians of California." Consequently, in addition to determining whether an applicant is entitled to share in the residual balance of the 1944 Court of Claims award, also being distributed under the 1968 Act, it is necessary to determine whether his tribal or band affiliation is with one of the "splinter groups" named in the Act. Identification of band affiliation was not a requirement under previous legislation providing for preparation of rolls of California Indians, and consequently, that information is not readily available from the previous rolls. This necessary research has slowed the review and determination of applications.

The last roll of Indians of California was prepared pursuant to the Act of May 24, 1950 (64 Stat. 189), which amended previous legislation relating to enrolling Indians of California and authorized distribution of $150 to each enrollee. That roll was completed on June 30, 1955. The roll currently being prepared has not been merely an updating of the 1950 roll but the compilation of an entirely new roll based upon the applications filed. While previous enrollment records have been helpful, their use has not obviated and of the work required to determine the eligibility of more than 75,000 applicants.

The cost of the 1950 roll was $245,000. We are now faced with preparing a roll almost twice the size some 20 years later with an increase in allowable costs of only $80,000. The Consumer Price Index of goods and services for California rose from 81.6 in 1950 to 132.1 in December of 1969. Inflation gives partial explanation of our failure to more accurately estimate the cost of preparing the California roll.

Every effort has been made to keep administrative costs to a minimum. In the category of major equipment only typewriters were purchased. Other items such as furniture and file cabinets were obtained from another Bureau within the Interior Department.

The bulk of the cost of preparing the roll has been and will continue to be the salaries of the staff working on the roll. However, there is no substitute for the human element involved in the review of the records to arrive at the results contemplated in the 1968 Act. Much of the costs of the Bureau's accelerated program are being absorbed by the Bureau of Indian Affairs. However, the Bureau's budget cannot absorb the costs now being borne by the judgment money. We see no alternative but to request that the enclosed proposal be enacted.

A history of the California claims awards and current financial statements of the $29.1 million judgment and the residual balance of the 1944 award are enclosed.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

HARRISON LOESCH,
Assistant Secretary of the Interior.

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HISTORY OF AWARD MADE IN 1944 TO THE "INDIANS OF CALIFORNIA" BY THE COURT OF CLAIMS AND THE AWARD MADE IN 1964 TO "CERTAIN INDIANS OF CALIFORNIA" BY THE INDIAN CLAIMS COMMISSION

In 1928, Congress enacted legislation (45 Stat. 602) which permitted a class of Indians known as the "Indians of California" to bring suit against the United States for "lands taken from them • • • by the United States to compensate them for their interest in lands • • • which the United States appropriated to its own purposes without the consent of said Indians • • •."

The 1928 act defined the Indians of California as "all Indians who were residing in the State of California on June 1, 1852, and their descendants now living in said State • • •." Pursuant to the 1928 act, the Secretary of the Interior prepared and approved on May 16, 1933, a roll of the Indians of California which contained 23,571 names. This roll included only persons who were alive at the time of the passage of the 1928 act, individuals who were descended from Indians living in California on June 1, 1852, and individuals who resided in California.

Although the legislation which entitled the Indians of California to sue the United States in the Court of Claims was passed in 1928, the court did not render a judgment until 1944, when a net award of $5,024,842.34 was made. This money was not distributed immediately, and in 1948 (62 Stat. 1166), Congress amended the 1928 act to direct the Secretary of the Interior before distribution to delete from the 1933 roll the names of all persons who had died since May 18, 1928, and to add the names of persons living in California who had been born after 1928 to persons listed on the 1933 roll.

While the Secretary was engaged in updating the 1933 roll, Congress in 1950 again amended the 1928 act (64 Stat. 189), this time to direct the Secretary of the Interior to enroll descendants of the previous enrollees who lived outside of California as well as to include persons otherwise eligible who had previously been denied enrollment because they lived outside the State. The 1950 act also permitted the distribution of $150 to each of the persons certified as eligible to be enrolled as Indians of California.

During the early 1950's representatives of the Department of the Interior struggled with developing a roll pursuant to the oft-amended 1928 act, but bogged down in the large number of appeals from enrollees who were unable to establish their entitlement. Finally, in 1954, Congress once more amended the 1928 act (68 Stat. 240), to direct the Secretary of the Interior to resume hearing appeals until June 30, 1955, before finally approving the roll of the Indians of California. This was done, and on the prescribed date, the Secretary approved a roll bearing 36,094 names. Each of these persons received a share of $150. The shares of deceased enrollees were paid to their heirs or legatees.

In 1946, shortly after the Court of Claims handed down its judgment in 1944 in the California case, Congress passed the legislation known today as the Indian Claims Commission Act. Two of the lawsuits filed thereafter with the Indian Claims Commission—those assigned to dockets 31 and 37—were filed on behalf of all the Indians of California. In 1950, the Claims Commission held that the Indians of California in dockets 31 and 37 did not constitute an identifiable tribe, band, or group within the meaning of the 1946 act and dismissed dockets 31 and 37. The petitioners appealed this decision to the Court of Claims. Two years later in 1952, the Court of Claims held that the statutory class defined by the 1928 act as the "Indians of California" was an identifiable group for the purpose of asserting the claims and remanded the case to the Indian Claims Commission to proceed with processing the case.

At this point, the Commission was faced with a serious dilemma. Not only had an identifiable group known as the Indians of California filed a lawsuit relating to all the lands within the State of California, but a number of individual tribes—which were also identifiable in terms of the 1946 Act—had filed lawsuits for particular tracts within the same area. In some cases, these individual lawsuits involved only lands in California; in others they involved lands lying both within and without the State.

During the years between 1952 and 1958, the lawsuits of the California Indians were in a considerable snarl. The lawyers for the Indians of California in dockets 31 and 37 combined their suits and attempted to convince the Claims Commission that they should be permitted to represent all the Indians of the State, rather than only those who had not filed individual tribal suits. In 1958 the Commission denied their right to exclusive representation. The petitioners, reserving their right to appeal to the Court of Claims, requested the Claims Commission to divide California into two parts: one to include all lands claimed by the individual tribes and to be known as area A; the other to include the remained of the lands in the State and to be designated area B. The Commission complied with this request.

Also in 1958, with the concurrence of the attorneys, the individual claims of the Yokiah, Yana, and Shasta tribes were combined with those of the Indians of California. Dockets 176, 215, and 333 were thus merged with dockets 31 and 37.

In 1959, the Indian Claims Commission awarded the Pit River Indians—a tribe which had filed an individual suit—compensable title to 3,386,000 acres of land in California. At roughly the same time, the Commission awarded the Indians of California compensable title to 57 million acres in area B. This latter decision was appealed by the Department of Justice, which again contended that the Indians of California did not constitute an identifiable tribe, band, or group within the meaning of the 1946 act. The claimants in dockets 31 and 37 also cross-appealed seeking review of their claim to exclusive right to represent the Indians of California. This appeal, in turn, affected other tribal claims because of overlap in the areas claimed and inconsistencies between the legal theories of the various cases.

In 1963, the attorneys for the Indians of California in combined dockets 31, 37, 176, 215, and 333 reached an agreement with attorneys for the Department of Justice that the California suit would be settled for $29,100,000 provided that the Pit River and Mission Indians—the only remaining tribes with tribal or group claims wholly in the State of California—would consolidate their claims with those of the area B group.

The proposed compromise was presented to the Mission Indians in meetings on September 7, 8, 14, and 15, 1963. Of the 3,408 eligible voters, 1,913 (56 percent) cast ballots. The consolidation and settlement was approved by 1,559 or 81.5 percent of those voting.

On September 28, 1963, a meeting was held at Alturas, Calif., to permit voting by the Pit River Indians. Of the 760 eligible voters to whom notices were sent, only 187, or 24.5 percent, cast ballots at the September meeting. It was then decided, after consultation with the Indian Claims Commission, to seek the views of additional Pit River Indians by absentee balloting. The final tally of votes cast at the meeting and through the absentee process was 212 for and 188 against the compromise.

There was considerable bitterness among the Pit River Indians over the close vote and the opponents of the compromise and consolidation, who had held a slight majority at the open meeting, protested the decision to solicit absentee ballots. Their protests were heard by the Claims Commission and were rejected.

From January through March 1964, a series of 15 meetings was held at which other Indians of California voted. Balloting by mail was also permitted. Both in the open meetings and in the case of absentee votes, the proposal to settle the case through compromise passed overwhelmingly. The final tally of votes cast by all three groups was 11,427 for compromise and 3,310 opposed.

In accordance with this vote, the various dockets involving the Indians of California, the Pit River Indians, the Yokiah, Yana, and Shasta Indians, and dockets Nos. 80 and 80–D of the Mission Indians were combined, and the claims of all these groups were settled on July 20, 1964, for a total of $29.1 million. Upon the ratification of the compromise by the Claims Commission, the attorneys for both parties withdrew their appeals in the Court of Claims.

Shortly before the above action took place, the question of the entitlement of Indian tribes or groups with claims lying both within and without the State of California to participate in the Indians of California judgment was settled by the Indian Claims Commission. The Quechan or Yuma Tribe had petitioned to share in the Indians of California claim, but the Commission held that the Quechans were not a proper party to the suit, since they were maintaining a separate claim partly for the taking of lands outside California and partly within California. This decision of the Commission, which came on March 3, 1964, affected also the rights of certain other tribes which had come to be known as the splinter groups. These are the Northern Paiute Nation, the Southern Paiute Nation, the Mohave Tribe, the aforementioned Quechan Tribe, the Chemehuevi Tribe, the Klamath and Modoc Tribes, and the Yahooskin Band of Snakes, the Shoshone Tribe, and the Washoe Tribe. All these groups had filed lawsuits claiming compensation for lands in California taken from them, as well as for lands taken in an adjoining State to which they claimed ownership. Some persons affiliated with these groups had participated in the voting on the compromise issue, but not enough to have affected the result:

CERTAIN INDIANS OF CALIFORNIA AWARD, JULY 20, 1964, S. 21, 37, 80, 80–D, 176, 215, 333, AND 347

STATEMENT AS OF COB JUNE 30, 1971

	14X7426 [1]	14X7926 [2]
AWARD	$29,100,000	
Interest accrued on funds held in the U.S. Treasury through Dec. 31, 1970		$3,721,230.30
Interest accrued on matured investments		6,130,587.71
Total	29,100,000	9,851,818.01
EXPENDITURES		
Attorneys' fees	−2,609,000	
Expenses of enrollment program		−208,274.35
Current investments as of June 30, 1971	−26,491,000	−9,643,543.66
Balance on deposit in the U.S. Treasury	0	0

[1] Awards of Indian Claims Commission, certain Indians of California, award July 20, 1964.
[2] Interest and accruals on interest, awards of Indian Claims Commission, certain Indians of California, award July 20, 1964

CALIFORNIA INDIANS JUDGMENT FUND ACT OF MAY 18, 1928, CH 624, 45 STAT. 602 STATEMENT AS OF COB JULY 1, 1971

	[1] 14X7491	[2] 14X7991
RECEIPTS		
Judgment	$5,024,842.34	
Less litigation costs paid to the state of California	−27,842.50	
Total	4,996,999.84	
Proceeds, sale of portion of Lower Lake Rancheria, Public Law 443, 70 Stat. 58	3,650.00	
Value of land erroneously used as an offset in judgment against the United States obtained by the California Indians Public Law 91–64, 83 Stat. 105	83,275.00	$83,521.40
Interest accrued on funds held in the U.S. Treasury Dec. 4, 1944, through Dec. 31, 1970		2,089,571.95
Interest accrued on matured investments	154,529.29	110,652.13
EXPENDITURES		
Per capita payments	−4,037,130.00	−1,371,500.00
Expenses of per capita payment	+649.60	−245,326.62
Moving and relocating houses	−80,613.39	−18,785.63
Attorneys' fees	−10,000.00	
Attorneys' expenses	−76,639.12	−148,608.42
Expenses of enrollment program		−38,000.00
Judgment fund available	1,034,721.22	461,524.86
Current investment, financial management, Albuquerque, N. Mex	−1,034,421.22	−461,524.86
Balance on deposit in the U.S. Treasury	300.00	0

[1] California Indians 4 percent judgment fund.
[2] Interest and accruals on interest, California Indians 4 percent judgment fund.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1443 AND S. 1444

At the request of Mr. CHILES, the Senator from Kansas (Mr. PEARSON) was added as a cosponsor of S. 1443, a bill to eliminate the survivorship reduction during periods of nonmarriage of retired employees and Members, and for other purposes; and S. 1444, a bill to increase the contribution by the Federal Government to the costs of employees' health benefits insurance.

S. 2465

At the request of Mr. CHILES, the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Minnesota (Mr. MONDALE), the Senator from Michigan (Mr. HART), and the Senator from Missouri (Mr. EAGLETON) were added as cosponsors of S. 2465, a bill to establish the Everglades-Big Cypress National Recreation Area in the State of Florida.

S. 2509

At the request of Mr. SCOTT, the Senator from New Hampshire (Mr. COTTON) was added as a cosponsor of S. 2509, a bill to incorporate Pop Warner Little Scholars, Inc.

S. 2724

At the request of Mr. JACKSON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 2724, a bill to establish a national Indian education program by creating a National Board of Regents for Indian Education, carrying out of a national Indian education program, and the establishment of local Indian school boards.

S. 2800

At the request of Mr. DOLE, the Senator from Vermont (Mr. AIKEN), the Senator from Colorado (Mr. ALLOTT), the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Kentucky (Mr. COOPER), the Senator from Nebraska (Mr. CURTIS), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. FANNIN), the Senator from Wyoming (Mr. HANSEN), the Senator from Montana (Mr. MANSFIELD), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), the Senator from Ohio (Mr. TAFT), the Senator from Texas (Mr. TOWER), the Senator from North Dakota (Mr. YOUNG), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 2800, the Rural Revitalization Act of 1971.

SENATE JOINT RESOLUTION 177

At the request of Mr. HUMPHREY, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of Senate Joint Resolution 177 relating to the publication of economic and social statistics for Spanish-speaking Americans.

SENATE RESOLUTION 200—SUBMISSION OF A RESOLUTION RELATING TO A COMPILATION ENTITLED "MAJORITY AND MINORITY LEADERS OF THE SENATE" TO BE REPRINTED AS A SENATE DOCUMENT

(Referred to the Committee on Rules and Administration.)

Mr. MANSFIELD submitted the following resolution:

S. RES. 200

Resolved, That a compilation entitled "Majority and Minority Leaders of the Senate", prepared under the direction of the Secretary of the Senate, Francis R. Valeo, by the Senate Parliamentarian, Floyd M. Riddick, shall be reprinted with revisions and certain tables as a Senate document, and that an additional two thousand copies be printed for distribution by the Secretary of the Senate.

SENATE CONCURRENT RESOLUTION 52—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE RIGHTS OF THE MENTALLY OR PHYSICALLY HANDICAPPED

(Referred to the Committee on Labor and Public Welfare.)

Mr. COOK. Mr. President, today I am submitting, with the Senator from Illinois (Mr. PERCY), the Senator from California (Mr. CRANSTON), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Utah (Mr. BENNETT), the Senator from Minnesota (Mr. HUMPHREY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Alaska (Mr. STEVENS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Massachusetts (Mr. BROOKE), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Ohio (Mr. TAFT), the Senator from Minnesota (Mr. MONDALE), and the Senator from Kansas (Mr. DOLE), a Senate resolution which recognizes the rights of mentally or physically handicapped persons. This resolution recognizes that the mentally or physically handicapped should have the same basic rights as other human beings.

The handicapped are a very significant segment of society. Six million persons in the United States are mentally retarded; 22 million persons have a physically disabling condition severe enough to interfere with their major daily activity; hundreds of thousands either have been crippled in traffic accidents or are disabled veterans. Although a sizable portion of the total citizenry, the mentally and physically handicapped are a hidden population. But no longer can we tolerate this situation in which these human beings are constantly denied their rights.

Less than a century ago, most people looked upon the mentally handicapped and the physically handicapped as hopelessly incapable of being self-sustaining. Today, we know that the majority of mentally or physically handicapped could become self-sustaining contributors to society rather than burdens on society, if education or training were available to them.

One of the most important provisions in this resolution is the recognition that the mentally or physically handicapped person has a right to education or training. It is astounding to learn from the Office of Education that out of a total of 7 million handicapped children, 60 percent are denied the special educational assistance they need and 1 million children are denied entry into public schools. Hundreds of thousands are committed to institutions and other programs where little more than physical sustenance is provided. Such sustenance costs at least $150,000 for the lifetime of a mentally handicapped person. This cost is far in excess of what education or training would cost.

According to the President's Committee on Mental Retardation, much of the under performance being diagnosed in children as mild mental retardation is preventable and reversible if attacked early. Many of the physically handicapped children do have the mental ability to attend public school but are denied that right due to architectural barriers and and-or transportation problems. This is a grave injustice when one considers that handicapped children, even the most severely handicapped, do learn when given the opportunity to participate in educational programs designed to meet their special needs to learn. There are lawsuits in Philadelphia and Washington, D.C., now underway in an attempt to establish that the mentally retarded have a right to education or training.

The means to becoming independent or semi-independent is employment. Although the mentally or physically handicapped person may be capable of working, he is often denied the opportunity.

The handicapped do not want special privileges, just an equal chance to compete for jobs.

In a study reported by the President's Committee on Mental Retardation, over 5,000 mentally retarded workers are employed by the Federal Government in over 100 different wage board classifications. Among these 5,000 employees, absenteeism and recidivism is lower than for nonhandicapped workers and job performance is excellent. The President's Committee on Mental Retardation stated that:

Employers whose original motivation in hiring retarded workers came perhaps from charity rather than business sense have discovered that there are many jobs that the retarded can do well—often better than other workers—and that intelligence is not the only qualification for successful employment.

Today automation and specialization is actually an advantage to the handicapped worker. Cerebral palsy victims are being trained to use precision tools; paraplegics are working productively on assembly lines; one Chicago insurance company has found that deaf mutes make better than average file clerks and checkers; other deaf persons do well as linotype, tabulator, and keypunch operators; blind workers have made superior assemblers, inspectors and sorters in such industries as electronics, aircraft and missile production.

Yet, in many cases the handicapped employee is not paid a fair wage. Even the "protected workshops" set up to help the retarded sometimes fail to compensate the retarded workers adequately. Handicapped persons are capable of participating in community life. This individual should have the right to live with his own family and participate in all aspects of community life, instead of being shunted into an institution. If his handicap is too severe and he must be placed in an institution according to a qualified expert, that institution should provide an atmosphere which allows the handicapped person to develop to his fullest potential.

Our resolution contains recognition of these very basic rights to the handicapped. It amazes me that we even need to take such action and that the handicapped all over the country are not being allowed full rights as a citizen.

Such injustices are not isolated to just the United States, but rather this is a universal problem.

The United Nations has recognized the problem. At the March 1971 meeting of the United Nations Commission on Social Development, 22 countries expressed their support of a declaration of rights for the mentally retarded by the United Nations General Assembly. This declaration will be brought before the General Assembly on November 25, 1971. While our resolution would not eliminate the injustices that the mentally or physically handicapped now face, it represents an expression of congressional support for the United Nations fine effort to bring universal attention to the inequities suffered by these individuals.

Mr. President, we can no longer tolerate these inequities which our handicapped citizens live with everyday. I urge that every Senator back this effort and support this needed resolution. I ask unanimous consent that the text of the concurrent resolution be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 52

Whereas the universal declaration of human rights, adopted by the United Nations Commission on Social Development, proclaims that all of the human family, without distinction of any kind, have equal and inalienable rights of human dignity and freedom; and

Whereas the declaration of the rights of the child, adopted by the United Nations Commission on Social Development, proclaims the rights of the physically handicapped child to special treatment, education and care required by his particular condition: Now, therefore, be it:

Resolved by the Senate (the House of Representatives concurring), That Congress recognizes the following rights of mentally or physically handicapped persons:

(1) A mentally or physically handicapped person has the same basic rights as another citizen of the same state and same age.

(2) A mentally or physically handicapped person has the right to proper medical care and physical restoration and to such education, training, rehabilitation, and guidance as will enable that person to develop his ability and potential to the fullest possible extent, no matter how severe his or her degree of disability.

(3) A mentally or physically handicapped person has a right to economic security and to a decent standard of living. He or she has a right to productive work.

(4) A mentally or physically handicapped person has a right to live with his or her own family or with foster parents, to participate in all aspects of community life, and to be provided with appropriate leisure time activities. If care in an institution becomes necessary, such care should be provided in surroundings and under circumstances as close to normal living as possible.

(5) A mentally or physically handicapped person has a right to a qualified financial or legal guardian whenever such a guardian is required to protect the personal well-being and interests of that person.

(6) A mentally or physically handicapped person has a right to protection from exploitation, abuse and degrading treatment. If accused of a crime, the mentally or physically handicapped person has a right to a fair and speedy trial with full recognition being given to his or her degree of responsibility.

SEC. 2. Some mentally or physically handicapped persons may be unable, due to the severity of their handicap, to exercise for themselves all their rights. For others, modification of some or all these rights is appropriate. The procedure used for modification or determination of rights set forth in this concurrent resolution should contain provisions for proper legal safeguards, should be based on an evaluation of the social capability of the mentally or physically handicapped person by qualified experts, and should be subject to periodic reviews. Any decision from these reviews shall be subject to the right of appeal to higher appropriate authorities.

CERTAIN CREDIT FOR NATIONAL GUARD TECHNICIAN SERVICE—AMENDMENT

AMENDMENT NO. 714

(Ordered to be printed and referred to the Committee on Post Office and Civil Service.)

Mr. STEVENS. Mr. President, today I am introducing an amendment to S. 855. S. 855 would amend Title 5 to credit National Guard technician service for Civil Service retirement purposes.

The legislation I am today introducing would similarly provide that members of either the Alaska Territorial or National Guard, who have completed 6 years of Reserve service, be accorded the same benefits as those who have served 2 years of active duty in the armed services.

Guard units in Alaska, particularly the Eskimo Guard of remote northern and western Alaska, are designated for the defense of the State and are, in a sense, on active duty all the time.

During World War II, Lt. Col. Marvin—Muktuk—Marston organized territorial guard units throughout western Alaska. Even though the "tundra army" companies were not federalized at that time, Marston built them into a local defense system in a period when Japanese invasion was a danger and then a reality. Following the Dutch Harbor bombing in the Aleutians in 1942, the Japanese began to make coastal defenses and to develop submarine bases on another Aleutian island. The guard units had thousands of miles of coastline to patrol. They were undoubtedly familiar with every village in Alaska.

These troops proved so efficient during the war that Marston succeeded in having them included in the Alaska National Guard system as "scout battalions."

These and other Alaskans who have loyally patrolled and guarded the tremendous expanse of Alaska during territorial and statehood days for 6 years deserve the same status as those who have served 2 years of active duty.

Mr. President, I urge that my colleagues give their most serious consideration to this amendment and request unanimous consent that it be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 714

On page 3, line 8, insert the following: At the end thereof add the following new title:

TITLE II

SEC. 201. (a) Notwithstanding any other provision of law, any veteran of the Alaska National Guard shall, for the purposes of entitlement to benefits under title 38, United States Code, be deemed to be a veteran of the Vietnam era (as defined in section 101 (29) of title 38, United States Code) and shall be deemed to have met the minimum active duty service and discharge requirements necessary for entitlement to such benefits.

(b) For the purposes of entitlement to educational assistance under chapter 34 of title 38, United States Code, a veteran of the Alaska National Guard shall be deemed to have served on active duty for a period of twenty-four months.

(c) Any veteran of the Alaska National Guard who completed six years of service (as provided in subsection (d)) prior to the date of enactment of this Act shall be deemed for purposes of any delimiting date prescribed in title 38, United States Code, to have been discharged from active service on the date of enactment of this Act; and any person who completes six years of service (as provided in subsection (d)) on or after the date of enactment of this Act shall, for such purposes, be deemed to have been discharged on the last day of the month in which he completes such six years of service.

(d) As used in this Act, the term "veteran of the Alaska National Guard" means any person who has performed at least six years of service in the Alaska National Guard (including the Alaska Territorial Guard) and such service is creditable under section 1332 (a) (2) of title 10, United States Code, for purposes of determining entitlement to retired pay under section 1331 of such title.

REVENUE ACT OF 1971—AMENDMENTS

AMENDMENT NO. 715

(Ordered to be printed and to lie on the table.)

Mr. CURTIS submitted an amendment intended to be proposed by him to amendment No. 692, proposed by Mr. PASTORE, to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENTS NOS. 716 AND 717

(Ordered to be printed and to lie on the table.)

Mr. DOMINICK submitted two amendments intended to be proposed by him to amendment No. 692, supra.

AMENDMENTS NOS. 721 AND 722

(Ordered to be printed and to lie on the table.)

Mr. WEICKER submitted two amendments intended to be proposed by him to amendment No. 692, supra.

AMENDMENT NO. 728

(Ordered to be printed and to lie on the table.)

Mr. COOPER (for himself, Mr. COOK, Mr. GURNEY, Mr. BAKER, Mr. WEICKER, Mr. JAVITS and Mr. SCOTT) submitted an amendment intended to be proposed to amendment No. 692, proposed to H.R. 10947, supra.

AMENDMENTS NOS. 734 THROUGH 737

(Ordered to be printed and to lie on the table.)

Mr. FANNIN (for Mr. GOLDWATER) submitted four amendments intended to be proposed to amendment No. 692 to the bill (H.R. 10947), supra.

WHOLESOME FISH AND FISHERY PRODUCTS ACT OF 1971—AMENDMENTS

AMENDMENTS NOS. 718 AND 719

(Ordered to be printed and to lie on the table.)

Mr. COTTON submitted two amendments intended to be proposed by him to the bill (S. 2824) to regulate interstate commerce by amending the Federal Food, Drug, and Cosmetic Act to provide for the inspection of facilities used in the harvesting and processing of fish and fishery products for commercial purposes, for the inspection of fish and fishery products, and for cooperation with the States in the regulation of intrastate commerce with respect to State fish inspection programs, and for other purposes.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972—AMENDMENT

AMENDMENT NO. 720

(Ordered to be printed and to lie on the table.)

Mr. JACKSON submitted an amendment intended to be proposed by him to the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

AMENDMENT NO. 731

(Ordered to be printed and to lie on the table.)

Mr. DOMINICK. Mr. President, I ask unanimous consent that an amendment I intend to offer to H.R. 11731, the Department of Defense Appropriations bill for fiscal year 1972, which restores funds to the Navy's Surface Effect Ship program, be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 731

On page 23, line 26, and page 24, line 1, strike out "$2,281,319,000" and insert in lieu thereof "$2,299,619,000".

On page 24, after the period in line 4, insert the following: "Of the $2,299,619,000 appropriated in the preceding sentence, not less than $33,689,000 shall be available for research and development in connection with the surface effect ship program."

VOTER REGISTRATION ACT AMENDMENTS OF 1971—AMENDMENTS

AMENDMENTS NOS. 723 THROUGH 727

(Ordered to be printed and to lie on the table.)

Mr. ERVIN (for himself and Mr. ALLEN) submitted five amendments intended to be proposed by them jointly to the bill (S. 2574) to amend title 13, United States Code, to establish within the Bureau of the Census a National Voter Registration Administration for the purpose of administering a voter registration program through the mail.

MARINE PROTECTION AND RESOURCE ACT OF 1971—AMENDMENTS

AMENDMENTS NOS. 729 AND 730

(Ordered to be printed and to lie on the table.)

Mr. CASE submitted two amendments intended to be proposed by him to the bill (H.R. 9727) to regulate the dumping of material in the oceans, coastal, and other waters, and for other purposes.

DISTRICT OF COLUMBIA REVENUE ACT OF 1971—AMENDMENT

AMENDMENT NO. 732

(Ordered to be printed and to lie on the table.)

Mr. SPONG. Mr. President, I am today submitting an amendment to the District of Columbia revenue bill.

In 1966, Congress granted its consent to the Washington Metropolitan Area Transit Authority Compact and to the participation of the District of Columbia in that compact. In enacting that legislation, it declared as policy that costs of the regional transit system, to the extent that they were not covered by user charges, would be shared equally among participating jurisdictions, including the District of Columbia. Three years later, the Congress enacted the National Capital Transportation Act which authorized the Commissioner of the District to enter into a capital contributions agreement with the Transit Authority and the other participating jurisdictions in the area.

The purpose of my amendment is to reaffirm that policy and the commitments undertaken by the District government to share the cost of building the Metro system. It is a way of assuring the people of this area that no matter what temporary delays there may be in congressional action, the Congress is not going to turn its back on the subway project and it is not going to ignore the obligations it has assumed.

Yesterday, President Nixon called on the Congress to take immediate steps to end the delays that threaten the future of the Metro system. "Obedience to the law is at stake," he said. And so it is.

A great deal has been said over the past few years about the legal obligation of the District of Columbia to build certain highways and related projects in the District. Little has been noted, however, of the legal obligations of Congress, acting as the legislative body for the District of Columbia, to honor its own contractual obligations. Yet they are there and they are as binding on the Congress as anything applying to the District government.

Mr. President, I have had prepared an extensive legal memorandum on the nature of this legal obligation and I will ask that it be printed in full at the conclusion of my remarks. Suffice to note here that under the terms of the statutes which I have referred to, under a ruling of the Supreme Court and under an opinion by the U.S. Attorney General, there is no question of the obligations of the Congress to appropriate the District's contribution to the subway project.

But there is far more than a legal issue at stake here. The Congress rightly saw the necessity for some means of mass transit to serve the growing transportation needs of the residents of this National Capital area. It agreed to that project and on the strength of that agreement the jurisdictions of northern Virginia and of Maryland have contributed many millions of dollars. They have scrupulously abided by the compact they entered into. The Congress has a moral as well as a legal obligation to do not less.

Mr. President, it is time we acted to sweep away the obstacles which have been placed in the path of Metro. It is time, as the President has said, that responsible men join in responsible action to end this impasse and to salvage public faith in the honor of a congressional commitment.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

XUM

NATURE OF THE OBLIGATION OF THE CONGRESS TO FUND THE CAPITAL CONTRIBUTIONS OF THE DISTRICT OF COLUMBIA TO THE TRANSIT AUTHORITY

The failure of the Congress to appropriate funds for the District of Columbia annual contributions for 1970 and 1971 to the Transit Authority has placed the District of Columbia Government in a position of default under its Capital Contribution Agreement with the Transit Authority, is now causing a slow-down in the Transit Authority's construction schedule and threatens to invalidate the complex inter-governmental arrangements for financing the regional transit system. In view of this situation, it is pertinent to consider what obligations, if any, are imposed upon the Congress by the Compact and related legislation to fund the contractual obligations of the District of Columbia to the Transit Authority.

The Congressional Consent Legislation for the Compact (P.L. 89–774, November 6, 1966, 80 Stat. 1324) and the National Capital Transportation Act of 1969 (P.L. 91–143, December 9, 1969, 83 Stat. 320) are the principal relevant enactments.

OBLIGATIONS ARISING FROM THE COMPACT

Congress acted in a dual role in the adoption of the Compact. As the national legislative body, Congress, pursuant to the provisions of the Article 1, § 10, cl. 3, of the Constitution, granted its consent to the Compact. In addition, Congress, exercising its exclusive jurisdiction under Article 1, § 8, cl. 17 of the Constitution to legislate on all matters pertaining to the District of Columbia, enacted the Compact for the District of Columbia. The enacting clause of the Consent Legislation provides, as follows:

". . . that the Congress hereby consents to, adopts and enacts for the District of Columbia an amendment to the Washington Metropolitan Area Transit Regulation Compact, for which Congress heretofore granted its consent (Public Law 86–794, 74 Stat. 1031 as amended by Public Law 87–767 76 Stat. 764) by adding thereto Title III, known as the Washington Metropolitan Area Transit Authority Compact . . ."

In *State of West Virginia ex. rel. Dyer* v. *Sims* (341 U.S. 22, 95 L.ed. 713), which involved the Ohio River Valley Water Sanitation Compact (54 Stat. 752), the Supreme Court considered the nature of the obligation of a State to comply with the commitments imposed by a Compact. The State contended that the provision of the Compact requiring West Virginia to appropriate funds for the Compact Agency contravened several provisions of the State's Constitution and was, therefore, invalid. In a five to four decision, with two separate concurring opinions, the Supreme Court held that West Virginia was obligated to honor the commitment it assumed under the Compact to appropriate for the expenses for the Compact Agency.

The factual situations in *Dyer* and in our case present the same issue. In *Dyer*, Article X of that Compact required the participating States "to appropriate for the salaries, office and other administrative expenses, their proper proportion of the annual budget as determined by the Commission, and approved by the Governors of the Signatory States . . ." The State Legislature made the appropriation but the Auditor of the State refused to issue a warrant upon the treasury for the payment of the appropriation. In our situation, Section 18(c) of the Compact, provides that the commitment for financial participation by the District of Columbia "shall be created by appropriation or in such other manner, or by such other legislation, as the Congress shall determine". In response to this requirement, Congress, in Section 4(a) of the National Capital Transportation Act of 1969, authorized the Commissioner of the District of Columbia "to contract with the Transit Authority to make annual capital contributions". Pursuant to this Congressional directive, the District of Columbia entered into the Capital Contributions Agreement with the Transit Authority. Congress, however, has failed to make the necessary appropriations to fund the obligation.

A complicating factor in our situation is that the District of Columbia has the status of a municipal corporation (District of Columbia Code, 1967 ed., § 1–102) and is regarded for many purposes as an entity separate and distinct from the United States. That factor, however, has no relevance in determining the responsibilities of the Congress under the Compact. Congress, as the legislative body for the District of Columbia, has all the legislative powers which a State may exercise over its affairs (*Berman* v. *Parker*, 1954, 348 U.S. 26, 99 L.ed.27; *District of Columbia* v. *John R. Thompson Company*, 1953, 346 U.S. 100, 97 L.ed.1480; *Neild* v. *District of Columbia*, 1940, 110 F.2d 246, 71 App. D.C. 306) and these powers are exercised by the Congress as the legislature for the Union (*Cohen* v. *Virginia*, 1821, 19 U.S. 264, 5 L.ed.257; Washington Aqueduct, 1855, 7 Op.Atty.Gen.115; *Winkler* v. *Daniels*, D.C. Va. 1942, 43 F. Supp. 265). Thus, in determining the responsibilities of the Congress under the Compact, the question is not whether the District of Columbia is a governmental entity separate and distinct from the Federal Government but the relationship of the Congress to the District of Columbia. Viewed in that context, there is no rationale under the doctrine of *Dyer* which would relieve Congress as the legislative body for the District of Columbia from the obligation to make the appropriation for the District of Columbia required by the Compact.

In permitting the District of Columbia to enter into the Compact, the Congress, in substance and effect, represented to Maryland and Virginia that the District of Columbia would be able to meet the obligations imposed upon it by the Compact. Only Congress, as the legislative body for the District of Columbia, has the power to fulfill this representation. Under the doctrine of *Dyer*, Congress may not unilaterally abrogate its representations by withholding funds to meet the Compact obligations of the District of Columbia. In doing so, Congress places itself in the discredited posture taken by West Virginia in the Ohio River Valley Water Sanitation Compact.

OBLIGATIONS ARISING FROM THE CAPITAL CONTRIBUTIONS AGREEMENT

The National Capital Transportation Act of 1969 and the Capital Contributions Agreement executed by the District of Columbia pursuant thereto, also must be considered to determine whether they impose any responsibilities upon the Congress separate and apart from the responsibilities arising from the Compact itself. As stated above, Section 4(a) of the 1969 Act authorized the District of Columbia to make "annual capital contributions" to the Transit Authority and the Capital Contributions Agreement provided for such annual capital contributions.

The United States Housing Act of 1937 provides for a similar arrangement for annual contributions to local public housing agencies (50 Stat. 888, § 10, 42 U.S.C. 1410). The Attorney General of the United States has expressed the view that a contract between the United States Public Housing Authority and a local public housing agency to pay such annual contributions is a valid and binding obligation of the United States (41 Op. A.G. 138, 1953). A copy of that Opinion is annexed hereto. The rationale of the Opinion is found in the following excerpt:

"I conclude that an Annual Contributions Contract entered into pursuant to the terms and limitations set forth in the act constitutes a valid and binding obligation of the United States. Article I, Section 8, Clause 1 of the Constitution authorizes the Congress to 'pay the debts' of the United States. This 'grant implies the power to incur debts, a power which would in any event be inherent in sovereignty in the absence of express constitutional prohibition.' 37 Op. A. G. 241, 247 (1933). The fact that the debt is incurred by contract entered into by the PHA makes it no less valid since the 'Congress may create or use such agencies, • • • as it may deem appropriate to aid in carrying into execution any of the powers which the Constitution confers upon Congress.' *Ibid.* at p. 245.

There can be no doubt that the Capital Contributions Agreement creates a valid and binding obligation.

As pointed out above, the responsibility of Congress to fund the obligation is unaffected by whether the obligation is considered to be that of the United States or of the District of Columbia.

The Opinion of the Attorney General recognizes that Congress may utilize any agency subject to its control "to aid in carrying into execution any of the powers which the Constitution confers" upon it. Since the District of Columbia is no less subject to the legislative power of the Congress than the Housing Authority, Congress derives no greater insulation from the consequences of its legislation when it chooses to act through the District of Columbia rather than through a Federal agency.

The Opinion of the Attorney General was based on the finding that "Congress desired to authorize the PHA to enter into contracts for annual contributions . . . and to pledge the faith of the United States to the payment of the contributions thereby undertaken" (*supra*, at p. 142). In reaching this conclusion, the Attorney General stated" . . . that one of the primary purposes of the act was to obtain private financing of low rent housing projects through the sale of bonds by the local agencies and that the annual contributions are intended to provide a basis for protection of investors" (*supra*, at p. 141). The Capital Contributions Agreement was designed to perform a comparable function in the plan for financing the Transit Project. In setting the governing financial policy, Congress declared "The costs of the necessary facilities [should be] financed as far as possible by persons using or benefiting from such facilities and the remaining costs shared equitably among the Federal, State, and local governments" (See, preamble to the Consent Legislation for the Compact). This standard is incorporated in the Compact as Section 16.

In conformance with this standard the Authority's financial plan estimates that revenue bonds would be sold to provide approximately 30% of the cost of the regional system, with the balance of approximately $1.7 billion to be contributed as grants by the Federal Government and the local Political Subdivisions on a two-thirds to one-third matching basis. Such contributions are essential not only to provide the portion of the costs to be borne by the participating Governments but also to make the Authority's revenue bonds salable. The Capital Contributions Agreement provides assurance to the bond purchaser that the participating Governments will make the capital contributions required by the financial plan. Without such assurance the bonds would not be salable. It is, therefore, clear that Congress intended by the Capital Contributions Agreement to encourage both public and private investment.

In Section 18(c) of the Compact, Congress recognized that the District of Columbia, under the current governmental structure, does not have the financial capability, without Congressional support, to assume the obligation to make the required capital grants. The second sentence of Section 18(c) clearly reflects the understanding of the compacting parties that the District of Columbia was not to undertake the commitment solely on its own credit to provide its share of the capital grants unless the Congress granted it "plenary powers to create obligations and levy taxes". This qualification recognized that the District of Columbia has no power to incur any obligations without the approval of Congress (D.C. Code, 1967, et., § 1–801) and that the existing powers of taxation of the District of Columbia are inadequate to cover the required capital contributions out of general revenue.

In so far as it relates to the District of Columbia, Section 4(a) of the National Capital Transportation Act of 1969 provides the necessary legislative authorization for the District of Columbia to enter into the Capital Contributions Agreement and Section 4 (b) increased the authority of the District of Columbia to borrow from the United States Treasury to cover the authorized commitment. The District of Columbia has carried out these legislative provisions by entering into the Capital Contributions Agreement. The seven participating Political Subdivisions in Maryland and Virginia also have executed the Agreement to provide their proportionate share of annual contributions. The obligations of the parties, however, were expressly conditioned upon the enactment by "the 91st Congress of Federal legislation authorizing the District of Columbia to enter into this Agreement. . . ." (Capital Contributions Agreement, Article V).

The Political Subdivisions in Maryland and Virginia, relying on the commitment of the District of Columbia in its Capital Contributions Agreement, as the Congress clearly intended that they should, made their capital contribution for fiscal 1971 in the aggregate approximate sum of $56 million and have already paid in approximately $20 million, representing one-half of the fiscal 1972 commitment, with the balance due in January, 1972. The aggregate obligation of the District of Columbia for fiscal years 1971 and 1972 is approximately $72 million, none of which has been paid as a consequence of the failure of the Congress to appropriate the funds.

With respect to the funding of the annual contributions, neither the United States Housing Act of 1937 nor the National Capital Transportation Act of 1969 appropriated funds but simply authorized their appropriation. The Opinion of the Attorney General relies in substantial part on the fact that the Annual Contributions Contract was to be utilized by the local housing agencies to obtain funds in the public market. Congress clearly intended that the Capital Contributions Agreement should serve not only to encourage the Political Subdivisions to enter into commitments to make their proportionate share of capital contributions but to make possible the sale to the public of the Authority's revenue bonds. The feasibility of the Authority's Financial Plan, which Congress approved in the 1969 Act, was predicated on the execution by all of the participating Political Subdivisions of the Capital Contributions Agreement. All have done so and all have honored their commitments, except the District of Columbia which cannot meet its obligations until Congress makes the necessary appropriations.

Clearly, the situation presented in the Transit Project is comparable in all material respects with the problems considered by the Attorney General in his Opinion in the Housing Act. There, the statutory provisions were designed to foster the Congressional Policy to provide low-rent housing. Here, the 1969 Act and the Capital Contributions Agreement were designed to carry out the Congressional policy for a regional transit system. There and here, the PHA and the District of Columbia are subject to the sole legislative control of the Congress. There and here, Congress authorized PHA and the District of Columbia to enter into a contract to make annual contributions to an agency of State Government. There and here, PHA and the District of Columbia, pursuant to Congressional authorization, entered into a contract to make annual contributions. There, the contract was designed to induce private investors to buy the bonds of the local public housing agencies on terms more favorable than otherwise would be obtainable. Here, the Capital Contributions Agreement was designed to induce private investors to purchase the revenue bonds of the Transit Authority, which otherwise would not be salable. Here, unlike there, the 1969 Act and the Capital Contributions Agreement was designed to induce the Political Subdivisions to enter into the Capital Contributions Agreement and to make capital grants. Here, unlike there, (so far as appears from the Opinion of the Attorney General), the Political Subdivisions have made substantial capital grants to the Transit Authority in reliance upon the 1969 Act and the execution of the Capital Contributions Agreement by the District of Columbia.

Thus, it is apparent that the facts relied on by the Attorney General in the Housing Opinion are comparable and the reasoning fully applicable to the situation presented in the Transit Project. Only one difference is to be noted. In the Housing Act, the "faith of the United States is solemnly pledged to the payment of all annual contributions contracted for . . .". The pledge, however, did not create the obligation—that was created by the annual contributions contract. The pledge simply is a recognition and affirmation of the obligation created by the contract, provides a waiver of immunity from suit and, as the word implies, is a security device. That such a pledge is not essential to the creation of an obligation is established by the many contracts entered into by the Federal Government which contain no such peldge in either the contracts or the enabling legislation.

In view of the foregoing, it is to be concluded that Congress, on two separate bases, is under a legal obligation to make the appropriations required to fund the District of Columbia commitment to the Transit Authority. Under the doctrine ennunciated in *Dyer*, the obligation arises from the Compact by virtue of the fact that the Congress is the legislative body for the District of Columbia. Under the rationale of the Opinion of the Attorney General the obligation arises, not from the Compact, but from the 1969 Act and the Capital Contributions Agreement. The Opinion of the Attorney General establishes that the Congress may not unilaterally absolve itself from the obligations arising from contracts of its agencies which it has authorized them to execute.

The legal issues must be viewed in the context of the practical aspects of the problem. Cooperative federalism is being increasingly relied upon to handle important domestic programs. The success of this essential political process depends in large measure upon the reliability of the financial commitments made by the participating governments at all levels. If Congress differentiates its obligations in such programs from those of the other participating political entities, such a policy would have regressive consequences for cooperative federalism as a useful tool and would be counter-productive to developing concepts of federalism. With respect to the District of Columbia, such a policy would raise grave doubts as to the acceptability of the District of Columbia as a participant in any future compacts or other cooperative programs in light of the Congressional control of the purse strings for the District of Columbia.

ANNUAL CONTRIBUTIONS TO LOCAL PUBLIC HOUSING AUTHORITIES UNDER UNITED STATES HOUSING ACT

The United States Housing Act of 1937, as amended, is valid and constitutional.

A contract to pay annual contributions entered into by the Public Housing Administration in conformance with the provisions of the act is valid and binding upon the United States.

The faith of the United States has been solemnly pledged to the payment of such contributions in the same terms its faith has been pledged to the payment of its interest-bearing obligations.

MAY 15, 1953.

The PRESIDENT.

MY DEAR MR. PRESIDENT: I have the honor to comply with your request for my opinion upon certain questions submitted by the Administrator of the Housing and Home Finance Agency relating to the liability of the United States for the payment of annual contributions under contracts entered into between the Public Housing Administration (hereinafter referred to as "PHA") and certain local public housing agencies.

I am advised that, pursuant to authority conferred on it by the United States Housing Act of 1937, as amended (50 Stat. 888; 52 Stat. 820; 55 Stat. 759; 61 Stat. 704; 62 Stat. 752; 63 Stat. 413; 64 Stat. 48; 65 Stat. 647; 65 Stat. 705; 42 U.S.C. 1401), PHA [1] has entered into contracts (herein called "Annual Contributions Contracts") with a large number of public housing agencies for annual contributions to assist in achieving and maintaining the low-rent character of certain housing projects identified in such contracts. Each Annual Contributions Contract is in substantially the standard form prescribed by PHA, such form being in two parts and identified as (1) Annual Contributions Contract, Part One (Form PHA–2171, Rev. September 1, 1951), and (2) Terms and Conditions Constituting Part Two of an Annual Contributions Contract (Form No. PHA–2172, Rev. September 1, 1951).

In accordance with the terms of the Annual Contributions Contracts many local public housing agencies have issued and sold bonds (known as "New Housing Authority Bonds") to the public to finance their housing projects. In turn, the agencies have pledged the contributions to which they are entitled under the contracts as security for the payment of the principal of and interest on the obligations represented by the bonds. In each case the bonds have been authorized by a bond resolution or ordinance in substantially the standard form recommended by the PHA (Form PHA–2188, October 1951). I am advised that, although in a few cases variations have been made from the standard form of the Annual Contributions Contract or from the bond resolution or ordinance, such variations are minor in character and are immaterial for the purposes of this discussion.

[1] The act confers authority upon the United States Housing Authority. However, pursuant to section 1 of Reorganization Plan No. 3 of 1947 (61 Stat. 954; 5 U.S.C. Supp. V, 133y-16 Note), the United States Housing Authority together with its functions was consolidated into the Housing and Home Finance Agency. The section provides that, "There shall be in said Agency constituent agencies which shall be known as the Home Loan Bank Board, the Federal Housing Administration and the Public Housing Administration." Section 4 provides: "The Public Housing Administration shall be headed by a Public Housing Commissioner • • •. There are transferred to said Commissioner the functions—(a) Of the Administrator of the United States Housing Authority (which agency shall hereafter be administered and known as the Public Housing Administration) • • •."

XUM

1. *The Constitutionality of the Act:*

The constitutionality of the act was settled by *Cleveland* v. *United States*, 323 U.S. 329. There its validity was challenged on the theory that the Congress has no power under the Constitution to establish low-cost housing projects. A majority of the lower court held the act authorized by the Constitution on the ground that "even though the evils of bad housing are local in their origin, their effect may become so widespread as to create a menace to the national welfare and that Congress is empowered to deal with the subject in that aspect." 323 U.S. at p. 331. The Supreme Court adopted this view concluding that "Challenge of the power of Congress to enact the Housing Act must fail." In doing so it emphasized the policy of the act "to promote the general welfare of the Nation by employing its funds and credit to assist the States and their political subdivisions * * * by improving housing conditions." *Ibid*, at p. 333.

While the *Cleveland* case, decided in 1945, passed only on the validity of the United States Housing Act of 1937, before its amendment by the Housing Act of 1949 (63 Stat. 413), the latter act did not change the basic legislation in any way which would affect the decision, but only refined the method of paying annual contributions, made certain other changes regarding loans by PHA, changed tenancy requirements, and revised the cost limitations applicable to the construction of housing projects. Under the original act local housing authorities were required to comply with certain conditions in order to avoid a reduction or cancellation of their rights to receive annual contributions. After the 1949 amendment, PHA was authorized to contract for the unconditional payment of annual contributions if the alternative methods of enforcement provided under section 22 (namely, delivery of possession or conveyance of a title to PHA subject to redelivery or reconveyance) were agreed to by the housing authorities and PHA. In short, the 1949 amendments did no more than modify the conditions under which the United States would thereafter employ "its funds and credit to assist the several States and their political subdivisions." Accordingly, I am of the view that the act in its present form must be considered valid and constitutional.

2. *Liability of the United States for annual contributions:*

Sections 10, 14, and 22 of the act authorize the PHA to enter into contracts to pay annual contributions, subject to conditions and limitations as set out in the act and, subject to the same conditions and limitations, to pay such contributions. Section 10(f) of the act provides that:

"Payments under annual contributions contracts shall be pledged, if the Authority so requires, as security for any loans obtained by a public housing agency to assist the development or acquisition of the housing projects to which the annual contributions relate."

Section 420 of the Annual Contributions Contract does so require. The basic purpose of this pledge is to "make possible the permanent financing of substantially all of the capital cost of low-rent housing by the sale of bonds to private investors, * * *.

"The sale of bonds for the permanent financing of low-rent projects at low interest rates has been made possible through a pledge of the Federal annual contributions as security for the bonds." H. Rept. No. 590, 81st Cong., 1st sess., p. 45. See also S. Rept. No. 84, Pt. 2, 81st Cong., 1st sess., p. 11.

It is true that section 22(a) of the act provides that the Annual Contributions Contracts may provide that a local public housing agency, in the event of substantial default in its covenants to the PHA, shall convey title to, or transfer possession of, the project to which the contract relates to the PHA, subject to redelivery or retransfer as provided in the section. However, pursuant to the congressional desire to secure the bondholders, section 22(b) provides that, if the contract contains provisions which the PHA, in such contract, determines are in accordance with section 22(a), and the local public housing agency has pledged the annual contributions as security for the payment of its obligations, "the Authority (notwithstanding any other provisions of this act) shall continue to make annual contributions available for the project so long as any of such obligations remain outstanding * * *." The authors of the act describe the purpose of these provisions as follows:

"After taking title or possession, PHA would continue to make annual contributions for the project, but not in excess of the amounts contracted for pursuant to statute. This would assure both (1) that the project will continue to operate as a low-rent housing project, and (2) that investors who have furnished the capital funds for its construction in reliance upon the continuance of its low-rent character and the making of annual contributions therefor during the entire life of the loan, will have their investment adequately protected." H. Rept. No. 590, *supra*, p. 46; see also H. Rept. 84, Part 2, *supra*, p. 11.

It is clear that one of the primary purposes of the act was to obtain private financing of low-rent housing projects through the sale of bonds by the local agencies and that the annual contributions are intended to provide a basis for protection of the investors. In accordance with this purpose section 10 (e) provides that "The faith of the United States is solemnly pledged to the payment of all annual contributions contracted for pursuant to this section," and section 14 prohibits amendment or superseding of the Annual Contributions Contracts "in a manner which would impair the rights of the holders of any outstanding obligations of the public housing agency involved for which annual contributions have been pledged." It appears, therefore, tht the Congress desired to authorize the PHA to enter into contracts for annual contributions subject to the conditions and limitations set forth in the act and to pledge the faith of the United States to the payment of the contributions thereby undertaken.

I conclude that an Annual Contributions Contract entered into pursuant to the terms and limitations set forth in the act constitutes a valid and binding obligation of the United States. Article I, Section 8, Clause 1 of the Constitution authorizes the Congress to "pay the debts" of the United States. This "grant implies the power to incur debts, a power which would in any event be inherent in sovereignty in the absence of express constitutional prohibition." 37 Op. A. G. 241, 247 (1933). The fact that the debt is incurred by contract entered into by the PHA makes it no less valid since the "Congress may create or use such agencies, * * * as it may deem appropriate to aid in carrying into execution any of the powers which the Constitution confers upon Congress." *Ibid.* at p. 245. Of course, any delegation of congressional powers is subject to "the limitation of a prescribed standard." *United States* v. *Chicago, Etc., R. Co.*, 282 U.S. 311, 324, but the standards in the act appear, without question, to be of sufficient precision.

In reaching the conclusion that an Annual Contributions Contract creates a valid and binding obligation of the United States, it is pertinent to note that the language of section 10 (e), italicized herein, "*the faith of the United States is solemnly pledged to the payment* of all annual contributions contracted for pursuant to this section," is identical with language used by R. S. 3693 (31 U.S.C. 731) with respect to the interest-bearing obligations of the United States. It would be appropriate to conclude therefrom that the Congress intended to place on a similar footing the obligation to pay annual contributions contracted to be paid pursuant to the terms of the act.

In summary, I am of the view that:

(1) The United States Housing Act, as amended to this date is valid and constitutional; and

(2) A contract to pay annual cotributions entered into by the PHA in conformance with the provisions of the act is valid and binding upon the United States, and the faith of the United States has been solemnly pledged to the payment of such contributions in the same terms its faith has been pledged to the payment of its interest-bearing obligations.

Respectfully,

HERBERT BROWNELL, JR.

EDUCATION AMENDMENTS OF 1971—AMENDMENT

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON. Mr. President, I offer an amendment to S. 659, a bill to amend the Higher Education Act of 1965, the Vocational Education Act of 1963, and related acts, and for other purposes, and ask that the amendment be ordered to lie on the table and be printed.

The purpose of this amendment, Mr. President, is to relieve the acute financial pressure affecting a great many school districts throughout the country because of the transfer of property from the General Services Administration to the newly created U.S. Postal Service. As a consequence of this transfer, children who have in the past been considered "federally connected" for purpose of Public Law 874—the impact aid program—no longer qualify as such and the schools that they attend are no longer eligible to receive Federal funds on their behalf under the impact aid program.

My amendment would authorize a 2-year grace period for these school districts in order to permit them to receive Federal funds which they already have budgeted for the coming year and to permit 1 additional year for an orderly phaseout of this portion of the impact aid funding.

Congressman ROMAN PUCINSKI has introduced a similar bill in the House, H.R. 11809, and I ask unanimous consent that a list prepared at the behest of Congressman PUCINSKI showing the affected school districts be printed in the RECORD at the conclusion of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

POST OFFICE BUILDINGS TRANSFERRED TO POSTAL SERVICE JURISDICTION

Attached is a listing, by State and Congressional District, of Post Office Buildings *claimed in prior years* which have been transferred to the jurisdiction of the U.S. Postal Service and have been declared ineligible for the 1971–72 school year under the definition of Federal property contained in section 303(1) of P.L. 81–874. The P.L. 874 applicants claiming them are indicated with each.

Other Post Office Buildings were transferred but, to date, have not been claimed or have been determined ineligible under P.L. 874 prior to the transfer. Not all buildings that were transferred will become ineligible.

ALASKA

At large

Cordova City S.D.
1606 Ketchikon Gateway Borough S.D.
2 Greater Sitka Boro S.D.
805 Wrangell Pub. Schs.

ARKANSAS

Fourth Congressional District

Camden S.D. No. 35, Quachita County.

CALIFORNIA

First Congressional District

Old Adobe U.S.D., Petaluma.
Tamalpais U.H.S.D., Larkspur (also 6th Cong. Dist.)
Larkspur S.D. (also 6th Cong. Dist.).
Marlin Jr. Col. District, Kentfield (also 6th Cong. Dist.).
San Rafael S.D. (also 6th Cong. Dist.).
San Rafael H.S.D. (also 6th Cong. Dist.).
Dixie S.D., San Rafael (also 6th Cong. Dist.).
Novato Unif. S.D. (also 6th Cong. Dist.).

Third Congressional District

Rio Linda U.S.D.
Sacramento City Unif. S.D.
Los Rios Jr. Col. Dist., Sacramento.
Robla S.D., Sacramento.

Fourth Congressional District

Washington Unif. S.D., North Sacramento.
Marysville Jr. Unif. S.D.
Fairfield Suisun Unif. S.D.
Martinez Unif. S.D.

Fifth Congressional District

San Francisco Unif. S.D. (also 6th Cong. Dist.)
Catati Elementary S.D., Sonoma County.

Sixth Congressional District

Larkspur S.D. (also 1st Cong. Dist.).
Marlin Jr. Col. District, Kentfield (also 1st Cong. Dist.).
Tamalpais U.H.S.D., Larkspur (also 1st Cong. Dist.).
San Rafael S.D. (also 1st Cong Dist.).
San Rafael H.S.D. (also 1st Cong. Dist.).
Dixie S.D., San Rafael (also 1st Cong. Dist.).
Novato Unif. S.D. (also 1st Cong. Dist.).
San Francisco Unif. S.D. (also 5th Cong. Dist.).

Eighth Congressional District

San Leandro Unif., S.D.
Berkeley Unif. S.D.
Fremont Unif. S.D.
Pleasanton, Jr. S.D.
Amador Valley Jt. U.H.S.D., Pleasanton.
Oakland Unif. S.D.
Murray S.D., Dublin.
S Co. Jr. Coll. Dist., San Leandro.
Hayward Unif. S.D.
San Lorenzo Unif. S.D.
Peralta Jr. Col. Dist., Oakland.
Castro Valley Unif. S.D.
Emery Unif., S.D., Emeryville.

Tenth Congressional District

Palo Alto Unif. S.D.

Eleventh Congressional District

Laguna Salada U.S.D., Pacifica.
Jefferson S.D., Daly City.
Jefferson U.H.S.D., Daly City.
San Mateo U.H.S.D.

Thirteenth Congressional District

Los Angeles Unif. S.D. (also 17th, 20th, 21st, 22d, 24th, 26th, 27th, 28th, 29th, 30th, and 31st Cong. Dists.).

Fourteenth Congressional District

Pittsburg Unif. S.D.
Mt. Diablo Unif. S.D., Concord.
Lafayette S.D.
Richmond Unif. S.D.
Walnut Creek S.D.
Orinda U.S.D.
Acalanes U.H.S.D., Lafayette.
Moraga Sch. Dist.
San Ramon Valley Unif. S.D., Danville.

Fifteenth Congressional District

San Joaquin Delta Jr. College, Stockton.

Seventeenth Congressional District

Twentieth Congressional District

Twenty-First Congressional District

Twenty-Second Congressional District

Twenty-Fourth Congressional District

Twenty-Sixth Congressional District

Twenty-Seventh Congressional District

Twenty-Eighth Congressional District

Twenty-Ninth Congressional District

Thirtieth Congressional District

Thirty-First Congressional District

Los Angeles Unif. S.D.

Thirty-Fifth Congressional District

Oceanside U.S.D.
Chula Vista City S.D.
Santee S.D.
Grossmont U.H.S.D.
Cajon Valley S D., El Cajon.
Escondido U.S.D.
S. Bay U.S.D., Imperial Beach.
Lakeside U.S.D.
Sweetwater U.H.S.D., Chula Vista.
Lemon Grove S.D.
La Mesa Spring Valley, S.D.
San Diego Unif. S.D.
Orange Glen S.D.
Jamul Las Flores U.S.D.
Grossmont Jr. Col. Dist.
Sweetwater Jr. Col. Dist., Chula Vista.
San Diego Comm. Col. Dist., San Diego County (also 36th and 37th Cong. Dists.)

Thirty-Sixth Congressional District

Thirty-Seventh Congressional District

San Diego Comm. Col. Dist., San Diego County (also 35th Cong. Dist.).

COLORADO

First Congressional District

S.D. No., Denver.

Second Congressional District

Jefferson Co. S.D. No. R1, Lakewood.
Englewood S.D. No. 1.
Adams Arapahoe Jt. S.D. No. 28, Aurora.
Adams Co. S.D. No. 14, Commerce City.
S.D. No. 6, Littleton.
Westminster S.D. No. 50.
S.D. No. 12, Denver.
Mapleton Pub. S.D. No. 1, Denver.
St. Vrain Valley S.D. Re. 1J, Longmont.

Third Congressional District

Colo. Springs S.D. No. 11.

Fourth Congressional District

Roaring Fork S.D. Re. 1, Glenwood Springs.
Garfield S.D. Re. 2, Rifle.

CONNECTICUT

Second Congressional District

Town of East Lyme Bd. of Ed.
Town of Colchester Bd. of Ed.
New London Bd. of Ed.
Town of Salem S.D., Norwich.

Third Congressional District

Milford Public Schs.
City of W. Haven Bd. of Ed.
Derby Bd. of Ed.
Orange Co. Bd. of Ed., Orange.
New Haven Bd. of Ed.
Town of Oxford Bd. of Ed.
City of Waterbury Bd. of Ed., New Haven County.

Fourth Congressional District

Bridgeport Bd. of Ed.
Town of Stratford Acting as a S.D.
Shelton Bd. of Ed.
Trumbull Bd. of Ed.
Town of Monroe Bd. of Ed.

Sixth Congressional District

Windsor Locks Public S.D.
Granby Bd. of Ed.
Enfield Bd. of Ed., Thompsonville.
Windsor Bd. of Ed.
Hartford Bd. of Ed.
Town of Suffield Bd. of Ed.
Bloomfield Bd. of Ed., Hartford Co.

DISTRICT OF COLUMBIA

At large

D.C. Public Schools.

FLORIDA

Ninth Congressional District

Tenth Congressional District

Broward Co. Bd. of Pub. Instr., Ft. Lauderdale.

Eleventh Congressional District

Twelfth Congressional District

Dade Co. Bd. of Pub. Instr., Miami.

GEORGIA

Third Congressional District

Muscogee Co. S.D., Columbus.
Harris Co. Bd. of Ed., Hamilton.
Houston Co. Bd. of Ed., Perry.
Crawford Co. Bd. of Ed., Roberta.
Twiggs Co. Bd. of Ed., Jeffersonville.
Pulaski Co. Bd. of Ed., Hawkinsville.

Fourth Congressional District

De Kalb Co. Bd. of Ed., Decatur.
City Schs. of Decatur.
Atlanta Pub. Sch. System (also 5th Cong. Dist.).
Fulton Co. Bd. of Ed., Atlanta (also 5th Cong. Dist.).

Fifth Congressional District

Atlanta Pub. Sch. System (also 4th Cong. Dist.).
Fulton Co. Bd. of Ed., Atlanta (also 4th Cong. Dist.).

Sixth Congressional District

Clayton Co. Bd. of Ed., Jonesboro.
Bibb Co. Bd. of Ed. & Orph., Macon.
Henry Co. Bd. of Ed., McDonough.
Carroll Co. Bd. of Ed., Carrollton.
Fayette County School System, Fayette County.
Monroe Co. Bd. of Ed., Forsythe.

Seventh Congressional District

Cobb Co. Bd. of Ed., Marietta.
Douglas Co. Bd. of Ed., Douglasville.
Paulding Co. Bd. of Ed., Dallas.

Ninth Congressional District

Cherfokee Co. Bd. of Ed., Canton.

HAWAII

First Congressional District

Second Congressional District

Bd. of Ed. of State of Hawaii, Honolulu.

ILLINOIS

First Congressional District

Second Congressional District

Third Congressional District

Chicago Public Schools No. 299 (also 5th, 6th, 7th, 8th, 9th, 10th, & 11th Cong. Dist.).

Fourth Congressional District

Posen Robbins Sch. Dist. No. 143½, Cook County.

Fifth Congressional District

Sixth Congressional District

Seventh Congressional District

Eighth Congressional District

Ninth Congressional District

Chicago Public Schools No. 299 (also 1st, 2d, 3d, 10th, & 11th Cong. Dists.).

Tenth Congressional District

Chicago Public Schools No. 229 (also 1st, 2d, 3d, 5th, 6th, 7th, 8th, 9th, & 11th Cong. Dists.).
Melrose Park Broadview S.D. No. 89, Maywood.
Park Forest S.D. No. 163.
Rich Twp. H.S.D. No. 227, Park Forest.
Proviso Twp. H.S.D. No. 209, Maywood.
Cook Co. E.S.D. No. 102, La Grange Park.
Komarer S.D. No. 94, North Riverside.
Harvey Pub. Schls. Dist. No. 152, Cook Co.
West Harvey Dist. Schl. Dist. No. 147, Cook Co.

XUM

Eleventh Congressional District
Chicago Public Schools No. 299 (also 1st, 2d, 3d, 5th, 6th, 7th, 8th, 9th, & 10th Cong. Dists.).

Twelfth Congressional District
Mundelein Cons. H.S.D. No. 120.
Twp. H.S.D. No. 110, Highland Park.
Mundelein E.S.D. No. 75.
Grayslake Comm. H.S.D. No. 127.
Community Unit S.D. No. 60, Waukegan Lake Co.

Fourteenth Congressional District
Lisle E.S.D. No. 70.
Maercker S.D. No. 60, Clarendon Hills.
Downers Grove H.S.D. No. 99.
Downers Grove E.S.D. No. 58.
Naperville Comm. H.S.D.
Naperville E.S.D. No. 78, Wheaton.
Lake Marion Hills S.D. No. 61, Wheaton.
Goodrich S.D. No. 68, Woodridge.
Comm. Cons. S.D. No. 181, Hinsdale.
Hinsdale Twp. H.S.D. No. 86.
Darien Pub. Sch. Dist. No. 61, DuPage Co.
Joliet Pub. S.D. No. 86 (also 17th Cong. Dist.).
Joliet Twp. H.S.D. No. 204 (also 17th Cong. Dist.).
Plainfield Comm. Cons. S.D. No. 202 (also 17th Cong. Dist.).
Lockport E.S.D. No. 96 (also 17th Cong. Dist.).
Lockport Twp. H.S.D. No. 205 (also 17th Cong. Dist.).
Community Consolidated Schools, DuPage Co.

Seventeenth Congressional District
Georgetown E.S.D. No. 177.
Joliet Pub. S.D. No. 86 (also 14th Cong. Dist.).
Joliet Twp. H.S.D. No. 204 (also 14th Cong. Dist.).
Plainfield Comm. Cons. S.D. No. 202 (also 14th Cong. Dist.).
Lockport E.S.D. No. 96 (also 14th Cong. Dist.).
Lockport Twp. H.S.D. No. 205 (also 14th Cong. Dist.).

Nineteenth Congressional District
Rock Island S.D. No. 41.
Moline S.D. No. 40.
East Moline Pub. S.D. No. 37.
Hampton E.S.D. No. 29.
Comm. Unit S.D. No. 200, Sherrard.
Geneseo Comm. Unit S.D. No. 228.
Rockridge Comm. Unit S.D. No. 300, Taylor Ridge.
Comm. Unit S.D. No. 115, Oquawka.

Twenty-Second Congressional District
Comm. Unit S.D. No. 335, La Harpe.

INDIANA

Sixth Congressional District
Clark Pleasant Comm. Sch. Corp., Whiteland.
Mooresville Cons. Sc. Corp.
Metropolitan S.D. of Martinsville.
Franklin Comm. Sch. Corp.
Comm. Sch. Corp. of Southern Hancock Co., New Palestine.
Greenwood Comm. Sch. Corp.
Center Grove Comm. Sch. Corp., Greenwood.

Seventh Congressional District
Avon. Comm. Sch. Corp., Indianapolis.
Plainfield Comm. Sch. Corp.

Eighth Congressional District
Metropolitan S.D. of Mt. Vernon.

Ninth Congressional District
Metropolitan S.D. of Vernon Twp., Crothersville.
Scott Co. S.D. No. 2, Scottsburg.
Salem Comm. Schs.

Eleventh Congressional District
Metropolitan Sch. Dist. of Lawrence Twp., Indianapolis.
Metropolitan S.D. of Warren Twp.
Indianapolis Pub. Schs.

IOWA

First Congressional District
Bettendorf Comm. S.D.
The Davenport Comm. S.D.
Pleasant Valley Comm. S.D.
Burlington Comm. S.D.
Danville Comm. S.D.
Mediapolis Comm. S.D.

Sixth Congressional District
Sergeant Bluff Luton Comm. S.D.
Westwood Comm. S.D., Sloan.
Sioux Comm. S.D.
Lawton-Bronson Comm. Sch. Dist., Woodbury Co.

Seventh Congressional District
Lewis Central Comm. Schs., Council Bluffs.
Council Bluffs Comm. S.D.

KANSAS

Second Congressional District
Unif. S.D. No. 437, Topeka.
Unif. S.D. No. 501, Topeka.
Unif. S.D. No. 343, Perry.
Unif. S.D. No. 340, Meriden.
Unif. S.D. No. 337, Mayetta.
Oskaloosa Unif. Sch. Dist. No. 341.
Shawnee Heights Unif. S.D. No. 450, Tecumseh.
Unif. S.D. No. 464, Ronganoxie.

Third Congressional District
Shawnee Mission Rural H.S.D. No. 6.
Common S.D. No. 110, Overland Park.
Antioch C.S.D. No. 61, Overland Park.
Shawnee Common S.D. No. 27.
Roeland C.S.D. No. 92, Shawnee Mission.
Prairie S.D. No. 44.
Valley View C.S.D. No. 49, Overland Park.
Olathe Unif. S.D. No. 233.
Unif. S.D. No. 231, Gardner.
Bonner Springs Unif. S.D. No. 204.
Unif. S.D. No. 500, Kansas City.
Stanley Unif. S.D. No. 229.
Shawnee Mission Unif. S.D. No. 512.

Fourth Congressional District
Haysville Unif. S.D. No. 261.
Valley Center Unif. S.D. No. 262.
Unif. S.D. No. 260, Derby.
Maize Unif. S.D. No. 266.
Unif. S.D. No. 259, Wichita.
Unif. S.D. No. 265, Goddard.
Unif. S.D. No. 263, Mulvane.

Fifth Congressional District
Leon Unif. S.D. Jt. No. 205.
Douglass Unif. S.D. No. 39.
Rose Hill Unif. S.D. No. 394.
Andover Unif. S.D. No. 385.
Unif. S.D. No. 353, Wellington.
Unif. S.D. No. 356, Conway Springs.
Arkansas City Unif. S.D. No. 470.
Belle Plaine Unif. S.D. No. 357.
Osage City Unif. S.D. No. 420.
Unif. S.D. No. 434, Overbrook.
Unif. S.D. No. 454, Burlingame.
Marais Des Cygnes Valley D. No. 456, Melvern.
Lawrence Unif. S.D. No. 497.

KENTUCKY

Third Congressional District
Louisville Public Schools.

Sixth Congressional District
Berea Ind. Sch. Dist.
Fayette Co. Bd. of Ed., Lexington.
Clark Co. Bd. of Ed., Winchester.
Georgetown I.S.D.
Paris I.S.D.
Courbon Co. Bd. of Ed., Paris.

LOUISIANA

First Congressional District
St. Bernard Parish Sch. Bd., Chalmette.
Orleans Parish Sch. Bd., New Orleans (also 2d Cong. Dist.).

Second Congressional District
Orleans Parish Sch. Bd., New Orleans (also 1st Cong. Dist.).
Jefferson Parish Sch. Bd., Gretna.

Sixth Congressional District
St. Tammany Parish Sch. Bd., Covington.

MAINE

First Congressional District
S. Portland Bd. of Ed.
Old Orchard Beach Sch. Dist.
Biddeford Suptg. Sch. Comm.
Cape Elizabeth Sch. Dept.
Portland Pub. Schs.
Yarmouth S.D.
Town of Jefferson Sch. Committee, Windsor.
Sch. Adm. Dist. No. 57, East Waterboro.
Maine Sch. Adm. Dist. No. 35, South Berwick.

Second Congressional District
Calais Sch. Dept.
Vanceboro Sch. Dept., Danforth.
Sch. Admin. Dist. No. 19, Lubec.
City of Bangor Sch. Committee.
Town of Machias S.D.

MARYLAND

First Congressional District
St. Marys Co. Bd. of Ed., Leonardtown.
Calvert Co. Bd. of Ed., Prince Frederick.

Third Congressional District
Fourth Congressional District
Bd. of Ed. of Balt. Co., Towson (also 7th Cong. Dist.).

Fifth Congressional District
Prince Geo. Co. Bd. of Ed., Upper Marlboro
Bd. of Ed. of Charles Co., La Plata.

Sixth Congressional District
Bd. of Ed. of Fred. Co., Frederick.
Bd. of Ed. of Washington Co Hagerstown.
Bd. of Ed. of Howard Co., Ellicott City (also 8th Cong. Dist.).

Seventh Congressional District
Bd. of Ed. of Balt. Co., Towson (also 3d and 4th Cong. Dists.)

Eighth Congressional District
Bd. of Ed. of Mont. Co., Rockville.
Bd. of Ed. of Howard Co., Ellicott City (also 6th Cong. Dist.).

MASSACHUSETTS

First Congressional District
Town of Hatfield Sch. Comm.

Second Congressional District
Wilbraham Sch. Committee.
Hampden Wilbraham Reg. S.D.
Ludlow Sch. Comm.
City of Springfield Sch. Comm.
Sch. Comm. of the City of Chicopee.
City of Holyoke Sch. Comm.
Twn. of W. Springfield Sch. Comm.
Westfield Sch. Comm.

Third Congressional District
Shrewsbury Sch. Committee.
Southboro Sch. Comm.
Milford Pub. Schs.

Sixth Congressional District
Nahant Sch. Committee.
Middleton Sch. Committee.
Saugus Sch. Committee.
Danvers Sch. Comm.
Lynnefield Sch. Committee.
Rowley Sch. Comm., Georgetown.
Lynn Sch. Comm.
Masconomet Reg. S.D., Boxford.
Swampscott Pub. Sch.
Salem Public Schools.

Seventh Congressional District
Town of Wakefield, S.D.
City of Revere Sch. Comm.
Marlborough Sch. Comm.

Tenth Congressional District
New Bedford Sch. Comm.
Fairhaven Sch. Comm.
Town of Dartmouth Sch. Comm.
Acushnet Pub. Sch.

Twelfth Congressional District
Falmouth Sch. Comm.
Bourne Sch. Comm.
Town of Barnstable Sch. Committee.
Town of Sandwich Sch. Committee.

MICHIGAN

Second Congressional District
Pub. S.D. of City of Ann Arbor, Washtenaw Co.

Seventh Congressional District
Sch. Dist. of the City of Flint, Genesee Co.

Eighth Congressional District
Lansing Sch. Dist., Inham County.

MINNESOTA

First Congressional District
I.S.D. No. 196, Rosemount.
I.S.D. No. 191, Burnsville.

Third Congressional District
I.S.D. No 14, Fridley
I.S.D. No. 12, Circle Pines.
Anoka Hennepin I.S.D. No. 286.
I.S.D. No. 16, Minneapolis
Brooklyn Center I.S.D. No. 286.
Special S.D. No. 1, Minneapolis.
I.S.D. No. 281, Robbinsdale.
I.S.D. No. 271, Bloomington.

Fourth Congressional District
I.S.D. No. 621, New Brighton.
I.S.D. No. 625, St. Paul.
North St. Paul Maplewood S.D. No. 622, N. St. Paul.
I.S.D. No. 624, White Bear Lake.
I.S.D. No. 831, Forest Lake.
I.S.D. No 833, Cottage Grove
I.S.D. No. 623, St. Paul.

Sixth Congressional District
I.S.D. No. 724, St. Cloud.
I.S.D. No 742, St. Cloud.
I.S.D. No. 912, Milaca.
Princeton I.S.D. No. 477.
I.S.D. No. 728, Elk River, Sherburne Co.

Eighth Congressional District
I.S.D. No. 137, Lindstrom.
I.S.D. No. 136, Lindstrom.
I.S.D. No 139, Rush City
I.S.D. No. 138, North Branch.
I.S.D. No. 578, Pine City.

MISSISSIPPI

Fifth Congressional District
Biloxi Mun. Sep. S.D.
Ocean Springs Mun. Sep. S.D.
Gulport Mun. Sep. S.D.
Bay St. Louis Mun. Sep. S.D.
Jackson Co. Unit S.D., Pascagoula.
Harrison Co. S.D., Gulfport.
Laurel Municipal Sep. S.D., Jones Co.

MISSOURI

Fourth Congressional District
Cons. S.D. No. 2, Raytown.
Reorg. S.D. No. 7, Lees Summit.
Grain Valley S.D. No. 4.
Ft. Osage S.D.R. 1, Independence.
S.D. of the City of Independence.
Blue Springs Reorg. S.D. No. 4.
Wellington Napoleon Schs. R. 9.
S.D. of Kansas City.
Grandview Cons. S.D. No. 4.
Hickman Mills Cons. S.D. No. 1.
Reorg. S.D. No. 7, Odessa.
S.D. of Harrisonville R. 9.
Kingsville S.D.R. 1.
Center S.D. No. 58, Kansas City.
Midway Reorg. S.D. No. 1, West Line.
Belton S.D. No. 124.
Raymore Peculiar S.D.R. 2.
Warrensburg S.D.R. 6.
Cass Co. S.D. No. R. 8, Creighton.
Archie Pub. Sch. Reorg. Dist. R. V, Archie.
Miami Reorg. S.D. No. 1, Batea Co.

Sixth Congressional District
Clay, N. Kansas City S.D. No. 74.
Liberty Publ. S.D. No. 53.
Richmond S.D.R. 13.
St. Joseph S.D.
Polo Public S.D.R. 7.
Excelsior Springs S.D. No. 40.
Reorg. S.D. No. 2, Kansas City.
Norborne S.D.R. 6.
Lawson Reorg. S.D.R. XII.

Seventh Congressional District
S.D. of Springfield R. 12.
Willard S.D.R. 2.
Republic S.D.R. 3.
Fair Grove S.D. No. R 10.
Greene County S.D. R–8. Greene Co.

MONTANA

Second Congressional District
Billings E.S.D. No. 2.
Billings H.S.D.
H.S.D. No. 1A, Great Falls.
E.S.D. No. 1, Great Falls.
Vaughn S.D. No. 74.

NEBRASKA

Second Congressional District
S.D. of Omaha.
Rapillion Pub., S.D. No. 27.
Ralston S.D.
S.D. of the City of Bellevue.

NEW HAMPSHIRE

First Congressional District
City of Portsmouth Bd. of Ed.
Oyster River Coop. S.D., Durham and Madbury.
Rollingsford S.D.
City of Dover S.D. No. 11.
Timberland Regional Sch. Dist., Atkinson.
North Hampton S.D.
S.D. of the Town of Exeter.
Nottingham Cooperative S.D.
Winnacunnet Coop. S.D., Hampton.
Concord U.S.D.
Newmarket S.D.
Epping S.D.
Raymond S.D.
Londonderry S.D.
Derry Coop. S.D. No. 1.
Manchester S.D. No. 37.
Goffstown S.D.
New Boston S.D.
Merrimack S.D.
Candia S.D.
Hooksett S.D., Suncook.
Allanstown S.D., Suncook.
Hudson S.D.

Second Congressional District
Gorham S.D.
Berlin Sch. Dist. No. 3, Coos Co.

NEW JERSEY

First Congressional District
Brielle Bd. of Ed.
Boro of Freehold Pub. Schs.

Second Congressional District
Bloomfield Mun. S.D. No. 6.

Third Congressional District
South Belmar Bd. of Ed. Monmouth Co.
Middletown Twp. Bd. of Ed.
City of Perth Amboy Bd. of Ed., Middlesex Co. (also 15th Cong. Dist.).

Fourth Congressional District
Trenton Bd. of Ed.
Hamilton Twp. Bd. of Ed.

Fifth Congressional District
Morris Hills Reg. H.S.D., Rockaway.

Sixth Congressional District
Bd. of Ed., Cinnaminson Twp.
Burlington City Bd. of Ed.
Burlington Twp. Bd. of Ed.
City of Beverley Bd. of Ed.
Riverside Twp. Bd. of Ed.
Westhampton Twp. Bd. of Ed., Mt. Holly.
Edgewater Park Twp. Bd. of Ed., Beverley.
Florence Twp. Bd. of Ed.
Burlington Co. Voc. Bd. of Ed., Mt. Holly.
Pemberton Twp. Bd. of Ed., Browns Mills.
Moorestown Twp. Bd. of Ed.

Seventh Congressional District
Hackensack Publ. Sch., Bergen Co.

Eighth Congressional District
Passaic Bd. of Ed., Passaic Co.

Tenth Congressional District
Bd. of Ed. of Newark (also 11th Cong. Dist.).

Eleventh Congressional District
Bd. of Ed. of Newark (also 10th Cong. Dist.).
Essex Co. Voc. Schs. Essex Co.

Thirteenth Congressional District
Jersey City Bd. of Ed., Hudson Co. (also 14th Cong. Dist.).
Bayonne S.A.

Fourteenth Congressional District
Jersey City Bd. of Ed., Hudson Co. (also 13th Cong. Dist.).

Fifteenth Congressional District
City of Perth Amboy Bd. of Ed., Middlesex Co. (also 3d Cong. Dist.).

NEW MEXICO

Second Congressional District
Clovis Municipal S.D. No. 1, Curry Co.

NEW YORK

First Congressional District
C.S.D. No. 5 Twn of Brookhaven, Holbrook.
U.F.S.D. No. 5 Twn of Islip, Bayport.
U.F.S.D. No. 2 Twn of Babylon, Huntington.
C.S.D. No. 5 Twn of Smithtown, Kings Park.
U.F.S.D. No. 1 Twn of Huntington, Elwood.
U.F.S.D. No. 12 Twn of Islip, Brentwood.
U.F.S.D. No. 3 Twn of Islip.
Ctr. S.D. No. 7 Twn of Brookhaven, Centereach
S.U.F.D. No. 10 Twn of Huntington, Commack.
U.F.S.D. No. 3 Twn of Brookhaven, Port Jefferson Station.
U.F.S.D. No. 1 Twn of Babylon, Dix Hills.
U.F.S.D. No. 9 Twn of Islip.
U.F.S.D. No. 5 Babylon, Suffolk Co. (also 2d Cong. Dist.).

Second Congressional District
U.F.S.D. No. 5 Babylon Suffolk Co. (also 1st Cong. Dist.).
U.F.S.D. No. 21 Twn of Oyster Bay.
U.F.S.D. No. 2 Twn of Hempstead, Uniondale.
U.F.S.D. No. 22 Twn of Farmingdale.
U.F.S.D. No. 17 Town of Oyster Bay, Hicksville.
Town of Hempstead, East Meadow, Nassau Co. (also 4th and 5th Cong. Dists.).
Central S.D. No. 4, Town of Oyster Bay, Nassau Co. (also 4th and 5th Cong. Dists.).

Fourth Congressional District
Fifth Congressional District
Town of Hempstead, East Meadow, Nassau Co. (also 1st Cong. Dist.).
Central S.D. No. 4, Twn of Oyster Bay, Nassau Co. (also 1st Cong. Dist.).

Sixth Congressional District
Seventh Congressional District
Eighth Congressional District
Ninth Congressional District
Tenth Congressional District
Eleventh Congressional District
Twelfth Congressional District
Thirteenth Congressional District
Fourteenth Congressional District
Fifteenth Congressional District
Sixteenth Congressional District
Seventeenth Congressional District
Eighteenth Congressional District
Nineteenth Congressional District
Twentieth Congressional District
Twenty-First Congressional District
Twenty-Second Congressional District

XUM

Twenty-Third Congressional District
Twenty-Fourth Congressional District
School District of the City of New York, Brooklyn.
Twenty-Fifth Congressional District
City S.D. of the City of Peekskill.
City S.D. of Yonkers, Westchester Co.
Thirty-Fourth Congressional District
Thirty-Fifth Congressional District
S.D. of the City of Syracuse.

NORTH CAROLINA

Third Congressional District
Onslow Co. Bd. of Ed., Jacksonville.
Fifth Congressional District
Forsythe Co. Schs., Winston-Salem.
Sixth Congressional District
High Point City Schs., High Point, Guilford Co.
Seventh Congressional District
Fayetteville City Bd. of Ed.
Cumberland Co. Bd. of Ed., Fayetteville.
Hoke Co.. Bd. of Ed., Raeford.
Eighth Congressional District
Rowan Co. Admin. Unit S.D., Salisbury.

OHIO

Fourth Congressional District
Bethel Local S.D., Miami Co.
Seventh Congressional District
Mad River Twp. Local S.D., Dayton.
Dayton City Bd. of Ed.
Vandalia Butler City Schs.
Fairborn City S.D.
Northbridge Local S.D., Dayton.
New Carlisle Bethel Local S.D.
Kettering City S.D.
Xenia City S.D.
Washington Twp. Local Schs. Centerville.
Beavercreek Local Bd. of Ed., Xenia.
Springfield City S.D.
Madison Twp. Local S.D., Trotwood.
Jefferson Twp. Local S.D., Dayton.
W. Carrollton City S.D.
Northeastern Local S.D., Springfield.
Urbana City Sch.
Eleventh Congressional District
Exempted Village S.D., Windham.
Thirteenth Congressional District
Akron City S.D.
Fourteenth Congressional District
Barberton City Schs., Summit Co.
Sixteenth Congressional District
Seventeenth Congressional District
Canton City Bd. of Ed., Stark Co.
Twenty-Fourth Congressional District
Middletown City S.D., Butler Co.

OKLAHOMA

First Congressional District
Broken Arrow I.S.D. No. 3.
Skiatook I.S.D. No. 7.
Sand Springs I.S.D. No. 2.
Sapulpa I.S.D. No. 33.
Jenks I.S.D. No. 5.
Union I.S.D. No. 9, Broken Arrow.
Owasso I.S.D. No. 11.
Tulsa I.S.D. No. 1.
Kiefer I.S.D. No. 18.
Liberty I.S.D. No. 14, Mounds.
Sperry I.S.D. No. 8.
Second Congressional District
Pryor I.S.D. No. 1.
Catoosa I.S.D. No. 2.
Claremore I.S.D. No. 1.
Coweta I.S.D. No. 17.
Inola I.S.D No. .5.
Sequoyah I.S.D. No. 6, Claremore.
Cleveland I.S.D. No. 6.
Wagoner I.S.D. No. 19.
Omulgee I.S.D. No. 1.
Mannford I.S.D. No. 3.
Oilton I.S.D. No. 20.
Lone Star Dep. S.D. No. 8, Sapulpa.
Porter I.S.D. No. 3.
Third Congressional District
Krebs D.S.D. No. 9.
Wilburton I.S.D. No. 1.
Panola I.S.D. No. 4.
Stigler I.S.D No 20.
Sixth Congressional District
Elk City I.S.D. No. 6.

OREGON

Second Congressional District
Creek Co. S.D. No. 2, Creek Co.
Fourth Congressional District
Eagle Point S.D. No. 9.
Jackson Co. S.D. No. 91, Butte Falls.
Medford Sch. Dist. No. 549C.
Central Point S.D. No. 6, Jackson Co.

PENNSYLVANIA

Tenth Congressional District
Blakely Borough S.D., Peckville.
Valley View S.D., Peckville.
Mid Valley Sch. Dist., Olyphant.
Lakeland Sch. Dist., Lackawanna Co.
Old Forge Sch. Dist.
North Pocono S.D., Moscow.
S.D. of the City of Scranton.
Riverside S.D., Taylor.
Dunmore Pub. S.D.
Eleventh Congressional District
Pittston Area S.D.
Wyoming Area S.D., West Pittston.
Wilkes Barre City S.D.
Dallas Sch. Dist., Luzerne Co.
Wyoming Valley S.D., Kingston.
Plains Jt. S.D., Plains Wilkes Barre.
Greater Nanticoke Area S.D.
Ashley Sugar Notch Jt. Schs., Ashley.
Twelfth Congressional District
Susquentia Area S.D., Duncannon.
Fourteenth Congressional District
Penn Hills Township, Allegheny Co. (also 20th and 27th Cong. Dists.).
Wilkinsburg Borough Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
Churchill Area Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dist.).
Keystone Area Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
Duquesne Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
Braddock Borough Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
South Fayette Twp. Sch. Dist., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
Clariton S.D., Allegheny Co. (also 18th, 20th, and 27th Cong. Dists.).
S.D. of Pittsburgh (also 20th and 27th Cong. Dists.).
Sixteenth Congressional District
Palmyra Area S.D.
Annville Cleona S.D.
Cornwall Lebanon Sub. Jt. Sch. Sys.
North Lebanon S.D., Fredericksburg.
Eighteenth Congressional District
Wilkinsburg Borough Sch. Dist., Allegheny Co. (also 14th, 20th and 27th Cong. Dists.).
Churchill Area Sch. Dist., Allegheny Co. (also 14th, 20th and 27th Cong. Dists.).
Keystone Oaks Sch. Dist., Allegheny Co. (also 14th, 20th and 27th Cong. Dists.).
Duquesne Sch. Dist., Allegheny Co. (also 14th, 20th and 27th Cong. Dists.).
Braddock Borough Sch. Dist., Allegheny Co. (also 14th, 20th, and 27th Cong. Dists.).
South Fayette Twp. Sch. Dist., Allegheny Co. (also 14th, 20th, and 27th Cong. Dists.).
Clariton S.D., Allegheny Co. (also 14th, 20th and 27th Cong. Dists.).
Twentieth Congressional District
Penn Hills Twp, Allegheny Co. (also 14th and 27th Cong. Dists.).
Wilkinsburg Borough Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
Churchill Area Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
Keystone Oaks Sch. Dist., Allegheny Co. (also 14th, 18th, and 27th Cong. Dists.).
Duquesne Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
Braddock Borough Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
South Fayette Twp. Sch. Dist., Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
Clariton S.D. Allegheny Co. (also 14th, 18th and 27th Cong. Dists.).
McKeesport Area Sch. Dist., Allegheny Co.
S.D. of Pittsburgh (also 14th and 27th Cong. Dists.).
Twenty-First Congressional District
New Kensington-Arnold Sch., Westmoreland Co.
Twenty-Fourth Congressional District
Farrell Area Sch. Dist., Mercer Co.
Twenty-Sixth Congressional District
Peters Twp. S.D., McMurray.
Connelsville Area Sch. Dist., Fayette Co.
Twenty-Seventh Congressional District
Penn Hill Twp., Allegheny Co. (also 14th & 20th Cong. Dists.).
Wilkinsburg Borough Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.).
Churchill Area Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.).
Keystone Oaks Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.).
Duquesne Sch. Dist. Allegheny Co. (also 14th, 18th & 20th Cong. Dists.).
Braddock Borough Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.).
South Fayette Twp. Sch. Dist., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.).
Clariton S.D., Allegheny Co. (also 14th, 18th & 20th Cong. Dists.).
Sto-Rex Sch. Distr., Allegheny Co.
Carlynton S.D., Carnegie.
Bethel Park S.D.
Montour S.D., McKees Rocks.
West Allegheny S.D., Imperial.
Fox Chapel Area S.D., Pittsburgh.
South Park S.D., Library.
Baldwin Whitehall S.D., Pittsburgh.
Brentwood Boro S.D., Pittsburgh.
Chartiers Valley S.D., Pittsburgh.
West Jefferson Hills S.D., Pittsburgh.
S.D. of Pittsburgh (also 14th & 20th Cong. Dists.).
S.D. of the Twp. of Upper St. Clair, Bridgeville.

RHODE ISLAND

Second Congressional District
S. Kingstown Sch. Comm., Wakefield.

SOUTH DAKOTA

First Congressional District
Brookings I.S.D. No. 122.
Lennox I.S.D. No. 100.
West Central I.S.D. No. 154, Hartford.

TENNESSEE

First Congressional District
Sullivan Co. Bd. of Ed., Blountville.
Kingsport City Sch. Sys.
Sevier Co. Bd. of Ed., Sevierville.
Second Congressional District
Knox Co. Bd. of Ed., Knoxville.
Blount Co. C.D., Maryville.
Knoxville Bd. of Ed.
Maryville City Schools.
Alcoa City S.D.
Third Congressional District
City of Chattanooga Bd. of Ed.
Marion Co. Bd. of Ed., Jasper.
Hamiltno Co. Bd. of Ed., Chattanooga.
Fourth Congressional District
Warren County Bd. of Ed., McMinnville.
Anderson Co. Bd. of Ed., Clinton.
Fifth Congressional District
DeKalb Co.

Sixth Congressional District
Franklin Co. Bd. of Ed., Winchester.

TEXAS

First Congressional District
Daingerfield I.S.D.
Cason I.S.D.
Third Congressional District
Grand Prairie I.S.D.
Irving I.S.D.
Duncanville I.S.D.
Lancaster I.S.D.
Cedar Hills I.S.D.
De Soto I.S.D.
Dallas I.S.D.
Fourth Congressional District
Howe I.S.D.
Terrell I.S.D.
Sixth Congressional District
Red Oak I.S.D.
Midlothian I.S.D.
Tenth Congressional District
San Marcos I.S.D.
Lockhart I.S.D.
Blanco I.S.D.
Hays Cons, I.S.D., Kyle.
Eleventh Congressional District
Conally Cons. I.S.D., Waco.
La Vega I.S.D., Bellmead Branch, Waco.
Waco I.S.D.
Midway I.S.D., Waco.
Robinson I.S.D., Waco.
Crawford I.S.D., No. 901.
China Spring I.S.D.
Mart I.S.D. No. 101 908.
Lorena I.S.D.
Bosqueville I.S.D., McLenna County.
Rosebud Lott I.S.D., Rosebud, Falls County.
Twelfth Congressional District
Birdville I.S.D., Ft. Worth.
White Settlement I.S.D., Fort Worth.
Hurst Euless Bedford I.S.D.
Arlington I.S.D.
Thirteenth Congressional District
Lewisville I.S.D.
Lake Dallas I.S.D.
Bridgeport I.S.D.
Denton I.S.D.
Seventeenth Congressional District
Coahoma I.S.D.
Forsan Co. Line I.S.D.
Twentieth Congressional District
Harlandale I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
S. San Antonio I.S.D. (also 21st & 23d Cong. Dists.).
Southside I.S.D. No. 912, San Antonio (also 21st & 23d Con. Dists.).
Edgewood I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
Southwest I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
East Central I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
San Antonio I.S.D. (also 21st & 23d Cong. Dists.).
North East I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
Somerset I.S.D. (also 21st & 23d Cong. Dists.).
Northside I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
Alamo Hts. I.S.D., San Antonio (also 21st & 23d Cong. Dists.).
Judson I.S.D. No. 916, Converse (also 21st & 23d Cong. Dists.).
Twenty-first Congressional District
Harlandale I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
S. San Antonio I.S.D. (also 20th & 23d Cong. Dists.).
Southside I.S.D. No. 912, San Antonio (also 20th & 23d Cong. Dists.).
Edgewood I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
Southwest I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
East Central I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
San Antonio I.S.D. (also 20th & 23d Cong. Dists.).
North East I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
Somerset I.S.D. (also 20th & 23d Cong. Dists.).
Northside I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
Alamo Hts. I.S.D., San Antonio (also 20th & 23d Cong. Dists.).
Judson I.S.D. No. 916, Converse (also 20th & 23d Cong. Dists.).
Devine I.S.D.
Schertz Cibolo I.S.D.
Floresville I.S.D.
Potect I.S.D.
Marion I.S.D.
Laredo I.S.D.
United Cons. I.S.D., Laredo.

VIRGINIA

Second Congressional District
Fredericksburg City Schs.
City of Alexandria Sch. Bd.
City of Fairfax Sch. Bd.
Portsmouth City Sch. Bd.
Sch. Bd. of the City of Norfolk.
Sch. Bd. of the City of Virginia Beach.
Sch. Bd. of the City of Chesapeake.
Third Congressional District
Co. Sch. Bd. of Chesterfield Co.
Fourth Congressional District
Co. Sch. Bd. of Prince George Co., Prince George.
Sch. Bd. of Nansemond Co., Suffolk.
Sch. Bd. of Isle of Wight Co., Isle of Wight.
Co. Sch. Bd. of Prince William Co., Manassas.
Sixth Congressional District
Co. of Roanoke Sch. Bd., Salem.
Roanoke City Pub. Schs.
Tenth Congressional District
Co. Sch. Bd. of Arlington Co.
Co. Sch. Bd. of Fairfax Co., Fairfax.

WASHINGTON

Second Congressional District
Edmonds S.D. No. 15, Lynnwood.
Third Congressional District
Newport Cons. Jt. S.D. Nos. 56, 417.
Peninsula S.D. No. 401, Gig Harbor.
Vancouver S.D. No. 37.
Fourth Congressional District
Walla Walla S.D. No. 140.
Daytona S.D. No. 2.
Yakima S.D. No. 7.
Clarkson S.D.
Union Gap S.D. No. 2.
Moxee S.D. No. 90, Yakima.
Naches Valley S.D. Jt. No. 3.
Zillah S.D. No. 205.
Selah S.D. No. 119.
Fifth Congressional District
Mead S.D. No. 354.
Spokane S.D. No. 81.
Cheney Jt. Cons. S.D. No. 360, 316.
Sixth Congressional District
N. Kitsap S.D. No. 400, Poulsbo.
Clover Pk. S.D. No. 400, Lakewood Center.
Franklin Pierce S.D. No. 402, Tacoma.
Eatonville S.D. No. 404.
Bremerton Cons. S.D. 1000.
Uni. Place S.D. No. 83, Tacoma.
Steilacoom S.D. No. 1.
Bethel S.D. No. 403, Spanaway.
Tacoma S.D. No. 10.
Sumner S.D. No. 320.
Puyallup S.D. No. 3.
Fife S.D. No. 417, Tacoma.
Seventh Congressional District
Kent S.D. No. 415.
Highline S.D. No. 401, Seattle.
Seattle S.D. No. 1.
Northshore S.D. No. 417, Bothell.
Bellevue S.D. No. 405.
Fed. Way S.D. No. 210.

WEST VIRGINIA

Second Congressional District
Jefferson Co. Bd. of Ed., Charles Town.
Tucker Co. Bd. of Ed., Parsons.
Fourth Congressional District
Cabell Co. Bd. of Ed., Huntington.
Wayne Co. Bd. of Ed., Wayne Co.

WISCONSIN

Second Congressional District
Jt. S.D. No. 8, City of Madison.
Jt. S.D. No. 2, Sun Prairie.
McFarland C.S.D., Jt. No. 8.
Jt. S.D. No. 10, Village of Arlington, Poynette.
Third Congressional District
Jt. S.D. No. City of Prescott.
Jt. S.D. No. 9, City of Elroy.
Eighth Congressional District
Jt. S.D. No. 1, City of Green Bay.
Jt. S.D No. 2, West De Pere.
Tenth Congressional District
Jt. S.D. No. 1, City of Hudson-Troy, St. Croix Co.

NOTICE OF HEARING ON NOMINATION

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, November 23, 1971, at 10 a.m., in room 2228, New Senate Office Building, on the following nomination:

Levin H. Campbell, of Massachusetts, to be U.S. district judge, district of Masachusetts, vice Charles E. Wyzanski, Jr., retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. McCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

NOTICE OF HEARING ON NOMINATION

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hear-

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ing has been scheduled for Monday, November 29, 1971, at 10:30 A.M., in room 2228, New Senate Office Building, on the following nomination:

Robert L. Kunzig, of Pennsylvania, to be an associate judge of the U.S. Court of Claims vice Don N. Larmore, retiring.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arknasas (Mr. McCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

ADDITIONAL STATEMENTS

PEKING'S DELEGATES ARRIVE AT UNITED NATIONS

Mr. ALLEN. Mr. President, remarkably candid speeches delivered on the occasion of the Peking delegation's arrival at the United Nations, by the Soviet delegate, Mr. Yokou A. Malik, and China's Deputy Foreign Minister, Chiao Kuan-Hua, leave little room for doubt about the future thrust of United Nations actions.

For one thing, Mr. Malik reminded us that as a result of Russia's advocacy of the policy of universality in the United Nations, it has been able "to achieve the admission into the United Nations of a large number of socialist states including Albania," which nation offered the resolution to seat Red China and kick out Taiwan, a charter member of the United Nations.

As for Mr. Chiao, no words were minced in outlining the intentions of Communist China as a member of the United Nations and of the Security Council. He hailed the General Assembly vote to seat Communist China and oust Nationalist China as "a victory for Chairman Mao Tse-tung's revolutionary line in foreign affairs." He also laid it on the line with respect to the future of Taiwan. He said:

> The Chinese people are determined to liberate Taiwan and no force on earth can stop us from doing so.

In addition, he told the United States and the world what must be done in South Vietnam, Cambodia, and Laos. In his foreign policy prescriptions for the United States he let it be known that we must bow to Red China's demand for unification of Korea and then informed us what would be required to settle the Middle East tensions as well as the problems in Asian, African, and Latin American countries which together now constitute a voting majority in the United Nations.

Mr. President, the message is loud and clear. Communist China now not only has a voice, a vote, and a veto in the United Nations, but it also has majority backing in the General Assembly. There is no reason to doubt that Communist China intends to use that power to promote revolutionary objectives throughout the world. These objectives differ only slightly from those espoused by Soviet Russia. They are differences of means and not of ends.

Mr. President, the New York Times of November 13, 1971, published an article by Jefferson St. John, entitled "The U.N. Deserves a Decent Burial." Mr. St. John presents revealing insights and judgments on the United Nations organization.

Only those who are emotionally tied to a post era will take offense at suggestions that the time is at hand to reevaluate the United Nations as an institution. The evidence is in—its catastrophic failures have been cataloged. It is time now to question its intentions—its methods—its ends—its utility and also to dispassionately examine the consequences of our continued participation and support of this organization. I am satisfied that we can promote the ends of world peace by more effective institutional means than by reliance on a flawed and incapacitated United Nations organization.

Mr. President, in support of this judgment, I ask unanimous consent that Mr. St. John's article be printed in the RECORD, together with published results of a recent Gallup poll which reveal that the prestige of the United Nations has dropped to an alltime low.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 13, 1971]

THE U.N. DESERVES A DECENT BURIAL

(By Jeffrey St. John)

"This is not the time for cynicism," observed Secretary General Thant a few days before the ouster of Taiwan from the U.N. "This is the time when member states should honor their pledges. . . ."

One pledge was to honor the U.N. charter, clearly compromised when a founding member, Taiwan, was expelled. This hypocrisy is only one of a host of reasons why the United States should allow the world organization to commit suicide. Further U.S. moral and monetary support for the U.N. would be like giving life support fluids to a patient whose brain waves and vital body functions have failed.

During the debate over Red China's representation we were urged to "face reality." The reality of the U.N. today is that it is philosophically and financially bankrupt: The U.S. will only complicate its future conduct of foreign policy if it persists in the dangerous delusion that the moribund U.N. can work or is worth saving. The most honest and courageous act we can perform is to give the global organization a decent burial by paying for the U.N. to relocate in that graveyard of international conferences, Geneva.

The U.S. Senate faced reality when it voted to scuttle the American foreign aid program. It is superficial and shallow to say that the action was out of anger at the U.S. defeat over the China representation issue. It was, in reality, a not clearly identified revulsion against the chaos created by a quarter century of American international altruism.

As we have failed to be the policeman of the planet, so we have failed as welfare workers of the world via our own efforts and those of the United Nations. The worldwide hostility we have unleashed as paternalistic policeman and alms-giver to the globe was perfectly reflected in the unprecedented "glee" of U.N. members when they handed the U.S. its stunning defeat by ousting Taiwan. Only a country with a hideous capacity for self-flagellation would subject itself to a climate of hostile and irrational gang rule.

What doomed the U.N. from the very first for its false philosophical foundation, the assumption that nations would renounce their nationalistic self-interest in the name of a greater global good. Mr. Thant and others have berated member nations for indulging in "nationalistic self-interest" in an age when nationalism is the dominant reality. One of the first laws of nature and of nations is self-preservation and survival, the sisters of "selfishness" or self-interest. United Nations apologists have explained away every failure of the U.N. because of "hypo-nationalistic sins of greed and pride." This is not only an evasion, but a revolt from the reality that nations are offered nothing but a vague set of glittering generalities to replace their own deep-rooted institutions, traditions and boundaries.

During the last quarter century the Soviets and their allies have consistently served their own self-interest and sovereignty by working an obstructionist will within the world organization. In contrast, the U.S. has consistently subordinated its self-interest, never wanting to believe the specific goals the Soviets had in mind when manipulating the machinery of the United Nations. It has been, and continues to be, the goal of the Soviets, now to be aided by the Red Chinese, to use the U.N. as a psychological and propaganda weapon to isolate the West and particularly the United States from the uncommitted world. The weakness the U.S. has shown in the face of this quarter-century campaign has contributed to the loss of respect and of the American leadership role in the U.N.

Current and future attempts to make the U.N. "work" will fail as long as we refuse to face two central issues. One, that the world organization is used as a weapon against the West and its principal patron, America. Second, the U.N. has been unable to fashion a system of cooperation that works with, not against, the natural self-interest of men and nations.

We need a genuine dialogue and debate over whether the United States should further support or participate in a world organization that has failed in its stated goals and has too often become an instrument for fermenting peace-breaking rather than peacekeeping. Let U.N. supporters attempt to defend the indefensible and answer the proposition whether in fact it would be more humane to give the world organization a decent burial.

GALLUP SAYS U.S. PUBLIC RATES U.N. PRESTIGE AT A RECORD LOW

The prestige of the United Nations has dropped to an all-time low in the United States, the Gallup Poll reported yesterday.

The poll was conducted Oct. 29 to Nov. 1, after the United Nations rejected the United States' two-China policy. The Gallup organization said 1,562 persons had been interviewed in more than 300 localities.

It said a downward trend in the United Nations' prestige began in 1967, when 49 per cent of the Americans surveyed said they felt the United Nations was doing a good job. In the latest poll 43 per cent said it was doing a poor job.

The following question was asked during the most recent poll:

"In general, do you think the United Nations organization is doing a good job or a poor job in trying to solve the problem that it has faced?"

TREND SINCE 1967

Here are the latest results and trend since 1967:

[In percent]

	Good	Poor	No opinion
Latest	35	43	22
1970	45	39	16
1967	49	35	16

Some of the current bitterness toward the United Nations was attributed to its inability to bring about peace in Vietnam, the Middle East and, most recently in the Pakistani-Indian conflict.

Republicans are less favorable disposed toward the United Nations than are Democrats, the Gallup Poll said. Among all age groups, persons under 30 give the organization the highest rate of approval.

RESULTS BY GROUPS

The following table shows the results by political identification, education and age groups:

[In percent]

	Good	Poor	No opinion
National	35	43	22
Republicans	31	48	21
Democrats	39	39	22
Independents	32	48	20
College	33	54	13
High school	37	41	22
Grade school	31	40	29
Under 30	41	40	19
30 to 49 years	31	43	23
50 and over	32	46	22

The United Nations started out in 1945 with overwhelming support, with the American public in favor of Senate ratification of its charter by a 20-to-1 ratio.

Since the late nineteen-fifties and early nineteen-sixties the organization's popularity has slipped steadily, according to the Gallup Poll.

A TRIBUTE TO TWO DISTINGUISHED OREGON CITIZENS

Mr. PACKWOOD. Mr. President, one of Oregon's outstanding citizens is R. W. deWeese of Portland. In Oregon, Bill deWeese is regarded his own man. He has an outstanding record of achievement in business and an equally outstanding record of accomplishments as a civic leader. That is why I am particularly proud and my home State is particularly honored to have President Nixon name Bill deWeese of Portland as chairman of the committee on State and Local Government Cooperation, an advisory panel to the President's Cost of Living Council, Price Commission and Pay Board.

The Advisory Committee is part of the post-freeze apparatus President Nixon outlined in his October 7 message on the economic stabilization program.

The committee will advise the Cost of Living Council in the application of the economic stabilization program to State and local governments, their subdivisions, and their employees. Appointment of the Board reflects administration interest in enlisting the assistance and cooperation of State and local governments in achieving the anti-inflation goals of the economic stabilization program.

Bill deWeese is 60 years old, but he has the spirit of a man half that age. He believes in this country and he believes in hard work. As the former vice president for marketing of the ESCO Corporation, Bill deWeese made a remarkable impact in the business world. He still serves as a member of the board of directors of ESCO, and is a director of the Cascade Corp., Great Western National Bank and Oregon Metallurgical Corp. He also is a technical counselor for Oregon State University and is a director of district No. 1 of the Portland Public Schools. He serves on the Portland Metropolitan Area Urban Coalition and is director of the Citizens Coalition for Responsibility. He is a graduate of Stanford University.

Let me add some personal thoughts about Bill deWeese.

I have known Bill a long time. There is no wasted motion about this man. He is superbly prepared and extraordinarily disciplined. As a result, Bill deWeese can accomplish in a few minutes or a few hours what it would take most of us many, hours or many days to accomplish. This committee will not fail because Bill deWeese will not let it fail. He will bring to this committee the leadership and inspiration which are essential if the job is to be accomplished as it should be. I know that all of Oregon joins me in applauding the naming of Bill deWeese to this significant job of responsibility. A better choice could not have been made.

Oregon is indeed honored to have a second distinguished person serving on this same panel. She is Dr. Eleanor Beard, a member of the Oregon State Board of Education.

It has been my pleasure to work with Dr. Beard on community programs. I know of her great interest in her community, in her State, and in her Nation. She has held office in State and local units of the League of Women Voters and the American Association of University Women. Mrs. Beard is a resident of Lake Oswego near Portland. She is indeed a credit to that community and to all of Oregon. I know she will do an outstanding job.

THE ICC MOVES TO HELP RECYCLING

Mr. MOSS. Mr. President, recently the Interstate Commerce Commission took an action that will help make recycling economically feasible. It ruled that carriers that wish to transport recycled material will no longer have to pay expensive filing fees and go through lengthy hearings to get ICC certification. Since many of these carriers are small companies, the old rules were a tremendous burden, which has now been lifted. The ICC action will help to relieve the acute shortage of carriers for recycled materials and will stimulate competition to keep transportation rates low.

Economical transportation is an essential element of any successful recycling program. Without it, such programs will die on the vine, and materials in our solid waste simply will never get reclaimed. Our national interest demands increased recycling, and the ICC decisions reflected this realization.

This move was significant, not for the total amount of recycling it will stimulate, but for the new awareness it represents on the part of the ICC on this issue. In part, the ruling reads:

> Pollution threatens our existence. An aware nation is attempting to save and restore an ailing environment.
>
> Programs have arisen throughout the land, sponsored by Government, industry, charitable groups and others. The success or failure of many of these programs depends on the availability of adequate transportation. This commission must authorize carriers to allow them to make such transportation available. Although certain carriers and carrier organizations believe that their interests may be adversely affected to some extent, failure to become part of the "team" fighting to halt pollution might seriously affect the future, not only of the trucking industry, but all American industry—We earnestly hope that all motor carriers will desire to join the national effort to save and restore our American environment.

The ruling is, I believe, in response to pressure that I and others have applied to the ICC in recent months to get it to wake up to its environmental responsibilities. Last month I introduced an amendment to S. 1729, the Fast Freight Car bill, to require railroads to eliminate discriminatory freight rates on recycled materials. Our special subcommittee on Freight Car Shortages inquired of the ICC what it is doing on the matter. To date we have received no response.

Congressman DINGELL has been carrying on a running correspondence with the Commission on this matter. The language of the commission's most recent response, dated October 6, 1971, is, in part, as follows:

> This commission has no authority to exercise specific planning functions with regard to the environment . . . We are anxious to participate in implementing the spirit of the Declaration of National Environmental Policy. However, in view of past litigation regarding the matter of scrap materials in ex parte Nos. 265 and 267, in the pending proceeding ex parte No. 270, it would be unwise in my opinion to invest any more of our limited resources at this time on this particular issue.

Seen in the light of the Commission's past reluctance in this area, the action last week is certainly a great leap forward.

It is less certain exactly what effect the ruling will have on the movement of recycled materials. For one thing, it will apply only to "waste" products ruling as part of a "recognized pollution control program." The meaning of the phrase "recognized pollution control program" is unclear, despite the Commission's attempt at clarification. I hope it will be construed broadly so that all good faith efforts to recycle solid wastes will be eligible. A stricter interpretation of the phrase would seriously undermine the spirit of the new ruling.

On the other hand, the definition of "waste" proposed by the Commission is an excellent one. The Commission makes it clear that what we are talking about is postconsumer solid waste. We would not be giving a windfall to manufacturers who are already reclaiming materials as a regular part of their production processes.

This is the same definition for recycled materials that I am requiring in my bills. Only if we aim our recycling incentives at the postconsumer solid waste will we be accomplishing our most important objectives.

The Commission is to be congratulated on its excellent initiative in this area. With its newfound environmental awareness, the Commission should now move to consider the environmental impact of discriminatory railroad freight rates on recycled materials. I urge that other Federal agencies such as the Government

Printing Office follow the Commission's lead.

It is time that all agencies in the Federal Government move to encourage the maximum possible amount of recycling. Our solid waste problems, and our resource scarcity problems, demand no less.

CAB CHAIRMAN SEEKS FINANCING AGENCY

Mr. DOLE. Mr. President, we are all greatly concerned about the balance of payments problem and our position in the world's marketplace.

From the time that Wilbur and Orville Wright had their success at Kitty Hawk, the United States has led the world in the exploration of inner space and in the development and sale of vehicles for that purpose.

The recent achievements of the Boeing Co. with the 747, the McDonnell Douglas achievement of the DC–10, and Lockheed's efforts toward the L–1011 and the C–5, not to mention the spectacular achievements of our recent Apollo moon missions, still have us in a position of world leadership in aerospace.

However, there are now in the Nation, under development, no new air frames or powerplants, but these are under development in other nations. In some cases this foreign development is using American ingenuity and technology as a result of agreements with U.S. manufacturers. We are at the threshold of exporting our technology.

Secor D. Browne, a noted figure in the aviation community, an engineer and Chairman of the Civil Aeronautics Board, has foreseen the danger of continuing down the present path and is proposing a way of combating this burgeoning technology drain.

I ask unanimous consent that the text of Mr. Browne's recent remarks before the American Institute of Aeronautics and Astronautics Conference in Washington, D.C., be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SECOR D. BROWNE, CHAIRMAN, CIVIL AERONAUTICS BOARD, AT THE AMERICAN INSTITUTE OF AERONAUTICS AND ASTRONAUTICS CONFERENCE, OCTOBER 28, 1971

Thank you, Mr. Chairman. I think the panel has done a remarkable job of defining the alligators in which we are up to the hips. I'm not sure that I agree in quite the same way with the statement about how we get rid of them. I don't want to just plan; I think we've got to move and move fast. I'm not sure we can wait for a totally integrated national-industrial plan.

Although I agree about our deteriorating international competitive position in all our industries, I believe we should begin at the beginning, and the beginning is the air transport market—a market that is, if not our greatest balance of payments earner, then certainly one of the key ones.

What we have to have is a new government entity to produce the next generation of aircraft. We certainly are going to have a requirement for more airplanes despite what some of my friends in charge feel as of today. I don't want to buy A–300–B air buses. The question is not will the A–300–B—and other foreign aircraft—be sold here, they *must* be unless we work out a system of developing and financing our own aircraft.

It is simply beyond the resources of Boeing or Douglas or Lockheed or perhaps the three of them put together even with the aid of a prudent financial community—and they must be prudent—to carry us through another transport air frame and engine program. The new 20,000 pound thrust class, high by-pass, clean, quiet engine will be made in France with GE technology (and some from Pratt & Whitney as well) and with the full support of the French Government for a French company.

As many of you have heard me say, I don't think that retrofit is technically feasible. In terms of time it makes no sense at all. If you are going to schedule retrofits, by the time you retrofit the airplanes most of them have been written off.

Likewise the economics of retrofit do not make sense. But, there is some possibility of re-engining. If we re-engine, it looks like we will re-engine with French engines. So, how do we get off the hook. . . .

Again, I come back to some sort of new government-supported entity. One of the great sorrows of the loss of the SST Program was not only the airplane but the loss of the beginnings of an entity which would make such a program possible again. I think in all candor that the SST Program suffered from the fact that it was just one office in a department with other pressures and duties.

I also feel there was a barrier between the airlines and the manufacturers. There seemed to be a lack of adequate communication or perhaps a kind of general trust in what was being done.

What I am asking for is some sort of new government entity which would be economic rather than technical. You could call it a national development bank or a finance corporation. Its job would be to apply the resources to move ahead with competitive programs to a point where airlines could carry on with their own money. There is the possibility that such a program could be carried further with the participation of the airlines to the point where aircraft could be shipped and would begin to pay for itself. In other words, pay the public back.

Now I have said time and time again that I can't conceive of a worse airline management team than the Civil Aeronautics Board. With all due deference to all kinds of government agencies, I don't think that they make very good design teams either. I think that manufacturers—not government officials—ought to design airplanes and engines. And I think that manufacturers should design to meet carrier needs—not what some government representative *thinks* the carriers need. One of the reasons that Russian airplanes are heavier and less efficient than ours, or have been so far, is that they are for the most part designed by government teams. It's difficult to get creativity or boldness from a government design team.

But, as I look at the list of government offices that are involved with worrying about what is going to happen with the aerospace industry, I come up with DOT, FAA, NASA, the National Aviation and Space Council, the Office of Science and Technology, the Domestic Council, the Council of Economic Advisors, the Treasury, the Justice Department and the Department of Defense. I don't want any of them either designing the airplane or running its financial program. So as I say, I obviously haven't refined my thoughts but I feel this very strongly.

Now turning to some other points that were raised. The first was rationalization of route structures. There is no question in my mind that we have too much capacity. This is in part because in the mid-60's it looked like more route awards made sense. It made sense to the carriers who asked for the routes and to the Board which granted the routes, and to the carriers who bought the equipment to service those routes. The awards were made and the carriers loaded up with new equipment.

And as a matter of hard fact without changing the statute there is no way for the Civil Aeronautics Board to kick anybody off a route. Internationally, it might help Pan Am and TWA to cut the competition between New York and Paris but I don't think that the French would like us to kick Air France out of New York. So, in the real world what the CAB can do is limited.

In the matter of supplementals being acquired by scheduled carriers, or the supplementals acquiring scheduled carriers, this is another difficult problem. It would take legislation to bring it off. In Europe, it's different. The supplementals are often the instruments of the scheduled carrier which in itself is state owned. So that simply means that the national governments of Europe and elsewhere in the world can wear any one of three hats if they want to: The government, the scheduled carrier or the supplemental carrier. They also have the great advantage of flying the same airplanes on both systems.

The third point is the matter of labor legislation to balance the equation. This is an urgent need and I can't emphasize it too much. I have spent a lot of time talking with people in the Administration and with influential members of Congress about this problem. It is an area which will trouble all of us unless something can be done.

Next was the point about freedom of pricing. There was a recent editorial in the Wall Street Journal that took the Board to task and pointed out that George Spater of American had said that what we need is price flexibility—freedom to price. I don't normally write letters to newspapers, but I did write in that case. I pointed out that in the Domestic Passenger Fare Investigation and decision of last April, we decided that the present level was wrong and some pricing flexibility should be given the carriers. We said the carriers can go out and raise their fares up to 6 per cent in each market. In response everybody, including my friend Mr. Spater, rushed out and raised fares the *full* 6 per cent *in each market;* yet, they had a range of pricing flexibility available to them between the former level and 6 per cent above it. I simply say that pricing flexibility is a dandy idea, and I wish the carriers would use it. As far as I am concerned I am for flexibility of pricing and I am for, and I believe that the Board is for, the exercise of more managerial initiative. While the Board has come up with standards in the fare case, they are not rigid rules. They are guidelines for the carriers to follow in pursuing their own responsibilities.

Another pressing matter is short-haul services. I have very strong feelings about the Northeast Corridor and other high-density transportation corridors.

I do not think they should be served by any type of government subsidized, fixed guideway system. By fixed guideway I mean the monorail, tracked air-cushion vehicle, or improved trains. I simply think that the European and Japanese experience with subsidizing state railway systems is not attractive to the American scene particularly when we appear to have the capability of mounting an efficient, economic, short-haul air service. In my judgment the example will be set for us by the Canadians. They have automatically solved some of the problems we're unable to wrestle with simply because they are subsidizing a suitable STOL vehicle and we are not. It may not be the greatest in the world but the DeHavilland machine is a short-haul machine designed for that purpose and the Canadian Government is supporting it. The Canadian Government happens to own their air traffic control systems so they can put in air navigation and the other elements that are part of a total STOL system. They own the airports, so they can take care of the decisions of whether you build STOL strips in or not. The Canadian Government has, I believe, announced that they are going to work on the STOL project in other places besides their big airports. And, of course, they own an airline. So, they have all the things they need to mount a STOL system and at the time they do it, we'll probably still be talking about it and doing nothing.

I know that the Board is unique among regulatory agencies in that it has a responsibility to promote air transportation.

I understand of course that Mr. Volpe has a different charter but I still am a little disturbed about the continued amounts of money apparently required to subsidize Amtrak's rail services and advertising campaigns directed against what is essentially a free enterprise transportation system.

The final point goes to priorities. This has disturbed me greatly. It disturbed me during the SST debate when there was much talk about a choice between the SST and other things like poverty programs and other welfare programs. But, the truth is that it is not a matter of a choice between social programs and something else. It is a choice between social programs and the ability to support social programs. Obviously, the economy cannot be made self-supporting if the economy is not a generator of goods. Without generators of wealth, there can be no social programs. Over and over again I say there is no such thing as a free lunch. The way we are going we cannot survive, because no one can survive as a Nation of service industries and that's the way we are going—a Nation that does nothing but take in each other's laundry.

COMMUNISM VERSUS CAPITALISM

Mr. ALLEN. Mr. President, the Honorable John C. Pearson, an attorney at law in Tuscaloosa, sent me an article from the Presbyterian Journal of October 27, 1971. The article bears the intriguing title "America's Darkest Hour" and was authored by Jack E. Noble, pastor of the Riverside Independent Methodist Church of Jackson, Miss.

The Reverend Mr. Noble quotes from Lenin, who predicted:

First we will take Eastern Europe; next the masses of Asia. Then we shall encircle the last bastion of capitalism, the United States of America. We shall not have to attack; it will fall like an overripe fruit into our hands.

The author documents the manner in which the policy enunciated by Lenin has been implemented over the past two decades. The events he describes leads us to concur in his judgment that the United States may well be facing its darkest hour.

Mr. President, in view of current developments with respect to Communist nations, I believe that Senators and the public in general will find the article timely, informative, interesting, and challenging. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NOT THE WINTER AT VALLEY FORGE, BUT THIS VERY DAY—AMERICA'S DARKEST HOUR

(By Jack E. Noble)

As Americans we have the greatest heritage of any nation on earth. I can remember when our history books showed pictures of veterans standing with tears running down their cheeks as the flag went by. To them it was not just a piece of cloth. In that flag they saw the dreams and ideals of all this country hoped to be, the dream for which their fellow countrymen had died.

I can remember when we pledged and covenanted anew that we would die ourselves, if need be, to preserve that great dream which was on its way to becoming reality, a dream which had begun on the East coast and stretched across this continent to the Pacific: to create a land where men and women could worship God together in the church of their choice, where people of all nationalities would come together to mold a great nation.

A GREAT HERITAGE

We have a great heritage, and the time has come in our history when we need to take it seriously. In recent years our young people have not been taught about their heritage. In only very few of our schools and churches have the things which were given to us as a sacred trust been taught to our young people. In the average history book today, our great patriots such as Patrick Henry, Samuel Adams and other leaders of the War for Independence, are cast in the role of radicals, and what is written of them reflects not much, if any, credit upon these famous men.

The Pilgrims came to this country from the security of Europe with its walled cities and paved streets to carve out of the wilderness a new life in which they could worship God and build a community of freedom.

Yet much of the modern teaching about the Puritans emphasizes only their hanging of witches. This dark episode in time, however, must not obscure the great heritage which they left us: their determination to keep the Sabbath holy, respect for the dignity of work and service to their country, and their concern to be law abiding citizens, to rear children who feared and respected God.

Today these characteristics of the Puritans are not emphasized. Our children have been denied from kindergarten through the university a right view and presentation of the heritage they have as Americans.

A people that have lost contact with their past and have no knowledge of their heritage will not continue to carry on the ideals nor perpetuate that which is dear and worthy. America is facing the greatest challenge in its history. The Communists have made the statement that on America's 200th anniversary they are going to pull down the Stars and Stripes and raise the Red flag.

If you were to poll the American people, I am sure a great percentage of them would say this will never happen, that the claim is ridiculous. But if we judge the next five years by the past ten years, we not only know that it is real, they will even have to slow down in order to postpone it for five years.

Lenin said, "First we will take Eastern Europe; next the masses of Asia. Then we shall encircle the last bastion of capitalism, the United States of America. We shall not have to attack; it will fall like an overripe fruit into our hands."

We only have to look at history to see how successful this strategy has been. Eastern Europe fell soon after World War II, then China went into the Communist camp. In 1961 Cuba became a Communist dominated island influencing the Western hemisphere. Chile is ruled by a Marxist president and is fast moving to become a totally Communist nation.

All we have to do is to look at the events of the last 20 years to see how well the Communists have been successful in carrying out the policies enunciated by Lenin. As for falling into their hands, we are getting riper all the time. We are losing our moral perspective. We have anarchy in the streets; lawlessness and all the elements of dissolution are growing beyond our imagination. We know any newly published FBI report will tell of the increase in the crime rate. The only surprise is the size of the percentage it has risen since the last report.

When I was teaching high school history in the '50's, I taught my class that America's darkest hour was at Valley Forge. All of us have a mental picture of George Washington praying at Valley Forge. We know it was a dark hour in the history of this republic.

DAYS OF OUR YOUTH

The Continental Congress was an unwieldy body which lacked direction, and the only thing that held us together at that time was the pressure of the war. Desertions were on the increase, Congress was not supplying Washington with food and clothing or the necessary equipment for his army. It was said that when he marched, a thousand men were barefoot and could be tracked through the snow from the blood of their bleeding feet.

In those days not all were patriots in America; some sold their produce to the British for hard cash because they were afraid the Continental currency would be worthless, and while Washington was at Valley Forge with his army, the social elite were entertaining the British in Philadelphia.

It was a bleak and a barren hour in the history of this nation, but we had one asset: Washington served our nation as a leader, as a general in the army, and later as a devoted statesman. Time and time again he told those who were nearest him, "We are going to win because we are right and because it is God's will."

During those days at Valley Forge, days which would have broken an ordinary man, Washington would leave camp in the early morning and journey into the woods. An old Quaker noted that when he returned his face was always brighter and showed a greater sense of determination. He knew he was going to win. One morning the Quaker followed Washington and discovered that each morning he was going to pray alone and ask God for the strength and direction it would take to bring fulfillment to the dreams in which he believed.

BASED ON GOD'S LAW

Our government was based from the beginning on God's law. God was acknowledged and His will was sought. The early patriots realized the odds that were against them; they knew there would be suffering and hardship but they also realized that if they hoped to bring about the realization of their endeavors, it would come only through the blessing of God. Their leader was a godly man, and their government and their hopes were based and placed upon God's Word.

We see another illustration of this shortly after the war ended in victory. The Articles of Confederation, because of its looseness, was falling apart and it seemed that anarchy would reign. The Constitutional Convention was called. Each man was a strong individualist and each one was trying to do the most for his section of the country. Different philosophies were represented at the convention; some believed in almost a pure democracy and others believed in a strong central government.

Day after day they debated during the summer heat, the only thing being accomplished that tempers were growing shorter. Benjamin Franklin suggested that they have prayer, that they look to God and seek His guidance. After that, each session was opened with prayer and from that time on progress began, and as a result we have our Constitution.

Our forefathers pledged not only their honor, but also their properties and their very lives in many instances. Many times all they had left was their honor. They invariably lost their property.

Although today the charge is made that it was wealthy men who wanted to preserve and form a new country so that they could have "advantages," the greatest advantage

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they had was the fulfillment of their dreams to form a country under God wtih freedom and justice, and the right to liberty and the pursuit of happiness.

NATIONAL SCHIZOPHRENIA

Now we have been told for the last 20 or 25 years that Communism is our enemy. This would be a most logical assumption because the Communist system is militantly atheistic and we are a Christian nation. They are a socialist nation and we are built upon the premise of free enterprise, they rule by tyranny, and we rule by freedom and liberty, and the direction of the government is in the hands of the people under law. From all their publications we know the Communists are set on world conquest. We have always been a nation that has believed in and strived for the self-determination of all nations.

On this assumption we have spent billions in defense and many billions in foreign aid, supposedly to contain Communism. Over 100,000 American lives have been lost since World War II fighting Communism. Now if we are really fighting Communism, we are suffering from a national schizophrenia because we sat by and allowed China to fall and then we fought a no-win war in Vietnam. When Russia was weak militarily we were armed to the teeth and spent billions each year for new weaponry. Now that Russia is equal to us, or ahead in every area, we are pursuing a policy of unilateral disarmament.

We are becoming more and more demoralized at home. The only freedom we have left, it seems, is the freedom to sin and break laws. We talk about our problems, but our problem is basically spiritual and will require a spiritual answer.

We have millions of dreamers every four years. The American people believe they can elect the right man for president who will go to Washington and make everything right. This is an idle dream. We have educational programs and social programs which we hope will solve our ills, and we hope economic pressures will change, but these things will never be the answer. There will have to be a revival at the grass roots. We, the American people, will have to care enough, be willing to sacrifice enough and be willing to do what has to be done to rebuild.

This country has moved from God. In Psalm 127, verse 1, we read, "Except the Lord build the house, they labor in vain that build it: except the Lord keep the city, the watchman waketh but in vain," and in the 33rd Psalm, verse 12, "Blessed is the nation whose God is the Lord." All our efforts will come to naught without God."

BUILT ON ROCK OR SAND?

The reason we became the most powerful nation in the world, the reason we were able to help more people in the world than any other nation was because we were a nation that acknowledged God and built our nation on His Word.

I remember hearing a Korean when I was in college. He said that as he and another Korean were traveling from the East to the West coast, through the great grain fields of the Midwest and out through the majestic Rockies of the West, his traveling companion asked, "Why is it that God has so richly blessed this country and has not blessed ours?"

Our speaker challenged us by telling us that his answer was, "These people came to these shores seeking God and His will. This is why this nation was so blessed. They sought God." Then the young Korean speaker further challenged us by saying, "Are you going to continue to serve God?"

Our heritage has been created by people who were seeking the will of God. The model for our Constitution was the Mayflower Compact. It was a document under God whereby free people covenanted together so they could be ruled by men whom they had appointed themselves, who would look to God for the final answer and be directed by Him. It was never the intention of our forefathers that this nation would be a nation that would be free from God; they founded a nation that was to be obedient under God.

Benjamin Franklin said, "I have lived, sir, a long time, and the longer I live the more convincing proof I see of this truth that God governs the affairs of men."

We can read the documents, the speeches and the statements of our forefathers and find their dependence upon God clearly shown. They acknowledged Him all the way. Yet the pronouncements from our high court today reflect nothing to indicate that spiritual considerations enter into any decision. We are fast becoming a nation that is known to be a nation free from God. We have created and encouraged a permissive society.

We were in our original intent a nation ruled by law and not by men. The law was derived from God and so therefore the law was transcendent and above any man. It was objective and all men, the educated, the uneducated, the high and the low, were judged alike by the laws derived from God's Ten Commandments.

TIME IS RUNNING OUT

When man moves away from this foundation to make judgments based on his own understanding, and on psychology and sociology, no longer does he have an objectivity but a subjectivity whereby one man's ideas and thoughts are of equal weight to any other. This will inevitably lead to anarchy, a condition which existed in Israel at its lowest period. We read in Judges 17:6, "In those days there was no king of Israel, but every man did that which was right in his own eyes." Out of anarchy there is always the prayer for a king or dictator to restore order.

The day of apathy and complacency in America is running out. We have to be blind and we have to be foolish not to see that things cannot go on indefinitely as they are. If America is going to have a free 200th anniversary, there will have to be a change of direction. We are at the midnight hour.

If God's people, and I would certainly like to think we are among them, will come into His house to repent and confess their sins, to ask Him for a rebirth of freedom and be willing to do what is necessary to make the sacrifice, God can turn the midnight hour into a bright and shining morning. We will never return to anything better until we have a revival in this nation.

There are some encouraging signs among our youth and among other elements which I never expected to see. These are good signs, but we need not wait. Where we live is here. What we do will be here. The hour is at hand when we must act. Do we feel the responsibility enough to be willing to say, "God here am I, send me; work through me. Make me be an instrument to Thy glory."

MILITARY COUP IN THAILAND

Mr. MOSS. Mr. President, once again we learn of a military takeover in Southeast Asia that serves as another grim reminder of the failure of the Nixon doctrine to support freedom and democracy in that part of the world. Thailand's loss of parliamentary government and blatant assertion of military rule can only reenforce Senate opposition to continuing involvement in Southeast Asia.

Three times in recent weeks the Nixon doctrine of using U.S. military and economic aid to assist Asian countries in maintaining democratic rule has suffered severe setbacks. On October 3, democracy was suspended in South Vietnam by the uncontested reelection of President Thieu. Cambodia's national assembly was suspended on October 20. And now we witness a return to absolute rule in Thailand. And yet in all three countries, the United States has been the major military and economic supplier.

The Senate has taken a firm stand in the revised foreign aid bill against continued U.S. support of Thai mercenaries fighting in Laos. Estimates are that some $200 million was spent in such assistance last year alone. Justification for Thai support has frequently been founded on arguments that Thailand serves as the model in Southeast Asia for the Nixon doctrine. The House is now provided with evidence as to the soundness of the Senate stand.

I recommend to Senators three timely articles dealing with the military coup in Thailand and ask unanimous consent that they be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 18, 1971]

COUP IN THAILAND

Thailand's reversion to absolute rule under its long-time Premier, Field Marshal Thanom Kittikachorn, reflects the mounting pressure of changing American policies on one of this country's closest allies in Asia.

Because Marshal Thanom and his associates have cast their lot heavily with the United States since they first came to power in a military coup d'état in 1957, turning their backs on an ancient Siamese tradition of neutrality, it is most unlikely that the new Government will cut ties with Washington. But the abrupt dismissal of a Parliament that never posed any serious threat to the ruling élite suggests that Bangkok has been severely shaken by the evolving Nixon Doctrine of self-sufficiency for Asian allies, gradual withdrawal of American troops from Vietnam and United States overtures to Peking.

In addition, the reauction of American personnel and military spending in the area and a threatened Congressional cutback in aid, coupled with a weakening in the markets for Thailand's principal exports of tin, rubber and rice have generated mounting economic problems for the regime. Economic stringencies have fed social unrest, especially in the cities where the impact of heavy American spending, and heavy-spending American troops, has upset traditional Thai values, including a tradition of acquiescence to authority.

This abrupt upheaval in Bangkok should give the Administration second thoughts about Thailand as a model for the Nixon Doctrine and a stable base for what is looking more and more like a policy of victory through air power in neighboring Indochina.

[From the Washington Post, Nov. 18, 1971]

FRAGILE DEMOCRACIES

(By Murrey Marder)

Thailand's loss of parliamentary government yesterday was the third setback in just over six weeks to the hazardous life-span of democratic rule in Southeast Asia.

For the Nixon administration, caught in an unprecedently intense struggle with Congress over foreign aid, the retrogression could not come at a more inopportune time.

Each setback has supplied new ammunition to the administration's adversaries on Capitol Hill to challenge the effectiveness of the Nixon Doctrine in supporting freedom and democracy: South Vietnam's uncontested re-election of President Nguyen Van Thieu on Oct. 3, the suspension of Cambodia's national assembly on Oct. 20, and now the military takeover in Thailand.

In each case, there has been embarrassment for the United States, which is the major military and economic supporter of all three nations. But in the case of Thailand yesterday, as in the previous instances, American officials indicated that no variation in U.S. policy is expected or likely.

Present U.S. strategy in the Indochina war, these sources point out, virtually locks in American policy to support the existing, pro-American, military power structures in all three countries while American troop withdrawals from South Vietnam continue.

President Nixon, in effect, pronounced the grin-and-bear-it attitude of his administration over the disappointments for democracy in Southeast Asia when he commented defensively about the South Vietnamese election outcome.

"We would have preferred . . . a contested election somewhat along the lines that would meet our standard," the President said on Oct. 12. However, he added, if the United States refused to send representatives to the inaugurations of winners of uncontested elections around the world," we would have only one-third as many delegations to send . . ."

American officials, trying to put the best face on their latest disappointments in Thailand, noted yesterday that the main power figures they have been doing business with over the years are generally still the men in control in Bangkok. At the same time, this also illustrates the shallowness of the roots of democracy in Thailand—which the United States prided itself on nurturing with every possible form of military and economic aid.

Now ousted from office, with all civilian officials, is one who holds a service record as foreign minister (since 1959), Western-trained Thanat Khoman, whose education includes attendance at Harvard University's graduate schools. Thanat provided his own epitaph yesterday for the Western concept of democracy in Thailand: "Somehow or other we have not mastered the political forms of Europe and America."

However, although Westernized democracy has a highly hazardous and erratic short history in Thailand, that nation, more than any other in the region, has been a centerpiece of U.S. policy.

Thailand, an original member of the U.S.-built Southeast Asia Treaty Organization, has provided the United States with major air bases for support of anti-Communist warfare throughout Indochina. It has also supplied 11,000 troops to fight in South Vietnam.

The Thai troops were supplied at considerable U.S. cost, estimated by a Senate Foreign Relations subcommittee last year as adding up to more than $200 million. Thailand also has supplied, clandestinely and later, semi-openly as "volunteers," thousands of its troops for service in Laos.

These Thai forces have been the principal target of recurring "anti-mercenary" legislation initiated in the Senate.

Sens. Stuart Symington (D-Mo.), Clifford P. Case (R-N.J.), J. W. Fulbright (D-Ark.) and other critics have repeatedly charged that the Nixon administration "circumvented" attempts to shut off U.S. payments to these Thai "mercenaries."

Current attempts to close this outlet have been accompanied by the Senate Foreign Relations Committee's protest that: "with continuing reports about U.S. financing of Thais and Cambodian mercenaries in Laos and even Thai mercenaries in Cambodia, it is virtually impossible for the Congress to judge the accuracy of these reports or know how much of the taxpayers' money is being used to support these activities . . ."

The administration is counting on greater sympathy for its strategy among members of the House in Senate-House conference to blunt, if not to remove, Senate limitations on these Thai forces.

[From the Evening Star, Nov. 17, 1971]

THAI TAKEOVER IS BLOW TO ADMINISTRATION FIGHT FOR AID TO ASIA

(By George Sherman)

The military takeover in Thailand today is seen here as another blow to the Nixon administration in its battle with the Senate over American aid to Southeast Asia.

U.S. officials were taken by surprise. They maintained that the decision of Premier Thanom Kittikachorn and his generals to remove the "inefficient" Parliament came from domestic factors—not Thai foreign policy.

But they said they feared repercussions in the U.S. Congress, where the foreign aid program already is under attack.

Both U.S. officials and congressional sources said they saw this latest move against democracy as reinforcing Senate opposition to continuing U.S. involvement in Southeast Asia.

At stake is the Nixon doctrine of using military and economic aid to help Asian countries defend themselves. Regarding Thailand the immediate issue is U.S. financing of Thai irregulars fighting in neighboring Laos.

The Senate has passed an amendment by Sen. Clifford Case, R-N.J., to the revised foreign aid bill forbidding all U.S. funds for such operations.

Sen. Stuart Symington, D-Mo., who has access to classified material, already has informed the Senate that 12,000 Thai forces are being groomed to operate in Laos during the coming dry season.

No exact figures are available on the cost of these operations. Symington said in October that the U.S. budget for these mercenaries—under a Thai general—is 25 percent higher than the whole military aid budget for the Royal Laotian army. That figure was set at $80 million for this fiscal year.

That would put the figure set aside by Washington for the Thais in Laos at about $100 million. The funds are included in budget for the CIA and Defense Department. But the Case amendment would prohibit spending these funds.

The administration says it is not prepared to accept the prohibition. It is resting its hopes on the House, traditionally more sympathetic to American military aid programs.

According to U.S. officials, the strategy has been to have the House pass a version of the new aid bill omitting the language of the Case amendment. Then, in a conference committee session on the over-all measure, administration supporters could fight to remove the Senate structures.

Officials admitted it is an uphill battle. Last year Congress put language into the aid bill forbidding U.S. support to any "foreign forces" in Laos. But the administration has claimed that the Thais are individual "volunteers" not covered by that earlier prohibition.

Case and other Senate critics on the Foreign Relations Committee now have moved to close that loophole. The dismissal of the Thai Parliament and the blatant assertion of military rule in Thailand is bound to strengthen congressional arguments against deeper involvement with still another dictatorship in Southeast Asia.

Experts in the U.S. government claim this argument is exaggerated. Thailand has had a series of military governments since 1932. Parliament was reinstituted in 1969, after 10 years of military government begun under Thanom's predecessor.

During the past two years Thanom has run a predominantly military government which has been at odds with the civilian Parliament. Reports from Bangkok indicate that the final blow came when Parliament recently voted to reduce the military budget.

The Thai military also is reported to be upset about the continuing inability to end the guerrilla insurgency supported by China in Northeast Thailand. A substantial portion of the military budget goes toward that operation.

U.S. officials said Thai-American relations have remained stable despite Senate criticism and Thai moves to open their own dialogue with Peking. U.S. forces there have been reduced from 48,000 to 32,000 under the Nixon doctrine. But that stability is now bound to come under new strain.

THE GENOCIDE CONVENTION AND THE CONSTITUTION

Mr. PROXMIRE. Mr. President, many people who oppose the Genocide Convention do so because they believe that ratification of the convention will deny American citizens their protections under the Bill of Rights. But this is not the case. The Genocide Convention would not infringe on the Constitutional guarantees of the American people.

Article VI of the Constitution says,

This Constitution, and the Laws of the United States which shall be made in pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land.

The Supreme Court in *Reid* v. *Covert* 354 U.S. 1 has made very clear the relationship among the Constitution, acts of Congress, and treaties. All acts of Congress and treaties must conform to the Constitution. Where they do not, they are null and void. Furthermore, the Supreme Court held in the same decision that whenever a treaty and an act of Congress are in conflict the last enacted is controlling. Thus Congress always has the opportunity to reconsider enabling legislation on the Genocide Convention any time it wishes.

Mr. President, the Genocide Convention will not endanger our legal system. I urge the Senate to ratify it as soon as possible.

NOMINATION OF WILLIAM REHNQUIST TO THE SUPREME COURT

Mr. FANNIN. Mr. President, we already have had ample evidence that William Rehnquist was not involved in any attempts to harass voters in Phoenix elections. Allegations made concerning an incident in 1964 have been proven false.

The smear tactics being used in an effort to keep Mr. Rehnquist off the Supreme Court have failed, as smear tactics most often do.

The Phoenix Gazette yesterday published an interview with Vincent Maggiore, who was Maricopa County, Phoenix Democratic committee chairman for the Democrats in 1962.

Maggiore says he is angered that attempts have been made to label Mr. Rehnquist as someone who would abuse anyone's right to vote.

And Mr. Maggiore said: "I would be glad to have him judge me."

Mr. President, I ask unanimous consent to have printed in the RECORD the Phoenix Gazette article which should be of interest to every Senator.

There being no objection, the article

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was ordered to be printed in the RECORD, as follows:

REHNQUIST CALLED VOTE-ABUSE FOE

(By Lois Boyles)

The man who was chairman of the Maricopa County Democratic Committee in 1962 today labeled William Rehnquist as one he believes "would be totally opposed" to abusing anyone's right to vote.

The belief was cited by Vincent Maggiore, federal bankruptcy referee. "I would say Bill Rehnquist is a very democratic type when it comes to people's rights," Maggiore said. "I am a little angered that people in my own party are bringing this up (charges of harassing voters) and using it as a guise to hurt a very fine man."

Rehnquist—whose nomination to the U.S. Supreme Court is being considered today in Washington by the Senate Judiciary Committee—has been accused by two Phoenix Negroes of approaching several black voters at Bethune Precinct during the 1964 general election and demanding they recite passages from the U.S. Constitution.

Those signing the affidavits—Jordan Harris, 1625 W. Apache, and Robert Tate, 947 W. Watkins—contend they subsequently struggled with the man they said was Rehnquist.

The Justice Department has labeled the charges "false."

Rehnquist supporters have said opponents to the appointment have tacked a 1964 time tag on an incident that actually occurred in 1962 and which did not involve the high court nominee.

Maggiore said, "I definitely know Rehnquist was not involved" in any polling place squabbles in 1962. He discounted the idea the former Phoenix lawyer might have been so involved in 1964.

After the 1962 election Maggiore said he had occasion to talk to Rehnquist and to mention a proposal a bipartisan group get together in the future to check the challenges.

"He was in full agreement that people's rights should be protected," Maggiore said. "He indicated he didn't want any part in anything that would abuse the people's right to vote and that anyone doing so should be prosecuted to the extent of the law."

Maggiore called Rehnquist a "nice man" and said "I would be glad to have him judge me."

As for the 1964 general elections, attorney Tom Murphy, then chairman of the county Democrats, and attorney Wayne Legg, in an identical post with the Republicans, said they had no knowledge of any incidents of any nature involving Rehnquist.

Murphy said, "The only recollection I have is that 1964 was a lot less of a problem year than 1960."

As for a specific recollection of Rehnquist in relation to 1964 voting, Murphy said he had none "other than being aware Bill was working for the Republicans."

He contended, however, "it is traditional, as you know, for the GOP to try to slow down voting lines in heavy Democratic precincts."

AS JAMES J. KILPATRICK SAYS, THE PASTORE AMENDMENT "OUGHT TO BE PASSED. IT MERITS A FAIR TRIAL." LET'S GET ON WITH THE PEOPLE'S BUSINESS

Mr. McINTYRE. Mr. President, the distinguished conservative commentator, James J. Kilpatrick, expressed his views on WTOP television in Washington this morning. He was commenting on the campaign spending amendment offered by the distinguished Senator from Rhode Island (Mr. PASTORE), an amendment now before the Senate.

Although I often find myself in disagreement with views expressed by Mr. Kilpatrick, I nevertheless believe him to be one of the most forceful, responsible, and able exponents of the conservative viewpoint in the Nation.

I happen to think his expressions on campaign spending this morning are worthy of our consideration. I personally might not have quoted George Bernard Shaw as an expert on our democratic process, as Mr. Kilpatrick did, but the Kilpatrick conclusion that we need ways to bring about greater participation by all the people in our campaign process makes such sense to me.

That is why I think Senator PASTORE's amendment makes sense. That is why, as Kilpatrick says, "it merits a fair trial. It ought to be passed." Let us get on with the people's business.

I ask unanimous consent that Mr. Kilpatrick's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF JAMES J. KILPATRICK

"George Bernard Shaw once remarked he never looked upon an election 'without being ashamed of the whole sham democratic routine.' He thought such exhibitions 'were entirely intolerable and disgraceful to human nature and civic decency.' He happened to be speaking at the time in New York—this was in 1933—and he was speaking largely from experience with the electoral process in England. But Shaw's bitter description applies to our own elections today, and especially to our own presidential elections. They are indeed, in many respects, both intolerable and disgraceful.

"This is particularly true in the matter of campaign financing. It is absurd, dangerous, and potentially scandalous that candidates seeking our highest office be dependent upon the kind of massive private contributions that have been required in recent years. It is idle to contend that large gifts create no obligation. Of course they create obligations—and these are equally suspect whether they are obligations to big labor or to big business. A president—any president—enters upon his office a compromised man.

"The proposal suddenly revived in the Senate by which taxpayers could contribute a dollar each to a federal campaign fund, has great merit. The fund would be distributed according to a formula that fairly takes into account minority parties. Fully implemented, the proposal would bar private contributions altogether in presidential campaigns. The approach has its drawbacks—we would abridge one more freedom, the freedom to give—but it has great advantages also. At the very least, the system merits a fair trial. The bill ought to be passed."

FEDERAL CIVIL RIGHTS EFFORT—1 YEAR LATER

Mr. HUMPHREY. Mr. President, this week the U.S. Commission on Civil Rights issued an important progress report, entitled "The Federal Civil Rights Enforcement Effort: 1 Year Later."

In this highly effective followup action on its major analysis of executive branch activities directed at securing compliance with the Nation's civil rights laws, the Commission concluded that the present administration, despite operational improvements, must continue "to get low marks."

I hope this administration will give close attention to the Commission's central argument:

Actual performance in the resolution of problems, not progress in the development of mechanisms alone, is the real yardstick by which the Government's civil rights effort should be measured.

It is no consolation to the black farmer who continues to receive assistance from the Extension Service on a racially separate and unequal basis that the Department of Agriculture is making progress. It is no source of satisfaction to the Mexican American or Puerto Rican job seeker turned down by a Government contractor that the OFCC is gradually improving.

Yes, there has been improvement in the Federal Government in terms of compiling statistics, preparing reporting forms, and planning interdepartmental agreements; but all of this remains preliminary to actually enforcing civil rights policies.

The Commission's report notes the disparities among Federal agencies in the performance of civil rights responsibilities, with the Federal Home Loan Bank Board establishing a program that can be highly effective in preventing discrimination in mortgage lending, while sister financial institution regulatory agencies have declined to undertake similar action, to cite only one example. It is sharply critical of the Law Enforcement Assistance Administration, charging the LEAA with having "barely begun to implement compliance programs."

But I find most disturbing the Commission's conclusion that, too, often, Federal agencies seem determined to avoid upsetting the status quo for the sake of equal rights, or they have undertaken changes in form, but not of substance, to avoid unfavorable publicity. Where can we find any sense of leadership and initiative in all of this, on behalf of firmly establishing equal justice and opportunity for all Americans?

How can we have confidence in an administration where promises to enforce civil rights policies are only rarely being kept? As an example, the Commission cites the agreement, announced last June, between the General Services Administration and the Department of Housing and Urban Development, to assure living accommodations for poor people near new Federal installations. Yet 5 months passed before even regulations were issued, and no installation site housing investigations have been made.

The Commission and, I sincerely believe, the American people, ask nothing more than that Federal officials faithfully execute the law. Only by vigorous and sustained enforcement, can the Federal Government redeem the pledge of equal treatment made in the historic civil rights laws enacted over the past decade.

Mr. President, I ask unanimous consent that the introductory statement by the U.S. Commission on Civil Rights to its latest report on the Federal civil rights enforcement effort, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE U.S. COMMISSION ON CIVIL RIGHTS ON "THE FEDERAL CIVIL RIGHTS ENFORCEMENT EFFORT—ONE YEAR LATER"

The report the Commission is issuing today is a progress report on the status of civil rights enforcement by the Federal Government.

In October 1970 the Commission published a massive study of "The Federal Civil Rights Enforcement Effort." Based on an evaluation of more than 40 departments and agencies with significant civil rights responsibilities, the Commission found that enforcement was characterized largely by inaction, lack of coordination, and indifference. The deficiencies we found were so extensive as virtually to nullify the impact of the important civil rights laws enacted over the last decade and to make a mockery of the efforts of the many men and women who have fought for equal rights.

Last May, the Commission issued a followup report to determine what progress, if any, had been made in the seven months since its October 1970 study. Our basic conclusion was that some advances had been made, in the form of tentative first steps combined with promises to do better in the future. As we put it then: "The dinosaur has finally opened one eye."

More than a year has passed since the Commission first spelled out the numerous inadequacies that pervaded the Federal civil rights enforcement effort. Where do we stand today? There is no simple answer to that question. For one thing, the answer depends on the frame of reference used in evaluating the Federal civil rights effort. Thus, when compared to the situation that existed a year ago, the structure of the Government's effort has been improved in a number of important respects.

For example, the President's Council on Domestic Affairs, the key coordinator of executive policy in the domestic area, has established a Civil Rights Committee to focus specifically on civil rights issues of national importance. The Chairman of this Committee is George Shultz, Director of the Office of Management and Budget. A year ago, the Domestic Council had no plans for including the full spectrum of civil rights within the scope of its responsibility. By the same token, the Office of Management and Budget, which plays a central role in assuring effective implementation of national policy, has made a significant start in incorporating civil rights considerations into its entire operation. It was only a year ago that OMB even officially acknowledged that it had any civil rights function.

Nor is the advance limited only to these two agencies, important as they may be. Other agencies—those with more specific civil rights responsibilities—also have moved ahead. Agencies such as the Department of Housing and Urban Development and several of those which have responsibilities under Title VI of the Civil Rights Act of 1964, have improved their civil rights structure and mechanism substantially. Progress clearly is being made.

But judged by the more objective standard of civil rights performance, the Federal Government continues to get low marks. And in the Commission's view, actual performance in the resolution of problems, not progress in the development of mechanisms alone, is the realistic yardstick by which the Government's civil rights effort should be measured.

It is no consolation to the black farmer who continues to receive assistance from the Extension Service on a racially separate and unequal basis that the Department of Agriculture is making progress. It is no source of satisfaction to the Mexican American or Puerto Rican job seeker turned down by a Government contractor that the OFCC is gradually improving. The rights these people are being denied are rights to which they are entitled *now* and the fact that these denials continue cannot be justified on grounds that the Government is gradually gearing up to eliminate them.

Another reason for the difficulty in assessing the current status of Federal civil rights enforcement is the existence of wide disparities in the performance of the many departments and agencies with civil rights responsibilities. Some are taking actions necessary to perform effectively. Others still barely recognize that they have any responsibility at all. This is true even of agencies with the same civil rights responsibilities.

Thus the Federal Home Loan Bank Board, which regulates savings and loan associations, the Nation's major mortgage lending institutions, recently committed itself to an ambitious, and we believe potentially effective, program to assure against discrimination in mortgage lending, which is prohibited by Title VIII of the Civil Rights Act of 1968. But the Board's sister agencies, which regulate commercial and mutual savings banks, also major mortgage lending institutions, have so far declined to adopt similar measures. The Small Business Administration and the Economic Development Administration have been steadily improving their Title VI operation, but the Department of the Interior and the Law Enforcement Assitance Administration still have barely begun to implement compliance programs. . . .

The low grades we have assigned to so many agencies are indicators of lack of effective action on their part in dealing with continuing discrimination in areas where the law clearly prohibits it. And the fact that many agencies still are not organized to carry out the law has increasingly tragic and real implications for the future well-being of this country.

Over the past two years, since the Commission began this extensive study of Federal civil rights enforcement, we have learned a good deal about the impediments that underlie strong civil rights enforcement and about what is necessary to stimulate more vigorous action. Perhaps the principal impediment the Commission has found is inertia on the part of the Federal bureaucracy—in some cases, a blind, unthinking, fidelity to the status quo; in others, a calculated determination to do nothing to advance the cause of civil rights.

For example, last February, the Commission sent out questionnaires to a number of agenices in an effort to find out what changes they had made following the Commission's first report on civil rights enforcement. What we learned was that almost no changes had been made, that agencies, instead of responding affirmatively to the Commission's findings and recommendations, had been sitting tight in an effort to weather the storm. It is unfortunate that only when the Commission decided to announce its findings publicly, a few changes began to be made and a few promises extended. By comparison with the previous period, March was a busy month for civil rights throughout the Federal bureaucracy.

By the same token, when the Commission again questioned agencies in September to find out what additional progress had been made, and particularly, whether those agencies that had made promises were delivering on them, we found that only a handful had done anything of signficance during the preceding months. Again, the actions that were taken followed our announcement that we would report publicly to the Nation on the status of their civil rights enforcement programs. In few cases could the actions taken be ascribed to the self-initiation of the agency. For the most part, they appeared to be taken out of a desire to avoid public embarrassment. In other cases, the possibility of public embarrassment has failed to bring about even the slightest change.

We also have learned that appearances can be deceiving—that the mere establishment of a potentially effective civil rights mechanism does not necessarily mean that stringent civil rights enforcement will follow. For example, last June the General Services Administration and the Department of Housing and Urban Development announced a new cooperative agreement to assure availability of housing for lower-income families, open without discrimination, in any community in which a Federal installation was to be located. It took nearly five months before any regulations were issued, and internal operating instructions still have not been developed. Federal installations still are being located on a business-as-usual basis.

This example is not unique. In response to Commission inquiries, agencies are quick to announce structural changes that they plan to make, or that they have just made. But rarely do they report full implementation of these changes, and more rarely still, can they point to measurable improvements in minority living conditions as a result of them.

In short, most agencies seem determined to avoid upsetting the status quo for the sake of assuring equal rights and, if change must be made, they often will be changes in form, but not in substance.

The lessons we have learned, however, have not all been negative. We have learned that difficult as it may be to stimulate needed change, it can be done. Not all agencies are resistant to the idea of strict civil rights enforcement. There are agencies, including some that occupy key positions in the Federal hierarchy, that have responded affirmatively.

We also have learned that the instruments of continual monitoring of Federal civil rights activities and public reporting of their inadequacies, which are the principal weapons at the Commission's command, can achieve significant results. What this experience suggests is that a greatly expanded monitoring effort, involving resources much greater than those available to the Commission alone, must be undertaken—an effort in which the civil rights activities of Federal agencies will be subjected to close and continuing scrutiny, and agency heads held publicly accountable.

Here, recent developments are encouraging. Of special importance is the fact that Congress, itself, through a Civil Rights Oversight Committee of the House of Representatives, is now engaged in a review of civil rights enforcement to determine how agency performance should be improved. Private groups as well are recognizing the fact that the arena in which the struggle for equal rights is being fought has changed, from that of legislation to the more difficult one of administrative enforcement.

There are some, embittered by the frustrations of dealing with bureaucracy, who may think the Commission is tilting at windmills, that its effort to move the Federal Government to firm enforcement of civil rights laws is futile. The bureaucracy, they contend, responds only to the usual pressures from traditional sources. These pressures are exerted by special interest groups that successfully manipulate Federal programs and Federal officials. They also are exerted by long-time chairmen of key congressional committees and subcommittees—almost always selected by seniority from safe districts—whose power often is used to serve narrow interests, rather than the larger public good. Against these pressures, they are convinced that civil rights advocates can do little.

There are others who see the bureaucracy in a more optimistic light, but nonetheless despair of any progress. From their standpoint, it is all the fault of this Administration. The President's civil rights statements and actions, they contend, have demoralized the bureaucracy and rendered it incapable of positive civil rights action.

The Commission takes a different view. First, we reject the notion that inaction by the Federal bureaucracy is inevitable and we

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find totally unacceptable the explanation that political pressures in favor of the status quo are irresistible. The fact that salutary changes already have occurred demonstrates that efforts to stimulate them are not useless, that counsels of despair are not warranted.

Second, we cannot agree with those who claim that the problem lies solely with this Administration or with the President personally. As we have noted previously, problems of inadequate civil rights enforcement did not originate in this Administration, nor was there any substantial period in the past when civil rights laws were enforced effectively. In fact, measured by the structures and mechanisms that have been developed over recent months, we now are much better equipped for civil rights enforcement than we were in the past.

Further, those who keep pinning the blame entirely on the President tend to forget the wide discretion that Federal officials have in performing their duties. Always to point accusingly at the President permits many of these career and politically appointed officials a false excuse for inaction.

This is not to say that the President has no role to play in civil rights enforcement. He represents the ultimate source of policy direction to which the Federal establishment looks for guidance. An expression of firm and unswerving dedication to civil rights law enforcement on his part can do much to steel the Executive Branch to vigorous action. And he is, in the last analysis, responsible for the success or failure of his Administration's civil rights program. Above all, it is to the President that the Nation looks, not merely for efficient administration of the law, but, more important, for leadership in helping to resolve the difficult problems facing it.

The Administration has addressed itself to a number of important civil rights issues. The Commission has agreed with some of the policies the Administration has announced and disagreed with others. Thus the Commission has fully supported the Administration's call for increased staff for civil rights enforcement and the establishment of numerical goals and timetables to expand minority employment opportunities. But the Commission also has taken strong exception to some Administration policies, particularly those concerning techniques to facilitate school integration. Nor is the Commission entirely satisfied with the policy on open housing.

Many of these issues are complex and controversial, and have been the subject of deep concern to the Nation. The President has spoken out on them and this, we think, is important in itself. The President cannot lead the Nation by remaining silent on the important issues troubling its people. Further, such public expressions on the part of the Nation's leader can have the effect of sparking a public dialogue, which is a necessary element in the proper functioning of a democratic society.

Equally important, however, is that the policies adopted by the Administration be of the kind that will unify the country and serve the cause of equal justice. Thus it is imperative that the President's Statements on such subjects as school integration and open housing represent, not the last word, but only the beginning if a continuing public dialogue which will lead the American people to achieving a society in which all can share in the Nation's abundance. That goal is not yet in sight.

The Commission is aware of the strength of the forces that serve to impede progress in civil rights. We also are aware that the American people have grown somewhat weary that the national sense of injustice, which was the foundation on which the legislative victories of the 1960's were built, has dimmed. We are convinced, however, that it can be rekindled and that through governmental leadership and vigorous action by public and private groups, the Nation's pledge of equality, reflected so brightly in the legislative enactments of the last decade, can be redeemed.

Let us be clear on the basic issue to which the Commission's reports have been addressed. The issue is simply law enforcement. Let us also be clear on what the Commission is asking government to do. We are asking nothing more than that Federal officials fulfill the obligation which our Constitution has imposed upon them—that of faithfully executing the law. This is the touchstone by which they can and must be held accountable. It is the standard by which the Commission will continue to evaluate the Government's performance.

LET US BAN DES, ONCE AND FOR ALL

Mr. MOSS. Mr. President, American consumers are entitled to much much more action than they are now getting. True, we have seen some rumblings down in the executive branch. As a matter of fact, when press officer John T. Walden, of the Food and Drug Administration, gave the public the kind of information it needs about a hazardous product, Alberto-Culver, undoubtedly joined by others in the pharmaceutical-cosmetic-food complex which makes up the backbone of our consumer economy, tried to have him fired. They did not succeed. But other than men like John T. Walden, where are the regulators?

There is very little meaningful regulating going on in either the Food and Drug Administration or the Department of Agriculture. Undoubtedly, there are many responsible men and women in each place who would like to do a tougher enforcement job—but they are being discouraged.

DES — Diethylstilbestrol — has been identified as a carcinogenic agent by Dr. Samuel S. Epstein of Case-Western Reserve University, Drs. Arthur L. Merbst, Howard Ulfelder, and David C. Poskanzer of Massachusetts General Hospital, and Dr. Roy Mertz of Rockefeller University.

When Dr. John N. S. White, formerly a veterinarian in the meat inspection program of the U.S. Department of Agriculture tried to publish articles on the hazards of the drug, Diethylstilbesterol—DES—in 1965, he was threatened with being fired. Outrageous you say?—not at all. Such initiative is consistently blocked in our regulatory agencies.

Did I say 1965? Yes, I did. Imagine, only today we are discussing DES in the Congress when 6 years ago a conscientious employee of the Department of Agriculture was being chastised for telling the medical community of his discovery.

The statistical base from which the Department of Agriculture has drawn its DES samples is atrocious. Just look at the number of samples inspected between 1965 and 1968, when, I am told, approximately 31 million beef cattle were slaughtered annually during this period. In 1965, 2.7 percent of 558 samples had DES residues, in 1966, 1.1 percent of 1,023 samples, in 1967, 2.6 percent of 495 samples, and in 1968, 0.7 percent in 545 samples. As Dr. J. S. Stein of the USDA slaughter inspection division said in an interview with the Associated Press:

Our statisticians would shudder at calling it a statistically valid sample:

Besides, whatever happened to the Delaney amendment?

The crux of the matter is this: If any carcinogenic residues are detected in any meat for human consumption, then that agent must be removed. Obviously, the only way to remove the agent is to terminate its use.

For these reasons, I am wholeheartedly behind S. 2818, which I am cosponsoring with Senators PROXMIRE, BAYH, CASE, MCGOVERN, and RIBICOFF.

This brings me to another point: The pending consumer product safety bill S. 983, which I am cosponsoring with the distinguished chairman of the Commerce Committee (Mr. MAGNUSON). In a current committee print of that bill, we provide for the total elimination of the Food and Drug Administration and the replacement of that agency with a Consumer Safety Agency.

Under the transfer of function title of the legislation we would transfer all property, records, obligations, commitments, unexpended balances of appropriations, allocations, other funds, and employees in grades GS–11 and below. Furthermore, we could transfer authority over the Food, Drug and Cosmetic Act and institute a new product safety standard setting mechanism.

We will transfer authority for nearly all consumer safety problems to the new agency, all assets including persons, but none of the liabilities, specifically, those officials who have made a mockery of protecting the public.

Furthermore, we propose to include in the Consumer Safety Agency a new provision calling for the issuance of critical safety problem reports by any employee of the agency who through research, or investigation, discovers a potentially critical situation which could cause significant injury. If that were the case in 1965, we would not be looking at the DES problem some 6 years after an employee of the U.S. Department of Agriculture is brazenly called on the carpet for trying to tell the truth.

Furthermore, we propose in our legislation, a section on agency employees responsibility permitting mandamus actions against any person in the agency who is alleged to be performing an act or—and I emphasize this, it is so applicable to the current situations—failing to perform an act in violation of a statutory duty imposed upon him.

It will take brave people, instilled with courage to wear the mantle of an employee of the Consumer Safety Agency. Men like John T. Walden and Dr. John N. S. White. But, Mr. President, can we afford to give the American people anything less? I think not.

Mr. President, I ask unanimous consent that several articles and other items on this subject be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

CANCER FEAR LIES BEHIND DES CONCERN

(By Morton Minz)

At the root of scientific concern about the use of diethylstilbesterol (DES)—either in livestock feed, or by pregnant women to try to prevent threatened miscarriage—is what

one medical specialist has called the "exquisite sensitivity" of animal embryos to carcinogens (cancer-producing agents).

In mice, for example, one carcinogen caused tumors in infants with a dose 1/4000th as large as that required to produce tumors in adults.

The New England Journal of Medicine in recent months has carried reports on 13 young women with vaginal cancer whose mothers had taken DES in pregnancy 15 to 22 years earlier.

Consequently, Dr. Judah Folkman said in an editorial in the Journal on Aug. 12, DES residues in meat are "worrisome."

The human fetus being extremely vulnerable, "there is no way of judging the risk of stilbesterol residue that remains undetected by the current government assay method," he warned.

That method drew criticism from Sen. William Proxmire (D-Wis.) on Monday, when he introduced a bill to ban DES from the diet of cattle and sheep.

The assay method registers the presence of DES residue in meat only if it is present in a ratio of at least two parts per billion (ppb)—even though the food laws prohibit any residue whatsoever of any carcinogen in animals destined for human consumption, Proxmire said.

But no assay in 1971 has detected DES residue in a ratio smaller than 3.7 ppb, Proxmire said. In 10 samples taken in the first six months of this year, from carcasses from nine states, he said, the ratios were 36.9 ppb in sheep and 15.4 ppb in cattle. In mice, DES has caused cancer at a ratio of 6.25 ppb.

Last year, the Agriculture Department sampled only 192 carcasses. The goal for 1971 is 6,000—more than 30 times as many, but still, Proxmire said, "only one-fiftieth of one per cent of the 30 million cattle" expected to have been slaughtered by year's end.

[From the Washington Post, Oct. 27, 1971]

DRUG LINKED TO CANCERS IN DAUGHTERS

(By Morton Mintz)

The Food and Drug Administration has sat for four and one-half months on an appeal aimed at protecting tens of thousands of young women from a risk of vaginal cancer apparently caused by a drug their mothers took to prevent miscarriage, The Washington Post learned yesterday.

The New York State Department of Health made the appeal to the FDA on June 15, after cancer researchers linked 13 cases of the sometimes fatal disease to the ingestion of a synthetic estrogen, diethylstilbesterol (DES). The number of known cases is now 60, medical sources said.

". . . we are officially notifying all physicians in New York State of the danger of estrogen administration during pregnancy," Dr. Hollis S. Ingraham, Commissioner of Health in New York, said in a letter to Dr. Charles C. Edwards, Commissioner of the FDA.

"We also recommend most urgently that the Food and Drug Administration initiate immediate measures to ban the use of synthetic estrogens during pregnancy," the letter said.

Ingraham said the department had begun a program of "continuous surveillance and monitoring" to try to detect the disease—for which surgical removal of the vagina is the standard therapy—as early as possible. Generally, adenocarcinoma of the vagina, as the affliction is called, is detectable only after the onset of menstruation.

"We suggest that similar surveillance and monitoring programs be conducted nationally," Ingraham told Edwards.

Replying eight weeks later on August 10, the FDA chief, through Deputy Commissioner James D. Grant, asked for the records on three fatal and two non-fatal cases discovered by New York State cancer researchers.

The agency also said it was "actively evaluating" the eight original cases that three physicians at Massachusetts General Hospital reported in the New England Journal of Medicine on April 13 that simultaneously were called to FDA's attention.

The use of DES, in heavy doses, to prevent threatened miscarriage began in the late 1940s and peaked in the 1950s.

The FDA letter hinted at the possibility that birth control pills—taken in early pregnancy, either in ignorance of it or as a substitute for DES to prevent miscarriage—also could cause vaginal cancer in the daughters of users.

"Whether this condition would occur with any estrogen substance, steroidal, or nonsteroidal, administered during pregnancy remains to be defined," the FDA said.

The oral contraceptives contain "steroidal" forms of estrogen. These differ substantially in chemical structure, but not so markedly in biological impacts, from the "non-steroidal" estrogen DES.

Scientists dispute the significance of the difference. Some say research sufficient to permit valid conclusions has not been done. Others tend to exonerate birth control pills—on the ground that "steroidal" estrogens break down very swiftly in the body; "nonsteroidal" estrogens do not.

In any event, untold thousands of women took oral contraceptives to preserve threatened pregnancies for the decade starting in 1958, a period when the FDA permitted the labeling to list such a usage. At the National Institutes of Health, an expert source said that many physicians continue to use these pills and even DES for this purpose. Some of the users are diabetics.

The FDA directed drug manufacturers to stop claiming that oral contraceptives could prevent threatened miscarriage after its outside experts on contraception reported in 1966 the evidence of efficacy to be inadequate. Yesterday, the NIH source emphasized to a reporter that the evidence—for either birth control pills or DES—remains insufficient today.

Several scientists not only endorsed the proposals Dr. Ingraham made to FDA, but suggested that the agency send physicians an individual letter similar to one Ingraham sent to 37,500 New York doctors on June 22.

That letter, terming it "likely that more young women will develop" vaginal cancer, said that any young woman "with persistent irregular bleeding should have careful intravaginal inspection to rule out" the possibility that she is afflicted.

These scientists included the NIH source; Dr. Samuel E. Epstein, a Case Western Reserve University specialist in the biological hazards of chemicals; and the three Massachusetts General Hospital physicians who made the stunning discovery of the mother-daughter link, Drs. Arthur L. Herbst, Howard Ulfelder and David C. Poskanzer.

The three researchers said yesterday, "physicians and the public should be informed of these events in a manner similar to that used by the New York Health Department."

In Cranford, N.J., Dr. Edmond R. Kassouf, a practicing physician long concerned with the effects of estrogen, urged, additionally, an FDA alert to all young women with persistent irregular bleeding, or whose mothers took DES or a related substance, dienestrol, to see a physician. "That's the only way they can be given a reasonable chance of protecting themselves," he said.

Dr. Ballin, director of the association's department of drugs, said an editorial with the thrust of the Ingraham letter has been written for the Journal of the AMA, is being reviewed by the editor and should appear within several weeks.

In Chicago, AMA official Dr. John Ballin said of Dr. Kassouf's "dismay" that "he's right."

Dr. Ballin, director of the association's department of drugs, said an editorial with the thrust of the Ingraham letter has been written for the Journal of the AMA is being reviewed by the editor and should appear within several weeks.

On Aug. 24, two weeks after the FDA requested the files on the five New York cases, the state health department forwarded them.

Yesterday, a request for comment from the FDA, made at noon, went unanswered.

Other developments yesterday concerned a growing controversy about the inclusion of DES in cattle and sheep feed, a practice intended to increase the meat yield (Dr. Epstein says its efficacy has not been proved) that is forbidden by 21 countries and that has produced residues in beef despite controls by the FDA and the Agriculture Department.

The House Intergovernmental Relations Subcommittee set Nov. 11 to resume hearings on key aspects of DES, including a department claim, later admitted to be in error, that no DES residues were found in cattle carcasses sampled in the first half of 1971. Investigators may also question why the department, while defending the use of DES in feed, pays farmers not to grow feed grains.

The National Resources Defense Council and the Environmental Defense Fund said they are considering filing a suit to compel the department and FDA to stop use of DES in livestock feed.

THE DANGERS OF DES

With unsettling regularity, alarming reports have been appearing recently on the synthetic estrogen, diethylstilbesterol (DES). It has been established that DES causes cancer in animals, and strong evidence exists that it may cause cancer in the daughters of women who took the drug to prevent miscarriage. In mid-October, the Agriculture Department said it made an "inexcusable" error in telling Congress that no DES residue could be found in beef from cattle that had eaten feed containing the substance. Last June the New York State Department of Health notified all doctors of the danger of DES administration during pregnancy. Cancer researchers linked 60 cases of the disease to ingestion of DES. The New York Commissioner of Health suggested that the Food and Drug Administration begin surveillance and monitoring programs that would try to detect the disease as early as possible. Exact figures are not available on how many persons may be imperiled, but an authoritative estimate is in the tens of thousands.

The response of both the Agriculture Department and the FDA to the DES risk has not been strong. Agriculture continues to insist on the need to allow cattle and sheep raisers to use DES in feed, even though 21 other nations have banned it; moreover, the department long ago banned DES from chicken feed. Although new regulations say that cattlemen should stop feeding the estrogen seven days before slaughter—as against 48 hours in the old regulations—little is changed because voluntary compliance is relied on. Last March, the department revealed its indifference to the problem: less than one per cent of beef carcasses were being tested for DES. Now, Sen. William Proxmire (D-Wis.) and Rep. Ogden Reid (R-N.Y.) have introduced bills to assure that DES cannot contaminate the food supply.

Concerning cancer in young women, the FDA has not done what is most needed—issue a public alert stating that any young woman who knows or suspects that her mother took DES in pregnancy, or who has persistent irregular bleeding, should go to her doctor for a careful examination. In addition, the FDA has not responded to the appeal of the New York State Health Commissioner for a national surveillance and monitoring program. The main response of the agency has been to announce a plan to

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advise doctors not to prescribe DES for pregnant patients. This move may prevent future cases from occurring, but it does little to protect those whose health may already be imperiled.

The slow and incomplete response of these two federal bodies illustrates pointedly the need for an independent consumer protection agency that would be empowered to act against such unacceptable bureaucratic behavior; the House recently passed legislation for this agency, but a question exists whether the bill provides the needed muscle to intervene in time in matters like these. With the DES problem fresh in mind, the Senate may decide the House bill is inadequate. Meanwhile, it is puzzling to listen to the Nixon administration's rhetoric on the urgent need to find new ways of curing cancer, when right here with DES, it seems apathetic about fully protecting the public from a known cancer-causing hormone.

By coincidence, at the same time the public's health was being given low priority by the FDA, C. Joseph Stetler, president of the Pharmaceutical Manufacturers Association, was quoted as being elated at the general activities of the FDA. "We have an imaginative and cooperative commissioner of the FDA. Dialogue now between industry and FDA is candid and constant." That's fine, but the FDA is supported by public money not to serve the drug industry but to be "candid and constant" with the public—the millions of citizens who need protection from dangerous drugs.

CANCER EXPERT ATTACKS USE OF CATTLE FATTENER

(By Morton Mintz)

A leading cancer specialist testified yesterday that nothing short of a possible "famine situation" can justify continued use of a synthetic estrogen known as DES in cattle and sheep feed to make the livestock heavier.

Calling it a "foolhardy undertaking," Dr. Roy Hertz of Rockefeller University said that the economic benefits of treating feed with DES (diethylstilbesterol)—an estimated saving in meat costs of $3.85 per person per year—are totally insufficient to outweigh even a potential hazard of cancer.

Disagreeing, Commissioner Charles C. Edwards of the Food and Drug Administration contended that no American need fear the possibility of contracting cancer from DES residues in meat.

Tightened controls assure that such residues almost never will occur, Dr. Edwards insisted.

But Dr. Hertz, a former top scientist at two of the National Institutes of Health, termed the controls "impracticable."

The commissioner's assurances, backed by witnesses for the Agriculture Department, failed to erase doubts held by Rep. L.H. Fountain (D-N.C.), chairman of the House intergovernmental relations subcommittee.

Other developments at the hearing concerned FDA's response to stunning reports made in April and August in the New England Journal of Medicine: 13 young women whose mothers had taken DES in pregnancy—to avoid possible threatened miscarriage—developed an extremely rare and sometimes fatal vaginal cancer 15 to 22 years later.

Dr. Edwards termed "premature" a warning sent in June to every doctor in New York State by State Health Commissioner Hollis Ingraham—although FDA itself is now gearing up to send such a warning nationally, after not replying for eight weeks to Dr. Ingraham's appeal for this very action and to his offer to supply case histories.

Edwards, admitting that "perhaps we didn't act soon enough," also conceded under questioning by Delphis C. Goldberg of the Subcommittee staff, that a National Research Council panel had told FDA four years ago that it had no evidence of the efficacy of DES in preventing miscarriages—but that the agency withheld this finding until Wednesday, when it formally ruled the estrogen "contra-indicated" in pregnancy.

Asked why the FDA didn't try to alert all young women to seek a prompt medical examination if their mothers might have taken DES in pregnancy, or if they have irregular vaginal bleeding, the commissioner said the agency had to be "careful . . . not to create an emotional crisis on the part of American women. . . ."

The estimated annual saving of $3.85 per person in meat costs was derived by the subcommittee from Agriculture Department data. Despite the nation's huge corn crop, it costs more to fatten livestock on grain alone than on grain augmented with DES.

The disagreement about the wisdom of allowing DES in livestock feed—a practice banned by 21 other countries but permitted in the United States since 1954—centered on the reliability of controls intended to assure the absence of residues in meat.

Current federal rules, said by Edwards to be 99.5 per cent effective, require discontinuation of feed containing DES two days before slaughter. Under proposed rules, the withdrawal period would be extended to seven days and producers would be compelled to certify compliance.

The law forbids any residue whatsoever of a carcinogen, or cancer-promoter, in meat. DES is a proved carcinogen, having promoted cancer in five animal species. The method used to detect DES residues can establish their presence only if they exceed a ratio of two parts per billion (ppb). Thus far this year, residues of two ppb to 40 ppb have been detected in cattle and sheep livers.

Edwards and Dr. Clayton Yeutter, administrator of the Agriculture Department's Consumer and Marketing Service, emphasized that the human body normally produces estrogenic substances in vastly greater quantity, and that the chances of eating DES-contaminated meat more than once approach the infinitesimal.

But Rep. Fountain questioned the significance of this, partly on the basis of testimony by five physicians: Roy Hertz; Umberto Saffiotti of the National Cancer Institute; Morton Lipsitts, of the National Institute of Child Health and Human Development, and Arthur Herbst and Peter Greenwald, the physicians who reported the link between vaginal cancer and DES.

All of them emphasized that no one knows how tiny an amount of a carcinogen, taken for how short a time, can induce cancer. Perhaps one molecule in the 340 trillion in a five-ounce serving of beef liver can do it.

For that reason, Hertz said, it is "extremely ill-advised" to add carcinogens to a food supply in which such substances already are unavoidably present.

Edwards and Yeutter said they are prepared to ban DES entirely from feed if the controls prove to be ineffective. Hertz contended not only that the controls will prove to be "unfeasible and impracticable," but that the human cancers which may result would not be detectable for 10 to 20 years.

Hertz warned, in addition, that DES powder itself is a hazard to those who handle it, or who are close to those who handle it, and that the excrement of livestock that eat it enters the soil and streams.

FIRING OF FDA AIDE DEMANDED

(By Nancy L. Ross)

The leading producer of feminine hygiene deodorant sprays has demaded the firing of a government official following disclosure in The Washington Post that the Food and Drug Administration will seek to require warning labels on sprays containing hexachlorophene.

Leonard H. Lavin, president of the Alberto-Culver Company which makes the number one selling spray "FDS," sent telegrams to HEW Secretary Elliot Richardson and FDA commissioner Dr. Charles Edwards demanding that press officer John T. Walden be "fired forthwith" for his "inaccurate, irresponsible and unauthorized statements about certain products containing hexachlorophene." Walden was named as a source in the Post story.

Lavin accused Walden of "impropriety and violation of the ethics of his position." He charged Walden with "apparently helping to create adverse opinion (by making) entirely erroneous statements public without any FDA action or due process."

Informed of Lavin's charges, Walden declined immediate comment. However, another FDA official confirmed that FDA action on hexachlorophene is imminent. He said, "An FDA policy on hexachlorophene and feminine hygiene deodorant sprays will shortly appear in the Federal Register with ample time for comment by all interested parties."

Lavin will meet with Dr. Edwards today at 3:30 p.m. to discuss the matter.

Walden was quoted in the article as saying the FDA believes "there is no medical justification for hexachlorophene in feminine hygiene deodorant sprays." Lavin disputed this statement as "contrary to the results of carefully controlled animal and human studies in the possession of FDA." The studies were made for Alberto-Culver.

The FDA has also commissioned its own tests on hexachlorophene from the National Academy of Sciences. The NAS tests, soon to be published, would serve as the basis for the proposed warnings on sprays. The Wall Street Journal yesterday quoted experts who say that feminine hygiene deodorant sprays, which contain a maximum of 0.2 per cent hexachlorophene, can cause genital irritation because when other components of the sprays evaporate the hexachlorophene concentration can reach 20 per cent.

Lavin, in a telegram to The Washington Post, also charged that statements in the article were "undocumented, uninformed and completely without scientific basis." Sources for the article, in addition to Walden, were Dr. Renate D. Kimbrough's study published in the Archives of Environmental Health, the Journal of the American Medical Association, Medical Letter, a newsletter for physicians, the Cosmetic, Toiletry and Fragrance Association and the National Academy of Sciences.

U.S. DEPARTMENT OF AGRICULTURE,
CONSUMER AND MARKETING SERVICE,
San Francisco, Calif., June 3, 1965.

Subject: Letter of reprimand.
To: John N. S. White.
Thru: Dr. Schick, Area Ve. In Chg., Area Management Station, MD., Los Angeles, Calif.

I have before me a file disclosing that you acted contrary to supervisory instructions by offering for publication an article entitled "The Effect of Feeding Stilbestrol to Beef Cattle". Several months ago when you sought clearance, through appropriate channels, to publish this article it was made clear that the agency could neither sanction nor permit you to offer it for publication while in their employ.

The position was taken because your article could have been interpreted as the position or carrying the official sanction of the Department. Those reading your articles would reasonably assume your writings were based on information gained in your official capacity as a Veterinary Meat Inspector. We note you signed your name above the title USDA Veterinary Meat Inspector when offering your article for publication.

The fact that one of the publishers was sufficiently concerned to contact Washington officials of the Department is ample evidence that you have caused embarrassment to the Department.

You are hereby reprimanded for failure to follow supervisory instructions and conduct causing embarrassment to the Department. You are also warned that a repetition of this type of offense could result in severe disciplinary action and very possibly removal.

A copy of this letter will be placed in your OPF.

HANNAH K. DOWELL,
Chief, Personnel Branch, WAA.

NEW POWERS FOR SACB: FREEDOM IN PERIL

Mr. ERVIN. Mr. President, on October 5 and 7, 1971, the Judiciary Subcommittee on Separation of Powers, of which I am chairman, held hearings on S. 2466 and Senate Resolution 163. The bill and resolution seek to eliminate the threat which Executive Order 11605 presents to the constitutional doctrine of separation of powers. By Executive Order 11605, the President, in effect, seeks to legislate by Executive order.

Senate Resolution 163 expresses the sense of the Senate that Executive Order 11605 is an attempt to usurp the legislation powers conferred on Congress by the Constitution and is "an infringement on the first amendment rights of all Americans." It calls on the President to revoke the order or amend or revise it to bring it in line with article I, section 1, and the first amendment to the Constitution.

S. 2466 would make it unlawful for any employee of the Department of Justice or of the Subversive Activities Control Board to carry out or attempt to carry out any of the additional duties, functions, or powers which Executive Order 11605 purports to confer on the Board. The bill provides:

> No money appropriated by Congress shall be made available to the Department of Justice or the Subversive Activities Control Board to execute or implement any of the additional duties under Executive Order 11605.

As I said in my opening statement at the hearings, the major provisions of Executive Order 11605 represent an attempt on the part of President Nixon to amend the Internal Security Act of 1950 by bestowing upon the Subversive Activities Control Board new sweeping powers far in excess of those Congress sought to give it.

An editorial in the Greensboro Daily News of Greensboro, N.C., Monday, October 11, 1971, ably points out the dangers inherent in Executive Order 11605. I quote from the editorial:

> Rearmed by President Nixon's Executive Order 11605 of last July, [the SACB] now threatens to assume powers to meddle with and monitor the political thoughts and associations of rank and file Americans, whether or not they are applicants for government jobs.

I am happy to announce to the Senate that my Subcommittee on Separation of Powers has reported out favorably S. 2466 and Senate Resolution 163. I am confident that the Judiciary Committee will act on these measures in the very near future.

For the benefit of Members of Congress and all other interested persons, I ask unanimous consent to have printed in the RECORD the bills, my opening statement at these subcommittee hearings, and the editorial from the Greensboro Daily News.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

S. RES. 163

Resolution expressing the sense of the Senate with respect to the doctrine of separation of powers as it applies to Executive Order 11605, dated July 2, 1971

Whereas the first section of the first article of the Constitution states that "all legislative powers . . . shall be vested in a Congress"; and

Whereas the second article imposes on the President the obligation to "faithfully execute" the laws enacted pursuant to article I, section 1; and

Whereas under the Constitution the President has no constitutional statutory powers to alter by Executive order the content or effect of legislation enacted by Congress; and

Whereas Congress, in exercise of its authority pursuant to article I, section 1, has by statute invested in the Subversive Activities Control Board certain powers, functions, and duties as set forth in the Internal Security Act of 1950, as amended; and

Whereas these functions, powers, and duties as established by law cannot be altered, amended, expanded, or restricted except pursuant to law enacted by Congress; and

Whereas Executive Order 11605 purports to alter and expand the powers, duties, and functions conferred by statute on the Subversive Activities Control Board; and

Whereas the first amendment to the Constitution guarantees the rights of all Americans to free speech, free thought, free expression, and free association; and

Whereas the purpose of the first amendment is to make Americans politically, intellectually, and spiritually free; and

Whereas these rights include the right of every American to advocate ideas no matter how foolish, how unwise, or how abhorrent to the government, the Congress, or to other Americans; and

Whereas any governmental attempt to proscribe the advocacy of unpopular, unwise, or foolish ideas has the effect of restricting the right and ability of Americans to exercise their first amendment freedoms; and

Whereas the functions, powers, and duties purported to be conferred on the Subversive Activities Control Board by Executive Order 11605 are inconsistent with the Bill of Rights, and especially the first amendment: Now, therefore, be it

Resolved, That the Senate disapproves of Executive Order 11605 as an attempt to usurp the legislative powers conferred on Congress by the Constitution;

That the Senate disapproves of Executive Order 11605 as an infringement of the first amendment rights of all Americans;

That the Senate calls on the President to revoke Executive Order 11605, or to amend or revise it to bring it into conformity with article I, section 1 and the first amendment to the Constitution.

S. 2466

A bill to insure the separation of Federal powers and to preserve the constitutional rights of citizens

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. It shall be unlawful for any employee of the Department of Justice or any employee of the Subversive Activities Control Board to carry out or attempt to carry out any of the additional functions, duties, or powers which Executive Order 11605, dated July 2, 1971 purports or undertakes to confer on the Board.

SEC. 2. No money appropriated by Congress shall be made available to the Department of Justice or the Board to execute or implement any of the additional functions, duties, or powers which Executive Order 11605 purports or undertakes to confer.

STATEMENT OF SENATOR SAM J. ERVIN, JR.

Today, the Subcommittee on Separation of Powers begins hearings on Executive Order 11605, issued on July 2, 1971, which undertakes to grant to the Subversive Activities Control Board new sweeping powers to investigate various organizations and groups in America to determine if they are intellectually or politically dangerous to the security of the Nation.

There are many of us who feel that the promulgation of this Executive Order was beyond the constitutional power of the President. To my mind, it flies directly in the face of article I, sections 1 and 8, of the Constitution, which quite plainly places "all legislative powers" in the Congress.

To remedy the damage done to the doctrine of separation of powers by Executive order 11605, I have introduced two pieces of legislation, both of which are subject to our consideration at these hearings.

The first is S. 2466, which provides that it "shall be unlawful for any employee of the Department of Justice or any employee of the Subversive Activities Control Board to carry out or attempt to carry out any of the additional functions, duties, or powers which Executive Order 11605 . . . purports or undertakes to confer on the Board." The bill also provides that no appropriated monies "shall be made available to the Department of Justice or the Board to execute or implement any of the additional functions, duties, or powers" under Executive Order 1605.

The second is S. Res. 163, a sense of the Senate resolution which would disapprove of Executive Order 11605 as "an attempt to usurp the legislative powers conferred on Congress by the Constitution" and "as an infringement of the First Amendment rights of all Americans." The resolution calls on the President to revoke the Order or "to amend or revise it to bring it into conformity with article I, section 1 and the First Amendment to the Constitution."

THE FIRST AMENDMENT

To discuss Executive Order 11605 and its ramifications, it is necessary first to examine the First Amendment. This is so because the Order obviously is inspired by a lack of faith in the First Amendment freedoms and a fear of their exercise by persons whose thoughts and words are understandably offensive to the established order.

The First Amendment outlaws governmental action which abridges freedom of thought, or freedom of speech, or freedom of the press, or freedom of association, or freedom of assembly, or freedom of petition, or freedom of religion. These freedoms embrace and nourish a kindred freedom, the freedom of dissent.

These freedoms, which may be called First Amendment freedoms, were created to make Americans politically, intellectually, and spiritually free.

The novelist Thomas Wolfe, sensed this when he said:

> So, then, to every man his chance—to every man, regardless of his birth, his shining, golden opportunity—to every man the right to live, to work, to be himself, and to become whatever thing his manhood and his vision can combine to make him—this, seeker, is the promise of America. I do not believe . . . that the ideas represented by "freedom of thought", "freedom of speech", "freedom of press" and "free assembly" are just rhetorical myths. I believe rather that they are among the most valuable realities that men have gained, and that if they are destroyed men will again fight to have them.

The First Amendment grants its freedoms

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to all persons within the boundaries of our country without regard to whether they are wise or foolish, learned or ignorant, profound or shallow, brave or timid, or devout or ungodly, and without regard to whether they love or hate our country and its institutions. Consequently, the Amendment protects the expression of all kinds of ideas, no matter how antiquated, novel, or queer they may be.

In the final analysis, the First Amendment is based upon an abiding faith that our country has nothing to fear from the exercise of its freedoms as long as it leaves truth free to combat error. I share this faith.

To be sure, the exercise of First Amendment rights by others may annoy us and subject us at times to tirades of intellectual or political rubbish. This is a small price to pay, however, for the benefits which the exercise of these rights bestows on our country.

THE NATURE OF FIRST AMENDMENT FREEDOMS

The First Amendment protects the expression of ideas, not the commission of acts, and for this reason cannot be invoked to justify criminal or violent deeds.

It is explicit in the First Amendment that the freedom of the people to assemble to petition for the redress of grievances must be exercised peaceably; and it is implicit in it that the other freedoms it secures must be exercised in like manner.

First Amendment freedoms are simply designed to secure to the people a constitutionally protected right to use the means which nature and man's ingenuity afford them to express to others their thoughts, ideas, and desires concerning government, society, religion, and all other things under the sun. Inasmuch as expression has persuasive power, this right must be recognized and exercised if government is to be responsive to the will of the people, and if society is to be free.

Since one of its principal purposes is to make America a politically free society, the First Amendment assures to every person or group of persons the right to express publicly ideas concerning any problem of government or society without prior restraint or fear of ideas are displeasing to government or are subsequent punishment even though the believed by a majority of our citizens to be false and fraught with evil consequences.

Why did the Founding Fathers secure this right to every individual and association and assembly within our borders?

There are two answers to this question, one philosophical and the other pragmatic.

As philosophers, the Founding Fathers believed that free and full debate teaches men the truth that frees them from the worst sort of tryanny, i.e., tyranny over the mind; and as pragmatists, the Founding Fathers believed that free and full debate is vital to the civil and political institutions they established.

The Founding Fathers were right on both counts.

Freedom of thought and speech are the things which distinguish our country most sharply from totalitarian regimes. They enable our country to enjoy a diversity of ideas and programs, and to escape the standardization of ideas and programs totalitarian tyranny requires.

Besides, a free and full interchange of ideas concerning the problems of government and society makes us aware of conditions and policies which need correction, and induce us to make in apt time and in a peaceful way the reforms that changing times demand. As a consequence, violent revolution has no rational or rightful place in our system.

POWER OF GOVERNMENT TO PROHIBIT OR PUNISH SPEECH

Like all freedoms, First Amendment freedoms may be abused.

Society is often disturbed by those who abuse these freedoms to protest, either rightly or wrongly, conditions or policies they deplore.

Society must ordinarily tolerate these abuses by protesters, however much it may hate their thoughts and words.

This is true because the power of government to deal with them is limited by the First Amendment.

It is well that this is so. If it is justified, protest may lead to reform; and if it is unjustified, protest may relieve at least temporarily the tensions of the protesters. In either event, protest has therapeutic value for both protesters and society.

Freedom of thought is absolute, and cannot be limited or punished by government in any way. Other First Amendment freedoms are qualified in the sense that their exercise may be circumscribed by government within narrow limits to protect other overriding social interests.

The general rule, however, is that people may express their ideas freely, and associate or assemble freely to make their ideas effective. But this general rule does not prevail in respect to the exercise of speech, association, or assembly which defames others, invades the privacy of others, constitutes obscenity, incites to crime or violence, obstructs the courts in the administration of justice, amounts to sedition, or imperils the national security.

Government may punish by law past speech, association, or assembly falling within these narrow limits, and under extraordinary circumstances subject it to prior restraint by obtaining injunctions from courts of equity.

Except when it acts within these narrow limits, government violates the First Amendment if it attempts to limit its freedoms by legislation. Moreover, government violates the First Amendment if it engages in conduct which is calculated and intended to stifle the willingness of people to exercise their freedom of speech, association, or assembly. It is to be noted in this connection that the First Amendment was written for the timid as well as the brave.

POWER OF GOVERNMENT TO PROHIBIT OR PUNISH SPEECH ADVOCATING CRIME OR SEDITION

In describing First Amendment limitations on the power of government, the Supreme Court declared in *Terminiello* v. *Chicago*, 337 U.S. 1, 4, that "freedom of speech, though not absolute, is nevertheless protected against censorship or punishment, unless shown likely to produce a clear and present danger of a serious substantive evil that rises far above public inconvenience, annoyance, or unrest."

Strange as it may seem at first blush, the Amendment protects advocacy of conduct prohibited by law unless it incites action to bring such conduct about and creates a clear and present danger that it will provoke action to that end. This is so because the Amendment protects the expression of ideas, no matter how reprehensible they may be.

Since the doctrine of civil disobedience is invoked with such frequency nowadays, it seems not amiss to emphasize that the Constitution does not countenance civil disobedience which contemplates and produces unlawful acts.

Government has an inherent right to self-protection, and may under some conditions prohibit or punish the advocacy or teaching of the desirability of overthrowing it by violent action.

Judges have used multitudes of words in many cases to define the conditions under which government may exercise its rights of self-protection by limiting speech, association, and assembly.

While the words of some of the judges are sometimes somewhat elusive in meaning and for that reason difficult to comprehend, I interpret these cases to lay down these principles:

1. The First Amendment protects all utterances, individual or concerted, advocating constitutional or political changes, however revolutionary they may be, if the utterances contemplate that the changes are to be achieved by lawful means. Hence, freedom of speech permits an individual or a group to advocate the adoption of communism, fascism, or any other system of government by means of the ballot box.

2. The First Amendment also protects all utterances, individual or concerted, advocating or teaching as an abstract doctrine the desirability of the forcible overthrow of the government. This is true even though such advocacy or teaching is engaged in with intent to accomplish violent overthrow and with the hope that it may ultimately do so.

3. The First Amendment affords no protection, however, to utterances, individual or concerted, advocating or teaching action for the forcible overthrow of government.

4. Inasmuch as the capacity of a group to create danger is greater than that of an individual, the law makes a distinction between the power of government to exercise its right of self-protection against individuals and groups. Government may prohibit or punish utterances of an individual advocating or teaching action for the forcible overthrow of government only if his advocacy or teaching creates a clear and present danger that it will provoke action. But it may prohibit or punish utterances of a group advocating or teaching action for the forcible overthrow of government if their advocacy or teaching takes place under circumstances reasonably justifying apprehension that the action will occur either immediately or at a future time selected by the group.

When it enacted The Smith Act of 1940, Congress made it a felony knowingly or willfully to advocate or teach the desirability of overthrowing the government of the United States or any of its states, territories, districts, or possessions by violence.[1]

In construing the Smith Act, the Supreme Court decided that the words "advocate" and "teach" were not used by Congress in their ordinary dictionary meanings, because they had been construed in prior cases interpreting similar laws "as terms of art carrying a special and limited connotation."[2] By so doing, the Supreme Court adjudged that the principles which I have outlined were embodied in the Smith Act and in consequence such Act is not unconstitutional.

SEDITION LAWS

The Constitution expressly provides two ways to protect our country against domestic danger by civil means. Congress may make punishable as crimes dangerous acts, and, subject to First Amendment limitations, dangerous words; and those of us who esteem our system the best yet devised by man may use our First Amendment freedoms to instruct the ignorant, convert the doubting, and combat the efforts of those who undertake to destroy or injure it.

Justice Brandeis must have had these considerations in mind when he made this statement in his eloquent concurring opinion in *Whitney* v. *California*, 274, U.S. 357, 378:

Among freemen, the deterrents ordinarily to be applied to prevent crime are education and punishment for violations of the law, not abridgment of the rights of free speech and assembly.

Since it was first organized as the nation's legislature, Congress has enacted these sedition laws: the Sedition Act of 1798, which still lives in infamy; the Espionage and Sedition Acts of 1917 and 1918, which Attorney General Palmer grossly abused in his "witchhunts" after the First World War; and the Smith Act of 1940, whose potentiality for abuse has been restricted by Supreme Court cases, which subject its broad language to First Amendment limitations. Each of these Acts was adopted in a time of great national strain.

By each of these laws, Congress made utterances it deemed dangerous to the common weal punishable as crimes, and thus secured to all against whom the laws were invoked the right to trial by an impartial jury of the vicinage and the other protections created by the Constitution to prevent the punishment of the innocent.

FEARS OF COMMUNISM

From the time of the Russian Revolution until the day on which Russia became an ally of the United States in the Second World War, multitudes of Americans entertained profound fears in respect to the menace which they believed communism presented to peace abroad and security at home. As a result of Russia's intransigence in Europe and the communist take-over of mainland China after the end of the war, these fears were revived and intensified, and they rightly remain until this day insofar as they are based on concern for the threat which communism poses to world peace.

Inasmuch as they were based on concern for domestic security, the fears of communism persisted with intensity until the middle of the 1950's, and they still linger in some quarters.

There is room for dispute as to how substantial the communist threat to our domestic security actually was during the times it was feared most. There was some tangible evidence and plethoric surmise that communists had strongly infiltrated segments of the labor movement and had even penetrated government and the armed forces to a degree. The extent of the threat was exaggerated by a tendency on the part of the fearful to believe that persons of unorthodox views were tainted with communism.

Anyway, the fear of the threat to domestic security produced two pieces of major congressional legislation, the Smith Act of 1940, which has already been mentioned, and the Internal Security Act of 1950, which Congress passed over President Truman's veto.

THE SUBVERSIVE ACTIVITIES CONTROL BOARD

Before the Internal Security Act of 1950 was adopted, our country steadfastly adhered to the principle that government ought not to punish anybody for anything except for crime of which he has been convicted in a constitutionally-conducted trial in a court of justice.

The Internal Security Act injected a novel concept into our system, which is alien to this principle.

This concept may be summarized in this way:

To protect society, our country should maintain a governmental agency to stigmatize publicly organizations the government considers intellectually or politically dangerous, and visit upon such organizations and their members severe penalties.

I use the phrase "intellectually or politically dangerous" to distinguish the stigmatized organizations and their members from organizations and individuals whose legally dangerous acts or words are punishable as crimes under constitutional safeguards.

The Internal Security Act of 1950 created the Subversive Activities Control Board. By the original Act and an amendment of 1954, the Board was given jurisdiction to act on petitions of the Attorney General to identify and require the public registration of communist-action, communist-front, and communist-infiltrated organizations, and members of communist-action organizations.

The Aot as amended automatically imposed upon the organizations and the members of the organizations stigmatized by the Board severe penalties. For example, a stigmatized organization was denied the use of instrumentalities of communication unless it plainly revealed that they were being used by it and that it was "a communist organization"; and a member of a stigmatized organization was denied the right to hold any nonelective office or employment under the United States or even to seek such office or employment or employment in any defense facility without revealing his membership in the organization; the right to hold office or employment with any labor organization subject to the National Labor Relations Act; and the right to obtain or use a passport.

The Supreme Court adjudged, in essence, in *Communist Party of the United States v. Subversive Activities Control Board*, 367 U. S. 1, that Congress had the constitutional power to regulate the registration of communist organizations because of its finding that such organizations advocate or teach action for the forcible overthrow of government. It ruled, however, in other cases that the procedures prescribed by the Act to effect the compulsory registration of communist organizations violated the self-incrimination clause of the Fifth Amendment, and that major provisions of the Act relating to membership in communist organizations imposed penalties upon individuals on the theory of guilt by association and could not be reconciled with the First Amendment.

These rulings left the Subversive Activities Control Board with virtually nothing it could constitutionally do.

By an amendment of January 2, 1968, Congress undertook to revive the moribund agency by repealing the compulsory registration provisions of the Internal Security Act, and by conferring upon the Board power to issue declaratory orders determining whether organizations it investigates are communist-action, communist-front, or communist-infiltrated organizations, and whether individuals it investigates are members of communist-action organizations.

The revival was short-lived. On December 12, 1969, the United States Court of Appeals for the District of Columbia Circuit handed down *Boorda v. Subversive Activities Control Board*, 421 F.2d 1142, holding that the provisions of the Internal Security Act and its amendments allowing public disclosure of an individual's membership in a communist-action organization without finding that the individual concerned shares in any illegal purposes of the organization to which he belongs violates the First Amendment.

The Supreme Court refused to review this ruling, and the Board found itself left once again with virtually nothing it could constitutionally do.

RECORD OF THE BOARD

Let us consider the record of the Board during the 21 years of its existence.

During these 21 years, the Board has found only one communist-action organization in all America, and that was the Communist party itself. It was not even able, by constitutional methods, to impose registration upon it.

During these 21 years, the Attorney General filed petitions alleging that 22 other organizations were communist-front or communist-infiltrated. Eight of these petitions were dismissed by the Board, and the other 14 came to naught because the organizations had ceased to exist or the Board was unable for other reasons to compel their registration.

During these 21 years, the Attorney General filed petitions alleging that 68 individuals—that is, 66 persons out of about 200 million Americans—were members of communist-action organizations. These petitions were frustrated in large measure by the *Boorda Case* and other decisions.

As one who loves America and hates Communism, I take much comfort from the ineffective record of the Board. It corroborates my conviction that despite its enormous efforts to peddle its shoddy ideas, Communism has made few sales in America.

PRESIDENT NIXON'S ATTEMPT TO REVIVE THE BOARD

On July 2, 1971, President Nixon issued Executive Order No. 11605, which attempts to confer on the Subversive Activities Control Board vast power to harass and stigmatize Americans.

President Nixon's Order purports to amend Executive Order No. 10450, which was issued by President Eisenhower on April 27, 1953, to establish loyalty and security requirements for government employment. Hence, we must understand what power the executive department has in this area.

As Justice Frankfurter declared in his concurring opinion in *Garner v. Los Angeles Board*, 341 U.S. 716, 724–5:

The Constitution does not guarantee government employment. City, State, and Nation are not confined to making provisions appropriate for securing competent professional discharge of the functions pertaining to diverse governmental jobs. They may also assure themselves of fidelity to the very presuppositions of our scheme of government on the part of those who seek to serve it. No unit of government can be denied the right to keep out of its employ those who seek to overthrow the government by force or violence, or are knowingly members of an organization engaged in such endeavor.

President Eisenhower's Executive Order applies only to persons presently enjoying or presently seeking employment in federal executive departments and agencies, and requires the Civil Service Commission, the employing department or agency, or the F.B.I. to investigate matters relating to them as individuals, including their individual memberships in subversive organizations, which are relevant to the determination of whether the employment or retention in employment of each of them is clearly consistent with the interests of national security.

Hence, the Eisenhower Order establishes forthright and circumscribed procedures for insuring the loyalty of federal civil servants. Moreover, it merely implements powers vested in the President by the Constitution and Acts of Congress relating to government employment.

President Nixon's Executive Order is a different kettle of fish.

To be sure, it professes itself to be a mere amendment to the Eisenhower Order, and it does alter that Order in one or more insignificant respects.

The major provisions of his Executive Order represent, in reality, an attempt on the part of President Nixon to amend the Internal Security Act of 1950 by bestowing upon the Subversive Activities Control Board new sweeping powers far in excess of those Congress sought to give it.

To this end, the Nixon Order declares in express terms that the Board shall henceforth possess and exercise the power to conduct, on petition of the Attorney General, hearings to determine whether any of the innumerable organizations which claim the membership of millions of Americans who do not enjoy or seek federal employment are (a) totalitarian, (b) fascist, (c) communist, or (d) subversive organizations, or (e) organizations which have the policy "of unlawfully advocating the commission of acts of force or violence to deny others their rights under the Constitution or laws of the United States or of any "State," or (f) organizations "which seek to overthrow the government of the United States or any State or subdivision thereof by unlawful means."

The Nixon Order further declares that in making its determinations, the Board shall have power to investigate the activities and objectives of every group in America which commits acts of force or violence; or unlawfully damages or destroys property, or injures persons; or violates laws "pertaining to

[1] 18 U.S.C. 2385.

[2] *Yates* v. *United States*, 354 U.S. 298, 319.

treason, rebellion or insurrection, riots or civil disorders, seditious conspiracy, sabotage, trading with the enemy, obstruction of the recruiting and enlistment service of the United States, impeding officers of the United States, or related crimes or offenses."

The Nixon Order provides that the Attorney General will transmit to each federal executive department or agency the names of all organizations condemned by the Subversive Activities Control Board for its use in determining whether persons enjoying or seeking employment by it should be employed or retained in employment.

It is manifest, however, that the real objective of the Order is to empower the Board to brand the organizations and groups specified in it as intellectually or politically dangerous to the established order. It is equally as manifest that such branding of these organizations and groups will place a political or social stigma on their members, and tend to minimize their exercise of freedom of speech, association, and assembly.

I submit that the provisions of the Nixon Order which purport to confer new powers on the Board have no legal force for these reasons:

1. Their promulgation was beyond the constitutional power of the President; it is a direct violation of the doctrine of separation of powers.

2. They are void for overbreadth.

3. They violate the First Amendment and due process rights of all the members of the organizations or groups designated except those who share the illegal aims of the organizations or groups.

What was said by the Supreme Court in respect to President Truman's Executive Order in the steel-seizure case, *Youngstown Sheet and Tube Company v. Sawyer*, 343 U.S. 589, 588, makes it plain that in his attempt to expand the power of the Board, President Nixon undertook to make law.

The President's order does not direct that a congressional policy be executed in a manner prescribed by Congress—it directs that a Presidential policy be executed in a manner prescribed by the President.

It necessarily follows that the major provisions of the Nixon Order are void under Sections 1 and 8 of Article I of the Constitution, which give Congress all the law-making power of the federal government and deny any of it to the President.

I do not question the power of the President under the Constitution and Acts of Congress governing federal employment to establish by executive order procedures to assure the loyalty of federal civil servants. But I do assert with confidence that even if it were a bona fide effort to accomplish an objective, the Nixon Order would be void for overbreadth.

The Order brings within its coverage the organizational memberships of millions of Americans who neither enjoy nor seek employment in the federal establishment. Besides, it applies to the activities and objectives of groups past numbering which have no relationship whatever to the loyalty of federal civil servants.

The President has no power to subject the organizational memberships, activities, or objectives of all Americans to the scrutiny of the Subversive Activities Control Board because some of them may be employed by the federal government or some of them may hereafter seek employment by it.

The Nixon Order also violates the First Amendment and the due process clause of the Fifth Amendment by applying the theory of guilt by association and stigmatizing politically and socially all the members of all the organizations or groups branded by the Subversive Activities Control Board, including those who may be passive or inactive members of such organizations or groups, or those who may be unaware of the unlawful aims of such organizations or groups, or those who may disagree with those unlawful aims.[3]

While I do not care to belabor the points, a pretty good case can also be made for the proposition that some of the powers the Order attempts to allot to the Board trespass upon areas the Constitution reserves to the States, and others offend the First Amendment principle that government cannot touch the mere advocacy of ideas, no matter how reprehensible they may be.

MY FAITH

Apart from its constitutional infirmities, President Nixon's Executive Order is to be deplored because it has no rightful place in our land.

It is not the function of government in a free society to protect its citizens against thoughts or associations it deems dangerous, or to stigmatize its citizens for thoughts or associations it thinks hazardous. Yet that is exactly what the Executive Order undertakes to empower the Subversive Activities Control Board to do.

If America is to be free, her government must permit her people to think their own thoughts and determine their own associations without official instruction or intimidation; and if America is to be secure, her government must punish her people for the crimes they commit, not for the thoughts they think or the associations they choose.

In closing, I affirm my faith in the sanity and steadfastness of the overwhelming majority of all Americans. I shall not fear for the security of my country as long as love of liberty abides in their hearts, and truth is left free to combat error.

As we open these hearings, I would like again to welcome our distinguished professional consultants who have contributed so much to the Subcommittee's successful studies of the separation of powers. With us today are Professors Philip B. Kurland of the University of Chicago School of Law, our chief consultant; Ralph K. Winter, of the Yale Law School; and Arthur S. Miller of the George Washington University National Law Center.

[From the Greensboro (N.C.) Daily News, Oct. 11, 1971]

FUNERAL FOR A FOSSIL

It is no mere coincidence that the Subversive Activities Control Board (SACB) and the frivolous Red-hunting career of the late Sen. Joe McCarthy of Wisconsin had their birth in the same year—1950.

Senator McCarthy faded away in discredit about four years later, when his preposterous attempt to brand the Army as a coddler of subversives backfired and led to his censure by the Senate. But the Control Board, although its powers have been all but nullified by the courts, survives in fossil form to this day. Rearmed by President Nixon's Executive Order No. 11605 of last July it now threatens to assume powers to meddle with and monitor the political thoughts and associations of rank and file Americans, whether or not they are applicants for government jobs.

Before it can pursue this new role, however, the SACB must overcome the formidable opposition of two judicious North Carolinians, Sen. Sam Ervin and Rep. Richardson Preyer.

In a speech September 22 to the American Newspaper Publishers Association, Senator Ervin called attention to the menace of thought-control that is implicit in the President's order.

"The real objective of the order (he said) is to empower the board to brand the organizations and groups specified in it as intellectually or politically dangerous to the established order . . . Such branding of these organizations will place a political or social stigma on their members, and tend to minimize their freedom of speech, association and assembly . . . The order brings within its coverage the organizational memberships of millions of Americans who neither enjoy nor seek employment in the federal establishment. Besides, it applies to the activities and objectives of groups past numbering which have no relationship whatever to the loyalty of federal civil servants . . . The Nixon Order also violates the First Amendment and the due process clause of the Fifth Amendment by applying the theory of guilt by association and stigmatizing politically and socially all the members of all the organizations or groups branded . . . including those who may be passive or inactive members . . . or those who may be unaware of the unlawful aims . . . or those who may disagree with those unlawful aims."

It is a timely warning, whose real value could be emphasized only by a long review of some of the idiocies and injustices committed in the name of security in the era of the 1950s. Suffice it to say that this country needs no revival of the offending practices described by Senator Ervin.

Despite his early zeal in the investigation of defunct spy-rings, it seems likely that Mr. Nixon has bigger fish to fry as President and that the flawed executive order recently effected over his signature was cooked up by Justice Department subordinates with a less than perfect sense of the dangers it involves. Nobody has heard much of the Subversive Activities Control Board, except that it has little to do and that President Johnson underscored its salutary idleness two or three years ago by appointing to the Board the unemployed husband of one of his secretaries. We suspect that more constructive places on the federal payroll could be found for the present Boardmen, if they are otherwise unemployable in private enterprise.

To that end, a bill co-sponsored by Rep. Richardson Preyer makes good sense. The bill would replace SACB with a so-called Federal Employes Security and Appeals Commission, with the limited job of screening applicants for federal jobs while properly safeguarding their rights of due process. Beyond this limited function, this country needs no roving, free-wheeling band of thought policemen, free-loading on the taxpayer, with a hunting license to maintain surveillance of private political thoughts and organizations. At last glance, the FBI had that task well in hand anyway—and did it for the most part with far greater discretion. There is a case for an orderly and responsible agency to protect government from disloyal infiltration.

Between them, then, Senator Ervin and Congressman Preyer point the way to a sane security system that would preserve the integrity of government without duplicating the panicky and unwise measures taken in haste and alarm after the Red scare of the late Forties. The Subversive Activities Control Board is a fossil. It needs a decent funeral.

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[3] *United States v. Robel*, 389 U.S. 258; *Scales v. United States*, 367 U.S. 203.

KEMP'S A COMER

Mr. HANSEN. Mr. President, the Wall Street Journal of November 18 printed some observations by Mr. Alan Otten in his column, "Politics and People," about one of the outstanding freshman Members of the House of Representatives—the Representative from Bulaffo, N.Y.

This recognition by the Journal of a Member of Congress who has a youthful image as well as being youth-oriented to some of today's changing times is most appropriate. For the first time next year on a national scale there will be a new age group of voters, and certainly the attributes of a leader like JACK KEMP will be important to how well these young people will be able to relate to their government.

We in the United States enjoy the greatest system of government thus far devised, and it is vital that this new age group of voters respect and support the democratic values of the Republic.

JACK KEMP, with his personal appearances in a number of States, has caught the imagination of a lot of America's youth, and has shown them convincingly that the system of government by law is well worth preserving.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KEMP'S A COMER

WASHINGTON.—Every two years, anywhere from 35 to 60 new members enter the U.S. House of Representatives. Even before they arrive, two or three are tabbed as "comers"—clever young go-getters who will quickly emerge from the faceless pack to become leaders of the House or move on to the Senate or even beyond.

One of the clear comers in the current freshman crop is a ruggedly handsome, highly articulate conservative Republican from the suburbs of Buffalo, N.Y., Jack F. Kemp. His fellow Republican freshmen chose him as president of their informal group, the 92nd Club. He was one of the three newcomers admitted into the Chowder and Marching Society, that elite group of such present and past House GOP greats as Richard Nixon, Melvin Laird and Gerald Ford.

He was picked by the White House to defend the President's Vietnam policy on the Dick Cavett and David Frost shows in debate with dump-Nixon Rep. Paul McCloskey. A recent trip to Vietnam won him an unusual half-hour audience to report to the President. He's in heavy demand as a speaker to raise money for House Republicans around the country, while Vice President Agnew and other administration bigwigs journey to Buffalo to help raise funds for his own campaign.

"There's no question Jack is the big star of the freshman class," a senior (and non-admiring) colleague ruefully remarks. A closer look at 36-year-old Jack Kemp helps reveal those factors that spotlight one man as a comer while others remain in the shadows.

Certainly it helps to start with instant name recognition—in this case, from 13 years as an all-star quarterback, first for the San Diego Chargers and then, until February 1970, the Buffalo Bills. Mr. Kemp led the Bills to two American Football League championships, was AFL Player of the Year in 1965 and for five years headed the AFL Players Association.

The football reputation, his wholesome good looks and his fluent way with words had long made him a much-sought Republican speaker, particularly on college campuses. People, he admits, were intrigued to find a professional athlete who not only was a conservative Republican but who also could use correctly such words as "bizarre" and "self-flagellation," talk knowledgeably about tax depreciation schedules and sulfur dioxide pollutants, and quote Edmund Burke ("A Representative owes his people not only his industry but his judgment").

Buffalo Republicans had long been hoping for just such a paragon to take on Democratic Rep. Richard McCarthy, and Mr. Kemp was more than willing. His well-financed and professionally guided campaign was helped mightily by Mr. McCarthy's later decision to give up the seat and run for the Senate, but Mr. Kemp still came to Washington with the valuable image of something of a giant-killer.

Still another asset was having good friends in high places. Old California buddies included White House aides Herbert Klein and Robert Finch, House GOP Campaign Chairman Rep. Bob Wilson. Mr. Kemp not only campaigned hard for Richard Nixon for President in 1960 and governor of California in 1962, but spent two weeks traveling with him on behalf of Bob Finch for lieutenant governor in 1966.

These people counsel him, speak in his district, open downtown agency doors for him. A Buffalo newspaper cartoon showed Messrs. Nixon, Klein and Finch in football uniforms blocking for Quarterback Kemp.

(And he repays the favors, as, for example, helping the White House by debating Mr. McCloskey. "My sense of fair play was challenged," he relates. "I don't quarrel with those who say we shouldn't have been in there or should get out faster—I say the latter myself—but to label the military as war criminals and to say the President really doesn't desire peace—that's something else.")

The young Congresman has other hallmarks of the true comer: boundless ambition and a ruthless readiness to put his own needs first; a shrewd instinct for spotting good political openings, and real hustle to follow through and take advantage of them.

When Amtrak cut back rail passenger service west of Buffalo, he quickly organized a House bloc to press for continued service west to Detroit and Chicago, persuaded the area governors to pick up part of any operating deficit, and finally got "provisional" service restored. He has taken the lead in a well-publicized push for a House resolution calling for United Nations debate on the Soviet Union's refusal to permit Jews to leave the country. Mr. Kemp says he seeks to dramatize the Soviets' disregard for human rights; cynics suggest he's cannily building good will among New York's large Jewish vote.

Pressed to explain his current reputation, the Congressman cites "a built-in advantage, as a moderately successful football player," and a popular hunger for stronger political leadership. "I learned long ago," he declares, "that you can't quarterback a football team by taking a poll and following the consensus. You have to weigh risks, make judgments, take chances."

Mr. Kemp campaigned as a "let's tell what's right about America" Republican, and his House record thus far is rated as 100% by the American Conservative Union and 15% by the Americans for Democratic Action. Yet in recognition of Buffalo's high unemployment, he has supported several spending measures far larger than the White House wanted.

Mr. Kemp is at some pains to deny as "absurd" rumors that he'll be the Conservative Party challenger against Republican Sen. Jacob Javits in 1974. "I have a forum here to exert some leadership, and that's exactly where I want to be," he says. Clearly, though, a Senate seat some day is well within his downfield vision.

It's not going to be all clear going, of course. First re-elections are normally considered the toughest, though a coming reapportionment plan will probably make his district more Republican. More seriously, some colleagues rate Mr. Kemp still naive and prone to error. For example, they say, it may flatter his ego to debate Mr. McCloskey on television or to have Mr. Agnew speak for him, but these may not be such good politics in a district where many well-educated suburbanites don't particularly like the war or the Vice President. Other House members complain that he skimps on the nasty nitty-gritty of committee work, and that his fast, purposeful pace often leaves bruised feelings behind.

It usually takes three or four terms to know whether the comers actually live up to their early billing. A good many people will be watching to see whether Quarterback Kemp can still throw the long bomb.

THE ABM ISSUE AND THE SECURITY OF THE NATION

Mr. STEVENSON. Mr. President, the charges made by Dr. Albert Wohlstetter and the Operations Research Society against the intellectual integrity of Dr. George Rathjens and Dr. Jerome Wiesner and other eminent scientists opposing the ABM were revived in a recent column by the estimable Joseph Alsop. The ABM issue is of undoubted importance to the security of the Nation. It is difficult enough to evaluate the claims made on behalf of the expensive and potentially destabilizing ABM without the intrusion of such regrettable charges.

To clear the air I ask unanimous consent that the column by Joseph Alsop, published in the Washington Post of November 8, 1971, and two letters in reply, one by Dr. Rathjens and the other by George Kistiakowsky, Herbert Scoville and Herbert E. York be printed in the RECORD at the conclusion of these remarks. Dr. Kistiakowsky was formerly Science Adviser to President Eisenhower and a chairman of the President's Science Advisory Committee. Dr. Scoville was formerly Deputy Director for Research, CIA, and Assistant Director at the Arms Control and Disarmament Agency. Dr. York was formerly Director, Defense Research and Engineering, DOD under President Eisenhower and a member of the President's Science Advisory Committee.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 8, 1971]

MISLEADING SCIENTISTS

The clamor surrounding the underground nuclear test at Amchitka is a very good reason for offering an extremely solemn warning. On such occasions, a great deal of the more leftwing "scientific" evidence must now be expected to be as crooked as a ram's horn.

Some attention has already been given to the so-called ORSA report that contains the proofs of the foregoing extremely grave statement. But no one has even begun to grasp the full seriousness of this solid, stolid, unimpeachably factual report. So it deserves re-examination.

ORSA, in brief, is the Operations Research Society of America, with a membership of about 8,000 scientists doing defense and industrial research and analysis. One of the society's stated original aims was to establish uniform standards and guidelines for this new and growing branch of research.

Hence the society was interested when one of its members, Dr. Albert Wohlstetter of the University of Chicago, asked for a panel to judge the standards of research and analysis displayed in the bitter debate about the "Safeguard" antiballistic-missile system in the Senate in 1969. Essentially that meant a panel to judge between ABM supporters like Dr. Wohlstetter, and its chief scientific opponents, such as the new president of MIT, Dr. Jerome Wiesner, and Drs. George Rathjens and Stephen Weinberg.

The ABM opponents were invited to make any contribution they chose, and also to nominate a member of the proposed panel. They haughtily refused to have anything to do with the inquiry. And they added a wholly groundless charge that the inquiry "could well appear to the nation as an ugly resurgence" of McCarthyism—but they ducked using the actual word.

A six-man panel of industrial and academic scientists was none the less formed, under the leadership of Thomas E. Caywood,

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past president of ORSA. The panel included men who had opposed the ABM in 1969, as well as men who had been for it. At least one former panel member, Dr. Howard M. Berger, of Xerox, "still hasn't made up his mind."

The results were devastating. "Analyses" that were "often inappropriate, misleading, or factually in error"; failure to meet "elementary standards for proper presentation of results to permit verification"; failure to "distinguish properly between the roles of analyst and advocate"—these were the main phrases in the summary of findings.

Dr. Rathjens was held guilty of "specific abuses of professional standards" in the ABM debate. He was further condemned for selecting his material in a most peculiar manner, mostly by omitting "data (that) would have substantially weakened his case". Other highly partisan inaccuracies were also found in his ABM testimony and in his subsequent exchanges with Dr. Wohlstetter.

Drs. Wiesner and Weinberg were found to have "ascribed official validity" to calculations which had no such validity. They were further found to have made extremely nasty false charges against the chief scientist of the Defense Department, Dr. John S. Foster.

Drs. Wiesner, Rathjens and Weinberg were jointly held to have been guilty of "misuse of source material" in the study of the ABM in a critique of the Pentagon's ABM position that was circulated by Senator Edward Kennedy. The same "misuse" was also found in the work done for Senator Kennedy by Dr. Wiesner and ABM charges throughout the ORSA report.

Thus placed in the dock and found guilty and crooking the evidence and purposeful prevarication, the anti-ABM scientists finally condescended to notice ORSA more seriously. They issued a reply, admitting some mistakes, yet claiming they were right about what mattered. To this Dr. Rathjens added the charge that the neutral panel member, Dr. Herbert Berger, secretly harbored personal animus against himself.

To this charge, Dr. Berger has now replied, in effect, that Dr. Rathjens is again prevaricating, and again, Dr. Berger's evidence is solid, stolid and unimpeachably factual, like the ORSA report itself. No openminded person can fail to read either report without concluding it is all too true, both in detail and in broad outline.

It needs only to be added that the supposed "mistakes" proven in the report were at the very heart of the ABM debate. In sum, warning.

[From the Washington Post, Nov. 17, 1971]

LETTERS TO THE EDITOR ON THE OPERATIONS RESEARCH COMMITTEE REPORT AND THE ABM DEBATE

Joseph Alsop's column of November 8 for the most part accurately reflects the findings and tone of the recent critique by the Operations Research Society of America of the role of myself and others in the ABM debate. What Mr. Alsop failed to appreciate or convey to his readers was the fact that the ORSA report is a technically incompetent critique—based on bizarre procedural arrangements, selective use of evidence, and remarkably uncritical acceptance of administration assumptions, many of which had little or no foundation in fact.

This is not the place to discuss all of the deficiencies of the ORSA report—we have done that in some detail elsewhere—but lest readers be misled by Mr. Alsop's column it is perhaps useful to comment on two issues in the ABM debate: the possible vulnerability of the U.S. Minuteman force to a Soivet SS–9 "first strike" in the mid-70's, and whether the Safeguard ABM deployment would make a significant difference in Minuteman survivability.

Although the second question was really what the ABM debate was all about, ORSA focused its attention almost exclusively on the first, a hardly surprising fact since Albert Wohlstetter who instigated the inquiry, and whose lead it slavishly followed, had largely avoided commenting on Safeguard's utility in both his testimony and his specification of changes.

As regards Minuteman vulnerability, I would point out that estimates necessarily had to be based on interpretation of intelligence information and technical judgment of what the situation would be six years later. Various participants in the debate made quite different judgments, and such differences, not mathematical manipulation which was essentially trivial, nor the application of esoteric operations research techniques, accounted for my estimating that 25 per cent of the Minuteman force would survive while Mr. Wohlstetter and Defense Department spokesmen estimated 5 per cent. I leave it to the reader to draw his own conclusion as to whose judgments were more reasonable, pointing out that I would now revise my estimates of Minuteman survivability upward as it now seems even less likely than it did two years ago that the U.S.S.R. could fully equip its SS–9 force with highly effective multiple independently targettable reentry vehicles (MIRV's) by the mid-70's. Reports such as those by Michael Getler of a recent DOD/CIA sponsored study by TRW (The Washington Post, June 17), General Ryan's March 9 testimony before the House Appropriations Committee, and Secretary Packard's remarks of October 21 lead me to believe that the administration too might now estimate very substantial survivability.

The administration seems also to have largely come around to the views of its opponents with regard to the question of Safeguard effectiveness. Thus, it is now recognized, even in the Defense Department, that the missile site radar is the Achilles' heel of Safeguard, and there are serious efforts under way to design a dedicated hard-site defense employing less expensive radars as many of us recommended. And it is now considered, as we had suggested, that Safeguard as originally planned will be an inadequate defense if a build-up in Soviet missile capabilities continues, whereas originally it was argued that it was needed in case of such a build-up.

Mr. Alsop points out that we admitted mistakes. A single example will perhaps put that admission in perspective. I had argued that Messrs. Laird, John Foster and Wohlstetter had made unrealistic assumption in imputing to the Soviet Union the capability, in executing an attack against us, of compensating for all their missile failures by replacing the failures with other warheads aimed at the same targets. In fact, Mr. Wohlstetter had, unlike Messrs. Laird and Foster, apparently assumed that 15 per cent of the failures could not be so replaced. I was in error and was criticized by ORSA for the mistakes. It is to be noted that neither Mr. Wohlstetter nor the Defense spokesmen offered any analysis to support their contention that such tactics were feasible. Yet, the ORSA committee did not criticize this omission. Rather, it attempted the back-up analysis for them, in so doing finding it necessary to use assumptions about Soviet MIRV technology totally at variance with observations!

Finally, Mr. Alsop alleges that I charged Howard Berger, one of the ORSA committee, with harboring personal animus against me; that Dr. Berger has claimed I was guilty of prevarication in making such a charge; and that there is solid evidence to that effect. I made no such charge and challenge Mr. Alsop and Dr. Berger to produce evidence that I did, much less evidence that I lied in making it! What I and my colleagues did suggest was that since Dr. Berger had previously been relieved by me of a position of responsibility, he should have been disqualified either by himself or by ORSA from participating in the inquiry. In suggesting this, we were not charging animus on his part, but rather lack of sensitivity and appreciation of reasonable professional and ethical norms by him and ORSA, a charge which the style of the ORSA inquiry fully substantiates.

As has been the case with so many of his columns, Mr. Alsop has again regrettably elected to accept uncritically those arguments consistent with his deep-seated biases rather than to attempt to understand and elucidate the issues involved in a complex question—in this case, those relating to the Safeguard deployment question.

G. W. RATHJENS.

CAMBRIDGE, MASS.

In September 1971, an Ad Hoc Committee of the Operations Research Society of America (ORSA) issued a report censuring, as not being up to the standards of the Society, the congressional testimonies in opposition to the Safeguard ABM system of Dr. Jerome Wiesner, president of MIT; Drs. George Rathjens and Steven Weinberg, professors at MIT, and to a lesser extent, Professor Wolfgang Panofsky, Stanford University. Predictably, this was put in the Congressional Record by Senator Jackson, the strongest proponent of Safeguard in the Congress. On October 13th, Donald Rumsfeld, Counsellor to the President, wrote from the White House a letter to Robert Machol, president of ORSA, stating that the report had been discussed personally with President Nixon, that Admiral Zumwalt, Chief of Naval Operations, discussed the work in a most favorable way, and that "you and the Society have performed a magnificent service." To cap it off, on November 8th, in a column which you carried, the columnist, Joseph Alsop, extolled the report and decried the dishonesty of the opponents of Safeguard.

Just to keep the record straight, we think it should be known that five members of the ORSA Council issued a minority report questioning the propriety, impartiality, and ability of the Ad Hoc Committee to carry out such an investigation. This minority report was not mentioned by Senator Jackson and others. More importantly, this unprecedented investigation was carried out at the request of Professor Albert Wohlstetter, the leading non-governmental protagonist for Safeguard, confidant of Senator Jackson, and consultant to Admiral Zumwalt. Professor Wohlstetter, who was praised in the report, is a member of ORSA; the other witnesses who were censured are not members and did not participate in the work of the Committee.

Although the primary purpose of the congressional hearings was to determine the need for Safeguard, and whether, indeed, it would work, the ORSA Committee study never even addressed the testimony on these central issues, but instead concentrated its attention on several sub-issues such as (1) the vulnerability of our Minuteman deterrent to an administration postulated Soviet threat, and (2) the Soviet ability to destroy both our minuteman missiles and bombers in a simultaneous attack. These sub-issues were suggested to ORSA by Professor Wohlstetter, one of the protagonists in the debate whose standards the Committee was, in theory, investigating. This action by the Committee would appear highly unethical, and the ORSA Council's sensitivity to such a charge is demonstrated by the fact that it excised from its published version of Professor Wohlstetter's letter those portions directing their attention to these sub-issues.

We think everyone should ask whether a group which employs such standards in its investigations has demonstrated the competence to evaluate the standards of such eminent scientists with a record of dedication to public service as Drs. Wiesner, Rathjens, Weinberg and Panofsky. We think one must conclude that the ORSA Ad Hoc Committee—and those Council members who endorsed the report—have just become additional protagonists in the continuing ABM debate along with Professor Wohlstetter, Senator Jackson, the White House and Joe Alsop.

GEORGE B. KISTIAKOWSKY.
CAMBRIDGE, MASS.
HERBERT SCOVILLE JR.
MCLEAN, VA.
HERBERT F. YORK.
LA JOLLA, CALIF.

TRAGEDY IN ULSTER—VI—VIEWS OF THE NEW STATESMAN ON WITHDRAWAL OF BRITISH TROOPS

Mr. KENNEDY. Mr. President, one of the principal provisions of Senate Resolution 180, which I submitted last month with the Senator from Connecticut (Mr. RIBICOFF), is the call for the withdrawal of British troops from Ulster and their replacement with adequate alternative methods of law enforcement. I am convinced that the withdrawal of British troops is the key to ending the killing and brutality in Ulster. Tragically, however, just as America maintained for so long in Vietnam, the British Government continues to maintain that there can be no peace until there is a military victory over the extremists.

In recent weeks and months, one of the most persistent and eloquent advocates of British troop withdrawal from Ulster has been the New Statesman, a respected British publication that has devoted much of its attention to the tragedy in Ulster. I believe that the views expressed in its columns will be of interest to all of us concerned with the issue, and I ask unanimous consent that two recent items, one an article entitled "Ulster—Our Vietnam" in the October 22, 1971, issue, and the other article entitled "Into the Ulster Quagmire" by Mr. Paul Johnson in the September 3, 1971, issue, may be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the New Statesman, Oct. 22, 1971]

ULSTER—OUR VIETNAM?

Unless the Labour Opposition wakes up and does its duty, this government will soon turn Ulster into our Vietnam. We shall be unable to extricate ourselves from an unwinnable civil war which corrupts our political morals and destroys our army as a fighting force. The real tragedy of Vietnam was that the Americans did not will it: they slithered into it. Indeed they hardly knew they were at war until it was too late to withdraw "without dishonour" and "without breach of faith." Much the same is happening to us now in Northern Ireland. Already the shooting of a couple of soldiers a week is no longer rated front-page news: it has become part of the normal process of "upholding law and order" in Northern Ireland. Internment without trial, which shocked us a few weeks ago, is now accepted as part of that same process. To judge by their previous facility for blind acquiescence, the government will soon be defending the methods of our investigators in the camps as "inevitable in the circumstances" The most deadly disease of British and American democracy is the way we acclimatise ourselves to the evils done in out-of-the-way places on our behalf. The British army is now occupying Ulster and waging the Orangeman's war against the IRA. Like the Kennedy/Johnson Administration our government has announced that the enemy must first be beaten; when that has been achieved they will consider a political settlement. But in order to smash the IRA we should have to cut off the supply of arms. We do not have the troops to close the border with the Irish Republic any more than the Americans had to seal off South Vietnam. As for gunrunning, the first planeload of communist arms was discovered in Amsterdam this week. But before we succumb to an orgy of self-congratulation we should remember that, both in Palestine and the Canal Zone where the Czechs supplied the arms to Jewish and Egyptian terrorists, our counter-measures failed. There is no reason to think that they would be more successful in the northern province of an island which most Irishmen deeply feel belongs to them.

That is why the government's policy of beating the IRA and then making a peace settlement is completely impractical. The very existence of Stormont precludes a discussion of the Irish problem in anything but Ulster loyalist terms. On that basis, since the IRA has the active support of the Communist world and the passive support of the Erie government and people, there is no reason why the fighting should ever stop.

The Labour Party cannot shrug off its responsibilities by being marginally more squeamish than the government as each stage of the crisis develops. Nor is it any use piously asking for all-Ireland conferences which everyone knows will never be convened. The situation cries out for an alternative strategy. The British people want to get out of this mess. There is now no tidy and painless way backwards, but there is a bold alternative available if the Labour Party has the courage and sagacity to proclaim it.

The NEW STATESMAN has urged before that we should take a firm decision to withdraw the army within a year. Present policies give no hope of a political settlement and a radical change of policy is at least worth a try. Stormont must go to make way for one year of rule from Westminster, whose purpose would be to force the hostile factions into compromise under threat of army withdrawal.

Such a suggestion sounds draconian and immediately it is made hands are thrown up in horror. It is not democratic, it would cause ill-feeling and worst of all it would lead to blood-letting. So say the critics. But what they do not face is the hopelessness of the present situation and the worse horrors soon to come.

As we know from long experience overseas, the British army is not immune to the pressures of a situation that would corrupt, demoralise and brutalise any army in the world. Fighting in Ulster is the usual dirty business—which our troops have grown to detest—when they have to police two hostile communities. On other occasions they have had hopes of a speedy release from the ordeal. If the army is told that it must garrison Ulster for a prolonged period then it will start to hit back at the terrorists by copying some of their methods. Fighting fire with fire will become the justification for tactics beyond any humane defence. Surely it was the signs that such a thing was beginning to happen and a resolution that it should go no further that brought us out of India and Palestine, Cyprus and Aden.

It is hypocritical to pretend that the army can be left in Ulster without a gradual depletion of its morale and degeneration in its methods. At the very least a change in policy would spare us the shame and grief of Americans as they discover more and more about how the Vietnam war was fought. But a new policy offers more than that. Irishmen would be given a choice. Come what may at the end of one year the British army would withdraw. During that year the Irish could co-operate in establishing a settlement if they chose. They would clearly understand the consequences of not doing so. Failing a settlement, when the army left there would be civil war. It would be a Palestine situation. We believe the great majority do not want that. The Labour Party should advocate a daring course that gives Irishmen, freed from the need to posture, a chance to opt for moderation.

[From the New Statesman, Sept. 3, 1971]

INTO THE ULSTER QUAGMIRE

(By Paul Johnson)

Mr. Heath is digging in a pit for himself in Northern Ireland. It is not clear how deeply or seriously the government has considered the various long-term policies which are open to it in handling the Ulster problem. All the evidence seems to suggest that it is living from hand to mouth, reacting to each successive crisis with more of the same treatment, and hoping that something will turn up. This, indeed, is the characteristic posture which British governments have adopted to Ireland. Officially, the policy is for the security forces to maintain law and order until the "reforms" of the Stormont regime have time to reconcile the minority to its continued existence. But does any member of the cabinet honestly believe that either aspect of the policy is working, or is likely to do so in the future? The truth is, the policy cannot possibly succeed, and sooner or later even a supremely obstinate man like Edward Heath will be brought to admit the fact. The question is how soon, how late?

Huge and hideous, the terrible examples of Algeria and Vietnam are before us to demonstrate the cost—not just in lives—of the failure of sophisticated modern governments to recognise that democracies cannot contain nationalism by force, and that if they try to do so they damage only themselves. Too late, the United States and France learned the bitter lesson. The Algerian conflict destroyed the Fourth Republic, and left a fearful legacy; even today, there are more armed police and security troops in the city of Paris than in the whole of Ulster. Vietnam shattered many American illusions, not least confidence in their native standards of public honour and decency; it educated an entire generation in violence and cynicism; it ended a quarter-century of sustained economic growth, undermined the world's strongest currency, and is now bringing about an "agonising reappraisal" of America's international role.

British statesmen watched these tragedies unfold with pity and condescension. Thanks to British wisdom and experience, such errors had been avoided while Britain divested herself of a world empire which made the burdens carried by France and America seem puny by comparison. If only they had taken Britain's advice! How ironic, then, if Britain should now find herself dragged into a similar blind drama on her own doorstep. Ironic, yet curiously appropriate, for Ireland has always been the sinister joker in the British pack. There, over the long centuries, all those qualities with which the British credit themselves—humanity, hatred of violence, moderation, flexibility, pragmatism, the ability to devise empirical solutions to logically insoluble problems—have been conspicuously absent. Ireland has been the one great historic failure of British statesmanship. Our first colony; now our last. It should come as no surprise if Ireland proves the deadly sting in the tail of British decolonisation.

Let us look at the omens of disaster in turn, beginning with the minority. The government's policy hinges on its reconciliation. But the Stormont regime has existed

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for over half a century, time for two entirely new generations to grow up and form their own opinions, and in that long period Stormont has never been able to acquire the loyalty of more than a handful of Catholics, let alone make serious inroads, into the solid republicanism of two-fifths of its subjects. 'Reforms' are now being introduced: the Stormont White Paper boasts of them. But if these changes are desirable—indeed, it is admitted, essential—why were they resisted for 50 years? And why should it be thought that the men who resisted them so long, and so bitterly, can apply them with success? It is not as though there has been any change of heart. Stormont still stands for 'a Protestant Parliament for a Protestant people'. The reforms were introduced in response to violence, and under the urgent pressure of a British Labour government. They cannot, and they are not intended to, admit the minority to any substantial role in the government of Ulster. They are the whitewash on the spulchre; and everyone in Ulster knows this.

Moreover, the attitude of the minority has changed decisively in the last two years. They were never reconciled to Stormont; but they had become resigned to it as at least a temporary solution. In the 1950s and early 1960s there were very few people, on either side of the Border, who believed it could be removed by violence. The IRA were occasionally active. But they were forced to operate from primitive hideouts in the Republic; they could not move about freely among the Ulster minority, or expect refuge, assistance or even silence from most of its members. In many parts of Belfast it was widely believed that the ghetto structure of the city was crumbling; that Catholics were moving into 'Protestant' streets and vice versa; and that on the new housing estates a completely new pattern was emerging. Some of this was doubtless wishful thinking, and it certainly didn't apply to Londonderry. Nevertheless, there was general agreement that the situation was growing no worse, and might even be improving. High-minded hopes were expressed for the future.

Today, the situation can only be compared to Palestine in the last days of the Mandate. The two populations have moved apart—physically, and still more emotionally. The minority no longer believes that even a *modus vivendi* is possible under Stormont. It is this which makes the reforms irrelevant, for no tinkering with the details, under the existing constitution, can produce anything but a solidly-Protestant governing majority in Parliament. More seriously, the minority as a whole has now renounced parliamentary politics and opted for direct action, ranging from civil disobedience and demonstrations to bullets and gelignite. Force has set the Ulster problem in motion again—as, indeed, the threat of force by the Unionists created it—and it will not now be renounced until the problem is resolved. The IRA has ceased to be a handful of cranks, mostly from the South, and has become the activist wing of a broad nationalist movement which embraces the entire Catholic population. It is no longer possible to treat them as civil criminals; they are guerrillas, operating from the base of active popular sympathy.

To make matters still worse, both the British army and the British government have now forfeited their claims to neutrality. They were never very substantial; but the recklessness with which Messrs. Heath and Maudling threw away these important cards makes one despair. Since the emergency began Stormont has been trying to persuade Whitehall that internment is the solution to the security problem. It is not; it is an anachronism, appropriate to the days when the IRA were an isolated minority of eccentrics, whose identities were notorious. The army did not initially like the idea. But it seems to have made the mistake of failing to develop its own intelligence service, rigorously separate from the machinery of the Royal Ulster Constabulary, and thus inherited not only ancient files, lists, and informers, but ancient attitudes. When, therefore, Heath surrendered to Faulkner over internment, as the price of cancellation of the Protestant marches, the machinery of repression was used, and was seen to be used, exclusively against Catholics.

The violence that followed, which caught the government completely by surprise, accelerated the process whereby the IRA is becoming integrated with the Catholic population as a whole. Overnight, the army became identified with Stormont, and the IRA with liberation. Moreover, the army not only lost its political virginity; it lost its professional prestige. Its extravagant claims on the success of the internment operation were immediately refuted. The way the operation was carried out produced the maximum political damage, and the minimum military advantage. So the official version had to be changed; from "rounding up the gunmen" it became, within hours, "bringing the gunmen into the open". The IRA, having emerged for a few days to display its power, and confirm its ascendancy over the Catholic population, has now reverted to the less costly and more effective weapon of gelignite. The army, to the Catholics, has become the enemy; an enemy, moreover, that can be made ridiculous. There it stands, in Ulster, a blind colossus; though not, alas, a dumb one.

To complete the catalogue of folly, Mr. Heath has now lost his temper with poor, reasonable Jack Lynch, the best Dublin premier any British government could possibly hope to have. By telling Lynch that what goes on in Ulster is none of Ireland's business—as though those thousands of refugees streaming across the frontier were figments of the Celtic imagination—Heath identified himself squarely with the official Stormont political theory. One might have supposed that Mr. Faulkner himself dictated the wording of the telegram, were it not clear, from internal evidence, that it is Heath's unaided work—the language he is accustomed to use towards chairmen of public corporations and other lesser breeds. Heath has already taught the Ulster minority that they have no political redress, and that their only recourse is violence. Now he invites the Republic of Ireland to draw the same conclusion.

Thus, it seems to me, the problem is bound to be internationalised. Hitherto Dublin governments have played Britain's game. They have given no assistance, and precious little sympathy, to the Ulster minority. They have made it extremely difficult for the IRA to operate from the Republic. They have prosecuted arms smugglers. Diplomatically, they have exercised every possible restraint, even in the UK; and they have made no move to enlist the support of Britain's enemies, though in the past this has always been the response of Irish nationalism. They have, in fact, stood idly by. But if the horrors of Ulster continue, no Irish government, it seems to me, can avoid becoming directly involved. What happens then? This week's border incident has already brought demands from Stormont for a virtual closure of the frontier. What will they ask Britain to do next? Build an Iron Curtain? Put up a Berlin Wall? How far is Heath prepared to go to maintain the *colons* of Ulster?

Already the bipartisanship at Westminster is foundering. It cannot be long before the Shadow Cabinet begins to oppose Heath's Irish policy not on detail and tactics—that has already happened—but on substance and strategy. There are signs of deep division among the British people, as they watch Ulster through the unblinking eye of television. Many fear, rightly, that as with Vietnam and Algeria, the strains of Ulster will soon be felt in the homeland, not indeed for the first time. "In the end," wrote Sir William Knollys to Mr. Secretary Cecil in 1599, "that state (Ireland) must perish of a consumption, and it cannot but so infect England as it may grow into the like danger." Ireland undermined the regime of Richard II, it darkened the last years of the great Queen Elizabeth, it broke Charles I's personal dictatorship, it forced William Pitt out of office, split Gladstone's party in two, brought Britain in 1914 to the verge of military insurrection, and destroyed the triumphant coalition of Lloyd George. The Irish problem is the graveyard of British generals and statesmen. There are plenty of ancient spectres beckoning Heath on, as he wades into the quagmire. Can his talks with Lynch at last change history?

For British must, and in time certainly will, disengage from Ireland. It is interesting to note that even those who still argue that Ulster is British, and support our military presence, do so increasingly on the sole grounds that to withdraw the troops would precipitate a blood bath, in which the Protestant extremists would hurl themselves on the defenceless Catholic minority. If this is indeed likely, it is an unanswerable reason for disarming the Protestants now; something no British government has ever dared to attempt. But in my view to accept the blood-bath theory is simply to capitulate to Unionist blub, a bluff successfully maintained for nearly a century, which created the anomaly of a separate Ulster in the first place.

It is now time that the bluff was called. In any case, the responsibility for the protection of Irishmen of all creeds should be placed where it morally belongs—on the Irish government. A period of direct administration from Westminster could be used to make transfer of responsibility smooth and uneventful; and even afterwards Britain should be prepared to offer any assistance the Irish government may reasonably require. But direct rule is a *terminus a quo*; the *terminus ad quem* is, and must be seen to be, all-Ireland rule from Dublin. Only when this objective s accepted as an inescapable political fact will violence cease to pay dividends. The whole of Ireland can then move into the secular age.

ANNOUNCEMENT OF POSITION ON VOTES

Mr. STEVENSON. Mr. President, I was necessarily absent from the Senate for several rollcalls on Tuesday, November 16. However, had I been present I would have voted "yea" on Senator HUMPHREY's amendment No. 563—to increase the low-income allowance to $1,300 retroactive to January 1, 1971—and "yea" on Senator FULBRIGHT's amendment No. 672, and I would have voted "no" on Senator RIBICOFF's amendment to allow a 10-percent investment tax credit for industries located in urban areas of high unemployment and "no" on Senator PEARSON's amendment to allow a 10-percent investment tax credit for industries located in rural areas.

SENATOR LEN JORDAN: A REMARKABLE MAN

Mr. HANSEN. Mr. President, 8 years of running a sheep outfit in Hells Canyon, Idaho, with only a few distant neighbors would frighten most of us. The ranch in America's deepest gorge, forbiddingly rugged, could be reached only on foot or by horse and pack animal, or by a 12-hour boat ride up the Snake River from Lewiston, Idaho.

The long isolation, the realization that most emergencies had to be met head on by one's own family—often with no other help—would repel nearly all of us.

But for LEN and Grace Jordan, it was both a challenge and an opportunity. This young couple, both graduates of the University of Oregon, might not have been expected to be so adept with their hands. Their rough ranch home, which LEN and Grace rehabilitated, finally had plumbing—but not the Crane variety. The bathtub was handcrafted of concrete by LEN himself. The story of their adventures is told by Grace Jordan in her interesting book entitled "Below Hells Canyon."

Their full commitment to the successful running of this remote and isolated ranch in wild country required that Grace assume the responsibility of teaching their three children until they reached the high school level, when the Jordan family moved to a nearby city.

Mrs. Jordan is an author in her own right, with several books published under her byline. She and LEN are recognized by all who know them well as friendly and intelligent, and gifted with a down-to-earth philosophy which gives them the ability to walk with kings but never to lose the common touch. He has a remarkable insight into matters of far-reaching importance. His grasp of high moral principles is astounding.

Senator LEN JORDAN, a Phi Beta Kappa graduate in economics, displayed his interest in books and history in a recent talk before the Senate prayer breakfast.

Mr. President, I ask unanimous consent that Senator JORDAN's prayer breakfast speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SENATE PRAYER BREAKFAST, NOVEMBER 1971

Recently I was browsing through our book shelves looking for a suitable topic for prayer breakfast discussion when my eye fell upon a book written by the famous historian, Arnold J. Toynbee, entitled "Civilization on Trial." It was published in 1948.

Although each of the thirteen chapters is concerned with a different problem, the book nevertheless has a unity of outlook, aim and idea. The unity of outlook lies in the standpoint of a historian who sees the universe, and all that is in it, in irreversible movement through time and space.

The common aim is to gain some insight into the meaning of this mysterious spectacle. The governing idea is the familiar one that the universe becomes intelligible to the extent of our ability to apprehend it as a whole. The culminating effect is one of understanding of our civilization in its relation to history and the road we are to take if we are to save ourselves and our civilization from disaster.

In describing his concept of space and time Toynbee uses the broadest of definitions. Said he: civilizations, like nations, are plural, not singular. There are different civilizations which meet and out of their encounters, societies of another species, the higher religions, are born into the world. That is not, however, the end of the historians' quest, for no higher religion is intelligible in terms of this world only. The mundane history of the higher religions is one aspect of the life of a Kingdom of Heaven, of which this world is one province.

As to time, he suggests that the span of years since history has been recorded may seem like a long time. Our scientists tell us, however, that the human race has been in existence on this planet for at least 600,000 years. life on this planet for at least 500,000,000 years and the planet itself for possibly 2,000 million years.

In this perspective the last five or six thousand years that have seen the rise and fall of civilizations are periods of such infinitesimal brevity that it would be impossible to show them drawn to scale, on any chart of whole history of this planet up to date. On this true time scale, the events of ancient history are virtually contemporary with our own lifetime.

Toynbee suggests that as a training ground, the history of the Graeco-Roman world has merit because it is visible to us in perspective and can be seen by us as a whole, because it is over—in contrast to our own Western world which is still an unfinished play of which we do not know the eventual ending.

Moreover, the surviving materials for a study of Graeco-Roman history are not only manageable in quantity but select in quality. We can see in the perspective given by lapse of time that the works of artists and men of letters outlive the deeds of businessmen, soldiers and politicians and the teachings of the prophets and saints like Christ and Buddha outlast them all.

In the teaching of the Prophets the unfolding of history is neither a cyclic nor a mechanical process. It is the masterful and progressive execution, on the narrow stage of this world, of a divine plan which is revealed to us in this fragmentary glimpse, but which transcends our human powers of vision and understanding in every dimension.

Toynbee addresses himself to the question "Does history repeat itself" with some very interesting analyses and conclusions. He states: A survey of historical landscape in the light of our existing knowledge shows that, up to date, history has repeated itself about twenty times in producing human societies of the species to which our Western society belongs, and it shows that, with the possible exception of our own, all these representatives of the species of society called civilizations are already dead or moribund. Moreover, when we study the histories of these dead or moribund civilizations in detail, and compare them with one another, we find indications of what looks like a recurring pattern in the process of their breakdowns, declines and falls.

Toynbee continues—We are naturally asking ourselves today whether this particular chapter of history is bound to repeat itself in our case. Is that pattern of decline and fall in store for us in our turn, as a doom from which no civilization can hope to escape?

In the writer's opinion, the answer to this question is emphatically in the negative.

The effort to create a new manifestation of life—be it a new species of mollusc or a new species of human society—seldom or ever succeeds at the first attempt. Creation is not so easy an enterprise as that. It wins its ultimate success through the process of trial and error.

There is nothing to prevent our Western civilization from following historical precedent, if it chooses, by committing social suicide. But we are not doomed to make history repeat itself. It is open to us, through our own efforts, to give history, in our case, some new and unprecedented turn. As human beings, we are endowed with this freedom of choice, and we cannot shuffle off our responsibility upon the shoulders of God or nature. We must shoulder it ourselves. It is up to us.

Thus the lessons of history would not be like an astrologer's horoscope. They would be like a navigator's chart which affords the seafarer who has the intelligence to use it, a much greater hope of avoiding shipwreck as when he was sailing blind, because it gives him the means, if he has the courage and skill to use them, of steering a course between charted rocks and reefs. The writer is not a determinist in the riddle of human life. He believes that where there is life there is hope and that, with God's help, man is master of his own destiny, at least to some extent and in some respects.

Writing in 1947, shortly after the end of World War II, Toynbee asks the question, What shall we do to be saved?

He suggests a three pronged attack:

1. In politics, etsablish a constitutional cooperative system of world government.

2. In economics, find working compromises (varying according to the practical requirements of different places and times) between free enterprise and socialism.

3. In the life of the spirit, put the secular superstructure back onto religious foundations.

Of these three goals, said Toynbee, the religious one is, of course, in the long run, by far the most important, but the other two are the more urgent, because if we fail in these in the short run, we might lose forever our opportunity of achieving a spiritual rebirth, which cannot just be whistled at for our convenience, but will only come, if it comes at all, at the unhurrying pace at which the deepest tides of spiritual creation flow.

The political task is the most urgent of all. The immediate problem here is a negative one. Faced as we are with the prospect that—given our present interdependence and present weapons—the world is now on the eve of being unified politically by one means or another, we have to stave off the disastrous denouement of unification by force of arms.

Can the United States and the other Western countries manage to cooperate with the Soviet Union through the United Nations? If the United Nations (please remember that I am quoting Toynbee in 1947) could grow into an effective system of world government, that would be much the best solution to our political crux. But we have to reckon with the possibility of the enterprise's failing, and to be ready, should it fail, with an alternative to fall back upon.

Could the United Nations split, de facto, into two groups without a breach of peace?

And supposing that the whole face of the planet could be partitioned peacefully into an American and a Russian sphere, could two worlds on one planet live side-by-side on a footing of non violent-non cooperation for long enough to give a chance for a gradual mitigation of the present differences in their social and ideological climates?

The answer to this question would depend on whether, on these terms, we could buy the time needed to carry out our economic task of finding a middle way between free enterprise and socialism.

These riddles may be hard to read, but they do tell us plainly what we most need to know. They tell us that our future largely depends on ourselves. We are not at the mercy of an inexorable fate.

So there you have it. That is the way one historian sized up the situation in 1947.

Now, with a generation of hindsight to our advantage, what validity do you find in his reasoning and what merit do you find in his conclusions?

THE PRESIDENT HELPS TEXTILES

Mr. ALLEN. Mr. President, the Honorable J. Craig Smith is chairman of the board of Avondale Mills, in Alabama, and an esteemd personal friend. He is one of Alabama's most respected business and civic leaders and a highly competent, farsighted, and articulate spokesman for the textile industry in Alabama and the Nation.

In a guest editorial published in the Sylacauga News on November 11, 1971, Mr. Smith rendered a much needed pub-

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lic service in providing perspective on the continuing problem of textile imports from low-wage countries.

Mr. President, I am confident that Senators and the public in general will find the editorial both interesting and informative. I ask unanimous consent that the editorial entitled "President Helps Textiles" be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PRESIDENT HELPS TEXTILES

(By J. Craig Smith)

President Nixon has concluded agreements with the governments of Japan, South Korea, Taiwan, and Hong Kong limiting the growth of those countries' exports of mand-made fibers and wool textiles and apparel to the United States. An arrangement, covering all countries, has been in effect for about eight years limiting the import of all cotton textile items.

President Nixon said while he was a candidate, and several times since his election, that some reasonable restraint had to be put on textile imports. One out of every eight industrial jobs in the United States is provided by the textile and garment industries. President Nixon knew that these jobs could not be sacrificed without tremendous hardship to the individuals concerned and to the economy as a whole. In this position, he had the full support of the senators and congressmen from the textile states. Vigorously and bitterly opposing the President's efforts were the New York Times, the Washington Post, Life and Time magazines, several of the large New York banks, and many other powerful influences. It took considerable political courage for President Nixon to carry out his commitment to limit these imports.

The textile industry would have preferred that the limitation result from Congressional action. All hope for this action was lost when Congressman Wilbur Mills, chairman of the Ways and Means Committee, made a private deal with the Japanese textile industry and announced that no legislation limiting imports would be reported out of his committee. After this announcement by Mr. Mills, our only hope was Presidential action.

Approximately 80 per cent of textile imports are coming from the four low-wage countries with which President Nixon has now concluded negotiations. These countries finally agreed to limit their imports for one reason, and one reason only: President Nixon finally convinced them that if they did not agree to some reasonable limitation, they would get something much less to their liking. The surtax on imports which the President put into effect was undoubtedly useful in getting agreement.

All the palaver in the liberal press that the textile agreements will cause vast unemployment in the four Asian countries is without any basis of fact whatsoever. The agreements do not provide for any cutback in the high level of imports now coming in. The agreements also provide for a reasonable growth rate. These Asian imports were rising at such a terrific rate that had they not been restrained, many other American mills would have gone the route of our Birmingham mill, Handley Manufacturing Company, Beaunit, and 50 other recent closures in the Southeast alone.

We are grateful to President Nixon for doing something about this problem. We are grateful to Senators Sparkman and Allen and to Congressmen Andrews, Bevill, Buchanan, Dickinson, Edwards, Flowers, Jones, and Nichols, as well as to the other Senators and Congressmen from the textile areas, who have so valiantly supported our position. This support we must continue to have. When these agreements expire, it is absolutely essential that they be renewed. We would prefer that they be renewed by legislative action, but if this cannot be had then we must have an administration in Washington that will act as President Nixon has acted.

NATIONAL GROWTH POLICY—ITS TIME HAS COME

Mr. HUMPHREY. Mr. President, the December issue of Yankee magazine contains a splendid and eloquent article entitled "To Make the Morning Last" by my good and dear friend and colleague, the Senator from New Hampshire (Mr. MCINTYRE). He addresses himself in the article to the revaluation of life styles that many Americans today are conducting for themselves. He also reminds us again of what is happening in both rural and urban America due to the lack of any national policies dealing with the growth and development of our Nation. He specifically cites the need for "a national growth policy aimed at dispersing people and opportunity," which he goes on to say, should be "a policy based on the obvious premise that we will never cure the problems of the cities, never hold them or reduce them to workable dimensions, until we first cure an ailing countryside."

Mr. President, as most Senators know, I have often addressed myself to the need for a balanced national growth policy. The need for getting on with that important task is now. I am at present preparing legislation which will address itself forthrightly to meeting that need. I hope to have that legislation ready for introduction before Congress adjourns this year, and I hope every Member of the Senate will give it his utmost attention and consideration at that time.

Mr. President, I commend the article to the attention of Senators and urge them to take the time to read it. I can assure them that it will be time well spent. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TO MAKE THE MORNING LAST

(By U.S. Senator THOMAS J. MCINTYRE)

Most of the change we think we see in life,
Is due to truths being in and out of favor.
—ROBERT FROST

There was a time when the bittersweet pleasures of nostalgia were the exclusive domain of those approaching the September of their years.

No more.

Today—suddenly—all America is turning on by turning back.

Look at the signs: two- and three-generations-old fashions in every store window. The popular resurgence of the humble bicycle. The rediscovered pleasures of ice cream. The return to organic farming. Trivia. Monopoly. Ruby Keeler tap dancing her way out of the past and into a Broadway smash hit. Divided college campuses uniting long enough to pay tumultuous welcome to Buffalo Bob and Howdy Doody.

And when a Yale instructor penned a modest little love story with old-fashioned sentiment, cynical critics were stunned when the book soared to the top of the best seller list.

But these are only superficial evidences of America's yearning for a yesterday that was greener and quieter, warmer and more serene. There are more substantive signs.

The ecology movement, in a very real sense, is an attempt to turn the clock back to a time when our rivers ran clean, our air was pure, our landscapes unmarred and uncluttered, and nature was in balance.

The yearning for peace goes beyond the desire to end the conflict in Vietnam. It embraces a wish to be done with *all wars*, to shrink global commitments to more realistic dimensions, to turn our attention inward for a while and concentrate on solving those problems that are ours and ours alone.

And then there is the craving—no milder word will do—to recapture personal identity . . . to rescue the "who" and the "what" we are from the faceless world of cards and numbers and punch-holes . . . to wrest control of our individual destinies from those remote and impersonal forces that now so inexorably direct our fate.

I see in the nostalgia phenomenon not a "copping out," not a retreat from reality and responsibility, but rather a keen awareness on the part of millions that something has gone wrong with us, that somehow we have lost our way, that to find it again we must retrace our steps from where we are to where we came from.

I see it as a widespread hunger to reidentify and clutch fast those standards and values and traditions—yes, and those personal relationships and manners of life—that carried us through crisis after crisis, and now, when we need them so again, seem blurred and emphemeral and elusive.

How else can we explain the depth of the nostalgia gripping the country?

It is easy enough to understand how those of my generation, or those in the autumn of their lives, can yearn for quieter, simpler times. Many of us have known them.

But, the younger generation—born into a time of traumatic transcience, living all their years under the shadow of the big bomb—hasn't. Yet this generation, too, seems, clearly bent on flipping back the calendar from Now to Then.

Why?

I strongly suspect that the answer lies in the instinct for survival, the subconscious drive to survive as a person, to survive as a society.

Today's Americans—of every generation, of every level of society in virtually every community, but perhaps the vulnerable young most of all—have been struck, directly or peripherally, by the "disease of change" that Alvin Toffler examines in his best-selling *Future Shock*.

Toffler makes a convincing case that the accelerating pace of change in our lives threatens a massive adaptational breakdown, contending that life today moves so fast that few of us can establish and maintain those ties of permanance—family, friends, places, yes, and even things—which anchor us to reality and stability.

He cites the geometrical progresssion of stimuli, of demands for learning and attention and decisionmaking (the sum total of human knowledge quadruples with every college graduating class) coupled with the frenzied pace and transcience of everyday living (20 per cent of us change address each year) as a tremendously significant factor in the conflict between generations and cultures, between children and parents, contributing as it does to widespread anxiety, confusional breakdown, irritibility, violence, apathy, the proliferation of the drug culture, alienation, polarization, mysticism and the politics of nihilism.

I cannot help but feel that the instinctual nostalgia we are now seeing in the young clearly bespeaks their realization that we older Americans once had something they never had—roots and ties, time to contemplate before having to cope, far less preoccupation with material luxuries and far more intimate involvement with all things living.

Witnesses, please, their poignant attempts to find this in their own milieu: the "Flower Child" phenomenon; the abortive attempts at subsistence farming; the establishment and the quick demise of commune after commune; the frantic clutching for warmth and comfort and support from their own peers; the wistful lyrics of many of their songs—"Slow down, you move too fast; got to make the morning last."

All right. How *can* we make the "morning last" long enough for them—and all of us—to savor it to the full, to catch our collective breath, to get our bearings before we move on?

Toffler, and others, have prescribed strategies ranging all the way from the simplistic (refusing to throw away a comfortable and comforting old jacket, for instance) to the highly sophisticated—creating an educational system geared to preparing children for a radically changed tomorrow and "taming" techinology by submitting each new advance to a test of its impact not only on the physical environment but also on "the social, cultural and psychological milieu."

But none of these stratagems comes to grips with what may well be the single biggest element in bringing on future shock and the "disease of change."

I speak of the unplanned, heedless, headlong stampede toward urbanization that has been going on for more than half a century, a stampede that has tumbled city after city into the chasm of social and financial chaos and left in its wake an empty countryside. Bear in mind that at the turn of the century only 15 per cent of all Americans lived in urban centers. Today—incredibly—more than 70 per cent of us are jammed into metropolitan areas that take up less than two per cent of the total land mass of this vast and wealthy nation.

In the past 25 years, 20 million people left the countryside for the cities. In the 1950s more than a million a year deserted the farms and small towns. In the 1960s the rate of exodus dropped to 600,000, not as a result of a slowdown per se but simply because the source, the rural population, had shrunk so much in the interim.

And there is no perceptible evidence to dispute the urbanologists' contention that in the next 30 years 75 million more of us will be crushed into cities where 140 million of us already live—or struggle to live in unprecedented congestion, pollution, crime and social disorder.

Talk about future shock!

Some of those year 2000 city dwellers will be born there, of course. But many others will be migrants from rural America.

Who are they, these people who leave the country for the city?

Well, on the one hand they are the brightest minds, the biggest talents, the potential community leaders. And on the other, they are the ill-educated, the untrained, the destitute and the discriminated-against.

Rural America can't afford to lose the gifted. Urban America simply cannot cope with any more of the unfortunates.

There was a time when our great cities were citadels of defense, crossroads of trade and commerce, glittering centers of learning and culture and entertainment, seedbeds for social reform, and great melting pots which brewed different cultures, races and creeds into a single people with a single sense of community.

No more.

Now far too many of our great urban centers have become physically obsolete, unmanageable, ungovernable, financially unworkable, garbage-strewn, polluted, and giant cesspools of crime, drug addiction, corruption and despair.

Worse still, the melting pot has ceased to function. Indeed metropolitan America now has become the very wellspring of social conflict and polarization. Perhaps never before has so much human isolation existed in such unbelievable congestion.

Describing life in today's cities, former Secretary of Agriculture Orville Freeman was moved to say: "It is a stratified, isolated existence in which human beings have lost rapport with other human beings of differing status, differing color, differing politics. We have lost the mix, the melting pot atmosphere, that was basic to making this nation great."

Is the plight of our cities hopeless? The answer is a qualified "no." In my judgment they can only be saved by reversing the thrust of our efforts in their behalf. In short, we have to begin treating causes instead of symptoms.

In the past, we have poured billions of dollars into city aid, only to see the problems outrace the solutions. It is not difficult to understand why we followed this approach. The ever increasing concentration of people in the cities has led to the dominence of Congress and State Legislatures by urban-oriented legislators. Urban crises monopolized their attention, and the crises were so acute they cried out for immediate action, however temporary, however superficial.

What we need now, as I see it, is a National Growth Policy aimed at dispersing people and opportunity, a policy based on the obvious premise that we will never cure the problems of the cities, never hold them or reduce them to workable dimensions, until we first cure an ailing countryside.

Less than a third of all our people now live in this ailing countryside, but half of our total poverty exists there.

In many rural areas welfare assistance programs are minimal, jobs scarce and wages abysmal. Schools lag in curricula, budgets and teacher salaries, and there are few opportunities for training, upgrading or diversifying job skills.

The health care gap yawns as widely as the job gap, the income gap and the education gap. The doctor-to-patient ratio in rural areas is as low as 43 per 100,000, contrasted with 171 doctors per 100,000 patients in metropolitan districts.

Coupled with all this is a utilities gap that continues to discourage industrial growth. Nearly 35,000 rural communities are still without modern central water systems. Another 40,000 lack adequate waste disposal systems.

As long as so much of rural America remains barren, hopeless and unpromising, the exodus of people will continue. And as long as the exodus proceeds without deterrent, the problems of the cities will continue to multiply and intensify.

I am not suggesting for a moment that America adopt an arbitrary policy of population control and distribution. Government-directed social engineering offends my independent Yankee spirit.

But I am suggesting that government lead the way to a redistribution of people and jobs, services and facilities, lead it by inspiration, by example, by supportive legislation, by providing or underwriting seed money for private and public rural development investment, developing additional financial incentives for industry to expand or relocate in less congested areas, and by working hand-in-glove with private citizens and groups of citizens in planning the kind of wise growth that circumvents the problems plaguing urban America.

Space will not permit a detailed examination of each of these strategies, but I'm happy to report that legislation—much of it encouraged and supported by the White House itself—has been or soon will be introduced to facilitate their development.

The Consolidated Farm and Rural Development Act introduced this year by Senators Hubert H. Humphrey and Herman E. Talmadge, for instance, and amendments and corollary legislation introduced by Republican Senator James Pearson of Kansas, may well comprise the most ambitious, comprehensive, far-reaching rural development program ever offered to America.

It is none too soon.

The war which has tortured and distracted us for seven long years is winding down. The time has come for America to look ahead, to decide, at long last, where we are going . . . and the best way to get there.

If we want an America where most of us are jammed into a few huge strip cities along both coasts, the Gulf of Mexico and the Great Lakes, while a handful of us rattle around empty little ghost towns, we do nothing.

But if we want an America where people can breathe again, and see the stars again, and "make the morning last" again, then we move boldly and decisively to change the pattern of national growth.

If we mobilize our resources, if we bring to this effort the same dedication, energy and ingenuity we brought to the challenge, say, of putting a man on the moon, we can create a new America—an America where our big cities have a chance to catch their breath, stabilize their populations, regain their health and vigor; an America where the countryside is dotted with new towns, rejuvenated older communities, small urban clusters, judiciously located factories, new payrolls, enhanced public facilities and services, colleges and technical schools . . . all of this making it possible, for the first time in generations, for Americans to live—and earn a living—where they *want* to live and earn a living. And poll after poll, year after year the story has been the same. Most Americans do *not* want to live in urban centers.

I opened this consideration of patterns for tomorrow by talking about nostalgia. I'd like to close it on the same note.

For nearly ten years now, Mrs. McIntyre and I have lived in the Nation's Capital. The electrifying excitement of the city, its aura of history enshrined and still being made, its oases of landscaped splendor . . . all this coupled with the personal challenges and satisfactions of my job have made those years memorable and rewarding.

I have no regrets over having chosen this course of career. In truth, I owe a great debt to the people of New Hampshire for having given this small town boy the opportunity for such a grand experience.

But . . . by birth and by choice I am a small town boy. No matter how long I live there, Washington, D.C., will never be "home." For "home" to Tom McIntyre is something vastly different.

It is Laconia, New Hampshire, and first names and warm faces. It is green leaves and blue water—Winnisquam, Winnipesaukee, and a sprawling frame house on the shore of Lake Opechee.

It is memories. The old court house. The venerable architecture of the mills. The Main Street buildings my father built from the turn of the century through the Twenties. His grocery stores and the dear recollection of his tall figure hustling about, waiting on customers, wearing the marketman's frock coat and—always—a straw hat. And it is other memories, some remote . . some not so distant. Casino Square and my first penny candy. Winter nights and a bobsled (we called such sleds a "traverse") on the Morrill Street Hill. The neighborhood gang on Dewey Street. And all the other green and happy places of childhood.

In a larger sense, "home" is *all* of New Hampshire . . . from the mills of Manchester to Franconia Notch and "The Old Man of the Mountains" . . . from the forests of the North Country to the sandy beaches of Rye and Hampton.

And it is all the features of a changing theatre of seasons. Spring and a awakening meadows. The lush seductiveness of summer. The diamond clarity of a sunny winter's day. And richest of all, the autumn of the year, a feast of the senses that moved Gladys Taber to say: "If anyone asked me what happiness is, I should say it is a September day in New England."

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And home is people. People I have known all my life. And all the bits and pieces of memory that go with each of them.

Home is my roots, my anchor to what is real and meaningful.

Home is the definition of What I am and Who I am.

One hundred-fifteen years ago, Walt Whitman wrote these lines:

There was a child went forth every day . . .
And the first object he look'd upon, that object he became
And that object became part of him for the day
or a certain part of the day,
Or for many years or stretching cycles of years.

Reflect for a moment on a bygone America where children once opened their eyes to the sight of loving parents who were secure in their own identity and sure of their own destiny, or first looked upon the loveliness of a unfolding rose, or a ripening field, a crystal brook or a placid lake, a stand of birch or a lofty mountain.

And then consider, if you will, the first objects looked upon by the children of a society which has let its roots wither, a society which has collided with its own environment: the ghetto child who opens his eyes to a despairing mother, or a broken window, or a dirty air shaft, or a trash-piled alley . . or a hungry rat. The child of sterile suburbs who day after day looks out upon the stultifying sameness of a ticky-tacky world. The offspring of today's new band of nomads, the transient businessmen, professionals and technicians, children who rarely look upon a familiar landscape for more than months at a time, who make not friends but fleeting acquaintances, who have learned to know and cherish no more family than the immediate.

What roots do they have? What ties? What anchors to reality and identity and security? What defense do they have against the onslaughts of future shock and the disease of change?

We Americans have not changed. Deep inside, we have always known how important it was to have roots and ties and anchors. Our newly rediscovered appreciation of them is really nothing more than, as Robert Frost put it, an old truth moving back into favor.

But recognizing and appreciating and waxing nostalgic, all this is not enough.

If we truly want to bring back the opportunity to plant roots, to establish firm ties, to drop restful anchor, then we must bend every effort to re-create an America where all this is possible again.

This will not be easy.

And it will cost . . . cost a great deal in time, in ingenuity, in determination, yes, and in money.

But nothing worthwhile comes easy. Nothing worthwhile comes cheap. Yet what, I ask, could be more worthwhile than an America again at peace with itself?

ADMINISTRATION OF OUR LABOR LAWS

Mr. ERVIN. Mr. President, I have long believed that abuses by monopolistic labor unions destroy the rights of individual union members and, more importantly, the rights of those who choose not to join a union. It seems that every day we hear of such abuses, and of the power that has been amassed by the big unions.

For years I have advocated reform in our labor statutes and in the manner in which they are administered by the National Labor Relations Board. Just last year this need for reform was emphasized in hearings before the Judiciary Subcommittee on Separation of Powers, of which I am honored to serve as chairman, on a bill introduced by the distinguished Senator from Texas (Mr. TOWER) which would shift jurisdiction over unfair labor practice cases from the Board to the Federal district courts. The subcommittee approved S. 1320, an identical bill, on October 28, 1971.

Recently this need was again emphasized in a letter to the editor of the Wall Street Journal by Mr. Carl L. Shipley, a very able attorney in Washington, D.C. As Mr. Shipley pointed out in his letter, freedom of the individual worker must be restored by an impartial tribunal in order that wage-price escalation can be kept in line after the expiration of President Nixon's wage-price freeze.

The need also was poignantly pointed out in a letter to Mr. Shipley from Mrs. Margaret M. Eigensee of Columbus, Ohio. Mrs. Eigensee explained in very vivid terms how the power of one union was brought to bear on her family and its business.

Mr. President, I ask unanimous consent that the letters of Mr. Shipley and Mrs. Eigensee be printed in the RECORD.

There being no objection, the letters were ordered printed in the RECORD, follows:

[From the Wall Street Journal, July 12, 1971]

THE NLRB AND PRICES

EDITOR: THE WALL STREET JOURNAL:

Your editorial "Help for the Labor Board" (June 23), suggesting that "perhaps it's time for Congress to redefine" the jurisdiction of the National Labor Relations Board, points up serious problems.

Continuing industrial warfare in the form of administrative proceedings before the NLRB is fogging up the chance for more cooperation between labor and management. We hear continuously about the adverse impact of the wage increase-price increase spiral on inflation. We read of the deteriorating U.S. position in the price competition of exporting our manufactured goods. The President is urged to impose wage and price controls or resort to the political stratagem of "jaw-boning" workers and employers.

The basic problem is an out-of-date National Labor Relations Act. It was passed in 1935, amended in 1947 and again in 1959. Under the Act, Congress declared a policy of "encouraging . . . collective bargaining." Over the years the NLRB has tended to construe its job as affirmative sponsorship of unionization. This has led to various thinly disguised forms of compulsory union membership, and constant pressure on employers to "check-off" union dues from workers' paychecks. Employes are deprived of freedom of choice in joining and paying union dues. This has led to industry-wide unions, not only in the private sector, but now in public employment.

Compulsory unionism and the check-off of dues have distorted free collective bargaining. The nation now lives under the continual threat of the general strike or national work stoppage in vital areas. It is time for Congress to change the law and guarantee a forum that is impartial. Employes, private and public, are entitled to generous income and the best possible working conditions. They should be able to enforce these basic rights in the courts, where all basic controversies should be resolved. Individual employes should have their freedom of choice protected—freedom to join or not to join a union, freedom to have or not to have union dues deducted from their paychecks. If these freedoms are restored, and an impartial tribunal decides disputes, the wage-price escalation can be kept in line with increased productivity.

CARL L. SHIPLEY,
Republican National Committeeman for the District of Columbia.

COLUMBUS, OHIO,
July 14, 1971.

Mr. CARL SHIPLEY,
Washington, D.C.

DEAR MR. SHIPLEY: I just read your letter to the editor of the Wall Street Journal and could not restrain from writing this letter to you. I am sick at heart and despairing of any help from anyone because of what a Union has done to my husband and my family. All my life, I believed that if I lived an honest and conscientious life, I had nothing to fear and this is what I have taught my children to believe. To me, my government was a bulwark for all the hard working, civic minded citizens in the land.

My husband is the owner of a small business—Borchers Carpet Cleaning Company, founded 92 years ago by his grandfather, Herman Borchers. It is in the original location, in the south side of Columbus where the family was born and raised. He employs about 55 people, many of them second and third generation employes.

Two years ago, a Union organizer approached my husband to tell him he wished to organize our employes. My husband told him that no one in the company was interested, that we have a variety of employes doing miscellaneous jobs—they were all satisfied with their hours and wages. The organizer told him—"either you let us organize you or I'll put you out of business". Not one employe would sign a request for an election to determine if they should be represented (we would have preferred to have an election to settle the issue). There then followed harassment and intimidation of the most unbelievable nature. Pickets, many of them, surrounded our plant in the mornings and followed our trucks to customer's homes where they paraded in front of homes and businesses. They contacted our customers and villified our company. Pickets marched on downtown thoroughfares with signs "Borchers are below Union Standards" etc. etc. My son was routed out of bed at 6 o'clock in the morning and taken to jail on a trumped up "Assault and Battery" charge. We learned that the Union had instructed the police to arrest him at that hour. My son in law was arrested for "assault and battery", and equally untrue charge. Windows in our plant were broken, tires slashed. Our workmen were interfered with at various jobs and threatened with various acts. Trucks delivering goods to our plant were stopped and customers going into our plant were accosted and intimidated.

In the beginning, we were confident that our attorney could certainly handle it and protect our rights—what a farce! The unions are protected right down the line. My husband made a trip to the N.L.R.B. board in Cincinnati where he was set straight. It represents the Union, period. My son wished to sue the Union for false arrest but was dissuaded by our attorney who told us we had very little chance of finding a judge who is not Union obligated or at least one who would have the courage to buck such a powerful organization. All the help we got from the "law" was a whopping attorney bill which we can ill afford.

We appealed to our Congressmen, who were "shocked" at the situation; our Governor "couldn't believe" what was happening. Our friends and associates simply could not believe that a Union can just set out to take over a company and then if thwarted proceed to "put us out of business". The unlimited funds they have at their disposal—what chance does someone like my husband have against such odds? Are we doomed to close up our business as so many are doing rather than submit to these gangsters? Isn't there going to be any more opportunity for individual incentive? Must we all be a dues-paying member of some Union? Believe me, my husband would have thrown in the towel but for my son and son in law who we had hoped would continue in the family tradition. God help them—I'm sure He is the only hope there is.

We have literally exhausted any possibilities for help. The Unions know only one method "violence". This becomes increasingly obvious when we read of the recent convention where officers elected to high posts in a Union are under indictment for criminal acts. In another, one reads of illegal activities among high Union officials. What chance has a law abiding, God fearing businessman against such odds?

Right now, I am trying to sort out my out of date beliefs and wondering how I'm going to keep from getting more bitter than I am. Is it any wonder that there is less and less respect for a government who only recognizes those people who can contribute large sums and the votes that accompany them? My brother was killed "defending his country" and I have to wonder how the country ever inspired such sacrifices.

If you are still reading, thank you.

Yours truly,

MARGARET M. EIGENSEE.

COLUMBUS, OHIO,
October 6, 1971.

DEAR MR. SHIPLEY: In answer to your request in your September 29th letter, I have no objection to having my July 14th letter put in the Congressional Record. I would do anything I could to help you or anyone to curtail union power. I would hate to think that any other family would have to be put through the nightmare that mine has suffered. Lack of time prevented me from replying to your letter of July 21. We have a labor file which we would be glad to have you see; it is not easy to pick out individual letters as so much of the action was not recorded. The physical acts were the most punishing and difficult to prove. As horrified and shocked as people generally were at the abuse which we took, it was not easy to get people to testify as they, too were afraid of union retaliation. Our own employes begged to be left out of any "witnessing" because they have families and were afraid of what might happen to them.

We have stacks of pictures my son in law took and I will enclose some of them to illustrate how the union organizers swarmed upon us during this period. They followed our trucks to customer's homes and businesses and picketed there. On several different occasions, they interfered with our workmen, deliberately blocking their work efforts. Several individual customers in homes were incensed and called police who of course could do nothing. In the cases of several businesses, the managers were terrified of the unions and we were of course forced to stop. We have been badly hurt, any number of customers were told by union organizers and heads that they were to no longer give us any business or they would suffer accordingly. We have no recourse—the unions have the protection of the law and of course great supplies of cash. My husband's trip to Cincinnati was completely frustrating—the N.L.R.B. made it plain they were interested in the union's welfare, not ours.

The real blow came when we talked to our attorney about suing the union and it's representatives for having our son arrested on an "assault and battery" charge, a completely trumped up charge and he warned us that any chances of our winning, if we should encounter a judge who had union support, would be practically nil.

My son and son in law are now helping to operate our business and my hope is that more and more young people come to see the evil that exists in unions just as they do. Just a few short years ago while in college, they had very idealistic attitudes about the good that unions have done. You will never see two more disillusioned young men. You have no idea how many people we know who go to great trouble to avoid doing any business with union dominated firms. I hope our number will grow.

Please let me know if I can be of any help.

Yours truly,

MARGARET M. EIGENSEE.

DEREGULATION OF UTILITIES UNDER PHASE II

Mr. METCALF. Mr. President, we have been confused, and, in some instances, misled as to the direction the Nixon administration would take on utility rate increases in phase II of its economic program.

Indications in the press and informal staff conversations with the Executive Office indicated that the White House might not be ready to loosen its grip over prices in the electric, gas, telephone, and other public service areas: First, because it was not sufficiently informed as to magnitude of rate hikes pending; and second, it had not developed the machinery for making a tight evaluation of the inflationary impact of such increases on the economy.

But now we know otherwise. The freeze has been virtually taken off all public utilities. Primary responsibility for determining whether the rate increases will be inflationary—and thus should not be granted—appears to have been delegated to the regulatory agencies. For instance, on rate increases which have already been approved, but were under the 90-day freeze, the regulatory agencies are required to review the increases for consistency with the Economic Stabilization Act. However, in these cases, the new Federal Price Commission appears to have no supervening authority to act.

For rate hikes approved by regulatory agencies after November 13, the Price Commission has only 30 days—after notification—to review and take action. If it does not, the increase can go into effect. The sheer ability of the Price Commission staff to read and analyze the voluminous records and decisions of regulatory price orders within 30 days defies the imagination. The assumption can only be that the bulk of the rate increases presently in the mill will clear the dike.

Utilities with $100 million or more in gross receipts are required to notify the Price Commission of their intentions to seek rate increases, but it is unclear what action the Price Commission either intends to take, or legally can take, to stop the big companies from filing rate applications before regulatory agencies, or how extensive will be the Commission's review of the utility rate increase requests. My expectation is that the problem of deciding what company should be stopped from filing for an increase will be more overpowering than trying to decide what authorized increases should be permitted, and thus most of the companies will be allowed to pursue the regulatory route to its inevitable end.

But apart from the administrative burden, there is another serious flaw in the process. When the Price Commission asserts its authority to make a decision with respect to a utility's application for an increase, or an already approved rate, there is no provision for the facts presented by the utility company to be tested or opposed by an adversary source. I have no doubt that the companies will be pouring on the pressure and evidence in their best interests, but there is no mechanism for keeping the procedure honest, no chance for the consumer or the public to straighten out the record. Because the Price Commission will meet in secret, we will never know how persuasive the utility companies will be in getting approvals to go ahead with their cases and increased rates.

Thus, the new utility price regulations are no more than business as usual. The Cost of Living Council, which recommended the basic policy here, has provided a mechanism which, as a practical matter, could result in the implementation of some $4 billion in electric, gas, and telephone rate increases in the next 6 months. The additional billions in annual increases which may go forward thereafter defy the imagination.

My experience after years of investigation is that regulatory agencies, particularly those at State and local levels, are overburdened, understaffed, and generally incapable of testing the evidence and rendering rational judgments with respect to rate increases under their own differing standards. In addition, they tend to be biased in favor of the businesses they regulate. To rest with them the additional responsibility of deciding matters of national impact, would seem to compound the problem and make the inevitable results all the more inflationary.

Under present constraints as to staffing and time in which to act, the Price Commission may be seriously limited to handling only special cases, leaving the bulk of anticipated rate increases to fall through the cracks. Even with the best of intentions, the Federal mechanism, as presently empowered and constituted, could not possibly cope with the overall impact of rate increases in the area of regulated industries.

This, of course, is what the utility industry wants. It has been lobbying against the freeze and against tight Federal controls for months. It is comfortable with the existing regulatory process because it has been getting its way. For the administration to buy the industry line and rely on that process to help reduce inflation and restore balance to the economy may be one of the most dangerous decisions it has yet made.

It is noted that the Code of Federal Regulations provides for appeal procedures with respect to those whose rate increases have been turned down by the Price Commission, but there are no direct judicial remedies for the consumer or individual who feels that the system is working against his interests.

I have asked the Cost of Living Council what provisions have been made to afford the public and the consumer full rights to be heard and represented in

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the decisionmaking process—at the regulatory level and at the Price Commission level. No answers are available to this question at the present time. Nor have I been able to find out what specific role the Price Commission—or the executive branch—intends to play in the State and local regulatory proceedings dealing with prospective rate increases.

At the moment, the Price Commission is but an advisory commission to the President, but its recommendations have been given the power of Presidential authority. Is this authority to be exercised as a result of decisions secretly arrived at, and perhaps secretly negotiated with industry, or will the public have the right to know what is going on? These are not trivial questions given our democratic process of government.

The 100 major utilities in the electric power field last year had a net profit, after taxes, which averaged 15 cents out of every dollar. The lion's share of these companies have obtained, or are in the process of requesting, higher power rates for next year and/or the remainder of this year. Yet neither the Cost of Living Council, the Price Commission, nor anyone else in the Federal Government knows the number and amount of these rate increases that are waiting for the phase II regulations. The magnitude of the inflationary impact, if these price increases are allowed to go forward, could not have been given sufficient study by the administration. If it had, the conclusion to keep the lid on utility prices would have been inescapable.

Mr. President, I have requested that Dr. Grayson, Chairman of the Price Commission, and a representative of the Cost of Living Council appear before the Senate Subcommittee on Intergovernmental Relations as soon as is convenient for them to discuss the future of phase II with respect to utility rate increases. The subcommittee presently has under consideration legislation on the subject of consumer information and representation with respect to utility—gas, electric, and telephone—rate increases and other matters—S. 607, the Utility Consumers' Information and Counsel Act. During the course of our hearings on this legislation, basic issues have been raised as to the role, criteria, and procedures of the Cost of Living Council and the Price Commission in dealing with such rate increases.

The plain fact is that with respect to utilities which are monopolies in their own special areas, the Nixon administration has not faced the main issue. On the big rate increases—where billions of dollars are involved—the freeze should have been continued, subject to special exemptions to be granted by the Price Commission under definitive and tight guidelines. The burden should have been placed on the big corporations to prove that rate increases approved by State agencies should be permitted to take effect. Requests for exemptions by companies should be announced in the Federal Register, and outside parties—consumers, taxpayers, the public—should be given an opportunity to argue before the Price Commission that the requested price increases were detrimental to the national economy as spelled out in the stabilization guidelines set forth by the Price Commission.

Above all, such guidelines should take into consideration the high profits which many utilities have been making over the past 2 years.

Most important, to the extent that price-wage controls are successful, and interest rates decrease, the need for rate hikes will decrease, and the justification for lower rates will increase.

Many of the pending rate increase requests were based upon projections of costs and prices that are being reduced. If the administration is going to let these rate increases, based upon outdated financial projections, go into effect, it will be saying that either, first, its wage-price controls are ineffective, or second, it does not object to inflation created by the utility corporations.

In order to protect the public, the administration should adopt much more stringent controls over utility rate cases or reverse its opposition to S. 607, the utility consumers' information and counsel bill, and support the proposal that the Utility Consumers' Counsel and his staff could represent the public interest before the Price Commission as well as the State and Federal regulatory commissions.

Mr. President, in order to provide additional background to my remarks, I ask unanimous consent that my correspondence with the Cost of Living Council and the text of chapter III of the Federal Register, issued Saturday, November 13, 1971, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
October 1, 1971.

Mr. ARNOLD R. WEBER,
Executive Director, Cost of Living Council, Washington, D.C.

DEAR MR. WEBER: In the event that utility rate hikes are permitted—subject to commission approval—following the 12 November freeze expiration, substantial increases can be expected. An extraordinary number of requests are now pending before commissions, some of which are conducting hearings during the freeze period. Government oversight is so slight that no one has even ascertained from the various State and Federal commissions the amount of rate increase requests pending. Reports in the Wall Street Journal and trade press indicate that the total of electric, gas and telephone industry requests amounts to several billion dollars.

The reduced costs incident to the wage-price freeze and the reduction in interest levels anticipated by Secretary Connally should substantially reduce utility revenue requirements. However, there is presently no provision for adequate representation of consumer interests before the regulatory commissions. This deficiency will be the subject of hearings on S. 607, the Utility Consumers' Information and Counsel Act of 1971, to be held later this month, before the Senate Subcommittee on Intergovernmental Relations.

I shall preside at those hearings and would like to have beforehand information on the amount of electric, gas and telephone rate increase requests pending before the State and Federal commissions. This is information which the Cost of Living Council also needs for its evaluation of the inflationary impact of a return to traditional methods of regulation.

Therefore, I request that you direct an appropriate agency or your own staff to obtain that information as quickly as possible, and to share your findings with the Subcommittee.

Very truly yours,

LEE METCALF.

EXECUTIVE OFFICE OF THE PRESIDENT, COST OF LIVING COUNCIL,
Washington, D.C., November 3, 1971.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: This is in response to your letter of October 1, 1971 to Arnold R. Weber. A member of the Council's staff has been in conversation with Mr. Reinemer of your staff concerning our interest in pending utility rate increases, as a part of the Council's responsibilities for determining coverage of these industries in the post-freeze stabilization program.

I am sure that the Price Commission would also be interested in knowing how many increases are pending before State and other commissions, for how much, in what areas of the country, etc. Unfortunately, the Council does not have the staff resources to make such a survey, and I doubt that the Price Commission will have sufficient resources, at least for some time.

Both organizations would appreciate any help your staff can provide. I will forward a copy of your letter to Dr. C. Jackson Grayson, Jr., Chairman of the Price Commission, so that he may know of your interest in this matter.

Sincerely,

EDGAR R. FIEDLER,
Deputy Director for Phase I.

U.S. SENATE,
November 5, 1971.

Hon. PAUL W. MCCRACKEN,
Chairman, Council of Economic Advisers, Member, Cost of Living Council, Executive Office Building, Washington, D.C.

DEAR CHAIRMAN MCCRACKEN: The Subcommittee on Intergovernmental Relations presently has under consideration legislation on the subject of consumer information and representation with respect to utility (gas, electric, and telephone) rate increases and other matters (S. 607, the Utility Consumer Council and Information Act). During the course of our hearings on this legislation, certain issues have been raised as to the effect of President Nixon's Phase II price stabilization program on utility rate increases, and the role, criteria and procedures of the Cost of Living Council and the Price Commission in dealing with such rate increases. It is estimated that around $3 billion in increases are pending and are awaiting the end of the present freeze.

In the absence of Secretary Connally, I am taking the liberty of writing to you to express to you, on behalf of the Subcommittee, an invitation to appear during the week of November 15, and to testify with respect to those plans, policies and proposals which the Cost of Living Council has developed, or is in the process of developing, concerning utility rate increases approved or pending at State and Federal regulatory levels.

However, since the date of November 15 is immediately upon us, it is necessary to obtain the following information as soon as possible:

(1) Have all electric, gas and telephone rates been frozen during the Phase I ninety-day price freeze, and, if not, what increases were permitted?

(2) Will all such rates be frozen after the Phase II date, and if not, what are the intentions of the Cost of Living Council and the Price Commission with respect to any rate increases to be permitted?

(3) What will be the specific roles of the Cost of Living Council and the Price Commission in investigating and making any final decisions with respect to such utility rates and increases?

(4) What procedures, guidelines, or other means have been developed for making decisions with respect to such rates and increases, and in, particular, what provisions have been made to afford the public and the consumer full rights to be heard and represented with respect to any proposed action by the Council or the Commission on such rates and increases.

Mr. E. Winslow Turner, special counsel with the Subcommittee, will be in communication with your staff to arrange the date and time for your testimony. We would be delighted to hear from any members of the Council or the Commission which you may wish to have accompany you. We would request, however, that the chairman of the Price Commission, Dr. Grayson, be available for questions.

We appreciate your special cooperation with respect to this very important matter.

Very truly yours,

LEE METCALF.

THE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS,
Washington, November 13, 1971.

Hon. LEE METCALF,
U.S. Senate, Committee on Interior and Insular Affairs, Washington, D.C.

DEAR SENATOR METCALF: This is in reply to your letter of November 5, 1971 inviting me to testify about the role of the Cost of Living Council in the control of utility rates and asking me certain specific questions. It will be clear from the answers to these questions, given below, that the subjects of interest to you are not now the direct responsibility of the Cost of Living Council, although the Cost of Living Council has a residual, overall responsibility.

Q 1. Have all electric, gas and telephone rates been frozen during the Phase I ninety-day freeze, and, if not, what increases were permitted?

A. All electric, gas and telephone rates were frozen during the Phase I ninety-day freeze.

Q 2. Will all such rates be frozen after the Phase II date, and if not, what are the intentions of the Cost of Living Council and the Price Commission with respect to any rate increases to be permitted?

A. All such increases are not frozen after the ninety day freeze. The Cost of Living Council has not exempted utility rates from control and they are therefore under the jurisdiction of the Price Commission. The Price Commission has issued the following regulation pertaining to regulated public utilities:

Code of Federal Regulations, Title 6 Section 300.016

(a) *In general.* A person which is a regulated public utility as defined in section 7701(a)(33) of the Internal Revenue Code of 1954 (26 U.S.C. section 7701(a)(33)) may charge a price, rate, or tariff in excess of the base price if such increase has been approved by a regulatory agency. A regulated person who had gross receipts of $100 million or more during its most recent fiscal year ending on or before November 13, 1971, shall inform the Price Commission of all requests for rate increases and immediately notify the Commission in writing of any agency order granting an increase and of any other authorized increase. A regulated person who had gross receipts between $50 and $100 million during its most recent fiscal year ending on or before November 13, 1971, shall immediately notify the Commission in writing of any agency order granting an increase and of any other authorized increase.

(b) *Special rule.* In the case of rate increases which were approved by a regulatory agency before November 14, 1971, but which were not permitted to take effect due to Executive Order 11615, such rate increase may take effect with respect to transactions occurring after November 13, 1971. However, before such increases may take effect, such regulatory agency shall review such increases with regard to their consistency with the purposes of the Economic Stabilization Act of 1970, as amended.

Q 3. What will be the specific roles of the Cost of Living Council and the Price Commission in investigating and making any final decisions with respect to such utility rates and increases?

A. The Cost of Living Council will be monitoring the policies and operations of the Price Commission and the Pay Board in their totality. It will not review individual cases. The Price Commission is retaining the right to review individual increases hereafter granted by regulatory authorities and, in the case of utilities with gross receipts in excess of $100,000,000, individual increases applied for hereafter. The Price Commission may take steps to implement more stringent standards than are applied by the regulatory authorities, but in the absence of such action no approval by the Price Commission is required.

Q 4. What procedures, guidelines, or other means have been developed for making decisions with respect to such rates and increases, and, in particular, what provisions have been made to afford the public and the consumer full rights to be heard and represented with respect to any proposed action by the Council or the Commission on such rates and increases.

A. At the moment it is not possible to add to the answers given to questions 2 and 3. The Price Commission is now in process of establishing procedures, guidelines, etc. for implementing the regulations it has just issued.

I would be happy to try to answer any other questions you may have about the policy of the Cost of Living Council but I think you can see that the decision-making at this time is in the hands of the Price Commission.

Sincerely,

PAUL W. MCCRACKEN.

CHAPTER III—PRICE COMMISSION

Part 300—Price and Rent Stabilization

It is the purpose of the regulations hereby adopted to provide guidance and procedures for the implementation of Price Commission policies designed to achieve a goal of holding average price increases across the economy to a rate of no more than 2½ percent per year. It is expected that all persons will voluntarily comply with the provisions contained in these regulations and all orders and other guidance issued hereunder.

In order to prescribe regulations for the stabilization of prices and rents after November 13, 1971, a new Chapter III—Price Commission is hereby established in Title 6—Economic Stabilization of the Code of Federal Regulations, and a new Part 300—Price and Rent Stabilization is added thereto and the following regulations are hereby adopted effective November 14, 1971:

Subpart A—General

Sec.
300.001 Summary.
300.011 General rule.
300.012 Manufacturers.
300.013 Retailers and wholesalers.
300.014 Service organizations.
300.015 Rental of real property.
300.016 Regulated public utilities.
300.051 Prenotification firms.
300.052 Reporting firms.
300.080 Other considerations.
300.101 Definition of terms.
300.201 Seasonal patterns.
300.202 Taxes.
300.203 Contracts entered into prior to August 15, 1971.
300.204 Formula-determined rentals.
300.401 Exemptions.
300.496 May 25, 1970, limitation date.
300.499 Price Commission address.

Subparts B–E [Reserved]

Subpart F—Base Price

Sec.
300.501 In general.
300.505 Sales and leases of personal property and services.
300.507 Sales and leases of real property.
300.509 New property and new services.
300.511 Geographic limitation.
300.513 Definitions.

Subpart G—Procedures and Administration

300.601 Records and ceiling price lists.
300.612 Exceptions by ruling.
300.613 Rulings.
300.614 Adverse determinations and appeal.
300.615 Failure to obtain relief.
300.616 Reports of alleged violations.
300.651 Penalties.

AUTHORITY: The provisions of this Part 300 issued under the Economic Stabilization Act of 1970, as amended (Public Law 91–379, 84 Stat. 799; Public Law 91–558, 84 Stat. 1468; Public Law 92–8, 85 Stat. 13; Public Law 92–15, 85 Stat. 38), Executive Order No. 11627 (36 F.R. 20139, October 16, 1971), and Cost of Living Council Order No. 4 (36 F.R. 20202, October 16, 1971).

Subpart A—General

§ 300.001 Summary.

The rules contained in this subpart relate to increases in prices and rents which are allowable after November 13, 1971, with respect to:

(a) Sales and leases of personal property,
(b) The furnishing of services and
(c) Sales and leases of real property.

See § 300.011 for the general rule regarding increases in prices with respect to sales and leases for property and with respect to services. For special rules applicable to—

(d) Manufacturers, see § 300.012.
(e) Retailers and wholesalers, see § 300.013,
(f) Service organizations, see § 300.014,
(g) Rental property, see § 300.015,
(h) Regulated industries, see § 300.016.

For rules relating to firms required to notify the Price Commission before a price and rent increase can take effect, see § 300.051. For rules relating to firms required to make periodic reports to the Price Commission, see § 300.052. See § 300.101 for definitions of terms used in this subpart. For rules with respect to certain special situations, see § 300.201 and following. For rules exempting certain transactions from the operation of this subpart, see § 300.401.

§ 300.011 General rule.

Except as otherwise provided in this subpart, no person may charge a price or rent, with respect to any transaction involving sales or leases of property or services occurring after November 13, 1971, which exceeds the base price as determined under the rules prescribed in Subpart F of this part.

§ 300.012 Manufacturers.

A manufacturer may charge a price in excess of the base price (as determined under Subpart F of this part), to reflect allowable cost increases in effect on or after November 14, 1971, reduced to reflect productivity gains; provided, however, that the effect of all of a manufacturer's price changes is not to increase its profit margin as a percentage of sales, before income taxes, over that which prevailed during the base period (as defined in § 300.101).

§ 300.013 Retailers and wholesalers.

(a) *In general.* A person engaged in retailing or wholesaling may charge a price in excess of the base price where—

(1) The customary initial percentage markup with respect to the property sold is equal to or less than such person's customary initial percentage markup which prevailed during the base period (as defined in § 300.101), provided

(2) The effect of all such person's price changes is not to increase its profit margin as a percentage of sales, before income

taxes, over that which prevailed during the base period.

(b) *Posting Requirement.* (1) a retailer is required to display prominently at the place of sale, base prices with respect to:

(i) All food products (except those which are exempt under the provisions of § 300.401); and

(ii) Those 40 items in each department which have the highest sales volume, or those items which account for 50 percent of total sales in each department, whichever is less. Such base prices must be posted on or before January 1, 1972. No increase in price is allowable under paragraph (a) of this section until such base prices have been posted.

(2) A retailer must utilize the following interim procedure until base prices are posted under subparagraph (1) of this paragraph, with respect to base prices for all products (except for those exempted under § 300.401), and thereafter, with respect to base prices not posted under subparagraph (1) of this paragraph:

(i) There shall be posted on each floor of his establishment at least one sign (minimum of 22" x 28"), as specified below, announcing availability of base price information:

BASE PRICE INFORMATION

Information regarding the lawful base price for any item sold by this store not posted may be obtained by filling in a Base Price Information Request Form available at (specify location) and by handing it to (fill in). You will receive a speedy answer by mail.

(ii) There shall be made available in at least one location on each selling floor, Base Price Information Request Forms, as specified below:

BASE PRICE INFORMATION REQUEST FORMS

Please furnish me with your base price for the following item sold in your store:

Item ----------
(Describe)
Retail price----------
Style No.----------
Department where sold----------
Name ----------
Address ----------
---------- Zip --------

(c) The retailer shall respond to each such written request for base price information within 48 hours from receipt of the request using a letter, in substance similar to the one specified below, and signed by the owner or by an officer of the company:

To: (Name, Address, City, Zip)

Dear ----------:

In reply to your request, we are pleased to inform you that our base price for --------
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is $------.

Sincerely,

Owner or company officer

§ 300.014 Service organizations.

A person which is a service organization may charge a price in excess of the base price with respect to the furnishing of services or the leasing of personal property only to reflect allowable cost in effect on November 14, 1971, and cost increase incurred after November 14, 1971, reduced to reflect productivity gains: *Provided, however* That such increased price shall not result in an increase in such person's profit margin as a percentage of sales, before income taxes, which prevailed during the base period.

§ 300.015 Rental of real property.

(a)–(c) [Reserved]

(d) *Special record requirement.* Persons leasing or offering to lease any real property shall maintain records showing—

(1) The base price (as defined in Subpart F of this part) charged with respect to each unit of real property.

(2) The reason for any difference in the price described in subparagraph (1) of this paragraph and the price allowable on or after November 14, 1971, and

(3) The reason for any difference between the price described in subparagraph (1) of this paragraph and the maximum price allowable during the period beginning August 15, and ending November 13, pursuant to Executive Order 11615.

Such records shall be made available upon the request of any tenant, prospective tenant, or representative of the Price Commission.

§ 300.016 Regulated public utilities.

(a) *In general.* A person which is a regulated public utility as defined in section 7701(a)(33) of the Internal Revenue Code of 1954 (26 U.S.C. section 7701(a)(33)) may charge a price, rate, or tariff in excess of the base price if such increase has been approved by a regulatory agency. A regulated person who had gross receipts of $100 million or more during its most recent fiscal year ending on or before November 13, 1971, shall inform the Price Commission of all requests for rate increases and immediately notify the Commission in writing of any agency order granting an increase and of any other authorized increase. A regulated person who had gross receipts between $50 and $100 million during its most recent fiscal year ending on or before November 13, 1971, shall immediately notify the Commission in writing of any agency order granting an increase and of any other authorized increase.

(b) *Special rule.* In the case of rate increases which were approved by a regulatory agency before November 14, 1971, but which were not permitted to take effect due to Executive Order 11615, such rate increase may take effect with respect to transactions occurring after November 13, 1971. However, before such increases may take effect, such regulatory agency shall review such increases with regard to their consistency with the purposes of the Economic Stabilization Act of 1970, as amended.

§ 300.051 Prenotification firms.

(a) *In general.* A person which is a prenotification firm (as defined in § 300.101) may not charge a price in excess of the base price before the Price Commission has approved such increased price. However, in the event the Price Commission does not act upon a requested price increase within 30 days after receipt by the Price Commission of the request for such increase, such increase may go into effect.

(b) *Exceptions.* Prenotification requirements are not applicable:

(1) For wholesalers and retailers.

(2) With respect to price changes resulting from calculation of a base price under Subpart F of this part or from the operation of § 300.203, relating to contracts entered into prior to August 15, 1971.

(3) In respect of any price increase which reflects increases in costs of labor which become effective during the period November 14, 1971, through December 31, 1971.

(c) *Manner of notification.* Such person shall notify the Price Commission of its intention to raise the price of a product or service on forms to be prescribed by the Commission and shall provide information sufficient to enable the Commission to make a determination with respect to such proposed increase. If the Commission finds that the information submitted is not sufficient to make such a determination it shall notify the person and the 30-day period provided in paragraph (a) of this section shall begin to run from the time the additional information is submitted.

(d) *Reporting requirement.* Such person shall file a quarterly report with the Price Commission within 15 days after the end of each fiscal quarter commencing with its first fiscal quarter ending after November 13, 1971. Such quarterly reports shall be made on forms to be prescribed by the Commission and shall contain the information required by such forms.

§ 300.052 Reporting firms.

(a) *In general.* A person which is a reporting firm shall file a quarterly report with the Price Commission in the form provided in paragraph (b) of this section within 15 days after the end of each fiscal quarter commencing with its first fiscal quarter ending after November 13, 1971.

(b) *Manner of filing.* The quarterly report required under paragraph (a) of this section shall be made on forms to be prescribed by the Commission and shall contain the information required by such forms.

§ 300.080 Other considerations.

In making any determination, the Price Commission will take into account whatever factors it considers relevant to an equitable resolution of the case and considers necessary to achieve the overall goal of holding average increases across the economy to a rate of no more than 2½ percent per year.

§ 300.101 Definition of terms.

(a) *In general.* Except as otherwise provided, the definitions contained in this section shall only apply for purposes of Subpart A of this part.

(b) *Organizations subject to freeze*—(1) *Manufacturer.* The term "manufacturer" means a person who carries on the trade or business of making, fabricating, or assembling product or commodity by manual labor or machinery for sale to another person or persons.

(2) *Retailer and wholesaler*—(i) *Retailer.* The term "retailer" means a person who carries on the trade or business of selling property to ultimate consumers.

(ii) *Wholesaler.* The term "wholesaler" means a person who carries on the trade or business of purchasing property and, without substantially changing the form of such property, reselling it to another person who is not the ultimate consumer.

(3) *Service organization.* The term "service organization" means a person who carries on the trade or business of selling or making available services, including the leasing of property to another person or persons. The term also includes nonprofit organizations, governments and governmental instrumentalities which carry on such activities. The term also includes a person which provides professional services.

(4) *Person.* The term "person" includes any individual, trust, estate, partnership, association, company, corporation, or instrumentality of a governmental unit. However, such term does not include a foreign government, an instrumentality of a foreign government or an international organization.

(c) *Accounting terms*—(1) *Customary initial percentage markup.* The term "customary initial percentage markup," means, the customary initial percentage markup, determined on an item, product line, department, store or other pricing unit basis according to the person's customary pricing practice. For these purposes, the initial markup is that markup which is applied to merchandise when first offered for sale.

(2) *Allowable cost.* The term "allowable cost" means any cost, direct or indirect, unless disallowed by the Price Commission.

(3) *Profit margins.* The term "profit margin," means the ratio that net profits (determined before taxes) bears to gross sales as reported on the person's published financial statement and in accordance with generally accepted accounting principles consistently applied. For purposes of determining net profits, extraordinary items and taxes on income shall not be taken into account.

(d) *Reporting requirements*—(1) *Firm.* The term "firm" means a person whose gross income, in whole or in part, is derived from sales. For purposes of this section, if a firm or firms are controlled directly or indirectly by another firm, the controlled firm or firms and the controlling firm shall be treated as a single firm.

(2) *Reporting firms.* The term "reporting firm" means a firm subject to the requirements of § 101.13 of Chapter I, Part 101 of this title.

(3) *Prenotification firms.* The term "prenotification firm" means a firm subject to the requirements of § 101.11 of Chapter I, Part 101 of this title.

(e) *Base period*—(1) *Base period.* The term "base period" means the average of any two of a person's last 3 fiscal years ended prior to August 15, 1971, the selection of such 2 fiscal years to be made by such person.

(2) *Markup base period.* The term "markup base period" shall mean, at the person's option, either

(i) The last customary initial markup prior to November 14, 1971, or

(ii) The person's last fiscal year ending prior to August 14, 1971.

(f) *Base price.* The term "base price" means base price as defined in Subpart F of this part.

(g) *Other definitions*—(1) *Product.* The term "product" means an item of tangible personal property offered for sale to another person or persons.

(2) *Product line.* The term "product line," means an aggregation of products of the same manufacturer or different manufacturers, substantially similar as to intended function, usage, and structure, and offered for sale simultaneously, or within the same commercial season, by a person or persons.

(3) *United States.* The term "United States" means the States, the District of Columbia, the Commonwealth of Puerto Rico.

§ 300.201 Seasonal patterns.

(a) *In general.* Notwithstanding any provisions of this subpart, prices (including rents) which normally fluctuate in distinct seasonal patterns may be adjusted subject to the provisions of this section.

(b) *Distinct fluctuation.* Prices must show a large or otherwise distinct fluctuation at a specific, identifiable point in time. Such distinct fluctuation must be an established practice that has taken place in each of the past 3 years. New persons may determine their qualifications from those generally prevailing with respect to persons similarly situated, selling or leasing in the same marketing area. If there are no such similar persons in the immediate area, qualification may be established by reference to the nearest similar marketing area.

(c) *Time of price fluctuation.* The price fluctuation referred to in paragraph (b) of this section may not take place at a time other than the time at which such fluctuation took place in the preceding ycar unless the date of the price fluctuation is tied to a specific event such as a previously planned introduction of new models.

(d) *Allowable price.* If the requirements of paragraphs (b) and (c) of this section are met, the maximum price which may be charged by such person shall be either—

(1) The base price determined under the provisions of Subpart F of this part, or

(2) The price charged by such person during the first 30 days of the period following the seasonal price adjustment in the preceding year, whichever is greater. For purposes of this subparagraph (2), the price charged during such 30-day period shall be the weighted average of the prices charged on all transactions occurring during such period.

(e) *Limitation.* Notwithstanding the provisions of paragraph (d), of this section, the price charged by such person may not result in an increase of its profit margin as a percentage of sales, before income taxes, over that prevailing during the base period.

(f) *Return to nonseasonal prices.* Prices must be adjusted downward at the same date or identifiable point in time as in the previous season.

§ 300.202 Taxes.

Notwithstanding any other provision of this subpart, prices with respect to transactions occuring after November 13, 1971, may be increased dollar-for-dollar to reflect increases in excise taxes (including sales and use taxes), and duties on imports (including the import surcharge imposed by the President on August 15, 1971), but not increased franchise, gross receipts, property, or income taxes.

§ 300.203 Contracts entered into prior to August 15, 1971.

Notwithstanding any other provisions of this subpart, the price specified in any binding contract for the sale of property or services entered into prior to August 15, 1971, with respect to any delivery or performance occurring after November 13, 1971, shall be allowable provided that the contract price shall not exceed that amount which would result in an increase in the person's profit margin as a percentage of sales, before income taxes, over that prevailing during the base period.

§ 300.204 Formula-determined rentals.

Leases of personal or real property entered into prior to August 15, 1971, in which the periodic rental price is determined by means of a formula specified in the lease agreement may continue with such formula in effect. However, any increases in the periodic rental price due to the passage of time or increases in the consumer price index shall not be allowed.

§ 300.401 Exemptions.

The provisions of this Part 300 shall apply to all transactions involving the sale or lease of property and services except those enumerated in Subpart D of Part 10 of this title.

§ 300.498 May 25, 1970, limitation date.

No provision in this subpart shall operate to require a person to establish a price or rent which is lower than the average price which was received by the person in arms-length transactions involving the property or service on May 25, 1970. In cases where there were no arms-length transactions on May 25, 1970, involving the person, the nearest date preceding May 25, 1970, on which such a transaction did occur shall deemed to be May 25, 1970, for purposes of this section. However, the rules contained in this section shall not apply if the person did not offer the property or service on May 25, 1970, due to causes other than the temporary closing of his business.

§ 300.499 Price Commission address.

Any document, report, or other information required by these regulations to be sent directly to the Price Commission shall be addressed to—Price Commission, 2000 M Street NW., Washington, DC 20508.

Subparts B—E [Reserved]

Subpart F—Base Price

§ 301.501 In general.

The rules in this subpart relate to the determination of the base price for the purposes of applying the provisions contained in Subpart A of this part, after November 13, 1971, with respect to:

(a) Sales and leases of personal property.

(b) The furnishing of services, and

(c) Sales and leases of real property.

The base price is either (1) the ceiling price permitted for the period beginning August 15, 1971, and ending November 13, 1971, or (2) such ceiling price as adjusted in accordance with the rules provided in this subpart, which shall then constitute the base price. See § 300.505 for rules relating to the determination of the base prices with respect to sales and leases of personal property and with respect to services, § 300.507 for rules relating to the determination of base prices with respect to sales and leases of real property, and § 300.509 for rules relating to the determination of base prices with respect to sales and leases of new property and with respect to new services, as therein defined.

§ 300.505 Sales and leases of personal property and services.

(a) *Sales of personal property and services.* The base price with respect to sales of personal property and services is the highest price charged by the person to a specific class of purchasers in a substantial number of transactions involving such personal property or services during the freeze base period (as defined in § 300.513).

(b) *Leasing of personal property.* The base price with respect to the leasing of personal property is the highest price charged to a specific class of purchasers with respect to leases of the same or substantially identical personal property in a substantial number of transactions during the freeze base period.

(c) *Ten-percent rule.* For purposes of paragraphs (a) and (b) of this section and paragraph (b) of § 300.507, the highest price in a substantial number of transactions during the freeze base period shall be the highest price at or above which 10 percent of the units were priced in transactions with a specific class of purchasers during the freeze base period.

§ 300.507 Sales and leases of real property.

(a) *Sales of real property.* This section applies to sales of real property not exempted under § 300.401. The base price with respect to the sale of any interest in real property which is held by the person for sale in the ordinary course of trade or business is the highest price received with respect to the same type of interest in similar real property during the freeze base period. In the case of a sale of an interest in real property which is not held for sale in the ordinary course of a trade or business, such interest shall be deemed to be new property for purposes of paragraph (d) of § 300.509.

(b) *Leases of real property*—(1) *In general.* The base price for a lease of an interest in real property is the highest price charged by the person with respect to the same or substantially identical rental units in a substantial number of transactions during the freeze base period. A provision is a lease of an interest in real property executed prior to August 15, 1971, which provides for an increased rental to take effect August 14, 1971, may take effect after November 13, 1971, to the extent such increased rental does not exceed the base price for the rental of such real property.

(2) *Property vacant during the freeze base period.* If the property had been vacant for more than 1 year prior to the beginning of the lease period, the provisions of § 300.509 (b) relating to new real property shall apply.

§ 300.509 New property and new services.

(a) *In general.* For purposes of this section, new property or new services means property or services which the person has not offered for sale (or lease in the case of property) at any time during the 1-year period immediately preceding the date on which the person is offering the property or service for sale (or lease).

(b) *Lease of real property.* In the case of a person offering real property for lease which was never previously leased, the base price shall be determined by a computation based on the average arms-length price received by persons leasing comparable property in the same marketing area. For purposes of determining the average price referred to in the preceding sentence, only a quantity of transactions which is not insubstantial in relation to the total number of such transactions need be taken into consideration. A property, or part thereof, which undergoes a substantial capital improvement shall be treated as new property for purposes of a lease. For purposes of this paragraph a substantial capital improvement means a

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permanent improvement or betterment made to increase the value of the property or to restore the property or part thereof, the cost of which equals or exceeds at least 3 months' rent and exceeds $250.

(c) *Personal property or services.* Personal property or service shall be deemed new if substantially different from other property or services in purpose, function, quality, or technology or if the use of such property or service effects a substantially different result. Property or services that differ from other property or services only in appearance, arrangement, combination, or function shall not be considered as new. A change in fashion, style, form, or packaging will not ordinarily be deemed to create a new property or service. A property, or part thereof, which undergoes a substantial capital improvement shall be treated as new property for purposes of a lease. For purposes of this paragraph a substantial capital improvement means a permanent improvement or betterment made to increase the value of the property or to restore the property, the cost of which equals or exceeds at least 3 months' rent and which exceeds $100.

(d) *Base price determination.* In the case of a person offering new property or new services, the base price shall be deemed to be, at the election of such person, either—

(1) The price determined under the method prescribed in paragraph (e) of this section, or

(2) The price determined under the method prescribed in paragraph (f) of this section.

(e) *First method.* The method referred to in paragraph (d)(1) of this section is a method by which a person may determine the price with respect to new property or services by a computation based on the unit cost (including direct and indirect costs) of a similar property or services of such person plus a factor for profit (before income taxes) which equals the profit rate actually earned with respect to such similar property or services. The rules in this paragraph shall not be applicable to transactions involving property or services with respect to which the person offers no other property or services which are similar thereto.

(f) *Second method.* The method referred to in paragraph (d)(2) of this section is a method by which a person may determine the price with respect to new property of services by a computation based on the average prices received in a substantial number of arms-length transactions by persons selling or leasing comparable property or services in the same marketing area.

§ 300.611 Geographic limitation.

The provisions of this subpart shall not be applicable to transactions for sales, leases, or services occurring outside the United States. For purposes of this paragraph, a transaction shall be deemed to occur outside the United States if delivery of the property or rendering of the service which is the subject matter of the transaction occurs outside the United States, or if real estate which is the subject matter of the transaction is located outside the United States. If personal property which is the subject of a lease is used both inside and outside the United States during the period of the lease, the transaction shall be deemed to have occurred exclusively in the United States and the provisions of this subpart shall apply. Similarly, if services are partially rendered in the United States and partially outside the United States, the services shall be deemed to have been performed exclusively in the United States.

§ 300.613 Definitions.

(a) *In general.* Unless otherwise indicated, the definitions contained in this section shall apply for purposes of Subparts F and G of this part.

(b) *Transaction.* A "transaction" shall be deemed to occur at the time and place a binding contract is entered into between the parties to the transaction. A "transaction" shall mean an arms-length transaction, and shall include only transactions between unrelated persons which are not members of a controlled group.

(c) *United States.* The term "United States" means the States, the District of Columbia, and the Commonwealth of Puerto Rico.

(d) *Person.* The term "person" includes any individual, estate, trust, partnership, association, company, corporation, governmental unit, or instrumentality of a governmental unit. However, such term does not include a foreign government, an instrumentality of a foreign government, an international organization.

(e) *Freeze base period.* The term "freeze base period" means either—

(1) The period beginning July 16, 1971, and ending August 14, 1971, or

(2) If a person had no transaction during the period specified in subparagraph (1) of this paragraph, the nearest preceding 30-day period in which he had a transaction.

(f) *Unrelated person.* The term "unrelated person" refers to a person other than a person described in 26 U.S.C. section 267(b), as amended.

(g) *Controlled group.* The term "controlled group" means a controlled group of corporations as defined in 26 U.S.C. section 1563(a).

(h) *Price.* The term "price" includes commissions, membership dues, margins, rates, fees, charges, tariffs, and premiums without regard to the form in which paid. The term also includes rents for the lease of real or personal property.

(i) *Service.* The term "service" includes all services rendered by one person for another person other than in an employment relationship (determined under the normal common law rules). The term also includes for example, professional services of any kind and services rendered by membership associations for which dues are charged.

(j) *Sale.* The term "sale" includes all sales, exchanges, transfers, and dispositions.

(k) *Lease.* The term "lease" includes any contract for the use of real or personal property of any description.

(l) *Rent.* The term "rent" means any price for the use of real or personal property of any description. The term also includes any charge, no matter how denominated in the lease or other agreement, for the use of any property or for any service in connection with the use of leased property.

(m) *Class of purchasers.* The term "class of purchasers" means purchasers to whom a person has charged a comparable price for comparable property or service during the freeze base period pursuant to customary price differentials between those purchasers and other purchasers. The term "customary price differentials" includes, but is not limited to, price distinctions based on discounts, allowances, add-ons, premiums, and extras based on differences in volume, grade, quality, or locations or type of purchaser, or terms or conditions of sale or delivery.

Subpart G—Procedure and Administration

§ 300.601 Records and ceiling price lists.

(a) *In general.* Any person who sells property or services, or leases property subject to the price and rent stabilization requirements of this Part 300 shall keep such permanent books of account or records as are sufficient to establish the base prices for all such property or services offered for sale or lease by such person and the prices at which such property or services were actually sold or leased.

(b) *Inspection of records or lists.* Records required to be maintained under paragraph (a) of this section shall be made available for inspection at any time upon the request of an officer or employee of the Internal Revenue Service for the purpose of ensuring compliance with the requirements of this part.

(c) *Special rule for imported items.* In addition to the records and lists required to be maintained under paragraphs (a) and (b) of this section, any item which has been imported into the United States and upon which an import surcharge has been imposed by the President in conjunction with other measures taken under the Economic Stabilization Act of 1970, as amended, shall, when sold, clearly have indicated upon the accompanying sales ticket or invoice the exact amount of the import surcharge the seller is passing on to the customer or that such an import surcharge though so imposed, is not being passed on.

(d) *Period for keeping records.* All records required to be kept under this section shall be maintained and preserved by the person required to keep such records for at least 4 years after the last day of the calendar year in which the transactions or other events recorded in such accounts or records occurred or the property was acquired by such person, whichever is later.

§ 300.612 Exceptions by ruling.

(a) *In general.* The Chairman of the Price Commission, or his delegate, will by rulings make such exceptions from the operation of this Part 300 as the Price Commission deems necessary for the purpose of preventing or correcting gross inequities.

(b) *Requests for exceptions.* Except as otherwise prescribed by the Price Commission, persons requesting exceptions from the operation of this Part 300 should submit their request, in writing, to the District Director of Internal Revenue for the district in which such person has his residence or principal place of business. The request should state the reason why the exception is being requested and should contain sufficient information to establish to the satisfaction of the Price Commission that—

(1) The application of the provisions of this part to such person would result in a serious hardship or gross inequity, and

(2) That the request for exception is not part of a plan having as one of its principal purposes the avoidance of the purposes of the Economic Stabilization Act of 1970, as amended, and this Part 300. (See § 300.613 for a more detailed description of the manner in which a request for determination by the Price Commission should be made.)

§ 300.613 Rulings.

(a) *In general.* In the interest of sound administration of the Economic Stabilization Act of 1970, as amended, and this Part 300, the Internal Revenue Service will answer inquiries of persons regarding their status for price and rent stabilization purposes and as to the applicability of this Part 300 to their proposed acts or transactions.

(b) *Price stabilization ruling.* A "Price Stabilization Ruling" is an official interpretation of the law by the Internal Revenue Service which has been published in the Price Stabilization Bulletin. Price Stabilization Rulings are published for the information and guidance of the Price Commission, Internal Revenue Service officials and others concerned.

(c) *Ruling guidelines.* (1) Rulings will be issued only with respect to prospective transactions.

(2) Rulings will not be issued on alternative plans of proposed transactions or on hypothetical situations.

(3) A ruling will not be issued if the national office of the Internal Revenue Service knows or has reason to believe that the same or identical issue in connection with a possible violation of this part by the person who is the subject of the ruling request is before any field office of the Service or any other agency charged with enforcement of this part.

(4) Further, a ruling will not be issued with respect to a matter upon which a recent court decision adverse to the Government has been handed down until the Government has decided whether to follow the decision or litigate further.

(d) *Instructions.* Any person requesting a ruling should direct such request, in writing to the District Director of Internal Revenue for the district in which such person has his residence or principal place of business. Each request for a ruling must include—

(1) A complete statement of all such information as is relevant to the status of the person and proposed transaction under this Part 300,

(2) Copies of all relevant documents affecting such status or transaction, and

(3) A statement, executed under penalty of perjury, that such statements and documents, to the knowledge of the person making the request, are true and accurate. Only one ruling request may be made with respect to a particular transaction, and no ruling request may be made with respect to an issue described in paragraph (c) (3) of this section.

(e) *Determination letters.* In the discretion of the Internal Revenue Service the request of the person may be answered with a determination letter directed solely to the attention of the person in cases in which the Service deems the question not of sufficient importance to the Price Commission, the Internal Revenue Service, or the public in general to warrant the issuance of a ruling.

§ 300.614 Adverse determinations and appeal.

If a person receives an adverse determination letter (as described in paragraph (e) of § 300.613) he may, within 10 days, file a written request for a conference with the district director who issued such adverse determination letter. If the district director fails to reverse his initial determination following such conference, the person affected may, within 10 days after notice of such final determination, file written application for an appeal, together with a brief outlining the basis for such appeal, with the Price Commission. A copy of the application for appeal and the brief shall, at the same time, be directed to the Internal Revenue Service. Attention: Assistant Chief Counsel (Stabilization), Washington, D.C. 20224.

§ 300.615 Failure to obtain relief.

If a person is denied relief by the Price Commission, either because of an adverse determination or because of the Price Commission's refusal to grant an appeal, such person may, within 30 days, file an action for relief in the appropriate U.S. District Court.

§ 300.616 Reports of alleged violations.

Whenever any person has reason to believe that a violation of these regulations has taken place, such person should contact the nearest office of the Internal Revenue Service. Such cooperation on the part of every citizen will insure that the price stabilization program achieves its maximum and intended effect.

§ 300.651 Penalties.

(a) *Illegal practices.* Any person who, by means of inducements, commissions, kickbacks, retroactive increases, transportation arrangements, premiums, discounts, special privileges, tie-in agreements, trade understandings, the falsification of records, the substitution of inferior commodities, the failure to provide the same services and equipment previously sold or leased, or in any other manner seeks to obtain a higher price or rent than is permitted by this part shall be subject to the provisions of paragraphs (b) and (c) of this section.

(b) *Injunctions.* Whenever it appears that any person is engaged, or is about to engage, in any act or practice described in paragraph (a) of this section, the U.S. Government may, in its discretion, bring an action in the proper district court of the United States to enjoin such acts or practices. Upon a proper showing, a permanent or temporary injunction or restraining order may be granted. In addition, upon proper applications, such court may issue mandatory injunctions commanding any person to comply with any provision of this Part 300.

(c) *Fines.* Any person who willfully violates the provisions of this Part 300 shall, upon conviction thereof, be subject to a fine of not more than $5,000 for each violation. See section 204 of title 2 of Public Law 91-379 (84 Stat. 800).

Because the purpose of this Price Commission regulation is to provide immediate guidance as to the price and rent stabilization rules applicable after November 13, 1971, it is hereby found impracticable to issue this Price Commission regulation with notice and public procedure thereon under 5 U.S.C., section 533(b), or subject to the effective date limitation of 5 U.S.C., section 553(d).

C. JACKSON GRAYSON, JR.,
Chairman of the Price Commission.

[FR Doc.71-16759 Filed 11-12-71;4:43 p.m.]

COST OF LIVING COUNCIL

[Order No. 5]

SECRETARY OF THE TREASURY

Delegation of Authority Concerning Implementation of Stabilization of Prices, Rents, Wages, and Salaries

Pursuant to the Economic Stabilization Act of 1970, as amended (hereinafter referred to as the Act), and the authority delegated to the Cost of Living Council by Executive Order No. 11627 (hereinafter referred to as the Executive order) it is hereby ordered as follows:

1. There is hereby delegated to the Secretary of the Treasury (hereinafter referred to as the Secretary, subject to the general policy guidance of and coordination with the Cost of Living Council (hereinafter referred to as the Council) and in accordance with the general policy of the Act, authority to interpret, implement, administer, monitor, and enforce the stabilization of prices, rents, wages, and salaries pursuant to the coverage, classifications, and implementation procedures established by the Council. Such functions will include, but not be limited to, the following:

(a) Operation and maintenance of local service and compliance centers established in support of the economic stabilization program in Standard Metropolitan Statistical Areas and such other places as the Secretary may determine;

(b) Dissemination of information and guidance to the public;

(c) Issuance of rulings and the receiving, analyzing, and responding to inquiries relating to the application of regulations and other guidance issued by the Council and the establishment and operation of an appeal procedure;

(d) Receiving, analyzing, investigating, and preparing and forwarding recommendations upon applications for exceptions and exemptions from coverage, classifications, and the implementation procedures to the Council for decision;

(e) Conducting monitoring investigations as to the effectiveness of the stabilization program;

(f) Receiving, investigating, and resolving by obtaining compliance, where possible, complaints received with respect to program violations and recommending enforcement action to the Council, where necessary;

(g) Making factual determinations on behalf of the Council in furtherance of any functions herein delegated; and

(h) Maintaining adequate records and the making of periodic reports to the Council.

2. All executive departments and agencies shall furnish such necessary assistance to the Secretary as may be authorized by law.

3. The Secretary may redelegate to any agency, instrumentality, or official of the United States any authority under this order, and may, in carrying out the functions delegated by this order, utilize the services of any other agencies, Federal or State, as may be available and appropriate.

4. The Director, Office of Emergency Preparedness, shall continue to exercise responsibility and authority under Council Order No. 1 as necessary to complete actions in process and to effectuate an orderly transfer of functions to the Pay Board established by section 7 of the Executive order and the Price Commission established by section 8 of the Executive order.

5. Nothing in this order shall be construed to limit or otherwise supersede the authority heretofore delegated to the Pay Board by Council Order No. 3 or to the Price Commission by Council Order No. 4.

6. This order shall be effective at 12:01 a.m., November 14, 1971.

By direction of the Council.

DONALD RUMSFELD,
Director.

[FR Doc.71-16760 Filed 11-12-71;4:43 p.m.]

PRICE COMMISSION

[Order No. 1]

SECRETARY OF THE TREASURY

Delegation of Authority Concerning Implementation of Stabilization of Prices and Rents

Pursuant to Executive Order 11627 and the authority delegated to the Price Commission (hereinafter referred to as the Commission) by Cost of Living Council Order No. 4 (hereinafter referred to as the order), it is hereby ordered as follows:

1. There is hereby delegated to the Secretary of the Treasury (hereinafter referred to as the Secretary), subject to the general policy guidance of and coordination with the Commission and consistent with the general policy of Executive Order 11627 as developed by the Cost of Living Council, authority to interpret, implement, administer, monitor, and enforce the stabilization of prices and rents pursuant to the criteria, standards, and implementation procedures established by the Commission. Such functions will include, but not be limited to, the following:

(a) Operation and maintenance of local service and compliance centers established in support of the economic stabilization program in Standard Metropolitan Statistical Areas and such other places as the Secretary may determine;

(b) Dissemination of information and guidance to the public;

(c) Issuance of rulings and the receiving, analyzing, and responding to inquiries relating to the application of regulations and other guidance issued by the Commission and the establishment and operation of an appeal procedure;

(d) Receiving, analyzing, investigating, and preparing and forwarding to the Commission for decision recommendations upon applications for exceptions from the criteria, standards, and the implementation procedures;

(e) Conducting monitoring investigations as to the effectiveness of the stabilization program;

(f) Receiving, investigating, and resolving by obtaining compliance, where possible, complaints received with respect to program violations and recommending enforcement action to the Commission where necessary;

(g) Making factual determinations on behalf of the Commission or in furtherance of any functions herein delegated; and

(h) Maintaining adequate records and the making of periodic reports to the Commission.

2. All executive departments and agencies shall furnish such necessary assistance to the Secretary as may be authorized by law.

3. The Secretary may redelegate to any agency, instrumentality, or official of the

United States any authority under this order, and may, in carrying out the functions delegated by this order, utilize the services of any other agencies, Federal or State, as may be available and appropriate.

4. This order shall be effective at 12:01 a.m., November 14, 1971.

By direction of the Commission.

C. JACKSON GRAYSON, JR.,
Chairman.

[FR Doc.71-16761 Filed 11-12-71;4:43 p.m.]

PAY BOARD

[Order No. 1]

SECRETARY OF THE TREASURY

Delegation of Authority Concerning Implementation of the Stabilization of Wages and Salaries

Pursuant to Executive Order 11627 and the authority delegated to the Pay Board (hereinafter referred to as the Board) by Cost of Living Council Order No. 3 (hereinafter referred to as the order), it is hereby ordered as follows:

1. There is hereby delegated to the Secretary of the Treasury (hereinafter referred to as the Secretary), subject to the general policy guidance of and coordination with the Board and consistent with the general policy of Executive Order 11627 as developed by the Cost of Living Council, authority to interpret, implement, administer, monitor, and enforce the stabilization of wages and salaries pursuant to the criteria, standards, and implementation procedures established by the Board. Such functions will include, but not be limited to, the following:

(a) Operation and maintenance of local service and compliance centers established in support of the economic stabilization program in Standard Metropolitan Statistical Areas and such other places as the Secretary may determine;

(b) Dissemination of information and guidance to the public;

(c) Issuance of rulings and the receiving, analyzing, and responding to inquiries relating to the application of regulations and other guidance issued by the Board and the establishment and operation of an appeal procedure;

(d) Receiving, analyzing, investigating, and preparing and forwarding to the Board for decision recommendations upon applications for exceptions from the criteria, standards, and the implementation procedures;

(e) Conducting monitoring investigations as to the effectiveness of the stabilization program;

(f) Receiving, investigating, and resolving by obtaining compliance, where possible, complaints received with respect to program violations and recommending enforcement action to the Board, where necessary;

(g) Making factual determinations on behalf of the Board or in furtherance of any functions herein delegated; and

(h) Maintaining adequate records and the making of periodic reports to the Board.

2. All executive departments and agencies shall furnish such necessary assistance to the Secretary as may be authorized by law.

3. The Secretary may redelegate to any agency, instrumentality, or official of the United States any authority under this order, and may, in carrying out the functions delegated by this order, utilize the services of any other agencies, Federal or State, as may be available and appropriate.

4. This order shall be effective at 12:01 a.m., November 14, 1971.

By direction of the Board.

GEORGE H. BOLDT,
Chairman of the Pay Board.

[FR Doc.71-16763 Filed 11-12-71;7:18 p.m.]

SENATOR HUMPHREY'S REMARKS TO THE NATIONAL MUNICIPAL LEAGUE

Mr. HUMPHREY. Mr. President, on Monday, November 15, 1971, I was privileged to address the National Municipal League's Conference on Government in Atlanta, Ga. The National Municipal League is an organization of civic leaders, government research institutes, and public servants dedicated to improving the responsiveness of American government. The league has published articles and drafted model legislation on State constitutional revision, taxation, programs for the elderly, and structural reform in American cities.

My address to the Conference stressed the need for services that are equal across the Nation. As I said in the speech:

We are a mobile people. But, our standards of service must be constant.

Mr. President, I ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

Have you ever wondered what it would be like if government really worked? If the hungry were fed. If there were no consumer abuses. If we had uniformly good schools with quality education for all children and if our elderly could live out their lives in security.

If our health system prevented illness rather than sought to cure it.

If peace were a fact of life rather than a long sought goal.

What would our future be like? I believe we would have a society that permitted the cultivation of man's individual spirit—that permitted him to grow, to learn to develop the full potential of his talents and abilities.

Man, at peace with himself, would be at peace with others. We could create what we all are seeking—a better quality of life.

But, as we know, that is not the reality.

Man is burdened with anxiety, ripped and torn by prejudice. Men still dream and hope. But they do so encumbered by a sense of frustration.

Government reflects these same frustrations.

Government in this nation has become muscle-bound. It is big, costly, and seemingly unable to respond to the needs of people.

This is true of government at all levels. In activity after activity—from street cleaning to public safety—communities are barely able to meet even the most basic minimum levels of service.

As a result, in all too many instances, the spirit has gone out of our cities. And, no matter how hard we try, we cannot seem to replace it.

Look at the statistics. People move out of—not into—the cities. And they move away from—not to—the rural areas. They move increasingly to the suburbs, creating larger and larger mass metropolitan areas.

And, those who leave the city are often the young, those with education, will, spirit, and those with earning potential.

The result is predictable: The gap between rich and poor, between the haves and the have-nots grows wider, seemingly unbridgeable, and frightening.

We wonder why and what can be done about it.

I'll not recite to you the usual litany about the urban and the rural crises. They are all too familiar.

What I want to do is give you my thoughts, perceptions about how to change life in American cities—cities of all sizes with all kinds of problems.

And, this is not gospel. It is just one man's analysis and one man's desperate hope that we can do better. I believe we can. I know we must.

All of us want responsive government. To get it, our nation must confront head-on the problem of public management. Professionalism, reorganization of institutions, use of new technology—these are beginnings, but they are not enough.

We must ask: What does government mean to people?

The average citizen does not differentiate among the various levels of government—he thinks about the government.

And, when things do not work, he blames the government. If he is disillusioned, if he is angry, if he is bitter, if he is frustrated, it is the government.

And we are all part of it.

But too often, we pretend that it is someone else's responsibility—the President's, the Senator's, the Mayor's, the Councilman's, or the City Manager's.

And government becomes alien, foreign, remote from the people.

What we must learn is that the government must serve people, not a system, or a board, or an authority, but people.

It is not an academic institution.

Government exists because of and for people.

I believe we need a refocus on that fact. We need to refocus on "street level government" and the essentials of public service.

People must be able to call city hall and have their sidewalks fixed, their apartments inspected, their garbage collected, snow removed, dependable electricity, enough heat.

Street level government means an equalization of fundamental services throughout the nation.

There is a great disparity today in the quality of government services.

Our people—no matter where they live—should have certain basic standards of service—standards of education, of health, of social services, of public services.

This is their basic right.

We are a mobile people. But, our standards of service must be constant. We should have the same basic minimum standards in Seattle as we have in Mississippi, in New York as in Atlanta.

But to achieve this will require the mobilizing of public commitment and the resources of a nation. We have done this for other great enterprises—the rebuilding of Western Europe, the landing on the moon.

We can do it for our communities and the people who live in them.

Already we have the beginning.

Cities are electing mayors of stature, leaders who want to do things for people.

And, the distrust that once existed between cities and states is, on balance, disappearing. More than ever before, leaders are recognizing that problems do not affect just one government level—problems are public, they are the concern of all governments.

There is a quiet revolution occurring in this nation. It is a revolution of people demanding accountability and sensibility from leadership.

It is a revolution that will reshape the nature of federalism from an adversary to a partnership—a partnership with national policy objectives, but without direct Washington controls.

Commitment—from people and leaders—is one half of the equation. Resources is the other half. And resources means money.

Our nation has massive public needs: There is a $12 billion poverty gap, a $70 billion waste disposal and sewage gap, a $15 billion clean air gap.

In 1975, over $35 billion will be spent by state and local government on education, over $12 billion on highways, $15 billion on health, $13 billion on parks and recreation.

Where are we going to get this money?

How are we going to pay the bill?

As many of you know, I have introduced a revenue sharing bill. Under this proposal, states and cities would share in the federal tax collections. The reasoning is simple. Since the federal government has the largest tax base. Why not use it to accomplish local social purposes.

This money is your money and the money of the people in your communities. It is not the federal or the state government's money. It represents the earnings of people. It should be used for programs for people.

My revenue sharing bill is directly tied to making government more responsive. It gives more funds to those governments that modernize their structure.

The bill is also tied directly to desperately needed tax reform.

Look at your own communities. About 35 to 45 percent of your total revenue is raised from the property tax. Yet, who gets hit the hardest with the property tax? It is the moderate income, the middle income, and the low income taxpayer.

Our entire tax system is distributed inequitably. The poor who can least afford it pay a disproportionate share of taxes; and many who should pay most do not.

And in the highest spirit of federalism, it accepts the negotiation process worked out between the cities and states as to the distribution of the pass through dollars.

We need an income tax system at the state and local governments—a tax system that is progressive and flexible—a tax system that will produce the kind of revenues that will make social progress possible.

There is a third resource need: Development.

Our nation is publicly poor, but privately wealthy. For too long we have neglected our pressing demands here at home.

I believe that the 1970's should be a decade of dynamic domestic development. It should be a decade of building needed public projects, improving essential services, financing mass transit, making our government work.

How are we going to do it?

The fundamental answer is a new credit mechanism—long term credit, and massive investment in public works.

In May of this year, I introduced the National Domestic Development Bank Act of 1971.

The objective of my bill is to provide an alternative source of funds for new schools, medical and hospital centers, day-care centers, parks, waste disposal plants, playgrounds, and much more.

Many of you here have used municipal bonds.

And you know how hard it is to sell a 40-year bond at any reasonable rate of interest.

Yet, the government of the United States, through such institutions as the Inter-American Bank makes loans for people you and I have never met.

I say to you that if we can make loans to Rio de Janeiro, at low rates of interest for 40 years, then we can make loans to Miami, to Williamsport, to Minneapolis, to Atlanta, or anywhere else right here at home.

We simply must change our financing system.

We are trying to build new community facilities on credit terms that were designed for the 1900's. And, it simply won't work.

We must have a credit structure that will eliminate the present stop-start method of public finance.

The National Domestic Development Bank emphasizes community planning—planning that results in decisions, to move on projects, not to have another study.

It is a bank that emphasizes multi-year financing so that longer-term projects are completed.

And, it is a system that can ensure that government *does* reach the people.

The National Domestic Development Bank can help large cities and counties—but what about rural areas?

Millions of people are leaving rural America for the cities, compounding the urban crisis, adding the problems of poverty and joblessness, and welfare.

It was with this in mind that I introduced companion legislation to the National Domestic Development Bank—a supplementary program specifically for communities under 35,000 population.

The Rural Development Bank bill can give our smaller towns new hope.

Credit financing will enable us to build the public projects that are so vital and so necessary. They can provide jobs. They can infuse the economy of a town with money, with enterprise. They can put people to work.

Long term credit and investment in public projects and services can help end the stagnation of our economy—help end the hopelessness.

If government is to work effectively, then our priorities are clear:

—A government that is people oriented.

—A minimum basic floor of services for all Americans.

A system of government organization and taxes that is up-to-date, progressive, and fair.

And, a financing strategy that provides the resources for local people to design their own solutions.

These are the elements—the fundamentals—that will allow us to improve the human condition.

As Lincoln said, "We must disenthrall ourselves of the past, for the times are new and the times call for new ideas."

FUTURE PROSPECTS FOR NATION'S COMMERCIAL AIRLINE INDUSTRY

Mr. INOUYE. Mr. President, as chairman of the Subcommittee on Foreign Commerce and Tourism, I am particularly concerned with the future prospects for our Nation's commercial airline industry. With the recent Commerce Department report that the United States recorded its greatest balance-of-payments deficit in history in the third quarter of this year, there can no longer be any question that we must improve our import-export position.

One important area where we can and must improve our import-export position is in the foreign sphere of the airline industry. In order to understand better some of the basic problems which now confront our own airline companies, I ask unanimous consent that the remarks of Mr. Edward E. Carlson, president and chief executive officer of United Air Lines, before the 27th annual general meeting of the International Air Transport Association, held in Honolulu, Hawaii, on November 18, 1971, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF EDWARD E. CARLSON

I was not even in the airline industry when you met last October in Tehran. That surely makes me one of the newest members of this association, but you couldn't find a more fascinated newcomer. In December 1970, my 40-year association with the hotel industry was interrupted when I was named as Chief Executive Officer of United Air Lines. I must say that the initiation routine in the airline industry can be an unforgettable and sometimes disquieting experience. Now, after almost a year in this job, I'm honored to be asked to share some observations with you.

I'm respectful of your long association with air travel. You have lived through its peaks of success and its valleys of disappointment. Your meeting last October came near the end of one of the most discouraging years financially in the history of the industry. When the final results of 1970 were in, the Air Transport Association of America reported that the net operating income of the U.S. scheduled airlines was 92 percent less than it was four years earlier in 1966. United Air Lines alone posted a net loss of over $40 million in 1970.

Our analysis of the outlook for 1971 indicated that revenues were going to be flat. Thus, if we were to make any substantial improvement in profit, we had to move quickly and earnestly in reducing expenses. The specific measures taken by United Air Lines to reduce costs were typical of those taken by other airlines. Overall employment was reduced by over 10% to date from its peak in August of 1970. This was a particularly difficult task because it involved the security and welfare of many fellow employees. Planned capital expenditures were slashed by $159 million. A large part of this was in aircraft acquisition. Four 747's were deferred from 1971 to 1973. Three DC-10's were deferred from 1972 to 1973. Eight DC-10 purchases were cancelled, and options for 20 more were passed. We could ill afford to further deplete cash reserves or add capacity when we already had an excess.

The number of departures on the United Air Lines system was unilaterally reduced by 18% during the first half of the year. These moves involved considerable risk of competitive losses. Also, our efforts to discontinue or reduce flying in non-productive route segments were not always popular with our customers in the cities affected; but when confronted with hard economic facts, they have been understanding. In major markets, the U.S. trunk carriers faced a serious problem of over-capacity. The inventory of seats far exceeded the demand, and United joined in requesting the CAB to allow the airlines to discuss mutual reductions of schedules in certain markets. Agreement was reached between United, TWA and American in four major long haul markets and subsequently approved by the Board. The reduced schedules were effective October 3, and we expect a substantial profit improvement in the first year under these revised schedules with no significant loss of revenue or impairment of service to the traveling public. Since schedules are a competitive feature of airline service, it would have been better if the same results had evolved due to free market forces.

However, these forces would not have been felt in time to avert serious harm through this heavy scheduling in certain segments. Accordingly, these agreements must have a definite lifetime. We have agreed that the last of the present arrangements will expire September 16, 1972.

As a newcomer to the business, I'm fascinated with the fact that while this is a regulated industry, it is also fiercely competitive. Competition is desirable and the public should have a choice, but it should not be a wasteful choice. If three carriers can provide adequate service and make a profit, then what is the justification for adding the fourth and fifth carriers to the market with the result that it becomes financially unattractive to all?

In any case, as a result of intensive cost cuts, coupled with the 6 percent fare increase which the CAB authorized to become effective May 7, we have experienced a sub-

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stantial improvement in profits. But, as we've often said, you can't save yourself to solvency. Increased revenue, then, has to be a crucial consideration.

In preparing my remarks for today's conference with you, I read again with great interest the address which Mr. Ian Sinclair, Chairman of Canadian Pacific Railroad, made to this group in Tehran last year. He said in part, "I see signs . . . that the complacency which is typical of the older modes of transportation is spreading into the airline industry. A strong market position and an apparent lack of inter-modal competition when continued too long, lead to reliance on custom, habit, and precedent. The ability to innovate and develop is lost." He spoke of a ". . . club-like attitude centered around shared motivations and values which places the value of the club and its members above that of the enterprise." This was a serious admonition from a man with many years of firsthand experience in the industry. A lot has happened since Tehran and I think Mr. Sinclair would agree that the club-like atmosphere has been shattered during the past twelve months. There has been a remarkable desire to be innovative in marketing techniques and pricing policies.

There'll be a fierce tug-of-war for the United States pleasure traveler. There is still a great deal of fascination with the opportunity to visit Europe on the part of a great many people in the United States, and everyone in the U.S. is watching with interest the North Atlantic fare situation. The pleasure traveler is very sensitive to the overall cost of his vacation, and he plans his travel with great care. This coming winter and early spring will be a critical period for the United States carriers because this is the time when the majority of travelers are finalizing their plans for the peak summer travel season. With the fluctuations we have seen to date in the decreased buying power of the dollar abroad, we expect there will be a considerable uncertainty in the minds of potential travelers and their travel agents in determining in March or April the cost of the June or July overseas trip. We expect that some potential travelers faced with this uncertainty will decide on a vacation on the U.S. Mainland or Hawaii where the value of his travel dollar is constant. In making that statement, you obviously recognize that I'm making it as the spokesman for United Air Lines; and we propose to be competitive. Every other domestic U.S. airline worth its salt will be in exactly the same competitive posture. What then are the conclusions from these observations?

First, let me talk about areas in which we can be cooperative. Increased productivity is essential for all of us. Since there are not likely to be major technological advances in the near future to provide drastic improvements in productivity as the jet aircraft and computerization have done, we believe that inter-airline cooperation in non-competitive areas is a fertile spot to look for productivity and, thus, reduce cost. I've been fascinated by the cooperation that exists among the European airlines and their leadership in developing cooperative agreements among themselves. Recently, there has been substantial progress towards closer cooperation among United States carriers, and I cite particularly the United-American agreement in the early stages of the DC-10 design to standardize the cockpit of that aircraft and many other features. This was the most successful effort in hardware procurement among the United States carriers to date, and the evolving spirit reflected in this program has been seen in other areas. United, TWA, and American are also currently pursuing many possibilities for the mutual use of ground equipment and facilities. We should make a continuing effort to identify those areas which are truly non-competitive and earnestly work to pool resources and thus reduce the substantial fixed overhead cost of this capital-consuming industry. Some problems will develop as we work in this direction because of contracts with labor unions, but it can be reasoned that a financially strong airline industry is important to all employees of all airlines.

Next, I think we should remind ourselves that even today in the United States, 51% of the adult population has never flown commercially and that of the estimated $110 billion spent in the United States on leisure goods and services, only $2.4 billion is spent domestically on nonbusiness air travel. We really are competing with other forms of leisure—sporting goods, swimming pools, boats and so on—for potential customers. If only 2% of the leisure dollars not spent on air travel could be attracted our way, consumer spending for air travel would be doubled. This is revenue which produces real profit for the industry as a whole, not price war revenue from customers who are going to fly anyway and simply do so at a discount rate. Now, let me say that although I am a newcomer to the airline business, I have spent 40 years in the hotel business or one might say "the travel industry." In so doing, I have spent my adult business life selling "bed nights." Now I find myself selling "seat miles." Both are equally perishable. There's no inventory to put away for disposal at some sale at a later date. Anyone with long experience in the travel industry knows the tremendous value of attracting even a small increase in the discretionary spending of people—whether it be for hotel rooms or airline tickets.

Unless there is a sudden change in the course of events, during the next several months we will see a continuation of the historic struggle between the scheduled and supplemental airlines of the free world. It is reasonable to point out that the historic role of a schedule carrier has been to provide consistent service over regular routes at a price which will allow the carrier to have some fair return as determined by a government regulatory body. This type of service developed a sound business market, and through the years a significant amount of pleasure travel, as well, has been attracted to scheduled air service.

In recent years scheduled carriers have been losing a significant portion of that pleasure travel. The Air Transport Association of America reports that in most North Atlantic markets, upward of 60% of the supplemental's customers probably would have flown on a scheduled carrier if the supplemental service were not available. This dilution exists in other markets as well, and the supplementals are getting customers. The fact is the supplementals were aggressive enough to see a market opportunity and to capitalize on it. Thus, the challenge to the scheduled carrier is to determine if earnings can be optimized by offering the product in different ways to reassert leadership in the vacation market by competing for large volume business and meeting charter prices and supplemental offerings to the maximum extent possible.

In looking to the future, one must recognize that the airlines cannot go it alone. To stimulate new traffic through group price reductions and service improvements, we must have the cooperation of travel agents, hotels, suppliers of ground transportation and others who will do their share in the spirit of cooperation, realizing that only increased travel volume through major generation of new traffic will bring significantly increased profits.

Let me cite an example. The total cost of an average trip to Europe for an American traveler in 1970 was $836. If air fares had gone up at the same rate as European hotel rates and meals for the past ten years, the cost would have been doubled. For a U.S. traveler going to Europe for ten days in 1958, air fare represented 75% of the total travel expense. In 1970, the air fare was only 48% of the total cost. The airlines obviously cannot continue to implement economies which will offset increases in costs of ground phases of travel. As vacation travel increases in importance, so will the vacation package concept. For the vacation traveler, reasonably priced and attractively designed packages can increase revenue and profits through new traffic generation. Our experience with Group Inclusive Tour packages verifies this. Our studies indicate that as many as 80% of the people who took advantage of these fares would otherwise not have taken the trip.

Let me emphasize once again the importance of finding new markets. If we merely shuffle passengers from one airline to another at reduced fares, we only add to our own financial woes. We firmly believe that coordinated, marketing packages with the enthusiastic participation of hotels, tour operators, and agents are important. These people must be encouraged and invited to participate actively in the design and marketing of group travel.

At the risk of taking a broad-brush, generalized approach to a very complex problem, may I just share with you the business relationship that is fundamental to all of us. There are really three elements to every business transaction in the airline industry. First, we have the customer. He wants to fly or ship goods on airplanes that represent the latest in technology and comfort, scheduled at times to fit his plans with the maximum amount of attention and comfort in cabin service. Furthermore, he wants all of these things at the lowest possible rate. In other words, he wants all he can get!

The next essential partner is the employee who serves the customer. In 1971 United will pay approximately 47% of its total revenues for salaries and benefits. This certainly gives the employee a prominent role in the partnership, and his needs receive corresponding attention. What are his needs? Whether he is management or non-management, we find that the employee wants good working conditions, good pay, adequate benefits for himself and his family, excellent travel privileges and good vacations. In other words, he wants all he can get!

The third partner is the shareholder. Under the free enterprise system in a capital intensive business such as the airlines, it is essential to have the confidence of those with dollars to invest in common stock. The airline industry is a great consumer of capital; both equity and long term credit. When the shareholder approaches the market place to invest his money in common stocks, he is interested in a company which has a good history of earnings and is completely solvent; a company with a consistent dividend record; a company which has shown sustained growth over a period of years with appreciation in the value of its shares; a company which has liquidity. In other words, the shareholder wants all he can get!

In the United States, and I would gather in all other countries, there is also a fourth partner—the government—which has a strong voice in the rates we charge and the routes we serve. This is as it should be. However, this creates a different set of challenges for the management of an airline than those which exist for many of the corporations in other fields of business and industry where it is possible to respond immediately with changes in price, level of service, or locations when significant changes take place in labor costs or other factors. Thus we have a responsibility to convince the representatives of government that it is in the national interest to maintain a financially strong airline industry.

It is incumbent upon all of us who are spokesmen for major companies to make certain that we establish the right priority in the four partner relationship that I have just enumerated. If we must make a judgment, we must start with the customer because without the customer, the employee is not needed; and the shareholder will not buy the shares. We must be competitive; and airlines will be competitive. At the same time, we must be resourceful enough to price our merchandise in such a manner that when our efforts are concluded, we will have achieved a profit and yet the value of the service to the customer will prompt him to look with enthusiasm toward future trips. But without profit, the service will not be adequate, the maintenance of the cabin amenities and the schedule offerings will be less than desirable, the employees will not be adequately paid, and in the final analysis the shareholders will not be interested in our offerings.

In summary, because no company can long survive with a poor balance sheet, in all of our fare offerings, in all of our pricing techniques, in all of our competitive efforts, we must never lose sight of the compelling fact that we must end up with more revenue than expenses. The alternative is quite obvious.

I've been speaking here today of the recent past and near future which has been very cloudy for the scheduled carriers. These clouds have been so numerous that it's sometimes difficult to see the brighter long-term outlook for our industry. By every measure we know, this business will show remarkable growth over the next ten years—many experts predict that revenues will more than double in this period. So while we have our current problems, we must prepare for the upward surge—learn from the experience of our current difficulties, but look ahead. If we learned our lessons well, we can look forward to some gratifying years.

Thank you.

NOMINATION OF DR. EARL BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. MONDALE. Mr. President, the Committee on Agriculture and Forestry is conducting hearings on the nomination of Dr. Earl Butz for Secretary of Agriculture.

I do not have to tell you or the Senate about my concern over the plight of our family farmers. I am currently sponsoring and cosponsoring several bills which seek to increase the economic well-being of our farmers and to revitalize rural America. Because of these concerns, I have to oppose the nomination of Dr. Butz. His philosophy of agricultural policy does not give any indication that he will champion the cause of our family farmers.

Would we confirm the nomination of any enemy of business for Secretary of Commerce? Would we want an enemy of small business to head the Small Business Administration? Of course not. Therefore, we cannot settle for Dr. Butz as Secretary of Agriculture. The Secretary should be the spokesman for our farmers. The record of Dr. Butz shows nothing to indicate that he would serve that function. Throughout his career he has represented the interests of vertical integrators, grocery manufacturers, processors and other corporate giants. He has advocated the concept of fewer and larger farms and has said strongly that a large proportion of the farm population should leave farming for other types of work.

Improved efficiency and greater volume have often been the theses of his speeches. He has said that farmers must adapt to this system or die. What that idea leaves out is the fact that in that type of race for survival, several of our most efficient and most hard-working farmers will voluntarily leave the farm. Faced with a high degree of risk and continually narrowing margins, it becomes all too obvious to many of our sharpest young people that they can achieve greater economic rewards for the same amount of efforts in other forms of work. We cannot afford, socially or economically, to continue losing these people.

Many farmers in Minnesota who are hard pressed by the low corn and feed grain prices this fall are topnotch businessmen. Several would probably be considered efficient, even by Dr. Butz' standards. Being sharp businessmen, they will see that they are not getting any return for their labor when it costs 90 cents to produce a bushel of corn and they are offered only 88 cents a bushel in the market. Would General Motors spend $2,700 to build an automobile—then sell it for $2,640?

Mr. President, farm prices are the lowest they have been since the depths of the great depression. Many of our fine farm communities are depressed. Low farm income and reduced buying power of farmers can only lead to one result—stagnation of more communities. We cannot afford to allow this to continue.

The farmers and all Americans are entitled to know where Dr. Butz and the current administration stand on matters of farm policy. What will they do to better the critical situation which our farmers face? So far we have only the past record of the administration which has led us to the present overproduction and depressed price situation.

Concerning Dr. Butz, we also only have a past record on which to base our judgments. He has been an eloquent advocate of vertical integrators and conglomerate corporations which propose to either squeeze independent family farmers out of business or reduce them to the status of employees. Several of those forces have helped to create the current farm crisis.

Dr. Butz has long advocated a laissez faire type of agriculture. He loyally praised former Secretary of Agriculture Ezra Taft Benson for his alleged attempt to reduce surplus Commodity Credit Corporation stocks. In reality, during the Eisenhower-Benson years, CCC inventory increased fivefold—from $1.13 billion in 1952 to $5.37 billion in 1957.

During the Benson years, when other sectors of the economy were setting new highs in profits, wages were increasing, and other economic indicators were rising, the cumulative total loss of net farm income amounted to $14.2 billion. As a result of that dreadful decline in farmers' buying power, the Nation suffered a disastrous loss of smalltown businesses which had been dependent upon farmers for their volume and profits.

Mr. President, the time has come to redirect our priorities toward a revitalization of the countryside and this can best be started by preserving what we already have—the family farmer. Instead of forcing more people off the farm, we should be finding ways of keeping our fine young people on the farms and out of troubled, crowded cities. Polls have shown that 60 to 70 percent of Americans living in cities would like to live in the country. But, in fact, less than 20 percent of our people do live in rural areas.

Instead of forcing good farmers off the land, we should be rewarding them for their tremendous productivity performance. They are the envy, not only of other farmers over the world, but of other American businessmen as well.

Dr. Butz has not shown that he, as Secretary of Agriculture, would take steps to remedy the current depressed situation or that he will take steps to improve the long-run status of rural America; therefore, I cannot vote to confirm his nomination.

Mr. President, I have received hundreds of communications from farmers and rural businessmen in Minnesota opposing the nomination of Dr. Butz. I have made a selection of some of them, and I ask unanimous consent that some of the messages be printed in the RECORD.

There being no objection, the messages were ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN.,
November 18, 1971.

Senator WALTER F. MONDALE,
Washington, D.C.:

The nomination of Doctor Earl L. Butz as Secretary of Agriculture is unacceptable to Minnesota, great farming industry that I officially represent. A declining farm population and depressed farm economy could expect only hastened disaster from this chief architecture of the devastating policies applied during the sad administration of Ezra Taft Benson. Minnesota and American agriculture need a Secretary of Agriculture who will champion the cause of the family farmer essential to economic growth, rural development, and national population stability. Dr. Earl L. Butz in my opinion is at the opposite pole—a demonstrated champion of corporate farming. I strongly oppose the nomination of Dr. Butz.

JOHN WEFALD,
Commissioner of Agriculture,
State of Minnesota.

OWATONNA, MINN.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

Mr. Butz appointment as Secretary of Agriculture is a terrible mistake. Please do what you can to recitify this.

LEO ANTL.

SAUK RAPIDS, MINN.,
November 17, 1971.

Senator WALTER F. MONDALE,
Washington, D.C.:

DEAR SIR: We cannot and will not tolerate the approval of Earl Butz as Secretary of Agriculture.

PAUL WENSMANN.

WINTHROP, MINN.,
November 17, 1971.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmer. Push for a nomination of a farming farmer.

ED AND DAVE CARLSON.
GIBBON, MINN.

WINTHROP, MINN.,
November 17, 1971.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

We have had a professor for Secretary of

Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience. Butz is a no no for family farmers.

FRANCIS BIGOAUETTE.

ARLINGTON, MINN.

WINTHROP, MINN.,
November 17, 1971.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.

WILFRED LANDKAMMER.

WINTHROP, MINN.,
November 17, 1971.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmer. Push for a nomination of a farming farmer.

ROGER HARBARTH.

GAYLORD, MINN.

HARMONY, MINN.,
November 13, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.

DEAR MR. MONDALE: We believe the nomination of Mr. Butz for the new Secretary of Agriculture *Should Not* be confirmed by the Senate. We submit to you the following reasons:

1. As a director for the Ralston-Purina company he is not going to have the interests of the farmer at heart. Ralston-Purina is now in the process of integrating the hog industry as it has the chicken industry. With this type of background just how much does he know about the family farmer and his problems?

2. Serving under Ezra Taft Benson in the pro communist Eisenhower administration does he have the best interests of our great nation at heart?

Daniel Webster said: "Let us not forget that the cultivation of the earth is the most important labor of man. Unstable is the future of the country which has lost its taste for Agriculture. If there is one lesson in history which is unmistakable, it is that National Strength lies very near the soil." It is time to get a Secretary of Agriculture who believes in the family farm and will work to keep the family farmer farming!

Please vote No for Mr. Butz's confirmation as Secretary of Agriculture.

Yours truly,
Mr. and Mrs. RICHARD KIEHNE.

FAIRMONT, MINN.,
November 16, 1971.

DEAR SENATOR MONDALE: I am writing in regarding to the appointment of Earl Butz as Sec. of Agri.

I understand he stands for corporation farming in this case I would strictly be against his appointment. We need a Secretary that would work in the best interest of the small farmer instead of getting rid of him.

I would like to see the corn be supported at a higher price. What good is our foreign markets, if I can't make any money at the price the Dept. of Agri. sets? In 1956 I sealed corn for $1.48, how in the world do they think we can produce corn any cheaper in 1971? We are suppose to have intelligent people in Washington, they are very intelligent when it came to raising their pay. However, we farmers are getting less for our products in spite of the fact that our operating expenses are costing us more each year. Just what in the world is the matter to expect us to take such a beating?

Something better be done in the regards to the price the farmer gets.

Yours truly,
DONALD WILSON.

BROOK PARK, MINN.,
November 16, 1971.

DEAR SENATOR MONDALE: I am writing concerning the appointment of Dr. Butz as Secretary of Agriculture. I would like to see a man willing to support family-type farming in this position. I do not think Dr. Butz is this type of man and would like your support in fighting his nomination.

Sincerely yours,
ROBERT MONSON.

STATE BANK OF WORTHINGTON,
Worthington, Minn., November 15, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: The appointment of Earl Butz as Secretary of Agriculture is, in my estimation, an insult to the farm families of this nation. During the 50's when Mr. Butz was Assistant Secretary of Agriculture, his greatest efforts appeared to be directed toward the promotion of the corporate farm, and I think his business associations over the years substantiate that and the fact that he is not particularly interested in the survival of the family-type farmer.

On several occasions during his previous tenure in the Agricultural Department, I heard him address bankers' groups. The information he was giving at that time was so worded as to give a false and untrue picture of what was actually happening.

In my estimation, this appointment ranks in the same category as Carswell and Haynsworth, and I hope you will continue to vigorously oppose his confirmation.

Yours very truly,
JOHN R. TROTH.
President.

LAKEVILLE, MINN.,
November 16, 1971.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

We, as family farmers strongly oppose the appointment of Earl Butz as Secretary of Agriculture.

Mr. and Mrs. VERNON W. JENSEN.

WAUBUN, MINN.,
November 18, 1971.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

Membership of Mahnomen County NFO strongly oppose Earl Butz as Secretary of Agriculture.

ERNEST STOCK,
Mahnomen County NFO Secretary-Treasurer.

ROCHESTER, MINN.,
November 18, 1971.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

We find it deplorable that President Nixon has chosen Carl Butz for Secretary of Agriculture. We hope you will block this nomination on behalf of family farms.

MARVIN NELSON.
RAY PETERSON.
THOMAS HEIM.
NORVAL JOHNSON.

KELLOGG, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

I protest the placement of Butz as Secretary of Agriculture.

HENRY ROTT.

ALEXANDRIA, MINN.,
November 17, 1971.

Hon. WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

We oppose the nomination of Earl Butz for Secretary of Agriculture because he resists family farms.

RAYMOND WAGNER.

BRANDON, MINN.

ROCHESTER, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

Save rural America—keep Dr. Butz out of the Agriculture Department.

Mr. and Mrs. PAUL DRENCKHAHN.

MINNEISKA, MINN.

OWATONNA, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

I am a farmer and definitely opposed to Dr. Butz as Secretary of Agriculture.

LESTER BUECKSLER.

FARMINGTON, MINN.,
November 17, 1971.

Senator WALTER S. MONDALE,
Washington, D.C.:

Our personal opinion is that Earl Butz is worst possible choice for Secretary of Agriculture.

Mr. and Mrs. ROBERT JENSEN.

WASECA, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

Stop appointment of Earl Butz as Secretary of Agriculture. We don't need corporation farms at expense of family farms.

ELDRED PHILLIPS.

RUTHTON, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

We need solutions in Agriculture not more problems, keep Professor Butz out.

DELBERT ERICKSON.

BALATON, MINN.

HOLLOWAY, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

I don't support the appointment of Doctor Butz as Secretary of Agriculture. Defeat this.

ROBERT KEENE,
President, Swift County NFO.

UTICA, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

We request your support in opposition to the appointment of Earl L. Butz as President Nixon's choice for Secretary of Agriculture.

HOMER MOTE.

MARSHALL, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

We do not feel that Earl Butz should qualify for Secretary of Agriculture.

VIRGIL GREGOIRE.

LAKEVILLE, MINN.,
November 17, 1971

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

As dairymen, we ask you to vote no on Butz.

FRED HARRIS.

ST. CLOUD, MINN.,
November 17, 1971

Senator WALTER MONDALE,
Washington, D.C.:

We disapprove of Mr. Butz as Secretary of Agriculture.

Mr. and Mrs. LAWRENNCE FREHAMMER.

SAUK RAPIDS, MINN.

WAHPETON, N. DAK.,
November 17, 1971

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

Request a no vote for Butz. He isn't for farmers.

JAMES HASBARGEN WILKINS CO.

FOXHOME, MINN.

LEWISTON, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

Strongly oppose to Butz appointment to Secretary of Agriculture. Urge you work against it.

PAUL MUELLER.

DETROIT LAKES, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

I oppose Butz for Secretary of Agriculture. He's no good for farmers.

VERNON TEIKEN.

COLOGNE, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

Protesting appointment of Earl Butz as Secretary of Agriculture.

Mr. and Mrs. NICHOLAS EIDEN.

WABASHA, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

We don't want Butz for Secretary of Agriculture.

VINCENT EVERSMAN.

JACKSON, MINN.,
November 16, 1971.

Senator MONDALE,
Washington, D.C.:

Vote down Earl Butz.

WM. J. RODER.

DODGE CENTER, MINN.,
November 16, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

Vote against the confirmation of Mr. Butz as Secretary of Agriculture.

LEROY PAULSON.

OWATONNA, MINN.,
November 16, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

Urge you block Butz appointment, we need agricultural secretary who will work for family farmer.

Mr. and Mrs. ROBERT SPRINGER.

COMFREY, MINN.,
November 16, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

Definitely opposed to Earl Butz appointment for Secretary of Agriculture.

DONALD WIESE.

WINTHROP, MINN.,
November 16, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

The squeeze is on the farmer. Throw out lemon Butz. We want grass roots representation.

ORVILLE SAXTON.

HERON LAKE, MINN.,
November 17, 1971.

Senator MONDALE,
Senate Office Building,
Washington, D.C.:

Before nomination of Butz, lots of people dissatisfied, request nonconfirmation.

Sincerely,
KEITH FREKING,
NFO President, Jackson County.

MANKATO, MINN.,
November 16, 1971.

Senator MONDALE,
Senate Office Building,
Washington, D.C.:

I oppose the appointment of Earl Butz for Secretary of Agriculture.

DAVE FREKING.

HERON LAKE, MINN.

MONTROSE, MINN.,
November 16, 1971.

Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:

We do not approve of Earl Butz as Secretary of Agriculture.

Mr. and Mrs. KENNETH PAWELK.

MAPLE LAKE, MINN.,
November 16, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

Protest appointment of Dr. Butz.

DUANE BRYANT.

VERNON CENTER, MINN.,
November 15, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

Urge you oppose nomination of Earl Butz.

JOHN COREY.

MORA, MINN.,
November 15, 1971.

Senator WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SIR: I would like to voice my opposition to the appointment of Earl Butz as Secretary of Agriculture. I do not think he would work for the best interest of the small farmer.

Sincerely,
MARVIN DRESLER.

CROAKSTON, MINN.,
November 14, 1971.

DEAR SENATOR: We are writing you to urge you to support any efforts to defeat the nomination of Earl L. Butz for Secretary of Agriculture. He is not a true representative of the family farmer and it's place in American Agriculture. His interests in agribusiness companies are in conflict with the honest efforts of the farmer. We will appreciate your efforts in our behalf.

Any assistance you can give Congressman Bob Bergland in his efforts to overhaul the Farmers Home Administration would be appreciated.

Thank you for your service to the farmers in Minnesota.

Sincerely,
Mr. and Mrs. DON SIMMONS.

ST. LOUIS, MO.,
November 16, 1971.

MY DEAR SENATOR MONDALE: I do indeed hope that you will do all you know how to prevent Tricky Dick in his tricks to do who is politely called "Phase Out" the farm program—

This new stooge is no different than Cliff Hardin who they placed in a soft berth in Ralston. It took several weeks for Ralston to edge up for the deal after several Educational Institutions informed T. D. that they had "no place for him at this time."

So enter Butz. He is nothing more than a crude stand-in for Cliff.

His record is terrible. So please do to him what T. D. says to do to the farmer "Phase him out."

Your record is excellent. You did not fall for the Lockheed deal and the Penn Central deal.

Another thing, don't fall for these 2 Supreme Court stooges of T. D. They both are terrible, both actually are fit to go along with the Minnesota Twins Burger & Blackmun.

Thanks so much for your supreme efforts for us people in the past.

My good wishes, etc.

CHESTER J. CADLE.

ST. PAUL, MINN.,
November 15, 1971.

Hon. WALTER F. MONDALE,
Committee on Labor and Public Welfare,
Washington, D.C.

DEAR SENATOR MONDALE: I received your letter October 24 concerning the items on public school finance. Although they have not yet arrived I am still hoping they come for my future use.

The reason for this letter is to urge you to oppose or at least investigate the nomination of Mr. Butz to the position of Secretary of Agriculture. My opposition stems from his associates during the Eisenhower administration.

The American farmer cannot afford to have a re-incarnation of the Benson farm policies. I was farming with my father at the time of his disastrous plans, and well recall their effect. Benson's policies resulted in such a large surplus of corn and other feed grains that it took Freeman several years to get corn back to a decent level. The American farmer is not in good economic position today; more Benson-type ideas will only hasten the demise of the family farm in Minnesota and elsewhere.

My father was a solid Republican and Farm Bureau member until the Benson era. Since then, he's been death on Republicans as it relates to farm policy. That's how bad things got when Ezra T. had his way. If Butz still holds to that basic philosophy, woe to the American farmer. I implore you to investigate him thoroughly.

By the way, I'd appreciate receiving the 1971 edition of the Yearbook of Agriculture, and a copy of the 1971 Manpower Report to the President. Thank you.

Also enclosed is a change of address form for your records. Your newsletter still goes to Fairbault.

Thank you again for all your past assistance, and your worthy job representing Minnesota.

Sincerely,
PAUL F. THOMAS.

OWATONNA, MINN.,
November 17, 1971.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:

I, as a farmer, am vigorously opposed to seating Dr. Butz as Secretary of Agriculture.

BERNARD DIETZ.

XUM

ROCHESTER, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
Suggest you vote against Mr. Butz for Secretary of Agriculture.
WAYNE SUHR.
KASSON, MINN.

BLOOMING PRAIRIE, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We are opposing the selection of new Secretary of Agriculture.
Mr. and Mrs. ISADORE GERGEN.

FAIRMONT, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Washington, D.C.:
We don't need more butts in Washington. Too much emphasis on corporation farming now.
GEORGE MATSON.
TRUMONT, MINN.

WAHPETON, N. DAK.,
November 17, 1971.
Senator WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.:
I protest the appointment of Earl Butz, Wilkin County farmer.
ELLSWORTH ETTEN.

ROCHESTER, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
Save rural America. Keep Dr. Butz out of the Agriculture Department.
Mr. and Mrs. ALFRED DRENCKHAHN.
MIZNEISKA, MINN.

ROCHESTER, MINN.,
November 17, 1971.
Senator MONDALE,
Senate Office Building,
Washington, D.C.:
Vote against Butz farmers don't want him.
LOREN BARNES.

NORWOOD, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Washington, D.C.:
I am against the appointment of Dr. Butz as Secretary of Agriculture.
WALTER KRAMER.

ROCHESTER, MINN.,
November 17, 1971.
Senator MONDALE,
Senate Office Building,
Washington, D.C.:
It is my desire that you vote against the appointment of Earl Butz.
Mrs. HYLAH DURST.
KASSON, MINN.

PAYNESVILLE, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
We protest the appointment of Earl Butz as Secretary of Agriculture.
Mr. and Mrs. GERALD BLONIGEN.

WILLMAR, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
We oppose confirmation Earl L. Butz as Secretary of Agriculture. Urge you work against confirmation.
ROBERT LEROHL.

FARIBAULT, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
As a farmer I disapprove of Earl Butz as Secretary of Agriculture.
GERHARDT BLUME.

OWATONNA, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
I urge you to strongly oppose the appointment of Earl Butz as Secretary of Agriculture.
WELDON F. BEESE.

OWATONNA, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
I urge you to strongly oppose the appointment of Earl Butz as Secretary of Agriculture.
GENE PHILLIPS.

COLOGNE, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
Protesting appointment of Earl Butz as Secretary of Agriculture.
CARVER COUNTY.

WAUBUN, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We cannot accept Mr. Butz appointment as Secretary of Agriculture.
MARTIN MATTSEN.

WATERTOWN, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Washington, D.C.:
Am protesting appointment of Butz. He's not for family farm.
Mr. and Mrs. JOE NEATON.

THIEF RIVER FALLS, MINN.
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I protest appointment of Earl Butz as Secretary of Agriculture.
ROY MEHRKENS.

THIEF RIVER FALLS, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I protest appointment of Earl Butz as Secretary of Agriculture.
JENS STEEN.

THIEF RIVER FALLS, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I protest appointment of Earl Butz as Secretary of Agriculture.
CLAYTON JOHNSRUD.
GOODRICH, MINN.

THIEF RIVER FALLS, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I protest appointment of Butz as Secretary of Agriculture.
LEWIS L. STENSETH.

THIEF RIVER FALLS, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building, Washington, D.C.:
Studying the situation I protest the appointment of Earl Butz as secretary of agriculture.
DONALD L. ERICKSON.
PLUMMER, MINN.

THIEF RIVER FALLS, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building, Washington, D.C.:
I protest appointment of Earl Butz as Secretary of Agriculture.
EDWARD L. STUCY.
GOODRICH, MINN.

SPIRIT LAKE, IOWA,
November 18, 1971.
Senator WALTER MONDALE,
Washington, D.C.:
As a family farmer we oppose the nomination of Earl Butz for Secretary of Agriculture.
BERNARD ARP.
JACKSON COUNTY, MINN.

THIEF RIVER FALLS, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I protest appointment of Earl Butz as Secretary of Agriculture.
BENNIE JOHNSON.
GOODRICH, MINN.

THIEF RIVER FALLS, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I protest appointment of Earl Butz as Secretary of Agriculture.
JKE L. CHENESTAD.
OAKLEY, MINN.

THIEF RIVER FALLS, MINN.,
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I protest appointment of Earl Butz as Secretary of Agriculture.
ALBERT KATRBA.
GOODRICH, MINN.

THIEF RIVER FALLS, MINN.
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I do not approve of Butz as Secretary of Agriculture.
GATE H. ANDERSON.

THIEF RIVER FALLS, MINN.
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I protest appointment of Earl Butz as Secretary of Agriculture.
RUSS CULKINS.

ROTHSAY, MINN.
November 18, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I strongly protest the appointment of Earl Butz as Secretary of Agriculture.
Sincerely yours,
WALTER JERGER.

DETROIT LAKES, MINN.,
November 18, 1971.
Senator WALTER MONDALE,
Washington, D.C.:
We protest nomination of Butz as Secretary of Agriculture. We need a friend of farmers.
JAMES G. JOHNSON.

WAHPETON, N. DAK.,
November 18, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
Oppose Butz appointment. Need man who understands farmers' problems.
VICTOR RADIO BRECKENRIDGE.

SAUK RAPIDS, MINN.,
November 18, 1971.
Senator WALTER MONDALE,
Washington, D.C.:
We protest the appointment of Earl Butz as Secretary of Agriculture.
Mr. and Mrs. JEROME MEHRWETH.

DETROIT LAKES, MINN.,
November 18, 1971.
Senator WALTER MONDALE,
Washington, D.C.:
I protest nomination of Butz as Secretary of Agriculture. We need a friend of farmers.
JAMES G. JOHNSON.

GALLAWA, MINN.

BELGRADE, MINN., *November 18, 1971.*
Senator WALTER MONDALE,
Washington, D.C.:
I want to protest the appointment of Mr. Butz as Secretary of Agriculture.
MARVIN H. MORRISON.

BELGRADE, MINN., *November 18, 1971.*
Senator WALTER MONDALE,
Washington, D.C.:
We protest the appointment of Earl Butz as Secretary of Agriculture.
Mr. and Mrs. GEORGE GLIEDEN.

MEDFORD, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
Am opposed to Butz for Secretary of Agriculture. Urge you oppose confirmation.
ALPHONSE WENCL.

ROCHESTER, MINN.,
November 17, 1971.
Senator MONDALE,
Washington, D.C.:
I am protesting the appointment of Butz for Secretary of Agriculture.
JOHN H. WELTI.
PLAINVIEW, MINN.

OWATONNA, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
Earl Butz is not Agricultural man. I ask you not confirm his appointment.
ART CROFT.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building, Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
ARNOLD HILESHEIM.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building, Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
ARNOLD LAND.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building, Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
DONALD SCHILLER.
BROWNTON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building, Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
CLAYTON OVERSON.
GAYLORD, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building, Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
WALTER LEHRKE.
GIBBON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building, Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
MELVIN SCHUET.
GAYLORD, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is no no for family farmers.
SAM WHITE.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmer. Push for a nomination of a farming farmer.
OLIVER KROMMER.
GIBBON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
RICHARD KUPHAL.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
DEAN BRUNS.
GIBBON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
PAUL YOUNG.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience? Butz is a no no for family farmers.
KENNETH GLEISNER.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience. Butz is a no no for family farmers.
RUEBEN NOTHWEHR.
GAYLORD, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience. Butz is a no no for family farmers.
CHARLES WOODS.
WINTHROP, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience. Butz is a no no for family farmers.
BEN KEHR.
GAYLORD, MINN.

XUM

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We have had a professor for Secretary of Agriculture—look what happened to farm prices. How about a Secretary of Agriculture with farming experience. Butz is a no no for family farmers.
ROBERT RUBISCHKO.
GIBBON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmers. Push for a nomination of a farming farmer.
WALTER BUSHARD.
GIBBON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmers. Push for a nomination of a farming farmer.
MELVIN LITZAU.
GLENCOE, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmer. Push for a nomination of a farming farmer.
ARNOLD JOHNSON.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmer. Push for a nomination of a farming farmer.
ROBERT KIZER.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmer. Push for a nomination of a farming farmer.
DENNIS FISCHER.

OWATONNA, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Washington, D.C.:
Oppose Earl Butz for Secretary of Agriculture.
EUGENE MOTL.
BLOOMING PRAIRIE, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.
I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmer. Push for a nomination of a farming farmer.
WALLACE BENSON.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmer. Push for a nomination of a farming farmer.
ROMAN JAUS.
GIBBON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
I am asking you to use your position to stop the appointment of Earl Butz to the position of Secretary of Agriculture. He is not a friend of the small farmer. Push for a nomination of a farming farmer.
ELMER KUPHAL.
GAYLORD, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
HAROLD GROEHLER.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out lemon Butz. We want grass roots representation.
MAYNARD RUCKS.
HENDERSON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out lemon Butz. We want grass roots representation.
HARVEY STOLZ.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out lemon Butz. We want grass roots representation.
ART WISCH.
ARLINGTON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out lemon Butz. We want grass roots representation.
KENNETH SKARO.
GAYLORD, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out Lemon Butz. We want grass roots representation.
TOM FOGERTY.
BELLE PLAINE, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out Lemon Butz. We want grass roots representation.
CLARENCE ANDERLY.
HENDERSON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out Lemon Butz. We want grass roots representation.
CLIFFORD OAKLAND.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out Lemon Butz. We want grass roots representation.
VICTOR KALBASKE.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out Lemon Butz. We want grass roots representation.
RUEBEN JUTZ.
GIBBON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out Lemon Butz. We want grass roots representation.
LARRY BUCHE.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out Lemon Butz. We want grass roots representation.
AL DONNEY.
GREENISLE, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
The squeeze is on the farmer. Throw out Lemon Butz. We want grass roots representation.
EMMETT DRESSEN.
Henderson, Minn.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer—not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
KENNETH PESCHAU.
ARLINGTON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer—not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
JOHN FLOOT.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer—not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
RAY LUDOWESE.
STEWART, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer—not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
VERN PAULSON.

WINTHROP, MINN.,
November 16, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer, not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
LEROY BRIEST.
GAYLORD, MINN.

WINTHROP, MINN.,
November 16, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer, not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
MARVIN STARK.
GIBBON, MINN.

WINTHROP, MINN.,
November 16, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer, not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
DON PROST.
HENDERSON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
KENNETH NARR.
ARLINGTON, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
GORDON POWERS.
GLENCOE, MINN.

WINTHROP, MINN.,
November 17, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
CLARENCE HARBAREARTH.
GAYLORD, MINN.

ROSEMONT, MINN.,
November 16, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
We as family farmers oppose the appointment of Earl Butz as Secretary of Agriculture.
DONALD GERONIME.

WINTHROP, MINN.,
November 16, 1971.
Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.:
President Nixon's appointment of Earl Butz as Secretary of Agriculture is another kick in the pants of American farmers. We need someone with real dedication to help the farmer, not run him off the farm. If you are really concerned about your Minnesota farmers you will raise your voice loud and clear against Earl Butz.
HARLAN LAUWAGIE.

WILMONT, MINN.,
November 16, 1971.
Senator WALTER F. MONDALE,
Washington, D.C.:
We strongly oppose having Earl Butz as Secretary of Agriculture.
A. W. LOOSBROCK.

WILMONT, MINN.,
November 16, 1971.
Senator MONDALE,
Washington, D.C.:
We strongly protest the appointment of Butz as Secretary of Agriculture.
Mr. and Mrs. MARV RADNER.

WILMONT, MINN.,
November 16, 1971.
Senator MONDALE,
Washington, D.C.:
We strongly oppose having Earl Butz as Secretary of Agriculture.
Mr. and Mrs. B. SUERSTENBERG.

KENNETH, MINN.,
November 16, 1971.
Senator MONDALE,
Washington, D.C.:
We strongly oppose having Earl Butz as Secretary of Agriculture.
Mr. and Mrs. CLETIS SPEIKER.

BUFFALO, MINN.,
November 16, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.:
We protest the appointment of Mr. Earl Butz as Secretary of Agriculture.
Mr. and Mrs. HARVEY BEHRENBRINKER.

LAKEVILLE, MINN.,
November 16, 1971.
Senator WALTER MONDALE,
Washington, D.C.:
We as family farmers oppose the appointment of Earl Butz as Secretary of Agriculture.
CLINTON ZWEBER.

LAKEVILLE, MINN.,
November 16, 1971.
Senator WALTER MONDALE,
Washington, D.C.:
We as family farmers oppose the appointment of Earl Butz as Secretary of Agriculture.
E. M. SAUBER.

NORTHFIELD, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Senate Office Building, Washington, D.C.:
As a family farmer I oppose Earl Butz as Secretary of Agriculture.
HAROLD AND JOAN QUINNELL.
RANDOLPH, MINN.

MANKATO, MINN.,
November 17, 1971.
Senator WALTER MONDALE,
Washington, D.C.:
As farmers we do not want Earl Butz as Secretary of Agriculture.
Mr. and Mrs. HAROLD BELGARD.
GARDEN CITY.

STANCHFIELD, MINN.,
November 18, 1971.
Senator WALTER MONDALE,
Senate Office Building, Washington, D.C.:
Urge you oppose Mr. Butz appointment as Secretary of Agriculture.
RAY SUNDERMEYER.

XUM

HUGO, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

Strongly urge you to reconsider the appointment of Earl Butz as Secretary of Agriculture.

LARRY W. EHRET.

SPRING VALLEY, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Washington, D.C.:

Don't want Butz for Secretary of Agriculture. Like putting fox to guard henhouse, all new wealth comes from the land. U.S. short billions of dollars as result of robbing farmers for years Read book Unforgiven.

GEORGE HEIDTKE.

Mr. SPARKMAN. Mr. President, the Mobile, Ala., Press Register, on Sunday, November 14, 1971, published an editorial entitled, "Waste of Vital Resources." The editorial deals largely with some very urgent warnings expressed by the very able and conscientious Representative from Mississippi, Mr. JAMIE WHITTEN. JAMIE WHITTEN has been in Congress for more than 30 years. He has been intimately connected with farm problems and difficulties. His warning is against the wasting away of two of our greatest natural resources—two of our greatest assets in this country—timber and fertile soil.

I hope that every Senator will read his timely warning, and I hope that all of us may take it to heart.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WASTE OF VITAL RESOURCES

Inaccurate as it might be to say that vital American natural resources are vanishing, Rep. Jamie Whitten of Mississippi has sharply focused the spotlight on diminishing natural resources in this country.

He names timber and fertile soil as two conspicuous examples of what is happening.

"About 150 years ago," he told his congressional colleagues the other day, "this country had 8,000 billion board feet of timber. Today we have around 1,600 billion feet left—only 20 per cent of the original stand."

This decline is cause for concern. Mr. Whitten says of the problem:

"This terrible waste of timber resources points up the extent to which our highly competitive economy can deplete a national asset in the generation of new wealth.

"It points up the need for continuing and expanding conservation efforts on a national basis."

Turning from timber to soil, the Mississippi congressman had this to say:

"Only 175 years ago we had 500 million acres of fertile soil in this nation. We have already wasted 200 million acres—40 per cent—and another 100 million acres— 20 per cent—is washing away today.

"It has been estimated that an average of 40 acres of topsoil flow down the Mississippi River each day of the year. Also, estimates are that more than one million acres of arable land are lost to residential areas, highways and other urban developments each year."

This is an alarming drain on two vital natural resources—timber and soil.

Of course much is being done to better protect these vital resources from waste. But quite plainly more could well be done, because the nation cannot afford to see the wasteful drain continue indefinitely.

For the drain of waste to continue much longer would mean not simply diminishing natural resources but vanishing natural resources. Mr. Whitten makes the point in a few words: "Our soil is not an inexhaustible resource."

RIGHTS OF THE MENTALLY RETARDED AND PHYSICALLY HANDICAPPED

Mr. KENNEDY. Mr. President, I wish to emphasize the importance of the resolution on the rights of the mentally retarded and physically handicapped, which I have cosponsored. The resolution would put Congress on record as recognizing the rights of these disadvantaged individuals to the same basic opportunities and protections which are afforded to other citizens.

The resolution would recognize the rights of the mentally retarded and physically handicapped to; proper medical care and physical restoration; education, training, rehabilitation, and guidance; economic security and a decent standard of living; the benefits of family life and community participation; the protection of a qualified financial or legal guardian when necessary; and protection from exploitation, abuse, and degrading treatment.

I and my family have long been concerned with the problems of the mentally retarded. After the Second World War my parents established the Joseph P. Kennedy, Jr. Foundation in memory of my oldest brother. The foundation has been devoted to alleviation of mental retardation. Over the past 25 years the foundation has sponsored a variety of programs for the mentally retarded, including research, treatment, training, physical fitness, professional training, and programs of public understanding. Perhaps the best known example of these efforts are the special olympics for the mentally retarded, which have demonstrated their determination and ability to excel at athletics.

From our work with the retarded, we have learned to respect and admire their great courage and capacity to contribute to society and to enjoy life to the fullest, when afforded the opportunity to do so.

The resolution would be an important step toward assuring them those opportunities and protections to which all human beings are entitled.

The United Nations General Assembly will be debating a similar resolution later this month. At the meeting of the United Nations Commission on Social Development last March, 22 nations expressed their support of a Declaration of the Rights of the Mentally Retarded.

It is important now for the U.S. Congress to signify its firm support for this important advance in human rights. I urge all Members of the Senate to support the resolution.

COMBATING ALCOHOLISM

Mr. MAGNUSON. Mr. President, a recent series of articles by Don Duncan of the Seattle Times draws attention to a serious problem faced by almost every American community.

Mr. Duncan's perceptive reporting has resulted in what I believe to be an excellent portrayal of how one community is combating alcoholism. The Seattle-King County Commission on Alcoholism has commended the Seattle Times and Mr. Duncan for the service they performed in this highly informative series.

In order that more people may have a chance to learn of this work, with potential value to every community, Mr. President, I ask unanimous consent that the series of articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Seattle Times, July 18, 1971]

THE TIMES LOOKS AT ALCOHOL PROBLEMS

(By Don Duncan)

Today The Times begins a series on alcohol that may be educational, controversial, depressing or enlightening, depending upon one's viewpoint.

It is not intended to be the last word on the subject. But, hopefully, it will trigger level-headed discussion.

Some historians feel alcoholic beverages from fermented berries may have predated the wheel in man's slow climb from caves to split-level homes.

For many, alcohol has been a joy. For others, a curse.

Fifty million adult Americans are said to drink alcoholic beverages socially with no measurable ill effects. Although their alcoholic consumption may vary considerably, they exhibit rather uniform, controlled behavior patterns when drinking.

These "I-can-take-it-or-leave-it" drinkers enrich the public coffers with their beverage purchases. And they probably will chuckle, rather than be defensive, over these words once penned by Dr. William Osler, noted physician:

"Alcohol does not make people do things better; it makes them less ashamed of doing them badly."

For these responsible drinkers and for the estimated 27 per cent of adults who are teetotalers or who drink so seldom as to be statistically negligible, this series will touch their lives only as they can relate to the less-fortunate persons who do not, and often cannot, drink responsibly.

For those who have a problem with alcohol—either occasional or chronic—and for their spouses, children, relatives, friends and employers, this series may mean far more. They, too, number in the millions.

Dr. James Milam, psychologist and cofounder, with Dorris Hutchison, of Alcoholism Center Associates, Kirkland, puts society's dilemma over alcoholism this way:

"We do not outlaw sugar just because some people have diabetes. We should not outlaw alcohol just because some people are alcoholics.

"But no thinking person suggests we should not have researched the causes of diabetes and found the controlling agent, insulin. We cannot in good conscience do less with the tragic and fatal disease known as alcoholism."

[From the Seattle Times, July 18, 1971]

ALCOHOL—THE DOMINANT DRUG

(By Don Duncan)

Alcohol is this nation's most used drug—not marijuana, or "speed" or heroin. Researchers estimate alcoholics outnumber other "drug-dependent" persons by about 60 to 1.

If heroin is a quick plunge into hell, alcoholism can be likened to death on the installment plan.

Alcoholism—a progressive and finally total breakdown of the body's resistance to the depressant drug, alcohol—has been called the nation's No. 1 public-health problem.

But few seem to really believe it.

The mental block is explainable. While the disease of alcoholism is not socially acceptable in most circles, the causative agent, alcohol, is. Thus our hesitancy to make a serious, massive assault on the problem.

36 MILLION ARE PROBLEM DRINKERS

Dr. Morris E. Chafetz, head of the National Institute on Alcohol Abuse and Alcoholism, said recently there are 36 million problem drinkers in this nation.

Of that number, Dr. Chafetz added, 9 million are full-blown alcoholics. That figure is rising by 100,000 a year.

Our nation's alcoholic population is equal to every man, woman and child in the states of Washington, Oregon, Idaho, Nevada, Utah, Montana, Alaska and Hawaii.

Alcoholism is highest in urban areas. But suburban housewives compose the fastest-growing group of alcoholics and problem drinkers.

San Francisco, often called the nation's most sophisticated city, also holds the dubious distinction of having the highest alcoholism rate.

55,000 ALCOHOLICS IN KING COUNTY

The Seattle-King County area has an estimated 55,000 alcoholics and about 200,000 problem drinkers—more than 60 per cent of the state's total.

Alcoholism researchers say alcoholics die an average of 10 to 15 years sooner than do social drinkers or non-drinkers.

Dr. Chafetz says the disease of alcoholism claimed 86,000 lives nationally last year, excluding traffic accidents. Only France, which has annual per capita consumption of 65 gallons of wine, has a higher rate of cirrhosis of the liver.

Cirrhosis is the most common organic cause of death in alcoholics, although victims of alcoholism also are more prone to cardiovascular and pulmonary ailments.

Many alcoholics have a more lingering, tragic end, however—incarcerated in mental institutions or walking the streets with permanent brain damage.

Excessive use of alcohol—.1 or more alcohol in the bloodstream—has been linked to at least 50 per cent of the nation's 56,000 annual motor-vehicle fatalities.

Every two years, on the highways alone, irresponsible drinkers account for more than our total loss of lives in Vietnam.

Our state had 871 traffic fatalities last year. A recent Washington State Safety Commission report indicated alcohol-related traffic deaths in the state are up 27 per cent so far this year.

10,000 DRINKING DRIVERS ARRESTED

There were 10,000 arrests in King County last year for driving while intoxicated. About 12 per cent of those arrested were repeat violators.

Jack Nelson, director of the State Department of Motor Vehicles, estimates that 5 to 7 per cent of all drivers on the highway have a serious drinking problem.

The costs of alcoholism are enormous. The debit side of the ledger for one of the great tax producers is only beginning to be calculated.

Dr. Chafetz says alcoholism costs $15 billion annually in injuries, property damage and welfare.

A United States Senate subcommittee on alcoholism last year estimated that an alcoholic costs his employer 25 per cent of his salary because of poor performance, higher accident rates and absenteeism.

A spokesman for the National Council on Alcoholism has estimated the annual cost to industry at between $4 billion and $7.5 billion, with the larger figure probably more realistic.

It would be impossible to put a price tag on the lives lost or the shattering impact of alcoholism on marriages and children.

In Los Angeles County, which keeps detailed records, alcohol was found to be a primary cause in 75 per cent of divorces. In King County, alcohol was found to be a contributing factor in 30 per cent of 100 divorce cases taken at random.

Alcoholics Anonymous, the world-wide organization dedicated to helping alcoholics, has a rule of thumb that every alcoholic has a profoundly tragic effect on the lives of at least seven persons.

Americans spend an estimated $20 billion annually on alcoholic beverages of all types.

The number of beverage labels is enormous. The Washington State Liquor Control Board last year received samples of some 33,573 different distilled-spirit labels and 36,007 brands of wine available in the United States. Figures on beer labels were not readily available.

Dr. James Milam, psychologist and president of Alcoholism Center Associates, Kirkland, estimates that the nation's 9 million alcoholics account for about half the sales.

"Since alcoholics outdrink social drinkers, 10 to 1, they are the major consumers of the product that is killing them," Dr. Milam said.

In Washington State, $166 million worth of liquor, wine and beer was sold last year. This amounted to 77.2 million gallons of all types of alcoholic beverages, excluding sales on military establishments. That works out to 22.89 gallons for every man, woman and child in the state, or a 7.92 per cent increase over 1969.

By way of perspective, the money spent on alcoholic beverages in this state last year would have built 10 domed stadiums, financed 28 school levies similar to the one defeated with such disastrous results in the Shoreline School District, or paid the salary of the state's governors for the next 5,000-plus years.

LIQUOR SALES UP DESPITE RECESSION

Despite the most severe recession in the state since the depression of the 1930s, liquor sales for December, 1970, were up 3.34 per cent over the preceding year. A decline in hard-liquor sales has been compensated for by more sales of beer and wine.

Some $62.5 million in liquor profits, taxes and license fees was distributed this year to various arms of government throughout the state. The annual tax windfall is much prized by its recipients.

About 2 per cent went into alcoholism treatment and research.

A DEADLY WAY OF LIFE IN AMERICA: FEW VOICES ARE RAISED AGAINST BILLION-DOLLAR DISEASE

Americans, become indignant over smut in the mails, reports of diluted hamburger, unsolicited credit cards and the cutting of a favorite tree—none of which is fatal.

But few voices are raised over a monumental and deadly disease like alcoholism, which destroys lives and costs billions of dollars.

Hard liquor, wine and beer are the legal, accepted social lubricants in our nation. The frosted glass, the amber fluid in the bottle, the tinkling ice are a way of life in many circles.

Beer belongs. Wine is friendly. Whiskey denotes men of distinction. There's pride in being able to afford an expensive brand of Scotch.

Alcoholic beverages are consumed by leaders of government, business, the professions and, in many instances, the church. One man unwinds with his six-pack, another with his martinis.

"Belong" or not, its existence can no more be denied than our rainy weather.

It is consumed in considerable quantities by many of our lawmakers when they are deliberating in Olympia. The Heads Up Center, which fights drug and related problems among Eastside teenagers, had a cocktail party as a fund-raising device a few years back.

It is considered masculine for one to be able to "hold his liquor." But there is more than a little tolerance for those who cannot, until they become burdensome.

The drunk, as a sort of lovable, laughable W. C. Fields, is part of American folklore, a staple movie comic—at least until "The Lost Weekend" and "Days of Wine and Roses" depicted him as far more tragic than funny.

The disease of alcoholism cuts across all social and economic lines. No one who drinks has a built-in tolerance endowed by education, accomplishment or moral virtue. But there are some indications that certain ethnic and cultural backgrounds that have used alcohol since antiquity may be less prone to the disease, perhaps through an evolutionary weeding out of alcoholics.

The "may" should be emphasized. Studies have shown that Jews who have fallen away from orthodoxy have a rising rate of alcoholism and may have lost some of their "immunity" to the disease.

We swept our social debris—the unesthetic public inebriate—from Seattle's sidewalks with 10,145 arrests in 1969. A third were repeaters.

A Senate subcommittee on alcoholism reported that of the nation's 5.8 million arrests in 1969, 1.9 million—or a third—were related to the misuse of alcohol.

Police traditionally have been reluctant to interfere in family squabbles often very physical, that grow out of alcohol abuse.

The man who commits a crime "under the influence" is not necessarily excused, but he is understood by many in society who recall their own occasional excesses and think, "There but for the grace of God . . ."

There persists in the public's mind the belief that alcoholics are unshaven, out-of-work bums staggering on the streets and sleeping on benches. Yet only 3 to 5 per cent of alcoholics fit this Skid Row image of wretchedness.

The overwhelming majority of alcoholics function, to greater or lesser degrees, on jobs and as housewives, until they hit bottom and accept their disease or until they die or suffer incapacitating brain damage.

An alcoholic is one who has been diagnosed by a physician or one who admits to himself and to others that he is very sick and no longer has any control over alcohol.

There is no such thing as a "cured" alcoholic. The disease of alcoholism is incurable. Alcoholics do, however, recover through total abstinence.

Millions affected by alcoholics have tried once, twice, even 100 times to prove that once recovered they, too, can "drink like a man" or "learn to drink like a lady." Always and unfailingly the results have been disastrous.

There are in King County some 20 agencies, variously funded and offering a wide variety of alcoholism services, aimed primarily at the indigent 5 per cent of the population and the marginally poor 15 per cent.

The remaining 80 per cent have the option of using some of these facilities, going elsewhere in the state or nation for treatment or entering one of the three private treatment centers here—Shadel Hospital, Alcoholism Center Associates or The Studio Club.

There has been a tendency in the past for various lay and professional workers in the field of alcoholism to regard their methods as "the best" and often "the only way to deal with the problem."

Psychiatrists, social workers, physicians, recovered alcoholics, temperance groups and Skid Road missions, too often have guarded their little empires.

XUM

While some jealousies continue, there is far more dialog between agencies, public and private, than ever before. All involved with the problem of alcohol abuse are coming to realize that just as alcoholics differ in personality, if not in physiological dependence upon alcohol, so they will respond in different ways to the variety of approaches aimed at arresting their illness.

But any approach is worthless that is not rooted in absolute, continuing sobriety.

One hears frequent reference to treating the "whole man," a recognition that not only his physical, but also his psychological and spiritual needs must be met if he is to attain and continue sobriety.

And the treatment must not stop there. It also must be buttressed by family counseling and a host of related social services.

There are signs of stepped-up public education on alcoholism, an area which with few exceptions has been pitifully meager compared to the powerhouse programs aimed at socially unacceptable drugs.

There still is a reluctance on the part of some professional as well as laymen to do more than pay lip service to the diagnosis of alcoholism as a recognizable, patterned, treatable "disease."

No less than the American College of Physicians, in pointing up the urgency of dealing with alcohol as a health problem in its meeting last spring, termed alcoholism a "disease," an "addiction" and a "habit" in various places in its report.

Medical-insurance plans, many hospitals and a vast majority of the nation's businesses long have pointedly ignored the alcoholic, literally signing his death warrant through apathy or ignorance.

Dr. James Smith, director of Shadel Hospital, says he is "not about to bless marijuana today.

"Furthermore," Dr. Smith adds, "if I had sat on a Food and Drug Administration board 7,000 years ago I'd have turned down alcohol."

QUICK PRIMER TO DANGER SIGNALS—WHERE DO YOU FIT IN?

A quick primer on the danger signals of alcoholism once was prepared by Dr. Paul O'Hollaren, former director of Shadel Hospital.

Dr. O'Hollaren's scientific chart, resulting from case studies of men who began drinking at ages 18 and 19, frequently is cited by local researchers.

It ranges from a developmental zone to an overt-alcoholism zone to a deterioration zone.

The total elapsed time from social drinking to the deterioration phase is about 18.4 years.

How do you stack up?

Developmental zone: Social drinking, once a month, once a week, faster, more doubles, more drunk, drunk anytime he drinks, jealously protects his supply for the weekends.

Overt alcoholism zone (optimal treatment phase): Drinks before breakfast, drinks alone, drinks to still hand tremors, requires far less than normal amounts to get drunk, has blackouts, admits the problem to himself and finally to others.

Deterioration zone: Delirium tremens, general fatigue, sleeplessness, extreme vitamin deficiency, extreme nervousness.

Some alcoholics skip a few steps. A few have been known to accelerate the schedule to as little as 12.5 years. Others have stretched it out.

But the average age for men at Shadel, the "high-class" treatment center, and at Cedar Hills Treatment Center in Maple Valley, for court referrals, is identical: 42.5.

By not remarkable coincidence, the average age of Skid Roaders and others brought into the Seattle Treatment Center from the drunk tank is 43.

The bank president and the so-called bum usually get there about the same time.

Dr. James Smith, present director of Shadel, says the only reason the president of General Motors wouldn't wind up on Skid Road if he were an alcoholic is that "his bank account would hold out longer than his liver."

[From the Seattle Times, July 19, 1971]

ALCOHOLICS ANONYMOUS—SALVATION OF THOUSANDS

(By Don Duncan)

Sometimes you get in on a birthday party, complete with cake and "Happy Birthday," marking one, two, three or maybe 20 years since someone was "reborn" into sobriety.

Other times you just sit and absorb the friendly atmosphere and drink coffee. Alcoholics drink enough coffee to float the Skagit Belle.

There are 67 Alcoholics Anonymous groups in the Seattle-King County area. There are 90 A.A. meetings a week. Earlybird, noon and night.

A white-collar worker or an executive secretary may feel more comfortable at a Laurelhurst-Windermere meeting, or at one on Mercer Island or the fastest-growing of all, in Bellevue.

Those who prefer a greater socio-economic mix, might find Fremont or Ballard or West Seattle more to their liking.

Vern H., who puffs his pipe and dispenses information at A.A. intergroup headquarters, Fourth and Pike Building, can steer you to the right one. Dial MA 3-3909 for help 24 hours a day.

Vern might even bend your ear with his patented joke:

"We expect you to go to 90 A.A. meetings in 90 days at the outset. Then if you don't like us, we'll refund your misery."

A.A. was founded in 1935 by a former New York stock broker and an Akron, Ohio, surgeon. Photographs of the late Bill W. and Dr. Bob are in every A.A. meeting room in the world. That is a lot of photographs, because there are some 10,000 local A.A. groups in this country and Canada and countless more in 90 other countries.

A.A. is nonprofit and accepts no contributions from any but its members. Members foot the bills for all their expenses and hall rentals.

Take a typical A.A. meeting on a recent rainy night. Maybe 30 men and women sat around the table. A young man lurched up the steep, long stairway and plopped into a chair next to the wall. He was not part of the circle, but it was his third such visit in three days. He was moving closer and nobody wanted to scare him away.

First names only are used. And when a speaker identifies himself, a cheery "Hi, Don," "Hi, Charlie," or "Hi, Gladys" rings in the room.

They all start the same way, just as Dr. Bob and Bill W. taught them. "I am Bill W. and I am an alcoholic." It is not an easy admission to make the first time.

They tell their stories in testimonial style, the way those reborn in Christianity or faith-healed used to do in midweek prayer meetings. Each had sunk to his personal bottom and then climed out of the pit, occasionally falling back but oh so grateful that A. A. was his lifeline.

Many speak of their dependence upon the serenity prayer adopted by A. A.:

"God grant me the serenity to accept the things I cannot change, courage to change the things I can, and the wisdom to know the difference."

It contrasts sharply with paintings on the walls—of men on park benches, stupified by alcohol, while the raw winter winds swirl around them.

"I'm Chuck and I'm an alcoholic."

"Hi, Chuck."

Chuck could identify with the members of A. A., "because whether we're from the Skid Row or the Top of the Hilton, we're all alcoholics."

"I'm Lee . . ." Lee is a woman of middle age, and she shows every one of her years.

"I drank all my adult life," Lee said. "I was married to a naval officer. The height of his ambition was to teach me to drink like a lady. I couldn't. I drank myself right out of the marriage, and I married myself a drinking buddy the second time. I learned to mix amphetamines and other drugs with alcohol to speed the effect. That, I can tell you, is a quick way to the grave."

Lee continued:

"My last marriage was violent. And I was the most violent part of it. I came to my first A.A. meeting drunk. I tried to talk and I cried. That was three years ago. I fell back once. It took 11 months for me to get straight again.

"My son is hung up on drugs. My daughter has had three nervous breakdowns. I come to six meetings a week. Sometimes I'm happy. Sometimes I'm desperate."

"Hi, George . . ." George is graying. He chews on his pipe. He says:

"It works. A. A. works. Many days you ask yourself why can't I drink? Why did this have to happen to me? I spend a few years and many thousands of dollars practicing learning to drink.

"I tried all the tricks—eating first, sticking to the same brand, sipping water or olive oil to soak it up, and no matter what I did I wound up drunk, on beer, on hard stuff on anything.

"I made jail. I ran into ditches. I never figured I drank too much. Everybody else did, but not me. To prove I could take it or leave it, I mashed a fifth of whiskey on the sidewalk. I'd show them.

"Then I made a beeline for the nearest saloon."

"I'm Frances, and I'm an alcoholic." Frances was a little older than most in the room, a frail, fidgety woman. She has a 20-year-old son, a top student in high school and a 4.0 average his most recent quarter at the University of Washington in chemistry and physics.

Frances spilled out her story:

"He came to visit me tonight to show me his latest grade sheet. Tall, golden blond hair and such a nice smile. I wanted to hug him and tell him to please come back to me. But he won't.

"He left because of my drinking, and I thought to myself tonight, 'Oh, God, what did I do? I was a wino, a 24-hour-a-day wino. I drank myself into a stupor the night of my son's high-school graduation party. I just lost a couple of days of my life. I see him and I don't know how I could destroy anything so precious."

Ann is a pretty woman. She comes to A.A. to "keep my sanity." She added:

"I have lots of false pride. It is a minute-by-minute struggle, sobriety. Everything I go into, I go into with both feet. I went into drinking that way."

"I'm Jim . . ." Jim is good-looking, husky, partly gray.

"I try to come here daily. I'm not overwhelmed by everything I hear here. I get discouraged by my own inarticulateness at times. I've been able to accept the idea I don't have to drink, though. I hung onto the old idea for a couple of months. I'd think, 'I'll go out of town and drink and nobody in A.A. will be the wiser.' But the third time I did it, the idea went away."

"I have accepted the idea that this higher power—call him God—wouldn't lay on me any troubles he wouldn't give me the strength to handle. I lived 25 years in ding-a-ling land. I did a lot of damage to my children, who aren't children anymore. What can one do to apologize? I guess we being making amends when we stop acting like psychos."

"I'm Barney . . ."

At the conclusion, all stood, bowed their heads and recited The Lord's Prayer.

The young inebriate reeled from his chair and managed to negotiate the long, steep stairway once more.

The words of a local Catholic priest who recovered from alcoholism came to mind.

"A.A. works because God works."

[From the Seattle Times, July 20, 1971]

AL-ANON AND ALATEEN: HELP THROUGH UNDERSTANDING

(By Don Duncan)

The setting was a church rectory on Capitol Hill. Suzy said:

"The best thing I learned was that I wasn't the reason for his drinking. When I accepted this, I then realized I couldn't change him. I then changed my life to raise my kids better. My daughter is starting to smile and talk now."

Suzy is a member of Al-Anon, an organization for the spouses of alcoholics. There are 32 Al-Anon groups in the Seattle area and male members are welcome, too. Eastside groups have a particularly large number.

Elsewhere in the city that night another meeting was going on. The setting was an upstairs room in a rather ramshackle building. Youngsters sat around sipping soft drinks, a few smoking, and always talking.

Ann: "They forget things they say they'll do, like promising to take you fishing. 'Just wait till next month or next summer,' he'll say."

Bill jumped in with: "My mother is always saying, 'Where did I go wrong?' And my dad, he cries when he gets drunk. I wouldn't believe it the first time my dad cried. Dads are supposed to be strong. It really tears you to see them cry."

The graying woman leading the discussion said, "Everybody in the family is sick when someone drinks. We continue to love them and try to understand their problems."

Ann and Bill are members of Alateens, an organization for the teen-aged children of alcoholic parents, one or both. They have six weekly group-therapy sessions throughout Seattle.

Both Al-Anon, started by the wife of a founder of Alcoholics Anonymous, and Alateens are separate from A. A. But their programs are patterned after A. A.'s 12-step approach to sobriety.

The difference is that while A. A. members admit their powerlessness over alcohol, Al-Anon and Alateen members admit their powerlessness over an alcoholic mate or parent and they try to bring order out of their chaotic lives through shared understanding.

For further information about either group write to Al-Anon Information Service, P. O. Box 1361, Seattle 98102, or call CH 6-0767.

The women in the church rectory were of all ages—married, separated, divorced. They had all tried pleading, crying, threatening and arguing. My, how they argued.

The boys and girls in the cramped upstairs room were caught in the middle, frequently put on the spot to arbitrate quarrels between their parents that were more childish than any they saw on the playground. Sometimes siding with one parent or another brought a physical beating.

Many spoke up at the Al-Anon meeting.

Beth: "I realize now I was often wrong in my reactions to his drinking. I was better off when I let him suffer the consequences of his mistakes than when I tried to bear them for him. One day when the boss called and my husband had a terrible hangover and said, 'Tell him I'm sick,' I just said very coolly, 'Here's the telephone, make your own excuses.' "

Shirley: "My husband fell off once on a recent two-week trip. In the past, I'd have blown up at him. But I handled it very serenely. When he got home, he'd gone long enough, though, and he really fell off. But I have learned not to fight with him."

Virginia: "I've learned through Al-Anon that the only person I can manage is myself. We're separated now. I understand he has been sober six weeks."

Dorothy: "Our boy is straightening out now. I'm grateful. I go twice a week to Al-Anon meetings."

Marg: "My greatest discovery is that allowing people to be dependent upon you is a sign of weakness, not strength."

Julie: "I try not to think of the past or the future, but to live today. Each morning is a new birth. Each evening is a death."

Sally: "Last Thursday was one of the roughest days of my life. My divorce was final. But I divorced him with love and not hate. If I'd gone on any longer, it would have been with hate. I simply couldn't afford to pay for his drinking any longer."

Kathy: "We now have five years of sobriety at our house and we're now communicating in almost all aspects of marriage."

Mary: "My husband has been drinking 25 years. He never lost his job. But he no longer could control his drinking. I joined Al-Anon. My husband joined A. A. He has been on the program six months. I live day to day."

And finally a very young woman: "It has taken me three years to realize my husband has a drinking problem. It's so hard to go out to social things. All our friends drink and I don't. I feel out of place."

Most Alateens don't drink either. But the odds on their becoming problem drinkers is higher for those whose parents do have a problem. One listens to their tales of disgust concerning how alcohol has warped their lives and wonders why they would ever chance the first drink.

The room crackled with dialog:

"I get caught in the middle of my parents' fights."

"Yeah, my oldest brother got in the middle and got belted."

"Parents are always asking, 'Who's right, me or him?' "

"My parents keep score on arguments. Really, like a couple of kids they are always trying to one-up each other."

"They try to buy my affection when they've been drinking."

"My father went just nuts. He took me and my brothers and sisters to the Seattle Center to make amends for his behavior. He blew $300. The works. Rides. Dinner in the Space Needle. Would you believe it? $300."

"It's hard to study at home because of the fights. It's embarrassing to bring kids home, because you don't know what you'll find. You make all sorts of excuses."

"I get headaches trying to figure it out."

"My dad writes me letters from jail, always promising to make everything up to me."

"My dad calls me from jail. He needs bailing out and wants me to get the money."

"My dad has been to those places they send you as a chronic drunk. He can really make things with his hands. You feel, 'Look at what he can do, just look at the beautiful things he can make.' Then he gets out and pretty soon he says, 'Your mother drives me to drink.' "

"You ever been around kids without an alcoholic dad, and they say, 'I've got a neat dad,' and I think, 'What's my dad ever done good for me?"

"My dad is like one of the children. Mom isn't his wife, she's his mother."

"I've lived in four homes and this is my fifth one. All foster homes. My real parents were drunk all the time. What's a real, normal home like where you're their real daughter and loved? How can I ever know so I can have one myself someday?"

[From the Seattle Times, July 21, 1971]

SHADEL HOSPITAL OFFERS ALTERNATIVES

(By Don Duncan)

Men in colorful, identical bathrobes sat in soft, theater seats and listened to the youthful-looking physician tell them that "most people have been brainwashed about the disease of alcoholism."

Dr. James Smith, director of world-famous Shadel Hospital, 12001 Ambaum Blvd. S.W., pulls no punches in a lecture which can be attended by persons interested in alcohol problems by telephoning in advance to CH 4-8100.

The men, having laid out $1,325 to come to Shadel—as men and women have been doing since 1935—were in for a very busy 14 days in the first-class hotel-like complex. At the end they not only would not care to drink, but they probably would be unable to stomach the sight of a liquor advertisement.

The aversion, alas, does not last a lifetime. There comes a time when it comes right back down to the man himself.

Shadel's stocks in trade are sodium pentathol-induced deep sleep and conditioned-reflex aversion therapy. An emetic used in therapy builds the aversion.

Several return visits the first year are part of the basic fee. "Booster" treatments of the drugs are given.

Dr. Smith explained to the men in bathrobes the physiology of alcoholism and some of the highly technical research being done on blood types, color blindness and taste buds to find clues to alcoholism. He has written his own research findings for learned journals.

The recovered alcoholic, Dr. Smith said, may well develop an intense craving for sweets. He also may substitute heavy coffee drinking for alcohol.

"The volume of alcohol one consumes is not the unfailing distinguishing feature between alcoholics and non-alcoholics," he added. "There are rare birds who can drink a fifth a day without being alcoholics. But I can wager that 99 per cent of those who drink that much are alcoholics."

Alcoholism is one of the few diseases in which almost every area of the body may be affected, Dr. Smith said. But the hardest hit are the central nervous system, cardiovascular system, liver and brain.

Dr. Smith continued:

"No psychiatrist, Alcoholics Anonymous or us can convert an alcoholic into a social drinker. The best we can do, or anybody else can do, is to convert the alcoholic into a nondrinker."

Each patient had been given a liver-function test upon admittance. All were eagerly awaiting the results. Dr. Smith told them not to be too cocky if they had a good reading or to be too depressed if their liver was functioning far below normal.

Livers can degenerate quickly if one resumes drinking. They can regenerate, in part, if one stops.

In tracing the predictable path of the alcoholic from social drinking to social and physical disaster, Dr. Smith paid tribute to the "tremendous ingenuity that goes into hiding bottles."

One fellow hid them in the air filter of his automobile, stopping now and then to put up the car hood and pretend to fix something, thereby sneaking a nip when his wife couldn't see him. Another rigged up an ingenious device so he could sip from a tube attached to his windshield washer. A woman hid liquor in vinegar bottles around the house. And a classic case was the secretary who bought inflatable "falsies" and sipped from a straw.

Delirium tremens and convulsions, which may occur as a result of withdrawing an alcoholic from the drug he needs, can be fatal without proper medical treatment, Dr. Smith said.

XUM

Left alone, about 15 to 20 per cent may die of D. T.'s if they are relatively young. The death rate soars as high as 40 per cent if they are over 50.

"But with good treatment," Dr. Smith added, "no one needs to die."

No, Dr. Smith said, he never had run across a person with D. T.'s who ever saw a pink elephant.

"But," Dr. Smith added, "I have seen them battle some pretty awful hallucinations. And again, I've seen them very calm, watching a television show—with only a blank heat radiator in their rooms as a screen."

The "Olympic" record for D. T.'s at Shadel is four weeks. The record for blackout is two months, set by a salesman.

Nobody in the room seemed in the mood to try for any new records.

Patients soaked up more things they needed to know to survive. Stay away from cough syrups containing alcohol. Never, but never, buy any over-the-counter medicines with alcohol as a base.

"The drink for old Aunt Tillie before dinner is silly. It is no earthly good for her heart.

"And I would recommend that every one tell his child not to drink. And I would demand that every child of mine got education on the subject.

"I'd also like it to be known by all in the alcoholism field that if you treat only the psychological problems, the best you can hope for is a well-adjusted alcoholic.

"For goodness sake, don't trade in one addiction for another like barbituates or many of the tranquilizers available on the market.

"Take your vitamins regularly. You are sadly depleted vitamin-wise."

Later Dr. Smith said he has a standard answer for those who say the cost of treatment at Shadel is too high.

"Listen, if you stay off liquor for seven months, and you bought only whiskey at the liquor store, you'll save the entire cost in booze money. If you bought at the bar, you can get it back a lot sooner."

During a tour of the facilities, Dr. Smith showed a room stocked with enough bottles of name-brand liquors, wines and beers to make an alcoholic think Christmas had come early. Alongside the bottles were enticing liquor advertisements.

This was the room where patients would undergo conditioned-reflex aversion therapy, and where they would learn to get sick every time they tasted the one thing they could not live without a few days earlier.

[From the Seattle Times, July 22, 1971]

FIGHTER AGAINST DRINKING IS INTENSE, TIRELESS

(By Don Duncan)

It is doubtful if anyone in the Seattle area is a more tireless fighter for reform in the field of alcoholism than is Dr. James Milam, president of Alcoholism Center Associates, Inc., 10240 N.E. 132nd St., Kirkland.

The psychologist is intense, outspoken and sometimes controversial. But no one questions his dedication or his intimate knowledge of the services available to alcholics.

Dr. Milam does not mince words. His scorn is ill-disguised when he speaks of those who want to treat the alcoholic's psychological deterioration before they get him off the booze.

"You can't talk sense to a man whose drinking is out of control," Dr. Milam says.

"A drinking alcoholic is the world's most practiced liar. Sober, he has no more crippling neuroses and psychoses than the rest of the population. There are about 15 per cent with 'the crazies' in this nation, and they are proportionately divided between alcoholics and nonalcoholics."

Dr. Milam adds:

"However, alcoholism causes psychological disturbances and regressive behaviors that are far more profound than similar symptoms in the garden variety of mental illness. Traditionally these psychological symptoms have been mistaken for causes of alcoholism."

Alcoholism Center Associates, Inc., is a private program, featuring a comprehensive range of treatment services and a "sequence of care adapted to the needs of the individual."

Treatment components include hospital detoxification, resident and outpatient care, family counseling. Alcoholics Anonymous orientation and diagnostic and referral services.

One of the prime ingredients is Dr. Milam's hard-hitting lectures for alcoholics and their relatives.

Like Dr. Smith's lectures at Shadel Hospital, they are open to persons interested in the field of alcoholism. Appointments may be made by calling 822-1269, Kirkland.

The lectures contain the basic elements of what Dr. Milam calls "The Emergent Comprehensive Concept of Alcoholism," spelled out in a 40-page booklet he has published to counter what he feels are myths of too-long-standing regarding alcoholism.

Reversing what Dr. Milam says is the prevailing belief, the "emergent concept" views alcoholism as a "primary, progressively pathological reaction to alcohol, regardless of premorbid personality or social variables."

It is Dr. Milam's expectation that the "emergent concept" will be a breakthrough in alcoholism comparable to the founding of A.A. and Shadel Hospital in 1935.

Mrs. Marty Mann of the National Council on Alcoholism already has hailed it as a wave of the future and Dr. Milam rapidly is gaining national recognition as an authority on alcoholism.

The cheerful, spacious lecture hall is filled as Dr. Milam begins his lecture. Well-dressed persons, some chain-smoking and many drinking coffee, listen intently.

They include a crew-cut, white-haired man with military bearing, a handsome woman of middle age who might once have been a model, two pretty, black-skinned young women with a man who appeared to be their father, an obviously upper-crust family among whom one person—you couldn't guess which—was an alcoholic.

"People throughout history have thought of alcoholism as a symptom," Dr. Milam said. "Everybody from Dear Abby to psychologists talk about the alcoholic being a loser in school, immature, shy, easily recognizable early in life. This simply is untrue.

"Countless persons with these characteristics never become alcoholics. Furthermore, head injury, illness, all sorts of things can reduce one's ability to tolerate alcohol and lead to alcoholism. And, because of inherent susceptibilities many normal, moderate drinkers graduate innocently into alcoholism.

"It is a physical problem, plain and simple, but with profound psychological consequences. And it's a shame that for the past 15,000 years we've had the idea, perpetuated by professionals, that alcoholism primarily is psychological in nature."

Dr. Milam thinks plenty of money is being laid out in the public sector for alcoholism treatment. He believes the private sector—"80 per cent of alcoholics are not poor or indigent"—largely has been ignored.

Dr. Milam does, however, pay tribute to Cedar Hills Alcoholism Treatment Center in Maple Valley as "the model for the whole country." He is a consultant to the Cedar Hills operation.

The psychologist is particularly critical of "some of the do-gooders" working in the field of alcoholism—the professional as well as the layman.

"You might as well try to design an atom bomb by letting well-meaning people do it," the former research director for Shadel Hospital said, "You won't get an A-bomb."

Dr. Milam said:

"For 34 years after A. A. and Shadel were founded, each thought the other was no good. Each got dropouts from the other and concluded his method was better. The truth is they both were good. Shadel got a 50 per cent sobriety rate after three years, which is phenomenal.

"Charlie Shadel would have won a Nobel prize if he had done it with cancer. But he had done it with alcoholism and nobody likes to talk about that even though it is our nation's No. 1 public health problem."

Then Dr. Milam put forth more of his creed:

"Sobriety must be the primary purpose in treating alcoholism.

"Alcoholics are alike in their dependence upon alcohol the world over, regardless of other variables.

"Drinking alcoholics are incompetent to diagnose or treat their own condition. They must have help to start a recovery.

"You'll never make it if you keep looking for the reasons you drink—bad marriage, money, a father who didn't seem to love you, or any other psychological hangups.

"Not three alcoholics in ten know they're alcoholics until they've been diagnosed.

"The crime is that society denies and minimizes the problem and thus withholds effective help."

Dr. Milam explained that some alcoholics are fearful when they begin to recover. They love their rationalizations for continued drinking. They no longer can blame anyone but their own physical make-up.

Alcoholism, Dr. Milam said, is a progressive, fatal illness. It destroys brain cells, and some of that destruction is permanent, irreversible, pathological damage. It destroys the liver, and when that vital organ is gone you die. Dr. Milam continued:

"I'd like to explode once and for all the idea that, 'Oh, you can't be an alcoholic, Charlie, because you are too nice a guy.' Nice guy has nothing to do with it. If alcohol has become an addictive drug to Charlie, then he's an alcoholic.

"Alcoholism is a selective addiction. If you are a Jew or an Italian with a 15,000-year drinking heritage you have a better chance of not being an alcoholic than if your ancestors came from the Northern European countries, particularly Ireland, with a 1,500-year exposure.

"If you are an Indian or an Eskimo, with only a 300-year history of drinking, your chances of being an alcoholic probably are too high for you ever to risk drinking.

"Why? Probably evolution, natural selection and a natural immunity among survivors. It needs research from this new premise.

"I don't know why you're here in the audience. But let me guess. The kids won't speak to you. Your spouse has threatened to leave. The boss wants to fire you. Or your doctor says you'll die."

Dr. Milam closes on a cheerful note. People do get well from alcoholism by the tens of thousands. As an alcoholic progresses in recovery he becomes the real person he started out to be before alcoholism interferred.

"You can make it," Dr. Milam said. "But you, as a patient, have to disqualify yourself to guide your own treatment. You've beeen bungling things for too long."

In a later interview, Dr. Milam dropped another of his patented bombs:

"Don't go blaming industry for not doing anything. Industry got turned off because of bad treatment experiences in the past. You show industry something that will work, that will show really good recovery rates and businessmen will respond."

Dr. Milam had spoken. Since he gets around, giving freely of his time and expertise in so many places, he is being listened to more and more.

"EXCLUSIVE" CLUB IS REFUGE FOR FORMER ALCOHOLICS

It isn't the usual social club, the one on the fourth floor of the I.O.O.F. Hall, 915 E. Pine St. Membership requires that one be a sober alcoholic and have attended an Alcoholics Anonymous meeting the past week.

It is called Alano. There are Alano clubs throughout the nation.

John McG. runs Seattle's which offers snack-bar lunches, pool tables, playing-card tables and soft drinks and coffee.

When John McG. joined A.A. 15 years ago there were only 24 groups in Seattle. Today there are almost three times that number.

"I couldn't stay sober 30 days," John McG. said. "I failed 'em all—the church, the psychiatrist, my wife."

John McG. was an artful hider of bottles. You name the hiding spot, he tried it. But he never thought of doing what Ray Milland did in the movie, "The Lost Weekend," hiding the stuff in a chandelier. That took real imagination.

"I was always afraid I'd get caught short without a bottle in the house. I planned my life around alcohol. I'd black out. I'd wake up in the morning, after a bout, and I'd go out to the garage to see if the car was there. I'd check the fenders for dents and wonder if I'd killed somebody."

John McG. opened the door to the Big Hall on the second floor of the building, the place where A.A. members have Saturday-night dances. Good music, lively talk and nonalcoholic beverages.

"It would surprise you, but our bigger groups now are on the East Side," John McG. said. "Ten years ago there was just one—at Bellevue. Now there are 11 scattered all over. The Bellevue group is so big now on Monday nights they've had to divide up among several rooms to give everyone a chance to talk."

Conversation, laced with laughter, filled the Alano Club as members finished their lunches and prepared to return to their jobs.

"We can't change anybody but ourselves, no matter how near and dear they are to us," John McG. said. "My wife learned that about me. Finally, I changed myself."

[From the Seattle Times, July 23, 1971]

SALVAGING PROBLEM DRINKER IS JUST GOOD BUSINESS

(By Don Duncan)

Employers usually can exert far more leverage on problem drinkers than can pleading spouses, distraught offspring or well-meaning friends.

The vast majority of persons with alcohol problems are functioning, more or less, in society.

They seldom take lightly a threat to paycheck or pension.

Quite a few large businesses have set up programs to detect and to treat employes with alcohol problems. The federal government rapidly is moving off dead center.

Programs range from good to exercises in paper pushing.

But the vast majority of companies practice a conspiracy of silence regarding the problem-drinking employe.

The "conspiracy" is fostered by executives who don't want to rock the boat. They are aided and abetted:

By company-insurance plans that will pay for the medical consequences of alcoholism but not for preventive treatment.

By supervisors who say, "Oh, George drinks a little too much, but he's one of our best men when he's sober."

By George's co-workers, who try to shoulder his workload when he is absent or incapable of performing up to par.

While the coverup goes on, year after year, George's drinking costs his employer a great deal of money and his family anguish that cannot be measured in dollars and cents.

One day George commits whatever sin his firm considers unpardonable and his employment is terminated. Or worse, George's drinking progresses to where physical and mental deterioration are so massive he either dies or is permanently useless as a functioning human being.

Everybody in the office turns out for George's funeral, to commiserate with his widow and children. Good old George, dead usually between the ages of 40 and 60. Sure too bad about George.

Well-meaning people literally have signed George's death certificate.

Although there have been alcohol problems in this nation since its infancy, it was not until the early 1950s that the first company policies, aimed at help and not the easy copouts of silence and firing, went into effect.

Allis-Chalmers, Eastman Kodak, Consolidated Edison and Great Northern Railroad (now Burlington Northern) were among the pioneers. Today an estimated 350 corporate alcoholism programs are in effect in North America.

Niles A. Doolittle, social counselor for Burlington Northern here, says "all of us started in desperation, because no one is a prophet and there is no guarantee that if you fire a guy with a drink problem you won't hire a replacement who'll also be an alcoholic 10 years from now."

Doolittle added: "It's not just good for the employe and for his family, but, selfishly, it's good business for the company to straighten these men out. They cost money, of course. But they usually are good workers when sober, and the company has a considerable investment in their training and experience."

"It used to be a sign of manhood to get your foot up on the bar rail," Doolittle said. "I suppose it still is for some. But we're growing up a bit. Cancer and tuberculosis once were almost forbidden words in polite society. They aren't anymore. Alcoholism shouldn't be, either."

John Mulligan, director of personnel for the Postal Service here, said his agency is setting up an alcoholism-recognition-and-treatment program that has the wholehearted support of unions and management. Recovered alcoholics employed by the Postal Service are acting as counselors. Agency physicians make regular checks on the problem-drinking employe's progress. Anonymity is protected at all levels.

"We are more enlightened than we used to be," Mulligan said. "We've rescinded the law that one couldn't get disability benefits due to alcoholism or had to be fired for 'intemperate use of alcohol.' Employes are granted sick leave to take treatment. Unfortunately, few medical plans will pay the cost of private treatment."

It is estimated that 10 to 13 per cent of Postal Service employes have alcohol problems, Mulligan added.

At the Seattle branch of the Bethlehem Steel Corp., Dick Gebow, a company official, follows a national policy the company put into effect in 1965. It has shown good results.

Supervisors are charged with spotting a potential drinking problem, discussing it with their immediate supervisors and, if warranted, making an appointment for the employe with the company physician. If the diagnosis is positive, treatment and counseling are begun. There is periodic reassessment of the employe, whose file bears only a number, not a name.

"It is not only possible, but it has happened that an employe who once had a drinking problem has gone on to higher positions within the company," Gebow said. "All we want is an employe who has shaped up."

But even the Bethlehem program does not provide company funds for outside treatment. Nor is the employe paid while he is undergoing such treatment. His job, however, is waiting for him when he returns.

Donald Reiman of The Boeing Co. said a company physician works exclusively on alcohol-problem cases. While there is no organized statement of policy, Reiman said, "We try to spot the problem drinkers from attendance and performance patterns."

We try to work with them at least twice," Reiman added. "If they don't show improvement, we re-evaluate their job performance and can terminate their employment."

A spokesman for the Weyerhaeuser Co. said there is no formal program for the large lumbering firm, "but management is concerned." The spokesman added, "Although nothing is spelled out we do cooperate with physicians and nurses at our various mills when they are confronted by a drinking problem."

Neither does the Simpson Timber Co. have a formal program, according to Melvin Munson, vice president in charge of personnel.

"But when we find an alcohol problem in an employe, we set up a counseling session with our consulting psychologist," Munson said. "We are willing to invest in this. However, if it doesn't work, we're not very tolerant after four or five months. We've got some who have been rehabilitated."

Munson added: "I think paying for one program. We'll loan money, on a selected individual basis, for an employe to take private treatment. We've got 7,500 to 8,000 employes and more trouble, I think, with our salaried group than with our union employes."

Pacific Northwest Bell's Seattle office has a full-time alcoholism counselor known as Gordon. He performs an information and referral function, and he says the firms "one-more-chance" philosophy has been effective.

"The key," Gordon said, "is that the company must stick to its promise to terminate if the employe doesn't cooperate. The word gets around if you do what you say you will do. But our basic goal is not to terminate but to salvage employes."

Gordon believes Pacific Northwest Bell's program is successful, "conservatively," 60 per cent of the time. Anonymity is carefully protected. Although employes usually must bear the entire cost of treatment, the firm will pay an employe's salary while he undergoes private care.

Alcoholics Anonymous is the "backbone of the program" at the telephone company. Counseling is offered to the employe and to his immediate family.

Although most companies in the nation still are light-years away from being as compassionate about alcoholism as they would be for a heart attack or cancer, progress is being made.

What is being done for good old George at your company? You know George—the guy at the next lathe or the next desk.

[From the Seattle Times, July 25, 1971]

POLICE, COURTS ARE ACQUIRING BASIC TOOLS THEY NEED TO BUILD FROM HUMAN WRECKAGE

(By Don Duncan)

Police and courts, long frustrated by antiquated laws that treated alcoholics as criminals rather than sick persons, finally are acquiring a few of the basic tools they need if whole men are to be built from human wreckage.

Two such starts are Cedar Hills Alcoholism Treatment Center in Maple Valley, a 112-bed, nationally acclaimed model of how a court-referral program should work, and Seattle Treatment Center on the fourth floor of Providence Hospital, beset by some difficult growing pains but eventually to replace the old drunk tank entirely.

"Tax burdens turned into tax producers" is the favorite expression of Ron Fagan, director of Cedar Hills. The courts send men to Fagan's four-year-old, neat-as-a-pin layout,

there to be filled with good food, alcohol education, group therapy, human dignity and the spirit of Alcoholics Anonymous.

But the thing that makes Cedar Hills more than just another place to get men with alcohol problems out of polite society's hair is its close tie with a Renton Technical Institute program headed by Alonzo C. Odem.

For the first time, many alcoholics are learning the rudiments of such trades as metal and woodworking and gardening. Others are sent on to clerical schools. A few have been enrolled in Seattle Community College.

A man of 35 who never before has been able to look anyone in the eye and say, "I have a skill and I am capable of earning a living," is a proud man, indeed. He also has a fighting chance of staying off alcohol.

The Seattle Treatment Center, bright and cheerful until one sees the shuffling feet, shaking hands and often comatose figures on beds, aims at detoxifying or drying out men and women.

Before they are cleared for release, usually in seven days or less, they will be counseled and told about A. A., halfway houses, public alcoholism clinics and other organizations that may help them lick the problem that is killing them.

But there are two drawbacks. The toxicity does not leave the body of an alcoholic in a few days. It may take months for him to become as normal as his deterioration will permit. Further, there is no law that will push these men and women into treatment against their will. They may be back tomorrow or next week. Too many of them will.

Dr. Hartwell Bass, head of physicians at the treatment center, is proud of having lost only one patient due to withdrawal, and "he had a bad heart."

Dr. Bass establishes easy rapport with those so shaky they couldn't hold a bucket of water without sloshing it out the sides. He sympathizes with their withdrawal agonies, is saddened when he sees the all-too-frequent cases of irreversible brain damage.

"Let me say I've got no quarrel with the drug alcohol," Dr. Bass says, "just how that drug is used."

There are 11 beds for private, paying patients at the treatment center. They aren't being used to anywhere near capacity, perhaps because many with the ability to pay don't want to associate with "Skid Roaders."

Yet passing by the rooms and seeing men and women being detoxified, you can't tell the moneyed ones from the penniless. They are all sick drunks.

Superior Court Charles Z. Smith, a member of the board of the Seattle-King County Commission on Alcoholism has seen enough drunks from the bench to last him several lifetimes. And in his role as one of several rotating juvenile-court judges he sees the tragic impact of alcoholism on families.

"I discontinued the practice of fining people for being drunk when I was in municipal court," Judge Smith says. "It was a start."

If there is light at the end of alcoholism's tunnel, it's still a very long tunnel.

Judge Smith would like to see three pleas possible in court. Guilty. Not guilty. And, similar to the insanity plea, not guilty by reason of alcoholism.

While Judge Smith strongly feels voluntary consumption of alcohol is not an excuse for a crime he says a person who is an alcoholic may not be voluntarily intoxicated. Nor is a person in the throes of D. T.'s necessarily responsible for his behavior.

"The fact of a crime can be established in court," Judge Smith said. "The disposition of the case for an alcoholic might be different, however, than for a person who is not an alcoholic. Certainly sending an alcoholic to prison doesn't get him treatment."

When a man or woman appears in juvenile court with a youngster and says, "Judge, I haven't got a drinking problem," Judge Smith replies:

"If your wife says you have, and your kids say you have, and your driving record says you have, then you have a problem, whether you know it or admit it."

Luverne Rieke, University of Washington law professor and executive secretary of the Washington State Judicial Council, has file cards on 220,000 drunks arrested in Seattle the past 12 years. He has found instances of men who were bailed out four times in one day, and he is all too familiar with the tragic case of Wayne Jacob Hill, who died in the city jail drunk tank in 1969 after his 156th arrest for being drunk in public since 1945.

Hill, on whose behalf the American Civil Liberties Union once filed an alcoholism test case, received jail sentences totalling 18 years for drunkenness. His brain was shattered by alcohol when newsmen visited him—Bed Tag 165445, Room 428, Unit 8, Queen Anne County Hospital Annex.

Ironically, his death was hastened when he was struck by a drunken driver in Vancouver, B.C.

"During Prohibition the rate of alcoholism decreased dramatically," Prof. Rieke says. "But we paid a high price in social and enforcement costs. So that isn't the answer."

A problem of dealing with drunks as criminals, Prof. Rieke adds, is that "sentences ought to be geared to rehabilitate the individual. Punishment just to inflect pain is useless unless it's a deterrent. Jail certainly is no deterrent for the chronic drunk."

"Besides," Prof. Riek says, "we're not really arresting the man because he's drunk, but because he's vomiting, or because we fear him as he staggers down the street toward us, or he looks unesthetic, or he's fallen in the street and might get hurt."

Prof. Rieke contends "we should get 'alcohol involvement' more visible in our legal structure. We're just now beginning to look at alcohol related to highway deaths."

When the state's voters authorized mandatory breathalyzer tests and reduced the presumption of drunkeness from .15 to .1 for motor-vehicle operators, charts were prepared and distributed to police departments throughout the state. The charts show that drinking quickly, a 100-pound person is intoxicated after three drinks. A 240-pound person needs seven to arrive at about the same point of intoxication.

A considerable time lag between drinks helps. One may subtract small percentage points from the formula for each hour following a drink: 1 hour, .015; 2, .030; 3, .045; 4, .060; 5 .075, and 6, .090.

Thus a 160-pound man downing eight drinks in six hours would have a reading of .188, less .090, or .098 alcohol in his blood—just under the legal limit.

But experts increasingly are saying that anyone with a reading of .050 to .1 may be intoxicated. If he drives, he should use extreme caution.

THEY ALL SAY THAT

Superior Court Judge Charles Z. Smith, who come before his bench with serious standing of the treatment available for those who does not drink, wanted a better under-alcohol problems.

Judge Smith anonymously attended an Alcoholics Anonymous meeting, signing the guest register in the acceptable way as "Charles S." No last name. No title.

The chairman called upon various men and women to testify to their struggles to gain sobriety. Finally he asked "Charles S." if he had anything to say.

No, Charlie S. did not.

"Come on, Charlie S.," the chairman persisted. "You are among friends."

"But I don't have a drinking problem," Judge Smith replied.

The chairman paused a moment and with a look of benign understanding said, "Charlie, they all say that."

Judge Smith now is an honorary member of A.A.

"I WAS LUCKY," RON FAGAN REBOUNDED AFTER 4½ YEARS ON SKID ROAD

Getting kicked out of Roosevelt High School for having booze in his locker was only the start of the downhill slide for Ron Fagan, director of the Cedar Hills Alcoholism Treatment Center.

But Fagan rebounded from 4½ years on Skid Road. Today he owns a college degree from Seattle University and he has written authoritative tracts on the Skid Road subculture.

"I am lucky," Fagan says. "I used to think I was crazy. My brothers could drink and I always wound up in the drunk tank. For me, alcohol was playing Russian roulette with a bottle, and every chamber was loaded."

After gaining sobriety through Alcoholics Anonymous, Fagan made the dramatic jump from being a Seattle Police Department's one-time drunk-tank inmate to membership on the staff as an expert on alcohol problems. That was in 1947. He has been in alcoholism work ever since.

"It wasn't until I discovered all my friends were Ph. D.'s that I decided to rectify that little 'misunderstanding' at Roosevelt and get myself an academic background," Fagan says.

Fagan is proud of Cedar Hills' reputation, of its 120-day program aimed at doing a "whole-man" job. When one of his patients wins a Toastmasters' contest or goes out in a new suit of clothes to face the world stone sober, Fagan beams.

"People used to whisper, 'I hear there's consumption in the family'," Fagan says. "We're still that way with alcoholism. I'm getting darned sick and tired of seeing people die needlessly. Wake 'em up out there."

SOMETIMES YOU HAVE TO BEND RULES TO STRAIGHTEN OUT THE AILING MAN

"If I had died 10 or 11 years ago, my wife would have had to scrounge around to get enough people to carry me to my grave. Today I'm known all over town by hundreds of people and I like to think they'd pack the joint."

The words were spoken by Hal (not his real name), a silver-haired, well-dressed businessman.

Once Hal had visions of being the man of distinction, glass in hand and elbow perched jauntily on the fireplace mantel.

"The only trouble is my elbow kept slipping off," says Hal, who unashamedly calls himself "an alcoholic." A recovered one.

Hal made a pretty good run at killing himself. One night he was picked up by the police, hanging half out of his car. Dead drunk. He wound up in the drunk tank, and when his wife bailed him out he was smelly, unshaven and had a splitting headache. Only one cure for that, so he went to the nearest tavern for a cool beer to clear the cobwebs.

"I suddenly realized I was hitting myself on the head with the same hammer," Hal said. "I called A.A. from the bar and they said they didn't go to bars. I should go home and they'd send a couple of guys to see me."

Hal went home. Immediately he regretted calling A.A.

"I had visions of a couple of Skid Road types coming to the door, hands shaking and Bibles under their arms. Instead, they turned out to be a University of Washington professor and a sales manager for a big firm."

Hal became sober. He attended A.A. meetings faithfully.

"One day I said, 'Heck, this is easy.' I'd been sober for quite a spell and I figured I'd take a drink, in moderation this time. I had one bottle of beer and no bolt of lightning struck me. I walked out of the tavern convinced I had it whipped. A week later I took two high-balls and walked away from it. And the next thing I knew I was a 24-hour-a-day drunk. I tried to put 24 hours of sobriety together and I couldn't do it."

Hal drank in the morning, sneaked nips at the office, took long drink-filled lunches and stopped off for the happy hour on the way home from work. Often he was still on his private happy hour when the place closed.

One morning he needed a drink so badly he got up at 4 o'clock in the morning to make the opening of the first bar. He bolted a beer to quiet his nerves and to focus his eyes.

"The guy next to me would take a shot and then run for the can to throw it up. Jim was his name. Jim said to me, 'I'd give anything to knock this stuff.' I said there's a way and I took him to an A.A. meeting at 10 o'clock that morning. Jim was a fireman. The poor devil didn't make it. This time I did."

Seven years ago Hal and a realtor friend organized a weekly luncheon group in one of the city's poshest eateries. The well-dressed men around the table park their brief cases, but many would recognize them as physicians, architects, lawyers, bank officials, politicians and para-professionals.

They drink coffee, tea or milk.

All admit to a drinking problem, but they feel uncomfortable in a regular A.A. meeting. Besides the luncheon meetings, they also have weekly night sessions.

Despite the non-A.A. affiliation, the group spends a great deal of time on the first step of A.A. 12-step approach. They admit their powerlessness over alcohol.

"A dying man will listen," Hal says. "They don't have to be on Skid Road to listen. One can reach them when they still have a job, a car, a wife and a house."

Hal admits he is taking an A.A. program and changing it. That makes it controversial.

"A.A. may be right in criticizing this approach," Hal says. "I owe everything to A.A. But I'll take a drunk where I can get him. If the problem can be arrested without going through all the hell I did, then it's worth while to bend the rules."

Hal added, "It really cheats the entire community when these highly trained men fall. I have worked with disbarred attorneys, fallen coaches and priests with alcoholic tremors. Look around you, if you can't see a guy with a problem in your office, you need a new pair of glasses."

The first thing one must do for an alcoholic is to get him sober, Hal emphasizes. All the talk in the world is useless until that happens.

"Alcoholics are insane. They really are. They get arrested for drunken driving, their wife is sueing for divorce, the boss threatens to fire them, they blackout with two drinks and when you say, 'You've got a problem,' they reply, 'Who me? You sound like my wife'."

Hal continued: "After you get a guy off alcohol, it's a never-ending process no matter how long you've been recovered. Then you've got to restore some spiritual values in the man. Many laugh at this. But it's terribly important."

Hal is living his sobriety day by day. He likes the fact he can walk down the street, head high, and see scores of friends. Occasionally he thinks what distinguished mourners they will make.

[From the Seattle Times, July 26, 1971]

AGENCIES THAT AID ALCOHOLICS

(By Don Duncan)

The telephone rang in the office of Richard Silver, director of the Seattle-King County Council on Alcoholism, a U.G.N.-funded information and referral center.

A desperate-sounding woman on the line said her uncle hadn't eaten for two weeks, couldn't stop drinking and was going into convulsions. Where could she turn for help?

Within a few hours, Silver had the man in a treatment center. But he knew it probably wasn't the end of the man's problem. Even a brush with death doesn't keep many alcoholics sober for long.

"You can't get them into most hospitals when they are like that," Silver said. "They want them sober. It's like treating a kleptomaniac after he has quit stealing."

Silver's office is at 3109 Arcade Building. There are similar, usually busy, information and referral centers in Bellevue, Renton and the King County Courthouse funded by other sources.

Across town from Silver's office, in the Courthouse Annex, 100 Crockett St., is the office of Nick Hughes.

Hughes is director of the Seattle-King County Commission on Alcoholism, often confused with the Seattle-King County Council on Alcoholism. The commission is funded by state, county and city. Unlike the council on alcoholism, its job is to coordinate planning for a multiplicity of organizations dealing with alcoholism.

The commission, appointed by Mayor Uhlman and County Executive Spellman, also passes on requests for tax funds.

"Alcohol certainly is the nation's most frustrating problem," says Hughes, a social drinker. "You can say quit smoking or get lung cancer. You can say quit drugs, because they not only wreck lives but are illegal. But alcohol is legal, the government makes a heck of a lot of money from it, and, let's face it, millions of people drink without any trouble."

If Hughes is oriented to political, legislative and economic nuances of alcoholism, Silver is just as oriented to the social-worker standpoint, since that is his academic background and he spent several years as a counselor at a Veterans Administration hospital.

Silver has been critized as not being close enough to Alcoholics Anonymous and too often sending a person elsewhere in the state or nation for private treatment. But he also is applauded in many social-work and education circles for this tireless work.

"I've changed my mind considerably about alcohol problems in recent year," Silver admits. "I used to enjoy talking about the alcoholic's hangups, his feelings of inferiority, his poor sex life and his mean boss—and now I now that it was all very comforting to the alcoholic because I never got around to telling him to stop drinking, which was the real root of his problem."

Silver sees about 140 men and women a month, some with alcohol problems and some merely spouses of those with problems. He is familiar with most of the denial techniques of alcoholics and with wives who say, "My husband isn't an alcoholic, he just has this drinking problem."

Most schools, in Silver's opinion, sadly have neglected the subject of alcoholism.

"The major drug problem isn't with kids, it's with adults," Silver said.

Silver frequently counsels the spouses of problem drinkers. He is amazed at stories of physical brutality, of women keeping clubs beside their bed to ward off drinking mates who pull them from bed and beat them up when they return from drinking bouts.

"So many women who have lived in a hell for years say to me that they would divorce their husbands, but they don't believe in divorce," Silver says. "I often reply to them, 'I am surprised you believe in marriage, because you haven't got one.' "

Differing radically from many in the field of alcoholism, Silver says, "I don't buy this business of 'I was drunk and I hit my wife,' or 'I was drunk and I killed somebody with a car.' There is some responsibility for drinking. As long as we protect the drunk from himself and excuse him he can get away with murder."

Silver sometimes wonders if others are as concerned about the alcohol problem as he is. A typical reaction from old friends he meets on the street:

"Dick, what are you doing?"

"I'm a counselor for alcoholics."

"My God! You had such potential."

[From the Seattle Times, July 27, 1971]

HELP UP FROM THE BOTTOM FOR ALCOHOLICS

(By Don Duncan)

A "halfway house" or a "recovery house" (call it either) is somewhere between a permanent home and the gutter or the inside of a jail for many persons with crippling alcohol problems.

Seattle has two big ones—the Louis Martin Home, 1808 18th Ave., and the Bishop-Lewis House, 703 8th Ave. Both provide counseling, Alcoholics Anonymous programs, religion, group therapy and job placement.

Few residents of either go on to lifetimes of sobriety the first time. Many eventually do, however.

Chuck Hughes runs the Louis Martin Home, an old monastery on Capitol Hill. On the wall of his paneled, carpeted office are these framed words:

"As it is written, there is none righteous, no, not one.

"For all have sinned and come short of the glory of God."

Hughes used alcohol as an escape for years—"an escape from pain and from problems."

"They say a person isn't going to straighten up until he reaches bottom," Hughes says. "But who's to say where your bottom is? It may be when you still have a home and family. Mine was the Skid Road."

Hughes' staff of six handles a capacity load of 134 men. About 600 a year pass through, with an average stay of about three months.

"I'm sorry to say we get a good percentage of rebounds," Hughes says. "The majority who make it to sobriety permanently will do so between the fourth and sixth tries. The guy who makes it the first time takes your word for it that he can't ever drink again, that he can't become the first man in history to beat the disease of alcoholism and become a social drinker."

It takes about 24 months for the nervous system to return to normal so a recovered alcoholic can sit back and enjoy life "without being fidgety or nervous," Hughes says. "There are bad spots along the way. Regular cycles. We can chart them."

The big tragedy, Hughes says, is when he finds a brain-damaged alcoholic—"and we see more than our share." There are plans for a center in Sumner, Pierce County, just to handle the custody of such alcoholics.

Hughes has had all types in his halfway house—parolees, Skid Roaders, craftsmen, business and professional men.

The men sitting around staring at walls or doing little chores as their bodies slowly get rid of alcohol's poisons know Hughes found sobriety and hope they can, too.

Hughes took his first drink at the age of 3 and got drunk. He never took a drink in his life that he didn't wind up drunk. No sipping for him. Just fast, hard drinking.

For years he managed to get to his automobile-repair business the next day. But youth passed and finally his body's tolerance of alcohol fell to zero.

"There's no immunity guaranteed to you, no matter what your education or background," Hughes says. "Knew a kid who never touched a drink until he was 24. Minister's son. On his 24th birthday he said to the guys egging him on, 'O.K., I'll try one.' Four and a half months later he was dead. Drank himself to death. The heck of it is, guys will always buy you a drink but they won't buy you a sandwich if you need it."

Hughes added: "Knew an alcoholic gal in town who sneaked out of Harborview in her nightgown in the dead of winter, walking to a tavern barefoot. The police caught up with her, but she nearly died of pneumonia."

XUM

"Still another alcoholic I know has lost all his marbles. Goes to Western Union every day, waiting for a check that never comes in, and never will. He has lost all touch with reality. People think he's funny. Not me. He once was a normal human being."

The Bishop-Lewis House, "a recovery house" from which many patients leave daily for outside jobs, is part of the Pioneer Cooperative complex that runs houses for alcoholics and public offenders and operates a business, Pioneer Industries, that has paid out close to $1.5 million in earned income since its first contract in December, 1966.

The operation began with an apple box for a chair in 1963. It now has an annual budget of $460,000.

The Bishop-Lewis House differs from the Louis Martin Home in having more job-holding patients and in its industrial program.

Harold Heath (Heath-Tecna Corporation) "angeled" Pioneer Industries at the outset. His name is spoken with reverence by Norman Chamberlain, executive administrator, and Dick Hudson, program director.

The Bishop-Lewis House is strongly A. A. oriented. It offers group therapy, visiting lecturers and counseling.

"We certainly aren't always successful," Hudson says. "But look at it this way. A guy is sober in our plant for six or eight months. Then he falls off. That's six or eight months of a lot better life than he would have had otherwise. Lots of guys do make it, permanently."

Recently a former resident of the Bishop-Lewis House visited Hudson and said he was on his first paid vacation in 20 years. He is buying a home. He has never been sober 18 months.

"The guy is 50 years old," Hudson said, "and he's beginning to find out what life's all about for the first time."

First and Foremost an Alcoholic: "If I Drink Again I'll Die; I Don't Want To"

Chuck started to drink in the fifth grade. Nobody drank at his home, but a friend's father always kept liquor around the house and they raided the supply.

That's how it all started, Chuck recalled, his good-looking young face straining to remember the details.

Chuck is in the Louis Martin Home as a parolee. First and foremost he is an alcoholic.

They don't often reach Chuck's stage at 28. But not everyone gets off to a rousing start in elementary school.

Chuck told his story in a slow drawl:

"In junior high I'd save my lunch money to drink with. I'd save up all week with my buddies, and we'd plan a beer bust on the weekend. But when the weekend came, they'd change their minds and go to a movie instead, because drinking didn't mean that much to them. So I'd go on my own and get some beer and drink. I was real fat then. I couldn't talk to anyone unless I had something to give me courage.

"I was especially shy around girls. But if I drank I could go out of my mind and feel I was a big man. I got into trouble before I got out of high school. Broke into a school. Then I stole money from a woman whose lawn I was mowing. She was real nice, but I needed the money to buy more to drink. I lived to drink.

"At 17 I went into the service. I got out about a year later. All I did in the service was drink. It was easy. Nobody stopped you.

"I broke into a service station near the small town where I lived in Texas. I only felt comfortable around other drunks. To finance my drinking, I stole all the time. But I couldn't steal unless I had something to drink first. It gave me courage.

"They gave me five years in prison, and I got out after 14 months. The day I got out, I hit the booze again. I was drunk a solid month. I stole all the time. And when I finally got caught, it was back to prison.

"I'd black out when I drank. I was real surprised when I learned what the rap was—breaking the lock off a newspaper stand to get at the nickles and dimes.

"I got five more years in prison. Made a little booze inside the walls but it wasn't easy to fool the guards.

"That last sentence ran 33 months, and all I thought about every day was hitting the streets and drinking again. The day I got out, I got drunk. I stole a car not long after and went back to jail. I got a 10-year probation. Don't ask me why, with my record. Anyway, I couldn't live with it. I ran, I ran and I ran.

"I've been running since 1968. All over the Southwest. Then the Deep South. Running and drinking and running. I came to Washington State. The first thing I did was get arrested up in the northern part of the state.

"The judge didn't send me back to Texas. He gave me probation. He said he was calling some Alcoholics Anonymous guys to take me to a treatment center in Seattle where I'd be under the court's jurisdiction. Boy, that judge had faith. He let me go out on the steps to wait. No guard. Nothing. I figured he was plain nuts to do that with a bum like me.

"I could have run to Canada. I thought about it. I thought about it, and I didn't. Because, God I'm tired of running. I've got a wife—she's 22 and very immature—and we've got a five-month-old daughter. So there I was when the A.A. guys came.

"I walked in here figuring I couldn't put my trust in anything but a bottle. But Marg and Chuck (Mr. and Mrs. Chuck Hughes, who run the Louis Martin Home), they're really nice. Marg listens to me. I told her my whole story, even the mean parts.

"Now I've been sober three weeks. I wash windows, anything to keep busy. My wife's in Texas with her folks. But they don't want her and the baby and she'll be coming up. I'd like to be a human being when they do."

Chuck's voice choked. He said:

"You know what I'd like to do? You know what? I'd like to be clean inside and outside, and be able to take my wife and baby on a ferryboat to Bremerton on a Sunday afternoon. We could sit on the deck and watch the boats and the water and feel the fresh air.

"I'd like to work all day and come home and help with the dishes and read the paper and maybe turn on the TV and talk with my wife and play with my little girl.

"They tell me if I drink again I'll die or wind up in a mental institution. I don't want to die.

"You know what? I never saw a time I couldn't cadge a drink. At least one. I could walk uptown. And I could come back drunk."

And never get on the ferryboat to Bremerton.

[From the Seattle Times, July 24, 1971]

Abstinence Movement: It's Less Popular But Still Alive

(By Don Duncan)

Ax-wielding Carry Nations may no longer be the scourge of bartenders. But there still are a few abstinence-minded preachers in pulpits and there are organizations which lean that way.

Remarkably the Alcohol Problems Association, Arcade Building, manages to sublimate its old temperance image (once it was the Washington Temperance Association) and do a good job of reaching high-school-age youngsters in classrooms throughout the state.

Much of the credit must go to low-key Lester Wetzstein, who is a graduate of the Yale University school on alcoholism and who carefully avoids moralizing in his lectures.

The physiology of alcoholism, what alcohol does to brain and body, particularly of the drinking driver, are his areas of expertise.

"In the classroom, I emphasize that you must understand alcohol and yourself," Wetzstein says. "You must make the decision on whether or not to drink."

Among the points Wetzstein hopes will influence that choice:

Alcohol is a depressant, not a stimulant. It first anesthetizes the frontal lobe of the brain, dulling judgment and social inhibitions. Drink enough at one time and you can die.

Social drinkers may well cause more highway carnage than drunks do, because many drunks don't drive.

Alcohol is worthless as a remedy for snake bite, head colds or shock.

Alcohol actually decreases body warmth when one is exposed to cold.

Hot, black coffee may awaken a drunk, but only his body's own rate of oxidation can sober him up.

Heavy drinkers are short on vitamins and minerals; their nutrition is impaired and they deteriorate physically and mentally.

Wetzstein's boss, Leon Hawley, long-time executive director of A. P. A., is less amenable to making alcohol a choice, however.

"Many churches have capitulated from the principle of abstinence they once held," Hawley says. "There is a breakdown where the talk about self-discipline should be the strongest."

Wetzstein says, "I prefer to say that a drug-free life pays dividends. It gives back values."

"And I'd say that family breakdown accentuates the alcohol problem," Hawley said.

Many who work in the field of alcoholism wish they could rid themselves of the "moralists," who they feel frequently turn many persons away from an understanding of alcohol problems.

But Hawley can say, with some conviction: "If you moralize them into never taking a drink they sure can't become alcoholics, can they?"

One can almost hear Carry applauding up there somewhere.

Teen-age Survey—Alcohol Education Has Little Effect

Three years ago, Unigard Insurance Group of Seattle sponsored a survey of teen-age drinking habits and of the alcoholism-education programs aimed at youth in several states.

The conclusion: While education may result in a slight modification in the nature or form of drinking habits, it is not likely to reduce the number of drinkers.

The conclusion was reached by Ronald L. Akers, of the University of Washington's Institute for Sociological Research, and by John L. King, former university regent.

Other findings:

From 25 to 90 per cent of high-school students, varying by geographic region and by schools, have consumed alcoholic beverages.

While most have done little beyond tasting them, about a third to a half of high-school boys and about a fourth of the girls have established a "pattern of drinking."

There appears to be an increase in the number of teen-age drinkers in the past 20 years, just as there has been an increase in the number of adult drinkers. But over-all consumption of "absolute alcohol" actually has decreased in the past 60 years.

Abstaining adolescents are most likely to come from abstaining homes. Similarly, heavy-drinking adolescents most often come from heavy-drinking homes.

"The impact of socializing agents such as church, school, mass media and others in the adult community are much less than that of either parents or peers."

The study indicates that "scare" tactics are pretty useless, particularly warnings about the dismal future awaiting adolescents convicted of drinking violations.

"Teen-agers can recognize this and would probably write it off as just another example of adult duplicity," according to the survey.

The surveyors go on to say that speeches and the distribution of booklets and pamphlets to adolescents, particularly those emphasizing the dangers of drinking drivers, have more impact than preaching "don't drink."

But there have been no good evaluations of such programs.

The best approach appears to be that of providing adolescents with adequate information about alcohol, warnings ("not horrible or improbable") about the consequences of drinking and driving, education in the early warning signs of problem drinking, advice against drinking alone or at "wild" parties, and education of parents in ways of undergirding either their abstinence positions or their moderate-drinking standards for their children.

Some states, according to the survey, have fairly good programs. Others have little to offer. Washington rates so-so.

[From the Seattle Times, July 29, 1971]

Many Approaches to the Problem . . . With More and More Open-Mindedness

(Eleventh of a series)

(By Don Duncan)

Seattle has a variety of men and women, in various disciplines, who are trying to make significant contributions to an understanding of alcoholism.

The fact that they may not always agree is less important than the growing spirit of cooperation, or at least open-mindedness, on so many fronts.

James E. Royce, S.J., Ph.D. and professor of psychology at Seattle University, founded the first undergraduate course on alcoholism in the United States in 1950. It still is going strong.

To it, Father Royce has added biennial institutes on alcoholism at Seattle University that have attracted some of the best minds now at work in the field of alcoholism. Recently he conducted a telecourse on alcoholism for KOMO–TV. It later was rerun by Channel 9.

Father Royce's broad and balanced presentation includes visiting psychiatrists, sociologists, social workers, physicians, physiologists, representatives of Alcoholics Anonymous, Shadel Hospital, Alcoholism Center Associates and temperance workers.

Despair is expressed by Father Royce over failure of the government to appropriate "one penny" of the multimillion-dollar federal grant for alcoholism research and treatment. He is highly critical of California's Gov. Ronald Reagan "for wiping out the entire alcoholism program in his state."

"I got into alcoholism because I saw so much of it as a priest and as a psychologist," Father Royce says. "And I was ashamed that psychologists weren't dealing with it."

Dr. John Lindberg, who headed the University of Washington's alcoholism-research department in the Harborview Annex until funds ran out recently, got interested when he discovered that so many of his private patients had liver disease and they "almost invariably were alcoholics."

Pointing up the dilemma of the physician, Dr. Lindberg said, "The physician cannot separate himself from this problem and maintain his professional status. Yet it is frustrating to a physician to do anything meaningful and satisfying. We tend to turn away."

Dr. Lindberg said that while alcoholism is controllable and preventable, there are irreversible damages to the body of an alcoholic "far down the pike." He is particularly saddened to learn of teen-age "thrill drinkers" who kill themselves by gulping more alcohol than body and brain can handle—"because the poor kids aren't even alcoholics."

"Once alcoholism is identified as a disease, and I think it is," Dr. Lindberg says, "you can apply control and prevention. You also have a handle with which to educate students and adults. The die for alcoholism is cast before 21 for a number of young people."

Dr. Lindberg adds:

"We know that in delirium tremens there is a severe brain syndrome that can, but should not be, fatal; that it takes more anesthesia to put an alcoholic to sleep, that he is more susceptible to other drugs. We also know that the greatest effort is being expended in picking up the person who is far advanced in alcoholism and in treating the consequences of his disease."

Dr. Lindberg believes the drug fads will run their course. LSD, "speed," barbituates have lost their lure. Heroin is in. "Maybe cocaine will be next."

"But what is there after that?" Dr. Lindberg asks. "After all the fads, the most legal, social and acceptable drug will be alcohol. They will try what's left."

All the levels of top government are going to have to become models of alcohol control, making it a point that alcohol is not involved in high-level decisions, Dr. Lindberg believes.

"A lot of snuff was used at the turn of the century," Dr. Lindberg said. "Very little is now. The leaders of society and government simply stopped using it."

Dr. Raymond Vath, psychiatrist, believes there is too narrow a focus on alcoholism.

The psychoanalyst looks at the alcoholic's head, the internist at his metabolic changes, the sociologist at his environmental stresses, the churches at his moral and spiritual well-being.

"I really believe each has its place and no one is the total answer," Dr. Vath says.

Dr. Vath also it not "entirely sold" on the idea that alcoholism is solely physiological.

"I'm very wary of any illness that is strictly biological," the psychiatrist added. "The organic approach helps deal with the guilt feelings. But I think there is more to it."

Dr. Vath contends there is an "alcohol schizophrenia" in our society.

"Alcohol is a major industry, a major source of tax revenues. It is also a major health problem. It is hard to fight things that have such tremendous economic value."

One of the things Dr. Vath believes is terribly important, and is being lost in our society, is the family unit. A good, solid family unit, he feels, is much more able to deal with alcoholism than one that has disintegrated.

If Charles Shadel, a chiropractor, could pioneer a breakthrough in the treatment of alcoholism, there is no reason to discount a a veterinarian. Dr. William Sudduth has been conducting alcoholism experiments on rabbits at Northeast Veterinary Hospital. They are so promising that he has hopes of getting a federal grant to expand his research.

Dr. Sudduth's years of observing animals with extreme bowel toxicity made him wonder if alcoholics might have a similar pathology, "since the symptoms in animals are the same as those for alcoholics on withdrawal."

The veterinarian's work has taken him back, he says, to the old, largely discarded "auto-intoxication" idea that all illnesses were caused by bowel intoxicity.

"Medicine began using auto-intoxication to explain every ailment known to man, and that is silly, of course," Dr. Sudduth says. "But I think they discarded the idea too soon."

Dr. Sudduth added:

"My theory is that ingestion of alcohol upsets the delicate bacterial balance in the bowel that determines health or sickness. These bacterial toxins flood the system, when thrown out of balance, causing mental, liver, hallucinatory and pancreatic symptoms, all identifiable in alcoholics.

"Continued use of alcohol, however, blocks the central nervous system, and, acting as a temporary antibiotic, keeps these toxins in check. But once the alcohol is stopped, the nervous system no longer is anesthetized and the toxins pour out their poisons on the body. There are tremors, delirium, tremens, convulsions and all the other withdrawal symptoms."

The man who gets into trouble is one whose resistance mechanism has broken down so that he is dependent—"the craving"—on alcohol to keep himself functioning, Dr. Sudduth believes.

"We need a massive effort on a national scale, just as we did for the A-bomb," the veterinarian said. "We can find the answers in five years, I believe, if we really go all-out on this."

And then one meets Miss Jane Kuhlman of the King County Alcoholism Clinic, 2120 First Ave. N., who doesn't exactly rule out physiological causes for alcoholism but says:

"Our philosophy is not held by everyone, of course. But we feel alcoholism is symptomatic of underlying emotional problems."

Miss Kuhlman says some people are known to continue to drink after they visit us.

"But I don't feel complete sobriety is the only measure of success," she adds. "Their total adjustment may still be poor after they become sober. Some may still have drinking bouts after coming here, but they are better off if they have solved some of their other problems. Of course, we've had many, many people we haven't helped at all."

Miss Kuhlman's' office sees problem drinkers that run the full gamut of the socio-economic scale. Most of her referrals come from the Seattle-King County Council on Alcoholism.

[From the Seattle Times, July 30, 1971]

Most Adults Know Little About Alcohol

(By Don Duncan)

It is not outside the realm of possibility that all alcoholic beverages some day may bear a label similar to the one first placed on cigaret packages:

"Warning—The surgeon general has determined that consumption of alcoholic beverages may be dangerous to your health."

The word "is" now has been substituted for "may" on cigaret packages. But "may" should suffice for alcohol.

Millions of adult Americans drink alcohol without any ill effects.

But about 40 per cent of drinkers experience occasional problems. Some even kill people in automobiles while "under the influence." About 8 per cent of all adults kill their own bodies and brains—and frequently their homes, marriages and employment opportunities—because they are alcoholics.

The only certainty about the apparently selective disease of alcoholism is that alcoholics never should drink.

The entire subject, frequently identified as the nation's No. 1 health problem, is clouded by myths and misconceptions.

One of the favorite "ironies" of our society is the father lecturing his son on drugs and narcotics after he himself has downed three cocktails. Pretty silly, of course. But hard drugs inevitably are addictive. Alcohol is not inevitably addictive, or even addictive most of the time.

Youngsters don't know much about alcohol, but neither do their parents. And neither do most educators.

It is virtually impossible today for a child to go through school without hearing countless lectures on dope. But it is not only possible, but even likely, they never will hear a scientific one on alcohol.

The idea that alcohol is a drug, plain and simple, still is a shock to some.

You can pour it from a fancy bottle, add a slice of lemon or an olive, drop in some crushed ice and put it in the hand of King, President or the sweetest, white-haired grandmother in the world and it still is a drug. It is a depressant agent that goes to

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work on the frontal lobes of the brain, gets into the blood stream and eventually must be processed by the liver, which in the process can become diseased and kill an alcoholic.

As recovered alcoholics have learned, and as teetotalers have always known, there is nothing more boring at best, and downright distasteful at worst, than trying to converse in the company of people who are drinking heavily.

It is possible that Winston Churchill still spoke as a genius after copious quantities of brandy, but Sir Winston simply must have started with more brain than any of the folk who swing at cocktail parties or in bars.

Male nondrinkers no longer should bear the stigma of being something less than masculine. But neither should teetotalers be viewed as strong-willed "saints." Most nondrinkers either have tried and failed to be social drinkers or they prefer better odds than they feel alcohol offers for a long and healthy life.

It is high time the public demanded intensive research of alcoholism, since the drug that causes it is legal, tax-producing and unlikely to go away as long as so many people enjoy it.

The disease of alcoholism, and it must be regarded as that, infects society at all levels. Its true cost is incalculable. Certainly it runs into many billions of dollars annually.

Thus President Nixon's proposed $34.6-million "assault" on alcoholism should be recognized for what it is—a start. The federal government takes in about $4 billion annually in alcohol taxes, or nearly 1,200 times the amount earmarked to fight the problem. Our own rather small state's annual liquor sales are five times the President's "budget" for alcoholism.

Everyone from childhood on should be taught to recognize alcoholism's danger signals. It is criminal that so many people must be at the point of permanent physical deterioration before a helping hand is offered.

The Rev. Bill Prasch and Mrs. Bettye Marsh, both of whom are deeply involved in alcoholism education, testify to appalling ignorance of alcohol among adults as well as children.

Businesses can lead the way in prompt, early recognition of problem-drinking symptoms and exercising paycheck leverage to require treatment.

Insurance companies can recognize alcoholism as a disease best treated in its early stages before there is marked physical deterioration.

Physicians can become as aware of alcoholism's early symptoms as they are of those for appendicitis or hepatitis.

Our welfare laws appear to need some revision when they specify reduced payments for people entering alcoholism treatment centers but keep payments at higher levels if the alcoholic remains in his dwelling and drinks himself to death. That is reverse incentive.

Sources of supply can tighten up sales to inebriates when they are clearly recognizable. This will put a burden on dispensers of alcoholic beverages, but it is the law the same as following prescribed hours for the sale of beverages and not selling to minors.

There were just 33 arrests in the entire state last year for selling alcohol to intoxicated persons. Yet in Seattle alone more than 10,000 drunks were picked up on the streets.

There should be a thorough review of the legal .10 of 1 per cent blood-alcohol limit—already reduced from .15—to see if it still may be too high for safe driving. Many persons in the .05-to-.1 range are in no condition to be trusted with a couple of tons of steel. Alcohol-related traffic death tolls have become a national disgrace.

Although public funds allotted for alcoholism treatment may be meager, it appears they might be better utilized. Most are aimed almost exclusively at the Skid Road or at virtually penniless alcoholics who make up a very small part of the alcoholic population. In defense of the long-time practice, it is these most-visible alcoholics who are the main drain on welfare, public-hospital and police funds. But the loss to society of middle-class alcoholics can be even more costly.

There is growing awareness of alcoholism in women, particularly in the higher socio-economic levels. Marty Mann of the National Council on Alcoholism says old statistics showing male alcoholics outnumbering females 4 to 1 should be junked. She says it is getting closer to 50–50 every day.

King County can be proud of its Cedar Hills Alcoholism Treatment Center, a model court-referral complex that is, in a way, a monument to very-much-alive Ray Olsen, the long-time county public servant who pushed so hard for it.

Our city can be proud to have as citizens Charles Shadel and Harold Heath—the former for recognizing alcoholism as a "disease" when the idea was laughable, the latter for initial financial backing of Pioneer Industries, a firm that helps alcoholics and offenders earn money with dignity.

There can be pride, too, in all the toilers in the field of alcoholism who never are too busy to give a public lecture, attend a meeting or extend a helping hand to an alcoholic in need.

Alcoholics Anonymous truly has been a giver of life to many alcoholics. And even the Skid Road missions, whose soup and psalms may not change too many alcoholic lives, certainly cannot be faulted for being humane about a disease that too often is ignored "uptown."

Some public agencies have learned by making mistakes. But the time has come for the nonproducers to be eliminated. Any program that does not emphasize total sobriety for true alcoholics, as distinguished from those on occasional benders, simply is not doing the job.

To those agencies, public and private, that I did not contact during this series, my sincere apologies. It is my hope that almost all viewpoints were covered, while avoiding duplication.

Ron Fagan, director of Cedar Hills, likens the public's understanding of alcoholism to what we knew about tuberculosis prior to the First World War.

A tent city was set up out in the Ravenna District about 1913 to house consumptives. A broomstick brigade of righteous men and women promptly marched on it and demanded that "those immoral persons" be removed.

Alcoholism's Dark Ages may be about to end.

CHROME ORE FROM RHODESIA

Mr. McGEE. Mr. President, an excellent analysis of the ramifications of the U.S. Congress vote to violate a U.N. ban on the importation of chrome ore from Rhodesia appeared in this morning's edition of the Washington Post.

In an article written by Stephen M. Schwebel, professor of international law at the School of Advanced International Studies of the Johns Hopkins University, five points were scored which should be given considerable study by this body.

As Mr. Schwebel points out the sanctions have exerted considerable pressure on Rhodesia. So much so that the Rhodesian Government may be prepared to pay a price by way of promoting more humanist policies for removal of the sanctions. However, recent action by the U.S. Congress will harden the Rhodesian Government's attitude in this regard and impede Great Britain's efforts to come to equitable and responsible agreement with Rhodesia during their current round of negotiations.

Mr. Schwebel also points out that the image of the United States which has been willing to throw its international weight against racism will be severely damaged.

His third point notes that the U.S. standing and influence in the United Nations could be irreparably damaged "by a move which the generality of the membership finds provocative and the Africans find outrageous."

Fourth, the United States has been the "principal progenitor and patron" of the United Nations and has invariably upheld the Security Council's authority, "insofar as the Council has proved able to exert it. For the United States now to flout the Council's authority is to fly in the face of traditional and continuing American policy—and the self-interest that largely motivates the policy."

Mr. Schwebel's final point is one of very great importance for this Nation and any image of trustworthiness in our dealings in the international community.

As he so aptly points out:

Violation of a treaty obligation in this unnecessary and unvarnished fashion will once again underscore a disregard for international law that has increasingly characterized American behavior in recent months, with damaging effects not only for the fabric of international law but for the credibility of American diplomacy.

It is apparent that the U.S. Congress did not take cognizance of these ramifications of its vote to violate this U.N. ban. If it had, the outcome would most certainly have been the reverse of what actually occurred.

I am hopeful, as Mr. Schwebel expresses a similar hope in his article, that the President will see fit to take action to remove chrome ore from the strategic and critical materials list in order to maintain the integrity of the United States in this matter. To do otherwise would be to compound the irresponsible and immature action taken by the U.S. Congress.

I ask unanimous consent that Mr. Schwebel's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 19, 1971]

A CHROME-PLATED TREATY VIOLATION

(By Stephen M. Schwebel)

President Nixon has signed legislation designed to remove the embargo on the importation of chrome ore from Rhodesia as of Jan. 1. That embargo was imposed by President Johnson in 1967, in response to what the current conference report of the House of Representatives on the subject describes as "mandatory economic sanctions on Rhodesia." Those sanctions are indeed mandatory. They have been adopted and reaffirmed in three U.S.-supported resolutions of the United Nations Security Council which expressly remind members that "the failure or refusal by any of them" to implement the measures prescribed "shall constitute a violation of Article 25 of the Charter."

Article 25, in turn, provides that: "The Members of the United Nations agree to accept and carry out the decisions of the Security Council in accordance with the present Charter." Interpreting that article, the International Court of Justice last June held that, ". . . when the Security Council adopts a decision under Article 25 in accordance with the Charter, it is for Member States to comply with that decision . . . To hold otherwise would be to deprive this principal organ of its essential functions and powers under the Charter."

Whether the U.S. Congress actually meant in enacting the chrome legislation to deprive the U.N. Security Council of its essential functions and powers may be doubted. But, if the President permits this breach in United Nations sanctions against Rhodesia to be applied, the United Nations perhaps may suffer no less a loss to its integrity and potential than did the League of Nations in the Ethiopian case. In any event, the negative consequences of the policy, if implemented, will be substantial.

First, at the very moment when the British Foreign Secretary, Sir Alec Douglas-Hume, has arrived in Salisbury in a renewed effort to reach an agreement between Britain and its rebellious territory of Southern Rhodesia, his negotiating position is prejudiced by this indication from the United States that it may join South Africa and Portugal in openly violating United Nations sanctions against the racist Rhodesian regime. While the U.N.'s sanctions have been far from successful, they have exerted pressure on Rhodesia. The export of goods and import of capital have suffered. The Rhodesian Government may be prepared to pay a price, by way of promoting relatively humanist policies, in return for removal of the sanctions; clearly it will not be so prepared if the United States in any event may take the lead in destroying them.

Second, the image abroad of the United States as a society whose national government is willing to throw its international weight against racism—whatever the racial problems at home with which that government must contend—will be damaged.

Third, United States standing and influence in the United Nations, already impaired by the failure of its campaign to preserve a seat for Taiwan, will be further prejudiced by a move which the generality of the membership finds provocative and the Africans find outrageous. On November 16, a resolution was adopted by the U.N. General Assembly expressing "its grave concern at recent legislative moves in the Congress of the United States . . . which, if carried through and confirmed, would permit the importation of chrome . . . from Southern Rhodesia and thus would constitute a serious violation" of the sanctions. Citing Article 25 of the Charter, the resolution calls upon the United States to take the necessary measures to maintain the sanctions. It was adopted by a majority of 106 to 2 (South Africa and Portugal) with 12 abstentions (the United States not participating).

Fourth, the credit and capacity for accomplishment of the Security Council and the United Nations as a whole will be set back if the power that has been the organization's principal progenitor and patron turns against it in this way. The United States has invariably upheld the Council's authority insofar as the Council has proved able to exert it. Today, it is a main aim of United States diplomacy to achieve a Middle East settlement through Security Council guarantees which, if they are to be meaningful, will have to be binding. For the United States now to flout the Council's authority is to fly in the face of traditional and continuing American policy—and the self-interest that largely motivates that policy.

And last, violation of a treaty obligation in this unnecessary and unvarnished fashion will once more underscore a disregard for international law that has increasingly characterized American behavior in recent months, with damaging effects not only for the fabric of international law but for the credibility of American diplomacy.

The principal reason for the legislation the Congress has just enacted is stated to be that a ban on the import of Rhodesian chrome makes the United States dependent upon the Soviet Union as a major source of a critical defense material. But, while the United States currently imports some 60 per cent of its chrome from the U.S.S.R., it imported about 50 per cent from the U.S.S.R. when there was no ban on Rhodesian chrome. Moreover, the United States possesses so large a surplus of metallurgical grade chromite in its stockpiles that legislation was introduced in the Congress last April, with administration support, to authorize the sale of 1,313,600 dry short tons. That chrome excess is estimated as sufficient to meet defense needs for at least a decade.

Short of the Congress squarely reversing itself, is there a way out? Apparently there may be more than one way.

The legislation just enacted, the "Byrd amendment," while incorporated in the veto-proof Military Procurement Act, amends the Strategic and Critical Materials Stockpiling Act to provide that, notwithstanding any other provision of law, after January 1, 1972, the President may not prohibit or regulate the import of any material determined to be strategic and critical pursuant to the act if such material is the product of a foreign country or area which is not Communist, "for so long as the importation into the United States of material of that kind which is the product of . . . Communist-dominated countries . . . is not prohibited by any provision of law." As the House conference committee report puts it, "Stated very simply, the language provides that the President cannot prohibit imports of a strategic material from a free world country if importation of such material is permitted from a Communist-dominated country."

Accordingly, if the President prohibits the import of chrome from Communist-dominated countries, he may continue to prohibit its import from Rhodesia. This the President apparently is entitled to do by reason of provisions of the United Nations Participation Act and the Trading With the Enemy Act.

A simpler course would be for the President to direct deletion of chromite ore from the strategic and critical materials listed under the Stockpiling Act. He apparently is entitled to do this under the act, which, while requiring congressional authorization for sales from stockpiles, leaves to executive discretion the determination of which materials are strategic and critical. Such executive action would negate the Byrd amendment altogether, since it applies only to materials listed under the Stockpiling Act.

By so proceeding on any of these grounds, the President would enable the United States to uphold its international obligations. Time beyond January 1 would be bought, in which the Congress either could reconsider the question or in which it could—if serious administration pressure were to be exerted—adopt the pigeonholed legislation authorizing the sale of a portion of the national stockpiles of chromite. Were the former course adopted, or were the President to have chromite delisted, the lamentable effects of the Rhodesian chrome amendment would be largely and directly overcome. Were the latter course adopted, a ban on the import of Soviet and Rhodesian chrome could be sustained for an extended time while the stockpiles are drawn down—as the administration has indicated they should be. That also would avoid a position of profound international embarrassment for the United States—and, incidentally, should drive down the inflated price for chrome.

Encouragement that such possibilities are under consideration in the White House may be derived from its statement of Nov. 17 stressing that the Byrd amendment does not come into effect until January and that, meanwhile, the United States will not take any action which will jeopardize long term settlement of Rhodesian problems.

GOLDEN EAGLE PASSPORT

Mr. MOSS. Mr. President, on November 17, the Committee on Interior and Insular Affairs reported S. 1893, a bill to restore and extend the Golden Eagle passport system. This bill is an important part of what should be a concerted effort to expand recreational opportunities for all Americans. There are several important new features of this bill which I feel merit discussion.

First, the bill enacts for the first time the Golden Eagle passport. It has been operating since 1965 as a part of the Land and Water Conservation Fund Act and is scheduled to die at the end of this year unless Congress enacts new authority.

I urge strongly that Congress take this action. Since its inception, hundreds of thousands of people have taken advantage of the Golden Eagle program as an inexpensive way to see some of America's natural treasures. It has provided a way for our citizens to see their national heritage. The enormous success of this program indicates that it should be authorized on a permanent basis.

Second, the bill establishes two different types of Golden Eagle passports. One is the regular passport, as it now exists. Its cost will be $10 per family, and will admit the holder into all designated fee areas. The other passport is the Golden Eagle recreation passport. It will cover both entrance fees and user fees, such as camping. The impetus for this second type of passport is the rapid rise of camping fees in many of our national parks and other areas. Many families were being priced out of this type of recreation. So we have provided a more comprehensive type of permit, similar to the Golden Eagle, to cover these fees too.

I strongly support this concept. In my testimony before the Interior Committee on May 20, 1971, I said:

The answer to camping costs may lie in a double or super Golden Eagle passport which admits a family carload not only into a park but into the park campgrounds. I hope this idea will be explored in these hearings. If the Golden Eagle Passport is retained at $10 and I favor this then a double passport which covers both entrance and camping fees might be priced at $20 or $25.

I am gratified that the committee adopted this suggestion.

In that hearing I also stated:

I also hope in these hearings we can consider the special problems of senior citizens who have the leisure to use our national

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parks, but not always the money. We should look into the practicality of issuing a lifetime Golden Eagle Passport to senior citizens when they buy a passport after they reach the age of 65 or should consider other alternative means of making our recreation areas available to them at little or no cost.

I am pleased that the committee has also adopted that suggestion. As reported, S. 1893 provides for a Golden Age passport allowing citizens 65 or older free entrance to designated fee areas. They would not have to buy a Golden Eagle passport. Additionally, they would have to pay only $15 for the annual camping permit.

In reporting the bill, the committee rejected a competing administration proposal that would have gutted the Golden Eagle and replaced it with a $4 per person permit. Besides greatly increasing the cost of visiting our national parks and recreation areas, this proposal would have been an administrative nightmare. In addition, the administration proposed increasing camping fees to levels charged by non-Federal facilities. The committee definitely rejected this concept too, with specific language in the bill that rejected this "equivalency test." In so doing, the committee reaffirmed its commitment to keeping the price of camping within the reach of all Americans.

The committee has reported an excellent bill. I urge the Senate to act promptly on its passage, before the current Golden Eagle program goes out of existence. Hundreds of thousands of American families are depending on us.

NOMINATION OF DR. EARL BUTZ AS SECRETARY OF AGRICULTURE

Mr. HARRIS. Mr. President, I invite the attention of Senators to the testimony I presented before the Senate Agriculture Committee on the nomination of Dr. Earl Butz to be Secretary of Agriculture. My opposition to Dr. Butz' nomination stems not from any personal animosity toward him but rather from the belief that a man who has spent his entire public life working for and with the giant agribusiness corporations that are driving the independent farmer off the land is not the kind of man we need as Secretary of Agriculture. Moreover, the fact that Dr. Butz was on the payroll of several agribusiness giants at the same time as he was serving as dean of a land-grant university engaged in research and other work of direct interest to these firms raises very serious conflict-of-interest questions.

As Senators, we are called upon to confirm or reject the nomination of Dr. Butz. To do so intelligently we need all the information available on Dr. Butz' record. For this reason, I ask unanimous consent that a copy of my testimony before the Agriculture Committee be inserted in the RECORD. The testimony includes a report prepared by the agribusiness accountability project, headed by Mr. Jim Hightower, entitled "Agribusiness Corporations Served by the U.S. Secretary of Agriculture Nominee, Dr. Earl Butz," and a six-page telegram I received from David Hall, the Governor of my home State of Oklahoma, stating his objections to Dr. Butz' nomination. I ask unanimous consent that all these may be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR FRED R. HARRIS

Mr. Chairman, since World War II, sweeping changes have taken place in American agricultural productivity, and much more is at stake than efficient food production.

In fact, the very shape and substance of the American countryside has been radically altered—there has been nothing short of a violent revolution in rural America. Consider these facts:

More than 70 percent of our people are now packed onto less than 2 percent of the land;

In 1970, for the first time since the nation was settled coast to coast, our farm population fell below 10 million;

There were more than six million farms in 1940—there are less than three million today, and USDA benignly predicts that at least another million farms will shut down during the next nine years;

Over the last three decades, 30 million rural Americans have had no economic alternatives but to leave their land and their rural homes and to move into the alien environment of our urban concentrations—this forced migration continues today at the rate of 800,000 people a year;

14 million rural Americans are left behind in rural poverty, with millions more existing just on the edge of poverty;

47.1 percent of the farm families in this country have annual incomes that fall below the poverty level of $3,000;

1.5 million farm workers averaged an income of $1,083 in 1970, another one million farm workers raised their average income to $2,461 in 1970 by also doing some non-farm work.

Why can't independent family farmers, farm workers and small town businessmen make a living in rural America?

There are two basic reasons. First, there has been a corporate invasion of American agriculture. Second, government has sided with agribusinessmen, turning its back on the little man who traditionally has been the strength of this country.

Food has become big business. In 1970, America's food tab came to $114 billion. It is not the independent farmer and the farm workers who are bringing that food to market and pocketing those billions. It is agribusiness—corporations such as Tenneco, Del Monte, Bud Antle, Ralston-Purina, Green Giant, Safeway, Swift, Heinz, U.S. Sugar and General Foods. Also, a number of "brave new farmers" are trying to harvest those profits—these are major industrial giants such as Boeing Aircraft, Dow Chemical, Prudential Insurance, Coca Cola, Standard Oil, Goodyear Tire and Rubber, American Brands, and Purex.

If the tractor was the symbol of American agriculture thirty years ago, the corporate board room is its symbol today.

Increasingly, agribusinessmen are in control of the land, of agricultural production and of farm markets. As they have moved into rural America, the little man has been moved out:

While the number of farms has declined by half over the last 30 years, the average size of farms has doubled;

Small farms still constitute more than half of the number of farms, but they account for only 7.8 percent of farm sales;

During the past three decades, an average of almost 2,000 farms a week have folded;

For every six farms that fold, one small town businessman shuts his doors.

Yet why, if the corporate giants are so efficient, do they need the support of the American taxpayer in the form of billion dollar subsidies and other benefits? An investigation of tax returns of large scale corporate farmers would show many losing money. Of course, some *intend* to show a loss in order to get a tax break. And for others, losses in production can be easily covered by huge profits in processing or marketing. The individual farmer doesn't have these options.

What is particularly galling to the independent farmer is that numerous USDA and university studies show that he possesses the needed acreage to farm efficiently. For example, maximum cost-saving production efficiency is reached at about 1,500 acres for cotton, less than 1,000 acres for corn and wheat, and 110 acres for peaches.

Mr. Chairman, the corporation of American agriculture is not the inevitable result of any economic process. The decisions to create and administer a farm policy aiding the giant agribusinesses are conscious ones; they are no more inevitable than a Communist nation's decision to create massive state farms. And the result for the independent farmer and farm worker is the same whether state or corporate interests control rural America: they have no power over their own lives.

We are at a crossroads in this nation today. We can decide that rural America should be a place in which people can live and work in dignity or that it will simply be a giant food factory to produce more corporate profits. This is a fundamental issue, and America has not faced up to it. We have no national rural policy. Instead, we have allowed vested economic interests, guided by nothing nobler than profit, to determine what will exist in the countryside and what will be the fate of millions of rural people.

President Nixon has let us know what kind of rural America he wants to see. I don't share his vision. Dr. Earl Butz, the President's nominee as Secretary of Agriculture, is clearly an agent of the giant agribusiness corporations that are driving the small farmers of America off the land. What we need is an Agriculture Secretary dedicated to stopping the tragic outmigration from rural America. We need a man who will speak for the small farmer, not the corporate executive. Dr. Earl Butz is not that man.

Dr. Butz at the time of his nomination served on the board of directors of Ralston-Purina, International Minerals and Chemical Corporation, and Stokely-Van Camp, all major agribusiness giants. In addition, he served on the board of J. I. Case, a leading farm machinery company, until that company was acquired by Tenneco. As Dr. Butz had readily acknowledged, he was paid $12,000 a year by Ralston-Purina; $10,000 by International Minerals and Chemicals; $4,800 by Stokely-Van Camp; and $3,000 by J. I. Case. He owns stock in all of these corporations, except, to my knowledge, J. I. Case.

Mr. Chairman, I have with me a report by the Agribusiness Accountability Project on the agribusiness corporations served by Dr. Butz. This report offers a valuable insight into the major agribusiness ties of Dr. Butz. I ask that it be inserted into the Committee record.

Dr. Butz has recently announced his intentions to disassociate himself from these corporations. This action will not solve the problem of Dr. Butz' corporate ties, because he cannot so easily give up lifelong attitudes.

The incestuous relationship between regulatory agencies in our country and those being regulated has increasingly become a point of public concern. The relationship between the U.S. Department of Agriculture and the giant agribusinesses should similarly be of great concern. It is curious indeed, Mr. Chairman, that the outgoing Secretary of Agriculture should accept a high salaried job with Ralston-Purina while the new Secretary arrives from the board of directors of the same corporation.

Mr. Chairman, I believe the nomination of Dr. Butz raises very serious conflict of interest questions. Dr. Butz has been and is now an agribusinessman. Moreover, his record gives no indication that this situation will change should he become Secretary of Agriculture.

At Purdue, a national symposium was held this past April 14–16 on "Vertical Coordination In The Pork Industry." The symposium was attended by feed companies, food chains, economists, and USDA officials. At least nine major executives of the Ralston-Purina Company, of which Dr. Butz was then a director, were on hand. Part of the program at the symposium included the showing of a Ralston-Purina film depicting the history of the hog industry—an industry fast being taken over by Ralston-Purina. Twenty-four USDA officials, including two Deputy Administrators, were also on hand. And on one of those days, Dr. Butz was the luncheon speaker.

I don't know whether Dr. Butz in his position as dean of continuing education, arranged this symposium bringing together academics, government officials, and corporate farm interests. But it is a fact that the company paying Dr. Butz $12,000 a year was able to present its position very forcefully at the symposium. I wonder if small hog farmers were as well represented at the conference?

Mr. Chairman, a symposium of this kind involves the use of tax dollars—state and federal. The land grant college system expends well over half a billion dollars a year of tax money—Purdue University has spent $8 million on research alone in fiscal year 1969. The land grant colleges were created in 1862—the same year as the Department of Agriculture—to be the people's universities. Serious questions are raised by Dr. Butz' background as to whether some of them may have in effect become research clinics for agribusiness interests.

Mr. Chairman, I hope that the Committee will not limit itself to two days of hearings here in Washington. Rural Americans have too much at stake for us to take only a cursory glance at who this man is. Governor David Hall of my home state of Oklahoma is evidence of that concern in rural America over Dr. Butz' nomination. Yesterday I received from him a 6-page telegram stating his objections to Dr. Butz' views. I ask that it be printed in the Committee record.

If the Committee acts quickly on the nomination of Dr. Butz, Senators will have to vote on the basis of the information available to us now. That information shows Dr. Butz to be an extremely articulate advocate of big corporate interests in agriculture. His record is clear: In 1957 Dr. Butz stated that many people "just weren't cut out to be farmers. It's not at all cold-blooded to suggest that they seek other employment." And just this week in an interview Dr. Butz told the Washington Post that "this trend toward less farms is not bad."

This attitude does not, I believe, qualify Dr. Butz to be our next Secretary of Agriculture; and I appear here in opposition to this nomination.

REPORT OF THE AGRIBUSINESS ACCOUNTABILITY PROJECT

The nomination of Dr. Earl L. Butz to be Secretary of Agriculture poses a crucial and fundamental question: "What do we want in rural America?"

Dr. Butz states forthrightly that rural America is a place to do business, not a place to live. And for him, doing business is big business. It means that large, agribusiness enterprises will be in charge, "with more highly concentrated capital, higher levels of management, more specialization of labor, and, if you choose, with a higher degree of integration."

Dr. Butz' vision of rural America is of an assembly line running from the field to the table. As corporations become vertically integrated and food production becomes otherwise concentrated, fewer independent farmers will be needed, and those that are left will be brought more and more under corporate control. Farm workers will not be a problem, for mechanization will eliminate the need for them. Purchase of farm machinery, seeds and feeds and other agricultural inputs will be either from corporate subsidiary or will be coordinated at corporate headquarters, so the small-town supplier will be expendable. Rural communities themselves will fold as people move to larger urban centers.

Dr. Butz has spent a lifetime working for this vision. In every phase of his career, he has been close by the side of agribusiness, serving its needs as an academician at Purdue University, as a politician during the Ezra Taft Benson era, as an author and lecturer, and as a stockholder and board member of agribusiness corporations. From his background and with his perspective, Earl Butz is better suited to be Secretary of Commerce.

It is possible to ask more from rural America than corporate profits. Earl Butz is not the only one with visions of what should exist. Millions of people—independent family farmers, farm workers, small town businessmen and other rural citizens—still would like to think of it as home. They want to live and to work there with dignity. They want more alternatives than merging into the corporate structure or moving into the cities. Of course, Dr. Butz puts it to them more bluntly: "Adapt or die," he said. As Secretary of Agriculture, he will be in a position to enforce that admonition.

EARL LAUER BUTZ

Birth: Albion, Indiana—July 3, 1909.

Education: B.A., B.S.A. Purdue, 1932; Ph.D., Purdue, 1937; Student, Universtiy of Chicago, Summer, 1936.

Married: December 22, 1937, Mary Emma Powell. Two children: William Powell, Thomas Earl.

Professional Career: Farmer, Noble County, Indiana; Grad. Research Assist. in Agricultural Economics, Purdue U., 1934–35; Research Economist, Federal Land Bank, Louisville, Ky., 1935–36; Instructor, Agricultural Economics, Purdue U., 1937–39; Assistant Professor, 1939–43; Associated Professor, 1943–46; Professor, Head—Agricultural Economics Dept. Purdue U., 1946–1954; Assistant Secretary, Department of Agriculture (USDA), 1954–57; Director, CCC; Dean of Agriculture, Purdue U., 1957–1967; Dean of Continuing Education, Purdue U., 1968–1971 (President).

Research Economist—Brookings Institute, 1944, 1951; Research Staff—National Bureau of Economic Research, 1944–45; Lecturer, School of Banking, Univ. of Wisconsin, 1946–1965; Lecturer, Rutgers Univ., 1950–1958.

Affiliations: Director, Standard Life Insurance Company of Indiana, Ralston-Purina Company, International Minerals and Chemical Corp., Stokely-Van Camp, Inc., (Ex) J. I. Case Company.

Farm Foundation (Chicago, Ill.) Foundation for American Agriculture (Washington, D.C.).

Chairman, U.S. Delegation FAO, Rome, 1955, 1957; Member, American Farm Economic Association; Vice-President, 1948; Sec.-Treas., 1953–54.

Member, American Society of Farm Managers and Rural Appraisers; Member, Indiana Academy of Social Science; Vice President, 1948.

Member, Canadian-American Committee; Member, International Conference of Agricultural Economists; Member, American Association of University Professors.

Publications (Books): The Production Credit System for Farmers (1944).

Office: Purdue University, Lafayette, Indiana.

Home: 312 Jefferson Drive, West Lafayette Indiana.

Also served on a 16-member committee appointed by President Nixon to study American foreign aid in 1969–1970.

Currently Vice-President of the Purdue Research Foundation.

RALSTON PURINA

Earl Butz was elected to the board of directors of Ralston Purina in 1960. As a member of the board, he received $12,000 annually in compensation and held 2,000 shares of stock. During his tenure, the company expanded from sales of $646,753,000 and net earnings of $22,859,000 during fiscal year 1961, to sales of $1,567,009,000 and net earnings of $56,770,000 during fiscal year 1970.

The first half of fiscal 1971 has been good to Ralston Purina, with the firm reporting record high sales of $859,170,000 and its second highest earnings ($28,948,000) for that six month period. Fortune magazine ranks Ralston Purina 71st in sales among the 500 largest industrial corporations in the U.S.

Ralston Purina describes itself in its annual report as "diversified in . . . operations, multinational in organization, and global in outlook." Its diverse operations are primarily agricultural, including:

Soybean processing for feed production and sale; commercially sold by-products

Grain merchandising

Manufacture of sanitation and biological products for animal disease prevention and control

Animal and poultry feed formulation from grain and grain products, soybean meal, alfalfa meal, cottonseed meal, fishery products, molasses and vitamin concentrates

Manufacture and distribution of breakfast cereals, hot and cold, and crackers

Canning and marketing of tuna fish

Production and processing of catfish

Pet food manufacture

Industrial cleansers and waxes manufacture

Production and leasing of swine

Production of mink and pathogen-free laboratory animals for medical research

Frozen convenience food production

Restaurant operation and restaurant supply (including warehousing and processing)

Protein products production

Operation of a ski resort

Research in feeds, pet foods, beverages, and protein products.

In some categories, Ralston Purina leads the industry. Feedstuffs, an agribusiness weekly, calls Ralston Purina 'the largest single factor in the total poultry industry."

In its annual report for 1969, Ralston Purina dubs itself the number one pet food manufacturer.

The following table shows the amount and percentage of consolidated net sales and consolidated earnings contributed by each lines of business:

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[Dollar amounts in million]

	Net sales					Earnings				
	1966	1967	1968	1969	1970	1966	1967	1968	1969	1970
Agricultural products: Animal and poultry feeds, poultry products, soybean processing and other related operations:										
Amount	$709.0	$775.1	$734.8	$790.5	$878.9	$61.3	$32.5	$42.8	$53.6	$70.3
Percent	60	60	57	57	56	58	39	43	44	49
Consumer products: Pet foods, sea foods, cereals and other products:										
Amount	$210.5	$220.0	$258.3	$293.2	$325.6	$24.5	$30.4	$36.8	$42.8	$43.4
Percent	18	17	20	21	21	23	37	37	36	30
Restaurant: Jack-in-the-Box fast service restaurants and other restaurant operations of Foodmaker, Inc:										
Amount	$20.7	$26.0	$33.1	$46.1	$63.2	$3.4	$4.5	$6.4	$10.0	$12.2
Percent	2	2	3	3	4	3	5	6	8	8
International (including Canada): Animal and poultry feeds, poultry products, pet foods and other related operations:										
Amount	$234.5	$280.1	$255.3	$256.5	$293.3	$16.8	$15.1	$13.6	$14.9	$18.0
Percent	20	21	20	19	19	16	19	14	12	13
Total	$1,174.7	$1,301.2	$1,281.5	$1,386.3	$1,567.0	$106.0	$82.5	$99.6	$121.3	$143.9
Unallocated corporate expenses						10.2	11.9	12.4	9.1	12.1
Interest expense						6.3	10.0	13.2	13.5	15.6
Earnings before income taxes						89.5	60.6	74.0	98.7	116.2

Ralston's "multinational organization" includes activities in 23 foreign countries with markets in Europe, Japan, and Australia accounting for the major sales. Ralston Purina was one of 12 founding companies of a U.S. investment concern, the Latin American Agribusiness Development Corporation.

Several aspects of Ralston Purina's business are subject to regulation by USDA:

Commodity and Exchange Authority—Ralston "protects part of its inventory position . . . by trading in futures markets." Abuses of futures trading are subject to regulation.

Consumer and Marketing Service—C & MS conducts meat, poultry and egg inspection; marketing regulatory programs and a plant variety protection program.

Packers and Stockyards Administration—P & S uses its regulatory powers to insure free competitive practices in the meat and poultry marketing and meat and poultry packing.

Agricultural Research Service—ARS inspects certain exported products and through its veterinary service provides for the humane treatment of animals used in research facilities.

In addition, USDA's activities affect Ralston Purina economically. In its 1969 Prospectus, Ralston Purina states:

"A very large portion of the cost of producing feeds is represented by the cost of raw materials . . . The government's price support programs have a significant effect on the prices of certain of the Company's raw materials."

Ralston Purina sells to USDA. For example, in fiscal year 1971, approximately 9% of the funds expended for the purchase of frozen turkeys through Section 32 funds went to Ralston Purina. (The Company also manufactures cereals for government usage.)

Two private antitrust suits have recently been brought by and on behalf of persons who were lesses of Jackin-the-Box restaurants. The suits seek substantial damages "for alleged illegal resale price maintenance and alleged illegal requirements that lessees lease property and purchase restaurant items from Foodmaker or Foodmaker designated sources at higher than competitive rates."

Four members of the board of directors of Ralston Purina have close ties with other agribusinesses. Donald B. Smiley, is a director of the RCA Corporation which produces Banquet Foods. Erwin A. Stuebner is a former director of Rohm and Haas Company. Leif J. Sverdrup, Jr. is on the board of the St. Louis National Baseball Club, Inc., a subsidiary of Anheuser-Busch. Albert J. O'Brien is a director of General American Life Insurance Company which owns stock in the following agribusinesses: Tenneco, Anheuser-Busch, Dow, Pet, Ralston Purina and Transamerica.

INTERNATIONAL MINERAL AND CHEMICAL CORPORATION

Earl Butz was elected to the board of directors of International Minerals and Chemical Corporation in 1961. As a member of the board, he received $10,000 in remuneration and owned 2,000 shares of stock. During his tenure at International Minerals, net sales increased from $133,786,000 in 1961 to $505,932,000 in 1970. Net earnings changed from $9,039,000 in 1961 to $4,503,000 in 1970. Fortune magazine listed IMC as 218th in sales among the top 500 corporations.

IMC is an international corporation with 109 subsidiaries throughout the world. The Company engages in four major lines of business:

Industrial products—including feldspathic materials and sand binders; highly formulated resins, oils and esters, bentonite clays.

Food Products, including monosodium glutamate sold under the brand name ACCENT. Other food products include rices, pepper, spice and vegetable products.

Business losses ascribed to 1970 publicity questioning the safety of monosodium glutamate led to a decision to sell that line of business

Trading operations, among them Continental Ore Corporation, a wholly owned subsidiary that engages in the purchase and sale of ores, minerals, ferroalloys metals, carbon products and industrial products and materials.

Agricultural, as a world supplier of fertilizer materials, mixed fertilizers, plant growth regulators, and microbiological insecticide.

Contributions of the four divisions to net sales and income are:

[In thousands of dollars]

	Fiscal years						Fiscal years				
	1967	1968	1969	1970	1971		1967	1968	1969	1970	1971
Agricultural products:						Industrial products	75,600	102,500	99,200	86,400	68,100
Phosphate products	82,100	73,400	72,000	76,200	74,300	Food products	21,500	26,400	25,600	22,800	23,300
Potash products	50,400	49,000	42,400	46,300	51,000	Trading operations	130,600	143,800	168,700	204,200	223,800
All other agricultural products	101,500	106,700	96,700	70,000	77,100	Total net sales	461,700	501,800	504,600	505,900	517,600
Total	234,000	229,100	211,100	192,500	202,400	OPERATING INCOME					
						Agricultural products	26,900	16,500	5,800	11,900	25,800
						Industrial products	5,200	4,500	4,600	3,200	100
						Food products	2,600	3,000	(100)	(2,300)	(2,900)
						Trading operations	4,900	5,600	3,300	6,500	7,000
						Operating income	39,600	29,600	13,600	19,300	30,000

IMC is the largest domestic producer of monosodium glutamate and the fifth largest producer of agricultural fertilizers in the U.S. IMC mines raw phosphate and potash for its own fertilizer products and for shipment to other producers. "Virtually all of the phosphate mined by IMC goes to agriculture . . . almost none to industry." Phosphate is mined by open pit method in Florida where IMC controls or owns 49,300 acres of land. Of the phosphate recovered in 1970, 50% went to foreign markets and 4% was used by IMC within its own plants. In 1971, IMC formed an association to assist in export shipments of phosphate.

In its potash operation, IMC has federal cooperation. IMC leases land from the U.S. government through the Bureau of Interior to mine potash. Two tracts of land, one consisting of 1,342.37 acres and the other of 2,550 acres, are leased for $1.00 an acre under contracts that have been modified on several occasions.

Among IMC's potash mines are high grade deposits near Esterhaxy, Saskatchewan, Canada. IMC's income for agricultural products has increased significantly because of higher prices for potash resulting from production controls and a "floor price" higher than prevailing prices set on January 1, 1971 by the Canadian government. IMC's Canadian operations in 1967 netted them an investigation. The United States government "initiated an investigation into the alleged 'dumping' of potash into the U.S. by the Canadian producers thereof, including IMC (Canada) . . ." The investigation determined that Canadian producers sold potash in the U.S. market at lower prices than the prices charged by such producers in the Canadian market and that such sales had injured the domestic industry. Although IMC will be required to pay increased duties, the Treasury Department as late as June 30, 1971 had not determined the extent of the liability.

IMC's operations involve the corporation with USDA in one area. Continental Ore Corporation engages in "barter transactions with the U.S. government under which COC receives surplus agricultural commodities for export in return for supplying materials to the U.S. government agencies or for providing funds for operations of government agencies abroad."

"During 1969 IMC reached agreement with Internal Revenue Service on a substantial number of issues raised by the service units examination of the Corporation's federal income tax returns for the years 1960 through 1963. Accordingly, IMC provided $5,500,000 by a charge to retained earnings for additional income taxes relating to all issues through June 30, 1969, including interest (no income tax effect).

In November, 1963, the federal government filed an indictment charging violations of the Sherman Act with respect to export prices of phosphate rock from 1956 to 1962. (United States vs. International Minerals and Chemical Corporation.)

On December, 1964, an indictment was filed claiming that sales by Concentrated Phosphate Corporation Association (IMC is a member) to the Republic of Korea which were financed by the U.S. government through AID are beyond exemption under the Webb-Pomerene Act and in violation of the Sherman Act. (U.S. Concentrated Phosphate Export Association, Incorporated, et al.).

In 1970, the U.S. government filed a complaint regarding pollution caused by a chloralkali plant in Maine.

In addition to Butz, at least three members of the 12-man board of International Minerals and Chemical Corporation served on the boards of other agribusiness corporations (they continue as directors). Robert W. Purcel is a director of the International Economy Corporation and the Agricultural Insurance Company. John T. Ryan is a member of the board of H. J. Heinz, and Thomas H. Roberts is a director of DeKalb AgResearch, Inc.

STOKELY VAN-CAMP, INCORPORATED

Earl Butz was elected to the board of directors (Class II) of Stokely Van-Camp, Incorporated on October 7, 1970. His remuneration is reported at $4,800. Upon election he held no stock in the company, but has publicly stated that at the present he does now own stock.

For the year ending May 31, 1971, Stokely's net sales and operating revenues were $280,863,388, an advance of $6.2 million from 1970. Net earnings were $6,602,058, up $2.3 million from 1970.

The company is listed 362nd in sales according to Fortune magazine's top 500, number 420 in net earnings with a year's growth rate of 0.69%.

Stokely Van-Camp, Incorporated is a processor of foods for human consumption. In addition to its executive headquarters in Indianapolis, Indiana, its canned foods division (Van Camps, Stokely's Finest, Gatorade) operates in California, Idaho, Illinois, Indiana, Kansas, Michigan, Minnesota, New Jersey, Ohio, Tennessee, Texas and Wisconsin. Its frozen foods division (Stokely's Finest, Picsweet) operates in California, Florida, Indiana, Minnesota, Oregon and Washington. In the latter operation, Stokely Van-Camp, Inc. leases land from Indian reservations (tax free) to grow crops, according to one report.

The Capital City Products Division, a processor of food oils to produce highly specialized products utilized by other processors as ingredients, has its general offices and operations in Columbus, Ohio. Pomona Products Division's general office and operations are in Griffin, Georgia. It distributes and processes a line of southern vegetables (Sunshine). It is the major marketer of pimientos in the United States.

The Kuner Empson Company Division, with headquarters and operations in Brighton, Colorado, distributes a line of canned fruits and vegetables (Kuners) in the Rocky Mountain and Plains areas. Purity Mills Division, with headquarters in Dixon, Illinois, and operations in Illinois, Indiana, and Ohio is a processor of unpopped popcorn (Popeye, Betty Zane) and puffed wheat and rice (Popeye).

Stokely's Can Manufacturing Division, with a general office in Indianapolis, Indiana, and operations in California, Indiana, Tennessee, and Illinois, is a manufacturer of cans from tin plate. The cans are supplied to other divisions for use in canning.

Subsidiaries include:

M. W. Graves and Company, Ltd., and Canada Foods, Ltd., Berwick, Nova Scotia. Distributors and processors of canned and frozen vegetables and fruits in Maritime Provinces of Canada under their own labels.

Hawaiian Fruit Packers, Ltd., Kapaa, Kauai, Hawaii. Packer of pineapple products for sale and use of Stokely Van-Camp, Inc.

Stokely Van-Camp of Puerto Rico, Manati, Puerto Rico. Sales corporation.

Stokely Van-Camp of Canada, Ltd., Essex, Ontario, Canada. Processor and distributor of canned vegetables distributed in Prairie Provinces of Canada under its own label.

The U.S. Department of Justice filed suit August 11, 1971, against Stokely Van-Camp, Incorporated, seeking to recover all the "substantial profits" made by the company on sales of the drink, Gatorade. The complaint stated that the formula for the drink had been developed at the University of Florida under grants from the Department of Health, Education and Welfare. All such inventions arising out of such grants are the property of the government, the Justice Department contends. In 1968, Dr. James Robert Cade, the developer of the drink, along with a few assistants formed a trust and sold the marketing rights for Gatorade to Stokely Van-Camp. A 1969 company report states the company pays the trust an annual royalty of $25,000 plus 3¢ per gallon sold. Three weeks prior to the government suit the Board of Regents at the University of Florida filed a similar suit against its employee, Dr. Cade, asserting that it had property rights to the drink.

The U.S. Department of Agriculture has twice suspended (in 1969 and 1970) its meat inspection operations at Capital City Products Company because of below-standard operations.

On November 1, 1971 the Food and Drug Administration rescinded a previous botulism warning on a 15,000 can batch of Stokely Van-Camp green beans.

Stokely Van-Camp has large exemptions for its workers from overtime provisions of the National Labor Relations Act. Agricultural workers are exempt from almost all provisions (except the $1.30 hour minimum wage and some child labor provisions) of the Fair Labor Standards Act. The company makes almost full use of interstate recruiting system for seasonal agricultural employees under the Wagner-Peyser Act.

On July 31, 1967, the Securities and Exchange Commission, alarmed by two weeks of heavy speculation on Stokely Van-Camp, Inc. stock due to the announced marketing of Gaterade, imposed a ban against margin buying of the stock, i.e. margin was set at 100%.

The U.S. Government (Defense Personnel Support Center and Veterans Administration Marketing Center) was a major 1970 purchaser of Stokely Van-Camp, Incorporated, products ($1,398,757).

In addition to Butz, at least five other members of the 9-man Stokely Van-Camp, Inc. board of directors serve in agribusiness-related organizations. J. W. Fisher is president of the Ball Corporation, a glass and bottle-maker, which is a supplier to Stokely Van-Camp and serves on the board of Calvert Exploration Company, a chemical manufacturer. H. R. Warren is on the board of directors for K–B Farms, Incorporated. W. B. Stokely III is president of the Indiana Canners Association and D. H. McVey (who served with General Mills from 1930–1960) is on the board of directors of the Rockford Can Company, which is owned jointly by Stokely Van-Camp, Inc. and Quaker Oats Company and is a major supplier to Stokely Van-Camp, Inc.

[Telegram]

OKLAHOMA CITY, OKLA.,
November 15, 1971.

Hon. FRED HARRIS,
U.S. Senate,
Washington, D.C.:

Press reports about the philosophies of Secretary-designate Earl L. Butz appear to place him in direct opposition to the best interest of Oklahoma Farmers and our State's economy.

Mr. Butz's strong connections with corporate conglomerates who are making major inroads into farming-ranching enterprises would cast serious doubt as to his acceptability as Secretary of Agriculture.

Mr. Butz's endorsement of consolidated farming and fewer farm families, as quoted by Nick Kotz of the Washington Post and reported in the Oklahoma Journal, ingores two factors:

First—the family farm is a way of life. By forcing families from the farms the rural people are moving into congested urban areas and adding to the problems of our cities,

Second, the experience and tradition of the family farm has produced food for Americans at historically low price, Americans now pay about 16% of their income for food. There is no guarantee that agribusiness combines will continue this trend. Indeed, evidence points sharply toward the fact that the opposite is inevitable with conditions moving closer to monopolies.

While President Nixon is to be commended for changing his mind about abolishing the Department of Agriculture, the confirmation of Mr. Butz as Secretary could have the same impact on Oklahoma Ranchers and Farms if his views have been correctly reported,

Your courageous opposition to Mr. Butz appears sound and in the best interest of Oklahoma Agriculture.

Mr. Butz should answer many questions including the following:

1. Should farmers be given collective bargaining power to deal with agribusiness?

2. With fewer food processors, would not opportunities for monopolistic control and subsequent consumer price increases be inevitable?

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3. With competition reduced would not the food and fiber industry be tempted to less innovative and reduced productive thinking?

4. Were not the great advancements in agriculture made in a highly competitive, family farm environment?

5. Does not your past close relations with corporate conglomerates place you into a position that would detract from your understanding of the needs of a farmer who desires to serve his nation and make a living on his own free enterprise farm?

6. As farm families are displaced and move to urban areas, how do you propose to utilize workers with farm training in city settings?

Having recently returned from the Soviet Union, I toured the collective farms and saw the listless inefficient and high-cost production of state farms, that was the result of a far-leftwing swing.

In studying Mr. Butz' promonopolistic point of view, especially in light of agribusiness' declaration to control food from the "seedling to the supermarket", I foresee uninspired peonage for farmers and higher prices for consumers, that could be the result of a far-right-wing swing.

Oklahoma farmers want a voluntary farm program that will provide fair and equitable prices for their work and products. They want a responsive Secretary of Agriculture who believes that a viable farm program can preserve family farms which produce quality food at reasonable prices.

Your support of these positions would be deeply appreciated, you have my warmest best wishes

DAVID HALL,
Governor of Oklahoma.

THE UNITED STATES AND THE SOVIET UNION: POWER IN TRANSITION

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD the text of my remarks at the 1971 Eisenhower Symposium, the Johns Hopkins University, Thursday, November 18, 1971.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF SENATOR MIKE MANSFIELD

I am delighted to find myself delivering the benediction at these proceedings. It is an uncommon experience. The last word is something that is rarely reserved for the Leadership in a Senate of unlimited debate.

Notwithstanding this built-in propensity for talk, however, the Senate has acted with unusual dispatch during the past few weeks. While this symposium has pondered the dilemmas of power, the Senate has sought to resolve several of them.

With regard to Viet Nam, for example, the Senate voted first to establish a national policy of full withdrawal within six months. Later, at the insistence of the House, which had an assist from the Administration, the specific time span was removed and full withdrawal was accepted only as a Congressional rather than a national policy. Still later, in other legislation, and with the reluctant concurrence of the House and the Administration, the Senate's insistence on full withdrawal from Viet Nam was established as national policy but still without a specific withdrawal date. Finally, in a foreign aid bill, the Senate is making one more effort to restate its pristine and more emphatic position on Viet Nam, that is, full withdrawal within six months.

In similar tugs and starts and stops, the Senate voted to cut, then to increase parts of foreign aid, then to reject it in toto, only to resuscitate most of the Administration's aid program in two bills a short time later, underscoring the fact that foreign aid is a program with more lives than a cat.

Contrary to the appearances, these actions are more than marches up the hill and down. They are not empty gestures. They say what the people of the nation are saying. In language which is audible in the other Branches they say that the Senate wants the war in Viet Nam to end completely and soon. They say, too, that the Senate is growing insistent on a sweeping revision and scale-down of foreign aid.

The apparent indecisiveness of the actions arises, in part, from the fact that there are other centers of federal power—in the House and in the Presidency—wherein other ideas are held and with which the Senate must come to terms. It is also a reflection of a kind of dilemma of power: it is symptomatic of the uncertainty of the Congress in confronting the salient factor of the contemporary international situation.

I am sure this symposium has long since identified that factor. It is the surge of change which is sweeping the globe. From the rimlands of Asia to the western littoral of Europe international relationships of a generation are giving way; just as currencies, fixed in value for decades, are now floating, so too are old alliances and alignments.

In this nation, a new outlook is readily detectable. It is present especially in the young who are not bound by the fixations of the past but it is by no means confined to the young. The international experiences of the past few years have shocked the thought patterns of the entire nation.

In the United States, the time for a change in foreign policy is ripe. If this situation finds a counterpart in the Soviet Union, then we may well be on the threshold of the liquidation of the dubious heritage of the cold war. Ironically, the era of cold war is ending not in the "positions of strength," which at one time were regarded in U. S. policy as an essential of peace; indeed, the Secretary of Defense has even raised doubts about the present capacity of our defenses. Nor is the cold war closing in drastic changes in the state systems of Eastern Europe, or the West, which, once in the eyes of more militant ideologists in both countries, were held to be the only basis for its ending.

Rather, the heat has been taken out of the cold war, if I may mix the temperatures, by degrees. Old conflicts have dissolved slowly in symposia such as the one which is taking place here, to which I allude as symbolic of the growth of peaceful interchange between the two systems.

The old conflicts are also diluted by the emergence of other international considerations which have pressed into the purview of the two nations. China, for example, now looms large in the concerns of the Soviet Union. At the same time, the United States is immersed in the practical and urgent threats to the economy, more or less to the exclusion of the theoretical and distant menaces of alien ideologies.

Ironically, this transition comes at a time when the affairs of the nation are presided over by a Republican Administration which was once in the front ranks of what was termed the "battle for the minds of men." May I say that the irony is all to the credit of the incumbent political leadership. President Nixon has been able to set aside the things of the past. In the light of present realities, he is acting to remove some of the barnacles which encrust the foreign policy of the United States.

Without detracting from the Administration's achievement in any way, I think it is fair to note that the times have been overripe for this change. I like to think, too, that the level of reason is such in this nation that the transition might have come under any perceptive administration of whatever partisan stripe. But, perhaps, that is an excessively sanguine expectation. In any event, there is little question of the general effectiveness of the incumbent Administration. It is an effectiveness which tends to support Walter Lippmann's thesis that liberal change is best brought about by conservative government.

The critical element in the Administration's new approach to international policies, it seems to me, is the Nixon Doctrine which was unveiled in Guam in 1969. That Doctrine set the stage for a diminution of the role which the United States has played across the spectrum of world affairs for 25 years. In so doing, it elevated a concept of policy much articulated but little practiced since World War II—that of shared responsibility for the maintenance of world peace. The changes which have been wrought by the Doctrine are already evident not only in Southeast Asia but elsewhere around the globe, as bases are closed and U.S. military forces abroad are reduced.

In some quarters, there is a tendency to see in this process of military contraction some sort of shameful furling of the flag. Rather, the change is sensible and long overdue. It acts to reduce the too heavy burdens which have been carried for too long by the people of the nation often in the vague name of "international commitment." Moreover, if the flag has been placed by a mistaken policy in places where it does not belong—as in Indochina—its withdrawal under the Nixon Doctrine is not only an essential act in our vital national interests, it is also the only honorable course. Indeed, if the Doctrine is to have historic significance in my judgment, it will bring about not a partial but a complete termination of U.S. military involvement in Southeast Asia; that means everywhere on the mainland, be it in Viet Nam, Cambodia, Laos, or Thailand and by land, sea and air. The Doctrine will also provide, if it is to have historic significance, the rationale for a continuing reduction in our one-sided military efforts elsewhere in the world, notably, in Western Europe under NATO.

Notwithstanding the diminution of the U.S. military presence abroad, the United States is not about to disappear from the international scene. This nation's weight is immense and it will continue to be felt in many ways and in many places.

That is as desirable as it is inevitable. Indeed, a sensitive concern with affairs beyond our borders remains an essential of the world's civilized survival. That such is the case argues strongly for a most judicious use of our resources abroad. There is no longer a surplus to be extended in haphazard, almost indiscriminate fashion, for fear that the label of isolation may otherwise be pinned on our policies.

It is reassuring, therefore, that along with the military contraction, the omnipresence of U.S. economic aid is also in the process of receding around the globe. In this scaledown which affects largely the bilateral programs of aid, the Senate has played and will continue to play an important part. It is to be anticipated that pressure from the Senate will bring about further changes in the basic design of the program.

The fact is that the present system has lost much of the charisma which was imparted to it by the Marshall Plan, the Point-Four program and the Peace Corps of another time. Foreign aid has become, in recent years, a lavish grab-bag, an international pork barrel, and a world wide arms distribution. As presently constituted, the program is an economic drain on the nation. More seriously, it has led the United States via the path of a well-meaning humanitarian generosity into unwarranted political and military involvements in the inner affairs of other peoples.

It may be that foreign aid can be recast into its earlier form of people-to-people cooperation. As it involves economic development, the program has already moved in large part out of bilateral channels and into multilateral agencies. That is a welcomed change. It has the virtue of permitting the burdens of cost to be shared with other nations. At the same time, it insulates this nation from adventures in *unilateral internationalism* which can lead, as we have seen in Indochina, into tragic entanglements.

Underlying the new direction in U.S. policies, I believe, is a growing tendency to view this nation's interests less in the context of ideological generalities and more in terms of national well-being and survival. Viet Nam has alerted the people to the consequences of a blind pursuit of ideological obsessions. The dollar crisis and the dangerous sidetracking of the nation's inner needs by the demands of the involvement in Southeast Asia have revealed what lies at the end of the road of *indiscriminate internationalism*. Henceforth, it is to be expected that the United States will exercise greater discretion in choosing grounds on which to defend a more narrowly construed concept of this nation's responsibilities and interests in the world.

It is essential that the implications of the new U.S. approach be considered most carefully by the other nation whose dilemmas of power are juxtaposed against our own in this symposium. Indeed, the risks of confrontation between the United States and the Soviet Union may even be increased temporarily by the present contracting of the U.S. position. That would be the case if the contraction led to probings of the new limits of our interests abroad. If such probings were to occur, they could very well strike close to the vital considerations of civilized survival.

The effect of a number of other shifts in the balances of world power must also be considered in this time of transition. The world is moving away from a bipartite determinism of international politics. Major questions of war and peace may no longer rest overwhelmingly in the province of the Soviet Union and the United States. Now China is emerging as a major power. So, too, at least in economic terms, is the European Community and Japan.

With more major nations on the scene, more differences to settle and perhaps, more sources of military and nuclear power to manipulate, the problems of peace grow more complex. We may find that the risk of conflict increases in proportion to the rising number of contenders and the broader the diffusion of international power.

Hopefully, these unhappy possibilities will not come to pass. They need not if the dilution of the roles of the United States and the Soviet Union is accompanied by greater understanding and restraint between these two nations and timely adjustment of relationships with third nations. The United States and the Soviet Union are in a unique position at this point in history. They are emerging from a protracted period of mutual antagonism, without having come to a direct military confrontation. There is little doubt that the combined strength of the two nations, in harmony, could assure to them a substantial share in shaping the conditions of peace. By the same token, in disharmony, that strength can lead to the ultimate disaster of nuclear war or, at the least, it could condemn the possibilities of establishing a durable peace for decades to come.

I do not think that this new situation and the opportunities presented for negotiation have been lost on the Nixon Administration. The President, as you know, is pursuing a policy of rapprochment with the Soviet Union. He is proceeding on the assumption that many of the differences between the two governments can now be accommodated and that the interest of neither is served by continuing conflict.

In this process, the highest priority should continue to rest on the negotiations with regard to disarmament. The SALT talks have been described by the President as "the most important arms control negotiations this country has ever entered." Their successs could provide an inestimable contribution to international stability. By the same token, however, their failure could signal a resumption of the nuclear arms race at a point of great risk.

The initial indications reveal at least a mutual understanding of viewpoints and a mutual eagerness to move towards agreement. The Soviet concern is already delineated as seeking to forestall the U.S. deployment of defensive weapons, that is the anti-ballistics missiles, and to enlarge the talks to include U.S. nuclear weapons which are deployed at forward bases in Europe and elsewhere within relatively short-range bases in Europe and elsewhere within relatively short-range of Eastern Europe. On the other hand, the prime U.S. concern, it is clear, is the desire to limit Soviet offensive missiles and to maintain our alliances in Europe and the Far East.

Each of the two governments have acknowledged the priorities of the other. At least that is a beginnig, in which the cards have been placed on the table. The candor is refreshing and provides, in my judgment, some modest basis for hope to the armsburdened people of both nations. In the months ahead the negotiators will be preoccupied with complex questions involving the mathematics of limitation. In what way must the United States curb its deployment of ABM's and by how much if agreement is to be reached? At what point should there be a ceiling on offensive Soviet ICBM's or on Soviet missile carrying submarines in order to achieve an agreement?

If the negotiators find answers to questions of this kind and an agreement is reached, the Senate will be well prepared to act on its responsibilities with regard to ratification. Even now, the talks are being watched with special interest in the Senate. Just a few weeks ago, I visited the U.S. Ambassador to the SALT talks who was at that time in Helsinki and, I must say, was reassured by his optimism.

Beyond disarmament, it seems to me that the two most complex issues which will confront the Soviet Union and the United States during this period of transition involve the relationships with inner Europe, east and west, and with China. With respect to China, it seems to me that the President has taken a highly significant initiative in his decision to go to Peking. The visit should not be expected to achieve much in the way of substance. After a lapse of contact for almost a quarter of a century, however, the very act of going should open new prospects for building a stable peace in the Western Pacific. If these prospects are to materialize, clearly they cannot be pursued by the United States in China oblivious to the concerns of the Soviet Union or Japan. It would be dangerous in the extreme if the path to Peking were to bypass either Moscow or Tokyo.

In my judgment, a durable pattern of international stability in East Asia depends upon relations of comity among all four principal powers. I am delighted, therefore, that by the Treaty of Okinawan Reversion, as well as in his brief meeting in Alaska with the Emperor of Japan, the President has acted to protect—so to speak—one flank of his peregrination to the Chinese capital. At the same time, his announced visit to Moscow should safeguard the other, especially when it is coupled with the public assurances which he has given that a rapprochement between China and the United States is in no way designed to exacerbate Sino-Soviet difficulties.

It may be that the round of personal contact by President Nixon will lead subsequently to more tangible results than meetings of this kind in the past. Who, now, for example, remembers Glassboro? And what was achieved there?

A natural follow-through of the President's visits, it seems to me, might well be quadrapartite talks on the maintenance of peace—a peace of the Pacific. In considering this question there is a need for a frank confrontation of the four major nations—Japan, the Soviet Union, China and the United States—whose power converges in the Western Pacific. There is also need for greater contact on this question between them and the smaller countries of the region. The clarity of direct contact can contribute, I believe, to the stability of a situation in which the nuclear power of three nations already converges and where the technical capacity exists to add a fourth input at any time. Indeed, it would seem that Japan, alone having chosen to eschew nuclear weapons, might well take the initiative in calling such a conference. A quadrapartite conference might well be designed in the first instance to seek to bring nuclear dangers—whether in testing or in potential conflict—under rational control in the Western Pacific.

With regard to Europe, negotiations underway and agreements already achieved appear to be leading to a more stable situation. That progress provides further rationale for the reduction of the military deployments of both the Soviet Union and the United States. The circumstances are there, I believe, for a new thrust for peace in Europe. The present Administration has shown a greater responsiveness to these circumstances than has heretofore been the case. For its part, I believe the Soviet Union has given evidence of a new flexibility in responding affirmatively to the "eastern policies" of Chancellor Willy Brandt. I refer in particular to the non-aggression pact which the Soviet Union and West Germany have already initialed and a similar treaty with Poland wherein West Germany has explicitly accepted the Oder-Neisse boundary. Finally, it should be noted that the Soviet Union has provided, in a four-power agreement, with France, the United Kingdom and the United States, official acknowledgment of the present status of West Berlin and its ties to West Germany.

In the light of these agreements as well as the hopeful emanations from the SALT talks, there is a timely opportunity for negotiating mutual and balanced reductions of forces between the NATO and the Warsaw Pact countries. Such reductions might well be over and above what I have long since believed can be a unilateral draw-down of 50% in U.S. force levels in Europe. May I say that I do not regard the present level of U.S. forces in Europe in any sense as a "bargaining chip" in negotiating a mutual reduction of forces with the Soviet Union. There is no bargaining power in the irrelavant; and excessive and antiquated U.S. deployment in Europe, and the enormous costs which it entails cannot strengthen the U.S. position in negotiations. It can only weaken further the international economic position of this nation.

Whether the Soviet Union reciprocates or not, therefore, I believe the United States would be well-advised to make a substantial reduction of its military deployment in Western Europe. Indeed, a unilateral initiative in this connection may even act as a spur to mutual agrcement. I do not think the Soviet Union will find it practicable to keep inflated forces in Eastern Europe when there are not inflated U.S. force levels in Western Europe. I am reminded again of Dwight D. Eisenhower's conclusion that one division of U.S. forces in Europe would suffice for the purposes of the North Atlantic Treaty. That conclusion was set forth a dozen years ago by the first NATO Commander but has been studiously ignored by successive administrations ever since.

Looking beyond prospective developments

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in arms control and the political and military stabilization of Europe, it seems to me that a major objective of our relationship with the Soviet Union should be a substantial increase in economic interchange. This nation's trade with the Soviet Union and the entire Eastern bloc has been held in check for many years by rusty barriers designed to prevent the shipment of so-called strategic items to Communist countries.

The present Administration has moved to facilitate the growth of trade in non-strategic goods with Eastern Europe. Nevertheless, the volume of U.S. trade with the bloc countries remains slender by any measure. Even though this trade rose by 30 percent in 1970 over the previous year, the total volume now amounts to only seven-tenths of one percent of U.S. trade with all countries.

Until the advent of the present Administration, the United States government had been most reluctant to spur commercial relationships with Eastern Europe. By contrast, the Western Europeans have pursued these ties with great vigor for a number of years. In 1969, their combined trade with Eastern Europe was 15 times that of the United States in dollar volume.

The potential of East-West trade could be more fully realized by U.S. business if certain steps were to be taken at once. One would be the restoration of equal treatment to Soviet export commodities and a bill to accomplish this is now pending in Congress. Another would be to revise the list of strategic items to permit American business to sell goods in Eastern Europe which are now freely offered there by other western nations. Still another would be to broaden the executive waiver power by which prohibitions can be lifted on financing sales to Eastern European nations through the Export-Import Bank. None of these things will necessarily result in a dramatic upsurge in trade but they might lead to increasing economic contacts. Over the long run, that could do much to strengthen the stability of the Soviet-U.S. relationship.

Following closely on the heels of trade, is the whole matter of cultural interchange which has so much to do with the perceptions that the two nations have of each other. Hopefully, if the people of the United States and the Soviet Union educate enough of each other's students, listen to enough of each other's musicians, watch each other's athletes compete, hold a sufficient number of symposia and so on through a wide range of activities, they might come to an increased understanding and appreciation with consequent reduction in the possibility of conflict. That is the premise on which our cultural exchange program is based. It seems to me to be a sound premise. Unfortunately, the present program with the Soviet Union has fallen on hard times for a variety of reasons, not the least of which have been acts of harassment by militant groups in this nation.

The Soviet Union and the United States have come a long way from the days of the Berlin Blockade, the Hungarian uprising, the Cuban missile crisis, and the bombastic encounters of the 1950's and early 1960's. We stand now at the threshold of a new era in which many of the suspicions and antagonisms of the past can be set aside. President Nixon has an opportunity to consolidate this progress, indeed, this progress to which his Administration has so greatly contributed.

It is a moment of historic opportunity—not in terms of national gain or political profit—but in the opportunity which is offered to increase the probability of the decent survival of modern civilization. If there is any lasting conclusion to which this symposium has led, I trust it is that we—both nations—the Soviet Union and the United States should not fail to seize this opportunity.

CLIFFORD M. HARDIN

Mr. CURTIS. Mr. President, Secretary Clifford M. Hardin has many friends and admirers in Nebraska. He is affectionately known as Cliff to Nebraskans. The Omaha World-Herald, in its lead editorial on November 15, 1971, wrote of Mr. Hardin's service as Secretary of Agriculture. I am sure that all the friends of Mr. Hardin will be pleased to have this editorial placed in the CONGRESSIONAL RECORD. I ask unanimous consent that it be printed at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CLIFFORD M. HARDIN: A SUCCESS STORY

There is an outstanding characteristic that has shown up repeatedly in the various endeavors undertaken by Clifford M. Hardin throughout the 56 years of his life. The characteristic is success.

As an Indiana farm boy, he was an outstanding 4-H Club member. That success won him a scholarship to Purdue University, where he became an agricultural economist.

At 31, five years after receiving his doctor of philosophy degree, he was chairman of the department of agricultural economics at Michigan State University. At 37, he became dean of that university's School of Agriculture. And at 38 he was appointed chancellor of the University of Nebraska, the youngest man ever to hold that position.

Thes university flourished under Dr. Hardin. There were important academic and physical improvements. Even before the University of Nebraska annexed the University of Omaha, enrollment had more than doubled during the Hardin administration. Hardin had much to do with that merger.

In 1969, Hardin left Nebraska to become a member of President Nixon's Cabinet.

It is not easy to gauge the success or failure of a secretary of agriculture. It's a "no-winner" kind of job. Hardin served through extremely difficult times—a period of inflationary costs for farmers without commensurate increases in most commodity prices paid them, especially for feed grains.

Darwin Olofson, the chief of this newspaper's Washington Bureau, is one of the most knowledgeable writers on agriculture and Department of Agriculture-related politics in the capital.

He described Hardin as a good secretary, a successful secretary.

His rapport with Congress was good, said Olofson, and "he managed reasonably well to keep people off the President's back."

Last year, as the Republican representative of a Republican administration, Hardin managed to steer major farm legislation through a Democrat-controlled and largely urban-oriented Congress.

Those are attributes of a good Cabinet officer.

Hardin had his critics, but he never was attacked as violently and as bitterly as his two predecessors, Orville Freeman and Ezra Taft Benson.

Those who have been condemning him will be assailing his successor, Earl Butz, "in two or three weeks," Olofson predicted.

When a Cabinet officer leaves before the end of a presidential term, there is often the suspicion that he was pressured out of his job. There is nothing to indicate that this was the case with Hardin. There is every reason to believe that he did leave because, after years of public service, he could scarcely afford to turn down what President Nixon described as "an exceptionally attractive offer" in private industry.

Hardin will become vice chairman of the mammoth Ralston Purina Co.

Nebraskans who know him so well will wish him success. And it is a sound prediction that he will be successful in private business and that he will contribute to the success of his new company.

CLEAN AIR ACT PROVIDED AUTHORITY FOR ACTION TO COPE WITH SERIOUS POLLUTION IN BIRMINGHAM, ALA.

Mr. RANDOLPH. Mr. President, within the past 2 days we have witnessed perhaps the most stringent response to an emergency situation arising from pollution ever taken in the United States.

With a heavy pall of pollution hanging in stagnant air over the city of Birmingham, Ala., a Federal judge used for the first time, the authority granted in the Clean Air Amendments of 1970 and ordered 23 major industrial installations closed. This was drastic action, but the situation that prompted it was declared serious enough to justify drastic action to protect the health of the people of the Birmingham area. The temporary closure of these industries affected 25,000 workers.

When Congress developed the Clean Air Act last year, questions were raised about the inclusion of strong provisions to cope with air pollution. Mr. President, the approach taken by Congress was shown this week to be right. Emergency powers are necessary to permit officials to act swiftly when the well-being of people is threatened.

The Senate recently passed a water pollution bill which I believe to be equally strong in its provisions. The situation in an Alabama city this week shows that our country, with its concentrated, industrialized communities, must have the tools at hand to act immediately when unusual situations arise.

It is my hope that the legislation we are passing in Congress will prevent these problems from developing in the future. If they do, however, we must be ready to act to safeguard our people.

THE 478TH ANNIVERSARY OF THE COMMONWEALTH OF PUERTO RICO

Mr. KENNEDY. Mr. President, today the Commonwealth of Puerto Rico is celebrating the 478th anniversary of its discovery. This year, the celebration has an added importance since Puerto Rico is also commemorating the 450th anniversary of the founding of its capital, San Juan.

Since 1952, Puerto Rico has had a special and unique relationship with the United States, a relationship whose origin can be traced to the imaginative mind of former Gov. Luis Munoz Marin.

The political and economic maturation of the island resides in great part on the development of the commonwealth concept.

That relationship was ratified in a referendum by the people of Puerto Rico 4 years ago, and the United States has abided by that determination. I would hope that the key to future change in Puerto Rico always will be the view of the majority of the citizens of that island.

In the past 20 years, the economic development of Puerto Rico has been among the fastest in Latin America. The heritage and culture of Puerto Rico has enriched all who have traveled to the Caribbean island, and the many residents of the 50 States who trace their past to the island have brought their culture and language to enrich our own.

In my own State of Massachusetts, there are estimated to be more than 70,000 Puerto Ricans, with the largest number living in Boston. For New England, the Puerto Rican community has added more than a language to the Massachusetts citizenry. The Puerto Rican community has begun to take a full share in the life of the State, providing an additional proud chapter in the history of Puerto Rico-United States relations.

RIGHTS OF THE MENTALLY AND PHYSICALLY HANDICAPPED

Mr. PERCY. Mr. President, at a time when national interest has been so intensely focused upon the human rights of socially and economically disadvantaged persons, it is ironic to find our country's 6 million mentally retarded persons and 22 million physically handicapped persons lacking in equally zealous advocacy and representation.

I am therefore, very pleased to join my distinguished colleague from Kentucky in introducing, today, this resolution calling for a declaration of rights for the mentally and physically handicapped.

It shocks me that in this day and age such a declaration is necessary. However, many Americans are unaware of not only the special problems of the mentally and physically handicapped but of the fact that those afflicted are denied many rights and privileges which you and I take for granted. The evidence of prejudice toward the handicapped is reminiscent of antiquated attitudes toward persons who are "different." Vestiges of such attitudes can easily be seen in such areas as unequal job opportunities, unequal educational opportunities, social ostracism, exclusion from normal community and family life and the stubborn myth that programs for the handicapped are basically for charity.

I recognize that not all handicapped persons will be able to enter or return to the full social and economic mainstream of our society, but given the opportunity to education, training and the right to legal process and equal treatment, the handicapped can all be helped to achieve a more productive and satisfying quality of life.

The social, economic, and human impact on the Nation of limitations in the daily living, health, education and employment of 28 million mentally and physically handicapped Americans—or 14 percent of our population—can no longer be ignored. As the President's Task Force on the Physically Handicapped reported:

> The magnitude of the needs of the present and steadily increasing numbers of these handicapped people should be of the most serious concern to government at all levels and to the citizens of this nation.

Mr. President, this resolution, I hope, will begin a national commitment to eliminate the glaring neglect of our handicapped citizens. The mentally and physically handicapped should have the same basic rights and privileges as you and I. They should have the right to the possibility of maximum independence, security and dignity.

THE GETTYSBURG ADDRESS

Mr. BUCKLEY. Mr. President, 108 years ago, on November 19, 1863, President Abraham Lincoln delivered an address dedicating the cemetery at Gettysburg. Abraham Lincoln's words need no introduction, and I ask unanimous consent that the Gettysburg Address be printed in the RECORD.

There being no objection, the text of the address was ordered to be printed in the RECORD, as follows:

ADDRESS DELIVERED AT THE DEDICATION OF THE CEMETERY AT GETTYSBURG, NOVEMBER 19, 1863

Four score and seven years ago our fathers brought forth on this continent, a new nation, conceived in Liberty, and dedicated to the proposition that all men are created equal.

Now we are engaged in a great civil war, testing whether that nation, or any nation so conceived and so dedicated, can long endure. We are met on a great battle-field of that war. We have come to dedicate a portion of that field, as a final resting place for those who here gave their lives that that nation might live. It is altogether fitting and proper that we should do this.

But, in a larger sense, we can not dedicate, we can not consecrate, we can not hallow, this ground. The brave men, living and dead, who struggled here, have consecrated it, far above our poor power to add or detract. The world will little note, nor long remember what we say here, but it can never forget what they did here. It is for us the living, rather, to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here highly resolve that these dead shall not have died in vain—that this nation, under God, shall have a new birth of freedom—and that government of the people, by the people, for the people, shall not perish from the earth.

November 19, 1863.

ABRAHAM LINCOLN.

WELFARE REFORM ON THE AUCTION BLOCK

Mr. CURTIS. Mr. President, it is my observation that the issue of welfare reform has recently been openly and flagrantly put on the auction block for sale to the highest bidder.

For 18 months or more, ever since the administration first indicated its willingness to consider the concept of a guaranteed annual income as a part of welfare reform, the wild bidding to up the ante has been building to a crescendo. This auction, conducted under the cloak of concern for America's poor, is beginning to be seen for what it really is—the rankest kind of political vote buying.

Such antics, I think, diminish the stature of the Congress. Perhaps we should be grateful, though, inasmuch as they also serve to point up the disastrous consequences which must be anticipated if the concept of a guaranteed annual income is ever given legislative approval.

Let me review the record. When first proposed by the administration, the annual income guarantee was to be $1,600 for a family of four. The outcry from the welfare lobby was so great that the figure was raised to $2,400 when the bill was reintroduced in the 92d Congress as H.R. 1. Thus, the ante was raised once before Congress ever acted on the measure.

Every one of these bills disregards certain kinds of income and continues various other forms of assistance—rent subsidies, medicare, child care, and so forth, which inflates the annual income figures well above the minimum which they appear to decree.

For example, benefits potentially available to a female-headed family of four in Wilmington, Del., under provisions of H.R. 1, can increase the federally guaranteed income of $2,400 to a figure of $4,357. This is accomplished by an earnings disregard for the first $720 of earned income, a State supplement of $216, public housing assistance amounting to $598, and medicaid benefits of $460. From this is deducted $37 in Federal, State, and social security taxes. If there are no earnings at all, no taxes are paid and public housing assistance increases to $728, netting this same family the equivalent of $3,804 in cash and benefits.

In Chicago or New York the total income equivalent for this family is substantially greater. These figures are based on the so-called "Williams charts," prepared for the Senate Finance Committee. Even when the more conservative estimates preferred by the Department of Health, Education, and Welfare are used, this family, with no earned income at all, will net $3,368 in Wilmington. With earnings of $720, the net figure increases to $4,195.

Now an amendment has been offered in the name of 18 Senators providing an initial minimum income of $3,000 which will escalate by 1976 to a level no less than an income equal to the poverty level. Not satisfied with that, another Senator and presidential aspirant has introduced S. 2747 calling for an initial minimum income of $4,000 escalating by 1976 to a level no less than an adequate income as defined by the Bureau of Labor Statistics low living standard, adjusted annually for changes in the median family income and local cost of living differences.

Moreover, whereas H.R. 1 provides for income supplements up to an annual income level of $4,300 for a family of four, S. 2747 provides such supplements, initially, to those with incomes up to $6,500, going eventually to a level of more than $10,000. It is very clear then, from these maneuverings, the pressures which will constantly be on the Congress to increase the benefit levels once the concept is adopted.

What of the cost of such grandiose scheme? The Washington Post blandly announced that S. 2747 would cost initially, $5 billion more than H.R. 1—which varying estimates indicate will cost from $5 to $10 billion more than the present programs in its first year—and eventually the gap probably would widen. Given the escalatory provisions

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built into the bill, probably can only be described as a patently deceptive adverb in that context.

Of more significance is the following observation of Chairman WILBUR MILLS during the House debate on H.R. 1:

If we went the route of the National Welfare Rights Organization and had brought a bill to the House that had a basic floor of support for a family of four without any income of $6,500 we would have been asking the House to approve a measure that would add not less than $70 billion to the present cost of welfare—$70 billion.

Yet the Bureau of Labor Statistics lowest adequate income standard, the benefit level goal for 1976 set out in S. 2747, is now $6,500. If it would cost $70 billion to implement such a program this year, it will undoubtedly require an even greater outlay by 1976. But how many enthusiasts for such legislation have stopped to consider that its cost—at $70 billion—represents more than half the national income from personal and corporate income taxes for fiscal year 1972, which is estimated at $130.4 billion, and nearly one-third of the entire fiscal year 1972 budget of $229.2 billion.

The Washington Post quotes the author of S. 2747 as saying he introduced the measure "in hopes of raising the threshold of eventual compromise," above the level of H.R. 1 which he termed "fatally inadequate." At least there is no equivocation about the desire to see the bill auctioned off to the highest bidder.

But if Chairman MILLS' figure is even remotely accurate then the cost assessment of S. 2747 as reported by the Post is a ludicrous understatement.

Consider, too, that a minimum guaranteed annual income level of $3,600 for a family of four would qualify one-fourth of the entire U.S. population to go on the dole. At $6,500, nearly half the population would become eligible.

Worst of all, the debate over the minimum guaranteed income has centered almost entirely around these so-called ceilings and whether or not they constitute a living income or a raid on the taxpayers when, in fact, they are grossly misleading figures that are not representative of the economic impact of the measures, either on the income to be received by individual families or on the cost to the Federal Treasury.

The practical effect of all these programs would be once again to tilt the economic picture toward rampant inflation, the cruelest of all taxes upon the very poor they profess to help.

It all adds up to a gigantic political shell game—a "now you see it, now you don't" attempt to con the voters out of their votes in return for the promise of more and more.

It is time to stop evaluating welfare reform in terms of the minimum level of income guaranteed. It is time to begin looking at it in terms of those things which really need reforming—the inequities, the rigidity, the abuses and inconsistencies. If these were reformed and State and local officials were given meaningful control over the programs, costs could be reduced instead of increased while higher quality, more equitable assistance was being provided those who are truly needy.

The guaranteed minimum income should not be a part of welfare reform. Let it be divorced from welfare reform. You cannot reform welfare by adding 10 or 12 million to the existing rolls. Let us get on with the business of true welfare reform and not welfare expansion under the guise of reform.

RESOLUTIONS OF THE NEW ENGLAND MACHINISTS

Mr. PELL. Mr. President, this past October the International Association of Machinists and Aerospace Workers in New England held a conference and expressed their support for no-fault automobile insurance, a strong consumer protection agency, and legislation to protect American jobs from the impact of foreign imports.

Mr. President, I believe it is important that we consider the significance of these resolutions; and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION No. 1

NO-FAULT RESOLUTION

Whereas, the cost of automobile insurance, a necessity for virtually every working man and woman, has risen more than 65% in the past decade, a rate far greater than the average increase in take-home pay or the cost elements for which such insurance compensates, and

Whereas, only 40 cents of each dollar paid by consumers for liability protection is actually spent for the protection of accident victims, and

Whereas, the total sums paid for personal and family loss from serious-injury and fatal automobile accidents is only 20 per cent of the actual loss suffered under the present "fault" insurance system, and large numbers of families suffer serious financial reverses as a result, and

Whereas, the average cost of automobile insurance to all policyholders is as much as 40% greater under the present "fault" system than it would be under a no-fault system, and a major portion of this excess is the result of expensive, time-consuming litigations;

Now therefore, the Connecticut State Machinists, AFL-CIO, strongly re-iterates its support of adoption by the New England Conference of Machinists of a no-fault system of automobile insurance covering all accidents except those in which the victims are permanently disabled or disfigured or suffer extreme financial loss, and

Be it further resolved, that this resolution be communicated to the Governors, the chairmen of the appropriate committees of the General Assemblies, and Special Commissions which at the direction of the Legislatures are studying the no-fault system.

RESOLUTION No. II

CONSUMER PROTECTION

Whereas, the American consumer has been victimized by fraudulent advertising, deceptive packaging, and products far below acceptable standards of safety and performance. Comprehensive legislation backed by an effective administration agency, is needed to protect the rights of the consumer,

Therefore be it resolved, that this conference go on record in support of appropriate federal legislation to establish an agency with sufficient powers and staff to protect American consumers against fraud.

RESOLUTION No. III

IMPORTS

Whereas, tons of thousands of American workers in all industries have seen their jobs wiped out by the flood of imports from low-wage countries. While American workers average more than the national $1.60 minimum wage, workers in foreign countries earn but a fraction of this amount, as little as 9 cents an hour in South Korea, 11 cents in India and Pakistan, 15 cents in Taiwan, 18 cents in Portugal, 23 cents in the Philippines, 30 cents in Mexico, and 39 cents in Japan, to give but a few examples. So long as imports have free and unlimited access to the American market, garment and textile jobs are in jeopardy.

Be it resolved, that this conference wholeheartedly support the AFL-CIO efforts to secure federal legislation to regulate the rise in apparel and textile imports; and

Be it further resolved, that the Officers and Executive Board of the New England Conference of Machinists continue its efforts to secure the necessary legislation and undertake every action at its command to check job erosion brought about by imports.

THE WELFARE EXPLOSION

Mr. ALLOTT. Mr. President, much discussion—much of it intelligently critical—has been occasioned by the publication of a new book concerning the welfare explosion.

The book is by Profs. Frances Fox Piven and Richard Cloward and is "Regulating the Poor: The Functions of Public Welfare," published by Pantheon.

We owe the authors a debt of gratitude, but not for their theory—which is that welfare is a vicious scheme engineered by the powers that be for the torment of the unfortunate; and that the disastrous working of the welfare system is a blessing in disguise because it destroys social cohesiveness and hastens the advent of some unspecified revolutionary change.

Rather, we owe them thanks for provoking intelligent men of good will to demolish their theory.

On September 13 I caused to be printed in the RECORD a spirited and wise demolition by Mr. Irving Kristol. Today I want to call the attention of the Senate to another tidy essay with similar aim and effect. This is by Nathan Glazer and is from the current issue of New Yorker magazine.

So that all Senators can profit from Professor Glazer's wise analysis of the welfare issue, I ask unanimous consent to have his essay printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"REGULATING" THE POOR—OR RUNNING THEM

(By Nathan Glazer)

New Yorkers might properly be concerned about the tripling of the number of persons on welfare in New York City during the 1960s. That rise, from 330,000 to 1 million, was accompanied by an enormous increase in the budgetary requirements for relief, to the point where welfare costs in New York City for the first time in history exceeded education costs, traditionally the larget single element in the city budget. It occurred while the unemployment rate dropped (unemployment began to rise again in 1970, but that was after this enormous increase had already been accomplished). And it was accompanied by an aggravation of almost every problem that we associate with poverty—family breakup, the loss of social control over youth, increasing juvenile delinquency and crime, increasing drug addiction, increasing filth in the streets, increasing signs of misery and anger among the poor.

Those who seize upon Frances Fox Piven and Richard Cloward's *Regulating the Poor: The Functions of Public Welfare* (Pantheon, 389 pages, $10) will remain, I am afraid, only partially enlightened. They will, however, learn a good deal about how this enormous rise came about—where it took place, at what time, and even under what administrative and legal conditions. Oddly enough, it happended during a decade when new reforms were instituted that were designed to reduce the rolls, first with kindness (the reforms of 1962, which were to support more social work with clients for purposes of rehabilitation), and then with harshness (the reforms of 1967, with work incentives and attempts to simply freeze the AFDC rolls). No matter. The numbers on relief rose. They rose in New York City to the point where one in seven or eight of the population was on relief, and they rose in the rest of the country.

From one point of view, there is no mystery to the rise of the numbers on welfare in a time of relative prosperity. They rose, as Piven and Cloward (both faculty members at Columbia's School of Social Work) explain, because there was a substantial body of people employed to see that they rose. There were 100,000 workers in Community Action Agencies, established under the Office of Economic Opportunity after 1964; one of the major tasks of this legion was to tell poor people about welfare, accompany them to welfare agencies, argue for them, organize them in sit-ins, distribute simplified accounts of the rules governing welfare and the benefits available. In short, there were 100,000 recruiters for welfare that were not there before. In addition, there were at least 1,800 lawyers paid for by OEO projects in 1968; one of their functions was to challenge the restrictions around the granting of welfare—residence restrictions (relaxed), restrictions on "man-in-the-house" rules (also relaxed), and midnight searches and other harassing forms of investigation (abandoned). Litigation eliminated restrictive practices and intimidated welfare agencies and workers into accepting more on the rolls and into giving them more. Finally, there was the National Welfare Rights Organization—the book is dedicated to George A. Wiley, its leader—which was organized, according to the authors, in large measure by federally paid and recruited VISTA organizers, and which continued and expanded the pressure of community organizers and lawyers.

So in a sense there is no mystery, and Piven and Cloward have explained clearly how and why the number of families on welfare in the late 1960s exploded. The unsatisfying part to New Yorkers is likely to be not the immediate why, which we understand well enough, but rather, what we are to think of it. Was this a good thing or a bad thing? Is it good for the city? Is it good for the poor? And in the largest sense, what welfare policies should we adopt for the good of the city, the poor, and the nation—which of course suffered in very much the same way, even if the New York figures are most impressive in their size.

The purpose of welfare today, as in the past, the authors suggest, is to "regulate," or "discipline," the poor, so that they are required—forced—to take low-income jobs that no man or woman should be required to take. It "succeeds" by making it very hard to get on welfare, and by degrading the poor so they are shamed when they accept welfare, and try to avoid it if at all possible.

This theory of welfare as regulating the poor comes through clearly enough. But it is when the authors try to explain the role of the *explosion* of welfare in regulating the poor that they get very fuzzy. Welfare did not go up simply because the numbers of the poor increased. Piven and Cloward point out that the number of poor people in Northern cities increased in the 1940s and 1950s owing to the agricultural revolution in the South, and it was only in the 1960s that the welfare rolls exploded, and in the second half of the decade at that. Welfare did not go up because we became more generous and Presidents Kennedy and Johnson wanted to do more for the poor in the 1960s. "The historical pattern," they assert, "is not one of increasing liberalization." The power structure never *wants* to do more for the poor. Welfare did not go up because the administration was *forced* to do more for the poor, because of disorder and demands. That comes closer to it, but Piven and Cloward do not quite say that either. Rather, they say, the powers-that-be decide quite consciously to do somewhat more for the poor in order to draw the teeth of disorder. So by scattering the crumbs of welfare, they attempt to accommodate the disorder of the poor by concessions. Once these concessions are granted—temporarily, it is insisted—and have their effect in stilling disorder, then the "regulating" functions of the welfare system come into effect again. The *direct* relief of welfare is replaced by *work relief*. Through work relief at low wages the poor are forced to take any job on the market. Low-wage labor is replenished, and employers may now utilize it for greater profits, and the welfare rolls are cut back.

Thus there is a cycle of welfare, and the authors insist the cycle is not to be found only in the United States between the early 1960s and the early 1970s, but also in Roosevelt's New Deal (unemployment, increasing welfare, disorder, more welfare, work relief, cutting back first on welfare and then on work relief), and even in England between the sixteenth and nineteenth centuries.

Now there are a number of oddities about this approach. One oddity is the assumption—indeed the insistence—that powers—the administration, or the corporate leaders, or the government—are all-knowing, all-powerful, never wrong, and fully united. The authors *know* why the poverty program was established—it was a phase in the regulation of the poor, to draw their teeth by providing a bit more, prior to the phase of increasing harshness and repression, as they are driven back into the labor force. No one else involved, however, seems to know this. Piven and Cloward's attitude toward the participants who formulated the poverty program and wrote their accounts is one of disdain. Yet, as indicated clearly in this book, there were indeed all sorts of objectives in the poverty program. Some people wanted reform (which the authors characteristically put in quotes because in their view nothing ever happens except as part of a cycle, and "reform" is only one stage of it); some wanted to do something for the poor, some wanted to get votes, some wanted to coordinate federal services so they were more efficient, some wanted to put pressure on public and private welfare agencies to change their practices, some even wanted revolution, some wanted to rub raw the sores of discontent, etc., etc. All these, according to Piven and Cloward, are either mistakes, misunderstandings, or the views of persons without the higher insight that the purpose of the government poverty program was to respond to mass discontent by a phase of repression. And similarly with the New Deal.

There is a second oddity about this point of view. In this approach, history consists of one active element—the powers—and a passive element—the poor. Left out are all the intermediaries, *e.g.*, the social workers whom Professors Cloward and Piven teach, and the theoreticians of change (whether "reform," "revolution," or something else) that they themselves are. But more strikingly, Cloward and Piven's poor remain a faceless mass with no distinctive characteristics—people who are worked on by the powers, and respond as the powers wish. Even when they become apparently active, and pour onto the welfare rolls, that is all a matter of design by the powers—they after all gave the money to hire the community organizers and the lawyers and NWRO organizers, and have it all worked out as to where it fits into the scheme. According to Cloward and Piven, the power of the powers is indeed quite awesome. If there are few on the welfare rolls, well, that is because the powers want to maintain an army of unemployed, keep pay rates down and require people to accept any work at any rate. If there is an explosion of the welfare rolls, that is because the powers want to draw the teeth of the restive poor by throwing them some bones.

Professors Piven and Cloward are quite modest about their own role in the explosion of the welfare rolls. They are more committed to their view of history—in which everything comes from the existing powers—than to the proper evaluation of their own role. Seven or eight years ago a foundation executive spoke to me of their plan to get everybody possible to join the welfare rolls, thus bringing on a real crisis, and replacing the rotten system with—what, I asked? I was skeptical less of the possible success of this venture—it was very successful, it turned out—than of the hope that it would be replaced by something "better" rather than—as is happening even in such liberal states as New York—by something harsher. I thought that to encourage as many people as possible to take advantage of welfare benefits would lead to a worse society, and they thought it would lead to a better society. It is this issue that is most troubling to me; oddly enough, it plays all too small a role in their account.

Cloward and Piven are unreservedly committed to increasing the numbers on welfare. They are against work requirements—and, as far as one can tell, even work incentives. In any case, they do not discuss them in this book, either those introduced in 1967, or those introduced in experimental and demonstration projects, or those proposed in the Nixon welfare reform proposals. They are still quite committed to their welfare revolution, and against all proposals currently considered for reform. They conclude: "In the absence of fundamental economic reforms . . . *we take the position that the explosion of the rolls is the true welfare reform, that it should be defended, and it should be expanded* [their italics]. Even now, hundreds of thousands of impoverished families remain who are eligible for assistance but who receive no aid at all."

But what do they mean by "fundamental economic reforms"? In view of the fact that only this would justify the ceasing of the expansion of the welfare rolls it would be important to know. They are quite coy, but are willing to give one indication: "Reforms in economic policy that would lead to full employment at decent wages." This is all they say. It does not get us far. For the second half of the 1960s at least we had full employment in New York City, in the sense that anyone could get a job at the minimum wage if he or she were willing or able to get to work on time and perform at a minimally satisfactory level. Tens of thousands of such jobs went begging. But obviously that is not what the authors mean. What then do they mean?

At what point would they feel their "fundamental economic reform" consisting of "full employment at decent wages" had come to pass? They do not say and there is no way of knowing. They are quite insistent about what it is not. It is not the Nixon plan, with its incentives for work. It is not public service employment ("work relief")—this, they insist, is only the prelude to cutting the relief

rolls and forcing people to work at wages they apparently would not consider decent.

Short of this totally unspecified reform, they seem quite complacent about insisting that more and more people be organized to get onto the relief rolls, even though they give what is to my mind a quite horrifying account of what this means. Thus, they write: "When large numbers of people come to subsist on the dole, many of them spurning what little low-wage work may exist, those of the poor and near-poor who continue to work are inevitably affected. From their point of view, the ready availability of relief payments (often at levels only slightly below prevailing wages) undermines their chief claim to social status: namely, that although poor they nevertheless earn their livelihood . . .

"Moreover, when attachments to the work role deteriorate, so do attachments to the family, especially the attachment of men to their families. For all practical purposes, the relief check becomes a surrogate for the male breadwinner. The resulting family breakdown and loss of control over the young is usually signified by the spread of certain forms of disorder—for example, school failure, crime, and addiction. In other words, the mere giving of relief . . . does little to stem the fragmentation of lower-class life, even while it further undermines the patterns of work by which the lower class is ordinarily regulated."

These are truly astonishing passages, when taken together with the conclusion of the book that "the explosion of the rolls . . . should be defended, and expanded." Why would Piven and Cloward want to reduce the commitment to work? Why should they want to encourage the further breakdown of the family and the loss of control of the young?

Perhaps they feel most work is makework, or leads to profits for private entrepreneurs, or is demeaning, and thus the reduction of commitment to work for the poor is the way to their ultimate salvation. The authors are consistently suspicious of low-paid work. Thus, they describe the New Deal's WPA as "enmeshing people in the work role" in order to "quiet" the populace. On the other hand, whatever their antipathy to work, they are quite clear that the dole does weaken the family, does weaken social control over the youth, does lead to an increase in crime and addiction. If this is the effect of weakening the commitment to work produced by money relief, they should be less committed to an expansion of relief than they are. They should at the least consider how relief with dignity should be given. They should consider more seriously how persons can again be involved in work. One can only conclude that their commitment to the destruction of the system of work is so complete that they are quite prepared to see the full destruction of the poor on the way to reaching this objective.

This may be happening already. Ten years ago in New York City there were only one-third as many families on welfare as we have today. Ten years ago 12–13 percent of the black population was on welfare—today it is more like 35 percent. The figures for Puerto Ricans are even higher. And one can soberly ask oneself, whatever this has done to the city, what has it done for low-income blacks and Puerto Ricans? Has it reduced starvation and given them more food? Has it improved their housing? Has it improved their environment? Has it improved their clothing? Has it heightened their self-respect and sense of power? Has it better and more effectively incorporated them into the economic and political life of the city? These are not questions the authors ask, or seem very bothered about. Yet these are questions they should ask. Blanche Bernstein, director of research at the New School's Center for New York City Affairs, has estimated that 50 percent of the increase in welfare receipts in New York City during the 1960s was due to desertion and 25 percent was due to illegitimate births. She reports that in 1961 there were 12,000 deserted families on welfare in New York City. By 1968 there were 80,000. What happened in New York City was not an explosion in welfare alone. The city witnessed an explosion in desertion and in illegitimacy, an explosion concentrated in the black and Puerto Rican population.

Astonishingly, Cloward and Piven seem totally indifferent to that explosion and what it meant. Was it a response to lack of jobs or opportunities? Then why did it occur when jobs became plentiful and opportunities expanded? Or was it in part a response to welfare itself—its incentives, its ways of life, and the aspects of degradation that are integral to the notion of means-tested support and that seem inevitable, regardless of the liberality of welfare administrators and the numbers of lawyers engaged in defending welfare rights? I would argue that there was a close relationship between the explosion of welfare and the disaster that overtook the poor black and Puerto Rican areas, a disaster on a scale that we have not seen before in any other impoverished immigrant group. The disaster was that welfare, along with those who pressed its expansion, deprived the poor of New York of what was for them—as for the poor who preceded them—the best and indeed only way to the improvement of their condition, the way that involved commitment to work and the strengthening of family ties. In place of this, the advocates of revolution through welfare explosion propagated a false and demeaning sense of the "rights" of the poor, one which had disastrous consequences. For whatever the rights to welfare—and they are certainly rights—they are not the rights through which people can come to the best and strongest conception of themselves and their powers, and through which they can come to the best path to advancement.

Relief is necessary to the poor. In any civilized society it must be given generously, and if needed, extensively. But it should be the aim of every society to find and encourage *other* means to the maintenance of a decent standard of living than the distribution of charity. For whatever the position of modern advocates of welfare rights, welfare can never, if given regularly on an extensive scale, be other than alms, and whatever alms did for the souls of those who gave them, they could not be good for the souls of those who received them. Every society—capitalist, socialist, or "welfare state"—tries to find ways to replace money relief and to make it unnecessary. To advocate its expansion as a means of dealing with distress is one thing; to advocate its expansion as a means of breaking the commitment to work with its attendant effects on self-respect and on family life is irresponsible.

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUGHES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. ALLEN). Is there further morning business? If not, morning business is concluded.

REVENUE ACT OF 1971

Mr. HUGHES. Mr. President, I ask the Chair to lay before the Senate the unfinished business.

The PRESIDING OFFICER laid before the Senate the pending business, H.R. 10947, to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The Senate resumed the consideration of the bill.

AMENDMENT NO. 708

The PRESIDING OFFICER. The pending business is Amendment No. 708 of the Senator from Arizona (Mr. FANNIN), which the clerk will state.

The assistant legislative clerk read as follows:

On page 29, after line 19, insert the following:

"PROHIBITION OF CERTAIN POLITICAL ACTIVITIES

SEC. 1062. (a) Section 501 (relating to exemption from tax) is amended by redesignating subsection (f) as (g) and by inserting after subsection (e) the following new subsection:

"'(f) PROHIBITION OF CERTAIN POLITICAL ACTIVITIES—No organization described in section 501(c)(5) which requires any person to pay membership dues, fees or other assessments, as a condition of employment shall be exempt from taxation under subsection (a) for any taxable year in which any part of its income or of the amounts received for its support is used—

"'(1) to support or oppose any candidate for public office,

"'(2) to support or oppose any political party.'

"(b) The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act."

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER (Mr. BENTSEN). The Senator from Arizona is recognized for 10 minutes.

Mr. FANNIN. Mr. President, first, in all candor, I must say that I believe the income tax checkoff system that is being proposed by amendment No. 692 is undesirable. It would provide for a new monolithic political party system.

If amendment No. 692 should pass, it will provide the national parties and major candidates with a great new source of campaign funds. We are told that candidates will no longer have to be beholden to big business or big labor.

Therefore, there should be no objection to my amendment which simply would provide an effective means of barring further illegal political contributions by unions or other organizations.

Senator GRIFFIN, my distinguished colleague from Michigan, pointed out yesterday that even if amendment 692 passes it still would not prohibit massive contributions by big labor. We do have laws, rather effective laws, which hold down the abuses by big business. Since we have delved into the matter again here today, let us close the loophole that has robbed union men of millions of dollars each year to pay the cost of campaigns run by the political favorites of union bosses.

If we are to provide a truly voluntary checkoff system through the income tax, we should be ready to abolish the illegal political bite being taken out of the union checkoff for involuntary dues.

Millions of American working men and women are forced to pay dues each month to unions. Contrary to the wishes of many of these union members, their dues and assessments are being used for political purposes.

Unions reported spending $10.7 million for political purposes in the 1970 elections, and this is only the very tip of the iceberg. Millions more were spent by the unions for unreported contributions, to provide facilities for campaigns, to pay for supplies for campaigning, to pay the salaries of supposed union officials who actually were full-time political campaigners for various candidates.

Mr. President, last week, I inserted in the RECORD a list of salaries and expenses totaling $443,862.95 paid to officials of the AFL–CIO for political education. These salaries were not filed with the Clerk of the House of Representatives, as one would suppose under our reporting system procedures. These salaries were reported to the Department of Labor by the AFL–CIO. As far as can be determined from records, it would appear that the funds to pay these salaries came from the AFL–CIO general fund which is drawn from union dues.

It should be noted that the salaries are only for employees earning $10,000 or more. COPE reported other expenditures of $969,328 for 1970 in its report to the Clerk of the House. It is obvious that the entire COPE total should have been at least $1.4 million for 1970.

Mr. President, as we all know, this kind of report is misleading in that it grossly understates the actual expenditures—estimated to total $6 million or $7 million.

Mr. President, I ask unanimous consent to have printed in the RECORD two tables from the book entitled "Financing the 1968 Election," written by Herbert E. Alexander.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

LABOR NATIONAL-LEVEL COMMITTEES GROSS DISBURSEMENTS, 1956, 1960, 1964, 1968

	Reporting committees	Gross disbursements (millions)
1956	17	$2.2
1960	21	2.3
1964	31	3.7
1968	37	7.1

GROSS DISBURSEMENTS OF THE 10 LARGEST LABOR NATIONAL-LEVEL COMMITTEES, 1960, 1964, 1968

	1968	1964	1960
Committee for good government	$251,000	$122,000	$77,000
COPE (AFL–CIO)	1,207,000	989,000	794,000
DRIVE (Teamsters)	211,000	270,000	50,000
ILGWU	1,077,000	426,000	316,000
Machinists	572,000	260,000	193,000
Marine engineers	262,000		
Seafarers	947,000	121,000	
Trainmen	215,000	43,000	10,000
UAW	309,000	269,000	61,000
Steelworkers	240,000	251,000	239,000

Adding the 2 UAW committees together, $550,000 was spent in 1968, $391,000 in 1964, and $138,000 in 1960.

Mr. FANNIN. Mr. President, these reports, show that the Labor National-Level Committees gross disbursements for 1956, 1960, 1964, and 1968 were: 1956, $2.2 million; 1960, $2.3 million; 1964, $3.7 million; and 1968, $7.1 million.

Those are rather sizable amounts.

Mr. President, these tables show that in 12 years the number of labor committees reporting on the national level more than doubled. Their reported contributions went from $2.2 million to $7.1 million. Again, let me point out that these represent only a fraction of the actual union expenditures for political campaigning.

The executive director of COPE, Alexander E. Barkan, has provided some impressive statistics on the role that his organization and other union bodies played in the 1968 elections.

Barkan has said that they distributed 110 million pieces of printed matter.

They registered 4.6 million voters—mostly of one political party.

COPE operated telephone banks in 638 locations with a total of 8,055 telephones.

This—and again it is only a very small sample—shows how deeply the unions were involved in the election of public officials. It was the union members who paid the freight for the materials and facilities used, and for the salaries of union officials who served as the key political organizers.

No one asked the union workers whether they approved of this.

No one asked the union rank and file which candidates should be supported.

The decisions were made by the union bosses who have fantastic resources at their disposal to use in grinding their favorite political axes. These union bosses naturally are going to use these resources to promote the election of public officials who will support legislation and policy that is to the benefit of the union bosses.

One of the major jobs of Government is protecting rank and file workers from exploitation by ruthless union leaders. How is Congress supposed to do this when so many Members become deeply indebted to the union bosses?

This brings us back to the matter of protecting the integrity of our entire political system.

Congress has enacted effective laws to prevent big business from gaining an iron grip on the Government. In the legislation we are considering today, the objective is to keep some balance in our campaign and election system—to prevent special interests from "buying" the candidates.

It is my contention that big money from union bosses is the biggest threat to our political system because of the concentration of resources and the control of not only funds but the facilities and manpower that can make or break candidates for public office.

If we do not put some meaningful restraint on the unions they will be left free to "buy" the candidates election after election.

It occurs to me that without my amendment, the passage of amendment 692 would enhance the role of kingmaker for the union bosses.

Unions will be able to concentrate their buying power on primary elections. They can throw their considerable resources behind chosen candidates in the early, hard-to-finance days of campaigns. Once they get the nomination of their man, then they can rely on the public funds to help carry their man to victory in the general election.

Mr. President, unions have prospered because they have been given broad protection by Congress. Our laws are heavily biased in their favor. This is why they can exact dues and assessments to amass the resources that can make or break politicians in certain areas of our Nation.

Yet, the union membership makes up only a small portion of our country—less than 10 percent of our population.

Mr. President, it is time that we whittle the political power of the union bosses back down to its rightful size.

The amendment I have introduced would deny tax-exempt status to organizations using mandatory membership dues or assessments for political purposes.

The bill would prohibit any organization which requires the payment of dues or other assessments and which membership in such organization is a condition of employment from claiming an income tax exemption for any taxable year in which any part of its income or of the amounts received for its support is used, directly or indirectly:

First, to support or oppose any candidate for public office.

Second, to support or oppose any political party.

The PRESIDING OFFICER (Mr. BENTSEN). The time of the Senator has expired.

Mr. FANNIN. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Arizona is recognized for an additional 5 minutes.

Mr. FANNIN. Mr. President, labor unions currently are taxed on unrelated business income, but under 501(c)(5) of the Internal Revenue Code they are not taxed on passive or investment income, such as dividends, interest, annuities, or royalties; 501(c) of the code provides some 17 categories of exemptions for a number of varied organizations.

Section 501(c)(5) is the only one of the 17 paragraphs that contain no definitions, limitations, or prohibitions. Because of this, my amendment is an absolute necessity.

Tax exemption under section 501(c) of the Code is a special privilege which was intended only if tax exempt organizations do not engage in activities beyond their exempt purposes.

Congress clearly intended that unions should not engage in political activities through the use of involuntary dues. This was spelled out in the Federal Corrupt Practices Act.

The Internal Revenue Code has been interpreted as permitting a union tax exempt status no matter how much of its money it spends for political purposes. In a very real sense, the Internal Revenue Code is condoning illegal political activity and rewarding it with a tax exemption.

Mr. President, it is common practice

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for a portion of involuntary union dues to be allocated to special committees which channel these funds into political campaigns. These often are called "Political education" or "community action" committees, but this is a very thin veil. These committees "educate" people to support the politicians who are in favor with the union bosses. They bring about "community action" which will boost the political fortunes of the chosen party or candidate.

This amendment is intended to put some reasonable restraint on the staggering sums of money and resources now being poured into these political activities by the unions.

This would not prevent the use of separate political arms or organizations. I do not dispute the right of unions to have political action machinery which is truly supported by voluntary contributions.

This amendment would not affect other voluntary political action groups such as the League of Women Voters or associations which are allowed to engage in certain political activity under other sections of the Internal Revenue Code.

Someone is bound to argue that we do not need this amendment because political spending by unions already is illegal.

Mr. President, it is obvious that the Federal Corrupt Practices Act has not done the job. There have been attempts to enforce this law, but the results have been singularly unimpressive.

Mr. President, my amendment would bring an effective new restraint on the undesirable and illegal political spending by labor organizations. These organizations are more concerned about maintaining their tax exempt status than they are about the remote possibility of prosecution under current law.

As I said earlier, tax exemption under section 501(c) is a special privilege. The amendment would make it clear that this privilege will continue only so long as unions do not abuse the privilege.

Unions could remain tax free simply by sticking to the business of being unions rather than playing at the role of kingmaker. To keep their tax-exempt status, they would have to remain free of political wheeling and dealing.

One more point I would like to make is the fact that my amendment is consistent with the Supreme Court decisions in the Street and Allen cases. The Justices held that Congress did not intend to authorize unions to use compulsory dues and fees for political purposes.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FANNIN. Mr. President, I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Arizona is recognized for an additional 2 minutes.

Mr. FANNIN. Mr. President, I am very concerned about the abuses being perpetrated by labor unions in collecting dues and assessments for political purposes. The Wall Street Journal recently carried an excellent article telling of the shameful tactics used by the Marine Engineers Beneficial Association, AFL–CIO, to collect political funds from pensioners.

The Wall Street Journal article says, in part:

> The Marine Engineers, or MEBA, is not a union that seems in need of help. It collects initiation fees of $1,000 from young men wanting to join, and it can afford to pay President Jesse Calhoon a $75,000 salary.
>
> But MEBA lacks a membership willing to give generously to the union's political fund. So, to compensate for stinginess among seagoing engineers, it leans on pensioners who can't so easily elude the political collectors—and at times leans on deceased members' widows too.
>
> Supposedly, the retirees are all donating voluntarily, as Federal law requires. But because the union controls pension payments, a member applying for retirement thinks twice before refusing to contribute. Once a pensioner has agreed to give, the union makes sure he doesn't forget: it deducts the $10 contributions from the monthly retirement checks it sends out.
>
> In most cases, the oldsters supplying political dollars don't know where their money is going.

Mr. President, we should provide some protection from this type of extortion by union bosses. We should protect not only pensioners, but every rank and file worker who is having money taken from his paycheck for union dues. And in the process we will be protecting the American public from union officials who are more interested in pulling the strings of political power than they are in watching over the welfare and rights of their members.

Allow me to summarize.

The purpose of this amendment is to protect the rights of rank and file union members who are now forced to contribute to political causes they do not believe in. It is designed to maintain some balance in our political system by requiring unions to abide by the same regulations that apply to other segments of our society.

Mr. President, I yield 6 minutes to the distinguished Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 6 minutes.

Mr. PACKWOOD. Mr. President, prior to my election to the Senate, I practiced labor law for about 5 years and had a fair degree of personal relationship with most of the union business agents for the various different unions that exist in a normal city.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. PACKWOOD. I yield.

Mr. FANNIN. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. FANNIN. I thank the distinguished Senator.

Mr. PACKWOOD. Mr. President, in addition to practicing labor law I had occasion to be the Republican county chairman in the county that included the Portland area, with about 500,000 people, from 1960 to 1962. During that time I had some degree of relationship with COPE, the Committee on Political Education.

In Oregon and throughout the Nation on occasion, unions endorse some candidates. I had occasion to go to the Labor Temple and to work during the day with union-paid officials, who were on union salaries, on the union premises, in an effort to lend a hand in making phone calls and sending out literature. We worked on behalf of Republican candidates or Democratic candidates, but the union was working on behalf of all those they endorsed.

I am talking about the expenditure of money—not COPE contributions because in theory those are voluntary. In theory the union member checks off $1 or $2 for COPE and that money goes to the expenditure of funds for political candidates.

I am talking about salaries, sound trucks, telephones, space, mimeograph and typewriters, all paid for out of union dues and being used for true partisan support of candidates, Democrat and Republican, all in violation of the law, and none of those violations ever prosecuted.

Mr. President, the unions are going to tell you, and I have heard them say this with a straight face, "Why, all of our contributions are voluntary. We do not spend any 'dues'."

Anyone who has been in politics, especially to the extent of having been elected to the Senate, cannot be blind to the fact that union dues, uniform assessments, and membership fees, which are paid by union members, are being used for partisan political endeavors, in addition to the so-called COPE contributions. This Senate cannot turn its mind from the fact that it exists. There is not a single Senator in this room who knows other than that it does exist.

If because it inures to the partisan benefit of some is reason not to choose to recognize it legally, so be it. But let us make it clear when we vote. If the amendment of the Senator from Arizona is rejected the Senate is saying to the unions of this country, "You go ahead and illegally spend your dues, illegally spend your uniform assessments, because we in the Senate, while we piously claim you should not do it, are going to refuse to pass the one law that could make a difference, and that is the removal of your tax-exempt status."

I know it would be said by other Senators that there are other laws prohibiting unions from giving money and why do we not enforce those laws. There are other laws. The Corrupt Practices Act prohibited people from giving more than $5,000 to a campaign, and other kinds of contributions, and that is observed in the breach. The reason we passed the Campaign Financing Reform Act was that we recognized that the Corrupt Practices Act, despite its legal limitations, does not work. We should recognize that the legal limitations on the books to prevent unions from spending dues, assessments, and initiation fees do not work. If we truly want it to work, we should agree to this amendment. If we do not care, let us reject the amendment, but let us admit what we are doing when we do it.

Mr. FANNIN. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. FANNIN. I reserve the remainder of my time.

Mr. PASTORE. Mr. President, I am very safe in saying that this amendment is an old chestnut. It has been before this body several times and sponsored by the same individual. It is an antilabor amendment. It was voted down in 1969. It seems to pop up every time we have a bill of any nature.

Now, the inconsistency here, if I may say so, in rebuttal to the two speeches made, is the fact that if they really want purity in presidential elections they should vote for the checkoff. And this is the reason. If you allow every taxpayer of this country to allocate to the presidential fund $1 of what he owes the Government, candidates will be free of any influence of any organization, be it labor or anything else.

But this is a sledge hammer amendment to beat labor over the head.

We hear the argument they are doing things illegally and getting away with it. You have a Republican Attorney General; why does he not prosecute? He has the jurisdiction and the responsibility. If you know of any labor leader or anybody else in this country doing anything illegally, I say have him indicted, tried, and convicted. But this idea that you cast an aspersion on the whole labor movement in this country just because some individuals do not agree with that movement is something I cannot accept.

Mr. President, I do not want to take too much time. This amendment should be rejected. Its proponents do not have the courage to say "labor." They say only "organization." They even hide that when they make speeches. All they say is "labor." Why do they not be honest with themselves and put it explicitly in the amendment.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. GURNEY Mr. President, I think what the Senator wants to accomplish with his amendment, as I understand it, is to take the political influence out of elections.

Mr. PASTORE. That is right.

Mr. GURNEY. That is, the influence that may go with substantial contributions.

Mr. PASTORE. That is right.

Mr. GURNEY. Regardless of where they come from.

And they also seek, I presume, to get into the campaigns of both parties an equal amount of money or something that is approximately equal so that a political campaign will hopefully hinge upon the candidates themselves and the issues as they present them.

Is that not what the Senator seeks to do?

Mr. PASTORE. Precisely.

Mr. GURNEY. Very well. Now I go to my question. I think that the Senator is right in his assertion that as far as this campaign contribution amendment is concerned, that will put an equal amount of money into both political parties. That is all right as far as it goes. But now, let me ask the Senator this question. The Senator has been in politics a lot longer than I have, and a lot longer than most of us have.

Mr. PASTORE. Thirty-five years continuously.

Mr. GURNEY. He knows precisely how the political apparatus in this Nation works. He also knows what the distinguished junior Senator from Oregon just said, and that is that there is a great deal of political activity in every campaign on the part of labor, and there is nothing wrong with that. It goes to some of our candidates, as well as to some candidates on the Senator's side.

Mr. PASTORE. That is right.

Mr. GURNEY. Only, unfortunately, it goes to candidates on the Senator's side. That is all right. That is part of the process.

But my question to the author of the amendment is this: It was estimated in the 1968 campaign that organized labor put $60 million into the campaign. I do not know whether that is an accurate statement but certainly we all know that they put tens of millions of dollars into that campaign. How in the world is the Senator going to explain to the Senator from Florida or any other Member of this body how you can make both political parties equal so far as moneys that go into that campaign are concerned, under the Senator's amendment, if he does not do something to plug the loophole of what the labor organization spends on political campaigns that we cannot do anything about. If he can tell me how we can equalize that input, I will be inclined to support his amendment.

Mr. PASTORE. The Senator asked me a question. First of all, this is an indictment you have not proved. Did they put in the $10 million legally or illegally? The argument here is that it was done illegally. They indict on the floor of the Senate a respectable organization. Now, there are possibly some thieves and crooks somewhere in labor organizations. There are thieves and crooks even in public life. But the point is why are you choosing labor and indicting all labor without proof?

Mr. GURNEY. I did not do that.

Mr. PASTORE. Without——

Mr. GURNEY. Just a moment now. I did not do that.

Mr. PASTORE. All right. You are asking me the question: Why do I not support the amendment? For the simple reason that this amendment is an indictment of labor and you have not proved the case.

Mr. GURNEY. I have not said it was an indictment of labor.

Mr. PASTORE. No, but——

Mr. GURNEY. As a matter of fact, I admitted that the amendment was fair to both political parties insofar as the amendment itself goes. What I asked the Senator is this: How are you going to equalize on the side of all the other influences that go into a campaign—businesses, professionals, just ordinary people? How are you going to equalize the tens of millions that organized labor puts into political campaigns? That is all I want to know.

Mr. PASTORE. Do you mean they do it voluntarily through their workers?

Mr. GURNEY. What is that?

Mr. PASTORE. Do they do it voluntarily through their workers, and if so what is wrong with that?

Mr. GURNEY. Well——

Mr. PASTORE. Why cannot a workingman put $2 into my campaign like the man who bought a $500 ticket to go to your Republican affair last week?

Mr. GURNEY. I can tell the Senator from Rhode Island that there are a whole lot of workers who came to me after the election and said, "Senator, why don't you do something about the AFL–CIO"—or the particular union involved—"taking my union dues and putting them into the campaign of a man running against you when I support you?" I know people came to me in Florida after every election——

Mr. PASTORE. You are indicting——

Mr. GURNEY. I am not indicting.

Mr. PASTORE. Because they came to you.

Mr. GURNEY. You said these contributions are voluntary. That was the answer to the Senator from Oregon that they are not voluntary.

Mr. PASTORE. The voluntary thing is that they have put it into COPE. The question to decide is whether that is violating the law. If that man came to me, I would say, "Go see the district attorney."

Mr. FANNIN. Mr. President, is the Senator saying that all this money is voluntary?

Mr. PASTORE. I have no idea, but I say most of it is. It is just as voluntary, or maybe just as honest or just as questionable, as the man who pays $500 for a fund-raising ticket.

Mr. FANNIN. When you talk about an indictment of labor organizations; yes, that is true. I am indicting some of those labor organizations who are committing illegal acts and it is in the news every day what they are doing.

Mr. PASTORE. You are indicting them all.

Mr. FANNIN. Those who are in violation of the law; yes. The best article that illustrates what is happening——

Mr. PASTORE. Mr. President, on whose time are we working?

The PRESIDING OFFICER. On the time of the Senator from Rhode Island.

Mr. FANNIN. I was answering the Senator's question.

Mr. PASTORE. You are not answering the question. You are asking a question.

The PRESIDING OFFICER. The Senator from Rhode Island——

Mr. PASTORE. Use your own time. Make your speech.

Mr. FANNIN. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 7 minutes.

Mr. PACKWOOD. Mr. President, I would like to ask the Senator a question.

Mr. PASTORE. On your time, I will answer any question.

Mr. PACKWOOD. I will ask it on your time.

Mr. PASTORE. No. On your time.

Mr. FANNIN. Mr. President, I yield 2 minutes to the Senator from Oregon

Mr. PACKWOOD. Are you suggesting that if there is any violation of the laws, we have ample laws to prosecute?

Mr. PASTORE. That is right.

Mr. PACKWOOD. Was not the same thing true with respect to other violations; we had the Corrupt Practices Act that covered this situation?

Mr. PASTORE. That is right.

Mr. PACKWOOD. Did not we pass the Campaign Reform Act because we knew the law did not work?

Mr. PASTORE. That is right.

Mr. PACKWOOD. Just exactly the same situation as here.

Mr. PASTORE. That is not just exactly the same situation as here. You jump over two humps.

Mr. PACKWOOD. Does the Senator from Rhode Island support the use of involuntary dues—not voluntary contributions, but involuntary dues and assessments, and membership fees—for partisan politics?

Mr. PASTORE. No one should be forced to do anything. That is duress, and it is against my principles.

Mr. PACKWOOD. You do not accept that?

Mr. PASTORE. I will not accept it.

Mr. PACKWOOD. In your 35 years in politics have you ever seen money paid by union members or union workers as dues used for partisan politics?

Mr. PASTORE. I have received money from COPE. I have received money from individuals. I have never received money under the table.

Mr. PACKWOOD. Answer my question: Have you ever seen money or dues paid by union members or a union building used for political partisan purposes?

Mr. PASTORE. No.

Mr. PACKWOOD. In your 35 years you have never seen that?

Mr. PASTORE. No, no.

Mr. PACKWOOD. Let me ask you one last question: If I bring you evidence that it happens, would you support this amendment?

Mr. PASTORE. No.

Mr. PACKWOOD. That is right——

Mr. PASTORE. No. Wait a minute.

Mr. PACKWOOD. I see what you are saying.

Mr. PASTORE. You know what I will do.

Mr. PACKWOOD. You do not want to support the amendment when we have evidence that it happens——

The PRESIDING OFFICER. Senators will cease until we get this body back in order. The Senator from Rhode Island has the floor.

Mr. PASTORE. You bring that individual to me and I will take him down to John Mitchell.

The PRESIDING OFFICER. Is the Senator asking to be recognized?

Mr. PASTORE. Yes, on my time. You bring him to me and I will take him down to John Mitchell to let you prove he did it.

Mr. GURNEY. Mr. President, will the Senator yield for one brief question?

Mr. PASTORE. On your time.

Mr. GURNEY. I do not have time.

Mr. PASTORE. Well, get it.

Mr. FANNIN. Mr. President, I yield 1 minute to the Senator from Florida.

Mr. GURNEY. Following the colloquy between the distinguished Senator from Oregon and the distinguished Senator from Rhode Island, have you ever witnessed or known of a boilerroom operation in the State of Rhode Island run by labor unions?

Mr. PASTORE. What is a boilerroom operation?

Mr. GURNEY. Well, I must say, if the Senator does not know what one of those things is, he had forgotten all the 35 years' experience he has ever had.

Mr. PASTORE. No, I have not forgotten one thing.

Mr. GURNEY. It is where a union has about 100 or 200 or 300 people in a room.

Mr. PASTORE. And they do what? Torture them?

Mr. GURNEY. And they tell them what to do. Have you never heard of one of these operations?

Mr. PASTORE. No, no. Where I come from we have good unions and I am proud of every one of them.

Mr. GURNEY. That does not have anything to do with it.

Mr. PASTORE. I am not ready to indict them.

Mr. GURNEY. What has that to do with what the Senator is saying? We just got through saying that the unions finance partisan operations, and the Senator from Rhode Island knows that just as much as I do.

Mr. PASTORE. How come you end up with all the money? How come you end up with all the dough?

Mr. GRIFFIN. Because the unions do not report what they get.

The PRESIDING OFFICER. We will return to regular order. Who is asking for recognition?

Mr. PASTORE. The Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PASTORE. On my time. Will you tell me how much you have in your treasury now?

Mr. GURNEY. Are you asking me a question?

Mr. PASTORE. How much do you have in the Senate Republican Campaign Committee?

Mr. GURNEY. If I knew, I would answer. If there is anybody here who knows, I hope he does answer.

Mr. PASTORE. If you find out, let me know.

Mr. GURNEY. I will ask the Senator what is wrong with that? Is there anything wrong with the Democrats or Republicans raising money?

Mr. PASTORE. No.

Mr. GURNEY. The Senator is envious because the Senator's party has a huge campaign debt that is not paid and the Republicans have received that and some other money.

Mr. PASTORE. You mentioned something here. You have been throwing around $60 million from the unions. You have been throwing around $10 million. I am just asking how much has been thrown into your office.

Mr. COOK. Mr. President, will the Senator yield?

Mr. PASTORE. On your time.

Mr. COOK. If I may have 30 seconds, I will only say——

Mr. PASTORE. Wait a minute. I do not yield. Take it out of your time.

Mr. FANNIN. Mr. President, I yield 30 seconds to the Senator.

Mr. COOK. The Senator from Rhode Island said all day yesterday and the day before, "Do not worry about your fund. You already have it." I thought you knew how much we had. That is what you have been telling us. You told us repeatedly for two and a half days, "You do not have to worry about that," and so on. The Senator does not have to know the answer. He already has it.

Mr. PASTORE. What is your question?

Mr. COOK. You have been telling us all about this. I thought you knew. That is the question.

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Arizona has 3 minutes remaining.

Mr. FANNIN. Mr. President, the distinguished Senator from Rhode Island has made quite an issue about identifying the role of labor in electoral politics. I have here an article entitled "The Political Activities of Unions" by Alexander E. Barkan, director of COPE, which appeared in "Issues in Industrial Society," in 1969.

Here, I think, is the best example of what is being done, and it is not being done by voluntary dues, it is being done through compulsory dues. This is what Alexander Barkan says:

> The real untold story of this election—

Referring to the 1968 election—

> is the role of the labor unions in it. This is a remarkable story. There is no question but that the trade union movement effort materially affected the outcome and contributed substantially to Mr. Humphrey's total vote.

Then he goes on to say:

> Evidence of the intensity of labor's political activity in 1968 was the 55 million pieces of printed matter distributed by national COPE to union members and an additional 60 million-plus distributed by state AFL–CIO bodies and international unions. It is unlikely that any organization—including the two major parties—ever produced so much political literature in any one campaign.

Is the Senator from Rhode Island trying to tell me that all these activities were supported entirely by the voluntary contributions to COPE? I am sure he does not. Would the Senator care to respond to the question as to whether he believes that this was all done by voluntary dues to COPE?

Mr. PASTORE. The Senator from Rhode Island will speak for himself.

Mr. FANNIN. I just asked the Senator a question.

Let us see what George Meany said:

> The fact is that labor has never succeeded in raising by voluntary contributions more than a small fraction of the total amounts expended in any campaign.

That was published in the Washington Post, in a statement by AFL–CIO President George Meany.

I do not know what could be more impressive as to what has actually happened than the quotations from these gentlemen who are so active, both in the AFL–CIO, of which George Meany is president, and in COPE, of which Alexander Barkan is director.

The PRESIDING OFFICER. All the time of the Senator from Arizona has expired.

Mr. SPONG. Mr. President, during the Senate's consideration of the Revenue Act of 1971, an amendment was offered by Senator FANNIN to deny a tax exemption to any organization which requires

membership dues or fees as a condition of employment and which uses any part of its income for political purposes. Existing law already prohibits use of compulsory dues for political activities. The Fannin amendment as I read it would have established a penalty for use of voluntary contributions as well. That raises serious constitutional questions in my mind. I do not believe the Congress should be in the business of restricting the voluntary political activities of a particular group of individuals and for that reason I opposed the amendment.

By contrast, I voted not to table the Dominick amendment to the campaign spending bill which was before the Senate on August 4. That amendment sought to strengthen the prohibition against political use of compulsory dues money but it specifically exempted voluntary contributions. Section B of the amendment provided that:

> Nothing herein shall prohibit the voluntary contribution of any individual members of any organization to or for the benefit of any candidate or political committee, as long as such contribution is unrelated to dues, fees or other monies required as a condition of membership in such organization or as a condition of employment.

I am opposed to forcing individuals to contribute to a political candidate or party whom they may not support and I would vote to strengthen existing law in this regard. But it is not corrective of such abuses as may exist to turn the coin and say there will be no political contributions of any kind by the members of that organization.

Mr. GAMBRELL. Mr. President, during the Senate's consideration of the Revenue Act of 1971, containing the proposals for tax relief under phase II of the President's economic policy, an amendment was offered by Senator FANNIN of Arizona to deny tax exempt status to any organization which requires "any person to pay membership dues, fees, or other assessments, as a condition of employment," if the organization uses "any part of its income or the amounts received for its support" for political purposes.

Under existing law, use of compulsory union dues contrary to the wishes of union membership is restricted. The Fannin amendment, however, would have denied tax exempt status to a labor organization which makes political contributions with the consent of, and even from voluntary contributions of, its membership.

In this respect, the Fannin amendment was more restrictive than the Dominick amendment, which was tabled in the Senate in early August, and I therefore voted against the Fanning amendment.

It is unfortunate that efforts to prevent involuntary political contributions by union members, have been so poorly prepared. The Fannin amendment, like the Dominick amendment, was hastily drawn during debate covering other subjects, and overshot the mark which it sought to reach.

I would join in a responsible effort to eliminate involuntary political contributions, and am opposed to heavy political influence from special and secret sources. For this reason, I have supported the Political Campaign Reform Act of 1971 placing limits on spending and contributions, and requiring full disclosure of contributions and contributors. This legislation covers contributions by labor unions and other special interest sources.

Mr. PASTORE. Mr. President, I want to say one thing. When we held the hearings on the campaign expenditures bill that was approved by this body, and against which the Senator from Arizona appeared before our committee with the same kind of an amendment.

When the Deputy Attorney General, Mr. Kleindienst, came before our committee, I asked him categorically, "Do you recommend the insertion of this amendment into the law?"

He said, "No, I do not. I do not."

That is all I wish to say to my Republican brethren.

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I yield.

Mr. KENNEDY. Is there anything in this amendment that applies equally to business and corporations in terms of their contributions, or is this solely directed against the labor unions?

Mr. PASTORE. Well, there is quite a bit. Very cleverly, it says "no organization," but when they get up to make their speeches, all they talk about is the labor unions. They know if they would write in there "labor unions," it would be a dead duck. They know that.

That has been the ploy here. That is the maneuver: "Let's sugarcoat it a little bit, and maybe they will swallow it."

I do not think the Senate is willing to swallow anything like that.

In answer to the question of the Senator from Massachusetts, there is honesty in everyone and there is a little dishonesty in almost everyone. I am not saying labor unions are 100 percent pure, and I am not saying that everyone who belongs to the National Association of Manufacturers is not a decent man, or that everyone who belongs to the chamber of commerce is not a decent man, or that everyone who works for the Lockheed Co. in an executive capacity is a dishonest man. I am not saying that. All I am saying is that they are running an amendment here as an indictment of the entire labor movement of this country, and I cannot buy it, and I will never buy it. I hope the amendment will be defeated.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BENTSEN). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Arizona (Mr. FANNIN). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Alabama (Mr. SPARKMAN) and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), and the Senator from Alabama (Mr. SPARKMAN) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Kansas (Mr. PEARSON) is necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 31, nays 61, as follows:

[No. 362 Leg.]

YEAS—31

Allen	Dominick	McClellan
Allott	Eastland	Miller
Bellmon	Ervin	Packwood
Bennett	Fannin	Roth
Bentsen	Goldwater	Stennis
Brock	Griffin	Taft
Buckley	Gurney	Thurmond
Byrd, Va.	Hansen	Tower
Cotton	Hruska	Young
Curtis	Jordan, N.C.	
Dole	Jordan, Idaho	

NAYS—61

Aiken	Gambrell	Muskie
Anderson	Gravel	Nelson
Baker	Harris	Pastore
Bayh	Hart	Pell
Beall	Hatfield	Percy
Bible	Hollings	Proxmire
Boggs	Hughes	Randolph
Brooke	Humphrey	Ribicoff
Burdick	Inouye	Schweiker
Byrd, W. Va.	Javits	Scott
Cannon	Kennedy	Smith
Case	Long	Spong
Chiles	Magnuson	Stafford
Church	Mansfield	Stevens
Cook	Mathias	Stevenson
Cooper	McGee	Symington
Cranston	McIntyre	Tunney
Eagleton	Metcalf	Weicker
Ellender	Mondale	Williams
Fong	Montoya	
Fulbright	Moss	

NOT VOTING—8

Hartke	Mundt	Sparkman
Jackson	Pearson	Talmadge
McGovern	Saxbe	

So Mr. FANNIN's amendment was rejected.

Mr. PASTORE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENTSEN). Who yields time?

Mr. GRIFFIN. Is time required to suggest the absence of a quorum?

The PRESIDING OFFICER. Someone must yield time.

Mr. GRIFFIN. Mr. President, I ask unanimous consent to suggest the absence of a quorum, with the time not to be charged against either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. MATHIAS. Mr. President, I ask unanimous consent that Mr. Ken Davis, a member of the staff of the Senator from

Pennsylvania (Mr. SCOTT); Mr. Joel Abramson, a member of the staff of the Senate Judiciary Committee——

Mr. HANSEN. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. GAMBRELL). The Senate will be in order. The galleries will be in order. The Senator wishes to speak.

Mr. MATHIAS (continuing). And a member of the staff of the Senator from New Jersey (Mr. CASE), as designated by him, be permitted on the floor during the debate and votes on the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. HARRIS. Mr. President, I suggest the absence of a quorum.

Mr. COOK. Mr. President, would the Senator withhold that request?

Mr. HARRIS. I withhold that request.

PRIVILEGE OF THE FLOOR

Mr. COOK. Mr. President, I ask unanimous consent that David Huber, a member of my staff, be permitted on the floor during the debate and votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent that my assistant, Timothy Brosnahan, be permitted on the floor during the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT. Mr. President, I ask unanimous consent that during the course of the debate and the votes today, James Sanderson, of my staff, be permitted on the floor.

Mr. PROXMIRE. Mr. President, reserving the right to object, the distinguished acting majority leader, the Senator from West Virginia (Mr. BYRD), has asked me to help him out, because he is at a meeting right now. I know that he has been very careful about this kind of request. I think that there would be no objection if the staff members were permitted to be present on the floor for debate on the amendment. However, I think that I must object to the request until the Senator from West Virginia can be consulted. However, if the Senator from Colorado wishes to request permission for him to be present during debate on the pending amendment, I have no objection.

Mr. ALLOTT. Mr. President, I will wait until the Senator gets through, and I will take the floor in my own right.

ORDER OF BUSINESS

Mr. HARRIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HARRIS. Mr. President, I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. ALLOTT. Mr. President, after conferring with the assistant majority leader, I now request that my staff assistant, Mr. James Sanderson, may be permitted on the floor during the course of the debate——

Mr. KENNEDY. Mr. President, reserving the right to object, and I shall not object——

Mr. ALLOTT. Mr. President, I should like to state my request before I am interrupted.

I ask unanimous consent that James Sanderson, my staff assistant, be permitted on the floor during the debate and rollcalls today.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, reserving the right to object, and I will not object, I would like to ask unanimous consent that my assistant, Mr. Carey Parker, also be permitted on the floor.

Mr. BYRD of West Virginia. For how long?

Mr. KENNEDY. During the course of the debate.

Mr. BYRD of West Virginia. On this bill?

Mr. KENNEDY. Yes.

The PRESIDING OFFICER. Is there objection? Hearing no objection to the request of the Senator from Colorado, that request is agreed to.

Does the Senator from Massachusetts have a request?

Mr. ALLOTT. I yield to my distinguished colleague.

Mr. DOMINICK. I send an amendment to the desk.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. BYRD of West Virginia. He made a similar request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. HANSEN. Mr. President——

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Colorado is recognized.

Mr. DOMINICK. Mr. President, I send to the desk two amendments for printing.

The PRESIDING OFFICER. The amendments will be received and printed, and will be held at the desk.

Who yields time?

Mr. WEICKER. Mr. President, I request that my amendment No. 710 be reported.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 7, line 8, delete "1971", and insert in lieu thereof "1973".

On page 26, line 22, delete "1972" and insert in lieu thereof "1974".

On page 29, line 2, delete "1970" and insert in lieu thereof "1972".

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. WEICKER. I yield to the Senator from Nebraska.

Mr. CURTIS. I thank the Senator. If the Senator would prefer to make a statement on what his amendment is about——

Mr. WEICKER. No. I realize the Senator has other business to look after, and I yield the floor to him for 7 minutes.

Mr. CURTIS. I thank the Senator.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, as I understand the amendment of the distinguished Senator it would delay the effective date of the Pastore amendment. That I would support. My reasons for supporting it are that I believe that the Pastore amendment, amendment No. 692, before us, is an outrage. I predict that it will meet with the disapproval of a vast majority of the American voters when they find out what has happened. I hope that the Senate will stop and think before the final vote is taken to incorporate this amendment as a part of the very necessary tax bill which must be passed.

This amendment carries the provision that any taxpayer in making out his income tax return can make a certain check mark on his return and $1 of his taxes can be paid into a fund to be used for the campaign expenses of politicians running for office.

Let us consider just how this works. If the Treasury Department takes the dollar and turns it over to this fund for political purposes the Treasury is short a dollar. The transaction is the same as if the Treasury mailed to the taxpayer a dollar and the taxpayer in return put it into a political campaign, or it is just the same as if there were a direct payment out of the Treasury to finance the presidential campaign. This, I would oppose, but at least it is more forthright.

This amendment is before us not because of the desires or actions of the rank and file of citizens of the United States who affiliate with the Democrat Party. These Democrats, like Republicans, put our country above party. This amendment, I dare say, is not before us because the rank and file of Democrat Senators approve of it. It is before us because of the scheming of the political strategists of the Democrat Party.

This raid on the Treasury is no small matter. Should in a given year 150 million taxpayers file individual tax returns and one-half of them authorize the check-off which comes not out of their money but out of the public treasury, it would amount to $75 million.

Mr. President, we hear a lot about priorities. There is not enough money in the Treasury to provide the full amount for those worthwhile causes that have a high priority. We could recite a long list of activities for human welfare where more money is being sought. In addition to the human needs of people, there are many public needs that are suffering for the lack of money. Why should the politicians' coffers have a "super top priority"? If this nefarious scheme passes, these Democrat strategists will get their hands on the money before it ever rests in the Treasury or comes within the jurisdiction of the Appropriations Committee.

Mr. President, I hold in my hand the daily statement of the United States Treasury for November 9, 1971. It shows that the national debt on that date was $413,999,139,134.81. A year ago on that date it amounted to $383,093,867,954.87. Think of the idea of turning millions and millions of dollars over to the Democrat National Committee at a time when the national debt is increasing at the rate of $58,000 per minute.

The Republican National Committee does not want this money. In the first test vote in the Senate every Republican voted against it.

It is difficult to believe that the Democrat National Committee is callous enough to insist that the Democrat Members of this Senate should have to vote on such an immoral proposition. I am convinced that great numbers of the Democrat Senators would find this most distasteful.

This raid on the public treasury and this clever but unwise and unsound and unfair strategy on the part of the Democrat chieftains is not only bad but it is worse because of the attempt to place this in the much needed tax bill that should be enacted.

The bill before us does a number of things. It brings relief for individuals which will mean more jobs. It provides, among other things, for the reinstatement of the investment credit and the repeal of the tax on new automobiles. The whole objective of these actions is to produce jobs. Jobs mean wages. Wages and income mean more revenue for the Government. Jobs mean fewer people on welfare.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. Will the Senator yield to me for 1 additional minute?

Mr. WEICKER. I yield.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CURTIS. Mr. President, if the Democratic high command forces the President of the United States to either veto the tax bill or accept it with such an outrageous provision in it, it will be the biggest political blunder on the part of the Democratic National Committee of the century.

To say the least there should be no money flow out of the Treasury for political campaigns until the Congress of the United States sets the Nation's financial house in order. I, therefore, will propose an amendment which makes this pending amendment ineffective until the budget is balanced.

Mr. President, in the meantime I shall support the amendment of the distinguished Senator from Connecticut, and I thank him for yielding.

Mr. WEICKER. Mr. President, I thank the distinguished Senator from Nebraska because he has put his finger on the key issue of priorities. I am sure the distinguished Senator from Nebraska receives daily in his mail pleas from his constituents relative to problems of employment, problems of health, problems of transportation, problems of housing, problems of environment, disease, and so forth.

I would like to know from the Senator from Nebraska just how many cards and letters he has received imploring him to do something about supplying him or anybody else on this floor with additional campaign funds.

Mr. CURTIS. I am certain I cannot tell how many requests I get, but I am certain the elderly of this country who are waiting for more housing to be built for the elderly will be up in arms if they find out we are taking money out of the Treasury instantly without any appropriation—device, even—and put it in political campaigns. It is public money. It is not the politicians' money. I think it would be wrong for the budget balance, but we ought to wait until we take care of the needs.

Mr. WEICKER. I thank the Senator. The point I am making here is, Who asked for this? Who asked for it? Where are all the cards and letters asking us to "Please pass this amendment so that the politicians will be taken care of"? They told us to produce a revenue bill so we could get people back to work, so we could get the economy going again. We certainly have received mail relative to the real problems and priorities that exist, but where are the cards and letters asking for the Pastore amendment? I have not received one single letter suggesting that a Federal campaign fund is a priority.

Mr. PASTORE. Mr. President, will the Senator yield, on my time?

Mr. WEICKER. I yield.

Mr. PASTORE. How many cards did the Senator receive on the accelerated depreciation reserve?

Mr. WEICKER. I have received letter after letter saying, "Please do something to get the economy going"—something that has caused me sometimes to go against the administration. But finally we have arrived at an economic cure that we can agree on. Yes; I have received letters asking me to do something about the 10-percent unemployment in my State.

Mr. PASTORE. And most of them are Democrats, and we have unemployment in my State, and I am for the Senator's bill. When some of our colleagues voted against the ADR, I voted for it. It was carried only by three votes. I heard some of our colleagues say, after my argument, that my argument was the only reason they voted for it.

I am for the accelerated depreciation reserve. I am for the 7-percent investment credit. That has nothing to do with it. What I am complaining about is that you are delaying the passage of this bill by the tactics used. You wanted to delay the operation of it for 7 years. Now you bring it down to 2 years. If you lose that, you will bring it down to 1 year. If you lose that, you will get it down to 2 months, and keep going until you get it down to tomorrow.

Mr. WEICKER. The reason is that I think it is a travesty to use human misery and unemployment to vote a smelly bill through the Senate.

Mr. PASTORE. You speak on your time.

Mr. COOK. Mr. President, I have the floor. It was yielded to me by the Senator from Connecticut.

Mr. PASTORE. Mr. President, he can only yield for a question. He does not own the floor, but he can peddle it around.

Mr. COOK. You do not own the floor either, I would suggest to the Senator from Rhode Island.

Mr. WEICKER. Mr. President, I yield the floor.

Mr. PASTORE. You yield the floor?

Mr. WEICKER. Yes.

Mr. PASTORE. Mr. President——

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PASTORE. I want it clearly understood that the tactics being employed here are to delay—delay—delay. Yesterday the Senator from Connecticut suggested that we postpone the effectiveness of this legislation until 1977. Today he comes in and he says, "Let us make it 2 years." He will come in tomorrow, if he loses this one, and say, "Let us make it 1 year." And this is how it is going.

Now, my friend from Connecticut keeps talking about unemployment, as though he is distressed about it more than I am. Unemployment means as much to me as it does to him, and I dare say I have done more about it than he has ever done.

Mr. President, we want the bill that the President would like to have. But, for some reason, it matters not that the Republicans on that side of the aisle be in the minority or the majority, it is either their way or nothing at all. This is a filibuster. Let us face it—it is a filibuster. If they are going to use these tactics, what they are doing in effect is delaying the President's program. That is what they are doing. So I say the time has come to look at this matter straight in the face.

They keep saying here, "You are going to raid the Treasury of the United States." Now, let us see what this bill actually does. The bill leaves it up to the individual taxpayer, who can determine, by his own choice, that of the money that he is to pay——

Mr. MATHIAS. Mr. President, will the Senator yield for a question?

Mr. PASTORE. Let me finish my sentence. Of the money he has to pay to the Government anyway, he is saying, "Take that dollar that will go into the Treasury, that I have to pay anyway, and allocate it to this fund, so that the people of this country will have the proper exposure of the candidates, whether those candidates are rich or poor, so the people may decide for whom they shall vote."

If a person feels that this is a raid, he does not have to check it off. But who has the definite decision? The Senator from Connecticut? No. The Senator from Rhode Island? No. My decision can only go to $1, and his decision can only go to $1; but the real decision is to be made by the American taxpayer for himself.

What does it amount to? When you add it all up, about $60 million—$15 million less than we spend in 1 day in Vietnam. To do what? To lose American boys, the way they are dying in Vietnam? Nothing of the kind. It is just to make sure we get the best individual to be the President of the United States. That is our purpose.

They say the American people are not going to like the opportunity of the check-off. Let us assume that responsibility. We will assume the responsibility of going before the American people and protecting and defending what we are doing here today. I am not afraid of it. I am not afraid to explain to the American people and to the people of my State why I voted for the bill. I will stand up and tell them why, and when I do, I will wave the American flag at the same time. I will

wave the flag and say, "It is because the day has come when we remove the old roadblock—the fact that the only time one can afford to run for the Presidency is if he has a barrel of money—either he or his family—either that or he has to go out and get on his knees and humiliate himself at cocktail parties, at $500 dinners, in order to raise his campaign money."

That is what we are here for. I can keep making this speech time and time again, and I say to you Republicans who have voted solidly against this proposal, we Democrats accept your challenge to defend ourselves. We are glad to do it. You like to use the word "raid." Well, use it. We like to use the word "purity" of the ballot. We like to use the word, the best to become President. And that is what it is all about.

Mr. COOK. Mr. President, a parliamentary inquiry.

Mr. MATHIAS. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I will yield on the time of the other side.

Mr. COOK. Mr. President, will the Senator yield for a parliamentary inquiry?

The PRESIDING OFFICER. Will the Senator yield for a parliamentary inquiry?

Mr. PASTORE. On the time of the Senator from Kentucky.

Mr. COOK. Does the Senator mean a parliamentary inquiry cannot be made, that it has to be charged to a side?

Mr. PASTORE. When we are operating on limited time, that is true.

The PRESIDING OFFICER. The Senator who has the floor does not have to yield for a parliamentary inquiry.

Mr. PASTORE. Mr. President, I ask unanimous consent that time be allowed for the Senator to make a parliamentary inquiry without charging the time to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COOK. Mr. President, I would like to submit a parliamentary inquiry. The Senator from Connecticut had the floor and yielded the floor to me, and I was told by the Senator from Rhode Island that he could not yield the floor to me except for a question, and I want to put to the Chair the question: If the Senator from Connecticut had the floor and he yielded the floor to me for 5 minutes, is it not correct that I was entitled to the floor for the 5-minute period?

The PRESIDING OFFICER. The Senator from Connecticut had the right to yield to the Senator from Kentucky under the unanimous consent agreement, but the Senator from Rhode Island had the floor at the time the request was made.

Mr. PASTORE. Another parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. Is it not true that all the Senator from Connecticut can do is yield 5 minutes? He cannot yield the floor. The power of recognition is in the Chair.

The PRESIDING OFFICER. The Senator is correct.

Mr. PASTORE. Is the Senator from Rhode Island right or wrong?

The PRESIDING OFFICER. The Senator is correct.

Mr. PASTORE. That is what I thought.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield the floor at this time?

Mr. PASTORE. I am all through. I made my speech.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, I ask unanimous consent that the Senator from Michigan may have the opportunity to make a parliamentary inquiry without the time being taken from either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. GRIFFIN. As long as we are trying to get the rules clear here, is it not also a fact that when the Senator from Rhode Island has the floor, he does not have the option to yield it, provided it is assigned to the other side? If he wants to hold the floor, it seems to me he would only be able to hold it from his side. If he is going to require that time be yielded from the other side, he would have to yield the floor, would he not?

The PRESIDING OFFICER. A Senator is entitled to place conditions on his yielding especially when we are under limited and controlled time.

Mr. WEICKER. Mr. President, I yield 5 minutes to the Senator from Kentucky.

Mr. COOK. I thank the Senator.

Mr. President, this amendment is really very simple, and I cannot quite understand the ranting and raving of the distinguished Senator from Rhode Island. All it says, very frankly and very honestly, is that here we are, in 1971, there is an election next year, and as a matter of fact I would assume that, with this amendment, the Senator from Connecticut would even buy this bill, if it did not carry with it an amendment that, first of all, requires that the President of the United States, who is President now, must sign the bill and, when he signs it, he also says to the American people, at the time that he signs it, "I am assigning myself the ability, if I am the candidate of my party, to take $21 million out of the fund."

It would seem to me that this also applies to every Senator who is a candidate for the Presidency or a potential candidate for the Presidency, so that he could stand up before the people next year and say, "We have got a system going, beginning with the next election, that will see to it that this no longer occurs, but for this election I can honestly stand up and say to you I did not vote for or participate in a bill that gave me $21 million of your money to campaign with."

That is all this amendment says; and I assume that, if it is successful, the Senator from Connecticut will vote for the Pastore amendment. It says we are not creating a fund for 1972, and allowing that fund to be established by the votes of people who will be participants in it, but that it will apply to the following election. That is what it says; and it also says to the President of the United States, whoever he may be, "Mr. President, you do not have to sign it for right now, and be the recipient of the $21 million. You can sign it into law and stand before the people and be able to say, at the next election for President of the United States, 'There will be a fund, but I have not put my name on a bill that has given to me, as the prospective nominee of my party, almost $21 million of your money to spend.' "

That is what this amendment says. And I will be frank with the Senator from Rhode Island, if this amendment is agreed to, so that the provision does not apply to the election that is coming up, I will vote for his amendment; but I do not believe that it looks very good for the Senate of the United States to sit here, with all of the potential candidates voting "yea," and then, after the convention next year, picking up $21 million worth of credits against their bills.

One of the reasons, I might say, is a little article published in the newspaper this morning, which indicates that the telephone company has told the Democratic National Committee to pay its overdue 3-year-old $1.4 million telephone bill by July 1, and they also say that they have got to put up securities or a bond for next year.

Now, what can that security and bond be? It is very simple. They can say, "I'll tell you what, we do not need security or a bond after the national convention, because we will be able to draw on the Federal Treasury." And someone in this room, conceivably, on that side of the aisle, who is voting "yea" on all these things, is going to be the recipient of the ability to take credit for it. I say it is wrong. But if this proposal goes into it, I say to the Senator from Rhode Island, to make it effective 4 years from now, so there will not be any opportunity for there to be what I consider to be the greening of the Democratic Party, not the greening of America, then I will vote for his proposal.

Let us not embarrass the President of the United States, if he does not have all that money the Senator from Rhode Island says he has—and I do not know whether he has it or not—by forcing him to put his signature on a bill that would give him $21 million of the taxpayers' money; and let us not embarass some Member of this body on that side of the aisle by putting him in the same position. Let us put it into operation 4 years from now.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOK. Gladly.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PASTORE. If a Senator just had to cough a little bit, would the Senator from Kentucky say he was ranting and raving?

Mr. COOK. I would say so, yes.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, I yield 2 minutes to the Senator from Florida.

Mr. CHILES. Mr. President, I was interested in hearing the Senator from Kentucky explain what the amendment said. I was glad to hear that the Senator from Kentucky now acknowledges that this principle is good, that it is sound, and that if this were 4 years from now he would vote for it, and that he said the Senator from Connecticut would also. I do not know whether the Senator from Connecticut agrees with that, but the Senator from Kentucky has said that. So now we recognize the principle is sound, that this is good, to allow the people to make their choice and determine whether we should have that dollar or not.

Mr. COOK. Mr. President, will the Senator yield?

Mr. CHILES. I am glad the Senator recognizes that the principle is sound and good. When I finish my remarks, I shall be glad to yield.

But the Senator's amendment says a little more to me than that we are going to put this off for 4 years. The amendment says to me, "We acknowledge that the principle is sound, but we do not want to do it now. We want to raise the money another way." The amendment says to me, "We have got $30 million; we can raise it from big contributors. We do not have to worry about $1 contributions, where everyone will only have the requirement of choosing whether to contribute $1. We are going to be able to get into the big money, and then we can worry later about how we have to disburse the fund."

That is what the amendment says to me. Like every other amendment we have had today, it says, "We do not want to give people the right to determine whether they want to check off $1."

But I say to the Senator, we do not merely seek to give people the right to determine whether they want to check off $1. We want to give people an equal voice, so that every man who checks that return can have as much to do with financing the campaign for President of the United States as the guy with $5 million to contribute. That is what the Pastore amendment says to me.

Mr. COOK. Mr. President, I do not say I think it is that sound. I do not favor it in principle. I am just trying to make a better situation out of a bad situation. I am only proposing this amendment so there will be no taint.

Mr. CHILES. The Senator said he would vote for it. I would think the Senator from Kentucky would not vote for the amendment, if he does not think it is sound.

Mr. COOK. Sometimes you have to. I daresay sometimes the Senator from Florida has voted for what he did not think was sound, but voted for it because he was unable to get anything better.

Mr. CHILES. I would hope that the Senator would permit the Senator from Florida to speak for himself, as to how he would vote.

Mr. COOK. Mr. President, the Senator from Florida spoke for me, and said I thought it was the soundest principle in the world.

Mr. CHILES. No, I only understand the Senator to say he would vote for the Pastore amendment, with this provision.

Mr. COOK. The Senator is saying I said it is sound in principle.

Mr. CHILES. I am.

Mr. COOK. I am merely saying to the Senator that if it is sound, it will be just as sound to go into it after a period of time, so that there is no taint on any candidate who would either have to vote for it or sign a bill to say that it was written into law.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. I yield 1 minute to the distinguished Senator from Tennessee.

Mr. BROCK. Mr. President, I say to the Senator from Florida that I hope he recognizes he is using the editorial "we" when he says, "We think the principle of this amendment is sound." I am not part of the "we." I do not. Because I do not think it is sound to tax people and split the money between two major parties and thereby shut out any diversity in our society to institutionalize, if you will, the political process by a tax.

Do not tell me this checkoff is anything but a tax. It is not a voluntary thing that has anything to do with the individual contributing his dollar. No. When he checks that box, he is taxing everybody in the United States for a piece of that action, because you cannot choose what party you want the money to go to. If you really have confidence in the American people, why not let them put down where the money should go? Why split it up between the fat cats on top today? Why not let the young people have some of the money? Show that you have confidence in the American people.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WEICKER. I yield myself 5 minutes.

Mr. President, how much time remains to the proponents and the opponents?

The PRESIDING OFFICER. The Senator from Connecticut has 12 minutes, and the Senator from Rhode Island has 20 minutes.

Mr. GRIFFIN. Mr. President, will the Senator yield, for the purpose of getting the yeas and nays on the amendment?

Mr. WEICKER. I yield.

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, briefly, I should like to set forth the purposes of this amendment, and additionally I shall have some comments to make on remarks that have emanated from the other side of the aisle.

All this amendment tries to do is to bring some sense of ethics and propriety to the proposed legislation. I tried to make the Senate 100-percent clean yesterday by the 6-year amendment making sure that none of us would share in the emoluments generated by the amendment of the Senator from Rhode Island. At least not until we went to the people who elected us and told them what we had done; and then they would have a choice as to whether to keep us or kick us out. That is fair enough.

What I have done here today is to shorten the length of time, so at least we get the presidential election of 1972 out of the way. I do not think the President should share in this money, any more than I think any Members of the Senate should share in it. That is what it does, very simply. It does concede merit to much of what the Senator from Rhode Island is trying to do. Yes, it does. I do not happen to belong to the school that believes that because it emanates from the Democratic side, it is all bad. It is not. I think he has a good idea going here. It is a reform we need. There is not 100-percent disagreement. But, for heaven's sake, let us give it some degree of ethical responsibility.

The Senator from Rhode Island makes mention of the Vietnam war, going to the American people, and so forth. I want to reemphasize the point I made yesterday. Very simply put, the reason why the Democratic Party has no money and the reason why the Democratic Party does not occupy the White House is that the Democratic Party got us into the Vietnam war and was unable to get us out of the Vietnam war; and the American public made the judgment that such a party was deserving of neither their money nor the White House.

Now, let me warn my friends on this side of the aisle that if we fail to get out of Vietnam, or if we involve ourselves in additional conflicts throughout the world, we will not enjoy the confidence of the American public, and it will be we who neither have the money nor the White House.

On our side of the fence, we are in the minority, as I stated last night—both in this body and in the House. There is good reason. It is not, as the Senator from Rhode Island and Members on the other side of the aisle have said many times, that we have all the money in the world to spend. If we have all the money and that is supposed to buy an election, why are we not in the majority? Because over the years—not recently, but over the years—we failed to generate or kindle the response on the part of the American people necessary to being elected. I guess we did not have the ideas, the issues, the candidates. That is what elections really are decided on in this Nation—the quality of the candidates, the quality of the issues. When the money does not come in, it does not come in for a lack of those reasons, or it comes in for those reasons.

This is what is at issue here in the amendment of the Senator from Rhode Island. What he says is that you can make all the errors in the world, you can do anything you want with our international or national policies, and you are not going to be held accountable; that the American people are still going to pay to keep you in office.

That is what is at issue here. It is not a question of the purity of the vote. It is not a question of rich versus poor. It is a question as to whether the emphasis in American politics is still going to be on quality or whether we are going to subsidize failure and mediocrity. It is as simple as that.

Mr. President, am I still operating within the framework of the 5 minutes which I requested?

The PRESIDING OFFICER. The 5 minutes of the Senator have just expired.

Who yields time?

Mr. WEICKER. I yield 2 minutes to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I am

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glad that the Senator from Connecticut has yielded me time to pursue an inquiry which I made earlier of the Senator from Rhode Island.

The Senator from Rhode Island, when he was speaking so eloquently and so forcefully to the Senate—let me say to the Senator that he did not need to wrap the flag around his shoulders to persuade the Members of the Senate of his patriotism and his devotion to the country.

Mr. PASTORE. I did not wrap it around me; I waved it.

Mr. MATHIAS. I think the Senator was wrapping it firmly around himself.

Mr. PASTORE. That is the language of the Senator from Maryland, not mine.

Mr. MATHIAS. There is no question about his devotion and his patriotism. We are all convinced of that. But he talked about the fact that this proposal would give people a choice. There is a limited amount of accuracy in that statement. It does give people a choice. It gives people the choice of diverting from the general revenues, into a special fund, $1 of the tax money they would otherwise pay. But that is the choice they have—no more—just diverting money out of the Treasury, away from the general purposes of the Government, into a special fund. At that point, they lose all control over their dollar.

In the hypothetical situation I laid out yesterday, of every dollar, 40 cents probably would go to Mr. Nixon, 40 cents to the Senator from Rhode Island (Mr. PASTORE)——

Mr. PASTORE. I am not running for the Presidency.

Mr. MATHIAS. Some people have greatness thrust upon them, and that might be the case.

So 40 cents to Senator PASTORE, 12 cents to George Wallace, and 8 cents to Gene McCarthy. What kind of choice is that for people? Is that a real choice? Many people are somewhat fastidious about the kind of political principles they support. Some might not want to support any one of those four candidates.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WEICKER. I yield 1 additional minute to the Senator.

Mr. MATHIAS. Some of them might feel very reluctant about that.

I am going to offer an amendment, as I promised the Senator from Rhode Island I would at a very early stage of this debate; and if that amendment, which would give a checkoff and a choice, a real choice, to the American people, is adopted, then I am prepared to support this plan. But I do not think the Senator from Rhode Island can honestly say to the American people that any realistic choice is involved here, because the only choice is to contribute to a system, and that system will further dehumanize the political process and limit participation instead of expanding it; and I think it will be altogether harmful.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PASTORE. If the Senator wants more time, I will yield it to him, because I am going to answer him.

Mr. MATHIAS. No.

Mr. PASTORE. Mr. President, let me say to the distinguished Senator from Maryland that I think he has lost sight of the principle involved here. We are not aiming at aggrandizement of the candidate. That is not the question at all. We have got to recognize the fact that, at the minimum, it takes $20 million to make a real run for the Presidency. It takes that amount of money if you expect to win. The big question is, if you do not have that kind of money, do the candidates have the proper exposure for the benefit of the people? If you lose sight of that, you fall into error. The money can be used only for the purposes of a campaign.

The question is, How much money must be spent in order that the people of the United States will have the proper exposure to the candidates and the issues, so that they can make a valid judgment? That is the judgment and theory that is involved here. That is the reason this was made into a fund.

I want to say to my good friend from Maryland that his idea was considered in depth. It has merit. It has considerable merit, because he has a limitation in his amendment that no matter how much is checked off for a party nominee, you can only write in x number, which is the 15 cents formula.

Mr. MATHIAS. No one can run away with the whole box.

Mr. PASTORE. That is right. No one can run away with the whole box. That is a meritorious limitation. The only trouble with it is this: We have had many arguments made on that side of the aisle, by the Senator from Ohio (Mr. TAFT), by the Senator from Colorado (Mr. DOMINICK), yesterday, and by two or three other Senators, that we are not recognizing minority parties or independent parties. They went so far as to glorify the name of Mr. McCarthy, for whom they will never vote anyway.

So, what happens? When you attempt to designate your party, you are doing that by April 15, 1972. That is the last day to file the income tax return. How do you know if McCarthy will run? How do you check him off? What do you do for him? That is the one gap the Senator will have to explain to me. If he can get that solution, he has a good amendment. But let the Senator tell me how we handle the situation where the known candidate will get the checkoff and those not yet known cannot get the checkoff because the taxpayer does not know who he is yet or what party he will represent yet. What do we do about that?

Mr. MATHIAS. Would the Senator like an answer to that right now?

Mr. PASTORE. Wait a minute. I will give the Senator the time, if he needs it. What concerns me is what do we do about minority parties? Take the Wallace candidacy. Whether you like him or not, whether you vote for him or not, he has a right as an American to run. He has a right to be treated like everyone else. That is what you are trying to do. By the same token, someone else might come along and file in a certain number of States whereby he becomes qualified on the presidential ballot. He is a candidate no one ever heard of on April 15 because he does not file until May, June, or July, and he was out of the picture completely then. What happens to him?

Where is the equity? That is what disturbs me. If the Senator can explain that and fill that in, maybe we have an answer here, because I would welcome the Senator's vote.

Mr. MATHIAS. Let me say, in response to the distinguished Senator from Rhode Island, that we contemplated this problem. Of course, it is true that anyone who—

The PRESIDING OFFICER (Mr. TUNNEY). On whose time is the Senator speaking?

Mr. PASTORE. Mr. President, how much time do I have?

The PRESIDING OFFICER. Seventeen minutes.

Mr. PASTORE. I give 5 minutes to the Senator from Maryland. That is the generosity of the Democrats. [Laughter.]

Mr. GURNEY. Will the Senator reserve 1 minute to me to ask a question later on? Do not give it all away.

Mr. MATHIAS. The Senator from Rhode Island is generous, as he always is, and I appreciate it. But what I will have to say will be a good investment of his time, because we can answer the question of whether there is a choice in the plan as it now stands, and how it might be improved so that there could be a choice.

It is true, if a citizen were obeying the law, the last time he would have an opportunity to check off and choose would be the 15th of April. Under long-established political custom in this country, we will not know who the nominee of a party will be until someone in the summer. That is a practical difficulty with which we are confronted. But in the amendment which I intend to offer, we do define what "party" is, and we make it broad enough to take care of not only the major parties but also new political movements so that they are not stifled whether McCarthy or whether Wallace——

Mr. PASTORE. Will the Senator read that part of his amendment, please?

Mr. MATHIAS. We define "party" as follows:

> "Party" for the purposes of this Act shall mean any political party which registers its name with the Comptroller General in accordance with regulations promulgated by the Comptroller General, and declares its intent to nominate a candidate for the office of President and Vice President in the next presidential election.

What could be simpler than that?

Anyone who is seriously considering running for President in November has an inkling of that fact by the 15th of April, so that is broad enough to take care of the problem.

Mr. PASTORE. If the Senator will yield, the Senator from Maryland has a staff member who has researched this. That designation with reference to the Comptroller General will have no standing because you have not qualified in the States to be a party and you cannot be a party until you qualify under State laws. You file in the primary and run in the primary and get a certain number of signatures. All of that is very complicated——

Mr. MATHIAS. These are matters which could be resolved in the period between the close of the tax year and the 15th of April and the actual designation of a nominee by the party which is so qualified.

Mr. PASTORE. Mr. President, will the Senator from Maryland yield?

Mr. MATHIAS. I am speaking on the Senator's time and I am totally subject to his indulgence, but I would like to finish this thought first, if I may.

Under the committee bill, you guarantee that there will be a Wallace ticket, for example. You really guarantee it, because you guarantee that there will be $6 million or $8 million available for the Wallace campaign. Under this proposal, people would have a choice.

I know that the Senator, with his record in Rhode Island and his record throughout the country, is not afraid to let the people choose. I do not think he is afraid to give the discretion to the people. He does not distrust the choices that people make. He does not do that. That is not his record. However, I cannot understand why he is so reluctant to let a taxpayer choose the political vehicle——

Mr. PASTORE. Of the money.

Mr. MATHIAS (continuing). Through which or under which his or her money will be channeled within the limitation.

Mr. PASTORE. Would the Senator consider——

The PRESIDING OFFICER. The 5 minutes of the Senator from Rhode Island have expired.

Mr. PASTORE. Mr. President, I yield myself 2 minutes to pursue this.

Would the Senator consider a combination of the two in some form? The thing that concerns me is the new starters. I would not want to feel that here we are jacketing in parties that have received 5 percent of the vote and who do have legal questions that arise, as to whether a legal party can be considered in April when someone has to qualify for that party in May. This raises the question whether we cannot work in a combination of the two, whereby a person would have the choice to say it could be a Democratic or a Republican nominee, or an American Party nominee, or whatever party nominee—at the same time we could open the door so that the individual can put his dollar in the pool without any choice or further allocating it to protect a new party or a third or a fourth party.

Mr. MATHIAS. I would like to explore that with the Senator. We have to recognize plan is involved, the auditing and the bookkeeping problems will be extremely difficult to solve. A candidate who arrives on the scene without the old base will have the right to be reimbursed under the Pastore plan, but he will not know what the reimbursement will be until the votes are counted. So that there are all kinds of enormous auditing problems here.

If we are going to say that the auditing problems and the practical considerations are going to be so great that nothing can be done, I believe that we had better go home and give up the game.

Mr. PASTORE. There is no pride of authorship here. There is no desire to do anything that is partisan, although, apparently, we have not been able to get that point over. If the Republicans come up with a combination that is acceptable, I tell the Senator frankly, I would be amenable to it and I would be recommending that your staff sit down with our staff and see if we can work out something that makes some sense. I am perfectly willing to be reasonable. Even though we have been winning consistently, we are not trying to clobber anyone here. If we could come up with something that will be more palatable to the other side, yet not do injustice to the concept we are trying to establish here, I would be agreeable to talk it over and to consider it.

Mr. MATHIAS. Mr. President, as the Senator knows, I told him yesterday that I was willing then and I am willing now to sit down with him and have the staff sit down and explore it to the fullest.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GURNEY. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I yield for a question.

Mr. GURNEY. Mr. President, on this very point, because I think all of us should be concerned with the proliferation of political parties and I think we see some of that going on today, I think we can agree that one of the great strengths of the American political party has been a stable system of politics.

I would like to inquire of the Senator from Rhode Island if, where the amendment breaks down the money and permits it to be available to different groups and political parties, it would not encourage proliferation.

Mr. PASTORE. Well, it might. However, the point was made on the other side, in the argument against my amendment, that we were not doing enough for third and fourth parties. I do not mean to be facetious, but they even raised the point that it might involve McCarthy. I do not want to stop him if he wants to get on the ballot. I want him to get on the ballot like everyone else, if he wants to do so. It is true that it does contain a suggestion of proliferation.

Mr. GURNEY. Mr. President, I am delighted that the Senator made that point. I voted against the amendment yesterday for that reason. I do not support the idea either. I think the idea is extremely dangerous. One of the reasons we had a hangup in this body on the electoral college system, which is long overdue, is because of the fear that we might come up with an idea that encourages the proliferation of political parties.

As I see it, this is the greatest danger that has been presented to the Senate. I hoped that the Senator from Rhode Island and the Senator from Maryland could come up with some workable arrangement so that we could make a decision that would eliminate at least proliferation.

Mr. PASTORE. Mr. President, as I said before, I am amenable to anything that makes sense. We are trying to take the whole presidential electoral process out of the arena of big, astronomical money and contributions. That is all I am trying to do.

Mr. GURNEY. Mr. President, may I make one other comment on the Senator's time?

Mr. PASTORE. Yes, the Senator may.

Mr. GURNEY. Mr. President, I think that the last colloquy that we have just had between the Senator from Maryland and myself and the Senator from Rhode Island points up the very fact that we should not be writing political campaign bills on the floor today in a tax matter which affects the country. I think that points this up more than any other colloquy we have had.

Mr. PASTORE. Mr. President, I might say in answer to the Senator from Florida that he brought up a social security amendment which I supported. And that was writing legislation on the floor of the Senate. And certainly I did not accuse him of anything wrong. I supported him. I was one Democrat who supported him.

Mr. GURNEY. Mr. President, will the Senator yield for 1 minute on his time?

Mr. PASTORE. Mr. President, I do not have the time.

The PRESIDING OFFICER. The Senator from Rhode Island has 6 minutes remaining.

Mr. PASTORE. Mr. President, I yield 2 minutes to the Senator from Louisiana.

Mr. LONG. Mr. President, I am for the Pastore amendment. I am all for it. I am for the most controversial part in the amendment. Mr. President, I assure the Senate and my distinguished friend, the Senator from Rhode Island in all honest sincerity that I am for the amendment.

I would like to say as floor manager of the bill, however, that we have gotten to the point where we are arguing over amendments to the amendment presented to the Senate by the Senator from Rhode Island that would drastically affect the proposed method of financing presidential campaigns.

We have other amendments to the bill that are purely tax amendments. Could we agree in the interest of getting on with the bill, rather than arguing about amendments to setting the campaign amendment temporarily aside and getting on with the other tax amendments? I would like to do that without prejudice to anyone. Then we could come back to the campaign financing issue after we have made some progress on the rest of the bill.

Mr. President, as far as I am concerned I would like to move ahead with the bill right now. We are at a phase where we are talking about an amendment that I have not seen. However, I do know what the Senator is talking about.

Mr. MATHIAS. Mr. President, I laid it on the Senator's desk yesterday.

Mr. LONG. I have not seen it. I would love to see it.

Mr. MATHIAS. There it is.

Mr. LONG. The Senator has handed me about three papers.

Mr. MATHIAS. There are three copies of the amendment.

Mr. LONG. I see.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PASTORE. Mr. President, I yield 1 additional minute to the Senator from Louisiana.

The PRESIDING OFFICER. The Sen-

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ator from Louisiana is recognized for 1 additional minute.

Mr. LONG. Mr. President, I would like to ask whether we could agree to temporarily lay aside the campaign amendment and go back to the tax amendments for a while, because at least in that area, it would seem to me that we would be making progress toward the final culmination of the consideration of the pending bill.

Mr. PASTORE. Mr. President, I will answer the distinguished chairman of the committee.

Mr. LONG. I will vote for it. I am for it.

Mr. PASTORE. I know, but we are talking about tactics and not substance. If the majority leader is willing to put it off temporarily with the understanding that when it comes back we will be at the same point, I would be agreeable.

Mr. LONG. That is what I am talking about.

Mr. PASTORE. That is a matter that is up to the majority leader and that I have no control over.

Mr. GRIFFIN. Mr. President, would we be able to have a short quorum call without the time being charged against either side?

Mr. PASTORE. That would be agreeable.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I ask unanimous consent that there be a short quorum call without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until not later than 12:45, subject to the call of the Chair, with the time not to be charged against either side.

Mr. President, I revise my request and ask unanimous consent that the Senate stand in recess until 10 minutes to 1.

The PRESIDING OFFICER. Without objection, it is so ordered.

At 12:18 p.m., the Senate took a recess until 12:50 p.m.; whereupon the Senate reassembled, when called to order by the Presiding Officer (Mr. TUNNEY) in the Chair).

The PRESIDING OFFICER. Who yields time?

The Senator from Connecticut has 4 minutes remaining.

Mr. WEICKER. Mr. President, I ask unanimous consent that no time be charged to either side.

Is anyone from the side of the opponents in the Chamber, before we commence debate?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut?

Mr. LONG. What is the request?

Mr. WEICKER. I wanted to make sure that Senator PASTORE or Senator LONG or someone else representing the opponents was present before we commenced the debate.

Mr. LONG. I have not had a chance to study the amendment, but I assume that I am regarded as the opposition, so I will undertake that burden.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. I yield myself 2 minutes.

Mr. President, in essence, I think the amendment is clear as to what it attempts to achieve. It does not deny the propriety of the principles espoused by the Senator from Rhode Island. I think we all recognize the necessity for reform. What it does is to cut out the unseemly haste—I think that is the best expression—of getting the hand in the cookie jar.

In effect, it recognizes that there is a valid principle of reform, that should be enacted for the benefit of future Americans, but not for the benefit of those Members who are voting on this bill or the gentleman who presently occupies the White House, or anyone who, in effect, is going to bring into being the legislation. Certainly, in a day and age when we lack credibility, such an endeavor can only be termed honorable and living up to the highest traditions of this Nation.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. WEICKER. I yield myself 1 additional minute.

I would be more than willing to withdraw my pursuit of this goal if, in fact, I could get all parties to agree—I mean the President of the United States, the Republican National Committee, the Democratic National Committee, and those who are Democratic candidates—not to participate in any of the funds engendered by this legislation.

Quite frankly, this request might come forth during the course of the debate, and then let us see who is acting on the basis of high principle for the Nation or who is acting on the basis of low reality.

I think that will cut it pretty fast as to the rhetoric. Principle or reality.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, those of us who favor the amendment feel that if what we are proposing is good, and we believe it is, and if it would make for better government, and we believe it would, then the time has come to do it. If it is not a good idea, then it should not be done at any time.

This is an issue on which, as far as we can determine at this point, we have eliminated the shortcomings that could be raised and have been raised in the earlier phase of this issue.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator has no more time.

Mr. LONG. Then, I will not yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Connecticut has 1 minute remaining.

Mr. WEICKER. Mr. President, I would hope that in the time ahead, in the immediate time ahead, it would be possible to sit down with the proponents of the Pastore amendment and, quite frankly, make it a better amendment, with suggestions presented by the Senator from Maryland and the Senator from Connecticut, on the side of substance, on the side of ethics, and on the side of propriety.

Nobody is saying that the Pastore amendment is wrong. It has merit. But it has become obvious that additional good ideas have been presented on the floor. I hope that as we go back to the tax measure, if that is what we are going to do, we can utilize some of the ideas to make it a better amendment.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment of the Senator from Connecticut. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Wisconsin (Mr. NELSON), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN) would vote "nay."

I further announce that if present and voting, the Senator from Alabama (Mr. SPARKMAN) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Kansas (Mr. PEARSON) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Maryland (Mr. BEALL), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Texas (Mr. TOWER) are detained on official business.

If present and voting, the Senator from Maryland (Mr. BEALL) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 37, nays 51, as follows:

[No. 363 Leg.]

YEAS—37

Aiken	Curtis	Miller
Allott	Dole	Packwood
Baker	Dominick	Percy
Bellmon	Fannin	Roth
Bennett	Fong	Schweiker
Boggs	Griffin	Scott
Brock	Gurney	Stafford
Brooke	Hansen	Taft
Buckley	Hatfield	Thurmond
Byrd, Va.	Hruska	Weicker
Cook	Jordan, Idaho	Young
Cooper	Mathias	
Cotton	McClellan	

NAYS—51

Allen	Cannon	Eastland
Anderson	Case	Ellender
Bentsen	Chiles	Ervin
Bible	Church	Fulbright
Burdick	Cranston	Gambrell
Byrd, W. Va.	Eagleton	Gravel
Harris	Magnuson	Proxmire
Hart	Manafield	Randolph
Hollings	McGee	Ribicoff
Hughes	McIntyre	Smith
Humphrey	Metcalf	Spong
Inouye	Mondale	Stennis
Jackson	Montoya	Stevenson
Javits	Moss	Symington
Jordan, N.C.	Muskie	Talmadge
Kennedy	Pastore	Tunney
Long	Pell	Williams

NOT VOTING—12

Bayh	McGovern	Saxbe
Beall	Mundt	Sparkman
Goldwater	Nelson	Stevens
Hartke	Pearson	Tower

So Mr. WEICKER's amendment (No. 710) was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BELLMON. Mr. President, I have an amendment at the desk. I ask that it be reported.

The PRESIDING OFFICER (Mr. RIBICOFF). The clerk will report the amendment.

The legislative clerk read as follows:

On Page 3, line 15, immediately following the word "any" insert the words "independent, unaffiliated".

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Leonard, one of his secretaries.

RAILROAD-HIGHWAY SAFETY REPORT OF THE DEPARTMENT OF TRANSPORTATION—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. TUNNEY) laid before the Senate the following message from the President of the United States:

To the Congress of the United States:

I am pleased to submit to the Congress Part I of a two-part study of Railroad-Highway Safety in accordance with the requirements of the Federal Railroad Safety Act of 1970 (P.L. 91-458).

Railroad-highway grade crossing safety is not a simple issue. It has many complexities which arise from such factors as the division of authorities and responsibilities for grade crossing safety among many governmental levels and jurisdictions, the important role of the private railroad companies who own and maintain the rights-of-way, the division of financial responsibilities between government and the private industry, and the cost and reliability of protective devices and grade separations.

This Report was prepared by the Department of Transportation as a comprehensive background survey of the problems involved. It contains a useful history of the grade crossing issue, a review of current problems and a discussion of the grade crossing problem within the context of highway safety.

Any recommendations for specific action will be presented in Part II of this Report to be submitted by next July 1972, under the provisions of the Highway Safety Act of 1970 (P.L. 91-605).

I commend this Report to you as important groundwork for a better understanding of the issues in this field, and I request that any definite legislative action on this subject be deferred until Part II of the Report has been transmitted to the Congress.

RICHARD NIXON.

THE WHITE HOUSE, *November 19, 1971.*

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the message received from the President of the United States be jointly referred to the Committee on Commerce and the Conmittee on Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 466) providing for an adjournment of the House from November 19, to November 29, 1971, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes.

The enrolled joint resolution was subsequently signed by the President pro tempore.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. BELLMON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, I strongly support the objectives of title IX of H.R. 10947, to provide more equitable tax treatment for citizens who make contributions to candidates for public office.

I have always resented the attitude that political giving is somewhat less noble, less in the public interest than giving to the United Fund, buying Easter seals, supporting the Red Cross or many other similar so-called tax-exempt organizations.

Government is a necessary part of society. In our system, political parties and campaigns are equally necessary.

Citizens who support the political process are in most cases among the most unselfish and the most to be admired. They deserve to be treated the same as others who make sacrifices in the public good with no expectation of selfish gain.

The citizens who support the political process in most cases are most unselfish and most of them are to be admired and deserve to be treated the same as others who make contributions.

While I am in agreement with the purposes of title IX, I feel there is a small but highly significant deficiency in the amendment. I am offering this amendment to help correct it.

The problem is that, under the bill as written, special interest groups can use the device and the inducement of tax exemption to gather large sums of money from their members and then use these funds to make large single contributions to certain candidates.

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Senator from Oklahoma will suspend. The Senate will be in order. Senators will please take their seats. The Senator from Oklahoma is entitled to be heard. The Senator from Oklahoma may proceed.

Mr. BELLMON. Mr. President, special interest groups can use devices that are tax exempt to get larger sums of money from their members and use these funds en bloc to make large single contributions to certain candidates or causes.

For instance, if we had a national association with a 14,000 to 15,000 membership, such as the National Association of Manufacturers, that association could form a political action committee. They could then urge each of the members of the National Association of Manufacturers that they should contribute $50 to the committee, for which he would be entitled to tax deduction. If all of the members contributed, that would mean an amount of $750,000.

I think any of us can realize that this much money in the hands of a political organization can have a significant impact on a large number of candidates or even on an entire political organization. If only one in 10 members contributed $50 it would raise a slush fund of $75,000.

Take another national organization, the American Medical Association. Our research has discovered that there are about 200,000 to 225,000 members of the American Medical Association. Again, if each member of the American Medical Association was to ante up $50, for which they would be eligible to receive a tax deduction, it would provide a fund of more than $11 million, which in the hands of that organization could certainly have a tremendous impact on the outcome of any political campaign. And, again, if only one in 10 were to contribute, it would make available approximately $1,125,000.

Take the Teamsters Union. The Teamsters Union has 1,800,000 members. If each member of the Teamsters Union were to contribute $50, which they could deduct from their taxes, it would make a campaign slush fund of $90 million.

Mr. President, this is the very thing that I would like to get away from. I would like to see individuals give money to any campaign or to the candidate of their choice. However, when the money is given to an organization which may have very strong lobbying practices, in my judgment it provides a dangerous possibility that could damage, rather than help, the political climate in the country.

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Here again, if only 1 out of 10 Teamsters were to contribute, it would still amount to $9 million.

The American Farm Bureau has 1,800,000 members. The same facts would apply to the American Farm Bureau as apply with relation to the Teamsters Union.

The National Education Association has from 1 million to 1,100,000 teachers that belong to that association. If each teacher were to contribute $50, for which he would be entitled to a deduction, it would amount to a slush fund of up to $55 million. However, if only 1 in 10 were to contribute, it would still amount to $5,500,000 that would be available for political campaigns.

Mr. President, one can easily see that such coordinated organizational fundraising activities raises the possibility, even the likelihood, that serious abuses will arise, such as coercion of members to get them to give. The ability of an organization to make large single contributions would create a dangerous potential for making deals with candidates, who are desperate for funds.

It is my firm belief that single small gifts from a large number of contributors is the healthiest method of financing campaigns. In this way, the temptation for deals is nonexistent. People who contribute $10, $20, or $50, or $100, do not expect any direct and selfish gain by reason of the contribution. People would be encouraged to make contributions only because they wish to see good government in their country, or their local unit of government. If we could encourage this kind of giving, as I feel title IX generally would do, this would vastly increase the participation on the part of individual citizens in the political process.

Title IX, I believe, if amended, would accomplish this greatly needed objective, which is to see a large number of our citizens making small contributions with no strings attached. The contributions could be to candidates, committees of candidates, or to political parties of the country.

For these contributions, they would expect no special favors, but rather would expect to see that the candidates elected would perform the duties of their office in the very best way possible.

In my judgment, unless the language on page 3, line 15, of amendment No. 692 is changed, the present condition could be worsened instead of improved.

My amendment simply adds the words, "independent, unaffiliated" following the word "any", in line 15 so that the definition of a political contribution would include, among other things, "any independent, unaffiliated committee, association, or organization—whether or not incorporated—organized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any Federal, State, or local elective public office, for use by such committee, association, or organization to further the candidacy of such individual or individuals for nomination or election to such office."

Mr. President, this means that so long as the taxpayer makes his contribution directly to the candidate or to a committee established by the candidate or a political party, the contribution would be tax deductible.

However, if the contribution is made through a committee affiliated with an organization created for professional, business or other purposes, such contribution would not be tax deductible.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I am sure the Senator has good intentions, but it seems to me that this amendment might do many things to frustrate the purpose of the provision he wants to amend. The Senator would add the words "independent, unaffiliated" to the definition of a political committee to which contributions eligible for the credit or deduction could be made. These words raise a lot of questions—independent of what? Unaffiliated with whom?

But even more fundamentally, if people want to get together and form a committee to raise money to support someone for office, why should we prevent people from contributing to that committee? It is a proper political donation. They should be permitted to make it.

This Senator has no intention at all of forcing anyone to make a contribution and the Pastore amendment would not force anyone. But a person should be allowed to make contributions if he wants to.

The Senator's amendment, however, is so vague and indefinite that it probably would apply to all kinds of situations to which the Senator might not want it to apply.

Unaffiliated with whom? If people associated with a labor union want to form an organization and raise money for a candidate they support, the contributions to the organization are proper political contributions. I do not believe that they should not be able to do it. If a group of business people feel a man has done well and has made a good public official and they want to join together and support that man, just because they are members of the Chamber of Commerce or a manufacturing association is not a good reason why they should not be able to get together and raise money to support a candidate.

My point of view is that this language is so vague and indefinite that it might very well prohibit all kinds of very proper and highly motivated people from getting together and raising money for a legitimate political purpose.

For that reason I oppose the amendment.

Mr. President, at this time I yield 5 minutes to the Senator from Georgia with regard to other matters involved here.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. GAMBRELL. Mr. President, I appreciate the distinguished junior Senator from Louisiana yielding this time for me and the Senator from Iowa to engage in a brief colloquy in reference to a matter which I would like to bring to the attention of the Senate.

I offered an amendment to the amendment of the Senator from Rhode Island which, I believe, has been given the number 703.

My amendment seeks to require any candidate who would receive money or distribution of funds under the Pastore amendment to be nominated by a party which is governed by a national committee which has been democratically selected and fairly apportioned.

In substance, the amendment would require the Democratic Party and the Republican Party, if they wish to have their candidates participate in the funds under the Pastore amendment, to fairly apportion their national committees to require them to be elected in a democratic manner.

I do not know the system of the Republican Party, but the Democratic Party has a system under which two national committeemen or a man and woman, are elected from each State by the national convention each 4 years. Democrats resident in the State do not have an opportunity to vote in the selection of those national committeemen and committeewomen.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. GAMBRELL. I yield for a question.

Mr. DOMINICK. I wish only to comment on the Senator's reference to our party. Our States select our own national committee from the States.

Mr. GAMBRELL. Are they apportioned by population?

Mr. DOMINICK. By the central committee, at a central committee meeting in each State.

Mr. GAMBRELL. Then, the State of Alaska has as many representatives on the national committee as the State of California.

Mr. DOMINICK. Yes, there is a national committeeman or woman from each State.

Mr. GAMBRELL. This is another part of my proposal, that they be fairly apportioned.

In my party we have during the past 4 years, pursuant to mandate from the national convention in 1968, gone through a program of reform whereby delegates to our national convention next year are supposed to be democratically selected and fairly apportioned within each State. I have supported that reform. I initiated similar reform when I was chairman of the State party in Georgia to require our State committee members to be fairly apportioned in the State and democratically selected.

My amendment would step up to the national committee level the same requirements the national committee imposed on each State delegation to the national convention. I think this would be a desirable reform.

I have not called up my amendment because I think it would be only fair to give the national committee a reasonable opportunity to cause the reform itself.

I, a number of other Members of this body, and a number of Democrats throughout the country would be very interested and seek very urgently to accomplish this reform before the convention next year. I urge my colleagues to give it consideration and I urge support from their States and in the national committee.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. GAMBRELL. I yield.

Mr. HUGHES. I compliment the junior Senator from Georgia on this particular amendment which would incorporate into law, if it were brought up and passed, many of the principles our party has been trying to bring into being through party reorganization as a result of the mandate of the 1968 National Convention of the Democratic Party. It does not go as far as many discussions that have taken place in this country have suggested, but it would reapportion selection of the national committee of the parties involved on a proportional basis, that proportion being on the basis of one man, one vote, or one Democrat, one vote. It could go as far down into the States as being selected on the basis of one Democrat, one vote in the congressional district to affect internal selection in States which have a convention procedure rather than a primary proccdure for selecting State nominees. As these matters differ from State to State, the importance of this amendment would be the reapportionment of the National Convention and the representation of the national committee, which thereby makes the decisions handed out through the national chairman of our particular party, that involve selection of the convention site, the procedures by which they are conducted. They must go through that convention political process in order to be translated into a platform that is then translated through the candidates of the people of America and, hopefully, translated at that time through the Congress of the United States, to have a direct effect on the people of the land as a result of the political processes of this Nation.

If this process becomes clogged at any point, it then is a hindrance to the individuals in the State having an active voice in the political procedures that affect their lives every day they live.

The junior Senator from Georgia has brought this issue into focus in having presented his bill, or in presenting his amendment—I do not know whether he intends to call it up—but as one who has been active in the political reform of the Democratic Party, I want to commend him for bringing it to our attention.

Mr. GAMBRELL. Mr. President, I would like to ask the Senator from Iowa, while he is on his feet, if in fact the national committees of the two parties run the two parties for a period of 4 years between the conventions and if the reform we have had in the Democratic Party, when it comes to a head in the convention, simply covers 4 days in 4 years, and the rest of the 4 years we have the undemocratic management system.

Mr. HUGHES. I am unable to speak for any other member of the Democratic Party, in which I have been active, and I know the junior Senator from Georgia has, but the effect is that our national committee today, which national committee was selected prior to the 1968 national convention, not only made the decisions then, but has made the decision now for the next national convention. That has prevailed for the preceding 3 years and will continue for the next 7 or 8 months, until the new selection process takes place. So, in fact, it is the governing body for 4 years.

Mr. GAMBRELL. And if it is not reformed prior to the next convention, we will have an undemocratically selected national committee for the next 4 years and an unfairly apportioned national committee for the next 4 years?

Mr. HUGHES. That is correct, because unless it is reapportioned then for the next 4 years, or until 1976, we will again be faced with an unfair apportionment of the representation of the people of this country in our political party.

Mr. GAMBRELL. I thank the Senator from Iowa for those comments.

It seems to me that all the talk of reform in the Democratic Party is so much hot air if the reform does not go to the body which governs the Democratic Party for 4 years with the exception of 4 days. The reforms we have been talking about and about which there has been so much hue and cry simply reform for 4 days, and not 4 years. The reform we are talking about in the Pastore amendment is a fine contribution to the political history of this country, but it seems to me to be a little hypocritical to be talking about a magnificent reform of this type and talk about reforms in Georgia, Iowa, and other parts of the country, but when the Democratic National Committee meets in Washington to decide such things as who shall be chairman of the credentials committee or who shall be chairman of the platform committee, or such other matters, they meet with an undemocratically selected organization to manage its party.

I feel strongly that our national committee and that of the Republicans, if they purport to be a fair and representative political management body in this country, should adopt reforms along the lines I am suggesting in this amendment.

May I say I do not plan to call the amendment up with reference to the Pastore amendment, but I do intend to call up, and have pending, a bill to this effect, and plan to offer it as an amendment if it continues to be disregarded by the national committee and the leadership in the committee to which it has been referred.

Mr. President, moving on to another subject, but in reference to this bill, and in the absence of the Senator from Louisiana, who has yielded, as I have indicated, I support the Pastore amendment because, as it stands, without any alteration or without any modification, it is a tremendous step forward in the political life of this country. It furnishes a platform on which candidates of all stripes and persuasions can stand and be heard, and no candidate has to be excluded for lack of money or opportunity to make his voice heard in the world.

What bothers me about the position of our brothers on the other side of the aisle is, to carry their position to its extreme in logic, they would not want to have a public platform in a public park provided to members of any political persuasion to make a speech. They do not believe in a publicly supported opportunity for candidates to be heard. That is all in the world this is. It is a platform on which candidates for political office can stand, and I dare say with public facilities that will be made available to presidential candidates of all persuasions. Next year that will be worth much greater than the $20 million or $40 million or $100 million. It is a public platform in a public park or other public place that is equally available to all candidates, whether they be Wallace, McGOVERN, or anyone else.

I do not see why there is any difference between that and the public furnishing of the opportunity for candidates to be heard throughout the land, without discrimination because they are unknown or without discrimination because they do not have money. It seems to me their opposition is simply an effort to choke it off so they will be in an underfinanced position, which is exactly what the bill undertakes to prevent in the first place.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. GAMBRELL. It is not my time. I think the Senator might ask the Senator from Oklahoma to yield on his time.

Mr. MILLER. Will the Senator yield for a question?

Mr. GAMBRELL. I yield for a question.

Mr. MILLER. Did I understand the Senator to say Senators on this side of the aisle do not wish to support public financing of an opportunity to present public appearances by political candidates?

Mr. GAMBRELL. I said that was the ultimate conclusion of the principle which you are standing for—that the money should not be made equally available for candidates to expose their ideas. I wondered if that is any different from making a public park available for that purpose.

Mr. MILLER. Let me clarify the record. The Senator from Georgia has overlooked the fact that there has always been strong support on this side of the aisle, including that of the Senator from Iowa, for a limited tax deduction or a tax credit on the income tax return for political contributions, and that certainly amounts to public financing, if I understand the meaning of public financing. Would the Senator agree with that?

Mr. GAMBRELL. I would agree with that, but that sort of financial arrangement makes it possible for a rich man to put more into a campaign than a poor man. All we are trying to say is that everybody should be able to put up $1 for this purpose.

Mr. MILLER. May I say to my colleague from Georgia that we have always agreed on a maximum of $50 or $100 and a $25 or $50 tax credit. So I do not understand his reference to the rich and the poor.

Mr. GAMBRELL. A $50 deduction means more to a rich man than it does to a poor man, and he is also in a much better position to make it.

Mr. MILLER. It is for that reason that the Senator from Iowa has preferred the tax credit approach. I must say, if we are going to get into the question of giving the rich man a preference over

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the poor man, the Senator from Georgia could have supported my amendment, which would have given the tax credit instead of the personal exemption increase. So I think we had better be careful about the charge about the rich man and the poor man.

Mr. GAMBRELL. I am talking about the opposition on that side of the aisle to the second part of the Pastore amendment, the checkoff system.

Mr. MILLER. I wanted to clarify it, because I did not think the Senator from Georgia would deny that we are supporting a tax deduction or tax credit as a means of public financing of political campaigns.

Mr. GAMBRELL. I would be inclined to agree that some on that side of the aisle have supported those means of public support for political campaigns which would work in their favor. But what I am saying is that the ones that would apparently work against their interests currently, they are opposing currently.

Mr. MILLER. May I say to my friend from Georgia, I wish he would not say, "which will work in their favor." I have never supported a tax credit or tax deduction for political campaign purposes with the idea that it would benefit any one person or any one political party. I have done so in order that people in general can join in financing the campaigns of political candidates and political parties, and let the chips fall where they may. I see no reason why a tax credit, for example, should not work with equal favor to the members of both parties.

The PRESIDING OFFICER. Who yields time?

Mr. BELLMON. Mr. President, in response to the statement by the distinguished chairman of the Finance Committee, the Senator from Louisiana (Mr. LONG), I say to him that it is intended, of course, that this amendment be definite and clear, and I would certainly welcome any suggestions as to how it could be made more so. It is certainly not intended by the amendment that anyone would be restricted from making a donation. If the American Medical Association wants to set up a political action committee and go out and collect money and use it for a political slush fund, certainly they can do so; but that kind of political giving certainly, in my judgment, should not be tax-exempt, because any oragnization that does so is likely to use the funds to forward its position on issues that may come before various governmental agencies, and while this certainly is legitimate activity, I do not feel that such activity should be supported, in part, by Federal revenues, but that such kinds of giving should certainly not be tax deductible.

What I am trying to accomplish by this amendment is to make it so that if the individual citizen gives the money to any one candidate, or to a committee set up for the sole purpose of forwarding the campaign of a candidate, this is a deductible type of contribution, and if we can make it more clear and more definite, certainly I would welcome the suggestions of the Senator from Louisiana.

Mr. LONG. Mr. President, if the Senator will yield, the language now in the Pastore amendment says:

(B) any committee, association, or organization (whether or not incorporated) organized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any Federal, State, or local elective public office,

The committee would have to be set up to try to bring about the nomination or election of a candidate, or candidates, and they would have to have, according to my understanding, particular candidates in mind.

Mr. BELLMON. Mr. President, let us use a real entity. Let us talk about AMPAC, the political education arm of the American Medical Association. As I read the amendment, that organization would not be eligible. I wonder if it is intended by the Senator from Louisiana that such an organization would be able to collect money on a tax-exempt basis?

Mr. LONG. Let me ask the Senator, doesn't that group do other things than try to elect a particular candidate or a number of designated candidates, or are they limited entirely to that? That would be the test.

Mr. BELLMON. Mr. President, I do not have any inside information as to how they operate, but I know that that organization and many others similarly organized and run do actively seek the nomination or election of one or more individuals or candidates for election to Federal office. It seems to me if they did that, certainly they would be eligible under the terms of this act.

Mr. LONG. Let us just talk about the intent. In other words, let us assume that people say, "All right, now, here are the candidates we want to support, and here are 30, 40, or 50 people that we think have done a good job so that we should go out and pass the hat and raise some money, and whatever we can raise we should distribute pro rata among all of them," or "we should give twice as much to this one as to the other one, because he is running in twice as large a State."

Having decided that, they devote themselves exclusively to try to elect these candidates. It could be all Republican or all Democratic candidates, or a combination, but they designate who they have in mind to support.

If you know to whom you are contributing your support when you support the committee, and they are working exclusively for that purpose, and not involved in other things, then that donation to them would be for political purposes to help finance those campaigns. It would seem to this Senator that they should be permitted to regard that as a political contribution toward the support of a number of candidates or group of candidates, and that it would be just as much deductible as if they had contributed directly to a candidate, or gone around and mailed 10 individual contributions to 10 different candidates.

Mr. BELLMON. Mr. President, the difference of opinion between the Senator from Oklahoma and the Senator from Louisiana is that when an organization formed for a professional or business reason, or for a labor reason, or any other reason, uses its mailing list, its staff, and whatever good offices it has to solicit campaign contributions, and then takes those contributions in bulk, in a large bulk sum, and goes into the political arena and gives its support to the candidates they choose, who in many cases are candidates they have selected to forward the purposes of the organization, to me the organization is a very self-serving operation, and it is wrong to expect the Federal Treasury to put up half the money they are using, which is what we do when we give a tax deduction or a tax credit, as under the Senator from Rhode Island's proposal.

Mr. LONG. Of course, that is a reason why I am not enthusiastic about the deduction and the $25 tax credit.

Mr. BELLMON. Let me say I am in favor of that, as I said earlier.

Mr. LONG. As far as I am concerned, a private campaign contribution is often a contribution by a person who is either seeking to reward a candidate for past favors, or to contribute for favors hoped to be received in the future. The self-seeking nature of a private campaign contribution is not eliminated just because the contribution is made to support a number of candidates rather than to support one candidate. In either event, it may be a completely selfish contribution on the part of the taxpayer.

The proposal here is to make campaign contributions deductible or to allow the taxpayer a tax credit. I am not enthusiastic about this part of the amendment, but if we are going to have it, it seems to me there is no reason we should deny people the right to get together and form an association to support a candidate or group of candidates.

Mr. BELLMON. Mr. President, it is not the intent of the amendment that it would in any way prohibit a group from getting together for the purpose of supporting candidates or groups of candidates, but the purpose is to keep organizations that are already together for quite a different purpose from getting into the business of raising tax deductible funds for forwarding the purposes of their organization.

Mr. LONG. Under the language of the Pastore amendment, they cannot do that. The Senator's amendment is not necessary to keep that from happening.

If these people have an association that has any purpose other than to support the nomination and election of a candidate or a group of candidates, then the deduction or credit would not be available for contributions to the association. The language here is clear that they have to be organized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for public office.

Mr. BELLMON. Could such an organization be affiliated with, say, the Teamsters Union?

Mr. LONG. Yes. People who are in the American Medical Association or people who are in a labor union could form a separate association, the only purpose of which is to help elect somebody to office. If that were exclusively what the association is organized and operated for, to help elect somebody to office, contributions to it could be deducted as political contributions. I do not see how we can separate that from the kind of situation where any group of people get together and set up a campaign committee to support one man for Senator or one man for Governor or one man for President. It would seem to me that, in any event, the purpose is the same. It is to join together and act collectively to try to nominate somebody or a group of people and support these people for office, and a contribution to that kind of association is a political contribution.

If the association is set up and operated exclusively for the political purpose of electing someone to office, contributions to it would be deductible contributions. But, if it is set up for any purpose other than that—for example, if it is a labor union or a medical society or if such a group establishes an association for purposes other than electing someone to public office—the contributions would not be deductible.

Mr. BELLMON. Does the distinguished Senator from Louisiana see the danger here? If, say, the American Medical Association wants to undertake to influence the direction of Government, it is very simple to set up a subsidiary organization devoted strictly to the purpose that is permissible under the bill—the nomination or election of one or more individuals to office—and use the mailing lists and the publications of the existing organization and put together a very large political slush fund; and this, then, could become a tool of the existing organization and could be virtually outside the purpose of the bill, which is to eliminate that kind of questionable activity.

Mr. LONG. I understand what the Senator is speaking of, but I do not see how the people can be denied the opportunity.

Mr. BELLMON. It is not intended to deny it. If they want to make a regular contribution and not have it tax deductible, they can do it. I am talking about taking from them the right to take a tax deductible contribution from a large membership and use it for a slush fund of an organization that already exists.

Mr. LONG. The Senator is talking about doctors who organize a group of doctors for political action, and they have a list of candidates who they think voted for what they think is right, and they also have a list of candidates who voted against what they think is right. They ask doctors and others to contribute to the group.

Or, on the other hand, you may have a group of laboring people who get together and form an organization—call it COPE, the Committee on Political Education, or call it something else—and say, "Here is a list of candidates"—it could be 300—"who have voted the way we think is right and that helps the laboring man. Here is a list of candidates who voted against the way we think a laboring man's interests would lie. We would like to ask people to contribute, because we want to help this group and we want to fight that group."

Why should they not have the privilege of going out and saying "We do not think Senator Jones is our friend at all, so let's go out and raise money to oppose Senator Jones. We do not think Senator Rappahanock is a friend of ours, so give us some money to fight him. We do not think Senator Gunk is a friend of ours, so give us money to fight him. On the other hand, here is a group of fellows who are our friends, so give us a check for each one of them."

It is difficult for me to understand why they should not be able to do that. They are contributing to the candidates with whom they agree, and they should be able to do it collectively, just as they can do it individually.

Mr. BELLMON. Mr. President, to me, there is nothing in the amendment I propose that would keep a group of doctors or a group of labor people or a group of farmers or any other group from getting together to raise funds to support candidates who they believe will help their purpose. This is entirely proper; it is done now; and I do not propose to change it. But, under the terms of the proposed legislation, we are going to ask the Federal Treasury to pay roughly half the cost of such activities, and this is what I believe is wrong.

If the individual citizen wants to give $50 to a candidate or a dozen candidates, that citizen wants to make a small contribution in the interest of trying to help the governmental processes of the country.

But when that citizen puts in his contribution to a slush fund of an organization, then, so far as I am concerned, that becomes an investment, and he expects some kind of return from it—at least, he may, depending upon the way the organization is run. I do not feel it is proper for Congress in this way to subsidize the selfish interests of various groups, no matter what their purposes are.

Mr. LONG. Unfortunately, the Senator's amendment goes far beyond anything he has in mind. This amendment say that the committee or organization must be independent and unaffiliated. If I go out and organize a committee, I would assume that they were affiliated with me and that they were associated with me. Thus, if I were the fellow who went out and got the group together, it could be contended—very logically, under the language of the Senator's amendment—that inasmuch as they were affiliated with RUSSELL LONG, a contribution to that group, to support his candidate, would not be deductible, although it would be deductible if they were not affiliated with someone.

But they cannot be affiliated with anyone, according to the amendment. They cannot be affiliated with Senator BELLMON; or perhaps they are the Senator's friends, and they organize because he asked them to do so. In that case, it can be contended that they are not independent, that somebody has the power to persuade them to do what he thinks they should do; and, and therefore, that they are not independent, that they can be controlled by someone. In this manner no committee could be assured that it was entirely independent of and unaffiliated with someone.

If the Senator's amendment were drafted so that it did exactly what he is talking about when he says that this is a committee that is controlled by a labor union or a committee controlled by a medical association, in which case the contribution would not be deductible, I would think that he might have a better argument. But his amendment says that the committee must be independent, which would suggest that it must be independent of everyone—that is hard to demonstrate—and that it must not be affiliated with anyone.

It could well be argued that under the amendment no committee could qualify; or, at the very least, no one would know, when he made a contribution to a committee, whether or not it was deductible. A taxpayer is entitled to know, under the law, what the tax consequence is.

The Senator has an understandable concern. If the Senator wants to take some kind of action, I think it would be better to have the members of our staff try to draft something to carry out his intent and limit it to the cases he has described, rather than use the broad, general language he has in the amendment, which we think could very well negate the whole intent of permitting a committee to be organized to raise funds to support a candidate or a number of candidates.

Mr. BELLMON. Mr. President, I am thankful for the suggestion of the distinguished Senator from Louisiana. I believe it certainly has merit. It was my intention to accomplish the objective I have tried to explain to the Senate. If the Senator would agree, I should like to ask for a quorum call, and perhaps we could try to work out some language that might be satisfactory.

Mr. GURNEY. Mr. President, will the Senator yield to me for a question, before he does that?

Mr. BELLMON. I yield.

Mr. GURNEY. I should like to pursue that a little further and pose a question to the distinguished chairman of the Finance Committee, if I may have his attention.

In what way would the addition of these two words to this section by the amendment of the Senator from Oklahoma—"independent" or "unaffiliated," as I understand the words—in any way inhibit committees being organized and working in behalf of a political campaign? I do not understand that, but that was the Senator's statement. How could this prevent anybody from organizing and aiding the Senator's campaign or my campaign or the President of either of our parties?

Mr. LONG. Mr. President, the point is, a committee may not be affiliated with anyone. The committee could not be dependent on anyone. It would have to be independent of everyone and everything. It would have to be unaffiliated with everyone and everything. How could we know, when we contributed to a committee, that that committee was independent of everything and everyone and also was unaffiliated with everything and everyone?

It might be affiliated with someone but if it is organized exclusively for the purpose of supporting a particular candidate

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for office, it would seem to me that contributions to it should be deductible. Frankly, if the Senator wanted to do the kind of thing he has in mind, he should pinpoint what he wants, who he wants to forbid a committee to be affiliated with, and who he wants a committee to be independent of. If he will specify that, then we can know what we are talking about. The Senator says he wants to have it independent of the American Medical Association, independent of the AFL–CIO, independent of the Teamsters Union. We can understand what we are talking about, if that is what we are saying.

This language, however, would mean that it would have to be independent of and not affiliated with anyone or anything. If a committee is organized to support Senator Jones it seems to me that that committee would be affiliated with Senator Jones. It also is affiliated with whoever, or it is controlled by whoever, organized it for the purpose of helping Senator Jones. The language negates the Senator's own intentions.

The Senator's purpose is not carried out with the language that he has, because the language goes so far beyond what he proposes to do. I would suggest that we not withhold action on other amendments which someone might care to offer while we are waiting for the Senator to draft a different amendment, but that he either withdraw the amendment or that we vote it up or down and then go on to something else.

Mr. GURNEY. Mr. President, if I may make an observation, I do not disagree with anything the chairman has said. What I am trying to point out is that the statement concerning these two words, that it would inhibit or prevent political activity, is really not the right expression, because what we are talking about is tax deductibility. That is the principle involved. It has nothing to do with whether we can organize X, Y, Z committees to back a political candidate for President. We are talking about tax deductibility. The Senator suggests that possibly it would be a good idea for all of these organizations to be put in the same boat as far as all contributions would be tax deductible. The insertion of these two words has nothing whatsoever to do with inhibiting or preventing any kind of political activity. As a matter of fact, we know now, so far as some of the organizations which have been mentioned here during the course of the debate are concerned, that the deductions are not taxable; but there are all kinds of political activity, believe me, on behalf of the organizations, and I was merely trying to straighten out this record, that the Senator's proposed amendment, with the insertion of these two words, has nothing whatsoever to do with inhibiting, prohibiting, nullifying, discouraging, chilling—or any other adjective you want to use—political activity on behalf of a committee independent of an unaffiliated committee. I was just trying to straighten that out. I know that the Senator would not think of doing anything like that.

Mr. LONG. If we are going to permit a person to make a contribution to the candidate himself or to a number of individual candidates, the question is, why should we not permit him to let his contribution be made through a committee organized to support those candidates? Let us say that in the State of Delaware, for instance, the Republicans prefer a person not to make a contribution to the candidate himself. As Senators will remember, former Senator John Williams of Delaware took that view. He did not want a contribution made directly to him but rather to the Republican Party, in order to support all the Republican candidates who would be on the slate. In this manner he would not be beholden to anyone who made a contribution to him directly, and the contributions, if made to a whole group, would not favor him over anyone else.

If it could be argued that the committee is raising money for those candidates affiliated with the Republican Party, then contributions to it would not be deductible. There is no reason why it should not be deductible, if one wants to make a contribution to that committee for the slate of candidates.

Mr. GURNEY. That is covered in sections D and E on page 4 of the Pastore amendment.

Mr. LONG. Yes. But the problem would exist if the committee were not designated by the national committee—if it were just a committee to support that slate of candidates. A committee is always going to be affiliated with someone—the organizers, the candidate, or someone else—and so the amendment wouldn't allow tax deductible contributions to be made to a political committee. But if we allow a person to contribute directly to the candidate, then why not allow him to do it through a committee. Why should we not allow contributions to be made through a committee organized for a candidate or a group of candidates?

Mr. President, I yield back my time.

Mr. BELLMON. Mr. President, I yield back my time.

The PRESIDING OFFICER (Mr. JORDAN of Idaho). All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Oklahoma (Mr. BELLMON). On this question the yeas and nays have been ordered and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. McGOVERN), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. McGOVERN) and the Senator from Alabama (Mr. SPARKMAN) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Nebraska (Mr. HRUSKA), the Senator from Kansas (Mr. PEARSON) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

If present and voting, the Senator from Nebraska (Mr. HRUSKA) would vote "yea."

The result was announced—yeas 27, nays 62, as follows:

[No. 364 Leg.]

YEAS—27

Allott	Curtis	Miller
Baker	Dole	Packwood
Beall	Dominick	Percy
Bellmon	Fannin	Roth
Bennett	Griffin	Taft
Brock	Gurney	Thurmond
Buckley	Hansen	Tower
Cook	Jordan, Idaho	Welcker
Cotton	McClellan	Young

NAYS—62

Aiken	Gambrell	Montoya
Allen	Gravel	Moss
Anderson	Harris	Muskie
Bentsen	Hart	Nelson
Bible	Hatfield	Pastore
Boggs	Hollings	Pell
Brooke	Hughes	Proxmire
Burdick	Humphrey	Randolph
Byrd, Va.	Inouye	Ribicoff
Byrd, W. Va.	Jackson	Schweiker
Cannon	Javits	Scott
Case	Jordan, N.C.	Smith
Church	Kennedy	Spong
Cooper	Long	Stafford
Cranston	Magnuson	Stennis
Eagleton	Mansfield	Stevenson
Eastland	Mathias	Symington
Ellender	McGee	Talmadge
Ervin	McIntyre	Tunney
Fong	Metcalf	Williams
Fulbright	Mondale	

NOT VOTING—11

Bayh	Hruska	Saxbe
Chiles	McGovern	Sparkman
Goldwater	Mundt	Stevens
Hartke	Pearson	

So Mr. BELLMON's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. HANSEN. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HANSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD is as follows:

On page 17, line 12, after the word "fund", include the following:

"Provided, that all campaign debts incurred within the previous five years arising from presidential campaigns are paid and satisfied in full by the party receiving the money. The Comptroller General of the United States shall make the determination as to whether said debts are fully satisfied."

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator yield to me for 1 minute?

Mr. HANSEN. Yes, indeed. I yield to the Senator from Montana.

ADJOURNMENT OF THE TWO HOUSES OF CONGRESS

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 466.

The PRESIDING OFFICER (Mr. JORDAN of Idaho) laid before the Senate the concurrent resolution (H. Con. Res. 466) which was read as follows:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Friday, November 19, 1971, it stand adjourned to meet at 12 o'clock meridian, Monday, November 29, 1971.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment and ask that it be considered.

Mr. SCOTT. Mr. President, I ask that we have absolute perfect order because this amendment is very important.

The PRESIDING OFFICER. The Senate will please be in order so that Senators may hear this important amendment, which the clerk will state.

The amendment was read as follows:

On page 1, at the end of line 5, strike the period and insert a comma and the following: "and when the Senate adjourns on Wednesday, November 24, 1971, it stand in adjournment until 10 a.m. on Monday, November 29, 1971."

Mr. SCOTT. Mr. President, reserving the right to object, and I will not, I do this to point out that while the other body at a very critical time in our legislative process is——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, will the Senator yield to me for 1 additional minute?

Mr. HANSEN. I yield.

The PRESIDING OFFICER. The motion is not debatable.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Republican leader may make a few remarks.

Mr. GRIFFIN. Without the time being charged?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, my apologies for proceeding out of order.

While the other body, at the height of a crucial part of the legislative process is, for reasons best known to itself, recessing for 10 days, the Senate intends to be absent for only 2 working days. This is because we want to get ahead with the tax bill and get ahead with other business. Certain suggestions are pending which could expedite progress on this bill. They have been made by me on behalf of my colleagues. We are doing the best we can and we want to adjourn in December, as early as possible.

To prove our good faith, the joint leadership have asked our colleagues not to be absent beyond the recess period granted, even though the other body has gone for a longer time. That is all.

I thank the Senator for yielding.

Mr. MANSFIELD. Mr. President, may I be heard under the same conditions?

Mr. HANSEN. Would the Senator not use time on the amendment?

Mr. MANSFIELD. Not on the time of the amendment of the Senator from Wyoming.

Mr. HANSEN. I thank the Senator.

Mr. MANSFIELD. Mr. President, I have sent a telegram to every Democratic Senator requesting his continued presence because this is a most important bill which is confronting us and I would anticipate that we would have a very good attendance tomorrow and on Monday, Tuesday, and Wednesday of next week. I would like to see this legislation expedited. So far, we are playing it by ear, but that is the best we can do.

Mr. SCOTT. We may be returning with some suggestions for the Senate's approval at a later hour.

Mr. MANSFIELD. I hope so. It is news to me.

Mr. SCOTT. I thought I would take the majority leader into my confidence.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The concurrent resolution (H. Con. Res. 466), as amended, was agreed to, as follows:

H. CON. RES. 466

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Friday, November 19, 1971, it stand adjourned to meet at 12 o'clock meridian, Monday, November 29, 1971, and when the Senate adjourns on Wednesday, November 24, 1971, it stand adjourned until 10 a.m., Monday, November 29, 1971.

REVENUE ACT OF 1971

The Senate resumed the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. HANSEN. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HANSEN. Mr. President, may we have order?

The PRESIDING OFFICER. Senators will please take their seats so that the Senator may be heard. The Senate will be in order.

The Senator may proceed.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. HANSEN. Mr. President, my amendment is simple and direct. Its inclusion would strengthen this bill by making explicit and as a matter of law one of the most fundamental of all American traditions, the tradition that Americans pay their bills. The amendment reads:

On page 17, line 12, after the word "fund", include the following:

"Provided, that all campaign debts incurred within the previous five years arising from presidential campaigns are paid and satisfied in full by the party receiving the money. The Comptroller General of the United States shall make the determination as to whether said debts are fully satisfied."

While the inclusion of the amendment would clearly strengthen the bill, let me make clear my very strong belief that our failure to adopt it would be nothing short of scandalous. The Senate has made plain in the present debate that its concern is with equity. What the Senate is seeking in the current enterprise is a way to separate from the electoral process the economic entanglements that, some claim, demean the electoral process.

The threat is there—and no one will deny it—that the fiscal obligations incurred by a presidential candidate may possibly weigh more heavily on him in the execution of his duties than the good of the Nation.

I note with interest, Mr. President, that it is the Democrats—I repeat, that it is the Democrats—who have this fear. As a Republican, I have every confidence that the Republican nominee can, will, and always has, put his country first. However, I agree that in that sense the current debate has merit. The present effort to find an acceptable and responsible way out of this democratic dilemma is the kind of high enterprise that this body must here today concern itself with, and it is precisely for this reason that I offer my amendment.

My amendment simply makes it clear that political debts incurred within the past 5 years must be paid.

I would note that this morning's paper calls attention to the fact that one of the major telephone companies in the United States has made certain demands upon one of the political parties that its debt, going back to 1968, must be paid by July 1st. It is in this context, Mr. President, that I think it should be obvious that what I talk about is not some nightmare, some fantasy of one's imagination, but, rather, a very real concern.

Though I am well aware of the fate that has befallen the other good amendments provided by our side of the aisle, I do not expect my Democratic friends will oppose this amendment, because it seems to me they must feel, and I do believe they feel, as I do, and as my Republican colleagues do, that they want to pay their bills, that they want to be honest, that they do not want to go around being a bunch of deadbeats. I do not think that, and I do not accuse them of that, and I do not propose this amendment with any idea at all that it will have any opposition.

I think it is so elementary, sound, just, and fair that it will merit the kind of support that will insure its adoption immediately following the close of this debate. As a matter of fact, I would be surprised if there were debate, if there are those on the other side of the aisle who would challenge what I say here, because I cannot think——

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HANSEN. Mr. President, if I may, let me say that I shall be very happy to yield to my Democratic colleague, a man for whom I have great respect, a man whose integrity is well known, and whose honesty is his bond. I want, however, to finish my statement, if I may, because I have assured some of my Republican

colleagues that I shall be glad to yield time to them.

As my great Democratic Senate colleague knows, he has time on his side, and as quickly as I finish and after I have yielded to my Republican colleagues the time I assured them I would, I shall be glad to yield to the Senator from Rhode Island such time as I have remaining.

My amendment simply makes it clear that political debts incurred within the past 5 years must be paid. It states to this Congress, and most importantly to this Nation, that there is nothing in this bill which can absolve the debts incurred by the major political parties in past campaigns over the last 5 years.

No matter what this debate may tell us about past campaign finance methods, it cannot tell us that because those methods were inefficient or inequitable, the consequences of past inefficiency may be ignored.

In America people expect to get what they pay for. That is a truth so basic to our way of life that it has become a cliche. But it is also fundamentally true that in America one pays for what he gets. I am proposing nothing more complex or mysterious than that we write this truth into law.

I say that to fail to adopt this amendment would be scandalous. If we fail to adopt it, we ignore our obligation as lawmakers to make the law both crystal clear and responsive to the people's understanding of their own obligations. As politicians, we apply those obligations to ourselves or we do not. It is our decision. But if we do not adopt my amendment, Mr. President, we send a clear signal to the people of this country that hypocrisy is alive and thriving in the United States Senate.

Every law we pass here places obligations on our citizens, obligations that often require financial sacrifice. We are talking about a tax bill, about the right of Government to levy taxes and to take whatever subsequent steps may be necessary if those taxes are not paid. And we are not talking about voluntary contributions. We are talking about tax dollars that are paid, under penalty of law, and we are talking about a system whereby we are going to take those tax dollars and turn them over to our political parties.

It is in that context that I think what we do here and now is tremendously important in declaring, in a clear, unmistakable fashion, what the sentiments, what the moral fiber, what the commitment of the Members of the Senate is.

We often create new obligations for our citizens. Sometimes we raise taxes and require a greater sacrifice. But we do it motivated by concern for the common good.

Out of this same concern, how can we fail, then, to require of ourselves that as politicians we meet our own obligations? It is clear to me that we cannot.

I recognize that the campaign spending reform bill that we now consider will, in the opinion of its sponsors, produce a campaign fund that can satisfy the needs of all presidential candidates. Proponents contend that is certainly is the intention of this legislation to do just that. But individuals now involved in the campaign for 1972 have already incurred some debts under the old method of campaign financing. Others, according to press reports, have dropped out of the race already, badly in debt. And debts remain from the 1968 presidential campaign which were incurred in good faith.

I am only suggesting to the Senate, Mr. President, that these campaign debts must be paid; that we must make it clear that we have no intention by whatever action we take on this legislation to attempt to absolve those debts.

I would assume that a vote against this amendment would in truth be a vote that a political party or a political candidate is governed by different laws and a different moral code than those by which we govern and which we expect from the American people.

I wonder who here, Mr. President, is willing to accept that sort of a criterion.

Mr. President, I yield to the distinguished Senator from Michigan.

Mr. GRIFFIN. Mr. President, I commend the Senator for his amendment. I think it makes a great deal of sense.

I would like to make the point that while it has been assumed here that only the Democrats have debts, this is not necessarily the case. In my State the Republican Party is in debt from the last campaign. I think both parties in my State have indebtedness. Ours is larger than that of the Democrats.

I realize, of course, that this legislation applies only to presidential campaigns. But let us not fool ourselves; the principle being established here will soon be expanded. If this proposal should become law, there is no question but that within a short period of time there will be moves to finance out of the public treasury, with tax dollars, the campaigns of Senators, Governors, and the others running for public office. The precedent that would be set by the adoption of the Pastore amendment would lead inevitably in that direction.

What the Senator from Wyoming is saying, it seems to me, is that the debt of the Republican Party in Michigan should not be paid off with taxpayers' money. Is that what the Senator is saying?

Mr. HANSEN. Would the Senator repeat his question? I am sorry, there is a lot of interference. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. GRIFFIN. I was making the point that the Senator's amendment is eminently fair and reasonable. I was pointing out that Democrats are not the only ones who have debts and calling attention to the fact that in my State of Michigan the Republican Party is in debt.

I also said I have no illusions. If this Pastore amendment is adopted, it would be setting a precedent which would be expanded upon—that it would be but a very short time until there would be movements to finance other campaigns out of the public treasury.

Mr. HANSEN. I agree with what the Senator from Michigan is saying.

Mr. GRIFFIN. What the Senator is really saying is that debts incurred by Republicans or Democrats should not be paid off with the taxpayers money. Is that correct?

Mr. HANSEN. That is correct.

Mr. GRIFFIN. I think that is a principle that ought to be agreed to, and I hope the amendment will be adopted.

Mr. HANSEN. Mr. President, I reserve the remainder of my time, in order that my friend from Rhode Island may speak on his own time.

Mr. DOMINICK. Mr. President, before the Senator does that, will he yield to me for about 2 minutes?

Mr. HANSEN. Mr. President, if I may do so, I ask unanimous consent that I may yield 2 minutes to the distinguished Senator from Colorado.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. I have read the Senator's amendment with some care and, if my interpretations are correct, I am certainly in favor of the amendment.

Am I correct in saying that, before any money would be distributed under this proposal, prior existing debts must be paid out of voluntary contributions?

Mr. HANSEN. I would say this: What the amendment presumes to say—and it is my hope that this will be the interpretation—is that, before any moneys can be distributed by the Comptroller General, he must be satisfied that all previous debts of both parties, or of whichever party is to receive the money, have been paid. There is nothing said as to how those bills shall be paid. It might be that the party would want to go to a lending institution and borrow money to pay off those debts.

It simply says that all parties which want to participate in this distribution of tax dollars to political parties shall have first paid all debts they owe, before they can get any money. It does not prescribe the manner in which those debts are to be paid.

Mr. DOMINICK. But if they went and got a loan at a bank and paid off outstanding debts, would the Treasury money then be available to repay the loan? I certainly do not think that should be the case.

Mr. HANSEN. I will say this: The Comptroller General shall have first been satisfied that all debts have been paid and satisfied. I believe the Senator from Colorado is correct; simply to change a debt from one place to another, it would seem to me, would not meet the thrust of my amendment.

Mr. DOMINICK. I thank the Senator from Wyoming. When we get a little more time, I shall come back and see if he has any more of them. I think it is a good idea.

Mr. HANSEN. Mr. President, I reserve the remainder of my time in order that the Senator from Rhode Island may comment.

Mr. PASTORE. Mr. President, I must say that I have boundless respect and regard for the distinguished Senator from Wyoming. I not only respect him, I love him.

Mr. HANSEN. The love affair is mutual.

Mr. PASTORE. But I am a little surprised, even so, at the temerity of his saying I should accept the amendment with question and without debate.

As a matter of fact, if you raise your copy of this amendment and put it to the light, you can see the elephants all over it. (Laughter.)

And sadly enough, the trunk is hanging down. And do you know why? In shame.

This is the situation. We have drawn a bill that gives a candidate, a lawful candidate of a party, specifically the candidate a certain amount of money to spend in his campaign, and it must be spent in his campaign. Now Mr. HANSEN would say, "But before he can collect any money to get the proper exposure before the people, he has got to make sure that the national committee"—over which he has no control—"has paid all the debts incurred by it over 5 years."

Oh, what a sledgehammer that is. I mean, how far will you go in trying to badger us?

The reason we are doing this: if I can make my position understood, is not to enrich the coffers of the national committee one way or the other. The money does not go to the committee. The money goes to the candidate. He is the one who is responsible. He is the one who has to apply for it, and he is the one who is going to account for it.

I think my good friend from Wyoming gave his hand away when he talked about a telephone bill that has not been paid. Yes, the Democratic Party is in debt. It is in terrible debt. I do not know how much it owes, but it runs into the millions of dollars.

Does he mean to fasten this on the candidate personally? What kind of election do you want next time? The kind they had in Vietnam, with only one candidate? Is that the kind of election you want? Or do you want the candidates to appear before the people to explain their views, to be granted the opportunity for the exposure that is necessary to bring their message to the American people?

That is what we are talking about. And I have never seen anything so punitive in all my life. This is like putting your brother in jail for something you did. That is what it amounts to. And that is the purpose of this latest amendment.

I think that the Senator from Colorado was on the right track. He misunderstood this amendment, but I tell him very frankly, he did not have a bad idea in the misunderstanding. What he wanted to make certain is that you could not use the public's money to pay off the debts that a national committee incurred 5 years ago.

I would buy that. That is what the act says. Even the surplus money from what a candidate may have had to borrow for his primary cannot be used; If he has any money left over, he has to give it back before he can take any of this presidential fund. There can be no carryover.

But the Senator from Wyoming does not say that. What the Senator from Wyoming is saying is that before any Democrat in the next election can use any of this money, once he is nominated by the convention, he has to make sure that the Democratic Party has paid all its debts for the last 5 years.

And you think I ought to take it? Well. I may be a nice guy, but I am not stupid.

I think this amendment should be roundly defeated. I must say that I am surprised that it should have been introduced.

The PRESIDING OFFICER. Who yields time?

Mr. HANSEN. Mr. President, before yielding to the distinguished Senator from Tennessee, I yield myself 2 minutes.

I must say that the Senator from Rhode Island speaks more clearly than he sees. I see no elephant on this bill. I do see many honest Americans hoping that the political parties will observe the same rules that the rest of us are called upon to observe, that we pay our debts. The whole idea of the tax system in this country is that no one shall escape the obligation and responsibility of paying his debts.

We are asking approximately 70 million Americans to pay their debts to the United States of America, and we are going to take some of those tax dollars and give them to all those who may qualify, under the terms of this bill, to aspire to become President of the United States. Then, if I correctly understand my good friend, the Senator from Rhode Island, he is saying, "But we will forget the past. It does not matter if you owe a lot of money around this country. If a lot of little people who have a hard time paying their phone bills are going to have their phone bills made greater because some of those aspiring to become President did not pay their bills, because some politicians thought it was all right to forget a debt in excess of a million dollars, forget all about that. Let the little guy pick up the tab."

That is what my good friend, the Senator from Rhode Island, is suggesting. He is saying this is the way we ought to do this. Why does he say this? Because we are going to come out with the symbol of purity. He said this morning that this will not be a raid on the Treasury; that this is simply an effort to assure purity in the choice of a man in whose hands shall be placed the destiny of our country, the President of the United States.

It is just that simple. It does not mean anything else. Are we going to pay our bills, or are we going to shirt those burdens upon others, whose shoulders are even less firm than ours, asking that they pay?

I do not ask the Senator from Rhode Island to respond to that. I think the American people should respond to that, and I expect that they will.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Wyoming has 10 minutes remaining.

Mr. COOK. Mr. President, will the Senator yield for a question?

Mr. HANSEN. I am happy to yield.

Mr. COOK. I was very interested in the remarks of the Senator from Rhode Island when he said that this did not go to a campaign committee, that this will go to an individual, and that the individual was the one who qualified for this $20 million that would be in the fund.

Does the Senator from Wyoming—I present this to all Senators, and for the benefit of the Senator from Rhode Island—have any idea what would happen if the presidential candidate who has approximately $20 million at his disposal died the week before a November election?

Mr. HANSEN. I shudder to think of it.

Mr. COOK. Does the Senator have any idea how those bills would be paid? Does he have any idea what would occur as a result of a new candidate being picked by the Republican Party who was not the nominee of his convention, as is set forth in this bill; and if he is not the nominee of his convention, as established in this bill, he might not even qualify for any funds at all?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HANSEN. I yield 1 additional minute.

I think the question is very appropriate. I am certain it makes the point that needs to be understood clearly here this afternoon.

Mr. PASTORE. Mr. President, will the Senator yield for a question on my time, on that point, inasmuch as the Senator from Rhode Island has been mentioned?

Mr. HANSEN. I yield.

Mr. PASTORE. I wonder if before St. Peter would let the Senator from Wyoming in, he would want to make sure that his debts were paid.

Mr. COOK. That does not answer the question.

Mr. PASTORE. The Senator did ask what would happen in the case of death. The poor fellow would have to go there or someplace else. If he were a Democrat, he would go to Heaven—and he could not take the money with him. [Laughter.]

Mr. HANSEN. I can only say that the good opinion that the Senator from Rhode Island has of members of his party is shared by me. I think they will go to Heaven.

I yield 4 minutes to the Senator from Tennessee.

Mr. BROCK. Mr. President, I asked for this time simply to pursue this line of questioning.

Under the bill as written, if a candidate elects to receive these moneys from the Public Treasury—in essence, from the taxpayers of the United States—he commits himself not to exceed the total of $20.4 million in his campaign. Is that not true?

Mr. HANSEN. That is correct.

Mr. BROCK. He can spend no money beyond that. If he spends slightly less, he has to return those moneys.

Mr. HANSEN. Yes.

Mr. BROCK. He gets $20 million, and he cannot spend more than that. So that, in prospect, this bill would prohibit the accumulation of debts. Is that not so?

Mr. HANSEN. I would think so.

Mr. BROCK. All that the Senator from Wyoming is proposing, then, is that we apply that in the instance of the current election, so that the debts do not affect the 1972 elections and the taxpayers are not required to repay the excesses of the

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Democratic Party from 1968. Is that not so?

Mr. HANSEN. That seems a fair interpretation.

Mr. BROCK. In effect, what the Senator is saying is that what is sauce for the goose is sauce for the gander. What is good in 1972 is good in 1976, and the law should apply equally across the board.

What troubles me is this: The Senator from Rhode Island made perhaps the most accurate statement of the day when he said he was friendly but not stupid. I think he has demonstrated the validity of both in abundance this day. I agree. But I think he has demonstrated his acumen in opposing this amendment, only in the sense that he is protecting the interests of his party, not in the sense of trying to define how this amendment would work; because the fact is that in most instances the political committee that works for the election of a President, after the candidate is nominated by a party, is the national committee of that party. That is true of the Democratic Party and of the Republican Party, and it has been so historically for many years. Is that not true?

Mr. HANSEN. That is correct.

Mr. BROCK. It is also true that when any party or any individual has a debt, and it continues to do business with the crediting firm, moneys paid in on account are applied first against the debt and not against new purchases. Is that not so?

Mr. HANSEN. I would think so.

Mr. BROCK. In any normal business practice that would be true.

So the Senator from Rhode Island was not really correct in saying that once the Democratic Party created a new national committee, this money could not be used to pay off the debt. As a matter of fact, it has to be. The creditors will insist that it be used to pay off the debts of the Democratic Party dating back to 1968 before they will provide new services. That is a matter of commonsense business logic. Is that not so?

Mr. HANSEN. That is correct.

Mr. BROCK. I think the Senator from Wyoming is simply saying this: By what conceivable right does this body obligate the taxpayers of the United States to pay off the campaign obligations of any political party 4 years in the past?

Mr. PASTORE. I want to say once more to my friend that this money cannot be paid or used to pay anybody's debts, only those of the candidate, and only from the time he is nominated until the time of the election, period. If the Senator does not understand it that way, I suggest that he read the bill.

Mr. BROCK. I have read the bill.

Mr. PASTORE. What the Senator from Wyoming is actually saying in his amendment is that if Mr. MUSKIE or Mr. MCGOVERN or Mr. KENNEDY or anybody else is nominated at the convention, he cannot receive a dime of this money until the national party pays all the money it owed in the past 5 years. If that is not laying somebody's sins on a third party, I do not know what it is.

The Senator from Colorado had his finger on the crux of this whole matter, and this is what the bill the Pastore amendment makes emphatic that the candidate cannot pay off the debts of anybody, even his own, if they are incurred before he is nominated.

Mr. COOK. Mr. President, will the Senator from Tennessee yield for a question?

Mr. BROCK. I yield.

Mr. COOK. Does the Senator see anything in the amendment that makes it illegal for the telephone company, the first time the telephone bill is paid after there is a Democratic nominee in August, to apply payment of that bill to an existing bill?

Mr. BROCK. Nothing whatsoever.

Mr. COOK. Is there anything in here that says, as a matter of fact, that it would in any way prohibit the telephone company, when it receives that first payment on the bill after the August convention of the Democratic Party, or after convention of the Republican Party, that they cannot apply that payment to an existing bill?

Mr. BROCK. The way the amendment of the Senator from Rhode Island is written, there is nothing in it to prohibit that action.

Mr. PASTORE. I suggest that you read the amendment. What you are saying is that if the telephone company shuts off the telephone service of the national committee because it has not paid its bill, and the national committee cannot pay that bill until, let us say, a year later then it is the individual candidate who is held liable. What you are actually saying is that any candidate cannot have a telephone unless he makes sure that the bill owed by his national committee is paid. That is what the Senator from Wyoming said. He says you could not take a dime, until every bill incurred by the national committee in the previous 5 years has been paid in full.

Mr. BROCK. But even though the problems——

Mr. PASTORE. Take HUBERT HUMPHREY. Money is owed on the last campaign. Let us assume that he is made his party's nominee, this year. Let us assume that. You are saying that he cannot take 5 cents of this presidential fund to be used in the new campaign exclusively for the new campaign until he proves that he has paid the bills that are previously owed.

Mr. COOK. I ask the question again: Is there anything in here that prohibits the supplier of a service from adding or attaching a payment that is made by a candidate onto an existing debt? That is all I am saying. Is there anything in the bill——

Mr. PASTORE. I am not talking about what the telephone company might do. The point is, the candidate cannot use the money to pay a back bill. That is on page 10 of section (b) of the amendment.

Mr. COOK. The point I am trying to make is that the candidate pays a $5,000 telephone bill and the telephone company takes that $5,000 and applies it onto an existing bill. I am not talking about what the candidate does. I am talking about whether there is anything in here that prohibits in any way the vendor of a service from applying that payment, if it is a payment made on a current bill, to an existing debt?

Mr. PASTORE. That would raise a serious question as to whether the telephone company would become responsible and be in violation of the law because that candidate cannot use that money for any prior debt.

Mr. COOK. I say to the Senator, please do not pass on to corporations third party responsibility for any liability of that kind——

Mr. PASTORE. I am not doing that. I am reading the law.

Mr. COOK. I am afraid the Senator is stretching the law so that the telephone company or any other vendor could be in violation here. I think the Senator is aware of that.

Mr. BROCK. The question is, Must we apply that money to pay the debt first?

The PRESIDING OFFICER (Mr. BEALL). The time of the Senator has expired.

Mr. GURNEY. Mr. President, will the Senator from Wyoming yield me 3 minutes?

Mr. HANSEN. I am happy to yield 3 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 3 minutes.

Mr. GURNEY. I came in a little late. Mention was made of the Democratic National Committee's telephone bill which I understand is overdue to the extent of $1.4 million; is that not correct?

Mr. HANSEN. I would not know. That story is out of the Washington Post.

Mr. GURNEY. Well, at least that is from a report published in the Washington Post which, incidentally, is a publication highly favorable to the Democratic party, I believe.

Mr. HANSEN. Some think so.

Mr. GURNEY. Earlier today we had colloquy on the subject of boilerroom operations which, I understand, have become quite common in the political game ever since the invention of the telephone. I am not sure that Alexander Graham Bell knew what he was doing for political campaigns when he invented the telephone, but boilerroom operations are widely used by both parties.

Much to my amazement, the Senator from Rhode Island disclaims any knowledge of any such activity on behalf of political candidates as respects boilerroom operations.

My question to the Senator from Wyoming is: Does any part of this $1.4 million owed by the Democratic National Committee to the telephone company involve boiler room operations? Does the Senator have any idea?

Mr. HANSEN. I must say, first of all, that I simply do not know whether the committee owes one dime. According to the Washington Post, that is what they owe, but I would not know about boilerroom operations there. I must admit that my naivete approaches that of the distinguished Senator from Rhode Island. I, too, know nothing about boilerroom operations, but perhaps the Senator from Rhode Island could enlighten us further on that.

Mr. GURNEY. I might pose that question to the Senator from Rhode Island: Does he know whether any part of the telephone bill was incurred as a result of boilerroom operations?

Mr. PASTORE. Let me answer that question by asking the Senator from Florida: Is he trying to be funny? Please be honest with me. Are you trying to be funny?

Mr. GURNEY. I am trying to find out whether the telephone company bill owed by the Democratic National Committee had anything to do with the boilerroom operations.

Mr. PASTORE. I do not know what you are talking about. Will the Senator please be a little more explicit?

Mr. GURNEY. I cannot pursue the question any further.

Mr. PASTORE. I cannot help that.

The PRESIDING OFFICER (Mr. BEALL). The Chair would inform the Senator from Wyoming that he has 1½ minutes remaining.

Mr. HANSEN. Mr. President, I reserve the remainder of my time.

Mr. PASTORE. Mr. President, I am ready to yield back my time.

Mr. HANSEN. Mr. President, I have a minute and a half left, I think?

The PRESIDING OFFICER. The Senator is correct.

Mr. HANSEN. Mr. President, I yield myself that 1½ minutes.

Mr. PASTORE. Mr. President, I withhold the remainder of my time.

Mr. HANSEN. Mr. President, let me say this, that it seems strange, indeed, that people in parties who would hope to lead this country could be so intent on capturing the first prize that the methods they choose to get there would be of no concern to them. I cannot believe that there are many people in this Chamber who do not think that the basic ingredient of honesty which has as a corollary the paying of one's bills, is not the most important step that must be taken along the way. I cannot believe that the Office of the President is a prize of such worth as to justify casting aside morality, all the mores, all the ethics that as a people we have built up——

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. PASTORE. Mr. President, there is no question of immorality or dishonesty involved here. I assume that the parties acknowledge these obligations. I think the Republican Party, at one time, was in debt. I do not believe there was anything immoral or dishonest about that. In time, they got the money and paid their bills. They raised the money according to the system. After awhile, the Democratic Party, according to the system, will raise the money and will be able to pay its debts.

To come back to the statement that when the telephone company has money owing to it from an individual, it does not have to give that individual further service, I doubt very much that a candidate could use this fund, or that any other candidate could use the fund to pay previous debts because it would be in violation of the law or the individual pays the money he owes on his debt. The individual would have to find some way to pay it back, but he cannot use this money—I repeat, he cannot use this money under the provisions of this act either to pay the debts incurred, whether in a primary or money used to pay off debts on any previous obligations. This money has to be used strictly for campaign purposes. It is subject to guidelines promulgated by the Comptroller General from the time the candidate is nominated until the time of election day, if he so chooses to accept that money. That is what the law is all about.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MAGNUSON. Mr. President, I think it is awfully unwise to involve the national committees in what we are trying to do here for this reason. The prime purpose of the national committee is to elect Democratic nominees in our case and Republican nominees in the case of the Republican National Committee. However, they do many other things. As a matter of fact, over the years I have been associated with the national committee when we would raise money for a given senatorial candidate. Their work is quite varied.

After the nomination in July of the Democratic candidate and in August of the Republican candidate, the committees will concentrate on this. However, in the meantime they are registering people. That money is used for that purpose.

These funds should not be used over a 4-year period by the national committee. What we are trying to do here strictly and literally is for a presidential race.

Mr. PASTORE. And a candidate in that race.

Mr. MAGNUSON. The Senator is correct. A part of the telephone bill was incurred for a lot of other purposes.

Although that is a prime purpose of a national committee, I know of cases where they have helped raise money for congressional candidates, the same as the Republican National Committee has.

I have been chairman of the committee a couple of times when we would be an agent of the national committee to aid the Democratic nominees. Once in a while we find a Democratic nominee for the U.S. Senate that has been aided by the national committee in his own State, maybe in a voter registration drive, and when the nominee is chosen, he is not too happy. Sometimes he does not lift a finger to do anything.

The national committee has varied activities. It is not at all solely and literally for the purpose of electing a President, although that does become its main job when the nominees are selected.

It would be a very complex thing to get into the debt of the national committee for 3 years back when we had the last presidential election. This would complicate it so that we would never get the cobwebs out of it to see what we are doing.

This is not the property of the President or anyone else. It is the property of the Democratic Party, which has some varied opinions once in a while about nominees of some of our people. It is not the property of the President. It is the property of the Democratic Party nationwide.

Mr. PASTORE. And it should not be made responsible for things like this.

Mr. MAGNUSON. The Senator is correct. It should not have anything to do with whatever arrangements they have with the telephone company.

Mr. PASTORE. The Senator sees the gimmick here. They want to shut it off completely.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. CANNON. Mr. President, we considered this matter when we were considering election reform legislation earlier last year in title IV of the bill we passed, S. 382. After considerable study and debate in the committee, we determined that there should be some provision with respect to regulated industries and regulated industries alone.

We adopted a provision in the bill that was passed and sent to the House that reads as follows:

SEC. 4. The Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission shall each promulgate, within ninety days after the date of enactment of this Act, its own regulations with respect to the extension of credit, without security, by any person regulated by such Board or Commission to any candidate for Federal office (as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971), or to any person on behalf of such a candidate, for goods furnished or services rendered in connection with the campaign of such candidate for nomination for election, or election, to such office.

We considered this matter thoroughly. And we imposed this restriction with respect to the regulated industries, which is as far as we are entitled to go. Certainly to try to impose an obligation upon a candidate who might receive these moneys for the nomination to pay the debts of another candidate, over which he had no control, would be absolutely absurd.

Mr. COOK. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. COOK. Mr. President, that bill has not become law yet nor, obviously, have the regulations been promulgated.

Mr. CANNON. The Senator is correct. This is the bill that passed the Senate. It is now on the House side. I think they have started to consider it along with other election reform legislation. I understand it has been put over until after the Thanksgiving recess.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. DOMINICK. Mr. President, it seems to me that the basis upon which the Senate is operating in that connection is that in the case of the Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission, all of these bodies are regulated in terms of what they can charge and in what areas they can operate by the Federal Government. Here we are dealing in exactly the same fund. And we said there that they have to take care that they do not get into debt. Here we are appropriating Federal tax funds for the benefit of political purposes.

It seems to me that we ought to put

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something in this bill to make sure that the debts are paid.

Mr. CANNON. Mr. President, this money is paid to assist a candidate in running in a national election and not for the purpose of taking that money and paying the debts of another candidate over which he had absolutely no control.

Mr. DOMINICK. The Senator was not here during the colloquy about the undemocratic processes of the national committee and how it should be changed, because the national committee determined who was on the national committee and those members incurred most of the debt. If the Senator had been here for that colloquy he would be able to see why we are concerned about the overriding influence of the Democratic Committee to determine who the candidate will be and the debts that will be incurred.

Mr. CANNON. Mr. President, I did not yield for a speech. I yielded for a question.

The Senator must be aware that the restriction in the bill absolutely prohibits the payment or use of any of these funds before the nominee becomes a candidate of the party. So, we would be saying that he cannot legally do it. Now, we are saying that he has to pay those bills or else he cannot have the money.

I thank the Senator from Rhode Island for yielding.

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been consumed or yielded back. The question is on agreeing to the amendment of the Senator from Wyoming. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Indiana (Mr. HARTKE), and the Senator from South Dakota (Mr. MCGOVERN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Nebraska (Mr. HRUSKA), the Senator from Kansas (Mr. PEARSON), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

If present and voting, the Senator from Nebraska (Mr. HRUSKA), would vote "yea."

The result was announced—yeas 30, nays 60, as follows:

[No. 365 Leg.]

YEAS—30

Allott	Cotton	Miller
Baker	Curtis	Packwood
Beall	Dole	Roth
Bellmon	Dominick	Schweiker
Bennett	Fannin	Scott
Boggs	Fong	Stafford
Brock	Griffin	Thurmond
Brooke	Gurney	Tower
Buckley	Hansen	Weicker
Cook	Jordan, Idaho	Young

NAYS—60

Aiken	Bentsen	Byrd, Va.
Allen	Bible	Byrd, W. Va.
Anderson	Burdick	Cannon
Case	Inouye	Nelson
Church	Jackson	Pastore
Cooper	Javits	Pell
Cranston	Jordan, N.C.	Percy
Eagleton	Kennedy	Proxmire
Eastland	Long	Randolph
Ellender	Magnuson	Ribicoff
Ervin	Mansfield	Smith
Fulbright	Mathias	Sparkman
Gambrell	McClellan	Spong
Gravel	McGee	Stennis
Harris	McIntyre	Stevenson
Hart	Metcalf	Symington
Hatfield	Mondale	Taft
Hollings	Montoya	Talmadge
Hughes	Moss	Tunney
Humphrey	Muskie	Williams

NOT VOTING—10

Bayh	Hruska	Saxbe
Chiles	McGovern	Stevens
Goldwater	Mundt	
Hartke	Pearson	

So Mr. HANSEN's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BYRD of West Virginia. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the concurrent resolution (H. Con. Res. 466) providing for an adjournment of the House from November 19, to November 29, 1971.

The message also announced that the House had passed a bill (H.R. 10729) to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 10729) to amend the Rodenticide Act, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Geisler, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. BEALL) laid before the Senate a message from the President of the United States submitting the nomination of Leroy J. Contie, Jr., of Ohio, to be a U.S. district judge for the northern district of Ohio, which was referred to the Committee on the Judiciary.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. DOMINICK. Mr. President, I send to the desk an amendment and ask that it be read, and I ask that a copy be delivered to the Senator from Rhode Island.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read the amendment, as follows:

On page 16, line 15, after "General" insert "; Approval by Congress".

On page 16 beginning with line 20 strike out through line 2 on page 17 and insert in lieu thereof the following: "from time to time to the Congress the amounts of the payments to which such candidates are entitled under section 1004.

"(b) The Comptroller General shall certify to the Secretary for payment to such candidates under section 1006 the amounts appropriated by the Congress for such purposes after the certification by the Comptroller General under subsection (a).".

On page 17, line 20, before "except" insert the following: "as provided in appropriations Act, and".

Mr. DOMINICK. Mr. President, I will explain it in a moment.

Right now I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOMINICK. Mr. President, I yield myself 10 minutes, and I yield 30 seconds to the Senator from Kentucky (Mr. COOPER).

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. COOPER. Mr. President, I ask for the attention of the Senator from Rhode Island.

While several Senators are in the Chamber, I wish to say that I shall offer an amendment which I think should have some appeal to Members of the Senate. The Senator from Tennessee (Mr. BAKER) and the Senator from New York (Mr. JAVITS) will join me, and perhaps also the Senator from Connecticut (Mr. WEICKER).

The amendment would strike title IX of the amendment of the Senator from Rhode Island, provided also that funds shall be available to candidates before the nomination—that is when they need the money—and secondly, would substitute for title IX the Clean Elections Act, which was sponsored by the Senator from Rhode Island, was passed by the Senate, and is sleeping in the House. The amendment will provide funds for candidates and will also provide a clean elections bill.

Mr. COOK. Mr. President, I would like to join the Senator in that.

Mr. WEICKER. Mr. President, I want to join the Senator in that.

Mr. DOMINICK. Mr. President, if I may have the attention of my colleagues, I think I can be fairly explicit about this amendment. If I may have the attention of the Senator from Kentucky and the Senator from Tennessee, because they may be interested in my comments.

Without changing the formula, I am proposing that before payments are made the appropriation process must be gone through so that the Appropriations Committee can determine whether or not the proper amounts are being paid out. That is the effect of the amendment.

Let me tell my colleagues why that is necessary. First of all, in the process of determining how much money is going to be put in the pocket of a candidate, the Internal Revenue Service will have to go through over 85 million individual returns. It will have to do that to ascertain whether there is a tax liability. Then, as they wean out the ones that do not have a tax liability of $1 or more, there will be 59.4 million returns with a tax liability of $1 or more; 40,800,000 of those will be joint returns.

If every taxpayer who makes a return makes a checkoff—which I very much doubt—there will be $100,200,000 involved in this particular bill. That is a lot of money. It is going to be divided between the major parties and the eligible minor parties and is going to be based on how much individuals decide to contribute.

For example, under the bill, it provides that a taxpayer can make a checkmark and say he will contribute a dollar. What happens if the taxpayer says no, he wants to contribute $10? What are we going to do about that? What happens if he says, "I have checked it off. I want it to go to a specific candidate"? Are we going to say no? Obviously we are going to say "no" under the bill, because if a person has designated his choice, we are going to appropriate out of the general Treasury. It is an automatic appropriation. It is backdoor spending to the potential tune of $100 million. There is no appropriation review. There is no method for Congress to determine what is going on.

What happens is that the certification and the examination under section 1007—which is provided so they can go over the candidate's books, schedules, records, and information—occur after the payment has been made. It says so specifically in the bill.

Section 1005(a) reads as follows:

On the basis of the evidence, books, records, and information furnished by the eligible candidates of a political party and prior to examination and audit under section 1007, the Comptroller General shall certify from time to time to the Secretary for payment to such candidates under section 1006 the payments to which such candidates are entitled.

So you have nothing. The candidate comes in and says, "Here are my qualified expenses. This is what I think it ought to be."

Before any records or books are examined at all, that amount, is certified from the information that is received by the Comptroller General. He does not have any right to review it or question it. Then he goes ahead and certifies it to the Secretary, and the Secretary pays, and the Appropriations Committee has no idea until after it is all over how much money is going to be spent, where it is going to be spent, who is going to get it, who will be eligible, or anything else, until after the fact.

What I am saying is that in that intervening time between the time when the Comptroller General has received the papers and the information, and prior to audit, the Comptroller General then reports it to the Appropriations Committee, and the Appropriations Committee, at that point, would have the right to get together with the various officials in the Federal Government, just as we do with every other expenditure that goes through this Congress—or at least most of them, anyway; not as many as we would like sometimes—and put them all together, and say, "All right, this seems to us, on the basis of the information we have before us now, a proper charge upon the Treasury of the United States."

If they find out that certain of these expenses, as they are developed in the process of the hearings, are not eligible, obviously they would be thrown out, and less money would be made available.

This makes it before the fact. Otherwise, what we really have here is a decision by the Senate of the United States, or the Congress of the United States, if this should go all the way through, that the very first order of priority on any single expenditure from the U.S. Treasury is going to be for political purposes, for electing a President.

I think the Senator from Washington will be extremely interested in this, because it requires an expenditure every fiscal year. It is not just in the election years. You accumulate this fund every year; and it could be as much as $400 million by the time you get to the 1976 collection. Then you say, only after the expenditures have been made for candidates, that the balance of the fund shall be put back into the Treasury, and then you start the accumulation all over again. You could also come to the other situation. You could find, after you have gone through 85 million separate returns and 59.4 million individual returns, of which 44.8 million are joint returns, that only 1 million people have checked the box. Then you have only $1 million to spend, and over 4 years you have $4 million. Possibly that is not a problem. It indicates that people do not want their tax money used this way, and I would not blame them a bit on that; I would not want mine used that way, and I would not check the box. And I do pay more than $1 in taxes each year.

But I can tell you this: We do not know what we are dealing with here, and we will not know what we are dealing with until we have gone through 6 or 7 years of this process, so that the American people can decide whether this is the way they want to go forward, or whether they want to return to giving money to the candidate of their choice, which in my opinion is the only way it ought to be done.

So, having said that, the only control we can put in here is the appropriation process, that I can see, that will be at all feasible. I think we all rely on the Appropriations Committees extensively, over and over again, to try to determine how much money ought to be spent on the vast demands that there are out of the tax revenues that are given to the Federal Government, and only they can determine whether or not this amount ought to be paid or that amount ought to be paid.

When we make a mechanistic—and that is what it is in this proposal, mechanistic—calculation that we are going to have a drawdown on the Treasury each year of an amount which is determined by reviewing that many returns, it strikes me that we have gone away overboard in the process of trying to figure out how we can get Federal tax funds in a political campaign.

We have a few other problems, it strikes me, in this particular proposal. I tried to do something before with respect to title 9. But this one, I think, is the real key one. For the life of me, I do not see why just in the case of political campaigns we should go to any length in order to avoid the normal appropriation process. That is what we have done here.

Having said that, I am happy to hear whatever reply the Senator from Rhode Island may make, and I reserve the remainder of my time.

Mr. PASTORE. Mr. President, let me say this to the Senator from Colorado: I appreciate his point of view, but I think under all the circumstances it is regrettably unsound, I would be the last, as a member of the Appropriations Committee, to deny that committee any jurisdiction over the expenditure of money. But I say to the Senator, I think you have to be very realistic about this if you want this law at all.

If we want this law at all, we have got to read and digest the law in order to understand why it is rather impossible to do what the Senator from Colorado has suggested.

Here is the story: No man is entitled to this money under any circumstances until he is nominated. To give the Senator an example, the Democratic Convention will be held in July. When that convention comes around, almost all the Democrats will go to the convention. As a matter of fact, the Senate will be in recess. Then the next month, the month of August, the Republicans will hold their convention.

As the Senator well knows, before you can be entitled to this money, you have to make application for it; and you cannot make application for it until such time as you are nominated. And when you are nominated, Congress is out of session, and for practical reasons, as a matter of timing, it would be impossible to do what the Senator from Colorado suggests.

But in order to achieve a sound procedure in administering this presidential campaign fund, the Senators must understand what we have done here.

No. 1, as shown on page 21, we have required the Comptroller General to make a report to Congress as to the amount of money given out, how it was spent, and under what circumstances. Not only that, it has to be spent according to rules and regulations formulated by the Comptroller General, and I intend to accept an amendment by the other side which would subject this to court review, which will be a clarification of the law.

But then I point out page 27. Realizing the fact that Congress must be cognizant of what is going on, we wrote here subtitle B, to establish a presidential election campaign fund advisory board; and this is what it is supposed to do:

(a) There is hereby established an Advisory Board to be known as the Presidential Election Campaign Fund Advisory Board (hereinafter in this section referred to as the "Board"). It shall be the duty and function of the Board to counsel and assist the Comptroller General of the United States in the performance of the duties and functions imposed on him under the Presidential Election Campaign Fund Act of 1971.

(b) The Board shall be composed of the following members:

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(1) the majority leader and minority leader of the Senate and the Speaker and minority leader of the House of Representatives, who shall serve ex officio;

(2) two members representing each political party which is a major party (as defined in section 1002(6) of the Presidential Election Campaign Fund Act of 1971), which members shall be appointed by the Comptroller General from recommendations submitted by such political party; and

(3) three members representing the general public, which members shall be selected by the members described in paragraphs (1) and (2).

Then it goes on to explain the further functions of the board.

I do not think we could have done much more than we have done. I point out again, I would not be adverse to the Appropriations Committee process, but the trouble is that under the circumstances it becomes impossible. I mean, at what point would they decide who made what application and for what kind of money and for what purpose he is going to use it?

You have to have a standing advisory council to do this, because when decisions are to be made, the Senate and the House will not be in session, and that is the problem. That is the serious problem, and I do not see how you can overcome it.

For that reason, I hope that the Senator, rather than expect me to accept his amendment, would withdraw it. I know exactly what he wants. He wants honesty and proper accounting in the spending of this money. This provision requires that while the money goes into the fund, what is not spent has to go back to the Treasury right after election. And what is spent is going to be spent under very strict supervision. Let the Senator read the penalties herein contained. We have an advisory council that not only has to oversee operations but also has to make sure that the Comptroller General carries out the responsibilities of his office. That is about as far as I thought we could go. I hoped we could have the appropriation process, but it just will not work.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. LONG. The Senator said earlier—and I know he is telling the truth—that any amendment which helps to perfect or carry out the intent of his amendment or to take care of any oversight that the mind of man can conceive, the Senator from Rhode Island would be willing to accept. Obviously, though, he is not in favor of accepting something that would make the provision fail to work.

The problem with the Senator from Colorado's amendment is this: When people book you for television time or for radio time or when they accept your ads in the newspaper, they want to know right then, "Do we get paid or don't we get paid?" They just would not know that because they would not be paid unless Congress appropriates the money and the President signs the bill.

Usually, when we act on an appropriation bill, we appropriate the money and then, having appropriated the money, the money is paid out as the expenses occur. In this case, however, we wish to make the money available as expenses are incurred—we wish to have them paid then. But the money would not be made available under the Senator's amendment until after the expenses are incurred.

The Comptroller General is named in this bill because we want to have somebody who is not in politics make that decision; a man who would have to do business with the candidates, and who could serve with either one—to work with them and keep tabs on them, to see that the money is spent honestly and honorably.

It is not unprecedented to have an automatic appropriation. We do it with interest on the national debt and with other items, not knowing what the cost will be, but knowing that something must be paid.

The Senator made one good point, and I will tell the Senator that I would be willing to support an amendment to take care of one thing the Senator from Colorado mentioned. He said the fund might accumulate more money than would be needed. I would be happy to vote for an amendment that would provide that if the fund ever accumulated more than $80 million, anything more than that would go back in the general funds.

Frankly, if it would persuade some Republicans to vote for the bill, I would be willing to support an amendment that would add the words to the checkoff, where the person would designate $1 for the presidential fund, so that it would read ", if needed,".

To make it clear, if more money went into the fund than was needed, the remainder would go back into the Treasury. That seems to have created a great deal of consternation on the other side of the aisle—that the checkoff might be so well received that everyone might decide that he wanted his dollar to go under the fund.

I would be glad to support an amendment to do that, if it would make those who raise these doubts vote for the measure or be any more agreeable to it. The certainty that you will be paid, and that there is not going to be any politics in deciding whether you do or do not get paid, is something that should be resolved. The day might come when there might be some very partisan members on the Appropriations Committee who may have ill will from past experience in serving with those running for President, and they might refuse to recommend the appropriation. Thus, after $20 million of liability had been incurred, Congress might not pass the bill.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MAGNUSON. I have no doubt that they will get paid, but the question is, When? A hearing might be going on down there all during August, and two or three candidates running for office would be trying to get television time and to pay their bills. The Appropriations Committee can hold things up if they do not like it. That goes on here too frequently. I do not want to be personal. The bills ultimately will be paid, but when? I have seen the Appropriations Committee when they can dillydally once in awhile, if they do not like something. We want this to go to them so that it can be used for the benefit of the public.

Mr. LONG. We want to be sure that partisanship stays out of it. That is the reason why the Comptroller General is designated to look at the vouchers and to certify that the expense should or should not be paid. That is the only way it can be done with assurance that it will work. Otherwise, how do you know that those who do not like the idea might not gain control of Congress at that very election, and even though the law provided that the expenses be paid, just refuse to appropriate the money in view of the fact that it required the appropriation process?

If you want the person who puts the man on the air or who runs his ad in the newspaper to know he is going to be paid, the best way is to provide an automatic and a permanent appropriation.

Mr. PASTORE. If the Senator will permit me, I want to make another observation, in answer to what the distinguished Senator from Colorado said—that he does not know how many people are going to contribute.

I said yesterday that there are two schools of thought with respect to this: the school of thought that coincides and agrees with the Senator from Colorado, that we ought not have any public financing at all; and the school of thought that we ought to go as far as the British system, where it is all financed publicly and the campaign period is limited. We have not gone that far. We are just limiting it to the national office of President of the United States.

The Senator said that he does not know how many people are going to contribute. I do not think anyone has the answer to that. I am hopeful that the people generally will participate. But I want to make this observation: If what he has predicted might be true, that perhaps only $2 million will be collected under this program, I will tell him, frankly, that I will be the first to come back and say, "Let us have done with it." If this is not going to be productive—and we will never know until we try it—if it eventuates that after several years all that has been accumulated is $5 million, I think we have offered something that the people do not accept. I do not think I can talk for the people, to say that they want it, any more than anyone can say that the people do not want it. That is something I do not know.

There is tremendous feeling on this side from people who are not trying to be partisan about it. The Senator from Michigan thinks all campaigns should be publicly supported, because he is aware of the money it costs and the scandalous situations that are arising and the corruption that can grow out of a great deal of money—and a great deal of money sometimes could lead to corruption.

I realize what the Senator is trying to do, but I hope he will reconsider it. I tell him very frankly that I do not see how it would work, because the bill would have to originate in the House. That is not all. We have it written into the law,

for example, that if the presidential campaign fund reaches only the amount that will allocate, let us say, $10 million, when a person is entitled to $20 million, he will have to raise the balance on his own. If you go to the appropriation process, there will be a great deal of pressure to appropriate the full amount, and this can be done only on the money that is allocated to that particular fund. If, because of the 113 million taxpayers, each one subscribes a dollar under these circumstances and it comes to $113 million, the surplus money has to go to the Treasury, anyway.

My own projection is that it will not run much above $50 million. As I said yesterday, that is $25 million less than it costs us for 1 day in Vietnam.

What are we doing? We are trying to give popular exposure to the presidential candidates so that the people will know them and the issues. That being the case, if a Senator does not see fit to withdraw his amendment, I must say in full honesty that when time is yielded back, I shall move to table.

Mr. DOMINICK. I thank the Senator for being so frank. I suspect that this is the first amendment on which there will be a motion to table.

Mr. PASTORE. If the Senator has a strong feeling about it, I will withdraw that.

Mr. DOMINICK. It is all right with me. It does not make any difference. I want to make some comments in any event. I want to make some comments on the statement just made. First of all, with respect to the mechanics of how the bill will work, the Senator from Rhode Island was pointing out that the final income tax returns are filed in April and the conventions are in July and August of that year. Then he went on to say that the appropriations process would not work because Congress would be out of session. I do not really understand that, because the qualified expenses that will be eligible for payment out of the fund do not start until September 1 of any year. To the best of my recollection—and I admit that I have only been in Congress for 11 years now—we have never gotten out of here by September 1 in most cases. As we are doing now, it goes into late November or early December. It seems to get later every year.

Even if we were out of session, and let us say we are out of session 3 weeks before the election of 1972, which will put us about into the middle of October, there is nothing in the world which says that these qualified expenses must be paid out of public funds within 30 days. There is nothing in here which says when they have to be paid. The Senator from Rhode Island has made a deep plea in connection with the amendment of the Senator from Wyoming (Mr. HANSEN), saying that we should not worry even if debts are over 4 years overdue, which is true insofar as, I gather, the national committee of the Democratic Party is concerned.

Mr. PASTORE. Mr. President, if the Senator from Colorado will yield on my time, I never said such a thing. I never said that we should not worry about debts which are overdue. All I said was that we should not apply debts to a man who had nothing whatever to do with them when they were first incurred.

Mr. DOMINICK. I accept the statement of the Senator from Rhode Island but it is obvious that he did not really think those debts should be paid prior to getting our hands on this money. That is true, because we just finished voting it down. So there is not anything—and this is the point I am making—that says we have to pay all these expenses within 30 days, nor is there anything that says these expenses are to be paid within 60 days. The likelihood is that, with the distinguished Senator from Washington, and the distinguished Senator from Louisiana who handled the Appropriations Committees really very well, we could get action on this in a pretty short time if we are in session and we would have the opportunity, by so doing, to have Congress have the ability to determine what is going on.

For example, and I say this to the Senator from Rhode Island, the Senator from Washington, and the Senator from Louisiana, think of this: How much will it cost the IRS to run through individually over 85 million separate returns, to find out, first of all, who is eligible; and then to find out among the people who paid $1 or more whether they have checked off their contribution; how much extra computer work they will have to do; and how much additional personnel they will have to put on; and how much overtime will be involved?

Those expenses also, in fact, should be paid out of the fund, if we are going to do it that way, because they will be created by this bill but it will not be paid out. It will be by a separate expenditure, which the general taxpayer, who may not have agreed to check off any money for a contribution, will have to bear the cost of this.

Mr. COOK. Mr. President, will the Senator from Colorado yield?

Mr. DOMINICK. I yield.

Mr. COOK. I would like to add to this discussion relative to the Comptroller General and the problems that would be caused between his Office and the IRS. The Senator will recall, in S. 382, when we gave the responsibility to the Comptroller General to do this, that he said he did not want it, that he did not know whether he could do it, and that he did not know whether he had the staff to do it. Frankly, he said that it would be a kind of principal agent relationship with Members of Congress and that under those circumstances he thought he would be overseeing his own principals and he did not want that responsibility.

I might add that we probably have that same problem here.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from the Comptroller General dated May 25, 1971, to the chairman of the Committee on Commerce, the Senator from Washington (Mr. MAGNUSON), relative to the bill that was then before us.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., May 25, 1971.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate

DEAR MR. CHAIRMAN: This replies to your request of March 10, 1971, for comments on S. 1121, 92d Congress, a bill to be cited as the "Campaign Financing and Lobbying Reform Act of 1971." The bill contains five main titles with the following principal provisions:

Title I provides an income tax incentive to encourage individuals to make political contributions to candidates at all levels—Federal, State, and local—by means of a full tax credit for contributions up to $50 in any year ($100 for a husband and wife filing a joint return).

Title II amends the criminal code provisions relating to elections and imposes a $1,000 annual limit on political contributions by any person. The $1,000 limit also applies to campaign spending by any candidate or his immediate family.

Title III concerns the reporting and disclosure of campaign contributions and expenditures. Political committees and candidates for Federal office—President or Vice President; Senator; Representative; Resident Commissioner or Delegate to Congress—would be required to file reports of contributions and statements of expenditures with the Comptroller General of the Untied States. Statements would also be required from any other person who makes contributions aggregating $100 or more within a calendar year.

Section 308(a) prescribes the duties of the Comptroller General under title III. He is to develop procedures and forms; preserve reports and statements for at least 10 years (except 5 years for the House of Representatives) and make them available for public inspection and copying; prepare and publish an annual report and special reports from time to time; assure wide dissemination of summaries and reports; make audits and field investigations with respect to reports and statements filed with him and with respect to alleged failures to file; and report apparent violations of law "to the appropriate law enforcement authorities." He is also given the same powers as the Federal Trade Commission (15 U.S.C. 49, 50) to issue subpoenas for the attendance of witnesses and the production of documentary evidence.

Section 308(b) of title III provides that any candidate may file a complaint with the Comptroller General charging a violation of the title. If, on the basis of investigation and after notice and opportunity for a hearing on the record, the Comptroller General determines that a violation has occurred, he shall order the violator to take such action as necessary to correct the injury caused by the violation, including making public the violation and the nature thereof. The Comptroller General may also take action to correct the injury by making public the violation and by making public complete statements containing the information required by title III. Appeals from orders of the Comptroller General may be taken, within 60 days, to the United States Court of Appeals for the local circuit or to the United States Court of Appeals for the District of Columbia circuit. The findings of fact by the Comptroller General are made conclusive, "if supported by substantial evidence." The court may affirm, reverse in whole or in part, or remand the case to the Comptroller General to take further evidence. Such appeals are to be given priority ahead of all other actions.

Section 308(c) provides a civil penalty up to $5,000 for violations of a final order of the Comptroller General in the same manner as applies to orders of the Federal Trade Commission (15 U.S.C. 45(1)).

Title IV repeals the "equal time" provisions

for broadcasting in presidential elections, and—in 1972 only—in congressional and gubernatorial elections. Broadcasting charges for candidates for any office may not exceed the lowest unit charge of the station. No candidate for President, Senator, Representative, or Governor, may spend for broadcasting a total of more than 7 cents times the number of votes cast in the last preceding general election for the office, or $20,000, whichever is greater. In primary elections, 50 percent of the above amount is allowed.

Title V would amend the Federal Regulation of Lobbying Act, enacted in 1946. It would place the administration of the Act under the Comptroller General instead of under the Secretary of the Senate and the Clerk of the House of Representatives as at present. It would increase the period for preservation of records from 2 years to 5 years. It would broaden the coverage of the Act to include the expenditure of funds, where a "substantial part" or a "substantial purpose" is to pass, defeat, or influence legislation before the Congress, and to include persons who expend over $1,000 to pass, defeat, or influence legislation before Congress "by the use of any means involving direct communication" with Congress. It would also require lobbyists having contingent fee contracts to file with the Comptroller General a description of the contingency and of the amount of the fee, either in dollar amount or percentage of recovery.

Title V would also add a new section to the Act prescribing the duties of the Comptroller General "as the agent of Congress," as follows: (1) to develop methods and forms for the filing of reports and statements; (2) to make all filed reports and statements available for public inspection; (3) to ascertain whether any person has failed to report as required or has filed any incomplete or inaccurate report, and notify such person that he is obligated to report in compliance with the Act; (4) to refer to the Justice Department any failure to register or any filing of a false, improper, or incomplete registration or information; (5) to make studies and recommendations to Congress as necessary or appropriate; (6) to retain each filed report and statement for 5 years and make them available as public records open to public inspection; and (7) to transmit an annual report to Congress on the administration of the Act.

We shall discuss below the two main features of the bill directly involving the General Accounting Office.

CAMPAIGN FINANCING

We are opposed to title III of the bill because it places the responsibility for the administration of its campaign financing provisions in the Comptroller General. It is the position of the General Accounting Office that we should not be given the responsibility for any audit, investigative and enforcement duties in connection with campaign fund reporting. We consider that the effectiveness of our Office depends in large measure upon a reputation for independence of action and objectivity of view. Not only must we remain free from political influence, but we must zealously avoid being placed in a position in which we might be subject to criticism, whether justified or not, that our actions and decisions are prejudiced or influenced by political considerations. We are, therefore, apprehensive of any measure that might place us in a position where we might be subject to such criticism, the inevitable result of which would be a diminution of congressional and public confidence in our integrity and objectivity.

Because our relationship to the Congress closely resembles that of principal and agent, we especially wish to avoid being placed in the anomalous situation of having to investigate and report on our principal. Over the years this Office has had frequent and recurring associations with many of the various committees of the Congress as well as with many of the individual members thereof. Our relationship has been most harmonious. However, we are fearful that the relationship would be severely impaired were we required to investigate, inquire into, and report on individual members of the Congress concerning campaign funds and expenditures.

We agree that there is a need for legislation relating to the disclosure and financing of Federal election campaign costs, but strongly recommend that the administration of any legislation in this area not be placed in the General Accounting Office.

REGULATION OF LOBBYING

The current law, the Federal Regulation of Lobbying Act, was enacted in 1946 and was designed to require public disclosure of certain activities of those persons engaged in lobbying. Using criminal sanctions to effect compliance, that Act sought disclosure of lobbying activities by imposing certain record keeping, registration, and reporting requirements upon persons within its purview. The Act lodged administrative responsibility with the Clerk of the House of Representatives and the Secretary of the Senate. According to a report of the House Committee on Standards of Official Conduct, House Report No. 91-1803, the current law has, without exception, been described as a thoroughly deficient law.

Under S. 1121, the Federal Regulation of Lobbying Act would be amended by a broader measure to be administered by the Comptroller General. In reporting on earlier measures that would have simply transferred responsibility for the administration of the Federal Regulation of Lobbying Act from the Secretary of the Senate and Clerk of the House of Representatives to the Comptroller General, we have advised that we would interpose no objection to such transfer, if the Congress deemed it desirable, so long as our Office performed its role as an agency of the Congress. We note that section 506(b) of S. 1121 expressly provides that the Comptroller General would be acting "as the agent of the Congress" in exercising his powers and duties under the Act. We view this provision as manifesting a clear intention that all duties to be performed by the Comptroller General under S. 1121 would be performed by him as an agent for the Congress. Accordingly, and while we would not seek responsibility for the administration of the proposed Act, we will accept such responsibility if the Congress desires.

Section 602 of the bill authorizes appropriations of such sums as may be necessary to carry out the Act. While we are not prepared at this time to offer any meaningful estimate of man hours translated into dollar amounts because meaningful estimates must be based on an experience factor after several months operation, it is clear that the administration of this Act would require a substantial increase in the staff and the appropriations of the General Accounting Office.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

Mr. COOK. He made it clear—I wish I could find the paragraph in here—where he said, in essence, that he felt he stood as an agent to his principals and that, under the circumstances, he did not want to be placed in the position where he was auditing his principals. Obviously, if he is going to audit the records of the President, he is going to be auditing one of his principals.

Mr. DOMINICK. That is an extremely important point. I am delighted that the Senator from Kentucky brought it up. That is what will happen. The nominees of each party must send in their reports to the Comptroller General and, regardless of who will be President, their data, their information and documents in relation to their expenses will have to be reviewed by the Comptroller General. The expenses will be on a nationwide basis, and they will just pour in from every place in the country, and a determination as to their qualification will have to be made, and then the comptroller will certify to the Secretary and the Secretary will pay the money out. The Comptroller General will be inspecting the records, of course, of the man who will be his President for the next 4 years. At least one will be. As a result, he will be in an extremely embarrassing position, as he was under the other act.

Mr. COOK. If the Senator will yield further, let me read that paragraph I referred to earlier:

We are opposed to title III of the bill because it places the responsibility for the administration of its campaign financing provisions in the Comptroller General. It is the position of the General Accounting Office that we should not be given the responsibility for any audit, investigative and enforcement duties in connection with campaign fund reporting. We consider that the effectiveness of our Office depends in large measure upon a reputation for independence of action and objectivity of view. Not only must we remain free from political influence, but we must zealously avoid being placed in a position in which we might be subject to criticism, whether justified or not, that our actions and decisions are prejudiced or influenced by political considerations. We are, therefore, apprehensive of any measure that might place us in a position where we might be subject to such criticism, the inevitable result of which would be a diminution of congressional and public confidence in our integrity and objectivity.

Because our relationship to the Congress closely resembles that of principal and agent.

I assume that is the same with the President of the United States—

We especially wish to avoid being placed in the anomalous situation of having to investigate and report on our principal. Over the years this Office has had frequent and recurring associations with many of the various committees of the Congress as well as with many of the individual members thereof. Our relationship has been most harmonious. However, we are fearful that the relationship would be severely impaired were we required to investigate, inquire into, and report on individual members of the Congress concerning campaign funds and expenditures.

Mr. DOMINICK. I thank the Senator from Kentucky. That hits the meat of the problem we have before us.

Mr. LONG. Mr. President, will the Senator from Colorado yield?

Mr. DOMINICK. I yield to the Senator from Louisiana.

Mr. LONG. Would it be necessary, under the Senator's amendment, to pass a bill through Congress and have the President sign it into law to pay the appropriations discussed here?

Mr. DOMINICK. It would be part of the regular appropriations process; yes.

Mr. LONG. Then we would have to pass an act of Congress and have the President sign it or override the veto.

Mr. DOMINICK. He can veto the bill, yes, and that would be a part of the appropriation bill. It would not necessarily be an individual bill. It would be highly unlikely for him to do so. It would put him in a bad political light if he vetoed someone else's qualified expenses—even worse if he vetoed one of his own.

Mr. LONG. But that is one of the things we would like to know when the expenses are incurred, that they would be paid with the certainty that a certain amount of money would be available. But that certainty would not remain if we had to pass an act of Congress which had to be signed by the President. Frankly, it could be the subject of the partisanship that sometimes invades this Chamber as well as the House.

The Senator made reference to the Comptroller General. The fact that the Comptroller General would send that letter is a good indication of the fact that he is about the right person we would want to handle it.

Mr. DOMINICK. This is on the Senator's time, right? I do not have much more.

Mr. LONG. I asked the Senator to yield to me but I will proceed on my own time.

Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. LONG. If we had someone else who had the confidence and the impartiality and who was beyond the reach of politics to the extent that the Comptroller General happens to be, we would be in favor of putting the responsibility for refusing the expenditures with him. But this impartiality and objectivity in the Comptroller General is the reason why it should be there. The Comptroller General is not asking for it and would prefer not to have it. That is an indication that that is where it should be. He is not wedded to either side and is outside of politics.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PASTORE. Mr. President, it is not a question of whether the Comptroller General wants it or does not want it. It is up to the Congress of the United States to decide what he should do. If we think it is a good thing, he has to take it. We invite his cooperation and we give him authority. If the Senate decides we should not pass the law, he does not have anything to worry about.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMINICK. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Nine minutes.

Mr. DOMINICK. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 5 minutes.

Mr. DOMINICK. Mr. President, I think that the colloquy has been very interesting. Suppose we have the payment of expenses. So, the data comes in. The Secretary then certifies to the Comptroller General and says, "I have the data. I do not know what it all is, but I have the data." The money is paid out. The candidate is defeated. He goes home to nurse his wounds.

Subsequently, there is an audit and $50,000 is found to be ineligible for payment. The candidate is sitting there at home, and the United States, with a winning candidate in office, is forced to bring an action of some kind against a defeated candidate in order to recover the money.

What kind of political position does that put anyone in? The President of the United States is newly elected. The Attorney General is perhaps newly appointed. The Congress of the United States by this amendment has put them in a position where they have to go after the individual and have him return the amount that has been overspent by action of the Federal Government to start with, by not having taken the necessary precautions before it made the payment.

It seems to me that we have been going much too fast without looking at the matter thoroughly enough. This process would make an enormous improvement in the bill.

I do not like the bill. I do not like to use tax funds for this purpose. I think that having a person designate on his tax return where the money will go, if we had a checkoff where they could say, "Deduct a dollar for President Nixon or Senator JACKSON or Senator HUMPHREY or whomever," it might be a different thing.

In that case, the citizens would be exercising their free choice. But here, where we are doing it solely on the basis of spreading it out according to what we want, and not what the people want, I think the bill is wrong in theory.

The Senator from Rhode Island referred to an advisory committee and said that the Congress has an overseeing responsibility because we have three Members of Congress on the committee. As far as I can see, the Members of Congress are in the minority. And there is not anyone on the committee to represent the minority parties on the advisory board. Once again they have been knocked in the head. And that has not accomplished anything.

Mr. GAMBRELL. Mr. President, will the Senator yield?

Mr. DOMINICK. I will yield on the Senator's time.

Mr. GAMBRELL. Mr. President, the Senator seems to be concerned about the auditing of these accounts. I think it is an indication of the fairness and impartiality in which the bill is presented. If it is enacted this year, the Comptroller General under the Republican administration will have an opportunity to write the regulations governing it. And I assume that they will be written in such a way that they will not need an act of Congress, an audit, or anything else.

We are not asking for an auditing of the accounts. We are asking for the Comptroller General in a Republican administration to write the regulations as to what should be done.

Mr. DOMINICK. Mr. President, let me say to the Senator from Georgia that the Comptroller General is not a political office. They have been laboring for 11 years under all kinds of problems. The present Comptroller General came in under President Johnson's administration. So, I do not think that is much cake cutting on either side.

What I am saying is that whether the Comptroller General is totally honest, and I am sure he is, and whether the Secretary is totally honest, and I am sure he is, and whether this Congress, is totally honest, and I am sure it is, the fact of the matter remains that qualified expenses are explicitly mentioned here and they are subject to an audit after the payments have been made.

That is a heck of a way to do business, I suggest, to have an audit to determine whether things have been done in a proper manner.

They ought to have the audit before paying the bill. However, in this measure we say that we will pay first and find out later if it is right. It does not make any sense to me. That is why I think very strongly that the amendment ought to pass.

Mr. President, I yield 3 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 3 minutes.

Mr. WEICKER. I thank the Senator from Colorado for yielding. I concur 101 percent in his comments.

Mr. President, I have to comment upon the remarks made by the Senator from Rhode Island earlier, remarks that he has made again and again during the debate, about candidates having to grovel for money and indebt themselves to givers of large amounts.

Let us make no mistake about it. Let us tell the American people what the amendment is about. It does not eliminate that possibility. It takes only a small segment of the election process into consideration. But what about the primary and the period preceding the primary? It covers none of these activities in which I imagine debts are being incurred by various candidates.

I think it important to point out that if this election bill carried the principle of the Senator from Rhode Island all the way, then the comments of the Senator would be correct. But unfortunately there is a tremendous loophole. Specifically all the electioneering that takes place before the convention.

As far as the exchange between the Senator from Colorado and the Senator from Rhode Island as to the responsibility of taking care of another man's debts incurred 3 to 4 years before, there is a difference in philosophy. The purpose of a political party is to focus responsibility. It is the purpose of having political parties. The Senator has always been opposed to nonpartisan or bipartisan efforts because there is no way to focus the responsibility for right or wrong.

I think the Democratic Party should be held accountable for the acts of men they had in office, 2, 3, or 4 years ago, as long as we are paying the consequences today. There comes a time when the issue may become moot, but not as long as we are living with the consequences.

We are living with the economic consequences of the Democratic administration of the sixties today. We are living with Vietnam today. As far as I am concerned, those are the responsibilities of

the Democratic Party. If, for some reason or other, that makes people a little less generous in giving because they remember these errors, so be it. That is the consequences of a political system. The people know who is responsible—in the case of Vietnam and the economy the Democratic Party.

God knows, we suffered from Democratic recollections of the depression of the 1930's. This has been thrown in Republican faces even to this day. So the Democrats will have to put up with Vietnam and the economy. That is the way the system operates and properly so.

Mr. DOMINICK. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Colorado has 1 minute remaining.

Mr. DOMINICK. Mr. President, we are dealing here with a situation where, theoretically at least, we could have as much as $100 million a year going into a fund. It does not get paid out until after 4 years. Whatever excess remains after taking care of expenses goes back to the Treasury. So, we could have $400 million pocketed in this fund.

Certainly we ought to have some kind of an appropriation procedure before we go ahead with this. Appropriations ought to be going forward to put it into the fund, and audits ought to be going forward before the payments are actually made to the candidate. Under this measure they are actually being paid before we really know the obligations or the debts that are legitimately incurred under the terms of the bill.

When we are dealing with, as I said before, 85 million individual returns which have to be scanned, 59 million of which at the present time pay more than $1 in taxes, when we do not know how much added expense in every one of these branches will have to be incurred to meet the terms of this measure, it seems to me appropriate that the Committee on Appropriations in this situation, as in every other situation, should have jurisdiction over determining what expenditures are going to be made.

Mr. PASTORE. Mr. President, I do not want to prolong the debate. I merely want to say that under the law this money, this fund, is under the jurisdiction of the U.S. Government. When the election is over any remainder goes back to the Treasury of the United States. I want to make that clear. It goes back to the Treasury by the effect of the law itself and no one can change it, once it is law, unless Congress does it.

I yield back my time.

The PRESIDING OFFICER. All time having been yielded back or consumed, the question is on agreeing to the amendment of the Senator from Colorado. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), and the Senator from Indiana (Mr. HARTKE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Nebraska (Mr. HRUSKA), the Senator from Kansas (Mr. PEARSON), the Senator from Alaska (Mr. STEVENS), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

If present and voting, the Senator from Nebraska (Mr. HRUSKA) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 36, nays 54, as follows:

[No. 366 Leg.]

YEAS—36

Aiken	Cooper	McClellan
Allott	Cotton	Miller
Baker	Curtis	Packwood
Beall	Dole	Percy
Bellmon	Dominick	Roth
Bennett	Ervin	Schweiker
Boggs	Fannin	Scott
Brock	Fong	Smith
Brooke	Griffin	Stafford
Buckley	Gurney	Taft
Byrd, Va.	Hansen	Tower
Cook	Jordan, Idaho	Weicker

NAYS—54

Allen	Hatfield	Montoya
Anderson	Hollings	Moss
Bentsen	Hughes	Muskie
Bible	Humphrey	Nelson
Burdick	Inouye	Pastore
Byrd, W. Va.	Jackson	Pell
Cannon	Javits	Proxmire
Case	Jordan, N.C.	Randolph
Church	Kennedy	Ribicoff
Cranston	Long	Sparkman
Eagleton	Magnuson	Spong
Eastland	Mansfield	Stennis
Ellender	Mathias	Stevenson
Fulbright	McGee	Symington
Gambrell	McGovern	Talmadge
Gravel	McIntyre	Tunney
Harris	Metcalf	Williams
Hart	Mondale	Young

NOT VOTING—10

Bayh	Hruska	Stevens
Chiles	Mundt	Thurmond
Goldwater	Pearson	
Hartke	Saxbe	

So Mr. DOMINICK's amendment was rejected.

Mr. LONG. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President——

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair has recognized the Senator from Connecticut.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. WEICKER. I ask unanimous consent that the time be charged to neither side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS TO FILE REPORT TOMORROW

Mr. SPARKMAN. Mr. President, I ask unanimous consent that I may file tomorrow a report from the Committee on Banking, Housing, and Urban Affairs dealing with the President's phase II economic program, together with individual views, and that we may have until midnight to make the material available to the printer.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. SPARKMAN. I ask unanimous consent that the time for the quorum call not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 728

Mr. COOPER. Mr. President, I send to the desk an amendment for myself, Senator BAKER, Senator JAVITS, Senator WEICKER, Senator COOK, Senator GURNEY, and Senator SCOTT, and ask that it lie on the desk and be printed. I may call it up later, but it depends upon circumstances.

First, my amendment incorporates the provisions of S. 382, the Federal Election Campaign Act of 1971 as passed by the Senate on August 5, 1971.

Secondly, part E of my amendment allows the same amount of tax credit of $25, or tax deduction not to exceed $100 as does the Pastore amendment, but limits the tax credit and deduction to campaign contributions for candidates for the Office of President and Vice President. These tax incentives would be extended to campaign contributions to all presidential candidates in the preconvention or primary period as well as during the period after such presidential candidates have received the nomination of their respective political parties and have undertaken their campaigns for election.

In order that these financial contributions be eligible for a tax credit or tax deductions the candidate is required to publicly declare his candidacy for President or Vice President and to file a notification of his candidacy with the Secretary of the Treasury.

I think this amendment would provide substantial sums to candidates of all parties, and would give the Congress a final oportunity to pass an election reform bill this year.

I hope very much that this amendment will be considered on both sides of the aisle, particularly by the distinguished Senator from Rhode Island, because he was one of the chief architects of the Election Reform Act, which has been passed by the Senate.

The PRESIDING OFFICER. The amendment will be received, printed, and will be on the table.

Who yields time?

Mr. WEICKER. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHILES). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is amendment No. 692 of the Senator from Rhode Island (Mr. PASTORE).

Mr. MANSFIELD. Mr. President, is there an amendment to the amendment?

The PRESIDING OFFICER. There is none pending as yet.

Mr. TAFT. I have an amendment to the amendment which I send to the desk and ask to have stated.

Mr. PASTORE. May I ask the Senator, is this amendment printed?

Mr. TAFT. The amendment is not printed but it is a simple one. I can give Senators the language. I have copies coming on the way over from my office but they are not here yet.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment, as follows:

On page 26, line 4, strike "political committee" and insert in lieu thereof the following:

"Any corporation, labor organization, partnership, association, political committee, political education committee, or any other committee"

Mr. MANSFIELD. Mr. President, if the Senator from Ohio will yield, I ask to be recognized with no time to be taken from the time of the Senator from Ohio (Mr. TAFT).

The PRESIDING OFFICER. Without objection, the Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, for the information of the Senate, we will stay in session until a reasonable hour tonight—9 or 10 o'clock or thereabouts—and dispose of as many amendments as we can.

The Senate will come in at 9 o'clock tomorrow morning. We will continue the resumption of the business before us. We hope to stay in to a reasonable hour tomorrow—I would guess 6, 7, or maybe 8 o'clock.

ORDER FOR ADJOURNMENT FROM TOMORROW TO 10 A.M. MONDAY, NOVEMBER 22, 1971

Mr. MANSFIELD. Mr. President, at this time I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until the hour of 10 o'clock on Monday morning next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE SENATE TO CONVENE AT 9 A.M. TUESDAY AND WEDNESDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on Tuesday and Wednesday morning next, the Senate convene at the hour of 9 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. So, all Senators are on notice that we will have long sessions. We will have plenty of amendments. There will be no lack of amendments. Tomorrow there will be no lack of votes, may I say, to my distinguished friend, the Senator from New Hampshire, and the other 98 Senators.

So we can anticipate a lot of votes, if nothing else.

Mr. SCOTT. Mr. President, I ask unanimous consent that I may proceed for 2 minutes without the time oeing taken from the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, I simply want to say that the majority leader and I will do our best to see if we can work out agreements on amendments, agreements on order of priority of amendments, agreements which might expedite passage of the bill.

This consummation, devoutly to be wished, has not as yet been achieved. We will, I am sure—and I say this for both of us—continue working and we will see what comity does, we will see what schedules do, we will see what engagements do. We will see even what the Sabbath may accomplish, among us and our brethren.

Mr. MANSFIELD. Mr. President, may I say, if the minority leader will yield, that we will both keep open minds and do the best we can to keep the Senate functioning and working on a reasonable and rational basis.

Mr. SCOTT. And we will pray devoutly on Sunday, a prayer that we hope will be joined in by the remainder of the Senate.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. TAFT. Mr. President, I have offered an amendment to the language which is very brief, we will have copies here very shortly.

On page 26, on line 4 of section 1010 (f)(1) of the bill it is provided at the present time that:

It shall be unlawful for any political committee which is not an authorized committee with respect to the eligible candidates of a political party for President and Vice President in a presidential election knowingly and willfully to incur expenditures to further the election of such candidates which would constitute qualified campaign expenses if incurred by an authorized committee of such candidates, or to make contributions to such candidates or any of their authorized committees to be used, directly or indirectly, to defray qualified campaign expenses, in an aggregate amount exceeding $1,000.

Mr. President, I concur with the purposes of this section. And I believe that it is a distinct contribution to the handling of the problem in the way that title 10 proposes to handle it.

I would like to say once again something I said in proposing my amendment of yesterday. I do not basically agree with the approach in title 10. I think it is a mistaken approach. If the amendment I had offered on yesterday had been agreed to, I would not have voted to retain title 10 regardless.

I might say that I consider the terms of the amendment I offer so important and so revolutionary and so much needed in the electoral process in this country today that if this language were agreed to, I believe, I would be constrained to vote to retain this title 10, because it does not seem likely that the improvement that would incur would come about through any campaign bill we would be likely to pass.

The language in my amendment would delete the words "political committee" in line 4 and substitute the words "any corporation, labor organization, partnership, association, political committee, political education committee or any other committee."

Mr. President, I think this language is necessary purely to accomplish the purposes of the bill.

In mentioning political committee, as the present terms of the bill does, the desire, of course, is to prevent any political committees from being formed as a subterfuge so that they can go out beyond the authorization of the committees and make expenditures that were not within the limitations of the expenditures which are in the bill.

My purpose is to apply that same restriction to any other type of organization. I might point out that it does not include an individual. An individual, I believe, should be able to make any kind of expenditure or effort he wants to himself on behalf of a presidential candidate or a party in whom he has confidence and desires to support.

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However, we already have, of course, prohibitions in the corrupt practices act against expenditures of the type involved for corporations or labor organizations or labor unions as such. And I have repeated them here. I brought it in here again, perhaps in a redundant manner, but nevertheless in a manner to bring them specifically under the provisions of this particular section, in addition to the section of the corrupt practices act, under which they would already be constrained to some degree.

However, I have gone on and included, in addition to political committee, partnerships, associations of whatever kind, political education committees, or any other committee.

It seems to me that with respect to any other group, no matter what its background might be, no matter what its purpose might be, when it goes out to spend funds on behalf of a particular presidential candidate, whether authorized or not, whether the political committee is or is not in a sense contributing to the election of a particular individual, we all know, and let us be candid, we all know and know very well that many activities of this sort are being done indirectly today.

Many committees do not report expenditures for a candidate and make such expenditures on behalf of candidates for political office, for the presidency or otherwise.

In my State campaign for the Senate last year, my opponent, for instance, had reported expenditures on his behalf or contributions to his campaign committee from labor organizations in the State at a higher figure than those reported by any other senatorial candidate throughout the Nation. These reported expenditures constituted a total of $170-someodd thousand, as compiled from the records on file with the Secretary of State of the State of Ohio, over and beyond those reported expenditures.

I would suggest, I am reasonably certain that indirectly a tremendous amount of effort was put in expenditures of other items, values and services, and exposure provided by political education committees.

I am not alleging any violation of the law by the unions themselves spending these funds. But there certainly were very clearly, as pointed out by the record, contribution made by those organizations which demonstrate very clearly their sympathies in that particular race. I think they are wrong in their sympathies, but nevertheless that is how they wished to make their expenditures on behalf of a candidate in that particular race.

But going beyond that, I am reasonably confident they have made expenditures for services and other items of value which were considerably, perhaps several times, in excess of the actual money contributions that might have been made on behalf of my opponent in that race.

I say what is sauce for the goose is sauce for the gander, if this restriction is going to be applied to political committees, as I think it must. I think the Senator from Rhode Island is correct in having this restriction in the proposal.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. PASTORE. This amendment has just been introduced. I have just received a copy. I have been studying it as the Senator went along. I would like to ask a few questions. From the copy I have the amendment states:

Strike "political committee" and insert in lieu thereof the following:

"Any corporation, labor organization, partnership, association, political committee, political education committee, or any other committee."

Does that include COPE?

Mr. TAFT. Yes, it would.

Mr. PASTORE. Does the Senator mean that COPE could only spend not more than $1,000 to promote the candidacy of someone COPE believed in?

Mr. TAFT. That would be sound principle. I am glad the Senator from Rhode Island stated it so correctly. If there is to be a limitation of $20 million, or whatever the effect of the bill is to be, on expenditures or behalf of a particular political candidate, which is the purpose of this section, I feel strongly it should apply to COPE or any other such group. I do not care whether it might be labor or management. I do not care what the issue might be. But if we are to have a limitation in the bill, and lacking contributions on behalf of a particular campaign, and then put a prohibition on any other political committee coming in, why should not the same thing apply to other committees?

If the Senator is telling me that COPE is not a political committee—which I think it would be under the language here—that flies in the face of fact, for we all know it is a political committee.

To qualify as being an education organization but to say that it is not a political committee flies in the face of the facts.

Mr. PASTORE. If I may proceed on my own time, let us assume that a group on a campus, say faculty members, got together and formed a committee. Does the Senator mean to tell me they would have to get the permission of the candidate to be authorized to make a statement in his support? Do we not get into freedom of speech here?

Mr. TAFT. I do not believe freedom of speech would apply except to an individual.

Mr. PASTORE. I am talking about a committee, a committee of faculty members say at Columbia University who might get together and buy radio time for $1,000 to broadcast their support. Would they have to get the permission of the candidate?

Mr. TAFT. I suggest if the amount put on as a limitation of expenditures, as an attempt to put an overall limit on expenditures in presidential campaigns is included, if this is to have meaning, it has to have that.

Mr. PASTORE. There is a distinction. Usually a political committee is formed for the purpose of directly aiding that candidate and there is no question about being authorized by that candidate. We wrote something to that effect in the other bill. How far are we going to go without obligating independent organizations and committees furthering the promotion of a particular candidate on their own?

I know what the Senator is trying to accomplish but I am wondering on this amendment whether or not we may be opening Pandora's box. There is no question about what the Senator said.

Mr. TAFT. I am perfectly willing to agree with the Senator that labor organizations are the principal organizations.

Mr. PASTORE. That is right.

Mr. TAFT. Making expenditures of this kind.

Mr. PASTORE. That is the thing that concerns me to no end.

We insert something in general terms, and then we inject labor every time. We are trying to indict labor in one way or another, as though labor meant second-class citizens. After all, they have a perfect right to endorse candidates of their choice and they have a right on their own to further what they believe to be their cause.

This amendment provides:

(f) (1) It shall be unlawful for any political committee which is not an authorized committee with respect to the eligible candidates of a political party for President and Vice President in a presidential election knowingly and willfully to incur expenditures to further the election of such candidates which would constitute qualified campaign expenses if incurred by an authorized committee of such candidates, or to make contributions to such candidates or any of their authorized committees to be used, directly or indirectly, to defray qualified campaign expenses, in an aggregate amount exceeding $1,000.

Now, it strikes me it is rather hazy at this point and that is the thing that deeply disturbs me.

A corporation or labor organization cannot make contributions anyway. As to partnerships, individually they can. Associations are in the same category. That is the guts of this. Then, there is COPE.

Mr. TAFT. The Senator is aware of a good many cases of committees organized in a good many other areas in the labor area. We have heard a great deal of screaming about AMPAC and a number of other organizations of this kind that have been set up and continue to collect funds and make contributions for candidates. I think all these contributions should come in. I think they should all be under the limitation. If there is going to be a limitation, let there be a limitation and a limitation that is meaningful.

I predict this amendment will be defeated on the same kind of party line as other amendments. I suspect that will be true. But I bring the amendment up today because this is a matter on which we are going to have to make a decision on this kind of an amendment, and I think this is the direction in which it will be considered.

Mr. TOWER. Mr. President, will the Senator yield to ask for the yeas and nays?

Mr. TAFT. I yield to ask for the yeas and nays.

Mr. PASTORE. Before the Senator does that could the Senator temporarily withdraw this amendment with the condition he can presently renew it. This is in order to give our staff a chance to study it? I do not want to say we are going to defeat this amendment just because we defeated the others. I would like to understand it better. This comes as a surprise and I would like to know its ramifications. We have a long way to go.

I would ask unanimous consent that the time the Senator has consumed even up to now be not counted.

Mr. TAFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. PASTORE. Without taking it from any time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. I say to my distinguished colleague from Ohio that I discussed this matter with the members of the staff, and certain very thorny problems have presented themselves. For instance, I am wondering about this: Let us assume that a labor organization regularly publishes a newspaper. Is the Senator saying that if they furthered the candidacy of a particular candidate who came under the provisions of this law, they would be limited to space publicity to a value not to exceed $1,000, which would be considered as a contribution to that candidate? Is that the Senator's understanding?

Mr. TAFT. I would say that the answer to that question, in my judgment, not having researched the matter, but as a matter of first opinion, would be that it would depend upon the nature of the material which would be printed in that newspaper.

Let me go on and elaborate somewhat on that, if I may.

My feeling is that a simple editorial on an individual candidate, in the editorial columns of the newspaper, would probably, I think, be within the prerogatives under the free speech provisions of the Constitution. But going beyond that, or continual news coverage and other activity designed and capable of being interpreted as participating in a material way—and I think such activity could contribute in a material way—to the candidacy of a particular candidate, would fall within the purview of the prohibition.

Mr. PASTORE. Taking the illustration a step farther, let us assume that the New York Times wrote an editorial promoting a candidacy, as they usually do, promoting the candidacy of either candidate. Of course, that would represent a space cost of more than a thousand dollars. Would that be subject to the prohibition?

Mr. TAFT. Of course, a part of the problem that the Senator raises is that it is already in existence, under the law. I would suggest that probably the same standards apply in that situation to labor newspapers as apply to normal newspapers. The New York Times is already a corporate entity. But whatever practices it might engage in that might violate the provisions of the act, the same standards would apply as to a labor newspaper.

Mr. PASTORE. But they involve a larger expenditure; what is the construction of that? I can understand making a contribution in terms of money and say it is too high. We are talking about committees that have not been authorized.

Mr. TAFT. Suppose they run free advertisements, in the normal political advertisement sense? The New York Times would thereby be contributing to the candidacy of a given candidate.

Mr. PASTORE. But why not an editorial? That is furthering a candidacy, is it not?

Mr. TAFT. I do not believe, within the purview of this legislation, that it would be so interpreted.

Mr. PASTORE. We have made some history here. I will oppose this amendment, for the reason that I think the implications here would be serious. But I would recommend to the conferees—if it ever reached that point—that they would take all of that into consideration and perhaps work something out.

I will tell the Senator, frankly, that I am not one to disparage the thought that once you come to this you are limited to a certain amount of money. On the other hand, I do not want to begin to straitjacket organizations that have a legal right, because of the character of their constitution, to proceed to express their personal opinion without permission from or obligation to the candidate they favor. I do not feel that they should have to get his permission or be subject to a fine. That is getting into pretty dangerous territory.

I do not want any outsider to make a contribution—I do not care what the organization is—unless the person comes under it. But this goes a step further. The reason why it was put in the law was to recognize the fact that somewhere along the line are certain parties who have no direct contact with the candidate, but only because they like his view on issues they want to support him. They do not want to get permission to be authorized, because they are independent in that respect. On the other hand, they do not want to subject themselves to a fine.

In this day and age, you might say they can operate up to $1,000. We are talking about the Presidency. We are not talking about a ward councilman or a mayor. We are talking about the Presidency. When you incur an expense to promote the candidacy of a presidential candidate, $1,000 is small.

Mr. TAFT. I would be in favor of knocking out $1,000, for that matter. I do not see why the limitation. We propose to amend the language. I do not see why the $1,000 should remain in there.

Mr. PASTORE. The Senator's entire case has been an attack upon COPE and how they operate. I know, as a matter of fact, that the Chamber of Commerce and the National Association of Manufacturers are interested in candidates and have been over the years. But in the eyes of some, every time the word "labor" is seen, it takes on an awful look to them. I do not know why.

Mr. GRIFFIN. Mr. President, will the Senator from Ohio yield to me for a question?

Mr. TAFT. I believe the Senator from Rhode Island has the floor.

Mr. PASTORE I yield the floor.

Mr. TAFT. Before yielding to the Senator from Michigan, I wish to state that during the period we suspended activities on the floor, it came to my attention that in order to make the amendment meaningful, it should be modified to apply as well to the sanctions provision.

Therefore, Mr. President, I move to modify my amendment on page 26, line 15, as follows:

On page 26, line 15, strike "political committee" and insert in lieu thereof the following: "any corporation, labor organization, partnership, association, political committee, political education committee, or any other committee".

The PRESIDING OFFICER. The Senator has the right to modify his amendment, and it is so modified.

Mr. TAFT. So that it stands in the same language in the sanctions section as in the prohibition section.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, we have taken a very delicate situation and have drawn it into a criminal category. I am largely in sympathy with what the Senator wants to do, and I think it ought to be corrected in conference. Now we are getting right at the guts of the thing. Now the Senator is throwing it into the penalty section. I think we are making a criminal offense out of it, and that is pretty dangerous ground. For that reason, I have to oppose it.

Mr. TAFT. I am sure the Senator would not want an amendment in the bill in which there is no sanction. It seems to me that the sanction against a political committee would be the correct sanction to apply against the other groups as well.

Mr. PASTORE. The Senator will admit that it came as an afterthought, even to him.

Mr. TAFT. No, it did not. I certainly intended the sanctions to apply. It has been called to my attention that they might not. I thought they would apply without the modification.

I yield to the Senator from Michigan.

Mr. GRIFFIN. I regret that I have not been on the floor throughout the explanation by the Senator from Ohio of his amendment.

Do I correctly understand that his amendment point up the fact that the so-called limitation of $20 million that would go to the campaign of a presidential candidate is no limitation at all

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insofar as an organization such as COPE is concerned? Is that the situation?

Mr. TAFT. That seems to be the interpretation given by the sponsor of the amendment. I take it that that is true. The language in the definition of political committee that appears on page 9, subsection 8, might be thought by some to apply to a political education committee such as COPE. It reads:

(8) The term "political committee" means any committee, association, or organization (whether or not incorporated) which accepts contributions or makes expenditures for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals to Federal, State, or local elective public office.

But as I recall the cases dealing with this question which have gone to the courts, there has been a very liberal interpretation of what an organization might be that calls itself an educational organization, such as COPE. For that matter, the same applies to any of the other organizations that have been set up as political education committees. I feel very certain that what one would think would be the normal interpretation of that language, which would include COPE, has been taken into consideration in the drafting of the proposed legislation, and that the language here, as construed, or as it would be construed by the courts on the basis of precedents presently on the books, would not include COPE or any other political education committee.

Mr. GRIFFIN. It is interesting to me—and I say this with no disrespect—that the sponsor of the amendment, the Senator from Rhode Island, does not accept the amendment of the Senator from Ohio. It seems to me that that points out very clearly that COPE is not covered and apparently was not intended to be covered. So there is no limitation of $20 million. Of course, the junior Senator from Michigan knew that all along and never really believed that there was. But many people who read the newspapers might think there really is.

Mr. TAFT. This is a practical situation we have in my own State when one is running, under the rather strict campaign expenditure limitation laws of my State and the reporting that has to be done. Yes, COPE's direct contributions to the candidate are reported. They have to be reported to the Secretary of State.

As I have indicated, in my own campaign, contributions of this sort from this type of labor organization constituted more than $170,000 of my opponent's warchest. But that did not stop COPE from going out and engaging in other activities which contributed materially to his campaign.

Mr. GRIFFIN. Suppose, for example, they decide that they want to support a candidate for President. There need be, of course, no particular agreement or understanding or authorization from that candidate for the Presidency. But they decide that they are going to go out and go from door to door and find out who is inclined to support that candidate and then make sure those people get to the polls on election day. That is a very valuable part of a campaign.

Mr. TAFT. It certainly is, and it would be included in campaign expenditures as defined.

Mr. GRIFFIN. If union members, themselves, are used for that purpose—and they are in many elections—that ought to be regulated very carefully, but it is not.

Every amendment that has been offered to try to make the limitation meaningful so far as labor organizations and their political activities are concerned has been beaten down on the floor. Unfortunately, I do not think the public realizes that there are these big loopholes, not only in this bill but also in the other so-called clean elections bill that passed this body because it had such a noble title on it that we all had to vote for it. It is over in the House now and it has the same loophole in it—no meaningful limitation insofar as what labor organizations can do politically. The public does not know that yet. They think there is a limit when there is not.

Mr. TAFT. I agree with the Senator from Michigan. I was saying a few minutes ago that I do not expect this amendment to be adopted because there are some political implications in it that I do not think will be "bought" by the other side at this time. But the issue raised by this amendment is one of the most important political issues before America today. It is an issue that the public, sooner or later, will wake up and demand Congress take some action on. It is not too early to call attention to it, once the Senate goes on record today as to what its position is.

I am delighted to have this debate now, because I think the issue has been made very clear by the Senator from Rhode Island in his responses, where he has pointed out that the question is whether an organization such as COPE or AMPAC is included in this limitation, or is it not.

Mr. PASTORE. As I said before, I am not expressing any strong feeling one way or the other. I would like to leave that to the Senate. It seems to me it is not clear at all exactly what we are up against in this, because we may be impinging upon the freedom of speech.

Mr. TAFT. The Senator from Rhode Island has raised the questions. For one thing, after replying to his earlier suggestion that I might withdraw the amendment at this time and try to work out other language answering some of the questions after additional research, I have been considering that, but my feeling is that it would be a mistake to do that now. I think the amendment should go to a vote, and if the amendment should be defeated and if there is some sentiment for doing something about the problem, we can frame a separate section dealing with this issue which we will be ready, willing, and able to bring up later.

Mr. PASTORE. I would hope that the conferees would be able to get to that, but if it is $20 million, it should be $20 million. What disturbs me is the freedom of speech point and how far we may be going to circumvent that.

Mr. TAFT. Let me ask the Senator from Michigan, who gave us another example not involving freedom of speech but political canvassing——

Mr. GRIFFIN. Freedom of speech is a very small part of what COPE does.

Mr. PASTORE. That is one of the most sacred rights every American has.

Mr. GRIFFIN. Fine, of course, and we must protect it, but what about all the rest of the things they do?

Mr. TAFT. How does the Senator feel about canvassing over the telephone bucket shop? I know a great deal about the telephone bucket shop and how it is run for political election. If the Senator from Rhode Island has been so fortunate to be so far ahead of that that he has not had to use it, I can only envy him; but in the kinds of activities which are financed, backed, and organized by organizations of this type, such as COPE, are they going to be forbidden or not? Are they going to be forbidden within this limitation?

Mr. GRIFFIN. This amendment, I think, emphasizes the point that the junior Senator from Michigan made yesterday, that the Pastore amendment does not put a ceiling at all on what would be spent in a campaign. The practical effect of it would probably be to add on to what is spent in a political campaign instead of putting any ceiling on or a limit on what will be spent.

Mr. TAFT. Mr. President, will the clerk please state the time remaining?

The PRESIDING OFFICER (Mr. MONTOYA). The Senator from Ohio has 8 minutes remaining.

Mr. TAFT. And the Senator from Rhode Island?

The PRESIDING OFFICER. Seventeen minutes remain to the other side.

Mr. PASTORE. Mr. President, I am ready to yield back the remainder of my time.

Mr. TAFT. Mr. President, the Senator from Colorado (Mr. DOMINICK) would like to comment on this and I yield him such time as he may need for that purpose.

Mr. DOMINICK. My understanding is that, in addition to the original amendment, the Senator has also included the same wording in the penalty section on page 26; is that correct?

Mr. TAFT. That is correct. On line 15 we have deleted the words "political committee" and put in exactly the same language included in the original amendment.

Mr. DOMINICK. That, in your opinion, is the enforcement provision behind your effort to try and limit the other organizations which are spending, because the other organizations presumably are not authorized committees; is that correct?

Mr. TAFT. That is correct.

Mr. DOMINICK. One of the things I was not clear on, and I discussed this with some people during the temporary "adjournment" we had here earlier, was how many authorized committees can you have in the bill? I did not understand that at all. It looks as though there is only one but I am not sure whether that this true.

Mr. TAFT. I am not sure, I say to the Senator from Colorado, but I would be glad to have the Senator from Rhode Island enlighten us on that point.

Mr. DOMINICK. How many authorized committees can we have under the bill? One or any number?

Mr. PASTORE. He can have any amount, but he would be responsible for the full amount that they would spend.

Mr. DOMINICK. He could have political committees collecting funds for him for payment of whatever portion of his qualified expenses are not paid for by political funds and he could have that all over the country, could he not?

Mr. PASTORE. Only money by political parties.

Mr. DOMINICK. I say political funds—I said he could have, for the purpose of paying so-called qualified expenses, authorized committees, committees authorized by him over the entire country. Let us say there are only three per State. That would be 150 committees authorized specifically by him to solicit and obtain voluntary contributions from the American public. Now, as I understand it, if that is true, and I think this is what the Senator from Rhode Island has just said, and his qualified expenses are not so large as the amount of money raised, then the candidate is required to pay it back into the Treasury. Is that correct?

Mr. PASTORE. Yes, if he is a member of a major party. If any money comes in in excess of the $20 million.

Mr. DOMINICK. Does he have to pay the political money back, or his own money back in?

Mr. PASTORE. Anything that he collects by any committee authorized by him directly or indirectly.

Mr. DOMINICK. He gives it back to the Treasury?

Mr. PASTORE. Restitution has to be made.

Mr. DOMINICK. To the Treasury?

Mr. PASTORE. Not to the Treasury but to the contributors.

Mr. DOMINICK. Well, I did not read it that way. Maybe I am wrong. I read the amendment I do not know how many times. There are so many loose ends in it, it is very hard to follow.

Mr. PASTORE. It is very simple. Once he comes under law—and I am saying this on my time, Mr. President—all he can collect from the Government is $20 million. He cannot collect one penny from anyone else. That is as simple as I can make it. He cannot collect one penny. If anyone gives him a penny, he has to give it back. He cannot have it both ways. But we are not talking about that but about an independent, unauthorized committee that functions on its own, without any contact with the candidate himself—because the candidate has not become a party to the transaction because otherwise indirectly it is authorized—but any group acting on its own. I gave the example of the college campus group that gets together on behalf of a Republican or a Democratic candidate and they publish a pamphlet urging the candidacy of Mr. Nixon, say, at a cost of $1,500. The question is, Are they subject to a $5,000 fine? I asked that question, and the Senator from Ohio said "Yes."

That is what bothers me. That is what bothers me.

Mr. DOMINICK. Mr. President, would the Senator from Rhode Island on his time yield me a few minutes to ask some more questions briefly so as to get the record clear?

Mr. PASTORE. I yield.

Mr. DOMINICK. First of all, do I understand that the top level of expenses cannot exceed the amount that will be paid by the Federal Government?

Mr. PASTORE. The Senator is correct—by the candidate or any authorized committee. I hope that the Senator is not endeavoring to entrap me. I have been around a little bit, too.

Mr. DOMINICK. It can go way over what is paid by the Federal Treasury.

Mr. PASTORE. I have made it plain. He cannot collect a nickel over $20 million.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. TAFT. Anybody, under the circumstances of the principle that the Senator from Rhode Island is espousing, to follow it through, anyone that made any payment to a major party, is making a gift to the Federal Government indirectly. That is the problem that I see if we go this route. There are candidates who will not elect to go that route.

Mr. PASTORE. Mr. President, I want to say to the Senator from Ohio that this is the most sensitive area in which we can legislate. This problem was in the other bill. The only problem is that the Senator from Ohio always keeps on hammering at COPE, instead of hammering at the chamber of commerce.

Mr. TAFT. Or an oil company.

Mr. PASTORE. The Senator keeps hammering at COPE, COPE. The devil appears to be COPE. It appears to be COPE every time. It is a tough area in which to legislate. For example, anyone is entitled to think as he likes and to say what he thinks. He is not authorized by the candidate to do so. He gets together a committee because they think it is to their advantage, whether school teachers, COPE, or some other group. And they issue an article that costs $1,500. The candidate does not know what it is about. He never heard of the article, much less read it. Under this law, this group would be subject to a $5,000 fine. It is hard for me to buy. It is close to the line.

I repeat that there is a lot of substance in what the Senator is saying. However, we are dealing in a very sensitive area. I will tell the Senator, frankly, that I do not have the perfect answer.

Mr. TAFT. Mr. President, the situation the Senator described would fit within the political committee as defined in the bill. It may be covered anyway and subject to the criminal sanctions.

Mr. PASTORE. For political reasons. But this may not be for political reasons. It may be for personal reasons.

The PRESIDING OFFICER. The time of the Senator from Rhode Island is running.

Mr. DOMINICK. Mr. President, will the Senator from Rhode Island give me a few minutes.

Mr. PASTORE. I yield.

Mr. DOMINICK. Mr. President, there are a number of things which make the pending bill so very difficult for anyone to understand. Let us say that the Senator from Rhode Island is running for the Presidency. So far as I know, he is one of the few on that side of the aisle who has not said or intimated that he is up to this time. So I use him as an example. Let us say that in 1972 Senator PASTORE is running for the Presidency.

Mr. PASTORE. Can the Senator not use someone else's name? Let us not let that get in the CONGRESSIONAL RECORD. Please let us not let that get in the RECORD. Just say PETE DOMINICK.

Mr. DOMINICK. The April returns come along and we then find out. We are going to take a couple of months to find out how many people have followed through with this procedure. In the meantime, the Senator is running and he gets the nomination. At what point, I wonder, does the Senator have to decide whether he is going to rely on political contributions or on what he might get out of this pot.

Mr. PASTORE. Almost immediately.

Mr. DOMINICK. Almost immediately, the Senator is correct. So the Senator decides to jump in and finds all of a sudden that all he can get is $2 million.

Mr. PASTORE. The Senator is correct.

Mr. DOMINICK. Can the Senator back out at that point and say he does not want it?

Mr. PASTORE. No. The trouble is that the Senator is not getting the calendar right. The returns are made on April 15.

Mr. DOMINICK. That is correct.

Mr. PASTORE. Within a matter of weeks, everyone knows how much is in the pot.

Mr. DOMINICK. I do not see how they can do it. We have 89 million returns to check.

Mr. PASTORE. Mr. President, we have computers today.

Mr. DOMINICK. I know, but we do not have big enough computers to check this. I have talked to IRS about it.

Mr. PASTORE. We will know at least by June.

Mr. DOMINICK. Maybe.

Mr. PASTORE. The first convention is in July. So when a man is nominated he will know enough to make his choice.

That is in 1972. In 1976 it will be another 4 years. After the 1972 campaign, the money will have to go back to the Treasury and we start over again. The next time the return is filed, they check it off again. The returns are to be filed by April 15.

I think that with the mechanism we have today and the speed we have developed, a nation that has been able to go to the moon can readily find out pretty much what is in the pot.

Mr. DOMINICK. Mr. President, if Senator PASTORE gets $20 million, maybe he can run as Senator PASTORE as the nominee for President. He decides that $20 million will probably be sufficient. So he decides to go.

Let us suppose he gets $10 million and

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does not think it is enough. He has to make the decision immediately after the nomination. But there is not a single nominee who will rely on the fact that there will be enough in there. They are already raising money all over the place, and the Senator knows it.

The question is, we have passed this bill and what happens to the money that has been so raised. What will we do about it?

Mr. PASTORE. If it is in excess, they have to give it back. They keep books and they know who they get money from.

Mr. DOMINICK. Mr. President, there are five or six Senators from the Democratic side who will run in the Democratic primaries next year.

The PRESIDING OFFICER. The Senator's time has expired. All time has expired on that side.

Mr. PASTORE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 12 minutes remaining.

Mr. DOMINICK. Mr. President, will the Senator yield me 3 minutes?

Mr. PASTORE. I yield the Senator 5 minutes.

Mr. DOMINICK. Mr. President, I thank the Senator. Some of those expenses and some of those contributions are going to be incurred constantly during the primary until a person is nominated. By that time, if he is any kind of political candidate—and there is not anyone in the Senate who is not or otherwise he would not have been here—he would have raised a fund already to try to help him through the rest of the election. All of a sudden he says, "No, I don't need it." That means he will have to send it back to whom, to what committees. They are committees formed under the existing law, the law that was passed 4 or 5 years ago.

This is one of the reasons that I thought the amendment of the Senator from Connecticut was so good, because things will be so fouled up next year for every one of these candidates that they will not know what they are doing in the way of the money that has been raised and that they are trying to spend. In addition, as I understand, although this is money they can spend to do anything under the bill as now written, any person in a political education committee, without the Taft amendment, can go out and spend as much money as they want.

Mr. TAFT. As far as I know he can on the basis of what is in the bill. I assume that is the case. And it has been verified by the debate.

Mr. DOMINICK. It would not make any difference whether it was COPE or IMPACT or any one of the other various political education committees around.

Mr. TAFT. The Senator from Colorado is correct.

Mr. DOMINICK. I suppose that makes it even-Stephan, but it does not cut down on the expenses. As I pointed out on the previous amendment, that I could not get by the distinguished Senator from Rhode Island, if you appropriate money by backdoor spending out of the Treasury every fiscal year, by 1976 you could have $400 million in the presidential campaign fund, and that is certainly not what I would call trying to put a limitation on expenses in an election.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. DOMINICK. I am happy to yield to the Senator from Nebraska.

Mr. CURTIS. I listened with interest to the Senator from Colorado with respect to the matter of the timing of this checkoff. Does the Senator mean the taxpayers make the checkoff prior to any knowledge as to who will be the nominees?

Mr. DOMINICK. The Senator is totally correct. They are saying, "I want to put it in a pot and you can use it for whoever the nominees might be."

Mr. CURTIS. Is that buying a candidate in a poke?

Mr. DOMINICK. I think so.

Mr. PASTORE. We are considering the modification. I hope after the Senator reads it he will be more amenable to the bill.

Mr. CURTIS. I think any modification will help the bill.

Mr. PASTORE. That is true. It always does. That is what we are here for.

Mr. DOMINICK. The modifications already offered would have helped the bill. I am sorry we got tied up here and were not able to get them through.

Mr. PASTORE. If Senators on that side of the aisle did not vote so solidly we could have.

Mr. DOMINICK. Senators on the other side voted solidly.

Mr. PASTORE. I would not say that. We had some Senators who did not, and I am not critical of that because they exercised their consciences. But on the other side there was not one defection.

Mr. DOMINICK. I want to emphasize again that the bill, unless the Taft amendment is agreed to, has nothing to do with cutting down on overall expenses. All you do is say, "Okay. We will spend $10 million of Treasury money. Then we will go out and get political education committees of various industries to spend twice as much as we are going to spend."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PASTORE. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Ohio. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Indiana (Mr. HARTKE), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Nebraska (Mr. HRUSKA), the Senator from Kansas (Mr. PEARSON), the Senator from Alaska (Mr. STEVENS) and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

Also, the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from Utah (Mr. BENNETT), the Senator from Kansas (Mr. DOLE), the Senator from Arizona (Mr. GOLDWATER) and the Senator from New York (Mr. JAVITS) are necessarily absent.

If present and voting, the Senator from Nebraska (Mr. HRUSKA), and the Senator from South Carolina (Mr. THURMOND) would each vote "yea".

The results were announced—yeas 30, nays 56, as follows:

[No. 367 Leg.]

YEAS—29

Allott	Dominick	Percy
Beall	Fannin	Roth
Bellmon	Fong	Scott
Boggs	Griffin	Spong
Buckley	Gurney	Stafford
Byrd, Va.	Hansen	Taft
Chiles	Jordan, Idaho	Tower
Cook	McClellan	Weicker
Cotton	Miller	Young
Curtis	Packwood	

NAYS—56

Aiken	Harris	Montoya
Allen	Hart	Moss
Anderson	Hatfield	Muskie
Bayh	Hollings	Nelson
Bentsen	Hughes	Pastore
Bible	Humphrey	Pell
Brooke	Inouye	Proxmire
Burdick	Jackson	Randolph
Byrd, W. Va.	Jordan, N.C.	Ribicoff
Cannon	Kennedy	Schweiker
Case	Long	Smith
Church	Magnuson	Sparkman
Cranston	Mansfield	Stennis
Eagleton	Mathias	Stevenson
Eastland	McGee	Symington
Ellender	McGovern	Talmadge
Ervin	McIntyre	Tunney
Gambrell	Metcalf	Williams
Gravel	Mondale	

NOT VOTING—15

Baker	Fulbright	Mundt
Bennett	Goldwater	Pearson
Brock	Hartke	Saxbe
Cooper	Hruska	Stevens
Dole	Javits	Thurmond

So Mr. TAFT's amendment, as modified, was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BROOKE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, I yield time from the time allotted on this side on the Pastore amendment.

The PRESIDING OFFICER. The Senator will state it.

Mr. BROOKE. Mr. President, is a motion to adjourn in order at this time?

The PRESIDING OFFICER. A motion to adjourn is in order at this time, and is a motion of highest privilege.

Mr. BROOKE. Mr. President, I move we adjourn.

Mr. MANSFIELD. Mr. President, would the Senator withhold that? This is a most unusual procedure. It is a prerogative usually accorded to the leadership on both sides. I would hope the distinguished Senator would not pursue that motion; but of course if he wishes to, that is his right.

Mr. GRIFFIN. Mr. President, will the Senator yield to me to say to the majority leader that I did not realize, and I want to be sure that he knows that I did not realize, that that was the motion the Senator from Massachusetts was going to make when I yielded him the time. I join in the remarks of the distinguished majority leader.

Mr. MANSFIELD. It happens to be a joint responsibility accorded to us by custom and tradition, by the Senate.

Mr. BROOKE. Mr. President, I will respect custom and tradition. I ask that the majority and minority leaders seriously consider the temper of the Senator from Massachusetts in making that motion.

Mr. President, I withdraw the motion.

The PRESIDING OFFICER. The motion is withdrawn.

Mr. BUCKLEY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Buckley's amendment is as follows:

On page 2, strike out lines 10 through 15.

On page 2, line 16, strike out "(2)" and insert "(1)".

On page 2, line 24, strike out "(3)" and insert "(2".

On page 6, strike out lines 5 through 8 and insert:

"(1) Amount.—The deduction under subsection (a) for any taxable year shall not exceed $100 ($200 in the case of a joint return of a husband and wife).

Mr. PASTORE. Mr. President, may we have order? Will the Senator yield, on my time?

Mr. BUCKLEY. I yield.

Mr. PASTORE. Is this a printed amendment?

Mr. BUCKLEY. No, it is not. I send a copy of the amendment to the distinguished Senator from Rhode Island. It is easy to explain.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PASTORE. Will not the Senator tell us what it is all about, before we order the yeas and nays?

Mr. COOK. The yeas and nays have already been ordered.

Mr. PASTORE. Have the yeas and nays been ordered. Mr. President?

The PRESIDING OFFICER. The yeas and nays have been ordered. How much time does the Senator from New York yield himself?

Mr. BUCKLEY. I yield myself 5 minutes.

The amendment addresses itself to a rather surprising discrimination that appears in two sections of title IX. I speak of that discrimination which affects 9 million of my constituents, and which affects 94,354,000 Americans—all of those who happened to be married.

The amendment as now written grants to the individual, the unmarried individual, up to a $25 tax credit. However, a husband and wife filing a joint return are allowed, between them, that same $25; or, if they choose to file individual returns, they are each allowed only $12.50.

This same discrimination against matrimony is repeated in the limitation on deductions. Again, whereas the single individual is entitled to deduct up to $100 each taxable year, the married individual is limited to $50.

I am not quite sure why this provision was inserted, but it does have the effect, next year, of depriving 94,354,000 Americans of a potential personal deduction of $50 each—a deduction which is accorded to their fellow citizens who happen not to have been married.

I might point out that the bill to which the amendment is sought to be appended is supposed to stimulate consumption by increasing personal exemptions.

Mr. COOK. Mr. President, may we have order? It is difficult to hear the Senator.

The PRESIDING OFFICER. The Senate will be in order. The Senator will not proceed until we have order in the Chamber. Senators will take their seats. The Senator from New York will not proceed until all Senators are at their desks.

The Senator may proceed.

Mr. BUCKLEY. I thank the Chair. I certainly feel that it would be in the spirit of the underlying bill to which these amendments are being appended to make sure that everyone is treated equally as far as the potential deductions are concerned. I ask the distinguished Senator from Rhode Island the reason for this discrimination against people who happen to be married.

Mr. PASTORE. Mr. President, on first impression, this might seem to have been an oversight. As a matter of fact, serious thought was given to the question. You could argue it one way or the other, depending on the judgment you want to use, and depending on the frugality that has to be exercised in determining how much money is involved.

The committee gave this serious thought. The Senator from New York, as a conservative, is being much more generous than the committee chose to be. What we did was make it $25 per couple, and of course if one were unmarried and filed a single return, it would still be the $25.

Then, of course, we provided the deduction of $100 for the married couple, which would be $50 apiece.

I think we have gone pretty far, but I leave it up to the sentiment of the Senate. For my part, I think it would be, if I may say so, touching on fiscal irresponsibility if we increased the amount.

Mr. COOK. Mr. President, will the Senator from New York yield?

Mr. BUCKLEY. I yield.

Mr. COOK. I would first have to say that the Senator from New York and the Senator from Rhode Island indicated that the committee discussed this matter. I do not know what committee discussed it, because it is my understanding that this Pastore amendment was prepared by the Senator individually for presentation on the Senate floor.

Second, I think the Senator's amendment is so well-taken that I would suggest to him that I wonder if the proponents of the amendment as it presently stands would not only want to see to it that somehow this fund is created, but somehow or other, in order to get some logical contribution to political candidates, insist that husbands and wives have to be of the same political affiliation. Because apparently if husbands and wives differ in political philosophy, and one gives a contribution to a Republican and the other gives a contribution to a Democrat, they are immediately cut in half as to what they can deduct on their income tax return on a joint basis; whereas, if one who is single decides to give the entire amount of his contribution to one candidate or another, he gets the opportunity to take all of it.

We have had a number of things on this floor, including the Tunney amendment, designed to insure that husbands and wives who both wish to work can have a greater exemption to pay for day care centers for their children, so that they can both work.

Does that not mean, if they can both work, that they can both give money to the candidates of their choice and be treated the same as other individuals under this bill?

If we are really talking about fiscal irresponsibility, we ought to be talking about the entire amendment. But if we are talking about fiscal responsibility, we surely should not attempt to achieve it by way of discrimination.

Mr. BUCKLEY. Mr. President, I very much agree with the distinguished Senator from Kentucky, and I am very much taken by the remarks of the Senator from Rhode Island. I am delighted, incidentally, to hear talk about fiscal responsibility from that side of the aisle; and if the Senator prefers, I would be delighted to rearrange my amendment in order to cut the exemptions and the deductions for the single individuals down to the level allowed by the distinguished Senator's amendment for married people. If he would prefer that, I would be glad to submit a substitute amendment.

Mr. PASTORE. If the Senator does that, I will accept it.

Mr. BUCKLEY. Very well.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. CURTIS. I wish to ask the Senator a question. It does not directly relate to the amendment, but I have given considerable thought to this legislation. Assuming that title X becomes the law, can this money be spent to pay salaries of employees, directors, or chairmen of political committees, and if so, is there any limit on how much they might be paid from these tax funds?

Mr. BUCKLEY. Mr. President, I am afraid I am not an authority on title X. I believe that it would perhaps be more useful if the Senator from Nebraska would direct his questions to the propo-

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nent of the amendment, so that he could tell him exactly what he had in mind in drafting title X.

Mr. CURTIS. I thank the Senator.

Mr. BUCKLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BUCKLEY. The time to be equally divided, in order that I might work up a substitute amendment as suggested by the Senator from Rhode Island.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I offer a substitute for the amendment which I earlier withdrew and ask that it be stated.

The PRESIDING OFFICER. It will take unanimous consent if that is an amendment in the second degree.

Mr. PASTORE. Mr. President, I ask unanimous consent that the original amendment be withdrawn and the order for the yeas and nays be rescinded and that the Senator introduce it as an amendment in the first degree and I will accept it.

Mr. BUCKLEY. Mr. President, I would like to retain the order for the yeas and nays.

Mr. PASTORE. Mr. President, the Senator can ask for the yeas and nays over again. We have enough here.

The PRESIDING OFFICER. Is there objection to rescinding the yeas and nays and withdrawing the amendment? The Chair hears none, and it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

On page 2 strike out line 7 and insert: "exceed $25 (except that in the case of a joint return the amount shall be $50), payment of which is made by the taxpayer (or either spouse in the case of a joint return) with-".

On page 2, strike out lines 10 through 15.

On page 2, line 16, strike out "(2)" and insert "(3)".

On page 2, line 24, strike out "(3)" and insert "(4)".

On page 6, strikes out lines 6 through 8 and insert:

"(a) shall not exceed $50, except that in the case of a joint return the deduction shall not exceed $100."

Mr. BUCKLEY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, if the Senator will yield, we know what the amendment would do. We will be perfectly willing to accept it or to vote "aye."

Mr. BUCKLEY. Nevertheless, I would like to continue to make some of the observations and remarks which I had not made in making my earlier presentation. I very much appreciate the consideration of the Senator from Rhode Island.

Mr. President, I feel that the amendment which has now been substituted for the earlier one, the new amendment that I have submitted, does overcome any deficiency which I pointed to earlier. It will also have the effect of achieving a maximum tax saving, about $450,000, which in these days is not to be sneezed at.

I am also delighted to say that it removes that stigma relating to the state of matrimony which might have been attached to the Senator from Rhode Island, and I know that a man of his sobriety and fine reputation would not have wanted to have done that.

Mr. President, I would like to take this occasion to talk a little collaterally to this amendment in itself.

I believe that the IX provides a more appropriate way in which one should analyze the tax structure of the United States in order to encourage a direct, broad-based participation by Americans in their political process. It leaves to each individual the choice of how he will contribute, to whom he will contribute, and the extent to which he will contribute.

It also means, frankly, that candidates such as I, who have had to depend on broad sources of financing through the mails, can reach our constituencies in a much broader and more effective base.

I received 40,000 contributions. Had this new amendment been in effect, I know that I would have had major contributions.

One of my opponents, on the other hand, borrowed $2.5 million from his mother for the primary fight.

I think this is an amendment that moves in the proper direction. I also feel, however, that the contrast between title IX and title X is particularly apparent when we see the involuntary marshaling of tax dollars on the one hand, provided for in title X in contrast with the mechanism of title IX, where the individual taxpayer is encouraged to take an interest in all of the candidates who are available in his locality and at the national level, to take sufficient interest to determine how he will utilize the tax credit we are providing to make this financial commitment which will more directly involve him in the candidate of this choice or the party of his choice.

I think this is important to a healthy process and a healthy direct involvement.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 30 minutes on the new amendment.

Mr. BUCKLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BUCKLEY. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HANSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BUCKLEY. I yield 5 minutes to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I thank my colleague for yielding. I want to say I did not understand clearly what the amendment was supposed to accomplish as it was first proposed. It is my understanding the Senator from Rhode Island (Mr. PASTORE), along with the Senator from New York, has worked out a compromise that is acceptable. Am I correct about that, at least insofar as those two Senators are concerned?

Mr. BUCKLEY. That is correct. It eliminates the discrimination against married people which was built into the original Pastore amendment by reducing the tax credit allowed the individual taxpayer, the unmarried taxpayer, and the deduction allowed the unmarried taxpayer down to the level allowed for married taxpayers in both categories. In the process it achieves a potential savings of a half million dollars, assuming each individual qualifies for the deduction and takes advantage of it.

Mr. HANSEN. Do I understand then, making the comparison between an individual taxpayer and a married couple paying taxes, the individual taxpayer would be entitled to take only one-half the amount of a deduction—would be entitled to only one-half the amount of the credit that would be available to a married couple?

Mr. BUCKLEY. To a married couple filing a joint return, yes.

Mr. HANSEN. What is the situation if married couples file separate returns?

Mr. BUCKLEY. The same situation as the individual.

Mr. HANSEN. The same as the individual.

Mr. BUCKLEY. Otherwise we would have had a situation where 94 million Americans would have been, in effect, second-class citizens, although presumably their individual votes are as important in the electoral process.

Mr. HANSEN. I thank my colleague.

Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time may be taken equally from both sides.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD of West Virginia. Mr. President, reserving the right to object, what is the request?

The PRESIDING OFFICER. That the quorum be charged equally against both sides.

Mr. PASTORE. I object to that. The Senator knows I am going to accept his amendment. I cannot understand this at all. After all, it is a simple thing. The Senator contends there was a discrimination in there, we debated it back and forth. One could take it or leave it. Because of the Senator from New York we agreed to it.

If the Senator wants a quorum call he will have to do it on his own time.

Mr. COOK. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield such time as the Senator from Kentucky requires.

Mr. COOK. May I say to the Senator from New York I am of the opinion that last Saturday there was a series of votes, 68 to 0, 69 to 0, and I could not understand when I looked at the rollcall why anyone would ask for a rollcall vote on amendments that apparently had been accepted by 68 and 69 Senators, with no votes against them. I could not understand that. So I cannot understand the attitude of the Senator from Rhode Island that he is upset about it.

Mr. PASTORE. I am not upset about anything. All I am saying is that there is going to be a 100-percent vote.

When you have won your case, be silent.

Mr. COOK. Mr. President, I think the remarks of the Senator from Rhode Island were contrary to the rules and they should be stricken.

The PRESIDING OFFICER. Is there objection?

Mr. PASTORE. Oh, I do not care. I will strike it if I hurt anybody's feelings.

Mr. COOK. I remind the Senator from Rhode Island about what he said to one of our colleagues—I think it was the Senator from Tennessee—that he was out of order in his remarks. I think it should work both ways.

Mr. PASTORE. Is the Senator from Kentucky getting to be thinskinned?

Mr. COOK. Not a bit.

The PRESIDING OFFICER. Who yields time?

CALL OF THE ROLL

Mr. WEICKER. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time be divided between both sides.

Mr. PASTORE. Take it out of our time. I mean that. All the time to be taken out of the side of the opposition.

The PRESIDING OFFICER. Is there objection? The Chair hears——

Mr. COOK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COOK. Have the yeas and nays been ordered?

Mr. WEICKER. I made a request for a quorum call.

Mr. PASTORE. Out of my time.

Mr. WEICKER. I am willing to share it.

Mr. PASTORE. No, no; out of my time.

Mr. MANSFIELD. There is just too much sweetness in life.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. WEICKER. No.

Mr. MANSFIELD. No, a quorum call was put in by the Senator from Connecticut and it is on the time of the Senator from Rhode Island.

Mr. WEICKER. The yeas and nays have already been ordered, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. CURTIS. Mr. President, I regret to do this, but I shall insist that we have a live quorum.

The PRESIDING OFFICER. Objection is heard.

The rollcall was resumed and concluded, and the following Senators answered to their names:

[No. 368 Leg.]

Allen	Fannin	Mondale
Allott	Fong	Montoya
Anderson	Gambrell	Moss
Bayh	Gravel	Muskie
Beall	Griffin	Nelson
Bellmon	Gurney	Packwood
Bentsen	Hansen	Pastore
Bible	Harris	Pell
Boggs	Hart	Proxmire
Brooke	Hatfield	Randolph
Buckley	Hollings	Ribicoff
Burdick	Hughes	Roth
Byrd, Va.	Humphrey	Schweiker
Byrd, W. Va.	Inouye	Scott
Cannon	Jackson	Smith
Case	Jordan, N.C.	Sparkman
Chiles	Jordan, Idaho	Stafford
Church	Kennedy	Stennis
Cook	Long	Stevenson
Cooper	Magnuson	Symington
Cotton	Mansfield	Talmadge
Cranston	Mathias	Tower
Curtis	McClellan	Tunney
Dominick	McGee	Welcker
Eagleton	McGovern	Williams
Eastland	McIntyre	Young
Ellender	Metcalf	
Ervin	Miller	

The PRESIDING OFFICER. A quorum is present. Who yields time?

Mr. MANSFIELD. I yield back the remainder of the time of the Senator from Rhode Island (Mr. PASTORE).

The PRESIDING OFFICER. Does the Senator from New York yield back his remaining time?

Mr. BUCKLEY. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BURDICK). All remaining time has been yielded back. The question is on agreeing to the amendment of the Senator from New York (Mr. BUCKLEY). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Indiana (Mr. HARTKE), and the Senator from Virginia (Mr. SPONG), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Vermont (Mr. AIKEN), the Senator from Nebraska (Mr. HRUSKA), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), the Senator from Ohio (Mr. TAFT), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

Also, the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from Utah (Mr. BENNETT), the Senator from Kansas (Mr. DOLE), the Senator from Arizona (Mr. GOLDWATER), and the Senator from New York (Mr. JAVITS) are necessarily absent.

If present and voting, the Senator from Nebraska (Mr. HRUSKA) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 82, nays 0, as follows:

[No. 369 Leg.]

YEAS—82

Allen	Fannin	Mondale
Allott	Fong	Montoya
Anderson	Gambrell	Moss
Bayh	Gravel	Muskie
Beall	Griffin	Nelson
Bellmon	Gurney	Packwood
Bentsen	Hansen	Pastore
Bible	Harris	Pell
Boggs	Hart	Proxmire
Brooke	Hatfield	Randolph
Buckley	Hollings	Ribicoff
Burdick	Hughes	Roth
Byrd, Va.	Humphrey	Schweiker
Byrd, W. Va.	Inouye	Scott
Cannon	Jackson	Smith
Case	Jordan, N.C.	Sparkman
Chiles	Jordan, Idaho	Stafford
Church	Kennedy	Stennis
Cook	Long	Stevenson
Cooper	Magnuson	Symington
Cotton	Mansfield	Talmadge
Cranston	Mathias	Tower
Curtis	McClellan	Tunney
Dominick	McGee	Welcker
Eagleton	McGovern	Williams
Eastland	McIntyre	Young
Ellender	Metcalf	
Ervin	Miller	

NAYS—0

NOT VOTING—18

Aiken	Goldwater	Percy
Baker	Hartke	Saxbe
Bennett	Hruska	Spong
Brock	Javits	Stevens
Dole	Mundt	Taft
Fulbright	Pearson	Thurmond

So Mr. BUCKLEY's amendment was agreed to.

REVENUE ACT OF 1971—AMENDMENTS

AMENDMENT NO. 738

(Ordered to be printed and to lie on the table.)

Mr. PELL, for himself and Mr. STAFFORD, submitted an amendment intended to be proposed by them jointly to the bill (H.R. 10947), to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 739

(Ordered to be printed and to lie on the table.)

Mr. MILLER submitted an amendment intended to be proposed by him to amendment No. 692, proposed to the bill (H.R. 10947), supra.

AMENDMENT NO. 740

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS submitted an amendment intended to be proposed by him to amendment No. 692, proposed to the bill (H.R. 10947), supra.

AMENDMENTS NOS. 741 AND 742

(Ordered to be printed and to lie on the table.)

Mr. DOMINICK submitted two amendments intended to be proposed by him to amendment No. 692, proposed to the bill (H.R. 10947), supra.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 700

At the request of Mr. PELL, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of amendment No. 700, intended to be proposed to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

ADDITIONAL COSPONSORS OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 49

At the request of Mr. ALLOTT, the Senator from Alabama (Mr. SPARKMAN) and the Senator from West Virginia (Mr. BYRD) were added as cosponsors of Senate Concurrent Resolution 49, calling for the humane treatment and release of American prisoners of war held by North Vietnam and its allies in Southeast Asia.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The PRESIDING OFFICER (Mr. MONTOYA). Who yields time?

Mr. MANSFIELD. Mr. President, I yield myself as much time as I may desire on the amendment.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, I think, in view of the feeling and the feelings of the Senate, it would be most inadvisable to continue the fruitless discussions which have marked the activities of this body today.

May I say, in all candor, that this has not been one of the Senate's finest hours. We have been dilatory. We have used tactics of obstruction. We have been playing politics, to put it plainly.

The economic situation in the country is improving only gradually—if at all. This, at one time, was, as I understood it, considered the administration's highest priority measure.

To repeat, the economy, while it may be showing a trend upward here and there, is not in too good shape.

The latest indices in the cost of living show two-tenths of 1 percent for the month of October. The latest unemployment figure is 5.8 percent, down from 6.1 percent a few months ago. The rate of inflation is still somewhere in the vicinity of 5 percent or a little above.

The President undertook certain actions, first in the statement he made to the American people on August 15 last at which time he made recommendations as to what should be done. He put into effect directives which he thought were in the interest of the Nation as a whole.

Mr. President, I approved of what the President did. I approved of the shock treatment applied because I felt that in no other way could the desired effect be achieved.

Since that time, the President has asked us to lay aside consideration of the welfare program, H.R. 1, and the revenue sharing proposals. Later, he came back and said that he did not mean that we should not consider them this year but that we should report them out and pass them next year. They should be out of the committees.

As a result of what the President recommended, the Finance Committee laid aside its consideration of H.R. 1 and took up the tax package now before this body. The committee spent long hours—many long hours and many days, in seeking to bring out a bill which would in some form or some fashion meet the wishes of the President and conform to the emergency which he stated truthfully was and is upon this country.

The manager of the bill, the distinguished Senator from Louisiana (Mr. LONG), the proponent of the pending amendment the distinguished Senator from Rhode Island (Mr. PASTORE), and the leadership on this side of the aisle—and, may I say, where possible, the leadership on the other side of the aisle—were prepared to enter into a time agreement to vote on the pending amendment.

It should be said that this agreement which was made by the majority leader, the Senator from Montana now speaking, was offered to accommodate the administration as a way of expediting the economic tax bill.

I think it should be clear to all by now as to where the blame for the delay lies.

It is not on this side of the aisle, but it is elsewhere.

The Senator from Montana has proposed a number of times to enter into a unanimous-consent agreement covering the various divisions inherent in the pending measure, but all those proposals were objected to.

The Senator from Montana is prepared, once again, to offer a unanimous-consent agreement, but I feel loath to do so because I feel that it might be objected to once more.

May I say to the Members of this body and specifically to certain ones who made sacrifices to be here tomorrow, that in view of what has occurred, I am sorry that a Saturday session was scheduled, but a Saturday session has been scheduled and the session will be held and rollcall votes will occur.

I ask unanimous consent, Mr. President, that when the Senate completes its business today, it stand in adjournment not to the hour of 9 o'clock tomorrow morning, as previously agreed, but to the hour of 10 o'clock tomorrow morning.

Mr. WEICKER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, we will come in at 9 o'clock tomorrow morning then, which was the previous agreement.

Mr. President, the reason the Senator from Montana—and I speak as a Senator from a State—made the request was that many Members are tired and I thought, due to the fact that this was a hard week, this might be a reasonable accommodation, to give them a little more rest, but then the Senate will abide by——

Mr. LONG. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG. Mr. President, this Senator went through this experience, except on the opposite side of the coin. We all remember that when the former Senator from Delaware, John Williams, was here, he led the fight on the other side of the aisle to keep the very same provision we are talking about here from going into effect.

The attitude of the former Senator from Delaware at that time, as I understood it, and his group was that they just were not going to let the President pass a bill—which incidentally involved the same issue, the same investment tax credit, 7-percent investment tax credit, the same economic issue—until they were able to have a vote on their views with regard to this issue that is involved in the Pastore amendment at a time when they could have all their troops present.

We had seven votes over a period of 5 weeks. They were not satisfied, and I would count the troops, and eventually we would get our troops back and we would vote again. And they were not satisfied. Eventually we got to a vote.

Their attitude was that the President wanted this bill badly enough that he would have to let them vote on the amendment at a time of their choosing.

Frankly, the way I had it counted, now Senator HUMPHREY, formerly Vice President HUMPHREY, we could win it. I had to keep our troops in town and let the thing come to a vote.

I recall the attitude of those who were against President Johnson's position at the time. They were confident that they had a majority. I am not positive they had a majority, but if so, they had it by a margin of one vote, if any. Their attitude was that they were not going to let that bill pass unless they were going to vote on the bill at a time of their choosing.

I do not know why those on this side of the aisle who are interested in the same issue would permit them to array their forces and permit them to run 50 plays against the goal line and then another 50 plays against the goal line. We should play the game the same way. When they are ready to vote on the Pastore amendment, we will be glad to accommodate them at a time when they can be here and we can be here.

I say to those interested in the Pastore amendment, which is mainly those on this side of the aisle, that I do not think we have to accommodate those who show very little interest in going ahead with the bill.

It seems to me that at some time we should lay the bill aside and have someone call the President to see if he wants

the bill enough to let us vote up or down on the Pastore amendment. If he does not want it that much, it seems to me that we should get on to some other bill which is not a revenue bill. However, to spin our wheels here arguing about some sort of perfecting amendments to insert some words that offer no additional meaning but really confuse the language of the bill is not the way, it would seem to me, to do business.

The best I can make out, there is a majority, even allowing for pairs for those Senators who are absent. If we have a majority and the opposition wants to pass the bill, we should take a vote. This would let them vote. That is all we have been voting on in the last 2½ days.

I would urge the leader to lay this bill aside and get on to other business. Perhaps he might want to let the opposition run another 50 plays to the goal line. I assume that we can keep the troops in town tomorrow.

We are giving the opposition an opportunity to vote if everyone is in town. That does not make much sense to me.

I think that one of these days our able leadership is going to tell those who do not agree with the Pastore amendment that he does not agree with them, and I hope that time will be soon.

Mr. SCOTT. Mr. President, we have reached a place here where accusation exceeds accusation, where even comity is breaking down. And I will return to that in a minute, because I thought we had an understanding as to who would be occupying the chair at 8 o'clock. But perhaps more important than our getting along with each other, I am prepared to make a proposal in perfectly good faith. I am going to test the good faith of the opposition. I am going to find out before the Senate and the country who is engaging in politicking.

I have asked one Senator who has not been voting with me what is happening. He said that they are afraid to go because they are afraid they will jeopardize the money they will get.

Let me tell the Senator that if Senators here who subsequently become candidates for the Presidency or who are now candidates for the Presidency vote themselves a slush fund of $20 million, in my judgment, they are going to be accused by speakers from one end of this country to another of conflict of interest.

They are going to have a hard time explaining how they can sit here as Senators and vote themselves an enormous slush fund and walk out and spend the taxpayers' money from that slush fund and say they are for purity in the election, because this is the greatest conflict of interest of which a Member of the Senate can be guilty of, in my opinion.

Now, if that is what you want to do, all right. However, let us review the situation. Where are we? We have tried all day, and I will propose another unanimous-consent request, to get on with the substantive measure of the tax bill. We have proposed that we go on with the bill and with the amendments which would be handled by the distinguished Senator from Louisiana and the distinguished Senator from Utah. We will get on with the people's business. We will concern ourselves with what is to be returned to the people in the tax bill, not what is to be grabbed from the people by the political grab bag operation.

We are willing to do that. We are not delaying the Senate. This bill would have been passed by now, in my opinion, if it had not been for the interjection of a political fund raising amendment to bail out a political party from its own shortcomings and its own failure to impress the people of this country sufficiently with their merits to raise their own money and not the money of the taxpayers to do it for them. So, what did they do. We were going along very nicely with the tax bill. We would have finished it by now, I think. However, they come in here and offer section X. What happens. Somebody has to call the tune. Somebody has to tell the people. Somebody has to ring the bell. Somebody has to sound the alarm. Somebody has to say, "Why do you take $40 million or $50 million from the social welfare purposes involved in the tax bill and give it to yourselves?"

Every moment you do that, you are increasing the number of Senators who will have to vote against the tax bill, including the speaker, including myself, because I cannot buy a bill which is for the benefit of myself and my colleagues.

I cannot face a situation which would deprive me from going into all States of the Union where candidates are running for reelection without being free to say, "You voted this money at the expense of the people in this audience, and here are one-thousand people." That is, if I can get that big a crowd, and I think I can with as sufficient and concise oratory of this type. And I will say to this 1,000 people,

Look at the incumbent and look at the opponent, and say to yourself, "Do you want a man who voted a slush fund out of your pocket or do you want a man who is opposed to this grab bag?"

No, we are not delaying the bill. We are ready right now to go back to the bill and I am ready to propose now a unanimous-consent request and that is——

The PRESIDING OFFICER. Does the Senator yield for a unanimous-consent request?

Mr. MANSFIELD. I yield for that purpose, providing I hold the floor.

Mr. SCOTT. Before I propose the request I better clarify something. It was my understanding there was an agreement that the Senator from Connecticut would be in the chair from 8 o'clock on. I may be wrong on this; I do not want to do anybody an injustice. We never had the problem of comity before. But the Senator was ousted from the chair, over his objection. He will confirm that. The chair was turned over to a Member of the majority party, for purposes which escape me. I hope it does not happen again, but if it does I am going to ask my colleagues not to occupy that chair during the late hours of the day. If our tenure is so uncertain and a tenure at will, I am going to ask them not to cooperate because we exist here only through cooperation.

Having said that, and having vented myself of a very minor degree of ill will, which will get me no friends, I now propose a unanimous consent request with the consent of the distinguished majority leader and that is——

Mr. President, I ask unanimous consent that section 10 of the so-called Pastore amendment—otherwise known as the relief of George Wallace or debilitation of SHIRLEY CHISHOLM, or whatever one wants to call it——

I ask unanimous consent that section 10, that consideration of it be deferred until 1 o'clock on Monday; that the Senate proceed to the immediate consideration of the other and substantive items in the tax bill; and that we then return to consideration of the Pastore amendment at the time indicated on Monday.

Mr. MANSFIELD. Mr. President, reserving the right to object, and I shall object, we are on the Pastore amendment at the present time. I think the only way we can face up to it is to face up to it. I think the time has passed when the Pastore amendment can be laid aside. The issue is before us and the leadership is prepared to suggest to the Senate that we are prepared to vote on this side at any time, and we think that on the basis of majority rule, that the majority, no matter on what side it is, should be the determining factor.

Mr. LONG. Mr. President——

Mr. MANSFIELD. I would like to make a countersuggestion and request of the minority leader that he give the most serious and if possible immediate consideration to an agreement on a time certain to vote on the various divisions.

Mr. SCOTT. I will withdraw, with the consent of the majority leader, my request for unanimous consent and submit another.

I request unanimous consent that at this time we return to the consideration of the amendments, other than the Pastore amendment to the tax bill, that we return to the consideration of the Pastore amendment at noon on Monday, and that we vote on the Pastore amendment and all amendments or amendments thereto, not otherwise disposed of, not later than 3 p.m. on Monday.

Mr. MANSFIELD. Mr. President, reserving the right to object, I do so only to yield the floor to the distinguished Senator from Rhode Island to find out what his reaction is.

Mr. PASTORE. Mr. President, if this appears to be somewhat rash, it is, but there is only one characterization I can make of the oratory of the minority leader, inasmuch as he used my name, by characterizing his emotion over his rationality as pure baloney.

Mr. SCOTT. The Senator will have to do better than that to be persuasive.

Mr. PASTORE. You just wait until I get through. [Laughter.]

You just wait until I get through.

The name "Pastore amendment" has been battered around this Chamber now for the last 3 or 4 days, and we have talked emotionally about what we are doing for ourselves and the fact we do

not want to leave it to the people. We do not want to leave it to the people?

What is the essence of the Pastore amendment? The Pastore amendment is that the people of this country who pay the taxes shall have the ultimate decision to decide whether or not $1 of their taxpayer money shall be allocated to make sure that the American people have the privilege and opportunity, not only to well know their candidates but also to know the issues that are being advocated by their candidates.

If you call that selfishness, I call that denial of the right of the people to decide what they can do for themselves. I realize there is a little politics in this.

Mr. COOK. Twenty million dollars worth.

Mr. PASTORE. There is a little politics on both sides. All you have to do is look at the votes, and I know what the votes are. Let us face it. Let us face it.

The coffers of the Republican Party are loaded with dough. All we are looking for is a little bit of yeast.

Mr. COOK. Tell us how much.

Mr. PASTORE. After all, what are we saying here? What are we actually saying here?

Here we are, we spend $75 million a day for our involvement in Vietnam—$75 million a day. And what are we talking about here? Fifty million dollars to make sure that the people of the United States will have the opportunity to elect the best man as President and Commander in Chief of the United States of America.

What are we doing here? We are saying, "Take the Presidency off the auction block and give it back to the people. Give it back to the people where it belongs."

But you do not have that confidence. At one time you talk about $113 million and the next time you say it is only $2 million we get. Let us wait and see. Let us wait and see.

The Senator from Rhode Island has said time and time again that if only 2 million people vote for it or allocate the $1 I will be the first one to ask for the repeal of this, but on the other hand if 50 million people participate I say we have struck something that is good for the future and destiny of this great land of ours.

We get up here and shake our bodies about what we are doing for ourselves. That is good politics. But let me tell you something. The American people are not that blind. Only a week ago all over this country you had your President hopping from city to city, to do what? To charm people who could afford to buy a $500 ticket. Why were they there? Because they liked his looks, or are you kidding yourselves? I bet 80 percent were waiting for ambassadorships, and between you and me they stand in the first line, and that is what we are trying to rid this Government of. We are trying to rid this Government of the power of money and give it back to one man, one vote, one dollar. That is all we are talking about.

[Applause—laughter.]

That is the clarion call—one man, one vote, one dollar.

Mr. MILLER. Mr. President, may we have order? I cannot hear the speaker.

[Laughter.]

Mr. PASTORE. Do you know what I am going to do for the Senator from Iowa? I am going to allocate $10 for a hearing aid for him.

[Laughter.]

Because I think he needs it badly.

So I say to my colleagues, do not kid yourselves. The stakes here are big. The stakes here are tremendous. We are not talking about peanuts here tonight. We are talking about big stakes. We are talking about the ability of one party, because it is in power, to raise $50 million while another major party has to go begging, and that is not fair. That is not fair. That is not good for democracy, if you want equality and justice. It is not a matter of who can raise money.

I see the Senator from Colorado there just chirping away. I guess if I had his money I would not worry, either.

Mr. ALLOTT. Are you talking about me?

Mr. PASTORE. No; I am talking about Colorado—the man who was just smiling, and I am saying to my colleagues——

Mr. SCOTT. Mr. President——

Mr. PASTORE. I have the floor. If you want to raise a point of order, raise it.

Mr. SCOTT. The point is you do not have the floor.

Mr. MANSFIELD. Mr. President——

Mr. PASTORE. I have the floor. All I want to say is, go on with your filibuster, you destroy the President's program, and I want to say to my colleagues on the other side, I have supported your President more times than some of you have.

Mr. SCOTT. Mr. President——

Mr. PASTORE. And so I conclude by saying, you try what you want, but in the long run justice will prevail, and this idea, "I ask unanimous consent that we go back to the old bill without the Pastore title X"—you can sell that to the Indians, but not to PASTORE. [Laughter.]

Mr. MANSFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. Mr. President, I would like——

The PRESIDING OFFICER. Let us have order in the Senate Chamber.

Mr. MANSFIELD. Mr. President, may we have order? Who has the floor?

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. MANSFIELD. I would most respectfully request the distinguished Republican leader to repeat his unanimous consent request.

Mr. SCOTT. I shall be glad to, now that the distinguished Senator from Rhode Island has run down.

Before I repeat it, let me say that for every dollar checked off under this amendment, the rest of the people in this country are taxed that much more to run the Government—which we have lost sight of.

I would like to make the point, also, when the Senator from Rhode Island mentions the $500 tickets, what about the $1,000 dinners on his side? When he pleads only for an equal amount of dollars, he cheerfully refers to that every time he mentions money.

I would like to further mention the reference to a filibuster. A filibuster is evidently to be defined now as a tactic of reaction on our part to an attempt by the majority side to grab the money from the taxpayer and run. I do not so define a filibuster. I define it as the highest possible duty of a Senator that whenever we see the public deprived of their tax money for the benefit of an individual to be used in his campaign, we should resist it with all the force at our command, and if we have the votes, we will be successful, and if we do not, we will carry the issue to the country—I think to the extreme discomfort of those who have voted for this money.

Now I repeat the unanimous-consent request. The Senator from Connecticut has asked the majority leader to yield, if he will do so before I repeat my request.

Mr. MANSFIELD. Mr. President, I will be delighted to yield if I do not lose the floor, and then——

Mr. SCOTT. And then I will repeat the request.

The PRESIDING OFFICER. The Senator from Montana yields to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I appreciate being recognized by the Senator from Montana, being in the position I am in rather than in the Chair, due to his efforts——

Mr. MANSFIELD. What did the Senator say?

Mr. WEICKER. I would only comment——

Mr. MANSFIELD. No, Mr. President. What did the Senator say?

Mr. WEICKER. I said I appreciate being where I am rather than in the Chair which was due the Senator from Connecticut at the time——

Mr. MANSFIELD. Due to my efforts, did you say?

Mr. WEICKER. Yes. I was asked to remove myself from the Chair, in order that the Senator from New Mexico might be recognized to take the Chair. But let us get to the merits——

Mr. MANSFIELD. First, I want the record clear that I had no responsibility for what happened up there, and I hope the Senator will take my word for it.

Mr. WEICKER. I take the Senator's word for it.

Let me first say to the Senator from Rhode Island, the suggestion that we get to the business of America, which specifically is not campaign funding, but which is the economic bill, came not from this side of the aisle but from the distinguished Senator from Louisiana, who suggested for a few minutes that we might consider important proposals attendant to this bill that are relevant to this bill. Therefore, I want to make clear that it is not the Senator from Pennsylvania, the minority leadership, or my party who made the suggestion, but, rather, the Senator from Louisiana, and I think he is correct. If we are going to spend some time in these sessions, it should be for the people who are unemployed and the economy that is lagging, and not for those are going to get the money for campaigns.

Number two, the Senator from Rhode Island said we spend $75 million every day on Vietnam. Because we are spending $75 million a day in Vietnam—and more than that prior to this administration—is why your party cannot raise $2 a day in the United States, because that is where you put it.

And then lastly, the piety exhibited by the Senator from Rhode Island and the majority leadership on the other side as to this great bill to reform elections in the United States—make no mistake about it, there is no piety. You are holding America and its unemployed and the lagging economy in hostage to pay your campaign debts.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SCOTT. Mr. President——

Mr. PASTORE. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. COOK. Mr. President will the Senator from Montana yield?

Mr. MANSFIELD. Mr. President, I do not wish this colloquy to go any further. I think the Senate has had enough to say for one day and one night, and I am prepared to move that the Senate adjourn very shortly——

Mr. SCOTT. Before that——

Mr. MANSFIELD. Before that I would like to hear the unanimous consent request repeated.

Mr. SCOTT. Mr. President, in order that we can get back to the people's business, I propose again a unanimous consent request that we set aside consideration of the Pastore amendment, that we return to consideration of other amendments in the Tax Bill until noon of Monday next, that thereafter the Pastore amendment shall again be in order, and that a vote shall be had in the interim on amendments, and not later than 3 o'clock there shall be a vote on the Pastore amendment and on any amendment or amendments thereto undisposed of.

Mr. PASTORE. Mr. President, reserving the right to object—will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. PASTORE. Will the Senator from Pennsylvania state the reasons for his request?

Mr. SCOTT. Certainly. I have already stated my reasons.

Mr. PASTORE. I know. He just made a unanimous consent request.

Mr. COOK. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Montana yielded to the Senator from Rhode Island.

Mr. SCOTT. Mr. President, the Senator from Rhode Island has addressed a question to the Senator from Pennsylvania as to why I have posed a unanimous-consent request. It is because I believe that action on the tax bill and the impact of that tax bill on the people of this country are of such importance that we should get on with it; that we should make it a priority order of business; that we should then dispose of the Pastore amendment in as brief a time as possible so that we can get to the Defense Department appropriation bill and the economic package; and if the Senator is further curious—he is seeking to ascertain whether we have the votes or not——

Mr. PASTORE. No, no, if the Senator will yield, with the consent of the majority leader——

Mr. MANSFIELD. I yield.

Mr. PASTORE. Did the Senator from Pennsylvania request that on Tuesday next, we will vote on the Pastore amendment?

Mr. SCOTT. Monday next.

Mr. PASTORE. On Monday?

Mr. SCOTT. I requested that by 3 o'clock on Monday we vote on the Pastore amendment, together with any amendments to the Pastore amendment that have not been disposed of by that time.

The PRESIDING OFFICER. Is there objection?

Mr. DOMINICK. Mr. President, reserving the right to object——

Mr. MANSFIELD. I yield for that purpose.

Mr. DOMINICK. I have a right to reserve an objection.

The PRESIDING OFFICER. The Senator has a right to object.

Mr. DOMINICK. I reserve the objection.

Mr. MANSFIELD. I yield to the Senator for that purpose.

Mr. DOMINICK. I thank the majority leader very much.

What happens to amendments to the Pastore amendment which are pending, which have not been voted on, if we have been considering the tax amendments in the meanwhile? How do we get any discussion on those?

Mr. SCOTT. My unanimous-consent request would allow for a 3-hour interval. If the Senator from Colorado thinks that is not enough, I would be glad to extend the time on Monday to allow additional time, but it would be my hope that we could dispose of most of the amendments as expeditiously as possible.

Mr. DOMINICK. Further reserving the right to object—and I do not know whether I shall or not—I want to say this: Having been caught in the same kind of a time bind that the Senator from Rhode Island seems to be caught in on two occasions, at the urging of the majority leader and the whip of the majority party, I have withdrawn my amendments so as not to hold up the pending business.

The Senator from Rhode Island does not seem willing to do that. He seems willing to hold up the tax bill as a hostage to his own political amendment, and I find this extremely difficult to accept. It strikes me at this point that what they are doing is saying, "OK, we are going to go along with that," as opposed to saying, "OK, you keep it up against the blade, and if you, by virtue of your amendment, want to kill the whole tax bill, that is your responsibility and not anyone else's."

I find that extremely hard to swallow. I will say to the Senator from Pennsylvania, my distinguished minority leader, and to the majority leader, that I have put up three amendments—no, two amendments; I have two more only—both of which were substantive and good amendments, I thought, to this bill. I was unable to get very many Senators to listen. That is an understandable situation. I was unable to get anyone over there even to accept the appropriation process of this Government to figure out whether or not we ought to use it in effectuating the Pastore amendment.

Having gotten that off my chest, and having told Senators on the other side that we find it difficult to find that we always give and they do not, I will say I will not object to my own leader's request, because I think that would be invidious of me, but I say I do this with considerable alarm, by virtue of the fact that we are letting ourselves be hostages to an amendment which has nothing to do, in fact, with the matter before us.

The PRESIDING OFFICER. Is there objection?

Mr. COOPER. Mr. President, reserving the right to object——

Mr. MANSFIELD. I yield to the Senator for that purpose.

Mr. COOPER. I do not think I ordinarily hold up the works of the Senate, but I must say I find myself in a good deal of sympathy with the Senator from Colorado. This may seem personal, but today I offered an amendment with five or six cosponsors which attempts to be of some help. It would accept almost wholly title IX, except that it would make those funds available also for candidates before nomination, and it would substitute for title X the election reform bill which this body has passed, and of which the Senator from Rhode Island was one of the chief architects.

I would like to have a chance to propose that on Monday, to see if my friends on the other side would be willing to accept title IX, which they themselves proposed, and be willing to accept as a substitute for title X the bill which this body passed, and which they called the great election reform bill.

I think I must say also that I have listened to my good friend from Rhode Island—long-time friends, we call each other, and I think he is. I do not mind having this title of this amendment called what it is, but I do hate to hear it clothed in virtue. I think myself it is the most undemocratic amendment of any kind I have seen before this body, because it is an attempt to force people to donate to candidates whom they oppose.

I just wanted to know what the prospects are for Senators who have now, even as late as I, offered amendments, to have them voted upon. I want to have my amendment voted upon. It is the amendment of the majority.

Mr. SCOTT. Mr. President, if the distinguished Senator from Kentucky and the distinguished Senator from Montana will yield, I would propose amending my request so that, instead of the Pastore amendment becoming the order of business at noon on Monday, with the votes I have suggested occurring not later than 3 p.m., I would suggest that the Pastore amendment become the order of business

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at 9 a.m. on Monday, which would then give 6 hours for the introduction and disposition of amendments, if that meets with the approval of the distinguished junior Senator from Colorado, the distinguished senior Senator from Kentucky, and the distinguished senior Senator from New Hampshire, who I see is on his feet.

Mr. COTTON. Mr. President, may I reserve the right to object?

Mr. MANSFIELD. Yes, I yield for that purpose.

Mr. COTTON. I am not trying to inject myself into this donnybrook; as far as I am concerned I would just as soon vote on the Pastore amendment right now. I do not think we are gaining anything by all this maneuvering. The issue has been pretty well defined.

But there were five amendments at the desk to follow the Pastore amendment, amendments to the bill.

Mr. MANSFIELD. The Senator is correct.

Mr. COTTON. I came in fifth, so there were four for the time allotted before mine is reached.

As to the amendment of the distinguished Senator from Kentucky, which may be a cure-all for all ill feeling and wounded hearts, I can see the benefits of it. I am in the same position that he is. I am a good soldier, and if this is a party fight, I want to be on the Republican side, and I do not want to object to anything that my leader asks for, but I wish he would not make a request that is absolutely sure to freeze the Senator from New Hampshire right out from consideration of his amendment.

The amendment I have was presented on the tax bill 2 years ago. The Senate passed that amendment by a vote of 65 to 30. It is germane; it does not cost a red cent; and it is, I think, an amendment that deserves another consideration. It was thrown out in conference with the House of Representatives 2 years ago, as I think the distinguished chairman of the Finance Committee will recall.

What I would like to inquire from the distinguished majority or minority leader, whoever wants to answer it, is, if we do not have a chance to discuss the amendments that are at the desk and to vote on them prior to the time that we go back to the Pastore amendment, will we have any chance after the Pastore amendment is disposed of? Because you can filibuster all you want to, but I just do not like to be pushed off the floor of the Senate and deprived of the opportunity to present an amendment which is a serious amendment and which the Senate has once passed by a vote of 65 to 30.

That is my inquiry.

Mr. MANSFIELD. Mr. President, if the Senator will allow me to resume the floor, I think that the requests and suggestions of the distinguished Senator from Kentucky (Mr. COOPER) and the distinguished Senator from New Hampshire (Mr. COTTON) could both be taken care of, because the Senator from New Hampshire already has an allotted time for an amendment which he has had printed, I believe.

Would it be all right to suggest, may I say to the distinguished Republican leader, that he add the following: That all amendments considered during the interval be those on which time has already been limited.

That would take care of this and the others.

Mr. CURTIS. Mr. President, reserving the right to object——

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BYRD of West Virginia. Mr. President, if I understand the request that is propounded by the distinguished minority leader, it is that the Pastore amendment be temporarily laid aside until 9 o'clock on Monday morning; that, in the meantime, the Senate proceed to consider other amendments to the bill.

I invite attention to the fact that if the Pastore amendment is laid aside until 9 o'clock on Monday morning and we come in tomorrow, when we proceed to consider this bill on tomorrow, the first amendment up will be No. 697, by Mr. NELSON, on which there is a 1-hour time limitation. Of course, amendments can be offered to that amendment, and motions can be made, with time thereon.

Following the disposition of that amendment, the next amendment which is clocked in is No. 544, by Mr. NELSON, on which there is a time limitation of 1 hour. Again, amendments in the second degree and motions and appeals would be in order.

Following that amendment, there is an amendment by Mr. FULBRIGHT, No. 674, on which there is a 30-minute limitation. Again, amendments in the second degree and motions and appeals, with the exception of nondebatable motions, have certain time limitations which I do not recall at the moment.

Following that, an amendment by Mr. EAGLETON, No. 687, would be taken up, and there it a time limitation of 30 minutes on that amendment, with amendments in the second degree and so forth in order, again.

Then, No. 5, the amendment by Mr. COTTON, on which there is a time limitation of 1 hour, would be taken up.

Following that amendment, an amendment by Mr. HANSEN, on which there is a limitation of 1 hour, would be called up.

So here are six amendments dealing with other parts of the bill on which there is a total time limitation of four and a half hours, aside from the time on rollcalls, aside from time on amendments in the second degree, motions, and so forth.

So there is a good day's work tomorrow on the six amendments to which consent has already been given to limit time thereon. It seems to me that this aspect poses no problem at all. If we agree to the request by the distinguished Senator from Pennsylvania—the Republican leader—these six amendments automatically fall into line for consideration.

Then, when we come in on Monday, and we return to the consideration of the Pastore amendment the first thing, could we have the understanding that a vote occur on that amendment at 3 p.m. on Monday?

Mr. CURTIS. Mr. President, reserving the right to object——

Mr. BYRD of West Virginia. Would the Senator make it at, rather than by, 3 p.m.?

Mr. COOK. Mr. President, will the Senator yield?

Mr. MANSFIELD. I will yield when the Senator from West Virginia has finished.

Mr. COOK. Mr. President, will the Senator from West Virginia yield?

Mr. BYRD of West Virginia. I yield.

Mr. COOK. It is my understanding that the Senator from New York has already asked for a division on the Pastore amendment.

Mr. BYRD of West Virginia. That is correct.

Mr. COOK. Is the Senator saying that prior to 3 o'clock, the division must also occur, including all amendments to the Pastore amendment, and then a division must take place; and if a division is unsuccessful, then a final vote on the Pastore amendment at 3 o'clock; or does he say that the vote on the division which, in essence, is a vote on the Pastore amendment, must take place at 3 o'clock?

Mr. BYRD of West Virginia. I understand the minority leader's request to be that there would be a vote on the Pastore amendment at 3 o'clock.

Mr. COOK. Division has already been ordered.

Mr. BYRD of West Virginia. That is true.

Mr. SCOTT. That would be two votes.

Mr. BYRD of West Virginia. That is correct. The vote would occur on title IX first, and it would be immediately followed by a vote on title X.

Mr. COOK. I thank the Senator.

Mr. CURTIS. Mr. President, reserving the right to object——

Mr. MANSFIELD. I yield for that purpose.

Mr. CURTIS. I rise now to inquire what would be the status of amendments that are offered to the Pastore amendment. I have in mind one amendment which the junior Senator from Nebraska has offered that is printed—it will be printed. It was offered some time ago. Can we have assurance that there will be time, when we return to the Pastore amendment, for a discussion of all amendments that are offered; and if so, how much time?

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BYRD of West Virginia. At such time as the Senate returns to the consideration of the Pastore amendment—and that would be on Monday, at 9 a.m.—the time agreement with reference to that amendment would still be in effect.

Mr. CURTIS. I did not so understand the request of the distinguished minority leader. It seems to me that under his request, one amendment could be debated for the entire time.

Mr. BYRD of West Virginia. I was just about to say that the agreement with reference to the Pastore amendment would not be vitiated by the unanimous-consent request. Once we get back on the amendment by Senator PASTORE, that agreement would still obtain, and there would be 1 hour on any amendment to

the Pastore amendment until the hour of 3 o'clock is reached.

Mr. CURTIS. If it is not vitiated, suppose we have 10 amendments. How are we going to have an hour for 10 amendments and vote on some of the amendments and vote on the amendment itself?

Mr. BYRD of West Virginia. Under the rules and precedents of the Senate, in a situation where there is unanimous consent of this kind, there would be 1 hour on each amendment until the hour of 3 o'clock. When the hour of 3 o'clock arrives, if there is a pending amendment in the second degree, we would vote on that amendment. There might be only 10 minutes left.

Mr. CURTIS. Suppose there are amendments waiting to be offered that have not even been called up.

Mr. BYRD of West Virginia. They could be offered. There would be no debate on them, but they would be voted on prior to the two votes on the two titles of the Pastore amendment.

Mr. SCOTT. Mr. President, the Senator from Arizona has a question that bears on that.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. CURTIS. What is suggested here can very well prevent someone from presenting his amendment and explaining it.

Mr. BYRD of West Virginia. That happens here many times when we have a consent agreement that we vote at a particular time on an amendment or a bill.

Mr. CURTIS. It happens when we vote cloture.

Mr. BYRD of West Virginia. It also happens when we have unanimous consent to vote at a particular time on an amendment, as here. A Senator has a right to make a motion or to offer an amendment when all time has expired, but he cannot have any time for debate on it, except by unanimous consent.

Mr. CURTIS. I understand that; but, as does the Senator from Colorado, I dislike to object to an agreement offered by the leadership. But I think the record should stand that we are asked to agree to a procedure here in which amendments offered in good faith may never even get to be explained.

Mr. MANSFIELD. I yield to the distinguished Senator from Arizona.

Mr. FANNIN. I thank the Senator.

Mr. President, my colleague from Arizona (Senator GOLDWATER) asked me to offer four amendments for him this afternoon. I did so. He is absent on business and could not be here. I am sure that he intended to offer these amendments, and that he would expect to have the 30 minutes provided. I do not want to object, but I think he certainly should be given consideration. Will he have time? Thirty minutes was allotted on each of those amendments—30 minutes on each side.

Mr. MANSFIELD. Yes. May I say that tomorrow we would have the amendments which have been enunciated by the assistant majority leader; and after the Pastore amendment is disposed of one way or the other, then other amendments would be in order and would be given consideration. The Senator's rights will be protected.

Mr. FANNIN. Is it understood that these are amendments to the Pastore amendment? These amendments are amendments to the Pastore amendment.

Mr. MANSFIELD. On the bsasis of what the Senator from West Virginia has said, they could be offered; but it would depend on the amount of time used on other amendments as to whether the amount of time Senator GOLDWATER desires would be available.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SCOTT. I suggest that the time for the vote on the Pastore amendment be changed to 5 p.m. While this may not give every proponent of an amendment 1 hour or even half an hour, it would give us 8 hours debate on Monday on amendments to the Pastore amendment.

Mr. FANNIN. Mr. President, I feel, since I introduced these amendments on behalf of my colleague, Mr. GOLDWATER—because he could not be here tonight, he is absent on business—that it would not be my province to say that we would not have the time of 1 hour, which would be 30 minutes on a side, on which to debate each amendment.

Mr. MANSFIELD. Would the Senator allow us to come to an agreement, if possible; and, in the meantime, discuss the matter with the distinguished Senator from Arizona (Mr. GOLDWATER) on his return?

Mr. FANNIN. Would it be that the distinguished majority leader could give us assurance of 1 hour of allotted time to each amendment, if my colleague so desires it?

Mr. MANSFIELD. That is why I would like to discuss it with him, because I could not give that assurance in good faith now.

Mr. FANNIN. I thank the Senator.

The PRESIDING OFFICER (Mr. MONTOYA). The Chair would like to get some clarification on the unanimous-consent request. This is a request to encompass only those amendments for tomorrow which are pending, the six which have been enumerated and amendments thereto; is that correct?

Mr. SCOTT. Mr. President, that is the request of the assistant majority leader, that part of it.

Mr. BYRD of West Virginia. That is not my request. I am simply saying that the unanimous-consent request to lay aside the Pastore amendment——

Mr. COOK. Mr. President, will the Senator from Montana yield?

The PRESIDING OFFICER. Could any other amendment be offered under that unanimous-consent request when these are disposed of?

Mr. SCOTT. Under my unanimous-consent request; yes.

Mr. COOK. Mr. President, if there are only six amendments tomorrow to the tax bill which are not pertinent to the Pastore amendment, after the vote on the Pastore amendment the bill is open to amendment anyway, and any further amendments anyone wishes to introduce to the bill would then be available, is that not true?

Mr. MANSFIELD. That is right. I thought I said so, but I am glad that the Senator reemphasized it.

Mr. SCOTT. Mr. President, let me restate my unanimous-consent request, then, that we lay aside the consideration of the Pastore amendment until we have disposed of those six amendments as to which unanimous consents have already been had, and that subsequent thereto, amendments shall be in order whether to the Pastore amendment or not but that, in any event, at 9 a.m. on Monday next, the Pastore amendment shall be in order or continue to be in order, and that a vote on the Pastore amendment and any undisposed of amendments to amendments or substitutes shall be voted on at 5 p.m. on Monday. This gives time—before the 6 hours—to consider amendments to the Pastore amendment if desired, after these six amendments to the bill itself, and it gives us 7 or 8 hours on Monday.

Mr. DOMINICK. Mr. President, reserving the right to object once again, if I may——

Mr. MANSFIELD. Yes, sir——

Mr. DOMINICK. I would like to have some idea as to how many amendments to the Pastore amendment have not yet been disposed of. The Senator from Arizona said that his colleague, Mr. GOLDWATER, has introduced four amendments. I have three amendments. The Senator from Iowa (Mr. MILLER) says that he has one. The Senator from Kentucky (Mr. COOPER) has one. The Senator from Nebraska (Mr. CURTIS) has one. The Senator from Kentucky (Mr. COOK) has three. The Senator from Wyoming (Mr. HANSEN) has two.

How are we going to get through all those amendments by 5 o'clock and get some decent consideration of them?

Mr. BYRD of West Virginia. Mr. President, reserving the right to object——

Mr. DOMINICK. A quick count shows that we have 15 amendments over here, at the desk for printing.

Mr. MANSFIELD. It may well be, depending on the outcome of some of the amendments, that others might not be offered. There is always the possibility that the sponsors of the amendments might consider reducing the time on them.

The PRESIDING OFFICER. Is there objection to the——

Mr. BYRD of West Virginia. Mr. President, reserving the right to object——

Mr. FANNIN. Mr. President, reserving the right to object, do I have the assurance of the majority leader that my colleague, Mr. GOLDWATER, will have the 4 hours in which to debate his amendments, with 30 minutes on each side?

Mr. MANSFIELD. No, I could not give the Senator that assurance, but I would like to talk with the Senator from Arizona (Mr. GOLDWATER) to see if something could be worked out. May I say that I have always found Senator GOLDWATER to be a most reasonable and understanding man.

Mr. BYRD of West Virginia. Mr. President, reserving the right to object——

Mr. FANNIN. I thank the Senator from Montana. I will not object, having that assurance from the majority leader.

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Mr. BYRD of West Virginia. Mr. President, will the distinguished Republican leader include in his unanimous-consent request a provision that there be a limitation on the amendments that could be called up tomorrow? The limitation I am referring to is that we consider only those amendments tomorrow on which a time limitation has already been agreed to. That would place a limitation on the number of amendments tomorrow—six at the most.

Mr. SCOTT. I would rather not, if the assistant majority leader does not mind, for the obvious reason that we may have some more amendments come in.

Mr. BYRD of West Virginia. I see. Very well.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered.

Mr. SYMINGTON. Mr. President, reserving the right to object, what is the unanimous-consent request?

Mr. MANSFIELD. Consent to the unanimous-consent request has just been given. It will allow the Senate to take up six amendments on a 1 hour time limitation tomorrow, beginning at 9 o'clock and ending at 5 o'clock, and then we come to the vote on the division on the Pastore amendment.

One thing I want to make clear, that while the hour of 5 o'clock has been set, I think the Senate should be on notice that if an accommodation is necessary with a Senator like the Senator from Arizona (Mr. GOLDWATER), that accommodation will be made.

Mr. FANNIN. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania? There being no objection, the unanimous-consent request is agreed to.

Mr. HANSEN. Mr. President, reserving the right to object——

Mr. MANSFIELD. It has already been agreed to. It was just agreed to.

Mr. HANSEN. It was?

Mr. MANSFIELD. Yes, it was. Even when the Senator raised the question, but if the Senator wants to rescind it, I will be glad to do so.

Mr. HANSEN. No.

Mr. LONG. Mr. President, if I understand it correctly now, beginning on Monday next, we come in at 9 o'clock and then do I understand correctly that we will be voting on amendments to the Pastore amendment every hour after 9 o'clock with the same 1-hour limitation on amendments up until 5 o'clock, and then at 5 o'clock we will be voting on amendments which may arise therefrom?

Mr. MANSFIELD. That is what it will amount to, but again I ask my colleagues to understand the situation which has developed because of the fact that the Senator from Arizona (Mr. GOLDWATER) has four amendments, about which we knew nothing. It may go beyond that time.

Mr. LONG. Then Senators should be on notice that they can expect a vote on the first amendment to the Pastore amendment to come at about 10 o'clock on Monday morning next?

Mr. MANSFIELD. Roughly.

Mr. BYRD of West Virginia. If the distinguished majority leader will yield, I am not going to belabor this, but there is something that the distinguished Republican leader, I thought, included in his request that concerned me. It is for that reason that I want to have it clarified. I thought he indicated that on tomorrow we would proceed with other amendments to the bill which would include the six, and I thought he went on to include amendments also to the Pastore amendment.

Mr. PASTORE. No.

Mr. SCOTT. No. I will be glad to clarify that. I may have said it, but I think I requested that we vote on the six amendments first and then on other amendments to the bill, not including any amendments to the Pastore amendment. That will simplify it.

The distinguished majority leader and I will undertake to work out something in regard to the four amendments of the Senator from Arizona (Mr. GOLDWATER) with protection of the time there. Somehow, even if it is necessary to ask for a change in the unanimous-consent request, we will do so.

Mr. BYRD of West Virginia. I thank the Senator.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. MANSFIELD. I yield to the Senator from Wyoming.

Mr. HANSEN. That was precisely the point I was attempting to raise and I thank my distinguished colleague for clarifying the situation.

Several Senators addressed the Chair.

Mr. MILLER. Mr. President, may I say, on the basis of what the leader has said, that I am confused about tomorrow. I thought I heard it explained by the Senator from West Virginia and I thought others had, too, that tomorrow we were going to come in and discuss the six amendments and that we do not go on to anything else.

Mr. MANSFIELD. That is correct. If the Senate wants to, it can, but it will be up to the Senate to decide that. But we have those six on tomorrow.

Mr. ALLOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I am glad to yield to the Senator from Colorado and then I shall move to adjourn the Senate.

Mr. ALLOTT. Mr. President, I have one short piece of legislative history which I want to establish with regard to this bill.

Do we have to get unanimous consent for me to have time to do that, or do I have to take time out of amendments on tomorrow to do it?

Mr. MANSFIELD. We will try to come to an accommodation in some way with the Senator. I cannot answer the question now.

Mr. ALLOTT. Mr. President, it will not take 5 minutes.

ADJOURNMENT TO 9 A.M.

Mr. MANSFIELD. Mr. President, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. tomorrow.

The motion was agreed to; and (at 9 o'clock and 10 minutes p.m.) the Senate adjourned until tomorrow, Saturday, November 20, 1971, at 9 a.m.

NOMINATION

Executive nomination received by the Senate November 19, 1971:

U.S. DISTRICT COURTS

Leroy J. Contie, Jr., of Ohio, to be a U.S. district judge for the northern district of Ohio vice James C. Connell, retired.

EXTENSIONS OF REMARKS

VETERANS DAY—NOVEMBER 11

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. LANDGREBE. Mr. Speaker, several of my distinguished colleagues in this House have already introduced legislation to return the Veterans Day holiday back to its traditional November 11 date. I commend these gentlemen and I will be joining them shortly with identical legislation of my own. I would urge my colleagues to give speedy and favorable consideration to this action, which would serve to remind Americans of the importance and value of their precious heritage.

Until recently, I had looked upon the shift away from our traditional holiday observances and toward the new 3-day weekend holidays with equanimity. I cared little about it one way or the other. Then, two things happened within the past week that have given me pause to reflect.

First, I participated in a traditional Veterans Day observance in Hobart, Ind., on the old date of November 11. The observance, sponsored by the Veterans of Foreign Wars, was one of the most moving ceremonies I have ever experienced. My first thought was, "Patriotism is not dead in Hobart."

But then the greater significance of the event hit me. November 11 was not even a holiday any more. And still the people of Hobart turned out. Why? To pay tribute to those brave men, living and dead, who sacrificed so greatly to preserve their Nation and their freedom. Hobart's citizens did not need a day off from work to do this; they did it because they cared—because they valued the heritage of the American veteran.

The second event took place Sunday in Merrillville, Ind., only a few miles from Hobart, when I attended worship services

at the Prince of Peace Lutheran Church. This is not my home church, but I had several appointments in Merrillville that day. The pastor, Rev. Larry L. Shaver, delivered the sermon on the importance of the American legacy. I obtained an excerpt of that sermon and commend it to the attention of the House. The excerpt follows:

FROM SERMON DELIVERED BY REV. LARRY L. SHAVER, PRINCE OF PEACE LUTHERAN CHURCH, MERRILLVILLE, INDIANA, SUNDAY, NOVEMBER 14, 1971

Recently, I was shocked to read that our traditional Armistice Day observation of November 11 was being abandoned in favor of adding another 3-day holiday to the growing schedule of leisure-loving America. I suppose to many people this was looked upon as a very good move, especially to those who are thought to be overworked. But the importance of our American legacy is much more important! It seems that we have taken the freedoms provided by our forefathers' blood, sweat, tears and diligence and partially examined their sacrifice, siphoning off that which brings us pleasure and discarding that which costs us.

I've been told by some well-meaning people that we are not to become excited about our forefathers' experiences. And what is more, what they thought important is not necessarily binding on us today.

I cannot stand by and agree with apathetic and naive acquiescence to a partial view and appreciation of American history. I believe our legacy as Americans is something to get excited about. Our legacy as Americans is something to be proud of. Our legacy as Americans has an eternal lesson we must keep before us, namely, that freedom and the exercise of that freedom comes through and is guaranteed by our responsibilities gladly accepted and sacrifices willingly paid.

November 11 was a day set aside by thoughtful Americans as a day of solemn commemoration and astute hope for lasting world peace. It was a day men wanted to remember as a day when all wars should cease. Men died for that conviction. But our present day society has allowed through ignoring that precious legacy the latitudinarian element of our society to permeate. So, the new permissiveness that "everybody is doing it" ushers in the dangerous guarantee that legacy will be ignored and history will be forgotten. We have forgotten first principles. The Bible warns us that "to whom much is given, much is required."

The first book of the Bible, Genesis, lays down a clear mandate for law and order as the basis of a created universe. God wants man to live in an ordered society. But we in America have decided that occasions of prayers of commemoration and solemn thanksgiving should be replaced with a three-day holiday, a three-day vacation, if you please.

In a time when we need to embellish the fact of a costly national legacy, we have chosen to abandon the responsibilities to heed the lesson the legacy teaches. Monday can now be used to sober up from Sunday. In intent, this is a far cry from the famous Bible verse thought so precious to some framers of the Constitution, namely "Righteousness exalteth a nation."

NATIONAL DAY OF RECOGNITION FOR SENIOR CITIZENS

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BROOMFIELD. Mr. Speaker, I stand today to commend the efforts of VIP—Very Important Patients—to dedicate Thanksgiving Day as a day of remembrance to America's senior citizens.

This nonprofit, voluntary agency has served to remind us all of the great debt of appreciation that we owe to the 20 million citizens age 65 and over. Indeed, in the final analysis, it was through their sacrifice, perseverance, and hard work that this Nation has scaled the heights of greatness.

I can think of no more appropriate time to extend our gratitude to this all too often neglected segment of our population. Thanksgiving is a day when we should take pause; to stand back and recall the many blessings that we have.

Unfortunately, for all too many senior citizens, especially those living alone or in homes for the aged, Thanksgiving Day is but another day filled with unbroken solitude. This is why I am most proud to join with my colleagues to make this occasion a truly meaningful event for these deserving people.

Mr. Speaker, these Americans which we seek to honor next week have written an admirable chapter in American history. Their record speaks for itself. I need not remind anyone here today of their defense of this country in two world wars nor their perseverance during the depths of the great depression. These are but a few examples of the spirit and vitality of this generation which we call older Americans.

They have displayed a quality of leadership and strength of moral character which, unlike mere physical power, endures the test of time. These same qualities still burn fiercely within these people to light the way for those of us who may be too easily tempted to despair.

I would be deeply disappointed, Mr. Speaker, if this national day of recognition did not serve as the impetus for a renewed concern for the peculiar handicaps which the elderly face. There is a great deal that we can do legislatively to amend these inequities.

In the meantime, I hope that all American families will take a moment this coming Thursday to acknowledge the blessings that our older citizens have bequeathed to us and demonstrate a continuing concern for their welfare.

LEGISLATIVE QUESTIONNAIRE

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. MIZELL. Mr. Speaker, since I first entered Congress in January 1969, I have done my best to provide the most accurate and effective representation possible for the people of the Fifth District of North Carolina.

Through a large volume of constituent mail, frequent visits with citizen groups in the district, open office hours in each of the district's eight counties, in private conversations with hundreds of my constituents every year and in other ways, I have sought to learn their views on the great issues facing the Nation today, as well as their individual problems involving the Federal Government.

One of the most effective means I have found of gaging popular opinion in my district is the legislative questionnaire, a series of several questions dealing with matters of concern to my constituents and to the Nation at large.

I have recently tabulated the results of my 1971 legislative questionnaire, and I have already announced the results of the polls to the news media in the Fifth District.

I believe the results of the poll will also be of interest to my colleagues in the House, perhaps to compare my constituents' responses to those in other areas of the country.

Therefore, I would now like to place in the RECORD the text of my news release announcing the questionnaire results.

The text follows:

LEGISLATIVE QUESTIONNAIRE

WASHINGTON, D.C.—U.S. Representative Wilmer (Vinegar Bend) Mizell (R.-N.C.) today released the results of his 1971 legislative questionnaire.

Based on almost 10,000 responses, the poll reflects the opinions of Mizell's fifth district constituents on a wide variety of issues.

In releasing the results, Mizell said, "I sincerely want to thank the thousands of people in the fifth district who responded to my questionnaire. The results of this poll will be an invaluable tool in my efforts to represent as accurately and effectively as possible the views of the people I serve."

The questions and opinion percentages are as follows:

1. Do you favor the busing of school children to achieve racial balance?

5% yes; 93% no; 2% uncertain.

2. Do you bbelieve the present welfare system needs to be reformed?

93% yes; 5% no; 2% uncertain.

3. Do you support a welfare reform that establishes a guaranteed annual income?

13% yes; 82% no; 5% uncertain.

4. Do you favor Congress enacting a national health insurance program to cover catastrophic or prolonged illnesses?

69% yes; 24% no; 7% uncertain.

5. Do you support the President's Vietnamization program for ending American involvement in Vietnam?

79% yes; 16% no; 5% uncertain.

6. Do you support the overall objectives of the President's revenue sharing proposal to move power and control from Washington to the local level?

80% yes; 13% no; 7% uncertain.

7. Do you think government workers and other public employees should have the right to strike?

25% yes; 69% no; 6% uncertain.

8. Do you believe pornographic material should be sent through the mail only to those who have specifically requested it?

77% yes; 17% no; 5% uncertain.

9. Are you satisfied with President Nixon's overall performance?

55% yes; 37% no; 8% uncertain.

10. Do you favor restoring the right of voluntary prayer in schools and other public facilities?

92% yes; 5% no; 3% uncertain.

11. Do you favor the President's proposed trip to mainland China?

65% yes; 26% no; 9% uncertain.

12. Do you favor the admission of mainland China to the United Nations? (Select one)

(A) Provided Nationalist China retains its seat in the U.N?—71%.

(B) Even if the result is Nationalist China's withdrawal or removal from the U.N.?—16%.

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WELFARE REFORM: TIME TO DO IT RIGHT

HON. WILMER MIZELL
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. MIZELL. Mr. Speaker, my colleagues all know that I have spoken several times in this Chamber and elsewhere on the need for meaningful and constructive reform of the welfare system in America.

In my 1971 legislative questionnaire, 93 percent of my constituents in the Fifth District of North Carolina who responded to the questionnaire said they felt some kind of welfare reform was necessary.

The Congress has been considering this same problem during this session, and the House has passed a bill that goes a long way toward providing improved assistance to those who really need it.

One of the provisions of that bill, however, is totally unacceptable to me and, again according to my latest questionnaire, unacceptable to the vast majority of the people I represent.

That provision is the establishment of a guaranteed annual income floor. Eighty-two percent of my constituents responding to my recent questionnaire expressed definite opposition to this policy. I voted against the legislation passed by the House earlier in this session, largely on the basis of my unqualified and uncompromising opposition to a guaranteed annual income.

But I am still anxious for this Congress to continue its efforts to find a more suitable and practical solution to the welfare problem.

In my efforts to contribute to this worthwhile debate, I would like to insert in the RECORD at this time the text of a speech delivered last month to the West Virginia Chamber of Commerce by Mr. Archie K. Davis, who, as current president of the U.S. Chamber of Commerce, is one of my most prominent constituents.

I believe his remarks will prove informative and enlightening to my colleagues, and I urge them to give careful consideration to Mr. Davis' well-expressed message.

The text follows:

WELFARE REFORM: TIME TO DO IT RIGHT
(Address by Archie K. Davis)

My primary purpose this evening is to discuss briefly some matters of grave concern to us all. I am aware that such an approach flies in the face of the public relations dictum that everything must be presented in a positive way. Unfortunately, the closest I can come to honoring that advice is to state that this country of ours, without question and in a very positive way, is deeply in trouble.

As Winston Churchill realized, early in World War II, there comes a time when sugar-coating bad news is ignoble and totally inadequate to the occasion, for great and courageous peoples have a way of overcoming seemingly insurmountable obstacles once they have made up their minds to face them.

Until President Nixon's dramatic economic policy statement, we Americans had not really faced up to our troubles. We were living—midway through the second half of the Twentieth Century—in a state of euphoria, if not in a fool's paradise.

EVIDENCE OF ECONOMIC TROUBLE

Consider the evidence that confronted the President and his economic advisors just three weeks ago:

The postwar era of total American industrial and technological supremacy has ended. We now live in an age of intensifying international competition, but we have continued to behave, in many ways, as if nothing has changed.

Our economic problems have been steadily compounding. We have grown accustomed to three-year increases of 30 and 40 percent in wages, which have resulted in escalating prices in the face of relatively high unemployment. Our balance of payments position remains highly unsatisfactory. The United States faces its first trade deficit since 1893. The Federal budget deficit for fiscal 1971, just ended, is a near record $23.2 billion. The Administration estimates that if we were at full employment, the budget would have shown a surplus of $2.5 billion. But what difference do hypothetical calculations of non-existent full employment surpluses make when we are living through a deep-rooted and persistent inflation which has shown few signs of abating?

The post-World War II inflation in other industrial countries, particularly Canada and Great Britain, says Federal Reserve Board Chairman Arthur F. Burns, "shouts warnings that even a long stretch of high and rising unemployment may not suffice to check the inflationary process."

The reason is that inflationary tendencies in our economy have become chronic because of the rise of the welfare state, the growing imbalance in the power of the labor unions, and the shift of employment towards the service industries.

The welfare state pushes the Federal Government, under any administration, towards chronic budget deficits, and we have had 16 years of such deficits in the 21 fiscal years since 1950. Budget deficits that recur so regularly contribute to expectations of inflation, even though deficits incurred in recessions may not contribute to excess demand in a technical sense.

There are many new and costly forces at today's union bargaining table. They include unrealistic wage expectations of more militant union members who, expecting that chronic inflation will continue, want protection from both past and future inflation. They include wage settlements patterned on 30 percent increases compounded over a three-year period in basic industries like steel, compared with annual productivity gains of three percent per man-hour.

The result of excessive cost-push by unions in an economy pledged to full employment has been lessened resistance of employers to excessive wage demands. And the result of the wage-price spiral has been the loss of competitiveness in American products—and jobs—in the marketplaces of the world. Therefore, we are seeing an ominous trend towards government restriction of trade with other countries in order to protect union jobs and industry products in affected industries. But building discriminatory walls of tariffs and quotas to keep out foreign products would only bring retaliation as trading partners prohibit or restrict our exports to them.

The rising pressure by unions and some industries for selective trade restrictions, however, occurs at just the time when Europe and Japan offer a new competitive challenge to our mass production industries and jobs. The rapid move of the EEC countries toward economic unity gives their corporations, for the first time in the modern industrial era, economies of scale in production for a subcontinental freetrade market—an advantage that we have long enjoyed.

Japan, whose people save and invest more than 20 percent, as contrasted with our five-to-six percent of personal income, has more than doubled our record of growth since World War II. Continued expansion by Japan in coming decades at past rates would make Japanese incomes the highest in the world.

Meanwhile, the shift of employment here from goods-producing to service industries may see 60 percent of our labor force in service industries by 1980. Our gains in productivity, however, have come most rapidly from agriculture and manufacturing. This means that, in order to maintain the real growth in our output which has been the source of our gains in reducing poverty, we need to concentrate on improving productivity in the service industries as well as in agriculture and manufacturing.

NEW PROBLEMS AND OLD ILLUSIONS

It is only when we view our problems in their total relationship to one another that we begin to comprehend their total magnitude. A growing welfare state, chronic government deficits, steadily mounting inflation, a deteriorating competitive position in world trade, shrinking trade surpluses, the possibility of mounting unemployment, continued deficits in the international balance of payments, the declining value of the dollar, devaluation—all are so closely related that action and reaction are inevitably and predictably linked.

This was the grim and sobering evidence that confronted the Nation's top economic planners that August weekend at Camp David.

I believe these men realized that somewhere along the line, no matter how well-intentioned, we had gotten off the track. Our house was not in order. In a relative sense, other parts of the world were positioning themselves to move ahead of us. We could no longer afford the illusion of unchallengeable supremacy; that day had long passed, and yet there were—and still are—those among us who seem to think we still have unlimited resources, that the law of supply and demand, a desire to work, competitive efficiency in production, and financial responsibility really don't apply to us.

The irony of the moment is why this great nation of ours, at a time when its world leadership is seriously challenged, is so preoccupied with welfarism that it has been neglecting the basic ingredients of economic opportunity.

Such thoughts, I am sure, must have occured to the President, because the economic program he announced August 15 places great emphasis on re-creating economic opportunity—on stimulating industry and providing new jobs. We cannot yet tell if the program will achieve its commendable goals, but there is no disagreement about the objectives.

And the President did something else of great significance on that day: He announced that the proposed welfare reform and revenue sharing programs would be deferred.

TIME TO REEXAMINE THE WELFARE PROBLEM

We do not know if Congress will accede to the President's wishes—the House has already passed the welfare reform bill—but we may hope so. There is a desperate need to pause and take a long, hard look at the entire subject of welfare reform before we plunge recklessly into a disaster of unprecedented magnitude.

So with these thoughts in mind, I would like this evening to make a contribution to what I hope would be at least a year of responsible, thorough analysis of the welfare problem and its solution. We have gained a valuable breathing-space; it is essential that we use it to the best possible advantage.

And it is within this context one must strongly question the wisdom of the existing bill, H.R. 1, the so-called "welfare reform" measure with a price of almost incalculable dimensions. Attempting to solve the welfare problem in the manner represented by this bill would be directly comparable to fighting a fire with gasoline.

But to understand why this is true, we need to know something of the background

of our persent welfare system—or nonsystem, to be more precise.

"Welfare" today comprises four major income-maintenance or income-supplement programs, plus Medicaid. Medicaid is worth an entire speech in itself, but I will exclude it from this discussion as it is not really a general income supplement.

The four programs remaining are Old Age assistance, Aid to the Blind, Aid to the Permanently and Totally Disabled, and Aid to Families with Dependent Children.

There are really no problems with the first three of these programs—aid to the aged, the blind and the disabled. The numbers of recipients in these categories have remained fairly stable over the years. There is no alarming growth trend, nor is there any argument about the justification for aid. These unfortunate citizens are unable to work through no fault of their own. Our society can care for them, and simple compassion demands that we do so. The only reform needed with respect to these categories is a simplification of administrative procedures, which is provided in H.R. 1, along with federalization of the payments, which is simply a form of revenue-sharing. It is one of the new noncontroversial sections of the bill.

AFDC: THE ROOT OF THE PROBLEM

The entire welfare problem is associated with the fourth category of aid—Aid to Families with Dependent Children.

AFDC began modestly enough in the 1930's, as a federal supplement to state widow's pensions. It has since become a monster that seems to feed and grow larger on every attempt to reduce its size. By the beginning of this year, there were nearly 10 million people on AFDC rolls. The typical AFDC family has three children, one adult. Most live in big cities. Half the families are white, half black. In three cases out of four, the father is absent. Two out of five families include illegitimate children.

From the early 1950's to 1970, the average monthly benefit of AFDC families more than doubled. Throughout these same years, the numer of welfare workers has increased 50 percent faster than the number of welfare recipients.

There are now at least 168 programs in the Federal Government designed to eliminate poverty. They are conservatively estimated to have cost $23 billion in the fiscal year 1970. The projected cost for these programs for fiscal 1972 is $31.1 billion. That is enough money to provide $4,800 for every poor family of four, if it were distributed directly to the recipients.

MORE MONEY NOT THE ANSWER

In short, we have attempted to overcome the problem by a vast increase in the amount of money and manpower devoted to its solution. The result is almost incredible: The AFDC rolls increased by nearly 300 percent during the most affluent period in this nation's history. In the last ten years alone, the cost of AFDC benefits has gone up nearly 500 percent, to $4.85 billion for 1970.

It should not be surprising to discover that offering higher welfare benefits tends to increase the number of people on welfare. That is the effect one would naturally expect. As AFDC payments get larger, they reach the wage level for low-paying jobs. New Jersey and Alaska, for example, both have AFDC payment schedules calling for more than $4,000 a year for a family of four. In New York City, a family of four on AFDC, and living in public housing, is receiving the equivalent of more than $7,000 a year. Under these circumstances, one would expect many workers in low-paying jobs to quit work and go on welfare. There is ample evidence that this is precisely what is happening. The higher the welfare benefits, the faster this process will escalate.

Needless to say, if the incentives are such that former workers are quitting in favor of welfare, it is not realistic to expect many welfare recipients to seek jobs. There *is* evidence that many welfare recipients would prefer to work for a living, but not if it means a cut in their income. The welfare recipient who is receiving the equivalent of $7,000 a year in aid, without taxes, will hardly leap at a job paying $4,000 a year, with taxes, if it means the loss of the aid.

GUARANTEED INCOME A GUARANTEED DISASTER

H.R. 1 attempts to meet this problem by permitting the welfare recipient to keep some of his welfare check even after getting a job. As the bill now stands, the government would provide a minimum of $2,400 a year for a family of four with no income, and would pay benefits on a decreasing scale until a family's earned income reached $4,320. That means the government would be paying money to those with low-paying jobs as well as to those without jobs.

This tapering-off of aid is supposed to provide an incentive for the recipient to seek work. Apparently not even the authors of H.R. 1 felt this incentive would work, for included in the bill are provisions *requiring* the able-bodied and trainable to accept job-training and jobs.

Several studies have shown that this kind of work "incentive" is really an incentive to *quit* work. The most recent was a study commissioned by the National Chamber and conducted by two Georgetown University economists, Prof. Alfred J. Tella, and his wife, Dorothy. It indicated that the effect of work "incentives" like those proposed in H.R. 1 would tend to induce the "working poor" to work less, not more.

A federal test of the guaranteed income concept is now in progress in New Jersey. It is not yet complete, but the preliminary findings indicate the same result as the Chamber study, namely, guaranteed income plans *reduce* rather than enhance the work incentive. To put it another way, neither the theory nor the recipients work well in practice.

So in the final analysis, what the taxpayer would be asked to do under this bill is to pay for a huge expansion in the numbers of people on welfare—from 10 to 25 million—in the *name* of "welfare reform," but without any real reform.

Further, there is every evidence that the cost of this program—if it were enacted—would increase more sharply than any welfare program in U.S. history. The initial proposal of a minimum benefit of $1,600 a year has already been increased twice—to $2,200 and then to $2,400—and the law is not yet through Congress! The National Welfare Rights Organization is demanding a guaranteed minimum income of $6,500 a year—a figure that would cover half the population of the country and cost $75 billion a year, *if* there were still any taxpayers left to pay it.

The fact that it would make the welfare problem worse, rather than better, is undoubtedly the *biggest* thing wrong with the "welfare reform" bill, but it is not the *only* thing wrong with it.

SOCIAL SECURITY TAXES UP

If this bill were passed, Social Security Taxes would go up as well. Next year, the tax rate would increase from 5.2 to 5.4 percent, which doesn't sound like much in itself, but the taxable wage base would also rise—from the present $7,800 to $10,200. These two changes would cost an extra $142.30 a year for anyone making at least $10,200 annually. They would cost his employer the same amount.

In other words, for the average man, this one increase alone would more than wipe out the benefits of the tax relief the President has proposed for next year.

And that's only the first of a series of proposed rate increases. By 1980, the cost of Social Security under H.R. 1 would be double the cost scheduled for that year under the present law. The combined employer-employee tax rate would increase from the present 10.4 percent to 14.8 percent by 1980, and the wage base would climb to $14,100.

Some of the government's own experts are reported to be questioning the need for such steep increases, and we can only hope that those reports are true. If the government takes away with its left hand more than it gives with its right, efforts to stimulate consumer buying activity are doomed to early failure.

What, then, might be the net effect of the kind of welfare program embodied in H.R. 1? It could expand dramatically the numbers on welfare in our nation, reduce significantly the amount of work performed, and raise ominously the taxes ordinary Americans may have to pay in order to finance a huge underclass of nonworkers and part-time workers who will have, with government approval, a vested interest in steadily increasing the level of income guarantee in the years ahead.

If anyone thinks "it can't happen here," he only has to look at New York City, where with a modified income guarantee in effect for the working poor, one out of seven people in that rich city are on welfare—that's 1,200,000 people out of 7 million, receiving close to $2 billion in support from taxpayers.

WELFARE AND INFLATION

There is much more yet that is wrong and disturbing about the philosophy exemplified by H.R. 1. It is that such an expansion of the welfare state would threaten the middle class family with continued chronic inflation, just when the country is at last trying to come to grips with that danger.

The plain fact is that inflation and higher taxes have long been eating away the real gains in income of many middle class Americans. The Tax Foundation has calculated the experience during the 1960's of a hypothetical family, the Greens, having a 19-year-old son—a freshmen in college—and a 17-year-old girl, a high school senior. Charlie Green makes $11,000 a year, owns his own home, worth $30,000, and commutes to his job by car. Total direct taxes (not counting hidden taxes) now take 32 cents out of every dollar of his income, compared to 23 cents ten years ago. Even though he earns $3,500 more in salary than in 1960, there is no net gain. Higher taxes have taken over half his pay raise: $1,768 to be exact. Inflation has taken the other half, since the dollar of 1960 has shrunk to 77 cents today.

Inflation and taxes in this country have been wiping out the gains in real income of tens of millions of poor and nonpoor families while our government leaders, again no matter how well-intentioned, have been fundamentally undermining our will to work for a living. The huge increase in taxes of the 1960's has not brought the people of this country the reduction in poverty, the increase in human welfare, or the improved quality of life that the liberal spenders promised us. Instead, they have brought the opposite.

No matter how hard Congress tries to "abolish poverty by 1976," poverty cannot be abolished by legislation, it can only be abolished by intelligent use of our resources to raise people's real incomes by economic growth and a stable dollar. Abolishing poverty by legislative fiat is a tragic and deceptive shell game to buy off the poor, while taxes and inflation eat away at their incomes and at the vital center of our confidence in intelligent economic advance.

GUARANTEE OPPORTUNITY, NOT INCOME

The National Chamber believes we need in this country to open, not close the door to job opportunity. We can guarantee opportunity for the poor and the nonpoor, for business and labor, not by more subsidies that swell the size of an already surfeited welfare state, but by getting our government fiscal house in order, winning the battle against inflation, which has been bleeding poor and nonpoor alike, and providing condi-

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tions for stable, noninflationary economic growth and high employment.

The National Chamber is urging the Administration and Congress to develop a continuing new program which recognizes (1) that most AFDC families are on welfare because they have lost their regular breadwinner, and (2) that the long-range solution must be found in helping the family adult—in most cases, a mother—become a regular breadwinner.

This new program must emphasize occupational rehabilitation, and operate at the community level in our 130 larger cities (where the majority of AFDC families live). The goal must be to train able-bodied adults now on AFDC and to get them into jobs. This can be done by:

Identifying the manpower potential of AFDC adults in each of these communities.

Developing priorities among these adults for referral to job training.

Making expanded child care facilities available, so that AFDC mothers can take job-training and subsequent jobs.

Identifying shortages of qualified workers for entry-level jobs—on a continuing basis, through such methods as the Job Bank.

Providing adequate training allowances.

Continuing some welfare for a period of time; for about one year of regular full-time employment, to facilitate debt repayment and help overcome the uncertainties of initial job success.

Solution of the AFDC problem must be given top priority in any welfare reform. Additionally, the Administration and the Congress should develop a program for upgrading the regularly employed family heads whose present earning capacity is relatively low.

This approach should be centered on establishing public-afterwork training programs for those in "working poor" families. It would help those at lower-pay levels to improve their lot, if they have initiative and desire, and it would also help meet employers' needs for workers with better skills.

It would help solve the AFDC problem, because, as these workers moved up the ladder, jobs for AFDC adults would be opened.

Such a constructive two-part alternative is needed to solve our welfare problem. We do not need merely a welfare expansion bill.

A REPRIEVE

This review of the relationship of inflation to welfare schemes brings us full circle to H.R. 1 and its threat to overflow our welfare rolls, escalate our tax rates, and dry up the work effort of our people.

President Nixon has given us a reprieve. He has recognized that bold, new initiatives are essential to surmount our serious economic problems. And he has also recognized that it is time to set aside some of the old initiatives that threatened to lead us ever downward.

I heartily endorse his strong leadership in the struggle for economic stability, and I welcome his implied assessment of the family assistance plan as a program we cannot now afford.

But it is important to remember that where H.R. 1 is concerned, a reprieve is not a pardon. Nor is the decision to stall this costly program the President's alone. Business leadership will still be sorely needed to combat with all the vigor at its command the potentially disastrous effects of a guaranteed income.

Every businessman in this country, who cares about the social values which have made this nation great, should urge his senators to defer H.R. 1 not just for a year, but forever. Then let's get busy and find a *real* solution to the welfare problem. We in the National Chamber intend to do all we can, and we need your help.

THE NORTHERN IRELAND SITUATION: A REPORT, NO. 15

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BIAGGI. Mr. Speaker, an English inquiry panel recently investigated charges of brutality by British soldiers against citizens of Northern Ireland. Their conclusions were that there was no brutality. This is absurd.

I have been including in the RECORD over the last several weeks, affidavits of abuse and brutality. Bear in mind, that these are only a few of the cases. Many will not sign affidavits for fear of reprisals. The inquiry was nothing short of whitewash.

Mr. Speaker, we here in Congress must continue to protest the persecution and denial of rights that are daily occurrences in Northern Ireland. My resolution calling for a plebiscite in all of Ireland to determine the question of national reunification should be passed. To delay action is to deny to the citizens of Northern Ireland the justice they are due.

The report follows:

REPORT ON ARREST, INTERROGATION AND TREATMENT OF: JOSEPH HUGHES

Age: 45. Father of 10 children, ages 3–19.

On Monday August 9, 1971 at about 4 a.m. my wife heard shouts and the door being broken down. There were 8 soldiers there. She woke me. She preceded me downstairs and was butted by a rifle in the stomach. My daughter Geraldine (16) was struck on the head with a baton. The officer in charge kept repeating, "Hugh Joseph Hughes" (not my name). Another said, "let's have him." The soldiers were agitated and in hurry and kept saying, "the women will be out any moment."

I was pulled by the hair on to the street, batoned on the head and kicked on the leg. I was then forced to run 400 yards in my bare feet to a truck.

The children upstairs panicked and screamed as I was rushed off. My wife was butted with a rifle as she protested to the soldiers.

I was transferred to a lorry, made to be face down on the floor, covered with blankets and struck with rifles. There were other detainees in the lorry, some lying on top of each other.

The lorry drove off to collect other detainees. We reached Girdwood Army Barracks about 7 a.m. I was pushed off the lorry and on to the ground. I was put into a room and interrogated, (name, address, politics etc.) During the morning a number of detainees were maltreated by the army in full view of the police.

About 12 noon I was removed to Crumlin Road jail. There were two other detainees in the cell, one was taken away later. I was kept there until Tuesday night 10 August at 11 p.m. I was finally released at 11:45 p.m. I was refused transport home and had to go up Cliftonville Road, while there was a lot of shooting in the vicinity.

My specific complaints are:

1. Injuries to myself:

(a) From batoning

(b) A severe stomach wound inflicted by a soldier with his gun when on the lorry

(c) Blisters on my heels and feet from forcible exercise over the obstacle course

(d) An army injury received when I refused to sing "The Queen"

(e) Wounds on hands and legs from kicks

2. Obscene language—e.g.:

(a) On the obstacle course "Run and train like soldiers, you bastards."

(b) In the lorry, "Your Virgin Mary was the biggest whore in Bethlehem.

(c) Also in the lorry, "Sure they are all the Pope's bastards."

FAVORABLE ACTION TAKEN BY HOUSE BANKING AND CURRENCY COMMITTEE ON VARIOUS LEGISLATIVE PROPOSALS

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. PATMAN. Mr. Speaker, on November 16, the House Banking and Currency Committee met in executive session and took action on several bills. It has been requested that these bills be placed on the next suspension calendar, which I believe will be Monday, December 6. The ranking minority member of the committee, the Honorable WILLIAM B. WIDNALL, and the full committee are in accord with the request to have these bills placed on the suspension calendar for this date.

In an effort to provide the Members of the House with as much information on the import of this legislation as soon as possible, I am taking this time to inform the Members of the legislation which the committee favorably reported and provide a brief analysis of each of the substantive provisions thereof.

The House Banking and Currency Committee, by a vote of 25 to 0, favorably reported H.R. 11452, to amend the National Flood Insurance Act of 1968 to extend for 2 years—until December 31, 1973—the date by which an area must have adopted adequate land use and control measures in order to qualify for flood insurance coverage and the date as of which the existing authority for emergency Federal implementation of the program will expire, to suspend—until December 31, 1973—the existing provisions making flood insurance coverage a condition of Federal disaster assistance, and to assure the inclusion of church properties among those for which flood insurance is provided.

H.R. 11452 basically extends and amends certain provisions of the National Flood Insurance Act of 1968. The National Flood Insurance Act was enacted as part of the omnibus 1968 Housing and Urban Development Act after almost 15 years of consideration by the Congress. Under the 1968 act, in order to qualify for flood insurance, a comprehensive flood study of the community by the Corps of Engineers would have to be undertaken and completed so that an actuarial basis upon which to write the flood insurance policies could be determined. For many communities this would represent many years before they could qualify for this coverage. In the 1969 housing bill, with the cooperation of our distinguished ranking minority member, the emergency flood insurance program

was enacted, which waived the comprehensive flood study for flood prone communities and permitted the Federal Flood Insurance Administrator to determine a proper premium rate to be charged. There is no question that this program has proved most successful and popular throughout the country, but more important, it has provided essential flood insurance for many areas of this country who need this coverage immediately. At the present time some 653 communities have Federal flood insurance coverage and of these 653, some 433 are covered under the emergency flood program. This program expires on December 31, 1971, and must be renewed for another 2 years if these communities are to be able to keep their flood insurance.

Another section of H.R. 11452 would extend for 2 years—until December 31, 1973—the date by which an area must have adopted adequate land use and control measures in order to qualify for flood insurance coverage. Many communities just now being covered by flood insurance face a much too early time within which to make adequate provisions for land use and control measures.

Section 3 of H.R. 11452 would suspend until December 31, 1973, the existing provisions of the Flood Insurance Act prohibiting Federal disaster assistance to the extent that flood insurance is available in an area.

Finally, Mr. Speaker, section 4 of H.R. 11452 amends the Flood Insurance Act and makes it clear that church properties are to be included in the definition of those properties eligible to be covered.

Mr. Speaker, the second bill which the committee favorably reported is H.R. 11488, which, if enacted, would amend section 404(g) of the National Housing Act by striking out "1.75 percent" and substituting in lieu thereof "1.60 percent." An amendment to this bill was adopted, which amends the Housing and Urban Development Act of 1965.

The purpose of the two sections of H.R. 11488 are as follows: By changing the ratio of insurance reserves held by the Federal Savings & Loan Insurance Corporation to insured savings from 1¼ percent to 1⅗ percent, it would provide an estimated $450 million in additional funds which savings and loans could make available for home mortgage loans, rather than being forced—as existing law would require—to prepay such funds into the FSLIC. This would be the effect of this amendment. In no way would the FSLIC fund be impaired.

Present law requires that if the ratio of the Federal Savings & Loan Insurance Corporation reserves to insured savings falls below 1.75 percent by December 31 of a given year, member savings and loan associations are required to commence prepaid insurance premiums equal to 2 percent of their savings growth during the year. It was not anticipated that FSLIC reserves would fall to 1.75 until 1973 or 1974—by which time the Congress would have worked out a more permanent and stable method of maintaining an adequate FSLIC financial structure. There has been, however, an extraordinary increase in insured savings in 1971—which has been extremely helpful in stimulating home building—and the reserve ratio may drop to 1.75 or slightly below by December 31, 1971. The reserve ratio decline is solely the function of the increase in savings and does not reflect a reduction of dollar reserves.

By changing the 1.75 in existing law to 1.60, the triggering of the prepaid premiums can be postponed for a year, giving Congress enough time to review this matter and time to devise a permanent system for generating FSLIC reserves. This amendment would leave the FSLIC reserves at a very adequate level—substantially above the 1.25 reserves existing for the Federal Deposit Insurance Corporation.

The amendment adopted to this legislation by the committee would extend the waiver of conformity to comprehensive planning as a prerequisite to water and sewer grants. This waiver expired as of October 31, 1971, and this section would reinstate it to June 30, 1972.

Mr. Speaker, H.R. 11488 as amended passed the committee unanimously.

Mr. Speaker, the House Banking and Currency Comimttee also favorably reported, with amendments, House Joint Resolution 838 which, if enacted, would defer until January 1, 1973, the effective date of an amendment to section 5219 of the revised statutes relating to the taxation of national banks by States, by a vote of 21 to 4.

Basically, Mr. Speaker, Public law 91-156 revised the law as regards the ability of States to tax national banks. This act provided for a two-step revision of Section 5219 of the revised statutes. For the period from December 24, 1969, through December 31, 1971, this law permitted the home State of a national bank to subject such bank to any tax that is imposed generally on a nondiscriminatory basis throughout the taxing jurisdiction—other than a tax on intangible personal property. The interim provisions also authorized imposition of a number of taxes on national banks that have their principal offices outside the taxing State, if the tax is imposed generally throughout the taxing jurisdiction on a nondiscriminatory basis. Such taxes included sales and use taxes, taxes on real property, documentary stamp taxes, taxes on tangible personal property, and taxes imposed on the ownership, use or transfer of tangible personal property.

This act also directed the Board of Governors of the Federal Reserve System to make a study to determine the impact on the banking system and other economic effects of these changes in existing law, especially the effects of allowing States to impose intangible property taxes, so-called doing business taxes and other similar taxes on national banks. The Board of Governors of the Federal Reserve System concluded its study and states that additional legislation is needed before the permanent amendment becomes effective on January 1, 1972. The House Banking and Currency Committee has not had the time to delve into this matter in detail. It is, therefore, for this reason that this extension has been recommended by the committee.

Finally, Mr. Speaker, the House Banking and Currency Committee, by a vote of 14 to 11, favorably reported House Joint Resolution 944, with an amendment. The effect of this legislation, if enacted, as amended, would retain for an additional 6 months, until June 30, 1972, the discretionary authority which the Secretary of the Department of Housing and Urban Development and the Director of the Veterans' Administration have with respect to the establishment of FHA and VA mortgage interest rates at levels determined necessary to meet mortgage market rate conditions.

Also, the committee adopted an amendment which would allow the Government National Mortgage Association, for a period of 6 months after enactment, to issue commitments to purchase mortgages where the original principal obligation does not exceed more than 50 percent of the limitations now contained in existing law. This means that in high-cost areas GNMA would be allowed to issue commitments on FHA-insured mortgages where the original principal obligation amounts to a range of $33,000 to $36,000, whereas now they are limited to issue commitments to purchase mortgages only up to a range of $22,000 to $24,000.

Mr. Speaker, as indicated initially, my reason for making this statement is to provide the Members of this body with the basic information necessary to consider various proposals which, hopefully, the Speaker will place on the suspension calendar for December 6. Certainly at that time, if recognized for this purpose, as chairman of the committee, I shall endeavor to fully explain these proposals and attempt to answer any questions that may be raised.

AVIATION IN ALASKA

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BEGICH. Mr. Speaker, aviation plays a major role in communication and transportation in Alaska. As a result, it is absolutely necessary that the industry be safe and reliable.

Much of the responsibility of assuring that the aviation industry is safe and reliable depends on the flight and ground school instructors. It is their responsibility to provide the aviation industry with qualified men and women. Through their dedication and service, they have shown they are committed to this responsibility and will continue to make Alaska's air travel safe, reliable, and efficient.

In an effort to show our gratitude for the dedication shown by these people, Gov. William A. Egan of Alaska proclaimed the week of October 24, 1971, Alaska Flight and Ground School Instructor's Week. I am proud of the work done by these instructors, and they can

be proud of their magnificent contribution to the growth of aviation in Alaska.

I am including a copy of the proclamation for my colleagues' inspection:

PROCLAMATION—ALASKA FLIGHT AND GROUND SCHOOL INSTRUCTORS' WEEK

The air commerce and general aviation industry has contributed immeasurably to the growth and development of the state of Alaska and shall continue to play a vital role in the future development of this great, sovereign state.

The state of Alaska recognizes the important functions of all flight and ground school instructors in their continuing dedicated effort to foster and promote safe flight standards in all fields of aviation in Alaska.

The Alaska Transportation Commission is the sponsoring agent for a Flight Instructor Clinic to be presented in Anchorage by the Federal Aviation Administration during the month of October 1971.

Therefore, I, William A. Egan, Governor of Alaska, do hereby proclaim and call upon the people of our state to observe the week beginning October 24, 1971, as Alaska Flight and Ground School Instructors' Week to be dedicated to the Alaska flight and ground school instructors in recognition of their continuing efforts to raise the standards of aviation and assure high quality of aviation training to present and future Alaskan pilots.

Dated this 19th day of October, 1971.

WILLIAM A. EGAN, *Governor.*

RESOLUTION—HOPE FOR PEACE IN IRELAND

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. WOLFF. Mr. Speaker, the Congress and the people of this country have been deeply concerned over recent developments in Northern Ireland, especially with the growing violence and killing as a result of the hostilities between the Catholic and Protestant factions in this dispute.

I have joined with a number of my distinguished colleagues in introducing a sense of Congress resolution expressing our fervent hope for peace and setting forth our wish to see a unified Ireland, with an end to this tragic strife.

Thus, I am especially pleased to call to the attention of my colleagues in the House a resolution recently adopted by the Bedding, Curtain & Drapery Workers Union of New York, AFL–CIO, which similarly expresses the hope that this turmoil and discrimination cease in Northern Ireland.

RESOLUTION

Whereas, the Catholic population in Northern Ireland is a minority which has been subject to discrimination in housing, employment and voting rights by the Protestant majority of Northern Ireland; and

Whereas, at the request of the government of Northern Ireland, Great Britain has dispatched armed troops to aid the Protestant dominated government in suppressing the efforts of the Catholic minority to obtain equal rights, justice and opportunity; and

Whereas, the presence of the British troops has led to increased hostility and polarization between the peoples of Northern Ireland; and

Whereas, the Protestant Prime Minister of Northern Ireland has invoked "emergency powers" which permits the incarceration of the Catholic minority without trial; and

Whereas, the presence of British troops and the invocation of "emergency powers" has resulted in the death of at least seventeen people, the arrest of hundreds more, and the wholesale suspension of the Catholic minority's civil liberties;

Therefore, it is hereby resolved that the members of Local 140, U.F.W.A., are strongly opposed to British military intervention and the support which it provides the oppressive majority, and hereby demands that the British Government immediately withdraw its military forces from the territory of Northern Ireland as a step toward unity of all Ireland and freedom.

ALTERMATT OF CONNECTICUT

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. STEELE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

[From Journal of American Insurance, November-December, 1971]

ALTERMATT OF CONNECTICUT

Connecticut may be known officially as the Constitution State, but to millions of Americans it's the Insurance State, and with good reason.

Hartford, the state capital, has practically become synonomous with the word "insurance." In all, some 59 insurance companies with total assets of more than $30 billion have home offices in the state. Over 42,000 persons are employed in the state's insurance industry.

The list of Connecticut insurance "firsts" is long, but a few of them are:

The first auto insurance policy.

The first aviation policy.

The first accident insurance policy.

The first industrial engineering organization designed to reduce the number and severity of industrial accidents.

The first life insurance policy for astronauts in space.

Diversification, however, is the key to Connecticut's economy. One of the smallest states in the nation (it ranks 24th in population and 48th in area), it has the highest per capita personal income, is 12th in total value added by manufacture, and in 1970, had a gross state product of $17.8 billion.

Of the total GSP, some 38 percent was attributable to the output of manufactured products; the services on nonmanufacturing establishments added another 61 percent, and agriculture made up the balance.

Today, the state is a national leader in the production of aircraft engines, helicopters, submarines, bearings, silverware, copper rolling and drawing and the cold finishing of steel shapes.

Connecticut ranks first in the nation in the per capita number of industrial research laboratories, and in recent years there has been an influx of major business organizations relocating corporate headquarters or executive offices in the state.

During the past three years such noteworthy names as American Can Company, International Business Machines, Xerox Corporation and Schweppes, Limited, have constructed or announced plans for new facilities in the state.

Helping to underwrite the economy of Connecticut is the insurance industry which supervises the activities of the 633 insurance companies licensed to do business in the state. Heading the department is Paul B. Altermatt who was appointed Connecticut Insurance Commissioner on February 10, 1971, to a term which will expire on March 1, 1975.

Commissioner Altermatt attended New Milford public schools in Connecticut, and later graduated from Wesleyan University in Middletown. From 1951 to 1953 he served as a U.S. Marine Corps officer and had a tour of duty in Korea.

In 1956, he was graduated from Georgetown Law School, Washington, D.C., and was admitted to practice law in the state and federal courts of Indiana and Connecticut. In 1957 and 1958 he practiced law in Muncie, Indiana, and then returned to Milford where he became a partner in the law firm of Cramer and Anderson, serving until he resigned to take up his state duties.

Commissioner Altermatt is a member of the American Bar Association, the Indiana Bar Association, the Connecticut Bar Association, Danbury Bar Association, and Litchfield County Bar Association. He is also the former town attorney of New Milford and Bridgewater, and former chairman of the United Fund and Milford Hospital Fund Drive. He is also a long-time member of the New Milford Board of Education.

As a member of the National Association of Insurance Commissioners, he serves as Chairman of Zone 1, which includes eight Eastern states and the Virgin Islands. He is also a member of the NAIC Committee on Financial Condition, Examination and Reporting. In addition, he serves on the group's Valuation of Securities Subcommittee, and the Subcommittee to Consider Elimination of Reinsurance Offset in Model Rehabilitation and Liquidation Act, where he is vice chairman.

Commissioner Altermatt, 41, is married to the former Ann Taylor. They have five children.

PRESIDENT NIXON SHOULD TAKE ACTION ON CHEESE IMPORTS

HON. GRAHAM PURCELL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. PURCELL. Mr. Speaker, President Nixon should delay no longer in taking action on the Tariff Commission's recommendations on quota-type cheese costing 47 cents a pound or more.

The Commission, at the President's request, held hearings earlier this year and submitted their recommendations to him on July 28. At that time they recommended that the 47-cent-price break be eliminated and that those cheese types costing over that amount be placed in the same quota with their less costly counterparts.

Though more than 3 months has passed, the President has done nothing.

Unfortunately cheese costing more than 47 cents a pound, still outside of quota, is coming into this country at a far greater rate than last year. For the first 9 months of 1971 these were running 10 to 15 percent above the same period last year.

I believe that much of this increase is due to the fact that importers are trying to get as much shipped in as they can before quotas are imposed by Presidential action. Thus any delay on the President's part in taking action is only playing into their hands, to the detriment of the domestic dairy industry.

For these reasons it is imperative that the President take early action.

TELL IT LIKE IT IS

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. STEELE. Mr. Speaker, in politics as in advertising, these days, the emphasis is on youth. Our advertising experts tell us that the youth market is of prime importance—that young people set the styles, and will be tomorrow's major customers. As for politics, there are few among us who do not expect the new young voters to be a decisive force in the next elections.

It is one of the great strengths of Radio Free Europe and Radio Liberty and they have won a solid and increasing place in the minds of young Soviet citizens and young East Europeans. The letters they receive confirm this more and more. And RFE's audience surveys show that the steady growth in listenership which this station enjoys is coming primarily from the 16-to-25 age group.

Here are the figures—based on public-opinion polls conducted by leading West European opinion-testing institutes among East European visitors to the West.

In Czechoslovakia, the percentage of persons 16 to 25 who listen to RFE jumped from 40 percent to 65 percent. between 1965 and 1969.

In Hungary it jumped from 53 percent to 67 percent, and in Poland from 35 percent to 56 percent.

In the first two countries, RFE now attracts larger proportions of youth than of any other age groups.

In Poland the young listenership has almost drawn even with the others.

RFE's music programs have had an effect in attracting the young. But as a Hungarian boy recently wrote to Radio Free Europe:

We don't turn off the station while it broadcasts news . . . often we listen to you on the streets; the policeman stands by and pretends not to hear it. Three boys in our group are sons of Party officials, and the same is true about their fathers.

As that letter suggests, music may have initially brought a lot of young listeners to Radio Free Europe, but the radio's youth-oriented programs have held this new audience and made it a permanent one. First there is Radio Free Europe's straightforward, no-nonsense news about internal affairs of East Europe and the outside world. But also there are lively talk programs for youth, conducted by East Europeans—many of them young and only recently arrived in the West—who have learned from their own experience what it is like to be cut off from the world and even from the truth about one's own country. These programs deal with ideals, discussions and dissent among Western students, fun and fashion, films, books, religion, and history. They include free-speaking roundtable conferences and interviews which are widely popular.

A Rumanian student writing to the Neue Literatur—a cultural publication in his own land—in February of this year, explained the need for such programs. He wrote:

Here we are not used to discussions. Our heads are stuffed with the ideas and theories of other people. We do not ask for freedom to act, but why are we denied the freedom to think?

East European governments worry about their young people listening to youth-oriented programs from the West. They know that it creates a pro-Western cult, which has an underlying political significance. Nevertheless, the East European radios have been forced to copy such broadcasts and air them at the very same time Radio Free Europe does its own. Poland, Czechoslovakia, Hungary, Rumania, and Bulgaria all do this.

Hungarian officials who try to guard the ideological purity of young people have gone even further. Back in 1965, when Radio Free Europe introduced a late-afternoon program of music and talk called Teenager Party, the national youth organization's monthly journal admitted that the "overwhelming majority of the young people are definitely enthusiastic" about that program.

There have even been direct admissions of Radio Free Europe's impact. The Soviet official youth publication Komsomolskaya Pravda said last May that Western nonpolitical programs directed toward youth are "seemingly innocent"—but, it warned, the 16-year-olds who today are only interested in these programs will become accustomed to listening to Radio Liberty and Radio Free Europe and will begin to listen to other programs of these stations.

In May of last year, there was a particularly frank appraisal of Radio Free Europe in the Czechoslovak Communist Party's theoretical journal, Nova Mysl, based on a study of listenership by the Czechoslovak radio itself. The writer said this study revealed that Radio Free Europe was the most popular of foreign radio stations among Czechoslovak listeners of all ages, and especially popular with youth. The author went on, and I quote:

Analysis of the sociological structure of the respondents shows that the number of listeners was substantially higher among young people and among people of higher education, who are clearly interested in gathering information from the largest number of sources. . .

The telling point here, I think, is the admission that Radio Free Europe's listenership is highest among the young and the well educated, who want "information from the largest number of sources." The standard propaganda line against Radio Free Europe and Radio Liberty used to be that they were "cold war instruments," staffed by aging refugees who had lost touch with their countries, capable only of anti-Communist polemics or extravagant claims for the capitalist system. But that line has changed—at least among responsible critics in East Europe. They recognize that these stations concentrate on events and trends within the East European societies themselves, and that they know what they are talking about. Especially they recognize that these stations speak the same language as the young and imaginative and liberal-thinking element inside East Europe.

Czechoslovak Party leader Gustav Husak, on the day he took over from Dubcek in April, 1969, complained that the journalist and writers and intellectuals who had tried to create "socialism with a human face" in 1968 were still thinking and saying the same things a year later . . . and that Radio Free Europe was talking their language. Husak said:

If one reads the monitoring of Radio Free Europe, one finds the same things—the same way of speaking—and frequently the same terminology as one does in the writings of some of our publicists.

And a year earlier, the Polish Party Central Committee's chief of "Educational Affairs"—that is, ideological indoctrination—complained that the March 1968 demonstrations of students and writers in Poland had provided ammunition for Western broadcasters. He said:

Free Europe could proclaim to all and sundry that it had not invented an "anti-regime affair," but had merely provided a platform for the writers of Poland.

In short, what Radio Free Europe and Radio Liberty are doing is to drag facts and ideas out into the light of day, where young East Europeans can examine them and make up their own minds. And I need hardly add: the way they make up their minds will affect the future of our young people as well as themselves.

We can even hope that this ventilating of facts and ideas will persuade the Communist governments themselves to give their youth a chance to think. Let me quote again from the Soviet youth journal, Komsomolskaya Pravda, on May 29 of this year. It said that Soviet publicists could draw serious lessons from the work of Radio Free Europe and Radio Liberty, and added:

The press reports which we publish should deal more openly with the unfavorable aspects and developments of our society. It is better for us to analyze these aspects ourselves than to wait for the commentaries of Western radio stations . . . We fail to impress many people these days by talking about the "bared teeth of savage imperialism." We must analyze things more thoroughly for our young people.

When official radio in the Communist bloc acts seriously on this recommendation, it will start to draw listeners away from Radio Free Europe and Radio Liberty. Until their competition follows their route, however, Radio Free Europe and Radio Liberty have an important role to play.

WILL THE U.N. EXPEL THE UNITED STATES?

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. RARICK. Mr. Speaker, the approval of this Congress to permit the President to authorize purchase of chrome ore from Rhodesia so long as this country is dependent on Communist

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sources as the sole supplier was signed into law yesterday at noon. Such action by this Congress to approve of non-Communist sources for strategic materials vital to our national security and defense drew immediate retaliation from the United Nations. By a vote of 106 to 2 the United Nations sought by the use of world propaganda to intimidate the President of the United States to violate the laws as well as the security of the people of his own Nation.

The interesting follow up to the U.N. called for prohibition of trade with Rhodesia was U.S. approval of $528 million in export licenses for sophisticated U.S. equipment to be shipped to a truck factory in the Soviet Union.

The expulsion of the Nationalist Chinese may prove to be to their benefit. In fact, many informed Americans feel that expulsion of the United States by the United Nations "peace bloc" would benefit the United States. And they would expel the United States if it were not that we were bankrolling the organization and furnishing the real estate as well as suppling the barn which houses the conspirators.

I include the following related news clippings:

[From the Chicago Tribune, Nov. 17, 1971]

U.N. VOTES 106 TO 2 TO BAN CHROME DEAL

(By William Fulton)

NEW YORK.—Members of the United Nations General Assembly, including Red China, today ordered the United States to continue its ban on the importation of chromium ore from Rhodesia.

The vote was 106 in favor, 2 against with 13 abstentions.

The resolution attempted to force a reversal of congressional action permitting President Nixon to purchase the ore from Rhodesian sources as long as this country is dependent on the Soviet Union as the sole supplier.

The U.N. Security Council in 1968 embargoed the ore along with other Rhodesian products in an effort to bring the Salisbury white minority government to its knees.

HAS CONGRESS' OK

Both houses of Congress have approved the new legislation, which is awaiting the President's signature. The United States did not participate in today's voting on the grounds the matter was still in the constitutional process.

"We do not participate, announced Astronaut Alan B. Shepard Jr., a U.S. delegate, when his country's name was called.

Portugal and South Africa cast today's negative votes. Abstentions were registered by Belgium, Brazil, Britain, Canada, Dominican Republic, El Salvador, France, Greece, Guatemala, Italy, Luxemburg, Malawi, and the Netherlands.

Today's attempt by the assembly to apply pressure upon a sovereign state in the midst of law-making procedure was unprecedented.

CONCERN TOLD

The U.N. resolution expressed the assembly's "grave concern at the recent legislative moves in the Congress of the United States of America which, if carried thru and confirmed, would permit the importation of chrome into the United States from southern Rhodesia and thus would constitute a serious violation of the above-mentioned Security Council resolution imposing sanctions against the illegal regime in southern Rhodesia."

A key operating clause called upon the Government of the United States to take the "necessary measures" to prevent Rhodesian imports. It reminded Washington of Article 25 of the U.N. Charter stating that member countries would carry out Security Council decisions.

The resolution requested the government of the U.S. report to the assembly on the action taken.

Twenty-four countries most of them African, drew up the resolution. The Soviet Union hopped on the bandwagon.

TERMED ILLEGAL

Soviet Delegate Ivan G. Neklessa charged that the "illegal Ian Smith regime" in Rhodesia was being supported by the United States, Britain and other North Atlantic Treaty Allies.

Ambassador Huang Hua, delegate for the Communist People's Republic of China, said that his vote for the current resolution did not imply it had supported previous resolutions on this subject. This was interpreted to mean that past action had not been severe enough.

Rako Naco of Communist Albania said his delegation would have preferred a stronger resolution even to the point of condemning "United States imperialists."

Hassan Kaid Abdulleh of Somalia charged the American Congress has defied the U.N. by its vote.

RESUME ARMS DEBATE

The assembly resumed its debate on a Soviet proposal for a world disarmament conference, postponed until the arrival of the Red Chinese delegation. Representatives of Poland, Bulgaria and Hungary, Soviet satellites, were among the speakers.

Western delegates regard the matter as a grandstand play for Afro-Asian delegates demanding a greater voice in U.N. disarmament talks. The Westerners feel a global conference would be too unwieldy for effective negotiations.

[From the Washington Evening Star, Nov. 18, 1971]

NEW CHROME LAW PUTS ADMINISTRATION ON SPOT

The White House is being studiously indecisive about the new law allowing U.S. imports of Rhodesian chrome in direct violation of U.N. sanctions against the rebel white regime in Africa.

The law was contained as an amendment by Sen. Harry F. Byrd Jr., I–Va., in the $21.3 billion military procurement legislation signed yesterday by President Nixon.

Byrd argued that resuming chrome imports from Rhodesia allows the U.S. to break its current dependence on the Soviet Union for this strategic material, which is used mainly in the manufacture of steel.

But White House press secretary Ronald L. Ziegler and State Department officials noted yesterday that the amendment does not become effective until Jan. 1. Ziegler said the United States would make no comment or take any action to "jeopardize" the current negotiations between Britain and Rhodesia to end the rebellion.

PROTESTED IN U.N.

The chrome amendment has caused a storm of protest in the United Nations. On Tuesday the General Assembly voted 106–2 to condemn the United States for breaking the Rhodesian embargo. Yesterday angry black African delegates threatened to take the matter to the U.N. Security Council.

But the more immediate problem for the Nixon administration is the impact of the law on relations with Britain. British Foreign Secretary Sir Alec Douglas Home is now in the Rhodesian capital of Salisbury negotiating a compromise with the all-white regime, and the British have suggested this symbolic American break of the sanctions undermines a "tough" British position.

American officials admit that the new law, requiring the President to admit Rhodesian chrome into the U.S. so long as that ore is bought from Communist countries, is in violation of the U.N. charter. But the legislation is perfectly legal, they say, since a U.S. statute, effective subsequent to provisions of a treaty, prevails over the obligations of that treaty.

MOST FROM SOVIET UNION

Last year the United States imported about $35 million worth of chrome, nearly 60 percent of it from the Soviet Union. The administration, in opposing the Byrd amendment in Congress, argued that the huge U.S. stockpile of this strategic material was sufficient guarantee against over-dependence on the Soviet Union.

Now the administration, according to U.S. officials, is studying the new law to see whether any loopholes exist in administering it. In the meantime they are playing down the importance of this congressional mandate to break the U.N. charter.

[From the Washington Evening Star, Nov. 18, 1971]

FACTORY TOOLS—$528 MILLION SALE TO RUSSIA OKAYED

(By George Sherman)

The Commerce Department today announced approval of $528 million in new licenses for American equipment to be shipped to a truck factory in the Soviet Union.

It is the second announcement of a multimillion dollar trade deal with the Soviet Union by the Nixon administration this month. On Nov. 5 the administration said $136 million in seed grain was being sold for cash to the Soviet government.

The announcement today covers 54 licenses for truck and machine tool equipment to go to a foundry at the Kama River truck plant. The licenses, which cover potentially defense-related equipment, have been approved by both State and Defense departments.

STANS VISITING RUSSIA

The announcement follows by only a day the departure for Moscow of Commerce Secretary Maurice H. Stans on a mission to increase trade with the Soviet Union. He is scheduled to stay 10 days, returning Dec. 3 by way of Warsaw.

Before leaving yesterday, Stans is reported to have told a group of leading American businessmen in New York that the administration sees a potential of $5 billion in trade developing annually between the Soviet Union and the United States.

Given the current tally on Soviet-American trade, the estimate is considered startling by experts here. Last year the United States exported $118 million in goods to the Soviet Union, and imported $72 million from there. So far this year U.S. exports to the Soviet Union are running at $111 million, with a projected total for 1971 of $150 million.

Imports to the United States from Russia have declined. For the first nine months this year they were only $48 million, with a projected total for this year of $65 million.

But Commerce Department officials point out that licenses given for trade of potentially defense-related materials have increased enormously. So far, $1,112,000,000 worth of licenses have been given this year for such trade to the Soviet Union.

Officials note that administration has launched a calculated campaign to increase trade as a preliminary to President Nixon's scheduled trip to Moscow in May. This decision reflects the conclusion in policy-making circles that Moscow, partly because of its conflict with China, has decided to reach long-term agreements with the West.

Last June the administration sought to stimulate trade with the Soviet Union by taking grain and many other items off the list which requires prior government consent to export to the Communist bloc. It did this at the same time it announced the relaxed trading restrictions for Communist China.

The 54 licenses authorized today come on top of 15 others worth $461 million already authorized for the Kama River truck plant. The over-all project is estimated to be worth $1.5 billion and is going forward despite the decision by the Mack Truck Co. to withdraw from another $750 million deal regarding that plant.

The material authorized for the foundry today includes equipment and machine tools to manufacture truck axles and transmissions, plus the furnaces to produce crankshafts and gears.

Under American law, the U.S. government can approve these exports if it can show they will not be for military use and that the same equipment could be obtained by the Soviet Union from non-U.S. sources.

COMPUTER HARDWARE AND TECHNIQUES IN UNITED STATES UNDERUTILIZED

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. HANNA. Mr. Speaker, I have long been concerned about the underutilization of the computer hardware and techniques developed in this country. If we are to remain out in front in this exciting field, we must give greater attention to broadening the practical application of the techniques and hardware. I am including recent correspondence with the National Bureau of Standards Center for Computer Sciences and Technology. I am sure my colleagues in the House will find it worth their attention and concern:

OCTOBER 12, 1971.

MRS. RUTH M. DAVIS,
Director, Center for Computer Sciences and Technology, National Bureau of Standards, Gaitherburg, Md.

DEAR MRS. DAVIS: I want to thank you for your thoughtful and most helpful testimony before the Science Research and Development Committee, of which I am a member.

I wish to ask you two questions to be answered in writing for the record. I have long been concerned about the gap between the potential of computer hardware and the level of utilization of that hardware. I believe that this gap is due to the fact that we have two kinds of specialists (computer technicians and problem area subject matter specialists) who often are unable to communicate effectively with each other. The failure to interface computer expertise and social problems leads to underutilization of computers.

Is it your experience that the quality of performance of the Center is related to the quality of the inputs developed for computers?

Is it your opinion that the value of computers is closely related to the quality of the systems that generate the activity for which the computer is adopted?

I would very much appreciate your views on these matters. Please forward copies to me and to the Committee.

Thanking you in advance, I remain

Yours sincerely,

RICHARD T. HANNA,
Member of Congress.

NATIONAL BUREAU OF STANDARDS,
Washington, D.C., November 17, 1971.

HON. RICHARD T. HANNA,
House of Representatives,
Washington, D.C.

DEAR MR. HANNA: Thank you for your letter of October 12 requesting additional information relative to my testimony before the Subcommittee on Science, Research and Development on September 22.

Your observations and questions concerning the gap between the potential of computer hardware and the level of actual utilization of that hardware are most perceptive. The effective utilization of computer resources is a problem of serious concern to the Center for Computer Sciences and Technology at a time when there is a need to insure that computer services meet the needs of the computer customer.

I have attached an answer to the two questions you have raised. Because of the interrelationship of the two questions, I have answered them as a single question. I am sending copies of this correspondence to Mr. Philip Yeager for use by the Subcommittee as you requested.

I would be happy to provide any further information you may want regarding the subject of computer utilization.

Sincerely,

RUTH M. DAVIS, Ph. D.,
Director, Center for Computer Sciences and Technology.

Question 1. Is it your experience that the quality of performance of the center is related to the quality of the inputs developed for computers?

Question 2. Is it your opinion that the value of computers is closely related to the quality of the systems that generate the activity for which the computer is adopted?

These two questions, as we view them, directly address a major problem we all face in dispelling unjustified misapprehensions and criticisms of computers. I should like to rephrase your questions as part of my answer, however, so that there will be no doubt as to what is my interpretation.

The first question highlights the relationships between the quality of computer services provided to customers and the completeness, accuracy, and timeliness of the information supplied to the computer system for processing. It also, and correctly so, implies the need for an adequately managed information system to insure proper inspection and analysis of the inputs to computer systems followed by the correction of detected errors and the insertion of missing relevant information.

I would be quite comfortable in rephrasing your question to state axiomatically that:

The quality of computer services is directly dependent upon the completeness, accuracy, and timeliness of the inputs available to the computer system. Conversely, if the handling of information being supplied for processing by a computer system is poorly done, then the computer services being provided will not be satisfactory to customers.

Some of the most frequent and, perhaps, most disconcerting examples of the relationship between quality of input and quality of computer services provided occur in computer-based systems for maintaining customer billings and providing account statements. The pervasiveness of computer usage for these functions has exposed large numbers of people to the frustrations of inaccurate billing statements caused by poor quality inputs to the computer. Some of these cases, such as a recent one involving the repossession of a citizen's automobile based on erroneous information from a computerized billing system, are submitted to the courts for resolution.

Some business enterprises have initiated significant legal actions to recover damages resulting from alleged inadequate performance of computer systems. *Scientific American* magazine's suit to recover damages caused by the inaccurate performance of a computer system to handle files on subscribers, and Transworld Airlines' suit relative to its computerized passenger reservation system are two examples of the growing concern of business over the quality of computer services. Most often, the causes of these service problems are incorrect inputs prepared manually for computer processing.

Another example of this relationship involves the quality and accuracy of the software developed to run on computers. There is a tendency for customers to assume that the numerical results produced by their computers are accurate; however, in some cases this is an unwarranted assumption. For example recent validation tests of 27 computer programs for calculating least square representations of data showed that many of those programs gave poor results, some totally unacceptable. The major concern here is that important policy decisions may be made on the basis of computer-produced data which are invalid because of inaccuracy in the input data or in the computer software or both.

The second question addresses a very complex and significant topic about which much misunderstanding and confusion have arisen. It essentially contains its own answer. I should, therefore, like to rephrase the question as a set of descriptive statements as follows:

Computers are oftentimes acquired to perform some portion of the functions which are the responsibility of an existing organization. The newly acquired computers may perform in a different way, functions previously done or may perform new functions not done previously.

In either case, the services provided by the computer system are affected by the quality of performance of all the other organizational elements on which it depends. As a result, the actual value of a computer to a customer will be less than its realizable value when the computer is inserted into an organization of low quality performance. Similarly, the acquisition of a computer will not, *per se*, improve the quality of services provided.

Unfortunately, there are numerous examples of organizations planning the acquisition of a computer with high expectations of success in solving specific problems only to find later that the problems not only were not solved but, indeed worsened by the computer. Many local governments, for example, are finding that the acquisition of computers on an uncoordinated, departmental basis has not really solved their problems: instead the computer system makes more untenable problems in compatibility and information transferability between existing department systems. Frequently, this failure is due to narrow and inaccurate analyses of a single department's functions without regard to the interactions with other departments or without any serious attempt to streamline functions to create a quality environment in which the computer can function effectively. As a result, systems conflict with each other, create chaos in providing services, and drive operating costs upward. These difficulties, primarily the high operating costs, are forcing local governments to reappraise their computer utilization and perform comprehensive systems analyses across the whole spectrum of governmental functions in order to develop applications which are of sufficient quality and effectiveness to warrant the costs of implementation and operation.

Some eastern states are learning that computers, *per se*, will not improve the quality of services in the area of maintaining accountability of old oil and gas wells. These states, accustomed to maintaining a manual accountability of locations of such wells through files of old deeds, have attempted to automate the process. The input to the computer is information derived from deeds, a source which was inadequate even in the manual system. As a result, states which need to locate old wells to replace rotten wooden plugs in order to protect the environment against leakage and to prevent injury to people who might fall into the abandoned wells are finding that their expensive com-

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puter systems provide little improvement over the manual system. This further illustrates the correctness of your concern about the value of a computer being dependent upon other supporting systems.

LEN B. JORDAN—IDAHO'S DISTINGUISHED CITIZEN OF THE YEAR

HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. HANSEN of Idaho. Mr. Speaker, when I came to the Congress nearly 3 years ago I was given so much assistance by so many of the Members that it would be impossible for me to recount. From my own State of Idaho, Senator LEN JORDAN smoothed the path, and continues to do so, at every opportunity. No newcomer to the Congress has ever had a finer friend and mentor than I have in Senator JORDAN. On Monday night in Idaho's capital city of Boise, I was honored to be present as the 45th All-Idaho Congress named Senator JORDAN as Idaho's Distinguished Citizen.

Ralph J. Comstock Jr., president of the Idaho State Chamber of Commerce, presided at the standingroom only banquet which was attended by business and professional leaders from all parts of Idaho. He pointed out that Senator JORDAN had more than met the criteria set for the distinguished citizen recognition, that is, "achievement in the highest traditions of individual enterprise, devotion to principle and service to his State and its people."

In private life, Senator JORDAN has been a laborer, cowboy, accountant, woolgrower, cattleman, and businessman. He enlisted in the Army during World War I and earned an officer's commission before his honorable discharge. The Senator worked in lumber camps and on ranches and utilized football scholarship to help him attain a degree in business administration. He was not only a varsity halfback but his scholarship is attested to by holding the key of Phi Beta Kappa.

Senator JORDAN has given more than 20 years of service to Idaho and the United States, serving in the Idaho House of Representatives, as Governor of Idaho; Chairman, U.S. Section, International Joint Commission; member, International Development Advisory Board and as a U.S. Senator.

Since their marriage, his wife Grace, an outstanding author and lecturer, has worked by his side and shared in his public service.

Mr. Speaker, as part of my remarks I include the letter sent by President Nixon to Senator JORDAN; the text of remarks made by Marcel Learned on "Len Jordan—The Man" and remarks made by J. Lynn Driscoll in presenting the award to the Senator:

WHITE HOUSE,
Washington, D.C., November 5, 1971.

DEAR LEN: Nothing could give me greater pleasure than to express my wholehearted concurrence in your selection as Idaho's Distinguished Citizen of the Year.

Your twenty years of public service as State Representative, Governor, and United States Senator speak for themselves of distinguished accomplishment and unswerving dedication to the public trust.

There is little one can say to embellish the high standard you have set, or to add luster to the effective legislative leadership that has earned you the confidence of the people of Idaho and the respect of your colleagues and associates.

As one who has valued your friendship, your judgment and your support, I am proud to join in tribute to you as a distinguished citizen of your State and your Nation.

Sincerely,

RICHARD NIXON.

LEN JORDAN—THE MAN

Address Given at the Presentation of the Distinguished Citizen of Idaho Award to the Honorable Len B. Jordan, U.S. Senator by Marcel Learned in Behalf of the 45th All-Idaho Congress

Senator Len, Grace, President Ralph, Ladies and Gentlemen:

I consider it my very good fortune, Len, to have been asked to speak at this presentation tonight. Over a long number of years it has been not only my privilege to have been associated with you professionally and in your business affairs, but, more importantly (to me, at least) as a personal friend.

Vividly do I remember the combinations of business and pleasure I have shared with you—particularly the visits we made together to some of the ranches in which you were interested.

I seriously debated with myself as to how I might structure this presentation—should I relate all the mass of statistics and accomplishments that this man has garnered over the years? Certainly his accomplishments are many—they are most impressive. Yes, they indeed are worthy of note. Still, it seemed to me that we have gathered here tonight to pay homage to Len Jordan—The Man—not his accomplishments—and in this respect it also seemed to me that we ought to explore a bit the Inner man of Len Jordan—what makes him tick—why has he been able to ascend to high places?

A few days after I mentioned to Jane that I had been afforded this opportunity for tonight, she handed me a clipping from the newspaper that she believed might be appropriate for a "theme," as it were, for what I have to say about Len Jordan—The Man. I liked the quotation and I want to share it:

"On his desk in Tokyo, the late General MacArthur kept a plaque inscribed as follows: Youth is not a time of life—it is a state of mind. You are as young as your faith—as old as your doubt; as young as your self confidence—as old as your fear; as young as your hope, as old as your despair."

I think that quotation fits Len Jordan—for he is, in his own way, a philosophical man. And as such, he is a young man—for he has faith, he has hope, he has self confidence—and he is a believer in the rights of others.

Faith—Yes, Len Jordan has faith—a faith that is of multiple facets, Grace Jordan has said that Len's faith was based upon a belief in three things—the honesty of human nature, a just and kindly God—and the law of averages. And Len has lived by those tenets all his life. He believes in people and he thrusts them—unless, of course, someone comes along such as occurred in Washington a couple of years ago. And then he used a part of his faith—his "law of averages." He felt he had more than a 50–50 chance that a quick blow to the chin of his opponent would give him the edge. And so it did—the potential robber lost his shirt and was most happy to make a speedy exit without any of Len's possessions.

Len Jordan has always been a God-fearing man. It is interesting that when Len was attacked, he was on his way to the Senate Prayer Breakfast. He merely brushed himself off, said nothing to anyone, delivered that morning to the Senate Prayer Breakfast his speech entitled "The Good Samaritan," and then went about his business. It was only when his secretary noticed an ugly welt appearing over his eye that the story was reluctantly told later that day.

Len has solid religious beliefs—based upon the very practical approach that he needs the help of God in his everyday endeavors. It has been said that the prayers a man lives on his feet are just as important as those he says on his knees.

I think Len Jordan himself best epitomizes the honesty of human nature. Years ago, shortly after Grace and Len had come out of the Snake River Canyon and settled in Grangeville, Len had the opportunity to acquire an insurance agency. This agency had been run by a young man who had gone to the War. He was a pilot and he had been declared missing in action. The young man's father sold that agency to Len Jordan. Len took it and built the agency to more than double its previous size—then the soldier appeared on the scene, very much alive—and I'm sure we can all imagine the chagrin of the young man and that of his father who sold the agency to Len. It is a measure of the stature of *Len Jordan—The man* that he returned the business intact to that young pilot for exactly the amount he had paid for it when it was a much smaller business.

HOPE—Certainly *Len Jordan—the man* has—and has always had—hope. Len was caught in the depression days with his funds in a bank which closed for the bank holiday and that bank never reopened. Len, with a great wife and three small children, had but little else except a fine reputation, a willingness to work 18 hours each day, and a hope for the future.

A bank owned Kirkwood Bar Ranch, the "Home Below Hell's Canyon" that Grace Jordan made famous. The bank had confidence in Len Jordan. He believed his "law of averages" would help him succeed—Len Jordan had the *faith* that caused him to believe he could pay off on that ranch. Len and Grace fought the bears, they fought the cougars. Len rode the range in all kinds of weather—and they raised a family to their teens. Len worked tirelessly improving his wool and lamb output by better breeding practices. He kept his expenses trimmed to the bone. And eleven years after Len and Grace moved to the Canyon, *hope* had paid off for them. They had accumulated a modest stake and they moved their family to Grangeville. It was from Grangeville that Len Jordan was to ultimately launch his political career. Yes, Len had *hope*—he had faith—he believed in people.

And Len Jordan is a man of great *Self-confidence*. Had that not been so, he would never have risen to the heights he has achieved. I'm sure, Len, that we might be forgiven for indulging just briefly in the political arena tonight. For it was *self-confidence*—belief in yourself—that elected you Governor of the State of Idaho. You were virtually an unknown back in 1950 within the political world, were you not? I'm told that in the first meeting wherein your possible candidacy was first discussed, you, Grace, Dave Doane and Bill Campbell comprised the entire "committee."

And it was the confidence displayed by Grace, Bill and Dave that provided the spark you needed to announce your intentions. I think I'd be remiss if I didn't mention that you had a formidable press section, Len. Grace, being the writer that she is, prepared your press releases, and Bill Campbell, being the errand boy that he is (excuse me, Bill) delivered those releases to the local newspapers. Incidentally, I think it of interest that one of Len's great friends today was his Democratic opponent in that Governor's race, Calvin Wright. Well, each of us knows the results of all of your campaigns, Len. Grace has been a great campaigner with you, and you have had a multitude of great people to assist you. Your own self-confidence, your confidence in others, and their confidence in you, has always stood you in good stead.

And, ladies and gentlemen, may I indulge one bit further in the realm of politics. Len Jordan and Frank Church have made a great team in the U.S. Senate. Here, a Democrat and a Republican have stood side by side on those matters important to Idaho. And I think it a tribute when the Senator from the other side of the aisle recently said "Len, I hardly know how to say how much I shall miss you. Our relationship has indeed been ideal."

Self-confidence—Yes, indeed, Grace tells the story about Len having a very severe toothache one night when they lived in that *Home Below Hell's Canyon*. Grace's father was a country doctor who sometimes had to pull teeth. Len found the dental forceps used by the good doctor and decided he could pull his own lower molar. Things were going fine until the tooth was about half out and the forceps slipped off. The pain was doubly severe by this time, but Len set Grace's bedroom mirror on the kitchen table, pulled the kerosene lamp a bit closer, reapplied the forceps and again went to work. He grunted, he groaned, and he succeeded in extracting the tooth. Grace built up the fire, fixed Len a cup of coffee and he went to bed, obviously pleased with himself.

Len Jordan—The Man?—Might he not more appropriately be called *Len Jordan—the Gentleman?*—for the definition of a gentleman is a man who is well-bred—and a man who is an honorable person. Yes, I think we could all agree that:

Len Jordan—the Gentleman—Has Faith, not doubt; *Self-confidence*, not fear, *Hope*, not despair.

Thank you much for this privilege.

REMARKS BY J. LYNN DRISCOLL IN PRESENTING DISTINGUISHED CITIZEN OF IDAHO AWARD TO SENATOR LEN B. JORDAN

When Hugh Wilson offered me the opportunity to take this place on tonight's program and after I had accepted the invitation, I began to wonder why he had selected me for this honor. After considerable mental effort the only plausible conclusion that I could come to was that he wanted someone who by having already qualified for the groups which Len will soon be joining and who could therefore rightfully welcome him to the now much publicized Senior Citizens Fraternity and the Unemployed.

While I cannot say that I was personally acquainted with Len Jordan during his days as a sheepman below Hell's Canyon, and in the Grangeville area, I knew of him in those days and then became very well acquainted with him as Governor of Idaho, as a member of the International Joint Commission, the Canadian-U.S. Commission, working on settlements of the problems involved in the use of the waters in the rivers arising in Canada and flowing into the U.S. and vice versa; and then as U.S. Senator.

While I have not always agreed with him I have most certainly learned to respect his ability, his intelligence, his judgment and his honesty. I have seen him, as many of you have, take actions or cast votes that were not politically popular and which beyond doubt cost him votes at the ballot box but his innate honesty made him do what his conscience told him was right regardless of the political consequences.

Due to his living and working below Hell's Canyon for so many years, his experience as Governor of the State of Idaho when there was strong pressure being brought to bear to have the present Hell's Canyon Dam built by the Bureau of Reclamation to provide funds for the irrigation of the Mountain Home desert, his years on the International Joint Commission and later as United States Senator where he had full access to all the engineering studies and reports on Hell's Canyon and the Snake River, I know of no man better qualified to vote intelligently on the proper program for the use of Hell's Canyon than Len Jordan nor in whom I would have more confidence in his judgment on that question.

In passing let me suggest that if you have not already read the book, "Life Below Hell's Canyon" written by Grace Jordan, Len's distinguished wife, I suggest you do so. It is a very interesting and entertaining book.

Len, I sincerely regret your decision not to run for office again. I am very sure you could have been easily reelected but I believe I understand your reasoning. In all honesty I must say that I find myself in total agreement with your decision.

It is now my privilege to present you with the award that the Idaho State Chamber of Commerce has seen fit to bestow upon you, the 1971 Distinguished Citizen of Idaho. I know of no one more richly deserving of it.

Welcome, Len, to the Senior Citizens and the ranks of the Unemployed!!

BELL HELICOPTER—A PRIME EXAMPLE OF GOOD MANAGEMENT IN THE AEROSPACE INDUSTRY

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. WRIGHT. Mr. Speaker, it may be unfortunate in one respect that so much recognition is given to various deficiencies, large and small, in the performance of various aerospace companies on various Government procurement.

A tragic consequence of this preoccupation with negatives is the American public's image of an industry that played a major role in holding this Nation together during World War II and two other major conflicts in our century. A growing segment of the public is placed under the impression that the aerospace industry now is being led by inept, bumbling management.

Against this background it is incumbent on us to present to the public the other side of the coin.

A number of aerospace firms have, over a period of many years, exercised very good management and avoided monumental cost overruns and severe technical difficulties.

A refreshing example is Bell Helicopter Co., of Fort Worth, which has achieved an outstanding record in filling Government contracts.

Perhaps no single aircraft program has been of more importance to the U.S. Army than the development of the UH–1 "Huey" and, subsequently, the AH–1 Huey Cobra helicopters. The Bell management record on these projects speaks for itself:

During the period of 1958–69, Bell Helicopter Co. compiled a record of on-schedule deliveries unmatched in aircraft manufacturing. This achievement included one 18-month span during 1965–66 when production increased 150 percent to meet the Government's wartime needs.

While many defense-related firms have released figures showing cost overruns on their Government programs, Bell has fulfilled its obligations at below negotiated cost on more than $1 billion worth of business with the U.S. Government.

On the UH–1 and AH–1 programs, Bell has achieved cumulative value engineering savings of $18.5 million to the U.S. Government.

Cumulative work simplification program savings have amounted to $9 million.

Bell's cost awareness program, inaugurated in 1964, has resulted in overall savings of $58.8 million.

Thus these three programs alone have resulted in identifiable savings totaling $86.3 million for the benefit of the American taxpayer.

It should be noted in regard to the value engineering, work simplification, and cost awareness programs that these savings are computed on the basis of the net amount that accrued during the 12-month period following actual installation of the improvement. However, actual savings are far greater when one considers that these economies continue to accrue as long as the object of the cost improvement is in effect.

During the course of the UH–1 and AH–1 programs, Bell has maintained a high level of logistics support while meeting production demands. This has included supporting aircraft accumulating some 3 million flying hours yearly.

This Bell success story began in 1955 when the Defense Department named the company winner of an industrywide design competition to develop the Army's first turbine-powered helicopter. It was to be used for medical evacuation and general utility missions.

The initial UH–1's met or exceeded contract requirements for speed, load capacity, rate of climb and hovering capabilities. In the ensuing years, successive models have been gradually upgraded to accommodate a number of growth version engines, to double their tactical payload capacities, and to carry out a large range of missions, including weapons-firing roles.

Officially called Iroquois but more popularly known by their GI-coined name of Hueys, these helicopters also joined the inventories of the Marines, Air Force, and Navy in the 1960's—the only vertical-lift aircraft in history to enjoy such commonality of use.

There were many skeptics when the Hueys went into Vietnam combat. However, they carried out their combined roles of aerial ambulance, truck, jeep, and artillery so effectively under the most demanding climatic and topographic conditions that the conflict became known as the helicopter war.

That these versatile machines were designed to absorb enemy hits in major components and still return safely home is vividly pointed up in Army statistics. These show that throughout their service in Vietnam, the loss rate has been one helicopter for every 33,000 sorties, and their availability rate has been an extremely high 72 percent.

However, by 1964, Bell had become increasingly aware of the fact that Hueys

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serving as armed escorts for their troop-carrying counterparts required increased speed, maneuverability, range, and endurance plus improved protection for helicopter and crew.

In September 1965, Bell announced that it had developed the high-speed, tandem-seat, streamlined Huey Cobra gunship to meet these requirements. The Government awarded Bell a production contract in April 1966, and 14 months later the first Huey Cobra was delivered to the Army. This is an amazingly short period of time from diagnosis to fulfillment of a critical need. It undoubtedly resulted in the saving of countless lives. Huey Cobras were credited with blunting the Communist Tet offensive of early 1968 and have been the backbone of our close support of ground troops ever since.

During the past decade almost 10,000 of these two series of helicopters have effectively served our Armed Forces and those of other free world nations. This is a tribute to the foresight of Bell management and its parent organization, Textron Inc., and their continuing efforts in product improvement and research and development—much of which has been company-sponsored.

Bell has long been recognized as a low-cost producer. Effective and comprehensive cost controls are inherent in the company's operation.

In 1968, Bell received the first annual U.S. Army Aviation Systems Command Contractor Cost Reduction Award. In 1969, the Department of Defense cited these efforts, presenting its Contractor Cost Reduction Achievement Award to Bell.

The company has maintained close cooperation with the Small Business Administration to insure participation by smaller firms in building Bell helicopters. In 1969, 65.5 percent of purchase orders were placed with small businesses, representing 28.4 percent of dollar value of all purchases.

This is the other side of the coin—the side that all too seldom is given recognition. In the face of the highly publicized adversities with which a number of aerospace companies are faced, I believe the public is entitled to know about these and other examples of good management, cost consciousness and technical excellence in the aerospace industry.

SPEECH OF CHAIRMAN WILBUR MILLS BEFORE THE 58TH NATIONAL FOREIGN TRADE CONVENTION

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. VANIK. Mr. Speaker, on Tuesday, November 16, Hon. WILBUR MILLS, chairman of the House Ways and Means Committee—with whom I have been privileged to serve—delivered a major address before the 58th National Foreign Trade Convention. As usual, the chairman's speech was remarkable for its clarity, its directness, its competency, and its comprehensiveness.

Chairman MILLS pointed out the frightening parallels between the world trading situation which existed during the darkest days of the great depression and which exist today. He warned that while international trading imbalances cannot be corrected overnight, it is imperative that action be taken soon:

Indeed, there is every evidence that, as the timetable for lifting the additional duty on U.S. imports remains indefinite, the negotiating leverage for achieving a meaningful realignment of currencies will be dissipated.

He stated that our present drift must not be allowed to destroy the mechanisms and atmosphere which have permitted world trade to expand from $55 billion in 1950 to $311 billion in 1970.

As Chairman MILL's pointed out, the President's action of August 15 was taken without congressional authorization and without the request for enabling legislation. To provide legitimacy for this Nation's policies, to give direction and restore confidence, the Congress and the executive must cooperate in the development of new policies.

I am sure that under the guidance of the able gentleman from Arkansas we will soon be able to develop a trade policy that will be in the best interests of our own Nation and of the world trading community.

Following is a full text of Chairman MILL's statement:

REMARKS OF CONGRESSMAN WILBUR D. MILLS, BEFORE THE 58TH NATIONAL TRADE CONVENTION, NEW YORK, N.Y., NOVEMBER 16, 1971

I am both pleased and honored to be here today and to participate with you in your exploration of the "Imperatives for World Economic Progress" in this 58th National Foreign Trade Convention. This annual convention has a long tradition of deliberating on those policies of business and government which enhance the free flow of trade and investment and which contribute to economic growth and well-being throughout the world.

I am sure I am not the first speaker to pay tribute to that tradition by quoting from a statement by Secretary of State Cordell Hull. Secretary Hull spoke a great many truths concerning the importance of foreign trade and the vital necessity of international cooperation in trade relations. As I view the state of our international economic affairs, it occurs to me that a statement of Secretary Hull before the Committee on Ways and Means is particularly apropos at this time.

The date is March 8, 1934, and the statement is in support of H.R. 8430, which became the Reciprocal Trade Agreements Act of 1934. Secretary Hull observed: "The field of international trade, however, upon the existence of which the economic lives of scores of nations depend, and the economic well-being of all nations in important measure depend, is hopelessly clogged and obstructed by prohibitions, embargoes, quotas, restrictions, and numerous other economic and currency impediments. The processes of exchange and distribution have broken down and *adequate relief imperatively requires the restoration of confidence, employment, normal commodity prices, and normal trade, both internal and external.*" (Emphasis supplied.)

This description of conditions in international trade of 37 years ago appears to me to be perilously close to conditions which can develop in the world economy should the present attitudes and policies in world trade centers persist. Prohibitions, import quotas, bilateral restrictions, discriminations, economic and currency impediments are coming to be increasingly used, if not in practice, at least in terms of proposals by governments as they seek to protect their own economic situations or to redress real or alleged imbalances in their economic affairs.

There is no doubt that the economic conditions, both internal and external, which faced the United States this past summer were of an extremely serious nature. Inflation, under-employment and long-time budgetary deficits domestically, were reflected in increased imports, lagging exports, and deficits in our balance of payments and balance of trade.

These conditions to which the President addressed his action on August 13 did not develop overnight. And I believe we need to remind ourselves that they cannot be corrected in a brief period of time.

Internationally, the President's action in imposing an additional duty of 10 percent on most dutiable imports and suspending the convertibility of the dollar into gold represented for the United States a new freedom from the rules of the game as they particularly applied to this country. Given the role of the dollar in the international monetary and financial system, the United States has not had the flexibility enjoyed by other countries to adjust the value of its currency to reflect shifts in economic conditions and relative economic strengths. In trade, the position of leadership assumed by the United States had up until this summer foreclosed unilateral action in the trade field to assist in the necessary adjustments in the international economic accounts.

The President's shock treatment certainly worked up to a point. Our international economic problems have now received the attention of our trading partners which they previously had tended to ignore in face of the overall economic strength of the United States. I believe that the reaction of our trading partners after the initial shock has been for the most part one of cooperation.

The correctness of the United States action on August 15 will be lost sight of, however, if other governments are given time to react in response to pressures from their own producing interests. Indeed, there is every evidence that, as the timetable for lifting the additional duty on United States imports remains indefinite, the negotiating leverage for achieving a meaningful realignment of currencies will be dissipated.

Indeed, as Mr. Hull observed, we need a "restoration of confidence," for despite the actions of August 15, we still have a crisis of confidence on the part of the business community and labor. This is particularly true of our trade policy.

Abrupt changes in policy are usually characterized as the end of an era. It is my hope that the forces which have been set to work since August 15 will not result in the end of the era of cooperation in international trade and monetary policy in which world trade has expanded from $55 billion in 1950 to $311 billion in 1970.

Trade expansion policies, including the trade policy the United States has pursued, anticipate economic adjustments. Trade expansion policies run into trouble when the economic adjustments resulting from reduction in trade barriers develop faster than they can be assimilated by the affected economic interests. The success of the trade agreements program until recenly has been due to the recognition that trade liberalization must proceed surely but slowly if it is to remain economically viable and politically acceptable.

The leadership the United States has been able to exert in international trade is due to the fact that under the trade agreements extension acts and the Trade Expansion Act of 1962, the Congress and the President were speaking with one voice. The failure to extend the President's trade agreement authority after June 30, 1967, has contributed substantially to the deterioration of consistency in our trade policy and indeed has raised the question as to whether the United States has a trade policy.

The history of the trade agreements program has been one of the President seeking increased flexibility to deal with our trade problems internationally and the Congress providing written safeguards in recognition of the interest of producing groups in our economy. Thus, over the years, a balance of forces was achieved in delegating tariff adjustment authority to the President under specified conditions which provided for escape from situations of import competition to which industries and workers could not adjust.

In the Trade Expansion Act of 1962, the Congress granted the President more sweeping tariff reduction authority than ever before. However, despite the introduction of the concept of adjustment assistance for firms and workers injured by imports, the safeguard provisions of the 1962 Act and their administration failed to recognize that our producing interests would need quick and effective relief in dealing with the type of competition from imports that subsequently developed. In part, we failed to recognize that economic growth abroad has contributed greatly to the efficiency of foreign producers. Moreover, in administering other phases of our trade laws, we have failed to take into account the type of trade practices, often government-assisted, which have placed our own producers at a disadvantage, not only in the United States markets but abroad.

The tremendous shift in attitudes toward our trade policy on the part of a number of major industries and labor unions is compelling testimony to the failure of government policy to deal adequately with competitive forces to which our own trade laws should be addressed. It is an important aspect of the crisis of confidence on the part of manufacturers and workers.

Industry after industry has failed in its efforts to obtain relief under the tariff adjustment provisions, or, as they are known more familiarly, the escape clause provisions, of the Trade Expansion Act. Relief under the Antidumping Act or the countervailing duty provisions has either been so slow in coming or administered so reluctantly that the United States producers have despaired that the government would provide any assistance with unfair pricing policy of the foreign exporters and their governments.

There has been improvement recently in the administration of the Antidumping Act. Nevertheless, the complete breakdown in confidence of both management and labor that the government would respond to severe problems of import competition has caused industry after industry to seek legislated import quotas. Such proposals would impose quotas on imports across broad industrial sectors. Such relief is in contrast to the more selective type of relief contemplated in the escape clause provisions, and is, of course, of great concern to our trading partners, since it represents a completely different approach from trade policy that this country has pursued up to this time. Such an approach contradicts the type of international obligations which we must insist our trading partners live up to in view of our own great interest in world markets.

I share the concern of those who feel that the trade problems facing the United States are so serious that we must devise trade controls which will limit imports to a certain percentage of the domestic market. I still feel, however, if we amend our present laws wisely and prudently, we can retain the benefits of expanded world trade and safeguard our own producing interests, both business and labor.

But we must do so very soon. That is why I am concerned that we have not been able to take advantage of the imposition of the additional duty on imports to obtain quick and responsible action on the part of all major trading nations in the realization of exchange rates. It obviously is not possible to agree on a restructuring of the international monetary system in a short period of time. Nevertheless, an interim agreement on currency values could do much to quiet the concerns of many that the longer the present situation in the international monetary market persists, the more governments will resort to artificial currency manipulations and trade controls. I think we need to remember that whatever the cost of the failure to act earlier to make fundamental changes in the international monetary systems, it is at least partially offset by the great increase in world trade achieved under that system due in no small part to stable currency values. Thus, in any political strategy to reform the monetary system, I think we must keep in mind that the reforms must be accomplished without losing the economic benefits all countries enjoyed under the old system.

Among the beneficiaries, too, have been those economic interests actually engaged in international trade and investment. The indefiniteness of the present monetary and trade situation is not one that instills confidence in businessmen to make those decisions which lead to economic growth. Thus, the very nature of the present series of confrontations in trade policy give me great concern.

As I have indicated, the imposition of the additional duty on imports was basically sound and necessary in view of the currency crises and other ominous trends of last summer. Indeed, I had publicly stated my willingness to consider legislation under which a temporary border tax adjustment could be imposed. However, the President's action in imposing the 10 percent additional duty on most dutiable imports was without the specific authorization of the Congress. As you are aware, there has been no clear-cut explanation of the legal basis of the President's action under the national emergency he declared. Suffice it to say, the President has apparently terminated, in whole or in part, previous Presidential proclamations reducing duties pursuant to his trade agreement authority.

On some $4.5 billion in imports in 1970, the President's action had the effect of terminating all previous trade agreement concessions so that the rates of duty applying to imports are the statutory rates of 1930. It now appears that some importers are considering whether to petition for a ruling on the legality of the additional duty. A collateral question arises as to the President's authority, under the trade agreement provisions, to rescind the additional duty once he has terminated the previous tariff reductions.

Still another problem that must be faced is whether and how the President will deal with the last stage of the Kennedy Round scheduled to become effective on January 1, 1972, under a previous trade agreement proclamation which the President has terminated, in part, or "suspended." While such a question may appear superfluous in face of the 10 percent additional duty, it will hardly appear so minor to our trading partners.

Thus, my concern here is that, despite the obvious necessity of the additional duty, the lack of appropriate consultation with and delegation of authority from the Congress regarding this matter in particular has created uncertainty as to what trade policy in the United States is, and what the aims of this country are in dealing with our trading partners.

Again, in my own view, we are in the position we find ourselves because, by force of circumstances in both the executive branch and in the Congress, it has not been possible to work together to develop a balanced package of trade measures which would, on the one hand, give the President authority and flexibility to deal with trade problems internationally and, on the other hand, provide in our own domestic trade law reasonable and effective programs to deal with adverse competitive situations *and available to all producing interests on the same basis.*

In this regard, it is popular these days to state that many of our international trade problems will be solved if we recapture the competitive spirit and effectiveness of the proverbial Yankee Trader. I, too, subscribe to that theory. I certainly do not share the views of others that United States exports are passe, and that the United States should resign itself to becoming a service economy. Such a concept may fit the econometric models that are also popular these days, but which have little in common with the real world.

A part of the real world of international trade is contained in a number of bills pending before the Committee on Ways and Means which are based on hard analysis that existing trends in trade are robbing United States workers of job opportunities and eliminating profitable operations of many small firms which cannot adjust by investing abroad. The realities of trade policy in the 1970's, therefore, must involve a new awakening between workers and business in the United States as to the mutuality of their interest. For too long have we ignored the vital commercial aspects of day-to-day developments in our trade relations. Too often, market access problems abroad for United States producers have gone unsolved and the only viable answer for the individual corporations has become increased investment to produce abroad. It may well be that we should spend less time in coordinating policies and more time and thought to developing a single government department which will have the full responsibility for pursuing United States commercial interests abroad with the same fervor and success that foreign producers expect and obtain from their governments.

The world moves very swiftly these days. If we do not shortly begin to exhibit that maturity and political ability to understand and be understood by our major trading partners, all of the benefits we have come to enjoy from years of international economic cooperation can soon disappear. Moreover, there is a task ahead of rebuilding a trade policy for the United States which will reflect, first, its economic and, second, its political position in the world today. This task cannot be accomplished by the President alone. Today more than ever before, the President's power and flexibility to meet problems in trade must necessarily rest on the authority delegated to him by the Congress.

Finally, both management and labor must work toward the common goal of recapturing the competitive edge in producing in this market and abroad. This may sound like so much sophistry to some, but if this country is to remain the economic power and political force in the world economy that our traditions demand, it must be done through business and labor working with and through government toward their own interests both as *producers* and *consumers.*

ADMIRAL ZUMWALT OUTLINES NAVAL TRENDS

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. SCHMITZ. Mr. Speaker, Adm. E. R. Zumwalt, Chief of Naval Operations and member of the Joint Chiefs of Staff, made an excellent speech on October 14 of this year concerning various fac-

ets of the current decline of our naval forces in the face of a Soviet naval build-up which the admiral characterizes as, "a seeming frantic effort."

Before inserting this sobering assessment of the Soviet naval threat into the RECORD for the benefit of my colleagues I would like to take the liberty of listing here a few of the essential points made by our Chief of Naval Operations.

Admiral Zumwalt points out that:

Between 1966 and 1971, when the U.S. produced 88 combatant and amphibious ships, Soviet shipyards produced more than 200.

Two of the products of their development and shipbuilding are capable of directly challenging the ability of the United States to use the seas. These are the expanding Soviet anti-ship missiles, and their submarine forces. They exist and are at sea today, and they are increasing at a rapid rate.

Anti-ship missile launching platforms have increased four-fold since 1960, while the Soviet submarine force now numbers over 300 attack and cruise missile submarines as compared to the 57 which the Germans had at the beginning of World War II.

Not counting ballistic missile types, the Soviets overtook and passed us in total numbers of nuclear submarines in 1963—almost eight full years ago—and they are still building them at a faster rate than we are.

Since 1965, Navy strength has been reduced by 25 percent of its ships, 20 percent of its combat aircraft and 7 percent of its total uniformed and civilian personnel. Thus while the Soviets have been making a seemingly frantic effort to build a Navy capable of challenging our own . . . we have been sliding steadily downhill.

To replace even our present level of naval forces on an orderly basis every 25 years, we must invest $3 billion each year in new construction, at 1972 price levels. We have not been able to approach that level of investment for the last eight years.

Although the dollar level of Navy funding today is higher than in the years before Vietnam, our real purchasing power has been cut 13 percent as a result of inflation. We have in effect lost a whole generation of shipbuilding in the last decade—and, given the accelerated Soviet effort in the same period, they have established tremendous relative momentum.

Today, our allies and the uncommitted nations of Eurasia and Africa may well see themselves as increasingly encircled by offshore Soviet naval might as a result of visible and frequent Soviet naval exercises in the Atlantic, and the continuous Soviet naval presence in the Mediterranean Sea and Indian Ocean

Admiral Zumwalt projects present trends into the future and, based on an increasingly evident U.S. weakness relative to the Soviet Union, sees our allies first moving toward "an accommodation by some toward Soviet Power, then growing neutralism, and finally, the United States could become an island, economically and militarily isolated—and Americans might have no choice but to stand helplessly watching as the final sands of our hour of greatness run out."

The full text of the remarks delivered by Admiral Zumwalt at the military banquet of the Chamber of Commerce—Navy League, St. Louis, Mo., on October 14, 1971, follow:

REMARKS BY ADM. E. R. ZUMWALT, JR.

I am delighted to be with you here in St. Louis—Gateway to the West since the earliest days of the republic, and now an increasingly important gateway to world markets for the commerce of the American midwest.

It is clear that St. Louis is deeply involved in the international trade of our country when one considers that the overseas export trade alone from the port of St. Louis in 1969 amounted to a value of $322 million dollars; and further, that the state of Missouri has had the highest annual growth rate in overseas trade of all the 50 states in the past decade. These are impressive indicators that this community is indeed aware of the significance of our overseas trade.

I am sure, then, that you will be interested in hearing my perceptions of the changing realities of American maritime power—and the possible implications I see for the future, assuming the continuance of present trends. I also want to discuss with you the Nixon Doctrine which seeks a generation of peace.

First, by way of background, you are all aware that unprecedented demands are today being placed upon the energies and resources of our nation as a result of the confluence of the two great currents of world and national affairs—within the nation we are buffeted by turbulence arising from well springs of social, political and economic instability, while in the world beyond our shores, ponderous forces are afoot, slowly tipping the scales of the international security balance to a position markedly different from that of the past 25 years.

Many of the specific issues arising from these dual pressures on the nation have been widely publicized, and are therefore known to you—but I would like to speak to you tonight of a trend which is neither widely known nor clearly understood in America.

This is the fact of the declining balance of the naval strength of the United States as compared to the Soviet Union, and its implications for the future welfare of our country.

I believe that it is vital for all Americans to understand the nature and extent of the change in our military and maritime situation because, although honest men may differ in their choices of solutions to commonly perceived problems, it is essential to clearly understand the nature of the problem before an informed choice can be made. The ultimate decision makers on this, as on all issues, are the American people acting through their elected and appointed representatives. Thus, they need to be as well-informed on this issue as they are on those now more widely-publicized in the land if a rational ordering of priorities for our national resources is to be made.

Secretary Laird recently pointed out that, although the United States is the number one nation in the world economically and would maintain that position in the future, he could not say the same thing about the projected relative position of the United States militarily in the years immediately ahead. He added "I'm still convinced the American people do not want to be inferior militarily . . . and I think this talk of budget cutting will be something of the past . . . once they realize the significance of the tremendous momentum of the Soviet Union."

That momentum encompasses the full spectrum of military power. Within the conventional field specifically, Soviet naval and maritime power is on the increase, and the fact that it is has added a new dimension to world affairs. Only the best informed and most perceptive Americans have sensed that it has already changed the secure viewpoint from which we have observed world affairs since 1945. Here is why.

The Soviet Union emerged from World War II as the greatest of the European land powers. When the Soviets shortly thereafter tried to use their superior land power to acquire European and middle eastern territory, we and our allies undertook to halt them by executing a series of mutual defense agreements. NATO was the foremost of them, and was followed by a number of bilateral and multi-lateral pacts which now include over 40 nations in what has come to be known as the free world alliance system. These agreements were backed by American economic strength, our Navy and our strategic nuclear superiority. They were effective in countering Soviet thrusts and are responsible in large part for western strength and prosperity today.

These are maritime alliances in the fullest sense. They depend utterly upon the ability of the United States to freely use the seas to support its allies and to prevent them from being encircled from the sea. Their maritime nature can best be demonstrated by considering the relative positions of our friends and our potential opponents. Almost all of our allies are overseas, as are all of our potential opponents.

The President noted the unique maritime dependence of the United States in 1970 when he said:

"One other point I would make briefly is this: What the Soviet Union needs in terms of military preparedness is different from what we need. They're a land power primarily, with a great potential enemy on the east. We're primarily of course a sea power and our needs, therefore, are different."

This is a most perceptive and telling observation. Soviet vital interests require a large army and air force to protect the Eurasian heartland—our vital interests require a capability to control and use the seas which bind together the maritime alliance of which we are a part.

Why then are the Soviets committing resources to building a Navy? Because, since World War II, the balance of world power has depended upon a series of countervailing western alliances, which in turn depended to a great extent upon the large and powerful United States Navy which came out of that war.

As in the past two centuries, when Russian objectives of expansion were forestalled by the British and Japanese fleets, the Soviets today perceive the U.S. Navy as the key obstacle standing in the way of their goal.

Since World War II, the U.S. Navy, in conjunction with its allied free world navies, has been the guarantor to all that our seaborne commerce and strategic materials would continue to flow and that our interlocking alliance system was underwritten by credible naval power.

The Soviets see this fact as a point of vulnerability, and so they have carefully optimized their forces to be most effective against the U.S. Navy.

Our Navy has four principal functions and capabilities which it must provide:

First, in this nuclear age, it must contribute to deterrence of nuclear war.

Second, it must be able to control the areas of the sea that we wish to use—in short, to keep our sea lines of communications open.

Third, when it is our national policy to do so, it must be able to project U.S. power ashore on foreign soil and against opposition to protect our own vital interests or support our own or allied ground forces.

Fourth, in peacetime it must manifest an overseas presence demonstrating to our allies and possible adversaries that a challenge to our overseas interests or those of our allies may result in a confrontation with U.S. armed forces.

After the strategic nuclear role, the most essential of these capabilities is that of Sea Control, for if we are unable to use the seas against opposition, all other missions are neutralized—the Soviets also perceive this as vulnerability, and they have chosen their weapons well. The Soviet Navy thus far is designed not to overpower us on the surface of the sea and to attack our shores, but to deny us the use of the seas and to drive us from the positions from which we support our alliances. The large Soviet submarine and missile fleets are admirably suited to the task.

Having thus set the stage, let me develop the case further by pointing out four realities in today's environment which influenced our need for and govern the Navy's ability to perform these functions.

The first of these realities is nuclear parity. Today, we no longer possess superiority in nuclear arms. Soviet arms are on a par with ours.

The main effect of this stand-off is that the United States must look to conventional forces to provide the means of protecting our interests. Without sufficiently strong and mobile conventional forces we may only have two options where our interests are threatened: to engage in nuclear war, or to back down. These, as you recall, were the only options available to Khrushchev in the 1962 Cuban Missile Crisis.

The second reality is the Nixon Doctrine. Although under it we will continue to honor our commitments, it stresses increased, self-reliance on the part of our allies and promises reductions in our own overseas bases and forces. As such it contains important naval implications:

First, if we are to reduce overseas forces and bases, it is essential that we maintain a credible capability to return in force if needed—even if opposed—for in the absence of such a capability, both our allies and possible adversaries may question the worth of our commitments.

Second, our commitments demand adequate sealift. Even with the availability of the newest cargo aircraft, over 90 percent of overseas military cargoes must travel to their destinations on the surface of the oceans. For this reason, there can be no plan for the possible engagement of U.S. armed forces overseas which does not assume that we or our allies will be in control of the sea lines of communication to the threatened area.

Finally, we must maintain an independent U.S. capability to prevent an effective challenge to our free use of the oceans and of international air space. There will be times when we will be called upon to go it alone. Cuba was one such instance, Jordan in 1970 was another.

The third reality, as I have mentioned previously, is Soviet naval and maritime expansion. Since we no longer possess nuclear superiority, Soviet naval expansion gives them the potential to greatly diminish our conventional military capability to support our alliances and to protect our commerce.

As we might have expected, this Soviet naval growth can be traced directly to the Cuban Missile Crisis of 1962, when the weakness of the Soviet Navy and U.S. strategic nuclear superiority forced them to back down in the face of a resolute U.S. stand.

Since then, the Kremlin has allocated vast resources to gaining strategic nuclear parity and to naval building programs—resources made available in part by drastic cutbacks in the Soviet manned space effort. To illustrate their renewed naval emphasis, between 1966 and 1971, when the U.S. produced 88 combatant and amphibious ships, Soviet shipyards produced more than 200. The Soviet fleet now approaches the U.S. fleet in total numbers of combatant ships.

This development has not gone unnoticed by our allies—in the new edition of the prestigious naval annual Jane's Fighting Ships, its editor Mr. Raymond V. B. Blackman says:

"The situation for the U.S. Navy is serious. By any standards, the Soviet fleet now represents the supernavy of a superpower."

Two of the products of their development and shipbuilding are capable of directly challenging the ability of the United States to use the seas. These are the expanding Soviet antiship missile forces, and their submarine forces. They exist and are at sea today, and they are increasing at a rapid rate.

Anti-ship missile launching platforms have increased fourfold since 1960, while the Soviet submarine force now numbers over 300 attack and cruise missile submarines as compared to the 57 which the Germans had at the beginning of World War II. Not counting ballistic missile types, the Soviets overtook and passed us in total numbers of nuclear submarines in 1963—almost eight full years ago—and they are still building them at a faster rate than we are.

The fourth and final reality is our own reduction in the numbers and strength of our own naval forces.

Since 1965, Navy strength has been reduced by 25% of its ships, 20% of its combat aircraft and 7% of its total uniformed and civilian personnel.

Thus, while the Soviets have been making a seemingly frantic effort to build a Navy capable of challenging our own, even to the possible extent of conceding the moon race to us, we have been sliding steadily downhill. Two forces prompted our decline.

First, to replace even our present level of naval forces on an orderly basis every 25 years, we must invest $3 billion each year in new construction, at 1972 price levels. We have not been able to approach that level of investment for the last eight years.

The higher budgets of the Vietnam years were committed to replacement of losses or expenditure of weapons—shipbuilding allocations were cut back to help pay these daily operating costs of the war. In essence, we were forced to accept steadily growing obsolescence as one of the costs of that war.

Secondly, although the dollar level of Navy funding today is higher than in the years before Vietnam, our real purchasing power has been cut 13% as a result of inflation. We have in effect lost a whole generation of shipbuilding in the last decade—and, given the accelerated Soviet effort in the same period, they have established tremendous relative momentum.

If these two opposing trends continue, it is inevitable that the United States Navy will one day be inferior to the Soviet Navy.

In my opening remarks, I said that Americans must understand the nature and extent of changes in our military and maritime situation and also their implications with regard to our welfare, future security and economic well-being.

What would be the affect on Americans if the relative circumstance I have suggested does ultimately come to pass?

First, one must accept the fact that the ability to move commerce across the earth's surface, and, if need be, to project power beyond national boundaries, are foremost among the essential determinants of a nation's international importance. For the United States, both of these factors entail movement over the world's oceans.

The elements of national power are clearly understood by both our allies and our adversaries. Today, our allies and the uncommitted nations of Eurasia and Africa may well see themselves as increasingly encircled by offshore Soviet naval might as a result of visible and frequent Soviet naval exercises in the Atlantic, and the continuous Soviet naval presence in the Mediterranean Sea and Indian Ocean. They are watching these developments with interest.

No one can foresee the future, but it is possible to construct a hypothetical scenario for the future which fits the facts as they are and which is consistent with the lessons of history—a scenario which can become real only if we allow it to. First, there are certain assumptions which can be drawn from the facts as they are known today:

For instance, it is generally considered that, so long as an approximate parity in nuclear delivery and defense systems exists between the USSR and U.S., nuclear war is not likely between them. The awful results to the populaces of both nations would make initiation of nuclear attack an irrational act.

If we concede the irrationality of a nuclear war between the U.S. and USSR, we must further hypothesize the improbability of a NATO war. Because of the enormous importance of the outcome of a NATO conflict, we have tied our nuclear commitment to NATO for the past twenty-five years. The near certainty of a NATO war triggering a nuclear exchange is recognized by both parties. For this reason, it is logical to assume that both parties will try to avoid circumstances which could lead to a NATO war.

And so, my scenario is premised on an assumption that the Kremlin may therefore be expected to continue seeking to achieve its objectives short of nuclear war. And, for the first time in modern history, the door is ajar for Russia to break free of the entanglements of encircling land alliances and to spread power and influence toward historical objectives in the Middle East, Asia and even in Europe.

Under such circumstances, the Kremlin could choose to follow this course:

They could continue to avoid nuclear war, or situations which they perceive could readily result in nuclear war.

In the absence of an agreement at the SALT talks they may continue their build-up of strategic nuclear weapons for psychological effect.

They could take advantage of the momentum of their naval expansion and increase "showing the flag" or "gun boat diplomacy" actions in Eurasia and Africa.

They could continue to foster communism worldwide through aid and subversion, exported along with trade and economic programs to key areas of western vulnerability.

Finally, possibly later in this decade, if they feel they are ready, they could be free to confront the United States with superior force in a non-NATO area of the world where we must stand alone, and we might be forced to back down, as they were forced to do over Cuba. Under my hypothesis, if and when this time comes, the Soviets would be very rational and cautious, as we have been when the preponderance of power lay with us—they would be certain to allow us the option to back away—and they would carefully calculate the outcome so that our allies and friends around the world will clearly perceive the fact that we have backed away.

And, if we allow this scenario to become reality, or even to become a realistically calculable outcome, our allies may then make the interpretation that our weakness reflects a lack of will to continue as a great power, and they may choose to believe that the game is over for us all.

If they did so, there would first be an accommodation by some toward Soviet power, then growing neutralism, and finally, the United States could become an island, economically and militarily isolated—and Americans might have no choice but to stand helplessly watching as the final sands of our hour of greatness run out.

But the tragedy to America's hopes and aspirations I have described need not come to pass—there is yet time for you, and your fellow Americans, to influence the outcome.

The dilemma you face is real—the needs of our cities; of the environment; of our more deprived citizens and of an adequate defense must all be provided for—and our resources, although vastly greater than those of any other nation, are not limitless. But as President Nixon has said:

"Let us not, then, pose a false choice between meeting our responsibilities abroad and meeting the needs of our people at home. We shall meet both or we shall meet neither."

Americans know that the paths of history

are littered with the remnants of great nations whose strength at crucial times was proven second-best—and I believe very strongly with Secretary Laird and President Nixon that the dynamic ideology of individual freedom espoused by all Americans will not permit such a tragedy to overtake us or those who have stood with us.

Finally, President Nixon has designed his Nixon Doctrine around the three pillars of strength, partnership and a willingness to negotiate. We are in or about to begin many talks and negotiations which we believe can lead to a generation of peace and world stability—and the Navy's role during this period is to contribute to the strength of our nation as we negotiate.

With your help the Navy is ready to do its part of the job.

COL. RICHARD BENSON, ELKINS, W. VA., LUMBERMAN AND SKILLED PILOT, PROVIDES HAPPY HOURS FOR YOUNGSTERS FROM THE WEST VIRGINIA CHILDREN'S HOME AND GROUP OF CUB SCOUTS

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, November 19, 1971

Mr. RANDOLPH. Mr. President, much of what we see and hear is both bad and sad. News that floods our television screens, travels the air waves to our radios, and appears in newspaper type, is too often weighted on the negative side of our constantly changing American scene.

Sometimes we ponder if people are pausing, in their hurried life, to be kind and helpful to others.

Richard Benson, of Benson Lumber Co. in Elkins, W. Va., recently entertained 54 youngsters from the West Virginia Children's Home with a bountiful wiener roast, airplane rides, and short spins in Benson's 1914 Model T Ford. Benson and his wife, Dorothy, hosted youngsters from the West Virginia Children's Home who thoroughly enjoyed their hospitality.

Benson also took a group of 86 Cub Scouts, Boy Scouts, and members of their families for rides in his refurbished DC–3, the Gooney Bird. The Elkins Scouts had Carl R. "Budd" Bennett, of Buckhannon, as their copilot.

These young people were excited with their experiences, and their letters to Benson emphasized their enthusiasm, some of which were quoted in the November 8 issue of the Inter-Mountain, published in Elkins, and edited by Eldora Nuzum.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Inter-Mountain, Elkins, W. Va., Nov. 8, 1971]

IT'S LIKE CHRISTMAS—54 CHILDREN AT BENSONS SATURDAY

The tall dark-haired boy peered out the airplane window eagerly. "Boy," he said to nobody in particular, "this is just like Christmas."

He and the other 53 youngsters at the West Virginia Children's Home were invited by Elkins lumberman and pilot, Richard Benson for a ride in his DC–3 plane and for an old-fashioned weiner roast in the Benson's backyard on Saturday afternoon.

The weiner roast featured—what else—hot dogs, marshmallows, pop, potato chips and lots of games.

But the big attraction of the day was an airplane ride for every child. The children were divided into two groups and then each group went for a half-hour ride in Benson's DC 3.

All through the flights the young passengers talked and squealed with excitement.

"Wow, this is the first time I've ever been on an airplane. Can I sit with you? When are we going to take off? Hey, are we taking off? Wheeeeeeeeee! Can we take off our seatbelts now? Look down there. Is that a cow? That's not big enough to be a cow. Can I go up and see the pilot? Watch me be sick, I'm going to be sick. Hey, this is fun! Can we go again?"

Once on the ground, the children were caught up in still more excitement.

They were provided with sharpened sticks, given hotdogs and pointed in the direction of the open fire.

"That was good," one boy said happily, polishing off a hot dog. "Can I have another one?"

"Me, too," a girl chimed in. "That makes five for me!"

When the hotdogs were gone they toasted marshmallows—approximately 1,000 of them—and gulped pop. Many danced to music provided by tapes set out along the bank of the stream which borders the Benson's yard, while others threw footballs and played golf.

Some romped with the Benson's Great Dane, "Princess," and more played with "Dustball," a cocker spaniel owned by next-door neighbors Mr. and Mrs. Harry Marson.

Another star attraction was a 1914 antique car, Benson's pride and joy, which Don Adams drove and countless excited kids rode—and rode. "Can I drive, can I drive?" boy after boy shouted hopefully.

Sunday night, after the outing at the Bensons was over and only memories left, the youngsters sat and wrote to the adults who "threw" the party.

"I enjoyed the picnic very much," said nine-year old Keith Dills. I also liked the airplane ride. The most fun was the games, and the roasted hotdogs. And the very best is how nice the people were."

"I thought that everyone had a groovy time," said 16-year-old Rhonda Sands. "All I have left to say is thank you for the fun time you all gave us, and for taking time to do it."

"It was the first time that I had ridden in a plane and it was very exciting," said Francine Palmer, 14, "The food was good, I like the Model T Ford car, too. I'm glad you took time out to give us so much fun."

"I liked the airplane, that was the best," Cynthia Critelli wrote. "It was the first time I had been on one."

"I liked the plane ride very much," said 15-year-old Marvin Hollandworth. "And the hot dogs were delicious. I really liked the party a lot. I wish that we could do something for you all sometime."

"I like the picnic," wrote eight-year-old Craig Dills. "I like the airplane. I like the Model T car. I like to look down out of the airplane. I wish I could go back."

"I enjoyed the picnic and the delicious food," said Roger Graves. "I wish that I could do something for you someday. I want you to know that I enjoyed the airplane ride, and it was the first time I was on an airplane. So I guess that was the reason that I enjoyed it so much."

"We saw houses that looked like blocks and cows that looked like dots," wrote ten-year-old Joseph West. "Thanks a lot."

"Just a few lines to let you all know we enjoyed the airplane ride," Jerome Graves wrote.

"It was fun riding that and the truck. It was my first time in an airplane. I want to thank you for all letting us come to the picnic. Have a fun winter!"

"It is fun to do something you have never done in your life, and I had never been on a real airplane until you all took me," 14-year-old Lorraine Farmer wrote. "Thank you very much."

MARINER 9, FIRST MANMADE OBJECT TO ORBIT ANOTHER PLANET OF OUR SOLAR SYSTEM

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. MILLER of California. Mr. Speaker, recently a historic milestone was reached in America's unmanned space exploration program directed by NASA, when the Mariner 9 spacecraft became the first manmade object to orbit another planet of our solar system. Several days ago, I had the privilege of visiting Caltech's Jet Propulsion Laboratory in Pasadena, Calif., during the very critical orbit insertion maneuver of the Mariner spacecraft. The calculations were so precisely implemented by the Jet Propulsion Laboratory mission operations team that the orbit achieved was well within the planned nominal parameters. A small orbit trim was later performed to refine the orbit to improve telecommunications to earth.

The near perfection of this project can be traced to the high caliber of management of NASA, Caltech and the Jet Propulsion Laboratory who together achieved a rare working relationship where each contributed complementary expertise required to meet the rigid design and operations schedules.

To a large degree, the success of the Mariner program can be attributed to the conservative engineering approach of basing, in part, the design of each succeeding spacecraft upon the proven designs of prior Mariners, as well as the Ranger and the Surveyor projects. Another factor was the retention of experienced technical teams at Jet Propulsion Laboratory and NASA. For example, Mr. Dan Schneiderman, currently Mariner '71 project manager was also project manager of the successful 1967 mission to Venus. Earl Glahn, the NASA Mariner '71 program manager was also associated with Jet Propulsion Laboratory on a previous space mission.

While at Jet Propulsion Laboratory, I read an article in the Los Angeles Times for November 14, 1971, covering the orbit insertion phase of the Mariner mission. Mr. Speaker, I insert this article in the RECORD:

MARINER 9 ENTERS ORBIT AROUND MARS FLAWLESS MANEUVER SETS STAGE FOR 3-MONTH PHOTO PROBE

Mariner 9 intercepted Mars Saturday, fired its rocket brake and looped into orbit around the dust-shrouded planet 75 miles from the surface.

The flawless encounter after a flight of almost half a year marked the first time a spacecraft has orbited another planet and set the stage for three months of photographic exploration and mapping when a vast Martian storm subsides.

Scientist Albert Hibbs, monitoring spacecraft communications for newsmen announced the complete success of the extraordinary maneuver sequence after Mariner reappeared from behind the planet.

"Everything looks exactly as predicted," he said. "The results of the orbital maneuver appear to be so close to perfect they would be off if they were any closer.

EVERYTHING LOOKS GOOD

"Mariner 9 vanished behind the planet within one second of the time expected.

The battery is charging at high rate. We are getting data as we should. The spacecraft looks good. The orbit looks good. Everything looks good."

Chasing Mariner to the same target planet are two heavy Soviet probes which the Russians acknowledged Saturday will attempt to land instrument packages on the Martian surface, the first within a few days, the second at the end of the month.

Cheers resounded in mission control at the Jet Propulsion Laboratory in Pasadena when Mariner cut off the 300-pound thrust of its little braking engine at precisely the right second and again when the probe reappeared after vanishing behind the planet for 36 minutes.

Just prior to encounter, the spacecraft electronic brain maneuvered it through two turn sequences (roll and yaw) to align it properly for the 15-minute braking burn that slowed it from 10,917 m.p.h. to 8,612 m.p.h. and permitted its capture by the invisible tether of Martian gravity at 4:33 p.m.

Critical in the gyro-stabilized maneuver sequence were two periods when the probe's signals to earth were cut off in shifting antennas.

A CRUCIAL MOMENT

And particularly crucial was the regaining of Mariner's stabilizing lock on the sun after the maneuver was completed. Without power, the probe's batteries could have kept it functioning for only five minutes after it appeared from behind the planet.

As it was, the sun lock was regained shortly before Mariner disappeared behind Mars. The cruciform probe flipped into an initial orbit that carried it from a low point of about 800 miles out to a high point of approximately 11,000 miles.

The braking burn started when Mariner was 1,711 miles off the Martian surface, streaking over the sunlit side of the southern hemisphere 60 degrees below the planet's equator.

Fourteen minutes after engine cutoff—when orbit was achieved—the probe raced behind the planet and started its long climb up the far side of Mars to reappear off the dark side at a point 60 degrees above the equator.

Its momentum carried it to the 11,000-mile-high point of the orbit, called apoapsis, where its speed dwindled to 1,969 m.p.h. only to accelerate again as Mars dragged it back to the low point (periapsis) at a velocity of 8,612 m.p.h.

The spacecraft swept into its initial orbit that will be altered with a trim maneuver Tuesday to reduce the high point of the swing to 10,200 miles and settle Mariner into a two-a-day orbit routine.

Details of these distant events in space were transmitted to the monster 210-foot Goldstone antenna near Baratow, but because of the vast distance involved controllers at the Jet Lab were always more than six minutes behind time in learning what had transpired.

This also means that if Mariner's electronic brain reports some critical occurrence in the weeks to come it would be more than 13 minutes—with signals at the speed of light—before the probe could be given corrective commands (with instant response from earth), considering two-way signal time.

In passing behind Mars, and then reappearing after 36 minutes, the spacecraft provided its first occultation information for scientific study of the Martian atmosphere.

This is data obtained from variations in radio signal strengths as the transmissions pass through the Martian atmosphere just before and just after the probe is occulted or hidden behind the planet.

Three earlier flyby explorations of Mars (Mariner's 4, 6, and 7) produced only one entering and one exit occultation study each. Mariner 9, by comparison, will provide two sets of data each day—in two orbits—for a total of 180 studies in three months.

Mariner's final series of approach pictures, played back to mission control Saturday night after the spacecraft hooked into orbit, showed Mars looming huge in size but still obscured by dust raised by the storm that has been sweeping the planet.

Scientists were encouraged, however, despite the blank appearance of the planet on the TV monitors, because computer enhancements indicated that features not visible in the raw photos will show up when the pictures are finally processed.

They said also that the dust storm will be a bonanza for investigators studying variable features of the planet and said Mariner's camera should be able to follow the course of the waning storm and learn much about the processes that affect the surface.

Another encouraging factor was the improved view of the southern polar cap, which showed up distinctly in photos taken closer to the planet.

MISS KATHERINE W. CLOSE, ALLEGANY COUNTY, MD.

HON. J. GLENN BEALL, JR.

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Friday, November 19, 1971

Mr. BEALL. Mr. President, for many years the work of the Republican Party in Allegany County, Md., has been furthered immeasurably by the long and diligent work of Miss Katherine W. Close. But her dedication to the GOP is matched only by her loyalty to the Baltimore Colts in general, and star quarterback Earl Morrall in particular.

Recently, Miss Close had the opportunity to have dinner with Mr. and Mrs. Morrall, as well as with Tom Matte, stellar halfback of the Colts. Needless to say, this was a tremendous thrill for her. On November 10, 1971, the Cumberland Evening Times published an article written by its very able sports editor, J. Suter Kegg, detailing the occasion. I ask unanimous consent that the article be printed in the RECORD, so that Senators might read of the work of this fine Republican lady.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Cumberland Evening Times, Nov. 10, 1971]

MORRALL HAILS "CLOSE" CALL

(By J. Suter Kegg)

For years Katherine W. Close has been a Republican pillar, being regarded as one of the most diligent and hardest-working party members in Allegany County. So it was naturally a tremendous thrill when some years ago she met the late President Eisenhower at a reception for U.S. Sen. Charles McC. Mathias, then a congressman from Maryland's Sixth District.

But something embarrassing happened to Miss Close that day. She was so excited by the chance to shake the President's hand that she couldn't think of Allegany when he asked her which county she was from.

Two Sundays ago Miss Close had a similar experience, only this time she didn't lose her tongue. She not only met her favorite football player, quarterback Earl Morrall of the Baltimore Colts, but had dinner with him and his wife at the Green Spring Valley Inn following the Steeds' 34–21 victory over Pittsburgh.

Also in the party were Tom Matte, the Colts' veteran running back, and Dr. and Mrs. James Cotton. Dr. Cotton is head of the Geography Department at Frostburg State College.

Matte was a "friendly intruder" of sort at Green Spring Valley Inn because prior to entering professional football he played at Ohio State. And anyone who knows anything about the Big Ten realizes that Ohio State and Michigan State are enemies on the gridiron.

Miss Close became an admirer of Morrall when he was an All-American at Michigan State. She had seen him play there a number of times and followed his career with enthusiasm when he entered the NFL. In 1968, the year the Colts got him in a trade with the New York Giants, Earl's popularity rating with the Frostburg woman rose dramatically.

"Can you imagine a 62-year-old woman being a football hero-worshipper?" Miss Close asked. "But I guess it's true because there's not a player for whom I've had as much admiration as Earl. Up until I met him I read everything I could about his personal life and I pictured him as being an All-American off the field as well as on it."

She is convinced of this more than ever following the dinner meeting of two Sundays ago. The same goes for Morrall's wife, Jane. "She, like Earl, is the type of person upon meeting for the first time, you think you've known all your life. And whereas I couldn't talk when I met President Eisenhower, I do not believe I ever stopped chatting during my visit with the Morralls."

Miss Close didn't go to Baltimore empty handed upon learning that she was going to meet the Morralls. She baked one of her special pound cakes and took it along, topping it with, as she put it, "real yummy icing with lots of calories."

The surprise of the day, however, was the appearance of the amicable, ever-smiling Tom Matte. "He really put the icing on the cake," she said, "in spite of being from Ohio State."

Miss Close is an authority when it comes to cakes. Prior to retiring three years ago, she was home service counselor in schools and among homemaker groups for the Potomac Edison Company for 38 years. She has also served many years as judge of baked goods in the Cumberland Fair as well as the Garrett County Fair.

Up until last year Miss Close, who resides at 93 Broadway in Frostburg, had seen Michigan State in at least one home game for 17 straight seasons. Her brother-in-law, Louis Potter Jr., is professor of music at MSU, a position he held prior to that at Illinois.

She used to see Illinois play, too, but no one on that team ever impressed her as has Earl Morrall.

Miss Close never saw a pro grame in person until this year. She sat through the rain in Baltimore's opener with the Jets, as she did when the Colts entertained the Steelers. "But it was worth it, well worth it," she said. Morrall happened to lead the Colts to victory in both games.

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SURRENDER OF PANAMA CANAL?

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. RARICK. Mr. Speaker, as my State of Louisiana is an important coastal State with large numbers of people involved in shipping. I have long been interested in Panama Canal problems because 70 percent of trans-Isthmian traffic either originates or terminates in U.S. ports. What happens to traffic through the Canal inevitably makes its impact on many States in our country, especially those with ocean shipping, such as Louisiana.

In recent years in the Congress I have observed with increasing concern that, because of ill-advised policies of placating radical revolutionary groups in Panama, continued U.S. sovereignty over the Canal Zone and Canal is in serious danger.

This, Mr. Speaker, is not accidental but the result of inept conduct of canal policies on the part of certain elements in the Department of State who at this moment seem determined to surrender to Panama our treaty-based sovereignty over the Canal Zone, regardless of the provision of article IV, section 3, clause 2 of the U.S. Constitution that vests this power in the entire Congress and not alone in the treatymaking department of our Government—President and Senate.

On November 8, 1971, the able and distinguished chairman of the House Panama Canal Subcommittee, Mr. MURPHY of New York, announced that on November 29 his committee would start hearings on the entire canal problems. This is most fortunate for the taxpayers of our country who as of June 30, 1968, had invested a net total of more than $5,000,000,000 in the Panama Canal enterprise, including its defense.

In this connection, I would stress that the Canal Zone is not an ordinary piece of real estate comparable to that for a shopping center but a strategic major artery of marine transportation. It is naive or worse for officials of our government to think that they can give away a bowling alley or other elements of that vast industrial enterprise with impunity, for the canal must remain wholly American or it will be lost to the only other great power capable of handling it.

As informed Members of both the Senate and House have repeatedly stressed the real issue at Panama is not United States sovereignty over the Canal Zone versus Panamanian but U.S. control versus U.S.S.R. domination. Its loss by the United States as planned by certain elements in the State Department would be a threat to the entire free world.

On November 18, 1971, Anthony Harrigan published in his column Sensing the News, an interesting discussion of the present Canal situation. I note with special interest that he did this on the 68th anniversary of the signing of the treaty with Panama that granted the United States exclusive sovereign powers over the Canal Zone in perpetuity for the purpose of constructing, maintaining, operating, sanitating and protecting the Panama Canal.

Because of the timeliness and pertinence of the indicated article, I quote it as part of my remarks:

SENSING THE NEWS

(By Anthony Harrigan)

SURRENDER OF PANAMA CANAL?

Current negotiations concerning the future of the Panama Canal could lead to another setback for the cause of freedom in this hemisphere.

Public attention has been focused on the Nixon administration's new Asian policy, which has resulted in expulsion of the free Chinese from the U.N. and American appeasement of Red China. But the U.S. is in danger of surrendering strategic advantage much closer to home. In Washington, many observers believe the Nixon administration is prepared to turn over much of the Panama Canal Zone to the Panamanians.

No need exists for such action. The United States purchased the Canal Zone and dug the canal. It has been generous, perhaps excessively generous, with Panama. The U.S. has a right to the Canal Zone in perpetuity.

Control of the Canal Zone is one of the few strategic and political advantages the U.S. possesses in Latin America after a decade of retreat from a position of unquestioned power in this hemisphere. Indeed the Panama Canal is essential for interfleet mobility for major U.S. naval vessels. Effective operation of the canal wouldn't be feasible if an unstable, left-oriented Panamanian government controlled the Canal Zone. Panama, unfortunately, is a notoriously unstable country.

Sen. Strom Thurmond (R-S.C.) recently pinpointed the strategic importance of the Panama Canal, saying: "As an artery of marine transportation, the Panama Canal enterprise became, and still is, a part of the coastline belonging to the United States. As such its exclusive control by the United States is necessary for national defense just as the control of the Chesapeake Bay or New York Harbor is necessary for national defense."

The senator added: "It is discouraging to report that negotiations are once again underway with Panama, even though the present government is a revolutionary regime with little prospect of stability and with no procedures for ratifying a new treaty."

It is shocking that U.S. officials would contemplate giving away a U.S. strategic advantage and throw away the vast sums American taxpayers have invested in the Canal Zone. Transfer of the Zone to Panama would deprive the United States of significant military and economic protection. It is doubtful that the U.S. could use the canal in a time of international crisis if an antagonistic regime were in charge in the Canal Zone. Indeed whoever controls the Canal Zone is in a position to exert leverage on all countries using the canal, especially the South American countries whose goods must transit the canal to reach U.S. and European markets. Panama is not a suitable country to exercise this leverage. The world already has had bitter experience with another unstable country—Egypt—controlling a key waterway.

Today, the Panama Canal Zone is an island of freedom in a region ridden with demagogic or totalitarian regimes. Central America, in particular, has a long history of petty dictatorships and violence. In World War II the free world narrowly avoided Axis political domination in Panama.

An American resident of the Canal Zone recently protested in a letter to The New York Times any sell-out of the U.S. control of the Zone, noting "the rule of terror under which the people of Panama exist." The author of the letter asked: "Is this the kind of life we are expected to live in the Canal Zone? Are we Americans, who have fought for freedom since the birth of our country, going to surrender now?"

Now is the time for the American people to let President Nixon know that they are opposed to any surrender of U.S. sovereignty in the Panama Canal Zone or any lessening of American control over the "Crossroads of the World." If the American people don't assert their convictions on this point, the U.S. security interest in the Panama Canal Zone may fare as the cause of the Free Chinese has fared at the hands of liberal advisers in the White House and State Department.

MEMORIAL RESOLUTION FOR THE LATE CLINTON M. HESTER, CHAIRMAN, EXECUTIVE COMMITTEE, MADISON MEMORIAL COMMISSION

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, November 19, 1971

Mr. RANDOLPH. Mr. President, Clinton M. Hester, a cherished personal friend and, until his death recently, chairman of the executive committee of the James Madison Memorial Commission, will be missed by members of the commission and those who are interested in and have worked for the Madison Memorial Library.

Clinton Hester diligently studied the Madison era and gave exceptional service to the commission. He was dedicated to this high purpose and toiled each day as a gentleman and benefactor.

Dr. Harold W. Dodds, chairman, James Madison Memorial Commission, and public members: Dr. Colgate W. Darden, Jr., Norfolk, Dr. William T. Hutchinson, Chicago; Senate Members: ALAN BIBLE of Nevada, WALLACE F. BENNETT of Utah, ROMAN L. HRUSKA of Nebraska, and the Senator now speaking; House Members: EMANUEL CELLER of New York, JOHN M. SLACK, Jr., of West Virginia, WILLIAM C. WAMPLER of Virginia and S. FLETCHER THOMPSON of Georgia, have participated in the formulation of a memorial resolution for Clint Hester.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

MEMORIAL RESOLUTION FOR THE LATE CLINTON M. HESTER, CHAIRMAN, EXECUTIVE COMMITTEE, MADISON MEMORIAL COMMISSION

The members of the James Madison Memorial Commission record with genuine sorrow the death of Clinton M. Hester, Esquire, a member of the Commission since its creation and for several years Chairman of its Executive Committee. Mr. Hester was a lifelong student of the Madison period of our country's history and deeply interested in the Madison Memorial Commission. He was firm in his determination that Madison, who played such a leading role in the formative years of our nation's history, should be memorialized in an appropriate manner. We regret that his hope to see this realized in the form of the Madison Memorial Library of the Library of Congress to the accomplishment of which he contributed so substantially could not be fulfilled. He was untiring in promoting the aims of this Commission. His devotion and his valuable services as Chairman of our Executive Committee will be a constant reminder of his exemplary citizenship.

THE OLD FIRST CHURCH OF SPRINGFIELD, MASS., BECOMES A HISTORICAL LANDMARK

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BOLAND. Mr. Speaker, the Old First Church of Springfield, Mass., one of New England's most striking examples of the lingering Federalist influence on the Greek revival architecture of the early 19th century, has just been designated a historical landmark by the Massachusetts Historical Commission.

It is a beautiful church, Mr. Speaker, and it wholly merits its new status.

Completed in 1819 in what is now Springfield's Court Square, it is the earliest extant church by Isaac Damon and quite probably the second one he designed. The parish it serves—the First Congregational Parish—was organized in 1637 and is now considered the oldest continuing body of worship in Massachusetts.

I was honored, Mr. Speaker, to take part in the ceremonies dedicating the Old First Church as a historical landmark.

I place in the RECORD an Old First Church bulletin outlining the church's history, the program for the dedication ceremonies, and an article about the church published August 25, 1819, in Springfield's old Federalist & Journal:

REACHING BACK WHILE REACHING FORWARD

Blest more than most churches with a glorious past, we who are privileged to serve the church today drew strength from the past in order to thrust curselves into the present and future with the same Gospel proclaimed by those who have gone before us. It is with a deep sense of the past, and appreciation for it, that makes us a unique community of Christians facing the future together. The church has always been that instrument of God's which combines both past and present and has a unique ability to survive into the future.

Next Monday afternoon at 2:00 p.m. in our sanctuary we will be invited to share a joyous occasion involving our rich heritage. It will also give us an opportunity, both as individuals and as a church, to reevaluate ourselves and our ministry and think again of reaching forward into the future.

You will recall that on September 12 a special meeting of the church was held following our regular morning worship. At that meeting a motion was passed that requested the Massachusetts Historical Commission to designate Old First Church an historical landmark. This action had been on the minds of many of our members for many years and the motion presented to the meeting on September 12 was passed with great enthusiasm. As a result of our action, the Massachusetts Historical Commission will hold an open public meeting in our sanctuary on Monday afternoon, October 18 (this coming Monday) starting at 2:00 p.m. The purpose of the meeting will be to certify our beautiful church as a state landmark.

It will mark another significant milestone in the long history of Old First Church. Please plan to come. If you work, try to get an hour off; and if you have other appointments, perhaps you will feel this to be important enough to rearrange your schedule. Your presence will help us make it the grand and glorious day memory of the past and hope for the future that it deserves to be.

Many of you will not need to be reminded that our present building is the fourth meetinghouse to accommodate our congregations throughout its long history. The Massachusetts Historical Commission, after inspecting the church and reading something of its history, has prepared an evaluation that will undoubtedly become an important record for the church. The evaluation reads:

"The First Church of Christ, Congregational, completed in 1819, is the earliest extant church by Isaac Damon and is probably the second church he designed. This is the fourth meetinghouse built for the First Parish, which was organized in 1637 and is thought to be the oldest continuing body of worship in Western Massachusetts.

"The First Church seems to set the pattern for church design Damon was to follow throughout most of his career. Elements used in the First Church—the tower and arch, the spire stages derived from the Wren-Gibbs idiom—continues to appear in Damon's later churches.

"The style of the First Church is a country builder's interpretation of the transition between the late Federal and early Greek Revival styles. The building contains the same components as the numerous New England meetinghouses built during this period. A rectangular mass with pitched roof houses the auditorium. The giant Doric portico, carrying the same roof pitch as the auditorium, serves as a focal point for the entrance. The tower, which partially projects from the auditorium, rises from the platform of the portico through its roof. It is supported, in part, by the roof of the auditorium and terminates in a three stage spire.

"Although alterations to the auditorium have been made at various times, the basic proportions of the room have not been disturbed and little change has been made in the components most important to the character of the church. The gallery, which is supported by graceful Ionic columns, still runs along three sides of the chamber. The original coved ceiling remains in place, though its curves have been shortened and decorative detail added at a later date.

"In the 1870's a brick Parish House was added to the rear of the Church. This Venetian Gothic structure was altered in the mid-twentieth century, but fortunately a few original architectural details remain."

In 1945 the church published a booklet entitled "Meeting Houses of First Church of Christ" written by Harry Andrew Wright. At the end of that booklet he mentions the great timbers in the church which came from far up the Connecticut River. They were immense white pines that cannot be found today. He also relates the following:

"Here worshipped Thomas Blanchard, who in 1825 (146 years ago) drove through Main Street in the world's first automobile, a car equipped with three-speed transmission, foot brake and differential. Here came John Brown, whose soul still marches on. Here Jenny Lind sang. In 1848, in the center aisle, the body of John Quincy Adams lay in state when enroute from Washington to Boston."

And to this place, so lovely and beautiful, so rich in memories, and so filled with hope and faith for the future, we have invited our Mayor, our Commissioners, our friends and loved ones, to hear the Massachusetts Historical Commission hold their meeting and designate this church as a State Historical structure. Do plan to be with us as we reach back and reach forward.

WELCOME TO OLD FIRST CHURCH ON THE OCCASION OF ITS CERTIFICATION AS A MASSACHUSETTS HISTORICAL LANDMARK

MEMBERS OF THE MASSACHUSETTS HISTORICAL COMMISSION

John F. X. Davoren, Chairman.
Dr. Richard W. Hale, Jr., Acting Chairman.
Thomas B. Adams.
Dr. John O. Brew.
Msgr. Edward G. Murray.
Robert F. Needham.
Prof. William H. Pierson, Jr.
Dr. Maurice Robbins.
Dr. Clifford K. Shipton.
Dr. Walter M. Whitehill.
Albert B. Wolfe, Esq.
Carroll P. Sheehan.
Alfred Sherman.
Arthur W. Brownell.
Bruce Gullion.
Miss Anne Wardwell, Survey Director Commonwealth of Massachusetts.

OPEN MEETING OF THE MASSACHUSETTS HISTORICAL COMMISSION

Certification ceremony

Remarks from the Senior Minister of Old First Church, Rev. Delwin R. Lehmann.
Remarks from Mr. Robert Walker, Chairman, Special Committee of the Church.
Remarks from the Honorable Frank H. Freedman, Mayor of Springfield.
Remarks from the Chairman and-or Acting Chairman, State Historical Commission.
The Anthem, Old First Church Choir, "How Lovely Is Thy Dwelling Place" from Brahms "Requiem".
Dedication Prayer, Rev. Lehmann.
The Singing of the Hymn 284, "O Where Are Kings and Empires Now."
Remarks and Benediction, Dr. Frederick Field Driftmier, Senior Minister South Congregational Church.
The Procession to the Hall of Records. The Commission and Representatives of the Church.

INVITED GUESTS

The Honorable Edward P. Boland, Representative.
The Honorable Frank H. Freeman, Mayor.
Commissioners of Hampden County, William F. Stapleton, Chairman, Armando G. Dimauro, Stephen A. Moynahan.
Springfield City Council Members, Paul Sears, President.
Springfield Planning Board, Stephen Pitkin, John R. Wilson.
Miss Juliette Tomlinson, Director, Connecticut Valley Historical Society.
The Council of Churches of Greater Springfield.
Historical District Study Committee, appointed by the Mayor, Stephen E. Hays, Mrs. Raymond Kalita, Mrs. Theodore Morehead, Lester J. Premo, Donald O. Reichert.
Rev. Avery Post, President, Massachusetts Conference, U.C.C.
Rev. James L. Lancaster, Western Area Office, Massachusetts Conference, U.C.C.
Mr. J. Norman Alberti, Moderator Old First Church.

[From the Springfield (Mass.) Federalist & Journal, Aug. 25, 1819]

DEDICATION

On Thursday last, the capacious and stately house recently erected by the first parish in this town, for public worship, was set apart by religious services for the name of the Lord God of Israel. The Rev. Mr. Osgood preached from Zechariah vi, 12 & 13. The sermon was practical, highly-finished and impressive, and might fearlessly abide scrutiny in word, or doctrine.

The Rev. Mr. Storrs, of Longmeadow, pro-

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nounced the consecrating prayer with eloquence and devotion.

Col. S. Warriner, of Pittsfield, led in the performances of sacred music, and to those who know *him*, it is needless to say they were of the first order: They consisted of four set pieces, selected very judiciously in point of length and character. We wish those who decry every attempt at excellence among Americans, could have heard on that day, "Ordination Anthem," composed by T. Hastings, an *American*, sung by an *American* choir, with an *American* master at their head. But "every one to his notion;" we wish ours might be as well suited in some of our grand cities, by some of the trans-atlantic nonpareils.

Every part of the day's services was orderly and gratifying—we rejoice in the liberality that has erected this grand temple—we hope its sacred walls will neither witness a diffusion of the unprofitable speculations of men, nor the extension of unwarrantable indulgence to their consciences—we hope the watchman who is set over this branch of the house of Israel, will never cease to blow the trumpet, and warn the people, whenever and from whatever quarter he sees the coming of the sword, and that he who walks around our holy dwelling may ever be justified in making a good report.

The house was filled to overflowing—it is pretty accurately ascertained that more than three thousand people have assembled on this occasion.

A CARD

We think ourselves safe, when in behalf of the parish generally we publicly testify to the orderly and exemplary deportment of the workmen who have just completed our meetinghouse—Capt. Isaac Damon, the Architect, will long be remembered by us with that respect and regard which the upright, useful and liberal citizen will always find.

DECLINING QUALITY OF URBAN ENVIRONMENT

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Friday, November 19, 1971

Mr. METCALF. Mr. President, one of the most critical domestic problems facing this Nation today is the rapidly declining quality of the urban environment. This is a problem of massive proportions encompassing every area of critical concern to the American people. The difficulty of eliminating pollution and overcrowding, providing adequate transportation and housing facilities and, in general, improving the quality of life for all Americans are amply reflected by the deplorable conditions in many of our Nation's cities.

Last semester, the University of Pennsylvania's Graduate Division of Civil and Urban Engineering and Office of Continuing Engineering Studies conducted a "Colloquium on Urbanism" to provide an in-depth consideration of the urban dilemma and its relationship to the engineering profession. On March 31, 1971, the distinguished junior Senator from Washington (Mr. JACKSON) presented a lecture entitled "Overview on Environmental Problems" to colloquium participants. Mr. President, in view of the significance of the Senator's remarks to the activities of Congress, I ask unanimous consent that major excerpts from the address be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

OVERVIEW ON ENVIRONMENTAL PROBLEMS

(By Senator HENRY M. JACKSON)

I. INTRODUCTION

The task of upgrading our metropolitan and urban areas is actually only one aspect of the larger national objective of providing quality life in quality surroundings for all Americans.

Unfortunately, the importance of this aspect is often lost amid the fashionable enthusiasm and expressions of grave concern which spur the vanguard of each new social movement bent on creating new public values. We must be cautious not to minimize the problems confronting our urban areas and direct ourselves in a conscious effort to achieve a balanced perspective from which to analyze and hopefully, to develop realistic and attainable solutions.

The American city in the decade of the 1970s embodies in an intensified form all the environmental problems which the American people presently face. Overcrowding, pollution, noise, severe strain on common and finite resources, lack of recreational opportunity, and inefficient and destructive use of the land are among the problems significantly magnified by the pressures of congestion, by exaggerated notions of the rights of private property, by the inertia of history, and by outmoded laws, policies and institutions.

These problems in turn exacerbate the disparities which exist among the various income groups. The 1970 Census reveals that while 20% of the American population receives 48% of the total national income, another 20% receives only 3%. Of the latter group, over one-half reside in our urban areas. It is toward this segment of the population that a major part of our national efforts to improve the quality of life must be directed, for it is this group to whom the advantages of a quality environment have been most consistently denied by choice, by economic factors and by unequal access to amenities.

We must also keep in mind that, as this nation embarks upon the implementation of an urban policy with renewed commitment and with newly acquired legislative tools, we must, at the same time, apply considerable energy and resources to the development of an effective program which will revitalize our rural communities and halt the substantial out-migration to urban areas.

In 1790, when the first census was taken, 95 per cent of our population lived in rural areas. Today only 10.5 million—less than 5 per cent—remain. At the present time, 70 per cent of our population is crowded onto 1 per cent of the land. And the rural to urban shift is still gaining momentum.

Today over two-thirds of the American people live in some 230 metropolitan areas. If past trends continue the next 100 million Americans will also live—whether they want to or not—in one of these already overburdened cities and compound the problems which congestion generates.

Only three years ago, amidst a climate of intense racial and social unrest aggravated by rapidly deteriorating systems of essential public services, the condition of our nation's cities and metropolitan areas came to the fore as a matter of critical national concern. The ills plaguing our cities were easily identified: overcrowding, inefficient transportation systems, increasing tax burdens, unequal job opportunity, inadequate educational facilities, unavailable or barely habitable housing, racial discrimination, shortages of medical services. All these problems elicited intensive efforts to develop new approaches and new programs to improve the urban social environment.

Over a short period of time, however, widespread public concern and government support have subsided, to be roused only sporadically by the occasional tragic incidents of hot summer days. A look at our cities today reveals that little of substance has been achieved and the priority social problems of three years ago remain and, in many cases, have grown worse.

Simultaneous with the decline in constructive actions to improve the state of our cities has been a growing public awareness of the condition of our environment. The attainment of environmental quality has emerged as a major national objective. It is my hope that this new national goal will not be transitory and will not fade from the minds of the American people and their elected representatives before meaningful progress has been made toward its attainment. Perhaps the most important aspect of this growing concern is the recognition that the concept of "environment" embraces far more than merely the natural environment of air, water and land; but also includes man-made environments, both economic and social. If we are to attain a "quality environment" not only must we clean our rivers and curb the pollution of our atmosphere, but we must also eliminate poverty, improve education, and provide decent housing and jobs before it can be justly said that we have achieved a quality life, in a quality environment for all Americans. It is through recognition of the enormous scope of the problem which confronts us, and of the inter-dependence of both natural and man-made environments that progress has been made. No longer will we delude ourselves into believing that ending water pollution, preserving wilderness, providing jobs or improving education will alone solve our "environmental" problems.

Another point which is important to attaining a perspective on the problems of the urban environment is that programs to remedy these problems require money. Environmental programs, to a large extent, must compete with other programs for scarce funds. Fortunately, a large portion of the required funds will, through new laws and the direction of new institutions, be spent by private enterprise to correct past abuse and to avoid future misuse of the common resources of air, water and land. There is also the question of individual responsibility. Whether we can in fact turn our vast national resources, human, natural, scientific and technological, to the accomplishment of the task at hand is largely dependent upon the ability of the American people to internalize those understandings, values and attitudes which will guide their conduct in a manner which will result in a better environment.

II. THE EMERGENCE OF ENVIRONMENTAL MANAGEMENT AS A PUBLIC FUNCTION

1. Changing needs and values

As the United States approaches her 200th Anniversary as a nation we are confronted by a circumstance that is totally new in human history. Man has rapidly completed the occupancy of the easily inhabitable areas of the earth while his numbers have continued to increase at an accelerating and exponential rate. Simultaneously, unprecedented economic power and advances in science and technology have permitted man to make enormously increased demands upon available resources and the environment. In no nation are these coincidental developments—especially man's mastery of science and technology—more dramatically evident than in the United States. And yet, many Americans still find it difficult to understand why environmental management should now suddenly become "everybody's business." Long-accepted values, traditions and ways of thinking and acting in relation to one's surroundings are now being called into question. A better understanding of what has happened can be obtained by a simple exercise in arithmetic.

At the time of the American Revolution the total population of the continental United States barely exceeded 3 million individuals. The resource and environmental demands of the American Indians and European colonists on the Atlantic seaboard were very light when contrasted with current exactions and pressures. By the close of the 20th century if the U.S. population approximates 300 million, which is entirely possible, the daily stress man places on the environment will, on the basis of numbers alone, have increased 100 times over. Technology has alleviated some forms of stress (as on forests for fuel or on wildlife for food) but science, technology, man's mastery of sophisticated machinery, and tremendous consumption of energy resources has greatly increased environmental stress in general. The net result has been enormous and unprecedented demands upon the environment and on a finite resource base.

The rate at which the Nation has changed since 1890 when the frontier officially ceased to exist has been unexceeded by any other social transformation in history. Scarcely one long generation removed from the last days of the frontier, America has become an urbanized and automated society with publicly institutionalized values in social security, labor relations, civil rights, public education, and public health that only a short while ago were considered utopian and radical. In the absence of a system for adequately assessing the consequences of technological change, who could have predicted the many ways in which applied science would transform the conditions of American life? Powerful new tools applying the discoveries in chemistry, physics, biology, and the behavioral sciences were put to work for improving the health, wealth, comfort, convenience and security of Americans. Using the vast natural resources of the American environment, we were able to achieve the world's highest standard of living in a very short period of time. Unfortunately, we are now coming to recognize that our productive technology has been accompanied by side effects which were not always foreseen nor welcomed. Experience has shown us that large social costs as well as benefits can flow from the careless application of technology.

Over the years, in small but steady and growing increments, we in America have been making very important decisions concerning the management of our environment. Unfortunately, these haven't always been very wise decisions. Throughout much of our history, the goal of managing the environment for the benefit of all citizens has often been overshadowed and obscured by the pursuit of narrower and more immediate economic goals.

It is only in the past few years that the dangers of this form of muddling through events and establishing policy by inaction and default have been very widely perceived. Today, with the benefit of hindsight, it is easy to see that in America we have too often reacted only to crisis situations. We always seem to be calculating the short-term consequences or the alternatives open to future action.

This nation long ago would probably have adopted a coherent policy for the management of its environment had people recognized that overstressing or misusing the environment incurred huge social and economic costs. This recognition came belatedly for several reasons: environmental deterioration in the past tended to be gradual and accumulative, so that it was not apparent that any cost or penalty was being exacted; it seemed possible to defer or to evade payment either in money or in obvious loss of environmental assets; and the "right" to pollute or degrade the environment (unless specific legal damages could be proved) was widely accepted. Exaggerated doctrines of private ownership and an uncritical popular tolerance of the environmental side effects of economic production encouraged the belief that costs projected onto the environment were costs that no one had to pay.

Today, the American people and government at all levels are coming to realize that to enjoy the benefits of technological advance, the environmental costs of all that we do must be made a part of all products and all resource-commitment decisions. From now on "pay-as-you-go" will increasingly be required to insure against the risks inherent in man's manipulation of nature.

2. A public environmental policy and philosophy

Fulfillment of this new public responsibility means that government must break the shackles of incremental policy-making in the management of the environment. We must recognize that in order to make intelligent decisions which are not based in the emotion of conservation's *cause celebre* of the moment or in the error of simply perpetuating past practices, a national capacity must be developed for constructive criticism of present policies and the development of new institutions and alternatives in the management of land, air, water and living space. Developing this capacity requires that representatives from all elements of our national life—industry, the university, Federal, State and local government—participate in forming the needed policies. It requires the creative utilization of technology to improve the condition of the environment and to prevent unanticipated future instances of costly abuse. It also requires that government, business and industry pay closer attention to a far greater range of alternatives and potential consequences when they make decisions having environmental impacts than they have in the past.

In the 1960's there were sporadic, uncoordinated efforts to deal with various aspects of the "environmental problem." All of these efforts were responses to specific problems. We did not attempt to formulate, let alone achieve, a coherent statement of policy or public philosophy with respect to man's relationship to his surroundings. This awaited the 1970's.

On January 1, 1970, the "National Environmental Policy Act of 1969" became law. Though few realized it at the time, this measure was to make important institutional reforms and fundamental and far-reaching changes in the Federal decision-making process. Environmental values which had in the past been ignored with impunity were suddenly elevated as a matter of Federal law to the status of national goals. All Federal agencies were directed to consider environmental values in all of their actions. A three-member Council on Environmental Quality was established in the Executive Office of the President to insure that the statutory mandate was followed and that environmental issues of national concern received the personal attention of the President.

Adoption of the Act constituted Congressional recognition of our Nation's need for a comprehensive policy and a new organizing concept by which governmental functions can be weighed and evaluated in the light of better perceived and better understood environmental requirements and goals. As the Act's author, I felt a national policy for the environment was necessary to provide both a conceptual basis and legal sanction for applying to environmental management the sophisticated methods of analysis which have proven to be of value in universities, private enterprise, and in some areas of government.

The National Environmental Policy Act declared that:

". . . it is the continuing policy of the Federal government, in cooperation with State and local governments, and other concerned public and private organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans."

The Act also sets forth national environmental goals to "the end that the Nation may—

(1) fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;

(2) assure for all Americans safe, healthful, productive, and esthetically and culturally pleasing surroundings;

(3) attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences;

(4) preserve important historic, cultural, and natural aspects of our national heritage, and maintain, wherever possible, an environment which supports diversity and variety of individual choice;

(5) achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities; and

(6) enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources."

These goals are "man" oriented. They are concerned with humanity and man's relationship to his surroundings. Too often, in my view, Federal policies and laws become "object" oriented. Human values and aspirations become submerged in programs and numbers. We see this in declarations about how many new cities, highways, and housing units are needed. The issues tend to become quantitative and objective. Qualitative, humanistic considerations are too often lost.

Passage and implementation of the National Environmental Policy Act was begun in an atmosphere of public attention—almost a competition for primacy in advocating environmental causes. This atmosphere has had beneficial as well as detrimental effects upon achievement of the Act's objectives. Public support undoubtedly has greatly accelerated the adoption of the new mandate by the various Federal agencies. It has also resulted in making the Council on Environmental Quality a focal point of Federal decision-making. The importance assigned to the Council by the White House has greatly strengthened it in its relations with other agencies. The Council has achieved great stature and influence throughout the Executive establishment in an incredibly short period of time.

Along with attention, however, have come pressures which have made the transition to comprehensive environmental management more difficult. The President has looked to the Council for day-by-day guidance on current environmental issues and, consequently, it has become preoccupied with short-term crises.

The Council's preoccupation with environmental "brush fires" has detracted from other major responsibilities assigned to it under the Act. The Council, for example, has made little progress toward developing procedures for the collection and analysis of raw data and for the measurement and evaluation of environmental indicators so necessary as a proper base for long-term decision-making. It has made little contribution to the tremendous job of improving policies and procedures, for making the hard tradeoff decisions between preservation and development that will measure our ultimate success in environmental management.

The contemplative consideration of general directions, the anticipation of emerging problems, and the design of new decision criteria are critically important; though they are not dramatic and, thus, seldom

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newsworthy. Fulfilling these functions will not capture public attention the way the latest pronouncement on mercury poisoning, a major oil spill, or the Alaska pipeline can. In the final analysis, however, man's ability to survive on this earth and to enjoy quality social cultural, and esthetic conditions and experiences will not turn upon the handling of a single contaminant, nor the decision on a particular oil spill or construction proposal. It will depend upon our ability to develop policies and decision-making models which integrate environmental concerns along with the full range of other important human values.

3. Recent institutional changes

a. National Oceanic and Atmospheric Administration.—In addition to adoption of the National Environmental Policy Act, other changes have been made in the Federal establishment to improve responsiveness to the new importance of environmental concerns. The President has established two new organizations which are primarily concerned with environmental matters. The first is the establishment of a National Oceanic and Atmospheric Administration within the Department of Commerce. This reorganization involved the transfer of a number of existing agencies to better consolidate the nation's oceanographic effort.

b. Environmental Protection Administration.—The second reorganization, created a new independent agency, the Environmental Protection Agency (EPA). This important Federal reorganization involved the consolidation of existing agencies, but it also removed these agencies from the Executive Departments and created a new independent entity in government. EPA has developed its own constituency and its own institutional viewpoint which are now no longer influenced by the broader divergent interests and responsibilities of their former parent departments. EPA provides a new center of activity and source of influence in environmental affairs. It is a particularly potent one because it commands a large and growing technical staff, a significant budget, and some of the nation's strongest environmental action programs.

In establishing EPA, the President said that one of his objectives was to divorce the environmental protection and enforcement concerns of the Federal government from the conflicting developmental missions of the parent departments in areas such as water resources development, transportation, and urban assistance.

The Federal government has important traditional responsibilities in support of economic and social development. Under the Environmental Policy Act, it also has important environmental protective responsibilities.

That conflict or competition inevitably exists between environmental protection functions and the developmental demands of society is undeniable. The organizational choice which must be made is where the conflict should take place. The establishment of EPA removes a great many of these decisions from the internal workings of the Executive Departments and places EPA in an adversary position on the side of environmental protection versus some other entity with developmental responsibilities. EPA, which must serve a preservation oriented constituency, will find it difficult to accept compromise. The debates and decisions will certainly be made more visible, and some of them will necessarily be elevated to the White House level for final judgment.

4. Proposed institutional and policy changes

a. Environmental Policy Institute

While some of the responsibilities now being placed upon EPA and the Council on Environmental Quality are probably transitory, it is evident that there is a need for a highly skilled and competently staffed organization to provide a continuing interdisciplinary, professional service in environmental policy analysis . . . analysis which would reduce and order the massive amounts and difficult complexity of raw data to forms more readily understandable by and useful to environmental decision-makers.

To fill this need I have introduced in the 92nd Congress a bill to establish a National Environmental Policy Institute. The Institute would perform many of the important long-range needs which were recognized in the National Environmental Policy Act, but which have not received adequate attention because of the pressing, more immediate demands being placed upon the Council's resources and personnel.

Some of these long-range needs include:

Designing a uniform and comprehensive system of national and worldwide environmental monitoring;

Subjecting available data on urban problems and on domestic natural resources to analysis;

Developing proposed methods for anticipating future and emerging environmental problems before they reach crisis proportions (air and water pollution and the introduction of chemical agents such as lead and mercury into the environment prove classic examples of problems which could have been largely avoided if they had been perceived as "problems" at an early enough point in time); and

Providing in-depth policy analyses, using systems analysis techniques, of alternative solutions for dealing with environmental problems.

5. Making traditional Federal programs relevant to urban America

During the past decade the Nation has made unprecedented progress in providing present and future generations of Americans with recreational opportunity, natural beauty, solitude, and other environmental amenities. Over the past decade alone, Congress has acted to set aside and preserve a large portion of the land, the mountains, the rivers, and the lakes which make up our Nation's natural heritage.

Between 1960 and 1968, four new national parks, six new national monuments, and 29 new national memorials, historic parks and historic sites were established.

In 1961, there was only one national seashore, today there are seven more.

In 1964, there were no national recreation areas. Today there are eight: in the West, on the Gulf, and in the East.

In 1965, there were no national lakeshores. Today there are three and others are under study.

This is an impressive record of national commitment. These areas are important to our national history; our traditions and the future enjoyment of all our people.

Often lost, however, amid the public enthusiasm to set these great scenic and recreation areas aside is a recognition that they are *not* available, at the present time, to "all" our people. Historically, environmental and recreational programs which have enjoyed almost unopposed support have involved the preservation of areas accessible only to middle and upper income groups. Unfortunately, these programs have little present relevance to life in the crowded inner city.

New emphasis must be placed on acquiring recreational facilities which are accessible to our larger metropolitan areas. Primary consideration in the development of such facilities must be given to making them accessible both financially and logistically, to the low-income, high population density, high social problem areas.

A case in point is the proposal to establish the Gateway National Recreation area on the New York-New Jersey shore in New York's harbor, which I have joined other members of the Senate in sponsoring. This area would serve nearly 50 million visitors annually with indoor and outdoor recreational, educational and cultural facilities. The outstanding feature of this plan is that it brings "Parks to the People". Principal consideration has been given to development of an innovative mass transit system to provide efficient and economically feasible transportation from the inner city to the recreation area.

This is the kind of program which is necessary if we are to serve that large segment of the population whose employment and housing circumstances have virtually barred access to environmental and recreational amenities.

III. THE NEED FOR BALANCE

1. "No growth" versus "quality growth"

As the national will to preserve a quality environment grows it is essential that we not lose sight of the actual meaning and intent of a national environmental policy. Environmental policy, broadly construed, is concerned with the maintenance and management of those life-support systems—natural and man made—upon which the health, happiness, economic welfare, and physical survival of human beings depend. Environmental policy should not be confused with efforts to preserve natural or historical aspects of the environment in a perpetually unaltered state. Environmental quality does not mean indiscriminate preservationism, but it does imply a careful examination of alternative means of meeting human needs before sacrificing natural species or environments to other competing demands.

Environmental quality is therefore, concerned with the total environmental needs of man—ethical, esthetic, physical, and intellectual as well as economic.

Such a concept of the environment renders more complex the problems we face. And because of such complexity, many have retreated to simplistic responses.

At one extreme are those who argue that social and environmental change cannot or should not be consciously planned or given direction. They make dire predictions of ruin should the laws of the free market be amended, no matter how slightly, by the laws of society. They argue that public planning and implementation of policies for protection of our environment invade constitutionally protected private rights.

On the other hand, we are all familiar with the litany of those who attribute *all* of the Nation's environmental ills to "economic growth." Their answer is a policy of "no growth," "slow growth" or growth confined to today's urban boundaries.

One cannot fault these new advocates of the status quo for their concern for the environmental crises. All of us are increasingly outraged as our sensibilities are assaulted, our enjoyment impaired, and, even at times, our well-being threatened by an economy that, in the past, institutionalized environmental degradation.

Yet many of these new "Miniver Cheevys," these advocates of a "no growth" policy, have themselves flourished in America's growing affluence. Thus they seldom appreciate the consequences that adoption of a no growth policy would bring. One need only review the state of the nation today—lost productivity, declining tax revenues and the high social costs of unemployment—to gain an appreciation of the price which this nation has paid over the past two years for conscious policies that stifle economic growth.

A strict policy of no growth ignores the interests of millions of Americans for whom the struggle to attain job security and provide the necessities of life for themselves and their families leaves little time for pursuit of abstract notions of environmental esthetics.

I am deeply concerned that the tactics of some environmental extremists are jeopardizing the whole movement for a liveable environment. Excluding all other alternatives, they ask us to choose between preservation and progress, between technological advance and environmental degradation. Their dogmatic approach has put economic growth and environmental quality on a collision course.

I am convinced that this small band of extremists are already alienating support that the environmental quality movement can ill afford to lose. By ignoring the interests of millions of Americans for whom job security and the prospect of the good life are decent aspirations, they are turning the fight for environmental quality into a confrontation between the "haves" and the "have nots". The poor people of this country want good jobs and decent housing. They aspire to the material goods and comforts enjoyed as a matter of course by more affluent Americans. Understandably, they don't want to be volunteered as the first victims of some state-backed program of spartan rigor.

One of the most disturbing aspects of this no growth approach is the tendency to hold science and technology responsible for all of our environmental problems. It takes little effort or imagination to trace almost any environmental problem to some scientific, technological, or engineering development. The indispensable contribution of science, technology and engineering to our well-being is however, easily forgotten, when unreasoning extremists attempt to sacrifice economic growth and public well-being on the altar of ecology. Also, conveniently disregarded is the fact that it is not science and technology but the way in which they are used that has damaged our environment in the past and constitutes a major threat to the future of environmental quality. Barry Commoner has suggested that recent industrial processes do appear to tax more heavily our environment. Yet, it is we who chose those processes. Technology can pollute and it can clean and preserve; it is up to us to give to it the proper direction.

Establishment of a no growth concept accompanied by major cutbacks in areas of scientific and technological advance would soon make this nation a technological Appalachia at a time when we need our best scientific and engineering talent as never before. For the present and in the future we must rely heavily on this talent to solve major environmental problems—to provide clean energy, to devise pollution-free manufacturing processes, and to develop new techniques for recycling and reusing our resources. The solution to these problems is not to halt the development of science and technology but to develop and preserve responsible programs and policies to guide their use.

Let's face it: Economic growth is essential to achievement of all our national goals. Economic growth underwrites our programs for public welfare, for private prosperity, *and* for protection of the environment. That extra GNP every year, properly used, means not only cleaner air and water, but better housing, better schools, and a higher standard of living for *all* Americans. That is why people won't rush to board the ecological bandwagon if they are led to believe that economic growth must be sacrificed to save the environment.

Just look at some of the needs we have to meet in the next few years:

We must build 26 million new housing units in the next decade.

By 1975 our parks and recreation areas, many of which are already overcrowded, will receive twice as many visitors as today, perhaps 10 times as many by the year 2000.

Each decade, new urban growth will absorb 5 million acres, an area equivalent to the State of New Jersey.

By the year 2000, we must more than double the physical plant of all our cities. This means building a new school, hospital, highway and university for every one now in existence. We will have to accomplish in three decades what our forebears did in 200 years. And we must do it without degrading the quality of the environment.

It is obvious that the most urgent domestic problem we face in the last one-third of the 20th century is preparing for and accommodating growth. This will require innovation because our existing urban and metropolitan areas simply cannot continue to absorb more and more people.

It is clear that present trends must be reversed. We can no longer continue to ignore growth patterns which threaten to disrupt and cripple the ability of metropolitan areas to provide good government and a decent place in which to raise a family.

Equally clear is the fact that we cannot hope to keep pace with the demands of our dynamic society unless we enjoy sound and vigorous economic growth. Otherwise, we simply won't have the necessary resources to do the job.

It took us more than 200 years to achieve our first trillion dollar GNP. We will add the second trillion in only ten years. The challenge is to add that second trillion without destroying our environment. Successfully reorganizing our systems of government at all levels will help to insure the kind of investment in both public and private sectors that will help achieve our social and economic goals with clean water, clean air and clean land.

While we cannot ignore the past, the growth that will take place over the next few decades offers us a great opportunity for a fresh start. In effect, we must rebuild America before the year 2000. Whether planned or not, we will find ourselves making this kind of investment in any event. The imminence of this awesome investment confronts us with a challenging choice: We can do it on the haphazard, hit-or-miss basis of the past or we can harness the full power of the public and private sectors in a dynamic attempt to protect and shape our physical environment. Considering the alternatives there is no real choice.

2. The national energy crisis

A striking example of the need to balance the preservation of nature with the need to provide the essential requirements of a growing society has arisen in the area of energy supply and utilization.

For the first time in decades there is a real question concerning the adequacy of the supply of energy for the rapidly growing U.S. market. At the same time there is intense public concern about the impact on the environment of producing, transporting, and consuming fuels such as coal, oil, nuclear energy, or electric power. And in the near future, there is likely to be consumer resistance to the increased prices which will surely result from inflation, from the costs of implementing environmental protection measures and from a potential weakening of competitive forces in the energy business.

Our ability to develop a comprehensive and effective energy policy will be a vital factor in the future achievement of our most important national goals. National security, full employment, equal opportunity, and providing for quality life in a healthful and satisfying environment are all fundamentally dependent upon developing adequate solutions to our energy problems. To attain these goals the Congress and the Nation must initiate policies which will lead to the development of new technologies capable of supporting a strong industrial economy, providing the necessities and conveniences of a modern society, and avoiding the placing of intolerable demands upon the resources and environmental systems involved.

The nation is now entering a transition from a time when an ever-increasing annual use of such resources can no longer be taken for granted. Energy supply has become increasingly threatened by the pressures of our rapidly expanding population and continuing economic growth.

Energy demand has been growing at a very fast rate—about 5% per year for the past five years—nearly double the long-term average. This growth rate has exceeded the expectations of industry and government in planning to meet consumer demands. The growth rates have been especially strong for electric power and natural gas, exceeding 7%.

Some of the energy industries have, to a major extent, been living off of their resource inventories for several years. In addition, their surplus productive capacities have now all but disappeared. Exploration and development of oil, natural gas, and coal resources have not kept pace with increased usage, and today there is little domestic reserve capacity to meet expected peaks in demand.

Delays in completion of new nuclear powerplants combined with the start-up and operating difficulties of new large electric power generating plants of all types are causing brownouts and blackouts and forcing utilities to curtail service on days of peak load.

The new emphasis on environmental consideration has played a significant role in limiting our nation's energy supply.

Air pollution standards, when implemented, could, for example, make most of our coal resources and imported residual oil unusable because of their high sulphur content, unless new technology is developed to effectively eliminate harmful emissions. These same air pollution regulations have greatly increased the demand for natural gas and thus contribute to the present gas "shortage". The coal mine safety act along with tanker accidents and oil spill problems in off-shore drilling pose additional constraints on supply. The gamut of problems in siting powerplants and finding acceptable routes for high voltage transmission lines are making it difficult to meet construction timetables for new power facilities.

In effect, we have a new dimension to energy demands—the nation wants its energy in a clean form and with a minimum of damage to the human and physical environment. These new demands impose severe restraints on energy supply. To deal with new demands a national energy policy must be developed. It must be concerned with the implementation of new environmental and health and safety standards in a decisive and rapid manner while at the same time avoiding energy supply shortages, unemployment and economic dislocations.

By Senate resolution, the Senate Interior and Insular Affairs Committee has been authorized to conduct a two-year study of this nation's energy policies. It is hoped that this study will produce an evaluation of the existing energy supply situation as well as long-range projections of the future of power production. It is further hoped that the study will produce substantive policy recommendations for achieving an adequate balance between the energy demands of a growing society and the nation's demand for a quality environment achieved through efficient use of its natural resources.

3. Toward a national land use policy

One cannot help but be impressed by the fact that environmental management is principally concerned with tradeoff decisions between environmental preservation and the demands the development places upon environmental resources.

We have made great strides toward introducing environmental values into all governmental decisions, and we have initiated action programs to deal with the problems which have been identified. We have not, however, developed institutional machinery

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and the specific laws and policies which we will need to do a comprehensive, coherent job of management rather than merely reacting to problems which already exist.

We need a framework within which the spectrum of proposals to use environmental resources for economic growth and social betterment can be balanced against one another and measured against the demands they collectively impose upon the environment. We need a focal point upon which we can compare alternative proposals to achieve our goals. The focal point, I submit, is the use of land.

To a very great extent, all environmental management decisions are intimately related to land use decisions. All environmental problems are outgrowths of land use patterns. The collective land use decisions which we make will dictate our success in environmental management. The land use decisions of today will shape the environment of future generations.

If, as I contend, land use underlies environmental quality, then environmental quality objectives can best be achieved through reform of the laws and institutions by which the Nation makes its land use decisions. Presently, land use is dictated by private motives and influenced, for better or worse, by governmental action at all levels. Most of these decisions and actions are unrelated to environmental values. Clearly, many of them will continue to be dictated by private objectives—very often economic objectives.

Some of the decisions which have been made in response to private goals and narrow, single purpose public missions, however, have resulted in the kind of environmental insults which are no longer acceptable to society at large.

In accord with governmental responsibilities for environmental management, we must be certain that every governmental action, whatever its principal aim, recognizes the environmental impacts, avoids unacceptable damages, and minimizes unavoidable losses. We have begun to work toward this goal.

Beyond this, however, we can no longer permit private decisions to go forward in disregard of the general public demand for environmental quality. We must impose upon private proposals criteria which will prevent unthinking, unnecessary environmental impairment and which will prohibit the loss of important public values in the name of short-term private profit.

The basic authority and responsibility for regulating private land use actions rests with the State governments. States, or their political subdivisions have traditionally applied public standards to private lands through zoning, property taxes, and regulation. Some of the States, notably Hawaii and Colorado, have begun to implement statewide land use planning.

Often, funds to collect data and build a technical staff are lacking. In some States, the resistance to "planning" in any form is difficult to surmount. In every State, the tremendous influence of Federal activities such as highways, water resource projects, airports, and military establishments is largely beyond the control of the State government. For these reasons, a National land use policy is needed.

I have introduced legislation in the Senate which is designed to effect some basic changes in the Nation's management of its land resources. The "National Land Use Policy Act" I have proposed has three major provisions. *First*, it establishes a grant-in-aid program to assist State and local governments in improving their land use planning management capability. *Second*, States are required to exercise "States Rights" and develop and implement a state-wide "environmental, recreational and industrial land use plan." *Third*, the Federal government's responsibility for coordinating Federal land use planning activities, for improving Federal-State relations, and for developing data on land use planning activities, trends and projections is enlarged and centralized.

The continued initiation of Federally financed public works within a state will be contingent upon performance of the state's land-use planning responsibilities. When a state-wide plan has been completed and reviewed by the Federal coordinating body, the Federal agencies will be obliged to act in conformity with it unless compelling reasons of national policy justify exceptions.

CONCLUSION

In recent years and months, the level of debate on environmental issues has, in my judgment, not been very distinguished. Many people have chosen to engage in what might be characterized as the "demon" theory of environmental concern. The basic assumption of the "demon" theory is that there are evil men in society who are engaged in a conspiracy to pollute, to plunder, to destroy the quality of American life. Among the "demons" identified is the engineering profession. Engineers are characterized by some as destroyers: dam and highway builders and developers of new technology who wreak havoc on the environment.

To blame technology and engineers for the problem is simplistic and like all simplistic answers it has no validity. Technology has served the purposes which society demands. Until society incorporates into its systems those criteria which recognize ecological and environmental values, technology will continue to serve the predominant values of the recent past—the economic laws of the marketplace.

Fortunately, the developments which I have been discussing signal some significant changes in society's values. Economic indices are no longer viewed as the sole criteria for progress. We are entering an era in which qualitative values and esthetic factors are considered as important, even more important in some respect, than economic wealth. What most critics fail to appreciate, however, is that these new values, if they are to be realized, require the services of technology. To successfully manage the pressures which modern society imposes upon the environment will be the greatest scientific and engineering problem in the history of mankind.

Engineers have always accommodated constraint in their work. They are accustomed to measuring and recognizing economic values. Now they must recognize and incorporate environmental values in their daily work. To see and meet demands for electric power without insult to the esthetic values of the countryside or pollution of the air and water is as valid an engineering problem as to seek to meet the same demands within the capital investment capabilities of the producers. Admittedly, it is probably a more difficult problem, having more constraints and new factors which are more difficult to measure.

Solving these problems successfully will tax the most advanced analytical methodologies. Above all, it will require the most innovative capabilities and the best technical minds. I urge the engineering community to accept the challenge of environmental management. For if you can help this Nation to accommodate the demands of a growing economy without sacrificing the quality of the environment, it will be the greatest contribution your profession has ever made.

FEDERAL ELECTION REFORM

HON. FLORENCE P. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mrs. DWYER. Mr. Speaker, in view of the complex parliamentary situation which will confront the House when we begin consideration of amendments to H.R. 11060, the Federal election reform bill, following the Thanksgiving recess, I want to bring to the attention of our colleagues a proposal which I may offer as an amendment at the appropriate time.

If I should decide to offer it, Mr. Speaker, the amendment would direct the Secretary of the Treasury and the Comptroller General to make a joint study of the feasibility of substituting special-purpose Federal scrip in place of cash or checks for purposes of campaign contributions and expenditures.

The scrip plan is not designed to take the place of any other campaign finance reform proposal; it is designed to make any such reform adopted by Congress work effectively. By replacing money—which is virtually impossible to trace in political campaigns—with serially numbered scrip by means of which each transaction can be recorded, computerized, and publicly reported, both disclosure and limitations can be made enforceable.

As a part of my remarks Mr. Speaker, I include a newsletter and my statement before the Committee on Standards of Official Conduct which will explain the scrip plan in greater detail. I also include the text of the amendment.

Let me emphasize, Mr. Speaker, that the amendment, in the event it is offered, will simply provide for a 1-year study of the plan, a study which I am confident can be made without requiring additional personnel or appropriations by the Department of the Treasury and the General Accountng Office.

The newsletter, statement, and amendment follows:

NOBODY KNOWS—BUT WE CAN FIND OUT

At a recent post-election meeting of professional political consultants in New York City, the campaign manager for the successful candidate for Governor of one our largest states estimated his candidate spent $2 million to be elected.

His opponent's campaign manager immediately dissented. "You spent at least $4 million," he declared with considerable conviction.

That two top professionals, so close to the scene, should disagree so markedly about a matter the law requires be publicly recorded and reported is bad enough.

But it's even worse when you come to realize that neither political pro really knows how much was spent—or does anyone else.

Campaign financing, it is clear, has gotten completely out of hand. Estimates of the cost of electioneering in this year's Congressional campaigns alone—an off-year, at that—vary from $100 million to $200 million, a huge sum of money that engulfed much of the nation in a torrent of words and images: from billboards, direct mail, radio and television, newspapers, fliers, magazines and a host of campaign gimmicks.

TOO MUCH MONEY

Obviously—and the pros concede this—much of it was wasted. Too much of even expert use of the media (and a great deal is low quality) tends to turn people off and ceases to be either interesting or informative.

But, and here's one big part of the problem, so long as the money comes in, it will be spent. Few, if any, candidates ever feel they have enough; there's always something more that can be done that just might make a difference.

Too much money is bad enough, but couple it with too little reliable information as to where it comes from, who gets it, and how it's spent, and we produce an increasingly serious result—an electorate which severely distrusts the electoral process.

Money is *the* critical element in political campaigns. Adequate funds are essential to enable candidates to reach the people effectively, to make themselves known, to present their programs and debate the issues, to explain and to persuade.

But money, by the same token, is the root of political evil. Too much for one candidate and too little for another prevent the people from making a balanced judgment. Personal wealth may give a candidate an unbeatable advantage. Excessive reliance on a few big contributors—or contributions of questionable integrity—may compromise an elected official's independence or objectivity and thus destroy the whole purpose of representative government.

TOO LITTLE CONTROL

Most of all, however, it's the not knowing that hurts. Federal and State laws set limits on contributions to and expenditures by candidates and political committees and require public reporting of such spending. But, with few exceptions, these laws are so full of loopholes and exemptions, so unrealistic in their limitations, so seldom enforced and so often unenforceable, that they have little meaning or effect. What evidence we do have of election financing practices inevitably feeds the suspicion and distrust and cynicism of voters—a steadily diminishing proportion of whom even bother to cast their ballots.

I do not believe we can go on much longer without making fundamental reforms in our election finance laws. A great many have been proposed—more realistic spending and contributing limitations, elimination of loopholes which often exempt political committees and primary elections from legal requirements, tax deductions or credits to encourage more but smaller contributions, and many more—most of which have considerable merit.

Nevertheless, even these changes, desirable as they may be, would not make a substantial difference until or unless we find a way to trace political money from its source to its final destination—and in a manner that will make it possible for the public to understand and make timely judgments as to its use in specific elections.

ACCOUNTABILITY IS POSSIBLE

This is the basis, therefore, of the proposal I launched last week—after considerable thought and study—a proposal which would provide a reasonably foolproof way of accounting publicly and systematically for *all* campaign contributions and expenditures and thus make possible the effective controls we need.

Since money—cash—is virtually impossible to trace, my plan calls for the substitution of specially designed Federal scrip, to be issued and redeemed by the U.S. Treasury and designed to serve as the exclusive medium of exchange for purposes of Federal elections.

Here, briefly, is how it would work. The scrip would be issued in the same denominations as money. It would be sold—and could be redeemed—at all U.S. Post Offices and all Federally licensed financial institutions such as commercial and savings banks, savings and loan associations and credit unions. Each individual piece of scrip would be identifiable by a serial number. It would also contain a brief form on its back, together with one or two small detachable certificates, for the purpose of indicating the purchaser, the candidate or committee to which it is contributed, the purpose for which it's spent, and the person or company receiving it as payment for goods or services. At each step of the way, from purchase to redemption, the information would go straight into a Treasury Department computer which would produce comprehensive, cumulative weekly public reports.

REFORM CAN WORK

To make the new system work, the law would have to prohibit entirely the use of anything but scrip for contributions or expenditures aimed at influencing, directly or indirectly, any Federal election. Penalties for violations would be provided and both parties to a violation would be liable—the contributor *and* the candidate, the purchaser *and* the provider of campaign goods or services.

Both publicly and privately, the response to my proposals to date has been most encouraging. Students and practitioners and observers, alike, of the political process recognize the pressing need for reform. And this plan—with the help of computers which surely have the capacity to handle this relatively small job—has the virtues of simplicity, convenience, equity to all involved, ease of administration, and technical feasibility. It can work.

Alone, the scrip plan would, for the first time, guarantee the people's right to know the facts of election spending and provide the essential means for legislating effective reforms. Together with such reforms, the plan would help to restore the people's confidence in the integrity of our elections. Each, I think, a rather important objective.

So far, I've run into only one major objection: the plan would be likely to work too well.

In all seriousness, this will probably be the chief hurdle confronting the plan here in Congress. Beneficiaries of the present looseness won't want to tighten it up. But we'll know better when the House Committee on Standards of Official Conduct holds hearings, hopefully this Fall.

Meanwhile, I solicit comments and criticisms. We all have a stake in assuring clean elections.

STATEMENT OF REPRESENTATIVE FLORENCE P. DWYER

Mr. Chairman, I am deeply grateful that you and your colleagues have begun your consideration of campaign contributions and expenditures while the issue is fresh in people's minds and while the experience of the last campaign is still immediate and compelling.

With your help, I hope the Congress can assemble the facts, consider the alternatives, and determine a course of corrective action in a field in which disregard for the law has become a national scandal.

No special purpose would be served by reciting the facts of campaign finance today—its inequities, its loopholes, its favoritism, and the dangerously hidden nature of this activity which denies to the people their legal right to know who is influencing Federal elections. The nature of the problem is too well known. What we need to find is a solution. And a solution, if it is to come, will only emerge from the kind of active public concern which we are experiencing today.

One of the most encouraging manifestations of this interest in election spending reform has been the reaction to the President's veto of the Political Broadcasting Bill (S. 3637). Almost without exception, supporters and opponents alike of the bill—Members of Congress, the Administration, the press, radio and television, and private organizations and individuals—have emphasized the need for comprehensive reform, covering all aspects of campaign finance. They seem especially united on two points: that we're spending too much on elections and that the principal difficulty in reform is to identify contributors, the candidates to whom they give, and the amounts of their contributions.

Obviously, the two are inseparably linked. We cannot hope to control spending until we find a way—a reasonably foolproof way—to determine how much is being spent and where it is coming from, in other words to trace campaign funds from their origin to their final destination.

As I see it, there are only three ways of accomplishing this objective:

First, by doubling the size of the F.B.I. and assigning the new agents to full-time enforcement of the election laws.

Second, by subsidizing completely all the costs of Congressional and Presidential campaigns, with the Federal Treasury paying all campaign bills directly, up to the legal maximum, and with all other spending prohibited.

Third—and this is the proposal I wish to submit for your consideration—by substituting for cash or any other medium of exchange a single-purpose Federal scrip, issued by the Treasury in denominations similar to those of our regular currency, available to contributors through post offices and existing Federally chartered financial institutions, with each piece numbered serially for instant identification, and with the whole process from purchase to redemption put on to computers for systematic public accounting. Contributions and expenditures in any other form than scrip would be completely prohibited.

The first alternative, I suggest, is manifestly impractical. The second, while it has considerable merit, is probably well in advance of public opinion.

The third—my own proposal—is, I submit, technically feasible, relatively inexpensive, eminently fair and equitable and, most important effective.

Before I outline my ideas in greater detail, let me emphasize this point: My plan is *not* intended to be a comprehensive reform proposal. It does not, of itself, change anything in present law except for the *form* in which contributions and expenditures may be made. It does not establish new limits, nor does it provide any subsidies.

What it would do, however, is two essential things: It would make the present system manageable, in the sense that it would automatically reveal what we now cannot know about contributions and expenditures; and it would make any further reform workable and effective by closing the loopholes which money now keeps open.

I would go even further: Without some such means as I propose, no reform I have yet seen—except for a total Federal subsidy—could work properly, simply because cash is impossible to trace in political campaigns. And what can't be traced cannot be controlled.

Simple as it is, my plan would provide this essential foundation for reform: A systematic, continuous, and public accounting of all election funds, and in a manner that will make it possible for the people to understand and make timely judgments about the source and use of funds in specific elections.

Here, in somewhat greater detail, is how my plan would work. A contributor would stop at his bank or savings and loan associa-

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tion or credit union or post office—there is at least one in every community—and exchange his check or cash for scrip in the amount he wishes to contribute. In doing so, he would simply fill in a detachable certificate with his name, address, principal source of income, and the candidate or committee to which he is contributing. That small certificate would immediately be sent to the Treasury Department and the information placed in the computer.

On the reverse side of the scrip, a similar short form would be provided on which the recipient candidate or committee's name would be entered together with the purpose for which the scrip was being spent. Finally, the person or company providing the goods or services would confirm the transaction in the space provided and simply redeem the scrip for cash or deposit it in his account. The scrip would then be returned to the Treasury Department and the information on it entered in the computer.

Given our high level of technical competence in the computer field, it would be a simple matter to publish weekly reports of all contributions and expenditures.

To make the new system work, the law would have to prohibit entirely the use of anything but the scrip for contributions or expenditurea designed to influence, directly or indirectly, any Federal election. Penalties for violations would be provided and both parties to a violation would be liable to prosecution—the contributor *and* the candidate, the purchaser of the goods or services *and* the provider.

I believe, Mr. Chairman, that this system would be at least 90 to 95 percent effective—a degree of efficiency I think most of us would settle for. Since the great bulk of campaign spending is done with responsible firms and institutions—radio and television stations, newspapers, printers, the Post Office, outdoor advertising companies, and the like—there is little likelihood that such firms would risk clear violations of the law by accepting payment in a form other than scrip. And with this degree of compliance assured, a very strong measure of pressure would be brought to bear on any others who might be inclined to deviate. At worst, the area of potential violations—under-the-table payments to workers or staff, for instance—would be greatly restricted and, hence, much easier to identify if the need arose.

Let me emphasize again, Mr. Chairman, that my proposal is not intended to substitute for, or serve as an alternative to, any other campaign finance reforms. While it can stand alone and thus improve the intelligibility of the present system, it is designed to accompany—and make effective—any more comprehensive reform Congress may enact, whether it is one which imposes new restrictions and limitations on campaign finance, or one which provides a degree of Federal subsidy, or both.

My concern is that if we are serious about clean elections, if we want reform that will really work, then any plan we adopt must include the means of making campaign contributions and expenditures completely visible and accountable.

I believe my plan will accomplish this central objective, and thus help to restore our people's badly damaged confidence in our political process.

AMENDMENT OFFERED BY MRS. DWYER

(Page and line references are to H.R. 11280.)

Page 45, immediately after line 14, insert the following:

FEASIBILITY STUDY OF USE OF FEDERAL SCRIP IN POLITICAL CAMPAIGNS

SEC. 402 (a) The Secretary of the Treasury and the Comptroller General of the United States are directed to study the feasibility of a plan to strengthen the effectiveness of disclosure requirements and the enforceability of limitations on contributions and expenditures by (1) prohibiting the use of cash, checks, credit cards or any other medium of exchange in any campaign for Federal office (as defined in section 301 (c) of this Act) and (2) requiring the use of Federally issued scrip for the purposes of contributions and expenditures in connection with any campaign referred to in clause (1) of this subsection.

(b) In conducting this study, the Secretary of the Treasury and the Comptroller General shall consider, but not be limited to, the following factors in the formulation and implementation of the scrip plan:

(1) The issuance of scrip by the Secretary of the Treasury, in size and denominations similar to United States currency, with each piece serially numbered and accompanied by the necessary number of detachable certificates for purposes of record-keeping, to be available for purchase at all Federally chartered or licensed financial institutions and all U.S. Post offices, and to be fully redeemable by such financial institutions and post offices in cash or other negotiable instruments.

(2) The installation and operation by the Secretary of the Treasury or the Comptroller General of the United States of automatic data processing equipment adequate for the purpose of recording all sales, exchanges, and redemptions of serially numbered scrip and for reporting in a form available to the public all such sales, exchanges, and redemptions of scrip, including in each such instance the name, address and principal source of income of the purchaser of scrip, the name and address of the candidate or political committee to which the scrip was contributed, and the name and address of the person redeeming the scrip together with identification of the goods or services for which the scrip was exchanged.

(3) The prohibition of the use of cash, checks, or other negotiable instruments or medium of exchange, or credit, in amounts exceeding $50, for the purpose of making contributions to any candidate or political committee in connection with any election for nomination or election to Federal office. In the case of contributions in the amount of $50 or less, candidates and political committees shall purchase scrip and simultaneously submit to the seller of scrip a complete list of the name and addresses of contributors and the amounts of their contributions.

(4) The prohibition, equally binding on both the purchasers and purveyors of goods and services for Federal election purposes, of all expenditures by candidates and political committees and others in connection with any campaign for nomination for election, or election, to Federal office in any form other than scrip.

(5) The design of the scrip. Such scrip should be designed in such manner as may be necessary to permit the recording of the purchase, exchange, and redemption of scrip by names and addresses of the parties involved and the identifying of the goods or services for which the scrip was expended. Such information should be available in such form as may be necessary to permit its transfer to computers at the time of each purchase, exchange, and redemption of such scrip.

(6) The need, if any, of supervisory arrangements to assure the adequate functioning of the scrip plan, including compliance and enforcement.

(7) Determination of the form and conditions under which continuous information could be made publicly available regarding campaign contributions and expenditures.

(8) The nature and amount of penalties to be assessed for violations, and the manner in which such penalties should be shared by parties to a violation.

(9) The possibility, under the scrip plan, of eliminating requirements for record-keeping and reporting imposed on candidates and political committees under political campaign finance laws.

(10) The cost to the Federal Government of implementing and operating the scrip plan as compared with similar costs under existing or proposed political campaign finance control systems.

(c) The Secretary of the Treasury and the Comptroller General of the United States shall report to the President and to the Congress the results of the study conducted under this section not later than one year after the date of enactment of this section. Such report shall contain such recommendations as the Secretary of the Treasury and the Comptroller General of the United States may deem appropriate. Such recommendations shall be made jointly, except that, in the case of any disagreement, both the Secretary of the Treasury and the Comptroller General of the United States may submit a separate recommendation.

And renumber the following section accordingly.

KEMP'S A COMER

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. DULSKI. Mr. Speaker, I had the opportunity to watch him on the gridiron when he was quarterback for the Buffalo Bills and for the past 11 months I have had an opportunity to observe him as a legislator. He does well in both roles.

I was very pleased and impressed at the complimentary article in Thursday's Wall Street Journal on our colleague and my neighbor, the Honorable JACK F. KEMP, of Buffalo, N.Y.

The excellent article by Alan L. Otten, Journal political writer, speaks for itself and I include it as a part of my remarks.

The article follows:

[From the Wall Street Journal, Nov. 18, 1971]

KEMP'S A COMER

(By Alan L. Otten)

WASHINGTON.—Every two years, anywhere from 35 to 60 new members enter the U.S. House of Representatives. Even before they arrive, two or three are tabbed as "comers"—clever young go-getters who will quickly emerge from the faceless pack to become leaders of the House or move on to the Senate or even beyond.

One of the clear comers in the current freshman crop is a ruggedly handsome, highly articulate conservative Republican from the suburbs of Buffalo, N.Y., Jack F. Kemp. His fellow Republican freshmen chose him as president of their informal group, the 92nd Club. He was one of three newcomers admitted into the Chowder and Marching Society, that elite group of such present and past House GOP greats as Richard Nixon, Melvin Laird and Gerald Ford.

He was picked by the White House to defend the President's Vietnam policy on the Dick Cavett and David Frost shows in debate with dump-Nixon Rep. Paul McCloskey. A recent trip to Vietnam won him an unusual half-hour audience to report to the President. He's in heavy demand as a speaker to raise money for House Republicans around the country, while Vice President Agnew and other administration bigwigs journey to Buffalo to help raise funds for his own campaign.

"There's no question Jack is the big star of the freshman class," a senior (and non-admiring) colleague ruefully remarks. A closer look at 36-year-old Jack Kemp helps reveal those factors that spotlight one man as a comer while others remain in the shadows.

THIRTEEN YEARS OF FOOTBALL

Certainly it helps to start with instant name recognition—in this case, from 13 years as an all-star quarterback, first for the San Diego Chargers and then, until February 1970, the Buffalo Bills. Mr. Kemp led the Bills to two American Football League championships, was AFL Player of the Year in 1965 and for five years headed the AFL Players Association.

The football reputation, his wholesome good looks and his fluent way with words had long made him a much-sought Republican speaker, particularly on college campuses. People, he admits, were intrigued to find a professional athlete who not only was a conservative Republican but who also could use correctly such words as "bizarre" and "self-flagellation," talk knowledgeably about tax depreciation schedules and sulfur dioxide pollutants, and quote Edmund Burke ("A Representative owes his people not only his industry but his judgment").

Buffalo Republicans had long been hoping for just such a paragon to take on Democratic Rep. Richard McCarthy, and Mr. Kemp was more than willing. His well-financed and professionally guided campaign was helped mightily by Mr. McCarthy's later decision to give up the seat and run for the Senate, but Mr. Kemp still came to Washington with the valuable image of something of a giant-killer.

Still another asset was having good friends in high places. Old California buddies included White House aides Herbert Klein and Robert Finch, House GOP Campaign Chairman Rep. Bob Wilson. Mr. Kemp not only campaigned hard for Richard Nixon for President in 1960 and governor of California in 1962, but spent two weeks traveling with him on behalf of Bob Finch for lieutenant governor in 1966.

STILL QUARTERBACKING

These people counsel him, speak in his district, open downtown agency doors for him. A Buffalo newspaper cartoon showed Messrs. Nixon, Klein and Finch in football uniforms blocking for Quarterback Kemp.

(And he repays the favors, as, for example, helping the White House by debating Mr. McCloskey. "My sense of fair play was challenged," he relates. "I don't quarrel with those who say we shouldn't have been in there or should get out faster—I say the latter myself—but to label the military as war criminals and to say the President really doesn't desire peace—that's something else.")

The young Congressman has other hallmarks of the true comer: boundless ambition and a ruthless readiness to put his own needs first; a shrewd instinct for spotting good political openings, and real hustle to follow through and take advantage of them.

When Amtrak cut back rail passenger service west of Buffalo, he quickly organized a House bloc to press for continued service west to Detroit and Chicago, persuaded the area governors to pick up part of any operating deficit, and finally got "provisional" service restored. He has taken the lead in a well-publicized push for a House resolution calling for United Nations debate on the Soviet Union's refusal to permit Jews to leave the country. Mr. Kemp says he seeks to dramatize the Soviets' disregard for human rights; cynics suggest he's cannily building good will among New York's large Jewish vote.

Pressed to explain his current reputation, the Congressman cites "a built-in advantage, as a moderately successful football player," and a popular hunger for stronger political leadership.

CONSENSUS, NO; DECISIONS, YES

"I learned long ago," he declares, "that you can't quarterback a football team by taking a poll and following the consensus. You have to weigh risks, make judgments, take chances."

Mr. Kemp campaigned as a "let's tell what's right about America" Republican, and his House record thus far is rated as 100% by the American Conservative Union and 15% by the Americans for Democratic Action. Yet in recognition of Buffalo's high unemployment, he has supported several spending measures far larger than the White House wanted.

Mr. Kemp is at some pains to deny as "absurd" rumors that he'll be the Conservative Party challenger against Republican Sen. Jacob Javits in 1974. "I have a forum here to exert some leadership, and that's exactly where I want to be," he says. Clearly, though, a Senate seat some day is well within his downfield vision.

It's not going to be all clear going, of course. First re-elections are normally considered the toughest, though a coming reapportionment plan will probably make his district more Republican. More seriously, some colleagues rate Mr. Kemp still naive and prone to error. For example, they say, it may flatter his ego to debate Mr. McCloskey on television or to have Mr. Agnew speak for him, but these may not be such good politics in a district where many well-educated suburbanites don't particularly like the war or the Vice President. Other House members complain that he skimps on the nasty nitty-gritty of committee work, and that his fast, purposeful pace often leaves bruised feelings behind.

It usually takes three or four terms to know whether the comers actually live up to their early billing. A good many people will be watching to see whether Quarterback Kemp can still throw the long bomb.

NATIONAL BIBLE WEEK

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. RODINO. Mr. Speaker:

You are a child of the universe, no less than the trees and the stars; you have a right to be here. And whether or not it is clear to you, no doubt the universe is unfolding as it should. Therefore, be at peace with God, whatever you conceive Him to be. And whatever your labors and aspirations, in the noisy confusion of life, keep peace in your soul.

These words, originally found unsigned on an empty wall of Old St. Paul's Church, Baltimore, in 1962 and titled "Desiderata", capture simply and preciously the essence of the message and meaning of the Bible. Each man conceives his God in his own manner. Yet all individuals seek similar answers—all men question, all doubt, all at one time express the words of Jeremiah, "Why me?" and the dream of Micah:

And they shall beat their swords into plowshares, and their spears into pruninghooks: nation shall not lift up sword against nation, neither shall they learn war anymore. Ch. 4: 3.

The biblical words we read so enveloped in human emotion are in turn, words which provide our chief source of human consolation:

Comfort ye, comfort ye my people, saith your God. Isaiah 11: 1.

It is often reiterated that the Bible was regarded by the founders of the Nation as their greatest personal treasure. The hope, the promise, the inspiration which gave them the necessary courage to continue despite all difficulties and disappointments were found within its covers.

I recall the story of an old religious teacher who began the first day of his class by throwing the Bible on the floor and shouting:

This book is not holy. How can it be holy if its words hold no meaning for you and if you make no effort to understand its words?

One is encouraged to study and to question, for only in questioning will the answers be found.

The Bible has been described as "a tree of life for them that hold fast to it"—a tree with its branches spreading, intwining, bending and straightening, yet continually reaching and growing.

A young boy was asked by his grandfather to bring him a copy of the New Testament. The old man, looking up at the boy stated:

My son, you carry that book easily in your youth but when you are as old as I am, it must carry you.

The contents of the Bible touch upon nearly every area of human thought, from philosophy and government to poetry and ethics. Its authors include the shepherd and the king, men of considerable learning and men counseled through the experiences of day to day life. Beneath this diversity of human authorship lies a wonderful unity, pointing to the operation of one directing mind. Thus, while variety is found in writing style and emphasis, a powerful theme of direction persists.

Look again at the words of "Desiderata"—be at peace with God . . . and keep peace in your soul. This is the ever present theme of our Holy Scriptures, be it said by a wise man, a beggar or a prophet. Jeremiah, Hosea, Hezekiah—their distinction lies in the fact that they were human beings who dared to speak out against the unfair practices of their day, men who refused to compromise with injustice. The simple words of the prophet Micah carry with them the full message of peace for every man and for every nation:

And what doth the Lord require of thee, but to do justly and to love mercy and to walk humbly with thy God. Ch. 6:8.

As we observe the 31st annual American Bible Week, may we reflect once again upon his words.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks:

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"How is my son?" A wife asks: "Is my husband alive or dead?'

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

PROTECTING AMERICAN JOBS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SEIBERLING. Mr. Speaker, for many months I have been greatly concerned about the impact of imports on employment in this country, and, in particular, employment in the tire industry. Although the impact is fairly easy to determine, the solutions are not.

Legislation has been introduced, and is now pending before the Ways and Means Committee, which addresses itself to this problem and proposes various solutions. I have written the chairman of the Ways and Means Committee, the Honorable WILBUR MILLS, urging that hearings be scheduled on this subject at the earliest practicable date.

In the meantime, I think it will contribute to a better understanding of the problem and the implications of some of the proposed remedies if material already available can be inserted in the CONGRESSIONAL RECORD for study by the many Members of Congress who are also concerned. For this purpose, I think I can say that the tire industry typifies the problems facing many industries. Accordingly, I intend to insert into the RECORD from time to time materials relating to the problems of international trade as they affect the tire industry.

As the initial insert I am offering the statement of Mr. Peter Bommarito, international president of the United Rubber, Cork, Linoleum & Plastic Workers of America, AFL–CIO. This statement was made in person several months ago to the Members of the House who constitute the Northeast Ohio Congressional Council. While it may be that the President's actions in connection with the dollar "float" and the import surcharge have had some effect on the immediate crisis, the long-range problem remains.

Mr. Bommarito's statement follows:

PROTECTING AMERICAN JOBS

My name is Peter Bommarito, I am the International President of the United Rubber, Cork, Linoleum and Plastic Workers of America, AFL–CIO. I welcome this opportunity to attend this meeting and to present to you the problems confronting the members of our Union. I appreciate the concern that you display, as evidenced by your presence.

JOB SECURITY

The single most important subject facing the rubber worker today is the stability of his employment. During the past two decades the number of jobs available and the employment in the Akron rubber companies has declined drastically. The Firestone Tire and Rubber Company in 1944 employed 12,000 production and maintenance workers. The number is now down to 4,000. The B. F. Goodrich Company dropped from a high of 11,000 to the present 4,000. The Goodyear Tire and Rubber Company fell from a high of 15,800 in 1943 to 7,000 present active employees. In the three large Akron-based rubber companies alone over 24,000 jobs have ceased to exist since World War II. The U.S. Department of Labor estimates nationwide job losses for the period 1966–1969 at 700,000 because of Imports alone.

REASONS GIVEN

Many theories have been offered by economists, industrialists and other concerned civic leaders as to why the jobs have left not only in the Akron area but in the nation as a whole. Economists talk about comparable advantages; industrial leaders blame high wages and low productivity; civic leaders are at a loss for an explanation. Regardless of what theories we accept it is time that we take a realistic approach to the overall unemployment problem based on facts and not suppositions, based on the truth and not propaganda.

IMPACT ON NATIONWIDE EMPLOYMENT

The American worker today is the major victim of the falloff in exports, of the flood of imports, or both. The current deterioration of the U.S. position in international world trade is having an adverse effect on employment and job security. The workers have come to the unions for help and their unions, acting in concert, seek redress and remedies to this very great threat. Tens of thousands of workers are suffering loss of jobs, unemployment, lowered standards of living and loss of their dignity in their role in our work-oriented society. The workers' grievances are with the government of the U.S. because it is the government's foreign trade and investment policies that are responsible for this situation. It is time to adopt a trade policy that enhances the well-being of the American people in place of one that increases corporate profits and enhances private greed. Organized labor intends to pursue this issue and continue to fight for international trade and investment policies that will restore the workingman's dignity and end these hardships.

TRADE UNIONS' POSITION

Since 1934 the trade union movement has supported government policies for the expansion of world trade. This support was based on labor's goal of increased employment and improved living standards, both at home and abroad. As world trade expanded, changes in economic conditions occurred; foreign governments established direct and indirect subsidies for exports and erected barriers to imports. U.S. investments, combined with patent and license agreements, transferred American technology throughout the world—by the late 1960's imports were taking over large and growing portions of U.S. domestic markets of manufactured merchandise and components.

TIRE AND OTHER PRODUCT IMPORTS

The total value of automobile tires imported in early 1960 was $10 million; today this figure exceeds $300 million. That is approximately 10% of the domestic tire market. In 1969 the deterioration in our balance of trade reflected a deficit of $173 million for the tire industry. This represents a net job loss to 7500 American workers (based on 457 persons employed for every 1 million tires produced).

In 1957, 6% of the bicycle tires sold in the U.S. were brought in by foreign industries; today 85% of the bicycle tires and tubes purchased in the U.S. are imported from foreign producers. Only two American companies operating domestically are now in existence.

The U.S. has become a net importer of steel, autos, trucks, automotive parts, clothing, footwear, glass, electronic goods, musical instruments, television, wigs, hair pieces, TV sets and transistor radios to mention only a few. These events are the results of changes in world economic conditions that require change to be made in the U.S. trade policies. The hard facts of life dictate that the government's foreign trade policies be swiftly modified in light of the rapidly increasing domination of foreign products.

COMMON FALLACIES

For the past several years the American consumer has been led to believe by leading industrialists, the U.S. Chamber of Commerce and newspaper editorials that increased imports created a distinct economic advantage with resultant low prices. We also read and hear that job exports are the fault of organized labor for constantly asking for higher wages, increased fringe benefits or strict antipollution measures and stringent safety and health regulations; that it is the fault of the workingman because of low productivity, disinterest in his job, disloyalty to the company and a lack of enthusiasm for zero defects that causes the increase in unemployment, but that just isn't the truth.

IMPORTS VERSUS PRICES

Imports do not serve to "discipline" prices. Often, the American consumer receives no benefit at all. The imports are generally sold at the prevailing American price, with resultant substantially widened profit margins. We were told that the American industrialists' answer to the small import foreign car was the Pinto—it was produced with engines imported from England and Germany and the standard transmission from other European manufacturers. Sales price—higher than the import.

"Buy American" has become a myth. It should read *"Buy American if you can find it."* Only recently an Akron rubber worker from Goodyear Tire and Rubber Company purchased an American made car with what he thought was American produced Goodyear tires only to find that the tires actually were made in Austria. Nearly all foreign import tires are sold domestically at American prices regardless of the cost of production. Make no mistake about it, the sales price will be at whatever amount the consumer is willing to pay. There are few import bargains.

There are also multinational corporations who produce component parts in American and foreign subsidiaries—assemble them in Mexican border plants, and return them duty free to the United States under TSUS Item 807. Although the corporation has realized a tremendous labor savings, it is not passed on to the consumer. Shoe prices rose 38% between 1960 and 1971, faster than the 31% increase in the overall Consumer Price Index. During this period the shoe imports skyrocketed, many shoe factories closed their doors, thousands of American shoe workers lost their jobs, yet the consumer benefited not at all.

WORKER'S ADJUSTMENT

There are many people who show a complete indifference to these trade-caused worker problems and they recommend that an unemployed worker should adjust, equating a worker with a retooling of a machine. This attitude is not only shocking in terms of social ethics, it reflects an ignorance of the workers' problems.

Labor is not an interchangeable part as some economists believe. A jobless rubber worker in Akron does not automatically become a clerical worker in New York or even in Portland.

While capital and machines can be moved from one part of the country to another, or to other countries, workers do not have full mobility. Workers have great stakes in their jobs and their communities. They have skills that are related to the job or industry. They have seniority and seniority-based benefits such as vested pensions, vacations, and supplemental unemployment benefits. Workers have investments in their homes, a stake in the neighborhood, schools and churches. This lack of mobility is not a fault. It is a virtue. It is an important factor in giving stability to a community and to society. Moreover a worker's skill is among his most valuable assets. It cannot, however, be transferred to another industry or occupation with ease, if at all.

Further illustration of this indifference is the lack of data and information on the impact that international trade has on U.S. workers. There is a great void of information bearing on the employment impact and other effects on workers. This shortcoming can only be attributed to a lack of interest by foreign trade experts in government and business. We note that there is a great abundance of information and data available from the U.S. government to businessmen who wish to relocate their business abroad.

MULTINATIONAL EXPLOITATION OF LABOR

It has long been the history of most corporations to exploit labor. Organized labor, through its efforts, was successful in overcoming the once prevalent 7 day, dawn to dusk, sweat shop conditions that once existed in this country.

In the early 1930s and on into the 40s the working conditions in the shops of this nation were unbearable. Men and women were forced to work under intolerable conditions that threatened their safety, impaired their health and caused early retirement and premature death. Through the concept of collective bargaining, organized labor obtained for the working force a decent wage and vastly improved working conditions. The workingman achieved a high degree of dignity with equity and security.

In order to combat these successful efforts, the corporations began to divide and diversify. Looking for pools of cheap labor, plants moved from the highly industrialized cities in the north to the rural nonindustrial areas of the southern states. For several years they were able to maintain low wages among these workers; however, organized labor once again was able to improve the standard of living and the working conditions in these plants through the bargaining process.

The corporations then turned to a multinational status and exported American jobs to foreign markets at the same time reducing, and in many instances eliminating their flow of exported goods to these countries.

U.S. firms invested approximately 3.8 billion dollars in plants and machinery in foreign subsidiaries in 1960. The U.S. Commerce Department estimates that U.S. based plants will invest more than 8 billion dollars abroad in manufacturing in 1971.

During the past 25 years about 8 thousand subsidiaries of U.S. companies have been established on foreign soil with estimated annual sales of approximately 200 billion dollars, obviously displacing U.S. produced goods in both American markets and world markets. These companies also export American technology; some of it developed through the expenditure of government funds paid for by American tax payers—their biggest export, of course, is U.S. jobs.

The multinational is not simply an American company moving to a new locality where the same laws apply and where it is still within the jurisdiction of Congress and the government of the United States. This is a runaway to a foreign country, with different laws, different institutions and different labor and social standards. In most instances, even the name changes. The tentacles of American industry reach far into foreign lands. It is ironic that these same multinational corporations have sought to influence U.S. trade legislation in the name of "free trade." Unlike their competing corporations in the U.S., these multiglobal operations are beyond the reach of present U.S. law or the laws of any single nation.

INTERNATIONAL BANKS

In the 1960's we have seen an important related phenomenon—the expansion of United States-based international banks, which service and help to finance foreign subsidiaries of U.S. companies. At present, there is a vast global network of branches of U.S. banks, which moves funds easily from one country to another, beyond the direct reach of the monetary policies of any government, including our own.

When the government's squeeze on the American money market threw homebuilding into a recession and hit other groups in the American economy in 1969, the U.S. international banks increased their borrowings from their foreign branches by an amazing $7 billion.

This $7 billion was for the aid and comfort of the American central offices of those international banks and their prime customers—the big corporations. The rates to the special customers were considerably less than those paid by small businessmen or home-buyers. When the money squeeze eased here, and the interest rates declined, this same "hot money" was transferred back abroad, and was partly responsible for the recent dollar crisis in the European money markets. Financial reporters attributed much of the manipulation in the money market to the treasurers of multinational corporations who were busy selling their dollars for stronger currencies.

In view of these developments by the banks, the multinational firms and the radically changed concepts of international relationships, the question must be asked: How long can the United States government and the American people permit such operations of private companies and banks to continue without regulation?

CANADIAN-MICHELIN TIRE COMPANY AGREEMENT

The Michelin Tire Company of France and the Canadian government have entered into an agreement the effect of which will undoubtedly become a most serious threat to the security of employees in the United States tire industry.

The Canadian government has committed to Michelin a 15-year, $50 million low cost loan from the Provincial-government's Industrial Promotion Agency to aid in the building of three plants. The Federal Department of Regional Economic Expansion has also signed an agreement with the French company offering two grants totalling $10 million.

Canada has granted tariff concessions by proposing the reduction or complete elimination of tariffs on most Michelin imports, to commerce in 1971. Further tariff relief has been offered on imported production machines in conjunction with a rapid write-off of production equipment in two years and on buildings in five years.

The entire value of the company's investment, including government grants, is also eligible for depreciation. Property tax concessions are available limiting annual taxes to 1% of the value of the buildings for ten years with no taxes to be levied during this same period on land, equipment or inventory.

It is my opinion that the foregoing agreement between the Canadian government and Michelin Tire may be construed as a violation of the contractual authority of the GATT Agreements. I am of the further opinion that these subsidies, in the form of special concessions, could be offset as provided for under Section 303 of the Tariff Act by the imposition of countervailing duties.

I offer the following specific steps for the protection of American workers and for the preservation of our industrial society:

1. The U.S. government must stop helping and subsidizing U.S. companies in setting up and operating foreign subsidiaries. Section 806.30 and 807 of the Tariff Schedules should be repealed; these sections of the Tariff Code provide especially low tariffs on imported goods, assembled abroad from U.S.-made parts. Moreover, the U.S. tax deferral on profits from foreign subsidiaries should be eliminated, so that the profits of these subsidiaries will be subjected to the U.S. corporate income tax for the year they are earned.

2. The government should regulate, supervise and curb the substantial outflows of American capital for the investments of U.S. companies in foreign operations.

3. The government should regulate, supervise and curb the export of American technology—by regulating the foreign license and patent arrangements of American companies.

4. The government should press, in appropriate international agencies, for the establishment of international fair labor standards in world trade.

5. In the face of growing unresolved problems, an orderly marketing mechanism is needed immediately to regulate the flow of imports into the U.S. of those goods and product-lines in which sharply rising imports are displacing significant percentages of U.S. production and employment. Such quotas that bar the rapid displacement of U.S. production and employment by flood tides of imports could slow down the disruptive impacts on American society and help to provide an orderly expansion of trade.

6. The U.S. government should take immediate positive action by continued negotiations with the Canadian government as provided under the terms of the GATT Agreements to alleviate the Michelin situation.

WHITSON KIRK: 50 YEARS OF SCOUTING

HON. DURWARD G. HALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. HALL. Mr. Speaker, it is a pleasure for me to direct the attention of my colleagues to the exemplary record of dedication and service in behalf of the Boy Scouts of America that has been achieved by Mr. Whitson Kirk, of Webb City, Mo.

Mr. Kirk is being honored as the only individual in the Mokan Area Council who has accumulated 50 years of service to Scouting, during the council's annual recognition ceremony.

As a recipient myself of the Silver Beaver and Silver Antelope awards, and one who has also long been interested in Scouting, I can attest to the truly commendable service Mr. Kirk has rendered.

I submit the following newspaper article and Boy Scout service record of Mr. Kirk for enlightenment of all:

[From the Joplin (Mo.) News Herald, Jan. 10, 1967]

WEBB CITY MAN HAS LONG RECORD IN SCOUTING

(By Irene Holt)

WEBB CITY, Mo.—Whitson Kirk, 902 West Second street, has the longest registered tenure with the Boy Scouts of any adult in the Mo.-Kan. Area Council, with a 43-year record, according to Richard Miller, council scout executive, "It could be said that if we have a Mr. Scouting in the Joplin area it would be Whitson Kirk," Miller said.

Kirk, who is president of the Mo.-Kan. Area Council, was reelected for a second term, beginning this month. He first joined

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Webb City troop No. 2 sponsored by the First Presbyterian church in January, 1920. Kenneth Glazier, was scoutmaster of the troop and Dr. Raymond Kuhn, assistant scoutmaster. Rufus Lane of Joplin was scout commissioner of the Webb City district.

"Our scout uniforms were fattened after the World War I soldiers' uniforms," Kirk said. "We had laced up breeches, wrapped up leggings, and a wide-brimmed hat.

"At the time I went into scouting Webb City was operating on its own basis with a complete scout organization within the town. In June, 1924, 12 or 15 of us were the first to make an overnight stay at Camp Nihkagaha. In that group was William Chinn, Gordon Told, and Chester Roney. We camped three days beside the spring there."

Kirk, who is a life scout, has held every office in the local troop, being senior patrol leader, at the time of the first camp-out.

When asked why his interest in scouting had continued through the years, he said: "I have always liked it. It was also partly for civic pride and partly because I was left without a father at the age of 10 and a mother at 13. Other scout leaders had taken me under their guidance so I always tried to pay back some of it."

Whitson Kirk Jr., who lives in Leawood, Kan. also is a life scout.

In 1950, while serving as contingent leader for the Mo-Kan area group, he made the trip to Valley Forge, Pa., to the National Jamboree there accompanied by 68 scouts from the area. This is a four-year national program in scouting. "Normally a boy will spend four years in the scouts. The aim is to give every boy a chance to attend."

Last August Kirk attended the voluntary training center at Philmont Scout ranch near Cimmaron, N.M. as finance chairman. The same week he was there for training Ed Johnson, public relations chairman, also attended.

Kirk received the Golden Sun award in 1938 and the Silver Beaver award, the highest award a council can give adults, in 1944. He also is a member of the Vigil Honors of the Order of the Arrow for honor campers. He was on the camping committee at the time of the securing of donations for the Frank Childress Scout reservation.

It is generally acknowledged that Kirk was instrumental in formulating all the arrangements after Paul Childress told Kirk of his intention to give, in memory of his mother and father, the two sections of land with all the improvements to the Girl Scouts and Boy Scouts. This was an unusual intention—for the Girl Scouts and Boy Scouts to own something jointly, and after months of work it was through Whitson Kirk's efforts that this was accomplished.

"Whitson is an unusual council president in that his scouting background entails work as a scoutmaster, troop committeeman, past council commissioner, and an individual that has been involved in the camp development program at both the old Camp Nihkagaha and the present Frank Childress Scout Reservation," Richard Miller said.

Whitson Kirk is general manager of General Steel Products Company, 2002 West Seventh street.

BOY SCOUT AND COMMUNITY SERVICE RECORD OF WHITSON J. KIRK

1. BOY SCOUTS OF AMERICA

A. Local level

Tenderfoot Scout, January 1, 1920, Kenneth W. Glaser, Scoutmaster, Troop 2, Presbyterian Church, Webb City, Missouri, Rufus Lane, Scout Commissioner.

Member Troop 1, September, 1921.

Member Troop 25, September, 1922; Senior Patrol Leader 1923 to 1926; Assistant Scoutmaster, September, 1926–1938; Scoutmaster October 31, 1939–1940; Troop Committee, 1940–1962.

B. MoKan Area Council

Neighborhood Commissioner, December 31, 1941–1942.

Chairman of Camping and Actitvites, December, 1942–1943.

Scout Commissioner, March 31, 1945–1949.

Council Executive Board Member or Member at Large, 1949–1971.

Chairman of Organization and Extension, March 31, 1950.

President of MoKan Area Council, 1966 and 1967.

Attended Regional Meeting, Colorado Springs.

Attended Regional Meeting, Kansas City.

Attended National Meeting, Dallas, Texas.

C. National council

National Jamboree, Valley Forge, Pennsylvania.

Philmont Scout Ranch—Leaders Training 1966.

II. OTHER ACTIVITIES

A. General Manager of General Steel Products Company, employed there 42 years.

B. Member of Webb City Rotary Club since 1945.

C. Member of Presbyterian Church—Webb City; Elder since May 5, 1946; Board of Trustees—elected in 1952—completing 6th term.

D. Member American Institute of Mining and Metallurgical Engineers since 1953.

E. Member Webb City Housing Authority Board.

III. SPECIAL OUTSTANDING ACCOMPLISHMENTS

A. In 1961, through the coordinating efforts of Mr. Kirk, Mr. Paul Childress made a gift of 200 acres including buildings and fencing to be used jointly by the Boy Scouts of America and the Girl Scouts of America for a camping area. This facility is presently being used by both Boy Scouts and Girl Scouts and is known as Childress Scout Reservation.

B. While President in 1967 of the MoKan Area Council the present Scout Service Center was acquired and opened as a Scout Service Center. Dignitaries at the open house included the Governor of the State of Missouri, Warren E. Hearnes.

IV. AWARDS

A. In 1939 he was awarded the Order of the Golden Sun, a special award presented by the MoKan Area Council Boy Scouts of America annually to outstanding Scouters.

B. December 6, 1944 he was awarded the Silver Beaver by the National Court of Honor.

C. On August 29, 1959 he received the Vigil Honor, Order of the Arrow.

PROSPERITY—DOES IT TRICKLE DOWN OR PERCOLATE UP?

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. O'HARA. Mr. Speaker, the conventional thing to say these days is that the President's most effective political ploy is his ability to surprise everyone by doing what is least expected. We are told that his China trip was unexpected, and his sudden conversion to wage and price "controls" was a total surprise.

There is no doubt, of course, that the trimmings on Presidential policies are usually arranged in as surprising and attention-getting a manner as possible. But when you penetrate the rhetoric and examine the substance, the policies of President Nixon in most cases, notably including the area of wage and price "controls," is really not all that new and different.

Most Republican Presidents after Lincoln have believed, with a deep and fervent faith, in the proposition that business men are the only creators of national wealth, and that everyone else prospers or fails depending on how much of the businessman's profits trickle down to them. Neither the working man nor the farmer, in this orthodox Republican view of the world, actually contribute anything to the Nation's well-being. It is only as they share in the profits of business that they can expect to be well-off. This fervid belief in the law of economic gravity has survived Republican depression after Republican depression. It survives crises after crisis and is one area, at least, in which truly good Repubicans can be counted upon to put principle ahead of politics. President Nixon is following loyally in the footsteps of many of his GOP predecessors, and in the trail blazed by the previous Republican administration of which he was a part. Those administrations did not let massive unemployment and the prospect of losing an election shift them away from their devotion to the trickle-down theory, and neither is the present administration.

Naturally, the President seeks to put the best face on it.

This summer, when the President announced his freeze on working people's wages, and expressed his pious wish that profits might also be kept within moderation, he sought to justify it by expressing the belief that somehow this would fight unemployment and fight inflation. Since the unemployment was largely caused by the President's earlier efforts to fight inflation, the unemployed could be pardoned a certain skepticism about the new Nixon formula for creating jobs. But if you believe in trickle-down economics it all makes sense. Under the ancient trickle-down theory, if you just direct every organ of public policy and private power to insure that those who have the most get more, then it follows that those who have the least may, somehow, from the generosity of those who have everything, get something.

The other side of the administration's anti-inflation coin—the administration's idea of what to do for business when you freeze workers' pay—is to propose big tax breaks for industry, in the hope that they will somehow create jobs for the unemployed.

As I suggested at the beginning of these remarks, the more you examine the Nixon surprise economic package the less surprise and the more Republican orthodoxy there appears in it.

Fortunately, the President is not the only ex-Vice President around to give us economic advice. There is another, presently an active Member of a nearby legislative body, and his advice continues to be basically a good deal sounder than that of his fellow ex-Veep.

The able junior Senator from Minnesota has persuaded the Senate to amend the pending tax legislation to increase the minimum standard income tax deduction from $1,000 to $1,300. This will not do much for big businessmen directly or individually, but it will provide a massive shot in the arm for the economy by making more money available to those who have it the least and need it the most.

Senator HUMPHREY's proposal is not based on trickle-down theories. It assumes that it is the people who create wealth and that big business and the banks and the other beneficiaries of "Nixonomics" profit only as the people are prosperous. Senator HUMPHREY believes that wealth moves upward, while President Nixon believes that wealth trickles down. Both men are deeply sincere. And their respective ideas have been tried out. The prosperity of the 1960's stemmed from an application of the Humphrey theory. The Nixon theory has given us the highest unemployment rates in years. I know which theory I accept.

The distinguished Washington Post columnist, William Raspberry, in today's issue of that newspaper, analyzes the comparative theories of the Humphrey and Nixon school of economics. I ask unanimous consent that that column be printed at this point in the RECORD.

TAX BREAK FOR THE POOR

(By William Raspberry)

Not everyone is convinced that the President's proposal of investment credit tax breaks for big firms will work out the way Mr. Nixon hoped when he dubbed it a "job development" scheme.

The theory is that manufacturers will be moved by the prospect of an investment credit to lay in new machinery, increase their productivity and, ultimately, provide more jobs. That prospect would seem more logical if most plants were operating at full production now. They aren't.

One of the best hopes that the proposal really will lead to major economic stimulation is contained in an amendment introduced this week by the junior senator from Minnesota.

What Hubert Humphrey has proposed (his bill cleared the Senate Tuesday by a vote of 46 to 34) is an increase in the minimum standard income tax deduction from $1,050 to $1,300, a device for giving tax relief to poor and low-income families.

While the main proposal, which Humphrey supports, is based on the hope that manufacturers will use their new tax advantage to create new jobs, and thereby stimulate the general economy, the Humphrey amendment would virtually guarantee economic stimulation.

Big firms can exercise options about what to do with their tax savings. But poor people really have no option: they will spend all they get, whether through wages or tax refunds. And they will spend it on the things that manufacturers produce—food, clothes, TV sets—thus increasing sales which stimulates production, which creates jobs.

As Humphrey put it, it's the difference between trickle-down and percolate up.

Not only is percolating up a more certain prospect; it also directly helps those who most need help—the poor. Humphrey estimates that some 70 per cent of the benefits under his proposal would go to families with incomes under $4,500 a year.

"If there is any group of American families that deserve some consideration by Congress," the former Vice President said, "it is that group of families with incomes under $4,500 and that group that we call lower-middle-income families of $10,000. These people are the great purchasers of consumer goods because they represent such a multitude of our people. They can help stimulate the economy if they have a little additional purchasing power."

He would provide that new purchasing power right away. His amendment would apply the new deduction to 1971 income. That might make a problem for the Internal Revenue Service, which has its tax forms already printed, but it would be an unmitigated boon to an awful lot of poor people.

Aside from what the Humphrey proposal would do to stimulate the sluggish American economy, it would go a long way toward eliminating one of the incongruities of our tax laws.

As things are now, millions of people whose incomes fall below the level officially defined as poverty still are subject to income taxes.

Humphrey's amendment would come very close to making tax-free-income levels and poverty levels the same. But it would also provide some relief for low- and moderate-income families.

For example, a family of four whose income is $7,500 a year would save about $60 in taxes. That isn't much but it involves so many people that it would be bound to produce some economic stimulus. As Humphrey observes, "Low-income families do not save—they spend."

He said his proposal would cost $992 million in revenues, but he thinks it is worth it.

"The Treasury loses this revenue," he said. "There's no getting around it. But it loses it from those who can least afford to pay—and, I may say, those whom society can least afford to tax."

THE TAX REFORM ACT OF 1972—REINTRODUCED WITH COSPONSORS

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. CORMAN. Mr. Speaker, on October 5, I introduced a bill, H.R. 11058, the Tax Reform Act of 1972. Twenty-five Members have since expressed their wish to cosponsor this legislation with me, and yesterday I was pleased to introduce two bills under this title: H.R. 11862 on behalf of myself and Mr. ASPIN, Mr. BOLLING, Mr. DANIELSON, Mr. WILLIAM FORD, Mr. HALPERN, Mr. HAWKINS, Mr. HELSTOSKI, Mr. JACOBS, Mr. JOHNSON of California, Mr. MCFALL, Mr. MEEDS, Mr. MOORHEAD, Mr. MOSS, and Mr. OBEY; and H.R. 11863 on behalf of myself, Mr. PEPPER, Mr. PIKE, Mr. REES, Mr. REUSS, Mr. RYAN, Mr. SCHWENGEL, Mr. SISK, Mr. STOKES, Mr. VAN DEERLIN, Mr. WALDIE, and Mr. CHARLES H. WILSON of California.

The enacting clause of the Tax Reform Act of 1972 reads:

To gear the income tax more closely to an individual's ability to pay, to broaden the income tax base of individuals and corporations, and to otherwise reform the income and estate tax provisions.

In short, this is a bill with one major objective: To provide meaningful reform of our tax laws in order to make them more equitable and more productive of revenue.

None of the provisions of the Tax Reform Act is new or novel. Proposals to make our tax laws more equitable and productive have long been proposed and discussed, in and out of the Congress. In theory, our tax rates are progressive and should have the effect of placing the tax burden according to an individual's ability to pay. But, a variety of special exemptions, incentives and privileged interpretations of complex tax laws have made a mockery of the theory. Inequities abound, not only in the area of individual income taxation, but likewise in regard to corporation, estate and gift taxes.

Some reform was accomplished in the Tax Reform Act of 1969, but it did not go far enough. Events since the 1969 Act have made it imperative that the Congress give its attention to further reform, both in the interest of tax equity as well as gaining revenue.

This is especially true in view of the prospective enactment of the Revenue Act of 1971, which reflects the tax aspects of the President's new economic policy. In attempting to solve the dual problems of inflation and unemployment, which have reached crisis proportions because of the administration's standpat policies of the past 2½ years, the Ways and Means Committee acted quickly on this legislation, though making significant changes in the President's recommendations. While this legislation is necessary, it is also true that under the House-passed bill some $15 billion will be lost to the Treasury for the calendar years of 1971, 1972, and 1973. This is a substantial loss, especially since the deficit for fiscal year 1972, based on the administrative budget, is estimated to be over $35 billion.

The Tax Reform Act of 1972 is not meant to be an alternative to the Revenue Act of 1971. Rather, it is meant to complement that Act. It would assure greater revenue in the long run, would reduce our budget deficits, and in times of high economic activity could even help to eliminate a budget deficit entirely. It would strengthen the economy by channeling greater purchasing power to individuals at the lower income levels, who are more likely to spend their earnings than persons with larger incomes. It would remove a number of lower income people from the income tax rolls, even though they would still be responsible for substantial social security taxes. Finally, it would enable us to tackle more vigorously the great volume of unmet needs which continue to cry for attention and which Government must meet.

The additional revenue produced by the Tax Reform Act of 1972 could help us begin to rehabilitate our cities, improve our educational system, redevelop the rural areas of the country, meet the Nation's growing health care crisis, provide adequate housing, minimize the condition of poverty in the American scene, and effectively control pollution. We also need to find ways to assist local government to meet their traditional responsibilities and somehow help to lessen

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the awesome burden of property taxes on homeowners. At the same time, we must not lose sight of the need for adequate financing of essential on-going Federal programs.

Very simply, this all takes money, most of which must come from Federal revenue. We must find a way, and the way can be found only by "producing" revenue for the Treasury, not by "reducing" it. By a conservative estimate, the Tax Reform Act would bring $11 billion new revenue into the Treasury for calendar year 1973, and when fully effective by 1980, Treasury would receive in excess of $19 billion a year. When we consider the revenue loss resulting from the Revenue Act of 1971, even the conservative figures I have just quoted make enactment of the Tax Reform Act essential. As the economy improves and the expanded tax base produces more than adequate revenue, the Congress then can consider rate reduction—the most desirable end product of tax reform.

At the conclusion of these remarks, I am inserting a summary of the provisions of the tax reform proposal; also, several tables showing the tax burden in 1973 under present law and under the proposal to substitute a tax credit for the personal exemption allowance at selected levels of adjusted gross income. This is summarized in title I, section 101 of the bill. I call special attention to these tables for they clearly point up an important purpose of the Tax Reform Act—to gear the income tax more closely to an individual's ability to pay.

Mr. Speaker, I urge my colleagues to examine the provisions of the Tax Reform Act carefully. Its enactment will help us to find our way back to fiscal responsibility and equitable tax treatment for the average American taxpayer—both necessary ingredients for a stable, prosperous, and healthy economy.

The summary of contents of the Tax Reform Act and four tables follows:

SUMMARY OF CONTENTS OF TAX REFORM BILL

Section 1—Short title

This section provides that the Act may be cited as the Tax Reform Act of 1972.

Section 2—Technical and conforming changes

This section provides that the Secretary of the Treasury shall, within 90 days after the date of the enactment of the Act, submit to the Committee on Ways and Means a draft of any technical and conforming changes in the Internal Revenue Code which should be made to reflect the substantive amendments made by the bill. The bill, for example, does not attempt to make all conforming amendments to the cross references provisions within the Code or to the various tables of contents in the Code.

TITLE I—AMENDMENTS PRIMARILY AFFECTING INDIVIDUALS

Section 101—Credit against tax for personal exemptions

This section provides a credit against tax for personal exemptions in lieu of the existing deduction from gross income for personal exemptions. The credit provided is $150 for each exemption. Thus, a single person over age 65, and with no dependents, would have a credit against tax of $300 (two exemptions).

Under present law, a deduction of $750 against gross income for a personal exemption is worth $525 to the taxpayer in the highest bracket, but only $107 to a taxpayer in the lowest bracket. While the $150 credit will be of more benefit to taxpayers in the low brackets than the existing $750 deduction from gross income, it will, of course, be of less benefit than the $750 deduction to taxpayers in the higher brackets. Approximately 30 million taxpayers with adjusted gross incomes below $10,000 will receive a tax reduction under this amendment. But over all, this section of the bill would increase tax revenues by approximately $1.9 billion a year.

This section also provides that if the taxpayer is claiming a child as a dependent (and thereby receiving a credit of $150 against tax) the parent shall include in his gross income any income received by the child during the taxable year from a trust created by the parent, and also any dividends, interest, or royalties received by the child from any property given to him by the parent. Income which is so taxed to the parent would not be taxable to the child. This provision will not apply if the parent does not choose to claim the child as a dependent.

Section 102—Repeal of $100 dividend exclusion

This section repeals the provision in present law that allows a taxpayer to exclude from gross income $100 of dividends received on corporate stocks. Present law gives no similar exclusion in the case of interest received on savings accounts, a much more common form of investment by individuals in the lower brackets.

Section 103—Floor on charitable contributions

This section provides that charitable contributions by an individual are deductible only to the extent they exceed 3 percent of adjusted gross income. This is the same floor as applies in the case of the deduction of medical expenses. Under the amendment, routine contributions to the church and other charities, like routine medical and dental expenses, would not be deductible, but extraordinary amounts would be deductible when they exceed the 3-percent floor.

Section 104—Elimination of vacation resort house as tax shelter

This section eliminates as tax shelters such items as beach cottages, condominiums at ski resorts, mountain cabins, and the like, which the taxpayer uses for pleasure and rents when he can in order to obtain tax deductions greater than the rentals. The amendment would also apply to the rental of a house which is used by the taxpayer as his principal place of residence.

Under the amendment deductions for depreciation, repairs, insurance, agent fees in handling rentals, etc., would be allowed as deductions only up to the amount of rentals received during the year reduced by interest and taxes paid (and deducted) on the rental property. The rentals would not be taxed (except in the unusual case where they exceed all expenses) because they would be offset by allowable deductions; but the excess costs for repairs, depreciation, insurance, etc., could not be used to shelter income from other sources.

Section 105—Disallowance of expenses attending conventions outside the United States

This section disallows expenses of travel (including meals and lodging) of an individual in connection with attending a convention held outside the United States. As a general rule, such expenses are incurred primarily for pleasure rather than business. Thus, expenses of lawyers attending the American Bar Convention in London in 1971 would have been disallowed if the amendment had been in effect. The amendment applies to expenses incurred after the date of the enactment of the bill.

Section 106—Computation of earnings and profit on a consolidated basis

Some conglomerate companies have been paying dividends which are not fully taxable because the parent company does not have sufficient earnings and profits to cover the distribution although the consolidated group had earnings and profits during the year greater than the amount distributed. This section of the bill provides that the earnings and profits of a parent corporation for a year shall not be less for dividend purposes than the earnings and profits of the consolidated group for the year.

Section 107—Dividend on certain sales of stock

The Tax Court held that if a transaction is described in section 304 of the Code (which can produce dividend income if stock of one controlled corporation is sold to another controlled corporation) and is also described in section 351 (dealing with tax-free exchanges), then section 351 applies and not section 304. This section of the bill changes the rule of the Tax Court case and provides that the tax-free provisions of section 351 do not apply to the extent the application of section 304 produces an amount taxable as a dividend.

Section 108.—Termination of stock option provisions

Under present law, an officer of a corporation is not taxed at the time he exercises a qualified stock option granted him for performance of services. If he sells the stock after 3 years, the compensation is taxed only as a capital gain. If he holds the stock until he dies, the compensation is never taxed. This section of the bill provides, in the case of options options granted after 1971, that the compensation realized on exercise of a stock option will be taxed at the time of exercise as ordinary income.

The enactment of this amendment will be welcomed by many corporate shareholders. The liberal granting in the past of stock options has diluted, in some cases seriously, the equity ownership of shareholders of the companies who grant stock options. With the demise of tax free stock options, management will no longer have to explain or contend to shareholders that authority to grant stock options is necessary to attract or keep "key employees".

Section 109.—Limitation on deduction for percentage depletion on royalties

The percentage depletion allowance is intended to provide an incentive for the discovery and development of oil and gas and other minerals. In the case of royalty income this incentive is generally meaningless. As one commentator asked with respect to the passive owner of an oil royalty: "What perils has he overcome in the quest for oil? To what extent has he been gambling with fate like a tenacious wildcatter?

This section of the bill provides that the owner of a royalty cannot deduct percentage depletion after he has received depletion deductions in an amount equal to 4 times the amount he expended for exploration and development of the deposit from which he is drawing his royalty. In the usual case of a landowner who receives royalties from a lessee who did the exploration and development work, this would mean that no percentage depletion would be allowed. But the owner of an overriding royalty may have sub-leased the property after having first made expenditures for exploration and development and he would be allowed percentage depletion on his royalty income until he has recovered 4 times his expenditures for exploration and development. This multiple of 4 times would apply even though the drilling or development expenditures were deducted when incurred.

Section 110.—Disallowance of certain double deductions

Present law provides that the expenses of administering an estate can be deducted by the executor on either the income tax return or the estate tax return, but not on both. The courts have held that expenses of the executor in selling property can be deducted on the estate tax return and can also be used on the income tax return as an offset against the selling price of the property. This section of the bill provides that such selling expenses cannot be used in the income tax return as an offset to the selling price if they are deducted as an expense of administration on the estate tax return.

Section 111.—Treatment of trust income payable to children of grantor

Under present law, a father can, in effect, deduct on his income tax return gifts to his children if he makes a gift out of income from stocks and agrees to do so for at least 10 years. To get that result, the parent need merely transfer stock to himself as trustee and agree to pay out to his children the income from that stock for 10 years, at which time the stock will be returned to him free of the trust. Use of short-term trusts in this manner is commonplace with affluent taxpayers who can afford to give some of their dividend income to their children.

This section of the bill provides that the income of such a trust will be taxed to the grantor (if he has a reversionary interest) so long as the income is payable to a child who is under the age of 21 years or who is attending college and is a dependent of the taxpayer for purposes of the credit for personal exemptions.

Section 112.—Repeal of exemption for earned income from foreign source

Under present law, citizens of the United States can exclude from gross income certain amounts of income they earn in foreign countries if they are present in the foreign country for 17 out of 18 months or if they become a bona fide resident of the foreign country. The exclusion is $20,000 a year if the taxpayer meets the 17 out of 18 month test and is $25,000 a year if he is a bona fide resident of the foreign country. This section of the bill denies such exclusion from gross income in the case of taxable years beginning after the date of enactment. The foreign tax credit will prevent double taxation of the income if the foreign country also taxes the earned income.

Section 113.—Nontazed capital gains: Carryover basis at death

Under present law, on the death of an individual his property receives a new basis for tax purposes—the fair market value used for purposes of the estate tax. Unrealized capital gains are, therefore, not taxed when the executor or the heirs sell any appreciated property held by the decedent. This section of the bill provides for a carryover of the decedent's basis if the decedent's gross estate exceeded $60,000. The decedent's basis in appreciated property is increased by its proportionate share of Federal and State estate taxes attributable to the amount of the appreciation. This section would apply to decedents dying after June 30, 1972.

Section 114.—Repeal of alternative capital gains tax for individuals

This section repeals the alternative capital gains tax for individuals. The tax was partially repealed by the Tax Reform Act of 1969. With this amendment, one-half of all long-term capital gains (not offset by capital losses) would be taxed to the individual as ordinary income.

Section 115.—Capital loss carryback for individuals

This provision grants relief to an individual who has an unused capital loss of at least $10,000 by allowing him to carry it back (as can a corporation) to the 3 preceding taxable years. Cases have arisen where a large capital gain in one taxable year is followed by a large capital loss in the following year which may never be utilized even with the unlimited carry forward.

The carryback is elective with the taxpayer. This will make the provision less of an administrative burden on the Internal Revenue Service, for in many cases the taxpayer would rather not file a claim for refund (and audit) of taxes paid in a prior year if the loss can be used on a carryforward. Moreover, if the taxpayer elects to treat a net capital loss as a carryback, the entire capital loss is treated under the amendment as a long-term capital loss even though it is made up completely or in part from short term losses.

The carryback cannot be used to offset ordinary income, although a carryforward can offset ordinary income up to $1,000 a year, and the carryback cannot produce or increase a net operating loss for a preceding taxable year. In the case of the death of the taxpayer a net capital loss for the year of his death can be carried back even though the loss is less than $10,000.

Section 116.—Repeal of capital gain treatment for patents

Under existing law, capital gain treatment is granted on the sale by an individual of a patent even though he is a professional inventor. This section of the bill repeals this provision, so that sale of a patent by the person whose personal efforts created the property will produce ordinary income, just as the sale of a copyright does under existing law.

Section 117.—Income tax treatment of certain gifts to members of family

It has become fairly common for an individual who has produced a copyright or a literary or musical composition which is producing royalty income to give it to his children or to a trust so that the income will be less heavily taxed. This section of the bill provides that where there is a gift of such property by the taxpayer to a member of his family, to a trust for the benefit of any member of his family, or to a corporation more than 50 percent owned by the taxpayer or his family, the taxpayer will be treated as having received ordinary income at the time of the gift in an amount equal to the fair market value of the property at that time.

Section 118—Farm losses

The excess deductions account with respect to farm losses, adopted by the Tax Reform Act of 1969, applies only if the taxpayer has nonfarm income in excess of $50,000, and even then a farm loss is taken into account only to the extent it exceeds $25,000. This section of the bill reduces the $50,000 figure to $30,000, and reduces the $25,000 figure to $10,000.

Section 119—Transfers taking effect at death

Before the enactment of the 1954 Code, if a taxpayer transferred property to a trust which provided that the income should be accumulated during the grantor's life and upon his death the trustee should pay the corpus and accumulated income to his children, such a transfer was included in the decedent's gross estate as a transfer taking effect at death. The 1954 Code provided that such a transfer will be included in the gross estate only if the decedent retained a reversionary interest equal to 5 percent of the value of the property. This section of the bill strikes out the 5-percent reversionary interest test since it is completely a non sequitur in a statute which imposes an estate tax on a lifetime transfer of an interest which can be possessed or enjoyed only by surviving the transferor. This amendment would apply to transfers made after December 31, 1971.

Section 120—Life insurance included in gross estate

Prior to the 1954 Code, life insurance on a decedent's life was includible in his gross estate to the extent he paid the premiums on the policy. In such a case it was immaterial whether he had given the policy to members of his family before his death. This section of the bill restores the premium payment test in the case of life insurance, so that the insurance will be included in the insured's gross estate in the ratio that the premiums paid by the decedent on the insurance policy bears to all premiums paid on that policy. In applying this rule the premiums paid by the decedent before July 1, 1971, shall not be included in the numerator of the fraction but would be included in the denominator.

Section 121—Charitable deductions in the case of estate tax

The first amendment made by this section of the bill provides that a charitable bequest will be deductible for estate tax purposes only if it is to be used predominantly within the United States or its possessions. Under present law, a citizen of the United States can give his entire estate to a church located in Germany or to an orphanage in Israel and no Federal estate tax will be imposed on his estate.

The second amendment places a limitation on the charitable deduction for estate tax purposes, similar to what we have for the income tax. Under present law, a decedent can give his entire estate to a private foundation created by his will, and no Federal estate tax will be imposed. This amendment states that the aggregate charitable deduction shall not exceed 50 percent of the gross estate reduced by the debts of the decedent and the expenses of administration.

The third amendment deals with the interplay of the charitable deduction and the marital deduction for estate tax purposes. The marital deduction cannot exceed 50 percent of the adjusted gross estate (gross estate less debts, losses, and expenses of administration). Cases have arisen where executors have claimed, in order to raise the amount of the adjusted gross estate for purposes of the marital deduction, that transfers made to charities during the decedent's lifetime were includible in the gross estate. Increasing the gross estate for such lifetime transfers produced no estate tax for the charitable deduction was increased by the same amount, but a larger maximum deduction was allowed for bequests to the surviving spouse. This amendment provides that in computing the adjusted gross estate there shall be excluded any transfer made by the decedent during his lifetime if an estate tax charitable deduction is allowed for that transfer.

Section 122—Underpayments of estimated tax

This section provides that an individual cannot base his estimated tax payments on the prior year's tax (or at the current year's rates applied to the prior year's facts) if in any one of the 3 preceding taxable years the tax shown on his return was in excess of $100,000.

Section 123—Joint ventures for drilling oil wells or development of other minerals

Under present law, drilling funds are being peddled as tax shelters for affluent taxpayers. The general technique is for the taxpayer to make an investment as a limited partner under an agreement which provides that the entire amount which he invests will be deductible by him in the same year as intangible drilling costs. The amendment made by this section of the bill would put a stop to this tax shelter by providing that any unincorporated organization which has more than

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5 members and which is formed or created after January 1972, for the primary purpose of exploring for or developing oil or gas wells or other mineral properties, shall be treated for the purposes of the Internal Revenue Code as a corporation. It is also provided that subchapter S (election to treat a corporation like a partnership) will not apply to a corporation if it has more than 5 shareholders and the deductions for intangible drilling or mine development costs exceed its net income from mineral properties, computed without regard to the depletion deduction and the deductions for drilling and development.

Section 124—Income accumulated in foreign corporations for United States citizens

Under present law, a citizen of the United States by use of a foreign corporation, can accumulate a fortune while living in the United States without the payment of any income tax (by himself or the corporation) to the United States on the accumulated fortune. If the foreign corporation is engaged in shipping, no income tax will be paid by the corporation on the shipping profits to any country. The United States citizen will not be taxed on undistributed profits of the foreign corporation because it will have enough business income to avoid being treated as a foreign personal holding company. This section of the bill provides that after a United States citizen's share of the accumulated earnings of a controlled foreign corporation (or a group of controlled corporations) exceeds $1 million, from then on the individual will be taxed on his share of 70 percent of the current earnings of the foreign corporation even though the earnings are not distributed. This rule will apply only if the individual has an interest of 10 percent or more in the controlled foreign corporation.

TITLE II. AMENDMENTS PRIMARILY AFFECTING CORPORATIONS

Section 201—Depreciation deductions not to exceed book depreciation

This section provides that a corporation cannot take depreciation deductions for a taxable year in an aggregate amount in excess of the depreciation taken into account in reporting profit or loss for the year to shareholders. This amendment would greatly reduce the revenue loss over the next decade of approximately $40 billion which will result from the Treasury's recent ADR regulations (Asset Depreciation Range), since it is not likely that many publicly held corporations would be willing to report to shareholders the reduced earnings which would be created by computing book depreciation in accordance with ADR. In the case of an affiliated group of corporations, regulations will prescribe whether the report by the common parent corporation to its shareholders, rather than the report of subsidiaries to the parent, will be taken into account for purposes of this amendment.

Section 202—Limitations on dividends received deduction

Subsection (a) of this section of the bill provides that the dividends received deduction cannot exceed 85 percent of taxable income (computed without regard to the net operating loss deduction or to any capital loss carryback). The chief effect of this is to change present law which allows a full deduction for 85 percent of dividends received if this deduction will produce or increase a net operating loss for the taxable year. The amendment also provides that any amount disallowed for the taxable year because of the net income limitation shall be allowed as a deduction for the following taxable year if there is sufficient taxable income in that year. This gives the taxpayer a carryover which he does not have under present law.

Subsection (b) provides that dividends received from an unaffiliated corporation shall be reduced (for purposes of the dividends received deduction) by the amount of any interest on indebtedness incurred or continued to purchase or carry the stock of the unaffiliated corporation. An unaffiliated corporation is any corporation except one that is a component member of a controlled group of corporations which includes the taxpayer.

This section of the bill also provides that if the aggregate amount of dividends received during the year from unaffiliated corporations (after first being reduced by any interest paid as provided in the preceding paragraph) exceeds the amount of dividends paid by the corporation during the taxable year, no dividends received deduction shall be allowed with respect to the excess. Thus, if no dividends are paid by the taxpayer, no dividends received deduction can be claimed for dividends received from unaffiliated corporations. However, the amount which is so disallowed shall be treated as a dividend received in the following year for purposes of the dividends received deduction. Moreover, if dividends paid during a taxable year exceed the dividends received during the year from unaffiliated corporations, the amount of the excess will be treated as a dividend paid in the following year for purposes of the dividends received deduction.

Section 203—Dividends in property to foreign corporations

This section provides that a dividend in property paid to a foreign corporation shall be the fair market value of the property, instead of the adjusted basis in the hands of the distributing company. The Internal Revenue Service says that this result is reached under present law, but the Courts disagree. The amendment is prospective only, but it is provided that no inferences shall be drawn, in the case of past distributions, from the fact that the amendment is not retroactive.

Section 204—Use of appreciated property to redeem stock

Under present law, if a corporation redeems stock with appreciated property, gain is recognized except in certain cases. One of the exceptions is where stock or securities are distributed pursuant to a court proceeding under the antitrust laws. This section provides that the stock or securities must have been acquired before January 1, 1970, in order for the exception to apply. It is not believed corporations which have violated the antitrust laws should have a tax benefit not available to other corporations who distribute appreciated securities.

Section 205—Denial of tax-free exchanges in case of investment companies

In 1966 tax-free exchanges of appreciated stock for shares of mutual funds (so-called swap funds) was brought to an end by an amendment which provided that section 351 of the Code would not apply to transfers to an investment company. This amendment did not complete the job. For years the Massachusetts Investment Trust, and other mutual funds, have been issuing their shares to acquire all of the stock or assets of family held personal holding companies, and these exchanges are treated under section 368 as tax-free reorganizations. This is nothing but swap funding to obtain diversification plus a readily marketable security. The amendment would make such exchanges taxable and it would also make mergers of two investment companies taxable.

Section 206—Certain transactions disqualified as reorganizations

This section of the bill provides that there cannot be a tax-free reorganization if the shareholders of the smaller company involved in the transaction end up with less than 20 percent of the voting stock of the surviving corporation in a merger or of the acquiring corporation in the case of a so-called B reorganization (stock-for-stock) or a so-called C reorganization (stock-for-assets). If a conglomerate company whose stock is listed on the New York Stock Exchange issues less 20 percent of its voting stock to acsues less than 20 percent of its voting stock to acquire the stock or assets of a company whose stock is not listed, it is more realistic to treat the shareholders of the unlisted company as having sold out for a marketable security rather than having taken part in a reorganization of their company. A similar provision was contained in the House version of the Internal Revenue Code of 1954.

Section 207—Repeal of special treatment of bad debt reserves of financial institutions

This section of the bill provides that banks and other financial institutions who now are allowed to take special deductions for reserves for bad debts will, in the case of taxable years beginning after 1971, compute any addition to a reserve for bad debts on the basis of the actual experience of the taxpayer, the rule which is applied to all other corporations.

Section 208—Repeal of deduction for western hemisphere trade corporations

This section of the bill repeals the special deduction now allowed domestic corporations who obtain most of their income from foreign countries in the Western Hemisphere.

Section 209—Involuntary conversions

This section provides that if gain on an involuntary conversion of property is not recognized because the taxpayer purchases stock of a corporation owning property of the kind which was converted, the basis of that property in the hands of the corporation shall be reduced by the amount of gain not recognized on account of the purchase of the stock.

Section 210—Computation of underpayments of estimated tax

This section of the bill provides that a corporation cannot compute its estimated income tax payments on the basis of the prior year's tax (or on the basis of the prior year's facts and the current year's rates) if in any one of the 3 preceding taxable years the tax shown on its return was in excess of $300,000.

TITLE III—AMENDMENTS AFFECTING INDIVIDUALS AND CORPORATIONS

Section 301—Repeal of exemption for interest on new issues of State and local bonds

This section of the bill provides that interest on State and local bonds issued after December 31, 1972, will not be exempt from Federal income taxation. In the case of interest on State and local obligations issued before January 1, 1973, such interest will continue to be exempt from taxation, but section 401 of the bill provides that such interest will be treated as an item of tax preference for purposes of the minimum tax.

Section 302—Deduction for depreciation based on equity on rental real estate

This section provides that in the case of a building which the taxpayer rents to others, the deduction for depreciation cannot exceed the taxpayer's equity in the building and the land. That is, no additional deductions for depreciation will be allowed (including existing buildings) to the extent it would reduce the adjusted basis of the building below the unpaid balance of the mortgage on the land and building (minus the tax cost of the land). However, until the depreciation deductions equal the equity, the depreciation would be computed on the entire cost of the building and not on the amount of the equity. This amendment would not apply to a building if the primary use is by the taxpayer and not by tenants. This amendment would practically eliminate real estate ventures as tax shelters for investors.

Section 303—Charitable gifts of appreciated property

Under an amendment made by the Tax Reform Act of 1969, if capital assets which have appreciated in value are given to a private foundation, the charitable deduction is reduced by one-half of the capital gain the individual would have had if he had sold the property at fair market value. This section of the bill extends this rule to gifts of appreciated property to any charity.

Section 304—Computation of net operating loss deduction

This section of the bill overrules a decision of the Tax Court which held that a net operating loss which is carried back or forward does not have to be reduced by long-term capital gains in an intervening year if the alternative tax was paid on the capital gains. This amendment provides that capital gains are taken into account, for this purpose, in the same manner as other gains. Prior to the Court decision, capital gains have never received preferential treatment for net operating loss purposes. The amendment applies only in computing deductions for taxable years ending after the date of the enactment of the bill, but it is provided that in the case of earlier taxable years no inferences shall be drawn from the fact that the amendment does not apply retroactively.

Section 305—Capital expenditures in planting and developing fruit and nut groves

Present law requires the capitalization of expenditures incurred in planting citrus or almond groves. This section of the bill would extend the rule of capitalization to any fruit or nut grove planted after June 30, 1971.

Section 306—Limitation on aggregate deductions for percentage depletion

This section of the bill provides that the aggregate deductions of a taxpayer for percentage depletion on oil and gas and other minerals cannot exceed one-half of the taxpayer's taxable income from all mineral properties, computed without regard to percentage depletion and as if all the properties (whether or not in production) were a single property. By comparison, Canada grants a percentage depletion deduction of $\frac{1}{3}$ of the aggregate net income from all mineral properties, without a limitation based on separate properties. This amendment does not disturb the existing limitation that percentage depletion in the case of a mineral property cannot exceed 50 percent of the taxable income from that property. The amendment is a limitation on the aggregate of the percentage depletion deductions, first computed separately for each property.

Section 307—Repeal of capital gain treatment for timber and for coal and iron ore royalties

This section of the bill repeals the provision of existing law which grants capital gain treatment on the cutting of timber and for coal and iron ore royalties.

Section 308—Repeal of tax exemption for ships under foreign flag

This section of the bill repeals the provision of existing law which state that a non resident alien of a foreign corporation (even though 100 percent owned by a U. S. corporation or an American citizen) is not taxable on income derived within the United States from the operation of ships documented under the laws of a foreign country which grants an equivalent exemption to United States citizens or corporations.

Section 309—Limitations on foreign tax credit

The first amendment made by this section of the bill provides that a foreign tax credit shall not be allowed for any foreign tax on income which is excluded from the taxpayer's gross income so far as the Federal income tax is concerned. In addition, any foreign income tax paid on a gain realized by an individual or domestic corporation which is not recognized under the Internal Revenue Code would likewise be a non-creditable tax. The basic rationale for this amendment is that the foreign tax credit is supposed to eliminate double taxation on income. If the United States does not tax the income, there is no reason to give a credit for the foreign tax paid on that income by the taxpayer.

The second amendment made by this section provides that the foreign tax credit shall be subject to both the per country limitation and the overall limitation. This was the applicable rule from 1932 to 1954.

The third amendment made by this section provides three new rules with respect to the treatment of capital gains for foreign tax credit purposes. The first rule is that in computing taxable income for purposes of the per country and overall limitations, there shall be excluded any capital gain which is treated as income from sources outside the United States unless the gain is taxed by a foreign country. Most capital gains are not taxed by foreign countries and treating such capital gains as foreign income for purposes of the limitations can result in a reduction of the tax which the Federal Government receives on income of the taxpayer from United States sources.

The second new rule is that there shall be excluded, in computing taxable income for purposes of the limitations, any long-term capital gain which is from sources within the United States. This change operates only in favor of the taxpayer. Under present law, if a corporation pays a foreign tax of 48 percent on the income earned abroad, the per country limitation will not allow a full credit for that tax if there are long-term capital gains in the United States, since such gains are taxed at less than the 48-percent rate.

The third rule added by the amendment is that for purposes of the limitations the United States tax (against which credit can be taken) shall be reduced by the United States tax on any capital gain excluded from taxable income under the two rules described above.

Section 310—Holding period of capital assets

This section provides that a capital asset must be held for more than 12 months, rather than 6 months, to qualify as a long-term gain. This provision was in the Tax Reform Act of 1969 as it passed the House.

Section 311—Gain from the sale of certain property between related persons

This section expands the scope of section 1239 of the Code which now treats as ordinary income any gain on the sale of depreciable property between a husband or wife or between one individual and a corporation which is more than 80-percent owned by that individual (or by his spouse and minor children and grandchildren). Section 1239 was designed to prevent a step-up in basis of property subject to depreciation by paying only a capital gains tax on the amount of the step-up.

This amendment expands section 1239 so that it applies to sales between a trust and the grantor or beneficiary of the trust, and to sales between corporations which are component members of the same controlled group of corporations. It also covers a sale where several individuals as co-owners sell property to a corporation which they control.

The amendment also extends the scope of section 1239 to sales of land, if the land is held by the purchaser for sale to customers in the ordinary course of a trade or business. At the present time a taxpayer can sell land which he holds for investment to a wholly owned corporation for subdivision and sale to customers, and the corporation receives a step-up in basis (for purpose of computing ordinary income on sales) at a cost to the seller of only a capital gains tax. This amendment would treat the seller's gain as ordinary income.

Section 312—Recapture on sale of purchase price previously deducted

Section 1245 now provides for recapture of depreciation previously deducted (after 1961) on personal property if the property is sold at a gain. That is, the gain to the extent of the prior depreciation deductions since 1961 is treated as ordinary income rather than capital gain.

This amendment provides the same rule of recapture if the taxpayer deducted the purchase price of the property as an expense when he acquired it. Thus, if a lawyer deducts the purchase price of periodicals and other books as he acquires them, any gain on the subsequent sale (to the extent of the amount previously deducted) would be ordinary income. Likewise, if the lawyer gave the books to a charity, the charitable deduction would be reduced by the amount of ordinary income he would have had if he had sold the books. This reduction would occur under the existing provisions of section 170(e) of the Code, taking into account the amendment of section 1245 by this section.

Section 313—Recapture of depreciation on sale of real property

This section of the bill provides that if depreciable real property is sold at a gain, the gain shall be treated as ordinary income to the extent of depreciation taken on the real estate for periods after June 30, 1963. This provides for real estate the same rules that are applied under existing law for recapture of depreciation on personal property which is sold at a gain, except that all depreciation deducted after 1961, instead of June 30, 1963, is taken into account in the case of personal property.

Section 314—Gain from disposition of certain mineral properties

Under present law, a taxpayer can deduct the intangible drilling costs on a lease, and if the drilling is successful he can sell the lease and receive capital gain treatment on the entire gain. This provision would recapture as ordinary income the deduction taken for intangible drilling and development costs if they were incurred 10 years before the sale of the lease. The amendment also would apply to development expenditures deducted in the case of a mine.

The recapture provisions are similar to those now provided under section 1245 However, the amount to be recaptured for intangible drilling or for development costs would be reduced by the amount (if any) of any additional depletion deductions the taxpayer would have received if the costs had been charged to capital account.

TITLE IV—AMENDMENTS OF MINIMUM TAX ON TAX PREFERENCES

Section 401—Minimum tax

Although the Tax Reform Act of 1969 adopted a minimum tax on tax preferences, it remains possible for individuals with very high economic incomes to pay, literally, no Federal income tax. This is possible primarily because State and municipal bond interest and intangible drilling costs are not treated as tax preferences under existing law for purposes of the minimum tax. The amendments made by this section of the bill, together with section 301 of the bill which repeals the exemption for State and municipal bond interest, will insure that no one with a high income can continue to avoid payment of Federal income taxes.

This section makes a number of amendments to the existing provisions of the minimum tax. First, it repeals the provision of existing law that allows regular income taxes to be deducted from the items of tax preferences.

Second, the $30,000 exemption for tax preferences is reduced by the bill to $12,000.

Third, the following items are added to the list of items which constitute tax preferences:

(1) Deduction of intangible drilling and development costs for oil and gas wells.

(2) Deduction of development costs in the case of mines.

(3) Tax-exempt interest on State and local bonds (issued before January 1, 1973).

(4) Credit allowed for foreign income taxes.

XUM

(5) Credit allowed for the investment credit on depreciable property.

(6) Deduction of charitable contributions to the extent attributable to appreciated property.

(7) The amount of farm losses.

(8) The amount of amortization for coal mine safety equipment.

Another provision is added to avoid a tax on an item of preference if the taxpayer obtained no tax benefit from the item. This provision will permit a taxpayer to elect to waive the deduction of an item of tax preference, or to treat a capital gain as ordinary income, in which case the item would not be taken into account for the minimum tax. However, such waiver can be made only at such time, and subject to such terms and conditions, as may be set forth in regulations promulgated by the Secretary or his delegate.

Finally, this section of the bill strikes from existing law the provisions which treat tax preferences attributable to foreign sources more favorably than preferences attributable to sources within the United States.

TABLE 1.—FEDERAL INDIVIDUAL INCOME TAX BURDEN IN 1973 UNDER PRESENT LAW AND UNDER A PROPOSAL TO SUBSTITUTE A $150 TAX CREDIT FOR THE $750 PERSONAL EXEMPTION [1]

SINGLE PERSON

Assuming nonbusiness deductions of 10 percent of income			Assuming nonbusiness deductions of 18 percent of income		
	Income tax			Income tax	
Adjusted gross income [2]	Under present law	Under the proposal	Adjusted gross income [2]	Under present law	Under the proposal
$1,750 [3]	0	0	$1,750 [3]	0	0
$2,031.25 [4]	$39	0	$2,031.25 [4]	$39	0
$3,000	185	$160	$3,000	185	$160
$3,500	268	255	$3,500	268	255
$4,000	358	350	$4,000	358	350
$5,000	548	540	$5,000	548	540
$5,375 [5]	619	619	$5,375 [5]	619	619
$7,500	1,031	1,050	$7,500	984	996
$10,000	1,530	1,565	$10,000	1,458	1,490
$12,500	2,059	2,109	$12,500	1,965	2,008
$15,000	2,703	2,770	$15,000	2,509	2,567
$17,500	3,443	3,525	$17,500	3,094	3,169
$20,000	4,255	4,360	$20,000	3,722	3,816
$25,000	5,895	6,040	$25,000	5,140	5,270
$30,000	7,703	7,890	$30,000	6,730	6,880
$40,000	11,915	12,140	$40,000	10,315	10,540
$50,000	16,740	17,040	$50,000	14,528	14,790

[1] These burdens have been computed without use of the optional tax table.
[2] Wages and salaries.
[3] Highest level at which there is no tax under present law.
[4] Highest level at which there is no tax under the proposal.
[5] Level at which tax is the same under present law and under the proposal.

Note: Staff of the Joint Committee on Internal Revenue Taxation, Sept. 2, 1971.

TABLE 2.—FEDERAL INDIVIDUAL INCOME TAX BURDEN IN 1973 UNDER PRESENT LAW AND UNDER A PROPOSAL TO SUBSTITUTE A $150 TAX CREDIT FOR THE $750 PERSONAL EXEMPTION [1]

MARRIED COUPLE WITH NO DEPENDENTS

Assuming nonbusiness deductions of 10 percent of income			Assuming nonbusiness deductions of 18 percent of income		
	Income tax			Income tax	
Adjusted gross income [2]	Under present law	Under the proposal	Adjusted gross income [2]	Under present law	Under the proposa
$2,500 [3]	0	0	$2,500 [3]	0	0
$3,000	$70	0	$3,000	$70	0
$3,062.50 [4]	78	0	$3,062.50 [4]	78	0
$3,500	140	$70	$3,500	140	$70
$4,000	215	150	$4,000	215	150
$5,000	370	320	$5,000	370	320
$7,500	786	771	$7,500	744	729
$10,000 [5]	1,190	1,190	$10,000	1,133	1,124
$12,500	1,628	1,658	$10,365.85 [5]	1,190	1,190
$15,000	2,150	2,210	$12,500	1,545	1,575
$17,500	2,760	2,835	$15,000	1,996	2,035
$20,000	3,400	3,520	$17,500	2,473	2,548
$25,000	4,700	4,880	$20,000	2,985	3,072
$30,000	6,200	6,350	$25,000	4,100	4,240
$40,000	9,710	10,040	$30,000	5,372	5,576
$50,000	13,820	14,260	$40,000	8,387	8,696
			$50,000	11,915	12,320

[1] These burdens have been computed without use of the optional tax table.
[2] Wages and salaries.
[3] Highest level at which there is no tax under present law.
[4] Highest level at which there is no tax under the proposal.
[5] Level at which tax is the same under present law and under the proposal.

Note: Staff of the Joint Committee on Internal Revenue Taxation, Sept. 2, 1971.

TABLE 3.—FEDERAL INDIVIDUAL INCOME TAX BURDEN IN 1973 UNDER PRESENT LAW AND UNDER A PROPOSAL TO SUBSTITUTE A $150 TAX CREDIT FOR THE $750 PERSONAL EXEMPTION [1]

MARRIED COUPLE WITH 2 DEPENDENTS

Assuming nonbusiness deductions of 10 percent of income			Assuming nonbusiness deductions of 18 percent of income		
	Income tax			Income tax	
Adjusted gross income [2]	Under present law	Under the proposal	Adjusted gross income [2]	Under present law	Under the proposal
$4,000 [3]	0	0	$4,000 [3]	0	0
$4,882.35 [4]	$124	0	$4,882.35 [4]	$124	0
$5,000	140	$20	$5,000	140	$20
$7,500	514	471	$7,500	476	429
$10,000	905	890	$10,000	848	824
$10,588.24 [5]	1,000	1,000	$10,975.61 [5]	1,000	1,000
$12,500	1,309	1,358	$12,500	1,238	1,275
$15,000	1,820	1,910	$15,000	1,666	1,735
$17,500	2,385	2,535	$17,500	2,117	2,248
$20,000	3,010	3,220	$20,000	2,610	2,772
$25,000	4,240	4,580	$25,000	3,680	3,940
$30,000	5,660	6,140	$30,000	4,892	5,276
$40,000	9,080	9,740	$40,000	7,802	8,396
$50,000	13,100	13,960	$50,000	11,240	12,020

[1] These burdens have been computed without use of the optional tax table.
[2] Wages and salaries.
[3] Highest level at which there is no tax under present law.
[4] Highest level at which there is no tax under the proposal.
[5] Level at which tax is the same under present law and under the proposal.

Note: Staff of the Joint Committee on Internal Revenue Taxation, Sept. 2, 1971.

TABLE 4.—FEDERAL INDIVIDUAL INCOME TAX BURDEN IN 1973 UNDER PRESENT LAW AND UNDER A PROPOSAL TO SUBSTITUTE A $150 TAX CREDIT FOR THE $750 PERSONAL EXEMPTION [1]

MARRIED COUPLE WITH 4 DEPENDENTS

Assuming nonbusiness deductions of 10 percent of income			Assuming nonbusiness deductions of 18 percent of income		
	Income tax			Income tax	
Adjusted gross income [2]	Under present law	Under tax proposal	Adjusted gross income [2]	Under present law	Under tax proposal
$5,500 [3]	0	0	$5,500 [3]	0	0
$6,473.68 [4]	$136	0	$6,675.22 [4]	$136	0
$7,500	271	$171	$7,500	288	$129
$10,000	620	590	$10,000	569	524
$11,176.47 [5]	810	810	$11,585.37 [5]	810	810
$12,500	1,024	1,058	$12,500	953	975
$15,000	1,490	1,610	$15,000	1,342	1,435
$17,500	2,040	2,235	$17,500	1,787	1,948
$20,000	2,635	2,920	$20,000	2,238	2,472
$25,000	3,820	4,280	$25,000	3,260	3,640
$30,000	5,180	5,840	$30,000	4,412	4,976
$40,000	8,465	9,440	$40,000	7,217	8,096
$50,000	12,380	13,660	$50,000	10,565	11,720

[1] These burdens have been computed without use of the optional tax table.
[2] Wages and salaries.
[3] Highest level at which there is no tax under present law.
[4] Highest level at which there is no tax under the proposal.
[5] Level at which tax is the same under present law and under the proposal.

Note: Staff of the Joint Committee on Internal Revenue Taxation, Sept. 2, 1971.

INSIDIOUS SYSTEM OF APARTHEID IN SOUTH AFRICA

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BINGHAM. Mr. Speaker, the insidious system of apartheid in South Africa is implemented primarily through a law which requires all South Africans to carry a government pass showing their racial group and other information. Under a new law to further enforce apartheid, central government records are being established on every man, woman, and child, and 50-page identification documents are being issued to all adults which they must carry at all times.

This elaborate system of apartheid implementation, of course, is extremely cumbersome. To make it efficient, the Government of South Africa has recently decided to computerize the entire operation, and has announced that the computers will be provided by International Business Machines, Inc.—IBM.

The American Committee on Africa has recently issued a most revealing fact sheet on IBM's role in the apartheid enforcement system in South Africa. I trust that this information will be of interest to the many Members of the Congress and readers of the RECORD who deplore, as I do, the policy of apartheid in South Africa. I, therefore, submit it for publication at this point in the RECORD:

IBM IN SOUTH AFRICA

BIG BROTHER 360–50

An IBM computer is the key U.S. contribution to the South African police state system of classification of people by race in order to control and exploit them. Africans have long been required to carry and produce on demand a reference (pass) book which now records jobs, tax payments, permission to be in a particular area, and other details; between two and three thousand people are arrested every day for technical violations of such apartheid regulations. As of August 1, 1966, every individual 16 or older in South Africa was required to possess an identification card stating his racial group.

Extending its degree of control over all the people of South Africa, the state, in 1970, produced a "Population Registration Act" under which a central register is being compiled which will contain detailed information about every woman, man and child in South Africa. This will include every person's identity number, name, sex, date and place of birth, race classification, citizenship, marital status and a photograph. It will also store information about every individual's residential and postal address, health information, particulars concerning passports and permits to leave the country and dates of departure and return; particulars concerning driver's licenses, gun licenses, etc.; educational qualifications and occupation; the official language each individual chooses to use; and finally, particulars of death or final departure from the Republic.

So far as Africans are concerned, the register will contain all the above information and, as well:

District in which he ordinarily resides;

Ethnic group or nation and tribe to which he belongs;

If his date and place of birth are unknown, estimated year of birth, and district in which he was born;

If he is not a South African citizen, his fingerprints.

When introducing the legislation in Parliament, the Minister announced that the whole records system would be computerized (over a five year period) thus making it far more efficient. In March, 1971 the South African Government announced that an IBM 360/50 computer was to be rented at a monthly cost of $43,978.73 to operate the system. Thus all the information used to register, regulate and control African labor under the myriad tax and so-called pass laws will be processed into easily accessible form through the IBM computer.

In addition to being listed at the central register from February 1, 1972, every white, Coloured and Asian person will have to carry a 50-page blue identification document full of personal information similar to that listed above. All those under 16 will have 12-page light green books instead of the longer documents; the green book will be issued to and infant instead of a birth certificate. Africans will continue to carry their 96-page reference books for the present.

To keep the population register and all identity documents up to date, fresh copies of two photographs must be submitted whenever the current ones are no longer recognizable. The Secretary of the Interior must be notified of any change in permanent or residential address within 14 days (or such time as he may set); the proprietor of any premise is responsible for all its residents and must notify the Secretary within 45 days of arrivals and departures if the people concerned have not done so themselves. Thus the whole of the population comes under complete state control, and people are turned into informers against one another.

The ruling National Party Congress in Windhoek (Namibia) has demanded that the "Book of Life" identification system be extended at once to include Africans in that territory. One delegate reveals white expectations for the new computerized control by protesting that thousands of Ovambos (Namibia's most numerous African group) "defect" from their jobs and take other jobs, and remain in "South West Africa," i.e. outside their assigned homeland, illegally. Whites, Coloureds, Namas in Namibia are already scheduled for registration, thus solidifying South African control and integration of the territory in defiance of both the United Nations and the International Court of Justice.

THE PASS SYSTEM

South Africa's system of apartheid rests firmly on rigorous and detailed police controls, and the computer which can streamline and speed up enforcement of the controls will be a boon to the white regime. Apartheid's core is the preservation of the cheap labor supply that makes South Africa so profitable for foreign investors. Africans, the majority of the workers, have no political or economic rights; their unions are not recognized and strikes are illegal. They are allowed into 87 per cent of the country (called the white areas) only as workers, while the aged, the children, the unemployed, the disabled, all termed "superfluous appendages," are subject to deportation to the 13 per cent of the land reserved for Africans. Once workers are in these reserves they can get out only by taking jobs through the local labor bureau. The passes show their permission to be in the white areas. These areas are likewise divided into places and even buildings where Whites or Coloureds or Asians or Africans (those temporarily permitted) may live or work or eat or see a movie or play tennis. Everything depends on race. Race depends on classification. And identification will depend on IBM. As a corollary, political opposition to the system must be ruthlessly suppressed, for the ruling whites are outnumbered more than four to one. This is easier when the whole population is chained by an internal passport system, and Big Brother 360/50 knows all about them, with a 50-page compulsory document for a start.

BRAINS FOR APARTHEID

Number One Policeman is not IBM's only job in South Africa. Two years ago the National Research Institute for Mathematical Sciences of the Government Council for Scientific and Industrial Research in Pretoria installed an IBM system valued at $2.8 million and further additions are planned to cope with the ever increasing needs of the Institute. IBM is thus aiding the industrial and scientific (and as a corollary, military) expansion of the apartheid state in a very fundamental way.[1] The Council works with NASA (the U.S. Space Agency) and it sold to the U.S. Army a military electronic device "tellurometer" which is developed in cooperation with Plessy (armaments company). Viet Nam has revolutionized war in many ways, the most far-reaching of which (though not yet fully efficient) is the electronic battlefield, and South Africa is so far advanced in the technique that it has been able to aid the U.S. Army. Gen. William Westmoreland, in the Congressional Record for October 16, 1969 revealed:

On the battlefield of the future, enemy forces will be located, tracked, and targeted almost instantaneously through use of data links, computer assisted intelligence evaluation, and automated fire control. With first round kill probabilities approaching certainty, and with surveillance devices that can continually track the enemy, the need for large forces to fix the opposition physically will be less important.

IBM thinks for South African Airways, too. As part of the government's $50–70 million expansion of facilities at Jan Smuts international airport, SAA has spent $8.4 million to put in a "new fully automated, integrated passenger reservations and message-switching system." Its nerve center is IBM duplex system 360. The computer system, known as SAAFARI for South African Airways Fully Automated Reservations Installation, links all major cities in South Africa with the central computer in Johannesburg to give instant information. It became operational in 1971. South African Airways is a government agency whose operations are controlled by apartheid law, and plays a key role in its outreach tactics. The airline's expansion to major world centers (i.e. New York and Rio in 1969) is part of the drive for tourists which is bolstering foreign exchange and also sending home foreign sympathizers who have seen only the privileged white society and shared its pleasures.

Another duplexed IBM system 360 is in use by Volkskas, a large banking system with branches throughout the country whose data will be linked through the IBM network. IBM has a special team devoted to businesses dealing with stocks and shares. The Volkskas innovation set off speculation about other fields, especially in higher education, where centralized data banks would improve efficiency and information. Volkskas-IBM is using the wire services of the Post Office telecommunications system, as, presumably, similar computer ventures would. Thus the South African government and IBM cooperate to improve financial facilities and strengthen the apartheid economy. South Africa's largest retail chain, O.K. Bazaars, is among the businesses that have installed IBM systems.

IBM AND THE LABOR "SHORTAGE"

IBM deals in small business as well as large. In June, 1971, the first IBM copier commercially installed in South Africa was acquired by the Manufacturers Life Insurance Company in Johannesburg; that means an almost infinite field for expansion has opened. One of the most dangerous aspects of IBM's operations in South Africa is the extent to which apartheid supporters may find automated solutions (consistent with white control) to the artificial scarcity of skilled labor created by job discrimination laws. If IBM continues its growth in South Africa it will become an indispensable pillar of apartheid.

The government's determination to keep nonwhite workers from skilled jobs serves as a brake on the growth rate of the expanding economy and industrialists are protesting, trying to import skilled white workers instead of employing South Africa's nonwhites (IBM is said to import many of its ranking employees), searching for alternative ways to meet the artificial shortage. A paper presented at a National Development and Management Foundation conference dealing with the labor shortage argued that the computer could "significantly reduce the demand for labor." A *Sunday Times* (Johannesburg) section on computers (August 1, 1971) under the heading "Labour Scarcity Propels Us Into Computer Age" opened: "South Africa's continuous shortage of skilled labour is making it an ideal market for computer and data-processing equipment."

[1] "Defense" is a misnomer for South Africa's military activities. It controls Namibia illegally by force and one of its greatest violations of the League of Nations (now UN) mandate was the fortification of the Caprivi strip, where air bases are aimed against the north; the airport it is building for Malawi is reported to have similar significance. South African troops have been in Rhodesia (Zimbabwe) supporting the illegal Smith regime since the first guerrilla attacks after UDI. There are South African helicopter bases, and reportedly troops, in Angola aiding Portuguese forces against the liberation movements, and in the Tete province of Mozambique for the same reason.

XUM

U.S.-owned computer firms in South Africa may insist that they oppose apartheid and are helping their workers in spite of it. But the fact that their computers can do more than any other technique to enable apartheid to survive; computer methods allow the economy to run with a minimum number of skilled workers, methodically reducing the economic pressure that was beginning to force training and upgrading on the job for black workers.

100 PERCENT AMERICAN

IBM does business in South Africa through a wholly owned subsidiary, International Business Machines (S.A. Pty.). Because of its favorable growth rate, IBM has this year invested an additional $3.42 million by buying shares in the local company, nearly doubling its capitalization, now $8.4 million. The new U.S. funds were to enable the company to obtain more computers from the United States to lease in South Africa. The market, which five other companies share with IBM, is now worth around $50.4 million annually, but IBM's South African managing director believes the potential is $252 million and will more than double that in a decade. In 1970 more than half the parent IBM's net income came from overseas and it controls more than half the market in every country except Britain.

THE IBM OPERATION

IBM has been in South Africa since 1952, primarily as a marketing operation. As of December, 1970 it employed about a thousand people, some 75 of whom were nonwhites, including 50 Africans. 125 employees received training overseas last year but no racial breakdown of this or how many and who went to the United States, is available. Almost certainly all this training was for whites. IBM claims every other employee is a university graduate.

IBM reports that black employees hold positions in accounting, planning, and service areas, warehousing, and maintenance, and that their numbers will be increased as the "growth and nature" of the business permit. The word "nature" assumes that some type of job reservation is in effect. Since blacks comprise the great majority of all South African workers, the percentage employed by IBM is small (5 per cent). As all U.S. companies in South Africa, IBM discriminates openly.

Advertisements placed by IBM in the South African, (white) press to attract employees do not mention color but they could not meet U.S. Civil Rights Acts standards on either sex or age criteria. "A matriculated young lady under 30", "go-ahead young man under 35" and the like.

IBM also reports identical pay scales for black and white, but this gives no clue as to how many identical jobs and how many identical pay checks there are (one of the ways South Africa meets its labor "shortage" is by retitling, and sometimes breaking down, white jobs to be done by nonwhites at lower job rates). Blacks employed by IBM are reported to earn twice as much as blacks similarly employed by other companies, but even these wages may still come out below the poverty datum line. IBM is proud of many benefits provided for all employees (insurance, pensions, medical and educational aid) and estimated the cost at $700 per employee per year, but there is no indication of employee participation in the determination or direction of these.

IBM PRINCIPLES AND APARTHEID

In the general statement which prefaces its seven principles of business practice, IBM gives away the basis of its support for apartheid:

It is the policy of IBM to hire people strictly on their qualifications to perform a given job, regardless of race, colour, creed, national origin, age or sex, insofar as *laws and local practices* within the country permit (emphasis added).

Against this background, IBM's anti-apartheid statements are irrelevant. Not only law constrains IBM, but local practice takes precedence over qualifications to perform the job.

By South African standards, IBM may be a better than average employer as it claims; but by U.S. standards it is in violation of labor and civil rights legislation. As far as apartheid is concerned, IBM—like all other U.S. employers in South Africa—cannot protect its workers from the worst ravages of the system; breakup of families, subjection to segregated facilities, the indignity of having every aspect of political and economic life determined by others. There is no indication that IBM has registered any protest against such "local practices." And it directly strengthens the police state tyranny of the apartheid government far more than most U.S. concerns which primarily aid the economy.

Among its principles, ironically, IBM lists:

To play our part in furthering the progress of the communities in which our facilities are located; and to recognize our responsibilities as a corporate citizen of the nation and the world.

In the South African community, it aids the police apparatus to suppress dissent and so prevent change and progress. In the world it defies the efforts of the United Nations to isolate and remove support from apartheid. (For instance, General Assembly Resolution 2506 (XXIV), November 21, 1969, asks member states "to desist from collaborating with the Government of South Africa by taking steps to prohibit financial and economic interests under their national jurisdiction from cooperating with the South African Government and companies registered in South Africa.")

WHO IS IBM?

IBM is a corporate entity, but many identifiable people share responsibility for its partnership in apartheid.

First are its *officers and directors* who profit themselves, and who represent those who profit most. Those whose other interests are particularly relevant are listed. Protests should be directed to them. IBM's general offices are at Armonk, New York, 10504.

Thomas J. Watson, chairman of the Executive Committee. Mr. Watson is also an official or trustee of Bankers Trust Company, Rockefeller Foundation, Brown University and the California Institute of Technology.

T. Vincent Learson, newly appointed chairman and chief executive. He came up from the ranks in IBM and is a member of the Board of Overseers of Harvard University.

Bruce Bromley whose legal firm, Cravath, Swaine and Moore, handles IBM's business.

Paul L. Davies of Lehman Brothers, a firm that has arranged loans and investments for southern Africa status quo interests.

John M. Fox, President of United Fruit Company.

G. K Fulston of Olin Corporation, whose subsidiary Olin-Mathieson Chemical Corporation does business in South Africa

Amory Houghton Jr. is chairman of the Board of Corning Glass Works, is a director of U.S. Steel, New York Life Insurance, serves on the boards of Harvard University and Episcopal Theological Seminary, and is a Trustee of the Rockefeller Foundation.

Grayson Kirk, president emeritus of Columbia University, serves on the boards of Socony-Mobil, Con Edison, the Council on Foreign Relations, the Asia Foundation, the Greenwich Savings Bank, Nationwide Securities, and is a trustee of the Institute of International Education.

Louis H. LaMotte, of New College and Bennett College.

Patricia Harris of Fried, Frank, Harris, Shriver, and Kampelman, named in April, 1971 as a woman and black token representative following an annual meeting in which opposition to IBM management and policies was voiced.

Second are the *stockholders*, few of whom have questioned IBM policies. Among them are:

American Baptist Convention; Christian Church, Disciples of Christ; Lutheran Church in America; United Presbyterian Church, U.S.A.; United Church of Christ; Protestant Episcopal Church; United Methodist Church.

It is likely that many universities are also represented among the stockholders. People who are concerned should find out whether they are related to stockholders in any way: church, university, union, pension investment, other agencies and groups.

Third are the *customers*, who buy or rent typewriters, copiers, and computers, or who support agencies, organizations, and businesses that do. Check your own home and office.

Fourth are the *workers* of IBM, among them the IBM Black Workers Alliance which calls upon IBM to end its business in South Africa, as well as demanding an end to racial discrimination in IBM employment policies in the United States. (Other similar organizations of IBM workers include the Black United Front and the Concerned Workers Alliance.) BWA reports the firing of three employees and forced resignation of a fourth, all in the Washington, D.C. area because of their campaign against business with South Africa. Complaints about discrimination have been filed with the Human Relations Commission in Washington.

ACTION AGAINST APARTHEID

Directors can demand that IBM withdraw from southern Africa. That means *leased* computers will stop implementing apartheid.

Stockholders can vote for directors who will withdraw; can demand withdrawal themselves; can sell their stock if IBM won't.

Customers can stop buying and leasing.

Everybody can boycott.

Workers can organize and educate to build the Alliance and join with other forces against apartheid.

Everybody can raise the issue in some way. Write to IBM, especially if you have contact with an officer or director. Write to the press the next time a story on wonderful IBM (they are frequent) appears. Bring it up in meetings, organize delegations to see those responsible if you are part of any agency involved with IBM. Learn more about southern Africa so you can effectively tell others why IBM—and all U.S. enterprise—should stop support for apartheid rule and get out of South Africa now.

References: Source of information used in preparing this Fact Sheet include the Argus; Financial Mail, Forbes (September 1, 1971), Hansard Q&A; IBM material; correspondance, notices and reports of annual meetings, official releases such as Personnel Policies and IBM Principles; Natal Mercury; New York Times; Office of Church Resource Studies material; Rand Daily Mail; South African Digest; South Africa Property Gazette; The Star, The Sunday Times; Survey of Race Relations 1971; The Technological Warlords (Computer People for Peace); Wall Street Journal.

For further information: The American Committee on Africa, 164 Madison Avenue, New York, New York 10016.

REPUBLIC OF SOUTH AFRICA, HOUSE OF ASSEMBLY DEBATES (HANSARD), SECOND SESSION—FOURTH PARLIAMENT, MARCH 2, 1971, QUESTIONS AND REPLIES

New system of the population registration

4. Mr. E. G Malan asked the Minister of the Interior:

(1) Whether it is still intended (a) to commence with the new system of the population registration on 1st June, 1971, and (b) that the entire conversion is to take approximately five years; if not, (1) what is the new date or period and (11) what are the reasons for the change:

The Minister of the Interior:

(1) (a) No.

(b) Yes.

(i) 1st February, 1972.

(11) The completion of the accommodation to house the register and the computer was delayed on account of the shortage during 1970 of cement and certain steel products.

(2) how many persons employed by (a) his Department and (b) other departments will, it is estimated, mainly be working on it during the 1971–72 financial year:

(2) (a) 438 as from 1st February, 1972.

(b) None.

(3) what will be the official designation of the person directly in charge of the system:

(3) Deputy Secretary.

(4) whether the cost of the new system has been estimated for the 1971–'72 financial year; if so, what is the estimated amount:

(4) Yes. R500,000.

(5) whether computers will be used for the system during 1971–'72: if so, (a) how many, (b) what is the name of each model and (c) what is the purchase price or rental of each model.

(5) Yes.

(a) One; which will also be used for other departmental work and bureau services for other Government Departments.

(b) I.B.M.360. 50.

(c) Monthly rental of R31 413.38.

JAPAN AND THE EMERGING PACIFIC ECONOMY

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. CHARLES H. WILSON. Mr. Speaker, there is no dispute that the United States must dramatically improve its trade and payments position in the world. Although the President's economic program attempts to correct the Nation's present international economic position, at the same time we must not completely isolate ourselves as many trade protectionists have advocated. I have long maintained that free trade is necessary both to the United States as well as to the rest of the world. To revive trade protectionism would create serious long-range consequences.

I would like to place in the RECORD an excellent speech by the Honorable H. E. Nobuhiko Ushiba, Ambassador of Japan to the United States at a recent civic luncheon in Los Angeles sponsored by the Bank of Tokyo of California. The Ambassador urged a more prosperous Pacific economy which is only possible with the close cooperation of the United States, Japan, Taiwan, Korea, and Australia.

The speech follows:

JAPAN AND THE EMERGING PACIFIC ECONOMY

I am honored to have a part in this prestigious gathering of international business leaders. Together you represent, not only the present and future of the great and growing Southern California economy, but also a potent force for trade and development throughout the vast Pacific region. You have demonstrated this through your long tradition of close and mutually rewarding ties with your neighbors across the Pacific.

You will gladly join me, I am sure, in congratulating the Bank of Tokyo of California for making this event possible. As you perhaps know, the Bank of Tokyo has the longest experience of any Japanese financial institution in the field of international trade, especially trans-Pacific trade.

I feel fortunate to be in such excellent company!

The timing of our get-together is appropriate for two reasons:

First, although the Pacific is the world's "youngest" region—in the sense that it is only recently discovering its interdependence as a region—it has what may be the greatest growth potential of any area of the world. It is by far the vastest and most populous region. Its wealth in diversified resources has scarcely been tapped, let alone measured. And it is now taking its first steps toward interdependent economic development.

Second, whether healthy patterns of trade and investment do emerge in the Pacific, and the many different peoples of the region begin to share in a common prosperity, depends very much on the two nations represented in this room. The future of the Pacific depends in great measure on the vision and policies of the United States and Japan, the two most powerful economies in the Pacific—indeed, in the free world.

Let me deal with these points in turn.

It is difficult, I realize, to think of the huge Pacific as a single region. It is really a hemisphere, whose population is concentrated around its edges. Yet the Asian edge of the Pacific alone contains well over a third of the human race. In addition to Japan and the United States, the Pacific contains three other highly developed economies—Canada, Australia and New Zealand. It also contains three of the fastest-growing economies in the world—Japan, Taiwan and the Republic of Korea. And the trade and investment patterns now emerging in the Pacific suggest the future shape of a dynamic and potentially prosperous Pacific economy.

By far the largest volume of Pacific trade is, of course, between Japan and the United States. It is estimated this trade will surpass $12 billion, both ways, this year. In all the world, only Canada and the United States enjoy a larger two-way commerce.

There are other traditional trading patterns in the Pacific region. Just as the United States has a special "vertical" economic relationship with developing Latin America, Japan has a comparable vertical relationship with the nations of Southeast Asia, and of course with neighboring Taiwan and the Republic of Korea. Last year the developing countries of Asia consumed one quarter of Japan's exports, and provided 16 percent of our imports. Japan's imports from these countries are now growing very rapidly, and an increasing proportion of these imports are manufactured goods—especially textiles, including apparel, and sophisticated consumer goods such as watches and electrical appliances. Japan's textile imports from East and Southeast Asia, for example, doubled in the last two years to $314 million. Japan is, in fact, rapidly becoming a net importer of textiles as developing Asia enters the industrial age.

Pacific trading patterns have also been affected by the growth of the European Common Market, and by the approaching entry of the United Kingdom into the European Community. Japan is already a much larger market for Australia than Britain—in fact, two and a half times as large. Australia ships 85 percent of its iron ore and a third of its wool crop to Japan—a quarter of its total exports to the world.

The United States has become Australia's second largest market, and part of a triangular relationship that is vital to Australia's economy. In the fiscal year which ended last June, for example, Australia's trade deficit of $600 million with the United States was offset by its trade surplus of $700 million with Japan. This interaction should be kept in mind by those who are concerned over Japan's current trade surplus with the United States. The triangular relationship provides a more realistic perspective to bilateral trade accounts.

Britain's entry into the European Community is not only encouraging Australia to diversify its markets, it is also a stimulus to more rapid industrialization, including ore processing and steel making. This is being accomplished in part with Japanese and American as well as European capital and technology. Under these same pressures, New Zealand is turning from Britain and the European Community to the Western Pacific as a market for its meat and dairy exports, and Canada for its grain exports.

A long-range but promising prospect is for Latin America to export its minerals, timber and other raw materials to the Western Pacific, and especially to resource-hungry Japan.

In short, the complex patterns of a multilateral trading relationship throughout the Pacific have begun to emerge. There are also some difficult obstacles to overcome before these patterns can mature. The greatest uncertainties are those facing the developing countries of the region, especially developing Asia. Their chief problems are to achieve sustained economic growth and profitable participation in regional and world trade. They must do both if they are to enter the mainstream of the Pacific and world economies.

A handful of developing Asian countries succeeded in doubling their GNP during the last decade. These were the Republic of Korea, Taiwan, Thailand, Singapore and Malaysia. Among the 18 less-developed countries who are members of the Asian Development Bank, average economic growth rates compared favorably during the 1960's with the rest of the developing world. Unfortunately, however, much of the benefit of this progress was canceled out by rapid population growth.

Developing Asia has also made some encouraging progress in trade expansion. During the later half of the sixties, this trade grew 7.5 percent a year on a compounded basis. The content of this trade also improved. Import emphasis has been shifting from consumer goods to capital goods, and an increasing proportion of the exports is manufactured goods.

Some of the signs have been less encouraging. Trade between developing Asian countries has grown hardly at all, and their overall trade has grown more slowly than world trade. Thus their share of world trade is actually declining. In addition, the terms of trade for nearly all developing countries have worsened. Prices have been rising for the capital goods they must import in order to industrialize, and prices have been falling for the primary commodities which still furnish the bulk of the exports of the developing countries. The net effect on payments of these price trends is about $4 billion a year.

The trade outlook for developing Asia has also been depressed by two other recent developments which have had a sluggish effect on world trade—the winding down of the Vietnam war, which has dampened import demand within the area, and the general business slowdown which has affected all the advanced industrialized democracies—Japan, North America and Western Europe. The outlook in mid-1971, in other words, was not very promising for the developing economies of the Pacific region. With few exceptions, domestic economic growth was barely keeping ahead of population growth. And international economic developments were unfavorable to trade expansion.

Since this summer, the outlook has become even bleaker.

Economic policies adopted by the United

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* IBM has small marketing and service operations in Angola, Mozambique, and South West Africa (Namibia). Shipments to Rhodesia were stopped in 1968.

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States since August 15 are having the following effects:

All exports to the United States, other than certain exempted items, must now hurdle the 10 percent import surcharge. This is a considerable hardship for all your trading partners, but it is especially hard on the developing economies that are only beginning to earn their own way in international trade.

Almost all types of textiles entering the United States, especially those coming from Far Eastern countries, are now regulated by rigid quotas. Again, the effect is damaging to Japan, but it is relatively more damaging to countries such as the Republic of Korea and Taiwan, who have entered the textile trade as an important step in their own industrialization.

More recently, scheduled cuts in the American aid program—and the shocking threat to abandon the program entirely—have raised real fears in the developing countries that their economic modernization plans are in jeopardy.

Suddenly the vision of interdependent economic development throughout the Pacific has receded. The enormous power and importance of the American economy has never been demonstrated more starkly.

Let me say very quickly that the reasons for these unilateral American actions are understood by your Pacific neighbors, as elsewhere in the world. There is no question that the United States must significantly improve its trade and payments position in the world. The United States cannot continue to operate in deficit, either for its own economic health, or for the health of the international economy, in which it plays the dominant role.

It is also widely recognized that your principal trading partners—Canada, Japan and Western Europe—have the responsibility to cooperate in achieving this objective. Cooperative measures are already in process, including the multilateral realignment of currencies. Even before President Nixon's August 15 announcement, Japan had already initiated a number of steps designed in large part to ease America's international economic burdens. These included advancing by nine months the effective date of its Kennedy Round tariff cuts, reducing import barriers to Western European levels, reducing export pressures, expanding our foreign aid program, applying preferential tariffs to exports from the developing countries, and liberalizing both inward and outward capital flows.

Japan, in other words, has been trying to deal responsibly with the delicate international economic situation, and the difficult American position in the international economy. The aim of these various Japanese measures taken during 1971 has been to reflate the Japanese economy, shifting resources from the private to the public sector, dampening our export drive, and stimulating imports. Admittedly, these measures have not yet obtained their desired effect to a satisfactory extent, since recession still persists in Japan and recovery from general business slowdown has been further delayed owing to uncertainties created by the new economic policies of the United States. Yet, we have been and are still attempting seriously to accomplish this turnaround without any adverse effects on our trading partners, and especially on the developing countries of Asia.

Unfortunately, however, Japanese and American economic policies are now seriously out of phase with each other. It is as if we were working at cross purposes. This is not a situation that can be allowed to continue. The long-range consequences would be too serious—in a revival of trade protectionism around the world, in depressing the growth of world trade, in undercutting economic growth in the developing areas.

We have all glimpsed a better vision, and we need to readjust our policies in concert to achieve it.

As I suggested at the outset, the potentially prosperous Pacific economy is an important part of that vision. I do not conceive of the emerging Pacific as a new and exclusive trading bloc, but rather as a dynamic economic community fully integrated with an expanding world economy. I view it, not as a rival to an inward-looking European Community, but rather as an open system that will encourage an open Common Market.

Obviously there are certain essential steps in achieving this aim. The flow of foreign aid and investment to developing Asia must be increased, not reduced. The rich markets of the advanced industrialized world must be opened wider, not restricted, to the exports of the developing countries.

This is the course Japan has chosen. Japan's foreign aid last year reached $1.8 billion, close to 1 percent of our GNP, and second only to the United States in value. Sixty percent of Japan's aid is now channeled to developing Asia. Japan's total foreign private investment is now $2.7 billion. Of this, $233 million has been invested in Southeast Asian manufacturing, and another quarter billion in Latin American manufacturing.

We Japanese are committed, in other words, to the vision of an expansive, integrated and prosperous Pacific Community in full partnership with a growing world economy. This dream is possibly only with the full and vigorous participation of the most powerful and creative economy in the world—the United States.

JOSEPH SMITH—A MAN OF VISION AND VISIONS

HON. WM. J. RANDALL

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. RANDALL. Mr. Speaker, it was my privilege on Sunday afternoon last to be present at the National Portrait Gallery for the presentation by President W. Wallace Smith of a copy of the only known life portrait of his grandfather, that great religious leader, Joseph Smith, Jr., 1805–44.

In my judgment, some of the finer things that have been said or could be said describing the subject of this presentation comes from the Office of Public Affairs of the Smithsonian Institution in its announcement that this portrait copy will be on public display in the gallery's second floor sculpture court on and after Monday, November 15, 1971.

Marvin Sadik, Director of the National Portrait Gallery, in his news release described Joseph Smith as "a man of vision and visions, who as a founder of a new church in America, will always occupy an important place in the religious history of this country."

Mr. Sadik went on to say:

The addition of this portrait to the permanent collection of the National Portrait Gallery will add a significant chapter to the story of our past.

The Director of the National Portrait Gallery in this same release tells of the life of Joseph Smith, Jr., when during the 1820's a series of visions revealed to this religious leader a "divine appointment" to restore Christ's church, which Smith and five other men organized together with some 30 converts on April 6, 1830. The same year Smith published "The Book of Mormon," an account of the ancient Hebrew people transplanted to America. Some said he "translated" this record under divine guidance from golden plates unearthed 3 years earlier by angelic direction.

Director Sadik, in his announcement of the presentation of the portrait continues his description of the happenings in the life of Joseph Smith by saying:

Nearly two decades after his series of visions, Smith wrote of his earlier experiences: "So great were the confusion and strife among the different denominations that it was impossible for a person young as I was and so unaccustomed to man and things, to come to any certain conclusions as to who was right and who was wrong."

Joseph Smith, Jr., therefore, did what a number of Americans with similar feelings have done. He started a new church. Later, Smith led a series of pilgrimages westward from New York to establish the city of Zion. These journeys took the Latter Day Saints to Ohio, Missouri, and finally to Illinois where they built the city of Nauvoo. There Smith had both ecclesiastical and political authority as prophet, mayor, and military commander. It was there the Latter Day Saints found some of their neighbors angry and hostile. It was in Illinois that Smith and his brother were arrested and assassinated on June 27, 1844.

Two years later many of Smith's followers began their famed trek to Great Salt Lake Valley in Utah. Others remained in Illinois and Missouri. Among those who remained in Missouri was Smith's wife and young son, Joseph Smith III. Smith's son became the president of the reorganized Church of Jesus Christ of Latter Day Saints in 1860. The presidency has remained in the Smith family since that time and the church is now headed by President W. Wallace Smith.

Mr. Speaker, as one high school student in my home city of Independence, Mo., who would often follow our football team in its games away from home I recall hearing so frequently my fellow students proudly say, "I'm from Zion City."

Today the world membership of the Reorganized Church of Jesus Christ of Latter Day Saints returns every 2 years for a conference at the auditorium, in their Zion City of Independence, Mo. There in Heritage Hall they stand in reverence before the original portrait of their founder and prophet, Joseph Smith. Now, Mr. Speaker, all the Members can take pride in knowing a copy of that original will hang in the national portrait gallery in our Nation's Capitol.

LATVIAN INDEPENDENCE, NOVEMBER 18, 1918

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. PUCINSKI. Mr. Speaker, today, November 18, marks the 53d anniversary of Latvian independence. Also today this proud Baltic Republic is enslaved by the cruelest colonial empire of all times, the Soviet Union.

This fact, however, does not deter the Latvian people to be free. Latvians in exile the world over have not ceased the struggle to free their country and their countrymen from Soviet oppression.

Peace cannot accommodate itself unto the peoples of the world so long as a sizable segment of world population suffers a tyranny in quest of world empire.

The will to be free is derivative of aspiration. The will to remain free withers when tranquilized by complacency.

We ourselves must not be complacent to remain free and to help those who aspire to be free. So long as free men elect to live in the shadow of tyranny, basking in their own complacency, wishing not to be disturbed, peace will continue to elude mankind.

As Latvia celebrates her anniversary of independence, let us join her and her sister captive nations in their quest to be free nations again.

I should like to place in the RECORD today a press release issued by the Chicago Latvian Community Center.

The release follows:

LATVIAN INDEPENDENCE, NOVEMBER 18, 1918

THE LATVIAN NATIONAL ANTHEM

God, bless free Latvian Land,
Guard well my Fatherland,
Thus pray my heart and mind:
God, save Latvia!

Let there sound free my voice,
Daughters and sons rejoice!
Let there be a happy choice!
God, bless Latvia!

We are still too close to the events to get a true perspective, but it may be confidently asserted that when the full story comes to be told, the epic of the Latvian struggle for independence will rank high among the world's record of such performance. Without an épopée, said Gothe, can never become of much worth, but in their quest of freedom the Latvian peoples have contributed much to the "Mosaic of America", and proved their worth. Therefore: it is the duty of those of us who are living in freedom to remind the world what we are, what we are going to be, why we have existed and why we are going to continue to exist.

The economic development in *independent* Latvia will show to those who have doubted and still doubt that, in spite of a comparatively small political unit for economic opportunity, Latvia could exist without the help, as the political exploitation was called, of her powerful neighbors. At the end of World War Two, approximately 100,000 persons emigrated from Latvia and later were dispersed throughout the free world. Today, statistics show that, through three generations, many hundreds of this number are true scholars of higher learning in the humanities, as well as technical sciences and other departments. The numerical majority are of the younger generation, those who attained their success in emigration and this shows the strength of vital creativity in the people even during difficult times.

Therefore, to reiterate the contributions of the Latvian peoples and their great endeavors to fit into the pattern of the "Mosaic of America", and bringing their hopes of freedom to this great country, their ethnic heritage and cultures, arts, science, history and knowledge which has contributed much to this great country of America.

The legal existence of Latvia still continues despite the military occupation, of the U.S.S.R. The Soviet administration occupying Latvia lacks any legal basis, and in accordance with recognized principles of international law, should be regarded only as a temporary military occupation.

The major powers, including the United States, have refused to recognize the incorporation of the Latvian State into the U.S.S.R. as claimed by the latter. In accordance with the principles of international law, a military occupation cannot terminate the legal existence of a state.

Unable to plead their own cause we urge the President of the United States to bring the forces of world opinion at the U.N. and other international forums to bear on behalf of the restoration of the independence of Latvia.

All men are by nature free and independent, and have certain inherent and inalienable rights—among these are life, liberty and the pursuit of happiness. Lest We Forget: we are thankful for primacy, sanctity and prayer. As an American, we must be thankful for many more blessings—the list is long.

SENATE—*Saturday, November 20, 1971*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God who has watched over this Nation in the past and raised up prophets and patriots, soldiers and statesmen for every period of need, guide, we pray Thee, these Thy servants, called by the people to serve the present age. Grant them patience, charity, and wisdom for their tasks. May the prayers of the people ascend on their behalf. Answer these prayers, we beseech Thee, as may be most expedient for the welfare of the Nation. May goodness and mercy attend them here, follow them hereafter, that they may abide with Thee eternally.

We pray in the dear Redeemer's name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, November 19, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider two nominations on the Executive Calendar, under New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nominations on the Executive Calendar, under New Reports, will be stated.

ACTION

The second assistant legislative clerk read the nomination of Joseph H. Blatchford, of California, to be Director of Action.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

CABINET COMMITTEE ON OPPORTUNITIES FOR SPANISH-SPEAKING PEOPLE

The second assistant legislative clerk read the nomination of Henry M. Ramirez, of California, to be Chairman of the Cabinet Committee on Opportunities for Spanish-Speaking People.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed; and without objection, the President will be immediately notified of the confirmation of these nominations.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

RIGHTS-OF-WAY AT FORT DeRUSSY, HAWAII

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 430, S. 1466.

The PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

S. 1466, to authorize the Secretary of the Army to grant certain rights-of-way for road improvement and location of public utility lines over a portion of Fort DeRussy, Hawaii.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was

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ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 1466

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, pursuant to the requirements of section 809 of the Act of October 21, 1967, Public Law 90-110 (81 Stat. 279, 309), and for the purpose of enabling the widening and improvement of Kalia Road in the city and county of Honolulu, Hawaii, the Secretary of the Army, or his designee, is hereby authorized to grant, under existing statutory authority and in accordance with existing regulatory procedures, easements over such portions of Fort De-Russy, Hawaii, as are determined available therefor, (1) to the city and county of Honolulu for a road right-of-way and related uses, including but not limited to water and sewer pipelines, fire hydrants, and other necessary appurtenant structures, and (2) to appropriate parties for electric, gas, telephone, or other public utility lines required to be located within the new roadway area.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with No. 479 and ending with No. 488, with No. 487 excluded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL FUNDS FOR THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

The resolution (S. Res. 138) authorizing the Committee on Interior and Insular Affairs to expend additional funds from the contingent fund of the Senate, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. RES. 138

Resolved, That the Committee on Interior and Insular Affairs is hereby authorized to expend from the contingent fund of the Senate, during the Ninety-second Congress, $20,000 in addition to the amount, and for the same purpose, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946, as amended.

ADDITIONAL FUNDS FOR THE COMMITTEE ON FINANCE

The resolution (S. Res. 182) to provide additional funds for the Committee on Finance for routine committee expenditures, was considered and agreed to, as follows:

S. RES. 182

Resolved, That the Committee on Finance is authorized to expend from the contingent fund of the Senate, during the Ninety-second Congress, $20,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

ADDITIONAL FUNDS FOR THE COMMITTEE ON VETERANS' AFFAIRS

The resolution (S. Res. 185) to provide additional funds for the Committee on Veterans' Affairs, was considered and agreed to, as follows:

S. RES. 185

Resolved, That the Committee on Veterans' Affairs is hereby authorized to expend from the contingent fund of the Senate, during the Ninety-second Congress, $10,000, in addition to the amount and for the same purpose specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946.

ORGANIZED CRIME

The resolution (S. Res. 187) authorizing the printing for the use of the Committee on Government Operations of additional copies of part 4 of its hearings entitled "Organized Crime," was considered and agreed to, as follows:

S. RES. 187

Resolved, That there be printed for the use of the Committee on Government Operations one thousand six hundred additional copies of part 4 of the hearings before its Permanent Subcommittee on Investigations during the Ninety-second Congress, first session, entitled "Organized Crime".

GUIDE TO FEDERAL PROGRAMS FOR RURAL DEVELOPMENT

The concurrent resolution (S. Con. Res. 50) authorizing the printing of the handbook entitled "Guide to Federal Programs for Rural Development" as a Senate document was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That with the permission of the copyright owner the handbook entitled "Guide to Federal Programs for Rural Development", published by the Independent Bankers Association of America, be printed with emendations as a Senate document, and that there be printed twelve thousand additional copies of such document for the use of the Senate Committee on Agriculture and Forestry.

SUSPENSION OF RULE IV TO PERMIT PHOTOGRAPH OF SENATE IN SESSION

The resolution (S. Res. 197) temporarily suspending rule IV of the Rules for the Regulation of the Senate Wing of the U.S. Capitol to permit a photograph in the Senate in session was considered and agreed to, as follows:

Resolved, That rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting the United States Capitol Historical Society to photograph the United States Senate in actual session.

SEC. 2. The Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements therefor, which arrangements shall provide for a minimum of disruption to Senate proceedings.

GRATUITY TO WILLIEMAE C. ABNEY

The resolution (S. Res. 198) to pay a gratuity to Williemae C. Abney was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Williemae C. Abney, widow of Robert Abney, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO MAMIE B. WALLACE

The resolution (S. Res. 199) to pay a gratuity to Mamie B. Wallace was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund at the Senate, to Mamie B. Wallace, widow of Robert J. Wallace, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

INTERNATIONAL BOOK YEAR

The joint resolution (S.J. Res. 149) to authorize and request the President to proclaim the year 1972 as "International Book Year" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of (1) the fact that the United States, during its entire history, has recognized importance of universal education in a free society and the commitment of the people and Government of the United States to the free flow of information, (2) the fact that books are basic to both universal education and the free flow of information, and (3) the designation by the United Nations Educational, Scientific, and Cultural Organization of the year 1972 as "International Book Year", the President is authorized and requested to issue a proclamation designating the year 1972 as "International Book Year", and calling upon executive departments and agencies, the people of the United States, and interested groups and organizations to observe such year with appropriate ceremonies and activities both within and without the United States.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business, not to exceed 20 minutes, with time therein to be limited to 3 minutes to each speaker.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DISTRICT OF COLUMBIA REVENUE BILL—H.R. 11341

Mr. MANSFIELD. Mr. President, for the information of the Senate, and after discussing the matter with the distinguished minority leader, it is our hope to bring up H.R. 11341, an act to provide additional revenue for the District of Columbia which, I understand, is noncontroversial, although an amendment will be offered, which will be accepted.

The purpose of the amendment is to help to speed up the appropriations process and get the appropriations bill to the floor of the Senate that much sooner.

The PRESIDENT pro tempore. The Chair would inquire of the Senator from Montana. Will that be during the day?

Mr. MANSFIELD. Hopefully, Mr. President, during the morning hour, if Senators MATHIAS, SPONG, and EAGLETON who have been sent for, can come to the Chamber.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR STAR PRINT OF AMENDMENT NO. 608, H.R. 10947

Mr. GOLDWATER. Mr. President, I ask unanimous consent that a star print be made of my amendment No. 608 in order to correct a technical printing error made in the first printing of the amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. GOLDWATER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—TIME LIMITATION ON NELSON AMENDMENTS

Mr. MANSFIELD. Mr. President, I have discussed the matter with the distinguished Senator from Wisconsin (Mr. NELSON), the manager of the bill; the distinguished Senator from Georgia (Mr. TALMADGE); the ranking Republican member of the committee, the distinguished Senator from Utah (Mr. BENNETT); and the distinguished minority leader, the Senator from Pennsylvania (Mr. SCOTT), and with their approval—and I hope the Senate's—I ask unanimous consent that the time on the two Nelson amendments be reduced from 1 hour to a half-hour apiece, the time to be equally divided as heretofore agreed to.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR ADJOURNMENT FROM TODAY TO 9 A.M., MONDAY, NOVEMBER 22, 1971

Mr. MANSFIELD. Mr. President, in view of the agreement reached yesterday, I ask unanimous consent that the Senate, instead of coming in at 10 o'clock on Monday, as had been agreed to, and in line with the agreement made, come in at 9 o'clock.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, the joint leadership has consulted with the Senator from Arizona (Mr. GOLDWATER) about his amendments. We have reached a satisfactory conclusion, and the hour of 5 o'clock appears fairly definite at this time.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEFICITS IN FEDERAL FUNDS, 1953–72 INCLUSIVE

Mr. BYRD of Virginia. Mr. President, I have prepared a tabulation on the deficits in Federal funds, 1953 to 1972, inclusive. I ask unanimous consent that the tabulation be printed in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS, 1953-72 INCLUSIVE

[In billions]

	Receipts	Outlays	Surplus (+) or deficit (−)
Year:			
1953	$64.7	$74.1	−$9.4
1954	64.4	67.5	−3.1
1955	60.2	64.4	−4.2
1956	67.9	66.2	+1.7
1957	70.6	69.0	+1.6
1958	68.6	71.4	−2.8
1959	67.9	80.3	−12.4
1960	77.8	76.5	+1.3
1961	77.7	81.5	−3.8
1962	81.4	87.8	−6.4
1963	83.6	90.1	−6.5
1964	87.2	95.8	−8.6
1965	90.9	94.8	−3.9
1966	101.4	106.5	−5.1
1967	111.8	126.8	−15.0
1968	114.7	143.1	−28.4
1969	143.3	148.8	−5.5
1970	143.2	156.3	−13.1
1971	133.6	163.8	−30.2
1972 [1]	143.0	178.0	−35.0
20-year total	1,853.9	2,042.7	188.8

[1] Estimated figures.

Source: Office of Management and Budget, except 1972 estimates.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication which was referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, FISCAL YEAR 1972, FOR DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (S. Doc. No. 92-44)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, for the fiscal year 1972, in the amount of $350,195,000 for health manpower programs of the Department of Health, Education, and Welfare (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. SPARKMAN, from the Committee on Banking, Housing and Urban Affairs, without amendment:

S. 2891. An original bill to extend and amend the Economic Stabilization Act of 1970 (Rept. No. 92-507).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MOSS:

S. 2890. A bill to authorize the Civil Service Commission to furnish assistance to provide for the emergency transitional employment by State or local governments of Federal employees who lose their positions as the result of reductions in force in areas of high unemployment. Referred to the Committee on Post Office and Civil Service.

By Mr. SPARKMAN (from the Committee on Banking, Housing and Urban Affairs)

S. 2891. An original bill to extend and amend the Economic Stabilization Act of 1970. Ordered to be placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOSS:

S. 2890. A bill to authorize the Civil Service Commission to furnish assistance to provide for the emergency transitional employment by State and local governments of Federal employees who lose their positions as the result of reductions in force in areas of high unemployment. Referred to the Committee on Post Office and Civil Service.

FEDERAL EMPLOYEES TRANSITION ACT OF 1971

Mr. MOSS. Mr. President, in recent years the Federal Government has made significant reductions in its civilian labor force. In 1970 and 1971 alone, 105,000 employees have been forcibly dropped from the Federal payrolls.

These reductions, which often take the form of mass layoffs or "rifs" at major Government installations, have had a severe impact on local economic conditions in many parts of the country. Businesses have closed. Supporting industries have shut down. In some cases lo-

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cal commerce has been all but obliterated in the wake of these cutbacks.

To a large extent these reductions-in-force have resulted from the diminished manpower requirements for national defense. With the slow winding down of our military involvement in Indochina, there has been a reduced need for these supporting installations here at home. Moreover, this downward trend in Federal employment has been accelerated considerably in the last few months by a conscious administration policy aimed at cutting Government payrolls.

Regardless of their justification, these Federal cutbacks have resulted in great human hardship to the families of these workers who receive the "rif" notices. They have also led to a worsening of economic conditions in communities which have long depended on Federal jobs and wage income for their commercial stability. The net effect of these mass layoffs is to throw thousands more workers into labor markets which are, in many cases, already hit by substantial unemployment.

The Federal employee who is caught in one of these mass "rif's" finds little public recognition of his predicament. The usual civil service benefits, such as transfer rights, are almost irrelevant in localities where thousands are looking for work and jobs in Government and in private industry are scarce.

In these cases the trained Federal employee has no opportunity to use the skills and experiences gained from years of Government service. His talents are allowed to become dormant and a major public investment is wasted.

Today I introduce legislation which I believe gets to the heart of a number of these problems. The Federal Employee Transition Act of 1971 would authorize the Civil Service to assist these economically depressed communities in employing these "riffed" workers on a temporary basis, thus giving them an opportunity to put their skills to work for the good of the community.

The operation of such a program would present few difficulties. At present, the Civil Service Commission maintains precise records as to the skills, training, and experience of all Federal employees. This body would be well equipped to take advantage of this information in channeling these human resources to local public service.

At the time of a Federal reduction-in-force in an area of unemployment, the local government would apply for special funds to hire the "riffed" employee. Communities applying for such assistance would inform the Commission of the types of jobs they wanted filled and supply the relevant information. Priority would be given to those jobs which offered the best opportunity for permanent careers.

The public benefits of this problem would be considerable. Local communities would be given the opportunity to take advantage of skilled Federal employees in their efforts to supply needed public services. Talents developed through years of Government service would be put to work. New wage income would reduce the economic shock felt by these areas when a major government installation cuts back on its payrolls. Commerce would be given a needed boost and new markets would be given a chance to develop.

The transitional employment would give a welcome breathing spell to the "riffed" Federal employees and their families. It would allow them the opportunity to learn new skills which could be utilized in private industry. In many cases this temporary employment would lead to a permanent position in the local public service.

Ultimately this program would have a great effect on reducing the general unemployment. It would also allay the chronic fears of many Federal employees which is often sparked by any reference to the term "new national priorities."

Most of all it would open up the possibility that these skills and experience developed at the taxpayers expense would not go to waste but would be put to immediate local use.

I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2890

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Employee Transition Act of 1971".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds and declares that—

(1) the release of Federal employees as a result of reductions in force in economically depressed localities tend to aggravate the economic conditions in such localities;

(2) there is little opportunity for displaced Federal employees to find alternative employment, either in government or in private industry in such localities; and

(3) furnishing resources for transitional public service employment and related training and manpower services can ease the impact of unemployment for the affected Federal employees and reduce the pressures which tend to generate further unemployment.

(b) It is the purpose of this Act to provide emergency transitional employment in State and local governments for those persons affected by Federal reductions in force in localities of high unemployment.

DEFINITIONS

SEC. 3. For the purpose of this Act—

(1) "Federal agency" means any Executive department, military department, independent establishment, or agency in the executive branch of the Government of the United States;

(2) "eligible employees" means an individual who is released by a Federal agency as a result of a reduction in force and who resides in or who was, prior to such release, employed in, a locality of high unemployment;

(3) "participant" means an eligible employee who is, or is proposed to be, employed under an emergency transitional employment program;

(4) "eligible applicant" means—

(A) a unit of State or general local government;

(B) a public agency or institution which is a subdivision of State or general local government;

(C) any combination of units of general local government; or

(D) an Indian tribe on a Federal or State reservation, which is, or which is in, a locality of high unemployment;

(5) "locality of high unemployment" means an area which the Secretary of Labor determines has a rate of unemployment substantially above the national average;

(6) "Commission" means the United States Civil Service Commission; and

(7) "State" means any State of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

FINANCIAL ASSISTANCE

SEC. 4. The Commission shall enter into agreements with eligible applicants in accordance with the provisions of this Act in order to make financial assistance available for emergency transitional employment programs to employ eligible employees who have been released in reductions in force in localities of high unemployment. Such transitional programs shall provide for employing eligible employees in work of needed public service and shall provide, to the extent feasible, training and manpower services which are otherwise unavailable and which may enable such employees to obtain employment not supported under this Act.

APPLICATIONS

SEC. 5. (a) Financial assistance under this Act may be provided by the Commission for any fiscal year only pursuant to an application which is submitted by an eligible applicant and which is approved by the Commission in accordance with the provisions of this Act.

(b) An application for financial assistance for an emergency transitional employment program under this Act shall include provisions setting forth—

(1) assurances that the activities and services for which assistance is sought under this Act will be administered by or under the supervision of the applicant;

(2) a description of the area to be served by such programs, a copy of the determination by the Secretary of Labor that such area is, or is located in, a locality of high unemployment, and data indicating the number of anticipated participants and their income and employment status;

(3) assurances that special consideration will be given to the filling of jobs which provide sufficient prospects for advancement or suitable continued employment by providing, when feasible, complementary training and manpower services designed to (A) promote the advancement of participants to employment or training opportunities suitable to the individuals involved, whether in the public or private sector of the economy, (B) provide participants with skills for which there is an anticipated high demand, or (C) provide participants with self-development skills, but nothing contained in this paragraph shall be construed to preclude persons or programs for whom the preceding objectives are not feasible or appropriate;

(4) assurances that, to the extent feasible, transitional employment shall be provided in occupational fields which are most likely to expand within the public or private sector as the unemployment rate recedes;

(5) a description of the methods to be used to recruit, select, and orient participants, including specific eligibility criteria, and programs to prepare the participants for their job responsibilities;

(6) a description of jobs to be filled, a listing of the major kinds of work to be performed and skills to be acquired, and the approximate period of time during which participants would be assigned to such jobs;

(7) the wages or salaries to be paid participants in programs assisted under this Act and a comparison with the wages paid for similar public occupations by the same employer;

(8) assurances that all participants, other than necessary technical, supervisory, and administrative personnel, will be selected from among eligible employees; and

(9) such other assurances, consistent with the provisions of this Act, as the Secretary deems necessary, in accordance with such regulations as he shall prescribe.

APPROVAL OF APPLICATIONS

SEC. 6. An application, or modification or amendment thereof, for financial assistance under this Act may be approved only if the Commission determines that—

(1) the application meets the requirements set forth in this Act;

(2) the approvable request for financial assistance does not exceed 90 percent of the cost of carrying out the program proposed in such application, unless the Commission determines that special circumstances or other provisions of law warrant the waiver of this requirement;

(3) an opportunity has been provided to officials of the appropriate units of general local government to submit comments with respect to the application to the applicant and to the Commission; and

(4) an opportunity has been provided to the Governor of the State to submit comments with respect to the application to the applicant and to the Commission; and

For the purpose of clause (2) of the preceding sentence, contributions by or in behalf of an applicant may be in cash or in kind, including real and personal property or any combination thereof, or services.

ALLOCATION OF FUNDS

SEC. 7. (a) The amounts appropriated under this Act shall be allocated by the Commission in such a manner that the sum of $300,000 shall be the minimum amount allocated for each State and its subdivisions during the 1972 fiscal year, and $900,000 shall be the minimum amount allocated for each State and its subdivisions during the 1973 fiscal year.

(b) The remaining funds shall be allocated equitably by the Commission in accordance with (1) the numbers of Federal employees who have been released in reductions in force in localities of high unemployment, and (2) the potential of the eligible applicants to use the funds most effectively.

ADMINISTRATIVE PROVISIONS AND CONDITIONS

SEC. 8. (a) The Commission may make payments with respect to financial assistance agreements under this Act in installments, in advance, or by way of reimbursement. The Commission is authorized to withhold such payments in order to recover any amounts expended in the current or immediately prior fiscal year by an applicant in violation of any provision of this Act or any condition or other requirement imposed under this Act.

(b) The Commission shall not provide financial assistance for any program under this Act—

(1) unless the agreement with respect to that program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any eligible employee in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs;

(2) which involves political activities, and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities in violation of chapter 15 of title 5, United States Code;

(3) unless the agreement with respect to that program provides that participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship; and

(4) unless it determines that participants shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar public occupations by the same employer.

(c) The Commission is authorized to issue such regulations as may be necessary to carry out the purposes of this Act.

REPORTS FROM AGENCIES

SEC. 9. Each Federal agency shall, upon request, furnish to the Commission reports containing—

(1) the names and addresses of employees of that agency who have been released as a result of reductions in force;

(2) a description of the employment held by each such employee and a description of that employee's background and experience; and

(3) such other information as the Commission may require in order to carry out its functions under this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. There are authorized to be appropriated not to exceed $50,000,000 for the fiscal year ending June 30, 1972, and $150,000,000 for the fiscal year ending June 30, 1973, to carry out the purposes of this Act.

EFFECTIVE DATE

SEC. 11. This Act shall become effective upon the expiration of 90 days after is enactment.

ECONOMIC STABILIZATION ACT OF 1971—AMENDMENT

AMENDMENT NO. 743

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself, Mr. BUCKLEY, Mr. ERVIN, Mr. DOLE, and Mr. JORDAN of North Carolina, submitted an amendment intended to be proposed by him to the bill (S. 2712) to extend and amend the Economic Stabilization Act of 1970, as amended, and for other purposes.

REVENUE ACT OF 1971—AMENDMENTS

AMENDMENT NO. 744

(Ordered to be printed and to lie on the table.)

Mr. BEALL submitted an amendment intended to be proposed by him to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 745

Mr. COOPER (for himself, Mr. BAKER, Mr. JAVITS, Mr. WEICKER, Mr. COOK, Mr. GURNEY, and Mr. SCOTT) submitted an amendment intended to be proposed to amendment No. 692, proposed to the bill (H.R. 10947), supra.

ANNOUNCEMENT OF HEARINGS ON BLACK LUNG LEGISLATION

Mr. WILLIAMS. Mr. President, the House of Representatives has recently passed H.R. 9212, black lung amendments to title IV of the Federal Coal Mine Health and Safety Act of 1969. On the Senate side, Senator RANDOLPH has been joined by Senators BYRD, HARTKE, and myself in introducing similar but broader legislation (S. 2675) and Senator HARTKE has introduced S. 2289 cosponsored by Senator RANDOLPH.

All of us know of the leadership of our distinguished colleague from West Virginia, Senator RANDOLPH, in enacting the first black lung benefits program in 1969. It was his amendment, adopted without a dissenting vote, which brought desperately needed relief to thousands of deserving people.

Therefore, I have asked Senator RANDOLPH, as the ranking majority member of the Committee on Labor and Public Welfare and of its Subcommittee on Labor, to chair the hearings on this legislation.

Those hearings will begin on Wednesday, December 1, 1971. Any persons wishing to be heard should contact the counsel to the Subcommittee on Labor at room G-237, New Senate Office Building, Washington, D.C. 20510, telephone 225-3674.

ADDITIONAL STATEMENTS

CRIME AND THE ELDERLY

Mr. WILLIAMS. Mr. President, we read daily in the newspapers and magazines of the crime rates and the costs associated with this crime. Yet, how often do we hear of the impact of these crimes in human terms? How often do we hear of the long-term impact of these events? At a recent hearing of the Subcommittee on Housing for the Elderly of the Senate Committee on Aging, I attempted to ascertain just what this impact is and what could be done to prevent such crimes.

Elderly persons are especially vulnerable to crime. They not only have less physical power to resist but they are hurt more deeply as the result of criminal activity. It is obviously easier to knock down an older person and take his money than it is to do the same to a middle-aged person. Housing for the elderly, however, is often constructed in areas that abound with crime. There is often resistance to the construction of new dwellings for the elderly in established, stable neighborhoods. This resistance, sometimes expressed in zoning law, in effect forces much of this housing into areas with a high incidence of crime.

Many elderly homeowners, of course, either cannot, or will not, move out of crime-ridden neighborhoods. Perhaps they have become attached to the house in which their children grew up, or perhaps their few surviving friends live in this area. We know that relocation places great burdens upon the elderly and that many would rather take their chances where they are, rather than undergo those hardships associated with moving.

Elderly witnesses reported that many old people are afraid to set foot outside their homes after dark. They are, in effect, "prisoners in their own homes." Some elderly are afraid to go marketing.

An elderly witness from my own State of New Jersey was employed and in good health prior to his being mugged. It has been a year since that mugging, and this gentleman is still feeling the effects of that crime. He has suffered physically, emotionally, and financially. He lost his job and was forced to go on welfare. Even now, he is harassed by local youths who know the man arrested for the mugging.

Much other compelling testimony

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emerged from the hearing, including a statement by Mr. Noel E. Tomas, Northeast regional representative for the National Council on the Aging. Mr. Tomas is the former director of a city agency on aging in Hartford, Conn. He was deeply concerned in that position with a serious crime problem in that city. He has since explored similar problems in other communities. I ask unanimous consent that his statement be printed in the RECORD.

In addition, I also ask unanimous consent to have printed in the RECORD two recent New York Times articles which tell of specific criminal activities directed at the elderly in New York City. These articles provide only a sampling of recent stories on similar happenings; the Times is to be commended for focusing public attention on a serious and perhaps growing problem.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

TESTIMONY OF NOEL E. TOMAS

Mr. Chairman, distinguished members of the Senate Subcommittee on Housing for the Elderly:

My name is Noel Tomas. I am the Northeastern Regional Representative of the National Council on the Aging, Elderly in Model Cities Project.

It is with mixed emotions that I am appearing before your Subcommittee. The subject of criminal attacks against old people, to whatever degree from felonies to simple harrassment, is one I view with alarm and subjective feelings. It is in that context that I welcome this opportunity to appear before your distinguished group to shed some light on a subject talked about by many, long confronted by the elder segment of our population living in lower income federally assisted housing, but little examined at our state and national levels.

It is your exploration of this subject with action implied that presents the ray of hope to hundreds of brutalized aged citizens. The implications that swift results from your level of attention will lift up our public housing projects of terror, where these exist, to the standards promulgated in the Housing Act which defined such quarters to be "decent, safe and sanitary."

Whether this terror is real or imagined and it is both, its effects right now on our older citizens demand countermeasures if they are to survive to their predicted life expectancies rather than die or cease to function rationally before then.

In a sense, then, I am classifying real and imagined crime facing the older person on an equal critical survival level with food. And I will illustrate later in my testimony one such case where, thank God, an aged woman was able to survive the horrors and can now think of other needs just above the survival index, such as medicines and doctors' visits which she gave up when faced with fear.

You have asked me to talk about crime against our elder citizens living in public housing. I will do so by presenting various cases to illustrate the nature of the crimes in the cities of Hartford, Conn., where I did an exploratory study when I was Chairman of the City Commission on Aging; in Baltimore, Md., and Lowell, Mass., where I now work and in Boston where my Regional Office is located.

I have some witnesses who are residents of the housing projects in Baltimore and Boston who will explain the feelings of those people suffering from criminal attacks in their communities.

And I will suggest some thoughts for correcting some of the security problems. This will be illustrated by some direct action reported by my Boston witness, who, incidentally, is a representative of the Council of Elders.

If I may begin with a letter from a resident of one of the more infamous public housing projects in Hartford, Charter Oak Terrace, where criminal attacks are more frequent and considered a way of life, I believe it expresses in that tenant's words what many old people have indicated to me and others in a variety of restricted communications and fear-filled explanations. I will further illustrate with news stories other crimes that typify those committed more frequently than the public is aware of. I have submitted a collection of such news articles to this Subcommittee for its perusal.

This woman wrote, "I hope you will not think me presumptuous for writing you. I was happy to know somebody was trying to do something; I have been hoping to see somebody come to investigate, but finally I decided perhaps we have been overlook.

"Now I do not want any publicity, that is what you said. I am a woman 68 years old and my husband 67. Two months ago he had his third stroke, leaving him with his right arm and hand useless, his right leg crippled. He can get around but with difficulty.

"I live in Charter Oak Terrace. My apartment is on two floors. My husband has to go up and downstairs. He has to come down backwards and has fallen twice, not seriously. I have lived here six years. There never has been one drop of paint since I moved in here. The roof leaked for six months. Finally the ceiling fell down at least a 2-foot square piece. It is in the same shape as it was over a month ago. The Housing did fix a part of the roof after that. The paint is chipped and falling off throughout the house. Some of the windows are broken. The Housing fixed the worst ones.

"Last summer kids threw rocks, bottles and cans through my doors and windows. My screen doors are here to show the affects. Across the street from me, the large boy shot BBs at my kitchen window time after time. I called police several times. They said they could do nothing. One policeman finally went over there and took the gun away. Since then every chance the kids get, they bombard the house with rocks. I won't call police anymore. It doesn't do any good. Police can't catch them. Just last night somebody, some kid, of course, threw a large chunk of ice at my door.

"If we did anything to any of these kids, I could see it in a way, but I never talk to anybody other than a couple of neighbors and my husband can scarcely walk. We both have bad hearts and to tell you the truth it is terrible.

"I want to move out of here. I am scared to death to live here. My daughter has tried to talk to different people about our getting into decent housing, but to no avail. Everybody tells me and her that we can't move.

"We cannot afford to move into a private house. All we receive is Social Security—my husband $123.40 and me $56.10.

"We have four rooms and need that many. I have a daughter in Norwich (an institution for those with mental problems). She comes home once a month for one or two weeks. My husband is a tuberculosis patient also, but of course is okay now. He had been in Cedarcrest twice. He has one lung and one kidney left from the TB.

"I have health problems too and everything combined is not what adds up to a very cheerful life.

"Now please don't think I am trying to give you a sob story. Everything I have told you is 'gospel truth' and you can verify it. I would not write if you had not promised it would be anonymous.

"Thank you for reading my long letter."

In a feature article in the September 13, 1970 Sunday Parade Magazine, the lead began, "In Boston not too long ago during a crime wave, scores of elderly residents of a housing project were mugged. This outrage became too much for Mrs. Gertrude Pratt, a chipper lady in her 70s who represented a senior citizens group—the Council of Elders. She sent a request to City Hall for an appointment to discuss the problem. She got no reply. So she sent a registered letter to City Hall which concluded:

"This is an election year. Would you like us to tell people that our Mayor doesn't want to listen to old citizens?"

That hit a raw nerve. City Hall phoned back immediately. A meeting was arranged with the mayor. And two days later foot patrolmen were assigned to the housing project during the dangerous hours of darkness."

Another recent headline and story in the Boston Herald read, "Mission Hill Elderly cite Robberies Terrorism—Guardsmen Urged to Protect Project.

"Anthony Ferd thinks the National Guard should be called to protect the elderly at the Mission Hill housing project in Roxbury.

"Without it, he figures, the muggings, robberies and terrorism will continue.

"The 68-year-old Ford says that in the three years he has lived at the project, he has watched it go from bad to worse as bands of young hoodlums roam the streets.

"He has been beaten and robbed three times and has had his Social Security checks stolen from his mailbox on several occasions.

"As a result, Ford, and most of his elderly neighbors are afraid to venture outside their apartments."

In a Hartford Courant December, 1969 story headlined "You Can't Have Flowers, Elderly Mourn, Recounting Terrors," it was said,

"Residents of the housing project at Charter Oak Terace had rejected increased police protection as an answer to crime and disorders in the project neighborhoods.

"A woman who circulated a petition signed by 116 of the elderly in the summer of 1968 said better police protection comes and goes capriciously in the project. 'Now I've given up fighting,' she said. 'It is always forgotten,' added her neighbor, also one of the 300 elderly at Charter Oak Terrace.

"'Fear is much stronger at this time of the month because the young hoodlums know that the Social Security checks of the elderly arrive now and that they can rob them without much difficulty or fear of retribution,' she said.

"The woman told of a companion of theirs who was robbed last month, although she had taken the precaution of going to the bakery without her purse. And though it was about 10 a.m. on a Sunday morning, a youth cut off the pocket of her coat, scooped up the coins and fled, they said.

"Her neighbor told of trying to sit on a lawn chair outside during the summer months. The gangs will go by, she said, 'and if they see you've got something like a piece of candy, they grab it and run away.'

"'You can't have flowers or they'll trample them,' her companion continued, 'And if they put a tree outside to look at, they cut it down.'

"Both of them agreed the troubles in Charter Oak Terrace are caused by youths of all races.

"The woman who has given up fighting recounted the experiences of a man who was robbed and beaten last month in his own apartment. The attackers threw eggs at him after he was beaten, she said 'Eggs are hard enough to get on our money,' she said. 'They don't care what they do.'

"And she added, 'Once you live here you stay here until you die. And everybody's afraid of their shadows around here.'

"'Everybody's afraid to do anything at all,' she concluded.",

Then the Hartford Courant said in an editorial: (See attached editorial).

Without fail, the crimes continued in Hartford despite the measures Hartford officials were able to take and in the Courant

June 10 of this year, this story appeared: (See attached article).

What brought about my investigations into criminal attacks and harrassment on the elderly late in 1969 and into 1970 and to this day I expressed in this letter I wrote the Mayor and City Council. (see attached letter).

That was not the end of Mrs. Wagner's story. She wrote me this month and I spoke to her this week in her new home in Gulfport, Fla.

She said in her letter: "I have received your letter and was surprised and glad to hear from you. As you see by this letter, I have left Hartford last April and moved to a little quiet town, because the situation for the elderly people was just getting unbearable in Hartford. This move was not easy for me leaving my family and friends behind me, but it was the only way to stay sane and forget the horrible experiences I had to go thru in Hartford.

"If there is anything I can do to help you in your fight for the elderly, I'll be more than willing. Thanking you again for your concern and kindness while I was in the hospital beaten up so badly."

Mrs. Wagner, who is now 71, located the retirement village in Florida where some Hartford friends had relocated. It also costs her the $65 a month she formerly paid in Hartford. She is in private housing. Although medicine costs are double Hartford's and health department facilities are negligible compared to Hartford, she has found a peace of mind she said that has rebuilt her strength.

"I will never come to Hartford again, even for a visit to my son and daughter and their families," She said. "I am more alert than most people my age and can care for myself. I've always been on my own. Even when you are desperate, you can do more than you think. I had to move with my son's help from Hartford before I lost my mind all together.

"What happened to me and others in Hartford in that Village, I can never forget. Many of those people are moving. One woman, she is Jewish, isn't being allowed to move out. I don't think that is right. How long can one suffer from those people flipping cigarette ashes in your face, pushing you into the streets, shoving you aside at a store counter . . . If I have peace of mind, I can do without food to get it."

Mrs. Wagner is very bitter racially, a prejudice, she did not suffer before the assault on her in Mary Mahoney Village. She noted that some blacks might be better people than she, but she is afraid of them and if any move into Gulfport, she will move again, this time to Austria where a friend of hers lives.

During the period when I was Chairman of the Hartford Commission on Aging, we began a study of both physical and social conditions among the elderly residing in public housing. It was then in my report which has been submitted to your Subcommittee, Mr. Chairman, that I said,

"Probably the most significant data that has been documented is the crime rate that singles out the elderly and is occurring at higher rates than the percentage of similar crimes against citizens in the City of Hartford. Fully 30 percent of the 211 surveyed reported crimes against them and their property.

"Of the people responding, 23 percent have had their apartments broken into. Thefts ranging from money to household furniture (including items worth more than $100) took place among 27 percent of the respondents. Of all the thefts, 38 percent took place during 1969, 24 percent of the individuals knew who committed the crimes and 70 percent of these had reported the burglaries and robberies to the police.

"Of the 190 persons who answered the question on assault upon their person, six per cent reported attacks, 45 per cent of these took place in 1969 (not including those occurring after this report's publication which included a rape and several assaults).

"The interviewers noted that a reluctance, even a fear, prevailed during several of the interviews. It appeared that in the crime area, the tenants might have feared reprisals regardless of the assurances of anonymity, therefore, some crimes may not have been reported to the interviewers and authorities.

"Of the 211 respondents, 65 persons (31 per cent) expressed a fear of neighbors, kids and others in the project. And 5 persons said they would move immediately if they could. Nine persons cited dogs as a major problem to them.

Lowell, Mass. does not have the severity of crime that the elderly suffer in the larger cities. I have submitted a survey of that city to this Subcommittee for its examination as I have a report on Baltimore, Md.

I do not wish to minimize the problems of harrassment and criminal attacks on the elderly in Lowell, but, I believe that city and Baltimore compare to the detailed findings the Hartford study revealed.

Baltimore only differed in that a number of murders had taken place such as two murder-rapes in the Lawrence Douglas project where entries were made through windows and the murder of a deaf and dumb man who was beaten and robbed in his apartment in the Gilmore project and then after his killing a few weeks later, his aged wife was robbed in the same apartment. Assaults, muggings and purse snatchings are commonplace in Baltimore.

The response to calls for help in both cities is slow, almost withheld in Lowell. But measures are being taken to correct the Lowell police response problem.

I would like you to hear about how some of the elderly feel about being subjected to and living constantly with criminal attacks. Miss Catherine Gant, who in her 60s works as a health aide in the project in which she resides in Baltimore, McCullough, is here to talk about those problems.

(Questions of Miss Gant.)

Before I speak about solutions, let me summarize the crimes that occur against aged people who live in poverty ghettos. There were the murders I spoke of in Baltimore, the rape of a 78-year-old Baltimore woman at 3 a.m. in her apartment and the many other rapes, burglary and house breaks such as the case of a 76-year-old Hartford woman who woke up at night to find a man in her living-room, who grabbed a knife from a companion outside the window and fled when her son answered her shout to call the police, purse snatchings and assaults, check and mail thefts, tying up elevators in high-rise buildings, vandalism to windows, screens and doors for which the tenant must pay repairs if they cannot and will not identify the culprit, neighborhood fighting and rowdyism, window peeping, door knobs being tried all night long, lights kept on all night and even tenants staying up all night and sleeping during the daytime, spitting upon and speaking abusively to old people, running them down with bicycles, shooting BBs at them and many other indignities, harassments, shakedowns and attacks—all of this taking place in this nation would lead one to believe we have created or allowed to develop a chamber of horrors for these golden years of life where the worst of human nature can thrive. It is a means by which we allow the destruction by physical terror and mental paranoia our elderly poor.

So what are the solutions? Certainly retaliation with a superior police force is an answer, but not the best one nor the least costly.

In the Boston Globe it was reported this year, "Men who are convicted of knocking down and robbing elderly women will get no leniency from Superior Court Judge Wilfred J. Paquet.

"Following a Suffolk Superior Court jury verdict of guilty against Gary L. Boseman, 17, and John A. Hopkins, 22, both of Roxbury, Judge Paquet sentenced Boseman to eight years at Concord and Hopkins to nine to 15 years at Walpole.

"The word has to go out that these people who knock down and grab handbags from old ladies, whether in Roxbury or any other part of the city, will not get a chance to do it again by receiving a suspended sentence or probation, Judge Paquet said.

"Boseman and Hopkins were charged with taking a handbag containing 50 cents from Bertha Holland, 85, and knocking down her companion, Helen Bartlett, 74, last April 18. The two women, residents of the Elizabeth Carleton Home on Columbus Avenue, were walking near that home at the time."

In my opinion, that too is not a good solution because it too does not get at the core of the problem. It is becoming more of the reaction sought by public officials in keeping the peace temporarily, but not permanently.

Mr. Oliver Ifill, a resident of one of Boston's housing projects, as both a resident and a member of the Council of Elders, has dealt with some immediate solutions. I would like him to compare very briefly the crime there to that I spoke of in Hartford, Lowell and Baltimore. And then I would like him to speak about a couple of the solutions his group was able to effect. After his comments, I will present a few more thoughts for your consideration.

(Mr. Ifill's testimony.)

Some solutions have been suggested. Let me suggest other ideas. We are talking about crime in complex terms when we speak about one or a group of individuals committing brutality upon another. We are simplifying our focus slightly when we narrow the area of crimes to federally assisted housing project environs where the elderly aged poor are clustered. The objective we seek simply stated is to reduce criminal attacks on poor old people living in public housing.

We have data showing the range of crimes committed, when, where, how and against whom. We are aware the solutions must be both immediate and long-term if we are to effect a reduction more permanently.

Therefore, these ideas come to mind for lessening crime. We need eyes and instantaneous communications to harass the would-be criminal. We need obstacles to create great difficulties for him in getting at old people. We need swift police response to effect captures. We need self-protection devices or education for the old person to prevent harm being inflicted upon him and his loss of property. We need attitudes and motives developed among susceptible young people and irresponsible adults that will change their anti-social behavior to socially productive and concerned roles.

There are immediate and long-range goals stated among that listing.

In the eyes arena I am talking about people and electronic devices. These include teen patrols, scout or other types of escort trips when Social Security checks arrive, adopt a grandparent, telephone reassurance, church and synagogue visitations and services, group feeding to lessen grocery store trips or group buying at better discounts with stores delivering to a central project distribution point, neighborhood grade school holiday entertainment, housing security patrols, burglar photo-electric beams, wired window panes and doors, one-way glass in doors, central alarm buzzer systems, mass housing unit electronic alarms connected through police dispatchers instantaneously to neighborhood police patrol units (such as Lowell, Mass. is developing in model cities), refined police surveillance mobile units (although this breeds a "big

brother" feeling like Hoboken, N.J.'s television cameras mounted at high-crime street corners).

When I talk about other obstacles, I speak about such construction materials as unbreakable glass, fiberglass or plastics; vandal-proof screens, sliding outer doors and electronic locks; limited access to buildings containing older people; non-hallway buildings with bright, abscessed vandal-proof lights; projects apart from multi-family projects for elderly only (as Baltimore is phasing elderly into and Lowell is phasing families out of); better situated projects with more thought and federal requirements for neighborhood selection, possibly regional projects surrounding a core city with each project broken into small clusters among more middleclass "safe" neighborhoods; no more basement utilities for laundry, etc., but placed on each floor; elevators with constant television monitors or photo camera for identification of troublemakers; various protective project fencing and outside lighting, and cheaper modular construction techniques so security costs can be included to keep unit prices at present federal standards.

Other police response besides those I noted in the eyes section could include a special project patrol either on scooters or on foot with sophisticated individual surveillance devices. Even the consideration of legislating that some crimes taking place within federally funded projects are a federal crime or a crime requiring joint police jurisdiction such as local, state and/or federal.

Self-protection devices for the elderly now range from small purse alarms to tear gas weapons. Most devices are more self-assuring than they are protective short of the "kill" weapons which would be most dangerous in the hands of any citizen.

Perhaps the marking in obscure places of property in the apartment unit for later identification such as is done in Boston, other personal property with markings so that police can identify such goods if these appear in local pawn shops or other outlets may be a preventive step. Going to stores alone during near darkness hours and the securing of the apartment property need to be stressed among the elderly. It may be housing authorities need Congressional direction or federal regulations to set aside a portion of their budgets to purchase social and protective services from such community service agencies.

But the root of crime remains the most important issue to attack. The alienation that is growing more widespread among youngsters and parents and parental nonconcern has much to do with crime reduction. There are programs being tested in a number of communities that need examination and adoption on a wider scale. Several are directed at getting the youth involved again in his community. Others are helping put the old and the young together in productive relationships.

Ideas that stretch past the point of present public acceptability might be tested. Such a test could be directed at the sex criminal now housed in various institutions in this nation. On a volunteer basis, he might be tested to determine his present violent sexual reactions toward the old person and the youngster. Then he might be fed a diet of pornographic materials and his reactions tested again for violence severity.

Somehow there must be more immediate answers to stopping the sex criminal than by waiting to catch each one after an attack occurs or filling institutions with them. I am suggesting in order to stop violence of this kind against the old and the young, other avenues must be traveled besides limited psychiatric therapy.

I also submit that an elder tenant or advocate should be a required member on a housing authority board of commissioners. And I would suggest that ombudsmen be considered for the elderly within cities. Such a position can be approved by the mayor and city elected officials and funded federally with administration left to appropriate units in a state university.

Many other ways of reducing crime against the elderly can be conceived. All must be tested. Those now in existence that appear successful and those programs and social conditions of foreign nations where crime against the older person is almost negligible, need to be examined and listed for expansion and/or application in this nation.

Without a good planning and coordination approach based on vigorous input from old people, especially in the areas where Congress creates legislative direction and funding for units of the federal government to contract, operate, or delegate programs, services, planning and coordination, construction and other activities, the risk of piecemeal action and fragmentation will remain high. And it is the aged victim of crime who continues to be exposed to the chambers of horror he now lives in.

If Congress is going to move on crime against old people and the many other related problems of our aged citizens, then it will have to do so on a large scale. We hope that you will move against the problems quickly, with commitment and the necessary funding required to get the job done.

[From the New York Times, Nov. 10, 1971]

CENTER FOR ELDERLY ROBBED A THIRD TIME HERE IN THREE WEEKS

"We're just miserable," Frances King, director of the Sirovich Senior Center, said yesterday.

On Monday night, for the third time since the weekend of Oct. 24, the center, in a five-story building at 203 Second Avenue, between 12th and 13th Streets, was broken into and looted. This time the thieves took a camera and darkroom furnishings, including lenses, lamps and an enlarger—the third enlarger to be stolen in recent weeks. Also taken was a tape recorder, given by a benefactor after the first two burglaries.

In all, according to Miss King, burglars have taken about $8,000 worth of goods from the center, including many of the musical instruments used by its orchestra, which performs at nursing homes and hospitals.

The center serves about 600 people between the ages of 60 and 98.

Among the items stolen during burglaries on the weekend of Oct. 24 and on Oct. 27, according to Miss King, were cameras and lenses, slide and motion-picture projectors, typewriters, adding and sewing machines, a lectern, fans, tape recorders, silverware, scissors, $100 in cash from a safe and gifts to be distributed to members at Christmas.

Aside from some office equipment, Miss King said, the goods were uninsured. She said that the police were investigating the burglaries and had been very cooperative with the center, which is operated by the city's Department of Social Services in cooperation with the William I. Sirovich Memorial Association.

Despite the thefts, Miss King said, many of the center's activities, such as language classes and current events programs, go on.

"The glee club continues to sing," she said. "They couldn't take their voices away."

SLAYING SPURS A RISE IN QUEENS HOUSING PATROLS

(By John Darton)

The city and Housing Authority police increased their patrols in a moderate-income housing project in Far Rockaway, Queens, yesterday following the death of an 80-year-old woman who was mugged near her building Monday morning and died that night.

The police said the victim, Mrs. Dora Zabrowsky, had been attacked by a teen-ager on a walkway near her building, at 54-41 Almeda Avenue, in the mammoth Edgemere Houses project.

The assailant punched her in the face and grabbed her black pocketbook, containing about $5 and a Social Security card, as she slumped to the ground. He fled down Almeda Avenue and has not been apprehended.

The mugging occurred at about 11 A.M. At 10:40 P.M. the police in the Far Rockaway precinct received word from Peninsula Hospital that Mrs. Zabrowsky, who suffered a fractured pelvis, broken left arm and a fractured jaw, had died.

According to the police, no witnesses to the murder have come forward. But on the basis of a description furnished by the victim they are searching for a youth about 14 years of age.

FEAR RESULTS

The killing of an elderly neighbor, has filled the residents of Edgemere Houses with terror. Some have told the police that they were afraid to leave their apartments.

Lately the 24-building complex, bordered by a large park and a neighboring project almost equal in size, has become a stalking ground for muggers. Particular targets are the elderly residents, who make up about one-third of the more than 1,400 people living there.

The muggers, some say, are mostly teenage boys who frequently accost their victims in vestibules or elevators.

"Who cares for the elderly people?" said one tenant. "Nobody cares. When you go out of your apartment, you thank God when you come back."

In recognition of the fears, a spokesman for the Housing Authority police said eight men had been added to the two or three normally on duty at Edgemere Houses. The city police said an extra force of 12 patrolmen and two sergeants also had been assigned there.

Mrs. Zabrowsky was said by the police to have lived in Edgemere Houses with her husband, Philip, for about seven years.

WHICH WAY, AMERICA?

Mr. BROOKE. Mr. President, last spring the National Urban League lost a great leader in the tragic and untimely death of Whitney M. Young, Jr.

Speaking only a few months after Whitney Young's death, the then acting executive director, Harold R. Sims, told the 1971 Urban League Conference that Whitney Young's policies would be continued. The Urban League has always been concerned with problems of poverty and jobs, health and education, crime and environment. The challenge which it has offered, and which it continues to offer, is to call to all Americans to join in combating these afflictions.

I believe that Mr. Sims' point of view is one which is shared by millions of Americans, and which therefore must be heard. On one point in particular I think we must all agree: on the eve of the 200th anniversary of the founding of this Nation, we need a new declaration of interdependence. We are one Nation. We are interdependent. And we will solve our problems only insofar as we recognize this fact.

Mr. President, I ask unanimous consent that the complete text of this important speech by Harold R. Sims be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WHICH WAY, AMERICA?

(Keynote Address by Harold R. Sims, Acting Executive Director, National Urban League, at the 1971 National Urban League Conference)

This 61st Annual Conference of the National Urban League opens under the long, deep shadows of a loss so profound, a void-creation so great, that it defies reason, understanding and faith—the untimely and tragic death of our leader, colleague and friend—Brother Whitney Moore Young, Jr.

Whitney, the humanist, statesman, confidant of Presidents, yet, champion of youth, justice, and the poor; the giver of power, voice and hope and the fighter for equality of results; the greatest ambassador to all the racial, warring camps of our time—the bold leader, who built bridges between the races and unity among black people is no longer with us in the physical presence of this hour and in the imagery of our every day.

W. E. B. DuBois has written that "Throughout history, the powers of single black men flash here and there like falling stars, and die sometimes before the world has rightly gauged their brightness." The powers of Whitney Young blazed across the American firmament for a brief decade of national leadership—a shining star of inspiration—a black prince whose temporal existence was untimely ended, but whose work and meaning will live on so long as there are men who can dream and people who value justice and decency.

And so, in a very real sense, we meet not under the shadows of death, but in the bright sunshine of his life and the legacy he bequeathed us. He lives on through our deeds and commitment. He lives on through the voice, hope and power he gave to those who were voiceless, hopeless and powerless.

The spirit of Whitney Young is alive and well;
We only laid to rest his earthly shell;
His movement is marching on!

This great man dreamed bold dreams and charted the great voyage of spirit and hope that this society must take. His dreams are our dreams. His program is the Urban League's program. His hopes are our hopes. His cause is the Urban League's cause. Our identification with his life's work is total and complete, and our commitment to bringing it to fruition is all-encompassing.

He believed in an *open society; a* society founded not in narrow separatism nor in the cultural suicide of assimilation, but rather a society founded on mutual respect, cooperation and pluralistic group self-consciousness and pride, in which black people have their fair share of the power, the wealth and the comforts of the total society. *Towards this we still strive.*

He called for a Domestic Marshall Plan; a massive public-private effort on the scale of that taken by this nation to rebuild the ruined remnants of post-World War II Europe; an undertaking that led to booming economies; full employment and new housing in the cities of our former enemies, while black veterans who fought in that war endured poverty, joblessness and slums at home. It was Whitney's idea for this nation to do at home what it so willingly did abroad. He called for a massive reordering of national priorities so that the poor and non-white minorities would receive the resources and national commitment to make America's age-old premise of equality and decent living standards, come true for all, and not just for a majority, whose composition is determined by wealth and skin color. He wanted specific goals and timetables set for reaching those goals. He wanted for Americans what this nation helped other people to achieve. *Towards this, we still go forward.*

He was the first to realize that it's not enough to talk about equal opportunities; there must be equal results. Equality is a sham if it does not mean that black people share equally in all aspects of society's rewards. His measure was that equality will have been reached when there are proportionately as many blacks as whites who succeed and who fail. *Towards achieving this condition, we still strive.*

He transcended the provincialism of "doing your own thing" in a vacuum; he refused to accept the limits of the microcosm of the minority community alone. He knew that we must transcend the boundaries imposed upon us, and forge solid unity within the black community and go forward from there to build action coalitions with other minorities and with all poor people. And from that base of shared interests and common power, to negotiate with the Establishment and build coalitions around issues that would bring power and equality to America's oppressed masses, finally bringing us truly together as a nation founded on equality and justice. *Towards this, we are committed.*

He believed in building strong black organizations and strong, black-led interracial coalitions which we, as a movement, exemplify.

Whitney's legacy is a dynamic, revitalized League, and this movement's achievements since his tragic death, amply demonstrate his unique and unprecedented achievement of building the strongest human rights organization in the history of the nation.

For the first time in our 61 years, we lost a leader in office—not just a leader, but the most effective spokesman of the poor and champion of black people in the country. His warmth and his humanity had suffused the movement. It was not just organizational pain we felt, but it was personal grief and anguish, as well. And it came at a time of great national crisis and organizational challenges.

Any other organization may have faltered and stumbled blindly, splitting apart in despair, in shallowness, and opportunism. Any other organization may have simply marked time, holding the fort and sat still waiting, . . . waiting, . . . waiting. But for the Urban League, at a time when the sufferings of black people and poor people are increasing we could not sit tight. At a time when the challenges facing the agency and the total society were mounting to unprecedented proportions, we could not mark time. At a moment when Whitney had been taken from us, his organization, his followers, his disciples who walked in his footsteps and who sharpened their skills to serve him, could not betray his legacy and the meaning of his life.

That could never be true of this agency and its freedom-fighters. Instead, these past 137 days have been covered with the glory of achievement and with the restless, energetic momentum of a united, determined movement—61 years in the struggle—out to exceed its previous grasp, and to carry its work forward to a new plateau of excellence.

This, we have done.

First, we met the enormous demands of the tragic interment, with a dignity and with a professionalism that served his memory well. Our respect and dedication remained in those difficult days that followed, as we worked to smooth the path for Whitney's treasured family, preserving their memorial options, and absolutely refusing to exploit his name or his memory.

Once we had done that, we promptly moved to assure a confused public that the Urban League was still in business, and Whitney's agenda was still in vogue. We spoke out forcefully on the issues and provided leadership in the nationwide campaign to create jobs and called attention to the plight of black workers who are experiencing depression unemployment in a trillion-dollar economy.

We continued through our programs to serve students, workers, welfare mothers, veterans, the unemployed . . . all of America's hungry and dispossessed. These Urban League programs continued to have results to the general society far out of proportion to their limited costs. Our Labor Affairs program places apprentices and journeymen, and every dollar spent on it generates $15 in benefits. The cost of each apprentice is almost equal to the taxes he pays in his first year of work. Every dollar spent on the On-the-Job training program yields society $13; every dollar spent on our Veterans Affairs program multiplies by more than ten in its impact on society. These programs and our many others put green power into black hands and have a tremendous impact on making this a better country for all.

And we did more than keep the Urban League machine humming at full capacity—we expanded into new areas of concern, in response to the new challenges of these terrible times.

A major study of the creeping cancer of housing abandonment was published by the Urban League, focusing national attention on the way cities are dying today. Unnoticed and unsung by the complacent majority. Our documentation of the death agonies of urban housing is a call to action that provides a testing ground of whether we will remain a great nation or whether this society's values and its meaning will like its housing for the poor, be abandoned, desolate and rubble-strewn.

The Urban League Research Department, in concert with 53 of our affiliates, came up with a penetrating documentation of the employment crisis in black America that resulted in our call for the immediate designation of 53 cities as employment disaster areas. At this conference, we will also set forth a major statement on the strengths of the black family, on the nation's Census and on the perils of the situation facing the black aged—action research that we hope will lead to new paths for the League and for the nation.

We successfully met the challenge of financing our operations at a time of red ink and national recession. The League has implemented internal management strategies that make us by far the most efficient public or private agency in the field of human resources.

We became the first of our kind to initiate major programs in correctional system reform, new town development and construction and master planning for long-term results in meeting human needs.

And we have moved our program of effective partnership further ahead, employing the hard-earned nickels and dimes of black tax money for the benefit of black people. Shortly before his death, Whitney went to the White House and pointed out the irony and futility of federal spending to bail out private corporations with public money; the tragedy of disproportionate concern over physical resources while human resources were neglected.

Out of that meeting came a commitment to involve black-run community organizations in the implementation and evaluation of federal programs, and the Urban League has taken the lead in insuring that black people will benefit from the otherwise dormant dollars that could be the levers of change.

They represent an unprecedented return on the investment of private individuals, organizations and foundations in the Urban League over the last 61 years—a private investment which we know will not only be sustained but increased.

Some of these new commitments will enable us to expand our job training, health, and veterans programs. Some will result in demonstration projects that will innovate in new areas, such as the establishment of comprehensive centers in urban and rural areas.

Others will involve the first black evaluation of federal programs, and still others will set the stage for major reforms in employment practices and in the system of criminal justice that discriminates against black people.

And we moved ahead on our total programming thrust that involved Urban Leaguers—on their own time—in changing their professions and the institutions they come in contact with. And on our total organizational strategy aimed at involving Urban Leaguers in every professional ethnic and human rights organization important to the success of our program and our objectives.

We did these things because we had to; because the plight of black people is still profane and sacred, withdrawn and extroverted, overstudied and undermet; because we were determined not to sit still but to move forward.

For this is a bad year for blacks, browns, reds and the poor. Poverty for the first time in decades is on the rise. Over a million people are now counted among the long term unemployed. Black unemployment, especially teen-agers, exceeds depression level averages in the core areas of major cities, and approaches ten percent overall. *Environmental deterioration continues. Access to quality health care lessens. Consumer protection is largely rhetoric. Housing starts are paltry and inaccessible to most blacks and lower income citizens. Career oriented jobs, where created, tend to be in suburban areas. Crime, dope and unrest run rampant. Cities teeter on the edge of bankruptcy.* Here in Detroit, as in many other big cities, public jobs go unfilled for lack of funds, while unemployment hits nearly one out of every six families.

Veterans return in increasing numbers from the slaughter of a war nobody wants and everybody hates. Trained to destroy, ill-cared for and job denied, they find that their blood has been spilled in vain, that jobs are closed to them and that the barred streets are their reward for heroism in battle, sacrifice in war.

This city offers us the story of one such black GI, one man who was called a hero one day, and tragically killed, a victim of his environment, the next. His name was Dwight Johnson, and he grew up in a project in Corktown. He was an altar boy and an Explorer Scout. He overcame the grinding poverty and frustration of black ghetto life. He was called to the army and went to Vietnam. Sergeant Johnson served his country as he was told to; he became a hero, the winner of a Congressional Medal of Honor, the highest award a man can win. He went to the White House and received it from the President. He was also honored right here in Cobo Hall, at a massive dinner at which the Army Chief of Staff spoke. But the horrors of war pursued him. His sleep and his dreams were red with the blood he had seen spilled. And he was haunted by his memories and his uncertain future. The debts piled up, and the pressures on a black man from the ghetto mounted.

Dwight Johnson was killed in a grocery store the police said he had tried to hold up, but the real truth may have been that, as his mother was quoted in the newspapers, "Sometimes I wonder if he was tired of life and needed someone else to pull the trigger."

The tragic death of an American hero is not only a Detroit story; it is an American story; it's a black story of hope shattered against the rocks of adversity and of a fellow human being whose potential was warped in a manipulative, callous society. There are hundreds of thousands of Dwight Johnsons, and it is our solemn responsibility to change this society so that it cannot do to them what it did to him.

He stands as a symbol of how this society relentlessly crushes the aspirations of black people and other minorities. His story, and the challenges non-white people face today, places a great responsibility on the Urban League movement at this Conference.

Our task then is reflected in what the Black Coalition of Waterbury, Connecticut wrote me days after Whitney's tragic death.

"First," they wrote, "we think you should tell the politicians that kind words for the dead are not enough, that verbal commitment to black dreams is not enough, and that a wreath on the grave of a dead black man is not the same as a loaf of bread on the table of his live brother. We don't need the white man to teach us how to grieve for our dead. We have had plenty of practice.

"Second, we think you ought to make it clear to the black community that the struggle has not been won just because the President comes to our funerals. When he comes to our births, to our weddings, to our graduations, when he starts to share our life, not just our death, then we may be able to say things are changing.

"That has not happened yet. You can make it happen. Let us get on with the living; we have had enough of the dying."

And so we are asking at this assembly, this week, "Which way, America?" Which way, business? Which way, Labor? Which way, church? Which way, school? Which way, government? Which way, citizens? Which way, reds, blacks, yellows, whites and browns? Which way, Americans—together up or apart down? Will we continue down the road to separatism, conflict, hate, war, extinction, resegregation and repression? Or will we turn and head up the road to real togetherness, harmony, peace, love, survival, racial pluralism, liberty and justice? Will we put away our race prejudice or simply put the old hates in a new bottle? Will we banish the idea that one economic class must rule over another or will we sustain an unethical aristocracy? Will we accept the responsibilities and sown seeds of our realities, or will we continue to blame the victim and reap the harvest of fools?

We say that history, fact and vested interest leave us only one direction to travel—towards the free society we've died and suffered to attain—and that way is the way which requires us to demonstrate by example and through sharing—that the rights of the least or less privileged of our citizens are as worthy of the same protection as are those of our highest—that the principles of truth, justice and humanity cannot be reserved for rich folks and white folks only.

One way for America to go in mapping out this progressive and constructive route is to create partnerships for effective action in human development and use; partnerships among creditable and committed public and private sources in the interest of human resources and systems change; partnerships between decent, concerned people of all races in all our places, of all beliefs in all our kingdoms, of all faces and needs within a framework of result-oriented militancy which seeks to make life, liberty and happiness pursuits for all. Partnerships between groups with similar interest and like purposes; partnership for results beyond racism and philosophy.

The important thing in such partnerships or coalitions we think, is to be tough-minded and flexible enough to coalesce around the issues with those with whom you will not always agree. We must also in partnership-building, never lose sight of our goals and clearly separate in our minds and our rhetoric, tactics from strategy. There is a non-white agenda that we've got to pursue, a blueprint for building black, brown, red, yellow and poor folk power and equality within a framework of pluralism, and the test of our coalition or partnership tactics must be integrity and bulldog tenacity of our pursuit towards ultimate goals.

For the present system of applying patent medicines to society's open, bleeding wounds must be replaced by a bi-partisan, public-private commitment to meet society's unmet human priorities with a massive infusion of funds, brains and effort that will get at the root causes of America's urban and rural disintegration.

It is the work of this conference to find ways to help us mount strategies for the seventies to help us do this so that under the new leadership of our exceptionally able and experienced Executive-Director-Elect, Vernon E. Jordan, Jr., a trusted colleague and friend, we can move the Urban League movement into a new era of power and leadership in America.

My father always observed that, in the history of mankind, the nations that grew and prospered always acted in time. Arnold Toynbee proved that 26 great civilizations did not act in time and died internally from decay and rot. The seconds are ticking fast for America too, and the time is now. Rhetoric won't help; neither will promises of tomorrows. The tensions that threaten to split us apart—tensions between black and white, young and old, male and female, suburb and city— man and his machines—are all mounting and the clock keeps ticking—ticking with nuclear power and rocket speed. Now is the time; now is the moment for action and for courage.

Now is the time to expose the cancer of hate and deception that eats at the heart of this nation. For this is a country that tells black people who provided slave labor for 250 years and who, throughout its history have done the hardest, dirtiest and most back-breaking of America's tasks, that they are lazy. This is a nation that runs schools that teach Indian children that Columbus discovered America. This is a country that proclaims "all men are created equal" and then relegates every ninth citizen to the bottom rung of the ladder because his skin is black.

Now is the time for this country to face up to the hell it has created for its own people—not to mention those in distant lands—and to act with honor and dignity as befits a nation with pretensions to power, leadership and morality.

Now is the time for this Administration and this country to push forward on a humane, massive, nonpartisan program to end poverty want, racial tensions, and urban and rural decay; to create a meaningful, well-paid job for every adult who can and will work; to build the houses for every family now lacking decent shelter; to create the schools and careers for every child in the land; to provide the health security that will leave no one uncared for and to create the framework of that society which every citizen can truly say is just and good.

Now is the time to move beyond racism, beyond petty prejudice, beyond the stifling confines of a system based on exploitation and suspicion. Time to move beyond civil rights to human rights!

And now is the time for the Urban League to fulfill its broad, noble goal set forth last year, to build a lasting unity among black people; a unity that spans the generation gaps and ideological gaps; a unity that focuses on the *many* things that we share rather than on the *few* things that divide us. For there is a brotherhood in blackness, in oppression, and in poverty that is the foundation stone of our coming strength and power.

And it is now time to start moving beyond the program of black unity to build a new unity among America's oppressed minorities—black, brown, yellow, red, and the millions upon millions of poor and exploited people who are white—to build an example of the United Nations Charter in action among ourselves so that we might really influence, through that example, the results of the one located within poor borders in New York City.

The shifting sands of current conditions and short-term tactics must not sway us from pursuing our ultimate goal of a pluralistic, open society with integrity, leadership and tenacity.

And now is the time for America to say to its black people, indeed to all its non-white minorities, what Whitney Young persistently said it must say; that "We believe in you, as you have believed in us through centuries of degradation and horror. Your faith has been betrayed in the past, but we, white America, now recognize that we are one people with a common destiny, and the fate of the man highest will be that of the man farthest down."

America must and should say this because it tolerated slavery for the few, and paid for it with the graves of many. It tolerated racism and segregation and is paying for it now in racial strife and mistrust. It tolerated organized crime and drug addiction that victimized black people, and is now paying for it in heroin in white suburban schools. It tolerated poverty and urban decay and is now paying for it in a wrecked economy and in a decline of its cities. It tolerated racism at home and now pays for it in suspicion by good Third World nations abroad. Truly, as Frederick Douglass said, "Crime, allowed to go unpunished, unresisted and unarrested, will breed crime." The crimes of the past and the present may yet kill this country's future. It is reaping that which it hath sown.

But descent to oblivion, like ascent to glory, is reversible. The tide can be turned if this nation will but steel itself to the effort.

Now is the time for the United States of America, on the eve of the 200th Anniversary of its Declaration of Independence, to come forth with a Declaration of Interdependence—a declaration of unity that recognizes health, pluralistic diversity, a declaration that the needs of some must be the needs of all, an affirmation that 200 years late, the American dream will be the American reality; a Declaration of Interdependence (declaring, that all Americans will be free to work out our common destiny without the hate and the racism and the economic deprivation that have kept us chained to the ground, when we should be on the launching pad of greatness.

So. Which way, America? In the words of Blake, "He whose face gives no light will never become a star. The busy bee has no time for sorrow. What is now proved was once only imagined. When thou seest an eagle, thou seest a portion of Genius; lift up thy head."

Which way, America? Can we lift up our heads to the American eagle? Will it take our hopes and dreams and fly to freedom? Or will it, burdened by inequities and bigotry, fall down from the skies in which it hoped to soar?

For our sakes, for our children's sakes, for the sake of all mankind, let it soar high and bold, let it take Whitney Young's challenge and his program and with wings like that, it must span the heavens with that glory that only goodness and integrity command! So that the summary of Whitney's life, our life, America's life will not be a long foolish day's journey into night, but rather a long wise night's journey into day. In that way our deeds can become Whitneys legacy and his time our future.

PROPOSED LEASE OF LAND AT HANFORD

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the RECORD correspondence forwarded to the Joint Committee on Atomic Energy by the Atomic Energy Commission concerning a proposed lease of land in the Commission's Hanford project near Richland, Wash.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

ATOMIC ENERGY COMMISSION,
Washington, D.C., Nov. 3, 1971.

HON. JOHN O. PASTORE,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR PASTORE: The Atomic Energy Commission proposes to lease certain land located in the Commission's Hanford project near Richland, Washington, to the Washington Public Power Supply System for the purpose of constructing and operating Hanford No. 2, a light water nuclear electric generating station having a design capacity of 1,100 MW. This land would be leased under the authority of Section 120 of the Atomic Energy Community Act of 1955, as amended, and Title 43 USCA 931–c.

Section 120 of the Community Act provides that the Commission may lease land on the Commission's Hanford project upon a determination by the Commission that such disposition will serve to prevent or reduce the adverse economic impact of actual or anticipated reductions in the Commission's programs in the area and that compensation to the Government for any such disposition shall be the estimated fair market value or estimated fair rental value of the property as determined by the Commission. 43 USCA 931–c authorizes the Commission to grant leases to states, municipal corporations or other public agencies to construct on public domain lands under its jurisdiction public buildings or public works.

Section 120 of the Community Act provides that before any disposition of property the basis for the proposed disposition (with necessary background and explanatory data) shall be submitted to the Joint Committee on Atomic Energy. Accordingly, enclosed are the Commission's determinations (Appendix "A"), and the basis of the arrangements for the proposed disposition (Appendix "B"). The proposed lease is included as Appendix "C." Appendix "D" is a copy of a letter dated September 29, 1971 from J. J. Stein, Managing Director of the Washington Public Power Supply System, forwarding a resolution of the WPPSS Board of Directors approving the proposed leasing arrangements.

We will be pleased to provide any supplemental information the Joint Committee on Atomic Energy may wish.

Sincerely,

R. E. HOLLINGSWORTH,
General Manager.

Enclosures: Appendices "A". "B".

(Appendix "A")

FINDINGS AND DETERMINATIONS

Pursuant to the Atomic Energy Community Act of 1955, as amended, Section 120, and Title 43 USCA 931–c, the following Findings and Determinations are made.

FINDINGS

1. Since 1964, the Atomic Energy Commission has engaged in the cutback of the production facilities at Richland, Washington. The latest reductions involved the shutdown of the KE reactor and other programmatic cutbacks and adjustments. At the end of Calendar Year 1970, Hanford operations and service contractors employed more than 6,300 people. As a result of the latest reactor shutdown and other reductions, employment by these contractors was approximately 5,300 on August 31, 1971. This total will be further reduced to about 5,150 by June 30, 1972 because of additional reductions in reactor operations and support services.

2. The construction by the Washington Public Power Supply System of the proposed nuclear electric generating plant will result in a construction employment at a peak of about 800 people, construction wages will approximate $55 million, with secondary wages in the community of approximately $5 million.

3. The normal operating crew for this plant in continuous operation in 1977 will be between 85 and 100 employees.

4. The Richland economy is still primarily dependent upon AEC employment and maintaining a viable community there is important because of continuing AEC programs.

5. The Corps of Engineers, U.S. Army, conducted in January 1971, a real estate study of several sites on the Hanford reservation which were then under consideration by the Washington Public Power Supply System as potential construction sites. The proposed site was one of those surveyed.

6. On the basis of the study, the Corps of Engineers recommended that a part of the land to be leased be valued at $150 per acre and the remainder at $100 per acre.

7. Based on a reasonable return on investment the Corps of Engineers concluded that an estimated fair rental value of the $150 per acre land is $10.50 per year and the $100 per acre land is $7.00.

8. The parties have agreed that the annual rental of the plant site for the first five-year period will be $3,976 per annum and $7,952 per annum for the remainder of the term of the lease; provided, that after the initial ten-year period and at subsequent intervals of five years or more, the annual rental is subject to revision by the Commission.

DETERMINATIONS

I hereby determine that:

a. Lease of 728 acres of Government-owned land under Section 120 to the Washington Public Power System for the purposes of construction, operation, maintenance and use of a nuclear electric generating plant will serve to prevent or reduce the economic impact of actual or anticipated reductions in the Commission's programs at Richland, Washington.

b. Lease of 358 acres of Government-owned land under Title 43 USCA, Section 931–c, for the purposes stated in *a.* above will be to a municipal corporation for constructing and maintaining public buildings and performing public works.

c. The compensation to the Federal Government under the proposed arrangements between the United States Atomic Energy Commission and the Washington Public Power Supply System represents fair rental value as required by Section 120 of the Atomic Energy Community Act of 1955, as amended, and fair market value as required by Title 43 USCA 931–c.

R. E. HOLLINGSWORTH,
General Manager.

Dated: Nov. 3, 1971.

(Appendix "B")

BASIS FOR DISPOSITION—BACKGROUND AND EXPLANATORY DATA

OBJECTIVE

The objective of this proposed arrangement is to reduce the economic impact of recent reductions in the Atomic Energy Commission's programs at Richland, Washington, by leasing to the Washington Public Power Supply System (WPPSS) certain real property located in the Commission's Hanford project so that WPPSS may construct a light water nuclear electric generating plant having a nameplate rating of approximately 1,100 MW.

PARTIES

The Atomic Energy Commission and the Washington Public Power Supply System, Kennewick, Washington, a municipal corporation, joint operating agency and publicly owned utility, organized under the laws of the State of Washington, and composed of 17 public utility districts.

OPERATING ARRANGEMENTS

The plant will be constructed and operated by the Supply System in accordance with an agreement between the Supply System and the Bonneville Power Administration. The plant capability will be purchased under agreements between the Supply System, Bonneville and 95 statutory preference customers of Bonneville, nine of which initially will purchase a zero share. Under the Net Billing Agreements, each participant will assign its share of the plant capability to Bonneville. Payments by the participants to the Supply System will be credited against the billings made by Bonneville to the participants for power and certain services. The output of the plant will be added to the other power resources of Bonneville.

POWER PLANT DESCRIPTION

The plant proposed by WPPSS would be in the range of 1,100 MW in design capacity and will utilize a boiling water type reactor. The project proposes to use a cooling tower system. The plant would cost approximately $400 million and is scheduled to come on the line in 1977. It would be number four in a series of seven thermal plants which have been approved by the Joint Planning Council for the Pacific Northwest. The plant was originally scheduled to be constructed at Roosevelt Beach in Grays Harbor County, Washington, but as a result of the four-year moratorium on the plant scheduled for Eugene, Oregon, the WPPSS plant was rescheduled to come on the line a year earlier. To meet the deadline, the plant site was shifted to Hanford to speed the certification and licensing processes because the Hanford site characteristics were well known.

SITE DESCRIPTION

The site selected by the Supply System is shown on the attached maps, (Exhibit 1). The location is approximately six miles north of the 300 Area. The nuclear electric generating plant and related facilities will be located in Section 5. The pump station will be located on the river frontage in Section 2. The plant and pump site will be connected by a corridor across Sections 3 and 4, approximately two miles long and 1,000 feet wide for roads, utilities and similar facilities. Total acreage of the site is 1,086 acres. Sections 3 and 5 are acquired lands, and Sections 2 and 4 are public domain. Actual use of the site for a nuclear electric generating plant is contingent upon the Supply System being able to establish that the site is licensable and meets other safety, programmatic and environmental concerns.

LEASING AUTHORITY

It is proposed that the acquired land be leased under Section 120 of the Atomic Energy Community Act of 1955, as amended, and the public domain land under authority of Title 43 USCA 931–c. The legislative history of Section 120 indicates that it is limited to acquired lands. The code section cited authorizes Federal agencies having jurisdiction over public lands to grant leases to states, municipal corporations, or other public agencies to construct on such lands, public buildings or public works. Authority to lease under this section is limited to 30 years. WPPSS' bond counsel has advised that the use of this authority would not appear to create any legal difficulties or impair the marketability of the bonds, (Exhibit 2). The Regional Solicitor, Department of Interior, BPA, concurs in the view that the AEC has authority to lease the public domain lands to WPPSS under this code section and that a subsequent extension of the lease would not be inconsistent with the statute, (Exhibit 3).

ECONOMIC IMPACT

Since 1964, the AEC has been engaged in the cutback of production of plutonium at Richland and has shut down eight reactors and associated separation facilities. The latest reduction in Commission activities at Richland involved the shutdown of the K Reactor, and other programmatic adjustments and consolidation of support services. At the end of Calendar Year 1970, Hanford operating and service contractors employed slightly more than 6,300 people. As a result of the latest reductions, employment by those same contractors was about 5,300 at August 31, 1971. This total will be further reduced to about 5,150 by June 30, 1972, because of additional reductions in reactor operations and support services. Although other AEC programs and the diversification efforts of the operating contractors have tended to temper the efforts of earlier cutbacks, the economy of Richland is still primarily dependent upon the level of AEC employment. The construction of the proposed nuclear electric generating plant will result in a construction employment which will peak at a level of about 800 during the period 1974 through 1976. It is estimated that the construction wages will approximate $55 million and the secondary labor wages in the community will be about $5 million. The normal crew for the plant during the operating period is 85 to 100 employees.

CORPS OF ENGINEERS' APPRAISAL

Both the Atomic Energy Community Act and Title 43 USCA 931–c require that fair compensation to the Federal Government be obtained for the leased premises. The Corps of Engineers conducted a real estate study in January 1971 of several sites on the Hanford reservation which were under consideration by the Supply System, including the site finally selected. Subsequent correspondence with the Corps established that a further detailed appraisal of the selected site was unnecessary at this time. On the basis of the study, the Corps recommended that 100 acres (river frontage Section 2) be valued at $150 per acre and the balance of the acreage (986) be valued at $100 per acre. In the absence of precedence for a lease of this type in the area, the study concluded that reliance must be placed on a reasonable return on investment which was computed to be seven percent of the fee value, or $10.50 per acre for 100 acres of river frontage, and $7.00 per acre for the balance.

GENERAL FEATURES OF PROPOSED LEASE

1. *Uses.*—The Commission will make available approximately 1,086 acres of land upon which the Supply System will construct and operate a nuclear electric generating plant and related facilities. The plant will be designed, constructed and operated in accordance with the construction permit and an operating license issued by the Commission and in a manner determined by the Commission that will not materially interfere with existing or proposed Commission programs in the Hanford reservation area.

2. *Term.*—The term of the nuclear generating plant site which will be leased under the provisions of Section 120 of the Atomic Energy Community Act of 1955, as amended, will be 50 years with options for extension for two successive ten-year periods. The term for the rest of the site, which will be leased under 43 USCA 931–c, will be 30 years with provision for extension.

3. *Payments.*—The annual rental for the plant site for the first five-year period will be $3,976 per annum. The rental for the remainder of the term of the lease will be $7,952 per annum, provided that after the initial ten-year period and at subsequent intervals of five years or more, the annual rental is subject to revision by the Commission.

4. *Termination.*—The Commission will have the right to terminate the leased premises for misuse or disuse or if the Supply System becomes insolvent. The Supply System will be able to terminate the lease if it is unable to obtain the necessary permits and licenses, such as the construction permit. The liability of the Supply System in such event would be limited to the pro rate portion of rental due as of the day of termination and the obligation to restore the premises.

5. *Ownership, Removal and Disposition of Property.*—The Supply System will have one year following expiration or termination of the lease to remove any of its property whether affixed to the land or not. If the Supply System attempts to salvage or remove any property affixed to the land, it will have to restore the premises to its original condition if requested by the Commission. Any property not removed will become the property of the Government. The Supply System will be required to secure the premises against all health and safety hazards.

6. *Protection Against Claims and Losses.*—The Supply System will hold harmless and indemnify the Commission, its contractors, and their employees for loss or damage arising out of activities on the leased premises, unless the injury, destruction or death is caused by the negligence or the fault of the Commission or its contractors or as to which the Supply System is a person indemnified under Section 170 of the Atomic Energy Act of 1954, as amended. The Supply System will be required to maintain insurance to provide protection against such claims and actions.

7. *Commission Access Rights.*—The Commission will have the right of access at all times to the leased premises for all reasonable purposes.

8. *Government-furnished Supplies and Services.*—The Commission will provide supplies and services to the Supply System to the extent (1) that they are not reasonably commercially available; (2) that the Commission has excess capability; and (3) that the Commission continues to provide such supplies and services for its own needs. The charges will be based upon the Commission's established pricing policy. The Commission or its contractors would not be responsible for interruptions in services or for failure to provide any supplies or services.

9. *Miscellaneous Provisions.*—The lease has other provisions relating to ingress and egress right, condition of the leased premises, taxes and assessments, and various other standard clauses required in all contracts to which an agency of the United States is a party.

FRICTION IN CONGRESS

Mr. MATHIAS. Mr. President, when President John F. Kennedy was a Member of the other body, but aspiring to election to the Senate he referred to the House of Representatives as a bucket of worms, in which it was difficult to make an individual impact. Later, when he was a Senator he lamented the frustration of service here, because the real decisions were made downtown.

These interesting and significant relationships within the institution of government have been explored by Adam Clymer in the Baltimore Sun on November 14, 1971. I ask unanimous consent to include it in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SILLY OR SAD, FRICTION IN CONGRESS

(By Adam Clymer)

WASHINGTON.—This is the time of year when the House starts feeling like Aladdin's genie, a little weary of doing the work while the Senate, just by rubbing on a bottle, gets the credit.

The late night oratory goes like this (Representative H. Allen Smith, a California Republican, last Wednesday):

"If we do not stand up here today, we are giving notice to the other body that they can continue to run over the House whenever the notion strikes them. . . ."

The validity of this self-image of hard-working dedication is open to considerable question. The House, after all, usually works a three-day week and will take off ten days for Thanksgiving. Its pride is order, not substance; what gets done, or whether it gets done at all, seems to matter less than doing it the way it was done in 1912. "If I start departing from precedent, there's no end to it," proclaimed Speaker Carl B. Albert a few weeks back.

SENATE FORGETS THE HOUSE

But even if the mirror is flawed, how the House sees itself is what matters in the friction between the two bodies.

And it probably doesn't help a bit that the Senate doesn't answer back in kind. "The Senate forgets the House," one leading Republican senator said.

"I don't think senators think about the House much at all," observed Senator J. Glenn Beall, Jr. (R., Md.). The Senate, several senators agreed last week, spends its energies contending with the executive, not with the House. And this tone, said Senator Hugh Scott, Pennsylvania Republican who is the minority leader, leads the House to "feel the Senate looks down on it."

The most frequent expression of that feeling is the commonplace greeting to a senator who wanders over to visit the House: "Oh, slumming again?"

And again it is heard in the defensive contentions of representatives that theirs is "the people's House" or Mr. Albert's promise last January to "give this House of Representatives its rightful place, a pre-eminent place, among the branches of government."

The Senate doesn't bother with such claims so much, though occasionally it pats itself on the back for its deliberation and boasts of its constitutionally greater role in foreign affairs (matched by the House's constitutional precedence on taxes and self-assumed precedence in appropriations). It feels secure in its six-year terms, its ready access to television and the newspapers, even its superior social status in Washington.

FRICTION IS SERIOUS

The friction is more than an amusing social foible, for it is reflected in the lack of consultation between the two houses on major bills, both before and after passage. This shows up most glaringly in the joint House-Senate conference committees which seek to compromise differences after two versions of a bill have been passed, and in the popular mythology in each house that its conferees always sell out to the other body's.

This was the issue that Mr. Smith was unhappy about. The Senate had tacked several amendments onto the military procurement bill that didn't have much to do with military procurement. Under the tight parliamentary rules of the House they would have been out of order.

They included, among others, a declaration on pulling out of Vietnam, a new military pay raise, and a provision to allow the import of Rhodesian chrome ore to break the United Nations embargo.

The conferences modified the first, scrapped the second, and kept the third.

But because the House has been annoyed for years with the Senate custom of adding "non-germane" riders (either because it couldn't get the measure out of one of its own committees regularly, because it was blocked in a House committee, or simply to increase its leverage by sticking something the House didn't want onto a bill the House did want), the House adopted a rule last year to make this practice difficult.

Under that rule, which slipped past the Senate unnoticed, House conferees are barred from even negotiating on Senate provisions which would be non-germane if they had been offered in the House. There is a loophole; they may negotiate if a separate House vote is taken when the measure is sent to conference to allow them to negotiate. But because one of the arts of the House is avoiding votes on controversial issues (the Senate seems to thrive on them), not once this year have House leaders facilitated such a vote.

"NON-GERMANE" RIDERS

At least twice so far this year, armed services bill conferees from the House have gone ahead and negotiated anyway, though they used the argument of House rules in the conference as an additional bargaining point. And Wednesday night, after taking one of those separate votes after the fact (upholding the Rhodesian chrome importation), the House accepted the conference report.

One of the key problems for the House lies in its inability—and the unwillingness of its parliamentarian, Lewis Deschler—to adapt to new rules, even of its own choosing. If the chrome vote had gone the other way, the whole conference report might have been dead, and the confusion over what would happen next contributed to the decision on chrome.

The issue is a growing one, with Senate leaders becoming increasingly aware of and annoyed by it. Senator Mike Mansfield (D., Mont.), the majority leader, said last week he expected to discuss it soon with Mr. Albert.

Sometimes the issues have been amazingly petty. A few years back, appropriations conferences were stalled until the two aging committee chairmen found a room equidistant between the House and Senate chambers. Senator Scott recalled that once when he was in the House (from 1943 to 1959) one of the larger gripes was that senators were provided with electric clocks in their offices while representatives were not.

OTHER ISSUES

There are other issues. The Senate spends more freely on everything except defense. It is more worried about the war. It is quicker to seize on "liberal" popular issues, like the environment, slower on "conservative" ones, like busing or school prayer.

Those differences merge into attitudes. House members feel they are closer to the real pulse of the nation, with their smaller districts. And senators, while they don't say so to reporters, think they are more in tune with the nation because they don't represent just one city or collection of corn fields, but states that include both.

That feeling, and the necessity to specialize in a small area of expertise if one is to make a name in the mob of the House, leads to another resentment. House members often feel that their greater knowledge is ignored by the public while a senator can flit from topic to topic, making headlines wherever he goes. Indeed, Senator Mansfield contended this was one of the major problems, arguing that "the press is to blame for giving the Senate too much attention." Representative Abner J. Mikva (D., Ill.) commented that "when a senator sneezes, it's national news," and said that senators and their staffs often paid as little attention to representatives as the press, creating friction and inviting backbiting.

Some of this is reportorial sloth, some the star quality of the Senate's many would-be presidents, some the apparently greater ability of the Senate to concentrate on immediate national concerns, and some the House's long refusal to admit television into its committee meetings—a practice that ended this year but only after television had come of age. Moreover, the House rules themselves minimize the importance of speeches, while the Senate's glorify them.

But the difference in expertise is acknowledged, by Senator Mansfield and others, although one senator observed caustically that "while House conferees usually know their subject better, they always come in assuming that they do."

TAKE SELVES LESS SERIOUSLY

Much of the difference is a matter of style. A majority can upset the leadership in the Senate far more easily than it can in the House; the 100-member Senate is more casual, more free-wheeling, more democratic while the House has to have tight rules to get anything done in a body of 435. But, perhaps relaxing outside the chamber, representatives talk more casually, take themselves and their colleagues less seriously than do often pompous senators.

The differences are there, perhaps accentuated by an accident of architecture. Originally—in Philadelphia's Independence Hall—the Senate was one flight up and was logically known as the Upper Chamber. Today, they are on the same level architecturally, but not in the minds of the public, or—really—in the minds of the members.

SHERIFF JERSEY JOE WALCOTT

Mr. WILLIAMS. Mr. President, on November 2 the people of Camden County, N.J., elected a most remarkable man as their sheriff—Jersey Joe Walcott.

I am sure that he is familiar to all of us as the former heavyweight champion of the world. But there are other aspects of Jersey Joe Walcott the man which are not so familiar to many people.

Jersey Joe Walcott possessed the God-given ability to rise to the top of his profession. But he never lost sight of the fact that there are many young people who do not have such great gifts, so after his ring career, he returned to his native Camden to help those young people.

Ralph Bernstein, of the Associated Press, has written a story which describes the career of this most remarkable man. The story shows that in life as in the ring, Jersey Joe clearly has earned the right to be called a world's champion.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JERSEY JOE? SHERIFF CREAM? SAME MAN BUT DIFFERENT IDEAL

(By Ralph Bernstein)

(EDITOR'S NOTE.—New Jersey's Camden County has a new sheriff, a man whose toughness is not likely to be challenged. He's Jersey Joe Walcott, former world heavyweight champion who returned to his home town after his retirement from prize fighting. He's been fighting to help its youth ever since. Last Tuesday's election brought him new honors.)

CAMDEN.—Jersey Joe Walcott has had two careers. In his first he was required to knock people down. Now, he is picking people up.

Walcott was the heavyweight boxing champion of the world at 37, the oldest man ever to hold the title.

"When I was a fighter it was understood that the fellow who could knock the most people down is the fellow who will reach the top the fastest," says Walcott who, after 21 years in the ring, knocked out Ezzard Charles in 1951 to win boxing's most coveted title.

DIFFERENT PHILOSOPHY

Now, at 57, Jersey Joe has won a new title—sheriff of Camden County, across the Delaware River from Philadelphia. He was elected in the Nov. 2 election to become New Jersey's only black sheriff. And he has a different philosophy of life.

"The fellow who can pick up the guy who is a fallen human being and help him to

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find his way, I think that is as great a challenge as boxing and believe you me this is what will be done."

Walcott, who lost his title to the late Rocky Marciano in 1952, and failed to regain it in a return bout a year later, came back to Camden, his home town, after his retirement from the ring.

HAD TO QUIT

He was born Arnold Cream, the third of 10 children. His father was a laborer and Arnold had to quit school at the age of 14 to help support the family.

He turned to boxing, took the name of Jersey Joe Walcott and won his first fight for a $7.50 purse.

"In 1951 when I won the title I made a promise to myself and to God," Walcott recalled, as he sat in his office still glowing from his election victory. "I said that if I became champion I would dedicate my life to serving people, young people."

That's exactly what Jersey Joe has done.

After his return to Camden, Walcott took a job as a juvenile aid officer at $10 a day. He said his pay was classified as expense money.

HELPED PATROL STREETS

"I have been trying to help young people ever since, doing my thing my way, trying to prove to people that this is a land of opportunity for those who are willing to pay the price, I mean make the sacrifices, have faith and work hard."

Later, he was appointed assistant director of public safety in charge of juvenile affairs. He handled the administrative phase of his job during the day, and at night he helped patrol the streets and keep the peace.

He is credited with helping ease racial tensions in the city. In 1969, he was named head of the Department of Community Relations.

What did Walcott tell the kids who were walking the wrong side of the street?

"My best approach and most effective, is that I try to sit down with one or many and explain to them the type of things that I've experienced, the life that I lived, the conditions that I lived under, the faith that I had, and the realization that there wasn't any shortcuts to success. This way I developed a good relationship with young people."

WON BIG MARGIN

Walcott led the Democrats to their first victory in this county of 450,000 in many years, carrying several candidates into office with him. He believes his sincerity and dedication helped carry him into the sheriff's office by a margin of about 8,000 votes.

"I don't say anything today that I can't say tomorrow," observes the ex-fighter.

Walcott made all his speeches off the cuff, during the recent campaign, refusing to use a speech writer. He wouldn't allow any of his supporters to say a derogatory word against his opponent, and the day after victory took his Republican opponent, William Strange, out to lunch.

Walcott feels he has been blessed in every area of life, despite the death of his wife about a year ago. He notes proudly that his oldest son, Arnold Jr., is a lieutenant on the Camden police force; two daughters are schoolteachers, one a beautician and another an executive secretary. His youngest son is a Baptist pastor.

"Life has just begun," he says.

NEW OCEAN SEARCH-RECOVERY VESSEL

Mr. SCHWEIKER. Mr. President, on Thursday, November 4, I had the opportunity to tour *Alcoa Seaprobe*, a 243-foot, all-aluminum search-and-recovery vessel which is based here in Washington.

To my knowledge, no existing or proposed ship has anything approaching *Seaprobe's* capabilities. It was developed by the Aluminum Co. of America to recover 200-ton payloads from a depth of 6,000 feet; to search, core, and sample mineral deposits on the sea floor; and to perform other oceanographic research and exploratory functions.

As a member of the Senate Armed Services Committee, I have often wondered how the tragedies of the U.S. submarines *Thresher* and *Scorpion* might have been averted. Perhaps the answer lies with vessels like the *Alcoa Seaprobe*.

The capabilities of the ship are detailed in the following remarks by F. Worth Hobbs, vice president of Ocean Search, Inc., owner and operator of *Alcoa Seaprobe*. I ask that Mr. Hobbs' remarks be printed in the RECORD at this time.

There being no objection, the statement was order to be printed in the RECORD, as follows:

REMARKS BY F. WORTH HOBBS

In April, 1963, loss of the nuclear submarine *Thresher* in more than 8000 feet of water focused worldwide attention on existing limitations for conducting deep-ocean search and recovery operations. These limitations were emphasized further during the H-bomb search off Palomares, Spain, in 1966, the search for the submarine *Scorpion* near Azores in 1968, and the recovery of the research submerisible *Alvin* off Martha's Vineyard in 1969.

Most major search and recovery operations have called on the combined efforts of surface ships; towed devices containing magnetometers, sonars, television and still cameras; manned submersibles and remotely operated manipulator devices. The *Alcoa Seapore* program is designed to capitalize on the best features of existing search and recovery systems.

In search and recovery work, the primary limitations of submersibles (*Alvin, Pisces, Aluminaut, Trieste,* etc.) are:

(1) endurance in terms of time on station and susceptibility to the effects of weather

(2) precise positioning ability on the bottom

(3) no heavy lift capability

Most towed sensor systems (*Mizar, Deep Two, Obbs*) are limited by:

(1) inability to conduct real time examination of bottom objects (photographic coverage only)

(2) no lift capability

Currently available, remotely operated manipulator devices (*Curv, J-Star, Nedar, Sord, Rum*) are limited by:

(1) the relatively small area over which they can search

(2) light lift capability only

The *Alcoa Seapore* concept brings the deep-ocean working environment a broad gauge capability with the following basic advantages:

(1) stable surface platform capable of using bottom-mounted acoustic or surface and satellite precision positioning systems

(2) omni-directional Voith-Schneider ship propulsion system

(3) precision ship control system for search and recovery maneuvering and positioning control

(4) tethered and remotely controlled bottom-search sensors, and recovery devices which do not require man-rating, i.e., not certified for human occupancy and life support

(5) heavy lift capability limited only by the tensile strength of the pipe string used

(6) endurance up to 45 days on station

The deep-ocean work systems of the *Alcoa Seaprobe* concept currently are in the developmental stage. The search and sensor package—the "pod"—has been tested to 600 feet in the Great Lakes. The first generation recovery device and pipe thruster system have been tested in the shallow waters of Chesapeake Bay. The pipe handling system (without the "pod" or recovery devices) has been tested to 6100 feet under static and dynamic conditions in deep water off the Virginia coast.

Upon departure from Washington, the ship will proceed to the Bahamas for continued test and evaluation of the entire system to 8000 feet. After the 8000-foot tests, any system modifications necessary to extend the capabilities to the design goal depth of 18,000 feet will be made.

In addition to conducting traditional search and recovery operations, the capabilities of *Alcoa Seaprobe* will be readily applicable across the full range of academic and scientific ocean endeavor. Such activities will include oriented bottom sample retrieval, intermediate depth coring, precise positioning of data gathering packages, ocean floor mapping, examinations of sea mounts for geological and biological data and dumping ground surveys. The range of applications essentially is unlimited once the fundamental principles and capabilities are proven.

Another area of potential use which requires further examination lies in the field of underwater archeology. It is possible *Alcoa Seaprobe* could be used to recover objects of archaeological significance from ocean depths where reduced oxygen content, cold temperatures, minimal currents, and small sedimentation rates enhance the preservation of the object, as well as ease the task of locating it. Research in this field is currently underway on a number of fronts within the archaeological community.

We are most enthusiastic about the performance of the ship. The systems and the crew have performed admirably in preliminary tests, and we are looking forward to continued deep-water tests in the Bahamas.

THE NOMINATION OF EARL BUTZ

Mr. HUGHES. Mr. President, President Nixon's nomination of Earl Butz for Secretary of Agriculture is a blow to our farmers not only because of Mr. Butz' devotion to agribusiness, but also because of his obsession with agribusiness.

Mr. Butz' record on this is clear and consistent: the steady decline in the number of farms in America is inevitable, it will continue, it is not bad, there is nothing Government can do about.

Mr. Butz predicts that we will lose another 1 million farms in this country by 1980. And he predicts that of the Nation's 1 million "commercial" farms, 400,000 will be out of business by the end of this decade.

Who are those 400,000 commercial farms over whose economic demise Mr. Butz will willingly preside? The top 1 million farms in this country, according to the last reported U.S. Census of Agriculture, sold nearly $10,000 a year of farm products or more. These are not inefficient operators, tilling the soil with horse-drawn plows. These are highly capitalized, large-scale operations with over 200 acres of farmland each. And yet Mr. Butz predicts that 40 percent of these farmers will be out of business by the end of the decade.

The psychology of bigness, of which Mr. Butz is a leading apostle, is largley responsible for the mess that farmers are already in. Over the past 20 years, the land grant colleges, the extension service,

and some farm organizations have been preaching bigness and growth for growth's sake. But lack of efficiency is no longer the crucial farm problem. Most agricultural economists agree that operations the size of those for which Mr. Butz predicts failure are efficient production units. The basic agricultural problem is not insufficient production, but surplus production.

The record of the past two decades is clear: the decline in the number of farms has not meant a decline in total farm production. In fact, farm production has steadily increased each year while 70,000 farmers annually were driven from their farms. For as the number of farms has decreased sharply, the average size of each farm has grown dramatically.

The overriding trend in agriculture over the past two decades has been the concentration of farm production into fewer and fewer hands. Today, less than 1 percent of the Nation's farms generate about one-third of all farm sales. The smallest 56 percent of our farms produce only about 8 percent of all farm sales.

Those of us who deplore this creeping concentration are not simply romantics who long for a return to the 18th century. We are pragmatists who realize that the backbone of a rural economy must be in its agriculture, and that unless we can preserve the small, independent, and already efficient farm operations, we cannot reverse the flow of population to our already overcrowded cities.

Too many farmers have already been trapped by the growth syndrome. They are told to get bigger so they buy more acreage. In order to work the increased acres, they are forced to buy more farm machinery and go more deeply in debt to pay for it. To amortize their debt they are pressured to produce even more, to expand even further, to go more deeply in debt.

It is like running on a treadmill where the treadmill is moving faster than the runner.

The farmers who are being squeezed out of business by the larger operators do not want to leave farming. I have never seen a smiling farmer boarding up his barns. This is an essential fact that Mr. Butz does not seem to recognize. The drive of the Department of Agriculture, Mr. Butz told his confirmation hearings in the Senate Agriculture Committee, must be to find rural alternatives to farming for farmers forced to leave.

The trends are going to continue.

He told the Washington Post in a recent interview.

No matter what government does . . . This trend toward less farms is not bad . . . (it) releases people to do something else useful in our society.

With about 5 million Americans presently unemployed, and welfare rolls bulging in our cities, where does Mr. Butz suggest these "released" farmers go?

Bigness and concentration in farming are neither accidental nor inevitable. They are in large part the product of farm policies, tax laws, and Department of Agriculture practices over many years. The farm subsidy program, as it is presently designed, disproportionately favors the large operator. The bulk of farm price support payments go to the largest farm operators. Our tax laws encourage bigness. The Federal Extension Service, part of the Department of Agriculture, has from its beginnings had a strong bias toward the larger farmers in the Nation. The research policies of the Department of Agriculture and the land-grant colleges have shortchanged the problems of the small operators in their rush to serve agribusiness and large farm operations.

There is much that a willing Secretary of Agriculture could do to reverse the trend toward concentration and bigness. But Earl Butz shows no disposition to marshal the resources of that Department to save the small operator.

"Adapt or die, resist and perish," summarizes Mr. Butz' agricultural philosophy. It is not a conclusion he has recently arrived at, but an essential tenet of his agricultural thinking.

On March 10, 1955, he told the Record-Stockman:

Too many people are trying to stay in agriculture that would do better some place else.

On November 29, 1957, he told the U.S. News & World Report that what is wrong with the Nation's farm economy is "too many farms." "There are some people who just weren't cut out to be farmers," he went on, explaining that many of these will leave the farms for other jobs "if the politicians will stay out of their hair."

Perhaps the most comprehensive statement of Mr. Butz' vision, at least at the time, was a statement he made to the Cincinnati Post on May 6, 1958:

This is not a new trend toward larger and fewer commercial farms. It has been going on for decades. It has only been accelerated in the present decade. It will accelerate still more in the decade ahead. All the power of government can't stop it. Nor should it. It can only confuse the issue. The big growth will be in enterprise managers. After all, integration generally involves single enterprises, not whole farms.

These changes may alter the traditional entrepreneurial, risk-taking function of the individual farmer. It may even move him in the direction of a quasi-riskless, semi-guaranteed wage earner. But this is not necessarily bad, per se. He may be, and frequently is, better off this way than he was before.

The commercial farm will increasingly assume the characteristics of a manufacturing establishment. The gross margin per dollar of receipts will become narrower, and profits will depend increasingly on growing volume. This will place still more pressure on the smaller and less productive farm units.

Our country-side will become "rurbanized". Our modern science and technology have made it possible for farm and city folk to live alongside each other in our newly "rurbanized" communities. The effect of the resulting intermingling has been that there is no longer a clearly defined farm population and industrial population, especially within forty or fifty miles driving distance of our big industrial centers.

Ultimately farmers will lose their vocational identity. At this point farming will no longer be a "way of life", but will be a "way of making a living," just the same as other business enterprises.

Political leaders will resist the trend toward large, well-capitalized units in agriculture, in their oratory, in their Congressional hearings, and in their legislation. The philosophy of the small- owner-operated family farm is deeply ingrained in our social and political pores. The controversy over this issue is often more emotional than economic.

Political pressure will continue to be on the side of maintaining small, family farms, even though modern technology dictates strongly that family farms become larger.

There is no prospect that ambitious politicians in Congress will stop demogoging the emotionally explosive family farm issue, any time in the foreseeable future.

I do not share Mr. Butz' vision. The efficient, but small independent operator who has spent his life building his farm business should have a right to stay in farming. We must break our obsession with business and growth for its own sake. As Edward Albee once wrote:

Growth for the sake of growth is the ideology of the cancer cell.

The following letters are merely a representative sample of the many letters of opposition to Mr. Butz' nomination that I have received from farmers, rural businessmen, and concerned citizens in my state:

From a high school senior:

I am an 18 year old senior in high school and someday plan to farm. I am deeply disturbed by the fact that Mr. Nixon has nominated Mr. Butz for Secretary of Agriculture. All newspaper reports and TV interviews tend to show that he favors the large corporation farm over individual family farms. I don't want to see a man with his opinions representing the farmer.

From an Iowa farmer:

We farmers feel like we've been "kicked in the teeth" for making a touchdown. We were encouraged to plant corn and offset the blight. Now we can't make expenses with the market price.

Several years ago we had a fair price which the government brought way down by dumping corn on the market. Now why don't they stabilize the market by buying it?

From another farmer:

I am writing in regard to the appointment of Mr. Earl Butz for Secretary of Agriculture.

It seems to us, that we have enough problems without having someone with his background and ideas to represent us.

We farm 430 acres in Butler County and would like to keep on doing so. We feel that with someone like Mr. Butz, it wouldn't be long and we would be forced off to big corporations.

Please do what you can to get a plain *Dirt Farmer* in the Agriculture Department. We don't want someone like Mr. Butz.

P.S. We don't want another Benson.

From a tax and management consultant to farmers in my State:

I am writing regarding the proposed appointment of Earl Butz to the post of Secretary of Agriculture. I believe that careful investigation is necessary as from the information in the press and so forth I question very much if he has the interest of the average farmer at heart. He is quoted to have said that "adapt or die" indicating that he thinks farms have to get larger and more closely associated with agribusiness. He is quoted as predicting that farms will be reduced by 1,000,000 by 1980.

I do tax work for a good many farmers and I have yet to see that growing big is necessarily the answer as I have several clients who are walking on pretty thin ice because they are trying to get big. The large majority of the farmers I work for are average farms and doing very well, paying their bills, providing a good home for their wife and family and taking their place in community activities.

I think the word $ucce$$ has too many dollar signs in the name.

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BUCHWALD SPOOFS MILITARY ON BIG WEAPONS PROCUREMENT

Mr. PROXMIRE. Mr. President, in the past few years the examination by the critics of the Pentagon have turned up some pretty horrible examples of weapons waste. Some do not work. Some are unneeded. Others are built by one service to keep pace with a sister service.

One of the biggest questions of them all is why we need more than 15 aircraft carriers. The Russians have none. As one Senator has said, to knock them out with modern missiles is easier than hitting a bull in the butt with a bass fiddle. Yet the Navy continues to push and press and lobby for more carriers.

This is bad in itself. But when it occurs at the same moment the Navy tells us it must have billions for modernization of the fleet, it appears to me to compound the waste.

Now Art Buchwald has placed the entire matter in perspective. He argues that the Navy's success in getting its carrier will make it possible for the Army to procure its new tank and for the Air Force to rush the B–1 bomber into production. If one service gets a billion for a carrier—and, in fact, carriers and their supporting ships cost $1.8 billion—then what is there to stop the Army and the Air Force?

Mr. Buchwald puts the matter better by spoofing it than many of us have been able to do with serious argument. I ask unanimous consent that his article entitled "Billion Dollar Aircraft Carrier" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BILLION DOLLAR AIRCRAFT CARRIER

(By Art Buchwald)

WASHINGTON.—It had to come sooner or later. The unthinkable has become thinkable. The U.S. Navy is asking for one billion dollars to build one aircraft carrier.

No one thought it would happen for five years, but when the word got out there was jubilation in all the military services at the Pentagon.

An Army general said, "I never thought the Navy would have the guts to ask for it, but now they've broken the sound barrier, we're all free to ask for a billion dollars for our favorite weapon."

"Then you're not mad at the Navy for asking for that kind of money for an aircraft carrier?" I asked.

"Why should we be mad?" the general answered. "We've been piddling around with $100 million here, $100 million there on a new piece of hardware, when everyone knows you really can't get a bang for a buck less than a billion.

"But we didn't know how Congress would react until the Navy asked for the billion for a carrier. It didn't faze them in the least, so now if the Navy can get a billion for an aircraft carrier, we can get a billion for something we've wanted to build for some time.

"What is that?"

"It's a giant tank," he said, "and it takes up eight football fields. It's the greatest advance in military hardware since the invention of the Gatling gun."

"A billion dollars for one tank?"

"It's not just a tank, you fool," the general said. "Look at this model. The top of the tank is flat so bombers can take off and land on it. On the sides you have missiles and in the front and rear you have four 16-inch guns."

"But even with all those things it doesn't seem as if it would cost a billion dollars."

"Aha, that's the surprise," he chuckled. "You see this here on the bottom?"

"It looks like a keel."

"Exactly. This is a floating nuclear airborne tank, something the U.S. Army cannot do without."

"But it looks just like an aircraft carrier," I said.

The general took the model away angrily. "How can it look like an aircraft carrier?" he said. "It's painted brown!"

The Air Force was also celebrating the Navy's billion-dollar breakthrough. An Air Force colonel in research and development showed me the latest plane the Air Force wants to build.

"This is the greatest bomber ever designed by man," he said. "It flies at 60,000 feet, floats on water and can cut its way through a jungle so silently that not even birds can hear it."

"But it looks like a tank," I said.

"How can it be a tank?" he grumbled. "It says U.S. Air Force on the side."

Although there was excitement in the Army and Air Force wings of the Pentagon it was nothing comparable to what was going on over at the Navy Department.

Officers were handing out cigars and you could feel the excitement in the air.

While I was talking to one admiral, another admiral came down the hall and my admiral rushed up to him saying, "Zeke, for gosh sakes, I haven't seen you in four years. You look like a billion dollars."

The other admiral laughed. "You look like a billion dollars yourself."

NOMINATION OF EARL BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. STEVENSON. Mr. President, the nomination of Earl Butz to be Secretary of Agriculture has provoked an angry reaction among farmers in the State of Illinois.

This has been a disastrous year for farmers in the Midwest. A catastrophic decline in corn prices has had devastating consequences for farmers in Illinois. The nomination of Mr. Butz hardly gives them cause to believe that better times are coming.

I share their view that this nomination reflects the administration's indifference to the plight of small farmers. In this appointment, as in many other ways, Mr. Nixon has come down on the side of big business—in this instance, big agribusiness.

I want Senators—particularly those who do not have large farm constituencies—to know how farmers in my State feel about the nomination of Mr. Butz. I ask unanimous consent that excerpts from representative letters and telegrams I have received from rural communities be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM LETTERS AND TELEGRAMS

From Alma, Ill.: "Why Butz for Secretary of Agriculture? Represents only large corporations. Small farmers must be considered."

From Peoria: "Please oppose Butz nomination . . . His close connection with agricultural interests and apparent hostility to small farmers makes him an undesirable choice."

From Nashville: "Farming at stake. Butz not qualified. I speak as Farm Bureau member."

From Ashley: "Help us solve problems, do not create new ones. Do not seat Butz."

From Brownstown: "Butz for Secretary of Agriculture would be capital punishment for small farmers."

From Peterpoint: "Save the family farm. Request you do not confirm the appointment of Earl Butz."

From Glen Carbon: "Give agriculture back to farmers. Give Butz the boot."

From Nashville: "As Farm Bureau member, I request Butz not be seated."

From Peru: "A vote for Earl Butz is a vote against me, a farmer."

From Danville: I object to Earl Butz appointment . . . He isn't for the family-size farmer."

From Sterling: "Don't believe Earl Butz represents farmers. Please vote against confirmation."

From Tiskilwa: "I am very dissatisfied with President Nixon's selection of Earl Butz . . . We need a man to work for the family type farmer."

From Morton: "As a farmer I oppose the nomination of Earl Butz . . ."

From Springfield: "Illinois Farmers Union opposes the nomination of Earl Butz . . . We believe his corporate agribusiness interest would have priorities over family farm interest . . ."

From Seaton: "Please do not seat Earl Butz . . . He will ruin family farmers."

From Pana: "I am opposed to Earl Butz . . . The family farmer needs help."

From Hartsburg: "I don't approve Earl Butz . . . It would be disastrous."

From Buncombe, a telegram with 12 signatures: "Cannot tolerate Earl Butz for Secretary of Agriculture."

From Loistant: "Vote against Butz. Let's keep the family farm and private enterprise."

From Greenville, a telegram with 40 signatures: "Against Earl Butz for Secretary of Agriculture. He favors corporations and against family farmers."

From Pocahontas: "Protest appointment of Earl Butz; has too many ties in agribusiness and is opposed to family farms."

From New Boston: "I believe Mr. Butz to be a very poor choice for Secretary of Agriculture."

From Taylorville: "We as farmers are opposed to the appointment of Earl Butz as Secretary of Agriculture."

From Elgin: "We bitterly protest the nomination of Earl Butz . . . There has to be family farms if people are going to eat."

From Morton: "Please do all you can to stop the nomination of Earl Butz as Secretary of Agriculture. He is not for the farmer."

From Hartsburg: "Because of Earl Butz's corporate interests I sincerely believe he shouldn't be Secretary of Agriculture."

From West Brooklyn: "As a farmer I do not approve Earl Butz as Secretary of Agriculture."

From Hillsboro,, a telegram with 30 signatures: "We oppose the appointment of Earl Butz as Secretary of Agriculture."

From Sheffield: "Butz must go."

Mr. STEVENSON. Mr. President, I have announced my intention to vote against the confirmation of Mr. Butz. I ask unanimous consent that my statement to the Committee on Agriculture be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ADLAI E. STEVENSON III, OF ILLINOIS, BEFORE THE SENATE COMMITTEE ON AGRICULTURE, NOVEMBER 19, 1971

Mr. Chairman, I am dismayed—as all who have an interest in the well-being of rural America and its people should be—by the President's nomination of Mr. Earl Butz as Secretary of Agriculture.

The piece of paper on which the nomination was transmitted to this Committee may be the death warrant for the remains of rural America. Mr. Butz now speaks of his interest in the survival of family farms, but his record in the board rooms of agribusiness, as Assistant Secretary under Ezra Benson, and at Purdue, bespeaks a commitment to the very forces responsible for the demise of some 3 million family farms since World War II.

I appear before this Committee as a Senator from one of our great heartland states. Illinois is one of the nation's largest agricultural producers. Family farms are the lifeblood of rural Illinois and of many of our urban communities.

I appear before you also as Chairman of the Subcommittee on Migratory Labor of the Committee on Labor and Public Welfare. In an effort to help farmworkers and their families overcome the helplessness and hopelessness that are the stigma of migrant labor, the Subcommittee has undertaken a searching examination of questions relevant to the nomination of Mr. Butz.

Our inquiry has brought us face to face with a vast upheaval in rural America—an upheaval the more remarkable because it is, for the most part, unseen and unheard by most Americans.

Often, in speaking of life in rural America we resort to statistics—and the figures sometimes disguise as much as they reveal. They tell us, for example, that Americans in great numbers have been leaving the farms and moving to the cities. But the numbers do not capture the hidden meaning of the rural migration: ruined hopes, deserted homes—a dying way of life.

The American dream, whatever else it may mean, has always had something to do with free men tilling their own soil: prosperous, independent citizens in control of their own lives, enjoying a full and fair return for their hard work.

The dream goes a long way back. Thomas Jefferson was its most eloquent champion. But it is still very much a part of our image of ourselves. Most of us still believe, or want to believe, that a man of modest means can survive and prosper by his own toil on land he calls his own.

There are some these days who consider that version of the American dream quaint, if not obsolete—like the buggy whip or the pot-bellied stove. They call themselves "realists." They are devoted to "progress" and "efficiency." They advance a new sort of ideal for rural America which emphasizes bigness and "economies of scale." They do not mourn the passing of the family farm and the small town. They tell us that today, the earlier version of the American dream is little more than a nostalgic fantasy.

I am not so sure. I am not ready to abandon that old dream until we study the alternatives—until we examine the new way of rural life admired by these so-called realists.

If reality must mean bankruptcy and frustration for the small farmer and the farmworker, what price reality?

If "progress" in rural America means hunger, disease and malnutrition; poor medical care and low educational standards; bad housing and decaying communities, then what price "progress"?

If "efficiency" means that we must have a permanent underclass of migrant workers, depressed and dispossessed, what price "efficiency"?

If "economies of scale" mean that our cities must bear the pressure of rural out-migration, with its burden of welfare payments, unemployment and social tension, then we can rightly ask if "reality" is worth what it is costing us.

Upon examination it may be found that the small farmer, tilling his own land, is a more efficient producer than the agribusiness farm, particularly in the labor intensive production of fruits and vegetables. It may be found that he produces a better quality product and does less violence to the earth and water.

Mr. Butz says the government should not intervene to save the small farmer. Upon mere reflection, it may be found that the government has intervened—with tax laws, land reclamation programs and the services of land grants colleges—to help agribusiness and hurt the small farmer.

Mr. Chairman, I will not take up this Committee's time by reciting once more Mr. Butz's identification with policies and practices that have contributed to the dehumanization of rural America. Despite his recent assurances of an interest in the fortunes of small farmers, I am forced to conclude that Mr. Butz's philosophy, like his stock portfolio, reflects his commitment to big business—big agribusiness.

I suggest, Mr. Chairman, that in considering this nomination the Senate cannot ignore the many voices speaking out in and for rural America.

The fate of our nation is still bound in large degree to the fate of rural America. For every six farms which close down, a small business shuts its doors. The plight of our cities arises in large measure from the plight of rural Americans.

Our object ought to be a national policy whose effect is not simply "efficiency," or progress," or "economy of scale," but a decent life for all rural Americans.

In pursuit of auch a policy, many questions have to be asked:

Will a citizen in the America we are building be able to find a decent, independent life in a small town or on his own farm land? Or will he be a nameless worker in a vast food-processing combine, managed by a corporate owner?

Will rural America be dominated by its own citizens—or by absentees who care greatly about profits, and only vaguely about the quality of rural schools, rural hospitals and rural life?

Will the goal of public policy be a decent standard of living for all Americans—or simply a higher level of profits for some?

Is the United States Department of Agriculture living up to its self-declared "moral and legal responsibility to farmers and farmworkers"? Or is it, through indifference, or design, or soulless "realism," abetting the destruction of the family farm—and of farm families?

Mr. Chairman, we cannot meet our responsibility to rural America by permitting the President to place the Department of Agriculture under this man. To confirm as Secretary of Agriculture the Assistant Secretary of Agriculture who said in 1955 "Adapt or die! Resist and perish" would be to sign, seal and deliver a symbolic death warrant for rural America. I hope the Senate won't do it.

ISRAEL NEEDS MORE AIRCRAFT

Mr. WILLIAMS. Mr. President, the administration is continuing a policy which presents the gravest threat to peace in the Middle East. Only 4 days ago the Secretary of State justified the administration policy of refusing to sell jet aircraft to Israel by claiming the Soviet Union had shown "restraint" in supplying arms to Egypt. Yesterday the State Department announced that the Soviet Union has shipped more planes to Egypt which, for the first time, can fire air-to-surface missiles. The introduction of this new offensive armament greatly increases Egypt's potential for aggression against Israel. In spite of the mass of evidence that the balance of power is shifting dramatically in Egypt's favor, the State Department continues to "assess the impact" rather than to act to restore the balance.

On October 15, more than three-quarters of the Members of the Senate joined to urge the President to supply F–4 Phantoms to Israel. For all of this time the administration has ignored the continued shipment of Mig–21's and the TU–16's to Egypt. It has also disregarded our statement of concern that Egypt will not conduct serious negotiations as long as they hope to succeed militarily. Finally, the administration has refused to react to Israel's pleas for the means of self-defense.

Now that the State Department has agreed to facts which confirm our view of the changing strategic situation in the Middle East by the military build-up in Egypt, I believe we again should strongly encourage the President to take affirmative action on Israel's pending request for F–4 Phantom aircraft. The threat of war is too critical to permit further delay; therefore, I feel it is essential for everyone concerned about this issue to express his position once again, hoping that the administration will finally act.

TRAGEDY IN ULSTER—VII—ROOTS OF THE PRESENT CRISIS, PART 1

Mr. KENNEDY. Mr. President, the November 14, 1971, issue of the London Sunday Times contains the first article in a current two-part series, tracing the roots of the present tragedy in Ulster. The series presents a long and excellent analysis and chronology of the events that brought Ulster from the peaceful civil rights movement of the mid-sixties to the threshold of civil war today.

A major section in the first part of the series deals with the deterioration in conditions that led to the decision to send British troops into Ulster in 1969, and it closes in turn with the deterioration in relations between the British troops and the Catholic minority they were sent to protect.

The second part of the narrative, to be published in tomorrow's Sunday Times, will deal with the most recent events leading up to the initiation of the internment policy by the British Government in August 1971.

Mr. President, I believe that the article contains an extremely valuable record of the development of the tragedy in Ulster today, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INSIGHT: A PERSPECTIVE ON ULSTER—THE BLOODY PATH PAVED WITH EASY OPTIONS

The narrative that starts below—the first of a two-part report—is an attempt to get at the roots of the present tragic imbroglio in Northern Ireland. We have talked to as many of the principal actors, past and present, as we could: Ministers, generals, civil servants, guerrilla leaders.

How did a clinical peace-keeping exercise by British troops turn into a murderous confrontation from which there sometimes seems no way out? The reasons that emerge go beyond history, religion and politics. They include incompetence, secret intrigue, blunder and betrayal.

But the narrative of Ulster is not simply a story of evil or guilty or even callous men. There have been many good intentions and many honest mistakes, and if some of the criticisms we make are informed by hindsight they may none the less have lessons for the future.

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Our enquiries have brought countless fresh points of fact to light; but chiefly they illuminate the hardening attitudes among the politicians, the Provisionals, the soldiers and the Protestants which contributed over a period of three years, to a slow and inexorable darkening of the scene.

The beginning of the recent story of Ulster is a lethal error by the ruling Ulster Protestants. It was to mistake the Civil Rights movement of the Sixties for an attack on the State of Ulster itself. Thus, by choice of the ruling elite, the energy of the reformist impulse has been made to shake the foundations of society.

Every previous challenge to the authority of the rulers of Ulster had indeed involved an attack on the existence of their State. At the beginning of the Sixties, Ulster had just been subjected by the Irish Republican Army to a six-year campaign, in which armed men from the South attacked across the border with the aim of promoting a rising among Ulster Catholics.

It was, by present standards, small-scale. Six Ulster policemen and eleven IRA men were killed in the whole campaign. It was also a total failure. Many unionist politicians, and especially Brian Faulkner, then Minister for Home Affairs, believed that this owed much to the use of internment. But the underlying cause was an almost total lack of response from the Catholics in Ulster. The IRA communique announcing the end of the campaign admitted that the chief reason was "the attitude of the general public. . . ."

Whatever their views about the legitimacy of the Protestant Government and the injustices it visited upon them, the Catholics were not then ready to support its overthrow by violence. Ulster was therefore, at some level, a workable society. The IRA was for the moment irrelevant.

The time was ripe to begin dismantling the apparatus of total Protestant supremacy—especially the electoral gerrymander which gave the Unionist a monopoly of power, and the various physical and legal instruments, notably the armed militia (the B-Specials), by which they oppressively exercised it.

The Unionist did not see it that way. The suggestion that Catholics might be admitted to the Unionist Party, which Brian Faulkner revived ten days ago, got nowhere then. At the first suggestion Sir George Clark (now chairman of the Unionist Standing Committee) brought out the Reformation brimstone: "An Orangeman is pledged to resist by all lawful means the Ascendancy of the Church of Rome. . . ." Lord Brookeborough, Prime Minister until 1963 and author of the dictum that "there is only room for one political party in Ulster," said that those who favored admitting Catholics were "charging against windmills and beating their heads against a wall."

1960's A New Middle Class Emerges

But socially and economically Ulster was slowly changing. Lord Cameron, the Scottish judge who in 1969 was appointed by the Labour Government to inquire into the Ulster disturbances, summed up the effects of social advance: "A much larger Catholic middle-class has emerged, which is less ready to acquiesce in the acceptance of a situation of assumed (or established) inferiority and discrimination. . . ."

The weapons of this new class were not guns, but ones Protestant Ulster was perhaps less equipped to deal with.

The new middle class, Catholic as well as Protestant, was often close enough to its working-class originals to see itself as a spokesman for working-class grievance. It contained able and ambitious men and naturally developed a measure of theoretical radicalism among its student population. But the complaints it articulated in the mid-Sixties were moderate by any sensible standards.

They were typically set out in a Sunday Times article of July 3, 1966, which instanced such matters as gerrymandering and public employment in Londonderry.

The classic example (of gerrymandering) is Londonderry, Ulster's predominantly Catholic second city. There are 14,325 Catholics on the local roll, and 9,235 Protestants; but the wards are so organised as to give Protestants majorities in enough of them to win control of the City Council . . .

In employment, the pattern of prejudice is the same. In Londonderry the heads of all City Council departments are Protestant. Of 177 salaried employees, 145—earning £124,424—are Protestant, and only 32—earning £20,420—are Catholic.

At that time the suggestion that reform would never come without "vigorous prodding from Westminster" attracted deep Protestant fury. Three years later the Cameron Report presented a picture which was not substantially different, though far more authoritative. But Cameron was reporting after the violence had begun, and the sequence of events which led to it needs to be carefully set out.

The decisive step was the foundation of the Northern Ireland Civil Rights Association in 1967. This took place against a background in which Catholic grievances had been widely acknowledged, but had been met with glassy indifference by the majority of Unionists politicians.

A typical confrontation occurred at a conference in London in 1965. Charles Brett, a Belfast lawyer (and a Protestant), called for "immediate legislation to deal with discrimination in employment and housing." John Taylor (now a Minister in the Faulkner Government) immediately repudiated the necessity for any such reforms. Religious discrimination, he declared, was being used as a "political strategem" by the Republicans.

One Unionist who did admit the need for reform—and publicly at that—was Terence O'Neill, who had succeeded Brookeborough as Prime Minister in 1963. O'Neill's admission confirmed Catholic faith in the legitimacy of their demands, but at the same time his inability to carry his party into actual and concrete reform increased Catholic frustration.

Powerful currents began to run through the Catholic community, and it was the Civil Rights Association which, almost unintentionally, tapped them. It had been modelled on the National Council for Civil Liberties in England, and for its first year of existence it behaved similarly, dealing with individual complaints.

In June, 1968, a Catholic family were evicted from a council house in which they had been squatting at Caledon, a village of the Dungannon Rural District. On June 13, a 19-year-old Protestant named Emily Beattie, secretary to a prominent Unionist, was moved into the house. The case, which seemed a particularly gross one, was brilliantly publicised by Austin Currie, the local Nationalist (i.e., Catholic) member of the tiny Opposition at Stormont, the Ulster Parliament.

Currie suggested that the Civil Rights Association should stage a march between the neighbouring towns of Coalisland and Dungannon, to protest against the inequities of local housing policy. With some reluctance, the CRA agreed, and it was announced for August 24.

The immediate response from hard-line Unionists was that there would be violence if the march entered Market Square, Dungannon.

In the event, the march was a huge success—especially because it halted peacefully at a police barrier some distance away from Market Square. Several thousand people gathered to hear Currie and a battery of speakers. The police, in the words of Miss Bernadette Devlin, were very good-natured.

"There was a hope among many participants that something new was taking place in Northern Ireland, in that here was a non-violent demonstration by people of many differing political antecedents . . . united on a common platform of reform." The words are those not of a marcher but of Lord Cameron.

The police calculated that seventy of the stewards at Dungannon were Republicans, and ten of them members of the IRA—but on the other hand, there had been no display of Republican symbols, such as the Tricolour flag. The meeting closed with the marchers singing, hopefully, "We Shall Overcome."

It took only one more demonstration—in Londonderry on October 5, 1968—to turn civil rights into a mass movement. And it was a mass movement which, according to the well-publicised views of the then Minister of Home Affairs, William Craig, was under the control of the Irish Republican Army.

"We have investigated this matter with particular care," wrote the Cameron Commission later. ". . . While there is evidence that members of the IRA are active in the organisation, there is no sign that they are in any sense dominant or in a position to control or direct policy of the Civil Rights Association."

The situation was admittedly subtle. First, not all Republicans are gunmen; the term can cover an IRA gelignite bomber or theoretical adherents of the Wolf Tone Society and James Connolly Clubs. Secondly, republicanism is one of the major streams in Irish political history: almost any successful broad-based movement would take in people who had been part of it.

Secondly, there was the new policy of the IRA. After the collapse of the 1956–62 campaign, the old IRA of Gaelic piety and violence virtually ceased to exist, so much so that many of the disgust—until, in 1969, some Ulster police brought the gun back into politics.

So far as Northern Ireland was concerned, the IRA concentrated on taking part peacefully in the open Civil Rights campaign. And at least among those members who stayed with the new "political" IRA, the policy stuck. Cameron commented upon the fact that members of the IRA who served as stewards in Civil Rights demonstrations were "efficient and exercised a high degree of discipline. There is no evidence . . . that such members either incited to riot or took part in acts of violence."

The leaders of the new-look IRA seemed to have an each-way bet in the Civil Rights movement. If the reforms were granted, so much to the good; they would share in the credit. If, on the contrary, reforms were savagely refused by the Unionist Right, then there was a Machiavellian consideration: the ruling party of Ulster would be split, and through the resultant chaos the IRA would lead the people toward Socialism.

At this stage in the narrative, what is significant is that from any reasonable Ulster standpoint it should have been possible to see that a marching-and-talking IRA (especially one that was prepared *de facto* to recognise Partition) must be an improvement on a shooting-and-bombing IRA. And quite certainly it was a basic act of misgovernment to allow that there was anything revolutionary in the set of demands that Civil Rights finally adopted as its programme. These were:

1 One-man-one-vote in local elections

2 The removal of gerrymandered boundaries

3 Laws against discrimination by local government, and the provision of machinery to deal with complaints

4 Allocation of public housing on a points system

5 Repeal of the Special Powers Act

6 Disbanding of the B-Specials.

October 1968: Police Attack on March

It was Lord Cameron's dry estimate that these reforms were not such as would "in any sense endanger the stability of the Constitution." To judge by his response, the Minister for Home Affairs did not see things in that light. The confrontation came almost immediately after the success of the Dungannon march, when a similar demonstration was announced for October 5, in Londonderry.

Derry is an emotive symbol in the Ulster tragedy, a flashpoint of Catholic and Protestant history. In the siege of 1689 the Protestant citizens held the wall for 109 days against Catholic besiegers. Its recent history has been one of grotesque unemployment—one in five of the men out of work—and the crudest Protestant manipulation of housing allocation and political power.

The Derry police regarded the local march committee with disfavour, which is understandable in view of the presence in Eamonn McCann, of at least one eagerly self-confessed revolutionary. Rather less reasonably, they went on to equate the whole Civil Rights movement with Republican extremism.

During September, the Civil Rights Association notified a march route to the police, one which crossed the river by the Craigavon Bridge and ended inside Derry's famous Walls (whose gates the prentice lads slammed against Catholic James II in 1689). Five days before the march was due, the General Committee of the Apprentice Boys of Derry—who of course, are substantial citizens these days—informed the police that the "annual" parade of persons attending their Initiation Ceremony would be passing over exactly the same route on the same day as the Civil Rights march.

The police concluded that violence was likely. On October 3 the Minister for Home Affairs issued an order banning marches in Londonderry.

The Apprentice Boys' parade was cancelled without demur. (Curiously enough, this "annual" event had never occurred before and has not since.) But the Civil Rights movement faced a harder decision. After a long and agonising meeting the local militants insisted on defying the Ministerial ban, and the national leadership reluctantly acceded.

Originally, the prospects for the march had not been spectacular, because the local organizers did not carry great weight in the Catholic community. But "the effect of the ministerial order was to transform the situation. It guaranteed the attendance of a large number of citizens . . . who actively resented what appeared to them to be totally unwarranted interference."

The events of October 5 were splashed on television sets all over the world. Over 2,000 people gathered at the Waterside station, representing "most of the elements in opposition to the Northern Ireland Government and the Unionist regime in Londonderry." Mr. Craig and the police, it seems, were prepared for violence. They did not regard it as sufficient to let the march proceed and lay charges afterwards.

The march immediately faced a police cordon, and the officer in charge warned that women and children should depart. The marchers tried to avoid the police by taking a different route, but when that route also was blocked they walked right up to the police. At this point, two Stormont Opposition MPs, Mr. Gerry Fitt and Mr. Eddy McAteer, were batoned, and Fitt (who also sits at Westminster, and had brought over three Labour MPs) was removed to hospital.

The Cameron Commission found that Fitt was making an "irresponsible" speech, but also that he and McAteer were batoned "wholly without justification."

The immobilised march now turned into a meeting, which after half an hour was asked by its leaders to disperse. What happened next is far from clear, but Cameron decided that there were certainly extremists present—not of the IRA—who wished to provoke violence, or anyway a reckless confrontation with the police.

Violence, certainly, was what they got. It appears that some of the Young Socialist Alliance from Belfast threw their placards and banners at the police. Some stones were also thrown, and "many of the police having drawn their batons earlier, the County Inspector in charge ordered them to disperse the march . . . the police broke ranks and used their batons indiscriminately. . . ."

The physical injuries involved eleven policemen and seventy-seven civilians, mainly with bruises and lacerations to the head. The political results sprang from the shocking effect of televised police violence, and on Sunday, October 6, a group of students from Queen's University, Belfast—some of whom had been at Derry—marched in protest to the home of William Craig. "Their reception by Mr. Craig was hostile and calculated to incense already inflamed feelings. He so far forgot his position . . . as to call the students generally 'silly bloody fools.'"

The day after Craig's well publicised display of intransigence, some 800 students decided on a protest march to Belfast City Hall. This immediately attracted a counter-demonstration led by the Rev. Dr. Ian Paisley. Only at the price of halting the student's march and provoking a three-hour sitdown in the city centre could the police keep the two groups apart.

Out of this experience grew the People's Democracy group of Bernadette Devlin and Michael Farrell, loosely based on students and ex-students of Queen's. PD was no more a conspiracy of violence than was the Civil Rights Association (indeed, its members stayed under the CRA "umbrella"), but it was prepared to go further by sit-downs and disruption in bringing violence upon itself—"calculated martyrdom," Cameron called the attitude.

Several streams of violence, each dominant at different times, were now running in Northern Ireland. There was the violence of parts of the Royal Ulster Constabulary (the RUC, it should be remembered, was an overstretched, if over-armed, force). There was the unofficial, sometimes conspiratorial violence of some inflamed Protestant citizens, who assumed from Mr. Craig's behaviour that a Fenian rising was imminent. There was the special category of violence by off-duty members of the B-Special Constabulary.

November 1968: O'Neill Makes Reforms

In the face of impressive difficulties the Prime Minister, Terence O'Neill, was trying to stitch together a Cabinet consensus which would enable him at last to deliver some tangible reforms to the Catholic population. The problem was not only that his Home Affairs Minister took the public stance that any such action would be mere pandering to revolution. O'Neill's private, and not unjustified, suspicion was that his Minister for Commerce, Brian Faulkner—an old enemy—was calculating the best moment to withdraw support.

Events still centred on the city of Derry, sick with unemployment and communal tension, as indeed they were to do again and again until Derry became the immediate cause of British involvement. In the furious aftermath of the October 5 beatings the Derry Citizens' Action Committee was formed: its dominant figure was an ex-teacher called John Hume.

The committee made clear that it would mount a series of protests against the behaviour of the police and the partisan structure of Derry Corporation. On November 13, Mr. Craig announced a one-month ban on all processions within Derry Walls.

This was followed three days later by an enormous Catholic and Civil Rights procession, 15,000 strong. Had the procession been violent, it could certainly have swept aside the police barriers protecting the forbidden territory. As it was, the march dispersed after a "token" breach of the barriers by its leaders.

Restraint was about to break when on November 22 O'Neill announced his reform package. It was not large but it was a beginning: an Ombudsman, a system of housing allocation by points, a promise to repeal parts of the Special Powers Act and the announcement that there was to be a comprehensive reform of local government elections by the end of 1971. He also suspended the hopelessly unrepresentative Derry Corporation, and put in a nominated commission: the effect on the Catholics of Derry was to produce a period of calm.

The effect on Protestant opinion was otherwise, as was shown at Armagh and Dungannon.

A Civil Rights march had been announced for November 30 in Armagh. The local police had no objection to the march plans: although known Republicans were involved, the police did not expect them to be provocative. However, the Armagh RUC found themselves confronted with Ian Paisley, who informed them that the Government had quite lost control in Derry, and that if they did not stop the Armagh march he intended to do the job himself.

During the week before the march, red-painted notices were shoved through letterboxes in Armagh:

Ulster's Defenders, A Friendly Warning, Board up your windows, Remove all women and children from the City on Saturday, 30th November, O'Neill must go.

Minatory posters also appeared, bearing the initials of the Ulster Constitution Defense Committee: that is to say, the controlling mechanism of the Ulster Protestant Volunteers, whose members pledge that "when the authorities act contrary to the Constitution, the body will take whatever steps it thinks fit to expose such unconstitutional acts." The arbiters of unconstitutional behaviour appeared to be Dr. Paisley, chairman of the UCDC, and Major Ronald Bunting, Commandant of the UPV.

Around 1 a.m. on November 30 Paisley and Bunting arrived in Armagh with a convoy of cars, which were parked around Thomas Street on the route of the march. For the rest of the night about 130 people stayed with them, walking about and talking in small groups. Approached by the police, Dr. Paisley said he intended to hold a religious meeting.

At 8 a.m., the police placed roadblocks around the town and began to search incoming cars. They found two revolvers, and 220 other weapons, such as pipes hammered into points. "The groups standing in Scotch Street and Thomas Street were now seen to be carrying weapons such as sticks and large pieces of timber. Dr. Paisley carried a blackthorn stick and Major Bunting a black walking stick."

The police did not care to break up the Paisleyite crowd, because its individual armed members might be even harder to control. There was no option but to ask the unarmed civil rights march to stop—which it did, although the stewards had "some rough work" enforcing orders. Trouble was thus averted, except for the case of an ITV cameraman struck down with a leaded stick. But the fact remained that a lawful march had been prevented by carefully-laid plans of violence.

In Dungannon, where Major Bunting had been involved in a "violent and irresponsible" (Cameron's words) counter-demonstration against People's Democracy on November 23, there was worse trouble on December 4. Protestant extremists, including off-duty B Specials, gathered to counter a Civil Rights meeting in the Parochial Hall. There was stone-throwing, from both sides, and then

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a member of the Protestant crowd fired a shot at a Press photographer which narrowly missed.

The Right Wing of the Protestants was already affronted by the failure of the Catholics to respond with sufficient humility to the O'Neill reform package. On December 11 Capt. O'Neill went further by dismissing William Craig from the Ministry of Home Affairs, a move which evoked more hostility from the Right. The previous day O'Neill had made an emotional appeal on television for a united and peaceful Ulster, and there was enormous public response in his support. The Civil Rights bodies agreed to give him time: they called a truce over Christmas.

THE MARCHERS ARE "SEEN ON THEIR WAY"

It was at this delicate moment that the students in the People's Democracy decided to stage "the long march" from Belfast to Londonderry. With the O'Neill package and the Craig dismissal already achieved, it was a dangerous exercise in gloating.

According to some of the leaders of PD the long march—through Protestant strongholds—would not have been completed if the ferocity it met with at the end could have been anticipated. But that may have been only one of many views in the amorphous body of PD. The character of the outfit was frankly conveyed in some words of Bernadette Devlin, which may have been a little too frank for her colleagues' taste:

"We are totally unorganised and totally without any form of discipline. . . . I'd say there are hardly two of us who really agree."

Basically, the PD people were non-communist Marxists, themselves of Catholic origin, pursuing the idea—a novel and possibly thankless one in Ulster—of inter-denominational workers' revolution. As one of them observed some time after the Long March: "Everyone applauds loudly when one says in a speech that we are not sectarian, that we are fighting for the rights of all Irish workers, but really that's because they see this as a new way of getting at the Protestants."

Because a march 73 miles across the province would cross many strong Protestant areas and entail serious physical risk, it appealed.

Certainly there were militants, extremists and even subversives among the Civil Rights workers, and this was especially true of the People's Democracy faction.

But, although Lord Cameron and his colleagues found that "politically subversive and mischievous" people did at times "inflame passions . . . and either irresponsibly or deliberately invoke violent incidents," they also wrote: "We disagree profoundly . . . with the view which professes to see agitation for civil rights as a mere pretext for other and more subversive activities."

The march began on New Year's morning, 1969, peacefully and comically, with 80 participants. Their progress, inevitably, was haunted by Major Bunting, who started off skittishly pretending to "lead" the march with a Union Jack; he dropped out of the procession, his timing inviting ribald remarks, at the entrance to Bellevue Zoo.

One anarchist had turned up, but nobody would help him carry his banner. A Republican Club contingent was asked not to carry the Republican flag; in the end anarchist and Republicans compromised. They would carry their poles but the banners would be furled.

After three days of the march, on January 3, Paisley saw Captain Long, the new Minister for Home Affairs, and tried without success to try to persuade him to ban the last stage.

That night, while the PD marchers rested in Claudy, eight miles outside Derry, Paisley held a religious meeting in the Derry Guildhall. Outside, in Guildhall Square, a riot broke out, and the windows of the Guildhall were smashed. Major Bunting told the audience to prepare for the defence of the women and children; chairs and banisters were broken up to make clubs, and Paisley supporters debounched from the hall in defensive formation. Outside, a considerable fight took place, and Major Bunting's car was burnt out.

Bunting took care to inform both the Protestant audience and the media that it was a "Civil Rights mob" which had endangered women and children. He also said that as many people as possible should be at Brackfield Church next morning, near Burntollet Bridge, "to see the marchers on their way."

The Cameron Commission found that the Guildhall riot had nothing to do with any Civil Rights organization. It was random and largely drunken sectarian hooliganism, sparked by the mere fact of Paisley's presence.

On the morning of January 4, the marchers arrived at Burntollet Bridge, led by an escort of eighty policemen. Waiting for them were about 200 men, armed with clubs of various kinds.

Certainly these people were inflamed by the belief that the Derry riots of the night before had been fomented by civil rights workers. But their attack was hardly spontaneous, for many of them wore white arm-bands to identify each other in the thick of the fight.

There was no chance that the police could protect the unarmed marchers against assault. The attackers had chosen a natural ambush site, where fields sloped sharply down to the road. Here, they had stacked "ammunition," such as rocks and lumps of old iron.

The police were able to protect the head of the march to some extent, but they could do nothing about the main body. When the missiles began to rain down, some of the marchers tried to escape through the fields, where they were set upon individually.

Both the police and the marchers were taken aback by the ferocity of the attack, and indeed the affair probably exceeded any coherent Protestant intentions.

For all moderate opinion, the result of the march was disastrous. If it was the aim of the PD marchers to demonstrate a commitment to violence among substantial numbers of Protestants, they succeeded perhaps better than all but their hardiest spirits desired. Also, in Catholic mythology, they demonstrated a complaisance by the police towards violence.

The Cameron Commission found, to the contrary, that the police did make a serious attempt to stop the ambush at Burntollet, and that they were unready rather than complaisant. But on the night of January 4–5, and on several nights thereafter in Derry, members of the RUC proceeded to do things enough to justify some, if not all, of the mythology.

As the Catholics of Derry see it, there has been for years a simple, frightening pattern about police reactions to trouble in the city. Disorder breaks out—often, as on January 4, 1969, the result of Protestant provocation. Immediately afterwards, the police mount a punitive expedition against the Bogside, the Catholic "ghetto" area.

Whatever the truth about other occasions, something very like this must have happened the night after the Protestant attacks on the PD marchers.

It should be said that the first reaction of the Bogsiders that night was to start building barricades in their streets, a task in which they were encouraged by some of the PD people. This, which they themselves called "protection," could be counted as a provocation to the forces of the law—but one of a rather special kind, for the RUC did not then and do not now exercise any real police control of the Bogside.

We have to record with regret [said the Cameron Commission] that our investigations have led us to the unhesitating conclusion that on the night of January 4–5 a number of policemen were guilty of misconduct which involved assault and battery, malicious damage to property, to streets, in the predominantly Catholic Bogside area giving reasonable cause for apprehension of personal injury among other innocent inhabitants, and the use of provocative sectarian and political slogans. . . .

THE CAMPAIGN THAT BROUGHT O'NEILL DOWN

This was a cool, legal description of a night in which groups of burly RUC men roamed through the Bogside, crashing from time to time into the tiny terrace houses and dealing out arbitrary "punishment" with their batons. The Commission thought that even though the police were overstretched and exhausted, there could be "no acceptable justification or excuse" for this "unfortunate and temporary breakdown in discipline."

The very appointment of the Cameron Commission to investigate such incidents was itself now to become part of the drama.

The appointment was used as *casus belli* for the campaign which brought O'Neill down. Some people surmise that had Mr. Faulkner, the present Prime Minister, himself succeeded to the Premiership (in March 1963), then his power-base in the Unionist right might have been used to make successful reform where O'Neill was bound to fail. What is beyond surmise is that, as events turned out early in 1969, that power was used to destroy O'Neill's last chance.

On January 23, eight days after Cameron's appointment, Faulkner resigned from O'Neill's Cabinet, citing as his reason the lack of "strong government." Weakness, in his view, was being shown by appointing a Commission to investigate the disturbances of the Civil Rights campaign: he had always been "unhappy" about the idea. Then, while claiming to be in favour of reform, Faulkner deployed a classic reactionary defence: he affected to object to the manner, not the matter, of reform.

The Ulster Government, he said, must choose between two quite different courses. *Either* it must gain Unionist Party approval for "a change of policy," including immediate universal suffrage in local elections, or it must set out simply to resist "the pressures being brought to bear."

O'Neill's reply was bitterly contemptuous politics. In view of the supposed strength of Faulkner's view on the Commission, O'Neill found it "rather surprising . . . that you did not offer to resign when the Cabinet reached its decision. . . ."

"I will remind you," he went on, "that . . . after the events of October 5 in Londonderry . . . it was you who were one of the principal protagonists of the view that there ought to be no change under what you described as 'duress'." It was true, said O'Neill, that when the Commission was mooted, Faulkner had proposed instead that the party be asked outright to approve one-man-one-vote. But as Faulkner himself had said earlier that the franchise could not be changed in the short term, and knew "full well" that the party would refuse, then the suggestion was "disingenuous."

"You also tell me that you 'have remained' through what you term 'successive crises.' I am bound to say that if, instead of 'passively remaining' you had on occasions given me that loyalty and support which a Prime Minister has a right to expect from his deputy,, some of these so-called 'crises' might never have arisen."

O'Neill had one move left to make. He called a general election for February 24 (1969), a gamble predicated on the hope that he might find among the electors the "middle ground" support which was insufficiently available among the politicians.

It is hard to recall, now that the Falls Road and the Ardoyne are IRA fortresses, that in February, 1969, O'Neill, the Unionist Premier, could go into those districts and be swept off his feet by cheering crowds. And it is worth remembering that, in strict terms, O'Neill won the election. That is, he and the Unionists who supported or tolerated his policies formed a simple majority in the new Parliament.

But to resurrect his full authority O'Neill needed to inflict exemplary punishment on his opponents. He did not do so. In only two cases were established anti-O'Neill members upset by O'Neill supporters. Out of thirty-one contested Unionist seats, eleven were won on specifically anti-O'Neill platforms, while others were ambiguous. The anti-O'Neill victors included some of the most important Protestant spokesmen (William Craig, Desmond Boal, Joe Burns) together with Brian Faulkner and several of his present Government (Captain John Brooke, John Taylor, Harry West). "Wee Johnnie" McQuade, a wizened docker, who outdoes Paisley in intransigence if not in coherence, increased his majority, and O'Neill himself, who had never before had to defend a seat, came within 1,414 votes of losing to Paisley.

It was therefore a weakened O'Neill who now faced a further turn of the screw. And Derry was once more the scene of a particular incident with powerful symbolic effects: the Samuel Devenney affair.

The North Derry CRA proposed to stage a march on April 19, 1969, which would start at Burntollet Bridge and enter the city. Fears that Protestant reaction would be violent caused the Ministry of Home Affairs to ban the march, and after a long meeting with the Minister the CRA officials agreed to respect the ban.

On the 19th, there was a spontaneous sitdown by Civil Rights supporters inside the Derry walls. Nearby, there was a gathering of Paisleyites who had been to Burntollet just in case the march might take place. Stone-throwing between the two groups began.

The police response was to drive the Catholics back into the Bogside, and the result was a battle which lasted until midnight. (One policeman in difficulties fired two shots, which he said were sent up into the air). Although the events of the 19th were outside Cameron's terms of reference, the Commission still reported that "we were presented with a considerable body of evidence to establish further grave acts of misconduct among members of the RUC . . . these should be vigorously probed and investigated."

The Devenney family were among the victims. At 9 pm on the 19th—this comes not from Cameron, but from subsequent inquest records—Samuel Devenney, a man of 43 with a weak heart and a record of TB, was at home with his wife and five children, aged between five and eighteen. Nearby, some Bogside teenagers were stoning a group of RUC men.

APRIL 1969: BOGSIDE'S FIRST MARTYRS

Six police Land Rovers came round the corner, and the youths dashed into the nearest open doorway, which chanced to be the Devenneys' in William Street. Just what happened to them is uncertain, but somehow they got away—probably by rushing straight through the house while the Devenney children tried vainly to stop them.

The policemen then burst into the house, and fell upon the Devenney family with batons and boots.

Samuel Devenney was taken to a hospital with a badly-cut scalp, and within hours he and his family had become symbolic martyrs for the whole of the Bogside.

His subsequent death—which was never linked by medical evidence to the police assault—and the consequences of the delayed abortive inquest belong later in the narrative. But the vital fact should be noted here that the officers who made the assault were never brought to justice.

The reason why the matter could never be "probed and investigated" as Cameron recommended was more significant than the brutality of the event itself.

On the night Samuel Devenney was beaten the senior officers of the RUC in Derry were not in control of what was happening in Bogside. Police from other forces had poured into the city: nobody knew where they had come from, or where they had been deployed. At the station nearest to the action, the desk log was not kept properly: in any normal force, the culprits might have been traced from the duty rosters, but in Derry that night those basic documents were not kept.

Records are one essential attribute of a police force which is restrained by law, but in Derry on the night of April 19, 1969, large sections of the RUC had turned into a sectarian mob.

Yet the beatings which the RUC had handed out in Derry did not slake the increasing Right-wing Unionist demands for "strong government." Indeed, the case for strength appeared to become incontrovertible, for bomb explosions now became a part of the political brew.

On April 20, the Belfast water-supply lines from the Silent Valley reservoir were seriously damaged by gelignite explosions. On April 25 there were further and more damaging explosions, which dislocated supplies to the city fairly thoroughly.

"IRA plan behind the blasts, says RUC," ran the Belfast Telegraph headline.

The bombs alone, of course, did not bring O'Neill down, but they were weighty final straws. On April 28, the Premier resigned, saying that what was impossible for him "may be—I do not know—easier for someone else." He was, in the words of the Daily Telegraph, "the one politician willing to lead this province of 1,500,000 people out of the dark shadows of religious strife." Two other, and less sensible, comments on his fall may be worth recording, one denying the reality of any "dark shadows," and the other revelling in their opacity:

Bernadette Devlin, on this occasion, thought it was all capitalist nonsense to talk about religious strife, and distilled the PD view into the starkest naiveté it has yet achieved: "Ulster's problem is *not* a Catholic-Protestant problem."

The Rev. Ian Paisley, exulting over the fall of a "traitor," said: "We see this as the hand of God."

The Almighty's hand, however, had received some assistance on this occasion. At the time, the view that the Silent Valley bombs were IRA work could not be effectively discounted, and even today the history of the episode is clouded. But after the British intervention, and after Sir Arthur Young had taken over the Royal Ulster Constabulary, William Stephenson and several other men were placed on trial for the Silent Valley explosions. Stephenson was self-styled "Chief of Staff" of the Ulster Volunteer Force, the shadowy Protestant equivalent of the IRA: he pleaded guilty and gave evidence against the other men charged, who pleaded not guilty.

The evidence of Stephenson, a man of dubious character, was not enough to convict his fellow prisoners, and they were acquitted. (The atmosphere of the trial was marred by the fact that towards its end a bomb went off outside the jury room.) But it is still reasonable to take Stephenson's own plea and conviction as evidence that it was Protestants who first turned to the use of gelignite in this particular cycle of Ulster politics.

Ulster's constitution is the Government of Ireland Act, 1920, one section of which says that "Notwithstanding the establishment of the Parliament of Northern Ireland . . . the supreme authority of the Parliament of Westminster shall remain unaffected and undiminished over all persons, matters and things [in Northern Ireland]." If there is one thing which has united Labour and Tory at Westminster, it is a desire to leave that section gathering dust as long as possible.

During all the long exposure of Ulster injustice in the Sixties, any Parliamentary question at Westminster was turned aside on the grounds that "by convention" the "internal affairs" of Northern Ireland should not be discussed. During the 1964 election, Harold Wilson saw Sir Alec Douglas-Home, about to appear on a TV programme beamed at Northern Island, tear off his own tie and put on one which bore the Red Hand of Ulster: Wilson was amazed at even so trifling and symbolic a breach of the tradition of separateness. "Any politician who wants to get involved with Ulster," he muttered, "ought to have his head examined."

Throughout 1968, Wilson managed to minimise his entanglement with Terence O'Neill's problems, although he concurred in the O'Neill's reforms of November, 1968, and in the appointment of Lord Cameron's Commission. But after the fall of O'Neill, it became steadily plainer that the British Government was going to get deeply involved.

It seems reasonable to look for evidence that some major debate took place within the Labour Government at this point. We have not, however, been able to find any. There does not seem to have been a Cabinet meeting which was devoted entirely to Irish questions until after the troops went in (in August, 1969) and Labour's policy is well described in the words of a civil servant. "We chose the least disturbing option every time," he said.

Terence O'Neill's calibre was that of a decently competent Westminster Tory, which is what he set out to be before he became king fish in the more limited Stormont pool.

He was succeeded by an honourable, but politically simpler man, his distant cousin James Chichester-Clark. Conceivably, relations with Westminster would have been better had the "professional" Faulkner won, but Faulkner lost by one vote: a result which instances the effect of personality in Ulster politics.

Even though it was the withdrawal of Chichester-Clark's support which finally brought O'Neill down, O'Neill still voted for his cousin against Faulkner. It was done not for family loyalty or for reasons of state, but simply because "Jimmy had only been trying to bring me down for six weeks. Brian had been trying for six years."

The authority of the old O'Neill Government had been destroyed during a long winter of the repression of marches and demonstrations designed to advertise the grievances of the minority. The authority of the new Government now faced the summer season of Orange marches, designed to exalt the supremacy of the majority. More than one newspaper speculated that British military force would soon have to come into play, and it was scarcely difficult to anticipate the dangers. There remained, all the same, much complacency in both Stormont and Westminster.

There were already British troops in Northern Ireland, but they were garrison troops, not engaged in putting down riots. Their headquarters was in Lisburn, in pleasant rolling country worlds away from the gritty Belfast slums. Nevertheless, when General Sir Ian Freeland arrived on July 9 to take up his command as GOC Northern Ireland, he smelt trouble in the air at once.

Next day, Freeland met Chichester-Clark and Anthony Peacocke, head of the RUC. The first big Orange parades, the Boyne celebrations in Derry, were just forty-eight hours away. Violence had been mounting for the past three weeks: rival crowds, savage speeches, sporadic punch-ups. Yet Chichester-Clark and Peacocke were unworried. There would be no trouble, they told Freeland. Orange marches never caused trouble.

As there has been no lack of people to explain later that Freeland was not "the right general for the job"—whoever that unlikely paragon may have been—it might as well be said that he seems to have been one of the few actors on the Ulster scene who never tried to pretend the difficulties did not exist. But in face of Stormont's optimism, there was nothing he could do except warn Whitehall.

Neither Freeland nor any other serious

soldier seems to have been exactly enthusiastic about the chances that a military presence could restore communal peace to Ulster, but the one thing they were sure of was that an inadequate military presence would be disastrous.

Freeland had just 2,400 garrison soldiers in the province, and half of them were tied up guarding power-stations because of the April bombs. Still, Ulster in Ministry of Defence reckoning stood behind the Far East, the Rhine Army and the Strategic Reserve in the queue for reinforcements. "Why won't they realise we are on the brink of civil war?" said Freeland to one of his staff in July.

On July 12 the Orangemen marched in twenty places throughout Ulster, including Londonderry, by now a city of seething neurosis. By the morning of July 13, 1969, the police were scarcely able to keep the two communities apart.

LABOUR AGREES TO TROOPS, BUT WITH STRINGS

Three days later, the British Government began to prepare. A rising young minister, Roy Hattersley, was summoned to the Prime Minister's room at the House of Commons.

Wilson explained that he had planned a Government reshuffle in September, but meanwhile the Defense Secretary, Denis Healey, had to go soon into hospital. Would Hattersley therefore leave the Department of Employment and Productivity at once, and go to Defense as Healey's deputy? His first task would be to make ready for the possible use of British troops in Ulster.

The obvious step, after the disturbances of July 12, was to ban all further parades in the province. It could hardly be said to be undemocratic after the bans imposed on Civil Rights marches, and it was clear that the RUC's capacity to maintain order was now vestigial.

Both Wilson and Healey favoured a ban. But Ulster was firstly the responsibility of the Home Secretary, James Callaghan. He talked to Chichester-Clark, and reported that the Ulster Premier would fall from power if he had to cancel the Orange marches still to come. Reluctantly, the Cabinet agreed to the marches, and this was to become a familiar mechanism: a British government agreeing to follow a policy which it did not favour, but which was thought necessary to protect an Ulster Premier from his "supporters."

The alternatives were to accept a new Premier, perhaps some such primitive as Craig—or to impose direct rule from Westminster. There is conflicting testimony about how seriously and in what terms direct rule was discussed by Labour.

The Ministry of Defense calculated on the basis that direct rule could mean military rule, if the Ulster civil service refused to cooperate. That would require some 30,000 troops. Denis Healey, wrestling with NATO commitments, said that was "impossible."

The real reasons against direct rule were perhaps less concrete. Crossman and Jenkins lectured the Cabinet on the lessons of Irish history. "If there is one thing I have learnt," said Jenkins, "it is that the English cannot run Ireland." "It was damned easy to get Makarios to the Seychelles," said Callaghan, recalling Cyprus, "but damned hard to get him back again."

Most of the Labour Government discussion towards the end of July turned on a technical question: assuming that troops were to go to the aid of the civil power, on what basis should they do so? The question of what civil power they ought to be aiding was never really faced.

Sir Elwyn Jones and the law officers produced a "minimum answer" which raised as few principles as possible. The soldiers should go in as "common law constables."

On July 30–31, 1969, the Labour Cabinet held a two-day meeting to wrap up business before the summer holidays. Wilson and Callaghan were given authority to give Chichester-Clark troops if he asked for them. The "strings" would be worked out later.

Two days later the consequences of Labour's ambiguous formula began to work themselves out on the Ulster streets. On August 2 an Orange march paraded past the block of Catholic flats, near Belfast city centre, which are ironically named Unity Flats. At the height of the riot that followed, when it looked as though two police stations might be overrun, the Belfast police commissioner, Arthur Wolseley, called troops to his aid.

For a few hours about sixty men of the First Queen's, plus a tactical HQ unit, were actually stationed at police headquarters in East Belfast. But Freeland ordered them back to barracks before the fact came out, and the August 3 message log of 39th Brigade (the Ulster force) makes clear the reason, and the Army's interpretation of the formula:

"No question of committing troops until all methods exhausted by the police."

Wolseley and his chief, Peacocke, questioned Freeland. Did "all methods" mean that the police had to call out the B-Specials before the Army would move?

It did.

Even the RUC men were taken aback. Did Westminster not realise that the effect calling the B-men into Belfast would have on the Catholics?

As one of Freeland's own officers not long afterwards referred to the B-Specials as "a trigger-happy bunch of sportsmen," there could be no doubt how he felt. But all he could do was repeat his orders. The consequence of the British Government's position was that before troops could go in, the Stormont Government must be forced into an assault that the Catholics would neither forgive nor forget.

In the words of one of its members, the policy of the Labour Government amounted to "doing anything to avoid direct rule." Yet during the week before the Apprentice Boys' march, the London newspapers were full of stories suggesting the exact opposite.

The Financial Times, on August 6, was quite unambiguous: "British troops would only be used to restore law and order in Ulster if the Northern Ireland Government first agreed to surrender its political authority to Westminster.

The journalists were reporting with perfect accuracy the information which Harold Wilson was feeding into the political lobby system. "Harold," recollected a Whitehall civil servant, "was huffing and puffing about 'not being a rubber stamp for Stormont'."

This was a last-minute attempt to bluff the crisis away, the theory being, apparently, that if the Ulster Cabinet read in the newspapers that Labour policy was the opposite of what it really was, then they might be frightened to ask for troops, and might therefore ban the Apprentices' parade.

But it is not easy to bluff men who are playing for political survival. On Friday, August 8, Chichester-Clark had an angry session with Callaghan at the Home Office. Chichester-Clark was demanding reserves of CS gas and Army helicopters: Callaghan, supposedly, was "explaining the facts of life" to the Ulster Premier.

"Jimmy more or less told Callaghan to stuff it," said Chichester-Clark's brother Robin, who sits as a Westminster Unionist MP.

AUGUST 1969: PETROL BOMBS BEGIN TO FLARE

Over the weekend of August 9–10, the Stormont Cabinet learned that despite Callaghan's sermonising, they would not lose their independence if they called in British troops. The only lasting result of this episode was to convince the Ulstermen that Whitehall only rarely meant what it said, and on Monday, August 11, the Stormont Cabinet met and ratified their decision to let the Apprentices hold their parade.

The decision set off a series of complex and often violent interactions in Derry, Belfast and Whitehall. The week of August 11–16 was when the British public suddenly came face to face with the fact that there was a part of Britain where politics could kill.

The sheer savagery of the streets was conveyed at the time by television and newspapers. What was harder to distinguish, let alone convey, in the bloodstained jumble of events, was the sequence that precipitated British power into Ulster.

The Apprentice boys' parade on August 12, 1969, was not significantly more "provocative" than others in previous years. But to discuss it in degrees of provocation is to imply that it is, like a students' demonstration in England, a basically pacific event which may on occasion be taken over by wild spirits.

The Apprentices' parade is a matter of solid citizens celebrating their continued enjoyment of something which they hold to be required for their survival: namely political hegemony over their Catholic fellow-citizens.

It therefore assumed on August 12 its normal form of 5,000 men wearing bowler hats (the Orange "uniform") marching along the walls of Derry, which enclose the old Protestant town and look down upon the impoverished Catholic Bogside. They were accompanied by bands and banners, and sang *The Boyne* and other anti-Catholic songs.

As they went, some people in the parade threw pennies down into the impoverished Catholic Bogside.

In August, 1969, after nearly ten months of intense political excitement, the Bogsiders were not prepared to take insults quietly. It is not clear to us when pennies were replaced by stones, nor from which side the first stone came.

What matters is that violence was implicit, and that the moment it erupted it assumed a pattern which the police could not contain.

The Catholics began to build barricades across the entrances to the Bogside. On the roofs of flats and houses, children were put to work making crates of petrol bombs. The RUC drew up on the perimeter of the Bogside, and behind them the old city was full of gangs of Protestant youths anxious to follow the police into the Bogside and teach the Catholics a lesson.

On Tuesday night, and throughout Wednesday violence assumed a ritual form. RUC constables, armed with batons and riot shields, made charge after charge into the Bogside. Each time they were repelled by rocks and petrol bombs.

From the police viewpoint, this was an attempt to restore authority in the face of hooliganism. In the view of the Bogside it was simple self-defense. Samuel Devenney had died three weeks earlier: with his example in mind, it was not necessary to be a radical, but only an ordinary family man to want to make sure that there was not another RUC "punitive expedition" into the Bogside.

Throughout Wednesday the attempt to subdue the Bogside continued, with the police becoming more disorganised.

There is no doubt that during the rioting the Republican tricolour was flying from several Bogside buildings. To Protestant opinion throughout Ulster, it seemed obvious that the province was facing a Fenian insurrection.

The next afternoon, as the wind shifted and began to blow CS gas back into the city's Protestant area, the order went out from the new Prime Minister in Stormont to mobilise the B Specials.

Almost at once these armed and scarcely trained men began to mingle with Protestant mobs who were burning shops in the outlying Catholic pocket of Bishop Street. There would have been a ferocious clash between the Specials and the Bogsiders, if events had continued on this course.

But at 3:30, half-an-hour after the call went out for the B-men, Chichester-Clark had called Downing Street and said that his police could no longer guarantee order in Derry. At the same time a letter from the police chief Peacocke conveyed the same formula to an unsurprised General Freeland.

It was a call—this time unavoidable—for British troops.

Northern Ireland's permanent garrison was not in great strength because earlier that month one of the four battalions had been sent to Kenya. But the police admission that order could no longer be maintained meant they had to be committed at once. At 5 pm that day—Thursday, August 14, 1969—the first truckloads of soldiers began rumbling across the River Foyle into Derry.

As the police departed, the Bogsiders cheered. There could be no doubt that the RUC withdrawal was a short-term Catholic victory, nor that the news of that cheer reached Belfast the same evening. In Derry, of course, a Catholic victory is alway possible, for the Catholics have a local majority and easy access to the border with the Republic. In Belfast, the Catholics are outnumbered and hemmed into their ghettoes: traditionally, the Belfast Catholics have been held hostage for the good behaviour of others elsewhere.

And on Thursday night, the traditional mechanism went into action in Belfast.

The sending of troops into Derry was bound to shatter the last remnants of civil order in Belfast. Because the B-men had to be mobilised before there could be a call to the military, the Catholics, in genuine fear, would start to barricade the Falls and Ardoyne ghettoes. Because it meant a defeat for the RUC, it would provoke Protestant attacks on the Catholic areas, in which the police would be likely to get involved.

Whatever the trigger, there can be no doubt of the ferocity of the violence which reached its apex in Belfast on the night of August 14/15, 1969. Before it was extinguished, ten civilians had been killed and 145 civilians and four policemen wounded by gunfire.

The RUC was in an anxious mood. According to Deputy Commissioner Bradley, intelligence sources said the IRA had plans to pick off selected officers with sniper fire.

(In fact, it was not until October that the first RUC man was killed, and then it was by a Protestant gunman.)

The events of August 14/15 in Belfast are known in Catholic mythology as "the pogrom", a misuse of history as severe as any Protestant rubbish about the Revolution Settlement. The Scarman transcripts disclose nothing akin to the Turkish massacre of the Armenians: they do disclose, however, the RUC using firearms with such freedom as to quite disqualify it from being called a police force. And the circumstances in which Shoreland armoured cars with Browning machine guns came into play were certainly such as to provide the seeds for myth.

The Shorelands—unarmed—had first been brought on to the Belfast streets to control rioting on Tuesday. On Wednesday morning Anthony Peacocke, head of the RUC, had consulted with Arthur Wolseley, the Commissioner for Belfast, and Wolseley's deputy, S. J. Bradley. An immediate order was placed for ten more Shorelands. This decision was certainly Peacock's, as evidence before the Scarman Tribunal shows. But the decision was also taken to arm the existing Shorelands with .30 calibre Browning machine guns, and this no one is prepared to acknowledge.

Bradley told the Tribunal that he and Wolseley recommended to Peacocke that the guns—normally kept to border skirmishes—should be fitted. Peacocke said he could not remember being asked to take such a decision. They were, however, fitted, and several inexperienced crews were assembled to man them.

TROOPS ENTER BELFAST AND A MYTH IS BORN

A Browning machine-gun of this sort has a range of about two miles, and fires ten high-velocity bullets every second. It is a sophisticated weapon of war, unsuited for riot control in a crowded city.

Around midnight on August 14, there was a battle near the Divis Street section of the Falls Road. Here, a complex of post-war flats and maisonettes overlooks a mass of Victorian terraces. It is a Catholic area.

A mob from the Protestant Shankill Road, slightly to the north, had come down to attack the St. Comgall's Catholic School on Falls Road near the Divis Flats. Shots were being exchanged, both Catholics and Protestants were being wounded, and just as a detachment of three Shorelands arrived a Protestant civilian named Herbert Roy was shot.

The police believed that there was at least one man shooting from the Divis Flats. In the opinion of District Inspector Cushley, in charge there, it would have been correct for the Shorelands to fire at the flats, if they could see an "identifiable target." This, even though innocent people in the flats would be endangered. One such person was a nine-year-old boy named Patrick Rooney, who was sheltering in his bedroom.

Head-Constable Gray first told the armoured car crews they could open fire. To judge from his evidence, Gray was under considerable pressure. "People were shouting, 'A man is dying, a man is dying. What are you going to do?'" (The man was Herbert Roy, bleeding to death on the pavement.) Gray's suggestion was that the armoured cars might fire over people's heads; Inspector Cushley amplified this by saying they could engage "identifiable targets."

Exactly how the cars came to open fire, and what they thought they were firing at, is not clear from the evidence of the crews—who appeared at the Scarman Tribunal under code-names. One man thought there was a machine-gunner by the Divis Flats. Another saw a grenade-thrower. It was quite clear, however, from subsequent investigation that at least eight bursts of Browning fire hit the Divis Flats. The guns cannot in practice fire fewer than five rounds in a burst.

Four bullets entered Patrick Rooney's bedroom, and blew half his head away.

It should, of course, be said that of the six people killed on that night, several were Protestants like Herbert Roy. But they were killed in Catholic areas; in other words, they were not killed by Catholic mobs going into Protestant districts. And indeed, where police guns and batons did drive the Catholics off the streets, they were followed over and over again by Protestant mobs setting fire to houses. By Friday morning, around 150 houses, nearly all Catholic, had been destroyed by fire.

The flow of events now began to submerge both Army and politicians. When his troops went into Derry, General Freeland realised they would have to cover Belfast, too. But he told Whitehall that he was so short of men that they would have to be deployed with exceptional care for any hope of success; at least thirty-six hours would be required. The Vice-Chief of the General Staff, Lieut-Gen Fitzgeorge-Balfour, agreed, and the Home Secretary was told that the troops would go into Belfast on Saturday, August 16.

But at noon on Friday, August 15, Callaghan had a Press briefing scheduled. With the morning papers carrying the news of the burning of Belfast, he could hardly have cancelled it. Callaghan badly needed something to say, "Gentlemen," he announced, "the troops are going into Belfast."

Freeland got the news of this abrupt acceleration of the move into Belfast when he happened to tune in to BBC radio's World at One news programme. Fitzgeorge-Balfour and Roy Hattersley, the Army Minister, heard at the same time, and there was an argument of no small proportions which culminated in this exchange:

FITZGEORGE-BALFOUR (opposing the move): As an old soldier, let me tell you that the time spent on reconnaissance is never wasted.

HATTERSLEY: As a young politician, let me tell you that when the Home Secretary says troops are going into Belfast, troops are going into Belfast.

Two hours later, the soldiers were desperately trying to get in between the two communities, but without any certainty where one ended and the other began. "We couldn't have been worse off," said Freeland. The Army was going in too late to save the Catholics from the attacks of the night before, too early to be prepared against future attacks, and too thin on the ground to be effective. Out of the confusion, another Catholic myth was born.

On Friday night, a reinforcement battalion landed at Aldergrove and drove straight to the Crumlin Road—but they were too late. That afternoon Protestant workers had crossed into the fringes of the Falls ghetto to burn more Catholic houses in Bombay Street. The Army, it was said, had stood by and let it happen. The truth was that the handful of Welsh soldiers who were in the vicinity did not have the slightest idea what was going on.

Despite incidents like this, which were exploited only much later, there were numerous reports about the gratitude with which the Catholics were receiving the troops, especially in Derry. And it is no doubt true that the incursion cut short an offensive which certainly some Protestants were prepared to see claim many more Catholic lives. "If it hadn't been for the ———ing British Army," complained one Unionist statesman to the former Prime Minister, now Lord O'Neill, "we would have killed a thousand of them by Saturday."

There is no doubt about the bitterness of some Protestant reaction. (It was not the Catholics, but Ian Paisley who first compared the British Army to the SS). And this, together with some fine reforming rhetoric from James Callaghan, concealed for a time the underlying reality: that when the Labour Government sent troops to aid "the civil power" in Ulster, they sent them to support the Orange supremacy. In at least one quarter, the truth was realised.

Aboard the Thames houseboat which is his London residence, Captain Lawrence Orr, leader of the Unionist MPs at Westminster and Grand Master of the Grand Orange Council of the World, said: "We're getting the troops, and we're getting them without strings."

A few days after Britain entered its most significant military commitment for a generation, there was a meeting at which the Labour Cabinet solemnly asked themselves if there might not be some Oxford academics who could perhaps advise them on Northern Irish affairs. The depth of Ministerial innocence was profound: it is generally held that until 1969 the last ministerial presence in the province had been Labour's 1964 Home Secretary, Sir Frank Soskice, and that for one afternoon.

Yet the Labour Government, chiefly through the presence of James Callaghan, managed to give the impression of being more or less in control of Ulster. This is something that the Tories have failed to do, but in retrospect this has more to do with the fact that Labour were lucky to lose the General Election before the new season of Orange marches began, and before the emergence, late in the drama, of the IRA gunmen.

OUTFLANKED BY WILSON ON THE B-SPECIALS

The truth is that Labour's policy on Ulster was short-term and limited in objectives. The Cabinet formed a Northern Ireland Com-

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mittee which included Wilson, Callaghan, Healey, Jenkins and Lord Gardiner. But it was concerned in the main with "sorting out the endless disputes between Freeland and the police or between the Ministry of Defence and the Home Office."

Labour reformed the police and announced social reforms. But what is now seen as the central issue, the Protestant monopoly of Power at Stormont, was never tackled; and to be fair nobody in public life in England was urging Labour to tackle it. "We ought to have got round to it early in 1970, but the Election came and we missed our chance," one of the Ministers involved has reflected to us.

Labour made two other errors with whose consequence the Tories have had to live. First, they overestimated their own capacity to force on the Stormont Government the need to make reforms which would be really meaningful, quickly, to the Catholic population. Second, they underestimated the extent to which the very fact of the military presence, even in a "peace-keeping" role, might itself corrode the trust of the community and leave the way open for the ruthless exploitation of new senses of grievance.

Indeed, the first tangible result of Labour policy was a misunderstanding which almost destroyed the authority of James Chichester-Clark, their supposed agent of reform.

On August 19, 1969, James Chichester-Clark, escorted by Brian Faulkner, went to London for a five-hour bargaining session with Harold Wilson, James Callaghan and Denis Healey. The outcome was the famous "Downing Street Declaration," which committed both governments to reform in housing, employment and civil liberties. But it turned out that what was not written down was what really mattered.

Discussing strategy before the meeting, Chichester-Clark, Faulkner and Robert Porter, the new Ulster Minister for Home Affairs, had realised that Labour would want the B-Specials disbanded. They also agreed that it would be political suicide to agree.

They devised a scheme, and when the B-men came up, Chichester-Clark sprang it. Why not, he proposed, put both the police and the B-Specials under Army command?

"I think you could fairly say," he reported later, "that a pin might have been heard to drop." The three Labour men retired to consider this suspicious surrender, when they returned, accepting it, Chichester-Clark thought that he was home. He agreed to their suggestion that the B-Specials should also be "phased out" of riot control.

The meeting broke up just as ITN's News at Ten was beginning, and Wilson went on at once to announce that "the B-Specials are being phased out." Horrified viewers in Ulster took this to mean disbandment—which was exactly what it did mean in the mind of Denis Healey at least.

Of course, it was not what Chichester-Clark had in mind. But he was at the other end of the studio, and he did not hear what Wilson was saying. Therefore, when he followed Wilson on to the programme and muttered a few standard sentiments, he appeared to acquiesce in the destruction of the B-men. He had no idea what he had done—or what had been done to him—until he landed at Belfast Airport in the early hours and was met by his incredulous wife, who had watched the programme.

At once, a feeling of doom overcame Chichester-Clark. In retrospect, he feels that he never really recovered from the damage the episode did him. He just about managed to quell the inevitable revolt among the Stormont Unionists by handing out assurances on the future of the B-men, but in the Downing Street talks he had agreed to the idea that Lord Hunt should be appointed to look into the organisation of the Ulster police.

When, on October 10, 1969, Lord Hunt reported, and recommended that the B-men indeed be disbanded, it merely seemed that Chichester-Clark had been party to a plot.

Freeland Gives the Rioters a Bloody Nose

The Hunt Report came as an appalling shock to Protestant opinion, because moreover it recommended that the regular RUC should be sweepingly reformed and *disarmed*. Its release on a Friday night was admirably timed to fit in with the weekly rhythms of Belfast violence (a mistake which has not been repeated), and it evoked riots from the Protestant Shankill mob as bad as anything since 1922.

An RUC inspector was killed: no policeman, surely, could die a more ironic death than to be shot down by a mob protesting against disarmament of his own force. But the most potent thing about these riots was the manner in which the Army put them down. It illustrates, outside the Catholic context, the effects which follow when an army is pressed into service as a police force.

The Army claimed later that the rioters fired more than 1,000 rounds from weapons which included a machine-gun and several sub-machine-guns. Even if that figure is a little high, there can be no doubt that the Shankill riots were a considerable affray. Equally, there is no doubt that the Army's reaction was vigorous. "We gave them a bloody nose," said Freeland.

The heartiness of that euphemism begins to convey the difference between civilian and military scales of violence, for the "bloody nose" amounted to two Protestants shot dead by Army marksmen, and a large number injured.

Edward Bawman, a 32-year-old plumber's mate, was one of the injured. Bawman and two friends were among those accused in court of disorderly behavior. An Army sergeant said that he had seen three men throwing stones: when they flew down a side street, he was ordered to pursue and arrest them.

Bawman said in court that he and the other two had been talking outside his house when soldiers charged down the street. They fled indoors to avoid trouble. Seconds later the soldiers burst in, and the evidence of violence was not arguable: Bawman had a broken arm, and at the hearing another was still in hospital with a fractured skull.

"They beat us and beat us and beat us," he said. The case against Bawman and his friends was dismissed because the magistrates could find no clear pattern in the evidence, except that violence had clearly been used and the accused men had been the recipients.

The ruggedness of the military approach to law and order was one thing. There were also signs that its application might be arbitrary: a point which can be made by looking at some of the cases in which evidence was given by Sergeant William Power of the Third Battalion, Light Infantry.

Sergeant Power, clearly an outstanding soldier, won the BEM for his courage during the Shankill riots. He gave evidence in at least a dozen cases—mostly charges of disorderly behavior—arising from them. In four, convictions were overturned on appeal, when striking inconsistencies emerged from Army evidence.

The Army Gets Down the Barricades

There was the case of Cyril Brinkley, a labourer aged thirty-one. Sergeant Power said that about midnight he saw Brinkley come forward from a crowd of about 800 and throw a petrol bomb. Power said he had then dashed forward and arrested Brinkley.

Brinkley told, in detail, a different story which the magistrate did not believe but the higher court did:

After watching Match of the Day on television, I was out for a walk about midnight when I head someone say that a man had been shot. I went to Mansfield Street, where I saw man who I knew lying on the ground.

I took a white cloth and eventually reached the Shankill Road, where I went up to a military barricade and asked if I could phone for an ambulance . . . I was told to shut up. The next thing I knew I was lying on the ground. My face was busted, also my right eye. . . . The nearest I ever got to a petrol bomb was seeing them on TV.

When we subsequently checked the Army log for that night, October 11/12, we found corroboration for Brinkley's story.

Such incidents do not remotely justify Ian Paisley's claim at the time that the British Army was emulating the SS. They do not show that Sergeant Power was deliberately lying. What they do support is the reasoned complaint of a senior police officer that "the Army quite often had no idea who they had arrested, when or where."

This is scarcely surprising, for soldiers are not trained to make arrest and note evidence. As a result, the Army can be used for community pacification only with certain clear risks to relations between the community and the Executive, something that few people in or out of Whitehall had taken on board in 1969. Mr. Enoch Powell emphasized the point in a speech yesterday, but even now it sounds perverse.

In 1969 the relations thus put at risk were between the Protestant and the ruling power. It was not until the start of this year that the corrosive impact of the Army began to bear upon the Catholics.

The British Army is composed of decent, honourable and well-trained men, but given this intrinsic unsuitability for the job it is irrelevant to say that "no other army could have shown such restraint," or to compare it favourably with American behaviour in Vietnam. Towards the end of 1969 there were several behind-the-scenes disputes about this basic question, between General Freeland and Sir Arthur Young, the City of London policeman sent out, after the Hunt Report, to take over the RUC from Anthony Peacocke and civilianise it.

Freeland's original orders in August had been "to command and task" the RUC as well as the Army. Young, when he arrived, got that changed, though he had to threaten resignation, and Freeland's responsibility became to "co-ordinate" Army and police. Young and Freeland did not always see eye to eye on what this means, but there was no direct way to resolve conflicts, because the British Government was similarly divided. Healey ran the Army, Callaghan ran the police, and Callaghan, jealous of the Home Office's role, saw to it that plans for a joint Ulster Department were scrapped.

In theory, difficulties should have been solved at Stormont's Joint Security Committee, chaired by Robert Porter, with Freeland and Young as its most powerful members. But Freeland had been given sole charge of "security operation" by the Downing Street Declaration, and he felt that this entitled him to mount road-blocks, searches, vehicle curfews and the like without necessarily consulting the committee.

In September the Army had a signal victory in its volatile relations with the Catholics. It got the barricades down—by talking with the IRA, still in its peaceful posture.

The Unionists complained furiously, and accurately, that the Army was negotiating with the IRA. But there was very little choice about this, unless the Army wanted to fight its way in and destroy the barricades itself (which was just what the Unionists wanted to see).

In negotiating to get the Falls barricade down, Freeland's chief of staff, Brigadier Tony Dyball, had a certain number of contacts to work through. On the Belfast "Peace Committee," he had met a Falls Road priest named Fr Patrick Murphy, who had close contacts with the CCDC, which was largely dominated by Jim Sullivan of the IRA.

On Saturday, September 6, Freeland himself went to the upstairs room of St. Peter's Presbytery on the Falls Road to meet Fr Murphy, a businessman named Tom Conaty (another Peace Council contact), Jim Sullivan himself and what Murphy called "six or eight good men and true," who accompanied Sullivan.

Disastrously, in the Army view, news of the meeting reached Tony Geraghty of The Sunday Times, and next day we carried a report that the Army was negotiating with the IRA. It was one of those hard cases where a true report has unhappy consequences. That night, there was a Protestant riot in Belfast, and on Monday, September 8, Chichester-Clark had to go on television and say that the barricades were an act of defiance, and must come down in twenty-four hours.

Both Army and Catholic leaders were horrified, and everyone began to play for time. The idea came up of a delegation to Callaghan, and after hasty factional debate, a formidable team was assembled: Conaty and Murphy of the Peace Council; Paddy Devlin and Paddy Sullivan, both MPs in the Catholic minority at Stormont; Gerry Fitt, a colleague at Stormont and also the Westminster MP for Belfast West; Jim Sullivan from the CCDC (or the IRA) and a lawyer named Jim McSparren. Callaghan agreed to see this gathering at 2 pm on Thursday, and in the meantime the threat of barricade removal was held over.

The meeting lasted seven hours. Callaghan said that he couldn't see Sullivan, because of the rumpus over the Sunday Times story, so Sullivan and Paddy Kennedy repaired to the Irish Club. (According to Conaty, they later came back secretly to meet Callaghan in his ante-room.) Agreement was reached, with Callaghan's personal assurance that if the barricades came down there would be soldiers at each end of every street to prevent Protestant incursions.

The weekend was spent trying to sell this deal to the rest of the CCDC, in the face of obstruction from men like Billy McKee and Francis Card, who were soon to emerge as leaders of the Provisional IRA. On Monday, when the Army was getting desperate, Fr Murphy had to call in his bishop, Dr Philbin, to work over the CCDC leadership.

Just before midnight, Brigadier Dyball rang Murphy, and the priest said it looked all right for Tuesday morning, but not too early for God's sake. Murphy still needed time to explain things, to get some sleep, and get back on the street for the demolition.

They agreed on 11 am. Then Dyball called back to suggest 9 am. Murphy said it was too early—even when the Bishop called, at Freeland's instigation, also to ask for 9 am. Murphy fell into bed at 5:30, to be awakened at 8:30 with the news that the Army had arrived.

When Murphy refused to come out, the Army waited patiently till 11 am, when Dr. Philbin turned up and the demolition began. In front of the TV cameras, the Bishop received a long denunciation from one of the future Provisionals, but all the barricades were down by Wednesday morning.

Ten days later, three Catholic houses were burnt, and the barricades went up again. This time Murphy negotiated direct with Freeland, and once more they were removed.

That such a raw-edged relationship between the Army and the Catholics should have survived through the autumn and into 1970 was an amazing feat of human relations. But the underlying danger remained—the fact that no Army, however well it conducts itself, is really adapted for police work.

Arthur Young, the police chief, continued to argue that the presence of the Army on the streets kept the tension screwed up and made it virtually impossible to get any civilian policing under way.

"My task," Young used to say, "is to talk the police back into the Falls," a piece of shorthand for a complex political problem.

The Unionist, and the general Protestant position was that when the Army had arrived in August and separated the two communities, it had "expelled" the police from the Catholic areas. These were the famous "no-go" areas behind the barricades, with which Ian Paisley made such play.

Since the Army had expelled the police from the Falls, said the Unionists, the Army must somehow put them back. The truth was that the RUC had not patrolled the Falls area for five years, except in pairs of armed Land Rovers—indeed, in the days of Home Affairs Minister Craig they had closed a station in the Falls, just as in the Bogside of Derry. But although Freeland, Young and Porter all knew this, none of them could say it publicly.

The first task was to somehow win the Catholics' confidence, and Young's policy was simply to talk to anyone. Seated beneath tricolour flags, listening to beery Republican songs, Young got an ovation from the Central Citizens' Defence Committee above a bar in the Lower Falls, and if he heard the sound of previous RUC chiefs revolving in their graves he gave no sign.

The method scarcely commended itself to Protestant opinion, and in mid-October, 1969, with Young in London for the day, Porter announced that the police were going back into the Falls—if necessary, with military backing. Porter was under immense back-bench pressure at the time, because this was just after Lord Hunt's verdict on the B-Specials.

Trying to repair the damage, Young spent the next day touring the Falls. Unfortunately, television cameras caught him talking to Jimmy Sullivan, the CCDC and IRA leader. Protestant outrage was little soothed by the fact that the IRA had still not yet made a single aggressive move.

What drove Young to such risks was shortage of time. He knew the "honeymoon" with the Catholics could not last while executive power lay with Protestant Stormont, and in November he proposed a bold solution to Freeland. The basic riot squad, he suggested, should be 100-200 soldiers armed only with batons, plus 100 policemen similarly equipped.

Porter seized on the idea. He wanted unarmed troops—"batons and gym shoes"—to accompany RUC men on patrols into Catholic areas. Gradually, he believed, it would be possible to withdraw the soldiers.

In retrospect it looks a risk worth the taking: it might just have appeased Porter's back-benchers without alarming the Catholics.

Freeland's reaction, however, to both original idea and elaboration was outright refused. "Soldiers in riot situations," Freeland told the Joint Security Committee, "must carry guns, and show they mean business." A man with a gun, of course, means only one kind of business—but in the end, that is the business the Army is in.

Granted, Freeland has plenty to go on apart from military convention. There was a question whether the RUC was yet fit for such a task. Young had arrived to find a force which was not only partisan and disposed to violence (he once defined a baton charge, in RUC terms, as "each policeman drawing his baton, and striking the nearest member of the public") but also under strength, out of date, and demoralised by having been placed under Army command.

It was easy enough to restore formal independence, and with a little more difficulty the RUC was persuaded to drop the distinction of being the only armed police force in Britain.

But to get the force back in charge of the streets was another matter. Here, Freeland effectively had the final say, and he neither agreed with Young's optimism about the RUC changes, nor saw the argument that the Army's presence on the streets actually hindered further RUC improvement.

The Army thought RUC staff work semi-literate ("You couldn't get them to number paragraphs," said one of Freeland's officers, "because they used to write like Mark Twain—start a new paragraph when you feel like a drink"), and they thought its intelligence was years out of date. But basically they considered the RUC as not really a police force at all, but an undisciplined paramilitary body.

The impression had been first created when Army officers discovered how the RUC had used their armoured cars on the Falls Road. And it was strengthened when, at Young's request, they cleared the RUC armoury at Sprucefield. "We took enough out of there to equip a division," said an officer.

If the RUC cut loose again, Freeland feared, the Army's own knife-edge relationship with the Catholic minority would be imperilled.

1970—And the Calm Is Deceptive

As 1969 drew to a close, the Labour Government still managed to maintain a confident demeanour. This was largely because of Callaghan's deftness.

Ulster dropped out of the headlines, but the quiet was dangerously deceptive—and perilous in itself, for it induced a false sense of security in the British Government and in British public opinion. Whitehall was congratulating itself on the excellence of the troops' relations with the Catholic population—which was, of course, a simple inverse product of the fact that relations were at that stage bad between the Army and the Protestants.

And nobody appreciated that relations with the Catholics could not for much longer be maintained by friendly soldiers while the mechanism of Unionist supremacy remained.

The Downing Street Declaration of August, 1969, had committed both governments, in theory, to a series of reforms. These took in all the demands of the Civil Rights movement, all the more of the concessions O'Neill had made: fair housing practice, new boundaries and adult suffrage in local elections, fair employment laws, the disarming of the RUC, the setting up of an ombudsman system and a civilian police council. But these were, of course, exclusively legislative reforms, which were—hopefully—to be passed by an unreformed Stormont.

In Ulster, where a sectarian block vote has given permanent power to a single party, there has always been a strong case in Ulster for proportional representation. One academic who, at this time, passed on to Labour the tip that even the IRA might consider this a major concession, was given a cool reception by Callaghan's understudy, Shirley Williams. "Think what Jeremy Thorpe and the Liberals would make of it," he was told.

Labour began to lose its sense of urgency, and with it a grasp of the scale of change needed. Callaghan himself was affected by the mood.

One of his first acts after the troops went in had been to instigate the setting-up of reform working parties. By the end of 1969 a small group under the Ulster Attorney-General, Basil Kelly, had spent four months examining the Special Powers Act—the keystone of the system of supremacy.

Perhaps surprisingly, Kelly's group reported in the early days of January, 1970, that it was time to make an end of Special Powers, at least in the form in which it stood.

The Act, they said, was demonstrably despotic, and much of it meaningless, or unenforceable, or both. Some especially useless additions had been made during the Craig regime: membership of "Republican clubs" had been made illegal, and the sale of the IRA paper, the United Irishman, had been proscribed.

The first was unenforceable, there being no sensible way of defining a Republican club. The second was bigotry, since on the whole the United Irishman (the voice of the

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Official, or "political" IRA) was scarcely more inflammatory than such Protestant journals as the Newsletter, Belfast's reapectable morning paper.

(An anecdote illustrates the flavour of Newsletter thought: the paper was, and is, fond of advocating "firm measures" to deal with Catholic disorder. One day, a high-ranking British officer was sufficiently annoyed to get the editor, Cowan Watson, into a conversational corner and make him reveal just what "measures" he had in mind. At last, the astounded officer understood Watson to suggest that perhaps a few Catholic hostages could be taken, and if necessary shot. Confirming this to us later, Watson said that he thought the context might be that "by trying to be more humane now, one was leading to greater inhumanity later.")

Attorney-General Kelly's working party advised that out of the Special Powers Act, only the power of internment should be kept—but instead of being dependent upon the signature only of the Minister of Home Affairs, it should, under a new Act, become possible to introduce it only with the prior consent of Parliament. Virtually everything else, such as the right to suspend inquests, and the police right to hold a man indefinitely on suspicion, should be scrapped.

Apparently, Kelly and his colleagues feared that Labour would want to repeal the Special Powers Act entire: therefore, this large series of concessions was offered to preserve the internment power in a usable form. If so, they overestimated Labour's reforming zeal.

So extensive a remodelling of the Act required Westminster approval: and this Callaghan refused to give. He was confronted with a golden opportunity to make a gesture to the Catholics which the Protestants would accept. Incredibly, he turned it down: Rather than drafting a new Act, he said, would it not be better to "let the old Act fall into disuse?"

It must have been a rosy future James Callaghan saw, in which Special Powers could "fall into disuse."

Any instant of calm in Ulster is enough to generate hundredweights of official optimism. People discover that the worst is over or—more recently—that the gunman is being mastered. One of the clearer voices raised in this cause during the peaceful early days of 1970 was that of Oliver Wright, the diplomat who had been serving as Harold Wilson's representative in Ulster. As Wright's tour of duty ended in March, he gave an ebullient Press conference.

"Cheer up!" was his message. "Things are better than you think." He was, of course, mistaken. But Britain was preoccupied with the June 18 General Election campaign, and its sequel in a new Tory Government, as the balance of tension began to change dramatically in Ulster.

Wright's successor, Ronald Burroughs, saw at once that danger sprang from the new series of Protestant marches due to start in June and the trouble began with great promptitude on June 3, 1970, when one of the first of the marches was making its way back from the City Centre along the Crumlin Road.

The route's march would take it right along the southern boundary of the Ardoyne, an isolated but therefore militant Catholic sector. Indeed, the march was heading for two sensitive spots: the mouth of Hooker Street, full of burnt-out houses, and the Ardoyne Catholic Church, which is cut off from its parish by the width of the Crumlin Road.

The colonel locally in charge got his first intimation when he saw the march coming up the Crumlin Road—somehow, the police had not told him of the route. Improvising, he tried to divert the marchers at Cambrai Street, a couple of hundred yards before the Ardoyne—and found himself with two nights of Protestant rioting.

A deeply worried Joint Security Committee met at Stormont on Wednesday, June 24, to consider the next weekend's Protestant marches. Proposed routes went past just too many predictable trouble spots. For example, one was along Cupar Street, which forms the northern boundary of the Catholic Clonard. This would take it right past Bombay Street, burnt out in 1969. It would inevitably cause fighting—but the routes of Ulster marches are difficult to change, because each one is based on a set of closely-argued territorial precedents.

Ronald Burroughs and Arthur Young of the RUC thought that the only course was to ban the marches. Both had excellent Catholic contacts, and had been warned that if the Protestants were allowed to march over the ground of their previous 'victories," there would be attempts to repel them. Brigadier Hudson, Freeland's new Chief of Staff, seems to have inclined to this view. But the Prime Minister, Major Chichester-Clark, maintained, exactly as he had the previous year, that his followers would destroy him if the marches were banned.

Freeland made the vital contribution. He said that the Protestants would march whether legally or not. Legal marches would simply be easier to control, and according to one account he told the Committee: "It is easier to push them through the Ardoyne than the Shankill." In other words, if the Catholics don't like it, they must lump it.

Freeland's attitude was that, in the end, the Army must show who was boss. Burroughs, as a diplomat, was more conciliatory. He knew that technically the Catholics had no legal right to try to repel Protestant marchers, but he also understood that fear is stronger than respect for legal technicality.

Next evening, after a dinner at the Wellington Park Hotel, Burroughs took the Catholic leader, Tom Conaty, aside in the car park and told him of the Security Committee's decision. Conaty, who was by now chairman of the CCDC (an organisation he had originally been shy of because of its "Republican" connections) knew that this meant illegal "defenders" (i.e., IRA men) would offer their services to the Catholic ghetto-dwellers: it was a point which Burroughs also understood.

Burroughs told Conaty that he would do all he could to get the decision changed, and would use his personal access to the British Prime Minister. At midnight, Burroughs got a call through to Edward Heath, who had then been in Downing Street just eight days.

Burroughs told Heath that bloodshed over the weekend was now inevitable—unless Heath stepped in and banned the Protestant marches. Heath listened coldly, and said that he would consult the new Home Secretary, Reginald Maulding. They decided to do nothing.

Early on Saturday thousands of Orangemen made their way in groups across the city towards the Shankill Road, where the major Orange parade was to begin. Most groups had their bands, and were singing Orange songs. (Orange songs vary from the traditional Boyne and the Sash, to more hair-raising freelance efforts, such as: "If guns are made for shooting, then skulls are made to crack/You've never seen a better Taig, than with a bullet in his back")

The first trouble was stoning between Protestant and Catholic crowds on the Catholic Springfield Road. This led into a battle on the nearby Ballymurphy estate between Catholic youths and the Army, who fired numerous CS canisters into the estate, but with relatively little effect. There was rioting, more or less severe, all over Belfast throughout the day: The Army was stretched perilously thin, and in all 276 people were injured.

But it was the two shooting affrays which were really serious. The first was in the Ardoyne, and it began when an Orange lodge marched up the Crumlin Road past the burnt buildings of Hooker Street. They then re-created a little way into Palmer Street, on the Protestant side of the road, and stoning began between crowds on either side.

HEATH USHERS IN THE DAYS OF TORY SILENCE

Quite suddenly, gunfire broke out, and there were exchange for roughly thirty minutes. At the end, three Protestants lay dead. When five Ardoyne men were tried (and acquitted) on murder charges, the police gave evidence that a group of gunmen emerged suddenly from the mouth of Hooker Street and fired without warning into the Protestant crowd. The local IRA Provisional commander is equally adamant that the first shots came from the Protestant side.

The second engagement began in the East Belfast ghetto called the Short Strand, or Seaorde Street, which is even smaller and more exposed than the Ardoyne—one pocket of about 6,000 Catholics among 60,000 Protestants on the east side of the Lagan River. The key to this small area is St. Matthew's Church and churchyard, which stands on Newtownards Road facing a group of tough Protestant streets to the north.

One is Gertrude Street, whose Orange Band is famous for its zest and repertoire. As the band passed St. Matthew's on its way home, someone flaunted a Tricolour from Seaforde Street, and the stones began to fly. A few shots were fired, without anybody being hurt, and things died down quite suddenly. But the scene was set for a bloody night.

There was more shooting, again harmless, around 10 p.m. Shortly afterwards, a Protestant group tried to set fire to the church with petrol bombs: the sexton's house, near by, was set alight. By this time the Stormont MP, Paddy Kennedy, was there, and he went to the Mount Pottinger RUC station near by to ask for protection for the church. He was told that the Army was already overstretched on the west of the river, and nothing could be done.

Also on the scene were the Belfast brigade commander of the Provisional IRA, Billy McKee; the local batallion commander Billy Kelly and his followers; and some local freelancers with guns. At around the time that Kennedy went to the police station, Kelly says that he approached a group of policemen in the Newtownards Road and asked them to do something about protecting the church, but they refused.

Kelly goes on that he then approached the officer in charge of a small army patrol, but was told, "You can stew in your own fat." Whether all the details of these exchanges are accurate is hard to say, but whatever was the case in the Ardoyne earlier, the IRA men in the Short Strand enclave seem to have had only defensive intentions.

Around 11 pm, Protestant groups, under covering fire from the streets to the north, began to attack the church with petrol bombs. Kelly and his men, established among the gravestones, began to shoot back, and Billy McKee joined in the battle, over Kelly's strongly-voiced objections. (This was a breach of the rules by McKee: in any local situation, even the chief of staff is supposed to defer to the local commander.)

The shooting went on until 5 am, when the Army at last arrived. By then two Protestants had been killed; another two died later from their injuries, and several more were wounded. (As the attackers, the Protestants were the more exposed.)

McKee himself had also been seriously wounded: he and another Provisional called McIlhone suddenly came face-to-face with a Protestant gunman who had actually got inside the churchyard The man opened fire with a carbine, hitting McKee. McIlhone hesitated for a fatal moment. The Protestant gunman had faster reflexes or fewer inhibitions. He shot McIlhone through the chest.

The fact that so long a gun-battle could go on was, of course, a simple failure by the Army in its basic task of getting in between the two sides. Catholic imagination soon added new dimensions: it was said in the Short Strand that the Army had sealed the bridges over the river, so that the attackers could finish the task at leisure. The truth was that, just as Kennedy had been told, the Army was just so busy in West Belfast that no one was spared to look the other way.

Surveying the wreckage of the weekend, which claimed six lives in all, and £500,000-worth of damage, Ronald Burroughs said to a friend: "That was the greatest miscalculation I have ever seen made in the course of my whole life." But there was worse to come, very shortly.

MAUDLING: WHAT A BLOODY AWFUL COUNTRY

The new Home Secretary, Reginald Maudling, had a chance to help retrieve things when he arrived in Belfast the following Tuesday, June 30, for a quick visit. But unlike Callaghan, Maudling could not even manage a helpfully emollient presence. "Tell me," said one of those who met Maudling, "is he really as innocent as he seems? He didn't appear to grasp the first thing of what was going on."

Maudling's own feelings were made clear as his plane gathered height on the way back to London. "For God's sake bring me a large Scotch," he said. "What a bloody awful country."

At about the time Maudling boarded his plane on July 1, a small group of men approached the occupant of 24 Balkan Street, a terrace house in one of the mazs of streets threading the Lower Falls Catholic enclave in the centre of Belfast.

They were from the leadership of the "Official" wing of the IRA. (The Falls, the main Catholic ghetto, is the homeland of the Officials—the more aggressive Provisionals being dominant in the outlying areas.) The occupant of No. 24 was an "auxiliary," which is to say he was not a member of the "Officials" but that, in the aftermath of the burnings of August, 1969, he had volunteered to do some arms drill in case a Falls militia were needed.

The Officials asked this man to store a load of arms. The auxiliary was horrified. He had a wife and children; and this was more than he had bargained for. Reluctantly, he agreed—on condition that the arms stayed only 24 hours. The consignment was 15 pistols, a Schmeisser submachine-gun (a World War Two relic, minus magazine and assorted ammunition.

When the 24 hours were up, the Officials said there had been a mixup. On the morning of July 3, therefore, when the auxiliary left for work, his wife went once more to the Officials. They reassured her: the arms would be removed after dusk.

But the next visitors to No. 24 were not the IRA. Shortly after 4:30 pm a police car and four or five Army trucks roared into Balkan Street. While the Royal Scots soldiers sealed the street, the police began to search the house.

That account of the background to the Balkan Street arms haul—the biggest in the past two years—was pieced together later by a local priest. It fits in with the Army's subsequent analysis.

The information on Balkan Street came to the Army from three police raids in Hammersmith, London, on July 2, which had themselves produced four Bren light machine-guns, 12 rifles and 17,000 rounds of assorted ammunition. On July 3 the CID officer who had led the Hammersmith raids arrived in Ulster. The troops moved into Balkan Street only hours later.

No doubt they were glad to get a good tip about illegal arms. But it seems doubtful that anyone at Army HQ in Lisburn had considered the cumulative effect of arms raids on this most sensitive of Catholic areas only six days after the mayhem following the Orange parades, which it was known the Army had forced through. Against a background of open jubilation by the Stormont Unionists at the Tory election triumph in England, it did not need an overly paranoid Catholic to discern a political-military plot.

Ironically it is easier in retrospect to see the affair for what it was: not the result of new Tory pressure, but just the reverse—the lack of any political pressure at all. Under Labour scarcely a day had passed without, say, the Army Minister, Roy Hattersley, on the phone querying decisions as apparently trivial as the use of the water cannon. Freeland now had freedom and liked it: "Not so many backseat drivers," he said approvingly.

But the Tory silence, if it pleased Freeland, fretted some of his colleagues. "When you're in unknown territory, it is useful to have native guides" is how it was put by General Anthony Farrar-Hockley, Commander Land Forces under Freeland. Possibly, the Labour Cabinet would have banned the Orange marches—anyway, some members now say they would have. Almost certainly, they would have played Balkan Street more circumspectly (and the whole issue, of course, would have looked different in their hands).

If Balkan Street was stamped with political naivety, however, the dizzy escalation of the search into a two-day curfew over the whole Falls area was a series of straight-forward military misadventures.

The Balkan Street search was completed by about 5.45: the troops were leaving. But crowds had inevitably gathered all over the Falls. As the last truck drew away, it was stoned.

Where trouble is brewing, the Army stays around, on the theory that military presence damps it down. The practice, at least as often than not, is that the military presence both increases the tension and provides a handy target. Anyway, when the stones hit the last truck, its troops dismounted—and once more faced the crowd.

The only distinct thread in the subsequent confusion is that the Army over-reacted. Local residents say CS gas was used in two streets almost immediately, though the Army log puts the first canisters at around 7 pm. When it came, the gas terrified people. The Army were using new multiple dischargers to clatter clusters of canisters—some with such force that they soared over the roofs into neighbouring and relatively peaceful streets.

The tiny houses provided no refuge from the choking clouds. The Army added to the panic by pouring in troops to reinforce the original beleaguered lorry-load.

A shipment of raw troops had just arrived in Belfast and were waiting in lorries for dispersal. They were sent in—"and they were absolutely terrified," the Chief of the Brigadier Staff, Brigadier Hudson, admitted later.

Until about 7 pm things remained more or less under control, because Brigadier Hudson was directing events from a helicopter. Suddenly, Hudson and pilot heard a loud clang in the airframe and the pilot, thinking it might be the impact of a bullet, put the machine down in the grounds of the Royal Victoria Hospital.

By the time Hudson was on the move again, things were out of control, with confused troops crowding into the area, bumping into each other and firing more and more CS gas.

The inhabitants, alarmed at such disorganised behaviour, took it for an invasion. By 8:30, nail bombs and petrol bombs were being thrown, and two, perhaps three grenades were thrown, injuring five of the Royal Scots. Shooting also began—and some of it seems to have been random shooting by the soldiers.

By 10 pm Freeland believed that the only way to stop widespread bloodshed was to get everyone off the streets. He declared a curfew over the whole Falls area, and he did not lift it until Sunday morning, 35 hours later.

The decision was entirely Freeland's own. He did not consult the rest of Stormont's Security Committee, let alone Westminster. Had Young, the police chief, been consulted, he could only have said, anyway, what was soon all too clear—which was that Freeland did not have the legal authority to impose a curfew. (For this reason, none of the Falls people arrested for curfew-breaking were prosecuted.)

But while the curfew lasted, the Army took the opportunity to conduct a house-to-house search of the whole area—and this obvious military course also contained some slight political element. Freeland was under numerous pressures from Chichester-Clark, and insofar as Maudling's brief visit had dealt with policy matters at all, it had been to suggest that the Army might do a little more to make Chichester-Clark's life easier.

Area searches were a device close to Chichester-Clark's heart: normally, the military refused to consider them on the grounds that the opprobrium incurred out-weighed any advantage. But since they had incurred the opprobrium anyway, Chichester-Clark might as well be given a leg up. Just as the soldiers had always prophesied, the returns were not large—especially if it was considered as the arsenal of 30,000 people supposedly bent upon violent conspiracy.

For this haul, the Army paid a very high price. Four civilians were dead; one run over by the Army, and three shot. None of the dead was alleged to be connected with the IRA, but it is perhaps fortunate, in view of the volume of fire, that more people did not die.

Illegal confinement, summary search and exposure to unprecedented amounts of CS gas outraged large sections of the Falls Road population.

But on top of this, men from two of the regiments involved, the Black Watch and the Devon and Dorsets, were accused of smashing up and sometimes looting the houses they searched. General Farrar-Hockley, after a rigorous inquiry, came to the conclusion that this had indeed happened, even though he could not get the evidence to justify charges. (He found that although the Falls Road citizens wanted to vent their wrath against the Army, they would not identify individual soldiers, out of a traditional distaste for "felon-setting" and informing.)

The writer Conor Cruise O'Brien was in the Falls Road when the confined people came boiling out of their homes on Sunday morning. An Army helicopter was cruising by, with a British officer calling through a loudspeaker: "We are your friends, we are here to help you." Men and women alike shook their fists, and hurled stones impotently at the machine.

Father Murphy saw an abrupt change in many of his parishioners. "Women who had been giving soldiers cups of tea, those very same women, were now out on the streets shouting: 'Go home, you bums, go home'."

It was not quite the end of relations between the Army and the Catholics, but was the decisive change. From then on, it was all, or nearly all, downhill. Brigadier Hudson, who saw all too clearly what had happened, called a meeting of community leaders on the day the curfew was lifted. "Let's keep talking," he said.

"What's the use?" he was asked.

Not everybody in Ulster was upset and angry, though. As the Falls Road arms haul was displayed in the yard of Terence Street police station, the Stormont Home Affairs Minister, William Long, squeezed the arm of a young constable. "It's a grand day for us," he said.

It was indeed: the Army had been "turned round." The next development was to draw

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the Army itself into the corrupt mechanism of the Orange supremacy.

NORTH AND SOUTH: TWO STATES BORN OUT OF BICKERING

The province of Ulster has had points of difference from the rest of Ireland ever since its Iron Age inhabitants were slow in succumbing to the northward-moving Celts. The Celts similarly resisted the Normans, who were, of course, Catholics; and the Catholic faith resisted the northward advance of Protestantism under Henry VIII and Elizabeth I.

After the province had been subdued by Elizabeth and planted with Scottish and English settlers by James I, Ireland was run as a unit, largely by a Protestant aristocracy and the Government in London; and from 1800 on (after a brief and promising experiment with a nominally independent Parliament in Dublin) the country had no other Parliament than Westminster.

But Ulster and the rest of Ireland gradually drew apart from one another again under the influence of different ancestries, different faiths, and different degrees of prosperity (Ulster, already a producer of linen and seon of ships, escaped the worst of the potato famine in 1845–49). After long and sometimes bloody bickering, Westminster made Ireland into two separate states by the Government of Ireland Act, 1920.

The Lloyd George Government of the day did not intend the settlement, or even the line of the border, to be final: there was provision for a boundary commission, and for an all-Ireland Council above the two regional Parliaments, as a means towards later reunification. But the North rejected the boundary commission, and the South rejected the parliamentary arrangements, becoming successively a dominion and a republic.

The Northern Parliament is subordinate to, and financed by, Westminster. In 1949, under Section 1(2) of the Ireland Act, the Attlee Government affirmed that "in no event will Northern Ireland or any part thereof cease to be part of His Majesty's dominions and of the United Kingdom without the consent of the Parliament of Northern Ireland."

The Parliament, called Stormont, has substantially more powers than a county council. The (Protestant) Unionists have a three-to-one majority in it over various fragmented (Catholic) Opposition parties, who are not now attending. The first Catholic Cabinet member was appointed last month from outside Parliament.

MEN AT THE CENTRE

Brian Faulkner: Prime Minister of Northern Ireland since March, 1971. A 1969 resignation helped bring Terence O'Neill down. Widely regarded as last credible PM and has used this reputation to press security demands. Astute but lacks the confidence of either community.

Lord O'Neill: Prime Minister of Northern Ireland from 1963 till May, 1969, when he was forced out by the Unionists after announcing reforms in housing, investigation of grievances, local government, franchise and special powers. Artistocrat now totally sidelined.

Ian Paisley: Chaplain to the Protestant backlash, founder and head of Free Presbyterian Church of Ulster. MP since April, 1970, at Stormont and since June, 1970, at Westminster. Co-founder of a new Democratic Unionist Party. Surprising sense of humor, good political brain.

William Craig: Authentic voice of hardline Unionism. As Home Affairs Minister in the O'Neill Cabinet, until dismissed in 1968, insisted on regarding demands for Catholic civil rights as subversion. Has just formed ginger group called Unionist Vanguard. Resolutely ambitious.

Sir Arthur Young: Inspector General of the RUC as a Callaghan appointee from October 1969 till November 1970, when he returned to his old job as Commissioner of the City of London Police. Found RUC to be intractable.

John Hume: Leading theorist among (now abatentionist) Stormont Opposition MPs. As a civil rights leader played a pacifying role in August 1969 and later Derry disturbances. Now believes Stormont system permanently finished.

Lord Moyola: As Major Chichester-Clark was Prime Minister after O'Neill from May, 1969, to March, 1971, when Unionist pressures and office weariness impelled him to resign. Soldierly, generally trusted, finally unpersuasive. Now farming sheep.

Sir Robert Porter: Home Affairs Minister March 1969 to August 1970, since when the job has been combined with the Prime Minister's. Gentle, academic lawyer and reluctant minister, known to his colleagues as Beezer. Has returned to the Bar.

General Freeland: Appointed GOC Northern Ireland, as his last command, in July, 1969, the month before the arrival of British troops. Abused by Unionists as an enemy of the state, retired in February, now lives in Norfolk.

General Tuzo: GOC Northern Ireland since February, 1971. Oxford-educated Gunner. Diplomatic in his dealings with politicians, which may explain conflicting beliefs about his advice on internment.

Gerry Fitt: De facto leader of the Social Democratic and Labour Party, main Opposition grouping. Voluble, tireless member of Westminster Parliament, Stormont and Belfast City Council.

John Taylor: In charge of Home Affairs as Minister of State (while Premier doubled as the full Minister) since August, 1970. Youngish, burly, authoritarian advocate of expedients like cratering border roads.

NO WORLD COURT FOR GENOCIDE

Mr. PROXMIRE. Mr. President, article VI of the Genocide Convention, in addition to stipulating that persons charged with genocide are to be tried by a court in the country where the crime was committed, says that the accused may be tried—

By such international penal tribunal as may have jurisdiction with respect to those Contracting Parties which shall have accepted its jurisdiction.

There has been some confusion about this point. Some opponents of the convention have held that it creates a "World Court" to which the Federal Government will be obligated to send American citizens for trial without any of the guarantees of the Bill of Rights. This is not the case. The language of this clause is conditional. The Genocide Convention does not create a "World Court." Such a court must await future international action, and, of course, such action would be subject to further ratification by the Senate.

In the 22 years that the Genocide Convention has been in force it has been ratified by 75 nations. If article VI creates a "World Court," then where is that court? It does not exist. It does not exist because this treaty does not establish it.

Mr. President, I urge the Senate to ratify the Genocide Convention as soon as possible.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

REVENUE ACT OF 1971

Mr. NELSON. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

Calendar No. 428, H.R. 10947, a bill to provide a job development investment credit, to reduce individual income texes, to reduce certain excise taxes, and for other purposes.

The PRESIDENT pro tempore. Without objection, the Senate will resume the consideration of the bill.

Under the previous order, the first amendment is amendment No. 697, offered by the Senator from Wisconsin. The amendment will be stated.

The legislative clerk read as follows:

On page 36, line 11, it is proposed to strike "20" and insert in lieu thereof "10".

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, will the Senator from Wisconsin yield?

Mr. NELSON. I yield.

Mr. BYRD of West Virginia. Mr. President, with approval of the distinguished majority leader, and after having cleared the request with the assistant Republican leader and the distinguished manager of the bill; the Senator from Georgia (Mr. TALMADGE); and the Senator from Utah (Mr. BENNETT), I ask unanimous consent that on amendment No. 688, offered by the Senator from Oregon (Mr. PACKWOOD), there be a limitation of 30 minutes, the time to be equally divided between the mover of the amendment and the Senator from Georgia (Mr. TALMADGE), and that on any amendment in the second degree thereto, motion, or appeal, except nondebatable motions, there be a limitation of 20 minutes, to be equally divided between the mover of such and the Senator from Georgia (Mr. TALMADGE), and that Senator PACKWOOD's amendment be called up immediately upon the disposition of the Hansen amendment, No. 693.

Mr. PERCY. Mr. President, reserving the right to object, the distinguished Senator from Oregon (Mr. PACKWOOD) spoke to me about his amendment last night. He will not be here today. I wonder if he has discussed it with the distinguished assistant majority leader.

Mr. BYRD of West Virginia. No; he did not tell me that he would not be here today.

Mr. PERCY. Which amendment is that?

Mr. BYRD of West Virginia. It would provide for a domestic tax credit to apply to foreign as well as to domestic capital goods.

Mr. PERCY. Did he agree to the limitation?

Mr. BYRD of West Virginia. He did. He agreed to a 30-minute time limitation.

Mr. PERCY. He will not be here today. He has a longstanding commitment in Oregon. He asked that I take it up if the Senate were to finish all other amendments. If it is the desire of the majority leader to bring up all amendments that fall in the same category, I shall be happy to bring it up.

I would rather that the amendment come at the tail end, rather than at the beginning, so that if all other amendments are not called up, this one might go over until Monday, when there is a possibility that the Senator will be here.

Mr. BYRD of West Virginia. Mr. President, I ask that the time consumed during this colloquy not be charged to the time on the amendment of the distinguished Senator from Wisconsin.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, if all the amendments scheduled were to be taken up, there would be five amendments. Actually, six are scheduled. One of them may not be brought up. The Senator from Wisconsin (Mr. NELSON) has two amendments; the Senator from Missouri (Mr. EAGLETON) has one amendment; the Senator from Arkansas (Mr. FULBRIGHT) has one amendment—which may not be called up; the Senator from Wyoming (Mr. HANSEN) has one amendment; and the Senator from New Hampshire (Mr. COTTON) has one amendment.

Mr. PERCY. If all amendments in that particular category were called up, so that one of them would be held over until Monday, I would call up Senator PACKWOOD's amendment. It would not be the desire of the Senator from Oregon to hold up the business of the Senate at all. However, if some of the amendments were to go over until Monday, I should prefer that his also be held over so that he could handle the amendment.

The PRESIDENT pro tempore. Does the Senator wish the unanimous-consent request to be acted upon?

Mr. BYRD of West Virginia. Mr. President, I may withdraw the unanimous-consent request.

We anticipate completing action on all six amendments today. If agreeable to Senators, the Packwood amendment will follow the Hansen amendment. Six amendments are already scheduled for today. It is very important that we dispose of as many amendments to the bill as possible, and as soon as possible, because when we come in on Monday we will go immediately to the Pastore amendment.

Mr. PERCY. I agree with the distinguished assistant majority leader. I will not pursue the matter any further.

Mr. TALMADGE. Mr. President, I agree with the course of action followed.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on amendment No. 688, by Mr. PACKWOOD—an amendment to provide that the investment tax credit apply to foreign as well as to domestic capital goods—there be a limitation of 30 minutes, to be equally divided between the Senator from Illinois (Mr. PERCY) and the distinguished Senator from Georgia (Mr. TALMADGE); provided further, that the time on any amendment to the amendment, motion, or appeal, with the exception of nondebatable motions, be limited to—perhaps we had better say 30 minutes, and if it is not used it can be yielded back—30 minutes, to be divided in the same way.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I have one final request.

I ask unanimous consent that on amendment No. 706 by Mr. PACKWOOD——

Mr. PERCY. Mr. President, if the Senator will yield, the Senator from Oregon did not discuss that amendment with me, but I know it is his desire to move along on these amendments. I will examine it and talk with his staff, and if they feel I should bring it up, I shall.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. GRIFFIN. May I say to the distinguished acting majority leader that I assumed when he talked with me about this amendment that he had also discussed it with the sponsor of the amendment (Mr. PACKWOOD) but apparently he had not.

Mr. BYRD of West Virginia. The Senator from Michigan assumed who had discussed it with the Senator from Oregon?

Mr. GRIFFIN. The distinguished acting majority leader.

Mr. BYRD of West Virginia. I did. The Senator from Oregon asked me to make the request.

Mr. GRIFFIN. I thought that was the case, but the Senator from Oregon will not be here.

Mr. BYRD of West Virginia. Yes; he was very desirous, I thought, of having his two amendments brought up upon the disposition of the first six amendments.

Mr. GRIFFIN. I assumed that was the case.

Mr. PERCY. It may be that he discussed it with some other Senator.

Mr. BENNETT. Why not get the unanimous-consent agreement on the second amendment? Then, if necessary, it could be lifted.

Mr. BYRD of West Virginia. Yes. I thank the Senator.

Mr. President, I ask unanimous consent that on amendment No. 706 there be a limitation of 30 minutes, to be divided between the Senator from Illinois (Mr. PERCY), who will offer the amendment on behalf of the Senator from Oregon (Mr. PACKWOOD), and the distinguished Senator from Georgia (Mr. TALMADGE), the acting manager of the bill; provided further, that any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, be limited to 30 minutes, the time to be equally divided and controlled between the mover of such and Mr. TALMADGE.

The PRESIDING OFFICER. Is there objection?

Mr. HANSEN. Mr. President, will the distinguished majority whip yield for a question?

Mr. BYRD of West Virginia. I yield.

Mr. HANSEN. I would like to ask the distinguished Senator from West Virginia if there would be a chance of having the amendment of the Senator from Texas (Mr. TOWER) called up earlier today. I believe it is listed in the RECORD as being my amendment. Both the Senator from Texas and I will have to be gone later this afternoon, and we would be most grateful if that could be done. According to the calendar, our amendment is scheduled for final action, sixth on the list.

Mr. BYRD of West Virginia. I would be glad to talk with the Senator from Missouri (Mr. EAGLETON) and the Senator from New Hampshire (Mr. COTTON) about that, but we could take it up only with their permission because their amendments are scheduled ahead of that one.

Mr. HANSEN. If I may make one further inquiry, I would like to inquire of the Senator from Texas if it is not possible that less time than the 30 minutes might be required on each side.

Mr. TOWER. I think it could be 15 minutes to a side.

Mr. HANSEN. That would be helpful.

Mr. BYRD of West Virginia. I understand the Senator from Arkansas (Mr. FULBRIGHT) is not here. In the event he has not asked other Senators to call up his amendment, there would be a 30-minute slot into which the amendment of the Senator from Wyoming could be worked if agreement by parties concerned can be reached. I will do my best to see if that is possible.

Mr. HANSEN. I thank the majority whip.

Mr. GRIFFIN. Mr. President, in fairness to the Senator from Wisconsin, I have a further inquiry. May we have unanimous consent that the time now being consumed not be charged to the time of the Senator from Wisconsin?

Mr. BYRD of West Virginia. That has already been given.

Mr. GRIFFIN. I wish to address an inquiry to the acting majority leader.

Mr. BYRD of West Virginia. Yes.

Mr. GRIFFIN. It is clearly understood, so far as the unanimous-consent agreement arrived at last night is concerned, that upon the disposition of the Pastore amendment at or about 5 o'clock on Monday, the bill itself will be open to further amendment, and that no time limitation has been agreed to with respect to any further amendment. Is that correct?

Mr. BYRD of West Virginia. That is correct.

Mr. GRIFFIN. I want to indicate, at the request of several Senators on my side, that no unanimous-consent request which would further limit debate with respect to any amendment to the bill thereafter be made, and I am sure it would not be made without the minority leader and the assistant minority leader being here; but also we will have to check and get agreement with a number of Senators on our side who have specifically said they would not agree to such a request without being notified in advance. I would like to serve that notice on the acting majority leader.

Mr. BYRD of West Virginia. The Senator has that assurance.

Mr. GRIFFIN. I thank the Senator.

Mr. BYRD of West Virginia. Mr. President, I thank the Senator from Wisconsin for his patience and his courtesy in yielding to me at this time.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent agreement? The Chair hears none, and it is so ordered.

Who yields time?

Mr. NELSON. Mr. President, I yield myself whatever time I may need.

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The PRESIDENT pro tempore. The Senator has 15 minutes.

AMENDMENT NO. 697

Mr. NELSON. Mr. President, this amendment would cut back the administration's ADR system of depreciation.

This proposal would save the Federal Treasury more than $10 billion over the next 10 years. These funds could be used to stimulate consumer spending in the short run; and to fund high priority programs—such as welfare reform, health care, and fiscal relief for State and local governments—later on.

In January, the Treasury issued new regulations governing the depreciation of plant and equipment. The major change was a 20-percent shortening of guideline lives. Thus, an asset which previously had a guideline life of 10 years could now be depreciated over 8 years.

This amendment would limit taxpayers to a 10-percent speedup of their depreciation schedules.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the distribution of the Federal revenue loss resulting from the Revenue Act of 1971.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—DISTRIBUTION OF FEDERAL REVENUE LOSS, REVENUE ACT OF 1971 (H.R. 10947)

[Billions of dollars]

Calendar year	Business			Individuals						Total revenue loss
	ADR	7-percent investment credit	DISC	Total business	Personal exemptions	Standard deductions	Low-income allowance	Total individuals	Excise [1]	
1971	$0.7	$1.5		$2.2	$0.9		$0.4	$1.3	$0.9	$4.4
1972	1.7	3.6	$0.1	5.4	1.9	$0.3	1.0	3.2	2.6	11.2
1973	2.4	3.9	.2	6.5			1.1	1.1	2.3	9.9
1974	2.9	4.2	.2	7.3			1.1	1.1	2.2	10.6
1975	3.5	4.5	.2	8.2			1.2	1.2	2.3	11.7
1976	3.7	4.8	.3	8.8			1.2	1.2	2.4	12.4
1977	3.4	5.1	.3	8.8			1.3	1.3	2.5	12.6
1978	3.1	5.5	.3	8.9			1.3	1.3	2.0	12.2
1979	3.1	5.8	.4	9.3			1.4	1.4	1.6	12.3
1980	3.0	6.2	.4	9.6			1.4	1.4	1.2	12.2
Total	27.5	45.1	2.4	75.0	2.8	.3	11.4	14.5	20.0	109.5

[1] These estimates reflect revenue changes over those which would have occurred under existing law.

Sources: U.S. Treasury, Joint Committee on Internal Revenue Taxation.

Mr. NELSON. Mr. President, table I shows the distribution of the Federal revenue loss resulting from the Revenue Act of 1971 as passed by the House. The total comes to an annual average of $11 billion over the next 10 years. And the Senate has added over $5 billion a year in tax cuts. So the average annual cut in the Senate bill is about $16 billion.

With all of our any unmet domestic needs, this is hardly the time to be giving away so much Federal revenue.

Moreover, the House-passed bill is badly out of balance as between tax cuts for consumers and tax cuts for business. Adding the new depreciation rules to the investment credit and DISC, it adds up to about $8 billion a year over the next 10 years. Meanwhile, the bill gives the consumer about $1.5 billion annually. And as far as 1972 is concerned, the individual tax cuts will be almost wholly canceled out by a $3-billion social security tax increase.

This distribution of tax cuts is unfair.

It is also bad economics. With industry operating at 73 percent of capacity, businessmen have little incentive to expand plant and equipment. Therefore, the corporate tax cuts will have little effect on investment, and instead will increase corporate cash reserves. Meanwhile, consumer spending will continue in its depressed state until consumers regain their confidence, or until something is done to stimulate their spending.

Economists—whether supporting or opposing the new depreciation rules—have agreed that their effect on investment will come very slowly. Dr. McCracken, Chairman of the Council of Economic Advisors, described the new regulations in this way:

The impact here will build fairly slowly. It takes time for these [investment] decisions, of course, to be changed.

Many businessmen agree with the economists. As Chairman John Roche of General Motors said recently:

It should be understood that most companies of any size determine their purchases of equipment by the needs of the business and not by any short-term tax advantages.

Mr. Roche went on to say that what mattered was consumer purchasing power:

It must be noted that the tax credit and accelerated depreciation applies only after equipment is purchased and put to use. This, like the other elements of the program, means very little unless we can achieve the improved economy the President has called for.

Mr. Roche's argument has been supported by numerous surveys. The Wall Street Journal reported on one of these in a story headlined: "Easing of Depreciation Rules Won't Spur Capital Spending Flood, Survey Indicates." Business Week—January—reported:

Scant evidence that liberalizing depreciation at this time will induce many companies to change investment plans.

The evidence through 1971 has been unambiguous. As Walter Heller told the Joint Economic Committee:

That depreciation provision . . . is not having much stimulative effect on investment.

And—as might be expected—corporate cash reserves are now jumping to historical highs.

The administration also maintains that the depreciation speedup is needed to preserve the international competitiveness of American firms.

In his testimony before the Finance Committee, Secretary Connally argued that income tax policies in the United States are less favorable to investment than in other industrial countries.

Mr. President, I ask unanimous consent to have printed in the RECORD a table which compares the effective corporate tax rates in certain major industrial countries.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—*Estimated effective corporate tax rates in major industrial countries (1966)*

[In percent]

Italy	44.00
Canada	43.50
Germany	43.30
France	42.20
United States	42.10
United Kingdom	35.00
Netherlands	25.60
Japan	24.00

Mr. NELSON. Mr. President, table 2 compares the effective corporate tax rates in certain major industrial countries. These effective rates take into account accelerated depreciation, percentage depletion, and other special tax rules affecting corporations.

Table 2 shows that the taxation of corporate income in the United States does not differ substantially from that in other major industrial countries. The United States is above the United Kingdom, the Netherlands, and Japan, but below Italy, Canada, Germany, and France.

Secretary Connally's data are presented in table 3, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—COMPARATIVE COSTS OF CAPITAL AS INFLUENCED BY INCOME TAX POLICIES AND REAL GROWTH RATES OF GNP AND EXPORTS, 10 INDUSTRIAL COUNTRIES

	Comparative capital costs of manufacturing machinery and equipment as influenced by income tax policies	Percentage growth in GNP (constant prices)			Percentage growth in exports 1950–69 (constant prices)
		1950–68	1968–69	1959–70	
United Kingdom	79.1	26	1.6	1.7	37
Japan	81.1	129	12.1	11.2	198
Italy	81.9	55	5.9	5.1	161
West Germany	82.8	40	8.1	4.9	59
Sweden	83.0	41	5.0	4.4	62
Belgium	84.7	42	6.5	5.5	86
France	89.7	65	8.0	6.0	81
Netherlands	94.1	55	4.6	4.1	56
Canada	97.2	50	5.1	3.3	105
United States	100.0	45	2.8	−1.0	70

MR. NELSON. Mr. President, they supposedly demonstrate that the cost of capital is higher in the United States than in other industrial countries.

The only witness who commented on these figures in the Finance Committee hearings—Paul Taubman, Professor of Economics at the University of Pennsylvania and a widely respected expert—condemned them as faulty and grossly misleading.

But even if they are accepted at face value, their significance is very much in question.

Table 3 shows that there is no discernable relationship between Secretary Connally's capital cost index and the growth rates of GNP in the different countries. Nor is there any relationship between this index and the growth rate of exports.

Indeed the United Kingdom which has the lowest capital cost figure also has the lowest GNP growth rate, and the lowest growth rate of exports.

The fact is that these relatively small differences in the tax treatment of capital play a minor role in determining a country's international competitiveness. Wage rates play a much larger role, as do differing rates of inflation.

The United States today is faced with serious competition from abroad. But the way to adjust to this competition is through exchange rate realinement, not special tax subsidies, import surcharges or export rebates. These measures may be needed on a temporary basis. But the long-term solution to an international economic imbalance is revaluation.

Our Nation is now in the middle of a wholesale realinement of foreign currencies in relation to the dollar. This realinement, together with removal of trade restrictions elsewhere and a resharing of defense burdens should bring about the needed turn-around in our balance of payments. Of course, we can not predict the final shape of these changes. But as Stanley Surrey, Assistant Secretary of the Treasury under Presidents Kennedy and Johnson has said:

We and the rest of the world know already that the end result is bound to be a real improvement in the United States Trade position.

This—and not excessive tax incentives—is the way to cope with international competition.

Tax policies toward consumption and investment should be made on the basis of our domestic needs, not the practices of other countries. We cannot allow fundamental decisions regarding our tax structure to be made in Japan or West Germany. Because one or another of these nations has decided to pursue policies favoring very rapid capital growth does not mean that we have to, or ought to.

Aside from everything else, the effort to meet foreign competition through tax subsidies is bound to fail. U.S. Steel received $207 million in tax subsidies in the period 1962–1970, and it is certainly less competitive today than it was in 1962.

The relative burden of taxation on wages and profits represents a basic decision about national priorities. And most Americans today must surely question whether a 20-percent corporate tax cut—as called for in the administration tax package—is what this Nation needs.

A large number of economists believe that the new depreciation guidelines should be withdrawn. They have argued that the investment credit and the depreciation speedup together represented an excessive corporate tax cut. This position was taken by most of the witnesses in the recent hearings before the Joint Economic Committee. Senator PROXMIRE chairman of the committee, stated:

They [the witnesses] agreed that if there is to be an investment credit, then the ADR should be withdrawn.

This amendment is much more modest than that. It does not remove the ADR system. It merely limits the degree to which depreciation can be accelerated. Moreover, under it, businessmen would still receive most of the tax relief provided, by the full 20-percent speedup. Thus, whereas the full 20-percent speedup would give business $11.2 billion in tax relief over the next 5 years, the 10-percent speedup would grant relief of $7 billion.

Mr. President, I ask unanimous consent to have printed in the RECORD a tabulation of revenue loss to the Treasury resulting from speedup in depreciation schedules of 10 percent and 20 percent.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

REVENUE LOSS TO TREASURY RESULTING FROM SPEED-UP IN DEPRECIATION SCHEDULES OF 10 AND 20 PERCENT

(Dollars in billions)

Calendar year	Speed-up of Depreciation Schedules of—	
	10 percent	20 percent
1971	$0.4	$0.7
1972	1.1	1.7
1973	1.5	2.4
1974	1.8	2.9
1975	2.2	3.5
Total 1971–75	7.0	11.2

Mr. NELSON. Mr. President, the Senate has already added large tax cuts to the administration bill: $1.1 billion in 1971, and about $5.2 billion annually thereafter.

Many of these additions have been desirable; many have received support from both sides of the aisle.

But those who have supported these new tax cuts should be willing now to join in the effort to recapture some of the lost revenues through reductions elsewhere.

Reducing the depreciation speedup to 10 percent is an act of fiscal responsibility. It would represent a small step away from further erosion of the Federal tax base. It would greatly increase the chances that the conference bill would contain some of the additions approved by the Senate. And it would bring a measure of economic justice to a tax package that is badly in need of it.

Mr. President, the Senate has already voted twice on the ADR system: This amendment would cut back ADR from 20 percent to 10 percent. It would save the Federal Treasury more than $10 billion over the next 10 years. The 20 percent acceleration of depreciation in the bill before the Senate would cost the Treasury $700 million in 1971; the 10 percent would cost $400 million. In 1972 the 20 percent accelerated depreciation would cost $1.7 billion; and 10 percent would cost $1.1 billion.

This issue has now been debated on the floor of the Senate twice and voted on twice. The first proposal was to eliminate the ADR entirely. That lost by 2 votes. The second was to reduce it by 5 percent. That lost by one vote. This proposal is to limit it to 10 percent.

I do not think there is any necessity for engaging in a prolonged discussion of this issue. Everyone is familiar with it.

The PRESIDENT pro tempore. Who yields time?

Mr. BENNETT. Mr. President, will the Senator from Georgia yield?

Mr. TALMADGE. I yield such time as the Senator from Utah may desire.

The PRESIDENT pro tempore. The Senator from Utah is recognized for 15 minutes.

Mr. BENNETT. Mr. President, as the sponsor of the amendment indicated, we have been around this track twice. Now we are playing the numbers game. They could not win on lower numbers, so they are raising the ante a little to see if they can gain one or two converts. I am not going to repeat all that has been said on this basic principle, but there is one point I would like to make because it becomes more important as these figures go up.

XUM

The new class life depreciation system is designed to achieve a massive simplification of the tax treatment of depreciation. Any such simplification will greatly benefit small firms relative to large firms. Typically, it is only the larger companies who find it economical to employ the specialists in law and accounting, whose services are essential to effective business planning in the face of a complicated tax law. This is clear from the infrequency with which small firms used the old Kennedy-sponsored guideline lives because those guidelines required the use of a complicated reserve ratio test which the ordinary small businessman could not understand.

In 1963, under those provisions, 10 percent or fewer of those corporations with assets of less than $100,000, and no unincorporated businesses, used the guideline life because they could not calculate it. On the other hand, 50 percent of businesses with assets of more than $250 million took depreciation deductions under the guidelines and got benefits of the guidelines.

As for the benefits of greater depreciation deductions, it is relevant that the ability to take depreciation deductions is more important for small businesses. A study using 1966 data shows that corporations with assets of less than $500,000 took depreciation deductions of $5.3 billion, or 14 percent of the total corporate depreciation deductions of $37 billion. Yet these small firms had only 7 percent of total corporate assets, 10 percent of corporate net worth, and 11 percent of the income of corporations with positive net income. In other words, the opportunity to take depreciation is worth twice as much to a small business as it is to a large business.

The reason is that very small businesses have to depend on internally generated funds for their cash flow. Large businesses have access to capital markets for their sources of money. When markets are tight, large businesses, with the added clout they have with their lenders, can get money, then small businesses are turned away.

So it is particularly important that we give small business the opportunity to generate funds internally through the use of the most favorable depreciation schedules.

For firms with total assets under $50,000 in 1968, depreciation allowances provided 25 percent of their internal funds. In 1963 the proportion was 43 percent. In 1958 it was 35 percent. By contrast, for firms with assets of $1 million to $5 million, depreciation allowances constituted less than 10 percent of their internally generated funds.

Depreciation is obviously a far more significant source of funds for small firms than for large firms. It is equally clear that the new class life depreciation system, which provides more favorable, and more realistic, tax treatment of depreciation, will convey particularly greater benefits to small firms.

There is one matter the Senate should clearly understand. The depreciation system contained in the bill is not the ADR system originally adopted by the Treasury by administrative action and proposed for legislative validation. Congress has eliminated one of the two major elements in the ADR system, the so-called special first year convention which allowed extra depreciation in the first year an asset was placed in service. This feature was in addition to the 20 percent shortening of depreciation of lives. The first year convention did little more than duplicate in part the purpose of the 7 percent investment credit. By eliminating this feature from the system, the revenue loss from the system for the 3-year period 1971 through 1973 was reduced from $10.1 billion to $4.8 billion. Thus, it was a major cutback in the system.

Furthermore, the new class life system incorporates the old guideline system of depreciation adopted in 1962 and makes other changes in the Treasury-adopted ADR system. It is a different, and much-improved, depreciation system which has been adopted by both the House and the Senate Finance Committees.

The House Ways and Means Committee and the Finance Committee studied this problem carefully and both came to the conclusion that a 20-percent range was needed. There is no evidence that we will be able to do the job needed to generate the necessary cash flow for small business if the range is reduced to 10 percent. The Senate should not gut the effectiveness of this fine new system by adopting the Nelson amendment.

May I say again that we have already voted twice on amendments making changes in the new class life depreciation system, and we have rejected them. I hope, for the benefit of small businessmen in our country, we will reject this third attempt.

I yield back my time.

Mr. NELSON. Mr. President, I yield myself 3 minutes.

Mr. President, Mr. Thrower, ex-Commissioner of the Internal Revenue Service, and a Republican appointee, has said that a 10-percent speedup in depreciation is all that is needed for simplification—to give businessmen an initiative to adopt the guidelines.

The only issue here is whether we ought to save the Treasury an average of $1 billion a year by allowing a depreciation speedup of 10-percent instead of 20 percent. That is the only thing at stake here.

I am rather surprised that the Republicans, who talk so much about a balanced budget, do not seem to be concerned that we are giving away to business, an extra $10 billion by insisting on 20-percent acceleration instead of 10 percent.

As I said earlier, this issue has been discussed several times. Everybody knows what is involved. I am prepared to yield back the remainder of my time if the Senator from Utah is ready to do so.

Mr. TALMADGE. Mr. President, at least one Senator has asked to yield him some time briefly.

I now yield 2 minutes to the distinguished Senator from Arizona (Mr. FANNIN).

Mr. FANNIN. Mr. President, we have gone over this question again and again.

Mr. President, the United States invests a substantially smaller proportion of its gross national product in business-fixed investments annually than do its principal foreign competitors. The percentage of GNP represented by gross private investment in the years 1968 through 1970 averaged 13.7 percent. This compares with the 18.3 percent for the United Kingdom, and 30 percent for Japan. In Western Germany, while the only years available were 1968 and 1969, the average is 28.7 percent.

In considering these figures, it should be recognized that, although the percentage of the U.S. gross national product so invested is low, it would be still lower but for the liberalization of depreciation rules and the enactment of the investment tax credit in 1962.

Not only is our investment-to-GNP ratio not improving anywhere near rapidly enough when compared to foreign countries, our absolute dollar levels of investment are also discouraging. The annual dollar outlay for manufacturing plant and equipment was about $28 billion from 1966 to 1968. It moved up to just over $31 billion from 1969 to 1970, and planned 1971 expenditures have fallen to $30.1 billion. However, after adjusting for price inflation since 1966, the real manufacturing capital expenditures planned for 1971 are $22.5 billion, or 12 percent below the 1966 level.

Similarly, obsolescence, as measured by the average age of equipment installed in the United States, indicates a need for greater stimulus for replacement activity. The upward trend in the average age of equipment, which reversed itself soon after the changes in depreciation and the enactment of the investment tax credit in 1962, has again shown signs of a reversion toward a higher average age of equipment.

One survey undertaken in the last quarter of 1970 showed that U.S. business considers 12 percent of its facilities technologically obsolete, and estimates that it would have to spend $144.5 billion for their replacement by the best available new plant and equipment.

It is true that a portion of U.S. plant and equipment is currently idle. But, as indicated above, a large part of this is obsolete and becoming more so. Critics have said that this so-called excess capacity shows a lack of need for a tax credit and depreciation reform.

In my view, in the present circumstances it shows the opposite. Not until we again achieve leadership in productivity will we be able to increase output and employment and thus absorb the capacity that we have the power to employ for the benefit of the consuming sector of the economy. Past experience indicates that when production of equipment increases, jobs also increase. For example, in the 1960's producers durable equipment increased by over 10 percent per year and employment in the economy as a whole increased by 2.8 million.

Prompt action must be taken to reestablish incentives for capital investment. If new jobs are to be created, if productivity is to be increased, and if our high standard of living is to be extended to all citizens without inflationary results, American business must be

encouraged constantly to improve and modernize its plant and equipment. New jobs result only from greater productive activity. Higher wages result only from: First, reduced profits; second, higher selling prices; and third, increased productivity. Profits are already at unusually low levels. Higher prices can compound inflation. Thus, the only acceptable route to higher wages is through greater productivity, and the key to this is new investment.

Mr. President, the ADR system is a logical culmination of the guideline system of depreciation initiated in 1962. The guidelines were adopted to provide flexibility, to bring depreciation lives closer to reality, and to reduce the area for taxpayer/IRS dissension.

These objectives continue to be served by the ADR system. The optional 20-percent shortening or lengthening of lives gives added flexibility, makes the system suitable to a greater range of taxpayers, and provides a useful incentive to taxpayers to elect to use the systems. The elimination of the reserve ratio test removes an unnecessary and highly complex hazard to use of this depreciation system. The test was unnecessary because excessive depreciation is recoverable under section 1245 when sale occurs, and its complexity challenged even the most sophisticated tax experts. The "repair allowance" concept of ADR is highly significant in narrowing the area of dispute between taxpayers and IRS in distinguishing capital expenditures from deductible repairs. It is clearly uneconomic for both industry and the Government to have protracted disputes over such matters, which generally involve difficult conceptual questions but are productive of little revenue. The first year averaging convention should be retained at 75 percent rather than being reduced to 50 percent since it constitutes an additional investment incentive.

In terms of export capability and our ability to compete against imports, the investment incentives offered by other industrialized nations are highly significant. We have been behind for some time. We will continue to be behind even if the investment credit and ADR provisions as proposed by the Finance Committee are enacted.

If the capital cost of manufacturing machinery and equipment in the United States in 1970, as influenced by income tax polices, is expressed as 100 percent, the comparative cost in other countries is as follows:

[In percent]

United Kingdom	79.1
Japan	81.1
Italy	81.9
West Germany	82.8
Sweden	83.0
Belgium	84.7
France	89.7
The Netherlands	94.1
Canada	97.2

Without ADR, we were behind every other industrialized nation. With ADR and the level 7-percent credit proposed by the House, the U.S. figure would be 87.1, placing it behind six nations and ahead of only France, the Netherlands, and Canada. If ADR were not modified, the U.S. figure with a 7-percent credit would be 86.2, which is still lower than six major nations. Only with the full ADR system and a 10-percent credit do we move to 82.1 and fourth place.

Mr. TALMADGE. Mr. President, I yield 2 minutes to the distinguished Senator from North Carolina.

Mr. JORDAN of North Carolina. I thank the Senator very much.

Mr. President, following up the information which the distinguished Senator from Arizona just gave us about foreign competition and their depreciation rates as against those allowed in the United States, it happens that I know a considerable amount about that situation, because I have studied it over a number of years. I have been to a good many foreign plants and have checked what their depreciation is. Some of them have 25 percent. In 4 years they can get their whole cost back and can then put in up-to-date, high-speed, modern equipment, which we cannot compete with unless we can do the same or close to the same thing.

This does not reduce the tax receipts to the Federal Government in any way whatsoever, except that it accelerates them in the beginning period instead of over the long-haul period of time. Suppose a man buys some equipment that costs $100,000; he has a depreciation rate of 10 years. He would take off $10.000 a year. Under this measure, during the first four years he could accelerate that, which would help him, because if he had to borrow the money—and a great many of them do have to borrow the money—he could pay back the first loan or partial loan much more quickly than he could otherwise, and come nearer to getting the money when needed.

This would stimulate the purchase of new equipment, new buildings, and everything else it takes to put people back to work and to relieve unemployment, which is a serious problem in this country today. The biggest problem we have and the biggest cause of the serious crisis we are in, is that so many people are out of work; and more are being put out of work every day instead of being put back to work. Anything we can do to stimulate the purchase of new equipment and the acquisition of new plants means putting more people back to work. This amendment would have the opposite effect, and should certainly be defeated.

Mr. TALMADGE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. TALMADGE. Mr. President, the thrust of this tax bill is twofold: First, to get the economy of this country moving, to reduce unemployment, to put people back to work; and second, to try to make American industry more competitive in the world market.

We have been outtraded and outsold throughout the world for more than 20 years. We have had only two or three favorable balances of payments in the last two decades. We have had a deficit in our balance of trade, contrary to the statistics coming from the Department of Commerce, for the last 5 years.

There are many reasons for that, Mr. President, but one of the principal reasons is the less favorable recovery of the cost of capital expenditures on plant and equipment in our country's tax system vis-a-vis those of our principal competitors.

What are the facts? Virtually every industrialized nation in the world at the present time has a greater advantage on depreciation and capital recovery than the United States of America. The House Ways and Means Committee and the Senate Finance Committee considered these facts carefully, after hearing expert witnesses, to try to do something to restore our competitive situation in this country.

The Committee on Ways and Means changed the Treasury Department's asset depreciation range provisions by eliminating the so-called three-quarter year convention. The Senate Finance Committee also looked into the matter and concurred with the House bill with respect to ADR. The bill we have before us has a combination of an investment tax credit with a depreciation schedule that gives American business certain recovery of their investments.

If the two of them are combined, what is the situation? In the United States, we still have to spend 87 cents for every $1 of capital investment. That is over a long period of time. What is the situation in our principal competitive countries that we are going to trade with?

In the United Kingdom, it will be 79 cents on the dollar as against our 87 cents. In Japan it will be 81 cents on the dollar as against our 87 cents. In West Germany it will be 83 cents as against our 87.

Thus, Mr. President, even if the amendment of the distinguished Senator from Wisconsin is defeated, which I hope it will be, the United States of America, on a comparative test for recovery of capital investments, will still be in worse shape than our principal competitors.

For that reason, I think it is vital that the amendment be rejected. Since we are being swamped now with foreign goods in our own domestic market, we have ceased to be competitive on a worldwide basis.

I yield my remaining time to the distinguished Senator from Illinois.

Mr. PERCY. Mr. President, I fully concur with what has just been said. Together with the distinguished Senator from Utah and a very few other Members of the Senate, I have spent a majority of my life in manufacturing—about 25 years.

I can simply say it is very disheartening indeed for American manufacturers to see the way we treat investment in capital equipment, as against all other industrialized nations of the world. We call ourselves a capitalistic country, and yet we discourage capital investments, by our tax rules, more than any other modern nation in the world today. It is very discouraging indeed to be in a highly competitive business and find that you are competing against Japan, which encourages——

The PRESIDENT pro tempore. The time of the Senator from Georgia has expired.

Mr. PERCY. Will the Senator yield me 5 additional minutes?

Mr. TALMADGE. My time has expired.

Mr. PERCY. I ask my distinguished friend from Wisconsin if he can spare any time. If he intends to yield any time back, I would very much appreciate it. Otherwise, I do not ask him for any.

Mr. NELSON. Mr. President, we have already been through these arguments on two previous occasions. I question whether it serves any purpose to go through them all again. I yield back the remainder of my time.

The PRESIDENT pro tempore. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Wisconsin.

Mr. NELSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Wisconsin. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Montana (Mr. METCALF), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Arkansas (Mr. FULBRIGHT) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA), the Senator from New York (Mr. JAVITS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Maryland (Mr. BEALL), the Senator from New Jersey (Mr. CASE), the Senator from Kentucky (Mr. COOPER), and the Senator from South Carolina (Mr. THURMOND) are detained on official business.

If present and voting, the Senator from Kentucky (Mr. COOPER), the Senator from Nebraska (Mr. HRUSKA), and the Senator from South Carolina (Mr. THURMOND), would each vote "nay."

The result was announced—yeas 25, nays 55, as follows:

[No. 370 Leg.]

YEAS—25

Bayh	Hart	Nelson
Bentsen	Hollings	Pell
Burdick	Hughes	Proxmire
Cannon	Jackson	Stevenson
Chiles	McGee	Symington
Church	McGovern	Tunney
Cranston	McIntyre	Williams
Eagleton	Mondale	
Harris	Moss	

NAYS—55

Aiken	Eastland	Pastore
Allen	Ellender	Pearson
Allott	Ervin	Percy
Anderson	Fannin	Randolph
Baker	Fong	Ribicoff
Bellmon	Gambrell	Roth
Bennett	Goldwater	Schweiker
Bible	Griffin	Scott
Boggs	Gurney	Smith
Brock	Hansen	Sparkman
Brooke	Hatfield	Spong
Buckley	Inouye	Stafford
Byrd, Va.	Jordan, N.C.	Stennis
Byrd, W. Va.	Jordan, Idaho	Talmadge
Cook	Mansfield	Tower
Cotton	Mathias	Weicker
Curtis	McClellan	Young
Dole	Miller	
Dominick	Montoya	

NOT VOTING—20

Beall	Humphrey	Muskie
Case	Javits	Packwood
Cooper	Kennedy	Saxbe
Fulbright	Long	Stevens
Gravel	Magnuson	Taft
Hartke	Metcalf	Thurmond
Hruska	Mundt	

So, Mr. NELSON's amendment was rejected.

Mr. TALMADGE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. BENNETT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 544

The PRESIDENT pro tempore. The next amendment is No. 544 of the Senator from Wisconsin (Mr. NELSON).

Mr. NELSON. Mr. President, I send to the desk a technical modification of this amendment changing certain page and line references.

The PRESIDENT pro tempore. The amendment with its modification will be stated.

The assistant legislative clerk proceeded to read as follows:

On page 123, beginning with line 3, strike out all through line 8 on page 176.

The PRESIDENT pro tempore. Who yields time?

Mr. NELSON. Mr. President, I yield myself 5 minutes.

The PRESIDENT pro tempore. The Senator from Wisconsin is recognized for 5 minutes.

Mr. NELSON. Mr. President, on behalf of the Senator from Oklahoma (Mr. HARRIS), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. MONDALE), and myself, I call up amendment No. 544.

This amendment would remove the DISC proposal from the bill.

The DISC proposal seeks to expand exports by providing special tax advantages to a new kind of corporation—Domestic International Sales Corporation—which is involved only in exporting.

American manufacturers producing for export would channel their exports through a DISC. The DISC's profits would be subject to reduced income tax if they are used for "export-related activities." In the bill before us, 50 percent of all DISC earnings would be free from tax.

The version of DISC adopted by the Finance Committee is much less expensive than that recommended by the administration: it is much simpler and more equitable than the House version.

Nevertheless, even in this form, the DISC proposal has little merit; it should be rejected.

Initially, Treasury estimated that DISC would increase exports by $1 billion, while costing $600 million in Federal revenues. The Congressional Joint Committee on Internal Revenue Taxation has questioned this $1 billion estimate of increased exports, and placed the true figure at closer to $300 million. But even accepting the Treasury estimates, DISC turns out to be a very expensive proposition: every dollar of increased exports costs the Treasury 60 cents. In effect, the Treasury would be subsidizing over half the cost of new exports.

The modified DISC approved by the Finance Committee is relatively less costly than the administration version. Nevertheless, it would still cost almost $1 billion during the first 4 years, and $400 million annually by 1978. Moreover, to the extent that the revaluation of currencies currently underway leads to a major increase in exports, the cost could be much greater. At the same time, the Treasury has given us no estimates of the new exports that DISC—as modified by the Finance Committee—would generate. If the original proposal would have increased exports by $300 million to $1 billion, one must conclude that the Finance Committee version would result in a much smaller increase.

I ask unanimous consent to have printed in the RECORD, the Finance Committee DISC figures.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Finance Committee DISC

[Cost in millions]

1972	$100
1973	170
1974	240
1975	300

Mr. NELSON. With one minor exception, Treasury has provided Congress with no serious studies nor solid evidence to support DISC. The only available study—performed by the Congressional Joint Committee on Internal Revenue Taxation—raises serious questions regarding its desirability.

On October 15, I wrote Assistant Secretary Volcker requesting any studies or other evidence supporting the DISC proposal. On October 20, I received a letter from Assistant Secretary Petty. Attached to Mr. Petty's letter were copies of two letters—from Union Carbide and Hewlett-Packard. Mr. Petty pointed to the data in these two letters as evidence of how U.S. companies would increase their exports under DISC.

These are the only specific, detailed statistics that Treasury has come up with in support of DISC.

The data in these two letters have been analyzed by the staff of the Joint Committee on Internal Revenue Taxation. The conclusions of the staff study lend little support to DISC. For instance, with respect to Hewlett-Packard:

The original data presented suggests that it would be more advantageous to the company to retain the additional funds provided by a DISC corporation rather than to expand exports. The revised data made available this last October suggests that the necessary [export] promotion expenses are small enough so that incurring of additional export expenses (with the resulting increase in exports) would appear attractive whether or not the DISC proposal were to be adopted.

In other words, in the first case, the company would have larger profits under DISC if it did not increase its exports; in the second case, it has an incentive to increase exports even without DISC.

Given the absence of any solid evidence in support of DISC, it is hardly surprising that this proposal was vigorously opposed by almost every economist who testified before the Finance Committee in the recent hearings. It has been strongly opposed by Stanley Surrey, Assistant Secretary of the Treasury under Presidents Kennedy and Johnson. The Wall Street Journal has attacked it editorially as a "tax gimmick"; the AFL–CIO has called it a "tax giveaway." Significantly, the President's Commission on International Trade and Investment Policy—the Williams Commission—refused to recommend DISC in its recent report.

Support for DISC might be justified even without strong empirical evidence if the logic of the proposal were self-evident. But the opposite is the case.

Treasury states that DISC profits—to remain tax-exempt—must be used in "export-related activities." But there is no requirement in the legislation that DISC earnings be traced to facilities or equipment actually used in production for export. As a result, DISC earnings can be used for almost any form of domestic investment. The funds can be used by large manufacturing companies, who are presently exporters, for purely domestic activities where the favored companies are able to compete with tax-free DISC money against companies not so favored.

According to Treasury, DISC would exempt some portion of export profits from taxation. In fact, however, under the formula used for determining export profits, much—in some cases all—manufacturing profits would be included as well.

The formulas define DISC export earnings as 50 percent of the difference between cost and sales price, or 4 percent of the sales price, whichever is greater. In many cases—particularly in industries with low rates of return on sales—the 4 percent of sales price could place the entire profit on the sales within DISC export earnings, and thus subject to 50 percent tax exemption.

In arguing for DISC, the Treasury points out that taxation of U.S. foreign subsidiaries is "deferred," and that DISC is required to prevent domestic exporters from going overseas to obtain this tax advantage. This overlooks the fact that U.S. foreign subsidiaries pay foreign income taxes which in many cases are close to—or more than—our's. Table I shows comparative corporate tax rates in major industrialized countries. The United States is close to the middle, and only Japan is significantly lower. Table II shows estimated effective corporate tax rates in major industrial countries. These effective rates take into account such special provisions of the tax laws as accelerated depreciation and percentage depletion.

I ask unanimous consent to have the table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARATIVE CORPORATE TAX RATES IN MAJOR INDUSTRIAL COUNTRIES

Canada, 51.41 percent.
Germany,[1] 51.00 percent.
France,[2] 50.00 percent.
United States, 48.00 percent.
Netherlands, 47.38 percent.
Italy, 45.20 to 37.80 percent.
United Kingdom, 45.00 percent.
Japan,[1 2] 35.00 to 26.00 percent.

Mr. NELSON. Table II shows that the United States is in line with most of our trading partners. Only Japan and the Netherlands are significantly lower, and Italy, Canada, Germany and France are higher.

Mr. President, I ask unanimous consent to have the table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE II.—Estimated effective corporate tax rates in major industrialized countries—1966

[In percent]

Italy	44.00
Canada	43.50
Germany	43.30
France	42.20
United States	42.10
United Kingdom	35.00
Netherlands	25.60
Japan	24.00

Mr. NELSON. Moreover, if deferral for our foreign manufacturing subsidiaries is a material inducement to invest abroad, the obvious course is to end the deferral and leave the U.S. tax system neutral between investment abroad and investment at home. Instead, Treasury says we must keep our inducements to foreign investment, and we must exempt export income because of these inducements to foreign investments. This makes no sense. And it would leave a gaping hole in the income tax.

There are numerous other objections to DISC.

It is extremely complex. Prof. Stanley Surrey has written that:

Its weaknesses and further loophole potential will be fertile hunting ground for tax avoiders.

It is likely to cause foreign retaliation and emulation which would only hurt our trade position. This is particularly so inasmuch as we have already imposed a 10-percent surcharge on our trading partners.

And it represents another tax break for the largest corporations. The study by the Joint Committee on Internal Revenue Taxation stated:

The major impact of the revenue loss from DISC would, of course, be concentrated among the major exporting companies. The Commerce Department estimates that roughly 100 of the largest U.S. firms account for the majority of our exports, more than 50 percent, although this is a rough guess. They would presumably receive approximately their proportionate share of the tax reduction.

Maybe DISC made some economic sense when it was first proposed. Nothing was being done at that time to cope with the fundamental imbalance in our international position.

But today, with the President's new economic plan, we are taking direct steps to deal with our balance of payments problem. Tax gimmicks like DISC should be put aside in favor of the new measures.

The United States is now in the middle of a wholesale realinement of foreign currencies in relation to the dollar. This realinement, together with removal of trade restrictions elsewhere and a resharing of defense burdens should bring about the needed turnaround in our balance of payments. Of course, we cannot predict the total effect that these changes will have on our trade. But even so, this is hardly the time to institute a permanent tax gimmick like DISC. We should at least await the outcome of these international developments to see what further steps, if any, are needed to assist our exporters.

Finally, the DISC proposal violates the most basic standards of fairness. According to Professor Surrey:

When the questions are asked why is our tax system so unfair, why are there such gross escapes for some from the tax burdens borne by others, why do we have so much difficulty in focusing our scarce funds on pressing needs, the DISC proposal is a sharp and bitter answer.

And the Wall Street Journal:

The result [of proposals like DISC] is a sense of unfairness and ill will among taxpayers, which is the first step towards wide scale efforts at evasion.

DISC would simply add a new loophole to a tax system that already has too many. It is inconsistent with a sound trade policy; it is inconsistent with tax simplicity; and it is inconsistent with the view that the tax system must deal justly and evenly with all members of the society.

Mr. President, I ask unanimous consent that there be printed in the RECORD a letter I wrote to the Assistant Secretary of the Treasury and the response to that letter; a letter and an analysis of DISC prepared by the Joint Committee on Revenue Taxation, with accompanying charts and documents; an editorial from the Wall Street Journal which analyzes the DISC proposal and identifies it as a tax gimmick; an article by Harvard Law School Prof. Stanley Surrey, who was Assistant Treasury Secretary for Tax Policy during the Kennedy and Johnson administrations.

[1] A lower rate of tax applies to distributed earnings.

[2] Figures shown do not include substantial provincial taxes.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OCTOBER 15, 1971.

Mr. PAUL VOLCHER,
Assistant Secretary of the Treasury, Department of the Treasury, Washington, D.C.

DEAR MR. VOLCHER: In the Finance Committee hearings of October 1, you may remember that I questioned you concerning the DISC proposal.

One of my questions concerned previous documentation of economic studies of just how and to what extent and for what good this proposal would increase our exports. You answered that you were relying on "extensive talks and studies not only within the Treasury but with private companies concerned."

I realize that you cannot relate to me all these conversations with businessmen. I also understand that in the nature of things, the effects of DISC are somewhat speculative. But I would like to study whatever evidence does exist on this proposal. If some of this has been presented before and is a matter of public record, I would be glad to have the references.

I appreciate any help you can give me on this matter. Since the Committee hearings are fairly well along, I hope you will be able to respond expeditiously.

With best regards,

Sincerely yours,

GAYLORD NELSON,
U.S. Senator.

THE DEPARTMENT OF THE TREASURY,
Washington, D.C., October 20, 1971.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: In response to your request of October 15 to Under Secretary Volcker for supporting material concerning the DISC proposal, I am glad to enclose several documents. The first contains answers to several frequently asked questions about the DISC. In particular, the answer to question 2 summarizes our conclusions about how, when and by what amount DISC will stimulate U.S. exports.

The enclosed copies of two letters—from Union Carbide Corporation and Hewlett-Packard—are good examples of how DISC will fit into the export sales planning of many corporations. With regard to other company responses to the DISC proposal I refer you to pages 31–35 of the Senate Finance Committee Hearings on the Trade Act of 1970 and Social Security Amendments of 1970 (Part 1 of 2 Parts), October 9 and 12, 1970.

In addition to enclosing the material noted above, I would like to emphasize the following points. In order to achieve the increase in exports which we have projected, the DISC incentive must apply to all exports and again and again by the heads of companies with whom we have discussed some form of tax incentive to exports over the past few years. As regards permanency, no company management is willing to undertake a substantial shift of company resources into export operations—which we expect the DISC to encourage—without assurance that the benefits of DISC will continue into the future. We are not aiming for a short-term stimulus to U.S. exports through the DISC proposal but for a permanent reorientation of business attitudes towards export business.

As regards the application of DISC to all exports rather than to incremental exports only, one third of our hundred largest exporters have had a declining or indefinite export trend in recent years. Reversing downtrends or, at least, preventing further erosion of particular exports will contribute as much to restoring our trade balance as increasing other exports.

I am glad to provide the enclosed material. If you should have any questions, members of Treasury staff will be glad to discuss them with you at your convenience.

Sincerely yours,

JOHN R. PETTY,
Assistant Secretary.

CONGRESS OF THE UNITED STATES,
Washington, D.C., October 20, 1971.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: I am replying to your October 14 request for a staff evaluation of the data provided by Union Carbide and Hewlett-Packard concerning increased exports which might arise as a result of the use of a DISC corporation. I asked an economist on the staff to evaluate the data in the information supplied by these two companies.

The analysis prepared by the economic staff in the case of Union Carbide suggests that for the DISC type operation to result in increased exports the unit production costs with respect to the additional units produced must be relatively low or the promotion expenses necessary to obtain the export expansion must be relatively low if the DISC operation can be expected to appreciably expand exports in this case. The information supplied is not sufficient to show whether either of these two conditions exists. To the extent that these conditions exist, it is not clear why an export expansion would not occur under existing law.

With respect to the Hewlett-Packard Company, the original data presented suggests that it would be more advantageous to the company to retain the additional funds provided by a DISC corporation rather than to expand exports. The revised data made available this last October suggests that necessary promotion expenses are small enough so that incurring of additional export expense (with the resulting increase in exports) would appear attractive whether or not the DISC proposal were to be adopted.

It is, of course, difficult to provide any conclusive information in cases of this type since so much depends upon the evaluations of the executives in the firms involved. The analysis made by my staff economist, however, indicates what would apparently be the decisions made strictly on the basis of the economics involved in these cases.

Sincerely yours,

LAURENCE N. WOODWORTH.

ANALYSIS OF DATA SUBMITTED BY UNION CARBIDE AND HEWLETT-PACKARD CONCERNING INCREASED EXPORTS IN RESPONSE TO GREATER PROMOTIONAL EFFORT UNDER DISC [1]

SUMMARY

The data submitted by Union Carbide and Hewlett-Packard indicate that in some cases it may be more profitable for an exporter to maintain his present level of exports under DISC rather than incur additional promotional expenses to increase his exports and in other cases, it would be profitable to increase exports even without DISC. The precise result depends basically on the cost of the promotion expenses per dollar of increased exports.

In the Union Carbide presentation, increased profits resulting from greater promotional effort and higher exports depends on a reduction in unit production costs. More precisely, they depend on the relationship between the decrease in unit production costs ($.02 per unit) and increased promotional costs ($.03 per unit). If unit production costs do not decline or additional promotional expenses are $.05 or more per unit, it would be more profitable not to incur additional promotion expenses to increase exports according to the Union Carbide data. This is not to say that their estimates are wrong, but to point out that there may be a rather narrow range of circumstances where it is more profitable to incur additional promotion expenses and increase exports than to maintain the present level of exports under DISC.

The Hewlett-Packard data submitted on November 11, 1970, indicate that it would be more profitable not to incur additional promotional expenses to increase exports under DISC. Basically, their data show that gross profit without regard to additional promotion expenses would be $21 million higher in 1971 through 1975 if these expenses were incurred and exports increased but the additional export promotion expenses would be $36 million. Thus, before-tax profits would be about $15 million higher if no additional export promotion expenses were incurred to expand exports. After-tax profits under DISC would be about $9 million higher over the period if these expenses were not incurred and exports increased.

The revised data submitted by Hewlett-Packard on October 8, 1971, shows a much lower cost of export promotion expense per dollar of increased exports than the November 1970 data. The latter indicates that a 5-percent increase of exports would require additional export promotion expenses equal to 15 percent of additional exports whereas the latter indicates the 5-percent export increase would require promotion expenses equal to 3 percent of additional exports. On the basis of their October 1971 estimates, an increase of exports of $142 million over the period 1972 to 1976 would require $10 million of export promotion expenses (compared to the previous estimate of $36 million). On this basis, gross profits before taxes without regard to export promotion expenses would be $22.5 million higher if these expenses were incurred and net profits after these expenses would be $12.5 million higher. These profit figures are without regard to DISC and, if correct, raise the question of why exports would not be increased via higher promotion expenses under present law even though they would result in a lower than average return on sales.

UNION CARBIDE DATA

The data on unit cost and profit presented by Union Carbide for its "Class B" exports, those which would respond to increased selling effort, is as follows:

	Present	With increased sales effort— Without DISC	With DISC
Unit selling price	$1.00	$1.00	$1.00
Production cost	.79	.77	.77
Overhead	.12	.15	.15
Profit before tax	.09	.08	.08
Income tax [1]	.045	.04	.02
Profit after tax	.045	.04	.06
Net return on sales (percent)	4.500	4.00	6.00

[1] 50 percent under present law and 50 percent on ½ of profits on 25 percent under DISC.

The example provided and the data for this class of exports indicate that the increased profits resulting from greater promotional effort depends on a reduction in production costs as a result of increased exports. If unit production costs do not go down as a result of increased sales due to greater promotional effort, the company would earn a greater total profit and a higher rate of return on sales under DISC by not incurring the promotional expense and not increasing exports. Alternatively, if export promotion expenses go up by $.05 per unit rather than $.03 (shown as an increase in overhead from $.12 to $.15 per unit), the company would also earn a greater profit under DISC by not increasing exports.

These relationships for the 1970 level of exports (which also applies to the entire period) are as follows: Estimated total exports in 1970 are $235 million; Class B exports are about 10 percent or $23.5 million. They estimate that increased promotional effort would increase exports $65 million over the 10-year period or $6.5 million per year. The net rate of return on sales after taxes under DISC if no increase in exports took place would be 6.75 percent (the 9.0 percent before tax return shown in the "present" column minus the tax of 2.25 percentage points, a 50 percent rate on half the profits). Total profits for 1970 would be $23.5 million x 6.75 percent, or $1.59 million. With increased sales effort under DISC, sales for 1970 would be $30 million at 6 percent or total profits of $1.80 million.

If production costs do not decrease, the figures are:

Increased sales effort and present production costs under DISC

Unit selling price	1.00
Production cost	.79
Overhead	.15
Profit before tax	.06
Income tax	.015
Profit after tax	.045
Net return on sales (percent)	4.50

Under this assumption, profits would be 4.50 percent on $30 million of sales which is $1.35 million, or $0.45 million less than if no promotion expenses are incurred and export expenses are not increased.

Their figures may well be correct and it may be more profitable to incur additional exports promotion expenses. The above analysis points out, however, that the tax saving from DISC is not sufficient to cover increased promotion expenses (in their case) and lower unit production costs are necessary to make such expansion profitable. This combination of increased promotion costs and lower unit production costs which make expansion profitable may not exist generally. Lower unit production costs for expanded output imply either excess capacity or the ability to acquire new, more efficient facilities. Note, however, that if production costs decrease by $0.3 per unit (rather than the $0.2 they indicate) as a result of expansion, then the export expansion yields the same rate of profit on sales as the present situation (4.5 percent after taxes) without DISC.

HEWLETT-PACKARD DATA

Hewlett-Packard data submitted in November 1970 projects their exports over the period 1971 to 1975 at $880 million without DISC. (This data and the data discussed below is shown in Table 1.) Their estimated profit rate of 15 percent yields a before-tax profit of $132 million and an after-tax profit of $66 million on these exports. Their projections under DISC show exports of $1,020 million over this period, an increase of $140 million, in response to additional export promotion expenses. Before-tax profits at the 15-percent rate without regard to additional export promotion expenses would be $153 million. Additional export promotion expenses are given as $36 million over the period. Net profit before taxes would therefore be $117 million. After-tax profits under DISC would be $84.4 million. Tax deferral under DISC would be $26 million.

Based on the same figures, if there were no additional export promotion expenses, exports would be $880 million and before-tax profits would be $132 million. After-tax profits under DISC would be $93.5 million which is $9 million or 10.6 percent higher than if exports were increased by additional export promotion expense. Tax deferral would be $27.5 million.

In effect, the Hewlett-Packard original presentation is saying that export promotion expenses of $36 million would increase exports by $140 million on which a profit of $21 million would be earned before taking account of export promotion expense. After export promotion expense, there would be a loss of $15 million on the transaction but the tax deferral under DISC still makes an increase in after-tax profits possible compared to present law. This is not the relevant comparison, however, as the higher after-tax profits under DISC without increased export promotion expenses indicates.[2]

Hewlett-Packard's data submitted on October 8, 1971, differs from the November 1970 data principally in the substantially lower estimated cost of export promotion expense per dollar of increased exports. The two estimates are shown below. The aggregate export promotion expenses necessary to increase exports by approximately $140 million over a five-year period were estimated at $36 million in the 1970 data and at $10 million in the 1971 data.

Percentage increase in exports	Estimated promotion expenses as a percent of additional sales— 1970 estimate	1971 estimate
0 to 5	15	3
6 to 10	16	5
11 to 15	18	7
16 to 20	20	10

The 1971 data is more comprehensive with respect to the use of DISC income, the pattern of dividend payments, etc. The question of the use of the DISC income is not considered here, however, because it is secondary to the question of whether DISC would increase exports.[3] In this connection, their gross profits before the additional export promotion expenses would be $22.5 million higher if these expenses were incurred and exports increased than if they were not. Net before-tax profits after the $10 million of export promotion expenses would therefore be $12.5 million higher.

This raises the question of why they would not incur these expenses and increase before-tax profits under present law. The Hewlett-Packard analysis indicates that they would not incur these promotion expenses without DISC, however, although it would increase total profits because it would result in a lower than average return on sales. This line of reasoning appears to attribute too much impact on exports to DISC because it says that exports which require higher than average promotion expenses will take place only with DISC.

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[1] This analysis covers the data submitted by Union Carbide on July 2, 1970, and by Hewlett-Packard on November 11, 1970, and the revised data it submitted on October 8, 1971.

[2] The $36 million of export promotion expenses can also be viewed as financed by $26 million of tax deferral from DISC and roughly $9 million of lower after-tax profits compared to DISC and no export promotion expenses.

[3] Their data shows that the net tax deferral after payment of dividends by the DISC to the parent would be $10 million over the period. This is equal to export promotion expenses and implies that they will incur such expenses only if the Federal Government finances them.

TABLE 1.—COMPARISON OF PROFITS UNDER DISC WITH AND WITHOUT EXPORT EXPANSION BASED ON HEWLETT-PACKARD DATA SUBMITTED, NOV. 11, 1970

[Amounts in millions of dollars]

	Case I—DISC and increased export promotion expenses						Case II—DISC and no additional export promotion expense					
	1971	1972	1973	1974	1975	Total	1971	1972	1973	1974	1975	Total
Projected exports	130.0	161.8	203.8	241.7	282.5	1,020.0	130.0	150.0	175.0	200.0	225.0	880.0
Gross profits (15 percent)	19.5	24.3	30.6	36.3	42.4	153.1	19.5	22.5	26.2	30.0	33.8	132.0
Export promotion expense	1.9	4.8	7.3	10.5	11.5	36.0						
Net profit [1]	17.6	19.5	23.3	25.8	30.9	117.1	19.5	22.5	26.2	30.0	33.8	132.0
Manufacturing net profit [2]	8.6	9.3	10.9	11.9	14.4	55.0	9.75	11.25	13.13	15.00	16.88	66.0
Tax (50 percent)	4.3	4.65	5.45	5.95	7.20	27.5	4.88	5.63	6.56	7.50	8.44	33.0
Manufacturing after-tax profit	4.30	4.65	5.45	5.95	7.20	27.5	4.87	5.62	6.56	7.50	8.44	33.0
DISC net profit [3]	9.0	10.2	12.4	13.9	16.5	62.0	9.75	11.25	13.13	15.00	16.88	66.0
Tax [4]	2.25	1.28	1.55			5.08	2.44	1.41	1.64			5.5
DISC after-tax profit	6.75	8.92	10.85	13.90	16.50	56.92	7.31	9.84	11.49	15.00	16.88	60.5
Total after-tax profit	11.05	19.12	16.30	19.90	23.70	84.42	12.18	15.46	18.05	22.50	25.32	93.5
Tax deferral	2.25	3.82	4.65	5.95	8.25	25.9	2.44	4.22	4.92	7.50	8.44	27.52

[1] This presentation excludes the R. & D. expenses and depreciation on fixed assets acquired from producers' loans under DISC in the Hewlett-Packard analysis for simplicity since those amounts relate to the use of tax savings under DISC rather than the basic profitability in the 2 cases. Nor does it include any dividend payment.

[2] One-half of net profit less 10 percent of export promotion expenses. These amounts differ slightly from those in the Hewlett-Packard data which incorrectly adjusted for export promotion expenses. This also applies to footnote 3.

[3] One-half of net profit plus 10 percent of export promotion expense.

[4] 25 percent in 1971, 12.5 percent in 1972 and 1973 and zero thereafter.

TABLE 2.—COMPARISON OF PROFITS UNDER PRESENT LAW WITH AND WITHOUT EXPORT EXPANSION BASED ON HEWLETT-PACKARD DATA SUBMITTED OCT. 8, 1971

[Amounts in millions of dollars]

	Case I—Present law and no export promotion expense						Case II—Present law and additional export promotion expense					
	1972	1973	1974	1975	1976	Total	1972	1973	1974	1975	1976	Total
Projected exports	130.0	147	170.0	197.0	225.0	869.0	136.9	169.3	207.9	237.5	267.5	1,019.1
Gross profit (15 percent)	19.5	22	25.5	29.5	33.8	130.3	20.5	25.4	31.2	35.6	40.1	152.8
Export promotion expense							.6	1.9	2.2	2.5	2.8	10.0
Net profit	19.5	22	25.5	29.5	33.8	130.3	19.9	23.5	29.0	33.1	37.3	142.8
Tax (50 percent)	9.75	11	12.75	14.75	16.90	65.15	9.95	11.75	14.50	16.55	18.65	71.40
After-tax profit	9.75	11	12.75	14.75	16.90	65.15	9.95	11.75	14.50	16.55	18.65	71.40

XUM

[From the Wall Street Journal, Sept. 30, 1971]

THAT SHINY DISC

While not everything can be applauded in the new tax package that emerged from the House Ways and Means Committee last week, there is at least one evidence that the committee is fulfilling its obligation to check administration impetuosity.

Chairman Mills and his committee took some of the shine out of an administration tax gimmick designed to encourage American business corporations to step up their export activity. If the idea disappears entirely before the tax bill becomes law, it will be no great loss.

The idea in question is the administration's proposal that American corporations be allowed to set up "domestic international sales corporations," or "DISCs," to handle their export business. DISCs would be allowed to "defer" federal income taxes on profits from exports if those profits were applied to new export or "export-related" activities.

In a recent Washington Post article, Harvard Law School tax expert Stanley S. Surrey said that the administration proposal would, to a large degree, have been an exemption, not merely a deferral, that it would have revived the "tax haven" idea that Congress tried to kill nine years ago and that it would have cost the government some $1 billion a year. Professor Surrey, who was the Treasury's top tax specialist in the Kennedy and Johnson administrations, added that there is very little assurance that the tax bonus would in fact boost exports appreciably.

Professor Surrey's objections are persuasive and can be augmented. The use of special tax incentives to further public policy is a doubtful technique in principle, to begin with. It soon gets the entire tax structure out of kilter, creating loopholes for some taxpayers and transferring to others the burden that has been lifted from the fortunate. The result is a sense of unfairness and ill will among taxpayers, which is the first step toward wide scale efforts at evasion.

There are still other objections.

DISC is another example of the practice, which is becoming too popular, of trying to fudge against the accepted rules of international trade.

U.S. authorities who try to justify such activities insist that other nations give incentives to exporters. They do, but such things are partly a matter of degree, and few nations have gone as far as the original DISC proposal would have gone towards an outright exemption from income taxes. The U.S. already is inviting retaliation from its trading partners for its 10% surcharge on imports and it is not likely that tense trade relations can withstand much further aggravation.

Further, there is a serious flaw in the idea that subsidizing industry somehow makes it more competitive. A subsidy supplies the means to become less, not more, competitive, as should have been adequately proved a long time ago by the heavily subsidized U.S. ocean-shipping industry.

Despite all these objections and despite the fact that DISC-type proposals have been cut out of some tax bills of past year, Ways and Means did not kill DISC outright this time. The committee tried to provide that the tax benefit would actually be an incentive and at the same time sharply cut its potential impact on revenues. In the new version, DISC tax benefits would be based mainly on the amount by which their export sales exceeded the three previous years.

Treasury Secretary Connally doesn't think this would be sufficient "incentive" to exporters. In our view, it is a better incentive than the original, since only measurable gains would be rewarded.

But the Ways and Means version still doesn't answer the objection to tax incentives in principle. Nor does it preclude the possibility that once DISCs are established they will win further concessions. With that thought in mind, we would be very happy if the full Congress decides to send this particular DISC sailing, far enough that it wouldn't be likely to return.

DISC: A BILLION-DOLLAR TAX LOOPHOLE HIDDEN IN NEW ECONOMIC POLICY

(By Stanley S. Surrey)

The President's speeches on the New Economic Policy do not mention the "DISC proposal, and so it receives almost no notice in the daily press discussions.

This silence cloaks the efforts of the Treasury Department once again to slide the DISC proposal into the tax law. Last year the attempt was made as part of the Trade Bill, when the fierce legislative battle waged over import restrictions permitted the DISC proposal to pass through the House, almost unnoticed and unseen and certainly not understood. Fortunately, the Senate Finance Committee then viewed the proposal with suspicion and it died at the end of the session.

There is good reason to keep the DISC proposal out of the spotlight. The proposal opens up a billion-dollar loophole in the income tax, through permitting U.S. exporters—especially our largest corporations—to escape that tax.

It would be a cruel irony to have the first significant technical income tax legislation to pass the Congress after the 1969 Tax Reform Act—the kind of legislation that only technicians and experts can follow—open up one of the largest tax escapes ever legislated by the Congress. Yet we find the Treasury Department being the moving force behind this attempt.

A DISC—Domestic International Sales Corporation—would be a new type of corporation conjured forth by this change in the tax law designed to "defer" the income tax on the "export profits" received by a domestic corporation engaged solely in the export trade. The quotation marks are used because the words they enclose turn out, as is so often the case in tax legislation, to have a significance far beyond their normal usage.

American businesses manufacturing goods that are sold abroad would be expected to organize DISCs—which need be only paper subsidiaries—through which their present exports would be channeled. The profits of a DISC from its export sales would not be subjected to income tax if the profits are used in export activities of the DISC or loaned to the parent-manufacturer corporation for "export-related activities"—again the significant quotation marks. This is the way the Treasury describes the proposal.

But under the terms of the actual legislation, it turns out that "deferral" would in practice become exemption; that "export profits" would very often include manufacturing profits; that "export-related activities" of the parent-manufacturer becomes activities having nothing to do with exports, extending even to investment for manufacture abroad; and that the references in title and description to "domestic" export subsidiaries cloak in practice an inducement to form foreign subsidiaries and, moreover, to form them in tax-haven countries, thus bringing back a pattern of abuse against which Congress legislated in 1962.

These are aspects that the Treasury does not talk about when it urges the proposal. For example:

1—The Treasury stresses in urging DISC that only a deferral of tax is involved, in terms that imply deferral is really not much—the tax is not paid now but must be paid a bit later on. Indeed, "deferral" for most Congressmen is a word that lulls them into believing very little is being given away. But the Treasury and corporate controllers know better. Thus, a high Treasury official, in talking recently to a professional group on aspects of accounting, said:

"I need not tell this group that tax deferral is the name of the game. A tax deferred one, two, or several years is simply a lower amount of tax on those who achieve such deferral—a burden that must be assumed by all other taxpayers."

For a profitable company, the present value of 15 years deferral—at the least the period the Treasury and business have in mind under DISC; indeed the deferral for many will be indefinite—is just about worth the amount of the tax itself, which makes deferral the equivalent of exemption. The reason is that the deferred tax-money that a company keeps over such a period (in effect an interest-free loan for that period) can be put to work earning additional money. In a typical case, the real cost to a profitable company for each $100 in deferred taxes would only be $18 to $20.

2—The Treasury stresses that domestic subsidiaries will be used and that this is helpful to unsophisticated businesses. But the tax experts who study the technical details know that the arrangement which gives the greatest tax windfall under the proposal is to combine DISC with a foreign tax haven subsidiary—a Swiss or Panamanian company. In 1962 the Congress rightly legislated against tax haven abuses. Now in 1971 under the cloak of a few technical words in the DISC proposal, the Treasury is sweeping away that legislation and directly legalizing and encouraging the widespread use of these tax havens.

3—The Treasury stresses that the profits of a DISC, freed from taxes, will be used to promote export activities. But the tax experts who study the technical details know that these tax-free funds can be used for activities that have nothing to do with exports.

Thus, the funds can be used by large manufacturing companies, who are presently exporters, for purely domestic activities where the favored companies are able to compete with tax-free DISC money against companies not so favored. They can be used even to build manufacturing plants abroad—and thus reduce the export trade of the United States. The DISC money is simply made available to the companies and the Treasury will ask no questions on how it is so used.

The purpose claimed for this proposed tax-favored treatment of our exporters—exempting an entire activity from the income tax—is that it will stimulate our export trade and thereby help our balance of payments. But the revenue loss in the billions occurs even if not a single dollar of new exports occurs. Moreover, no one—not even the Treasury—has offered any public documentation and serious economic study of just how and to what extent and for what goods this windfall to exporters will increase our exports. On the contrary, most economists believe just the opposite, that the change will have only a slight effect on our exports out of all proportion to the revenue loss involved. No other country, even among those most incentive-minded, has adopted such a sweeping tax escape from its income tax.

When the questions are asked why is our tax system so unfair, why are there such gross escapes for some from the tax burdens borne by others, why do we have so much difficulty in focusing our scarce funds on pressing needs, the DISC proposal is a sharp and bitter answer.

Some corporations are of course pushing for the legislation, as are some law firms which see profits for them in reorganizing the business structures of their clients to fit DISC into the corporate organization charts. But to their credit, many a business concern and its executives, as well as their tax advisers, know the proposal is wrong—wrong for them because it means a windfall received which will not materially affect their level of exports and wrong for the country in terms of our national priorities. But it comes hard not to offer support when the Treasury pushes for their backing of the proposal.

In fact, I suspect almost everyone concerned knows DISC to be a bad tax provision. Surely the House Ways and Means Committee which initiated the tax reform legislation in 1969 should know better. One can believe that it does know better—after all, a dissenting report filed last year by some committee members explained in detail how the proposal was seriously wrong and had no place in our tax system. One suspects also that the Treasury tax experts know better. Nevertheless, the proposal has found a place in the New Economic Policy of the President.

One suspects a cultural lag. Last year, pushed by Commerce, the Treasury came up with the DISC proposal to show it was trying to "do something" about exports. This year in August, however, the Treasury moved directly to get at the crux of our trade imbalance—the unfairness to our trade that resulted from the relationship of our dollar to foreign currencies—and is now seeking a realignment of those currencies. It is also using a temporary device—the 10 percent surcharge on imports—to emphasize the need for currency adjustments and other trade related changes such as removal of unfair restrictive practices in other countries.

But the DISC proposal, which will not really help our exports and instead will create a large tax escape, was left around from the earlier blueprints. It is now being quietly carried along as a windfall to business, even though we have a new set of blueprints really designed to do the job that must be done to improve our trade position.

The DISC proposal should simply be dropped as a bad idea—a major loophole if viewed as a tax provision; utterly in conflict with our national priorities if viewed as an expenditure device; ineffective and now supplanted by meaningful, direct steps if viewed as a trade measure.

Mr. TALMADGE. Mr. President, recent history of our exports shows that they are going down, down, down. Recently history of our imports shows that they are going up, up, up. Recent history of our balance of payments shows that the deficits get greater and greater and greater.

Recently, we have had many American companies move overseas and incorporate there to do business because the tax costs overseas were more favorable than in this country. This means that we are exporting American jobs whenever a plant moves overseas.

One of the reasons that it is difficult to compete with our competitors overseas is the fact that many nations of the world provide, as in the Western European countries, as part of their tax system, a value-added tax. When they export their commodities, the value-added tax is rebated.

This means that their commodities go into the world market at a much cheaper rate than ours do, because the tax in that particular country has been rebated. Thus, the tax is not reflected in the price of the commodity when it reaches the American market.

Our country is in a dangerous economic situation. In the third quarter of 1971, the deficit of our balance of payments for that quarter alone were $12,100,000,000. The deficit for the entire year of 1970 was much less than that, or slightly less than $10 billion. If our deficit for the first three quarters of 1971 is put on an annual basis, it means that we will have a deficit this year of $31 billion in our balance of payments.

What about trade? That is equally alarming. There was a time when our trade surplus was huge year after year. However, that has been going down, down, down. Now we have a trading deficit. The truth of the matter is that on the CIF basis we have had a deficit for some 5 years.

This proposal is a modest attempt to try and make American goods more competitive in the world market. Admittedly, it will not do what the value added tax has done for the European countries, who are our principal competitors. But it will be a modest beginning to make American products more competitive on our world market.

The estimate for the first year cost by the Treasury Department is about $100 million. The Treasury Department hopes it will ultimately stimulate our export trade by $1.5 billion. Admittedly, these estimates are not conclusive because we do not have a track record to go by. We do not know what the ultimate result will be. The Committee on Finance does know we have to do something to make American commodities more competitive on the world market or we will export all our jobs, all the people of this country will be on welfare, and our dollars will be rolled around in wheelbarrows and not carried around in pocketbooks.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. TALMADGE. I will yield to the Senator for a question or a comment.

Mr. PASTORE. I would like to make a comment.

Mr. TALMADGE. I am happy to yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I want to say at the outset that I realize the motive for this amendment and I congratulate the Senator from Wisconsin. But we have to be a little realistic.

While we do not have a track record, we have a background on which this is predicated. I speak now of the textile industry. There was a time when 15 percent of the American textile production was being exported. Today it is almost zero. There is no country in the world, in the free world, that does not make concessions with reference to the goods they export from those countries. As a matter of fact they go even so far that in the purchase of basic raw materials they make concessions as to prices.

Not too long ago a cutlery manufacturer in the United States, incidentally it is the largest knife manufacturer in the world, told me that the steel being sold in Japan for purposes of export, is being sold cheaper than the steel being sold for domestic manufacture.

We have to face the facts of life. Unless we begin to do something to protect American industry, we are going to find that eventually we are going to extinguish all American manufacturing jobs and we are going to be confined to nothing but service operations. That will not help the security and the survival of the American economy.

I understand the nobility of purpose on the part of the sponsor of the amendment. If the Senator had to live with the situation we have endured over the past decade, he would see the need for the committee proposal. I am going to vote against the Senator's amendment. I do it reluctantly, but I do it because it is necessary.

Mr. TALMADGE. Mr. President, I yield 2 minutes to the Senator from Arizona.

The PRESIDING OFFICER (Mr. SPONG). The Senator from Arizona is recognized.

Mr. FANNIN. Mr. President, I concur with the statement by the distinguished Senator from Rhode Island. We are not just talking about increased exports; we are talking about saving the companies that are exporting and keeping them from losing what they now have in the way of exports.

Mr. President, there is no question about the need to increase exports—there has been plenty of talk about it. Government has urged business to enter the export field and to expand its exports. However, what we need is action—not talk—the removal of penalties and the enactment of incentives to help U.S. manufacturers to overcome the obstacles with which they must contend in selling U.S. goods in foreign markets. These obstacles include—but are not limited to—ever-higher U.S. labor costs per unit of production, transportation costs to overseas markets, and increased foreign taxes.

Since 1962, the U.S. income tax law has penalized exports of U.S. products. The 1962 U.S. income tax measures directed against foreign trade have helped to wipe out our favorable balance-of-trade position and to increase our terrible balance-of-payments deficits.

To be effective, any tax incentive must confer a real benefit. DISC would not reduce the amount of tax payable on the entire profit realized from the export of U.S. products, but would permit deferral of the time of payment of the tax on a portion of such profits. The U.S. manufacturer would be required to report a fair share of the income realized on exports through a DISC, and the DISC would be allowed to defer the tax on a portion of such income as long as the funds representing that income continued to be employed in the export of U.S. products. This seems to be fair to both parties—to the manufacturer that risks loss of capital as well as income in exporting or expanding the volume of its exports, and fair to the Government that defers tax on a portion of that income as long as the resulting profits are being used to produce more export income.

The Senate has heard theoretical arguments against DISC. Do those who spin these theories know what they are talking about—that is, business?

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American manufacturers have demonstrated the requisite skill and organizing ability to sell great volumes of U.S. products abroad, in the face of many obstacles and keen competition.

Theorists will not and cannot produce the increased exports we need. Only competent business organizations can produce that result.

Opponents of DISC say it would exempt from U.S. tax all income from exports. This is false.

DISC would not exempt from tax one penny of income. If that were true, it would, indeed, rapidly and greatly increase the export of U.S. products. However, it is false—DISC does not provide any exemption from tax. It does postpone the time for payment of tax, but on only a portion of the income from exports, and only so long as the DISC earns 95 percent of its income from exports and 95 percent of its assets are employed in exporting and export-producing assets.

Other statements by the opponents of DISC, while misleading and believed to be unjustified, can not be branded as false, since they are only opinions, guesses and predictions—not asserted as facts.

The opponents of DISC say that it would be ineffective in increasing U.S. exports, and they say it would lead to retaliation against U.S. goods entering foreign markets. If DISC—as originally proposed—would not be effective in increasing U.S. exports, would European governments and industrialists be so concerned about it? The New York Times—September 17—reports from Paris that DISC "Is seen as an essentially powerful stimulus that would intensify U.S. competition in the European market." This clearly indicates that those most concerned and in a position to know, are convinced that DISC would be effective in increasing exports of U.S. products.

Those with knowledge and experience in the field of international business know that DISC would increase U.S. exports—quickly, in the case of smaller U.S. manufacturers that have not hitherto made much, if any effort to export, and more gradually but in vastly greater volume in the case of larger U.S. manufacturers already selling widely in foreign markets.

Mr. President, in other words, we are not talking about something that is a giveaway program but something that is very much needed if we are going to compete with other countries of the world and keep jobs in America. We have worked hard to work out a system that will do this. I hope we can realize the position we are in this country and try to help keep these jobs in America.

Mr. TALMADGE. Mr. President, I yield 2 minutes to the distinguished ranking minority member of the committee, the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, we have discussed this at length in considering an earlier amendment which the Senate rejected. It is tempting to go back and refute statement by statement the claims made in defense of the amendment, but I think we should be concerned with the overall problem which both of the preceding speakers against the amendment have brought up.

We are face to face with the necessity of preserving the jobs in American industry—in the American manufacturing industry. We are face to face with the situation that if we go on as we have done for the past few years we will not generate enough money from our exports to even balance the imports that have been flooding in on us.

I can understand that consumers may be more interested in prices than in the sources of production.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. Mr. President, I yield 1 additional minute to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 1 additional minute.

Mr. BENNETT. Mr. President.

Mr. NELSON. Mr. President, has the time for debate been extended?

The PRESIDING OFFICER. No.

Mr. NELSON. I thought I heard the Chair state that the 15 minutes had expired.

The PRESIDING OFFICER. No. The Chair said that the 2 minutes that had been yielded to the Senator from Utah had expired.

Mr. NELSON. I thank the Presiding Officer.

Mr. BENNETT. Mr. President, there also are people who are persuaded this is a tax windfall for business. I would point out that, actually, unless a business does export, unless the products it makes go into the export market, it cannot take advantage of the minor benefit of this provision.

Mr. President, the Senate must reject this amendment, which would have catastrophic adverse effects on U.S. industry and U.S. employment.

At a time when our balance-of-payments deficit has reached the rate of $31 billion per year, the worst deficit in U.S. history, and our international trade posture is at a critical juncture, it is unthinkable that we should remove from this bill the one provision designed to increase U.S. exports and thus increase our balance of trade and U.S. production. DISC is designed to keep jobs and production in the United States by encouraging manufacture for export. The House, after careful study, cut back the DISC proposal as originally recommended by the administration. The Senate Finance Committee found an even better way to keep the DISC proposal but limit the benefits, including a limit to prevent the investing of any tax deferred DISC profits in foreign plants or equipment. The DISC as so limited will result in a revenue loss of only $100 million in 1972 and $170 million in 1973, as stated in the Finance Committee report. This is a very small price to pay in terms of the tremendous revenue losses under other provisions of this bill to keep jobs in the United States and to deal in a meaningful way with our present balance-of-payments emergency.

The tremendous importance of the DISC in keeping jobs in the United States must be recognized. DISC is a provision which is an incentive for U.S. companies to continue manufacturing in the United States for export, thus preserving and creating jobs at home. It balances our tax system to permit our companies to compete more effectively against foreign owned enterprises that are favored by the export promotion laws and policies of their governments. The DISC stimulates U.S. exports in a manner entirely consistent with our international obligations and treaties.

The benefits of DISC are carefully confined to insure that the beneficial treatment will be limited to export sales and to companies which engage in no activity other than export sale. Further export stimulation is assured by a rule permitting a DISC to retain its tax deferred income only if it reinvests that income in qualified export assets, or lends to U.S. producers engaged in export production.

DISC will also serve to offset the effect of foreign export incentives which reduce the ability of our exports to compete in third country markets and which encourage U.S. manufacturers to establish plants abroad to take advantage of those incentives. The DISC proposal will remove a real impediment to maintaining and expanding facilities in the United States for export production.

The DISC approach is trade expanding, rather than contracting through tariffs or quotas. It is a positive inducement to private action rather than an additional form of government-imposed limits or controls on U.S. business. It will be effective as soon as it is passed in persuading companies to maintain and increase their export sales, thus preserving and creating employment in the United States.

The Senate Finance Committee made three substantial changes in the DISC proposal as introduced by the Treasury. First, it limited the DISC rules to a period of 10 years to insure that Congress reexamines the functioning of this change in our tax laws. Second, the committee reduced the amount of income entitled to deferral to one-half of the DISC's income. This was a substitute for the complexities and inequities of the so-called incremental approach the House adopted in approving DISC. Finally, the bill now contains provisions making it largely impossible for the tax-deferred income of a DISC to be used to invest in foreign subsidiaries.

Thus, the benefits available to DISC's are reduced from the Treasury's original proposal, and there are more safeguards to assure that these benefits are used to stimulate exports. We should not lose this opportunity, at a very small cost in terms of revenue loss, to deal with the problem of maintaining and increasing U.S. employment and improving our balance-of-payments position.

The Senate rejected a previous attempt to strike the DISC provision out of the bill. I hope it will be wise enough to reject this one.

Mr. TALMADGE. Mr. President, unless the distinguished Senator from Wisconsin wishes to debate the matter further, I am prepared to yield back our time.

Mr. NELSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. President, I ask unanimous consent that a summary explanation of DISC and foreign country practices be printed at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY EXPLANATION OF DISC AND FOREIGN COUNTRY PRACTICES

The DISC proposal provides for tax deferral only on the income deemed allocable to the selling of U.S. products abroad. The amount deemed allocable to the foreign selling activity may be an amount up to 50% of the combined income from the manufacture of the product in the U.S. and the sale abroad. Thus, 50% of such combined income is deemed allocable to the U.S. manufacturing activity and would be currently taxed in full in the United States.

The DISC is proposed in the form of a domestic corporation, incorporated under the laws of the United States. As will be explained, the same tax deferral benefit may be obtained in many cases under present law by using a *foreign* subsidiary. If such benefits are to be available, there is no good reason to require that they be obtained by using a *foreign* corporation rather than a domestic corporation, with all the attendant added legal and accounting costs. However, the availability of the benefit through use of a domestic corporation is not essential to the proposal.

An understanding of the background of the DISC proposal requires some historical perspective. In 1961, the United States, alone among developed countries of the world, enacted legislation seeking to tax foreign sales companies currently on their income. No developed country has adopted comparable taxing provisions within the 10 years that have passed since that legislation. Ironically, even the United States law provided escape mechanisms for (1) certain United States exports sold through foreign based companies under severe limitations, and (2) a major escape mechanism known as "minimum distributions" which has the effect of permitting deferral in foreign sales subsidiaries where the United States corporate investor has substantial manufacturing activities outside of the United States.

For some years a policy has been advocated that the United States should be a model for other countries by fully taxing its export income. This position becomes increasingly more difficult to maintain when its effect is the erosion of production in the United States and the transfer of jobs to foreign manufacturing in those cases in which tax factors influence decisions on the source of production. After a decade the United States as a model of leadership has no followers. Developments within the last two years are instructive. During this period foreign sales company legislation was proposed in the Canadian White Paper on tax reform and in "tax haven" legislation proposed by the German Government.

1. *Canadian Proposal.* The White Paper proposed that shareholders of controlled foreign subsidiaries would be subject to tax on the holding company investment income of the subsidiary and on income from the "trans-shipment" of products in sales transactions. This appeared to include base company sales income. The final Canadian Government proposal eliminated the "transshipment" income from the income subject to tax.

2. *German Legislation.* The German legislation, as originally proposed in 1970, included passive investment income and base company sales income. The rule had an objective test based upon the amount of sales company income. The revised proposal issued in the spring of 1971 substantially eliminates the tax haven sales company income provision. It provides that the income is taxable to the shareholders only if it is not earned in a commercial activity of the sales company. The German reasoning has been as follows: they are imposing, for the first time, a strict inter-company pricing rule on sales income. It is possible that some income would always be attributable to the wholesale function, even if the base company had no substance. Therefore, they have included in their tax haven rule a rule of substance requiring that the base company must perform a normal commercial activity. Clearly, this permits the continued use of intermediary subsidies in low tax countries where there is a significant sales function actually being rendered. In addition, the German rule has no application to sales by base companies on behalf of manufacturing companies controlled by Germans but producing in countries other than Germany.

In the world today, there is no effective limitation on sales by domestic manufacturers through low tax countries in Australia, Belgium, Canada, France, Germany, Japan, Italy, the Netherlands, Switzerland, Sweden, or any other developed country. If the DISC were a foreign sales subsidiary, it would correspond to foreign sales subsidiaries owned by shareholders in any of those countries.

In administrative practice, no other country exercises the surveillance on allocation of income between a manufacturing company and a related selling affiliate to the extent this surveillance is exercised by the United States. No other country has had the tendency to restrict exports by complicated inter-company pricing rules. Because of lack of manpower and/or conscious decisions to promote export activities, general rules of thumb permit allocations of income comparable to the DISC rules for allocating income between a manufacturer and its related subsidiary. For example:

"Incentive Exception For Exports. The exemption from the French corporation income tax of the income of a foreign branch, when earned and when remitted (11/2.5c), and of the income of a foreign subsidiary until remitted (11/2.5d), may put a great strain on the definition of foreign income, especially in the case of export sales. It may be to the fiscal advantage of a French exporter to make sales to a foreign branch or subsidiary at low prices in order to divert income abroad, but this diversion may run afoul of Code article 57.

"The French government has had to weigh its interest in the proper allocation of income against its growing desire to increase exports (10/9.3). The interest in exports has won out. In 1959, the tax administration announced that "too strict" an application of Code article 57 might interfere with the establishment and operation of foreign sales branches or subsidiaries that might develop French exports "to the maximum." As a result, the administration announced that it would take into consideration all commercial conditions surrounding the operation of such overseas enterprises before it decided to apply the reallocation-of-income rules; especially in the case of a French firm whose volume of exports qualified it for an "exporter's card" (7/3.3e, 10/9.3c), the administration would not apply the reallocation rules if the French firm could demonstrate that it had made export sales to an affiliated foreign enterprise at "prices close to cost" out of commercial necessity rather than out of a desire to transfer profits beyond the reach of the French tax system." Source: Taxation—France, Harvard Law School International Tax Program, Commerce Clearing House, Inc. p. 787 (1966).

Other illustrative cases abound, such as a reported instance in which the subsidiary of U.S. corporation in a developed country sold to its foreign affiliates at such low intercompany prices that it impaired the capital of the subsidiary, without being subject to questioning by the local tax authorities. It is possible that multi-lateral agreement on principles of taxation applicable to foreign sales affiliates could permit uniform treatment of such income. Such agreement should also cover situations where tax holidays are granted by countries to induce the location of foreign manufacturers who will export from the country granting the tax holiday or other financial and tax inducements to locate in the country. Such inducements may include reduced tariffs on the import of raw materials, government loans on favorable terms, development of industrial zones, etc. When faced with a critical problem of exporting from the United States, it is not possible to act as if the rest of the developed countries do not create a stimulus for their exports and in many cases for the implantation of production in their countries by American companies.

PRESENT IMBALANCE FAVORING THE USE OF FOREIGN SUBSIDIARIES

The DISC proposal has been criticized as an incentive provision distorting economic activity. On the contrary, this proposal is intended to overcome a disadvantage for production in the United States and the export of United States products. The present tax structure favors international activity by our largest corporations, but even in this case depends upon foreign manufacturing and sales subsidiaries. This fact emerges from a complex web of taxing rules that are literally manipulated by large corporations with foreign subsidiaries and sophisticated tax computer planning. A summary of our rules throws considerable light on what in fact is happening.

U.S. TAXATION OF INCOME FROM DIRECT EXPORTS FROM THE UNITED STATES

A corporation incorporated under the laws of the United States, other than a Western Hemisphere Trade Corporation, and corporation subject to section 931 of the Internal Revenue Code, is subject to full current U.S. corporate income taxes on all of its income from the manufacture and sale or purchase and sale of property produced in the United States and sold by such corporation abroad.

U.S. TAXATION OF INCOME FROM FOREIGN OPERATIONS

A United States corporation is not subject to current U.S. income tax on income realized in the following circumstances:

1. *Foreign manufacturing.* If the U.S. corporation creates a foreign manufacturing subsidiary, the income realized by that subsidiary on its sales, wherever they are made, is ordinarily not subject to current U.S. income tax on its non-U.S. source income, either directly or on the basis of a deemed distribution. See IRC sections 881, 882, and 951 *ff.* Only when such income is distributed as a dividend by the subsidiary to the U.S. corporation does the U.S. corporation have taxable income. At the time of distribution, a foreign tax credit is given by the United States (up to the full amount of the U.S. income tax on the dividend) for any foreign income taxes imposed on the income of the

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subsidiary out of which the dividend is paid and for the foreign withholding taxes imposed on the dividend itself.

2. *Foreign sales intermediary.* If the United States corporation creates a foreign subsidiary, which handles the sales of products or commodities that were manufactured or produced by a related company in the United States or in a foreign country, the sales income received by such subsidiary on such products is not taxed currently by the United States if any of the following rules apply:

A. The sales are made in the country of incorporation of the subsidiary (IRC Section 954(d));

B. The manufacturing or production occurred in the country of incorporation of the sales subsidiary (IRC Section 954(d));

C. The sales of such products are made out of the country of incorporation of the subsidiary and the gross income from such sales (and other foreign base company income) is less than 30 percent of the subsidiary's gross income (IRC Section 954(b)(3)(A));

D. The subsidiary qualifies as a foreign Export Trade Corporation with 75 percent or more of its gross income from the sale of property grown, extracted, produced or manufactured in the United States, and the deferred income does not exceed the lesser of 1½ times the export promotion expenses of the export trade corporation, or 10 percent of its gross receipts for the year, to the extent the income is invested in "export trade assets" (IRC Section 970).

3. *Minimum distributions—combining foreign manufacturing and a foreign sales intermediary.* If a U.S. corporation establishes a manufacturing subsidiary or subsidiaries in one or more countries with relatively high foreign tax rates, the products of such corporations and those of the U.S. parent corporation may be sold through a foreign sales intermediary based in a jurisdiction with minimal local income taxes. If the rate of foreign taxes on the combined manufacturing and sales operations approximates 90 percent of the U.S. tax rate, U.S. corporate tax on the sales company income is deferred until its ultimate distribution. IRC Section 963. The considerable utility of this provision was summarized by corporate tax counsel in a professional tax publication as follows:

"U.S. companies that at present do not have foreign subsidiaries operating in low-tax-rate countries can now consider creating such companies, certain in the knowledge that they will be shielded from current U.S. tax, even if these companies earn substantial Subpart F income, so long as the requirements of this section are met. U.S. companies which presently have foreign companies of this nature can now consider creating additional companies of this type. "How to Determine Eligibility and Claim Exception for Minimum Distributions," in *Practical Problems of Taxation of Foreign Income*, published by the *Journal of Taxation Inc.* p. 120 (1965).

4. *Inter-company pricing.* Regulations under section 482 of the Internal Revenue Code apply a strict standard for arm's length inter-company pricing on sales by United States exporters to foreign affiliates, thus limiting the advantages of a foreign sales intermediary used for the distribution of U.S. exports. In comparison, inter-company sales between foreign manufacturing affiliates and related foreign sales companies are subject to foreign inter-company pricing rules which are often less strict than the U.S. section 482 regulation. The comparatively lenient foreign rules in combination with the rules discussed above, and the possibility of organizing a sales company in a low tax country, provide an additional impetus for foreign manufacture by U.S. companies.

SUMMARY—EFFECT OF DISC

The DISC proposal is simply an effort to cut through all this maze of complexity and provide, in forthright fashion, the opportunity for tax deferral by use of a *domestic* corporation, rather than a foreign subsidiary. A firm inter-company transfer pricing rule is provided comparable to that applied in other countries (the prices may be established so that DISC earnings may amount to a maximum of 4% of its export sales or 50% of the combined income from manufacture and sale of the products (as previously explained), whichever is higher, plus 10% of its export promotion expenses). This is entirely reasonable, straight-forward tax deferral treatment for export income, not unlike tax deferral benefits for export income granted by other countries.

Proposals to impose higher taxes on U.S. affiliates abroad, or to deny foreign tax credits for foreign taxes imposed on such affiliates, do not affect the problem of U.S. producers competing in foreign markets with producers controlled by foreign owners and who are able to take advantage of policies of their countries favoring export activity. Higher current U.S. taxation would have the practical effect of foreign countries obtaining the revenues, either by increasing their taxes to match the U.S. rate, or through withholding taxes, since U.S. companies would tend to distribute the income to obtain tax credits and reinvest it by way of capital contributions. Moreover, indiscriminate, punitive tax measures, such as denying tax credits and creating double taxation, could result in U.S. companies abandoning foreign markets altogether.

Tax factors are by no means the sole reason for foreign investment. There is a wide range of factors affecting a decision to invest abroad. In some cases local trade barriers may effectively prevent exporting to the country; in other cases shipping costs are a barrier to exporting. To eliminate foreign investment by indiscriminatory tax measures is too blunt an instrument of policy. The DISC proposal is merely intended to eliminate preferential tax treatment of production abroad relative to production in the U.S.

PRACTICES IN OTHER COUNTRIES

Th material which follows describes certain provisions in foreign tax systems that affect export transactions in various countries of the world.

PROVISIONS IN FOREIGN DIRECT TAXATION LAWS AFFECTING EXPORT ACTIVITIES

On May 12, 1970, during the Treasury Department's presentation of its proposal for the Domestic International Sales Corporation to the House Ways and Means Committee, the Treasury Department was requested to submit information regarding the income tax laws and practices of other nations which operate to the advantage of export activities. The following description of foreign income tax law and practices is confined largely to other industrialized countries. It should be noted that in many foreign countries tax treatment favorable to export activities is frequently accorded on an informal administrative basis and may, therefore, be difficult to identify.

This memorandum is intended to suggest some of the income tax provisions and administrative practices that can affect the export of products from various foreign countries. Some of the most significant provisions that would affect tax-planning for export sales were not intended as export incentives when adopted but evolved from traditional theories of tax jurisdiction and taxation of foreign source income.

Devices having the effect of export incentives range well beyond income tax measures, including, among others, direct grants, government credit facilities, interest subsidies, insurance, guarantees, internal shipping subsidies, exchange control privileges, and tax measures other than those affecting income taxes. Some forms of government assistance may be available ostensibly for domestic as well as export activities, making it difficult to classify them solely as export incentives.

Rebates of value-added and other turnover taxes provide an export inducement to exporters in countries having such sales tax systems.

The following summary is not exhaustive nor has it been verified by counsel in each of the countries. It is nevertheless believed to to accurate and, except where specifically indicated, evident. The summary consists of a list of seven specific types of provisions. Attached to the list are individual country summaries for 17 countries. It should be recognized that numerous U.S. corporations have established foreign subsidiaries which have benefited from the favorable treatment discussed in many of these countries.

The various laws and practices are as follows:

1. *Taxation of Foreign Source Income.* Unlike the United States, many industralized countries impose income taxes on a territorial basis, which means that foreign source income is often wholly or partially tax exempt. Such exemption may apply not only to income from direct investments abroad, but also to foreign sales of domestically-produced products either through a foreign subsidiary or through a branch or dependent or independent agent.

In the case of most developed countries, exports can be made through controlled sales companies organized in low tax jurisdictions with a consequent tax shelter for the sales profits. For example, a manufacturing corporation. A, in country X, which may or may not be a subsidiary of a U.S. corporation may make its export sales through a related sales corporation. B, located in country Y where corporate taxes are minimal. To the extent Corporation B makes part of the profit that Corporation A would have made in direct sales, the tax burden is reduced.

While most countries have protective provisions in their tax laws that permit the local tax authorities to reallocate income between related entities, different countries have different rules as to such allocations, and considerable flexibility is often found in inter-company pricing. In at least some cases (as indicated below) it is understood that no reallocation would result from the prices charged by Corporation A to B as long as Corporation A earned st least one-half of the combined profits.

In some cases foreign sales corporations can establish purchasing and coordinating branches in the manufacturer's home country without affecting the income tax exemption of the foreign sales corporation, while facilitating exports through the sales corporation.

2. *Specific Exports Income Exemptions.* Some countries, such as Ireland, have income tax exemptions for export sales. Such exemptions are sometimes limited to products produced in free-trade zones or depressed areas. As indicated below some countries extend income tax exemptions or other benefits to companies locating in depressed areas, but in practice the benefits are offered largely to companies with a high export or import substitution potential.

3. *Accelerated Depreciation.* Several countries (e.g., Japan, France) permit or have permitted accelerated depreciation allowances for assets used in export production.

4. *Special Reserves (Market Development, Bad Debt).* Several countries, (e.g., Australia, France, Japan, Spain) have permitted special deductions for export market development or special bad debt reserves in connection with export credits.

5. *Special Deductions, Rate Reductions or Credits Related to Exports.* Australia reduces payroll taxes by an amount related to export increases. New Zealand permits a deduction from income taxes of 15 percent of increased export receipts. France permits deductions for the expenses of establishing foreign sales offices although income from such offices may subsequently be exempt.

6. *Favorite Inter-company Pricing Rules.* Either express rules or administrative practices frequently provide an additional incentive for export transactions through related foreign subsidiaries. In some countries, administrative practice permits considerable flexibility in inter-company pricing rules. In some jurisdictions, rule-of-thumb allocations permit 50–50 divisions of taxable income, even in cases where the foreign subsidiaries perform minimal functions.

7. *Discriminatory Allocation of Benefits Based on Exports Production.* In addition to provisions related formally or informally to exports, there are often benefits (tax holidays, capital grants, investment allowances, interest subsides, etc.) designed to attract new investment which are not always tied to exports in the legislative enactments, but potential exports are an important factor in the granting of such benefits. In some cases, the import substitution effect is also of importance in granting such benefits.

Not only are each of the devices listed above employed by one or more foreign countries, but the cumulative effect of these devices used by certain individual countries should not be overlooked. Thus, for example, Japan uses the following in combination:

1. Accelerated depreciation based upon export performance;
2. A deductible reserve for the development of overseas markets;
3. Special deductions for a variety of activities producing foreign exchange;
4. Liberal entertainment expenses to promote export sales.

AUSTRALIA

Foreign source income

Income derived by a resident Australian company from foreign sources is exempt from Australian income tax provided that it is not exempt from tax in the country of origin. The income earned by a foreign sales subsidiary of an Australian company is not subject to Australian income tax until distribution to Australian shareholders.

Export market development rebate

Australian law provides a tax rebate (credit) of 42.5 percent of an expenditure incurred for export market development and also permits the full deduction of the expenditure incured. The combined effect, as computed under the tax laws, permits a total tax saving of 87.5 cents for each dollar of expenditure. Qualified expenditures include among others: market research, overseas advertising, certain travel expenses, labels and packaging for export, protection of property rights, the preparation of tenders or quotations, and the supplying of technical data.

Payroll tax

A refund of payroll taxes is made in the event of an increase in export sales over a base period.

BELGIUM

Foreign establishments and subsidiaries

Income from a foreign establishment of a Belgian company is taxed at a reduced income tax rate equal to one-fourth of the ordinary rate; provided the income was generated and taxed abroad.

The income of a foreign sales subsidiary is not taxed until dividends are distributed. Upon distribution, the net dividends received (after deduction of foreign tax) are subject to a 10% tax withheld by the paying agent in Belgium. The amount remaining after the foreign tax and 10% Belgium tax is entitled to a 95 percent exemption in determining the Belgian company tax. The company income tax therefore applies to an amount equal to 5% of the net foreign source dividends.

Development subsidies

The Belgian government provides incentives for investment in certain areas of Belgium. The current provisions have a termination date of June 30, 1970. However, a new law to extend the provisions has been proposed. The incentives currently offered consist of interest subsidies, loan guarantees, capital, allowances (with tax exemption for such allowances), and exemption from the registration tax. It is understood that export projections are included in the criteria for determining the granting of such incentives.

CANADA

Foreign subsidiaries

Canada does not presently tax currently the undistributed earnings of foreign sales subsidiaries. Dividends from a nonresident foreign corporation acting as a foreign sales subsidiary are exempt from Canadian income tax if more than 25 percent of the share capital is owned by the Canadian corporation receiving such dividends. A tentatively proposed Canadian tax reform would limit such exemption to foreign corporations in countries with which Canada has entered into income tax treaties.

Grants

Canada offers grants to companies, domestic or foreign, to locate in slow growth areas. These incentives are not expressly tied to export sales or import substitution. Most of the provinces also offer grants and loans to achieve the same desired objectives. The Province of Quebec has, however, an incentive program which is designed to aid companies who use "advanced technology" and "who are in position to supply world markets." Grants are also available to Canadian companies to encourage scientific research and development in Canada. To qualify for such assistance, recent amendments have required Canadian companies to be prepared to exploit the results of such research in Canada's export markets as well as in Canada. The grants are not available to companies excluded from selling to major export markets.

DENMARK

Foreign permanent establishment; sales subsidiaries

Where a resident Danish company has income from a foreign establishment, the proportion of total Danish tax payable with respect to such income is reduced. The reduction amounts to 50 percent of the Danish income tax applicable to the before tax net income of the foreign branch or other establishment.

A foreign sales subsidiary is not taxed currently on its sales profits. Dividends paid to a Danish corporation owning 25 percent or more of the shares of the subisidiary are taxed at a reduced rate of application for a refund with the reduction being computed in a manner comparable to the reduction for foreign branch income above.

FRANCE

Export sales

Profits on sales of goods which are manufactured in France and shipped abroad by a French company are taxed only to the extent that they are realized through the allocable to operations in France ("entreprise exploitée en France"). Profits are treated as foreign source income and not subject to current French income tax where they are: derived from establishments abroad (Conseil d'Etat. March 9, 1960); derived from operations abroad of dependent agents (Conseil d'Etat. June 5, 1937); derived from operations abroad which constitute a complete commercial cycle ("cycle commercial complet") (Conseil d'Etat. February 14, 1944).

The territorial exception applies to the foreign source profits when earned and when remitted to the French company.

Foreign sales subsidiary

Profits earned by a foreign sales subsidiary of a French company are not taxed currently in France. Upon distribution of a dividend from a foreign subsidiary to a French company, there is a 95% inter-company dividends received deduction. To obtain such deduction the parent must have a minimum of 10% in the equity capital of the subsidiary or the cost acquisition of the participation must have been at least 10 million francs.

The 5 percent taxable portion of the dividends represents a lump sum deduction to cover business expenses attributable to the exempt dividends.

Distribution of foreign source income to French shareholders

The tax exempt foreign source income of a French corporation, including income exempt under the territorial rules or under the 95 percent intercompany dividends received deduction is not taxed until a distribution to shareholders. Upon distribution a French company must make a supplementary tax payment (*precompte*) equal to one-half of the dividend to the French Treasury with respect to profits that did not bear the normal 50 percent French corporate tax rate.

At the shareholder level, the shareholder is entitled to a credit equal to one-half the dividend, which is applied against his personal tax on the dividend grossed up by the credit.

Inter-company pricing

Article 57 of the *Code General des Impots* provides that profits indirectly transferred to controlled enterprises outside of France through inter-company pricing are to be reallocated and that such adjustments may be based on comparison with the operations of similar enterprises operating normally. However, it is understood that, under administrative interpretation. Article 57 is not employed where exporting enterprises can establish sales made by a parent French corporation to foreign subsidiaries at prices approximating cost do not have as their objective the shifting of income but are due to "commercial requirements."

Specific export incentive provisions

1. A 1950 reform law provided that depreciable assets (other than immovables) purchased or manufactured between January 1960 and January 1965, were entitled to special accelerated depreciation in the case of "exporting enterprises." The accelerated depreciation is equal to the straight-line depreciation multiplied by 150 percent of a fraction, the numerator of which is the export production and the denominator of which is total production. (Article 39A *Code General des Impots*).

2. French enterprises are allowed a special deductible reserve for middle terms (2–5 years) loans extended to foreign customers (Article 39–1–5 *Code General des Impots*). The reserve allowance is more generous than normal bad debt reserves.

3. Expenses for establishing and operating foreign sales offices during their first three years of operation may be deducted against domestic income, even though future profits may be tax exempt. (See Article 39 *Code General des Impots;* Article 31 of the Law of July 12, 1965).

GERMANY

A resident German corporation is taxed on its worldwide income.

XUM

When business profits are derived through a foreign "business establishment" they are deemed to be from a foreign source. This rule is applied to any fixed installation or facility which serves the business activity of the Germany enterprise. A permanent representative (whether dependent or independent) is included in this concept whether physical facilities are present or not. Broadly speaking, a foreign business connection is generally sufficient to create foreign source income.[1] Some German commentators have stated that domestic source income is limited to profits derived from deliveries of goods to foreign countries by German enterprises which have no business connection whatsoever in the foreign country concerned.

Foreign tax credit or reduced rate

Where a German company has foreign source income under the above rule, a tax credit is available for foreign income taxes imposed upon such income. As an alternative, German law authorizes the tax authorities to grant reductions of the German corporate tax with respect to foreign source income. A decree promulgated in 1959 provides for a flat rate of 25 percent on qualifying foreign source income. (Decree of July 9, 1959, BStBl 1959 II 132.) Sales profits derived through a foreign establishment qualify as foreign source income under this rule. This relief measure is applicable on request of the taxpayer and may be elected for specific foreign countries.

Exemption

Under its tax treaties, Germany ordinarily exempts the foreign source income allocable to a foreign permanent establishment as defined in the applicable treaty. Presumably such establishments have borne local corporate taxes. Recent amendments of the regulation permit foreign losses to be deductible from taxable income despite the potential exemption of future profits.

Foreign subsidiaries

A German corporation may establish a foreign sales subsidiary and will not be subject to current taxation on the income of the foreign sales subsidiary, whether incorporated in a high or low tax jurisdiction. Dividends received from the foreign subsidiary are includable in the taxable profits of the German parent corporation. The parent may elect to have the dividends taxed at a flat 25 percent rate. Under certain circumstances, losses in foreign subsidiaries may be deducted by the German parent corporation.

Where a tax treaty is applicable Germany ordinarily exempts the dividend income received by the German parent corporation from German tax. A 25 percent stock ownership is ordinarily required for such exemption.

IRELAND

Export exemption

A corporation, whether or not incorporated in or managed in Ireland, having a manufacturing operation in Ireland can obtain a 15-year exemption from Irish corporate taxes on all export sales, plus a reduced rate of tax for a further 5 years. Dividend distributions out of such profits are themselves exempt from all Irish income taxes. Cash grants of up to 50% of capital costs of plant and machinery are also available.

There is a separate scheme for the Shannon Airport area, including tax exemptions for the importing, handling, and reexporting of goods.

ITALY

Foreign branches and subsidiaries

Foreign source income of an Italian company is exempt where allocable to a foreign branch having separate management and accounting.

A foreign sales subsidiary of an Italian company is not subject to current income taxation in Italy. A branch of such a corporation may be maintained in Italy if it does not sell in Italy. The non-Italian source profits of such a branch would not be subject to Italian income taxation.

JAPAN

Direct income tax incentives relating to exports fall under four general categories:

1. Accelerated depreciation
2. Reserve for development of overseas market
3. Export allowances, and
4. Entertainment expenses.

Accelerated Depreciation in Case of Export Sales

A. A corporation is allowed a tax deduction for accelerated depreciation based on export sales made in the immediately preceding year. The amount of additional depreciation is computed by applying the ratio of export sales over total sales to maximum ordinary depreciation available. In other words, if export sales are 30% of total sales, ordinary depreciation is increased by 30%. Ordinary depreciation is at generous rates in the first place.

B. The aforementioned increase in ordinary depreciation is further increased by 80% if the company is recognized as a type "A" export contributing corporation or 30% if a corporation is recognized as a type "B" export contributing corporation.

If a corporation satisfies both of the following two conditions, such a corporation will be recognized as an "A" export contributing corporation if condition (1) is satisfied, but (2) is not, the corporation will be recognized as a "B" export contributing corporation:

(1) The first condition is that export sales for the immediately preceding year increased 1% or more over export sales for the year immediately prior to that year.

(2) The second condition is that the ratio of export sales to total revenue for the immediately preceding year exceeds such ratio for the year immediately prior to that year, or the increase in exports as a percentage exceeds ⅔ of the nation's increase in exports, also stated as a percentage.

In other words, the factor used to establish whether or not a company is entitled to the extra depreciation over and above that provided by merely having exports includes consideration for both the amount of the increase in exports and the ratio of exports to total sales.

For example: Assuming a percentage of export sales against total revenue of the preceding year of 80%.

	Rank of corporation		
	(A)	(B)	Other
Maximum ordinary depreciation	100,000	100,000	100,000
Rate of accelerated depreciation (percent)	128	101	80
Accelerated depreciation	[1] 128,000	[2] 104,000	80,000
Total	228,000	204,000	180,000

[1] 160 percent multiplied by 80 percent.
[2] 130 percent multiplied by 80 percent.

The "special depreciation reserve" must be restored to taxable income in each of the next succeeding ten years at a minimum rate of 10% of the amount credit to the reserve. Thus, the relief is a deferral of taxes and increased cash flow.

Reserve for Development of Overseas Markets

A. A corporation is allowed a tax deduction for a reserve for development of overseas markets to the extent of 1.5% (in case export of goods purchased from other, 1.1% if capital is more than ¥100 million) of export sales in the immediate preceding year. The rates are increased from 1.5% to 2.4% for a type "A" export contributing corporation, and to 1.95% for a type "B". The same conditions as those mentioned previously govern the type "A" or "B" classification.

There is a decrease in these rates if the export is of goods purchased from others and an increase if the corporation is capitalized at less than ¥100 million.

B. The reserve is required to be restored to income, for tax purposes, at the rate of 20% of the amount originally provided, in each of the next succeeding five years. Thus, this provision represents a tax deferral mechanism. This reserve is not deductible for enterprise tax purposes.

Export Allowance

A corporation may take an income deduction to the extent of the amount computed by applying various percentages to certain consideration earned in foreign currency during each qualified current accounting period. In most cases, the maximum deduction is 50% of taxable income for the period.

A. 20% of the consideration for rendering services regarding survey, and/or research, planning, advice, drawings, supervision or inspection for construction of manufacturing facilities, etc., which require scientific technical knowledge.

B. 30% of the consideration for transfer of motion picture films, copyrights and 30% of motion picture distribution revenue earned abroad.

C. 70% of the consideration for transfer and/or supplying of industrial technology, know-how, etc., created by a corporation.

D. 3% of the consideration for freight revenue on certain overseas export ship operations and repairing, processing or construction services.

Although deduction is not allowed for enterprise tax purposes, this item represents a permanent tax savings.

Export related entertainment expenses

There is a generally severe limitation on the deductibility of entertainment expenses for tax purposes in Japan. Ordinarily a deduction is limited to about $11,000 per corporation plus ¼ of 1% of capital. The deduction for entertainment expenses in excess of this is limited to 40% of the expenditure. However, a reasonable amount of overseas and/or domestic travel and hotel expenses in Japan paid for non-resident visitors and entertainment expenses incurred abroad in connection with export transactions are not treated as entertainment expenses for purposes of determining the deductible amount of entertainment expenses, and are fully deductible for corporate income tax purposes.

THE NETHERLANDS

Foreign establishments and subsidiaries

Tax relief is granted to Dutch companies for certain foreign source income, including income derived through foreign branches and dependent agents and subject to foreign taxes. No minimum functions or payroll is required for the foreign establishment and the rate of foreign tax on such income is immaterial.

The undistributed income of a foreign sales subsidiary is not subject to Dutch tax currently. Dividends received from such subsidiaries are exempt in the Netherlands where the Dutch company owns at least 25 percent of the paid-in-capital of the foreign subsidiary.

NEW ZEALAND

Special export deductions

Certain expenditures incurred in promoting the export of goods and services, rights in patents, trademarks and copyrights, in addition to being an ordinary business deduction, qualify in certain circumstances for a further deduction of 50 percent additional to the actual cost.

In addition, 15 percent of the increase in a firm's exports of manufactured goods over a previous base period can be deducted from gross revenue for corporate tax purposes.

[1] Where there is no foreign connection, full German tax rates (without foreign tax credits) apply.

NORWAY

Foreign branches and subsidiaries

Income from operation of a permanent establishment abroad is reduced by 50 percent for purposes of Norway's income tax. The income of a foreign sales subsidiary is not taxed until distributed to Norwegian shareholders. A special election provision permits Norwegian shareholders to be taxed currently on 50 percent of the earnings of a foreign subsidiary with the dividends from such subsidiary being exempt from Norwegian tax.

Export market development reserve

A tax-free reserve of up to 20 percent of taxable income each year may be established for purposes of future market development abroad to assist Norwegian exports. No similar reserve is allowable for domestic market development. The taxpayer must show evidence to the authorities that the allocated amount has been used for approved measures within 5 years from the date of allocation.

SOUTH AFRICA

Foreign source income

Foreign Source income from a foreign permanent establishment or foreign subsidiary is exempt when received by a South African corporation.

Exporters allowance

An extra deduction from income of a percentage of market development expenditures is permitted for exporters. The percentage varies from 50 percent to 75 percent. Qualifying expenditures include market research, advertising, solicitation of orders, providing samples and technical information, preparing tenders and quotations and to certain sales commissions and fees. The foregoing expenditures are entitled to deduction as ordinary expenses and the additional percentage is also permitted as a deduction whether or not there were any exports; if the current year's exports exceed those of the preceding year, the percentage is increased.

EXPORTERS' ALLOWANCE PERCENTAGES

[In percent]

Tax year	If no increase in turnover	If current year's export turnover exceeds preceding year's turnover— By more than 10 but not more than 25 percent	By more than 25 percent
1967	25	37½	50
1968	37	50	62½
1969	50	62½	75
1970	50	62½	75

SPAIN

Export reserve

Spain permits the creation of an export reserve to which between 30 percent and 50 percent of the profits derived from exports may be transferred. Income taxes on such reserve are deferred as long as the amount is invested in machinery and equipment and other assets and activities related to exports.

SWITZERLAND

Foreign subsidiaries and establishments

The earnings of foreign subsidiaries of Swiss companies are not subject to current income taxation and dividend distributions are exempt from Swiss Federal income tax and from most cantonal and local income taxes.

A foreign branch of a Swiss company is also exempt from Swiss Federal income taxation on income allocable to such branch, although the rate of tax is determined on the basis of the total profits of the company including its foreign branches.

Cantonal arrangements

Certain cantons offer export incentives under their cantonal tax laws and certain cantons offer export trading companies reduced tax rates on a negotiated basis. Intercompany pricing arrangements are also subject to agreement on a basis favorable to exporters. As a result, Switzerland has become a leading center for export sales companies which are subject to nominal taxes on export income.

UNITED KINGDOM

Foreign sales subsidiaries

The income of foreign sales subsidiaries of U.K. companies is not taxed until distribution to a resident U.K. shareholder.

Investment grants

Under the Industrial Development Act of 1966 cash grants are made in respect of capital expenditure on new plant or machinery for use in Great Britain in the manufacturing, extractive and construction industries. The rate of grant is 20 percent. If the investment is in a "development area" the rate becomes 40 percent. The investment grant scheme is administered by the Board of Trade, which may accord additional incentives for industry in the designated "development areas." Tax exempt grants have been received by U.K. manufacturing affiliates of U.S. companies presumably manufacturing for sale not only in the U.K. but in the EFTA trade area and elsewhere.

Overseas Trade Corporation (1958–66)

In 1958, the U.K. adopted an Overseas Trade Corporation provision in its tax laws which exempted qualifying corporations, incorporated in and managed from the U.K. from tax on their retained "trading profits," as distinguished from investment profits. Essentially, this provision was intended to defer the tax on earnings arising principally from export sales. Upon distribution to British shareholders, the profits were taxed in the same manner as other dividend profits. This legislation was repealed in 1966 as part of a general tax reform.

VENEZUELA

Exemption of foreign source and export income

Foreign source income of a Venezuelan corporation is ordinarily exempt from income tax in Venezuela. Export sales of Venezuelan manufactured products may be exempted by agreement for a period of 10 years. To obtain such agreement, the exporter may be required to reinvest profits on such exports in Venezuela.

Rate reduction in exports of extractive industries

A special provision provides for a reduction of .25 percent of taxable income for each one-percent increase in gross income from the exportation of minerals or hydrocarbons and related products over the average of the preceding two years. This reduction is limited to a maximum of two percent of taxable income in any year, with a three-year carry forward.

Mr. TALMADGE. Mr. President, I am prepared to yield back the remainder of my time.

Mr. NELSON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Wisconsin. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. LONG), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Arkansas (Mr. FULBRIGHT) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA), the Senator from New York (Mr. JAVITS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. HRUSKA) would vote "nay."

The result was announced—yeas 22, nays 65, as follows:

[No. 371 Leg.]

YEAS—22

Bayh	Hollings	Mondale
Burdick	Hughes	Montoya
Case	Kennedy	Moss
Church	Mansfield	Nelson
Cranston	McGee	Proxmire
Eagleton	McGovern	Stevenson
Harris	McIntyre	
Hart	Metcalf	

NAYS—65

Aiken	Dole	Pearson
Allen	Dominick	Pell
Allott	Eastland	Percy
Anderson	Ellender	Randolph
Baker	Ervin	Ribicoff
Beall	Fannin	Roth
Bellmon	Fong	Schweiker
Bennett	Gambrell	Scott
Bentsen	Goldwater	Smith
Bible	Griffin	Sparkman
Boggs	Gurney	Spong
Brock	Hansen	Stafford
Brooke	Hatfield	Stennis
Buckley	Inouye	Symington
Byrd, Va.	Jackson	Talmadge
Byrd, W. Va.	Jordan, N.C.	Thurmond
Cannon	Jordan, Idaho	Tower
Chiles	Magnuson	Tunney
Cook	Mathias	Weicker
Cooper	McClellan	Williams
Cotton	Miller	Young
Curtis	Pastore	

NOT VOTING—13

Fulbright	Javits	Saxbe
Gravel	Long	Stevens
Hartke	Mundt	Taft
Hruska	Muskie	
Humphrey	Packwood	

So Mr. NELSON's amendment was rejected.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BENNETT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate——

SEVERAL SENATORS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will come to order. Senators will take their seats.

XUM

The Senator from Montana may proceed.

Mr. MANSFIELD. It is the intention to ask unanimous consent at this time to call up Calendar No. 476, H.R. 11341, an act to provide additional revenue for the District of Columbia, because of its dependence on the acceleration of the appropriation bill, and because it will not take long. I understand there is no opposition. There is one amendment, which will be accepted.

I do this with the concurrence of the distinguished minority leader, the distinguished Senator from Maryland, the ranking minority member of the District of Columbia Committee, and the chairman of the District of Columbia Committee, the distinguished Senator from Missouri (Mr. EAGLETON), and the distinguished Senator from Virginia (Mr. SPONG).

Mr. President, if unanimous consent is granted, as requested, for an 8-minute limitation on that measure, it is then the intention to return to the consideration of the pending business and call up amendment No. 693, by Senators ANDERSON and TOWER, with a 30-minute limitation; following that, amendment No. 687, by the Senator from Missouri (Mr. EAGLETON), with a 30-minute limitation; and following that, amendment No. 698, by the Senator from New Hampshire (Mr. COTTON), with a 1-hour limitation.

Mr. President, I ask unanimous consent that the order providing for the calling up of amendment No. 674 at this time be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 476, H.R. 11341.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 11341) to provide additional revenue for the District of Columbia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

The PRESIDING OFFICER. Without objection, rule XII will be waived.

Mr. EAGLETON. Mr. President, I yield myself 3½ to 4 minutes. We now have before us the District of Columbia Revenue Act of 1971 (H.R. 11341) as unanimously reported from the Senate Committee on the District of Columbia.

The major features of the Senate version of H.R. 11341 are as follows:

First. A Federal payment of 43 percent, which works out to $181,589,000. The House bill figure is $170 million, or 40¼ percent of general fund tax revenues.

Second. In addition to the House provisions on taxation, the bill includes an increase of $0.02 in the cigarette tax, which would generate revenues of $1.6 million a year.

Third. It also raises the business income tax an additional 1 percent, from 7 percent to 8 percent in 1975, to compensate for loss in revenues by the repeal of the inventory tax.

The Senate version of H.R. 11341 contains the following miscellaneous provisions:

First. A delegation to the City Council of authority of the Congress to tax the residents of the District of Columbia. There is a specific exception prohibiting the Council from levying a personal income tax on nonresidents.

Second. A delegation to the City Council of the right to grant tax exemptions from the real estate tax for individual organizations.

Third. A provision to allow the police to impound vehicles which have two or more warrants issued for outstanding vehicle violations. Under present law such vehicles can be impounded only if illegally parked when discovered by the police.

Finally, Mr. President, the Senate District of Columbia Committee deleted the following provisions from the House bill:

First. The provision regarding the withholding of rent from welfare payment recipients.

Second. The provision granting an absolute exemption from overtime to truckers in the District of Columbia.

Mr. President, I reserve the remainder of my time, and I yield to the Senator from Maryland.

Mr. BYRD of Virginia. Mr. President, will the Senator yield for a question?

Mr. EAGLETON. I yield.

Mr. BYRD of Virginia. Is the understanding of the Senator from Virginia correct that the committee has eliminated anything in regard to a commuter tax?

Mr. EAGLETON. Yes. There is a specific prohibition as to the imposition of a commuter tax, a reciprocal income tax, or any other tax on nonresidents of the District of Columbia.

Mr. BYRD of Virginia. I thank the Senator, and I thank the committee.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be regarded as original test for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

At the top of page 4, insert a new title, as follows:

TITLE II

AMENDMENTS TO DISTRICT OF COLUMBIA CIGARETTE TAX ACT

SEC. 201. Subsection (a) of section 603 of the District of Columbia Cigarette Tax Act (D.C. Code, sec. 47-2802(a)) is amended by striking out "4 cents" and inserting in lieu thereof "6 cents".

SEC. 202. (a) Except as otherwise provided, the amendment made by section 201 shall apply with respect to cigarette tax stamps purchased on or after the effective date of this title, which shall be the first day of the first month which begins on or after the thirtieth day after the date of the enactment of this Act.

(b) In the case of cigarette tax stamps which have been purchased prior to the effective date of this title and which on such date are held (affixed to a cigarette package or otherwise) by a wholesaler, retailer, or vending machine operator, licensed under the District of Columbia Cigarette Tax Act, such licensee shall pay to the Commissioner (in accordance with subsection (c)) an amount equal to the difference between the amount of tax represented by such tax stamps on the date of their purchase and the amount of tax which an equal number of cigarette tax stamps would represent if purchased on the effective date of this title.

(c) Within twenty days after the effective date of this title, each such licensee (1) shall file with the Commissioner a sworn statement (on a form to be prescribed by the Commissioner) showing the number of such cigarette tax stamps held by him as of the beginning of the day on which this title becomes effective or, if such day is a Sunday, as of the beginning of the following day, and (2) shall pay to the Commissioner the amount specified in subsection (b).

(d) Each such licensee shall keep and preserve for the twelve-month period immediately following the effective date of this title the inventories and other records made which form the basis for the information furnished to the Commissioner on the sworn statement required to be filed under this section.

(e) For purposes of this section, a tax stamp shall be considered as held by a wholesaler, retailer, or vending machine operator if title thereto has passed to such wholesaler, retailer, or operator (whether or not delivery to him has been made) and if title to such stamp has not at any time been transferred to any person other than such wholesaler, retailer, or operator.

(f) A violation of the provisions of subsection (b), (c), or (d) of this section shall be punishable as provided in section 611 of the District of Columbia Cigarette Tax Act (D.C. Code, sec. 47-2810).

On page 6, line 1, change the title number from "II" to "III"; at the beginning of line 3, change the section number ftom "201" to "301"; in line 19, change the title number from "III" to "IV"; at the beginning of line 21, change the section number from "301" to "401"; on page 7, at the beginning of line 21, change the section number from "302" to "402"; on page 8, line 1, change the title number from "IV" to "V"; in line 2, after the word "Corporate", insert "And Unincorporated Business"; at the beginning of line 4, change the section number from "401" to "501"; after line 7, strike out:

SEC. 402. The amendment made by this title shall apply with respect to taxable years beginning after December 31, 1971.

After line 10, insert a new section, as follows:

SEC. 502. Section 3 of title VIII of such Act (D.C. Code, sec. 47-1574b) is amended by striking out "6" and inserting in lieu thereof "7".

After line 13, insert a new section, as follows:

SEC. 503. Section 2 of title VII of such Act (D.C. Code, sec. 47-1571a) is amended by striking out "7" and inserting in lieu thereof "8".

After line 16, insert a new section, as follows:

SEC. 504. Section 3 of title VIII of such Act (D.C. Code, sec. 47-1574b) is amended by striking out "7" and inserting in lieu thereof "8".

After line 19, insert a new section, as follows:

SEC. 505. The amendments made by sections 401 and 402 of this title shall be applicable to taxable years beginning after December 31, 1971. The amendmenta made by sections 403 and 404 of this title shall be applicable to taxable years beginning after December 31, 1973.

On page 9, line 1, change the title number from "V" to "VI"; at the beginning of line 3, change the section number from "401" to "601"; at the beginning of line 7, change the section number from "502" to "602"; on page 10, after line 9, strike out:

TITLE VI

INCREASE IN AUTHORIZATION OF THE FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

SEC. 601. Section 1 of article VI of the District of Columbia Revenue Act of 1947 (D.C. Code, sec. 47-2501a) is amended (1) by striking out "1971", and inserting in lieu thereof "1972", and (2) by striking out "$126,000,000" and inserting in lieu thereof "$170,000,000".

After line 17, insert a new title, as follows:

TITLE VII

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

SEC. 701. (a) Regular annual payments are hereby authorized to be appropriated from revenues of the United States to cover the proper Federal share of the expenses of the government of the District of Columbia, and such annual payments, when appropriated, shall be paid into the general fund of the District of Columbia.

(b) The annual payment so authorized shall be an amount which is equal to 43 per centum of all general fund revenues derived by the District of Columbia from taxes, and that part of the motor vehicle registration fees which is credited to the general fund. Such authorization shall be based upon the estimate of such revenues which the Commissioner of the District of Columbia determines will be credited during each fiscal year to the general fund of the District of Columbia, but excluding any amounts derived from grants and loans from the Federal government to the District of Columbia.

(c) The Commissioner of the District of Columbia shall annually compute the amount of the Federal payment authorized to be appropriated under this section, and the amount of such authorization so computed shall be submitted to the Office of Management and Budget with each regular budget of the District of Columbia, and, as approved by the Director of the Office of Management and Budget, shall be submitted to the Congress. Each such computation shall be determined on the basis of estimates of the revenues referred to in subsection (b) of this section which are expected to be credited to the general fund of the District of Columbia during the fiscal year for which the annual payment is being computed; except that the amount so determined shall be subject to review after such fiscal year, and if the Federal payment appropriated on the basis of the amount so determined differs from the amount determined on the basis of revenues actually received and credited to the general fund, the Federal payment authorization for the second year succeeding such fiscal year shall be adjusted to the extent of such difference.

(d) Any amounts authorized to be appropriated by this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated may be appropriated for any succeeding fiscal year.

(e) Article VI of the District of Columbia Revenue Act of 1947 (61 Stat. 361), as amended (D.C. Code, secs. 47-2501a and 47-2501b), is repealed.

(f) This section shall be effective with respect to the fiscal year ending June 30, 1972, and each fiscal year thereafter.

On page 12, line 17, change the title number from "VII" to "VIII"; at the beginning of line 19, change the section number from "701" to "801"; on page 13, at the beginning of line 22, change the section number from "702" to "802"; on page 14, at the beginning of line 5, change the section number from "703" to "803"; on page 15, after line 3, strike out:

SEC. 704. Section 16 of the District of Columbia Public Assistance Act of 1962 (D.C. Code, sec. 3-215) is amended by inserting "(a)" immediately after "SEC. 16.", and by adding at the end of the section the following:

"(b)(1) If a recipient fails to make his regular rental payment for a period of ten days after the date such payment was due then the lessor (including a sublessor) of such recipient may send written notice of such failure to the Commissioner. Upon receipt of such notice the Commissioner shall deduct from the monthly public assistance grant for such recipient for the next month following such notice an amount equal to the monthly shelter allotment for such recipient. Such deducted amount shall be disposed of by the Commissioner according to the following provisions of this subsection.

"(2) If it is determined that there is no legal basis for the recipient's failure to make such regular rental payment then the amount deducted and held by the Commissioner shall be paid to the lessor legally entitled to receive such payment. The Commissioner shall continue to deduct such amount from such grant for each month thereafter for so long as such recipient receives such grant, and to pay such amount directly to the lessor of such recipient.

"(3) If it is determined that there is a legal basis for the recipient's failure to make such regular rental payment then the Commissioner shall pay to the lessor legally entitled to receive such payment such part of the amount deducted and held by him as is determined to be owed to the lessor. The Commissioner shall restore to the monthly public assistance grant for such recipient such shelter allotment for each month thereafter for so long as the recipient receives such grant and makes his regular rental payments.

"(c)(1) If any lessor, receiving payments from the Commissioner under subsection (b) fails to maintain the premises of the recipient according to all applicable laws and regulations of the District of Columbia, then the recipient may send written notice alleging such failure to the Commissioner. Upon receipt of such notice the Commissioner shall suspend such payments for such recipient for each month thereafter, and shall hold and dispose of such amount according to the following provisions of this subsection.

"(2) If it is determined that there is no basis for such allegation by the recipient the Commissioner shall pay such amount to such lessor and continue to make such payments for such recipient.

"(3) If it is determined that there is a basis for such allegation by the recipient the Commissioner shall pay to the lessor such part of the amount suspended as is determined to be owed to him. The Commissioner shall restore to the monthly public assistance grant for such recipient the monthly shelter allotment for each month thereafter for so long as the recipient receives such grant and makes his regular rental payments.

"(d) Suspension of rental payments under subsection (b) or (c) above shall not be cause for eviction of any recipient.

"(e) For the purpose of any regulations of the Secretary of Health, Education, and Welfare, or of any other requirement of law, the total amount of assistance given to a recipient shall include that amount suspended and held, or paid by the Commissioner as authorized under subsections (b) and (c) Nothing in this section shall operate to deny to the District of Columbia any funds from any program of the Federal Government relating to public assistance which are paid to the District of Columbia on the basis of the funds appropriated directly to the District for programs administered under this Act."

On page 17, after line 20, insert a new section, as follows:

SEC. 804. Section 6 of the District of Columbia Traffic Act, 1925 (43 Stat. 1119; D.C. Code, sec. 40-603) is amended by adding at the end thereof the following new subsection:

"(k)(1) Any unattended motor vehicle found parked at any time upon any public highway of the District of Columbia against which there are two or more outstanding or otherwise unsettled traffic violation notices or against which there have been issued two or more warrants, may, by or under the direction of an officer or member of the Metropolitan Police force or the United States Park Police force, either by towing or otherwise, be removed or conveyed to and impounded in any place designated by the Commissioner, or immobilized in such a manner as to prevent its operation, except that no such vehicle shall be immobolized by any means other than by the use of a device or other mechanism which will cause no damage to such vehicle unless it is moved while such device or mechanism is in place.

"(2) It shall be the duty of the officer or member of the police force removing or immobilizing such motor vehicle, or under whose directions such vehicle is removed or immobilized, to inform as soon as practical the owner of an impounded or immobilized vehicle of the nature and circumstances of the prior unsettled traffic violation notices or warrants, for which or on account of which, such vehicle was impounded or immobilized. In any case involving immobilization of a vehicle pursuant to this subsection, such member or officer shall cause to be placed on such vehicle, in a conspicuous manner, notice sufficient to warn any individual to the effect that such vehicle has been immobilized and that any attempt to move such vehicle might result in damage to such vehicle.

"(3) The owner of such impounded or immobilized motor vehicle, or other duly authorized person, shall be permitted to repossess or to secure the release of the vehicle upon the depositing of the collateral required for his appearance in the Superior Court of the District of Columbia to answer for each violation for which there is an outstanding or otherwise unsettled traffic violation notice or warrant."

On page 19, at the beginning of line 10, change the section number from "705" to "805"; on page 20, at the beginning of line 20, change the section number from "706" to "806"; on page 21, after line 5, strike out:

SEC. 707. Paragraph (6) of section 4(b) of the District of Columbia Minimum Wage Act (D.C. Code, sec. 36-404) is amended to read as follows:

"(6) any employee with respect to whom the Secretary of Transportation has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of part II of the Interstate Commerce Act (49 U.S.C. 304)."

After line 13, insert a new section, as follows:

SEC. 807. Paragraph (e) of section 1 of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (56 Stat. 1089), is amended (1) by inserting "(1)"

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immediately after "(e)", and (2) by adding immediately after paragraph (e) the following:

"(2) Property exempted from taxation by the Commissioner of the District of Columbia pursuant to regulations promulgated by the District of Columbia Council."

At the beginning of line 23, change the section number from "708" to "808"; on page 22, after line 16, insert a new section, as follows:

SEC. 809. (a) Effective January 1, 1972, the District of Columbia Council, subject to the provisions of subsection (b) of this section, shall have the same legislative power to impose taxes in the District of Columbia as that exercised by the Congress in its capacity as a legislature for the District of Columbia, including legislative power to amend or repeal any Act of Congress which is restricted in its application exclusively in or to the District of Columbia and which relates primarily to the imposition of taxes therein.

(b) The District of Columbia Council shall have no authority to impose any tax on property of the United States or any of the several States, or upon the whole or any portion of the personal income, either directly or at the source thereof, of any individual not a resident of the District. For purposes of this section, the terms "individual" and "resident" shall have the same meaning as that provided for in section 4 of the Act of July 16, 1947 (61 Stat. 332).

On page 23, line 9, change the title number from "VIII" to "IX"; at the beginning of line 11, change the section number from "801" to "901"; at the beginning of line 16, change the section number from "802" to "902"; on page 24, at the beginning of line 3, change the section number from "803" to "903"; at the beginning of line 15, change the section number from "804" to "904"; after line 17, insert a new title, as follows:

TITLE X—ESTABLISHMENT OF THE DISTRICT OF COLUMBIA TRANSPORTATION TRUST FUND

BONDING AUTHORITY

SEC. 1001. (a) The District of Columbia is authorized to provide for the payment (1) of its share of the cost of the Adopted Regional System described in the National Capital Transportation Act of 1969 (83 Stat. 320), and (2) of cost incurred by it in carrying out the highway and street projects included in the District of Columbia Government Six-year Capital Improvements Program—Fiscal Years 1972–1977 (June 1971), by an issue or issues of negotiable obligations of the District of Columbia. Any such bonds so issued shall bear interest at such rate or rates as the Commissioner of the District of Columbia (hereinafter referred to as the "Commissioner") may from time to time determine are necessary to make marketable each such issue of obligations.

(b) The bonds of any authorized issue may be issued all at one time, or from time to time, in series and in such amounts as the Commissioner shall deem advisable. The Commissioner, in issuing any series of bonds, shall fix the date of the bonds of such series, and the bonds of each such series shall be payable in annual installments beginning not more than three years after the date of the bonds and ending not more than thirty years from such date. The Commissioner shall fix the amount of such series to be payable in each year so that, when the annual interest is added to the principal amount payable in each year, the total amount payable in each year in which part of the principal is payable shall be substantially equal. For purposes of this section, it shall be an immaterial variance if the difference between the largest and the smallest amounts of principal and interest payable annually during the term of the bonds does not exceed 3 per centum of the total authorized amount of such series.

(c) The Commissioner shall prescribe the form of the bonds to be issued pursuant to this title and the interest coupons pertaining thereto, and the manner in which such bonds and coupons shall be executed. Such bonds and coupons may be executed by the facsimile signatures of the officer or officers authorized by the Commissioner to sign the bonds, except that at least one signature shall be manual.

(d) Bonds issued pursuant to this title may be issued in coupon form in the denomination of $1,000, registerable as to principal only or as to both principal and interest, and if registered as to both principal and interest, such bonds may be issued in denominations of multiples of $1,000. Bonds issued pursuant to this title and the interest thereon may be payable at such place or places within or without the District of Columbia as the Commissioner shall determine.

(e) All bonds issued under this title shall be sold at public sale upon sealed proposals at such price or prices as shall be approved by the Commissioner after publication of a notice of such sale at least once not less than ten days prior to the date fixed for sale in a daily newspaper carrying municipal bond notices and devoted primarily to financial news or to the subject of State and municipal bonds published in the city of New York, New York, and in a newspaper of general circulation published in the District. Such notice shall state, among other things, that no proposal shall be considered unless there is deposited with the District as a downpayment a certified check or cashier's check for an amount equal to at least 2 per centum of the par amount of bonds bid for, and the Commissioner shall reserve the right to reject any and all bids.

(f) The full faith and credit of the District shall be and is hereby pledged for the payment of the principal of and the interest on all bonds of the District hereafter issued pursuant to this title whether or not such pledge is stated in the bonds.

(g) As soon as practicable following the beginning of each fiscal year, the Commissioner and the Comptroller General of the United States shall review the amounts of District revenues which have been set aside and deposited in the trust fund pursuant to this title. Such review shall be carried out with a view to determining whether the amounts so set aside and deposited are sufficient to pay the principal of, and interest on, bonds issued pursuant to this title, and the premium (if any) upon the redemption thereof, as the same respectively become due and payable. If the Commissioner and the Comptroller General determine that sufficient District revenues have not been so set aside and deposited, then an amount determined by the Commissioner and the Comptroller General as necessary to provide that sufficiency shall be credited to the trust fund from the Federal payment made to the District of Columbia for the fiscal year within which such review is conducted.

(h) Bonds issued by the Commissioner pursuant to this title and the interests thereon shall be exempt from all Federal and District taxation except estate, inheritance, and gift taxes.

(i) Notwithstanding any restriction on the investment of funds by fiduciaries contained in any other law, all domestic insurance companies, domestic insurance associations, executors, administrators, guardians, trustees, and other fiduciaries within the District of Columbia may legally invest any sinking funds, moneys, trust funds, or other funds belonging to them or under or within their control, in any bonds issued pursuant to this title, it being the purpose of this subsection to authorize the investment in such bonds of all sinking, insurance, retirement, compensation, pension, and trust funds, National banking associations are authorized to deal in, underwrite, purchase and sell, for their own accounts or for the accounts of customers, bonds issued by the Commissioner pursuant to this title to the same extent as national banking associations are authorized by paragraph 7 of section 5136 of the Revised Statutes (12 U.S.C. 24), to deal in, underwrite, purchase, and sell obligations of the United States, States, or political subdivisions thereof. All Federal building and loan associations and Federal savings and loan associations; and banks, trust companies, building and loan associations, and savings and loan associations, domiciled in the District of Columbia, may purchase, sell, underwrite, and deal in, for their own account or for the account of others, all bonds issued pursuant to this title; except that nothing contained in this subsection shall be construed as relieving any person, firm, association, or corporation from any duty of exercising due and reasonable care in selecting securities for purchase or investment.

(j) The District of Columbia may reserve the right to redeem any or all of its obligations under this title before maturity in such manner and at such price or prices as may be fixed by the Commissioner prior to the issuance of such obligations.

BOND REVENUES

SEC. 1002. (a) Revenues derived from the issuance of bonds pursuant to this title are hereby appropriated to the District of Columbia and shall be available for use until expended only for the following purposes:

(1) To provide for the payment by the District of Columbia of its share of the cost of the Adopted Regional System described in the National Capital Transportation Act of 1969 (93 Stat. 320);

(2) To provide for the payment by the District of Columbia of costs incurred by it in carrying out the highway and street construction and improvement projects included in the District of Columbia Six-Year Capital Improvements Program—Fiscal Years 1972–1977 (June 1971); and

(3) To provide, subject to the provisions of subsection (b) of this section, funding for programs of construction projects to meet capital needs for highways and streets in the District of Columbia which are not included within such capital improvement program referred to in paragraph (2) of this subsection.

(b) (1) No revenues derived from bonds issued pursuant to this title shall be expended for construction under paragraph (3) of subsection (a) of this section, unless such construction has been approved by resolutions adopted by the Committees on the District of Columbia of the Senate and House of Representatives, respectively. For the purpose of securing consideration of such approval, the Commissioner shall transmit to the Congress a prospectus of the proposed project including but not limited to—

(A) a description of the project to be constructed and the need therefor; and

(B) an estimate of the maximum cost of the project.

(2) The Committees on the District of Columbia of the Senate and the House of Representatives shall not approve any project under paragraph (3) of subsection (a) of this section if the total cost of such project exceeds $1,000,000, and in no event shall such committees approve, with respect to such project, expenditures of revenues derived from bonds issued pursuant to this title in an amount in excess of $500,000.

(c) No revenues derived from bonds issued pursuant to this title shall be expended in connection with any specific project or construction to meet capital needs for highways or streets in the District of Columbia except in accord with the applicable provision of title 23, United States Code, and the laws of the District of Columbia.

SEC. 1003. (a) There is established in the Treasury of the United States a trust fund to

be known as the "District of Columbia Transportation Trust Fund" (referred to in this title as the "trust fund"), which shall consist of the amounts set forth in subsection (b) of this section, together with any amounts credited pursuant to subsection (g) of section 901 of this title. The trust fund shall be available for the purposes set forth in subsection (d) of this section.

(b) (1) The following revenues accruing to the District of Columbia shall, in accordance with paragraph (2), be deposited in the trust fund:

(A) Revenues received by the District of Columbia from fees charged by the District of Columbia for the registration and titling of motor vehicles;

(B) Revenues received by the District of Columbia from excise taxes imposed by the District of Columbia on motor vehicles; and

(C) Revenues received by the District of Columbia from taxes imposed by the District of Columbia on motor vehicle fuels.

(2) Revenues referred to in paragraph (1) of this subsection shall be deposited in the trust fund as follows:

(A) With respect to revenues referred to in subparagraph (A) of paragraph (1) of this subsection accruing to the District of Columbia during fiscal years 1972, 1973, and 1974, 75 per centum of such revenues; and with respect to such revenues so accruing during fiscal year 1975 and each fiscal year thereafter, 100 per centum of such revenues;

(B) With respect to revenues referred to in subparagraph (B) of paragraph (1) of this subsection accruing to the District of Columbia during fiscal years 1974 and 1975, 50 per centum of such revenues, and with respect to such revenues so accruing during fiscal year 1976 and each fiscal year thereafter, 100 per centum of such revenues; and

(C) With respect to revenues referred to in subparagraph (C) of paragraph (1) of this subsection accruing to the District of Columbia during fiscal years 1974 and 1975, 25 per centum of such revenues, with respect to such revenues so accruing during fiscal year 1976, 35 per centum of such revenues, and with respect to such revenues so accruing during fiscal year 1977 and each fiscal year thereafter, 45 per centum of such revenues.

(c) All moneys deposited in the trust fund, including deposits pursuant to subsection (g) of section 901 of this title, are hereby appropriated to the District of Columbia and shall be disbursed in compliance with the provisions of this title for the purposes set forth in subsection (d) of this section.

(d) All necessary payments from the trust fund shall be made by the Secretary of the Treasury to the disbursing officer of the District of Columbia, upon requisition of the Commissioner of the District of Columbia, for such amounts as may be required from time to time for necessary disbursements in connection with the following:

(1) to pay the principal and interest on Treasury loans, outstanding on January 1, 1972, made to the District of Columbia for highway construction and the Adopted Regional System described in the National Capital Transportation Act of 1969 (83 Stat. 320),

(2) to pay the principal of and interest on bonds issued pursuant to this Act, and the premiums, if any, upon the redemption thereof, as the same respectively become due and payable, and

(3) to pay the principal and interest on loans made to the District of Columbia pursuant to section 904 of this title.

LOAN AUTHORITY

SEC. 1004. (a) The Commissioner is authorized to accept loans for the District from the United States Treasury, and the Secretary of the Treasury is authorized to lend to the Commissioner, such sums as the Commissioner may determine are required to complete payments on capital outlay contracts which have been awarded for highway construction not later than ninety days after the date of the enactment of this Act. In addition, such loans may include funds to pay the District's share of the cost of the Adopted Regional System specified in the National Capital Transportation Act of 1969 through the fiscal year ending June 30, 1972.

(b) In addition to the loan authority contained in subsection (a) of this section, the Commission is authorized to accept loans for the District from the Treasury, and Secretary of the Treasury is authorized, with respect to any project or projects the cost of which is authorized to be paid from revenues derived from bonds issued pursuant to this title, to lend to the Commissioner, such sums as the Commissioner from time to time determines are necessary to provide for the continuation of work on any such project or projects, pending the sale of an issue of District obligations. Any such loan shall be for such term as may be agreed upon by the Commissioner and the Secretary but in no event shall the term of any such loan extend for more than thirty days beyond the date on which proceeds from the sale of the District's obligations become available for the construction of such project or projects.

(c) Loans advanced pursuant to this section during any six-month period shall be at a rate of interest determined by the Secretary of the Treasury as of the beginning of such period, which, in his judgment, would reflect the cost of money to the Treasury for borrowing at a maturity approximately equal to the period of time the loan is outstanding.

(d) There are authorized to be appropriated such sums as may be necessary to make loans under this section.

REPEAL OF LOAN AUTHORITY

SEC. 1005. (a) Effective January 1, 1972, section 402 of title IV of the Act of May 18, 1954 (D.C. Code, sec. 7–133), authorizing loans from the United States Treasury for the District of Columbia highway construction program, is repealed.

(b) Nothing contained in this title shall be deemed to relieve the District of Columbia of its obligation to repay any loan made to it under the authority of such section 402, nor to preclude the District of Columbia from using the unexpended balance of any such loan appropriated to the District prior to the effective date of such repeal.

(c) The first section of the Act of April 23, 1924 (D.C. Code, sec. 47–1901), is amended by deleting "shall be deposited" and inserting in lieu thereof "shall, except to the extent otherwise provided in section 903(b) of the District of Columbia Revenue Act of 1971, be deposited".

ADDITIONAL BONDING AUTHORITY

SEC. 1006. On and after the date of the enactment of this title, the Commissioner is authorized to submit to the Committees on the District of Columbia of the Senate and the House of Representatives requests for authorization by the Congress to the District of Columbia for issuance by it of bonds, in addition to those authorized by this title, to finance capital outlays for additional transportation projects. Each such request shall include—

(1) a description of each such project for which authorization is requested;

(2) the maximum cost of each such project; and

(3) recommendations for additional sources of revenues to be deposited or paid into the trust fund, if necessary, to finance such additional bonds.

Mr. MATHIAS. Mr. President, I have technical amendments that I send to the desk.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

On page 31, line 19, strike out "section 901" and insert in lieu thereof "section 1001";

On page 33, line 10, strike out "section 901" and insert in lieu thereof "section 1001";

On page 34, line 6, strike out "section 904" and insert in lieu thereof "section "1004".

On page 36, line 12, strike out "section 903(b)" and insert in lieu thereof "section 1003(b)".

Mr. MATHIAS. Mr. President, these are typographical errors which appear in the bill. The chairman of the committee is familiar with them.

Mr. EAGLETON. I have no objection.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendments of the Senator from Maryland.

The amendments were agreed to.

Mr. MATHIAS. Mr. President, the committee report on H.R. 11341 unfortunately contains two typographical errors. I would like to note the corrections in the RECORD.

First, on page 3 of the report, section 701(b) is stated incorrectly as recommending a Federal payment equal to 40 per centum of general fund taxes. The correct figure as recommended by the committee is 43 per centum.

Second, on page 22, the report states that the authority to grant exemptions from the District's real property tax is transferred "to the Commissioner of the District of Columbia, or his representative." Section 807 actually transfers this authority to the District of Columbia Council.

Mr. President, in considering this legislation, we are fulfilling our constitutional obligation to provide for the government of the National Capital. The additional revenues authorized in this bill will enable the District of Columbia to meet the needs of its citizens, provide necessary services for millions of visitors, and strengthen its position as the vital center of a dynamic, fast-growing metropolitan area.

In addition to meeting the immediate financial needs of the Capital City, this legislation as reported by the Committee on the District of Columbia also enables the Congress to lighten its own burdens by transferring to the local government certain functions and responsibilities which can and should be within the province of the District Government. In so doing, we are advancing the principle summarized by President Nixon in his message to Congress on the District of Columbia on April 7: "The way to help local government become more responsible is to entrust it with more responsibility."

The most important general revenue item in this bill is a proposed increase in the annual Federal payment to the District, coupled with the shift of that payment from a flat dollar amount to a stated percentage of District general tax revenues. The committee has recommended a Federal payment of 43 percent

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of local general tax revenues, or approximately $181.5 million in this fiscal year. The use of a formula, of course, gives the District Government an additional incentive to increase local taxation, such as the real property tax, to levels which will generate more revenues while remaining generally comparable to taxation in surrounding jurisdictions. At the same time, the level of the proposed payments does recognize the inescapable fact that the unique character of the Capital City places very real constraints on the city's ability to raise local taxation. The District cannot, for example, tax the property of the Federal Government and related institutions and organizations which occupy over half of the city's land and place heavy demands on city services.

The increased Federal payment also compensates for the Congress' refusal to permit the District to levy taxes on the income of nonresidents. While I believe that the Congress has acted properly in rejecting the city's proposal for a so-called reciprocal income tax, I also feel that the Congress has the responsibility to provide alternate revenues.

While this is not a modest bill, it is by no means an extravagant one. As Mayor Washington noted in his testimony before the District Committee this week, even the revenues herein authorized will barely meet the city's needs in vital areas such as law enforcement, corrections and education. For example, the city must provide for salary increases enacted by Congress, and must have additional funds to carry out the landmark court reform legislation approved last year. In fact, in light of the city's needs and the escalation in municipal costs across the country, this is really a very lean bill.

Of course additional economies in the District's operations should always be sought. The Nelsen Commission, on which I serve, will be submitting its comprehensive report and recommendations next March, and is likely to propose improvements in many areas of public management. I have recommended some steps, such as the creation of a youth commission to end the present fragmentation of youth programs. But at the same time we must recognize that the District, like all major American central cities, is caught in the spiral of inflation and soaring public needs for local services. We cannot afford to starve essential programs, for the long-term cost of false economy would be unbearable to the District and intolerable for the Nation as a whole.

One specific project which must be allowed to proceed without delay is the Metro system. I am very pleased that the committee adopted my amendment to this bill to establish the District of Columbia transportation trust fund and issue bonds to obtain funds to pay the local share of the Metro and approved highway projects between now and 1977. This legislation would place the District's contributions to Metro on a virtually automatic basis and would end the roadblocks, delays, and uncertainties which have brought this vital mass transit system to the current perilous point.

As President Nixon stated yesterday: Not only to delay in Metro work cost taxpayers heavily; they might even erode confidence and cooperation seriously enough to consign the entire project to an early grave, with all the sad consequences that could have for metropolitan development in the years ahead. I strongly urge the Congress, therefore, to take appropriate action at once to end the present delay and to prevent any more such derailments of Metro progress.

My amendment to this bill fills the President's prescription. It would enable the District of Columbia to obligate local revenues—not Federal funds, but the fruits of local taxation—to pay the District share of the Metro without delay. At the same time, it also insures that, as various essential highway and street projects are approved in accord with applicable laws, the funds for the local share of those projects will also be available. In short, this proposal gives us a new road to the balanced transportation system which the people of this region need and want.

As the President concluded,

We have come to a critical juncture. Obedience to the law is at stake. A huge investment is at stake. The well-being of the capital area is at stake. It is time for responsible men to join in responsible action and cut this Gordian knot.

In conclusion, I want to congratulate the distinguished chairman of the District of Columbia Committee, the junior Senator from Missouri (Mr. EAGLETON), for the efficient and statesmanlike way in which he has managed this legislation and led the committee throughout this year. He has shown a real grasp of the problems of the District and the Washington area, and an openminded hospitality to many alternatives. The Senator from Hawaii (Mr. INOUYE) also deserves special praise for his willingness to assume the double burdens of serving on this committee and chairing the Subcommittee on Appropriations for the District of Columbia, a task which he is carrying through with great skill and perception. It is a pleasure to work with these gentlemen and the rest of the members of this panel.

I think this bill, in a reasonable but adequate way, meets the financial needs of the National Capital. I think it takes a farsighted approach to laying the foundation for some reasonable fiscal planning in the District which has been lacking for a long time.

Of most immediate concern, it provides an opportunity to get the Metro system underway after a long, long time of being stalled in the station. I hope the Senate will take advantage of this opportunity, because if we do not get the Metro moving now, it may never roll in our time and perhaps never in our children's time, nor in our grandchildren's time. This is almost the last chance to get on board. So I am hopeful that the Senate will support the proposed legislation, including the opportunity to save the Metro, and pass this measure today.

I yield to the Senator from Virginia.

Mr. SPONG. Mr. President, I commend the Senator from Missouri for the work he and the members of the committee have done on this revenue bill. I commend the Senator from Maryland for the unique approach he has taken in an effort to move Metro off dead center.

On Thursday, the President of the United States urged Congress to do whatever it could to get the Metro system underway. He said: "Obedience to the law is at stake."

I believe that is true.

Yesterday, I submitted an amendment, which I call up at this time.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. SPONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 24, after line 17, insert the following new section:

SEC. 905. In granting its consent to the Washington Metropolitan Area Transit Authority Compact and enacting that compact for the District of Columbia, Congress declared the policy that, to the extent that costs of the regional transit project are not covered by user charges, such costs shall be equitably shared among the Federal, District of Columbia, and participating local governments in the transit zone. In the National Capital Transportation Act of 1969, Congress, in conformance with this policy, authorized the Commissioner of the District of Columbia to contract with the Transit Authority to make annual capital contributions to provide the District of Columbia's share of the cost of the regional transit project. Pursuant to this authorization, the District of Columbia has entered into a Capital Contributions Agreement with the Transit Authority and the political subdivisions in the transit zone to make the agreed upon annual contributions. It is the purpose of this section to reaffirm the aforementioned policy established by Congress with respect to the regional transit project and the contractual obligation of the District of Columbia to provide its share of the cost of the regional transit project.

Mr. SPONG. Mr. President, this amendment reaffirms the legal obligation of Congress to see that the District of Columbia participates in the Metro System. The communities of Virginia and Maryland have put up their money to build the system, and it is not right for the share of the District of Columbia to continue to be withheld. The matter of the Three Sisters Bridge is in the courts. It is a matter to be decided by the courts. It is not proper for Metro to be held as hostage for highway construction.

By adding this amendment and reaffirming the obligation that already exists to go forward with the transit system, we will be complying with the President's request, and we will be doing what we owe the citizens of Metropolitan Washington including the residents of Virginia and Maryland, who have participated heretofore in good faith.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia.

The amendment was agreed to.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

Mr. MATHIAS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 11341) was passed.

Mr. EAGLETON. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. BYRD of West Virginia. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical corrections in the engrossment of amendments to H.R. 11341.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVENUE ACT OF 1971

The Senate resumed the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. BYRD of West Virginia. Mr. President, did the distinguished majority leader get unanimous consent to call up at this time amendment No. 693?

The PRESIDING OFFICER. The Chair affirms that he did.

Mr. BYRD of West Virginia. Mr. President, did the distinguished majority leader get consent to cut the time in half on that amendment?

The PRESIDING OFFICER. Yes, he did.

Mr. BYRD of West Virginia. I thank the Chair.

AMENDMENT NO. 693

The PRESIDING OFFICER. The Chair lays before the Senate the amendment of the Senator from Texas (for himself, Mr. HANSEN, Mr. BELLMON, Mr. PEARSON, Mr. STEVENS, Mr. RANDOLPH, Mr. DOMINICK, and Mr. BENTSEN) which will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. TOWER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

In the table of contents on page 1, immediately below the item relating to section 109, insert the following:

"Sec. 310. Tax credit for expenditures made in the exploration and development of new domestic oil and gas reserves."

On page 40, after line 3, insert the following:

"SEC. 110. TAX CREDIT FOR EXPENDITURES MADE IN THE EXPLORATION AND DEVELOPMENT OF NEW DOMESTIC OIL AND GAS RESERVES.

"(a) Subpart A of part IV of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 41 as 42, and by inserting after section 40 (as added by section 701 of this Act) the following new section:

"'SEC. 41. EXPLORATION AND DEVELOPMENT EXPENDITURES FOR NEW DEPOSITS OF OIL AND GAS RESERVES AND EXPENDITURES FOR THE SECONDARY RECOVERY OF OIL AND GAS RESERVES.

"'(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount (subject to the limitations of subsection (b)) equal to 7 percent of the amount of expenditures paid or incurred by the taxpayer during the taxable year for—

"'(1) the purpose of ascertaining the existence, location, extent, or quality of any domestic deposit of oil or gas, and paid or incurred before the beginning of the development stage of such deposit, or

"'(2) the development of a domestic deposit of oil or gas if the existence of oil or gas in commercially marketable quantities in such deposit is ascertained after the date of the enactment of this section, or

"'(3) the development of a domestic deposit of oil or gas on a secondary recovery basis if the recovery operations commence after the date of the enactment of this section.

For purposes of this subsection, a domestic deposit of oil or gas is a deposit located in the United States (within the meaning of section 638(1)).

"'(b) LIMITATIONS.—

"'(1) DURATION.—The credit allowed by subsection (a) shall apply to expenditures paid or incurred within the 10-year period beginning on the first day of January of the year in which this section is enacted.

"'(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), section 38 (relating to investment in certain depreciable property), and section 40 (relating to expenses of work incentive programs).

"'(c) CARRYBACK AND CARRYOVER OF UNUSED CREDITS.—

"'(1) ALLOWANCE OF CREDIT.—If the amount of the credit determined under subsection (a) for any taxable year exceeds the limitation provided by subsection (b)(2) for such taxable year (hereinafter in this subsection referred to as "unused credit year"), such excess shall be—

"'(A) an exploration or development credit carryback to each of the 3 taxable years preceding the unused credit year, and

"'(B) an exploration or development credit carryover to each of the 7 taxable years following the unused credit year, and shall be added to the amount allowable as a credit by subsection (a) for such years (determined before the application of this subsection), except that such excess may be a carryback only to a taxable year ending after the first day of January of the year in which this section is enacted. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 10 taxable years to which (by reason of subparagraph (A) or (B)) such credit may be carried, and then successively to each of the other 9 taxable years to the extent that, because of the limitation contained in paragraph (2), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"'(2) LIMITATION.—The amount of the unused credit which may be added under paragraph (1) for any preceding or succeeding taxable year shall not, when added to the amount of the credit under subsection (a) (determined before the application of this subsection), exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of—

"'(A) the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), section 38 (relating to investment in certain depreciable property), and section 40 (relating to expenses of work incentive programs); and

"'(B) the amounts which, by reason of this subsection, are added to the amount allowable for such taxable year and attributable to taxable years preceding the unused credit year.

"'(d) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section.'

"(b) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"'Sec. 41. Exploration and development expenditures for new deposits of oil and gas reserves and expenditures for the secondary recovery of oil and gas reserves.

"'Sec. 42. Overpayment of tax.'."

Mr. COTTON. Mr. President, will the Senator yield?

Mr. TOWER. I yield 1 minute to the Senator from New Hampshire.

Mr. COTTON. I merely want to say that I agreed to defer the order in which my own amendment appears, both for this amendment and the amendment of the distinguished Senator from Missouri. One reason is that it is my understanding that the Senator from New York, who is opposed to my amendment, is on his way here from New York for the purpose of opposing it; and I have never been guilty of the kind of discourtesy that I would try to take advantage and push an amendment through when I knew a Senator was on his way to oppose it. The second reason is that I would like to accommodate Senators.

On the other hand, I hope that as many Senators as possible will remain here to vote on my amendment. I would like to get a reasonable hearing, with a reasonable number of Senators, so that it can have real consideration.

I thank the Senator.

Mr. TOWER. Mr. President, I have sent to the desk certain modifications of the amendment, which are simply technical and make the amendment consonant with other provisions of the bill. I ask unanimous consent that those modifications be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modifications are as follows:

On page 3, line 7, after "year" insert "following the year";

On page 3, line 9, after "exceed" insert "one half of";

On page 4, line 11, after "year" insert "following the year";

On page 5, line 1, after "exceed" insert "one half of".

Mr. TOWER. Mr. President, this amendment is designed to breathe new

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life into the domestic oil and gas industry by allowing it a new incentive to discover oil and gas reserves or rework old fields to make them again economically viable. Those of us who are concerned with the domestic petroleum reserves have known for some time that a crisis was coming in this field. This fact, unfortunately, has largely been ignored by consumer groups. However, recently this problem has brought home all too graphically to those who live in the Washington, Maryland, and Virginia area. The Washington Gaslight Co. has recently announced that it will be unable to accept any new industrial customers due to the shortage of natural gas.

Correspondingly, I understand that gas companies in Baltimore are discouraging the installation of any new gas heat in homes, for the very same reason. When suppliers are refusing new customers, something is definitely wrong. As I will point out later, in a study recently completed compiling figures through 1970, the Chase Manhattan Bank reviewed 28 selected petroleum companies. The result of this study on the 28 companies, which I shall refer to as the group is truly alarming. To quote from the report:

For the past decade the growth of the net income has lagged substantially behind the expansion of both end market and capital spending and in the last two years while the market for oil increased by more than 18 percent the Group's net earnings declined.

To illustrate this point the group's net income from domestic operation declined 4.4 percent between 1969 and 1970 and the rate of return on investment declined for the third consecutive year. The rate of return decreased to 12.6 percent in 1968, to 10.9 percent in 1969, and to 9.9 in 1970. Thus, correspondingly, the investment donated to the search for new petroleum reserves in the United States was at the lowest level in 1970 of any of the past 4 years. As I have said before, the decline in exploration and production in this vital industry means the loss of jobs throughout the Nation, jobs that we can ill afford to lose.

I have warned repeatedly during the past few years that this Nation would experience dangerous shortages of energy resources unless corrective actions were taken. Much to my regret and alarm, few such actions have been taken and these few have been inadequate. Consequently, we continue on a collision course with dangerous energy shortages.

The causes and dimensions of these shortages have been abundantly documented in numerous recent reports and statements by representatives of government and industry. Because of these reports, there has been a growing awareness that a serious national energy problem exists.

I would like to focus upon a particular consequence of our energy resource shortages which I find appalling. That is our increasing reliance upon Middle East sources of crude oil to make up the growing deficiency between our ability to produce and our consumer demand.

Estimates of the magnitude of our future reliance on Middle East sources vary. But, practically all the reports conclude that during the next 15 years we will be forced to rely increasingly upon imports of crude oil from the Middle East to meet larger portions of our burgeoning energy demands.

Secretary of the Interior Rogers C. B. Morton reached this conclusion in his June 15 testimony before the Senate Committee on Interior and Insular Affairs. He estimated that by 1985 our total oil consumption would approach 24 million barrels per day and that the United States could be forced to import approximately 12 million barrels of crude oil per day from Middle East sources. He concluded:

Unless a marked and early improvement occurs in exploration and discovery success and . . . investment in oil producing activities in the United States, there appears little chance that domestic production can keep up with the strong upward trend in demand.

He further predicted that by 1985 we will be forced to rely upon the Middle East for at least 45 percent of our supply of crude oil.

A more pesimistic view of our growing reliance on Middle East oil was presented by Mr. M. A. Wright, chairman of the board of Humble Oil & Refining Co. on May 17. He told the Florida Governor's Conference on the Big Swamp that—

After the next year or so, essentially all of the growth in U.S. petroleum demand will have to be met with imports from the Eastern Hemisphere. Unless we make a substantial effort to increase domestic supplies of all forms of energy, by 1985 foreign imports will supply over half our demand for petroleum and most of this will come from the Middle East.

He attached a chart to his statement which showed that by 1985 imports of liquid petroleum products could be 62 percent of our consumption.

I find these projections by the Interior Secretary and an eminent industrial leader most alarming. Unfortunately, these two projections cannot be considered to be either unique or without foundation.

Our national security objectives regarding supplies of crude oil were officially established in 1959 by Presidential Proclamation No. 3279. These criteria were reaffirmed by the President's Task Force on the Oil Import Question in February 1970, and more recently by the "Report on Crude Oil and Gasoline Price Increases of November 1970" issued by the Office of Emergency Preparedness in April 1971.

The criteria are as follows:

First. The need to guarantee supplies sufficient to meet the needs of U.S. military forces and defense industries.

Second. The need for a sufficient supply of crude oil and its derivatives to meet essential civilian demands, and sustain economic growth.

Third. The need to foster exploration and development so as to insure a depletion of reserves to an extent which would not jeopardize the capability of the petroleum industry to meet future demands, without undue reliance on foreign sources of questionable reliability.

The Cabinet task force report of 1970 also recommended that imports from Eastern Hemisphere sources not exceed 10 percent of our domestic consumption.

In summary, then, these objectives explicitly recognize that we must encourage continued exploration in order to insure sufficient producing petroleum reserves to meet both our military and essential civilian needs; that we should maintain a producing capacity sufficient to guarantee future economic growth; and that we should not become overly dependent upon foreign sources of questionable reliability.

These objectives were hammered out over an extended period of time. They have been honored by several administrations. They recognize that petroleum is a vital ingredient to our national defense and to our continued economic health.

I cannot stress strongly enough the importance I place upon the maintenance of these objectives. If the projections of the experts come true, we will have knowingly violated these national security and economic goals. Unless we act now to reverse the current trend, our military capability and our national economic health will be seriously jeopardized, perhaps irrevocably.

Perhaps the single most important development which highlighted the insecurity of Eastern Hemisphere oil was the dramatic display of bargaining strength and unity by the members of the Organization of Petroleum Exporting Countries in their recent negotiations with the oil company concessionaires. This organization is often referred to as OPEC, and is composed of the following countries: Abu Dhabi, Qatar, Kuwait, Saudia Arabia, Iraq, Iran, Algeria, Libya, Venezuela, Indonesia, and Nigeria.

This list includes practically all the major producers of crude oil in the free world besides the United States. The importance of this organization is exhibited by the fact that we presently draw 55 percent of our total imports, equivalent to about 11 percent of our total oil consumption, from these OPEC members.

The tough and unified bargaining stance taken by the OPEC countries represented a reversal of several of our traditional concepts concerning Middle East oil.

First, this was essentially the first time that these countries united to bargain for their common good. In the past, these countries had bargained on an individual basis, often exhibiting a lack of trust in each other. Their overall stance has made it relatively easy for the oil companies to bargain effectively with one at a time.

Second, the demands made by the OPEC countries and finally obtained by them were extremely tough. They extracted large percentage increases in their participation in the profits derived from the production and transportation of oil within their own countries.

Third, their main bargaining weapon was the threat of an embargo on all oil shipments from these countries. This was a most powerful and effective weapon. Until 1970, few believed that any Middle East country would voluntarily reduce or terminate its oil production. Most believed that none of these countries would deprive itself of the substantial revenues derived from the production. But in 1970, Libya stopped producing a sizable percentage of its oil, and the myth was shattered.

In order to appreciate the relative bargaining strength of the OPEC, it is necessary to examine the increased reliance of Western Europe, Japan, and the United States on Middle East oil. In 1950, the primary source of energy for Western Europe and Japan was coal. Now over one-half of the total energy supplies of these large industrial nations is supplied by Middle East oil. As to the magnitude of this source, the 10 OPEC countries control over 80 percent of the known oil reserves in the world.

We presently import only 3 percent of our needs from Middle East sources. This figure, though small, is deceptive. Middle East oil constitutes 92 percent of the fuel oil consumed on the east coast of the United States. And I have already stressed the trend of increasing reliance upon imports from the Middle East to meet oil deficits. Some areas of the United States are already overreliant on Middle East oil, and it is now predicted that we shall become overreliant as an entire nation.

The result of the OPEC bargaining was that the balance of power tipped in favor of the oil exporting countries. Under the terms of the resulting contract, oil revenues to these countries will be increased by approximately $8 billion over the next 5 years. Large portions of this increase in cost to the oil companies will probably be passed to the consumers.

The critical aspect of these negotiations was the use of the threat of embargo on oil shipments from these countries. This threat can, and probably will be used again. Most of the oil-consuming countries will be powerless to do anything but to capitulate to the demands of the exporting countries.

The United States does not have to cower before threats of embargo. We have enough indigenous oil reserves to satisfy our needs for several decades to come at projected rates of consumption. It has been reliably estimated that there remains to be discovered more oil in the United States than we have yet discovered throughout our history. The U.S. Geologic Survey has estimated that approximately 430 billion barrels of recoverable oil await discovery in the United States. It has been estimated that we will consume an average of 21 million barrels of oil per day over the next 15 years. If this estimate is accurate, we will consume approximately 105 billion barrels of oil the next 15 years. So, we have adequate undiscovered reserves of oil to meet all our needs.

But, the mere possession of undiscovered oil reserves does not give us a viable alternative to increasing reliance upon Middle East oil. Our undiscovered reserves must be converted into producing oil fields.

Converting undiscovered reserves into producing reserves can be accomplished only through massive investments in exploration. Estimates of the required investments range into the tens of billions of dollars.

Yet, at the present time, our exploration investment is minimal and the level of our domestic exploration activity is at a 28-year low.

The reason for the depressed level of exploration activity can be attributed to the overall negative attitude of the public and Government toward the domestic petroleum industry. This negative attitude has been manifested by a combination of Government policies which appear to have been especially designed to inhibit and discourage domestic exploration activity rather than encourage it.

For example, the Tax Reform Act of 1969 reduced the depletion allowance from 27½ to 22 percent. It has been estimated that this placed an additional cost on the industry of approximately $700 million per year. Thus, at the very time when the oil industry desperately needed help, this tremendous tax burden was added. This dampened domestic exploration.

At this very time, our producing reserves are declining more rapidly than they are being supplemented. Our surplus producing capacity is now less than our imports. Therefore, our own producing reserves are no longer sufficient to sustain normal consumption should our imports be disrupted. Our energy-supply situation is bad and is worsening.

In providing policies designed to bring forth adequate supplies of this essential commodity, we must not be overly cautious. I am proposing today a tax-incentive program to encourage the domestic production of oil and to provide more jobs for this country.

Tax incentives encourage exploration. Our history has shown that this form of incentive works. We must devise new and imaginative tax incentives designed to stimulate exploration for new reserves of oil and natural gas.

In this connection, the measure I am proposing today would establish a 7-percent domestic exploration investment tax credit. This tax credit would reduce a year's income taxes by 7 percent of any money spent that year in exploring for or developing new domestic reserves of oil and natural gas. In addition, an identical 7-percent credit would be available for money spent to revitalize an old oil or gas field, where profitable production was the result. The tax credit would be a temporary one and would expire automatically 10 years from enactment of the bill.

This measure is similar to a bill that I had introduced on July 14 of this year, S. 2273, which is currently pending before this committee. The only difference between the two is that my original measure called for a 12½-percent credit and did not include the secondary recovery provisions of the current amendment. I have changed the 12½-percent figure to the general 7-percent figure already approved by the House and upon reflection have become convinced that secondary recovery must be included to have a well-rounded approach to our energy crisis.

The intent of this legislation is to stimulate investments for exploration of new domestic reserves of oil and natural gas. It is intended to help reverse the present dangerous trends which would result in our growing reliance upon insecure Middle East sources of crude oil and to guarantee the consumer the energy supplies he requires.

I urge the adoption of this proposal. We must act now to reverse the depressed level of domestic exploration activity so this Nation will not be dependent upon insecure Middle East sources for the bulk of our crude oil supplies which are so vital to our national security and our economic health.

Mr. President, I ask unanimous consent that the following Senators be made cosponsors of my amendment:

Messrs. HANSEN, BENTSEN, BELLMON, STEVENS, PEARSON, COOK, and RANDOLPH.

The PRESIDING OFFICER (Mr. HUGHES). Without objection, it is so ordered.

Mr. TOWER. Mr. President, two interesting articles were published in the Washington Post this morning. The thrust of my amendment is to back the 7-percent tax investment credit for new exploration in an effort to stimulate the finding of new sources of nonpolluted gas and petroleum to meet the energy demands of this country and to meet the danger of having to rely on foreign sources for oil. This is all pointed up in the two articles, one entitled "Stans Says U.S. May Buy Soviet Oil," and the other "Canadians Deny U.S. Gas Import Applications."

Secretary Stans says that the United States is interested in buying Soviet mineral products.

In the article from Ottawa, it states in the first paragraph:

The National Energy Board announced today that Canada has no additional natural gas available for export to the United States and turned down applications to export 2.7 trillion cubic feet.

Mr. President, I ask unanimous consent to have the two articles printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

STANS SAYS UNITED STATES MAY BUY SOVIET OIL

STOCKHOLM, SWEDEN.—U.S. Commerce Secretary Maurice Stans said today the United States was interested in buying oil from the Soviet Union.

Stans is scheduled to leave Saturday for trade talks in Moscow and other Soviet cities.

"We are interested in mineral products like oil and natural gas and in time possibly in manufactured products," Stans told newsmen. "I'm going over there to develop a shopping list. There are many possibilities."

Stans will meet Soviet Premier Alexei Kosygin and top officials during his 10-day stay, which could lead to American companies pouring millions of dollars into Soviet enterprises. The Stans party will go on to Poland for trade discussions there.

Stans said he hoped the trip would start a sequence of events "which may be very helpful to President Nixon." The American President visits Russia in May, and there are suggestions that he may conclude a trade pact in Moscow.

The commerce secretary had two days of talks in Stockholm with Swedish leaders. Sweden is reported on the verge of signing a natural gas pact with the Soviet Union, but Stans said there was no relation between that and his visit to Moscow.

He said the American balance of payments problem does not primarily stem from the Indochina war but from economic support to other nations and cited Marshall Plan aid to Europe after World War II and a deterioration in the terms of trade as two main factors.

CANADIANS DENY U.S. GAS IMPORT APPLICATIONS

OTTAWA.—The National Energy Board announced today that Canada has no additional natural gas available for export to

the United States and turned down applications to export 2.7 trillion cubic feet.

Since the decision came while energy talks between Canada and the United States were stalled, the announcement prompted speculation that Ottawa was using the issue as a lever in an attempt to gain exemption from U.S. surtaxes on imports.

Canada told the U.S. government early in the fall that it was too "preoccupied" with the new U.S. trade restrictions to continue the talks, which began in 1969.

The decision was expected to arouse strong protest from Alberta, where the Provincial Energy Board had already approved export of the gas from the province.

But the National Energy Board said Canadian supplies of natural gas as of June 30 were 1.1 trillion cubic feet less than reasonably foreseeable domestic needs in the next 25 years.

The board asserted that future discoveries could be expected to supply enough additional gas to meet these needs, but was not willing to predict enough discoveries to permit new exports.

A total of about 17 trillion cubic feet has already been authorized in previous decisions for export to the United States between now and 1995 on various contracts.

Currently, Canadian natural gas—piped mainly to the U.S. Pacific Coast and Middle West regions—accounts for about 3 per cent of total U.S. consumption. But several U.S. distributors are worried about future supply sources to meet growing demand.

Mr. TOWER. Mr. President, I yield to the Senator from Wyoming (Mr. HANSEN) such time as he may require.

Mr. HANSEN. Mr. President, I could not agree more with the distinguished Senator from Texas in his calling attention to the critical energy shortage that faces the United States today.

The approach suggested by the pending amendment is neither unique nor new. From time to time, the country has recognized the need for a certain commodity, a certain supply of some kind or another and, as a consequence, has used this device in order to encourage it. During World War II, we had a commodity price support program on wheat in order to give farmers the encouragement necessary to make certain that we had an adequate amount of grain in this country.

There is a very serious crisis facing the United States today. Just 2 or 3 days ago, Assistant Secretary of the Interior, Hollis Dole, in testifying before the Committee on Interior and Insular Affairs on the gasification of coal, in response to a direct question, made the statement that there are only two ways in which the United States can hope to solve its critical gas shortage. One was to give encouragement to industry to go out and search out and make the investment necessary in order to bring the new supplies of natural gas in, or to import liquefied natural gas from foreign countries.

That is exactly what we are doing. One of the insertions my distinguished friend, the Senator from Texas (Mr. TOWER), had printed in the RECORD would do just that.

There are reports today of negotiations which have been reported between the United States and Soviet Russia. I do not think that is the way that millions of Americans in this country would believe is a very acceptable manner to solve the energy crisis.

I hope very much that the amendment will be agreed to by the Senate today, because it is going to be important not only to those in excess of 40 million individual homes who depend upon natural gas for heating supply, but also to the very many industries that will have to close down this winter simply because there is not enough gas to go around.

Mr. President, I could not agree more with the remarks of the distinguished senior Senator from Texas and, like him, opposed the cut in depletion allowance in the Tax Reform Act of 1969.

As a result of that and other provisions of that act, the oil industry is now paying some $700 million more in Federal taxes at a time when natural gas reserves are declining and demand is increasing for this cleanest of all of our fuels.

We face unreasonable competition from imported fuels at the very time when our Nation is adopting drastic measures through this bill to bolster its balance of payments which reached a record deficit of $12.1 billion in the third quarter of this year and for the first three quarters stands at a deficit of $23.4 billion, far larger than any year in the Nation's history.

Already nearly a quarter of our petroleum supplies are imported and the percentage is rising, yet national measures which would increase our domestic oil and gas production are either denied or delayed. Today the United States is turning more and more to the politically unstable and often hostile Middle East and North Africa.

Even now, one company proposes to spend billions of dollars on gas liquefying facilities in Algeria and the specially built refrigerated ships to import this gas to the United States at prices more than double the delivered price of domestic gas to the same users.

Mr. President, the Algerians have already expropriated American oil company properties and made payments of something like 50 cents on the dollar. They now propose to sell back to another U.S. company the gas produced from expropriated U.S. properties. And it was the Algerians who cosponsored the move in the U.N. that defeated the United States on the China issue. The Algerians embraced one another over their victory. This is the area that controls three-fourths of the free world oil and gas reserves and on which we must depend more and more unless we take the sensible route and develop our own resources.

According to the most reliable sources the United States has within its boundaries all the energy resources it needs for any degree of self-sufficiency it chooses to maintain but their development will be more costly than purchasing our energy from abroad—that is at present costs.

But if the United States continues its trend and becomes excessively dependent on these sources, foreign oil prices may well rise to levels about those in the United States. By that time it would be too late, for the domestic industry would have lost its capability to respond quickly to increased demand. Time is of the essence and the natural gas shortage that is upon us will grow worse, even should we add these incentives now. And if we do not, then the cost of converting to other fuels and the risks involved in further dependency on foreign oil will far outweigh the cost of the tax incentive the able Senator from Texas and I propose.

For many years, the Chase Manhattan Bank has conducted a detailed study of the financial performance of a large number of petroleum companies. The companies included in the study, 28 of them, together account for more than three-fourths of the crude oil produced in the free world. And their gross fixed investment also represents more than 75 percent of the industrywide total.

The Chase Manhattan study says:

Obviously, The Group's ability to satisfy growing market demand depends upon a continuously expanding program of new capital investment. And, if it is to support such a program, The Group must, of course, have enough money to spend. For several years, however, The Group has failed to generate sufficient funds from its operations. And, consequently, it was forced to resort to borrowed capital to a growing extent. If the trends of the past decade continue, The Group will soon be borrowing more money than it generates internally. Such a development is highly unlikely, however. There are sound reasons for doubting that The Group will be willing—or even able—to incur such a high proportion of debt. Some force of correction, therefore, must soon be brought into play.

Among The Group's sources of capital funds, net income ranks as the most important. And net income necessarily must grow at a rate that is consistent with market expansion and the related need for new investment. But that has not happened. For all of the past decade, the growth of net income has lagged substantially behind the expansion of both markets and capital spending. And in the last two years—while the market for oil increased by more than 18 percent—The Group's net earnings actually declined.

The reason for the failure of The Group's net income to keep pace with its growing need for capital funds is readily apparent. As the financial measurements in this report clearly indicate, The Group has not achieved through its pricing mechanism a sufficient recovery of its costs. Some costs are controllable to a degree. And over the years The Group has aggressively sought to limit them. But there are other costs over which The Group has little or no control. Foremost among them are taxes.

Although all elements of cost have been rising for many years. The Group has managed to maintain a fairly stable relationship between the rise of operating costs and the expansion of gross revenue. Taxes, however, have increased much faster than revenue. In 1971, The Group's tax payments increased by 22 percent. Over the past two years—while The Group's net income declined—its taxes increased 40 percent. And in the past decade, taxes have risen by 258 percent compared with an increase of 89 percent for net income. Thus, for every dollar that net income increased, taxes rose by $2.30.

Unfortunately, there is a rather widespread notion that petroleum companies should absorb rising taxes—and other increasing costs—without passing them on to consumers through higher prices. But the proponents of that curious idea characteristically do not explain how such a feat of magic can be performed. In the long run, of course, all costs must eventually be recovered through adequate prices, if a business activity is to remain viable. There simply is no other alternative. But, as noted earlier, The Group has not achieved a sufficient recovery for many years. Indeed, despite rapidly rising taxes, The Group's average unit price was actually lower in 1970 than 1960. And its poor earnings performance was the inevitable result.

Clearly, if The Group is to have enough money in the future to support a program of capital investment sufficient for expanding market needs, its earnings will have to grow at a substantially faster rate than in the past. And, to provide for that growth, its price structure will have to be adequate.

Mr. President, only last February, the 11-nation Organization of Petroleum Exporting Countries threatened to embargo oil shipments to the United States, Europe, and Japan unless their terms were met in higher crude prices and taxes. They were met by the companies in an agreement that the companies understood to include a 5-year pledge of price and supply stability. But now the OPEC nations are back demanding a 7 percent increase in prices retroactive to August 15 to offset losses they say resulted from de facto devaluation of the dollar. Also they are preparing a major campaign to begin obtaining control of the oil companies that operate on their soil. The first step is a demand for "effective participation" in ownership, management and staffing of the companies. Venezuela, our major supplier outside of the continent—Canada supplies about 700,000 barrels daily of our 14,000,000 barrels daily use—that is crude and imported residual and other refined products. And Venezuela has already announced her intentions of taking over the oil companies, mostly United States when their concessions expire.

So certainly it must be obvious to anyone that foreign oil will not stay cheaper than U.S.-produced oil for long. We found that they read English very well when the Oil Import Task Force recommended that the United States abandon its oil import program and substitute a tariff of some $1.35 a barrel on foreign oil. Their objective was to increase oil imports, enrich the Treasury, and force U.S. prices down. The President wisely rejected the ill-advised plan but the OPEC nations took the hint and joined solidly in raising their own prices—and have now come back in less than a year for another round.

Mr. President, we here in the Senate have the choice of reversing this suicidal course and can start by restoring some of the incentives we have taken away from the industry in added taxes.

We have the choice of maintaining U.S. self-sufficiency in energy and guaranteeing our national security and future economic progress as compared with the certainty of living under the threat of blackmail and embargo.

There are no alternatives. Solution of our energy problems, if we started today, will take some time. Coal gasification, oil shale, atomic energy—these are at least 10 years away.

Only oil and natural gas can be developed quickly and they would not be unless we make the political decisions here and now.

During the period between 1946 and 1961 the average wellhead price of gas increased from 5.3 cents per Mc.f. to 15.1 cents. During that time the number of gas wells drilled increased 56 percent and gas well footage drilled increased 147 percent.

However, between 1961 and 1970 the average wellhead prices of gas increased only from 15.1 cents per Mc.f. to 17.4 cents. During this latter period there was a 41-percent decrease in gas wells drilled and a 32-percent decrease in gas footage drilled.

The same situation has prevailed in oil well drilling as costs of steel, pipe, labor and all other cost ingredients skyrocketed while the price of crude oil and oil products remained relatively stable or rose at much lower rates.

Mr. President, the real and only solution to the energy crisis that threatens the Nation is in the hands of Congress.

Rather than an endless series of hearings in both the House and Senate—mostly intended and aimed at harassment and intimidation of the petroleum industry, Congress needs to unshackle the industry from needless and harmful regulation and price control and remove some of the tax burden imposed by the Tax Reform Act of 1969.

It is ridiculous to control the price of gas in interstate commerce at prices often 50 percent less than the same gas sold inside the State or to be spending billions of dollars on facilities for liquefying and transporting gas from insecure foreign sources to be sold at prices more than double that of domestic produced gas delivered to the same point.

Mr. President, we learn from history that Nero fiddled while Rome burned and we may soon see Washington freeze while Congress holds more hearings on the energy crisis.

We have an opportunity, Mr. President, to take the first step in reversing this suicidal trend by making investments in oil and gas exploration and development more attractive and provide the Nation with the fuel so essential to its national security and economic survival.

Mr. BENTSEN. Mr. President, will my distinguished colleague from Texas yield?

Mr. TOWER. Mr. President, I yield to my colleague from Texas.

Mr. RANDOLPH. Mr. President, the amendment offered by the able Senator from Texas (Mr. TOWER), is joined in by others who understand the problem and who come from other States.

The PRESIDING OFFICER. Whose time is the Senator from West Virginia speaking on?

Mr. BENTSEN. Mine.

Mr. RANDOLPH. I am appreciative.

Mr. TOWER. That is quite all right. The Senator from West Virginia may proceed.

Mr. RANDOLPH. Mr. President, with reference to this amendment, West Virginia still is an oil and gas producing State, but in a lesser degree than former years. We understand the problems of exploration for oil and gas and realize the necessity that Congress act in a well-reasoned manner to help our country move forward with measures to avert a fuels and energy crisis in this country.

Yes, there is the potentiality of a fuels and energy breakdown in this Nation. The natural gas shortage already is very real. The administration has begun to move from the administrative level to take certain corrective actions, but, perhaps, not enough under the circumstances.

Also, the Senate approved the study resolution which I sponsored jointly with the distinguished Senator from Washington (Mr. JACKSON) and other colleagues. Accordingly, within the Interior and Insular Affairs Committee a national fuels and energy policy study is underway. Several important hearings, fundamental to that study were held recently.

Some members of that committee are on the floor at this time, including the Senator from Oklahoma (Mr. BELLMON), the Senator from Idaho (Mr. JORDAN), the Senator from Wyoming (Mr. HANSEN), and perhaps others. They are interested. They are knowledgeable men making helpful contributions to the search for solutions to our country's fuels and energy problems.

But we know that the problems are complex in some degree—but simple in other respects. Certainly more money needs to be made available for exploration—a venture in which the risk is great and, more frequently than not, the venture goes beyond being unprofitable and becomes a substantial loss.

So, Mr. President, I join in the expressions of approbation for the amendment of the Senator from Texas. I hope the amendment will have the support of the Senate.

Mr. TOWER. Mr. President, I yield such time as I have remaining to the Senator from Texas.

Mr. BENTSEN. Mr. President, I am a sponsor of the amendment to extend the 7-percent investment tax credit to all costs of exploration for domestic oil and gas reserves.

The first charge that will be made is that this is favoritism to a single industry. Mr. President, rather than favoritism, it is the application of a basic tax incentive to meet one of the most pressing problems that this Nation faces—and that is a crisis in the reserves of the energy resources to keep this Nation growing and expanding.

Only last week we read in the Washington papers that the utility here will no longer sign contracts to supply natural gas to commercial ventures, or even to commercial apartment structures, and that all future supply will be restricted to homes.

We read just today that Canada plans to limit its sale of gas to the United States. And in this morning's newspapers, Secretary of Commerce Stans is quoted as saying that he intends to explore the possibilities of purchasing gas and oil from the Soviet Union.

Mr. President, the point I am making is that finally the message of an energy shortage, particularly in natural gas, seems to be getting through to someone other than those in the industry. And one of the basic reasons that there is such a shortage of natural gas is that there has been no great inducement to go out and seek greater domestic supplies.

Further, we are becoming more and more dependent on foreign oil reserves for our energy needs. Unless we move to encourage our domestic producers to seek out reserves, then we can look forward to even greater dependence on foreign sources.

This bill will add part of the needed inducement to encourage greater exploration. In so doing, Mr. President, this

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will further meet the purposes of this tax bill: create jobs and get the economy moving again.

The gap between the U.S. petroleum requirements and domestic oil production widened even further during the first 10 months of this year, and the trend is becoming critical. The daily demand for oil products from January through last month averaged almost 15 million barrels, an increase of over 3 percent compared to 1970.

Only three-fourths of that supply came from U.S. production, and during the period when demand rose over 3 percent, domestic production increased only 1.2 percent.

It does not take a college mathematics professor to see that this is a trend that must be reversed if we do not want to become more and more dependent on other sources of oil and gas.

Mr. President, this is an investment tax credit that will encourage greater exploration, and create more jobs in so doing. Most importantly, it will mean that our domestic industry will be encouraged to go out and find those reserves that are so critical to the future growth of the Nation.

The PRESIDING OFFICER (Mr. HUGHES). All time of the Senator from Texas has expired.

Mr. TALMADGE. Mr. President, I yield 2 additional minutes to the Senator from Texas.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. BENTSEN. I yield.

Mr. CHILES. Mr. President, would the 7-percent investment tax credit be in lieu of the depletion allowance?

Mr. BENTSEN. That would not be in lieu of the curtailed depletion allowance that is now in effect.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. TALMADGE. Mr. President, there is an admitted gas shortage in this country. A further erosion of tax resources would not solve this problem. I think the problem of the shortage of gas lies primarily with our regulatory agencies and the ratemaking agencies.

The effect on the revenue would be to reduce our tax revenue $100 million a year.

What would it do? Among other things, it would authorize a 7-percent investment credit for drilling expenses of oil or gas wells. At present those expenses are already 100-percent tax deductible. If one drills for a well and gets a dry hole, it is 100-percent deductible. If he gets an oil or gas well, it is still 100-percent deductible. This means a savings of $325 million a year to the oil industry of this country at the present time.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. KENNEDY. Mr. President, is there any other industry in this country that has that kind of tax break?

Mr. TALMADGE. It is one of the two most favored areas in the tax laws of America at the present time. The provision I had reference to is not even subject to the regular tax law.

Mr. President, this would create an entirely new precedent. It would create an investment tax credit for a service rendered rather than for the purchase of equipment.

If we are going to extend it for services rendered, why limit it to oil drilling? Why not make it available for haircuts? Why not make it available for a shoe shine? Why not make it available for any other service that is rendered in the United States?

Mr. President, I hope that the Senate will reject the amendment, because I think it is uncalled for in view of the fact that the oil industry in this country has the highest degree of tax preference present time.

Mr. HANSEN. Mr. President, will the Senator yield for a question?

Mr. TALMADGE. Mr. President, I yield for a question.

Mr. HANSEN. I would like to ask my distinguished colleague from Georgia if he supported the act passed during World War II to place price supports on wheat to encourage the production of wheat at that time?

Mr. TALMADGE. I was not in the Senate during World War II. I was in the South Pacific. But I do support price supports on wheat. If oil gets too much below the cost of production, I might support price supports on oil, but not a tax credit for drilling a hole in the ground that is 100-percent deductible the year it is made.

Mr. HANSEN. Mr. President, will the Senator yield for one further question?

Mr. TALMADGE. I yield.

Mr. HANSEN. I would like to ask this question: Was it not the purpose of the Price Support Act passed in World War II to make certain that by virtue of going as far as the Government could go in guaranteeing a profit on investment we would guarantee an adequate supply of wheat for the country?

Mr. TALMADGE. The Senator is correct, and I would like to point out there is no investment tax credit for planting wheat, for planting cotton, or for planting corn, or any other agricultural commodity in America; and there is no percentage depletion in any of those commodities, as the Senator knows.

Mr. HANSEN. Is it not true that none of those commodities is in short supply?

Mr. TALMADGE. No.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. COTTON. I think my colleague may want to say something about this, but it occurs to me that the Senator raised the query, if we are so apprehensive of the failure of local oil supplies, why the oil companies persist in their opposition in allowing oil-starved New England to receive some imported oil to help our power and heating problems?

Mr. TALMADGE. Unfortunately, the Senator from Georgia cannot respond to that question.

Mr. COTTON. The Senator might be sympathetic to that.

Mr. TALMADGE. I am. We are short of oil at times, also.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 9 minutes remaining.

Mr. McINTYRE. Mr. President, will the Senator yield for a question?

Mr. TALMADGE. I yield for a question.

Mr. McINTYRE. I want to ask: Did the committee consider this amendment?

Mr. TALMADGE. Yes, the committee considered this amendment, as I recall, and tabled it. I believe the Senator from Wyoming remembers that.

Mr. McINTYRE. I want to pay my respect to the Senator from Georgia because he is alerting us to what we in the Northeast feel is favoritism toward this industry. Is it not true this industry already has a depletion allowance, an intangible property deductible, and some tax credits, and here they are now asking for an additional $100 million to be subtracted from the revenue? Is that correct?

Mr. TALMADGE. Yes, $100 million.

Mr. McINTYRE. Has a rollcall vote been requested on the amendment?

Mr. TALMADGE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. TALMADGE. Mr. President, I yield such time as he may desire to the distinguished ranking minority member of our committee, the Senator from Utah, and then the Senator from Oklahoma (Mr. BELLMON) had requested time, if he is available I will be glad to yield to him.

Mr. BENNETT. Mr. President, the Senator from Utah is in a rather difficult position because oil is produced in my State, but I agree with the distinguished manager of the bill that under the circumstances it would be very hard to defend the proposal to provide additional tax benefits that go beyond complete relief from cost in order to provide an initiative for further oil field development. So reluctantly I must vote against the proposal.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. I yield to the Senator from Texas for 2 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 minutes.

Mr. TOWER. Mr. President, I think our friends from New England are abusing themselves when they oppose anything that is designed to stimulate the domestic exploration and recovery of oil and gas.

I have just placed a report from today's paper in the RECORD that Canada has refused to sell us any more gas. Where are those in New England going to get gas if not from Canada? We do not have a sufficient supply now in this country to meet our domestic needs.

The people in New England recently asked the domestic refineries to come up with additional refining facilities for fuel because they discovered their foreign sources of fuel oil are inadequate; and when they come under the mercy of OPEC countries, the oil exporting countries, they are going to have to pay a much higher price for fuel, so they better

get behind domestic programs to develop new sources in order that they may have a reliable supply of very important heating fuel.

The more they rely on sources from areas which are so unstable politically, the worse off they will be. Maybe they will learn their lesson this winter. I hope they do not have to, but maybe they will.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield 3 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Why does the Senator not let New Englanders speak for themselves? Why do not our good friends from oil-producing States abide by the report of the President's task force that said we should abolish the oil import quota system?

It is so interesting that here we have the Senator from Texas speaking for the people of New England. We can speak for ourselves. When the President's task force made its report they recommended abolishing all the present import quotas system.

Why are we not permitted to import the oil we need for New England when a high percentage of the Nation's total consumption of home heating oil is located there? It is as indispensable in our part of the country as food and clothing. Yet we are forced to subsidize the oil companies while they refuse to raise prices above the world market price. We have to pay 20 percent of the oil import quota cost. And whenever we demand additional imports we are told that it would threaten our national security. The President's task force concluded that the present system, in no way, I repeat, in no way, is necessary to assure our national security. The real reason it remains is because oil companies are able to raise their profits at will under it.

If we are concerned about national security then, I say it is better to preserve the oil in strategic reserves in this country and utilize the sources outside.

I challenge the Senator from Texas to deny that the boards studying the problem under this administration, as well as previous administrations, have recommended we abolish this oil import quota system, a system that is imposed by the oil industry of this country to the disadvantage of millions of people in New England.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield 1 minute to the Senator from Massachusetts so that he may yield to the Senator from Wyoming for a question.

Mr. KENNEDY. For a very brief question.

Mr. HANSEN. I would like to ask my friend, the Senator from Massachusetts, if he is saying that the considered consensus of advisers of this administration are still saying we should abolish the mandatory——

Mr. KENNEDY. I am saying what was said by the report of the committee established by this administration, the task force report——

Mr. HANSEN. The task force report itself suggested, contrary to most reports on it, that we impose a high variable tariff on oil imports except for shipments from the Middle East, where the report recommended a quota. So the report recognized the national security need for an oil import program, but suggested the need could be met by a variable tariff and quota scheme rather than by a straight quota. The Senator from Massachusetts would be interested in knowing that Mr. Lincoln, the Director of the Office of Emergency Preparedness, told the Finance Committee that a high tariff on oil imports would cost the New England consumer more than the present quota scheme. So I think the Senator is misstating the task force's conclusions.

Mr. KENNEDY. The Cabinet task force report. I am referring to the Cabinet task force report. What did that recommend? That recommended we abolish the oil import quota system and then that report, like every other report—and it goes back to Democratic administrations just as well—disregarded the report. The oil import system was first put on by a Republican administration—and this Republican President's task force recommended we abolish the oil system and start to look elsewhere.

But what happened to that report? The President did just what was done with every other report, he rejected its conclusions and the consumers of New England are paying for that decision.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Texas. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. LONG) and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senators from Nebraska (Mr. CURTIS and Mr. HRUSKA), the Senator from Oregon (Mr. PACKWOOD), the Senator from Alaska (Mr. STEVENS) and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. CURTIS) would vote "nay."

If present and voting, the Senator from Nebraska (Mr. HRUSKA) would vote "yea."

The result was announced—yeas 22, nays 65, as follows:

[No. 372 Leg.]

YEAS—22

Baker	Eastland	Randolph
Bellmon	Ellender	Sparkman
Bentsen	Fannin	Stennis
Bible	Goldwater	Thurmond
Burdick	Hansen	Tower
Cook	Mansfield	Young
Dole	McGee	
Dominick	Pearson	

NAYS—65

Aiken	Fong	Mondale
Allen	Gambrell	Montoya
Allott	Griffin	Moss
Anderson	Gurney	Nelson
Bayh	Harris	Pastore
Beall	Hart	Pell
Bennett	Hatfield	Percy
Boggs	Hollings	Proxmire
Brock	Hughes	Ribicoff
Brooke	Inouye	Roth
Buckley	Jackson	Schweiker
Byrd, Va.	Javits	Scott
Byrd, W. Va.	Jordan, N.C.	Smith
Cannon	Jordan, Idaho	Spong
Case	Kennedy	Stafford
Chiles	Magnuson	Stevenson
Church	Mathias	Symington
Cooper	McClellan	Talmadge
Cotton	McGovern	Tunney
Cranston	McIntyre	Weicker
Eagleton	Metcalf	Williams
Ervin	Miller	

NOT VOTING—13

Curtis	Humphrey	Saxbe
Fulbright	Long	Stevens
Gravel	Mundt	Taft
Hartke	Muskie	
Hruska	Packwood	

So Mr. TOWER's amendment (No. 693) was rejected.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. McINTYRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 687

Mr. EAGLETON. Mr. President, I call up my amendment No. 687.

The PRESIDING OFFICER. The Senate will be in order. The amendment will be stated.

The legislative clerk read as follows:

PROPERTY TAX CREDIT FOR THE ELDERLY

(a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by renumbering section 40 as 41, and by inserting after section 39 the following new section:

"SEC. 40. RESIDENTIAL REAL PROPERTY TAXES OR EQUIVALENT RENT PAID BY INDIVIDUALS WHO HAVE ATTAINED AGE 65.

"(a) GENERAL RULE.—In the case of an individual who has attained the age of 65 before the close of the taxable year, there shall be allowed as a credit against the tax imposed by this chapter the amount of real property taxes paid by him during the taxable year which were imposed by a State or political subdivision thereof on property owned and used by him as his principal residence, or the amount of rent constituting such taxes, as defined in subsection (c) (6).

"(b) LIMITATIONS.—

"(1) IN GENERAL.—The credit under subsection (a) for any taxable year shall not exceed $300 ($150, in the case of a married individual filing a separate return).

"(2) ADJUSTED GROSS INCOME OVER $6,500.—The credit otherwise allowable under subsection (a) for any taxable year (determined with the application of paragraph (1)) shall be reduced by an amount equal to the amount by which the taxpayer's adjusted gross income for the taxable year exceeds $6,500 ($3,250, in the case of a married individual filing a separate return).

"(3) JOINT OWNERSHIP.—In the case of property owned and used by two or more individuals (other than a husband and wife), as their principal residence, the limitations provided by paragraphs (1) and (2) shall, under regulations prescribed by the Secretary or his delegate, be applied collectively to such individuals.

"(4) APPLICATION WITH OTHER CREDITS.—The credit under subsection (a) for any taxable year shall not exceed the tax imposed by this chapter reduced by the credits allowable under sections 33, 35, 37, and 38 for the taxable year.

"(c) SPECIAL RULES.—

"(1) HUSBAND AND WIFE.—In the case of a husband and wife who file a single return jointly under section 6013, the age requirement contained in subsection (a) shall, with respect to property owned jointly and used by them as their principal residence, be treated as satisfied if either spouse has attained the age of 65 before the close of the taxable year.

"(2) PROPERTY USED IN PART AS PRINCIPAL RESIDENCE.—In the case of property only a portion of which is used by the taxpayer as his principal residence, there shall be taken into account, for purposes of subsection (a), so much of the real property taxes paid by him on such property as is determined, under regulations prescribed by the Secretary or his delegate, to be attributable to the portion of such property so used by him. For purposes of this paragraph, in the case of a principal residence located on a farm, so much of the land comprising such farm as does not exceed 40 acres shall be treated as a part of such residence.

"(3) COOPERATIVE HOUSING.—For purposes of subsection (a), an individual who is a tenant-stockholder in a cooperative housing corporation (as defined in section 216(b))—

"(A) shall be treated as owning the house or apartment which he is entitled to occupy by reason of his ownership of stock in such corporation, and

"(B) shall be treated as having paid real property taxes during the taxable year equal to the portion of the deduction allowable to him under section 216(a) which represents such taxes paid or accrued by such corporation.

"(4) CHANGE OF PRINCIPAL RESIDENCE.—If during a taxable year a taxpayer changes his principal residence, subsection (a) shall apply only to that portion of the real property taxes or rent paid by him with respect to each such principal residence as is properly allocable to the period during which it is used by him as his principal residence.

"(5) SALE OR PURCHASE OF PRINCIPAL RESIDENCE.—If during a taxable year a taxpayer sells or purchases property used by him as his principal residence, subsection (a) shall apply only to the portion of the real property taxes with respect to such property as is treated as imposed on him under section 164(d), and, for purposes of subsection (a), the taxpayer shall be treated as having paid such taxes as are treated as paid by him under such section.

"(6) RENT CONSTITUTING PROPERTY TAXES.—The term 'rent constituting property taxes' means an amount equal to 25 percent of the rent paid during a taxable year by a taxpayer for the right to occupy his dwelling during that year, exclusive of any charges for utilities, services, furnishings, or appliances furnished by the landlord as a part of the rental agreement.

"(d) ADJUSTMENT FOR REFUNDS.—

"(1) IN GENERAL.—The amount of real property taxes paid by an individual during any taxable year shall be reduced by the amount of any refund for such taxes, whether or not received during the taxable year.

"(2) INTEREST.—In the case of an underpayment of the tax imposed by this chapter for a taxable year resulting from the application of paragraph (1), no interest shall be assessed or collected on such underpayment if the amount thereof is paid within 60 days after the taxpayer receives the refund of real property taxes which caused such underpayment.

"(e) DEDUCTION NOT AFFECTED.—The credit allowed by subsection (a) shall not affect the deductions under section 164 for State and local real property taxes."

(b) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 40. Residential real property taxes or equivalent rent paid by individuals who have attained age 65.

"Sec. 41. Overpayments of tax."

(c) The amendments made by subsections (a) and (b) shall apply to taxable years beginning after the date of the enactment of this Act.

The PRESIDING OFFICER. On this amendment, there are 30 minutes, to be equally divided.

Mr. EAGLETON. Mr. President, I yield myself 5 minutes.

I ask unanimous consent that my legislative assistant, Miss Suzanne Murray, have the privilege of the floor during the debate and vote on this amendment.

Mr. TALMADGE. Mr. President, what was the Senator's request?

Mr. EAGLETON. That my legislative assistant be permitted the privilege of the floor.

I ask unanimous consent that the names of the following Senators be added as cosponsors of my amendment: The Senator from Kansas (Mr. PEARSON), the Senator from California (Mr. TUNNEY), the Senator from Texas (Mr. BENTSEN), the Senator from Virginia (Mr. SPONG), and the Senator from Minnesota (Mr. MONDALE).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. EAGLETON. Mr. President, my amendment would provide a Federal income tax credit for those 65 and over for property taxes or rent constituting property taxes paid on their residences.

Approximately two-thirds of all persons 65 and over own their own homes. Home ownership among elderly couples runs as high as 75 percent.

Many of these people would like to remain in their homes. It may well be the only home they have known during their married lives. They have raised their children there. They have worked and saved to pay off the mortgage. It is a familiar place in a familiar neighborhood among old friends, and they would like to spend their last years there.

Other elderly people may be literally trapped in a home that represents their entire life's savings. In a deteriorating neighborhood with declining property values, they either cannot sell or cannot afford to sell. In any case, other decent but inexpensive housing is often not available to them.

For elderly homeowners of moderate means, the costs of owning and maintaining a home are becoming intolerable. Housing is the single largest expense for the elderly—constituting 34 percent of the Bureau of Labor Statistic's budget for a retired couple.

The costs of home ownership have risen even more rapidly in recent years than have prices generally. In many communities, property taxes have doubled or even tripled in the past 10 years. And understandably so, since the property tax is the source of 85 percent of the revenues raised by local governments for schools, police, fire protection, and other essential services.

Because the property tax is based on the value of the property rather than on the income of the owner, retired homeowners with reduced incomes pay a disproportionately large percentage of their income for property taxes.

Even those elderly people who rent do not escape, since landlords inevitably pass property tax increases on to their tenants.

At best, older citizens find themselves in the unhappy position of having to choose between their own financial survival and the welfare of their community when new school taxes or bond issues are proposed.

Some are forced to liquidate other assets to pay the taxes on their home—assets that they should have in reserve to provide for other necessities and emergencies of old age.

At worst, many must finally give up the homes they have worked a lifetime to provide for their retirement years, and then join the competition for an inadequate supply of decent rental housing.

Home ownership is not simply an economic matter. It is also a crucial element in the ability of older people to retain a sense of independence. Loss of independence and the dignity that it confers frequently leads to declining health and morale, and then in many cases to institutionalization.

What can we do to help the elderly retain their homes and prolong their independence?

In my view, the responsibility for removing the property tax burden from the poorest of the poor—those who do not pay a Federal income tax—lies primarily with the States.

More than half of the States now provide some measure of relief to elderly homeowners through either the homestead exemption or circuit-breaker plans. I am hopeful that the forthcoming White House Conference on Aging will provide the impetus for laws providing adequate tax relief for the elderly in every State.

In the meantime, and in addition to action by the States, I believe the Federal Government should act to ease the property tax burden on those elderly persons of moderate means who pay a Federal income tax.

Under my amendment this would be accomplished by means of a tax credit of up to $300 against property taxes paid on an owner-occupied residence or against 25 percent of rent paid on a personal residence. This tax credit would be available to those 65 or over who have adjusted gross incomes of $6,500 or less.

Federal law now permits all taxpayers to deduct real property taxes from their gross income. But this relief is available only to those who itemize their deductions. In 1969, 7.2 million tax returns were filed by persons 65 or over. Of these, only one-half itemized their deductions. Therefore, 3.6 million elderly households received no benefit from this deduction.

There is now of course no Federal tax relief at all for those elderly people who rent their residences—although they may actually be in greater need of relief than homeowners.

My amendment would provide Federal tax relief to all elderly people of moderate means who pay property taxes or rent their residences. The Treasury Department estimates that this relief would total approximately $225 million a year.

The people who would benefit from this tax credit have been paying taxes—Federal, State and local—for more than 40 years. I believe the Federal Government can afford to give them this measure of relief from the burden of taxation on their homes during their retirement years.

Finally, let me add, Mr. President, that last week the distinguished Senator from South Carolina (Mr. HOLLINGS) had printed in the RECORD an interesting memorandum prepared by a Columbia University law professor. That memorandum showed that in 1968, the Federal Government spent over $7 billion in tax expenditures to support private housing through deductions for mortgage interest and property taxes and exclusion of rental value of owner-occupied houses. Of that amount, 77 percent, or more than $5 billion, went to persons with incomes of over $10,000 a year; $2 billion of it went to persons with incomes of over $20,000.

Mr. President, if we can spend $2 billion to subsidize housing for the affluent, we can surely afford to spend $225 million to help the moderate-income elderly.

Mr. President, I am pleased to yield 1 minute to the Senator from Kentucky.

Mr. COOK. Mr. President, will the Senator from Missouri honor me by making me a cosponsor of his amendment?

Mr. EAGLETON. Mr. President, I ask unanimous consent that the name of the Senator from Kentucky (Mr. COOK) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the amendment: The Senator from Rhode Island (Mr. PASTORE), the Senator from Nevada (Mr. BIBLE), the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Oklahoma (Mr. HARRIS), and the Senator from Idaho (Mr. CHURCH).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, in essence, this can wind up, believe it or not, as being of tremendous benefit not only to people over 65 but also to the respective State governments. If a State government has an income tax and if it allows a deduction of the Federal income tax before the State tax is computed, this will mean less of a deduction for Federal income tax on the tax return of the individual so filing, and it will increase their State income tax. So it will be of tremendous benefit to the State at the same time it gives a tremendous credit to people who are 65 years of age and older who rent or own their residences.

So, in essence, this can work as a revenue-sharing measure with the States in reverse, by giving a credit to people 65 years of age and older and allowing less Federal deduction of income tax on the State income tax return, thus resulting in an increased State tax that the States need very badly.

The PRESIDING OFFICER. Who yields time?

Mr. BAYH. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield 2 minutes to the Senator from Indiana.

Mr. BAYH. Mr. President, I have not had the opportunity to study the ramifications of this amendment in the detail that the Senator from Missouri has, but it would seem to me that perhaps one of the most salient selling points of this amendment would be that, at a time when we need not only the help for the individuals involved but also at a time when the economy needs a shot in the arm, these people, in their later years of life, when income has fallen off, who are hard pressed and must tighten their belts, are going to have increased purchasing power. Thus, this will be a shot in the arm for the economy from those in the greatest need. I salute the Senator from Missouri for this double-barreled benefit.

Mr. EAGLETON. I could not agree more with the Senator from Indiana. We can be certain that such benefits as will accrue from this amendment to taxpayers 65 and over will find its way into the economy very quickly. These are not people who are going to sit on another $300. They have to spend every dime they have in the bank now, and this $300 will work its way promptly into the economy; and it will have, as the Senator has said, a double-barreled effect.

Mr. TALMADGE. I yield myself such time as I may require.

Mr. President, under this bill those over 65 years of age already receive a double $800 exemption and a 15-percent credit on up to $3,048 of retirement income. This gives a married couple over 65 free income up to an income level of $7,548. I repeat: A married couple 65 years of age or older can have tax-free income, under our Federal tax structure, of $7,548.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. BENNETT. In addition, if they have social security income, that is all tax free.

Mr. TALMADGE. The Senator is correct.

Mr. BENNETT. So if they have anything approaching the maximum social security income, that $7,500 rises above $10,000.

Mr. TALMADGE. The Senator is correct.

This amendment allows a tax credit for property taxes on the principal residence of those over 65. The credit is for taxes paid up to $300, and it is available for those with income up to $6,500, with some advantage up to $6,800. So it would be of rather limited benefit.

If the 65-year old individual has a wife who is younger than 65, it may be of some benefit to him; or if he is single, it may be of some benefit to him. But if it is a married couple 65 or older, the tax laws already give them such large benefits that they would not benefit from the Senator's amendment.

It was interesting to listen to the viewpoint of the distinguished Senator from Kentucky, the idea being, "Let's look into the Federal Treasury and roll out money. Give it to them and let the local governments and the State governments raise the tax rates." That is not my idea of equity, particularly at a time when we cannot balance our budgets.

I think States and local governments ought to be encouraged to grant tax benefits to our elderly citizens. Many States are doing that. They are giving tax advantages in the way of homestead exemptions or credits under the State income tax to some of our elderly people. But the argument of the Senator is that we should discourage that and encourage the States to raise their taxes on these old folks and we will give it to them out of the Treasury, on money that we have to borrow from the folks before we give it away. That is the policy and tenor of the Senator's argument.

It is interesting, also, that the Senator's amendment would grant both a tax credit and a tax deduction. In other words, it gives it to them both ways. If they pay some property tax, first they can deduct it; then they turn around and take it as a tax credit. A tax credit, as Members of the Senate know, is subtraction from taxes, not a deduction.

So that is the situation with reference to this amendment. It also provides for the return of a portion of rent paid, an estimate of property taxes paid by the renter, equal to 25 percent of the rent paid. It also says that a residence shall be not only the residence but also that 40 acres of a farm may be treated as part of a residence. One could have a residence in town with 40 acres of land, worth $10,000 an acre—$400,000—and under the Senator's amendment, that would be tax exempt. They would get a double deduction and, in addition to a double deduction, they would get a tax credit on both.

It is difficult to argue against amendments that would help old folks. I have supported the elderly all my life. I doubled their welfare benefits when I was Governor of Georgia. Every time I have had an opportunity in the U.S. Senate, I have voted to increase their social security benefits. I voted for medicare. I voted for medicaid.

But the Senator's amendment is not thought out very well. I would hope that he would reconsider and withdraw it, because it would give benefits that I am sure the Senator never considered or intended. I ask the Senate to reject the amendment.

I yield to the Senator from Arizona such time as I have remaining.

Mr. FANNIN. Mr. President, I commend the distinguished Senator from Georgia. We are opposing a proposal that would aid the elderly, and of course that is always unpopular—if it really aids the elderly.

When proposed legislation is being considered that does not accomplish the proposed objectives, I think it is fair that we bring out to the Members of this body the facets of the amendment that are not favorable.

The amendment is poorly designed to

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assist the needy. Sixty percent of the aged own their own homes, and most of them own their own homes, mortgage free. The financial stress of housing costs is far less among the aged than among younger couples who are still financing homes or saving for the education of their children. We should put the money where it is most needed.

This, too, has been referred to as a revenue sharing device. As a revenue sharing device, the amendment should not be considered as part of this tax bill, but should be considered within the context of the revenue-sharing program now being considered by the Congress.

Furthermore, the Committee on Finance has not had hearings on this matter. It should be set aside until such time as it can be given adequate consideration by the Finance Committee.

Let me point out some of the problems I see with the amendment.

First. This amendment can be compared with competitive programs of aids and reliefs for the many deserving groups of the population, including the urban low-income population, generally, the rural poor and the disabled, as well as the aged.

Second. Many aged homeowners and renters who live alone share their housing with boarders. To the extent that the real property tax is shifted to the boarders, then property tax relief becomes a windfall.

Third. Homeowners can currently obtain a deduction for real estate taxes paid. Under the amendment aged homeowners would also obtain a 10-percent credit subject to limitations. This means that the aged homeowner would get at least 11/4-percent credit for every dollar of property tax paid.

Fourth. The aged homeowner who has income below the nontaxable Federal level would receive no benefit under the amendment. As a consequence, those who need the relief most are not helped at all. Under present law, an aged single person is nontaxable if his income is $2,500 plus social security benefits. He may be nontaxable if his income is $4,024 if he receives no social security benefits. Similarly, a married couple is nontaxable if its income is $4,500 plus social security benefits or $6,786 without social security benefits. Obviously, the many aged with incomes below these nontaxable levels would receive no benefit whatever from the amendment.

Fifth. The aged now receive substantial tax benefits which make their incomes nontaxable at higher levels than other taxpayers. In fact, the aged will benefit more than others by the tax bill provisions now passed by the Senate and the House-passed H.R. 1. For example, the $800 exemption passed by the Senate—which is really $1,600 for those over 65—plus the $1,300 minimum standard deduction, plus the retirement income credit liberalization in the House-passed H.R. 1 will permit a single aged person to have as much as $5,400 tax free and an aged couple as much as $8,250 tax free. Certainly, this relief is much beyond the phaseout levels in the amendment and strongly suggests that the tentative reliefs already provided are quite generous.

It has been brought out by the Senator from Georgia that we have given many tax benefits to the elderly in the bill.

Mr. President, certainly I am very much for assisting the elderly, but when we start to talk about something that is not equitable, it is as wrong if it pertains to the elderly as it is wrong if it pertains to anything else.

Sixth. The amendment has a serious inequity because above the phaseout level it treats persons with social security benefits more generously than those who have other forms of retirement income. This arises from the fact that social security is not included in the definition of income for the purpose of determining the phaseout.

Seventh. The amendment would create monstrous compliance and administrative problems. It will be difficult to determine "rent constituting property taxes" which must exclude the value of utilities, services, furnishings, and appliances. How can the allocation of rent for these purposes be determined reliably and equitably?

Eighth. The rental credit is arbitrary. What reason is there for believing that 25 percent of rent represents property tax. It is impossible to know whether the correct proportion is 0 or 5 or 50 percent.

Ninth. The amendment would make it attractive to localities to increase their reliance on the property tax—a vehicle which has come under increasing fire for placing heavier burdens on the poor than on the rich.

Tenth. A combination of Federal and State property tax reliefs will cause a multitude of problems. It would not be a simple substitution of Federal relief for State and local relief because the forms of relief at the State and local level differ materially. In some cases, it may be difficult to determine what form of real estate tax paid is eligible for Federal relief if the structure of the local relief is such that definitions of income and eligible taxes differ, income phaseout levels differ, proportions of rents attributable to property tax differ, and so forth.

Mr. President, this amendment does not accomplish the goals stipulated by the distinguished Senator from Missouri (Mr. EAGLETON), and it has many problems. I urge the Senate to reject it.

Mr. BENTSEN. Mr. President, I rise as a cosponsor and a strong supporter of the Eagleton amendment to the Revenue Act.

It is very clear that older Americans in this country have suffered severely from the ravages of inflation. Far too few can look forward to retirement as a period of ease and comfort. Because of many interrelated and complex factors, too often aging is a time of need—need for food, need for work, need for financial security, and need for friendship.

The cruel fact is that over one-third of today's 20 million older Americans are either in poverty or being threatened by it.

Many are living in substandard housing because they cannot afford to buy or rent a decent place on fixed incomes.

Malnutrition and lack of adequate medical care is common to many who have passed the age of 65.

And isolation and idleness is prevalent among many who desire stimulating and rewarding work.

In the near future, I will be offering a detailed summary of my own thoughts on how we can provide more aid to our forgotten generation of older Americans.

For the present, let me say that the Eagleton amendment offers us a chance to attack the most fundamental problem facing the elderly: economic insecurity.

A recent report of the Senate Special Subcommittee on Aging notes that the average urban household pays about 4 percent of its total income for property taxes. It goes on to say that older homeowners with markedly reduced incomes in retirement pay a disproportionately large percentage of their total income for property taxes.

In Wisconsin, more than 8,000 aged homeowners living on less than $1,000 a year paid about 30 percent of their total family income for property taxes; 30 percent.

It is estimated that elderly households with family income below $5,000 pay about $1.5 billion in local property taxes.

The Eagleton amendment is directed to remedying that situation. It would allow a tax credit to individuals with an adjusted gross income less than $6,500. The credit could not exceed $300—or $150 in the case of a married person filing a separate return—for the amount of State and local real property taxes paid on an owner-occupied principal residence or for the amount of rent constituting property taxes.

Mr. President, it is true that Federal tax law allows individuals to deduct real property taxes, provided they itemize their deductions. But this offers slight relief to low-income elderly persons, since their income is frequently so low that the relief offers them little benefit. In fact, much of the benefit goes to aged property owners in the middle and upper income brackets.

Mr. President, tax relief from State resources for older homeowners and centers does not appear to be economically feasible because of the severe financial straits in which most States find themselves.

But we must have relief, for if we do not, the elderly will find their retirement incomes dwindling faster and faster.

The Eagleton amendment offers us a beginning. I urge its adoption.

Mr. PEARSON. Mr. President, it is with great pleasure that I have cosponsored this amendment with the distinguished Senator from Missouri (Mr. EAGLETON). In addition, I would like to congratulate the Senator for offering this amendment at this time, as I believe it will certainly help underscore the plight of many older Americans today.

Last May 4, I introduced a bill very similar to the amendment now under consideration. At that time, I commented that the median income of older persons living in retirement is approximately $2,000. With this income, a senior citizen is guaranteed precious little security to assure a retirement of ease and enjoyment.

One of the few material satisfactions many older Americans have is ownership of their homes. Nearly 70 percent of all people over 65 own and occupy their homes. Yet a recurring fear is the prospect that someday rising prices and taxes may force them to give up their hard-won homes.

Mr. President, in this wealthy and prosperous Nation. I feel that such fears and realities should not exist. Clearly, we owe senior citizens, who have worked throughout their lives to better themselves and their communities, a great measure of our gratitude and respect. That they will be forced to sell their homes and take up residence in accommodations more within the means dictated by their shrinking budgets is, I believe, a disheartening comment on our society and our times.

For these reasons, there are many measures which need to be approved. The amendment we offer today is one of them. Under this proposal, a tax credit not to exceed $300—or $150 in the case of a married person filing a separate return—would be granted to any American 65 years or older earning an adjusted gross income of $6,500 or less.

There is another facet of this measure which, in my judgment, enhances the merits of this proposal. If approved, the amendment would also grant a tax credit of 25 percent of the rent older Americans pay for their residences. Since over 20 percent of the Nation's 20 million senior citizens rent their homes or apartments, I feel that this particular proposal is extremely beneficial, and I congratulate Senator EAGLETON for including it in this amendment.

Mr. President. with the upcoming White House Conference on Aging, it would be particularly appropriate for us to express our concern for the plight of the elderly by approving this measure today. One of the goals of this conference will be to find ways to insure that all retired citizens remain in the mainstream of American life. If we are to achieve the means whereby an active, useful, and rewarding retirement can be assured, it must surely be acknowledged that our aging Americans deserve the benefit of knowing that no Federal, State. or local government shall contribute to the loss of their home.

Mr. SPONG. Mr. President, I am pleased to cosponsor and support the amendment offered by the Senator from Missouri (Mr. EAGLETON), to provide a tax credit against their Federal income taxes for certain persons over 65 years of age for local real estate taxes paid on owner-occupied homes and for that portion of rent which results from local property taxes.

Those of our elderly citizens who live on social security, pensions and other fixed incomes are particularly affected by the inflation and continuing rises in the cost of living which seem to plague our economy.

Faced with limited resources, inability to work or restricted opportunity for employment, and often with high medical bills, these persons find the local property taxes particularly burdensome. The cost of maintenance, taxes, and insurance on a home, which generally pose no problem for these people while they are working, become a major and growing expense.

The alternative is often to cut on certain items, perhaps food, or to move to another usually smaller and less convenient area—to leave behind the home they bought and paid for and in which they have invested their time and efforts, to leave the neighbors and neighborhoods they have known for years, to give up the security of familiar surroundings.

I believe our Nation can and should assist these persons. These are people who worked long and hard for many years and who paid their taxes—Federal, State, and local—for perhaps three or four decades.

I hope the Senate will act to help our elderly citizens with one of their most difficult problems by accepting this amendment.

Mr. KENNEDY. Mr. President, I rise to support the amendment offered by the Senator from Missouri, who is chairman of the Senate Subcommittee on Aging, and who has long sought to relieve the poverty and isolation that accompanies the aging process for too many Americans.

Today, there are some 20 million elderly Americans and 1 of every 4 is living in poverty. Older Americans are the only group in this society which has been getting poorer during the past decade while the rest of the Nation was getting richer. Ten years ago, only 15 percent of the total number of poor in the Nation were over 65. Today 20 percent of the poor are elderly.

In the past 2½ years, unemployment has risen over the 5.5 million mark, the older American has been the first to be fired and the last to be hired.

No wonder that today only 26.7 percent of the men over 65 years of age are even counted in the work force, and only 9.7 percent of the women over 65 are in the work force.

Yet these are men and women who want to work. They want to work, they are physically able to work, but we have arranged it so that no one wants them and they have to exist during these years of forced retirement on the most meager of incomes.

That is why this amendment, which would provide a tax credit for the amount of State and local property taxes paid by low- and moderate-income elderly is so important.

When the median income for the 5.7 million elderly Americans who live alone is $1,855, it becomes clear that a tax credit as proposed by this amendment is really a very modest attempt to relieve the economic burden borne by older Americans.

It would provide a tax credit of up to $300 to cover property taxes on either an owner-occupied home, or up to 25 percent of the rent paid by elderly persons whose incomes are less than $6,500.

Mr. President, in my own State of Massachusetts, where some 11.4 percent of the total State population is over 65, we have ever-present knowledge of the tragic circumstances in which so many of our senior citizens are forced to live.

To a degree, Massachusetts has sought to meet this problem with a variety of programs for the elderly. Strong advocates of the interests of the elderly such as the Massachusetts Council of Elders have played an important role in communicating the special needs of the elderly.

In Massachusetts, there is a limited exemption available for relieving citizens of property tax burdens. But as in most of the other 21 States where similar exemptions have been enacted, there is no adequate provision to relieve the economic burden on the elderly renter who pays his property tax through his monthly rent.

In fact, across the Nation, only three States, Wisconsin, Minnesota, and Vermont, have provided any relief to the elderly person who pays taxes. In Wisconsin, that relief was passed after it was found that more than 8,000 aged homeowners living on less than $1,000 a year paid nearly 30 percent of their total family income for property taxes.

Across the Nation, it is estimated that elderly households with family income below $5,000 pay some $1.5 billion in local property taxes.

Mr. President, if we want to show the Nation's older Americans who are to be represented by delegates to the upcoming White House Conference on Elderly that we recognize their needs, approval of this amendment would be an excellent way of doing that.

Mr. BAYH. Mr. President, I am pleased to cosponsor this amendment which can help restore a bit of financial security to older Americans who find that social security and private pensions are not enough to keep pace with the cost of living. This amendment recognizes the terrible burden skyrocketing property taxes have placed on senior citizens living on fixed incomes.

This is a straightforward proposal with a number of points to recommend it.

Senior citizens with an annual income of $6,500 or less will be able to reduce their Federal income tax payments by the amount of their property taxes with a maximum credit of $300.

This is not another deduction whose dollar value is often less than it first appears. This is a direct credit against taxes due; it is a true out-of-pocket savings.

By setting a maximum income for eligibility at $6,500, the amendment aids those who truly need the assistance—the senior citizens living on a tight, fixed income.

There can be no question about the fact that the persistent inflation of the last 7 years has been particularly severe in its impact on the elderly. These are the golden-age Americans who, after decades of hard work, have justly retired to enjoy the fruits of their labor. What a terrible irony it is for them to find that the value of the dollar has shrunk to the point where social security and private pensions barely provide the basic necessities of life.

These are the people who worked and saved, who paid social security and contributed to private pension plans; these are the people who dream of secure retirement years in which they would not be a burden on their families or on society. They deserve that right.

Of these senior citizens, two-thirds own their own homes; 80 percent of those have paid off their mortgages. And despite substantial equity—more than $25,000 for half of this group—many are forced to give up their homes because

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of the inability to meet soaring property taxes while on a fixed income.

Inflation is undermining the security which these Americans worked so hard to create for themselves. This amendment provides one step in the direction of a solution and I am proud to cosponsor it. I commend the distinguished Senator from Missouri (Mr. EAGLETON) for introducing it.

But our efforts must not rest here. We must remain diligent until all senior Americans have realized the basic right to enjoy a minimum standard of living. This is why I cosponsored S. 1645 introduced by the Senator from Idaho (Mr. CHURCH) to guarantee every American over the age of 65 a minimum income of $1,852, or $3,328 for a married couple. The passage of this legislation would be evidence of our commitment to the principle that no senior citizen should be forced to live on an income defined by the Federal Government as a poverty-level income.

If we are ever to have a bill of rights for the elderly, the hallmark of that bill of rights will be the right not to live in poverty.

Another fundamental right is the right to the best possible medical care regardless of financial means. This was our aim when we established medicare 6 years ago, and we must not back down from this goal.

But all of our efforts for the senior citizens of this Nation will prove futile if the administration refuses to meet its responsibilities. I refer specifically to the cynical cutback in the Administration on Aging established in 1965 to coordinate Federal programs for the elderly.

While every independent study has recommended strengthening the Administration on Aging, the Nixon administration has refused to request even the most minimal budget for this valuable program. While requesting billions of dollars for unnecessary programs of questionable worth, the administration has requested only $29.5 million for the Administration on Aging for the current fiscal year, or a mere 28 percent of the amount authorized by the Congress.

What a foolish and cruel economy measure to deny the very slight funding needed to sustain the Administration on Aging. The refusal to adequately fund programs for the elderly has required these outbacks:

The staff of the Administration on Aging has been reduced from 80 to less than 30.

The community services program has been emasculated, with the administration proposing to spend only a third of what was spent 4 years ago.

The Foster Grandparents program was made voluntary, taken away from the Administration on Aging, and the minimal reimbursement needed by participants was denied.

It is all too clear that the Administration on Aging is facing a deliberate and systematic attack by the same Nixon administration which is going into a White House Conference on the Aging without having met some of the long-standing needs of the elderly established at the last conference 10 years ago. Conferences are fine, as far as they go. But if they fail to lead to positive action—which was the failure of the White House Conference on Food, Nutrition, and Health—then they are a waste of time and a waste of money.

The senior citizens of this Nation need much more than cheap rhetoric. They need help; they need specific programs and the funding to make them work.

For my part, Mr. President, as a cosponsor, I shall support the pending amendment for the property tax credit as one part of a program in which promises are met and commitments honored.

The PRESIDING OFFICER (Mr. HUGHES). Who yields time?

Mr. EAGLETON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Six minutes remain to the Senator from Missouri.

Mr. EAGLETON. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 3 minutes.

Mr. EAGLETON. Mr. President, this amendment has been criticized by the distinguished Senator from Georgia (Mr. TALMADGE) and the distinguished Senator from Arizona (Mr. FANNIN). Some of the criticism relates to the fact that this amendment does not go far enough; namely, recitation was made of the people who will not benefit from the amendment. It is faulted for being too meager. With that latter criticism I have to at least in part subscribe. I consider this to be a first important step—but only a first step in the direction of adequate tax relief for the elderly.

I accept the criticism that it does not go far enough. I also accept the criticism that my amendment is too fiscally responsible.

Mr. TALMADGE. Will the Senator from Missouri yield at that point?

Mr. EAGLETON. I yield.

Mr. TALMADGE. Those were criticisms that did not occur on the Senate floor. To whom is the Senator referring?

Mr. EAGLETON. The Senator from Arizona (Mr. FANNIN) referred to the people who would receive no benefits from the amendment.

Mr. FANNIN. Mr. President, I stated that it would be unfair and inequitable to other groups of people who are more in need of relief. I believe in relief for the elderly but it is not possible to provide relief to every conceivable group of taxpayers in this one bill.

Mr. EAGLETON. I thank the Senator from Arizona for his clarification.

Mr. President, the second criticism I heard of the amendment, mostly from the Senator from Georgia (Mr. TALMADGE), was that would add to, or duplicate, the amendment the many tax benefits that older people now have.

Mr. TALMADGE. Will the Senator from Missouri yield at that point?

Mr. EAGLETON. I do not yield at this moment. I will, after I have finished this comment.

The Senator from Georgia failed to point out what I tried to emphasize in my initial remarks. We can talk about all the deductions in the world, but the stark truth is that one-half of all elderly taxpayers do not itemize their deductions. They take the standard deduction. Thus, they do not get all the juicy benefits, mentioned by the Senator from Georgia.

Under the tax credit system in my amendment, those elderly persons will also get benefits, as much as $300, money they so desperately need.

Would anyone argue that the elderly of this country are so well off and so prosperous and so much in command of their own financial destiny that they do not need this relief. Countless task forces, committees, and commissions have documented the precarious economic situation in which a majority of our older citizens live.

I will not take the time of the Senate to itemize the relief given already in this bill to big corporations, to big this, and to big that. I believe we can afford to provide this $225 million in property tax relief which the elderly so desperately need.

I yield back the remainder of my time.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HUGHES). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Missouri (Mr. EAGLETON).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Maine (Mr. MUSKIE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Arkansas (Mr. FULBRIGHT) would vote "yea."

Mr. GRIFFIN. I announce that the Senators from Nebraska (Mr. CURTIS and Mr. HRUSKA), the Senator from Oregon (Mr. PACKWOOD), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

If present and voting, the Senators from Nebraska (Mr. CURTIS and Mr. HRUSKA) would each vote "nay."

The result was announced—yeas 65, nays 19, as follows:

[No. 373 Leg.]

YEAS—65

Aiken	Brooke	Cotton
Allen	Burdick	Cranston
Baker	Byrd, W. Va.	Dole
Bayh	Cannon	Eagleton
Beall	Case	Fong
Bentsen	Chiles	Gambrell
Bible	Church	Griffin
Boggs	Cook	Gurney
Harris	McGovern	Ribicoff
Hart	McIntyre	Roth
Hatfield	Metcalf	Schweiker
Hollings	Miller	Scott
Hughes	Mondale	Sparkman
Jackson	Montoya	Spong
Javits	Moss	Stafford
Jordan, N.C.	Nelson	Stevenson
Kennedy	Pastore	Symington
Magnuson	Pearson	Thurmond
Mansfield	Pell	Tunney
Mathias	Percy	Weicker
McClellan	Proxmire	Young
McGee	Randolph	

NAYS—19

Allott	Cooper	Jordan, Idaho
Anderson	Dominick	Smith
Bellmon	Eastland	Stennis
Bennett	Ellender	Talmadge
Brock	Ervin	Tower
Buckley	Fannin	
Byrd, Va.	Hansen	

NOT VOTING—16

Curtis	Humphrey	Saxbe
Fulbright	Inouye	Stevens
Goldwater	Long	Taft
Gravel	Mundt	Williams
Hartke	Muskie	
Hruska	Packwood	

So Mr. EAGLETON's amendment was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EAGLETON. Mr. President, will the majority leader yield to me so that I may propound a unanimous-consent request?

Mr. MANSFIELD. I yield.

Mr. EAGLETON. Mr. President, I ask unanimous consent that Senators HATFIELD, RANDOLPH, HOLLINGS, MONTOYA, Moss, PERCY, BYRD of West Virginia, RIBICOFF, CANNON, and JAVITS also be listed as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. STEVENSON). The Chair recognizes the Senator from New Hampshire.

Mr. MANSFIELD. Mr. President, may we have order in the Senate so that the Senator from New Hampshire, who has been most patient, can be heard.

The PRESIDING OFFICER. The Senate will be in order.

AMENDMENT NO. 698

Mr. COTTON. Mr. President, I call up my amendment No. 698.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. COTTON. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with. I can explain it fully and quickly.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

At the end of the bill insert the following:

TITLE X—PROTECTION OF AMERICAN INDUSTRY AND LABOR

SEC. 1001. AUTHORIZATION FOR IMPOSITION OF QUOTAS OR OTHER BARRIERS

(a) IMPOSITION OF RESTRICTIONS.—Whenever the President finds that—

(1) the importation of any commodity from a foreign country is at such levels so as to disrupt the domestic market or is causing injury to industries, firms, or workers in the United States, or adversely affecting the balance of payments of the United States, and

(2) the foreign country producing such commodity is imposing restrictions (by means of quotas, import licenses, tariffs, taxes, or otherwise) against the importation into such foreign country of articles produced in the United States,

he is authorized, by proclamation, to impose such quantitative limitations and such other restrictions as he determines necessary on the importation into the United States of articles produced in such foreign country.

(b) TERMINATION OF RESTRICTIONS.—In any case in which the President has imposed restrictions under subsection (a) on the importation of articles produced in any foreign country, whenever the President determines that the restrictions imposed by such foreign country on the importation into such country of articles produced in the United States no longer exist, he shall, by proclamation, terminate the restrictions imposed under subsection (a) on the importation of articles produced in such foreign country.

Mr. JAVITS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. COTTON. Certainly. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, who controls time in opposition?

The PRESIDING OFFICER. The opposition is controlled by the manager of the bill.

Mr. RIBICOFF. Mr. President, in view of the fact I will vote for the Cotton amendment, I would be pleased to place the time in opposition in the hands of the Senator from New York.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. BENNETT. Will the Senator place that time in my hands?

Mr. RIBICOFF. I beg the Senator's pardon.

Mr. President, I place the time in opposition in the hands of the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah will control the time in opposition.

Mr. COTTON. Mr. President, before I ask for the yeas and nays, I desire to modify the amendment and send the modification to the desk.

Mr. President, in line 1, I desire to modify the title of the amendment. Changes have taken place since this same amendment was adopted by the Senate in December, 1969, causing the title to be a misnomer.

Therefore, Mr. President, I ask unanimous consent to modify the amendment in lines 1 and 2, as follows:

Promotion of Reciprocal Trade and Protection of American Jobs.

In addition, I ask unanimous consent to modify the amendment in lines 3 and 4 on page 1 to read:

Authorization for imposition and removal of quotas or other trade barriers.

The PRESIDING OFFICER. Without objection, the modification of the amendment will be made.

The amendment as modified reads as follows:

At the end of the bill insert the following:

TITLE X—PROMOTION OF RECIPROCAL TRADE AND PROTECTION OF AMERICAN JOBS

SEC. 1001. AUTHORIZATION FOR IMPOSITION AND REMOVAL OF QUOTAS OR OTHER TRADE BARRIERS.

(a) IMPOSITION OF RESTRICTIONS.—Whenever the President finds that—

(1) the importation of any commodity from a foreign country is at such levels so as to disrupt the domestic market or is causing injury to industries, firms, or workers in the United States, or adversely affecting the balance of payments of the United States, and

(2) the foreign country producing such commodity is imposing restrictions (by means of quotas, import licenses, tariffs, taxes, or otherwise) against the importation into such foreign country of articles produced in the United States,

he is authorized, by proclamation, to impose such quantitative limitations and such other restrictions as he determines necessary on the importation into the United States of articles produced in such foreign country.

(b) TERMINATION OF RESTRICTIONS.—In any case in which the President has imposed restrictions under subsection (a) on the importation of articles produced in any foreign country, whenever the President determines that the restrictions imposed by such foreign country on the importation into such country of articles produced in the United States no longer exist, he shall, by proclamation, terminate the restrictions imposed under subsection (a) on the importation of articles produced in such foreign country.

Mr. COTTON. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. COTTON. Mr. President, I hope that we will be able to dispose of this amendment without using all of the time which has been allotted.

This is a simple amendment. I think it is clear and understandable without much discussion. I offered the amendment to the tax bill in December, 1969, and it was agreed to by a vote of 65 to 30 in this body. It was thrown out in conference because at that time the House conferees did not consider that it was really germane to that particular tax bill.

It certainly is more germane to this bill because this tax bill recites as one of its purposes the creation and encouragement of jobs and employment.

The amendment provides that whenever the President finds that:

(1) the importation of any commodity from a foreign country is at such levels so as to disrupt the domestic market or is causing injury to industries, firms, or workers in the United States, or adversely affecting the balance of payments of the United States, and

(2) the foreign country producing such commodity is imposing restrictions (by means of quotas, import licenses, tariffs, taxes, or otherwise) against the importation into such foreign country of articles produced in the United States,

he is authorized—

Not directed and not compelled, but he is authorized—

by proclamation, to impose such quantitative limitations and such other restrictions as he determines necessary on the importa-

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tion into the United States of articles produced in such foreign country.

(b) TERMINATION OF RESTRICTIONS.—In any case in which the President has imposed restrictions under subsection (a) on the importation of articles produced in any foreign country, whenever the President determines that the restrictions imposed by such foreign country on the importation into such country of articles produced in the United States no longer exist, he shall, by proclamation, terminate the restrictions imposed under subsection (a) on the importation of articles produced in such foreign country.

Mr. President, I say now as I said 2 years ago, but I can say it now with greater emphasis, that this is not a protectionist measure. This is a free trade measure in the fullest sense of the word because it calls for true free trade in that there must be a two-way street.

As far as the authority granted the President in the first part of the amendment, it probably does not grant him any more authority than he already has because he has exercised authority under the Reciprocal Trade Act of 1962, I believe, and also by reason of an act in 1917 he exercised the authority to impose the 10-percent surtax arbitrarily, and he might or might not be sustained by the courts in that.

But it does make clear his authority and it also attaches a definite right. When this amendment was debated before the Senate in 1969, it was opposed by the Department of Commerce.

At that time Secretary Stans was engaged in negotiations in the matter of textiles with Japan and other countries—negotiations, by the way, which came to naught, but he was engaged in those negotiations. He and the Department of Commerce—and I assume they represented the administration—objected to this measure because they felt it would be taken as a provocation by other nations and might make their negotiations all the more difficult and might start a trade war.

It is not opposed now because the administration and the Commerce Department have now gone far in advance, and the President has imposed, as we all know, the 10-percent surcharge, which will presumably, if we are worried about trade wars—I am not worried about them, but if we are worried about trade wars—will prove more provocative than anything that is in this amendment.

Indeed, I wish to assert and argue to the Senate that this is a measure which should be reassuring to other nations, because it declares a policy that, even though other countries are producing cheaper products because of low wages and even though other countries have many advantages, this Nation is ready and willing to meet them on even terms in free competition without asking protection because of differences in wage scales or any other differences. All we ask—and it is our proclaimed policy—is that free trade shall be a two-way street and that we may be permitted to try to produce and try to sell in other countries just as they will be permitted to produce and sell to us.

If there is anything in that declaration—particularly since the developments that have taken place in the time that has elapsed since 1969—and if there is anything in this amendment that is provocative, that is protectionist, that would promote a trade war and discourage reciprocal trade, it is very difficult for me to find it.

Mr. President, I remember when we debated this matter before that they talked about automobiles. They said it was true that the Japanese were flooding our country with shoes and electronic products and textiles—other countries were, not just the Japanese—but that our trade balance, however, on the whole was advantageous, and they recited again and again automobiles.

Now we have a situation in which German and Japanese automobiles are flooding this country. Germany has a tariff of up to 16 or 17 percent, I believe. Japan for practical purposes does not let automobiles into that country. The Toyota is selling in California for about $2,000, but the Vega, if that is the General Motors product of the size of the Toyota, if it gets into Japan—and then only in limited quantities—sells for $4,000, just double the price.

I visited Spain not too long ago, and the commercial attaché of our Embassy told me that the Spanish people have a tremendous desire, a great yen, to buy American-produced electrical household appliances like toasters and other appliances, but that they cannot get them because only a limited quantity of licenses was granted by the Government to import these appliances, and the quantity was so restricted that only one in 3 or 4 hundred people in Spain had an opportunity to purchase the American-made product.

I do not wish to prolong this debate. I simply direct attention to the fact that it is only optional with the President if he is to place restrictions, but it is mandatory in this amendment that if foreign countries remove their restrictions he shall remove ours. That is why I call the amendment an amendment for the promotion of reciprocal trade as well as for the protection of American jobs. That is why I feel it clarifies——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COTTON. I yield myself 1 minute more.

It clarifies and at the same time it establishes a policy which is, I assert, completely fair not only to this Nation but to every other nation on earth.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, I yield 10 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, first let me thank the Senator from New Hampshire (Mr. COTTON) personally for having delayed the presentation of this amendment until I could arrive in Washington, knowing that I wished to oppose it.

I oppose the amendment because I believe it only pyramids the mistakes we and the administration have already made, and having made them—to wit, the inclusion of title VI in this bill—this particular amendment is far less specific and far less artful in its design. In addition, it has no date of expiration, whereas title VI of the bill does have a date. The authority expires in 1974.

It is true, as the Senator from New Hampshire says, that he is giving a grant of authority to the President. The grant of authority to the President is, on the part of the President, optional—he may or he may not exercise it—but the giving away of authority by the Congress is absolute and final, and it is that that I object to.

Deeply believing in international trade as I do, I do believe we have many problems which require a reshaping of American trade policy, but the reshaping must be done not with a cutlass but with a scalpel, because the reshaping will have to take into account a new situation in the world in which we can do more harm by this type of legislation than the benefit we could possibly derive therefrom.

What I object to in this amendment are the following four matters: One, it is less refined and particularized than title VI, which has already been sustained by the Senate, notwithstanding the efforts of the Senator from California (Mr. CRANSTON), myself, and other Senators to strike it out. Second, it has no terminal date. Third, it gives to the President, in a kind of broad sweep, all the powers which we ourselves must carefully examine and husband in order to reshape the international economic policies of the United States. Fourth, it like title VI is not germane to tax legislation and I remind my colleagues that this germaneness rule was used and very wisely used in 1969 to strike this exact amendment from another tax bill.

Now, lest the Senate believe that I am just making a general statement, I beg Senators to examine title VI, which is headed, "Protection of Balance of Payments." It deals with, first, the date: The exercise of the authority is limited to up to December 31, 1974. That was the successful Fulbright amendment.

Second, Mr. President, it limits the authority of the President to using it when he declares a balance-of-payments emergency, and that term, balance-of-payments emergency, is defined.

In addition, Mr. President, it deals with the problem of both the surcharge which the President has imposed and whatever restrictions he places on imports of particular goods, and limits the aggregate figure to 15 percent.

These are only some of the requirements which are introduced into title VI.

We already know that in the other body there will be great effort to develop comprehensive trade legislation. Indeed, the Mills bill, which failed last year, as we all know, because it became a Christmas tree, specifically dealt with this area with the greatest refinement, and hopefully will again, Mr. President.

So artlessly drawn is this amendment—and I am not complaining about it, because I believe it ought to be struck down altogether, so I am not giving that as the reason why Senators should vote against it—that while, for example, it is by now deeply rooted in the law that only such importations as can cause "serious injury," and that is the specific term by law, should call for some redress by the United States, this particular amendment goes back to the old use of the word "injury," which was found very inadequate for the policy of our country.

Another artless point, Mr. President, is where it says "is causing injury to industries, firms, or workers now." It does not even call for industries, firms, or workers in a competitive industry. Any industry, firm, or worker would be eligible.

I repeat, I am not trying to call those things to the attention of the Senate by way of a decisive argument to defeat the amendment. I only call attention to them to show we are laying on with the cutlass in a very critical area instead of laying on with the scalpel, especially as we now have in the bill a designed measure, to wit, title VI, which gives the necessary authority to the President as the Senate now wishes to sustain it; and I think it would be very unwise, in essence, to give another authority which is far broader, thereby, in effect, canceling out title VI.

I also wish to point out that the administration decision to support title VI, I have subsequently found out, caused enormous dissension within the administration as well it should since it is a double-edged sword that could cut both ways in our relations with the rest of the free world.

Moreover, the President has recognized that we are in a new situation, involving new alinements of currencies as well as the effect of currencies realinements upon capitalization; and finally the fact, which I think is undeniable, that the United States has to, because of its own financial situation, review the situation of multinational corporations, which there is a good deal of complaint.

My feeling is, instinctively as well as from what I have seen, that we can show a heavy balance of benefit to all the people of the United States from the operations of the multinational corporations as a group, up to now. But that is still sub judice. The whole subject needs to be looked into dealt with, and proved. The recent votes of the Senate clearly indicate that the multinational corporation has not made its case sufficiently, with the Congress.

I agree with the President when this is the policy of the United States when he stated:

> We cannot remain a great Nation if we build a great wall of tariffs and quotas around the United States, and let the rest of the world pass us by. We cannot turn inward and we cannot drop out of competition with the rest of the world.

This, it seems to me, is valid, and it must encompass the real possibility that as we act so will other nations react in kind with quotas or import licenses, tariffs, taxes, or otherwise, which may restrict our market access to their markets. If the criterion in the bill are the only criterion for the President's action, forget about criteria; just write him a letter and tell him:

> Do anything you please respecting the foreign economic policy of the United States; we sign off.

That is all we are doing. We are totally abdicating the constitutionally defined congressional role in codetermining the trade and monetary policy of the United States.

And again this abdication is taking place at the most crucial time in our economic relations with the free world since the end of the Second World War.

Mr. President, I warn that we are reaching a watershed in our economic relations with the free world—with our allies in the free world. If the pendulum swings too far and it has swung too far in the Senate, the consequences for the free world's economy and our national security could be enormous.

I find it tragic that at the very time we are seeking new markets in the Soviet Union, at the same time that we are opening the door for American investment in Yugoslavia and Rumania, we are jeopardizing our traditional trading and investment relations with our allies in the free world.

Clearly, Mr. President, we need to design a new policy. The growth of protectionism among American labor, which I decry, is nonetheless real. We cannot avoid it. The drastic impact of Japanese concentrated imports within a short time on a given business—how much more time do I have?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. May I have 1 more minute to finish?

Mr. BENNETT. I yield the Senator 1 minute.

Mr. JAVITS. Finally, Mr. President, I urge the Senate not to adopt this amendment, in view of the fact that there is a far more refined instrument already in the bill, which has been sustained by the Senate, and that, from our point of view, this is an absolute grant of power to the President. Until a time when we have to deal with this whole issue in a very refined way, we should not strip ourselves of that authority and give it totally to the President to use at his discretion.

Mr. BENNETT. Mr. President, I yield 5 minutes to the Senator from Illinois.

Mr. PERCY. Mr. President, I fully recognize the vigilance of the distinguished Senator from New Hampshire in promoting industry in his own State and his own region of the country, which has been subjected to competition within our country and drainage of plants moving south, and also by foreign competition. The Senator is vigorously attempting to protect in every way he legitimately can the economic interests of his area. I honor him for those attempts.

I regretfully will have to oppose the amendment, for a number of reasons.

First, I think it gives too great a new grant of authority to the President to impose import quotas. It is almost another Gulf of Tonkin resolution in the area of foreign economic policy.

We have pursued a policy of liberalizing trade in order to expand markets ever since the disastrous days of the Smoot-Hawley Tariff. This has been true of all Presidents and all administrations since the 1930's. I would hate to see us take a step that would imbue the President with power that I feel confident he does not want and does not intend to use, but which would symbolize to the world that somehow we are reversing a course of action that the country has taken for many, many years.

Second, I would point out that this present bill already provides a good deal of additional authority to impose protective trade measures and already this additional authority is giving cause for alarm to many of our friends and trading partners. It grants the authority for a new surcharge of 15 percent. It provides for discriminatory treatment of foreign capital equipment; and it provides for the ability to reimpose excise taxes on imported cars and trucks.

So there are protective and protectionist measures already enunciated, which are already causing considerable alarm.

Third, I say, therefore, that the amendment as now offered is really a case of overkill. I simply cannot conceive that we would be willing to move in such a direction, offering such vague powers that would cause tremendous international concern—powers that I feel the President would simply not use, because he fundamentally has always been a believer in the concept of freer trade.

Next, I would point out that the world economy is right now in a state of shock. There is the possibility of worldwide recession. There is a recession now in certain European countries. Though we have unemployment in this country, our good trading friends in Canada have more unemployment, and they and others are deeply concerned with the current 10-percent import surcharge, the discriminatory application of the investment tax credit, and the additional protectionist measures in the Senate bill.

Every measure that we take to try to protect certain industries in this country is a way of insuring that someone retaliates against us, which hurts some other industry in this country which depends upon export markets. We are in a very precarious and delicately balanced position right now with respect to other world economies, which have depended for their growing prosperity upon the relatively free movement of goods between the free countries of the world. If we start, step by step, to impair that progress just in order to give a little bit of protection here and a little bit of protection there, everyone else is going to give a little protection here and a little protection there. It is pretty hard to be a little pregnant—and it is very difficult to just keep moving in the direction that will reverse the course this country has been taking for many years.

Last, I would oppose the amendment because I am deeply concerned about the vague wording. I am not really sure what "injury" means and what "destruction of domestic markets" means. It is a terrible disruption to a manufacturer and an industry in this country—say it is American Motors—if General Motors puts out a car that competes effectively with the models they have out now. Are we to protect every business in America from disruption or from injury? They are injured every day. Every time someone makes a competitive advantage through research, through lowered cost, through greater efficiency, through greater output, through better marketing—whatever it may be—someone is injured, because we are not always expanding every market. Someone in the competitive system has to give a little; that makes him work harder.

If we provide a little degree of protection against disruption in the domestic market or against injury because some-

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body imports a product that the American consumer really wants, it is going to make us relatively inefficient with respect to world markets. I would hate to see the day in this country when we decided to forgo the markets of 3 or 4 billion people abroad and just kept selling to the 200 million people in this country. It would mean increasingly higher prices and less efficiency. This would be real isolationism, and the person who would pay the hardest would be the consumer and the taxpayer.

For these reasons, I must oppose the amendment, though I respect fully the spirit in which it is offered by my valued colleague.

Mr. BENNETT. I yield myself such times as I may use.

Mr. President, I want to summarize the things that have been said.

I have been in business all my life. I am completely in sympathy with the objective of the Senator from New Hampshire, but I am very much afraid that his proposal will not accomplish the real objectives we should have in trying to solve this problem.

In the first place, let me repeat that the President now has this authority. This amendment would not give him any new authority that he does not now have. But with respect to the part of the amendment that would require him to lift restrictions when our trading partners might do something on their side of the bargain, we would be limiting his authority.

The problem we face is not basic authority. It is the question of programs and procedures under which the authority should be used. We in the Finance Committee have the responsibility for supervising, from the legislative point of view, our trade policies. We have become very much aware that there are policies in these practical fields. The members of the committee have made one trip to Europe. We have had hearings. We will have many more hearings in the months ahead.

We wrote some necessary procedures into the Trade Act of 1970, and they had to be dropped because we were so late in the year that we could not get the act through. I would hope that the Senate would give the Finance Committee and its Special Trade Subcommittee an opportunity to give the study to this problem that is needed, the study that it intends to give.

A point has already been made with regard to the question of retaliation, the question of the psychological effect of the passage of another restricted protectionist amendment on this bill. The President, the Secretary of the Treasury, and the Secretary of Commerce and their resources are trying to work out the multitude of problems that exist between us and our trading partners, which are different with respect to each country and our relations with them. Another expression of protectionism in this bill would make their task very much more difficult.

So, since the President already has the authority, since the committee is determined to do what it can to solve some of the practicable problems involved in the basic underlying problem, and since we have this delicate balance between us and the rest of the world as we try to work out these various imbalances one at a time, country by country, I hope we will reject this shotgun approach.

Mr. PASTORE. Mr. President, will the Senator from New Hampshire yield me time?

Mr. COTTON. How much time does the Senator want?

Mr. PASTORE. Two minutes.

Mr. COTTON. I yield 5 minutes to the Senator.

Mr. PASTORE. Mr. President, this is not a new idea. This matter came before the Senate once before, and it was overwhelmingly adopted by the Senate.

The Senator from Rhode Island has been somewhat disturbed in recent years by what has been happening to our economy insofar as it is affected by this international trade. All my life I have been an internationalist, and I have been a free trader. I have not been a protectionist. I have always voted for the Trade Expansion Act, no matter who the President was. I have said that before. But I have learned that there is not a country in the free world that does not have a limitation against some importation of American goods. Why we have tolerated this over the years is beyond my understanding.

Here we have John Connally being characterized and criticized by our allies—nations whom we have lifted, indeed, from economic frustration. Mr. Connally is being criticized for being a little too tough on this question, that he wants these governments to remove restrictions against the importation of American goods.

Do you know that you cannot sell an American camera to Japan? Watch the photographers around here. Everyone of them has a Japanese camera. They bought them in America. If you can buy a Japanese camera in America, ask the Japanese why can you not buy an American camera in Japan? Do you know what they tell you? "We cannot import your cameras because that would disrupt our economy." Well, how about the disruption of the American economy? Who is going to worry about us?

I realize that the President has certain powers in this area. I regret very much that they have not been employed up to now. My friends here said the other day, "Well, we are giving too much power to the President of the United States"—and that was said by Republicans. I have always said that the only place you can resolve these international questions is in the Oval Room of the White House.

My good friend, the Senator from Utah, tells us that the President has that power. Well, it took a long time before it was exercised, and this happened only a few months ago. Why was it done then? Because the integrity of the American dollar had been damaged all over the world. Imagine an American businessman going to a hotel cashier in Geneva to pay his bill and being told that they would not take the American dollar. That is what happened to us.

Mr. COOK. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. COOK. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PASTORE. I know that this amendment is not going to survive in conference, no more than the other did, and perhaps this may be an exercise in futility. But I think that if we adopt it in the Senate, it will have a good psychological effect. It would strengthen the hand of John Connally and it would strengthen the hand of the President of the United States. It would make the entire world know that we have problems too. The difficulty is, we always recognize and understand the problems of other people but those people never seem to understand ours.

I remember several years ago, when Canada determined that there were too many publications coming into Canada from the United States, so what did they do? They slapped a limit on it. That was the end of it.

Denmark, only a short while ago, placed a surtax on American imports into that country.

Every time we would try to do something like that, we would be misunderstood by our friends. After all, who are our friends? Is it the people that would like to see us die on the vine, or those who understand our problems? That is what this amendment is all about. We want them to understand our problem.

I repeat, perhaps the amendment goes a little bit too far. I know that it is not going to be accepted in conference any more than the last one, but it is going to do PASTORE and Connally a lot of good to see it passed.

Mr. COTTON. Mr. President, there are some Senators who have to leave shortly, and I do not want to prolong this debate, but merely wish to say that there have been some inconsistent statements made in opposition to the amendment.

The opponents have asserted that this would give the President too much power. They also assert that it would not give him enough power.

I was rather startled with the opposition of my good friend from Utah because he voted for this very same amendment in 1969. He has since found that it is bad.

The assertion is made that the President has already got the power to impose surcharges and limitations. If that is true, then why did the committee find it necessary in title VI expressly to confer on the President that power?

Mr. BENNETT. If the Senator will yield on that point, what the committee did in title VI was to increase the ranges of the power. It did not confer on the President any power that he did not already have.

Mr. COTTON. Mr. President, I am only a country lawyer. Every time we have this kind of debate, my good friend from New York talks about "words of art" and "artless"; nevertheless, it is my fixed belief that even though the President has imposed a surcharge claiming that power under the acts of 1962 and 1917, I mentioned earlier, I still think there is some question here.

I am not so pessimistic about the amendment's going out in conference, because title VI in the bill is infinitely more drastic. This amendment declares a policy that is eminently fair. We do not need to worry about the President's overexercising his authority. Every Senator who remembers past history knows that every President of the United States since I have been around here—and I have been here 25 years—whether a Democratic or a Republican President, has been so much influenced by the State Department—particularly the State Department, but sometimes by the Department of Commerce—that they have leaned over backwards to sacrifice the interests of the American worker to aid our foreign policy. This President has indicated the same thing himself. So that the danger of a President's becoming arbitrary in this matter is extremely limited.

I notice that my friend from New York complains about the form of the amendment—I did not ask for the yeas and nays at the outset and if he wants to place a terminal date, I think that is more or less his objection—an arbitrary objection—he could have suggested that change. This is a simple declaration of policy, as a result of which I predict it will have more of a chance to survive in conference, than the more rigid provision of section VI.

I am perfectly willing to surrender my time to any other Senator who wishes to speak at this time.

Mr. JAVITS. Mr. President, I think the critical point here, which is being emphasized all over the place, is the very generality of the amendment as a complete grant of power by Congress on a tax bill, without the basis of trade hearings as to the new competitive situation, the new situation of multinational corporations, and so forth. That is why I used the word "artless," because we are depriving ourselves of authority that we may want to use tomorrow, yet here it is connected in some way to a peripheral amendment which is not even germane.

Mr. COTTON. Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the November 16, 1971, Washington Post, showing that our balance-of-payments deficit is now the highest in history.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. PAYMENTS GAP LARGEST IN HISTORY—THIAD QUARTER DEFICIT HIT $12.1 BILLION

(By Carole Shifrin)

The United States recorded its greatest balance of payments deficit in history in the third quarter, the government reported yesterday.

The Commerce Department said the deficit—the difference between what the country takes in and what it spends overseas—doubled from the second quarter to the third to a whopping $12.1 billion after seasonal adjustment.

The deficit, measured in terms of foreign official holdings of dollars, thereby reflecting immediate exchange pressure on the dollar, was $2.3 billion greater in the third quarter than the $9.8 billion deficit for 1970 as a whole.

The $23.4 billion payments deficit for the January-September period "far surpasses" any yearly deficit in the nation's history, a Commerce official said, and is the equivalent of an annual rate of $31 billion for 1971 as a whole.

The huge outflow of dollars represented in the deficit was one of the major reasons for President Nixon's decision announced on Aug. 15 to suspend the convertibility of the dollar into gold and to impose a 10 per cent surcharge on imports, Harold Passer, Assistant Secretary of Commerce for Economic Affairs, said. Both actions are designed to restore a trade surplus and to strengthen the balance of payments.

It is still too soon to assess the impact of the import tax, Commerce noted. Imports may have been restrained by the imposition of the tax on goods shipped after Aug. 15, the department said, but the small amount of tax collections in September suggested that a large part of the imports that month were still exempt, probably goods already in transit when the tax was announced.

Another measure of the balance of payments, called the "net liquidity" balance (it includes all transactions with foreigners, both private and official) was a record $9.3 billion in the red in the third quarter after seasonal adjustment, a deterioration of more than $3.5 billion from the second quarter.

Passer said most of the third quarter outflow of dollars occurred in July and early August when the dollar was under severe pressure in foreign exchange markets. In the first six weeks of the quarter, the department noted there were growing expectations that a number of leading currencies would appreciate in value vis a vis the dollar.

Contributing to the official balance deterioration was a large increase in net outflows of liquid private capital. Commerce said there was a $2 billion shift in liquid liabilities to foreign commercial banks, mostly those of American banks' main offices to their foreign branches. In addition, there was an unfavorable shift of $580 million in liquid claims reported by U.S. banks and corporations.

All figures are preliminary and subject to later revision.

The department said "massive accumulations" of dollars by foreign central banks "mirrored" the record payments deficits in the third quarter. Gains tapered off "markedly" in September, the department said, but still there was a record jump of more than $11 billion in U.S. liquid liabilities to foreign official reserve agencies.

U.S. official reserve assets dropped to $1.2 billion, seasonally adjusted, with almost all the loss occurring before Aug. 15.

In discussing the substantial worsening of the "liquidity" deficit, the Commerce Department report said that "both U.S. residents and foreignera evidently contributed to the outflow, involving transactions ranging from speculative dollar sales to leads and lags in commercial and financial payments and receipts."

The department said that the trade deficit—what the United States imports over what it exports—narrowed in the quarter.

Also helping to offset the adverse shift in the balance of payments were an increase in net foreign purchases of U.S. securities and a reduction in net U.S. purchases of foreign securities.

Most of the improvements occurred in the latter part of the quarter after the new economic policy was announced.

Most of the other major industrial countries allowed their currencies to fluctuate in some degree in the exchange markets after Aug. 15, with some imposing exchange restrictions designed to limit the appreciation of their currencies or additions to their official reserves. According to Commerce, from April 30 to the end of September, the German mark had appreciated by about 10 per cent against the dollar in foreign exchange markets, the Japanese yen by about 8 per cent, the British pound sterling by about 3 per cent, and the French franc (commercial) was unchanged.

Mr. COTTON. Mr. President, let me conclude by saying that I am not terrified by the word "artless." The amendment may be artless but it is clear, plain, fair, a declaration of policy which is fair to other nations, and fair to us.

Through all the years that I have served in the Senate, every time we tried to get a measure through to protect textiles, shoes, electronics, and so forth, when we got down to brass tacks we were overwhelmed by the very same people who say that this amendment is too general.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. STEVENSON). All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from New Hampshire (Mr. COTTON).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. LONG), the Senator from Maine (Mr. MUSKIE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Delaware (Mr. BOGGS), the Senators from Nebraska (Mr. CURTIS and Mr. HRUSKA), the Senator from Oregon (Mr. PACKWOOD), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) and the Senator from Maryland (Mr. MATHIAS) are detained on official business.

If present and voting, the Senator from Delaware (Mr. BOGGS) and the Senators from Nebraska (Mr. CURTIS and Mr. HRUSKA) would each vote "yea."

The result was announced—yeas 57, nays 26, as follows:

[No. 374 Leg.]

YEAS—57

Allen	Ellender	Nelson
Allott	Ervin	Pastore
Anderson	Fannin	Pearson
Baker	Fong	Pell
Bellmon	Gambrell	Randolph
Bennett	Gurney	Ribicoff
Bentsen	Hansen	Roth
Bible	Hollings	Schweiker
Brock	Jackson	Scott
Brooke	Jordan, N.C.	Smith
Byrd, W. Va.	Jordan, Idaho	Sparkman
Cannon	Magnuson	Spong
Chiles	Mansfield	Stafford
Cook	McClellan	Stennis
Cotton	McGee	Symington
Dole	McGovern	Talmadge
Dominick	McIntyre	Thurmond
Eagleton	Montoya	Tower
Eastland	Moss	Welcker

NAYS—26

Aiken	Cranston	Metcalf
Bayh	Griffin	Miller
Bennett	Harris	Mondale
Buckley	Hart	Percy
Burdick	Hatfield	Proxmire
Byrd, Va.	Hughes	Stevenson
Case	Inouye	Tunney
Church	Javits	Young
Cooper	Kennedy	

XUM

NOT VOTING—17

Boggs	Hruska	Packwood
Curtis	Humphrey	Saxbe
Fulbright	Long	Stevens
Goldwater	Mathias	Taft
Gravel	Mundt	Williams
Hartke	Muskie	

So Mr. COTTON's amendment (No. 698) was agreed to.

Mr. COTTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROGRAM

Mr. SCOTT. Mr. President, I ask unanimous consent that I may proceed for 1 minute, without the time being taken from either side in order that I might ask the majority leader a question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, I would like to ask the distinguished majority leader what other votes, if any, he expects today.

Mr. MANSFIELD. Mr. President, it is my understanding that the distinguished Senator from Illinois (Mr. PERCY) is going to call up two amendments.

Will there be rollcall votes?

Mr. PERCY. No; and I can dispose of this in just a moment.

Mr. MANSFIELD. Fine.

Mr. PERCY. In view of the fact it is now quite clear that the Senator from Oregon (Mr. PACKWOOD) will be able to call up his own amendments after disposal of the Pastore amendment at 5 o'clock on Monday, I ask unanimous consent that the unanimous-consent agreement we entered into on amendments 688 and 706 be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Then, it is the intention of the joint leadership to call up Calendar No. 437, Senate Joint Resolution 176, a joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages. The distinguished Senator from Massachusetts has an amendment, which I understand will be accepted, and I will have a brief colloquy with the chairman of the committee. There will be no rollcall votes on the joint resolution unless somebody asks for one.

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. Then, it is the intention to call up Calendar No. 489, S. 2878, a bill to amend the District of Columbia Election Act, which likewise is noncontroversial.

So on the basis of what the distinguished Senator from Illinois said, there will be no further rollcall votes this afternoon, and I anticipate the Senate should be out no later than 2 o'clock.

Mr. SCOTT. Mr. President, will the Senator yield further?

Mr. MANSFIELD. I yield.

Mr. SCOTT. I just wish to serve notice I will call up a noncontroversial amendment which has been cleared with both sides and on which we need no rollcall vote.

I am glad we will be able to adjourn today, Saturday because there is a saying, Dies dominicus non est juridicus, meaning legal proceedings may not be transacted on a Sunday.

Mr. MANSFIELD. Well, may I say that any credit for this early adjournment of the Senate on this Saturday goes entirely to the Republican leadership and our Republican colleagues who were so gracious yesterday in helping us to arrive at an agreement.

Mr. SCOTT. We always have been.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. SCOTT. Mr. President, I send to the desk an amendment of a technical nature, which I ask the clerk to state.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 79, line 3, strike out all through line 6 and insert in lieu thereof the following:

"(c) EFFECTIVE DATE.—The amendments made by this section shall be applicable only with respect to reorganizations and other changes in ownership occurring after the date of enactment of this Act pursuant to a plan of reorganization or contract entered into on or after September 29, 1971."

Mr. SCOTT. Mr. President, this amendment, in the technical nature, would correct an injustice which would occur under the pending legislation as it is now drafted.

Section 302 of the bill denies certain surviving corporations in certain reorganizations the opportunity to use the full amount of carryovers of unused investment credits of the merged corporation. The provision would be effective upon approval of this act. An inequity arises, however, where parties to a reorganization have executed contracts prior to the effective date, but because of Federal governmental delay in processing the merger application, have not consummated the reorganization.

A case in point is the pending merger of Allegheny and Mohawk Airlines. Although these parties entered into reorganization contracts before any action was taken on the pending legislation, the governmental approval necessary for consummation of the reorganization has not been finalized.

My amendment merely allows parties who have executed contracts prior to September 29, 1971, the date on which the Ways and Means Committee reported this legislation, to complete their reorganization under the tax laws in effect at that time.

I have discussed my amendment with the distinguished chairman of the Senate Finance Committee, Senator LONG, and the distinguished ranking member of that committee, Senator BENNETT. Both have indicated agreement with this amendment. In addition, I have received a letter from John S. Nolan, Deputy Assistant Secretary of the Treasury indicating their support of this amendment. I ask unanimous consent that this letter be printed at the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, D.C., November 17, 1971.

Hon. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: It has been brought to our attention that Allegheny Airlines and Mohawk Airlines entered into a plan of reorganization pursuant to contracts executed prior to any action on H.R. 10947, the proposed Revenue Act of 1971. The parties will be adversely affected by section 302 of the bill, which denies to a surviving corporation in certain reorganizations the opportunity to use the full amount of carryovers of unused investment credits of the merged corporation where less than a 20 percent interest in the surviving corporation is received by the shareholders of the merged corporation in the reorganization.

The reorganization has not been completed pending approval by the proper government agencies and probably cannot be consummated before the date of enactment of the Revenue Act of 1971.

In the Allegheny-Mohawk case, the parties had no reason to expect this type of limitation on the use of unused investment credit carryovers when the agreement and plan of reorganization were entered into. The provisions of the bill would change the tax consequences on the basis of which the commitments of the parties were made, and the availability of these unused carryovers would ordinarily be a material factor in determining the relative value of the assets of the two companies and hence the stock exchange ratio to which the parties agreed.

Under these circumstances, the Treasury Department would support a change in the effective date provision so that the new provision will not be applicable with respect to reorganizations after the date of enactment of the bill if the plan of reorganization was adopted pursuant to contracts entered into prior to September 29, 1971. The latter date is the date the House Ways and Means Committee reported this bill and the nature of this special limitation first became generally known.

Sincerely yours,

JOHN S. NOLAN,
Deputy Assistant Secretary.

Mr. TALMADGE. Mr. President, I have examined the amendment. It is a binding contract amendment. I recommend its approval.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SCOTT. I thank the distinguished Senator from Georgia.

Mr. TALMADGE. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read the amendment, as follows:

On page 83, strike out line 18 and all that follows through line 2 on page 84 and insert in lieu thereof the following:

"(2) MULTIPLE LEASES OF SINGLE PARCEL OF REAL PROPERTY.—If a parcel of real property of the taxpayer is leased under two or more leases, paragraph (1)(A) shall, at the election of the taxpayer, be applied by treating all leased portions of such property as subject to a single lease.

On page 85, strike out line 3 and all that follows through line 11 and insert in lieu thereof the following:

"(A) if a parcel of real property of the taxpayer is leased under two or more leases, paragraph (4)(A)(i) shall, at the election of the taxpayer, be applied by treating all leased portions of such property as subject to a single lease; and

Mr. TALMADGE. Mr. President, I have consulted with the distinguished ranking minority member of our committee, as well as the chairman of the Finance Committee. It remedies an action that we thought the committee took in executive session, and the committee report so states, but the language does not make it quite clear.

The amendment would allow taxpayers to aggregate all their leases on a parcel of real property and treat the leases as a single lease for purposes of determining whether in the aggregate the real property is subject to a net lease and thus is considered investment property, or, on the other hand, is to be considered as business property.

Accordingly, my amendment would allow taxpayers who have a parcel of real property which is subject to two or more leases to aggregate the leases and treat the property as if it were subject to just one lease for purposes of determining whether the property is to be considered subject to a net lease.

I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

Mr. HARRIS. Mr. President, we have spent a great deal of time over the last week debating the Revenue Act of 1971. I am of the opinion that the bill is blatantly biased in favor of big corporations. Another very real problem in our tax system, however, is loopholes for the superrich. The Tax Reform Act of 1969 was supposed to take care of some of the larger loopholes for rich individuals and big businesses who grew even richer by avoiding legitimate taxation.

I want to call attention to an article by Sylvia Porter, in the Evening Star of November 16, 1971, in which she brings us up to date on those wealthy persons who do not pay their share of income taxes. Her conclusion is that they still do not pay. What she is implying is that what is really needed in this country is comprehensive and effective tax reform. Instead, we are getting piecemeal bills which open new loopholes and make it even harder to collect those taxes to which the Treasury is entitled. I ask unanimous consent that the article be included at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Nov. 16, 1971]

NO TAXES PAID BY SUPERRICH

(By Sylvia Porter)

Whatever happened to the 154 Americans who had incomes of $200,000 to $1,000,000 and more in 1966 on which they paid not a penny in federal income taxes—and who thereby kicked off what was to become the historic Tax Reform Act of 1969?

They grew.

The 154 increased to 301 in 1969, the latest year for which we have statistics on individual income tax returns.

The 16 with "nontaxable" adjusted gross incomes of $1,000,000 or more in 1966 expanded to 56.

A new tax law will be on our statute books in a matter of days under which taxpayers in all income groups are getting some immediate tax reductions. Actually, the tax cuts were written in basic form in the 1969 act but they weren't slated to go into effect until 1972 and later. The 1971 law is accelerating part of the cuts into this year to help lift our economy out of its sluggishness—which has forcibly reminded me of that massive mismash of tax legislation in 1969, that monstrosity which was impelled into being by the disclosure of the 154 super-rich nontaxables.

Of course, the 1969 act is now making it much harder for millionaires to pay no income taxes at all. There is now a 10 percent minimum tax on a specified list of deductions (called Tax Preferences) which demands at least a limp salute.

But you still can invest your entire fortune—millions of dollars—in tax-exempt bonds at today's high interest rates and receive the entire interest income tax-free. Just to suggest what tax-free bonds can mean to the wealthy, in the 50 percent tax bracket a tax-free rate of 5 percent equals a taxable interest rate of 10 percent, and in the 60 percent bracket 5 percent tax-free is the equivalent of 12.5 percent taxable interest.

You can still incur deductible intangible drilling costs for gas and oil wells in whatever amounts you think you need to reduce your current taxable income to the level you wish. This is the tax shelter the oil industry battled to protect intact and it achieved its goal; the reduction in the depletion allowance won by the reformers never was of prime importance to the oil industry's leaders.

These were and still are the two most popular tax shelters. They weren't even touched by the 1969 law. Nor does the minimum tax of 10 percent bar, limit or tax these breaks in any way. In fact, in some ways the two shelters have become more valuable than they were when they were being so widely publicized and denounced.

What's more, the 1969 act added several new tax breaks for the shrewd and sophisticated. Businessmen can now amortize and deduct over a 60-month period the cost of railroad rolling stock and certain anti-pollution facilities. If you invest in low and middle-income housing, you may be able to defer your tax on the gain from sales of this type of housing if you reinvest the proceeds in similar housing. Corporations can now use their appreciated assets to buy back their stock in certain situations without paying tax on the appreciation. And so it goes.

As the statistics on individual tax returns beginning in 1970 become available, it is to be hoped that few, if any, of the super-rich are getting away with paying zero.

Still, it is certan that a hefty percentage of the superrich will be paying a mere pittance—say, a few thousands of dollars on incomes of hundreds of thousands, or payments at tax rates far, far below the levels at which most of us pay.

In sum, the Reform Act of 1969 never was, is not and will not ever be the "reform" most people have assumed. And it will be a long time before Congress dares tackle that subject again.

Below are some figures from the latest official tax tables.

Adjusted gross income 1969	*Individuals paying no tax*
$1,000,000 or more	66
$500,000 or more	117
$200,000 or more	301
$100,000 or more	761
$50,000 or more	2,180
$30,000 or more	4,374
$25,000 or more	5,264
$20,000 or more	8,264

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, are there further amendments to be offered to the pending business?

AMENDMENT OF THE DISTRICT OF COLUMBIA ELECTION ACT

Mr. MANSFIELD. Then, Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 489, S. 2878.

The PRESIDING OFFICER. The clerk will read the bill by title.

The legislative clerk read the bill by title, as follows:

A bill (S. 2878) to amend the District of Columbia Election Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. EAGLETON. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-502), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSES OF THE BILL

The purpose of the bill is to amend the D.C. Election Act (Act of August 12, 1955 (69 Stat. 699) as amended, D.C. Code, sec. 1–1100 et seq.), and for other purposes, in several aspects so as to update and reform the election laws.

In particular, the bill would redefine qualifications for qualified electors, increase the compensation for members of the Board of Elections, provide for referendums, advisory elections and community elections on the ballot, establish a presidential preference primary and establish procedures for electing delegates to political party national conventions, change the residency requirements for candidates for office, provides requirements for reporting campaign funds, allows a credit on D.C. income tax for campaign contributions, and includes the District of Columbia in the definition of state in the Federal Corrupt Practices Act.

The bill would also make the present election laws consistent with the Federal Voting Assistance Act, the D.C. Delegate Act and other laws through several technical amendments.

PROVISIONS OF THE BILL

1. Definition of qualified electors

The District of Columbia Election Act provides in part that a qualified elector—that is, one who is qualified to register and

vote—must be a U.S. citizen who has resided or has been domiciled in the District of Columbia continuously since the beginning of the 1-year period ending on the day of the next election.

This 1-year residency requirement has been part of the election law since 1955, and until at least recently, has been considered to apply to voting in all elections.

During recent years, the durational residency requirements for voting have been shortened in a number of jurisdictions throughout the country, sometimes by legislative action and sometimes by court action.

In June 1970, the Congress in Public Law 91-285, determined, in effect, that in the case of presidential elections, a durational residency requirement of more than 30 days was constitutionally abhorrent. In that legislation, Congress directed that each State provide by law for the registration of its duly qualified residents at any time up to 30 days before a presidential election.

That legislation specifically included the District of Columbia in its definition of the word "State"; and so there is at the very least a clear congressional statement of policy that the 30-day residency requirement should be applicable in the case of presidential elections.

The statute was, of course, national in scope; but its precise language leaves considerable doubt as to whether in the case of the District of Columbia is was in fact entirely self-implementing, since the statute did not either specifically amend the District of Columbia Election Act or delegate regulatory authority to any District of Columbia agency to shorten the residency period.

Legislative clarification of this point in the case of presidential elections in the District is therefore important, and the matter should be put to rest well before next year's presidential election.

The applicability of the 1-year residency requirement in the case of elections for the District of Columbia's Delegate to the House of Representatives was also challenged in 1970, in this case by court action. Last November, a three-judge Federal court struck down as unconstitutional the 1-year residency requirement in the case of persons who had resided here for less than 1 year and who wished to vote in the elections of the Delegate to the House.

This case, *Lester* v. *Board of Elections* (319 F. Supp. 505 D.C. 1970), was by its terms applicable only to the election of Delegate to the House of Representatives.

The District Government requested the court in *Lester* to clarify the scope of its opinion and order, in an effort to get a ruling as to whether its decision applied to other elections; but the court, in denying the District government's motion, stated that it had "held only that the District of Columbia 1-year durational residency requirement applied to elections for nonvoting Delegate to the House of Representatives (citations omitted) was unconstitutional."

The court in the *Lester* case specifically upheld as constitutional other provisions in the District of Columbia Election Act which prohibited registration for any 30-day period prior to an election.

The *Lester* case was decided in November of 1970, and was applicable to the initial party primary elections for District of Columbia Delegate held in January 1971, and to the initial general election for District of Columbia Delegate held in March 1971, for the short initial congressional term which ends in January 1973.

As a result of *Lester*, a number of people registered here who had lived here less than a year before one or the other of these Delegate elections. Many of these people had not resided here for a full year by this November, at which time the District held regularly scheduled Board of Education elections.

Since the *Lester* case quite clearly does not rule on the residency requirements for Board of Education elections, voting by those registered voters who were here less than a year but who nevertheless were able to vote in January and in March for the elections for Delegate to the House of Representatives was either forbidden or allowed as a challenge ballot which was not counted.

A possibly even more confusing residency problem will arise in connection with the party elections on May 2, 1972. On that day there will be two different closed party elections, and unless the residency period is changed by statute, there will be two sets of residency requirements for all persons who have lived here less than a year.

There will be a closed party primary election under the 1970 act to choose party candidates for Delegate to the House of Representatives—to which the 30-day residency requirement will apply under the authority of the *Lester* case.

On the same day there will be closed party elections also under the original 1955 Election Act for candidates for delegate to the presidential nominating conventions, for national committeemen and national committeewomen and members of local political parties, as well as voting on the so-called party questions.

The statutory 1-year residency requirement would appear to apply to this second group of elections, unless the period were amended by legislation.

In view of this confusing situation in regard to the durational residency requirements for qualified electors in the District of Columbia and because of the difficulty in administering the elections in November, the bill establishes a 30-day residency requirement.

The bill also changes the minimum age for voter qualification in the existing D.C. Election Act (D.C. Code, sec. 1–1102(2)(b)) from 21 to 18 years of age.

The 26th Amendment to the U.S. Constitution, which was implemented by S.J. Res. 7 of the 92nd Congress, ratified promptly by the requisite 38 states, and certified on July 5, 1971, provides that any U.S. citizen who is otherwise qualified may vote in any state or political subdivision in any election if he is at least 18 years of age. Hence, the provision referred to above in the 1955 D.C. law is no longer valid, and the change made by this provision of H.R. 10784 is merely a matter of conforming the D.C. Election Act to the 26th Amendment to the Constitution.

The bill further enfranchises a felon who has been pardoned or is no longer subject to the jurisdiction of any court. In recent years, not only has the whole issue of disenfranchisement of former felons been challenged in the courts, but also several jurisdictions have moved toward restoration of the right to vote. To enable the ex-offender to participate in meaningful community activities and to not foster his sense of estrangement, the bill moves toward this restoration.

2. Increased compensation for members of the Board of Elections

Under the present law, members of the Board of Elections are compensated at the rate of $50 per day, with a maximum of $2500 a year. This has served to either limit a Board member's participation to 50 days or else force him to contribute his time to Board matters. The $50 rate has also created the anomalous situation of the Board being able to pay consultants more than the members themselves. This bill would provide for compensation at the rate of $75 per day, with a limit of $11,250, or the equivalent of 150 days.

3. Presidential preference primary and part delegates

The bill establishes a presidential preference primary election during May of each presidential election year. This primary will allow the qualified electors of the District of Columbia to indicate their preference among the candidates for nomination for President. The bill also allows for four categories of delegates to a particular political party national convention: slates of delegates committed to the support of a particular candidate for nomination for President, slates of delegates uncommitted to any particular nominee, individual delegates committed to the support of a particular candidate for nomination for President, and uncommitted individuals. The ballot shall have the names clearly indicated on the ballot of which slates or individuals support which candidates for nomination for President so that the voter's choice is clear.

4. Records and reporting of campaign funds

The bill considerably strengthens the requirements for keeping records and reporting campaign funds. Every political committee is required to maintain an address in the District of Columbia and register with the Board of Elections. Such committee is also required to file between 3 and 5 days before an election and 30 days after an election a complete accounting of contributions, expenditures, debts and obligations. Such statements are to be made part of the public records of the Board of Elections open to public inspection.

Failure to file such statements requires the Board to publish an announcement that such statements were not filed by a candidate in violation of law and the candidate cannot be certified as having been elected to office.

5. Credit for campaign contributions

The bill provides a tax credit of up to $20 per individual for 50% of any campaign contribution to any candidate to any office covered by the D.C. Election Act. The committee feels that this will encourage campaign contributions from a broader number of citizens and thus eliminate the necessity for a candidate having to rely on large private contributions. It is hoped that this will make government more responsive to the changing needs of the people.

6. Federal Corrupt Practices Act

The District of Columbia was not included in the definition of the word "State" in the Federal Corrupt Practices Act when it was passed, an omission which has persisted until today. Thus, when a "political committee" includes committees which accept contributions or make expenditures in two or more states, operation of such committee in the District of Columbia has not affected its status as far as reporting requirements. This bill would include the District of Columbia in such definition of State.

HEARINGS

Public hearings on these and other amendments to the D.C. Election Act were held on August 24, 1971, and October 11, 1971. Testimony was received from members of Congress and from spokesmen for the District of Columbia Government, the D.C. Board of Elections, the D.C. Republican Committee, the D.C. Democratic Central Committee, and the Statehood Party of the District of Columbia, as well as from private citizens.

CONCLUSIONS

The Committee is of the opinion that the provisions of this bill will amend and update the D.C. Election Act of 1955 in several important aspects which are timely and in the public interest. For these reasons, the Committee urges prompt and favorable action on this bill.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2878

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the District of Columbia Election Act (D.C. Code, sec. 1–1100 et seq.), is amended as follows:

(1) The first section of such Act (D.C. Code. sec. 1–1101), is amended (A) by inserting "(a)" immediately after "That", (B) by striking out in clause (3) thereof the words "at large", (C) by striking out in clause (2) thereof the final "and", and (D) by redesignating clause (3) as clause (4), (E) by adding a new clause (3) as follows:

"(3) Alternates to the officials referred to in clauses (1) and (2) above, where permitted by political party rules; and",

and, (F) by adding at the end thereof the following new subsection:

"(b) Candidates for office participating in an election of the officials referred to in clauses (2) and (3), or designated pursuant to clause (4), of subsection (a) of this section may be elected or designed, as the case may be, at large or by precinct or ward."

(2) Subsection (2) of section 2 of such Act (D.C. Code, sec. 1–1102), is amended to read as follows:

"(2) The term 'qualified elector' means any person (A) who, for the purpose of voting in an election under this Act, has resided or has been domiciled in the District continuously during the thirty-day period ending on the day of such election, (B) who is a citizen of the United States, (C) who is, or will be on the day of the next election, at least eighteen years old, (D) who has never been convicted of a felony in the United States, or if he has been so convicted, has been pardoned or is no longer subject to the jurisdiction of any court with respect thereto, (E) who is not mentally incompetent as adjudged by a court of competent jurisdiction, and (F) who certifies that he does not claim, and has not, within thirty days immediately preceding the day of the election, claimed the right to vote or voted in any election in any State or territory of the United States (other than the District of Columbia)."

(3) Subsection (4) of section 2 of such Act (D.C. Code, sec. 1–1102) is amended by deleting "a school" and by inserting the word "an" in lieu thereof.

(4) Subsection (b) of section 4 of such Act (D.C. Code, sec. 1–1104), is amended by striking "$50 per day, with a limit of $2500 per annum" and inserting "$75 per day with a limit of $11,250 per annum" in lieu thereof.

(5) Paragraph (2) of subsection (a) of section 5 of such Act (D.C. Code, sec. 1–1105), is amended by inserting immediately before the semicolon a comma and the following: "including, upon approval by majority vote of the City Council, referendums, advisory elections, and other community elections such as those for model cities programs, as part of any regular election".

(6) Paragraph (3) of subsection (a) of section 5 of such Act (D.C. Code, sec. 1–1105), is amended by striking "official" and inserting "sample" in lieu thereof.

(7) Paragraph (4) of subsection (a) of section 5 of such Act (D.C. Code, sec. 1–1105), is amended by deleting the word "school".

(8) Paragraph (6) of subsection (a) of section 5 of such Act (D.C. Code, sec. 1–1105) is amended (A) by striking "paragraphs (1), (2), (3), or (4)" and by inserting "paragraphs (1), (2), or (3)" in lieu thereof, and (B) by inserting after "(69 Stat. 584)" the words "as amended."

(9) Section 5 of such Act (D.C. Code, sec. 1–1105), is amended (A) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively, and (B) by adding after subsection (a) the following:

"(b)(1) The Board shall, on the first Tuesday after the first Monday in May of each presidential election year, conduct a presidential preference primary election within the District of Columbia in which the registered qualified voters therein may express their preference for candidates of each political party of the District of Columbia for nomination for President.

"(2) No person shall be listed on the ballot as a candidate for nomination for President in such primary unless there shall have been filed with the Board no later than forty-five days before the date of such presidential primary election a petition on behalf of his candidacy signed by the candidate and at least one thousand qualified electors of the District of Columbia who are registered under section 7 of this Act, and of the same political party as the nominee.

"(3) Candidates for delegate and alternates where permitted by political party rules to a particular political party national convention convened to nominate that party's candidate for President shall be listed on the ballot of the presidential preference primary held under this Act as:

"(A) slates of candidates for delegates supporting a candidate for nomination for President: *Provided,* That there shall have been filed with the Board, no later than forty-five days before the date of such presidential primary, a petition on behalf of such slate's candidacy, signed by the candidates on the slate and by at least one thousand qualified electors of the District of Columbia who are registered under section 7 of this Act, and of the same political party as the qualified voters of such slate;

"(B) as slates of candidates for delegates not committed to support any named candidate for nomination for President: *Provided,* That there shall have been filed with the Board, no later than forty-five days before the date of such presidential primary, a petition on behalf of such slate's candidacy, signed by the candidates on the slate and by at least one thousand qualified electors of the District of Columbia who have registered under section 7 of this Act, and of the same political party as the qualified voters and such slate;

"(C) as an individual candidate for delegate supporting a candidate for nomination for President: *Provided,* That such candidate for delegate shall have complied with subsection (a) section 8 of this Act (D.C. Code, sec. 1–1108) and the petition referred to that subsection is signed by the candidate for nomination for President supported by such candidate for delegate, and

"(D) as an individual not committed to support any named candidate for nomination for President: *Provided,* That such candidate for delegate shall have complied with subsection (a) section 8 of this Act (D.C. Code, sec. 1–1108).

"(4) The Board shall (a) arrange the ballot for the presidential preference primary so as to enable each voter to indicate his choice for presidential nominee and for the slate of delegates and alternates pledged to support that prospective nominee with one mark, and provide an alternative to vote for individual delegates or uncommitted slates of delegates and (b) clearly indicate on the ballot the candidate for nomination for President which a slate or candidate for delegate supports.

"(5) The delegates and alternate delegates, of each political party within the District of Columbia to the national convention of that party convened for the nomination of the candidate of that political party for President, elected in accordance with this Act, shall be obligated to vote for the candidate for nomination who received at least a plurality of the votes cast in the presidential preference primary for all such candidates of that party for President held in the District of Columbia at which such delegates were elected on the first and second ballots cast at that convention for nominees for President, or until such time as such candidate receiving a plurality of such vote cast in the presidential preference primary withdraws his candidacy, but on subsequent ballots so cast each such delegate shall be free to cast his ballots in his discretion without restriction.

"(6) The Board shall by regulation specify such additional details as may be necessary and proper to effectuate the purposes and provisions of this subsection."

(10) Subsection (d) of section 5 of such Act (D.C. Code, sec. 1–1105) is amended by striking "persons not absent from the District but who are physically unable", and inserting "either persons temporarily absent from the District or persons physically unable" in lieu thereof.

(11) Subsection (a) of section 7 of such Act (D.C. Code, sec. 1–1107) is amended by striking in the second sentence "person" and inserting "qualified elector".

(12) Paragraph (1) of subsection (d) of section 7 of such Act (D.C. Code, sec. 1–1107), is amended (A) by striking from clause (A) the words "odd-numbered calendar year and of each presidential year" and inserting "even-numbered year" in lieu thereof, and (B) by striking from clause (B) the words "presidential election" and inserting "even-numbered" in lieu thereof, and (C) by inserting in clause (c), after the word "special", the words, "or runoff."

(13) Subsection (a) of section 8 of such Act (D.C. Code, sec. 1–1108) is amended to read as follows:

"(2) Candidates for offices referred to in clause (1) of the first section of this Act and for offices designated pursuant to clause (3) of such section shall be the persons registered under section 7 who have been nominated for such office by petitions prepared and presented to the Board in accordance with rules prescribed by the Board, but not later than forty-five days before the date of the election, and signed by the following minimum number of qualified electors duly registered under section 7 of the same political party as the nominee:

"(1) in the case of petitions nominating candidates for offices referred to in clause (1) of the first section of this Act and of petitions nominating candidates designated for election at large pursuant to clause (3) of such section, signatures of at least two hundred such electors;

"(2) in the case of petitions nominating candidates for offices designated for election from a ward pursuant to clause (3) of such section, signatures of at least fifty such electors residing in such ward, or one-half of 1 per centum of the registered electors of such party residing in such ward, whichever is less; and

"(3) in the case of petitions nominating candidates for the office of Delegate and for member of the Board of Education, they shall be accompanied by a guarantee of $200 in the form of currency, surety or a bond, at the choice of the candidate. Such guarantee shall be forfeited by the candidate in the event he fails to receive at least 5 per centum of the vote cast in the election for which he has presented a petition to the Board. In the event such candidate received at least 5 per centum of the vote cast, the guarantee shall be returned in full."

(14) Subsection (b) of section 8 of such Act (D.C. Code, sec. 1–1108) is amended to read as follows:

"(b) No such person shall hold elected office pursuant to this Act unless—

"(1) he has been a bona fide resident of the District of Columbia since the beginning of the one-year period ending on the date of the election in which he was elected to such office; or

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"(2) in the case of a person elected from a ward, he has been a bona fide resident of the District of Columbia since the beginning of the one-year period ending on the date of the election in which he was elected to such office, and a bona fide resident of the ward from which he was elected since the beginning of the six-month period ending on the date of such election;

and is a qualified elector registered under section 7 of this Act."

(15) Subsection (c) of section 8 of such Act (D.C. Code, sec. 1–1108) is amended to read as follows:

"(c) (1) In each election of officials referred to in clause (1) of the first section of this Act, and in each election of officials designated for election at large pursuant to clause (3) of such section, the Board shall arrange the ballot of each party to enable the registered voters of such party to vote separately for each official duly qualified and nominated for election to such office; and

"(2) In each election of officials designated, pursuant to clause (3) of the first section of this Act, for election from a ward, the Board shall arrange the ballot of each party to enable the registered voters of such party, residing in such ward, to vote separately for each official duly qualified and nominated from such ward for election to such office from such ward."

(16) Subsection (f) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended by striking "August 15" and inserting "the third Tuesday in August" in lieu thereof.

(17) Subsection (i) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended to read as follows:

"(i) Each candidate in a primary election for the office of Delegate shall be nominated for such office by a petition (1) filed with the Board not later than the forty-fifth day before the date of such primary election; (2) signed by qualified electors registered under section 7 of this Act equal in number to 1 per centum of the total number of such electors in the District of Columbia who are of the same political party as the nominee, as shown by the records of the Board as of the ninety-ninth day before the date of such primary election, or by two thousand of such qualified electors who are of the same political party as the nominee, whichever is less; but in no case less than one hundred qualified electors. A nominating petition for a candidate in a primary election for the office of Delegate may not be circulated for signature before the ninety-ninth day preceding the date of such election and may not be filed with the Board before the seventieth day preceding such date. The Board may prescribe rules with respect to the preparation and presentation of nominating petitions. The Board shall arrange the ballot of each political party in each such primary election so as to enable a voter of such party to vote for any one duly nominated candidate of that party for the office of Delegate."

(18) Paragraph (1) of subsection (j) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended to read as follows:

"(j) (1) A duly qualified candidate for the office of Delegate may, subject to the provisions of this subsection, be nominated directly as such a candidate for election in the next succeeding general election for such office (including any such election to be held to fill a vacancy). Such person shall be nominated by a petition (A) filed with the Board not less than the forty-fifth day before the date of such general election; and (B) signed by duly registered voters equal in number to 1½ per centum of the total number of registered voters of the District, as shown by the records of the Board as of the ninety-ninth day before the date of such election, or by three thousand persons duly registered under section 7 of this Act, whichever is less but in no case less than one hundred such duly registered voters. A nominating petition for such a candidate for the office of Delegate may not be circulated for signature before the ninety-ninth day preceding the date of such election and may not be filed with the Board before the seventieth day preceding such date. The Board may prescribe rules with respect to the preparation and presentation of such nominating petitions.

(19) Subsection (m) of section 8 of such Act (D.C. Code, sec. 1–1108) is amended to read as follows:

"(m) (1) Designation of offices of local party committees to be filled by election pursuant to clause (3) of the first section of this Act shall be effected, in accordance with the provision of this subsection, by written communication signed by the chairman of such committee and filed with the Board not later than ninety days before the date of such election.

"(2) Such designation shall specify separately (A) the titles of the offices and the total number of members to be elected at large, if any, and (B) the title of the offices and the total number of members to be elected by ward, if any.

"(3) In the event that a party committee designates members to be elected by ward pursuant to clause (B) of paragraph (2) this subsection, the number of such officials to be elected from each of the wards shall be based on the relative numerical strength of such party in such ward, as compared with the total numerical strength of such party in the District, in each case as measured by the total number of registered votes of such party residing in each ward (as shown by the records of the Board as of one hundred-twenty days before such election) based on the method known as the method of equal proportion, with no ward to elect less than one member. The Board shall by regulation specify such additional details as may be necessary and proper to effectuate the purpose of this subsection."

(20) Paragraph (1) of subsection (n) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended by striking "qualified electors" and inserting "duly registered voters" in lieu thereof.

(21) Subsection (o) of section 8 of such Act (D.C. Code, sec. 1–1108), is amended to read as follows:

"(o) Each candidate in a general election for members of the Board of Education shall be nominated for such office by a petition (A) filed with the Board not later than the forty-fifth calendar day before the date of such general election; and (B) signed by at least two hundred persons who are duly registered under section 7 of this Act in the ward from which the candidate seeks election, or in the case of a candidate running at large, signed by at least fifty persons in each ward of the District who are duly registered in such ward, and such additional number of persons duly registered under section 7 of this Act, without regard to ward, as may be necessary for such petition to contain not less than one thousand persons. A nominating petition for a candidate in a general election for members of the Board of Education may not be circulated for signatures before the ninety-ninth day preceding the date of such election and may not be filed with the Board before the seventieth day preceding such date. The Board may prescribe rules with respect to the preparation and presentation of nominating petitions. In a general election for members of the Board of Education, the Board shall arrange the ballot for each ward to enable a voter registered in that ward to vote for any one candidate duly nominated to be elected to such office from such ward, and to vote for as many candidates duly nominated for election at large to such office as there are Board of Education members to be elected at large in such election."

(22) Subsection (q) of section 8 of such Act (D.C. Code, sec. 1–1108) is amended by inserting the words ", or slates of candidates" after the word "candidates".

(23) Section 8 of such Act (D.C. Code, sec. 1–1108), is amended by adding at the end of that section the following:

"(r) Any petition or other document required to be filed under this Act by a particular date must be filed no later than 5 o'clock post meridian on such date."

(24) Subsection (l) of section 8 of such Act (D.C. Code, sec. 1–1108), is repealed.

(25) Subsection (c) of section 9 of such Act (D.C. Code, sec. 1–1109), is amended to read as follows:

"(c) Any candidate or group of candidates may, not less than two weeks prior to such election, petition the Board for credentials authorizing watchers at one or more polling places and at the place or places where the vote is to be counted for the next election during voting hours and until the count has been completed. The Board shall formulate rules and regulations not inconsistent with this Act to prescribe the form of watchers' credentials, to govern the conduct of such watchers, and to limit the number of watchers so that the conduct of the election will not be unreasonably obstructed. Such rules and regulations should provide fair opportunity for watchers for all candidates or groups of candidates to challenge prospective voters whom the watchers believe to be unqualified to vote, to question the accuracy in the vote count, and otherwise to observe the conduct of the election at the polling places and the counting of votes."

(26) Paragraph (1) of subsection (a) of section 10 of such Act (D.C. Code, sec. 1–1110), is amended to read as follows:

"(a) (1) The elections of the officials referred to in clauses (1), (2), and (3) of the first section and of officials designated pursuant to clause (4) of such section and the presidential preference primary under section 5(b) of this Act shall be held on the first Tuesday after the first Monday in May of each presidential election year."

(27) Section 10(a)(7)(A) of such Act (D.C. Code, sec. 1–1110), is amended (A) by striking out "a majority" and inserting "at least 35 per centum" in lieu thereof and (B) by striking out "on the twenty-first day following such election" and inserting "either on the twenty-first day following such election or, in exceptional circumstances determined by the Board to make such date impracticable, not less than two weeks nor more than six weeks after the date on which the Board has determined the results of the preceding general election. At the time of announcing such determination the Board shall establish and announce the date of the runoff election, if one is required."

(28) Section 10(a)(7)(B) of such Act (D.C. Code, sec. 1–1110), is amended by striking out "a majority" and inserting "at least 35 per centum" in lieu thereof.

(29) Paragraph (8) of subsection (a) of section 10 of such Act (D.C. Code, sec. 1–1110), is amended by striking "less than a majority" and by inserting a period instead.

(30) Subsection (a) of section 11 of such Act (D.C. Code, sec. 1–1111), is amended by inserting immediately before the last sentence thereof, the following new sentence: "In no case, however, shall the petitioner be required to pay the cost of any recount in any such election if the difference in the number of votes received by the petitioner in connection with any office and the number of votes received by the person certified as having been elected to that office, in the case of an election from a ward, is less than 1 per centum or fifty votes whichever is less, or in the case of an election at large, is less than 1 per centum or two hundred votes, whichever is less."

(31) Subsection (b) of section 13 of such Act (D.C. Code, sec. 1–1113), is amended by striking "or" immediately before "delegate" and inserting "or alternate," immediately after "delegate".

(32) Subsection (d) of section 13 of such Act (D.C. Code, sec. 1–1113), is amended by striking "or" immediately before "delegate" and inserting ", or alternate" immediately after "delegate".

(33) Subsection (e) of section 13 of such Act (D.C. Code, sec. 1–1113), is amended to read as follows:

"(e) (1) Every independent committee or party committee which receives or expends funds on behalf of any candidate or group of candidates in an election for any office referred to in the first section of this Act, or in a primary election held under section 5(b) of this Act, shall have a chairman and a treasurer and shall maintain an address in the District of Columbia where notices may be sent. Every such committee shall register with the Board of Elections.

"(2) In any election held in the District of Columbia with respect to any office referred to in the first section of this Act, or with respect to a primary election held under section 5(b) of this Act, each candidate for election, and the treasurer of each independent or party committee, shall file with the Board of Elections not less than three nor more than five days before, and also within thirty days after, the date on which such primary or general election is held, an itemized statement, complete as of the day next preceding the date of filing, setting forth—

"(A) a correct and itemized account of each contribution received by such candidate or committee, or by any person for such candidate or committee with his or its knowledge or consent, from any source, for use in connection with such election, together with the name of the actual contributor;

"(B) a correct and itemized account of each expenditure made by such candidate or committee or by any person for such candidate or committee, with his or its knowledge or consent, in connection with such election, together with the name and address of the person to whom such expenditure was made, the date of such expenditure, and the purpose for which it was made; and

"(C) a correct and itemized account of any unpaid debts and obligations incurred by such candidate or committee with respect to such election, and the balance, if any, of such contributions remaining in the candidate or committee's possession.

"(3) A statement required by this subsection to be filed by a candidate or the treasurer of an independent or party committee shall be signed by the candidate or the treasurer of such committee, as the case may be, and shall be verified by the oath or affirmation of the person filing such statement, taken before any officer authorized to administer oaths. Such statement shall be deemed properly filed when deposited at the Board of Elections within the prescribed time. Such statement shall be preserved by the Board of Elections for a period of two years from the date of filing, shall constitute a part of the public records of such Board, and shall be open to public inspection.

"(4) In any case in which a candidate fails to timely file a statement required under this section to be filed prior to such election, the Board of Election shall, on the second day before such primary or general election in which such candidate is entered, cause to be published in one or more newspapers of general circulation in the District of Columbia an announcement stating that the candidate did not file a report of campaign expenditures as required by law. No candidate for election to any such office or participation in such primary shall be certified as having been elected to that office, or as a winner of any primary held pursuant to section 5(b) until all statements required to be filed by such candidate pursuant to this section have been filed. Any candidate or other person who wilfully violates this section shall be subject to imprisonment for thirty days or a fine of $5,000, or both."

SEC. 2. (a) Title VI of article I of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, secs. 47–1567—47–1567e), is amended by adding at the end of that title the following new section:

"SEC. 7. (a) CREDIT FOR CAMPAIGN CONTRIBUTIONS.—For the purpose of encouraging residents of the District to participate in the election process in the District, there shall be allowed to an individual a credit against the tax (if any) imposed by this article in an amount equal to 50 per centum of any campaign contribution made to any candidate for election to any office referred to in the first section of the District of Columbia Election Act, but in no event shall such credit exceed the amount of $20.

"(b) If the amount of credit allowed an individual by subsection (a) for a taxable year exceeds the amount of tax (computed without regard to such subsection but after allowance of any other credit allowable under this article) imposed under this article on such individual for such taxable year, a refund shall be allowed such individual to the extent that such credit exceeds the amount of such tax.

"(c) (1) A husband and wife filing separate returns for a taxable year for which a joint return could have been made by them may claim between them only the total credit (or refund) to which they would have been entitled under this section had a joint return been filed.

"(2) No individual for whom a personal exemption was allowed on another individual's return shall be entitled to a credit (or refund) under this section.".

(b) The table of contents of such article is amended by adding at the end of the part of such table relating to title VI the following:

"Sec. 7. Credit for campaign contributions.".

SEC. 3. Paragraphs (1), (2), and (3) of subsection (c) of section 2 of the Act entitled "An Act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia", approved June 20, 1906 (D.C. Code, sec. 31–101 (c)), are amended to read as follows:

"(1) Each member of the Board of Education elected from a ward shall at the time of his nomination (A) be a qualified elector (as that term is defined in section 2 of the District of Columbia Election Act) in the school election ward from which he seeks election, (B) have, for the six-month period immediately preceding his nomination, resided in the school election ward from which he is nominated, and (C) have, during the one-year period next preceding his nomination, been an actual resident of the District of Columbia and have during such period claimed residence nowhere else. A member shall forfeit his office upon failure to maintain the qualifications required by this paragraph.

"(2) Each member of the Board of Education elected at large shall at time of his nomination (A) be a qualified elector (as that term is defined in section 2 of the District of Columbia Election Act) in the District of Columbia, and (B) have, during the one-year period next preceding his nomination, been an actual resident of the District of Columbia and have during such period claimed residence nowhere else. A member shall forfeit his office upon failure to maintain the qualifications required by this paragraph.

"(3) No individual may hold the office of member of the Board of Education and (A) hold another elective office other than delegate or alternate delegate to a convention of a political party nominating candidates for President and Vice President of the United States, or (B) also be an officer or employee of the District of Columbia government or of the Board of Education. A member will forfeit his office upon failure to maintain the qualifications required by this paragraph.".

SEC. 4. Subsection (i) of section 1 of the Act of June 25, 1910 (ch. 392, 36 Stat. 822), as amended (2 U.S.C. 241 (i)), and section 591, title 18, United States Code, are each amended by deleting the period at the end thereof and by inserting in lieu thereof a comma followed by the words "and the District of Columbia".

SEC. 5. The provisions of this Act and the amendments made thereby shall take effect as of January 1, 1972.

TEMPORARY EXTENSION OF CERTAIN HOUSING AND OTHER ACTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 437, Senate Joint Resolution 176.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 176) to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. SPARKMAN. Mr. President, the purpose of the resolution, Senate Joint Resolution 176, is to extend certain housing laws for temporary periods and to provide for certain exemptions now found in housing and other related laws.

The most important provision in the bill has to do with the interest rate ceiling on FHA and VA mortgages. Section 1 of the resolution would extend for a 6-months period the existing authority for the ceiling to be established by the Secretary of the Department of Housing and Urban Development. This authority expires on January 1, 1972, and the resolution would extend it to June 30, 1972. The committee expects to report a comprehensive housing bill to the Senate early next year and this matter will be fully debated and it is hoped a more constructive solution will be found to the interest rate question prior to the expiration date of June 30, 1972.

Section 2 of the resolution contains an extension of expiration dates applicable to the flood insurance program. Unless otherwise extended, certain authorities under the flood insurance program would cease as of December 31, 1971. The resolution before us would extend the date for 2 years—to December 31, 1973.

Section 3 of the resolution would suspend for a period of 2 years a requirement in existing law that Federal disaster assistance would not be available for a property owner located in an area that is eligible for flood insurance if the property owner has not taken advantage of the flood insurance. Because of the failure of the administration and others to notify properly such property owners, it is believed that the existing statute would work a severe hardship on

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these families. The committee, therefore, is recommending that the property owners have an additional 2 years to fulfill the requirements of the law. Two years would also permit the Federal Insurance Corporation to work more closely with local governing bodies and private insurers to publicize the statutory requirements.

Section 4 of the resolution contains a provision which would remove the existing ceiling on FHA and VA mortgages to be purchased by the Government National Mortgage Association under its tandem plan. The existing ceiling of $22,000—or $24,500 for 4-bedroom or larger units—limits the application of this program only to about one-half of the States. The purpose of the program is to avoid raising the FHA and VA ceiling above 7 percent. With this purpose in mind, the committee felt that it would only be fair that the program apply to all FHA and VA mortgages and not just to those States where costs permit the financing of a home at a level below $22,000.

Because it is expected that interest rates will soon drop, to meet the purpose of this program the extension is limited to 6 months—to June 30, 1972.

Section 5 of the resolution would extend for 1 year the effective date of an amendment relative to the taxation of national banks by the States. A comprehensive tax law—Public Law 91–156—was approved by Congress in 1969 establishing for an interim period—expiring December 31, 1971—a State tax policy regarding national banks. The law also called for a study of the impact of this law on the banks and the Nation's credit system by the Federal Reserve Board. The Board sent a report to Congress requesting additional legislation be written before the permanent amendment became effective on January 1, 1972. Because of the time requirement for such legislation, the committee has recommended that the interim period be extended for 1 year—January 1, 1973.

Section 6 of the resolution contains a provision which would reduce the statutory requirement for insurance reserves held by the Federal Savings and Loan Insurance Corporation. Under existing law, the statute requires that the insurance reserves amount to 1¾ percent of the savings held by member associations. In view of the large volume of savings flowing into the associations this year, the addition to reserves necessary to meet the 1¾-percent requirement would work considerable hardship on the associations and would take away funds that otherwise would be available for mortgage purposes. The committee is recommending that the statutory percentage be reduced from 1¾ percent to 1⅝ percent and thus avoid the necessity for as much as $400 million being taken away from available resources for mortgage lending purposes.

I may say, Mr. President, that practically all of these provisions have been passed by the Senate at one time, but they were passed in individual bills, and to meet a situation which was involved in the House of Representatives' consolidating them, we are consolidating the bills and presenting them in one resolution.

Mr. BENNETT. Mr. President, representing the minority on the committee, I am happy to join in support of the program that has been laid out by the chairman of the committee, and, representing the Senator from Texas (Mr. TOWER), who is the ranking minority member of the committee, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. BENNETT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, after line 21, add the following:

INCREASE OF AUTHORIZATIONS FOR COMPREHENSIVE PLANNING GRANTS AND OPEN-SPACE LAND GRANTS

SEC. 7. (a) The fifth sentence of section 701(b) of the Housing Act of 1954 is amended by striking out "$420,000,000" and inserting in lieu thereof "$470,000,000".

(b) Section 708 of the Housing Act of 1961 is amended by striking out "$560,000,000" and inserting in lieu thereof "$660,000,000".

Mr. BENNETT. Mr. President, Senator TOWER's amendment would authorize the appropriation of an additional $50 million for comprehensive planning grants under the 701 program and an additional $100 million for the open space land program. Each of these programs is administered by the Department of Housing and Urban Development.

Legislation identical to this proposed today was passed by the Senate on July 15 of this year as Senate Joint Resolution 52. That action had the effect of increasing the authorizations to the full amount requested by the President in his budget message to Congress for fiscal year 1972. Unfortunately, however, the House has not yet taken any action on these proposed increases.

With the adoption of this amendment by the Senate, we will be able to go to conference assured of House consideration of the proposal at that time, with the prospect of a supplemental appropriation at some point during the early months of next year.

Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the committee report which accompanied Senate Joint Resolution 52—No. 92–254—explaining the purpose of the amendment.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

WHAT THE RESOLUTION WOULD DO

Senate Joint Resolution 52, would authorize the appropriation of an additional $50 million for the comprehensive planning grants (sec. 701(b) of the Housing Act of 1954) and an additional $100 million for the open space land program (sec. 708 of the Housing Act of 1961). This additional authorization would be provided by increasing from $420 million to $470 million the statutory limits on the amounts which may be appropriated for section 701(b) and would increase from $560 million to $600 million the amount which may be appropriated for the open space land program.

The President's budget program for fiscal 1972 proposes an appropriation of $100 million for the section 701 comprehensive planning grant program and an appropriation of $200 million for the open space land program. These program levels, which had not been formulated in time to be submitted during the consideration of the Housing and Urban Development Act of 1970, are an integral and important portion of the Department's activities in providing needed assistance to the communities of his Nation.

As the President indicated in his message of February 8, transmitting a program to save and enhance the environment, appropriations requested for the open space program would be used in connection with the program's new emphasis on the acquisition and development of additional park lands in urban areas, including the provision of facilities such as swimming pools to add to the use and enjoyment of these parks. The additional appropriations requested for the comprehensive planning program would be used to carry out the program's new objectives contemplated for 1972, which are designed to strengthen the executive and managerial capabilities of State and local governments.

Existing authorizations for these programs, as increased by the Housing and Urban Development Act of 1970, will fall short of providing the authority for the requested appropriation by $41 million in the comprehensive planning grant program and $91 million in the open space land program. The $41 million is the authorization needed to meet the President's budget request for the regular section 701 program independent of the approximate $26 million unused earmarked authority for community development districts. Because of the nature of the appropriations process, unless additional authorizations are enacted prior to the time the Appropriations Committee acts, consideration of these two requests would have to be split between the annual appropriation bill and a supplemental appropriation bill.

The committee reports the resolution at this time so that the Independent Offices and Department of Housing and Urban Development appropriations bill before the Senate can include the full amount requested in the President's budget program for fiscal 1972 for both comprehensive planning grant program and the open space land program. It is expected that this appropriation bill will be reported to the Senate within the very near future.

ELIMINATION OF REDTAPE AND DELAYS

In reporting Senate Joint Resolution 52, the committee is mindful of the testimony it has received concerning the delays and large amounts of unnecessary paperwork which has encumbered the program. The committee urges the Department of Housing and Urban Development to put into effect a plan which would drastically reduce paperwork required for 701 applications. To make this effective, the committee recommends that the Department work out self-imposed period of time for the Department to consider an application and to provide an answer to the applicant. One group of witnesses before the committee suggested that a reasonable time for such a period would be 60 days.

SUPPORT FOR STATE AND REGIONAL COUNCILS OF GOVERNMENT

Testimony submitted to the committee documented the increasing needs for 701 funds to assist the Councils of Governments in carrying out their project review and coordination responsibilities under existing law.

The State and regional project review functions are carried out in accordance with the requirements of the Intergovernmental Relations Coordination Act of 1968. The actual review process which a State and regional Council of Governments is requested to follow is contained in the Office of Management and Budget Circular A–95, and the review is known as the A–95 process.

The A–95 review activity has proved extremely valuable in avoiding project duplication and project conflicts at the regional and State level. The Office of Management and Budget has documented that these review activities have, since the inception of the program, netted substantial savings to the government over the last few years. A more recent limited review conducted by the National Service to Regional Councils estimated these savings to be over $300 million. If properly supported, we are convinced that the State and Council of Governments review activities function as required under A–95 can reflect even greater savings to Government. We encourage HUD to use the increased funds to take whatever steps appropriate to help improve the project review process at the State regional level.

PROPOSED LEGISLATION

In urging the Senate to pass this bill, we do not wish to imply that we necessarily support the substance of the proposed title II of S. 1618, which would establish an executive management planning program to replace the existing 701 urban planning assistance program.

While we agree that the executive management planning functions as outlined in S. 1618, which HUD wants at the local mayor and State Governor level is important and is worthy of Federal aid, we do feel that the committee may want to set more refined procedures and objectives for the program when substantive legislation is recommended. HUD has had authority to fund mayors and Governors in this general manner for some time, but in the case of mayors and other elected local executives, the agency has never requested the additional funding required for this purpose.

DESCRIPTION OF THE COMPREHENSIVE PLANNING GRANT PROGRAM

The comprehensive planning grant program is authorized by section 701 of the Housing Act of 1954, as amended. Under this section, the Secretary is authorized to provide comprehensive planning assistance to State, areawide, and local public agencies. • • • for solving planning problems, including those resulting from the increasing concentration of population in metropolitan and other urban areas and the outmigration from and lack of coordinated development of resources and services in rural areas; to facilitate comprehensive planning for urban and rural development, including coordinated transportation systems, on a continuing basis by such governments; and to encourage such governments to establish and improve planning staffs and techniques on an areawide basis • • •.

Grants may be made for up to two-thirds of the total cost of planning work. However, grants may cover up to 75 percent of the planning costs for localities in designated redevelopment areas, in areas facing a substantial reduction in employment because of Federal Government action, in economic development districts (and cities, counties, and municipalities located in such districts) and for regional commissions established by the Appalachian Regional Development Act. The Housing and Urban Development Act of 1970, also authorized grants of not more than 75 percent of the cost of certain activities necessary to the development or implementation of plans and programs in areas whose development has significance for the purposes of national growth and urban development objectives.

The statute clearly sets forth comprehensive planning as a process to assist State and local elected officials in formulating and then implementing policies for growth and development. Comprehensive planning provides a framework for individual development and management decisions spanning a broad range of governmental activities, services, and investments. This framework guides the selection, sequence, and timing of specific functional planning and enhances coordination with comprehensive overall policies and objectives. This comprehensive scope of the program distinguishes it from the other Federal planning assistance programs that are limited to function interests.

DESCRIPTION OF THE OPEN SPACE LAND-GRANT PROGRAM

The open space land programs were authorized under title VII of the Housing Act of 1961, as amended. The original program elements were (1) Acquisition and development of undeveloped land; (2) urban parks; (3) urban beautification and improvement; (4) historic preservation; and (5) demonstrations, studies, and publications.

Title IV of the Housing and Urban Development Act of 1970 combined the former program elements, and clarified and broadened statutory authorities. The amended program provides for grants to States and local public bodies to acquire and develop open space land. In addition to providing parks and recreation areas, the program helps curb urban sprawl and prevent the spread of urban blight and deterioration, encourages more economic and desirable urban development, assists in preserving areas and properties of historic or architectural value, and helps provide necessary conservation and scenic areas.

As provided in the HUD Act of 1970, up to 50 percent grants may be made to help finance the acquisition of title or other interest in open space and the development of open space or other public land in urban areas, including development of publicly owned or controlled land. Grants of up to 75 percent may be made for the acquisition if interest in undeveloped or predominantly undeveloped land which would have special significance in helping to shape economic and desirable patterns of urban growth. Up to 50 percent of the non-Federal share of a project may be made up by donations of land or materials. Where appropriate, temporary use of leaseholds, with limited development activities, may be provided through the program. The cost of relocation payments and services shall be made as part of a project involving acquisition.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas (Mr. TOWER).

The amendment was agreed to.

Mr. MONDALE. Mr. President, I send to the desk an amendment, and ask unanimous consent that the reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be printed in the RECORD.

Mr. MONDALE's amendment is as follows:

In sentence one, section 718(a) of the Housing and Urban Development Act of 1970 strike "State or local public body or agency" and insert in lieu thereof "State, local public body or agency, or other entity".

Mr. MONDALE. Mr. President, this was an amendment prepared by HUD. I do not believe there was any objection to it. It is designed to make nonprofit organizations eligible for supplementary grants as a part of the new community assistance program.

The present law makes public bodies eligible for supplementary grants, but inadvertently omitted nonprofit organizations as being eligible for such supplementary grants just as they are now eligible for regular grants for certain community assistance projects such as the Hill-Burton program concerning hospital and health services. The amendment would make nonprofit organizations eligible for supplementary grants in cases where they are now eligible for the regular grants for those new community assistance projects which the Secretary determines are necessary or desirable for a new community program.

I understand that the Department supports the amendment. I think it does fill a loophole that was inadvertent, and I would ask the floor manager if this amendment is acceptable to him.

Mr. SPARKMAN. Mr. President, I am willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. I have a question I would like to address to my colleague from Alabama. There are a number of national banks located in Montana which are owned by a bank holding company located outside the State of Montana. Would the passage of Senate Joint Resolution 176, more specifically section 5, prohibit the State of Montana from levying a tax on those banks?

Mr. SPARKMAN. Definitely not. If the bank is organized under the laws of Montana and is located and does business in the State of Montana, it is subject to the same taxes that other banks in Montana pay regardless of the facts that it may be owned or controlled by a holding company located outside the State.

Mr. MANSFIELD. Is it correct that even with the passage of Senate Joint Resolution 176, a State may levy any taxes it wishes on a national bank located within its borders except a tax on intangible personal property?

Mr. SPARKMAN. That is correct. Public Law 91–156 which Congress approved approximately 2 years ago was designed to remove immediately all prohibitions on the taxation of national banks located in the taxing State, with the sole exception of a tax on intangible personal property. Senate Joint Resolution 176 does not alter the impact of Public Law 91–156 in that respect. Thus, a State may impose any form or forms of taxes it desires—except an intangible personal property tax—on national banks within its borders so long as they are imposed generally on a nondiscriminatory basis throughout the State.

Mr. MANSFIELD. Mr. President, I thank the distinguished Senator for answering the two questions which were uppermost in the minds of the administration of my State concerning this particular piece of legislation.

Mr. SPARKMAN. I appreciate the Senator's bringing this matter up. It is a matter that has been of concern to one or two other States, which brought up situations not identical, but somewhat similar.

The passage of this measure would not

interfere with what the Senator from Montana has in mind.

Mr. MANSFIELD. I thank the Senator.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BROOKE. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BROOKE. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROOKE's amendment is as follows:

At the end of the joint resolution insert the following:

PUBLIC HOUSING RENT REDUCTIONS

SECTION 1. Section 2 (1) of the United States Housing Act of 1937 is amended by adding at the end thereof a new paragraph as follows:

"Notwithstanding any other provision of Federal law or regulations thereunder, a public agency shall not reduce welfare assistance payments to any tenant or group of tenants in low-rent housing as a result of any reduction in rent resulting from the application of the rent limitation set forth in this paragraph (1) and required by such limitation."

Mr. BROOKE. Mr. President, this is a clarifying amendment intended to correct an oversight in our current housing laws. It applies to the so-called Brooke amendment of 1969, whereby public housing tenants were relieved of the burden of having to pay more than 25 percent of their adjusted income for rent. Unfortunately, it soon became apparent that those tenants receiving public assistance would, in most States, be denied the benefit of the amendment. Most of the States pay out assistance for rent on an "as-paid" basis up to a maximum. Thus, if the Brooke amendment were to be applied, their public assistance payments would be reduced accordingly with no benefit accruing to the tenants or their families.

Mr. President, you will recall that I introduced a similar amendment in the last Congress which, like the one I offer today, is designed to aid those tenants residing in federally assisted public housing projects who are receiving public assistance. It was reported favorably out of the Senate Committee on Banking, Housing and Urban Affairs and was passed by this body as a part of the Housing and Urban Development Act of 1970 on a vote of 59 to 2. However, when this amendment was considered in conference, we were asked by administration officials to refrain from immediate legislative action in this area so that a joint HEW–HUD task force could review the various alternatives in depth and provide us with their recommendations. Accordingly, and at the expense of the poorest of our poor in public housing, we refrained from providing them direct relief for the time being.

Since that time, I have maintained continuing contact with the progress of the task force. In addition, I recently spoke to the Secretary of Health, Education, and Welfare, Mr. Richardson, who was kind enough to draft a followup letter on this subject. From these three sources. I have been given every indication that the only realistic alternative we have before us is the amendment that I offered last year. It is also my understanding that the joint task force report will be forthcoming in the near future and will generally support this position.

The amendment that I offer today was thoroughly debated on its merits in committee and on the floor during the last session. The only question properly before us is whether there is any other viable solution. In my view, that question has been adequately answered in the negative.

I have spoken to the chairman, and he has indicated his support for this amendment.

Mr. SPARKMAN. Mr. President, the committee discussed this amendment by the distinguished Senator from Massachusetts, and agreed that we were willing to accept it, if the Senator would obtain certain information concerning its operation. He has done that, and we agreed at that time that we would handle it in this fashion on the floor of the Senate. We accept the amendment.

Mr. JAVITS. Mr. President, I just want to state my feeling that this is not only desirable, but essential to the true purpose and intent of what the committee did in the Brooke amendment, which has had remarkable effect other than for this problem, and I am very pleased that the Senator from Massachusetts and the committee have been able to work out this solution to that problem.

Mr. BROOKE. I thank my friend from New York.

Mr. SPARKMAN. This is really cumulative to the previous amendment that the Senator from Massachusetts offered and the Senate accepted.

Mr. JAVITS. That is right.

Mr. SPARKMAN. Which was adopted 2 years ago, in 1969.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts (Mr. BROOKE).

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution (S.J. Res. 176) was passed, as follows:

S.J. RES. 176

Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

FLEXIBLE INTEREST RATE AUTHORITY

SECTION 1. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, as amended (12 U.S.C. 1709–1), is amended by striking out "January 1, 1972" and inserting in lieu thereof "June 30, 1972".

EXTENSION OF PROVISION FOR EMERGENCY IMPLEMENTATION OF FLOOD INSURANCE PROGRAM

SEC. 2. Section 1336(a) of the Housing and Urban Development Act of 1968 (42 U.S.C. 4056(a)) is amended by striking out "December 31, 1971" and inserting in lieu thereof "December 31, 1973".

SUSPENSION OF THE REQUIREMENT PERTAINING TO THE AVAILABILITY OF FLOOD INSURANCE AS A CONDITION OF FEDERAL DISASTER ASSISTANCE

SEC. 3. The provisions of section 1314(a)(2) of the Housing and Urban Development Act of 1968 (42 U.S.C. 4021(a)(2)) shall not apply with respect to any loss, destruction, or damage of real or personal property that occurs on or before December 31, 1973.

TEMPORARY WAIVER OF CERTAIN LIMITATIONS APPLICABLE TO THE PURCHASE OF MORTGAGES BY THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

SEC. 4. The Government National Mortgage Association is authorized to issue commitments to purchase, and to purchase, mortgages under section 305 of the National Housing Act without regard to the limits set forth in clause (3) of the first sentence of section 302(b)(1) of such Act, if—

(1) the President declares such action is necessary to assure a greater availability of mortgage credit for federally insured or guaranteed mortgages without increasing the maximum interest rate then in effect; and

(2) the commitment to purchase is issued, or the purchase is made, prior to July 1, 1972.

Any commitment to purchase issued pursuant to this section prior to July 1, 1972, may be honored after such date.

EXTENSION OF DATES APPLICABLE TO CERTAIN PROVISIONS OF LAW RELATING TO THE TAXATION OF NATIONAL BANKS

SEC. 5. The Act entitled "An Act to clarify the liability of national banks for certain taxes", approved December 24, 1969 (83 Stat. 434), is amended by striking out "1972" in sections 2(b) and 3(a) and inserting in lieu thereof "1973".

REQUIREMENT AFFECTING THE PREPAYMENT OF PREMIUMS BY INSURED INSTITUTIONS TO THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 6. Section 404(g) of the National Housing Act, as amended (12 U.S.C. 1727(g)), is amended by striking out "1¾" and inserting in lieu thereof "1⅜".

EXPANSION OF SUPPLEMENTAL GRANT ASSISTANCE UNDER NEW COMMUNITY ASSISTANCE PROGRAM

SEC. 7. In sentence one, section 718 (a) of the Housing and Urban Development Act of 1970 strike "State or local public body or agency" and insert in lieu thereof "State, local public body or agency, or other entity".

PUBLIC HOUSING RENT REDUCTIONS

SEC. 8. Section 2(1) of the United States Housing Act of 1937 is amended by adding at the end thereof a new paragraph as follows:

"Notwithstanding any other provision of Federal law or regulations thereunder, a public agency shall not reduce welfare assistance payments to any tenant or group of tenants in low-rent housing as a result of any reduction in rent resulting from the application of the rent limitation set forth in this paragraph (1) and required by such limitation."

INCREASE OF AUTHORIZATIONS FOR COMPREHENSIVE PLANNING GRANTS AND OPEN-SPACE LAND GRANTS

SEC. 9. (a) The fifth sentence of section 701 (b) of the Housing Act of 1954 is amended by striking out "$420,000,000" and inserting in lieu thereof "$470,000,000".

(b) Section 708 of the Housing Act of 1961 is amended by striking out "$560,000,000" and inserting in lieu thereof "$660,000,000".

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BENNETT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN subsequently said: Mr. President, I ask unanimous consent, in connection with Senate Joint Resolution 176, which the Senate has just acted on, that the Secretary of the Senate be authorized to make certain technical changes that may be required.

The PRESIDING OFFICER (Mr. CHILES). Without objection, it is so ordered.

GRAYSON—A PRICE CZAR SHOULD BE SUBJECT TO SENATE CONFIRMATION

Mr. PROXMIRE. Mr. President, on Thursday morning the Chairman of the Price Commission, Jackson Grayson, appeared before our Joint Economic Committee.

He was impressive. He responded easily to complicated questions and he impressed members of the committee not only with his articulate intelligence, but with his disarming affability.

But, Mr. President, Jackson Grayson has become one of the three or four most powerful men in this Government.

If there ever was a case for Senate confirmation of a Presidential appointee we have it in the case of Mr. Grayson.

He has been referred to as a "price czar" and that is exactly what he is.

The Price Commission can flatly determine whether prices of American firms go up and how much they go up. That is literally a life or death power over business.

The complex regulations under which a firm may increase its prices are promulgated by the Price Commission. They decide what they are. They decide and interpret how they will be administered.

Now how much power does Mr. Grayson have on this Board?

After all, it is a seven man body. Does he not have just one vote out of seven?

The answer, Mr. President, is that Mr. Grayson will run that board about the way Lyndon Johnson as majority leader ran the U.S. Senate.

Here is what Mr. Grayson has said:

I will make most of the decisions on whether to allow price increases.

With advice from the staff, Grayson will determine which cases he will decide and which he will refer to the full commission or a panel of whatever three or four members of the seven-man commission he may choose.

Grayson has said that the great majority of cases must be decided by the chairman because the full commission probably will meet only once or twice weekly after the control program is launched.

Grayson has also said that it is his judgment that "at least theoretically" he as chairman has the right to make a final decision by himself—even if the other members want to participate.

Some Senators may argue that Mr. Grayson will never operate this way. He will not?

Consider what he has already done.

It has been reliably reported that on Wednesday, Grayson made the first big decision—that permitting American Motors to raise its prices 2½ percent on its 1972 models—on his own, and after consulting with exactly one other member, to wit, Robert F. Lanzilotti.

Mr. President, for the moment I am not proposing that the Senate should amend phase II control bill,' which we will take up next week or shortly after, to specify how to limit the powers of the chairman. What I am suggesting is that the Senate should insist on confirming Mr. Grayson.

This Congress is giving Mr. Grayson immense power. He is exercising far more power than this Senator thought that he would exercise as chairman, and at the very least we should insist on Mr. Grayson going through the confirmation process.

Frankly, Mr. Chairman, I would be inclined to confirm him. I am impressed by his ability and character, but we should have a far clearer record of just how he intends to exercise the immense power he has assumed, and the full Senate should weigh Mr. Grayson's qualities; and in the hearing process, committee members should express to him any reservations we may have on the manner in which he exercises them.

Would an amendment to the phase II bill requiring confirmation for Mr. Grayson delay action by Mr. Grayson or the Price Commission? It would not.

Mr. Grayson could and would serve until the Senate acted on his confirmation. There would be no delay. And, frankly, this Senator would feel much better about the exercise of this immense power if this powerful chairman were acting with the knowledge that a Senate inquiry into his exercise of power and Senate confirmation action were forthcoming.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SPARKMAN. Mr. President, I want to comment briefly on what the Senator has said. I heard over the radio what the Senator has referred to, about Dr. Grayson's statement to the effect that he was almost a one-man board. I am sure it was not the intention of the President, in setting up this Board—I know it would not be the thought or intention of our committee, and I do not believe it would be the intention of Congress—that this should be a one-man board.

I have been very impressed with Dr. Grayson. I think he is a man of great ability and diligence, and I have great confidence in him and in his performing the job with sincerity and with dedication to the idea of doing justice, equity, and fairness.

I like to think that the statement he made was more or less a slip of the tongue. He is a full-time man and he is there at work all the time, and I am sure that he probably has a better opportunity to make up his mind than the part-time members do.

Mr. PROXMIRE. The difficulty is that the President's order, as I understand it, gives the Chairman the authority to act for the Board; and the Chairman feels that because the other members of the Board are part time and because he understands that they will come in town only once or twice a week he must exercise this immense power. I am sure there will be hundreds of firms which will have to appeal for a price increase—it would take full-time attention on the Chairman's part, with only broad policies and very important decisions being referred to other members. Perhaps it has to be run that way. I agree wholeheartedly with the Senator from Alabama that it would be far better if it did not have to be. But I am not complaining about that as much as the necessity that in the case of a man with this immense power—I think the Senator from Alabama suggested that we might consider the confirmation of the chairmen of the two committees——

Mr. SPARKMAN. Yes, I did.

Mr. PROXMIRE (continuing). This might be a wise action on the part of the Senate.

Mr. SPARKMAN. I still think that, although he is working full time, some plan can be worked out whereby the board will be brought in when it is necessary to make an important decision, and at least have a meeting and discuss it. He might have three, four, or a half dozen problems that he will work out to the best of his own decision; but before making a final decision, let the board come in, lay it before them, let them say their piece; and, as a matter of fact, supply them with such facts and figures as may be necessary which they can be studying while they are back home. But at least have them present to discuss the matter and make the final decision.

Mr. PERCY. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I yield.

Mr. PERCY. Is it clear before what committee Dr. Grayson would appear for such confirmation as envisioned by the amendment to be offered?

Mr. PROXMIRE. That is to be determined, I presume, by the Parliamentarian; but I think there is every likelihood that he would appear before the Committee on Banking, Housing and Urban Affairs, of which the Senator from Alabama is the chairman.

We were the committee responsible for providing the basic legislation that established the board. We are the committee that is responsible for the phase 2 legislation generally. So I would think it would be our committee.

Mr. PERCY. First, I should like to comment that I do not know of a better committee before which he could appear.

Mr. SPARKMAN. The Senator used to serve on it.

Mr. PERCY. As an alumnus of that committee, I can say so. I have had 4 years of very fine service on the committee.

I am pleased, indeed, to hear the chairman and such a ranking member as Senator PROXMIRE evidence such high

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regard for Dr. Grayson, high regard that I fully share. I feel that he is one of the finest choices that could have been made. He is a man of great intelligence, a decisive man, and yet a man of balanced judgment, utterly fair, who has the full knowledge of the consumer-management position and labor's position in many of these matters.

However, I think there is a great deal to be said for the fact that it would be desirable to have clarified before a confirming committee the distribution of power. I was somewhat surprised with the declaration of how the Commission would operate. Yet, as I went back and read over the order, Dr. Grayson is operating within the power that has been given to him, and I do not know a better man to exercise that power. But I do not think of any of the decisions he will be making will be unimportant. They are decisions of life or death. The prices that a business can charge will determine whether that business can survive.

I have knowledge that he has a very close relationship with the Cost of Living Council and a close relationship with Donald Rumsfeld. Certainly, all factors will be taken into account when he renders a decision. They will not be snap decisions. But many decisions will have to be rendered with swiftness, in providing the greatest protection that the business and the workers in that business and the consumers and the distribution organizations can have.

I do not know whether the procedure would be available to have a debating society on every one of those and deal with them with the dispatch that the conditions call for. But it certainly would be within the province of the Senate, I should think, to further clarify how the Commission will operate; and I think that all American business and labor would benefit from it.

I have a delegation of 25 of the top industrialists coming to Washington on Monday to find out how these various boards and commissions are going to operate. A great deal of information needs to be given to the American public, and the hearings could serve as a sounding board for the expression of such views will give a much better public understanding, which would be a part of the educational system to further the work of the Commission and certainly fulfill the responsibility of the Senate, so that I would be inclined to support the amendment of my distinguished colleague from Wisconsin.

Mr. PROXMIRE. I thank the Senator very, very much.

Mr. President, I yield the floor.

TRIBUTE TO THE CHICAGO SYMPHONY ORCHESTRA AND ITS CONDUCTOR GEORG SOLTI

Mr. PERCY. Mr. President, I had the great privilege, on yesterday, to introduce to many Members of this body one of the most remarkable men in the field of the arts, sciences, and humanities in the world today. He is Hungarian born Georg Solti, who is the present music director of the Chicago Symphony Orchestra. He has held that position since 1969, although he first conducted the Chicago Symphony Orchestra at the 1954 Ravinia Festival.

In my conversation with Mr. Solti yesterday, it became apparent to me why he has reached the pinnacle of success in his chosen field. His principles apply to almost every field of endeavor. First, he loves his work. It is apparent that he is consumed with the idea that music can do a great deal to bring out an individual, that it can do a great deal for the spirit of a person, and that it can do a great deal also for people in emphasizing the important role music can play in the life of a nation.

Mr. Solti has just returned with his orchestra from a triumphant visit to Europe. I hope that he will take the Chicago Symphony Orchestra as frequently as possible to other areas of the world, whether they be Communist or non-Communist.

For the peoples of other countries to see American culture represented in its highest form, which Mr. Solti and the Chicago Symphony Orchestra represent it to be, would be a major contribution to better understanding of the kind of people that Americans are. Americans are sometimes looked upon as a materialistic people. However, after all, we have more symphony orchestras in this country than the rest of the world combined. So that the love Georg Solti has for his music, I think, is one of the reasons he enjoys such prominence and success today.

Second, he has the highest respect for his orchestra and its members. These members are able to feel that respect and this, in a sense, in addition to the quality of his work and his conducting, enables them to extend themselves to the limit of their abilities.

Third, I believe that Mr. Solti is a man who has deep appreciation for the public support given to the symphony orchestras in this country, as well as the arts, by the public and by the Federal Government. The role of the Federal Government is an increasing one in support of the arts and the humanities in the United States today.

As I listened to Mr. Solti yesterday tell of the response from the audiences that listened to the Chicago Symphony Orchestra in London, Paris, Vienna, and other capitals in Europe, I was somewhat concerned whether the audience which listened to the Chicago Symphony Orchestra when it opened last night at the Kennedy Center would respond as enthusiastically.

Last night, when Georg Solti conducted a brilliant performance, at the end of the Gustav Mahler Giant Fifth Symphony, the audience rose in acclamation and gave many accolades and expressions of appreciation which lasted many, many minutes, and following the performance they brought Georg Solti back to the podium many, many times.

Mr. President, I ask unanimous consent to have printed in the RECORD the following material:

One, a biography of Georg Solti.

Two, an article written by Paul Hume, published in the Washington Post on November 16, 1971, entitled "Chicago and Solti." Let me read the beginning:

Beyond argument, there is not in the world today a greater orchestra-conductor combination than the Chicago Symphony Orchestra and Georg Solti.

In everything that makes an orchestra superb, the Chicago Symphony has attained the highest eminence. And Solti stands easily on one of those lofty peaks where only a few survive today.

Three, Paul Hume's article on November 20, 1971, published in the Washington Post, giving a review of the performance of the symphony orchestra last night.

Four, an article published in the New York Times on October 19, 1971, on a performance of the Chicago Symphony Orchestra in New York.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF GEORG SOLTI

Born in 1912 in Budapest, Hungary, Georg Solti studied with Béla Bartók, Ernst von Dohnányi and Zoltán Kodály. Early in his career he was a conductor of the Budapest Opera and assistant to Arturo Toscanini at the Salzburg Festival. Prior to World War II, Mr. Solti fled Hungary to live in Switzerland and appeared as a pianist in concerts and recitals. In 1942 he received first prize at the International Piano Competition in Geneva. The American military government of Bavaria in 1946 invited Mr. Solti to conduct a performance of Beethoven's *Fidelio* in Munich. The success resulted in Mr. Solti's appointment as Music Director of the Bavarian State Opera. He also conducted performances at the Salzburg Festival and traveled extensively, making appearances as a guest conductor in Vienna, Berlin, Paris, Rome, Florence and Buenos Aires. In 1952 he accepted a post as Artistic and Music Director of the Frankfurt City Opera, where he remained for ten years. He made his United States debut with the San Francisco Opera during the 1953–54 season, and first conducted the Chicago Symphony at the 1954 Ravinia Festival. In the United States he also has conducted the orchestras of New York, Philadelphia, Pittsburgh, St. Louis, Dallas and Los Angeles. He has conducted frequently at New York's Metropolitan Opera, where in 1964 he led two performances of Verdi's *Requiem* in memory of President John F. Kennedy. Shortly after his debut in 1959 at Covent Garden, Mr. Solti was named Director of the Royal Opera House. Recently Mr. Solti was named a Commander of the Order of the British Empire by Queen Elizabeth, an honor seldom extended to non-British subjects. For his recordings he has received the French Prix du Disque six times. His most celebrated recording achievement is the entire *Ring* cycle, which took seven years to complete. Mr. Solti conducted the Vienna Philharmonic Orchestra for the series on the Decca label. Georg Solti became Music Director of the Chicago Symphony Orchestra in 1969.

[From the Washington Post, Nov. 16, 1971]

CHICAGO AND SOLTI

(By Paul Hume)

Beyond argument, there is not in the world today a greater orchestra-conductor combination than the Chicago Symphony Orchestra and Georg Solti.

In everything that makes an orchestra superb, the Chicago Symphony has attained the highest eminence. And Solti stands easily on one of those lofty peaks where only a few survive today. When they come to the Kennedy Center's Concert Hall on Friday night, they will be the fourth of this country's Mighty Five to appear there thus far, having been preceded by New York, Philadelphia and Boston, in that order, with Cleveland due to arrive in the winter.

For his Washington debut, Solti has announced a program of magnificent design.

Elliott Carter's Variations for Orchestra, which he took with him on the Chicago's recent triumphant conquest of Europe, and the Fifth Symphony of Mahler, music wherein Solti has his own high place.

It is not less than tragic that Washington will be so near to and yet so far from one of the historic events in the musical history of this country. The night after their concert here, Solti and the Chicagoans will repeat for New York what they gave Chicago with resplendent power last week: Arnold Schoenberg's epic "Moses and Aaron." Considering the titanic power of this music and that which Solti accomplished with it at Covent Garden several seasons ago, we can only imagine what it must be when he has the Chicago orchestra at his disposal. And separated from us by a mere 24 hours! Washington is as obviously the place for this great work as are Chicago and New York, but someone has not yet gotten that message. Meanwhile, Friday night's concert is sold out.

This week's National Symphony programs include the premiere of a work by one of the orchestra's first violinists, Andreas Makris. Entitled "Anamnesis," or "remembrance," it is music which Makris completed last year.

Dorati will also conduct the Mahler First Symphony, and with Ruggiero Ricci, the Washington premiere of the Fourth Concerto of Paganini.

Jesus Maria Sanroma, Puerto Rico's distinguished pianist, will continue that Commonwealth's current series of Washington concerts with a recital at 8 p.m., Sunday, Nov. 21, in the Department of Commerce Auditorium. Sanroma, whose pedigree includes seasons as pianist of the Boston Symphony Orchestra, is noted in the fields of solo and chamber music as in the orchestral-concerto world. His Sunday concert, free to the public, includes three Soler sonatas, the Brahms G Minor Rhapsody, Beethoven Sonata in E Flat, the Schubert G Flat Major Impromptu, and music by Gershwin, Debussy, and Campos.

Two pianists, utterly different, and wholly compelling, play in the Kennedy Center this weekend: Alicia de Larrocha on Saturday night and Rudolf Serkin on Sunday afternoon.

On Sunday evening, at 8:30 p.m., Roberta Peters, who sang in the Center only two weeks ago, will return to sing the Greater Washington Winter Concert, with Cantor Noah Griver of Beth Sholom Congregation. They will be joined by a double quartet in opera, songs in English, and classical liturgical music. The concert continues a series begun last year by Jan Peerce at Shady Grove. Tickets are on sale at the Center, Campbell's, and Montgomery Wards.

For your further delectation: a recent ad in The Philadelphia Inquirer announced "Joseph Kline, organist, in the complete organ works of Johann Sebastian Bach, Sat. Nov. 6, at 4 p.m." Would anyone care to figure out just when that concert could have come to an end?

[From the Washington Post, Nov. 20, 1971]

CHICAGO SYMPHONY

(By Paul Hume)

The program Georg Solti conducted last night with the Chicago Symphony Orchestra in the Kennedy Center was a compliment to his audience, a compliment of peerless proportions.

His orchestra is one of the wonders of the world. To describe it would be an idle listing of the kinds of perfection that are dreamed of in imagining an ideal orchestra. In the final analysis this orchestra embodies—and projects with irresistible power—the full majesty of music under total command.

At least when it plays for Georg Solti. An orchestra with this ensemble's history of greatness can always summon up greatness. But it must be challenged to its highest standard by one of the few geniuses who, at given time, is available to lead it.

Solti chose to play two works last night: the Variations for Orchestra by Elliott Carter and the Mahler Fifth Symphony. Nothing more was needed to establish the supremacy of this conductor and these players.

Carter's Variations plunged the audience into the very midst of great music in a reading of electrifying power. Clarifying the sometimes knotty music as he expounded it, Solti made it possible to understand the virtuosity of musical thought that fills these variations. They are changes on an essentially lyrical theme, a series of changes comparable to those in the Goldberg or Diabelli Variations with the added factor that today's composer has a vastly wider range of musical means with which to work.

Through the myriad mutations of shape and color, rhythm and form, Solti continually kept clear the thread with which Carter built his modern version of a Keplerian musical universe. One of the triumphant results of the Chicagoans playing was the vociferous enthusiasm with which Solti was recalled to the stage at its conclusion. A lesser man and lesser orchestra would be hard to take even though it is music that should be heard from as many orchestras as can handle it.

Solti is one of the few conductors to have recorded the entire cycle of Mahler symphonies. That he has as much right to this domain as any living mortal was obvious at every moment of the Fifth. His reading, projected with vivid fidelity by his inspired musicians, was a revelatory illumination of Mahler's whole purpose. It sounded as the composer must have dreamed it would when he said, "My time will come."

Every nuance of sound and phrasing, each change of mood was ideally anticipated and impeccably conveyed. If you know this symphony, you know all that this implies. If you do not, Solti's recording will give you a superb image of much that happened last night. But it is hard not to believe that there was a special empathy at work during the Kennedy Center playing that lifted even this genius and his ardent followers to special heights.

[From the New York Times, Oct. 19, 1971]

GLORY TIME HAS ARRIVED FOR THE CHICAGO SYMPHONY

(By Donal Henahan)

There is a time for penance and a time for glory, and for the Chicago Symphony Orchestra glory time has arrived. After many decades of enforced modesty when the orchestra rarely left home, the Chicago Symphony recently has been getting out to let the world know what it has been missing. Its first European tour was completed this summer with immense success, and Wednesday night the orchestra for the first time in its history opened its own series of concerts at Carnegie Hall.

Among musicians the Chicago Symphony has for many years rated at or very close to the top, but it has taken its current music director, Georg Solti, to spread the word.

Before Mr. Solti's regime, the Chicago Symphony had become a great orchestra that too often did not give great performances. But Wednesday, at least, Mr. Solti's ensemble went from excitement to excitement. Breathtaking virtuosity was the rule, but thankfully not the point.

Schumann's Third Symphony ("Rhenish") glowed with robust Germanic sonority, and Mr. Solti brought out varieties of tone color not easy to achieve in Schumann's indifferently orchestrated symphonies. Strings were richly evident, but the magnificent Chicago brass and woodwinds made themselves felt, too. Although Mr. Solti's readings sometimes can be too drivingly tense and brilliant, the Schumann balanced its peaks with valleys of solemnity and calm.

The Bartók Concerto for Orchestra, a Chicago Symphony showpiece since the days of Fritz Reiner transformed the audience into a yelling throng of Solti-acs. The Bartók, for all its power and thrust, actually impressed one most for its exceptional grace and precision, and for Mr. Solti's concentration on a musical line rather than on orchestral show.

The Prelude to "Die Meistersinger" might have been anticlimactic under the Chicago wind battalions really poured it on here, and set the audience bellowing happily again.

At intermission, Isaac Stern presided over a ceremony at which a proclamation by Mayor Lindsay was read, making the 80th anniversary season of Carnegie Hall. Mr. Stern led a citizen group that saved the hall from destruction more than a decade ago.

Mr. PERCY. Mr. President, I believe that all Senators can be proud, indeed, of the support which the Federal Government is giving, through appropriations and authorizations, to the arts and humanities in America.

We can also be proud that last night saw once again another distinguished performance at the Kennedy Center by the Chicago Symphony Orchestra. Indeed, the Kennedy Center is becoming increasingly, day by day, a cultural jewel in the Nation's Capital.

RELIEF OF DOROTHY G. McCARTY

Mr. BYRD of West Virginia. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1810.

The PRESIDING OFFICER (Mr. GOLDWATER) laid before the Senate the amendment of the House of Representatives to the bill (S. 1810) an act for the relief of Dorothy G. McCarty, which were, in line 6, strike out "sections" and insert "section".

In line 7, strike out "and 8339(h)".

In line 11, after "Service" insert ": *Provided*, That she makes the required employee contribution to the Civil Service Retirement and Disability Fund. In the event that such credit is granted for retirement under the provisions of chapter 83 of title 5 of the United States Code, no credit for the same employment for the period from August 1, 1947, through April 30, 1952, shall be granted under the provisions of the Social Security Act (Act of August 14, 1935, chapter 531, title II, section 201 et seq., as amended; 42 U.S.C. 401 et seq.)"

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER (Mr. GOLDWATER). Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate concur in the amendments en bloc.

The PRESIDING OFFICER (Mr. GOLDWATER). Without objection, the amendments are considered and agreed to en bloc.

ORDER FOR ADJOURNMENT FROM MONDAY TO 9 A.M. ON TUESDAY, NOVEMBER 23, 1971

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday next, it stand in adjournment until 9 a.m. on Tuesday next.

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The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TUESDAY TO 9 A.M. ON WEDNESDAY, NOVEMBER 24, 1971

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business on Tuesday next, it stand in adjournment until 9 a.m. on Wednesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON TREATY

Mr. BYRD of West Virginia. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from West Virginia will state it.

Mr. BYRD of West Virginia. Under the resolution that has been adopted, does the Senate convene at 10 a.m. on Monday, November 29, 1971?

The PRESIDING OFFICER (Mr. GOLDWATER). The Senator is correct.

Mr. BYRD of West Virginia. Very well.

Mr. President, I ask unanimous consent that, on Monday, November 29, 1971—that is the Monday following the Thanksgiving recess—at 11 a.m., the Senate proceed to vote—and undoubtedly it will be a rollcall vote—on Calendar No. 12, exhibit B, 92d Congress, first session, the treaty to resolve certain pending boundary differences between the United States and Mexico.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. BYRD of West Virginia. Mr. President, I call up amendment No. 715 of the Senator from Nebraska (Mr. CURTIS), having been authorized to do this by the distinguished assistant Republican leader, in order to make it the pending business, and I ask that it be stated by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 29, lines 1 and 2, strike out "Effective with respect to taxable years beginning after December 31, 1970, section" and insert "Section".

On page 29, after line 19, insert the following:

"(d) The amendment made by subsection (c) shall apply to taxable years beginning after the close of the first fiscal year ending after the date of the enactment of this Act in which the total income of the Government of the United States exceeds the total expenditures made by the Government of the United States, as determined and published by the Director of the Office of Management and Budget. The provisions of subtitles A and B and of subsections (a) and (c) of this section shall take effect on the first day of the fiscal year following the first fiscal year described in the preceding sentence.".

Mr. BYRD of West Virginia. Mr. President, this is an amendment in the second degree proposed to the Pastore amendment. There will be a 1-hour limitation on this amendment under the previous agreement. That hour will not start running until Monday morning. The Curtis amendment will be the pending question on Monday morning, and undoubtedly there will be a rollcall vote thereon which will occur at circa 10 a.m.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for Monday and the next few days, as clearly as can now be foreseen, is as follows:

On Monday, November 22, the Senate will convene at 9 a.m. Immediately, consideration of the Pastore amendment to the Revenue Act of 1971 will be resumed. The pending question at that time will be the Curtis amendment, No. 715, an amendment in the second degree.

Amendments to the Pastore amendment will be in order throughout the day until 5 p.m., with a time limitation on any amendment, motion or appeal—with the exception of nondebatable motions—of I hour.

The vote on the Pastore amendment will occur at 5 p.m.

I would express this caveat. The vote on the Pastore amendment itself will actually entail two votes, a division of the question having been ordered.

The first vote will occur on title IX. The second vote is to occur immediately thereafter on title X. No tabling motion will be in order under the agreement entered into with respect to either of the two division votes on the Pastore amendment.

Also, after all time has expired and the hour of 5 p.m. having been ordered in the agreement as the hour for a vote on the Pastore amendment, it is quite possible that at 5 p.m., other amendments could be offered to the Pastore amendment. But there would be no debate thereon. However, the movers of such amendments could demand rollcall votes thereon, and that would be within their rights.

Following the disposition of the Pastore amendment, further amendments, without any time limitation as of now, to the Revenue Act of 1971 will be in order. It is hoped that action on the Revenue Act of 1971 can be completed on Monday evening and that the defense appropriations bill can be laid before the Senate and made the pending business for Tuesday. In any event, the defense appropriations bill will follow the disposition of the Revenue Act of 1971.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. BAKER. Mr. President, do I understand that it is the interpretation of the distinguished junior Senator from West Virginia that the hour of 5 p.m. on Monday next having arrived, other amendments might be offered to the pending business, on which there could be rollcall votes, although no debate.

Mr. BYRD of West Virginia. Mr. President, when the hour of 5 o'clock has been reached on Monday next, the Chair will state that the time has arrived for the vote on the division of the two titles in the Pastore amendment. But at that moment, any Senator who wishes to offer an amendment to the Pastore amendment may do so. That is within his right if he can get recognition. But he would not have any time for debate on his amendment. He would be entitled to a vote, however, before the vote occurs on the Pastore amendment.

Mr. BAKER. Mr. President, I think that the Senator from West Virginia and I are talking about the same thing. I wonder if his interpretation of the rule would be the same as that of the Chair; that is, that the vote on the Pastore amendment need not occur at 5 o'clock in this situation.

Mr. BYRD of West Virginia. Mr. President, the Senator is precisely correct. In such a situation the vote would be taken on any amendment pending or offered at the hour of 5 p.m. to the Pastore amendment, and on any subsequent amendment offered to the Pastore amendment, prior to the vote on the Pastore amendment.

Mr. BAKER. Mr. President, prior to the ruling of the Chair, the point I make is my concern that the hour of 5 p.m. having arrived on Monday next, under the unanimous-consent order that, as I understand it, provides for a vote on the Pastore amendment at 5 o'clock, notwithstanding the unanimous-consent order, any number of amendments ad infinitum could be offered, but without debate, and they could proceed then to a rollcall vote.

I understand that would be the understanding of the Senator from West Virginia. I wonder if that is the understanding of the Chair.

The PRESIDING OFFICER (Mr. GOLDWATER). The Senator is correct. As the Chair understands it, the vote at 5 o'clock would be on whatever amendment was being considered at that point. And after the vote, any amendments could be offered to title IX and voted on without debate.

After that, the same procedure could occur on title X and the amendments could be voted on without debate, after which, when we have exhausted those, the vote would occur on title X.

Mr. BAKER. I thank the Chair for that statement. I reserve that question further, if I have any further rights on that point, until the issue arises Monday next.

I thank the Senator.

Mr. BYRD of West Virginia. I thank the Senator from Tennessee.

May I state this further point. Perhaps it need not be stated by me. And I would like to know if the Chair concurs.

Once all amendments in the second degree to the Pastore amendment pending at 5 p.m. on Monday have been disposed of, the Senate will proceed to vote on title IX, and following the vote on title IX, the vote on title X will occur immediately.

The PRESIDING OFFICER. If no amendments were called up, the Senator is correct.

Mr. BAKER. Mr. President, if the Senator would yield further, I would like to direct a question to him.

Is it my understanding of his interpretation of the rules that if amendments in the second degree, in response to the order, are pending, that there would be no time for debate on amendments to title X.

Mr. BYRD of West Virginia. It is my understanding.

The PRESIDING OFFICER. After 5 o'clock, no debate would be in order.

Mr. BAKER. Mr. President, I ask further if it is my understanding of the explanation of the Senator from West Virginia, and if the Chair concurs, that "amendments pending" is to be interpreted to mean amendments at the desk at 5 o'clock.

The PRESIDING OFFICER. Not necessarily.

Mr. BAKER. So any amendments, whether at the desk or not, could be offered after 5 o'clock, in sequence, but without debate.

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD of West Virginia. Mr. President, I am not clear on one point. It is my understanding—and if I am in error, I want the Chair to state so, and I know the Chair will—that once the Senate votes on title IX, the vote on title X will occur immediately, without any chance for Senators to offer intervening amendments to title X.

The PRESIDING OFFICER. As the Chair understands it, once the amendments to title IX have been exhausted, having reached of 5 p.m., we would then proceed to title X.

Mr. BYRD of West Virginia. Mr. President——

The PRESIDING OFFICER. After voting on title IX.

Mr. BYRD of West Virginia. Mr. President, I do not understand the point at issue in that way, and I beg the indulgence of the Chair. I may be wrong, but I think the matter should be clarified now without question.

Under the agreement the vote is to occur on the Pastore amendment at 5 p.m. The Pastore amendment entails both title IX and title X.

The PRESIDING OFFICER. That is correct.

Mr. BYRD of West Virginia. I interpret the agreement to provide that once the hour of 5 o'clock is reached, amendments in the second degree to either title IX or title X may still be offered and voted on without debate prior to the vote on title IX, but once title IX is voted on, there is no chance for any Senator to offer an amendment in the second degree to title X but, rather, the vote on title X must occur immediately.

The PRESIDING OFFICER. Until we dispose of title IX, and when we dispose of title IX, further amendments are not debatable, but are in order.

Mr. BAKER. As to both title IX and title X.

The PRESIDING OFFICER. No. The question was as to the point of title X, not title IX, after the hour of 5 p.m., is reached.

Mr. BAKER. My point is if amendments are eligible and may be voted on with respect to title IX, and with the same rules and regulations, after we dispose of title IX, then amendments are further eligible to title X, with limitation as to number, but without debate.

The PRESIDING OFFICER. That is right.

Mr. BYRD of West Virginia. Apparently the Chair is going to sustain the interpretation of the Senator from Tennessee, but if that is to be the case, why did not the agreement say that the vote at 5 o'clock will occur on one-half of the pastore amendment, the first half?

The agreement was to the effect that the vote would occur on the Pastore amendment at 5 o'clock, and the Pastore amendment includes both titles IX and X.

The PRESIDING OFFICER. The reason is when you have a demand for a division, you vote on the first part of the division first and the second part second.

The Chair might observe that if there are no amendments pending at the hour of 5 p.m., the vote would occur on title IX, followed by title X, but should amendments be offered to title X, following the vote on title IX, it is the Chair's opinion that would be in order without debate.

Mr. BYRD of West Virginia. From the time that the Senator from New York (Mr. JAVITS) asked for a division, to which he was entitled, amendments have been in order to either title.

I am afraid, in view of what the chair has just stated, that the majority of the Senate, or at least some Senators, have labored under a misunderstanding as to just what a vote on the Pastore amendment at 5 p.m. on Monday actually means.

It was my thought—and I stated it last night—that once a vote had occurred on title IX of the Pastore amendment, a vote on title X would occur immediately, with no time for votes on amendments in between.

I did not understand there could be an intervening period following a vote on Title IX—which could last indefinitely—during which amendments to title X could be called up and voted on.

It seems to me that if that is the case, we agreed last night to vote only on one-half of the Pastore amendment—title IX—at 5 o'clock, whereas the second half—title X—may be voted on next Tuesday or Wednesday or after the first of the year, or at some future date, depending on the number of amendments which may be called up after title IX is disposed of.

The PRESIDING OFFICER. The Chair observes we were operating under rather unusual conditions at the time the Senator from New York made his request. We were on controlled time. If we had not been, the statement of the Senator from West Virginia would be correct, but not having time allocated to a division, we have to operate as the Chair ruled.

Mr. BYRD of West Virginia. As far as I am concerned we are going to operate as the Chair ruled. I do not anticipate appealing the ruling of the Chair at this time, but I suggest the absence of a quorum so that some discussion of this matter may be had.

Mr. BAKER and Mr. GRIFFIN addressed the Chair.

Mr. BYRD of West Virginia. Mr. President, I withhold the suggestion.

Mr. GRIFFIN. Mr. President, if the Senator will yield for the purpose of clarification, in the unlikely event but possible event that all amendments in the second degree to the Pastore amendment should be disposed of at 5 o'clock and there are no pending amendments, I take it from the unanimous-consent agreement we would vote at 5 p.m.

The PRESIDING OFFICER. The Senator is correct, unless the unanimous consent is modified.

Mr. BAKER. I would like to say, lest I be misunderstood in pressing for an interpretation of the existing unanimous-consent agreement, I want the Senate to clearly understand I have no such string of amendments in mind. I do not think this is a good technique and I think it circumvents the intent of the unanimous-consent order and I would be greatly assured if we heard a similar statement from the acting majority leader.

Mr. BYRD of West Virginia. I concur in what the Senator from Tennessee has said and I have no misunderstanding as to the reasons and purposes of the Senator in propounding his questions for the Chair's consideration. I feel reasonably sure that it was the intent of all Senators present—and certainly it was their interpretation of the agreement, and I so stated last night, for everyone to hear, and no one questioned it—that immediately following the vote on title IX of the Pastore amendment, the vote on title X would occur. My statement last night was in response to the Senator from Nebraska (Mr. CURTIS) who brought up the question of whether or not other amendments to the Pastore amendment, the hour of 5 o'clock having arrived, would be in order.

It was agreed by everyone apparently that amendments could be offered at that time in the second degree to the Pastore amendment, that votes could be had, but no debate; and that once the Senate reached the vote on the Pastore amendment, the vote would first occur on title IX and then on title X immediately thereafter with no intervening amendments.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. HUMPHREY. On page 42411 of the RECORD of yesterday, in a colloquy with the Senator from Nebraska (Mr. CURTIS), the Senator from Nebraska said:

> Mr. CURTIS. Suppose there are amendments waiting to be offered that have not even been called up.
>
> Mr. BYRD of West Virginia. They could be offered. There would be no debate on them, but they would be voted on prior to the two votes on the two titles of the Pastore amendment.

I distinctly recall that colloquy last evening in which the Senator from West Virginia made it manifestly clear that we would vote first on title IX, immediately followed by title X.

The PRESIDING OFFICER. Unless unanimous consent were granted, title X would not be open to amendment, until title IX had been disposed of.

Mr. HUMPHREY. Title IX would be first disposed of.

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The PRESIDING OFFICER. That is correct.

Mr. HUMPHREY. And unless there were unanimous consent to reopen immediately thereafter—without unanimous consent title X would be voted.

The PRESIDING OFFICER. Unless somebody offered an amendment, which is not debatable.

Mr. HUMPHREY. That is the point.

Mr. BYRD of West Virginia. That is the point.

Mr. BAKER. If it is in order on both sides of the aisle, I would be happy to see the propounding of a unanimous-consent request to cut off offering amendments without debate, because I think offering amendments without debate on issues of this sort is handling a serious matter in a haphazard way.

Mr. BYRD of West Virginia. I would like to propound a request shortly, but first, for the record, I would like to proceed just a bit further in reading from yesterday's RECORD, in which the distinguished Senator from Minnesota was engaged just a moment ago.

Mr. President, on page 42410 of yesterday's RECORD, in response to a question by the distinguished Senator from Kentucky (Mr. COOK), and joined in by the distinguished Republican leader (Mr. SCOTT), I made a statement. I shall read the colloquy, which is as follows:

Mr. COOK. Is the Senator saying that prior to 3 o'clock—

At the time of that colloquy, it was thought the distinguished Republican leader would suggest that the vote on the Pastore amendment occur at 3 o'clock—

the division must also occur, including all amendments to the Pastore amendment, and then a division must take place; and if a division is unsuccessful, then a final vote on the Pastore amendment at 3 o'clock; or does he say that the vote on the division which, in essence, is a vote on the Pastore amendment, must take place at 3 o'clock?

Mr. BYRD of West Virginia. I understand the minority leader's request to be that there would be a vote on the Pastore amendment at 3 o'clock.

Mr. COOK. Division has already been ordered.

Mr. BYRD of West Virginia. That is true.

Mr. SCOTT. That would be two votes.

Mr. BYRD of West Virginia. That is correct. The vote would occur on title IX first, and it would be immediately followed by a vote on title X.

Mr. COOK. I thank the Senator.

There was no question raised against the interpretation I stated, and I am sure that in the minds of the distinguished Republican leader, who propounded the request, and other Senators who were present that interpretation was accepted.

So, Mr. President, without questioning the Chair's interpretation, I shall propound a unanimous-consent request.

Before doing so, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, once again, just so there can be no misunderstanding of the colloquy between the senior Senator from Tennessee and the junior Senator from West Virginia and the distinguished acting minority leader, I want to point out that the only reason why I wanted to clarify the unanimous-consent request was to make sure that at the last moment, at 5 o'clock next Monday, the Senate is not confronted with an onslaught of amendments we have never heard of and that cannot be debated. I think the issue is too serious to put us in that position. So to eliminate that, I would sincerely hope that the acting majority leader might ask for a modification of the unanimous-consent request in order to effectuate those purposes.

Mr. BYRD of West Virginia. I shall do so.

Mr. President, is it not a fact that the Senate has been voting, prior to today, on amendments to both title IX and title X of the Pastore amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD of West Virginia. Is it not a fact that in the normal course of things under the rules, a point of order could be raised against the offering of amendments to title X prior to the disposition of title IX?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD of West Virginia. No point of order having been raised, consequently the Senate has proceeded to act on amendments to both titles?

The PRESIDING OFFICER. The Senator continues to be correct.

Mr. BYRD of West Virginia. I thank the distinguished Presiding Officer.

Mr. President, I ask unanimous consent that any and all amendments to the Pastore amendment which have been presented in writing at the desk by or before 5 o'clock p.m. on Monday next, either to title IX or title X of the Pastore amendment, but not yet disposed of, if otherwise eligible, may be in order for consideration;

Provided further, that those amendments at the desk, if such there be, be voted on at 5 o'clock if called up prior to the vote on title 9 of the Pastore amendment; and that once all such amendments have been disposed of, the vote occur on title 9 of the Pastore amendment, and that the vote on title 10, without any intervening amendment or amendments being in order, occur immediately thereafter.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, and I certainly do not intend to object, I want to make sure that I fully understand two points.

One is that any eligible amendments at the desk at 5 o'clock to either titles 9 or 10 of the Pastore amendment will be disposed of before the Senate proceeds to the disposition of either title 9 or title 10, under the order for division?

The PRESIDING OFFICER. The Senator is correct. With the understanding that there will be no debate on any amendment.

Mr. BAKER. I thank the Chair.

The second point is that the words "if otherwise eligible," as quoted in the request of the distinguished assistant majority leader, would not invalidate any other rule of the Senate, such as the prevention of amendments beyond the second degree.

The PRESIDING OFFICER. That would be correct, if the request of the Senator from West Virginia is agreed to.

Mr. BAKER. On the theory that we are not setting up a situation where we could amend and amend beyond the second degree.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. I have no objection.

Mr. GRIFFIN. Mr. President, further reserving the right to object, in the explanation given by the majority whip, he indicated that, pursuant to the division of the amendment demanded by the distinguished Senator from New York (Mr. JAVITS), amendments to title X are not in order until amendments to title IX are disposed of. Is that the situation?

Mr. BYRD of West Virginia. May I respond?

Mr. GRIFFIN. Yes.

Mr. BYRD of West Virginia. Normally, that would be the case. As I understand it, a point of order could normally be raised against consideration of amendments to title X before amendments to title IX, and title IX itself, had been disposed of.

Mr. President, am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD of West Virginia. But in view of the fact that——

Mr. GRIFFIN. Let me suggest that——

Mr. BYRD of West Virginia. Let me make one further statement, which I think ought to be made for the record.

I ask the Chair if this is not correct: In view of the fact that we have been operating under a time limitation agreement on the Pastore amendment, there is no definite precedent which would sustain such a point of order, had it been raised. Am I correct?

The PRESIDING OFFICER. The Senator is correct. We have been operating under a peculiar situation.

Mr. GRIFFIN. Let me make the suggestion——

Mr. BYRD of West Virginia. And may I make the further statement——

Mr. GRIFFIN. Well, let me just make the suggestion that in order to protect all Senators, the Senator might include in his unanimous-consent request a provision to make it clear that amendments to either title IX or title X would be considered and would be in order under the unanimous-consent agreement during that period.

The PRESIDING OFFICER. That is a part of the unanimous-consent request that the Senator from West Virginia has made.

Mr. BYRD of West Virginia. It was a part of the proposed agreement.

Mr. GRIFFIN. I understood that the agreement pertained only to amendments at the desk at 5 o'clock. My inquiry relates to amendments that might be presented prior to 5 o'clock, during the day.

Mr. BYRD of West Virginia. I thought I said "by or before 5 o'clock."

The PRESIDING OFFICER. The Senator is correct. The Senator from West Virginia asked that all amendments offered in writing before 5 o'clock be in order, and that they be disposed of before we start to vote on the two titles.

Mr. BYRD of West Virginia. Yes. Let me just conclude by saying this, Mr. President:

While we have been operating under the time-limitation agreement, no point of order has been raised to the offering of amendments to title 10 prior to the vote on title 9. I would hope that no point of order would be raised, because there are no precedents, and I would hope we could avoid having to face that problem.

The PRESIDING OFFICER. The unanimous-consent agreement would take care of it.

Is there objection to the request of the Senator from West Virginia?

Mr. BAKER. Mr. President, reserving the right to object, do I understand that the potential point of order difficulty that has been identified is taken care of and disposed of by this unanimous-consent agreement, whether it relates to 5 o'clock or a time prior to 5 o'clock?

The PRESIDING OFFICER. The Senator is correct.

Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I apologize for imposing on the time of the Senate, but I think this discussion has been helpful and could prevent some brouhaha on down the road.

Now, Mr. President, I proceed with the program for Tuesday.

The Senate will convene at 9 a.m. on Tuesday. Whether there will be any 15-minute speeches or early morning business is indefinite as of now. In any event, if action has not been completed on the Revenue Act of 1971, the Senate will resume the consideration of that measure.

If action on that measure has been completed, the Senate will proceed to the consideration of the Defense appropriation bill, and, no doubt, there will be rollcall votes on that day.

On Wednesday, November 24, the Senate will convene at 9 a.m. Whether there will be any 15-minute speeches or morning business has not been determined as yet, but at any rate, the Senate will resume the consideration of the Defense appropriation bill if that measure has not been disposed of. There will undoubtedly be rollcall votes on Wednesday, inasmuch as every effort will be made to complete action on the Defense appropriation bill on that date.

On Thursday, November 25; Friday, November 26; and Saturday, November 27, there will be no sessions.

On Monday, November 29, the Senate will convene at 10 a.m. A rollcall vote will occur at 11 a.m. on the treaty to resolve certain boundary differences between the United States and Mexico.

Following the rollcall vote on the treaty, the Senate will resume consideration of the Defense appropriation bill, if that measure has not yet been disposed of, though hopefully it will have been.

In any event, phase II of the President's economic proposals will be called up following disposition of the Defense appropriation bill. There will be rollcall votes on phase II.

In addition to the foregoing measures, action will be taken on the following, and it is hoped that we can adjourn sine die by December 4:

The District of Columbia and supplemental appropriation bills.

The Supreme Court nominations.

A nomination to the Office of Secretary of Agriculture.

Conference reports.

And there will be action on other matters.

In fine, rollcall votes will occur daily throughout Monday, Tuesday, and Wednesday of next week and Monday of the following week, and long daily sessions may be expected.

ADJOURNMENT UNTIL MONDAY AT 9 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. on Monday morning next.

The motion was agreed to; and (at 2 o'clock and 48 minutes p.m.) the Senate adjourned until Monday, November 22, 1971, at 9 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 20, 1971:

ACTION

Joseph H. Blatchford, of California, to be Director of Action.

CABINET COMMITTEE ON OPPORTUNITIES FOR SPANISH-SPEAKING PEOPLE

Henry M. Ramirez, of California, to be Chairman of the Cabinet Committee on Opportunities for Spanish-Speaking People.

EXTENSIONS OF REMARKS

H.R. 5—A NEW PLAN TO MEET COLLEGE COSTS

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BURKE of Massachusetts. Mr. Speaker, as millions of American parents each year discover, financing their youngster's college education is a serious and costly prospect. Often, family savings are limited, scholarships are not in abundance, loans are not the best solution for all students, nor are they always available.

I rise again then for the third time this year, Mr. Speaker, to focus attention on my bill, H.R. 5, the Higher Education Funding Act of 1971, a new plan to meet college costs. H.R. 5 would assist families by permitting parent-taxpayers to set aside limited amounts of money annually to meet college expenses. A deduction from gross income would be allowed for amounts contributed to a trust, purchase of insurance or annuity contracts, custodial accounts with banks, nontransferable face amount certificates, and/or Government bonds.

Joining me in reintroducing H.R. 5 are Congressmen JAMES ABOUREZK, of South Dakota, FRANK J. BRASCO, of New York, HENRY HELSTOSKI, of New Jersey, ELWOOD HILLIS, of Indiana, NORMAN LENT, of New York, and TENO RONCALIO, of Wyoming.

A list of cosponsors of this approach to meeting college costs follows:

Watkins M. Abbitt, Virginia; Thomas G. Abernethy, Mississippi; Joseph P. Addabbo, New York; William R. Anderson, Tennessee; Frank Annunzio, Illinois; Edward G. Biester, Jr., Pennsylvania; Edward P. Boland, Massachusetts; Joel T. Broyhill, Virginia; John Buchanan, Alabama; and James A. Byrne, Pennsylvania.

Bob Casey, Texas; Frank M. Clark, Pennsylvania; James C. Cleveland, New Hampshire; George W. Collins, Illinois; William R. Cotter, Connecticut; Edward J. Derwinski, Illinois; Harold D. Donohue, Massachusetts; Thaddeus J. Dulski, New York; John J. Duncan, Tennessee; and Joshua Eilberg, Pennsylvania.

Walter Flowers, Alabama; William D. Ford, Michigan; James G. Fulton, Pennsylvania; Richard H. Fulton, Tennessee; William J. Green, Pennsylvania; Charles H. Griffin, Mississippi; Gilbert Gude, Maryland; G. Elliott Hagan, Georgia; Seymour Halpern, New York; and John Paul Hammerschmidt, Arkansas.

Julia Butler Hansen, Washington; Ken Hechler, West Virginia; Henry Helstoski, New Jersey; Floyd V. Hicks, Washington; Louise Day Hicks, Massachusetts; Jack F. Kemp, New York; John C. Kluczynski, Illinois; Speedy O. Long, Louisiana; Paul N. McCloskey, Jr., California; and John Y. McCollister, Nebraska.

John Melcher, Montana; Robert H. Michel, Illinois; Abner J. Mikva, Illinois; Parren J. Mitchell, Maryland; John S. Monagan, Connecticut; G. V. (Sonny) Montgomery, Mississippi; F. Bradford Morse, Massachusetts; John M. Murphy, New York; Thomas P. O'Neill, Jr., Massachusetts; and John J. Rhodes, Arizona.

Benjamin S. Rosenthal, New York; William R. Roy, Kansas; Edward R. Roybal, California; Fernand J. St Germain, Rhode Island; Robert H. Steele, Connecticut; Frank A. Stubblefield, Kentucky; Charles Thone, Nebraska; Guy Vander Jagt, Michigan; John C. Watts, Kentucky; Charles H. Wilson, California; and Lester L. Wolff, New York.

LAMPREY CONTROL PROGRAM IN THE GREAT LAKES

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. DINGELL. Mr. Speaker, I recently received a letter from Mr. Bill Mavety,

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reporting on the lamprey control program in the Great Lakes.

I believe the information contained in Mr. Mavety's letter will be of interest to my colleagues and request the text of the letter appear at this point in the CONGRESSIONAL RECORD.

The letter follows:

MAVETY OIL CO.,
Traverse City, Mich.

Hon. JOHN D. DINGELL,
Conference of Great Lakes Congressmen, House of Representatives, Washington, D.C.

DEAR SIR: Even though we received increased funding for lamprey control, we are still losing the battle to preserve our Great Lakes Fishery. The lamprey count from the eight weirs operated by the Great Lakes Fishery Commission shows double the count in 1971 over 1970. Besides, according to Robert Seolfield of the Great Lakes Fisheries Commission, the 1971 count was predominantly female—an even more ominous sign.

About 9,634 lampreys were taken from these eight weirs which indicates an average of 1,200 lampreys per stream. In Lakes Michigan and Superior an average of 40 streams are treated every four years which indicates 160 lamprey producing streams. Multiplying the number of lampreys per stream (1,200) by the number of lamprey producing streams (160) we come up with 192,000 as an estimate of the residual population of lampreys in Lakes Superior and Michigan. Each one of these lampreys will kill 40 pounds of fish. When we multiply the number of lampreys (192,000) by the kill of each predator (40 pounds) we find that each year the lamprey takes a minimum of 7,650,000 pounds of our fish, the majority of which are trout.

Compared to the lamprey, man is a very poor fisherman. Mr. John Scott, DNR Fisheries Biologist testified as follows to the projected 1971 catch.

	Pounds
Lake Michigan Sports	1,000,000
Commercial	75,000
Indians	50,000
Lake Superior Sports	513,000
Commercial	200,000
Indians	50,000
Total pounds	1,888,000

This shows that the lamprey outfishes men 4 to 1.

But to make matters even worse, members of the Great Lakes Fisheries Commission tell me that the Bureau of Sport Fisheries and Wildlife is prohibited from hiring the necessary extra help to implement an increased lamprey control program. This in effect nullifies the increase in funding that we all fought so hard for. If the lamprey population is allowed to double another year, we can look for a kill of at least 15,000,000 pounds of trout.

This is disaster. This represents eight years harvest by man.

I firmly believe that our multi-million fisheries resource is worth saving—do you?

BILL MAVETY,
Traverse City, Mich.

CONGRESSMAN YATRON ANNOUNCES POLL RESULTS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. YATRON. Mr. Speaker, my second public opinion poll has been tabulated and I would like to take this opportunity to share the results with my colleagues in the House of Representatives. The questionnaire, which was included in my recent newsletter, requested the opinions of my constituents on current issues before the Congress. More than 34,000 responses have been recorded.

This 20-percent response, which is well above the number who usually participate in polls of this kind, clearly indicates that the people of Berks and Schuylkill Counties are deeply interested in the major issues of the day and are eager to convey their views to their elected representatives. Many thousands replied and hundreds amplified their answers with letters detailing the reasons for their responses.

We know that the strength of our Government is dependent upon the existence of a procedure for the regular exchange of views between Government officials and their constituents. The questionnaire is one of my attempts to involve my constituents in the decisionmaking process and I would like to express my sincere appreciation to all who replied.

The questions related to both domestic and foreign policy issues. These issues covered the economy, health insurance, China, the Vietnamese war, international relations, and domestic affairs—all areas of major concern before the House today.

It was interesting to note, however, that one area high school in Berks County did participate voluntarily in this questionnaire. Since the 26th amendment to the U.S. Constitution lowered the voting age to 18, I think it is important that the views of these young people be examined.

Significantly, in eight out of the 10 questions asked in the questionnaire, the views of these high school seniors paralleled those of their parents. There were only two areas in which there was a wide divergence of opinion. While only 56 percent of the new voters thought we should concentrate on domestic matters to the exclusion of international problems, nearly 90 percent of the adults felt domestic concerns were our top priority. Also, 57 percent of the young people, and only 28 percent of the adults, felt that the Government should guarantee loans to big businesses.

Before I insert the complete results of the questionnaire into the RECORD, I would like to draw some conclusions about their significance.

Fifty-four percent feel that the Nixon administration has not met the basic needs of the country.

Just over half favored the establishment of a national health insurance plan.

A majority—55 percent—approved the freeze on wages and prices.

On the question of the seating of the Red Chinese in the United Nations and United States trade with that country, just under one-half agreed that these actions were acceptable.

Three-quarters of this group were strong in their conviction that the Vietnamese war should be ended by acceptance of the best possible compromise settlement.

Fifty-six percent approved of revenue sharing between the Federal Government and the States.

Nearly 90 percent felt that we should concentrate on domestic problems to the exclusion of international concerns.

A full 61 percent felt our financial commitments abroad were not necessary to our national security.

Sixty-five percent felt that the Government should not guarantee loans to big businesses.

The overwhelming majority, however—97 percent—were in favor of legislation which require a welfare recipient to work or accept training for a job.

Mr. Speaker, this public opinion poll has proved to be extremely useful in measuring precisely the attitudes of my constituents on some of the major problems confronting the 92d Congress. I know it will help me provide the people of the Sixth Congressional District with effective representation in the days and months ahead.

In conclusion, while it is not expected that everyone will agree on every issue, it is hoped that we can all agree that the process of exchanging views is healthy and should be encouraged. I feel that, through these newsletters and questionnaires, this goal is reached and everyone's interests are served.

At this point in the RECORD, I would like to include the full text of the results from my recent questionnaire:

QUESTIONS AND PERCENTAGE RESPONSES

(Answers in percent)

1. Do you think the Nixon Administration is meeting the basic needs of the country such as housing, health care, education, jobs and stable prices?

Response: Yes, 38; No, 54; Undecided, 8.

2. Do you favor the present establishment of the wage and price freeze announced by the President on August 15th?

Response: Yes, 55; No, 41; Undecided, 4.

3. Do you favor establishment of a national health insurance program which would cover all the medical expenses of every American?

Response: Yes, 54; No, 40; Undecided, 6.

4. Do you favor:

a. trade with Red China?

Response: Yes, 49; No, 41; Undecided, 10.

b. seating Red China in the United Nations?

Response: Yes, 49; No, 40; Undecided, 11.

5. Do you agree that we should end the Vietnamese War by accepting the best possible compromise settlement?

Response: Yes, 74; No, 21; Undecided, 5.

6. Do you favor proposed revenue sharing plans which would return a portion of federal income taxes to state and local governments?

Response: Yes, 56; No, 37; Undecided, 7.

7. Do you feel that government should concentrate less on international problems and more on our own domestic problems during the decade of the 1970's?

Response: Yes, 87; No, 10; Undecided, 3.

8. Do you feel our financial commitments abroad are necessary to our national security?

Response: Yes, 29; No, 61; Undecided, 10.

9. Do you favor legislation which would guarantee government loans to big business to keep these companies from going bankrupt?

Response: Yes, 28; No, 65; Undecided, 7.

10. Should we establish a uniform federal welfare program which would require among other things, each recipient to accept a job, or training, if he is physically able to work?

Response: Yes, 97; No, 3; Undecided, 0.

NEVER A LESSON

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mrs. HECKLER of Massachusetts. Mr. Speaker, one of the most uplifting and moving articles I have read in some time appeared recently in the Taunton Daily Gazette, which services Taunton, within my 10th Congressional District, in Massachusetts. This fine article tells something of the warmth and pleasure that a remarkable gentleman, Frank V. Pacheco, has brought to so many civic and community groups, let alone friends, through his playing of the accordion, at which he is an acknowledged master.

It is always encouraging in times like these, when we hear so much of gloom and doom, to encounter the rare person, such as Frank Pacheco, with a wonderful philosophy of life which harmonizes itself in music. What is remarkable is that Frank Pacheco, in his entire life, has never taken one lesson, and yet he plays the accordion with the touch of the master. This is an achievement all the more notable, since Frank Pacheco has been blind since birth. The congregation at the Winthrop Street Baptist Church, the members of the Kiwanis Clubs, the Golden Age Club, and many other groups and friends, have had their lives made richer by his friendship and music. He is owed a great debt, and it is a pleasure for me to include in my remarks at this point, a column which appeared on October 23, 1971 in the Taunton Daily Gazette:

HE ENTERTAINS THE BLIND

(By Mike Williams)

A 62-year-old accordion player, blind since birth, doesn't need sheet music. He relies on his memory.

"I never took lessons," said Frank V. Pacheco of 24 Linden St. "I can hear a tune and I'd be like a tape recorder. I can sit right down and play it."

Pacheco has played his accordion for various groups, including civic and social organizations in the city.

He is a member of the Friendly Circle for the Blind, and has been with the group since its inception in February of 1936.

The Friendly Circle for the Blind is one of the 12 organizations that come under the United Fund, which is having its annual fund drive this month.

Pacheco was born 62 years ago on Broadway in Taunton, son of the late John and Mary Pacheco. He laughingly refers to himself as a "Broadway baby."

Pacheco began his accordion playing in a dream.

"It was the Friday before Christmas," he told us, "when I was 11 years old.

"I had a dream that I got an accordion and that I could play it," he said. "I told my mother and father about my dream and dad asked me if I'd like to have an accordion."

The answer, of course, was yes.

"By that Sunday," he said, "I was playing it. Just simple tunes of course, but I was playing the accordion."

He began entertaining for organizations and started playing for the Friendly Circle for the Blind at their first meeting at the Winthrop St. Baptist Church. At present, there are 35 blind persons who are members of the group. He entertains them at each meeting.

Pacheco also has played at Kiwanis Club meetings and for the Golden Age Club, other senior citizen groups, the Catholic Guild for the Blind, and similar organizations.

He receives some compensation from groups, but he's ready to play almost anywhere, just for the joy of it.

"All I need is my accordion and transportation," he told us.

He resides with a sister, Mary, and has two brothers and four sisters. During the holidays Pacheco and his accordion travel to the homes of relatives.

"I used to play at some clubs or night spots," he said. "But no more."

"There can be a couple of drunks that start a fight and you never know if a bottle is going to come flying at you," he said. "I quit that circle."

Pacheco's gig is now "Singalong With Frank" and he demonstrated his ability by playing the accordion and singing "Red Roses for a Blue Lady."

He doesn't play much "modern stuff."

"I'm getting old and can't grasp it very much," he said.

But the "modern stuff" doesn't matter when Pacheco begins playing. His ability to overcome a handicap and to entertain is inspiring music all by itself.

THE 30TH ANNIVERSARY OF PEARL HARBOR IS CLOSE UPON US

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SCHWENGEL. Mr. Speaker, although 30 years have passed since its sinking, the battleship *Arizona* is considered by the Navy to be a vessel in commission because its dead crew is still aboard. The *Arizona*, lying on the bottom of Pearl Harbor, is a memorial to the bravery and sacrifice of our fighting men, and to the continuing determination of the American people never to be caught unaware again.

As we have gone from one crisis to another, it has become difficult to remember with any accuracy those early, desperate days of World War II. Yet we owe to our heroic dead, and to those alive among us who helped win that war, heart-felt tribute to their devotion to country and to their service in its cause. In recalling those days, now seemingly so long ago, it is possible that we may strengthen ourselves for our present dangers. Such memorial observances of Pearl Harbor should be conducted in this Chamber and throughout the country.

In the solemn spirit of stern resolution "to gain the inevitable triumph—so help us God" expressed by President Roosevelt to the Congress, and shared by all Americans in that grim hour of the Pearl Harbor attack, we can find an example to follow today. In the years which have passed since we were so infamously attacked, our enemies have become deadlier, weapons more fearful, and the need for devotion to country greater. We can best remember Pearl Harbor by meeting the terror of our own days with the courage of that day.

Every day hundreds of people board small sightseeing boats docked in Kewalo Basin, near central Honolulu, and head for Pearl Harbor. Each of these boats takes its group of visitors to Hawaii past the breakwater and then heads into the open sea. From the deck of their boat the tourists can enjoy a broad panorama of the leeward side of peaceful Oahu.

Diamond Head lies far behind, along with the beach at Waikiki, Honolulu's high-rise buildings, the volcanic mountains, the tall Aloha Tower guarding the harbor, the pineapple-shaped tower of the Dole Co., and the International Airport.

During the first part of the boat ride, Oahu seems to the tourists an unreal island in an unreal sea, but, as the boat approaches Pearl Harbor, it suddenly becomes a pinpoint target, a tiny volcanic mass of brown, green, and yellow earth.

When the boat enters Pearl Harbor itself, the passengers become hushed. An announcer briskly declares through a loudspeaker that within a few minutes all cameras must temporarily be stowed amidships. The boat passes Bishops Point, to starboard, and Iroquois Point, to port, and stops briefly at Drydock No. 4 where naval police come aboard, a reminder of the haunting past, a past which has led to instinctive precaution.

Tourists look puzzled as cameras are gathered up. Ahead lies giant cranes and huge drydocks, submarines and destroyers, parade grounds and the neatly tended lawns of barracks. A giant troopship swings by, heading out to sea. In the distance are fields of sugar cane, and the ever-present clouds of rain hanging over the mountains.

The tourist boat's announcer is a controlled sort of man. It is not in him to hurt the feelings of anyone aboard, westerner or Oriental. At one moment, he speaks softly of a Japanese decision not to bomb a hospital ship lying in Pearl Harbor, but then he lowers his voice slightly as it takes on a slightly metallic tone when he mentions the harbor entrance, guarded by nets, through which Japanese submarines made their way in December of 1941.

The boat chugs slowly past Ford Island, in the middle of Pearl Harbor. The announcer's voice becomes chillier, more impersonal. History, he seems to be implying, is history, and history is worth remembering. He says:

Streaking in over Oahu from the west at 7:40 A.M., Japanese planes struck at Schofield Barracks. At 8:00 A.M., another flight of torpedo planes attacked from the east. The second attack came at 8:40 A.M. from the northeast, the attacking groups consisting of dive bombers, high-level bombers, and fighter aircraft, which flew offshore of Waikiki in a circuitous route to strike at their targets out of the sun.

The little tourist boat rounds the northern tip of Ford Island, turns east, and then turns south, gliding almost noiselessly now past hunks and chunks and pieces of other submerged vessels, bits of bulkhead, bits of decks, scraps of superstructures lying quietly in the water. There is rust and sea and memory in this strange graveyard, where the grotesque shapes of silent ships lie on their sides. The tourist boat stops briefly alongside the *Arizona*, her fore and aft still showing, her midships covered with a memorial concrete canopy.

Then the tourist boat heads back into the open sea, turning in the direction of

XUM

Waikiki and the high-rise buildings of Honolulu. Children sit quietly along the upper deck, enjoying the Pacific breezes. Nobody says much, not even the announcer.

But we ought to have something to say in this Chamber about Pearl Harbor's 30th anniversary when December 7 comes around. We owe it to the memory of the men killed in their country's service on that day. We owe it to those who fought in World War II, the war whose best known slogan was "Remember Pearl Harbor." Have we forgotten so soon?

NATIONAL HEALTH INSURANCE PROPOSALS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mrs. ABZUG. Mr. Speaker, it is truly shocking to observe that with our gross national product exceeding $1 trillion annually, few Americans—rich or poor—receive adequate health care. Even if adequate care is available, its costs are often so high as to discourage less affluent individuals from seeking medical attention when they need it.

There is no excuse for this situation. Medical care is as much a right of every American as is public education or police protection, and no one should ever be denied it because of his financial condition.

The House Committee on Ways and Means is presently considering a number of health insurance/health care bills. Some of them are no more helpful than a bandage on a cancer. The Health Security Act, which is also known as the Kennedy-Griffiths bill and of which I am proud to be a cosponsor, is the only one of these bills which holds out any promise of fundamental change in the fragmented, ill financed, and often irresponsible way in which our health care is provided. While it is not perfect, it is basically a strong, progressive piece of legislation.

Today, I had the privilege of presenting my views on this subject to the Committee on Ways and Means. At this point in the RECORD, I include the text of my statement to the committee:

TESTIMONY OF CONGRESSWOMAN BELLA S. ABZUG

The American medical system, long assumed by Americans to be the world's finest, is under vigorous attack, and with good reason. Almost alone among the prosperous industrial nations, we have treated medical care as a commodity not very different from any other and have largely permitted the market place to regulate its organization, distribution, financing and quality control. There may be reason for producing and distributing automobiles this way, but it is no way to regulate the provision of a service that is a *sine qua non* of decent life.

Numerous legislative proposals now face the Ways and Means Committee. All purport to improve our medical care system; some are plainly rear-guard actions by frightened segments of the health care marketplace, desperate to preserve their influence; others offer trivial reforms that are far too limited to alter the consistent failure of American medicine to serve all Americans. Only the Health Security Act, which was introduced in the House by Representative Griffiths and four other Members of this distinguished Committee and in the Senate by Senator Kennedy, and of which I am a co-sponsor, demonstrates an accurate comprehension of the disgraceful gap between what our medical system is and what it should be.

I intend first to make a few remarks about the problems of our existing health care system and then to comment on pending legislative proposals to change it.

WHAT IS WRONG WITH TODAY'S HEALTH CARE

Distribution of services

Health services are not distributed according to the need for them. The poor suffer disproportionately from preventable but unprevented diseases and conditions like anemia, acute rheumatic fever, tuberculosis, malnutrition, and maternal death during childbirth, because there are too few hospitals and doctors serving them and because medical services cost more than they can pay. Rural areas, too, lack medical facilities, and there are entire counties without a single doctor.

We do not produce the right mix of medical personnel and services.

We have too few doctors in general practice but an excess in the more glamorous surgical specialties.

We have too many hospitals, sources of prestige to communities and community leaders, but too few out-patient facilities.

We have failed to attack our serious public health problems.

We, the world's most prosperous country, have tolerated crippling malnutrition in rural and urban poor and debilitating occupational diseases in miners and chemical workers.

We might have had present-day levels of auto safety years ago, had we cared to, and, many experts feel, we could have had a nearly crash-proof car by now.

We allow treacherous tires on our cars, highly flammable clothes on our backs, corrosives and poisons in our kitchens.

We have been half-hearted in our attempts to regulate the fouling of our air and water, sluggish in protecting our citizens against medical hoaxes, and timid in controlling the tobacco industry, a major cause of the cancer we are about to try to conquer.

Organization of medical care

Proper medical care, whether received through clinics, groups, or individuals, requires the attention of a generalist, who will be responsible for all aspects of preventive care and treatment of most medical problems, and readily available specialists who will deal with problems of greater complexity and advise and teach the generalist. Medical facilities should follow a similar pattern, with small installations for simple care and procedures, general hospitals for more difficult but still common problems, and sophisticated regional centers for treatment of obscure diseases, housing of expensive but infrequently used equipment, and maintenance of complex services requiring extraordinary skill, such as open heart surgery. Obviously, records must be kept and must flow freely from one level to another and the patients movement from one level to another should be straightforward and unimpeded.

In fact, we have none of this. Most people have no doctor who is regularly responsible for their well-being. They do not know how to find out whether they need a specialist or what kind they do need. They do not know what tests to have annually. Their records do not travel with them. Our institutions all wish to be total services facilities; consequently, there is a fabulous redundancy of equipment and puerile competition for training fellows, patients and federal grants.

One reason for the development of a medical organization that leaves patients confused and undirected is the failure of medical institutions to bother asking patients, the consumers of health services, about their preferences. Any reorganization that fails to achieve significant consumer input will be unlikely to satisfy consumer needs better than the present one.

Financing

Medical care is a fundamental right, like police protection or primary education. The need for services should be sufficient reason to receive them. Personal wealth should be irrelevant. No bargain basement compromises can be countenanced, because medical care, unlike many commodities for which a cheap version will serve as well as a costly one, comes really only in two qualities, good enough and not good enough. The latter, no matter how cheap, is without value and fraudulent.

Americans have for years accepted the principle that the fundamental services provided by the government for all people, such as national defense, the judicial system, pollution control, food and drug regulation, etc., should be funded out of general revenues, and that these revenues should be collected principally by means of a progressive income tax. Medical care is just such a basic service and should be so funded.

The per capita cost of our medical care is rising rapidly and is already large compared with other industrial nations. This large relative cost, which has not brought us superior quality, is the consequence of several facts of the medical market place. The first fact is the doctor shortage, creating a sellers' market that will persist for the foreseeable future. The shortage is exaggerated by our failure thus far to make use of skilled paramedical personnel. The second fact is the position of the medical insurance companies, acting as fiscal intermediaries between patients and services but failing utterly to exercise the cost control that should be part of their function. There are several reasons for their indifference to rising medical cost. Their premium rates are adjusted to provide a set rate of profit, often by a cost-plus arrangement. Larger cash flow thus means a larger profit. Insurance companies invest money they hold and larger cash flow also provides more investment capital.

A very costly example of the insurance industry's failure to encourage efficient use of services has been their willingness to pay for unnecessary hospitalization. Because hospitalization has always been the catastrophe against which people most wanted protection, far more people own hospitalization insurance than have coverage for non-hospital costs. Diagnostic evaluations are therefore routinely performed in hospitals, where their real cost is large but where they are a covered service if a bogus "emergency" diagnosis is given. The same evaluations could be done more cheaply in outpatient facilities, but their cost would not be covered. Insurance companies have made no effort to discourage this practice by refusing to pay for these pseudo-emergencies, but have merely raised their rates to cover the deceptive practice.

The third fact is the outrageous profiteering and inefficiency of the medicine-associated industries, notably the drug industry. Drug manufacturers have an average rate of profit twice that of the average American company, although they have no unusual risks. Fully a quarter of their income is spent on promotion and marketing a practice resulting in overuse of drugs and use of heavily promoted, new and expensive drugs instead of older, less expensive preparations which may be just as suitable. This modern medical sideshow is justified as needed to cover the cost of the development of new, wondrous drugs, but research and development is only six percent of drug sales, and of that, the greater part is devoted to development willing to answer candidly will admit that he knows doctors who are too foolish, too old, or too irresponsible to meet even minimal standards of performance.

The point is not that doctors and hospitals are wretched; it is that we don't know much about them, because we don't look. They are self-regulating which means in medicine, as in every other human endeavor, unregulated except when disaster has struck or appears ready to strike. A proper national health insurance plan will set standards of care, evaluate performance in relation to these standards, and deal firmly with violations.

HEALTH CARE LEGISLATION

The health insurance proposals before the Ways and Means Committee vary as widely in cost ($2 billion to $70 billion) as they do in ambitiousness, but there are no bargains to be had. The total cost of medical care, now estimated at $70–80 billion per year, is more or less fixed, whether paid out of federal revenues or private resources. The question is whether reforms are going to affect a trivial part of that care and its cost or whether they will impinge on all aspects of the medical system. To emphasize this once more: we can only judge these legislative proposals as part of the whole cost of medical care. The "expensive" Health Security Act, at $70 billion, does not cost more than the Administration's "cheap" National Health Insurance Partnership Act, at $15 billion, when you add to the latter the $55 billion that will be paid by private and other governmental sources. The difference between the various proposals is not the cost, it is what we get, and what we get should be measured against the problems outlined above.

Some of our health care problems are more obvious, though not necessarily more important, than others. Obviously, the disaster of a catastrophic illness, destroying well-ordered, prudent families, is an event with which we all empathize, and there are many proposals to insure against this scourge. At the same time, Congress clearly is moved by the plight of the penniless and several proposals do provide free health insurance for them. The AMA-devised Medicredit plan, or Health Care Insurance Assistance Act, is one of these. It also provides some help to the near poor, though not much, since a family of four with a net income of about $5500 would receive a federal payment of only 10% of the cost of insurance. Such measures as these are directed at the extremities of the health care problem; they make no impression at all upon the body of our expensive, inefficient, fragmented, non-quality-controlled medical system.

Even worse, Medicredit would pour new billions into the health insurance companies that have financed, supported, and encouraged the present system. In testimony before the Senate Finance Committee, Secretary Richardson said that the bill "would have little effect on the organization and delivery of medical care or on controlling rising costs. The proposal would inflate demand for services yet it does not promote appropriate ways to use the leverage of new funds to help influence the quality and efficiency of services." The Secretary is correct, but similar criticisms apply just as strongly to the Administration-backed National Health Insurance Partnership Act.

The Administration bill purports to offer a new National Health Strategy, principally through encouraging doctors and hospitals to form comprehensive health care institutions, the health maintenance organizations (HMO's) and encouraging people to join them. I believe that an HMO, offering total, prepaid health care, can in fact be a more efficient provider of high-quality, unfragmented care than can doctors scattered about the community, and can perform patient education and preventive services, keep and organize records and evaluate therapy, to an extent impossible for the solo practitioner. It is the basic unit of an intelligent health care system if it is held to high standards and if its performance is under constant scrutiny by the people who receive its services and pay its bills. The existing HMO's such as HIP in New York, Kaiser-Permanenté on the west coast, Group Health in Washington, and many others, have grown rapidly in recent years, indicating that despite some criticism of understaffing and a tendency to discourage use of the facility, these units have provided considerable patient-doctor satisfaction.

Unfortunately, the HMO question would seem to be a bit of a smoke-screen at present, since, unlike the Health Security Act, the Administration bill does not provide much financial inducement for people to join HMO's or to doctors to form them. The proposal's principal feature is the requirement that employers buy three-fourths of a health insurance plan for their employees and employees' families. The minimum plan cannot have a very large cash value since there are substantial deductibles and coinsurance. The dollar value of the insurance would be applied at their employee's option, toward membership in an HMO, but there would be an additional cost to the employee equal to the actuarial values of the deductible and coinsurance, which is probably larger than the value of the insurance. The attractiveness of the HMO's will be inversely related to the extra money the family must pay to join.

An HMO needs doctors as well as patients. The National Health Insurance Partnership Act does not attempt to control fees paid to private practitioners. Will large numbers of doctors give up the huge incomes of private practice for the merely generous incomes of the HMO?

If the Administraton bill does not move consumers and doctors effectively toward HMO's it offers nothing more than the same new billions into private health insurance, without any more organizational change, that Medicredit would produce, and we've seen what Secretary Richardson thinks of that. The Administration bill also shares with Medicredit the particularly condescending features of deductibles and co-insurance, which are present because of a widely held view that poor people enjoy going to the doctor and will go often just for fun, even if they are not sick.

In his National Health Insurance speech President Nixon stressed cost consciousness. He said: "Only as people are aware of these costs will they be motivated to reduce them. When consumers pay virtually nothing for services and when, at the same time, those who provide services know that all their costs will also be met, then neither the consumer nor the provider has an incentive to use the system efficiently." It is very strange to put the responsibility for cost control on the patient, who, not being a doctor, does not know whether he is "sick enough" for medical care. (Interestingly, the HMO's supported by the administration do not have deductibles or coinsurance.) Cost control should be exerted by regulating the fees paid to providers, but this form of cost consciousness is not mentioned in the Administration bill. It seems to me to be a basic principle that we want no person to wonder, when he feels sick, whether he should spend money for treatment. Incredibly, it is a principle which both the present system and most of the pending bills stress. It has always been the situation faced by the poor. We want even the poor person to see a doctor, who can decide on the basis of his expert knowledge whether to treat the patient or reassure him. If we can educate patients so that they recognize certain symptoms as not serious, that will be excellent, but we do not want them to stay away because they don't have the cash.

The Health Security Act, in contrast to all of the other proposals before the committee, will promote broad organizational changes and will attack most of the ills of our health care system. As I will point out, it is far from a perfect bill, but it is worth reviewing briefly some of the beneficial changes it will promote with respect to problems outlined earlier.

Distribution of services

Wealth will no longer determine the amount or quality of one's medical care. There will be no financial barrier to seeking services; providers will be compensated directly by the system. The Act sets aside five percent of the total money in the Trust Fund for health planning and for dealing with a variety of distribution problems. Funds will be available for training specialists in short supply, for encouraging desirable geographic movements, and for planning and building facilities which are necessary to provide services. There is a commitment to equalize throughout the U.S. the availability of services by channeling more funds into areas which are now poorly served.

Organization of medical care

The Health Security Act encourages doctors to enter HMO's or comprehensive health service organizations, as the Act prefers to call them, by taking away the enormous fees now possible in fee-for-service medicine. Payments for a given service will be an appropriate fraction of the money available to care for a person's total health needs, i.e. the capitation payment. Therefore, comparable services delivered on a fee basis and on a capitation basis will lead to comparable incomes, except that the efficiencies of the HMO in terms of better use of paramedical personnel, office space, etc. may well permit greater net earnings for the HMO doctors. With rewards more or less equal the advantages to the physician of HMO's, such as easily available consultations, regular schedules and well-defined night call, and provisions for in-service continuing education, should prove adequate to bring doctors into that form of practice.

The Act provides funds for organizing new forms of health care delivery. Its governing board has the power to eliminate redundant service by ordering a provider to cease providing it, and to demand that new services be offered. Further, there is, for the first time an attempt to develop a consumer input into the medical care system. I will return to this a little later on.

Financing

Money for health care insurance and planning will come half from general revenues and half from employer and employee taxes. This is a far more progressive format than that of the Administration bill, although it suffers from the same flaws as our entire tax system does, generally failing to collect enough money from wealthy people. Payroll taxes appear at first to be a tax on businessmen; in fact, they are quickly passed along to consumers or compensated for by lower wages.

Private health insurance with its attendant costs will no longer be needed under the Health Security Act. Although the doctor shortage will not be eliminated overnight, the spiralling costs due to the sellers' market will be controlled by regulation of fees-for-service and capitation payments. Overutilization of hospitals will be discouraged since outpatient services will be paid for.

Quality control

Among current health proposals, the Kennedy-Griffiths Bill is the only one concerned with the quality of services delivered. All providers will be committed to furnishing information needed for peer review of utilization and for review of surgical procedures. Institutional providers will have to have good records, a proper utilization of review mechanism, and a therapeutics committee. HMO's must provide continuity of care, easy referral, and easy access to their services.

Practitioners will have to meet federal standards in addition to state licensing criteria and will have to meet federal continu-

ing education requirements. Their participation as providers can be terminated for inferior care or unethical behavior. They cannot be paid for services delivered in a nonparticipating hospital.

In addition to its concern with the quality of services provided by health professionals and institutions, the Health Security Act will study broad trends in mortality, disease indigence, and therapeutics, attempting to evaluate the quality of the health care system as a whole.

The Health Security Act will encourage rational drug prescribing by paying only for drugs that are efficacious and safe and by requiring that doctors practicing outside the scrutiny of health institutions and their therapeutics committees identify the disease they are treating and use a drug known to be effective in treating that disease.

Despite the contentions of its critics, the Act encourages pluralism in delivery of care, permitting providers to organize in almost any way they choose, and be paid either on a fee-for-service basis or by capitation methods. It is "monolithic" only in that it will control the *amount* of payment and the *quality* of care.

The scope of the Kennedy-Griffiths Bill is impressive, but it does have some key deficiencies. A Bill called the Health Security Act, proposing to bring to all citizens equal and high-quality health care, cannot justifiably avoid dealing with aspects of public policy that have a large influence on health. Thus, while concern with auto safety has resided largely in the Department of Transportation, the death and injuries of tens of thousands of people in highway accidents has large health implications. Similarly, malnutrition, industrial disease, dangerous household products, air pollution, and smoking should be recognized as basically health problems. Allocation of resources to deal with them and studies of the efficacy of such allocations should flow from an agency whose concern is health.

Although the Bill empowers the Health Security Board to eliminate redundant services, it does not make explicit the desirability of having institutions, especially hospitals, be organized pyramidically, with, for example, large numbers of relatively small general hospitals and a much smaller number of regional centers where usually difficult or rare problems could be dealt with, where costly programs would be sufficiently utilized to justify their cost, and where high-quality clinical research could be maintained.

The financing of health care under the Kennedy-Griffiths Bill can also be criticized. Without entering into any discussion of our supposedly progressive income tax, I question the degree to which the Bill relies upon payroll taxes and social security-type levies. These are not progressive at all; in fact, the social security tax is quite regressive, since it has an income ceiling. At the very least, this ceiling should be eliminated. A payroll tax, in addition to being passed along to consumers, tends to make workers cost more and thus encourages an already-dangerous trend toward substitution of capital for labor. The most equitable and most rational financing mechanism would be from general revenues. It is condescending to suppose that Americans cannot understand that excise taxes take their money away just as unpleasantly as income taxes do.

The Health Security Act does not make a sufficient commitment to ending medical profiteering. It should be a stated goal that profits of medical industries not be larger than those of the average American industry. Measures suggested by the 1969 Task Force on Prescription Drugs would represent a fine start toward this end.

Although the Health Security Act will provide rigorous standards of quality control—there are essentially no standards now—it fails to set for solo practitioners the sort of demands it makes of doctors in comprehensive health service organizations. This makes little sense, since the solo doctor is often quite isolated from contact with other physicians and from new information. The Act should authorize the Health Security Board to set up local peer review committees for participating practitioners who do not belong to institutions already having such committees. Furthermore, it is time we recognized that while the M.D. degree, like a diamond, is forever, the knowledge and skills that came with it are not so permanent. In addition to requiring continuing education, the bill should demand periodic relicensing of physicians and possibly of other health professionals.

Perhaps the most important responsibility facing the organizers of health care is assuring that the system can never again become so isolated from and unresponsive to the people it serves. The Health Security Act provides for a Health Security Advisory Council made up of more than 50% health consumers. This Council also has regional and local counterparts. The function of these Councils is to advise the governing Health Security Board on matters of policy. Unresolved disagreements between Board and Council will be presented annually to Congress, but it would seem that the Board can ignore with impunity most of the Council's recommendations. One mechanism for partially easing the imbalance in power between Board and Council might be to give the Council explicit standing before the federal courts in cases involving questions of whether the Board has carried out its functions properly.

Consumer input may be even more important at the level of primary patient care, but there are few requirements in the Health Security Act for such input. Comprehensive health service organizations are required only to consult with enrollees regarding policy; this provision is inadequate unless expanded. At the very least, it should provide that unresolvable disputes be brought promptly before the local Board for mediation, and before the courts if need be. Hospitals, nursing homes, and medical facilities other than the comprehensive health service organizations are not required to have any consumer input at all. This is a serious deficiency. All *medical* institutions receiving any public funds should be required to consult with the people they serve, have consumer representation on all peer review and other committees, and respond to criticism from enrollees.

This said, a hopeful word is in order. The current feeling that providers and consumers inevitably have hopelessly different aims, needs, and preferences is probably false. It is our institutions that make it seem so. Once the relations between health professionals and patients are no longer predominantly fiscal, they can relate to one another as parties interested only in quality health care.

While I consider the flaws in the Kennedy-Griffiths Bill real and significant, I must emphasize again my conviction that it is the only health insurance bill before the Ways and Means Committee that will change our health care system at all. It asserts for the first time a national interest in equitably distributed, progressively financed, intelligently organized, high-quality medical care and takes a giant step toward that goal. The other bills are tranquilizers, quieting the demand for medical reform without meeting it. They are worth little and would be worse than nothing, because they would create an illusion of our having acted, an illusion that would stifle real reform for years to come. Let us have something better.

DEMOCRATIC PARTY REFORM

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. FRASER. Mr. Speaker, the commitment of the Democratic Party to reform has recently been reaffirmed by Chairman Lawrence O'Brien.

Both governmental and political institutions are experiencing their own credibility or confidence gaps. In the Democratic Party we have taken a hard look at our processes and have written new party rules to assure fairness and openness as we move toward the 1972 Miami convention Chairman O'Brien outlines this purpose in a recent statement:

O'BAIEN URGES VIGOROUS STATE-LOCAL ACTION TO IMPLEMENT REFORMS; REFOAM COMMISSION CHAIRMEN LAUD NATIONAL COMMITTEE SUPPORT

WASHINGTON, OCT. 31.—Democratic National Chairman Lawrence F. O'Brien called today for vigorous and imaginative action at the state and local level" in order that the sweeping reforms adopted by the Democratic Party will be fully implemented by the 1972 Democratic National Convention.

It is not enough to have written the laws—to have opened the door of full participation for every Democrat, OBrien said in a message to Democratic national committeemen and women, governors, state chairman, and mayors. "We must now carry the message to the people, particularly those individuals who traditionally have not participated in party activities, for whatever reason."

O'Brien's memorandum accompanied a special reform issue of FACT, the party newsletter, detailing the unprecedented reforms adopted unanimously by the Democratic National Committeee in the wake of the 1968 National Convention.

The newsletter contains letters from the party's two reform commission chairmen—Rep. Donald M. Fraser, D-Minn., chairman of the Commission on Party Structure and Delegate Selection, and Rep. James G. O'Hara, D-Mich., chairman of the Commission on Rules.

"Without your unwavering support over these past months," Fraser wrote O'Brien, "we would not, in my judgment, have been able to achieve the enormous progress that we were able to report to the Democratic National Committee meeting on October 14. The solid support that you have given our staff and the shoulder-to-shoulder posture you have taken with the Commission, demonstrate beyond any doubt the Democratic Party's commitment to reform."

O'Hara wrote: "Those of us who have had the privilege of working with you in achieving the reforms now adopted know we could not have come this far without your steadfast support and encouragement. When you rap the gavel opening the Miami convention, it should be with real satisfaction in the revitalization of the Democratic Party that has been accomplished under your leadership."

O'Brien's memorandum expressed special concern "that we reach young people, women, blacks, Spanish-speaking Americans, Indians, and other minorities—all of whom have been seriously underrepresented in past national conventions.

"Nothing would be more tragic than for these historic reforms to go unrecognized and unused by our failure to reach these critically important people. Let me, therefore, urge each of you to give your personal attention to devising programs that spread the good news of Democratic Party reform."

Noting that the Republican Party has done nothing in the way of reform, O'Brien said: "They have examined their existing procedures and institutions and concluded that nothing could be improved. And so their convention—and their party—will continue to represent only a small fraction of the American people—and a highly unrepresentative fraction at that. This, too, is a fact we must make clear to the voters of America."

O'Brien's memorandum and text of the special issue of FACT are attached.

MEMORANDUM

To: Democratic National Committeemen and Committeewomen; Democratic Governors; Democratic Mayors; Democratic State Chairmen.

From: Lawrence F. O'Brien, National Chairman.

Subject: The record of Democratic Party reform and the unfinished agenda.

The enclosed special edition of the DNC's newsletter, FACT, summarizes the remarkable progress that has been achieved in the past 2½ years to implement the mandate for reform enacted by the 1968 Democratic National Convention. This document, for the first time, summarizes both the reforms of the Commission on Rules and the Commission on Party Structure and Delegate Selection, as well as detailing the implementing steps that have been taken to date. It is, in my judgment, an impressive record. I hope you will review it carefully.

The Democratic National Committee and its staff intend to pursue the full implementation of the reforms, particularly in the area of delegate-selection, will require the most vigorous and imaginative action on the state and local level. It is not enough to have written the laws—to have opened the door of full participation for every Democrat. We must now carry the message to the people, particularly those individuals who traditionally have not participated fully in party activities, for whatever reason.

I am especially concerned that we reach young people, women, blacks, Spanish-speaking Americans, Indians and other minorities—all of whom have been seriously underrepresented in past national conventions. Nothing would be more tragic than for these historic reforms to go unrecognized and unused by our failure to reach these critically important people. Let me, therefore, urge each of you to give your personal attention to devising programs that spread the good news of Democratic Party reform. I would appreciate receiving from you periodic reports of the affirmative action programs that are underway in your state or locality.

We have taken a number of bold and innovative steps of which we can be exceedingly proud. The Republican Party, by comparison, has done nothing. They have examined their existing procedures and institutions and concluded that nothing could be improved. And so their convention—and their party—will continue to represent only a small fraction of the American people—and a highly unrepresentative fraction at that. This, too, is a fact we must make clear to the voters of America.

In my "Return to the White House: A Nine-Point Political Strategy," I listed "party reform" as the first point. This was quite deliberate since I noted that ". . . no other factor will contribute more to a Democratic victory in November 1972."

The foundations of Democratic reform have now been completed; implementation is already well underway. With your active cooperation and assistance, we can finish the job in the next nine months. And, in so doing, we will take a major step forward in winning the White House next November.

THE NEW PARTY

In his closing remarks to the Democratic National Committee on October 14, National Chairman Lawrence F. O'Brien said ". . . We have steadfastly maintained the course charted by the 1968 National Convention in the area of party reform. We have taken the '68 mandate and implemented it . . . Never has a political party so totally changed its way of doing business in such a short period of time. . . . And there will be no turning back."

This issue of Fact will tell the story of "the new party"—the remarkable achievement that has taken place within the Democratic Party in the past 2½ years. Born in chaos and controversy of Chicago 1968, the reform effort took root due to the leadership of Democratic National Chairman Fred Harris, Senator George McGovern, Rep. James O'Hara, Senator Harold Hughes and Rep. Donald Fraser, among others.

In 1970, the new DNC Chairman, Lawrence F. O'Brien, sustained these oeginnings and generated the comprehensive backing that was essential to their adoption by the National Party. By October 1971, every major reform envisioned in early 1969 has been achieved.

Although implementation of these reforms by the states is not finished—and the 1972 National Convention is still nine months away—the foundations are now firmly in place to guarantee that the 1972 Democratic nominee will be the most democratically-selected candidate in Party history. This Fact special report will summarize every major Democratic Party reform . . . and what these reforms are likely to mean in nominating the Democratic presidential and vice-presidential candidates next year.

THE NEW CONVENTION

Every four years the TV commentators, editorial writers and average voters wonder aloud about that peculiar American tradition; the National Nominating Convention.

"How can grown men and women carry on like that?"

"Can't they speed things up?"

"What's going on, anyway?"

"It's two o'clock in the morning and the balloting for President hasn't even started."

"There must be a better way to do it."

The Democratic Party agrees. Out of the controversy of the 1968 National Convention in Chicago came a new determination to modernize and streamline the institution of the National Convention.

The '68 Convention mandated the Commission on Rules, headed by Rep. James O'Hara of Michigan, to prepare recommendations to make the Convention more efficient, more easily understood, and more responsive to the electorate. For more than two years, Rules Commission members and staff crossed the country, hearing scores of witnesses. Hundreds of hours were spent drafting, considering and refining the many proposals for improving the national convention as an instrument for nominating the candidates and adopting the Party's platform.

At its October 13–14 meeting, the Democratic National Committee unanimously approved the last of the recommendations made by the Commission on Rules affecting pre-Convention activities. The final determinations on the procedural (post-gavel) rules will be sent directly to the Rules Committee of the Convention.

This means that every major reform advocated by the Commission on Rules and the Commission on Party Structure and Delegate Selection (McGovern-Fraser) has now been adopted by the Democratic National Committee. Two years ago few persons believed possible such a revolution in Party procedures and structure. (See statement by Senator Harold Hughes on the progress of Democratic Party reform).

Transmitting the final determination of the Rules Commission to the Democratic National Committee, Rep. O'Hara said, "The proposed rules changes will make future Democratic National Conventions representative, open, deliberative and fair."

TO MAKE THE CONVENTION REPRESENTATIVE

The recommendations of the Commission and the formula prescribed by the Democratic National Committee revise delegate apportionment in the direction of one man-one vote and one Democrat-one vote. The old formula was based on the electoral college strength of a state, past Democratic vote and a victory bonus system, while the Commission formula was based on 50% population and 50% Democratic vote in the past three presidential elections. The formula adopted by the DNC is comprised of 53% electoral vote and 47% Democratic vote in the past three presidential elections.

At the 1968 National Convention, the votes of the 13 largest delegations comprised a majority. In 1972 the 9 largest states will be sufficient.

In previous years, the standing committees of the Convention were composed of one man and one woman from each state delegation. Under the new rules, the size of each delegation will be reflected in the composition of the Credentials, Platform and Rules Committees. The membership of each Convention committee will total 150—a state or territory will have at least one member, the remaining 95 will be apportioned according to size of the delegation. (For example, California and New York will have 9 members each on these committees; Delaware will have one.)

Each delegation will elect its delegates to the Convention committees, and the committees will select their own permanent chairmen.

To ensure women equal representation on these committees, the recommendations require that when a state elects a single committee member to each of the standing committees, it must divide its representation to the committees as equally as possible between men and women. States that elect two or more representatives to the committees are required to elect an equal or nearly equal number of men and women, giving due regard to the race and age of the members elected.

Further, women will be represented in equal numbers among temporary and permanent officers of the Convention, and the proposed procedural rules also say the Convention vice chairman shall not be of the same sex as the chairman.

The temporary roll call shall consist of persons whose seating has been recommended by the Credentials Committee's majority report—whether challenger or challenged—and they shall be permitted to vote on everything except their own seats.

TO MAKE THE CONVENTION OPEN

All meetings of the Convention committees—including all committee votes—are to be open to the public and to the press.

To ensure wide participation by Democrats in drafting the platform for the 1972 Convention, the Platform Committee is directed to hold at least eight regional public hearings. Subcommittees of the Democratic Policy Council are currently holding pre-platform hearings on a wide range of subjects.

Each committee must publish its report and make it available to the delegates before the National Convention. The Platform and the Report of the Rules Committee must be printed and in the hands of delegates at least 10 days prior to the opening of the Convention, and the Credentials Committee must have its report available two days before the gavel falls. This advance preparation of reports will give the delegatea a clearer idea of the proposals before them and facilitate

meaningful debate. Upon the request of ten per cent of the members of a committee present and voting at a meeting, a minority report shall also be prepared and, along with the majority conclusions, be submitted to the full National Convention—thus assuring a hearing for all viewpoints.

Extensive procedures have been established for the Credentials Committee, whose members must adjudicate all challenges to a delegate's right to represent a state at the Convention.

Specific deadlines are provided to assure full protection of rights for all parties in the credentials proceedings. A written notice of intent to challenge must be filed within 10 calendar days after the delegate-selection process is completed in a state, a requirement that it is hoped will minimize last minute credentials challenges during the days immediately preceding the Convention.

The Credentials Committee is also empowered to hold hearings in the states and to appoint its own impartial hearing examiners to develop the facts in the case.

TO MAKE THE CONVENTION DELIBERATIVE

All resolutions, committee reports and minority reports must be fully debated and voted upon by the Convention delegates. To avoid surprise or misunderstanding, amendments from the Convention floor will not be permitted.

Motions to lay on the table, order the previous question and other peremptory motions will not be permitted, nor will interruptions of the roll call and dilatory motions, amendments and appeals.

In order to speed up Convention business, the total time permitted for a candidate's nomination and seconding speeches will be limited to a total of 15 minutes. Planned demonstrations will be banned (no more hired hands and conscripted participants). Spontaneous eruptions on a candidate's behalf will be taken out of the 15 minute time allotment.

"Favorite son" nominations are foreclosed by the requirement that a candidate establish substantial support in three or more states before his name may be placed in nomination. Under the new rules, a nominating petition must contain the written backing of at least 50, but not more than 200, delegates, with no more than 20 from one delegation. A delegate may not sign more than one nominating petition. The same procedure also applies to the nomination of the Vice President.

A delegate will be permitted to vote for whomever he pleases even if his conviction is contrary to a state law binding him to another candidate. This is considered a matter between the delegate and his state, not the Convention, which will record his preference at the time the roll is called.

TO MAKE THE CONVENTION FAIR

For the candidates

To further democratize the proceedings, the roll call of the states, as well as the order of nomination, will be determined by lot.

Each declared presidential candidate is entitled to appoint a non-voting member to the Convention Arrangements Committee and to the drafting subcommittee of the Platform Committee.

Each delegate by his participation in the Convention agrees to help place Democratic candidates on the ballot in his state and agrees not to support any candidate other than the nominee of the Democratic National Convention.

And for the delegates

"Unit voting," whereby a majority of one could swing an entire delegation's strength behind a particular candidate, has been abolished.

Seating arrangements on the Convention floor will be determined by lot at a drawing held before the Convention is brought to order. In the past, the Arrangements Committee determined the seating arrangements for the delegations.

Communications between the floor and the Convention chairman will be provided to ensure that the chairman will identify any delegate seeking recognition. Requests for recognition will be electronically registered in a manner visible to the chairman, the delegates and the news media.

Communications equipment must be sufficient to permit the delegates to communicate with the rostrum, with the candidates' headquarters, with the press and with each other.

These far-reaching reforms of the convention system will eliminate much of the traditional hoopla, as well as the unnecessary boredom, of the past. Instead, these new procedures, in combination with a new, lively format, will result in orderly attention to the issues and to the nomination.

THE NEW DELEGATE

"A quiet revolution is sweeping the Democratic Party," Rep. Donald M. Fraser told the Democrats' Commission on Party Structure and Delegate Selection in mid-July.

Rep. Fraser, successor to the Commission's first Chairman, Sen. George McGovern, made the prediction that by the end of 1971 a minimum of 40 states would be in compliance with the Commission's 18 Guidelines for choosing delegates to next year's Democratic National Convention.

On October 15 (reporting to the Democratic National Committee) Fraser announced: "That figure is now in sight."

He released an analysis showing that 36 state Democratic parties had already fully met the new reform standards or were acting on new rules that would move them into the "full compliance" column well before December 31.

Moreover, virtually all the remaining states and territorial parties are hard at work to complete the admittedly complex job of changing past procedures—a process guaranteeing the most open, non-brokered Democratic National Convention in history.

How can the quiet revolution be explained? Most simply:

In the past two years, Democrats decided to make Party reform more than a catch phrase. And these Democrats went to work.

For many state parties it meant a sharp break with decades of tradition. For more than a third of the states, it meant writing substantive party constitutions, by-laws and rules *for the first time*. Ten states that picked all or significant portions of their national delegations by committee had to adopt a new democratic process where rank-and-file Democrats choose the delegates.

When the 18 Guidelines were adopted nearly two years ago and the first "compliance letters" sent to state parties in February, 1970, *not one state met the 18 new standards*.

At best, state parties were out of compliance on only five, six or seven guidelines. Most of them missed the mark by better than half; some were out of compliance on as many as 16 or 17 of the guidelines.

Addressing himself to this point in his October 15 report, Rep. Fraser said: "Looking at the 50 state parties and the total number of guidelines they were out of compliance with when they began, we have moved from zero to 78% up the ladder toward full compliance on the basis of rules adopted and proposed rules that will soon be acted upon."

This record can be explained only by the extraordinary breadth of the reform effort in state after state, as well as the personal commitment of countless Democrats to see the job through to a successful conclusion.

In the two-year period that state Democratic parties have been at work to comply with the new standards, an impressive record has been written. As of mid-October:

36 state parties had either acted upon or were preparing final action to adopt new rules in full compliance with the guidelines.

Virtually all the remaining 14 states and territories have set a definite time schedule for completing action.

13 state parties have successfully obtained legislative changes opening the system to wider citizen participation.

Every state Democratic party named a reform commission or committee to study its system and propose appropriate change. Over 1,000 Democrats have been working in these reform groups.

Approximately half of the state parties held public hearings to obtain grassroots opinion. In all, several hundred public hearings were held—one state alone held 20 hearings.

The Commission on Party Structure and Delegate Selection itself held 17 public hearings—beginning with a national hearing in Washington, D.C. on April 24, 1969 and ending four months later in Boston, Mass. Some 500 Democrats testified at these hearings and provided the substantive basis on which the new guidelines were developed.

All the Commission's meetings have been open to the press and the public.

THE GUIDELINES: WHAT DO THEY MEAN?

Two principles are at the core of the 18 Guidelines that will govern the selection of delegates to the 1972 Democratic National Convention: non-discrimination and the grassroots election of delegates. Specifically, these principles mean the following requirements for state and territorial Democratic Parties:

Party rules must specify no discrimination on basis of race, color, creed or national origin.

All vestiges of discrimination on basis of sex and age must be eliminated.

Affirmative steps must be taken to encourage representation on the national convention delegation of young people, women and minority groups in reasonable relationship to their presence in the state's population.

Remove excessive costs and fees (over $10).

Remove mandatory assessments of delegates.

Remove petition requirements in excess of 1% of standard used.

Adopt explicit Party rules and make then readily available to all persons upon request.

Adopt uniform times and dates for meetings; fully publicize this information well in advance.

Prohibit proxy voting in delegate selection process.

Prohibit unit rule at all levels.

Clearly designate delegate-selection process as distinct from other Party business.

Adopts rules setting quorums at not less than 40% for all committees involved in delegate-selection process.

Alternates must be chosen in same manner as delegates.

Delegate vacancies must be filled by "timely" and "representative" Party committee, by reconvening body that elected delegates, or by delegation itself acting as a committee.

Select at least 75% of national delegates in convention system at congressional district or smaller units.

Apportion each body selecting delegates at all levels on basis of population and/or Democratic strength.

Give each candidate for delegate an opportunity to state presidential preference on the ballot at each stage of process or be designated "uncommitted."

Prohibit all delegate selection processes prior to the calendar year of the Convention.

Limit selection of National Convention delegates by committee to 10% of the total delegation. The committee making these selections must be timely and properly apportioned.

Slate-making process must be open to full and meaningful participation by all Democrats, with no undue burden placed on any Democrat who wishes to challenge for a position on the slate.

Party groups making up delegate slates must have been elected, assembled or appointed with adequate public notice that such a task would be performed.

Several other guidelines "urge" state parties to take additional action, such as:

Work for removal of all laws, customs and practices that restrict voter participation in the political process, i.e., restrictive voter registration laws.

Remove all costs and fees.

Explore ways of easing the financial burden on delegates and alternates.

Provide for fair representation of minority views in the Convention delegation.

Provide easy access for unaffiliated voters and non-Democrats to become Democrats.

ARRANGEMENTS COMMITTEE

A major reform stemming from the Commission on Rules has been opening up planning for the 1972 National Convention to a broad spectrum of Democrats, including governors, state chairmen, members of Congress, elected state officials, young people and the presidential candidates.

Responding to criticism that past National Conventions were planned by an unrepresentative group of party officials, the Rules Commission instructed the DNC chairman to nominate for an Arrangements Committee a slate that would include representatives of principal groups in the Party structure, as well as persons who traditionally have been underrepresented in all phases of the National Convention.

At the October 13–14 meeting the DNC, the members unanimously elected an Arrangements Committee slate proposed by Chairman O'Brien that included 8 women, 7 men, 2 blacks, 1 Spanish-speaking American and one 19-year-old. Each presidential candidate will also appoint an *ex-officio* member.

The Arrangements Committee is responsible for housing; communications; radio, television and press; security, seating of delegates, visitors and guests; admission and passes; transportation and finance. The membership of the Arrangements Committee for the 1972 Democratic National Convention includes:

Lawrence F. O'Brien, Chairman, Democratic National Committee.

Mary Lou Burg, Vice-Chairman, Democratic National Committee.

Dorothy Vredenburgh Bush, Secretary, Democratic National Committee.

Robert S. Strauss, Treasurer, Democratic National Committee.

Jacob M. Arvey, National Committeeman from Illinois; senior member of the Executive Committee.

Mrs. Beatrice Rosenthal, National Committeewoman from Connecticut; senior female member of the Executive Committee as regards continuous service on the National Committee.

Gov. Reubin O. D. Askew, Florida (host state for the convention).

Mrs. Caroline Wilkins, State Chairman from Oregon, only female State Democratic Chairman.

Robert S. Vance, State Chairman from Alabama.

U.S. Sen. Philip A. Hart, Michigan (recommended by the Majority Leader of the United States Senate).

U.S. Rep. Edward P. Boland, Massachusetts (recommended by the Speaker of the House of Representatives).

Mrs. C. Delores Tucker, Secretary of the Commonwealth of Pennsylvania, Vice-Chairman of the Pennsylvania Democratic Party.

State Sen. Barbara Jordan, Texas.

State Rep. Mrs. Waldo S. Benavidez, Colorado, Denver Democratic Party leader.

Gwendolyn R. Mink, 19 years old, sophomore at the University of Chicago, Speakers Bureau Chairman of the National Student Vote, former intern in the offices of Senator Edward M. Kennedy and Speaker Carl Albert.

CONVENTION REFORM

Numerous recommendations of the Commission on Rules have already been incorporated into the planning for the arrangements of the 1972 National Convention. Among these are the following:

Arrangements have been made to print the reports of the Platform and Rules Committees and to distribute them to the delegates ten days in advance of the opening of the Convention.

Low-cost air conditioned housing has been provided, not to exceed $5 or $6 a day.

25 caucus rooms are being constructed within the convention hall.

All Presidential candidates will be provided with equivalent office space adjacent to the convention hall.

All delegates and alternates will be seated on the floor for the first time.

A special expense fund has been established by the Committee with which to pay the expenses of the Standing Committee members.

Seating of the delegations will be done by lot.

Aisles will be wide so as to allow easy passage for all delegates.

For the first time the Convention Manager and an Arrangements Committee, widely representative of all Party groups, were elected by the full National Committee.

Security within the hall is under the sole authority of the Arrangements Committee.

All Presidential candidates will be offered equal headquarters facilities in at least two hotels.

Extensive facilities have been provided for full media coverage of the Convention, including easily accessible TV booths, camera stations commanding full view of the proceedings and sufficient lighting to allow color TV.

Discussions are now underway with the telephone company to provide a network of telephonic communications between the press and delegates, between delegations and between delegations and the rostrum.

Finally, the Roll Call will no longer be alphabetical, but will be done by lot.

FINANCING REFORM

The Democratic National Committee has, to date, provided $310,000 to support the Fraser-McGovern and O'Hara Commissions. "Money has never been better spent," said DNC Treasurer Robert Strauss. "I am totally behind the work of the reform commissions and I am delighted that our fund-raising efforts have been able to provide this financial support. I am particularly pleased with the election of Mrs. Patricia Harris as temporary chairman of the Credentials Committee for I know she will bring her many talents and dedication to the task of assuring democratic selection of delegates to the 1972 Convention." Strauss emphasized that the Credentials Committee would receive full financial backing by the DNC in overseeing the delegate-selection process in 1972.

DNC Vice Chairman Mary Lou Burg has been working tirelessly to involve more women in the political process. In the past year, Miss Burg has participated in numerous fund-raisers and given a host of speeches on behalf of distaff Democrats all over the country. She is particularly delighted with the election of Pat Harris as Temporary Chairman of the Credentials Committee. "I'm happy to see Mrs. Harris doing the job, not just because she's a woman," said Miss Burg, "but because she's a really fine administrator and I know the reins are in capable hands."

ENFORCING REFORM

Patricia Roberts Harris is a symbol of change: She's a Black woman who's risen to a position of prominence in what has up to now been a white male-dominated sphere of influence. Why, then, have some come to feel her latest post, temporary Credentials Committee Chairman for the 1972 Democratic National Convention, is somehow antithetical to the reforms adopted by the Democratic National Committee? Some say it's because she doesn't have a long record of party reform activity behind her.

"True enough," admits the busy lawyer, ex-U.S. Ambassador, board chairman of two major corporations and dedicated wife. "I haven't been making loud noises about reform up to now. Well, I haven't been making too many statements about child abuse either. Is that supposed to mean that I'm for cruelty to infants? The fact is that I'm not sure why there were doubts about my commitment to reform. All I can say to the doubters is, come Convention time, watch my smoke."

Mrs. Harris also points out the McGovern-Fraser Guidelines and the O'Hara rules on Convention reform ensure that, whoever the chairman of the credentials committee, he or she would be under the mandate of those regulations to enforce the new Convention procedures for seating state delegations at the 1972 Democratic National Convention.

There was talk throughout the brief struggle between Mrs. Harris and Sen. Harold Hughes for the committee chairmanship that the contest would precipitate a breach among party leaders. After the vote, however, a move to make the Harris election unanimous was approved by the full DNC.

SO, YOU WANT TO BE A DELEGATE . . .

If you are interested in running for delegate to the 1972 Democratic National Convention, be sure to familiarize yourself with the procedures and regulations in your state. Each state party is required to make its rules readily available.

A copy of the 18 Guidelines is available from the Commission on Party Structure and Delegate Selection. To receive a copy, send your name and address to: Mr. Robert Nelson, Commission Staff Director, Democratic National Committee, 2600 Virginia Ave., N.W., Wash., D.C. 20037.

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 18, 1971.

LAWRENCE F. O'BRIEN,
Chairman, Democratic National Committee, Washington, D.C.

DEAR LARRY: The meeting last week of the National Committee was certainly a victory for Party reform. For those of us who have worked on the Commission on Rules, adoption by the Democratic National Committee of our recommendations for Convention Rules and the implementation of our proposals for the Arrangements Committee and the Standing Committees was very gratifying.

I know you share our satisfaction in the progress to date and our determination to have a nominating convention next year that is completely representative, deliberative, open, and fair.

Larry, those of us who have had the privilege of working with you in achieving the reforms now adopted know we could not have come this far without your steadfast support and encouragement. When you rap the gavel opening the Miami convention, it should be with real satisfaction in the revitalization of the Democratic Party that has been accomplished under your leadership.

Best wishes.

Sincerely,

JAMES G. O'HARA,
Chairman,
Commission on Rules.

SENATOR HUGHES PRAISES DELEGATE REFORM

Sen. Harold Hughes (D-Iowa) had words of high praise for the Democratic Party's reform efforts in the past two years.

An acknowledged leader of party reform efforts since the 1968 Democratic National Convention, when he chaired an *ad hoc* commission on the presidential nominating process, Sen. Hughes is vice chairman of the Commission on Party Structure and Delegates Selection.

At a Commission meeting Oct 15, Sen. Hughes said the Democratic Party's accomplishments in meeting the reform standards are "amazing."

"When I look back two years and see the futility of what we faced, it's amazing how far the states have come. It's been a very successful thing," he said.

Hughes praised the Party's commitment to reform. "Two years ago," he said, "I doubted that 10 states would be in conformity" with the guidelines for delegate selection. "Now I think that between 45 and 48 states will be."

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 19, 1971.

Hon. LAWRENCE F. O'BRIEN,
Chairman, Democratic National Committee, Washington, D.C.

DEAR LARRY: As we move through the critical fall months toward the beginning of the convention year, I want to thank you for your invaluable assistance in backing the Commission's efforts to obtain full compliance with the guidelines among all the state parties.

Without your unwavering support over these past months, we would not in my judgment, have been able to achieve the enormous progress that we were able to report to the Democratic National Committee meeting on October 14. The solid support that you have given our staff and the "shoulder to shoulder" posture you have taken with the Commission, demonstrate beyond any doubt the Democratic Party's commitment to reform.

I wish to express my strong gratitude for your help at this point, in light of the unwarranted questioning of your position on reform, as an aftermath of the contest for a temporary chairman of the Credentials Committee.

Incidentally, I was particularly impressed with your leadership in encouraging the National Committee to reverse its position and unseat itself as automatic delegates. This action by the Democratic National Committee was a strong affirmation of the guidelines.

Congratulations.

Sincerely,

DONALD M. FRASER.

THE NATIONAL CANCER ATTACK ACT OF 1971

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. ROGERS. Mr. Speaker, on Monday, November 15, 1971, the House overwhelmingly passed the "National Cancer Attack Act of 1971" by a vote of 350 to 5. This action has generated considerable reaction from the American public in support of the House passed version of this legislation.

At this point I would like to insert in the RECORD editorial comment from the New York Daily News which addresses this issue:

HOW HUNT CANCER CURE(S)?

House and Senate are agreed that the government shall steeply increase spending on cancer-cure research. But the Senate wants to set up an independent agency for the purpose, while the House favors keeping the existing cancer institute within the National Institutes of Health.

We hope the Senate-House conferees will settle for the House version.

Create an independent organization, and we'll encourage the setting up of similar groups to hunt for cures for all the ailments on which sizable numbers of people think unlimited sums should be spent.

The end results most likely would be tragic in many cases and needlessly expensive in all. Why not let the NIH direct all of these cure quests?—which, unless we're mistaken, was one purpose for which the NIH was created.

TRADE POLICY

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BOGGS. Mr. Speaker, last Tuesday, the able chairman of the Committee On Ways and Means (Mr. MILLS), delivered a thoughtful and timely speech to the 58th National Trade Convention in New York.

The subject of trade policy is one of special importance to anyone who is concerned about our country and its economic role in the world.

Few individuals can speak with as much authority or expertise in this field than Chairman MILLS. I am therefore inserting the text of his address in the RECORD, and calling it to the attention of my colleagues:

REMARKS OF CONGRESSMAN WILBUR D. MILLS

I am both pleased and honored to be here today and to participate with you in your exploration of the "Imperatives for World Economic Progress" in this 58th National Foreign Trade Convention. This annual convention has a long tradition of deliberating on those policies of business and government which enhance the free flow of trade and investment and which contribute to economic growth and well-being throughout the world.

I am sure I am not the first speaker to pay tribute to that tradition by quoting from a statement by Secretary of State Cordell Hull. Secretary Hull spoke a great many truths concerning the importance of foreign trade and the vital necessity of international cooperation in trade relations. As I view the state of our international economic affairs, it occurs to me that a statement of Secretary Hull before the Committee on Ways and Means is particularly apropos at this time.

The date is March 8, 1934, and the statement is in support of H. R. 8430, which became the Reciprocal Trade Agreements Act of 1934. Secretary Hull observed: "The field of international trade, however, upon the existence of which the economic lives of scores of nations depend, and the economic well-being of all nations in important measure depend, is hopelessly clogged and obstructed by prohibitions, embargoes, quotas, restrictions, and numerous other economic and currency impediments. The processes of exchange and distribution have broken down and *adequate relief imperatively requires the restoration of confidence, employment, normal commodity prices, and normal trade, both internal and external.*" (Emphasis supplied.)

This description of conditions in international trade of 37 years ago appears to me to be perilously close to conditions which can develop in the world economy should the present attitudes and policies in world trade centers persist. Prohibitions, import quotas, bilateral restrictions, discrimination, economic and currency impediments are coming to be increasingly used, if not in practice, at least in terms of proposals by governments as they seek to protect their own economic situations or to redress real or alleged imbalances in their economic affairs.

There is no doubt that the economic conditions, both internal and external, which faced the United States this past summer were of an extremely serious nature. Inflation, under-employment and long-time budgetary deficits domestically, were reflected in increased imports, lagging exports, and deficits in our balance of payments and balance of trade.

These conditions to which the President addressed his action on August 15 did not develop overnight. And I believe we need to remind ourselves that they cannot be corrected in a brief period of time.

Internationally, the President's action in imposing an additional duty of 10 percent on most dutiable imports and suspending the convertibility of the dollar into gold represented for the United States a new freedom from the rules of the game as they particularly applied to this country. Given the role of the dollar in the international monetary and financial system, the United States has not had the flexibility enjoyed by other countries to adjust the value of its currency to reflect shifts in economic conditions and relative economic strengths. In trade, the position of leadership assumed by the United States had up until this summer foreclosed unilateral action in the trade field to assist in the necessary adjustments in the international economic accounts.

The President's shock treatment certainly worked up to a point. Our international economic problems have now received the attention of our trading partners which they previously had tended to ignore in face of the overall economic strength of the United States. I believe that the reaction of our trading partners after the initial shock has been for the most part one of cooperation.

The correctness of the United States action on August 15 will be lost sight of, however, if other governments are given time to react in response to pressures from their own producing interests. Indeed, there is every evidence that, as the timetable for lifting the additional duty on United States imports remains indefinite, the negotiating leverage for achieving a meaningful realignment of currencies will be dissipated.

Indeed, as Mr. Hull observed, we need a "restoration of confidence," for despite the actions of August 15, we still have a crisis of confidence on the part of the business community and labor. This is particularly true of our trade policy.

Abrupt changes in policy are usually characterized as the end of an era. It is my hope that the forces which have been set to work since August 15 will not result in the end of the era of cooperation in international trade and monetary policy in which world trade has expanded from $55 billion in 1950 to $311 billion in 1970.

Trade expansion policies, including the trade policy the United States has pursued, anticipate economic adjustments. Trade expansion policies run into trouble when the economic adjustments resulting from reduction in trade barriers develop faster than they can be assimilated by the affected economic interests. The success of the trade agreements program until recently has been due to the recognition that trade liberalization must proceed surely but slowly if it is to remain economically viable and politically acceptable.

The leadership the United States has been able to exert in international trade is due to the fact that under the trade agreements extension acts and the Trade Expansion Act of 1962, the Congress and the President were speaking with one voice. The failure to extend the President's trade agreement authority after June 30, 1967, has contributed substantially to the deterioration of consistency in our trade policy and indeed has raised the question as to whether the United States has a trade policy.

The history of the trade agreements program has been one of the President seeking increased flexibility to deal with our trade problems internationally and the Congress providing written safeguards in recognition of the interest of producing groups in our economy. Thus, over the years, a balance of forces was achieved in delegating tariff adjustment authority to the President under specified conditions which provided for escape from situations of import competition to which industries and workers could not adjust.

In the Trade Expansion Act of 1962, the Congress granted the President more sweeping tariff reduction authority than ever before. However, despite the introduction of the concept of adjustment assistance for firms and workers injured by imports, the safeguard provisions of the 1962 Act and their administration failed to recognize that our producing interests would need quick and effective relief in dealing with the type of competition from imports that subsequently developed. In part, we failed to recognize that economic growth abroad has contributed greatly to the efficiency of foreign producers. Moreover, in administering other phases of our trade laws, we have failed to take into account the type of trade practices, often government-assisted, which have placed our own producers at a disadvantage, not only in the United States markets but abroad.

The tremendous shift in attitudes toward our trade policy on the part of a number of major industries and labor unions is compelling testimony to the failure of government policy to deal adequately with competitive forces to which our own trade laws should be addressed. It is an important aspect of the crisis of confidence on the part of manufacturers and workers.

Industry after industry has failed in its efforts to obtain relief under the tariff adjustment provisions, or, as they are known more familiarly, the escape clause provisions, of the Trade Expansion Act. Relief under the Antidumping Act or the countervailing duty provisions has either been so slow in coming or administered so reluctantly that the United States producers have despaired that the government would provide any assistance with unfair pricing policy of the foreign exporters and their governments.

There has been improvement recently in the administration of the Antidumping Act. Nevertheless, the complete breakdown in confidence of both management and labor that the government would respond to severe problems of import competition has caused industry after industry to seek legislated import quotas. Such proposals would impose quotas on imports across broad industrial sectors. Such relief is in contrast to the more selective type of relief contemplated in the escape clause provisions, and is, of course, of great concern to our trading partners, since it represents a completely different approach from trade policy that this country has pursued up to this time. Such an approach contradicts the type of international obligations which we must insist our trading partners live up to in view of our own great interest in world markets.

I share the concern of those who feel that the trade problems facing the United States are so serious that we must devise trade controls which will limit imports to a certain percentage of the domestic market. I still feel, however, if we amend our present laws wisely and prudently, we can retain the benefits of expanded world trade and safeguard our own producing interests, both business and labor.

But we must do so very soon. That is why I am concerned that we have not been able to take advantage of the imposition of the additional duty on imports to obtain quick and responsible action on the part of all major trading nations in the realization of exchange rates. It obviously is not possible to agree on a restructuring of the international monetary system in a short period of time. Nevertheless, an interim agreement on currency values could do much to quiet the concerns of many that the longer the present situation in the international monetary market persists, the more governments will resort to artificial currency manipulations and trade controls. I think we need to remember that whatever the cost of the failure to act earlier to make fundamental changes in the international monetary systems, it is at least partially offset by the great increase in world trade achieved under that system due in no small part to stable currency values. Thus, in any political strategy to reform the monetary system, I think we must keep in mind that the reforms must be accomplished without losing the economic benefits all countries enjoyed under the old system.

Among the beneficiaries, too, have been those economic interests actually engaged in international trade and investment. The indefiniteness of the present monetary and trade situation is not one that instills confidence in businessmen to make those decisions which lead to economic growth. Thus, the very nature of the present series of confrontations in trade policy give me great concern.

As I have indicated, the imposition of the additional duty on imports was basically sound and necessary in view of the currency crises and other ominous trends of last summer. Indeed, I had publicly stated my willingness to consider legislation under which a temporary border tax adjustment could be imposed. However, the President's action in imposing the 10 percent additional duty on most dutiable imports was without the specific authorization of the Congress. As you are aware, there has been no clear-cut explanation of the legal basis of the President's action under the national emergency he declared. Suffice it to say, the President has apparently terminated, in whole or in part, previous Presidential proclamations reducing duties pursuant to his trade agreement authority.

On some $4.5 billion in imports in 1970, the President's action had the effect of terminating all previous trade agreement concessions so that the rates of duty applying to imports are the statutory rates of 1930. It now appears that some importers are considering whether to petition for a ruling on the legality of the additional duty. A collateral question arises as to the President's authority, under the trade agreement provisions, to rescind the additional duty once he has terminated the previous tariff reductions.

Still another problem that must be faced is whether and how the President will deal with the last stage of the Kennedy Round scheduled to become effective on January 1, 1972, under a previous trade agreement proclamation which the President has terminated, in part, or "suspended." While such a question may appear superfluous in face of the 10 percent additional duty, it will hardly appear so minor to our trading partners.

Thus, my concern here is that, despite the obvious necessity of the additional duty, the lack of appropriate consultation with and delegation of authority from the Congress regarding this matter in particular has created uncertainty as to what trade policy in the United States is, and what the aims of this country are in dealing with our trading partners.

Again, in my own view, we are in the position we find ourselves because, by force of circumstances in both the executive branch and in the Congress, it has not been possible to work together to develop a balanced package of trade measures which would, on the one hand, give the President authority and flexibility to deal with trade problems internationally and, on the other hand, provide in our own domestic trade law reasonable and effective programs to deal with adverse competitive situations and available to all producing interests on the same basis.

In this regard, it is popular these days to state that many of our international trade problems will be solved if we recapture the competitive spirit and effectiveness of the proverbial Yankee Trader. I, too, subscribe to that theory. I certainly do not share the views of others that United States exports are passe, and that the United States should resign itself to becoming a service economy. Such a concept may fit the econometric models that are also popular these days, but which have little in common with the real world.

A part of the real world of international trade is contained in a number of bills pending before the Committee on Ways and Means which are based on hard analysis that existing trends in trade are robbing United States workers of job opportunities and eliminating profitable operations of many small firms which cannot adjust by investing abroad. The realities of trade policy in the 1970's, therefore, must involve a new awakening between workers and business in the United States as to the mutuality of their interest. For too long have we ignored the vital commercial aspects of day-to-day developments in our trade relations. Too often, market access problems abroad for United States producers have gone unsolved and the only viable answer for the individual corporations has become increased investment to produce abroad. It may well be that we should spend less time in coordinating policies and more time and thought to developing a single government department which will have the full responsibility for pursuing United States commercial interests abroad with the same fervor and success that foreign producers expect and obtain from their governments.

The world moves very swiftly these days. If we do not shortly begin to exhibit that maturity and political ability to understand and be understood by our major trading partners, all of the benefits we have come to enjoy from years of international economic cooperation can soon disappear. Moreover, there is a task ahead of rebuilding a trade policy for the United States which will reflect, first, its economic and, second, its political position in the world today. This task cannot be accomplished by the President alone. Today more than ever before, the President's power and flexibility to meet problems in trade must necessarily rest on the authority delegated to him by the Congress.

Finally, both management and labor must work toward the common goal of recapturing the competitive edge in producing in this market and abroad. This may sound like so much sophistry to some, but if this country is to remain the economic power and political force in the world economy that our traditions demand, it must be done through business and labor working with and through government toward their own interests both as producers and consumers.

JAMES G. FULTON

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. DORN. Mr. Speaker, Jim Fulton was a highly respected Congressman, a great American and a dear friend. We shall miss him, and we extend our deepest sympathy to his family and to the people of Pennsylvania.

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Mr. Speaker, we all knew of Jim Fulton's interest and expertise on scientific matters, for he was his party's ranking member of the House Science and Astronautics Committee. We knew too of his dedication to the people of Pennsylvania as the senior member of his party in Pennsylvania's delegation to the Congress. And we knew of his sincere interest in people. I well recall the day that he personally escorted my young son to introduce him to a foreign royal visitor to the Capitol. My son will never forget that simple act of friendship. Jim Fulton was a member of a family long prominent in Pennsylvania public life. He was devoted to this great heritage. Jim was also a dedicated member of the Committee on Foreign Affairs. He had a deep interest in foreign affairs and he realized that America could not remain great if it isolated itself from the rest of the world. James Fulton was a statesman, and we shall miss him. Again we extend our sincere sympathy to his family and to his friends.

THE 25TH ANNIVERSARY OF FRANK & EDWARD SKWIAT POST NO. 451, AMERICAN LEGION, MICHIGAN CITY, IND.

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BRADEMAS. Mr. Speaker, today I have the most pleasant duty of congratulating the Frank & Edward Skwiat American Legion Post No. 451 of Michigan City, Ind., on its 25th anniversary. In these past 25 years, the Frank & Edward Skwiat Post has contributed the time of its members and the resources of its treasury to virtually every civic project in Michigan City. In the short span of 25 years, the post has become a respected institution in Michigan City.

Mr. Speaker, the civic-minded activities of the Frank & Edward Skwiat Post are another reason for Michigan City to be proud of itself as a community. The common council of the city recently recognized this fact in a resolution, which I insert at this point in the RECORD.

The resolution follows:

RESOLUTION CONGRATULATING THE FRANK & EDWARD SKWIAT POST NO. 451, THE AMERICAN LEGION, ON ITS 25TH ANNIVERSARY

Whereas, in this year, the Frank & Edward Skwiat Post No. 451, The American Legion, Department of Indiana, will celebrate the 25th anniversary of its Charter, and

Whereas, in the Preamble to the Constitution of The American Legion, it is recited that among the fundamental precepts upon which The American Legion is founded includes the individual obligation to uphold the Constitution of the United States, and to safeguard and to transmit to posterity the principles of justice, freedom and democracy, and

Whereas, the Frank & Edward Skwiat Post No. 451, The American Legion, has exhibited throughout its organization a great desire to fulfill such precepts by its engagement in the National and Departmental programs of The American Legion, such as: Boys' State, Oratorical Contests, Flag Education, Patriotic Observations, Community Services, Rehabilitation of Veterans, Knightstown Home, and Child Welfare, and

Whereas, the Frank & Edward Skwiat Post No. 451, The American Legion, has built and maintained a Post Home at 121 Skwiat Legion Avenue which has served our community for educational activities, political functions, recreational programs, ceremonial observances, and civic projects, and

Whereas, among its many accomplishments, the Frank & Edward Skwiat Post No. 451, The American Legion, has purchased equipment for the Fire Department of Michigan City, and for the Police Department of Michigan City; has purchased animals for the Michigan City Zoo; has sponsored and participated in athletic events for children and adults; has provided American flags and Indiana State flags to schools within the Michigan City area, and has made generous contributions to worthwhile projects and programs including, but not limited to, Mental Health, United Funds, Heart Association, and Scholarship Foundation.

Now, therefore, be it resolved by the Common Council of the City of Michigan City that it does hereby officially congratulate the officers and members of the Frank & Edward Skwiat Post No. 451, The American Legion, and officially recognizes its contributions to the Community, State, and Nation as an outstanding Legion Post.

Be it further resolved that a copy of this Resolution, after its passage and approval by Conrad S. Kominiarek, Mayor of Michigan City, be forwarded by Philip J. Schroeder, Clerk of the City of Michigan City, to Kenneth L. Beach, Commander of the Frank & Edward Skwiat Post No. 451, The American Legion, with the official seal of the City of Michigan City affixed thereto.

Introduced by:

RAY H. PARRY.

Passed by the Common Council of the City of Michigan City, Indiana, this 19th day of October, 1971.

JAMES L. KINTZELE,
President of the Council.

Approved by me, this 20th day of October, 1971.

CONRAD S. KOMINIEREK,
Mayor.

Attest:

PHILIP J. SCHROEDER,
City Clerk.

MEETING THE DEMANDS FOR M.D.'S

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. ANDERSON of Illinois. Mr. Speaker, I was pleased to note in the American Medical News of September 27, an article by Dr. Robert Rosenberg, an outstanding physician from my hometown of Rockford, Ill. Dr. Rosenberg makes the important point that the doctor shortage confronting the Nation is not simply a matter of having too few physicians to go around. Rather, the real problem is that the doctors we do have are distributed unevenly, with overconcentrations in certain geographic areas and in certain specialties. We have too few physicians in central urban areas and in rural parts of the country, and too few primary care or family physicians in relation to the number of specialists and surgeons.

Because we are currently considering a number of proposals to improve the availability and quality of health care in the Nation, I believe Dr. Rosenberg's observations are particularly timely. It will not be enough merely to pour large sums of new funds into the health care system; effective reform will require that we also devise incentives to reduce the kind of imbalances that Dr. Rosenberg has identified. I would commend this article to my colleagues and include it at this point in the RECORD:

[From the American Medical News, Sept. 27, 1971]

MEETING THE DEMAND FOR M.D.'S

(By Robert J. Rosenberg, M.D.)

Twenty-five years ago, and less, there was a clamor for more electronic and industrial engineers. Today we have many areas with an oversupply of these highly trained men, but with no jobs for their sophisticated areas of expertise. Consequently, there are hundreds, perhaps thousands, of skilled men forced to accept other employment to support themselves and their families. Five years ago our educational experts predicted a marked shortage of teachers in elementary schools. With the dropping off of the population explosion and an economic downturn, thousands of college graduates equipped to serve in this field are now idle. This is yet another example of a planning program which did not anticipate future realities. Also within the medical profession during World War I and World War II, due to the emergent situation overseas, there was a marked shortage of general surgeons. The outcry at that time was for young physicians to engage in general surgery. This has been done with a resultant over-population supply in relation to the population needs.

Our primary shortage of physicians at this time is directly related to an over-population of highly specialized individuals as opposed to family practitioners and a maldistribution of physicians into the more densely populated urban areas. The age of specialization has removed doctors from many neighborhoods and the need for having expensive diagnostic equipment available in order to do good work has now taken the generalist away from the corner drug store and into the medical centers. The public may not realize it, but the physician recognizes that the evaluation of medical care has changed. Not long ago people sought the services of the doctor in the hope that they might be helped. Today they go to the doctor expecting to be cured.

The figures show that the physician population has been increasing 25% faster than the population growth for the past 20 years. It is clear that we must plan, and as we plan, we must be factual and flexible. Merely to increase the number of physicians would not adequately meet the requirements for physician availability.

VETERANS UNEMPLOYMENT

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BEGICH. Mr. Speaker, unemployment in our Nation and particularly in Alaska is a very serious problem. A significant portion of this unemployed force is the veterans who have recently returned from military service.

In an attempt to help alleviate the plight of the unemployed veteran, I have written letters to 120 community leaders urging them to provide opportunities for our returning veterans. I attempted to point out to these leaders that we have a special obligation to these men. They have given up prime years that could have been spent securing a job with security and good pay. These are men who are qualified to hold responsible jobs, but because of their temporary absence from the labor force, are finding suitable employment opportunities scarce.

I am pleased to report that in response to the letters I sent out, the Department of Labor in Alaska has sent me an informative letter explaining what they are doing to deal with this same problem. I would like to commend them for their work and dedication to our veterans. I am inserting a copy of that letter for my colleagues inspection so that they may see the fervor with which Alaska is dealing with this problem.

STATE OF ALASKA,
DEPARTMENT OF LABOR,
Juneau, Alaska, October 28, 1971.

Honorable NICK BEGICH,
Congressman for Alaska, House Office Building, Washington, D.C.

DEAR CONGRESSMAN BEGICH: We were pleased to see a recent news story indicating you had sent letters to 120 community leaders in Alaska urging their assistance in finding jobs for returning veterans.

Our Employment Security Division of the State Department of Labor has been pursuing a vigorous program through its Manpower Centers aimed at placing as many of our Vietnam Era Veterans in Alaska as possible into jobs.

Working in cooperation with the State Veterans' Representative, a number of mail promotion techniques have been used in Alaska. Our experience, however, clearly demonstrates that personal employer contact is the most effective technique for veteran job development, and, to the extent available staff resources of Alaska Manpower Centers permit, this approach is stressed. The employer interest cards used nationally to stimulate employer action in hiring veterans actually has elicited little response from Alaskan employers; however, direct contact and coordinated local publicity has obtained some good results.

In Anchorage, where the 1½ staff positions provided to Alaska by the Manpower Administration of the U.S. Department of Labor, were assigned to augment the Jobs for Veterans drive and where a Jobs for Veterans task force is active, results have been very satisfactory thus far.

During the 5 months following the kick off of our statewide Jobs for Veterans Campaign in April 1971, the record shows our Manpower Centers have taken 2,152 new applications for employment from veterans, of which 809 were Vietnam Veterans. During the same period 1,187 job placements of veterans were made, with 693 being Vietnam Era Veterans.

We anticipate the impact of the jobs made available through the Emergency Employment Act of 1971 will stimulate further job placement of Vietnam Era Veterans. As a matter of fact, early reports from our Manpower Centers concerning this program show a high number of veterans placed in the openings now being processed under the Emergency Employment Act.

Sincerely,

FRANK E. CASHEL, *Director.*

OUR NATIONAL LABOR POLICY

HON. DAVID N. HENDERSON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. HENDERSON. Mr. Speaker, you may be surprised to learn that during the first 150 years of our country's existence, there was no such thing as a Federal labor law. Not until 1926 when Congress passed the Railway Labor Act did the Federal Government take any action toward regulating labor or employment relations.

The Railway Labor Act came about because of the great number of disputes in the railroad industry after World War I which disrupted transportation of goods in interstate commerce. Its purpose was to provide a procedure for settlement of such disputes and to prevent rail carriers from interfering with efforts of their employees to form and join labor unions. The central policy of the Railway Labor Act was expressed in the statement in section 2, fourth, that:

Employees shall have the right to organize and bargain collectively through representatives of their own choosing. (45 USC, sec. 152, Fourth)

Nothing was said in the act about the right of employees to refrain from joining or forming labor unions, and within a short time the railroad brotherhoods became worried about the possibility that workers could be coerced by the carriers into joining company dominated and controlled unions. As a result the unions requested that Congress amend the railway act to include a prohibition on any form of compulsory unionism agreements. In accordance with this request Congress in 1934 amended section 2, fourth, to read:

It shall be unlawful for any carrier to interfere in any way with the organization of its employees . . . or to influence or coerce employees in an effort to induce them to join or remain or not join or remain members of any labor organization, or to deduct from the wages of employees any dues, fees, assessments or other contributions payable to labor organizations.

It is thus an historic, if somewhat ironic, fact that organized labor itself was the first to insist upon incorporation of the right to work principle in a Federal labor statute. These union officials were well aware that compulsory unionism agreements are frequently nothing more than "sweetheart" contracts.

Until the year 1935 workers in industries other than the railroad industry had no Federal law to protect their organizing activities or their efforts to obtain collective bargaining rights from their employers. All this was changed with the enactment in 1935 of the Wagner Act, officially known as the National Labor Relations Act, which was the first comprehensive Federal labor statute.

This new statute was frankly designed to encourage the formation of labor unions and to strengthen their bargaining position with employers. The act made it unlawful for an employer to interfere with organizational activities of employees or to refuse to bargain with a union representing employees. One of the most important features of this new law was the provision in section 8(a)(3) which permitted union agreements requiring all workers in a bargaining unit to belong to the union and pay union dues.

Armed with this extraordinary privilege of being authorized to demand agreements requiring all employees to join the union and pay union dues as a condition of employment, labor officials launched intensive organizing drives which skyrocketed their membership from a level of approximately two million in 1935 to an estimated high of 17 million in the next 10 years, and swelled their treasuries with a tenfold increase in dues payments, initiation fees, and other types of assessments. How many of the newly acquired "members" were forced into the unions under compulsory union shop and closed shop contracts is impossible to determine, but conservative estimates place the number at 3 million. Compulsory unionism mushroomed under the emergency created by World War II.

Labor Department reports show that prior to World War II only 20 percent of all employees covered by union contracts were bound by compulsory membership agreements; however, in 1946, 77 percent were subjected to such clauses. During the war, the Government-sanctioned wage-price administrators frequently recommended forced unionism clauses as the price for keeping union officials from calling employees out on strike.

Emboldened by their success union officials began pushing their demand for compulsory unionism harder and harder, and, as might be expected, these efforts did not go unnoticed by the American public, particularly those members of the public who were unwillingly forced to pay union dues. In response to the public reaction a number of States, beginning in 1944, adopted laws prohibiting compulsory unionism. The first such laws were adopted as amendments to the constitutions of Florida and Arkansas, in 1944. Other States quickly followed suit and there are now 19 States with right to work laws on their books.

Eleven of these State right to work laws were in force at the time Congress adopted the Taft-Hartley Act amendments to the National Labor Relations Act in 1947, and in order to eliminate any doubt as to the effect the Federal law would have upon such State laws Congress wrote into the Taft-Hartley Act the now famous section 14(b), which expressly provides that nothing in the National Labor Relations Act—

Shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law.

In 1951, the railroad unions were successful in pushing through Congress an amendment that deleted the 1934 right to work provision in the Railway Labor

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Act. Immediately thereafter officials of the railroad brotherhoods insisted that management accede to their demands for compulsory "union shop" agreements. Management objected, and President Truman then appointed Emergency Board No. 98 to settle the dispute. That Board concluded that the Congress, by adopting the 1951 amendment to the act—section 2, eleventh—established a Federal policy in favor of the "union shop." It recommended that the railroad companies conform to that policy, and they were compelled to do so.

Recalling that it was the railroad unions that favored voluntary unionism in 1934, why the change of view in 1951? Mr. George Harrison who was President of the Brotherhood of Railway Clerks in 1951 and the chief spokesman for the Railroad Brotherhood officials, answered this question when he complained that unions were unable to discipline members effectively because of the voluntary nature of their affiliation with the union. Associate Justice Brennan referred to this when giving the opinion of the U.S. Supreme Court in *International Association of Machinists et al. v. S. B. Street et al.*, 367 U.S. 740, 763, 6 L. Ed. 2d 1158 (1961):

> Mr. Harrison expressly disclaimed that the union shop was sought in order to strengthen the bargaining power of the union. . . . Nor was any claim seriously advanced that the union shop was necessary to hold or increase membership. The prohibition against union security in the 1934 Act had not interfered with the growth of union membership or caused the unions to lose their positions as exclusive bargaining agents.

Totally virtually all railroad workers in the country are victims of compulsory unionism as a direct result of the action taken by the Congress in 1951. Previously, they were protected by a right to work provision in the National Railway Labor Act. None of them is protected by the existing 19 State right to work laws, inasmuch as the governing Federal statute does not contain a provision similar to section 14(b) of the Taft-Hartley Act. Therefore compulsory union shop agreements are enforceable in the railroad and airline industries in all 50 States.

The review of the development of our national labor policy makes it crystal clear that the problem of compulsory unionism actually arises because it is sanctioned by the Government of the United States. Yes, the culprit is the Federal Government. Our Federal labor policy encourages and abets interference and intrusions on the individual rights of the Nation's working men and women. It is injurious to the country's economic and political wellbeing. Union abuses will continue to multiply until Congress establishes a policy of voluntary, rather than compulsory unionism.

It is well to note that Congress moved in that direction by including in the Postal Reorganization Act of 1970 a provision permitting only voluntary unionism in the Postal Service. In that instance, the House of Representatives went on record as favoring voluntary unionism by a vote of 226 to 159.

Now Congress must take the necessary action to correct the inequities resulting from the National Labor Relations Act and Railway Labor Act by passing the National Right to Work bill. This will give workers in the private sector of our economy the same rights and freedoms which have been given the postal workers in the public sector by specific congressional action.

EXTREME POLLUTION IN RHINE RIVER, GERMANY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. DINGELL. Mr. Speaker, the Christian Science Monitor of October 14, 1971, carried an article datelined Bonn, West Germany, under the heading "Even Eel Fishers Draw Empty Nets on Rhine."

The article makes it clear that the reason that eels, a hardy species, are absenting themselves from the Rhine River is because of extreme pollution. There are rivers in the United States which are polluted to the same or almost the same extent as the Rhine.

There is legislation pending in the House which would enable us to correct this situation and I feel that it is time for the Congress to act.

I include the text of the Christian Science article at this point in the CONGRESSIONAL RECORD:

EVEN EEL FISHERS DRAW EMPTY NETS ON RHINE

(By Harry Ellis)

Morning after morning over the past hot summer the eel fishers of the Rhine have drawn up their nets and found them—empty.

In a good season each of the 27 men who fish this section of the Rhine for a living catches upward of 5,000 pounds of the long, snakelike fish, esteemed by German gourmets.

Last summer, according to Paul Jansen, chairman of the Rhine Fishermen's Association, not one of his colleagues has taken more than 60 pounds of eel since the end of May.

The reason, experts agree, is pollution. Not pollution of a sudden, dramatic kind, like the spilling of insecticide into the Rhine, which killed all fish in the river in 1969.

The culprit this year is cumulative pollution, the gradual wearing down of the river's ability to cleanse itself, with the result that even coarse fish—eel, carp, and the like—cannot survive.

Understandably, Mr. Jansen and other men who work on the rolled, dark waters of the Rhine see the problem in terms of providing a living for their families.

OXYGEN CONTENT HIT ZERO

Water-pollution experts, taking a wider view, project growing danger for millions of Germans and Dutchmen dependent on the lower Rhine for drinking water, irrigation, and industrial use.

On June 8 and 9, according to state officials of North Rhine-Westphalia, the oxygen content of the Rhine at the city of Koblenz, assaulted by a massive onslaught of urban and industrial sewage from the Main and Neckar Rivers, dropped to zero.

Oxygen-starved bacteria no longer could neutralize polluted wastes, and the river at Koblenz and downstream turned foul smelling and almost black.

All three rivers, Rhine, Neckar, and Main, had been low, with the result that much sewage had sunk to the bottom, instead of flowing out to sea.

Then had come heavy rains and the Main and Neckar, flowing more swiftly, had carried their stirred-up bottom mud to the Rhine.

Quickly the oxygen content at the measuring station at Koblenz sank to zero milligrams per liter of Rhine water, from earlier levels of 4 to 6 milligrams.

"At the Dutch-German frontier," declared a Dutch engineer in The Hague, "the oxygen count in the Rhine was down to 1 milligram per liter, instead of the normal 3 at this time of year." (Even 3 milligrams is considered dangerously low.)

DISCHARGE ORDER STOPPED

Immediately the state government of North Rhine-Westphalia ordered factories to stop discharging heated water into the Rhine until the oxygen content of the river had restored itself.

This is easier said than done. Huge cooling towers used by modern industrial plants reduce, but cannot eliminate, the temperature rise in river water cycled through factories. Many older plants lack cooling towers.

Meanwhile, stringent laws in North Rhine-Westphalia, which houses the industrial Ruhr, require any new factory to guarantee no damage to the environment before the plant can be built. Such laws, effective on a federal scale, should prevent industrial pollution from multiplying in the future.

BUILDUP IS DENSE

Some existing Ruhr factories are building water-purification plants, beginning to reduce chimney emissions of sulfur dioxide and other noxious gases, and shipping their acid wastes in sealed containers out to sea to be dumped, instead of pouring them into the Rhine.

"All this is to the good," remarked an expert. "But the problem is, here in the Ruhr we build our factories and cities cheek by jowl, so that often a residential community is separated from a chemical plant only by a fence."

The result for the Rhine, he continued, is that urban and industrial wastes have poured into the river in unprecedented volume since World War II, as German production boomed.

Gradually the Rhine's ability to cleanse itself has been so taxed that sudden rains, as in early June, can "kill" the river at critical points by exhausting the river's oxygen.

Mr. Jansen himself pays tribute to the efforts of federal, state, and local governments to restock the Rhine after the total fish kill of 1969.

But the empty eel nets he and his colleagues have drawn up from the river this summer show how much more must be accomplished before the damage of decades can be undone.

Even at best, such measures are only palliatives. With the temperature of the Rhine slowly but inexorably rising year by year, the June 8-9 disaster could recur at any time.

The problem, as one German expert put it, is twofold. Scientists must develop some way to restore oxygen to a river, by "chemical, technical, or biological means," instead of leaving the job to nature.

Second, Chancellor Willy Brandt's government must hammer through Parliament a law giving environmental control authority to the federal government. Currently each Land, or state, has jurisdiction over its own water, land, and air, with the result that regulations vary in kind and effectiveness from state to state.

LEGISLATORS DELUGED

Deluged by expert opinion that air and water pollution in congested areas of West Germany has passed the danger point, Parliament deputies appear ready to give Mr. Brandt's government the authority it seeks.

That would allow coordination, as scientists grapple with the unsolved problem of restoring oxygen to a starved river.

A few giant German chemical and petrochemical firms have developed cleansing systems that pump oxygen into "used" water, so that billions of bacteria—nurtured by the factory—can neutralize wastes before the water is returned to the Rhine.

To build such a purification plant for a single large factory costs millions of dollars. To do the same job for the Rhine itself is a task whose technical and cost aspects are staggering.

THE VAIL MEDAL AWARDS

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. GUBSER. Mr. Speaker, recently two of my constituents, employees of the Western Electric Co. in Sunnyvale, Calif., were awarded the Vail Medal for heroism and courage. These gentlemen are Mr. George R. Wolf, engineering associate at Western Electric, and Mr. Harlan E. Shoemaker, systems equipment engineer. Mr. Wolf received the silver Vail Medal and Mr. Shoemaker the bronze Vail Medal.

I include the following:

For the past fifty years, acts of helpfulness—often heroism—by telephone men and women have built a tradition which demonstrates their keen awareness of their individual responsibility to serve their fellow man.

Many of these acts are so outstanding they merit a lasting symbol of recognition. In the Bell System, such recognition is provided by the Vail Medal Award, established in 1920 as a memorial to Theodore N. Vail, president of the American Telephone and Telegraph Company from 1907 to 1919. The award reflects the Bell System's abiding traditions of loyalty and devotion to duty.

Cast in gold, silver or bronze, the medal exemplifies and perpetuates the high ideals of Vail, whose likeness appears on the face of the medal.

The standards to be met to qualify for a Vail medal are exacting. It is given for initiative, resourcefulness, courage, fortitude and accomplishment in averting or easing the effects of catastrophe, saving human life, maintaining or restoring telephone service, and preventing or minimizing damage to property.

In the course of the fifty years of the award's existence, it has been presented to more than 2,260 Bell System people. Of their number, 1,998 have received bronze medals, 248 silver medals and 19 gold medals.

During this time, Western Electric people received 46 bronze medals, 13 silver medals and two gold medals. Today's awards mark the first time people at the Pacific Region's headquarters in Sunnyvale have received Vail medals. For this and their acts of heroism and their individual willingness to serve their fellow man, Western Electric is especially proud to honor George R. Wolf and Harlan E. Shoemaker.

GEORGE R. WOLF

The Silver Theodore N. Vail Medal for Noteworthy Public Service was awarded to George R. Wolf, Engineering Associate, Sunnyvale, California, for heroism and quick-thinking response in the rescue of a young boy from possible drowning.

On May 29, 1970, Mr. Wolf, his wife and friends were fishing along a creek in Yosemite National Park. The creek, swollen with melting snow runoff, had turbulent rapids. Mr. Wolf was on the bank of the creek changing a lure on his fishing line when he heard shouts from upstream. He saw a small boy being carried downstream by the swift current.

Without regard for his own safety, Mr. Wolf instantly dropped his fishing pole, threw off his jacket and plunged into the icy water. He positioned himself in the stream and intercepted the child as he was swept down. The ranging current carried Mr. Wolf and the boy further downstream before he was able to grab hold of a rock in the rapids and prevent them from being swept over a 25-foot waterfall a short distance downstream.

A group of people on shore formed a human chain into the water and helped Mr. Wolf and the badly bruised child to safety. The six-year-old boy was treated at a hospital for a mild concussion, bruises and abrasions.

Through his courageous disregard for his own safety, Mr. Wolf is credited with saving a life.

HARLAN E. SHOEMAKER

The Bronze Theodore N. Vail Medal for Noteworthy Public Service was awarded to Harlan E. Shoemaker, Engineering Associate (promoted to Systems Equipment Engineer, September, 1970), Sunnyvale, California, for spontaneous action and courage in helping to rescue a seriously injured climber.

On May 7, 1970, Mr. Shoemaker and his wife had paused at a scenic spot high above a valley in Yosemite National Park, when they heard a faint cry for help. Unable to spot anyone through his binoculars, Mr. Shoemaker quickly drove his car back down the road about three miles to where he had seen as empty parked car. Here he encountered an hysterical young man who asked for help for his companion who had fallen approximately 270 feet while rock climbing.

Despite his street shoes and no climbing experience, Mr. Shoemaker scaled 500 feet over large boulders and rocks in search of the injured victim, but to no avail. Then, joined by a Park Ranger and the other young man, they climbed 350 feet and located the unconscious victim on a rock ledge.

Mr. Shoemaker and the victim's companion each positioned a foot on a small outcrop of rock. They began treating the injured man for shock by loosening his clothing and massaging his arms and legs while a former Army combat medic climbed above the victim to treat his severely bleeding head wound. When it became apparent the victim was in danger of slipping over the ledge and falling another 50 feet, Mr. Shoemaker unhesitatingly placed both feet on the jutting ledge and held onto another rock with one hand. He kept his precarious position for approximately two hours continuing to administer first aid with his free hand until a rescue team arrived. Subsequently, the victim underwent successful brain surgery.

Exhibiting bravery, tenacity and clear thinking in the face of crisis, Mr. Shoemaker's actions exemplify the finest tradition of service to the public.

Both Mr. Wolf and Mr. Shoemaker received personal letters of congratulation from President Nixon and it is a pleasure for me to bring the heroic deeds of these fine gentlemen to the attention of the House of Representatives. Their acts should serve as an example for all Americans.

BUD HILLIS—AVIATION AUTHORITY

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. LANDGREBE. Mr. Speaker, it is rare when a freshman Member of this House gains a reputation as a leading authority in the House on a subject. But my dear friend and distinguished colleague from Indiana, BUD HILLIS, has managed to attain that stature. As evidenced by his floor managership of the air controller bill in a recent session, BUD HILLIS has become one of our foremost authorities on the subject of aviation.

BUD comes by this authority from personal experience. During his service in the Army Air Corps during World War II, he was bitten by the aviation bug. In postwar civilian life, he qualified for a pilot's license and has flown his own private airplane for many years. Like every flyer I have ever known, he is an absolute nut on the subject.

Now that he is a Member of this House, BUD has brought his wealth of information and his dedication to aviation with him. He realizes that American aviation has many problems, with which this House must deal. Foremost among these is the potential safety crisis of air traffic control. As a member of the Post Office and Civil Service Committee, he is in a unique position to assist the hard-pressed air controllers in the Federal Aviation Administration.

Recently, BUD visited a modern air control facility in Knoxville, Tenn., and learned some information, which will be of interest to this House and to the public. In the event the air controllers bill goes to conference, it would be of special interest to the conferees. BUD yesterday made a 5-minute radio broadcast to the people of his district on the subject. Because of its national importance, I include the text of his broadcast at this point in the RECORD:

NOVEMBER 18, 1971.

RADIO REPORT NO. 43

ANNOUNCER. And now for another Washington Report with your Congressman Bud Hillis, who represents the Fifth Congressional District of Indiana.

I understand that you have just seen something that is perhaps a breakthrough in the area of safety from the standpoint of our airlines and air traffic.

HILLIS. Yes, this is right. I most recently had the opportunity to go to Knoxville, Tennessee and view the very latest equipment that FAA now has under test in this important area of air safety.

This equipment is quite a sophisticated application of the use of data processing information and computer technology to display on a radar screen to a controller on possible conflicting air traffic. This means that the machine will accept programmed data from the controller, analyze it and also analyze other information that has previously been stored in it and will warn the controller of any problems that it sees in the way of traffic conflicts in that area.

ANNOUNCER. In other words, this will tend to eliminate great areas of potential human error.

HILLIS. It could do that. It certainly would eliminate some of the stress and strain that I know so well that the air traffic controllers of this country are under.

ANNOUNCER. Let's back up just a moment and discuss the legislation which you have introduced and supported to improve traffic safety and then let's discuss how this new innovation will tie into that legislation.

HILLIS. Well, first of all, the legislation which passed the House took into effect the terrific strain and stresses the air traffic controllers are under in peak hours in their duties. This legislation would provide for early retirement and more importantly if a man was unfit physically to go on, retraining for other work.

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This legislation passed the house some four weeks ago and is now in the Senate. It no doubt will pass the Senate but probably will come back again before what is known as a Conference Committee which Members of our Committee will serve. I want to be in a position to advise the Conferees if I am not a conferee myself on what the latest developments are in this field. When this legislation was under consideration, I visited various air traffic control facilities and saw some of the newest equipment. I wanted to apprise myself of this latest development even though it is experimental.

ANNOUNCER. Even though experimental, Congressman Hillis, the fact is that if it works over the long run, as the experiments are carried out, it could prolong the working life of the air traffic controller. Isn't that correct?

HILLIS. Oh, I think it definitely will do that because every place we went previously we found that this was a young men's business. A man as he gets into his middle forties perhaps is too old to make these quick decisions that are necessary. Perhaps with this type of equipment at his disposal, he won't be called on to have to make that instantaneous but correct decision that he is not able to do at that age.

ANNOUNCER. Let me go behind the scenes here just a little bit in Congress. Now you have picked up some new information on this trip to Knoxville, how do Congressmen go about informing their colleagues of the fact that a new technological breakthrough may be in the offing?

HILLIS. Well, just as soon as this breakthrough is announced, I intend to prepare a statement for the Congressional Record which is distributed to all the offices here and read by all the Members and many of their staffs informing them of this latest development and the conclusions that I reached as the result of actually getting to see it in action.

ANNOUNCER. Congressman Hillis, what was the most revolutionary thing that you saw concerning this new equipment down in Knoxville?

HILLIS. Well, to me it was when they explained to us that next spring, beginning about in either April or May, they will program this equipment and that the controller will inform a pilot of a special radio frequency and when he switches to the frequency he will then talk directly to the computer itself and the computer will answer him. Now this is done much as we record a voice today on tape.

ANNOUNCER. Just like we are doing right now?

HILLIS. Yes. It's done by the storing of digital information in the computer and the computer through its intricate workings can come up with the right answer at the right time. In other words, the computer will search out itself and all of the traffic information it has stored and advise the pilot that perhaps there is a plane out there very close to him.

ANNOUNCER. Thank you, Congressman Hillis. This has been another Washington Report with your Congressman Bud Hillis, who represents the Fifth Congressional District of Indiana.

NATO, 22 YEARS OF AGE: MAJORITY OR SENILITY

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. ROUSH. Mr. Speaker, for some time I have been concerned about the size of our troop commitment in Europe and our failure to give a serious review to the numbers of troops we continue to maintain there. I believe that at this time there is a more receptive attitude toward this concern of mine. Accordingly I would like to discuss this issue in some detail.

Our troops have been in Western Europe for 25 years. The troops initially remained there as an occupation force and for mutual defense against a Soviet attack. American presence was needed because the Western European countries were ravaged both militarily and economically. I might add here that the Soviet Union was equally ravaged with over 20 million dead. Yet because of the very nature of Russia's vastness and subsequent American and British aid, the Soviet Army had survived the brutal attack and was recovering. The Soviets were unchecked in much of Europe and were in a position to take and hold any objective which was left to them by the United States and Britain.

The Soviet Union did retain old expansionistic goals which were motivated by economics rather than political humanitarianism. While the allies' decisions were motivated by what would end the war most expeditiously, Soviet decisions were political and motivated by nationalistic policy. Churchill understood this and sought a troop landing in the Balkans in order to head off Soviet strength in Eastern Europe. His warnings were not heeded and the Soviet Army was permitted to "liberate" Eastern Europe and capture Berlin. Like the rest of Europe, the Soviet Union had been terribly hurt by the war, but the Soviet Army was in Berlin while the rest of Europe was prostrate.

In the center of this macabre circus stood the world's only nuclear power. This country, in 1945, had $21 billion in gold reserves, or 70 percent of the world's supply.

This percentage excludes the Soviet Union's reserves as that country refuses to release its figures. By 1948 the United States had extended its wealth to $29 billion and set out to lift Western Europe off its own back. Initially the problem was primarily economic but by 1948 the U.S.S.R. had successfully enshrouded Eastern Europe and had an atomic bomb. The world Communist design became a renewed threat. Communist activity seemed to be at its apogee in China, Eastern Europe, and the third world.

This was the world into which NATO was ultimately born. The theory had been hatched by Roosevelt and Churchill in the early 1940's and the need seemed all the more desperate by the late 1940's.

To say the world has changed in the past 25 years is the ultimate in understatement. The lines are still basically the same but they are thin, more fluid, and not always visible.

Western Europe has been restored to economic stability and the United States now faces economic peril. Where this country once held 70 percent—$29 billion—of the world's known gold supply it now has $10.3 billion or roughly 25 percent of the world supply. West Germany alone has more American dollars than we have gold. In total, our overseas liabilities amount to four times our available gold supply. This means we would need the world's entire known gold supply plus $1 billion more to back up these liabilities. Unemployment in this country is greater than in any of the Western European countries. In West Germany where the core of our NATO troops are based, unemployment is less than 1 percent and 2 million workers have been imported as a needed force. These figures reflect not only a strong economy but an apparent boom. So, as regards the basics, Western Europe is in better shape than the United States. Western Europe has more manpower and has a greater gold reserve than the United States.

The latest development has been a refusal to support the dollar. As of the end of fiscal 1971 the dollar had been devalued 4 to 7 percent all over Europe. Our liabilities are stretched well beyond reasonable limits and this devaluation might well be only the beginning of greater financial problems. Very simply, Europe has more dollars than it needs. The continent is saturated with our paper; we have nothing to back it up and Europe knows it.

But in spite of this, our troop levels and dependent levels remain high—unreasonably high in light of their purpose, but I shall discuss this later.

To top off this bleak economic picture, the United States has had a deficit in its balance of payments for 19 out of the last 21 years. Since 1961 this Nation has operated on a deficit in Western Europe averaging $1.6 billion. Our offset agreements with Germany—the last one ran out June 30, 1971, and we are presently negotiating a new one—cannot hope to make up this deficit. What is more, much of the offset payments are short-term German loans and therefore only postpone the fiddler's payment. The offset agreement is literally a postponement agreement and nothing more.

So this is what can happen when 6 percent of the world's population assumes the role of world guardian and banker. It is like the man who gives blood in order to save another individual but is not permitted to get off the table until he himself is prostrate, or worse, until he has nothing left to give. Let me mention a few statistics.

We have between 300,000 and 307,000 troops in Europe. This includes the 6th Fleet in the Mediterranean.

The troops are deployed as follows:

Germany, 215,000 troops.
Greece, 3,000.
Italy, 10,000.
Spain, not a member of NATO, 10,000.
Turkey, 8,000.
United Kingdom, 20,000.

The service breakdown is:

Army, 185,000.
Air Force, 75,000.
Navy/Marines, 35,000.
MAAGS, 5,000.
Dependents, 225,000.

As pointed out above we have 225,000 dependents in Western Europe. The majority, 145,000, are in West Germany.

The costs of U.S. forces in Europe have been estimated on three bases:

First, $14 billion represents the estimated total cost of U.S. general purpose forces usually based in the United States and maintained primarily for use in a European emergency, related support elements and headquarters in NATO Europe, the support in the United States such as training and logistics required for these forces, military assistance for NATO countries and the NATO military construction program.

Second, $7 to $8 billion represents the cost of general purpose forces stationed in NATO Europe—including the Sixth Fleet—plus the U.S. support base required for these forces, that is, cost of new equipment and training and logistics support.

Third, $3.2 billion represents the operating cost of U.S. forces actually stationed in NATO Europe—including Sixth Fleet. It includes military personnel costs and the costs for operating and maintaining equipment and facilities used by these personnel. It excludes indirect logistics and administrative costs outside of NATO Europe, major procurement and construction to the NATO construction program. The $3.2 billion total is included in $7 to $8 billion total which, in turn, is included in the $14 billion estimate.

Fourth. The balance - of - payments drain for fiscal year 1971 was $1.8 billion.

With regard to our offset agreement with the Federal Republic of Germany—FRG—it used to be of great benefit to this country in the early 1960's when the FRG was building up a defensive force. This agreement largely offset the balance-of-payments impact of U.S. defense expenditures in West Germany—approximately 80 percent of deficits. At this time, the German buildup has ceased and hence the need and actual buying of arms from the United States has also ceased.

Our NATO Allies contribute to the central front (i.e. primarily West German bases) as follows:

FRG, 326,000.
France, 34,000—has withdrawn militarily from NATO.
Britain, 53,500.
Italy, none.
Portugal, none.
Greece, none.
Turkey, none.
Netherlands, 80,000—considered in central front.
Belgium, 70,000—considered in central front.
Canada, 3,100.
Denmark, 27,000—considered in central front.
Luxembourg, 550—part of the central front.

The figures listed for Netherlands, Belgium, Denmark, and Luxembourg indicate the entire army force in each country. The number of troops contributed by the Allies to NATO's central front is 594,150. The United States contributes 215,000.

The U.S. share of manpower has declined in the past 10 years. In 1961, the United States provided roughly 50 percent of NATO's combat ready troops. Our troops are down from a high of 434,000 in 1961 and the other NATO countries have increased their quotas. At present, our NATO Allies have over 2 million men in their armies. They spend a combined total of $24 billion annually.

The primary contribution made by the Allies is their purchase of improved weaponry: modern tanks, improved mobilization systems, antisubmarine ships, and aircraft. Ten of the European Allies—the Eurogroup—have established a European defense improvement program—EDIP—which contributes beyond the NATO commitments. The EDIP is expected to add $1 billion to the effort in the next 5 years.

Last, I might add that the other allies have, in the past, purchased military equipment from the United States on the average of $250 million annually.

Allow me to add a parenthetical breakdown on expenses: NATO costs its members at least $40 billion annually. Fourteen of the 15 members contribute $24 billion. Ten of those 14 members intend to add another $200 million per year for the next 5 years. The United States spends $14 billion on NATO and NATO-oriented forces. Plus, this country lost $1.8 billion in the balance-of-payments drain last year in Western Europe alone. This $1.8 billion figure represents the direct dollar cost for supporting our troops in Western Europe. Our grand total becomes $16 billion.

Despite the fact that the NATO Allies now supply 90 percent of the manpower, the United States continues to pay 40 percent of all NATO costs.

To get a true picture of the pertinence of our NATO force in Europe one must bring the already discussed troop figures to life by analyzing combat effectiveness.

Our NATO combat force consists of 4⅓ divisions at 90-percent strength according to the Department of Defense. This means we have 59,000 combat troops less, of which 40,000 are prepared to fire at the enemy. In addition to these combat units we have 4⅓ initial support increments, and 2⅓ sustaining support increments or 88,000 support troops. In each of the 4⅓ combat divisions there are an additional 8,000 troops who do not fight but fulfill further support duties. There are 7,000 officers and enlisted men assigned to administrative commands. One general/flag officer for each 2,343 men is assigned to Europe. Few, if any, Armed Forces units of less than 3,000 men are authorized a general/flag officer as a commander. This still leaves the function of 22,900 men virtually unexplained.

One can easily see how our present posture in Europe is breaking our back economically. The obvious question becomes: Is it worth the price? Tragically the answer appears to be "No." Advocates of our present troop levels in Europe say we are pared to the bone—that we need the present number of troops to deter a Soviet attack and at the same time maintain a war on a conventional plane. This is the crux of the dilemma. "We need the present force levels to avoid nuclear war." Says who? In the event of a Soviet attack, the use of tactical nuclear weapons has been in our Army's game plan for over 10 years. This is evidenced by the fact that the United States has 7,000 nuclear warheads stored in Europe.

NATO is no longer an effective shield but a symbol. Our troops are outnumbered and are so ill-positioned that it was estimated during the 1962 Berlin crisis that it would take 30 days to mobilize. Bear in mind that this would have taken place during peacetime. Under war conditions—the Soviets would have air superiority—our forces may never succeed in mobilizing.

Two combat divisions could serve the same purpose as the 4⅓ divisions presently on the central front. Theoretically, one man, or even a piece of paper, could serve the same military purpose.

I was able to speak with the man who prepared the extensive memorandum on the NATO issue for Senator MANSFIELD, Mr. Edward L. King. This memorandum was literally 6 years in preparation. Mr. King has had a great opportunity to study the NATO question as a staff planner within the military stationed in Europe. I felt, in closing, his remarks would be pertinent.

Mr. King said that from his study of the subject he had concluded that our combat force—actually numbering 40,000 to 50,000 men—is extravagantly oversupported. He felt a troop cut of 150,000 men was more realistic than our present force levels but that a troop level of 75,000 to 100,000 was probably most realistic. Mr. King maintained we could cut our costs in one or both of two ways. The United States could cut its NATO force in Europe or cut its NATO committed troops stationed on domestic bases. He favored taking both steps but said that if only one could be taken, he would prefer the former. The cut in our Europe based troops would save roughly $500 million on our balance-of-payments drain and $1 billion in cost savings. A cutback in our NATO committed forces in the United States would only represent a cost savings.

Mr. King concluded that our NATO force is no longer an effective shield and likened its continuance to pumping blood into a corpse. Mr. King said he has seen and studied the degenerating operation of our NATO force and considers its structure tottering. His greatest fear at present is that as a result we may actually totter and topple into a nuclear war. It does not require a fertile imagination to recognize this fear as a valid one.

In terms of our actual national security and recent economic dilemma, a reevaluation of our present commitments would appear to be wise.

WESTERN EUROPE CAN BE SAVED

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. DERWINSKI. Mr. Speaker, there is necessary preoccupation with the President's forthcoming visits to Peking and Moscow and the euphoria surrounding such trips is something that must be properly recognized. Of special importance is the need to recognize that the foreign policy goal of the Soviet Union and the Communist bloc is that of continued expansion, by whatever means possible, of communism, and the free world cannot for a moment relax.

Therefore, it was with special interest that I noted the article in the Aurora, Ill., Beacon-News of November 5 by Dumitru Danielopol, the distinguished foreign correspondent of the Copley Press, which I believe is a very pertinent and timely commentary on Western Europe.

The article follows:

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WESTERN EUROPE CAN BE SAVED
(By Dumitru Danielopol)

WASHINGTON.—Can Western Europe be saved from sweeping domination by the Soviet Union?

"Yes," says Axel Springer, "but only just." Germany's largest publisher recently gave a Washington audience a straight-from-the-shoulder appraisal of the European political situation as seen from his 20-story headquarters hard by the Berlin Wall.

Chancellor Willy Brandt and backers of his "ostpolitik" wouldn't have appreciated it.

Brandt's "ostpolitik," Springer said, dovetails with a Soviet "westpolitik" that aims at controlling all Europe.

Springer rejects the illusion that the Kremlin leaders have changed, that they have abandoned their ambition to conquer Western Europe and eventually the world for communism.

Compromise with the Reds is impossible, he said. "Peaceful coexistence aims at taking away from the capitalists by peaceful means all positions they still hold," he said.

The tall, blond, handsome German newsman ran into trouble in pre-war Germany for opposing Hitler. He started to build his newspaper empire in 1945 armed only with a license from the occupying British Army and a borrowed typewriter.

His publishing group today is the largest in Europe with five newspapers including the world famous Die Welt of Hamburg.

In the relentless struggle between East and West, Berlin is vital, Springer says, "one of the most important pawns for the Soviet Union."

Brandt, a former mayor of West Berlin, is well aware of its importance, Springer says.

"Berlin exists for the vision some day to be the capital of a free and united people," Brandt once said.

But Brandt cannot forget western inaction in 1961 when the Russians built the Berlin Wall, Springer adds.

"It may be that the seeds of his new dangerous policy towards the East were already lain on this fateful August 13, 1961," according to the publisher.

If Brandt's "ostpolitik" goes unchallenged, the results will not be a "peaceful, prosperous, quiet, united Europe, which is a partner of the United States, the result will be rather a Europe whose total resources would be at the disposal of the Soviet Union."

To substitute treaties with Moscow for guarantees of NATO, he says, would be a "catastrophe."

Without the alliance of the West, built with American help and with America as the leading member, the free world would be doomed, he claims.

As Springer sees it, the choice for Germany and for the free world is a simple one.

They must decide, he says, between a "Pax Americana" or a "Pax Sovietica."

"One excludes the other," he says. "Pax Americana would mean continued hope for all mankind; Pax Sovietica, new dark ages in our time."

FORTRESS ON 78TH STREET

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. CARTER. Mr. Speaker, the November 19, 1971, issue of Life magazine contained an article describing the abject fear pervading certain areas of New York City. It seems that these citizens are in constant danger, that their homes are frequently broken into and treasures stolen. Ofter they are attacked, abused, and mugged.

I regret to say that this same situation exists throughout the District of Columbia. Only 3 weeks ago my car was stolen from behind the apartment in which I live. When it was found, it had been completed wrecked.

Every day we read of murders, rapes, and heinous crimes. Mr. Speaker, we must do more to make the homes of American citizens safe. It may require doubling the number of police; but if that is required, it must be done.

I include the article from Life magazine for the perusal of the Members:

FORTRESS ON 78TH STREET

Street crime moves indoors—shoving into hallways, up fire escapes, over rooftops, chiseling away at doors and windows. In every large American city and in the suburbs as well, burglars and robbers wage their guerrilla warfare against homes and apartments. In defense, Manhattan's once proud, tree-shaded East 78th Street has become a solemn row of brownstone fortresses. East 78th Street is not a slum area; it is actually one of the city's richest and safest. Yet in one six-story building, shown on these pages and on the cover, 17 of the 24 apartments have been burglarized at least once. Apartment 2B in that building is less a home than a jail cell, a nearly impregnable bastion defended by five locks, two peepholes as well as alarms, chains, bars, bolts and booby traps. This fortress on 78th Street is not simply a response to a crime problem particular to Manhattan. On the contrary: nine other major U.S. cities have worse burglary problems than New York.

TO QUOTE SOME OF THE TENANTS

"I often see prowlers on the balconies of the building next door," says Norma, apartment 4B. "I call the police, the police come and chase the prowler up to the rooftop, then the prowler jumps over onto our fire escape, climbs up on our roof and gets away. I've met intruders face to face in my apartment and my handbag was stolen. I know my apartment is vulnerable, but I won't live behind bars. So rather than set up gates, I splurged on an expensive alarm system."

Alexander, who lives in 4C, has never been burglarized, though not long ago he was mugged on a neighboring street. "We never get robbed because we never take down the storm windows, and my wife is always there." He's been in the apartment 27 years. "We only have one lock because lots of locks mean people are wealthy and they must have something worth stealing. This city was a paradise in 1907 when I came from Gibraltar. Now it's not safe anymore. I think I'd like to live in Pennsylvania."

Rosalind has been in apartment 3C for 20 years. "It used to be safe in this neighborhood," she says. "Now I find signs that they've tried to pick my lock and force the door." Because she's home most of the day, burglars have not yet broken in. She has a chain on her door, a heavy lock, special screw locks on the windows, and has hammered nails into the window frames so that the windows will open only a few inches at the bottom. "They broke into my mailbox," she says. "They even stole the name off it."

Bob, burglarized once in 5D, has window gates, nails in the window frames, and two locks on the door. His car and his bicycle were stolen in front of the apartment house. "When they took the bike, they left the chain and lock behind." Burglars who invaded his apartment made off with a guitar, radio, jewelry, cash—and a spare set of door keys. "Now I've got new locks, a new car, and a motorcycle, which I keep in a garage."

THE RAIDERS ARE BOLD, THE TENANTS CAUTIOUS

Burglars attacking the fortress go at it like commandos dropped behind enemy lines. Mostly heroin addicts and often black, they are after whatever can be quickly converted into cash. Escape routes are prepared, barbed wire cut, bricks pulled from building walls to give footholds to the roof. Inside, the tenants hear noises and wait for the sound of chisels, the face at the window. A teacher in 4D has been burglarized once, and many other times has seen prowlers on the fire escape. One night her window opened and two hands came through and parted the curtains. She says, "I scream, and call the police a lot." A stewardess in 3D no longer opens her door to anyone whose voice she cannot recognize. While she was away on a flight, burglars picked her lock and emptied the apartment, clothes and all. The man in 5C had a fake burglar-alarm sign on his door. It was stolen—along with the doormat. The tenants, who have asked that their full names not be used in this article, try to help each other. The man in 4A, himself burglarized once, ran to a neighbor's aid with a steel bar, and on another occasion chased away lock pickers with a butcher knife. Once he had a German shepherd for protection. Someone stole it.

Kevin, 5B, is a two-time loser. "The first time they picked the lock. The second time they just took it out altogether. I knew my original locks were weak—I picked them myself once when I forgot my keys. I guess I was a case of the American Innocent in from the suburbs. Now I'm a veteran. I can tell stories at parties along with the rest of them. I've paid my psychological dues for living in Manhattan. I think about getting out, but where could I run to?"

It's ego-deflating if you're a male and you have to lock yourself in at night," says George, apartment 3A. He has a pick-proof lock and window shutters lined with metal. "I see people coming out of alleyways with shopping bags, and I know they've been burgling somewhere, but I don't want a confrontation, not even with panhandlers who ask for money. You can't walk down the street anymore."

Burglars often work from rooftops, courtyards, back walls and fire escapes. Before robbing apartments in the fortress, they cut through wire fences and make steps in brick walls to give themselves a ready means of escape if they are discovered and chased.

HOW TO KEEP BURGLARS OUT OF YOUR HOME

The only thing that can keep a burglar from getting at your wealth is wealth. The apartment dweller or home-owner who starts laying in alarms learns quickly that protection is a matter of expense: the more you spend, the safer your home. A relatively simple alarm system that wires doors and windows costs up to $100 per opening, or several hundred dollars for an apartment and into the thousands for a large suburban home. Other sophisticated alarms use microwaves, ultrasonic transmitters, electric eyes, and devices that automatically dial the police and play a recorded cry for help. Shortcuts are often worthless. Fake protection stickers ("These Premises Are Protected by the Jones Alarm Co., Inc.") are laughed at by professional thieves. Even when burglars spot a real alarm system, they may crack a door or window just to see if it works. The best compromise between expensive alarms and phony stickers is locks—some virtually pickproof. Public pressure helps, too. Where demands for more police protection have brought increased foot patrols, for instance, the burglary rate has almost always dropped. Tenants can urge their landlords and legislators to provide adequate lighting in streets and hallways, to require burglar-proof construction, built-in alarm systems, intercoms between apartments and street entrances. But no protection is perfect. If a burglar *really* wants to get into your home, he'll get in.

A bicycle on the street is sure to be stolen, but inside it has a chance when it is chained and padlocked to a refrigerator. The owner says she would not be surprised to come back and find all four gone.

When all the locks and alarms don't work, there is the ultimate protection—a gun. The man in 2B carries construction company payrolls, and the automatic he uses on the job is just as handy at home.

A cat's night vision can make it an efficient burglar-detector. In apartment 4B a cat stares at the fire escape, meowing and arching its back at the approach of prowlers.

The TV set in 6C is partially disassembled to make it unattractive to thieves, then bolted to a steel plate which is bolted to a brick wall. "To get it out," says the tenant, "they'll have to take the wall."

"OUR REAL SECURITY IS IN EACH OTHER"

We are scared, the other tenants and I, and this month we met for a second time to talk about how to protect ourselves.

George, the building superintendent, volunteered his apartment for the meeting. It was a warm fall evening, and his steel-backed shutters were opened wide for a change. People came in slowly, hesitant at first to abandon their carefully preserved New York anonymity. We passed around wine and cheese, and gradually we began to open up to each other.

We talked about what our first meeting a couple of months earlier had accomplished. Most important were what we called the vigilante groups. Ray, Rita and Bill, Bob and I—all within earshot of each other's apartments—had exchanged telephone numbers and agreed that if we heard strange noises in an apartment, we would call. If no one answered, we would call the police. Already Ray, who lives below me, has checked with me twice, and I am grateful.

We had persuaded the landlord to put up a convex mirror in the hallway, so that we could see around a dark corner. At the second meeting it was suggested that we ask him about an intercom to replace our ancient buzzer system for letting visitors into the building.

Meanwhile Ray offered an alternative. "Give your friends a buzzer code, like three short and one long. Then don't answer to anything else unless you go downstairs to see who it is." Norma, who runs an art gallery on the first floor, offered to make signs reminding everyone to be sure and shut the roof and street-level doors tightly behind them.

Gail, a teacher, maintained that the fire escapes are the real problem. "I tried to get the first department to saw off the bottom level of the fire escape. It's as easy to walk up as a flight of stairs. They say it's against the regulations."

Bob reacted bitterly. The fire department won't help. And gates on the windows don't help—burglars broke through the ones I put up with one healthy shove. We can call the cops, but they never catch anyone anyway."

There's a limit to what we tenants can do, without becoming total prisoners. We think about window gates, for instance. But twice recently we've read about people who died, trapped in fires by their own elaborate security measures.

One girl, Carol, is new in the building, but already her folks want her to move to a safer part of town. Is there one? Those of us who live in the fortress have come to think that our only real security is in one another. Our meetings have produced one happy result: we now have friends to run to, not just faceless, nameless neighbors. There's a practical side as well. I now know when to be suspicious of people I pass in the halls, and when to smile and say hello.

APARTMENT 5'S ORDEAL: BURGLARIES, ROBBERY, ATTEMPTED RAPE

Rita and Bill have had it worse than anyone else in the fortress. After two years in apartment 6D their score stands at three burglaries, one robbery and an attempted rape. In December 1969, burglars smashed through the door frame and stole $300 worth of Christmas presents. A few months later, burglars forced open a living room window, bent back a heavy iron gate and got away with jewelry and a radio. Last year, burglars squeezed through a 15-inch-wide bathroom window, took a camera, clothes and jewelry then ripped an iron grille and air-conditioner out of a living room window, through which they escaped. The last time was the worst. A man followed Rita into the downstairs hallway and at knife point forced her to let him into her apartment. He took clothes, a camera, jewelry, and then ordered her to undress. When she refused, he slashed her sweater. She told him her husband would be home soon, and he grew frightened and ran. Today Rita and Bill have a new door frame, two locks, double iron gates on the kitchen window, a city sewer grating bolted to the brick wall of the bathroom window, an air-conditioner and iron gate on the living room window, wooden shutters and a metal bar bolted across the bedroom window, and broken glass and flower pots on the fire escape. "In all," says Bill, "we've lost $3,000—and a lot of sleep."

Bill spends free time maintaining fortifications: inspecting his roof, fitting a steel bar over wooden shutters and bolting an iron grating into the brick wall around the bathroom window. But he can't be everywhere. While he was working on his apartment, thieves broke into his car. They took a set of encyclopedias, a new tire and the battery.

TRIBUTE TO RALPH C. WILSON, JR.

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. KEMP. Mr. Speaker, it was my good fortune to play for Ralph Wilson, owner of the Buffalo Bills, for 8 years. No one has done as much for football in Buffalo and for the American League in general over the years than Ralph Wilson. His help to the players has always been of the utmost importance, and all recognize Mr. Wilson as a good friend.

Jim Peters, the outstanding Buffalo Courier-Express sportswriter who has covered the Bills since 1963, did an excellent feature story on Ralph Wilson in the November 14, 1971, issue. It is my privilege to call this to the attention of my colleagues and include the article at this point.

The article follows:

TRIBUTE TO RALPH WILSON
(By Jim Peters)

Ralph C. Wilson looks the part impeccably. He's tall, about 6-3. Slender, a trim 180 pounds or so, almost to the point of appearing frail in stature. A smart, but conservative dresser. He walks with the confident stride characteristically associated with the wealthy. A millionaire's millionaire.

He's the man who for the past decade has left undeniable imprints on the Niagara Frontier, ranging, at various times, from public administration—as when he brought professional football back to Buffalo in 1959—to public outrage, when last summer his threats to pull up stakes in search for financially greener grazing grounds for the Buffalo Bills cracked open a hornet's nest of civic concern.

Undoubtedly, there are those who think of the Buffalo Bills' 53-year-old owner as a distant individual whose primary reason for being here is to pad his already-extensive bank account. They couldn't be more wrong.

A more accurate description would be that printed by a national weekly sports magazine about five years ago: "Ralph Wilson," it observed, "is a gentleman and a sportsman, a man with a great deal of class."

That is how his friends and associates in pro football, horse racing and other businesses with which he is affiliated know Wilson. That he has been successful financially in most of his ventures hardly can be held against the man.

A shrewd businessman, yes. Coldhearted, not at all. The deep regard held for him by those in his employ and their unshaking allegiance to him is the best evidence of the latter.

"You don't work for Ralph Wilson, you work with him," one member of his football organization has said many times.

If only a few Buffalonians really know Wilson, however, certainly even fewer are familiar with his background. They might know he is from Detroit, that he is a Navy veteran, that he is more wealthy than the average man and that he likes big, new stadiums to house his football team. But, generally, that's about it.

Wilson was born in Columbus, Ohio, the youngest of two sons of Mr. and Mrs. Ralph C. Wilson Sr. His family (his brother died at an early age) moved to Detroit when he was three years old. Educated at Detroit University School, with one year at Kentucky Military Institute, Wilson received his B.A. degree from the University of Virginia and had finished one year at the University of Michigan Law School when World War II erupted.

"Then I joined the Navy and spent six months as an enlisted man," Wilson recalled recenty while awaiting the kickoff for a Bills' game. "In those days, if you had a college degree, you could apply for a commission, which I did."

After attending Officers' Training School and, later, a mine warfare school, Wilson was assigned as a junior officer to a mine sweeper based in Casablanca. His commanding officer was George Schaaf, a Buffalo contractor, and together they took part in the Allied invasions at Salerno and Anzio.

Wilson doesn't talk much about his wartime experiences, although he later succeeded Schaaf as CO of Mine Sweeper 29 and, after the vessel was turned over to France, he became senior officer aboard the sweeper fleet's mother ship and saw additional duty in the Pacific.

By coincidence, one of Wilson's sister ships at Anzio struck a mine and was devastated. Two of that ship's crew, both of whom were decorated for pulling buddies out of the water, were the late actor, John Howard, and the brother of Mrs. Jack Horrigan, wife of the Bills' vice president in charge of public relations.

"I went into the insurance business with my father in Detroit after being released from the Navy in 1946," says Wilson, who thought very seriously of making the Navy his career. "My father spent most of the war on civic matters and his business was only of moderate size, but he gave me half and said if I wanted to build it up, fine, or if not, that was all right, too."

The elder Wilson, who died last year, also had bought a trucking company just before Ralph left the Navy. "He knew a little about it, having insured some trucking firms, but the auto business, like about every other after the war, expanded rapidly," recalls Wilson.

"We remained partners in these two businesses until 1959, at which time my father wanted to retire. Our agency bought his share."

Wilson, who never played football but who always has been a football fan, and his father were among the 60-odd stockholders who purchased the National Football League's Detroit Lions in 1947.

"I played basketball and baseball in high school," smiles Wilson today. "In college, I was waived from the freshman basketball team but did play shortstop for the freshman baseball team. Our interest in the Lions was more of a civic thing. No one could own more

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than four per cent." It was enough, though, to spark a keen interest in the sport.

Wilson's opportunity to become a full-fledged football team owner came in 1959, when ultra-wealthy Lamar Hunt of Dallas, another young sportsman with class, offered him a franchise in the American Football League Hunt was planning to found. "Lamar gave me my choice of six cities," says Wilson. "I was familiar with Miami, as my family had spent a lot of time there, but I was turned down in my attempt to lease the Orange Bowl.

"I didn't know anything about Buffalo. In fact, the only person I knew in Buffalo was George Schaaf, my former CO in the Navy. But Edgar Hayes, a Detroit sports writer, told me of the city's record in the old All-America Conference. I made one visit and committed myself before I got out of town."

Wilson says he isn't at all sorry he did, especially now that a new 80,000-seat stadium is on the horizon, but the early years of the AFL might have made a less-determined man pull out. The financial battles he and his AFL cohorts had with the older, established NFL were beauties.

"The funny thing is, if Lamar had been given an NFL franchise in Dallas as he wished, there wouldn't have been an AFL," says Wilson. "We started the AFL to give pro football to cities we thought could afford and support it.

"The success of the AFL is a phenomenal story. It was such an uphill fight and the odds were so big against us that the early owners—fellows like Lamar, Barron Hilton in San Diego, Wayne Valley in Oakland, Billy Sullivan in Boston and so on—had to stick together.

"We were subjected to ridicule. The media and public looked upon us as a third-class outfit, a rag-tag league. And we had many differences, but when it came down to something crucial, we all stuck together. That really was the reason for its success. We were determined to prove we could play as good football as the NFL."

Wilson admits he "never envisioned the merger" with the NFL which came finally in 1966. And, while he lauds former New York Jets' owner Sonny Werblin's role in helping bring it about, the Bills' boss feels certain the AFL would have survived on its own—somehow.

"We'd have fought on, I'm sure," he says. "It was a matter of pride. No one ever ran out on anyone. Even when Harry Wismer (the late owner of the New York Titans, who preceded the Jets) was in financial difficulty, we all pitched in about $65,000 each to save the league."

Since the merger, Wilson says the game has become "almost a full-time job with me." He is a member of three NFL committees and spends considerable time in New York on league matters, the biggest of which has become the labor problem, magnified by the growth in influence of the NFL Players' Assn.

"We have to reach some kind of understanding and mutual respect or accord between the owners and Players' Assn., or there will be some dark days ahead for pro football," warns Wilson, a member of the NFL Labor Committee.

Traveling to New York so frequently has enabled Wilson to visit his daughters—Christy, 25; Linda, 23, and Edith, 20—and to watch his race horses run. He admits to having been a "horse racing nut" since childhood.

Ironically, horse racing also provided Wilson with one of his greatest embarrassments recently when he drew a 30-day suspension by the New York Racing Commission over the controversial sale of Jim French, a horse which later ran in the 1971 Kentucky Derby. Wilson insisted he was the victim of a technicality and his standing among NFL club owners was unchanged after an investigation by league officials.

But his greatest love in sports still is pro football. And his admiration for NFL czar Pete Rozelle is unequivocal. "We're very fortunate in football to have a commissioner like Pete Rozelle," Wilson says. "Pete's very bright, far-sighted and tactful. If he weren't commissioner, I'm sure he'd be a senator or vice president, he's that competent. I don't know anyone who could do the job he has done.

"As for the Bills, I'm very optimistic about their future in the Western New York area now that the stadium is to become a reality."

Wilson was asked if he ever considered selling the Bills. "Never," he replied. "Oh, I've had a lot of people who wanted to buy the team, but they all wanted to move it from Buffalo."

People who know him realize a class guy like Ralph Wilson wouldn't permit that.

THE UTILIZATION OF PETROLEUM WASTES WINS ENVIRONMENTAL HONORS FOR CITY OF LONG BEACH, CALIF.

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. COLLINS of Texas. Mr. Speaker, the department of oil properties of the city of Long Beach, Calif., has received national recognition for its innovations in waste utilization. Petroleum Engineer rated city of Long Beach first for its program to eliminate dumping 500,000 barrels per day of produced oilfield brine into the Long Beach Harbor.

City of Long Beach is operator for the big Wilmington and East Wilmington fields, the latter field being run on contract by Thums, a combine composed of Texaco, Humble, Union of California, Mobil, and Standard of California. America shares the pride of city of Long Beach for it progressive programs in environmental control as recognized by Petroleum Engineer:

City of Long Beach Department of Oil Properties' environmental control seeks elimination of dumping of about a half million bbl/d of produced oilfield brine into the Long Beach Harbor, in order to improve channel and harbor waters as a livable habitat for marine life. This produced water contains about 25–50 ppm oily residue, 25–50 ppm solids, about 0.1 hydrogen sulphide, and is oxygen deficient. This oxygen-deficient brine, although otherwise compatible to marine life, served to depress O_2 levels. The goal was harbor water with an oxygen content of 5 ppm, as established by the State of California and supported by the City of Long Beach.

Many intermediate goals and objectives related to choice and design of equipment and systems were set along the way. Test programs regarding water quality, ability to clean various elements from the produced water, ability of the zones to accept the water and the need for biocides were carried out during early project stages.

The method chosen by the City is to reinject all produced water into the oil zones. This solves a 2-fold problem—that of fluid waste disposal and that of a partial source of water for the injection program. Filtration, corrosion inhibiting and biocides all are necessary to permit successful injection. Direct injection causes a rapid loss in well injectivity that is costly to repair, but innovations in selection and use of filters, biocides, equipment configurations and water blending have solved these problems.

Two different produced water filtration systems are used: a diatomaceous earth filter plant with a 105,000-bbl capacity; and sand bed filter systems of various capacities. All are specially designed, high volume, recyclable units. Corrosion was effectively curtailed using organic biocides of the acrolein type along with film forming inhibitors. Blending purchased fresh water with the brine also aids injection efficiency.

Objectives of the program are about 90% accomplished. Equipment is being installed which will completely eliminate dumping of dead water into the harbor from City operated properties by the end of 1972.

WORLD LEBANESE UNION CONVENTION IN BEIRUT

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mrs. HECKLER of Massachusetts. Mr. Speaker, among the many peoples and cultures which have enriched American life has been that of the Lebanese, many of whom reside within Fall River within my 10th Congressional District in Massachusetts. For the Lebanese-Americans of Fall River, and of New Bedford, the recent visit of two fine citizens, Mr. and Mrs. Louis Lataif of 991 President Avenue, Fall River, to their native Lebanon, is particularly poignant and interesting. Mr. Lataif, who attended the World Lebanese Union Convention in Beirut in his capacity as the president of the Lebanon American Federation of New England, returned to his home, carrying a special message of blessing from the Maronite Patriach, Paul Peter Cardinal Meoucchi, to the Lebanese residents of Fall River and New Bedford. For Cardinal Meoucchi, who knows Fall River well, and its Lebanese people, and who served as a pastor in New Bedford, the opportunity to transmit this special blessing must surely have been a most pleasing one.

Mr. and Mrs. Lataif, upon their return, offered many valuable and interesting insights into the culture and life of modern-day Lebanon, and it is a pleasure for me at this point to incorporate in my remarks an article which appeared concerning their visit on October 22, in the Fall River Herald.

The article follows:

MEMORIES OF LEBANON LINGER ON

Mr. and Mrs. Louis Lataif of 991 President Ave. have returned from a trip to Lebanon, bringing back with them memories of foods, customs, and places visited.

Lataif was among 5,000 world delegates to attend the World Lebanese Union convention in Beirut.

He was there in his capacity as president of the Lebanon American Federation of New England.

He read special messages of greetings and best wishes to the convention from Secretary of Transportation John A. Volpe and from Sen. Edward M. Kennedy.

The Lataifs were welcomed by Slaiman Franjiah, president of Lebanon when they visited the summer palace at Ehden.

They also visited the summer residence of the Maronite patriarch, Paul Peter Cardinal Meoucchi, where they were given a five-hour private audience. The Lataifs were invited to hear him celebrate mass in his private chapel.

The cardinal, who had served as a pastor in New Bedford and Los Angeles before returning to Lebanon, was invited back to America by Lataif.

The cardinal replied that he would like to but his age, 76, prevents him from undertaking the trip.

The cardinal sent a message of blessing to the Lebanese community in Fall River. The blessing was recorded on tape by Lataif.

The Lataif's memories of the trip began with the arrival of their charter flight. Mrs. Lataif remembers seeing lightning in the sky. The lightning, which she thought was over Lebanon, turned out to be over Greece. Thinking there was rain, she later learned that it was the dry season, with no rain contemplated for eight months.

The Lataifs gave the following description of the food at the hotel where they stayed:

"For an appetizer, they had a choice of about 30 different hors d'oeuvres. Following the main course, you are presented with a large serving wagon brimming with the greatest delicacies of desserts, including the best of American, Eurcpean and Lebanese types, also the many varieties of the famous Lebanese fruits including grapes, pears, peaches, apricots, plums, figs, cherries, apples, melons, dates and the like."

On occasions when they took short trips in taxis and talked with several merchants during shopping tours, they found a great understanding by the people for "the American public's desire to see a peaceful solution for all the Middle East."

The Lataifs said that "there is a strong sentiment about the American government's policy toward the Arab world, especially when they see thousands of Palestinian refugees living in tents under very poor conditions on Lebanese ground."

They said that the Lebanese people hope the UN and the great powers will find a solution to Middle Eastern problems.

Among the Lebanese people, the Lataifs said they did not see any poverty to a great extent or any beggars reaching for handouts. They reported that many of the middle class people have one or two cars and live comfortably.

The sights the Lataifs saw included the historical Cedars of Lebanon located in the area of three mountains, one in the north and two in the middle of the country. The large cedar trees in the village of Barouk and Maaiser are said to be thousands of years old. They are reported to be the same from which King Solomon built his temple.

They also saw a huge natural spring formed into a lake at Zable.

At its mouth the lake spreads out into the Bardouni River which is surrounded by two mountains covered with a variety of trees, fruits, and cedars. The river runs between several famous outdoor eating places.

Also visited were the ruins at Baalbak. The Lataifs said they were awestruck by the ruins. Mrs. Lataif was particularly awed by the 100-foot high, 30-foot in diameter pillars of the ruins.

ACTION NEEDED ON CHEESE IMPORTS

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. QUIE. Mr. Speaker, foreign dairy producers have an uncanny ability to circumvent U.S. efforts to keep imports of dairy products within reasonable bounds so as not to interfere with the domestic price-support program.

In response to a Presidential request, early this year the Tariff Commission conducted an investigation on the importation of so-called over-47-cents cheese. The report of the investigation was transmitted to the President on July 28, 1971.

Between 1953 and 1965, annual imports of dairy products were equivalent to 0.4 to 0.7 percent of the U.S. output of milk. In 1966 and 1967, foreign producers exported considerably more dairy products to the United States so that the ratio of imports to total domestic milk production was 2.4 percent. The President wisely imposed quotas on dairy products that accounted for 95 percent of the increase in imports.

Foreign exporters then made a remarkable transition into the commodities which were free of quotas.

Quotas were established for most cheeses, but those cheeses having a purchase price of 47 cents per pound or more were excluded. A dramatic increase in the importation of the over-47-cents cheeses within the Swiss or Emmenthaler cheese and Gruyere-process cheese category and the cheeses containing not over 0.5 percent butterfat is occurring this year. Imports during the first three quarters of this year range from 110 percent to 115 percent of last year's imports.

The actual figures on the first three quarters of 1970 and 1971 are as follows:

1970—9 months:	Pounds
Swiss	16,444,000
Gruyere	6,677,000
Other	15,767,000

1971—9 months:	Pounds
Swiss	18,579,000
Gruyere	7,356,000
Other	18,175,000

It is interesting to note that the importation of "over-47-cents" Swiss in the first three quarters of this year already exceeds the imports during the full year of 1969 when 16,430,000 pounds were imported. The same fact holds for other cheeses. During 1969, only 16,262,000 lbs. of this category cheese were imported while 18,175,000 pounds have been imported during the first three quarters of this year.

The Commission recommended to the President that quotas be imposed on these cheeses by eliminating the free entry of the over-47-cent cheeses because imports were interfering with the domestic price support program. I am hopeful the President will soon take action on this matter which is of great importance to the American dairy farmer.

REPRESENTATIVE ED DERWINSKI SPEAKS AT UNITED NATIONS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. MICHEL. Mr. Speaker, those of us who have had the privilege over the years of working closely with our colleague from Illinois (Mr. DERWINSKI) have come to appreciate his direct, no-nonsense style of getting to the heart of an issue, whether it be on the domestic or international scene. How many times over the years have we heard the statement made that "you never have to guess where ED DERWINSKI stands."

Once again he has demonstrated this capacity for getting to the heart of an issue when he spoke to a committee of the United Nations earlier this week, debating the question of self-determination and lambasted the Soviet Union as the most imperialistic nation in the world today. It is appropriate that we should all be reminded again of the tragic fate of the Baitic States of Latvia, Lithuania, and Estonia, which were taken over forcibly by the Russians so many years ago and are still denied their right to freedom.

I include the text of his remarks to the General Assembly in the RECORD at this point:

SPEECH OF MR. DERWINSKI

Madame Chairman, my country has a rich heritage of independence from colonial rule which Americans have cherished for almost 200 years. We have welcomed to our shores millions of refugees fleeing from political oppression to share the freedom which is synonymous with America. By far the overwhelming numbers have found happiness, prosperity, and individual dignity in this country.

We are committed to the proposition that peoples can only fully determine their own destiny where there is freedom of expression and choice and the absence of arbitrary regimes or external interference. We believe that a free society with the right to choose leaders and policies from among alternative candidates through secret ballot is the best means by which the desires of peoples can be accurately reflected. We therefore deplore totalitarian or arbitrary systems where the only voice heard is that of the particular individuals in power. Freedom and self-determination entails legitimate lively dissent and testing at the ballot box with frequent regularity.

The United States has been a foremost advocate of freedom for oppressed peoples. We desire that they have the same opportunity for freedom that we possess—so much so that hundreds of thousands of Americans have given their lives that other peoples might benefit from that precious heritage—the right of a people to determine their own destiny free of external threat or domination.

The United States Delegation was responsible in large measure for those provisions of the United Nations Charter which uphold human dignity and freedom; viz., Articles 55, 73, and 74. We stand for freedom and self-determination today as we have throughout our history as a nation. We believe this is a universal principle, and not one to be applied selectively.

We are highly gratified that fully 97 percent of the people who were under colonial domination in 1940 have achieved self-determination and independence. Eighty-three countries since 1941 have attained independence and have assumed their rightful place in the international community of nations. And each year new states emerge and are welcomed into the United Nations.

We have made our position clear on the unfinished task of self-determination in southern Africa on numerous occasions most recently under the previous agenda item in this committee. We support the right of the peoples of Namibia, Southern Rhodesia, Angola, Mozambique, and Portuguese Guinea to self-determination.

We also believe that we should not overlook new forms of colonialism and denial of self-determination which have been manifested since the Second World War.

We must be ever mindful of those proud nations which have lost their freedom in this period as well as those brave peoples everywhere who are denied national dignity and the right of self-determination.

The Baltic States—Lithuania, Latvia, and Estonia—represent a special case in point.

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They have been physically annexed by the Soviet Union and forcibly incorporated into the cluster of its "Socialist Republics." So far as the communists are concerned, Lithuania, Latvia, and Estonia have ceased to exist as separate entities entitled to their own national identity and independence. These views are not shared by the United States, nor by numerous other countries. To this day, the United States accords diplomatic recognition to the representatives of the last legitimate governments of the three Baltic States.

Large numbers of Baltic peoples were transferred to the Soviet interior after 1940. There are indications that as many as 60,000 Estonians and 25,000 Latvians, and probably more Lithuanians, were deported or killed during the first Soviet occupation of the Baltic States in 1940-41. The largest deportation occurred on the eve of the German invasion. After the war several waves of deportations were conducted, particularly from Lithuania, and chiefly in connection with the collectivization drives in the Baltic States.

Comparison of Soviet data on peasants in Latvia for the period from early 1947 to May 1949 shows that some 36,000 families or about 150,000 individuals were eliminated from the rolls during the period. Making allowance for migration to cities, it appears that well over 100,000 Latvian peasants were deported to the interior. The figure for Lithuania may be assumed to be still higher. The Baltic peoples were evidently resettled in various regions of Siberia, as well as in the north.

We can judge whether a government reflects the will of the people by the extent to which it is confident enough to permit its citizens to emigrate freely. We have serious doubts as to whether self-determination exists in a country, for example East Germany where over 4,400 citizens have fled in 1971 alone by such means as swimming the Baltic to Denmark or Sweden, or scaling border fortifications. Or a country where citizens are refused permission to emigrate because they may create embarrassment for the regime.

We are all too familiar with the grim events of Hungary in 1956 and 1968 in Czechoslovakia when brave peoples seeking merely the rights guaranteed by the Universal Declaration of Human Rights—to live in freedom and dignity—were ruthlessly suppressed by external force of arms. At this point I want to emphasize that the United States *unequivocally* rejects the doctrine of "limited sovereignty." It is a form of *imperialism and colonialism* that no free man can condone. The fact is that the Soviet Union is practicing classical imperialism.

We have heard much from representatives of totalitarian states concerning the economic and social benefits to be derived from a Communist society. But the facts betray these assertions. In every case, economic development has been slowed or even reversed when men have not been free to make their own economic decisions. The contrast between the Communist countries, where per capita income is barely a third of that in the United States is a clear contrast. It is interesting to observe that in some of the Communist countries steps are being taken to relax restraints in order to encourage private initiative and foreign investment in an effort to improve economic conditions. Communism has produced stagnation, not legitimate progress.

Let me reiterate our unreserved support for the right of peoples to self-determination everywhere—for only then can they enjoy the fundamental human rights and freedoms enshrined in the Universal Declaration of Human Rights.

Madam Chairman, in an effort to expedite the proceedings this morning, I would also wish to comment as a matter of propriety and proper record on the comments made by the distinguished delegate from the U.S.S.R.

In reference to the situation in Southeast Asia, I believe it is proper for us to emphasize that in Laos and the Khmer Republic, the victims of communist aggression are the peoples in those countries, and they are victims of communist imperial colonialism in its worst form. The people in South Vietnam are in fact victims of communist aggression and are defending their country against that constant pressure.

I should point out that in South Vietnam they have had free elections and they have a functioning parliament where there is freedom of speech and expression far more so than any freedom of speech and expression that may exist in the Soviet parliament.

And also reference was made by the distinguished delegate of the Soviet Union to the Pentagon papers, the implication that this was some great development. The fact is, and if someone in the Soviet delegation had any understanding whatsoever of freedom of press and freedom of speech, they would know that most of that material was and has been available, and it certainly was not denied the American public or the people of the world in any basic form.

Of course we appreciate the fact that it is very difficult for the Soviet officials to understand freedom of press and freedom of speech. We hope that the example of the Pentagon papers is an inspiration to them to permit information to be freely disseminated to their own people.

Then there was a reference made to U.S. aggression since 1947. I suppose that is a reference to the situation that existed, for example, in Korea, where the aggression came from the communists, and certainly in the halls of the United Nations of all places, it ill behooves any delegation to condemn the United States for the proper action taken with U.N. endorsement in defense of the freedom of the people of South Korea.

Then I should add that in Latin America, Africa and Asia we have had numerous examples where attempts at subversion, instigating rebellions of all sorts have occurred in which direct involvement of communist diplomats and officials has been evident. This is certainly not to the credit of the nations who continually foster those activities and the expulsion of diplomats from certain lands. The breaking relations which have occurred merely dramatize the facts.

Then even though I made reference to the Baltic States, Lithuania, Latvia and Estonia, I should reemphasize that there are many other non-Russian states within the U.S.S.R. where the people are deprived of legitimate self-determination. Again, it ill behooves a country which in fact is the world's largest practitioner of colonialism and imperialism to continually use the U.N. as a forum for anti-American cliches which in the exposure of free press and proper information falls far short of reality.

DONALD R. LARRABEE

HON. WILLIAM D. HATHAWAY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. HATHAWAY. Mr. Speaker, at its annual dinner here on November 16, the Maine State Society of Washington honored Columnist Donald R. Larrabee for his outstanding service to Maine through his profession as a journalist. Mr. Larrabee is a past president of the society which is composed of former and present Maine residents currently living and working in the Washington area.

In his remarks at the dinner, Mr. Larrabee spoke about the present economic crisis in Maine and the apparent dichotomy between developing the economy and protecting the environment. He also talks about changes in the Washington press corps during his 25 years here and gives a very perceptive description of the task of the Washington communicator today. For the benefit of my colleagues, I would like at this time to include in my remarks in the RECORD Mr. Larrabee's speech at the Maine State Society of Washington dinner:

REMARKS BY DONALD R. LARRABEE

This is a wonderful and flattering occasion for a newspaper reporter. Honestly, I'd rather cover an affair like this than be involved in it. The Maine Society has meant a great deal to me from my earliest days in Washington. It captures the spirit of Maine and although many of its members have not lived there for years, their hearts are there. And, as often happens with those who view things from a distance, they are able to find the faults, if not the solutions.

Over the years in Washington, it has been painfully evident that Maine was trying to find a panacea—instant riches or at least something lasting to uplift the economy. The fact is, of course, that Maine has riches—in its ocean, its pure air and water, its woodlands and, most of all, its honest, hard-working people.

But it is poor, indeed, in sources of reasonable steady income for many thousands of its citizens. And, if anything, it seems to be getting poorer, relatively speaking. I saw the potato industry go down the drain in the early 1950's after the government sank $500 million into subsidies. The potato scandal subsided but Maine's potato industry never fully recovered.

Efforts to find a second crop in sugar beets have failed to materialize. Heralded efforts to build cheap power to attract industry have failed because private power and conservationists objected. Efforts to attract the oil industry, which wants to come to the Maine coast, have failed in part because of environmentalists and summer people who want to keep Maine just as it is—a jewel of a vacationland—unspoiled, for their private use in summer, and the heck with the natives the rest of the year. The old industries have gone and there are no new ones.

No one wants to see Maine polluted but Maine must find a way to accommodate economic development with the wisest and best use of its resources. It shouldn't have to be an either/or proposition. Maine can progress without pollution. It may have continuing difficulty if the "summer people" from Massachusetts, New York and Washington insist on putting up the "no trespassing" signs to further development and if they are able to dictate Maine's future behind the scenes. I assure you that big money and powerful political influences have had their part in keeping the State of Maine an isolated pocket of poverty in the best of times.

As a Maine son, who left the state, I suppose it might be said that it comes with poor grace to criticize. I should be there, working. Well, in a way, I have been working for Maine down here . . . keeping an eye on five senators and about ten congressmen for 25 years. And if you think that isn't a job! Especially when they have been as active as Owen Brewster, Fred Payne, Margaret Chase Smith and Ed Muskie. And, in the House, Peter Kyros, Bill Hathaway and Cliff McIntire.

There have been some memorable stories. Surely Senator Smith's declaration of conscience in 1950 ranks at the top for its national impact. Now, we have a native son attracting attention to Maine as a serious candidate for the presidency. Ed Muskie could very well be our President next year at this time but don't hold me to that prediction. I have to respect the power of White House incumbency on the basis of past history.

This has been my traveling year. Something like 50,000 miles. I began by going to Israel, Egypt and Moscow with Senator Muskie and now I'm just back from a tour of Portuguese Africa. When you are thousands of miles away, you begin to miss things like cold, pure drinkable water, a good full newspaper, a real hot dog or hamburger. Believe it or not, the thing I find that I really don't miss is television. Maybe it's because this medium has had such a drastic, and, at times, damaging effect on the credibility of both government and journalism since I have been in Washington.

When I came here 25 years ago, Washington was a smaller community with a smaller government. The press and the politicians were at each other's throats, of course. They still are. But, perhaps we are all more aware of it today. I think television has made the difference.

The press corps in Washington in 1946 was still largely a pencil and paper profession. The government was foundering after a big war. The President at the time met newsmen in his office. He had the audacity to hold a private conversation with one reporter and he was condemned by the rest of the press for favoritism. Now, a president talks with selected television newsmen, in a completely spontaneous discussion in which millions of Americans are allowed to be eavesdroppers. This is a dramatic measure of how the communications field has changed in Washington.

It demonstrates the power of this medium on which so many millions depend for their news. Every President since Dwight Eisenhower has been using television to reach the voters. It is something the politician must reckon with these days because it is unbalancing the American political system. It favors those who are in office and those who have the money to pay for it. Ed Muskie is beginning to learn the cost of seeking the presidency and it will become a more painful reality in the months ahead.

The job of the Washington communicator today is probably no different than it ever has been. But the impact of our words is felt more deeply and reaches more people faster than ever before.

Our power to influence, to mold opinion, and to interpret what is happening in terms of the average person is incredible. And our responsibility is horrendous. I, for one, am not certain that we are fulfilling that responsibility adequately. We need to take a closer look at ourselves.

News is, of course, a fundamental force in the struggle to govern. Every day, hundreds of thousands of words are spoken; scores of events occur. We sit here and judge what is most important for the American people to know. We assign priorities to these words and events. We do it quickly, by necessity, and we do it quite well in the circumstances—but we make mistakes in judgment, and sometimes they are very bad mistakes. We did not do a good job of covering the Vietnam war—and now, it seems to me, we are trying to salve our consciences with the Pentagon papers. The American people have tended to trust us to a remarkable degree. Yet we are feeling a challenge from all sides these days and this is not necessarily a bad thing. The speeches by Vice President Agnew are blunt and sometimes excessive—but they say what most politicians secretly feel. Politicians have never been more than fair-weather friends with the press. We are true adversaries. The politician tries to use the press to further his policies and goals; the press uses the politician to gain information necessary to fulfill his task. The relationship of politician and press can never be neutral.

But television, on which all too many Americans rely for their news and information, has made actors of all too many politicians and performers of all too many reporters. The urge to be "on stage", to be part of the event, or the event itself, is a new development in journalism that is changing the profession and jeopardizing our credibility as communicators.

In a way, newsmen—in Washington and elsewhere—are selling a product. They think they will find more readers and sell more papers by exposing failures than by trumpeting successes. They think people are more excited by corruption than by dull virtue. They also deal in image-making in an extraordinary way.

I covered John F. Kennedy from the day he set foot in Washington as a young congressman. He cultivated the working press, the columnists and others who form the bridge between the public figure and the unseen constituency. We received Scotch at Christmas and free plane rides. He was more accessible to journalists seeking personal interviews than any President before him. He used television skillfully and he projected an image of a dynamic president although he had more failures than successes and never really had a chance to prove himself. The evidence is there, in black and white, that the press has a Kennedy fixation.

Lyndon Johnson never quite got over the fact that the press was not as sympathetic to him as to his predecessor. Four years ago this summer, I spent an evening with Mr. Johnson and a handful of reporters talking about Vietnam, a subject which was troubling him deeply. We talked of the crises in the cities and his relations with Congress. But he kept turning back to the press. Mr. Johnson, privately but rarely publicly, accused the press of lying and distorting. In terms much stronger than those of Vice President Agnew, he blamed a small group of liberal Eastern reporters and newspapers—"the establishment"—for calling the shots. All the rest of the press automatically follows this tiny group, according to Johnson.

Well, there is some truth to this. There are more than a thousand daily press correspondents in Washington. But we don't have a thousand probes into government. Instead, we find hundreds pursuing a single story and duplicating each other. Indeed, we have a bad habit of interviewing each other. And I have seen reporters for major newspapers get together after a press conference to decide what they are going to feature in their story.

There is a process of selectivity, of selective disclosure that goes on in the press. But it goes on in government as well and it has gone on since men began to govern in this country. We both have something of the same problem. We deny news to the public by our selectivity and we think we are justified in doing it.

As you can see I am as much concerned about the failings and distortions of the press as I am about the bias of the politicians. I think it was the editor of the Washington Post, J. R. Wiggins, now retired and living in Maine, who said that too many reporters today tend to be concerned with letting the readers know what they think about what a man said and less about what the public man really said. His point is well taken.

It is time, I suggest, for the press to do some self-examination, instead of simply pouting and pontificating over the attacks by the Vice President and the Attorney General or the Attorney General's wife. They hit sensitive nerves. They may have gone too far into the bone.

But we do indeed give tremendous attention to student rioters and dissenters, to professional agitators who probably would be much less violent if the TV cameras were not trained on them. I submit that the presence of reporters can influence the flow of events. I have seen it happen in the simplest of situations in Congress. A microphone stuck in a congressman's face elicits inflammatory comments that he never intended to make. And in front of live TV cameras, reporters can—and often do—become a part of the story.

The journalistic profession needs to look at itself and assess what we are doing with our freedom and our responsibility to the public. We are heading for trouble if we don't. The press is on trial. It has a credibility problem in terms of convincing the American people that it is telling the full story. And, just as surely, the government has a credibility problem in terms of convincing the people that they are hearing the full truth.

We both must do a better job. Government must convince the people they can believe in government as it now exists. My growing concern is that people will not believe what they hear from their government. But I trust that this will not come about because the press has failed to do its job.

H.R. 11895 AND 11896, WATER QUALITY ACT AMENDMENTS OF 1971

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SCHWENGEL. Mr. Speaker, I would like to add my strong endorsement to the statement made earlier today by the gentleman from Ohio, the ranking minority member of the House Public Works Committee (Mr. HARSHA) with respect to H.R. 11895 and 11896. He has pinpointed the problems we face and clearly enunciated the need for full and complete hearings on this legislation.

The one area on which I would comment further, and I use the term advisedly because I believe the gentleman from Ohio, and many other Members are in agreement with me, is that of the need for greater resources for the small watershed program.

Recent hearings by the Conservation and Watershed Development Subcommittee of the House Public Works Committee have given me still further evidence that we can't begin to seriously attack the water pollution problem unless we include in the program, a vastly expanded small watershed program. These hearings as well as the earlier hearings by the full committee have demonstrated that sediment washed into the streams from our hills and fields is a far greater source of pollution than all of the sources of municipal and industrial waste put together. In fact, 700 times greater.

For these reasons, I intend to offer an amendment to this legislation to greatly increase the resources allocated to the small watershed program.

CENTENNIAL ANNIVERSARY OF MOUNT CARMEL CHURCH IN MASSACHUSETTS

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BOLAND. Mr. Speaker, Our Lady of Mount Carmel Church—a Catholic parish in my congressional district—has just recently celebrated the centennial anniversary of its founding.

I am proud to call my colleagues' at-

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tention to its 100-year history of uninterrupted service to the community.

Our Lady of Mount Carmel Church was founded on July 16, 1871, by the Reverend Louis Gagnier. In May of the following year, the cornerstone for the first church was laid. There were 84 families in the parish at this time.

Rev. John T. Sheehan was appointed pastor of the parish in 1880, and held this position until his death in 1935. Father Sheehan earned the respect and confidence of his people by his selfless dedication and concern. Under his leadership the parish flourished. A new school, staffed by the Sisters of St. Anne, was built. A rectory was added. And the present church building on Pleasant Street was dedicated in 1930. His dedication to the church and to his community for 55 years was truly admirable.

Father Sheehan was made a monsignor in 1925. He was invested with the purple robes in 1926.

After Monsignor Sheehan's death, the Reverend C. Ernest Lapierre assumed leadership of the parish. Under the guidance of this dedicated priest, the debts of the parish were consolidated and greatly reduced.

Father Lapierre was also the driving force in beautifying the parish cemetery, which still remains as a memorial to his many hours of hard labor and leadership. Father Lapierre was called to his eternal reward on July 9, 1948.

The burning of the mortgage on the present church was done on October 30, 1950, under the pastorship of Rev. Josephat T. Brodeur. Father Brodeur was pastor until October 1955. He was succeeded by Rev. Fernand Roy, who was the spiritual leader of the parish until 1961.

On January 14, 1961, Rev. W. Francois Dufrense assumed the duties of pastor of the Mount Carmel flock. It was Father Dufrense's task to implement the directives of the second Vatican council. To him should be given the credit for being the fearless leader of the religious community in Ware, for spearheading the changes in the liturgy, as well as the renovation of the church. He was also the driving force behind the ecumenical movement in the community.

Our Lady of Mount Carmel Church has the unique distinction of having had only seven pastors during its 100 years of existence.

Our Lady of Mount Carmel Church is also proud to claim that during its first 100 years it has had 26 of its parishioners enter the religious life. Nine young men have entered the priesthood and 17 young ladies have entered several religious orders.

PRODUCTIVITY TURNABOUT

HON. WILLIAM LLOYD SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. SCOTT. Mr. Speaker, the current issue of a publication for industrial managers, "Industry Week," has an editorial by Editor in Chief Walter J. Campbell entitled "Productivity Turnabout." It makes a lot of commonsense. This brief case history tells how one aging industrial plant dramatically changed from a losing operation to a profitmaking one. I feel my colleagues and others concerned with employment stability and sound economic growth will find it interesting reading.

The editorial follows:

PRODUCTIVITY TURNABOUT

(By Walter J. Campbell)

Two years ago, Alcan Aluminum Corp. issued a terse announcement: The 50-year-old rolling facility at Fairmont, W. Va., would be closed.

The nearly 300 employees became alarmed. They faced the loss of their jobs. Prospects for other jobs in the West Virginia area were dim. Many of the workers were mature. Some were approaching the threshold of retirement. They wanted to realize their pensions.

They faced up to reality.

"We'll turn out so much metal, and we'll increase our productivity so much you won't be able to shut us down," they told the company in effect.

Nine months later, Alcan issued another announcement: The plant would not close.

The reason: Productivity (output per man-hour) had increased by 25 percent. The plant had passed from losing money to breaking even to making a modest profit.

What happened in Fairmont is more than the scaring of a workforce into working harder. The plant manager says he had no complaints on the efforts of workers before the decision to close the plant. "They were putting out a fair day's work then. Now, they are working above and beyond the call of duty. But there is something else."

Actually, the threatened closing brought management and labor into a closer cooperation. They talked with each other. They became a team, working to preserve the plant and the jobs it supplied in the community. The union adopted a positive attitude in the face of adversity and expressed a determination to save the operation.

Scrappage was cut sharply. Formerly, 3,200 pounds from a 10,000-pound coil wound up as scrap. That figure was cut to 2,400 pounds.

Management and labor combined to evolve a better product mix, and to utilize equipment better. Restrictions on crew size were forgotten.

Everyone was working toward a single goal—save our plant.

The people of Fairmont are prouder today as a result of their success.

Perhaps, they may offer an example for the rest of America.

CARL S. HALLAUER

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. HORTON. Mr. Speaker, the real strength of this country lies not with our political, economic, or military might, but with the individual men and women who are working toward building a nation of peace and prosperity. If I had to single out one individual who exemplified the kind of American who makes this country great, I would name Carl S. Hallauer of Rochester, N.Y.

Many of my colleagues knew Carl Hallauer as one of America's most respected industrial, civic, and political leaders. We were deeply saddened to learn of his death on November 6 at the age of 77.

Carl Hallauer's life story is that of an orphaned newspaperboy who rose to become a corporate and civic giant, serving as director or trustee of more than 60 civic and business organizations. Yet, apart from his tangible accomplishments, Carl Hallauer will be remembered most as a good and giving man. As he once said:

Sure it's satisfying to be successful in business, but I think it's more satisfying to be successful with people. That's what this life is all about.

Carl Hallauer's death was a deep personal loss for he was my friend and close personal confidant for many, many years. As a member of the board of directors of the St. Louis Cardinals, Carl was instrumental in the drive to save baseball in Rochester. One would have to give Carl as much credit as anyone for enabling the people of Rochester to buy stock and establish an independent baseball operation.

I had the privilege to serve with Carl on the executive committee and board of directors of the Rochester Community Baseball, Inc., and I relied on him throughout my service as president of the Rochester Red Wings for 6½ years.

To Carl Hallauer's wife, Florence, his daughter and son-in-law, Nancy and Arnold Johnson, I extend my family's most heartfelt sympathy.

At this point, Mr. Speaker, I would like to include for the RECORD an article from the November 7 Democrat & Chronicle entitled "Carl Hallauer: People and Politics." Following is a tribute to Carl Hallauer which appeared in the Monroe Doctrine, the student newspaper of Monroe Community College, and an editorial by Andrew Wolfe from the November 11 Brighton-Pittsford Post. These tributes tell the story of how much Carl Hallauer did for his community and the Nation as a whole and how much he will be missed. I think our young people especially will find in Carl Hallauer an inspiring example of how profound an impact one individual can have on the welfare of his fellowman.

The three articles referred to follow:

[From the Democrat & Chronicle, Nov. 7, 1971]

CARL HALLAUER: PEOPLE AND POLITICS

(By Bill Beeney)

There really is no emphatic point of time in his career to begin a story about Carl Hallauer.

You can talk about his early days—as he sometimes did. An orphan at 9, he went to work while still in short pants, selling newspapers on Front street.

You can talk about the days, 15 or 20 years ago, when Carl was at the height of his political activity—as he also frequently did. But never in a "good old days" sense; he enjoyed filling in small gaps of local political lore.

You can talk about the politics of today, and tomorrow—as Carl always did. He was as current as today's newspaper, and his associations with top Republican figures at every level never flagged. His counsel was still much sought-after.

It was in the political arena that his greatest interests lay. But you'd better include people at the top of that interest list. People with a capital P; People and Politics, they were Carl Hallauer's abiding love, and they returned that affection in kind.

Of course, he had impressive stature on the national and international business scene as president and later chairman of the board of Bausch & Lomb Inc. But he said one time: "Sure, it's satisfying to be successful in business, but I think it's more satisfying to be successful with people. That's what this life is all about."

He probably was a wealthy man when he died yesterday at the age of 77, but that status was comparatively recent. It mostly followed B&L's change from a home-owned company to a public corporation on the New York Stock Exchange. He wasn't all that concerned with monetary success.

Hallauer was seven years old when his father, who was working as a janitor at the old Union League Club, met George Aldridge, the Republican boss in Rochester.

Aldridge didn't know the elder Mr. Hallauer, but he talked with him and was impressed with his intelligence and capabilities. "How do you happen to be doing a job like this? It's not good enough for you," Aldridge said. Hallauer said that jobs were hard to find, and that he had to make a living somehow to support his family.

"See me tomorrow," said Aldridge.

Hallauer's father did see Aldridge. The politician gave him a job as Overseer of the Poor. Thus, overnight, he became a man of some standing, instead of a janitor. He only kept the job two years, because he died when Carl was nine, but in those two years he was able to support hs family in comparative splendor, compared with his janitorial years.

"I never forgot that lesson," Carl said. "There are some things you always remember. That was an early one for me. I realized what a favor could mean to a man and his family."

Throughout his own political career (never an elected official, but always a man-behind the-scenes counselor to the Republicans) Carl did favors for people.

"Politics is service to people—and favors," he once said.

That doesn't mean fixing speeding tickets. ("I never tried to fix one. I don't believe in trifling with anything that has to do with lives.") It meant to Hallauer such things as attending funerals (he rarely attended fewer than 50 a year), helping people with their personal problems, and making friends and keeping them through hundreds of small, apparently insignificant but thoughtful deeds.

As an executive he applied "a few simple rules."

"First, you can never lose your temper. Now should you never 'bawl out' anyone in front of another person. It's also important that when a fellow does a good job he be given a pat on the back. A little encouragement is a wonderful thing. But you must be just as firm in the opposite direction if someone isn't doing his job. You must take quick, proper action whether you like it or not. All of these things work in both directions."

He was one of the prime movers of the program, successfully engineered by Morrie Silver, to create the community-owned Rochester Baseball Club after the St. Louis Cardinals bowed out. He was a director of the club for many years and attended games frequently.

He also was a great fan of professional basketball, especially in the days when the Rochester Royals were here; his daughter, Nancy, married Arne Johnson, who played on those Royals teams. He was an enthusiastic golfer, but enjoyed the game more for the fellowship and conversational exchanges it permitted than for the competition itself.

He was a great admirer of J. Edgar Hoover and Herbert Hoover, whose pictures were among those on his office wall.

"Those two fellows have done as much for this country as any two men," he once said, meaning the two Hoovers.

Hallauer had a long association with President Nixon, whose ability impressed him greatly. He enjoyed applying the common touch even to Presidents.

When Nixon and his wife Pat visited Rochester last summer, Hallauer met them at the airport. About six years ago, he had given Nixon a pair of glasses. Carl asked the President, "How are your glasses?" Nixon admitted that he hadn't had a recent eye examination. Said Carl: "Well, you'd better get another examination and then send me the prescription and I'll have a new pair made for you. I want to make sure you can see what you are doing," Nixon laughed.

In his first meeting with the late Gov. Alfred E. Smith, back in the days when Smith was building the Empire State Building, Hallauer learned that Smith intended to use Zeiss coin-operated telescopes atop the building. That, in Hallauer's book, didn't figure.

"Al saw the light quickly when I pointed out that America's greatest building should have America's finest telescopes—Built by Bausch & Lomb," Hallauer recalled. "He went along with my suggestion."

But Smith, ever the politician, also had something to sell. "Why don't you," he suggested to Hallauer, "open an account in our bank downstairs?" Hallauer obliged, with a small account.

Although he never was particularly impressed with a person's background, Hallauer could trace his ancestry back, on his mother's side, to the American Revolution.

He was the sole living male descendant of Jeremiah Swift, a Connecticut Army captain killed in action in the Revolutionary War. And he was the great grandson of Gen. Philetus Swift, a Revolutionary general who helped found the village of Phelps in 1789, was a county judge, served five terms as a state senator and, for a while, was lieutenant governor of New York State.

There really is no place to begin a story about Carl Hallauer. And no place to end one. His name and contributions to Rochester's history will be forever fresh.

[From the Monroe Doctrine, Nov. 11, 1971]

MONROE COMMUNITY COLLEGE MOURNS A FRIEND

In 1960, Carl S. Hallauer, on a trip to Corning, N.Y., saw Corning Community College. When he returned to Rochester, he phoned County Manager Gordon A. Howe and said, "Monroe County has to have a community college."

Less than a year later, Monroe Community College was born and Carl S. Hallauer was named to its original Board of Trustees. He remained a regular trustee until 1970 and since then has been an honorary trustee, attending practically every board meeting.

Mr. Hallauer died early Saturday morning (Nov. 6, 1971) while vacationing at Hilton Head, S.C.

"This comes as a terrific loss to Monroe Community College and to the community," Dr. LeRoy V. Good, president of the college, said when he learned of the death.

"He hardly ever missed a meeting of the board, to this day. He has been serving as an honorary board member this last year. He was deeply fond of the college.

"His sense of humor and optimism will be terribly missed. This comes as a terrific personal blow to me. The board and faculty members will all miss him deeply."

Mr. Hallauer was born in Rochester Jan. 5, 1894. He rose from orphaned newsboy to become a friend of presidents.

In his business career he rose to become president and then chairman of the board of Bausch & Lomb. This for some people would be enough, but not for Carl Hallauer. His political, civic and personal achievements in Rochester and around the world outshine even his business attainments.

In order to earn a living, he had to quit high school after one year, yet he became a member of the board of three colleges—Monroe Community College, Rochester Institute of Technology, and Clarkson College of Technology.

Besides his association with Bausch & Lomb, in business, he was also a director of Community Savings Bank, Garlock, Inc., Lincoln Rochester Trust Co., Rochester Gas and Electric Corp. and Tobin Packing Co.

In government, he was a member of the advisory board of the American Ordnance Association, a director of the Navy League and a member of the national Committee on Electoral Reform.

In politics, he was the man behind the scenes in the local Republican party for many years. He also attended every New York State Republican Convention from 1919 to the present. He was a delegate to every Republican national convention from 1932 to 1964. He was a member of the Monroe County Republican Committee from 1928 to the present; the State Republican Committee from 1924 to the present; and was a presidential elector in 1932, 1936, 1940 and 1948.

In philanthropic, cultural and educational fields, he was a director of the Rochester Community Chest; commissioner of the Rochester Municipal Museum; trustee of Monroe Community College; trustee of Rochester Institute of Technology; member of the Board of Governors of the Society of the Genesee; member of the Board of Governors of the Rochester Club; life trustee of Clarkson College of Technology; commissioner of the Saratoga Springs Commission; member of the Society of the Cincinnati, and director of the Saratoga Performing Arts Center.

In community service, he was a director of the Salvation Army; life member of the Salvation Army Advisory Board; director of Rochester Community Baseball Inc.; member of the advisory council of the Salvation Army National War Service; co-chairman of the committee on Americanism of the Sons of the American Revolution; general chairman of the Rochester Centennial in 1934; co-chairman of the Bishop Kearney Golden Jubilee in 1955; director and treasurer of the Automobile Club of Rochester; member of the Rotary Club; director of the Rochester Convention and Publicity Bureau; chairman of the Police Benevolent Fund; life trustee of the Rochester Fire Benevolent Association; life member of the YMCA; and honorary trustee of St. John's Home for the Aging.

Among his awards and honors were: Honorary captain of the Rochester Detective Bureau; honorary chief of the Rochester Fire Department; honorary member of the International Chiefs of Police; honorary member of the New York State Chiefs of Police; honorary member of the International Identification Association; honorary life member of the Genesee Conservation League; honorary life member of the Police Locust Club.

Honorary chief of the Iroquois Indian Reservation; honorary member of the Lincoln League of Rochester; honorary member of the Capt. Henry Lomb Post, GAR; honorary member of the Firemen's Holy Name Society; honorary member of the Police Holy Name Society; honorary member of the 209th Veterans Association of Rochester; Citizens Award from Rochester Business Institute.

Page One Award from the Newspaper Guild of Rochester; Citizenship Award from the Sons of the American Revolution; honorary Sc. D. from Clarkson College of Technology; Outstanding Citizens Award from Lincoln League Republican Club; honorary LL. D. from Alfred University; Horatio Alger Award from Committee of American Schools and Colleges.

S.A.M.A. Award from Scientific Apparatus Makers Association as Scientific Industry's "Man of the Year" in 1961; Citizen of the Year Award from Kiwanis International in 1961; and the Civic Medal from the Rochester Museum of Arts and Sciences.

He was also a director of the Associated Industries of New York State and president of

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the Scientific Apparatus Makers Association—and many, many more.

But what was most in his eyes—he was a friend to the students at Monroe Community College.

[From the Brighton-Pittsford Post, Nov. 11, 1971]

CARL S. HALLAUER

(By Andrew D. Wolfe)

What is the best measure of the late Carl S. Hallauer's contribution to the metropolitan community?

He was a major business figure, heading Bausch & Lomb, Inc., and playing a central role in the community's economic life for many years.

He was a political and governmental figure of legendary skills, although he often and with humor spoofed the idea that he and his close colleague, T. Carl Nixon, were powers behind the throne in Republican party counsels. A stunning accomplishment was his work for the development of the community college, work without which that institution could not have been so immediately and so spectacularly effective.

Nevertheless, despite all these accomplishments we would like to think that his greatest gifts were as a communicator—a man able to speak with and understand individuals of every possible background and interest.

Carl Hallauer had warmth, and wit, and above all, sympathy. He didn't hesitate to give his opinions, and he could voice sharp criticism of ideas he didn't like. But no matter how wide the ideological chasm might be between him and another person, he could find in such people human qualities which he admired and liked.

This is why he was so valuable a civic leader. More than any other man of his responsibilities, he devoted countless hours to maintaining lines of communication with an extraordinary range of people, from the most obscure to even the president of the United States. Thus he knew, particularly in his beloved home area, what people were thinking and what they wished and needed.

In a community which has been so successful in developing business and economic skills, Carl Hallauer's ability to inject the human ingredient into civic, political, and governmental thinking was unique.

There was nothing synthetic about his relations with his friends. For, basically, they were simply that—friends.

Thousands of them will miss him deeply.

MANY CHANGES HAVE COME TO ALASKA

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BEGICH. Mr. Speaker, many changes have come to Alaska in the past few years, brought on mainly by a huge oil find and increased communications. Many more changes will come to my State for Alaska has been discovered—again. But the greatest changes have not occurred in the three largest cities, Juneau, Anchorage, or Fairbanks. They have affected "village Alaska," and have pushed these rural, remote communities abruptly into more modern times, including welfare checks and food stamps.

A number of young women from these communities have seen the culture and tradition of their native people slip away, and they have done something about it. They have questioned what will happen if their people are not given the opportunity to learn the skills that these times will bring to Alaska. Their work has been invaluable, and I believe their efforts will do much to assure Native Alaskans a place in the future and a pride in their past. An article in yesterday's New York Times speaks well for three such Alaska Native women, and I am very pleased to include its text so that all may have the benefit of reading it.

The article follows:

NATIVE WOMEN OF ALASKA UNITE IN FIGHT TO UPLIFT THEIR PEOPLE

ANCHORAGE.—Back about five years, when she left her village of Barrow and went to work in far-off Washington, D.C., as a 22-year-old receptionist for Ernest Gruening, then one of Alaska's Senators, Brenda Itta quickly became known as "that Eskimo girl."

Miss Itta is back in Alaska now, doing community relations work for the Atlantic Richfield Company, which has oil interests on the state's North Slope, less than 200 miles from her home town at the northernmost point of the United States. But the memory of her Washington experience still bothers her.

An attractive woman partial to miniskirts, Miss Itta said she thinks visitors to Senator Gruening's office were disappointed because she wasn't short, stocky and wearing furs.

"It's such an old-fashioned idea to think that Eskimos fit into a pattern," she said.

Today Miss Itta is one of the young, well-traveled, articulate and motivated Natives (in Alaska its spelled with a capital N and refers to Eskimos, Indians and Aleuts) who are emerging as leaders in the growing Native rights movement. Their aim: Upgrade their standard of living by improving education and job opportunities and at the same time, improve the degree of respect among whites toward the Natives.

FEELING OF RESPONSIBILITY

For the most part, women activists such as Miss Itta were born in rural villages, left their homes as teenagers to attend a state-supported school and then went to college. They left brothers and sisters, parents and grandparents back home, and now, because they have college degrees, the women feel responsible for the welfare of their villages.

"We're united now and we're vocal," said Miss Itta, who is active both in the Alaska Federation of Natives and the smaller Arctic Slope Native Association.

To Miss Itta, her activism is in great part aimed at seeking to erase the patronizing attitude she said she finds toward Natives. ("In school, I was sent to a corner if I ever spoke a word of Eskimo.")

To Frances Degnan, who has spent the last six years working full time at no salary seeking to make Natives qualify for Government projects, education is a prime goal. ("If a Native wants to stay in the village, he should have a way to make a good living. If he wants to leave, he should have the skills to make it somewhere else.")

And to Rosita Worl, a Tlingit Indian who was born in Petersburg on Alaska's southeastern arm and grew up in Juneau, the state capital, heritage is most important. ("The sense of heritage has broken down and we need to bring it back. Young Tlingits grow up now without knowing their language, their history, their heritage.")

A PERSONAL GOAL

Miss Itta still bristles at the memory of her school days. "People seemed to think I was incapable of speaking for myself," she recalled. "They became overly kind, overly helpful, extra courteous. What that said to me was, 'You're a Native, and you don't know how to think.'"

She said that she hopes to see that attitude changed in her lifetime and to see Natives running their own businesses, administering their own hospitals and planning the curriculum in their own schools.

Miss Degnan, an earnest, articulate woman of 28, who is one of the two women serving on the board of the Alaskan Federation of Natives, which was formed six years ago by joining scattered Eskimo, Indian and Aleut organizations, looks upon herself as a motivator, not a leader.

"I'm working at being an Eskimo," she says when anyone asks her about her work. "I want to see the Native have a choice in his life."

Miss Degnan has been doing what she calls "gut work" on a volunteer basis in her tiny village of Unalakleet, 150 miles southeast of Nome, working with Government agencies to make the town's 600 residents eligible for Federal projects and combing the village for students who could qualify for financial aid for college education.

EXODUS OF GRADUATES

She knows that the rewards are sparse. Of the eight college graduates Unalakleet has produced, for example, only Miss Degnan and a local teacher have returned.

"The Eskimo likes village life," said Miss Degnan, who has a degree in psychology and sociology from the University of Alaska. "It's rigorous, but we've lived there in harmony with nature for centuries. A lot of us would like to keep living there, but we want to know how we can raise a family without worrying about our next meal."

For Rosita Worl, 30, the fierce pride she has in her Indian heritage is reflected in almost everything she does.

She pushed successfully for a course in Tlingit culture and language in Juneau High School, went back to school to study cultural anthropology (she will be graduated from Alaska Methodist University, a small private school in Anchorage) and is planning a book on Tlingit culture for Alaskan school children.

Before she returned to college, she was active in the Alaska Native Brotherhood, the major organization of Natives in southeast Alaska, and worked to blunt the tendency of white administrators to direct bright Natives toward vocational schools rather than college. ("I told them, get your degree, go back home and make that Indian system yours.")

"We have so much culture, so much art, and so many of the qualities people are trying to retrieve these days—love, honor, respect," she said, "I'm afraid we've grown up thinking the Western way was the only way."

CROATIAN FRATERNAL UNION OF AMERICA

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. GAYDOS. Mr. Speaker, I recently had the honor to address the members of one of the oldest fraternal groups in my 20th Congressional District of Pennsylvania—Lodge 146 of the Croatian Fraternal Union of America.

This organization was founded February 24, 1901, by 14 men, meeting in the home of Josip Zegudovic, who became the group's first president. From that humble start, Lodge 146 has grown over the years until today it has 654 regular members, 349 junior members, and owns the building where it conducts meetings and social events.

It was my pleasure to be among the

speakers at the lodge's 70th anniversary banquet and to witness the presentation of 50-year pins to nine outstanding members by the national president of the CFU, John B. Adovinac. The recipients of this award included Magda Bozicevic, Julija Grgas, Jelica Pavlecic, Ljubica Reskovac, Jelica Yelencic, Mila Zalac, Ivan Blazic, Andrew Gruber, and Maksa Karija.

They also received some well-deserved tributes from several prominent people attending the anniversary observance. Among them were Roy Cindric, president of Lodge 146; Rev. William M. Miller of St. Denis Church; John Montgomery, mayor of Versailles Borough where the lodge is located; Michael Grasha, a director of the CFU's Junior Order; Mr. Badovinac, and Leonard C. Stalsey, chairman of the Allegheny Board of Commissioners.

Mr. Speaker, it is with great pride I join in the salute to Lodge 146 and its members. I would like to commend the men and women who lead that fine organization today for continuing to foster and build the ideals conceived by Mr. Zegudovic and his friends so many years ago. I insert the names of these officers into the RECORD and call the attention of my colleagues to them: president, Roy Cindric; vice president, William Kercell; secretary, John Rednak; treasurer, Glenn Kucera; recording secretary, Mary Balun; junior nest manager, Joseph Zalac; trustees, Frank Pavlecic, George Pavlecic, and Peter Bacon; house committee, Steve Sipkovich, William Kercell, Peter Puhala, James Lewis, and Joseph Zalic; club committee, William Kercell and Joseph Bogovic; sports directors, Frank Pavlevic and Joseph Zalac.

WILLIAM H. REHNQUIST

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. RHODES. Mr. Speaker, with all of the accusations by innuendo and guilt by association directed against William H. Rehnquist, I think that the following column of November 19 by the political editor of the Arizona Republic, Mr. Bernie Wynn, is particularly appropriate and should be read by every Member of both the House and Senate.

The column follows:

It is ironic that the liberals opposing the appointment of William Rehnquist to the U.S. Supreme Court are using the "witch hunt" tactics for which they condemned the late Sen. Joseph McCarthy, R-Wis.

Guilt by association, innuendo, half-stated facts, surmises, smear and exaggeration all have been used in an all-out effort to convince the Senate Judiciary Committee that Rehnquist is unfit for confirmation.

In the last few days, the cries of the pack have swelled into hysterical tones and self-appointed Rehnquist investigators are lurking behind virtually every palm tree and cactus in Arizona.

Last of the bloodhounds, it is hoped, was Sidney Zion, former reporter for the New York Times. He's at present a freelance gun for hire.

His claim to fame is that he first identified Daniel Ellsberg as the leaker of the Pentagon Papers to the Times.

Now Zion contends that sources he considers reliable, "A very heavy guy on the right," reported that Rehnquist was "part of a Birch (John Birch Society) cell in Phoenix in 1961 and 1962."

Not a card-carrying member of the society, Zion hastened to explain, just a member of a "clandestine group or cell."

Sen. McCarthy, in his zealous search for Reds in the bushes around Capitol Hill, also had this trouble of catching a suspect with an official card from the Communist Party.

At this juncture, McCarthy also tried to tie the luckless victim in with a "clandestine group or cell," on the basis of highly reliable, unimpeachable sources but unfortunately anonymous as well.

Rehnquist, a capable student of the law, submitted affidavits to the Senate Judiciary Committee denying that he ever was a member of the Birch Society.

Last week a Democrat (Paul Rademacher) told me that he attended a Birch Society meeting some years ago and saw Rehnquist at the meeting. He claimed he attended the meeting out of curiosity and had never mentioned seeing Rehnquist "because he may have been there for the same reason."

This may or may not be true since, for me, Rademacher has not always been the "unimpeachable source" that Zion claims to have discovered.

I suppose it's about time for my confession. In 1965, I attended a "clandestine group or cell" meeting of the John Birch Society. It was out in Sun City, as I recall.

In fact, I may have attended more than one Birch meeting during this period. And I encountered some interesting people, a few nuts, and even a couple of distinguished citizens.

I attended out of curiosity, too. But I also wrote a seven-part series on the activities and influence of the Birch Society in Arizona politics after a five-month investigation.

Never did the name of Bill Rehnquist come up, although he was politically active in GOP affairs at the time.

Meanwhile, one should keep in mind the target of the liberal attack isn't really Rehnquist. The real target is President Nixon.

In light of this, I called the White House last week and told President Nixon that I would have to decline any high federal appointment he might have in mind for fear my Birch association would be used to embarrass the administration.

He said he fully understood the situation. So we left it at that. But I could tell he was quite disappointed.

LET US PAUSE TO REAFFIRM OUR FAITH

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. YOUNG of Florida. Mr. Speaker, once again Thanksgiving draws near, and we, as a nation, will pause to give thanks for the countless blessings we enjoy. I think it is very appropriate that this same time should be observed as National Bible Week, for indeed these two occasions go hand in hand.

Our country was founded on the principles of religious freedom; our forefathers who landed on Plymouth Rock, were humble and devout pilgrims who had the courage of their religious convictions and together sought a new way of life. Upon these principles contained in the Bible, our Nation grew strong and prosperous. The Bible has had a guiding hand in many key episodes in the history of our Nation. Each President has been sworn into office with his hand resting on the Bible and in its pages are found the guidelines upon which they built the American way of life.

I feel that I must agree with Abraham Lincoln who stated that the Bible is one of the greatest fights which God has given to man, for through this book we may come to know right from wrong, to know and understand our fellow men with deeper love and empathy, to feel the true worth and dignity of each human being, and to have the strength to uphold our convictions.

For centuries, men have turned to the Bible in their hours of darkness for the answers to the troubling questions of life, death, and man's individual purpose, and it can help us now, too. That is the everlasting beauty of this book—it is timeless and unchanging.

I have had concern, as has everyone else, about the religious nature of this country and its deteriorating moral fiber. I am convinced that these are important qualities which must be rebuilt in our society. I pray that this week, when we draw our families together to celebrate Thanksgiving, we might remember the true purpose of this holiday and pause to affirm or reaffirm our faith in the great teachings offered in this, the greatest of all books.

HISTORY'S GREATEST VICE PRESIDENT STILL INFURIATING THE LIBERALS

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. FREY. Mr. Speaker, on November 9 of this year the following article appeared in a local paper from my district, the Orlando Sentinel. This editorial, which was written to commemorate the birthday of one of our country's noted, and certainly most newsworthy, Vice Presidents, points out how this man, who was a political unknown just 4 years ago, came to be one of the most independent and hard hitting of our Vice Presidents to hold office—Vice President SPIRO T. AGNEW, a household word:

Tuesday is the birthday of that American household word—ah, what was it again? Oh, yes. Spiro Agnew.

Mr. Agnew's natal day has not attained a significance leading to the closing of public buildings or even the flying of the flag. But the Quixote of the Nixon administration has slain enough windmills to make it worthy of note in passing.

He has undoubtedly been the greatest vice president in history, perhaps the only one to establish and maintain an individual identity in that office.

Others have come to it with national reputations established, men such as Lyndon Johnson. Others have built reputations by succeeding to the presidency from it, such as Harry Truman.

Agnew came to it an unknown, a curiosity if you will. He has emerged as a national

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celebrity with a profound effect upon our way of life.

This effect has come chiefly through his attacks upon the press, particularly the liberal Eastern metropolitan papers and the three national television networks.

Before Agnew, instant television analysis was commonplace and accepted. Beautifully coiffed, resonant voice young men followed speeches by the President, with pitiless dissection of his remarks, paraphrasing and distorting to a point where millions watching and listening didn't know if they should really be trusting their nation to Lyndon Johnson instead of Sander Vanocur.

Then, a bit over two years ago, Mr. Agnew made a speech in which he said "a spirit of national masochism prevails, encouraged by an effete corps of impudent snobs who characterize themselves as intellectuals."

Since then, boys and girls, it has been a different ball game. Overnight, Spiro Agnew became a household word and Eastern liberals and television pretty boys have been on the defensive ever since.

Agnew has bared the lance against them on other occasions and has yet to lose a battle. One of his favorite descriptions of them is "nattering nabobs of negativism."

What does it mean? Who knows? Who cares? We—and they—get the message.

He isn't always right, of course. He said of himself, "I moved from a potential unknown to an actual unknown," and that is untrue.

He has struck a responsive chord in middle Americans who identify with his refusal to be spoon-fed a diet of television propaganda which forbids them to think for themselves and who chuckle at his inability to cure his slice or develop a "really consistent serve."

He is definitely not with it. He is square. He is out to lunch. So are most of us.

When Yale University President Kingman Brewster said black revolutionaries can't get a fair trial in America, Agnew replied American students couldn't get a fair impression of their country under Kingman Brewster.

About student radicals, he said they should be separated from society the way "we discard rotten apples from a barrel."

About law and order, he said "a snivelling, hand-wringing power structure deserves the violent rebellion it encourages if it doesn't stop cringing in fear of the young."

This sort of thing infuriates the liberals but to us it sounds pretty much like an average American telling the bozos off.

We make bold to suggest history will see it that way and will see Mr. Agnew as a crusader of his time who wrought a profound influence upon television news and commentary.

We further make bold to wish him a happy 53rd birthday.

WESLEY STOUT—A MAN TO REMEMBER

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BURKE of Florida. Mr. Speaker, Florida lost one of its truly great journalists when Wesley Stout of the Fort Lauderdale News passed away on November 13 from cancer.

It is true that he lived to a remarkable old age, but it is ironic that he died from the ravages of cancer as did his wife 14 years ago. I regret that he probably did not know or perhaps was not aware that the House just this week passed the Cancer Attack Act, which we all hope will not only bring tangible results, but will lead us to the road in finding a cure for this dreaded disease.

Wesley Stout had an illustrious career. Prior to his coming to Florida to retire, he was a writer and later editor of the Saturday Evening Post when that magazine was at its zenith insofar as the reading public was concerned. Those who worked with him will readily acknowledge his great contribution to the field of journalism.

Although he came to Florida to retire, he was one of those who found the so-called retirement life boring. He wrote an almost daily column which appeared in the Fort Lauderdale News under the heading "The Beachcomber." He loved his country and followed politics and often wrote philosophically his views on politics in his column.

I had the pleasure of knowing him in person and considered myself a fan of his. I will miss his humor, his wit, and philosophy, but most of all, I will miss him and his writings about people, the State of Florida, and the Nation. I am proud to call to the attention of my colleagues the editorial which appeared in the November 16 issue of the Fort Lauderdale News concerning the well respected Wesley Stout, which reads as follows:

WESLEY STOUT LEFT A LEGACY OF HISTORICAL INFORMATION AND INFORMED READERS

He was a bottomless well of human and historical stories, a keen, accurate observer of the passing scene, and a man who gloried in trying to satisfy his insatiable curiosity.

Wesley Stout was all of that and more. Perhaps his readers found in his columns spanning nearly 20 years on this page the characteristics that made him unique, that made him so rare even in a time of journalistic greats.

His typewriter still was banging away last Saturday, but on Sunday the clatter of keys had punched out the legendary "30," the end of his profession.

While the ravages of cancer continued to drag him down for nearly a year—as it had his wife 14 years earlier—there was little change in his copy nor in the mind that stored up knowledge like a computer.

He knew his days were numbered but accepted it without bitterness. His prime regret was that there were things he wanted to see before laying aside his copy paper for good.

In one column several weeks ago, he wrote about the likelihood the Democratic National Convention next year was shaping up into a battle royal. His remark was that he only wished he could be around to see it.

As he approached the 80 mark, he expressed satisfaction over the inauguration of Richard M. Nixon as President. He explained he never wanted to die in a Democratic administration.

During his 19 years as the Beachcomber, he roamed the length and breadth of Florida, stopping in libraries, newspaper morgues and wherever else facts of the past could be searched out.

He was a great one for comparing notes—what may have been reported in a 60-year-old Jacksonville paper as against the news item in a St. Augustine, Fort Pierce publication.

And he searched out oldtimers who could cull from their memories details of yesterday.

Despite Florida's relatively short history, he was able to put the pieces together and bring it alive. That was particularly true of South Florida which interested him most as his adopted home.

While we shall miss him greatly and mourn his passing, we feel we were—and Florida was, too—extremely lucky to have known him, and we are grateful we had the opportunity of displaying his great talents to our readers.

He left behind a legacy in the form of voluminous notes which were turned over to the Fort Lauderdale Historical Society a few months ago. And his legacy included tens of thousands of interested readers and better informed citizens.

THE UNITED STATES AND THE UNITED NATIONS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BIAGGI. Mr. Speaker, the expulsion of Nationalist China from the United Nations and the seating of Red China has led to a serious—and long overdue—evaluation of our commitment to the world body. I have joined others in this Congress in recommending an immediate reduction of U.S. contributions so that our payments are equal to our representation.

The expulsion of Taiwan was most disheartening. Disheartening not so much for the loss of prestige suffered by the United States—we are stronger than that. Nor so much for the insult of a close friend and ally by the world body—Taiwan will still be our friend and ally. But rather, it is disheartening that an international council established to search for peace among all the nations of this world has chosen the politics of isolation as its course and misguided polemics as its primary purpose for existence. I say to you, the United Nations will not survive its actions.

This expulsion represents a serious precedent that should not be taken lightly. Nationalist China has been a faithful member of the U.N. since its founding. It has abided by all the rules and promulgations of that body. It did nothing to merit expulsion.

What will prevent a politically oriented coalition of Communist nations and third world favor-seekers from uniting to expel other members at will and for no cause? The failure of many nations considered allies of the United States to keep their promises, may indicate such coalitions will find support among a wider group of countries.

In examining the history of the U.N. in the last few years, one wonders why this Nation continues to maintain this forum for philosophical fantasies. What steps has the U.N. taken to help mediate the problems in Vietnam? None. What has the U.N. done to help ameliorate the situation in the Middle East? Nothing. What has this supposedly humanitarian body done for the Soviet Jews? The Northern Irish? Very little indeed.

Why, then, does this Nation continue to maintain a center for world discussion when it consistently finds it must go outside the United Nations to seek solutions to world problems?

There may not be justification now for dismantling of the world body, if for no other reason than the hope that someday in the future it might serve as a true instrument for negotiating international peace.

Certainly, however, there can be no justification at this time for the United States to continue to finance one-third

of the operating budget for the U.N. We do not own one-third of the world's wealth. Nor does one-third of the world's population live in these States. In no way of reckoning can that share be considered fair—a share, by the way, that added up to $250 million this year. Let other nations maintain the burden as well.

Moreover, our contributions to various special projects has been dollars down the drain. In particular, drug control programs emanating from the U.N. and largely financed by this country have been useless exercises in political piddling. No substantive proposals have come from the U.N. No international treaty agreements. No multinational efforts. No nothing.

Additionally, this Nation will have to assess our foreign aid commitments to other nations who have shown the shallowness of their friendship with the United States. While I am not saying that our foreign aid dollars should buy unalterable support for our country's position, I do feel that on important issues of interest not only to the United States but to the entire free world, these "allies" should stand behind us.

It appears the "dollars for diplomacy" theory is finally dead. Let us use that money to help solve the problems we have here at home. A nation with a stronger moral and spiritual fiber, a better housed and better cared for populace, a stronger government, an efficient defense, will be in a far better position to bring peace to the world than any body packed with the problems evidenced at the United Nations in recent weeks.

PRESIDENT SHOULD SET NEW CHEESE IMPORT QUOTAS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. JONES of Tennessee. Mr. Speaker, over 3 months have passed since the Tariff Commission completed its findings on the importation of cheese and made its recommendations to President Nixon. The President should delay no longer in setting the quotas they recommended.

Early this year President Nixon asked the Tariff Commission to hold hearings and make recommendations to him on the importing of certain types of cheese which cost over 47 cents a pound and on which there were no quotas. This was a very proper move on his part inasmuch as these cheeses constituted a substantial part of the dairy import total and had nearly doubled in volume in 1970 from 1969.

The Tariff Commission held the proposed hearings and made a recommendation to the President in late July that the "over 47-cent" cheeses be placed under quota.

Unfortunately since then the President has not acted on the Tariff Commission's recommendation. In the meantime the importers have been increasing their shipments of these types of cheese to the United States, so that they are now running 10 to 15 percent above those of the same period last year. Domestic milk production is running about 1 percent higher than last year, so there is no need to allow these imports to continue without restriction to meet our country's needs.

It would appear that the importers ultimately expect the President to act on the Tariff Commission's recommendations and establish quotas and are therefore increasing their imports prior to that time.

As a result it is our American dairy industry which is hurt during this period by this competition. The President should therefore act promptly in establishing quotas.

RECOMMENDS SPEEDIER TRIALS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. DERWINSKI. Mr. Speaker, there is no doubt that one of the obvious complications facing effective law enforcement is the delays which have all too often become standard procedure as far as trials in our courts are concerned. The Chicago Heights Star, in an editorial on November 11, very effectively and properly comments on the judicial conference which has recommended speedier trials.

The editorial follows:

AS WE SEE IT . . . FOR "SPEEDY TRIALS"

The law's delay, one of the more vexing facts of life in democratic societies, may become less so if federal efforts aimed at stepping up the trial process are successful.

Under the chairmanship of Chief Justice Warren E. Burger, the Judicial Conference of the United States has formally asked the U.S. Supreme court to amend the federal rules of criminal procedure to require all U.S. courts to set up "speedy trial" timetables.

Congress, at the same time, has before it a bill to accomplish this purpose.

At present, no time limits exist within which defendants must be tried and sentenced. Under the judicial conference's proposal, federal district courts would set realistic timetables to accomplish these ends.

In Congress, Senator Sam J. Ervin, Jr. (D., N.C.) has been pushing a bill that would require defendants to be brought to trial in federal courts within 60 days.

The Judicial conference, a 25-member group of ranking federal jurists, is the administrative and policy-making arm of the federal judiciary. If the Supreme court accepts the group's recommendations, they will become binding unless Congress objects.

A similar procedure will be followed with regard to a comprehensive new compilation of rules called the "uniform rules of evidence."

The judicial conference has approved the rules, which were the product of a six-year study by a committee of judges, lawyers and professors of law. The rules constitute the first compilation of federal evidenciary law, which previously had to be gleaned from widely-scattered case decisions.

Justice is not temporal; it is eternal. To delay it is to deny it, as the saying goes. Not only is protracted litigation costly, but it can result in "lost" witnesses and-or foggy memories.

By its action, the Judicial conference has made what could be a significant contribution to the cause of justice.

BROTHERHOOD IN MASSACHUSETTS

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mrs. HECKLER of Massachusetts. Mr. Speaker, one of the most unusual examples of brotherhood and community generosity which has come to my attention in some time is that which the Sun Chronicle of Attleboro, Mass., described concerning the ingenious resolution of the need for housing which faced Mr. and Mrs. William Demers, who are residents of my 10th Congressional District in Massachusetts.

As a member of the Subcommittee of Housing of both the Veterans' Affairs Committee, and the Banking and Currency Committee, I noted with particular interest the openhanded outpouring of help and elbow grease of the wonderful citizens and groups within Attleboro. It seems that Mr. and Mrs. Demers, who were required to relocate due to a mortgage foreclosure, in a display of ingenuity, relocated themselves, and their 10 children, into a tent which they put up at the Massasoit camping grounds in Taunton until they were fortunate enough to be able to remove the tents closer to Mr. Demers place of employment, which they did when a space behind the Provincial Building at the La-Salette Shrine was made available for them. The need of Mr. and Mrs. Demers, and their children, was a source of great concern to all in the community, and a spontaneous effort took form to help them. Among those extending the hand of help were Municipal Councilmen William J. Crowley, Jr., and Paul H. Lallier, and Father Normand Boulet of St. Joseph's Church, and Father Edward J. Byington of St. John's Church. Bishop Daniel Cronin, learning of their unfortunate circumstance, took a personal interest, and all the community, and its civic groups, became involved. More than 30 citizens volunteered their time and help to restore and brush up a two-family dwelling at 12–12½ Holman Street, which had been vacated, so that one-half of it could be immediately used.

The constructive solution to the housing problem of Mr. and Mrs. Demers and their children, and the commendable generosity of so many, working together to help a family in a time of need, is worthy of much attention, and I would like to include the entire article at this point which appeared in the Attleboro Sun Chronicle on September 25:

FAMILY OF 12 FIND LOVE, GENEROSITY IN ATTLEBORO

(By Dale King)

ATTLEBORO.—The cynics who feel sure there is no love and generosity in the world any more may take a lesson from a group of Attleboro residents, clergymen, laymen, Municipal Councilmen and just plain good neighbors who have assisted a man, his wife and their 10 children in settling into a renovated home.

In May, the 12 members of the William Demers family had to leave their Summer Street home when the mortgage was foreclosed. When they could find no other house to occupy immediately, they resorted to a less-desirable substitute—a tent.

The Demers family has been living in this tent since late last spring. They originally set up the makeshift structure at the Massasoit Camping Grounds in Taunton, but were granted permission to put up the tent behind the Provincial Building at the LaSalette Shrine here, closer to where the elder Demers is employed as a custodian at the Attleboro Public Library.

City fathers and members of the ministry realized in the spring that the family would require suitable quarters eventually and the process of finding these quarters began.

The problem was first taken up by Municipal Councilmen William J. Crowley Jr. and Paul R. Lallier. The former is councilman for Ward 5 where the Summer Street home was located.

Crowley got together with the Rev. Normand Boulet of St. Joseph's Church and the Rev. Edward J. Byington of St. John's Church in seeking a means of remedying the situation. A lawyer from St. John's Parish volunteered his services in contacting city officials and agencies involved in housing.

Light seemed to show through in early summer when Father Boulet attempted to make the Nazareth Home on Commonwealth Avenue in Attleboro Falls available to the family. The home, the former St. Mark's Church building, had been sold, however.

But by this time, the situation became known to Bishop Daniel Cronin of the Fall River Diocese and the effort suddenly became one which embraced the entire Christian community.

A two-family dwelling at 12-12½ Holman St., vacated several years ago, suddenly became the focal point of the group now organized to help the Demers family relocate. The home is owned by the city and it was slated to be torn down to make way for a parking lot.

Mayor Thomas A. Piggott was contacted about the house and the situation was explained to him. The mayor agreed to change the plans about tearing down the house, but since the home and property were owned by the city, the house and land could not be bought outright by the Demers family. By law, the dwelling and property must be put out to bid.

In the meantime, a group of more than 30 persons, members of St. Joseph's Parish, St. John's, St. Stephen's of Dodgeville, St. Mary's of North Seekonk, Attleboro's Emmanuel Lutheran Church and Marathon House, have been donating their time, effort and elbow grease to bring the old structure, boarded up and decayed by neglect for several years, up to a level suitable for housing the couple and their 10 children.

City Health Agent Henry Brousseau has been at the house during the renovations and said that the home, though its appearance is that of a dilapidated dwelling, is structurally sound, with efforts needed only in the area of cleaning up, patching broken plaster, replacing broken windows and installing utilities.

Much of this work has been done in preparation for the move by the Demers into their new home. The move is expected shortly, long before the coming of cold weather which would make tent living both unhealthy and dangerous for the family.

The Demers will occupy the 12½ Holman side of the two-family structure, with a divider separating their nine-room section from the other section which will not be renovated at this time. Eventually the family may occupy the entire house.

To assist the family in getting back on its feet, donations are being made by the St. Vincent de Paul Society through St. John's Church and St. Joseph's Christian Youth Organization is also working on the home. Some companies in the city have made donations of furnishings to the home.

Those who doubt that the virtue of charity has gone out of this computerized, modernized and impersonalized world need only visit 12½ Holman Street to have their faith lifted.

TO LIMIT INDIVIDUAL CONTRIBUTIONS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BINGHAM. Mr. Speaker, in a November 11 edition of the New York Post, widely syndicated columnist Sylvia Porter discussed campaign spending legislation. Her article adds further insight into the urgent need for reforming the Federal Corrupt Practices Act. In concluding her article, Miss Porter describes four "essential provisions" of any final bill which the Congress passes. These four "must" provisions are:

First, full disclosure by candidates before and after the election of contributions and expenditures;

Second, reasonable ceilings on total campaign spending;

Third, effective enforcement rules by an independent agency with authority to halt abuses; and

Fourth, a ceiling on the amounts any individual may contribute to a candidate.

It is noteworthy that the Senate bill covers only points 1 and 3. I concur with Miss Porter that any bill which this Congress passes should contain all four.

The following is text of Miss Porter's article:

[From the New York Post, Nov. 11, 1971]

CAMPAIGN COFFERS

(By Sylvia Porter)

When a group of 60 millionaires met behind closed doors at an unprecedented luncheon in the 21 Club here a fortnight ago, they agreed that it was imperative to seek limits on spending for political campaigns.

Since the potential political contributions of these 60 millionaires alone will represent perhaps an astounding one-fourth of the funds necessary for the '72 Presidential campaigns, this single agreement at this extraordinary luncheon telegraphs the probability that for the first time in history, truly significant controls on political campaign spending are on the way.

Already—a full year before the 1972 elections—money to finance the '72 political campaigns from coast to coast has become a bitter issue and brutal headache. Not ever has the financing issue loomed so large so early in our election history.

Already, the phenomenal costs that will be involved have impelled Congress to debate major controls—including meaningful ceilings on the amounts candidates may spend plus strict enforcement measures and rules requiring disclosure of who contributes how much to each candidate's campaigns.

And already, the wide bipartisan support for action—both inside Congress and outside Congress, as illustrated by the attitudes of the 60 millionaires—makes it probable that a campaign financing law will be on the book before the '72 fights move into a high gear.

The background is exceedingly sobering:

The total cost of the 1968 campaigns at all levels hit a record $300 million, up a staggering 50 per cent from 1964 and nearly double the $155 million spent as recently as 1956.

In 1968 the two main Presidential candidates spent more than $35 million, 40 per cent more than in 1964. Today, the cost of waging a single Presidential candidate's campaign is estimated at $25 million.

In 1968, the two major political conventions cost more than $2.5 million, $796,263 for the Republicans and $1,746,301 for the Democrats. These totals were merely to pay for the two short extravaganzas at which Humphrey and Nixon were nominated.

Today, it may cost tens of thousands, if not hundreds of thousands, to run for even a minor national office.

Candidates at all levels are being forced to make ever expanding use of such expensive new techniques as computer data banks, professional pollsters, speechwriters and political consultants who may charge $500 or more a day for their services. Meanwhile, the cost of TV continues to soar: in the '70 elections, the cost of TV political advertising rose nearly 50 per cent above '68 costs.

As a result, it is becoming even more difficult for an unknown, or an American of limited means, to enter a political race. As a result, campaign fund raising has become a year-round burden for political contenders of all stripes. (I've received dozens of solicitations even at this early date for financial support from a variety of hopefuls, and probably so have you).

As a result, candidates of both parties are increasingly forced to lean on expensive mail blitzes and a relatively small handful of big contributors—leaving the little guy with a growing cynicism about the whole American political process and an equally mounting feeling of helplessness to make any changes.

There is no disputing the pressure for workable ceilings on campaign spending, nor doubting the need for controls on contributions. The details of the final bill Congress will vote are still to be written, but surely among the essential provisions will be:

Full disclosure by all candidates and political parties of the amounts of contributions and expenses, both before and after the elections.

Reasonable ceilings on total campaign spending be directly authorized by the candidates. The most popular total for such spending in the bills now before Congress is 10 cents per eligible voter for any given candidate.

A ceiling on the amounts any given individual may contribute to any given candidate.

Effective enforcement of the rules by an independent bipartisan elections commission with real power to halt abuses.

MURDER BY PROXY: THE CONTINUING AIR WAR IN SOUTHEAST ASIA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. RANGEL. Mr. Speaker, the President of the United States continues to tell us that American involvement in the war in Southeast Asia is rapidly winding down. He prolongs the withdrawal of American servicemen, yet regularly appears on television to announce that a few more combat ground troops will soon be on their way home. Despite the 1970 Cambodian incursion, he would like this Nation to believe that he is bringing peace to the war-torn region which we have bombed, strafed, defoliated, and wasted for a decade.

Something is wrong, however, when the President of the United States hides the slaughter of Southeast Asians behind a smokescreen of duplicity. That is exactly what is happening in the air war in Indochina.

Recently, the Center for International Studies at Cornell University released its landmark report, "The Air War in Indochina." The study shows that in the first 3 years of the Nixon administration, more bomb tonnage was dropped on the people of Southeast Asia than in the last 4 years of the Johnson administration. Since 1965, the United States has dropped approximately 6,200,000 tons of air-delivered munitions on Indochina, in contrast to 2,000,000 tons in all theaters in World War II and 1,000,000 tons during the Korean conflict.

Our 6,200,000 tons of air-delivered munitions have been spread as follows:

[In tons]

South Vietnam	3,600,000
North Vietnam	500,000
Ho Chi Minh Trail	1,400,000
Northern Laos	500,000
Cambodia	200,000

And, Mr. Speaker, this massacre by proxy, bombing from the relative safety of the skies, is going on today.

CONSUMERISM AND CONSUMERISTS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. RARICK. Mr. Speaker, I recently reported to my people on consumerism and consumerists. I insert my report in the RECORD at this point:

RARICK REPORTS TO HIS PEOPLE ON CONSUMERISM AND CONSUMERISTS

Much publicity is being given today in accentuating the consumer movement and to the self appointed consumerists who purport to be the protectors of the rights of all consumers.

Who are consumers? They are buyers—anyone and everyone who buys anything is a consumer. You are a consumer. Do the radical militant consumerists speak for you or only because you are silent and others think they do?

I thought we'd talk today about the consumerists. Who they are and what they are really after.

Most Americans realize that there have always been short-change artists unbalanced scales, cutrate specials, and other frauds practiced upon the buyer. I think it is reasonably safe to say that such thievery has been going on in the marketplace from time immemorial. Many solutions and deterrents have been proposed but the most successful has been that the consumer once stung does not repeat. He or she goes elsewhere. This is called experience. It cannot be bought, taught, nor legislated.

Certainly many consumer announcements and proposals have merit. On the other hand, some of the crusade objectives are absurd to the extent of constituting an insult to every housewife in our land. For contrary to the contemporary rationalizations of some, most housewives and consumers who work hard for their money have enough commonsense to know what they want to buy without some Government bureaucrat taking their hand and leading them to the nationalized noncompetitive store stocking no choice of products from which to pick. That is why bars of soap have different colored wrappers and various scents—a choice.

Many people are awakening to realize that some consumer movements have become quite profitable—especially to the leaders. While others, promoting seemingly worthwhile causes, appear far more interested in developing impossible political issues and organizing a new bloc vote than in accomplishing results. Then there are those few informed onwatchers who have pierced the veil of emotion do-gooderism of helping consumers and see the threat from the national socialist movement dedicated not at helping the buyer but to a fully nationalized economy—full wage, price, and market control. And to that end the consumerism movement is contrary to the bona fide interests of the consumer whose only true source of relief is through competitive free enterprise.

Our people are hearing a lot these days about "consumerism" and the promised goals of so-called consumer pressure groups. Since the self-styled spokesmen of consumerism claim to speak for all of us, I feel these unelected leaders and their self-selected goals are entitled to some scrutiny and discussion.

I want to make clear that when I refer to consumerist groups, I am not talking about the several legitimate organizations, such as the Better Business Bureaus, which work constructively through the free enterprise system to protect the consumer. I am referring to self-appointed independently financed activists who would stir up conflict and dissension between producers and consumers. They have been referred to as the "disaster lobby." They proclaim disaster for the nation unless government action is promptly taken to remedy their every claim of discriminatory and unwise business practices which they say are harmful to consumers. They have attacked the automobile industry for making unsafe cars, packers and processors for contaminated food and for cheating the consumer with odd-size containers, and have charged industry and business with false advertising. They consider business a target; profit, their enemy. They advocate more controls over free enterprise. In the ultimate the consumer loses by price and selection. They would have the federal government nationalize industries and operate the machine of production along guidelines set by the consumerist whiz kids. Their real goal is the destruction of the free enterprise system by placing private industry under public controls. One of the leading consumerist spokesmen proposed that corporations abusing the public interest should be taken over by the government and their officers sent to jail. Who then would run the corporation and for how long would it produce and what would it produce?

The public has a right to know the background of the consumerist lobby which is after all supposedly working on the public's behalf since we are all consumers. The two most outspoken consumerist groups claiming to speak for Americans are Consumers Union and the Consumer Federation of America.

Consumers Union was formed in 1935 as a rival organization to a legitimate consumer group known as Consumers Research. A dissident group of employees of Consumers Research, unsuccessful in their attempt to gain control over Consumers Research, formed Consumers Union.

According to testimony before the House Special Committee on Un-American Activities in 1938, Consumers Union was formed as a result of a 1935 Communist Party directive to "launch a whole new series of united front organizations dealing ostensibly with the interests of consumers." Consumers Union has been cited as a communist front by the U.S. Government as well as by the governments of California and Pennsylvania.

The other major consumerist group is the Consumer Federation of America. It was formed three years ago. At the first national conference of consumers called the Consumers Assembly held in April, 1966, and presided over by the President of Consumers Union, it was proposed by a Special Assistant to the President of the United States that a federation of consumers be established.

Two years later, the Consumers Federation of America was a reality. There is a close relationship between Consumers Union and the Consumer Federation of America. An assistant director of Consumers Union served at the same time as secretary-treasurer and a member of the executive Committee of the Consumer Federation of America.

It is of interest to note that when an executive of a large national retail chain asked about becoming a member of the Consumer Federation of America, he was told that his company did not qualify since it had no consumer program and since it was run for profit. Only members like consumer cooperatives are eligible to join.

Thus far, I have attempted to show briefly that there have been Communist influences in the drive for consumer rights and that the real purpose of the consumerists is not so much to protect consumers as it is to destroy free enterprise. Under the pretext of protecting rights of millions of consumers, the consumer lobby is launching an attack on the productive sectors of our society, both labor and management, in its ultimate goal of transforming our free enterprise economic system into a government-managed and controlled society.

There is no doubt that the consumerists have achieved considerable power and influence since their Consumers Union was formed in 1935. The Consumer Federation of America's President was selected in 1968 by the then HEW Secretary Wilbur J. Cohen to head the newly created Office of Consumer Services, and the two consumer groups were the only consumer organizations testifying at House hearings on the Consumer Protection Act of 1971, which the House passed on October 14. The consumer Lobby does constitute a threat to free enterprise. The best weapon for counteracting the threat is truth—truth about the fabricated charges of the disaster lobby and truth about the proven superiority of free enterprise over any other economic system.

Take air pollution for example, while the consumerists clamor that industrial leaders should be jailed for polluting the atmosphere, the truth is that the amount of pollutants in the air has steadily decreased in almost every major city.

And the charge that the planet will soon have standing room only if we don't reduce population is false. The birth rate in just about every major country in the world has been declining so fast that there is a genuine concern about underpopulation.

A good example of how the American housewife was fooled by those who pretend to protect the consumer is the use of phosphates in laundry detergents. Following a campaign by the consumerists to abolish the use of phosphates as being unsafe and dangerous, various communities prohibited their use. Producers had to change their formulas and spend millions in advertising to tell the people which soaps did not contain phosphates. Then it was discovered that phosphates were perfectly safe but that the substitutes for phosphates were harmful to children. This illustrates how the unfounded scare tactics used in one so-called consumer protection program cost American industry and consumers millions of dollars, harming rather than helping the consumer.

Many more examples might be cited to show how consumerists exaggerate by nitpicking to mislead consumers.

The nation's news media and schools would render a real service in the cause of freedom by frequently proclaiming the benefits of the free enterprise system, which along with the two other main sources of our strength—the Holy Bible and the U. S. Constitution—made America the most prosperous coun-

try in the world and the emulation of other nations.

Let us emphasize that the consumers' best friend is competitive free enterprise which responds to their needs much more readily than government bureaucrats. Is the record of the government bureaucrats so successful in other fields that we can now in confidence trust them with another control over our lives?

Let us constantly remind citizens that government has nothing to give that it doesn't first take from people. Likewise socialism only works where it has been allowed to feed from the progress of free enterprise produced taxes to pay for government corruption and political promises.

Let us impress upon the citizenry that the struggle between communism and capitalism is a struggle between dictatorship and a free economic system—between slavery and freedom.

Let us explode the myth that a planned socialist economy under the direction of government is more efficient than a productive free enterprise economy.

And let us remember our experiences that the only thing governments can control is people. And that governments can control people, only by taking away the people's right to control themselves. Governments don't control prices, only people. A pound of tomatoes doesn't care what the price is. But people care—the people who grow the tomatoes, the people who sell the tomatoes, and the people who buy the tomatoes.

By proclaiming the truth about the superiority of a competitive free enterprise system over a controlled economy and acting in accordance with this truth, we can counteract the propaganda by so-called consumerists to one of the pillars of America's greatness—the free enterprise economic system.

NATIONAL BIBLE WEEK

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. DORN. Mr. Speaker, it is most fitting and proper that we observe National Bible Week during the week of Thanksgiving, November 21 through 28. America, more than any other nation, has much for which to be thankful. We are the bastion of democracy and the hope of the free world. We have reached this position of strength and abundance as "one Nation under God." Religion and Bible reading are basic and fundamental to our national heritage. We are all familiar with the picture of the American pioneer heading west with few personal possessions other than his Bible. For our forebears, as it is for many of us today, the Bible was a living book. The Bible is timeless literature. It is rich history. It is the supreme code of ethics for our daily lives. The Bible can be the source of all true wisdom. Especially during these troubled times, Mr. Speaker, the Bible can be the invaluable source of strength, guidance, and comfort.

Throughout American history no other book has been more closely bound with our national destiny. President Abraham Lincoln relied on the Bible for many of his decisions. Some of his most memorable speeches and proclamations borrowed from Biblical text and wording. There are innumerable examples of how phrases from the Scriptures have become part of our daily language. The Bible is today a strong and vibrant force in the life or our Nation. I firmly believe, Mr. Speaker, that our Nation's dedication to those great principles enunciated in the Bible is largely responsible for the strength, liberty, and abundance of this great land.

Yes, at this Thanksgiving season we do have much to be thankful for. Some nations suffer untold misery and human degradation, while others feel the harsh yoke of atheistic and materialistic oppression. In America, we are on the right track. We are moving in the right direction. We are, more than any other nation in the history of the world, one Nation, under God, with liberty, justice, and abundance for all.

Again, Mr. Speaker, I commend the coordinators of this the 31st annual National Bible Week. It is highly fitting and proper in the Thanksgiving season for us to encourage the reading and study of the Holy Scripture and to reaffirm the close and lasting connection of our national heritage to the word of the Bible. I commend to my colleagues in the Congress and to all Americans renewed study of the greatest Book of all.

SUSAN ANTHONY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. KEMP. Mr. Speaker, our distinguished and able colleague, the Honorable SEYMOUR HALPERN, has introduced an excellent bill, of which I am pleased to be a cosponsor, to provide for the portrait of Susan B. Anthony to appear on the $2 bill. The Treasury Department has indicated that the revitalization of the $2 bill would save the taxpayers a considerable amount in printing and distribution costs, and I feel it most fitting that women be represented on this denomination by Susan Anthony, who contributed so much to womanhood and our national heritage.

Mr. HALPERN's bill has gained wide support here in the House, from the Governors of many States and from dozens of women's organizations. At this point I would like to share with my colleagues one of many endorsements of the legislation, this one from Louis Rukeyser, ABC News, New York. Rukeyser's comments follow:

RUKEYSER'S WORLD

I'm Louis Rukeyser, ABC News, New York, and this is "Rukeyser's World" on the American Information Radio Network. I'll have a look at liberated money in sixty seconds.

At last comes an idea from the fanatics of women's liberation that even an old male chauvinist can support. The suggestion that women replace men on the faces of at least some of the nation's currency is aesthetically pleasing, culturally fair and financially realistic.

The faces of the bills would then be of the same gender as the hands that so often spend them, and what could be more reasonable than that?

The actual opening suggestion, as sponsored in Congress by New York's Representative Seymour Halpern, calls for a substitution on the face of the two-dollar bill, Susan B. Anthony going in for Thomas Jefferson.

It would be taken as frivolous, I gather, to comment on the physical appearance of the stern auffragette, or to propose some more voluptuous type for some higher denomination. After all, George Washington and Andrew Jackson didn't win any beauty contests, either, yet their rugged countenances have adorned our currency for years.

You will notice that I have not mentioned, as an argument in favor of this change, the traditional statistics indicating that women already own most of the nation's wealth.

Julia Montgomery Walsh, a dynamic lady who combines looking after twelve children with being the first woman member of the American Stock Exchange, once told me that these statistics are misleading, because much wealth nominally owned by women is in fact controlled by men.

A similar point was made by that devoted liberationist, Gloria Steinem, who grumbled that all the nation's money now has men's faces on it, which she said was, and I quote, "symbolic of where the power is."

Well, that's going a little too far, I think—at least at my house. And while I support the movement to end sex discrimination on crumpled dollar bills and battered quarters, I would caution the more militant ladies that as a contribution to economic prosperity, the face on the currency is only skin deep.

After all, the British have had Queen Elizabeth's face on all their money since her reign begun, yet the pound still gets devalued just as often as if they still had a King.

I'm Louis Rukeyser, ABC News, New York, and this has been "Rukeyser's World" on the American Information Radio Network.

THE COLLEGE VOTER

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BINGHAM. Mr. Speaker, in the October 1971, edition of State Government News, a monthly publication of the Council of State Governments, the question of where students may vote—at home or at college—is discussed. The article summarizes the opinions of a number of State attorneys general. Some of them advise students that they are free to choose their own residency without being required to offer evidence of intent or undergo extensive questioning, and others caution that a student's residence is presumed to be that of his parents' and to change it requires factual proof of intent. Thus, the laws on voter residency differ widely among the several States.

In order to carry out the full intent of the constitutional amendment grant to 18-year-olds the right to vote, it is logical that the States should modernize their voter residency statutes to permit student voters the right to register and vote either at their parents' home or at their college home.

The text of the article follows:

WHERE MAY STUDENTS VOTE—HOMETOWN OR COLLEGE?

Attorneys General are divided on what qualifications students should possess to vote in their college towns.

Some Attorneys General are advising that students and minors are as free as adults to choose their own residency without being required to offer evidence of intent or submitting to extensive questioning.

Others are cautioning that a student's residence is presumed to be that of his parents' and to change it he should offer factual proof of his intentions. These opinions suggest questions registrars may ask in determining residency.

Laws on establishing voter residency differ among the States. Opinions on the state residency laws were issued primarily to aid election officers in registering the newly enfranchised 18- to 21-year-olds. The Attorneys General stressed that the registrars would have to determine each case individually and no blanket guidelines could be given.

It is the student's intent which is a major point of contention. Attorneys General differ on whether the student's intent to reside in a community while a student is sufficient to meet state requirements. The liberal view was expressed by the Attorneys General of Florida, Massachusetts, Missouri, and Washington. They declared adequate the intent to remain while a student, coupled with an intent not to return to the previous residence.

Many States have a law or constitutional provision which stipulates that a person is not deemed to gain or lose a residence by attending an institution of learning, serving in civil or military duty of the United States, engaging in navigation, or residing in a public institution.

The Michigan Supreme Court held unconstitutional this provision in Wilkins v. Bentley (August 27, 1971) because the State could demonstrate no compelling interest for placing this burden of a rebuttable presumption on the right of students to vote and thus had denied them equal protection of the laws.

Attorneys General of States which have this provision generally interpreted it as meaning that physical presence in a community while at school must be coupled with an intent to remain.

The first State Supreme Court ruling on the 26th Amendment was the California decision that 18- to 21-year-olds must be treated the same as adults for voting purposes. In Jolicoeur et al. v. Mihaly et al. (August 27, 1971), the Court held it would violate minors' rights to require them to vote in their parents' district, even by absentee. It also concluded "strong state policies require that voters participate in elections where they reside." The Court ruled applicants could not be specially questioned because of their "age or occupational status."

The California Supreme Court ruling overturned an opinion issued by Attorney General Evelle J. Younger that the voting residence of an unmarried minor was the parents' home. He noted there was no specific state law on the question and requested judicial or legislative clarification. He commented that 21-year-old students could vote at their school residency if they met requirements and abandoned their former residence.

Summaries of Attorneys General's opinions which declared minors and students eligible to freely establish their own voting residency follow.

Florida Attorney General Robert L. Shevin advised: The only voting requirement is one-year state and six-month county residency. Student vacations away from college towns, like temporary absences of all voters, do not affect residency. Students are eligible to vote in municipal elections, regardless of whether or not they live in a dorm. To apply different standards to students and other voters would violate "equal protection" of the law. Students are affected by local legislative, executive, and judicial decisions. They observe local conditions, have access to news, and often work in the community. Students should be treated no differently than corporation employees, assigned to localities for limited periods.

Georgia Attorney General Arthur K. Bolton explained: A person with more than one residence may choose which is his domicile. For voting purposes, a minor has this choice.

College towns benefit from the census count of students in larger state and federal grants and more legislative representation. Students are affected by local decisions, have access to news, and have the "same stake in the outcome of the elections as any other citizens in the community."

A 1970 U.S. Supreme Court decision (*Evans v. Cornman*, 398 U.S. 419), allowing residents of a federal enclave to vote in state and local elections, could be applied to college students, who also are included in a census of the town, affected by state and local laws, and pay taxes.

Idaho Attorney General W. Anthony Park stated: Residence for voting is the place of an elector's fixed habitation and to which, whenever he is absent, he has the intention of returning according to law. "Intent to stay in a place permanently or temporarily is subjective, and thus not ascertainable by objective observation . . . the residence determination for voting purposes should be left for the voter himself to determine."

An out-of-state student is qualified if he is a six-month resident and declares his intent to become a permanent Idaho resident. Vacations do not affect residency .

The county clerk may register voters at branch locations and the "registration of students for their college classes would be an optimum time to register them to vote . . ."

Illinois Attorney General William J. Scott pronounced: Students and those 18 to 21 must be treated the same by registrars as those over 21. They cannot be asked about parental support, driver's license address, or denied registration because they live in a dorm.

The law requires only proof of age, six months residence in the State and 30 days in the precinct. However, they must be "permanent residents" as required by the new constitution or risk having their vote challenged at the polls. The State Supreme Court, in a number of rulings, has held that in order to vote in a college town a student must prove that he has a "permanent" residence there, and not at the home of his parents.

Louisiana Attorney General Jack P. F. Gremillion explained: Under the constitution a person is not deemed to gain a residency by attending an institution of learning. "To overcome this presumption," a student should file a bona fide residence six months prior to registering to vote and file a letter of intent with the clerk of court to establish residency. The filing of the letter shows the intention of the student to vote in the parish and serves as proof that he has resided there.

The 18- to 21-year-olds are emancipated for voting purposes and not tied to their parents' residency.

Massachusetts Attorney General Robert H. Quinn declined to give guidelines to use in specific cases, but announced the following general principles: Students who are six-month residents and declare an intention to stay in the community for an indefinite period are eligible to register. The fact that the applicant is a student should "place on him no greater burden of proving his domiciliary intent." It is of no relevance whether a student has parental support, resides in a dorm, or whether his parents reside out of State. "The basic question to be answered is whether he intends to return to his former home as soon as his course of studies is completed."

Missouri Attorney General John C. Danforth stipulated that: A student may change his residency if he (1) declares he has abandoned his original residence and does not intend to return to it, (2) declares his intent to reside in the community for an indefinite period, and (3) his declarations are consistent with facts. "Indefinitely" can be for the time necessary to complete an education with an intent not to return to the previous residence. Neither parental control nor support precludes a minor from establishing his own residency.

Courts have considered church and other membership and listed addresses in determining residency, but none of these are "conclusive."

North Dakota Attorney General Helgi Johanneson said: "Residence is acquired by an overt act coupled with intent." A student may vote in his school community if he meets residence requirements. ". . . one of the basic questions which must be answered is the intent of the student . . . . If he intends to return to his home and does not make the place where he is staying while attending school his residence," he does not qualify. Under state law, persons 18 and over are adults and thus not considered minors bound to their parents' residence.

The fact that the census counts students in their college town does not affect state laws dealing with residency.

Oklahoma Attorney General Larry Derryberry declared: Eighteen-year-old students may register in the community where they attend college if that is their legal residence and if they are otherwise qualified electors. When a person becomes a "resident" for voting purposes involves a question of fact and is "largely determined by the acts and intentions of the particular person desiring to vote." This applies to students "as well as all other persons in determining whether they are qualified electors."

Washington Attorney General Slade Gorton advised State Representative Arthur C. Brown: Existing law would not be changed by a statute providing that students could vote at their school residence if they declare they have no present intention to move to any other voting area. A constitutional provision, which states a student does not "gain or lose" a residence while at school, does not prevent establishment of a voting residence at school if there is an intent to remain permanently or indefinitely.

On the issue, 25 Am. Jur. 2d, Elections, Section 72, is quoted, "As a general rule, a residence for voting purposes may be acquired where a student attending school or college has no intention of returning home, but is not certain as to the place of his future residence . . . ."

Synopses of Attorneys General's opinions which generally held applicants must offer some proof of their eligibility to vote in a new district follow.

Alaska Attorney General John E. Havelock stated: The law provides that the residence of a student who meets the voter qualifications is the "residence shown on his last registration at the institution (of learning) made at least 30 days before an election."

Arkansas Attorney General Ray Thornton in a fact sheet on voter registration sent to all county clerks instructs: For a student to register in the county where he attends school, he must first establish his legal residence there. The Arkansas Supreme Court ruled, in *Ptak v. Jameson*, 215 Ark. 292, "A student who comes to Fayetteville for the sole purpose of securing an education does so without making a change of residence. It is necessary to have a bona fide intention to make Fayetteville his home permanently or for an indefinite period and not to limit it to the time necessary to get an education."

Delaware Attorney General W. Laird Stabler, Jr., approved an opinion issued by State Solicitor C. Edward Duffy which states: A student may establish a voting residence

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where he attends school if he meets durational residency requirements, abandons his previous residence, and has actual intent to establish his new residence for an appreciable period of time. It is the intention of the prospective voter to abandon his old residence and adopt the new which must be determined. All the facts and circumstances of each case must be considered.

An out-of-state married student attending school nine months a year does not qualify. A student who remains during vacation with an idea toward settling in Delaware in the future might well qualify.

Iowa Attorney General Richard C. Turner pronounced: Residence for voting means domicile which is largely a matter of intent. A student may intend to make the community where his college is located his domicile or permanent residence after he leaves college. But, if he intends to move after graduation or does not know what he is going to do, that place is not his residence. While this test of residency is subjective and inquiry into a person's state of mind somewhat difficult, the student can be asked under oath by challengers: his original residence, his vacation residence, what address is listed on his college registration, his driver's license or draft card, and "to produce anything he is carrying on his person to substantiate his testimony."

A student, like any other prospective voter who is challenged, must sign a "declaration of eligibility," and be permitted to vote. The State must look for its remedy in prosecuting the voter for false swearing.

Kentucky Attorney General John B. Breckinridge declared: ". . . the general rule is that a student in a college town is presumed not to possess legal residence and the fact that he has resided there the necessary length of time to qualify to vote . . . does not of itself entitle him to this right." A student must have no intention of returning to his parental home. His intentions cannot be ascertained solely on his own statement, but "determined in the light of all the facts and circumstances." The facts must be "wholly independent and outside of his presence as a student and should be very clear and convincing. . . ."

A student also is eligible who is free of parental control, regards the community as his home, and has no other to which to return in case of sickness or domestic affliction. Marriage emancipates a minor from parental control.

Maine Attorney General James S. Erwin related: "Our law specifically decrees that a student does not acquire, nor can he claim, residence for voting purposes from the fact of his attendance at an educational institution." It is up to local boards to decide whether an applicant meets residency requirements. "Mere verbal claims of intent are not enough. The local boards must be satisfied in each individual case that the totality of circumstances indicates a good faith intent to reside indefinitely in the State."

Maryland Attorney General Francis B. Burch advised: The registrar must determine whether there are affirmative facts which establish the bona fide intent of a student to abandon his old domicile and establish a new one in his college community. The same standards must be applied to all seeking to change residency, whether student or businessman. "Neither age nor occupational status are valid reasons for unequal treatment by the registrars."

A list of 14 factors which courts have used in determining residency include frequency of return to previous domicile, employment, address on income tax and driver's license, and parental residence and intent to return to it. No certain number must be answered and each case must be judged individually.

New Hampshire Attorney General Warren B. Rudman said: Although there may be special circumstances where a student's legal residence is the place where he attends school, generally speaking, the legal residence of a student is that of his parents. This applies equally to in-state and out-of-state students. "If anyone contends his name is illegally kept from the checklist, he may file a complaint in the Superior Court and he will be entitled to an immediate hearing . . ."

The law is that a student does not gain or lose a residence by a temporary absence.

Virginia Attorney General Andrew P. Miller stated: The registrar must ascertain the intent of the student. "The intention to remain in a given jurisdiction only so long as a student . . . is not sufficient." The intent to remain for an indefinite period is necessary. There can be no official guidelines that registrars might employ in making this complex determination. Various courts have considered student plans after graduation, payment of out-of-state tuition rates, vacation home, parental control and support, driver's license address, and bank account location.

A law that students are not deemed to gain or lose a residence at school does not prohibit them from registering there.

STRUCTURE, OPERATION, AND REGULATION OF SECURITIES MARKETS

HON. W. S. (BILL) STUCKEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. STUCKEY. Mr. Speaker, since coming to Congress in 1967 a major portion of the work of the Commerce and Finance Subcommittee of the House Committee on Interstate and Foreign Commerce, on which I serve, has been devoted to the securities industry.

During this period, the financial community has been shaken by internal crisis. In 1969 alone, an estimated 150 brokerage firms liquidated and others either entered into mergers or cut back their operations.

The changes within the industry can be attributed in large measure to internal structural change. Because this is a complicated industry, there are still many aspects of it that are not clearly understood.

At the present time the Securities and Exchange Commission, the Commerce and Finance Subcommittee of the House Committee on Interstate and Foreign Commerce, and the Securities Subcommittee of the Senate Committee on Banking, Housing and Urban Affairs are conducting investigative studies in an attempt to add additional insight into the vast body of data already published on this industry.

Earlier this week, Arthur Lipper III, president of Arthur Lipper Corp., a New York Stock Exchange firm, which serves only institutional clients, announced that his firm would shortly withdraw from the institutional brokerage business. The unusual aspect of the announcement was that Arthur Lipper Corp. is withdrawing from the business at a time when the firm's net worth is close to its alltime high. Mr. Lipper cited as a principal reason for his decision the fact that structural changes taking place within the industry cast doubt on the future ability of his firm to earn an adequate, risk-related, return on the ever increasing amounts of capital which are required in the operation of such a business.

Yesterday, in testimony before the SEC's investigatory hearing on the "Structure, Operation, and Regulation of Securities Markets," Mr. Lipper explained in greater detail basic structural changes he believes to be necessary to insure a sound securities market in the future.

Because of widespread interest in this topic, I ask unanimous consent that Mr. Lipper's introductory remarks and a text of his statement presented to the SEC be included at this point in the RECORD:

INTRODUCTORY REMARKS OF ARTHUR LIPPER III

Gentlemen: Having submitted an intentionally brief, prepared statement, I am hopeful that it has been read and that I can now constructively answer any questions which may have been stimulated.

In short, I believe the following to be in the public interest in the restructuring of our securities markets.

1. Competitively negotiated commissions.
2. Institutional access.
3. A communication system based central market.
4. A single, common Central Clearance and Depository Agency.
5. A separation of those activities giving rise to irreconcilable conflicts of interest, specifically those of investment advisory and broker/dealer functions.

In order of priority, I would suggest the establishment of a central market system as being the most important, with the Central Clearance Agency being the next most vital.

Before I begin answering whatever questions you may have, I would like to make two broad points not included in the prepared presentation.

Firstly, there exists an overall investment industry problem of major proportions. That is simply the fact that, at presently existing levels of investment management fees, there is no profit possible for many of the organizations currently offering investment management services without resorting to practices which are adverse to the beneficial investors' interest. For example, I believe that only a small number of the very largest trust departments of commercial banks would be profitable on the basis of true cost allocation offset only by the advisory fees charged. Similarly, management fees alone are not sufficient to earn a profit for most fund management companies, were commission charges to be either considered discretionary expense items and, therefore, subject to limitation, or for Moses V. Burgin type reasons. Even with the use of commissions for the acquisition of services, including those of investment advisory, in the form of brokerage firm research, I estimate that individually the vast majority of management companies themselves lose money. I believe that the focus of attention on the fee level is misplaced.

Detailed disclosure of the investment related services being provided would be a competitively effective manner of insuring that investors received value for their fees. For example, I suggest new investment company prospectus requirements regarding investment related personnel and facilities with disclosure of compensation, experience and areas of responsibility for all individuals playing a meaningful decision making role. Specific costs of maintaining investment related facilities and services should also be disclosed.

The focus of attention must be shifted to the positive achievement of valid investment objectives from that of stated compensation minimization. The present emphasis on limiting or reducing the visible fee structure causes many of the less visible practices which, in the end, are more costly to the investor.

Secondly, even with its faults and inequities, ours is the finest securities market in the world. I believe that there should be a Commission sponsored attempt to make our hopefully central market the international center of securities transactions. To accomplish this, a greater sophistication and flexibility will be required of the SEC, participating issue companies, banks and broker/dealers than has been demonstrated in the past. It will also be necessary perhaps for Congress to recognize the potential importance of the United States achieving the competitively advantageous position of providing the forum for international securities ownership exchange in that possibly enabling legislation will be required.

Due to the highly regulated nature of our markets and the breadth and depth of our distribution, the United States could be the focal point in the internationalization of world securities markets. I believe this to be a desirable result from the standpoint of our national interest.

I am now ready to answer your questions, and thank you for the opportunity.

STATEMENT OF ARTHUR LIPPER III

My name is Arthur Lipper III, and I am genuinely pleased to have been provided this opportunity to present my views regarding a number of the issues currently being studied relating to the structure of the U.S. securities markets.

I believe that many basic structural changes must occur for our securities markets to function in the most efficient manner possible from the standpoint of both the individual and institutional investor.

As the changes in market structure and practice which I propose will be considered by many to be extreme, and clearly contra personal interest, and because I believe these changes partly inevitable, a brief description of my firm may be in order. Although this description is accurate in terms of the range of activities in which we have engaged, it is not reflective of our future corporate interests, as we have this week announced our intention to withdraw from the securities brokerage business. Much of the rationale for the decision to leave the institutional stock brokerage business is contained in this presentation. Many of the activities might therefore more appropriately be described in the past tense as in the future, we intend to concentrate our efforts towards our corporate capital enhancement rather than client service.

Arthur Lipper Corporation, of which I am the principal stockholder and President, is or has been a member of the New York, American and most regional stock exchanges. Serving institutions primarily, we have more than 1500 institutional accounts on our books. We maintain offices in New York, Washington, London, Geneva and Tokyo. We provide clients with research studies relating to investment companies, investment management companies, and foreign issues of U.S. institutional interest. Our Washington office monitors and prepares reports regarding the activities of governmental agencies which affect corporate earnings, and our Tokyo office provides a constant flow of information regarding Japanese investment companies and industrial corporations.

Except as relating to our publications, we do not engage in the investment advisory area, nor do we "handle" or manage accounts other than our own. We do not act as underwriters nor do we generally participate as members of selling groups. We do not have a sales agreement with any mutual fund, nor do we recommend the purchase or sale of investment company shares.

As agent for institutional clients, we provide an expert execution capability through a fully staffed and highly experienced transactions department. We do employ firm capital to facilitate many agency transactions, in that we are frequently forced through competitive pressures to be at risk in assuming long or short positions contra those of our client to earn the right to charge that client a commission. We are, on those occasions, in the ridiculous and uncomfortable position of being able to profit only if, in the short term, our client's market judgment is not as good as our own. As principal, we are an important dealer (market-maker) in the American Depositary Receipts of major foreign companies and also conduct a dealer business in U.S. equity and debt issues. Foreign arbitrage is one of our important activities.

The existing market structure has been so enormously profitable for those vested industry interests that it is difficult to envision these interests voluntarily accepting change. However, if the public interest is to prevail, change must come and the areas of conflict resolved in favor of the public interest. Over the longer term, the interests of the users and the sponsors of any system must be similar, or the users will find alternative means of achieving their objectives.

Unfortunately, a number of the specific structural and regulatory changes which I advocate as being in the public interest are sufficiently adverse to the interests of firms such as my own, as to make the continued viability of such institutionally-oriented, client-service organizations highly questionable. However, I do believe that securities firms, not unlike other commercial organizations or groups, must either profitably accommodate themselves to the changing needs of those whom they serve or perish.

The creation and maintenance of anti-competitive and restrictive membership and trading barriers intended to thwart the legitimate objectives of institutional clients or fiduciaries is not an appropriate method of serving those clients. The New York Stock Exchange's denial of membership to a qualified and experienced brokerage affiliate of a major investment company advisor while, at the same time, accommodating a number of basically similar arrangements is at best inconsistent, and at worst exemplifies the reasons why Congress originally enacted antitrust legislation. Another restrictive practice is embodied in the New York Stock Exchange's Rule 394. Rule 394 theoretically places every NYSE member receiving an order (which is not designated by the client "stock exchange execution only") in jeopardy in terms of his fiduciary obligations and certainly raises questions for the institutional investor in similar terms of achieving "best execution." In this regard, I understand that several of the country's largest banks are currently using the third market for more than 30% of their executions.

For most institutionally-oriented exchange member brokerage firms, it is no longer feasible to serve institutional investors on an agency basis, where that specific activity must stand the test of profitability. Moreover, improved communication systems cast serious doubt, from the institutions' standpoint, on the necessity or desirability of utilizing the services of securities brokers or, in fact, the Stock Exchanges.

Therefore, I believe the following developments are logical and desirable in light of current investor needs, market structure realities and the public interest.

I. Competitively negotiated agency commission charges on all securities transactions.

II. Establishment of a central market in the form of a computer-based communications system.

III. Institutional access to the central market system.

IV. Establishment of a mandatory industry-wide, central Common Clearance and Depository Agency.

V. Separation of investment advisory activities from those of broker/dealer functions.

In my discussion of each area, I have not assumed acceptance of any of the above proposed specific developments and will, therefore, discuss them primarily in relation to the current industry situation.

I. COMMISSION CHARGES

The concept of an enforceable schedule of fixed minimum agency commission charges, as applicable to institutions, is fallacious. In actual practice, all exchange member brokerage firms—while nominally adhering to a fixed level of commission charges—provide a wide range of complimentary services of widely varying and, in some cases, indeterminable value to their clients. These complementary or "bundled" services range presently from all types and qualities of research to security safekeeping and dividend collection, entertainment, block positioning, and tax and estate planning advice. The range of services is broad and the cost of providing services is the principal form of competition between firms. Professor Seymour Smidt of Cornell has testified that, in his opinion, which I share, "There is a strong tendency for the level of costs to adjust itself to the brokerage rate schedule, since firms can attract customers from their competitors only by offering more service, even when the services cost more than they are worth to the customers."

It could be stated that the "quality" of research or investment advice is the truly distinguishing factor between competing firms. This position is, however, considerably weakened when it is recognized that specific individuals are most responsible for creating research or investment advice and are highly mobile. They can, for the most part, be recruited by competing firms on the basis of the competitor being willing to spend more of gross commission revenues for the services of those individuals. In other words, brokerage firms adhering to fixed commission levels compete by allocating discretionary and varying percentages of gross commission income to provide services over and above the cost of physically settling transactions.

Would it not be more logical to encourage firms to charge clients fees which permitted profitable operations based on each firm's cost of providing the services necessary to attract each client? The argument that the large brokerage firms could provide their clients certain services, at a cost of considerably less per unit of service than that of smaller firms (due to economies of scale), is certain to be put forth. It is also probably valid. So what! Larger firms would, in time, due to competitive pressures, reduce their charges to competitively realistic levels. Of course, this process would be hastened and assured were free institutional access possible, since major financial entities would enter the general brokerage business if lack of competition made profit margins exceptionally attractive.

Although I do not believe that all smaller brokerage firms would be forced out of business, I do believe that most would assume the role of investment advisors, using the mechanical brokerage services of other organizations. Almost of necessity, the investment advisory business is a personal service business, a one-to-one relationship between investor and advisor, not unlike the practices of medicine, law and accounting. Most individual brokers are really, from the clients' standpoint, advisors, and should, therefore, be viewed in that context. Many investors desire professional investment advice and are willing to pay the necessary fees. There is still ample opportunity for the competent individual practitioner and smaller entity to profitably serve the real need of investors for sound investment advice.

The public interest would appear to be served by permitting competitively negotiated commissions, thereby allowing the natural laws of supply and demand to function for the benefit of the "market" in the broadest sense.

II. CENTRAL MARKET SYSTEM

Assuming the desired function of a governmentally supervised securities market is to

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provide a fair, equitable and efficient method for the mobilization of capital and, therefore, the exchange of ownership of publicly traded securities, it is clear that the current system is far from perfect. That which is needed, in my opinion, is a central market system having continuous ability to consummate transactions within a reasonable period of time, to broadly disseminate market related information to both actual and prospective buyers and sellers and to equitably represent both agency and principal orders.

A stock exchange or federation of competing stock exchanges utilizing a common or composite tape does not a central market make. A central market, in the United States, in the 1970's, is not a building or group of buildings having large unobstructed floor spaces—it is a communication system—a computer-based, nongeographically dependent communication system. In prototype form, it exists today. It is called NASDAQ.

There are, of course, other systems which contain useful elements, among them AutEx, Instanet and even the NYSE's BAS. The New York Stock Exchange's proposed Automated Trading System may possibly be constructive, but not nearly so as the Trading Terminal Plan which was rejected by the NYSE because ". . . among other considerations, this plan (TTP) would effectively eliminate the trading floor . . ." The NYSE states as one of the reasons for favoring its Automated Trading System that "it builds upon a prime Exchange asset, the Specialist system." As regarding the virtues of the current Specialist system, I would refer interested parties to Professor Seymour Smidt's testimony on October 12th, 1971. I believe that the highly qualified Professor Smidt pinpointed some of the basic weaknesses of the currently noncompetitive NYSE specialist system, and has, in a totally logical and understandable manner, described a central market concept which the Commission should seriously consider implementing.

Were a NASDAQ-type system to be used as the basis for the Central Market, as I believe is currently practical, then a number of structural, regulatory and mechanical improvements should be implemented. These include:

1. Competing specialist/market-makers should designate the size of their quoted dealer markets by class of market. In other words, a class A market would be one in which a specialist/market-maker was prepared to buy or sell upwards of 5,000 shares, a class B market would require upwards of 2,000 shares being "good" on both the offer and bid, and a class C market would be the one for less than 2,000 shares. It should be possible for a market-maker to display within the system more than one class of quoted market. For example, a class C market quote by one specialist/market-maker in a given security might be 50½–¾, whereas 50–51¼ might be the class A market (more than 5,000 shares bid for and offered) quoted by the same dealer.

2. Agency orders accepted by a specialist/market-maker should take precedence over that specialist/market-maker's principal bids or offerings. Within the quoted market spreads, specialist/market-makers should disclose whether acting in a principal or agency capacity.

3. The system must be capable of creating a sequential trade tape, as well as having recall capabilities to display historical information such as: last sale, volume, firm involved in latest transaction, summary of individual firm transactions, etc. It would be desirable if the same system could store and recall fundamental corporate data relating to each issue such as: latest earnings, dividends, news flashes, etc.

4. The system should be capable of transaction consummation without requiring direct contact between specialist/market-makers, thereby "locking in" trades. Transactions would be cleared through a Central Clearance and Depositary Agency which I will discuss later. Direct negotiation would still be required for transactions involving any substantial number of shares.

5. All securities transactions should be required to be consummated within the system and all users of the system should be regulated equally.

Although the totally automated mechanism envisioned by Professor Smidt is probably the ultimate ideal central market concept, I believe that a NASDAQ-type system, mechanism possible in terms of existing hardware, software and vested securities industry political considerations.

III. INSTITUTIONAL ACCESS

I believe it appropriate for institutional investors and fiduciaries to be accorded full access to whatever form of central market ultimately evolves. I believe that many of the problems of nonuniform exchange regulation and undesirable reciprocal practices which have plagued the investment and securities industries are directly traceable to denial of full access. I also believe that all brokerage profits earned by fiduciaries from securities transactions should be used to reduce related investment management fees. However, protection from legal action should be afforded a fiduciary who decides not to enter the brokerage business based on a bona fide judgment that the costs outweigh the savings to the institution he advises or that the institution's best interest would not be served.

As a practical matter, the members of the NYSE should accept institutional access at the same time as they may be forced to accept competitively negotiated commissions, as the practical effect would be to relieve the pressures for reduced commission rates on institutional sized transactions.

It is simply illogical to believe that the securities industry can be an exception to a basic law of the marketplace which dictates that a large quantity customer or user will deal on different and more favorable terms than the small customer or user. It is also illogical for an exchange to welcome as members wealthy individuals who join for purposes of personal transaction expense reduction and market mobility and, at the same time, deny membership to organizations having an obligation to achieve the same ends for others.

If a central market is intended to create an environment of maximum capital mobilization, it would then follow that all responsible asset management entities should be encouraged to participate directly.

IV. COMMON CLEARANCE AND DEPOSITARY AGENCY

If there is one single cause of the securities industry's chronic earnings cyclicality and related concern for the safety of customer assets, it is the massive duplication of operational and administrative facilities which currently exists. Were the overhead burden of unevenly utilized, and for the most part unnecessary, personnel, equipment and real estate removed or lessened by the establishment of a Common Clearance and Depositary Agency, many presently troubled brokerage organizations could anticipate an extended and profitable existence, while, at the same time, reduce client charges.

This concept can only work, for political reasons, if it were required that all securities dealers exclusively utilize the Agency and be denied the ability of holding customer assets within their own control. The method of financing the Agency is envisioned as being similar to that of financing exchanges presently. In fact, I believe that one of the basic functions of any exchange is, or should be, to provide its members with mechanical services to settle transactions which would otherwise have to be duplicated by many of the individual member firms.

The proposed Common Clearance and Depositary Agency could pay an appropriate rate of interest to the clients of securities firms based upon free credit balances left with the Agency.

The Agency could also play a leading role in the movement towards reducing the necessity for individual stock certificates, as well as assuming corporate stock transfer and registrar functions. Also the establishment of such an agency would reduce, if not eliminate, the problem of brokerage firm securities thefts.

I believe that, as regards the establishment of a Common Clearance and Depositary Agency, the public interest and that of the securities industry are similarly served.

V. SEPARATION OF INVESTMENT ADVISORY AND BROKER/DEALER FUNCTION

In the structuring of a central market, whatever be the ultimate form, I believe there should be a separation of functions wherein unresolvable conflicts of interest exist.

The Martin Report identifies exchange member control of investment company advisors as one such area. I choose to believe that the basis for concern resides in the possibility of the investment advisor generating transactions for personal profit, and is not simply an attempt to "trade off" this area to preserve the brokerage business exclusively for the New York Stock Exchange membership.

While I agree that meaningful conflicts of interest exist in this area, I believe the same conflicts exist in the investment management control of other types of discretionary institutional accounts. Furthermore, I believe that the identical problem exists with respect to the vast majority of individual retail accounts, since in most instances specific recommendations made by registered representatives are generally accepted. The individual client is, of course, provided with "facts" and reasons for the recommendation, but normally is not in a position to either verify the factual content nor assess the validity of the opinion. Therefore, it would appear that the distinction between retail discretionary and non-discretionary accounts is more legal than real.

Because of prevailing reciprocal practices, the ability to direct the placement of substantial brokerage business on a discretionary basis is one of the most valuable assets any organization can have whether or not it is a member of a stock exchange.

The situation whereby an advisor generates revenue for himself through client activity regardless of investment result is one of continuing concern. Obviously, an even greater conflict of interest is present in situations where the advisor is acting in a underwriter or dealer capacity.

Therefore, it is suggested that all advisory functions be separated from those of a broker/dealer. Mechanically, this could be accomplished by requiring those organizations which have confidence in their advisory abilities to concentrate in this area and be compensated by investors on a fee basis. In certain rare instances, performance incentive fees may be justified. Those broker/dealer organizations which choose to remain in the business of trading securities or investment banking would then have as prospective clients a materially expanded number of investment advisory firms whose sole interest would be achieving satisfactory investment results for their advisory clients. To avoid conflict, the investment advisory clients should designate broker/dealers to be used by their investment advisors on their behalf. Investors wishing to make their own investment decisions would be free to use the services of broker/dealers, but broker/dealers would not be permitted to render investment advice.

I believe that only through such an enforced separation, as suggested, will this area of conflicting interests be ultimately resolved in favor of the investor and, therefore, the public interest.

In summation, I believe that:

I. Commission charges should be fully negotiable.

II. A central market communication system should be established.

III. Institutions and their fiduciaries should be accorded the same degree of access to the central market system as qualified wealthy individuals or corporate investors.

IV. A Common Clearance and Depositary Agency should be established to settle all securities transactions and, at the same time, have the responsibility of safeguarding investor assets.

V. Investment advisory and broker/dealer functions should be separated.

I am sincere in my concern relating to the areas discussed and am anxious to answer any questions which I hope my presentation has stimulated. I would also welcome the opportunity of cooperating with the Commission in any detailed study of these areas as well as making a contribution in any way deemed appropriate.

Thank you.

A MEDICAL AUTHORITY COMMENTS ON THE PROBLEM OF LEGALIZED ABORTION

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. DONOHUE. Mr. Speaker, reference to the voices and recommendations of authority and experience on both sides of the question is always an invaluable asset in our everlasting efforts to study and solve the very complex and challenging problems of our time.

Such a modern problem is the matter of legalized abortion in this country and an acknowledged authority on this subject is Dr. Denis Cavanagh. Dr. Cavanagh is a non-Catholic physician with extended experience in this area as professor of obstetrics and gynecology, Department of Obstetrics and Gynecology, Royal Hobart Hospital, Tasmania, Australia, and consultant to the dean of obstetrics and gynecology, St. Louis University School of Medicine.

Last May, Dr. Cavanagh addressed an assembly of the Texas Conference of Catholic Hospitals in San Antonio on the subject of legalized abortion and excerpts from his very thoughtful and timely analysis of the problem appeared in the August 1971 issue of the magazine, Hospital Progress, and I wish to include the article at this point:

LEGALIZED ABORTION: THE CONSCIENCE CLAUSE AND COERCION

(By Denis Cavanagh, MD)

There is a small but very active group of individuals in this country who favor abortion as a measure of population control. Most of them are very active in the movement for liberalization of the abortion laws and, as a blind for their activities within this movement, they use the well-meaning and conscientious physicians who merely desire clarification of the laws.

In the State of Missouri, we are faced at the present time with a determined effort to achieve liberalization or repeal of the abortion laws, and I'm sure that a similar campaign is being waged in Texas. In 1968, I appeared at the Missouri Senate hearings to speak for moderate liberalization of the abortion law on the basis of the American Law Institute proposal because I felt that this was a "middle-of-the-road" solution which most people wanted, alhough I believed personally that abortion was only justified to save the life of the mother. In 1969 and again this year, because of the experience in Colorado and California, I spoke against liberalization in Missouri. I am not completely opposed to any liberalization of the abortion laws for a number of reasons, and I think these are reasons that anybody with an open mind can understand.

The California and Colorado liberalized abortion laws were well-written laws, but they have led to more dishonesty on the part of both patients and doctors than ever existed before. For example, in California in the first year, over 50 per cent of women treated were unmarried and most were affluent,[1] although the law was supposed to help the married and the poor. Almost 90 per cent of the indications were psychiatric vs. five per cent for organic disease. (If you believe that the doctors and patients were being honest you must also believe that serious mental illness is 18 times more common than serious physical illness in pregnant women in the State of California.)

From these examples it is evident that dishonesty is more prevalent with liberalization of abortion laws than without it. Certainly, when mental health is substituted for serious mental illness you will have *de facto* "abortion on request."

MONEY IN ABORTIONS

My second reason is that I believe patient care is suffering in the presence of liberalized laws and a significant number of complications are occurring most of which are not being reported.[2] The complications are being concealed because: 1. Doctor abortionists do not want to face malpractice suits; and 2. they want to be allowed to continue to make enormous sums of money doing abortions. (Suction curettage, saline induction, and hysterotomy are all relatively simple procedures but the average fees charged private patients in California are $350, $550, and $650 respectively.)

When all is considered it is now generally accepted that liberalized laws, especially those including psychiatric and environmental indications, have created more problems than they have solved. As a result the question is no longer whether you will accept liberalization of your abortion laws, but whether you will accept "abortion on demand."

In view of this, I strongly advise against any liberalization of the current abortion laws. I speak especially against any law which would allow abortion for non-medical reasons. I speak as a Christian, as a citizen, as a gynecologist, and most important of all as a grown-up fetus.

There is a great deal of talk about "not getting emotional" about this subject, but how unemotional can you get when you consider that a change to "abortion on demand" in Texas could result in the killing of thousands of unborn babies every year?

We hear statements made by doctors to the effect that there is disagreement about when human life begins. There is no real disagreement as to the scientific facts, but only as to the ethics of the situation.

In support of this statement, I would like to cite the following excerpt from the editorial entitled, "A New Ethic for Medicine and Society" from *California Medicine*, September, 1970. This is the official journal of the California Medical Society and the article is written by a pro-abortionist, with reference to the present attempt to move from liberalized abortion to abortion on demand in the State of California.

. . . Since the old ethic has not yet been fully displaced it has been necessary to separate the idea of abortion from the idea of killing, which continues to be socially abhorrent. The result has been a curious avoidance of the scientific fact, which everyone really knows, that human life begins at conception and is continuous whether intra- or extra-uterine until death. The very considerable semantic gymnastics which are required to rationalize abortion as anything but taking a human life would be ludicrous if they were not often put forth under socially impeccable auspices.

Even the people who are introducing bills to legalize abortion apparently recognize that it is wrong to kill a viable fetus, and in their bills usually prescribe punishment for those guilty of this offense. In doing so, they are apparently supporting the view that an unborn baby has rights, and so the main disagreement appears to be *when* the fetus is to be granted that most precious right of all, the right to life itself.

The crux of the moral and legal debate over abortion is, in essence, the right of the mother to determine whether or not she should bear a particular child versus the right of the child to life. The most vigorous proponents of legalized abortion talk about the fetus as "a blob of protoplasm," and feel it has no right to life until it has reached a certain stage of development. This is given variously as from 12 weeks to 28 weeks of intra-uterine life, and some apparently feel it has no right to life until after full-term delivery. If we take the definition of life as being said to be present when an organism shows evidence of individual animate existence, I think that certainly from the blastocyst stage the fetus qualifies for respect. It is alive because it has the ability to reproduce dying cells. It is human because its parents are human. It can be distinguished from other non-human species, and once implanted in the uterine wall it requires only nutrition and time to develop into one of us. If it contains an intrinsic genetic defect, or if it is deprived of nutrition and time, it becomes a dead human fetus.

I think that this is a reasonable, philosophical conclusion based on biological knowledge. It recognizes that human development is a single continuous process from implantation of the fertilized ovum in the uterine wall to the achievement of adult personhood. It seems quite irrational, even if convenient, to choose a given point in this biologic continuum, e.g., the appearance of the heartbeat, or the feeling of movements, viability, or even expulsion from the uterus, as the beginning of human life. It seems evident then that the fetus is only different from you and me in that it has not yet been given the time to develop its whole potential.

SOME FACTS OF LIFE

Let us consider a few embryologic facts. The ovum is usually fertilized in the lateral portion of the fallopian tube, and in from seven to 14 days the blastocyst becomes implanted in the uterine wall. At the end of the second week differentiation of the cardiovascular and nervous systems begins. At the end of six weeks all of the internal organs of the complete human being are present, although still in a rudimentary stage of development. Brain waves have been detected at 43 days. By the end of the eighth week the skeleton has begun to form, and the eyes, fingers, and toes are evident, so that the embryo is now called a fetus.

[1] Keith P. Russell, MD and Edwin W. Jackson, MD, "Therapeutic Abortions in California," *American Journal of Obstetrics and Gynecology*, Nov. 1, 1969, p. 757.

[2] William Droegemueller, MD, et al., "The First Year of Experience with the New Abortion Law in Colorado," *American Journal of Obstetrics and Gynecology*, March 1, 1969, p. 694.

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After the eighth week, no new major structures will be added, and the heart can be picked up by ultrasonic techniques. Further growth will consist of maturation and the development of the existing structures rather than the creation of anything new. By the end of the 12th week, the fetus can swallow amniotic fluid. If delivery occurs after the 20th week, and the baby weighs approximately 500 grams (1 lb.) it is referred to as a premature infant rather than as an abortus. I would point out that in the *Canadian Medical Association Journal* in 1939, Monroe reported the case of a baby which weighed 397 grams on the second day of life, and which developed normally. I submit that to this very durable individual the term "abortus" can scarcely be applied.

Today, it seems evident that the age of "viability" or survivability can no longer be considered as immutable, because too many variables, such as DNA synthesis, test tube incubation, intra-uterine transfusion, and chromosomal manipulation, are involved. Legislative communities should realize that, in view of recent technological advances, the 20-week survivability standard is about as sacred as the four-minute mile. With the development of an effective artificial placenta, probably within the next decade, the 20-week or perhaps the 12-week fetus may survive to become as you and me.

Sir John Peel, former president of the Royal College of Obstetricians and Gynecologists, in an address to the faculty at the University of Melbourne, put the subject of abortion in perspective as follows:

Let us be quite clear in our minds. The deliberate termination of a pregnancy at whatever stage in pregnancy it is undertaken before viability is the same procedure. Attempts to determine an artificial dividing line before which a pregnancy may be terminated for nonmedical reasons is pure sophistry. A fetus of 10 weeks is not essentially different from one of 20 weeks, or one of 20 weeks from one of 30 weeks. It may be safer medically to terminate pregnancies at 8 rather than 16 weeks, but one is no more or less justified than the other if the alleged indication is a nonmedical one.

. . . If society gives sanction to the destruction of life for one set of circumstances for what it claims to be the good of society, why should it not sanction the killing of the abnormal neonate, the mental defective, the delinquent, the incurable, the senile? The mind recoils from such suggestions, but let us face it, society in the past has sanctioned all of these. Is it fanciful to think that we may be moving toward a situation in which the sanctity of human life is no longer recognized—where life can be created artificially at will, and equally at will expunged?

For those of you who think that Peel was being fanciful, let me remind you that the very liberal British Abortion Act was passed in 1967, and in 1969 a euthanasia bill ("mercy killing") was only defeated in the House of Lords by 61 votes to 40. In the State of Florida, a euthanasia bill was defeated by fewer votes than the bill to liberalize abortion. In the State of Colorado, the bill to liberalize abortion was passed in 1967 and in 1970 the Colorado Nurses' Association voted 172–109 in favor of euthanasia with 55 abstentions.[3]

And why not? Because when we sanction legalized abortion we adopt a new ethic. This is the ethic of Aldous Huxley's *Brave New World*. It is being embraced by many of the intelligentsia. Francis Crick the Nobel laureate has said that a baby should not be declared alive until 48 hours after birth and there should be compulsory death at the age of 80 years.[4] Is this the course that we want to follow?

In 1970, piglets conceived in Canada were flown across the Atlantic in a tube and implanted in the uterus of a sow of a different breed. The parents then presumably were two sows and a boar of the Canadian Yorkshire breed, and the embryos were conceived on March 16 on a Canadian Department of Agriculture farm at Hull, Quebec. The foster mother at Weybridge, Surrey, has now delivered her litter of piglets successfully. It would seem that it is technically quite possible that we will be able to do this in the human within the next decade. The "responsible" mother with an unwanted pregnancy could then be given the choice of having the embryo removed and transferred to the uterus of an infertile foster mother, or going to term and giving the baby up for adoption. In this way the natural mother could be given the right to make the decision as to whether she wants to continue to carry her unborn child, and the right of the unborn to life would not be denied. But "prenatal adoption" is not available yet and, until such time as it is, the right of the fetus to life must surely be held above the convenience of the mother or of society. Many good people who say they are for legalized abortion simply don't know what abortion is all about. There are pressing social problems to be solved and abortion provides a quick solution to many of them.

Let's get abortion in true perspective. Let's look at the abortion "specimens." Currently the three most popular methods of abortion are: 1. Suction curettage (done up to 14 weeks); 2. saline induction or "salting out" (done after 14 weeks). 3. hysterotomy (done usually when saline induction fails).

However, we should realize that many of the proabortionist civil libertarians feel genuinely that they, by their activities, are building a better world for you and me. These well-meaning people could be classified as "seduced idealists," and this, of course, was the defense presented by German doctors at Nuremberg. I believe that the pro-abortionists are wrong and that they must be stopped.

The informed pro-abortionists know that the fetus is a living human being. The informed pro-abortionists know that the fetus is innocent, but they feel that a new ethic is called for to bring quick solutions for the problems of society. This is the type of thinking that led to Belsen and Dachau. Inconvenient as the fact might be for you, for me, or for society, the fetus is not a potential human being, the fetus is a human being with potential.

THE "CONSCIENCE CLAUSE"

The pro-abortionists, when pushing for legalized abortion, almost invariably assure us that no medical personnel will be forced to participate in abortions and no hospitals will be forced to permit them. Already, however, questions are being raised which suggest coercion will be applied.

One of the questions now being raised is: Why shouldn't a doctor or a hospital be required to refer a patient after refusing her an abortion?

Initially, it seemed that the suggestion of patient referral was intended to keep the patients out of the hands of illegal abortionists. But consider what Harriet Pilpel, a prominent American Civil Liberties Union attorney, wrote on the subject in the *New York Times*, in her review of Daniel Callahan's book *Abortion, Law, Choice and Mortality*.

As our laws in the United States are repealed or liberalized or declared unconstitutional, it becomes clear that only half the battle is won and that public and professional attitudes and the will (or lack of will) to implement the freedom conferred are also crucial. The Callahan book pays too little attention to the practical aspects of what he is talking about. For example, although his "ideal law" would include "a conscience clause" for doctors and nurses, it apparently would not include the obviously necessary further requirement which most students of the question believe necessary, namely, an obligation to refer the patient elsewhere if she is refused on conscience grounds.

It must be clear from this statement that enforced referral is looked upon as a means of changing public and professional attitudes toward abortion. The more abortions that are performed, the less abhorrent they become. Thus, even those doctors who refuse to perform abortions will become, by the referral device, unwitting tools in the forging of an abortion mentality.

Dr. Robert Hall, in an article in *Playboy Magazine* writes:

Doing an abortion properly requires medical training, but deciding whether to do it, in most cases, does not. The only excuse for a doctor refusing to do an abortion should be the contrary dictates of his conscience, and then he should be obligated to refer his patient elsewhere.

It is becoming evident, then, that relaxed abortion laws, far from giving the doctor greater freedom to practice medicine, actually put him in the position of a puppet who must react when his patient pulls the strings. Objections of conscience aside, is a doctor always required to perform surgery or refer the patient? If a patient came to a doctor and asked, without any medical justification, that he amputate her left hand would that doctor also be required to do it (or refer her) to the exclusion of his judgment on whether the operation was medically necessary?

Another question being raised is what steps can be taken against hospitals and doctors who refuse to perform abortions or strictly limit abortions?

I believe they will be subjected to all sorts of pressure:

1. *Community pressure.* As pointed out by Robert Byrn the hijacking of hospitals is running "a respectable third" to the hijacking of airplanes and universities. Radical community groups, aided and abetted by pseudo civil libertarians, are already claiming that all hospitals "belong to the people." In pursuance of that claim, some are prepared to take over a hospital and intimidate its personnel until such time as the group's demands are met. We should anticipate that in states where the law has been liberalized these tactics may be used against hospitals which forbid or severely limit the practice of abortion, regardless of whether or not the hospital is religiously affiliated.

2. *Pressure from the media.* The *New York Times* has characterized the reluctance of doctors to get involved in the "messy business of abortion" as "foot-dragging medical conservatism." In states with liberalized laws we should anticipate increased pressure from the media, perhaps in the form of an exposé of the overcrowded conditions at hospital X (due to abortions) while down the street hospital Y (which performs no abortions), is "refusing to carry its fair share of the health-service burdens in the community."

3. *Pressure from doctors doing abortions.* Resident doctors in Orange County Hospitals, taxed with an overload of abortions, complained to the county medical officials that other hospitals in the area should be required to perform their "fair share" of the abortion load. The same charges have been made in the State of Maryland. In many university hospitals, in states where the laws have been liberalized, both the faculty and house staff are split over abortion, and when a staff appointment is being contemplated the question, "Do you do abortions?" is being asked increasingly. Also, in private practice many a prospective associate is being turned down because of his unwillingness to participate in the lucrative business of "elective abortion."

4. *Intra-hospital pressures.* Consider the situation of Catholic medical and nursing personnel in a non-Catholic hospital: There is nothing in most proposed abortion bills which protects personnel from being dismissed from their positions for refusing to participate in abortions. They should not count on a shortage of such personnel as protection against dismissal. After all, claiming a shortage of funds, we have, for years, countenanced a high infant mortality rate in the big city ghettoes, yet now in New York, thousands of dollars are being spent to advertise abortion and set up abortion clinics in the ghetto, using money which could have been spent for improved maternal and infant care.

Consider the situation of a Catholic hospital administrator: It seems obvious that administrators who forbid or limit the practice of abortion should be prepared to face lawsuits by doctors claiming that their rights (to give their patients the accepted standard of medical care) are being denied by restrictive hospital regulations.

5. *Legal pressure.* Consider the situation of a doctor refusing to do an abortion on a woman threatening suicide: He may find himself being sued for failure to perform an abortion when the pregnancy is considered to be a serious threat to a patient's physical or mental health. Obviously, if I was in a hospital where a medical abortionist had just perforated a woman's uterus and she was in shock from severe blood loss, I would do all I could to save the woman's life even if a hysterectomy with removal of the remaining fetal tissues was necessary. On the other hand, I would not agree to terminate a pregnancy for an acute psychiatric emergency, since even psychiatrists are not agreed on psychiatric indications for abortion. This is the problem with the conscience clause in the British Abortion Act and the inclusion of a mental health loophole will be the problem with almost all conscience clauses associated with liberal laws.

OUTRIGHT LEGAL "BLACKMAIL"

Consider the situation of hospital administrators who will be faced with outright legal "blackmail" under the guise of civil liberties: In New York, there have already been threats of lawsuits to cut off public funds from Catholic hospitals on the grounds of their refusal to perform abortions. It will probably be claimed that the church-state constitutional issue overrides any statutory exemption in favor of such hospitals. I may say that having grown up in Scotland (a Protestant country) and having had my education free in a Catholic school, I feel that the overemphasis on the separation of church and state in the United States seem to benefit only those who are churchless and those who are stateless.

The answer to this threat is to have a plan of action and to realize, as other minority groups do, that the more active you are in defense of your principles, the more likely your principles will be able to survive.

As Sister Mary Maurita, executive director of The Catholic Hospital Association, has pointed out, Catholic hospitals have gone on public record against abortion in two special actions taken by the CHA Board of Trustees and House of Delegates on June 10, 1970.

It seems clear that no Catholic hospital may either directly or indirectly permit elective abortion. Presently, Catholic hospitals in states with liberalized abortion laws are exempt from performing such procedures. But they should commit their time, energy, and resources to work with all groups dedicated to "The Right To Life." These groups are growing in strength, as more Christians realize that abortion is indeed the killing of an unborn baby and that "termination of pregnancy" is a euphemism. I feel that every Catholic hospital has a moral obligation to officially communicate its position against abortion and for the right to life of every unborn baby, not only to its personnel, its physicians, its patients, but also to the community it serves. Every person working within the Catholic hospital must understand and, I say, accept this position. (There are all too many doctors working both sides of the street.)

Furthermore, Catholic hospital administrators, trustees, and personnel should pledge themselves to work with any agency or any group to assist medically, economically, socially, and culturally all mothers, whether unwed or wed, to assume the responsibilities of motherhood, in keeping with the role of woman and with the dignity of man. The fetus is not a potential human being; the fetus is a human being with potential. The fetus is our brother and we must be our brother's keeper.

[3] *RN Magazine*, July, 1970, p. 7.
[4] *London Daily Express*, Oct. 31, 1968.

THE SO-CALLED CHILD DEVELOPMENT PROGRAM

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SPENCE. Mr. Speaker, the so-called child development program incorporated into the OEO extension bill raises serious questions about the proper role of the Federal Government's intervention into the private lives of family and children. Increasingly, this aspect of the "child development" issue is coming under discussion, as doubts spread concerning the wisdom of this proposal, which would put the Federal Government in the position of contending that it can bring up infants and preschool-children better than the individual attention and love of the child's parent.

There are, however, two points which I feel should be made regarding the debate over child development. First is an issue which is not being discussed: Need. To the best of my knowledge, the last major inquiry into need was made in 1965: "Child Care Arrangements of Working Mothers in the United States," by Seth Low and Pearl G. Spindler, published by the Children's Bureau Publications Office. In the study—in 1965, remember—the researchers found that less than 10 percent of all children under the age of 6 were in need of day-care centers. One should note from this that the figure would: First, be much lower for comprehensive child development services; and second, since 1965, many churches, private organizations, and former schoolteachers have gone into providing child-care services for families and mothers in need of the services. In fact, day-care centers have become a significant growth industry in this Nation during the last few years. I am confident a more up-to-date study would show a much diminished need for Federal intervention. I do not fail, of course, to recognize that a valid need does exist for Federal assistance in providing day care for children of mothers who need and want to work. But this is not the issue involved in the "Child Development" title of the OEO bill.

The second issue is one which seems to be getting the lion's share of consideration, and that is the issue of money. How much we are willing to pay for this program is a vital concern, but it does not come before that of whether we ought to graft these child development centers into the American scheme of things. Quite honestly, Mr. Speaker, the notions behind this proposal are definitionally wrong and no amount of money, however large or small, would change that fact. It is the substance of this proposal that is unwise, regardless of the cost.

Still, just in case anyone is not informed of the planned for extensiveness of this project, let me give the figures. Based on the provisions of the bill which call for eventual universality of the program, we are talking about a project which ranges from $20 to $30 billion, depending on the amount finally agreed upon by the conference, to determine who gets free treatment and who does not. It would be very wrong if we allowed financing to become the legislative question when we ought to be discussing and debating the merits of the proposed federalization of child rearing.

Mr. Speaker, to say that I am deeply concerned with this proposal is to engage in understatement. I firmly believe that this House should do what is necessary to insure that the final OEO bill does not include this most unworthy experiment with the children of American parents.

IMPORTATION OF CHROME FROM RHODESIA

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Saturday, November 20, 1971

Mr. BYRD of Virginia. Mr. President, by a vote of 106 to 2, with 13 abstentions, the United Nations General Assembly condemned the Congress of the United States for passing legislation permitting the importation of chrome from Rhodesia.

Chrome is a vital U.S. defense material, essential for nuclear submarines, jet aircraft, and all stainless steel products.

Because of an Executive order by President Johnson in 1967 resulting from a mandate from the United Nations, the United States has been prohibited from importing chrome from Rhodesia. Thus, having no chrome of our own, we have become dependent on Communist Russia for this vital defense material.

On September 23, the Senate of the United States decided to call a halt to such a ridiculous situation; and on November 10, the House of Representatives concurred. The House vote on the direct issue was a smashing 251 to 100.

It was not a regional vote or a party vote.

Analysing these two critical votes, we find that the proposal to remove the embargo on Rhodesian chrome received strong support from members of both political parties—and from Representatives from 46 of the 50 States.

Leading the list were California, Texas, Pennsylvania, Illinois, New York, Ohio, and Michigan.

The legislation was signed into law by President Nixon this week.

The Rhodesian trade ban, besides being foolish and unprincipled, is a bankrupt policy.

Even the New York Times, which strongly supports the trade ban, published a report from Salisbury, Rhodesia, dated November 17, from its correspondent, Anthony Lewis, which made clear just how bankrupt and ineffective the Rhodesian trade ban is.

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It is a significant article. Its lead paragraph reads:

Despite the total British ban on trade with Rhodesia, a $3 million paper mill which was in England until recently, is now operating here. It was moved first to a third country, then to Rhodesia.

The times reporter says that is just an example of just how ineffective the U.N. trade ban against Rhodesia has been.

The New York Times reporter then adds:

Everything from Kodak cameras to Kleenex is available in the shops.

In a recent editorial, the Chicago Tribune chided the United Nations for its hyprocrisy, pointing out that many of the nations voting to condemn the Congress of the United States are themselves ignoring the trade ban with Rhodesia.

I ask unanimous consent that the page 1 article in the New York Times of November 17, be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RHODESIA TRADE BAN FOUND INEFFECTIVE

(By Anthony Lewis)

SALISBURY, RHODESIA, November 17.—Despite the total British ban on trade with Rhodesia, a $3-million paper mill that was in England until recently is now operating here. It was moved first to a third country, then to Rhodesia.

The story is told by one of the businessmen working to break the net of world economic sanctions imposed by the United Nations Security Council in 1966. It is just one example, a particularly dramatic one, of how ineffective the trade war against Rhodesia has been.

The casual visitor to Salisbury—in these days when Sir Alec Douglas-Home, the British Foreign Secretary, is here to try to negotiate a settlement of the six-year rebellion of this former self-governing colony—sees at once that the country is not starving for consumer goods. Everything from Kodak cameras to Kleenex is available in the shops.

[President Nixon signed legislation that would effectively terminate the ban on the importation of Rhodesian chrome as of Jan. 1. Page 13.]

On the import side, it appears that Rhodesia is able to buy just about anything she wants. Orders are placed through South Africa or Portuguese East Africa or through middlemen elsewhere—as in the paper mill case.

But there is a cost to Rhodesia in getting imports through the barrier. The middlemen naturally want a fee, and that raises the prices of goods for the customer—and uses up the country's precious supply of foreign currency.

Foreign currency is the crucial problem for Rhodesia. And informed sources say that, despite the evident success in circumventing sanctions, there are now pressures in the currency situation, for two reasons.

First, Rhodesia benefited greatly, after she declared her independence from Britain unilaterally in 1965, from a world rise in prices of base metals. She is an exporter of copper and nickel, for example, and was able to keep exporting these, through intermediaries, at rising prices.

But more recently the trend has gone the other way. Copper is down from $1,440 a ton 18 months ago to $986 now, according to Rhodesians, and nickel is hard to sell at any price. The term of trade generally have turned against the developing countries, and Rhodesia among others is suffering.

Second, Rhodesia needs to make big new investments in capital goods. For example, replacement and modernization of her railway system have been postponed: picturesque steam engines can still be seen puffing up to Salisbury from Umtali on the Mozambique border.

New locomotives must come from abroad, and so must other items for the economic structure. The demand for foreign currency for these purposes is soaring—and sanctions are an obstacle there.

The need for more foreign exchange makes most businessmen urgently desire a settlement with Britain and the end of sanctions. But the record of the last six years makes clear that they will carry on if there is no settlement.

The American Congressional action No. 4 to lift the ban on imports of Rhodesian chrome is seen here as only a more candid expression of what other countries have in fact been doing. The authorization for American imports of chrome from Rhodesia is contained in a military procurement bill that President Nixon signed today. Yesterday, by a vote of 106 to 2, with 13 abstentions, the United Nations General Assembly cautioned the United States that imports of chrome from Rhodesia would be a breach of its international treaty obligations.

Exactly who buys what is a dark secret, but Rhodesian mines have been at full production for years—and the asbestos and chrome and copper are going to the rest of the world. There are even reports, believed here, that the Soviet Union has been buying Rhodesian chrome and then selling its own chrome ore to the United States at twice the price.

Nevertheless, the American Congressional action is undoubtedly significant psychologically. African leaders have spoken bitterly of it to visitors here for the talks being conducted by the British Foreign Secretary. One group that visited Sir Alec today said he had told them that the American decision was an important sign of how sanctions were eroding.

The original purpose of the United Nations sanctions was to bring political pressure on the white Rhodesian public. In those terms the campaign has been ineffective.

Most businessmen were opposed to the Rhodesian declaration of independence and, five years ago, were gloomy about the chance of withstanding sanctions. But world pressure led them to fight back, unifying opinion behind the rebel Government of Prime Minister Ian D. Smith. The businessmen have plainly had much pleasure in the struggle.

VALLEY DISTRICT DENTAL SOCIETY CELEBRATES ITS 75TH ANNIVERSARY

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BOLAND. Mr. Speaker, the Valley District Dental Society, 1 of 13 chapters in the Massachusetts Dental Society, has just celebrated its 75th anniversary. Serving three counties—Hampden, Hampshire, Franklin—the Valley Society has been promoting dental health throughout western Massachusetts ever since 1895.

Its membership, just a handful of dentists when the organization was founded, now reaches past 300. And its services cover the entire spectrum of modern dentistry: general practice, prosthetics, periodontia, endodontia, pedodontia, oral, and maxillary surgery.

Seven members of the Valley Society have served as presidents of the parent Massachusetts Society, just one index of how significant a role this organization plays in the State's dental programs.

Aside from the vital services it provides for its dentist members, the Valley Society takes part in a broad range of civic and social activities—activities that have made the public aware of the need for scrupulous dental hygiene and preventive dentistry.

I am sure my colleagues join me in congratulating the Valley District Society and wishing it the best for the future.

A PETITION TO CHANGE HALLOWEEN FROM OCTOBER 31 TO JUNE 22

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. MARTIN. Mr. Speaker, I have received a petition signed by 37 grade school students in Gordon, Nebr., giving cogent reasons why Halloween should be changed from October 31 to June 22. I feel that their arguments are logical and carry a great deal of weight.

I am today introducing such a resolution, as I believe there is more logic to changing this date than those of the four holidays that were changed to a Monday 2 years ago.

The petition is as follows:

We the undersigned wish to have the date of Halloween changed from October 31st to June 22nd.

Halloween comes when our section of the Country is cold. Many times we are subjected to cold and snowy weather on Halloween. This is dangerous to us as roads and streets are icy. We have to wear coats and mittens over our costumes, this hinders and interferes with our vision, besides there is always the danger of catching cold or pneumonia.

Many times Halloween comes on a week day and we have to get up early for school, so we aren't allowed to celebrate Halloween.

More hours of daylight are in June. This would add to our safety. Congress can change other holidays. We would appreciate having this one changed to a more suitable month.

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 92d CONGRESS, FIRST SESSION

SENATE—*Monday, November 22, 1971*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, let Thy favor be upon our Nation. Grant Thy higher wisdom to all our leaders. Further the efforts of those who confer for the peace of the world. Prepare our hearts both for the hard work and the joyful thanksgiving of this week. Make us great enough to live by the simplicity of the Gospel and to walk and work henceforth in the same spirit in which we pause to pray. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Saturday, November 20, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar under rule VIII be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 429, 435, and 447, and I ask unanimous consent that the consent granted by the Senate for rollcall votes on Nos. 429 and 435 be vitiated.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDING THE WATER RESOURCES RESEARCH ACT OF 1964

The bill (H.R. 10203) to amend the Water Resources Research Act of 1964, to increase the authorization for water resources research institutes, and for other purposes, was announced as next in order.

Mr. MOSS. Mr. President, I hope the Senate will pass H.R. 10203, the bill before us to amend the Water Resources Research Act of 1964, with an overwhelming vote. The additional funds it will make available for water research, and the dissemination of the information developed, are needed in every State in the Union.

This is a bill in which I have a special interest, not only because of what it will mean to the Water Resource Research Center at Utah State University, and to every other center at a land-grant college, but because I have been intimately involved with the legislation ever since the 1964 act was passed. I was cosponsor of that bill, and in the last session of the Congress introduced the amendments similar to the ones we are today considering in the Senate. My bill—S. 3553, 91st Congress—was passed by the Senate, but died in the House Interior Committee. This session, to make sure that this significant legislation got through, the Senate waited for the House to act, and thus we are today considering the House-passed bill rather than the Senate bill—S. 219—I introduced on the first day of the 92d Congress.

The strongest sort of case can be made for the passage of H.R. 10203 here today. The water research centers established by the 1964 law have been starved for funds for some time. The $100,000 we made available to each State center annually at that time has been badly reduced by inflation. In addition, water resource studies have become more sophisticated and costly, and the centers have not had the funds necessary to do the urgent work which they mapped out. Nor have they had funds to disseminate the valuable knowledge they have developed after the work was completed. The $250,000 for each center annually authorized by this bill will allow us to do more of the crucial work in water research which we must pursue in these days of a looming water crisis.

Mr. President, I strongly support this bill, and urge its passage.

The bill was ordered to a third reading, read the third time, and passed.

SPECIAL EXPENSE ALLOWANCES TO DEPENDENTS OF MEMBERS OF THE UNIFORMED SERVICES

The bill (H.R. 8356) to make permanent the authority to pay special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation, was considered, ordered to a third reading, read the third time, and passed.

LAND AND WATER CONSERVATION FUND AMENDMENTS ACT OF 1971

The Senate proceeded to consider the bill (S. 1893) to restore the golden eagle program to the Land and Water Conservation Fund Act, provide for an annual camping permit, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 4, after the word "amended", insert "by section 1 of the Act of July 7, 1970 (84 Stat. 410)"; after line 7, strike out:

(b) Subsection (c) of section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460L–5), as added by section 2 of the Act of July 15, 1968 (82 Stat. 354), is redesignated as subsection (d).

On page 2, after line 5, strike out:

(a)(1) Section 2(a) is amended by inserting, immediately after clause (i) in section 2(a) a new clause (ii) as follows:

"(ii) An annual fee of not more than $25 which shall entitle the person paying same to an annual camping permit and shall excuse the person obtaining such permit and anyone who accompanies him in his automobile from payment of any other fee for camping in areas administered by or under the authority of such agencies, except areas which are designated by the President as not being within the coverage of the permit, during the year for which the fee has been paid."

(2) Clause (ii) of section 2(a), redesignated as clause (iii) by this section, is amended by inserting immediately after "annual fee under clause (i)" the following: "or clause (ii)".

(3) Clauses (ii), (iii), and (iv) of section 2(a) are redesignated as clauses (iii), (iv), and (v), respectively.

(b) Section (2), restored by this Act, is amended by inserting immediately after the words "for use of any waters" in the second paragraph of such section the following: "; except that user fees at recreation areas administered by the United States at Federal lakes and reservoirs shall be collected by officers and employees only from users of highly developed facilities constructed for reasons of public health, safety, and convenience, and which require a regular schedule

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of maintenance and supervision, and shall not be collected for admission to or use of water areas, undeveloped or lightly developed shoreland, picnic grounds, overlook sites, scenic drives, or boat launching ramps where no mechanical or hydraulic equipment is provided".

(c) The second paragraph of section 2(a) is amended by inserting, immediately after the words "and other pertinent factors" the following: ": *Provided*, That nothing herein shall require that any fee be established at the same level charged by non-Federal public recreation agencies and by private enterprises for comparable facilities and services".

(d) Section 2(a) is amended by inserting, immediately after the second sentence in the last paragraph thereof, the following: "The collection of fees for the annual admission permit and the annual camping permit established pursuant to clauses (i) and (ii) of this subsection, may be made by the head of such agency directly or by contract with any private or public agency. Any such contract may provide that the contractor will receive not more than 10 per centum of the total fees he collects for any calendar year, and may be subject to such other terms and conditions as the agency head deems proper. Any person authorized by the head of a department or agency referred to in this subsection to enforce any rules or regulations issued under this subsection, within areas under the administration or authority of such agency head, may arrest, with a warrant, any person who violates such rules or regulations, and if the offense is committed in his presence, may arrest without a warrant any such person for such violation."

And, in lieu thereof, insert:

(a) Subsection (c) of section 2 as added by the Act of July 15, 1968, is redesignated as subsection (d).

(b) Subsection (a) of section 2 is amended to read as follows:

"(a) ENTRANCE AND RECREATION FEES; ESTABLISHMENT; REGULATION; ENFORCEMENT.—

"All proceeds from fees established pursuant to this Act: *Provided*, That nothing in this Act shall affect any rights or authority of the States with respect to fish and wildlife, nor shall this Act repeal any provision of law that permits States or political subdivisions to share in the revenues from Federal lands or affect any contract heretofore entered into by the United States that provides that such revenues collected at particular Federal areas shall be credited to specific purposes.

"The President is authorized to provide for the designation of land and water areas administered by or under the authority of the National Park Service, Bureau of Land Management, Bureau of Sport Fisheries and Wildlife, Bureau of Reclamation, Forest Service, Corps of Engineers, Tennessee Valley Authority, and the United States section of the International Boundary and Water Commission (United States and Mexico) at which recreation fees are to be charged, and to provide for the establishment and revision of such fees as follows:

"(i) A fee of not more than $10 for an annual permit payable by a person entering an area so designated by a private noncommercial vehicle which, if paid, shall excuse the purchaser and all persons accompanying him in such vehicle from payment of any other fee for admission to that area and all other areas administered by or under the authority of such agencies, except areas which are designated by the President as not being within the coverage of the fee, during the year for which the fee has been paid. Such permit shall be designated a "Golden Eagle Passport".

"(ii) A fee of not more than $25 for an annual recreation permit which shall entitle the purchaser and all persons accompanying him in a private noncommercial vehicle to all the benefits included under clause (i) of this paragraph and in addition shall entitle the purchaser to enter any designated area and to utilize camping and other facilities provided therein without payment of any other supplemental fees except areas which are designated by the President as not being within coverage of the permit, during the year for which the fee has been paid. Any citizen of the United States, entitled to receive a Golden Eagle Passport at no charge as provided elsewhere in this section, shall be entitled to obtain an annual recreation permit at a fee of not more than $15 upon presentation of proof of age. Such permit shall be designated a "Golden Eagle Recreation Passport".

"(iii) Fees for daily and multiple-visit entrance permits payable by persons who choose not to purchase the annual entrance permit authorized pursuant to clause (i) of this paragraph. Such permits shall be valid at only one area so designated, only during the day or period for which the fee has been paid, and only in accordance with regulations applying to that area.

"(iv) Fees for supplemental permits for the use of specialized sites, facilities, equipment, or services provided by the United States within any area so designated. Such fees may be in addition to the annual fee provided for in clause (ii) of this paragraph.

"(v) Fees for special recreation permits for uses such as group activities, recreation events, motorized recreation vehicles, and other specialized recreation uses.

"The above fees may be charged for access to or use of any Federal land area or recreation facility where fee collection is determined to be economically and administratively feasible.

"Entrance and admission fees may be charged at areas administered primarily for scenic, scientific, historical, cultural, or recreational purposes. No entrance or admission fee shall be charged except at such areas or portions thereof administered by a Federal agency where recreation facilities or services are provided at Federal expense. No fee of any kind shall be charged by a Federal agency under any provision of this Act for use of any waters.

"User fees at recreation areas administered by the United States at Federal lakes and reservoirs shall be collected by offices and employees only from users of highly developed facilities constructed for reasons of public health, safety, and convenience, and which require a schedule of regular maintenance and supervision. Fees shall not be collected for entrance or access to or use of water areas, undeveloped or lightly developed shoreland, picnic grounds, overlook sites, scenic drives, or boat launching ramps where no mechanical hydraulic equipment is provided.

"The President shall provide for the development of appropriate guidelines for the establishment of a system of standardized fees. It is the intent of this Act that comparable fees should be charged by the several Federal agencies for comparable services and facilities.

"All fees established under this Act shall be fair and equitable: *Provided further*, That nothing herein shall require that any fee be established at the same level charged by non-Federal public recreation agencies and by private enterprises for comparable facilities and services.

"The above fees may not be charged to any person who (1) is engaged in commercial or other activities not related to recreation; (2) is traveling over any national parkway or any road or highway established as part of the Federal-aid system, as defined in title 23, United States Code, section 101, or any road within the national forest system or within Corps of Engineers' project boundaries, commonly used by the public as a means of travel between two places either or both of which are outside of the designated fee area; (3) is exercising a right of access to any land in which such person has any property right if such land is within a designated fee area; (4) has a right of access or hunting and fishing privileges under a specific provision of law or treaty; or (5) is engaged in the conduct of official Federal, State, or local government business.

"Clear notice that a fee has been established pursuant to this subsection shall be posted at each area to which it is applicable. The head of each Federal department and agency referred to in this subsection is authorized to prescribe rules and regulations for the collection of the fees established pursuant to this subsection for areas under his administration or authority: *Provided further*, That except as provided above, no free permits shall be issued to any Member of Congress or other Federal, State, or local government official. The collection of fees for the annual recreation permits, established pursuant to clauses (i) and (ii) of the second paragraph of this subsection, may be made by the head of such agency directly or by contract with any private or public agency. Any such contract may provide that the contractor will receive not more than 10 per centum of the total fees he collects for any one calendar year, and may be subject to such other terms and conditions as the agency head deems proper.

"Any person authorized by the head of a Federal agency referred to in this subsection to enforce any rules or regulations issued under this subsection may, within areas under the administration or authority of such agency head and with or, if the offense is committed in his presence, without a warrant, arrest any person who violates such rules and regulations. Any person so arrested may be tried and sentenced by the United States magistrate specifically designated for that purpose by the court by which he was appointed, in the same manner and subject to the same conditions as provided in title 18, United States Code, section 3401, subsections (b), (c), (d), and (e), as amended. Any violations of the rules and regulations issued under this subsection shall be punishable by a fine of not more than $100."

"No citizen of the United States who is sixty-five years of age or over shall be required to pay any entrance or admission fee for entry or admission to an area or areas covered by clause (i) of this subsection. Such citizens will be given a nontransferable Golden Age Passport which will be renewable each year. This permit will be equal, in all respects, to the Golden Eagle Passport described in clause (i) of this subsection.

On page 11, line 6, after the word "collection.", insert "Any fees collected pursuant to this subsection shall be covered into the Land and Water Conservation Fund."; on page 12, after line 17, insert a new section, as follows:

SEC. 5. Subsection (a) of section 8 of the Land and Water Conservation Fund Act of 1965, as amended, is amended (1) by deleting the period at the end of paragraph (2) thereof and inserting in lieu thereof a semicolon and the word "and"; and (2) by adding immediately after paragraph (2) thereof the following new paragraph:

"(3) For defraying expenses incurred in connection with the operation and maintenance of Federal recreation facilities in or around Federal lakes and reservoirs administered by the Corps of Engineers, Tennessee Valley Authority, or the Bureau of Reclamation, and for recreation areas located on public domain lands administered by the Bureau of Land Management."

On page 13, after line 6, insert a new section, as follows:

SEC. 6. The President shall submit a report to the Congress within one year following the approval of this Act on the progress which has been made to achieve a system of standardized fees.

And, at the beginning of line 11, change the section number from "5" to "7"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1, except subsection (c), of the Act of July 15, 1968 (82 Stat. 354), as amended by section 1 of the Act of July 7, 1970 (84 Stat. 410) and section 210 of the Flood Control Act of 1968 (82 Stat. 746), as amended, are repealed.

SEC. 2. The Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended, is further amended as follows:

(a) Subsection (c) of section 2 as added by the Act of July 15, 1968, is redesignated as subsection (d).

(b) Subsection (a) of section 2 is amended to read as follows:

"(a) ENTRANCE AND RECREATION FEES; ESTABLISHMENT; REGULATION; ENFORCEMENT.—

"All proceeds from fees established pursuant to this Act: Provided, That nothing in this Act shall affect any rights or authority of the States with respect to fish and wildlife, nor shall this Act repeal any provision of law that permits States or political subdivisions to share in the revenues from Federal lands or affect any contract heretofore entered into by the United States that provides that such revenues collected at particular Federal areas shall be credited to specific purposes.

"The President is authorized to provide for the designation of land and water areas administered by or under the authority of the National Park Service, Bureau of Land Management, Bureau of Sport Fisheries and Wildlife, Bureau of Reclamation, Forest Service, Corps of Engineers, Tennessee Valley Authority, and the United States section of the International Boundary and Water Commission (United States and Mexico) at which recreation fees are to be charged, and to provide for the establishment and revision of such fees as follows:

"(i) A fee of not more than $10 for an annual permit payable by a person entering an area so designated by a private noncommercial vehicle which, if paid, shall excuse the purchaser and all persons accompanying him in such vehicle from payment of any other fee for admission to that area and all other areas administered by or under the authority of such agencies, except areas which are designated by the President as not being within the coverage of the fee, during the year for which the fee has been paid. Such permit shall be designated a "Golden Eagle Passport".

"(ii) A fee of not more than $25 for an annual recreation permit which shall entitle the purchaser and all persons accompanying him in a private noncommercial vehicle to all the benefits included under clause (i) of this paragraph and in addition shall entitle the purchaser to enter any designated area and to utilize camping and other facilities provided therein without payment of any other supplemental fees except areas which are designated by the President as not being within coverage of the permit, during the year for which the fee has been paid. Any citizen of the United States, entitled to receive a Golden Eagle Passport at no charge as provided elsewhere in this section, shall be entitled to obtain an annual recreation permit at a fee of not more than $15 upon presentation of proof of age. Such permit shall be designated a "Golden Eagle Recreation Passport".

"(iii) Fees for daily and multiple-visit entrance permits payable by persons who choose not to purchase the annual entrance permit authorized pursuant to clause (i) of this paragraph. Such permits shall be valid at only one area so designated, only during the day or period for which the fee has been paid, and only in accordance with regulations applying to that area.

"(iv) Fees for supplemental permits for the use of specialized sites, facilities, equipment, or services provided by the United States within any area so designated. Such fees may be in addition to the annual fee provided for in clause (ii) of this paragraph.

"(v) Fees for special recreation permits for uses such as group activities, recreation events, motorized recreation vehicles, and other specialized recreation uses.

"The above fees may be charged for access to or use of any Federal land area or recreational facility where fee collection is determined to be economically and administratively feasible.

"Entrance and admission fees may be charged at areas administered primarily for scenic, scientific, historical, cultural, or recreational purposes. No entrance or admission fee shall be charged except at such areas or portions thereof administered by a Federal agency where recreation facilities or services are provided at Federal expense. No fee of any kind shall be charged by a Federal agency under any provision of this Act for use of any waters.

"User fees at recreation areas administered by the United States at Federal lakes and reservoirs shall be collected by officers and employees only from users of highly developed facilities constructed for reasons of public health, safety, and convenience, and which require a schedule of regular maintenance and supervision. Fees shall not be collected for entrance or access to or use of water areas, undeveloped or lightly developed shoreland, picnic grounds, overlook sites, scenic drives, or boat launching ramps where no mechanical or hydraulic equipment is provided.

"The President shall provide for the development of appropriate guidelines for the establishment of a system of standardized fees. It is the intent of this Act that comparable fees should be charged by the several Federal agencies for comparable services and facilities.

"All fees established under this Act shall be fair and equitable: *Provided further*, That nothing herein shall require that any fee be established at the same level charged by non-federal public recreation agencies and by private enterprises for comparable facilities and services.

"The above fees may not be charged to any person who (1) is engaged in commercial or other activities not related to recreation; (2) is traveling over any national parkway or any road or highway established as part of the Federal-aid system, as defined in title 23, United States Code, section 101, or any road within the national forest system or within Corps of Engineers' project boundaries, commonly used by the public as a means of travel between two places either or both of which are outside of the designated fee area; (3) is exercising a right of access to any land in which such person has any property right if such land is within a designated fee area; (4) has a right of access or hunting and fishing privileges under a specific provision of law or treaty; or (5) is engaged in the conduct of official Federal, State, or local government business.

"Clear notice that a fee has been established pursuant to this subsection shall be posted at each area to which it is applicable. The head of each Federal department and agency referred to in this subsection is authorized to prescribe rules and regulations for the collection of the fees established pursuant to this subsection for areas under his administration or authority: *Provided further*, That except as provided above, no free permits shall be issued to any Member of Congress or other Federal, State, or local government official. The collection of fees for the annual recreation permits, established pursuant to clauses (i) and (ii) of the second paragraph of this subsection, may be made by the head of such agency directly or by contract with any private or public agency. Any such contract may provide that the contractor will receive no more than 10 per centum of the total fees he collects for any one calendar year, and may be subject to such other terms and conditions as the agency head deems proper.

"Any person authorized by the head of a Federal agency referred to in this subsection to enforce any rules or regulations issued under this subsection may, within areas under the administration or authority of such agency head and with or, if the offense is committed in his presence, without a warrant, arrest any person who violates such rules and regulations. Any person so arrested may be tried and sentenced by the United States magistrate specifically designated for that purpose by the court by which he was appointed, in the same manner and subject to the same conditions as provided in title 18, United States Code, section 3401, subsections (b), (c), (d), and (e), as amended. Any violations of the rules and regulations issued under this subsection shall be punishable by a fine of not more than $100."

"No citizen of the United States who is sixty-five years of age or over shall be required to pay any entrance or admission fee for entry or admission to any area or areas covered by clause (i) of this subsection. Such citizens will be given a nontransferable Golden Age Passport which will be renewable each year. This permit will be equal, in all respects, to the Golden Eagle Passport described in clause (i) of this subsection.

SEC. 3. Section 7 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 903) is amended by inserting before the period at the end thereof the following: "except to the extent that the head of a Federal agency referred to in said section determines to be necessary to advertise and promote any recreation fees established pursuant to section 2(a) of this Act."

SEC. 4. (a) The Secretary of the Interior may establish and collect use or royalty fees for the manufacture, reproduction, or use of "The Golden Eagle Insignia", originated by the Department of the Interior and announced in the December 3, 1970, issue of the Federal Register (35 Federal Register 18376) as the official symbol for Federal recreation areas designated for recreation fee collection. Any fees collected pursuant to this subsection shall be covered into the Land and Water Conservation Fund.

(b) Chapter 33 of title 18 of the United States Code is amended by adding the following new section thereto:

"§ 715. 'The Golden Eagle Insignia'

"As used in this section, 'The Golden Eagle Insignia' means the words 'The Golden Eagle' and the representation of an American Golden Eagle (colored gold) and a family group (colored midnight blue) enclosed within a circle (colored white with a midnight blue border) framed by a rounded triangle (colored gold with a midnight blue border) which was originated by the Department of

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the Interior as the official symbol for Federal recreation fee areas.

"Whoever, except as authorized under rules and regulations issued by the Secretary of the Interior, knowingly manufactures, reproduces, or uses 'The Golden Eagle Insignia', or any facsimile thereof, in such a manner as is likely to cause confusion, or to cause mistake, or to deceive, shall be fined not more than $250 or imprisoned not more than six months, or both.

"The use of any such emblem, sign, insignia, or words which was lawful on the date of enactment of the Land and Water Conservation Fund Amendments Act of 1971, shall not be a violation of this section.

"A violation of this section may be enjoined at the suit of the Attorney General, upon complaint by the Secretary of the Interior."

(c) The analysis of chapter 33 immediately preceding section 701 of title 18 is amended by adding at the end thereon:

"715. The Golden Eagle Insignia'."

(d) The rights in "The Golden Eagle Insignia" under this Act, shall terminate if the use by the Secretary of the Interior of "The Golden Eagle Insignia" is abandoned. Nonuse for a continuous period of two years shall constitute abandonment.

SEC. 5. Subsection (a) of section 6 of the Land and Water Conservation Fund Act of 1965, as amended, is amended (1) by deleting the period at the end of paragraph (2) thereof and inserting in lieu thereof a semicolon and the word "and"; and (2) by adding immediately after paragraph (2) thereof the following new paragraph:

"(3) For defraying expenses incurred in connection with the operation and maintenance of Federal recreation facilities in or around Federal lakes and reservoirs administered by the Corps of Engineers, Tennessee Valley Authority, or the Bureau of Reclamation, and for recreation areas located on public domain lands administered by the Bureau of Land Management."

SEC. 6. The President shall submit a report to the Congress within one year following the approval of this Act on the progress which has been made to achieve a system of standardized fees.

SEC. 7. This may be cited as the "Land and Water Conservation Fund Amendments Act of 1971".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-490), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND AND PURPOSE

Hearings were held on S. 1893 and related legislation on May 20 and October 1, 1971.

S. 1893 as amended and ordered reported by your committee extends the basic recreation fee concept included in the Land and Water Conservation Fund act of 1965. The committee still believes, as it did then, that there should be a uniform federal fee system to defray some of the expenses incidental to the establishment and operation of Federal recreational facilities. These areas are acquired and developed mostly by other sources of revenue derived from all of our citizens. However, the committee believes that those who do use the areas ought to be willing to help pay something directly toward the cost incurred. This is most easily and fairly accomplished through a system of uniform standardized entrance and user fees.

THE GOLDEN EAGLE

For the first time the Committee is proposing to enact into statute by name the "Golden Eagle Passport" program, which has been the administrative designation of the fee system authorized as part of the Land and Water Conservation Fund Act. This has been a popular, but somewhat confusing program. The Committee believes that the fee system under the Fund Act should be extended. It is scheduled to die at the end of 1971, unless Congress takes action to revive it. If the program dies, the results could be more confusing, expensive, and frustrating to the recreation users and agencies administering the federal recreation program. Each agency will revert to whatever authority it had before the Land and Water Conservation Fund Act of 1965, and the desired goal of unformity will be set back a decade.

Your Committee believes that a simple uniform system can be enacted that is reasonable to administer and fair to the citizen user.

Basically the bill continues two types or categories of fees:

1. An "entrance" or "admission" fee to a designated area; and

2. A "user" fee for the use of facilities within a designated area.

These fees may be paid by the purchase of an annual permit (the Golden Eagle Passport) or on a daily visit and use basis.

The "Golden Eagle Passport" is a $10 annual permit for entrance to designated areas. Citizens age 65 and over are exempt from purchasing this permit, and are entitled to receive an annual "Golden Age Passport" which is personal and entitles them to free entry to designated area.

The "Golden Eagle Recreation Passport" can be characterized as a super Golden Eagle. It entitles the purchaser and his family to enter a designated area and to use the camping and other facilities there. The annual rate is $25. Many families who do a great deal of camping at Federal areas will find this a real bargain. Others who do not camp or only occasionally do so, may prefer to purchase the entrance permit only or pay on a daily basis. The annual passport permit retains the "family" concept of allowing the purchaser and those accompanying him to enjoy the benefits available.

THE GOLDEN AGE PASSPORT

As mentioned earlier, citizens age 65 and older do not have to purchase an annual entrance permit. Instead, they will be entitled to receive a "Golden Age Passport" allowing them to enter designated areas free of charge. In addition, they will be charged only $15 for the annual camping permit. The Committee strongly believes that these citizens who have paid taxes all of their working lives to support our great national park and recreation programs should be entitled to some extra dividend, now that they have reached retirement. Most are ordinary citizens with a great love of nature and the outdoors. Most have limited financial resources, living on fixed incomes in an era of ever rising costs. We believe the Congress should grant this extra benefit and have so provided in the bill.

LACK OF PARTICIPATION BY SOME AGENCIES

In the past, some agencies of the federal government have not participated in the fee program to the extent or in the spirit which the Committee thought was intended. We believe this is past history, and resulted partly from the uncertainties over what was intended in the basic Act. By the same token, some agencies were expected to collect fees but were not really permitted to receive any direct benefits from the Fund because they were not basically a "recreation" agency. Their primary mission related to the development or protection of resources other than outdoor recreation, although, because of the nature of their project responsibilities, the outdoor recreation potential is enormous and ever present. Examples are the federal reservoirs constructed for irrigation, flood control, or power purposes by the Bureau of Reclamation, the Army Corps of Engineers or the Tennessee Valley Authority. Another example is the vast recreation potential now recognized as being available on the federally owned but largely untapped areas of public domain lands administered by the Bureau of Land Management.

The Committee believes that we should move forward into a new era in implementing this program. These agencies should not only participate in collecting fees, but they should receive direct benefits from the Land and Water Conservation Fund to assist them in operating their recreation facilities as a supplement to regular appropriations for recreation purposes.

The basic act has been amended to permit this as one of the federal purposes for which moneys may be allocated under Section 6 of the Act.

ESTABLISHMENT OF FEE CRITERION AND DESIGNATION OF AREAS

The bill retains in the President the basic authority to designate federal areas where fees may be charged and to establish uniformity of criteria. In practice, this authority has been delegated. The Committee recommends that one agency, most appropriately the Bureau of Outdoor Recreation in the Department of the Interior, should establish the criteria by which fees schedules should be set. In other words, the same fees should be charged for the same or comparable services provided by an agency. By the same token, once the criteria is established, each agency should designate the areas under its own jurisdiction where fees shall be collected and the method of collection. This practice should lead to the uniform, fair and equitable fee system we are all seeking.

While recognizing the need to encourage the development of nonfederal recreation facilities such as campgrounds, the committee rejects the policy recently adopted by some federal agencies requiring federal fees to be at the same level as state, local or commercial fees for comparable facilities in a given area. This policy would, in effect, permit nonfederal operators to fix the level of federal fees and could undermine the establishment of a fair and uniform fee system. The committee stresses the language in the bill providing that nothing in the Land and Water Conservation Fund Act shall require that any fee be established at the same level charged by non-federal recreation facilities. Comparable fees may be desirable in areas where federal facilities are not sufficient to meet public demand and where there is a need to encourage state, local or private development, but the fixing of federal fee levels should be retained in the President, subject to the requirement that "All fees established under this Act shall be fair and equitable."

RESTRICTIONS ON FEE COLLECTIONS

The Committee has attempted to restate its position with respect to restrictions on the collection of fees. These have to do primarily with water areas created by federal construction activity. Although we recommend repeal of Section 210 of the Flood Control Act of 1968 (82 Stat. 746) because we feel that all statutory regulation of recreation fees should be related to the Land and Water Conservation Fund Act to insure clarity and uniformity, the Committee subscribes to the general philosophy of that act. We have largely incorporated the concept into the basic Land and Water Conservation Fund Act by adopting the substance of S. 1228, the bill introduced by Senator Allott for himself and others. Basically the restrictions are very simple.

No entrance or admission fee shall be charged except at such areas or portions thereof administered by a Federal agency where recreational facilities or services are provided at Federal expense. No fee of any kind shall be charged by a Federal agency under any provision of this Act for use of any waters per se.

User fees at recreation areas administered by the United States at Federal lakes and reservoirs shall be collected by officers and employees only from users of highly developed facilities constructed for reasons of public health, safety, and convenience, and which require a schedule of regular maintenance and supervision. Fees shall not be collected for entrance or access to or use of water areas, undeveloped or lightly developed shoreland, picnic grounds, overlook sites, scenic drives, or boat launching ramps where no mechanical or hydraulic equipment is provided.

FUTURE OF THE PROGRAM

The Committee is convinced by the receipt of many hundreds of letters and communications that the Golden Eagle fee program is popular with the users of our Federal recreation lands. It has never provided the revenue for the fund which was predicted for. Nevertheless the committee feels it is a good and useful program. As stated, the primary purpose of a fee system for access and use of publicly-owned resources is to allow those who benefit directly to contribute something toward the cost. It is not a great revenue generating source. Revenues for the Land and Water Conservation Fund come primarily from other sources, the biggest single contributor to its success being the guarantee of funds from the sale and other revenue collected from Federal offshore mineral operations.

The Committee recommends a fresh start with the Federal fee program. The President is directed under section 6 of the bill as amended to report to the Congress on the progress being made toward a system of standardized, fair and equitable fees.

The Committee rejected the recommendation for an individual fee for anyone age 16 and over submitted earlier this year by the Administration. This would further complicate, rather than simplify, the program. It would detract from the concept of "family" which the committee endorses, and only multiply the problems of administration of a workable fee system. The committee contends that there can and should be a fair and workable fee program to help offset some of the costs of providing a great national recreation program for the American people. Our people are willing to participate in such a program, and this willingness together with a uniform and cooperative approach by the executive agencies involved should result in the success of the plan. The Committee will review with great interest the report to be submitted.

ACTION OF THE COMMITTEE

The bill, as amended, was ordered reported without an adverse vote in committee.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar at this time.

ORDER OF BUSINESS

Mr. SCOTT. Mr. President, I yield back my time.

REVENUE ACT OF 1971

The PRESIDENT pro tempore. The Chair now lays before the Senate the unfinished business which the clerk will state.

The legislative clerk read as follows:

H.R. 10947, to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. MANSFIELD. Mr. President, what is the pending amendment?

The PRESIDENT pro tempore. The first amendment to be considered will be No. 715 to the Pastore amendment, as proposed by the Senator from Nebraska (Mr. CURTIS), which the clerk will state.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with but that the amendment be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment ordered to be printed in the RECORD is as follows:

On page 29, lines 1 and 2, strike out "Effective with respect to taxable years beginning after December 31, 1970, section" and insert "Section".

On page 29, after line 19, insert the following:

"(d) The amendment made by subsection (c) shall apply to taxable years beginning after the close of the first fiscal year ending after the date of the enactment of this Act in which the total income of the Government of the United States exceeds the total expenditures made by the Government of the United States, as determined and published by the Director of the Office of Management and Budget. The provisions of subtitles A and B and of subsections (a) and (c) of this section shall take effect on the first day of the fiscal year following the first fiscal year described in the preceding sentence.".

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged to both sides.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum can be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CURTIS. Mr. President, how much time have I remaining?

The PRESIDENT pro tempore. The Senator from Nebraska has 27 minutes remaining.

Mr. CURTIS. Mr. President, I dislike to take time for a quorum call, but the Senator from Nebraska would like to have a rollcall vote on his amendment. We would therefore have to have a sufficient number of Senators present to order the yeas and nays.

I ask unanimous consent that there be a quorum call, the time not to be charged to either side.

The PRESIDENT pro tempore. Is there objection?

Mr. MANSFIELD. Mr. President, the Senator from Nebraska will be assured that we can have the yeas and nays.

Mr. CURTIS. Mr. President, I ask unanimous consent to withdraw the request for a brief quorum call, because I rely upon the majority leader that we can get the yeas and nays.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, my amendment is quite simple. It is easy to understand. It provides in substance that the Pastore amendment shall not become effective until the budget is balanced. In order to understand that, we must think for a moment what the Pastore amendment does.

The Pastore amendment takes money out of the U.S. Treasury to be used to pay for political campaigns. It provides that a taxpayer, when he files his income tax return, can make a certain mark on his tax return, and $1 of his tax will be sent to a political fund to help pay for a political campaign of the presidential candidates.

Mr. President, the taxpayer in doing that does not send in an additional dollar. If he directs the Treasury to take $1 out of the Treasury, it means that someone else has to be taxed that much more in order to provide the funds to operate the Government. So all the talk about this proposal being something that the individual taxpayer is doing is not quite right. Of course, the taxpayers pay all the money that comes in. However, if one has the right to direct that a dollar be taken from his tax money and put into a political campaign fund, it is a dollar taken out of the Treasury. It is the Treasury's money, and someone else will either have to pay an additional dollar or we will have to go that much further in debt.

Mr. President, I am humiliated to stand here and to say that our national debt is $30 billion more than a year ago. Our national debt is increasing at the rate of $58,000 a minute. Yet the Senate is seriously considering an amendment to take millions of dollars out of the Treasury and give it to the politicians to enable them to run their political campaigns. I say it is shameful. It should not be done.

I think the amendment as drawn is a humiliation to every Senator who votes for it. The people will find out that the Treasury of the United States has been raided for the benefit of politicians.

The author of the legislation says it takes $20 million to run a political campaign; that each candidate will have to have that much to have any chance of winning. Under the formula, a minority candidate for the Presidency is going to get only $6 million. There is nothing in the amendment that says how he shall

spend it. He can appoint all of his relatives as campaign managers and pay them each $200,000 to manage his campaign. The amendment has locked into it the possibility of corruption. However, more than that, can any Senator imagine the Senate of the United States voting for an expenditure like this when we have to borrow the money to do it?

If we were operating on a balanced budget, if there were money in the Treasury, and if Congress were to decide that we ought to pay for political campaigns out of the Treasury, that would be one thing. I doubt the wisdom of it. However, at least it would be quite different from the present proposal in which we are asked to increase the national debt by millions of dollars for the purpose of turning the money over to people who cannot be elected President.

Mr. President, we are asked to turn the money over to politicians who have always raised their own funds. Those who believe that the cost of a presidential campaign should be borne by the public Treasury ought to believe in it enough to be willing to tax the people to pay the money to have a balanced budget.

Mr. President, all I ask is that if the Senate must go ahead with this unsound practice of paying political campaigns out of the public Treasury, they should balance the budget first.

Mr. President, I reserve the remainder of my time.

Mr. MANSFIELD. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Montana is recognized for 3 minutes.

Mr. MANSFIELD. Mr. President, the amendment offered by the distinguished Senator from Nebraska is a very appealing one on the surface. However, I think it should be brought out that under the previous Democratic administration, there was a big deficit each year. I would point out in comparison that that pattern has continued under the present administration.

Mr. President, last year the budget deficit, I think, was about $23.5 billion. This fiscal year, it is anticipated it will be about $30 billion. The distinguished chairman of the House Ways and Means Committee, Representative MILLS, has indicated that it might go to $35 billion. Therefore, it appears that the possibility of a balanced budget in the immediate future is not in sight.

If we were to tie ourselves to the amendment of the distinguished Senator from Nebraska, it would mean more of the same; it would mean a continuation of a process which is rapidly getting out of hand—and the chance for reform in this area would be lost.

It is said that certain rich people who at one time would invest in works of art now invest their money in politicians. If that is correct—and I think it is correct—it indicates a very unhealthy trend in the life of the Republic, one which will give control not to the people, but to the preferred few.

What the Pastore amendment seeks to do is not to impose an additional tax on individuals but to take $1 out of the taxes which they pay to the Government. The taxpayer himself would authorize that $1 would be volunteered to a fund, to be used by the presidential candidates of the political parties during the course of the campaign. This, to me, would indicate that the people are participating in politics in a real sense; and it would indicate a return to the people and a shift away from the "fat casts" who are rapidly assuming more and more control over the conduct of this political system.

I would hope, therefore, that the Senate would give the most serious consideration to the overriding factors involved in the consideration of this amendment and all amendments thereto and recognize that if something is not done to reform and redirect this trend back to the people, the results may well be irrevocably bad for the Republic in the days, the weeks, the months, and the years ahead.

There is nothing compulsory about the allocation of this money. May I repeat it does not call for an extra dollar for tax purposes, and may I say that it is a small amount to pay to preserve this democracy—very small when we consider in comparison what it costs to conduct the foreign aid program of this country, what it costs to carry out a war in Cambodia, Laos, and Vietnam, and what is costs to maintain about 2,000 bases abroad. Those factors are considerable.

The point is that if we do not have a strong Government at home, no matter how much is spent abroad, it will not be effective. One of the ways to remain strong at home, or to become strong once again, is to give recognition to the people and to provide them the opportunity, if they so desire, if they want to do so voluntarily, to participate to the extent of $1 out of the taxes which they pay anyway for the purpose of trying to bring presidential campaigns back to the people.

The PRESIDENT pro tempore. Who yields time?

Mr. CURTIS. Mr. President, I do not yield back my time, but I am prepared to do so, if I can have the assurance of a rollcall.

First, I yield 1 minute to the Senator from Pennsylvania.

Mr. SCOTT. Mr. President, the iniquity of this Pastore amendment is further revealed by what the distinguished Senator from Nebraska said. When he proposes that we should not pay ourselves out of the public Treasury except in years in which we have a balanced budget, he is proposing that we should not through paying ourselves increase the deficit, the public debt. If we do, taxpayers would be required not only to pay for the expenses of politicians campaigning, but would also be required to pay an additional interest on the national debt because of the further deficit created by the passage of the Pastore amendment.

So the proposal becomes more and more iniquitous as it is more and more carefully examined.

The Pastore amendment is very dangerous because it has conflict of interest built into it and resounding from it at every future moment during the forthcoming campaign.

I hope Senators will not vote a conflict of interest against themselves.

Mr. PASTORE. Mr. President, I yield myself such time as I may require.

The PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. PASTORE. Mr. President, there is no conflict of interest involved here. First, we do not know who the nominee is going to be. It could be almost anyone. It has to be left up to the convention.

Second, the whole concept is being misunderstood by the opposition. The concept here is to accommodate the people, and not the candidate.

The point here is that what we are trying to do is to make it possible for the people to have a full and fair exposure of the candidate and the issues, and not have it lopsided. That is all it amounts to. The amount is very modest.

Mr. President, I will tell the Senators how ridiculous this amendment is. I will place in the RECORD the editorial published in yesterday's New York Times. We have been listening to these awful things that have been said about this amendment, the awful charges—including terming a people's option as raid on the Treasury. Here is one of the most prestigious newspapers in the world and here is the editorial, not that that makes it right but certainly it is rational. I dare say the Senator from Connecticut (Mr. WEICKER) read it. I hope he did. I dare say the Senator from Pennsylvania read it. I hope he did. Not that it becomes the bible of what we should or should not do. But why is the Pastore amendment termed an awful thing when one of the most prestigious newspapers in the world writes an editorial, as it has. It calls the Pastore amendment legitimate in concept, simple in operation and promising a permanent gain to the political health of our country.

Mr. President, I ask unanimous consent that the editorial from yesterday's New York Times be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SLUSH—PUBLIC AND PRIVATE

In what seems like a suddenly improvised movie, Senate Democrats have come up with a simple and legitimate way to finance Presidential campaigns without subjecting a nominee to the indignity of begging his way. Actually the idea that a taxpayer be allowed to earmark part of his Federal tax for this purpose is far from new. Comparable plans date back a half-century or more; one was enacted in 1966 only to be repealed in 1967, and the current effort, tacked on to the Administration's tax reduction bill, has been quietly under discussion since midsummer.

The plan owes its reintroduction to the grave financial disadvantage confronting the Democratic party on the eve of the 1972 campaign. Some $9 million in debt, the Democrats have no prospect whatever of matching the $25 to $40 million the Republicans are expected to raise and spend. Under the basic proposal by Senator Pastore of Rhode Island, each of the major parties could collect up to $20.4 million in earmarked tax payments, but a candidate who accepted such public funds would have to forgo all private financing. To make the plan more palatable to some of his fellow Republicans, Senator Mathias of Maryland would allow taxpayers to designate, if they so desired, the party to which their dollar contributions would go.

Naturally, the preliminary voting in the Senate followed party lines. Republicans were being asked to assure their opponents of far more money than the latter could reasonably expect to raise. For their own part the Republicans would either have to settle for less than they could command from private sources or expose themselves to the political charge and their candidate was obligated to special interests and millionaires while his Democratic rival owed no one but "the people."

In two important respects the "checkoff"—in either of the forms now proposed—differs from earlier versions. The money would go into a trust, to be paid out to each party's Presidential candidate after the nomination; the 1966 law would have turned the money over directly to the two national committees, giving a dangerous degree of control to their chairmen. And the plan makes some allowance for minor-party candidates. Should Governor George Wallace decide to run again, he could count on some $6 million under the Pastore version—a consequence not altogether palatable to Republicans who see him as competing with President Nixon for the electoral vote of several Southern states.

In any given year one party has to be helped more than the other by this kind of innovation. But that seems hardly the criterion for judging an institutional change of such far-reaching importance. To call it a "slush fund," as some Republicans have, is preposterous in view of the corporate, trade union and other private slush funds that have for so long compromised the American electoral process.

We hope that the Republican leadership will subordinate whatever temporary loss of advantage it may anticipate to the permanent gain which the measure so clearly promises to the political health of the country. In particular, we trust it will not turn against the broader legislation for reforming campaign finance which, with its creditable cooperation, still has fair prospects for passage by the 91st Congress.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MATHIAS. I also read with great interest and encouragement the editorial the Senator has just placed in the RECORD. I think it makes some interesting observations. However, so that we may have a balanced picture, on the same editorial page is a column written by Tom Wicker which takes an opposing view and raises some of the other questions we have discussed in the last week or so on this topic.

I ask unanimous consent that the article by Tom Wicker, published on the same page in the New York Times, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CHECKOFF SCHEME

(By Tom Wicker)

Clever, those Democrats in the Senate. Tying their campaign subsidy plant to President's Nixon's tax reduction bill makes it about as veto-proof as anything can be. Unfortunately, the subsidy plan itself is not much better than it was five years ago, when another Democratic Senate rejected it.

It is true enough that the Democrats, although they are the majority party, are out of pocket—in debt from 1968, facing a series of expensive primary campaigns before they can ever get at Mr. Nixon, and wary in the knowledge that even now the Republicans are putting together their usual fat Campaign bankroll.

It may also be true—although not proven—that the costs of American political campaigns are so high, and will get so much higher that some form of Federal subsidy has to be devised to relieve parties and candidates of overreliance on big contributors. The Democrats' $1 checkoff plan nevertheless is a dubious solution either to the party's immediate poverty or to the long-range problem. The plan appears to be no better considered and as full of loopholes and questions in its resurrected state as it was when Russell Long of Louisiana first dashed it off, more or less on the back of an envelope, in 1966.

Aside from weightier considerations, the plan might not even solve the Democrats' most immediate problem, which is the forthcoming series of primaries. It may be argued that a $20.4-million Federal subsidy for the general election campaign would free Democratic money for the primaries; but it is not necessarily true that those who would give to a convention nominee will support primary candidates instead, and the psychological effect of the subsidy might be to dry up rather than to stimulate specfic kinds of contributions.

The checkoff plan is thick with constitutional question marks. What does it do to the First Amendment rights of a citizen who wants to express his or her Presidential views in more substantial ways than diverting $1 of income tax? Depending on exactly how the money in the over-all campaign fund is divided among the parties, there might also be a question whether some citizens were being made to contribute involuntarily to a party or candidate they did not support. And if private money spent for a Presidential nominee without his consent is to be charged against his Federal subsidy, the result will be either sharp and probably unenforceable limits on those who want to engage in independent political activity, or—more likely—chaos.

The checkoff would work great change in the party system. Obviously, with its greater benefits to the major parties, it would tend to perpetuate them as major parties; minor parties would be put at severe and unwarranted disadvantage. Where is it written and on what tablets of stone that Democrats and Republicans are ordained from on high and endowed with special privilege?

The parties themselves might be altered irretrievably. If every Presidential nominee is to be handed, the day after his nomination, a fat Federal check to finance his campaign, the party's national committee and various state affiliates will be down-graded and deprived of their major function Party control will be centralized in the candidate, who will have the cash; the net effect of that on party policies, on state and local political activity, on citizen political participation, is not entirely foreseeable but appears ominous.

Besides, although there is a real and present danger of a pernicious influence on politics from some big givers, it is nevertheless true that some other big givers have a beneficial effect on politics. Won't total Federal financing of a Presidential candidate tend to make him less, not more, responsive to the public will and to the play of interests and political forces in society? Do we really want to make Presidents and the men who compete for the office even more powerful and independent than they are now?

It is true that the plan—insofar as it is settled—gives candidates the option of rejecting the subsidy and financing their campaigns in the old way. That choice may be more theoretical than real; a candidate who had rejected a $20-million Federal handout might appear noble, but would surely have a hard time explaining why he needed private contributions to pay for his nobility.

In a thoughtful article in the fall, 1971, issue of The Public Interest, Vic Fingerhut makes another applicable point. Private contributions to political parties, particularly those made by individuals, he argues, are one of the most effective means of citizen competition with the vast power of large interests to make their cases, either by advertising or by political influence. If the citizen can no longer help pay for Presidential campaigns directly, by that much he loses some of his ability to influence public policy.

As Mr. Fingerhut put it, "No similar restrictions will be placed, for example, on major oil companies, which will remain free to saturate television with commercials persuading the public of the necessity for a pipeline development project."

Mr. PASTORE. I have no objection and, to neutralize the request of my good friend, there is quite an article also by Warren Weaver, Jr., on the same page, entitled "What A Plan! It's Even Moral." It asks the question—who can argue that the Presidency should not be taken off the auction block and made a contest of records, issues, and characters rather than available wealth. Mr. Weaver's column deserves reading.

Mr. President, I ask unanimous consent that that article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAMPAIGN SPENDING: WHAT A PLAN! IT'S EVEN MORAL

(By Warren Weaver, Jr.)

CAMPAIGN SPENDING: WHAT A PLAN! IT'S EVEN MORAL

(By Warren Weaver, Jr.)

WASHINGTON.—The Democratic party, facing its first national election in eight years without the resources of the White House, has developed a creative new strategy. Why, its leaders ask, should we risk the old Electoral College try when we can win in advance in Congress?

With this forehanded policy in mind, the Democrats have managed over the last 18 months, always proclaiming the most high-minded motives, to achieve the following:

A law and then a reinforcing constitutional amendment that will permit some 12 million young people from 18 to 20 years old to vote in a Presidential election for the first time. The Democrats think they can get two-thirds or three-quarters of those who turn out.

A bill approved overwhelmingly by the Senate and awaiting action on the House floor that will limit radio and television spending—the largest single verifiable item—by any Presidential candidate to about $8-million. This is just about what the Humphrey-Muskie ticket was able to spend for this purpose in 1968, while the Republicans were investing about $12-million in broadcast communications.

A bill that has cleared a Senate committee and is awaiting floor action to establish a simplified postcard registration for national elections that could turn some 45 million Election Day dropouts into voters. The people who do not vote because they fail to register are mostly poor, black or undereducated. The Democrats estimate they could attract at least three-quarters of them.

An amendment, which won a majority on a test vote on the Senate floor last week, that would give a 1972 Presidential candidate the option of financing his general election campaign with public funds—$20.4-million worth of Federal tax revenues—if he agreed to hold his total spending to that

figure and if a new collection system produces enough earmarked money.

If the Republican candidate preferred to rely entirely on private fund raising, he could spend more than this limit, only subject to whatever television and radio ceiling Congress may enact. But the Democrats, still $9-million in debt from 1968, would be guaranteed a respectably competitive figure for the main event in 1972.

The beauty of all these Congressional moves is that they can be fully justified on the basis of public morality, while holding out the private promise of immense partisan advantage at the same time. Who can argue that young people should be denied the vote, that roadblocks to eligible voters should not be leveled, that the Presidency should not be taken off the auction block and made a contest of records, issues and character rather than available wealth?

Well, the Republicans can, but they were having an increasingly difficult time of it last week, so difficult, in fact, that to stall a proposal for the public funding of campaign expenses they had to resort to proposing a three-day series of almost frivolous amendments on the Senate floor, creating a sort or concealed filibuster.

Then on Friday, there was a change in signals. The White House demonstrated increased concern during the afternoon. President Nixon abandoned a plan to spend the weekend in Key Biscayne, Fla., and returned to Washington. That evening, the Senate Republicans, despite some bickering, agreed to let the public financing campaign bill come to a final vote on Monday.

There was little secret that the Administration wanted time to work over a few of the Southern Democratic Senators, men who had voted against a similar plan to finance the Presidential campaign publicly when it was first approved in 1966 and then rescinded a year later, before it could take effect.

As written, the Democratic plan depended for its public money on taxpayers indicating on their income tax forms that they wanted to earmark $1 of their payment for a campaign fund, on which both major party nominees could draw generously and lesser candidates in proportion to their indicated strength.

In the wings, however, was a Republican amendment sponsored by Senator Charles McC. Mathias of Maryland that would give the taxpayer more choice: he could send his $1 to the Democratic candidate, the Republican candidate, the candidate of another party he named or to a fund distributable among all of them.

In the House last week, the important decisions on campaign spending limits were put off for 10 days, until after the Thanksgiving recess. Because the picture there remains uncertain, supporters of the legislation were dismayed, fearful their vote might be shaved down before the real test came at the end of November.

Mr. PASTORE. Mr. President, I realize how the people who are opposed to this idea feel, and I have the highest respect for them, but please do not make us raiders.

Mr. SCOTT. You are raiders.

Mr. COOK. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. COOK. When the Senator talks about an article by Mr. Warren Weaver, published in the New York Times, I recall vividly that he also wrote an article on the campaign expenditure bill and said my amendment, accepted in committee, would put that bill far out of sight; that it would be unreasonable. The article was entirely wrong, and later the New York Times had to admit it.

Mr. PASTORE. I agree with my colleague from Kentucky. He was 100 percent right on that.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. SCOTT. After all, the Senator is citing the fact that a newspaper normally leaning heavily to the Democratic side wants the Democrats to have more money, but its lending libertarian writer, whose conscience is affected by this, points out his newspaper is wrong.

Mr. PASTORE. These articles demonstrate that sincere, intelligent men can disagree, and that we can disagree without being disagreeable. I constantly emphasize the sincerity of those who disagree with me.

Mr. CURTIS. Mr. President, how much time have I remaining?

The PRESIDENT pro tempore. The Senator from Nebraska has 18 minutes remaining.

Mr. COOK. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. COOK. Under what rule are we limiting time on the amendments today?

The PRESIDENT pro tempore. The previous unanimous consent agreement.

Mr. COOK. There is no previous unanimous consent. Obviously, the unanimous consent that the Senator from Pennsylvania got Friday night on changing the time limitation on the Pastore amendment, which took it out of the 6-hour rule, provides for 1 hour on amendments. When the unanimous-consent request was made by the Senator from Pennsylvania, which overruled the 6-hour rule, no part of the unanimous-consent request of the Senator from Pennsylvania—and I read from the RECORD—limited the amendments to 1 hour.

The PRESIDENT pro tempore. The Chair is informed that the Senate has been operating under that agreement for the last 6 days.

Mr. COOK. It has got to be understood that if the unanimous-consent request of the Senator from Pennsylvania was accepted Friday evening, that we vote on the Pastore amendment at 5 o'clock today, that superseded the previous agreement.

The PRESIDENT pro tempore. It vitiated the 6-hour agreement, but not the 1-hour limitation on every amendment.

Mr. COOK. A parliamentary inquiry, Mr. President. If the 1-hour limitation on the amendments was a part of the 6-hour agreement on the total amendment, did one part of the agreement stand and the rest of the agreement fall?

The PRESIDENT pro tempore. The Chair is informed that the agreement stands except where it was modified.

Mr. COOK. I am sorry that not enough Senators are present to appeal the ruling of the Chair, because obviously we cannot have an agreement of 6 hours on the Pastore amendment and 1 hour on amendments thereto, and then vitiate the 6-hour agreement and keep the 1-hour agreement—if it is a part of that agreement.

Mr. PASTORE. Mr. President, will the Senator yield to me on my time? I merely want to make this point.

Mr. CURTIS. I yield.

Mr. PASTORE. Under the unanimous-consent agreement, the Senate will start voting on title IX at 5 o'clock. Immediately thereafter we will vote on title X. In the meantime all the amendments are coming from that side. If that side has many amendments, my recommendation would be to shorten the individual time on them. No matter how many amendments there are we will still have to vote by 5 o'clock. It is up to interested Senators to allocate their time.

Mr. COOK. If we run out before that time, then we will have a period of time that is not under any Senator's control.

The PRESIDENT pro tempore. Who yields time?

Mr. CURTIS. Mr. President, the arguments advanced here are that these moneys should be taken out of the Treasury and that we should increase the national debt to do it in order to give exposure to political candidates for President. The only way to expose any candidate is to have more hours a day and more days a week. They are exposed around the clock. They are traipsing up and down the country with special Senatorial and House committees. They are flying here and yon. They are on television programs, and there is not enough money in the Treasury and in the national debt to increase the exposure the candidates are getting.

As a matter of fact, I am not too sure that the country is demanding more exposure from these candidates. I have not received any requests to the effect, "Let us see more of this man. Let us hear more from him." I think the question might properly be asked whether or not the people are getting tired of this overexposure. The point is that this is an expenditure out of the Treasury. It certainly is an expenditure of the very lowest priority that has ever come up—that politicians should get money for their own coffers when they are in debt.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. CURTIS. I yield 5 minutes to the Senator from Connecticut.

Mr. WEICKER. I thank the Senator from Nebraska, and commend him on his amendment.

The PRESIDENT pro tempore. Let there be order in the Chamber. Let us have order, please.

The Senator may proceed.

Mr. WEICKER. Mr. President, I commend the Senator from Nebraska on his amendment and on his comments thereto.

Let us not worry about the New York Times. When I ran for Congress in 1968, the Times came out for my opponent, and I was elected. When I ran for the Senate in 1970, the Times was against me, and I was elected.

Mr. CURTIS. They gave Castro to the country. They championed most of the bad fellows.

Mr. WEICKER. I certainly think the New York Times is a newspaper of prestige—no doubt about it—but it is wrong many, many times. It is wrong on this bill.

The other day we had a graphic example of what we are trying to avoid in this bill—and this is not a personal reference to one of my colleagues, because it could have been the Senator from Maine or it could have been the Senator from Massachusetts. It could have been one of many Senators, but the fact is that on a morning a few days ago one of our colleagues had a press conference in which he announced he was running for the Presidency of the United States. Then he walked 100 yards to the Chamber to vote on federally raised campaign funds for that run. We as Senators should not participate in this fund. Neither should the President of the United States? None of us should participate in the benefits of a law that we are enacting. I think that is the key point.

I do not deny the concept that the Senator from Rhode Island is trying to bring into being—specifically, that economics should not play a role in any man's ability to run for office in the United States. I agree 100 percent with the Senator that the dollar should not make any difference. So to that extent the Senator has a valid point.

But to the extent that we tailor this particular legislation so that we Senators and our parties will be the beneficiaries before we go before the public and tell them what we are doing, I think it is wrong. This concept was denied by the Senator from Rhode Island and his colleagues when they rejected my amendment to make the law effective 6 years from now. In a few minutes, after we dispose of this vote, Senators will have an opportunity to say that nobody holding public office now can participate in this fund until after January 1, 1973.

Do my Senators think it might not stand to our credit to enact legislation that would make it possible for any American to run for office and not be restricted by a lack of funds, while at the same time denying this advantage to ourselves in the immediate future? Then what we did would be with clean hands. We are not tailoring it to the debt of one party or the fact that the money will go into our party's campaigns or that the President will get the fund.

Mr. SCOTT. Mr. President, will the Senator yield for a brief remark?

Mr. WEICKER. Yes.

Mr. SCOTT. Theirs is the party that fought the war "on the cuff," and it wants to fight all future political wars on "the cuff," all on credit. We ought to issue them a credit card saying, "You are entitled to draw on the voters for all the future campaigns," and call it the "U.S. Senate Credit Card."

Mr. WEICKER. I concur. The real difficulty the Democratic Party is having today is not money, but the fact that it is responsible for getting us into Vietnam, and the American people are not eager to finance a party that got us into such a mess. The economic difficulty we are having today is that the Democrats tried to have guns and butter, and the American people do not want to pay for such irresponsibility.

Mr. SCOTT. Guns and butter and credit cards.

Mr. MANSFIELD. Mr. President, will the Senator yield me half a minute?

Mr. CURTIS. I yield.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WEICKER. The Senator from Rhode Island is right when he says we can disagree without being disagreeable. Also, the proposal he makes does have merit, but we are proposing to clean it up so that, first, it may work more effectively and, second, so that it will shield us from any conflict of interest.

Sure, the Senator can stand there, and say, "We have got the votes." They do; no question about it. And under these circumstances, just as the Democrats got us into Vietnam and were fiscally irresponsible, they will have to take the consequences if this becomes the law of the land, and is abused, and conflicts of interest occur.

I think most of us here do not want to see a valid concept abused. Rather, we want to see it work, in a way that will stand to the credit of this body, rather than to its dishonor.

I yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, let us stop and consider how many candidates for President have come out of the woodwork since this bill has been on the Senate floor. We had one announce yesterday. If Senators think this is not a financial plum for a politician, just look and see what has happened.

The very consideration of this measure raises the hopes of people: "Well, if I could just get into this race, I would get my hands on some money."

Mr. President, there is a formula in the amendment that provides how the money shall be prorated. There again, I call attention to the fact that, as has been stated on the Senate floor, it will require $20 million for a presidential campaign. Yet, under the proposed formula, a minor candidate would receive $5 or $6 million. Can that be defended as in line with the stated purpose, by expenditure of public funds, to give exposure to everyone all over the country?

No. This is a proposal to pay out of the public treasury money that ought to be paid by others.

There has been a lot of talk about wealthy politicians and wealthy contributors. The only ones that I can think of at the present are in the Democratic Party. There may be others, but I cannot think of them.

Mr. President, the idea, when our national debt is at an alltime high, and is increasing by $58,000 a minute, that we should vote millions and millions of dollars of the taxpayers' money to give to political organizations is unthinkable. It cannot be defended.

I maintain that if we had a balanced budget, and there are those who believe that for the public good, all candidates should have a complete and total exposure, they should come in here with a bill that would provide that, not a partial exposure.

But the exposure argument has nothing to do with this legislation. This is an attempt to finance political organizations, so that the money they raise can be used for other things.

Mr. President, I reserve the remainder of my time.

The PRESIDENT pro tempore. Who yields time?

Mr. PASTORE. I yield the Senator from Louisiana such time as he may require.

Mr. LONG. I thank the distinguished Senator.

Mr. President, if the Senate were trying to balance the budget, it would not be repealing the automobile excise tax. As a matter of fact, when you really get down to it, there are billions of dollars of revenue eliminated by this bill. These are funds that could be used to balance the budget. Since the automobile excise tax is dedicated to the general fund, it is an item that would save the Government billions of dollars a year. It would save the Government more than 100 times what the tax checkoff system would cost a year.

If we really wanted to balance the budget, Senators would never have voted for the tax credit to send one's children to college. That will cost around $2 billion a year, if my memory serves me correctly. I opposed it, and did what little I could, as a Member of this body, to keep the Senate from agreeing to it, but it did; and it will cost about 200 times as much as the checkoff provision.

Oddly enough, if Senators were really concerned about the cost, you would think they would be directing their fire at the provision that allows a deduction for political contributions, because that costs a great deal more money than the $1 checkoff; and if Senators were really concerned about the cost of doing something, even in this area, one would think they would be directing their fire at the $25 tax credit for political contributions, which also costs more than the $1 checkoff.

But, no, all their criticism and fire is aimed at just one thing; and oddly enough, that is the one thing in the bill that would do the most to assure that we would be making strides toward reducing or eliminating corruption in government. I listened to the argument of the Senator from Connecticut that we should not do anything about corruption because theoretically we have an interest in it. That is equivalent to saying that we should not seek to do anything about good government, or cleaning up corruption, because we have an interest in existing corruption.

But the fact about corruption is that you cannot do much about it unless you are willing to come to grips with it, and you cannot do much about coming to grips with it if those who would defend this type of mischief are determined to keep you from doing something about it. Moreover, you will undoubtedly pick up some scratches and scars in attempting to do something about the type of mischief you are seeking to correct.

So it is under those circumstances that one must consider all these arguments that have nothing to do with the issue. If we were concerned about balancing the budget, we would not be passing a

bill that would reduce anticipated revenues by $15 billion, more than twice as much as I advocated in the committee.

Here we have a little amendment that would be, in relative cost, almost the least expensive revenue item in the bill, and we find, on that, that certain Senators just rise up in outrage, crying that this is going to cost money—it is going to cost the Government revenue, and further imbalance the budget. But either the same Senators, or at least a majority of this body, and sometimes an overwhelming majority, have voted to add to the bill items that would cost 200 or 300 times as much. On the whole, the Senate has added to the bill items that would cost 500 times as much as this proposal. So it really makes no point with me for Senators to have agreed to all those amendments, and then to say we cannot afford to make this small stride in the direction of good government.

Admittedly, this proposal will not do everything that should be done to correct what is wrong in the Government, but it is a long stride in that direction. It is my judgment that it is a good amendment so far as it goes; and that is about all you can say for any legislative proposal, that it is good as far as it goes. I have never seen one yet that would correct all the faults of the Government. It is my judgment that if we ever do get everything in the Government corrected, that will probably be the day the world comes to an end anyway, because it is my observation and judgment that things were not intended to be perfect this side of heaven.

It is my sincere belief that this little step would do a great deal in the right direction, and in that point of view I am probably the least self-motivated Member of this body.

Mr. President, I would suggest that the Democrats had no trouble at all about financing when we first considered this matter. We had a Democratic President in the White House and had the capacity to raise any amount of money. I regret that some Democrats did not see it quite that way and perhaps misunderstood my purpose at that time. But it was right when we did it; and if something is right, you ought to do it, no matter when it might be; and if it is wrong, you should never do it.

Mr. CURTIS. Mr. President, how much time do I have remaining?

The PRESIDENT pro tempore. Four minutes.

Mr. CURTIS. I yield 1 minute to the distinguished Senator from North Carolina.

Mr. ERVIN. Mr. President, I oppose the Pastore amendment, simply because I think there are some things which are not proper functions of government, and one thing which is not a proper function of government is financing the campaign of any candidate or any political party, directly or indirectly, out of the Federal Treasury.

I stated the reasons for my opposition to proposals of this kind in a hearing on the subject of political campaign financing proposals conducted by the Committee on Finance in 1967. I ask unanimous consent that the statement I made at that time and the colloquy which ensued, appearing on pages 468 through 472 of the hearings at that time, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. SAM J. ERVIN, JR., A U.S. SENATOR FROM THE STATE OF NORTH CAROLINA

Senator ERVIN. Thank you, Mr. Chairman. I appreciate your most gracious welcome.

The astounding increase in the cost of seeking political office in recent years has focused the Senate's attention on the creative work which must be done in campaign finance reform if our Nation is not to forfeit political power to a few wealthy enough to purchase elective office. The necessity for keeping our expanding electorate responsive and the increasingly high cost of using the communications media for this purpose has made it obvious that a public obligation does exist to assist in financing political campaigns.

However, any proposal to accomplish the ends of campaign finance reform must complement certain basic objectives of our political structure. Mr. Chairman, I believe the following fundamentals should be seriously considered before any legislation is enacted:

(1) All present and future political parties, including third parties, must be allowed to benefit from the financial plan.

(2) All individual candidates from the courthouse to the White House, must be included in any equitable financing, arrangement.

(3) Because of the overwhelming position of our national parties, the party primaries have gained such importance that funds must be available to opposing candidates within a single party.

(4) Control over funds should be diffused as much as possible to avoid concentrating political power in the hands of the few who control the national party committees.

(5) The plan must encourage as many citizens as possible to become involved in the election process.

Mr. Chairman, I believe present proposals for Federal financing of presidential campaigns by direct Treasury appropriation to national committees fall miserably short of these objectives. Not only could this method lead to monolithic party structure with rigid, stifling party discipline, but individual giving would be discouraged by the lack of the donor's control in designating the recipient of his contributions.

There is a real danger that the direct appropriation by a congressional committee, as recommended by the President, could be controlled by the majority party in Congress at that time. I believe this is a possibility we must not allow. Also, even though direct appropriation approach makes a nominal attempt at the third-party problem, they would be discouraged. The after-the-fact reimbursement of third parties provided for in the President's recommendation is like promising a dead man food if he comes to life. There is no denying that the third parties have played a useful role in our political history, and I would hate to limit their opportunity to do so again.

I would support, Mr. Chairman, a $50 tax deduction for contributions to any candidate or party of the taxpayer's choice, whatever the office or party might be. This would be the most meaningful step toward the original purpose of campaign fund reform: First, freeing money for poorer candidates, and, second, broadening the base of financial support for political campaigns. Also, unlike the direct appropriation, the tax deduction method would benefit candidates in the primaries and for offices below that of President where contributions are so difficult to raise.

Through the use of a tax deduction, individuals will be encouraged to involve themselves in all aspects of our political life—Federal, State, and local—and the high public interest in securing the election of unobligated candidates will be served. Too many fine candidates, particularly at the State and Federal level, are discouraged from entering elected public service from the sheer weight of financial realities and a method with the proper built-in safeguards must be enacted to further the cause of a more effective democracy.

Mr. Chairman, I feel a tax deduction approach correctly satisfies the need for campaign financial reform, and I hope the committee will move in that direction.

This is very simple, the tax deduction approach is a very simple method. It requires no elaborate Federal machinery for supervision. It leaves the freedom to control election processes to the people rather than putting them in the hands of officeholders, and I think in the interest of preserving the most precious value of our civilization—that is the freedom of individuals—the tax deduction method approach is the only rational way to solve this problem.

I thank the committee.

Senator WILLIAMS. This proposal that you have made would preserve the right of the individual citizens to support the party or the candidate of his choice, while at the same time it would encourage a wider participation on the part of the masses of American people, provide them by this approach a way to take a greater interest in their government. I think it is a constructive suggestion and one which I hope we can follow. I agree with you fully that it would be disastrous for us, by the direct appropriation method, to build in a system here where we could never have anything but these same two political parties. I think the right of the average American citizen to oppose both of our political parties—which I hope they do not—but to support a third candidate is their American right, and to do it with their finances as well as their vote. This proposal you are making certainly merits consideration because it is in that direction.

The CHAIRMAN. Senator, you understand, do you not, that with regard to third party problems, the bill I introduced—in fact, I have two bills before the committee. I thought I would shoot both to the left and to the right depending on which direction the committee wanted to go. In either event, the bills I introduced, one the administration approach, the other which follows what we like to call the Metcalf voucher plan but limited only to the presidential campaign, would provide for third parties which get as much as 5 percent of the votes.

In the other one, it would make no difference how many votes he got. If you were to support the candidate for the prohibition party, you would get a little voucher that is worth $1 and you would write down there the name of the man you want to vote for and just mail it on in. That is worth a dollar toward his campaign. So if that approach were to be used, you could call it all kinds of things and you would approach it from all different angles. You could call it a tax credit, a tax refund, you could call it appropriations. But, whatever it was, it would permit all the third parties to participate.

Senator ERVIN. But they would not know whether it was deductible until they found out, counted up the votes. They would not know whether they had the 5 percent.

The CHAIRMAN. Not the Metcalf one. Now, the administration bill takes the approach, but I was not speaking of that. Of course, I am speaking of both, but the administration bill takes the approach that with regard to a third party, that party can have its choice. It can either rely upon the number of votes it received in the previous election or it can be reimbursed based on the number of votes it received when the election takes place.

For example, you can apply that to Gov. George Wallace if he desires to run. He has no prior experience as candidate for election to President of the United States. He only has experience in primaries. But he could perhaps take a poll that would indicate he is going to get about 13 percent of the vote, which might be about 8 million. He could then derive from that the fact that he was entitled to a certain amount of money, and I would imagine some could be advanced to him by loans from supporters which could be paid back and reimbursed to them when the campaign is over. So the administration bill provides a method by which a third party just starting could nevertheless go and make his case before the people.

Senator ERVIN. The fundamental defect I see in that is that the established parties get theirs when they need it which is before the election, when the campaign is on, and the other people get theirs after the election is over. And as I said, it is like promising food to a dead man provided he is present at the resurrection.

Senator WILLIAMS. And one other point, if the polls he relied on were as misleading and far off base as they were in 1948, he may end up with 4.99 percent of the vote and $8 million debt and nothing to pay for it. Under the President's proposal he would get nothing.

The CHAIRMAN. Those polls were not far off in 1948. They reached the wrong conclusion. But if you look at a poll that says you have 51 percent, the man who took the poll claimed a 10-percent margin for error, or at least 5 percent. So he would claim three points for his allowed error. So you say you got 51 or 52 percent. The outcome could be different just by the slippage in his own margin of error.

Senator ERVIN. I say that that illustrates the undesirability of any kind of election reform in the financial field other than a tax deduction to be controlled by the taxpayer, the individual. Because who is going to run the poll? Certainly the Government would not let me run the poll if I were running for President and would not take my figures. You would have to set up some more Government machinery to take the poll. One of the great advantages of the tax deduction approach is that you do away with any necessity for any further Government regulation or any further Government employees except those they already have in the Internal Revenue Service, when the man would submit a receipt.

Furthermore, I think it is wrong to say the only man whose campaign is going to be financed is the President. I think if a man wants to make a campaign contribution to the sheriff's race, that man should be included. The President needs it less than anybody, at least the incumbent President, because the way Congress appropriates hundreds of millions of dollars to be expended at the discretion of the Government, the incumbent candidate already has a lot of money available to him, for all practical purposes.

The CHAIRMAN. If you do not tie it down, though, Senator, you have to be careful that some boys do not get together with another tax avoidance scheme and say, "Now, let us get old Joe Blow to run for constable every 4 years; he does not care about being constable, but that will make it possible for us to get a tax deduction, and we will split the profit with him."

So, the man ran and he did not spend the money, but look at the person in the 50-percent bracket. There would be a $25 gain there, and that would be enough to split the profit, $12.50 apiece between him and the man who contributed the dough.

Senator ERVIN. I would say the answer to that is simple. If the man receives the money for one purpose and uses it for another, he is subject to indictment under existing laws in every State in the Union. I do not think a man wants to give away money merely to get a tax deduction. He gives it away because he is interested in the cause to which he gives it, and also he would be interested in——

The CHAIRMAN. He cannot do it now, but if you pass that law and do not tie it down, you had better be careful.

Senator ERVIN. I would not be in favor of giving a man an unlimited amount.

Senator WILLIAMS. I might respectfully point out that the chairman has just made an excellent statement in favor of your proposal, and he has just shot the Metcalf voucher proposal full of holes, because it is wide open for abuse, as he says. I thank you for your support.

The CHAIRMAN. If you take a look at the bill I introduced, there are all kinds of safeguards in that one. He would go to the penitentiary.

Senator WILLIAMS. The administration itself recognizes that their original proposal is not good.

Senator ERVIN. The only limitation that I would put on the proposal is that the man make a contribution to the party of his choice, or to the candidate of his choice. That is all you need. You already have the law to control that, and the employees to administer it in the Internal Revenue Service.

Senator WILLIAMS. Also, it is attractive in that the individual making the contribution must dig into his own pocket and make some sacrifice. Otherwise, I do not think we are accomplishing anything.

Senator ERVIN. Instead of taking it out of the Treasury under any appropriation system, you are going to take the taxpayers' money. In many cases, you are going to use it for purposes which the taxpayer abhors.

Senator WILLIAMS. They would be taking the taxpayers' money and using this money to finance the two major political parties when he may be in strong opposition to those two parties, and he may wish to support the third party, which is his right. Why take his money and make him finance your party and my party, when his party is left out. I do not think that is fair.

Senator ERVIN. The plan I suggest also just takes a simple way. It lets the voter control, rather than the officer holder. And you need no new machinery. You need no more employees to supervise things. And it preserves the basic principle of freedom.

Senator WILLIAMS. And if they do not think you and I are worthy of an election, they do not have to finance our campaign. They can get rid of us.

Senator ERVIN. Any other kind of regulation is going to be something that complicates simplicity, when simplicity does not need to be complicated.

I thank the committee.

The CHAIRMAN. Thank you, Senator.

Mr. CURTIS. Mr. President, I yield 2 minutes to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I wish to comment briefly on the remarks of the distinguished Senator from Louisiana. This is not a question of the Senate having an interest in corruption, rather I am saying that the Senate's interest must be in integrity and excellence. That certainly is not the case with the Pastore amendment. It relates to those who are going to share in emoluments. An interest in integrity and excellence is what we on this side are trying to bring to pass: Excellence in that availability funds should not be a limitation on running for office in this great country; integrity to the extent that legislation passed by the Senate, should not inure to the benefit of the Members of the Senate.

To the distinguished Senator from Louisiana, I say the whole bill is bad the way it is constituted. The $1 contribution, the deduction, the concept of Federal financing of campaigns. It is all rotten.

Mr. CURTIS. Mr. President, I yield the remainder of my time to the Senator from Kentucky.

Mr. COOK. Mr. President, the Senator from Louisiana talked about mischief on the part of the Members of the Senate and that, somehow or other, we will have scars.

We have here a bill that has nothing to do with how much is spent in primaries, and $25 million was spent by the Democratic nominees in the last election. We have a bill which says we will give money to minority candidates, but only so much money, and then they can raise money for the part they are short, up to the limitation of the major candidates. So if they win, they go in having just as big a war chest, having been gained in the methods the Senator from Louisiana says should not be done.

The Senator from Rhode Island asked the other day, "Do we want an election like we had in Saigon?" Consider the criminal penalties in this measure. Is the Comptroller General going to accuse a President-elect of the United States of having done something illegal, and are you going to try the President-elect and give him up to 5 years and fine him $10,000? That is the most ridiculous thing I can think of. As a matter of fact, if you do not try the President-elect but try one of the nominees who was unsuccessful, are you going to put him in jail? This is what they did in South Vietnam a few years ago. The losing candidate for President always went to jail.

You have a situation in which you are going to say to the American people that there is logic in this amendment when it contains things such as that, when you include a section that you are going to criminally fine a President of the United States up to $10,000, a President-elect, when you cannot try him between the time of the election and when he gets sworn in. Are you going to take him from the White House and send him to Lewisburg? Let us not be ridiculous. How are you going to do that? All I can say to the Senator from Louisiana is that that proves that when one has to do something in desperation, such as this amendment, one can make all kinds of mistakes. These are the things we ought to be debating and discussing.

Mr. President, how much time does the Senator from Nebraska have remaining?

The PRESIDENT pro tempore. The time has expired.

Mr. COOK. I thank the Senator.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

Mr. PASTORE. If the Senator will withhold that request, Mr. President, how much time does the opposition have?

The PRESIDENT pro tempore. Ten minutes.

XUM

Mr. PASTORE. I will not take all that time.

Mr. President, no impertinence is intended, but this amendment is just as phony as a $3 bill. It is not, in my humble opinion, advanced for any reason that is going to improve the bill. It is advanced with the intent to crucify the amendment.

What does this amendment say? Regardless of whether this is a good thing to do for the people of the United States of America, to make sure that the best qualified man will be elected their President and their Commander in Chief, no matter what the nobility is of that concept, you cannot do this because the budget is not balanced.

I say to my good friend, the Senator from Nebraska, that we have been trying to stop the flow of money to Vietnam. We have a vote on this floor. We spend in Vietnam more money—$25 million a day more—than we will spend on this in 4 years. We spend in Vietnam $25 million a day more than we would spend on this concept in 4 years. We had a vote here not too long ago to stop money going into Vietnam, except for the purpose of withdrawal of American troops, and who voted for it and who voted against it? How did those who wanted a balanced budget vote? How did the Senator from Nebraska vote?

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. PASTORE. I have the floor.

Mr. CURTIS. The Senator asked me how I voted.

Mr. PASTORE. Yes.

Mr. CURTIS. I voted to provide funds for our boys in Vietnam who were put there a good many years before the present administration came to power. If the Senator wants to make a comparison of what war costs compared to what political elections cost, that is not an appropriate argument here.

Mr. PASTORE. If the Senator will permit, the comparison certainly is proper. It has to do with the balancing of the budget. If the money has to be spent, according to the Senator's idea, because that is the right thing to do, then it does not matter what the status of the budget is. Now if it is the right thing to insure that we have the best President, why does the Senator put on that limitation that the budget must be balanced? Does the Senator mean to tell me that it is more sacred that we be in Vietnam than to have the best man as the President of the United States? That is the logic of the Senator's argument.

Mr. CURTIS. I think that becoming involved in Vietnam was terrible.

Mr. PASTORE. Of course, it was; and I agree with the Senator in that respect. But the Senator is saying that before you have anything that has nobility, you ought to balance the budget. That is what the Senator's amendment says. He is not questioning the character and the quality of this. If the Senator stood up and said, "I am against this amendment," frankly, I would say, "Amen. You have a perfect right to your point of view, as I have a perfect right to my point of view, and let's come to a vote." But when the Senator stands up and says, "I don't like this, whether it is good or bad, but you can't have it even if its good, because the budget isn't balanced," we would not do many things on the floor of the Senate, and the Senator knows that.

That is why I say it is as phony as a $3 bill, and it should be rejected.

I yield back the remainder of my time.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. All time has expired.

The clerk will call the roll.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

Mr. PASTORE. Mr. President, out of whose time does this come?

The PRESIDENT pro tempore. All time has expired.

Mr. PASTORE. Does this come out of the time on the amendment or nobody's time?

The PRESIDENT pro tempore. Nobody's time.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Nebraska. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), and the Senator from New Hampshire (Mr. MCINTYRE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New York (Mr. JAVITS) is detained on official business.

The result was announced—yeas 43, nays 53, as follows:

[No. 375 Leg.]

YEAS—43

Aiken	Dole	Percy
Allott	Dominick	Roth
Baker	Ervin	Saxbe
Beall	Fannin	Schweiker
Bellmon	Fong	Scott
Bennett	Goldwater	Smith
Boggs	Griffin	Stafford
Brock	Gurney	Stevens
Brooke	Hansen	Taft
Buckley	Hruska	Thurmond
Byrd, Va.	Jordan, Idaho	Tower
Cook	Mathias	Weicker
Cooper	Miller	Young
Cotton	Packwood	
Curtis	Pearson	

NAYS—53

Allen	Ellender	Long
Anderson	Fulbright	Magnuson
Bayh	Gambrell	Mansfield
Bentsen	Gravel	McClellan
Bible	Harris	McGee
Burdick	Hart	McGovern
Byrd, W. Va.	Hatfield	Metcalf
Cannon	Hollings	Mondale
Case	Hughes	Montoya
Chiles	Humphrey	Moss
Church	Inouye	Muskie
Cranston	Jackson	Nelson
Eagleton	Jordan, N.C.	Pastore
Eastland	Kennedy	Pell
Proxmire	Spong	Talmadge
Randolph	Stennis	Tunney
Ribicoff	Stevenson	Williams
Sparkman	Symington	

NOT VOTING—4

Hartke	McIntyre	Mundt
Javits		

So Mr. CURTIS' amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BYRD of West Virginia. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 721

Mr. WEICKER. Mr. President, I call up my amendment No. 721.

The PRESIDING OFFICER. The Senate will be in order. Senators will cease conversations. The Senate will not proceed. An amendment is about to be stated by the clerk, and I know we are interested in hearing its contents. Senators will cease conversations. The pages will cease conversations.

The Senator from Connecticut will proceed.

Mr. WEICKER. Mr. President, on this amendment I request the yeas and nays.

Mr. BYRD of West Virginia. Mr. President, has the clerk read the amendment?

The PRESIDING OFFICER. The Senator is correct. The clerk will read the amendment.

The assistant legislative clerk read as follows:

On page 13, after line 25, it is proposed to insert the following new subsection:

"(d) No person holding Federal elective office as of the date of enactment of this Act shall be eligible for funds provided herein prior to January 1, 1973."

Mr. WEICKER. Mr. President, I request the yeas and nays.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, I shall read the amendment. It is very simple. It reads:

On page 13, after line 25, insert the following new subsection:

"(d) No person holding Federal elective office as of the date of enactment of this Act shall be eligible for funds provided herein prior to January 1, 1973."

No person holding Federal office is to participate in the funds generated by the Pastore amendment prior to January 1 of 1973. I would say that that is the minimum of propriety. I have come before this body to suggest that such should not be the case for 6 years, and that suggestion was turned down. Then I suggested an amendment by which the act would not take effect until after the presidential elections of 1972, and that was turned down.

All I am suggesting now is that a lot of money is going to be generated for politicians by this legislation, and I am saying that the politicans here—we—this body—shall not participate in that money.

Do not Senators think it might give a certain degree of confidence to the American people if we passed something that was good for them rather than something that was good for us?

I might say that I plan to follow this proposal with another one which provides that the President and Vice President will not participate in those funds. If certain Senators have indicated that they want to participate in this slush fund, President Nixon has indicated he will not.

Let us talk specifically about what is intended by the amendment. We are going over the same ground again. The Senator from Rhode Island knows it, and I know it. But much has happened since this debate began. I think there is no question that the American public has become well aware of what the issue is—that it is not rich versus poor, or that enables those who do not have enough money to run for public office to do so. That is the way is was originally presented, but as the debate has proceeded it has become clear that there are many drawbacks to this legislation and that it does not have the high-sounding purposes which the Senator from Rhode Island and his colleagues would have us believe.

I think it enormously important that what we do here on the floor of the Senate have credibility among the people of this country. Yet the way the act is written, the way in which the money is to be distributed, all we are going to do is fortify the low esteem, as proved in poll after poll, the American people have of their politicians.

I repeat, and I want to make very clear, what I think of the concept of the Senator from Rhode Island. I do not believe that the amount of money a person has or that is available to him should determine whether or not he should run for public office. To that extent, the Senator from Rhode Island is 100 percent correct. So let that question be done with so far as argument from this side is concerned. We have to devise a system in this country which will make it possible for any man or woman to run for any office without money being the bar to his right to do it.

I am trying to cure the proposed legislation with my amendment. Why should we on the floor of the Senate pass a bill from which we are going to directly and financially benefit? That is all I am talking about. If the idea of the Senator from Rhode Island should become a fact, then 3 or 4 years from now we will be able to stand before our constituents and say, "Yes, I voted for reform in our campaign practices here in the United States, but I want you to know that I personally eschewed any benefit that I would have had from that legislation."

That, in essence, is what this amendment says.

Does the Senator from Rhode Island care for recognition at this time? Does he intend to talk on this amendment?

Mr. PASTORE. I will talk on it for a very short while.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. COOPER. In support of the amendment that has been offered by the distinguished Senator from Connecticut, I would point out that in 1966 the Senator from Louisiana (Mr. LONG) proposed an amendment which was practically identical to the one that the Senator from Rhode Island (Mr. PASTORE) has proposed, and it was debated thoroughly and adopted.

In 1967 former Senators John Williams, of Delaware, and Albert Gore, of Tennessee, offered an amendment to the Tax Credit Investment Act to repeal the 1966 amendment of Senator LONG. The Williams amendment was debated fully and thoroughly for 2 weeks, and the 1966 Long amendment was repealed by a vote of 48 to 42. Fifteen Members of the majority party voted for repeal.

One of the chief proponents for repeal was the late Senator Robert Kennedy. One of his reasons for repeal was that it would provide funds to the national committees of each party, thus centralizing power in Washington at the national level and that the national committees could influence local elections, the election or nonelection of candidates for State, Federal, or local office.

Now it is claimed that the Pastore amendment has cured that defect because it provides that the money shall be allocated to the candidates rather than to the national committees. I will use an expression that the Senator from Rhode Island (Mr. PASTORE) often uses "How silly can we be?" The candidate will not carry the money around in his pocket. He will establish a committee to manage his campaign and to make campaign expenditures. We know it will be either the national committee or a committee of his choice, and such a committee will have the same power to influence local and State elections.

I know I have stated the position of those I have quoted, for yesterday I read the debate again. I do not recall whether the Senator from Rhode Island voted to repeal the 1966 Fong amendment but——

The PRESIDING OFFICER. Will the Senator from Connecticut advise the Chair as to how much time he yielded the Senator from Kentucky?

Mr. SCHWEIKER. I yield 3 more minutes.

Mr. COOPER. I take this opportunity to point out that the same arguments against the 1966 Fong amendment still applies. There was large editorial opposition throughout the country to his amendment. Today there seems to be very little comment upon the Pastore amendment, essentially the same amendment.

The amendment of the Senator from Connecticut is correct, at least until we have some opportunity to see how this fund would be used, and some experience. Without a clean election act, and none has been enacted, the abuses which the election reform act approved by the Senate was designed to correct would be perpetuated and magnified.

I support the Senator's amendment.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. I yield 3 minutes to the Senator from Louisiana.

Mr. LONG. Mr. President, the Senator is slightly in error when he says we debated this matter for 2 or 3 weeks. We debated the matter for 5 weeks when we talked about suspending the proposal for a $1 checkoff to finance both parties.

The basic argument made at that time by those who opposed the proposal was that they wanted more safeguards. They wanted to be sure there would be reporting. They wanted provisions to keep this money from being used by a party chairman to favor one candidate over another; and they wanted greater accountability for the funds than the provision then provided.

The provision was not repealed. The Senator is in error on that also. It is still on the statute books. The situation was that the Senate voted merely to suspend operation of that provision until these safeguards could be put into effect.

We have studied that matter down through the years, and we have proposed every safeguard that we thought would serve a purpose, including making the man running for President accountable, rather than having the party chairman accountable for these funds. In fact, we have provided so many safeguards that those who do not like it now say there are too many, and that it is not right to apply a criminal sanction to a man running for President.

I did not respond to that point with regard to the previous amendment, but the fact is that we do not regard a presidential candidate as being above the law. As a matter of fact, there have been some investigations, even this last time, as to whether George Wallace's money was properly handled.

Mr. President, by now it should be clear that there is a link between campaign contributions and the improper influence of money in Government. That should be fairly clear to everyone who is concerned about the matter. It would help to have reporting disclosure provisions.

The difficulty, however, is that those provisions make it even more difficult to raise private funds to finance an election on a proper basis. I am well aware of the fact that any time you receive a contribution, on the most legitimate possible basis, it is subject to someone misconstruing it. I made a speech some years ago to the largest restaurant association in the United States. It gave me an honorarium; and since that time, I have read articles and commentaries of nationwide columnists, including Drew Pearson's and now Jack Anderson's column, inferring that the reason I later voted to help the restaurants with some of their problems was that they had given me an honorarium the time I spoke before their convention.

I would like to reduce or eliminate this kind of misunderstanding, and at the same time make it possible to raise funds and comply with all the reporting and disclosure provisions, and everything else that the mind of man might suggest as ways that would make government more circumspect and more in line with public views of honesty and integrity.

So I would suggest, Mr. President, that this so-called conflict of interest is basically a situation where a person has an interest one way or the other. Much has been said to the effect that the Democrats have difficulty raising money.

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Everyone has to raise campaign money when he runs for office, and the question is, How should it be raised? It seems to me that while those on the other side might suggest that the Democrats have an interest in raising compaign funds, what we are really trying to do is make it so that no one would have to make any commitment that his conscience does not dictate in order to raise campaign money. It could well be argued that those on the other side have a vested interest in defending something that leads to greater corruption in government. Who has the conflict of interest in that case? I should think that anyone who is voting for the national interest has an interest parallel to that of the Nation, and he should be voting for something which is for the good of the Nation and the State which he represents.

On the other hand, when one has an interest in defending something that should be changed, some vestige of corruption or improper influence that has been left to us from previous times, he might be accused of having a conflict of interest—an interest in keeping it the way it is, rather than correcting it and putting it in proper form.

I am not trying to reflect on anyone's motives, but the truth of the matter is, Mr. President, that if I were a candidate for President—and I am not, and never expect to be—I would feel it was my duty to vote for this proposal, because I would not want to go out and make commitments that I would not otherwise make in order to obtain campaign funds. I should be glad to put in the record some of the propositions made to people when running for office, which they either have to agree to, or, if they wish to keep their conscience clearly within their own control, be very poorly financed.

We want to reduce and eliminate that type of situation. We want to release candidates from the pressures of having to raise money beyond one's ability and under circumstances which cause people to make commitments which are contrary to their judgment or beliefs. Problems such as these have led us to a system which is against the interests of the Nation, and which can lead to conflicts of interest in Government. We want to correct that situation.

I hope the Senate will defeat the proposed amendment.

Mr. PASTORE. Mr. President, I yield myself whatever time I may require, within the limited time I have available.

I suppose that in a prolonged debate such as the one we are engaged in now, we find ourselves repeating ourselves time and time again, and I suppose it gets a little bit boring.

I realize, too, that whether you are for this amendment or against it, there is honorable motivation on both sides. I do not want anyone to run off with the idea that there is more honesty or less honesty in one party than there is in the other.

But we have to admit that over the years, because of the astronomical costs involved in a presidential campaign, we have developed a monster. We have developed a monster. I do not know how others feel, but I have had committees eager to be helpful that have raised money for me, and I must confess on this floor today that I have always found it embarrassing and perhaps a little humiliating. I know there was no expectation of reward.

I know there is no compromise of conscience nor conviction. Those are human characteristics that cannot be changed in people, no matter what the price. I like to feel that any man who is elected to public office is an honest man. I have been a member of this body now for 21 years, and I can say that I have not met a dishonest person. But let us talk about the facts of life today. You can talk about 1967, and you can talk about 1969, but the facts of life are these: To run for the presidency of the United States today requires a barrel of money. Either you have that money or you have to go out and get it. What we have developed as a system in this country is that is no longer a $5 donation any more or a $10 donation. We are pyramiding the style and fashion. This goes for both parties. Now you have to have a $1,000 club or a $500 club—or a national hookup of clubs and banquets all over the country, for which individuals buy a ticket for $500 to attend.

Think of the many people over the age of 65 this morning, in this cold weather, who if they have to go out to buy something must go in their sneakers because they do not have the money to buy a good pair of shoes. They see the headlines of the newspaper on the stand and read that thousands of people go to a banquet at $500 a head. They must say to themselves, "What is happening to us? What is happening to this fine Republic of ours?"

Must the President of the United States humiliate himself being led around building up goodwill, but entertaining these ticket buyers. Why must he be thus taken away from his Office in the Oval Room or the privacy of his desk, where the problems of this great Republic demand his unremitting attention, yes—once before a bill was introduced to remedy this. That bill was vitiated. Its faults do not exist in the Pastore amendment. I changed it in two respects: No. 1, I made it elective upon the candidate, to accept or reject participation in the presidential campaign fund I did not want to be accused by anyone that, because the Republicans were a little luckier than the Democrats this time and had accumulated the money, I wanted to do something to hurt the Republicans or stymie them. That was not my intention at all.

When the matter came up for discussion, I was the one who insisted that I was not going to be party to any measure that was punitive against anyone. So that was the first amendment I suggested—that it would be elective upon the candidate.

If he chose he could go the private way. I hope that some day that will be changed, too. I hope that we will pass that bill now in the House, so that we can place a ceiling on spending for all candidates, and so that the broadcasting institutions in this country will give free time—an agreement we already have, our goal is to see that every candidate can get the exposure. The first modification I made was that the source of funds would be elective.

The next modification I made was to make the candidate himself solely and strictly responsible for the money that might be taken out of the Treasury in order to finance that campaign. I did not like the idea of the funds going to a national committee, because there the responsibility would be diffused. I wanted the responsibility to impinge on one person, the person who applied for the money. He would be pledged that he would not use any more than he was entitled to under the law, and that he would not and could not go out and collect another nickel besides. That is the reasoning behind those changes purely and simply expressed.

I know that there are people on the other side who ideologically cannot go along with this. There are some on our side—I have in mind the Senator from Virginia, whom I love. I have not talked to him about his vote. I would not dare talk to him about his vote. I have not tried to case anybody. I have not asked anybody to vote for this. I have not asked anybody to vote against it. I have not been in the cloakroom and begged anybody for his vote. I am not a candidate for President. I have 5 years remaining in my present term, and by then I will have had 26 years in the Senate. This amendment is not for me personally. But I think the time has come when we have to put this matter in proper gage, and that is all we are trying to do—put it in proper gage.

We have heard comment pro and con about the New York Times publishing a friendly editorial with respect to the Pastore amendment. I do not cite that as proof that no one should oppose it. I am not saying that at all. But I do submit it as reasonable testimony in evidence that the Pastore amendment is not the awful thing that some of the Republicians have suggested. It is not meant to be. I am waiting for the hour of decision—5 o'clock to leave it up to the vote of this body.

I have not solicited anybody. I do not know whether the White House has called anybody. I do not know whether any staff members have been down here talking to anybody. I have read some such suggestions in the newspaper. There is some talk that the President might veto this. That is his prerogative. I would not impinge upon that. I would not even say one nasty word about it, and I have not. I have not castigated anyone. If Members do not like this way of achieving campaign funding sanity and if they want to vote against it, that is their prerogative. It is their privilege.

I borrow a sentiment from Bishop Sheen to say:

> I love you. I'll love you just as much tomorrow as I do today.

And that goes for the Senator from Connecticut. There is nothing personal here.

What is the Senator from Connecticut doing? His last amendment sought to exempt two elections. Now the Senator is seeking to exempt one election. As I said then, he was going to come down the scale, and my prediction was right. First, he said 1977. That took it beyond the 1976 election. Now he is saying 1973, which takes it beyond the 1972 election.

The point is this: If my amendment is good at all, if it has any merit at all, it has merit today. If it does not have merit today, it does not have merit at all. With respect to the idea that it is going to be a good law in 1973 but a bad law today, I use the expression of my colleague who more or less quoted me: It would be ridiculous; it would be silly.

I hope this amendment is rejected. It refers to any person who is holding a Federal elective office. I do not know whether Senator MUSKIE is going to be the candidate. I do not know whether Senator KENNEDY is going to be the candidate. I do not know whether Senator MCGOVERN is going to be the candidate. I have never asked any one of them. Perhaps they will be, and perhaps they will not be. My only prayer and hope is that they will be in good health in July of 1972. Let the convention decide who the candidate is going to be.

But I do not think anybody is trying to put any money in their personal pockets. No one is trying to raid the Treasury. This money has to be accounted for. It has to be for the campaign. Why? So that we will not have a lopsided situation; so that we will not have one person running for the Presidency on television, every hour on the hour, while the other fellow is on the telephone begging people to send him a few dollars so that he can go on radio for a few minutes.

I want to give them both a fair share. Why do we want to give them both a fair share? So that the people will have an opportunity to judge; and that is what this is all about, period.

I hope the amendment is rejected.

The PRESIDING OFFICER (Mr. MONTOYA). Who yields time?

Mr. WEICKER. Mr. President, that was an eloquent presentation by the Senator from Rhode Island as to the Pastore amendment, but it lightly passed over the Weickert amendment.

The Senator from Rhode Island is entirely correct when he says that I had an amendment before this body which would have postponed the effective date of the act for 6 years. That was the best; that was the optimum. That would have made us 100-percent honest. We could have turned to our people around the country and said, "We have passed this legislation for the future of America. We are not designating it for our benefit." Unfortunately, due to the efforts of the Senator from Rhode Island and his colleagues on that side, we cannot be 100-percent pure in the matter.

So I thought that perhaps we could be 66⅔ percent ethical in the matter; and the Senator from Rhode Island and his colleagues on the other side said, "No. That is not good enough. We want to get to this money, and we want to get to it now."

The amendment I have now proposed tries to make us 33⅓-percent honest, if you will. But apparently even that is not to be. The question that arises in my mind is this: Why the unseemly haste? What is the haste to get our hands on this money? There must be some practical reasons which I do not understand unless it is of course——

Mr. PASTORE. Mr. President, will the Senator from Connecticut yield on my time?

Mr. WEICKER. I will yield 1 minute to the Senator on my time, as soon as I have finished this thought. Within the past 7 days, every one of the Democratic candidates has had to cancel very important appearances, before the Young Democrats at Hot Springs, before the AFL–CIO, and so forth. With all the great matters that have come before this body dealing with international affairs and the vital questions affecting the Nation at home, no such cancellation took place. But when it comes to campaign funds for the Democratic Party, they are all back in Washington on the Senate floor. They are for this amendment not because of the merits but because they have the votes. This amendment puts it squarely to eacn one. I hope that the people of this country will go right down the list of the rollcall votes and find out which Senator voted for his own pocket and which Senator voted for the United States and campaign reform; because even if this amendment passes, each one of the candidates and each Senator will have the opportunity to vote for the Pastore amendment. The Pastore amendment probably will pass and probably should pass; but how about the Pastore amendment with the Weicker amendment on it, which says, simply, to the people of the United States, "We believe in campaign reform. We believe that lack of money should not be a bar to any man or woman running for public office and we have accomplished that on the Senate floor for the future of America, while at the same time denying the use of the funds to ourselves."

Now I am glad to yield to the Senator from Rhode Island.

Mr. PASTORE. The point the Senator from Connecticut misses, which is the crux of this whole situation, is that we are not voting ourselves one dime. We are merely saying to the people, those who pay the tax, "You have the opportunity of setting that dollar aside—that dollar that has got to go into the treasury, anyway—but you check it off to purify the elective process." If the people decide that this is a bad thing, that they will not allocate the dollar. All we are doing is bringing the power of decision to the people. I heard here the other day the argument made that we as the Congress should appropriate in the usual process. I do not want Congress to dictate it. I want the people to decide it. That is why this amendment has been written the way it has. I tell you frankly, Mr. President, if the people do not allocate that money, this amendment will die of its own weight. It is as simple as that. All we are saying is that this is a referendum, so to speak. We are going back to the people and saying, "Do you prefer to do it this way? If you do, then designate that dollar; but you are the one who votes it. We do not."

Mr. WEICKER. The fact is that no referendum will take place until you have the money.

Mr. PASTORE. From whom do we get the money?

Mr. WEICKER. From the taxpayers. The Weicker amendment says that no one shall participate in the use of the funds prior to 1973, which means that we have to go back to the voters to indicate our stand on this matter. I suspect that someone may come up to me if I were one of the unlucky ones to have voted for the Pastore amendment, and he might say to me, "Senator, how come I have been out of work for several months, yet the priority of business in the United States Senate has been to vote itself campaign funds?" Or, "Senator, how come it is that we cannot go ahead and have my family taken care of in the way of decent health facilities, when you fellows have a priority on the use of funds for your campaigns?" Or, "Senator, I cannot move because we do not have a transportation system in this country, but how come it is that you can move so fast as to give yourself funds for a campaign?"

If I were so unlucky as to vote for the Pastore amendment, how would I respond? I might say, "Well, it is established now as a fact of life in the United States and we will worry about the criticism later." That seems to be a problem of credibility. I say, let us give some dignity and honor to our profession.

Mr. PASTORE. Mr. President, will the Senator from Connecticut yield?

Mr. WEICKER. I yield, but on the Senator's own time now.

Mr. PASTORE. All right. I would hope that the Senator would not consider this impertinent, but I would like to make a suggestion. The way I would respond to it would be to say, "We in the U.S. Senate did not vote ourselves this money. We merely make it possible to give the people the opportunity. We delegate to them the opportunity to provide the people's money to elect the best President we can that this country ever had. We say, "It is up to you, the people, to decide to set the money aside."

Oh, I know that this is evoking little smiles from Tennessee and New York. I know exactly how they feel. But the point is that all we are trying to do is to make it possible for the people of this country to elect a President who is not obligated to the "fat cats." In plain English, that is what it means.

Mr. WEICKER. Mr. President, I yield 1 minute to the Senator from Colorado (Mr. ALLOTT).

Mr. ALLOTT. Mr. President, I serve on a committee with the Senator from Rhode Island, and I appreciate his humor. I hope he does not mind us smiling once in a while over here because it is very appropriate. But I want to say to the Senator from Connecticut that I cannot see that the Pastore proposal is in conformity with the American system. It is not a choice. What it says is that if we want to earmark $1, it can go into a fund. Perhaps he does not, but I think he does agree with the general principle of appropriating funds. I feel certain that he does because I serve with the Senator from Rhode Island on the Appropriations Committee. But what his amendment would do would be to circumvent the process of appropriation.

I ask the Senator from Connecticut: Is it not true that if the Pastore amendment shall be agreed to, even with or without the Weicker amendment—which I support very strongly—that what we will have done will be to earmark x millions of dollars, and that will be the No. 1 priority over welfare reform, over care for the aged and the blind, over the problem of mass transportation, and over everything else that so many Senators talk about as being vital to this country and what we should be doing? Is it not a fact that if the Pastore amendment shall be agreed to, with or without the Weicker amendment, what we will have done is to earmark for political campaigns money literally for ourselves and our Presidential candidates over and above everything else that is before this country which is said to be so urgent?

Mr. WEICKER. The Senator is absolutely correct.

The PRESIDING OFFICER (Mr. MONTOYA). The 1 minute of the Senator from Colorado has expired.

Mr. ALLOTT. Mr. President, did I have just 1 minute?

Mr. WEICKER. I yield 1 additional minute to the Senator from Colorado.

Mr. PASTORE. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Rhode Island has 12 minutes; the Senator from Connecticut has 11 minutes.

Mr. ALLOTT. Mr. President, I have not made up my mind whether I am going to run for the Presidency or not. As a matter of fact, no one has urged me to do so—not even my colleagues; but I can see the position that a candidate for President from the Senate would be in if he voted for the Pastore amendment. It would be a direct conflict of interest. I can interpret it in no other way. I do not think we can wear all of our honor on our shoulders like epaulettes, any more than any one else.

I have never understood, when anyone contributed to my political campaign, than I owned him any more than one thing, and that was to conduct myself as the man he thought I was when he helped me get into an election, and helped by contributing to it. But I cannot see how anyone—I frankly cannot see it—how anyone who is an official, or a semiofficial, or an incipient candidate for the President, can vote for this bill. I do not see how we can vote for it at all.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLOTT. I thank the Senator from Connecticut for yielding me time.

Mr. WEICKER. Mr. President, I will yield in a minute to the Senator from Kansas. However, in response to the Senator from Colorado, I might add, to follow the reasoning of the Senator from Colorado, that neither should the President of the United States participate in the passage of this measure. This is not a partisan affair.

I think that the Senator from Colorado feels as strongly as I do that the President of the United States should not sign a bill that he would benefit from.

Mr. ALLOTT. I believe that.

Mr. WEICKER. Mr. President, I yield 2 minutes to the Senator from Kansas.

Mr. DOLE. Mr. President, as I understand it, the language of the amendment provides that no one now seeking the Presidency who might be a Member of this body would be eligible for funds.

Mr. WEICKER. The Senator is correct.

Mr. DOLE. Could that person resign as a Senator and then be eligible?

Mr. WEICKER. Certainly. He could resign as a Senator and be eligible for the funds under the amendment.

Mr. DOLE. Mr. President, does not the Senator believe that with so many Senators in this body being interested in the Presidency, if they were all to resign we would not have a quorum?

Mr. President, I want to speak to the point about being obligated. I can understand the great interest of those on the other side of the aisle in this measure, because it more or less makes it easy for all those candidates of the other party in this body in the primaries.

I am certain that those people will become obligated in the primaries. They spend millions of dollars. How would they not become obligated in the primary while trying to get the nomination?

It is said that this would absolve anyone of politics and he would be free from obligation.

To me this is a green light to get into the race. Anyone can enter the primaries, and if he spends millions of dollars on the primary and wins, he has $20.4 million waiting if nominated.

We do not accomplish anything unless it applies to all elections and to all efforts to get the nomination. So all we do is shift the so-called responsibility of being free from the taint of any deal.

If a person won in the primaries and the convention, I guess it would tend to have him arrange some fantastic deals at the convention if that person were leading in the polls and had a lot of delegates and knew he had $20.4 million waiting for him. I think that we would add to the problem, rather than subtract from it.

I support the amendment of the Senator from Connecticut. It does indicate, so far as this body is concerned, that we are not seeking these funds.

I know it is difficult to raise campaign funds. We have difficulty in the Republican Party. The Senator from Rhode Island referred to a $5 million dinner several times. I wish to point out that it was only $4 million.

Mr. PASTORE. Only $4 million?

Mr. DOLE. It was only $4 million gross, and we had some expenses.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WEICKER. Mr. President, I yield 1 additional minute to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 1 additional minute.

Mr. DOLE. Mr. President, that is only the beginning. I might say to the Senator from Rhode Island that we hope to have additional fund-raising efforts. We have a lot of activities patterned after the activities that the other party has been using. We are trying to learn. We are trying to raise money. We are doing the best we possibly can to obtain some contributions. We have a membership fee in the Republican Party of $10 or more. Many people belong to the organization.

If I may ask the Senator from Rhode Island a question——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOLE. I will ask it later.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. PASTORE. Mr. President, I yield to the Senator from Wyoming.

The PRESIDING OFFICER. How much time?

Mr. PASTORE. As much time as he might need.

Mr. HANSEN. Mr. President, I wish to propound a question to the distinguished manager of the bill. Will he state the intent of the bill with respect to the treatment, under the investment tax credit, of underground storage tanks, such as those used by gasoline service stations.

Mr. LONG. The answer is clear. Tanks such as those the Senator describes are tangible personal property and as such are eligible for the credit, without regard to whether they are installed above or below the ground. In this respect the intent is the same under the new bill and under the prior investment credit enacted in 1962.

Mr. HANSEN. Mr. President, I thank the distinguished Senator from Rhode Island for yielding to me.

Mr. BYRD of Virginia. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I yield for a question.

Mr. BYRD of Virginia. Mr. President, I wish to ask a background question with regard to the Pastore amendment. First, I shall vote against the pending amendment.

The amendment, as I read it, says "effective with respect to the taxable years beginning December 31, 1970." That means it would be in effect, I assume, for the taxable year beginning January 1, 1971, and each year thereafter.

Mr. PASTORE. The Senator is correct.

Mr. BYRD of Virginia. Mr. President, the statement submitted to the Senate by the Senator from Rhode Island (Mr. PASTORE) contains this sentence:

> If everyone were to designate $1 this would, based on the present level of filing, indicate a total of $113 million with respect to 1 year.

Mr. PASTORE. The Senator is correct.

Mr. BYRD of Virginia. Mr. President, counting all years between that year and the following election means 4 taxable years.

Mr. PASTORE. The Senator is correct.

Mr. BYRD of Virginia. And if we assume roughly $100 million as a theoretical figure, would that not build up $400 million and, if so, what would be done with that money?

Mr. PASTORE. The law—and the law is very specific—states that all that any candidate of a major party can receive is 15 cents multiplied by the number of people in this country beginning with age 18. The reason why we use $113 million is that 113 million people filed income tax returns. That is the most that could possibly come in. Of course, how much will come in no one knows. If only $2 million were to come in, I would be the first to say, as I have said several times before, that the people do not want the law.

To answer the Senator's question, the money goes into the Treasury. But the day after the election, it becomes unmarked but remains in the Treasury.

Mr. BYRD of Virginia. That would be for the 4-year period.

Mr. PASTORE. The Senator is correct.

Mr. BYRD of Virginia. That means that there could be $400 million.

Mr. PASTORE. That is correct, if every person in the country assigned $1 to the party of his choice. If that were to happen, I should think that we would have a perfect law, in that it certainly had met with the approval of everyone in the country.

Mr. BYRD of Virginia. It would also mean, would it not, that if only half of the people filing were to contribute, there would be between $200 million and $300 million earmarked for the fund.

Mr. PASTORE. The Senator is correct. However, it woud still be in the Treasury. No one could touch it. And all this would cost—I do not care how one looks at it—is $450 million tops. That is all it could cost.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. LONG. Mr. President, I have been thinking about this matter. We could handle it in conference. So far as I am concerned, I would be willing to have an amendment to the effect that when the amount of funds builds up to $100 million, any excess would go back into the general fund of the Treasury.

Mr. PASTORE. It is there to begin with. It is always there. It is under the control of the Secretary of the Treasury. It is always there. The point is that the day after the election it just becomes unmarked. That is about the size of it.

It is like the social security fund, the money is in the hands of the Government. And this is going to be in the hands of the Government. In all probability the Government will be getting interest on it.

Mr. WEICKER. That is the difference in philosophy right there. Should the choice be in the hands of the Government or the people?

Mr. PASTORE. The choice of what? Will the Senator yield?

Mr. WEICKER. Not at this point. This is too good to let loose of.

There is the difference. We say on this side that the choice should be in the hands of the people and that choice should direct itself to the quality of the candidates and the logic of the issues. The Senator from Rhode Island and his party say, "We want it in the hands of the Government, regardless of how bad may be the candidates or the issues." There is the very basic difference in philosophy between our parties.

There are many deficiencies in the measure but the greatest is the one the Senator from Rhode Island just mentioned, having fund raising and disbursing in the hands of Government.

Mr. PASTORE. Mr. President, will the Senator yield on my time?

Mr. WEICKER. I yield.

Mr. PASTORE. Who would the Senator have control the money?

Mr. WEICKER. I would have the people of the United States make the choice.

Mr. PASTORE. Of what?

Mr. WEICKER. And let the people give the money to the various candidates and parties; not have the money in the hands of the Government. There is where we differ, and admittedly so.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. PASTORE. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. HART. Mr. President, will the Senator yield?

Mr. PASTORE. I yield to the Senator from Michigan. The Senator may use all of my time or whatever he wishes.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. HART. I think it is helpful to repeat what to me is really the overriding factor for supporting the Pastore amendment. The thing most people in this country find as the basis for their gravest doubts about our performance, our freedom, our objectivity, is the fact that we do take private money.

All of us here are our most lenient judges. We say it never influences our decisions. I hope that is right. The hooker is that the public is not so sure and it will always remain unsure until we eliminate private money from political campaigns, and that does mean Government money, not private money.

When that day comes there will be much greater confidence in the performance of public officials. The Pastore amendment is a useful first step.

Mr. WEICKER. Mr. President, I yield myself 1 minute.

We are not discussing the Pastore amendment; we are talking about the Weicker amendment. When we talk about confidence of the public——

Mr. PASTORE. It would delay the expression of that confidence.

Mr. WEICKER. No; it would not delay the Pastore amendment. It states that we in the Senate are not going to get any of the money; none of us voting on the bill.

The Senator talks about confidence of the American people. What does the Senator think they feel like when we vote ourselves $20 million for each party?

Mr. President, I yield 2 minutes to the Senator from New York.

Mr. BUCKLEY. Mr. President, the Senator from Rhode Island said earlier all his amendment would do would be to give the people the opportunity to elect a President who is not obligated to the "fat cats." This is an objective we all want, but I do not believe candidates this year can be spoken of as presidential candidates on the auction block; but if any man is for sale, he will have sold his soul long before he finishes the primaries. So this amendment does not accomplish that objective; it falls far short.

I am addressing myself to the Weicker amendment. What it does is fall short of the constitutional injunction. I mentioned this the other day. Section 6, article I of the Constitution states among other things:

> No Senator or Representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States, which shall have been created, or the emoluments whereof shall have been increased during such time;

I do not think it takes much extension of constitutional implications in section 6 of article I to deem this legislation as creating a quasi-public office of presidential candidacy, and the voting of $20 million is emolument of the first order.

I believe the spirit of the Constitution would clearly foreclose any Member of this body accepting any of this money in the first instance. So the amendment of the Senator from Connecticut is surplus and I believe and suggest that the constitutional injunction applies directly to what we are discussing. I would pray and hope, therefore, that if the amendment is not agreed to, the Pastore amendment be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Connecticut has 1 minute remaining and the Senator from Rhode Island has 4 minutes remaining.

Mr. WEICKER. I yield 1 minute to the Senator from Tennessee.

Mr. BROCK. Mr. President, I would like to comment generally on the bill later but I would like to respond to the comment by the Senator from Michigan that we need to get away from private money and get to Government money.

Probably the most frightening concept I can envision would be Government-financed campaigns because Government would then be in a position to name candidates, to influence who runs, when, where, and under what circumstances.

I can think of nothing to place freedom in greater jeopardy and to get away from the rights of the individual to elect candidates of their choice, financially, morally, physically, in any way he can, by working as a door knocker or in whatever capacity he chooses. The people must remain as an essential element in the free process.

That is the fundamental question that I have in this measure. It does not afford the individual his free choice. His money and the money of all taxpayers would go equally to all parties and therefore we institutionalize the political process rather than diversify it.

Mr. PASTORE. Mr. President, I have 4 minutes remaining, if anybody wishes to speak I will be glad to yield my time.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. PASTORE. I yield back my time.

The PRESIDING OFFICER. All time

XUM

has been yielded back. The question is on agreeing to the amendment of the Senator from Connecticut. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New York (Mr. JAVITS), and the Senator from Arizona (Mr. FANNIN) are detained on official business.

The result was announced—yeas 42, nays 55, as follows:

[No. 376 Leg.]

YEAS—42

Aiken	Dole	Pearson
Allott	Dominick	Percy
Baker	Ervin	Roth
Beall	Fong	Saxbe
Bellmon	Goldwater	Schweiker
Bennett	Griffin	Scott
Boggs	Gurney	Smith
Brock	Hansen	Stafford
Brooke	Hatfield	Stevens
Buckley	Hruska	Taft
Cook	Jordan, Idaho	Thurmond
Cooper	Mathias	Tower
Cotton	Miller	Weicker
Curtis	Packwood	Young

NAYS—55

Allen	Harris	Montoya
Anderson	Hart	Moss
Bayh	Hartke	Muskie
Bentsen	Hollings	Nelson
Bible	Hughes	Pastore
Burdick	Humphrey	Pell
Byrd, Va.	Inouye	Proxmire
Byrd, W. Va.	Jackson	Randolph
Cannon	Jordan, N.C.	Ribicoff
Case	Kennedy	Sparkman
Chiles	Long	Spong
Church	Magnuson	Stennis
Cranston	Mansfield	Stevenson
Eagleton	McClellan	Symington
Eastland	McGee	Talmadge
Ellender	McGovern	Tunney
Fulbright	McIntyre	Williams
Gambrell	Metcalf	
Gravel	Mondale	

NOT VOTING—3

Fannin	Javits	Mundt

So Mr. WEICKER'S amendment (No. 721) was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. MONTOYA) laid before the Senate a message from the President of the United States submitting the nomination of Kenneth K. Hall, of West Virginia, to be a U.S. district judge for the southern district of West Virginia, which was referred to the Committee on the Judiciary.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. DOLE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

Mr. GRIFFIN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. The clerk may proceed.

The legislative clerk read the amendment.

Mr. DOLE. Mr. President, as the reading has indicated, this is a very simple amendment. I believe that in the reading of the amendment, there was one word omitted, namely, the word "political;" it being the intent to the amendment to require that at the end of every commercial, whether it be printed or on radio or television, there be the following disclaimer: "The cost of bringing you this political message will be paid for by the U.S. Treasury."

Mr. DOLE's amendment is as follows:

On page 12—

(a) at the end of line 8, delete "and"

(b) between lines 11 and 12, insert the following new clauses:

(5) agree that each use of the printed or broadcast communications media for which payment is to be requested under section 204 of this subtitle shall, under regulations to be prescribed by the Comptroller General, be identified by the words "the cost of bringing you this political message will be paid for by the United States Treasury," and

(6) agree to furnish to the Comptroller General, for publication in the Federal Register, the names and addresses of such candidates' authorized political committees and the name and address of the chairman of each such committee.

Mr. DOLE. Mr. President, since the amendment of the Senator from Rhode Island was introduced there has been genuine concern that it is designed to provide certain candidates and parties with campaign funds at the taxpayers' expense while at the same time creating the illusion that the people have some choice in the matter. There also is legitimate concern that this scheme will undermine the careful effort and hard work which culminated in Senate passage of a comprehensive campaign reform bill in August. These apprehensions are not groundless.

DELUDE THE PUBLIC

One of the central inequities of this financing scheme is its capacity for deluding the public. The people are to be deluged with political advertisements which they will be asked to pay for without even being told that the message they are reading or viewing is the result of another Government aid program.

The amendment I offer puts the public on notice as to which advertisements are being charged to them. It will also facilitate the enforcement of title X by the agencies charged with supervision of subsidized campaigns. If the proponents of amendment 692 are sincere in their contention that paying campaign expenses from the Treasury will protect the virtue of candidates, they should enthusiastically endorse that part of my amendment which would require the identification of political messages which are to be paid for with tax dollars.

MORE POLITICAL COMMITTEES

Another inequity in amendment 692 is its encouragement of the further proliferation of political committees and its related capacity for misleading the public as to the nature of those committees. If that amendment passes we will have "authorized" committees and "unauthorized" committees; a more descriptive word might be "illegitimate" in the latter case. The authorized committees could solicit contributions, but, provided the slush fund were big enough, such contributions could not be used by a party in the presidential campaign if that party chose to draw on the fund. The unauthorized committees could also solicit funds and use them for any purpose, provided they did not spend more than $1,000 to elect a President or Vice President. Parenthetically, I note that, despite the claims of the proponents of amendment 692 that it would limit presidential candidates of major parties to expenditure totals of $20 million, there is no such limitation, and $20 million plus $1,000 multiplied by any number of unauthorized committees could be spent in their behalf.

I think we all know, as Members of this body and as candidates ourselves, that it is not hard to create a committee—or several committees.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. GRIFFIN. I should like to make clear, as the Senator from Ohio (Mr. TAFT) pointed out when he offered his amendment which was rejected, that in addition to any number of so-called unauthorized committees that may spend $1,000 each, these other organizations which apparently would not be within the definition of a "political committee"—organizations such as COPE, for example—organizations which could spend an unlimited amount under this bill. That point came through loud and clear during the debate on the amendment of the Senator from Ohio (Mr. TAFT), which was rejected.

So, I want to be sure that the Senator from Kansas (Mr. DOLE) realizes that apparently there could be other committees which could spend unlimited amounts, accordingly, the so-called $20 million limitation in the Pastore amendment, in practical terms, would be spent in addition to—on top of—huge amounts that could be spent in other ways.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. GOLDWATER. I am glad the Senator from Michigan reiterated the facts we have been speaking to on this particular subject.

For example, COPE can go into any district in this country and register voters. They can drive these voters to the polls on election day. They can propagandize, and there is no limit to the amount of money that can be spent. This is the way COPE gets around the prohibition of using union dues funds without the permission of the members.

The member does have the authority, as I understand it—say, in the UAW—

to say whether or not he will contribute to a political fund. If I were a union member, even though I was disposed to say "No," I think it would say "Yes," because of the powerful hold the unions have on the workers of this country today.

I was sorry when the Taft amendment was rejected. I hope this amendment is adopted.

For some reason or other, our friends on the other side of the aisle are very blind to the abuses practiced by labor because it is in their benefit. It is very true that like-minded groups might bind together on behalf of candidates on this side of the aisle, but they do not do it. I hope to see the day when unlimited spending by labor unions will finally be put under the control of law. I do not think that this Congress, the way it is constituted today, has the courage to do it.

Mr. DOLE. We are told that this provision for unauthorized committees is required to protect rights under the first amendment. If so it is a new concept to me, and it might even surprise some constitutional lawyers to learn that first amendment rights are worth exactly $1,000.

Be that as it may, I think that a citizen who is being solicited for a political contribution has a right to know whether the person soliciting him for campaign funds has in addition authority to draw on the Treasury.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. TAFT. I think we made it abundantly clear under the amendment the other day that constitutional rights apply only to individuals; and for that reason, individuals were exempted from the amendment I offered.

The only prohibition over and above the $1,000 limitation which was included in my amendment was the limitation relating to corporations and labor unions, political education committees, unauthorized political committees, and groups such as that.

Mr. DOLE. I thank the Senator from Ohio. I think the second part of my amendment is an effort to do in part what the Senator from Ohio sought to do earlier.

I notice that all the candidates are back in town, and they will be talking about this matter later today.

IDENTIFY COMMITTEES AND CHAIRMEN

The second part of my amendment would simply require that candidates intending to use public funds to finance their campaigns identify the committees authorized to act for them and the chairmen thereof. Under this proposal a taxpayer who is solicited to make a contribution will at least know which committees have already benefited from the "contribution" he was required to make on or before April 15.

UNFAIR TO THE PRESIDENT

In closing, Mr. President I want to point out one more glaring inequity in amendment 692. We have heard many times in the past few days that the amendment in no way restricts President Nixon; that he can opt out or opt in. That is simply not true. Section 1003(b)(2) of the bill requires, as a condition of eligibility for payments from the Treasury, certification by candidates that no private contributions "have been or will be" accepted.

But it is important to keep in mind that many of the same Senators who have assured us over and over again that the President has an option under this amendment are the same individuals who have also chided us with the fact that his party has already started to raise funds for the 1972 presidential election. If this is the case—and it is—the President could not possibly certify in August or September of next year that no contributions "have been" accepted. Even if it were possible to return contributions already received, it would make no difference under amendment 692, for the President is precluded—irrevocably barred by events which have already transpired—from receiving the same public assistance with which this amendment will underwrite the campaigns of his opposition.

I suppose that this remarkable inequity in the scheme might be eliminated by appropriate language. However, my amendment proposes no such correction, and I am content to leave amendment 692 as it is in this respect. We Republicans want no part of shifting our campaign burden to the public. If the Pastore amendment becomes law in its present form, the people can clearly see it for what it is—a blatant partisan attempt to fund the Democrat opposition to President Nixon in 1972 and to insure the success of that effort by paying the American Independence Party to take away from the President as many electoral votes as possible.

It is clear to me that the Republican Party is not eligible to participate in the division of these spoils, and I am proud that we are to be spared involvement in such a disgrace. It is gratifying to know that the funds which would have been available to my party had this amendment been more carefully drafted will remain available in the Treasury to satisfy the genuine needs of our people.

Let the proponents of this amendment explain to the American people—if they can—how an appropriation from the Treasury to bail out the Democrat Party and George Wallace is an appropriation for the general welfare.

Mr. President, I would say, in connection with the first part of my amendment, that section 612 of title 18 now requires identification. It requires identification of the committee or person responsible for a political advertisement and this identification can be verbal or written. So I say, as I said at the outset, that I see nothing wrong, in the event this amendment should be adopted, with any political message, whether it be by radio, television, or newspaper, carrying some disclaimer; and it should simply say that the political message will be paid for by the U.S. Treasury. Try as we will, and try as the proponents will, they cannot convince the American people that this is not an appropriation. This is an appropriation. This is from the Federal Treasury. If we are to campaign on that basis and use that money for campaign purposes, then we should identify the source of those funds, because the law requires it. It must be "friends of so and so" or "the Republican National Committee" or "the Democrat National Committee." This is a requirement of law; and if we are to take tax money under the so-called Pastore amendment, then I think we should also be consistent and affix that disclaimer to advertisements purchased with tax dollars.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. GRIFFIN. It seems to me that the amendment of the Senator from Kansas (Mr. DOLE) is particularly appropriate and deserving of support in view of the fact that the Senate rejected the Baker amendment, which would have provided that each taxpayer would have the option of adding $1 to the amount otherwise owed as taxes, and designate that his additional dollar go into a fund to finance presidential campaigns. Those who really want to give the taxpayers a voluntary opportunity to make a contribution to the presidential campaign, could have accomplished that purpose by supporting the Baker amendment. If the Baker amendment had been adopted the amendment which the Senator from Kansas is now proposing would not be appropriate or needed.

Mr. DOLE. Mr. President, as I said the other day, we are witnessing the biggest and largest Democrat fund-raising effort in history, and we do not even get to eat. I have attended many fund-raising dinners on behalf of my party. At those we start out with a reception and then we have something to eat and then we have some speeches. But this is a different kind of fund raiser. It is usually difficult to raise $20 million in 3 or 4 days, but the Democrats are attempting to do that. I would hope, if they are successful, that they will remember those of us on this side who did not buy tickets to the event, but who will be allowed to get some of the benefits.

I would point out, as I did earlier this morning that I reject all this talk about integrity and honesty, and the virtues of the candidate and how we will protect them all by spending the $20 million of the taxpayers' money. I have heard that more people will run in the primaries. I have heard that a couple of Republicans have said it looks so good they might even try it. So it does offer a great temptation, and I can see it working to encourage more and more candidates on the other side to the point that I can see the day coming when we will not be able to get a quorum in this Chamber, because everyone will be running for President. When that happens, we will have to repeal the act, which we did earlier in this session with the votes of 15 Members of the other party.

Now, Mr. President, I am not standing here, because I am the chairman of the Republican National Committee and I am resentful of the fact that we do not get the money under this amendment. But it occurs to me that with all those now seeking the nomination and running back and forth all over the country so frequently that what we are doing is saying, "Go out and spend all the money you can, because you may get

the nomination, and once you get the nomination there is that $20.4 million that in there for the Democrats to spend." That does not seem to be a bad start.

It should be made clear to the American people that this is not a checkoff, it is not participation, but is an appropriation of everyone's money, of Federal money.

If that is the way we want to run the campaign then we should amend it to take care of not only anointed presidential candidates but of aspiring Senators, Congressmen, Governors, and so forth. We should take care of all those seeking nomination. Why should the Senator from South Dakota, the Senator from Maine, the Senator from Minnesota, the Senator from Massachusetts, the Senator from Washington, and the other Senators running for Vice President be denied the benefits when they seek nomination? Why not give them the money now?

I had hoped we might have an amendment to appropriate whatever the Democrats wanted to get, and leave the Republicans out. If they want the $20 million, then give it to them by direct appropriation, but do not burden us with that money. We will still seek to maintain honesty and integrity and decency by soliciting funds from the public. It does not twist anyone or damage anyone. As the Senator from Connecticut (Mr. WEICKER) said a few moments ago, there is a difference in basic philosophy.

The party on the other side says, "Turn to the Treasury if you have a problem."

We say, "Turn to the American people. We have faith in the American people."

Mr. President, I do not know how many people will utilize checkoff boxes on their tax returns. We will have to print new tax return forms. There has been discussion that the Democrat's box might be larger than ours, in their effort to get more of the money, or that ours might be in fine print and theirs in banner headlines, or that ours would be on the last page and theirs would be on the first page. I would assume that if this amendment is passed both boxes will bear some proximity one to the other. But, I say seriously, I believe that the American people are beginning to understand now.

I was in Tennessee and Alabama over the weekend, and I mentioned this—whatever we call it—this reform bill. And I told them that they would be checking off funds to go to candidiates they might not be for, or that they might not be able to predict, or that they did not want to support. I think that is the basic fallacy in the Pastore amendment. The entire concept is wrong. The entire concept should be defeated, but if not, at least the American people should know, when they hear it on radio, see it on television, or read it in the newspapers, "the cost of bringing you this political message is paid for by the U.S. Treasury." That is all my amendment seeks to do.

Mr. SCOTT. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. I yield.

Mr. SCOTT. The Senator has said that under the Pastore amendment, the people would have contributed money to candidates they were not for. I wonder what a voter, let us say in New York, who wants to contribute his money to Representative SHIRLEY CHISHOLM will think if he were to realize that part of that money will go to the campaign of George Wallace. I wonder what a voter in Alabama would think, when he contributed his money for George Wallace, that part of his money was going to Representative SHIRLEY CHISHOLM. This is hardly what the person to be victimized here intends.

Last night, I noticed that the usual program of "Bonanza" was on television. That program takes 1 hour. Of course here, the bonanza requires several days of our time.

Before the television program "Bonanza," there was a program on another network. Laughingly called the news, on which there was a great deal of information about Democratic candidates and even that a new entry into the race was about to be launched by one of our colleagues on the Democratic side of the aisle. I do not blame them. I mean, there is this $20 million floating around. It is up for grabs. I would expect that some of the presidential dropouts would now seriously reconsider reentering the race because they dropped out too soon—before they got word about this slush fund, this raid on the Treasury, this unlimited senatorial credit card.

I hope that we can have a happy outcome to this bonanza, the way they do it on television, but if this amendment passes, this bonanza bill will pass with it and, of course, the race will intensify, if you can bull this tax bill through with this grabby amendment.

As the Senator from Kansas has said, I suppose nearly everyone else has entered the race, but we must not forget the other body, which has only one candidate at the moment. This is discrimination. That is absolute discrimination within the Democratic Party. Here there will be $20 million available for about a dozen Senators to use, and only one Representative.

Mr. DOLE. I think that is unfair.

Mr. SCOTT. That is unfair.

Mr. DOLE. I might say to the Senator from Pennsylvania that that one candidate happens to be the chairman of the Ways and Means Committee, and he will be sitting at the conference table when we divide up the money, so he is not in a bad position.

Mr. GOLDWATER. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. I yield 2 minutes to the Senator from Arizona.

Mr. GOLDWATER. I see on our side of the aisle today a number of Senators whom I had the honor over the years to help in raising money for our party. I can recall, along with them, the days when we were in the same shape that the Democratic Party is in today. We did not have anything to sell. We had run out of issues. Roosevelt was popular. We could not beat him. The Democratic Party finds itself in precisely the same condition today. They have run out of issues. The Vietnam war is over. The people who have started to get in on the bandwagon to try to stop it are getting nowhere, because it has already stopped. Inflation that high spending by the Democrats caused in this country is coming under control by the leadership at the White House. I can, therefore, sympathize with the Democrats, as I can remember the days when—and certainly Senator SCOTT from Pennsylvania can join me in remembering the days—when the Republican Party was in the hole. We did not have much to sell. The Democratic Party is in the same shape now. They have five, six, eight, or nine people running around the country running for President. If they would talk to me, I could advise them on it and the answer would be "no." [Laughter.] I am rather amused and somewhat concerned by the fact that while the Democratic Party does not seem to be able to raise any money their candidates desire.

I am interested every evening by some rather well done, highly paid for commercials plugging the candidacy of this candidate or that candidate.

Having gone through this battle a few times myself, I know that one does not get those half-hour television shows for blue stamps, green stamps, or anything that he picks up in the drugstore. They cost money.

My prophecy is that while the Democratic Party is not able to raise money—and they should not be able to with the fix they have gotten our country into—that there will be candidates that make some sense and who will make money. I think they will be the first to say if they become candidates that they would not want to be embarrassed by having to take money from funds that they themselves have provided from the people.

Mr. SCOTT. Mr. President, will the Senator yield for a comment?

Mr. DOLE. I yield.

Mr. SCOTT. Mr. President, I would like to suggest that even those that do not make sense make money, too.

Mr. DOLE. Mr. President, I yield 2 minutes to the Senator from Ohio.

Mr. TAFT. Mr. President, I rise to correct one impression given in error by the distinguished majority leader with respect to my good friend, Representative SHIRLEY CHISHOLM. The fact of the matter is that poor SHIRLEY is not going to get a penny of these funds. She is not going to get nominated.

The Senate has rejected the amendment I offered that would have provided for new parties and permitted them to cut a slice of the pie. SHIRLEY is not going to get a penny. SHIRLEY is going to pay for George Wallace or for some other people whom she does not want to pay for, but she will not get any money.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. GOLDWATER. Mr. President, could we not include among our accusations the fact that the other side is apparently antiwomen?

Mr. TAFT. Apparently so.

I think a few of the American people are beginning to get word with respect to this matter. I have received in my mail this morning a petition and I think it is the first of quite a number that we will see along this same line. The petition contains 150 signatures and addresses from one small area of Ohio.

Mr. President, I ask unanimous consent that the petition, with the signatures, be printed in the RECORD at the conclusion of the remarks of the Senator from Kansas.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I should like to read the wording of this precise petition. It reads:

> We the undersigned feel it is ridiculous that the Senate would ever think of using tax funds for political campaigns when there are so many more important areas of concern in the United States today.

Mr. President, I close my remarks by recalling a remark on the part of the late great Mendel Rivers in the House and say that it is so ridiculous, it is ridiculous.

The PRESIDING OFFICER. The 2 minutes of the Senator have expired.

Mr. DOLE. Mr. President, I reserve the remainder of my time. However, before doing so, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG. Mr. President, those who support the Pastore amendment hope to explain to the American people exactly how the Democratic campaign is being waged and precisely where the money is coming from. We welcome the opportunity.

We fully expect to go before the public to explain this dollar checkoff and to ask everyone to check a dollar off on their tax returns. We want to give the little person, the ordinary taxpayer, an opportunity to share in lifting the highest office in the land above the interest of private self-seeking contributions.

We expect to explain that it has been our honest belief that there is a link between the improper influence of money in the Government and private campaign contributions. If this matter was not explained to the public, they might not be aware of the opportunity they have to correct this situation by checking off their dollar on their tax return.

We expect to ask the people to earmark their dollars for the presidential fund so that everyone will have an opportunity to participate in financing the presidential campaigns, even though Richard Nixon might not be too receptive to the idea at this time. I think he is a good man. I do not think the Republican Party could do any better. I think they ought to nominate him. If the people wish a Republican for President, I do not think they can do better than this man. He is doing the best he can with what the good Lord has given him to work with. He is using that. I think that that is all we have the right to expect from a public servant. I think that he will decide in due course to support the amendment. It will provide him the opportunity to be adequately financed and not have to accept any contributions that would make him suspect in the campaign.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CANNON. Mr. President, I have listened to the debate by the Senators on the other side of the aisle with considerable interest. It seems to me that they have made a pretty good point with respect to one matter, and that is that the amendment as it now stands would require all funds that people designate to go into one particular pot.

I wonder if it would not be wise—since I notice that one of the distinguished Senators on the other side of the aisle has an amendment he has drawn up, the Mathias amendment, which is printed and which would permit the designation of a particular party by the person—to accept that amendment.

I think that would be good. I do not think that an individual ought to check it off without having some say as to a particular party or candidate that he would prefer it to go to and then find out that his money was going to George Wallace or that he could not designate SHIRLEY CHISHOLM or someone else.

I think we ought to be able to vote for and accept this proposal from the Republican side of the aisle that would strengthen the amendment and make the Pastore amendment a better one.

Would the Senator care to comment on that?

Mr. LONG. Mr. President, I have no strong objection to the Mathias amendment. I have not had an opportunity to carefully study it. However, if it does what the Senator says, I have no strong opposition to that.

The point that occurs to me is that presumably in January, the people who are going to decide the election in the last analysis are going to be the voters who are not committed. It seems to me that they would like to allocate their dollars so they would help both parties as well as third parties. Then, having heard the debates, they can decide which candidate they think would be best for the Nation's interest.

If the Mathias amendment would permit them to make designations in that fashion and also permit someone else who might prefer to have his money go to the Democratic or Republican Party to make his designation in that way, I think that would be good.

We must admit that there are people who might say, "I wouldn't vote for George Wallace, and I would not want one penny of my money to be put out to help him." He could mark his tax return so that his dollar would go for his party.

The important point is that we want to assure both sides of an adequate opportunity to present their cases to the American public.

Mr. CANNON. Mr. President, I am wondering about this. Of course, the Senators on the other side of the aisle would prefer not to use this method. They would prefer to raise their funds from private contributions, and I can understand why they would prefer to do so. But let us assume that whoever the nominee or candidate might be, he might indicate otherwise. This way, I think that the amendment might create some real problems if he decides to come under the provisions of the bill.

For example, many contributors check off $1 and say, "I want to contribute $1 to go to the Republican Party." I can see this very likely would create a real problem. Assume they happen to win the election and the new President went to appoint ambassadors. I can see he might have a very difficult time if he could only consider that everyone contributed $1. This could pose real problems to determine who would be appointed ambassadors. Take France, as an example. The present ambassador contributed $54,000 in 1968. I am sure his name just happened to be taken from a hat. Maybe they could still do that if they elected to come under the $1 provision. Also, in the case of Austria the ambassador contributed $43,000 in 1968. Perhaps his name came from the hat, as well. The same might be true of the gentleman from Denmark.

On the other hand, I am sure, assuming those names were taken out of the hat, the $1 checkoff contributor could create another problem and that is when they prepare the invitation list for White House dinners, Would the Senator agree that this could create real problems?

For example, as I placed in the RECORD the other day, you would not have the situation of Mr. Clement Stone, who contributed $200,000. They would not have that sort of situation and they would have to draw from the hat for White House dinners to determine who should be invited or have an opportunity to go to White House dinners.

Would the Senator agree that this might create real problems if the Republican Party were elected, under this provision, where they had to deal with these large contributors? I am talking about $200,000 from Mr. Stone, Max Fisher, $103,000, Henry Salvatore, of Litton, $83,000, and Mr. Dreyfus, of the Dreyfus Fund, $72,000.

Would the Senator agree this could create real problems if we eliminate those contributors to a political campaign and if they relied on the small $1 contributor?

Mr. LONG. It could, but I would like to make it clear that those of us who favor the Pastore amendment, and who will vote for it, intend to explain all about this provision if it becomes law. We would urge the people to designate the checkoff. We hope those on the other side would do the same.

If they want to find some reason to be critical of it, let them go ahead. But we hope our candidate will avail himself of it. If their candidate does not avail himself of it, I hope he will explain why, if he thinks taxpayers should not be permitted to use the dollar checkoff as a method of making campaign contributions.

I suggested a similar proposal in the past. What I suggested was not as carefully drawn as this proposal and I got the worst of it, particularly from some of my Democratic colleagues who would not support my position. It was more or less put in deep freeze until guidelines could be added to it. Since that time I have gone back to the people. I was fortunate enough to be reelected. I was favored by 87 percent of the voters in the primary campaign and I have never yet had one person tell me that he was unhappy with me because I suggested this would be a better way to finance political campaigns. I do not say everyone agreed with me, but I had a great num-

ber of compliments about it and I had people tell me that this is the approach we should have.

I would be perfectly willing to require a proper disclaimer that what both sides could agree to would be the right way to inform the public that the campaign was paid for by the $1 checkoffs by taxpayers.

If I were the President, which I certainly will never be, I would be proud to say, "Yes, this is how we financed this campaign. We only regret the other fellow did not avail himself of it because we would like that man to be above and beyond the power of private financing."

We would be glad to agree to a proper disclaimer. I personally would be glad to have some disclaimer.

I think it is only fair to the people, however, that a candidate who does not avail himself of the $1, one-man, one vote system, should also be required to make it known that he preferred to go the way of the $1, $100, $1,000, or $5,000 by private contributors.

If we wanted to be equally as partisan as those on the other side we would want them to say this was paid for by private funds which were subsidized by a tax advantage and disclose the people who put up the money and the things in which they are interested. We do not suggest that because we do not think it would be appropriate with regard to those candidates who do not want to avail themselves of the public financing, just as we think if there is to be a disclaimer, that those who sponsor it should be given a voice in deciding how this should be disclosed to the public, provided those on the other side will explain their attitude.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GRIFFIN. I take it that the Senator from Louisiana is acknowledging that there should be a disclaimer. It is not clear, however, whether the Senator is agreeing to support the amendment of the Senator from Kansas?

Mr. LONG. No, but I would say this to the Senator. I will be glad to join with those on the other side of the aisle, if this becomes law, insofar as I have the power to do it, to see that this is thoroughly understood by the taxpayers, and if the Democratic candidate avails himself of it, everyone knows he is being financed by these voluntary $1 checkoffs, and that that is where his money comes from. We would expect, if the Republican candidate does not avail himself of it, that he would state that he had not, and tell the people why not.

Mr. GRIFFIN. If I could respond to some of the arguments made I would appreciate it.

The distinguished chairman of the committee indicated a few moments ago, as I understood him, that he might favor such a disclaimer if it referred to the fact that private funds contributed had enjoyed some tax advantage. Of course, we would be talking about private funds voluntarily contributed if the Baker amendment had been agreed to; but since it was rejected, the Pastore amendment is dealing with Treasury funds. The taxpayer who makes a check mark under the Pastore amendment is merely diverting money from the Treasury—money that would otherwise be available for other governmental purposes.

Mr. LONG. Mr. President, I would like to respond to the Senator's remarks. I am on my own time, I understand. The opposition has equal time. I wish to respond to what the Senator is saying. If I had my way about it, we would simply provide every taxpayer with a $1 tax credit, so he could contribute $1 to lift the Presidency of the United States above the reach of private campaign donations.

Mr. GRIFFIN. Would that $1 be in addition to his tax liability?

Mr. LONG. He would have a $1 tax credit or a $1 tax advantage if he contributed it.

Mr. GRIFFIN. In addition to what he otherwise owed for taxes?

Mr. LONG. One man, one vote, one dollar. So if a man wanted to make a contribution to good government so that both sides could be heard, or even that a third party would have a fair chance to be heard, than that person could have a $1 tax credit.

That principle was the starting point of the Senator from Louisiana when he started this movement some years ago.

Unfortunately, the problem of collecting $1 contributions and the problem of accounting for them becomes so formidable that the sensible way to do it is simply to let a taxpayer mark on his tax return that $1 of his tax is to be used for this purpose. This works exactly the same way as if he makes a dollar contribution to good government and gets a $1 tax credit.

In the Pastore amendment a $70 tax advantage was given to a person who wanted to contribute $100 to a political campaign. We have cut this down somewhat, but there still is a big tax advantage to a person who wants to make a contribution to his party, or at least make an investment to protect his own interests. That provision costs the Government a great deal more than the $1, one vote provision, even considering accounting problems involved of in using the U.S. Treasury as a collecting agency, and as a disbursing agency. In that fashion we achieve exactly the same result as if the tax credit were provided to the taxpayer for making a $1 donation to the cause of good government.

It is a somewhat different way to achieve that result only because that is the way we can best meet the accounting problems and the reporting problems, and the responsibility problems to see that the money gets to the right person and to see to it that he gets it the way the person intended it to be used.

That is how we suggest it should be done, and all the talk about using the taxpayers' funds develops from the fact that the practical way to do this is to use the Treasury as the collecting and disbursing agency, rather than have a person make a private campaign contribution to a private fund, and have to keep all the records and keep up with the funds thereafter.

So the purpose is the same as it would be if there were a $1 tax credit for a $1 donation to the cause of good government. All the conversation about the U.S. Treasury and the taxpayers' money and diverting funds, and things of that sort, arise merely because someone does not want to change our way of doing business so that those who run for the Presidency of the United States in the general election will no longer be subject to the pressures and influences of the enormous amounts of money that are raised to try to convince them to do things they would not otherwise do.

Before the debate is over I think I shall put in the RECORD some documents that indicate how far this matter goes, the large amounts of money being offered, some of it very subtly provided, and some of it provided not too subtly, from those whose intention from the very beginning is to try to influence the Government in years thereafter.

The people do not want their Government—and when I say people I mean 99 percent of the people—dictated by private financial interests, either by the millions of dollars raised by groups of millionaires or by the $100 contributions contributed by people who are interested in wanting to protect their own business interests. They do not want the Government run that way, and they would prefer the Presidency be lifted above what is oftentimes self-seeking and sometimes corrupt practices.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GRIFFIN. The Senator from Louisiana has talked about large contributors. I share their concern but I believe it should be recognized that the Pastore amendment would not really affect that situation one bit. The contributors of large sums would simply make their contributions during the primary period, in which case the Pastore amendment would have no effect whatever. So, if a person with a large amount of money wants to try and have influence, all he has to do is make sure his money gets to the right place in the primary campaign and the Pastore amendment would have nothing to do with that. The Senator will agree with that, I am sure.

Mr. LONG. The Senator should know better. The Senator knows that if a person elects to take advantage of the private funds available to him, he is limited to that amount, and no one can accept these other contributions for his campaign to be used in advancing that campaign; and even if he did have the good fortune that he had a lot of money left over from the primary campaign, that is all he can spend. He has to agree to that.

Mr. GRIFFIN. That would be the case after nomination, but anything contributed before the nomination would not be subject to that limitation; all the big contributions could be made to a candidate for President before he received the nomination.

Mr. LONG. He could use the big contributions in the nominating process. I was not trying to deal, in the $1 proposal, with the primary elections. We had provided help in the primary elections in terms of tax credit for $25, in terms of the $100 deduction, but not in terms of the checkoff. The theory is that about the best we can do is to answer all the problems and fears that can be conjured by the mind of man in this simple proposal to try to provide for the presidential election, and if we cannot solve that problem—and it is clear now that it is difficult to solve even that problem—then we cannot hope to clear up the others.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. LONG. Did the Senator from Kentucky want me to yield to him?

Mr. COOPER. Yes.

On the question of appropriations of the general funds of all the taxpayers, I should like to read from the debate of April 12, 1967, as it appears at page 9277. The Senator from Louisiana responded to a question from then Senator Lausche of Ohio in this way:

> The law at present—
>
> The Senator's amendment was on the books at that time—
>
> The law at present provides that every taxpayer may mark on his tax return whether he would like to contribute $1 of his tax money to finance the two major political parties campaign for President or, for that matter, to help to finance a third party if that party can muster more than 5 million votes.
>
> All we have is a mere authorization. An appropriation would still be required. After the taxpayer requested of Congress that $1 of his tax money be paid to help finance the campaigns, Congress would then have to appropriate the money to fulfill the request of the American taxpayers who, after all, own the Government and would pay for it.

Is it the Senator's view today that if this proposal should be passed and should become law, the Appropriations Committee would be required to appropriate money to finance the fund?

Mr. LONG. That is what the law was at that time, and if that law had remained, we would have had plenty of time for an appropriation to implement the checkoffs which were authorized by the taxpayers.

I have thought about the matter since that time, however, and have concluded that we should not leave this matter to the appropriation process. A Congress and a President might be unsympathetic to this approach and, after an election was over, might even decline to make available the funds that Congress had intended and that the public, by the $1 tax checkoff by each individual taxpayer, had expected to be made available to support the candidates. If we are going to pursue the approach we have here, I think the only way we can be sure the money would be made available is to have the automatic appropriation, as we do for the interest on the national debt, to make sure the money will be there to pay for the expenses incurred by those relying upon this legislation.

Mr. COOPER. Mr. President, I raise a procedural point, but it is an important point. Would the money, in the Senator's judgment, have to be appropriated?

Mr. LONG. The appropriation is written into the proposed language. It is built into it so that, if the taxpayer marks on his tax return that he wants $1 to go into this fund, the dollar does go into the fund, and the money is made available to carry out his intent.

We do have permanent appropriations which work in an automatic fashion; I know we do it for interest on the national debt, and that involves much money. That is over $10 billion a year, that is handled in that fashion, just because we want to be sure it will take place.

If we want to be sure that a future President will not veto the appropriation and a future Congress not decline to make it available, even though the people indicated they wanted that done, it would have to be handled in this type of fashion.

The PRESIDING OFFICER. All the time of the Senator from Louisiana has expired.

Mr. COOPER. I just wanted to make the point that it is appropriated, and thus is a payment from general revenues.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. I have only 4 minutes. I yield 1 to the Senator from Kentucky.

Mr. COOPER. As I have suggested, the fund will be based on revenues provided by all the taxpayers.

I would also like to state that the candidates are nominated as a result of their work before the convention, and if these stories in the newspapers are correct, practically all of the candidates have a large donor or donors assisting the financing of the preconvention campaigns.

The Pastore amendment will not cure this situation. Candidates in preconvention campaigns will continue to receive contributions of vast size from individuals. And is it not also true that there is nothing in the amendment which prohibits the considerable contributions of labor unions?

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. DOLE. Mr. President, I appreciate the contributions to the debate, but I believe there should be a disclaimer on all political advertisements. The disclaimer is required now as to political messages paid for by a committee or by friends. I would respectfully suggest that if a political message is paid for by the Treasury, then the people should know that this particular political advertisement was paid for by the Treasury.

I would also point out that there still has been no solution offered to the problem I raised, that President Nixon, under the present language of the amendment, is excluded from participation. I would hope that the President would not participate anyway, but under the way in which the bill has been drafted, he could not do so in any event, because some funds have been raised for his campaign; and the language says very clearly that you are not eligible if campaign funds have been accepted.

I would hope someone would look over that situation, in an effort to clarify it later on.

But basically, as I said at the outset, if we are to spend the taxpayers' money, if we are going to pass a bill in this Congress to authorize the expenditure of taxpayers' money, if the candidate has some commercial message on the radio, or television, or in a newspaper, it ought to be clearly identified as paid for by the taxpayers, paid for from the U.S. Treasury. Let us not try to delude or deceive the American people. Let us tell it like it is. If we are going to stand up and vote money from the public Treasury, which in effect we are doing under this bill, we ought to so identify it.

I believe, as I indicated earlier, that we are making a serious mistake. This is really a fat cat bill. It would turn all the fat cats in America loose so that they could support primary candidates. We are going to underwrite the general election. We tell all the fat cats in America, whether they be labor leaders or businessmen, "Support anyone you want to in the primary or before the convention, because after we have the nominees of the Republican Party and Democratic Party, the American taxpayer will pick up the slack; he will pay the $20 million; he will underwrite that campaign."

I think anyone who has been in politics as long as most of the Members of this body can understand that this will not solve any problems; it will create problems. We are going to have the rich and the big, powerful labor unions trying to buy candidates in the primaries. I say it would be helpful if we adopt my amendment.

At the request of Senator TAFT and by unanimous consent the following petition, with signatures, is printed in the RECORD at this point:

> We the undersigned feel it is ridiculous that the Senate would even think of using tax funds for political campaigns when there are so many more important areas of concern in the United States today:
>
> William S. Ghune, Elyria.
> Lillian M. Supel, Lorain.
> Al Clausen, Elyria.
> Carl T. Ensign, Wellington.
> J. E. Achectal, Avonake.
> Anne Bremenour, Elyria.
> Richard Pondths, N. Ridgeville.
> Jo Pelkoski, Elyria.
> Mary Kurtz, Elyria.
> Leonard F. Philion, Elyria.
> George Kamaritsis, Lorain.
> Terry A. Joasson, Grafton.
> Robert J. Wallace, Elyria.
> Dolly Giles, Elyria.
> Doloris Westfill, Lorain.
> Donald J. Brubaker, Elyria.
> W. S. Harrett, Lorain.
> C. J. Wenzel, Elyria.
> Reva Keffer, Elyria.
> Irene Urbansok, Lorain.
> Robert L. Hintz, Elyria.
> John C. Adams, Elyria.
> Charles R. Sowers, Elyria.
> Charles H. Miller, Elyria.
> Virgil L. Miller, New London.
> John Fleming, Elyria.
> Glenn Houpt, Elyria.
> Mike Macut, Elyria.
> Rick Rudlowski, Elyria.
> Steven Cain, Elyria.
> Charles H. Lamper, Jr., Wellington.
> John Kodzsh, North Ridgeville.
> Elmo M. M. Vicker, Spencer.
> T. Suchodolsky, Elyria.
> Joseph L. Lesnick, North Redgeville.
> Raymond E. Wilson, Elyria.
> John L. Leonard, Grafton.
> Kenneth Juster, Elyria.
> Warren Cunningham, North Ridgeville.
> R. Logan, Elyria.
> W. Leroy Opel, La Grange.

Albert F. Woods, Elyria.
R. L. Bohing, Elyria.
Henry W. Coleman, North Ridgeville.
Rosemary Wise, Lorain.
Harold H. Hicks, Elyria.
Howard H. Haskins, Elyria.
Mary E. Wenzel, Elyria.
Ann Tricot, Elyria.
Keith Loezi, Amherst.
Larry Lumbach, Berlin Heights.
Bill Eggerichs, Lorain.
Charles H. Comings, Elyria.
Carolyn Rebele, Elyria.
Barbara Snyder, Elyria.
Lloyd Miller, Elyria.
Margaret Richardson, Elyria.
Myron H. Peters, Elyria.
Mildred M. Demeryian, Elyria.
John R. Lyndon, Elyria.
Martin J. Matus, Wakeman.
Thomas C. Lowsey, Lorain.
Thomas C. Lawrey, Lorain.
Ed Thomas, Lorain.
Agnes Thornber, Avon.
Ruby Staszak, Elyria.
Stella Kosco, Lorain.
Grace Renwick, N. Ridgeville.
Elizabeth Erden, Lorain.
Kathleen M. Jacole, Grafton.
Rose Aldrich, Elyria.
Doris Schaefer, Elyria.
Mary Gole, N. Ridgeville.
Helen Mashinski, Elyria.
Helen Dugovich, Elyria.
Florence Grzenda, Elyria.
Mary Botamer, Elyria.
Helen Radzwick, Elyria.
Marjorie Mosley, Elyria.
Helen Papp, Elyria.
Rose Tong, Elyria.
Elizabeth Mika, Elyria.
Clara Lovisa, Amherst.
Clara Oranec, Lorain.
Erma White, Olmsted Falls.
Jane Muche, N. Olmsted.
Jane Flanagan, Elyria.
Arleen Walker, Grafton.
Florence Barron, Elyria.
Ann Staysniak, Elyria.
Ann Shunha, Lorain.
Mary Vorkavich, Lorain.
Thelma Boyle, Avon.
Virgie Baggs, Avon.
Margaret Wilson, Elyria.
Ada Koehn, Elyria.
Carol Moore, Vermilion.
Dorothy L. Nicholas, Elyria.
Mary Szallay, Elyria.
Esther Mohr, Elyria.
Judi Stark, Elyria.
Norma M. Stickdan, Elyria.
James, Donohue, Lorain.
Duane Johnson, Elyria.
Doris Butler, Lorain.
Lillian Kapron, Lorain.
Mary Watters, Elyria.
Molly Bratton, Lorain.
Martha Kantor, Lorain.
Mary Ann Buckosh, Lorain.
Stella Speia, Lorain.
Cecelia A. James, N. Ridgeville.
Judy Thomasko, Elyria.
Bruce E. Nelson, Lorain.
Thomas A. Vilevac, Jr., Lorain.
Allan T. Yheulon, Olmsted Falls.
Doris J. Walker, Grafton.
Bernetta Kriebel, Elyria.
June Ehrke, Elyria.
Marie E. Jones, So. Amherst.
Carmella A. Ryan, N. Ridgeville.
R. L. Holden, Lorain.
Charles S. Vollmer, Elyria.
Mary Molesky, Elyria.
Forest Maier, Elyria.
Irene M. Kopumia, Elyria.
Annette Jares, N. Ridgeville.
Nancy Schoeffel, Grofton.
Bill N. Wood, Elyria.
L. L. Hoover, Elyria.
James M. Bowman, Elyria.
Belva E. Glunt, Elyria.
Dorothy Blakely, Elyria.
J. W. Metz, Elyria.
Barbara A. Bordner, Elyria.
Walter E. Bush, Elyria.
Mary Jean Feeley, N. Ridgeville.
Agnes M. Zilka, Avon.
Joan M. Prisl, Avon Lake.
Norma J. Shaffer, Elyria.
Ned E. Welch, N. Ridgeville.
William C. Sadler, Elyria.
Robert Shapptail, Elyria.

The PRESIDING OFFICER (Mr. CHILES). All time has expired. The question is on agreeing to the amendment of the Senator from Kansas (Mr. DOLE). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 43, nays 56, as follows:

[No. 377 Leg.]

YEAS—43

Aiken	Dole	Percy
Allott	Dominick	Roth
Baker	Fannin	Saxbe
Beall	Fong	Schweiker
Bellmon	Goldwater	Scott
Bennett	Griffin	Smith
Boggs	Gurney	Stafford
Brock	Hansen	Stevens
Brooke	Hruska	Taft
Buckley	Javits	Thurmond
Case	Jordan, Idaho	Tower
Cook	Mathias	Weicker
Cooper	Miller	Young
Cotton	Packwood	
Curtis	Pearson	

NAYS—56

Allen	Harris	Mondale
Anderson	Hart	Montoya
Bayh	Hartke	Moss
Bentsen	Hatfield	Muskie
Bible	Hollings	Nelson
Burdick	Hughes	Pastore
Byrd, Va.	Humphrey	Pell
Byrd, W. Va.	Inouye	Proxmire
Cannon	Jackson	Randolph
Chiles	Jordan, N.C.	Ribicoff
Church	Kennedy	Sparkman
Cranston	Long	Spong
Eagleton	Magnuson	Stennis
Eastland	Mansfield	Stevenson
Ellender	McClellan	Symington
Ervin	McGee	Talmadge
Fulbright	McGovern	Tunney
Gambrell	McIntyre	Williams
Gravel	Metcalf	

NOT VOTING—1

Mundt

So Mr. DOLE's amendment was rejected.

Mr. DOMINICK. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. HUGHES). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in full, as requested.

The text of the amendment is as follows:

On page 3, line 9, strike the words "nomination or";

On page 3, line 11, beginning with the word "or" strike through the comma following the word "party";

On page 3, line 14, strike the words "nomination or";

On page 3, line 18, strike the words "nomination or";

On page 3, line 20, strike the words "nomination or";

On page 3, lines 23 and 24, strike the words "nomination or";

On page 4, line 13, strike the words "nomination or".

Mr. DOMINICK. Mr. President, if I may have the attention of my colleagues for a few minutes, I do not know whether we will use all the time available on the amendment, but in order to insure that each Senator can make his record current, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOMINICK. Mr. President, we have been dealing almost exclusively with title X of the bill. In this amendment I am dealing with title IX as opposed to title X.

One of the items which the Senator from Rhode Island has been emphasizing in the process of this debate has been that title X carefully states that Federal tax funds would apply only to a candidate who had already been nominated for President. He went on to say that the amendment would not apply to anyone else. By implication at least the Senator from Rhode Island said that no Federal funds would go to other candidates; and in the process of making those comments, he stated, "We are not going to give tax funds to every Tom, Dick, and Harry."

The fact is, no matter how we review the particular amendment, under title IX, every single person, who runs for any kind of office anywhere in this country is eligible to receive what is in essence tax funds, because anyone who makes a contribution qualifies for either a tax credit or a tax deduction. How much this will mean in terms of revenue, no one has the faintest idea.

As I pointed out when I offered my previous amendment, which would have restricted the contributions qualifying for the tax credit or deduction to people running in a general election and in primary elections, for either State or Federal office, we were talking, in terms of at least 6,000 to 10,000 candidates who would be eligible to receive money which the contributor could then deduct from his own tax liability or take a credit against that tax liability. But that amendment was defeated. I did not succeed in eliminating qualifying contributions to local candidates. The Senator from Georgia made an impassioned plea on behalf of his local sheriff. That is fine. The vote reflected the majority opinion of the Senate.

What I am doing now allows anyone running for elective office to go to any person who made a contribution and say, "OK, if you give me *x* number of dollars, you can get a tax deduction or tax credit and I will get the benefit of your gift." But what I am saying here is that we should not apply those same rules to an individual who was a candidate for nomination in a national, State, or local convention. In the absence of my amendment what we are saying is that in the ordinary political processes when someone wants to run for nomination in a county convention, we can finance that

race for convention nomination with contributions which qualify for a tax credit or a tax deduction. That makes no sense to me. Yet, on page 3 of the Pastore amendment under the heading Political Contribution, it states:

. . . an individual who is a candidate for nomination or election to any Federal, State, or local elective public office in any primary, general, or special election, or in any National, State, or local convention or caucus of a political party, . . .

Now we have all been through both local and precinct caucuses and conventions. Are we going to start paying people to run for these offices? Is that the theory of the bill? Are we going to say now, "OK, we will only give money to the presidential candidate who has already been nominated by his party out of the direct Federal funds; but "every Tom, Dick, and Harry"—which were the words of the Senator from Rhode Island himself—will be eligible to receive contributions which someone else can then write off as a tax deduction or a tax credit."

As I say, I am not trying to undermine the bill. I am not even trying to undermine title IX. There is no conceivable reason why we should say, "We will allow a tax deduction or a tax credit to candidates attempting to secure nominations at a local convention or caucus of a political party or even for national or State convention or caucuses."

We are going to have fights for national convention delegates, be it at a Republican or Democratic convention, but why can't we work that out? I never heard any responsible person proposing that anyone can try to be a delegate this way. Never in my born days have I heard of anyone making a contribution to a man running for the position of party delegate to a convention. In our State convention or caucus—I do not know how it is in Rhode Island and I do not pretend to know—maybe the Senator from Rhode Island can enlarge on that—but I have never heard of anyone in our area of the world making contributions in order to run for a State caucus or a State convention.

Mr. PASTORE. Mr. President, will the Senator from Colorado yield?

Mr. DOMINICK. I yield.

Mr. PASTORE. This matter was copied more or less from the previous legislation. Then the question was raised by the Senator from Kentucky (Mr. COOPER) and I agreed with him that if he had an amendment to take out the caucus and the State convention, I would be amenable to it. Insofar as the rest of his amendment is concerned, of course, I would have to be opposed to it and the reason is simple: The point here is that any candidate for office in any city or State might be as important to that taxpayer as, for instance, the mayor, a school committeeman, or a school committeewoman. That may be a very important matter in that particular area.

For that reason, if they made a legitimate contribution and proved it, and the contributions add up to double what he deducts, not to exceed $12.50, or an allowance not to exceed $100 with his wife from gross income, I do not know anything wrong with it.

Mr. DOMINICK. Mr. President, I am not changing that. All I am doing is knocking out "in any national, State, or local convention or caucus of a political party." I am leaving in the primary, general, or special election.

Mr. PASTORE. Mr. President, I do not think the Senator ought to knock out the national convention. Does the Senator mean a delegate to the convention?

Mr. DOMINICK. Yes. Why should we give contributions to pay a delegate to the national convention?

Mr. PASTORE. Mr. President, I was not here when the Senator started to explain the amendment. Would he explain it again.

Mr. DOMINICK. I would be happy to do so. My amendment would not alter terms of the bill as concerns a candidate for nomination or election to any Federal, State, or local public office in a primary, general, or special election. However, I think we should strike out the words, "or in any National, State, or local convention or caucus of a political party" so that we will not have to contribute to every Tom, Dick, and Harry, to use the Senator's words, who decides that he wants to be a delegate to a National, State, or local convention or caucus. It does not seem right to reduce the tax funds—which is what we would do by this—for those purposes.

I have also taken out the words "nomination or" because it seems to me that what we are dealing with is an election, and an election is still applicable to a primary. I do not see the purpose of having "nomination" in.

The main purpose and purport of my amendment is to strike out the words "or in any National, State, or local convention or caucus of a political party" because that does make good sense.

Mr. PASTORE. Mr. President, I do not think the amendment does exactly that. To simplify it, the Senator says beginning on line 11 of page 3, beginning with the word "or" strike up to and including the comma following the word party.

Mr. DOMINICK. That is correct. And it strikes out the convention or caucus of a political party.

Mr. PASTORE. Mr. President, if the Senator would have my staff work with him to accomplish that purpose, I would be willing to accept the amendment.

The amendment then says on page 3, line 14, strike the words "nomination or". Does that not refer back to the nomination or election to any Federal, State, or local elective public office in any primary, general, or special election?

Mr. DOMINICK. The Senator is correct. There is no point in leaving in the words "nomination or". We leave the word "election" in. It still deals with the primary or general elections in any National, State or local election. But we do not pay them for a National, State, or local convention or caucus of a political party.

I do not know how many political parties there may be, but leaving in such language would only create a multitude of problems.

Mr. PASTORE. Mr. President, the Senator is saying the only thing he is opposed to is delegates of any sort.

Mr. DOMINICK. The Senator is correct.

Mr. PASTORE. Was this a printed amendment?

Mr. DOMINICK. It was not.

Mr. PASTORE. That is just the point. After all, who could accept an amendment unless the Senator has our staff look at it to get the proper language and proper limitations in it. I would not be opposed if the Senator were to do that.

We could let it lay for awhile to see if we can work it out.

I have discussed this with the Senator from Kentucky. If a person runs for a delegate to a national convention or a State convention, I do not think that ought to be deducted. If we can get to work on it, I think we can agree.

Mr. DOMINICK. That is right on the button.

Mr. PASTORE. The Senator keeps insisting on that, but my staff tells me it is not right on the button.

Mr. DOMINICK. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged against both sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMINICK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, it is my understanding that the language of the amendment is designed to accomplish the results which both the Senator from Rhode Island and myself would like to accomplish. I suggest that there not be any more debate. We might as well get a call of the roll.

Mr. PASTORE. Does the Senator want a rollcall vote? I will accept the amendment. After all, we do not have much time between now and 5 o'clock.

Mr. DOMINICK. Mr. President, I ask unanimous consent to withdraw the yeas and nays.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PASTORE. Mr. President, I am perfectly willing to accept the amendment. I think this is an improvement. This matter had been discussed previously. I am glad the matter was brought to our attention. I am perfectly willing to accept it.

I yield back the remainder of my time.

Mr. DOMINICK. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 18) to amend the United States Information and Educational Exchange Act of 1948 to provide

assistance to Radio Free Europe and Radio Liberty, with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 1836. An act for the relief of Ruth V. Hawley, Marvin E. Krell, Alaine E. Benic, and Gerald L. Thayer;

H.R. 1867. An act for the relief of Bernadette Han Brundage;

H.R. 1899. An act for the relief of Mrs. Maria G. Orsini (nee Mari);

H.R. 1931. An act for the relief of Jesus Manuel Cabral;

H.R. 1962. An act for the relief of Dah Mi Kim;

H.R. 1970. An act for the relief of Mrs. Andree Simone Van Moppes and her son, Alain Van Moppes;

H.R. 2087. An act for the relief of Park Ok Soo and Noh Mi Ok;

H.R. 2107. An act for the relief of Jose Bettencourt de Simas;

H.R. 2108. An act for the relief of Nemesio Gomez-Sanchez;

H.R. 2408. An act for the relief of Louis A. Gerbert;

H.R. 2706. An act for the relief of Miguelito Ybut Benedicto;

H.R. 2803. An act for the relief of In Kuong Yi;

H.R. 2814. An act for the relief of Rea Republica Ramos;

H.R. 3041. An act for the relief of Mary James Kates, owner of the Gladewater Daily Mirror;

H.R. 3082. An act for the relief of Ronnie B. (Mallt) Morris and Henry B. (Mallt) Morris;

H.R. 3383. An act for the relief of Mrs. Mauricia A. Buensalido and her minor children, Raymond A. Buensalido and Jacqueline A. Buensalido;

H.R. 3425. An act for the relief of Helen Tziminadis;

H.R. 3475. An act for the relief of Paul Anthony Kelly;

H.R. 5422. An act for the relief of The American Journal of Nursing; and

H.R. 7085. An act for the relief of Eugene M. Sims, Senior.

The enrolled bills were subsequently signed by the President pro tempore.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. BAKER. Mr. President, I call up an amendment I have at the desk and ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 17, strike out lines 1 and 2 and insert in lieu thereof the following: "section 1062, be final and conclusive."; and

On page 29, line 20, insert the following new section:

"JUDICIAL REVIEW

"SEC. 1062. Any certification, determination, or other action by the Comptroller General made or taken pursuant to the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition filed in such Court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the certification, determination, or other action by the Comptroller General for which review is sought."

Mr. BAKER. Mr. President, it is my understanding that the distinguished manager of the bill is willing to accept this amendment which would provide a method for judicial review of determinations made by the Comptroller General under the provisions of the Pastore amendment.

Mr. PASTORE. The Senator is correct. I discussed this matter not only with the Senator from Tennessee, but also with the Senator from Kentucky. We all agree that there should be judicial review. This accomplishes that and is an an improvement of the original amendment. I am willing to accept the amendment.

Mr. BAKER. I yield back the remainder of my time.

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was agreed to.

AMENDMENT NO. 717

Mr. DOMINICK. Mr. President, I call up amendment No. 717.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 29, after line 19, add the following new section:

REPORT ON TAX COST OF PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 102. The Senate Committee on Finance shall report not later than December 31 of each year on the costa of subtitle A of this title and on the cost of administering the Presidential Election Campaign Fund, including the tax cost to taxpayers who do not designate income tax payments to such fund.

Mr. DOMINICK. Mr. President, in my previous amendment, which was rejected, I pointed out the very grave difficulties which would be encountered in administering this program if the Pastore amendment should be agreed to. I recommended to the Senator from Rhode Island then that we should require that we go through the appropriation process because, among other problems involved, there is the fact that we do not know how much this whole program is going to cost; we do not know what the qualified expenses are going to be; nor will we know whether such expenses are qualified or not until after the payments have been made.

This fund will be collected each year for 4 years, and there will be a very substantial expense in going through the necessary checks to determine how many people are, in fact, going to check and indicate that $1 should be in this particular fund.

There is no revenue mechanism other than the judicial review provided for in the amendment of the Senator from Tennessee, which was just accepted.

I have suggested, in addition, that Congress should have some hold on this matter. What in the world are we doing creating a self-executing mechanical device in which spending is authorized by Congress and we do not review it in any way to determine the cost of the program and what the net result will be. We have not provided for any report to Congress except whatever we may be able to get individually by asking IRS to report on it on a year-by-year basis.

So I have offered my amendment which states:

The Senate Committee on Finance shall report not later than December 31 of each year on the costs of subtitle A of this title and on the cost of administering the Presidential Election Campaign Fund, including the tax cost to taxpayers who do not designate income tax payments to such fund.

The point that I have been making continually is that if we have x amount of revenue coming in to take care of vital programs which the American people have demanded, and we say we are going to take out of that revenue x millions of dollars for purposes of a presidential campaign, someone has to make it up or we are going further into deficit financing; and we will have to go back to the American public and ask them to lend us the money needed while we do this political campaign gimmick, which is all I can call it.

If agreed to, this amendment would give us an early report on the cost of the program, how it is working, how many taxpayers will be affected, how many are going along with it, all on a year-by-year basis. In addition, the finance committee would report on how much additional tax burden has been imposed on nonchecking off taxpayers in order to take care of other programs we all feel are so urgent.

As long as I could not get the appropriation process agreed to, which I think was far and away the best method of handling the situation, the least we can do is to have a reporting and reviewing system provided by the Committee on Finance. That committee is chaired, after all, by the Senator from Louisiana (Mr. LONG) at the moment, and the Senator from Louisiana is obviously not only the author of the tax bill but also a supporter of the Pastore amendment.

So I think both the Senator from Rhode Island and the Senator from Louisiana would feel this is a good idea.

Mr. President, I reserve the balance of my time.

Mr. PASTORE. Mr. President, this is a simple provision in some respects. It would include the cost to taxpayers who do not designate income tax payments to such a fund. This is a slap at the amendment, and it is intended as such. If the Senator wants disclosure, that is one thing, but under this impossible provision we would have to prove to those who do not mark off what their obligation is to build an aircraft carrier or something of that sort. It is ridiculous if we did that on everything that comes along in the Senate. We would have a state of confusion.

We have provided for a supervising council, Members of Congress participate in it, and members of the public participate in it. They oversee all the rules and regulations made by the Comptroller General. I think we have all the protection that is needed.

To me this is satirical, if I may use that word. It is a subtle way to say, "I do not approve of this legislation and, therefore, I will make it as unpalatable as I can."

Mr. President, I do not support this amendment and therefore I hope it is rejected.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, I yield myself such time as I may require.

Since the Senator from Rhode Island is not going to accept this amendment, I would like to ask for the yeas and nays. I think the amendment is important. I do not feel as the Senator from Rhode Island does that this is a satirical move. I am against the bill and I have said so from the beginning.

Mr. PASTORE. Of course the Senator is, and one can read that feeling all through the lines of this amendment.

Mr. DOMINICK. Even though I have been opposed to this bill, I have tried to do something to improve it. I think this provision would improve it. I have not been offering satirical amendments. I have offered legitimate amendments.

The Senator states that we are going to give the people a chance to see if they want some of their tax money allocated in this way. Why do we not do that on everything? Why just on politics? Why do we not do it in connection with education, or why do we not ask the people we are going to do it for. We say this is how much they want to put into a new battleship? Politics is the only thing that we are going to do it for. We say this is the only earmarking that the taxpayer is allowed to do. We have not even provided for this in connection with the highway construction fund.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield to the Senator on his time.

Mr. PASTORE. On my time.

Page 21 states explicitly—

REPORTS TO CONGRESS; REGULATIONS

SEC. 1009. (a) The Comptroller General shall, as soon as practicable after each presidential election, submit a full report to the Senate and House of Representatives setting forth—

(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees;

(2) the amounts certified by him under section 1005 for payment to the eligible candidates of each political party; and

(3) the amount of payments, if any, required from such candidates under section 1007, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

(b) The Comptroller General is authorized to prescribe such rules and regulations, to conduct such examinations and audits (in addition to the examinations and audits required by section 1007(a)), to conduct such investigations, and to require the keeping and submission of such books, records, and information, as he deems necessary to carry out the functions and duties imposed on him by this subtitle.

So there would be a full report and that report has to be made to Congress and the House of Representatives and it is here as a Senate document.

Mr. DOMINICK. Mr. President, will the Senator yield so I may ask for the yeas and nays?

Mr. PASTORE. I yield for the yeas and nays.

Mr. DOMINICK. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, I understand the opposition of the Senator from Colorado to the Pastore amendment. But in all fairness I can say in good conscience, that I am trying to be as fair as I can. In that spirit I have accepted other amendments that I thought would help the bill, but I do not feel this amendment is necessary at all.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, I yield myself such time as I may need.

I think the provision the Senator from Rhode Island just read to the Senate and which has been placed in the RECORD is a clear indication of why we need something else. It states the Comptroller General shall report as soon as practicable after each presidential election. That means Congress does not get any report until the Comptroller General gets around to it and he is only going to do it once every 4 years. Yet this program goes on year after year after year. It says "every fiscal year."

Mr. PASTORE. Mr. President, will the Senator yield, on my time?

Mr. DOMINICK. I am happy to.

Mr. PASTORE. The money is in the Treasury. The only time it has to be paid out is once every 4 years. There is no need to report while the money is in the Treasury.

Mr. DOMINICK. There is a good reason to report while the Treasury has the money, because each year we have to go through the income tax returns. Each year we have to find out how much is contributed to the fund. Each year the Secretary of the Treasury is going to have to set aside on his books and the congressional books the amount of money checked off for the political fund. And each year we have to determine whether we have the necessary personnel and computers. In addition, as I stated earlier, there is always the possibility that the person who was just elected to the Presidency of the United States is going to be sued because he had wrongly qualified expenses, or he may have to bring action against his opponent because he had wrongly qualified expenses. If he is proved to have done so, he can even be sent to jail. What would we do about that? Suppose we have just elected a President, and then find out that under the provisions of the bill he is guilty of perjury. Are we going to send the President to jail just after a national election?

I believe the bill is so full of loopholes that it is unbelievable, but one of the things we can do—just a small detail—is to have a congressional committee responsible for an annual review of the cost of the program, how it is being administered, and how much is coming into the fund each year. If we do not have that, what we are saying to the public at large is, "You check off your tax for one purpose only. That is the only right you have—to check that off for political purposes—and from then on we are not going to pay any attention. We are going to create this vast pot of money for presidential candidates to draw on every 4 years."

I do not see, in my wildest imagination, how anyone could really dream up a bill which is more detrimental to the public interest than is this particular bill. I have said over and over again that I am against the bill, no matter what we do. I think the whole principle is basically wrong; but even if it is basically wrong, if it is going to be passed—and the Democrats have the majority here, and they can vote for it or not, according to their will—we may as well try to make it a little better.

Ever since I have been in public office, it has been my belief that even if one does not like a bill, he should try to do something to improve it, even if it is so objectionable that people say, "Why do that? Why not leave it that way, because it is easier to vote against?"

I do not think so. I think it is our responsibility to try to improve a bill. That is what my amendment would do if I could get it passed.

What in the world is the matter with it? How can anybody be against it? It provides that the Senate Committee on Finance shall report not later than December 1 of each year on the costs of subtitle A of this title and on the cost of administering the presidential election campaign fund. What committee could be more intimately concerned than the Senate Finance Committee, except the House Ways and Means Committee? I did not even put that committee in the amendment. The presidential election campaign fund is of enormous importance to the Senate Finance Committee. It determines how much revenues we have, how much we are losing insofar as tax deductions and tax credits are concerned. It involves the question of how much supment. The presidential election campaign fund is getting from the taxpayers.

Here is another question: Let us suppose we did have a fund set aside in the Treasury that cannot be used for anything else. We will say it amounts to $10 million. Let us suppose it happens next year. None of the candidates say they want to use the public money, so the $10 million sits there and cannot be used. It is returned to the Treasury after the election, when it is too late to use in the next year. Then it starts accumulating the following year. Let us assume it gets up to $40 million, $10 million a year up to 1976. Again it is not used. The money is sitting there. It is not used for anything. The candidates do not want to use it because they are embarrassed to say they are milking the public Treasury to

advance their campaigns. The Finance Committee is entitled to know how much has accumulated, what has happened to it, whether it is drawing any interest or just being set aside and not used.

No matter how you slice it, the Senate Finance Committee must review this program every year, and what I am doing is giving the committee specific language to do it. It asks the committee to report to the Congress every year no later than December 31.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 18 minutes remaining.

Mr. DOMINICK. I yield 5 minutes to the distinguished Senator from Tennessee (Mr. BROCK).

Mr. BROCK. Mr. President, I have listened to this debate now for 4 days. To be perfectly honest, I think perhaps there was a little more heat than light last week. I was particularly interested this morning in listening to the Senator from Louisiana and the Senator from Rhode Island plead the cause of campaign reform. I may say that the Senator from Rhode Island has conducted this debate with a great deal of skill and ability, and I think with a great deal of integrity.

In listening to his arguments on the need for reform in this country, I could not help but be impressed. The Senator from Louisiana made a similar case. The case was excellent. I could not disagree with what was said earlier this morning about the need to improve the political process, to give the body politic a better voice in the political process, to give people a sense of participation, and to minimize the impact of exorbitant campaign contributions upon a candidate in his future actions. But the Pastore amendment does not meet those objectives, in my opinion.

I think the Senator from Rhode Island said he wanted to make it possible for people in this country to elect a President who would not be obligated to the fat cats. I would remind the Senator that there are all kinds of fat cats in this country. I wonder if a person is more obligated to someone who gave him $10,000 than he would be to the mayor of Chicago who happened to throw his whole political weight behind that political candidate with a great deal more than 10,000 votes?

How do we eliminate that problem? Does this amendment even address it. I do not think it does.

It seems to me the Senator from Michigan raised a perfectly valid point earlier today when he said we wanted to divorce the political process from inordinate pressure, in effect. This, he said, we were not ever going to be able to do unless we divorced it from private hands to the hands of the Government. That to me is the meat in the coconut of this program.

By no stretch can this amendment be classed as an equal opportunity for people to contribute their own tax dollar to the political process. To the contrary, the checkoff simply allows an individual to impose a tax on all taxpayers in order to achieve a quantity of money which will be allocated evenly between the two major political parties and, to a lesser extent, to the established minor parties at the rate of 15 cents a vote.

That to me is a very dangerous precedent to set, because if we begin to establish the concept of Federal financing of Federal elections, then we must accept the possibility that at some point, at some time in the future, in some places, there will be the opportunity for those who provide the financing to provide the direction of those candidates who receive it.

If the Federal Government, through the tax system, is going to use the taxpayers' money to fund the election process in this country, then we run the risk not only of divorcing individuals from a voice in the political process, but we run the risk of institutionalizing the political process as well.

What happens when a candidate receives this $20 million, as the figurehead of his party? He is the representative of his party; it does not matter whether he is a Democrat, a Republican, or an American independent. He has at his disposal, then, an enormous sum of money to expend in a political campaign in any way that he sees fit. That money can be expended in the process of buying media time, but it can also be expended in the process of acquiring control of a political party; and if it is used in that context and in that way, we run the very serious risk of financing the status quo in our political process, of using the taxpayers' money to perpetuate the control of a political organization by one man or one group, so long as they have the money available to them to maintain that control.

I have the fundamental objection to the amendment of the Senator from Rhode Island that there is no choice.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BROCK. May I have 3 additional minutes?

Mr. DOMINICK. I yield the Senator 3 additional minutes.

Mr. BROCK. He has no choice, in checking his return, to allocate his dollar to Richard Nixon, to the Senator from Maine (Mr. MUSKIE), or to any other potential candidate. He is donating to all candidates on a 15 cents per vote basis, and he is not donating his own money; he is donating the money of the taxpayers of this country. There is no option and no choice whatsoever. I find fault with that, in the simple sense that if we are going to have a democratic process in this country, people have got to feel that they have a voice. If there is one cry being made today by young people, it is that they have lost their voice. The institutions of this Nation and this society have grown so big and so divorced from the average human being that they are not responsive any more. Is there responsiveness in this bill, if the voter happens to be an advocate of SHIRLEY CHISHOLM, or GEORGE MCGOVERN, or Richard Nixon? No, he has no choice.

This measure, then, is an attempt, in my opinion, to remove the opportunity for participation, to reduce the options, and to institutionalize the status quo, to make it almost impossible for diversity, for opinion, for challenge to exist within and without the political parties as they are now constituted.

I think the Senator from Colorado is making just one effort to try to bring to the attention of the people of this country the fact that there are no controls in the measure insofar as the legislative branch of the Government is concerned. It is totally under the Comptroller General, not the Congress, to pursue the application of this act to protect the interests of all the people of this country.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMINICK. Mr. President, I yield myself 5 minutes.

I think what the Senator from Tennessee was just saying is really not only persuasive but thoughtful to an extraordinary degree. In addition to the comments he was making, I point out that one of the excuses for this measure is that we are trying to limit campaign spending.

The money that is being set aside under this bill can only be used for the payment of qualified expenses; and qualified expenses are defined in the bill as those which are incurred after September 1. That means that between September 1 and November 4, candidates, according to the Senator from Rhode Island, will be expending approximately $20 million each, in September and October—2 months.

What are they going to do in the meanwhile, before they get there, while they are still going ahead and campaigning? Obviously, they are going to raise as big a war chest as they possibly can, to help them get the nomination and to take care of the position that they must maintain between the time of the convention and the time when the public money may lawfully be expended.

So we are not going to cut down on spending; we are going to vastly increase it, and there just is no other way to look at it.

I would suspect, harking back to what my distinguished colleague from Kansas (Mr. DOLE) was saying this morning, that the money that the Republican National Committee has raised and will raise on behalf of our candidates can very properly be spent prior to September 1. Then the President can say, "I have not incurred any qualified expenses or received any contributions to pay qualified expenses up to September 1. Now I want the public money."

I think he probably could run on that kind of basis; not that I think he ever would, because obviously this is not designed for the incumbent Chief Executive. It is designed to take care of those people who are trying to run against him, and there is no point in kidding ourselves about it.

So the very least we can do—and this is all, again, that I am trying to say—is give to the Senate committee which has the most intimate involvement with this bill, the Committee on Finance, the right to review the program and report to Congress annually.

I am happy that the Senator from Louisiana is in the Chamber. I would like to have his report as chairman of the Finance Committee annually on this matter, including the cost of the fund and how much revenue would be lost. The report would be annual because subtitle (A) of this measure is going to be effective every year. We have candidates running for city councils or governorships, or whatever it might be, every single year, and tax deductions will be used every year for that purpose. This will be felt as a revenue drop, and we will have to know how much it is going to cost us.

I cannot see any objection to this proposal, and I cannot understand why the Senator from Rhode Island is objecting to it.

Mr. PASTORE. Mr. President, I am ready to yield back the remainder of my time, having stated all my reasons, if the Senator will yield back his.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield 1 minute to the Senator from Tennessee.

Mr. BROCK. Are the expenditures of a party committee, such as the Democratic National Committee, for such matters as the expenses of a field man operating, let us say, in the Southwest, out of the national office, who is supporting a couple of congressional candidates and obviously will support the presidential nominee, qualified under the Pastore amendment.

Mr. DOMINICK. That is a very good question, and I cannot give the Senator the answer. As a matter of practice, the candidate will probably come in at the end and say it is a qualified expense, and the Comptroller General, based on that statement, will make the payment, and it will not be possible until after the election to determine whether it is qualified or not.

Mr. BROCK. Let us take the example of an incumbent President.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMINICK. I yield the Senator 4 additional minutes.

Mr. BROCK. An incumbent President obviously has an enormous advantage, in a campaign, in being able to command the attention of the media, and his expenses might be less than those of his challenger. Would it not be possible, then, for an incumbent President to take all the expenditures that would normally be classed as those that the Republican National Committee field operations maintains, and all the rest, which are primarily of benefit, let us say, to candidates for the U.S. Senate or the other body, and let the taxpayers pay them, just listing them as qualified expenses for his own support.

Mr. DOMINICK. I would think that this could be done very easily, and I am sure that the national committee, in addition, would be an authorized committee and therefore equipped to raise some funds and spend it on their own.

Mr. BROCK. That is entirely correct. So that the two kinds of funds are really being mixed here.

Mr. DOMINICK. That is correct.

Mr. BROCK. They could raise money by direct contribution and could also use the presidential campaign for solicitation for fund raising, although the bill was designed to prevent the raising of other moneys for the political process. They could use this money for direct mail solicitation, for field men to go out in the field, for fund-raising dinners. All these would be available under the Pastore amendment as written today, if the President so sympathized.

Mr. DOMINICK. I am positive that this is true, and I am also reasonably sure that this was anticipated.

Mr. BROCK. Let me ask another question: If a President or a nonincumbent were to see the lack of need for additional advertising funds, if he were to sign as qualified expenses the hiring of 15 political operatives in every State who were to go out at his personal bequest to take control of the political party in those States, so that he could in turn achieve a dominant position—not for this campaign but 4 or 5 or 10 years in the future, is there anything that would prohibit the public moneys being used to support a political party by one candidate who happened to be a nominee in a particular year?

Mr. DOMINICK. This is precisely what we objected to in the earlier debate, and I have nothing but my own conviction to show that the same thing could happen under this bill as under the previous bill.

Mr. BROCK. These moneys could be used to allow one individual or one group to achieve such control over a political party that he or they could in fact become the controlling and dominant influence of that party, not only for one election but for a decade or more as well. I think that is a tragic prospect.

Mr. DOMINICK. I thank the Senator from Tennessee for this colloquy.

I want to repeat for the benefit of the Senator from Illinois one of the comments I made about this bill. What happens is that one accumulates qualified expenses. He then sends details to the comptroller, and certifies that this will qualify. The Secretary of the Treasury then pays. It is only after the Secretary has paid the amount certified that any kind of review or audit of the books is done.

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. DOMINICK. I yield myself that minute.

Let us suppose that one of our candidates wins and he is elected as President of the United States. Then the audit shows that there have been unlawful expenditures. Under the provisions of this bill, he can be fined $10,000 and imprisoned for not more than 5 years—the man who has just been elected President of the United States. What kind of ridiculous law is that going to be? We do not want him to do anything illegal; but what is or is not a qualified expense is going to be a matter of interpretation, and it will be difficult to determine in advance what it is going to be.

Mr. BROCK. On the other side of the coin, he could have the Comptroller General investigate and prosecute his opponent.

Mr. DOMINICK. That is totally correct. He could investigate, prosecute, and caused to be imprisoned his opponent, and this seems to me equally bad.

Mr. PASTORE. Mr. President, I understand that after this vote, Senator COOPER will call up his amendment. I ask unanimous consent that directly after the Cooper amendment is disposed of, the Senator from Maryland (Mr. MATHIAS) be recognized to present his amendment.

Mr. DOMINICK. I object.

Mr. COOK. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. PASTORE. Mr. President, it is obvious what we are doing here. All we are trying to do is to squeeze some people out of their amendments.

Mr. COOK. Mr. President, will the Senator yield?

Mr. PASTORE. Wait a minute. I have the floor.

Here we are on a little amendment, on which my friends, the Senator from Tennessee and the Senator from Colorado, must have stayed up all night, dreaming up these hocus-pocus ideas that do not exist in the bill. They use up all their time until the last minute, and here we are talking about five or six more amendments, and we have 3 hours to go, and I make a reasonable request, and it is objected to. I would like to know why. Why? Is this part of the filibuster? Is this part of the strategy?

Mr. COOK. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. COOK. First of all, this Senator has four amendments. The Senator from Rhode Island has been aware of two of them for 2 days.

Second, I must say to the Senator from Rhode Island, in all fairness, that this Senator is not particularly in a mood to agree to any unanimous-consent request that the Senator from Rhode Island may make between now and 5 o'clock, because I think the handling of this matter has been not in a reasonable manner up to now; and I really feel frank to tell the Senator that.

Mr. PASTORE. I do not care how the Senator from Kentucky feels. The fact is that I have been trying to move this bill right along.

Mr. COOK. That is why the Senator objected.

Mr. PASTORE. And the delaying tactics have been on the other side.

I will say to the Senator from Kentucky that insofar as the judicial review is concerned, in which he was interested, it has been accepted. So far as the elimination of delegates to the convention—national, State, and ward caucus—is concerned, that has been accepted.

Mr. COOK. When was this?

Mr. PASTORE. The Senator from Colorado brought it up, and I told him the Senator from Kentucky had presented that matter to me and it was satisfactory to me; and when he corrected it to conform to the Senator from Kentucky's idea, I accepted it. I have been cooperative. I did the same thing with the judicial review.

Mr. President, I now renew my unanimous-consent request that after the so-called Cooper amendment is disposed of, the Senator from Maryland be recognized to offer his amendment.

The PRESIDING OFFICER. Is there objection?

Mr. COOK. I object.

Mr. BROCK. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. PASTORE. Mr. President, what is all this talk about the national committee and what the Comptroller General is going to do and who is going to run away with this money and that the Senate is not going to know anything about it? I wonder whether my friends on the other side of the aisle, who have been that critical, have read the bill?

We have a presidential election campaign fund advisory board that involves people of Congress—Senators and Members of the House of Representatives—to promulgate the guidelines. There is all this responsibility in conjunction with the Comptroller General.

The Senator has been honest when he has said, "I don't care what you do to refine this bill. I am going to vote against it anyway." Well, why do we not leave it there and wait until 5 o'clock and see whether the Senate wants it or does not want it?

I yield back the remainder of my time, and I am ready to vote.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Colorado. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Iowa (Mr. MILLER), is detained on official business.

The result was announced—yeas 44, nays 54, as follows:

[No. 378 Leg.]

YEAS—44

Aiken	Curtis	Pearson
Allott	Dole	Percy
Baker	Dominick	Roth
Beall	Fannin	Saxbe
Bellmon	Fong	Schweiker
Bennett	Goldwater	Scott
Boggs	Griffin	Smith
Brock	Gurney	Stafford
Brooke	Hansen	Stevens
Buckley	Hatfield	Taft
Byrd, Va.	Hruska	Thurmond
Case	Javits	Tower
Cook	Jordan, Idaho	Weicker
Cooper	Mathias	Young
Cotton	Packwood	

NAYS—54

Allen	Harris	Mondale
Anderson	Hart	Montoya
Bayh	Hartke	Moss
Bentsen	Hollings	Muskie
Bible	Hughes	Nelson
Burdick	Humphrey	Pastore
Byrd, W. Va.	Inouye	Pell
Cannon	Jackson	Proxmire
Chiles	Jordan, N.C.	Randolph
Church	Kennedy	Ribicoff
Cranston	Long	Sparkman
Eagleton	Magnuson	Spong
Eastland	Mansfield	Stennis
Ellender	McClellan	Stevenson
Ervin	McGee	Symington
Fulbright	McGovern	Talmadge
Gambrell	McIntyre	Tunney
Gravel	Metcalf	Williams

NOT VOTING—2

Miller Mundt

So Mr. DOMINICK's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

VIENNA CONVENTION ON THE LAW OF TREATIES

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Vienna Convention on the Law of Treaties signed for the United States on April 24, 1970—Executive L, 92d Congress, first session—transmitted to the Senate today by the President of the United States, and that the convention, together with the President's message, be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

I am transmitting herewith, for the advice and consent of the Senate to ratification, the Vienna Convention on the Law of Treaties signed for the United States on April 24, 1970. The convention is the outcome of many years of careful preparatory work by the International Law Commission, followed by a two-session conference of 110 nations convened under United Nations auspices in 1968 and 1969. The conference was the sixth in a series called by the General Assembly of the United Nations for the purpose of encouraging the progressive development and codification of international law.

The growing importance of treaties in the orderly conduct of international relations has made increasingly evident the need for clear, well-defined, and readily ascertainable rules of international law applicable to treaties. I believe that the codification of treaty law formulated by representatives of the international community and embodied in the Vienna Convention meets this need.

The international community as a whole will surely benefit from the adoption of uniform rules on such subjects as the conclusion and entry into force of treaties, their interpretation and application, and other technical matters. Even more significant, however, are the orderly procedures of the convention for dealing with needed adjustments and changes in treaties, along with its strong reaffirmation of the basic principle pacta sunt servanda—the rule that treaties are binding on the parties and must be performed in good faith. The provisions on judicial settlement, arbitration, and conciliation, including the possibility that a dispute concerning a preemptory norm of international law can be referred to the International Court of Justice, should do much to enhance the stability of treaty relationships throughout the world.

I am enclosing the report of the Secretary of State, describing the provisions of the convention in detail.

The Vienna Convention can be an important tool in the development of international law. I am pleased to note that it has been endorsed by the House of Delegates of the American Bar Association and I urge the Senate to give its advice and consent to ratification.

RICHARD NIXON.

THE WHITE HOUSE, *November 22, 1971.*

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 745

Mr. COOPER. Mr. President, I send to the desk amendment No. 745 as modified.

The PRESIDING OFFICER. The clerk will state the modified amendment.

The second assistant legislative clerk read as follows:

Beginning with line 11 on page 7 it is proposed to strike out all of title X and insert in lieu thereof the following:

TITLE X

Mr. COOPER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment reads as follows:

Beginning with line 11 on page 7 strike out all of title X and insert in lieu thereof the following:

TITLE X—FEDERAL ELECTION CAMPAIGN ACT OF 1971

SHORT TITLE

SEC. 1001. This title may be cited as the "Federal Election Campaign Act of 1971".

PART A—AMENDMENTS TO COMMUNICATIONS ACT OF 1934; LIMITATIONS ON CAMPAIGN EXPENDITURES FOR NONBROADCAST COMMUNICATIONS MEDIA

EXCEPTION TO EQUAL TIME REQUIREMENTS AND CHARGE LIMITATIONS

SEC. 1101. (a)(1) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315 (a)) is amended by inserting after "public office" in the first sentence thereof a comma and the following: "other than Federal elective office (as defined in subsection (c) of this section),".

(2) Section 315(a) of such Act is amended by inserting after the first sentence thereof the following: "When a licensee permits a legally qualified candidate for Federal elective office to use his broadcasting station in connection with such candidate's campaign for nomination for election, or election to such office, the licensee shall afford such candidate maximum flexibility in choosing his program format."

(b) Section 315(b) of such Act is amended to read as follows:

"(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office in connection with his campaign for nomination for election, or election, to such office shall not exceed—

"(1) during the forty-five days preceding the date of a primary election and during the sixty days preceding the date of a general or special election in which such person is a candidate, the lowest unit charge of the station for the same class and amount of time for the same period; and

"(2) at any other time, the charges made for comparable use of such station by other users thereof."

(c) Section 312(a) of such Act is amended by striking "or" at the end of clause (5), striking the period at the end of clause (6) and inserting in lieu thereof a semicolon and "or", and adding at the end of such section 312(a) the following new clause:

"(7) for willful or repeated failure to allow reasonable access to or to permit purchase of reasonable amounts of time for the use of a broadcasting station by a legally qualified candidate on behalf of his candidacy.".

EXPENDITURE LIMITATIONS FOR CANDIDATES FOR MAJOR ELECTIVE OFFICES

SEC. 1102. Section 315 of the Communications Act of 1934 is further amended by redesignating subsection (c) as subsection (f) and by inserting immediately before such subsection the following new subsections:

"(c)(1) For purposes of this subsection and subsection (d), the term—

"(A) 'Federal elective office' means the office of President, Vice President, United States Senator or Representative, or Delegate or Resident Commissioner to the Congress;

"(B) 'use of broadcasting stations by or on behalf of any candidate' includes not only broadcasts advocating such candidate's election, but also broadcasts urging the defeat of his opponent or derogating his opponent's stand on campaign issues;

"(C) 'legally qualified candidate' means any person who (1) meets the qualifications prescribed by the applicable laws to hold the Federal elective office for which he is a candidate and (2) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors; and

"(D) 'broadcasting station' includes a community antenna television system, and the terms 'licensee' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.

"(2) Except as provided in section 1104 of the Federal Election Campaign Act of 1971, no legally qualified candidate in any primary, runoff, general, or special election for a Federal elective office may spend for the use of broadcasting stations on behalf of his candidacy in such election a total amount in excess of—

"(A) 5 cents multiplied by the estimate of resident population of voting age for such office, as determined by the Bureau of Census in June of the year preceding the year in which the election is to be held; or

"(B) $30,000, if greater than the amount determined under subparagraph (A).

For the purposes of computing the limitation provided by the first sentence of this paragraph in connection with a presidential primary election, the resident population of voting age for the office of President shall be held and considered to be the entire population of voting age for such office within the State in which such primary election is conducted. Amounts spent by or on behalf of any candidate for nomination for election to such office in connection with his primary campaign in any State shall not exceed such limitation for that State.

"(3) Amounts spent for the use of broadcasting stations on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this subsection, be deemed to have been spent by such candidate. Amounts spent for the use of broadcasting stations by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this subsection, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

"(4) No station licensee may make any charge for the use of such station by or on behalf of any candidate for Federal elective office (or for nomination to such office) unless such candidate, or a person specifically authorized by such candidate in writing to do so, certifies to such licensee in writing that the payment of such charge will not violate paragraph (2).

"(4) Broadcasting stations and candidates shall file with the Commission such reports at such times and containing such information as the Commission shall prescribe for the purpose of this subsection and, in the case of broadcasting stations, subsection (d).

"(d) If a State by law and expressly—

"(1) has provided that a primary or other election for any office of such State or of a political subdivision thereof is subject to this subjection, and

"(2) has specified a limitation upon total expenditures for the use of broadcasting stations on behalf of the candidacy of each legally qualified candidate in such election, and

"(3) has provided in any such law an unequivocal expression of intent to be bound by the provisions of this section, and

"(4) has stipulated that the amount of such limitation shall not exceed the amount which would be determined for such election under subsection (c) had such election been an election for a Federal elective office or nomination thereto;

then no station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate in such election unless such candidate, or a person specifically authorized by such candidate in writing to do so, certifies to such licensee in writing that the payment of such charge will not violate such limitation.

"(e) One who willfully and knowingly violates the provisions of subsection (c) or (d) of this section shall be punished by a fine not to exceed $5,000 or imprisonment for a period not to exceed five years, or both. The provisions of sections 501 through 503 of this Act shall not apply to violations of such subsection."

LIMITATIONS ON CAMPAIGN EXPENDITURES FOR NONBROADCAST COMMUNICATIONS MEDIA

SEC. 1103. (a) For purposes of this section, the term—

(1) "Federal elective office" means the office of President, Vice President, United States Senator or Representative, or Delegate or Resident Commissioner to the Congress;

(2) "nonbroadcast communications medium" means newspapers, magazines, and other periodical publications, and billboard facilities;

(3) "legally qualified candidate" means any person who (A) meets the qualifications prescribed by the applicable laws to hold the Federal elective office for which he is a candidate and (B) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors; and

(4) "use of any nonbroadcast communications media by or on behalf of any candidate" includes not only amounts spent for advocating a candidate's election, but also amounts spent for urging the defeat of his opponent or derogating his opponent's stand on campaign issues.

(b) During the forty-five days preceding the date of any primary election, and during the sixty days preceding the date of any general or special election, the charges made for the use of any nonbroadcast communications medium by an individual who is a legally qualified candidate for Federal elective office shall not exceed the lowest unit rate charged others by the person furnishing such medium for the same amount and class of space.

(c) Except as provided in section 104 of this Act, no legally qualified candidate in any primary, runoff, general, or special election for a Federal elective office may spend for the use of nonbroadcast communications media on behalf of his candidacy in such election a total amount in excess of—

(1) 5 cents multiplied by the estimate of resident population of voting age for such office, as determined by the Bureau of Census in June of the year preceding the year in which the election is to be held; or

(2) $30,000, if greater than the amount determined under clause (1).

For the purposes of computing the limitation provided by the first sentence of this paragraph in connection with a presidential primary election, the resident population of voting age for the office of President shall be held and considered to be the entire resident population of voting age for such office within the State in which such primary election is conducted. Amounts spent by or on behalf of any candidate for nomination for election to such office in connection with his primary campaign in any State shall not exceed such limitation for that State.

(d) Amounts spent for the use of nonbroadcast communications media on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this section, be deemed to have been spent by such candidate. Amounts spent for the use of nonbroadcast communications media by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this section, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

(e) No person may make any charge for the use of any nonbroadcast communications medium by or on behalf of any candidate for Federal elective office (or for nomination to such office) unless such candidate, or an individual specifically authorized by such candidate in writing to do so, certifies to such person that the payment of such charge will not violate subsection (c). Any person who furnishes the use of any nonbroadcast communications medium to or for the benefit of any such candidate without charge therefor shall be deemed to have made a contribution to such candidate in an amount equal to the amount normally charged by such person for such use. Any person who furnishes the use of any nonbroadcast communications medium to or for the benefit of any such candidate at a rate which is less than the rate normally charged by such person for such use shall be deemed to have made a contribution to such candidate in an amount equal to the excess of the rate normally charged over the rate charged such candidate.

(f) One who willfully and knowingly violates the provisions of this section shall be punished by a fine not to exceed $5,000 or imprisonment of not more than five years, or both.

LIMITED INTERCHANGEABILITY BETWEEN EXPENDITURES LIMITATIONS

SEC. 1104. (a) A legally qualified candidate in any primary, runoff, general, or special election for Federal elective office may, at his option, transfer not to exceed 20 per centum of the expenditure limitation under section 315(c) of the Communications Act of 1934 as amended or section 1103(c) of this Act between one or the other to be spent on either the broadcast or nonbrondcast media on behalf of his candidacy in such election. Any amount so transferred from the one ex-

penditure limitation to the other shall be deducted from the expenditure limitation upon the media from which such transfer is made.

(b) Any such legally qualified candidate exercising this option shall promptly notify the Federal Elections Commission in writing of the amount so transferred and spent, and shall provide such Commission with such information as the Commission, in his judgment, deems necessary and proper in the exercise of this option.

(c) The Federal Elections Commission is authorized to develop and promulgate appropriate rules and regulations to carry out the purposes of this section.

(d) The definitions contained in section 315(c) of the Communications Act of 1934 and in section 1103(a) of this Act are applicable to this section.

COST-OF-LIVING INCREASE IN LIMITATION FORMULA

SEC. 1105. (a) For purposes of this section, the term—

(1) "price index" means the annual average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

(2) "base period" means the calendar year 1970.

(b) Commencing immediately after the end of 1971, and after the end of each calendar year thereafter, as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall determine the difference between the price index for the immediately preceding calendar year and the price index for the base period. The amount computed under section 315(c)(2)(A) of the Communications Act of 1934 (as added by section 1102 of this Act) and under section 1103(c)(1) of this Act shall be increased by such per centum difference (excluding any fraction of a per centum) and rounded to the next highest cent. Each amount so increased shall be the amount in effect for the twelve months following the end of such calendar year.

PART B—CRIMINAL CODE AMENDMENTS

SEC. 1201. Section 591 of title 18, United States Code, is amended to read as follows:

"§ 591. Definitions

"When used in sections 597, 599, 600, 602, 610, 611, and 614 of this title—

"(a) 'election' means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(b) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, to Federal office, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election to such office;

"(c) 'Federal office' means the office of President or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

"(d) 'political committee' means any individual committee, association, or organization which accepts contributions or make expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(e) 'contribution' means—

"(1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a National or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and

"(3) a transfer of funds between political committees;

"(g) 'person' and 'whoever' mean an individual, partnership, committee, association, corporation, or any other organization or group of persons; and

"(h) 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States."

SEC. 1202. Section 600 of title 18, United States Code, is amended to read as follows:

"§ 600. Promise of employment or other benefit for political activity

"Whoever, directly or indirectly, promises any employment, position, compensation, contract, appointment, or other benefit provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, shall be fined not more than $1,000 or imprisoned not more than one year or both."

SEC. 1203. Section 608 of title 18, United States Code, is amended to read as follows:

"§ 608. Limitations on contributions and expenditures

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of—

"(A) $50,000, in the case of a candidate for the office of President or Vice President;

"(B) $35,000, in the case of a candidate for the office of Senator; or

"(C) $25,000, in the case of the candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.

"(2) For purposes of this subsection, 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

"(b) No candidate or political committee shall knowingly accept any contribution or authorize any expenditure in violation of the provisions of this section.

"(c) Violation of the provisions of this section is punishable by a fine not to exceed $1,000, imprisonment for not to exceed one year, or both.".

SEC. 1204. Section 609 of title 18, United States Code, is repealed.

SEC. 1205. Section 611 of title 18, United States Code, is amended to read as follows:

"§ 611. Contributions by Government contractors

"Whoever—

"(a) entering into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (1) the completion of performance under, or (2) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land, or buildings, directly or indirectly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"(b) knowingly solicits any such contribution from any such person for any such purpose during any such period;

shall be fined not more than $5,000 or imprisoned not more than five years, or both."

SEC. 1206. The table of sections for chapter 29 of title 18, United States Code, is amended by—

(1) striking out the item relating to section 608 and inserting in lieu thereof the following;

"608. Limitations on contributions and expenditures.";

(2) striking out the item relating to section 609 and inserting in lieu thereof the following

"609. Repealed.";

(3) striking out the item relating to section 611 and inserting in lieu thereof the following:

"611. Contributions by Government contractors.".

PART C—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

DEFINITIONS

SEC. 1301. When used in this title—

(a) "election" means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) received contributions or made expenditures, or has given his consent for any person other to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) "Federal office" means the office of President or Vice President of the United States; or of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

(d) "political committee" means any committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

(e) "contribution" means—

(1) a gift, subscription, loan, advance, or deposit of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office or as a presidential or vice-presidential elector, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

(2) a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

(3) a transfer of funds between political committees;

(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose; and

(5) notwithstanding, the foregoing meanings of "contribution", the word shall not be construed to include services provided without compensation by individuals volunteering a portion of all their time on behalf of a candidate or political committee;

(f) "expenditure" means—

(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or as a presidential and vice-presidential elector, or for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement whether or not legally enforceable, to make an expenditure, and

(3) a transfer of funds between political committees;

(g) "Commission" means the Federal Elections Commission;

(h) "person" means an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons; and

(i) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 1302. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of chairman or treasurer thereof. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) Every person who receives a contribution in excess of $10 for a political committee shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the name and address (occupation and the principal place of business, if any) of the person making such contribution, and the date on which received. All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

(c) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

(1) all contributions made to or for such committee;

(2) the full name and mailing address (occupation and the principal place of business, if any) of every person making a contribution in excess of $10, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee; and

(4) the full name and mailing address (occupation and the principal place of business, if any) of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee in excess of $100 in amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditures to the same person during a calendar year exceeds $100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the Commission.

(e) Any political committee which solicits or receives contributions or makes expenditures on behalf of any candidate that is not authorized in writing by such candidate to do so shall include a notice on the face or front page of all literature and advertisements published in connection with such candidate's campaign by such committee or on its behalf stating that the committee is not authorized by such candidate and that such candidate is not responsible for the activities of such committee.

(f)(1) Any political committee shall include on the face or front page of all literature and advertisements soliciting funds the following notice:

"A copy of our report filed with the Federal Elections Commission is (or will be) available for purchase from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402."

(2)(A) The Commission shall compile and furnish to the Public Printer, not later than the last day of March of each year, an annual report for each political committee which has filed a report with him under this title during the period from March 10 of the preceding calendar year through January 31 of the year in which such annual report is made available to the Public Printer. Each such annual report shall contain—

(i) a copy of the statement of organization of the political committee required under section 1303, together with any amendments thereto; and

(ii) a copy of each report filed by such committee under section 1304 from March 10 of the preceding year through January 31 of the year in which the annual report is so furnished to the Public Printer.

(B) The Public Printer shall make copies of such annual reports available for sale to the public by the Superintendent of Documents as soon as practicable after they are received from the Commission.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 1303. (a) Each political committee which anticipates receiving contributions or making expenditures during the calendar year in an aggregate amount exceeding $1,000 shall file with the Commission a statement of organization, within ten days after its organization or, if later, ten days after the date on which it has information which causes the committee to anticipate it will receive contributions or make expenditures in excess of $1,000. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the Commission at such time as it prescribes.

(b) The statement of organization shall include—

(1) the name and address of the committee;

(2) the names, addresses, and relationships of affiliated or connected organizations;

(3) the area, scope, or jurisdiction of the committee;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, address, office sought, and party affiliation of (A) each candidate whom the committee is supporting, and (B) any other individual, if any, whom the committee is supporting for nomination for election, or election, to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;

(7) a statement whether the committee is a continuing one;

(8) the disposition of residual funds which will be made in the event of dissolution;

(9) a listing of all banks, safety deposit boxes, or other repositories used;

(10) a statement of the reports required to be filed by the committee with State or local officers, and, if so, the names, addresses, and positions of such persons; and

(11) such other information as shall be required by the Commission.

(c) Any change in information previously submitted in a statement of organization shall be reported to the Commission within a ten-day period following the change.

(d) Any committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year in an aggregate amount exceeding $1,000 shall so notify the Commission.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 1304. (a) Each treasurer of a political committee supporting a candidate or candidates for election to Federal office and each candidate for election to such office shall file with the Commission reports of receipts and expenditures on forms to be prescribed or approved by it. Such reports shall be filed on the tenth day of March, June, and September, in each year, and on the fifteenth and fifth days next preceding the date on which an election is held, and also by the thirty-first day of January. Such reports shall be complete as of such date as the Commission may prescribe, which shall not be less than five days before the date of filing except that any contribution of $5,000 or more received after the last report is filed prior to the election, shall be reported within forty-eight hours after its receipt.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount or value of $100 or more, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all transfers;

(5) each loan to or from any person within the calendar year in an aggregate amount or value in excess of $100, together with the full names and mailing addresses (occupations and the principal places of business, if any) of the lender and endorsers, if any, and the date and amount of such loan;

(6) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising event; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt in excess of $100 not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period;

(9) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom an expenditure or expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an aggregate amount or value in excess of $100, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by each candidate on whose behalf such expenditure was made;

(10) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom an expenditure for personal services, salaries, and reimbursed expenses in excess of $100 has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(11) the total sum of expenditures made by such committee or candidate during the calendar year;

(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the Commission may prescribe and a continuous reporting of their debts and obligations after the election at such periods as the Commission may require until such debts and obligations are extinguished; and

(13) such other information as shall be required by the Commission.

(c) The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no charge in an item reported in a previous report during such year, only the amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to the effect.

REPORTS BY OTHER THAN POLITICAL COMMITTEES

SEC. 1305. Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by section 1304. Statements required by this section shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 1306. (a) A report or statement required by this title to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing such report or statement, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period of time to be designated by the Commission in a published regulation.

(c) The Commission may, by published regulation of general applicability, relieve any category of political committees of the obligation to comply with section 1304 if such committee (1) primarily supports persons seeking State or local office, and does not substantially support candidates, and (2) does not operate in more than one State or on a statewide basis.

(d) The Commission shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

REPORTS OF CONVENTION FINANCING

SEC. 1307. Each committee or other organization which—

(1) represents a State, or a political subdivision thereof, or any group of persons, in dealing with officials of a national political party with respect to matters involving a convention held in such State or political subdivision to nominate a candidate for the office of President or Vice President, or

(2) represents a national political party in making arrangements for the convention of such party held to nominate a candidate for the office of President or Vice President, shall, within sixty days following the end of the convention (but not later than twenty days prior to the date on which presidential and vice-presidential electors are chosen), file with the Commission a full and complete financial statement, in such form and detail as it may prescribe, of the sources from which it derived its funds, and the purposes for which such funds were expended.

DUTIES OF THE COMMISSION

SEC. 1308. (a) It shall be the duty of the Commission—

(1) to develop and furnish to the person required by the provisions of this Act prescribed forms for the making of the reports and statements required to be filed with it under this title;

(2) to prepare, publish, and furnish to the person required to file such reports and statements a manual setting forth recommended uniform methods of bookkeeping and reporting;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this title;

(4) to make the report and statements filed with it available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person: *Provided*, That any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(5) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(6) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate;

(7) to prepare and publish an annual report including compilations of (A) total reported contributions and expenditures for all candidates, political committees, and other persons during the year; (B) total amounts expended according to such categories as it shall determine and broken down into candidate, party, and nonparty expenditures on the National, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as it shall determine and broken down into contributions on the National, State, and local levels for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed in excess of $100;

(8) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respect to preceding elections;

(9) to prepare and publish such other reports as it may deem appropriate;

(10) to assure wide dissemination of statistics, summaries, and reports prepared under this title;

(11) to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of this title, and with respect to alleged failures to file any report or statement required under the provisions of this title;

(12) to report apparent violations of law to the appropriate law enforcement authorities; and

(13) to prescribe suitable rules and regulations to carry out the provisions of this title.

(b) (1) Any person who believes a violation of this title has occurred may file a complaint with the Commission. If the Commission determines there is substantial reason to believe such a violation has occurred, it shall expeditiously make an investigation, which shall also include an investigation of reports and statements filed by the complainant if he is a candidate, of the matter complained of. Whenever in the judgment of the Commission, after affording due notice and an opportunity for a hearing, any person has engaged in or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title or any regulation or order issued

thereunder, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

(2) In any action brought under paragraph (1) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

(3) Any party aggrieved by an order granted under paragraph (1) of this subsection may, at any time within sixty days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such person is found, resides, or transacts business for judicial review of such order.

(4) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

(5) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection).

STATEMENTS FILED WITH CLERK OF UNITED STATES COURT

SEC. 1309. (a) A copy of each statement required to be filed with the Commission by this title shall be filed with the clerk of the United States district court for the judicial district in which is located the principal office of the political committee or, in the case of a statement filed by a candidate or other person, in which is located such person's residence. The Commission may require the filing of reports and statements required by this title with the clerks of other United States district courts where it determines the public interest will be served thereby.

(b) It shall be the duty of the clerk of a United States district court under subsection (a)—

(1) to receive and maintain in an orderly manner all reports and statements required by this title to be filed with such clerks;

(2) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(3) to make the reports and statements filed with him available for public inspection and copying during regular office hours, commencing as soon as practicable but not later than the end of the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, requested by any person, at the expense of such person; and

(4) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate.

FEDERAL ELECTIONS COMMISSION

SEC. 1310. (a) There is hereby created a Commission to be known as the Federal Elections Commission, which shall be composed of six members, not more than three of whom shall be members of the same political party, who shall be chosen from among persons who, by reason of maturity, experience, and public service have attained a nationwide reputation for integrity, impartiality, and good judgment, are qualified to carry out the functions of the Commission and shall be appointed by the President, by and with the advice and consent of the Senate. One of the original members shall be appointed for a term of two years, one for a term of four years, one for a term of six years, one for a term of eight years, one for a term of ten years, and one for a term of twelve years, beginning from the date of enactment of this Act, but their successors shall be appointed for terms of twelve years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall designate one member to serve as Chairman of the Commission and one member to serve as Vice Chairman. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office.

(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and four members thereof shall constitute a quorum.

(c) The Commission shall have an official seal which shall be judicially noticed.

(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

(e) Members of the Commission shall, while serving on the business of the Commission, be entitled to receive compensation at a rate fixed by the Director of the Office of Management and Budget but not in excess of $100 per day, including travel-time; and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

(f) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers at any other place.

(g) All officers, agents, attorneys, and employees of the Commission shall be subject to the provisions of section 9 of the Act of August 2, 1939, as amended (the Hatch Act), notwithstanding any exemption contained in such section.

(h) The Commission shall appoint an Executive Director without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, to serve at the pleasure of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. However, the Commission shall not delegate the making of regulations regarding elections to the Executive Director.

(i) The Chairman of the Commission shall appoint and fix the compensation of such personnel as it is deemed necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

(j) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(k) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(131) Executive Director, Federal Elections Commission."

(l) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself to the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

PROHIBITION OF CONTRIBUTIONS IN NAME OF ANOTHER

SEC. 1311. No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

PENALTY FOR VIOLATIONS

SEC. 1312. Any person who violates any of the provisions of this title shall be fined not more than $1,000 or imprisoned not more than one year, or both.

STATE LAWS NOT AFFECTED

SEC. 1313. (a) Nothing in this title shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of this title.

(b) The Commission shall encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements.

PARTIAL INVALIDITY

SEC. 1314. If any provision of this title, or the application thereof, to any person or circumstance is held invalid, the validity of the remainder of the title and the application of such provision to other persons and circumstances shall not be affected thereby.

REPEALING CLAUSE

SEC. 1315. (a) The Federal Corrupt Practices Act, 1925 (2 U.S.C. 241–256), is repealed.

(b) In case of any conviction under this title, where the punishment inflicted does not include imprisonment, such conviction shall be deemed a misdemeanor conviction only.

PART D—MISCELLANEOUS

EXTENSION OF CREDIT BY REGULATED INDUSTRIES

SEC. 1401. The Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission shall each promulgate, within ninety days after the date of enactment of this Act, its own regulations with respect to the extension of credit, without security, by any person regulated by such Board or Commission to any candidate for Federal office (as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971), or to any person on behalf of such a candidate, for goods furnished or services rendered in connection with the campaign of such candidate for nomination for election, or election, to such office.

EFFECTIVE DATE

SEC. 1402. Except as provided for in section 1401 of this Act, the provisions of this Act shall become effective on December 31, 1971, or sixty days after the date of enactment of this Act, whichever is later.

Mr. COOPER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 5 minutes.

Mr. COOPER. Mr. President, the amendment is offered as a substitute for title X of amendment No. 692 which is known, and properly so, as the Pastore amendment. I offer the amendment in the nature of a substitute on behalf of myself, Senators BAKER, JAVITS, WEICKER, COOK, GURNEY, and SCOTT. I ask unanimous consent that the names of the Senator from Illinois (Mr. PERCY), of

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the Senator from Oregon (Mr. PACKWOOD), of the Senators from Colorado (Mr. DOMINICK and Mr. ALLOTT), of the Senator from Delaware (Mr. ROTH), and the Senator from New York (Mr. BUCKLEY) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOPER. Mr. President, I would like the Senator from Rhode Island to note the modification I have made. In the modified amendment which I have sent to the desk I have stricken all of the language beginning with line 2 on page 1 through line 15 on page 7. The substance of the amendment is this: It does not seek to amend title IX of the Pastore amendment in any way. It would not strike title IX from the Pastore amendment. The amendment which I have sent to the desk is the Federal Elections Campaign Act of 1971 which was passed by the Senate but which has not been approved by the House. Our amendment is a substitute for title X of the Pastore amendment. If approved, it would strike title X of the Pastore amendment and replace it with the election reform bill.

I want to make a few comments on this change. Our amendment now whether it be accepted or rejected, would leave title IX in the Pastore amendment.

We first sought to amend title IX. Then considering the two version, we thought that title IX is a very good proposal. It does provide a source of funds for candidates and by free choice of the taxpayer.

Taxpayers who make contributions to candidate they designate will be accorded a tax credit not exceeding $25 or a tax deduction of $100 maximum.

This at least is the fair way. It is a thoroughly democratic way; title X is not a fair or democratic system.

These are my reasons for saying that this is a democratic and fair proposal and title X is not.

First, the taxpayer chooses the candidate to whom he wishes to contribute. Title X has been described as "one man, one vote, one dollar." This is not correct. It is one man, one dollar, one-fourth of a vote for Mr. Democrat, one-fourth of a vote for Mr. Republican, and about one-eighth of a vote for Governor Wallace, and perhaps a few cents other candidates if any qualify. It is undemocratic also, because it attempts to allocate money in specific amounts to parties and thereby freeze them in funds for the future for these parties. It is pretty good for the Democratic Party and the Republican Party, and I hope they remain the major parties.

But the Senator's title X would not give the candidates of other parties an equal chance. Mr. Wallace will secure about 15 cents. But Eugene McCarthy, if he becomes a candidate; Mr. MCCLOSKEY—I am not for him—have a right to run and to have an equal chance. The Senator would deny all of them an equal chance. Title X has no element of fairness or democracy.

Further a similar amendment was debated thoroughly several years ago, as I noted this morning. In 1966, it was offered by the Senator from Louisiana (Mr. LONG) and placed on a tax bill. Former Senator Williams, of Delaware, supported by former Senator Gore, of Tennessee, and the late Senator Robert Kennedy, of New York, made a strong effort to have the Long amendment of 1966 repealed. They won and the country won by a vote of 48 to 42. Fifteen Members of the majority supported the repeal of that amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COOPER. I yield myself 2 additional minutes. I know other Senators wish to speak on this matter.

Our former colleagues argued that the Long amendment was not democratic or fair—using the money of taxpayers and apportioning it against their will. It can be said that taxpayers do not have to check off the $1 contribution, but many will do so without knowing how their money will be used.

Senator Robert Kennedy said that he believed it could be unconstitutional to divide arbitrarily the money between "major" parties and not give to other parties an equal chance before the electorate. Also he argued that it could be a violation of the first amendment.

The Election Reform Act which we would substitute for title X, places limitations upon the amounts candidates for office can spend personally, and their families can spend. It imposes a limitation of not more than 6 cents out of 10 cents for advertising, whether it be television or other forms of the media and a limit of 10 cents per eligible voter for all the news media.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COOPER. I yield myself 1 additional minute. The Reform Act provides the best protection, which is disclosure. If my amendment is not passed and title X is added, assuring $40 million to be spent, open to all the corrupt practices which we have now admitted exist, we will only maximize the possibility for corruption.

I offer this amendment in all seriousness. I hope it will have appeal on the other side.

I say to the Senator from Rhode Island: We can vote for your title IX, and assure taxpayers an opportunity to contribute to the party of their choice and the candidate of their choice at all levels of government. But let us strike title X with all its defects and substitute in its place a clean election law, which we hope will move forward against corrupt practices in political campaigns.

Mr. President, I shall take 1 additional minute to make one further argument. I do not like to use the words of someone who has died. It could be said that I am doing this unfairly, and I do not want to be unfair or taken an advantage.

But the arguments of the late Senator Robert Kennedy before the committee—and on the Senate floor that this type of financing could give to the national committees and the national party control over local party organizations and local candidates. Oh, but it is said that this threat has been removed because the money is given directly to the candidate. The candidate is not going to spend the money, he will establish a national committee or a central committee to manage his campaign and spend the money. There is no difference between the 1966 Fong amendment and title X.

This is what the late Senator Robert Kennedy said about this problem in 1967:

> And, too, in many State parties, in dozens of local organizations, there are conflicts of principle and power and office. What formula would show how to choose between regulars and reformers, in my own city of New York? Or between regular Democrats and moderate Democrats and Negro insurgents in Mississippi? Or between regular Republicans and Goldwater Citizens' Committees in 1964, in any number of States?

I think he made the case, and it is correct. For the reasons I have stated I hope my friends on the other side, who are dedicated to the strengthening of the election process will consider this amendment.

Mr. PASTORE. Mr. President, I was going to yield 10 minutes to the Senator from Texas at this time, but because of certain allegations made by my good friend from Kentucky I should like to answer a point or two.

At the outset, I think my good friend from Kentucky is absolutely sincere and intellectually honest when he said he does not like title X. Other Senators do not like it either, but I hope that a majority of Senators like it.

No Senator worked harder with relation to the campaign expenditures bill than the Senator from Rhode Island. I managed it on the floor. I spent days and nights putting that bill together, and I was happy to see that it finally did pass—and it passed by an overwhelming majority.

The trouble with the amendment of the Senator from Kentucky is this. The amendment is not being added to the Pastore amendment. It is being used to shut down title X—pure and simple. It is being used to shut down title X. If it is shut down, what will happen? Not only will we have lost title X; we will have lost even the campaign expenditures bill, and I will tell Senators why.

The House has as its pending business now the campaign expenditures legislation. It comes out of two committees of the House, the Commerce Committee and the Rules Committee. Senators know the sensitivity of jurisdiction. Suppose we took that bill, that is on the floor of the House, and attached it to a conference report that will go to the Committee on Finance. What do Senators think would happen to it? Not only would we have insulted two committees of the House; we would have jeopardized a good piece of legislation, which I hope will pass this year. That is the trouble with this amendment.

On the question of one man, one dollar, a quarter of a vote, that is not true, because if the Senator was here when I was talking with the Senator from Maryland, he knows I tried hard to get a unanimous-consent agreement to have his amendment follow the amendment of the Senator from Kentucky. When he brought up his amendment designating the party nominee, I told him it has tremendous merit. The only trouble is that it presents the problem of third- and fourth-party candidates.

I did not want—as I used the expression at that time—to put them in a straitjacket. So I said to him:

> Have your staff get together with our staff, and we will work up a combination of the two.

The combination of the two is now at the desk. Now all a taxpayer can do is check off the party nominee. At the same time, if he cares to, he can designate his dollar, if he does not want it to go to a party and nominee, for the general fund—and that would go to third-party candidates. That is going to be done, hopefully, if we do not squeeze out the Senator from Maryland and prevent him from bringing up his amendment.

I would hope our colleagues would allow him to bring up his amendment, that we can debate his amendment, and take a vote on it. The objection I have to the present amendment is not that it does not have merit—of course it has merit—I would like to see the Campaign Expenditures Act passed—but I will say to the Senator from Kentucky that if he would add it to my amendment—and I am not being funny—I would vote him the Carnegie Medal.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. COOPER. I cannot do so because I believe the Senator's title X is not a good amendment for the reasons I have stated.

Mr. PASTORE. I said that, but do not try to strike it down along with a bill from the House, because the Senator is striking that down, too.

Mr. COOPER. Of course, we cannot tell the House what to do. But by accepting my substitute, will give the House or its conferees a chance to approve the Reform Election Act.

The Senator is able in debate, and I admire him, but his argument is a plea in avoidance.

Mr. PASTORE. No.

Mr. COOPER. My amendment would strike title X.

Mr. PASTORE. If the Senator will permit, his amendment and his move is a plea in avoidance. The Senator is trying to avoid title X by throwing in a substitute that we know every well at this point does not belong in our jurisdiction and is subject to a question of germaneness under the House rules and can be knocked out under the rules.

I yield 10 minutes to the Senator from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from Kentucky. I, too, recognize his sincerity and his intellectual honesty, and I have the pleasure of serving with him on a committee.

One finds it difficult to add anything after the eloquent speech of the Senator from Rhode Island, but perhaps a point or two can be made.

It seems to me to strike out title X and bring into the bill the Federal Election Campaign Act of 1971 is an academic exercise of what has already been accomplished in the bill. I believe, in addition, it strikes at the very heart of the Pastore amendment.

Much of the debate of the last couple of days has been a partisan debate. It is a debate between one political party that is in hock up to its eyeballs, has not been able to pay its bills, has no credit or reasonable expectation of credit; and the other party has its past bills paid, AAA credit, a plentiful bank account, has, according to one magazine article, $30 million in one bank account, and all the financial muscle of an incumbent President.

Much of the debate has centered around the next presidential campaign, and that is as it should be, because that is the next major political decision that the electorate of this country will have to make. But I think we must not lose sight of the fact that much more is at stake than the next election. I believe the processes of democracy are on trial, that the credibility of the system is being questioned. The basic question, Mr. President, is: Shall the public really have an opportunity to hear both sides of the great debate which is so necessary in order to have an informed decision?

I submit that without legislation the public will be denied the right to hear fully both sides of the debate.

There is a new generation of young voters coming on, and they are asking some tough and hard questions, and some of the older generation are joining with them. They are asking: Does the system really work? And if it does not, why not?

I believe this Nation of ours is more in revolution today than any other major industrial society in the world. You go to Europe, go to Asia. You see changes there, but they are changes at the top—changing of the guard. But it is much more than that in this country of ours. The revolution here is peer-to-peer, generation-to-generation, nonestablishment to establishment—our entire society is in ferment. Under challenge are our codes of ethics, our economics, our political philosophy. Most of all, this system of government is being questioned, is being challenged, is being tried.

Because ours is the oldest living democracy in the world, because it is the only system under which we have lived, we tend to think of it as immortal. But it is not. It is a fragile and living thing. It needs the participation and input of all Americans. The people need to feel that they are a meaningful part of the process. But are they? Are they really being given a full opportunity to participate?

A great change has been taking place in American politics in recent years, and I think it is an accelerating change, and the major reason for it is the electronic media. Today's electioneering is dramatically different from the political campaigns of a Franklin Roosevelt, a Harry Truman, or even Presidents Eisenhower, Kennedy, or Johnson. The day when a candidate could win by lung power on the courthouse square, pressing the flesh of all of his constituents, is long past. And the biggest change has been wrought by the electronic media, by television.

I am convinced in this day of instant communications, with exorbitant and escalating costs for TV with all of its pervasive influence, the influence and impact of money—which has always been important in elections—is going to escalate and to be almost the controlling factor in American elections. Any distortion through the use of funds for the purchase of television time between the two major parties, where one will far outbalance the other—will seriously imbalance the election process in this country.

Is democracy really working when an election is equated with raising the most money? I admit that money, which has been called the mother's milk of politics, does not by itself win elections. But the cost of today's electronic media can really stack the deck.

Psychologists tell us that in education we retain what we see to a much higher degree than what we hear, just as we remember faces and often forget names. And so it is when we compare the newspaper to radio. And now when we combine the visual and the oral impact in TV, we are in an entirely new political ballgame. The candidate who can buy and dominate this media has an inordinate advantage.

Although the circumstances of political funding have sharply drawn the lines on this particular vote, I find support in the principle of adequate financing of the process in the words of President Nixon in 1967. Then, prospective candidate Nixon agreed that:

> It is also possible that a rich man who is less qualified could defeat a poor man who was more qualified by spending more money on television, mailing, research, image making—all of the things that go into a modern presidential campaign.

That is my point and that is my concern. We have to permit full television debate, whatever the means of the candidate.

I remember also Mr. Nixon's analysis of the election of one of his Republican predecessors. Mr. Nixon said:

> Well, he might make it today—I say might—if he could get adequately financed.

Of course, Mr. Nixon was referring to Abraham Lincoln.

Again, my point is made by this example: The modern electronic communications and its exorbitant costs can easily distort the democratic process, and we cannot permit that kind of distortion.

If the people are to choose, they are entitled to make an informed decision. They are not so informed unless they can get a balance of views. If democracy is to survive, then it must retain its credibility. It cannot when only one side of the great debate is fully presented over the electronic media.

Look at the last election for the presidency: A nonpartisan foundation has estimated that over $100 million was spent on the last presidential election. The Federal Communications Commission tells us that over $15 million was spent on TV and radio alone by the national campaign headquarters between the conventions and the elections.

Read some of the postelection reports by the contributors, the big givers, and

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you begin to feel that there is a return to the Medici here, but this time they are not the patrons of some struggling artists; they are the patrons of some struggling public officeholder. You feel that the wealthy, instead of having a stable of racehorses, have chosen to amuse themselves with a stable of candidates for public office, be they patrons of big labor, big business, or big wealth. But the power of elective office, the choice of elective office must rest with the majority, but with a majority that has had a chance to hear both sides in debate on the electronic media.

How many of us have said—give me a dollar contributor and I have a working supporter, a man who is concerned? A fellow who feels that he has bought a piece of the action feels he is participating in the processes. But too many Americans, after reading these reports of major contributors, have walked away from the table, thinking the deck has already been stacked with the entrance fee too high. And indeed, too often they are correct.

Here, today, we ask change. We are asking all to participate, to invest a dollar in the great debate, to bring about an informed electorate.

The amendment we consider today is especially significant in light of the campaign spending limitation which this body has approved, and which the other body is now considering.

That bill, which would limit the amount spent on electronic media, and require revealing the sources of campaign funds through stronger reporting requirements, would also help restore confidence in our system.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BENTSEN. I ask for 2 more minutes.

Mr. PASTORE. I yield the Senator 2 additional minutes.

Mr. BENTSEN. The proposal here today is to let that American voter make a total and voluntary choice to contribute to the Democratic process in order that both sides might be heard. He is under no compulsion; it is his choice, and his choice alone. If democracy is to survive, we must protect the processes of that system. A system of government does not lose its credibility overnight, it comes through an erosion of confidence and erosion of belief, year by year, or election by election.

We have a choice here today which will provide the American people a reasonable chance for all of its voices of concern to be heard in the great debate in a national election.

Mr. President, it is more than a partisan choice. It is a fundamental question, one which we can answer positively.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BENTSEN. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I commend the distinguished Senator for what I consider to be one of the best and most superb speeches given in the course of this long, drawnout debate on the Pastore amendment.

What he has emphasized is the doctrine of equity. What he has said time and time again is that it is time for the people to participate in financing the elections, and to do so on a voluntary basis.

His reference to the Medici, I think, was quite sound, and the example which followed should be brought home, because there are people in this country today who are out bankrolling—greening, you might say—potential candidates, because that money is not coming from the dollars of the ordinary citizens, but from the great families, the families of wealth, which bankroll candidates on both the Democratic and the Republican tickets.

I want to say I think the distinguished Senator has done a remarkably effective job this afternoon in laying out the issue for what it is: Equity in a democracy, and the people participation. I believe that is the answer, to stop the spread of cynicism, unease, concern, and deep divisiveness which afflicts the American political system today.

Mr. BENTSEN. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. COOPER. Mr. President, I yield 5 minutes to the distinguished Senator from Tennessee.

Mr. BAKER. Mr. President, we are concerned here with two problems: One, how to raise campaign money, and the other, how to spend it. The Pastore amendment deals with one, but not the other. In the amendment offered by the distinguished senior Senator from Kentucky, we deal with both problems, and completely.

It seems to me, after the somewhat acrimonious debate that has gone forward on this issue in this Chamber, that the least we can do is be complete. I react rather badly, Mr. President, to the fact that both title IX and title X of the Pastore amendment deal with alternative methods for raising money, but provide no regulation for how it will be spent, except for providing that the Comptroller General of the United States, in his unexpurgated wisdom, may determine whether something is or is not a qualified election expense.

The Cooper amendment, on the contrary, does what I think is essential, and provides realistic restraint on expenditure for campaign advertising, whether by television, by radio, or by the press.

I commend the distinguished Senator from Rhode Island for his leadership in fashioning the Federal Elections Campaign Act of 1971 which passed this body by a very substantial margin. But since it was the Senator from Rhode Island, and not the cosponsors of the Cooper amendment, who added campaign legislation to this bill to begin with, I resist the suggestion of the Senator from Rhode Island that by substituting that very laudable piece of controlling legislation to avoid fraud and misuse of campaign funds, we are in some way affronting one or more committees of the other body.

Mr. President, we have all been treated to a great dissertation on the potential for evil in the campaign process, and I think all of us understand that situation fairly well, and that most if not all of us are anxious to do something about it as quickly as possible. But the Pastore amendment, Mr. President, does absolutely nothing to restrict the opportunities for abuse. It only provides for alternative methods for raising money to be spent on behalf of a candidate for President or Vice President.

I wonder, Mr. President, if we have reached a stage in the life of this Republic where there is absolutely nothing we can do for ourselves. I wonder if we have reached the place, as is often advocated by Members of this body, especially on the Democratic side, where every single issue must be solved at the Federal level, and where nothing can be done by individuals, to say nothing of local governments. Have we reached the place where we say, in effect, that we have given up our ambition to have absolute freedom in our right and duty to conduct our free elective process? Are we going instead to institutionalize that process at the Federal level, as we have done so many other things? Is it possible that we are saying that the only way to avoid abuse in campaigning is to cede to the Federal Government the entire authority to regulate the campaign process? Is it possible that we have abdicated our last vestige of independence in the elective process, when we say that our campaigns for President and Vice President will be funded entirely from the Federal Treasury, if the candidates so elect?

It was not so very long ago, Mr. President, when we had before us a rather heated debate on whether or not we should provide a guarantee of loan financing to Lockheed. It was not very long ago that the distinguished——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BAKER. Will the Senator from Kentucky yield me 3 more minutes?

Mr. COOPER. Yes.

Mr. BAKER. That the distinguished junior Senator from Texas very properly and admirably rescued himself from voting on that issue, as a former director of Lockheed.

But, Mr. President, as to the remarks made about the triple A credit of the Republican Party, and the Democratic Party being in hock up to its eyeballs, are we being asked here to have a political Lockheed bill for the benefit of the Democratic Party? Is that what we are confronted with?

Mr. President, the Federal Treasury, it seems to me, is not in the business of underwriting the debts or the undertakings of any political party, Republican, Democrat, or otherwise. It also seems to me that if some were concerned about stopping a conflict of interest in the Lockheed case, surely there must be some concern for a conflict of interest in this Pastore amendment, because as it stands, in title IX, every single one of us, if we ever stand for election again, will be the beneficiaries of a Federal subsidy to the extent of the tax credit or the tax deduction that may be used in our campaign financing.

As to several Members of this body, all on the other side of the aisle so far as I know, who are often mentioned or acknowledge themselves to be candidates for the nomination of the Democratic Party to be President or Vice President of the United States, is there not in fact a potential for conflict of interest far in excess of anything that we encountered in the Lockheed bill?

Mr. President, I agree that the American people have the right to be informed. The complaint I heard most often in the hearings before the Communications Subcommittee of the Committee on Commerce, which is chaired so ably by the distinguished Senator from Rhode Island, was that the country is absolutely flooded with radio and television political advertising. I do not believe I heard a single witness say that there was not enough political advertising. It was always too much. There is nothing in the Pastore amendment that would limit it.

Only in the Cooper amendment, where we substitute limitation and supervision and direction on how this money is spent, can we find any relief.

May I conclude by saying that on principle I have in the past objected to the business of institutionalizing campaigning for President through the aegis of the Federal Treasury and I continue to strenuously object to this practice now. I believe there still are things that people want to do for themselves.

Mr. President, I object to an amendment that provides two alternative methods for raising money, as the Pastore amendment does, and no control. I support the Cooper amendment, and I hope the Senate will adopt it.

Mr. COOK. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Kentucky has 12 minutes, and the Senator from Rhode Island has 11 minutes.

Mr. COOPER. I yield 4 minutes to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I think it is fair to put this bill in perspective, so that if it passes, we know what we are buying—and I mean that literally.

First, this is not a campaign spending limitation bill at all. If, as the Senator from Texas said, the presidential campaigns in 1968 cost $50 million apiece for the parties, and if this bill passes and raises an additional $20 million for the parties, then the campaigns in 1972 are going to cost $70 million.

Nothing in this bill, despite the provision that the presidential candidate's campaign committee must say that they will not accept money from any place else, stops any other committee, allegedly independent from the presidential candidate, from accepting all the money that can be raised.

Second, it does not apply to primaries, and this is where money can buy elections. Once you are the nominee of a major party, you have access to some funds, but not in the primary.

What we are saying in this bill is that there are not enough Democrats or enough Republicans in this country who have enough loyalty to their own party to give voluntarily in sufficient amounts to their party to allow those parties to operate as they would like to. The Boy Scouts can do it; the YMCA can do it; the Presbyterian Church can collect their money voluntarily—but not the Republican Party or the Democratic Party.

We are going to put a little box on the income tax return. If we are going to do that, I would like to add the Oregon Environmental Council. They do more for Oregon than all partisan politics put together. We are going to trick the taxpayer into checking a box and kissing his money goodby, and he will not even know what he is getting.

We have this situation in Oregon. Our primary comes in May. April 15 is the deadline for filing the income tax return. Suppose you are a Democrat, and you are faced with the possibility of three or four Senators being on the ballot and do not know who is going to win the Oregon primary or who is going to be the nominee. You are asked in April to check your box and give half your money to Wallace or Nixon and hope the rest of it will go to the candidate of the Democratic Party you might like.

This should not be the Pastore amendment. It ought to be the Crackerjack amendment—check the box, pay your money, and hope you get a prize.

Let us look at what we are talking about here. Political parties face two main problems, and this bill aggravates both of them. Campaigning costs too much, and this bill makes it cost more. Both political parties now do not have enough spiritual and moral attraction to bring people in on a voluntary basis to either work for the party or give enough money to finance campaigns. What we are going to do by this bill is to aggravate both problems, of spending more money and taking away the element of voluntarism and participation that every other eleemosynary and voluntary organization in this country manages to get by with.

Mr. President, what we face and should be addressing ourselves to is reducing campaign expenses, not increasing them. What we should be doing is addressing ourselves to how we can make our parties more responsive and more participatory, and by this amendment we are destroying it.

Mr. President, if this passes, we are going to perpetrate a fraud and an evil on the people of this country in the name of democracy, and it is going to be 10 steps backward, not one step forward.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COOPER. Mr. President, I yield 4 minutes to the Senator from Kentucky.

Mr. COOK. Mr. President, I commend the Senator from Oregon and the Senator from Tennessee for their remarks.

In listening to the Senator from Texas, I realized that for the first time, in the first election, we are going to be using television and that we have not been using television in the past.

As a matter of fact, the most remarkable parallel of the Senator from Tennessee was that while the Senator from Rhode Island and I were working hours and hours on a campaign bill, one of the very principles in that discussion was that we did not want to raise it from 5 cents to 7 cents and we did not want to raise it from 7 cents to 10 cents because people were buying too much television time and people were on it too much and people were selling themselves too much. I think that anybody on that committee will agree with those remarks.

But the most amazing thing to me is that I would like to know—it fits perfectly in relation to what the distinguished Senator from Oregon has said—how, for example, the distinguished Senator from Michigan can convince our very good friend Clarence Mitchell that he should tell the membership of the NAACP to check that box, with the understanding that 16 cents of it is going to go to George Wallace. I want to know how we can convince thousands of constituents of the distinguished Senator from New York that funds should go to a conservative candidate if he is on the ballot. I should like to know how we can convince many constituents of the distinguished Senator from California that their money ought to go to a Republican candidate.

This is what we are saying. We are not giving the American individual a choice. We are giving him a choice to take a dollar that is due and owing to the Federal Government, that is not even his, and putting it in a fund that can be established for the benefit of candidates.

Unlike the Senator from Texas, I would say this: If the President of the United States, a Republican President, said that this is a method that ought to be considered, I would say to him, as a fellow Republican, "I disagree with you"; because I have to say that if a political party goes broke, that is the reason why another political party in the United States should come up, and that is the reason that nowhere in the Constitution of the United States is the conception that there are two political parties in this country.

What we are trying to do is to salvage a political party because it is broke and keep it there, and we are saying to a party of the minority, "We are going to give you so much, but we are going to give the other side three times more."

The other day, the distinguished Senator from Rhode Island, in a very impassioned moment, said, "How can a candidate with $5 million beat a candidate with $50 million?" I am here to say to the distinguished Senator from Alabama, "How can a candidate with $6.5 million ever beat a candidate with $20 million?" The answer is that he cannot.

The whole point is that the minor party stays the minor party. That is what is wrong with this measure, and that is why, if we could adopt the Cooper amendment, we would solve this problem and have the limitation we want and the capability of conducting proper campaigns.

Mr. COOPER. Mr. President, I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I shall support the Cooper amendment. I hope very much that it is adopted, because I think Senator Cooper, as he always does, has given us a decent way out. The reason is that he preserves the best, which is the tax deduction, which is a first step toward some help from Government in

financing campaigns. He introduces another fine element which is the assurance that the fair campaign practices bill will pass before the next presidential campaign which involves all the heat and involves the checkoff, which is an ingenious idea. If compelled to vote yea or nay on that, I will have to decide what I will wish to do but I am not committing myself at this stage. But I believe what the Senator from Kentucky has offered is the decent way out, because we are holding this bill hostage which is a critically essential bill to economic stabilization in the country, and is of great political significance but is not germane to the existing struggle and crisis in the country.

This is unwise from the point of view of the American people. I see a possible veto coming up and I believe that such a veto will be sustained. I believe we will then have to double back on our tracks and pass a tax bill without this particular campaign scheme. That will be the scenario except that the world will be kept in doubt as to the solution of the American economic crisis for at least another 90 days and that, I think, would be difficult and unwise.

Mr. PASTORE. Mr. President, what is the time situation?

The PRESIDING OFFICER (Mr. TAFT). Three minutes remain to the Senator from Kentucky and 11 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I believe that we should understand pretty much what the situation is here. No one is complaining about the substance or questioning the merits of the so-called campaign expenditures bill. I repeat, I was the manager of that bill. I have been following it in the House ever since it was passed by the Senate. All I am saying is, and I hope that Senators will listen to this: This is the wrong place to put it for the wrong reason. This is being used, first of all, to shoot down title X. But what is even worse about it is the fact that we take the jurisdictional work of one committee in the House, with that bill already on the floor, and we stick it in the conference of another committee that has no jurisdiction where, under the House rules, it is not germane and where a point of order can be raised.

We are at the point, not only of striking title X, of shooting down the campaign expenditures bill. I am hopeful that when the House returns after its Thanksgiving vacation, that they will pass the bill so that we can go to conference and work one out.

I want to say to my Republican colleagues that title X complements the campaign expenditures bill. PASTORE wants that bill so much he can taste it. I am not against that bill. But you are using that bill to shoot down title X and you have made it clear that you do not like the concept of title X. If that is the case, why not wait until 5 o'clock and vote on title X? Why confuse it that way? We have been around here long enough to know that this will provoke the House and the committees that have jurisdiction will feel that they are being impinged upon. Certainly the Finance Committee in conference with the House would never consider it because the matter is not before their committee.

There is a vast difference between what we are trying to do with title X and what we tried to do with the campaign expenditures bill. This is a finance bill which belongs in the Finance Committee. This goes to the finance conference. The other bill is a Commerce Committee and a Rules Committee bill. They are the committees that have the jurisdiction.

All I am saying here is, you can say whatever you want, but what you are doing with this is jeopardizing both. I know the feeling on that side, that they would abandon the campaign expenditures bill if it meant they could kill off title X. Not all but a few who have spoken on this have not had any heart for the campaign expenditures bill to begin with. They may think this completes the case but as a matter of fact it does not. If we could get the campaign expenditures and get title X, then we would have a complete package. Not only do we limit the amount anyone can spend, but we show how we can get the office of the Presidency off the auction block—and that is what we are trying to do. If you do not believe that, it is your solemn duty to vote against it. I think we should come to a vote, and for that reason I am opposed to this amendment.

Mr. BROCK. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I yield 1 minute to the Senator from Tennessee.

Mr. BROCK. Mr. President, I wish I had more time, but I realize that debate at this point is necessarily limited. I ask unanimous consent to have printed in the RECORD the most cogent single argument against tax subsidies for campaigns as made by the Senator from New York, Robert F. Kennedy, as printed in the hearings before the Committee on Finance in June 1967.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. ROBERT F. KENNEDY, U.S. SENATOR FROM THE STATE OF NEW YORK

Senator KENNEDY. Thank you very much.

Mr. Chairman and members of the committee, I appreciate the opportunity to testify this morning.

These hearings—and the interest of Congress and the executive branch which accompanies them—represent an important chance for legislative action. For there exists now a constructive momentum toward enactment of campaign financing legislation. We must therefore discuss and debate, then compare and resolve our differences while the interest and the momentum remain.

I will confine my testimony today to campaign financing, but I do want to say that I believe the enactment of disclosure reform legislation is equally essential, and I hope we in the Senate will act in that field as well during the current session. I support President Johnson's proposal in this area, as contained in S. 1880, which Senator Cannon has introduced. And Senator Clark's proposal on this matter in S. 1546 is also constructive and deserves careful consideration.

There is wide agreement, I think, that some form of public support for election campaigns is needed. Holders of public office should not have to be obligated, or even appear to be obligated, to large contributors who made it possible for them to stand for office. Able young people should not be deterred from entering politics by the fear of having to compromise their values and their independence in order to obtain financing.

These are some of the attributes of the present system. I think most of us agree that it is unsatisfactory and should be changed.

Although we have differed on the precise mechanics of the proposal we should adopt, I want to take this opportunity to pay tribute to the chairman, the Senator from Louisiana, for his efforts to enact a campaign-financing law. More than any other individual, he has forced this matter onto our agenda of action. And no matter what form the final law takes, a lion's share of the credit will be deservedly his. He has taken debate past the issue of whether there should be a law—so that our only debate now, though a vital one, is what kind of law we shall have.

I also want to pay tribute to Senator Williams of Delaware and Senator Gore for the efforts that they have made to bring this to the public's attention.

What approach should we take? In this regard, I believe certain fundamental characteristics of our political structure are instructive, and may suggest the way to the kind of law we should enact.

It is an essential tenet of our political creed, for example, that we seek the broadest possible citizen participation in the electoral process. We value a large turnout at the polls on election day. We value widespread interest in the issues and personalities involved in an election campaign. We value extensive volunteer work in campaigns. We value, in short, all types of individual, voluntary initiative in support of the candidate of one's choice.

Campaign financing is but another application of these principles. Broad financial participation in campaigns at all levels—local, State, and Federal—based on individual choice of the candidates to be aided, would contribute to an informed involvement that is at the heart of the democratic process. And large-scale giving in small amounts would free candidates from having to solicit and rely upon a small number of large gifts.

I believe that we can best accomplish these objectives by some form of tax incentive—by which each citizen can contribute to the party or candidates, the committees or organizations of his choice, and receive partial forgiveness of his contribution on his income tax.

Tax incentives have a number of advantages. They permit aid to candidates and committees at all levels—local, State, and Federal. They permit each citizen to determine who will receive his contributions. They can encourage contributions to candidates in primary elections as well as general elections, so that aid is truly available to men who would otherwise face great financial barriers to entering public life. And they allow for the esprit which comes from getting people out to raise money in small amounts from a large segment of the population.

There are two possible major tax devices to encourage individual participation—a credit, and a deduction.

I prefer a tax credit. It is the most equitable approach. It is a flat subtraction from the amount of income tax otherwise owing, and is therefore of equal benefit to all taxpayers. A credit of $10 benefit all taxpayers $10 worth.

For this reason, I think it is preferable to a deduction, which is a subtraction from the income on which taxes are computed, and is of greater benefit to taxpayers in higher brackets. A deduction of $100 benefits the taxpayer in the 50-percent tax bracket $50, and the taxpayer in the 20-percent bracket only $20.

Nevertheless, a deduction does promote individual choice and participation, so I would favor it as a second choice. The President's Commission on Campaign Costs recommended both a credit and deduction in 1962, as did President Kennedy in his message to Congress that year.

Senator Metcalf's voucher proposal—S. 1390—would also encourage individual choice and participation. I believe his idea therefore merits serious consideration along with the various tax incentive alternatives.

But I believe a tax credit is the best approach and I hope the committee will give it careful consideration.

I would support a tax credit of one-half of contributions of up to $20 for individuals, and one-half of contributions of up to $40 for married couples filing joint returns. The maximum credit would therefore be $10 for individuals, and $20 for those filing joint returns.

Such a credit, in my judgment, would raise substantial amounts of money. There were 12 million individual contributors in 1964, the vast majority of whom were $1 and $2 contributors. The credit would encourage more individuals to contribute, and encourage the existing contributors to increase the size of their contributions.

Experts estimate that the average annual revenue loss would not exceed $50 million, and would probably be considerably less. In addition, this figure does not mean that $100 million in new funds would be raised, since much of the revenue loss would cover money now being contributed.

There is, of course, no particular magic in the 50-percent tax credit. I would not advocate a 100-percent tax credit for two reasons—a healthy sense of responsible participation will flow from an individual having a financial stake in his contribution rather than being wholly reimbursed, in effect, by the Government; and, the revenue loss from a 100-percent tax credit might be extensive. However, a 75- or 80-percent tax credit would ease the burden of contributing for the lower income taxpayer even further, and therefore might well be considered.

No one can be entirely sure, of course, whether the amount raised will exceed or fall short of these figures. For that reason, I suggest that we begin with the very modest tax credit which I have described. If it does not raise enough money, we can easily raise either the percentage or the amount of the credit.

By comparison to tax incentives, I believe individual participation will be discouraged if we use direct subsidies from the Treasury to finance campaigns. I would therefore prefer to have the committee consider moving in the direction of encouraging individual contributions through tax incentives.

Let me make clear that if I had to choose between dollars from the Treasury and a candidate having to go hat in hand in order to raise money for political office, I would prefer dollars from the Treasury. But the committee's choice is not so confined, and that is why I urge the consideration of tax incentives, and particularly a tax credit.

I might suggest, too, that I hope the committee will also explore the idea, proposed by Senator Clark and Senator Gore, and others, of requiring the television networks to provide free time, at least as to presidential candidates. This was done successfully in 1960, and since the airwaves are the public's property, we should consider making a similar provision for the future. If this were done, it would cut down considerably on the money required for presidential campaigns, since television time has become a major cost component in this age of instant communication.

Aside from the all-important point of individual participation, I believe tax incentives have other advantages not offered by direct subsidies from the Treasury.

1. Tax incentives would aid candidates before their nomination for the Presidency, or for any other office. We all want to remove any financial qualifications for office and particularly for the Nation's highest office. It is deeply wrong for the Presidency to be limited either to those who are rich—or to those who are able to raise money from large contributors, as the Senator from Louisiana pointed out a number of times on the floor of the Senate.

But a direct subsidy, almost necessarily limited to activity after the conventions have nominated their choices, could not prevent rich men from determining the nominees; indeed, it might only shift their efforts from the election campaign to the preelection campaign. For a man without great wealth to become a serious contender for the Presidency, he must have access to campaign assistance long before the convention: for primary elections; for work among the State parties in States which do not have presidential primaries; as well as for travel and advertising and for staff, and all the other mounting expenses of securing a nomination.

In 1964, according to Herbert Alexander, executive director of the Citizens Research Foundation, Senator Goldwater spent $5.5 million in quest of the nomination. Governor Rockefeller spent up to $5 million, including $2 million in the California primary alone. Clearly, no postnomination direct subsidy would help a man without great wealth, or one without access to big contributors, to meet these necessary preconvention expenditures.

2. The tax incentive plan would help candidates for offices below the Presidency—Federal, State, and local alike. Such help is vital. Not only is it important to have qualified men at all levels of government, but campaign contributions for offices below the Presidency are even harder to raise, and far more likely to be dominated by a few large givers.

Moreover, presidential candidates do not spring, like Minerva, from the brow of Jove: men earn consideration for the Presidency by their performance in other public offices—most often, Governor or Senator. The expense of nomination and election to a Governorship or a Senate seat—especially in the large States from which most presidential candidates are drawn—is by itself a substantial barrier to all but men of wealth, or their favored candidates. Thus, fair consideration for the Presidency itself requires public support for campaigns for lesser offices at all levels. This support can come only from tax incentives to individual contributions.

Third, a tax incentive for individual donations, Mr. Chairman, does not raise the most serious objection to direct subsidies—its potential for centralization of political power, for a major realinement of our traditional political system. Our political parties have always been collections of separate State and local organizations. But a subsidy fund, controlled by a central authority, could all too easily be used to build a party to the liking of the national committee or the presidential candidate—to enforce party discipline and party ideology by advancing particular local candidates, and starving others.

In an effort to meet this criticism, the proposal now before the committee places a 140 percent ceiling on the amount that can be spent in any State in excess of its per capita share. However, the proposal contains no minimum figure which must be spent in each State.

The national committee and the presidential candidates therefore retain a large range of leverage in each State. On the other hand, if a stricter requirement of equalizing expenditures among the States were provided, the result would be serious interference with the flexibility which all presidential campaigns need to enable them to spend money where it will do the most good.

The question of how funds will be allocated is therefore a problem no matter what is provided. If the standards of allocation are loose, the result could be a national domination of local politics which is inconsistent with almost two centuries of American tradition. If the standards are tight, an unsatisfactory constraint will thereby be placed on campaign decisionmaking.

These problems are not raised by tax incentives. For if contributions to all candidates and campaigns are treated equally, the allocation of power between the national party and the State and local parties will be made by millions of individual Americans. If these individuals want to, they can give to the presidential candidate, and deny funds to a Senate or House candidate who differs from his national party. If these individuals desire, they can finance a local or sectional candidate who opposes his national party. Or they can give to both—or to neither.

We cannot avoid the problem of allocation of power, nor can we preserve some particular allocation forever. What we can do—and all that we can do—is insure that the choices are made democratically, with the direct participation of as many individual Americans as possible. That will be done best, in my judgment, by tax incentives.

Fourth, any attempt to extend direct subsidies from the Treasury to State and local contests and organizations—whether the contests are for State or Federal office—would raise the most difficult problems. Would the subsidy be automatic to all who qualify to run under State law? Would it therefore encourage a proliferation of candidates who would in turn bankrupt the system?

What formula would decide how much the mayor of Albany is worth in relation to the mayor of Indianapolis? Would differences in their charter powers be taken into account? What about county assessors and sheriffs? What formula would decide how much each is worth?

And, too, in many State parties, in dozens of local organizations, there are conflicts of principle and power and office. What formula would show how to choose between regulars and reformers, in my own city of New York? Or between regular Democrats and moderate Democrats and Negro insurgents in Mississippi? Or between regular Republicans and Goldwater Citizens' Committees in 1964, in any number of States?

In my judgment, these quarrels are not for intervention by a national authority equipped with public funds. They should be settled by local forces—on the basis of who can attract the greatest support from the local citizenry which has most to gain or lose, the most direct interest, in the positions and policies of its local parties. We can help those individual citizens assert their voice—by an individual tax incentive.

Fifth, I believe there are constitutional dilemmas of two types associated with the idea of subsidy from the Treasury. The first concerns minor parties. In my judgment, the provision of a cutoff point below which minor parties will not be financed raises serious questions regarding the abridgment of first amendment freedoms of speech and association as applied to the formation of political parties. Yet such a cutoff point is essential if the subsidy is to be workable.

The second constitutional problem relates to the proposal that private contributions be prohibited in the areas where public financing is provided. It can be strongly argued that the right to contribute is as much a facet of the freedom to express a choice of political candidate as the franchise and other forms of advocacy. Yet, if no provision is made to limit private contributions, there is a serious danger that the subsidy will simply be an added fund on top of the private contributions already collected.

It appears, therefore, that no matter how the subsidy idea is structured, it raises fundamental problems—constitutional problems if the subsidy takes one form, and serious

problems of regulatory policy if changes are made to take account of the constitutional issues.

Sixth, there is the question of appropriation versus checkoff. As Senator Gore has pointed out so effectively, the checkoff was inconsistent with our traditional idea that citizens should not be permitted to earmark the place where their taxes are to be spent. Yet, if the checkoff is removed, as has been done in the proposal now before this committee, the whole subsidy becomes subject to the vagaries of the appropriation process.

If a Democratic Congress felt 1 year it did not wish to appropriate funds to help finance the candidacy of a challenger to an incumbent Democratic President, there would simply be no funds. Tax incentives do not pose this kind of problem.

Finally, I would return to the point with which I began—our national tradition of individual participation. To aid campaigns by direct subsidy from the Treasury would only further separate the individual citizen from the political process—insulating the party organization from any need to reach citizens, except through the one way communication of television and advertising. The political parties would talk to the citizen; but the individual could not effectively talk back.

But if we enact a tax credit for individual giving, the entire effect will be toward greater individual participation. Parties and candidates, to take advantage of a tax credit, will have to contact millions of individual citizens—to persuade these individuals that the parties and candidates are worthy of their support. The parties will have to listen to these individuals; and they must inevitably draw closer to the American people themselves.

I believe this is the direction for reform. I hope these thoughts are helpful to the committee as it continues its deliberations.

I congratulate the committee chairman and members of the committee for their efforts they are making in this field.

The CHAIRMAN. Thank you very much for your statement here, Senator Kennedy. I deeply appreciate the compliment you paid the chairman of the committee, and to suggest ways that you think we might meet this problem.

One thought that occurs to me is that in any event, whatever we do in this area it should not be a step backward. It ought to be a step forward, and I felt that way consistently from the beginning about it.

Do you have any different view than the view of the Senator from Kansas on this question as to whether or not the relatively well to do, the 1 percent of the people, or less than 1 percent, who are putting up most of the money to finance these campaigns, are contributing too little? Is there any need to encourage them to put up more, or should the effort and the main thrust be to broaden the base to bring contributions from other sources?

Senator KENNEDY. Well, Mr. Chairman, as I said in my statement, first, I would try to broaden the base so that as many individuals as possible would participate.

Second, I support the recommendations of President Johnson and Senator Clark, and others, for placing a limitation on the amount of money that could be contributed by any individual or by a family. President Johnson proposed an overall limitation of $5,000, and I would certainly support that.

I think the system has been dominated too much in the past by large contributions, but I think we can't limit ourselves to banning large contributions. We have to have an alternative to that, and that is why I have suggested encouraging individual participation through small individual contributions.

I think it is very difficult at the present moment, but I think if we have this kind of tax incentive that there would be wide participation across the country.

Mr. BROCK. Mr. President, let me summarize his most telling point by citing his argument, as follows:

Our national subsidy from the Treasury would only further separate the individual citizen from the political process—insulating the party organization from any need to reach citizens, except through the one way communication of television and advertising. The political parties would talk to the citizen; but the individual could not effectively talk back.

Mr. President, I think that is the most compelling point in opposition to the Pastore amendment and in support of the Cooper-Baker amendment.

I thank the Senator from Kentucky for yielding.

Mr. WEICKER. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I yield 1 minute to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I wish to respond to the comments of the Senator from Texas. Not so long ago you were the plush party and we were broke. It was not so long ago that you were in the White House and we were on the out. All of a sudden, something happened called Vietnam. Now, today, you are paying for the consequences of that decision made by the Democratic Party which put us there. Now you find that you are on the out and you find that you are short of funds. If we make that same mistake, we will find ourselves there. But what you are asking, in essence, is for the American people to underwrite the mediocrity of failure while in office. The way this system operates, we are held accountable If we do a good job, we will have the support of the party and the people. If we do not, we will not.

Mr. PASTORE. Mr. President, what is the time situation?

The PRESIDING OFFICER (Mr. COOK). The Senator from Rhode Island has 7 minutes remaining and the Senator from Kentucky has 1 minute remaining.

Mr. COOPER. Mr. President, will the Senator from Rhode Island give me 2 more minutes for comments?

Mr. PASTORE. I will be glad to do so, yes; but, first, let me make this one point to show you what the power of money is doing. There is nothing illegal about it, but here is a full-page ad in the Washington Post this morning.

It is a full-page ad with the headline "Is the Pastore Amendment Really Campaign Reform?" The subheads:

The Senate will vote today on Senator Pastore's amendment to the President's tax reform package. The intent of this amendment is to totally federalize the financing of presidential campaigns.

It is signed at the bottom by William J. Wilson, chairman, Citizens for a Responsible Political Process.

Mr. President, does he and his committee think we are a bunch of sheep in the Senate that have to be told by them what the arguments are?

Here is a full-page ad being purchased to do what? On the very day we are going to vote on this amendment, where we will have no opportunity to rebut, a full-page ad is bought in a Washington newspaper that makes a last minute appearance in this morning's edition—a full-page ad. It points up what we are trying to do. We are trying to unfetter the Presidency from all this propaganda, the pressure of all of this big money. The sooner we do it the freer and finer we will find our democratic process is going to be.

Mr. ALLOTT. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. ALLOTT. The Senator does not contend that an individual does not have a right to have such an ad placed in the newspaper?

Mr. PASTORE. No. I said that in the beginning. All I am saying is that Pastore does not have the kind of money to answer him with the same size of ad.

Mr. ALLOTT. He could after this bill is passed.

Mr. PASTORE. I could not do that today, if the bill was passed.

Mr. ALLOTT. He could do it today if this bill passes.

Mr. PASTORE. It will not do me any good to answer it then, after the bill passes. The point is it is using propaganda.

Mr. BROCK. Mr. President, does the Senator object to it?

Mr. PASTORE. I do not object to it. I am only giving it as an example of the power of money.

Mr. BROCK. Mr. President, would this amendment stifle this ad?

Mr. PASTORE No; I would not stop that.

Mr. BROCK. Then what is the objection of the Senator?

Mr. PASTORE. My objection? I did not say that I had objection to it. All I said was that it indicates the use of the power of money as influence. Of course he has a legal right. There is nothing illegal about it. But I said it is the use of the power of money to influence us. What does he think we are, sheep? Does he think we cannot make up our minds and that we have to be told?

We have discussed this for 5 days. I do not need Mr. Wilson to tell me what is right or wrong, and I do not think the Senator from Tennessee needs Mr. Wilson, either.

Mr. BROCK. Mr. President, if the Senator would yield further, I do not mind receiving advice from people. I appreciate it.

Mr. PASTORE. Mr. President, I yield back my time.

Mr. COOPER. Mr. President, will the Senator yield me 2 minutes?

Mr. PASTORE. I yield 2 minutes to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 2 minutes.

Mr. COOPER. I want the Senate to know that the amendment I have offered for myself and others does not touch title IX, Title IX, if approved, offers to every one who pays taxes the right to make a contribution to a candidate of his or her choice when filling out his tax return, and receive either a tax credit or deduction. It is a voluntary choice and the contribution will be used by the candidate he chose and not by other candidates.

Mr. President, I want to make another point. There are many people in this country, and many young people, who

may not feel so strongly about either major political party. My friend, the Senator from Texas (Mr. BENTSEN) who raised a very fine issue in his eloquent speech as to the credibility of the election process and that many people, and particularly young people are concerned.

Yet we have in title X a proposal to take the money of all the taxpayers and give 25 percent of the money to the Democratic Party, 25 percent to the Republican Party, and $6.8 million, I believe, to the party of Governor Wallace. If young people want to support Eugene McCarthy or PAUL MCCLOSKEY if they want to give an expression of their willingness to support these candidates or other candidates whom they believe in, they will have no funds with which to do so under title X. Everything is frozen.

Where is the free choice of the people?

Title IX preserves the right of tax deductions and credits for contributions to candidates of the party of one's choice.

If we can preserve the Federal Election Campaign Act of 1971, we will be able to have some control over the expenditure of the funds.

I hope that the amendment will be fully considered and considered as a decent alternative and that the Senate will agree to the amendment.

I thank my colleagues who have joined me in introducing this amendment. Senator BAKER for assisting in its preparation, all of my colleagues who have spoken so strongly for the amendment. I thank also the Senator from Rhode Island, Senator PASTORE for his generous words.

Mr. PASTORE. Mr. President, I want to make a correction again. We are going to accept the Mathias amendment by which the people can designate where they want the money to go. I have said that over and over again. I hope that the other side will not filibuster long enough so that he will not be able to be recognized to offer the amendment.

Mr. President, I yield back the remainder of my time.

Mr. BYRD of West Virginia. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Kentucky. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 46, nays 53, as follows:

[No. 379 Leg.]

YEAS—46

Aiken	Dominick	Pearson
Allott	Ervin	Percy
Baker	Fannin	Roth
Beall	Fong	Saxbe
Bellmon	Goldwater	Schweiker
Bennett	Griffin	Scott
Boggs	Gurney	Smith
Brock	Hansen	Stafford
Brooke	Hatfield	Stevens
Buckley	Hruska	Taft
Byrd, Va.	Javits	Thurmond
Cook	Jordan, Idaho	Tower
Cooper	Mathias	Weicker
Cotton	McClellan	Young
Curtis	Miller	
Dole	Packwood	

NAYS—53

Allen	Harris	Montoya
Anderson	Hart	Moss
Bayh	Hartke	Muskie
Bentsen	Hollings	Nelson
Bible	Hughes	Pastore
Burdick	Humphrey	Pell
Byrd, W. Va.	Inouye	Proxmire
Cannon	Jackson	Randolph
Case	Jordan, N.C.	Ribicoff
Chiles	Kennedy	Sparkman
Church	Long	Spong
Cranston	Magnuson	Stennis
Eagleton	Mansfield	Stevenson
Eastland	McGee	Symington
Ellender	McGovern	Talmadge
Fulbright	McIntyre	Tunney
Gambrell	Metcalf	Williams
Gravel	Mondale	

NOT VOTING—1

Mundt

So Mr. COOPER's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BYRD of West Virginia. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NO. 740

Mr. MATHIAS. Mr. President, I call up my amendments No. 740.

The PRESIDING OFFICER. The clerk will state the amendments.

The legislative clerk read the amendments, as follows:

On page 17, line 7, after the word "Fund", strike everything through line 11, page 18, and substitute the following: "The Secretary shall maintain in the fund (A) a separate account for the eligible candidates of any major parties, any minor parties, and for any other parties for which a specific designation is made under section 6096 of the Internal Revenue Code of 1954 for payment into an account in the fund and (B) a general account for which no specific designation is made. There are hereby appropriated to each such account in the fund each fiscal year, out of any moneys in the Treasury not otherwise appropriated, an amount equal to the sum of the amounts designated to each such account during the fiscal year by individuals under section 6096 of the Internal Revenue Code of 1954 for payment into such account of the fund.

(2) If, after a presidential election and after all eligible candidates have been paid the amounts to which they are entitled under section 1004, there are moneys remaining in any account in the fund, the Secretary shall transfer the moneys so remaining to the general fund of the Treasury.

(b)(1) Upon receipt of a certification from the Comptroller General under section 1005 for payment to the eligible candidates of a political party, the Secretary shall, except as provided in paragraph (2), pay to such candidates out of the specific account in the fund the amount certified by the Comptroller General. Amounts paid to any such candidates shall be under the control of such candidates.

(2) If, at the beginning of the expenditure report period (as defined in section 1002(11)) with respect to a presidential election, the moneys in any account in the fund other than the general account are less than the aggregate entitlement of the eligible candidate to which any such account relates, the amount in the general account shall be allocated to each of the other accounts in the ratio of the balances in each such other accounts at such time, except that no amount shall be allocated to any party in excess of the smallest amount needed by a major party to bring it to its entitlement under section 1004(a)(1). Payments to eligible candidates from the account designated for them shall be limited to the balance in such account after the allocation from the general account.

On page 29, strike lines 6 through 14 and substitute the following:

"(a) IN GENERAL.—Every individual (other than a nonresident alien) whose income tax liability for any taxable year is $1 or more may designate that $1 shall be paid over to the Presidential Election Campaign Fund for the account of the candidates of any specified political party for President and Vice President of the United States, or if no specific account is designated by such individual, for a general account for all eligible candidates for the election of the President and Vice President of the United States, in accordance with the provisions of section 1006 (a)(1) of the Presidential Election Campaign Fund Act of 1971. In the case of a joint return of husband and wife having an income tax liability of $2 or more, each spouse may designate that $1 shall be paid to any such account in the fund."

Mr. PASTORE. Mr. President, will the Senator yield to me? The Senator from Arkansas has requested 5 minutes, and I yield 5 minutes to him.

Mr. MATHIAS. I yield.

Mr. McCLELLAN. Mr. President, I support title IX of the Pastore amendment, but I shall vote against title X of this proposal.

It may be said that the hallmark of a true democracy is the participation by its citizens in the election process. But for that participation to be wholesome and meaningful, the action on the part of the citizen should be free and voluntary and unfettered and not coerced. I do not believe the $1 check off proposal in title X meets that test. I do not believe the tax return of our citizens should be used as a vehicle to raise campaign funds—funds to be paid into the Federal Treasury and thereafter to be disbursed and administered by the Federal Government. If this title becomes law, I am persuaded that the taxpayer may sense some pressure—some obligation to check that box. After all, this process of collecting campaign funds, if adopted, will have the full weight and force of the Federal Government behind it. The taxpayer, knowing that this procedure has the highly vaunted Internal Revenue Service behind it, may well feel some compulsion to mark the box indicating that he wants a dollar of his taxes used for campaign purposes.

Remember, however, that this $1 will not come as a direct political contribution from the taxpayer to the party or candidate of his choice. Once this dollar is collected by the Treasury, it is subjected to a formula of distribution. Possibly 50 percent or more—at least a large percentage of the taxpayer's dollar—will go to support a party—or parties—and a candidate—or candidates—not of the taxpayer's choice, but parties and candidates he opposes and wants to see defeated. This kind of process—the formula provided in title X for the distribution of the funds raised by this $1 contribution—is contradictory and self-defeating. Actually, circumstances can well develop and prevail where most of the taxpayer's dollar will be used to defeat, rather than to help, the party and the candidate he supports.

If this title should be amended to permit the taxpayer to earmark his dollar

for a given party or candidate, then we will have set up a mechanism in Government for the collection of campaign funds—a function which, if administered fairly and equitably, will become costly—necessitating many additional Federal jobs for supervision and administration. The cost of administration, in fact, may well absorb a large percentage of the funds received from the dollar checkoff and thus leaving it to the general revenues in the Treasury to bear the burden of providing campaign funds for political parties and presidential candidates.

If the taxpayer is permitted to earmark a portion of his taxes for political purposes, then why not let him earmark dollars for peace, dollars for the environment, and dollars for many other preferable projects or causes? Why not give him a tax return with a multiple choice and thereby let him help establish national priorities on a direct basis. This $1 checkoff is a bad precedent, Mr. President—one that, if enacted, will haunt this Chamber for years to come.

Mr. President, this proposal is a long step in the wrong direction—a step toward the federalization of all elections. To this, I am unalterably opposed. This amendment—this title—should be rejected.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCLELLAN. May I have 2 additional minutes?

Mr. PASTORE. I do not have that much time.

Mr. McCLELLAN. Will some Senator yield me 2 minutes?

Mr. MATHIAS. I yield 2 minutes to the Senator from Arkansas.

Mr. McCLELLAN. Now, Mr. President, I do support title IX, which allows a citizen a tax credit of up to $25 or a tax deduction of up to $50—whichever he elects—for campaign contributions. With this procedure, the Federal Government does not in any way handle or have any responsibility for distribution of the taxpayer's political contribution. The taxpayer is free to give to either political party and to any candidate for any office—State, local, or national—and receive credit on his tax return accordingly—just as he would receive credit for deductible contributions for other purposes. This places no burden of cost and no obligation of supervision, management, or control by an agency of the Federal Government over the taxpayer's political contribution. In this way, the taxpayer's contribution passes through no political pot where it is later dispensed—a part of it to the party or candidate he supports and another large percentage of it to the party and candidate he opposes.

Mr. President, a democracy should encourage its citizens to participate as fully as possible in the affairs of government, particularly in the election process, for free and uncoerced election and citizenship participation provide the very lifeline of our democratic system. But for the citizen's participation to be truly meaningful and democratic, the citizen must have the opportunity to make and exercise a free and unfettered choice for the party and the candidate he supports and contributes to. This tax credit or deduction method meets that test.

Under the provisions of title IX, the taxpayer is under no compulsion to participate. He is not required to use the official Internal Revenue Service tax form to make his political contribution, nor is he limited in making a contribution to and being involved only in the presidential election.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCLELLAN. May I have half a minute?

Mr. MATHIAS. Mr. President, I yield 30 seconds to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, if the Congress truly wants to broaden the base and increase the number of campaign contributors, and if it wants to really encourage more of our citizens to take part in financing political campaigns, then I most respectfully urge that we approve title IX—the tax credit or deduction proposal—and that we defeat title X which is an effort to raise a slush fund to go into the U.S. Treasury for distribution on a formula that will often contribute as much of the taxpayer's money to the very party and candidate he wants defeated as it would to the party and candidate he supports.

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. Mr. President, I yield 1 minute to the Senator from North Carolina.

Mr. ERVIN. Mr. President, the able and distinguished senior Senator from Arkansas (Mr. McCLELLAN) has expressed my views on this subject far more eloquently than I can express them, and for that reason I would like to say "Amen" to everything he said.

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. Mr. President, I yield myself 10 minutes.

In the words of a prominent Englishman, "now I can say a few words of my own."

Mr. President, I have been here at my desk contemplating some of the tallies on the rollcalls taken in the last day or two.

I look back to the first rollcall taken during the discussion of the Pastore amendment, an amendment which I offered to strike title X; that amendment was defeated by a vote of 49 to 46.

The Senator from Connecticut (Mr. WEICKER) offered an amendment to postpone the effective date of the presidential campaign financing plan until 1973 and thereafter, and that amendment was defeated by a vote of 55 to 42.

Then the distinguished Senator from Kentucky (Mr. COOPER), joined by other distinguished Senators, offered a plan which would have deleted title X and substituted the election reform bill, and made some modifications in title IX as well, and that amendment was defeated by a vote of 53 to 46.

I would submit that you do not have to be any Prophet Daniel to read the handwriting on the wall.

You do not have to be a gypsy to read those tea leaves. So I think we have come to a point that the responsible role is now to make this the very best plan that it can be made.

That does not mean that everyone is going to be enthusiastic about it. It does not mean that if we had our "druthers" we would have it here at all. The amendment does not correct all the imperfections—which are many—in the present Pastore amendment. However, it is an improvement, and when we spend Federal money, every improvement should be sought and adopted. The votes very clearly indicate that the time has come to do the best we can with the amendment before us. We really have no other choice but to make it the best bill we can. And I think, Mr. President, my amendment does this.

The amendment which I have offered does make some rather fundamental changes in the plan as originally proposed by the distinguished Senator from Rhode Island. I would respectfully suggest to him that if the amendment is adopted, it will not be a checkoff any more. It is not really a checkoff; it becomes a voluntary designation—very similar to the tax credit proposal contained in title IX. And I think it is a good thing that it is not a checkoff, because in the minds of a great many Americans the term "checkoff" has somewhat of an involuntary and perhaps unsavory connotation.

This plan will be a voluntary designation, in contrast to the original scheme, which contemplated an involuntary subscription by every participating taxpayer to friend and foe alike.

Under this amendment, every taxpayer would be given three choices. Those choices would be to write in the political party that he chooses to see his contribution to go, to indicate that he wants his dollar to go to an undesignated fund—the type of fund that is provided in the present Pastore amendment or, the choice of everyone who does not like this scheme, to choose that none of his tax money, not a penny of it, should go through this fund. So there is the widest possible discretion. Every American taxpayer can make his own decision on whether he wants to participate or whether he does not. It is totally voluntary.

It is very different from the concept where a single dollar would be hypothetically divided up among four or five candidates, some of whom might be totally hostile to the views of the taxpayer himself. Any fastidious taxpayer, any American who had fastidious political principles, might well object to having his money divided up among friend and foe alike in that manner.

Under this scheme which I have proposed, not a penny is contributed unless some American wants that penny devoted to the fundamental political process of this Republic, which is the election of our Chief Executive.

There have been of course some very sound and well reasoned arguments against the whole plan. One of them I put in the RECORD this morning: A column by the distinguished journalist of the New York Times, Tom Wicker.

I think that this amendment goes a long way toward answering the kind of objection that has been given voice by Mr. Wicker and others. It is, as I say, a voluntary and discriminating way of supporting elections. In contrast to the existing scheme, it provides direct involvement in the general election, because every taxpayer, in order to participate, will have to become involved. He will have to think very carefully what action he is going to take on his tax return. Therefore, instead of restricting the political process, as I believe the original plan might have done—if this amendment is not adopted—it will have a tendency to broaden the political process, and that really is the ultimate goal of any scheme of this sort.

This amendment benefits all of the political parties—major, minor and new parties alike. It benefits the American people—at least more than the present Pastore amendment—for now the American people will be giving to the nominee of the party of their choice. In addition, this amendment brings the political process closer to the public. It does not correct all the problems that are inherent in any program of a Federal subsidy; it makes significant improvements, however. And this I submit, Mr. President, is the important fact that we should accept.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MATHIAS. I am happy to yield.

Mr. JAVITS. Mr. President, I think that the Senator's amendment, which we discussed at the very first stages of this bill, materially improves the whole plan, and I think it is his duty and our duty to support it. I understand it will be acceptable to the other side, in order to perfect the plan.

I think, as the Senator says, it still leaves a substantial question as to whether this bill to meet an immediate economic crisis should be held hostage to this kind of improvement, which could be done outside the confines of this bill also. So, without committing myself on the main proposition, I would like very strongly to support the Senator's amendment, which at least makes the scheme of the bill both palatable and sensible, and politically viable.

Mr. CRANSTON. Mr. President, will the Senator yield for a question?

Mr. MATHIAS. I yield.

Mr. CRANSTON. First, I congratulate the Senator from Maryland upon designing an amendment which I think can win broad support in the Senate. However, I wish to clarify one point.

In the Senator's presentation, in speaking of the checkoff, where you do not wish to designate it to go to the general pot, but where you do wish to designate specifically where it goes I, think the Senator used the language that it would go to a political party.

I believe the Senator's amendment actually provides that it would go to the nominee of the chosen party. Is that not correct?

Mr. MATHIAS. The Senator is absolutely correct, and I am indebted to him for making that point clear, because that was one of the great objections to the previous plan. My amendment designates that the money will go to the nominee of the party that he designates. And, I might add, there is a possibility of designating a third party or a new party, so that there is no perpetuation of the bias which exists in this country today against new parties.

I am grateful to the Senator from California for pointing that out.

Mr. CRANSTON. I thank the Senator.

Mr. MILLER. Mr. President, will the Senator yield for a question?

Mr. MATHIAS. I yield.

Mr. MILLER. On page 3 of the Senator's amendment, it states that the $1 shall be paid over to the presidential election fund for the account of the candidates of any specified political party.

How is that party to be specified? Would that show up on the income tax return, or would the taxpayer write in the name of the party, or just how would that be done?

Mr. MATHIAS. By writing in the name of the party. This is why I said it will get away from the somewhat invidious term "checkoff."

Mr. MILLER. So if he checks the box and then writes in the name of the Democratic Party or Republican Party, then it would go to that party? If he checks the box——

Mr. MATHIAS. Again, as the Senator from California has pointed out the money does not go to the party but to the man that the party ultimately nominates.

Mr. MILLER. I understand. But if he does not do that, and checks the box, again, the money goes into the unspecified account?

Mr. MATHIAS. We make it as voluntary and as responsive to the wishes of the American people as it can be. Again, we say they have a right not only to designate no one; but if they put it into the undesignated fund, it goes out in the same ratio that other people have designated. This, I submit makes it responsive to the people's wishes.

Mr. FULBRIGHT. Mr. President, could I ask the Senator a question on that point?

Mr. MATHIAS. Certainly.

Mr. FULBRIGHT. Is it made clear that they do not have to give a dollar to anyone?

Mr. MATHIAS. Absolutely.

Mr. FULBRIGHT. It is not too clear to me. It is made quite clear that they do not have to give anything to anybody if they do not want to; is that right?

Mr. MATHIAS. It is quite clear, and I think that is proper, because if the taxpayer's money is to be diverted——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MATHIAS. I yield myself 1 additional minute.

In this case, if the taxpayer's money is to be diverted from support of the Government, for which it was ostensibly first raised as revenue, and the taxpayer directs that it should be applied instead to support the political process, I think he has the fundamental right to insure that his contribution will go to the nominee of the party of his choice. In fact, this is a backup to his right to vote.

Mr. President, I reserve the remainder of my time.

Mr. McCLELLAN. Mr. President, will the Senator yield for a question?

Mr. MATHIAS. I yield.

Mr. McCLELLAN. I invite the Senator's attention to the bottom of the first page of the amendment, which reads as follows:

> There are hereby appropriated to each such account in the fund each fiscal year, out of any moneys in the Treasury not otherwise appropriated, an amount equal to the sum of the amounts designated.

Is the Senator making an appropriation here? Does not the House insist that all appropriations have to originate with it? I wonder if this is not subject to a point of order when it reaches the House.

Mr. MATHIAS. This I believe is a device to deal with the bookkeeping which would take place. When the funds are voluntarily designated by a taxpayer, it seems to me that the Government at that point becomes a trustee. We are providing the machinery whereby the trustee can carry out his fiduciary function. It is not an appropriation in the ordinary sense of the word.

Mr. McCLELLAN. I have some qualms about it.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, I should like 1 minute to ask a question.

Mr. PASTORE. I yield to the Senator.

Mr. SCOTT. My question is this: Does the Senator from Rhode Island know of any other provision of the tax laws whereby a taxpayer can designate any part of his tax payments for the use of any purpose nongovernmental?

Mr. PASTORE. I do not know of any.

Mr. SCOTT. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, I might add, as a rejoinder, that here we are talking about the Presidency of the United States, the highest office in our Republic. There is no question that this is an innovation. No one is hiding that. For a long time there has been a school of thought in this country that something should be done about this matter of tremendous campaign costs—in some fashion to bring them under popular control.

As I have said several times on the floor of the Senate, and I say it again although it gets monotonous to keep repeating the same thing from time to time, even with a different audience but this is the story. For a long, long time people in this country have been deeply concerned about the amount of money it takes to conduct a presidential campaign and the source of those funds. The big problem is, what do you do about it? Do you keep going along having these $1,000 clubs, as we had under the Democratic administration, or do you have the $500 chain dinner; as we had only a few weeks ago, under Republican auspices? I am not being critical of that. I realize they are following the fashion. That is the system.

In the process, what happens? As the contribution becomes bigger and bigger

because the costs become greater and greater, the possibilities of corruption become all the greater, too. There are great countries in the world that have managed this election problem and have managed it well. The Senator from Arkansas made the argument that it might cost a little money to administer it. No one denies that. I hope it will not cost too much money. We spend $75 million a day in Vietnam. We are going to spend $25 million less than that every 4 years to make sure that the candidates have the proper exposure before the people of this country so that the people can understand the character, the personality, and the issues involved. If you do not believe in this popular participation, you should vote against it. You have your decision to make. I do not say that this is the perfect answer. No matter how earnest we are today, we will probably fall short of perfection.

But the question this afternoon is: Are we on the right road? If not, where will we turn? Where will all this end? Will the time ever come when we can contain these runaway election expenses? I know that the campaign expenditures bill was weighted principally on the question of the cost of the broadcast media, and I have been told that it cost in the neighborhood of a half million dollars to get a national hookup. Senator GOLDWATER probably knows more than I do about that, because he went through the experience. We find that our candidates for the presidency are actually humiliating themselves in many instances in begging for this money in making the rounds of cocktail parties, making and receiving approaches in private, and sometimes almost running the risk of compromising themselves when they are in tight straits. This is only because tremendous amounts of money are needed; certainly it is not because they mean in any way to jeopardize or to compromise their own principles.

After all, let us be realistic. The report is now that it cost almost $100 million for the last presidential campaign. That is as ridiculous as it is staggering. In the nature of things a great deal of that money is absolutely wasted. We are hopeful that the broadcasting industry at some point will make some time free, and I hope they will. That is why in the other bill we excuse them from section 315, under the Communications Act.

There is really nothing new in the issue before this body. We passed an equivalent bill 5 years ago. Then, because the objection was raised that the restrictions of supervision were not strong enough, we allowed that bill to expire. The objection was made at that time by Senator John Williams and Senator Albert Gore.

This was their position—"Well, we don't believe in the general fund." Many people on the other side properly argued on the cost, and there is just as much merit to that contention as there is to designating the party nominee. It is a meritorious argument. We went all through that. We were a little fearful that if you designated the party nominee, there might be instances of a third or a fourth party and that might be imprudent and damaging to the democratic system.

So when the Senator from Maryland advanced his amendment, I said to him that I was amenable to some modification that would take care of both ways of popular participation. We got our staffs together, and they worked all day and all night. Finally they came up with this compromise, and I think it is a good compromise.

I said from the beginning that there is no false pride of authorship here. I am not running for the Presidency of the United States. Thank God I can be here comfortably with my good colleagues for the next 5 years, if God grants me health, and that will round out 26 years in the Senate. I have no personal profit in this legislation. I was assigned this task because they thought I should be the manager of this bill on the floor—not merely to get it passed but to get it perfected.

The Senator from Maryland has come along with an idea that I am perfectly willing to adopt. There is no maneuvering: there is no strategy involved. It was evident to me that many Senators felt that the taxpayer ought to have the privilege of designating the recipient of his dollar—of saying that he wants his dollar to go to the Democratic nominee or the Republican nominee or the American Party nominee. Again, if he was not specifically interested in any of the three, he could say, "Let it go to the general fund."

After all, any candidate who comes under this cannot spend more than $20 million, according to the present population. The ceiling might rise as our population grows. But for the present it is 15 cents multiplied by the number of people over the age of 18, and that governs the maximum—$20 million for all purposes.

Once a candidate for the Presidency of the United States—he has to be a candidate; he has to be nominated at the convention—once he is nominated and accepts the nomination he is free to apply to this fund. He does not have to do so but if and when he makes his choice he cannot collect a nickel more than the law allows, and he cannot spend a nickel more than he is allowed. This brings it in the proper gage.

I am hopeful that when the House returns after the Thanksgiving vacation, they will pass the campaign expenditures bill. Then we will have a package that will make sense. It might be true—it can be argued—that Republicans this year, because they are the incumbents, can attract a better war chest than their rivals. That is one reason why I made the fund use elective for the candidate. Thus, Mr. Nixon does not have to be bound by it if he does not so choose. No one needs to be bound by it. But, after all, gentlemen, it is putting a little bit of sanity in the elective process. That is what we are trying to do. Here is a country that spends over $200 billion—billion—billion—for one reason or another every year. And all we are talking about here is $50 million every 4 years to make sure that the personalities and the issues are properly presented so that the people will be able to make a proper presidential choice. May all of us and the least of us have a part as we choose the best man to be the President and Commander in Chief of the United States. That is what this is all about. If you do not believe in it, you should vote against it. But if it makes any sense, then vote for it.

This is not pitched to solve a Democratic or a Republican crisis. It was not considered that way. It is true that the Democratic Party is broke. There seems to be no question about that. The Democratic Party still owes $9 million and at the moment they do not know where they are going to get the money to pay it off. But history repeats itself. Someday they will have the money to pay it off. There were times when the Republican Party was broke—deeply in debt—and they managed to pay it off in time. So will the Democrats. It would be a sad day for our Republic if you had a situation where there would be a lopsided campaign where all the publicity and all the fanfare will be on one side and hardly any on the other because they cannot afford it. No one really wants that.

If the people have confidence in your administration, and believe you me, if President Nixon does a good job, if he brings about prosperity and peace, that is all that he needs. He does not need $50 million in order to prove it. He can pick up a telephone anytime he wants to; he can call a news conference when he pleases. He could have one every week and get all the exposure he desires. The President of the United States, if he really wants to be on the front page of every newspaper every single day of the week can easily arrange that, because he is a President. And properly so—I do not find any fault with that. But we have to admit that if you are a candidate who starts from scratch you have a tough time—and the Senator from Arizona (Mr. GOLDWATER) knows that better than anyone else. I think it is a terribly humiliating process when the President has to hop from cocktail party to cocktail party, shaking hands with people, wondering if they have an angle, when the President could use his time to better advantage in the Oval Room thinking about his problems which are our problems. President Nixon, I think, is a sort of shy man, anyway; he is not a showoff in that sense.

Last week he and Pat could have escaped those fundraising dinners if the pressure was not on them. But all that is part of our political custom. The more expensive campaigning becomes, the more money you have to raise, the more beholden one becomes. Let us not fool ourselves. When a man makes a contribution of $500 to your campaign and knocks at the door of your office and tells your secretary, "I am Mr. X and I would like to see the Senator," you had better come out and see him, because the next time he will not be at that cocktail party. The whole process is demeaning to the Presidency. If, somehow, we could cut it out, I think for the good of the country that we should do it. If this method does cost $4 million to administer, after all, is it not a good investment? We can take all the Madison Avenue fanfare out of the campaign and make it something respectable and decent. If the President can know that he owes nothing to anyone and can appoint his ambassadors on the basis of the type of people who will best express the views of this country and not appoint ambassadors on the basis of contributions made to his campaign we will be better off. Both parties have been guilty. I am not indicating one or the other party in that regard but it has been the style, the fashion, and the custom of our system to do that.

The time has come when we should begin to do something about it.

I believe that as a first step this is the answer. As time goes on, perhaps we can improve upon it.

That is all I have to say. You either believe it or you do not believe it. That is the reason why I fought as hard as I did against some of these amendments, because I did not think they were getting to the core of the problem. The real core will appear in the vote at 5 o'clock this afternoon.

If I lose that, I shall not lose with a heavy heart. I have done the very best I could. If that is the will of the Senate, that we are too ahead of time on this matter, I shall go along with it. If you do approve my amendment, I am not going to run outside and throw my hat in the air. There is no big gain to be accomplished for us as individuals. I hope that we are doing this for America.

If you think the Pastore amendment is wrong then vote against it. But on the other hand, I say to my colleagues, vote for it if you think it is the right thing to do—and I think it is right—so help me I think it is right—otherwise I would not be in here. This does not mean that I am always right and you are always wrong. I would not have made this fight if I thought there was anything phony about this legislation, and I do not think there is.

Mr. HANSEN. Mr. President, I want to say, first of all, that there is no more able or more persuasively effective a Senator, espousing a bill such as has been championed today, than the distinguished Senator from Rhode Island (Mr. PASTORE).

Let me remind this Chamber, however, that we are not talking about giving anything ot any party; we are talking about the right to take tax dollars and to convert them to a political purpose. Let us remember that these are tax dollars, that the dollars we put into the payment of a bill for campaign expenditures will be taken away from programs such as social security, or whatever it may be and, second, while this may not be as some have characterized it, a compromise with evil, the best that can be said about it is that it is an accommodation with expediency.

I would remind my good friend from Maryland, too, that this is not the final action. There are two important steps that must be taken after the Senate works its will on this bill.

Mr. PASTORE. That is right.

Mr. HANSEN. It has got to go to the House. If there is not complete agreement between House and Senate, it must then go to a conference committee, and following that it has to go down to the White House to be signed or to be vetoed by the President.

Mr. PASTORE. Will the Senator permit me there to say—on my own time—that I quite agree with what his conviction is and I understand it, but I do not go along with it. You say we are taking this money that could be used for another purpose. Is it more important to build a battleship than getting a good President? After all, we are talking about the Presidency, the Commander in Chief, the man who will direct where that battleship goes. We spend $75 million a day, as I said before, in Vietnam. That does not do you any good and it does not do me any good. In the meantime, American lives are being lost in the process and that is being done and that comes out of the Treasury.

Why is it not better to take the money out of the Treasury to guarantee that we will have a President who will be obligated to no one, who can exercise his power and authority freely and unfettered? That is all. That is all this is about.

Mr. HANSEN. In response to the question by the Senator from Rhode Island, let me say, Mr. President, that if the Republicans stay in office through 1972, which I think is a fairly good certainty, they will have had control of the White House 12 out of the last 40 years. The Democrats will have been in control for 28 years, which is twice as much as the Republicans. I think the record will show that for those same 40 years it has been preponderantly Democratic in both House and Senate. The distinguished Senator from Rhode Island says that this temporarily poses a solution. I could not agree with him more. I think probably the temporary expediency will have ended when the $9 million deficit is paid off. So I say that on the basis of the way we have been operating the country, it seems difficult for me to find a reason to believe that the Democratic Party which has been most of the time in the past 40 years the majority party, can logically contend that this sort of measure is required to assure a good man in the Presidency.

Mr. PASTORE. All right. If that is the Senator's conviction, I respect it.

Now I want to say one thing. I am perfectly willing to yield time for questions. I knew what the Senator from Arkansas (Mr. MCCLELLAN) was going to say when he spoke a few minutes ago. I want everyone to be heard for or against.

Mr. STEVENS. I want to ask the Senator from Rhode Island a question. Does the Senator interpret this amendment to be broad enough to permit the IRS to do just what you stated, to have three boxes—one for the Democrats, one for the Republicans, and one box for "Other" and then have them write it in?

Mr. PASTORE. One line on there might explain it and they can write in the name of the party. In fact, they could designate none of the parties and it would be for the general fund. That is something that could be worked out.

The crux of the problem is not how to do it, but whether we want to do it.

Mr. STEVENS. Mr. President, I tried to raise a question as to a minor party. Does the Senator provide when dealing with the eight parties of Governor Wallace that no matter what party they pick out, that all of the money for those parties would go to Wallace, no matter what they wrote in?

Mr. PASTORE. To qualify for the money they have to have for a majority party at least 20 percent of the vote in the last election. The minority party would have to have received 5 percent of the votes for the last election. The other parties would only qualify under the general revenue. If no money is in the general fund, they get nothing.

On the other hand, let us assume that a party is only entitled to $6 million and the people contribute $15 million to his campaign. The difference between $6 million and $15 million goes in the Treasury.

That is the formula, 15 cents times the number of people over age 18. This is the maximum. That is stated only for the Republican and Democratic Parties. That comes to about $20.4 million. That is the maximum anyone could get. He could get less if the money is not there.

Mr. STEVENS. The Senator from Maryland stated that the amount that went into the general fund would be divided according to the formula on the basis specified generally.

Mr. PASTORE. Allow me to give an example. Let us assume that the Republican candidate got 18 million votes and the Democratic candidate got 16 million votes. If there is a general fund, they could dip into that general fund, whereby the Republican candidate could be brought from $18 million to $20 million. The minute that happens, the Democrat has only $2 million, the amount that could go to the American Party candidate. He could only get $2 million, and no more.

Mr. STEVENS. If the minor party candidate, such as Governor Wallace, meets the qualifications and gets 40 percent of those taxpayers who specify him, how much does he get out of the general fund?

Mr. PASTORE. What he would be entitled to, which would be the vote he got in the last election as against the average vote for the two major parties.

If the two major parties together got 50 million votes, the average would be 25. So if he got 5 million, it would be one-fifth of the $20 million, which would be $4 million.

Mr. STEVENS. I can say to the Senator from Rhode Island that I would support the amendment if it did what he said it would. However, I cannot support it without further explanation. As I understand, the amendment of the Senator from Maryland has said that if 40 percent specify for Governor Wallace, he would get 40 percent of the fund created by the amendment.

Mr. MATHIAS. Mr. President, if the Senator from Rhode Island would yield, that is the case with respect to the major parties. However, with respect to the minor parties, their maximum amount is limited by the track record of these minor parties related to the track record of the major parties in the preceding election. The minor party may calculate its percentage of votes either on the basis of the preceding presidential election or the present one.

As the Senator from Rhode Island has

explained, there is an effective limit on the amount which the minor parties would get. If a so-called minor party polled 40 percent of the vote in the preceding election, let us say, it would be treated as a major party and thus be accorded as its maximum 15 cents times the number of residents:

There is a third category which I think we might call new parties. They also have an opportunity to participate if the new parties are registered in 10 or more States. I would like to make it clear that the 10 or more States would include the District of Columbia, which is treated as a State where appropriate in the code which we are now amending.

Mr. GURNEY. Mr. President, will the Senator from Maryland yield?

Mr. MATHIAS. I yield.

Mr. GURNEY. Mr. President, we are just starting out with this fund for the next presidential year to provide this fund in the law. So we do not have any fund built up. Let us suppose that the people do not designate this to a great extent on their tax forms.

Mr. MATHIAS. That will certainly be their option, if they do not want to do it.

Mr. GURNEY. Suppose they do not do it for either the Democrats or Republicans, and let us assume for the purpose of argument that 2 million Democrats elect to ask the Treasury Department to fund this and 2 million Republicans do likewise. Under the Senator's amendment plus the Pastore amendment, would this mean that the general appropriation process of the Government would fund this?

Mr. MATHIAS. No, absolutely not.

Mr. GURNEY. What happens to the campaign itself? Will the major parties then raise their own money?

Mr. MATHIAS. The candidates would then have the option, to either disregard this funding program entirely or take advantage of what moneys were in the fund and raise the balance.

Mr. GURNEY. There will not be any next year.

Mr. MATHIAS. A major party could raise the balance up to the maximum of $20.4 million by private contributions, but not beyond. If a party opted to have no involvement whatsoever, it could go on as in the past. But no moneys would be drawn from the Treasury beyond those designated by the taxpayers.

Mr. GURNEY. In subsequent years, if a substantial amount is built up, transfers could be made from the general fund to the specific fund.

Mr. MATHIAS. From the general fund to the specific fund only in the ratio in which designations had been made.

Mr. GURNEY. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, I am going to accept the amendment. But I think that in fairness I should not use any more time. There may be opposition to the amendment. I would like to see the distinguished minority leader take all the time I have remaining.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 3 minutes remaining. The Senator from Maryland has 10 minutes remaining.

Mr. SCOTT. Mr. President, I thank the Senator from Rhode Island. I yield 1 minute to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 1 minute.

Mr. COTTON. Mr. President, I thank the minority leader.

I give credit to both the Senator from Rhode Island and the Senator from Maryland for seeking compromise and entering upon this in a spirit of compromise. But this is a surrender of principle. To give this simply makes an extremely dangerous proposition look extremely attractive. It is a foot-in-the-door approach.

I cannot vote for any measure that puts the U.S. Government in the business of collecting money for campaigns. Therefore, I must vote against the amendment. I think it is right that we meet this issue head on at 5 o'clock under the original proposition.

Mr. COOK. Mr. President, will the Senator yield?

Mr. SCOTT. Mr. President, I yield 1 minute to the Senator from Kentucky.

Mr. COOK. Mr. President, is this not really saying that we took the moneys out of the Federal tax dollars in the Treasury and are, in effect, appropriating and utilizing the appropriation system of the Government used for their tax resources?

Mr. COTTON. The Senator from Kentucky is absolutely correct. Not only are they using tax dollars which should go to the Treasury, but they are also using Government machinery to collect it and disburse it, which is the same under the proposed amendment as under the original—not quite as much, but it is still a Government operation in the area of political parties.

Mr. SCOTT. Mr. President, this side of the aisle, up to now, has been virginal and we are about to become a little pregnant, and I do not like it. I have to vote against this amendment. The whole idea is not to get your hand in the till at all. I am going to vote against the amendment, and if the bill contains the Pastore amendment, I will vote against the bill. Later, I will have more to say on this subject.

I heard the Senator from Rhode Island deplore the acceptance of money from large contributors. I wonder how he will raise the deficit without accepting money from some of those large contributors.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MATHIAS. Mr. President, I am glad to yield 2 minutes to the Senator from Pennsylvania.

Mr. SCOTT. I yield to the Senator from Kansas first.

Mr. DOLE. Mr. President, the Senator mentioned large contributors. The Senator from Nevada mentioned large contributors to the Republican Party. At that time I said this bill does not go to the heart of the matter and does not involve primaries. For example, a former member of this body, Senator McCarthy, was in a primary in 1968. He received $210,000 from Stewart Mott, $100,000 from Mr. and Mrs. Jack Dreyfus, $100,000 from Mr. and Mrs. Martin Peretz, and $100,000 from Alan Miller. This was in a primary. It indicates this bill does not solve the problem of the "fat cats." It is really a "fat cat" bill, even as "pasteurized," and the Pastore amendment has become a "fat cat" amendment because it would free all these people to accept money for the primary.

Mr. GURNEY. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CRANSTON. Mr. President, this fine amendment, and the Pastore amendment it will strengthen, constitute one of the most fundamental reforms of American politics and Government in modern times.

And they open the way to even more significant reforms.

These reforms will affect—constructively—the handling of all issues, yes, each and all of them through the processes of our democracy.

When Abraham Lincoln ran for Congress in 1846, his supporters contributed $200. He won and gave back $199.25.

When I first ran for the Senate in 1964, my campaign cost more than a $1 million. I wound up with a deficit of more than $300,000.

Long before then, and more ardently since, I have advocated reform of campaign financing.

I ask unanimous consent to include at the end of these remarks an article I wrote for Fortune magazine in November 1964, describing my experience, and the general problem, and proposing some solutions.

I am delighted that we are now moving in these directions, and I pay tribute in particular, with profound admiration, for the leadership Senator PASTORE and Senator LONG have provided in this vitally important struggle.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Fortune magazine, November 1964]

A MILLION-DOLLAR LOSER LOOKS AT CAMPAIGNING

(By Alan Cranston)

(NOTE.—Twice elected controller of the state of California, Alan Cranston, fifty, built carefully toward the Democratic nomination for U.S. Senator this year—only to lose it by 139,769 votes before the last-minute invasion of Pierre Salinger, President Kennedy's White House press secretary. His current term as controller runs until 1966 and he has by no means forsworn future campaigning. A Stanford University graduate ('36), Cranston worked for seven years as a foreign correspondent and in the Office of War Information in World War II. Since then he has prospered in real estate and property management.)

When Abraham Lincoln ran for Congress in 1846, his supporters raised $200 for his campaign.

He won—and gave back $199.25, saying, "I did not need the money. I made the canvas on my own horse; my entertainment, being at the houses of friends, cost me nothing; and my only outlay was 75 cents for a barrel of cider, which some farmhands insisted I should treat to."

I ran in the United States Senate primary this year in California, and my supporters spent approximately $1 million on my candidacy.

I lost—and wound up with a $332,000 deficit, which is now being met with the help of many who supported me.

The vast sums now poured into campaigns for public office in the U.S. pose deep and fundamental questions about the functioning of our democracy.

How much does money determine the nature and the outcome of the choice presented to the voters on election day?

How much does money influence the actions of the winner after he takes office?

Is the role money plays in American politics adequately understood? Are reforms needed?

At least $100 million will be spent annually on campaigns in the years immediately ahead, and twice that sum every four years when there are presidential elections. That is the estimate made by Alexander Herald in his monumental book on campaign finance, *The Costs of Democracy*.

My own experiences in three campaigns can perhaps point to some answers to the questions these sums provoke. They also can help focus attention on the problem.

Little of the money spent in my Senate race was my own. Few but Kennedys and Rockefellers can dip into personal fortunes to ensure that the funds deemed necessary for a campaign are available when needed.

The expenditures reported by my campaign committees totaled $823,307, and that accurately represents the amount spent under direct control of my campaign. But I estimate that individuals and groups spent enough more on my behalf—in projects helpful both to me and to congressional and legislative candidates teamed up with me in one way or another—to approximate a total expenditure of $1 million. For example, a mailing sent to most of California's four million plus registered Democrats by the volunteer California Democratic Council on behalf of its endorsed candidates—including me—cost $100,000. This expense was not incurred by my campaign, and hence was not reported by it. Under present laws, the council was not required to report the expenditure either, and didn't.

The expenses reported for the man who beat me in the Democratic primary and now sits in the Senate—former White House Press Secretary Pierre Salinger—were considerably less than mine: $481,000. But a mailing that helped him, and other indirect expenditures and activities on his behalf, probably lifted the total cost of the primary campaign waged for him close to the $1-million mark, too. The fact is that present laws simply do not require, and do not cause, a full disclosure of all that is really spent in a campaign. But with twelve men running in the Democratic primary the direct and indirect expenditures involved must have lifted the total cost of selecting one party's nominee to something more than $2 million.

This seems to me to be much too much money. Yet in an intensively competitive situation to spend much less than Salinger and I each did to reach the voters in a state like California would be to face almost certain defeat.

IMAGE TROUBLE

To raise the necessary funds, a candidate must start with significant support within his party, or from the public—and preferably both. To do so he must, among other attributes, possess a name that will be readily recognized by at least some of the voters.

A very great deal of campaign money is spent to make the candidate's name ever more widely known. Most political experts believe that something they call "name recognition" is the decisive factor in a great many elections. A significant number of voters apparently place their X beside the first name they recognize on the ballot.

I have been distressed by the fact that a great part of the money spent in my own and most other campaigns is spent not to communicate the candidate's ideas and convictions, not to create an impression of what the candidate really is, but to create an image of what his managers think the voters would like him to be. The candidate is alienated from himself, in a political application of the fundamental affliction of modern man described by Erich Fromm. He is transformed into a commodity, in the way best calculated to bring him the maximum profit (votes) obtainable under existing market (campaign) conditions.

Probably the limitations of the available media more or less make it mandatory that this should be the nature of a campaign. Personal appearances, speeches, handshaking—these reach only a small portion of the voters in a race with a constituency running into millions. Even Estes Kefauver shook hands with a few thousand voters for the actual purposes of seeming to shake hands with almost everybody.

Billboards play a key part in major campaigns in California; we spent $95,957 on outdoor advertising in my Senate race. The trouble with billboards is that you really can't say anything of substance on them. They always feature the name and often a picture of the candidate and sometimes they bear a slogan. But if you put more than seven or eight words on a billboard, they become a mere blur to motoring voters passing at sixty or seventy miles an hour. Anyone who tries to read your billboard carefully will crack up in the process—and won't vote anyway. You can express a campaign theme by splashing a word like "integrity" or "experience" on a billboard—but you can't debate an issue.

Television, now generally deemed to be the major medium for effective campaigning, presents the same difficulties. A long program featuring the candidate, competing as it must with the entertainment to be seen on other channels, is believed to hold the attention for the most part only of those voters already convinced. Salinger and I engaged in an hour-long TV debate—but I suspect the audience was composed largely of our respective partisans.

To catch the attention of the vast TV audience that is seeking entertainment, I was driven in my campaign, and Salinger was driven in his, to the brief spot announcements inserted between big shows. My campaign spent $250,000, more than 25 percent of our budget, on TV and radio (which presents all the same problems). Almost all of it was for spot commercials and the costs were fantastic. To show a ten-second spot one time on a top Los Angeles station at prime time cost $800 (and potentially could be seen by 74 percent of California's voters). If it was shown again the next night, another $800 was required.

The great virtue of a ten-second spot is that it goes so fast that the person who has been watching Ed Sullivan and now wants to see *Bonanza* can't switch channels before you've had your say. But you can't say much. First of all, you don't really have ten seconds. There must be a second of silence at the beginning and another at the end, so that your spot doesn't blur with what precedes and what follows it. The silence is deducted from your ten seconds—but you pay for it.

You aren't left with a net of eight seconds—because more time must be consumed in complying with the requirement that the spot be clearly labeled as a "paid political announcement." All in all, you are allowed about six seconds to set forth your qualifications, your background, and why you would do better in office than your opponent. As in billboards, you are reduced to name, face, and "integrity" or "experience." If you want to assert a claim to both "integrity" and "experience," you had better invest in a twenty-second spot—but then the viewer will have more time to tune you out.

Press advertising presents a somewhat better opportunity to come to grips with an issue or two. The limitations aren't so severe. But, insist your advertising experts, the more words, the less readership.

Statements and actions by the candidate or his supporters that make the newspaperr and TV and radio newscasts provide the best means of transmitting your actual thoughts to the voters—and (usually) there is no charge for the time and space. But here again a fundamental problem arises. The more controversial the word or deed, the more time and space it will receive—and, most campaign managers will assert, the more controversial it is, the more votes it will lose. We invested $204,029 in mailings and literature in my campaign. The 5-cent stamp is bank breaking, but if you don't go first class your literature is all too apt to land unopened in the wastebasket. Mailings allow you to choose your audience and therefore allow you a bit more latitude on issues. You can express your views on a delicate issue to those you expect to approve your stand. But, again, brevity is the rule.

All in all, most of what we spent in my primary was spent in ways that allowed me a minimum of opportunity to grapple with vital issues. To me, this makes the high cost of campaigning doubly disturbing. And under these circumstances the difficulties involved in raising the money are even more distressing.

RAISING THE MONEY

There are many citizens who give large sums to a campaign simply for the sake of good government. They are motivated by faith in the candidate and his principles or in the party whose banners he carries.

But those who give for these reasons are, I fear, quite outnumbered by those who contribute for other reasons—ranging from those who are willing to give only in return for a candidate's promise to vote or perform in public office in a certain way, to those who merely expect "access."

The political definition of "access" covers a broad spectrum. To some contributors it means simply being able to drop into his office whenever they wish, perhaps with friends, for an informal visit. Others want to be able to present their side to the officeholder before he acts on a matter of interest to them. This is the least a contributor interested in something more than the general welfare expects in return for a contribution—and it should be the most.

Job seekers and job holders were the principal sources of campaign funds in the last century, but the advent of civil service has greatly reduced the significance of this source. A large percentage of appointees to diplomatic posts under both Democratic and Republican Presidents are still found on lists of contributors, however, and so are many other people employed in government—both civil and non-civil servants. As state controller, I make a number of appointments, and contributions to my campaign by my appointees was one of the issues in my race with Salinger. Neither of us believes that it was a decisive issue.

A moral question will arise in the minds of many candidates every time a large contribution is proffered: "If I accept it, how obligated will I be?"

One hard-bitten answer often voiced among professional politicians in Sacramento, our state capital, runs like this, "If you can't take the lobbyists' money, eat their food, drink their booze, and vote against them—you don't belong here."

I know candidates and officeholders who refuse to accept a contribution even though no request accompanies the offered money, if

they know in their own hearts they will vote against the wishes of the would-be contributor when the time comes. But it is obvious to any observer of the political scene that there are other candidates and officeholders who become captives of their contributors, and render full and faithful service to one special interest or another.

"Even if all contributions were unselfish and made solely for the general good," remarked a Los Angeles political leader, John Anson Ford, "the arrangement is undemocratic and inevitably gives the candidate a sense of obligation to his benefactors that differs from his sense of duty to all other contributors."

DECLINE THE CASH

Many contributors, incidentally, like to hand their contribution directly to the candidate—so that he will be fully aware of their support. A careful candidate will usually accept checks, but he will decline cash unless witnesses are present when the contribution is made—to avoid any danger of subsequent charges that he pocketed the contribution for his personal use. Most contributions are gathered by members of the candidate's finance committee, and often the candidate doesn't hear about them until the money has been received and spent. The contributor may seek to negotiate an understanding regarding a quid pro quo with the campaign representative who receives the contribution. In my three campaigns—two winning ones for controller and the losing one for the Senate—I have warned my fund raisers that I will not stand by any commitment made by them in return for a contribution, and I have sought to make it as widely known as possible that this was my position.

There are various federal and state laws seeking to control who can contribute, and the size of contributions. Congress outlawed contributions to campaigns for federal offices by corporations in 1907 and by labor unions in 1943. There are no restrictions on corporations officers making contributions from salaries and bonuses, however, and unions can raise funds for contributions through voluntary drives. The Hatch Act ostensibly limits to $5,000 the amount an individual can contribute to any candidate or committee in a race for federal office. There is no law limiting the size of contributions in a state race in California, but in my two campaigns for controller I arbitrarily set a ceiling at the level set for federal contests in the Hatch Act.

The fact is, however, that ceilings on contributions rarely work effectively and are not the whole answer. So long as contributions of any significant size are permitted, it seems almost impossible to prevent contributors from finding perfectly legal means of pumping all the money they want into campaigns.

At present contributions can be made with little if any public knowledge about them. Full publicity on contributions would tend to lessen the amount one contributor would want to give, and the amount a candidate would want to receive, from one source. It is felt, however, in France, Sweden, and elsewhere that it is a violation of one's civil liberties to divulge anything at all about a citizen's campaign contributions—that you might as well watch a man marking his ballot as require a revelation of his campaign giving. Most nations, according to Alexander Heard, do not seek disclosure of political finances, and I know quite a few Americans who feel that there should be no public knowledge here of private contributions. One who feels otherwise commented to me, "The opportunity to make big contributions is a civil liberty possessed by a relatively small percent of the population."

PERIL IN LONELY STEPS

Some candidates will establish their own code of contribution ethics and some will not, and all too often the candidate who does will place himself in a position of disadvantage of competing with a candidate who does not. There are quite a few steps which I think all candidates should take, but which, frankly, I am not eager to take all by myself, I believe, for example, that a full disclosure of the precise amount received from each contributor should be released periodically during and after a campaign, but neither California nor federal law requires this. If I did and my opponents didn't, I would be voluntarily handing them a strategic advantage.

After each of my three campaigns I proceeded, in accordance with law, to file a report listing all contributors and the total amount received. But no listing of the individual amounts given by each contributor was required by law, and therefore they were not itemized. The man who gave only a dollar was lumped with the man who gave $1,000. Hence the reports revealed little concerning my financial backers. Each of my opponents has followed the same general practice.

Too many decisions regarding campaign financing are left to the desires of contributors and to the discretion of candidates.

The public should play a far greater part in the making of these decisions. For it is obvious that money all too often plays far too great a part in determining who can become a party nominee, who can win a general election, and how the winner will perform in public office.

Today campaign money comes from a very small portion of the American public. Less than 5 percent of the people make political contributions. It is estimated by one authority on government that 90 percent of campaign funds are contributed by about 1 percent of the people.

THE PRICELESS SMALL CONTRIBUTION

Far-reaching reforms are necessary to restrict the role of money in politics, in my opinion. I have no fixed views as to the wisest solution, and hence I suggest two quite different approaches. They may seem contradictory since one would eliminate present limits on contributions, while the other would impose far stricter limits than presently exist. But a move in one direction or the other would, I think, do much to improve the situation.

Approach No. 1 would be to remove all limitations and ceilings on contributions—but to do everything practical to ensure the fullest possible disclosure of all contributions given and received, both during and after campaigns.

Effective implementation of this approach—which would, I think, place voluntary restraints on too lavish giving—would involve many steps, including the following:

1. A requirement that the original source of gifts given to a second party (or even a third party) for purposes of transmitting a campaign contribution be reported.

2. A requirement that all committees engaged in campaign activities report their receipts and expenditures.

3. The establishment of a procedure requiring full auditing of campaign-finance reports (a suggestion made by former President Herbert Hoover).

4. Barring from office of anyone convicted of violating campaign-finance laws.

Many other steps, while not necessary to implement this approach, would be nonetheless helpful—such as requiring annual personal financial statements by holders of major elective offices. (President Johnson, Senators Humphrey and Goldwater, and Congressman Miller voluntarily issued personal financial statements this fall, and a few members of the House and Senate have commenced doing so annually.)

Approach No. 2 would be to impose severe and exceedingly low limits and ceilings on contributions—but to provide funds for legitimate candidates of legitimate parties from public sources.

Variations of this system of government subsidies of campaigns, whereby every citizen shares in the fundamental cost of democracy, are presently followed in a few other nations. This approach was first prominently urged in this country by Theodore Roosevelt, and more recently by Harry Truman.

The objective would be to limit a candidate, under conditions of strict accountability, to a bare minimum of personal expenditures from his own resources or from funds received from others—perhaps allowing not more than $500 or $1,000 to be expended from private sources. The government would provide equal sums to all candidates for campaign expenses needed to reach the voters—thereby providing each candidate with equal access to the voters through mass media and otherwise.

But there are obvious and real dangers in this approach. How would a new political party get started? How would an independent candidate acquire status? What safeguards would prevent serious abuse by the party in power? Maybe these matters can be worked out but it will take far more study and more thought than have so far been given to the subject.

Perhaps a combination of what I have called Approach No. 1 and No. 2 might provide a more easily attainable solution to the problems posed by the use of money in politics. An acceptable compromise might be to allow wholly unrestricted contributions, but to require them to be fully disclosed—and to supplement them with funds from government sources. This procedure would reduce the dependency of candidates upon purely private sources or purely government sources.

BUSINESS LEADERS CAN HELP

I recognize that sweeping reforms will not easily be achieved. There is one significant step, however, that any citizen can take now, without waiting for sweeping changes in the law, and it is one that America's business leaders can help foster.

The step is a simple one. It is for each citizen to make a small contribution to the candidate or party of his choice, and to do everything conceivable to encourage the giving of as many small political contributions from as many other citizens as possible. A Gallup poll showed a few years ago that 35 percent of Americans would be glad to give contributions of $5 in each election. Every citizen who actually does so will contribute not only to the prospect of victory for his favorite candidate or party, but to the well-being of our form of government.

A Californian, Dan Kimball, chairman of Aerojet-General Corp. and former Secretary of the Navy, has pioneered a program in his company designed to encourage this sort of contributing. Volunteer solicitors form Democratic and Republican committees and pick up contributions from approximately 75 percent of the corporation's employees—divided about equally between the two parties.

Other companies, encouraged by the U.S. Chamber of Commerce, have developed similar programs. Both the Democratic and Republican parties have attempted national neighborhood drives to broaden the base of campaign support through solicitation of small contributions—with only moderate success. More help is needed to make such drives work.

If each community in America would launch an annual drive for political contributions, with the backing presently given to charitable, educational, and religious causes, much could be achieved.

Contributions of this sort, coming into campaigns with absolutely no strings attached, constitute what is known in political parlance as "free money."

A growing stream of "free money" available to Americans seeking public office could only serve to strengthen our free institutions.

Mr. MATHIAS. Mr. President, I yield to the Senator from New York.

Mr. BUCKLEY. Mr. President, I wish to ask one or two questions.

As I understand it, if 50 million taxpayers designate the Republican Party the limit nevertheless would be $20.4 million.

Mr. MATHIAS. For the forthcoming election, based on the amendment in the bill, yes.

Mr. BUCKLEY. I also understand if 50 million people designated Governor Wallace, $6 million still would be the amount he would be entitled to.

Mr. MATHIAS. That would depend upon the number of votes he received in the prior or current presidential election. As stated before, if he received 25 percent or more of the votes, he would be considered a major party and thus would be entitled up to $20.4 million. If he received less than the 25 percent in either of the two elections, you calculate his maximum amount allowable by dividing the average percentage of the major parties into that percentage received by the minor party and multiplying this by this maximum amount of 20.4 million.

Mr. BUCKLEY. Let us assume the Republican Party has a designation of 25 million taxpayers, the Democratic Party 15 million taxpayers, and in the undesignated party, there are 10 million. How will the undesignated portion be utilized?

Mr. MATHIAS. When one party hits the finish line all players stop in place. No further money would be drawn after one party reaches the maximum.

Mr. BUCKLEY. In effect, the Mathias amendment gives a certain amount of choice to the individual designating taxpayer, but it is limited in accordance with what we describe.

Mr. MATHIAS. The Senator is correct. There are certain ground rules laid down so that the choice is there but the rules of the game are clearly spelled out.

Mr. BUCKLEY. I would like to suggest that what this amendment to the amendment would accomplish is more cosmetic than anything else. It gives some flexibility but the fact is tax money is being diverted from normal uses for political purposes, and it is not a question of a taxpayer using his own money. Let us assume that I and others do not check.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MATHIAS. I yield 30 seconds to the Senator from New York.

Mr. BUCKLEY. The fact that necessary Government projects will not be paid for by tax revenues is increasing my tax burden, so, therefore, while this cures the basic defect, it helps but enough to warrant voting for the bill.

Mr. CASE. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield 1 minute.

Mr. CASE. I have a couple of questions.

Does not the Senator's amendment make the checkoff the same in principle as the first part, in effect, a credit against tax?

Mr. MATHIAS. The net effect to the Treasury is exactly as title IX.

Mr. CASE. If a person pays a tax of $1 or more, he can indicate $1 go to the party of his choice. Is that it?

Mr. MATHIAS. That is correct. I think it is an excellent point because title IX has been very broadly embraced and supported.

Mr. CASE. Is it not identical with the exception of circumstances I will mention? Is it not identical to the situation in which the man himself sends a check for $1 to his party and deducts it under the first part of the amendment?

Mr. MATHIAS. That is correct.

Mr. CASE. All that is being done is the use of Government machinery for the collection and transmission, pursuant to specific directions of the taxpayer, and each individual taxpayer giving his own dollar.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. STEVENS. Is there any way under the amendment a party's candidate could be eligible for more money than he would have been under section 1004 (a) and (b) of the bill?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MATHIAS. I yield myself the remainder of our time.

Mr. STEVENS. Is there any way under the Senator's amendment a candidate of any party could be eligible for more money than he would have been eligible for under section 1004 (a) or (b) of the original Pastore amendment?

Mr. MATHIAS. No, there is not. The answer is no. The limit is the same—$20.4 million for major parties. And the same formula as in the Pastore amendment is retained to arrive at the maximum a minor party can receive. It is the same formula throughout.

Mr. STEVENS. I understand he could not get more.

Mr. MATHIAS. That is correct.

I would say it could only get more for minor parties if succeeding elections build up a larger base of support. The American people would be the judge of that.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. COOPER. The original amendment provided for the Democratic Party and the Republican Party, and the party of Governor Wallace, would this amendment provide funds for any other parties, for example, a fourth party?

Mr. MATHIAS. If a new party such as that headed by former Senator McCarthy would be qualified to be on the ballot in 10 States, including the District of Columbia, it would then be entitled to some participation in this fund.

But let me point out that it is the candidate of the party and not the party itself.

Mr. COOPER. Would every candidate to whom a taxpayer contributed actually receive the contribution or would only certain candidates receive funds?

Mr. MATHIAS. No. The candidates of the party designated by the taxpayer—as long as the party is qualified in 10 or more States, or in the case of established parties, if they got more than 5 percent of the vote in the last election.

Mr. COOPER. I do not wish to take more of the Senator's time.

Mr. MATHIAS. I understand the Senator's position. I think it is well taken.

We have tried to construct this amendment so as not to stifle new political initiative and so as not to maintain the stereotype of political parties. For instance, the Whigs flourished and then passed on. There is no way to say that existing parties might not some day pass on. We cannot create monuments to their preservation and we do not intend to do that. I am impressed with what the Senator from New Hampshire said earlier. As a matter of principle he feels he cannot support this amendment because it deals with the subject matter to which he is totally opposed. I can only say to the Senator that all of us might feel that way but the handwriting on the wall is clear and we had better make this bill as good as it can be. This is not a compromise with evil. This is facing the facts, and there is no use trying to get on after the train has left the station. I hope the amendment will be supported.

The PRESIDING OFFICER. All time on the amendment has expired. The question is on agreeing to the amendment of the Senator from Maryland. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 72, nays 27, as follows:

[No. 380 Leg.]

YEAS—72

Aiken	Harris	Muskie
Allen	Hart	Nelson
Allott	Hartke	Packwood
Anderson	Hollings	Pastore
Bayh	Hruska	Pearson
Bentsen	Hughes	Pell
Bible	Humphrey	Percy
Boggs	Inouye	Proxmire
Brock	Jackson	Randolph
Burdick	Javits	Ribicoff
Byrd, Va.	Jordan, N.C.	Roth
Byrd, W. Va.	Kennedy	Saxbe
Cannon	Long	Smith
Case	Magnuson	Sparkman
Chiles	Mansfield	Spong
Church	Mathias	Stafford
Cranston	McGee	Stevens
Dominick	McGovern	Stevenson
Eagleton	McIntyre	Symington
Ellender	Metcalf	Taft
Ervin	Miller	Talmadge
Fulbright	Mondale	Tunney
Gambrell	Montoya	Williams
Gravel	Moss	Young

NAYS—27

Baker	Curtis	Hatfield
Beall	Dole	Jordan, Idaho
Bellmon	Eastland	McClellan
Bennett	Fannin	Schweiker
Brooke	Fong	Scott
Buckley	Goldwater	Stennis
Cook	Griffin	Thurmond
Cooper	Gurney	Tower
Cotton	Hansen	Weicker

NOT VOTING—1

Mundt

So Mr. MATHIAS' amendment was agreed to.

Mr. MATHIAS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

Mr. SCOTT. Does the Senator from Iowa have an amendment?

Mr. MILLER. Yes.

Mr. SCOTT. We have only 15 minutes. Can the Senator tell us how long he wants to take? There is a point of order pending.

Mr. MILLER. This might take 3 or 4 minutes, depending on our colleague from Rhode Island.

Mr. SCOTT. Very well.

AMENDMENT NO. 739

Mr. MILLER. Mr. President, I call up my amendment No. 739, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, line 4, insert "individual or" after the word "any".

On page 26, line 18, after the word "violation", insert the following: "and any other individual who knowingly and willfully violates paragraph (1)".

Mr. MILLER. Mr. President, if I may have the attention of the Senate, and particularly of the Senator from Rhode Island, I can explain this amendment very briefly.

If Senators will refer to page 26 of the Pastore amendment, they will find what I think is a loophole in the amendment. I do not believe that the loophole was intended, and do not think it should remain there.

There is a penalty provided, in subparagraph (f)(1), in the case of any political committee which undertakes knowingly and willfully to incur expenditures to further the election of a President or Vice President; and the reason it is made a penalty is because that presidential or vice presidential candidate is supposed to obtain his financing out of this campaign fund we have been voting on.

The Senator from Rhode Island, in an earlier colloquy, stated that that presidential or vice presidential candidate is going to have to make up his mind; if he wants to get his financing out of the fund, then he cannot get a nickel anywhere else, and to that I subscribe. But the loophole is that we do not cover individuals, and so without my amendment, which provides that this language be changed to read "It shall be unlawful for any individual or political committee" to do this, you could have an individual throwing his $100,000 into a campaign kitty for President or Vice President, and we have no penalty to cover it and no prohibition against it.

So I would hope, in view of that, that the Senator from Rhode Island would recognize that we do have a loophole which I am trying to plug here.

Mr. PASTORE. Mr. President, if the Senator will yield, I do not recognize the fact that we have a loophole, and I do not subscribe completely to the argument made, but I will say this: The Senator's suggestion is a refinement, and it is acceptable.

Mr. MILLER. I thank my colleague from Rhode Island.

Mr. President, I yield back the remainder of my time, and I move the adoption of my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa (Mr. MILLER).

The amendment was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SCOTT. Mr. President, I yield first to the Senator from Kansas, who I believe has a point of order to make, such time as he may require.

Would the Senator from Kansas permit me to yield to the Senator from Kentucky first for 2 minutes, and then to the Senator from Kansas?

Mr. DOLE. Yes.

Mr. COOK. I thank the Senator.

I should like the attention of the Senator from Rhode Island. Now that the Senator from Iowa has solved the problem, I have an amendment at the desk that I would like the Senator from Rhode Island to listen to. I call up the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 26, line 13, put a period after expenses, and strike the remainder of line 13 and line 14.

Mr. COOK. What I am asking to be stricken are the words "in an aggregate amount exceeding $1,000."

The Senator realizes that what could be done is to have a situation where there could be a multitude of $1,000 units all over the place. It seems to me that with the refinement that was made by the Senator from Iowa, this really refines this section to the extent that I think this is another loophole that would be filled, and I think it would make it much better and a much better refinement.

Mr. PASTORE. I say to my good friend, the Senator from Kentucky, that this indeed bothered me a little. The only reason why I accepted it in the bill as originally drafted when I offered the amendment was the fact that this was what was contained in the previous bill passed by the Senate 5 years ago. I think this is a further refinement, and I am willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment. Do the Senators from Kentucky and Rhode Island yield back their time?

Mr. COOK. Yes.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MAGNUSON. I want to ask the Senator from Rhode Island a question that has been bothering me throughout this debate. This may not be a loophole. Suppose a group of people wanted to get together and support Mr. A for President, and they are going to devote their time to go out and do what they can for him. They may hire a hall for a mass meeting. Would that be in violation?

Mr. PASTORE. Does the Senator mean if they acted on their own?

Mr. MAGNUSON. They would get together. I suppose it would be difficult to act on their own. Perhaps they would have a meeting place where they rent a hall, and they would spread out on election day to go to the polls to support Mr. A. There would be no money raised except their own expenses, which would amount to nothing, comparatively.

Mr. PASTORE. That raises a very sensitive area. We struggled with that on the campaign expenditures limitations. The Senator is talking about individuals who, absolutely independent of the candidate, on their own, made some effort?

Mr. MAGNUSON. Yes.

Mr. COOK. Mr. President, will the Senator yield so that we can get my amendment agreed to? I ask for the adoption of the amendment.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. MAGNUSON. May I get an answer? I think many people are concerned about it.

Mr. SCOTT. Mr. President, I hope we can get a quick answer, because I have a motion to make, and I do not want to be denied the opportunity of yielding so that the motion can be made before 5 o'clock.

Mr. PASTORE. To answer the Senator, we do nothing to impinge upon freedom of speech and freedom of activity. So long as the candidate knows nothing about it and there is no subterfuge about it, the people are entitled to act as they will.

The PRESIDING OFFICER. The time on this amendment runs until 5 o'clock, unless it is yielded back.

Mr. SCOTT. Mr. President—

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. PASTORE. I yield. I have the time on this amendment. The Senator brought up the amendment. He was allowed to do so.

Mr. LONG. Mr. President, I would hope this amendment would not be agreed to, because I am ready to believe that there is going to be a constitutional challenge here. When you get it down to where nobody can do anything, even on an individual basis, and he is not permitted to do anything at all, that might raise a constitutional issue of freedom of speech. We have felt that a reasonable limitation on what someone could do could be something that costs us a thousand dollars. But when you get it down to where they can do nothing, cannot even put a sign up in their front yard saying, "I am for Candidate John Smith"—it is a customary thing in my hometown, where they put up signs in their front yards.

Mr. PASTORE. The Senator does not mind the word "individual." He is opposed to the limitation.

Mr. LONG. I am talking about getting it down to where you cannot do anything. Now it is said that he cannot do anything. It may very well invite a constitutional attack on the bill.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, is my amendment still the pending business?

The PRESIDING OFFICER. The Senator from Kentucky has 3 minutes remaining.

Mr. COOK. I ask for the adoption of my amendment and yield back the remainder of my time.

Mr. SCOTT. Before the Senator yields back the remainder of his time, Mr. President, I have a parliamentary inquiry. Would I then be recognized for the remaining 3 minutes if I am now seeking recognition?

The PRESIDING OFFICER. If 3 minutes are available.

Mr. MANSFIELD. Of course he would, if he gets the floor and the Chair recognizes him.

Mr. SCOTT. I am seeking recognition.

The PRESIDING OFFICER. The question is on agreeing to the amendment. Is all time yielded back?

Mr. PASTORE. I yield back the remainder of my time.

Mr. COOK. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Kentucky.

Mr. LONG. I ask for the yeas and nays, Mr. President.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 40, nays 59, as follows:

[No. 381 Leg.]

YEAS—40

Allott	Dole	Percy
Baker	Dominick	Roth
Beall	Fannin	Saxbe
Bellmon	Goldwater	Schweiker
Bennett	Griffin	Scott
Boggs	Gurney	Smith
Brock	Hansen	Stevens
Brooke	Hruska	Taft
Buckley	Javits	Thurmond
Case	Jordan, Idaho	Tower
Cook	Mathias	Weicker
Cooper	Miller	Young
Cotton	Packwood	
Curtis	Pearson	

NAYS—59

Aiken	Gravel	Mcndale
Allen	Harris	Montoya
Anderson	Hart	Moss
Bayh	Hartke	Muskie
Bentsen	Hatfield	Nelson
Bible	Hollings	Pastore
Burdick	Hughes	Pell
Byrd, Va.	Humphrey	Proxmire
Byrd, W. Va.	Inouye	Randolph
Cannon	Jackson	Ribicoff
Chiles	Jordan, N.C.	Sparkman
Church	Kennedy	Spong
Cranston	Long	Stafford
Eagleton	Magnuson	Stennis
Eastland	Mansfield	Stevenson
Ellender	McClellan	Symington
Ervin	McGee	Talmadge
Fong	McGovern	Tunney
Fulbright	McIntyre	Williams
Gambrell	Metcalf	

NOT VOTING—1

Mundt

So Mr. COOK's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr BYRD of West Virginia. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENNETT. Mr. President, I find it necessary to vote against the Pastore amendment to H.R. 10947. The reasons for opposing this legislation are many and I shall not take the time to list each one in detail. I would, however, like to list some of the factors which cause me to oppose it and at the end of my remarks to list some editorial opinion from one of the leading newspapers in my State regarding this amendment.

I question whether the Federal Treasury and the U.S. taxpayer should be called upon to bail out the Democratic Party from its present financial problems. It is in debt from the last election and it faces 1972 with financial problems. Every presidential election in the history of America has been waged in the free market of campaign contributions and, while I remain committed to reform in this area, I am opposed to an amendment which, because of its timing, boils down to a special interest amendment benefiting in the final analysis only one of the major political parties. I do not believe the American taxpayer will look upon that as fair. I also question if such an amendment should be offered at a time when every serious Democratic presidential candidate is a Member of the U.S. Senate. Therefore, this legislation casts some doubts as to whether certain candidates are hopefully voting a windfall to themselves.

A third factor is the impact that it will have upon splinter parties. Certainly it will insure the candidacy of Gov. George Wallace. He should be no more entitled to receive his campaign funds from the Federal Treasury than the Democratic candidates or Mr. Nixon. If Mr. Wallace is privileged to seek the Presidency of the United States, he should be required to seek financial backing from those who believe in his causes.

Another factor is the sheer mechanics of making this effective for 1972. This legislation comes too late to send the proper tax forms to the American people and, thus, it will incur additional expenses to the Treasury to send out supplemental forms. If added to the Senate bill, we will have denied to the House of Representatives the right to debate and vote first on such a major issue. Furthermore, we have denied to the American people and to the press sufficient time to scrutinize it, to expose its many glaring weaknesses, inconsistencies, and special interest aspects.

I ask unanimous consent that two editorials published in the Salt Lake Tribune on November 14 and November 18 in opposition to this amendment be printed in the RECORD. The editorials strongly point out that the tax bill should not have a rider of this magnitude and that campaign spending reform legislation is so vital that it should not be done in this way. I commend the Tribune for taking this position. I endorse their call for additional time.

Finally, Mr. President, we are attempting with the original tax bill to correct problems in the American economy which have been caused in large measure by our readjustments as a result of the Vietnam war. We are going through a critical time in international trade and international finance, and I oppose adding this very political amendment to this legislation which is so vital to the economic situation in America today.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

KEEP RIDERS OFF TAX BILL

Hardly anyone disputes the need to limit campaign spending, to keep it within the bounds of reason and good government. But recognizing the problem and agreeing on a solution are vastly different matters.

Campaign spending is such a vital part of the political process that any attempt to control it is an attempt to meddle with basic and hallowed tenets.

This being the case it is extremely dangerous to attempt to alter the present, albeit imperfect, system without full debate on proposed changes separate and apart from any other pending legislation. Campaign spending is so complicated a subject and so crucial a part of the American political process that it must not be tinkered with unless full attention can be devoted to the subject.

Democrats in the Senate are considering attaching a campaign spending limitation measure to the pending tax bill. The proposal being readied as a tax bill amendment would permit each taxpayer to indicate on his income tax return whether he wanted $1 of his taxes to go into a campaign fund which would be divided evenly between the two major parties in 1972. It is estimated that $20 million for each party could be raised in this fashion. The idea is not new, having been advanced five years ago by Finance Committee Chairman Russell B. Long, D-La.

Since Democrats are urgently in need of campaign funds for the forthcoming presidential race while Republicans are well supplied with cash, the amendment would be of great help to Democrats. For that reason alone the amendment faces a party line fight which could bog the tax bill down for days. It is not the fate of the tax bill that is at stake. But if the amendment is adopted President Nixon would be almost powerless to veto it because to do so would mean killing the tax bill, a measure loaded with tax reductions for business and individuals. The bill also is a weapon in the administration's battle against economic recession.

The proposed campaign financing amendment is not without merit. But neither is it without faults which full debate and critical presidential review might remedy. It is unlikely to get either as part of a veto-proof tax bill. Senate Democrats should bring the Long proposal forth but not as an amendment to the tax bill.

SHORTAGE OF TIME FOR CONSIDERATION CLOUDS CAMPAIGN FINANCE PLAN

As stated Sunday, The Tribune believes it is unwise to attach so crucial a matter as campaign spending legislation to the tax bill now in Congress. Campaign spending limitation should be considered apart from any other legislation and especially the current tax bill which is considered "veto proof" because of the many tax reductions it contains.

Now that such an amendment has been offered by Senate Majority Leader Mike Mans-

field, D-Mont., and Sen. John O. Pastore, D-R.I., we urge that it be defeated.

The amendment was originally part of a campaign finance bill which the Senate passed five years ago but it never became law. Proposed by Sen. Russell B. Long, D-La., it would give taxpayers the option of directing that $1 of their federal income tax be placed in a special campaign finance fund. The fund would be split between the two major parties and even third and lesser parties for use in presidential campaigns. It is estimated that up to $40 million could be raised in this manner, some $20 million for each major party.

At first glance the Long proposal looks like a neat remedy for all the real and supposed evils of present campaign financing methods. That is may or may not be. The question before the Senate now is not whether the Long amendment is possibly an improvement over the present system but whether the Senate can give the amendment the study it deserves; whether it is wise to deny the President the option of rejecting the measure because it is entwined with the popular tax reduction bill. We think not.

Rejection of the $1 tax deduction concept as an amendment to the tax bill does not necessarily mean rejection of the idea behind it. Offered alone, the deduction proposal has many attractions. It also raises serious questions: Is it not a dangerous precedent to put government to work collecting funds for political parties? Wouldn't any money raised via the deduction plan simply constitute an assured kitty to which political parties would continue to add in the time honored ways?

Further, there is reason to question if the present system, which relies heavily on contributions from a few wealthy individuals and corporations, is really as bad as it has been pictured. It looks bad and it surely is not what the founders of the republic had in mind. But it is a true reflection of the facts of U.S. political life today and any move to tinker with it involves the distinct possibility of producing something worse.

Attempts at regulating political spending and contributions, though idealistically desirable, beg constitutional challenge. To limit how much and how a person or corporation spends or gives money away is a serious infringement of individual liberty. And this is so no matter how worthy the cause for which the infringement is proposed.

For these and other reasons campaign spending legislation must proceed with great caution. In the end it may be shown that the $1 tax deduction option is the lesser of several evils and should be adopted. But that conclusion cannot be documented in time for the present Congress to implement it.

Mr. HRUSKA. Mr. President, I rise in opposition to title X.

Mr. President, it must be said of our colleagues on the other side of the aisle that they are certainly full of surprises this year. We have had quite a number already, but this proposal to place the business of electing our President in the hands of the U.S. Treasury must rank near the top of the list.

This amendment is most ill advised, and like a number of other proposals with which we have abruptly been confronted in the past few weeks, has all the signs of being hastily conceived and poorly thought out.

Let me cite some of my objections to the measure:

First. The objection already stated, that it removes from our overburdened Treasury funds which are desperately needed for other pressing purposes.

Second. It removes the personal element from the presidential campaign process.

Third. It opens the door to extension of Government sponsorship to other candidates at the State and local level.

Fourth. It will encourage the proliferation of other parties.

Fifth. It presents many procedural and mechanical problems in the Government administration of the program.

Sixth. It sells the American people short by falling victim to the fallacy that the quantity of money rather than the appeal and views of the candidate determines the outcome of elections.

Seventh. The measure comes to us with a checkered background, no Presidential support and no public hearings in the past 5 years.

Eighth. It raises the question of conflict of interest in the case of Democratic Party presidential candidates, most of whom are Members of this body.

Ninth. It is not voluntary. To use it forces the taxpayer to support at least two parties not of his own choice and with the greatest percent of his dollar.

With regard to the first point, Mr. President, adoption of this measure would remove many millions of dollars from the general fund of the Treasury at a time when the very proponents of this measure are also loudly crying out for more Federal support for relief of human problems.

It is my understanding that the taxpayer checks an appropriate box if he wishes the Federal Government to subsidize the presidential election. If he does so, $1—or $2 in the case of joint returns for husband and wife will be removed from the Treasury to the campaign fund for distribution according to formula among three or more eligible parties.

The process therefore involves no contribution from the taxpayer. It merely invokes his authority to take an amount from the Treasury to finance the campaign.

I need not remind my colleagues of the sizable deficit in the Federal budget for the current year. That deficit is due in great part to the propensity of some in this body to add and expand Federal programs with inadequate regard to our ability to pay for them. There is a tendency of too many here to regard the national debt in an abstract way as something which is unfortunate but which if we ignore long enough may go away.

It will not go away, Mr. President, it haunts us right now in our efforts to stop inflation and achieve a new and lasting prosperity. It behooves us to take every step we possibly can to turn our deficit spending philosophy around and begin to alleviate the burden of our national debt.

If ever there was a good place to start, it is this measure which will place $50 million or thereabouts in the hands of presidential campaigners at a time when it could be applied much more appropriately to meeting our financial obligations.

It might also be asked, in connection with this point, why there is such a rush to enact this far-reaching measure at this time, if indeed it is not primarily a benefit for an approaching presidential campaign in desperate need of financing.

We have been electing our Presidents on the strength of voluntarily financed campaigns for nearly 200 years and the system has proved much more successful and much more durable than those of any of our sister nations.

With regard to the protestations that this measure is to free the candidate of obligations to the large giver, I note the point made so eloquently by the Senator from Tennessee (Mr. BROCK) the other day that studies of recent campaign financing have shown that 75 percent of the contributions to campaigns of the other party have been larger than $100 while 75 percent of the contributions to our Republican Party have been under $100.

In view of that information, one must surely wonder whether the sponsors of this measure are interested in equity or interested in a hurry-up raid on the Treasury.

My second point is that the measure would remove the personal elements from the presidential election process. This is obvious. When a person gives—no matter how much—he feels he is a part of a movement. This has been the secret of the success of our political system—the willingness and eagerness of an informed citizenry to participate in electing their public officials.

A checkoff system giving the Treasury permission to divide $1 among political parties is a poor substitute for personal participation. This puts the taxpayer in the same boat as the forced union member whose dues are deducted from his paycheck and spent for the political purposes espoused by the officers of the union, with no regard to his preferences.

In that respect the American workingman has long been a political captive—involuntarily financing political campaigns without regard to his own views. Now our colleagues are trying to convert the taxpayer into the same type of political captive. With this added feature, the money a union member checks off is his own. Under the instant bill the money checked off is tax money, payable to the United States unless the taxpayer elects that it shall go to a political fund. Thus such a taxpayer participates in the appropriations process—one delegated expressly to the Congress by the Constitution.

We are all concerned with increasing political awareness in our country and in getting more qualified voters to the polls. I submit this measure will send us in the opposite direction. It will foster an immunity to political activity rather than encouraging it. It will lose voters rather than adding them.

My next point is one which was made earlier. Some may scoff at it as being somewhat facetious, but in dead earnestness I submit that it must be considered. This point is whether or not enactment of this method of financing the campaign for the Presidency would be followed in due course with similar proposals for the election of Members of this body, election of Members of the other body, and election of State and local officials.

As we look at the long history of this great Republic and the overwhelming encroachment of the Federal Government upon all other governmental affairs in the past 40 years, we must recognize one alarming element.

We must recognize that when the Federal Government becomes involved in some aspect of public or private life in these United States, that involvement never ceases. Let us bear that in mind. When the Federal Government gets involved in something, it stays involved.

Accepting this immutable principle as we must on the face of decades of evidence, it is only logical to ask: How long will it be before Federal subsidization will be extended to other candidates and campaigns? That is the inevitable next step.

On my fourth point, Mr. President, we have long been a two-party Nation with a few minor parties making their influence felt from time to time. There are many diverse but persevering elements in our national political picture who will seize upon the promise of Federal funds as the stimulus needed to pursue formation of splinter parties much more assiduously than ever before in our history.

Look how long we have had the socialist party with us. We are now saying to the American taxpayer, if the Socialist Party can get enough votes in a given election, then you will have to help finance their campaign in the next election. That is what it amounts to.

I do not believe the majority of the American people will appreciate their tax dollars being used in such an arbitrary manner.

My fifth point is a rather interesting one—the problems which this measure presents to the Federal Government in administering such a program, and most especially the problems which it entails if it were to be placed into effect this year, which is the apparent intent of its sponsors.

In that connection I especially wish to call to this body's attention the comments of Mr. John S. Nolan, Deputy Assistant Secretary of the Department of the Treasury. They were first introduced by my friend from Maryland (Mr. MATHIAS) but they so clearly point up the administrative and mechanical nightmare we are heading into, that they bear repeating:

The individual income tax returns for 1971 are now being printed and mailed to taxpayers. It would, therefore, be impossible to explain on the 1971 form or the instructions the right given the taxpayer to require that $1 of his tax liability be paid into the Presidential Election Campaign Fund. The best that could now be done would be to have a supplemental mailing to taxpayers of an additional sheet on which they could make their designation. However, this would be extremely costly. A preliminary estimate is that it would cost in the neighborhood of $500,000 to $1,000,000. It would be necessary to print the extra sheet containing detailed instructions on a "crash" basis and to repeat the just-completed task of mailing the new sheets to all taxpayers. There is even some question whether the Internal Revenue Service has the capability of accomplishing another national mailing at this crucial time.

More importantly, however, it would not be possible to have all of these extra sheets in the hands of taxpayers until late February. Some 25.5 million taxpayers filed their 1970 returns in January and February of 1971, and it is reasonable to expect that many or more to file early next year. It is doubtful that many of these taxpayers, after they have already filed, would file the additional designation sheet. Even if it is assumed, however, that a significant portion of these taxpayers would thereafter file the supplemental sheet making their designation to the fund, it would be extremely difficult and time consuming for the Internal Revenue Service to associate the supplemental filings with the previously filed returns. This would, of course, be essential to ascertain that the individual had, in fact, filed a return and paid at least $1 in tax.

We daily express concern about the redtape involved in our governmental processes. We all profess to wish to eliminate as much of that redtape as we possibly can. It does not look to me, Mr. President, as if this measure can help but increase it in the Treasury Department and Bureau of Internal Revenue.

My next point is a most important one, in my opinion. It is the assumption that money is the all-important factor in electing a candidate. It must be granted that the cost of political campaigns continues to rise and the cost of electronic media is high.

Nevertheless, the crass commercial attitude that money is the most important ingredient for a candidate and the most important influence on the voter does a great disservice to both our public officials and our electorate.

Naturally everyone likes to have plenty of money when he is a candidate. Naturally almost everyone thinks he does not have enough. But are we to believe that the voters cannot be reached without television spectaculars? And are we to believe that the American people are so uninformed and naive in their political attitudes that their vote is to be determined by the number of appearances a candidate makes on the tube?

I remind my colleagues of one among us who campaigned last year with a distinct shortage of television funds. That is the Senator from Florida (Mr. CHILES). He overcame this campaign deficiency in a most unique and intriguing way, by walking and shaking hands. I do not know whether he has gotten rid of the callouses on his feet yet, but I do know he is very much among us, living proof that extensive campaign funds are not as important as having something to say which the voters want to hear.

If the proposition were put to the voters, Mr. President, there is no doubt in my mind that they would not appreciate the inference that the amount of campaign money available to a candidate for President is an effective influence upon their vote and their preference.

My next point is to remind this body that this is not the first time we have faced this measure. It was passed some 5 years ago, despite the fact that there has never been a clear-cut endorsement of the program by any President.

Nevertheless it was passed some 5 years ago. And then because some Members of this body from the other party did not think they wanted to trust their own President with such a fund, it was withdrawn. In other words, the members of the other party wanted establishment of the fund but when they were on their way to establishing it, they began to encounter the same fears which have been expressed on this floor the past few days.

In the 5 years since then we have seen no more of the proposition. If there is real need for it, prudent legislative practice would dictate some consideration by the appropriate committee, a review of past testimony on the measure and additional hearings if they were deemed necessary.

Another point, Mr. President, was raised earlier here, and that is that we are certainly dealing in the area of conflict of interest when we consider such a measure, inasmuch as virtually every viable candidate for President in the other party is a Member of this body.

We are allowing these candidates to pass upon a proposal which will put dollars from the U.S. Treasury into their own campaign organization. This is a dangerous precedent. How long will it be before we extend the privilege of Federal support to candidates for the party's nomination?

My final point is that the method prescribed is not voluntary. A taxpayer will be forced to see a larger part of his dollar go to at least two parties not of his choice; and the smaller part of that dollar goes to the party he favors.

For all of the foregoing reasons, I shall vote against the amendment—title X.

I propose to vote in favor of title IX which allows a tax credit of up to $25 on a tax deduction of up to $100 for those who suitably contribute to political campaigns.

This method is voluntary. It involves a contribution by the taxpayer of his own money. None of it goes into a Federal fund for distribution to political parties. Thus the Federal Government would not be involved at all. It should not be.

It is my hope that title X will be rejected; and that title IX will be approved.

Mr. TOWER. Mr. President, I am opposed to the Pastore amendment to the Revenue Act of 1971 and shall vote against it. One of the reasons why I am opposing it is, because it will jeopardize the enactment of the much needed tax bill just at a time when the President's economic program is taking hold and could jeopardize our entire economic program. From this point of view, it should not have been considered at all in this bill and should rightfully have gone through the proper committee process, as all other proposals should. It is my belief, that the fact that this amendment could upset the entire timetable is in itself sufficient reason to vote against this amendment.

There is, Mr. President, still another, more important reason to defeat the Pastore amendment. This so-called reform effort is nothing more than an attempt by a group in Congress to grab taxpayers' money for their own end. The idea that the Federal Government should finance the activities of candidates for the presidency is a totally alien concept to our American democracy. The idea that such an attempt should be masqueraded as "reform" is sheer hypocrisy. Senators on the other side will find out, if they force the taxpayers to unwillingly finance their campaign, that the American public is not so gullible as they believe them to be. When you force an American to contribute, involuntarily, to a candidate that he either does not sup-

port, or to whom he may be unalterably opposed, you are going to make him mad. It is just as simple as that.

The American voter is a very independent one and does not like to be told what to do. Senators on the other side are courting disaster by attempting to pass this measure with no bipartisan support whatsoever. Such a blatant power play which goes so much against the grain of the American voter must be resisted.

Mr. President, we are facing a taxpayer revolt in much of the country. That revolt is going so far as to defeat revenue measures to provide for better educational opportunities all over. I might add that most of the educational measures defeated would cost the average taxpayer much less than would the current proposal. When the taxpayers learn that someone is attempting to divert their hard-earned money to finance a wholly political endeavor, they are going to be quite rightly up in arms. There are many more pressing needs in the Nation for the taxpayers' money than financing political activities.

Mr. President, the overriding reason to oppose this amendment, is the fundamental principle of our American democracy that it subverts. That principle is that American political organizations are not governmental organizations and should forever remain separate. We cherish the separation of party and state just as much as we cherish the separation of church and state. This amendment is in effect Government subsidization of the two major American political parties and one minor one, practically excluding any other participation in this program. Such an arrangement which would institutionalize the American political scene is reminiscent of one-party States where the parties are in fact organs of the Government.

Mr. President. I am quite aware that there will be a long and loud denial that the political parties will become organs of the Government if this measure is enacted. However, the fact remains that wherever Government money goes, Government controls soon follow. No one here can tell me of one Government financed project that is not, in effect, controlled by a multitude of Federal regulations. I do not believe that the American people want Government control of their political parties. The very basic liberties of freedom of dissent and even the inherent duty of loyal opposition are cast in umbrage by this amendment.

If the two major parties can, under this amendment, raise some $40 million to spend on their own campaigns, what is to stop them from spending $100 million, or $200 million or any sum that they choose in future campaigns. Once the precedent of Federal financing is set and dissenters are excluded, as here, there will be no restraint on spending. We all know how Government programs grow ever larger and this one would be no exception. The institutionalizing of the two major parties and the use of Government money to perpetuate them is unconscionable action. Government has grown very large in recent years, but even those of us who have been the most concerned about this never thought that big Government would move so rapidly to take over the political parties. The full meaning of this attempt and how it could stifle any meaningful opposition is all too clear. The Pastore amendment must be defeated. Should it, for some reason, be included in the final version of the bill, and the fundamental structure of our American democracy therefore threatened by this completely unprecedented act, it is my hope that the President will veto the entire measure.

Mr. GRAVEL. Mr. President, the financing of political campaigns is the Achilles heel of the American governmental system.

Although it is an Achilles heel of long standing, the dramatic technological developments of recent years are threatening to transform a point of vulnerability into a galloping cancer which will eat away at the very vitals of our democratic political processes.

The cost of conducting a political campaign increased 100 percent over the past 15 years, and skyrocketed 50 percent in just the 4 years between 1964 and 1968. Spending for candidates at all levels of Government amounted to at least $200 million in 1964, but was up to $300 million for the 1968 contests.

What is even more distressing, these rapidly escalating costs of campaigning in the electronic era have increasingly made elective politics the special preserve of the wealthy or those who have access to the funds of well-heeled special interests.

Under the present system of financing campaigns exclusively from private funds, the candidate who does not have great personal wealth must raise these large sums by relying on large contributors—a fact that understandably tends to foster compromising obligations.

This potential of large contributions for corruption is aggravated by the secrecy and subterfuge surrounding present campaign-financing practices.

The dimensions of the problem are growing, but it has been with us a long time. It was Abraham Lincoln, dispirited on the night of his election to the Presidency, who commented to his campaign committee—

> They have gambled me all around, bought and sold me a hundred times. I cannot begin to fill the pledges made in my name.

We are at the crossroads. We can either seize the unprecedented opportunity of revitalizing the political process in the United States, or we can consciously allow the dangerous trend of the alienation of citizens from our political system to gain added momentum with every election.

The growing disaffection with the electoral process is directly traceable to our present methods of campaign funding. Immediate action to remedy the failings and weaknesses of present law regulating the campaign process is urgently needed.

Last January I introduced two bills, S. 1 and S. 9, to tackle this problem in a comprehensive way. A number of the ideas which I proposed in S. 1 are also contained in S. 382, which the Senate has already passed.

However, my other bill, S. 9 had not received similar consideration, until the Pastore amendment was offered. I think its basic approach—providing Federal subsidies for both presidential and congressional election campaigns—would constitute a more fundamental reform of our whole electoral process than any idea contained in S. 1. For that reason I am supporting the Pastore amendment.

It would fundamentally change how candidates for public office are financed and elected. Its enactment would on the one hand be a great step toward making candidates start off on a more equal footing financially, while on the other hand provide for the broadening of the base of citizen support in financing elections. The independence from big contributors, plus the creation of a financial bond between the citizens and their elected officials which this amendment can bring about would greatly heighten the effectiveness of representative Government in promoting the public interest.

Actually, the idea is nothing new.

In 1907 President Theodore Roosevelt, responding to the controversy over the influence of corporate contributions, recommended that political campaigns be paid for by public rather than by private funds. His proposal was rejected in favor of the limitation and disclosure approach, essentially only an earlier form of the legislation we adopted a few months ago.

But as important as they are, limitation and disclosure are not by themselves sufficient. Public harm stems not from how the money is spent, but from how it is raised in the first place.

Public financing would alleviate many of the fears and suspicions—many of them well founded—now generated by large special interest contributions.

This was the approach adopted by a special Senate committee that investigated campaign expenditures in the 1936 elections. It also recommended that private contributions to Federal campaigns be barred completely and that campaigns be financed by the Government. Again, no action was taken.

Most recently, in 1966 the presidential election campaign fund was enacted, under the leadership of the distinguished chairman of the Finance Committee, Senator LONG. But this law was then voted inoperative in May 1967.

Had it gone into effect, this law would have allowed each taxpayer, by checking a box on his return to have $1 of his taxes paid into a special fund for financing presidential elections. The moneys were to be used to reimburse major and minor parties for legitimate campaign expenses.

In my view, Government expenditure is still the most effective and most direct method of solving the vast financial problems entailed in all Federal campaigns.

This approach to campaign financing will bring an end to the present method of financing through either personal fortunes or from massive contributions from one or another special interest group. Although these public subsidies would not eliminate spending differences among candidates, they would make the differences less critical by providing "floors" sufficient to make every election a real contest.

Campaigns should be financed in a way that will build support for our political institutions and respect for the political process. This obviously is not the case at present.

One of the most serious consequences of the present pattern of campaign funding is the loss to the American public of many talented men and women who are repelled from seeking public office since they are unprepared to go through the demeaning exercise of raising campaign funds as a preliminary to entering public offices.

The ideal campaign finance system is one based on relatively small voluntary contributions from large numbers of citizens. The most effective way to achieve this is to have every taxpaying citizen contribute a few cents a year—it would require less than 50 cents per person—toward financing elections.

Honest and informative election campaigns are the linchpin of American representative Government. There are few things which Congress could do that would more effectively strengthen our political processes and build respect for our political institutions than to enact this amendment to provide public financing of presidential election campaigns.

CALENDAR 1969—ALL RETURNS

[In millions]

Credits	Returns	Amounts
Retirement income	1.732	$197
Foreign tax	.201	147
Investment	1.088	245
Other expenses, etc., farm gas		182
Refundable	1.619	150
Investment tax credit for 1972		3.600

Mr. CHILES. Mr. President, it has been argued here today that by allowing a taxpayer to check the box on his income tax return form would in effect be diverting for political purposes money which belongs to the Treasury. This certainly should not come as any surprise for we permit this tax credit system to apply in other areas.

For example, in 1969, tax credit provisions involving billions of dollars were utilized:

Another area in which the Senate has explored earlier on this bill was an amendment which was adopted by the Senate calling for information for the Congress and the public of how much potential revenue we do not collect through the tax system. This involves special exemptions and privileges given to certain identifiable groups, such as the depletion allowance in the mineral industry, capital gains provisions for investors, and many other areas of income exclusion which the Senate has now expressed itself on record as wanting to be known to all.

Mr. SPONG. Mr. President, I support the amendment of the Senator from Rhode Island (Mr. PASTORE) to create a presidential campaign fund financed by $1 tax contributions and to establish spending limits for such campaigns.

In many respects, this amendment parallels at the presidential level the restrictions put on the spending of candidates for other Federal offices by the campaign spending bill passed earlier this session. Both seek to limit the amount of money being spent in campaigns and, in different ways, both seek to reduce the dependence of candidates on large and special interest contributors.

There is a vital public interest in seeing that elective offices do not become a prize of the well-to-do or of those who are willing to assume the obligations that dependence on large private contributions can bring. With the staggering costs of today's campaigns, we are dangerously close to that kind of electoral auction.

The distinguished syndicated columnist James J. Kilpatrick, who endorsed the approach taken in this amendment, has expressed the dangers of existing campaign practices as well as anyone:

> It is absurd, dangerous, and potentially scandalous that candidates seeking our highest office be dependent upon the kind of massive private contributions that have been required in recent years. It is idle to contend that large gifts create no obligation. Of course they create obligations—and these are equally suspect whether they are obligations to big labor or to big business. A president—any president—enters upon his office a compromised man.

In my judgment, there could be no sounder public investment than in the protection of the electoral process. There was a time in this country's history when we left it to the parties to provide ballots and polling places, but because of the abuses, this was replaced by a tax supported system. This amendment seeks to deal with the abuses of campaign spending in the same way.

Mr. President, the amendment before the Senate is much improved over similar proposals offered in years past. Where these other amendments would have funneled funds directly into party treasuries with very loose public control over the use of the money, this amendment establishes very rigid controls and supervision. Moreover, this amendment leaves it to the individual taxpayer not only to decide whether he will give a dollar, but also what party will benefit from his contributions. Finally, this amendment is vastly improved over the earlier proposals in establishing limits on spending by presidential candidates, and that is, perhaps, its most important effect.

Mr. GAMBRELL. Mr. President, as I have previously stated in debate on the Senate floor, I support the Pastore amendment to the Revenue Act of 1971. This amendment authorizes taxpayer deductions up to a total of $100 for all political contributions, and also permits each taxpayer to designate $1 of his taxes as a contribution to the presidential candidate of his choice. Candidates of major and minor parties are fairly provided for.

The tax deduction provision, and the presidential campaign fund checkoff plan are important reforms in our Federal political process. It should be the policy of our Government to encourage individual citizens to support candidates for public office by small contributions. In this way, the traditional reliance of candidates on major contributions from wealthy sources can be reduced, and possibly eliminated.

For too long, willing and qualified candidates have been excluded from public consideration by lack of financial resources and unwillingness to degrade themselves by seeking contributions from major contributors. The provisions contained in the Pastore amendment will make it possible for all candidates, regardless of party, and regardless of personal wealth, or wealth of supporters, to present their programs directly to the people.

The presidential campaign fund checkoff plan is a novel experiment, which carries with it some hazards. One of these is the possibility of abuse in the handling of funds. The bill restricts disbursements from the fund to legitimate general election campaign expenses, but this could be subject to a broad interpretation.

The bill provides for supervision of these expenditures by the Comptroller General of the United States, and a Campaign Fund Advisory Board. In this respect, I suggest that if and when the bill is adopted, the Comptroller immediately set about establishing a rigid set of controls on the disbursement of these funds. The laudable purpose of this legislation would be undermined if the administration of the funds were marred by scandal.

I also urge that the major political parties, and in particular my own Democratic Party, announce guidelines for the handling of these funds which would be incorporated in the national party platforms binding on their candidates. Our party should declare before the people of the United States that these funds will not be misapplied for exorbitant salaries and consultant fees, for party and primary debts, or for gaudy or slick "brainwashing" public relations activities.

It would be a major step in the development of the plan, if the Democratic Party and its candidates were to announce that these funds would be applied in accordance with procedures adopted by the Comptroller, approved by the national party, and supervised by an independent certified public accounting firm of national reputation.

Furthermore, I recommend that expenditure of these funds be placed under previously announced category limitations similar to those contained in the Campaign Spending Reform Act of 1971.

The survival of this plan is greatly dependent upon the manner in which the funds are managed in 1972, the first year of its application. I hope, after seeing the plan in use, that the public will be proud of it as a desirable reform, rather than disgusted with it, and with the Congress for adopting it.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. MONDALE). The Senator will state it.

Mr. DOLE. Mr. President, notwithstanding the expiration of time under

XUM

the unanimous-consent agreement, is a point of order against the amendment still in order?

The PRESIDING OFFICER. Yes it is

Mr. JAVITS. Mr. President, will the Senator yield for another parliamentary inquiry?

Mr. DOLE. I yield.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Mr. President, when the vote comes, will it come separately on this amendment, on title IX and title X?

The PRESIDING OFFICER. The Senator is correct. There will be two votes.

Mr. JAVITS. Mr. President, have the yeas and nays been ordered on each title?

The PRESIDING OFFICER. They have not been ordered.

Mr. JAVITS. I ask for the yeas and nays on each title.

The yeas and nays on each title were ordered, unanimous consent having been granted that it be in order to order the yeas and nays on both amendments.

Mr. DOLE. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. Mr. President, I understand that since the time has expired, there will be no debate permitted on a point of order.

The PRESIDING OFFICER. Would the Senator please repeat that?

Mr. DOLE. Mr. President, since the time has expired under the unanimous-consent agreement, is debate possible under a point of order?

The PRESIDING OFFICER. Debate is not possible unless unanimous consent is obtained.

Mr. DOLE. Mr. President, I make a point of order against title IX financing presidential election campaigns because it is an appropriation and is in conflict and violation of article I, section 8, clause 7 of the Constitution which states:

> No money should be drawn from the Treasury, but in Consequence of Appropriations made by Law; . . .

The PRESIDING OFFICER. The point of order is made. The Parliamentarian advises the Chair that under the precedents, when a question of constitutionality is raised, the Chair does not pass thereon, but submits the question to the Senate for decision.

The question is, Is the point of order well taken?

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. Mr. President, would sustaining the point of order be a yea vote?

The PRESIDING OFFICER. The Senator is correct. The question is, Is the point of order well taken? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 41, nays 58, as follows:

[No. 382 Leg.]

YEAS—41

Aiken	Dole	Percy
Allott	Dominick	Roth
Baker	Fannin	Saxbe
Beall	Fong	Schweiker
Bellmon	Goldwater	Scott
Bennett	Griffin	Smith
Boggs	Gurney	Stafford
Brock	Hansen	Stevens
Brooke	Hatfield	Taft
Buckley	Hruska	Thurmond
Cook	Jordan, Idaho	Tower
Cooper	Miller	Weicker
Cotton	Packwood	Young
Curtis	Pearson	

NAYS—58

Allen	Harris	Mondale
Anderson	Hart	Montoya
Bayh	Hartke	Moss
Bentsen	Hollings	Muskie
Bible	Hughes	Nelson
Burdick	Humphrey	Pastore
Byrd, Va.	Inouye	Pell
Byrd, W. Va.	Jackson	Proxmire
Cannon	Javits	Randolph
Case	Jordan, N.C.	Ribicoff
Chiles	Kennedy	Sparkman
Church	Long	Spong
Cranston	Magnuson	Stennis
Eagleton	Mansfield	Stevenson
Eastland	Mathias	Symington
Ellender	McClellan	Talmadge
Ervin	McGee	Tunney
Fulbright	McGovern	Williams
Gambrell	McIntyre	
Gravel	Metcalf	

NOT VOTING—1

Mundt

So the point of order was rejected.

The PRESIDING OFFICER. Under the previous order the question recurs on title IX, as amended.

Mr. GRIFFIN. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. GRIFFIN. There is an amendment at the desk by the Senator from New York (Mr. BUCKLEY).

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. BUCKLEY. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

> On page 17, line 12, insert the following: strike the period, insert in lieu thereof a comma, and add the following: "except that no moneys shall be appropriated to the Presidential Election Campaign Fund in any fiscal year unless a majority of individuals filing returns in the fiscal year make such a designation."

The PRESIDING OFFICER. Under the previous order there can be no debate.

Mr. GRIFFIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York (Mr. BUCKLEY). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 40, nays 59, as follows:

[No. 383 Leg.]

YEAS—40

Aiken	Dominick	Roth
Allott	Fannin	Saxbe
Baker	Fong	Schweiker
Beall	Goldwater	Scott
Bellmon	Griffin	Smith
Bennett	Gurney	Stafford
Boggs	Hansen	Stevens
Brock	Hruska	Taft
Brooke	Jordan, Idaho	Thurmond
Buckley	Mathias	Tower
Cook	Miller	Weicker
Cotton	Packwood	Young
Curtis	Pearson	
Dole	Percy	

NAYS—59

Allen	Gravel	Metcalf
Anderson	Harris	Mondale
Bayh	Hart	Montoya
Bentsen	Hartke	Moss
Bible	Hatfield	Muskie
Burdick	Hollings	Nelson
Byrd, Va.	Hughes	Pastore
Byrd, W. Va.	Humphrey	Pell
Cannon	Inouye	Proxmire
Case	Jackson	Randolph
Chiles	Javits	Ribicoff
Church	Jordan, N.C.	Sparkman
Cooper	Kennedy	Spong
Cranston	Long	Stennis
Eagleton	Magnuson	Stevenson
Eastland	Mansfield	Symington
Ellender	McClellan	Talmadge
Ervin	McGee	Tunney
Fulbright	McGovern	Williams
Gambrell	McIntyre	

NOT VOTING—1

Mundt

So Mr. BUCKLEY's amendment was rejected.

The PRESIDING OFFICER. Under the previous order, the question is on title IX, as amended, as a part of amendment No. 692 of the Senator from Rhode Island. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. A vote in the affirmative is a vote for title IX. Is that correct?

The PRESIDING OFFICER. That is correct.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 82, nays 17, as follows:

[No. 384 Leg.]

YEAS—82

Allen	Eagleton	Jordan, Idaho
Anderson	Eastland	Kennedy
Baker	Ellender	Long
Bayh	Ervin	Magnuson
Bellmon	Fong	Mansfield
Bennett	Fulbright	Mathias
Bentsen	Gambrell	McClellan
Bible	Gravel	McGee
Boggs	Gurney	McGovern
Brock	Harris	McIntyre
Burdick	Hart	Metcalf
Byrd, Va.	Hartke	Miller
Byrd, W. Va.	Hatfield	Mondale
Cannon	Hollings	Montoya
Case	Hruska	Moss
Chiles	Hughes	Muskie
Church	Humphrey	Nelson
Cook	Inouye	Packwood
Cooper	Jackson	Pastore
Cranston	Javits	Pearson
Curtis	Jordan, N.C.	Pell
Dole	Kennedy	Percy
Dominick	Long	Proxmire
Eagleton	Magnuson	Randolph
Eastland	Mansfield	Ribicoff
Ellender	Mathias	Roth
Ervin	McClellan	Saxbe
Fong	McGee	Schweiker
Fulbright	McGovern	Scott
Gambrell	McIntyre	Smith
Griffin	Metcalf	Sparkman
Gurney	Mondale	Spong
Hansen	Montoya	Stafford
Harris	Moss	Stennis
Hart	Muskie	Tunney
Hartke	Nelson	Talmadge
Hatfield	Pastore	Taft
Hollings	Pell	Tower
Hughes	Proxmire	Williams
Humphrey	Randolph	Young
Inouye	Ribicoff	
Jackson	Roth	
Javits	Saxbe	

NAYS—17

Aiken	Dole	Saxbe
Allott	Dominick	Scott
Beall	Fannin	Smith
Brooke	Goldwater	Thurmond
Buckley	Griffin	Weicker
Cotton	Hansen	

NOT VOTING—1

Mundt

So title IX, as amended, of Mr. PASTORE's amendment (No. 692) was agreed to.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which title IX, as amended, was agreed to.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. MONDALE). The question now is on agreeing to title X, as amended, of the amendment (No. 692) of the Senator from Rhode Island (Mr. PASTORE). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

TITLE X

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The result was announced—yeas 52, nays 47, as follows:

[No. 385 Leg.]

YEAS—52

Allen	Hart	Montoya
Anderson	Hartke	Moss
Bayh	Hollings	Muskie
Bentsen	Hughes	Nelson
Bible	Humphrey	Pastore
Burdick	Inouye	Pell
Byrd, W. Va.	Jackson	Proxmire
Cannon	Jordan, N.C.	Randolph
Case	Kennedy	Ribicoff
Chiles	Long	Sparkman
Church	Magnuson	Spong
Cranston	Mansfield	Stevenson
Eagleton	Mathias	Symington
Ellender	McGee	Talmadge
Fulbright	McGovern	Tunney
Gambrell	McIntyre	Williams
Gravel	Metcalf	
Harris	Mondale	

NAYS—47

Aiken	Dominick	Pearson
Allott	Eastland	Percy
Baker	Ervin	Roth
Beall	Fannin	Saxbe
Bellmon	Fong	Schweiker
Bennett	Goldwater	Scott
Boggs	Griffin	Smith
Brock	Gurney	Stafford
Brooke	Hansen	Stennis
Buckley	Hatfield	Stevens
Byrd, Va.	Hruska	Taft
Cook	Javits	Thurmond
Cooper	Jordan, Idaho	Tower
Cotton	McClellan	Weicker
Curtis	Miller	Young
Dole	Packwood	

NOT VOTING—1

Mundt

So title X, as amended, of Mr. PASTORE's amendment (No. 692) was agreed to.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. SCOTT. Mr. President, I ask unanimous consent that I may proceed for 10 minutes without the time being charged to the bill or the amendment.

The PRESIDING OFFICER. Time is no longer controlled.

Mr. SCOTT. I ask unanimous consent to proceed for 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PROGRAM

Mr. SCOTT. Mr. President, I rise to ask the distinguished majority leader about the program for the rest of the day, the rest of the week, the rest of the session, the rest of the year. We might as well begin with tonight.

First, I volunteer that I understand that the Senator from Oregon (Mr. PACKWOOD) has two more amendments of about 30 minutes each, on which the yeas and nays will be demanded. I know of no other——

Mr. JAVITS. If the Senator will yield, I have an amendment. It is printed. It depends upon what happens to the Packwood amendments.

Mr. SCOTT. Does the Senator from Iowa have an amendment?

Mr. MILLER. If the Senator will yield, I have an amendment on which I am working with the staff. It is a technical amendment, which I hope could be disposed of very promptly. I have another amendment I intend to offer which would probably require 30 minutes, 15 minutes to a side.

Mr. SCOTT. Does the Senator intend to ask for the yeas and nays?

Mr. MILLER. I hope it will not be necessary.

Mr. JAVITS. I will ask for the yeas and nays.

Mr. TAFT. I have three amendments and will ask for the yeas and nays on one.

Mr. BAKER. Mr. President, if the Senator will yield, I have one amendment that I want to call up before final passage. It need not be tonight. I will ask for the yeas and nays.

Mr. FULBRIGHT. I have two amendments.

Mr. BIBLE. My colleague and I will have one amendment tonight or tomorrow. We will not ask for the yeas and nays.

Mr. MANSFIELD. It looks like there remains at least three amendments on this side. There are others. There is a good possibility that we might finish the bill tonight, the Senate willing. It is the intention of the joint leadership to work with the manager of the bill and the distinguished Senator from Utah, the ranking Republican member of the committee, to see if it would be possible to arrive at a time limitation on each amendment as it is called up. The prospects look good in that respect.

Mr. SCOTT. Not more than 30 minutes.

Mr. MANSFIELD. Perhaps not more than 20 minutes to an amendment, the time to be equally divided, under the usual conditions.

When this bill is completed, either today or tomorrow, it is anticipated that the next order of business will be the Defense appropriation bill.

Following that, we will take up phase II, which has been reported by the Committee on Banking, Housing and Urban Affairs, and is now on the calendar. That will not be taken up until after the Thanksgiving Day recess, which covers just 2 working days—Thursday and Friday.

Then there will be some bills of lesser importance in between, about which there will not be much in the way of controversy, I hope.

Bringing up the rear will be the nomination of Mr. Butz as Secretary of Agriculture, to be followed——

[Laughter.]

I still do not get it. [Laughter.]

The rear of the program.

Mr. SCOTT. If the Senator will yield, I can envision the headlines: "Senate Sits on Butz." [Laughter.]

This is what we have been doing all year.

Mr. MANSFIELD. For the first time in many years, I feel my ears getting red.

Mr. COOK. We needed that.

Mr. MANSFIELD. We surely did.

Still further in the rear will be Messrs. Rehnquist and Powell and then I hope we will adjourn sine die. In the meantime, we will bring up for consideration the education measure, now at the desk to see what can be done about disposing of it, and hopefully the postcard voter registration bill.

Mr. SCOTT. Mr. President, before we adjourn, and I gather from the distinguished majority leader that the end is in sight [laughter] we will take up the supplemental appropriation bill and conference reports, if any. One thing, if the distinguished Senator from Vermont (Mr. AIKEN) were here, he could really put the topping on this cake.

Mr. JAVITS. Mr. President, if the Senator will yield, there is another measure on the calendar, the Genocide Treaty, reported favorably from the Committee on Foreign Relations. I mention that because the leadership thought it might take some time——

Mr. MANSFIELD. Yes; there is no possibility of taking up the Genocide Treaty this year. Hopefully, next year.

Mr. JAVITS. I hope that before the end of the year that we can have some concept of the order of priority that we would be facing on that treaty.

Mr. MANSFIELD. As of now, it looks like the Equal Opportunity Act will be the first business next year, to be followed, hopefully, by H.R. 1, then by the equal rights amendment and then somewhere to fit in, there is other legislation which I will be discussing with a distinguished Senator who has been after me all year to bring up.

Mr. ALLOTT. Mr. President, if the Senator will yield, I hesitate to ask this, but I wonder whether the majority leader would provide us with some kind of time schedule for tonight. I say that in this respect: The Senate has been working very diligently on this matter for a long time, and I would like to suggest, very respectfully, having in mind the leadership of the Senate, that per-

haps we could have one or two votes on these amendments tonight, make far more progress tomorrow, and perhaps get to the defense bill around noon. Then perhaps we could conclude action on that bill by Wednesday evening.

Mr. MANSFIELD. Mr. President, I appreciate the comments made by the Senator from Colorado, but frankly I would hope, conditions permitting, to see if it would not be possible to finish the bill tonight. If too many clogs appear in the way toward its completion, we will, of course, reconsider. But it seems to me that the mood of Senators offering amendments is most accommodating, so perhaps we should take advantage of that, because we have a tough schedule and will not be able to finish the defense appropriations bill in one day; so I would hope the Senator would give us a little leeway.

Mr. ALLOTT. May I say, I wish I could get this infamous microphone I hold in my hand to come alive when I take it out of its socket. I get so tired of standing here waiting for it to come alive. Having said that, I, of course, defer to the judgment of the distinguished majority leader.

Mr. MANSFIELD. It should be said that in addition to the other measures, we also have the fish-inspection bill, which we would like to bring up some time tomorrow——

The PRESIDING OFFICER (Mr. HUMPHREY). The distinguished majority leader has the floor. The Senate will please be in order.

Mr. MANSFIELD. And the credit union bill.

Mr. MILLER. Mr. President, will the Senator from Montana yield for a question?

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. SCOTT. I yield to the Senator from Iowa.

Mr. MILLER. Did I understand the majority leader to say we will go out Wednesday evening and come back on the following Tuesday? Is that the program?

Mr. MANSFIELD. We will come back on the following Monday at 10 a.m.

Mr. MILLER. We will come back on the following Monday after Thanksgiving. I thank the Senator very much.

Mr. SCOTT. Mr. President, while I still have the floor, I had planned a fairly angry rejoinder to the not too surprising results of title X. With the mood of the Senate as it is, I think that perhaps rather than to exacerbate the situation, I shall ask unanimous consent to have printed in the RECORD the speech in which I give the majority party the very devil.

There being no objection, the remarks of the Senator from Pennsylvania (Mr. SCOTT) were ordered to be printed in the RECORD, as follows:

The relief of the American taxpayer is being sacrificed for the relief of the democratic party.

This is a money grab of the greatest magnitude. It is a greedy raid on the U.S. Treasury. It is irresponsible and would be ludicrous if it were not so degrading.

This is a raw deal that has been pulled over by a majority that fails to see its fiscal responsibilities to all of the people.

This unconscionable act will not help the poor.

This unconscionable act will not clean up the environment.

This unconscionable act will not improve our schools.

This unconscionable act will not put people to work.

This unconscionable act will not help solve our transportation problems.

All this unconscionable act will do is line the pockets of the democratic party. It will bail out an inefficient political organization that, like past democratic administrations, knows all about credit financing. Democrats don't care about fiscal responsibility. They say "print more money."

President Nixon promised tax relief for everyone in his August 15 message. He said he had a plan. Now the Democrats have made it quite clear that they plan to derail that plan. The President cannot succeed if the opposition denies any Presidential programs a chance for survival.

The merits of the Pastore amendment are so questionable that they did not come up through the normal legislative route . . . through public hearings. The fund raising amendment for George Wallace and the bail out amendment for the democrats is the biggest single raid on the Treasury by a party long accustomed to the process.

Mr. SCOTT. Mr. President, a 17th century writer of great dignity and tremendous control of the English language once said:

I set this down that men may know that I have not loosely, through silence, withheld my thoughts, as in a dream.

The writer was Richard Hooker, who wrote the book "Ecclesiastical Policy," among other things. He was called by Izaak Walton the "judicious Hooker."

I do not intend to throw a "judicious hooker" at my colleagues, but I am indeed compelled to say that I may have a further and more definitive statement to make on this tomorrow. First, I intend to vote against the bill as it now stands with title X in it. Second, I will urge the President to veto the bill. I have not made this statement before because past experience has taught me that shouting "Wolf! Wolf!" is one of the worst double adjectives in diplomatic legislative procedure; so I did not want to make that statement until there were valid reasons for making it.

Third, I did not want to run the risk of failing to persuade through reason rather than through handing down some sort of dread ultimatum.

I will urge the President to veto the bill. In the past, when I have done that, he has vetoed the bills I have recommended. This time I may not be so successful, and please do not hold it against me, but I will certainly urge that.

I believe there is a real possibility that this will happen, because this bill, with certain amendments which have carefully been woven into it, will breed a number of taxpayer suits. There is a possibility of its being quite unconstitutional. But I say this after the vote rather than before, and I want Senators to realize that, because I did not want them to feel I was exerting any form of pressure which could not be warranted by positive direct statements by the President as to his intentions.

It is my best guess at this time that the bill in this form, if it does not survive the other body and does not survive the conference without the substitution of rationality for the present Treasury raid, is liable to be "nulla bona," and that means no goodies. Therefore, I warn the Senate against nulla bona. I warn that the Republic will stand whether we adopt this tax bill or not. I do suggest, with all due respect, and with great reluctance, that this may delay deliberations among our delightful colleagues here in this friendly body.

Mr. MANSFIELD. May I express the hope, now that the Agriculture Committee has reported the new nominee for the office of Secretary of Agriculture, that his name will be placed on the calendar shortly. May I express the same hope insofar as the two Supreme Court nominations are concerned. I would like to see the Senate adjourning sine die at a reasonable time, and would like to see all of these matters considered. Therefore, I urge the appropriate committees to do what they can to expedite the business of the Senate.

REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENT NO. 674

Mr. FULBRIGHT. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 123, line 17, strike "1982" and insert "1977".

On page 147, line 10, strike "1982" and insert "1977".

On page 147, line 13, strike "1982" and insert "1977".

On page 161, line 5, strike "1982" and insert "1977".

On page 175, line 10, strike "1980" and insert "1975".

The PRESIDING OFFICER (Mr. HUMPHREY). The Senate will suspend until we have order in the Chamber. Senators will please be seated.

The Senator from Arkansas may proceed.

Mr. FULBRIGHT. Mr. President, this is a very simple amendment. It relates to DISC, which is authorized here for 10 years. All I am asking, since this is experimental and no one knows how it will work, is that it be limited to 5 years. This means that at the end of 5 years, the Committee on Finance will review it. If at that time it has worked properly and not in a discriminatory manner, but has actually added to our exports in an efficient way, it could be extended.

The present bill limits DISC to 10 years. It seems to me that this is a little long for an experimental program. There has been severe criticism of the amendment by such leading financial institutions as the Wall Street Journal in its editorial column and in reports by Mr. Stanley Surrey, as an individual and as a former Assistant Secretary of the Treasury. He has written a great deal about it, talked about it, and has testified about it.

Mr. President, I realize that the committee has voted for it and that the Senate has authorized it. However, it does seem quite imprudent and improvident to let the 10-year term remain in the bill. It is an unknown quantity.

My amendment simply changes the date from 1982 to 1977. It calls for a review of DISC after 5 years instead of after 10 years.

Everyone knows about DISC. Everyone also knows that the conditions are such that unless there is such a limitation, it will not be reviewed but will go all the way, good or bad, for the 10 years unless we take a look at it after 5 years.

This is not to prejudge it and to say that it will not work. I do not know whether it will work. I do not think it will work, but I do not know. At least, as prudent Members of the Senate, we should take a look at it after 5 years. That is what my amendment does. It does not deal with the substance or alter the way it is administered.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "That Shiny DISC," published in the Wall Street Journal under "Review and Outlook," on September 20, 1971, and an article written by Stanley S. Surrey, entitled "DISC: Tax Windfall on Top of Trade Windfall," recently appearing in the Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 30, 1971]

THAT SHINY DISC

While not everything can be applauded in the new tax package that emerged from the House Ways and Means Committee last week, there is at least one evidence that the committee is fulfilling its obligation to check administration impetuosity.

Chairman Mills and his committee took some of the shine out of an administration tax gimmick designed to encourage American business corporations to step up their export activity. If the idea disappears entirely before the tax bill becomes law, it will be no great loss.

The idea in question is the administration's proposal that American corporations be allowed to set up "domestic international sales corporations," or "DISCs," to handle their export business. DISCs would be allowed to "defer" federal income taxes on profits from exports if these profits were applied to new export or "export-related" activities.

In a recent Washington Post article, Harvard Law School tax expert Stanley S. Surrey said that the administration proposal would, to a large degree, have been an exemption, not merely a deferral, that it would have revived the "tax haven" idea that Congress tried to kill nine years ago and that it would have cost the government some $1 billion a year. Professor Surrey, who was the Treasury's top tax specialist in the Kennedy and Johnson administrations, added that there is very little assurance that the tax bonus would in fact boost exports appreciably.

Professor Surrey's objections are persuasive and can be augmented. The use of special tax incentives to further public policy is a doubtful technique in principle, to begin with. It soon gets the entire tax structure out of kilter, creating loopholes for some taxpayers and transferring to others the burden that has been lifted from the fortunate. The result is a sense of unfairness and ill will among taxpayers, which is the first step towards wide scale efforts at evasion.

There are still other objections. DISC is another example of the practice, which is becoming too popular, of trying to fudge against the accepted rules of international trade.

U.S. authorities who try to justify such activities insist that other nations give incentives to exporters. They do, but such things are partly a matter of degree, and few nations have gone as far as the original DISC proposal would have gone towards an outright exemption from income taxes. The U.S. already is inviting retaliation from its trading partners for its 10% surcharge on imports and it is not likely that tense trade relations can withstand much further aggravation.

Further, there is a serious flaw in the idea that subsidizing industry somehow makes it more competitive. A subsidy supplies the means to become less, not more, competitive as should have been adequately proved a long time ago by the heavily subsidized U.S. oceanshipping industry.

Despite all these objections and despite the fact that DISC-type proposals have been cut out of some tax bills of past years, Ways and Means did not kill DISC outright this time. The committee tried to provide that the tax benefit would actually be an incentive and at the same time sharply cut its potential impact on revenues. In the new version, DISC tax benefits would be based mainly on the amount by which their export sales exceeded the three previous years.

Treasury Secretary Connally doesn't think this would be sufficient "incentive" to exporters. In our view, it is a better incentive than the original, since only measurable gains would be rewarded.

But the Ways and Means version still doesn't answer the objection to tax incentives in principle. Nor does it preclude the possibility that once DISCs are established they will win further concessions. With that thought in mind, we would be very happy if the full Congress decides to send this particular DISC sailing, far enough that it wouldn't be likely to return.

DISC: TAX WINDFALL ON TOP OF TRADE WINDFALL

(By Stanley S. Surrey)

In an earlier article appearing in The Washington Post of Sept. 19, I described the DISC proposal of the Treasury Department as a billion-dollar tax loophole hidden in the New Economic Policy of the administration. This proposal would permit an exporter to form a DISC—Domestic International Sales Corporation—which would be a "paper" subsidiary corporation in the United States through which the exporter could channel its exports. The actual consequences of the operations that would be permitted under the DISC mechanics represent a major tax windfall, whose size and effects are carefully cloaked in Treasury Department descriptions of the proposal. Thus:

The profits on DISC exports would in effect be tax exempt under the Federal income tax. While technically the tax would be "deferred" as long as the profits were used in "export-related activities," the operative and intended result would be a deferral over a long period of time. For a profitable company the present value of a long deferral is just about the amount of the tax itself, which turns the deferral into virtual tax exemption.

The export profits of the DISC could be used by the parent of the DISC in any of its domestic operations having nothing to do with exports, such as meeting domestic competition. Or, if other funds were being used for normal domestic expansion, the DISC profits could even be invested in a manufacturing plant abroad, thereby curtailing U.S. exports.

The proposal would encourage the use of a FISC—a foreign sales corporation—as a subsidiary of the DISC but located in a tax haven country such as Bermuda or Panama or the Cayman Islands or Switzerland. This would reverse the policy established in 1962 to end the then widespread use of tax havens to reduce taxes. The DISC policy would bring back the exploitation of these tax havens and make them an instrument of U.S. trade policy.

The annual revenue cost of the Treasury Department DISC proposal would be close to a $1 billion a year. The tax reduction involved would go to our largest corporations since they conduct a major part of our export trade.

The House Ways and Means Committee, which favored the DISC in 1970, became highly suspicious of it this year, as well it might. As a consequence, that committee adopted the DISC proposal in its version of the current tax bill, but only on an "incremental bass." Under this incremental approach, the DISC tax benefits are given only to exports in excess of 75 per cent of the average of export sales for the particular company in the period 1968–1970.

The incremental approach is complex, creates inequities as between different classes of business depending on their histories in the 1968–1970 base period; will disrupt normal trade channels as taxpayers seek to divert their exports into new organizations so as to create the artificial existence of a low or zero base period. Thus, suppose a manufacturer is exporting through an independent merchant export corporation whose sole function is to handle the exports of various manufacturers. Such a corporation, when structured as a DISC, will have base period sales. But if the manufacturer ceases to use the merchant export corporation and instead creates his own DISC for his exports, that DISC will have a zero base period. Hence all its exports will be exempt even though there has been no change in the volume of exports by the manufacturer.

Even within the logic of an incremental approach, the House version has its defects:

There is no reason to use only 75 per cent of the base period export sales as the base and thus allow windfall exemption for the remaining 25 per cent of exports. The base period should not remain static but should constantly move forward; otherwise windfall exemption is granted for the growth in exports that normally occurs as our economy and those of other nations expand.

If a choice had to be made, Congress should choose the incremental approach, and strengthen the House bill. But Congress need not consider itself limited only to the painful task of choosing between two unattractive alternatives, each with its own set of problems and defects.

Given the unsatisfactory results either with full exemption or an incremental approach, there is a further reason not to be forced to a choice at this time. The United States has set in motion forces that will greatly alter the present currency relationships and the future international monetary system. These forces will also bring about a dismantling of some of the existing trade restrictions in other countries, the end result of which is bound to be a real improvement in the United States trade position. It is therefore advisable to await the outcome to see what further steps, if any, are needed to assist our exporters.

Indeed, it is ironic that the very success of our New Economic Policy in the international area will, under DISC, hand over to our large exporting corporations a completely undeserved windfall. Their exports will increase—and under DISC provide tax-exempt profits—not because of any efforts on their part but simply because the dollar will be devalued relative to other currencies.

This windfall exists under either version of DISC, since such devaluation of a guaran-

tor of increased exports. We must not forget that the devaluation means a price to be paid by some Americans. Those parts of our economy that depend on imports, our tourists and others similarly affected by the higher cost of foreign goods, must pay in higher costs the price for the increase in exports. It is their higher costs and consequent burdens that are being traded off against the larger profits for our exporters and the consequent benefits for those associated with export commodities. These readjustments may be appropriate in the national interest. But it is not in the national interest to accompany this trade-off with additional automatic tax exemption for the larger profits virtually being handed over to our exporters.

To give a DISC exemption to these windfall profits is thus to provide a windfall on top of a windfall—which would be a new record in tax policy mistakes.

It would therefore be folly to lock ourselves into a permanent DISC at this time, whether it be the Treasury full exemption or the House incremental approach. There is no need for such a permanent commitment between unwise alternatives. Far greater forces are in motion that will improve our trade position, and it therefore would be wise policy to place all DISC proposals aside to await the outcome of those forces.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays on my amendment.

Mr. BENNETT. Mr. President, will the Senator withhold his request?

MR. FULBRIGHT. Mr. President, I withhold my request.

Mr. BENNETT. Mr. President, if the Senator were to amend his amendment to say what he says he intends to say, I would be happy to join with the chairman of the committee and accept the amendment. If the Senator would delete "5 years" and say "at the end of 5 years," I think that would be acceptable. However, if he leaves it at 5 and it would then be cut off, I would oppose it.

Mr. FULBRIGHT. I would say that the only way to get a real review is to be faced with a cutoff unless it is reviewed. If we say that we hope it will be reviewed, I do not think anything will happen.

Mr. BENNETT. I think it could be required.

Mr. FULBRIGHT. Would the Senator tell me how to do that? I would be amenable. All I suggested was that we force a review and a serious examination of DISC at the end of 5 years. That is all I have in mind. I am not prejudging it, although I am very persuaded by the comments of people who are actually in this business and are as near to experts in this field as anyone could be.

Obviously, at the end of 5 years if the Congress wishes, it can extend it. I know of no other way to require it.

Mr. BENNETT. Mr. President, the staff tells me the Senator is correct. There is no other way.

Mr. FULBRIGHT. I have talked to the staff about this. I do not want to get them involved in my judgment about it, but that is all that I have in mind.

The Senator will admit that among some very knowledgeable people there is much question about the wisdom of DISC.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. In conference, in any event, we could give further attention to it.

Mr. CURTIS. Mr. President, I do not concede that there is no way in which we could add some provision that would help trigger a review. In any event, we cannot bind a future Congress. We could do two things. We could require the Treasury to report to the House Ways and Means Committee and the Senate Finance Committee. We could require a report at the end of 5 years by the staff of the Joint Committee on Internal Revenue.

I am not suggesting that we do that. I think that 10 years is reasonable. However, there are ways in which we could bring this matter to the attention of Congress and the committees so that they may take a look at it. I believe that both the Treasury and the staff of the Joint Committee on Internal Revenue would in such a case give a very objective report on what has happened.

Mr. BENNETT. Mr. President, the reason why I feel it unwise to cut it to 5 years is that to create a corporation of this type, to staff it, and get it physically into operation requires not only time, but also money.

It would seem to me that if we were to say to the potential exporters that in 5 years they must abandon this corporation and that it must be closed out, many companies, corporations, and exporters who might feel that such an opportunity would be worth while would be prevented from entering upon it. Good management and good judgment would suggest that they not invest the time and money for something that can last only until 1977, assuming that it may take as long as 1 year or more to get the organization physically started.

Mr. FULBRIGHT. Mr. President, my amendment does not disturb the program during the first 5 years. It is estimated that this proposal over the next 4 years would involve nearly $1 billion. That is one of the estimates. I did not intend to go into all of the arguments made on the merits of the proposal. That battle was lost. I think this is a very modest proposal. Proponents of DISC will get their 5 years. No one is going to take it away from them. However, in the case of the Foreign Aid programs and a number of other highly controversial programs, they have never been reviewed except when faced with the necessity of review.

Whoever the staffman is that advised the Senator that that was the only way is correct. I have seen it work that way in a number of other programs. Therefore, in view of that necessity, I would hope that the Senate would find that though DISC may have merit it is a very unproven device. It involves a lot of money and is a form of subsidy.

I have gone along with many of the administration's proposals, and I hope that phase 2 and phase 3 will work. But we have the possibility, if they do not, that international trade may get into very serious trouble trending toward a depression. I know the Senator does not want that. I think there is a great deal of psychology involved in these domestic and international matters if we give the impression that we are on a 40-year program of subsidizing exports to other countries. I would not want to start on a course leading to serious trade consequences.

Mr. BENNETT. Does the Senator realize that the manger of a business interested in entering the export trade already may create a subsidiary and move it abroad and get indefinite deferrals? Now we are suggesting that if he keeps it home and the products are manufactured at home he will get deferrals for 10 years. He can get an indefinite deferral now by going abroad although he may have to pay foreign taxes if he goes abroad. This way, hopefully, he would not need to. There is considerable incentive here.

Mr. FULBRIGHT. It may turn out all right, but I think this proposal is designed to encourage people to go stronger in this direction. To a certain extent there is some degree of windfall involved. Deferrals are given to people already in the business.

I am impressed with the fact that spokesmen for big business people, such as the Wall Street Journal, take this dim view. That is why I think the operation should be looked at at the end of 5 years. That is all this amendment does. At the end of 5 years, let us take a look at it.

Mr. BENNETT. Mr. President, the DISC proposal is intended to affect the decision of U.S. companies on whether they produce products here or abroad. This means they must decide where to build factories, where to install new production lines, and where to maintain or add to their employment. A 5-year limitation on the DISC will not have any significant impact on these decisions since major planning will involve a lag of several years and the period during which the deferral will be available will be so limited in the light of other alternatives.

This is equally true in deciding whether to transfer existing facilities where competitive factors and foreign tax incentives are now putting pressure on the movement of production abroad.

Deferral for foreign subsidiaries is indefinite and solely at the discretion of the U.S. parent investor. The DISC must offer meaningful benefit in contrast to the foreign deferral. A 5-year limit is not meaningful.

The DISC provisions require the establishment of a separate corporate entity. It is not reasonable to expect the establishment and staffing of export corporations with such a limited future.

The Treasury and House version originally proposed an unlimited duration for the DISC. The Senate Finance bill provides that at the end of the 10-year limitation on the DISC deferral the Congress will have an opportunity to review the effect of the DISC and other developments in our own and foreign tax and trade policies on our exports, on foreign competition, and foreign investment. This is a reasonable approach. In the meantime, the DISC will be available now at a time of crisis and with sufficient impact to be meaningful since it will be available long enough to influence decisions and to help our exporters compete with the exporters of other countries who benefit from Government support for exports.

The suggestion of a 5-year limitation was specifically considered and rejected by the Senate Finance Committee.

I know that the chairman of the committee, who is temporarily away from the Chamber, is prepared to take the amendment to conference with the understanding that the House has no limitation and that the conferees are free to move between 5 years and eternity.

Mr. FULBRIGHT. This gives them the opportunity to consider this point of view. I think that is very wise.

Mr. BENNETT. Under the circumstances, considering the time of day and the other amendments we have, if the chairman will confirm my statement, I will join him, and we will take it to conference.

Mr. FULBRIGHT. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS addressed the Chair.

The PRESIDING OFFICER. The Chair wishes to state to the Senator from Nebraska that the Chair had been asked to recognize the Senator from Oregon (Mr. PACKWOOD).

Mr. CURTIS. I have only a brief matter I wish to take up with the chairman concerning the intent of the section of the bill on which I wish to establish a legislative history.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. CURTIS. Mr. President, during the consideration of this bill by the Committee on Finance, I called the special attention of the committee to certain structures and related feeding equipment used in pork factories. Under the job development investment credit of the bill, buildings in general are not eligible for the credit. Nevertheless, it is my understanding that a structure will qualify for the credit if it houses property used in manufacturing or production and the structure can be expected to be replaced when the property it houses is expected to be replaced. One factor to be considered is whether the structure has been specifically designed to provide for the stress and other demands of the equipment which it houses. Of course, I have in mind the pork factory structures which I brought to the attention of the committee. Am I correct in my understanding?

Mr. LONG. I would like to assure the distinguished Senator from Nebraska that he is entirely correct in his statement. As a matter of fact the Committee on Finance included the pork factories which you mention as an example of structures qualifying for the credit in the committee report. I will read the appropriate part of the report:

One example of a type of structure closely related to the product it houses which was called to the attention of the committee is a unitary system for raising hogs which includes automatic feed systems, special airflow units, slatted flooring, pens and partitions. The structure which can be added to, according to the number of hogs raised, is no more than a cover and way of tying together the specially designed pens, automatic feed systems, etc. There is no other practical use for the structure and it can, therefore, be expected to be used only so long as the equipment it houses is used. Such a structure would be eligible for an investment credit.

Mr. CURTIS. I thank the Senator.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I call up my amendment No. 706.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and without objection, the amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD is as follows:

On page 72, at the end of section 210, add the following new section:

SEC. 211. TO PROVIDE FOR FULL TAX BENEFITS FOR UNMARRIED INDIVIDUALS.

(a) Section 1 of the Internal Revenue Code of 1954 (relating to rates of tax on individuals) is amended—

(1) by striking out subsections (b) and (c);

(2) by redesignating subsection (d) as (b); and

(3) by striking out so much of subsection (a) as precedes the table therein and inserting in lieu thereof the following:

"(a) GENERAL RULE.—There is hereby imposed on the taxable income of every individual, other than an individual to whom subsection (b) applies, a tax determined in accordance with the following table:".

(b) Section 2 of such Code (relating to definitions and special rules) is amended—

(1) by striking out subsections (a) and (b); and

(2) by redesignating subsections (c), (d), and (e) as subsections (a), (b), and (c), respectively.

(c) Sections 511(b)(1) and 641 of such Code are each amended by striking out "section 1(d)" and inserting in lieu thereof "section 1(b)".

(d) Section 6015(a)(1) of such Code is amended to read as follows:

"(1) the gross income for the taxable year can reasonably be expected to exceed $10,000 ($5,000, in the case of an individual subject to the tax imposed by section 1(b) for the taxable year); or".

(e) The amendments made by this section shall apply to taxable years beginning after December 31, 1971.

(f) The Secretary of the Treasury or his delegate shall prescribe and publish tables reflecting the amendments made by this section which shall apply, in lieu of the tables set forth in section 3402(a) of the Internal Revenue Code of 1954 (relating to percentage methods of withholding), with respect to wages paid on or after the first day of the first month which begins more than 20 days after the date of enactment of this section.

PRIVILEGE OF THE FLOOR

Mr. PACKWOOD. Mr. President, I ask unanimous consent that my aide, Carol Crawford, may be permitted the privilege of the floor during the debate and vote on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, today in this country of more than 200 million people, we are openly discriminating against 30 million of our citizens.

These Americans to whom I refer come in all sizes, shapes, and colors. Some are doctors and some are elevator operators. Some are bakers and some are bricklayers. Some are football players and some are toymakers. Some are farmers and some are undertakers. All, however, share two things in common: They are unmarried and they are victims of the gross inequities contained in the Internal Revenue Code.

Let me cite two examples of such inequities.

A single taxpayer having a taxable income of $8,000 pays $1,590 in Federal taxes. By contrast, a married taxpayer having the same taxable income of $8,000, will pay only $1,380—a difference of $210.

In another instance, a single taxpayer having a taxable income of $14,000 will pay $3,210 in Federal taxes compared with $2,760 for his married neighbors living next door. That comes down to a single-person "surtax" of $450.

The two situations I have just described are not isolated cases. We are talking about 30 million taxpaying Americans who are paying more than their fair share. There are more than 6 million of these second-class citizens who are unmarried heads of households; 200,000 live in my home State of Oregon. We are asking these citizens to unfairly assume a disproportionate share of the taxload.

In 1969 Congress made a partial effort to remedy this situation. I think it is high time we gave these forgotten citizens of our land the fair and equal treatment that they should have received years ago. There is neither rhyme nor reason to this discriminatory treatment of one-seventh of our citizens. Why should these 30 million people contribute an estimated additional $1.6 billion to the Federal Treasury every year simply because they are not married? It is preposterous that this unfair element of the Internal Revenue Code has been allowed to go seriously unchallenged all these years. As we all know, Congress is responsible for this gross inequity. We can change the situation tonight if we want to.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, are we operating on controlled time?

Mr. PACKWOOD. We are under controlled time of 30 minutes, with 15 minutes to a side.

Mr. BENNETT. Mr. President, will the chairman of the committee yield to me? I would like about 6 minutes.

Mr. LONG. I yield to the Senator from Oregon.

Mr. BENNETT. Mr. President, this amendment would give single persons the income-splitting benefits——

Mr. BYRD of West Virginia. Mr. President, will the Senator from Oregon yield?

Mr. PACKWOOD. I am happy to yield.

Mr. BYRD of West Virginia. I believe the distinguished Senator from Oregon

is under the impression that we are on controlled time on this amendment because we did set the amendment up for action on Saturday with a special time limitation, but we vacated that order, so there is no time limitation.

Mr. PACKWOOD. I would be happy to agree that the time be limited as we did before.

Mr. BENNETT. I do not think we will need that much time. I am going to use 6 or 7 minutes.

Mr. PACKWOOD. I would be glad to agree to a 30-minute time limitation with 15 minutes on a side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Who yields time?

Mr. BENNETT. Mr. President, is it the understanding of the Senator from Utah that the time already taken by the Senator from Oregon is included in the 30 minutes?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, this amendment would give single persons the income-splitting benefits now available only to married persons.

This amendment would result in a revenue loss of $1.6 billion per year. It would upset the treatment of married persons which has been established under our tax laws for nearly 25 years, a treatment which is thoroughly sound and rational. Finally, it ignores the fact that Congress carefully considered this matter only 2 years ago in 1969 and reduced the tax on single persons to achieve a proper allocation of the tax burden.

The tax law has for a number of years given married couples the right to file a joint income tax return, thus combining the income of both spouses on one return. Because our tax rates are progressive—the tax rate goes up as total income subject to tax increases—this combining of income on one return would increase the total tax the married couple would pay over the total amount they paid before marriage when each spouse reported his taxable income separately. For that reason, the income on a joint return is "split"—the tax imposed is double the amount of tax which would be paid on half the income taxed at the normal progressive rates. Another way of stating the same thing is that a less progressive rate of tax is applicable to married couples filing a joint return than that applicable to single persons.

In 1969, the Congress became concerned about the lower rate of tax applicable to married couples and reduced the rate of tax on single persons so that, in general, the tax paid by a single person would never exceed the amount of tax by a married couple filing a joint return by more than 20 percent.

There is a rational basis for imposing a smaller tax on married couples than single persons. If both spouses work or each have their own income, it clearly does not make sense to add their independent incomes together and thus push them into a significantly higher tax bracket. We cannot impose such a penalty on marriage.

In approximately 40 percent of married couples today, both spouses work. In addition, in many cases both spouses will have independent incomes even where only one spouse works. For all of these couples it is obviously equitable to allow income splitting.

Even in the case of a married couple where only one spouse has income, there is a sound basis for allowing income splitting. Such a couple makes a conscious choice—one partner chooses not to work outside of the home but contributes to the marital partnership by caring for the house and children. She could have chosen to work and earn additional income with which to pay someone to perform the household chores. In either case, she contributes in a very real sense to the couple's total income. Consequently, it is rational to split the total income between the spouses for tax purposes.

A single person, on the other hand, obviously does not present the same equitable claim for income splitting. There is simply no rational basis for allowing income splitting with respect to the income of one taxpayer. Our progressive rates of tax are designed to tax such an individual at higher rates at his income increases. This is the essence of our system—it taxes according to the ability to pay.

In 1969 when we considered this problem and reduced the tax burden on single persons, the report of the Finance Committee recorded the reasons as follows:

> The committee concluded that the difference in tax liability between single persons and married couples filing joint returns is too large. Under present law, the tax rates imposed on single persons are too heavy relative to those imposed on married couples at the same income level; a single person's tax is as much as 40.9 percent higher—

This is talking about the law before 1969—

> than the tax paid on a joint return with the same amount of taxable income. While some difference between the rate of tax paid by single persons and joint returns is appropriate to reflect the additional living expenses of married taxpayers, the existing differential of as much as 41 percent which results from income-splitting cannot be justified on this basis.
>
> The committee concluded that the proper solution to the tax differential between married and single taxpayers is a new single person rate schedule that insures that the tax of single persons will never be more than 120 percent of that of married taxpayers with the same amount of taxable income.

Thus, Congress has assessed the relative burden of single persons and married couples and made a decision. Congress further reduced the tax rates on single persons who are heads of households, halfway between the new single person's rate schedules and the joint return schedule, based on evaluation of the relative burden of a single person with dependents. We should not change these decisions as to relative burdens without public hearings and committee action.

Mr. PACKWOOD. Mr. President, will the Senator yield for just a moment so I may ask for the yeas and nays while we have a sufficient number of Senators present?

Mr. BENNETT. I yield.

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BENNETT. The present tax treatment of single persons does not, as many persons mistakenly allege, involve a penalty to single persons. A single person does not pay a higher tax on an amount of income than a married person with the same income if the other spouse also has income. The single person's tax is higher only if the combined income of the married couple is the same amount, and the tax is higher in this case only because the combined income of the married couple is treated as if half was earned by each spouse—a wholly rational concept. Thus, if the husband and wife both have incomes equal to the single person's income, there is no advantage and in fact is a disadvantage; their combined tax will be more than twice as high as the single person's tax because they individually cannot qualify for the new lower single person's rate schedule. The joint return principle merely provides for taxing each spouse on one-half the income of the two of them combined, an entirely reasonable concept.

For these reasons the Senate should reject the Packwood amendment.

Mr. LONG. Mr. President, as it stands today, if a man and his wife are both working and file a joint return, it is true that they would pay less taxes than a single person who was working. On the other hand, if each of them were not married and filed as single persons, they would save $410 on $12,000 of income by virtue of the fact that they had not formalized their relationship with marriage.

So the law already penalizes two married people for making a joint income of $12,000 a year to the extent of $410, the way it is now. The Senator would penalize them much more than that.

As far as income tax splitting is concerned, in Louisiana there is a community property tax law. Half of the income is regarded as belonging to the wife to begin with. It is split. So if there is a $12,000 income, the State regards $6,000 as belonging to the wife and $6,000 as belonging to the husband, and the income splitting automatically is in effect.

In the point of view of many married people, there already is discrimination against them because of the extent to which we have gone to try to take account of the argument of single people. If a couple is making, for example, $12,000, there is one more $800 personal exemption than there would be in the case of a single taxpayer. In this case it would be for the wife. The problem here is that everyone knows he is not going to have a wife with a whit of intelligence who is going to cost him $800. It is going to cost much more than that to support a wife if he makes $12,000 a year. The point is that the difference in basic living costs is greater for a married couple than a single person by more than the amount of the additional personal exemption available to the married couple. So some difference in tax rates is necessary to take account of this. We adjusted the difference in 1969, giving a better break to single people and ending up about where we ought to be with these tax rates.

So we are having many complaints, once people understand how it works, that we went too far in favoring single people over married people in the Tax Reform Act of 1969.

If the Senator's amendment were agreed to, it would result in a substantially larger discrimination against married people, and it would be a disincentive for people to get married, or, to put it the other way, an incentive for people not to marry and not to formalize a relationship between them because those people would have a major tax saving in remaining single.

Mr. President, that is hardly the kind of result that we would want to bring about, and I do not think we ought to adopt tax policy that would encourage it.

Mr. PACKWOOD. Mr. President, if I might respond just a moment to the Senator from Louisiana, I am struck by his argument that the tax policies of this country, if we were to change them in accordance with my amendment, would discourage people from getting married. I hate to think that the tax policies of this country are such today that they are encouraging people to get married. I would hope there would be a stronger bond to induce people to marry than the fact that tax policies might encourage them to do so.

I yield 5 minutes to the Senator from Connecticut (Mr. RIBICOFF).

Mr. RIBICOFF. Mr. President, I am a cosponsor with Senator PACKWOOD of this amendment to H.R. 10947. This amendment would extend to unmarried persons the benefits of income splitting now enjoyed by married persons filing joint returns. I supported a similar amendment during the last Congress, and introduced identical legislation on February 18, 1971. That proposal, S. 869, is still pending in the Senate Finance Committee.

As my colleagues know, the income splitting procedure arose out of a historical accident. Before World War II, eight States had community property laws which treated income as divided equally between husband and wife. The U.S. Supreme Court ruled that married couples in the States could divide their income and file separate U.S. tax returns. With this in mind, several other States soon passed laws giving their citizens a similar break. In an effort to restore tax equality and to prevent wholesale disruption of local tax and property laws, Congress in 1948 made income splitting a national procedure.

This solved the problem for all the married couples, but only served to increase the relative tax burdens on single citizens. As Joseph Pechman has pointed out:

> The practical effect of income splitting is to produce large differences in the tax burdens of single persons and married couples, differences which depend on the rate of graduation and not the level of rates. Such difficulties are difficult to rationalize on any theoretical grounds.

The income tax should reflect differences in condition and responsibilities by allowing reasonable deductions.

However, once the taxable income is determined the same rate should apply to all who have the same income, regardless of whether they are married or single.

Many people attempt to explain the present system by saying that single persons do not bear the costs and responsibilities of raising children. But income splitting under the present law does not differentiate among taxpayers in this respect, since the benefit is the same whether or not they have children.

The Tax Reform Act of 1969 moved toward eliminating this inequity, but did not go far enough. This amendment finishes the job. It provides the benefits of income splitting for unmarried taxpayers placing them on an equal footing with married couples filing joint returns.

I urge all my colleagues to support this amendment offered by the Senator from Oregon and myself.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER (Mr. CHILES). The Senator from Oregon has 9 minutes remaining.

Mr. PACKWOOD. Mr. President, this is one of the few occasions where we can legislate on the floor of the Senate in the form of an amendment, knowing full well what we are doing, and knowing full well what it is going to cost, which is about $1.6 billion. We have the ability now to make the decision, to weigh on the one hand, the tax revenue loss, against on the other hand, what I regard as the immorality of the inequity that now exists in the tax law.

In the last 15 or 20 years, we have come a long way in this country, in attempting to treat single people as equals. But we have not gone the full distance yet. All of us who sit in this body hire staff members, many of them women. We know what it costs to live in this city, but we tax them inordinately. At the same time we have in our offices men making the same pay or probably more, but perhaps married and taxed at a substantially different rate.

There is no longer any reason in this country, when we are doing everything we can in the field of day care, when we are doing everything we can in the area of an equal rights amendment, and when we are doing everything we can to make it possible for men and women, married or single, to be treated equally, to continue this discrimination in the tax laws which, in essence, says to single persons, "We are going to tax all of you collectively and penalize you $1.6 billion a year because you have not decided to get married."

This is an anachronism. It no longer fits with most of the legislation we have been considering in the last 2 years, and I would hope we would take this opportunity to eliminate one of the last great vestiges of discrimination between single people and married people.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. PACKWOOD. I yield.

Mr. CURTIS. Should the Senator's amendment be adopted, what will be the tax consequences in so-called community property States?

Mr. PACKWOOD. The tax consequences on the so-called community property States?

Mr. CURTIS. Yes.

Mr. PACKWOOD. I am not sure.

Mr. CURTIS. It seems to me that we do have a problem. There are some States where half of the income belongs to each spouse.

Mr. PACKWOOD. In that case it would not affect them. My amendment would not change the situation of married couples generally, so I do not see how it would affect them.

Mr. CURTIS. Does the Senator regard marriage as a civil partnership?

Mr. PACKWOOD. A civil partnership?

Mr. CURTIS. Yes.

Mr. PACKWOOD. I have thought of it as more romantic than that, but if——

Mr. CURTIS. No, I am not limiting it to that; but, among other things, is it that?

Mr. PACKWOOD. I am not sure what the Senator means by a civil partnership.

Mr. CURTIS. Well, there is a line of decisions that essentially it is a civil contract in the eyes of the law. I am sure it is much more than that in the eyes of the people, the eyes of the church, and so on. But if it is a partnership, I would call to the attention of the Senator that we do not tax equal partners in a business venture on the basis of their aggregate income; we tax them on the basis of each one's share.

Mr. PACKWOOD. Does the Senator understand that my amendment would not in any way affect the rates on married people?

Mr. CURTIS. Well, it will affect their taxes, because if we lower the taxes on one group, it raises them on another, because the money has to come from some place.

Mr. PACKWOOD. The Senator has greater faith than I do that Congress is going to make it come from somewhere else.

Mr. CURTIS. I think it will. I do not think we will always go on managing the Government by expanding the debt. But I thank the Senator.

Mr. LONG. Mr. President, with the adjustments that we have made, we already provide that where two people are married, whether they both earn it or one earns it for the two, on any given amount of income they pay more taxes than two people who are single, each earning his own.

If we adopt the Senator's amendment, those taxpayers who are married and already paying more taxes than each would pay if they were single and earning their own way, would be further discriminated against because they signed a marriage contract and stood before a preacher and united to form a family.

The discrimination, for example, is such that if one thinks of two single people separately, who become married, the Senator would increase the discrimination against those people by about $175 if they were making $7,500 each. That is in addition to the discrimination that already exists. So one cannot justify this continual move toward discriminating against married people, unless one wants to contend that we ought to denounce

the institution of marriage, and encourage people not to marry and not have their children born in holy wedlock.

When the Senator proceeds to go down this road to where we would require people not only to assume additional obligations, but to assume a heavier tax liability in addition to assuming the obligations that one owes the other, in my judgment, it just cannot be justified. If we do this we will then be met by the married people complaining they are discriminated against, which will be exactly the truth. They would be discriminated against whether both are working or just one is working, by mere virtue of the fact of marriage. This proposal would cost an additional $1,565,000,000 to discriminate against the institution of marriage, to discriminate against married people just because they do not choose to live together in some other kind of relationship. What kind of sense does that make?

We have done, Mr. President, about everything that can be justified to help single people. We actually went along with the discrimination we already stated, and we think we have gone for enough. It is a minor discrimination now, and it will become a major discrimination if we do what the Senator wants us to do. Moreover, we have also provided a much more liberal additional child care deduction which will be of major help to single people with children.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

The Senator from Oregon has 6 minutes.

Mr. PACKWOOD. I will yield the time to anyone who wants it, even on the other side.

Mr. President, we are faced with a philosophical proposition. The Senator from Louisiana says this is a discrimination against married people, and I am saying it is an attempt to end discrimination against single people.

Our present law says to a perfectly rational 20- or 25-year-old man or woman, "Get married, and we will give you an economic tax break. Don't stay single. As a single person, you are a detriment to this society. So we're going to give you a surtax and penalize you."

I am asking, once and for all, for the Senate to say to the people of this country, married or single, "We are going to regard you as equals, treat you as equals, tax you as equals."

The PRESIDING OFFICER. Is all time yielded back?

Mr. PACKWOOD. If no one else wishes to speak, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment is yielded back.

The question is on agreeing to the amendment of the Senator from Oregon. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Maine (Mr. MUSKIE) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Kentucky (Mr. COOPER) and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

The result was announced—yeas 41, nays 55, as follows:

[No. 386 Leg.]

YEAS—41

Allott	Hartke	Packwood
Baker	Hatfield	Pearson
Bayh	Hughes	Pell
Brooke	Humphrey	Proxmire
Burdick	Inouye	Ribicoff
Chiles	Jackson	Schweiker
Cranston	Magnuson	Stevens
Dole	McClellan	Stevenson
Eagleton	McGee	Symington
Fong	McGovern	Thurmond
Gravel	McIntyre	Weicker
Griffin	Metcalf	Williams
Harris	Mondale	Young
Hart	Nelson	

NAYS—55

Aiken	Dominick	Montoya
Allen	Eastland	Moss
Anderson	Ellender	Pastore
Beall	Ervin	Percy
Bellmon	Fannin	Randolph
Bennett	Fulbright	Roth
Bentsen	Gambrell	Saxbe
Bible	Gurney	Scott
Boggs	Hansen	Smith
Brock	Hollings	Sparkman
Buckley	Hruska	Spong
Byrd, Va.	Javits	Stafford
Byrd, W. Va.	Jordan, N.C.	Stennis
Cannon	Jordan, Idaho	Taft
Case	Kennedy	Talmadge
Church	Long	Tower
Cook	Mansfield	Tunney
Cotton	Mathias	
Curtis	Miller	

NOT VOTING—4

Cooper	Mundt	Muskie
Goldwater		

So Mr. PACKWOOD's amendment (No. 706) was rejected.

AMENDMENT NO. 684

Mr. TAFT. Mr. President, I call up my amendment No. 684 and ask that it be stated.

The PRESIDING OFFICER (Mr. STEVENSON). The amendment will be stated.

The legislative clerk read the amendment as follows:

On page 2, in the table of contents immediately after the item relating to section 315, insert the following:

"Sec. 316. Deposit of certain employment taxes by small employers."

On page 106, between lines 2 and 3, insert the following new section:

"SEC. 316. DEPOSIT OF CERTAIN EMPLOYMENT TAXES BY SMALL EMPLOYERS.

"(a) IN GENERAL.—Section 6302 (relating to mode or time of collection) is amended by adding at the end thereof the following new subsection:

"'(d) COLLECTION OF CERTAIN TAXES FROM EMPLOYERS OF 50 OR LESS EMPLOYEESS.—Payment or deposit of—

"'(1) taxes deducted under section 3101 from wages paid by an employer during a calendar quarter,

"'(2) taxes imposed under section 3111 on wages paid by such employer during such calendar quarter, and

"'(3) taxes deducted and withheld under section 3402 upon wages paid by such employer during such calendar quarter,

shall not be required more than one time, if at all times during the preceding calendar quarter such employer had 50 or less individuals in his employ.'

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first calendar quarter beginning more than 30 days after the date of the enactment of this Act."

Mr. TAFT. Mr. President, today the small-businessman is pressured on many sides. The rate of business failures shows that the road of the small businessman is not an easy one.

In the Congress we have a Select Committee on Small Business and it generally expresses great concern for the problems which the small businessman must face. How ironic it is, therefore, that we have compounded his burdens with unnecessary paper work and red tape. I refer specifically to the deposits which are required to be made by our small businessmen for FICA taxes and income tax withholdings. At the present time returns are to be filed quarterly on Form 941. Deposits, however, must be made in accordance with the following rules published by the Internal Revenue Service:

DEPOSITS OF TAXES

Each month you must add together the employer and employee taxes under the Federal Insurance Contributions Act (Social Security tax) and the income tax withheld for that month. Your total liability arrived at will determine whether deposits are necessary and, if so, how often they must be made.

Less than $200 liability per quarter. No deposit will be required if your liability for the quarter is less than $200. The total liability for the quarter will be remitted with the quarterly return on or before the last day of the month following the close of the quarter. Thus, payment and the return for the first calendar quarter will be due on or before April 30, 1971; for the second calendar quarter on or before August 2, 1971, etc.

Employers with $200 or more liability per quarter but less than $200 liability in any month. If at the end of the first month in the quarter the cumulative liability is less than $200, but by the end of the second month it is $200 or more, the employer must deposit such cumulative amount by the 15th day of the third month in the quarter. The liability for the third month of the quarter may be remitted with the return which will be due on or before the last day of the month following the close of the quarter.

If the cumulative liability does not reach $200 until the third month of the quarter, the total liability must be deposited by the last day of the month following the close of the quarter.

Employers with $200 but under $2,000 liability per month. For each of the first two calendar months in the quarter deposits will be required on or before the 15th day of the next month. For the last month in a quarter, employers will not have to deposit until the last day of the month following the close of the quarter.

Employers with $2,000 or over liability per month. If so the 7th, 15th, 22nd, or last day of the month, cumulative liability is $2,000 or more, a deposit will be required within the next three banking days.

It is the frequency of these deposits which creates an enormous bookkeeping problem and a great deal of overhead and paperwork for the small businessman. For large firms which have computerized data processing, frequent deposits are no problem. But for the small businessman of America the frequency of these deposits results in a great deal of administrative expense.

It is estimated by the Small Business Administration that 94 percent of all businesses in America have 50 or fewer employees. My amendment would simply

provide that businesses having 50 or fewer employees could not be required to make their FICA and income tax withholding deposits more than once a quarter.

Let me emphasize that this amendment would in no way affect their financial obligations and would not reduce the amount which they must remit to the Federal Government. The amendment would simply reduce the amount of red-tape, bookkeeping, and clerical expense with which they are now confronted. This amendment would also reduce administrative expenses on the part of the Federal Government.

Recently, the National Federation of Independent Businesses conducted a nationwide survey of independent businessmen as to whether or not they favored S. 1890, a bill identical to this amendment. That survey indicated that 74 percent of the Nation's independent businesses favored this measure. I ask unanimous consent to have printed at this point in the RECORD the figures indicating the support of this amendment on a State-by-State basis.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

STATE BREAKDOWN FIGURES—RELIEVE EMPLOYERS OF UP TO 50 PERSONS OF HAVING TO DEPOSIT TAXES MORE THAN ONCE A QUARTER

State	Percent in favor	Percent against	Percent undecided
Alabama	80	15	5
Alaska	71	25	4
Arizona	69	26	5
Arkansas	72	23	5
California	71	24	5
Colorado	71	24	5
Connecticut	69	26	5
Delaware	80	18	2
Florida	69	25	6
Georgia	80	18	2
Hawaii	71	25	4
Idaho	83	14	3
Illinois	72	24	4
Indiana	75	20	5
Iowa	70	25	5
Kansas	73	22	5
Kentucky	75	18	7
Louisiana	80	16	4
Maine	68	25	7
Maryland	75	19	6
Massachusetts	74	23	3
Michigan	73	22	5
Minnesota	74	21	5
Mississippi	79	16	5
Missouri	74	19	7
Montana	75	19	6
Nebraska	79	16	5
Nevada	73	24	3
New Hampshire	74	22	4
New Jersey	71	24	5
New Mexico	70	25	5
New York	73	22	5
North Carolina	77	20	3
North Dakota	79	17	4
Ohio	74	20	6
Oklahoma	76	19	5
Oregon	72	25	3
Pennsylvania	75	22	3
Rhode Island	67	33	
South Carolina	79	16	5
South Dakota	72	22	6
Tennessee	77	19	4
Texas	75	21	4
Utah	78	17	5
Vermont	72	24	4
Virginia	75	22	3
Washington	75	21	4
Washington, D.C.	71	29	
West Virginia	82	16	2
Wisconsin	73	22	5
Wyoming	71	24	5

Mr. TAFT. Mr. President, that summarizes my presentation on this point.

I feel very strongly that this is an amendment that ought to be accepted. I think we are putting tremendous burdens on the small businessman just to read the instructions, which I read, in themselves. They indicate to some extent the kind of burden we put upon many of our small businessmen today. It really takes a lawyer to interpret most of the regulations and an accountant to keep track of them, and an experienced accountant of considerable skill.

If in any way we can simplify due process—and I believe this amendment would in great part simplify it—I believe we have the obligation in Congress to do just that.

Mr. LONG. Mr. President, my understanding is that the Treasury does not favor the amendment. However, some in the Senate agree with the Senator from Ohio. I know that the Senator from Alabama (Mr. SPARKMAN) tells me that he thinks it is a good amendment. He recommends that we agree to the amendment. I would be willing to agree to the amendment here with the understanding that we will discuss it in conference, hear the views of the Treasury, and do with it the best we can.

Mr. TAFT. I appreciate the Senator's statement very much.

Mr. President, I ask unanimous consent that the name of the Senator from New Hampshire (Mr. MCINTYRE) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Ohio.

The amendment was agreed to.

AMENDMENT NO. 688

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I call up my amendment No. 688.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

Beginning on page 7, line 5, strike out section 103; and redesignate sections 104 through 109, following, as sections 103 through 108, respectively.

Mr. PACKWOOD. Mr. President, at this time I have called up my amendment No. 688 to the Revenue Act of 1971. The effect of this amendment will be to extend the investment tax credit to the purchase of foreign produced goods.

A few weeks ago, I introduced a similar amendment for the consideration of the Finance Committee. Of course, it is evident that the committee chose to reject my proposition. Accordingly, I am presenting it for the consideration of the entire Senate.

I am extremely distressed with the manner in which the Revenue Act is being debated in the Senate. There would seem to be no intention to undertake a serious discussion of the very real impact that a number of the provisions contained in the Revenue Act might have on the long-term relationships between the United States and our trading partners around the globe. This potential impact is particularly evident in the matter of the discriminatory investment credit the committee has presented for our consideration.

As currently provided for, the investment credit would not apply to the purchase of foreign-produced goods for the duration of the 10-percent tariff surcharge—or for such longer duration as the President deems necessary and in the national interest. I need not dwell on the problem I have with this further surrender of discretionary authority to the Executive by the Congress. It should be enough to indicate that once more the Congress is being urged to divest itself of its historical powers and responsibilities in the name of expediency and swift action by the Executive. It occurs to me now, as it has many times in the recent past, that to continue this irresponsible pattern can only result in the Congress becoming little more than a debating society a few years in the future.

However, although the matter of surrender of congressional authority and control deeply disturbs me, I am even more concerned about the more immediate impact that passage of the discriminatory investment credit proposal might have on our international trading relationships. As I indicated earlier, at the time of introduction of my prior amendment, I have always felt that given a choice between protectionism and expansion of free trade, it is always in the best long-range interests of not only the United States, but the world as a whole, to chose free trade. I still believe this, and I believe that the evidence is even now beginning to bear this out.

We have word from Europe that the Common Market is seriously considering joining with several other Western European nations to form a solidarity trading bloc; there is always the possibility that Japan might once again begin to consider the possibility of a present-day, informal Asian co-prosperity sphere in the Far East. All protestations to the contrary notwithstanding, the principal stimuli for this renewed discussion of formation of trading blocs are clearly the action taken by the President last August, and the action proposed to be taken by the Congress now. The combined effect of these protectionist actions is to establish a fortress America in the mistaken belief that we do not need them, but they need us. The fact of the matter is that we all need each other. Until we recognize this fact, we will all continue to suffer the consequences of a chauvinistic commercial conflict bordering on a full-scale trade war.

This spector of an international trade war is evident in the discussions taking place around the globe as to the specific impact that a discriminatory investment credit might have on world markets. It occurs to me that there is no rational explanation for this proposed discrimination. I should point out to my colleagues that America's position in the international market for goods which will qualify for the investment credit has always been, and continues to be, one of unrivaled superiority.

I would suggest that this is one of the

few, and certainly one of the best, consistently positive showings the United States makes in the overall balance of trade picture. The effect of the proposed discriminatory investment credit could very well be to cause other nations to retaliate by erecting barriers to free trade in investment goods, thereby weakening, if not destroying, this positive showing by U.S. manufacturers. Plainly stated, by passage of this discriminatory investment credit, we run a very real risk of contributing to a worsening of our own balance of payments. This is a risk we can ill afford to take.

Further, there is little justification for the discriminatory nature of the proposed investment credit in terms of reduced Treasury receipts. The Finance Committee estimates indicate that the investment credit, as proposed, would result in an average annual loss of about $2.7 billion in revenues. With the inclusion of foreign-produced investment goods, the additional revenue loss will be in the neighborhood of $130 million. This is, indeed, a small price to pay for the elimination of what portends the engendering of a considerable amount of ill will among our trading partners were this discriminatory investment credit to be enacted into law. Again, history indicates that this miniscule momentary loss will be compensated for many times over as the world succeeds in preventing the onset of the creeping paralysis that must inevitably obtain to any rise in the protectionist fever.

Finally, let me address myself to those of my colleagues who would suggest that the United States has gone far enough in reducing barriers to freedom of commercial intercourse among nations. It is evident that we have gone further than any other nation. It is true that corresponding reductions in the number and severity of barriers erected by other nations against our own products are long overdue.

However, this is most emphatically not an argument that must, or even can, logically lead one to argue that the United States should all of a sudden begin to erect barriers of its own. Rather, I would suggest that this is a time to sit down with our friends and partners in international commerce and to discuss rationally our differences and the greater good that can be had for all by the reduction of their trade barriers.

Let me remind my colleagues, briefly, of the history of the formation of the United States of America. Prior to 1789, each of the newly independent States was on its own; with little but the weakest of common bonds to be found in the Articles of Confederation. It was soon recognized by each of the 13 States that they could either suffer or prosper in common in their economic interrelationships. It was finally decided, after much travail and hardship, that they must band together and eliminate the trade barriers among the several States which were growing ever larger and increasingly more severe.

The lesson to be learned from this is quite clear. America could never have become the great and prosperous Nation we are today had it not been for the wisdom and foresight of our Founders, who could see the benefits to be had by cooperation rather than economic conflict among the States. The idea they advanced at the time was no less unpopular than that which I am suggesting today, that we must forget the momentary gain—both political and economic—to be had from further protectionist devices, and focus our attention on the long-range good to be derived from freedom of commerce.

I would suggest that we take the advice of Santayana and remember our history, lest we be condemned to relive it. Let us put a stop to the throwing of protectionist bricks at one another and begin to use those same bricks to build bridges of free-flowing commerce among our neighbors on this all too beleaguered planet.

To follow the lead of the Finance Committee and the House of Representatives down this neoprotectionist primrose path is not the best means by which to achieve the climate of mutual understanding and cooperation toward which we must all strive. We are presented with a clear choice as to the future we will mold for America's role in the world of commercial trade.

I suppose we could follow the path indicated by the various provisions in the Revenue Act of 1971—most notably the discriminatory investment credit. This is the easier of the two roads down which we might travel. Unfortunately, this is the path that will certainly lead to continuing escalation of the embryonic protectionist war—a war which none among the community of nations can win, but in which all must, of historical imperative, lose.

Or, we can choose the path indicated by my amendment. By so doing, we will have proclaimed to the world that the Congress of the United States recognizes the very clear and present danger inherent in protectionist moves. We will have shown that we are willing to suffer a possible—though unlikely—momentary hardship in favor of the long-range benefits to be derived by every nation from a sponsorship of additional freedom of commerce around the globe.

Mr. President, I ask unanimous consent to have printed in the RECORD at this time a few news articles and commentaries that reflect on the issues I have been discussing.

There being no objection, the news articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 23, 1971]

SMOOT-HAWLEY REVISITED—TRADE PROTECTIONISTS SHOULD CONSIDER HAVOC CAUSED BY BILL OF 40 YEARS AGO

(By Leonard S. Silk)

COPENHAGEN, September 22.—Representatives of the central banks and finance ministries of 115 countries, assembled here for the annual meeting of the International Monetary Fund and World Bank, are looking anxiously toward Washington as the Congress takes up a bill that would reverse three and one half decades of United States support for freer international trade. The bill adopted by the House Ways and Means Committee, which now goes to the floor of the House, would fix import quotas on textiles, shoes, oil, mink, glycerin and, in all probability, a long list of other goods from abroad. Proponents of the bill contend that it would protect the jobs of American workers, safeguard American industries from low-wage foreign competition, and strengthen the United States balance of trade.

Opponents say it would do none of these things but would aggravate inflation, touch off a trade war, hurt consumers, and damage the American and world economy.

The last time a confrontation on these issues was resolved in favor of protectionist trade legislation occurred 40 years ago when Congress enacted the Smoot-Hawley Act.

Europeans, even more heavily dependent on international trade than Americans, have not forgotten the disastrous train of events set in motion by Smoot-Hawley.

But many Americans, including Congressmen, apparently need to be reminded of the dictum of the philosopher George Santayana that those who forget history are condemned to relive it.

The Smoot-Hawley Act was the product of ingrained American political habits and of confused efforts to alleviate particular economic problems.

The Republican party had traditionally favored protectionist tariff policies as a formula for economic prosperity, and the Republican party platform of 1928 promised to relieve the depression in agriculture by raising tariff rates on farm products.

Soon after taking office, President Herbert Hoover called a special session to consider aid for the farmers. Congress met in April, 1929, although the House Ways and Means Committee had started hearings on trade legislation in January.

By June, a tariff bill was reported to the floor of the House in substantially the form recommended by the President.

Then the process of log-rolling and what today is called Christmas-treeing began. A great many amendments were added, raising rates across the entire range of the tariff schedule.

The politically appetizing process of increasing tariff rates and extending coverage continued in the Senate Finance Committee and on the Senate floor.

COMPROMISE ARRANGED

The Senate-House Conference Committee generally compromised by accepting the highest rates set by either house.

President Hoover finally signed the bill on June 17, 1930, although he had threatened to veto a limited revision of the tariff schedule early in the session.

But, as Prof. Frank W. Taussig of Harvard wrote at the time, "when the bill finally came to him, he could hardly do otherwise than approve. His party could not go before the country stultified by having nothing whatever to show for a year's prolonged and conspicuous labor."

Public indignation had run high during the Congressional deliberations, but some of the more important pressure groups traditionally in favor of liberal trade had not maintained firm and unyielding opposition to the bill.

Labor realized that higher prices would result, but succumbed to the chimerical hope that the bill would relieve unemployment, which was already rising seriously, by stimulating domestic output of goods to replace imports.

Farmers were willing to grasp for any protection that might possibly help them, despite their need for foreign markets.

However, a petition of 1,038 economists—including virtually every reputable economist in the country of whatever political view—urged the President to veto the bill, warning that if enacted, it "would inevitably provoke other countries to pay us back in kind."

That 40-year-old petition of the economists has just been reissued by more than 4,000 American economists, together with a new one reaffirming the old warnings of the damage, that protectionism would do.

The last time the economists' forecasts were right. Following the passage of Smoot Hawley, there rapidly ensued a series of retaliatory measures in the major trading nations of the world.

TARIFF BARRIERS RAISED

France, Italy, Spain and others raised tariff barriers or introduced drastic quotas in 1930. Switzerland initiated a largely successful boycott of American products. Canada raised its tariff walls to the highest point in its history.

Great Britain passed the Emergency Tariff Act of 1931 and the Import Duties Act of 1932. The British Commonwealth concluded severely discriminatory preferential tariff arrangements in Ottawa in 1932.

The higher trade barriers of the United States frustrated the efforts of the Japanese Government to improve economic conditions through expanded trade and led to a more nationalistic and militant policy. Smooth-Hawley sowed the seeds of the Japanese Asian Co-Prosperity Sphere.

International conventions to work out a truce in the trade war failed in 1931, 1932, and 1933.

NATION WAS WORSE OFF

The United States was worse off after Smoot-Hawley than it had been before. Other countries raised their tariff rates and other trade barriers even more than we did.

American exports sank like a stone—because of both the higher trade barriers and the spreading world depression, to which the collapse of trade contributed.

By 1932, U.S. exports to Great Britain had fallen to one-third of their 1929 level. In 1932, American exports to Canada and France were only one-fourth of 1929, and, in the case of Australia and Oceania, one-fifth of 1929.

The decline in some specific American export commodities was even more dramatic. Agriculture, the sector that the President had originally sought to benefit, suffered most. Wheat exports, which had totaled $200-million 10 years earlier, fell to $5-million in 1932.

Exports of the automobile industry fell from $541-million in 1929 to $76-million in 1932.

NO PROBLEMS SOLVED

In retrospect, the protectionist Smoot-Hawley Act was worse than futile. It did not solve unemployment or other problems of American labor, industry, and agriculture but, instead, worsened them by helping to shatter world trade.

Its repercussions contributed to the growth of nationalism and economic autocracy in many countries and to the deepening crisis of the 1930's.

Some other philosopher than Santayana has said, "The only thing we learn from history is that we learn nothing from history." Certainly there are no simple re-runs of history.

In Copenhagen this week, Pierre-Paul Schweitzer, the Managing Director of the I.M.F., when asked how far the protectionism of the United States will affect the international monetary system, replied cautiously:

"Well, the United States Government has stated the United States will not switch to protectionist policies. Measures are under discussion in Congress, but I understand they would not be mandatory but just give the President additional leeway. We would be the first ones to deplore, of course, any regression in the freedom of international trade. Presently we are already deploring that there is not more progress."

Other participants here are less guarded, in private conversations, in expressing their worries about the trade legislation before the United States Congress—and the international effects it would have, if enacted.

They firmly state that, if the United States takes a protectionist course, severe retaliation from European and other countries will follow.

[From the New York Times, Dec. 12, 1970]

COMMERCE GROUP ASKS NATIONS TO NEGOTIATE TO STEM PROTECTIONISM

(By Clyde H. Farnsworth)

PARIS.—An organization representing private industry in 80 countries is seeking to prod governments into a new round of trade liberalization after conclusion of negotiations to enlarge the European Economic Community.

The recommendations of the International Chamber of Commerce, aimed at turning back the present protectionist tide, were disclosed here following a meeting of the business leaders with the heads of United Nations agencies and other international bodies.

The chamber called for a ministerial conference to prepare for a new round of trade talks.

GOALS ARE LISTED

The negotiation would:

Progressively eliminate tariffs on manufactured goods in the developed countries, and also the non-tariff barriers such as quotas or sanitary and safety regulations that have an equally disruptive effect on trade.

Liberalize trade in agricultural products.

Harmonize monetary and economic policies in the developed countries.

Extend to developing countries the benefits of greater access to markets that the rich countries would receive.

Walter Hill, the chamber's secretary general, said the initiative was encouraged by the heads of international organizations present at today's meeting.

These included Olivier Long, director general of the multinational trade organization known as GATT, the General Agreement on Tariffs and Trade; Pierre-Paul Schweitzer, managing director of the International Monetary Fund; Emile Van Lennep, secretary general of the Organization for Economic Cooperation and Development, and Philippe de Seynes, under secretary general for economic and social affairs at the United Nations.

The proposed trade talks would be carried out within the framework of the GATT fair trade charter, as have all previous liberalization rounds since World War II.

In these efforts, the most recent being the 1967 Kennedy round, the United States supplied the initiative. The chamber decided to try to maintain the momentum in view of the resurgence of protectionist feelings in the United States, and the trade disputes over agricultural protectionism in Europe that have erupted between the United States and the European Economic Community.

The world trading picture may be sharply changed should Britain, Ireland, Norway and Denmark gain admission into the Common Market. There would be one vast European market of 250 million people.

While no one is certain what the trend will be, there would be a tendency for the Europeans to trade more among themselves than with the outside world. Washington has already made representations to Britain over the possibility of losing important Britain markets in feed grains and wheat.

Early in the nineteen-sixties when Britain was conducting her first abortive round of negotiations to enter the E.E.C., President John F. Kennedy decided that the bull should be taken by the horns. He got Congress to empower the executive branch to negotiate massive tariff cuts on a worldwide basis to deal with the expected new trading situation.

What President Kennedy envisaged now seems likely to take place as the British-E.E.C. negotiations progress favorable in Brussels.

While successful, the Kennedy round still left many obstacles to trade, and with protectionism apparently increasing on both sides of the Atlantic there has been little political will to remove them.

The businessmen, representing internationally minded corporations, manufacturers organizations, banking associations and other groups, are hoping they can bring enough pressure to bear on their governments to reverse the trend.

[From the New York Times, Dec. 12, 1970]

U.S. MISSION HEADED BY HARDIN WARNS EEC ON ITS FARM POLICIES

PARIS.—An emissary of President Nixon, stepping up the American assault against discriminatory Common Market farm policies, has warned that protectionism cannot be beaten back in the United States without a positive response from Europe.

Clifford M. Hardin, Secretary of Agriculture, heads a large and important trade mission that has been carrying this message to officials in European capitals over the last two weeks.

Mr. Hardin, who arrived in the European Economic Community's capital of Brussels yesterday, has been firing away at high farm prices that have reduced American agricultural sales in Europe.

COINCIDES WITH DEBATE

His mission has coincided with debate in the Congress on a protectionist trade bill. Although it looks as if time may run out before the bill can pass in the present lame-duck session, there will probably be new trade legislation introduced in the next Congress.

Mr. Hardin is serving notice that if Europeans want to see better legislation—they have strongly protested against the current bill and threatened massive retaliation—they must take a more reasonable attitude in some of their own policies.

The six-nation E.E.C., made up of France, West Germany, Italy, Belgium, the Netherlands and Luxembourg, imposes a variable levy system in assessing duties on American farm imports. This is one of the practices the American Administration finds most pernicious.

The levy is designed to bring the price of the imported product to the inflated E.E.C. level. Proceeds from the levy are used to subsidize farm exports of the six. The high Community prices induce greater production, which means the six have more to export.

Variable levels are imposed on imports of grain, beef, pork, poultry, lard and dairy products. In each of these sectors American sales to the E.E.C. have markedly dropped since 1966.

FIVE NATIONS VISITED

Mr. Hardin, who is accompanied by officials from the State and Commerce Departments as well as his own department and by two members of the Presidential Commission on International Investment and Trade, began his tour Dec. 2. He has now visited five of the six E.E.C. countries. He next goes to London.

Apart from the variable levies, which the United States cannot do much about, Mr. Hardin is showing Administration concern over specific E.E.C. policies in tobacco, grain and citrus products.

[From the Wall Street Journal, Sept. 14, 1971]

FREE TRADE EVENTUALLY, TOUGH ACTION NOW TO BOLSTER U.S. URGED BY BLUE-CHIP PANEL

WASHINGTON.—A blue-chip presidential commission urged sweeping and tough actions to shore up the U.S. foreign-trade position, including antitrust-law relief for companies hurt by imports.

The ultimate policy aim, said the secrecy-shrouded "Williams Commission," should be "elimination of all barriers to international trade and capital movements within the next 25 years." To achieve this, though, the U.S.

in the meantime may have to resort to such seemingly protectionist steps as "orderly marketing" quotas and temporary tariff increases against some very rapidly rising imports, the panel contended.

Despite its many long-range aspects and the forbidding bulk of its nearly 2,000 printed pages, the three-volume report of the Commission on International Trade and Investment Policy is likely to be spared the dust-gathering fate that often has befallen efforts of other presidential commissions.

President Nixon, in making his Aug. 15 policy changes, is understood to have been influenced significantly by the business-dominated Williams panel findings that were made known to him over the past several months. The wage-price freeze and 10% import surcharge were the "necessary emergency steps to lay the foundation for the longer-term negotiations which lie ahead," commented Albert L. Williams, commission chairman and finance committee chairman of International Business Machines Corp.

The proposals have "even greater relevancy and urgency" than when they were submitted in July, Mr. Williams said after meeting with Mr. Nixon for 45 minutes yesterday. The President's Aug. 15 initiatives were "only the opening gun" in a move to restructure international trade and monetary arrangements, Mr. Williams said, adding that "I don't think we have a realignment of currencies yet, all tidied up, by a long shot."

NEGOTIATIONS REQUIRED

Many of the 147 specific recommendations would require immediate negotiations with other countries, such as the talks on currency rates starting tomorrow in London by the finance ministers and central bank governors of the "Group of 10" key industrial countries. Others, such as proposals for greatly enlarged federal aid for industrial research and development, already are being prepared by the Nixon administration for submission to Congress in January.

The report's tone and thrust clearly coincide with Mr. Nixon's inclinations in the international field, analysts say and probably provide clues as to the details of demands the U.S. will be making in return for ending the import surcharge and the dollar's float. The panel consulted with many key administration strategists, the analysts add, and channeled its thought along the way to Mr. Nixon mainly through Peter G. Peterson, the key White House international economic aide who has voiced many similar views.

Some of the commission's proposals could prove quite controversial on Capitol Hill, however. Congress always has icily rejected, for instance, the idea the panel espoused of delegating to the President even "limited authority to alter tax rates" within the U.S. Many lawmakers would be likely to balk at the panel-endorsed ideas of the U.S. conforming to the much looser limits of Western European countries on the goods that can be sold to Communist nations, or of letting new trade pacts take effect automatically unless rejected by Congress within 60 days.

OPPOSING ANTITRUST CHANGES

At least some resistance would be assured, too, if the administration embraces the commission's request for altering antitrust laws "to permit mergers if the firm in question is encountering serious difficulty because of import competition." Because this would happen only if imports were entering in large amounts, the panel argued, such mergers of weak companies into stronger ones normally could take place without competition being "substantially lessened."

On at least a few points, the Williams Commission failed to support present Nixon administration thinking. The members "failed to reach a consensus" on Mr. Nixon's Domestic International Sales Corp. bill, one insider says, because about half of them worried that the cost of tax deferral on export profits would outweigh the benefit of encouraging exports. Similarly, the panel found evidence too mixed on the trade benefits that might come from a European-style "value-added tax" to reach a conclusion, observing that any such national sales tax ought to be decided only on the basis of domestic impact.

Nor is it clear how many of the commission's positive proposals the administration is likely to pick up. The great liberalization the panel advocated for "adjustment assistance" to companies and workers affected by imports could be costly in budget terms, and deficit-plagued officials might be unwilling to spur the economy enough through the budget to honor the commission's wish that the Federal Reserve Board's monetary policy be left more free to gear interest rates to international flows.

"NEW REALISM" NEEDED

But the panel argued strongly that a "new realism" and "bold" moves are required to cope with a world economy that has changed fundamentally since most arrangements were worked out at the end of World War II. Europe and Japan have become vastly stronger economically, and relatively free movements of money, goods and other activities of multinational corporations transmit both technology and tensions very rapidly, the commission said, warning: "Today there is serious risk that the world may break up into hostile regional economic blocs."

Since the commission was appointed in May 1970, its members were exceptionally closemouthed about its work. Even as broad conclusions were reached several months ago, only a few inner-circle White House aides were tipped to the report's contents, partly because of the surprise element necessary if President Nixon picked up the "border tax" idea to force bargaining by other countries. The Williams panel proposed a tax rebatable on exports, but Mr. Nixon went only for the import levy to avoid the need for legislation, a commission official said.

The report's basic conclusions were supported by 25 of the 27 members, the panel reported, with strong dissents by I. W. Abel, president of the United Steelworkers, and Floyd E. Smith, president of the Machinists union. Sticking with an earlier AFL–CIO executive counsel position, the union leaders called for tight curbs on imports and a crackdown on the "export of U.S. production and jobs" through multinational corporations' investing in plants overseas.

The majority, which included 18 business leaders, six professors and a farm group leader, conceded only that U.S. foreign direct investment "may have displaced U.S. manufactured exports in some cases." But it stressed that after a lag, "the export markets would probably have been lost in any case" on the ground that foreigners would have undertaken such manufacturing abroad if U.S. companies hadn't done it first. Thus, the committee called for a phase-out of existing capital-outflow controls "over the next three to five years."

Among key negotiating aims, the panel favored a "more responsive" system for currency-exchange rates and retaining but tightening the operations of the Geneva-based General Agreement on Tariffs and Trade. The commission urged that GATT's rules against export subsidies be made clearer and more enforceable and that the U.S. work in GATT for elimination of "illegal" Common Market hurdles to U.S. agricultural and other exports, and for coordinated lowering of tariff and nontariff barriers, with special attention to assuring that antipollution safeguards aren't unfairly used to restrict trade.

The extent of agreement reached among the business members is significant, insiders say, because they were chosen from potentially conflicting sectors, such as those which face heavy import competition, or import heavily, or export and produce extensively abroad.

[From the Washington Post, Oct. 15, 1971]

(By Hobart Rowen)

EEC OFFICIALS WARN UNITED STATES ON RECESSION

High Common Market officials have warned American officials in the past few days that "the European economic situation is deteriorating," and suggest that if President Nixon's New Economic Policy is pursued without relief, the American Government will be responsible for having pushed Europe into a broad-scale recession.

They cite, especially, the 10 per cent surtax as one of the new U.S. "protectionist measures" that are certain to be used "as a pretext for escalating retaliatory measures," by March or April of 1972 at the latest.

At the same time, these officials offer as a "personal opinion" that the U.S. is "entering a period of second thoughts" about the international phases of the N.E.P.

"The American Government is well informed of the evolution of opinion in the other countries," one EEC official said. He mentioned particularly that the West German Government was disillusioned because it had "not been rewarded for friendlier behavior." A higher D-mark rate, combined with the surcharge and the disadvantages of the DISC proposal and the "Buy American" investment credit creates "a strong dimunition of the competitiveness of German industry," he asserted in a meeting with American newsmen.

"The U.S. authorities," he asserted, "are looking for a settlement as quickly as possible."

The European officials hinted, without saying so directly, that the United States will eventually raise the price of gold modestly as its contribution to a general re-alignment of exchange rates. "The United States is intelligent enough," one Commart source said, "to know that this would be a useful political contribution."

The suggestion was that there would be "a general bargain" in which the actual changes in exchange rates will be set by the Group of Ten financial ministers, and that at the same time, "there will be agreement on how the further deficits of the United States can be financed."

But it will take perhaps 4 to 5 years, sources said, before the United States payments picture can be brought into equilibrium.

American officials, it was ascertained independently, are well aware that the 10 per cent surcharge is adding to the economic problems of some countries already experiencing a slump in activity. But it is not clear that there has been any significant change in the U.S. timetable or goals in seeking a $13 billion "swing" in its balance of trade.

In respect to the deteriorating situation in Europe, the Common Market officials cited a reduction in the plans of Italian exporting firms for new investments, which would cut production and jobs in that country; the possibility that a slowdown now evident in West Germany would turn next year "into stagnation and perhaps recession"; and "a very bad situation" in the Netherlands, where there has been a serious increase in prices accompanied by a worsening balance of payments situation.

In France, sources said, the situation was somewhat better, but there is a serious concern that the economy is not expanding enough to absorb a growing labor force; especially, it was said, the French problem is to find enough jobs for young people.

One specific complaint lodged by Common Market officials with the U.S. Government is that European countries are being asked to make a "sacrifice" by reducing their trade surpluses—or going into deficit—while the U.S. says it intends to remove all restrictions on capital movements.

The argument is that it is "difficult to accept" a reduction of trade surpluses while the U.S. "continues its policy of the acquisition of assets abroad."

Even where European Governments would prefer to resist retaliation, "it would be difficult to resist public opinion," reporters were told. "Therefore, it would be useful to reach at least a partial solution to these problems by the end of the year . . . It would be better to get out of this situation . . . and not waste time."

The officials urged that the Nixon Administration and other governments put aside the charges and countercharges "of the past" and instead "examine objectively what we are willing to do in the future."

Half-in-jest, it was suggested that a "marathon" session which has come to typify internal Common Market hassling might be used as a form to shake loose a general bargain which could produce a new set of fixed exchange rates, abolition of the surcharge and "a reciprocal commitment to discuss other problems," all by the end of 1972.

[From the Wall Street Journal, Oct. 19, 1971]

THE PROTECTIONIST VIRUS

The protectionist virus is steadily spreading—through the government, through the country, through the world at large. Unless some means are found to check it, its toll could be enormous.

Peter G. Peterson, the White House top foreign economic policy aide, professes to be so worried about the trend that he's afraid to push the other way. That view, moreover, isn't as odd as it may at first sound.

The administration, for instance, is well aware that its 10% import surcharge is hitting painfully at poorer countries in Latin America and elsewhere, even though the move was designed primarily to pressure Japan and other major nations into agreeing to more realistic currency exchange rates.

For sometime, the administration has favored trade measures that would give the developing countries greater access to markets in the U.S. and other industrial nations. So far such proposals have gotten nowhere, and for the present at any rate the administration does not intend to push them.

Why? Well, Mr. Peterson said the other day, the mood of Congress and of the U.S. generally is "so protectionist" that any administration bills to extend trade preferences or enlarge aid to poor countries would probably be transformed by the lawmakers into "permanent, fixed quotas" against imports. Considering some of the legislators' recent performances, the prediction isn't at all unrealistic.

Thus the House Labor Committee elected to attach a protectionist rider to, of all things, a bill to increase the federal minimum wage. The rider seeks to bar the federal government from giving contracts of more than $10,000 to foreign suppliers who pay their workers "substantially less" than whatever the U.S. minimum wage happens to be at the moment.

"Substantially" is not defined, and the proponents seem to think that's a plus. The vagueness, they say, will give the administration "a lot of latitude" in deciding whether or not to give business to foreign suppliers. It will also give the protectionist Congressmen, as well as lobbyists for special interests, a lot of latitude to put pressure on the administration.

Meanwhile, the 10% surcharge continues to embitter some major countries that, until recently, the U.S. saw as friends. Unemployment in Canada rose to 7.1% of the labor force in September, a 10-year high and well above the U.S. rate. Canadian officials are quick to note that September was the first full month after imposition of the surcharge; while the levy probably is not the only reason for the jobless upsurge, it may be hard to convince Canadians of that.

More than 60% of Canada's exports go to the U.S. and about 25%, or close to $3 billion, are affected by the surcharge. In retaliation for the U.S. levy, the Canadian Parliament already has approved a program to subsidize Canadian exports and offset a large part of the surcharge.

In Japan, the primary target of the U.S. get-tough policy, the anti-U.S. sentiments are even more evident. With the threat of mandatory quotas, the U.S. bludgeoned Japan into a new "voluntary" pact to restrict textile shipments to the U.S. Even though the 10% import surcharge now will be dropped for textiles, Japan's sagging economy and its angry textile industry make it certain that the agreement leaves little good will in a country whose cooperation the U.S. desperately needs in the Far East.

Meanwhile, a Common Market official warns that, if the surcharge lasts much longer on other products, the world will "enter escalation in retaliatory measures." Such measures, he appears to recognize, won't really be good for anybody, but nations seldom worry much about that sort of thing when a trade war gets under way.

There was a definite need for a realignment of international trade rules, and America's rough talk and actions at least have made that plain to everybody. In the process, they have also done a great deal to spread and strengthen protectionism both in this country and abroad.

If the government doesn't come up with antidotes soon, a lot of people are going to wind up awfully sick.

[From the New York Times, Oct. 20, 1971]

SPLITTING OF BLOCS—NATIONALISM AND MONETARY INSTABILITY ARE PULLING NATIONS OF THE WORLD APART

(By Leonard Silk)

The drive of the Nixon Administration to swing the United States' balance of payments from deficit to surplus is running into a serious obstacle—rising unemployment in Europe and Japan. Although the slump abroad had begun before President Nixon's Aug. 15 actions in floating the dollar and imposing the 10 per cent import tax, the American trade and monetary moves are coming under heavy fire for aggravating what many businessmen and Government officials abroad now fear may become a major recession.

Under pressure from their domestic industries, foreign governments are likely to resist letting their currencies float higher against the dollar. Some economists even foresee the possibility of competitive devaluations.

If unemployment continues to increase overseas and world trade should decline, there could be a more decisive breakdown in the international monetary system than has occurred.

The effect on world trade and development would be grave. The business decline of 1929–30, which for more than a year seemed like a characteristic cyclical downturn, was turned into the most serious world depression in history by the collapse of the international monetary system.

There is danger today that the non-Communist world, which since the end of World War II has been led by the United States, may split into isolated and protectionist blocs.

The forces of fission in the Western World are aggravated by recessionary factors today—but they are not the result of a temporary situation.

A year ago, the National Planning Association, a private study and policy group with international membership, warned that grave difficulties in the relationships between North America and Western Europe could split the Atlantic region into two contending blocs.

The N.P.A. study said that this trend arose from the tensions between two major developments of the last decade:

A "new nationalism" in all Atlantic countries, resulting from growing pressures to improve living standards at home and to reduce foreign commitments.

And, on the other hand, closer economic integration and interdependence among Atlantic countries resulting from the reduction of trade and payments barriers, the rise of multinational companies and the growth of the Eurodollar market.

C. Fred Bergsten, a former economic adviser to the National Security Council, warns that a United States effort to maintain dollar hegemony beyond the time when this country's true power position permitted it—and when other countries were therefore willing to accept such dominance—"courts disaster."

Mr. Bergsten believes that Europe, through unification will regain its traditional world role. He says that Japan's assumption of leadership in Asia is only a matter of time; he regards Communist China rather than the United States as likely to become Japan's chief rival in the Pacific region.

In the "third world" of developing countries, Mr. Bergsten expects the United States, though remaining important in absolute terms, to continue its relative decline, as the "new nationalism" continues to intensify.

In his view, the United States should have an international monetary policy that is the corollary of the military-political Nixon doctrine calling for a scaling down of American commitments and a transfer of responsibilities to other countries. The dollar standard, he suggests, represents a costly and dangerous overcommitment for the United States.

The new nationalism, said the N.P.A. study, is impelling governments on both sides of the Atlantic to take more and more direct action to maximize national welfare and minimize income losses at the same time as regional economic integration is restricting their freedom of action and subjecting their economies to rapid and painful adjustment.

Similarly, in a study for the United Shoe Machinery Company, Walter P. Hertz, a consulting economist, has predicted that, in the 1970's, what he called "economic cross-pollination"—that is, the establishment of manufacturing subsidiaries of European companies in North America and, conversely, of North American companies in Europe—would cause a rapid slowdown of direct trans-Atlantic trade with customers.

North American companies, according to the Hertz study, would continue to trade, but at reduced levels, with Latin America, as closer integration of a Latin American bloc developed.

The Hertz study said that American companies would be confronted with growing competition from a Far Eastern bloc, led by Japan, in trade with the developing countries of Latin America, Africa and Asia.

What is to be America's monetary role in a world breaking into such regional blocs?

Immediately, the Nixon-Connally international trade and monetary actions that began Aug. 15 were designed to prove that the United States still possesses the power to make other nations adjust to its requirements—by upvaluing their currencies, by unilaterally dropping barriers to American goods or accepting American trade discrimination against them, and by assuming additional defense costs.

In the short run, this policy has scored victories in Japan in the areas of quotas on synthetic, cotton and woolen textiles and in military burden-sharing. However, the resolution of the struggle over the exchange rate of yen still lies ahead.

In Europe, the United States faces stiff

resistance which growing unemployment will intensify.

There is now deep resentment in both Europe and Japan—and in Canada and Latin America as well—over the Administration's tough trade and monetary policies, which may be costly to the United States in the long run. A number of internationally minded American businessmen have begun to warn the White House that an early realignment of currencies, a return to stable exchange rates, and an effort to cool the incipient trade war may be necessary to prevent lasting damage to American interests abroad.

These men are afraid that the Administration may wait too long and lose the strong position it held in the weeks that followed the Nixon "shock" campaign of Aug. 15.

[From the New York Times, Oct. 20, 1971]

DENMARK PLANS SURCHARGE AS PROTECTIONIST MEASURE—EUROPEAN TRADING PARTNERS CRITICAL—COMMON MARKET RETALIATION AGAINST UNITED STATES IS SAID TO BE A FRENCH GOAL

(By Clyde H. Farnsworth)

PARIS.—Two signs of what has been feared most in the world monetary crisis—spreading protectionism—appeared in Europe today. They were:

Denmark's new Social Democratic government, presumably following the American example, said it would impose a 10 per cent tariff surcharge of its own to help the nation out of severe balance-of-payments difficulties. Denmark's European trading partners were critical of the action.

Henri Ziegler, leader of the French aerospace industry, told newsman in Paris that France has asked her Common Market partners to agree on a bloc barrier against imports from the United States. M. Ziegler said his industry wants a 15 per cent customs barrier against American imports to retaliate against the American surcharge.

In another development, the Common Market's foreign ministers reacted strongly in Luxembourg today to what appeared to them to be American divide-and-conquer tactics in the monetary crisis.

These developments occurred as monetary deputies of the 10 richest and most powerful industrial countries continued to differ over the degree of the balance-of-payments adjustment needed to restore improved trading conditions.

The deputies of the Group of 10 today completed the first stage of their technical but highly important discussions on the adjustment process convinced that only high-level negotiations by ministers can resolve the differences. The nations that compose the Group of 10 are Belgium, Canada, France, West Germany, Italy, Japan, the Netherlands, Sweden, Britain and the United States. Switzerland participates as an observer.

Washington has demanded that other countries to take steps to reduce or eliminate their trading surpluses to help American exporters.

The argument centers on the magnitude. The United States wants more help than the others represented at the Paris meeting are prepared to give. Washington has served notice that it will retain its 10 per cent tariff surcharge until it gets satisfaction.

The United States is negotiating special exemptions from the surcharge for Canada and Mexico. Treasury Secretary John B. Connally said in Washington Sunday that he was also "ready to consider" a selective lifting of the surcharge for West Germany because it has allowed its mark "to float upwards to a realistic new parity with the dollar."

The upward revaluation of foreign currencies is one of the objectives the United States is seeking to improve the terms of trade for American exporters. The German mark has been trading 9 to 10 per cent above its old parity of 27.3 cents.

BONN ISSUES DENIALS

Reports stirred by Secretary Connally's remarks that a private American-German deal was in the works drew strong denials from the German authorities in Bonn.

Because of the common commercial policy of the six-nation trade bloc, German acceptance of a special accommodation would drive a wedge deep into the European Economic Community, as the Common Market is formally called.

Mr. Connally's comment was seen in European circles today as a negotiating maneuver that may have had a result opposite to that intended.

The Luxembourg ministerial meeting, according to France's Foreign Minister, Maurice Schumann, showed a strengthened resolve of the Six (France, West Germany, Italy, Belgium, the Netherlands and Luxembourg) to maintain a common front against the United States.

"Every word by the West German delegation was a denial" of a bilateral German-American deal, Mr. Schumann told reporters.

MEETING CALLED USEFUL

The Paris meeting of the monetary officials of the Group of 10, which lasts through tomorrow, was seen by its chairman, Otmar Emminger, a top German central banker, as "highly useful in laying the groundwork for the political process."

Both Dr. Emminger and American officials declared that it was not necessary to reach full agreement on the amounts of balance-of-payments adjustments needed before the final negotiations take place.

This was seen as a positive development. It means that, if the political will to make concessions exists on both sides, an agreement could come relatively quickly.

Another positive element emerged from the Paris meeting. There has been much concern of late that the world is headed into a recessionary spin, accelerated by the monetary difficulties.

But the staff of the Organization for Economic Cooperation and Development produced forecasts for the meeting that indicated a pickup in industrial activity for the first half of next year. It was freely conceded that economic forecasting is a hazardous profession, but the O.E.C.D. staff has had a fairly good record in spotting trends.

What the O.E.C.D. economists anticipate is a big surge in the United States in the first half of 1972 and somewhat slower growth in six other major countries taken together (Canada, France, West Germany, Italy, Britain and Japan)

American growth is projected at 6.3 per cent in the first half of next year compared with the last half of this year. Growth in the second half of this year would be 4.6 per cent more than in the first half.

The O.E.C.D. calculations amount to independent corroboration at the international level of forecasts made by many private American economists and the Nixon Administration.

OUTLOOK FOR OTHERS

For the other countries as a group, the O.E.C.D. sees a 4.8 per cent pickup in economic activity in the first half of 1972 from the second half of this year. And it sees a 3.4 per cent pickup in the second half of this year compared with the first half.

The strength would come mainly from Britain and France. West German economic growth in the first half of 1972 would be only 1.8 per cent higher than in the second half of this year.

The German economy is seen by many private bankers as on the brink of a serious recession. Because of its size, Germany has enormous influence on economic activity elsewhere in Europe. For this reason some private observers were a little skeptical of the O.E.C.D. projections. If the O.E.C.D. is proven right, however, it would make the adjustment sought by the United States easier to achieve.

Dr. Emminger pointed out that if spread over two years, the adjustment would involve a growth sacrifice of only one-quarter to one-third percentage point by the major American trading partners.

The figures are a rough calculation applying either to what foreign countries are prepared to give up in trade concessions to the United States or to what the United States is demanding.

The United States wants a $13-billion turnaround in its trade and services account. Dr. Emminger said "alternative suggestions" were presented at the meeting by some of the foreign delegates who felt that an $8-billion to $9-billion turnaround would be sufficient.

Dr. Emminger left the impression that this was a gap that could be narrowed at a ministerial meeting that is being planned for mid-November. The date has yet to be fixed.

[From the New York Times, Oct. 20, 1971]

LIST OF GRIEVANCES SET

LUXEMBOURG.—The Common Market closed ranks today against reported American moves during the weekend to split West Germany from its partners by offering a bilateral arrangement under which German goods would be exempted from the 10 per cent surcharge.

Meeting in restricted session here, the foreign ministers of the six-nation trade bloc agreed on the need to reach a common position on both monetary and trade questions. They ordered their Brussels commission to draw up a joint list of grievances against the trade policy of the United States.

This list is likely to be used in bargaining by the Europeans to counter American criticisms of their own trade policy, such as the network of European trade agreements with Mediterranean countries and the protectionist common agricultural policy of the Six.

Participants in the meetings described the reported United States attempt and Secretary Connally's willingness to consider a "selective" lifting of the surcharge as "extraordinary."

Officials of the Common Market said they hoped to reach agreement with the United States on a general settlement involving an upward revaluing in community parities in return for removal of the surcharge. But this is not the first priority of the Common Market, they stressed.

Considered more important are attempts to reach a Common position within the Community, perhaps by a realignment of the widely differing parities of the six countries' currencies.

The wide difference between the German mark, which has floated up 9 to 10 per cent, and the French Franc, which has not been allowed to float, has caused grave difficulties for the common agricultural policy of the Six. This is because Common farm prices paid to farmers in the Community are quoted in dollars.

At the beginning of today's session, the commission president, Franco-Maria Malfatti, called for speedy agreement on a joint position. No such position was reached today.

UNITY STRESSED

Ralf Dahrendorf, the member of the commission who will fly to the United States next week to talk with Administration officials on trade questions, said today that the surest way for the United States to unify the six Common Market countries would be to seem to try to divide them.

The Deputy Foreign Minister of the Netherlands, Tjerk Westerterp, said: "Up to now we have reacted moderately because we believe the surcharge was only a temporary measure. But, when we hear of selective removal of the surcharge, it becomes much harder to believe that it is merely temporary."

The European countries appear likely to take a significantly harder attitude following today's meeting.

[From the Washington Post, Oct. 24, 1971]

NIXON IGNORES U.S. BARRIERS WHILE PRESSING 10-PERCENT SURTAX

(By Hobart Rowen)

President Nixon and Treasury Secretary John B. Connally, in the high stakes international poker game they're playing to win lowered trade barriers, are trying to convince the world—and appear to have convinced themselves in the process—that the cards have been stacked against the United States in recent years.

And so, with great reluctance (they say) they uncorked a lethal weapon, the 10 per cent import surcharge, to set things straight.

Now, it is true that since the Bretton Woods monetary system was set up in 1944, many of the world's currencies have been devalued, and the United States has suffered from this cumulative, competitive cheapening of money.

Moreover, Japan and West Germany were allowed to start out at the end of World War II with deliberately undervalued currencies to give them, as defeated nations, a head-start on economic recovery.

So the dollar had gotten out of whack—it was overvalued, especially in comparison to the yen and the Deutschemark, and a realignment of currencies and reform of the antiquated Bretton Woods system was long overdue.

But the facts on the trade situation do not square with the administration's charges. The truth is that the United States has just as many, if not more, trade restrictions than our partners and competitors all over the world, although one would never learn this from Mr. Connally's Treasury Department.

And the insensitive use of the surtax as a lever to force trade concessions in seriously jeopardizing many long-term and close relationships—as in Canada—which may never be repaired.

A speech given by John C. Renner, Director of the State Department's Office of International Trade on January 30, 1971, deserves to be recalled. It showed:

Although the U.S. and European average staff rates will be very close at the end of the Kennedy round (8.3 per cent and 8.4 per cent), a breakdown of major industrial sectors shows that the European community (EEC) will have the highest tariff in nine of the 23 major industrial sectors, and the lowest in 11. The U.S. score is not quite so good: the highest in 4, and lowest in 6.

In the distribution among 919 categories of industrial products, the U.S. has considerably more high tariffs and also more laws, whereas the EEC's tariffs are grouped more closely around the average.

A small but significant number of the 919 industrials is also hampered by quantitative restrictions such as quotas. The U.S., Canada, and the U.K. are using this device more freely than a decade ago, while discrimnation against Japan—especially by the EEC—is widespread.

On the agricultural side, as everyone knows, the Europeans have a bad record, with a highly protectionist Common Agricultural Policy. But in terms of industrial quotas, according to Renner, the U.S. restrictions "cover a relatively large number of produots and relate to the largest amount of trade," whereas the EEC's quotas, which also cover a large number "pertain to a comparatively small amount of trade." Japan's quotas cover the largest number of products and affect "a considerable amount" of trade.

The point of Mr. Renner's exercise in January is just as valid today: all of the industrialized countries, including the United States, maintain substantial tariff and non-tariff barriers against industrial and agricultural products.

He said then, and it is worth repeating to his colleagues elsewhere in the U.S. government:

"Unilateral action by any country to restrict trade, changes the balance of concessions arrived at over the years, and is most likely to provoke counteraction to restore equilibrium."

Moreover, the anti-American feeling generated by the bull-in-the-China-shop technique has lost us friends. Thoughtful Canadians (distressed as well that President Nixon erroneously named Japan, not Canada, as the No. 1 U.S. trading partner) wonder whether their government should seek to maintain the historic ties between the two nations. "When they imposed the surtax," said one Canadian sadly, "they didn't even say they were sorry they had to do it."

But U.S. policy, in the face of concern abroad over the possibility of retaliation and world recession seems unbending. Secretary Connally told the American Bankers Association in San Francisco the other day that the surtax "is going to stay on for awhile because it frankly is to our advantage to keep it on for awhile."

Mr. Renner's analysis shows there is plenty of discrimination on our side, running from the American Selling Price valuation system to Buy American practices, now exacerbated by the 7 per cent investment tax credit proposal and the DISC idea (see Professor Surrey's separate piece on that issue.)

Perhaps Messrs. Nixon and Connally should be reminded that a cut-throat international trade policy between the two great wars brought on Hitler.

ECONOMIC IMPACT OF GLOBAL POLITICS VIEWED

(By H. Erich Heinemann)

SAN FRANCISCO.—One of the nation's leading international bankers took the Nixon Administration to task here last week for its tactics in negotiating a limitation on imports of Japanese textiles into the United States.

Constant M. Van. Vlierden, executive vice president in charge of international operations at the Bank of America, who discussed the political and economic implications of the world money crisis in a long interview, said that he was "awfully sorry" that negotiations with Japan over resolving the current monetary crisis had fallen "together with the textile agreement—we still dare to call this a voluntary agreement."

Mr. Van Vlierden, who runs what he readily concedes is a "miniature State Department" with offices or affiliates in 78 countries, charged that the United States had "bludgeoned the Japanese into submission almost, for domestic political reasons, not taking into consideration the long-range interest of this country with the Japanese, and with the currency crisis."

Mr. Van Vlierden argued that negotiations in the economic and financial sector were subject to overriding political considerations.

"Where does the United States have the greatest political leverage?" he asked rhetorically. "Undoubtedly in Germany." We are supporting Willie Brandt [Chancelor of West Germany] with an East-West approach that has made him most vulnerable in Germany.

SUPPORT TERMED NEEDED

"The support of the United States of the Brandt Government in that respect is most necessary."

In bilateral negotiations, first with the Germans, then with the Japanese and the British, Mr. Van Vlierden stated, a uniform position would have to be developed that could be taken then to the other members of the Group of Ten, and finally to the community of nations at large.

He argued that President Nixon's initiatives in the economic and financial area should not be viewed apart from the President's decision to go to Peking and to Moscow.

"All these things we are talking about," Mr. Van Vleirden stated, "are coming fortn out of the changes of power positions in the world."

The timetable of financial negotiations at present, he said, was such that "one cannot expect anything to happen of substance on parties (that is, the setting of currency relationships), say, in less than four months, and hopefully within six months."

The negotiators, he stated, should be aiming at developing interim working relationships among naions over the next few months that would keep trade and investment flowing until a final solution could be agreed upon in two to three years.

Mr. Van Vlierden, who is based at the Bank of America headquarters here in San Francisco and is responsible for overseas offices with deposits of more than $8.5-billion, said the "the principal key element [In such an interim understanding] would be agreement in principle on the elements that have to go into setting up a new international monetary system.

Secondly, I think that an immediate widening of the band (within which currencies are allowed to fluctuate above and below their defined par values) after there has been a reasonable change in parities could also be most helpful."

This trading band is currently set at 1 per cent either side of par in the Articles of Agreement of the International Monetary Fund.

INTERIM ARRANGEMENTS

He went on to state that such interim arrangements could provide for "further adjustments of parties . . . with a maximum of maybe 2 per cent on a yearly basis, assuming that the whole thing will take about three years.

Mr. Van Vlierden also made the following points:

It would be "completely fallacious for the United States to eliminate its controls on overseas investment and bank lending at this time. It would give the wrong emphasis; it would be highly antagonistic of our foreign friends and it would really get us off the track."

"We must in the new world environment insist on the dollar having the same flexibility and freedom as other currencies . . . We must have the flexibility of currency rates without bringing the whole system down."

Special Drawing Rights (so-called "paper gold" created by members of the I.M.F. to provide a means of payment between nations) should be the "numeraire" or common denominator of the future monetary system, to replace the role presently played by the United States dollar.

Over the next 10 or 15 years, the "thrust" of the new monetary system "must be a phasing out of gold in the system as a reserve asset."

The United States should resist European demands that it increase the official 35 per ounce prices of gold, in part because such a move would be "fraught with political danger" that it would set off protectionist forces in Congress.

Mr. Van Vlierden warned that, even with steady progress toward settlement of international financial problems, "we are going into a far more restrictive world over the next five to seven years than ever before in the last 15."

He said: "We will have more difficulty in getting the capital investment flows between countries going. Probably we will go into certain types of trade blocs—the European-Middle Eastern-African bloc is already there; North America will have some type of further integration with South America where the dollar will play the main role, and in the

XUM

Pacific there will be some bastard arrangement between the yen and the dollar in terms of servicing that area from an international point of view."

[From the Wall Street Journal, Oct. 26, 1971]

DID PROTECTIONISM CREATE HITLER?

The quick answer to that question is obviously no. Yet protectionism helped; it watered the soil that could nurture a Hitler—and other disasters. It is more than a little disheartening that so many in Washington and in the country's executive suites seem to have such short memories.

Granted, the roots of the Hitler phenomenon are gnarled and stretch far back, directly to World War I and even farther into the past of a Germany with little experience in democracy. On the economic side, the hideous post-World War I German inflation was followed by bitter depression, facilitating the rise of a dictator. And of course depression was a general condition in those days, in the U.S. as elsewhere.

The stock-market crash of 1929 heralded the onset of depression in the U.S., but it was less its cause than the result of previous profligacy. Certainly one tangible cause of the protracted nature of the great depression was the Smoot-Hawley tariff legislation of 1930, the very symbol of extreme protectionism. It set in motion a series of international moves that seriously inhibited the movement of trade and money.

As Lewis Douglas, former ambassador to Great Britain, recently recalled in a letter to The New York Times: "Foreign trade withered, prices fell precipitately, all values plummeted; (U.S.) unemployment rose from approximately 5.5 million to 11 million in the short span of about six months. The world was plunged into the deepest depression of which there is any known record.

"These events identify the cause of the economic anguish through which the United States and the entire Western world passed during the Thirties and which was not alleviated until World War II."

The abiding vice was economic nationalism, and it is not at all difficult to fathom why it should have had such dire results. Have our officials and too many of our executives forgotten the meaning of the word autarky, the notion that a country could be economically self-sufficient? In Nazi Germany it was personified in Hitler's financier Hjalmar Schacht.

The policy is almost by definition regressive. It portends the diminution of healthy relations among nations. Hence, apart from its direct economic consequences, it breeds suspicion and hatred and can become a cause of war.

After World War II the statesmen of the Western world read the record aright. With the U.S. far in the lead, they set about freeing the international movement of men, capital and commerce from the abnormal restrictions of the past. Undoubtedly they could have done more, but they accomplished much. It is no coincidence that the post-war years by and large, for Americans and their counterparts in the other advanced nations, have witnessed mass prosperity unparalleled in history.

For just as economic nationalism—protectionism—is a divisive and depressive influence, so the liberalization of international economic relationships is a powerfully uplifting, broadening and wholesome force. Men do want to be free; it is innate, and a large part of that sense is the freedom to cross borders with one's person, investment and goods as little as possible bothered by the pesky functionaries of economic nationalism.

Why, then, should the U.S. and other nations want to turn back down that dismal road? The U.S. government has taken steps in that direction, and even more ominous is the impression that protectionist sentiment generally is probably stronger today than at any time since before World War II.

Well, as far as the U.S. is concerned, it is true that other countries have been taking advantage of it in recent years. Some more than others, they have imposed a variety of trade restrictions that have the effect of making he U.S. a freer market for their goods than their markets are for America's. This circumstance has enabled the hard-line protectionists, who have never given up, to rehearse their dreary pleas with more impact than heretofore.

But the U.S. ought to be sufficiently grown up to avoid the petty path of trade retaliation, which naturally prompts retaliation against it. We believe Washington had far from exhausted the resources of negotiation to get its trading partners to dismantle their impediments to American exports. Even failing that, the fact remains that protectionism is simply not a viable course.

We do not necessarily contend that unbridled protectionism would bring on political and economic horrors similar to those of the Thirties (although if it is indeed unbridled we would not bet that it wouldn't). We merely say that the liberating history of freer trade is as clear as are the demonstrated dangers of protectionism.

[From the New York Times, Oct. 29, 1971]

CANADA WARY ON TRADE: SIGNS OF PROTECTIONISM BEGIN TO STIR AS OTTAWA PONDERS AMERICA'S CURBS

(By Edward Cowan)

TORONTO, October 28.—In his 1970 book, "Canada and the Canadians," George Woodcock recommended that his countrymen take measures to diminish the United States influence over the Canadian economy.

ECONOMIC ANALYSIS

"The United States could hardly do more than apply economic sanctions, and these would be largely negated by the fact that Japan and the Western European countries are anxious to expand their trade with Canada," the writer observed.

In the autumn of 1971 Canada finds itself grasping the thorn, which Mr. Woodcock promised would not pierce, without having plucked the rose.

As Canada sees it, Washington, for its own reasons, has imposed the sanctions—the tariff surcharge on some imports, the buy-American feature of the proposed investment credit and the proposed tax-shelter for special export corporations. Poised overhead like a guillotine blade are changes Washington wants in the bilateral trade relationship—changes to benefit the United States.

The Canadian-American Committee, a business-labor group, has calculated that the surcharge affects 3.4 per cent of Canada's gross national product, as against 2.8 per cent for Japan and 1.2 per cent for Western Europe.

Canada is plainly nervous. As the Ottawa correspondent of The Financial Post, Clive Baxter, put it this week, Washington is whipsawing Canada with a "combination of off-the-record leaps and on-the-record refusal to get down to business" about conditions for removal of the surcharge.

Inasmuch as Canada generates one-fourth of her income from exports, of which two-thirds are sold in the States, Ottawa is wary of what it regards as an incipient global drift toward regionalism and protectionism.

Protectionism may be reviving in Ontario, whose industry was built behind a high-tariff policy. The International Ladies Garment Workers Union has broadened its traditional union-labeled campaign to include opposition to foreign goods. "Help fight imports—the job you save may be your own," say union posters. "Buy Canadian fashions."

AN INDUSTRY RESCUED

Last week Ottawa imposed an import quota on low-cost knit shirts. That may have been a special case rather than a new policy departure. Indeed, Ottawa has begun to talk up the case for a new, multilateral round of trade negotiations. But to rescue one uncompetitive industry is to invite others to seek help.

As an alternative to protectionism there is some sentiment (but not much) for closer, formal economic integration with the United States. Most Canadians and their government oppose it. They say that it might make economic sense but that it would erode Canada's political sovereignty and cultural distinctiveness.

Moreover, according to Jean-Luc-Pepin, the Minister of Industry, Trade and Commerce, in bilateral negotiations "Canada is in a relatively weak bargaining position vis-a-vis the U.S.A."

FACING THE PROBLEM

What, then, to do? The general answer—by now a truism endorsed by Canadians who disclaim any competence in economic matters—is to be less dependent on the United States. But now?

Those who would like to put more distance between Canada and the States have recommended turning to other countries for both capital funds and export markets.

Canadian provinces and corporations have been probing European capital markets for several years. It is slow, painstaking work and the fruits may be modest. "You have to line up in the queue behind everyone else," a banker commented in a reference to European restrictions on capital exports.

Moreover, capital imports would tend to strengthen the Canadian dollar, now all but equal to the American dollar, just when Canada wants to a cheaper dollar to help exporters.

So the emphasis is on finding new export markets. The amiable Mr. Pepin led missions to the Soviet Union, China and West Germany this year. He will go to Algeria in November and to Japan in 1972.

These trips, incidentally, are good grooming for the next job Mr. Pepin is rumored to be in line for, Minister of External Affairs.

In the last two years Canada has opened trade offices in the Ivory Coast, Algeria and Costa Rica. She also has opened offices in Peking and Warsaw, has reopened offices in Cairo and Havana and has expanded her trade missions in Moscow and Belgrade.

Officials concede that this is necessary spade work but hardly sufficient to guarantee that trade will flower.

DIFFERENCES NOTED

Where economics are closely controlled by the state, it must be assumed that trade agreements are more likely to work to the advantage of the other countries, not Canada. Their export agencies can approach Canadian customers directly and the Canadians do not need official permission to spend foreign exchange.

Such differences are presumably the principal reason. Ottawa is said to be cool, despite the show of cordiality to Premier Alexsei Kosygin this week, to extension of most-favored-nation status to the Soviet Union.

Mr. Woodcock said that other countries were "anxious to expand their trade with Canada." That comforting wish-thought may help Canadians gird themselves for the economic risks of a more nationalistic policy, but is it realistic?

Countries are usually more eager to sell than buy. Canada's exports to Britain, especially farm products would be jeopardized by British entry to the Common Market.

Ottawa argues that expansion of the European community makes more imperative adjustment of the Common Market's relations with outside countries, but does Brussels feel any such pressure?

Reorienting exports is a slow and highly uncertain process. Most important, the size, openness and convenience of the United States market—same language, same system

of measure, direct telephone dialing, overnight business trips, similar financial systems, relatively short transportation times for goods, decades of cross-fertilization—may have spoiled Canadian businessmen, just as they have failed to make most American producers export-minded.

[From the New York Times, Oct. 30, 1971]

MONETARY CRISIS CALLED A DANGER FOR EEC

COUVE DE MURVILLE WARNS THAT RISK OF PROTECTIONISM IS BIG

(By Gerd Wilcke)

Former French Premier Maurice Couve de Murville warned here yesterday that here was a "big risk" that the current international monetary crisis could lead to a wave of protectionism.

He asserted that the crisis was seriously undermining the "solidarity" of the European Economic Community at a time when the Common Market was grappling with the problem of adding Britain as a new member.

In an address to students of Columbia University, Mr. Couve de Murville also said that he did not think that the E.E.C. would retaliate against the United States surcharge on imports "for a long time to come." However, he cautioned the United States against a policy of bilateral agreements to remove the surcharge because it would split the Common Market, which is made up of France, West Germany, Italy, Belgium, the Netherlands and Luxembourg.

Mr. Couve de Murville, who served under President Charles de Gaulle while the general twice vetoed Britain's E.E.C. entry bid, seemed to welcome however cautiously, that the British Government's move to enter the market was approved by the House of Commons on Thursday.

In reply to questions from students gathered in the university's new International Affairs Building, he said with a smile that he had not changed his attitude on Britain's membership.

"The only thing that has changed is that I no longer carry responsibilities," he added in reference to his being dropped from the French Government in June, 1969.

The former Premier insisted that France's position on the question of Britain's entry had been "misunderstood." France, he said, always, felt that Britain, as a European country, should be a Common Market member, but should agree to its rules.

Pointing to Britain's responsibilities toward the Commonwealth, Mr. Couve de Murville said that a nation could not belong to two camps. In many ways, he asserted, Britain's relations to other Commonwealth nations had diminished in the last 10 years, while her ties to the Continent had grown stronger.

Asked whether it was coincidental that the agreement with the Common Market came after the death of General de Gaulle, Mr. Couve de Murville replied: "It's difficult to answer that question because it would be attempting to remake history."

TRUDEAU: CANADA MOVING TO WEAN ITSELF FROM UNITED STATES

(By Claude Lemelin)

MONTREAL.—Prime Minister Pierre Elliott Trudeau said over the weekend that Canada's trade surplus with the United States resulted from a deliberate policy on the part of his government.

The shift in the country's trade and payments situation, he said, was designed to wean the Canadian economy from its excessive dependence on foreign—mostly American—investment; it would enable Canadians to live within their means and to finance more of their country's development with their own savings.

Since President Nixon's Aug. 15 announcement of his new plan for the American economy, U.S. officials have been sharply critical of Canada's recent but substantial trade surplus with the United States, and especially on some of the policies Ottawa used to bring it about.

The Nixon administration's response to Canada's "new economic policy" has led Trudeau to wonder if the United States is not determined to buy up more and more of the Canadian economy—and, indeed, to buy up as much of the world economy as possible, he said.

Noting that such intentions would correspond to Marxist theories on monopoly capitalism and economic imperialism, the Canadian prime minister expressed doubt that the Americans "deliberately want to do that," or even that "they have thought this through."

At the same time, Trudeau stressed that Washington had not yet come up with a clearcut answer on that issue, so that U.S.-Canadian relations have become a test case of American intentions.

"I think we're forcing them to come to grips with that problem," said Trudeau. "I don't think that they would admit that they are behaving as capitalists the way the Marxists say that they are behaving."

In the course of a lengthy interview with the Southam newspaper chain, the Canadian prime minister also took a much stronger stand on foreign investment than he has done since he came to power three years ago.

"For the first time in our history," Trudeau said, "we're in a position to say to the Americans: 'Look, we like your investments, we were glad you helped us develop our country, we're glad to pay dividends and interest to you on your long-term debt of equity capital, but now we will pay it to you by selling you more than we buy from you.'

"In other words, we will begin to live within our means, and this was a deliberate policy of this government, and we did it by some belt-tightening and by our determined fight against inflation, and by doing better than the Americans on these economic fronts.

"Having succeeded in doing that, we were finally in a position where we were able to, I don't say buy back the country, or even buy into the future, but maintain the status quo. We made sure that we didn't continue living beyond our means, as we always had in the past, and in order to pay our debts give chunks of our country to the Americans, or to other foreign investors."

Trudeau repeatedly made it clear that his government's "minimum posture" on foreign investment was the maintenance of the status quo, which means putting a ceiling on foreign subsidiaries' share of ownership and control of Canada's main industries.

"American control of our oil and gas is 95 per cent; we wouldn't like it to go to 99 per cent," Trudeau said. American control of our manufacturing industry is 60 per cent; we wouldn't like it to go to 80 per cent; and so on."

To prevent the foreign stake in Canadian industry from growing he said, Canada must export more to the United States than it imports from that country—or, more generally, Canada must maintain a postive trade balance with the rest of the world.

"The United States is now telling us that it doesn't want to have a trade deficit with us," Trudeau went on. "We're saying: 'If we don't have a trade surplus with you, how are we going to pay the interest and dividends which we have to pay you every year?'"

Fundamentally, Trudeau continued, the Canadian authorities are putting the following question to the Nixon administration:

"Are you saying that you will continue to want to receive from Canada and indeed from all the world, interest and dividends coming back into the United States every year, and not let the rest of the world and Canada pay for that by selling more goods to you because you still want to sell more goods to them? Therefore, are you saying that you must export long-term American capital to all countries of the world? In other words, are you saying that your economic system is leading you to try and buy up as much of the world as possible?

"You know, this is real Marxist theory about imperialism being the last phase of capitalism," Trudeau added. "I remember a book [published] 25 years ago by Paul Sweezy [an American Marxist scholar] called imperialism that last stage of capitalism, and I don't think the Americans would want to say they are doing that.

"On the contrary, they would say: "Sure, as a capitalist system, we have accumulated savings that we can direct toward the rest of the world, but we are not doing so in order to be imperialistic. Look at what we did with the Marshall Plan: We sent gobs of capital to Europe to help it build itself up. Look what we're doing with foreign aid: We sent vast quantities of capital to help the poor nations of the world develop themselves. This is how we are using our capital.'

"If this is their answer—fine," Trudeau concluded. "I think, you know, that it's a noble way of making American progress aerve and help the world. In this particular crunch, following the Nixon measures, I think we have a very good test case—asking them that exact question and getting them, I hope, to think through their answer."

[From the Washington Post, Nov. 2, 1971]

WORLD TRADE CUTBACK SEEN—MAJOR NATIONS' GROWTH PREDICTED UNDER 5 PERCENT IN 1972

Uncertainty over exchange rates, and the imposition of the U.S. import surcharge will limit economic growth of the major nations to less than 5 per cent next year, according to a new study by a leading multi-national investment bank.

The Societe Financiere Europene (SFE)—jointly owned by the Bank of America and six banks in other countries—says that the effect of President Nixon's New Economic Policy will be "a further slowdown in the growth of world trade."

Prior to the Nixon program, the SFE report said, the expected real growth rate for the major industrial countries was 6 per cent, a major gain from 3.8 per cent in 1971.

Canada, Japan, and Germany will be most affected by the U.S. program, suffering a worsening of their trade balances. But the United States, according to the report, will benefit with the restoration of a small trade surplus.

Assessing the American domestic outlook, the report says the economy here is "now poised to make strong gains over the next year." A moderate recovery "would turn interest rate differentials in favor of the dollar. In these circumstances, the settlement of international monetary difficulties could produce a flow of funds back to the United States."

But until the question of parity relationships is settled, the report suggested, the flow of dollars from foreign private banks to central banks via the Euro-dollar market will continue.

Because of the unsettled international monetary conditions, the report concluded, "the outlook for the Euro-dollar market is uncertain." There probably will be a slower rate of growth in 1972, or even an absolute decrease in volume, with a further easing of interest rates.

"The main factor behind the general easing and possible decreased volume," SFE said, "is lower demand for Euro-dollars by both U.S. banks and European companies."

SFE, based in Paris and Luxembourg, was formed in 1967 to assist European companies in modernization, expansion, and mergers.

Meanwhile, the Commerce Department reported yesterday that foreign direct investments in the U.S. increased a record $1.4 billion in 1970 to a total of $13.2 billion at the end of the year.

In another development, Reps. William S.

Moorhead (D–Pa.) and William S. Broomfield (R-Mich.) introduced legislation that would enable the U.S. to use foreign currencies to pay the import duties on American goods. They said the bill would allow the U.S. to use foreign capital it owns to boost the nation's exports.

[From the Washington Post, Nov. 8, 1971]

PLANS UNIT WARNS ON TRADE POLICIES

(By Hobart Rowen)

The National Planning Association, in a report issued today, warns the Nixon administration that its new Economic Policy may be touching off trade restrictions and retaliations that "might get out of control."

The group, a nonprofit, nonpolitical organization, offered a set of what it described as "constructive measures" for detailing with the present international economic crisis that would avoid "further relapse" into protectionism.

Theodore Geiger, chief of NPA's International Studies, referring to the 10 per cent import tax imposed Aug. 15 by President Nixon, said that the United States "is the latest offender in shifting the burden (of competitive trade pressures) to others, and this pattern, if allowed to continue, will destroy the international trading system."

The NPA's report was signed by all 21 members of an NPA advising committee, including representatives of business, labor, agriculture, and universities. But there was substantial and pointed dissent from labor members, notably Nat Weinberg of the UAW, urging more control of multinational companies and for "full compensation" to industries and employees affected by import competition.

One of the most innovative suggestions of the NPA report would allow quotas only where imports have a "drastic and rapid" impact—on a domestic industry—and then only if the industry agrees to a modernization program to be completed in three years.

A supporting paper for this idea by economic consultant Harald B. Malmgren, suggests that such a phasing-out technique would "minimize begar thy neighbor" effects of the typical quota system, most often used to protect "sick industries characterized by low wages and high unemployment."

Another supporting paper, by Robert E. Hunter, a fellow at the Overseas Development Council, suggested that foreign exchange saving from the Nixon "burden-sharing" approach would be smaller than most people expect, and the domestic budget savings would be about nil.

U.S. policies aimed at getting Europe and Japan to pick up a larger share of the defense tab, Hunter said, "can result in greater costs to the United States or greater instability."

The NPA warning for the U.S. to reduce its tough approach to other countries was based on "a significant decline in the economic position" of the U.S. vis-a-vis Europe and Japan. "This country is no longer the competitive superpower it was in the post-war period," Geiger told reporters.

Future policy should be keyed to greater international integration, the report said. In addition to the quota plan, the report calls for:

Immediate elimination of all tariffs now at 5 per cent or less, and a gradual reduction, and then elimination of all higher tariffs.

A small increase in the price of gold as part of a general currency re-alignment.

Generalized trade preferences for developing countries.

[From the New York Times, Nov. 9, 1971]

U.S. SCORES PLAN BY SIX ON TRADE—PREFERENTIAL ARRANGEMENT BY EEC FOR EUROPE STIR FEAR OF EXPORT LOSS

(By Clyde H. Farnsworth)

BRUSSELS, November 8.—A sharp dispute has arisen between the United States and the European Economic Community over the trading arrangements the enlarged block would make with the industrialized countries of Europe that do not intend to join.

The United States delivered a formal verbal protest of the contemplated arrangements to the six members of the Common Market and its Brussels executive authority last Friday.

While the governments have not yet drafted a reply, the chief of the E.E.C. executives, Franco Maria Malfatti, and the commissioner in charge of trade relations, Ralf Dahrendorf, took exception to the American protest at a meeting of the foreign ministers of the E.E.C. member countries here today.

Mr. Dahrendorf said he took a "dim view" of Washington's move, calling it "direct interference with autonomous policies" of the community—a reference to the timing of the protest three days before the E.E.C. ministers were to deliberate again on the subject.

The E.E.C. foreign ministers apparently ignoring the protest tonight gave the Executive Commission a loosely framed mandate to negotiate an agreement with the European non-candidates. The aim is to set up a giant free-trade area.

EXPORT LOSS FEARED

The United States is worried about the probable loss of export markets, particularly in farm products, if anything like the arrangements now being discussed go through.

The Community argued that what it was doing was perfectly legal under the world trade charter known as the General Agreement on Tariffs and Trade, or GATT.

If this is so, then the United States reserves the right to get the rules changed. They were drawn up in 1947 when world trading patterns were much different than today.

What brings the matter to a head is the impending enlargement of the E.E.C. to include Britain, and if their electorates agree, Ireland, Denmark and Norway as well.

ONE-THIRD OF TRADE

Together with the six present members—France, West Germany, Italy, Belgium, the Netherlands and Luxembourg—the emerging bloc would account for roughly one third of all world trade, against around 15 per cent for the United States.

This huge new trading force casts a long shadow over Europe and the rest of the world. Many countries feel they have to come to terms with the E.E.C. if their trade is not to be hurt.

There are two types of trading arrangements—nonpreferential in which concessions made by the parties are available to other countries as well under the most-favored-nation principle and preferential in which the concessions are made in a discriminatory fashion.

The GATT rules permit preferential agreements if the aim is to construct either a customs union or a free-trade area.

What has angered the United States, especially under the tough New Economic Program of the last three months, is that the Community wants to set up a giant preferential trading area within Europe, as it has already done with the Mediterranean states.

Specifically, the plans now being discussed involve the elimination of trade barriers on industrial goods (except for certain sensitive products) between the enlarged community and the following nations: Sweden, Switzerland, Austria, Finland, Portugal and Iceland.

In addition France, Italy and the Netherlands in the community councils, want agriculture side agreements to get rid of surplus grains, fruits and vegetables and dairy products.

The other countries are all members of the European Free Trade Association (EFTA), the trade bloc that was formed by Britain in the early nineteen-sixties as a rival to the E.F.C. Inasmuch as Britain is about to join the E.E.C. now, EFTA is expected to be dissolved.

$200 MILLION LOSS FEARED

The United States recognizes that there is a problem in the treatment of European countries that will not join the community. But it argues that such treatment must not be at the expense of American foreign trade.

According to some rough calculations from American sources, the United States stands to lose $200–300-million of foreign sales through the contemplated EFTA trade diversion. Countries like Sweden and Switzerland, for instance, might tend to place present purchases from the United States with purchases from the E.E.C. bloc.

What the United States wants is the extension of the most-favored-nation principle so that whatever concessions are offered to the EFTA countries also become available to the United States. The community has no intention of agreeing to this.

The United States is also expected to seek compensation for any trade losses it suffers. This it can do under the GATT rules.

But the heart of the matter is the community's ever-greater impact in the world of commerce. The farmers of the GATT charter did not envisage such a development back in 1947. As an illustration of the way one country after another is trying to come to terms with the community, even mainland China has already had unofficial contacts, and according to sources here is believed to want diplomatic accreditation with the community institutions.

China is expected to send an ambassador to Belgium in the next couple of weeks, who according to these sources, would also seek accreditation with the community.

Today, a nonpreferential three-year trade agreement was signed by the community and Argentina, it is the first such arrangement with a Latin American country. Negotiations for a similar type of accord have already begun with Uruguay while negotiations are expected to open shortly with Brazil.

[From the Washington Post, Nov. 11, 1971]

PROTECTIONIST DANGER: TREASURY'S FORAY INTO FOREIGN POLICY

(By Hobart Rowen)

If one needed proof of the dangerous protectionism unleashed by President Nixon's new foreign economic policy on August 15, it may be found in the vote of the Senate Finance Committee to give the President sweeping new powers to impose trade quotas. Beyond that, the committee voted to allow the President to slap a tariff surcharge of 15 per cent on imported products, even more severe than the 10 per cent additional charge put in place on August 15.

The 10 per cent surcharge, to the rest of the free world, has become a unique symbol of the new inward look of America, a determination on the part of President Nixon to assert U.S. will, forgetting the niceties of international co-operation. Ironically, Mr. Nixon imposed the surcharge under the authority of the Trade Expansion Act of 1962, a contradiction in terms that would be erased by the new restrictive legislation being discussed by the Senate Committee.

But as harmful to free trade as is the surcharge—dramatically evidenced by a total of more than 2,000 requests for product exemption filed with the Treasury Department—there are phases of the new foreign economic policy that may be even worse.

Take the matter of the proposed 7 per cent investment credit, titled the "Job Development Credit" in an abortive effort to avoid it being labeled a bonanza for business. The credit, as most businessmen admit, is unlikely to do much more this year than to add to business profits: it is most unlikely to stimulate production and jobs because output is so far below existing capacity. That's the first weakness of the proposal.

There is no real connection between the investment credit and job development—and the administration doesn't seem interested in creating such a link. Yet, at least one way is, at hand in Senate bill 2632, proposed by Senator Javits of New York, which would give a specific tax credit for each additional employee hired over the preceding year.

But beyond this deficiency of the administration bill on the domestic side, it carries a "Buy America" feature which is anathema to some of our closest trading partners. That is to say, the 7 per cent credit is allowed for purchases of domestic machines, and is not allowed for foreign purchases.

When the "Buy America" feature of the "Job Development Credit" is combined with the 10 per cent import charge, the supplier, of foreign capital goods is at a disadvantage of about 27 per cent. And if the devaluation of the dollar is taken into account, the "swing" in favor of the American capital, goods seller is probably 30 per cent or more.

The figure may seem staggering, but it is correct. An example provided by a British study (U.K. capital goods producers would be hard hit) goes as follows:

Compare businessmen, A, B, and C, each of whom makes $1,000 gross profit over the period of depreciation of any investment asset he buys.

Businessman A buys no machinery, and pays a tax of $480 (the corporate rate of 48 per cent per $1,000 in the top bracket).

Businessman B buys an American-made machine costing $100. His taxable income is reduced thereby to $900, and his tax is $432 (48 per cent of $900). In addition, the 7 per cent Job Development Credit lops $7 off his tax bill making it $425. Compared to Businessman A, saves $55 in tax, and the final cost of the machine is $45 ($100 minus the $55).

Businessman C buys a foreign machine which costs $100, and pays a $10 surcharge. His taxable income is reduced to $890, and the tax payable is $427.20 (48 per cent of $890). Compared with Businessman A, he saves $52.80, and the final cost to him of the foreign-made machine is $57.20 ($110 minus $52.80), or $12.20 more than the $45 cost of Businessman B's machine.

Thus, the "Buy American" provision gives Businessman B a 27.11 per cent preferential margin over Businessman C. The shift in exchange rates against foreign suppliers easily raises the margin to 30 per cent or more.

"On this basis," asks an indignant European, "who the hell would want to buy a foreign machine?"

Other countries have resisted this kind of discriminatory practice, using investment incentives primarily to advance the modernization of their industry. The Nixon plan tends to defeat the very notion inherent in "Job Development": the provision of a way of making American factories more competitive by using the best, lowest priced machines available.

But the new American foreign economic policy, under Treasury Secretary John Connally's guidance, bowls along without regard to whether the Buy American investment credit is a breach of the GATT (General Agreement on Tariffs and Trade) as our trading partners insist it is.

We as a nation seem to be oblivious to the views and concerns of our friends, even the great fears building up among the Canadians, our nearest big neighbor and our No. 1 trading partner. The special relationship that we have enjoyed with Canada is on the verge of coming apart.

Over their strong objections (and those of much of the rest of the world), we bulled ahead with the Cannikan atomic test. Now, although the import charge has a tremendous impact on the Canadian economy, the only request for surcharge exemption that is likely to be considered seriously is for lumber—because American building and political interests are worried about a shortage.

The danger in protectionist measures is that one gets used to them. Like drugs, they are addictive. The combined August 15 measures in the foreign economic field, if not soon removed or alleviated, could set off a sickening round of discriminations and retaliations that, as the National Planning Association said in a good report over the week-end, could get out of control.

Mr. Nixon might do well to restore the management of foreign policy to the State Department: Treasury Secretary Connally would seem to have enough of a job planning to get the domestic economy moving out of a rut.

[From the Wall Street Journal, Nov. 11, 1971]

REVERSE TWIST: MANY IN UNITED STATES FEAR IMPACT ON AMERICA OF EUROPE'S RECESSION—"FALLOUT COULD BE HARMFUL BEFORE LONG, THEY THINK"; IS MR. NIXON THE CULPRIT?—THE THREAT OF RETALIATION

(By Richard F. Janssen)

WASHINGTON.—Now that Europe's economy is catching a cold, it may become harder for the U.S. economy to stop sneezing.

It's a reverse twist on the old truism that when the U.S. economy sneezes, Europe catches cold, but it's being heard increasingly here. The foreign contagion is rapidly coming to rival uncertainty about Phase 2 controls as a dark cloud on the business horizon.

The economic recovery at home remains so weak that it can't afford any fallout from Europe's slowdown, U.S. government officials, bankers and businessmen agree. Lately, production cutbacks have been spreading and unemployment has been mounting in Germany, Italy and other lands. And many sources contend that this faltering abroad is apt to worsen, so long as currency values remain afloat and the U.S. 10% import surcharge remains in force. If the foreign slump does worsen, says one worried businessman, it could drag the U.S. into a "downward spiral."

And in recent days, optimism has been fading about an early end to the business-dampening currency and tariff conditions. For one thing, foreigners remain frustrated about the absence of specific U.S. demands on currency and trade that they deem necessary to get brass-tacks talks started.

WILL IT RUB OFF?

American businessmen are reluctant to borrow and expand boldly at home when they have reason to worry that U.S. policies are "producing a recession in Europe and Japan which can only rub off on us," says Richard D. Hill, chairman of First National Bank of Boston.

The rubbing-off, analysis say, could take a variety of forms:

More sluggish markets abroad could slow the growth of U.S. exports in 1972, limiting this country's gain in jobs and output.

Crimping of production by U.S. subsidiaries abroad could thin the stream of their foreign profits, major factors for many big U.S. corporations.

Retaliation by foreign governments blaming the U.S. for their own slumps could bring a choking chain-reaction of protectionist measures.

One administration insider figures that the foreign problem will come more to the fore whenever Phase 2 wage-and-price policies become clearer. "It's something we should be worrying about," agrees a Republican aide on Capitol Hill, who sees the major threat in retaliation by other countries.

WHY THE UNITED STATES IS VULNERABLE

So far, businessmen say, the U.S. has seen few tangible effects of the European woes. But "This could become a worry six months from now," says an executive at a metals company. Recession abroad probably will slow U.S. sales of capital equipment next year—"but not seriously," says an executive at a leading producer.

Some analysts say the U.S. is more vulnerable now than ever to being caught up in a foreign recession. They cite the massive increase in size of foreign economies in the last decade and the intimate involvement of U.S.-controlled "multinational corporations" around the world. "I don't distinguish much any more between what would happen in this market or that market," says Judd Polk, economist for the U.S. Council of the International Chamber of Commerce. "If there's a lower level of profits there, we're probably talking about a lower profit rate here."

Most other free-world economies have lost their long upward momentum, nearly everyone agrees. How much the economies will slow, however, is a matter of debate.

The administration position is that no risk of world-wide depression exists. High officials simply assert other nations apparently need to be put to some economic pain before they'll grant the monetary and trade "reforms" the White House wants. And once these policy changes are effected, government men believe, the foreigners' economies will perk up and the U.S. economy will be strengthened.

By and large, businessmen and bankers continue to agree that Mr. Nixon's Aug. 15 trade and currency initiatives were worthwhile, and some even support the official view that little harm to the U.S. is likely in the short run. Talk of a need to call off the U.S. actions, lest the U.S. economy suffer, is "principally propaganda," maintains one representative of large businesses. He attributes it to European governments wanting to see the U.S. humbled by devaluing the dollar through raising the official $35-an-ounce gold price.

But the fear that unsettled conditions will drag on is increasingly predominating here. The import surcharge could lead to "a cumulative contraction in world trade," says William C. Freund, economist at the New York Stock Exchange. "Frankly, I have some worries on this score."

Thus the Treasury is coming under more pressure from U.S. business to take away the surcharge. The speech Treasury Secretary John Connally will give to the Economic Club of New York next Tuesday evening is sure to be watched closely for signs of movement in this direction.

The current slump in demand abroad, traced partly to the surcharge, plainly threatens to hurt U.S. exports in 1972. They amounted to $43 billion last year and have been moving up only erratically this year. A drop in shipments next year could cost some jobs in the U.S., of course.

More important than any export loss, some analysts say, is the effect of the Nixon moves on U.S.-owned businesses that produce abroad; this volume is estimated at $100 billion to $200 billion annually. Many expansion projects for abroad are in abeyance because of uncertain currency values, U.S. executives say, and this means delay in building machinery here to equip foreign plants. If sales of U.S. subsidiaries abroad turn downward, the profits are apt to suffer accordingly. Last year the earnings of some $6 billion from U.S. direct investments abroad helped moderate the impact of the U.S. recession. For 1972, one private economist sees "a real possibility" of a reverse impact on profits.

Much less certain but much more alarming, business sources say, is that other governments blaming the U.S. for their economic slowdowns may make reprisals. It is widely agreed here that some sort of recession was taking shape abroad well before Aug. 15 and that it could linger after the U.S. import surcharge might come off. But

the U.S. is being blamed by some foreigners, whether it deserves the blame or not. And that's what is important—and troubling to U.S. businessmen.

Even if the U.S. doesn't deserve any of the blame, says one banker, other governments could find it politically necessary to retaliate. Not just on trade, as Denmark is doing with its own 10% surcharge on imports, he suggests, but in harassing U.S. investments abroad. This could involve anything from tight limits on fresh investment inflows to restrictions on repatriating profits or even to expropriations of U.S.-owned plants, as in Chile.

"The disease of protectionism, once contracted, is dangerous for American international business and the U.S. economy," warns Willis C. Armstrong, president of the New York-based U.S. unit of the International Chamber of Commerce. Since President Nixon's August actions, the Washington-based National Planning Association agrees, "the danger that increasing resort to restrictions, discriminations and retaliations might get out of control has become very much greater."

[From the Wall Street Journal, Nov. 12, 1971]

CANADA'S NEW "ANTI-AMERICANISM"

(By Mitchell C. Lynch)

OTTAWA.—Is Canada going anti-American? Prime Minister Pierre Trudeau says certainly not. The government, through the cabinet, says relations between the two countries are as warm and friendly as ever. And no polls have shown that the Canadian people themselves are getting hot under the collar about their neighbors to the south. ("Some of my best friends—and relatives—are American," deadpans Charles King in a recent column in The Ottawa Citizen.)

So, with all that evidence in hand, the hottest topic from Vancouver to Halifax today is why Canada is turning anti-American.

The Canadian House of Commons recently held an extraordinary two-day debate. The topic: "the continuing deterioration" of relations between Canada and the U.S. Nary a newspaper columnist in Canada is probing much else than the widening gap between Ottawa and Washington.

The letters-to-the-editor column in most newspapers is devoted almost exclusively to anxious Canadians saying they like Americans. And an American correspondent in Canada can't have a quiet drink at his favorite bar without receiving many unsolicited assurances from his fellow patrons that *they* aren't to be counted among the other Canadians who don't like Americans.

The whole controversy—or noncontroversy—looms as a major election issue next year. What's hard to determine now is which side will use it—Mr. Trudeau's Liberal Party or the opposition Conservative, or Tory, Party. The Tories say the Liberals will blame the U.S. for Canada's economic plight while the Liberals say the Conservatives will howl that Canada wouldn't be in such economic hot water if the government had maintained closer ties with Washington.

(This certainly wouldn't be the first time the U.S. was an election issue in Canada. In 1911, for instance, the incumbent Liberals ran on the idea of establishing a common market with the U.S., while the Tory slogan was, "No truck nor trade with the Yanks." The Tories won handily.)

The latest swirl on relations with the U.S. was caused by a strangely coincidental series of events. On one side were President Nixon's new economic policy and the nuclear blast at Amchitka, while on the other were the recent visits of Soviet Premier Kosygin and Yugoslav President Tito, plus Canada's strong support for admitting China to the United Nations. All of this came amid Ottawa talk that Canada must lessen its dependence on the U.S. and begin to look elsewhere for trading partners—a "re-examination of our ties," Mr. Trudeau calls it.

A DEVASTATING EFFECT

The new economic policy is expected to have a devastating effect on Canada, which is America's biggest trading partner. The 10% import surcharge, for instance, affects about 25%, or close to $3 billion, of Canada's annual shipments to the U.S. In addition, the investment-tax credit, which would apply to U.S.-made equipment and machinery only, could bite into $1 billion more of Canadian southern-bound exports.

Partially as a result of these U.S. moves, Canada's seasonally adjusted unemployment rate in mid-September—one month after Mr. Nixon announced his new policy—shot up to 7.1% of the labor force. Ottawa immediately announced a 7% cut in corporate taxes and a 3% reduction in personal income taxes. It also instituted a $498 million winter works program for such job-creating projects as road-building, housing construction and erecting federal exhibition buildings throughout Canada. The jobless rate dropped to 6.7% in October, but that decline didn't cause any jubilation in Ottawa. "That still represents an awful lot of people out of work by anybody's standards," concedes a government aide.

A Canadian delegation, led by Finance Minister Edgar J. Benson, went to Washington shortly after the Nixon program was announced to see if Canada could get an exemption from the surcharge. After all, the delegation said, Canada had done nothing to cause America's woes; the Canadian dollar had been floated more than a year earlier, and Canada had set up no discriminatory import barriers against American goods.

What the delegation received, it's known now, wasn't a flat no, but a reminder that Canada had posted a $1.09 billion balance-of-trade surplus with the U.S. last year. In addition, the Canadians were reminded, Ottawa in 1965 signed an automobile trade agreement with Washington that contained a few temporary "safeguards" to enable the Canadian industry to get on its feet. The safeguards are a complicated set of insertions in the agreement that include ways of maintaining a certain degree of "Canadian content" in autos sold in Canada.

Washington argues that it's time these safeguards were removed. After all, it adds, the agreement was aimed at allowing autos and auto parts duty-free access across the border from both sides.

"The Yanks have lowered the boom on us," says one disgruntled Ottawa aide. "They're belting us at a time when we're weak as hell."

MR. TRUDEAU'S ASSERTION

This hard-nosed attitude, to many Canadians, gives credence to Mr. Trudeau's assertion that Americans "neither know very much nor care very much really about Canada." When asked if he still felt this way a few weeks ago the prime minister said, "I suppose that they wouldn't have changed overnight and suddenly begun massively caring about Canada."

Mr. Trudeau is expected to give Mr. Nixon a refresher course in Canadian affairs when the two meet here in Ottawa sometime next spring.

This lack of concern, Canadians say, was reflected again when the U.S. detonated the nuclear blast at Amchitka in the Aleutian Islands. The Canadian parliament had adopted a resolution condemning the planned test, protesters had taken to the streets in Canada and petitions bearing hundreds of thousands of names had been sent to Washington.

In the meantime, though, a curious thing happened. Soviet Premier Kosygin came to Ottawa and during a luncheon toast hinted that Canada was being victimized by "economic miscalculations" of the U.S. Without mentioning the U.S. by name, Mr. Kosygin said the Canadian economic unrest "is all the more unacceptable when these miscalculations aren't due to chance circumstances, but, in fact rendered inevitable by the pursuit of policies creating focuses of tension and conflict in various parts of the world."

Many Canadians obviously resented this outside intrusion in what they felt to be a U.S.-Canadian squabble. Robert L Stanfield, head of the Conservative Party, reportedly received a standing ovation when he said, "It is inappropriate, it is stupid . . . to encourage Soviet leaders to use a Canadian platform to attack the United States."

PRESIDENT TITO'S VISIT

The slight unease caused by Mr. Kosygin's visit was heightened a week later with the arrival of Yugoslav President Tito in Ottawa for talks. At the same time, Canada voted for the admission of Peking to the U.N.

"It is evident," columnist George Bain said in The Toronto Globe and Mail, "evident even to the government, that an uncertain number of Canadians share this vague fear that somehow, as a country, we have been very recently dangerously anti-American—dangerous because we are bound to pay for our sins."

Heath MacQuarrie, who would be external affairs minister if the Conservatives were to win power in the next election, said, "It would be naive, regrettably naive, perhaps dangerously naive to suggest that all is well" between Canada and the U.S.

Nonsense, says Mitchell Sharp, external affairs minister. "It is childish and, I suggest, very immature to suggest the tentative and the positive Canadian moves toward better and more rewarding relations with China, the Soviet Union and other Communist nations are an act of defiance toward the United States."

He said Mr. Kosygin was merely repaying a visit that Prime Minister Trudeau made earlier this year to the Soviet Union; President Tito was merely dropping by on his way back from Washington; supporting China in the UN was a logical extension of Canada's recognition of Peking in October 1970.

The U.S. isn't alarmed about President Nixon's forthcoming trips to Peking and Moscow, Ottawa says. And anyway, adds Mr. Trudeau, Canada considers the Soviet Union its neighbor to the north, across the Arctic. "Canada and Canadians want very much to look to the north, as they long have looked to the south, and see friends in each direction."

So why all the fuss? "Conflict is a function of contact," Mr. Sharp says. "Canada has very little in the way of conflict with Mongolia," he adds. "Our relations with that country might be regarded as the model for all nations—if we were to overlook the fact that our contact with the people of Mongolia is almost non-existent.

"No two nations in the world have so many contacts at so many levels, official and non-official, as Canada and the United States."

J. Leonard Walker, president of the Bank of Montreal, goes deeper than that. He says Canada has a "love-hate relationship" with the U.S. While Canadians enjoy the overflow of wealth and technology from America, he says, at the same time they resent the intrusion on the culture of the American way of life and the dependence they have on the United States in general.

[From the New York Times, Nov. 13, 1971]

INVESTING CURBS URGED IN CANADA—AGENCY SOUGHT TO REGULATE EXPANSION ACTIVITIES OF FOREIGN COMPANIES

(By Edward Cowan)

TORONTO, November 12.—A task-force report that the Canadian Government has refused to publish recommends creation of an agency to regulate new foreign investment in Canada and expansion of existing foreign-controlled companies.

The principal goals of such screening would be to diminish United States economic and political influence in Canada, to increase Ottawa's power to guide industrial and resources development and to enhance the economic benefits Canada derives from foreign investment.

The Government has been drafting a major policy statement on foreign investment that Prime Minister Pierre Elliott Trudeau has promised to issue soon. The statement is expected to draw heavily on a 200,000-word report to the Cabinet by a task force headed by Herb Gray, the Minister of National Revenue.

SUBMITTED IN MAY

The report was submitted last May. Since then, the Government has resisted repeated attempts to have it released officially.

An unauthorized, abridged version was published today by The Canadian Forum, a monthly magazine with strong nationalistic leanings which describes itself as "an independent journal of opinion and the arts."

Abraham Rotstein, the University of Toronto economist, who is The Forum's managing editor, said the decision to publish a 70,000-word condensation was taken after The Forum's editors concluded that the report contained "no material prejudicial to the national interest, nor any data that would aid a foreign power."

A copy of the report was made available to The Forum by someone who was not, according to Mr. Rotstein, a party to "the dispute within the Cabinet" about publication.

As published by The Forum, the report contained a number of candid passages that presumably would have been omitted in an official version.

The report said that "Canada's bargaining strength in the manufacturing field is not overwhelming."

It implied that by insisting on more internal processing and fabricating of raw materials, Ottawa would cause American corporate parents to pressure Washington to relax certain import restrictions.

The report admitted that Canada's foreign trade policy is hobbled to a degree by the large shares of Canadian manufacturing and resources controlled from the United States.

One result of this integration, the report said, is that in international negotiations, such as the Kennedy Round, other countries, especially the European Economic Community, assume that the United States position embraces the Canadian. "In this way, actual and distinct Canadian problems, aims or differences of view can be overlooked," the report said.

"There may be merit in considering whether more of an arms-length relationship" with the United States "would not be possible and more in the Canadian interest," the report said.

"If Canada wishes to continue to limit continentalism"—a term Canadians take to mean the assimilation of Canada into the American sphere of influence—"it makes little sense to maintain no controls at all on the development of ownership links which accelerate the process," the report declared.

The task force came down strongly in favor of a screening process in preference to foreign-exchange controls, designation of key industrial sectors, mandatory Canadian shareholdings and mandatory Canadian seats on board of directors.

However, such considerations could be weighed by a screening agency, the report observed. The agency's role would be not so much to say yes or no to a proposal as to bargain to obtain the best possible terms for Canada.

It could, the report suggested, negotiate over production for export, installation in Canada of research and product-development facilities, future expansion, processing in Canada of raw materials, product lines, the kind of technology to be used, capital structure and financing.

"The use of Canadian managers and directors would normally not be a matter for bargaining," the study said, "but would be taken into account in the final cost-benefit judgment. The employment of Canadians in these positions is unlikely to have a significant impact on the behavior of the foreign-controlled firms but is of benefit because of the training it provides."

The screening authority would consider, the report suggested, whether Canada could obtain the proposed benefits—such as new products or modern technology or additional jobs—through other arrangements, such as a joint venture or licensing.

That was the premise on which the Gray group wrote a lengthy appraisal of alternative methods for regulating foreign investment, proposed and existing.

[From the Fortune, August 1971]

THE SURPLUS OF GLOOM ABOUT TRADE

Americans live, as no people ever did before, on the banks of a statistical river. The figures that surge by each day range from very gloomy to very cheerful. Because no human mind, no computer, can encompass this mighty flow, a selection has to be presented to the public. Ideally, it would be a true and balanced sample. In fact, the selection is influenced by advocacy, by fad, by mood.

In recent years the samples have inclined toward the side of gloom. In 1971 this dark perception turns especially upon the U.S. position and prospects in world trade. There is no lack of statistics showing a precipitous U.S. decline from a position of colossal predominance twenty years ago. Such industries as steel, autos, textiles, to which the word "basic" can be plausibly attached, are now threatened by imports as never before. The statistics that record these setbacks resound noisily within a nation worried about high levels of unemployment and inflation. The U.S., according to the fashionable analysis, must pull in its horns because it can no longer compete with leaner, more muscular industrial countries.

Some of this pessimism is obviously inspired by the advocates of particular industries that are feeling the pressure of imports. But perennial protectionism is by no means the only reason for the gloomy selection. Other alarmists are concerned because inflationary collective-bargaining settlements pose a genuine danger to the U.S. trading position. Arguments along this line, though valid in themselves, can be pushed so far that they contribute to an unbalanced view of what the U.S. prospect in world competition really is. Several spokesmen for the Nixon Administration, intent on restoring stronger wage and price discipline to U.S. markets, have made statements that reinforce a pessimistically distorted view. Some businessmen, overzealous to emphasize the cost pressures of high wages, high taxes, and the rising costs of environmental protection, have overstated and overgeneralized their case.

Organized labor, which had a long and creditable record of faith in world trade, has swung its weight to the protectionist side of the argument. Journalistic pundits embrace gloomy statistics about the nation's trade prospects as further evidence in support of their central theme of general U.S. confusion and decline.

Among the figures that one hardly ever sees, because the gloom-biased selection ignores them, are those showing that U.S. exports rose from about $10 billion in 1950 to $32 billion in 1960 and then to $43 billion in 1970. The U.S. Department of Labor estimates that this $33-billion increase over two decades added nearly three million production jobs (not counting freight handling, etc.) to U.S. payrolls.

It's not that anybody is deliberately trying to mislead the public by falsifying particular statistics. Rather, we are confronted with a problem in perspective.

QUICK CHANGE FROM CAESAR TO JOB

Let's cast back to the early Fifties when a very different view of the U.S. position in the world prevailed. Then, the U.S. was producing at least half of all the world's manufactured goods. The U.S. was almost the sole source of capital for large-scale development. Its lead in science, technology, and mass higher education was huge.

In every one of these categories, moreover, it seemed to many analysts that the U.S. advantage was bound to increase. How could European industrialists ever overcome the national fragmentation that deprived them of economies of scale? How could Japan and Great Britain, stripped of their empires, compensate for the lack of raw materials and oil? How could significant amounts of capital ever be generated in these "second-rate" economies that lay beyond U.S. shores? How could their technology and their reservoirs of highly educated people ever approach the U.S. level—especially when the "brain drain" would siphon off a large proportion of their brightest young minds, drawn to the U.S. by higher salaries and wider opportunities?

All this convinced many Americans—and even more foreigners—that the U.S. was inexorably destined for a role of imperial economic dominance. It would be the lone rich man admidst relative poverty and stagnation. Others would have to depend on its philanthropy.

From this perspective certain inferences were drawn. They were not cheerful. In world politics, the U.S. would have puppets, but no true and trustworthy allies. In trade, it would have victims, but no partners. Internally, too, the U.S. would change as giant corporations, bloated by overseas profits, monopolized more and more political and economic power within the nation. One philosopher developed the view that the U.S. was headed for Caesarism.

Within a few years this vision of the American economic colossus was dissolved by events, to be succeeded by the vision of the American economic invalid. Not long after the U.S. had escaped from imaginary Caesarism, the doomsayers began to cast it in the role of Job.

NOT A ZERO-SUM GAME

But in the real world the U.S. has not been, like Job, afflicted. Its economy waxed stronger, but other industrial countries achieved very rapid growth. The trading environment became much freer than the semi-autarky that had prevailed in the Thirties.

The new international economic order was based on recognition that capitalist competition, within any nation or among nations, was not a zero-sum game: that is to say, one nation's gain did not imply another nation's loss. As world trade rose far above levels previously dreamed of, there were in the Fifties and Sixties no national losers. All benefited to one degree or another from the widened competition that spurred productivity and innovation. Though the U.S. profited hugely from the rise of its trading partners, its enormous relative predominance was sharply reduced.

In this new game no nation can take for granted its permanent possession of the world lead in any industry. If one line of products is forced to retreat in the face of competition, the only hope may be that another line will advance. Who would have thought that the Japanese could sell us all those cars? Who would have thought, for that matter, that the U.S. could sell Japan $412 million worth of coal in 1970?

The U.S. today is not alone in feeling the pressure of imports. Raw silk, once Japan's leading export, is now largely imported. Low-quality textiles flow into Japan from Korea

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and Taiwan, pushing the Japanese textile industry toward more sophisticated products, which, in turn, compete with U.S. textiles. Coca-Cola drives Japanese soft-drink manufacturers to (or up) the wall. Though the Japanese have had great success here with radios and other electronic products, some other Asian countries are now selling these products in Japan. Even production of that traditional Japanese speciality, edible seaweed, has been largely taken over by Korea, as a combination of high labor costs and water pollution all but destroyed the Japanese industry.

Millions of Japanese workers have been displaced in the course of this intense international competition. Nearly all of them found other (often better) jobs. Has it been so different in the U.S.? Statistics of 1971 U.S. unemployment should not be dipped from the river of digits without a balancing series: in the Sixties, while U.S. imports rose, the number of Americans employed increased faster than the population.

It's possible—though by no means certain—that within the next ten years U.S. imports will regularly exceed exports. Even this would not spell inevitable decline or crisis for the U.S. This point is examined in some detail in "U.S. Foreign Trade: There's No Need to Panic," on page 109 of this issue. The article calls attention to the increasingly important part that will be played by the return on U.S. investments abroad. In 1970 income from foreign investments brought the U.S. $6 billion, nearly five times the 1950 figure, while fees and royalties brought in nearly $1.9 billion, fifteen times the 1950 level. As these payments on our huge 1950–70 foreign investment increase, as they should, a U.S. deficit in trade might be balanced by the inflow from investment. Why will dividends, royalties, and fees from abroad increase? Because the rising prosperity of our competitors-partners will mean a higher return on U.S. investment abroad and a stronger demand for U.S. patents and know-how.

That shift will probably contribute to the long decline in the proportion of American workers employed in manufacturing and agriculture. Basically, this trend is not caused in any substantial part by foreign competition. It results from a rapid evolution of the internal U.S. economy toward the mechanization of manufacturing and agriculture—a process that releases workers for generally better-paid and more interesting white-collar work. So far the expansion of white-collar jobs has absorbed more than the numbers displaced from blue-collar work—and there is no reason to suppose that this process will be interrupted.

UNIMPAIRED STRENGTHS

Some farsighted Americans believe that the U.S. is now spending too little on research and development. They may well be right. But it's a mistake to support this argument by the dire warnings that U.S. technological strength is about to be overshadowed by development elsewhere.

All in all, the basic U.S. strengths in world trade remain unimpaired: a huge internal market, highly competitive and lively with innovation; a labor force increasing in size and quality; a long lead in technology and a longer one in the organizational skills through which technology is deployed; an immense capacity to generate capital through a wide and varied investment market. An American who understands these strengths will hardly panic over Toyota's U.S. sales figures.

THE PRICE OF LIVELINESS

The right lesson to be drawn by the U.S. from the present world economic scene is certainly not one of complacency. If markets are going to be shaken up and jobs erased, the consequent displacements can have grave social and political consequences, even in boom times. But these painful dislocations occur not only or mainly because of foreign competition. One of the prices we pay for our lively internal economy and our rising productivity is the insecurity of both jobs and profits.

Public policy must find effective ways to cushion the effects of foreign—and domestic—competition on displaced workers. Besides retraining of the unemployed, governmental action may be required to conserve capital and managerial resources threatened by the livelier world economic scene.

Without doubt, rapidly rising labor costs are hurting the U.S. competitive position in foreign markets, even though most of our competitors are under similar pressures. But cost-push inflation also damages the domestic economy. We would need to moderate the upward thrust of labor costs even if they did not create a disadvantage in world competition. If we were to cut our imports drastically by trade barriers, there would be less restraint on rising wages and prices than there is now.

Not all the U.S. complaints about the unfair practices of competitor countries are spurious. Japanese barriers to foreign investment, for instance, have not come down as fast as they should have. The wrong way to deal with this kind of problem is to impose retaliatory bilateral restrictions on Japan in a mood of desperation. The right way is to mobilize all the main trading nations, in the cause of freer world trade, against the Japanese barriers.

How to recognize a specific peril without exaggerating it or falling into paralyzing gloom is an old, old problem that is made more severe by the availability of so many facts and figures that we can "prove" anything. Specific U.S. problems in world trade ought not be generalized in a way that impairs national self-confidence.

World trade has indeed become a tough game. Internal U.S. business has long been a very tough game. Both are going to get tougher. How, otherwise, could we and our competitor-partner nations possibly go on making all that money?

U.S. FOREIGN TRADE: THERE'S NO NEED TO PANIC

(By Sanford Rose)

Listening to U.S. businessmen talk about foreign competition these days, it seems almost impossible to believe that only a decade ago most businessmen were enthusiastic free traders. America's great flagship industries, beginning with steel and autos, appeared to be firmly committed to free trade. Henry Ford II was fond of quoting a statement that his illustrious grandfather had made some years earlier: "Comfortably tucked away behind a tariff wall which shuts out competition and gives industry an undue profit which it has not earned, the business of our country would grow soft and neglectful. We need competition the world over to keep us on our toes and sharpen our wits."

Scarcely any businessmen talk that way nowadays—certainly not any in steel or autos. Both industries had trade surpluses in the early 1960's. But by 1970 the trade balance on iron and steel products was over $750 million in the red, while the automotive deficit approached $2 billion. Ford himself told his shareholders last May: "I frankly don't see how we're going to meet foreign competition. We've only seen the beginning. We may become a service nation someday because our manufacturers could not compete with foreigners."

To be sure, many of the companies threatened by stiff competition from imports are divided about how to react. They want protection at home but are concerned that foreign retaliation against U.S. protectionist measures may imperil their global earnings. C. Peter McColough, president of Xerox, is for imposing some trade restrictions, but admits, "Joe Wilson, my chairman, and I don't agree on this. I think I represent more people in my company than he does."

The textile companies, reputed to be bastions of protectionist thinking, are also somewhat less than monolithic. Says Tilford Gaines, a vice president at Manufacturers Hanover Trust, who is a director of United Merchants, a large textile company: "As a company, United Merchants stands shoulder to shoulder with the textile industry in asking for quotas on imports. But in actual fact it doesn't give a damn. For one thing, a substantial part of the company's earnings comes from overseas investments. For another, the company is highly innovative and believes that it can 'outcompete' any Japanese producer."

THE CHANGE IN GEORGE MEANY

Still, there are a lot of new protectionists in American business, and they have an important ally: the American labor movement. The old-line industrial and craft unions that speak for labor—with the possible and increasingly equivocal exception of the United Auto Workers—are determined to restrict imports and prevent multinational corporations from "exporting U.S. jobs," as they put it, by producing overseas.

This position, too, represents a major change. In March, 1962, President George Meany of the A.F.L.–C.I.O. said: "We need the things we import. To get what we need, we have to open up our own markets to such products as British woolens, German cars, and Japanese toys." In May, 1971, Meany was calling for "an orderly marketing mechanism . . . to regulate the flow of imports into the U.S. in industries where these imports are displacing significant percentages of U.S. production and employment."

The current campaign for trade restrictions is being waged with an almost apocalyptic intensity, with a shrillness that often drowns out sober voices in the business community. Either you are for trade restrictions, say many businessmen, or else you are against America and its future. Ely Callaway, the president of Burlington Industries, strikes a particularly martial pose: "I say that a trade war is *here*—we are in it, and we are losing it." Callaway is particularly incensed at those companies that have established plants overseas to export inexpensive goods back to the U.S. He says flatly: "Kayser-Roth is a company that is bad for America. And so is Bell & Howell."

WHO'S CHEATING WHOM?

The new protectionists, then, have a lot of zeal and a lot of support. It is not so clear that they have a good case. And to anyone who has followed the history of free-trade debates over the years, their arguments will seem less original—and less compelling—than the protectionists suppose them to be.

One of the most insistent themes of current protectionist rhetoric involves an assertion that the U.S. is being victimized by the unfair trading practices of foreign competitors. Actually, the protectionists repeat almost ceremonially, they would themselves be all in favor of free trade—except that no one else practices it. Most other countries are run by conscious economic nationalists. They artificially restrain their imports and stimulate their exports. The U.S. has far lower tariff barriers and far fewer quotas on imports than other industrialized countries, especially those in the European Economic Community and Japan, and these countries habitually sell to the United States at lower prices than prevail in their own domestic markets—i.e., they "dump" goods.

These constantly reiterated assertions are gospel to protectionists nowadays, and they are seldom challenged. Yet their main point—that other countries are taking advantage of the U.S. commitment to free trade—is debatable. An unpublished analysis by John Renner, head of the international-trade section of the State Department,

shows that when the Kennedy Round reductions are completed at the end of this year the U.S. will have an average nominal tariff rate of 8.3 percent on industrial products. The rate will be 8.4 percent for the Common Market, 10.9 percent for Japan, and 11 percent for Canada. In other words, less than three points separate the lowest from the highest aggregate rate.

Renner also breaks down these over-all averages into a number of detailed product categories. Although the U.S. has many more low tariffs on industrial products than either the Europeans or the Japanese, it also has considerably more high tariffs. For example, the U.S. levies tariffs of 20 percent or more on sixty of the 919 most frequently traded industrial-product categories, whereas Japan's tariff exceeds 20 percent on only twenty-six of these product categories.

In addition, Renner's data show an increased use of quotas by the U.S. We now have so-called universal quotas, i.e., those working to limit imports from nearly all major countries, on sixty-seven industrial-product categories; the products range from essential industrial commodities like steel and oil to minor consumer items like brooms. The Europeans have sixty-five universal quotas and the Japanese sixty-one. (The Europeans also have a number of quotas aimed exclusively at Japanese goods.) Since 1963 the Japanese have eliminated seventy-one quotas and they plan to drop another twenty by October. The E.E.C. has eliminated eleven quotas since 1963. The U.S. has *added* sixty of them during the same period. Moreover, U.S. quotas cover close to 17 percent of total industrial imports. The Japanese barriers cover nearly 12 percent of their imports, while E.E.C. restrictions cover approximately 4 percent of imports.

Admittedly, as Renner points out, these percentages cannot just be taken at face value. A lot depends on the *kinds* of quotas a country has. Very generous quotas, for example, permit substantial imports, which raise the percentages. Renner nevertheless concludes that, when all is said and done, the E.E.C.'s quantitative restrictions affect a comparatively small amount of industrial trade, Japan's quotas affect a considerable amount of this trade, and U.S. restrictions affect the *largest* volume of trade.

A number of U.S. businessmen point out, however, that Japan and the E.E.C. practice forms of trade restriction that are not in their laws—what might be called restriction by administrative nonfeasance. Walter Wriston, chairman of First National City Bank, quips that whenever the Europeans or Japanese want to exclude a particular U.S. product without imposing a formal quota, "the customs inspector simply goes out for lunch when the ship docks." Renner acknowledges that he heard numerous complaints of this type from businessmen when he was our economic counselor to the E.E.C. in Brussels. But, he adds, "whenever I asked for documentation so I could complain to the appropriate foreign authorities, businessmen were never able to come up with any. When specifics are not forthcoming, I usually conclude that the problem does not exist."

THEY DON'T GET THE EVIDENCE

There is also a remarkable lack of documentation of the rather widely held belief that other countries—in particular, Japan—have in recent years intensified their dumping in the U.S. market. Many businessmen complain endlessly about Japanese dumping; but few of them, oddly enough, have managed to persuade the government. If the Bureau of Customs in the Treasury Department decides that a sale has been made at less than "fair market value," it sends the case to the Tariff Commission to determine whether the complainant has been injured by the sale. If the commission agrees that there has been some injury antidumping duties are imposed on the foreign product.

In recent years the staff that handles dumping complaints at the Treasury has been increased from five to thirty-five. Nevertheless, the Treasury has sent very few cases to the Tariff Commission—only fifteen in the period from the beginning of 1970 to mid-1971, and only seven involving Japanese goods. Says Peter Flanigan, an assistant to the President who specializes in economic affairs: "I keep telling businessmen who think they have evidence of foreign dumping to give us the facts. But they don't." Renner adds: "I know the people who handle dumping matters at the Treasury. They would be *delighted* to find more cases, but they don't get the evidence."

If foreign companies were dumping a lot of goods in the U.S., that would certainly be a problem for American companies operating in the same markets. Whether it would be bad for the U.S. as a whole is quite another question. It is a fundamental question but one that, in the somewhat hysterical atmosphere that now envelops much discussion of free trade, is seldom asked. As Leland Yeager, a professor of economics at the University of Virginia, puts it: "How is the American economy hurt if foreign sellers set prices that discriminate in favor of Americans? The circumstances that permit the foreign sellers to discriminate against their own countrymen may be regrettable from some points of view, but to Americans, bargains are bargains."

According to economists like Yeager, persistent dumping means, in effect, that foreign producers have successfully conned their fellow citizens into working cheaply for the U.S. by trading many of their goods for a few of our own. If foreigners want to make us a gift of their resources, this just increases our welfare at their expense. Moreover, if they dump goods whose prices, even under so-called competitive conditions, seriously understate their social cost (because the cost of pollution is not included), they're doing even more for our welfare. This point is made by Milton Friedman, perhaps the best known apostle of free trade in the U.S. economics profession (which is overwhelmingly committed to free trade). Says Friedman: "If Japan exports steel at artificially low prices, it is also exporting clean air. Why shouldn't we take it?"

THE CALCULATING JAPANESE

Dumping might be a serious problem if it were predatory—that is, if foreign competitors kept their prices down in order to drive U.S. producers out of business, only to jack the prices up later on. But that tactic is hard to execute wherever the cost of reviving domestic production would be comparatively slight—as it would be in many industries now being affected by import competition.

For example, in the past few years the Japanese have taken over most of the U.S. market for business electronic calculators. Edward Lesnick, director of product planning at Wang Laboratories, Inc., a major U.S. calculator company, charges that the Japanese have been able to penetrate the U.S. market in part because their government is subsidizing the overseas sales of Japanese calculator companies. The facts about this matter are most unclear. The Japanese sell calculators in the U.S. for as little as $200, whereas an inexpensive U.S.-made business calculator sells for about $600. And no one seems able to pinpoint any Japanese Government subsidy or other action that knocks $400 off the price of a calculator. Lesnick himself admits that the Japanese calculator companies are "much more productive than U.S. firms," and, of course, they pay far lower wages.

Suppose, however, that the Japanese penetration of the U.S. market does somehow stem from a form of governmental manipulation of the market mechanism. Could the Japanese take advantage of this manipulation to raise prices? It is hard to see how. Lesnick says that the Japanese may be in the process of forming a cartel that would fix prices. But if prices rose by several hundred dollars, U.S. companies might find it economical to get back in production. And it would be relatively easy even for small companies to compete. Lesnick notes that economies of scale in calculator production are fully exhausted at 10,000 units—i.e., unit costs stop decreasing at a comparatively low level. U.S. companies coming back into the business could attain this level of output quite rapidly.

A second major theme developed at length by the new protectionists concerns the U.S. trade balance. Our trade surplus has declined sharply in recent years, from $7.1 billion in 1964 to $2.7 billion last year, and possibly to even less this year. A sizable number of businessmen now argue that this slippage results from our commitment to free trade.

In fact, it is most unlikely that our export surplus has deteriorated because of any difference between our trade practices and those of our competitors. U.S. trade difficulties can more plausibly be explained by differences in the rate of inflation and in the level of economic activity among the major industrial countries. Until last year's recession the U.S. maintained an excessively high level of economic activity and also experienced a rapid rise in prices. On the other hand, a number of our major trading partners had a considerable amount of slack in their economies during parts of this period—notably Germany in 1966–67, Japan in 1965–66, France and Belgium from 1966 to early 1968, and Italy for much of the period since 1964. At the same time, prices in these countries increased more slowly than in the U.S.

F. Gerard Adams, a professor of economics at the University of Pennsylvania, and Helen Junz, an economist with the Federal Reserve Board, have made a serious effort to discover how trade flows would have been affected if the major industrial countries had kept their economies fully employed during 1965–69 while the U.S. and Canada had grown at noninflationary rates. Using an econometric model of world trade, the two analysts concluded that the U.S. trade balance in the first half of 1969 would have been improved by an annual rate of more than $5 billion.

Actually, there are good reasons to expect the trade balance to remain positive over the next few years without any help from protection. One reason is simply that the U.S. economy, plagued by excess industrial capacity and above-average unemployment, is likely to grow more slowly than that of other countries. The Council of Economic Advisers estimates that our real G.N.P. is likely to grow at an average annual rate of slightly over 5 percent, compounded, for the next few years, whereas world G.N.P. will probably rise by a little more than 6 percent. U.S. wholesale prices are also expected to lag behind those of other countries. Robert Goodman, an econometrician at the First National City Bank of New York, anticipates a positive balance over the next four years.

A LITTLE REVALUATION GOES A LONG WAY

The trade balance would be in even better shape if certain changes were made in exchange rates. Changes are in fact quite likely. Hendrik Houthakker, until recently a member of the Council of Economic Advisers (he is now back at Harvard), confidently expects the Japanese to revalue their currency upward some time in the next two years.

Meanwhile, Japanese businessmen are behaving as if revaluation were only a question of time. Charles Robinson, president of Marcona Corp. of San Francisco, notes: "These days when you do business with Japan, you argue more about revaluation insurance than you do about price." Robinson is currently

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planning to buy $30 million to $40 million worth of Japanese heavy equipment in order to produce beneficiated iron ore for resale to Japan. He reports that the Japanese are trying to sell the equipment for yen while paying for the ore in dollars. This means that, in the event of a revaluation, the Japanese would lose none of their yen profits on the sale of the equipment, while every dollar of iron ore would cost them less of their own currency. A revaluation of the yen would enormously stimulate U.S. exports to Japan; there is abundant evidence that Japanese demand for U.S. goods is extremely sensitive to price changes. Stephen Magee, who is a professor of International business at the University of California at Berkeley, and who has done considerable research on trade for the C.E.A., estimates that for every 1 percent drop in U.S. export prices the volume of U.S. exports to Japan would rise by about 3 percent. To be sure, revaluation would eventually work to hold down Japanese incomes and Japanese prices, and this would moderate the increase in U.S exports.

On the other hand, Japanese sales to the U.S. and other countries would obviously fall off somewhat because the dollar price of those exports would rise. After weighing all these considerations, Magee concluded that if the Japanese revalued by 10 percent at the beginning of 1971, the U.S. trade balance for the year would have improved by as much as $2.4 billion. A revaluation of 5 percent—the figure commonly suggested by Japanese economists—would have produced half the improvement, or $1.2 billion. Evidently, small changes in the price of the yen will generate rather large changes in the total U.S. foreign-trade position.

THE PAYOFF ON FOREIGN INVESTMENTS

But the trade balance after 1975 is admittedly a quite different matter. In the late 1970's the trade balance may well turn negative—and stay negative for many years thereafter. The reason is that U.S. business will probably be earning so much on its overseas investments that other countries may have to export more than they import from us in order to obtain enough dollars to pay us our dividends.

According to tentative projections made by the Council of Economic Advisers, by 1975 other countries will be paying us $17 billion a year in dividends, fees, and royalties on our foreign investments, while we pay them only about $6.5 billion on their U.S. investments. Houthakker says that this projection of our investment income is actually somewhat conservative since it is based on the low rates of return on U.S. overseas assets that prevailed for most of the 1960's.

The council did not estimate the size of the investment-income balance after 1975, but Lawrence Krause, an economist at the Brookings Institution, has continued the exercise for the years through 1980. Krause concludes that the net balance on investment income and fees could rise to $16 billion by that year. He believes the U.S. is fast becoming a "mature creditor" country, something like Great Britain during much of the nineteenth and twentieth centuries. Britain had no difficulty balancing its international accounts even though it routinely bought more goods than it sold in foreign markets. The country simply lived off the income from its foreign assets. Krause suggests that the U.S. can and should play the same role during the late twentieth century.

Not all students of trade agree that this arrangement would work. Harold van B. Cleveland, an economist at the First National City Bank, is uneasy over Krause's projections and their implications. Notes Cleveland: "I don't think Europe can get the dollars it will need by selling us more goods than it buys. It is politically difficult for the U.S. to maintain a liberal import policy unless we also run a trade surplus."

An alternative trade scenario for the late 1970's has the U.S. balancing its accounts by exporting more to the less-developed world than it imports, while importing more from the industrial world than it exports. The trade deficit with Europe would be financed by dividend remittances, while the trade surplus with the less-developed world might be financed by an increase in U.S. investment and by foreign aid. The details of all such scenarios are arguable, of course; but it seems clear that neither our trade balance nor our over-all payments position is in the sorry state described by the protectionists.

REAL GAINS AND HYPOTHETICAL LOSSES

Even if the country's trade and other international accounts were in balance or in surplus, some industries would always be losing their advantage in international trade (and thus encountering stiffer competition from imports). These industries might be able to point to declining employment. Not surprisingly, unemployment is another major theme of the new protectionists today.

In the opinion of George Meany, American labor has been one of the casualties of trade. He cites a Department of Labor finding that in 1966 it would have taken about 1,800,000 workers to produce domestically those imported goods that are most competitive with U.S. products. By 1969 it would have required 2,500,000 workers—i.e., the number of jobs lost to imports rose by 700,000. During this period the number of "export jobs" increased by 200,000. Therefore, argues Meany, from 1966 to 1969 we had a net loss of 500,000 jobs because of trade.

The trouble with this analysis is that the export jobs created during this period were real, whereas the jobs lost because we imported what could have been produced domestically are hypothetical. From 1966 to 1969 the U.S. had full employment; much of the time there were severe labor shortages. We probably couldn't have found those extra 500,000 people even if we had tried. And if we had somehow managed to create that many more jobs, the result would have been an enormous increase in inflationary pressures. The fact is that under full-employment conditions imports help most people, including most workers, because they enable us to acquire goods that we cannot produce domestically without overstraining our resources.

Viewed from the perspective of a 6 percent rather than a 4 percent unemployment figure, the cost is admittedly quite different. But can we eliminate our unemployment through trade restrictions? The answer is that we almost certainly cannot. If we attempted to "export our recession" by cutting down our imports, other countries would obviously export it right back by cutting off our overseas sales.

Many businessmen and labor leaders believe that import restrictions would help low-paid southern textile workers or New England shoemakers. But if we placed restrictions on imports of textiles and shoes, Europe and Japan would obviously retaliate. And retaliation would surely reduce the income of, for example, Mississippi soybean farmers, who are big exporters to Europe and Asia. It would also seriously hurt the Appalachian coal miners; U.S. exports of coal to Japan have risen from $77 million in 1965 to $412 million in 1970. And it would produce considerable distress among the farmers of the state of Washington, about 75 percent of whose wheat output is exported to Asia, principally to Japan. As union leaders had considerable opportunity to learn in the 1930's, trade wars don't cure unemployment; they worsen it.

It is true, however, that unemployment may be a real problem in particular industries that are having trouble competing with imports. In an unpublished paper, the Department of Labor has been trying to shed some light on the "industry-specific" (i.e., as opposed to aggregate) employment effects of rising imports. The department's economists have been matching up employment changes with changes in imports in 190 industries; the industries cover most of U.S. manufacturing employment.

The department found that in 1965–69, the period of greatest import penetration, only thirty-seven of the 190 industries suffered any net employment decline at all. In eleven of the thirty-seven there were no imports to speak of; only twenty-six had both employment declines and a rising level of imports. The total number of jobs lost in these twenty-six industries from 1965 to 1969 was 117,000—about 0.5 percent of total manufacturing jobs were being created.)

Moreover, even though employment in a particular industry is declining while imports are increasing, it does not necessarily follow that the imports are causing the decline. In a number of these twenty-six industries, employment fell, not because imports rose but because domestic demand dropped or productivity increased. Indeed, according to Jerome Mark of the U.S. Labor Department, normal productivity increases alone are probably pushing out more workers in these twenty-six industries than are imports.

Just about everyone in the Labor Department who has worked on the problem of import-related joblessness is persuaded that it is not especially widespread. Figures on labor turnover rates tend to reinforce this belief. If imports have in fact caused companies to shut down plants and throw workers out of jobs in substantial numbers, this fact should be reflected in high layoff rates in the industries affected. Yet over the last five years the number of people laid off in these industries has consistently been less than the number who voluntarily leave their jobs.

COMING AND GOING IN GREENVILLE

In the shoe industry, for example, the average quit rate was never less than twice and was often as high as three to four times the average layoff rate in every year since 1965. During this period, then, the shoe industry was not losing nearly as many jobs to imports as it was losing workers to other industries. The shoe companies could not hold on to these workers because their wages were low, and many of them had the drive and mobility to find better-paying jobs.

The regional turnover rates tell much the same story. For example, in Greenville, South Carolina, where textiles account for an average of about 40 percent of total manufacturing employment, quit rates in manufacturing have remained about eight times higher than layoff rates since 1967. In part, this extraordinary ratio is explained by the transitory nature of much of southern textile employment; women enter the labor force to make a little money, then leave when they've made it. But in part the low layoff rates reflect the simple fact that textile mills in Greenville have not been forced by imports to throw many workers out of their jobs.

In general, those who argue for import quotas to protect the South from economic disaster seriously underestimate the mobility of the average southern worker. Most southern states have actually been growing at faster rates than the U.S. as a whole. Indeed, the textile industry in the South has grown, not contracted, in the last decade. The same is true of the chemical and electronics industries in the South. Moreover, the region is now building up its lumber and furniture industry to help satisfy the prospective surge in nationwide housing demand. The average southern worker, it would appear, can choose from a growing number of employment opportunities should competition from imports eventually force him out of the textile mill.

Textile executives nevertheless continue to talk as though their displaced workers had practically no place to go. In a recent panel discussion on trade, Donald McCullough, president of Collins & Aikman, a medium-sized textile company argued that other industries that might absorb these workers had import problems of their own. "We have heard a great deal about shifting people from low- to high-technology industries," he said. "What is a high-technology industry? We used to call that electronics. Well, in fact, the electronics industry has a greater import penetration than many parts of the textile industry." McCullough is factually correct, but it is also a fact that electronics *exports* have been rising. Indeed, in 1970 the net trade balance of electronics (the excess of exports over imports) was $700 million greater than in 1966. And employment in the industry had actually risen by 90,000.

Moreover, if the textile or apparel worker displaced by imports really had no place to go, this fact would be reflected in the statistics on hard-core unemployment. The proportion of the total work force that has been jobless for long periods naturally rises during recession periods; but otherwise it has stayed remarkably stable over the past decade.

SOME DON'T WANT ASSISTANCE

It would be foolish to suggest that rising imports have no adverse employment effects at all. Obviously, some workers and businesses have been hurt by imports. And even if the total unemployment rate is held down to levels of about 4 percent, some of the displaced workers will have to be assisted to enter new lines of work. The government has recognized its responsibility to provide assistance, but existing laws have made the assistance too difficult to get.

Workers and companies can qualify for retraining and relocation allowances, tax incentives, or supplemental compensation only if the imports threatening their jobs have entered the country as a result of tariff concessions made by the U.S. Government. If imports that displace workers cannot be related to concessions, the workers are out of luck. In addition, companies can qualify for assistance only when the entire firm is injured. If a particular plant is affected but the company as a whole is not, assistance is denied. As a result of these provisions, very few companies or individuals have been able to obtain help. The Tariff Commission, the agency responsible for hearing adjustment-assistance cases, has recently begun interpreting its legislative mandate somewhat more liberally. But it would obviously be helpful if Congress passed new legislation that made assistance easier to get.

When many businessmen hear the phrase "adjustment assistance," they reach for their proverbial guns. Burlington's Callaway comments acidly: "Who wants to be paid to go out of business? When people like Professor Houthakker talk about adjustment assistance, they usually throw out a figure of between $200 million and $250 million a year. Burlington's annual payroll is twice that amount."

Fortunately, it isn't likely that entire companies will go out of business because of imports—least of all Burlington—and adjustment assistance might prove useful to a lot of them. But the assistance must be used in conjunction with research. We need many more in-depth Labor Department studies to dissociate the effect of imports from other sources of business or employment decline—for example, bad management, shifts in domestic demand, or increased automation. After such studies have been made, it may indeed be found that the cost is more than $250 million a year. Whatever figure is arrived at, it will probably be a bargain. The gains to society from increasing imports would appear to exceed by a great deal the costs of providing assistance.

DISTURBING THE "QUIET LIFE"

Last year Andrew Brimmer, a governor of the Federal Reserve Board, made an analysis of the gains from trade in two industries, apparel and shoes, that are asking for protection from imports. He estimated that consumer spending on apparel would probably reach $52.7 billion by 1975. But, Brimmer argued, if there were quotas on apparel imports (they were then being advocated by Representative Wilbur Mills), consumers would have to pay $54.5 billion for the same amount of clothing. In other words, those increased imports would save the consumer about $1.8 billion. Similarly, without a quota, the public would pay about $5.9 billion for shoes. With a quota the cost would be about $7.8 billion.

The cost of import restrictions was also developed at some length a year ago by a Cabinet Task Force on Oil Import Controls. Its study found that "in 1969 consumers paid $5 billion more for oil products than they would have paid in the absence of import restrictions. And by 1980 the annual cost to consumers would approximate $8.4 billion."

Studies like these do not even attempt to take into account the indirect benefits of increased imports. Countries that supply imports to the U.S. market acquire the wherewithal to buy U.S. goods, and this stimulates employment in our export industries. Also, as imports drive prices down, consumers change their spending patterns: they may decide to buy more apparel, shoes, and oil products than they had originally intended. Part of the increased demand will be satisfied by foreign suppliers, but another part will be met by domestic companies. As a result, some of the workers initially displaced by imports may be rehired.

Many of the gains from increased imports are almost impossible to estimate—even though these gains may be more sizable than those that can be measured. In many areas of the economy, for example, price competition is particularly weak. If companies in these industries had to worry only about domestic competition, they could relax and enjoy a business life with no undue strains. Foreign competition may force the inherently inefficient out of business, but it also forces the potentially efficient to work a little harder at staying competitive. The ultimate beneficiary is the consumer. And he gets so many tangible benefits that he ought to be willing to pay to assist those who must be retrained for jobs.

Protectionists are in effect rejecting long-term social gains in order to avoid much smaller short-term costs. Since policy makers and legislators are inevitably preoccupied with the short term, they tend to pay far too much attention to the protectionist din. The case for protection is a little like the case against technological progress. Clearly, if we bottled up progress, some people would be spared the necessity of finding new jobs. But we would also be undercutting the dynamism of the economy, and eventually we would all end up a little poorer.

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THE WORLD ECONOMY: INTO A TIME OF STAGFLATION

(By Lawrence A. Mayer)

(Charts referred to are not printed in the RECORD.)

If there are periods of "drift" and of "mastery" in human affairs, as Walter Lippman once wrote, there is no doubt that, economically speaking, mastery was preeminent in the industrialized world during the past quarter century. Over most of the span the world's industrialized economies have performed very well. It has been a period of reasonably sustained economic growth and unparalleled international economic cooperation.

But now, almost suddenly, troubling signs indicate that drift is taking over. Economic problems that, for the time being at least, seem to defy solution have been surfacing. The results are unproductive international bickering and an uneasy sense that events may be overtaking men.

From the perspective of 1971 it is clear that economic growth in the industrialized world has been slowing down (see charts, following page). In Japan, the growth champion, the pace is slower for the third year in a row, though this deceleration may be part of a transition to a long-term growth target of 10 percent a year in real G.N.P. In Western Europe this will be the second successive year of diminished growth. The growth of the industrialized world's *total* G.N.P., it is true, will speed up somewhat in 1971, but merely to 3.5 percent—and this only because the huge U.S. economy, which failed to grow at all last year, will advance a lackluster 2.5 percent or so this year.

What is hobbling growth? The most obvious factor is the broad-scale effort to contain a pandemic inflation, largely through tight monetary and fiscal policies. By and large, the industrialized economies have been battling wage and price rises in this way for three years now without success. Even in Germany, where fear of inflation runs deep, some wage contracts have been settled with increases of as much as 15 percent a year, and the consumer price index is climbing 5 percent a year. Europe's inflation is now being exacerbated by the mounting prices of fuels, a result of the higher costs of Middle Eastern oil.

COLLECTIVE LAZINESS

Various voices keep calling for greater resort to incomes policies to break the wage-price spiral. The 1971 annual report of the Bank for International Settlements argues for such policies with as much urgency as last year's report did; this year, however, the bank puts greater emphasis on slowing the rise in wages. In a report issued last June, the Organization for Economic Cooperation and Development observes that a number of important countries are suffering from "stagflation," which the O.E.C.D. defines as "continuing inflation under conditions of stagnant output and rising unemployment." Britain and Italy certainly fit the definition, the U.S. and Sweden are practically in the same class, and some West Germans fear that their country may come to qualify.

The spread of stagflation is partly attributable to widening labor unrest. To a great extent this unrest stems from social dissatisfactions as much as from desires for better working conditions or wages. It is for these reasons that demonstrations and strikes broke out in France in 1968 and have been erupting intermittently in Italy since late 1969. Italy has also witnessed increasing absenteeism, recently troublesome in the U.S., too, and work stoppages by small groups, a characteristic of labor behavior in Britain. Some Europeans feel that even the Germans are losing their vaunted zest for work. An Italian economist calls the erosion of labor discipline that is spreading through Europe "collective laziness."

TRADE: A LOST LEADER

On another front, the quality of international trade relations shows signs of deteriorating. The Kennedy Round of tariff negotiations, signed in 1967, appears to have marked the end for a while of any substantial liberalization of international trade. Now, indeed, it can be seen that the Kennedy Round itself sent up a sort of warning signal. It was probably the toughest of the six postwar mutilateral trade negotiations to bring off. In fact, the U.S. has as yet failed to fulfill an important provision of the agree-

ment it negotiated with the Common Market in the Kennedy Round: abolition of the "American Selling Price" system for chemicals. The A.S.P. is a method of customs valuation that places fictitious high prices—and hence high tariffs—on a large category of chemical imports.

Over the future hangs the threat that the U.S., under pressure from many domestic industries as well as labor unions, will enact quotas against a variety of imports. So far a number of considerations have held back action: counterpressures from free-trade groups, opposition by key members of Congress, and the reluctance of the Nixon Administration to touch off trade wars. In hopes of forestalling international escalation of tariffs and quotas, the U.S. is pressing other nations to dismantle various subsidies or other discriminatory aids to their exports, and to reduce nontariff barriers to their imports from the U.S. Clearly, all this adds up to a marked change in the U.S. role in international trade relations. Whereas the U.S. was once the leader in urging all nations to move toward free trade, its interest has now largely shifted to improving its own trade position (see "U.S. Foreign Trade: There's No Need to Panic," page 109). That is perhaps understandable, given the remarkable decline in the U.S. trade surplus since 1964, but the change of role leaves the cause of freer trade leaderless.

AFLOAT AGAINST THE RULES

Drift is particularly apparent, to a dangerous degree, in international monetary affairs. In a monetary system supposedly based on fixed exchange rates, three major currencies—the Canadian dollar, starting in June, 1970, and lately the German mark and the Dutch guilder—have been set afloat without specified parities. When a system's basic rules are contravened by some of its most important members, major changes in that system appear to be unavoidable. The difficulty is that there is no working consensus among nations as to the appropriate remedy or even the nature of the ailment.

What brought on last spring's exchange crisis was a huge pile-up of U.S. dollars in Europe. Central banks were obligated to redeem these dollars with their domestic currencies within small, specified ranges of their par values. The German central bank, the Bundesbank, was under by far the heaviest pressure. It is estimated that the bank had to absorb between two and three billion dollars in the two days before it shut down its foreign-exchange window on May 5. (And in the months before that deluge there had already been an inflow of billions.) By exchanging marks for the dollars that had moved into German commercial banks, the Bundesbank was flooding the German economy with liquidity. This cascade of dollars worked against the Brandt government's efforts to curb domestic inflation.

One possible course for the West German Government was to revalue the mark directly. That would have halted the influx of dollars, but would also have guaranteed an immediate profit to the banks, corporations, and individuals who had been acquiring marks for dollars. A more basic objection to quick revaluation was that Germany had raised the mark's value as recently as October, 1969; businessmen feared that another revaluation would put German export prices out of line with world prices.

Another course would have been to put controls on capital movements into Germany, a move advocated by Karl Klasen, president of the Bundesbank. This is what the French urged the Germans to do. But Karl Schiller, the powerful Economics Minister, opposed controls. Besides presenting administrative difficulties, controls run counter to the German freemarket philosophy, and they are always easier to install than to dismantle. Schiller wanted revaluation in some form because of its deflationary impact on the economy—it would make imports cheaper and exports more expensive, and the side effects would make it harder for German employers to grant large wage increases.

PROSPECTS FOR UNIONS

The Bundesbank actually took neither of these two courses. Instead, it ceased to specify the upside or downside limits at which it would buy or sell dollars—that is, it allowed the mark to float. The accompanying uncertainty discouraged the entry of dollars. Additional administrative measures such as a halt to payment of interest on certain foreign-owned deposits encouraged the exit of dollars. With inflows halted the Bundesbank has been gradually selling off some of its swollen dollar holdings, a process that led to a de facto German revaluation of around 4.5 percent by early July (and thereby conceded some profit to foreign holders of marks). When the Bundesbank has sold off enough excess dollars, an attempt can be made to restore the former dollar-mark relationship, as the Germans have promised their Common Market partners.

Germany and France disagreed sharply about the monetary actions of May. When the floating of the mark became a *fait accompli*, the French talked of a float lasting for weeks, while the Germans were talking about months. There have since been attempts to reach a compromise, but whatever short-term accommodation is made, there is still a big question about the prospects for unifying the currencies of Common Market members. Some experts have always stressed the difficulty of coordinating national economic and social policies to the extent required by a unified currency.

Now they tend to think that the tremors of the spring have made unification more difficult than ever to achieve or have even dealt it a fatal setback. The countries involved cannot unify their currencies unless the exchange parties between them remain quite stable. On the other hand, some European officials and observers see the recent crisis as a spur to get on with the currency union as rapidly as possible; they believe it may shock governments into an awareness of the perils that lurk in long delay

The D-mark float perturbed some other European countries. The Netherlands, Belgium, Austria, and Switzerland feared that when dollars were deflected from Germany, the funds would flow their way instead, and so flood them with liquidity. Moreover, a revaluation of the mark would have important effects on their economic relationships with Germany. These countries reacted in various ways. The Dutch followed the Germans and floated their currency. The Belgians set up a free market in the franc for monetary and investment transactions (but not for commercial ones). The Austrians raised the par value of their currency by a bit over 5 percent and Swiss raised theirs by 7 percent. The Austrian and Swiss revaluations suggest that the German mark might in the end be revalued by approximately 5 percent.

There is widespread general agreement on the immediate reason why dollars piled up in Europe early this year. Interest rates in the U.S. and in the Eurodollar market had been well below rates in Europe, most importantly those in Germany. German companies borrowed large amounts of Eurodollars and converted them into marks for domestic uses. The spread also made it profitable for foreigners to shift funds into marks. By early May the flow became a torrent as corporations and banks saw that by moving into marks they could bet on revaluation while enjoying an interest-rate advantage with no downside risk. These flows stopped not only because of the monetary actions taken by Germany and some of its neighbors, but also because U.S. interest rates have been converging with those abroad, and may converge further.

Some American officials, among them Secretary of the Treasury John Connally, have said that the crisis was almost purely an interest-rate phenomenon. Most European officials, however, believe that if the chronic deficit in the U.S. balance of payments had not undermined confidence in the dollar, far fewer dollars would have moved into Germany.

AN ARTIFICIAL PLETHORA

Drift has also characterized policies affecting the Eurodollar market. Since the end of 1964 the number of Eurodollars in existence has increased about sixfold. Some of this enormous expansion resulted from the continuing U.S. balance-of-payments deficits, insofar as dollars accruing to foreigners were deposited in banks outside of the U.S. Some of the expansion, though, resulted from continual relending of Eurodollar deposits. And some, curiously enough, resulted from the unwitting actions of European central banks. Paul A. Volcker Undersecretary of the Treasury has described the sequence: "A central bank deposits some or all of a dollar inflow in the Eurodollar market. The dollars are relent to European borrowers, to be converted for local use. At that point another central bank—or maybe even the same central bank—receives those dollars in its reserves. Thus official reserves are swelled and the market's private credit extensions expanded in the process."

In other words, the swelling in official dollar reserves abroad is in some sense artificial—some dollars are counted more than once. And experts agree that there is a Eurodollar "multiplier" in action in the lending activities of commercial banks, but they do not agree on its size. Students of the subject admit that to this day the workings of the Eurodollar market are incompletely understood. It is clear enough, however, that not all Eurodollars really constitute claims against the U.S. Now that the European central banks have become aware of the duplications and confusions, they are limiting their deposits into Eurodollar accounts and have begun to place restrictions on the hitherto uncontrolled Eurodollar market.

CROSSROADS FOR THE DOLLAR

In view of the weaknesses and stresses revealed by last spring's events, many observers fear that another currency crisis may soon erupt. Of course no one can forecast the timing of currency squalls with any accuracy, but it's clear that faith in present arrangements, as well as the U.S. role in them, is far from strong. Government and banking officials, as well as academic experts, keep putting forward ideas for changes in the international monetary system. There are signs, indeed, that the dollar may be approaching a crossroads. It is a fair assumption that the U.S. payments deficit will continue for quite a while at $3 billion a year or even more. It is also commonly believed that the U.S. gold stock, now just over $10 billion, will not be allowed to fall much below that point.

Some foreign countries are already registering unwillingness to hold more U.S. dollars. France, with $3.5 billion of gold in its own coffers, used dollars to buy $282 million of U.S. gold to pay a debt to the International Monetary Fund. By midyear Switzerland had bought $125 million of U.S. gold versus $50 million in all of last year, and Belgium had bought $85 million versus none last year. The U.S. has also been using its Special Drawing Rights and digging into its automatic credit lines at the I.M.F. for the wherewithal to buy up dollars other nations want to cash in. In addition there is talk that the U.S. will at some point redeem dollars by offering bonds repayable in the foreign country's currency at the exchange rate prevailing on the issue date of the bonds. In that way the holders would be protected against both revaluation of their own currencies and devaluation of the dollar.

By the end of May total U.S. reserve assets were down to $13.8 billion from $16.2 billion twelve months earlier. So if the U.S. Government wants to hold on to a minimal gold stock of around $10 billion, only about $4 billion is left to pay out to other countries. And the Netherlands and Belgium are nearing the point where, under I.M.F. regulations, they could refuse any more Special Drawing Rights and demand gold instead.

WAIT UNTIL NEXT YEAR

There are some bright spots in the industrialized world, to be sure. At long last it seems that Britain, Norway, Denmark, and Ireland may get into the Common Market (providing their Parliaments approve). World trade continues to expand. And the world economy may embark on a widespread and vigorous upturn sometime in 1972. Some economists think an upturn is bound to take place, what with national elections coming along in the U.S. in 1972 and Germany in 1973, and with Britain's Conservative party needing a dose of economic cheer well before its present mandate runs out in 1975.

Right now, though, the outlook in many countries is on the somber side.

Britain's economic outlook is clouded by political uncertainty about whether Parliament will approve entry into the Common Market. The odds are no better than three to two in favor. Failure to join could help prolong Britain's economic stagnation, which is partly due to lagging capital investment (down 7 percent this year). Business might raise investment plans quickly if it were sure of free access to the larger market across the Channel.

Meanwhile, pressure to stimulate the economy is building. Industrial production is weak. Unemployment stands at 750,000 or so, a level not experienced in thirty years or more, and there is speculation that the figure might hit one million by the winter. These developments have been accompanied by large wage increases and a year-to-year rise of nearly 10 percent in retail prices.

Resisting appeals for stimulation, the government is in effect trying to improve the competitiveness of British industry by making it harder to earn gross profits, while at the same time reducing taxes so more of the gross will go down to net. The hope is that those fortified net profits will encourage enough investment to get the economy going again. This is a hard program to carry out, particularly for a government whose popularity has already begun to slip. As one of Prime Minister Edward Heath's pre-election advisers says, "He's taken on the job of changing attitudes that are fifty years old in two or three years." Moreover, Heath has to contend with the difficulty of halting a deep-seated inflation. That, says Russell Clark, chief economic adviser at National Westminster, Britain's second-largest bank, "means that the government's problem is to have an incomes policy—which it has flatly opposed in the past—without saying so."

Italy's severe economic problems are mainly political and social in origin. The important question now is whether Italy will continue developing into an economically advanced welfare democracy or falter because of political muddling and ideological dissension. The coalition government is weak and divided, and the political initiative lies in the parliament, where the pulling and hauling among the parties is to a great extent influenced by trade unions affiliated with political parties—Christian Democratic, Socialist, and Communist.

The unions are pushing for a group of reforms that are widely considered reasonable. The health-insurance system operates poorly. There is a severe housing shortage, particularly in the industrial cities such as Milan and Turin, where large numbers of workers from the poverty-stricken South are living in squalor. The unions also want better urban transport for these workers; at present it takes many of them two hours or more to get to their jobs. These grievances as well as job dissatisfactions have led to an uncounted number of strikes and work stoppages. Industrial wages, meanwhile, continue to rise rapidly, yet there has been no commensurate increase in consumer demand. The hesitation among consumers plus the political uncertainties and the chaos on the factory floor have done much to cut back investment outlays. Industrial production was down in the first quarter of 1971, while real G.N.P., which rose 5.2 percent last year, is expected to grow only 3 percent this year.

Germany is hovering on the brink of a recession, according to many forecasters. The O.E.C.D., for example, projects a fall in the growth rate from about 5 percent in 1970 to 3.5 percent in 1971, with a marked deceleration in the second half of this year. Leading German business associations and economic research institutes have arrived at similar forecasts.

The latest statistics available, however, don't quite bear out these gray-sky views. Industrial production has been rising. New orders have been holding their own or even increasing—at least they were before the mark was set afloat. Some of the favorable trends may be temporary, to be sure. For example, a speedup in construction in the first quarter might have been due to unusually good weather, and a rise in capital spending to a reduction in taxes affecting investment.

If an economic slowdown is in the offing, it could well be milder than many foresee. The June report of the Bundesbank has this more optimistic tone. Among other things, the bank points out that profit margins improved in the first quarter; many other observers have been stressing the depressant effects of last year's poor profits in the steel, chemical, machinery, and auto industries. How well the German economy actually does will have important effects on the entire European economic tempo. West Germany produces about one-quarter of Western Europe's industrial output (42 percent of the Common Market's). And it is an important customer for the output of other European nations, absorbing 20 percent or more of the exports of Austria, Belgium, the Netherlands, France, and Italy, and between 15 and 20 percent of the exports of Switzerland, Greece, and Norway.

France currently has the most vigorous of the larger European economies. The only serious concern is about new outbreaks of strikes or other disturbances; not long ago a strike begun by eighty-two craftsmen swelled to the point where it shut down almost all of Renault's auto production for twenty-five days.

In France, as elsewhere, wages and prices are rising too fast, and Finance Minister Valéry Giscard d'Estaing is striving to put an 8 percent limit on wage increases. Moreover, Giscard has taken a number of measures to restrain credit somewhat, and the government budget is tight. Conceivably, if pursued with more vigor, restrictive policies could curb economic growth, but more likely the 1971 increase in real G.N.P. will come to 5.5 percent, not far below last year's 5.9 percent. Exports and consumer outlays have been rising nicely. With industrial production improving, unemployment—which has been high—is abating.

Elsewhere in Europe, Austria's boom is in its fourth year, through reduced investment will cut growth from 7 to perhaps 5 percent. It's an enviable record. Belgium's exports have been weakening, and that is one of the reasons the economy's growth is slowing from 5.4 percent last year to about 4 percent. Denmark wants to cut its foreign trade deficit and is taking steps to reduce huge increases in expenditures by local authorities. Such curbs might make it possible to avoid devaluation. Finland has introduced credit restraints and new taxes, and has raised the discount rate for the first time in nine years. The trade deficit has widened swiftly, and the balanced prosperity the country has enjoyed ever since the devaluation of 1967 is slipping away. In the Netherlands the new coalition government may find it difficult to agree on a coherent policy to cope with inflation and a swollen trade deficit. The government may also have to contend with large wage demands by year-end.

In Norway a labor shortage has been developing with the rise in investment and industrial output. Norway might be one of the few European countries whose real G.N.P. will grow faster this year than last—more than 4 percent as against 3.5. Spain has succeeded in greatly improving its balance of payments without greatly depressing its high growth rate. Sweden has been afflicted with an unusual outbreak of labor trouble in the civil service. The main cause is the resentment felt by professional and other skilled employees of the state because the pay of those with less training is catching up with their own. Switzerland's outlook is for more inflation, pressure on profit margins, and a possible drop below 4 percent in the growth rate.

Canada is closer to price stability than any other advanced nation. The consumer price index is only about 2 percent higher than a year ago, partly because of a drop in food prices. Even excluding food, Canada is still at the top of the inflation-fighting league. The unemployment rate, however, is running above 6 percent. The economy grew more than 3 percent last year and should gain at least 5 percent this year.

The government has just put forward a thorough tax reform, the aim being to attain as much equity among taxpayers as political reality will allow. The proposals, which include the first capital-gains tax in Canadian history, seem to have won acceptance. Uncertainty about coming tax changes was a factor discouraging business investment. Now that most of this uncertainty is gone, investment may be getting a stimulus at just the time when the economy is losing the impetus of a big gain in the export surplus, now the largest in Canada's history.

Japan, after fifty-eight straight months of economic expansion, ran into a slowdown last year. For the full year, economic growth came to nearly 11 percent, but industrial output stopped rising in September. Purchases of color TV's and autos increased much more slowly than before. Consumers were incensed to learn that TV sets were being sold far more cheaply abroad than at home, and higher taxes and credit restraints, together with concern about safety and pollution, cut into auto sales. These slowdowns also brought on an inventory adjustment. Expansion has now resumed, and growth should come to 8 percent this year. The recovery stems primarily from an increase in government outlays and a resumption of very rapid gains in consumer outlays.

In the three years ending in 1970, Japan's foreign-exchange reserves more than doubled to $4.8 billion. At the end of June they probably exceeded $8 billion, and a further climb was expected. Trying to fend off mounting pressure from abroad to revalue the yen, the Japanese are speeding up the liberalization of trade and investment policies. Only when commerce with other economies is substantially free, the argument runs, can a sensible decision be made on whether to revalue and by how much. But if reserves keep growing at anything like the recent rate, re-

valuation may come anyway, though it may involve Cabinet shakeups or even the fall of a government.

[From Fortune magazine, November 1971]

OUR STRANGE NEW HARD LINE ON TRADE

(By Sanford Rose)

When President Nixon exploded his international economic bombshell last August, it appeared for a while that his objective was simply to persuade other nations to help end the chronic U.S. balance-of-payments deficit. In the weeks since then, however, it has often seemed as though the U.S. were seeking a good deal more. We have appeared to be aiming not merely to end a deficit but to assure ourselves a surplus. If that is indeed our aim—if our ambitions demands represent more than a bargaining tactic—then the U.S. may well bring about a new age of mercantilism in the international economy.

The notion that we might be encouraging any such trend would doubtless astound the millions of Americans who have been taught, in elementary economics courses, that mercantilism is a primitive and thoroughly discredited approach to national economic health. Mercantilist doctrine holds that a healthy nation is one with a large trade surplus—one that, by selling abroad more than it buys, accumulates substantial hoards of money. Modern economists have generally insisted that mercantilist nations are actually worse off than their customers. Individual producers may benefit from mercantilist policies, but for society as a whole it involves deprivation. The ultimate aim of economic activity, after all, is consumption, not production.

Not that mercantilism is unknown in modern times—or that the U.S. would be alone in bringing it back. In the 1930's there was a flash of competitive currency devaluations as nations strove vainly and unheroically to preserve favorable balances of trade at the expense of their neighbors. Since 1966, another pattern of competitive devaluation has emerged. This time, however, the mechanism has been somewhat different: some nations have devalued, but others have reached a desired state of undervaluation by simply declining to revalue (or not revaluing enough).

The major trading nations of the world have vied with each other to see which could retain the cheapest currency and, therefore, the largest trade surplus. But this was a competition from which the U.S. was excluded. Other nations had control over their exchange rates, while, under the Bretton Woods agreement, the U.S. did not. The value of the dollar was determined by the movement of other exchange rates. This meant that other nations could use the U.S. as a residual market for their products; their undervalued currencies were the equivalent of a subsidy for their exports (and the overvalued dollar was in effect a subsidy for U.S. imports).

All this changed, of course, on August 15. President Nixon's new international program, in one dramatic stroke, changed the rules of world trade. It severed the link between the dollar and gold, imposed a 10 percent surcharge on U.S. imports, and proposed a buy-American policy for capital goods. These actions were designed to force the Japanese and the major European nations to revalue their currencies by undetermined amounts, to remove manifold barriers to U.S. trade, and to share the cost of U.S. military forces stationed abroad.

WHERE THAT $13 BILLION COMES FROM

It soon became apparent that the U.S. was asking for larger currency and trade concessions than the major industrial nations were prepared to grant. The demands have been justified by calculations purporting to show an emerging crisis in the U.S. trade balance. Walther Lederer, an economist and balance-of-payments specialist at the Treasury Department, has produced figures showing that, under conditions of relatively full employment, the U.S. trade deficit could reach $5 billion in 1972. Lederer argues that the U.S. would not only have to eliminate this deficit but would have to generate a trade surplus of about $6 billion to cover other outflows—e.g., for overseas military expenditures, foreign aid, and capital investment. When Treasury officials received this $11-billion estimate they added on an extra $2 billion, presumably as a margin of safety. The result was the much-publicized demand for a $13-billion turnaround on trade.

It is certainly possible that this extreme demand is only a bargaining counter and that it will be modified in exchange for reasonable concessions by other nations. In that case, the hard-line U.S. policy the U.S. has been articulating would have served to end the post-1966 drift to mercantilism. But it is also possible that the demand is real, and that it represents a bold new bid by the U.S., not to end the mercantilist game, but to *compete* in it.

There should at least be no doubt that our demands represent a very hard line. Even setting aside that gratuitous $2-billion addition, it is questionable whether Lederer's figures should be used to support the demands. C. Fred Bergsten, a former economic adviser to Presidential Assistant Henry Kissinger, feels that the figures underestimate the improvement that should take place in U.S. exports as nations like Japan, the U.K., and Canada start to recover from their own business slowdowns. Bergsten and many other economists also criticize Lederer for not taking into account an anticipated decline in U.S. interest payments to foreigners. As other countries revalue their currencies, those U.S. speculators who originally exchanged domestic dollar balances for foreign assets will reverse these transactions in order to take their profits. This will reduce the dollar holdings of foreign central banks in the U.S., and the resulting decline in overseas interest payments will reduce the size of the trade surplus we will require.

Most businessmen and government officials are, of course, unconcerned about, if not unaware of, Lederer's highly sophisticated calculations. They have, however, registered intense concern about the all-to-obvious deterioration in the current trade figures: a trade deficit of about $1 billion to $2 billion is now expected for this year, versus a $2.1-billion surplus in 1970. But it would be a serious error to base any generalizations about the trend on this year's trade performance.

Trade flows during the first eight months of 1971 were seriously distorted by the effects of three potential strikes, the threat of legislative curbs on imports, and, finally, the prospect of exchange-rate changes themselves. Anticipating first a West Coast dock strike, next a steel strike, and then a shutdown of east-coast ports importers frantically stepped up their buying, lest they be caught short later in the year. For example, during the spring quarter, the U.S. imported 36 percent more textiles than it did in the comparable period of 1970. Hendrik Houthakker, a professor of economics at Harvard University and formerly a member of the Council of Economic Advisers, commented recently that "the trade deficit from April through August reflects many temporary factors, of which the potential dock strikes were the most significant." He added: "I have personal knowledge of the situation in two commodities. Beyond doubt, imports of steel and of meat were substantially accelerated in the first half of the year." And Frank Vargo, a trade expert at the Commerce Department, estimates that U.S. businessmen bought between $1 billion and $1.5 billion more than they normally would have in the first seven to eight months of 1971 *solely* as a hedge against the two dock strikes.

This process, moreover, led to another kind of hedge buying by importers. As the trade data turned ominously bad, beginning in April, foreign producers and U.S. importers became persuaded that import controls or exchange-rate changes were inevitable. Since these would raise the price of foreign goods in the U.S. market, importers hurried to make still more purchases, which, under normal circumstances, would have been spaced out over a year or more. In short, the fear of strikes stimulated imports, and inflated imports begat more imports.

WAITING FOR AN UPTURN

Meanwhile, the prospect of exchange-rate adjustments also hurt U.S. exports. Foreign buyers slowed down purchases in the expectation that later they would be able to buy U.S. goods cheaper (because their own currencies would be worth more in dollars). In turn, U.S. exporters may have delayed shipments in anticipation of exchange-rate changes: after a devaluation of the dollar, they would be able to raise the dollar price of their goods somewhat and still expand overseas sales (because the price in foreign currencies would be falling).

Thus imports were being artificially stimulated while exports were being artificially inhibited. It is likely that the trade balance will eventually turn up once hedge buying slackens and exchange-rate changes are made. Jack J. Bame, head of the balance-of-payments section of the Commerce Department, thinks the merchandise-trade figures for the final quarter of the year should show a substantial improvement over the figures for last spring.

The trade picture, though worrisome, hardly justifies the hand wringing and lamentations emanating from Washington. The international position of the U.S. is basically quite healthy. Our net assets abroad have risen from $26.8 billion in 1960 to around $60 billion, primarily because of increases in the book value of our overseas direct investments. The return flow of dividends, fees, and royalties on these investments is beginning to assume very large proportions; last year the total was $7.9 billion. In fact, this income might shortly be large enough to wipe out our balance-of-payments problems once and for all.

The problems have been centered, of course, in the large deficits we traditionally run in certain parts of our international accounts—e.g., from exporting private capital, foreign aid, tourism. Despite these deficits, the Council of Economic Advisers recently projected an $800-million over-all balance-of-payments surplus by 1975. This projection, admittedly tentative, assumed only a $1-billion positive balance on merchandise trade. The primary reason for the Council's optimism is the flow of those dividends, fees and royalties, which are expected to rise to $17 billion by 1975.

ARE WE IMPORTING UNEMPLOYMENT?

But the Administration seems to have its eye on 1972, not 1975. It seems to feel that it needs a large trade surplus as soon as possible, not only for reasons of external balance but, more important, to stimulate the domestic economy. An excess of exports over imports withdraws goods and services from the domestic market while pumping in foreign money. As Americans spend this money, they generate income for other Americans; thus trade surpluses, whether derived from increases in exports or reductions in imports, have a multiplier effect on U.S. income and jobs, much like an increase in business investment. The C.E.A. estimates that every $1 of additional net exports increases the G.N.P. by $2.54 within one year and $3.29 within two years. Conversely, a trade deficit tends to have a depressing effect on income and jobs. Indeed, many Americans feel that other countries have been exporting unemployment to the U.S. by rigging their trade policies or exchange rates in order to produce favorable trade balances with this country.

But, here again, there are reasons to believe that the Administration is misreading the data, and that the employment effect of our trade problems has been much exaggerated. From 1964 to 1969, the U.S. trade surplus dropped from $6.8 billion to $700 million, but unemployment also declined—from 5.2 percent to 3.5 percent. Though the trade balance did exercise a depressing influence, the economy was buoyant enough not merely to absorb any workers displaced by the growth of imports but also to provide jobs for new entrants into the labor force. Since 1969, of course, the economy has been slack and the jobs allegedly lost because of foreign trade have become the focus of unusual attention.

How much unemployment has the U.S. actually been importing? Lawrence Krause, an economist with the Brookings Institution who is regarded as one of the most knowledgeable foreign-trade specialists, has attempted to measure the amount for the period from the first quarter of 1970 through the first quarter of 1971. His analysis, based on detailed data for specific industries, concludes that very little of our unemployment is related to foreign trade. During this period imports increased at an annual rate of about $4.1 billion, while exports rose by only about $3.1 billion. Yet this $1-billion difference did not cause any direct loss of jobs to the economy as a whole. While the rise in imports and the decline in certain categories of exports wiped out 182,200 jobs, the increase in other exports and the decline in a few categories of imports created 182,700 jobs.

Adding in the indirect job effects—that is, the impact on industries that supply parts or intermediate goods either to the export industries or to those that compete with imports—Krause found that the aggregate job loss for the year was a mere 17,000. He notes: "If unemployment had increased only because of trade dislocations, the unemployment rate would have risen from 4.16 percent at the beginning of the period to only 4.18 at the end, rather than to the actual 5.93 percent."

The reason for this minuscule job loss is that many U.S. exports have a higher labor content than the production displaced by U.S. imports. For example, capital goods—which account for about 35 percent of U.S. exports—generally use a far higher ratio of labor to capital than do autos and many other types of consumer goods that represent a large part of U.S. imports.

Having overestimated the problem, the Administration is overreacting in its proposed solution. Perhaps the major reason for being concerned about our reinforcing a trend to mercantilism lies in the weapon we have employed in our attack on trade problems. The weapon, the 10 percent surcharge on imports, will not in fact cut out many imports or create many new jobs in the short run. And as long as it remains in effect, it will certainly delay, or even frustrate, the efforts to achieve a reasonable long-term solution to the international monetary crisis. There are many encouraging signs that the Administration is becoming aware of this fact. And so we can hope the tax may not be around for too much longer.

If the surcharge remains, its impact during the rest of 1971 will probably be minimal. U.S. importers or distributors who have been relying on a foreign source of supply will not find it easy to shift quickly to a domestic source without experiencing unacceptable delays in the delivery of merchandise. The importer will continue to buy foreign merchandise and will try to pass the tax on to his U.S. customer. If the customer's demand for imports is relatively insensitive to price changes—because, for example, the merchandise is desperately needed—most, if not all, of the tax can be passed on. But if the customer is acutely sensitive to price changes, the importer will either have to reduce his own profit margin or ask the foreign producer to absorb part of the tax. Whether the foreign producer will agree depends on how interested he is in retaining his share of the U.S. market. And that, in turn, depends on how quickly he can expand sales in his home market or in third markets.

SOME CUSTOMERS ARE INSENSITIVE

For many kinds of imported industrial supplies, customers are relatively insensitive to changes in price. Metals, fibers, and building materials, for example, cannot readily be supplied by domestic producers in large enough quantities to displace imports; thus the customers will continue to buy imported supplies despite the surcharge, which applies to some, though not all, of such items. Therefore the quantity of these imports will fall only marginally, and buyers will end up paying nearly the full amount of the import duty to the U.S. Treasury.

In theory, buyers are much more sensitive to changes in the price of finished manufactures; after all, domestic substitutes for these goods can usually be obtained in sufficient quantities. Thus, one might expect imports of finished manufactures to fall substantially as the surcharge pushes up their prices. But foreign suppliers of these goods will obviously fight to maintain their stake in the U.S. market; indeed, in the very short run—three to six months, say—they may be more interested in preserving market shares than in maintaining profit margins. If so, they will reduce prices, thereby sharing the tax burden with the U.S. customer.

For a while, then, the domestic price of these imports may not change very much, and the quantity of imports will not fall by much. According to an analysis made by the Federal Reserve Board, imports in the last half of 1971 are apt to drop only by $300 million to $600 million as a result of the surcharge. One of the Fed's calculations has imports of industrial supplies declining by only $88 million, those of finished manufactures by somewhere between $278 million and $552 million. On the other hand, imports of foreign cars may actually rise: a modest decline in the sale of Japanese and European cars might be more than offset by a rise in imports of Canadian vehicles, which are exempt from the surcharge and benefit from the abolition of the 7 percent U.S. excise tax.

The surcharge will have a somewhat larger impact in 1972 and, in the unlikely event that it is still with us, a still greater effect in 1973. Foreign suppliers will be increasingly reluctant to absorb any part of the import duty. Japan and Canada, which account for more than 40 percent of U.S. imports, may be recovering from their own business slowdowns, and so they may use more of their own output domestically and earmark less for export. Producers in these countries will therefore be in a better position to resist pressures to cut prices for the U.S. market. At the same time, suppliers in all countries will have begun lining up alternative market outlets, which means that they will be competing more aggressively with U.S. producers in third markets.

As foreign producers become more reluctant to absorb any appreciable part of the surcharge, there might well be sharp declines of U.S. imports in product categories where demand is highly sensitive to price increases. According to the Fed, the total value of 1972 imports could drop by something like $2.25 billion to $3 billion below previously estimated levels.

A BOON TO THE TREASURY, NOT THE ECONOMY

Those figures sound as though retaining the surcharge might do a lot to stimulate the U.S. economy. Actually, the stimulus would not be particularly great—at least, not in 1972. Although Americans would be cutting down on imports, they would also be paying higher prices for goods they continued to buy. Payments to foreigners would drop by about $2.6 billion, but payments to the U.S. Tretasury (i.e., for the surcharge) would rise by an estimated $2 billion. So the private economy could conceivably benefit by only about $600 million. This injection into the domestic income stream would probably create no more than 30,000 or 35,000 new jobs, according to data prepared by the Department of Labor. And even this gain could be jeopardized if rougher competition in foreign markets—which the surcharge itself stimulates—inhibited U.S. export sales. Since a dollar of increased exports creates more jobs than a dollar of forgone imports, a decline of only a bit more than 1 percent in U.S. exports could wipe out the entire 1972 employment gain generated by the import surcharge.

Actually, there is a danger, if the surcharge is retained, that it will be stimulating the economy at a time when things are booming anyway. Frank Vargo of the Commerce Department has calculated that the surcharge will reduce imports by about $2.3 billion in this fiscal year, by $4.4 billion in fiscal 1973, and by $6.7 billion in fiscal 1974. By that time, we may be trying to *restrain* the economy.

THE POOR WILL GET POORER

And while the surcharge cannot provide much immediate benefit to the U.S. economy, it may have a devastating effect on other countries. Its impact could fall with particular severity on the smaller, less-developed countries rather than on the major industrial powers—at whom it was ostensibly aimed. When countries were ranked according to the proportion of their world exports affected by the surcharge, some of the biggest losers turned out to be Mexico, Korea, Taiwan, Haiti, Hong Kong, Iceland, Israel, Philippines, and Barbados. With the exception of Japan and Canada, most of the countries the U.S. is trying to pressure into revaluing their currencies are not seriously affected by the import surcharge. For example, only 4 percent of France's global exports will be subject to it.

The major industrial countries, including Japan and Canada, should have no difficulty in "sterilizing" the depressive effect of the surcharge on their own economies. They can use monetary and fiscal policies to restimulate internal demand. Of course, such policies would increase their imports at a time when their exports were declining. But, for the most part, these countries have sufficient international reserves to finance any potential trade deficits. The less-developed countries, on the other hand, have little or no reserves. If they attempt to offset the impact of the U.S. surcharge by expansionary domestic policies, they will fall into acute balance-of-payments crises. They will have to either devalue their currencies or else impose additional controls on imports. Either way, U.S. exports will suffer.

Many countries—both industrial powers and less-developed countries—are likely to react to the surcharge with measures directed against U.S. capital rather than U.S. trade. There is the worrisome prospect that countries will try to tamper with the repatriation of dividends earned by U.S. subsidiaries. Central banks could simply refuse to provide dollars in exchange for local currency profits, or they could provide them at discriminatory rates.

Right now, there is a real hope that the U.S. might shortly earn enough on its overseas investments to solve its international payments problems. But concerted action by foreign countries against U.S. investment income would obviously change matters. The U.S. may not need a large trade surplus by 1975. But if we persist in trying to create too large a surplus in the short run, we may so imperil the earning power of our overseas assets that we would, in effect, "manufac-

ture" the need for the surplus. The Administration would have made a classic self-fulfilling prophecy.

The surcharge has had one possibly beneficial effect. Since August 15, most major countries have allowed their currencies to float upward in relation to the dollar. They might never have agreed to float if the import surcharge had not been imposed—though it is also conceivable that the suspension of gold convertibility alone would have exerted enough pressure to get a float going. Yet even if the surcharge was an essential prod, it should have been removed once the float got under way, both as a gesture of good will and simply for the sake of good economic sense.

AN IMPORT TAX IS AN EXPORT TAX

Although the Administration has hinted that it may remove the surcharge, it has said nothing about another of its proposals that also has a mercantilist look to it: the proposal to attach a buy-American provision to the investment tax credit. The buy-American clause is even more bitterly resented by other countries than the surcharge itself. According to the pending legislation, when a U.S. company buys a piece of equipment that is more than 50 percent of American origin, the company can deduct 7 percent of the cost of the equipment from its corporate tax liability.

Thus a U.S.-made machine that sold for $100,000 might cost the buyer only $93,000. But the buyer gets to take his depreciation deduction as if the equipment had cost $100,000. This would typically reduce the effective cost of the machine to something like $90,000. Meanwhile, if the import surcharge is retained, the price of a $100,000 foreign-made machine could rise to $110,000. Taken together, then, the buy-American clause and the surcharge could give the domestic seller of machinery a theoretical 18 percent price advantage over the foreign supplier (the difference between $110,000 and $90,000).

In practice, the advantage would not be quite that high because the surcharge is imposed on what amounts to the wholesale value of the machine, rather than the higher retail price. In addition, the U.S. company probably would not have considered buying the foreign machine in the first place unless it had been either cheaper or of better quality. Still, the kind of price advantage provided by the surcharge and the buy-American clause could conceivably cut imports of capital goods by about $750 million

As long as they remain in effect, the surcharge and the buy-American clause work to prevent foreign currencies from appreciating by as much as they otherwise might. For example, a drop in British exports to the U.S. (resulting from the surcharge or the buy-American clause) will inevitably cause a floating pound to decline in value, or what amounts to the same thing, prevent it from rising in value. This process will raise prices of U.S. goods in pounds, relative to what they would have been. Thus in the last analysis a tax on British exports to the U.S. ends up as a tax on U.S. exports to Britain. Some industries in the U.S. will be more effectively insulated from British competition, but only at the expense of other industries that will find it harder than ever to penetrate the British market.

Meanwhile, it is unrealistic to suppose that the surcharge and the buy-American clause will ensure the continued floating of other currencies. It is highly unlikely, in fact, that the major currencies will continue to float for any sustained period of time. Economists tend to favor fluctuating exchange rates, but practical men abhor them. Since practical men make policy, the return to some sort of par-value system—one with perhaps a little more flexibility—seems assured. Besides, most economists have always said that the transition from a system of fixed rates to one of fluctuating rates will probably be a painful one.

The pain is being aggravated now because acceptance of fluctuating rates is only half-hearted. International traders have no confidence in currently prevailing exchange rates, and many expect that new par values, differing materially from the current exchange rates, will shortly be set. As a result, international business has been seriously affected. In turn, this has reinforced the poor opinion that most businessmen hold of fluctuating rates and has increased the pressure for a quick settlement of currency problems.

THE KICK FROM REVALUATION

The U.S. may have already won all or most of the currency changes that it needs. The changes that have already taken place will powerfully influence the U.S. trade balance and, therefore, domestic income. As of mid-October, the German mark had appreciated a total of more than 10 percent since the beginning of the year. The Canadian dollar had appreciated by about 7.5 percent since 1970. The Japanese yen had appreciated by close to 10 percent since August 15. The Belgians had gone up by over 7 percent, the British by close to 4 percent, and the Swiss had gone up by about 10 percent.

The effect of exchange-rate changes like these on U.S. exports depends on, among other things, the foreign customer's response to price changes. Estimates of this response—in technical language, the price elasticity of demand for U.S. exports—vary quite substantially. One of the most systematic efforts to calculate these elasticities has been made by Professor Stephen Magee (see the box on page 138). Magee has computed the effects on U.S. trade with the fifteen major trading countries of the world, and also with a sixteenth bloc that includes most of the less-developed countries. He concludes that world demand for U.S. exports is far more sensitive to price changes than most people suppose.

For every 1 percent decline in the price of U.S. goods, expressed in foreign currencies, the dollar value of U.S. exports could rise by as much as 2.74 percent, provided the price of exports in dollars did not change. Thus if the fifteen industrial countries simultaneously revalued by 10 percent, the value of U.S. exports to these countries might rise by over 27 percent. In practice, however, this is most unlikely to happen. In the first place, U.S. producers may be taking advantage of the increased demand for U.S. exports to raise their prices in dollars. As a result, the price of U.S. exports in foreign currencies may not fall by the full amount of the currency revaluations, and this may greatly offset the initial increase in the demand for U.S. products.

Increased demand for U.S. exports will be partially offset in other ways too. When Japan, for example,, revalues, its imports will cost less in yen and its exports will become more expensive in dollars. However, as Japanese producers encounter overseas resistance to the higher dollar prices, they will reduce prices of their goods in yen—though perhaps only slightly—in an effort to overcome the resistance. The drop in the domestic prices of both imports and exportable goods, Magee calculates, will lower the Japanese wholesale price index significantly: a 10 percent revaluation would lower it by close to 1 percent. In turn, this fall in domestic prices will gradually moderate wage pressures and increase the competitiveness of Japanese-made goods, thus tending to offset the initial rise in the demand for U.S. exports.

Finally, real income in other countries will tend to fall in the wake of their revaluations. A rise in imports and a decline in exports means that foreign goods are being pumped in while local money is being sent out. In these circumstances, foreigners will buy fewer U.S. goods than would otherwise have been expected. Magee has calculated the initial decline in real income, but he has assumed that the fifteen countries will prevent any multiplier effects.

Adjusting for all the forces that would tend to offset the rise in U.S. exports, Magee nevertheless concludes that a revaluation of these fifteen currencies by 10 percent, or even 5 percent, would give U.S. exporters quite a sizable sales advantage. A revaluation of 10 percent in the industrialized countries will increase the value of global U.S. exports by about 13 percent. On Magee's estimates of final 1971 exports, that would represent an increase of about $5.8 billion. (Based on the tentative projection of 1971 exports made by Walther Lederer, of the U.S. Treasury, the 13 percent rise would represent $5.2 billion.) In turn, a 5 percent revaluation of these currencies would increase U.S. exports by about 6 percent, or between $2.4 billion and $2.7 billion.

The revaluation of foreign currencies will naturally reduce U.S. imports. But, according to Magee's research, a 1 percent rise in the dollar price of U.S. imports will probably reduce their physical volume by only 1.34 percent and their value by only 0.34 percent. Apparently, U.S. demand for foreign goods is less sensitive to changes in price than is foreign demand for U.S. goods. Magee believes that a 5 percent currency appreciation in the fifteen countries would cut U.S. imports from these areas by only $700 million to $800 million. A 10 percent change would cut imports by $1.3 billion to $1.6 billion.

To be sure, the full impact of the currency changes, like those of the surcharge, will not be felt within the first year. Some drop in imports and rise in exports can be expected in 1972, but the full benefits won't be felt before 1973 or 1974.

THE PENDULUM EFFECT

If Magee's findings are accurate—there are, admittedly, many who disagree with them—they suggest a curious paradox. Although the deterioration in U.S. foreign trade in the last few years has been caused by rising imports, the easiest way to arrest this deterioration is not to attack imports per se, but rather to concentrate on increasing our exports. Imports cannot be easily reduced—short of severe measures that engender considerable foreign hostility—whereas exports can be readily expanded by small changes in currency parities.

The Administration, which is apparently relying on very different research findings, and is also responding to political pressure from industries that compete with imports, has unfortunately chosen to restrict imports directly. To the extent that its principal weapons—the import surcharge and the buy-American clause—make it more difficult to secure changes in currency parities, its policies might prove counter productive. Moreover, these policies will reduce the total volume of U.S. trade, whereas, if Magee is right, changes in the value of currencies would increase U.S. trade.

U.S. international economic policy over the past few years has exhibited a marked pendulum effect. After nearly three years of doing virtually nothing at all about our international payments problems, President Nixon seems in one dramatic action to have done too much. There is evidence that the President was guided by a set of highly questionable statistics that tended to overstate the seriousness of our problems. What is needed now is a program to encourage the unfolding process of exchange-rate flexibility. The suspension of gold convertibility constituted a step in this direction, but our new barriers to the free movement of goods will unquestionably delay the process.

Mr. PACKWOOD. Mr. President, I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, I think that a person like myself who is heavily concerned with the trading policy of the country would be remiss in his duty if he did not call to the attention of the Senate a very serious matter.

I am a cosponsor of the Packwood amendment to strike the discriminatory "Buy American" provision from the investment tax credit.

I am deeply convinced, after a close reading of the situation, that the "Buy American" policy, restricting the tax credit to the use of American-made goods, is probably the most nettling single thing we are doing to our trading partners. It is deeply resented because it is a weapon that we are using, one that has been rarely, if at all, used by any of them.

Mr. President, coming on top of that we have a 10-percent surcharge; the fact is that some of our best friends, like Germany and Canada, have floated their currency. This would make a total package susceptible of being incorporated in the currency realinement were it not for what they consider to be an outrageous violation of the General Agreement on Tariffs and Trade; I refer to the "Buy American" provision, that is most deeply resented.

The Senate committee, in addition to accepting the House provision which would have ended after the 10-percent surcharge was lifted, even rubbed it in, as it were, by adding yet another provision in the Senate to give the President power even when he lifted the surcharge to keep the "Buy American" provision as an element of the tax credit, thereby guaranteeing that it remain a bone in the throat, as it were, of our trading partners, even though they are working out a currency realinement. I repeat again that it is the most deeply resented of all things we are doing, beginning with August 15, in our effort to obtain stabilized prices in this country and to deal with our balance of payments.

When we add that to the import surcharge and to the various currency floats, it means that the bill represents a 20-percent barrier against machinery imports coming into the United States. That is very deeply resented, as I have said.

I point out that if there is retaliation, it is we and not they who will suffer the most, because a growing percentage of our exports consists of capital goods. Imports of capital goods are also increasing, but our export surplus in this category increased from an average of $5.5 billion in 1959–65 to $8.5 billion in 1966–69, and $10.5 billion in 1970, the last recorded year.

So enactment of a new, discriminatory Buy-American provision is bound to be retaliated against and will be nonproductive and counter-productive for the United States and will rub salt in the wound. It is most unwise.

In closing, I repeat if the other nations retaliate—and they must; why should there not be "Buy German," "Buy Italy," "Buy UK," "Buy France"—it will hurt us because this is an area in which we have a real bulge in exports over imports.

For all these reasons I hope the Senate agrees to the amendment and strikes this provision from the bill.

I thank the Senator for yielding.

Mr. PACKWOOD. I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, again I find myself agreeing wholeheartedly with the Senator from Oregon (Mr. PACKWOOD) and my distinguished and esteemed colleague from New York (Mr. JAVITS). I think for the reasons they have given this is a very worthy amendment.

It is a very easy thing to call something a "buy America" provision and then have it automatically linked with patriotism—with what is right for America. But if we look very carefully at this it actually has an anti-American effect.

How about manufacturers in this country who built businesses, employed workers, and paid taxes based on the purchase of certain capital equipment from abroad? We are always happy to have industries in other countries build their businesses based on American capital goods. We encourage them in every way to import those American goods and we discourage them from putting on border taxes; as the Senator from New York said, we object to "Buy France," "Buy Germany," or "Buy Japan" policies.

But if a company has built an efficient, effective business serving American consumers which depends on advanced foreign capital equipment to stay competitive, we are saying to these companies: "Do not modernize or invest because if you do we will not give you this tax incentive and in addition we will hit you with a 10 percent border tax."

We also need to look at the examples set by countries like France and Germany. They do not apply their border taxes to capital equipment so as not to discourage their industries from modernization. Every country wants to encourage its industries to modernize and the investment of capital equipment is the best way to fight inflation, to be able to afford larger wage increases, and to deliver high quality products at low cost to the consumer.

Why should we go so far out of the way not only to discriminate against our friends abroad, but against manufacturers in this country? If we are trying to protect industry let us look at capital goods, because if we include in capital goods such items as trucks and buses, then we had in 1970 a $10 billion surplus of exports over imports in our capital goods trade. It is not an industry that is becoming less competitive, it is becoming more competitive.

We had a $6.7 billion trade surplus in 1964, $6.8 billion in 1965, $6.9 billion in 1966, $7.6 billion in 1967, $8.2 billion in 1968, $8.9 billion in 1969, and a whopping $10.414 billion surplus—that is exports from the United States over imports into this country—in 1970. This is the kind of export business we would not want other countries to discriminate against, in any way. It is vital to our balance of payments.

We are slitting our own throats when we put this discriminatory tax on imported machine tools, which only bring greater efficiency to our own American industry. That is why I say the "Buy American" provision may sound good for America, but it is actually bad for America.

I thank the distinguished Senator for offering a fine point in this amendment and I support the concept behind it.

Mr. BENNETT. Mr. President, I am opposed to the amendment offered by the Senator from Oregon. This amendment would strike from the bill section 103, which would temporarily deny the investment credit with respect to foreign-produced property.

Section 103 of the bill has been unfairly criticized as a foray into protectionism; nothing could be further from the truth. For years, the United States has had a serious balance-of-payments problem, a problem that is the result of many factors. These include deliberate undervaluation of foreign currencies, special tax incentives allowed by our trading partners to capital investment, and the imposition of trade barriers and quotas curtailing the importation of American goods. This situation is no longer tolerable and must be altered. The temporary import surcharge and the temporary denial of the investment credit with respect to foreign-produced property are the means by which this situation can and will be altered.

As the President and the Secretary of the Treasury have said on many occasions, these are temporary measures whose applicability will be terminated as soon as the existing intolerable situation terminates. They in no way derogate from our traditional and wholehearted committment to free trade among nations. But free trade is not a one-way street, or at least not for long. And our trading partners must realize this and remove the barriers and preferences which they have erected.

Deleting section 103 from the bill will seriously hamper us in the pending negotiations of a new international monetary system. Our success in these negotiations will depend in large part upon the strength of the position from which we negotiate. Section 103 of the bill will provide the President with this strength. I hope that the Senate will reject this amendment.

Mr. PACKWOOD. Mr. President, I think the proponents have made their point. I withdraw the amendment from further consideration.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. JAVITS. Mr. President, I call up my amendment No. 711.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 9, line 14, strike lines 14 through 25 inclusive.

Mr. JAVITS. Mr. President, this amendment would seek to strike out that part of the so-called Buy America provision of the investment tax credit which

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was added by the Committee on Finance in the Senate. We have just had an opportunity to discuss this matter.

I deeply believe this particular provision is very unwise, quite apart from the unwisdom of the whole 'Buy America" section, because this will inhibit rather than promote agreement of realinement with other countries and a current settlement of trade problems. Unless the President denounces the power and intention to use any power this gives him, he cannot make a deal, because an essential element in that deal would be the fact that if the surcharge goes off, the "Buy America" provision will go with it.

The bill contains many other powers in respect of procurement—the Cotton amendment and other trade restrictions in section 6 dealing with tariffs. But no single thing is more nettling than this provision which enables America to continue the "buy America" provision of the investment tax credit, even after the surcharge is lifted. That is why the other body did not put it in. They considered it extremely unwise to put the President in this situation. That is why it was a grave mistake for the committee to have inserted it.

This is likely to be the real bone in the throat of any effort to settle the existing stalemate between ourselves and other countries. I know we wish to take a tough and rigorous position, but that does not mean a position so offensive as to make it even more difficult than it is to settle our problems. It adds nothing and if the President does not want to use it, he does not have to, but it puts him in that demeaning position where he will have to renounce it.

Since it was not in the other body, I hope it will be left out here.

Mr. LONG. Mr. President, this matter was not considered in the House but it was by the Senate Finance Committee. The Senate Finance Committee concluded that this could be one of the powers available to the President to bargain with other countries. He could deny the investment tax credit for equipment from a country where, for example, they are discriminating against the United States with regard to the same commodity. He could continue the denial of the investment tax credit after the surcharge was lifted, if he thought it desirable. We have situations where it might be desirable. For example, some countries have a 30-percent tax and we have a low tax in our country on a similar commodity. There are all sorts of discriminations against American manufacturers, so where it is desirable the President should have this tool. He could deny the tax advantage of investment tax credit to the other country's commodity if they do not discontinue their discrimination against our commodity.

The administration thinks it is a good idea, and we think it should be that way. This is one of the tools we think should be in the hands of the President to protect this Nation's interests and assist him to negotiate a bargain for the removal of barriers against American products.

One would think it would not be used unless America were being discriminated against or we needed to reach an agreement with a foreign country.

This is a small power compared with the power to impose a 15 percent tax which is in this bill.

This is one of the items the administration agreed to and liked and that we think ought to be available to the President in negotiating with foreign countries for the removal of discrimination against American products.

I think it would be a big mistake to strike this provision from the bill. This is in the interest of free trade. It is in the interest of reciprocal free trade, not just somebody shipping to us. It is a means for removing discrimination against our products so we can trade on an equal basis. I think it would be a big mistake to strike it from the bill.

Mr. BENNETT. Mr. President, my colleague from New York has said several times—this is what I understood him to say—that if the President tries to use this he will have to abandon it and then it will be demeaning. That is not the way I look at this particular flexible tool which this proposal, adopted by the Finance Committee, gives to the President. It is another blue chip in his negotiating process. It is something he can give up when he feels he has been given an adequate quid pro quo. I think the President should go into the negotiating process with a number of things he can hang onto or give up rather than just have one—the repeal of the surcharge. I think this provision strengthens his hand.

It is obvious that before we get through with this problem we will have to have bilateral negotiations with all the countries involved. We are not going to reach it by a broad international negotiation.

While one can talk in total terms about the volume of capital goods, there may be one or two very sticky situations. The President may like to be in a position where, as to a particular country, he can insist, as a bargaining tool, that certain things must be done before he will accord this particular credit to either all the capital products or perhaps a particular capital product of that country.

The committee is concerned that, now that we have embarked on this process of negotiation in order to develop a new, modern, and more equitable basis for international trade, we solve the problem while we are at it. I think it would greatly weaken the President's opportunity to achieve an effective solution if this particular asset, this particular trading item, were taken away from him.

I think it would be demeaning to the President if we in Congress should say to him now, "We cannot trust you to use that particular asset, so we are going to deny it to you."

I think he should have it. The committee thought he should have it. I hope the Senate will stay with us.

Mr. JAVITS. Mr. President, it seems to me that everything that I have alleged about this amendment has been admitted. This amendment has no date. It gives the President power for any Executive order he makes to continue the application of the buy American clause. He is not going to be able to make a deal unless he states he is not going to use that power, even though it is his by law. It is demeaning the Chief Executive when the President has to renounce a power, which Congress gave him and which he signed into law, when he negotiates with a foreign country.

I have no illusions about the fate of this amendment, but I think it is still important to record one's views and arguments in regard to such critical matters as face us. We have cast crucial votes in respect of and in deference to the grave emergency we are faced with. Not based on my own views, but I consider this important limitation not less than one as to which, unless we work out a suitable arrangement in the near term on currency realignment—and at the most I guess 120 days—we will face a serious world recession into which we will be dragged, with all the dire consequences to our society. I think it is that serious.

It is in that spirit that these arguments, whatever may be their fate at the hands of the Senate, need to be uttered, so that our people and the world will know there are some people who give consideration to these vexing questions which are so deeply controverted in the great public forums of the world.

Mr. PERCY. Mr. President, if I may have a few moments, I do not want to prolong the debate, but I think there are several reasons why this is an important amendment.

First of all, the bill is becoming tagged as a protectionist bill. Certainly this provision, above all others, is in that category. It would be unfortunate if we were to accept, at this critical time in our history, a bill which could be labeled as a protectionist bill. We would be reversing and overturning a policy this country has had for 40 years, and under which we have prospered and benefited so greatly.

Second, it is harmful to the President to have this power available because of the pressures that can be brought to bear upon him to use it. Why put the President in that position? The President has said he does not want this power and does not intend to use it if it is given to him. Why force it on him? Why put him in that position? It should be our purpose to reduce the pressures put on the President of the United States, rather than increase those pressures.

I would certainly believe there would be no weakening of the President's bargaining power if the provision were stricken.

So I fully support the effort of the distinguished Senator from New York in his amendment. I think it is statesmanlike and certainly consistent with the long-standing, bipartisan trade policy that this Nation has had for 40 years.

Mr. LONG. Mr. President, I just want to make clear that the administration does propose to use this power in connection with the investment credit to seek other nations to realine their currencies in relation to ours, and to seek removal of discrimination against American products.

This is a provision which was worked out with the administration to provide a tool which will be used to negotiate a better arrangement for American products and a better realinement of currencies in this Nation's interest.

I hope the amendment is rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York (putting the question).

The amendment was rejected.

AMENDMENT NO. 738

Mr. PELL. Mr. President, I call up my amendment No. 738.

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. PELL. Mr. President, I ask unanimous consent to dispense with the reading of the amendment.

Let me briefly explain it to the Senator from Louisiana and the Senator from Utah and to all my colleagues.

The PRESIDING OFFICER. Without objection, reading of the amendment will be dispensed with and it will be printed in the RECORD.

Amendment No. 738 is as follows:

On page 17, after line 6, insert the following new subsection:

"(i) Any resource from ocean waters and any submarine deposit explored, developed, removed, or transported with property for which a tax credit is allowed under clause (ix) of subsection 104(d) of this Act shall be permitted to enter the United States without regard to quota limitation."

Mr. PELL. Mr. President, this amendment provides that when the tax credit is used on the ground of increasing productivity for the development of oil rigs outside of the continental limits of the United States, the oil produced shall be admitted to the United States without regard to the present oil import quotas.

What is bothersome to me, and I hope to some of our colleagues, is that we should give a tax credit to develop a product outside the United States and then put limitations on bringing that product in at the reduced price that has resulted from the increased productivity. I think that would be illogical. Either the oil rigs outside the United States should get the tax credit, but the product should come into the United States free of the quota; or, they should not get the tax credit, but the oil that is produced should remain subject to the oil import quota.

I would very much hope that the Senator from Louisiana would accept this amendment, though I realize he has indicated that he would not.

Mr. LONG. Mr. President, I cannot agree to this proposal. The committee felt that these big floating drilling rigs—which cost a great deal of money—which are used to find oil in the North Sea or on the Continental Shelf of foreign countries are like ships that are entitled to the credit.

We are competing with foreign countries which manufacture the same type of rigs. We felt that to make our manufacturing industry competitive with others, we should provide the credit where the rigs are used in international waters and outside the shorelines of foreign countries.

What the Senator is contending for would be like saying that no tariffs and no quotas would be imposed on an item, even though they would otherwise be applicable, if the item was hauled here in an American ship.

The quota on oil imports has to do with trying to preserve the capability in this country to produce enough to meet our requirements. It is only because we have the quota that we have an oil and gas industry today that can produce at the level it does, notwithstanding that providers of fuel are being required to ration it as to whom it will be provided, even up here in this area. They are certainly doing it in Louisiana today, because we have already gone too far in making it less and less attractive to produce this Nation's requirements of fuel.

Just because we might find the oil over there with an American rig does not in any respect increase the security of the United States. It is still foreign oil and we would still have the difficulty of getting it to this country to use it, because it is completely under the dominion and control of foreign countries.

So I would say that we should not exempt from quotas oil produced abroad in an area which is entirely, under international law, the property of a foreign nation, regardless of whether it is done with an American produced rig or a foreign produced rig.

Mr. PELL. Would not this be like giving an investment credit to an American factory that was set up in France? I do not think the tax bill does this; nor should it.

Mr. LONG. When the committee agreed to this treatment, we equated it with an American ship, which sails in international and foreign waters and which does get the investment tax credit. Incidentally, many of these rigs are made so that you just tow them over, put them down, and drill for oil, and if you do not find oil, you pump the water out of the inside of the structure—they are made of tubing and pipe—so that it will float again; and you then move them somewhere else and try again.

So the comparison to a ship or dredge is very appropriate, and of course floating dredges would get the investment tax credit, no matter where they would go, as long as they are not actually within the rivers of a foreign country.

Mr. PELL. I sought to get from the Treasury Department the costs involved but they could not come up with the figures.

Mr. LONG. As of now, we will be spending about $25 billion within the next decade for offshore development. Each year we are now spending about a billion dollars in offshore exploration. So the amount of money involved is considerable.

Mr. PELL. When it comes to manufacturing oil rigs, the amount of competition from foreign countries is negligible. Accordingly, I wonder if knocking out the investment credit for oil rigs would be more acceptable to the Senator from Louisiana than knocking out the import quotas of the oil that is produced.

Mr. LONG. Well, if the Senator wants to deny American companies producing these rigs the consideration that seemed fair to the committee, we would much prefer that be done, rather than to try to contend that certain foreign oil should be favored over other foreign oil just because it is an American rig that produces the oil. There is no reason why it should be. These oil import quotas are determined on considerations of foreign policy as between one country and another, and it may be that in the administration of the program, perhaps the President and his advisers might want to take into consideration the fact that it was an American company using American equipment that found the oil and produced it in some area, but they certainly should not be required to.

The oil that is produced ought to be subject to the same quotas as any other oil produced around the world.

Mr. PELL. I see the Senator's point, but is it not true that with this provision in the tax bill, we are really subsidizing the production of those products whose entry into the United States is then limited?

The example of the ship the Senator used is not the same thing, because the ship moves and is based within America. But the factory, which does not move and is outside the United States, is a better example. I do not think we would ever want to subsidize or give an investment credit to an American factory set up in France, Germany, or any other nation. That is what this provision really does.

Mr. LONG. Whether we do or do not give the investment tax credit to a product manufactured in the United States and used to produce oil out on the high seas, in any event, should make no difference with regard to whether that oil comes into this Nation under a quota or not. It really is totally irrelevant to that.

The committee felt that American know-how and technical competence and American genius in this area is greater, the manufacture of these rigs is an area where we are still preeminent, where we can still compete, and that the credit should be extended to these rigs. Allowing the credit will provide a lot of jobs here for people who manufacture these big structures that are hauled out and moved around the world to produce oil. They provide jobs for American people. The rigs are operated by American labor, they are moved around the world on American ships, towed by American labor, and they bring in revenue to this country.

If the Senator wants to change it so that our industry is not competitive with the Japanese, the Germans, and others who are moving in this same direction, that is his privilege. But whether we do or do not, in either event I would have to strongly oppose any suggestion that there would be no limitation on the oil that can be imported into this country merely because the oil was produced with American-manufactured rigs.

Mr. PELL. Mr. President, the revenue bill before us provides for a new, special taxpayer subsidy to the U.S. oil industry. My amendment would guarantee that the taxpayers of the United States would

receive some benefit in return for this subsidy.

As reported by the committee, the bill gives the oil industry special treatment in claiming investment tax credits. The general rule is that a tax credit will be allowed only for qualified property used in the United States or on the Outer Continental Sheif of the United States. But section 104(d) of the bill would allow the tax credit for "any property of the United States person (other than a vessel or an aircraft) which is used in international or territorial waters for the purpose of exploring for, developing, removing, or transporting resources from ocean waters or submarine deposits."

Now what does this mean? It means that an American oil company will be allowed a tax credit on investments in exploiting offshore oil in the territorial waters of any foreign nation around the world.

It means, to the extent of the tax credit, the taxpapers of my State and your State could be paying part of the cost for oil drilling rigs, pipelines, and other equipment in the territorial waters of Indonesia, South Korea, South Vietnam, the North Sea, the China Sea, and anywhere else in the world where offshore petroleum deposits are found.

The only way to justify this taxpaper subsidy of the oil industry overseas, in my view, is to make sure that our taxpayers receive something in return. My amendment, therefore, simply states that any resources, including oil, that are developed overseas with the help of tax credits, shall be permitted to enter the United States without regard to quota limitations.

To put it bluntly, if the taxpayers of my State of Rhode Island are going to help finance offshore oil development in Indonesia or Kuwait, those Rhode Island taxpayers should at least have the right to buy some of the oil.

But we have an oil import quota system that permits only a relative trickle of foreign oil to enter this country. I see no reason why our taxpayers should subsidize the development of oil resources overseas, unless the oil is allowed to come into the United States to help meet our energy needs, to help heat our homes, and run our factories.

Without my amendment, the provision of a special investment tax credit for overseas oil development just does not make sense. Why should our taxpayers subsidize the development of offshore oil fields which, because of the import quota system, will never produce oil for American homes and industry?

Let us consider for a moment the conflicting arguments put forward on behalf of this oil investment tax credit, and for the oil import quota system. We are told we must limit imports of oil so that American oil companies will have an incentive to develop our own domestic oil sources—so we will not be dependent on foreign sources. That is the argument for the oil import quota system.

Then we are told that we should subsidize, through a tax credit, development of foreign oil sources, even if the oil cannot be used in the United States.

I would hope that the oil industry might look upon my amendment as a sensible and reasonable way of resolving the conflicting arguments they have put forward. If it is indeed important to our country to develop these foreign oil deposits, then let us provide a special tax credit—but let us also make sure that the oil is made available to American taxpayers, American homes, and American industry.

I would emphasize that my amendment does not eliminate the oil import quota system. It does not open wide the floodgates for indiscriminate imports of foreign oil. It does say that any overseas oil that has been developed, in part with the taxpayers' dollars through this special investment tax credit, will not be subject to the import quotas. It guarantees that we would not be using the taxpayers' money to subsidize development of overseas oil resources that will be used to meet the needs of Europe, Asia, and Africa, without at least a chance that some of the oil can be brought to the United States.

I know the taxpayers of my own State are mighty tired of subsidizing the domestic oil industry through high fuel costs caused by the oil import quota system. It is unthinkable that these taxpayers should now be forced to subsidize the development of foreign oil fields without at least a chance of using some of the oil. I have another amendment which simply knocks out the investment credit for the rig. Would the Senator consider accepting that? It does not mention the import quotas.

Mr. LONG. I will not accept it. The Senator is privileged to offer it.

Mr. PELL. I think we know each other's minds. In order not to consume the time of the Senate any further, I would like a rollcall vote on my amendment, but I will not use up any further time.

Mr. LONG. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. STEVENSON). The question is on agreeing to the amendment of the Senator from Rhode Island (Mr. PELL). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of WEST VIRGINIA. I announce that the Senator from South Dakota (Mr. McGOVERN) and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 38, nays 58, as follows:

[No. 387 Leg.]

YEAS—38

Aiken	Fong	McIntyre
Bayh	Harris	Metcalf
Brooke	Hart	Mondale
Buckley	Hartke	Nelson
Case	Hughes	Packwood
Chiles	Inouye	Pastore
Church	Jackson	Pell
Cotton	Javits	Percy
Cranston	Kennedy	Proxmire
Eagleton	Magnuson	Ribicoff
Roth	Stevenson	Weicker
Smith	Symington	Williams
Stafford	Tunney	

NAYS—58

Allen	Eastland	McGee
Allott	Ellender	Miller
Anderson	Ervin	Montoya
Baker	Fannin	Moss
Beall	Fulbright	Pearson
Bellmon	Gambrell	Randolph
Bennett	Gravel	Saxbe
Bentsen	Griffin	Schweiker
Bible	Gurney	Scott
Boggs	Hansen	Sparkman
Brock	Hatfield	Spong
Burdick	Hollings	Stennis
Byrd, Va.	Hruska	Stevens
Byrd, W. Va.	Humphrey	Taft
Cannon	Jordan, N.C.	Talmadge
Cook	Jordan, Idaho	Thurmond
Cooper	Long	Tower
Curtis	Mansfield	Young
Dole	Mathias	
Dominick	McClellan	

NOT VOTING—4

Goldwater	Mundt	Muskie
McGovern		

So Mr. PELL's amendment was rejected.

AMENDMENT NO. 663

Mr. TAFT. Mr. President, I call up my amendment No. 683 and ask that it be stated.

The PRESIDING OFFICER (Mr. INOUYE). The amendment will be stated.

The legislative clerk read the amendment as follows:

On page 3, before line 1, in the table of contents immediately after the item relating to section 702, insert the following:

"TITLE VIII—MISCELLANEOUS

"Sec. 801. Short title.
"Sec. 802. Certification by Secretary of the Interior.
"Sec. 803. Tax credit for maintenance of historic barns."

At the end of the bill add the following title:

"TITLE VIII—MISCELLANEOUS

"SEC. 801. SHORT TITLE.

"This title may be cited as the 'Preservation of Historic Barns Act'.

"SEC. 802. CERTIFICATION BY SECRETARY OF THE INTERIOR.

"Upon application made therefore, the Secretary of the Interior is authorized to certify, for purposes of this title, any barn which he determines (1) was constructed at least forty years prior to the year in which certification is made, and (2) is of historic, architectural, or artistic significance because of its location, construction, or exterior appearance. In carrying out the provisions of this section, the Secretary of the Interior is authorized to consult with the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments.

"SEC. 803. TAX CREDIT FOR MAINTENANCE OF HISTORIC BARNS.

"(a) Subpart A of part IV of subchapter A of chapter 1 (relating to credits against tax), as amended by title VII of this Act, is amended by renumbering section 41 as 42, and by inserting after section 40 the following new section:

"SEC. 41. MAINTENANCE OF HISTORIC BARNS

"'(a) GENERAL RULE.—There shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 10 percent of the amounts paid or incurred during that taxable year by the taxpayer for maintaining the exterior appearance and structural soundness of any historic barn owned by him and certified by the Secretary of the Interior under section 802 of the Preservation of Historic Barns Act as being of historic, architectural, or artistic significance.

"'(b) LIMITATION.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"'(c) REGULATIONS.—The Secretary or his delegate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section.'

"(b) CLERICAL AMENDMENT.—The table of sections for such subpart, as amended by title VII of this Act, is amended by striking out

"'Sec. 41. Overpayments of tax.'

and inserting in lieu thereof:

"'Sec. 41. Maintenance of historic barns.
"'Sec. 42. Overpayments of tax.'

"'(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1971."

Mr. TAFT. Mr. President, since the turn of this century our conservation efforts have largely been directed toward the preservation of the wilderness. As important as these efforts are, I think that we must recognize the need to preserve some of the artistic, historic and architecturally beautiful buildings which have graced our Nation's landscape. They have become so much a part of the great heritage of this country. This is particularly true with some of our Nation's barns.

As each year passes more and more of our rural countryside is being gradually destroyed by the suburban sprawl of hotdog stands, used car lots and gasoline stations. The American countryside, which reflected the artistic talents of men who built America with their hands, is being tragically uprooted with graceless and impersonal structures.

For example, economic forces today weigh in favor of replacing old, artistic barns with new structures that give up much of the beauty of America's past.

The beauty of these barns is nowhere more apparent than in the Amish sections of Ohio, Pennsylvania, Indiana and Wisconsin. Much of the beauty and the great joy of New England lies in the barns which grace that landscape.

I think we must come to recognize that the replacement of a beautiful building with a corrugated metal structure is just as much a destruction of our environmental beauty as would be the erection of a hotdog stand in Glacier National Park.

Amendment No. 683 would authorize the Secretary of Interior to certify certain barns 40 years of age or older which he determines to be of historic, artistic or architectural significance because of their location, construction or exterior appearance.

This amendment provides that as to barns so certified the owners would be allowed a 10-percent tax credit for funds expended in maintaining their exterior appearance and structural soundness. Interior improvements that do not relate to structural soundness would not be covered by this amendment. This amendment is identical to S. 2602 which was cosponsored by the Senator from Wisconsin (Mr. NELSON), the Senator from Ohio (Mr. SAXBE), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Pennsylvania (Mr. SCHWEIKER).

The beauty of the American countryside must be preserved. It would be a tragic mistake if we were to think that this could be done entirely within the context of wilderness programs. I think the time has come for us to act so that the grace, beauty and artistic talents which these barns represent are preserved as a part of the American heritage. If our great grandchildren are to come to see America's countryside as more than a collection of prefabricated buildings we should adopt this amendment.

Mr. BENNETT. Mr. President, while the Senator from Ohio was talking, I have been sitting here thinking about an old historic barn that used to be in the backyard in which I played as a child. If I had known that there would be some kind of program to preserve it, I am sure that my father would not have torn it down.

Mr. President, this amendment represents a partial solution to one limited aspect of the broad problems affecting our environment. The amendment provides a cash subsidy—in the form of a tax credit—equal to 10 percent of the cost of maintaining the exterior appearance and structural soundness of historic barns. I emphasize that this is a cash subsidy, and not a tax provision, because the program would be entirely within the discretion of the Secretary of the Interior. The Secretary of the Interior would have the sole discretion to determine who would receive the benefits of the provision.

If a cash subsidy of this type is to be provided at the discretion of the Secretary of the Interior, it should be provided through an appropriate bill to appropriate funds to the Secretary for that purpose. There is simply no reason or justification to utilize back-door financing through a tax credit.

The proposed tax credit amounts to a tax-exempt subsidy for the costs of maintenance which are already deductible by any farmer with a qualifying barn. The farmer who qualifies for this subsidy would receive both a credit and a deduction.

The President, and his Council on Environmental Quality, have repeatedly emphasized the concern of this administration with the problems of historic preservation. In his environmental message of February 6, 1971, the President reaffirmed his commitment to develop a balanced program for historic preservation, including tax provisions to remove some of the present incentives for destruction of historic buildings. No one questions the importance of the problem, and I applaud the Senator from Ohio for his concern. But the problem is too complex, and too important, to be dealt with on a piecemeal basis without proper study and consideration by the Senate, and by the Senate committees charged with responsibility for solutions to the need.

Mr. President, I believe we should afford the administration, and the Senate, an opportunity to consider the problem of historic barns and other historic structures; and to develop a series of balanced, comprehensive proposals in this important area.

There is no reason or justification of the utilization of back-door financing through a tax bill for this purpose. The proposed tax credit amounts to a tax-exempt subsidy for the maintenance expenses which are owner-deductible by the owner of the qualifying barn. The farmer or owner qualifies for this subsidy and then receives both a credit and a deduction.

Mr. President, I believe the problem is too complex and too important to be dealt with on such a basis as we would be dealing with it here at this time of night. No Senate committee has studied it properly. I suppose it would be the Senate Committee on Interior and Insular Affairs that should study the question of these historic barns and other historic structures.

Therefore, much as I hate to do it, I respectfully suggest to the Senator from Ohio that this amendment does not belong on the tax bill.

Mr. TAFT. Mr. President, I would like to correct one comment which I perhaps unintentionally made, that all expenditures on bonds of this type would be deductible. That might or might not be. If they were capital investments, of course, they would be subject to depreciation if the farms on which they are located were being run as businesses.

However, there is nothing in this amendment which would require this. A barn to qualify would have to be on a farm being operated as a business. It could still be maintained where a farm was being operated. I imagine that quite a few of these might not even have any depreciation remaining because of the fact that the barns have no longer any part in the farm operation as a business.

Mr. BENNETT. Mr. President, it is the impression of the Senator from Utah that whenever we get into the business of preserving historic structures, sooner or later somebody organizes a nonprofit tax-exempt organization to take over the structure. In that case, all of the expenses to preserve the barn would be treated in that manner.

Mr. TAFT. That would be all too late, unfortunately. I think that it is some of the reason that we have lost some of the historic structures that we have lost in our country. I think it is a great shame.

Mr. LONG. Mr. President, I hope the amendment is rejected. I know that we own a few old barns that might come under that heading. I hate to say it, but when I think of all the barns on our property and on the property of my family, the country would be better off without them. We are trying to get rid of them now. Frankly, they are eyesores.

In the area where our barns are located, if we could tear them down and plant trees in their place, the country would be improved. However, I am sure that is not the case that the Senator has in mind. But we have barns of this type

where we will give a person a 100-percent tax exemption if he is willing to get into it and preserve the historic value of things of that type.

I think we should start with historic homes. We have not gotten around yet to establishing a tax exemption for historic homes.

In our family we are talking of doing something with a historic home now. The home would meet the 40-year test.

It would be better to let the Secretary of the Interior propose to preserve historic homes, historic trees, historic brooks, historic rocks, or anything that he thinks he might spend some money on preserving. We have given the Secretary large amounts of money for this type of thing. If he wants to do anything like that, that is a good place for him to start. If he wants to go beyond that and add countless additional items, we would pay tax money or give him tax credits to save items that are of historical significance.

Let me say that if the Secretary proposes all the different things that his able and his imaginative mind can think of giving a tax credit to, we will start everybody in the whole country looking for a tax credit.

Mr. President, I should think that, as the distinguished Senator from Utah has said, if we are going to have a program for this kind of thing, this is not the place to start it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment was rejected.

Mr. MONDALE. Mr. President, I send an amendment to the desk on behalf of myself and the Senator from Minnesota (Mr. HUMPHREY).

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. MONDALE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be printed in the RECORD.

The amendment reads as follows:

On page 3, before line 1, in the table of contents immediately after the item relating to section 605, insert the following:

Sec. 606. Import surcharge exemption for engines imported for installation in snowmobiles.

At the end of the bill insert the following:

SEC. 606. IMPORT SURCHARGE EXEMPTION FOR ENGINES IMPORTED FOR INSTALLATION IN SNOWMOBILES.

The Secretary of the Treasury shall exempt piston-type internal combustion engines to be installed in snowmobiles from the additional duty imposed by Presidential Proclamation 4074 (36 Federal Register 15724, August 17, 1971).

Mr. MONDALE. Mr. President, this amendment deals with a unique problem which arises in terms of the competitive areas between Canadian-made snowmobiles and U.S.-made snowmobiles. Both Canadian- and American-made snowmobiles are built with foreign engines.

Because of trade with Canada, these snowmobiles come into the United States duty free, and it is by way of a fluke that 10-percent surcharge on snowmobiles assembled in the United States, which include foreign engines, works as a tax encouragement for employment in Canada and their return to the United States. That is not what is intended.

I do not know the position of the Internal Revenue Service on this. However, we have checked with them and they have said that this is a unique case in itself and that in a sense the tax provides an inducement for U.S. employment. However, it works the other way, giving almost the total snowmobile business to Canadian companies.

Mr. HUMPHREY, Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. HUMPHREY. Mr. President, we have most of the production of the snowmobiles that are American-made in the State of Minnesota. We have three large corporations, the Polaris, the Scorpion, and the Arctic Cat.

These three companies are located in the northern area of our State.

May I say most respectfully to the Senate that this is about the only form of industrial production that we have. These are very hard-hit areas that have a large percentage of unemployment.

One of these corporations is just a few miles from the Canadian border. It employs several hundred workers. The management of that company is faced with an immediate decision as to whether he can stay in the United States or whether he has to move across the border.

Both the Canadian and the American-made snowmobiles, as my colleague has said, use imported engines because no American company makes an engine that is suitable for this kind of vehicle.

These engines come either from West Germany or Japan. American companies have ceased to make this particular engine or product.

We have to pay under the present ruling the 10-percent surcharge, and yet the Canadians use exactly the same engine and the engines come into Canada duty free.

If that engine comes into the United States, there is a 10-percent surcharge. Yet the Canadian companies produce the snowmobile, as my colleague has stated, and it comes in duty free today.

Quite frankly, unless this is remedied, we will have three companies that will, for all practical purposes, have to go out of business. We will have literally hundreds and hundreds of workers who will lose their jobs and the business will all go to Canada, as well as the companies and the workers.

Mr. President, this is why we are so concerned about the matter.

Mr. CHURCH. Mr. President, will the Senator yield for a question?

Mr. MONDALE. I am glad to yield to the Senator from Idaho.

Mr. CHURCH. For purposes of clarification, the Senators did not propose to revise the law in such a way as to abrogate the treaty with Canada; do they?

Mr. MONDALE. No. But this tariff adds $24 to each machine which will destroy U.S. manufacturers and send them to Canada. It has the effect of working in the opposite direction as was the intention of the surtax.

Mr. LONG. Mr. President, I personally have no objection to the amendment. There may be some problems on which the Treasury can enlighten us that I am not aware of. If there are maybe we can work them out in conference with the House. I understand there may be some opposition to the amendment but as far as I am concerned we would be pleased to agree to it and to work out the best arrangements we can in conference.

Mr. BENNETT. Mr. President, I am sympathetic to the problems the Senators from Minnesota are facing because it is a prototype of the problem manufacturers all around the country face with varying conditions. The only thing making it different here is that it is so close to the border of Canada that people can solve the problem by moving a short distance, whereas manufacturers in my part of the country would have to go out of business, with no opportunity to do that.

There is one thing about this proposal with respect to which I must protest for the RECORD. We are taking it upon ourselves now to write particular exemptions to the 10 percent import surcharge. If we start that we will make it difficult, if not impossible, for the President to do his negotiating with the various countries with which he must negotiate in order to solve these problems.

Behind this bill are 30 other tax bills on the way over from the House of Representatives. If we set the example, particularly if it stays in, then everyone who has an industry that would benefit by breaching the surcharge can quote this as a precedent and say, "You did it for snowmobiles; why do you not do it for us?"

I am not going to ask for a vote. I support the chairman in his decision to take the amendment to conference. But I felt that it would be unfair to the committee and the President if I did not make it perfectly clear that this is not simply a case of trying to help a few hundred people in northern Minnesota. This is the first breach in the wall we are trying to build for the President so he can negotiate a more satisfactory basis for a new long-term trading pattern around the world.

As I say, I will not object to it. The chairman has the right to take it and I will stand with him in that regard.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. RIBICOFF. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, this particular amendment, which I support, indicates one of the basic problems that has developed because we passed the "Made in America Automobile Agreement" which was basically a disaster for the United States. In 1966 when we approved it, I think over the bitter objection of the Senator from Georgia (Mr. TALMADGE) and myself, we predicted a consequence. At that time the United States enjoyed a favorable trade balance with Canada to the tune of some $600 million; because of the American-Canadian auto agreement we are faced with an unfavorable trade balance of $1.5 billion.

This was the danger in treating cavalierly the economic problems between countries, and especially when we take a trade problem, for political reasons, and as a result we sell short the American people and American industry.

I am glad the Senators from Minnesota have called this matter to the attention of the Senate and the consequences that happened to the industries of Minnesota because of this agreement.

May I say to the Senator from Utah that if any other industry in the United States were so similarly situated it would be my personal opinion, and I hope the Committee on Finance would give them the same consideration I hope the Senate gives these Minnesota companies that are faced with this unfair competition because of this act, whether promulgated by the executive or the President.

Mr. BENNETT. I appreciate what the Senator said. My face is a little red because I did vote for the automobile agreement. The solution should be to cure the automobile agreement and not breach the surtax. But I realize we do not have time to do that under the circumstances.

Mr. RIBICOFF. I do not think we can do that. Our relations with Canada today are tenuous enough. But we must keep in mind in this body while a general order was promulgated which we supported, we must be careful that in the process of supporting that agreement which the President wants to help American business, in the process we do not hurt and destroy that business.

I hope the Committee on Finance has been alerted by the action of the Senators from Minnesota and when the bills the Senator from Utah mentioned come to the Committee on Finance we will examine them carefully to make sure we do not hurt American industry by the 10-percent surcharge and help foreign competition.

Mr. ALLOTT. Mr. President, I would like to address a remark and a question to the manager of the bill and the ranking minority member of the committee, the Senator from Utah (Mr. BENNETT).

As I understand this matter involving the State of Minnesota, I would like to be sure that the acceptance of the amendment and taking it to conference would also include motors which come into Canada and are placed in snowmobiles that come into the United States.

I have a snowmobile manufacturer in Colorado who was hurt by this. Despite the fact he was hurt by it he is not screaming to the high heavens. He realizes this has to be done for the good of the country.

What I want to know is if this involves motors coming from Germany, does it involve motors that go into Canada from Japan and then into the United States?

Mr. BENNETT. I, in turn, will address the question to the Senator from Minnesota. Does the Senator's amendment protect only people in Minnesota or all snowmobile manufacturers?

Mr. HUMPHREY. All manufacturers of this particular item.

Mr. BENNETT. That is what I thought.

Mr. ALLOTT. I wanted to be sure that no other manufacturer, because of the source of motors used, would be placed in an inferior position. We have an understanding it would also include people in Colorado who manufacture snowmobiles with engines which come from Japan. I am perfectly willing to rest my case.

Mr. BENNETT. I understand it is so written it covers all snowmobiles with foreign engines.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senators from Minnesota.

The amendment was agreed to.

Mr. MILLER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 173, line 7, strike out "paragraph," and insert: "paragraph, or because the foreign corporation fails to qualify as an export trade corporation as defined in section 971 because it fails to meet the 75 per cent export receipts requirement in section 971 (a)(1)(B) but the foreign corporation is engaged in a substantial export sales business,".

Mr. MILLER. Mr. President, this will take only a couple of minutes. It is in the nature of a technical, corrective amendment, to conform the bill in accordance with the release that was made at the time of the DISC proposal acceptance by the House Ways and Means Committee.

The Secretary of the Treasury was asking that the Treasury Department be authorized to determine the extent to which taxable gain is realized on the transfer of property from an export trade corporation to a DISC.

The House put language in the bill to pretty well cover this situation. However, there were some cases that it was foreseen would not be covered, and the explanation from the House Ways and Means Committee reads as follows:

Generally, "other" foreign sales corporations will not be considered by the Internal Revenue Service to have a United States tax avoidance motive for purposes of section 367 in transferring their assets to a DISC in connection with a restructuring of the organization's foreign operations.

What happened was that this release never showed up in either the House Ways and Means report or in our Senate Finance Committee report. On page 173 of the bill we covered this situation only in part by reference to these special cases, in which some of these corporations are not owned in the manner described, but we forgot to put in those which do not have a 75-percent export sales requirement.

My amendment seeks to cover that particular gap by requiring that there shall be a substantial export sale requirement.

In both cases we have provided in the bill that this type of special case shall nevertheless be covered by the tax-exempt provision, but only in accordance with such rules as may be prescribed by the Secretary.

I am quite sure the amendment is technically proper and in accordance with the views expressed in the release by the Ways and Means Committee and in our discussion of the amendment with the committee.

I hope my colleague from Louisiana is willing to accept the amendment.

Mr. LONG. Mr. President, the Senator has raised a technical problem that we have not had occasion to consider in the committee. It would be well to consider it in conference, and I hope the amendment will be agreed to for that purpose.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MILLER. Mr. President, I call up another amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add a new section as follows:

SEC. —. ADDITIONAL EXEMPTION FOR BLINDNESS OR DISABILITY OF TAXPAYER OR SPOUSE.

(a) Subsection (d) of section 151 of the Internal Revenue Code of 1954 is amended to read as follows:

"(d) ADDITIONAL EXEMPTION FOR BLINDNESS OR DISABILITY OF TAXPAYER OR SPOUSE.—

"(1) FOR TAXPAYER.—An additional exemption of $800 for the taxpayer if he is blind or disabled at the close of his taxable year.

"(2) FOR SPOUSE.—An additional exemption of $800 for the spouse of the taxpayer if a separate return is made by the taxpayer, and if the spouse is blind or disabled and, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer. For the purposes of this paragraph, the determination of whether the spouse is blind or disabled shall be made as of the close of the taxable year of the taxpayer; except that if the spouse dies during such taxable year such determination shall be made as of the time of such death.

"(3) BLINDNESS DEFINED.—For purposes of this subsection, an individual is blind only if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

"(4) DISABLED DEFINED.—For the purposes of this subsection, an individual is disabled only if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to taxable years beginning after December 31, 1971.

Mr. MILLER. Mr. President, the amendment is designed to cover those tragic cases which might be called catastrophic illnesses, disease, or accident cases; for example, people who would be completely paralyzed.

The Senate did adopt the amendment during the debate of the Tax Reform

Act in 1969. I would hope we would renew our approach to that problem by adopting this amendment. I hope my colleague from Louisiana will take it to conference, as he did in 1969.

Mr. LONG. Mr. President, in view of the fact that the Senate saw fit to agree to this amendment on a previous occasion, I see no point in opposing it. Therefore, I agree to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Iowa.

The amendment was agreed to.

AMENDMENTS NO. 682

Mr. TAFT. Mr. President, I call up my amendments No. 682 and ask to have them stated.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read the amendments (No. 682) as follows:

On page 2, in the table of contents immediately after the item relating to section 210, insert the following:

"Sec. 211. Exclusion from gross income of certain pay received by law enforcement officers and firemen."

On page 72, after line 19, insert the following:

"SEC. 211. EXCLUSION FROM GROSS INCOME OF CERTAIN PAY RECEIVED BY LAW ENFORCEMENT OFFICERS AND FIREMEN.

"(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as section 125 and by inserting after section 123 the following new section:

"'SEC. 124. CERTAIN PAY OF STATE, TERRITORIAL, AND LOCAL POLICE AND LAW ENFORCEMENT OFFICERS AND FIREMEN.

"'Gross income does not include so much of the compensation (exclusive of pensions and retirement pay) as does not exceed $200 received by an individual for any full month of regular active full-time service as a member of a police force or other law enforcement officer, or as a fireman, in the employ of a State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States or in the employ of a political subdivision of any of the foregoing.'

"(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by striking out

"'Sec. 124. Cross reference to other Acts.'

and inserting in lieu thereof

"'Sec. 124. Certain pay of State, territorial, and local police and law enforcement officers and firemen.

"'Sec. 125. Cross references to other Acts.'

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to compensation received for months commencing after the date of the enactment of this Act."

Mr. TAFT. Mr. President, I ask unanimous consent that the Senator from New Hampshire (Mr. MCINTYRE) be included as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, I shall not take a great deal of time on the amendment. It is a proposition which is a relatively simple one.

The amendment would permit full-time policemen and firemen to exclude from their taxable income the first $200 earned each month in police or fire duty. The effect of this amendment would be to give those public servants an immediate pay raise of approximately $35 a month, on the average—the resulting reduction in Federal income taxes which they would owe.

I am told the total would be rather hard to estimate, but the estimates that we have been able to get are that it would cost approximately $180 million.

During the 1960's our population increased 13 percent, but serious reported crime increased 148 percent. We are all familiar with the alarming statistics on the rise in criminal activity, unfortunately still unchecked throughout the country. We are all for law, order, and justice. What we must do is recognize that it is not enough for us merely to advocate good law enforcement. If we are going to have good law enforcement, we must act now to increase the pay of our law enforcement officers.

This is not a sudden, new idea that has come upon us. I took a look at the situation in 1967, when I was running for Congress, and became convinced that if indeed we were to do something about rising crime rates in this country, we needed some real recognition of the importance and the priority of these professions. At that time in the Congress, and every year since, I have had pending a bill of the very form of this particular amendment.

If a law officer is to function properly, he must act in part as a detective, a criminal lawyer, a counselor, an athlete, and sometimes a midwife.

The lot of the fireman is no more enviable. They are called into burning buildings, and as they arrive they have often been bombarded with rocks and fired upon by snipers.

If we are to undertake a high level of professional competence in law enforcement and firefighting, we must do more than pat these men on the back. We must give them much needed recognition, and I suggest that this amendment is a very appropriate way in which to do it.

It is not a matter of the money involved; it is a recognition of these important tasks.

America's combat soldiers have for many years received similar tax benefits. Enlisted men can exclude all of their combat pay and officers can exclude their first $500 per month in combat pay. Why are they so different from those who serve in our armed services, when they are on duty equally important, if not even more important, to the public? In a very real sense our policemen and firemen are defending the public in our cities.

I recognize that policemen and firemen are basically local officials, and we want to keep the responsibility at that level, but I think we ought to grant some national recognition of the tremendously important service they perform, and they should receive tax consideration similar to that earned by those who defend us on the battlefields.

At the present time America has 267,000 full-time policemen and 160,000 full-time firemen.

In amendment 682 we have an opportunity to turn our words into action. I urge that the Senate adopt the amendment.

I ask unanimous consent to add the names of the Senator from Tennessee (Mr. BAKER) and the Senator from Kentucky (Mr. COOK) as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, there are several reasons why this amendment should be opposed. In the first place, our system is intended to impose equal tax burdens on similarly situated taxpayers. If we are going to say that to work in dangerous situations is a justification for a $200-a-month exclusion from your taxable income, then there are a lot of other people we should be talking about: construction workers, the FBI, men who wash windows in high buildings, miners, crop dusters, and so forth.

It is true that special tax treatment is given to men who serve in combat. But men who serve in combat, serve there for a brief period of time, and when they leave the combat zone, the special preference ends. We are talking here, however, about picking out certain professions and giving them a life-long special tax relief provision.

Another reason why this amendment should be opposed is that it does not treat taxpayers equally, even within the recognized professions. It treats the single policeman better than the married policeman. It treats the policeman or fireman with some outside income better than the man who has no outside income.

Mr. President, I am in full sympathy with the problems of such hazardous professions as those of our policemen and firemen, but the tax law is plainly and simply not the proper vehicle for demonstration of such concern.

As I indicated, one of the basic philosophical bases of our tax system is to impose an equivalent amount of tax on all similarly situated taxpayers, and while this principle might not always be met, there is little point in directly violating it with a measure such as this one. Many taxpayers are engaged in hazardous professions greatly beneficial to our society. A small sampling might include agents of the FBI, construction workers—bridges, tunnels, and so forth—men who wash windows in high-rise buildings, miners, crop duster pilots, and many others. All of these professions—including police and firefighting—are chosen voluntarily, with knowledge of the risks and hazards which they involve. Certainly, there is no fair basis for isolating one or two professions for special treatment just because they may happen to receive more publicity at the moment.

We should oppose special purpose tax legislation designed to benefit any one relatively small group of taxpayers or special situations. The tax system is an inappropriate vehicle for providing such financial assistance. This is so principally because the benefits bestowed if the tax system is used are incorrectly distributed within the group to be benefited. A tax exemption gives the most financial assistance to those within the group who need it the least. For example, a policeman or fireman who is single would get more benefit from the exemption than one who is married; the married policeman or fireman with one or two children would receive more benefit than one with a large family. Also, a policeman or fireman who had a source of income other than his salary would be benefited more than the man without any additional means. This distribution of the financial assistance the amendment seeks to bestow is clearly inappropriate and inequitable.

We should also oppose such legislation because it only serves to open the door for other similar tax relief provisions. Shall we next grant a similar exemption for construction workers? then FBI men? and where will we stop?

It is true that Congress has in the past seen fit to provide an income-tax exclusion for combat pay of individuals in the military service. This exclusion is, however, justified principally as an expression of the country's gratitude to those protecting our way of life and our freedom. The combat pay exclusion should not be considered a method of bestowing financial benefit on our servicemen.

Any analogy of the proposed amendment to the combat pay exclusion is simply inapposite. The combat pay exclusion is strictly limited to members of the Armed Forces who serve in a combat zone, and was passed by Congress with this limitation on the basis of the extraordinary conditions in an actual war arena. It is obvious that circumstances in such an area are far more extraordinary than almost any other situation; moreover, many members of the Armed Forces serving in such an area are doing so on a nonvoluntary basis.

Further, it is important to realize that Congress did not extend the combat pay exclusion to all members of the Armed Forces, but only to those actually serving in the combat zone itself. Thus, a soldier or sailor serving his country at any place other than a combat zone—even if such service is nonvoluntary—does not get an exclusion. This was a recognition by Congress that such noncombat zone service lacks those unique circumstances which could be said to justify an income tax exclusion.

Certainly, we cannot single out one group of individuals in this country, who are following a career they have voluntarily chosen, and say they should bear a smaller portion of the costs of running the country than all other U.S. taxpayers.

Therefore, Mr. President, I think the amendment should be rejected.

Mr. LONG. Mr. President, I would like to do something to help the policemen, but I think this would not be the right starting point. If we are going to proceed on this basis, it would be appropriate to proceed to pick out all those fine people who have, for some reason or another, the right to be exalted, or at least praised and admired, beyond the ordinary person.

For example, we could give a special treatment to social workers, because those people volunteer to do dedicated work and bring people along in good habits and high ideals. We could give a special tax advantage to school teachers, because they are good people, and we would like to recognize the fine work they do. We could give a special advantage to all kinds of people—doctors, because they save lives; dentists, because they relieve people from pain—all kinds of very fine people who tend to do more than the average person does in his ordinary line of endeavor, to recognize the fine work that they do.

But where to stop is difficult, because wherever you draw the line, you are making an invidious comparison that these other people are not worthy of the same consideration, and that would, I think, cause some trouble.

I would like to support a number of things that would aid policemen, such as a provision that has been suggested that we pay $50,000—it would be all right with me to pay $100,000—to a policeman's family if he were killed in line of duty, with special disability benefits, and so forth.

But I think this tax approach would set an example that would go from first one thing into another.

The Senator makes reference to combat pay for servicemen. That is an efficient provision, because it is paid to those who are in the combat area, and not to those not in the combat area; so it saves a lot of money compared to what it would cost to pay it to all servicemen, whether they are in a combat area or not.

I hope, Mr. President, that the amendment will not be agreed to, with the express understanding that I, and I am sure others, probably the majority of us here, do very much want to support some matters that have been recommended to us by the appropriate committees to properly and more fully recognize the fine service of our policemen and firemen.

Mr. TAFT. Mr. President, I think that the chairman of the committee and the ranking minority member, whose views I certainly respect, have missed the main point with respect to this amendment, and I would like to make that main point.

The main point is that we have a tremendous crisis in this country, in the field of crime. These are the men who are dealing with that problem, just as in war, when those in the armed services, in combat situations, are dealing with the problem at that time.

I do not offer this amendment because I have a warm feeling for policemen and firemen, though they are fine men, because I want to be nice to them, or even because they have dangerous jobs. They are dangerous jobs, but we are dealing with a national crisis. There is very little we can do in Congress to help out with that national crisis. We are spending hundreds of millions of dollars on the Law Enforcement Assistance Act, within certain formulas, trying to approach this problem. I suggest that this is another arm of the Law Enforcement Assistance Act, whereby the Federal Government can attract better men to perform all of these vital functions.

In the case of the FBI, which has been mentioned, we can raise their salaries right here. We do not have to worry about them in a tax situation. As to school teachers, they are serving a vital function, but not in the frontline of a dangerous combat situation.

As to those in other dangerous professions, they chose to go into those dangerous professions, and are compensated for them. The risks are taken into account in those jobs. Unfortunately, because of the place of State and local governments under the revenue system, these are the people who are hurting. But I do not propose this amendment because those men are hurting individually. I propose the amendment because the fact that those men are hurting individually is inhibiting the problem of attacking crime in this country. That is the whole philosophy behind my amendment.

Mr. LONG. Mr. President, is the Senator aware of the package that has been asked for by the association which represents the sheriffs and deputies and State policemen?

Mr. TAFT. I am sure the Senator is aware that there are quite a number of associations that represent these groups, but they have not, in my opinion, been successful in getting adequate recognition on a national level. This amendment is something we can do at that level.

Mr. LONG. My impression is that a group known as the Law Enforcement Association, if my memory serves me correctly, which does pretty well speak for all the law enforcement personnel in the country—is the Senator aware of their program and what they recommend be done?

Mr. TAFT. I am aware of a number of organizations, the Fraternal Order of Police and others. The Senator has mentioned what they are trying to do to improve widows' pensions and welfare benefits and things of that type, to make sure that the families of those men are taken care of. Unfortunately, despite all the efforts, we still see the rate of crime rising in this country.

Mr. LONG. What I want to know is whether or not the National Sheriffs' Association is asking for this proposal.

Mr. TAFT. As I say, I have had this proposal in every Congress since 1967. It is a little harder to get issues on tax questions before the body on the other side of the Capitol, because of the closed-rule problem they have. But we have had the strongest backing, over the years, from all these various associations. We believe this is a fine proposal.

Mr. LONG. I am trying to recall if this is what the sheriffs' association is recommending or the law enforcement association is recommending, and whether this is a priority item in what the sheriffs, State police, and law-enforcement officers generally are asking for in this country. If so, I might be inclined to vote for it. But if this is not a part of that program——

Mr. TAFT. I can assure the Senator that I know we have the support of several of those organizations. I do not know of a single organization of the sort that does not think this is an important part of its program.

Mr. LONG. I do not think this is a priority item in their programs. I know a number of fine people in those organizations, and would like to go along with them, if possible. I know they have a list of what they are asking for, and I have been made aware of it on occasion. I am just taxing my memory to recall if this is included in what they have asked for. There are a number of things they have asked for, that I have said I would vote for when I had an occasion. I cannot recall if this is one of them.

Mr. TAFT. I think this is a high priority item. They may have taken this into consideration in the hope of achieving other items of that sort.

I am not saying to the chairman of the Finance Committee that this is one of those items. I assure the Senator that he is not going to find it opposed by such groups.

Mr. LONG. I am sure they are deserving people, and anything that may come their way they would like to have. This would cost an estimated $265 million, and I would like to know if they prefer to have this rather than some of the other things they have indicated they would like to have. I do not know that that is the case.

Mr. TAFT. I am sure that there are few things we properly, at the Federal function, can take on and give to them that really have a major impact, and this is one.

Mr. COOK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. COOK. Mr. President, I might be able to enlighten the Senator from Louisiana.

Prior to my coming to the Senate, for 8 years before, part of my responsibilities was to run a police department in a major community in the United States of three-quarters of a million people. I know that one of the problems of the FOP in the State of Kentucky, through all those years, was to exert its influence in the national organization and to try its best at the State legislative level to get a credit in the nature of an increase in salary, in the nature of an exemption for them, because of the duties and the responsibilities they assumed—duties and responsibilities, for example, that they assumed at the local level that were comparable to the assumption of policemen at the State level who were getting certain credits and exemptions that police at the local level were not receiving. This has been a part of their legislative package, because they know that at the State level, at the local level, and at the county level the resources were short, that the resources were not available, and that the only way they could get any kind of relief was to get it in the nature of a credit.

They have been trying to get a guaranteed income in the nature of a guaranteed floor, trying to get the State government to support a guaranteed floor over and above the meager salaries they could be paid at the local levels. They have been trying to do this for years.

So, obviously, this type of amendment would have to constitute a tremendously high priority on their list, if they could be given, for the work they do and the responsibilities they assume, a credit for being a public servant, for being in this line of duty.

Many of them, believe it or not—at least, this was not the case at our level—many of the forces throughout the country, at extremely lower levels, have to provide their own uniforms, their own equipment, their own hardware. All this they must do as a matter of qualifying and being a part of a law enforcement agency. Yet, they deal every day not only with the local situation in their local community, their local county, but also with Federal matters and State matters for which they are not compensated in any way, shape, or form.

I can only say to the Senator that, under these circumstances, the amendment of the Senator from Ohio would have to be considered as one of the highest priorities on their list of what they would like to achieve for the benefit of the people who put out every day in the protection of the community, either through the fire departments or through the police departments.

Mr. TAFT. I ask the Senator this because of his experience: Would the Senator comment on the morale effect that a proposal of this sort, adopted by Congress at this time, might have?

Mr. COOK. Of course, I cannot even begin to tell the Senator what the morale effect would be, particularly on the law enforcement agencies throughout the United States, because these contracts are negotiated separately at the local level, as the Senator knows. I can only tell the Senator that from the standpoint of morale, this would be one of the greatest boosts; because right now they are under attack all over the United States for everything they do and everything they fail to do. From the standpoint of being recognized, to the extent that they are public servants—and we are not talking about what a policeman is paid in the city of Washington. We are talking about policemen who work for $5,000, $5,500, $6,000, and $7,200 a year, and provide their own equipment and provide everything.

So I can only say to the Senator that from the morale standpoint, for this individual it would be one of the greatest things that could occur, in the protection of the individual and the community, if for one time, he could be recognized for what he does rather than have to fight like the devil to get the slightest degree of raise because the county or the local community or the city no longer has any funds to do it.

Mr. TAFT. I thank the Senator.

Mr. BENNETT. Mr. President, what we are talking about here is a form of revenue sharing. It is the proposal that Federal money be used to supplement local money for the payment of policemen and firemen.

If we realize that that is what we are talking about, we are going at this thing backward. We should have authorizing legislation which would appropriate the funds paid to these people and put it out in the open, instead of going through the back door and trying to avoid making this obvious by reducing the Federal revenue through special tax provisions, rather than putting the money out and letting everybody see it.

Interestingly enough, this is not the only group that has asked the committee for special revenue sharing, a special gift of Federal funds through the back door tax route. Our civil servants have asked for $3,000 a year exemption, and we have a proposal before the committee to give this special kind of tax treatment to doctors and nurses in areas where there are shortages of doctors and nurses.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. AIKEN. I ask to be excused from voting on this amendment. I have one full-time and one part-time deputy sheriff in the family. Therefore, I think there is a serious conflict of interest.

Mr. BENNETT. I think it is obvious to us that we do not know where to draw the line. The minute you decide to supplement local income by giving Federal tax benefits, then the door is wide open, and nobody knows where that proposal will lead. Therefore, appealing as this is, I hope the Senate will not force us to solve this problem this way.

Mr. TAFT. Mr. President, I am not going to belabor the point, but I do think that the Senator has missed the point.

We have a crisis situation in this area which is unique and which rules out all the other areas.

As to revenue sharing, I have not seen any great success with the revenue sharing proposals; and to the extent that this is revenue sharing and it coincides with the public interest in doing something about the crime problem, it is an appropriate area in which to start.

Mr. PERCY. Mr. President, I intend to vote against this amendment not because I do not have a high and proper regard for the services rendered to our society by policemen and firemen. These men, and women, have difficult jobs—we learn how difficult their jobs are every day in the press and other news media. Reports of firemen attacked by the very people whose homes and neighborhoods they are trying to save and protect are too frequent.

It is partly because of my deep concern that we do not discriminate against certain valued professions and occupations that I vote against this amendment.

I think it worthy of note that it is only when members of the armed services are in combat zones that their pay is not taxed. When we call out the National Guard, as we so frequently have had to do in order to keep peace in our cities, we do not make the pay these Guardsmen get for that tough duty tax free. It is still taxed.

Finally, not all firemen and policemen are underpaid, nor do they all daily face the special threats on their lives similar to the danger of a military combat zone. Some small towns and cities in our country have little crime, while large metropolitan areas frequently have intense crime levels. Do both deserve the benefit of this provision? The case that this provision applies too broadly is well taken. For all these reasons I feel compelled to vote against the amendment.

Mr. BUCKLEY. Mr. President, as sympathetic as I am to the objective of the Taft amendment, we need to demonstrate our special regard for men on whom we depend for public order and safety. I will vote against the amendment for the reason that the adequate compensation and reward for our Nation's police and firemen must remain the responsibility of the communities which they protect.

Also, if we begin to draw tax distinctions between professions, we will invite an infinite amount of special legislation which can never hope to be fair in the measurement of the respective contributions of various groups.

The best means of expressing our appreciation for the contribution of any one group must remain their level of pay. I hope that communities and States across the Nation will maintain levels of pay, and retirement and other benefits, which will properly recognize the special contributions which our police and firemen daily make in their hazardous occupations.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. AIKEN (when his name was called). Mr. President, I ask unanimous consent to be excused from voting on this amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Vermont is excused from voting.

The legislative clerk resumed and concluded the call of the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Maine (Mr. MUSKIE) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The Senator from Vermont (Mr. AIKEN) has been excused from voting.

The result was announced—yeas 46, nays 50, as follows:

[No. 388 Leg.]

YEAS—46

Allen	Hatfield	Randolph
Allott	Hollings	Ribicoff
Baker	Humphrey	Roth
Beall	Inouye	Saxbe
Boggs	Jackson	Schweiker
Brock	Magnuson	Sparkman
Brooke	Mathias	Spong
Byrd, W. Va.	McClellan	Stafford
Chiles	McIntyre	Stevens
Cook	Mondale	Taft
Cotton	Moss	Thurmond
Cranston	Packwood	Tower
Dole	Pastore	Weicker
Eagleton	Pearson	Williams
Gurney	Pell	
Hartke	Proxmire	

NAYS—50

Anderson	Buckley	Cooper
Bayh	Burdick	Curtis
Bellmon	Byrd, Va.	Dominick
Bennett	Cannon	Eastland
Bentsen	Case	Ellender
Bible	Church	Ervin
Fannin	Javits	Nelson
Fong	Jordan, N.C.	Percy
Fulbright	Jordan, Idaho	Scott
Gambrell	Kennedy	Smith
Gravel	Long	Stennis
Griffin	Mansfield	Stevenson
Hansen	McGee	Symington
Harris	McGovern	Talmadge
Hart	Metcalf	Tunney
Hruska	Miller	Young
Hughes	Montoya	

NOT VOTING—3

Goldwater	Mundt	Muskie

EXCUSED—1

Aiken

So Mr. TAFT's amendment was rejected.

Mr. LONG. Mr. President, while many Senators are here, permit me to say that it may not be known to most Senators, but most people knowledgeable in taxation tell us that it was this very kind of special tax treatment, for the most part, as embodied in the principle of this amendment, that destroyed the French income tax system. Once France started to tax people based on a different rate schedule for different professions and broke it down to a different rate for each profession, it became so outrageous and discriminatory that the people refused to pay anything. It got to the point where now the people do not pay until they negotiate. They negotiate as to what the tax will be. Everyone there decides for himself what he should pay. It got that way when they started to have one tax schedule for one profession and another tax schedule for another profession.

I hope that when Senators start to think about this and meditate about where we will be when some dedicated and some very fine people pay their tax on one schedule and those who render less noble service pay on the basis of a higher schedule and then even higher for a working man, I wonder who will be put at the bottom of the listing for preferential tax treatment. When they pick out very fine motivated people and recognize their dedication and decide who will be put at the bottom of the list, I would hate to make that comparison.

Mr. SCOTT. Mr. President, I send to the desk amendment No. 477, as modified, on behalf of myself, Senators SCHWEIKER, COOPER, RANDOLPH, and COOK, and ask that it be stated.

The legislative clerk read as follows:

On page 15, line 16, strike "187,".

Mr. SCOTT. Mr. President, I understand that this amendment has been cleared with both sides of the aisle as modified.

Mr. President, as originally introduced, this amendment would have allowed taxpayers to elect both the 7 percent tax credit and the 5-year amortization for pollution control and mine safety equipment. The amendment was not adopted by the Finance Committee because, among other things, of the uncertain revenue loss associated with pollution control equipment, which has been estimated in excess of $130 million. My amendment, as now modified, restricts this election to mine safety devices only, which brings with it revenue loss of no more than $1 million.

I asked the Treasury Department to estimate the revenue loss associated with this amendment and ask unanimous consent to have printed in the RECORD a letter indicating that the loss has been estimated at no more than $1 million.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPARTMENT OF THE TREASURY,
November 12, 1971.

Hon. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: You have requested an estimate of the revenue loss from allowing five year amortization of certain coal mine safety equipment under section 187 of the Internal Revenue Code of 1954 in addition to the 7 percent Job Development Credit for such property. Amendment No. 477 to H.R. 10947 would provide, among other things, that the five year amortization may be allowed in addition to the Job Development Credit.

The revenue loss from this action would be not in excess of $1 million.

Sincerely yours,

JOHN S. NOLAN,
Deputy Assistant Secretary,

Mr. SCOTT. Mr. President, as I indicated several weeks ago, mine safety devices are, for the most part, required by law and certain regulations promulgated pursuant to the Coal Mine Health and Safety Act of 1969. The life of this equipment, and the coal mines in which it is installed, is considerably greater than 10 years, thus making the tax credit more useful. This additional tax break is sorely needed to assure this Nation of continued coal production, unhampered by closings due to fiscal insolvency and the physical deterioration of coal miners themselves.

I urge the Senate to consider favorably this amendment.

Mr. President, I yield now to the distinguished senior Senator from West Virginia (Mr. RANDOLPH).

Mr. RANDOLPH. Mr. President, the amendment offered by the able minority leader, the senior Senator from Pennsylvania (Mr. SCOTT), is directed toward assisting in securing mine safety equipment required under the Coal Mine Health and Safety Act of 1969. We are exceedingly conscious of the efforts of Congress in its many approaches not only to protect the health and safety of those who toil in the mine, but also to bring assistance to those companies and operators who of necessity have to meet stringent health standards and safety standards. At the same time, we are aware of the urgent need to continue the production of coal for our Nation's increasing energy requirements. This amendment to bring about a tax credit and amortization is a realistic approach to help meet these objectives.

Mr. President, I feel that the cost of this proposal is not excessive as a revenue loss. But to the operators it represents significant assistance in their continuing efforts to improve the health and safety of miners. The Congress, having placed its stamp of approval on the efforts to bring the mining industry into as safe an operating condition as possible, will understand the need for this amendment not only as a way to keep as solvent companies the small companies—rather than just large companies—but also to improve the working conditions in the mines. It is a privilege to join the Senator

from Pennsylvania (Mr. SCOTT) in this effort.

Mr. SCOTT. Mr. President, I thank the distinguished Senator from West Virginia who has such an unusual and long-term expertise in this field.

Mr. President, I ask unanimous consent that the Senators from Tennessee (Mr. BAKER and Mr. BROCK), along with the distinguished assistant majority leader, the Senator from West Virginia (Mr. BYRD) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, I yield to the distinguished Senator from Pennsylvania (Mr. SCHWEIKER).

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SCHWEIKER. Mr. President, I thank the distinguished Republican leader, my senior colleague, for yielding.

I join with him in this very important amendment because, first of all, I think the work done by the Committee on Labor and Public Welfare, on which I serve, was very helpful in writing the strongest health and safety law of any industry in this country in 1969. Unfortunately, the goals and objectives, and the number of lives saved, have not yet been realized by this strong and good law for a number of reasons, but one of the most important reasons is the inability to get the kind of safety, occupational and health equipment needed to prolong the life of miners to make it as safe to work below the ground as above the ground. This is an important step to make realization of the 1969 law a reality. I support the amendment.

Mr. SCOTT. Mr. President, I know the hour is late but I had agreed to yield to the senior Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. COOPER. Mr. President, I offered this amendment in 1969, following action on the mine safety bill. It was supported by members of the Committee on Labor and Public Welfare, who passed the bill. The Senator from New York (Mr. JAVITS) and the Senator from New Jersey (Mr. WILLIAMS), and other Senators, were for it.

This is terribly necessary to insure the ability to purchase machinery which is required by this act.

An unfortunate consequence so far has been that hundreds of miners have been thrown out of work, and it has spread strip mining all over the landscape, which destroys the environment.

I hope the amendment is agreed to.

Mr. COOK. Mr. President, I wish to echo the words of my colleague on this matter and to say that this is needed today very badly. We are in a situation where, as the distinguished senior Senator from Kentucky said, the increase in strip mining has been absolutely phenomenal in my State in relation to underground mining, which has decreased tremendously.

With all respect to the distinguished Senator from New York and the distinguished Senator from New Jersey, with regard to the Mine Safety Act, it required the purchase of equipment which had not been invented. As a result, many were placed in a position where they did not know what to do with the equipment they had. They did not know what to do. This would be a minor small relief to the overall problem of what must be done. I must say for the distinguished senior Senator from Kentucky and myself that we were delighted to have the Senator from West Virginia talking about this.

I am delighted to say that I think it was sometime last month that the Commonwealth of Kentucky became the No. 1 coal producer in the United States.

Mr. COOPER. I am happy to join in the amendment (as modified) as offered by the distinguished senior Senator from Pennsylvania (Mr. SCOTT).

This amendment would continue the 5-year amortization of coal mine safety equipment which was enacted in the 1969 tax reform as a result of an amendment I introduced on the floor.

By way of background, I would note that the House-passed bill and the bill as reported by the Senate provides the taxpayer with the option of selecting either the 5-year amortization for coal mine safety equipment or taking the investment tax credit, but not both. The amendment before us would make both the 5-year amortization and investment tax credit available for coal mine safety equipment.

Mr. President, I ask unanimous consent that excerpts from the House Ways and Means Committee report on this point be included in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Amortized property.—Under prior law, various rules were provided regarding the availability of the credit for property subject to special 5-year amortization. For a limited period of time railroad rolling stock, expenditures for rehabilitating low-income housing, and certain coal mine safety equipment were eligible for a special 5-year amortization provision as well as for the credit. On the other hand, the credit was denied to expenditures for pollution control facilities subject to special 5-year amortization.

These special amortization provisions were enacted as part of the Tax Reform Act of 1969 which also repealed the investment tax credit. Moreover, in large measure these amortization provisions were intended as a substitute for the investment credit then being repealed. In view of the reinstatement of the credit, your committee has concluded that it is not appropriate to provide both the credit and special 5-year amortization with respect to the same property.

As a result the bill provides that if the taxpayer elects the special 5-year amortization provided for pollution control facilities, railroad rolling stock, coal mine safety equipment, expenditures for the rehabilitation of low-income housing, job training facilities, or day care facilities (the last two categories are new amortization provisions added by this bill), the property subject to the amortization election is not to be eligible for the credit. (If the amortization election is made subsequent to the allowance of the credit, the credit is to be retroactively denied for the year in which it was previously allowed.) Since in the case of pollution control facilities only the proportion of the cost of the facility attributable to the first 15 years of its useful life is eligible for special 5-year amortization, the bill provides that the credit is to be denied only for the portion of the cost of a facility subject to rapid amortization. Therefore, a taxpayer acquiring a pollution control facility may be eligible for the credit with respect to the cost attributable to the useful life in excess of 15 years even though he elects rapid amortization with respect to the property.

Mr. COOPER. The need for such tax incentives to the small coal operators has been well documented by material I submitted for the RECORD, the debate on the Tax Reform Act of 1969 and additional statements I received from the Bureau of Mines. Now in the year 1971, it is more needed than ever as the economic effects of the Federal Coal Mine Health and Safety Act on the small nongassy coal mines becomes apparent. Many of the small underground coal mines in eastern Kentucky have shut down because of the high financial cost of installing the "permissible" equipment required by the act. It seems to me that the least Congress can do is to continue the present tax incentives and I urge the adoption of the Scott amendment.

Mr. President, the Kentucky Coal Mine Research Institute of Morehead State University retained Prof. David Hylbert to analyze the problems of the coal industry in eastern Kentucky and to make suggestions and recommendations for dealing with these problems. In his report to the research institute on September 29, Professor Hylbert points out the high cost of equipping small mines with the "permissible equipment" required by the 1969 act. Professor Hylbert states:

COMPLAINTS COMMON TO MOST MINES

The gassy classification

Prior to the enactment of the Federal Health and Safety Act of 1969, the Bureau of Mines recognized a twofold classification of mines based on the presence of methane—gassy and nongassy. The gassy mine was one in which tests with a flame safety lamp showed the presence of methane, a gas ignition had occurred, or an airsample taken one foot from the face, rib and roof indicated methane gas in quantity greater than 0.25 of 1 percent. Conversely, a nongassy mine was one where gas had not been detected by a flame safety lamp, no gas ignition had occurred, or where gas had not been found in quantity greater than 0.25 of 1 percent in an airsample taken one foot from the face, rib and roof.

Testimony given by several leading authorities in the coal mining industry in Kentucky and Virginia before the U.S. Senate Subcommittee on Labor prior to the enactment of the Federal Health and Safety Act of 1969 argued against the abolishment of the distinction between gassy and nongassy mines. It was pointed out that in 1969, about 5 percent of the mines in Kentucky were classed as gassy and that if all mines were to be classed as gassy the cost of converting nonpermissible equipment to permissible as required in gassy mines would cause the closing of many small mines. It was also pointed out that mine explosions can be traced to human carelessness, smoking, or improper procedures in blasting and not to gassy conditions in a mine properly classed as nongassy.

However, the advice of such testimony was not followed and provisions in the 1969 act now force all mines to operate as if they are in fact gassy.

In the course of this investigation, practically everyone interviewed in eastern Kentucky, including coal operators, working miners, and some Federal and State personnel were personally opposed to classifying all mines as gassy. In fact, this single part of the 1969 act is protested more than any other.

More important than personal opinion, however, is the fact that the prohibitive cost of converting nonpermissible equipment to permissible or to replace nonpermissible equipment has caused many smaller mines to close as was predicted. Pike County, which is the leading producer of underground coal in Kentucky, had approximately 615 underground mines operating in 1970 according to official estimates. At present, Pike County has only about 275 mines operating with more predicted to close. This trend is present in other counties in eastern Kentucky as well. In addition to the prohibitive cost of permissible equipment, other factors have contributed to the closing of small mines. Many of these mines were in existence before enactment of the 1969 act and were developed and engineered in such a way that compliance with new requirements is much more difficult and costly than for a new mine. Also, many small mines have not developed the management capability to cope with the complexities and bookkeeping involved in complying with the 1969 act. The closing of small mines is also making an economic impact on communities where coal is the major local industry.

Mine explosions and ignitions have continued to occur in Kentucky as was predicted. However, these have been caused by carelessness, ignorance of or the disregard for safety regulations in existence prior to the 1969 act and not by gassy conditions. An example is the mine disaster of December 30, 1970 at the Finley Coal Company, Leslie County, Kentucky where 38 men lost their lives. According to the Kentucky Department of Mines and Minerals, this mine explosion obviously resulted from the use of explosives which were not legal for underground use.

Mr. President, I ask unanimous consent that excerpts from the debate on my amendment in 1969, be included in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 399

Mr. COOPER. Mr. President, I call up my amendment, No. 399.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. COOPER. Mr. President, I ask unanimous consent that the Senate dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOPER'S amendment is as follows:

Page 454, after line 2, insert the following new section:

Sec. 707. Amortization of certain coal mine safety equipment.

(a) ALLOWANCE.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding after section 186 (added by section 906 of this Act) the following new section:

"Sec. 187. Amortization of certain coal mine safety equipment

"(a) ALLOWANCE OF DEDUCTION.—Every person, at his election, shall be entitled to a deduction with respect to the amortization of the adjusted basis (for determining gain) of any certified coal mine safety equipment (as defined in subsection (d)), based on a period of 60 months. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the adjusted basis of the certified coal mine safety equipment at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such adjusted basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any certified coal mine safety equipment for any month shall be in lieu of the depreciation deduction with respect to such equipment for such month provided by section 167. The 60-month period shall begin, as to any certified coal mine safety equipment, at the election of the taxpayer, with the month following the month in which such equipment was placed in service or with the succeeding taxable year.

"(b) ELECTION OF AMORTIZATION.—The election of the taxpayer to take the amortization deduction and to begin the 60-month period with the month following the month in which the certified coal mine safety equipment was placed in service, or with the taxable year succeeding the taxable year in which such equipment is placed in service, shall be made by filing with the Secretary or his delegate, in such manner, in such form, and within such time, as the Secretary or his delegate may by regulations prescribe, a statement of such election.

"(c) TERMINATION OF AMORTIZATION DEDUCTION.—A taxpayer which has elected under subsection (b) to take the amortization deduction provided by subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary or his delegate before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such equipment.

"(d) CERTIFIED COAL MINE SAFETY EQUIPMENT.—For purposes of this section, the term 'certified coal mine safety equipment' means property which—

"(1) is electric face equipment (within the meaning of section 305 of the Federal Coal Mine Health and Safety Act of 1969) required in order to meet the requirements of section 305(a)(2) of such Act;

"(2) the Secretary of the Interior certifies is permissible within the meaning of such section 305(a)(2), and

"(3) is placed in service before the expiration of six years after the operative date of title III of the Federal Coal Mine Health and Safety Act of 1969.

For purposes of this section, any property placed in service in connection with any used electric face equipment which the Secretary of the Interior certifies makes such electric face equipment permissible shall be treated as a separate item of certified coal mine safety equipment.

"(e) SPECIAL RULES.—

"(1) The adjusted basis of any certified coal mine safety equipment, with respect to which an election is made under this section, shall not be increased, for purposes of this section, for amounts chargeable to capital account for additions or improvements after the amortization period has begun.

"(2) The depreciation deduction provided by section 167 shall, despite the provisions of subsection (a), be allowed with respect to the portion of the adjusted basis which is not taken into account in applying this section."

(b) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 187. Amortization of certain coal mine safety equipment."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

Mr. COOPER. Mr. President, I offer this amendment for myself, the Senator from Tennessee (Mr. BAKER), my colleague from Kentucky (Mr. COOK), the Senators from West Virginia (Mr. RANDOLPH and Mr. BYRD), and the Senator from Virginia (Mr. BYRD).

Mr. President, I hope very much that the manager of the bill will be willing to accept the amendment.

Mr. TALMADGE. Will the Senator explain it, so the Senators can ascertain what it does?

Mr. COOPER. Yes. The purpose of the amendment is to permit the amortization of the cost of certain "permissible" coal mine equipment over a 5-year period. The usual period of depreciation, I am informed, is a period of 10 years. I shall explain the reason for offering the amendment.

Mr. JAVITS. Mr. President, will the Senator yield momentarily?

Mr. COOPER. I yield.

Mr. JAVITS. Before leaving the Chamber, I should like to inform my colleagues, if I could have their attention, that I am the ranking member of the Committee on Labor and Public Welfare which just handled the coal mine safety bill. That bill was drafted by the Senator from New Jersey (Mr. WILLIAMS) and myself.

One of the big problems that we had was to reconcile safety with economics. The Senator from Kentucky (Mr. COOPER) is laying before us a very grave problem affecting small miners, where we are trying to impose heavy safety precautions, and it costs money to provide them.

I should like to say to my colleagues who are interested in safety that what the Senator from Kentucky is now proposing is a way in which the small mine operator can be helped. We knew he had to be helped. We tried to get him small business loans and other things, which is a kind of long way around, but I think the Senator, with his tax amendment, has something which can directly help him, and I hope my fellow Senators will give the greatest sympathy to the Senator's proposition. I testify to my colleagues that one of the bases of the coal mine safety bill was an attempt to reconcile economics with human life. We did the best we could, but what Senator COOPER is now proposing would help us immeasurably to do justice on the economic scale.

Mr. COOPER. I thank the Senator from New York for his excellent statement. I have also been informed that the Senator from New Jersey (Mr. WILLIAMS), who was chairman of the subcommittee that had charge of the coal mine health and safety bill, supports the amendment.

I ask unanimous consent also to add the names of the Senator from Virginia (Mr. SPONG), and the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from Alaska (Mr. STEVENS), as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOPER. Mr. President, on October 2 of this year the Senate passed S. 2917, the Coal Mine Health and Safety Act of 1969. On October 29, 1969, the House passed its bill. The conferees have met and it is expected that the conferees will file a conference report very soon.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. TALMADGE. Mr. President, do I understand correctly that this is the result of the action of Congress in requiring these coal mine safety devices in coal mines?

Mr. COOPER. The Senator is correct.

Mr. TALMADGE. And that the equipment must necessarily be bought, because an act of Congress has required it?

Mr. COOPER. That is right.

Mr. TALMADGE. And that the purpose of the equipment is to save human life?

Mr. COOPER. The Senator is correct. Both Houses of Congress have passed bills which

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include a provision requiring that "permissible" machinery be used in all coal mines by a specified date.

The provision included in both the Senate and House, bills would abolish the present distinction between "gassy" and "nongassy" mines, a classification that up to this time had been preserved in the Federal Coal Mine Safety Act since its adoption. The chief purpose of proposing the merging of all mines in one classification as "gassy" mines, is to require operator of mines now classified as "nongassy" mines to purchase and install new equipment which is designated as "permissible" equipment under the Federal Coal Mine Safety Act. This equipment is designed to prevent "sparking" of the machinery which could, of course, cause the danger of ignitions and explosions in mines where a sufficient concentration of methane occurs.

Bureau of Mines statistics show that for the year 1967 there were a total of 3,191 nongassy mines employing 45,472 workers and producing 143 million tons of coal a year.

I ask unanimous consent that a compilation prepared by the Bureau of Mines be printed in the RECORD at this point.

There geing no objection, the compilation was ordered to be printed in the RECORD, as follows:

NUMBER OF BITUMINOUS UNDERGROUND COAL MINES, EMPLOYMENT AND PRODUCTION BY STATES AND BY GASSY AND NONGASSY MINES—1967

	Gassy			Nongassy		
	Number of mines	Employees	Production	Number of mines	Employees	Production
Alabama	17	3,222	8,443,850	85	1,633	739,350
Arizona				1	3	969
Arkansas	5	61	93,690			
Colorado	23	1,026	3,008,995	36	239	569,915
Illinois	26	5,271	27,797,978	9	111	525,834
Indiana	7	421	1,564,831	4	285	142,483
Iowa				5	51	244,917
Kentucky	32	3,851	18,996,388	913	10,687	42,000,000
					580	2,287,406
Maryland				33	236	409,550
Missouri				2	14	3,000
Montana		16	6,200	12	41	22,650
New Mexico	1	98	625,000	7	22	4,375
North Dakota				1	5	996
Ohio	18	2,115	8,922,588	55	1,244	4,496,000
Oklahoma	1	4	2,400			
Oregon				1	5	1,000
Pennsylvania	68	13,973	46,110,933	279	3,007	8,302,238
Tennessee	7	57	135,250	142	1,924	4,364,750
Utah	10	799	2,785,122	17	359	1,478,102
Virginia	44	3,347	14,265,000	673	4,722	16,625,000
Washington	1	7	8,599	3	31	48,017
West Virginia	132	20,848	80,348,324	908	20,181	61,037,451
					32	30,812
Wyoming				5	60	118,942
Total	392	55,116	213,115,058	3,191	45,472	143,453,737

Mr. COOPER. Since all mines are designated as "gassy" under the pending legislation, the operators of these 3,191 "nongassy" mines will be required to junk the nonpermissible machinery now used which has been installed at great cost and replace it with "permissible" equipment of greater cost. This will impose a burden which many operators cannot sustain, result in the closing of hundreds of mines, and will drive out of employment hundreds, if not thousands of miners. This drastic legislation will not only affect the mines and miners, but will result in severe economic hardship upon the communities and States in which the "nongassy" mines are located. The Bureau of Mines compilation for 1967 indicates that there were 913 "nongassy" mines in Kentucky, 908 in West Virginia, 279 in Pennsylvania, 142 in Tennessee, 55 in Ohio, 85 in Alabama, 36 in Colorado and smaller numbers in 10 other States.

Both in the Senate Labor and Public Welfare Committee and on the floor when the Senate considered S. 2917, I offered amendments to preserve the distinction between gassy and nongassy mines. I introduced statistics and geological data showing that nongassy mines are the safest mines and that there is no demonstrated need for abolishing the present distinction between "gassy" and "nongassy." However, my amendments were not agreed to.

The House and Senate conferees have agreed, first, that for all mines certain specified small electrical equipment must be made permissible within 1 year after the operative date of the act—which is 90 days after enactment; second, that heavy electrical face equipment employed in coal mines not classified as "gassy" prior to enactment of the act and which are located above the water table—which definition would include a great majority of mines now classified "nongassy"—must be made permissible within 4 years of the operative date of the act with the right to obtain extensions up to a maximum of 2 years. Thus, under this provision, all operators of the above described nongassy mines would be required at the conclusion of 6 years after the operative date to have replaced all existing nonpermissible equipment by permissible equipment.

In addition, nonpermissible equipment that has worn out is to be replaced 1 year after the operative date by equipment that is permissible.

The amendment I introduce today would permit the operators of nongassy mines located above the water table to amortize over a 5-year period the cost of heavy electrical permissible equipment that they are required to purchase and install, or the cost of converting existing equipment to a permissible condition within the 6-year period after the effective date of the act.

My amendment is limited to equipment required to be installed in this 6-year period and the 5-year amortization would not be available for equipment installed after the 6-year period has expired. In addition, the 5-year amortization provided by my amendment would not be available to write off the small horsepower equipment required to be permissible within a year after the effective date of the act. It is limited to heavy electrical face equipment and is extended only to operators of nongassy mines located above the water table. My amendment, therefore, is of limited scope and of limited duration.

I am informed by the Bureau of Mines that the useful life of coal mining equipment as determined by the Internal Revenue Service for accounting purposes is 10 years. I am informed that most operators employ straight line depreciation schedules in depreciating this equipment. During the debate on the Federal Coal Mine Health and Safety Act, statements were provided by the Senator from New Jersey (Mr. WILLIAMS), manager of the bill, concerning estimates of the cost of new equipment and of the conversion of old equipment. A letter from the Honorable Hollis M. Dole, Assistant Secretary of the Interior, addressed to Senator WILLIAMS, dated August 2, 1969, was included in the RECORD of September 25, 1969, at page 27117. In his letter, Assistant Secretary Dole stated that the Bureau of Mines has estimated the cost to be approximately $50 to $60 million. I would point out that these cost figures included the cost of converting or replacing small electrical equipment in both gassy and nongassy mines, which equipment would not be given the 5-year writeoff as proposed by my amendment. Therefore, I am informed by the Bureau of Mines that this $50 or $60-million total cost figure would be less when limited to the cost of heavy electrical equipment as provided for by my amendment.

Taking the cost estimates submitted by the Bureau of Mines, I requested the Treasury Department to give me an estimate of the revenue loss should my amendment be adopted.

In a letter dated December 8, 1969, I am informed by Mr. John S. Nolan, Deputy Assistant Secretary, that my amendment—and I read from his letter—"will result in a revenue loss of approximately $1 million per year for the next several years, reducing gradually to zero."

The new Federal Coal Mine Health and Safety Act will require many small operators in nongassy mines to junk their existing equipment and purchase permissible equipment as required by this legislation at great expense for reasons of safety. It seems to me, Mr. President, that the least that the Congress can do is to provide, to this limited extent, financial assistance in meeting these costs. The tax reform bill provides a 5-year amortization to the railroad industry and to industries purchasing air and water pollution equipment. Certainly, the equities of the small coal operator are equal, if not greater, than the industries helped by the 5-year amortization provided in this bill.

Mr. President, reconversion must take place under S. 2917 which is now in conference, within a minimum of 6 years. In my judgment, based upon the letter from the Treasury Department, the overall cost of the amendment would probably be $5 million or less.

It affects approximately 45,000 miners who are working in these mines which produce about 40 percent of our bituminous coal.

It is a just amendment. Congress will enact the measure which is now in conference. Help should be given not only to the operators of the mines, but to the men employed in the mines. Keeping the mine open will continue their employment.

Mr. President, that is the basis of my argument for the measure.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. BAKER. Mr. President, I thank the Senator from Kentucky for yielding and my chairman, the distinguished Senator from West Virginia, for permitting me to speak at this time for the purpose of observing that I believe the Senator from Kentucky has done a great service to a great industry by offering the amendment.

I very much hope that it will be agreed to by the Senate as part of the bill.

It is a difficult task, that of providing for mine safety and coming to grips with the issue of whether gassy and nongassy mines should be preserved.

The Senate has worked its will in that respect. For my part, and I know, from the standpoint of the senior Senator from Kentucky, we had hoped that there would be a continuing distinction between gassy and nongassy mines. However, there is not under the present state of affairs. Therefore, it becomes essential and urgent that something be done to encourage those who operate in nongassy mines, and obviously designated so, to devote permissible equipment to the preservation of those jobs which are by and large in an area of the country that has chronic unemployment and thus promote employment of men who are, by and large, uniquely suited to only one occupation, that of mining coal.

I think the Senator from Kentucky would move a great distance in this direction and the amendment would encourage many operators of nongassy mines to devote permissible equipment to conserving those jobs, thus contributing to our area of Tennessee, Kentucky, Virginia, and West Virginia.

Mr. President, it is with great pride that I join with the Senator from Kentucky in sponsoring the amendment. I hope that the Senator promptly agrees to it.

Mr. COOPER. Mr. President, I thank the Senator from Tennessee.

Mr. President, I yield now to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, the amendment offered by the knowledgeable Senator from Kentucky (Mr. COOPER) indicates once again his very real concern for the problems of coal mining and the safety of the miners. These mining problems, particularly as relate to the smaller mines now classed as nongassy, are soon to become acute and expensive. With the Coal Mine Health and Safety Act nearing finalization in this Congress, most of these mines necessarily must install much new equipment at substantial cost to meet the strict new safety requirements. The amendment which I am privileged to cosponsor will help the smaller mining companies provide the equipment requisite to the safety of their miners. The amortization provided can be very important in the financing of the equipment changeover to satisfy provisions of the new safety measure.

Mr. President, I am very grateful that over a period of time the Senator from Kentucky has demonstrated detailed knowledge and has been realistic in evaluating legislation as it affected the mines of his own State and neighboring ones. The mines concerned in the amendment, frankly, are mostly in Kentucky.

But numerous others in Tennessee, Virginia, and southern West Virginia will have some measure of tax relief available to them under Senator COOPER's amendment, and we are grateful to him for his alertness and his diligent attention to these matters.

Would amortization provisions, I ask the Senator from Kentucky, usually apply over a period of 10 years?

Mr. COOPER. That is the information we receive from the Department of the Interior and the Department of the Treasury. The usual depreciation is over a period of 10 years.

Mr. RANDOLPH. Mr. President, the Senator's amendment would reduce that to a period of 5 years.

Mr. COOPER. The Senator is correct.

Mr. RANDOLPH. And the letter the sponsor has referred to indicates that the cost to the Federal Government would not be a substantial sum.

Mr. COOPER. It would be $1 million a year for several years. It would then decrease to zero. The reason it would decrease to zero is that it ends as soon as the mines are reequipped in the 6-year transition period.

Mr. RANDOLPH. Mr. President, I am sure the estimate is correct. The estimate is that it would cost the eligible mining companies from $50 million to $60 million for this equipment.

Mr. COOPER. The letter is addressed to the committee of the Senator from West Virginia. The Committee on Labor and Public Welfare had charge of the bill. The letter was addressed to the Chairman of the Labor Subcommittee Senator WILLIAMS by Hollis M. Dole, Assistant Secretary of the Interior.

He states:

Since, in fact, the upgrading of non-permissible equipment would be expected to be a mixture of field conversion and purchase of rebuilt or new equipment, a more realistic cost estimate would be between $50 and $60 million.

Mr. President, I ask unanimous consent that the letter of Assistant Secretary Dole of the Interior Department and the letter of Deputy Assistant of the Treasury Nolan and a summary I have prepared explaining the amendment be printed at this point in the RECORD.

There being no objection, the letter and summary were ordered to be printed in the RECORD, as follows:

ESTIMATES OF THE COST OF CHANGING NON-PERMISSIBLE ELECTRIC FACE EQUIPMENT TO PERMISSIBLE CONDITION, BY THE DEPARTMENT OF THE INTERIOR

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., August 2, 1969.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Senate Labor Subcommittee,
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: Enclosed are two attachments (A & B) in response to your letter of July 5, 1969, requesting further information on the cost of changing non-permissible electric face equipment in underground coal mines to permissible condition under the procedures (Schedule 2-G) of the Bureau of Mines. These procedures are primarily designed to assure that such equipment, if maintained in permissible condition, will not emit a spark or arc and cause a mine fire or explosion.

The first of these attachments is an updating and correction of estimates previously prepared and supplied to your subcommittee in relation to the cost of changing non-permissible equipment to permissible and the time needed to accomplish it.

The other attachment is the result of a survey of underground coal mines conducted, at your request, by the Bureau of Mines in each of the 9 major coal producing States. The survey was undertaken through the Bureau's district offices and compiled here. While it included some contact with the industry, repair shops, and equipment manufacturers, it is largely a paper survey based on records and data of the Bureau, including inspection reports, etc. We have discussed informally the results of the survey with your staff.

At the request of your staff, we checked, after completing the survey, on whether a bias had been introduced inadvertently due to the small number of mines sampled in the 9 States. Time did not permit a greater sampling. We have concluded that the samples for at least 3 of the States, Virginia, Kentucky, and West Virginia, are not truly typical of the small mines in those States. Thus, a bias was, in fact, inadvertently introduced.

From the survey we have, at your request, estimated the cost of making this equipment permissible either by conversion or rebuilding. The estimates are as follows:

SMALL NON-GASSY MINES

Estimated costs

Cost of "conversion"[1] of all equipment:	
Nine States only	$37,000,000
County-wide basis (by extrapolation from data)	42,500,000
Cost of upgrading or using rebuilt equipment:	
Nine States only	54,882,580
County-wide basis (by extrapolation from data)	$63,000,000

LARGE NON-GASSY

Estimated cost

Cost of upgrading or using rebuilt equipment:[2]	
Seven State only	13,475,660
Country-wide basis	18,100,000

[1] Assumes field permissibility approval will be feasible even for equipment that had never had permissible approval.

[2] Assumes that all equipment could be upgraded and none would be converted.

You also requested that we provide an estimate, based on the survey, of the costs of making this equipment permissible through conversion, upgrading, purchasing rebuilt or purchasing new, in the case of those gassy mines with "grandfathered" equipment is still permitted under the 1952 Act. The estimates are as follows:

Grandfathered equipment, all Gassy Mines:

Cost to upgrade, $3,591,350.

Cost to rebuild, $14,158,060.

Cost new, $36,951,170.

Because of the bias mentioned above, you also asked if we could use the survey and make some estimates taking the bias into account. Probably the most appropriate way to make such an estimate is to use an average of the capital cost per yearly ton of coal produced. For these larger and more efficient mines covered by the survey a mine producing 20,000 tons per year would require an investment of about $16,000. If the equipment were used for 20 years this would represent a cost of 4 cents per ton of coal mined. There is, however, some tonnage produced in hand loaded mines where permissible equipment would not be required. On the other hand, smaller mechanized mines, also not included in the survey, would be expected to have a higher investment per daily ton than those included in the survey. In our estimate, we have assumed that these two factors are to be in balance.

Using this method then, the cost for the small non-gassy mines for the country as a whole to convert or rebuild the equipment would be $30 million.

If all the equipment could be converted rather than using a combination of conversion and rebuilt equipment, the cost would be about $21 million.

The total cost can thus be estimated at $51.7 million, broken down as follows:

Grandfathered equipment (all upgraded), $3.6 million.

Cost of upgrading or using rebuilt equipment in large non-gassy mines, $18.1 million.

Cost for converting or using rebuilt equipment in small non-gassy mines, $30 million.

These figures are lower than those in Attachment A because we have assumed that the new concept of conversion which we have discussed with your staff using field approval for permissibility will be possible and because the size of the sample in the latest survey introduced a bias. Since, in fact, the upgrading of non-permissible equipment would be expected to be a mixture of field conversion and purchase of rebuilt or new equipment a more realistic cost estimate would be between $50 and $60 million. It is probable, however, that some portion of this sum would be expended anyway due to normal replacement needs.

Another cost is that of the Government which would be appreciably higher if all the equipment were converted, since it would involve a large increase in the man-hours required for field inspections of field converted and approved equipment.

Sincerely yours,

HOLLIS M. DOLE,
Assistant Secretary of the Interior.

THE DEPARTMENT OF THE TREASURY,
Washington, D.C., December 8, 1969.

Hon. JOHN SHERMAN COOPER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COOPER: You have requested an estimate of the revenue cost of Amendment No. 399 to H.R. 13270, the Tax Reform Act of 1969, which you have introduced. The amendment would allow five-year amortization for certain equipment installed to comply with the Federal Coal Mine Health and Safety Act of 1969.

Treasury estimates that this amendment will result in a revenue loss of approximately $1 million per year for the next several years, reducing gradually to zero.

Sincerely yours,

JOHN S. NOLAN,
Deputy Assistant Secretary.

EXPLANATION OF COOPER, RANDOLPH, BYRD (W. VA.), COOK, BAKER AMENDMENT

Purpose is to permit amortization of the cost of certain "permissible" coal mine equipment over a five-year period. The usual period recognized by the Internal Revenue Service is ten years.

Cost of reequipping mines with "permissible" equipment, estimated by the Department of Interior, is $50 to $60 million. Cost, in loss of revenue, estimated by the Department of Treasury, is $1 million annually for the first several years, then reduced to no cost.

Reason: House and Senate conferees have agreed on a provision to be a part of the Federal Coal Mine Health and Safety Act of 1969 (S. 2917), which requires for the safety of miners that "permissible" equipment—that is, non-sparking equipment—be installed in "non-gassy" mines over a six-year period. "Non-gassy" mines number about 3,000 and employ about 45,000 men and produce about 40% of the nation's bituminous coal. These are chiefly small mines and the cost of reequipping will put many out of business and increase unemployment, unless some aid is provided.

The five-year amortization provided by the amendment is limited strictly to "non-gassy" mines located above the water table, and only to the cost of installation of heavy electrical face equipment of a permissible type or the cost of converting existing equipment to a permissible standard during the six-year transition period.

Mr. RANDOLPH. Mr. President, I do not wish to take more time except to say that this is desirable and necessary legislation. In the Coal Mine Health and Safety Act, we sought to be prudent without compromising the safety of miners. However, approval of this amendment would mean that we can be more careful in insisting that the smaller units in the industry are not put out of business with the resultant increase in unemployment.

Mr. COOPER. The Senator is correct.

Mr. RANDOLPH. And I have talked with the chairman of the Subcommittee on Labor. He is interested in the amendment and desires to support it.

I have listened to the acting chairman of the Finance Committee as he has questioned the principal author of the amendment. He indicates that he understands the problem we face in this matter.

It has been my privilege to join in cosponsoring the amendment. I do feel it is equitable. And I hope it will receive the unanimous approval of the Senate.

Mr. COOPER. Mr. President, I thank the Senator. We have conferred on the amendment and have worked out the amendment before us.

I yield now to my colleague from Kentucky.

Mr. COOK. Mr. President, although my distinguished colleague from Kentucky has said this would cost the Government $1 million a year for approximately 6 years, I think the weight of the argument is that it will cost the industry between $50 and $60 million during that same period of time.

This cost of $50 to $60 million is the direct action of Congress itself. Contrary to the Williams amendment of just a moment ago which, as the distinguished Senator from Delaware said slowly but surely pulls away this $1 million a year for approximately 5 or 6 years, the cost to the Federal Government is necessitated by the fact that the industry, by action of Congress, must expend between $50 and $60 million during that same period of time.

I say to the distinguished Senator from Georgia that the real argument is that, for the safety and protection of human life, the industry is required to pay some $60 million and Congress is asked for this opportunity to extend to the industry a rapid writeoff from 10 to 5 years at a cost to the Federal Government, for the safety of human lives, the sum of $1 million a year. I think this is the real argument, and this is the point that the distinguished Senator from Kentucky (Mr. COOPER) has so eloquently made. I hope that the committee will accept the amendment.

Mr. COOPER. I thank the Senator.

I yield to the Senator from Virginia.

Mr. SPONG. Mr. President, I commend the Senator from Kentucky for bringing this amendment to the floor. In my judgment, it is a necessary adjunct to the very fine mine safety legislation enacted earlier in this session.

I should like to associate myself with the remarks of the Senator from Kentucky and say that I am very pleased to be a cosponsor of the amendment, and I hope the committee will see fit to accept it.

Mr. TALMADGE. Mr. President, the distinguished Senator from Kentucky and the cosponsors of the amendment have made an impressive case for the amendment. It would authorize the same amortization that is already included in the bill for pollution control devices. Since this is a safety control device affecting human life, I have discussed it with the ranking minority member of the committee, and he and I are in accord that the Senate should adopt it and let us take it to conference.

Mr. COOPER. I thank the Senator.

Mr. COOPER. I am very sorry to report that the predictions I made during this debate have become true.

There has been no significant improvement in safety conditions in the mines, to the contrary there has been an increase in fatalities and injuries.

Hundreds of small mines, the non-gassy mines, the safest mines have been put out of business, and thousands of miners and employees are without jobs.

The closing of these mines has driven operators and miners into strip mining, affecting the environment and ecology.

Mr. SCOTT. Mr. President, I yield back the remainder of my time and call for a vote.

The PRESIDING OFFICER. The Senator has no time remaining. The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was agreed to.

Mr. ALLOTT. Mr. President, I would like to address a question to the distinguished manager of the bill, and also to the ranking minority member relative to section 103 of the bill presently before us.

Section 103, which amends section 48 (a) of the Internal Revenue Code of 1954 limits the availability of the investment credit to domestically produced products. As amended, section 48(a)(7)(C) provides that the President may allow the investment credit to certain foreign produced articles, if he deems it in the national interest. In other words, by Executive order the President may proclaim that certain articles or class of articles—even though manufactured abroad—may qualify for the 7-percent investment credit.

On page 28 of the Senate Finance Committee report, it states, in a pertinent part, and I quote:

> The types of situations in which the President may find that it is in the public interest to waive the limitation include those: . . . (2) where there are practically no U.S. manufacturers of the type of products involved and substantially all items of these types are imported.

I hope to amplify the meaning of the Senate report language I have just quoted.

As the Senator may know, there is a growing new facet of air service. It is commonly referred to by the letters STOL which stand for short take off and landing. By employing these relatively light aircraft, it is possible to provide air service at a reasonable cost to small communities as well as communities located in geographical areas which do not lend themselves to the landing of large conventional commercial aircraft.

For example, in Florida on October 22, 1971, there was initiated a statewide STOL service between Miami, Ft. Lauderdale, Tampa, St. Petersburg, and Orlando. My State of Colorado has expressed an interest to the FAA to expand STOL service.

Presently, no U.S. aircraft manufacturer produces a STOL aircraft suitable for commercial use, that is no aircraft is produced in the United States in the 16- to 20-passenger range that is certificated by the FAA for the STOL service. Thus, airlines wishing to purchase this class of aircraft at this time must purchase from a foreign manufacturer.

In summary, my interpretation of the bill is that even though aircraft are indeed made in the United States this provision of the bill would allow a subclassification determination so that the President may look at the subclassification of aircraft—short take off and landing—to determine that there is no comparable product of American manufacture. In short, as I interpret the bill, the President of the United States would have the authority to allow the type of aircraft I have described above, for example a Dehavilland DHC–6 Series 300 Twin Otter, a STOL aircraft, which is produced in Canada, to qualify for the investment tax credit.

Mr. President, I would like to ask the distinguished junior Senator from Louisiana if my interpretation is correct?

Mr. LONG. Mr. President, I agree with the Senator from Colorado that if indeed no STOL aircraft is manufactured in the United States then the President of the United States would have the authority to exempt that aircraft from the application of section 48(a)(7)(A) of the Internal Revenue Code of 1954.

Mr. ALLOTT. Mr. President, in other words, this would be an example of what the committee meant in the Senate report language which I have previously quoted.

Mr. LONG. Mr. President, yes, that is a separate category where the President could make the credit available if the determined it was in the public interest.

Mr. ALLOTT. Mr. President, I thank the Senator.

Now, Mr. President, very briefly, I wish to say I have considered the tax bill which we have before us very carefully. I think the economic program of the President has been warped out of recognition. For example, the revenue loss for 1971 under the committee bill was $1.7 billion. After Senate action it is $2.8 billion, or almost double. For 1972 under the committee bill it was $7.8 billion. After Senate action thus far it is in excess of $12.8 billion. Through 1980 the loss to the United States would be $68.3 billion under the committee bill and after Senate action this far it would be $125 billion.

We have had almost 80 record votes on this bill. The Senate has added over 20 amendments.

I know the leadership desired very much to prevent this bill from becoming a Christmas tree, but, like every tax bill that comes to the Senate, that is the way it has become now, trebling, or doubling at least, the loss of tax revenues for the United States.

No real effort has been made to curb the insatiable appetite of some Senators to grab all that could be grabbed by way of political gain from the bill.

Titles IX and X of the bill, the tax credit for contributions and the checkoff provision, may cost anywhere from $125 to $400 million. The bill, instead of providing economic stimulus, in my opinion has become a raid on the Treasury, catering to every special interest group, starting with the Democratic National Committee.

I must say for these reasons I feel, and will feel, compelled to vote against the bill, much as I supported the bill in its original concept.

Mr. AIKEN. Mr. President, I want to concur in what the Senator from Colorado has said. The bill has been well nigh ruined by the actions of this body. However, it does have to go to conference, and I have more confidence in the conferees on both sides of the Congress than I have in the judgment of this Senate as a whole.

Therefore, although I have expressed my sentiments, and I would vote "no" if this were our final action on this bill, I will vote for it. I realize that the House has good conferees. The House sent us a good bill. The Senate will have good conferees. They can make a good bill out of the mess this Senate has created. So I am going to vote for the bill, but as of now it is a miserable bill. And if the conferees cannot correct the errors we have made I will vote against the conference report.

AMENDMENT NO. 695

Mr. MOSS. Mr. President, I call up my amendment No. 695 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MOSS. Mr. President, I ask unanimous consent to dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I also wish to modify my amendment by inserting after line 6, page 2 the following words:

> Also exempt from the definition of "highway vehicle" is any motor-operated crane, installed upon a chassis of special design whose primary purpose is the provision of on-site mobility and/or in-place operational power, and whose capability for self-propulsion to the site is secondary thereto.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

The amendment, as modified, is as follows:

On page 2, in the table of contents, immediately after the item relating to section 315, add the following:

"Sec. 316. Self-propelled oil well service or drilling equipment vehicles."

On page 106, between lines 2 and 3, insert the following:

"SEC. 316. SELF-PROPELLED OIL WELL SERVICE OR DRILLING EQUIPMENT VEHICLES, AND MOTOR OPERATED CRANES

"(a) IN GENERAL.—Section 4482(a) (relating to definition of highway motor vehicle) is amended to read as follows:

"'(a) HIGHWAY MOTOR VEHICLE.—For purpose of this subchapter, the term "highway motor vehicle" means any motor vehicle which is a highway vehicle, except that such term does not include any self-propelled oil well service or drilling equipment with a chassis specially designed and constructed for such service or drilling; also exempt from the definition of "highway vehicle" is any motor-operated crane, installed upon a chassis of special design whose primary purpose is the provision of on-site mobility and/or in-place operational power, and whose capability for self-propulsion to the site is secondary thereto.

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to—

"(1) taxable periods commencing on or after the date of the enactment of this Act, and

"(2) taxable periods commencing before such date, with respect to which the time for filing claim for credit or refund of overpayment of the tax has not expired on such date.

If credit or refund of any overpayment resulting from the application of the amendment made by subsection (a) is prevented at any time within the six-month period commencing on the date of the enactment of this Act by the operation of any law or rule of law, credit or refund of such overpayment may nevertheless be allowed or made if claim therefor is filed within such six-month period."

Mr. MOSS. Mr. President I believe this Revenue Act of 1971 offers a good opportunity for the Senate to clarify certain language contained in the Internal Revenue law.

At present, the Internal Revenue Code of 1954 includes oil well service and drilling equipment and self-propelled motor cranes under the definition of a "highway motor vehicle." It continues to require owners to pay Federal highway use taxes for this equipment even though the equipment spends less than 2 percent of its working life on the Nation's highways.

Mr. President, I urge the Senate to accept my amendment which would exempt this drilling and servicing equipment and motor cranes from highway use tax liability. I contend that such action:

Would be consistent with previous IRS rulings concerning similar types of equipment;

Would recognize that the true function of this equipment is not highway transportation; and

Would follow the same logical course set by many State governments with regard to taxation of this equipment.

There is indeed a clear precedent for exempting this self-propelled machinery from highway tax liability. At present, all earthmovers, cottonpickers, and a variety of farm and highway implements are excluded. They are excluded from liability, because they spend less than 25 percent of their working lives on the highways.

I believe that the Senate should recognize this precedent and grant exemption for drilling equipment which spends less than 2 percent of its working life on the highways.

Precedent, however, is not the only issue involved. It is clear that the primary function of this equipment is not highway transportation—but drilling or, in the case of self-propelled cranes, building. You have merely to look at this machinery to realize this fact. It is designed essentially for onsite operations. The main transmission shaft runs not to the wheels, but to the drilling winch. The wheels, themselves, are powered by a secondary transmission shaft. I think my colleagues will agree that this equipment should not be counted and taxed as if it were a highway transportation vehicle.

This drilling equipment is primarily a source of power for the drilling operation. A growing number of State governments have come to recognize this fact. They exempt this oil well equipment from the general category of motor vehicle for all taxation purposes. It would seem that the Federal Government should follow the same logical course.

The cost of making this exemption for the drilling equipment is a mere pittance compared with the total Highway Use Fund collections. It would come to approximately $3 million for drilling rigs out of the total $145 million collected annually.

Mr. President, for these very clear reasons:

First, that this drilling equipment and cranes are no more a transportation vehicle than a piece of farm machinery;

Second, that the machines spend only 2 percent of their working time on the road; and

Third, that extending this exemption would cost the Government only a small fraction of its highway use tax collection.

I urge that the Senate grant overwhelming and immediate approval to this amendment.

Mr. BENNETT. Mr. President, my col-

league from Utah has opened up a question or a problem that really needs looking into. The problem grows out of administration of the present law rather than a need for a specific law.

I have no objection to this amendment. I think we can take it to conference, but I think we will not get the problem solved until we have a hearing and a study in the committee of these on and off highway vehicles, of which these two are just examples.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah.

The amendment was agreed to.

Mr. FULBRIGHT. Mr. President, I wish merely to direct an inquiry to the distinguished manager of the bill. My question relates to the net lease rules as they affect real estate transactions. The committee bill contains some refinements of these net lease rules and I am pleased that the committee was able to clear up some of the problems in this area raised by the Tax Reform Act of 1969.

But there is some concern that perhaps the committee bill may not fully reflect the committee's amendment as described in the committee report. Has this situation come to the Senator's attention?

Mr. LONG. Yes, it has been raised and I am pleased to advise the Senator that on Saturday afternoon the Senator from Georgia (Mr. TALMADGE) offered an amendment to correct a shortcoming in the committee bill and to further relieve the situation. The Senate agreed to this amendment and I believe it is one the Senator would approve.

I know of his concern and the amendment moves in the direction he would like to take.

Mr. FULBRIGHT. I thank the Senator very much for his consideration.

Mr. CANNON. Mr. President, I send an amendment to the desk on behalf of myself and Senator BIBLE, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CANNON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON's amendment is as follows:

At the end of title IV of the bill, insert the following new section:

SEC. 403. CREDIT AGAINST TAX ON COIN-OPERATED GAMING DEVICES

(a) ALLOWANCE OF CREDIT FOR STATE TAXES.—Subchapter B of chapter 36 (relating to occupational tax on coin-operated devices) is amended by adding at the end thereof the following new section:

"SEC. 4464. CREDIT FOR STATE-IMPOSED TAXES

"(a) IN GENERAL.—There shall be allowed as a credit against the tax imposed by section 4461 with respect to any coin-operated gaming device for any year an amount equal to the amount of State tax paid for such year with respect to such device by the person liable for the tax imposed by section 4461, if such State tax (1) is paid under a law of the State in which the place or premises on which such device is maintained or used is located, and (2) is similar to the tax imposed by section 4461 (including a tax, other than a general personal property tax, imposed on such device).

"(b) LIMITATIONS.—

"(1) DEVICES MUST BE LEGAL UNDER STATE LAW.—Credit shall be allowed under subsection (a) for a tax imposed by a State only if the maintenance of the coin-operated gaming device by the person liable for the tax imposed by section 4461 on the place or premises occupied by him does not violate any law of such State.

"(2) CREDIT NOT TO EXCEED 80 PERCENT OF TAX.—The credit under subsection (a) with respect to any coin-operated gaming device shall not exceed 80 percent of the tax imposed by section 4461 with reapect to such device.

"(3) CREDIT NOT TO APPLY TO NEW TAXES.—Credit shall be allowed under subsection (a) for a tax imposed by a State only if such State imposed such tax or a substantially similar tax (whether or not conditionally) on the date of the enactment of this section.

"(c) SPECIAL PROVISIONS FOR PAYMENT OF TAX.—Under regulations prescribed by the Secretary or his delegate, a person who believes he will be entitled to a credit under subsection (a) with respect to any coin-operated gaming device for any year shall, for purposes of this subtitle and subtitle F, satisfy his liability for the tax imposed by section 4461 with respect to such device for such year if—

"(1) on or before the date prescribed by law for payment of the tax imposed by section 4461 with respect to such device for such year, he has paid the amount of such tax reduced by the amount of the credit which he estimates will be allowable under subsection (a) with respect to such device for such year, and

"(2) on or before the last day of such year, pays the amount (if any) by which the credit for such year is less than the credit estimated under paragraph (1)."

(b) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 36 is amended by adding at the end thereof the following new item:

"SEC. 4464. CREDIT FOR STATE-IMPOSED TAXES."

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply on and after July 1, 1972.

Mr. CANNON. Mr. President, this amendment provides for the allowance of a credit for State taxes to the extent of 80 percent of the Federal tax on coin-operated gaming devices where such devices are legal.

I might say, Mr. President, that Nevada is the only State this amendment happens to apply to. We are not asking for credit for the full amount of the tax, but only to the extent of 80 percent, in order that the remaining 20 percent might be available to the Federal Government for regulation as it sees fit.

The Nevada State Legislature has already acted in this field, and has petitioned Congress to provide a tax credit for the benefit of the State to the extent of 80 percent. It has made it a provision of the law that is self executing, which would provide that the funds to be derived therefrom would be earmarked for the community college system and for education in general.

Mr. President, the precedent for this amendment is the fact that we have 30 States in the Nation that have parimutuel betting, where the Federal Government has elected to exempt them from payment of any gaming tax, because the State has entered that field, and under the States' rights theory, they have imposed a tax and have regulated those parimutuels, and as a result, last year, in the 30 States that have parimutuels, the States received in revenue $515 million as a result of the tax that the Federal Government did not see fit to impose, and left it up to the States to legislate on.

In addition, we have already provided a precedent for the States that have seen fit to enter the field of legalized lotteries. We have three States that have entered that field, and we in Congress have exempted them from payment of any gaming tax thereon.

Our proposal recognizes that Federal tax legislation has existed for some time in the field of coin-operated gaming devices for purposes of regulating rather than for the raising of revenue.

The Nevada Legislature, examining its urgent need for new revenue and mindful that numerous States have in recent years embarked on wagering schemes such as lottery and off-track betting as well as bingo and pari-mutual race track betting, has strongly noted that none of these various revenue-producing operations in the various States have special Federal taxes imposed upon them.

But Nevada has a $250 Federal tax on each of its legalized and highly regulated coin-operated gaming devices. Because of this obvious inequity, we are offering an amendment stipulating that 80 percent of the occupational taxes collected on these devices be credited for similar taxes imposed by a State where the operation of such devices is legal. The Nevada Legislature enacted legislation as early as 1967 when it voted to return any Federal slot machine tax credit to the State treasury. Only this year assembly bill No. 459 expressed the sense of both Houses of the Nevada Legislature that none of the tax credit allowed by the Congress inure to the benefit of licensed gaming established in the State, "but will instead be set aside for the support of education."

The State of Nevada is dependent upon such revenues as derived from gaming for 43.3 percent of its State taxes.

In 1965 the Congress recognized once more the exclusive domain of the States in this field when it permitted New Hampshire to be exempt from Federal taxes in connection with its lottery. Similarly, this benefit was extended to the States of New York and New Jersey when those States more recently decided to conduct legal lotteries which now pour many tens of millions of dollars into their State coffers. I am sure that this policy of noninvolvement in the gaming tax field will prevail if the seven other States now considering lotteries decide to join these three States. Certainly there are no special Federal taxes that are imposed on the bingo operation which are conducted in about a dozen States throughout the Nation nor in the parimutuel horse racing or dog racing which flourishes in more than half of the States in the United States. We ask no more and no less than to extend this same principle to Nevada. The proposal for the tax credit rather than the total exemption is in recognition of the Federal interest that they continue to aid in policing the operation of legal slot machines to determine that revenues do not flow into underworld hands.

Obviously, it is not national policy—nor should it be—for the Federal Government to share in the revenues of a single State which chooses to legalize slot machines. It is equally true that the voters of my State have every right to expect that the revenue derived from wagering should be maximized for the benefit of the State and that is why their lawmakers have provided that the State move automatically to impose a tax identical to the one that is the subject of this amendment.

I say in summary that the only people who will benefit from this amendment are the citizens of our State of Nevada. The estimated loss to the Federal Government is $7.4 million, and I hope our colleagues will go along with this amendment, and that the committee will take the amendment to conference.

Mr. BIBLE. Mr. President, I have joined my colleague in offering this amendment, and I want to associate myself completely with what he has said in its support.

This is a completely reasonable amendment. As my colleague has said, it is needed to overcome a longstanding inequity in Federal tax policy in Nevada as compared to other States.

Section 4461 of the Internal Revenue Code imposes an annual $250 tax on coin-operated gaming devices.

The effect of this amendment is to allow a credit against this Federal tax. The credit would be measured by the amount of comparable taxes imposed and paid under State law, and would be limited to not more than 80 percent of the assessable Federal tax.

This is not a tax-relief proposal. It would not reduce anybody's taxes.

It would merely allow a credit against this Federal tax for taxes paid to the State.

As the Senate knows, in an effort to find additional tax sources to meet the rising costs of essential public services, more and more States have become interested in the tax possibilities of legalized gaming. Some 28 of our States have legalized parimutuel betting on horse and dog racing. New Hampshire, New Jersey, and New York has also legalized off-track-State-operated sweepstakes or lotteries. New York has also legalized off-track parimutuel betting, and other States have indicated that they may be moving in this direction.

None of these legalized gaming operations is subject to special Federal taxation. They are specifically exempted from the Federal wagering tax. The revenue they generate remains in the States for education and other essential public services.

But the situation in Nevada is entirely different. Nevada's legalized, licensed gaming enterprises are not only taxed heavily by the State. They are also subject to additional Federal taxation, and this special Federal tax on coin-operated gaming devices is a prime example.

This amendment would extend to Nevada the same principle now applied to these other States—not by way of a tax exemption, but by way of a tax credit.

The Federal tax on coin-operated devices has its primary impact in Nevada. Based on 1970 figures, almost 60 percent of it is collected on coin-operated gaming devices licensed and regulated under Nevada law. The tax is an insignificant Federal revenue producer, but the tax it takes from Nevada is sorely needed by the State to finance its education program.

As my colleague has pointed out, the Nevada Legislature has already enacted legislation imposing an additional tax on licensed coin-operated gaming devices within the State.

I ask unanimous consent that the Act of the Nevada Legislature amending Nevada revised statute 463.385 to impose this additional tax be printed in the RECORD following my remarks.

This new State tax will be "triggered" by the enactment of this amendment and will offset the proposed 80-percent credit.

The proceeds of this new State tax are specifically earmarked for educational purposes, and will provide critically needed financing for the support of higher education—a medical and community college program—and for all primary and secondary public schools as well.

Mr. President, Nevada faces unusually difficult problems in developing new tax revenue sources. She is a public land State. Eighty-seven percent of her land area is in the public domain and beyond the tax base. Less than 13 percent of her land is taxable. This narrow tax base has meant that over the years the State has been compelled to lean heavily on the licensed gaming industry as a source of public revenue. Nearly half—43.3 percent—of the State's general fund revenue comes from the gaming industry.

Historically, education has consumed two-thirds or more of the States general funds. But additional moneys are critically needed for the support of improved educational facilities and programs.

New York, New Jersey, and New Hamsphire apply the proceeds of their legal lotteries to their education programs. Nevada wants to increase the tax on her licensed slot machines and apply the proceeds to the same purpose.

This tax credit will enable her to do so. I urge acceptance of this amendment.

Mr. President, I ask unanimous consent that the bill passed by the Nevada State Legislature be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

ASSEMBLY BILL NO. 459—CHAPTER 2

An Act creating the higher education capital construction fund in the state treasury; directing that a portion of certain moneys derived from the slot machine tax imposed by NRS 463.385 be deposited in the higher education capital construction fund to be expended only by the board of regents of the University of Nevada for capital improvement projects for the University of Nevada System; specifying that the balance of the receipts derived from such slot machine tax be deposited in the state distributive school fund for the benefit of the school districts of the state; imposing certain duties on the state planning board; designating priority construction projects for the community college division of the University of Nevada System; and providing other matters properly relating thereto

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

SECTION 1. NRS 463.385 is hereby amended to read as follows:

463.385 1. In addition to any other license fees and taxes imposed by this chapter, there is hereby imposed upon each slot machine operated in this state a tax equal to any credit which may be allowed against the tax imposed on slot machines by 26 U.S.C. § 4461 *or other federal statute* for the payment of a state tax. If no such credit is allowed, no tax is payable under this subsection.

2. The commission shall:

(a) Collect the tax annually in advance prior to June 20 as a condition precedent to the issuance of a state gaming license to operate any slot machine.

(b) Include the proceeds of the tax in its reports of state gaming taxes collected.

3. The commission shall pay over the tax as collected to the state treasurer to be deposited to the credit of the state distributive school fund [.] *and the higher education capital construction fund, hereby created in the state treasury, in the amounts and to be expended only for the purposes specified in subsections 4 and 5.*

4. During each fiscal year the state treasurer shall deposit the first $5 million of the tax paid over to him by the commission in the higher education capital construction fund. When requested by the board of regents of the University of Nevada, moneys in the higher education capital construction fund shall be transferred by the state controller and the state treasurer to the state planning board for the purpose only of constructing capital improvement projects for the University of Nevada System, including but not limited to capital improvement projects for the community college division. As used in this subsection, "construction" includes but is not limited to planning, design, site acquisition and development, construction, reconstruction, furnishing, equipping, replacing, repairing, rehabilitating, expanding and remodeling. Unless specifically directed by an act of the legislature concerning priorities of construction of specific projects with moneys in the higher education capital construction fund, the board of regents of the University of Nevada shall determine the order of priority and the needs of the University of Nevada System with respect to expenditures of available moneys in the higher education capital construction fund. Any moneys remaining in the higher education capital construction fund at the end of a fiscal year shall not revert to the general fund in the state treasury but shall remain in the higher education capital construction fund for authorized expenditure.

5. During each fiscal year the state treasurer shall deposit all moneys in excess of the first $5 million of the tax paid over to him by the commission in the state distributive school fund to be apportioned as provided in NRS 378.030 among the several school districts of the state at the times and in the manner provided by law.

SEC. 2. Chapter 341 of NRS is hereby amended by adding thereto a new section which shall read as follows:

1. In causing the construction of the projects for the University of Nevada System as provided in subsection 4 of NRS 463.385 the state planning board shall:

(a) Cause to be prepared plans, specifications and contract documents necessary to such construction.

(b) Insure that competent architects, engineers and other qualified persons are employed to prepare the plans and specifications required to accomplish the authorized work and, if necessary, to assist in the preparation of contract documents necessary to such construction. Each contract document pertaining to such work shall be approved by the attorney general.

(c) *Except as otherwise provided in subsection 2, advertise in a newspaper or newspapers of general circulation in the State of Nevada for separate sealed bids for each such construction project. Approved plans and specifications for such construction shall be on file at a place and time stated in such advertisement for the inspection of all persons desiring to bid thereon and for other interested persons. The state planning board may accept bids on either the whole or on part or parts of such construction, equipment and furnishings, and may let separate contracts for different and separate portions of any project, or a combination contract for structural, mechanical and electrical construction if savings will result thereby to the lowest bidder thereon; but any and all bids may be rejected for any good reason.*

2. *The state planning board shall not be required to advertise for sealed bids for construction projects the estimated cost of which is less than $5,000, but the state planning board may solicit firm written bids from not less than two licensed contractors doing business in the area and may thereafter award the contract to the lowest bidder or reject all bids.*

SEC. 3. For the biennium commencing July 1, 1971, and ending June 30, 1973, if there are available moneys in the higher education capital construction fund, and if the Clark Community College and the Western Nevada Community College are established by the legislature, then the board of regents of the University of Nevada shall cause to be constructed with such moneys in the following order of priority the construction projects herein specified at costs not to exceed the amounts stated:

Priority and project	Cost
1. Instructional building, Clark Community College	$1,889,000
2. Instructional building, Western Nevada Community College	1,330,000
3. Instructional building, Elko Community College	719,000

If the legislature does not establish the Clark Community College or the Western Nevada Community College, the board of regents of the University of Nevada shall determine the priority of construction as provided in NRS 463.385.

SEC. 4. This act shall become effective upon passage and approval.

Mr. LONG. Mr. President, in States where a gambling activity is permitted to operate legally, the States have taxed it very heavily, or else the State has operated the activity itself, so that the lion's share of all revenue has been directed to the State treasury. There is much to be said for allowing Nevada a credit or some adjustment to protect the revenues of the State of Nevada, in view of the fact that in all of the States where parimutuel betting is permitted, the Federal Government does not tax it. Presumably this on the theory that the State is taxing this activity for all the traffic will bear.

It would be all right with me to accord the same consideration to the State of Nevada for purposes of this tax on coin-operated gaming machines.

There would still remain a 20 percent advantage to the Federal Government in this area, and that should be enough to assure that there would be Federal policing to help guarantee that any tax owed by anyone operating a gambling device would be collected and paid I would assume that the Federal and State Governments would work together to assure such payment.

Mr. CANNON. They do work together very closely.

Mr. COOPER. Mr. President, will the Senator from Nevada yield?

Mr. CANNON. I yield.

Mr. COOPER. Mr. President, I support this amendment. As a resident of a State which has parimutuel betting not taxed by the Federal Government, and Nevada being the only State I know of which does not enjoy the same exemption, I think it would be only fair to support the Senator's amendment.

Mr. CANNON. I thank the Senator for his support.

The PRESIDING OFFICER (Mr. PELL). The question is on agreeing to the amendment of the Senator from Nevada.

The amendment was agreed to.

Mr. BYRD of Virginia. Mr. President, as amended by the Senate, H.R. 10947 reduces annual revenues by $14 billion. I favor most of the proposals incorporated in H.R. 10947. However, Mr. President, I have not been able to convince myself that it is wise, logical, or sound to reduce revenues by that amount, at a time when the Federal funds deficit is running more than $30 billion. In fact, during the current fiscal year the Federal funds deficit will exceed $35 billion. Therefore, I shall vote against H.R. 10947.

Mr. President, I have prepared a table of Federal funds deficits for the years 1953 through 1972, inclusive. I ask unanimous consent that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS, 1953–72, INCLUSIVE

[In billions]

	Receipts	Outlays	Surplus (+) or deficit (−)
Year:			
1953	$64.7	$74.1	−$9.4
1954	64.4	67.5	−3.1
1955	60.2	64.4	−4.2
1956	67.9	66.2	+1.7
1957	70.6	69.0	+1.6
1958	68.6	71.4	−2.8
1959	67.9	80.3	−12.4
1960	77.8	76.5	+1.3
1961	77.7	81.5	−3.8
1962	81.4	87.8	−6.4
1963	83.6	90.1	−6.5
1964	87.2	95.8	−8.6
1965	90.9	94.8	−3.9
1966	101.4	106.5	−5.1
1967	111.8	126.8	−15.0
1968	114.7	143.1	−28.4
1969	143.3	148.8	−5.5
1970	143.2	156.3	−13.1
1971	133.6	163.8	−30.2
1972 [1]	143.0	178.0	−35.0
20-year total	1,853.9	2,042.7	188.8

[1] Estimated figures.

Source: Office of Management and Budget, except 1972 estimates.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BENNETT. Mr. President, many of us have been trying to figure out just how much our action, both in the committee and here on the Senate floor, has cost the Federal Treasury. I have a statement prepared by the Treasury Department showing the losses over the next 10 years, from 1971 to 1980, represented by amendments passed on this floor.

This statement is not complete, because there have been additional losses created tonight which I have not been able to get into the statement. But up until Saturday, we had reduced the revenues by these amendments, over the next 10 years, by $54,877,000,000, of which $49,525,000,000 is for individual nonbusiness taxpayers, $1,002,000,000 for individual business taxpayers, and $4,350,000,000 for corporations.

The benefits to the individuals, including the individual business taxpayers, are thus 10 times as great as the benefits to corporations.

I ask unanimous consent that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EFFECT OF SENATE FLOOR AMENDMENTS TO H.R. 10947 AS REPORTED BY THE SENATE FINANCE COMMITTEE AS OF NOV. 20, 1971

[Millions of dollars]

	Calendar years—										
	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	Total
$800 exemption		−$1,833	−$1,921	−$2,009	−$2,097	−$2,185	−$2,273	−$2,361	−$2,449	−$2,537	−$19,665
Child care deduction		−205	−215	−225	−235	−245	−255	−265	−275	−285	−2,205
Farm equipment made retroactive to January 1971	−$75										−75
Unemployment compensation:											
Increased benefits		−470									−470
Increased taxes		+237	+248								+485
Excise tax on metropolitan buses		−4	−4	−4	−4	−4	−4	−4	−4	−4	−36
Baker excise tax amendment	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
Industrial revenue bonds		−10	−25	−40	−60	−80	−105	−130	−160	−200	−810
Tax credit for higher education up to $325 per student		−2,200	−2,300	−2,400	−2,500	−2,600	−2,700	−2,800	−2,900	−3,000	−23,400
Minimum standard deduction—$1,300 for 1971	−1,040										−1,040
Investment credit (rural and city jobs)	−100	−750	−750	−700	−600	−530	−450	−430	−450	−480	−5,240
Tax credit for real estate tax of elderly		−225	−236	−247	−258	−269	−280	−291	−302	−313	−2,421
Total	−1,215	−5,460	−5,203	−5,625	−5,754	−5,913	−6,067	−6,281	−6,540	−6,819	−54,877

	Calendar years—										
	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	Total
Individual nonbusiness	−$1,040	−4,937	−$4,682	−$4,897	−$5,114	−$5,331	−$5,550	−$5,769	−$5,990	−$6,215	−$49,525
Individual business	−95	−91	−88	−140	−120	−106	−90	−86	−90	−96	−1,002
Individual total	−1,135	−5,028	−4,770	−5,037	−5,234	−5,437	−5,640	−5,855	−6,080	−6,311	−50,527
Corporation	−80	−432	−433	−588	−520	−476	−427	−426	−460	−508	−4,350

Source: Office of the Secretary of the Treasury, Office of Tax Analysis.

Mr. BENNETT. After we add to it the results of today's further reductions, I shall try to bring it up to date.

Mr. President, I am sure nearly every Member of the Senate is struggling with himself tonight to decide how to vote on this bill, after the changes that have been made. As the ranking minority member of the committee that reported the bill, I face a particularly difficult situation. I voted against the Pastore amendments; I think they were a tragic mistake, and there is a chance tonight that they may lead to a veto. I also voted against a number of the economic amendments which have created this tremendous additional burden on the Treasury.

I think under the circumstances, as one who will represent the committee in the conference, I must vote for the bill, in order that I may approach the responsibilities of the conference with a completely clear conscience. Therefore, I make the simple announcement that though it is one of the hardest votes I have ever cast since I came to the Senate, I am going to vote for the bill on balance, and the thing that tips the balance is my responsibility in the conference.

Mr. BAKER. Mr. President, it had been my intention at this point, in cosponsorship with the senior Senator from New Hampshire (Mr. COTTON), to offer an amendment which would call for the Secretary of the Treasury to administer a pro rata remission of the increase in costs added by the Senate since the bill was reported by the Finance Committee. But, Mr. President, I shall not offer that amendment at this time, simply because, after having considered all the aspects and ramifications of the bill as it now stands thus amended, I find that I elect instead to vote against final passage.

Mr. President, others have pointed out the great increase in the cost of tax revenues that has been occasioned by the action of the Senate. When the House of Repesentatives passed the Revenue Act of 1971, they provided tax cuts totaling approximately $15.5 billion over a 3-year period, 1971 to 1973. In its consideration of the bill, the Committee on Finance of the Senate made a number of modifications in the House bill, but the total tax reductions for the 3-year period remained very close to the House bill, approximately $15.5 billion.

Mr. President, the Senate in its actions, so far as I can understand, has added something well over $12 billion to the total cost, not even taking fully into account a one-time cost or single year increase of the cost, but certainly bringing the total 3-year cost to a total revenue cost of something in excess of $27 billion.

I am sure that Senators are well aware that we do face a substantial deficit in the current fiscal year and that one is likely for the coming fiscal year. The President recommended to Congress a carefully thought-out plan to reduce taxes selectively to stimulate investment and provide more jobs. What we have done on the Senate floor has been to shift these priorities very markedly and to very substantially increase the total revenue loss.

The amendment Senator COTTON and I would have offered would go on the theory that there is some merit in accepting the new organization of priorities that has been worked out by the will of the Senate by floor amendments. Yet, there is still a continuing fiscal constraint upon this body to have some recognition of the fact that we cannot add to this bill ad infinitum. We cannot continue to double the tax revenue loss and expect to do so with impunity forever.

At some future time, on some future bill, it is going to be the responsibility of the Senate—it will have to be the responsibility of Congress—to face up not only to our impatience to be helpful to the taxpayers of this country and to the citizenry but also to do what we must do in the final analysis, and that is to keep this country on a sound and solvent basis.

I read in a national news magazine recently that in 1966, the total demands for credit on the private sector of the economy by the U.S. Treasury was something in the range of 12 percent of the total available private credit, but that in 1972 it is projected that our demands for the total available private credit of the United States will be well over 50 percent. I suspect that this will be one of the determinative factors in our future action as Members of Congress in the field of fiscal responsibility.

I repeat: The distinguished senior Senator from New Hampshire and I have elected, under these circumstances, not to offer this amendment, which would put the Senate to the test of whether or not we accept the priorities that we have established by floor amendment and yet remit the total cost of the lost tax revenues as a result therefrom to the original level recommended by the Senate Committee on Finance and approximately as reported and adopted by the House of Representatives. I shall not offer the amendment at this time, and I announce simply that I shall vote against final passage.

Mr. LONG. Mr. President, I send to the desk some technical and clarifying amendments.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read as follows:

TECHNICAL AND CLERICAL AMENDMENTS

Page 8, in the item in the table of contents relating to section 602, strike out "periods" and insert "period".

Page 24, strike out lines 11, 12, and 13, and insert:

"(A) IN GENERAL.—The requirements of paragraphs (1) and (2) regarding cost of service and rate base adjustments shall not be applied to public utility property of the taxpayer to disallow the credit with respect to such property before the first final determination which is inconsistent with paragraph (1) or (2) (as the case may be) is put into effect with respect to public utility property (to which this subsection applies) of the taxpayer. Thereupon, paragraph (1) or (2) shall apply to disallow the credit with respect to public utility property (to which this subsection applies) placed in Page 24, line 15, strike out "a" and insert "that the". Page 38, line 21, strike out "(d)" and insert "(e)". Page 59, in table 3 (a), strike out "$75" the second time it appears in the right-hand column and insert "158". Page 64, line 1, strike out "(2), (3), and (4)" and insert "(3) and (4)".

Page 71, line 1, after "year" insert "(determined without regard to section 62 (10))".

Page 71, line 3, strike out "during any month" and insert "to any month".

Page 71, after the period in line 5 insert: "Paragraph (3) shall not apply to any taxable year during which a spouse is a qualifying individual described in subsection (b) (1) (C)."

Page 72, line 5, strike out "subsec-" and insert "sec-".

Page 72, in the matter following line 16, after "care" insert "services".

Page 86, line 1, strike out "(1)" and insert "(A)".

Page 86, line 3, strike out "(2)" and insert "(B)".

Page 96, after line 4, insert:

"(2) INITIAL PERIOD.—If the taxpayer makes an election under paragraph (1), the presumption provided by subsection (d) shall apply to each taxable year in the 5-taxable year (or 7-taxable year) period beginning with the taxable year in which the taxpayer first engages in the activity, if the gross income derived from the activity for 2 or more of the taxable years in such period exceeds the deductions attributable to the activity (determined without regard to whether or not the activity is engaged in for profit).

Page 96, line 5, strike out "(2)" and insert "(3)".

Page 101, beginning with line 22, strike out down through line 23 on page 104 and insert in lieu thereof the following:

"(1) IN GENERAL.—For purposes of this subtitle, the amount of gross income from depreciable or depletable property received by a nonresident alien individual or foreign corporation as—

"(A) a beneficiary of an estate or trust shall be deemed to be the portion of each item of estate or trust gross income from such property attributable to amounts paid, credited, or required to be distributed to him during the taxable year, or

"(B) a shareholder, or a holder of a beneficial interest, in a real estate investment trust described in section 856 shall be deemed to be the portion of each item of

the trust's gross income from such property which is attributable to dividends (including amounts treated as paid in the taxable year by section 858) paid to him out of current earnings of the trust for the taxable year.

"(2) DEDUCTIONS ATTRIBUTABLE TO INCOME FROM PROPERTY.—If an estate, trust, or real estate investment trust described in section 858 has income from depreciable or depletable property and other income of a character described in section 871(a) or 881(a), the deductions attributable to gross income from the depreciable or depletable property in excess of such income shall not be considered to reduce the portion of such other income taken into account by the nonresident alien individual or foreign corporation for purposes of section 871(a), 881(a), 1441, and 1442.

"(3) DEPRECIABLE OR DEPLETABLE PROPERTY DEFINED.—For purposes of this subsection, the term 'depreciable or depletable property' means property subject to depreciation, depletion, or amortization, the income from which is (without regard to section 871(d) or 882(d)) not effectively connected with the conduct of a trade or business within the United States.

"(4) INFORMATION REPORTS.—Any person required to deduct or withhold tax with respect to gross income described in paragraph (1) shall provide a written notice to the beneficiary, shareholder, or holder of beneficial interest with respect to whom such deduction or withholding is made, in such manner and containing such information as may be prescribed by the Secretary or his delegate."

(b) WITHHOLDING.—

(1) Section 1441(a) (relating to withholding on nonresident aliens) is amended by adding at the end thereof the following new sentence: "For special rules with respect to the amount of gross income received from estates, trusts, and real estate investment trusts, see section 875(b)."

(2) Section 1441(c) (relating to exceptions to withholding of tax on nonresident aliens) is amended—

(A) by inserting after "personal services" in paragraph (1) "and, except to the extent that the requirement of withholding is waived under regulations prescribed by the Secretary or his delegate, upon a determination that the collection of the tax imposed by this subtitle will not be jeopardized by such waiver, income described in section 875 (b) (1) (B) with respect to which an election is in effect under section 871(d)", and

(B) by adding at the end thereof the following new paragraph:

"(9) CERTAIN DISTRIBUTIONS.—In the case of an amount paid by an estate, trust, or real estate investment trust described in section 856, the amount deducted or withheld under section 1441(a) shall not exceed the amount payable computed without regard to this section."

(3) Section 1442(a) (relating to withholding on foreign corporations) is amended by inserting before the period at the end thereof "and the reference in section 1441(c)(1) to section 871(d) shall be treated as referring to section 882(d)".

(c) CONFORMING AMENDMENTS.—

(1) Section 652 (relating to inclusion of amounts in gross income of beneficiaries of a trust distributing current income only) is amended by adding at the end thereof the following new subsection:

"(d) FOREIGN BENEFICIARIES.—In the case of a nonresident alien individual or a foreign corporation receiving income from property subject to depreciation, depletion, or amortization as a beneficiary of a trust to which this subpart applies, the rules of this section shall apply as provided by section 875(b)."

(2) Section 662 (relating to inclusion of amounts in gross income of beneficiaries of estates and trusts accumulating income or distributing corpus) is amended by adding at the end thereof the following new subsection:

"(d) FOREIGN BENEFICIARIES.—In the case of a nonresident alien individual or a foreign corporation receiving income from property subject to depreciation, depletion, or amortization as a beneficiary of an estate or trust to which this subpart applies, the rules of this section shall apply as provided by section 875(b)."

Page 118, line 12, after "may be" insert a comma.

Page 122, line 9, after "striking" insert "out".

Page 174, strike out lines 18 through 24 and insert:

(c) Limitation of Application of Subpart G.—Section 971(a) (relating to definition of export trade corporation) is amended by adding at the end thereof the following new paragraph:

"(3) LIMITATION.—In the case of a taxable year beginning after October 31, 1971, the term 'export trade corporation' does not include any controlled foreign corporation which was not an export trade corporation for a taxable year beginning on or before such date."

Page 177, line 2, strike out "Numbered".

Page 179, line 22, strike out "Numbered".

Page 180, line 15, after "and" insert a comma.

Page 181, lines 21 and 22, strike out "articles, or terminate such surcharge with respect to any article or group of".

Page 182, line 2, after "terminate" insert "or modify".

Page 190, line 20, strike out "a" before "fiduciary".

Page 192, line 8, strike out "chaper" and insert "chapter".

Page 193, line 2, strike out "corporated" and insert "corporate".

Page 193, between lines 12 and 13, insert the following:

(d) Statutes of Limitations and Interest Relating to Work Incentive Credit Carrybacks.—

(1) ASSESSMENT AND COLLECTION.—Section 6501 (relating to limitation on assessment and collection) is amended by adding at the end thereof the following new subsection:

"(o) WORK INCENTIVE PROGRAM CREDIT CARRYBACKS.—In the case of a deficiency attributable to the application to the taxpayer of a work incentive program credit carryback (including deficiencies which may be assessed pursuant to the provisions of section 6213 (b) (2)), such deficiency may be assessed at any time before the expiration of the period within which a deficiency for the taxable year of the unused work incentive program credit which results in such carryback may be assessed, or, with respect to any portion of a work incentive program credit carryback from a taxable year attributable to a net operating loss carryback or a capital loss carryback from a subsequent taxable year, at any time before the expiration of the period within which a deficiency for such subsequent taxable year may be assessed."

(2) CREDIT OR REFUND.—Section 6511 (d) (relating to limitations on credit or refund) is amended by adding at the end thereof the following new paragraph:

"(7) SPECIAL PERIOD OF LIMITATION WITH RESPECT TO WORK INCENTIVE PROGRAM CREDIT CARRYBACKS.—

"(A) PERIOD OF LIMITATION.—If the claim for credit or refund relates to an overpayment attributable to a work incentive program credit carryback, in lieu of the 3-year period of limitation prescribed in subsection (a), the period shall be that period which ends with the expiration of the 15th day of the 40th month (or 39th month, in the case of a corporation) following the end of the taxable year of the unused work incentive program credit which results in such carryback (or, with respect to any portion of a work incentive program credit carryback from a taxable year attributable to a net operating loss carryback or a capital loss carryback from a subsequent taxable year, the period shall be that period which ends with the expiration of the 15th day of the 40th month, or 39th month, in the case of a corporation, following the year of such taxable year) or the period prescribed in subsection (c) in respect of such taxable year, whichever expires later. In the case of such a claim, the amount of the credit or refund may exceed the portion of the tax paid within the period provided in subsection (b) (2) or (c), whichever is applicable, to the extent of the amount of the overpayment attributable to such carryback.

"(B) APPLICABLE RULES.—If the allowance of a credit or refund of an overpayment of tax attributable to a work incentive program credit carryback is otherwise prevented by the operation of any law or rule of law other than section 712, relating to compromises, such credit or refund may be allowed or made, if claim therefor is filed within the period provided in subparagraph (A) of this paragraph. In the case of any such claim for credit or refund, the determination by any court, including the Tax Court, in any proceeding in which the decision of the court has become final, shall not be conclusive with respect to the work incentive program credit, and the effect of such credit, to the extent that such credit is affected by a carryback which was not in issue in such proceeding."

(3) INTEREST ON UNDERPAYMENTS.—Section 6601 (e) (relating to income tax reduced by carryback or adjustment for certain unused deductions) is amended by adding at the end thereof the following new paragraph:

"(4) WORK INCENTIVE PROGRAM CREDIT CARRYBACK.—If the credit allowed by section 40 for any taxable year is increased by reason of a work incentive program credit carryback, such increase shall not affect the computation of interest under this section for the period ending with the last day of the taxable year in which the work incentive program credit carryback arises, or, with respect to any portion of a work incentive program carryback from a taxable year attributable to a net operating loss carryback or a capital loss carryback from a subsequent taxable year, such increase shall not affect the computation of interest under this section for the period ending with the last day of such subsequent taxable year."

(4) INTEREST ON OVERPAYMENTS.—Section 6611 (f) (relating to refund of income tax caused by carryback or adjustment for certain unused deductions) is amended by adding at the end thereof the following new paragraph:

"(4) WORK INCENTIVE PROGRAM CREDIT CARRYBACK.—For purposes of subsection (a), if any overpayment of tax imposed by subtitle A results from a work incentive program credit carryback, such overpayment shall be deemed not to have been made prior to the close of the taxable year in which such work incentive program credit carryback arises, or, with respect to any portion of a work incentive program credit carryback from a taxable year attributable to a net operating loss carryback or a capital loss carryback from a subsequent taxable year, such overpayment shall be deemed to have been made prior to the close of such subsequent taxable year."

(e) TENTATIVE CARRYBACK ADJUSTMENTS.—

(1) APPLICATION FOR ADJUSTMENT.—Section 6411 (relating to quick refunds in respect of tentative carryback adjustments) is amended—

(A) by striking out "or unused investment credit" each place it appears in such section and inserting in lieu thereof "unused investment credit, or unused work incentive program credit",

(B) by inserting after "section 46(b)," in the first sentence of subsection (a) "by a work incentive program carryback provided in section 50A(b),", and

(C) by inserting after "investment credit carryback" in the second sentence of subsection (a) "or a work incentive program carryback".

(2) TENTATIVE CARRYBACK ADJUSTMENT ASSESSMENT PERIOD.—Section 6501(m) (relating to tentative carryback adjustment period) is amended—

(A) by striking out "or an investment credit carryback" and inserting in lieu thereof "an investment credit carryback, or a work incentive program carryback", and

(B) by striking out "(h) or (j)" each place it appears and inserting in lieu thereof "(h), (j), or (o)".

Page 193, line 13, strike out "(d)" and insert "(f)".

Mr. LONG. These are all technical amendments to perfect the language in the bill. They do not affect the substance at all.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

Without objection, the agreements were agreed to en bloc.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments as amended and third reading of the bill.

The amendments as amended were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. TOWER. Mr. President, I shall vote against this bill. The President sent to us a simple, forthright, rational, and reasonable proposal. We have treated it on this floor as a Christmas tree and have hung all manner of ornamentation on it that I think are singularly unbecoming the Christmas season. I think that if we could have passed it with reasonably clean form, it would have made a great contribution to the President's efforts to curb inflation and at once stimulate the economy.

In its present form, the bill results in the formulation of fiscal and monetary policy that cannot help but drive the inflationary factor ever upward and might conceivably result in the Price Commission and the Pay Board having to prescribe even more narrow proscriptions on business and labor in this country, spread out over a longer period of time, when what we really want to do and what we seek to do is to decontrol the economy at the earliest possible moment.

Therefore, I think it is incumbent upon us to oppose the final passage of this bill, which has so many things in it that have been hastily considered, in an emotionally charged atmosphere, that hardly give credibility to the reputation that the United States Senate has of being the world's greatest deliberative body. It is my belief that the bill should be defeated.

Mr. HUMPHREY. Mr. President, first of all, I want to take a moment to commend the distinguished chairman of the Committee on Finance, the Senator from Louisiana, for truly brilliant work in managing this bill. I do this as one Senator who looks upon the Senator from Louisiana as a highly skilled, extremely knowledgeable, and able U.S. Senator, who has taken on tremendous responsibility, and he has done it with great skill, with great honor to himself, to the committee he represents, and to the Senate of the United States.

Second, I want to commend the distinguished minority member of the committee, the Senator from Utah (Mr. BENNETT), for his fairness, his tolerance, and his helpfulness in this bill, knowing full well that he has in many instances been on the opposite side of issues from the Senator from Minnesota. But I recognize the dedication and the sincerity and the commitment of the Senator from Utah, and I compliment him and thank him on behalf of the Senate and myself in particular.

Also I wish to say a word of commendation to the very able senior Senator from Rhode Island (Mr. PASTORE). I believe that this Nation will be in his debt for years to come for the masterly manner in which he managed and sponsored what is known as the Pastore titles IX and X of this bill. Title IX relates to tax incentives, contributions to candidates for public office, and title X of the bill relates to financing of the presidential election campaigns.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TALMADGE. Mr. President, I desire to associate myself with the remarks of the able Senator concerning our distinguished chairman, the distinguished ranking minority member of the committee, and the distinguished senior Senator from Rhode Island for the brilliant and dedicated service they have performed here.

I feel that I would be remiss in my duties if I did not also pay tribute to the distinguished and outstanding staff of the Joint Committee on Internal Revenue and the Senate Finance Committee. I refer specifically to Dr. Laurence Woodworth, Chief of Staff of the Joint Committee on Internal Revenue and to Tom Vail, chief counsel of the Finance Committee, and the other associates there. I thank the Senator for yielding, but I did not want this time to pass without paying tribute to the staff, and to the distinguished chairman and the ranking minority leader.

Mr. HUMPHREY. Mr. President, I thank the Senator from Georgia. We are indebted to the majority leader, the majority whip, the minority leader and the minority whip. This has been a long period in the legislative process. Many times we have had difficult situations but at all times we found the leadership either holding us firmly to the task from moment to ment, or with a note of levity, good humor, and good nature relieved the tension and permitted us to proceed with our work.

Now I have one or two observations to make and I shall be as brief as possible.

The Senator from Utah (Mr. BENNETT) indicated that there will be a loss of revenue over the next 10 years of $54 billion, as he sees it today in the bill. I am sure all of us recognize that out of the conference committee there will be adjustments. Each of us will want our respective amendments to be protected, of course, and we will each do our best to obtain that result; but I am confident that there will be adjustments and I do hope that we will be able to accept them in the spirit of getting something done in this body.

There are features in this legislation that I do not like and of course that many others do not like, but that is the legislative process.

I am of the opinion that this particular measure can be of help to the economy. A $54 billion legislative loss will be the extreme and obviously it will be cut back, which should be measured against, let me say respectfully, what can happen to stimulate the economy, to cut back on the tragic loss in unemployment, on the tragic loss in welfare payments and of unemployment compensation, and the tragic loss of hope which has gripped so many people these recent years.

I am pleased to note that the economy can and does grow at a rate between 5 and 6 percent per year. It should grow eventually. If it does, we will be adding to our gross national product some $50 to $60 billion each year. That produces more revenue, even at the lower revenue rate, so that the aggregate amount will be larger.

There are measures of equity and justice that the Senate put into this particular revenue act. I am confident that the ratio of individual tax relief compared to individual business and corporate tax relief is sensible. It may be adjusted somewhat downward, but one thing the economy needs is a stimulation of purchasing power at the base of the economy among the many peoples in the land.

If the economic philosophy works which has been advanced by the administration as well as by economists of previous administrations, we can look to an upturn in the economy. If that upturn takes place, we will not regret the action we have taken here, even though some of it may be displeasing to individuals.

I noticed that the Senator from Utah said there in this bill as now passed by the Senate, there is $49 billion over the next 10 years of tax relief with approximately $6 billion for individual business and corporations. That is a ratio of about 8 to 1. That may be excessive to some, but one that is reasonably fair. If that ratio can be preserved, I am convinced that we will have an upturn in the economy. Those who have been our critics tonight for having voted this bill may very well, a year from now, say, "Well, you know, things worked out pretty well, did they not?" Of course some Democrats think it works out too well. But it is more important to get the economy moving than to win elections. I think it is more important that the people be employed and that this country get its economy moving than it is for some of us having to find out that way, complaining about the administration.

I am going to vote for this bill and do it happily because I think it makes a good

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deal more sense than it makes nonsense. There may be some nonsense in the bill, but none of us will admit that it was in our amendment. If there was some, may I suggest that the conference committee, with due deliberation, can be trusted to put a reasonable limit to it.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, many of us are tired. It has been a long day. I would certainly appreciate it if the Senate would allow us to get to a vote as expeditiously as possible.

Mr. CURTIS. Mr. President, I wanted very much to support the President's tax proposal. I believe that the investment credit, if lifted, will do much to provide jobs in this country. The same is true of the repeal of the tax on new automobiles and light trucks. I need not remind anyone how the economy is tied to our whole motor vehicle industry. As the bill was reported from the Finance Committee, there was substantial relief for individuals not only an increase in the personal exemption but in such items as the minimum standard deduction.

I believe it is just as important to exercise restraint in reducing taxes as it is to exercise restraint in making appropriations.

Some day our children will come to us and ask, "Does Uncle Sam ever pay his bonds or when they come due, does he just renew them and extend them?"

What will be our answer some day to foreign nations who will ask us more vigorously than they have been recently, "Does the United States ever pay its bonds out of surplus financing?"

Mr. President, I believe that the reasonable amount of tax relief granted by the Finance Committee perhaps will not result, not over a great period but over a short period, in very much revenue, because they are aimed at putting people to work.

Whatever benefit accrues in lessening our relief rolls, there will be a great deal of added income from payroll taxes and income taxes paid. The soundest tax program is one that makes the economy grow. However, due to the lack of restraint on this floor, and due to the total disregard for the weeks and weeks the Finance Committee worked on the bill and the desire to add on here every amendment, some of them costing enough—maybe the cost is not so much—but absolutely against sound public policy.

Mr. President, I hope that when the bill comes back from conference it will be in a shape that can be advanced to the President to merit his signature. There is not such a bill before us tonight, and I shall vote against it.

Mr. HANSEN. Mr. President, the distinguished ranking member of the Finance Committee has already called attention to the fact that the bill, since it has been subjected to full Senate action, will create an additional drain on the Treasury of nearly $55 billion in the next 10 years. When the President has called upon the people to tighten their belts and to forego wage and price increases, it seems singularly inappropriate for the Senate to display such callous disregard for the sacrifices being made by so many.

Further, it will be noted by historians, in my opinion, that a major departure in political ethics was called for by the Pastore amendment in proposing to use tax dollars for political campaigning purposes. When the bill came before the Finance Committee from the House, it was clear cut. It recognized that we needed to stimulate the economy so as to assure additional jobs for all Americans because our unemployment rate was high.

I think it is unfortunate that we have loaded the bill down with all the things that have happened and been imposed on it since it has been in the Senate, so that there is serious reason to question whether it can survive all of the additional steps that will be required before it shall become law.

I regret very much that I shall be forced to vote "nay."

Mr. ROTH. Mr. President, I regret that I find it necessary to vote against the pending bill.

I say I "regret" that I must oppose the bill because I believe its basic purposes are essential to the economic welfare of this Nation. In my estimation the problem of the highest domestic priority facing us today is that of the economy—how to halt the continuing rise in the cost of living, how to provide more jobs for more Americans, and how to enable our industries to compete more effectively in the world's marketplaces.

Those were the underlying purposes of the bill as it was approved by the House of Representatives and reported to the Senate by the Senate Finance Committee. If the bill we are about to vote on resembled the Finance Committee bill more closely, I would support it.

In the past 2 weeks, however, the Senate has added amendment after amendment to this bill, increasing by nearly $13 billion the revenue losses to the Government through fiscal year 1974. I feel very strongly that the net effect of what the Senate has done will be to set into motion inflationary pressures that will be nearly impossible to control. And this has been done on a bill one of whose basic purpose was to bring inflation under control.

The task before us is the delicate one of trying to stimulate private spending without rekindling the fires of inflation. To do this, we need to tap the great reserves of consumer savings and credit which exist today, and we must permit and encourage the modernization of our Nation's industrial plant to create jobs and to make American goods more competitive in world markets.

One essential ingredient in this delicate mixture is confidence—confidence on the part of the average American that inflation is not a national way of life; that his Government will act prudently in handling its own finances and not simply add to the inflationary pressures it is trying to control.

But what have we done? We have taken a bill that would cut taxes by some $17 billion over the next 3 years and added another $12.7 billion to that revenue loss. And this comes on top of an estimated Federal deficit of about $34 billion this fiscal year—the highest since World War II. The result of these actions—however meritorious individual amendments may be—can only be to stimulate the inflationary spiral and cause a further weakening of confidence on the part of American taxpayers in their Government's will to take the painful necessary steps to straighten out the economy. I might add that many of these amendments, such as tax relief for parents with children in college and single persons, I strongly favor in concept and will work for their adoption in the future.

Mr. President, I had hoped the Senate would support a spending ceiling as a positive indication that we were willing to hold our deficits to some manageable proportion. But we did not do that. Instead we succumbed to the temptation to tax even less and spend even more.

I greatly fear that this bill, if it is approved in its present bloated form, will, despite short term advantages, result in uncontrollable inflationary pressures on our economy.

Mr. President, it is for these reasons that I must vote against the bill.

Mr. ERVIN. Mr. President, deficit spending over a period of 40 years has brought our country to the brink of economic chaos, and given us a national debt which exceeds the combined national debts of all other nations on earth by $109 billion. While H.R. 10947 has many desirable provisions, the tragic truth is that it reduces taxes by $13 billion at a time when the Federal Government is indulging in another orgy of deficit spending. When the $13 billion reduction of taxes to be authorized by this bill is added to other deficit spending planned by the administration, the Federal Government will incur a total deficit in its operating funds for the fiscal year ending June 30, 1972, amounting to $40 billion or more.

I consider actions which produce this result financial irresponsibility. For this reason and the reasons stated by me in detail in a statement made by me this day entitled "Poetic Sense and Political Nonsense," I shall vote against H.R. 10947 on final passage.

Mr. PELL. Mr. President, since last Thursday morning we in the Senate have witnessed as brilliant and skillful a job of floor managership as it has been my good fortunate to witness in our body.

I congratulate my senior colleague from Rhode Island on the excellent way he has guided his amendment toward passage.

In 3 days my colleague has spent 30 hours at the helm. Those very long and tedious hours were characterized by powerful oratory, sparkling humor, and brilliant wit.

Many times during these past 3 days debate in this body has turned toward acrimony. Despite these contentious moods in the Senate, Senator PASTORE has persevered with the patience, the grace, and the courtesy which he has often used so effectively during his long and distinguished career in public office. I, for one, rise to offer him my very real congratulations on his superb handling of the Pastore amendment.

Mr. GRIFFIN. Mr. President, I am about to cast my vote for final passage, but not because I believe the Senate's product is a good one. By my vote I merely indicate that I believe the Senate bill should be sent to conference with the hope that a Senate-House conference committee will trim and adjust it so that it may be worthy of the President's signature.

However, if the conference committee fails to drastically revise the legislation, and if the President therefore is forced to veto it, I wish to indicate now that I shall be inclined to support the President in any effort to override such a veto.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SCOTT (when his name was called). On this vote I have a pair with the Senator from Mississippi (Mr. EASTLAND). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Mississippi (Mr. EASTLAND), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent, and, if present and voting would vote "nay."

The result was announced—yeas 64, nays 30, as follows:

[No. 389 Leg.]

YEAS—64

Aiken	Harris	Moss
Allen	Hart	Pastore
Anderson	Hartke	Pearson
Bennett	Hollings	Pell
Bentsen	Hughes	Percy
Bible	Humphrey	Proxmire
Boggs	Inouye	Randolph
Burdick	Jackson	Ribicoff
Byrd, W. Va.	Javits	Schweiker
Cannon	Jordan, N.C.	Smith
Case	Kennedy	Sparkman
Chiles	Long	Spong
Church	Magnuson	Stafford
Cooper	Mansfield	Stevens
Cranston	Mathias	Stevenson
Eagleton	McClellan	Symington
Ellender	McGee	Talmadge
Fong	McGovern	Tunney
Fulbright	McIntyre	Williams
Gambrell	Metcalf	Young
Gravel	Mondale	
Griffin	Montoya	

NAYS—30

Allott	Curtis	Miller
Baker	Dole	Nelson
Beall	Dominick	Packwood
Bellmon	Ervin	Roth
Brock	Fannin	Saxbe
Brooke	Gurney	Stennis
Buckley	Hansen	Taft
Byrd, Va.	Hatfield	Thurmond
Cook	Hruska	Tower
Cotton	Jordan, Idaho	Weicker

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mr. Scott, against.

NOT VOTING—5

Bayh	Goldwater	Muskie
Eastland	Mundt	

So the bill (H.R. 10947) was passed.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I move that the Senate insist on its amendments to the bill (H.R. 10947) and request a conference with the House thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. LONG, Mr. ANDERSON, Mr. TALMADGE, Mr. BENNETT, and Mr. CURTIS, conferees on the part of the Senate.

Mr. LONG. Mr. President, I ask unanimous consent that the bill (H.R. 10947) be printed with the amendments of the Senate; and that in the engrossment of the amendments of the Senate to the bill the Secretary of the Senate be authorized to make all appropriate technical, clerical, and conforming changes and corrections, including corrections in section, subsection, and so forth, designations, and cross-references thereto, and that the amendments to the table of contents of the bill be treated as one amendment striking out the table of contents and inserting a new table of contents.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATORS LONG, PASTORE, TALMADGE, AND BENNETT ON TAX BILL PASSAGE

Mr. MANSFIELD. Mr. President, for the past week and a half, the Senate has been debating and discussing one of the most far-reaching matters to come before this body in some time. I refer, of course, to the President's recommendations designed to restore this Nation's economy.

Leading the discussion has been the able and distinguished Senator from Louisiana, the chairman of the Senate Committee on Finance. Once again, Senator LONG demonstrated to the Senate and to the Nation as a whole his outstanding expertise and his immense understanding, not only of the tax system, but of how that system affects the economy and, in turn, the entire well-being of the country.

Senator LONG has again earned the Senate's deepest respect.

Joining him was the distinguished senior Senator from Utah (Mr. BENNETT), the ranking minority member of the committee. As always, Senator BENNETT cooperated and contributed in such a fashion as to assure the full and fair consideration of every feature contained in this complex and highly technical measure.

I wish at this time to pay a special tribute as well to the distinguished senior Senator from Rhode Island (Mr. PASTORE). For days he labored tirelessly on this floor in behalf of what I consider to be one of the most significant issues the Senate has ever faced. It is the issue of public participation to the financing of elections. It is an issue that in my judgment will benefit eventually all Americans and all institutions of this Government. It is the first step down a path that will assure that this democracy is preserved for the benefit of the public and not just a few who happen to enjoy substantial wealth.

The Pastore amendment, in my judgment, will remain as a monument to the man whose name it bears. JOHN PASTORE has made his mark with this amendment. Had he achieved nothing else in his long and illustrious career, this outstanding success would be sufficient to imprint his name in the history books from this time forward. It is only unfortunate, I must add, that the issue arose in such partisan fashion; unfortunate, but perhaps unavoidable.

There is yet another Senator in this Chamber who deserves our highest commendation for his contribution. It is the distinguished senior Senator from Georgia (Mr. TALMADGE). To this discussion, Senator TALMADGE added his outstanding understanding of the tax system and his superb legislative skill as well. Without his support and assistance, the Senate's wide acceptance of this proposal would not have been so assured.

With regard to his assistance in connection with the election financing amendment, Senator TALMADGE is to be particularly thanked. His encouragement, and his great skill were indispensable.

The other Senators who joined in this discussion with their views and with their amendments are similarly to be thanked. There are too many to mention, but I do want them to know that their efforts were greatly appreciated and most welcome.

Finally, Mr. President, to the Senate as a whole, the leadership is deeply grateful for the cooperation of all Members. It assured the final disposition of this, the President's tax package expeditiously and with full consideration for the views of every Member.

PERSONAL STATEMENT BY SENATOR BAYH

Mr. BAYH subsequently said: Mr. President, yesterday I was present in the Senate Chamber throughout the long day. I voted on 14 straight votes. I was in my office waiting for the 5-minute buzzer to go off, which usually gives me ample time to get over here, but for some unexplainable reason, the buzzer did not go off. I walked through the door of this Chamber just as the clerks were closing the buzzer on the voting machine so that it was not possible for me to record my vote.

If I had been here, I certainly would have voted in favor of the bill, after all the dispute we had going on and the assiduous efforts of the distinguished Senator from Louisiana (Mr. LONG) on behalf of the bill.

I hope that steps will be taken to see that the buzzers can be relied upon to work.

Mr. SCOTT. If the Senator will yield, I heard about that yesterday, the buzzers not going off. One of them got loose.

Mr. BYRD of West Virginia. Mr. President, I merely want to verify what the distinguished Senator from Indiana just

said. I was here when he came in a minute after the vote had been announced. I checked in my own office and found that the bells had not been heard there.

This happens occasionally. The warning bells cannot be heard. I share the hope of the distinguished Senator from Indiana that the bell system will be improved to the extent that Senators will not be misled by the failure of the bells to ring, because that means Senators will miss a vote when the bells do not ring in their offices.

Mr. PASTORE. Mr. President, why would it not be a good idea when the bells are tested at 9 o'clock in the morning, instead of ringing just one bell, to test them all? Then Senators would know whether the bells would work for that day.

Mr. BAYH. Mr. President, most of us who have stayed here as many hours as we did yesterday and last night want to be recorded. I hope that whatever steps are necessary to correct this situation will be taken so that none of us get in this situation again.

ROUTINE MORNING BUSINESS

The routine morning business transacted today is printed at this point in the RECORD by unanimous consent.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

STOCKPILE REPORT

A letter from the Director, Office of Emergency Preparedness, Executive Office of the President, transmitting, pursuant to law, a report on the strategic and critical materials stockpiling program, for the 6-month period ended June 30, 1971 (with an accompanying report); to the Committee on Armed Services.

PROPOSED DONATION OF CERTAIN SURPLUS PROPERTY

A letter from the Chief of Legislative Affairs, Department of the Navy, reporting, pursuant to law, on the proposed donation by the Navy of certain surplus property to the Pacific Southwest Railway Museum Association, Inc., San Diego, Calif.; to the Committee on Armed Services.

REPORT ON PURCHASES AND CONTRACTS MADE BY THE COAST GUARD

A letter from the Assistant Secretary for Administration, Office of the Secretary of Transportation, transmitting, pursuant to law, a report on purchases and contracts made by the Coast Guard, during the period April 19 through October 31, 1971 (with an accompanying report); to the Committee on Commerce.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Progress and Problems of Urban And Transportation Planning", Department of Housing and Urban Development, Department of Transportation, dated November 19, 1971 (with an accompanying report); to the Committee on Government Operations.

PROPOSED LEGISLATION RELATING TO TRANSCRIPTS IN THE U.S. DISTRICT COURTS

A letter from the Director, Administrative Office of the U.S. Courts, Washington, D.C., transmitting a draft of proposed legislation to provide for the appointment of transcribers of official court reporters' transcripts in the U.S. district courts, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF GALLAUDET COLLEGE

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report of Gallaudet College, concerning the establishment and operation of the Model Secondary School for the Deaf, for the year ended June 30, 1971 (with an accompanying report); to the Committee on Labor and Public Welfare.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the City Council of Englewood, N.J., relating to the removal of all American troops from southeast Asia; to the Committee on Foreign Relations.

The petition of the Association for Grand Jury Action, Inc., Rochester, N.Y., relating to impeachment and disqualification to hold any other office under the United States; ordered to lie on the table.

REPORTS OF COMMITTEES

The following report of a committee was submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 888. A bill for the relief of David J. Crumb (Rept. No. 92-508).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports were submitted:

Executive E, 92d Congress, first session, Tax Convention with Japan; and Executive O, 91st Congress, second session, Protocol to the 1967 Double Taxation Convention with France, without reservation (Executive Rept. No. 92-12).

Mr. MAGNUSON, Mr. President, as in executive session, from the Committee on Commerce, I report favorably sundry nominations in the U.S. Coast Guard which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they may lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER (Mr. MONTOYA). Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Richard E. Sardeson, and sundry other officers, for promotion in the Coast Guard; and

David L. Nelson, Reserve officer, to be a permanent commissioned officer of the Coast Guard.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BOGGS (for himself and Mr. ROTH):

S. 2892. A bill to amend the Outer Continental Shelf Lands Act, as amended, to require a study of the environmental impact of mineral exploration in the Atlantic Ocean. Referred to the Committee on Commerce.

By Mr. MAGNUSON (by request):

S. 2893. A bill to authorize an additional Assistant Secretary of Commerce. Referred to the Committee on Commerce.

By Mr. BAYH (for himself, Mr. BROOKE, Mr. HART, Mr. HATFIELD, Mr. MCGOVERN, Mr. PASTORE, Mr. WILLIAMS, Mr. RIBICOFF, Mr. KENNEDY, and Mr. HARRIS):

S. 2894. A bill to provide financial assistance for State and local small, community-based correctional facilities; for the creation of innovative programs of vocational training, job placement, and on-the-job counseling; to develop specialized curriculums; the training of educational personnel and the funding of research and demonstration projects; to provide financial assistance to encourage the States to adopt special probation services; to establish a Federal Corrections Institute; and for other purposes. Referred to the Committee on the Judiciary.

By Mr. TALMADGE:

S. 2895. A bill to enable producers of commercial eggs to consistently provide an adequate but not excessive supply of eggs to meet the needs of consumers for eggs and to stabilize, maintain, and develop orderly marketing conditions for eggs at prices reasonable to the consumers and producers. Referred to the Committee on Agriculture and Forestry.

By Mr. MCGEE:

S. 2896. A bill to amend chapter 83 of title 5, United States Code, relating to adopted child. Referred to the Committee on Post Office and Civil Service.

By Mr. MCGOVERN (for himself, Mr. Moss, Mr. GRAVEL, Mr. HUGHES, Mr. NELSON, Mr. BAYH, Mr. KENNEDY, and Mr. HARRIS):

S. 2897. A bill to provide housing for persons in rural areas of the United States on an emergency basis. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HARTKE:

S. 2898. A bill to amend the Education of the Handicapped Act to provide tutorial and related instructional services for homebound children through the employment of college students, particularly veterans and other students who themselves are handicapped. Referred to the Committee on Labor and Public Welfare.

By Mr. EAGLETON (for himself, Mr. INOUYE, Mr. HOLLINGS, Mr. STEVENSON, Mr. HUGHES, Mr. WILLIAMS, Mr. BOGGS, Mr. TUNNEY, and Mr. MATHIAS):

S. 2899. A bill to authorize grants and loan guarantees for construction or modernization of hospitals and other medical facilities in the District of Columbia. Referred to the Committee on the District of Columbia.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BOGGS (for himself and Mr. ROTH):

S. 2892. A bill to amend the Outer Continental Shelf Lands Act, as amended, to require a study of the environmental impact of mineral exploration in the Atlantic Ocean. Referred to the Committee on Commerce.

Mr. BOGGS. Mr. President, I am introducing today on behalf of myself and my distinguished colleague from Delaware (Mr. ROTH) a bill to require a full and complete evaluation of the environmental impact of any oil exploration in the Atlantic Ocean.

The Continental Shelf off the Atlantic coast of our Nation holds a reserve of petroleum and other minerals that may have great potential for this Nation and mankind.

But this Nation is also aware of the damage to our environment that can result during oil exploration and production. We believe our Nation must thoroughly evaluate the environmental impact that would occur from mineral exploitation on the Continental Shelf before any leases for such exploitation are issued.

Fortunately, we have a period during which this study can be made without any disruption. Interior Secretary Morton has no plans at present for the sale of oil and gas leases on the Continental Shelf. And the Secretary has wisely initiated a study of possible mineral development.

This bill is designed to take advantage of this waiting period, and to bolster the Secretary's study by requiring it in the statute. We must obtain the best base of information possible before any such leases are issued.

This legislation adds a new section to the Outer Continental Shelf Lands Act. That new section directs the Secretary of Interior, in conjunction with the Administrators of the Environmental Protection Agency and the National Oceanic and Atmospheric Administration, to undertake a study on the adverse environmental impact of mineral exploitation on the Continental Shelf.

The Secretary would evaluate the impact of mineral exploitation on sealife and the ecology of the ocean. In addition, the study would evaluate the impact of this exploitation on the shorelines of the Nation, including recreational beaches. As part of the study, the Secretary shall also consider whether to ban all mineral development in the sea, if it occurs within 100 miles of the coast.

The area to be covered would extend from the Canadian border to the Georgia-Florida border and eastward from the coast of the United States to the edge of the Continental Shelf.

The bill requires that the findings of this study be reported to Congress within 2 years of the bill's date of enactment.

Subsection (b) of the new section prohibits the issuance of any mineral leases on any of these submerged lands for a period of at least 1 year following the submission of the study report to Congress. Such a 1-year interim period should provide sufficient time for the public to debate fully the findings by the Secretary. It will give the Nation time to restrict mineral exploitation permanently in certain areas, if that is necessary.

The residents of the State of Delaware are justly concerned over the future of our coastal area. I am certain that many people in our Nation share that concern. Delaware, I am proud to say, has assumed a leadership role by the creation and passage of a tough and effective coastal zone management program to protect and preserve the State's coastal environment. This effort, together with our coastal environment, could be lost forever by hasty or improper development of the mineral resources of the seabed beyond the jurisdiction of Delaware.

The concern of Delawareans is great. The concern is such that the Delaware Legislature recently adopted a resolution that urges the Members of the Delaware congressional delegation to press for national legislation "to prevent the leasing of offshore drilling sites and all offshore drilling within 100 miles of the coastline."

To comply with this resolution and our own concern over this problem, Senator ROTH and I are introducing this bill.

Mr. President, I ask unanimous consent that the text of the resolution adopted by the Delaware Legislature as well as the text of our bill be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the resolution and bill were ordered to be printed in the RECORD, as follows:

HOUSE RESOLUTION NO. 67

Memorializing Senators Boggs and Roth and Representative du Pont to initiate Federal legislation which will provide a moratorium on off-shore drilling along the Atlantic seacoast withine one hundred miles of the State of Delaware, the State of New Jersey, and the State of Maryland

Whereas, when off-shore oil drilling was permitted off the Santa Barbara region of California and off the Gulf Coast, the result has been an ecological nightmare in each instance; and

Whereas, the state of our technology is not, at this time, sufficient to provide the minimum safeguards needed to protect the environment; and

Whereas, the inevitable leakage from any drilling off the shores of Delaware will render our wetlands ecologically useless, ruin our beaches as recreational areas, and cause financial hardship to large numbers of Delaware citizens. Now therefore:

Be it resolved by the House of Representatives of the 126th General Assembly, that Senator J. Caleb Boggs, Senator William V. Roth, Jr. and Representative Pierre S. du Pont are hereby respectfully urged and requested to initiate and publicly support legislation to prevent the leasing of off-shore drilling sites and all off-shore drillings within one hundred miles of the coastlines of the states of Delaware, New Jersey and Maryland until such time as our technology has advanced to the point where there are sufficient safeguards against leakage and other accidents which may harm our shorelines.

Be it further resolved that a copy of this Resolution be mailed to the Honorable J. Caleb Boggs, the Honorable William V. Roth, Jr. and the Honorable Pierre S. du Pont, IV; also copies to the Governor of the State of Maryland, the Governor of the State of New Jersey, and the Secretary of Delaware's Department of Natural Resources and Environmental Control.

S. 2892

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Outer Continental Shelf Lands Act (67 Stat. 462), is amended by the addition of a new section, as follows:

"SEC. 16(a) The Secretary, in conjunction with the Administrator of the Environmental Protection Agency and the Administrator of the National Oceanic and Atmospheric Administration, shall conduct an accelerated study on environmental and other factors related to the exploitation of minerals, with emphasis on petroleum, in that portion of the Outer Continental Shelf in the Atlantic Ocean that extends from the territorial border between the United States and Canada southward to the territorial border between the States of Georgia and Florida. The study shall include an evaluation of the effect of such exploitation on fish, shellfish, and other forms of marine life in such region, the probability of any accident associated with such mineral exploitation that could cause an adverse impact on marine ecosystems, of the territorial seas or shorelines of the United States, an assessment of the public interest in the immediate exploitation of such minerals, and the economic and environmental effect of any prohibition on mineral exploration within 100 miles of the United States. In preparing such a study, the Secretary shall consult with interested industrial, environmental, and educational groups, and then report the results of such study to the Congress within two years of the date of enactment of this section.

"(b) Notwithstanding any other provision of this Act, the Secretary shall not award any mineral leases covering the submerged lands described in subsection (a) until at least one year following the submission of the report required by subsection (a)."

By Mr. MAGNUSON (by request):

S. 2893. A bill to authorize an additional Assistant Secretary of Commerce. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to authorize an additional Assistant Secretary of Commerce, and ask unanimous consent that the letter of transmittal, be printed in the RECORD with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., November 8, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate, U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are four copies of a draft bill "To authorize an additional Assistant Secretary of Commerce."

The additional Assistant Secretary of Commerce authorized by this legislation would be appointed by the President, by and with the advice and consent of the Senate, and would receive compensation at the same rate (Level IV of the Executive Schedule) now provided for other Assistant Secretaries of the Department of Commerce.

This legislation implements the recommendations in the President's Message on Small Business submitted to the Congress March 20, 1970 wherein he said:

"I am . . . proposing legislation to create a new position of Assistant Secretary in the Department of Commerce to assist in formulating policy for the Office of Minority Business Enterprises (OMBE). I established OMBE early in my Administration to coordinate programs and activities within the Federal government aimed at assisting minorities to enter the American economic mainstream. This is an extremely important undertaking."

This request was reiterated in the Presidential Message to Congress on an expanded program to foster and promote Minority Enterprise October 13, 1971.

Section 2 of the draft bill would amend the Executive Schedule (Sec. 5315 of title 5, United States Code) to reflect this new position.

We have been advised by the Office of Management and Budget that enactment of this legislation would be in accord with the program of the President.

Sincerely,

(Signed) MAURICE H. STANS,
Secretary of Commerce.

S. 2893

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be in the Department of Commerce, in addition to the Assistant Secretaries now provided by law, one additional Assistant Secretary of Commerce who shall be appointed by the President, by and with the advice and consent of the Senate, shall receive compensation at the rate prescribed by law for Assistant Secretaries of Commerce, and shall perform such duties as the Secretary of Commerce shall prescribe.

SEC. 2. Paragraph 12 of section 5315 of title 5, United States Code, is amended to read as follows: "(12) Assistant Secretaries of Commerce (8)."

By Mr. BAYH (for himself, Mr. BROOKE, Mr. HART, Mr. HATFIELD, Mr. MCGOVERN, Mr. PASTORE, Mr. WILLIAMS, Mr. RIBICOFF, Mr. KENNEDY, and Mr. HARRIS):

S. 2894. A bill to provide financial assistance for State and local small, community-based correctional facilities; for the creation of innovative programs of vocational training, job placement, and on-the-job counseling; to develop specialized curriculums; the training of educational personnel and the funding of research and demonstration projects; to provide financial assistance to encourage the States to adopt special probation services; to establish a Federal Corrections Institute; and for other purposes. Referred to the Committee on the Judiciary.

OMNIBUS CORRECTIONAL REFORM ACT OF 1971

Mr. BAYH. Mr. President, today I am reintroducing the Omnibus Correctional Reform Act of 1971. This act is designed to change the nature and direction of our Nation's correctional system by providing Federal assistance to the States so that they may develop effective new approaches to the treatment of offenders. For too long we have wasted billions of dollars on a system that does not work. My proposal would give us the opportunity to sweep away the present system in the course of the next 20 years and replace it with a system that is correctional in the true sense of the word. We must make today's rhetoric the future's reality.

In the 2 months since I first introduced my bill, I have received many helpful comments from Members of Congress and from interested citizens around the country. These comments have convinced me that the development of community-based correctional facilities to replace large, rural prisons is the proper approach to take. Typical of this point of view is a letter I received from Mr. Ruben King, commissioner of the Department of Pensions and Security in Alabama. Commissioner King writing in support of my correctional reform act said:

> We think that traditional institutional treatment and rehabilitation programs should be de-emphasized and priority funding be given to alternative innovative community-based rehabilitation and prevention programs.

However, several of the comments which I received indicated the need to modify some of the specific programs contained in my bill. The revised bill which I am introducing today incorporates those ideas.

The desperate need for prison reform is obvious. The recent events at Attica State prison dramatically illustrate that our so-called correctional system is in urgent need of reform. The carnage at Attica was a disgrace, not only for the public officials that preferred to shoot rather than negotiate, but for the entire Nation that builds and condones a system of despair and degradation in the name of "correction" and "rehabilitation." Attica will happen again unless we correct the injustices and failures of our prisons that made insurrection and death preferable to another day of degradation. Attica will happen again unless the American people face the fact that a major overhaul of our prison system is the only way to overcome its failure. For the American prison system today is truly that: a failure.

The particular tragedy of the insurrection at Attica and its aftermath is that the problems of that institution—and the New York State system of which it is a part—had already been diagnosed. Its failures and inadequacies were known, if not to the general public, certainly to its State officials. It was known, for example, that the New York State system did not rehabilitate criminals. Over 70 percent of the persons released from New York prisons are rearrested, and almost half of these arrests occur within the first year following release.

The inadequacies which caused this failure were also known. Most New York State correctional facilities were built in isolated areas. Such locations make work release programs, one of today's most hopeful innovations, very difficult because there are no jobs in the surrounding area. Such locations also make family visits arduous journeys. The disintegration of the family is a tragic consequence of imprisonment in institutions like Attica.

Isolated in their surroundings, these prisons are also primitive in their conditions. Inmates spend an average of 55 percent of their time in cells that average 6 feet by 9 feet in size. There is a total lack of full-time staff psychiatrists and virtually no counseling services. Additionally, the New York State system has no narcotics treatment program, even though over 40 percent of those incarcerated in 1969 were known drug users. Under such conditions one might wonder not why Attica occurred—but why it did not occur sooner and more often.

Unfortunately, the field of corrections is an area of the criminal justice system which is the least visible and the most neglected. Except when there are prison riots, jail breaks, or scandals, little thought, attention or concern is given to our correctional institutions or their inmates.

It is shocking to realize that the conditions of prisons in New York State are no different from conditions at most other prisons in every State in our Nation. Attica was not the first prison to undergo a major riot, nor was it the first prison where inmates died needlessly. Indeed, I spoke out 2 years ago about a similar incident at Pendleton State Prison in Indiana. During a peaceful demonstration in which unarmed inmates sat down in the prison yard to protest conditions, guards armed with rifles and shotguns opened fire. Forty-seven inmates were wounded and two were killed. Such incidents are as common across the Nation as the conditions that cause them. Last month the Subcommittee to Investigate Juvenile Delinquency, of which I am chairman, published testimony taken at hearings in 1969 and 1970 on conditions in penal institutions. Conditions in 17 States were investigated, and what I have said about New York State was said about many States. On the basis of these hearings, I predict that other Atticas are a certainty.

The inadequacy of our prisons is measured not only by the conditions within, but also by their contribution to our crime problem. Arrest, court, and prison records all testify to the fact that habitual offenders constitute the hard core of the criminal problem. According to the FBI's Uniform Crime Reports, nearly 70 percent of all felonies committed in this country last year were committed by people with previous convictions. Of the approximately 100,000 persons released from confinement each year and returned to society, 75 percent again commit serious crimes and return to confinement. This is an especially discouraging figure since it is estimated that a criminal commits an average of 120 crimes for everyone for which he is arrested.

It is all too clear that the term "correctional facility" is a gruesome euphemism both for the prisoners incarcerated and for their victims when they are released. Our prisons do not correct offenders; they create them, toughen them, embitter them, and educate them in the way of crime. All too often prison inmates—men, women, juveniles, young and old alike—rather than being rehabilitated, as we benignly and benightedly expect them to be, are beaten, brutalized, exploited, sexually abused and even killed by fellow inmates or by prison staff. The mere storage of more and more convicted criminals under such barbaric conditions is not the way to solve their problems, and it is not the way to solve the problem of an increasing crime rate.

We in America spend almost $1 billion a year on corrections. That sounds like a lot of money, and it is. But we spend $36.6 billion on automobiles and parts each year, $14.5 billion on alcoholic beverages, and $9.2 billion on tobacco products. We even spend $2 billion a year on our pets. Surely we can find the necessary funds to support a meaningful reform of our prison systems. If Attica is not to have occured in vain, let us try to pick up the pieces while there is still time.

Since the tragic episode in Indiana 2 years ago, I have tried to formulate what I believe this Nation needs in the way of correctional reform legislation. I joined with former Senator Goodell of New York in introducing several measures in the 91st Congress. Since assuming the chairmanship of the Subcommittee To Investigate Juvenile Delinquency in January of this year, I have introduced other legislation. I have held hearings on the subject of juvenile correctional facilities, have personally toured several such institutions, and have drafted additional legislation for introduction in this Congress.

Today I am introducing a comprehensive bill which is an effort not only to pull together many facets of our correctional program but also to chart a new path in offender rehabilitation for America. It would be ironic indeed if it were to take a tragedy of the magnitude of Attica to bring major correctional reform to our Nation. But the worst irony of all would be to learn no lesson from the tragic events still so fresh in our memory.

That is the spirit in which I offer my bill, the Omnibus Correctional Reform Act of 1971. This bill attempts to restore sanity to our prison system through a variety of reforms.

First, it would provide funds to phase out the large penal institutions located a substantial distance from major urban areas and replace them with small, community-based correctional facilities designed to treat the offender in his home community to utilize the most modern corrections theory.

Penologists agree that large and isolated institutions do not serve a useful correctional purpose. Incarceration without rehabilitation temporarily postpones the offender's problems, but it does not solve them. When offenders return to their communities, they are tougher, more schooled in crime, and very likely to become repeaters. The administration agrees with this point of view. Jerris Leonard, Administrator of the Law Enforcement Assistance Administration, has said:

> One of LEAA's principal priorities is to develop corrections techniques that make rehabilitation more probable by keeping the offender in the community, where he usually has family or other ties. LEAA disapproves of concentrating correctional efforts in the building of more fortress prisons where prisoners are locked away and forgotten. In fact LEAA has turned down several requests for money to build such outmoded institutions. I am convinced that in a relatively short period of time there will be an entirely new approach to corrections in this country—and LEAA is going to see to it that there is.

If we are ever to break this tragic circle of recidivism, we must involve the offender's community in his rehabilitation. His problems are in the community; he must learn to cope with them there and not at some distant institution. Small institutions utilizing the medical, psychological, and counseling services of the community are able to reintegrate offenders where isolated institutions cannot. Moreover, only such community-based facilities can carry out effective aftercare services when the offender is released. Experts agree that such services are absolutely crucial in the rehabilitative process.

This program would be developed over a 20-year period, thus gradually redirecting America's entire corrections approach. Under my program, at least 40 percent of all LEAA money would be authorized each year for the purpose of correctional reform—$700 million in the next fiscal year. These funds, as appropriated, would be available to the States for implementing a comprehensive program of reform.

Second, my bill would provide funds for programs of rehabilitation, job placement, and on-the-job counseling for adult offenders, youthful offenders, and juvenile delinquents. Heavy emphasis would be placed on the rehabilitation of those who have committed no more than one serious offense, and on the involvement of the community in the correctional process. My bill would require the States to allocate 55 percent of Federal funds received to local governments and to private and public institutions at the local level. Hopefully, this would encourage a more diversified approach to rehabilitation and a gradual change in community attitudes toward offenders. In order for the programs funded under the first section of my bill to be effective, the local community must be made to realize that offenders must be corrected not simply incarcerated, and that to accomplish this goal the entire community's assistance is needed. Four hundred million dollars would be authorized for this program over the next 4 years.

Third, my bill would provide encouragement to the States to create drug treatment and rehabilitation programs in adult and juvenile correctional facilities and for those persons who are on probation, parole, or supervised release. A bill to accomplish the same purpose authored by Congressman EDWARD KOCH has already passed the House. Mr. KOCH and his colleagues in the House have recognized the sad fact that while drug abuse is a major concern of the Nation, it has not yet become a major concern of correctional facilities. Ironically, much of our Nation's drug problem may be found in our prisons and among those on probation and parole. While 40 percent of the incarcerated offenders in New York State in 1969 were known drug users, the New York State prison system did not operate a drug treatment and rehabilitation program.

States that wish to receive money from LEAA must submit a comprehensive plan annually. My bill would require that no plan would be approved as comprehensive for funding purposes unless it included detailed plans to provide drug programs for inmates and those on probation, parole, and supervised release. Since LEAA is a very attractive source of funds, the States would be strongly encouraged to plan and fund the drug treatment and rehabilitation services that are vitally needed for any effective correctional program.

Fourth, my bill provides funding and authority for a variety of specialized educational goals. The Commissioner of Education is authorized to spend $13 million over the next 3 years for research and demonstration projects relating to the academic and vocational education of juvenile delinquents, youthful offenders, and adult offenders. A program in correctional education administered by the Teachers Corps is expanded and given authorizations of $110 million during the next 5 years to provide specially trained teachers for the future as well as improving the education of the inmates of today. Another education program, which has brought college education to the prisons and the prisoners to the campus, would be substantially expanded. This program, Project New Gate, is now operating at six locations around the country and has had a remarkably low recidivism rate—approximately 18 percent. Additionally, my bill amends the Elementary and Secondary Education Act to allow the Office of Education to provide programs to educate juveniles under the age of 21 confined in adult correctional facilities. That authority is sadly lacking today.

Fifth, my bill would provide financial assistance to the States for the creation of special probation programs designed to reduce the rate of commitment of juvenile delinquents and youthful offenders under the age of 25 to correctional institutions. This program is based on very successful probation subsidy models operated in California and Washington State. During the past 5 years in California, over 15,000 offenders who would have been commited to institutions have been diverted into probation or other supervised release programs. Since institutionalization is considerably more expensive than probation or other release programs, California has saved a great deal of money by expanding the use of probation. It is estimated that during the period from 1966 to 1972, the probation subsidy program has saved the State of California $126,000,000.

The probation subsidy program will aid in the transition period until community-based corrections become a reality. By diverting offenders from incarceration, it will reduce the role of the isolated, large correctional institutions that this bill seeks to phase out of existence. Additionally, the subsidy program will result in monetary savings which the States can use to improve existing facilities. Forty million dollars for each of the next 5 years is authorized for this program.

Finally, my bill would create a Federal Corrections Institute which would collect and disseminate information in the correction field as well as provide training for personnel working in the criminal justice system. Such an Institute would be an important coordinating link between the individual corrections systems in the various States, and would allow them to share their acquired experience.

It is my earnest hope that the Members of the Senate will give swift attention to this vitally needed legislation. We cannot afford to delay a moment longer in reforming our Nation's correctional system. I ask unanimous consent that the full text of the bill, together with a summary, be printed at this point in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 2894

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Omnibus Correctional Reform Act of 1971".

DECLARATION OF FINDINGS

The Congress finds and declares that—

(1) The correctional system of the United States is underfinanced, overtaxed, and does not provide effective correctional programs.

(2) The Nation's peace and tranquility depends, in part, on the development of an effective system to rehabilitate and reintegrate criminal offenders back into the community at large.

(3) This goal can best be achieved by the creation of State and local small, community-based correctional facilities that will make use of local community services and actively involve the community in the corrections process.

(4) Such a reform would require the total redirection of the Nation's correctional system and would take a substantial length of time to accomplish.

(5) In the interim, numerous programs must be started in order to make the present correctional facilities more effective in rehabilitating criminal offenders, and to de-

velop the knowledge and the techniques necessary for redirecting our correctional system. These programs must be multipurpose in scope and massively funded.

TITLE I—COMMUNITY-BASED CORRECTIONAL FACILITIES

SEC. 101. Section 303 of part C of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting immediately after the second sentence the following new sentence: "Within two years after the date of enactment of this section, no State plan shall be approved as comprehensive, unless it provides that 40 per centum of the Federal assistance granted to the respective State planning agency for any fiscal year shall be allocated to improvement of correctional programs and practices as provided in part E."

SEC. 102. Section 453 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is further amended by changing "(9)" to "(10)" and by adding a new section (9) as follows: "provides a satisfactory twenty-year program developed in five-year stages for the phasing-out of large correctional facilities located a substantial distance from major urban centers, and their replacement with small correctional facilities, located in the communities from which the majority of offenders come and providing diagnostic and rehabilitative services in accordance with the most modern corrections theory."

SEC. 103. Section 520 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is further amended by deleting the last sentence and inserting in lieu thereof: "Beginning in the fiscal year ending June 30, 1973, and in each fiscal year thereafter there shall be allocated for the purposes of part E an amount equal to not less than 40 per centum of the total amount allocated under this title."

TITLE II—REHABILITATION AND RELATED PROGRAMS

SEC. 201. The Secretary of Labor (hereafter referred to as Secretary) is authorized to make grants based upon the Department of Labor's accumulated experience for the rehabilitation of prisoners in accordance with this title.

SEC. 202. (a) Any State desiring to receive its share of Federal funds under this title shall submit a plan which complies with the requirements of sections 203 and 204 of this title and which—

(1) designates a single State comprehensive corrections rehabilitation board for the development and administration of the plan to be composed of not more than twenty-one persons who shall be appointed by the chief executive of the State from among persons representative of State and local governmental agencies administering programs and providing services for corrections and crime control pursuant to the provisions of the Omnibus Crime Control and Safe Streets Act of 1968, and the Juvenile Delinquency Prevention and Control Act of 1968, education, labor, manpower training and vocational rehabilitation, and other public and private organizations engaged in activities related to the purposes of this Act;

(2) sets forth a comprehensive, coordinated, statewide program for the development of innovative projects providing for vocational rehabilitation, job training, job placement, and on-the-job counseling for criminal offenders, youthful offenders, and juvenile delinquents;

(3) provides that at least 40 per centum of all Federal funds granted to the State board under this title for any fiscal year will be available to local governmental bodies and nonprofit private organizations in such State, and at least 15 per centum of all Federal funds granted to the State board under this title for any fiscal year will be available to private, profitmaking individuals, businesses, and organizations except that in any case in which the provisions of section 204 of this title cannot be met, the board shall notify the Secretary of the reason therefor, and upon being satisfied that such provisions cannot be met, the Secretary shall direct the board to allocate the funds to public and private nonprofit organizations and governmental bodies in such proportion as the board, in its discretion, deems appropriate;

(4) sets forth policies and procedures designed to assure that Federal funds made available pursuant to this title will be used so as not to supplant State or local funds, but to supplement and, to the extent practicable, to increase the amounts of such funds that would in the absence of such Federal funds be made available for the improvement of State and local corrections systems;

(5) establishes such fiscal controls and funds accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the board under this title; and

(6) provides for making reports as the Secretary may require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(b) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (a) of this section.

SEC. 203. Each State plan shall contain provisions adequate to assure that projects carried out under the plan will be given priority in the following order—

(1) programs directed toward the rehabilitation of adjudicated juvenile delinquents, youthful offenders, and adult offenders who have been convicted of not more than one serious criminal offense;

(2) institutional and on-the-job occupational training and placement, where feasible, in government public service agencies, including a State correctional system, and placement in private, nonprofit public service organizations and in private industry;

(3) incentives to public and private employers who hire adjudicated delinquents and offenders, including reimbursement for a limited period when such newly hired employees might not be fully productive;

(4) on-the-job counseling, testing, work evaluation and adjustment, and followup services;

(5) recruitment and training of professional and paraprofessional diagnostic and treatment of staff personnel for corrective systems.

SEC. 204. The State board is authorized to contract with private profitmaking individuals or business concerns to perform services for the rehabilitation of adjudicated youthful offenders, juvenile delinquents, and adult offenders. Each such contract shall contain provisions adequate to assure that any such individual or business concern will—

(1) determine the demand in the community in which a trainee lives or intends to live for persons with particular occupational skills and vocational training;

(2) provide an approved course of training in a particular occupational area for which a demand has been determined to exist;

(3) provide for the job placement of individuals who successfully complete the course of comprehensive, occupational training.

SEC. 205. (a) Except as provided in section 208 and subsection (b) of this section, payment under this title shall be made to those State boards which administer plans approved under section 202. Payments under this title from a State's allotment with respect to the cost of carrying out its State plan shall not exceed 75 per centum of such costs for any fiscal year. In determining the cost of carrying out a State plan, there shall be excluded any cost with respect to which payments were received under any other Federal program.

(b) No payments shall be made to any State from its allotment for any fiscal year unless and until the Secretary finds that the State will have available during that year for expenditure from non-Federal sources for the purposes authorized by this Act not less than the total amount actually expended by such State for such purposes during the preceding fiscal year, plus an amount of less than the non-Federal share prescribed by subsection (a).

(c) Payments to a State under this title may be made in installments, in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments, and they may be paid directly to the State or to one or more public agencies designated for this purpose by the State or to both.

SEC. 206. (a) The Secretary shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State board submitting the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Secretary, after reasonable notice and opportunity for hearing to the State board administering a State plan approved under section 202 finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of such section, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision, the Secretary shall notify the State board that the State will not be regarded as eligible to participate in the program under this title until he is satisfied that there is no longer any such failure to comply.

SEC. 207. (a) If any State is dissatisfied with the Secretary's final action with respect to the approval of its plan submitted under section 202 or with his final action under section 206, such State may, within sixty days after notice of such action, file with the United States Court of Appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Upon the filing of such petition the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

SEC. 208. In any case in which a State fails to submit a State plan pursuant to this title within six months after the date of enactment of this Act, the Secretary may make grants to the extent practicable in accordance with the provisions of this title to local governments within such State and nonprofit organizations within such State.

SEC. 209. (a) From the sums appropriated pursuant to section 210 for each fiscal year, the Secretary shall allot not more than 5 per centum thereof among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their specific needs. From the remainder of such sums the Secretary—

(1) shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the number of persons who are determined to be persons detained in correctional facilities, or on probation, parole, or other supervised release, in such State bears to the numbers of such persons in all States, and

(2) shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the population in such State bears to the population in all States. For the purposes of this subsection, the term "State" does not include Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Secretary determines will not be required for the period such allotment is available, shall be available for reallotment from time to time, to other States in proportion to the original allotments established under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Secretary estimates such State needs for such period, and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

SEC. 210. There are hereby authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1972; $100,000,000 for the fiscal year ending June 30, 1973; $100,000,000 for the year ending June 30, 1974; and $150,000,000 for the fiscal year ending June 30, 1975, for the purpose of carrying out this title. Sums appropriated pursuant to this section shall remain available until expended.

TITLE III—DRUG TREATMENT PROGRAMS FOR PRISONS

SEC. 301. Section 453 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by redesignating paragraph "(9)" as paragraph "(10)", by striking out "and" at the end of paragraph (8), and by inserting immediately after paragraph (8) the following new paragraph:

"(9) provides necessary arrangements for the development and operation of drug treatment and rehabilitation programs in adult and juvenile correctional institutions and facilities and for all persons on parole, probation, or other supervisory release programs, who are drug addicts or drug abusers; and";

SEC. 302. Section 454 of title I of such Act is amended by adding at the end thereof the following new paragraph:

"In addition, the Administrator shall issue such regulations as may be necessary concerning the standards that shall be met by drug treatment and rehabilitation programs in adult and juvenile correctional facilities, and those to which persons on parole, probation, or supervisory release are assigned."

TITLE IV—EDUCATION AND TRAINING PROGRAMS

SEC. 401. Section 1101(b) of title 20 of the United States Code is amended by—

(1) striking out from "and $80,000,000 for the fiscal year . . ." to the end of the paragraph and inserting in lieu thereof the following: "and $100,000,000 for each of the next five fiscal years beginning July 1, 1972."

(2) by adding at the end thereof the following new sentences: "Of the sums appropriated pursuant to the preceding sentence for the fiscal year ending June 30, 1973, $10,000,000 shall be available only for the purpose of carrying out paragraph (6) of section 1103(a) of title 20 of the United States Code and for each of the next succeeding fiscal years $25,000,000 will be available only for that purpose. After the fiscal year ending June 30, 1973, in no case shall the appropriations for this paragraph be less than 25 per centum of the total appropriated for the Teacher Corps."

SEC. 402. Section 887b of title 20 of the United States Code is amended by adding after subsection (b) subsection "(c)" as follows: "There is authorized to be appropriated to carry out the purpose of this section the sum of $3,000,000 for the fiscal year ending June 30, 1972, and the sum of $5,000,000 for each of the two succeeding fiscal years."

SEC. 403. (a) The Director of the Office of Economic Opportunity (hereinafter referred to as the Director) is authorized to make grants to public or private institutions of higher education to organize demonstration projects that would make available to inmates of juvenile or adult correctional institutions the opportunity to engage in academic courses at the college or graduate school level. Such demonstration projects shall be organized within the correctional institution and on the campus of the institution of higher education. Special guidance and counseling programs shall be included in each demonstration project for inmates before and after they are released from the correctional institution.

(b) The Director shall appoint a special advisory committee to evaluate projects funded under subsection (a) and prepare a report to Congress to be submitted on the last day of each fiscal year. The committee shall include representatives from the Office of Education, the Teacher Corps, the Youth Development and Delinquency Prevention Administration, and such other persons and organizations as he deems necessary. Members of the committee who are not regular full-time employes of the United States shall, while serving on the business of such committee, be entitled to receive compensation at rates fixed by the Director, but not exceeding $100 per day, including travel time; and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code.

(c) Grants approved under this section may be made in installments, in advance, or by way of reimbursement, and on such conditions as the Director shall determine and publish in the form of rules and regulations; provided, however, that should the Director decide to terminate a project, those inmates already engaged in a course program leading to a degree will be permitted to continue until the completion of that degree.

(d) There is authorized to be appropriated to carry out the purposes of this section the sum of $5,000,000 for the fiscal year ending June 30, 1972, the sum of $7,000,000 for the fiscal year ending June 30, 1973, and the sum of $10,000,000 for each of the four succeeding fiscal years.

SEC. 404. Section 241c(a)(7) of title 20 of the United States Code is amended by deleting the first comma and by adding the words "and for children up to the age of twenty-one in adult correctional institutions," after the words "for children in institutions for neglected or delinquent children."

TITLE V—SPECIAL PROBATION PROGRAMS

SEC. 501. As used in this Title the term—

(1) "Administration" means the Law Enforcement Assistance Administration;

(2) "Locality" means any city or other municipality (or two or more municipalities acting jointly) or any county or other political subdivision or State (or two or more acting jointly) having general governmental powers;

(3) "special probation supervision program" means any program operated by a locality using qualified probation personnel for the supervision of youthful offenders placed on probation by an appropriate court that (A) involves new and improved supervision practices and (B) meets the standards prescribed by the Administration;

(4) "State" includes in addition to the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; and

(5) "youthful offender" means any person who has not attained 18 years of age and who has violated a law of a State or an ordinance of a locality not punishable by death or life imprisonment or has not attained 25 years of age, has not previously been convicted of a felony and who has violated a law of a State or an ordinance of a locality not punishable by death or life imprisonment.

SEC. 502. (a) The Administration is authorized to make grants to States that have plans approved under section 503, to pay the Federal share of the costs of carrying out special probation supervision programs.

(b) From the sums appropriated pursuant to section 507, the Administration shall allot not more than 5 per centum among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs. From the remainder of such sums the Administration—

(1) shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the number of persons who have not attained twenty-five years of age in such States bears to the number of such persons in all States, and

(2) shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the number of youthful offenders who have not been committed to a State correctional institution in such State bears to the number of such offenders in all States.

For the purposes of this subsection, the term "State" does not include Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(c) The portion of any State's allotment under subsection (b) for a fiscal year which the Administration determines will not be required for the period such allotment is available, shall be available for reallotment from time to time, to other States in proportion to the original allotments established under subsection (b) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Administration estimates will be needed and used by such State for carrying out the plan approved under this title, and the total of such reductions shall be similarly reallotted among the States whose proportionate amount are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (b) for such year.

(d) The number of persons who have not attained twenty-five years of age shall be determined by the Administration on the basis of the most satisfactory data available to it for each fiscal year. The number of youthful offenders who have not been committed to a State correctional institution shall be determined by the Administration for the fiscal year preceding the fiscal year for which the determination is made, based upon data furnished to it by the State planning agency established pursuant to the Omnibus Crime Control and Safe Streets Act of 1968, as amended. The Administration shall establish uniform criteria for the determination required by this subsection.

SEC. 503. (a) Any State desiring to receive assistance under this Act shall submit a State plan consistent with such criteria as the administration may establish under section 504. Each such plan shall—

(1) provide for the administration of such plan by the State planning agency estab-

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lished pursuant to Omnibus Crime Control and Safe Streets Act of 1968 as amended;

(2) provide assurances that the State has enacted or will enact legislation of general applicability within the State—

(A) providing for the necessary supervision by the appropriate State agency of the special probation services to be provided youthful offenders within the State;

(B) providing requirements for localities to employ qualified probation personnel for youthful offenders;

(C) providing incentives for localities to operate a special probation supervision program, particularly involving innovative supervision practices, which is designed to reduce the necessity of committing youthful offenders to State correctional institutions;

(D) providing procedures for determining the yearly reduction of such commitments; and

(E) providing such other relevant and necessary matters relating to the operation of such a program as the administration prescribes;

(3) set forth policies and procedures which assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the State for the purposes for which the State plan is submitted, and in no case supplant such funds;

(4) provide that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State and including funds paid to localities by such State under this title;

(5) provide that no application by a locality will be denied without first affording the agency submitting such an application reasonable notice and opportunity for a hearing; and

(6) provide that the State will make to the Administration—

(A) periodic reports evaluating the effectiveness of payments received under this title in carrying out the objectives of this title, and

(B) such other reports as may be reasonably necessary to enable the Administration to perform its functions under this title, including such reports as it may require to determine the amounts which localities of that State are eligible to receive for any fiscal year, and assurance that such State will keep such records and afford such access thereto as the Administration may find necessary to assure the correctness and verification of such reports.

(b) State plans shall be approved under this Act by the Administration only if—

(1) the plan meets the requirements set forth in subsection (a); and

(2) the programs set forth in the plan are consistent with criteria established by the Administration for the purpose of achieving equitable distribution of assistance under this title within each State, which criteria shall be developed by it on the basis of a consideration of (A) the geographic distribution of youthful offenders within the State, and (B) the success that each locality within the State displays in reducing the number of such offenders committed to State correctional institutions.

The Administration shall not finally disapprove a State plan except after reasonable notice and opportunity for hearing to such State.

SEC. 504. As soon as practicable after the enactment of this title, the Administration shall issue basic criteria required under section 503. In prescribing the criteria for general legislation set forth in paragraph (2) of section 503 (a), the Administration shall consult with the Attorney General.

SEC. 505. (a) The Administration shall pay in any fiscal year from each State's allotment to that State which has a plan approved pursuant to this title for that fiscal year, the Federal share of the cost of such plan.

(b) The Federal share of the programs covered by the State plan shall not exceed 75 per centum for any fiscal year. In determining the cost of such programs the Administration shall exclude any cost with respect to which payments were received under any other Federal program.

(c) Payments under this section may be made in installments, in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

SEC. 506. Whenever the Administration, after reasonable notice and opportunity for a hearing to any State, finds—

(1) that there has been a failure to comply substantially with any requirement set forth in the plan of that State approved under section 503; or

(2) that in the operation of any program or project assisted under this title there is a failure to comply substantially with any applicable provision of this title;

the Administration shall notify such State of its findings and that no further payments may be made to such State under this title (or in its discretion that the State shall not make further payments under this title to specified localities affected by the failure) until it is satisfied that there is no longer any such failure to comply, or the noncompliance will be promptly corrected. The Administration may authorize the continuance of payments with respect to any program or project assisted under this title which is being carried out pursuant to such State plan and which is not involved in the noncompliance.

SEC. 507. There is authorized to be appropriated to carry out the provisions of this title, $40,000,000 for the fiscal year ending June 30, 1973, and for each of the four succeeding fiscal years thereafter.

TITLE VI—FEDERAL CORRECTIONS INSTITUTE

SEC. 601. Part IV of title 18, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 404.—FEDERAL CORRECTIONS INSTITUTE

"Sec.
"5041. Establishment; purpose.
"5042. Functions
"5043. Director and staff.
"5044. Powers.
"5045. Advisory Commission.
"5046. Location; facilities.
"5047. Curriculum.
"5048. Enrollment.

"§ 5041. Establishment; purpose

"There is hereby established a Federal Corrections Institute (hereinafter referred to as 'Institute'). It shall be the purpose of the Institute to provide a coordinating center for the collection and dissemination of useful data regarding the treatment and rehabilitation of criminal offenders, and it shall also be the purpose of the Institute to provide training for representatives of Federal, State, and local judges and judicial personnel, probation and parole personnel, correctional personnel, welfare workers, and other persons, including lay personnel, connected with the treatment and rehabilitation of criminal offenders.

"§ 5042. Functions

"The Institute is authorized—

"(a) to serve as an information bank by collecting systematically the data obtained from studies and research by public and private agencies on criminal behavior and recidivism, including, but not limited to, programs for prevention of crime and recidivism, training of corrections personnel, and rehabilitation and treatment of criminal offenders;

"(b) to publish data in forms useful to individuals, agencies, and organizations concerned with treatment and rehabilitation of criminal offenders;

"(c) to disseminate pertinent data and studies to individuals, agencies, and organizations concerned with prisoners, parolees, probationers, and other criminal offenders;

"(d) to devise and conduct in various geographical locations, seminars and workshops providing continuing studies for persons engaged in working directly with prisoners, parolees, probationers, and other criminal offenders;

"(e) to devise and conduct a training program of short-term instruction in the latest proven-effective methods of treatment and rehabilitation of criminal offenders and prevention of recidivism for law enforcement officers, judges and judicial personnel, probation and parole personnel, correctional personnel, welfare workers, and other persons, including lay personnel, connected with the treatment and rehabilitation of criminal offenders; and

"(f) to develop technical training to aid in the development of training programs within the several States and with the State and local agencies which work directly with prisoners, parolees, probationers, and other offenders.

"§ 5043. Director and staff

"(a) The Institute shall be under the supervision of an officer to be known as the Director of the Institute who shall be appointed by the President, by and with the advice and consent of the Senate, to serve for a term of four years. The Director of the Institute shall receive basic pay at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code.

"(b) The Director shall have authority to supervise the organization, employees, enrollees, financial affairs, and all other operations of the Institute and may employ such staff, faculty, and administration personnel as are necessary to the functioning of the Institute. The Director shall have the power to acquire and hold real and personal property for the Institute and may receive gifts, donations, and trusts on behalf of the Institute. The Director shall also have the power to appoint such technical or other advisory councils comprised of consultants to guide and advise the Advisory Commission. The Director is authorized to delegate his powers under this Act to such persons as he deems appropriate.

"(c) If the Office of Director is left vacant, by resignation or otherwise, the President shall appoint a successor who shall serve for the unexpired portion of the term of office.

"§ 5044. Powers

"The functions, powers, and duties specified in this Act to be carried out by the Institute shall not be transferred elsewhere or within any executive department unless specifically hereafter authorized by the Congress. In addition to the other powers, express and implied, the Institute is authorized—

"(a) to request any Federal department or agency to supply such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions. Each such department or agency is authorized to cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information and advice to the Institute;

"(b) to arrange with and reimburse the heads of Federal departments and agencies for the use of personnel or facilities or equipment of such departments and agencies;

"(c) to confer with and avail itself of the cooperation, services, records, and facilities of State, municipal, or other public or private local agencies;

"(d) to enter into contracts with public or private agencies, organizations, or individuals, for the partial performance of any of the functions of the Institute;

"(e) to compensate consultants and members of technical advisory councils who are not in the regular full-time employ of the United States, at a rate to be fixed by the Director of the Institute but not exceeding $75 per diem and while away from home, or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently; and

"(f) to report to the Congress at appropriate intervals on programs which have been implemented with the cooperation of the Institute within and among the several States, and to recommend to the Congress further legislative action which may appear desirable.

"§ 5045. Advisory Commission

"(a) The overall policy and operations of the Institute shall be under the supervision of an Advisory Commission.

"(b) The Advisory Commission shall consist of the Director of the Institute, the Attorney General (or his designee), the Director of the United States Judicial Center (or his designee), the Director of the National Institute of Mental Health (or his designee), and fourteen persons having training and experience in the area of corrections appointed by the President from the following categories:

"(1) prisoners or ex-prisoners (two persons),

"(2) criminal court judges (two persons),

"(3) probation personnel (two persons),

"(4) correctional personnel (two persons),

"(5) representatives of private organizations concerned with corrections (four persons), and

"(6) representatives of State agencies established under title I of the Omnibus Crime Control and Safe Streets Act of 1968 (two persons).

"(c) Members of the Advisory Commission shall serve for terms of four years and shall be eligible for reappointment, except that for the first composition of the Commission, one-third of the members shall be appointed to one-year terms, one-third to two-year terms, and one-third to three-year terms, thereafter each member's term shall be for four years. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. Any member of the Commission may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"(d) While performing their duties, members of the Commission shall be reimbursed under Government travel regulations for their expenses, and members who are not employed full time by the Federal Government shall receive in addition a per diem of $100 in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"(e) The Director shall act as Chairman of the Advisory Commission. The Commission shall establish its government rules of procedure.

"§ 5046. Location; facilities

"(a) A suitable location for the Institute shall be selected by the Advisory Commission.

"(b) Following the selection of a location for the Institute, the Director with the approval of the Advisory Commission, shall—

"(1) acquire such property as has been selected pursuant to subsection (a), and

"(2) make such arrangements as may be necessary or desirable for the construction, equipping, and physical organization of the Institute.

"§ 5047. Curriculum

"The Advisory Commission shall design and supervise a curriculum utilizing a multidisciplinary approach (to include law enforcement, judicial, correctional, and welfare as well as probation disciplines) which shall be appropriated to the needs of the Institute's enrollees.

"§ 5048. Enrollment

"(a) Each candidate for admission to the Institute shall apply to the State agency established under title I of the Omnibus Crime Control and Safe Streets Act of 1968 (82 Stat. 198; 42 U.S.C. 3701 et seq.), in the candidate's State. The State agency or agencies shall select an appropriate number of candidates and forward their applications for admission to the Director of the Institute. The Director shall prescribe the form of all applications for admission to the Institute and shall make the final decision concerning the admission of all students or enrollees.

"(b) While studying at the Institute and while traveling in connection with his study, including authorized field trips, each student or enrollee in the Institute shall be allowed travel expenses and a per diem allowance in the same manner as prescribed for persons employed intermittently in the Government service under section 5703(b) of title 5, United States Code."

SEC. 602. The table of contents to "Part IV—CORRECTION OF YOUTHFUL OFFENDERS" of title 18, United States Code, is amended by inserting after

"403. Juvenile delinquency----------5031"

the following new chapter reference:

"404. Federal Corrections Institute----5041".

SEC. 603. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

SUMMARY OF OMNIBUS CORRECTIONAL REFORM ACT OF 1971

This bill establishes a new, comprehensive approach to prison reform at the State and local level. It provides substantial federal support to the States so that they may develop modern correctional systems built around smaller facilities, located in or near the urban communities they serve. The bill recognizes that substantial time is needed to redirect the nation's correctional effort; accordingly, provision is made for the development of short-range programs to improve existing adult and juvenile correctional facilities.

TITLE I—COMMUNITY-BASED CORRECTIONAL FACILITIES

Title I outlines the basic, long-range program designed to develop smaller correctional facilities throughout the country. This title consists of several amendments to the Law Enforcement Assistance Administration provisions of the Omnibus Crime Control and Safe Streets Act of 1968. Specifically, these amendments established the following requirements:

(1) Two years after passage of the Act, no State plan will be spproved by LEAA as comprehensive (a necessary prerequisite to receiving Federal funds) unless it allocates at least 40 percent of the requested funds to the improvement of correctional practices and programs. (Part E of the Omnibus Crime Control and Safe Streets Act presently requires a 20 percent allocation.) Additionally, the percentage of money authorized by Congress to be spent on corrections under Part E as amended is increased to 40 percent, resulting in an authorization of $700 million for Fiscal '73.

(2) A State plan submitted to LEAA for funding under this title must set forth a 20-year program, developed in detail by five year segments, for the gradual phasing-out of large prisons and similar juvenile institutions located a substantial distance from major urban areas. Minimum, medium, and high security institutions will be replaced with small, community-based facilities designed to provide innovative, effective correctional programs and services. However, some flexibility will be permitted so that States may maintain special facilities for the small percentage of dangerous, repeating offenders that may be effectively treated in settings removed from major urban centers.

TITLE II—REHABILITATION AND RELATED PROGRAMS

Title II contains the first of several programs designed to provide immediate improvement in the present State correctional systems during the period of development of the long range programs required under title I. Title II authorizes the expenditure of $400 million over the next four years to develop and implement programs for rehabilitation, job placement, and on-the-job counseling for adult offenders, youthful offenders, and juvenile delinquents. Heavy emphasis is placed on the rehabilitation of first offenders.

To be eligible to receive a grant under this title a State must designate a planning and administration council responsible for developing a comprehensive plan for submission to the Secretary of Labor. In order for the plan to be approved, a State must make available to local governments and nonprofit organizations at least 40 percent of all Federal funds received under this title, and to private, profit-making individuals, businesses, and organizations at least 15 percent of all Federal funds. This requirement insures the involvement of many segments of the community in the corrections process.

Grants to the States are determined by a formula which takes into account two criteria: (1) the number of persons detained in correctional facilities, and on probation, parole, or supervised release; and (2) the population of the grantee state relative to other states. Such grants will be made on a matching basis, the Federal share being 75 percent of the total cost of such programs in any given year. Title II also authorizes the Secretary of Labor to determine whether funds are expended in accordance with the provisions of this title, and for judicial review should a state be dissatisfied with the Secretary's ruling.

TITLE III—DRUG TREATMENT AND REHABILITATION PROGRAMS FOR PRISONS

Title III amends Part E of the Omnibus Crime Control and Safe Streets Act of 1968 by requiring State plans to include drug treatment programs. Specifically, a State desiring to receive funds from LEAA under Part E must provide for the development and operation of drug treatment and rehabilitation programs in adult and juvenile correctional institutions and facilities as well as drug programs for adult and youthful offenders and juvenile delinquents on probation, parole, and supervised release.

Additionally, title III authorizes the Administrator of LEAA to issue regulations setting standards for the operation of these programs. By requiring compliance with standards relating to program personnel and operations, this title will encourage improvements in the quality of participating correctional facilities as well as providing vitally needed drug treatment and rehabilitation programs for adult and youthful offenders and juvenile delinquents.

TITLE IV—EDUCATION AND TRAINING PROGRAMS

This title is designed to provide special funding for the development of educational programs specifically tailored to the needs of inmates in juvenile and adult correctional facilities. These programs provide for the training of teachers, the development of specialized curricula, advanced academic training for offenders within prisons and on near-by college campuses, the education of youthful offenders under the age of 21

confined in adult facilities, and flexible demonstration and research projects.

Section 401 amends section 1101(b) of title 20 of the United States Code, which contains the Congressional authorization for the Teacher Corps. In 1971, the authorized funding for that section was $100 million but in unrestricted form. Under the proposed amendment, the authorized funding would be $100 million for each of the next five years. However, the amended bill would require that out of this authorization, $110 million be spent over the next five years on projects under section 1103(a)(6) of title 20 of the United States Code, which gives the Teacher Corps authority to develop programs for incarcerated offenders. Following the Teacher Corps approach, these programs would include training for teachers on campuses and in correctional institutions. Under the supervision of experienced teachers, teams of trainee teachers would attend courses on campus and then enter correctional institutions for actual work experience. The involvement of both correctional institutions and colleges would encourage the development of new curricula for prison inmates and for teacher training. Offenders would immediately benefit by the influx of new teachers into the institutional setting.

Section 402 provides funding for an existing, but now dormant, program of research and demonstration in the Office of Education. This program is designed to allow the Commissioner of Education to make grants to state and local governments, educational agencies, public or private institutions of higher education, and other public and nonprofit education or research agencies. Such grants would support projects for the academic and vocational education of antisocial, aggressive, or delinquent persons, including juvenile delinquents, youthful offenders and adult criminal offenders. $13 million is authorized for the next three years.

Section 403 provides separate funding for a highly successful experimental program created by the Office of Economic Opportunity called Project NewGate. Project NewGate was created in 1967 to bring college education to the prison setting and prisoners to the college campus. The program is divided into two stages. In the first stage, teachers from the participating college teach courses in the correctional facility. Inmates are chosen on the basis of their educational ability, desire to participate, and their eligibility for early release. Once released, former prisoners proceed to the second stage of the program on the college campus where they take courses leading to a degree. Their living arrangements are determined on the basis of the terms of their release and their individual needs. Regular counseling sessions are an integral part of both stages of the program.

Project NewGate is now operated in six locations and serves several thousand people. It is estimated that between 30,000 and 40,000 inmates could benefit from the program if it were expanded. Under the proposed legislation, $52 million is authorized to be spent over the next six years to expand the program. During that time, a special advisory board, required by this section, would evaluate the program on a continuing basis, recommend improvements, and report annually to Congress.

Section 404 amends the Elementary and Secondary Education Act of 1965 by authorizing the Office of Education to provide programs and services for youthful offenders under the age of 21 confined in adult correctional facilities. Presently, the authority of the Office of Education to provide educational services is limited to institutionalized children under the age of 18. This section would extend the age of eligibility for educational services for young people in adult correctional facilities to 21.

TITLE V—SPECIAL PROBATION PROGRAMS

Title V authorizes the expenditure of $40 million during each of the next five fiscal years for the creation of special probation programs. These programs are designed to help juvenile delinquents and young offenders under the age of 25 who have not yet become habitual offenders and who have not been found guilty of capital crimes. This title requires that these probation programs be structured to reduce the role of institutionalization of youthful offenders.

Any State desiring assistance under this title must submit a plan to the Law Enforcement Assistance Administration. The plan must establish suitable controls to insure that the appropriate State agency exercises proper supervision, that qualified probation personnel are employed, and the incentives for local participation in programs designed to reduce the rate of commitment are provided.

Funds are provided for the States on the basis of a formula which takes into account the number of youthful offenders and juvenile delinquents who have been placed on probation rather than committed to correctional institutions. Provision is also made to insure that the Federal share of such programs will not exceed 75% and that the funds provided under this program will not be in lieu of funds derived from other sources and already being spent on such programs. Additionally, each State involved shall develop programs to monitor the effectiveness of the special probation programs developed. Provision is made for the collection and utilization of such information by the Federal Corrections Institute.

TITLE VI—FEDERAL CORRECTIONS INSTITUTE

Title VI amends title 18 of the United States Code by creating an independent Federal Corrections Institute. The Institute is authorized to collect and disseminate useful data relating to efforts to improve the present correctional system and to develop the new, community-based approach. The Institute would also provide training for Federal, State, and local personnel involved in the criminal justice system in order to facilitate acceptance of a new approach to corrections by those working within the system.

The Institute's overall policy and operations would be under the supervision of an Advisory Commission. The Commission members appointed by the President, include personnel from the judicial, probations, and corrections fields as well as concerned citizens, and ex-inmates. Also included on the Commission are the Director of the Institute, the Attorney General, the Director of the National Institute of Mental Health, and the Director of the U.S. Judicial Center.

The Director of the Institute, with the approval of the Advisory Commission, is authorized to acquire property and to make the necessary arrangements for the operation of the Institute. The Advisory Commission will supervise the design of a training curriculum for enrollees from the judicial and corrections fields. Candidates for admission to the Institute will be recommended by the State planning agencies created under LEAA, subject to final selection by the Director of the Institute. While studying at the Institute, each enrollee will be given travel expenses and a per diem allowance as prescribed by section 5703(b) of title 5, United States Code. Appropriations are authorized in the amounts necessary to carry out the provisions of this title.

By Mr. McGOVERN (for himself, Mr. MOSS, Mr. GRAVEL, Mr. HUGHES, Mr. NELSON, Mr. BAYH, Mr. KENNEDY, and Mr. HARRIS):

S. 2897. A bill to provide housing for persons in rural areas of the United States on an emergency basis. Referred to the Committee on Banking, Housing and Urban Affairs.

EMERGENCY RURAL HOUSING ACT OF 1971

Mr. McGOVERN. Mr. President, today I am introducing a bill to establish an Emergency Rural Housing Administration to help low-income Americans in rural areas and small towns to get a decent and sanitary place to live.

This bill is the product of hearings by the Select Committee on Nutrition and Human Needs.

We undertook the hearings because we began wondering how much good the food programs would do when the food itself was prepared in kitchens with dirt floors and contaminated water and rats and disease-carrying insects.

We undertook the hearings because we began wondering how much good was done by increasing a person's caloric intake and then sending him home to battle against incredible odds in an environment that provided little protection against the elements and absolutely none against disease.

The committee heard testimony indicating that as a family's income drops, so does the condition of its housing. As the housing conditions decline, incidences of stillbirth, infant mortality, juvenile delinquency, failure in school, and mental and emotional disturbance increase.

Bad housing is an ideal breeding ground for infectious disease. Housing which invites the cold and damp also invites tuberculosis. This list goes on. The correlation is obvious. Everybody knows that bad housing means bad health.

This relationship between one's immediate environment and one's physical well-being was demonstrated by a program conducted on the Rosebud Indian Reservation in my home State. There, some 375 very modest houses were constructed, and we had studies and reports of all kinds on their worth to the Indian residents. But to me, the most important thing about the whole project was that after those few hundred families moved into dry, warm, sturdy, and safe housing, hospital admissions on the reservation soon fell by 30 percent and the daily patient census fell by 40 percent.

What is being done for the general rural population in this regard? After 30 years on the books, public housing has served less than 3 percent of the target population in rural areas and small towns.

HUD programs are virtually unworkable in rural areas and small towns. The overwhelming bulk of these programs go to big cities. The overworked, underfunded Farmers Home Administration serves the rural areas, but not the poor.

Testimony taken by the select committee documents the whys and wherefores of the program failure in detail.

Suffice it to say that the rural poor get left out of the scheme of Federal things for basically two reasons. They are rural and they are poor.

People in the housing industry tell us year after year that the problem is one of commitment—that the commitment just is not there now. I believe that Congress

was sincere when it made its promise to house the homeless in 1949 and sincere when it reaffirmed that pledge in 1968.

But likewise I believe that, despite two decades of tinkering, the existing housing legislation has not done the job. It is time to take dramatic action and time to set a deadline on a promise that is almost a quarter-century old.

The bill I introduce today contemplates that the problem be attacked on an emergency basis—one which defines its goals and makes every effort to reach them in 5 years.

To do this, an independent executive agency at the Federal level is created called the Emergency Rural Housing Administration (ERHA).

It is headed by an Administrator appointed by the President, with the advice and consent of the Senate. The Administrator will have powers concomitant with the emergency situation with which he is dealing. He will have the usual powers to sue and be sued, to make and repeal such rules and regulations as are necessary, to accept gifts or donations of services or property, to buy and sell or otherwise convey property, and to enter into contracts.

In addition, he will have the following extraordinary powers: to acquire land by condemnation and to appoint officers and employees without regard to provisions governing appointments in the competitive service. The power to acquire land by condemnation is necessary in order to acquire adequate building sites in areas where the eligible persons to be served live, and to do so at a fair and reasonable cost.

It is desirable to exempt employees of the ERHA from the competitive civil service as this bill does for several reasons. First, the bulk of the work of the agency is to be completed within 5 years and second, it is expected that many of the persons who could be employed within the agency could come from the client population, many of which would not be able to qualify under the existing civil service system.

The Administrator will be authorized to serve all eligible people living in, or desiring to live in a rural area or small community who cannot with reasonable certainty obtain decent housing from other sources within 2 years. For this purpose a rural area means any open country or any place in the United States which is not in a standard metropolitan statistical area and a small community means any political subdivision in the United States which has a population of less than 25,000. As far as is practicable the Administrator is obligated to serve eligible persons with the lowest adjusted incomes first. Also, he shall provide for homeownership rather than rental assistance to the greatest extent possible.

Homeownership assistance would be given in the form of loans to eligible persons or families. The Administrator will set the interest rate down to 1 percent on such loans, taking into account the adjusted income of the eligible person involved.

The Administrator is authorized to defer payment of up to 50 percent of the loan, which portion would become payable and interest bearing only when and to the extent the borrower's ability to repay exceeds that required to retire the undeferred portion at the maximum interest rate or upon the sale or other disposition of the property financed by the loan. In determining a borrower's ability to repay, his income will be adjusted by deducting 5 percent of the gross income plus $300 for that borrower and for each member of his family. An additional $1,000 will be deducted for each individual or family who is physically disabled or mentally retarded.

A borrower will not be required to pay more than 20 percent of his adjusted income to repay the loan; however, when that amount would be insufficient to retire a loan even with 50 percent of the principal deferred, the borrower may choose to pay a greater amount in order to be eligible for a loan.

For those eligible persons who desire to rent or do not have sufficient income to repay a loan for homeownership the Administrator is authorized to finance all or part of the cost of acquisition, construction, rehabilitation, operation, and maintenance of rental facilities. Rent charged to eligible persons for such facilities will bear a reasonable relationship to the income, taking into account reasonable needs for food, clothing, medical care, education, and other necessities and in no case shall it be in excess of 25 percent of adjusted income.

Any construction or rehabilitation undertaken with funds from the ERHA must be designed to require minimum maintenance over a useful life of at least 50 years except when the Administrator finds that temporary facilities are necessary to accommodate less substantial renovation or to meet the need of temporary residents in an area.

All housing built, acquired, or rehabilitated by the ERHA will be minimal housing which means a safe, weatherproof dwelling with running potable water, modern sanitation facilities including a kitchen sink, toilet, and shower or tub and such other requirements as to square footage and other facilities as the Administrator shall set.

In addition the construction should be in accordance with plans developed with the active participation of the eligible persons involved.

To carry out the housing program envisioned by this act, the administrator is authorized to enter into contracts with local agencies—any existing or new public or private agency, instrumentality, or organization which meets such criteria as the Administrator requires—to meet the total housing needs for all eligible persons within a designated area. The Administrator is authorized to furnish such financial, technical, and other assistance as these local agencies will require.

In addition, the Administration is authorized to furnish supplemental assistance for any housing program authorized by any other Federal or State law if such assistance will meet the needs of eligible persons under this act.

It is anticipated that about 2,500,000 units should be assisted by the ERHA. Of the 5 million low-income families living in small towns and rural areas it is estimated that at least half of them will require assistance under this act.

The Secretary is authorized and directed to purchase any such notes and for that purpose to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act. The Secretary is also authorized to sell at any time any such notes or other obligations which shall also be treated as a public debt transaction.

In order to spread the cost of borrowing over a reasonable period of years and to eventually relieve the burden on the public debt the act authorizes $500 million to be appropriated each year, reduced by any amounts paid into the Treasury on the loans made by the Administrator, to be applied to the retirement of notes issued by the Administrator.

An additional $1 billion is authorized to be appropriated each year for administration, technical and contract services, and for operation and maintenance payments under the rental authority.

Mr. President, I ask unanimous consent that a statement in justification for the bill, a section-by-section analysis of the bill, and the bill itself be printed at this point in the RECORD.

There being no objection, the statement, analysis, and bill were ordered to be printed in the RECORD, as follows:

WHY AN "EMERGENCY RURAL HOUSING ADMINISTRATION" AND WHAT IT WILL DO

An emergency truly does exist in rural areas and small communities. Over 60 percent of the nation's substandard occupied units are there. Along with the bad housing are the attendant problems of polluted and unpiped water, lack of sanitary facilities, and over crowding. There are fewer doctors and decent medical facilities than would be needed even to begin to treat the symptoms of the problem. Add to this the fact that over half the poor in the United States live in these areas where only one-third of the population is and one begins to see the enormity of the problem. Unemployment and under employment are often the rule rather than the exception.

There seems to be evidence of a movement however small among some members of Congress to do something about the miserable situation in rural areas. Yet most have so far neglected to come to grips with the problem of delivering adequate housing to an impoverished population. Whatever means are used to deliver adequate housing to the poor, we know it will take at least two things in enormous quantities—commitment and dollars. The approach taken here is that the problem be attacked on an emergency basis—one which defines its goals and makes every effort to reach them in five years. To do this an independent executive agency at the Federal level is created called the Emergency Rural Housing Administration (ERHA). It is headed by an administrator appointed by the President by and with the advice and consent of the Senate. The Administrator will have powers concomitant with the emergency situation with which he is dealing. He will have the usual powers to sue and be sued, to make and repeal such rules and regulations as are necessary, to accept gifts or donations of services or property, to buy and sell or otherwise convey property, and to enter into contracts. In addition he will have the following extraordinary powers: to acquire land by condemnation and to appoint officers and employees without regard to provisions governing appointments in the competitive service. The power to acquire land by condemnation is necessary in order to ac-

quire adequate building sites in areas where the eligible persons to be served live, and to do so at a fair and reasonable cost. It is desirable to exempt employees of the ERHA from the competitive service for several reasons. First, the bulk of the work of the Agency is to be completed within five years and secondly it is expected that many of the persons who could be employed within the agency could come from the client population, many of which would not be able to qualify under the existing civil service system.

The Administrator will be authorized to serve all eligible people living in, or desiring to live in, a rural area or small community who cannot with reasonable certainty obtain decent housing from other sources within two years. For this purpose a rural area means any open country or any place in the United States which is not in a standard metropolitan statistical area and a small community means any political subdivision in the United States which has a population of less than 25,000. As far as is practicable the Administrator is obligated to serve eligible persons with the lowest adjusted incomes first. Also he shall provide for home ownership rather than rental assistance to the greatest extent feasible.

Home ownership assistance would be given in the form of loans to eligible persons or families. The Administrator will set the interest rate down to one percent on such loans, taking into account the adjusted income of the eligible person involved. The Administrator is authorized to defer payment on up to 50 per cent of the loan, which portion would become payable and interest bearing only when and to the extent the borrowers ability to repay exceeds that required to retire the undeferred portion at the maximum interest rate or upon the sale or other disposition of the property financed by the loan. In determining a borrower's ability to repay his income will be "adjusted" by deducting 5 percent of the gross income plus $300 for that borrower and for each member of his family. An additional $1,000 will be deducted for each individual or family who is physically disabled or mentally retarded. A borrower will not be required to pay more than 20 percent of his adjusted income to repay the loan; however, when that amount would be insufficient to retire a loan even with 50 percent of the principal deferred, the borrower may choose to pay a greater amount in order to be eligible for a loan.

For those eligible persons who desire to rent or do not have sufficient income to repay a loan for home ownership the Administrator is authorized to finance all or part of the cost of acquisition, construction, rehabilitation, operation and maintenance of rental facilities. Rent charged to eligible persons for such facilities will bear a reasonable relationship to their income, taking into account reasonable needs for food, clothing, medical care, education, and other necessities and in no case shall it be in excess of 25 percent of adjusted income.

Any construction or rehabilitation undertaken with funds from the ERHA must be designed to require minimum maintenance over a useful life of at least 50 years except when the administrator finds that temporary facilities are necessary to accommodate less substantial renovation or to meet the need of temporary residents in an area. All housing built, acquired or rehabilitated by the ERHA will be minimal housing which means a safe, weatherproof dwelling with running potable water, modern sanitation facilities including a kitchen sink, toilet and shower or tub and such other requirements as to square footage and other facilities as the administrator shall set. In addition the construction should be in accordance with plans developed with the active participation of the eligible persons involved.

To carry out the housing program envisioned by this Act, the Administrator is authorized to enter into contracts with local agencies (any existing or new public or private agency, instrumentality, or organization which meets such criteria as the Administrator requires) to meet the total housing needs for all eligible persons within a designated area. The Administrator is authorized to furnish such financial, technical, and other assistance as these local agencies will require. In addition, the Administrator is authorized to furnish supplemental assistance for any housing program authorized by any other Federal or State law if such assistance will meet the needs of eligible persons under this Act.

It is anticipated that about 2,500,000 units should be assisted by the ERHA. Of the 5,000,000 low income families living in small towns and rural areas it is estimated that at least half of them will require assistance under this Act.

For the purposes of loans for acquisition of land or for the construction or rehabilitation of housing or related facilities, the Administrator is authorized to issue notes or other obligations to the Secretary of the Treasury in such sums as may be necessary to carry out the purposes of the Act. The interest on such notes will be set by the Secretary, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the preceding month of issuance. The Secretary is authorized and directed to purchase any such notes and for that purpose to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act. The Secretary is also authorized to sell at any time any such notes or other obligations which shall also be treated as a public debt transaction. In order to spread the cost of borrowing over a reasonable period of years and to eventually relieve the burden on the public debt the Act authorizes $500,000,000 to be appropriated each year, reduced by any amounts paid into the Treasury on the loans made by the Administrator, to be applied to the retirement of notes issued by the Administrator.

SECTION-BY-SECTION ANALYSIS OF THE EMERGENCY RURAL HOUSING ACT OF 1971

SECTION 1—SHORT TITLE

Emergency Rural Housing Act of 1971.

SECTION 2—FINDINGS

Congress finds that an emergency situation exists in rural areas with regard to housing for low-income families and individuals.

SECTION 3—DEFINITIONS

SECTION 4—ESTABLISHMENT AND DUTIES

Provides for the establishment of an independent federal agency called the Emergency Rural Housing Administration. Defines the ERHA's duties as providing minimal housing facilities to eligible persons in rural areas and small communities and to do so within five years to the extent possible. An eligible person as defined in Section 3 is an individual or family which lives or desires to live in a rural area or community and cannot with reasonable certainty obtain minimum housing facilities by any means other than from assistance under this Act within two years of the date of application for assistance. Provides for an Administrator of the ERHA by adding a new clause (58) to 5 U.S.C. 5314 to be appointed by the President by and with the advice and consent of the Senate. Provides that the Administrator's duties may not be transferred to any other department, agency, or instrumentality of the United States.

SECTION 5—POWERS

Provides for the powers of the Administrator of the ERHA.

SECTION 6—HOMEOWNERSHIP

Authorizes the Administrator to make loans to eligible persons for the acquisition of land and the construction of minimal housing facilities or for the acquisition or rehabilitation of existing facilities. Provides that at least fifty percent of such loan shall be amortized over a period not exceeding forty years and at an interest rate of not less than one percent per year. The remaining balance of such a loan shall take the form of a note secured by a second mortgage which becomes payable and interest bearing when and to the extent that the borrowers ability to repay exceeds that required to retire the first note at the maximum rate of interest or upon the sale or other disposition of the property. Provides that the interest rate, the amount of referred principal and the other terms and conditions of such loans will be set by the Administrator taking into account the adjusted income of the eligible person involved and that a borrower cannot be required to pay more than twenty percent of his adjusted annual income on principal, interest, taxes and insurance except when the borrower chooses to in order to qualify for the ownership program.

SECTION 7—HOUSING DEVELOPMENTS

Authorizes the administrator to acquire land and develop housing projects to be sold under Section 6 or rented under Section 8.

SECTION 8—RENTAL FACILITIES

Authorizes the administrator to finance all or part of the acquisition, construction, rehabilitation, operation and maintenance of minimal housing facilities to be rented by eligible persons, water and sewerage facilities for such housing, and related community facilities for such housing. Provides that the rental payments of the occupants and the amount of rent assistance provided shall bear a reasonable relationship to the income of the eligible persons taking into account other budget needs and in no case should any rent payment (including the reasonable cost of heat, water and light) exceed twenty-five percent of the person's adjusted income. Provides that, when feasible, lease agreements should include an option to purchase at terms consistent with Section 6.

SECTION 9—LOCAL AGENCY AGREEMENTS

Authorizes the Administrator to enter in agreements with local agencies to assume area responsibility for carrying out the purposes of the Act. Provides that the administrator shall furnish such financial, technical and other assistance to these local agencies as may be necessary. Authorizes the Administrator to provide supplemental assistance for other federal and state housing programs if such assistance will further the purposes of this Act.

SECTION 10—LIMITATIONS AND CONDITIONS

Provides that the Administrator, shall not require the relocation of any eligible person in order to engage in or to facilitate the economic development of any area. Provides that construction or rehabilitation undertaken must be designed to require minimum maintenance for at least fifty years except when the Administrator finds that less permanent housing is in accordance with the Act; and be in accordance with plans development with the active participation of the eligible persons involved.

SECTION 11—PRIORITIES

Establishes the priorities that, insofar as is practicable, persons with the lowest adjusted incomes shall be served first, and to the maximum extent feasible, ownership rather than rental occupancy will be provided.

SECTION 12—ANNUAL REPORT

Provides that the Administrator shall prepare and transmit to the Congress and the President an annual report of the operation and activities of the Agency.

SECTION 13—BORROWING AUTHORITY

Provides that for the purposes of this Act the Administrator is authorized to issue notes or other obligations to the Secretary of the Treasury in such sums as may be necessary in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary and bear interest at a rate determined by the Secretary, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. Authorizes the Secretary and directs him to purchase such notes and for that purpose to use as a public debt transaction the proceeds for the sale of any securities issued under the Second Liberty Bond Act and extends the purposes for which securities may be issued under that Act to include any purchase of such notes and obligations under this Act. Authorizes the Secretary to sell at any time any of the notes or other obligations acquired by him under this subsection and provides that all redemptions, purchases and sales by of the Secretary of such notes or other obligations shall be treated as a public debt transaction of the United States. Authorizes to be appropriated $500 million per year, less any amounts paid into the Treasury each year on loans made by the Administrator under this Act. Such sum is to be applied to the retirement of notes or other obligations issued by the Administrator.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Rural Housing Act of 1971".

FINDINGS

SEC. 2. The Congress finds that—

(1) after more than three decades of Federal activity in the housing field and more than two decades after the enactment of the Housing Act of 1949 which pledged this nation to a decent home and suitable living environment for every American family, there are millions of substandard, crowded, and otherwise deficient dwelling units which lack running water and sanitation facilities essential to health and decency;

(2) more than half of these units are in non-metropolitan areas;

(3) none of the existing housing agencies, public or private, function adequately in meeting the housing needs of the poorest people in small towns and rural areas;

(4) the administrative funds and grant and lending authorities of Farmers Home Administration are inadequate to the task, and its authorized capacity to subsidize dwellings falls far short of that required to provide housing for the poor;

(5) public housing exists in little more than token quantities in small towns and rural areas, and public housing legislation presently does not permit a subsidy adequate to meet the needs of the poorest of the poor;

(6) despite the moving rhetoric of the last two decades, the authority and funds to satisfy the housing needs of low income families are not available;

(7) existing agencies operating under existing authorities could not meet the needs of millions of the rural poor even if all restraints on administrative funds were lifted, nor would they meet those needs if there were no ceiling placed on grant and loan funds; and

(8) the ill health and human degradation that flow from this continuing neglect and denial of responsibility call for emergency action.

DEFINITIONS

SEC. 3. For the purpose of this Act—

(1) "Administration" means the Emergency Rural Housing Administration established under section 4 of this Act;

(2) "Administrator" means the Administrator of the Administration;

(3) "adjusted income" means the total income of an individual or family reduced by—

(A) 5 percent of that income;

(B) $300 for that individual or for each member of that family; and

(C) $1,000 for that individual if he is physically disabled or mentally retarded or for each member of that family who is physically disabled or mentally retarded;

(4) "area responsibility agreement" means an agreement between the Administrator and a local agency to provide minimal housing facilities for all eligible persons in an area;

(5) "eligible person" means an individual or family which (A) lives or desires to live in a rural area or community, and (B) cannot with reasonable certainty obtain minimum housing facilities by any means other than assistance under this Act within 2 years after the date of application for assistance under this Act;

(6) "local agency" means any public or private agency, instrumentality, or organization which meets such criteria as the Administrator shall by regulation require, and includes any such agency which exists under any Federal, State or local law for purposes not inconsistent with this Act, and any such agency established hereafter for any such purpose;

(7) the term "minimal housing facilities" means a safe, weatherproof dwelling with running potable water, modern sanitation facilities including a kitchen sink, toilet, and shower or tub, but such term does not include any dwelling which does not meet the requirements established by the Administrator with respect to square footage and other facilities or standards;

(8) "rural area" means any open country or any place in the United States which is not contained in standard metropolitan statistical area; and

(9) "small community" means any political subdivision in the United States which has a population of less than 25,000 people.

ESTABLISHMENT AND DUTIES

SEC. 4. (a) There is established an Emergency Rural Housing Administration. The management of the Administration shall be vested in an Administrator who shall be appointed by the President by and with the advice and consent of the Senate.

(b) It shall be the duty of the Administration to provide minimal housing facilities for all eligible persons in rural areas and small communities and to do so to the extent possible within a 5 year period. The duties and powers of the Administration shall not be transferred to any other department, agency, or instrumentality of the United States.

(c) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new clause:

"(58) Administrator, Emergency Rural Housing Administration."

POWERS

SEC. 5. The Administrator shall have the power—

(1) to sue and be sued, and complain and defend, in its name and through its own counsel;

(2) to adopt, amend, and repeal such rules and regulations as may be necessary;

(3) to lease, purchase, or acquire by condemnation or otherwise, and own, hold, improve, use, or otherwise deal in and with, any property, real, personal, or mixed, or any interest therein, wherever situated;

(4) to accept gifts or donations of services, or property, real, personal, mixed, tangible, in aid of any of the purposes of the Administration;

(5) to sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of its property and assets;

(6) to appoint such officers and employees as may be required without regard to the provisions of title 5, United States Code, governing appointments in the competitive service; and

(7) to enter into contracts, execute instruments, incur liabilities, and do all things which are necessary or incidental to the proper management of its affairs.

HOMEOWNERSHIP

SEC. 6. (a) The Administrator is authorized to make loans to eligible persons to finance the acquisition of land and the construction thereon of minimal housing facilities, or to finance the acquisition or rehabilitation of existing facilities in accordance with minimum housing facilities standards.

(b) At least 50 percent of the principal amount of any loan made under this subsection shall be amortized over a period of not more than 40 years, shall bear interest at a rate of not less than 1 percent per year, and shall be secured by a first mortage. The remainder of such principal amount may be a note secured by a second mortgage which becomes payable and interest bearing only when and to the extent the borrower's ability to repay exceeds that required to retire the first note at the maximum interest rate or upon the sale or other disposition of the property financed by the loan. The Administrator shall determine the percentage rate, the amount of the principal deferment, and the other terms and conditions of any such loan, taking into account the adjusted income of the eligible person involved. All amounts received by the Administrator as principal or interest payments on such loans shall be paid into the Treasury in accordance with Section 13 of this Act.

(c) The Administrator may not require an eligible borrower to pay more than 20 percent of adjusted annual income on principal, interest, taxes and insurance (PITI) but a borrower, in order to qualify for ownership may voluntarily agree to pay more.

HOUSING DEVELOPMENTS

SEC. 7. The Administrator is authorized to acquire land and engage in the development of housing projects to be sold under Section 6 or rented under Section 8 of this Act.

RENTAL FACILITIES

SEC. 8. (a) The Administrator is authorized to finance all or part of the acquisition, construction, rehabilitation, operation, and maintenance of (1) minimal housing facilities in rural areas and small communities to be rented by eligible persons, (2) water and sewer facilities for such housing facilities, and (3) related community facilities for such housing facilities.

(b) Rental payments and the amount of assistance shall bear a reasonable relationship to the income of the eligible person, taking into account reasonable needs for food, clothing, medical care, education, and other necessities as determined by the Administrator. In no case shall any such payment including the reasonable cost of heat, water and light, exceed 25 percent of the adjusted income of the eligible person.

(c) Any lease or other occupancy agreement for facilities under this section shall include whenever feasible an option to buy in accordance with the provisions of section 6 of this Act.

LOCAL AGENCY AGREEMENTS

SEC. 9. (a) The Administrator may enter into area responsibility agreements with any local agency. The Administrator shall furnish such financial, technical, and other assistance as any such local agency may require in order to carry out programs authorized by this Act in accordance with the terms of any such agreement. The Administrator shall have access to the books, records, and any other papers of any local

agency which enters into an area responsibility agreement in order to insure that such agency is at all times operating in compliance with the provisions of this Act.

(b) Notwithstanding any other provision of law, any agreement under this section may provide that the Administrator may furnish supplemental assistance for programs authorized or administered under any other provision of Federal or State law, if the Administrator is satisfied upon the basis of such assurances as he may require, that such agreement will carry out the purposes of this Act.

LIMITATIONS AND CONDITIONS

SEC. 10. (a) The Administrator shall not require, as a condition of assistance under this Act, the relocation of any eligible person in order to engage in or to facilitate the economic development of any area.

(b) Any construction or rehabilitation undertaken with funds authorized under this Act shall—

(1) be designed to require minimum maintenance over a useful life of not less than 50 years; provided that this limitation shall not apply to new or rehabilitated housing if the Administrator finds that less permanent housing is in accordance with the basic purposes of this Act.

(2) be in accordance with plans developed with the active participation of the eligible persons involved.

PRIORITIES

SEC. 11. (a) The Administrator shall insofar as is practicable furnish assistance under this Act to eligible persons with the lowest adjusted incomes first.

(b) To the maximum extent feasible, the Administration shall provide for homeownership rather than rental occupancy.

ANNUAL REPORT

SEC. 12. The Administration shall, as soon as practicable after the end of each fiscal year, prepare and transmit to the Congress and the President an annual report of the operation and activities.

BORROWING AUTHORITY

SEC. 13. (a) The Administrator is authorized to issue to the Secretary of the Treasury notes or other obligations in such sums as may be necessary to carry the purposes of this Act in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under the Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(b) There is authorized to be appropriated $500,000,000 per year, reduced by any amounts paid into the Treasury each such year on the loans made by the Administrator under this Act, to be applied to the retirement of notes or other obligations issued by the Administrator under subsection (a) of this section.

By Mr. HARTKE:

S. 2898. A bill to amend the Education of the Handicapped Act to provide tutorial and related instructional services for homebound children through the employment of college students, particularly veterans and other students who themselves are handicapped. Referred to the Committee on Labor and Public Welfare.

HELPING THE HOMEBOUND HANDICAPPED

Mr. HARTKE. Mr. President, approximately 1 million young people in our Nation fall into the category of homebound handicapped. For varying lengths of time, these children are unable to attend school. As a consequence, they suffer academically and emotionally. Many of those who eventually enroll in regular classes experience all the difficulties of children coming from deprived backgrounds—poor social adjustment, academic difficulties, emotional problems.

Throughout the Nation, there is a significant variation in the services which are available to handicapped children. Some localities provide as much as 5 or more hours of home instruction weekly. Others, because of a lack of funds, have been unable to provide any instruction.

Mr. President, the importance of education to the young cannot be overemphasized. Without an adequate education, a child will forever be condemned to second- or third-class status in our society. A handicap which requires a child to remain at home for a few months or many years must not also force that child to forgo his education.

The use of available college students to tutor such children will make it possible for the homebound handicapped to continue their education uninterrupted. That is why I am introducing legislation today which is designed to provide financial compensation to qualified college students who would serve as home tutors for these youngsters. This legislation is identical to H.R. 11131, recently introduced in the House by Representative HERMAN BADILLO and cosponsored by more than 100 others. I believe that it establishes a practical means of assisting the handicapped.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2898

A bill to amend the Education of the Handicapped Act to provide tutorial and related institutional services for homebound children through the employment of college students, particularly veterans and other students who themselves are handicapped

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Education of the Handicapped Act (20 U.S.C. 1421–1428) is amended by adding, at the end thereof, a new part H, as follows:

"PART H—USE OF COLLEGE STUDENTS AS TUTORS AND INSTRUCTIONAL ASSISTANTS FOR HOMEBOUND CHILDREN

"AUTHORIZATION OF PROGRAM

"SEC. 671. (a) The Commissioner is authorized to make grants to State education agencies to enable them to develop and carry out programs, at their and at local educational agency levels to provide, through the use of students in institutions of higher education, tutoring and instructional assistance, under the supervision of a qualified teacher, for homebound handicapped children who, though able to benefit from preschool, elementary, or secondary education, are prevented by their handicaps, by lack of facilities, or because they experience special difficulties when in school, from attending school. Homebound children for whom services under this part may be provided include but are not limited to those as defined under section 602, paragraphs (1) and (15), and such services may be provided to children who are homebound for short or long terms.

"(b) For a local educational agency to receive assistance under this part from a State education agency, it shall make a proposal to the State educational agency for a tutorial or instructional assistance program to be carried out through a cooperative arrangement with one or more institutions of higher education. The local educational agency shall give assurances that—

"(1) in selecting students to participate, (A) special consideration will be given to veterans qualified for vocational rehabilitation under chapter 30 of title 38, United States Code, and to other handicapped students (provided in either case that their handicaps do not make their working with homebound children ineffective); and (B) among students otherwise equally eligible to participate in the program, preference will be given to those having greater financial need;

"(2) the program will be administered by the local educational agency in accordance with its rules and regulations relating to homebound instruction;

"(3) participation in the program will not interfere with the academic progress of participating students.

"(4) compensation paid to participating students will be set by agreement between the local educational agency and the student's institution, the maximum to be established at the direction of the Commissioner. In no case shall the compensation be established below the prevailing minimum hourly wage;

"(5) funds will be used in such manner as to encourage equipping the homebound handicapped children for eventual full assimilation by society, with every effort to avoid development of a segregated, permanent system of education for the handicapped; and

"(6) Federal funds made available under this part will be so used as to supplement and, to the extent practical, increase the level of State, local, and private funds expended for the education of handicapped children, and in no case supplant such State, local, and private funds.

"APPLICATION

"SEC. 672. (a) The Commissioner shall make grants under this part to State educational agencies on the merits of their proposals to him which shall be submitted on such application forms and under such guidelines, as he shall prescribe. Proposals shall contain, among other information as required by the Commissioner (1) all data from local education agencies' proposals to the State, as is required to support the total amount of funding requested by the State; (2) the State's detailed plans for conducting, or providing for the conduct of, evaluation of the program supported under this part; and (3) the State's detailed plans for locating and identify all its homebound children who could benefit from this program.

"(b) An amount not to exceed 10 per centum of the total funds awarded to a State under this part shall be available to the State for it and its local education agencies to administer the program.

"AUTHORIZATION AND APPROPRIATION

"SEC. 673. There are hereby authorized to be appropriated $55,000,000 for the fiscal year ending June 30, 1973, and such sums as may be necessary for fiscal year ending June 30, 1974, and for fiscal year ending June 30, 1975, for carrying out the provisions of this part.

"ALLOTMENTS TO STATES

"SEC. 674. All of these sums shall be granted at the discretion of the Commissioner; however, the Commissioner shall set aside 25 per centum of the total appropriation and preliminarily allocate (but not automatically grant) to each State (as defined by sec. 602(6)) an amount which bears the same ratio to such amount as the number of children aged three to twenty-one, inclusive, in the State bears to the number of such children in all the States. The Commissioner shall approve or disapprove applications from the States, and any funds preliminarily allocated to a State whose application is disapproved, or which fails to file timely application, shall be added to, and be included for distribution under, the remaining 75 per centum of the funds. The Commissioner shall not disapprove any State's application until he has offered and (if the State accepts his offer) provided technical assistance to that State in an effort to bring that State's application to a level of approvable quality, so that the State may then be granted its proportionate share of the 25 per centum set aside, and, if then applicable, an appropriate portion of the remaining 75 per centum."

By Mr. EAGLETON (for himself, Mr. INOUYE, Mr. HOLLINGS, Mr. STEVENSON, Mr. HUGHES, Mr. WILLIAMS, Mr. BOGGS, Mr. TUNNEY, and Mr. MATHIAS):

S. 2899. A bill to authorize grants and loan guarantees for construction or modernization of hospitals and other medical facilities in the District of Columbia. Referred to the Committee on the District of Columbia.

THE DISTRICT OF COLUMBIA MEDICAL FACILITIES CONSTRUCTION ACT OF 1972

Mr. EAGLETON. Mr. President, at the request of the Hospital Council of the National Capital Area, I am introducing, along with several cosponsors, a bill to extend the District of Columbia Medical Facilities Construction Act which was enacted during the 90th Congress.

I am informed that this construction funding involves no additional new acute care hospital beds for the District, but is primarily for modernization and renovation.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2422

At the request of Mr. GOLDWATER, the Senator from Oklahoma (Mr. HARRIS) was added as a cosponsor of S. 2422, a bill to provide for the acquisition of a village site for the Payson community of Yavapai-Apache Indians on certain lands which are to be eliminated for such purpose from the Tonto National Forest, and for other purposes.

WITHDRAWAL OF COSPONSOR

S. 2574

At the request of Mr. MCGEE, the Senator from Georgia (Mr. GAMBRELL) was removed, and the Senator from Oklahoma (Mr. HARRIS) was added as a cosponsor of S. 2574, the Voting Rights Amendments of 1971.

SENATE JOINT RESOLUTION 79

At the request of Mr. HARTKE, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of Senate Joint Resolution 79, the equal rights amendment.

SENATE RESOLUTION 202—SUBMISSION OF A RESOLUTION RELATING TO TROOP REDUCTIONS IN EUROPE

(Referred to the Committee on Foreign Relations.)

Mr. MATHIAS. Mr. President, I submit a resolution that would put the Senate on record as opposing unilateral withdrawal of U.S. troops from NATO countries.

Let us reduce troop levels, but do it rationally, do it cooperatively, do it permanently through mutual and balanced force reductions.

I think it would be a grievous mistake if the United States were to undertake unilateral cuts at this time. I am not opposed to an ultimate reduction in the level of our forces—in fact I think they are necessary—but I do believe that we must work this out in full consultation with our allies.

Our European allies have been stung by unilateral executive action in the economic area. Let us not aggrevate this situation by unilateral legislative action in the defense area. The Senate participated in the NATO treaty. Let the Senate demonstrate that it is living by the spirit of that treaty.

The text of my resolution is as follows:

S. RES. 202

Resolved, That it is the sense of the Senate that:

1. The United States should revitalize its policy of support for the North Atlantic Alliance and reaffirm the policy of the United States for full partnership in the defense of the entire Atlantic Community on the basis of self-help and mutual support; and

2. The United States should actively seek mutual and balanced force reductions to be brought about through consultations among the NATO Allies with view toward negotiations between the NATO powers and the members of the Warsaw Pact; and

3. The United States should continue consultations with its Allies on the level of American forces required on the Continent to preserve the Atlantic defense potential and on the apportionment of troop reductions among the members of the alliance in event of agreement with the Warsaw Pact Powers on mutual force reductions; and

4. In the absences of troop reductions between NATO and the Warsaw Pact, troop reductions undertaken by the Soviet Union, or a significant strengthening of Western European defense capacity, the United States should make no substantial reduction in the current level of its forces deployed in Europe before June 30, 1973, at which time the United States should determine with its European Allies the level of American forces required for Western defense; and

5. The United States should seek, with its European Allies, to immediately improve the effectiveness of forces deployed in Europe and to encourage the development of a common Western European defense effort within the framework of NATO; and

6. The United States should continue to support steps furthering the progress of *detente* in Europe, in ways best designed to maintain the strength of the Atlantic Alliance and reassure its European Allies of its continued commitment to their peaceful development; and

7. The United States should undertake with its European Allies to resolve the current monetary and trade crisis, with a particular view toward augmenting the total strength of the peoples constituting the Atlantic Alliance, while building a new structure of international economic relations for the benefit of all nations.

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SENATE RESOLUTION 203—SUBMISSION OF A RESOLUTION RELATING TO THE U.S. DELEGATION TO THE 1973 UNITED NATIONS LAW OF THE SEA CONFERENCE

(Referred to the Committee on Foreign Relations.)

Mr. HATFIELD. Mr. President, today I am submitting for myself, the senior Senator from Washington (Mr. MAGNUSON), and the senior Senator from Alaska (Mr. STEVENS), a resolution calling for inclusion of representatives of the U.S. fishing industry as members of the official U.S. delegation to the 1973 United Nations Law of the Sea Conference.

In my opinion, it is inexcusable that the U.S. delegation to such a conference would not include representatives of our fishing industry. The theme of the conference is management of our sea resources, which is exactly what must be done on a global basis if any fish resource is to survive.

While discussions have centered on such items as territorial limits, foreign nations vacuum up fish off our coasts at an increasing rate. Preservation of the fish resource is at stake.

The very future of the global fishing industry is at stake. Only international agreements aimed at preservation and conservation of the resource can preserve our vital fishing industry.

We three Northwest Senators serve on the Commerce Committee, where we review legislation affecting our fishing industry. We all hope representatives of the fishing industry will be added to the U.S. delegation.

Mr. President, I objected to this omission in letters to the Department of State, and to the National Oceanic and Atmospheric Administration. I ask unanimous consent that the responses and the resolution appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
November 18, 1971.

Hon. MARK O. HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATFIELD: The Secretary has asked me to reply to your letter of November 5, inquiring on behalf of the fishery industry's interest in the Law of the Sea Conference.

The Executive Branch is considering the question of fisheries industry representation on the U.S. Delegation, and we expect that a final decision will be reached soon. As soon as the decision has been made, I will write you again.

Sincerely,

DAVID M. ABSHIRE,
Assistant Secretary for Congressional Relations.

U.S. DEPARTMENT OF COMMERCE,
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION,
Rockville, Md., November 15, 1971.

Hon. MARK O. HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATFIELD: In further response to your letter of November 9, 1971, to Secretary Stans, I want to assure you that the Department of Commerce shares your view, and that of the fishing industry, that U.S. commercial fishing interests should be represented at the Law of the Sea forum.

To that end, we have made both formal and informal overtures to the Department of State and the Interagency Task Force on Law of the Sea for such representation at all future preparatory conferences and the 1973 Law of the Sea Conference.

We intend to continue to make every effort to ensure that our fishery interests have an opportunity to participate fully and directly in U.S. Law of the Sea activities.

Sincerely,

ROBERT M. WHITE, *Administrator.*

Mr. HATFIELD. In addition, Mr. President, there appeared a fine editorial in the Daily Astorian newspaper on this omission. The editor, Mr. Mike Forrester, capsuled the views many people in my State, and across the country, felt when they realized that representatives of the U.S. fishing industry would be omitted from this conference.

I ask unanimous consent that the fine editorial appear at this point in the RECORD, and I also ask unanimous consent that a copy of the language of the resolution appear at the conclusion of my remarks.

There being no objection, the editorial and resolution was ordered to be printed in the RECORD, as follows:

[From the Daily Astorian (Oreg.), Sept. 30, 1971]

UNWISE NEGLECT

Same old deal.

That's what many in the commercial fishing industry are saying after the industry was left out of a recent session planning a 1973 Law of the Sea conference in Geneva, Switzerland.

The planning session, also held in Geneva, included officials in many fields. Emphasis was reportedly on under-sea mineral resources and on freedom of movement of U.S. merchant and naval vessels. No representatives of the fishing industry.

With all the evidence of over-fishing of certain species, with the concern over the world's peoplea having adequate protein foods and with the conflicts between nations over fishing areas, still no invitation for the fishing industry to take part at Geneva.

The U.S. government's explanation was reportedly that the planning session would have been unwieldy if too many interests were represented.

The plain fact seems to be that the fishing industry continues to stand where it has stood for years—at the end of the line. Officials, whether in the White House, State Department or elsewhere, have not seen fit to stick up for the U.S. fishing industry in conflicts with fishing operations of other countries. It's undoubtedly easier in foreign affairs to accede to the wishes of the Japanese, the Koreans, the Soviets, the Ecuadorans etc. over fishing issues than to disagree with them.

It's easy to see why the State Department wants to keep from borrowing more trouble—the United States has enough international problems already. But ignoring or minimizing the problems of fisheries conservation in the oceans cannot be excused. Conservation of the world's fish resources is really the issue.

Mineral exploration on a continental shelf affects the fisheries. Military activities on the ocean bottom affect the fisheries. Excessive fishing of certain species obviously affects the fisheries. Excessive fishing apparently won't come up at the planning 1973 conference, but minerals exploration and underwater military activities certainly will.

Fish are usually considered one of the non-vital foods in America, but that surely isn't the case in many other countries. As the world's population grows and as the need for cheaply produced protein sources grows, fish will become more and more important. Planners in the United Nations, under whose auspices the 1973 meeting is being arranged, must realize the importance of protecting the fishery resource.

If consideration of fish is truly not feasible at the 1973 conference, the United Nations or the United States should plan immediately a separate international meeting on the fisheries. Such a conference is long overdue.

S. RES. 203

Whereas the United States fishing industry has experienced a prolonged period of economic and international difficulties;

Whereas the future of the United States fishing industry currently evidences little hope of improved economic conditions;

Whereas the future of the United States fishing industry is tied to the world-wide preservation of the basic fish resource;

Whereas one country's efforts to preserve the resource would be ineffective;

Whereas the preservation of the fish resource must be based on multi-nation agreement and cooperation;

Whereas the 1973 United Nations Law of the Sea Conference will consider the future management of the resources of the sea;

Whereas the 1973 Conference will take action affecting the future of the United States fishing industry; and

Whereas current membership of the United States delegation does not contain representatives of the United States fishing industry: Now, therefore, Be it

Resolved, That it is the sense of the Senate that representatives of the United States fishing industry be included in the United States delegation to the 1973 United Nations Law of the Sea Conference.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972—AMENDMENT

AMENDMENT NO. 746

(Ordered to be printed and to lie on the table.)

Mr. JACKSON submitted an amendment intended to be proposed by him to the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

AMENDMENT NO. 747

(Ordered to be printed and to lie on the table.)

Mr. GRAVEL submitted an amendment intended to be proposed by him to the bill (H.R. 11731), supra.

AMENDMENT NO. 749

(Ordered to be printed and to lie on the table.)

Mr. McINTYRE submitted an amendment intended to be proposed by him to the bill (H.R. 11731), supra.

AMENDMENT NO. 750

(Ordered to be printed and to lie on the table.)

Mr. JACKSON submitted an amendment intended to be proposed by him to the bill (H.R. 11731), supra.

REVENUE ACT OF 1971—AMENDMENTS

AMENDMENT NO. 748

(Ordered to be printed and to lie on the table.)

Mr. GRAVEL submitted an amendment intended to be proposed by him to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 559

At the request of Mr. RIBICOFF, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of amendment No. 559, intended to be proposed to H.R. 1, the President's family assistance plan.

WITHDRAWAL OF A COSPONSOR
AMENDMENT NO. 743

At the request of Mr. CRANSTON, the Senator from New York (Mr. BUCKLEY) was removed as a cosponsor of amendment No. 743, intended to be proposed to S. 2712, the Economic Stabilization Act of 1971.

NOTICE OF HEARING ON A NOMINATION

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, December 1, 1971, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nomination:

Kenneth K. Hall, of West Virginia, to be U.S. district judge for the southern district of West Virginia, vice John A. Field, Jr., elevated.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. McCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

ADDITIONAL STATEMENTS

OPPOSITION BY MALCOLM FORBES TO MEDIA EXEMPTION FROM PRICE CONTROLS

Mrs. SMITH. Mr. President, Saturday, I received a most refreshing and unusual telegram from the resident and editor in chief of Forbes magazine. It was refreshing and unusual in that it was at least one instance of a person saying that he did not want to be exempted from price wage controls.

Because of its rarity, I ask unanimous consent that the telegram I received from Malcolm Forbes be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N.Y.,
November 19, 1971.

Senator M. C. SMITH,
Senate Office Building,
Washington, D.C.:

I cannot think of one valid reason why media should be exempt from the price wage controls applying to everyone else. I hope you will vote against this embarrassing, unjustified, presumptuous proposal.

MALCOLM FORBES,
President and editor in chief, Forbes Magazine.

BUTZ' SPEECH SHOWS LACK OF CONCERN OVER NATION'S NEEDS

Mr. PROXMIRE. Mr. President, a few days ago I received a casette recording of a speech Secretary of Agriculture-designate Earl Butz made before an agricultural advertising and marketing seminar earlier this year—on April 26, to be exact. On Friday I provided certain segments of this speech to members of the press. These segments were highly critical of the food stamp program, the Nixon welfare proposal, and the environmental movement. They raised serious concern in my mind about the type of job Dr. Butz would do as Secretary of Agriculture were he to be confirmed by the Senate.

In the course of his speech Dr. Butz pooh-poohed the notion that Lake Erie is a dead lake, minimized the impact of DDT runoff on the fish population of Lake Michigan, and termed consumerism and environmentalists a threat. These comments, added to his antagonism to the family farmer, make him entirely unsuited to represent both the family farmer and the consumer as Secretary of Agriculture.

So that Senators can evaluate Dr. Butz' comments in the context of his entire speech, I ask unanimous consent to have printed in the RECORD, a transcript my staff prepared from the casette recording of the speech over the weekend. Anyone who cares to listen to the recording is perfectly free to do so in my office.

There being no objection, the speech was ordered to be printed in the RECORD as follows:

THE CHALLENGE TO MARKETERS IN THE 1970's

(Speech by Earl Butz)

Thank you very much Burt, ladies and gentlemen, federal taxpayers, just to make sure I include everybody here today. It is a pleasure to be here. I see you're starting off your sessions operating in the dark as we do in agriculture much of the time and especially if you're concerned with agricultural policy, I think it's wise to operate in a darkened room. I checked back on my notes and discovered last November two that I had a telephone call from Burt Lund asking if I would appear here today and Burt kind of skirted around the edge, you know. He didn't know what my fee was or anything like that. He kind of talked about the association being new, just twelve years old, not having a great deal of money and the like of that. I kind of read between the lines. Burt says, "well don't you do a talk once and a while for General Motors." I said, "Yeah, that's right." He said, "any chance of getting them to sponsor you up here." Looking for a new way out, you know. I said, "Well, that's probably possible, Burt, you can try it," so I am delighted to be here as a representative of General Motors speakers bureau today which means that you get me for free and it's probably worth about that sum. I'm not supposed to do any advertising for them you know because their product doesn't need much advertising. But I had a unique experience the other day I'll tell you about.

I flew into Minneapolis here going to one of the outlying places out here to make a talk and I went up to the Hertz counter to rent a car to drive out there fifty or sixty miles. I got this Hertz car and the young lady says, "Well now Mr. Butz, we got a nice brand new Ford to give you here." I said, "Look here young lady, I'm here as a representative of General Motors, I'd like a General Motors' car." She said, "Well I know how you feel about it, I'll still give you a nice brand new Ford that you can use." I said, "Let's get the record straight. General Motors is paying my expenses here today. They are paying me for doing this. I want a General Motors car." She said, "Look here Mr. Butz, I want to tell you something, if you want a General Motors car you've got to get here early," she said.

Well any way. That was last November, and two I didn't realize then the kind track I was going to be on now. You know, you think that far away the date will never get here, but it has a habit of catching up with you some how or other. All things catch up with you sometime. Just like the other day, this was brought home to me, that even after a long time things will come to pass. Mrs. Butz has been on me for some while to clean out the garage. I finally decided to clean it out and stop that static I'd been getting. So I went out in the garage and it was a bit dirty. I thought I'd better put on an old suit of clothes to do this job. So I got to rummaging around back in the closet and I found a suit of clothes that I hadn't worn in six years and I put that suit on. I got in the garage and I put my hand in my pocket and I found a shoe repair ticket for a pair of shoes that I had taken down to the local cobbler sometime before six years ago. I don't know just how long ago it was.

Well I was curious to know whatever happened to those shoes. So the next day, I went down to the cobbler and I said, "I was cleaning out my garage yesterday. I put on this old suit that I haven't worn in six years. I put my hand in my pocket and I found this shoe repair ticket for a pair of shoes that I brought down to you sometime before six years ago. I'd forgotten about them. I know I wouldn't expect you to have those shoes now but, out of curiosity, anyway, tell me what ever happened to those shoes?" He said, "Let me see that ticket." He went back to the counter. Presently, he came back out. He said, "Those shoes will be ready a week from Friday." (Laughter) So anyway, it caught up with me. Here I am, I don't get the significance, though, I just get started and he brings up four glasses of water like this is going to be a dry talk.

Burt said that I was going to tell you something about the Agricultural market. Since Burt's not paying me, I think I won't do that. It gives me a great deal of independence, here you know. But I got to looking over your program and you're going to be dealing with this Agricultural market all day, and tomorrow too. You've got all kinds of experts here. And, I'll sum up this agricultural market in terms of volume in just a quick word. It's big and it's going to get bigger.

When we talk about shrinking agriculture—we've been talking about that now for twenty years I guess, haven't we—and we thought of shrinking agriculture only in terms of shrinking numbers of farmers and that's absolutely the only way this is shrinking, and shrinking numbers of farmers and shrinking numbers of farms. Each year our agriculture in this country takes more capital than the year before and more purchase production inputs, a higher level of sophisticated management, a more difficult job to get the job done, more custom-made items go into it, and that's going to continue. It will be a tremendous market. Now that's the speech that Burt said that I was going to give you. And that's it.

But I'm going to talk about something this morning that I think is a real threat to American agriculture. It involves our future and something that you can help with. And that's the threat that comes from the environmentalists, or from the do-gooders, or from consumerism, or from whatever you want to call it. I guess if I have to use a title for my talk, I'll call it "Man and His Environment, Crisis or Challenge." We are all involved in this because increasingly the agriculture uses an ever-larger chunk of chemicals, of antibiotics, of insecticides, of pesticides and that type of thing that's under increasing attack from the environmentalists in this country.

Man is the most versatile of all the animals I guess on the earth. He's learned in varying degree to adapt the natural elements and to modify the physical environment in which he lives. In the last thirty minutes of the 24-hour time clock, of the recorded human history, man has extended his habitat from the tropics and the friendly garden of Eden to the frigid and hostile tundra of the Arctic and Anarctic. You'll find him from the high altitude of the Alps to the low elevation of Death Valley. You will find him from the 24-hour photo periodism of this latitude to the six-month photo-periodism of the Artic. You'll find him under all kinds of varying conditions. In short, he has disturbed the balance of nature. This is brought into play, this word that we kick around a great deal these days, that we call ecology. Five years ago or ten years ago, nobody could even pronounce the word ecology. Now we can pronounce it but nobody knows what it means. We kick it around a great deal, you see.

Well, man disturbing this balance of nature has brought great rewards to him. But not without peril and without cost. And, I want to talk about those perils and costs a little bit today, and then see what we can do about it as educators in this agricultural field.

Pollution is not new. It's just more intense, is all it is. Man has always been a polluter of sorts. The cave man was a polluter. We know something about how the cave man lived and something about his habits from his rubbish pile as we examine that. But when he got dirty enough he just moved on to new territory. We can't do that anymore, because there's no more new territory for us to move onto here. So that pollution is nothing new. It's just become a matter of public consciousness here in recent times.

You know, we follow fadism in America in the public causes we espouse. In recent times, I guess the last fifteen or twenty years, we're always marching for something and we have a great tendency to follow fadism in the causes we espouse. I suppose in history we'll look back five or six years from now, we'll look back on 1970–71 and we'll call this the year of the environment, I suppose, if we have to characterize it for anything. But look back three or four years before this. What were we marching for then? Then, the big clamour was hunger and malnutrition. And

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we in Agriculture, were, of course, intensely interested in that, too. And we were quite concerned about hunger and malnutrition. You remember Senator McGovern had his televised hearings down in Florida to portray the sad plight of the migratory workers in Florida. Ted Kennedy, not to be outdone, took a planeload of cameramen to Alaska to see the starving Eskimoes, you know. And that was portrayed in several TV features back here. And what came out of that? Out of that came a food stamp plan—so generous, so extensive—that it's just short of ridiculous in some parts in this country. Out of it came a welfare program that President Nixon is recommending to the Congress that's so far out that even the Democrats in Congress won't buy it (laughter).

But my point is that we always over-react to crisis. It's a typical American characteristic to over-react to crisis. Before the hunger and malnutrition binge we were on, it was integration and segregation and we were all hepped up about that, you recall. And the people who are really suffering from this environmental binge we are on now are the integrationists. Their money's dried up, the support is dried up. These fellows are really hurting because we've forgotten about that. Well right now, I think that we're at the crest of what I would call the agitation curve in this environmental binge we're on. I think that there is some evidence that we may be headed downward in this agitation curve a little bit.

Last week, we had Earth Week. And I am informed that attendance at the various meetings and seminars we had at Earth Week was down substantially from what it was a year ago. You can only run this stuff through the press and through the news media once and the edge is off of it, you know. So our real problem then is to get through this next year—1971—without doing some very, very silly things—in legislatures, in the Federal Congress, in the regulatory bureaus of the government, in the Environmental Protection Agency, which is now headed by a very capable fellow, Hoosier of mine, Bill Ruckelshaus. But he's got a whole battery of bureaucrats there that have been put together from various sources and it's in their very nature to regulate, you know. That's the way they survive. And I think that our big challenge is to get through 1971 without doing permanent damage to the useful things we do in agriculture, many of which you purvey yourself. And concerning many of which you conduct a vast educational program from year to year. So that's the problem we have. Maybe it's better that we get all excited about causes like this. We do get something done. Just so we don't over-react. That's the real danger we face now is over-reaction. We need to extol the benefits that come from these chemicals and antibiotics and pesticides and antibiotics that we use. Well, now to get down to specific here on some of the things that causes trouble.

I guess that one of the basic problems in this whole thing is this rapid growth in population we've had and that we are having. And that's nothing new to you. Somebody has said that this problem of pollution we have is primarily a problem of peoplelution—to abbreviate "people pollution". And I think that's essentially correct. We're just growing so rapidly, and our demands are skyrocketing so much that we have trouble keeping up with it.

The astoninshing fact is that the human race now in the world is currently doubling every thirty to thirty-five years—that's worldwide. In the next thirty years in this country, we're going to add 50% to our population plus or minus—I won't argue 10 or 20 million one way or the other. But we're going to add roughly another 100 million people to our population in this country. In the next thirty years we're going to double the world population—the next thirty years, and that poses some tremendous problems in terms of the skyrocketing of human wants, in terms of our waste disposal problems, in terms of feeding this, in terms of just the sheer feeding of this mass of people, in this country and around the world. Think of it, world population doubled in 30 years by the year 2000 and that's not very far away—that's closer to me now than I am removed from my college graduation.

We're going to have to learn somehow in this world in these next thirty years how to feed as many more people as we have learned to feed since the dawn of history. Now, I get a little scared when I contemplate that and when I see the job that that means for agriculture. And when I figure the large amount of scientific and technological inputs that will have to be put into agriculture to get that job done, then I see these environmentalists on the other side trying to hold us back and trying to impede—not trying, but the net effect is to impede—the progress we're making in scientific agriculture. That's a real challenge—to learn in the next thirty years how to feed as many more people as we've learned since the dawn of history at a time when there is no new Western Hemisphere to discover, at a time when there are no more prairie sods to plow, at a time when there are no more virgin timbers to cut down, at a time, as a matter of fact, when we're losing arable land to the urban sprawl—to parks, to recreation, to airports, to highways—every time you run one of these dual lane highways through Minnesota it takes out thirty acres a mile. And every time you put a clover leaf in one of these four lane highways, it takes out from 25 to 40 acres depending on the size of the curve. And my impression is that concrete is down there pretty solid. I don't think we're ever going to farm that again.

My point is that the only additional input we have to put into this agricultural machine in these next thirty years is the very input that you folks merchandise. It's the custom part of agricultural inputs, it's science, it's research, it's brainpower, it's chemistry, it's biology. And that's the input that we're going to put into it in these days ahead.

Well, as we double our population, human wants are skyrocketing too. Population is going up on a geometric curve and you know a geometric curve is a growth curve that goes up—something like that has a multiplier effect in it. And we're used in agriculture to thinking about an arithmetic curve where you simply add a given increment every year. But this population thing is a growth curve going up something like that, an exponential curve or as somebody's said, a logarithmetic curve. If you don't know what that is, it's something like the growth of bacteria in a plate of mayonnaise beside the refrigerator on a a hot summer's day when your wife is gone. Or if you never experienced that, it's like the national debt (laughter) is a growth curve, you see. Then you add to that an exponential curve in the skyrocketing of human wants and you've got a real pollution problem in this country that we can meet. I'm sure we can meet. But my plea is, let's meet it rationally and objectively and not emotionally.

What are some examples of the skyrocket of human wants in this country? We're doubling in this country our electric power production every decade, at the present rate . . . we're going to have to have twice as much electric power production capacity ten years from now as we have today. And we're talking now about thermal pollution of water, and pollution of our air and so forth. In North America, automobiles are increasing twice as fast as people. And you wonder some times where you're going to put the ones you have now. Well, think of that in terms of our problem—of the emission problem—which I think the automobile companies are making real progress in licking, in terms of the junkyard problem, in terms of the highway problem and all that. As per capita incomes have risen in this country and around the world and the big rise around the world has yet to come, our demand for foodstuffs goes up—not so much in terms of total quantity but in terms of quality. You've seen that here in this country with a doubling of our per capita consumption of beef for the last twenty years, for example, with our poultry products going up, with pork, I think, just ready for a great breakthrough, well, all this, of course, posts a great problem in solid waste disposal, and that's growing on a geometric basis, too. At the present time the per capita production of solid waste in this country is about five pounds per person per day. And if I add to that the industrial and agricultural waste, that rises to about 8 pounds per person per day or 1½ tons per person annually. That's 300 million tons of solid waste a year, I'm talking about. Think of the load that imposes in incinerators, on dumps, on landfills, on garbage disposals and sewage treatment plants, if you want to.

Well, moving on. How much pollution do we have anyway? It's kind of difficult to measure. You can measure water pollution, you can measure air pollution—we talked about noise pollution a great deal. And we haven't yet clearly identified how much pollution we do have.

But let's come back to agriculture for a moment. Agriculture is one of our big solid waste producers. And it's under attack increasingly for that. On top of that, it contributes its share of water pollution in the nature of nitrates and nitrites, ammonia and persistent insecticides such as DDT. We hear a lot about the runoff of DDT in Lake Michigan over here.

We don't hear much about the benefits of DDT. You don't hear much about malaria having been wiped from the face of the earth. You don't hear much about human health having been improved. You hear about DDT being found in the fish taken out of Lake Michigan over here running off the Wisconsin hillsides and the like of that to which I argue that, something like this: That Lake Michigan has DDT in it. The Cohoe salmon thrives in Lake Michigan. Lake Superior has no DDT. There are no Cohoe salmon in Lake Superior. Moral: Let's put DDT in Lake Superior so Cohoe salmon can grow there (laughter). Absurd! Of course, it's absurd. But no more so than the argument on the other side. Lake Erie—how many of you have heard that Lake Erie is a dead Lake and the other Lakes dying. Last year the commercial fish take in Lake Erie was a record. It can't be very dead. Now the character of the fish change some I know. But they were commercially important fish. And it was a record that come out of Lake Erie. My only point is, lets come down to earth on this propaganda and agitation that we're getting about environment and be sensible about it.

Our farmers are caught right in the middle of consumers' demand for more red meat with less pollution from its production. But we've not yet found a way to produce a tasty sirloin steak without some cow manure as a byproduct. The two go together. And yet, look at all the agitation we're getting from some of our municipal areas to control feed lots, for example, clear out on the edge of the watersheds. Now we know scientifically how to handle manure disposal in feed lots. We can do it in a sanitary way, the technology is here, we know how to do it. But these things are being tried in an emotional way—in the press. I think of my home state of Indiana, (Indianapolis) where a group of people were trying to put together a feed

lot about 15 or 20 miles north of Indianapolis—just on the edge of the watershed for the city. It became an emotional issue. This has been tried in the press in Indianapolis. And they have been convicted. There is no way in the world they can construct that thing and run now—with all the legal rights they may have to do it—because they have been convicted in the press by the city of Indianapolis. This is an emotional issue.

My only point is that we need to get nonemotional about this and be factual about it.

Well, can pollution be controlled? Well, of course it can. We understand how to do it. What's it going to cost? One of the best estimates I have seen of this was in the U.S. News and World Report a few months ago and they estimated that it would cost about $71 billion to clean up our streams, our air and to abate noise pollution. How much is $71 billion? Can we afford something like that? That was over a ten-year period they were talking about. That's about $7 billion a year. Now I don't know how much $7 billion is in spite of the fact that I once spent three years with the federal government. I get lost in sums of that magnitude. (laughter) I get lost in sums much less than that.

Just to illustrate, a few years ago, when our young son was still in high school, I came home from work one afternoon. Mrs. Butz met me at the door and she said "Earl, Tom had some difficulty with the teacher today, will you find out what it was, please." So, I edged up beside Tom as he sat watching TV and I said, "How did school go today, Tom." "Pretty good, daddy, pretty good." "Anything go wrong today, Tom". "No, daddy, nothing much." "Tom, you and I are friends, you can be frank with me and I won't get angry." "But do you recall Daddy a couple of nights ago when I asked you how much ten thousands dollars was?" "Sure! Why?" Well, the right answer is not a hell of a lot." (laughter). So, I don't know how much $7 billion is. All I know is that it's a lot of money, but not very much. We're going to have a trillion dollar gross national product this year, President Nixon said. He may not quite make it. But this was when he was wishing rather than thinking, I think, when he said that. But anyway, we're going to skirt close to it—to a trillion dollars.

Last year we had about $960 billion. A trillion dollars is a thousand billion dollars. If we take $7 billion or even $10 billion a year, that's one percent of our gross national product. And, I am sure that we can control that sum on a rational program of environmental control in this country. But we have got to get the point across that all of us are involved in this one way or another. Every one of us. A little while back the comic strip, POGO, was talking about pollution. He said, "We have met the enemy and they are us." And, this is true, you see. Now then, let's don't overlook the benefits from this. It's not all cost. After all there are tremendous benefits in clean air—less corrosion in the vicinity of these large factories—in clean water—many, many benefits and they far exceed the costs. And this can be done, I'm quite sure.

Now, what we've got to do is to search for a proper risk-benefit ratio as we approach this matter of environmental control or ecological control in agriculture. We want an optimum risk benefit ratio. And my plea to you is that every time you get a chance you emphasize the importance of this. Nowhere in life do we completely eliminate risks. We don't completely insure against risks. You don't insure your house for all it's worth. You can't afford to carry insurance like that. You don't insure your automobile for as much as you should, because it would get too costly. You carry part of the risk yourself. You don't insure your life for what it's worth. If you did, you couldn't afford anything else if you had that kind of security. We're after an optimum risk-benefit ratio all the time and we have to keep that in mind. We take some risks and assume we have will be equal to the cost we pay. We don't want to pay more than the benefits are worth. Now you can completely insure yourself against risks, I guess.

I came across a little editorial the other day, that I want to read to you. It illustrates this so nicely. The title is, "Life is So Peachy".

Once upon a time there was a man named Snadley Clabberhorne who was the healthiest man in the whole wide world. Snadley wasn't alwaya the healthiest man in the whole wide world. When he was young, Snadley smoked what he wanted, drank what he wanted, ate what he wanted and exercised only as a young Lothario. He thought he was happy. "Life is absolutely peachy" he was fond of saying. "Nothing beats being alive." Then along came the Surgeon General's report linking smoking to lung cancer, heart disease and emphysema. Snadley read about the great tobacco scare with a frown. "Life is so peachy," he said, "there's no use taking any risks." So, he gave up smoking. Like most people who went through hell giving up smoking, Snadley became more interested in his own health. In fact, he became fascinated. And when he read a WCTU tract which pointed out that alcohol caused liver damage and brain damage, he gave up alcohol and drank dietary colas instead. At least he did until the great cyclamate scare (laughter). "There's no sense in taking any risks," he said. And he switched to sugar sweetened colas which made him fat and caused dental cavaties. On realizing this, he renounced colas in favor of milk. That was about the time of the great cholesterol scare. Snadley gave up milk to avoid cholesterol which caused arterio sclerosis. He also gave up meats, fats and dairy products, subsisting on a diet of raw fish (laughter). Then came the great DDT scare (laughter), the presence of large amounts of DDT in fish. Snadley read with anguish. But fortunately, that's when he met Ernestine. They were made for each other. Ernestine introduced him to homeground wheat germ, macrobiotic yogurt and organic succotash (laughter). They were very happy eating this dish three times a day. They were, that is, until the great color television scare. "If color TV does give off radiation," said Snadley, "there's no sense taking risks. After all, we still have each other." And that's about all they had until the great pill scare (laughter, applause). On hearing that the pill might cause carcinoma thrombosis and lingering cystectomy, Ernestine promptly gave up the pill and Snadley, huh (laughter). "There's no sense taking any risks," she said. Snadley was left with his jogging. He was, that is, until he read somewhere that 1.3% of all joggers are eventually run over by a truck or bitten by rabid dogs (laughter). He then retired to a bomb shelter in his backyard to avoid being hit by a meteorite, installed an air purifier—after the great smog scare—and spent the next 63 years doing the Royal Canadian Air Force exercises (laughter). "Nothing is more important than being alive," he said proudly on reaching 103. But never did he say any more that life was absolutely peachy. Caution—being alive may be hazardous to your health (applause).

Well—absurd, but not so absurd. That's the direction in which we push ourselves in this country with all these big scares, these agitations, the height of the agitation curve I'm talking about, the fadism that we follow as a nation and currently it's ecology and pollution that hits us in agriculture right in the solar plexis because we are now completely dependent on, almost completely dependent on, a scientific agriculture, upon the use of these things that are dangerous. And I don't want to underemphasize that. Our chemicals, our pesticides, our herbicides, our antibiotics are dangerous—they're poison. But so is aspirin dangerous if you take enough. The doctor prescribes poisons to you when you go to him. But we have carefully prescribed rules and regulations under which we use these various agents, and properly used they are highly beneficial. Now we've got that story to get across it seems to me. We've got to get this story across, that we are seeking an optimum risk-benefit ratio in our society and we must be rational about it.

A few illustrations will suffice. We've got to decide shortly, for example—I said a while ago electric power production demands are doubling every ten years in this country—we've got to decide shortly whether we're going to have a little thermal pollution in our waters or have brownouts in our cities at 3 o'clock in the afternoon when you turn the air conditioners on. You take one or the other.

We're going to decide what additional costs we want to add to our total transportation bill, for example, as we modify the internal combustion engine to lessen the emission, or how much less power we want as we get gasolines that are toned down. Now we've got to put a cost figure against this, you see.

We've got to decide whether we want to have an economical food production machine in this country that brings us this tremendous quantity of food that comes out to 205 million Americans with one acre in five available for export and besides this at relatively low prices in terms of how much you have to pay to get it. Now I know our people don't believe that but last year they spent only 16½% of their disposable income for their food bill. With all the services they got, never did our people get food so cheap as last year and such good food and so many services with it you see.

I think we've got to get the point across and get it across just as emphatically as we know how to do it, that it would be impossible without modern agriculture to feed 205 million Americans even at a subsistence level. Consumers would quickly experience a rise in their food cost, a deterioration in the quality of food, in the variety of food, and they'd have much less to spend for everything else that goes into this fabulous American standard of living, if somehow we curtail the use of these things in American agriculture. And they won't necessarily be curtailed or the use be impaired by legislation. That can be by regulation too. Because as you well know, the most powerful branch of government often are those who interpret the laws and who put words around the laws of Congress and write the regulations. And these are the ones that become—the ones that are very, very difficult to live with. We can go back to an organic agriculture in this country if they insist on it. We can farm without chemicals, herbicides, pesticides and antibiotics if they insist on it. We know how to do it. We did it when I was a youngster. We didn't have an automatic way of controlling insects then.

How well I remember going along and knocking the bugs off the potatoes as a youngster back home. We used a little fertilizer—not very much. It was mostly barnyard fertilizer. We can go back to an organic agriculture if our people insist on it. But the first decision that somebody has to make before we do that is which 50 million Americans are you going to let starve. Now that's the first thing we've got to decide because we simply cannot feed 205 million Americans without the kind of agriculture we now have—without the kind of production inputs that you people help put into it. It's important that we do that.

I guess that the basic problem is that we

are so young in America. Half of us are 26 years of age or younger in this country now. I guess the basic problem is that two-thirds of our people in this country never bit into a wormy apple and saw the worm hole and wondered, "is he still in there, or did I get him!" (laughter) These people think that God made nice, red, plump, juicy, healthy apples. They think that nature makes apples that way. As a matter of fact, God put the worm in the apple—man took him out. Now, I'm not being sacriligeous when I say that, that's just a balance of nature. God put the parasite in the pig—man took it out. God put the termite in the timber—man took it out. God put the webworm in the lawn—man took it out—or man's trying to get it out of my lawn. He's having some difficulty. God put the blight on the rose—man took it off. God put the blight on the corn—man's trying to get it out and he's going to get it too. God put the malaria-laden mosquito in the backyard—man took it out. I'm talking about DDT now. God put the potato bug on the potatoes—man took it off. God put the tick on the dog. Man took it off.

I can go on through a hundred illustrations like that you see and I'm not being sacriligeous. This is simply the balance of nature. This is the ecology of nature. And when these enthusiasts come along and want to go back to nature—want to go back to the balance of nature—how far back do they want to go? Let's hold their feet to the fire on this deal here.

Let's indicate that there are benefits from the use of these things and we all benefit from them. And, I think if we can do this we're going to come out of this with a better answer. And I think that it's about the only way we're gonna come out with a good answer is to be factual about this and non-emotional. And this is an attack we've got to make in our General Assemblies, in our Congress, in our state regulated agencies, in the Departments of Agriculture that you saw represented here a moment ago who are pressured from consumerism—just like everybody else is pressured.

This is the age of consumerism. Some while back they said Mrs. Consumer is Queen of the Marketplace. I think that she has become Queen of the polling place. We make all kinds of appeals to her. Naderism is something besides an expression, you see. It's a real movement in this country and he gets response from people who vote and those who issue regulations in state governments and in federal governments likewise get response as well as pressure from people who vote and it is up to us who are close to this situation, who understand the importance of this phase of agriculture.

Now I know you as marketers understand it because it has become a principal source of expenditure in farm production and will grow even more important. We've got to make sure that all the people understand there are benefits that flow from this. There are risks involved. And it's an optimum risk-benefit ratio that we're trying to achieve here.

Well I come back to where I came in a moment ago with the comic strip Pogo, where he said, "We have met the enemy and they are us." This is true, we are all together in this thing. And therefore the problem it seems to me is that we, as individual citizens, have to decide how much we're willing to pay for a better quality of life, and that includes population control, too. That's part of this problem of a better quality of life. And when we quit thinking about these problems as they concern others and face the fact that there are problems, then this nation can move forward with greater effectiveness toward the achievement of a better quality of life for all.

It's completely unacceptable to me to believe that there is no way out of the problems we've created—problems associated primarily with 205 million of us here and 3½ billion of us around the world with a limited finite world—and limited natural resources—where we've consciously disturbed the balance of nature. As I say, it's brought great benefits to us as well as some risk. Unquestionably risks are involved in this process we're in. But there is no risk so great as the risk that we might stop risking and try vainly to set the clock back, to surrender abjectly the goal of a better world, in the mistaken belief that the one we have is as good as can be. And I think that that's one of the chief risks we face. I hope America never stops risking. I hope agriculture never stops risking. That's the nature of our population. It's what's made us the great nation we are. We're always trying something new—there are risks involved.

I've traveled the world a great deal. I've been in thirty nations around the world and I've never seen any population like this American population of restlessness, of risk-takers, of innovators, of trying something new. It's inherent in this American system of free enterprise and profits and it's a basic characteristic of our population—most of us only three or four or five generations removed from hearty pioneers who came here, who risked everything they had to try something better. And yet now comes this new movement, this environmentalist movement, to move us backward—to stop risking—giving up the idea of balancing risks against benefits. And that can be done I'm quite sure.

So I come to the close of my remarks. I see I'm supposed to quit by 10:15 and it is 10:15. You're going to have a lot of sessions today and tomorrow. I note in the magnitude and character of this agricultural market and I hope in these few remarks that I've done with you, that I have stimulated your thinking in another area of primary concern to agriculture—it's one of the big growth areas in agriculture. We're not through growing there yet by any means. And our job is not to fight the environmentalists. Our job is to make sure that the whole picture is before the entire American public, that they understand the tremendous benefits that flow to them because of the use of chemicals, of antibiotics and the various other things that we use in modern agriculture, that our farmers almost take for granted, but those who aren't farmers, those who don't associate a pork chop with a pig, those who don't associate a quart of milk with a cow or an egg with a hen, to make sure that they understand that a slice of ham or a pork chop or a steak or a quart of milk or an egg or a fresh carrot or frozen spinach or whatever, is possible at such low costs and in such high quality, such attractive merchandising, only because in agriculture we have moved a long way down the road of doing a scientific job of using these aids to modify the environment, to upset the balance of nature, to change the ecology of nature, so that you don't bite into the apple and see the worm hole and wonder, "Is he there yet, or did I get him?" Some of us grew up with that experience. If we were to do away with these, or seriously modify the use of these modern chemicals we use, once again, 205 million Americans would be wondering, "Is he there yet or did I get him?" Thank you very much.

SUPPORT FOR CONFIDENTIALITY OF TAX STATEMENTS

Mr. MATHIAS. Mr. President, it gave me great pleasure, while working on my amendment to insure the confidentiality of tax preparers, to have the support and help of a fine association of professional accountants, the National Society of Public Accountants.

This association, representing some 13,000 accountants across the Nation, has long stressed the importance of the confidential relationship between the professional tax preparer and his client.

Mr. President, I ask unanimous consent that the letter from the National Society of Public Accountants in support of the principle of confidentiality of tax statements be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL SOCIETY
OF PUBLIC ACCOUNTANTS,
Washington, D.C., November 15, 1971.

Hon. CHARLES MCC. MATHIAS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MATHIAS: Thank you for your interest in the views of the National Society of Public Accountants on S. 1387 and similar bills to protect the confidentiality of tax information.

On behalf of the 13,000 members of NSPA, our Board of Governors voted in May of 1971 to endorse legislation providing this needed protection for the American taxpayer who may not be utilizing the services of a responsible, ethical professional practitioner.

Members of the National Society of Public Accountants are already bound to a standard of ethical practice that unequivocally precludes any use of information received from a client without specific instruction and authorization.

Our Code of Ethics has addressed itself to this sensitive area for many years. This Code states:

"A member of this Society shall not violate the confidential relationship between himself and his client or former client."

We applaud your interest and concern, as expressed by S. 1387, for this possible abuse so easily imposed on an unsuspecting public.

With the emergence of commercial tax services, the NSPA Publication Department has begun distributing a publication entitled "Taxes and the Professional Accountant." By identifying the key elements in professional practice we hope to aid the taxpayer in selecting competent, ethical assistance when he really requires it. The brochure points out:

"The professional accountant is pledged to a high degree of confidentiality. Simply, this means that information passing between himself and his client is secret. It is not divulged to third parties. Private information remains that way—the professional accountant does not use his clients as 'leads' for the sale of merchandise or other services. The accountant and his client occupy a position much like other professionals (doctors, lawyers, clergy) and those they serve."

The complete booklet is enclosed for your information.

Thank you again for the opportunity to comment on this significant and needed legislation. The National Society of Public Accountants is fully in support of legislation such as S. 1387 to protect the public.

Sincerely,

RUDOLPH J. PASSERO,
President.

TRIBUTE TO J. C. KELLAM, "TEXAS PIONEER BROADCASTER"

Mr. BENTSEN. Mr. President, on November 1, 1971, the Texas Association of Broadcasters gave the Texas Pioneer Broadcaster Award for 1971 to an eminent citizen of Austin, Mr. J. C. Kellam, for many years president and general manager of stations KTBC AM and FM and KTBC-TV, in Austin, Tex.

The Texas Pioneer award is the latest of the many honors which Mr. Kellam has enjoyed. As a public-spirited citizen of Austin and an important figure throughout the State of Texas, his talents have frequently been recognized and his achievements applauded. I join in the tribute paid to him by his friends and associates on that important occasion.

At the Texas Association of Broadcasters banquet, Mr. Kellam received the praise of his colleagues in the radio broadcasting industry. In addition, the most celebrated speaker was former President Lyndon B. Johnson, who attended the affair with Mrs. Johnson, the principal stockholder of station KTBC.

I ask unanimous consent that a transcript of the remarks made on this occasion by former President Johnson, and those made by Mr. Dave Morris, president of the Texas Association of Broadcasters, together with the response of Mr. Kellam be printed in the RECORD.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

REMARKS BY FORMER PRESIDENT
LYNDON B. JOHNSON

Coming down here tonight, thinking what I was going to say about the man we honor here, reminded me of a little boy I heard about once who was inclined to exaggerate. One day he came running into the house and shouted, "Mama, Mama, there is a lion in the front yard."

The mother rushed to the front window, looked out and said, "Shame on you. That's not a lion. That's your dog. Now you go upstairs to your room, get down on your knees and ask God to forgive you for exaggerating like that."

About an hour later the little boy asked if he could come out of his room now.

"Did you ask God to forgive you?" his mother asked.

"Yes, ma'm," he said.

"What did He say?" she asked.

The little boy shook his head and replied, "Well, He said *He* thought it was a lion, too."

Well, I've been accused of exaggerating once or twice myself. But I don't want that reputation to affect anything I say here tonight. I don't think there is anything I can say about Jesse Kellam that would do anything to widen the credibility gap. To put it very simply, he is just the best there is. And I don't think anybody's going to dispute it.

President Franklin Roosevelt used to like to tell stories during the "hate Roosevelt" days during the thirties. One was about a Wall Street broker who used to buy a New York Times every morning at the newsstand outside his office building. Every morning he went through the same ritual. He'd pay for the paper, pick it up, glance at the front page, and put it back down again. After this went on for a few months, the paperboy's curiosity got the best of him and he asked the broker why he didn't take the paper with him, seeing as how he'd paid for it.

"Because I'm only interested in the obituaries," the man replied.

"But the obituaries are on Page 38," the paperboy said.

"Son," the man answered, "the S.O.B. I'm looking for will be on Page One."

Well, I can sympathize with that story. I've had a few people looking for *my* name on Page One from time to time.

But I believe that Jesse Kellam is a man without an enemy. If Jesse's ever had one, I never heard of it.

In fact, there's only one thing, to my knowledge, that Jesse's ever been criticized for—his driving. It has been said that Jesse's driving is the real reason why the Greyhound Bus Lines moved its station from across the street from KTBC to a new location six blocks away. He is the holder of the world's driving time from 10th and Brazos in Austin to the LBJ Ranch—and that's been verified by the Texas Department of Public Safety.

According to Cactus Pryor "In the office Jesse's a Guy Lombardo man—but behind the wheel he's strictly Blood, Sweat and Tears."

But that's the only thing anybody's ever been able to find fault with Jesse Kellam about.

The names, Johnson and Kellam have been associated with each other since 1935—more than 35 years. All in all those years I've never met his equal.

Lady Bird chose Jesse to head the broadcasting interests not on the basis of his work as head of the Texas NYA—which was remarkable—not for his outstanding service as a Commander in the Navy during World War II—not for his exemplary teaching career. She chose him because of his record as a football coach. When she took a look at that record, she knew this man's fortunes had to take a turn for the better. And they did.

Jesse took to the broadcasting business as if he were born to it. The first thing he did was invent the eight-day-work week.

But if Jesse demands much of his employees, he demands even more of himself. That's the way he was brought up.

His mother was a Cage and his father was a Kellam. Both of them came from distinguished and successful families. Where I grew up, in Blanco County, both names are honored and respected.

Jesse's daddy died suddenly while he was still a young man, leaving Mrs. Kellam to support three children. Well, she was a woman of pioneer stock. She was a can-do woman. So she roomed and boarded girls for many years thereafter. Each of the Kellam children had to help. Each had his job to do, and I think that experience did two things for Jesse. It taught him how to charm a woman, and it taught him how to work. And both of these characteristics have run strong in him ever since.

He's as honest as Paul.

He's as true and loyal as a person can be.

He's as competent as they make them.

If I had a son, Jesse Kellam is the kind of man I'd like him to be.

So Lady Bird and I have come here because we agree 100 percent with your selection of the Pioneer Broadcaster of the Year.

However, if we had our way, we'd change the name of the award a little. For us, he's the Pioneer Broadcaster of *Every* Year.

DAVE MORRIS. The gentleman we are going to honor tonight I consider a personal friend and a friend of a lot of broadcasters. He started his professional career really in Lufkin, Texas, where he was athletic director and coach. I've been told that he changed the sports scene considerably. Up until the time that Jesse Kellam arrived in Lufkin, they had paid high school players; this was a known fact. But Jesse returned it to the students. He not only returned it to the students, but he beat Nacogdoches for a couple of years, which was unheard of. He was successful. He had a new football field, new gym and new school board. But he did pull all of this off as coach and athletic director. He attended Southwest Texas University and graduated with a Bachelor of Science degree and from there he met and while he was in Lufkin, Louise Murphy, who he married and had two fine daughters, Nita Louise and Carolyn Cage Kellam. I think one of them might possibly be here, or both, if you are would you stand up? Jesse then went on to become Deputy State School Superintendent and in 1935, he met a gentleman by the name of Lyndon B. Johnson. He was associated with Mr. Johnson, who was the NYA Director at the time, and when the Director became a Congressman, he was a natural choice to succeed him. He set a model program up in Texas, Louisiana, and New Mexico that was quite an achievement, and then came the war and Jesse joined the Navy. He did real well and he had a good record. He seems to have a real knack of picking a winning team, both in the war, athletic director, and then after the war he came to KTBC, which was another winning combination. At that time it was AM only, later it became TV-FM. He became President of Texas Broadcasting Corporation.

Jesse has so many numerous honors and activities he has had through the years, it would be, well for example, Headliners Club of Austin honored him, he is on the Executive Committee; he served as Vice President for Educational Affairs on the Chamber of Commerce; he has been active in the Community Council. He's served on the Mayor's Austin Task Force for Citizen Participation in the Model Cities Program, and on the Board of Directors of Texas Citizens Council. The list could go on and on and on, in fact there are three pages. But I think all of us know and have loved Jesse for what he is. He could have been President of TAB, but he chose not to be, because he was in a position he could be criticized. I think this really spells the temperament of the man and for what he is. But I think Bonner can attest to this: that he was always there when he needed a helping hand with any problems that the Association has had. I think you can best describe Jesse that if it was 3:00 in the morning and you had a serious crisis, you could call him and he would be there to help you. And I would like to take this opportunity, Jesse, for you to step up here and honor you with this plaque.

J. C. KELLAM. Mr. Morris, President Mike, President and Mrs. Johnson, and friends in broadcasting. I am overwhelmed, I have a host of wonderful friends. Thank you so much.

NEW CLINICAL PHARMACY PROGRAM

Mr. MATHIAS. Mr. President, in the midst of a growing national search for more effective and more humane means of health-care delivery, I am very encouraged by an important new development in my own State of Maryland. Under the leadership of Dean William J. Kinnard, Jr., the University of Maryland School of Pharmacy in Baltimore has launched a promising new clinical pharmacy program—one designed to forge a closer working bond between druggist and physician.

In a step that is unique in the United States, the Maryland School of Pharmacy has eliminated the traditional fifth year apprenticeship—working in a drugstore—to give the students experience in community and hospital pharmacies.

The emphasis, in short, is on a team-type approach, to get the pharmacist involved much more deeply and much more immediately at the patient-care level.

Although Dean Kinnard concedes that this expanded role for druggists may take new legislation and remolding of many ideas, particularly those held by physicians, the Maryland dean is enthusiasti-

cally implementing the school's new program. And the results, at least among the students, appear to be very positive: 80 percent of the graduating class have indicated they feel the new program is adding to their professional expertise.

Recognition of the Maryland school's pioneering efforts came recently in the Miami Herald. The article may be of interest to many Senators. I therefore ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MARYLAND PROGRAM DEVELOPING PATIENT-ORIENTED PHARMACISTS

(By Sharon Joiner)

BALTIMORE, MD.—Remember the old wood-paneled, jar-filled apothecary shop? The white-haired town pharmacist sitting down to chat about your rash or backache?

Since those days, the changing role of the druggist in the burgeoning pharmaceutical industry has cast him before the public as little more than an impersonal dispenser of pills.

The University of Maryland, in an unusual student pharmacy program just three years old, hopes to remake this image of the corner druggist and give the nation's overburdened physicians a helping hand as well.

"We want people to select a family pharmacist as they would a family doctor," says William J. Kinnard Jr., dean of the university's School of Pharmacy.

Pharmacy students are now making hospital rounds with doctors, talking to patients about drug reactions and seeing the results of the drugs they dispense.

"The emphasis in pharmacy training is shifting from the product to the patient," Kinnard said.

Traditional courses in cat anatomy have been scratched for human anatomy. Courses dealing with the history of pharmacy and communications were abondoned.

Kinnard believes the shift in emphasis long has been needed, citing the gap between the physician's knowledge of drugs and the higher number of unfavorable drug reactions suffered by patients both in and outside the hospital.

He quoted a recent medical survey in Pennsylvania which found that one person in every four saw four or more doctors in a year and had an average of 35 prescriptions filled.

Dr. James Preston, head of clinical pharmacology at the University of Utah, reported that between $5 billion and $6 billion is spent each year untangling problems caused by adverse drug reactions.

The Maryland program intends to eliminate some of these problems by keeping better tabs on both drugs and patients, while forging a closer working bond between druggist and physician.

The new five-year program includes two years of general studies and two years of basic science. The fifth year eliminates the traditional pharmacy apprenticeship—working in a drug store—to give the students experience in community and hospital pharmacies.

"We trained wrong in the past," said Kinnard. "We educated in isolation, and never once did the student have to take courses or work with other health professionals. He was not educated in patient-care areas."

Kinnard criticized the old pharmacy intern system, saying: "Sometimes pharmacy students even worked behind cigaret counters and got credit for it."

Among radical modifications at Maryland is the "extern" program which places students in various pharmacies approved by the school.

Students work with the professional pharmacist and get no academic credit for the experience, but the school is assured through standards and checks that the students are not assigned to nonpharmacy chores.

These and other changes in the pharmacy training program have stirred mixed feelings among the 47 students in the upcoming 1972 graduating class.

In papers turned in to H. Patrick Fletcher, coordinator of clinical pharmacy programs at the school, 80 per cent of the graduating class wrote that they felt the new program added to their professional expertise.

"But many also felt they would be unable to put into practice much of what they learned," Fletcher said. "Pharmacies are simply not set up to handle the new methods."

"We're trained for a lot more than is available," said Steve Bierer, 29, a senior pharmacy student. "Our training is really for the future—five to 10 years from now."

Kinnard concedes the expanded role he envisions for pharmacists may take new legislation and remolding of ideas on the part of most physicians regarding the druggist.

"I think the program is a good idea as far as theory goes, but I don't think doctors want to give up any of their powers," says Peter Scaley, a Baltimore pharmacist.

"We're under the doctor's thumb and we're limited in what we can do," he said.

Mary Connelly, head pharmacist at Baltimore's Mercy Hospital, one of the institutions participating in the new "extern" program, finds an improving relationship between druggist and doctor.

"There is the notion that in the past pharmacists have been hiding," Mrs. Connelly said, "but now, doctors are seeking their advice."

"Future pharmacists will say to a customer that a medication within a group of similar nonprescription drugs is or is not effective," said Peter P. Lamy, director of institutional pharmacy programs at Maryland.

"They will hopefully, in the future, remind patients—just as dentists do—to return for neglected prescription refills."

Patient records also will become an integral part of the new pharmacists' routine. The pharmacist will use these records to inform patients of possible drug reactions or, for example, as a check against a patient taking too many drugs.

New pharmacy training programs have been established at other schools, including the universities of California, Virginia and North Carolina, but Maryland's is unique in that the final year eliminated the apprenticeship.

"The change is coming about slowly," Kinnard said.

DEDICATION OF THE EDWARD L. R. ELSON MONUMENTAL WALL AT THE NATIONAL PRESBYTERIAN CHURCH ON OCTOBER 24, 1971

Mr. STENNIS. Mr. President, on October 24, a monumental wall in the forecourt at the National Presbyterian Church in Washington was dedicated to our friend and distinguished Chaplain of the Senate, the Reverend Edward L. R. Elson, pastor of the church.

The occasion was marked by an inspiring sermon, entitled "Tribute to Two Servants of the Lord," given at the morning church service by Dr. Lowell Russell Ditzen, director of the National Presbyterian Center. Afterward, a statement of dedication and tribute from the congregation was given by Dr. Paul O. Carr, chairman of the memorials committee.

Dr. Ditzen's sermon was of exceptional value in substance and was delivered in a most impressive and effective manner. It paid a much deserved tribute to Dr. Elson for his years of dedicated and constructive services to the church and center, as well as his many other achievements, including the position he now holds as Chaplain of the Senate.

I ask unanimous consent that the excellent statement by Dr. Carr and the sermon given by Dr. Ditzen be printed in the body of the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

TRIBUTE TO TWO SERVANTS OF THE LORD

(By L. R. Ditzen, D.D., LL. D.)

My dear friends, I am highly honored to be asked to make some comments, to give the meditation, on this occasion when we do honor to Dr. Edward L. R. Elson.

I must confess to you and to him that it is one of the most frightening sermons I have ever tried to compose. I break out in a cold sweat in the fear that I will say we are dedicating the wall "in memory of" rather than "in tribute to." And my loved friend, Dr. Elson, is close enough here that if I make a mistake like that, along with a hundred possible others, he might throw a hymn book. I am sure, knowing a bit about his prowess as an athlete, that he would be accurate.

Well, before I talk further about Dr. Elson, who is one of the great men in the service of the Lord, I want to introduce you to another man I admire very much from the Old Testament by the name of Nehemiah.

Some of you, I know, have seen the city of Jerusalem. If you have, I hope you have the feeling, as I did, that it truly is one of the most thrilling sights in the world. When I saw it first I came up from the Dead Sea, which is more than a thousand feet below sea level, up 3500 more feet to the edge of the Judean plateau. Suddenly you see it before you, silhouetted against the sky—old Jerusalem, a magnificent sight! Its walls are mellowed. It has been called "Jerusalem the Golden." It catches the glow of the morning and evening sun.

Those particular walls you look at were likely built in the time of the Crusaders. As you wander around the place, an excavation may be pointed out to you near one corner of the wall which resulted from the building of a military road between Jerusalem and Bethlehem in recent years. Discovered underneath what are the "old walls" there was an older wall that served as the foundation for the present walls you see now. Some archaeologists have contended that this earlier wall, which is now the foundation, was built by Nehemiah and all the super structures since are built on it.

Nehemiah! What a fascinating man he was. His character, if you crystallize it into one sentence, would be: *His life was marked by dedication, by definiteness, by determination.*

To me it is symbolically significant that the walls we see today enshrining Jerusalem are standing on a firm base made possible by a man who centuries earlier had a vision and a drive to build those walls, who had the spirit "This one thing I do," and who stuck to his task till the work was done.

It is interesting to just conjure for a minute. Isn't it always a stable present and isn't it always a confident future when our life and work is built, as the walls of Jerusalem were, on some hero's vision or courage or definite work?

The background is this. In the year 586 B.C. when Jerusalem was gutted and burned and its walls leveled, Nehemiah, with hundreds of its countrymen, was taken into captivity. He was a man of unusual genius and integrity, for you find him, shortly, in the trusted position of cupbearer to the conquering king in his place in Shushan. Only a man who could gain unqualified confidence would be given oversight of the food and drink brought to the royal presence. It is important and interesting to underline that even in the humiliating stage of slavery his virtues and integrity were recognized.

Nehemiah loved his country. He was sensitive to what was going on in the world. He was deeply moved and disturbed by the reports from his homeland. The people, the remnants that were left, were dispirited. The city was in shambles. Foxes roamed amid the rubble. There was a growing passion in him to do something about rehabilitating Jerusalem and restoring the century-long history and hope of his people. Gradually his mind must have settled on this conviction, "If only I can get there I am going to try to do one thing—rebuild the walls." If he could assist in doing that, which for generations had been a refuge for the Hebrew people and gave them a sense of the greatness of their God and a faith for noble living, one specific constructive thing would be accomplished.

The idea became something of a magnificent obsession to him. He told the monarch about it and even won his enthusiasm for it. And so he was released from servitude and sent on this venture with the blessing of the king.

Nehemiah arrived at the ruins of the once glorious city. He became something of a catalytic agent, welding the sad, despondent, and scattered people into a more hopeful, a more resourceful attitude. Even though many had no stomach for the venture, he urged and cajoled them to put their hands to this one thing—rebuild the walls! Nothing, as you saw in the Scripture that was read this morning, could deflect him, call him down from the task. He was an Old Testament character something like Paul later on who was to say in the New Testament, "This one thing I do."

Isn't there stirring symbolism there—underneath the present walls of old Jerusalem are the sitting foundations of a still earlier wall built by Nehemiah? Built by a man whose personality and character were marked by determination, by definiteness, by dedication: "I am doing a great work, so that I cannot come down: why should the work cease, while I leave it . . . ?"

Men and women, boys and girls, isn't it true that its the strong and the constructive personalities that lift us all, that are the ramparts and ridgepoles of history? You knew where they stood, you knew what they believed. Don't those who make the deepest imprint have the quality like Martin Luther who said, "Here stand I. I can do no other." They've been like Nehemiah, "I must build this wall. Nothing will deflect me from that purpose."

I was very glad last Sunday that Dr. Elson, in preaching in tribute to the memory of Dr. Paul Austin Wolfe, used some illustrations from the life and work of John Calvin. Calvin was of this cut of cloth. In 1959 the 450th anniversary of his birth was marked. He was born in Noyon in Picardy. All else you have to say about him, you have to say he was a man who was definite, who took a position, and you knew where he stood.

Geneva cast off its allegiance to Rome. Actually, it was a political revolt, as I remember history, against the Duke of Savoy. And when Calvin came to Geneva in 1536, shortly after this event, Beza, another reformer, saw and said, as did Calvin, "These people are but imperfectly enlightened in divine knowledge."

Calvin set to the task of enlightening them. He himself had a brilliant mind, widely respected as a scholar, a classicist, a legalist. Read his "Institutes" and other writings, and you feel the logic of his reasoning, the care of his thought. You feel the definiteness of his convictions.

Well, to enlighten the people in divine knowledge, he, with Farel, drew up twenty-one articles of faith. These weren't just tossed on the breese to fall willy-nilly where they might. They were distributed to the citizens, and then the citizens, in groups of ten, were called into the presence of Calvin and were asked to profess and swear by oath to these articles, as consisting the foundation of their beliefs.

Calvin saw that education was important. But he was concrete in what the aims of education should be. He had no faith in schooling that was apart from religious training and moral teaching. So he drew up a catechism which was made an obligatory part of the curriculum. He was definite. He set his hand and heart to do a great work and he did it; thereby accomplishing so very much.

So it has been with another great servant of the Lord's, Dr. Edward L. R. Elson, whom we honor and to whom we pay tribute this day.

It seems to me worthwhile to review only some items of his distinguished biography. He has honorary degrees—Doctor of Divinity, Doctor of Humane Letters, Doctor of Literature, Doctor of Laws, Doctor of Sacred Theology, Doctor of Humanities. He has been pastor here since 1946, Chaplain of the Senate since 1969. He has been a loyal and able Presbyter and continues so to be; having served on the Board of Pensions; a member of the Commission on Chaplains and Service Personnel; Moderator of Washington City Presbytery in 1966; President of the Board of Trustees of Wilson College since 1960.

He has a marvelous military record. He rose to the rank of Colonel, serving as a Chaplain in the United States Army. He has been decorated many times by our own government and by other nations, including France and Jordan.

He is a man who has not been afraid to think about and express himself on the moral issues confronting our Nation and the world. He has been closely affiliated with and a leader of the Friends of the Middle East.

Time after time he has been courageous in taking a stand on certain controversial issues and in letting individuals know where he stood and letting the chips fall where they may.

Ed Elson has been honored by or is a member of more Greek letter and specialized societies and organizations than you can shake a stick at. Freedoms Foundation has honored him a number of times for sermons dealing with our spiritual heritage. He is a writer of books and articles, and those who have read them have been vastly enriched.

I outline these things not necessarily as an eulogy to Dr. Elson but to let him know, one, that I have done my homework, and primarily to tell his family to treat him with the respect that is his due. At least during the dedication of the great wall and for at least this one day, do the best you can.

Dr. Elson, I don't remember ever speaking to you about reincarnation. I'm not implying anywhere along the line that you may be a reincarnation of Nehemiah. But there are so many qualities of his that we all see in you. Certainly, Nehemiah and yourself expressed those qualities that bring a great cause, a great institution, into being and to see that it goes forward. Nehemiah did it. You have done it.

I hope a thousand years from now the wall we will shortly dedicate in tribute to you may not be fallen into rubble but will be there inspiring people, and that also your life, your thinking, your influence, will be with us and those who follow us, as is the case with Nehemiah.

Now as we turn to the dedication of this great wall with its marvelous inscription from Philippians regarding our Lord and Saviour, let us keep these matters in mind and, most of all, express our gratitude for Dr. Elson and the fact that he is here this day.

Let us pray.

O God, who art the author of peace and lover of concord, in knowledge of whom standeth our eternal life, whose service is perfect freedom, defend us. Thy humble servants, in all assaults of our enemies that we, trusting in Thy defense, may not fear the power of any adversary through the might of Jesus Christ our Lord.

As Nehemiah prayed asking that Thou wouldst strengthen his hands to do your work, we ask you to bless and continue to strengthen Edward L. R. Elson to whom we pay tribute this day.

DEDICATION OF THE FORECOURT WALL IN TRIBUTE TO DR. ELSON, SUNDAY, OCTOBER 24, 1971

(Statement by Dr. Paul O. Carr)

Dr. Ditzen, Dr. and Mrs. Elson and Family, members and friends of The National Presbyterian Church and Center—

After much thought and deliberation, the Memorials Committee determined that the Monumental Walls in the Forecourt should be designated as tributes to three ministers who contributed significantly to the establishment of The National Presbyterian Church and Center, Dr. Charles Wood, Dr. Paul Austin Wolfe, and our own pastor, Dr. Edward L. R. Elson. Each gave generously of his time, talents, and energy in promoting and in establishing the national church.

Today we come to the high point in our dedicatory program as we dedicate the Forecourt Wall, which bears the inscription of "The Lordship of Jesus Christ," in tribute to Dr. Elson who is not only our distinguished pastor but also one of the nation's most renowned ministers.

While others were prominent in the planning of this great church and center, it became the responsibility of Dr. Elson, during the past twenty-five years, to bring to realization the century-old dream of a National Presbyterian Church. He has been a continuing source of strength and inspiration since the beginning of his pastorate here in 1946.

It is difficult to express adequately in words our sincere gratitude and deep appreciation to Dr. Elson for his wise counsel, capable leadership, and clear understanding of the purpose and meaning of a national church and center to our denomination. Noteworthy also was his success in unifying our congregation during the long building period. All of us are recipients of his vision, his zeal, and his Christian statesmanship.

We are here, Dr. Elson, to honor you and to express as a congregation our appreciation for your outstanding contribution in bringing to completion this beautiful edifice.

And now, as chairman of the Memorials Committee, may I call upon you, Dr. Ditzen, to lead us in the dedication of this wall, which bears the inscription of "The Lordship of Jesus Christ," in tribute to our honored and highly esteemed pastor, Dr. Elson.

HOMECOMING OF PENNSYLVANIA RESIDENTS WHO HAVE SERVED ON SS "HOPE"

Mr. SCOTT. Mr. President, November 22 marks the homecoming for nine Pennsylvania residents who have served on board the SS *Hope* in the West Indies. *Hope* has been on a 10-month teaching-training mission to upgrade health care in the Caribbean area. The ship's staff members have been involved in training programs designed to alleviate shortages of health personnel. They are: Judith

Berner, R.N., from Tamaqua, who has served as assistant chief nurse. She received her nursing education from Temple University School of Nursing. Lydia Ann DeSantis, R.N., a nurse educator from Monongahela, who received her nursing education from Allegheny General Hospital School of Nursing in Pittsburgh and her master's degree in nursing education at the University of Pittsburgh School of Nursing. John Joseph Downes, M.D., an anesthesiologist from Philadelphia. Dr. Downes is associate professor of anesthesia and pediatrics at the University of Pennsylvania. Veronica Mary Durichek, an X-ray technician from Philadelphia, who received her technician's training at Nazareth Hospital School of X-Ray Technology in Philadelphia. Dolores Jean Exton, R.N., a nurse educator from Darragh. She received her nursing training from Roberts Wesleyan College, in N. Chili, New York and Westmoreland School of Nursing in Greensburg. Stephen C. McGruder, from West Bristol, who has served as assistant administrator aboard the ship. He is a graduate of Howard University in Washington, D.C. Barbara A. Miller, R.N., from Mifflinburg, who served as chief nurse aboard the ship. She is a graduate of the University of Pennsylvania. Patrick D. Moore, M.D., an ophthalmologist from Philadelphia. Dr. Moore is a resident at Wills Eye Hospital in Philadelphia. Eleanor M. Peck, a dietitian-nutritionist from Houtzdale, who is a graduate of Mansfield College. She received her master's degree from Ohio State University in Columbus, Ohio.

A fine editorial which appeared in the Kingston, Jamaica, Daily Gleaner, relates the outstanding accomplishments of these men and women and of Project Hope. In light of *Hope*'s exceptional past successes and with my support for continued advancement of medical technological procedures in the West Indies, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"HOPE" YOU COME AGAIN SOON—BON VOYAGE

Today, November 16, is a memorable day in contemporary Jamaican history. It is the day when the hospital ship *Hope*, which has been in the port of Kingston for just under a year, weighs anchor and sails away from the island, ending an association of loving care and interest that will leave a lasting impression on the minds and hearts of the Jamaican people.

Like most developing countries, Jamaica is short of the medical facilities and personnel which it needs to take care of the hospital and health requirements of the nation. The shortage of hospitals and clinics, of doctors and nurses, is a fact of life that we have to face with all the fortitude that our resources of finances and stay-at-home manpower will allow. There is no quick and easy solution to our problem in this direction, as, indeed, to any of our many problems. We need help wherever we can get it, and when that assistance comes from a friendly and a competent source we accept it gladly and gratefully.

So it has been with the good ship *Hope*. From her berth at the old No. 1 pier in Kingston Harbour, she has radiated health and happiness to the people of this island, like a centre of light in darkened surroundings. Her medical personnel—doctors, nurses, pharmacists, physiotherapists, dentists and others—have all thrown themselves wholeheartedly into the humane and humanitarian task of assisting this country to achieve the sort of medical service which its people of this country desire and which they are not often able to get from the hard-pressed doctors, nurses and other medical personnel of the island and from the over-taxed facilities of the island's hospitals and clinics.

There is no need to go into statistics here, but it is widely known and widely appreciated that during its ten-month visit, the *Hope* and her personnel have been involved in a wide range of activities in the island. In addition to serving as a teaching hospital for physicians, nurses and other health personnel, the ship has been a source of strength and succour to the Jamaican community in terms of medical care, dental care, public health, sanitation, and many other areas of medicine and health in the island. More than 11,200 patients have been treated and 1,200 operations performed as part of the ship's mission. Nurses, dentists, anaesthetists have been trained, the public health nursing programme has made tremendous headway. Doctors and dentists have learned new modern techniques.

Nor will the good work and the healthy influence of the *Hope* end with her departure from our shores. Thanks to the same spirit of generosity and fellowship which inspired her visit, during the next five years there will be a programme of post-graduate education at the University of the West Indies for Jamaicans, financed by a $15-million grant from the Hope Foundation and in which *Hope* specialists will offer training in the many medical skills, serving on long-term tours at the university with full faculty status. This is the final and finest gesture of friendship from a ship and an organization which Jamaica has come to regard as true friends.

So, it's anchors aweigh and bon voyage to the good ship *Hope* as she sails from our shores today. Long may she sail the seven seas, to bring hope, and health, and happiness to the people of the world who need a helping hand in the field of medicine and who will find, as we in Jamaica have found, that this assistance is readily and cheerfully given and that the donors are indeed "angels of mercy" in the service of suffering humanity.

TRAGEDY IN ULSTER—VIII—ALTERNATIVES TO TERROR

Mr. KENNEDY. Mr. President, I believe that an editorial published in the London Sunday Times of November 14 demonstrates once again the moral bankruptcy of Britain's present policy toward Ulster, which seeks to solve the crisis through a military settlement imposed by British troops. Again and again in recent weeks we have seen the daily reports of new killing and violence as the wave of terror rises. As the editorial makes clear, the real indictment of current British policy is the government's apparently blind refusal to explore the wide variety of alternatives that exist to the present disastrous course.

In Senate Resolution 180, that the Senator from Connecticut (Mr. RIBICOFF) and I have submitted, a number of such alternatives are urged, including the end of internment, the institution of direct rule of Ulster from Westminster, and the replacement of British troops with alternative peacekeeping forces. I believe that the views of the London Sunday Times will be of interest to all of us who are concerned with this tragedy. I ask unanimous consent that the editorial, entitled "Ulster: Alternatives to Terror," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the London Sunday Times, Nov. 14, 1971]

ULSTER: ALTERNATIVES TO TERROR

For any home secretary dealing with Ulster now, the beginning of wisdom is to realise that Northern Ireland as at present constituted has no future. The narrative which we publish today provides the evidence. In the course of the past two years, the British Army has been allowed by the British Government to become an instrument of local majority with a proven record of sectarian selfishness. As a result, the local minority has withdrawn its confidence and co-operation from a state where the guarantor of minority rights is Britain if it is anybody. With internment, this withdrawal was made final.

The events of the past week underscore the same message. Whatever other strange and hideous hatreds lie behind the tarring and feathering of young women in Londonderry, the incidents show a savage rejection of the system which British soldiers are held to represent. Such an attitude is more than the product of IRA intimidation. The IRA called off their last campaign, nine years ago, for lack of Catholic support.

The 50-year Stormont experiment has failed. In the granite soil of Ulster, the fair-mindedness and mutual tolerance essential to the Westminster model of democracy have never taken root. British ministers show no sign of having apprehended this central truth. They argue, with simple and narrow indignation, that nothing now matters but the elimination of gunmen. The more the violence increases, the more stubbornly is this thesis advanced. But the growth of violence surely yields a different lesson: that the thesis embodies its own damnation. Elimination of gunmen is, of course, the right and vital necessary job for soldiers and policemen. But it is not the policy for politicians. Ulster experience already shows that terrorists supplied and reinforced from their own community are very hard to beat. Yet the only policy revealed to British ministers is to fight their way back to a point where they can try breathing life into a system that is already dead. They are using impracticable means to pursue unrealisable ends.

True, the very idea of a change in British direction is painfully unorthodox. From the Home Rule crisis in 1912 to internment in 1971, the one constant principle of British policy has been to concede the demands of Protestant extremists (as mediated by their leaders) out of fear lest a worse thing befall. To change the line would mean to confront the Protestants. Yet if ever there is to be a new start in Ulster, fear of the consequences of that confrontation will one day have to be overcome.

Some senior Conservatives, acknowledging the need for it, still argue that the confrontation is more likely to be bloodless if it is delayed till the Protestants are demoralised by a complete breakdown of public order. But aside from the question of whether such cynical inactivity is justifiable, would that time ever come? Public order, of a kind, already survives appalling daily devastation in Belfast; the army might be able to contain terrorism at somewhere near that level for a long while yet. Meanwhile deaths mount, a new generation is bred up in violence, Catholic disaffection grows (if possible) deeper, and the lives of thousands of innocent people are made wretched. Now the Conservative parliamentary party at Westminster is taking a new interest in Ulster demands for fiercer military action are certain to be heard soon. The Government is dangerously misled if it supposes that time is on its side.

What change of policy is possible? It is a measure of the low level of public debate that even to ask the question is to risk a charge of approving IRA violence. The IRA is a wholly damnable and despicable body, made up of men who pervert and ravage Ireland's energies in pursuit of an ideal which is irrelevant to the country's real needs. Their tactics of indiscriminate and brutal slaughter are proof of a heartlessness which the noblest cause could not condone. The fact that they flourish like the green bay tree is nevertheless proof that the society from which they draw their strength is grievously diseased. If there is a cure, it must be put in hand quickly.

As this newspaper has repeatedly pointed out, there is no lack of choices. What is missing is the Government's will to explore them: not by open diplomacy, not in noisy visits and calls to conference, but privately, through the multiple channels reaching out to every one of the factions engaged. Mr. Maudling ought to be examining a shift of powers, notably security powers, from Stormont to Westminster. He should be considering a diminution of Stormont's functions to county council level (which would make Catholic participation easier), and a reduction of its territory (which some Protestants have thought would give them a more defensible fortress). He ought to be looking at schemes for the generously financed exchange of populations. He should be examining new common institutions between North and South. He should today be studying Mr. Gerry Fitt's imaginative proposal that Stormont should be suspended for a defined period while all sections of Northern Irish life, momentarily under British rule, discussed what might ultimately replace it.

It would also be useful to discover the view from Dublin. One of the sadder blind spots of British ministers is their refusal to recognise that Mr. Lynch is doing as much as he can about the IRA, that if he did more at present he would be swiftly replaced by someone who would do a great deal less, that he will inevitably be implicated in almost any new arrangement for the North, and that he has two or three officials whose thought and knowledge about the North go far deeper than anything to be found at the Home Office. Nothing but the unbecoming self-esteem of governments restraints Mr. Maudling from tapping this source.

Yet perhaps the fact is that Mr. Maudling is not after all the man to answer the Irish question. It is his amiable weakness to be a reasonable man accustomed to dealing with reasonable men. The importance of the symbolic in Irish politics has eluded him. At one of the worst periods in the whole story of Britain's relations with Ireland, he is left giving no lead except an impression of despairing drift. He lacks the needed exploratory energy. If Mr. Heath is not prepared to hive off Ulster from the Home Office, then he should earnest consideration to a change in the office of Home Secretary.

ADDRESS BY KLAUS SCHUETZ, GOVERNING MAYOR OF BERLIN

Mr. MATHIAS. Mr. President, the Atlantic Bridge Conference was held in Washington this year from November 14 to 16. This annual conference, dedicated to maintaining the vitality of the Atlantic community, is one of the most significant and useful international conventions I know of. On November 15, my good friend, Klaus Schuetz, the governing mayor of Berlin, addressed the conference on the delicate and important role of Berlin in our efforts to find détenté in Europe. As usual, Mayor Schuetz "has told it like it is." I heartily commend his address to the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE KLAUS SCHUETZ

There has probably been hardly less thought and discussion on Berlin and all it stands for here in Washington than in Germany and in Berlin itself. And—as in our country—worries and fears will have played a dominant part in both, occasionally because of some topical event, basically because of the East-West situation.

The fact is of considerable fascination that for nearly a quarter of a century now the United States and we have acted in unison in Berlin although the problems in and around Berlin present themselves in another light and with different emphasis to the United States. For, whereas for the world power USA our problems constitute one complex among many and have always done so, these very problems concern, involve and affect each and everyone of us in Berlin.

This unison between the United States and Berlin, despite all differences of emphasis and responsibility, still exists and has just now proved its value once more. This unison stems from many elements and naturally from the similarity or identity of interests and the similarity or identity of the assessment of the political situation.

This general statement, although it can claim to be self-evident, is not by itself constructive. It is much more interesting and productive to observe how a common interest emerges from the interests of the world power U.S.A. and her allies, among which is the Federal Republic of Germany, and of the City of Berlin, which—while respecting the supreme authority of the Protecting Powers—belongs to the Federal Republic of Germany. I will try to explain this process.

Post-war Berlin has never been totally free from restriction and oppression, either for the life of the individual or for the city as a whole. Moments of relief, moments of jubilation always occurred after times of particular stress which threatened our existence or approached such a threat: for instance the end of the Blockade in 1949 or after the Khrushchev Ultimatum in 1959.

These experiences have become rooted in the minds of the people of Berlin over a quarter of a century. All the more deeply rooted since the first of these experiences was the great one of 1945, that liberation from dictatorship—and 1945 was a year of liberation—was allied to national disaster.

Now, the experience of a relatively small group, which the Berliners are, may play a comparatively small part on the world political scene. But you will understand why I had to mention it on behalf of my fellow citizens. But, above all, I wanted to say this because it not only touches upon our policy but is the primary motive of our policy and basically explains it. For this question has always posed itself in Berlin: what shall, what can, what must we do in order to make life easier for the Berliners, to improve the situation of the city as a whole?

All mayors of Berlin, all Federal Governments posed this question and have done what they could for Berlin. And indeed Berlin has once more become a pulsating metropolis under the guarantees of our three Protecting Powers, a city whose millions of citizens pursue their activities and business, their inclinations and interests, and in some spheres of life solutions found and offered by Berlin are regarded as exemplary for the entire Federal Republic.

We have therefore, if I may put it this way, experienced a normal everyday life for a long time. But there was always a sting to it—it was so to speak enforced, it was sort of provisionary, it was somehow defiant. For it had to be, and was indeed, put in juxtaposition to and in spite of the division of the city, in juxtaposition to and in spite of the Wall and shots being fired at would-be refugees, in juxtaposition to and in spite of the ban on visits to East Berlin and the surrounding countryside, in juxtaposition to and in spite of impediments and chicanery imposed on surface access to and from Berlin, in juxtaposition to and in spite of the continual attempts by the East to separate West Berlin from the Federal Republic by all possible and impossible means.

You may object that in fact of these conditions and circumstances the term 'normal' should not be used. I have used it in Berlin for a long time because I feel that it implies exactly what we wanted and what we were capable of wanting: to live in security, peace and quiet. There is if you wish, something of an incantation about it, an incantation of what we want, and of course, in view of the realities in Berlin, it also contains that defiance of which I spoke. But it indicated the direction which was important: to reduce, as far as is humanly possible, confrontation in Berlin which coincides with confrontation in Germany and in Europe.

From its substance all this is largely self-evident too. The great difficulty for practical politics which can hardly be exaggerated lay, however, in making it quite plain in Berlin, and perhaps even more in the Federal Republic, that the—if I may say so—natural means of achieving general normalization in Berlin and in Germany—which would be bringing together the two parts of Berlin and Germany—is not possible in view of the present situation and in view of power structures and relations. Nothing more or less had to be proved than that this assessment was not based on lack of imagination but on renunciation of fantasy and gullibility.

We can say that from Berlin, from the most delicate place in the East-West conflict, we began very early to work for mediation and East-West agreements, however modest. Ideas like a regulated side-by-side existence were formulated in Berlin; the pass agreements of 1963 and subsequent years are a case in point. And to an increasing degree we have urgently advocated understanding and balance and said that East and West must mutually recognize realities in other words: realities for realities.

Such talk has in many cases been called talk of treason and renunciation in discussions in the Federal Republic, whereas they were an accurate reflection of the East-West balance which has developed since the beginning of the sixties and which has been respected by both sides for a long time and something with which both sides are living.

It would only have been at the price of increasing isolation from world-political developments that the Federal Republic of Germany could have continued, for instance, to advocate for Germany the borders as they existed in 1937, with reference to nation-state ideas. Without realizing the situation such as it really is, the Federal Republic of Germany would have denied itself the opportunity of improving the situation such as it exists. This would have been detrimental not only to Berlin and all Germans but about Europe.

The government of the Federal Republic of Germany under Willy Brandt took note of

the facts and aimed at what was possible. With caution and discretion and in agreement with its allies and friends this government has led the Federal Republic into present developments and thereby cleared, if I may put it that way, our country's foreign political backlog. Despite great difficulties, however, it did so in a very decisive manner.

This decisive manner was possible because it left no doubt that its policy is a firm part of the western alliances, and because in my opinion the very conception of this policy made it obvious that it has nothing to do with any "Going-it-Alone" on the part of Germany. This policy seeks understanding and balance, opening up and integration, it seeks only to make its contribution towards a durable order of peace in Europe.

The credibility of the Federal Government's policy is not solely based on an assessment of the necessities of the security of peace in Europe and in the world. It is founded also on a national level.

Four central facts for all Germans must be set out in this context:

1. Millions of Germans were expelled from their homes as a consequence of the war. For 25 years they have lived, integrated, in both states on German soil. Poles now live in their old homes who in turn have the explicit right to live within secure borders, just as much as ourselves, and not to be expelled again.

2. The Western Occupation Zones now constitute the Federal Republic: a State—not a provisional arrangement, an economic power in the world—a part of the western system of alliances. And on the other hand: the Soviet Occupied Zone became the GDR—also a State and not a provisional arrangement any more, an economic power at least in the Eastern Bloc—a part of the eastern system of alliances.

3. Then there is divided Berlin, of which West Berlin is a part of the whole social order of the Federal Republic of Germany, thus with its ties to the Federal Republic and therefore to the western world, under the special responsibility and the supreme authority of Three Protecting Powers, West Berlin with all its problems and difficulties, but also opportunities.

4. And finally there is the fact that the Four Victorious Powers have a responsibility for Berlin and a residual responsibility for Germany as a whole, a responsibility of which they are fully aware.

In view of these facts German interests are quite obvious, I feel:

It is our interest that those parts of Germany which are free today will remain free; and

It is our interest that peace be safeguarded and secured; and

It is our interest to make our own contribution towards lowering borders everywhere in Europe in order to provide everyone in Europe, including the people in the GDR, in so far as we are able, with more freedom in public and in private life.

Our interests being thus defined the question arises of how to achieve our aims. Can we achieve them by the traditional means of the nation state? The answer is no. We can only do it in alliance with our partners. And everyone in Germany should know that there are no partners in Europe or in the United States of America for fundamental changes in the structures of present-day Europe, thus for upsetting borders, or any other upsets. And indeed everyone in Germany does know this, they have known it at least since June 17th, 1953, or since the erection of the Berlin Wall, or since Hungary 1956, or since Czechoslovakia in 1968.

And the other question is: can we pursue our interests—perhaps using pressure or even violence—against the USSR, or can we pursue them together with the USSR against her present allies? The answer to both these questions is no. The only way is to reach rational agreements with the Soviet Union.

What is the conclusion to be drawn from this?

1. Any German foreign policy must be based on the firm integration of the Federal Republic of Germany in the western system of alliances. This integration alone safeguards our security and gives us an opportunity to work for a relaxation of tension together with our friends and allies.

2. Sticking to rigid forms and traditional concepts alone does not help; it is more important to contribute towards mitigating the consequences of the division of Germany and towards enabling both states to achieve a regulated co-existence.

3. We must act on the basis of facts as they present themselves today: the realities, the borders and the relation of powers as we find them 25 years after the end of the war. On this basis we must co-operate in the building of a peace order in Europe, an order which will gradually eliminate existing differences, and thus create less tension and more peace than we have today.

That part of working for this Europe which can only be achieved by the Germans themselves, has not yet been concluded. Important tasks still lie ahead of us, the Germans. But the foundations have been laid, the clearing of that backlog mentioned before, repairing the omissions and neglect of the past which almost inevitably appears to be independent action but is in truth nothing but the necessary groundwork for this better Europe.

The foundations have been laid by the conclusion of the Moscow Treaty on August 12th, 1970 and the Warsaw Treaty on December 7th, 1970. In so far as any German government wanted to join in a policy of détenté it had to venture upon a policy towards the East and it had to aim its policy at the conclusion of treaties like these. And this it did. The most difficult point on this road and thus on the road towards a Europe of increasing understanding has been Berlin, because Berlin is a crucial German as well as a crucial European question and also an issue between the United States and the Soviet Union as the two world powers.

This very point shows the broad scope involved. Because first and foremost a solution or arrangement in Berlin is for the benefit of the Berliners. In other words, for those people who have lived often enough with threats, always with impairments and in any case with restrictions and limitations. Any Berlin policy, that is any policy conducted by Berlin as much as any policy concerning Berlin is and must be devoted to each and every inhabitant of the city.

But as surely as this is true, as surely is Berlin an issue that goes far beyond Berlin. These two truths are indivisibly linked.

We have always looked at it this way. For a long time we have said that there can be no solution, no arrangement for Berlin in isolation from the larger political context. It has always been clear that the concerns of Berlin are part of the entire complex of East-West relations.

The Federal Government has tackled the problem seriously and has, in consideration of realities in Germany and in consideration of true national interests, pursued a policy which helps bring to an end East-West confrontation in Europe and thereby benefits all of us, not least the Germans and above all the Berliners. The Moscow and Warsaw Treaties paved the way for the Four Powers to enter into negotiations over Berlin with the prospect of success.

The Four Power talks and negotiations were hard and difficult. But they were worthwhile. The resulting Agreement on Berlin which was signed on September 3rd of this year brought considerable political reason into our conflict-ridden age.

The Berlin Agreement means that the tightest knot between East and West has been loosened and, as far as possible, untied. Some supplementary arrangements, to be concluded by the two German sides, are still to be made. But the fundamental agreements have been reached.

So there is a new situation in Berlin, we now have, we believe, the status quo plus. The Quadripartite Agreement provides a solid basis for the future of our city and for the future of everybody living in Berlin.

But even more. The conclusion of a joint agreement on Berlin is rightly seen and felt, generally and everywhere, as a breakthrough, as a breach in the rigidity and encrustments which were the heritage of the cold war. Not that on the other side things will be smooth and orderly, not that there will be no more obstacles and conflicts. But at least work can continue now with confidence and some expectation of success, work that is necessary for a normalization between the two German states and the two parts of Europe. There is now a political logic for the reduction of tension and the creation of more sensible conditions in Europe, because what has been possible in Berlin, must be possible elsewhere.

As far as it is humanly possible to judge, Berlin is no longer a trouble spot and no longer a burden to efforts elsewhere to bring about understanding between East and West. Not only has it been rescued from lagging behind general political tendencies or even from being left behind as a relict of the cold war, it is firmly embedded in the policy towards a secure and lasting order of peace in Europe, and now even constitutes a sign that the cause of security and peace in Europe may succeed.

But this is of supreme importance for the United States too. The process of achieving a pacified Europe is still going on, and yet even now Europe presents itself differently, as the Berlin Agreement proves.

The participation of the United States in the process of détenté is of vital significance to us in Europe.

In Berlin this participation goes without saying, and this must be the case in all other efforts. The presence of the United States in Europe is essential because it is only this presence that maintains the balance and thus provides the preconditions of all efforts for détenté.

What the United States will gain from a policy of détenté in Europe is increased security for the USA itself. An order of peace in Europe to which all concerned agree will ensure the United States peace to a large extent.

The Atlantic relationship may stand in need of some new formulations in this or that respect due to changing conditions in Europe. But the decisive thing is for the Atlantic partnership to be maintained without leaving any room for doubt.

It is vital for the United States just as much as for Europe, it is essential for the security of both and for peace in general.

But the Berlin Agreement is not the only indication of improvements in Europe. Another great date next to the 3rd of September is the 28th of October, the day that Great Britain decided to join the European Communities. There is no doubt that the European Community, enlarged by Great Britain and the three other applicant states, will be a prime factor of stabilization and peace in Europe. And this too can only be beneficial to United States security.

While this is definite and quite certain, the relationship between the United States and Europe is these days strained due to economic problems and above all the problem of the monetary crisis.

Here and now I can only express the hope that these issues may be solved as soon as possible on the basis of mutual consideration and common interests. It is my opinion that these problems must not be allowed to strain the Atlantic friendship for too long, and I give unequivocal priority to our joint interests in security and peace.

An early solution to the economic and currency problems is necessary also because European-American relations should be as free as possible from any strain in view of the tasks and challenges we will be approaching after the final ratification of the Berlin Agreement. For as a further stage and objective in settling East-West relations in Europe the conference on security and co-operation in Europe lies before us. However comprehensive the preliminary work, whatever difficulties may arise: there can hardly be any doubt but that this conference, if it is taken seriously by all sides and is not mere propaganda, will have considerable effect in Europe. We recognize progress in this venture in the fact that the Soviet Union has acknowledged that this conference can take place only with the participation of the United States and Canada.

If you will allow me to make dialectic use of this recognition of reality on the part of the Soviet Union I would say: the United States of America and we in Western Europe, have received the Soviet Union-confirmation—certainly not given easily—that we are dependent on one another.

Naturally we do not need confirmation of this kind. We know that Europe and America, because of identical of similar interests, are dependent on each other and that their unison is decisive for security and peace.

THE GENOCIDE CONVENTION: AN END TO TERROR

Mr. PROXMIRE. Mr. President, there have been many cases of mass murder in recorded history. The most recent and most horrible was the slaughter of 6 million Jews by the Nazis before and during World War II. It is essential that we take steps to prevent a recurrence of this tragedy.

Ratification of the Convention on the Prevention and Punishment of the Crime of Genocide is a step in the right direction. Our adherence to this treaty would be entirely consistent with our great tradition of peace and freedom under law. The prevention of genocide comes as the nations of the world outlaw this crime. The punishment would come as each nation enacted laws, in accordance with their constitutions, to provide for the arrest and punishment of persons committing genocide within its borders. As with all other treaties of this nature that the United States is a party to, American citizens will be guaranteed all the rights and protections of the Constitution. In addition they will have protection from the specter of mass murder.

Mr. President, I urge the Senate to ratify the Genocide Convention as soon as possible.

THANKSGIVING DAY

Mr. MATHIAS. Mr. President, more than 300 years have passed since Gov. William Bradford of the Plymouth Colony issued the proclamation that brought Pilgrims and Indians together to share a 3-day festival of food and friendship. This Thanksgiving, more than ever, we need to rediscover and renew that same sense of sharing among all Americans and, indeed, among all people everywhere.

We have, in our country and in the world, let too many walls and barriers spring up between us—between black and white, between rich and poor, between city and suburb, between East and West.

Yet, as our environmental crises have made many of us increasingly aware, we cannot forever cut ourselves off from the circle of life. Neither, if we hope to overcome our social and racial divisions, can we continue to cut ourselves off from each other.

I hope that on this Thanksgiving Day we can, somehow, begin again to build among all Americans and among all peoples everywhere that sense of community and common humanity that alone can bring within reach of all of us a life to be thankful for.

CLUTTERED SOUNDS—IMPAIRED HEARING

Mr. CHURCH. Mr. President, hearing loss is a serious problem for the aging, and it is not alleviated simply by increased volume of sound. Mr. R. O. Beckman has alluded to some of the ramifications of hearing loss in Vintage Years, a syndicated newspaper column for senior citizens. As chairman of the Special Committee on Aging, I share his concern.

It behooves us to take a closer look at the problems discussed by Mr. Beckman in view of the dire prediction that hearing loss among younger persons may be increased because of "noise pollution." Hearing loss will become a major problem of future generations of middle aged and aged unless this generation is willing now to deal with the quality of sound.

I ask unanimous consent that Mr. Beckman's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

VINTAGE YEARS—CLUTTERED SOUNDS IMPAIR HEARING

(By R. O. Beckman)

Broadcasts over the airwaves often enrage older Americans. Resentment is not confined to commercial advertising. In addition, since the hearing of the elderly gradually deteriorates, they cannot comprehend words and meaning. Communication, even one-way, is lost.

U.S. Public Health Service surveys show that of all persons with bilateral hearing impairment, 80 per cent are over 45 and 55 per cent over 65. Their loss involves more than lessened sensitivity to sound volume. A major hazard of growing older is our inability to communicate with each other through speech. Isolation from fellow human beings and knowledge of what goes on the world around them becomes a penalty of the aged.

Science is only now beginning to inquire how and what older persons hear. It learns that a substantial percentage of them cannot clearly understand or sort out speech. They not only fail to hear high-pitched sound but in trying to concentrate on other sounds those are masked or distorted by competing background noise, rapid or slurred speech, or the voices of others present. Live face-to-face conversation may be understood but distortion in radio, TV, movie or theatrical presentations cause difficulty. This was indicated in 1965 in this column after interviews conducted with several dozen older acquaintances.

Annoying variations in volume are common in radio broadcasts when one program or speaker is exchanged for another. Background noise often interferes with understanding newscasts when distant voices are injected into presentations. Sound variations also occur in concert or other recordings on discs or tape.

TV and radio technicians have not yet learned the importance of uniform volume control. Commercials are not only criticized for infantile sing-song that cannot be understood but for raucous faked shrieks, squeals, explosions, groans or laughter for attempted emphasis. The elderly are often entirely unaware of what is advertised.

That radio stations are little concerned over their elderly listeners is implied after the experience of writing a CBS affiliate. The letter suggested that in announcing special features the day and hour be announced since daily papers carried no radio log. It also raised questions of inaudibility because of fluctuating volume and background noise and assumed the station was aware of such problems.

When after a month no reply was received, a copy was forwarded to network headquarters, which replied saying the questions were being referred back to the station as of local concern. Finally, eleven weeks after the original letter was mailed, the local station replied it was "not aware" of receiving it and later said it was "sorry to hear" about any need for clear enunciation. Some data was supplied about newscasts but none as to relative time assigned to various types of programs, including commercials. The suggestion that radio listeners check up on their own program needs would require them to evaluate the daily programs of 30 local stations with a stopwatch or a computer.

It is paradoxical that advertisers and program producers are indifferent to the auditory receptivity and tastes of their audiences when consumer research in other aspects is the order of the day.

THE ARROGANCE OF GEORGE MEANY

Mr. GOLDWATER. Mr. President, I believe we can all recognize the tremendous task confronted by the President of the United States in his determined effort to halt inflation in the United States. I believe we can all agree, too, that such an effort is undertaken on behalf of all Americans and all groups of Americans, and that such a task requires the cooperation of every segment of our highly integrated economy.

Mr. President, this country is fortunate to have a man in the White House today who understands the all-encompassing nature of the problem which is making life so difficult for our wage earners, our housewives, and especially our retired persons who live on a fixed income.

This country is fortunate, too, to have a man in the White House who will not—I repeat, not—submit to ultimatums, either from business interests or labor leaders.

Mr. President, today I want to make it absolutely clear what George Meany meant when he issued his arrogant statement:

If the President doesn't want our members on the Pay Board on our terms, he knows what he can do.

Mr. Meany was telling the American people that everyone would have to step aside for him and for the interests which

he represents. Mr. Meany was laying down an arrogant, impudent challenge which said to the President, you either do it my way or we will try and see that you do not do it at all.

My belief is that the labor leaders in this country have long exercised far too much power for the good of the American people and the national economy. I have repeatedly outlined this belief in appealing for legislation which would make labor unions just as accountable under the laws as our corporations and other special interest groups. Now we have a prime and very dangerous example of the misuse of union power. We have an example not only of how arrogant but also how rude this power has made men like George Meany.

Mr. President, as a dedicated conservative who has long been committed to the limitation of Government control it was not easy for me to support President Nixon's new economic policy. I did it, and I renew that support again today, because I am convinced that this Nation and its people are facing a drastic emergency, an emergency which could ruin us. Other spokesmen and other organizations which find the whole idea of price and wage controls objectionable have likewise submerged their feelings to support the administration in a crisis situation which it did not create but which it inherted from administrations which made it a practice to give in to all the demands groups represented by George Meany made upon them.

Mr. President, I certainly see no reason why the leaders of organized labor cannot cooperate in like fashion for the good of their own members and the American people in general.

As I was driving in this morning I heard on my radio that my colleague from Minnesota, Senator HUMPHREY, had accused President Nixon of setting about deliberately to antagonize the labor union leaders. Nothing can be further from the truth. President Nixon agreed to appear before the AFL–CIO convention in a spirit of cooperation and in an effort to explain his policy in detail to a segment of our economy directly affected. But, before he got to the Miami convention, George Meany made a deliberate effort to intimidate the President of the United States with the force of union power. He laid down an ultimatum to which, I presume, he hoped the President would yield. Instead, he had the ultimatum thrown right back in his eye. As a measure of Meany's unhappiness over this result, he went around over the weekend telling people that President Nixon was a weak President in whom he had little confidence. Mr. Nixon may have appeared weak to George Meany but he appeared tough and unyielding to the majority of Americans who desperately want his attempt to end inflation to succeed.

Mr. President, why is it that George Meany and his unions feel they are something special? Why is it that George Meany will not cooperate in the interest of the common good? Why is it that George Meany holds himself aloof from the expressed wishes of an overwhelming majority of the American people?

I suggest that Mr. Meany and men like him have too long been treated to special considerations for strictly political purposes. I believe George Meany cannot quite believe that any administration would clamp restrictions on the American economy which would treat them as an equal with other segments.

Mr. President, I am proud of my President who had the courage to go before the AFL–CIO convention and tell it like it is—that he will stick to his economic game plan to relieve inflation with or without the help of organized labor. I believe it is now time for George Meany and his groups to understand they are not going to be given special consideration and unusual treatment. Several times before I have wondered how arrogant one man can be to set himself up above the Government and above the people for a selfish, special interest. Several times before I have invited George Meany to rejoin the American people. Today the invitation is still open. In other words, I believe the American people are willing to forgive Mr. Meany a serious mistake and say, "Come on home, George, all is forgiven."

THE IMPORTATION OF UNSAFE CYLINDERS

Mr. HARTKE. Mr. President, on June 10, 1971, the Hazardous Materials Regulations Board of the Department of Transportation announced that it was considering an amendment to part 173 and part 178 of DOT's regulations to authorize prescribed tests and analyses of gas cylinders to be undertaken outside of the United States. Since 1923, regulations have required that these safety tests be made within the United States. This fact has been a major element in the unparalleled safety record which exists in the industry.

The amount of energy stored in these cylinders at high pressures is enormous. It would be a tragedy if the excellent record of safety which has been built in this country were shattered because of this change in Department regulations. Without adequate inspection, foreign cylinders will present great hazards on the highways over which they are transported and the shops in which they are used.

I understand that much of the momentum for the proposed change of regulations arose from DOT's plan to require passive restraint systems for automobiles by July 1, 1973. The fact that this date has now been moved back to August 15, 1975, removes much of the urgency for the change in cylinder regulations. Gas cylinders are an integral part of the proposed airbag restraint systems now being tested.

It is also important to understand that the cylinders involved in airbag systems are small, while the cylinders used in industry and business to store compressed gas are much larger, and therefore present much greater hazards to the public. Surely the need to provide for adequate inspection of passive restraint compromising the safety of the tens of thousands of innocent people who daily work in close proximity to compressed gas cylinders.

While I recognize that the new regulation is based, at least in part, on considerations of safety, the impact of the proposal is far greater; 5,000 domestic jobs are at stake. Should the proposed regulation be implemented, many of those workers would be unemployed within months.

On August 31, 1971, I wrote Secretary Volpe urging that the proposed DOT regulation be postponed pending further study. His response, nearly 1 month later, provided no new information and offered not even a ray of hope to those who are concerned about this problem.

Mr. President, I urge Senators to study this question. It is a matter which affects every State of the Union. I ask unanimous consent that the statement of the American Cylinder Manufacturers Committee on this subject be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BEFORE THE HAZARDOUS MATERIALS REGULATIONS BOARD, DEPARTMENT OF TRANSPORTATION IN RE DOCKET NO. HM–74, NOVEMBER 1, 1971

This statement is submitted by the American Cylinder Manufacturers Committee [hereinafter ACMC] in response to an invitation to present views on a proposal which appeared in the *Federal Register* of June 10, 1971 (36 Fed. Reg. 11224). The Committee believes that the proposal is ill-advised and should not be implemented.

ACMC is a recently organized Committee of domestic cylinder manufacturers. Members of this Commitee account for approximately 90 percent of the compressed gas cylinders produced in the United States. The primary purpose in forming the Committee was to respond in a meaningful fashion as an industry to the Hazardous Materials Regulations Board's invitation to submit views on the subject proposal [See attached membership list.]

The Hazardous Materials Regulations Board [hereinafter HMRB] announced on that date that it was *considering* amendment of part 173 and 178 of the Department of Transportation's Hazardous Materials Regulations to authorize the performance, outside the limits of the United States, of chemical analyses and tests prescribed for DOT specification compressed gas cylinders under conditions approved by DOT. The announcement states that the proposal is based on petitions from foreign compressed gas cylinder manufacturers received over a period of several years. Further the announcement reveals that additional impetus for the proposal was the publication by the National Highway Safety Bureau (now the National Highway Traffic Safety Administration) of Motor Vehicle Standards No. 208 (35 Fed. Reg. 16927) specifying occupant crash protection requirements for certain motor vehicles manufactured after July 1, 1973, including those of foreign manufacture sold in the United States. One of the passive restraint systems contemplated known as the air bag system would employ a high pressure gas cylinder.

Initially ACMC requests the Board to note that the effective date for the implementation of passive restraint systems has been delayed until August 15, 1975 (36 Fed. Reg. 19254). Thus, much of the urgency for the adoption of the proposal is removed. More importantly, however, it is the view of ACMC that since the cylinders involved in the "air bag" system would be small in size, protected by the structure of the automobile and normally be changed only once, the "need" for relaxation of the present regulations insofar as those type cylinders are concerned should not serve as a basis for wholesale changes in testing regulations which apply to larger compressed gas cylinders. These larger cylinders have very little similarity to the characteristics described above. In an apparent effort to appease one of the interests involved herein, the Board seems to have created unnecessary risks. If the proposed regulations involved only the cylinders to be used in the air bag system, ACMC's position on this matter would be changed considerably.

In the announcement the Board states that it is considering amendments which would permit foreign inspection and testing. It is to this consideration that this statement is directed. ACMC does not interpret the notice in the *Federal Register* to mean that the issue is prejudged despite the assertion by the Board that it has concluded on the basis of its investigation [the contents of which have not been made known] and the public record that approval to perform specified chemical analyses and tests outside the United States may be granted to foreign manufacturers. It is with the conclusion with which we take issue because it is our belief and interpretation of the public record that compelling reasons exist for continuation of the present testing requirements.

Basically ACMC maintains:

1. That safety considerations require the continuation of existing regulations:

2. That the conclusion of the Board that tests may be conducted outside the United States violates procedural due process in that it is based on matters outside the public record.

3. That the Board's primary motivation for proposing these regulations is the removal of a so-called "non-tariff trade barrier" and accordingly the Board is acting beyond its jurisdiction.

I. *Safety Considerations.*

Safety standards for cylinders were adopted by the Federal Government nearly fifty years ago. At that time low quality foreign products posed a severe hazard to American consumers. The Government, in cooperation with manufacturers and users, developed comprehensive safety requirements for the fabrication of these products. Those responsible for preparing the new regulations recognized compliance could be assured only if inspections were made during the manufacturing process. No adequate nondestructive test of finished cylinders has been developed that could determine compliance with manufacturing standards.

To some extent the same limitations apply. Even today not all the factors which make for a safe, long lasting cylinder can be checked on the finished article. Inspection and testing during fabrication are required.

Cognizant of this fact, the 1923 regulations included a phrase, "Analysis and tests are specified, to be made within the limits of the United States." This stipulation sets a high criteria for inspection and testing and has been responsible for the excellent safety record of the United States.

Years of cooperation between manufacturers, inspectors and users in the United States have resulted in an interpretation of the specifications which serves as a "guide" to proper construction of this potentially dangerous product. Most domestic manufacturers regard the Federal requirements as minimum standards. The laudable safety record of American-made cylinders is largely the result of self-imposed controls which far exceed the legal requirements. The standards as written serve only as minimum guidelines for the production of safe cylinders.

The development of additional self-imposed standards was occasioned both by the desire of manufacturers to improve their products and the ambiguity of Government requirements. For example, specifications for 3A cylinders provide they are to be made "by *best* appliances and methods; dirt and scale to be removed *as necessary* to afford proper inspection; no fissure or other *defect* acceptable that is *likely to weaken* the finished cylinder *appreciably; reasonably* smooth and uniform surface finish required."

Through the cooperation of the users and manufacturers of compressed gas cylinders, certain design parameters have been upgraded beyond the requirements of the specifications. This cooperation has served to enhance safety of cylinders produced today as compared with those of twenty years ago even though the same basic codified standards are still in force.

Over the past fifteen years, the United States has cooperated in an effort to establish cylinder standards for all countries through The International Standards Organization [ISO]. There are several features in DOT regulations which have been consistently rejected or omitted by foreign manufacturers: The concept of maximum design stress limitation; leakage tests on spun-type cylinders; definition of quench and temper heating treatment and a precise definition of approved material. In addition to the above most foreign countries do not understand or accept the volumetric expansion test which United States manufacturers consider the most important safety feature.

At hearings earlier this year, eight examples of foreign-made cylinders purportedly meeting American standards were shown to be defective. In fact there exists evidence indicating the recalcitrance of foreign producers to accept the most basic safety practices. It is common knowledge that in some foreign countries there is a notable lack of emphasis on safety and quality control compared to United States standards. Even the most well-meaning foreign manufacturer could misinterpret American specifications. As previously noted, current DOT regulations are exceptionally broad. In practice, quality controls far exceed those specified in the law. Inspectors and manufacturers have adapted their interpretation of these standards to the current level of American expertise.

Aside from the obvious problem posed by translation of U.S. specifications into foreign languages, correct interpretation of these standards by foreign inspectors would be unlikely if not impossible. Given the reluctance of some foreign countries to adopt strict regulations on their own, and the ambiguity of existing American specifications, it is possible that foreign inspection would be no more than rubber-stamp approval of all but the most grossly defective items.

The proposed changes in the safety standards provide for examination of foreign-made cylinders by "qualified inspectors;" but this requirement offers scant assurance of compliance with the regulations. The Department of Transportation simply does not have sufficient personnel to supervise the manufacture of safe cylinders abroad. If "independent" inspectors were appointed to oversee foreign operations, serious questions could be raised concerning their impartiality and competence. The American Society of Mechanical Engineers, after an extensive study of inspection agencies, could find no criteria other than "judgment" to adopt or reject such agencies.

It strains credulity to believe that doubtfully qualified foreign nationals inspecting manufacturers in their own countries and using ambiguous American specifications could guarantee cylinders made abroad consistently conformed to the high quality standards followed by United States producers. The price we would pay for such folly could be enormous. The ultimate test would be made when a defective cylinder failed; a foreign manufacturer's "oversight" could cost American lives. Such a tragedy may be only a possibility; but many organizations, including the California Business and Transportation Agency and the Pennsylvania Department of Transportation are unwilling to accept that risk. H. Guy Kreider, Executive Secretary of the Pennsylvania DOT, observed, "Adopting the proposals now under consideration could open a 'Pandora's box' which, for years to come, may turn into a critical safety problem."

The argument has been advanced that foreign-made cylinders are presently being imported into the United States in large quantities and that safety would be enhanced by assuring inspection during manufacture. If this is so, it is illegal to offer these cylinders when filled for transportation. If on the other hand, it is claimed that the chemical analyses and tests as specified are being made in the United States, then there should be a precise definition of what tests are required to be made in the United States. This again illustrates the possibility of misinterpretation of the specifications. What is the distinction between tests and inspection? The Bureau of Explosives which was charged with surveillance of these matters interpreted such requirements as inspecting broken surface of the billets after parting, inspection inside before closing, verifying threads by gauge, etc., as being part of the requirements that had to be performed in the United States. The HMRB apparently does not interpret the above phrases in the same manner. It is obvious that if the Bureau of Explosives' interpretation is the correct one then it would presently be impossible for foreign cylinders to enter the country. It is worthy of note that the Bureau of Explosives' representatives served on the Compressed Gas Association committee and assisted in writing the instant specifications.

The question of consumer safety is more important today than ever before. It would be ironic if the Government abandoned regulations which have protected American lives for fifty years in order to secure markets for potentially dangerous foreign products.

II. *The Conclusion of the Board that Tests May Be Made Outside the United States Violates Procedural Due Process in that It Is Based on Matters Outside the Public Record.*

HMRB prefaced presentation of the proposed amendments in part by noting that, "It is the Board's conclusion, on the basis of its investigations and the public record, that approval to perform specified chemical analyses and tests outside the United States may be granted to foreign manufacturers upon favorable consideration of several matters . . ."

A letter of inquiry was sent by ACMC to the Board on September 30, 1971, requesting that the contents of the "investigations" designated in the notice of proposed rulemaking be made public in order to facilitate more cogent further comment by the public and to illuminate the basis for the Board's conclusion. Laurence Bierlein, Attorney-Advisor, responded to that letter on October 6, 1971, and revealed that no independent investigations had in fact taken place.

Although unintended, the misstatement in June 10, 1971 notice chilled further efforts to submit arguments and factual data since apparently independent investigative efforts by the Board have resolved considerable doubts of the safety consequences of liberalized rules raised by the sheer weight of the evidence already in the record.

Perhaps more importantly, however, is the simple fact that the misstatement will discourage every other interested person in the proceedings, who is not appraised of the absence of investigations, from making further contributions to the record. Indeed, for those led to believe that there is extrinsic evidence prevaling against the substantial public record against liberalizing the compressed gas cylinder shipping requirements, the incentive to appeal the final rules as "arbitrary and capricious" or "unwarranted by the facts to the extent that the facts are

subject to trial de novo by the reviewing court" [Administrative Procedure Act §10 (e).] is unfairly suppressed.

The disturbing fact is that the misstatement serves as a cloak for the Board's haste in speedily resolving a most important question of safety in the face of an inadequate public record. And perhaps, too, as a cloak for inordinate State Department pressure.

One cannot help but think that a mention of "investigations" reflects the true feeling of the Board that careful investigations are in fact fully warranted and needed.

It seems here that a procedural defect has occurred which makes a mockery of even the truncated due process rights permitted all interested persons in the formal rule-making proceeding at hand.

If the spirit of the Administrative Procedure is not to be grossly abused, it seems appropriate that some harm be taken to correct the harms done by the misstatement in the June 10, 1971 notice and that the subject of the rule-making proceeding be given proper consideration.

At the very least the Board should conduct a proper investigation the results of which to be made public, and the Board should then give all interested persons an opportunity to comment. ACMC believes that such an investigation requires inspection of foreign facilities and foreign products. ACMC would be glad to cooperate in such a proceeding.

III. *The Board's Primary Consideration in and Motivation for Publishing The Proposed Regulations Is the Removal of a So-Called Non-Tariff Trade Barrier and Accordingly the Board Is Acting Beyond Its Jurisdiction.*

ACMC contends that HMRB in proposing these regulations is acting beyond its jurisdiction. The proposal raise three interrelated jurisdictional matters: (1) The Board is attempting to regulate foreign commerce and thus is acting in excess of its authority; (2) the proposals are a result of trade negotiation which should be required to be carried on under the authority of the Congress; and (3) the proposals do not guarantee recourse for United States citizens against foreign manufacturers of negligently made cylinders.

A. *The Proposed Regulations Are Ultra Vires the Delegated Powers of the Department of Transportation.*

ACMC asserts that the proposed regulations exceed the authority vested in the Department of Transportation [hereinafter DOT] by the Congress of the United States.

In issuing the proposed regulations, DOT claims to be acting pursuant to the statute vesting power over regulation of explosives in the predecessor of the Hazardous Materials Regulations Board, the Interstate Commerce Commission [hereinafter ICC],[1] and certain rules regulating aviation.[2] In the grant of authority to the ICC, it is empowered to:

"Formulate regulations for the safe transportation *within the United States* of explosives and other articles, including . . . compressed gases . . . which shall be binding upon all carriers engaged in interstate and foreign commerce." [3] [Emphasis supplied.]

The statute defines "interstate and foreign commerce" as:

"Commerce between a point in one State and a point in another State, between points in the same State through another State or through a foreign country or foreign countries through the United States, and *commerce between a point in the United States and a point in a foreign country or in a Territory or possession of the United States, but only insofar as such commerce takes place in the United States.* The term "United States" means all of the States and the District of Columbia.[4] [Emphasis supplied.]

Pursuant to the grant of authority to formulate regulations applying within the United States, HMRB currently requires that cylinders transported in the United States must be tested during the course of manufacture by certified independent inspectors in this country.[5] Under the proposed regulations DOT would acquire the power to grant approval to foreign manufactures to perform specified chemical analyses and tests *outside the United States*, upon favorable consideration of several matters, including the acceptance of quality of production materials, manufacturing procedures, testing methods, and inspectors.[6]

ACMC contends the proposed regulations exceeded the mandate of the authorizing statutes by attempting to regulate testing outside of the United States. Regulations may be validly issued, according to the statute, only as they apply "within the United States," [7] and commerce can be regulated under the statute "only insofar as such commerce takes place in the United States." [8] The wording of the statute limits the jurisdiction of the HMRB to the regulation of domestic commerce. In other words, while DOT under the applicable statutes [9] can regulate testing in this country, it cannot regulate testing in foreign countries.

B. *The Proposed Regulations Are the Product of a Rule-Making Proceeding that Is a Trade Negotiation Which Should Be Carried on Under the Aegis of the United States Congress.*

The Constitution grants the plenary power over the regulation of foreign commerce to the Congress. It vests in Congress the power "to lay and collect taxes, duties, imposts and excises," [10] and "to regulate commerce with foreign nations." [11] Under this power Congress historically has wielded legislative authority over the field of foreign trade regulation, including the imposition and removal of tariffs and other restrictions upon imports, i.e., non-tariff barriers to trade [hereinafter NTB's].[12] Congress has from time to time delegated certain of its powers over foreign trade to the Executive. The most recent large-scale delegation was in the Trade Expansion Act of 1962, when the Executive was given the power to make certain tariff cuts between June 30, 1962 and July 1, 1967.[13] Since July 1, 1967, there has been a reversion back to the Congress of the plenary power over foreign trade negotiations. Thus there is presently neither delegated power nor inherent residual power [14] in the Executive to regulate foreign commerce by carrying on negotiations over alleged NTB's.

Which branch of the Federal Government has the authority to deal with alleged NTB's? To ask the question is to supply the answer—the Congress, under its Article I, Section 8 power to regulate foreign commerce.

Neither in the statutes vesting power over the regulation of the transport of explosives in the United States, nor in any other applicable legislation has the Congress delegated to DOT the authority to regulate testing abroad or to abrogate an alleged non-tariff barrier to trade; and therefore, the proposed regulation concerning the testing of cylinders in foreign countries is *ultra vires* the authority of the DOT. Since the authority to regulate testing in foreign countries and to abrogate alleged non-tariff barriers has not been delegated to the DOT, and since no such power can be fairly inferred from the general rule-making power of the DOT, it would seem that the proposed regulation is *ultra vires*. It is true that the very delegation of rule-making power to the DOT implies a certain amount of discretion to the agency in defining the ambit of its rules.[15] It is, however, submitted that the regulation of foreign commerce is manifestly inconsistent with the statutory terms and purposes of the delegated powers of the DOT, and thus cannot fairly be considered consistent with its authorizing legislation. The rules concerning the testing of cylinders in foreign countries should be, therefore, considered as *ultra vires*, and without effect.

C. *The Proposed Testing Regulations Do Not Assure Adequate Recourse Against Foreign Manufacturers of Negligently-Made Cylinders.*

A lack of accountability by foreign manufacturers would breed irresponsibility by foreign manufacturers, which would lower safety in the United States. It is thus relevant to examine the problems of discovery, enforcement of judgments, adequacy of judgments and insurance, and considerations of equity involved in actions against foreign cylinder manufacturers. None of the problems is resolved by the vague provisions of the proposed rule.

The dual objectives of safety regulations are to protect the public from and heal its victims after the occurrence of a major catastrophe.[16] A key technique of restoring the victim of a catastrophe to his prior status is the imposition of legal responsibility on those who have failed in managing the risk under their control. If legal recourse is not available the deprivation is compounded. The possibility of inadequate recoveries should be minimized in a society that produces and transports more than 1,200 dangerous articles, more than 300 of which can destroy life or property in catastrophic proportions.[17]

It is clear that in a catastrophe involving the explosion of a compressed gas cylinder, the manufacturer of the cylinder could be liable, on the basis of a negligence theory or on the theory of strict liability.

The threshold question is whether the proposed regulations provide adequate recourse against foreign manufacturers of negligently-made cylinders. The proposed rule simply stated:

"In addition, each foreign manufacturer requesting approval would be required to specify an agent, domiciled within the United States, upon whom service of process effectively could be made." [18]

What will be the effect of this provision? The question is easier posed than answered definitively. Must each manufacturer carry products liability insurance? How much products liability insurance should a foreign cylinder manufacturer carry? Must a foreign manufacturer post bond to import cylinders into the United States? If so, how much? How can service of process effectively be made if the foreign manufacturer has no assets against which to move in rem in the United States? What kinds of assests could be moved against in rem in the United States? How could a judgment against a foreign cylinder manufacturer be obtained without the benefit of American discovery procedures abroad? Will foreign courts honor and enforce American judgments? These questions are only raised, not resolved by the technique of obtaining consent before an action is brought.

In order to explore the weaknesses of the DOT's "agent specification" plan, a simple hypothetical example will be used. Let us assume a cylinder containing liquefied petroleum gas is being used in a factory. Assume further that the cylinder explodes, causing extensive property damage and loss of life.

The first problem is that of discovery. Who are the potential defendants in the hypothetical? They are: (1) The manufacturer of the gas cylinder (as gas could have leaked through poorly welded seams); (2) the manufacturer of the gas (as it may have been improperly processed); (3) the distributors who purchase from the producer, and distributes large, bulk lots in wholesale quantities; and (4) the local dealer who buys from the distributor and sells to the industrial or commercial consumer. One of the most difficult problems in an exploding cylinder case is to trace the product back through the hands of all who dealt with it.[19]

Foreign cylinder manufacturers, despite their placement of an agent to receive service of process in the United States, would not be subject to the rigorous discovery procedures that are available in this country. It would be quite difficult to obtain a judgment against the foreign manufacturer, even under a strict liability theory without proof that the cylinder was defective at the time it left the manufacturer's control.[20] The foreign cylinder manufacturer is, therefore, effectively insulated from liability by the proposed DOT rule.

The second problem raised by the agent placement rule is that of enforcement of judgments in foreign countries. Would judgments obtained in the United States be recognized in foreign countries? United States citizens harmed by exploding cylinders are in effect placed at the mercy of foreign tribunals by the DOT's proposed rule. While American courts often recognize foreign judgments on the theory of comity, several continental Euorpean countries (including France) will not recognize foreign judgments in the absence of specific provision in reciprocal treaties with other countries.[21] The problem of actual collection on judgments could thus get bogged down in legalisms, or no recovery might result.

The third problem is that of the adequacy of recoveries that might be obtained against foreign manufacturers, even assuming *arguendo* that they would be carrying products liability insurance. The magnitude of the disasters that could befall a foreign cylinder manufacturer are obvious. The total available insurance may fall far short of providing adequate levels of compensation to United States victims. Finally, it may be assumed that the burden on United States citizens injured by foreign cylinders will be greater than if they were injured by domestic cylinders, due to a time lag resulting from the difficulty in obtaining evidence against the foreign manufacturer.

The fourth problem raised by the "agent placement" rule is that of equitable considerations. In general terms, it hardly seems fair to subject domestic cylinder manufacturers to liability for negligently-made cylinders and effectively absolve foreign manufacturers from liability, due to problems of proof and enforcement. In each particular case, the equitable problem is that the loss is effectively shifted to *other* potential defendants, such as the gas manufacturer, as all joint tort-feasors are jointly and severally liable, and contribution may be difficult to obtain.

In summary, the DOT requirement that all approved foreign cylinder manufacturers must post an agent in the United States is inadequate to meet the safety needs of American citizens. Foreign manufacturers are effectively insulated from liability by the difficulties of discovery abroad, the problem of the recognition of United States judgments in foreign countries, and the likelihood that foreign products liability insurance would be inadequate to meet the financial demands of a major catastrophe. Insulation from liability can only discourage the expensive precautions required in the process of manufacturing cylinders. The safety of all United States citizens will accordingly be lowered.

CONCLUSION

For the above stated reasons, the American Cylinder Manufacturers Committee opposes the subject proposal and requests that it be withdrawn.

Respectfully submitted,

WILLIAM W. SCOTT,
Executive Secretary, American Cylinder Manufacturers Committee.

FOOTNOTES

[1] §§ 831–835 of Title 18, U.S.C. § 9 of the Department of Transportation Act (49 U.S.C. § 1657).

[2] Title VII and § 902(h) of the Federal Aviation Act of 1958 [49 U.S.C. §§ 1421–1430 and 1472(h)].

[3] 18 U.S.C. § 834.

[4] 18 U.S.C. § 831.

[5] See, 49 C.F.R. § 178.36–3.

[6] See, Docket No. HM–74, supra note 1.

[7] 18 U.S.C. § 831.

[8] 18 U.S.C. § 831.

[9] The statutes regulating certain aspects of commercial aviation seem to have little relevance to the testing of compressed gas cylinders in foreign countries, and it is a mystery why DOT cites them as a basis for its actions. Furthermore, the cited statutes exempt foreign aircraft and airmen who may arguably come within the reach of the statute, a tacit admission that an agency cannot administer its regulation in foreign countries. [See, 49 U.S.C. § 1430(b).]

[10] See, United States Constitution, Art. 1, § 8.

[11] *Id.*

[12] See, K. C. Mackenzie, *Tariff-Making and Trade Policy in the U.S. and Canada: A Comparative Study, Chapter 1 (1968).*

[13] Trade Expansion Act of 1962, § 201.

[14] See, United States v. Guy W. Capps, Inc., 204 F. 2d 655 (4th Cir. 1953), which states that "while the President has certain inherent powers under the Constitution such as the power pertaining to his position as Commander in Chief of the Army and Navy and the power necessary to see that the laws are faithfully executed, the power to regulate interstate and foreign commerce is not among the powers incident to the Presidential office, *but is expressly vested by the Constitution in the Congress.*" [Emphasis supplied.]

[15] L. L. Jaffe, *Judicial Control of Administrative Action*, 564 (1965).

[16] James M. Brown, "Probing the Law and Beyond: A Quest for Public Protection from Hazardous Product Catastrophes," 38 *George Washington Law Review*, 431 (March 1970), 433.

[17] *Id.*, at 432.

[18] Docket No. HM–74, *supra* note 1.

[19] See, Morrissey, Admx. v. Conservative Gas Corp., 136 N.Y.S. 2d, 844 (1955), where a gas company was exonerated from liability because of lack of proof that its product was defective when it left its hands.

[20] See, Morrissey, Admx. v. Conservative Gas Corp., 136 N.Y.S. 2d, 844 (1955).

[21] See, Arthur T. Von Mehren and Donald T. Trautman, *The Law of Multistate Problems: Cases and Materials on Conflict of Laws*, 834 (1965).

Footnotes at end of article.

THE ASWAN DAM

Mr. BELLMON. Mr. President, probably no civil engineering project in the history of the world has attracted more attention than the construction of the Aswan High Dam on the Nile River in Egypt. From its inception this development has been involved in controversy relating to world politics and the relationships between nations.

Members of the Senate know that an offer by our Government and the World Bank to finance the first stages of the project was withdrawn after a series of misunderstandings with Egyptian President Nasser. Loans for the project were then arranged with the U.S.S.R. Equipment and engineering for the project were then furnished by the Russians.

Mr. President, on November 8, I had the privilege of visiting the Aswan High Dam as a guest of the Egyptian Government. In the party were two engineers, Dr. William L. Hughes, head of the school of electrical engineering at Oklahoma State University, and Dr. William H. Wisely, executive director of the American Society of Civil Engineers.

While I claim no expertise in the field of engineering, I was able, as a farmer, to see and appreciate the effect of water from the high dam on Egyptian agriculture and to witness the changes that power from the dam is bringing to the rural life of Egypt.

Dr. Wisely has summarized his impression of the high dam in an article to be published at an early date in the magazine Civil Engineering. I believe Members of the Senate will be interested in this scholarly and impartial review of the Aswan project, and I ask unanimous consent that the Wisely article be printed at this point in the RECORD.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

PEOPLE, ECOLOGY, AND THE ASWAN HIGH DAM

(By William H. Wisely)

It was truly a privilege recently to visit the massive Aswan High Dam of the Egyptian Nile, and to confer at length with many of those responsible for its construction and operation. Other American members of the visiting party were Senator Henry L. Bellmon of Oklahoma and Dr. William L. Hughes, Head of the Department of Electrical Engineering at Oklahoma State University.

There is much concern in the United States today with the evaluation of environmental and social impacts—as well as economic—in the engineering planning of public works projects. The opportunity is most welcome, therefore, to participate in the review of such a major project from the standpoint of its impact upon people and nature.

Various conservationists and journalists have called attention to certain objectionable side effects of the High Dam. Among these are: doubt that Lake Nasser will ever fill because of high evaporation and infiltration rates; excessive siltation in the lake with attendant loss of the fertility represented by deposition of silt in the former flood plains; excessive erosion in the river channel and delta region; creation of conditions favorable to the vectors of bilharziasis and malaria; encouragement of salination of the soil; and dislocation of sardine fisheries where the Nile discharges into the Mediterranean.

It is essential that some basic facts about Egypt be understood before considering the Nile as a water resource and the High Dam as a development facility. Most dramatic is the fact that only 3% of the 386,000 sq. miles of land area are arable, the remaining land area being a barren desert! Almost 99% of the population lives in the narrow irrigated strips on each bank of the Nile, which widens at the delta, and along the Mediterranean seacoast. Of the 1971 population of 34.5 million, about 10 million live in Cairo, Alexandria, and other cities. The average density of population in the non-urban agricultural areas is more than 2,000 per square mile, but the actual density in the rural villages and towns is many times that.

Cairo is a modern, beautiful city, but poverty is widespread outside the central part. Since the highly significant land reform in the mid-fifties there are many small farms averaging less than 5 acres in area. The rural standard of living is very low, however—at the bare subsistence level.

The national annual income is $4.34 billion prior to the High Dam represents but $140 per capita. Agriculture, with rice, corn, sugar and cotton as the main crops, is a vital element in the economy. Import of food crops was essential, however, before the High Dam project.

The population is increasing at the rate of almost a million (3%) per year. Literacy over age 15 is under 30%, and rural health conditions are generally poor. Hookworm, malaria, pellagra and tuberculosis are com-

mon diseases. Egypt is a poor country, struggling to feed its rapidly growing population.

The Nile is the major resource of Egypt. Its entire flow originates outside the country, averaging 84 billion c.m. annually at Aswan. Range is from a minimum of 275 c.m.s. to 13,500 c.m.s. during the August-October flood season. When uncontrolled these floods interrupted agriculture, caused serious erosion and wasted 32 billion c.m. of precious water annually to the sea.

An ancient Arab saying goes "The Nile is Egypt." no other river is so much a lifeline to the land it traverses!

The Aswan High Dam was completed early in 1971. Its 43 million c.m. rock, sand, clay and concrete will impound 164 million c.m., three times the capacity of Lake Mead. Lake Nasser will average 10 km. in width and will extend up the Nile for 500 km. When visited the lake was 56% full, with its stage within 12 m. of high water. The present stage of 171 m. is well within the normal operating range of elev. 147–175 m. for irrigation.

The power plant comprises 12 units of 175 mw. each. The last three units are presently undergoing acceptance tests.

The civil engineering aspects of the dam and power plant appeared to have been planned and constructed in commendable fashion. There was no evidence of untoward settlement in the body of the dam, and it was stated emphatically that there was no validity to an allegation that leakage through the dam had required the engagement of special consultants. Concrete work appeared to be of excellent quality. The turbines and generator equipment, made in the USSR, are unusually fre of vibration. Dr. Hughes noted that certain electrical equipment is not of latest design, but is nevertheless sturdy and well adapted to the functions to be served.

Cost of the High Dam and related operations has reached about $625 million. The USSR made available loans totalling $240 million together with technical assistance in construction. Annual benefits from the project amount to about 40% of the total cost, a remarkable ratio.

The list of benefits accruing from the High Dam project includes the following:

Ultimate reclamation of 1.25 million acres of hitherto unproductive land for agriculture; 850,000 acres already reclaimed. Rice is now produced for export.

Complete storage of annual flood waters, converting 725,000 formerly flooded acres to perennial irrigation yielding two to three crops per year.

Improvement of cultivated land by lowering ground water levels.

Elimination of all annual flood damage.

Insurance of year-round navigation of the Nile.

Generation of 10 billion kw. hr. annually, to double Egypt's electric power production. Annual per capita power production was 40 kw. hr. in 1952, 200 kw. hr. in 1970, and will be 500 kw. hr. when High Dam power is fully developed.

Ultimate increase of national income by about $470 million annually; in 1970 alone the increase was $250 million.

It is appropriate to assess against this background the ecological trade-offs mentioned earlier. Each of these will be discussed briefly:

LAKE-FILLING RATE

It must be noted that the purpose of Lake Nasser is to contain the Nile floods, and to provide a steady source of irrigation water and power. Filling of the lake to date is progressing as expected. Six years of observation have shown that evaporation and infiltration rates are well within design limits. No "weak zones" of leakage have as yet appeared in the lake bed.

SILTATION

Of the total of 60 million c.m. of silt carried annually by the Nile about 88% was formerly carried to the sea by flood waters. About 9%, or 5.4 million c.m., were deposited upon flooded land, providing nourishment to the soil. It is estimated that the loss of silt sediments is equivalent to about 13,000 tons of calcium nitrate per year. The cost of such fertilizer additions, however, is less than the former cost of dredging unwanted silt from irrigation canals and local storage areas.

With the High Dam in operation, silt will in the future drop out in the upper reaches of Lake Nasser. Design provides for 30 billion c.m. of silt storage, however, sufficient for 500 years.

EROSION

The yearly Nile floods caused serious instability of river banks because of erosion. While the now silt-free waters will move at higher velocities, the wide variation in annual discharge has been eliminated. Under such stabilized conditions erosion should soon diminish with the result that the river banks will also become more stable. Further control of erosion should ensue with the construction of additional dams that are planned between Aswan and Cairo.

DISEASE VECTORS

The diseases of bilharziasis and malaria are endemic to all tropical countries with low standards of living and dependent upon irrigated agriculture. The occurrence of the vectors of both diseases is under continuing study. To date there has been no finding of the *Anopheles* mosquito in Lake Nasser. An incidence of 18% bilharziasis has been found among the 4,000 fishermen at work in the lake.

General improvement in public health measures and disease prevention will accompany any advance in the national economy and attendant rise in the standard of living. This is presently a high order of priority in Egypt.

SOIL SALINITY

The accumulation of salts in soil results from high rates of ground-surface evaporation. This is minimized by the provision of effective soil drainage, which is further beneficial in that ground water return to the river is expedited. The Ministry of Irrigation has a continuing program of drainage network installation, with financing by the International Monetary Fund.

EFFECT ON FISHERIES

Loss of flood-borne nutrition has apparently caused migration of the sardines formerly found in the Mediterranean at the Nile's mouth. Value of the fish formerly taken here has been estimated at $7 million per year. As a result of the sardine migration, however, the national fishing industry has restructed and modernized for deep-water fishing, which will yield other fish in addition to sardines.

Lake Nasser is now producing about 2,000 metric tons of food fish per year, and the ultimate yield will be 16,000 metric tons or more.

Viewed in the light of its many vital benefits to a needy people, the so-called ecological effects are clearly nominal. Even so, a facility has been provided in the Lake Nasser Development Centre at Aswan for the conduct of ecological research in all areas of concern. Studies are underway, on shoreline land use, fisheries, disease vectors, and erosion. Separate research is being directed toward coastline stabilization in the delta, a problem of long standing.

The Aswan High Dam is a modern engineering wonder, to be sure, but more importantly, it is filling a vital need for 35 million people. It is a fine tribute to the engineering professions of Egypt and the USSR and the engineers from other countries who contributed to the early planning; it embodies the best of engineering art and creativeness, soundly executed.

Probably no engineering undertaking before has given so much to so many people who sorely need the encouragement and assistance of the developed nations of the world. Detractors of this great project will do well to view it from the right end of their binoculars, in proper focus!

Mr. BELLMON. Mr. President, I have also received comments from Dr. William Hughes, head of the electrical engineering department at Oklahoma State University, in Stillwater, Okla., who viewed the Aswan project from the electrical engineering viewpoint. His comments are short, and I believe Members would be helped by his objective and well-qualified technical observations.

I ask unanimous consent that they be made a part of my remarks at this point.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

REFLECTIONS AT ASWAN

Due to a combination of circumstances too complex to explain, a party of three Americans were provided an opportunity to visit the Aswan Dam as guests of the Egyptian Ministry of Electricity. Our continuous hosts for several days were two subministers of the Ministry. During those days we not only saw a great deal of that Egyptian-Russian engineering project, but we also developed a personal rapport with our hosts that to us was as important as what we saw. What follows is a series of reflections on that visit.

Many of us have had a tendency to think of the Aswan Dam as being built for the Egyptians by the Russians as a gift, but calling for irrevocable political and military ties in return. That political and military ties have developed between Russia and Egypt is obviously true, but let no man think that the Aswan Dam is a gift. The Egyptians are paying money for the Dam on a strict contractual basis in which the Russians

(1) floated a loan at 1½% interest.
(2) sold construction equipment.
(3) sold power station equipment.
(4) provided some engineering services.
(5) provided some (not all) supervisory personnel at the engineering, technician, and Construction Foreman levels (roughly 8000 total).

The Egyptians, themselves, had been studying the question of a dam at Aswan for some years, and they had already done a great deal of very good engineering planning with the help of experts from all over the world.

Although the Russians gave some very good help, a major amount of the planning was done before they came on the scene. It is not the purpose here to provide a subtle lecture on Capitalism versus Communism. It is clear, however, that the Russian Engineering, Construction, and Finance Company took and successfully completed one of the world's largest single capitalistic construction contracts and perhaps at a profit (or at least no loss) to themselves. One is prone to ask why we didn't get the contract since we know this sort of thing is really our bag, and the Russians don't even admit to being a conglomerate corporation.

Our American press has generally had a tendency to describe the Aswan project in patronizing or even degrading terms. We have heard such things as (1) the dam is moving around. It is, as does every other big dam, and this is taken account of in its design. (2) The elimination of the annual floods is changing the ecology of the river. Again, of course, it is. It is also making it possible to get two crops a year instead of one. It has added over a million acres of irrigable land to the agricultural production complex and it has provided a total capability of 2.1 billion watts of electricity for rural and urban electrification—that's going to change the ecology a bit. On the negative side, diseases have begun to appear as problems and appropriate corrective actions are required (and are being taken). The end of the delta flooding means that more chemical fertilizers (mainly nitrates) must be used, and since people no longer drown in the floods, the overpopulation problem is somewhat more severe. Technology always makes these kinds of changes and the fundamental management problem with technology is to assure that the good outweighs the bad. The Egyptians are aware of all of these problems, and are competently managing them.

One of our principle desires was to get a good look at as much Russian Engineering as possible, and we had ample opportunity. The Engineering, Civil, Mechanical, and Electrical, is superb. In terms of quality one doubts that there is a better hydroelectric installation anywhere in the world. We were particularly impressed with the dynamic balance achieved on the turbo alternators. In all hydroelectric installations, when the turbo alternator is running at synchronous speed there is always considerable vibration. Even though these turbines are as big as any in the world, the vibration level is extremely low.

It appears that the technical capability of the people running the plant is very good. It is also clear that the maintenance level in the plant is kept uniformly high. The power station was clean and had the appearance of being very well managed.

If one really has to carp at something, the only thing we could find to carp at was the scheme used for exciting the big alternators. The d-c exitation was taken from an exiter alternator for which the output was rectified in mercury arc rectifiers. We were surprised to note a lack of solid state silicon devices in this function since other turbo generator manufacturers, German, Sweden, Japanese, and American, have been using them for some years.

Nonetheless, the total electrical system at Aswan is of high quality, high reliability and will give excellent service for many years.

Generally, the electrical system is very conservatively designed, which is a good policy for such an installation. With the high dam in full operation, a massive rural electrification program is being undertaken, to be completed in roughly five years. It is the objective to give every villager electric lights, the ability to pump water from the Nile, and do other chores now done by hand.

Considerable power is now being consumed by industries and that consumption is growing. The net result is that before 1980, Egypt will need more power than she can generate, and she, like ourselves, is searching for new sources of power now.

The high dam at Aswan is without doubt, one of the modern engineering marvels of our time. The economic benefits to Egypt are enormous. The negative aspects exist, of course, but are small compared to the benefits. Even so, the Egyptian government has been studying the negative impacts as well as the positive ones, and is implementing their control with dispatch.

Mr. BELLMON. Mr. President, all of us are gifted with 20–20 hindsight. Therefore, viewed in retrospect, it may be that our Government erred in withdrawing support for the Aswan High Dam. Our action paved the way for sales of hundreds of millions of dollars worth of Russian goods to build the project. The point here is that these are sales not grants. The cost of the project is being paid on schedule with earnings from power sales.

While most of the thousands of Russians who were involved in the construction of the project have now left Egypt, a good rapport between the two nations has been established. Official visits between leaders of the two governments are common. Much of the transport and other industrial equipment used in Egypt is of Russian or Czechoslovakian origin.

Russian naval vessels on duty in the Mediterranean are now serviced from an Egyptian base. Russian crews man the more sophisticated defense installations near the Suez. There may be reason to wonder whether or not the Russian Bear has a full nelson on the ancient land of Egypt and her oil-rich Arab neighbors. If that is the case, it is almost certainly because of a series of conscious decisions on the part of our Government.

Mr. President, I went to Egypt expecting to find general and open hostility toward America and Americans. I could not have been more pleasantly surprised. The fact is that the Egyptians I met—Government officials, including President Sadat and several of the ministers in his Government—were most cordial. The shopkeepers in the bazaars were openly friendly. The villagers and the farmers I spoke with were open and warm in their comments.

My experience was not unique. The groups of American tourists I encountered reported a similar friendly reception wherever they traveled. There seems to be a reservoir of good will—even affinity—between Americans and Egyptians, which goes back to pre-Nasser times and which the present Egyptian Government is interested in nourishing.

Mr. President, in my opinion, all is not lost for this country in Egypt, or in the Arab world. There will be other projects like the Aswan Dam where the expertise, the products, and the wealth of this country can be wisely made available—not necessarily as gifts—to assist in Egyptian development. I hope conditions will make possible a cooperative arrangement in the near future which will normalize relations with this important and fundamentally friendly land. I have written President Nixon urging extraordinary efforts toward this goal. I urge Members of the Senate to support these moves as they are made.

POETICAL SENSE AND POLITICAL NONSENSE

Mr. ERVIN. Mr. President, I will speak of billions of dollars. Let me explain what a billion dollars is. If a husband should give his wife a billion dollars on the understanding that she would spend $1,000 of it every day except the extra day in leap year and would not return until all was spent, it would be 2,739 years, 2 months, and 5 days before he would see her again.

I am prompted to call my remarks "Poetical Sense and Political Nonsense," by a great poem, "The Gods of the Copybook Headings," in which one of the most profound philosophers of English-speaking peoples, Rudyard Kipling, recounts in poetic words of stark simplicity how the gods of wisdom, whom he calls the "Gods of the Copybook Headings," and the gods of expediency, whom he designates as the "Gods of the Market," contend in all ages for the allegiance of men, and how men suffer when they forsake the "Gods of the Copybook Headings for the Gods of the Market." Kipling borrows the title to his poem from the copybooks of his day in which axioms were written or printed for schoolchildren to copy.

As we read this poem, we are amazed by both its timelessness and its relevancy to today. It relates eternal truth concerning the propensity of men to forget that "history is a voice forever sounding across the centuries the laws of right and wrong"—(James Anthony Froude). It deals, moreover, with such current themes as disarmament, sociology, economic integrity, financial responsibility, redistribution of wealth, inflation, depression, the welfare state, and the freedom of men from responsibility for their crimes and sins.

I will read Kipling's poem in full:

THE GODS OF THE COPYBOOK HEADINGS

As I pass through my incarnations in every age and race,
I make my proper prostrations to the Gods of the Market-Place.
Peering through reverent fingers I watch them flourish and fall,
And the Gods of the Copybook Headings, I notice, outlast them all.

We were living in trees when they met us. They showed us each in turn
That Water would certainly wet us, as Fire would certainly burn;
But we found them lacking in Uplift, Vision and Breadth of Mind,
So we left them to teach the Gorillas while we followed the March of Mankind.

We moved as the Spirit listed. They never altered their pace,
Being neither cloud nor wind-borne like the Gods of the Market-Place;
But they always caught up with our progress, and presently word would come
That a tribe had been wiped off its icefield, or the lights had gone out in Rome.

With the Hopes that our World is built on they were utterly out of touch,
They denied that the Moon was Stilton; they denied she was even Dutch.
They denied that Wishes were Horses; they denied that a Pig had Wings.
So we worshiped the Gods of the Market who promised these beautiful things.

When the Cambrian measures were forming, they promised perpetual peace.
They swore, if we gave them our weapons, that the wars of the tribes would cease.
But when we disarmed they sold us, and delivered us bound to our foe.
And the Gods of the Copybook Headings said: "Stick to the Devil you know."

On the first Feminian Sandstones we were promised the Fuller Life
(Which started by loving our neighbour and ended by loving his wife)
Till our women had no more children and the men lost reason and faith.
And the Gods of the Copybook Headings said: "The Wages of Sin is Death."

In the Carboniferous Epoch we were promised abundance for all,
By robbing selected Peter to pay for collective Paul;
But, though we had plenty of money, there was nothing our money could buy,
And the Gods of the Copybook Headings said: "If you don't work you die."

Then the Gods of the Market tumbled, and their smooth-tongued wizards withdrew,
And the hearts of the meanest were humbled and began to believe it was true
That All is not Gold that Glitters, and Two and Two make Four—
And the Gods of the Copybook Headings limped up to explain it once more.

As it will be in the future, it was in the birth of Man—
There are only four things certain since Social Progress began:
That the Dog returns to his Vomit and the Sow returns to her Mire,
And the burnt Fool's bandaged finger goes wabbling back to the Fire;

And that after this is accomplished, and the brave new world begins
When all men are paid for existing and no man must pay for his sins,
As surely as Water will wet us, as surely as Fire will burn,
The Gods of the Copybook Headings with terror and slaughter return!

BELIEFS THAT BUILT AMERICA

The men who made America great could not take for gospel the assurances of the smooth-tongued wizards that they could secure "abundance for all by robbing selected Peter to pay for collective Paul;" that men should be paid merely for existing; and that no man should pay for his sins. As a consequence, they spurned the Gods of the Market and followed the "Gods of the Copybook Headings."

In so doing, they entertained abiding convictions concerning man, economics, and government.

They believed that man should strive to be the master of his own fate and the captain of his own soul. They believed that he can attain this nobility of character only by integrity, industry, thrift, and self-reliance.

They believed that earth yields nothing to man except the products of his own labor. They believed that Adam's curse is an unchanging and unchangeable law of life:

In the sweat of thy face shalt thou eat bread till thou return unto the ground.

They believed that man has but one choice in respect to this immutable economic fact, and that such choice is simply this: Whether the bread which he must eat in the sweat of his face shall be the bread of freedom or the bread of bondage. They believed that a free man can be induced to produce thing of value only if he is permitted to retain a fair share of the fruits of his labor for himself and his family. They believed that "if any would not work, neither should he eat."

They believed that "though the people support the Government, the Government should not support the people"—Grover Cleveland. They believed, moreover, that when it undertakes to support the people, the Government reduces the people to nothing better than a flock of timid sheep, of which it is the shepherd. And, finally, they believed that Government ought to live within its income.

The men who entertained and practiced these beliefs made America a great nation.

FISCAL FOLLIES

During recent years, the smooth-tongued wizards, who now call themselves Keynesian economists, made the financial policymakers of the Federal Government proselytes of the gods of the market. They instilled in the minds of such policymakers an acceptance of these theories:

First, the Federal Government can spend the Nation into prosperity by incurring deficits, and for this reason balanced budgets are obsolete.

Second, a controlled inflation is good for the Nation's financial soul.

Third, the national debt need never be paid. Indeed, it ought to be increased as the gross national product rises.

I shall not trespass upon your time to argue there is an absurdity in the proposition that the more a nation spends of what it has not the richer it will be. I shall not trespass upon your time to assert that the experience of all nations which have resorted to the age-old panacea of inflation shows that there is no practicable way to keep supposedly controlled inflation from becoming uncontrollable. I shall not trespass upon your time to maintain that there is something inherently dishonest in one generation bequeathing its debts to another. I shall content myself with stating what has happened in the United States since Federal financial policymakers became converts to the "gods of the market," and what will happen hereafter if they do not return to the "gods of the copybook headings."

THE RESULTS OF FISCAL FOLLIES

We have had 35 deficits in the last 42 years. Federal taxes have increased from $4.1 billion to $133.7 billion, and Federal expenditures have risen from $3.4 billion to $163.9 billion yearly. The national debt has ascended from $16 billion to $413 billion, and the annual interest on such debt has grown from $659 million to $22 billion.

Representative OTTO PASSMAN, of Louisiana, who is a dedicated and knowledgeable defender of the harassed American taxpayer, recently told some trenchant truths concerning one aspect of Federal fiscal follies. He said that during the 25 fiscal years antedating June 30, 1971, the United States scattered $138.4 billion among 127 foreign nations under numerous foreign aid and assistance programs; that virtually this entire disbursement represented deficit spending; and that the policymakers of the Federal Government in the foreign area are demanding that Congress appropriate an additional $13.5 billion for foreign aid and assistance for fiscal year 1972, notwithstanding unexpended balances of $24.5 billion from prior appropriations are still available for these purposes and notwithstanding the national debt of the United States exceeds the combined national debts of all other nations on earth by $109 billion.

I cannot forbear making this observation: If an individual were to engage in the unspeakable fiscal folly of borrowing money to give it away, his family would institute an inquisition in lunacy, and procure the appointment of a guardian to manage his affairs. But politicians who advocate that the U.S. Government emulate such a demented fool become Presidents or Secretaries of State or Senators or Representatives.

Another observation. In times past the United States has made loans to other nations, which never repaid them. Despite its sad experience in this respect, our country seems incapable of comprehending the truth spoken by the Shakespearian character Polonius that "loan oft loses both itself and friend."

The Federal Government formerly used two budgets:

First, an administrative budget which covered general receipts and expenditures incident to general operations.

Second, a trust fund budget which embraced trust fund revenues which are collected and expendable for specific purposes only, such as social security, railroad retirement, and highway construction.

Beginning with fiscal year 1969, however, the Federal Government combined these two budgets in a so-called unified budget which covered all its receipts and disbursements.

By this bookkeeping legerdemain, the wizards of the "Gods of the Market" delude the unwary into believing that the 1969 general operating deficit of $5.5 billion was a surplus of $2.4 billion, that the 1970 general operating deficit of $13.1 billion was a deficit of only $2.8 billion, and the 1971 general operating deficit of $30.2 billion was a deficit of only $23.2 billion.

But they do not fool the old North Carolina mountaineer who went to his neighborhood store to pay for the groceries he had been buying on credit. The storekeeper informed the old mountaineer that his bill totaled an amount far in excess of what the latter believed correct, and the old mountaineer entered a vigorous protest. The storekeeper opened his account book, laid it upon the counter, and said: "Here are the figures; you know figures do not lie." The old mountaineer replied: "I know figures do not lie, but liars sure do figure."

GROSS NATIONAL PRODUCT: AN EXCUSE FOR FISCAL FOLLIES

The smooth-tongued wizards of the "Gods of the Market" are eloquent and persuasive. They can always conjure up pleasantly deceptive excuses to excuse the inexcusable. What their eloquence and persuasion have done to the economy of our country, however, sustain Benjamin Franklin's assertion that "he that is good for making excuses is seldom good for anything else."

When they are confronted with the dismal results of the Federal fiscal follies they persuaded the Federal Government to embrace, the smooth-tongued wizards take refuge behind the gross national product. They glibly assert that their wisdom is proved by the circumstance that, while the population of the country grew from 123 million to 203 million, the yearly gross national product rose from $247.5 billion to $947.1 billion when measured in 1970 dollars.

I will not detail the unreliability of the gross national product as a measure of our Nation's economic state. This has been done in an editorial entitled "The GNP and a Pinch of Salt," published in the Washington Star on May 10, 1966. I quote its relevant parts:

Whenever authorities compare the United States with the Soviet Union, the talk soon gets around to the Gross National Product.

This is the sum of all goods and services produced in a year by a country. Because Americans like clear, simple answers, the GNP is highly regarded. At a glance it tells you we lead not only Russia but the world. The index is so respectable that a President simply could not reach the end of a State of the Union Message without citing it as evidence of past progress and forecasting how much it will rise the next 12 months.

The only trouble is that nothing really is clear or simple, least of all this yardstick. It measures not only the good but the bad, not only the gifts of civilization but the inane and the phony. It even makes inflation look like an asset.

Plastic back scratchers are in the GPN. • • • So are hydrogen bombs and the high cost of funerals. • • • Every civilization produces trash, of course. • • • But America is the first to include all her creations, good and hideous, in a single statistic, and then brag about it.

Aside from this obsession with quantity, the GNP happens right now to be cranking in a serious liability. Inflation. Every time the price of steak or shoes goes up, the GNP rises too. • • • The GNP is useful, a point on the compass, a means to give perspective to our industrial growth. But it is a shaky way to measure any nation's contribution to history. And even in the narrower field of economics, the message it carries is not always cause for rejoicing.

I add brief comments to what the editorial said.

To be sure, the gross national product for 1970 exceeded that of 1930 by $726.6 billion when measured in 1970 dollars.

A substantial part of this increase results solely from the growth of our Nation's population. Manifestly, 203 million people render and require 60 percent more services, and make and consume 60 percent more goods, than 123 million people.

Another substantial part of the increase was the consequence of expanded governmental activities. Federal and State governments expended $334.5 billion for goods and services in 1970 as against $9.2 billion in 1930.

Moreover, one circumstance reveals that the gross national product for 1970 is as full of inflation as a mangy hounddog is of fleas. It took $2.44 in 1970 to purchase what $1 bought in 1930.

IMMUTABLE ECONOMIC LAWS

"As surely as water will wet us, as surely as fire will burn," and as surely as "two and two make four," there are laws of economics which are as unalterable as the laws of the Medes and Persians. Nations and men violate these laws at their peril, because the consequences of their violation are inescapable.

One of these laws decrees that persistent deficit spending by government causes inflation, and inflation robs a nation and its people of economic strength.

When he was campaigning for the Presidency in 1932, Franklin D. Roosevelt stated this law in homely phrases. He said:

Any government, like any family, can for a year spend a little more than it earns. But you and I know that continuance of that habit means the poorhouse . . . Let us have the courage to stop borrowing to meet continuing deficits. Stop the deficits.

Deficit spending is dishonest in purpose and ruinous in practice. It undertakes to transfer to the future the burdens of the present. In so doing, it robs the past of its savings, the future of its earnings, and both the present and the future of their economic strength.

When he spoke in the House of Commons in May 1842, T. B. Macaulay said:

Timid and interested politicians think much more about the security of their seats than about the security of their country.

The callous indifference to the future of our country manifested by politicians who support measures designed to shift from us to our children and our children's children the financial burdens which our necessities and luxuries entail is well illustrated by an ancient story which I now recount.

The British House of Commons of a bygone era was debating a legislative proposal that an enormous amount of government bonds should be issued, that the proceeds of the bonds should be spent forthwith for temporary purposes, and that repayment of the principal of the bonds should not begin until 50 years had expired. A Member, who happened to be a statesman, blasted the proposal on the ground that it was not fair to posterity.

The author of the proposal, who was obviously a politician concerned only with the next election, arose and replied:

Posterity has done nothing for me, and I do not propose to do anything for it. Besides, posterity can not vote in the next election.

The politicians are not doing anything nowadays for posterity. But they are certainly doing a lot to it.

HOW INFLATION WORKS

Persistent deficit spending by Government creates inflation for a very simple reason. It artificially increases the number of dollars competing for available goods and services, and in so doing decreases the purchasing power of each dollar accordingly.

Inflation is pleasantly deceptive to both people and politicians for a time. This is true because it artificially increases dollars, and thus furnishes statistics indicating that the country has become richer.

But soon or late the evils of inflation appear. It then becomes manifest that the purchasing power of money has depreciated; that the Nation has accumulated an ever-increasing debt, and priced its goods out of the world market; that much capital has fled abroad; that savings and insurance have lost a substantial part of their real value; and that people living on pensions and other fixed incomes have suffered a staggering economic blow.

POLITICAL MANEUVERING

For 40 years the Federal Government has persisted in the fiscal folly of deficit spending. For 40 years inflation, the greedy progeny of this deficit spending, has been gnawing with an ever-increasing appetite the vitals of our Nation's economy. For 40 years men have been elected to rule in Washington on the bases of their promises to set the Federal financial house in order. For 40 years men so elected have thought more about the next election than they have about our country. In consequence, they have broken their promises, and heeded the siren voices of the politically powerful groups who emulate the horseleech's daughters and cry for more and more and more from the empty Federal Treasury.

When I was a student at Chapel Hill, I sat at the feet of a much beloved professor of geology, Collier Cobb. I remember little of what he taught about the history and structure of the earth, but I recall verbatim this pungent witticism of his:

Wise men learn from the experience of others; fools learn from their own experience; but most of us learn neither from the experience of others nor from our own.

Measured by this standard, the financial policymakers of the Federal Government do not possess the wisdom of fools.

When a physician prescribes medicine for his patient and his patient grows none the better but rather the worse, the physician changes the prescription. Not so the financial policymakers of the Federal Government. They merely increase the dose.

When it became obvious even to them in 1971 that the inflationary chickens hatched by persistent deficit spending were coming home to roost, the financial policymakers of the Federal Government became frightened by their discovery of the Nation's economic sickness, and decided that they must administer a therapeutic agent. And so they prescribed a bigger dose of the same old economic nostrum which had brought the Nation's economy to its unhappy state—deficit spending.

This required Congress to raise that hypocritical restraint on Federal spending known as the national debt limit.

Ostriches stick their heads in the sand to conceal reality from themselves. Politicians employ euphemistic words to hide reality from the people.

In urging Congress to raise the national debt limit which forbade further Federal deficit spending, the President beguilingly stated that the administration simply desired to implement a full-employment budget and Congress obligingly consented by increasing the debt limit for the 18th time since 1960 to an alltime high of $430 billion.

The real purpose of this political maneuvering was to make it legally possible for the Federal Government to dive

more deeply than ever into the sea of financial irresponsibility.

And, thus, in the words of Kipling "the burnt fool's bandaged finger goes wabbling back to the fire."

I submit that if the doctrine of the "Gods of the Market" that a nation can spend itself into prosperity were true, the 40 years of Federal deficit spending would have given the United States riches exceeding the fabled wealth of the Indies, and the coffers of the Federal Treasury would be overflowing with public revenues.

Deficit spending is not the only fiscal folly which enjoys political respectability in high places in Washington today. The administration and many Congressmen are demanding that Congress usher in the "brave new world" foretold by the "Gods of the Market" by adopting a so-called welfare reform plan under which men are to be paid for merely existing and no man is to pay for his economic sins.

RETURN TO ECONOMIC SANITY IMPERATIVE

In August, the President undertook to stay inflationary pressures by freezing wages and prices.

This action may palliate for a time the symptoms of inflation. But as a cure for the economic diseases inflation causes, it is as efficacious as applying a band-aid to a cancer which needs to be excised by surgery.

I nevertheless applaud the Presidential action. It affords the President, the Congress, and the American people an opportunity to pause and read the economic road signs which plainly indicate that the Federal Government is traveling a financial road that ultimately leads to an economic abyss.

If the President and the Congress read these road signs aright, they will know that there is only one real way to protect the American people and their economy from the economic ills inflation produces, and that is for the Federal Government to abandon deficit spending, balance its budgets, and manifest a sincere purpose gradually to retire the national debt. To be sure, this requires financial responsibility and political courage, because it necessitates a curtailment in foreign aid programs, a reduction in existing civilian programs, and a willingness to forgo the creation of new civilian programs.

I close with this prayer: May the President and Congress think more about our country than about the next election, and choose this wise and courageous way to protect the Nation's economy. By so doing, they would forsake the "Gods of the Market" for the "Gods of the Copybook Headings." ("The Gods of the Copybook Headings," copyright 1919, by Rudyard Kipling's Verse: Definitive Edition." Reprinted by permission of Mrs. George Bambridge and Doubleday & Co., Inc.)

ADDITIONAL JUDGESHIP FOR SEVENTH CIRCUIT COURT OF APPEALS

Mr. PERCY. Mr. President, on November 19, I introduced a bill, S. 2886, to provide for the appointment of an additional judgeship on the Seventh Circuit Court of Appeals. With this addition, the total number of judges for that court will reach nine.

By introducing this legislation, I have attempted to respond to the recent recommendation of the Judicial Conference of the United States and to the urgings of several of my constituents who practice law before that bar who have brought to my attention its overcrowded docket.

Mr. Rowland F. Kirks, Director of the Administrative Office of the U.S. Courts, noted in a recent letter to the Vice President that the recommendations of the Judicial Conference for additional judgeships are based upon a quadrennial survey of the needs of U.S. courts of appeals completed in 1970. Since 1968, appeals docketed in the U.S. courts of appeals have increased more than one-third, from 9,116 in fiscal year 1968 to 12,788 in fiscal year 1971. The seventh circuit has not been spared the pressures of its share of these increases in workload.

Much has been said recently about our failures to provide litigants a speedy trial as guaranteed by the sixth amendment. There are undoubtedly many causes for this failure, but one of them must certainly be the critical shortage of judges. It is my hope that the Judiciary Committee will attempt to respond to the conditions which prompted the Judicial Conference's recommendation by taking early action on the bill which I have introduced.

INSIDE STORY OF THE WORKINGS OF A NEWSPAPER

Mr. McGOVERN. Mr. President, Mr. Jesse Gordon, who seems to share my fascination with newspaper publishing, has written an excellent review for the Nation of the recent book, "A Day in the Life of the New York Times," by Ruth Adler. For those who are interested in the "inside story" of the workings of a newspaper, I recommend the reading of Mr. Gordon's review. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

BANKERS' HOURS AT THE TIMES

(By Jesse Gordon)

("A Day in the Life of the New York Times" by Ruth Adler. J. B. Lippincott Co. 242 pp. $6.95.)

Ruth Adler gives us a vivid running account of what some of the 6,000 employees of *The New York Times* did to put out the issue of February 28, 1969. The date was chosen arbitrarily, Miss Adler assures us; and the account is based on memos prepared for her by the *Times* people involved. Some of the events described are something less than earthshaking, such as Arthur Ochs Sulzberger's entry for 9.36 a.m. to 9.37 a.m.: "Threw out a dead tulip." Still, it is reassuring to know that the *Times'* passionate concern for minute detail and absolute accuracy is shared at the very summit of the newspaper's hierarchy.

Miss Adler, who is editor of *Times Talk*, the publication for the newspaper's staff, deals with all parts of the *Times*, including the thundering pressroom, where at peak operation 106 press units, each weighing 25 tons, turn out more than 1,000 complete papers every second. But, of course, it is the editorial side of a newspaper that monopolizes the drama and suspense, and Miss Adler's account of which *Times* reporters were doing what and where during her chosen twenty-four hours reflects a good deal of both.

So, at four o'clock on a hot afternoon, Charles Mohr, chief correspondent for the *Times* in Southeast Asia, who has spent the previous night chasing an artillery unit he had thought a likely target for attack, is hacking it down a rutted road toward Saigon. In hot and steamy Karachi, Joseph Lelyveld sits and waits in the luxurious residence of West Pakistan's most colorful political figure, Zulfikar Ali Bhutto, President Ayub Khan's most formidable political opponent. In Nairobi, Kenya, where it has rained for three nights, Lawrence Fellows is haggling with an immigration officer.

Meanwhile, Max Frankel, chief of the Washington bureau, and Robert B. Semple, Jr., whose beat is the White House, are boarding a bus at the Excelsior Hotel in Rome, soon to depart for Paris to cover President Nixon's eight-day tour of five European capitals. In London it is damp and cold at 9 A.M., and the bureau—the largest of the *Times'* foreign bureaus—is empty save for John Rothera, the early man in the wire room. But at 10:20 A.M., according to Miss Adler, "Anthony Lewis emerges from his home in Islington . . . [and] steps into the waiting chauffeur-driven office Jaguar for the ten-minute drive" to the bureau in Printing House Square. For a *Times* man in London, nothing but the best.

In West Berlin, at about the same hour, David Binder and Ralph Blumenthal are sleeping off the exhaustion of two days of Nixon coverage. In the Paris bureau, in anticipation of the Nixon visit, Henry Tanner shows up for work at the unusually early hour of 10 A.M., and two chauffeurs—one the regular bureau driver and a second one hired to drive Messrs. Frankel and Semple around for the Presidential coverage—are awaiting assignments. (Aren't there any taxis in Paris?) In Jerusalem, at 11 that morning, James Feron has already covered an important story—the state funeral of Premier Levi Eshkol.

And so the tentacles of the *Times* reach out—to Dana Adams Schmidt in Beirut, Robert Doty in Rome, Tad Szulc in Bucharest, Drew Middleton in Brussels. And to Lawrence Davies in San Francisco, who reports that prospects for news at 9 A.M. are not bright for that day on his beat, which extends north to Alaska and west to Hawaii. And 400 miles to the south, in Los Angeles, Douglas Robinson and Lacey Fosburgh meet for breakfast and bemoan the fact that every day it becomes more difficult to pick a good lead from the verbal outpourings of the witnesses at the Sirhan trial.

Just about the time Mr. Lewis is preparing to enter his chauffeur-driven Jaguar in London, it is late at night in New York City, and Clive Barnes, the drama critic, is drinking black coffee in the kitchen of his Manhattan apartment and dictating notes into a tape recorder. Not far away the *Times's* art critic, John Canaday, a victim of insomnia, worries about what he has written for the morrow's paper on the artist Grandma Moses. And in the newsroom of the *Times*, at 3:01 A.M., Tom Daffron, assistant news editor, says goodnight to the dozen editors, rewrite men, clerks and copy boys who have closed the final edition. The newsroom, with its row upon row of gray, metal-topped desks, subsides into silence, while down below the pressroom roars into a crescendo.

Now this is a highly readable way to tell the story of a great newspaper. It is solidly rooted in the romantic tradition, guaranteed

to make high school editors and college majors in English yearn for the aroma of printer's ink. But what is highly readable about a subject such as this is not always highly relevant, and there are many aspects of the *Times* story about which Miss Adler is either entirely silent or much too casual. The *Times* is more than a newspaper; it is a conglomerate. It owns paper mills, book publishing operations and radio stations, in addition to other newspapers and magazines. (Last October, the *Times* acquired properties from the Cowles communications empire for which it paid 2.6 million shares of Times Class A common stock, worth at the time more than $50 million.) It is quite possible that on February 28, 1969, a decision was made at some level of the *Times* corporate structure that was of more lasting significance than any decision made on the editorial side. Miss Adler can defend her silence on such matters by urging that she was not writing a corporate history. Granted; nevertheless, her day in the life of the *Times* turns out to be only part of the day, and not necessarily the most important part.

Miss Adler thinks well of the *Times*, and with good reason. Nevertheless, it must be admitted that her blind choice of February 28, 1969, was a lucky one for her. At least she was lucky that she didn't pick, say, April 7, 1961, the day the top hierarchy of the *Times* ordered a playdown of Tad Szulc's story out of Miami warning of an imminent U.S.-sponsored invasion at the Bay of Pigs. To paraphrase Alexis de Tocqueville: All those who seek to destroy the liberties of a democratic nation ought to know that turning the newspapers into mouthpieces of the government is the surest and the shortest means of accomplishing it. Such an attempt was made in the Bay of Pigs episode. Another similar case was the Pentagon Papers, but it failed in that instance.

The *Times* is a great institution, and as such is often exposed to great pressures—from government, from advertisers, from personality clashes within the institution itself. Recent books by Gay Talese and James Aronson offer eloquent testimony to that effect. One notes the relevancy of an article by Stanford N. Sesser in the Spring 1970 issue of the *Columbia Journalism Review*, on the intimate relationship between the *Times's* travel section and travel advertising. "Until this year [1970]," Mr. Sesser writes, "the paper consistently ran at least one puff on Florida right next to the [Florida] hotel ads."

The *Times* prides itself, of course, on the absolute independence of its editorial policy from advertising pressures. I had an interesting and illuminating experience with the *Times* that had a direct bearing on this matter. Back in the days of the McCarthy witch hunt, I tried to place an ad with the newspaper for a book by Dan Gillmor, a crusading reporter who had been trained by the great O. K. Bovard of the *St. Louis Post-Dispatch*. The *Times's* Advertising Acceptability Committee turned down the ad, obviously because it thought the book too radical. I appealed to John B. Oakes, nephew of Adolph S. Ochs, and a member of the paper's staff of editorial writers. I told him the ad had been rejected without any explanation. He promised to look into the matter. Two days later he told me on the phone: "You're right; the Advertising Accepability Committee voted the ad down, and there's no way the decision can be overruled. But there's no way the committee can stop me from reviewing the book—and I will review it." He did, too.

FOREIGN AID IS ON THE WAY OUT

Mr. HATFIELD. Mr. President, on October 29, I voted to defeat the Foreign Assistance Act. The voting of that day served to demonstrate that foreign aid, as we have known it, is on the way out. We must examine our premises on which we have based a foreign aid program for 25 years in order to learn which of them are still valid in 1971. The thinking through which each of us in the Senate must take ourselves on this subject of foreign aid is brilliantly exemplified by that of the distinguished Senator from Idaho (Mr. CHURCH). I ask unanimous consent to have printed in the RECORD, the Senator's "Farewell to Foreign Aid" and an introductory article on the foreign aid vote, both of which were published in the New Republic of November 13, 1971.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

SCRUB IT UP, DON'T WIPE IT OUT

Two facts emerge from the Senate debate and defeats of the foreign aid bill. The first is that the bipartisan, Cold War coalition that for two decades was willing to spend or lend dollars and weapons to contain Communism has come apart. The second is that no new majority has yet formed around a less ideological, less divisive, less corrupting way of helping the world's poorest people. The old coalition collapsed in the Senate on October 29 under the weight of two antithetical forces. One is represented by such men as Peter Dominick of Colorado, Alan Bible of Nevada and Paul Fannin of Arizona, who hold that government is doing too much for too many people, but especially for foreigners, and especially foreigners who don't stay bought.

Alongside them in the floor fight were Senators like Frank Church (whose rationale for ending the bilateral aid program is printed in this issue of *The New Republic*), who say: stop the war, stop lining the pockets of a small ruling class, stop arming despotic governments against their own people. Senator Fulbright speaks for this view when he advocates "returning to the concept of trying to assist underdeveloped countries, not to dominate them."

When Secretary Rogers charges that the Senate struck "a very serious blow [against] the foreign policy of the United States," he is begging the question of what foreign policy the US should have. It is not necessarily the present policy. The Senate Foreign Relations Committee, for example, had approved a House bill to extend foreign aid at the present level for two years—$1,479,470,000 in economic assistance and $1,723,400,000 in military aid for fiscal 1972. But it had added certain amendments to the House measure, which, far from destroying our foreign policy, would have strengthened it.

The administration thought otherwise and preferred no bill to the committee's. Why? The principal amendments were these: No funds for US forces in Indochina for any purpose other than withdrawal and protection from "imminent danger" during withdrawal; a declaration that our forces be withdrawn from Indochina within six months, subject to the release of American prisoners of war; a ceiling of $250 million on aid to Cambodia; the shifting of more economic aid to multilateral institutions and the phasing out of the bilateral loan program by June 30, 1975; the suspension of all assistance and military sales to Pakistan, except for humanitarian relief; a halt to further aid or military sales to Greece. In categorically rejecting these restricting amendments, the administration set the stage for what followed on October 29.

The Senate met at 9 a.m. and having prayed ("at Thy throne of grace we do not seek preference for ourselves or our Nation . . .") it got down to the business at hand. Mr. Buckley of New York proposed that the administration negotiate a reduction in the regular US contribution to the United Nations, to which Mr. Fulbright had no objection, it being understood that this is not "a reaction to the recent vote [on China] in the UN," which it was. Mr. Buckley's amendment passed. Mr. Gravel of Alaska then offered an amendment to the aid bill, summoning the UN to admit the Republic of China, both Germanys, both Koreas, and both Vietnams. Why not Outer Mongolia, Senator Fulbright wondered, whereupon he was reminded that Outer Mongolia already is a member of the UN.

Mr. Allen of Alabama came next. He wished to strike the ban on arms sales to Greece; Greece had voted with the United States on the China question. No, said Mr. Fulbright, Greece "abstained on the Albanian resolution, which resulted in the seating of Communist China." Well, replied Mr. Allen, we should not "deprive our ally of military hardware and military support" it needs to fulfill its military obligations under the NATO treaty; he "had thought that only Communist nations wanted to weaken and destroy the NATO alliance"; the ban would put Greece on "the verge of falling into Communist hands." This prompted Mr. McClellan of Arkansas to decry the humiliation suffered by the US at the UN, the "insult" to America's "unparalleled beneficence," and to conclude that foreign aid was a "flop and we should stop it."

Senator Stennis of Mississippi then revived the discussion of Greece: "Like it or not, they are there . . . we cannot just pull the plug and expose ourselves and all of Western Europe"; so he would vote for the amendment of the senator from Alabama. So would Mr. Allott of Colorado: "They wanted us to shut off all assistance and aid to Batista in Cuba; we did; we clamped down on Batista. But what do we have now?" So would Mr. Buckley, who thought it unwise to tell the Greeks how to run their government. Exactly, said Mr. Pell of Rhode Island, but the "proper way to stop interfering is to stop giving them arms." Right, said Mr. Fulbright, and the "primary support for the existing military dictatorship comes from the US government."

Mr. Pastore of Rhode Island regretted very much that he had to differ with his distinguished friend, the senator from Arkansas, but he would vote for the Allen amendment, because of his "reliance on the integrity and judgment of three Rhode Islanders who are of Greek ancestry for whom I have the highest respect and regard." The Allen amendment lost, 49 to 31.

At this point, the Majority Leader asked unanimous consent for time for Senator Church, who planned to address the body at three o'clock. Mr. Dominick observed that "if senators are going to make speeches we will never have a chance to bring those amendments up." (Mr. Dominick had two amendments of his own.) Mr. Griffin of Michigan added that a reception for senators was scheduled for three o'clock, so that "would not be a convenient time for senators to be present," and Mr. Church replied that, "that is why I am going to give the speech at that time."

The dispute was somehow resolved in Mr. Church's favor, allowing Mr. Symington, who appeared to oppose any further aid to Cambodia, to introduce a "perfecting amendment" to correct a "printing error" in the *Congressional Record*. The correction: changing the figure for aid to Cambodia from $250 million to $341 million—the amount the administration had requested. "Too much money," said Mr. Fulbright. Senator Aiken thought not, for the following reason: "While I would not want to see this money spent for raising an army and putting men

to war against their neighbors. I feel that if this amount of $341 million is agreed to at this time it undoubtedly will not survive the [Senate-House] conference at that full amount, thought it might, but I doubt in any case if it would survive the Appropriations Committee; so we are not spending this $341 million."

Mr. Fulbright would not yield: "No good reason has been given as to why we want to organize and pay for an enormous army in Cambodia. . . . I am arguing about the policy of this country in undertaking an endless operation in Southeast Asia to build up huge military forces there." Mr. Gravel moved to change $341 million to $150 million. He was ruled out of order. Mr. Fulbright said Mr. Gravel *was* in order, and the presiding officer reversed himself. Mr. Mansfield thought "$150 million is just the same as $341 million." Not at all, said Senator Griffin, who supported the larger figure in the interest of the Nixon doctrine: "In Cambodia the Cambodians want to defend themselves and they are defending themselves.

"Our policy is to help them, but without providing any of our troops to do the fighting." Was the $150 million a "ceiling," Mr. Brooke of Massachusetts asked? No, said Mr. Gravel, the word ceiling is a "misnomer." Senator Case set him straight on that: it was a ceiling, not "just an idle gesture." Senator Gravel let it go, the vote was taken, $341 million for Cambodia was approved 45 to 36.

The loaf was beginning to resemble a pretzel, but the Senate had not yet finished. Senator Church on behalf of himself and Mr. Allott called for cutting the Development Loan Fund (the "soft loan window for our Export-Import Bank") from $425 million to $265 million. Mr. Allott, assenting, thought about "the many people in America and how they struggle to pay their taxes"; *they* don't get "soft loans." Mr. Javits of New York found it "absolutely amazing" that such a cut should be suggested; how could anyone object to spending "an additional $160 million a year, when we are already spending . . . over $70 billion for war," which reminded Sen. Humphrey of something Pope Paul had said, after which he commended Mr. Javits for his vision. The Church-Allott amendment passed 43–36, following which everyone agreed with Mr. Brock of Tennessee that no funds would go to any country which did not support the provisions of the 1949 Geneva Convention relating to the treatment of POWs, and with Mr. Stevens of Alaska that *all* "soft loans" would be eliminated.

An amendment by Mr. Dominick to permit the Committee on Foreign Relations "to look over the annual appropriations for mandatory expenses for the United Nations" was accepted, since the committee already has that privilege. Mr. Dominick then proposed that the U.S. contribution to the specialized agencies of the U.N. be reduced, according to a formula whereby this country would pay the same proportion of those expenses as it does for the U.N.'s fixed costs. The senator from Colorado was moved by his desire to "increase the effectiveness of the U.N. . . . by getting other countries to come into these programs on an active basis instead of expecting the U.S. to pick up the tab." The amendment worried Sen. Aiken; the casualties of the cut would be the sick, the hungry, the young and the poor, he feared. Mr. Dominick said he had "never heard so much perfect baloney in my life. I do not like being accused of being a child murderer. . . ." The Dominick amendment was rejected, 52–28.

Mr. Church again. He asked that the authorization for all military aid be cut about 20 percent—from $565 million to $452 million. The Senate probably would "split the difference with the House anyway," said Mr. Fulbright. Mr. Javits stuck by $565 million: "These are the three principal recipients—Cambodia, where we ourselves set a higher ceiling, Korea, where we have a very serious situation in regard to security, and Turkey, which is one of the bulwarks in NATO." Mr. Kennedy disagreed: "Our military assistance program is the worst aspect of the bill now before us. . . ." The Church amendment passed 47–27.

Briefly, the discussion drifted onto broader aspects of the aid question. Mr. Chiles of Florida ventured the opinion that the only way to get something better would be to kill the bill in its entirety. Mr. Byrd of Virginia thought so too—for another reason: $3.2 billion is "nearly double the amount that was appropriated in 1970." Mr. Nelson of Wisconsin was also against the bill "because it contains $341 million for military and economic aid to Cambodia." Mr. Tunney was against it because it authorized "massive amounts of military aid," did not bring "a halt to the funds spent in Indochina,"—and because "our largesse has strengthened those abroad who now compete with us." Mr. Tunney was dismayed "to know that this bill proposes the authorization of more than two-thirds of its $3.2 billion total for 58 nations which abstained or voted to expel Taiwan from the UN and bring Communist China in," though his vote would not be "in retaliation for any recent action of any nation."

The Presiding Officer. The bill having been read the third time, the question is, shall it pass?

Mr. Mansfield. Mr. President, I ask for the yeas and nays.

The yeas were 27 and the nays 41. The bill did not pass. Senator Mansfield gave the benediction: "This may well mark the end of the foreign aid program which this government has undertaken since the end of the Second World War. . . ." But it's not the end. The pipeline has in it an unexpended balance under the Foreign Assistance Act of $4,403,985,000 and there's another $6 billion elsewhere waiting to be spent, $2.5 billion of it in the Pentagon budget for Indochina.

Senators Fulbright and Church have been singled out for censure as spoilers. Let us see who did what; who, while voting *against* the foreign aid bill on October 29, had three weeks earlier voted *for* an appropriation of nearly $2 billion for multilateral aid—$960 million to the International Development Association, $900 million for the Inter-American Development Bank's fund for special operations and $100 million for the Asian Development Bank. They include Fulbright and Church, and Senators Nelson, Bayh, Benson, Chiles, Cranston, Dole, Pastore, Roth, Saxbe, Smith, Spong and Weicker. Quite evidently they aren't against all aid. Put alongside these names, those who voted against the bill on October 29, *and* also against the $2 billion earlier authorization: Dominick, Fannin, Bible, Brock, Burdick, the two Byrds, Cannon, Cook, Eastland, Ervin, Gurney, Hansen, the two Jordans, McClellan, Randolph, Stennis, Symington, Talmadge and Young. What there is of an isolationist hard core in the Senate is here.

Of course the United States can't shuck off its obligation to help poorer nations. A continuing American contribution to development is mandated by the realities of an interdependent world. The question is, what kind of contribution? Every spring, the Congress has debated how much ought to be spent. Now, with the decks cleared, it can put its mind to what the spending should be for, and through what institutions American resources can best serve the needy.

The administration wants to avoid an up-or-down fight over aid to Indochina; it is doing everything it can to revive the defeated House bill and so continue the old program for two more years. But the old program is bankrupt and the internationalists in Congress and in the administration now have an opportunity to do something more constructive than picking up the pieces and putting them together as they were. They can transform the program from a slush fund for military juntas and American corporations into a long-range, cooperative investment in human welfare.

Farewell to Foreign Aid—Why I Voted No

(By Senator Frank Church)

When revolution comes—as it likely will in many of the still "stable" countries of the third world—it will bear no resemblance to the kind of benign, gradual "takeoff" into self-sustaining growth envisioned by American aid officials and private investors. The notion that a stable, nonrevolutionary social structure is the essential condition of economic development is a self-serving rationalization. It enables American policymakers to believe that the interests of the United States, as they conceive them, are identical with the social and economic interests of the poor countries. "Stability," they insist, is not only essential for the exclusion of Communism and the preservation of American influence; it is also in the best interests of the developing countries themselves, because—so the argument runs—revolution means violence, disruption, inefficient management, and the loss of investment capital as well. In this way, we rationalize our support for regimes whose very existence is the principal barrier in their countries to real economic development and social justice.

The conditions essential for development are not so much economic and technological as they are psychological and political. No infusion of capital and know-how from without can galvanize a society in which the rewards of development are grabbed up by a small privileged caste while the majority of people are left hopeless, debilitated and demoralized. As the Brazilian bishop Dom Antonio Batista Fragoso put it, "We do not need paternalistic redemption. We need conditions so that those who are now abandoned may free themselves from their own underdevelopment with their own united force . . . the poor have no hope in those who still have economic power. And the poor are those who struggle for justice. If those who fight for justice are called subversive, then subversion is their hope."

In countries long under the domination of corrupt oligarchies nothing less than a radical redistribution of political power may be the essential precondition for economic development. If the bulk of the people are to make the concerted effort and accept the enormous sacrifices required for lifting a society out of chronic poverty, they have got to have some belief in the integrity of their leaders, in the commitment of those leaders to social justice, and in the equality of sacrifice required of the people. Reactionary regimes have neither the ability nor the interest to foster such a conception of social justice. They value aid from the United States as a means of maintaining, not of abolishing, inequalities of wealth and power. The lip service paid to reform is a crumb for their benefactors; it helps to make the Americans feel good and it costs them nothing.

In fact, American economic aid is commonly used to promote industrialization programs which generate a high level of consumption for the privileged, with little, if any, "trickle-down" benefit for the dispossessed. At the same time, American military assistance, and such para-military programs as the training and equipping of a country's police force, help such regimes as those of Brazil, Greece and Pakistan to suppress reformist movements. In this way, American aid is being used not to promote development but for the quite opposite purpose of supporting the rule of corrupt and stagnant—but vociferously anti-Communist—dictatorships.

Even if we should succeed in purging our minds of the anti-Communist obsession

which has driven us into league with military dictatorships and oppressive oligarchies all over the globe, it would still be all but impossible for us to promote radical reform in the countries of the third world. Even indeed if we were a revolutionary society ourselves and were committed to a revolutionary conception of development—as most assuredly we are not—there is still very little we could do to foster social revolution in alien societies. The catalyst of radical change in any society must be an indigenous nationalism giving rise to a sense of community, commitment and shared sacrifice.

I do not suggest that the United States prefers or admires the dictatorial regimes it subsidizes, but only that there is little we can do with our aid to change them, all the more since these regimes can blackmail us so easily with the threat of Communism if they should fall. The Kennedy Administration did make an effort to encourage democratic and progressive policies in countries to which it extended aid, especially in Latin America, but that effort was a failure and the reasons for that failure are instructive. We failed because we had neither the ability to impose reform from outside nor the will to pursue it from within. The one was simply impossible; the other went against the priority of our own interests as we conceived them. However much we may have wanted reform and development, we wanted "stability," anti-Communism and a favorable climate for investment more. The experience of twenty years of aid shows that we can neither bring about fundamental reform in tradition-encrusted societies nor prevent revolution in those countries where the tide of change runs deep and strong; all we can really do is to service the *status quo* in countries where it is not strongly challenged anyhow.

There is abundant evidence that our foreign aid program is much less philanthropic than we have cared to portray. Indeed, the figures suggest that it is patently self-serving. Former AID Director William Gaud discloses that, as a result of tied loans "ninety-three percent of AID funds are spent directly in the United States. . . . Just last year some 4000 American firms in fifty states received $1.3 billion in AID funds for products supplied as part of the foreign aid program." Similarly, George D. Woods, former President of the World Bank, has observed that "bilateral programs of assistance have had as one of their primary objectives helping the high-income countries themselves; they have looked toward financing export sales, toward tactical support of diplomacy, toward holding military positions thought to be strategic."

The oft-asserted lament that our foreign aid program lacks a constituency in the United States is just another of those myths we hold dear. Actually, our bilateral aid program is, in effect, the soft-loan window of the Export-Import Bank; it is the source from which foreign governments borrow money on easy terms with which to buy goods and services from within the United States. As such, it enjoys a lively constituency which exerts steady pressure on the government to keep the program going.

In addition to financing American exports, our foreign aid, both economic and military, has encouraged relationships of sustained dependency on the United States. In many underdeveloped countries, repressive governments draw reassurance from the arms we furnish and the military training we supply. As the source of money and weapons for their armies and police forces, the U.S. government acquires a certain leverage over these regimes, while they last. Enticed by attractive credit terms, by growing familiarity with American equipment, reliance on American replacement parts, by bargain prices on obsolete equipment, training programs for their soldiers and police, and the sales promotion techniques of our military advisory missions, these governments soon enough learn to "think American."

No less than military aid, our economic assistance creates and perpetuates relationships of dependency. The law requires, for example, that aid shipments be carried only in American ships and that purchases be made only in the United States. Because of these and other requirements, the Peterson Report estimates that United States aid costs recipients about 15 percent more than world market prices.

Surplus food shipments under PL 480, on its face the most philanthropic of aid programs, in fact have served to unload costly surpluses, "at virtually no economic cost to the United States," according to economist Michael Hudson, a former balance-of-payments analyst for the Chase-Manhattan Bank. At the same time, Hudson points out, the PL 480 program has put the aid-receiving countries in debt to us to the extent of some $22 billion, "thereby tying them to the purse-strings of the State Department and the United States Treasury for nearly twenty years to come."

Dependency on the United States grows steadily too with the mounting burden of servicing past debts. The Peterson Report acknowledges that mounting debts, which must be continually refinanced on an emergency basis, keep the poor countries on a "short leash." As grace periods end on loans falling due in the 1970's and poor countries find themselves paying out ever greater amounts to finance past debts, new loans will be effectively neutralized and the poor countries will be threatened with economic paralysis. The upshot may well someday be a general default on debt payments to the United States reminiscent of the defaults on war debts which complicated and disrupted our relations with European countries in the '30s and helped to drive us deeper into isolationism.

Nowhere have we seen more clearly the ineffectiveness of aid as a deterrent to revolutionary pressures and as an instrument for the reconstruction of traditional societies than in Latin America. The Alliance for Progress represents the high water mark of our innocence in supposing that we could liberate traditional societies from their centuries' long legacy of tyranny and stagnation with a little bit of seed capital and some stirring rhetoric. It is true that the *per capita* income of Latin American countries has risen during the years of the Alliance for Progress, but it has risen in so unbalanced and inequitable a way that the gains have gone almost entirely to the 20 percent of the population who live within the modern economy. The benefits accruing to the lower 80 percent have not even kept up with population growth, so that they have become both relatively and absolutely poorer. Progress, though visible, is illusory. Shining modern cities have arisen and the Alliance for Progress has brought roads, transistor radios and Coca-Cola to the Latin American countryside, but their social impact is negative and disruptive. Labor-saving devices make life more comfortable for the affluent few but they do not add to *per capita* output and they add to unemployment where there were labor surpluses to begin with. Indeed the effect of this distorted and inequitable development, which widens the gap between rich and poor, is demoralizing to the poor and therefore detrimental to genuine development.

The distortions of public aid to Latin America are heightened by the impact of private investment. Although United States direct investment in Latin America grew from $8 billion to $15 billion during the 1960's and continues to grow at the rate of $1 billion a year, according to Gary MacEoin, United States companies withdraw $2 in dividends, royalties and other payments for every new dollar they invest. United States private companies exercise a "double negative impact": at the same time that they decapitalize Latin America by the withdrawal of profits, they plow back a part of their profits to gain increasing control of the mineral assets, industry and production of Latin American countries. Under this devastating North American onslaught, resentment of the United States has grown apace and increasing numbers of Latin Americans have become convinced that they are the victims of a virulent new imperialism. As one Chilean political scientist commented on the experience of the 1960's "If that is what one decade of development does for us, spare us from another. Foreign aid has been used, not to develop us, but to achieve the political purposes of the donors, to smother us in debt, to buy up our most dynamic productive assets."

In both Latin America and the rest of the third world the conviction is taking increasing hold that the poverty of the poor countries is not the result of imperfections in the old "models" of development but rather the inevitable result of the policies and practices of the rich countries. In his recent book, The Challenge of World Poverty, Gunnar Myrdal describes how the reforms promised in the Alliance for Progress were "rapidly emasculated by interaction between the holders of power in Latin America, including the American corporations working there, and the United States Government and Congress." The resulting economic and social relationship, not only between the United States and Latin America but generally between the rich and poor countries of the world, may not be one of deliberate, malicious exploitation, but we can hardly deny the name given to it by the Brazilian economist Helio Jaguaribe. It is, he says, "an objectively imperialist system."

I can no longer cast my vote to prolong the bilateral aid program, (estimated cost: approximately $44 billion over the next five years) as it is now administered. I could understand—though perhaps not condone—a foreign aid program that is essentially self-serving. We live, after all, in a selfish world. But the present program is designed primarily to serve private business interests at the expense of the American people. In far too many countries, as in the case of Brazil, we poured in our aid money for one overriding purpose, the stabilization of the economy in order to furnish American capital with a "favorable climate for investment." The search for foreign investment opportunities by the largest American corporations is relentless and irrepressible, as the biggest profits are to be found abroad, where the tax bite can frequently be reduced or adverted.

Moreover, the risk of loss due to political instability, riot, revolution or expropriation, has been largely lifted from the investor and shifted to the US Government. OPIC, the Overseas Private Investment Corporation, backed by the Federal Government, readily insures American companies against risks abroad for which no comparable insurance is available at home. The multi-million dollar losses incurred by American copper companies resulting from the nationalization of their holdings by Allende's Marxist regime in Chile, are likely to be borne—not by the companies that eagerly invested there—but by the American taxpayer. Our foreign aid program has become a spreading money tree under which the biggest American businesses find shelter when they invest abroad! Small wonder that the crumbling ghettoes in our cities, along with our declining rural communities, have to beg and scrounge for new capital!

The major preoccupation of the present foreign aid program is the massive disbursement of munitions which we either give away or make available at bargain basement prices. We ply half a hundred foreign governments with our weaponry. Most of the world

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has become a dumping ground for ships, tanks, and planes, which we label as excess to our needs. Easy credit is available at interest rates well below the cost of money to the US Government. The Military Assistance Program has become a preposterous scandal. It should be drastically curtailed, not enlarged.

As for our long-term bilateral loans made in the name of promoting economic development, it is long past time that this function were passed over entirely to the World Bank, the Asian Bank, the Inter-American Development Bank and other multilateral lending agencies, which were set up for this purpose. I am prepared, now and in the future, to support substantial U.S. contributions to these agencies. In this manner, we could set a worthy example of international responsibility and beckon other rich nations to share the load with us.

I would confine our bilateral aid in the future to technical assistance grants, administered, where feasible, by the Peace Corps. It was through technical assistance—the successor to Harry Truman's original Point 4—that the "green revolution" was achieved in Asia and the hand of famine stayed. This aspect of our foreign aid, involving outright grants, not loans, has constituted the worthiest part of the program. On account of it—and in hopes that the objectionable parts would be whittled down and ultimately displaced —I have tarried too long as a supporter and indulged in too much wishful thinking. Events of the past few weeks on Capitol Hill have finally dispelled my illusions. Instead of cutting back on the foreign aid package, Congress is about to enlarge on it. We are in the process of doing the same with the gigantic military budget, approving more money for the Pentagon this year than we spent at the height of our involvement in Vietnam. Incredible, but true!

The acquiescence of Congress to these money demands of the Nixon administration makes it clear that we have no disposition, despite all the pious talk, of changing our spending habits. The "new priorities" promised the American people won't be realized, as long as we refuse to cut our huge foreign and military spending. The long-neglected problems of crime, drugs, poverty and pollution, which afflict so many of our people here at home, will continue to fester and grow. I would advocate, as an alternative to the palliative of aid, that we lend positive support to developing countries by entering into commercial arrangements that redress the terms of trade which are now rigged against them.

As with so many of the difficult questions that divide and agitate our society, the answer to the dilemma of aid lies not abroad, not in the slums of Calcutta or in the rural backlands of Brazil, but within ourselves. Essentially, the question is whether we are prepared to recognize the limits of our own capacity—the moral and political as well as the technical and economic limits—and allow nature to take what may well be an uncongenial course in many countries of the third world. The question, to put it another way, is whether we can recognize that there are some things we simply cannot do—such as restructuring another country through our own efforts—and other things that we cannot permanently prevent—such as social revolution, where and when its time has come.

The dilemma of aid is not fundamentally different from the dilemma of Vietnam. It is a problem of power—our own power, the uses to which we wish to put it, and the moral and intellectual limitations which have resulted in such wide discrepancies between our intentions and our accomplishments. The dominant political attitude of the '60s was one of extravagant self-confidence. We were filled up and infatuated with the "simple fact"—to quote Professor Walt Rostow—"that we are the greatest power in the world—if we behave like it." Now, in the wake of sobering tragedy, a new outlook begins to take shape, and one may hope that it will affect our thinking in matters ranging far beyond Vietnam. Having concentrated for a decade and more on the growth and uses of power, we may now perhaps be willing to cultivate other national attributes—such as prudence and common sense. If so, we may be prepared to come to terms with such conditions of our time as the following: that our social engineering, as applied to the poor countries of the world, has shown itself to be irrelevant and disruptive; that the threat of Communism in the third world is exaggerated and, in any case, beyond the lasting reach of our aid programs; that for many countries radical revolution is the only real hope for development and the single most helpful thing we can do is to leave them alone.

Contrary to the development "models" worked out in the '60s by our Agency for International Development, it now appears that thoroughgoing social revolution is the necessary prerequisite for the development of much of the third world. There is nothing the United States can or should do to *promote* revolution—to do so indeed would violate the United Nations Charter and sound traditional standards of diplomacy. What we can and should do is to stop promoting counter-revolution.

Several years ago Alan Moorehead wrote a book called *The Fatal Impact* in which he recounted the disastrous and largely unintended effects upon the Tahitians and Australian aborigines of the diseases, alcohol, firearms, laws and concepts of morality brought to the South Pacific by the early European explorers and colonists. Reflecting on his own voyages to Polynesia, Captain Cook himself wrote that "It would have been better for these people never to have known us." It would represent a noteworthy advance in the standards of international relations if the United States, profiting from its own experience as well as that of others, could lift its well-intentioned but no less fatal impact from the face of the third world, so that in time it may appear that it was not so bad after all for them to have known us.

RALPH M. GANTZ

Mr. RIBICOFF. Mr. President, next month will mark the retirement of one of Connecticut's distinguished citizens. Ralph M. Gantz has served as superintendent of the public schools of New Britain, Conn. for nearly 15 years. I know New Britain. I went to school there. I know what distinguished service Ralph Gantz has rendered.

Ralph Gantz has been a leader in his field. He is named in Who's Who in Education in the East. He has served as president of the Associated Public School Systems and also of the Hartford Area Superintendents. Among the honors that he has received may be included the coveted Distinguished Citizen of the Year award from the Veterans of Foreign Wars.

His professional memberships include the National Education Association, the National Public Relations Association, the American Association of School Administrators and the Connecticut Superintendent's Association. He is a member of Kappa Delta Pi and has had many articles published in educational journals.

During his tenure in New Britain he has seen the professional staff increase from 659 to 853 teachers and administrators. Two senior high schools, one junior high school, two elementary schools and two school additions were erected during his administration. In all, Ralph Gantz has spent more than 42 years in service to the young people of America.

His contributions to New Britain and Connecticut, however, extend well beyond his exemplary service to education.

He is a past president of the Rotary Club and is currently serving as president of the Joint Council on Economic Education. He has given unstintingly of his time and talents for the betterment of the community life of New Britain, and also of the State of Connecticut. He is a member of the Governor's Council on Vocational Education and the President's Advisory Committee of Central Connecticut State College. He presently serves as a director of the Newington Children's Hospital, the New Britain Institute, the Junior Achievement, the YMCA, and the Sheltered Workshop. Cited for his many years of service in scouting, he is also an active member of the Trinity Methodist Church, having served on the board of directors.

The city of New Britain will pay tribute to Mr. Gantz at a city wide testimonial on January 19, 1972. His numerous affiliations and his many contributions to the educational, civic, and religious life of his community have earned him the admiration, respect, and affection of a host of friends.

The testimonial is a fitting way for his colleagues and friends to extend good wishes to him and express the hope that he will be blessed with long and fruitful years in retirement.

DOMINICK AMENDMENT TO DEFENSE APPROPRIATIONS BILL

Mr. DOMINICK. Mr. President, recently I submitted amendment No. 731 to the defense appropriations bill.

The purpose of my amendment is to restore funds to the Navy R. & D. surface effect ship program. I am concerned lest what I believe to be a misunderstanding leads to an unfortunate setback in a development program which gives great promise for the advancement of our naval capability in the foreseeable future. The Senate bill before us would restore funds to the Navy R. & D. surface effect ship program by over $24 million This is a reduction of over 60 percent from that authorized by the Armed Services Committee and requested by the Navy.

Mr. President, the Research and Development Subcommittee of the Armed Services Committee, of which I am a member, looked at this program very carefully. It was the subcommittee's recommendation that $39.6 million be authorized for fiscal 1972. This recommendation was approved by the full committee, was accepted by the Senate in approving the military procurement authorization bill and was further agreed to in conference. In my opinion, the SES program has undergone ample review and was fully justified.

The reduction of more than $24 million will, in effect, preclude an orderly completion of the test effort about to commence for two small craft as well as any preliminary design effort for a follow-on oceangoing version.

I believe that there exists a misapprehension of the Navy's intentions for this program. The Navy has not planned to award the contracts for design, construction and test of a large, 2,200-ton class, SES in fiscal year 1972. That effort is contemplated as a prototype program in fiscal year 1973.

However, the fiscal year 1973 effort will be predicated upon data and experience evolved as a result of the closely related test and evaluation of two 100-ton units with preliminary design study of the 2,200-ton unit in fiscal year 1972. If we cut $24.2 million from this program we will have canceled any preliminary design studies and will have destroyed the parallel development concept of the program.

The Navy plans to provide the data from its ongoing tests of the smaller craft to three or four contractors who will undertake preliminary design studies in fiscal year 1972 for a larger ship of about 2,200 tons. A displacement of 2,200 tons is the smallest which will permit sustained operation in the open sea. Obviously, test and evaluation in the open sea is an essential element of the development effort.

Mr. President, I point out that the interlacing of the design effort for the larger craft with the test and evaluation of the smaller craft is fully consistent with the prototyping concept recently adopted by the Department of Defense and approved by the Congress. In essence, the Navy will be utilizing actual test experience for prototype development instead of theoretical calculations. Further, the interaction of the 100-ton test program with the large model preliminary design studies will reduce the unknowns in the follow-on large 2,200-ton prototype effort. I do not believe we can find a procedure more consistent with the desire of the Congress to substitute hardware experience for paper studies.

Mr. President, it seems to me that maritime technology is in a static state and that few important advances have been made in recent years. However, in the surface effect ship we have a potential technological breakthrough which is unequalled since the transition from sail to steam propulsion. By having ships of virtually unlimited displacement that can achieve 80-knot-plus sustained speeds, the surface effect ship could change traditional functions, roles and missions at sea in ways that cannot now be foreseen. One area of vital concern to our Nation is the possibility the SES offers of reduced vulnerability to submarine attack and the attendant increased potential for antisubmarine warfare. Certainly, until we have operational versions in use, we will not be able to employ it effectively or explore its full potential.

Mr. President, I am unable to find anything objectionable to the concurrency of this program. The program is deliberate in its processes, while also losing no time in this vital development. The reduced level of funding in the bill we are now considering would, however, cost at least 1 year's delay and more than $15 million in pursuing the prototype program.

Therefore, Mr. President, for the reasons I have discussed, I believe it very essential that a significant amount of the funds deleted from this program be restored. My amendment would restore $18.3 million which is the absolute minimum needed to pursue the Navy's surface effect ship prototype program. This amount is concurred in by the Department of Defense and was presented in their reclama to the House action which cut the program by $24.2 million. Of the restored money, $9.75 million will be used to continue improvements in the technology; $1.50 million will be used to prepare a Navy test site at Patuxent River; $1.05 million will permit further study of support requirements and design criteria; and $6 million will enable commencement of preliminary design studies for the 2,200-ton version.

Mr. President, I recommend this amendment as an action necessary to avoid interruption in a development of national importance.

NOMINATION OF DR. EARL L. BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. MUSKIE. Mr. President, all Americans have suffered from rising costs, rising unemployment, and a growing lack of confidence in the economic leadership of the Nixon administration during the last 3 years. Many have seen their pay increases wiped out by rising prices. Many others have lost their jobs.

When economic anxieties are so widespread, it is harder to focus on the ongoing plight of the forgotten American farmer. American agriculture has made an extraordinary contribution to the wealth of our land—and yet, because of its own great capacity for production, the agricultural sector of our economy has been suffering for many years from downward pressures on the prices of its products.

I do not believe that such a fundamental sector of our economy should be punished because of its own great productive accomplishments. That is why I have supported programs initiated by Democratic administrations to protect farm income by assisting the farmer in the management of market supply and in helping to guarantee a fair price that will cover his costs of production plus a reasonable profit.

Under the Nixon administration, as under previous Republican administrations, the condition of the American farmer has deteriorated. Farm prices have declined in relation to farm costs, and more and more family farms have gone out of operation as the large agribusiness corporations extend their control. I believe farmers deserve a fair price. I do not believe that the family farm has become obsolete. Corporate farming must not be allowed to displace the family farm—which continues to play a vital role in the American economy and in the life of rural America.

The administration must provide the leadership necessary to help the farmer, to protect the family farm as a viable institution and to give American farmers the confidence that their voice is being heard in Washington.

I do not believe that the appointment of Dr. Earl L. Butz to be Secretary of Agriculture will accomplish this purpose. Dr. Butz does not have the confidence of the majority of American farmers because they have experienced his policies in the past—under Agricultural Secretary Ezra Taft Benson. He does not have the confidence of the farmers, because they do not believe that a man who has served on the board of directors of three agribusiness corporations would really defend the family farm against corporate expansion into agriculture. I believe the nomination of Dr. Butz has further undermined the confidence of American farmers in their government at a time that their faith in American government must be restored.

The administration did not consult with American farmers on this nomination. It did not consult with the farm organizations. If the newspaper accounts are true, the White House apparently did not even consult with some key members of its own party from farm areas who understand the concerns of farmers. I believe farmers should have a Secretary of Agriculture whom they trust as someone who will represent their interests in Washington. Dr. Butz does not have that trust.

For all these reasons, I will oppose the Butz nomination in the Senate.

NADER AND COLT'S

Mr. GOLDWATER. Mr. President, within the past few weeks Ralph Nader and groups working under his direction have investigated the U.S. reclamation policy and found it a failure; investigated President Nixon's new economic policy and pronounced it radical; decided to investigate the Congress of the United States and establish watchdog groups in every congressional district; and indicted the Colt's Firearms Co. for its production of M–16 rifles used by the U.S. Army.

In previous remarks I have pointed out the growing need for Mr. Nader to confine his activities to subjects which he knows something about, like Harvard University, and not attempt to set himself up as a czar over all corporate and governmental activities.

Today I should like to devote some attention to the charges against Colt's firearms which the Nader people caused to be published in a 21-page report by the Connecticut Citizens Action Group, whatever that may be. My interest stems from my concern for the proper equipping of American fighting men and from my membership on the Senate Armed Services Committee. In the latter capacity I have made it a point to acquaint myself thoroughly with the M–16 rifle and with the allegations concerning this weapon back in 1967 and 1968. I have shot the M–16 on many occasions. I have interviewed a number of GI's both here in the States and in South Vietnam and have found them to be unanimous in holding the M–16 at a high level of competence. I have never heard a charge made about the quality of the gun coming from the Colt's plant; on the contrary, all reports I have seen and heard have

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been in high praise of its quality and reliability.

Consequently, when this latest allegation was made I contacted the Department of Defense and was assured that the Pentagon is satisfied that Colt's weapons continue to be of the highest quality.

Pursuant to this investigation, I ask unanimous consent to have printed in the RECORD, a fact sheet on the M–16 rifle, supplied by the U.S. Army Materiel Command. I suggest that it speaks for itself.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

FACT SHEET—M–16 RIFLE

AMC POSITION

The U.S. Army Materiel Command has implemented a continuing series of independent inspections and tests above those conducted by Colts and other rifle producers under the terms of their contracts. Since November, 67 random samples have been drawn by Defense Contract Administration Service representatives, after acceptance by the government, and subjected to independent AMC examinations and tests which included

A. Visual examination.
B. Target/accuracy tests.
C. Endurance tests.
D. Interchangeability tests.
E. Environmental testing.

Analysis of these independent AMC tests clearly reveals that the Army has every reason to believe that the M–16 rifle provided to the field meets requisite standards for quality, performance and reliability. It should be noted that these independent tests specifically address the reliability, endurance and interchangeability of weapons accepted by the government, and clearly refute the allegations in the Nader report.

Additionally, units in combat report less than one malfunction per 100,000 rounds fired. To obtain a precise fix on the current performance and quality of Colt rifles, the Army Weapons Command is conducting a comprehensive series of examinations and tests on a group of 423 rifles. Testing action will be expedited and the AMC will advise the Department of the Army of the test results as soon as possible.

The tests conducted previously were held at Rock Island Arsenal, General Electric, and the U.S. Army Test and Evaluation Command during the period November 67 through June 1971: A total of 858,000 rounds were fired during the test with a malfunction rate of 0.54 per 1000 rounds.

COLT POSITION

Mr. Paul Benke, President, Colts Firearms, Inc., states that no one at Colts has even knowingly shipped any defective guns out of the factory to any customer, U.S. or foreign, and is convinced that the weapons being delivered are of the highest quality. He states that there is no collusion between Colts and government inspectors, and the test results accomplished monthly on a random basis reveal that quality controls have been maintained. Colts will not formally rebut the Nader report, but is conducting an investigation of the alleged irregularities.

NOMINATION OF EARL LAUER BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. McGOVERN. Mr. President, the President's nomination of Earl Lauer Butz to succeed Clifford Hardin as Secretary of Agriculture has been met with considerable grassroots opposition.

In my view, this opposition is well founded. In many statements and speeches, Dr. Butz has raised serious questions about his belief in the family farm as the backbone of American agriculture. He has associated himself with companies which have attempted to displace our family farm structure with corporate agriculture.

It seems to me we should consider the objections of the farmers themselves with at least as much weight as the narrow vote of Senate Agriculture Committee to confirm Dr. Butz. In the brief time since his nomination, I have received scores of wires and letters all opposing the nomination of Dr. Butz. When Dr. Butz was informed of the close committee vote, he reportedly said he felt like the hospitalized company president who received a message from his board of directors that it had voted 8 to 6 to send him a get-well card.

However, the feeling in the farm belt is considerably stronger in opposition. I ask unanimous consent that representative letters be printed in the RECORD. I call special attention to the letter of Oren Lee Staley, president of the National Farmers' Organization, and the wire of Gov. J. James Exon, of Nebraska.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

LINCOLN, NEBR.

GEORGE MCGOVERN,
U.S. Senator, Old Senate Office Building, Washington, D.C.:

I respectfully urge the United States Senate refuse consent to nominee Dr. Earl Butz for Secretary of Agriculture. Regardless of other considerations, the key reason for my objection to Dr. Butz has been his past record under former Secretary Benson when the Nation's farmers suffered their other worst cost-price ratio in the Nation's history. We are in deep economic distress in the farm belt. I am concerned that this fact is not fully appreciated or at least placed in its proper perspective in Washington. An indication that the U.S. Senate is concerned and intends corrective action would be evidenced by your declining to act favorably on this nomination.

Respectfully,
Governor J. JAMES EXON.
NEBRASKA.

PARKSTON, S. DAK.,
November 15, 1971.

Senator GEORGE MCGOVERN.

DEAR SENATOR: We are very concerned about President Nixon's appointment of Butz for Secretary of Agriculture. We are wholeheartedly opposed to this appointment because of his opposition to the family farm and his interest in corporate farming. We know how you stand on this because I heard you are opposed to his appointment but we want you to know we stand behind you in this opposition.

Thank you.
Sincerely,
WILLIAM MURTHA.

PARKSTON, S. DAK.

DEAR SENATOR MCGOVERN: The recent resignation of Sec. of Agriculture Hardin—I want to emphasize my displeasure of the appointment of Earl L. Butz to replace him. I feel very strongly that we do not need an advocate of large corporate farms as our Sec. of Agriculture.

Very sincerely,
———— ————.

NATIONAL FARMERS ORGANIZATION,
Corning, Iowa, November 19, 1971.

Hon. GEORGE MCGOVERN,
Old Senate Office Building, Washington, D.C.

DEAR SENATOR MCGOVERN: After observing two days of questioning of Dr. Earl Butz at the Agricultural Committee Hearings, we remain firmly convinced that his confirmation as Secretary of Agriculture would be a disaster for farmers. His answers have not satisfied our concerns over his long and close ties to agri-business, his attitudes toward elimination of farmers and the drive by integrators and others to gain control of the food industry, and the conflict of interest arising from his substantial payments as a director of three of the nation's largest agri-business companies.

He did not satisfactorily answer most of the questions put to him by Senators and other members of Congress of both political parties. These included attempts to determine what he might recommend to raise farm prices, how he would get REA and other department funds released by the White House, how he would tighten poultry inspections, and what he would do to halt the drive by integrators and others to take over farm production.

We feel Senate approval of Dr. Butz would be a vote to abandon an historic commitment to opportunity for people on the land. It would, in effect, ratify a policy to drive people out of agriculture, undermine farm and small business enterprises, and destroy rural towns and cities.

The Senate, in voting on confirmation, will be making a choice on the kind of agriculture and rural America our country wants to encourage. This crucial decision, in our judgment, is the most important single farm vote in this Congress. Farmers everywhere are deeply upset over the selection of Earl Butz and hope the Senate will not cast a vote against them. We, therefore, urge you to vote against the confirmation of Dr. Butz.

Respectfully yours,
OREN LEE STALEY, *President.*

STATE BANK OF WORTHINGTON,
Worthington, Minn., November 15, 1971.

Senator GEORGE MCGOVERN,
Senate Office Building, Washington, D.C.

DEAR GEORGE: The appointment of Earl Butz as Secretary of Agriculture is, in my estimation, an insult to the farm families of this nation. During the 50's when Mr. Butz was Assistant Secretary of Agriculture, his greatest efforts appeared to be directed toward the promotion of the corporate farm, and I think his business associations over the years substantiate that and the fact that he is not particularly interested in the survival of the family type farmer.

On several occasions during his previous tenure in the Agricultural Department, I heard him address bankers' groups. The information he was giving at that time was so worded as to give a false and untrue picture of what was actually happening.

In my estimation, this appointment ranks in the same category as Carswell and Haynsworth, and I hope you will continue to vigorously oppose his confirmation.

Yours very truly,
JOHN R. TROTH, *President.*

Keep up the good work.

NOVEMBER 15, 1971.

DEAR SENATOR MCGOVERN: I feel the nomination of Butz to replace our agricultural head is a step backwards—as to keeping the family farm—there is no place in the midwest for corporate farming—and there certainly is no future for our sons in such a setup—no incentive to go ahead. We do not need Butz.

Sincerely,
Mrs. ———— ————.

THE EVERGLADES-BIG CYPRESS RECREATION AREA

Mr. MUSKIE. Mr. President, anyone who has had the opportunity to wander among the tree islands and cypress swamp forests of the Everglades cannot help but come away with an indelible image of the extraordinary beauty and intricacy of this landscape. What is less obvious to the casual wanderer is the way in which the land and water systems of south Florida are interrelated and interdependent.

Nearly 2 years ago, in the Committee on Public Works, we examined the impact of the Central and Southern Florida flood control project upon the Everglades Parks. We were concerned that the public policy on water use in this area might have an irreversible impact upon the parks. We concluded that we must protect the Everglades and adjoining areas by all means available to us.

In particular, the Big Cypress watershed plays an irreplaceable role in capturing and transferring water and nutrients to the lower portions of the Everglades, literally supplying lifeblood for these swamps and marshes, and their associated animal life. The large masses of shrimp that gather in the estuaries of 10,000 Islands National Park, and which are later harvested by shrimpers off the Dry Tortugas. The fresh water helps to maintain a very sensitive balance in the seasonal fluctuation of water levels in the Everglades; it prevents salt water intrusion into the fresh water embayments and provides a source of water to which populations of saw grass deer and Florida alligators respond in turn as water levels follow their natural course of rise and fall.

Big Cypress is the area where Indians have lived, hunted, fished, and trapped for centuries, and where currently thousands of Floridians enjoy a contact with nature. Here, too, more than a dozen kinds of endangered species make their home, from the Florida panther and Everglades mink to the southern bald eagle and roseate spoonbill. This area must be protected from channelization and water diversion; at the same time, it could serve as a source of inspiration and recreation to hikers, hunters, and children, and as a continued home for its earliest settlers, the Miccosukee and Seminole Indians. The Chiles-Jackson bill, S. 2465, introduced on August 6, would accomplish just such a purpose. By creating the Everglades-Big Cypress National Recreation Area, it would at once preserve the watershed which serves the Everglades, protect the wildlife for observation or harvest, and maintain a fresh water flow which is invaluable for the protection of future fresh water supplies in south and southwest Florida. It is thus with a sense of both conviction and urgency that I announce today my cosponsorship of the bill, and urge Senators to give the item their close attention.

NEW SOUTHWEST PENNSYLVANIA DEVELOPMENT AGENCY FORMED

Mr. SCHWEIKER. Mr. President, an outstanding example of private, local initiatives in community development has just been launched in western Pennsylvania. The Allegheny Conference on Community Development has just begun a new nine-county organization, Penn's Southwest Association.

The purpose of Penn's Southwest Association is to maximize the great industrial potential of southwest Pennsylvania by promoting expansion of existing industry there, and by attracting new industry to the area. The association will seek to develop many forms of economic activity in the nine counties, including Federal and State functions, regional industrial plants and offices, and trade and technical societies.

PSA will represent a unified public and private effort, and it will draw on private citizens, community organizations, and business and labor alike for projects and financial support.

As we in Congress debate the revenue bill, discuss tax incentives to encourage economic development, and study unemployment problems, it is heartening to hear of such an ambitious program in the private sector by industrial, business, labor, and community leaders. The economic goals they seek in western Pennsylvania are the same goals we are working for at the national level: increased productivity, lowering of unemployment, and creation of vital, new economic development.

The Allegheny Conference, headed by Henry L. Hillman of Pittsburgh, chairman, and Robinson F. Barker of Pittsburgh, president, deserves considerable credit for launching this program. The leaders of this conference also realize that an organization like Penn's Southwest Association must have an independent vitality, and Mr. Barker has indicated that the conference will only be one part of PSA once the organization has been satisfactorily launched by the conference.

Mr. President, I am proud to inform Senators of this excellent local initiative in Pennsylvania. I am sure that the members of Penn's Southwest Association will be pleased to work closely with persons from other regions who would be interested in this project.

Recently, a detailed article explaining the purposes and plans of Penn's Southwest Association was published in the Pittsburgh Post-Gazette. I ask unanimous consent that the article and an editorial from the Post-Gazette be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

PENN'S SOUTHWEST ASSOCIATION: NEW NINE COUNTY GROUP OPENS INDUSTRY PUSH

(By Alvin Rosensweet)

A new organization that will seek to develop more fully the economic potential of nine southwestern Pennsylvania counties was announced last night.

Its name: Penn's Southwest Association.

The group will conduct an aggressive marketing program to sell the nine-county region on a national basis. Henry L. Hillman, chairman of the Allegheny Conference on Community Development, said last night. He spoke at the annual meeting of the Conference at Carnegie Institute in Oakland.

PSA will include Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Lawrence, Washington, and Westmoreland counties. Sponsors said it will concentrate largely on attracting new industry and expanding present industry.

PSA, Hillman said, will seek to attract regional plants and offices, trade and technical societies, and federal and state activities to generate new economic growth.

Asked why an effort was being made at this time to attract industry, Hillman said it was because of the realization that many regions throughout the country are competing for increased business on an organized, hard-hitting scale.

Funds to finance the effort will be sought from industry, business, labor, community organizations and private citizens.

Hillman said PSA will work closely with regional planning and development agencies, chambers of commerce, labor unions, local governments and others interested in more rapid economic growth.

He noted the region's advantages: raw materials, abundant water supply, excellent transportation, and strategic location.

Hillman said the Conference, before venturing into PSA, formed an area development committee headed by John M. Arthur, board chairman of Duquesne Light Co., and John A. Mayer, board chairman of Mellon National Bank. The committee and a small task force studied the regional economy and visited a number of cities where regional efforts have been successful.

Hillman said that PSA, a non-profit corporation, is expected to have a far-reaching effect on the future of the nine counties.

But he cautioned against expecting major accomplishments over a short period of time.

Hillman said the new association will have the active participation of business, labor, and government leaders. He added that it will not duplicate the efforts of present organizations.

Asked if Mayor Peter F. Flaherty had agreed to cooperate with the venture, Hillman said that the subject has been discussed with Flaherty.

"He is aware of it and is interested in seeing how it will develop," Hillman said.

In his talk last night Hillman pointed out that "for the eighth consecutive year more than a million people were employed in Penn's Southwest but there still are not enough jobs to go around."

He said employment is growing in service industries, indicating the region is moving toward a better balanced, more stable economy. But Hillman conceded this region has not realized its potential as a convention and tourist area and still is without a convention center in Pittsburgh.

Accomplishments of the Allegheny Conference were described to about 125 sponsors at a private meeting by Robinson F. Barker, conference president, and chairman of the board of PPG Industries. He said that since the urban crisis in 1968 the Conference has devoted its primary attention to human problems while maintaining an active role in the physical renaissance.

Cooperation with the National Alliance of Business to help solve chronic unemployment among the urban poor; summer employment program for needy youth; and aid to minority businessmen were cited.

At a press conference preceding the annual meeting, Barker said the role of the Allegheny Conference is to get Penn's Southwest Association off the ground. He said the conference is initiating the project and when it gets underway will be only one part of it.

Hillman was re-elected chairman and Barker president. Also re-elected were Fletcher L. Byrom, Robert Dickey III, Mayer, and William H. Rea, vice presidents; Arthur, secretary, and Aiken W. Fisher, treasurer. Willard F. Rockwell Jr. was elected a member of the executive committee, Vincent A. Finoli, Charles F. Hauck, and Joseph M. Katz were elected to the citizens' sponsoring committee.

[From the Pittsburgh Post-Gazette
Nov. 16, 1971]

SELLING SOUTHEAST PENNSYLVANIA

Southwest Pennsylvania has a variety of attractions but how many people beyond its nine-county radius know about them? Not nearly enough, one surmises from the nature of the responses usually evoked when the Pittsburgh area is mentioned in distant places.

People know, or think they know, that we have smog and heavy industry and the Pirates and perhaps, for the really well informed, Skyscraper U. But beyond that most people sort of draw a blank when this area is mentioned.

Neglected in the public mind generally are such tremendous assets as good weather most of the year, a large and skilled labor force, exceptional educational and medical facilities, good recreational opportunities, fairly good accessibility, strong financial resources and the cosmopolitanism that marks a headquarters city.

Who is to tell the story of what this area has to offer? Well, there are 91 chambers of commerce in this nine-county area. Each of the counties has its own development agency. There also exist such agencies as the Regional Industrial Development Corporation, which seeks to develop industry in the nine counties, and the Southwest Regional Planning Commission, which does the area-wide planning.

Still, the story doesn't get told as well as it should, and so the Allegheny Conference, which has been the innovator and expediter of many worthwhile projects here in the last 25 or 30 years, has spun off another agency, Penn's Southwest Association, which proposes to do the selling and marketing job that the other agencies haven't done. (Note the illustration with this editorial, the new identification mark for Penn's Southwest Association. The arrows pointing south and west from the "P" stand for the nine counties making up the southwestern portion of Pennsylvania.)

Penn's Southwest Association was inaugurated last night at the Allegheny Conference's annual dinner meeting. It has already obtained about $100,000 for a startup. More than that, it has obtained the cooperation of leading political and business figures in each of the nine participating counties. Those developments augur success.

Since this region has so many salable assets, we are confident that Penn's Southwest Association will be able to make a favorable impact far from home. We feel, however, that its efforts would be strengthened if this district, like so many of its metropolitan competitors, had good rapid transit facilities and an exposition-convention center.

The Conference and its offspring will get to first things first if they put a big push behind those projects. Those facilities would round out an attractive package of assets this district can offer newcomers.

RADIOACTIVE LEAKAGE FROM CANNIKIN

Mr. GRAVEL. Mr. President, on November 16, I wrote to Dr. James R. Schlesinger, the new Chairman of the Atomic Energy Commission. My concern was with the possible hazards of radioactive leakage or venting following the Cannikin underground nuclear test.

The potential for radioactive contamination is still present and must be closely watched for the indefinite future. The AEC's environmental impact statement outlined a number of possible ways in which subsurface radioactive wastes could reach the sea.

Such a possibility is no idle concern, and only careful monitoring will permit us to know whether a danger is developing.

I ask unanimous consent to have printed in the RECORD the text of my letter to Dr. Schlesinger and also an Anchorage Daily News article which quotes State of Alaska Fish and Game officials as reporting that the sea otter and general wildlife toll was greater than first reported.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., November 16, 1971.

Dr. JAMES R. SCHLESINGER,
Chairman, Atomic Energy Commission,
Washington, D.C.

DEAR DR. SCHLESINGER: I am certain that we both share the same concern about the protection of the people of Alaska, as well as other parts of the country, from the possible hazards of any radioactive leakage, or venting following Cannikin.

I feel it is essential for our continued protection that the AEC implement a comprehensive monitoring program to watch the after effects of the test. I would like to know, in detail, what plans have been made for the continued monitoring of the test hole.

How much money has been allocated by the AEC to conduct this monitoring program? How many people are involved in the monitoring process? What is the frequency of air and water samples from areas surrounding the test site? In what locations are continuing tests being conducted and for what period of time will the tests continue? Who is specifically responsible for the monitoring program?

I would appreciate a speedy reply to these questions so that I can evaluate the program and respond to the many inquiries I have had.

Sincerely,

MIKE GRAVEL.

[From the Anchorage, Alaska, Daily News,
Nov. 14, 1971]

HUNDREDS OF SEA OTTERS SAID KILLED BY CANNIKIN

(By Margie Bauman)

A marine mammal biologist who was at Amchitka Island when the Cannikin bomb was exploded said Saturday that hundreds of sea otters and birds and thousands of fish probably were killed, but that nobody will ever know for sure.

Biologist Karl Snyder of the Alaska Department of Fish and Game said he felt the underground explosion of the five-megaton bomb on Nov. 6 "obviously killed hundreds of sea otters, hundreds of birds and probably thousands of fish."

The Atomic Energy Commission said two sea otters and 13 birds were the only victims.

"We never will know for sure," Snyder said. "Weather conditions during the test created a situation where we were lucky to find anything at all. There had been a real bad storm, the worst so far this season," he said.

During, or right after such storms, there are bound to be quite a few sea otters on the rocks, and if they are killed they are bound to be washed out into the water, he noted.

Snyder, who works with Fish and Game marine-mammal coordinator John Vania, has been studying the sea otters since 1967 and has spent much time at Amchitka.

He said it might take four to five years for the sea otter population to recuperate.

Snyder said the AEC probably won't agree with his death toll estimate, "but under those conditions, I don't know how it could be any less."

Snyder noted that 13 bodies of sea otters had been found, along with some 250 fish, mostly greenlings, and a number of birds. He said winds following the blast were blowing northwesterly, which would blow any dead animals out to sea.

Of the 13 dead otters, 12 were definitely killed by the blast. "The other was eaten up by eagles, so it was a little hard to say," he said.

Snyder and Vania agree on an estimate of 300 to 800 sea otter deaths as a direct result of the blast, with most of the victims being female. Vania, who has been studying the sea otter population for eight years, said the kill estimate was based on "the general lack of otters in the area where we normally see them."

Snyder said the beach bluff area in the immediate vicinity of the explosion "was totally unrecognizable" afterwards, although the tundra didn't change much .

University of Arizona graduate student Jim Estes, who is participating in the sea otter studies, walked along the beach after the blast "and he had trouble telling where he was half the time," Snyder said.

The cliff area, where there were at least four to five eagle nests and at least one peregrine falcon nest, were total rubble, said Snyder.

"The AEC predictions said some sea stacks might be damaged, but none would be knocked down completely.

"If the kill was spread evenly around the island, which it wasn't, it probably could recover in a year," he said. But the way things stand, it may take four to five years to recuperate the sea otter population, he said.

"The world's not going to come to an end because of it, but people have a right to know it," he said somberly.

One of the reasons there were such low estimates of the death toll after the blast was nobody counted all the injured animals laying on the rocks, he said. "Many birds we found had their legs driven right up into them and we found sea otters badly injured.

"What may complicate the whole sea otter problem is that there was early evidence of a substantial fish kill too," Snyder said.

"We don't know how many fish were actually killed and how long it will take for them to recover. We found over 250 dead fish in that area. If the fish don't come back, it may slow the repopulation of sea otters," he said.

"There was definitely more localized environmental damage than the AEC predicted," he said. "I suppose if they had buried it deeper, it might have had less effect on the surface. I think they tried to minimize predictions (on environmental damage)," he said.

The reason 75 per cent of those killed were females, he added, is because "the animals segregate by sex, and the area where the kill occurred was a female area."

Just along the Bering Sea side of Amchitka there are normally some 1,200 sea otters. The body of one was found on the Bering Sea side of Amchitka, the other 12 on the Pacific side.

LONG-TERM CARE OF THE AGED

Mr. PERCY. Mr. President, the very distinguished Senator from Utah (Mr. Moss) recently delivered an excellent analysis of our problems with long-term care of the aged in this country. The Senator's speech was presented on November 2 to a conference held jointly by the Duke University Center for the Study of Aging, and the American Association of Retired Persons—National Retired Teachers Association.

Having worked closely with Senator Moss on an investigation of nursing home conditions in Illinois and on the Senate's Special Committee on Aging, I can speak highly of the knowledge and expertise which he has gained in this field. I share the Senator's deep concern for our elderly citizens living in nursing homes, and I commend to the Senate the remarks made by him at the Duke University and AARP–NRTA conference.

Mr. President, I ask unanimous consent his remarks be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE NURSING HOME: CRITICAL ISSUES IN A NATIONAL POLICY

It is a privilege to address this conference sponsored jointly by the Duke University for the Study of Aging and Human Development and the American Association of Retired Persons. The selection of your topic: "The Nursing Home: Critical Issues in a National Policy" is most timely (and I am sure these discussions will lead to constructive recommendations for improvements of our system of long-term care.)

I am particularly pleased to address the delegates of this conference because I feel this is one of the finest collections of nursing home experts ever assembled. I by no means claim to have all the answers to the difficult questions in this area and undoubtedly I could learn a great deal from some of you. On the other hand, you know of my long interest and solicitude.

May I begin by reading an account of what can happen when good men and women—regardless of their age or their background—are pushed up against the wall of injustice. I quote from a newspaper account which I consider a classic:

"Topeka, Kansas police were called today to help restore order at a Methodist Home for the aged, scene of a week-long revolt. Three militant octogenarians were arrested after a scuffle in the north parlor. They were identified as leaders of an activist group that seized control of the parlor three days ago and locked Mrs. Norma Sunderland, matron, in the closet.

"George Whitlock, 84-year-old spokesman for the 'activists.' Told reporters the demonstration was staged to enforce demands that the old folks be given more role in management.

"We have a bunch of young whippersnappers running things around here," he said, waving his cane indignantly. "We don't trust anybody under 65," he added, proudly displaying his 'senility power' button pinned on his shawl.

"Two officers suffered minor injuries during the disturbance. One was hit by a runaway wheelchair and the other was jabbed by a knitting needle.

"The revolt began last week when a small group of hard-nose superannuates held a 'dodder-in' at which some burned their social security cards. Although peaceable in early phases, the protest movement took a violent turn when someone hit Emery Dains, home administrator, with a bottle of Geritol. Mr. Dains blamed the trouble on a misunderstanding caused by difficulties in communicating with the militants.

"Some turn off their hearing aids when administrative personnel seek to explain policies, etc.," he explained.

"Mr. Whitlock reacted, 'What is the sense of living a long time if some kid who's only 45 or 50 years old can tell you what you have to do?' "

This account is amusing, because it is well written, but it is painfully relevant. It is also perhaps a warning to what could happen in America should the twenty million members of the geriatric set—the Nation's most shamefully neglected minority—use some of the techniques which get results for other groups who feel by-passed or abused these days.

As chairman of the Subcommittee on Long-Term Care of the U.S. Senate Select Committee on Aging for the past seven years, I can confirm that care of the elderly is the most incendiary issue in the field of aging. And it is unfortunate that long-term care, until the President's recent speeches, has received little attention from elected representatives either at the national or State level.

Let me quote some statistics which will tell you what is now happening in the nursing home field in the United States, and put into perspective what yet needs to be done.

There are at present approximately 23,000 nursing homes and related facilities in the U.S. according to the White House. This is an increase of 250 percent over 1960.

During the years 1950–1970, the number of nursing home beds has tripled so that they total well over a million. Nursing home revenues during this period increased 400 percent to $2.6 billion.

Two out of three dollars going to nursing homes come from the public coffers. Seventy-seven percent of nursing homes are operated for profit.

There are at least 900,000 seniors in nursing homes but almost every citizen is likely to come into contact with a nursing home either as a patient, friend, or relative.

Fifty percent of nursing home residents, according to one study, could be cared for in their own homes by their relatives but three-fourths of the over-65 population have some chronic physical ailment or impediment.

There are one-half million employees in nursing homes with a 60 percent turnover rate yearly. Aides and orderlies lead the list with a turnover rate of 75 percent and registered nurses 71 percent.

The overall ratio of staff to patients is six-tenths of a percent to one as compared to hospitals which register 2.6 staff to one patient.

And a final statistic—the Federal Government yearly contributes over one billion dollars to nursing homes or 40 percent of their $2.6 billion gross revenues. But this figure is misleading because it does not take into consideration other ways in which the Federal Government aids nursing homes. When we total up all funds for construction of nursing homes under Hill-Burton and SBA programs, for loan guarantees under the FHA program, for the veterans nursing home program and for assistance to some nursing homes by the Department of Agriculture, together with administrative costs, we produce an astonishing result.

This computation gives us a ball park figure for the Federal Government's contribution to nursing homes in 1970 of about $2.6 billion. This equals total yearly nursing home revenues.

Now, what are the basic problems in the field of long-term care? I have some preliminary conclusions which have grown out of a long series of hearings conducted by my subcommittee on long-term care. My final recommendations will be in a report which is current under preparation for presentation to the Congress.

I like to think of the problems as challenges—challenges people, such as you and I, who are concerned about the care of the elderly must help America to meet.

1. The First challenge is to spell out a clear policy in the U.S. with regard to the infirm elderly. We have no national pattern in America for the care of those who are old and ill. Their needs have been assigned low priority and the programs which have been developed are often piecemeal, inappropriate, illusory and short-lived. The rhetoric speaks of care and concern but the reality resembles confusion, high costs and too often, poor care or no care at all for those who need it.

2. The second challenge is to provide a broad spectrum of institutional facilities, as well as alternatives, to putting individuals into nursing homes. We have completely failed to do this. We should look first to the possibility of treating the individual in his own home with health or other supportive services. We should consider subsidizing the family to care for their elderly and establish senior citizen day care centers.

The nursing home, in the event institutionalization is necessary, should be part of a continuing system of progressive care. This means we must provide the right facility at the right time.

We must start with preventive medicine and treat diseases before they become acute. It has been estimated that we spend only $2 per capita for preventive medicine and $132 per capita for curative measures.

We need neighborhood clinics open to all age groups to prevent excessive utilization of the expensive hospital bed. Implied also is the need for more housing designed specifically for the elderly. This would include congregate living facilities for those who are not readily capable or do not desire to cook their own meals.

Far too many elderly wind up in a nursing home simply because they have no other place to go. Once in a nursing home, a patient's care should be evaluated constantly so he can be discharged as soon as his medical needs have been met.

States are just now beginning to undertake these so-called medical reviews which are called for by my 1967 amendments. Undoubtedly this program will have positive effects.

3. The third challenge in long-term care is the lack of effective enforcement of nursing home standards by the States. In the State of Illinois where the subcommittee on long-term care recently held hearings, only three nursing homes had been closed in the past 10 years by State revocation procedures. A similar pattern was indicated in our hearings with the Maryland Department of Health.

Part of the hangup in some States is the lack of legal alternatives available to the State Health Department which has the choice of closing the facility or allowing it to function. Fines and criminal penalties have been suggested as solutions. Other suggestions call for the imposition of Federal Inspectors and the unilateral cutoff of Federal Medicaid Funds.

In Illinois, for example, we learned that only 50 percent of the nursing homes adequately meet State and Federal standards. This seems to reinforce what we have learned elsewhere. States must make a much greater effort to enforce standards and to protect the nursing home patient or face the prospect of Federal intervention in licensing and inspecting nursing homes.

4. The fourth challenge we must meet is the lack of adequately trained personnel in nursing homes. This is our greatest obstacle to improvement of the nursing home system.

It is a common practice presently to hire nurses' aides off the street. In Chicago an investigator for the Better Government Association posed as a drunk in a Chicago flophouse to check out the story that this old hotel was a contact point where drunks could hire on as orderlies in a nursing home. He found the story true. They were given free board and room and paid $40 if they stayed the entire month.

In Chicago we also heard an investigator from the BGA testify that he applied as a janitor and was given the job as a nurses' aide and was dispensing medication within minutes after he was hired. I fear this practice is all too common.

The practice of allowing untrained aides to set up and pass medications whose pro-

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penalties they do not know or understand worries all of us. I might add that there have been several studies indicating that the incidence of drugs administered in error in nursing homes is quite high—perhaps as high as 40 percent.

There are other loose practices which also concern us. The committee has documented evidence that some nurses are prescribing and dispensing medications on their own initiative—quite extensive evidence.

In this regard a particular problem exists with tranquilizers such as thorazine and mellaril. There is very strong evidence leading to the conclusion that these drugs are given to patients to make it easier on the staff. Tranquilized patients make less demands, being bedbound they also bring the highest rate of reimbursement.

The testimony the committee has received indicating nurses give patients drugs, and especially tranquilizers, on their own initiative was strengthened by the results of a General Accounting Office audit that I ask for. The report proved that tranquilizers constitute far and away the largest category of drugs being paid for by medicaid funds. The study disclosed that 17 percent of all drugs going to nursing homes are tranquilizers. The next largest category is antibiotics, which total about 8 percent.

At this point I would like to read you excerpts from the testimony of several individuals, primarily nurses, who have worked or are working in nursing homes in a city which I do not wish to disclose. This testimony confirms some of the charges I have made there this morning.

From the affidavit of nurses' aide BL in nursing home A:

"There is a heavy use of tranquilizers on our floor. We had a discussion about that once and I got kind of angry and told the nurse. There have been times when they woke the patients in order to give them tranquilizers so that the patients would stay out of their hair. By keeping the patients drugged up, they are being turned into vegetables. Many of these patients are having psychological problems that are not being treated: They are medicated so that we don't have to deal with them."

From the affidavit of nurses' aide PS also nursing home A:

"This nurse would also deliberately increase the dosage of a sedative much higher than the prescription in order to quiet down patients, but then she would put on the chart that she had administered the required dosage. She would take sedatives from the prescriptions of other patients in order to do this."

Again from Y nursing home:

"On my shift an aide would work the first floor and had the key for the medications, this aide would set up the medications and pass them, and then would set up the medications for the morning shift."

Here's LPN from Y nursing home:

"Medications have already been meted out onto trays by the night aide. Aides pour and administer medications, in spite of the fact . . . that they have no idea what they are giving or why. Digitalis is shoved down throats, pulses are never taken."

And finally, from the daughter of a patient at Z nursing home:

"There is a constant problem with the giving out of medicines. There is an aide who has no nursing training who occasionally gives insulin injections. On one occasion she gave one diabetic patient an injection of insulin in the morning and did not mark it up in the day book. Later that morning, an LPN, gave her another injection, and I had to feed her sweets all day long.

"Medications are often set up by aides, only occasionally by RN's. They make mistakes often. They mix up the pills or leave some out, and the aides do not check to be sure the pills are taken. Many times my sister has found pills of my mothers on the floor at night."

I could continue on and on.

I wonder what can we really expect of the untrained nurses' aide hired off the street, paid the minimum wage and grossly overworked? A turnover rate of 75 percent for aides and orderlies is probably understandable.

The Federal Government must make matching funds available to the states to develop in-service and other training programs for nursing home personnel. Nursing home operators must also come to grips with the fact that they will have to allocate a greater share of nursing home revenues to staff. We may have to require a ratio of one staff to one patient instead of the present .6 to 1 ratio. I know that H.E.W. is working on this problem and I look forward to its recommendations.

5. The lack of sufficient participation by physicians in the care of nursing home residents is our fifth challenge. The physician has by-passed the nursing home. The work is unattractive and unrewarding.

We documented physician absence in several of our hearings, particularly our investigation of the Baltimore Salmonella Epidemic.

We learned that physicians often prescribe care and dispense medicine by telephone—indeed the telephone is a more important instrument than the stethoscope—with little contact with the patient. We heard testimony that physicians commonly do not view the bodies of those who die in nursing homes before signing death certificates. We were told stories of physicians signing death certificates in advance of death so they wouldn't have to make another trip to a nursing home. We also learned that few nursing homes had a physician with overall responsibility for the patients in the nursing home.

With the physician absent from the nursing home scene and the registered nurse tied up with increasing paperwork and supervision, obviously it is the untrained nurses' aide in many cases who is rendering medical care in nursing homes, even, as I've noted earlier, to the point of dispensing medications and noting death and the cause of death.

The American Medical Association should ask member physicians to accept greater responsibility for the care of nursing home patients. Medical schools should include courses making geriatrics a specialty. I have suggested that interns be required to serve for a period of time in a nursing home. I have also suggested that H.E.W. establish a program that would train armed forces medical corpsmen to serve as medical assistants to physicians with responsibilities for nursing home care.

H.R. 1, the House Social Security Bill, which will soon be marked up by the Senate Finance Committee, attacks some of these problems directly and with force.

If this bill can be enacted—and I predict it can be with some improvements and refinements in the Senate—we will take a seven league boot stride toward getting better medical care for senior citizens in nursing homes.

The seventh major challenge is to develop a reimbursement system for nursing homes which provides participating operators with a fair rate of return and stimulates them to provide good care for the patients.

At the present time we rely rather heavily on a proprietary nursing home system. Some 77 percent of our homes are run for profit and yet we have instituted a reimbursement system which makes it impossible to make a profit without cutting care.

Typically, nursing homes paid under medicaid are reimbursed at the rate of $14 a day per patient. Each individual nursing home operator is then free to decide how much to allocate to patient care and how much to allocate to profit. There is absolutely no accountability.

Another onerous problem is that present reimbursement systems place a premium on keeping patients in bed. Once a patient is restored to an active life or becomes ambulatory the reimbursement to the nursing home is cut dramatically. Certainly there are financial incentives in favor of not providing care—in favor of keeping patients bed bound.

We are just beginning to see the results of this system, although we need more data. In Illinois recently we found out that one nursing home operator took in $400,000.00 yearly from medicaid and made a profit of $185,000.00, while paying out 54 cents a day per patient for food. Jails in the Chicago area spent 64 cents for each inmate a day for food.

There is also the now famous study out of the State of Connecticut which shows that the average return on investment for the State's nursing homes is 44 percent. If this is true, nursing homes are unquestionably charging too much and giving too little care in return.

We need a system which assures the nursing home operator that if he provides good care and becomes in the State's estimation a "good" nursing home, he will be rewarded financially. We need financial incentives to encourage the nursing home operator to provide care. In this vein, I have been studying the Connecticut "points system" as it is being revised and applied in that State.

And this leads me to the eighth and last challenge I will mention here today. This is to restore to nursing home patients a sense of dignity and intrinsic worth. With the general improvement of nursing homes and with new emphasis on rehabilitation so that the patient can function to the best of his ability, perhaps we can do much to remove the negative image that today characterizes nursing homes.

I am also in favor of de-institutionalizing so that the patient feels he is in a home-like environment with friends rather than in an institution representing the twilight zone between life and death. There is, I recall, a maxim of sociology that human beings tend to reflect their environment. Let us therefore provide one that is healthy and cheerful for our citizens who are both ill and aged.

These—then—are the basic issues in the area of long-term care as I see them. They all stem from the first point I made—our policy with regard to the infirm elderly in this country is ambiguous. We really have no policy. In rhetoric there is concern, in reality there is abandonment.

"It's hell to be old in this country."

I heard someone say that not long ago. It's the simple truth—for most of our elderly.

The pressures of living in the age of materialism and the pursuit of the good life have produced a youth cult in America. Our preoccupation with staying young knows virtually no boundary. We spend millions on elixers and remedies all the way from pep pills to hair transplants and face liftings. Hang the expense. Drink Pepsi, drive a Ford, smoke Silva-Thins, or do anything else anybody insists will keep you looking young.

Why this obsession with youth? Some blame the movies. Others blame advertising for the kind of images sold to the public. The real reason goes deeper. Most of us are afraid of getting old. This is true because we have made old age in this country a wasteland. It's T. S. Elliot's rats walking on broken glass. It's the nowhere in between this life and the great beyond. It's being robbed of your eyesight, your mobility, and even your human dignity.

And yet every year more and more of us make it to our 65th birthday and beyond. The pressures of society encourage early retirement from the work force so that Americans are spending more and more years in retirement.

We must define what our policy is to be toward those who are both old and infirm—we must decide what our responsibilities are—and we must face up to those responsibilities.

Conferences such as this one should help make progress in that direction.

TAX CREDITS TO THE ELDERLY

Mr. MOSS. Mr. President, I am glad to support this most timely amendment. The Senator from Missouri (Mr. EAGLETON) has suggested an excellent way for the Federal Government to come to grips with perhaps the most significant economic problem facing the elderly today.

Escalating real estate taxes have a devastating impact on those of our citizens who live on fixed incomes. The chief victim has been the elderly couples—80 percent of whom own their own homes. They have had to meet tax bills of up to $1,000 out of their incomes which range from $2,000 to $2,500 a year. Many have, in fact, become "house poor," forced to devote the bulk of their limited incomes just to maintain ownership of their homes.

The burdensome effect of these regressive taxes on the elderly has been completely out of proportion to their ability to pay. Today, people over 65 make only half the income of their under-65 counterparts. Most rely entirely on social security benefits for their survival.

I applaud this amendment offered by Senator EAGLETON which would make these elderly citizens eligible for tax credits of up to 300 for income spent on their property taxes.

Some States have recognized the special circumstances of the elderly homeowner. They have granted exemptions to property taxes for people making less than a certain annual income.

Mr. President, I believe that Congress should put an end to the current situation where some States give this tax consideration to the aged poor and others do not. I believe that Congress should act now to accept national responsibility for this problem.

INFLUENCE OF TELEVISION NETWORKS ON AMERICAN PEOPLE

Mr. THURMOND. Mr. President, a recent book entitled "The News Twisters," by Edith Efron is causing considerable comment around the country.

A brief review of the book was published in the Washington Daily News of November 18, 1971. The review was by S. I. Hayakawa, who is president of San Francisco College, San Francisco, Calif.

In his review, Dr. Hayakawa urged that the American people give attention to this book on the grounds that it explains in great detail how the television networks manage the news to support their own political inclinations.

For instance, the author of the book revealed that during the last 2 months of the 1968 presidential campaign, items used by the major networks favored Mr. HUMPHREY with 8,458 words as compared with 1,620 words for President Nixon.

There is obviously a need in this country for objective and balanced treatment of news by the television networks. When the commentator editorializes, it should be made clear to the listener that this is an opinion of the commentator or the network.

I ask unanimous consent that the column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, Nov. 18, 1971]

BRAINWASHING BY THE NETWORKS

(By S. I. Hayakawa)

Here is a book that should be read by every voter of whatever political conviction, by every high school and college student, by every viewer of TV network news. It should be distributed by book clubs and condensed in Reader's Digest. Most of all it should be read carefully by the Federal Communications Commission.

The book I refer to is "The News Twisters," by Edith Efron (Nash Publishing, 9225 Sunset Blvd., Los Angeles 90069; $7.95). The author is a staff writer for "TV Guide."

Do television networks present the news fairly? Are they free of bias? Do the accusations of slanting, distortion and calculated omission of important stories coming from almost all segments of the public from student radicals to Vice President Spiro Agnew have any foundation in fact?

For her study Miss Efron tape-recorded network news shows on American and National Broadcasting companies and the Columbia Broadcasting System every evening from 7 to 7:30 p.m. from Sept. 16 to Nov. 4, 1968—that is, the last seven weeks of the presidential campaign of that year. From transcriptions of the broadcasts, she analyzed the coverage given to the three presidential candidacies of 1968 and to a set of 10 related issues, such as U.S. policy on the Vietnam war, black militants, radical violence and the white middle class.

"From the resultant body of about 100,000 words per network," Miss Efron writes, "I isolated all stories dealing with the chosen issues—and excerpted all 'for' and 'against' opinion on these issues. The task is simpler than it may sound. Network news is an extremely nonintellectual commodity, and the opinion which it relays tends to be simple, short, highly partisan, and crudely 'for' and 'against.' It is readily isolated . . . The opinion appears in four clearly identifiable forms: direct quotes . . . paraphrase . . . narrative reports . . . and editorial opinion, which appears either in separate commentaries and analyses, or within the body of a news story. When all such opinion was isolated and filed, I then counted the number of words of opinion 'for' and 'against' on each issue."

The statistics are indeed startling. Here is Miss Efron's summary of the number of words spoken about Richard Nixon during the campaign: on ABC, for, 869, against, 1,793; on CBS for, 320, against, 5,300; on NBC, for, 431, against 4,234. Total for Nixon 1,620, total against, 17,027. Humphrey got more even treatment: on ABC, for, 4,218, against, 3,569; on CBS, for, 2,368, against, 2,083; on NBC, for, 1,852 against 2,055.

Words spoken about Black Militants: on ABC for, 2,052, against, 1,146; on CBS, for, 1,578, against, 742; on NBC, for, 3,666, against, 1,383. As for the white middle class: on ABC, for, 142, against, 731; on CBS, for, 287, against, 651; on NBC, for, 0, against, 1,017.

The totals leave no doubt that the networks—all three of them—were doing their best to elect Hubert Humphrey. For Mr. Humphrey there were 8,458 words, for Mr. Nixon, 1,620. Against Mr. Humphrey there were 8,307 words, against Mr. Nixon, 17,027.

When accused of partisanship or bias, the networks defend themselves by declaring that objectivity is impossible. David Brinkley: "Objectivity is impossible to a normal human being." Bill Moyers, "Of all the myths of journalism, objectivity is the greatest."

Miss Efron makes mincemeat of this argument. Objectivity, she says, is not the issue. The problem is that networks unanimously give "preferential status to certain political positions and opinions"—to the Democrats as opposed to Republicans, to the opinions of anti-war people as opposed to those who see some justification for the war, to black militants as opposed to the white middle class ("Not one reporter on CBS or NBC is critical of black power violence during the coverage period").

The networks themselves, in their acceptance of the Federal Communication Commission's "fairness doctrine" and in their concept of "equal time," give assent to the view that it is against broadcasting ethics to give such preferential status to one side of a controversy or political campaign. Nevertheless they clearly do not even bother to try to give a balanced presentation of the wide range of opinions.

"Richard Nixon is President of the United States today in spite of ABC–TV, CBS–TV and NBC–TV," writes Miss Efron.

I find this sentence comforting. It is horrifying to read a statistical analysis of the extent to which the great national television networks try to mold and manipulate public opinion. Nevertheless, despite the fact that I voted for Mr. Humphrey, I find it reassuring to know how much sales resistance the public has.

A SPECIAL HONOR—EAGLE SCOUT JOSEPH POLLOCK

Mr. McINTYRE. Mr. President, fewer than 1 in 100 Boy Scouts ever reach the rank of Eagle Scout, so it is a high honor for any boy to be so named. For Joseph Pollock, Jr., of troop No. 10 in Wilton Center, N.H., becoming an Eagle Scout is an even greater honor. It is a testimony to the kind of courage and determination we all admire, for Scout Pollock has been totally blind since birth and still achieved the rank without medical waivers or special dispensation.

Mr. President, I know that Senators share my respect and admiration for this fine young man, and I am sure they join with me in wishing him the very best of luck at his special court of honor this weekend.

I ask unanimous consent to have printed in the RECORD the text of an article on Joseph Pollock, published in the Milford, N.H., Cabinet and Wilton Journal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILTON'S JOSEPH POLLOCK, JR., EARNS HIS EAGLE SCOUT RANK

Joseph Pollock, Jr., son of Mr. and Mrs. Joseph Pollock, Sr., of Wilton Center, New Hampshire, appeared before the Algonquin District Eagle Board of Review, Boy Scouts of America, on September 14 and was accepted into the rank of Eagle Scout. The Eagle Scout rank is the highest rank in scouting and is gained by less than one out of one hundred boys in the scouting organization. The Eagle rank is awarded only after a boy demonstrates outstanding achievement over a period of several years in mental and physical fitness, scout skills and

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exceptional duty to God, country and to others. In a display of true determination and genuine desire, Joe, although totally blind since birth, achieved the Eagle rank without medical waivers or special dispensation.

ORDER OF THE ARROW MEMBER

At present, Joe is a Junior Assistant Scoutmaster in Troop 10, Wilton. He started his experience in scouting by becoming a Webelos in Cub Pack No. 225 in Watertown, Massachusetts. In 1966, he graduated into Troop 225, sponsored by the Perkins School for the Blind, where he gained his First Class rank. He became an "Ordeal" member of Taskiagi Lodge Order of the Arrow in Minuteman Council and is presently a "Brotherhood" member of Passaconaway Lodge of the Daniel Webster Council.

Eagle Scout Pollock is a student at New Hampton School in New Hampton, New Hampshire, where he is a member of the cross country, wrestling and track teams. He speaks fluent Spanish, holds the Boy Scouts of America interpreters badge and represented his school in Mexico City, Mexico, in December, 1970, at a student exchange culture program.

OUTSTANDING SWIMMER

Some of the highlights in Joe's life both in scouting and in other activities have been: Chosen to attend a Blind Scout Jamboree held at Camp Belair in Baltimore, Maryland, in 1967 where his patrol placed second. He was awarded the trophy for Outstanding Achievement by the Granite State Swimming Association in 1971; elected to the New Hampton School Varsity Letter Club; twice elected Patrol Leader at Camp Carpenter Provisional Camp; and this year elected Senior Patrol Leader. As a member of the Wilton Youth Center Swim Team he received the award for the Most Valuable Boy Swimmer two years in a row. As a member of the Perkins School for the Blind Chorus, Joe was invited to attend and participate in the funeral services for Helen Keller at the National Cathedral in Washington, D.C. in 1967.

Troop 10 Scouts, Leaders and Committeemen are quite proud of this unusual accomplishment and will honor Scout Pollock at a Court of Honor held in Wilton on November 27.

FEDERAL INVOLVEMENT IN HEALTH INSURANCE

Mr. MATHIAS. Mr. President, as Congress begins to debate more vigorously the various proposals to extend the scope of Federal involvement in the area of health insurance, it is essential that careful consideration be given to all types of health care needs. Mr. Melvin L. Schneider, vice president of the Prince Georges County Mental Health Association, has kindly brought to my attention a statement on the important issue of including coverage of mental illness in any new scheme of national health insurance. This statement, entitled "Principles of Mental Health Provisions in National Health Insurance," was issued by the National Association for Mental Health.

The national association has long been active on the local, State, and National levels in setting up community health centers all around the country. Its statement, which emphasizes "total" health needs, argues strongly for inclusion of mental health coverage:

The prospect of enactment of "National Health Insurance" presents at once an opportunity and threat, for, depending on its terms, it can act as a powerful stimulant to the development of comprehensive community mental health centers, or it can result in their economic starvation.

Mr. President, I am sure that many of my colleagues would be interested in the national association's specific proposals, and I therefore ask unanimous consent that its statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PRINCIPLES FOR MENTAL HEALTH PROVISIONS IN NATIONAL HEALTH INSURANCE—AS ADOPTED BY THE NAMH BOARD OF DIRECTORS, JUNE 19, 1971

This Association has devoted a large proportion of its energies in recent years toward fostering the growth and development of comprehensive community mental health centers. We have worked in the communities to plan, organize, and facilitate; we have worked in the States to plan, enact enabling legislation, and advocate; and we have worked nationally on federal legislation and financing, and on standards and education.

This revolution in mental health care is now about 20% completed. We continue to believe that realization of its goal of complete national coverage is the highest national mental health priority today.

The prospect of enactment of "National Health Insurance" presents at once an opportunity and threat, for, depending on its terms, it can act as a powerful stimulant to the development of comprehensive community mental health centers, or it can result in their economic starvation. Stimulation of growth would result if compensation for treatment in these settings is given favorable terms. Starvation would occur if a program is adopted with little or no mental health coverage followed by withdrawal of existing federal financing of comprehensive community mental health centers.

We must, therefore, carefully scrutinize each proposal for federal financing of health care with this over-riding question in mind:

"Will its enactment facilitate the development of comprehensive community mental health centers?"

At the same time, we realize that the present proposals for National Health Insurance are based on historic roots, and we must be alert to urge appropriate coverage for mental health.

Private health insurance programs were originally conceived and sold to compensate hospitals and doctors treating patients in hospitals for services rendered to subscribers. Coverage has increased over the years including more services and for longer periods of time.

Mental health coverage has been added to many of these policies in recent years. In most instances, there were (and are) sharp limitations as to scope and duration of coverage.

This pattern, essentially hospital and surgeon oriented with mental health provisions appearing as limited addenda, has carried over into the Medicare and Medicaid provisions of the Social Security Act. The result has been continuing discrimination against the mentally ill.

We are strongly opposed to this pattern of discrimination and are pledged to influence or alter proposals dealing with national insurance to deal more comprehensively and intelligently with mental illness.

We believe that the following principles should govern the intelligent and humane coverage of mental illness in any program of National Health Insurance:

1. SCOPE

Programs in mental illness should cover a broad range of activities including prevention; active treatment, both in-patient and out-patient; rehabilitation and long-term care and there should be continuing evaluation of all programs. Collateral services to families of the mentally ill should be included.

We cannot accept another insurance program which, in the name of economy does not, in fact, insure individuals against intolerable losses. This is neither humane nor financially defensible.

2. LIMITATIONS

There should be no limitations as to age, sex or condition. Any limits on mental health services should be structured to encourage the development of community mental health centers and to discourage over-utilization on the part of the patient or the provider. Limitations should be determined by regulations based on clinical experience and subject to approval of Citizens' Boards.

3. PROFESSIONAL SERVICES

Payment should be provided for individual visits to psychiatrists and other qualified therapists. There should be no patient fee or co-insurance for at least the first seven visits per spell of illness.

4. CLINICAL OUT-PATIENT SERVICES

There should be full compensation for services rendered in qualified clinics, or comprehensive mental health centers. Home visits by qualified staff members of such facilities should also be covered. Reimbursed services in a clinical outpatient setting should include services provided by all personnel necessary to the treatment program.

5. PARTIAL HOSPITALIZATION

Costs of partial hospitalization should be fully paid without regard to the setting, subject only to qualification.

6. IN-PATIENT SERVICES

Provisions for coverage of in-patient services should be structured to encourage:

a. Evolution and development of comprehensive community mental health centers, and

b. Improvement of public mental hospitals.

There should be a requirement that these two systems be adequately linked so as to provide a continuum of services to all.

7. PRESCRIBED DRUGS

Prescribed drugs should be available without separate charge to the consumer.

8. EDUCATION AND CONSULTATION RESEARCH AND EVALUATION

The important functions of education, consultation, research and evaluation should continue to be funded through grant mechanisms. They should be encouraged in all mental health settings.

9. MANPOWER AND TRAINING

To be truly effective, any final plan must automatically influence and facilitate the recruitment, training and geographical distribution of all categories of manpower necessary to a comprehensive mental health program.

10. CITIZENS' BOARDS

There should be boards of citizens with ultimate responsibility for governing the program. They should set standards and establish continuing vigorous evaluation of all providers. This must include both individuals and organizations who seek payment under National Health Insurance.

There should be substantial representation of all the Citizens' Boards from minority groups and the poor and from professional and lay persons with knowledge in mental health and mental illness.

Laymen so serving should not be engaged in providing services to the mentally ill and should constitute a majority of the Boards.

11. METHOD OF PAYMENT

The program must permit participation by qualified providers with options as to prepayment or compensation for services rendered.

As programs emerge which are demonstrably more efficient than others they should be rewarded by preferential funding.

12. DISCRIMINATION

All providers shall be required to provide services to all persons regardless of race, creed, color, national origin or ability to pay.

WELFARE EXPERIMENTS

Mr. McGOVERN. Mr. President, it has come to my attention that the Department of Health, Education, and Welfare is moving to approve two proposed welfare experiments in the State of New York. The proposals involve far-reaching changes in the operation of the Federal welfare system and deserve very careful consideration. The proposals have already been considerably revised and have only been in their present form for a few days. In the hope that HEW might reconsider its apparent intention to approve the experiments without the careful scrutiny they require, I ask unanimous consent to have printed in the RECORD the analyses of the New York experiments that were prepared by the National Assembly for Social Policy and Development and the Columbia Center on Social Welfare Policy and Law.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

NOVEMBER 11, 1971.

Hon. ELLIOT L. RICHARDSON,
Secretary, U.S. Department of Health, Education and Welfare, Washington, D.C.

DEAR MR. SECRETARY: I am writing to urge your most careful reconsideration of H.E.W.'s expressed intention to allow the New York work-without-pay welfare demonstration. I applaud your Department's decision to end discussions over the companion "Incentive Opportunities" proposal. I know of your own personal reluctance to see work-without-pay incorporated into national welfare policy, and wish to support you in that view.

It is of particular concern to me that H.E.W.'s use of the 1115 waiver in New York would, in this instance, represent a new departure from its customary use in the past. It is a departure that I believe might well establish a most unfortunate precedent. States may be encouraged to use the waiver not to demonstrate better ways of meeting the objectives of the social security welfare titles, but rather of circumventing the law wherever its application proves onerous. The 1115 waiver does not exist to allow large portions of a state's welfare clientele to be treated differently. If then, a project can be approved that so directly jeopardizes the welfare of several hundred thousand New York children, and would require work in return for public assistance payments—contrary to anything allowed by Congress, then states may well expect comparable waivers with respect to Title VI of the Civil Rights Act, or other constitutionally protected rights of welfare recipients.

Moreover, the Work Relief proposal has been described by its authors as providing a pre-test of the Administration's proposed welfare reforms. If indeed this is an accurate representation of the Family Assistance Program's implementation, then that should properly be communicated to the Congress directly, not through the device of an approved 1115 waiver. Your testimony, and that of other Administration spokesmen, has never alluded to work-without-pay as a feature of the Family Assistance Proposal. If it is not, one wonders how it might properly be "pre-tested;" if it is, one wonders why that information has been withheld from both the Congress and public.

There are, of course, more obvious objections to be raised, many set out in analyses prepared by professional and civil liberation organizations. These have been communicated to you. However, even the simplest examination of the proposal, intended to "reduce dependency," "encourage initiative," "restore self-respect," and so forth, raises serious questions as to how any of those objectives might be met by the proposed demonstration. For example, it is difficult to imagine how jobs without training, wages, day care, stability, or adequate protection against losses from work-related expenses can have anything but a deleterious effect on the attitude of welfare recipients toward work.

Because of the questions raised in this instance by H.E.W.'s treatment of the 1115 waiver, I am asking that you provide a listing of all 1115 waivers granted in the last year, with a brief explanation of the regulations which were set aside, as well as the welfare practices being tested.

I wish to express my strong opposition to the proposal to allow a work-without-pay welfare demonstration in New York, and respectfully request your denial of permission to exercise the use of the 1115 waiver in this instance.

Sincerely,

GEORGE MCGOVERN.

NOTES ON H.R. 1—NEW YORK STATE DEMONSTRATION PROJECTS

(By Elizabeth Wickenden)

THE CHALLENGE

Twenty-four thousand one hundred and seventy-four individuals in nearly 7,000 families would have their assistance grants cut from 36% to 50% under a demonstration project proposed by the New York Department of Social Services. They would then be given the "opportunity" to earn back what was taken away by a system of incentive points for work and acceptable behavior. Refusal to work would result in a further reduction, amounting to a total of 60% for a family of four.

This pilot project would be operated in three welfare districts, one of which—Hamilton in West Harlem—has a caseload described as 50% black and 50% Puerto Rican. The other districts are in Rockland and Franklin counties.

In a second project in twenty-five welfare districts all adults judged employable (including all mothers with no children under six) will be required to "work out" their welfare grant at projects provided by the department, unless work is found for them in the regular economy or in public service jobs. This project involves 88,503 families.

The implications, background and status of these projects are summarized below.

BACKGROUND

Three states—New York, California and Illinois—have indicated their intention (with Federal encouragement) to apply for waivers * from provisions of the present law that would permit them to anticipate some of the provisions of HR 1. HR 1, the Social Security Amendments of 1971, containing the administration's proposals for two new family assistance programs, has passed the House and is pending before the Senate Finance Committee. These programs would have become partially effective on July 1, 1972 but President Nixon has recommended a year's postponement as part of his New Economic Program. In any event the opposition of Chairman Russell Long and conflicting views of its impact leaves its prospects in considerable doubt.

When it first became known that the waiver provisions of Sec. 1115 were proposed to be used on a statewide basis in California and New York to cut back selectively on present program standards, a widespread protest arose including that of Senators who saw such action as an invasion of the legislating authority of Congress. A legal action was brought by the Center on Social Welfare Policy and Law in behalf of the National Welfare Rights Organization, the California Welfare Rights Organization, and the City Wide Coordinating Committee for Welfare Organizations (NYC) demanding access to any project submissions and the opportunity to comment on them. As a result the Secretary of HEW has agreed to furnish copies of any applications from California and New York to these parties for their review prior to approval. Under this arrangement these two projects have been released and will not be acted upon until after October 17 by the Secretary. Any expressions of viewpoint to the Secretary, the Governor, or others concerned must, therefore, be made immediately.

DESCRIPTION OF NEW YORK PROJECTS

At this time two inter-related New York project applications have been made. To answer the charge that statewide modifications of policy under existing law cannot properly be regarded as "pilot" projects, they are limited in the one case to three welfare districts and in the other 25 districts involving 25% of the state ADC caseload. This difference in coverage makes necessary the two projects.

Incentive for Independence would be instituted in three districts: (Hamilton—West Harlem—in New York City; Rockland County and Franklin County.)

GRANT REDUCTIONS

In these counties all ADC families without earnings or support payments will have their grants cut to the basic payment level of HR 1. For a family of four this level is $200 a month, a cut of approximately 36% from the present New York payment levels which have already been reduced from budgetary levels. For a large family the cut is almost 50% because of the $3600 ceiling in HR 1.

Should a putatively employable member of a family find it impossible or unacceptable to report for work or training the family grant would be further reduced by $800. This would mean a total reduction of about 60% for a family of four.

INCENTIVE POINTS

Families will then be encouraged to regain at least part of what has been reduced through a system of "incentive points" each worth $25.00 a month or $12.50 each semi-monthly period. This applies both to families with a member deemed employable and those without such an employable member. The ways points may be earned and their semi-monthly values are:

For each school age child, 5–15 years of age, *cooperating with the teacher* (as determined by the caseworker), given automatically in summer months; 1 point; $12.50.

For each child in school, 15 years or older *cooperating with the teacher;* ½ point; $6.25.

For each pre-school child *given all medically required vaccinations and boosters* during previous six months; 1 point; $12.50.

For each unemployable adult *participating in one or more acceptable activities* during previous six months including:

Establishment of paternity
Locating of deserting parent
Participation in rehabilitation
Participation in education
Participation of children in community activities and ten others (See Appendix III); 1 point; $12.50.

For each youth over 15 years of age, *participation in school work program;* 1 point; $12.50, (plus stipend).

* Under Sec. 1115 which authorizes such waivers to demonstrate on an experimental basis new ways of promoting the objections of the present titles. For a fuller discussion of this provision see *Back to the Poor Law via Section 1115.* (May 4, 1971. Available upon request.)

For each employable member, participation in work (or pre-employment training) either in:

Regular economy

Public service employment

Public service work opportunity projects (work for relief)

Care of children of other recipients; 1 point $12.50 (plus disregards).

Those with earnings would be permitted to keep a portion without affecting the assistance grant by deducting: the cost of day care, the first $720 of earnings, one third up to 150% of flat grant and one fourth thereafter.

The Public Service Work Opportunities Project is proposed to operate in 25 welfare districts and would involve 25% of the state ADC caseload. Its objective is described as follows: "to determine the impact on welfare dependency when every employable recipient is required to be in work and training." Employability is defined as in H.R. 1. All such persons will be required to work and, if no other employment is available, will be assigned to work out the amount of the family grant either for a governmental agency or in the home caring for children of other mothers. In the districts where the incentives for Independence program is operating it is assumed that the disregard provision described thereunder would apply and that in the other districts the usual policies of the department would apply. The hours of work for the participant would be adjusted to the monthly grant so that the hourly rate would be either the state minimum wage or, if higher, the regular rate paid by the governmental unit for similar work.

CRITIQUE

These two projects are subject to the approval of the Secretary of HEW who must personally approve the waiver of state plan requirements under the law. In making his judgment he must consider questions of (1) compliance with the law (including the Federal Constitution), (2) the policy implications of the proposal and (3) its feasibility within the terms described in the project application. Each of these is discussed in turn.

LEGAL CONSIDERATIONS

Sec. 1115 is an exceedingly broad authority to authorize departures from the plan requirements of the assistance titles for "any experimental, pilot or demonstration project which, in the judgment of the Secretary, is likely to assist in promoting the objectives" of such title. Each departure from a plan requirement must be specifically authorized. Constitutional requirements for equal and non-discriminatory treatment cannot properly be waived by any law or executive action. This seems especially true where a deprivation of benefits is proposed as in the Incentive project. In other words where an experimental project involving a study of the impact of additional services and benefits might be considered a "reasonable classification" for research purposes, one involving a deprivation for a selected group below otherwise applicable standards raises serious questions of due process and unequal treatment under the law. This is especially true when one group (Hamilton Center) so selected is composed entirely of members of minority groups, Black and Puerto Rican, according to material submitted with the project application.

Special questions are also raised when the group affected by such deprivation is primarily composed of children whose welfare is supposed to be protected by the state. Just as the law protects children against dangerous medical experimentation so, too, should they be protected against dangerous social experimentation.

Discrimination against selected children under this project is apparent. The mother's autonomy with respect to her children is abridged and her behavior coerced by a reduction of the grant to which other mothers and children in similar circumstances are entitled unless she engages in a variety of actions—including but not limited to employment outside the home.

POLICY CONSIDERATION—IMPACT ON OTHER STATES

Because New York has always been regarded as a leader among the states in welfare policy, its policy innovations can be expected to exert an influence on other states. Thus people all over the country should be concerned with these proposals and the Secretary should review them in this light.

RELATIONSHIP TO H.R. 1

While the Secretary has made the point that the projects of New York, California and Illinois are intended as a pre-test of HR 1, the proposals of New York go far beyond the proposed Federal programs. In fact, it would appear that the New York proposals would make it difficult if not impossible for New York to benefit the hold-harmless provisions of HR 1 which assume a consolidated federal-state program. The language of New York's submission seems to suggest that it looks upon its program as a substitute for or modification of HR 1 which it refers to critically as follows: "Tragically, the Family Assistance Program does not substantially alter the system which, in New York at least, has proven unequal to the job."

A CASTE SYSTEM

Both projects are predicated on mistrust and disapproval of the impoverished families of New York and the assumption that second-class citizenship is the price of state aid. Such families are to be treated as children, rewarded for acceptable behavior by the means of subsistence (as determined by minimal budgetary standards reduced 10%) and punished by withholding of such. Not only are all families reduced by at least 36% prior to such showing of good behavior but those deemed employable and declining to leave their homes and children for outside work are further reduced by an additional $800, thereby reaching—by New York standards—a level of starvation.

In all respects a sub-class of impoverished families is to be created subject to the most detailed scrutiny of their private lives. Not even the Poor Law imposed such conditions and those who sought to overcome its cruelties by requiring an unrestricted cash payment in the Social Security Act can only marvel at such a departure from their intentions.

WELFARE PRACTICES

Current philosophy of the New York and Federal departments holds that casework services and money payment administration should be totally separated so that they can better serve their separate and independent purposes. The Incentive Project goes in precisely the opposite direction since it presupposes the closest kind of monitoring of client behavior. For example, the application states with respect to incentive points for the mothers of school age children based on acceptable cooperation with their teachers "Specific guidelines for use by casework staff will be developed to determine cooperation with school authorities." The inclusive and at the same time vague character of other actions subject to monitoring in the interest of winning incentive points is indicated by the attached Appendix III.

On the other hand, child welfare concepts suggest the desirability of compensatory support for children in poorly functioning families or those having school difficulties, including truancy. This project proposes that such families should be reduced to starvation levels of subsistence.

DAY CARE

New York City has conducted some excellent projects using carefully selected AFDC mothers for home day care of the children of other mothers. The projects propose, however, that such arrangements are to serve as the sole optional alternative for work outside the home for mothers of children over six in the twenty-five welfare districts covered by the Public Services Work Opportunities Project. Thus it appears that these women are to be virtually self-selected without regard to their own fitness, suitability of the home, etc. A type of undertaking of considerable promise when selectively used and supervised could become a substandard custodial pattern of child care for a sub-class of poor children.

FEASIBILITY

Both projects offer formidable administrative difficulties which have not apparently been reviewed with those welfare officials selected to carry them out. This is especially true of the Incentives project.

The Incentives Project assumes the most detailed monitoring of personal behavior by the casework staff and honest reporting of such behavior by the client on an extremely complex series of requirements. Of necessity it also leaves important questions of judgment to the individual worker because of the vagueness of some of these requirements. (See Appendix III for example.) It seems an open invitation to favoritism, discrimination, judgmentalism, petty dictatorship, chicanery, collusion and general chaos in worker-client relationships. The constant variability of payments also present problems of bookkeeping, audit, check writing and appeals procedures which seem almost insurmountable.

The Public Service Work Opportunities Project presents all the problems of large scale work-for-relief programs where hours must be adjusted to differing family payment levels. Experience with FERA work relief programs in the early '30s demonstrated the impossibility of creating a genuine work-experience under these circumstances and led to its abandonment in favor of the WPA monthly wage plan. Such plans on a broad scale quickly deteriorate into a meaningless "work test" with no dignity for the worker and little value to the work they perform.

The option for mothers required to work to accept the children of other mothers for care in their own homes also involves formidable administrative difficulties, epsecially if any effort to maintain standards of physical suitability, health, safety and qualifications are made. Moreover, the whole question of assuring adequate day care for children of the mothers required to work under this large project is scarcely mentioned in the project submission. This is an extremely costly and difficult administrative task under any circumstances yet in this project involving almost 90,000 families it is taken virtually for granted.

APPENDIX III—INCENTIVE OPPORTUNITIES FOR THE UNEMPLOYABLE ADULT

One incentive point shall be earned for each semi-monthly period by each unemployable adult (or woman excused from reporting, employment or training because of a husband living with her who meets these requirements), who undertakes activities which are designed to:

Achieve permanent and adequately compensated employment;

Foster child development; or

Maintain and strengthen family life.

Incentive credits may also be earned upon completion of such activity if the grantee certifies that the unemployable adult engaged in such activity during the previous 6 months. One of the following activities will meet this requirement:

1. Initiating own satisfactory day care plan for children in order to engage in regular employment, training, or public service opportunity.

2. Providing out-of-home day care for a child of another public assistance family.

3. Utilization of remedial medical (health) services by the adult which is designed to enhance employability or self-functioning.

4. Participation by the adult in a program of rehabilitation designed to improve economic independence or self-funotioning.

5. Participation by the adult in a program of adult basic education or high school equivalency.

6. Participation in the establishment of paternity for children born out-of-wedlock and/or securing financial support for them.

7. Participation in the location of a deserting parent and/or of securing financial support.

8. Utilization of community resources to overcome problems of child delinquency.

9. Participation of children in citizen building activities, e.g. Boy Scouts, 4–H, community centers.

10. Participation in individual or group activities designed to improve money management or home management.

11. Attendance of the adult at a health education program.

12. Attendance of the adult at a family life education program.

13. Improvement in housing standards by self clean-up or self-repair of dwelling.

14. Providing a child with foster care.

15. Serving as a social services agency volunteer.

ANALYSIS OF PROPOSED NEW YORK PROJECTS IN PUBLIC ASSISTANCE PROGRAMS

1. *Incentives for Independence.*

2. *Public Service Work Opportunities Project.*

BACKGROUND

Section 1115 of the Social Security Act authorizes the Secretary of Health, Education, and Welfare to waive certain requirements of the public assistance titles of the Social Security Act in order to allow a state to carry on an "experimental, pilot or demonstration project . . . likely to assist in promoting the objectives of [such titles]." (See also Handbook of Public Assistance Administration, Part IV, §§ 8400–8443.)

New York submitted applications under date of September 9 and September 10, 1971 for § 1115 waivers to conduct two experimental projects titled "Incentives for Independence" and "Public Service Work Opportunities" (PSWOP). The overall purposes of the projects are to reduce grants to FAP levels, and to require recipients to participate in work relief projects and conform their life-style to the models selected by the state. On September 22, the Executive Assistant to the Administrator of the Social and Rehabilitation Service in HEW stated that approval of the projects seemed certain.

The swiftness of HEW's decision is somewhat surprising both in view of the agency's previous track record, and the fact that the projects effect a drastic change in the status and grants of the recipients covered and represent a radical departure from the basic federal policies concerning assistance which have been developed from the experience of the last 30 years. For example, under the present Federal statute and regulations, assistance must be a money payment free of any duress on, or agency control of, individuals. Also, the stated purpose of the federal program is to place recipients on a par with all other citizens with the least possible differentiation in treatment and to require recognition of a recipient's personal dignity and right to full enjoyment of his constitutionally protected rights, including the right to privacy. All of these approaches are rejected in the project.

Clearly, such projects cannot be related to promotion of the objectives of the present public assistance statutes.

HEW itself has both implicitly and explicitly recognized that § 1115 does not authorize waivers which allow a state to diminish the rights which an individual would otherwise have. In fact, these projects would constitute the first overt use of § 1115 to give recipients less than they would be entitled to under the regular state plan or to impose eligibility conditions more onerous than those under the plan. Even more specifically, HEW has previously rejected applications for work relief projects on the ground that such projects are clearly inconsistent with the fundamental Congressional purpose that work in return for public assistance payments may not be required or allowed except under the WIN program's priority three work projects or Title IV of the Economic Opportunity Act.

Finally, the projects themselves are extremely complex and leave many unanswered questions as to their implementation so much so that it is difficult to understand how any reasoned decision as to their basic workability and acceptability could be reached. Precipitous action would harm not only tens of thousands of New Yorkers but countless additional citizens. Both California and Illinois have announced plans to file similar applications, and many other states are expected to follow suit.

These projects are but a part of the overall New York work program established by the 1971 legislature. In brief, the effect of that legislation is to:

1. Create a presumption that any person 16 or over receiving AFDC or HR is employable unless he is an AFDC child in school full-time or participating in an "approved" program of vocational training or rehabilitation; e.g., WIN, vocational college. (Persons in such training who are not considered "employable" are nonetheless covered by step 2.)

2. Discontinue mailing of assistance checks to all such persons; the recipient is required to report to the SES (State Employment Service) office every two weeks to pick up his check and to be interviewed for purposes of possible job referrals to private employment.

3. Require such persons to accept assignment to a public works project to "work off his grant," if he is not hired in a job within four weeks after he first goes to SES. (A new applicant who is considered employable by DSS must go to SES and indicate willingness to cooperate in the process before an application will even be accepted.)

At the time the New York legislation was passed, HEW advised the state that amounts for which an individual was required to work did not constitute assistance, and therefore that the state could not claim federal matching for the grants of any AFDC recipients required to participate in a public works project. Accordingly, insofar as the work relief program is concerned, the demonstration projects are simply a device to obtain otherwise unavailable federal funding. The Incentives project imposes an additional sanction to obtain participation in the work program. Thus, under the general work relief and PSWOP, an employable's refusal to participate will cause his needs to be removed from the grant. Under the incentives project a family with employable members can obtain its full grant only if such members participate in a work program. If they do not, the already reduced grant will be further reduced because of the employable member's non-work.

PROJECTS

I. Incentives for Independence

(Known in the state agency as the "brownie point program").

A. Project Theory

Everybody starts off with less, some may get as much as they're entitled to, nobody gets more.

No matter what else it may be, the incentives project is not an experiment in income maintenance. No family is even guaranteed the FAP level much less FAP plus their incentive points. Each family's grant is computed by examination of the individual's actual shelter needs so that any effort by a family to decrease shelter costs in order to be able to get greater benefit out of the grant will only decrease the grant.

The stated "primary goal" of the project and its supposed justification is "to see that financial dependency is eliminated for the vast majority of employables now forced to rely on [assistance] for sustenance." Over 26,000 AFDC and HR recipients from over 7100 families will be covered by the project and thereby suffer substantial grant reductions unless they can "earn" incentive points. However, only 1377 individuals are estimated to be unemployed employables. In fact, the project indicates that there are only 50,000 employable adults out of the 1.8 million on assistance in New York State. Clearly it is not the lack of work motivation that has placed the other 1.75 million on assistance. Furthermore, these 50,000 employables including the 1377 people in the project are simply those whose age, physical abilities and home situations would permit work, and they include "many recipients who have never been employed as well as those who lack education, training or skill necessary to obtain employment." (Annual Report of the State Board of Social Welfare, 3/71, Pub. No. 1016) The state's own data destroy its thesis that work is the solution to the problems of the welfare system.

Additional evidence of the insubstantiality of the state's purported objective of placing people in employment is found in the results of the WIN program in New York. The Annual Report of the New York State Board of Social Welfare and the New York State Department of Social Services for the year 1970 (Pub. No. 1016, 3/71) states:

"1970 accomplishments of this program (WIN) have been disappointing. The program has been adversely affected by a lack of employment opportunities caused by the general business slowdown during the past year and by a shortage of day care facilities."

During the year 1970, only 2,947 persons were placed in jobs after completion of WIN training. Since there are currently 14,800 training slots in use in New York State, the question is raised as to how jobs will be found for both WIN trainees and those in the New York projects. The answer is apparent. The latter will be placed in work relief where they will work off their grants in jobs for which state and local governments are not willing to pay a living wage. It is the cruelest form of deception to classify such jobs as training or career opportunities.

Even the estimate of 1,377 employables in the project areas is based on the assumption that the state will be able to provide day care for 1,522 children between the ages of three and eleven. Considering the fact that the state has not even been able to supply day care for children of all the mothers who have volunteered for WIN,[1] there is an obvious question as to the reality or else the quality of the day care which would be provided.[2] It is also noteworthy that no consideration is given to the need for care of children over 11. Presumably such children are to be on their own from the end of the school day until their parents return home at 6:00 or 7:00.

The disproportionate number of unemployables in a project purportedly designed to test work suggests that the project is designed for some other purpose. This other purpose lies in the requirements that will be imposed on unemployables in order to "earn" their full grant. It is at this point that the true character and purpose of the project emerges. Mothers of AFDC families are to

[1] Report of the Board of Social Welfare, March 1971, p. 7; also April 1970, p. 9.

[2] See discussion of day care under work relief, *infra*.

XUM

be treated as irresponsible and non-caring parents who must be driven to improve the lot of their families through the carrot and stick. Children of recipient families are to be trained to do the housework of society, apparently on the theory that only the poor are responsible for the ecological problems of the nation or that only the poor should be involved in their solution. The social and political judgments embodied in the project do not stop there.

Thus, in a spirit of admirable honesty the state makes it quite clear that its fundamental purpose is to obtain "behavior modification" (Project, p. 37). For example, the family is to be rewarded for a child's participation in the Boy Scouts or for utilizing community resources to overcome problems of child delinquency. No indication is given as to whether credit will be given for a participation in the Young Lords or the Black Panthers or how a family might earn similar credits if it is not interested in any of these organizations. At a time when much of America is taking a hard look at its own values and life styles and trying to understand its own children, it is proposed to glibly establish a set of absolute standards for proper family behavior, or perhaps, behavior useful to the state.

Clearly it is no more reasonable to look to such factors in a scheme of public benefits, than it would be to adopt a system of taxation based on individual behavior. Both would amount to punishment for unacceptable behavior in both legal and moral terms. Conditioning receipt of public benefits on acceptance of the views of one segment of society (apparently the white middle class) as to "individual betterment" and acceptable behavior patterns would appear to be a violation of the standards of due process and equal protection.

Another facet of the project would be to further institutionalize the segregation of the poor. Assistance recipients are treated as a group to be set apart and dealt with separately from the general population. Thus the project goals are:

(a) Education and motivation of all school age children—a role given over to the schools for other Americans.

(b) Development and use of employability skills in young adults—again a role generally considered appropriate for schools and colleges.

(c) Employment for all able-bodied adults—generally considered the province of the employment services after the establishment of a basic foundation through the schools.

(d) Development of a sense of community and family involvement and responsibility—whether regarded as useful or not, being "involved" is generally not considered to be a mandatory requirement of citizenship.

B. Project Scheme

The fundamental element in the project is to reduce the grant level of all AFDC and HR families to the level of FAP benefits, e.g. $2400 for a family of four as opposed to the current state grant of $3763. The $3763 payment itself purportedly represents only 90% of need and actually represents far less, since the present need standard equals May 1969 prices for the items in the standard. Accordingly, grants under the project would meet only 60% of stated need and an even lesser percentage of actual need if one recognizes the 15% cost-of-living increase since 1969.

Families will "have an opportunity" to "earn" up to their grant level by:

1. Participation in employment, existing public or private jobs.
2. Participation in employment in funded job slots.
3. Participation in work relief.
4. Work training.
5. Cooperation with school authorities.
6. Participation of teen-aged children-students in "community service projects."
7. Participation in self and community improvement (as defined by the state agency).[3]

Families can earn points worth up to $12.50 bi-weekly for such activities.

A family of four would have to earn eight points, larger families more. No family could "earn" more than its maximum grant, i.e. no credit is given for activities over and above the amount needed to earn the former full grant.

Supplementary assistance to families with earned income will be based on the difference between countable income and the payment standard. However, countable income will be determined under a new formula which disregards $720 plus ⅓ of the remainder up to 150% of the FAP level ($3600 for a family of four) and 25% of the remainder. By this method a family of four with a total gross income of $6128 or a take-home pay of $102.65 a week has attained self sufficiency. (The Bureau of Labor Statistics, Lower Living Standard for an urban family of four in May 1970 was $7060.) Under the current state plan, such family would be eligible for supplemental assistance of $631, and medical assistance for all items of care and services covered under Medicaid.[4] The new disregard deprives them of both. The change in Medicaid status is especially significant since such family, when it becomes medically needy only, would be eligible only for a drastically reduced range of medical assistance. Where is the work incentive in a program which deprives a family of all aid at a point where income is obviously insufficient to meet all needs? Clearly there is a positive disincentive to work unless income can be expected to soar far above the cutoff point for aid.

In addition to the disincentive resulting from the reduced income disregard, the "earning" of incentive credits for a family with earned income is a myth. As is demonstrated by the state's own tables, supplementary assistance is based on the difference between countable income and the maximum payment standard. There is not, and functionally there cannot be, any building up from the FAP level, except for a family with only minimal income and practically no incentive credits. In short, any family with earned income will have its grant determined in exactly the same way as under the regular program except that it will receive less money. For example; a family of four entitled to a maximum grant of $313 would have to have countable income under $51 per month to actually receive any benefit from the incentives!

Basic grant	200
Incentive credit for work	25
Incentive credit for school, child under 15	25
	250
Constant factor (subtraction of rental allowance included in the $200 FAP grant, see p. 3 *(supra)*	−92
	158
Actual rental cost (average figure used by state)	+105
	263
Countable income	+50
Total	313

Even in such cases, increases in income would necessarily wipe out any value to the purported incentive.

The details of the work relief component of the project are the same as those of the general work relief project discussed below. However, there is an additional question with regard to work relief in the brownie point system. In calculating the amount of the grant to be worked off, will the agency include the value of earned credits, e.g., assuming a family of four which has earned back to the maximum grant, will its hours of work be based on $200 a month or $313? The project appears to assume the latter, again demonstrating that the "incentive" for work is a simple exercise in "now you see it, now you don't."

The only remaining purpose for the brownie point system would be its utility in compelling recipients to participate in work relief and surrender their rights to privacy and self determination by forcing them to choose between bread for their children and the expression of their own views and perceptions as to their personal goals and responsibilities and the concomitant goals and duties of their government. The particular activities selected for credit and the values assigned thereto are designed to promote both the control and separation of the poor. A full point is earned by school attendance for children under fifteen; a child over fifteen must both regularly attend school and participate in an after-school service project to get a full point. Similarly, only a child under fifteen earns automatic points in the summer; a child over fifteen must work full time in a community service project. Apparently extra-curricular programs such as sports and other school clubs are not considered important for the children of the poor.

Participation in the community service projects is limited to children of assistance families. This reflects not only segregation in fact, but an approach that only children of the poor need to develop motivation for work and good working habits. Furthermore, earning of the incentive credit and of a stipend of $1.60 per hour (exempt in determining assistance) is dependent upon *satisfactory* participation as determined by the work site supervisor and will include consideration of "program behavior, attitudes, etc."

One of the most telling facets of the project is the range of activities omitted from consideration, e.g., between a woman raising her family alone and a woman with a husband in the home. It is only in the case of a two-parent family that the project considers the family stability is aided by the woman's presence in the home. As to the incentive opportunities, "unemployable adult" is clearly a euphemism for female caretaker, and clearly she cannot be expected to even clean her own house without some financial bonus. One imagines some team of white-clothed Mr. Cleans on bi-weekly visits to check dust levels.

She may also utilize remedial medical services, attend adult basic education or high school equivalence and, of course, help locate her deserting spouse or help to establish paternity. The use of the project to compel cooperation in paternity action and location of deserting parents is apparently an attempt to circumvent the growing body of case law which holds that a state may not impose such requirements as a condition of eligibility. As to the other activities, since the caretaker will not be considered unemployable unless she has children at home who require care, it is questionable as to where or how her children will be cared for while she participates in all these numerous self-improvement activities, e.g., most adult basic education courses in New York City are given at night. Also, one can assume that if she can make child care arrangements, the department may well consider her employable since she has available arrangements for her child.

Assuming the average AFDC family of four, a mother and three children under eleven, the mother has to find a way to build back from $200 a month to $313 a month by earning eight incentive points. If one of the children is a pre-schooler and she keeps him well vaccinated, she can earn $25 a month; assuming that she doesn't disagree or otherwise talk back to the children's teachers she could earn another $50.

She now has to earn two more incentive points a month. At that point she must turn to the "self-improvement" activities. Meanwhile she must choose between the value of her participation and voice in the conduct of her children's schools at the risk of alienating school staff, and the value of getting along with the teacher. Clearly a parent's involvement and voice in the education of children is to become a luxury for the poor.

C. Project Sites

Stated purpose is to have one urban, one rural, one suburban.

URBAN—HAMILTON CENTER, MANHATTAN

18,746 recipients in 5272 families will be affected—only 883 individuals are considered to be unemployed employables.

Six separated centers were considered. Hamilton was the only one with no whites in AFDC caseload and a 50/50 split between Blacks and Spanish-Americans; the only other without whites was 8% Black, 92% Spanish-American.

No explanation is given as to why a separated center was necessary. Since the theory of separation is based on a simplified program with minimal objective eligibility requirements, it would not appear to be relevant to a project which requires numerous complex and subjective determinations of eligibility with evaluative judgments. The need for such determination would seem to demand trained caseworkers rather than the clerical skill of an income maintenance worker.

SUBUREAN—ROCKLAND COUNTY

1762 families (1599 AFDC, 163 HR) with 6677 recipients—only 313 individuals are considered to be unemployed employables.

No solid explanation is given as to why Rockland was chosen, other than that it has a separated center and that its population is "more representative of that of national suburban growth districts."

RUBAL—FRANKLIN COUNTY

Approximately 1,600 recipients in 332 families.[5]—181 considered to be employable.

Chosen "because" of its lack of cities and of public transportation. Employment primarily agricultural. Classified by DOL as area of presistent unemployment since November, 1959.

Full information as to the racial characteristics of the Rockland and Franklin districts are not yet available. However, Franklin reportedly has an American Indian population of approximately 2,500 people, and it is probable that there is a high percentage of Indians in the caseload. Is it a coincidence of selection that has led to concentration on areas with insignificant representation of whites in the caseload?

D. Reality of Work Opportunities

The creation of paid public service jobs for the estimated 1,377 employables is based on the receipts of $2,844,293 from the Department of Labor to fund 1,377 jobs at $3,720. These jobs are supposedly to be in fields of environmental quality, health care, housing, etc. and to offer opportunities for career advancement. The salary is to be no less than the state minimum wage or the prevailing rate of pay for similar public employment. Franklin County is primarily agricultural and without public transportation, and has had chronic unemployment since 1959. It may safely be assumed that there is no possibility of creating such employment in that area.

In any case, the present minimum annual salary for state employment is $4,595. In New York City the lowest municipal wage is $5,200. Clearly the state cannot set up 1,377 job slots out of the available funding. Unless the state intends to ask for significant additional amounts of federal funds, the proposed job slots are simply a facade to mask the use of the incentive point program and grant reductions as additional compulsion for cooperation in work relief.

II. Public Service Work Opportunities

A. Project Theory

The project application states that "the basic objective . . . is to determine the impact on welfare dependency when every employable recipient is required to be working or in training." There is no specific suggestion in the materials that working off a grant could have any impact on dependency, much less any rationale to support such a theory.

However, the goals of the project again include the achievement of certain behavioral modifications as well as "improve[ment of] the attitude of the public" and "decreas[ing] the costs of public assistance." Perhaps the last stated goal provides the truest key to the purpose of the project.

It is apparent that the fact that recipients are working off their grants does not in and of itself decrease the costs of public assistance. It could result in a decrease if the program resulted in individuals leaving the rolls or requiring less assistance because they had acquired paying jobs. However, given the fact that work relief is designed for those for whom "employment in the regular economy, training or public service employment is not available *or not appropriate*" and the present poor results of the state's WIN program, it is apparent that the state has no real expectation in this regard. Costs could also be decreased if the program brings attrition, i.e. individuals being dropped for refusal to participate and/or foregoing assistance rather than participating in work relief. For example, a mother who believes that her proper place is in the home caring for her child may well try to eke out a hand to mouth existence rather than seek assistance at the cost of leaving the home.

And finally, the cost of assistance may be decreased even if the dollar expenditure is not reduced, if assistance is looked upon as buying certain services for the state. Certainly $3763, the grant for a family of four for a year, is not a costly figure if it is looked upon as an annual wage for full-time year round employment, i.e. 2034 hours or 51 weeks at $1.85 an hour.

This approach could also explain how work relief can "improve the attitude of the public," i.e. the public may be willing to support the program as a source of cheap labor (so cheap as to be free). It is difficult to conceive of any other relationship between work relief and public attitudes toward welfare except for a somewhat Machiavellian theory allegedly advanced by the state.

Thus, representatives of the state agency have reportedly suggested that the project could be used to show how few assistance recipients are truly employable.[6] Of course, if this is in fact the project purpose, it could be certainly accomplished more expeditiously and more economically, not to mention more humanely, by an informational campaign designed to bring the facts as to the makeup of the caseload to public attention.

The behavioral goals of the project are but another reflection of the stereotyping of recipients and mandating of life styles manifested in the brownie point programs. Thus the project assumes that individuals on assistance are lacking in self respect and initiative and are non-participants in their community and further that these attitudes can be changed by work relief. No rationale or theory is advanced as to how such problems if they exist could be cured by work relief. If one considers the forced nature of the work, the segregation of the assistance recipient in the work setting, the lack of any recourse from arbitrary supervision, as well as the lack of any wage or income increment, it is difficult to see how one's self respect or initiative could be enhanced.

B. Project Scheme

Every family member who is "found to be available for work" by the welfare agency will be required to work off his grant, or in the case of a parent, the family's grant if regular employment is "not available or not appropriate." Provision is to be made for the cost of transportation and lunches. There is no indication as to the amount which will be provided, however, and since the agency only allows $60 a month in the regular program for all work expenses, it can be assumed that the allowance for transportation and lunches will be considerably less. Also it would appear that the allowance will be included in the amount the individual is required to work off.

In general, any non-student child over the age of 16 and any caretaker of a child six or over is available for work unless he or she is unable to work because of illness, incapacity or age. However, the definition of availability distinguishes between a woman raising her family alone and one who shares her home with an adult male relative; the latter is exempted from the work requirement. In addition, it is a stated purpose of the program to insure that every "mother and other female caretaker will be employed in the regular economy, or be in training, or be in a public service program or be providing 'in home' day care to children of other [recipients]." It is apparent that the project is based on the assumption that a mother's role in child rearing is of no value and that caring for one's own children is a luxury not to be wasted on the poor.

A particular activity or job will be considered sufficient if it can be characterized as "maintaining or developing adequate work habits" without regard to whether it develops skills or otherwise offers any potential for upward job mobility. At present, participants in work relief have been used to pick up litter in Central Park. Theoretically, no recipient will be used to fill established unfilled position vacancies in any unit of government. However, considering the extent of public job classification, it is difficult to conceive of any productive work which could be done for a governmental agency which would not fall within a position classification.

New York City is clearly filling existing positions with recipients, apparently on the theory that a frozen position, i.e. one which may not be filled with a paid employee, is not an unfilled position since it is not available for filling. Some indication of the type of jobs which will be included is provided by

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[3] For a more detailed listing of items 1–6 see appendix 1, attached; item 7, appendix 2.

[4] The diminution in grant is even greater than appears from this comparison. The state's description of current AFDC disregard is based on $30 and ⅓ plus $60 for work expenses. All available information indicates that $60 is not a reasonable estimate of work expenses. Under the state's own figures, deductions for social security, federal and state taxes alone for a family of four with a gross income of $6100 a year cannot reasonably cover all payroll deductions, transportation, lunches, uniforms etc. (In New York City with a 30¢ subway fare, minimum transportation is $3.00 a week or $12.00 a month.)

[5] No figures as to total caseload are given in the project. These figures are based on the New York State Department of Social Services Statistical Supplement to Annual Report for 1969, Table 6, Monthly average number of cases and persons.

[6] Comment attributed to Barry Van Lare, Executive Deputy Commissioner, at October 7 meeting with New York community groups and voluntary agencies.

the fact that the agency felt it necessary to stipulate in the application that "sanitary facilities will be supplied and a basic standard of cleanliness will be maintained." One might think that such conditions would be assumed in most jobs.

The hourly rate assigned to a work project will be the state minimum wage, e.g. $1.85 for non-agricultural employment, or the wage paid to employees of the governmental unit in comparable work, whichever is higher. New York City will assign hourly rates of $2, $3 and $4. However, it appears that rate variances will depend on subjective judgments of the "hiring" agency rather than any objective classification of the work assigned.

New York City has stated that the average requirement for a home relief recipient in the present program is four days work in a two week period. It should be noted, however, that most home relief recipients would be working off a one or two person grant. The required hours can be expected to rise sharply in the AFDC program where mothers must work off a family grant.

If a recipient fails to participate in the project "without good cause," he or she will be ineligible for AFDC, i.e. the family grant will be reduced by removing one person from the family budget. There is no time limit on ineligibility and the project does not indicate how a recipient could be reinstated to the grant.

What can work relief be other than an enforced servitude, more commonly known as slavery? The individual has no choice as to where he works, or the hours or conditions of his employment and is necessarily subject to any and all demands of his work supervisor, since he is dependent on the continued good will of such supervisor to meet his basic subsistence needs. Should the supervisor determine that the individual is not "cooperating" in his work, he is deemed to not be participating in the program and thereby suffers the loss of his grant.

This total subjection of the individual must be viewed in relation to the express project purpose of obtaining behavioral changes. Apparently the behavior sought is blind unquestioning obedience and acceptance of the fact that being poor is equivalent to being a second-class citizen who has no right to self determination or self expression. In addition the project is a total admission of the failure of American society to find a just and equitable answer to the problem of poverty in a nation whose economy is based on the concept of less than full employment and which has not yet guaranteed good education, good health care and adequate housing for each of its citizens. Shall this then be America's ultimate resolution of the "war fought to free the slaves?"

C. Day Care

In order to ensure availability of mothers for participation in work relief, recipients will be encouraged to work off their grant by serving as in-home day care centers for up to five children. The mothers of the children so cared for will then be required to take other work relief jobs. An AFDC recipient will not have any right to refuse to place her child in such day care, if the agency determines that it is suitable care for her child.

There are no standards specified as to the person or dwelling. Apparently agency workers will be free to make their own decisions as to the suitability of a home for such purpose. No provision is made for any payment to cover the cost of providing meals and snacks to the children, much less to provide any books, games, or any other items which might normally be expected to be present in a "day care" situation. Similarly, although the caretaker is supposedly required to assure the provision of adequate health care and the availability of a person to assist in emergencies, there is no indication of how she is to accomplish this without additional funds or any agency help.

The day care portion is a concrete example on the whole thrust of these projects, i.e., the repeal of the service program for families on assistance and abandonment of the income maintenance principle for assistance payments.

D. Project Sites

The project will cover all AFDC recipients in the Manhattan and Staten Island, some 60,000 families, as well as recipients in Rockland County, 1,599 families; Nassau County, 11,318 families; Niagara County, 3,004 families; Oneida County, 3,201 families; Albany County, 2,761 families; Cattaraugus County, 875 families; Chemung County, 925 families; St. Lawrence County, 1,218 families; Franklin County, 493 families; Greene County, 224 families; Orange County, 2,360 families.

III. Procedural inadequacies

There is a fundamental procedural problem in approval of these projects, the lack of any true project design. The materials submitted by the state are merely a statement of purposes and effects without any detail as to the actual process which will be followed or the standards or guidelines which will be applied. For example, there is no delineation of the standards which will be used by workers to determine "satisfactory" participation in a work program, or "cooperation" with school authorities, or "good cause" for refusal to participate in work relief.

Assuming that any validity at all could attach to the projects, it would seem to be wholly dependent on the sophistication and meaningfulness of such standards, and on the ability of the state to construct standards which are susceptible of at least somewhat objective application. Yet the state has apparently not yet even reached the question of attempting to fashion such standards. It is ludicrous to suggest that HEW could reach any reasoned judgment as to the relationship of the projects to the objectives of the Social Security Act when the materials do not provide any specific details as to the working of the project and, further, are inconsistent on a number of points.

The projects also dispense with most of the basic procedural safeguards which have been established to ensure continuance of assistance to those entitled thereto. Overpayments will be deducted out of subsequent checks regardless of whether the individual still has the money available. Hearings as to the correctness of a denial of incentive points and therefore denial of payments will come after the fact. In fact, there is not even a requirement of retroactive payment to correct erroneous determinations. Similarly there is no specification of hearings requirements in the work relief project. Will the individual have a hearing on the questions of availability for work, suitability of job, refusal without good cause? Will assistance be continued pending the outcome of such hearing?

Suggestions have been made by state representatives that crediting of incentive points will be based on the recipient's declaration of entitlement. Significantly there is no mention of any such declarative method in the project. On the contrary, all the internal evidence indicates the necessity for an affirmative finding. Thus, reference is made to *satisfactory* performance in a work project with reports of supervisors, *determination* of cooperation with school authorities, *certification* and *auditing* of incentive opportunities. Clearly there is no basis on which to infer an automatic crediting of incentive points based on the recipient's declaration.

ADELE M. BLONG,
Staff Attorney.

APPENDIX 1

Incentive points—for all families—dollars credited semi-monthly.

Pre-school child, if parent obtains medically required vaccination and booster during the prior six months. (No explanation of how you earn if medical care not available), $12.50.

Child 5–15, if parent cooperates with the school authorities, $12.50.

Full-time student over 15, if parent cooperates with school authorities, $6.25.

School year participation of six hours every two weeks in "community service program," $6.25.

Summertime participation of up to 60 hours every two weeks in "community service project." (Can be earned without participation if child is in other employment, required to take care of brothers and sisters, or is in a remedial or supplementary education program), $12.50.

Unemployed Employable Adult on assistance for less than four weeks reports to State Employment Service and follows directions, $12.50.

Unemployed Employable Adult on assistance for more than four weeks, reports to SES and participates in manpower training, $12.50.

Employed Employable Adult, $12.50.

APPENDIX 2

INCENTIVE OPPORTUNITIES FOR UNEMPLOYABLE ADULTS

One point for any one activity or combination of activities.

1. Improvement in housing standards by *self clean-up or self-repair* of dwelling.
2. Participation of children in citizen building activities, e.g. *Boy Scouts, 4–H, community centers.*
3. Participation in individual or group activities designed to improve *money management or home management.*
4. Attendance of the adult at *family life education* program.
5. Utilization of *community resources* to overcome problems of child *delinquency.*
6. *Providing* out-of-home *day care* for a child of another public assistance family.
7. Participation in the *establishment of paternity* for children born out-of-wedlock and/or securing financial support for them.
8. Participation in the *location of a deserting parent* and/or of securing financial support.
9. *Initiating* own satisfactory *day care* plan *for* children in order to engage in regular *employment,* training, or public service opportunity.
10. Utilization of remedial *medical (health) services* by the adult which is designed to enhance employability or self-functioning.
11. Participation by the adult in a *program of rehabilitation* designed to improve economic independence or self-functioning.
12. Participation by the adult in a program of *adult basic education* or high school equivalency.
13. Attendance of the adult at a health education program.
14. Providing a child with *foster care.*
15. Serving as a social services agency *volunteer.*

COMMENT ON REVISION OF NEW YORK'S PROPOSED PROJECTS UNDER SECTION 1115 OF THE SOCIAL SECURITY ACT

The NYSDSS submitted to HEW by letter of November 11, 1971, substantial amendments to its two proposed projects, Incentives for Independence and Public Service Work Opportunities Project (PSWOP). These revisions remove some of the more obviously Orwellian features of the project but leave their basic purpose unchanged i.e., to use public assistance to control individual behavior by conditioning the amount of the grant and its receipt on the manifestation of behavior considered to be acceptable by the state.

The extensive scope of the alterations and the introduction of substantially different mechanisms raise entirely new questions for analysis and comments. However, HEW stated on November 16 that it may approve the projects on November 24. This statement is even more remarkable in view of the fact that the submissions have incomplete and inconsistent data, e.g., the state has neglected to change data related to the change in districts, and there are conflicting figures as to the amount of DOL funding. (HEW was still apparently not aware of the missing links on November 16.) In fact, the overall impression is one of hastily thrown together and incompletely thought out materials.

The following comments are addressed primarily to the changes and should be read in conjunction with our analysis of October 27 for a complete understanding of the total projects.

INCENTIVES FOR INDEPENDENCE

The across-the-board reduction to FAP levels has been abandoned, but families will suffer grant reductions for failure of "employable" members to participate in work or training selected by the agency or failure of a teen-ager, over 14, to participate in a "community service project." In addition, a family will be completely deprived of any control over their grant if a child exhibits "truant behavior" and the family fails to accept and follow through on a plan of counseling and corrective action established by the social services department.

The work requirements for employables are substantially unchanged. The state continues to make no provision for child care for children over eleven whose mothers will be compelled to work. It is now clear that the family grant will be reduced by $800 per year for any person determined to be employable who does not comply. In addition, mothers of children under six, full-time students, and individuals needed in the home on a continuous basis because of illness or incapacity of another family member, will be "counseled and encouraged" to voluntarily register for manpower services, training and employment. The potential • • • the mathematical calculations are $6000 are merely a bit of hastily and carelessly worked up window dressing, and that the intention is to provide jobs at $3720 a year.

Two of the brownie point features have been retained. One is that AFDC children over 14 who are full-time students and not otherwise employed or in a training program will be required to participate in "community service projects." The family's grant is reduced $12.50 per month for any child who refuses to so participate. There is no allowance for, or recognition of the possibility of good cause for a refusal in a particular case. In fact, the proposal even neglects to place responsibility for determination of whether there has been such refusal, i.e. is the determination to be made by DSS, ES, both.

A stipend of $1.60 an hour is to be paid, but payment is limited to 150 hours per year. However, the student apparently can be required to work 360 hours per year, averaging out to a rate of $.67 per hour. (Twelve hours per month for 10 months + 120 hours per month for two vacation months=360 hours.)

The student is required to report to the State Employment Service regardless of whether or not there is a slot available and there is no limit on the number of times a student could be required to report while waiting until a slot is available. Apparently a student who refused to continue reporting to the center without job placement would incur the grant deduction penalty.

There are no employment centers in the neighborhoods in which the affected recipients live. There is no provision for payment for the cost of transportation to the employment center office, nor any identification of the center to which they will be required to report. Carfare could easily run $1.20 round trip and might well cost more.

Finally, there are no provisions or standards with regard to the work which could be required or its possible location, i.e. the community service need not be in the student's own community.

The second brownie feature relates to school attendance. A determination by the social services agency that a child "exhibits truant behavior" can lead to the family's being completely deprived of any control over, or voice in, the use of its grant. If such family does not accept counseling and a plan for dealing with the child which is established by the agency, its grant will be paid to a protective payee to disburse on its behalf. In all probability this payee will be a social services employee.

At the outset, it is to be noted that New York is required to offer such counseling services under the Title IV–A and IV–B services program. 45 C.F.R. § 220.22. Therefore its identification as a service to be provided on an experimental basis seems to indicate that the state is currently violating the provisions of federal law by not supplying these services. In any case, the system of compelled counseling is in direct violation of the federal requirement that a family have the right to accept or reject any plan of services. 45 C.F.R. § 220.16.

Again, the project is so vague as to leave recipients virtually at the mercy of the agency. There is no definition of the term "truant behavior," e.g. the frequency or length of absences. Nor is there any limit on the number or frequency of counseling sessions which a family might be required to attend. Although the plan required for the child is to be reached by "consensus" among the parents, agency worker and school personnel, there is no indication of who has the controlling vote in case of inability to reach an agreement. It may safely be assumed, however, that the views of either school personnel or agency worker or both will carry more weight than those of the parent.

Should the parent not go along with any of these steps in the process, the loss of the grant ensues. As with the teen-age work project, there is no recognition that a parent might have good and valid reasons for refusal in a particular case, e.g., it is not altogether impossible that in a particular situation the child's truancy may be due to school conditions or behavior of school personnel, and that the focus on counseling for the parents is misplaced. Furthermore, there is an inherent anomaly in a so-called counseling program which is really a program to compel parents to follow a specific course of action with their children on pain of financial harm for failure to comply.

Even more fundamentally, the use of the protective-vendor payment device as a penalty for refusing to surrender the normal rights of parental control is the grossest violation of fundamental rights of self determination and self control. If the child's or parent's behavior is not such as to warrant action under the generally applicable provisions of New York law relating to child welfare, the state has neither the right nor the authority to attempt to coerce changes in such behavior.

The use of the protective payment is also in direct contravention of the purposes of the Social Security Act, which limits its use to cases of demonstrated inability to manage funds. This limitation is essential to the fundamental premise of the federal assistance program—direct money payment to the individual concerned.

The original demonstration districts were the Hamilton Center in the West Harlem area of New York City, Rockland County, and Franklin County. The revision substitutes the Bay Ridge Center in Brooklyn for Hamilton Center. Although the prior submittal devoted some length to an analysis of the reasons and justification for selection of the particular demonstration districts, the revision dispenses with any attempt to offer a rational basis for selection. In fact, the form and extent of the revision indicates that rationality had no part in the selection or the overall scheme.

Thus, pages 16 and 19 of the project description and budget, as revised, which constitute the fiscal estimates for the youth work program and the DOL funded jobs, are unchanged, i.e. all the information given relates to Hamilton Center, Rockland and Franklin Counties. No doubt this explains the amazing coincidence by which the estimate of 1377 employables remained constant. This is only one example of the somewhat incredible inattention to "details" which permeates the project proposals.

Notwithstanding the state's lack of concern with such details, which only form the premise for its whole estimate of required funding, it appears to be worthy of some mention that substitution of Bay Ridge has increased the number of affected recipients from 26,000 to 37,000 people and from 7100 to 9100 families. Furthermore, while Hamilton was purportedly chosen because of its good accessibility to an Employment Service Youth Opportunity Center to service the youth work program, there is no YOC in the vicinity of the Bay Ridge area.

The family caseload in Bay Ridge has been variously estimated at 65% Spanish-surname and 15–20% Black,[1] or 55% Spanish, 31% Black.[2]

Although the center has been reorganized to separate income maintenance and services so as to purportedly free caseworkers to concentrate on services, the caseload per caseworker precludes any truly meaningful service activity. As of February, 1971, the average number of cases per caseworker was 213 families (as compared to 171 for Hamilton Center or 134 for Clinton Center).[3]

Another "detail" which is given minimal attention in this project as well as in the separate work relief project is the matter of procedural safeguards to be applied in individual cases. With respect to hearing rights, for example, it is merely stated that those decisions which are "now reviewable, shall be subject to review" and that "in cases in which it is requested, an immediate fair hearing will be provided." There is no specification of the particular determinations which will be subject to review, the issues which could be raised, e.g., whether a particular action did in fact constitute a "refusal," or whether assistance will be continued unchanged pending the state fair hearing. There is not even any assurance that individuals will receive prior notice of any and all proposed charges and of their right to hearing thereon, etc. This is particularly significant since New York is not now complying with the federal fair hearing requirements in its regular programs.

In view of the substantial divergence between state practice and federal requirements there can be no assurance that New York will interpret its hearing commitment consistently with federal policies, unless there is a precise specification in the projects covering each determination included in the process.

[1] These figures are based on statements of the Director of the Bay Ridge Center.

[2] Figures used by NYCDSS.

[3] The reference to Hamilton and Clinton is not meant as an indicator of the acceptability of such workloads, but merely to indicate the extremity of the problem in Bay Ridge.

PSWOP

The work relief project remains virtually the same. It serves notice to any mother that she will have to choose between staying in the home to take care of her children or receiving assistance to meet her family's needs. Its main purpose is still to "reduce the number of new [AFDC] cases," i.e. to deter parents from claiming the benefits to which they are entitled under state and federal law in order to care for their children. Apparently, not even the state believes that work relief is any meaningful response to a family's need for assistance.

As in the prior submittal, some recipient mothers will be required to serve without pay as in-home day care mothers, while other mothers will be required to place their children in such care in order to work at non-paying public jobs. The project still does not specify the procedures and standards which will be used to determine whether a particular individual is equipped to provide in-home day care and does not even specify that the home must qualify for licensing as a family day care home under the state's general day care program. This is in direct contravention of federal regulations which require the state to establish standards which meet the standards of national standard-setting organizations such as the Child Welfare League of America and the National Council for Homemaker Services, 45 C.F.R. 220.18(c).

There is still no provision made for any payment to meet the costs of meals, snacks, etc. for the children or for any support system to deal with emergency situations.

The agency is to be the sole determinant of the type of day care to be utilized for a particular child based on its assessment of the child's needs. This is again in direct contravention of the federal requirements that the parent be given a choice as to the type of care to be provided where there is more than one kind of day care available. 45 C.F.R. § 220.18.

Another example of the state's mathematical wizardry is found in the substitution of Bay Ridge for the Fordham Center. The total number of New York City cases affected remains exactly the same (Project Appendix). However, the failure to make any adjustments is understandable in view of the fact that the figures given already exceed 25% of the state AFDC caseload, i.e. 25% of the state=85,286 cases, cases covered by demonstration=88,503. But then what's ten or twenty thousand people here or there, when one has already decided that hundreds of thousands can be deprived of statutorily guaranteed rights by administrative fiat.

NOMINATION OF EARL L. BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. HUGHES. Mr. President, whom does Dean Butz, President Nixon's nominee for Secretary of Agriculture, speak for: agribusiness or agriculture?

Just a few months before the Ralston Purina Co. asked Mr. Butz to become a director of their company, he offered his views about one of the crucial issues facing agriculture: vertical integration. Under vertical integration the large companies who previously only sold to the farmer or bought from the farmer, became the farmer. They signed contracts with individual farmers for their production, contracts which often specified what, when, how, and where the farmer would produce. The farmer often became what one commentator called the modern day equivalent of the sharecropper.

During the period that Mr. Butz served on the Ralston Purina board of directors, that company was one of the leading agribusiness companies to vertically integrate into the poultry, eggs, and turkey industry. Today, virtually all the Nation's broilers, for example, are produced under contract with one of the giant agribusiness companies, with Ralston Purina one of the leaders.

During his confirmation hearings in the Senate Committee on Agriculture and Forestry last week, Mr. Butz cited the fact that Ralston Purina is leaving the poultry business as an example of the fact that corporations and big business interests are not taking over agriculture. But a report last week in Feedstuffs indicates that one of the leading contenders to take over Ralston Purina's poultry operations is Donald Danforth, Jr., executive vice president of Ralston Purina, on behalf of the Danforth family, including Donald Danforth, Sr., retired chairman of the Ralston Purina board, and William Danforth, a member of the Ralston Purina board.

The poor poultry farmers are going from the corporate frying pan into the executive fire.

I am submitting for the RECORD two views of the benefits and costs of vertical integration: The first is by Mr. Butz, entitled "Don't Be Afraid of Integration," a speech that was reproduced in Farmers Digest, August–September 1959. He argues to farmers that vertical integration is not bad. The other view is reflected in a report prepared by Mr. Harrison Welford, an associate of Ralph Nader, entitled "Sowing the Wind: Pesticides, Meat, and the Public Interest." It calls into serious question the Butz-Ralston-Purina view that vertical integration is in the farmers' best interests.

I am also submitting for the RECORD some more of the many letters I am receiving from my State expressing the frustration and anger on the part of farmers and rural people toward this nomination.

Finally, I am submitting a letter I received today from Mr. Oren Lee Staley, president of the National Farmers Organization, expressing his opposition to the appointment, and a telegram from Gov. J. James Exon of Nebraska, opposing Dean Butz.

I ask unanimous consent that these items be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

After observing two days of questioning of Dr. Earl Butz at the Agricultural Committee Hearings, we remain firmly convinced that his confirmation as Secretary of Agriculture would be a disaster for farmers. His answers have not satisfied our concerns over his long and close ties to agri-business, his attitudes toward elimination of farmers and the drive by integrators and others to gain control of the food industry, and the conflict of interest arising from his substantial payments as a director of three of the nation's largest agri-business companies.

He did not satisfactorily answer most of the questions put to him by Senators and other Members of congress of both political parties. These included attempts to determine what he might recommend to raise farm prices, how he would get REA and other department funds released by the White House, how he would tighten poultry inspections, and what he would do to halt the drive by integrators and others to take over farm production.

We feel Senate approval of Dr. Butz would be a vote to abandon an historic commitment to opportunity for people on the land. It would, in effect, ratify a policy to drive people out of agriculture, undermine farm and small business enterprises, and destroy rural towns and cities.

The Senate, in voting on confirmation, will be making a choice on the kind of agriculture and rural America our country wants to encourage. This crucial decision, in our judgment, is the most important single farm vote in this Congress. Farmers everywhere are deeply upset over the selection of Earl Butz and hope the Senate will not cast a vote against them. We, therefore, urge you to vote against the confirmation of Dr. Butz.

Respectfully yours,

OREN LEE STALEY,
President, National Farmers Organization.

[Telegram]

GOVERNOR'S OFFICE,
November 17, 1971.

I respectfully urge the United States Senate refuse consent to nominee Dr. Earl Butz for Secretary of Agriculture. Regardless of other considerations. the key reason for my objection to Dr. Butz has been his past record under former Secretary Benson when the nation's farmers suffered their other worst cost-price ratio in the nation's history. We are in deep economic distress in the farm belt. I am concerned that this fact is not fully appreciated or at least placed in its proper perspective in Washington. An indication that the U.S. Senate is concerned and intends corrective action would be evidenced by your declining to act favorably on this nomination.

Respectfully,

GOV. J. JAMES EXON,
Nebraska.

As a college student raised on a family farm in Iowa, I feel obliged to communicate to you my feelings concerning President Nixon's choice for Secretary of Agriculture.

Although America's rural population has declined regularly, and undoubtedly will continue to do so, it remains a unique subculture. Loss of family farms to huge agribusiness concerns would not only destroy a way of life which has striven to provide the world population with food and clothing for decades, but it would also destroy the economic backbone of countless small towns, not only in Iowa, but all across Middle America. This could conceivably cause an economic crisis in state governments of agricultural states such as Iowa.

In addition, conversion to agricultural conglomerates on a large scale would displace persons, although relatively small in number, who have no skill other than that they have spent their lifetimes developing. The American agronomist has developed his trade into a science, business, and industry all rolled into one. After so many years of dedication on the part of rugged individualists, to divert their potential to mere skilled labor so the real profit can go to urban dwellers who can invest large sums of money seems to me to be totally contrary to America's ideal of self-determination. After decades of work on the part of a distinct minority to make agriculture profitable, to rob these people of the reward simply because they haven't the strength of numbers of finances truly is a sad commentary on America.

The President's selection of Mr. Earl Butz as the next Secretary of Agriculture seems to me to be a sellout to big business on the part of the Administration. Mr. Butz' open advocation of agricultural conglomerates makes him a menace to the farmer, rather than a spokesman for him. Emphasis in selecting a man for this position should instead be directed toward organizing farmers so that their small voice can be unified and uncompromised.

I urge you to oppose the appointment of Mr. Butz for the sake of your constituents. It is indeed high time the interests of the American farmer received adequate protection from the federal government.

We as farmers in a livestock and grain area are opposed to President Nixon's nomination of Earl L. Butz as Secretary of Agriculture.

Secretary Hardin has not curtailed the flow of farm families from rural areas, nor has he improved farm prices. The farmer is the "whipping dog" to help keep down the cost of food. All other industries take their profit from our raw material and we get what is left, often this is a loss.

Butz, with his background, looks like a step in the wrong direction.

We would like a man working for the average farmer, not for Purina, International Minerals, Van Camp, or any Life Insurance Company.

As a student in agriculture at Iowa State University at Ames, Iowa, I am very much interested in the nomination of Mr. Earl Butz as the new Secretary of Agriculture. From the news media I understand your stand on this issue is the final defeat of his confirmation. According to your accusations Mr. Butz may eventually lead the administration to believing in the rise of large corporations in farming as favorable, thus leading to the downfall of family farms. I would like you to know that if this is his purpose I am definitely against it and am in complete agreement with you.

Since I grew up on a family farm and plan to return to farming I would like to do whatever is possible in preserving this trend. So I would like to know what I can do, besides just writing this letter, to help defeat the final appointment of Mr. Butz as the Secretary of Agriculture. I *have* a very *definite opinion* on the matter and I want to do all I can to preserve the family farmers. If I can be of help please let me know immediately as to the channels to affect the decision of the Senate's final vote.

Any other information you can give me on helping to control the corporate farming and let family farms survive, would be much appreciated. Thank you for your time and cooperation.

Farmers in this area oppose the appointment of Earl Butz to the Agricultural post. Butz has too many interests in feed companies and fertilizer companies.

We realize that you also are opposed to Butz as Secretary of Agriculture. But we want to tell you of our opposition too

It is well that Hardin resigned but we need a man who is interested in improving the economic status of the farmer, not a man out to run the farmer off the land by low farm commodity prices.

Let's create a desirable economic atmosphere in agriculture to encourage people to remain in agriculture to lessen urban congestion.

So please use your influence to get a Secretary of Agriculture who will obtain 100% parity for the farmer.

I was very much pleased to read in the news releases today that you have taken a definite stand against the nomination of Mr. Earl Butz for Secretary of Agriculture, which will release Mr. Hardin from this very important office so that he can assume the vice-presidency of the Ralston-Purina Corporation, one of the many agri-business giants that Butz has been associated with.

Butz with his entire background, going back to the Benson days, just won't do the family-sized farm people any good. He will try to destroy them.

It may be too much to wish for,—that his nomination will not be confirmed—yet a good stiff fight by those who are opposed to him might get back to enough people to have a significant effect on the 1972 election results.

I am greatly opposed to the appointment of Earl Butz as Secretary of Agriculture.

I know that his being associated with Ralston Purina, even though he resigns, will spell the end to the family farm. Once this is done your constituents will no longer have their cheap food, which we farmers can no longer afford.

Please tend to this matter.

We are shocked that Mr. Butz is even considered for Secretary of Agriculture. We beg you to work against his confirmation.

We family farmers, like the Indians, are truly becoming the forgotten people. We work so hard and such long hours for a bare existence. Many of us can not hang on much longer.

Won't you please help us by seeing that someone is appointed whose main intent isn't directed toward liquidating all but 600,000 farmers.

P.S.—Our Fools Gold (corn) will be more worthless if Mr. Butz is approved.

We are writing you in regard to the appointment of Secretary of Agriculture.

Farmers in Iowa really need someone there who will fight for them, especially as individual farmers, not a part of a machine. We have raised one of the biggest corn crops, and prices have dropped, it's piled on the ground. His past record hasn't been for the farmer, and he doesn't talk it now. We ask for your help in helping fight his appointment.

We as small farmers are very much against the nomination of Earl Butz as Secretary of Agriculture, and we are asking you to try and urge President Nixon to withdraw the nomination.

We don't like his connections with the four large corporations. We would appreciate it so much if you help in this regard. Thank you.

I am writing to commend and support you in your opposition to this disgusting nomination of Earl Butz as Secretary of Agriculture. No man who has been a part of Ralston-Purina could possibly serve the best interests of producing farmers. As you are no doubt aware Ralston-Purina is one of the worst promoters of vertical integration with contracts designed to bankrupt the producers. If Butz was opposed to these methods he would have left Ralston-Purina long ago.

Again I ask you to continue your opposition to this insult to farmers. It is apparently just more of Nixon's government of, by, and for big business.

[From Farmer's Digest, August–September 1959]

DON'T BE AFRAID OF INTEGRATION

[From a talk by Earl L. Butz, Dean of Agriculture, Purdue University]

Agriculture is changing from a way of living to a way of making a living . . . From a business of arts and crafts to a business of science and technology.

The industrial revolution of the past half century by-passed much of agriculture leaving its organization around the relatively small family-type unit. Many of these individual units—perhaps more than half of them—are so small or so inefficient as not to yield their operators a living standard generally regarded as adequate.

The present agricultural revolution, resting on basic science and closely allied with the widespread advance of automation in both production and distribution, is threatening this traditional pattern.

Because *vertical integration* is one of the stage properties being used by science, by technology, and by automation, places it under political suspicion as the villain in the act.

Here are five fundamental characteristics of current agricultural adjustment which bear on the problem:

1. Capital requirements have increased to the extent that it is difficult for an individual to accumulate sufficient capital to finance an economically-sized operating unit. This will become increasingly true in the decades ahead.

2. Management has become the key factor in successful farm operation. This is in sharp contrast to a generation or two ago . . . when many fewer critical managerial decisions had to be made.

3. The trend toward larger and fewer commercial farm units will continue. This trend has been pronounced during the past decade. It will accelerate in the decade ahead.

4. The commercial farm will assume characteristics of a manufacturing plant with the manager assembling "packages of technology," produced by others on a custom basis The share of total farm receipts spent for production items will increase still further, the gross margin per dollar of receipts will become narrower, and profits will depend more and more on growing volume.

5. The process of "Rurbanization" will accelerate. Rural and urban cultures will intermingle. A new community culture will emerge in which the farmer will tend to lose his vocational identity, just as the lawyer, the doctor, or the machinist now loses vocational identity in his own community.

Thus, we have the five basic trends brought on by integration in agriculture. Now let's look specifically at the social implications of the agricultural revolution. They may be grouped under four general headings:

Growing pressure on the combination of owner-manager-operator in one man.

We have departed from this pattern in the majority of other major business sectors of America. Time was we had many family foundry shops, bootmakers, corner grocery stores, and yes, even automobile assembly plants. These have given way to larger units, with more capital, with higher levels of management, with more specialization of labor, and, if you choose, with a higher degree of integration.

In the main, when such changes have occurred, opportunities for profit and for higher living have increased for owners, for managers, and for workers. Some individuals were injured in the adjustment, but on the whole, society gained.

The point is that economic pressures in agriculture make the field ripe for integration to manifest itself. But the critic of the change will often mistake the process of integration as the cause of the change.

Our system of fee simple ownership by individual operators will be under increasing pressure.

The typical cycle of farm ownership and operation under our present system of fee simple ownership by individuals is essentially the life cycle of an individual. In the main, our farms need to be refinanced each generation.

With the process of refinancing, usually comes a disruption of the farm as a going concern.

Industry has avoided this disruption by having divisible shares of ownership. This permits passing ownership from one generation to the next without disrupting management or operation.

The pressure is in this direction in commercial agriculture. However, this does not necessarily mean the growth of corporate farms. This may be accomplished in a number of ways:

We shall see the growth of family shares of ownership of the family farm, instead of

placing the farm in an estate to be sold as a unit.

Another way of meeting this problem is single operation of multiple tract ownership. The operator may be either a part owner or a complete tenant. In either event, he shares with others part of the traditional owner-manager-operator function. He surrenders certain freedoms and privileges in the process, but he gains greater rewards in return.

Negotiated pricing will tend to displace the present competitive price-making structure.

This has already taken place in the case of fruits and vegetables grown under contract for specialized processing, broilers produced under contract, and some feeding contracts for large animals. We shall see the development of price bargaining agencies among producers, who will attempt to bargain growing terms and prices before the crop is planted, the eggs put in the incubator, or the livestock bred.

Distribution patterns will change markedly.

Under the kind of price bargaining outlined above, existing marketing institutions will be under pressure. They will be bypassed by increasing quantities of products as they flow from farm to consumer.

Local auction markets will be under pressure. Jobbers, wholesalers, and even retailers may find it difficult to get enough volume to maintain themselves.

POLITICAL IMPLICATIONS OF INTEGRATION

The political implications of vertical integration may be classed under five general headings.

Fewer farmers inevitably means decreased political power for agriculture.

Indeed, that trend has been apparent in recent years, as farm politicians have faced increasing difficulty in holding the Farm Bloc together in Congress.

As commercial agriculture moves away from a "way of life" and becomes more business-like, and becomes more closely integrated with processing and distribution functions, it is inevitable that the relative political power of agriculture will decline. Even so, farmers will continue to exert political influence out of proportion to their numerical strength.

Political leaders will resist vertical integration in agriculture.

The philosophy of the small, owner-operated family farm is deeply ingrained in our sociological and political customs. Political pressure will continue to be to maintain small family farms, even though modern technology dictates that family farms become larger.

There is no prospect that ambitious politicians in Congress will stop demagoging the emotionally explosive family farm issue any time in the foreseeable future.

Governmental aid will become available for producers to organize bargaining units to deal with processors on matters affecting price and production arrangements.

In some states the Agricultural Extension Service will likewise develop aids and guides for producers who want to form some bargaining units.

Sometimes initiators of vertical integration will feel that such aid to producing groups constitutes an unwarranted interference with the price-making structure.

There will be an increase in the amount of regulation over our entire marketing structure.

Increased regulation will be distributed throughout the entire market structure. Some of it will be done by producer groups, some by processor and distributor groups, and much of it by state and federal governments.

The trend will be in the direction of administered prices, determined either through negotiation or by quasi-public regulatory bodies, rather than by direct competition in the market place.

As production of a commodity moves into fewer hands, and the commodity moves toward integration from producer through processor and distributor, increasing pressures will develop to extend the use of marketing orders.

There will be growing governmental discrimination against the larger processors and marketing agencies who attempt to initiate integrated arrangements.

This will place large commercial concerns at a competitive disadvantage *vis-a-vis* the smaller and medium sized concerns. The larger concerns which attempt integration, especially under direct arrangements with producers, will face continuing harassing action from the Federal Trade Commission, the Department of Justice, and Congress itself.

CHANGES NOT NECESSARILY BAD

Many agricultural and political leaders are frightened by the growing vertical integration in agriculture. They should not be any more wary of this change than of other economic and sociological changes occurring in modern society.

Change is the law of progress. The challenge which faces us is to direct the change along constructive and beneficial channels.

There is much good in integration. With proper direction, it will result in increased production and distribution efficiency, added control of quality, a more even flow of product seasonally and geographically, less risk of price and income variation to the producer, more rapid adaptation to scientific and technological innovations, and increased incomes to many producers.

The fact that an individual producer may surrender some of his managerial freedom and may transfer part of his risk-taking to someone else is really a very small price to pay for the advantages that flow out of an integrated system.

It is clear that the forces of politics and the forces of economics are and will continue to be on opposite sides of the vertical integration question. In this engagement, politics will fight a delaying action. They will neither stop nor reverse the economic trend. In the final analysis, the economic forces working in this process will be overwhelming.

None of us would want to live under the economic conditions which prevailed 20 years ago. Yet we vigorously resisted changes which were then occurring in the patterns of production, processing, and distribution. As we look back now, we wonder why.

Likewise, 20 years from now, we'll look back on 1959 and be a little amused that we were so fearful of change, rather than directing our energies toward channeling change down beneficial pathways.

It has been said that the proponents of the "status quo" are often the villains of history.

Those who resist inevitable change frequently perish in the process.

The future belongs to those who prepare for it.

[From Sowing the Wind: Pesticides, Meat, and the Public Interest]

"POULTRY PEONAGE"

(By Harrison Welford)

"Us folks in the chicken business are the only slaves left in this country."—Crawford Smith, Alabama contract farmer.

"They're whipped. We've broken them."—John Bagwell, President Spring Valley Foods, contractor.

The dirt poor hill country of Northern Alabama was the scene of bizarre events in the spring of 1970. Its poor white chicken farmers, rugged individualists to a man, had organized and were out on strike—the first time for farmers anywhere in the South. These family farmers with their rough blue overalls and Jeffersonian agrarian values, walked picket lines before the gates of Pillsbury, Ralston-Purina, and the other food conglomerates which bought their chickens for processing. Equally unprecedented was the decision of federal meat inspectors in the chicken plants to honor the pickets and refuse to enter the plants. Strangest of all, truckloads of black industrial unionists from Birmingham arrived at one plant to cheer the farmers on. The locals swore that the ghosts of Tom Watson and the Populists could be seen dancing in the shadows, their dream of a labor-farmer coalition against the trusts come true at last.

These events were stimulated by profound economic grievances which foreshadow problems for the consumer as well. A study by USDA economists recently reported that poultry growers in Northern Alabama work for an average of *minus* 36 cents an hour.[1] Their economic plight reflects the outcomes of the farmers' man-to-man encounters with the $300,000,000 corporations which buy their chickens.

The problems of the poultry grower have a common cause with the problems of farm workers, environmentalists, and consumers when they confront this nation's agricultural establishment: organized bargaining power is heavily weighted on the side of agribusiness. The concentration of meat production and marketing power in relatively few food conglomerates over the last two decades has not been matched by compensatory restructuring of consumer and farmer power. In dealing with the farmer suppliers at one end and the consumer at the other, Swift, Pillsbury, Ralston Purina, Central Soya and the other agribusiness giants still maintain a man-to-man, eyeball-to-eyeball contact with unorganized individuals. The unequal relationship encourages an irresponsible marketing power which permits the corporation to pass the costs of its mistakes and excessive profit margins either forward to the consumer or backward to the supplier. This imbalance assumes classic proportions in the chicken country of the Deep South.

The corporations see nothing improper in their refusal to deal with debt ridden farmers except as individuals. The Operations Manager of the Pillsbury Company, after refusing to meet with a grower's association, explained:

"Our position continues to be that we will gladly meet with any grower on *an individual basis* to discuss problems, complaints, or questions . . ."[2]

A Wisconsin Turkey grower describes the farmer's leverage in this situation:

"What farmer would want to buck up against a big corporation to fight for his rights, with probably $18 in his checking account, against a staff of 25 attorneys, to which money doesn't mean anything. How can a small farmer compete in this situation."[3]

The infiltration of the corporate state into agriculture is having a profound effect on the economic and social relationships of rural America. As large integrated companies move in, they force more and more family farmers to lose their independent status and become, in effect, organization men in overalls. Large corporations have recently moved into cattle ranching, cotton growing, orcharding and other kinds of farming. Dow Chemical now grows catfish in Texas; Purex is growing vegetables on thousands of acres in the Southwest; American Cyanamid and John Hancock Mutual Life Insurance Company have a joint venture to grow corn, wheat and soybeans on a 35,000 acre farm in North Carolina. Swift, Tenneco, Textron, Campbell Soups, Ralston Purina, Pillsbury, and Central

Footnotes at end of article.

Soya dominate the beef and chicken industry. When corporations of this size go into farming, they pull the whole agricultural establishment in their wake. Congressional committees and the federal bureaucracy become more attuned to the interests of corporate agribusiness and less sensitive to the needs of small farmers, the rural poor and the consumer.

The corporatization of agriculture has been more rapid in the chicken industry than anywhere else. The chicken farmers of Mississippi, Georgia, Alabama and Arkansas, provide a melancholy model of what the new industrial state may hold in store for rural people. For readers of Southern fiction, this has a special irony. The chicken farmer, while he often cuts a ludicrous figure, was at least his own man farming his own land. He grew his chickens in a back lot, fattened them with diets of home-grown cornmeal and mush and sold them at auction at the county market when he was ready. As late as 1959, nearly 60 percent of all broilers were still grown by independent farmers and then purchased in the open market by large processors for slaughter. By 1970, the situation had drastically changed. Over 98 percent of all chickens are now produced under contract to large integrated corporations.

In contract farming, the corporation contracts for use of the farmer's land and its production resources. In doing so, it gains many of the advantages of family farming (primarily cheap labor) without taking from the farmer the risks of ownership. The farmer sells his commodities directly to the packer or processor at a fixed price agreed on in advance. In ten years from 1954 to 1964, the broiler industry went from 3 to 98% integrator controlled. Mergers of processing and slaughtering firms increased at a rate of 41% during the four years 1960–1964.[4] As a result, the open market, the traditional cushion between the farmer and his corporate buyers, is gone. The chicken farmer is no longer protected by competitive bidding in the marketplace. If a farmer wants to sell chicken, he must sell to a corporation through a contract with a fixed formula price or not at all. There is still an open market for cattle but it is succumbing to contract agriculture, as Swift and other companies increasingly buy fed cattle directly from the feedlot at a fixed price. The American Agricultural Marketing Association estimates that 50% of American food will be produced by farmers under contract to corporations in 1970–1980 and that within 15 years, 75% of agricultural production and marketing will be cornered by contracts.[5]

Until the early Fifties, the chicken industry was fragmented with hatcheries, feed companies, growers and processors all operating more or less separately. Gradually, large companies began to integrate these elements. Feed companies like Ralston-Purina and Pillsbury integrated forward to develop markets for their feeds, while poultry processors integrated backward as a means of controlling costs. Eventually the largest companies absorbed all the stages of chicken production, except the actual raising of the birds. The "integrators" found it more profitable to contract with independent farmers to do that. The big companies grow the feed, hatch the chicks, and then slaughter and process the mature birds. The farmer furnished his land, building, equipment and labor to feed the chickens for eight weeks until they grow to marketable weight of 3½ pounds.

On one level, the integrated chicken industry is the great success story of American agriculture. Before World War II, chicken was still a seasonal dish. Families looked forward to "spring chicken," a by-product of the spring hatch from farm flocks of layers. As demand increased, a few producers begain raising chickens not as egg producers but as fryers for the market. Spurred on by World War II, when people turned to chicken while other meat was scarce, broiler production climbed steeply after the Depression. From 1939 to 1958, poultry sales increased an average 14 percent each year.[6] Production reached nearly 3 billion birds in 1970, up from 310 million in 1947. The American who ate 18 pounds of chicken a year in 1940, consumed 39 pounds a year in 1969. Market specialists estimate that he will consume 45–50 pounds by 1980.

As a result of rapid technological development in genetics, feeds, animal drugs and economies of scale, the price of chicken has actually *declined* as consumption has gone up. In 1950, broilers cost the consumer $.60 a pound; in 1970 the price was $.42 a pound. The price received by the grower has plummeted from $.29 to $.15 a pound in the same period.[7] Retail prices for beef, by comparison, have increased from $.67 a pound in 1955 to nearly $1.00 in 1969.

The farmer has stayed in business by increasing the efficiency of the process by which chickens convert feed into meat. No animal surpasses the chicken as a meat factory. While it takes 8–10 pounds of feed to produce a pound of beef, it takes only 2.4 pounds (the figure is 3.6–4 lbs. of feed if the broiler breeder's feed requirements are included[7a] to produce a pound of chicken, down from 4–5 pounds in 1950. The time needed to grow a broiler to market weight was reduced from 10–12 weeks in 1950, to 8–9 weeks in 1969.[8]

The chickens themselves have become computerized units in a factory environment. The chicken which used to run free to scratch and root in the soil until time for slaughter, now spends its short life in a 12" x 18" cage crowded up against three other birds. His day may consist of 16 hours of dull artificial light in a totally programmed environment. Crowding favors disease by creating stress and aiding the buildup of harmful bacteria and parasites, such as *coccidia*. The chicken's feed, therefore, is sprinkled with antibiotic drugs. Other drugs, including arsenic and antibiotics, such as nitrofurans, are fed to increase the rate at which the chicken matures and gains weight. Before going to market, chickens may also be bathed in tetracyclines (antibiotics) or sorbic acid to extend their shelf life. In addition, the birds' chemical diet may contain coloring additives to give its flesh a desired yellowish tint. They are also sprayed regularly with pesticides. With this medicine chest of ready chemicals, the poultryman can cheat on sanitation without suffering severe flock losses, but at the risk of chemical contamination of the final product. The growers' extreme economic deprivation caused by inequitable contracts with the integrators encourages them to cut corners with drugs. They can ignore withdrawal periods and recommended dose levels in applying this chemical technology to their flocks, with little chance of being caught by USDA residue samplers—see ("Hidden Ingredienta.") Stress also induces cannibalism. Chickens are, therefore, debeaked to keep them from destroying their neighbors,[9] and in some cases given tranquilizers.

One indication of how far the chicken industry has come from the barnyard is the development of what must be one of the world's most exotic and highly specialized professions: chicken sexing. For economic reasons, chicks must be segregated by sex at birth. Chicken genitalia being what they are, it is virtually impossible for the untrained eye to distinguish the sex of a day old chick. But in 1925, the Japanese discovered some telltale sign of sex in the chick's anatomy which they jealously guarded as a trade secret. As a result, no modern hatchery is complete without its chicken sexor imported from Japan. The best can sort 800–1,000 baby chicks an hour. The Japanese sexors have recently founded the American Sexing School in Landsdale, Pennsylvania, and will let anyone in on their secret for $1,300 and an 18-week course. To keep their professional standards high, they have, in the best American tradition, formed the American Chicken Sexing Association.

The technical sophistication of chicken growing, especially in disease control, gives an impetus to concentration in the industry. According to Dr. Philip Raup, Professor of Agricultural Economics at the University of Minnesota, one of the determinants of the most effective size of firm in poultry production and beef feeding is a scale of operations large enought to support a resident veterinarian.[10] Without expert advice, the typical farmer cannot develop the skills to use chemical technology effectively. Much of the effort at farmer education in the use of feed additives, farm chemicals and drugs is conducted by private companies who prefer to concentrate on volume users. Dr. Raup notes that our ability to produce this technology has outrun efforts to distribute it in packages useful for the small farmer. He blames the Federal Extension Service and agricultural experiment stations for the failure to develop an effective extension program in animal health.[11]

The pyramiding of economic power in the chicken industry has created a vicious marketing system which can be turned against the consumer as well as the farmer. Up to now, many of the benefits of cost-reducing technology has been passed on to the consumer, But as concentration increases, this may cease. The history of concentration in other industries—the making of automobiles is a classic example—shows that when a few firms dominate the production field, many of the rewards of technological advance are captured by the firms. At the same time, a technological rigor mortis may set in as the firms, freed of competitive pressure in pricing, devote more energy to corporate risk-reduction than product improvement.

In the chicken business, Pillsbury and Ralston-Purina may soon compete in the manner of the soap, detergent and breakfast food makers—by using non-functional advertising to create the illusion of differentiation in essentially similar products. The advertising costs to create the image of "brand name" poultry will be passed on to the consumer.[12] The Pillsbury chicken may soon rival the NBC peacock as the nation's most ubiquitous TV fowl.

Thus far, however, the full weight of the food conglomerates' market power has been turned toward the supplier, not the consumer.

AN HONEST DAY'S PAY

Despite the broiler industry's modernization and growth, the growers have not shared in its prosperity. Of all the links in the chain of chicken production, the actual growing of chickens has the lowest profit margins. As one observer noted: "If the growing of chicks were profitable, it would have been integrated long ago."

This situation exists because the relationship between the farmer and the companies is so extremely one-sided. Even though the farmer has invested nearly 50 percent of his industry's capital, he is hardly an equal partner. The growers have little bargaining power in setting the contract price. Companies deny that they stake out exclusive claims for specific territories, but the fact is that with the exception of Gainesville, Georgia and a few other areas, many growers face local monopoly situations where there is only one company to deal with.[13] The contract price from company to company varies very little. Usually the contract

Footnotes at end of article.

is drafted by the company and presented to the grower on a take it or leave it basis.

In 1969–1970, the grower received between one and three-fourth cents and two cents per pound for the birds he raised. The American Farm Bureau estimates that the break even point for the average grower is 2.29 cents per pound. Robert Troy, a skilled observer of the Southern poultry scene gave this description of the economic plight of one Alabama grower, a Mr. Thurmond Banks, who grows chickens for Spring Valley Farms in Empire, Alabama:

"For 84 days, Mr. Banks and his family fed, watered, housed and looked after 22,500 chickens. Mr. Banks estimated his total labor at a minimum of 588 hours. His gross receipts minus direct cost yielded him a net of $317.67, which works out to be $.25 an hour for his investment of labor and capital. But depreciation and tax costs, which the grower rarely takes into account, would come to about $370.00 on his equipment. Thus Mr. Banks and his family were actually making about minus $.08 an hour, which would be a windfall if the negative income tax were enacted." [14]

Many growers are not sophisticated enough in budgeting to realize that a year's net cash flow, without deductions for fixed costs such as depreciation on his buildings and equipment, is a poor measure of income. There is a story about a lady chicken grower who was asked by a labor organizer how she was doing with her chickens. "Great," she said. The surprised organizer then asked if she had figured out her direct and indirect expenses. "Lord no," she answered, "I wouldn't have nothing then." [15]

The fact is that most growers have been working for almost nothing.[16] The Economic Research Service of USDA has estimated that poultry farmers in Georgia earned only $.53 an hour for their labor in 1952, and that income then declined in the next decade to reach a low of $.01 per hour in 1964. They rebounded to $.54 an hour in 1965.[17] Testimony in Senate hearings on the Agricultural Fair Practices Act of 1967 showed that many growers were living off their depreciation. Conditions have not improved much since.

1969 was a record year and yet the net return to the average farmer was approximately $2,000.00 per year, a three-fold improvement since 1960–64, but an income which still puts him well below the poverty line.[18] (These figures do not include depreciation and interest payments. They were figured on the very unlikely assumption that the farmers were debt free.) This represented total farm income for broiler growers and was calculated at 2.1¢ per pound of broilers sold.

An Alabama study of cash flow budgets for broiler growers found that a farmer with a 20,000 bird capacity who produced 3 batches of broilers in 1969, ended up $628 in the red, after payments on housing and equipment loans, depreciation and other fixed costs were taken into account. If production was expanded to 4½ batches a year, the farmer came out ahead but just barely. His net return to labor and management was $890.00. The return on the chickens he sold was only $90.00; he earned the other $800.00 by selling the chicken's manure.[19]

If the farm unit had a 45,000 bird capacity with 4½ batches a year, the total return was $2000 per farm in spendable and non-spendable income, a modest return to say the least for a businessman with a $40,000 investment in housing and equipment alone. If manure and increases in net worth—the non-spendable income—are not included, the farm was over $4,700 in the red.

When this example was cited before the Senate Agriculture Committee in 1969, spokesmen for the integrators said it was unrealistic because it depreciated chicken houses over 5 years rather than 10.[20] It is true that the growers' profits improve with 10 year depreciation. His average spendable income is now a "realistic" $374.62 for the year or $31.00 a month. He has additional non-spendable income of $1600.00 from 360 tons of manure.[21] Whether the depreciation is figured at 5 or 10 years, the result is the same: the grower's profits are literally chicken ———. (Some growers have suffered because chicken manure is not always readily convertible into cash, but help is on the way. The FDA is considering a proposal to use the manure as feed for chickens, cattle and hogs. The manure must be pasteurized to eliminate bacteria and chemical residues must be removed, but these problems are manageable. "This is the recycled generation," says Joe Claybaugh, a poultry consultant for DeKalb Ag-Research, Inc. "Can you envision a 750 steer lot tied to a 100,000 layer operation?" This recycled manure would reduce feed costs 60% or more.)[21a]

The integrators fare differently, to say the least. James Finlayson, a leading poultry consultant for Pillsbury, estimates that on a five year average, publicly held companies essentially in the broiler business, can average a 23–24% return on invested capital before taxes each year.[22]

The chicken farmer is convinced that his small profits are caused as much by the way they are calculated by the integrator as by market conditions. Here the grower has been totally at the mercy of the integrator. The National Broiler Council, the major association of integrators, publishes a code of ethics which states that its members should give the grower a written contract with full documents on his flock, showing the amount of feed used, the condemnation rate, the weight and number of birds slaughtered, and a settlement sheet giving the calculations used in reaching payment. The only problem with the Code of Ethics is that few integrators have observed it.[23] From the beginning of his association with the integrator, the grower is kept in a state of ignorance. According to J. B. Noblin, President of Scott County Farm Buerau in Forest, Mississippi:

"There are no broiler contracts in this area. Integrators simply give the producer a sheet showing what would be paid per pound, based on the feed conversion. The terms of the so-called contracts are not discussed with the producer, nor is it signed by the integrator or producer." [24]

The Packers and Stockyards Administration of USDA reported in 1967 that the grower frequently does not know how many chickens the integrator brought to him, nor how many are eventually taken away, nor how much they weighed. Chickens are neither counted nor weighed at the farm. He has to take the word of the company on all of these matters. The grower is not permitted to inspect the scales of the integrator. Frequently, he is forbidden to see the USDA condemnation and grading certificates on the chickens he markets even though all condemned birds are charged to the grower.[25]

Growers are forced further into debt by the company's requirement that they install expensive equipment such as automatic feeders and elaborate insulation, as condition for receiving the chicks. Ralston-Purina in the mid-Sixties would only contract with growers who agreed to a tie-in purchase of company equipment. During the National Food Marketing hearings in 1966, a grower in East Texas testified that "Purina" made him buy a fan worth $19 at any 5&10¢ store for $50. The National Farmers Organization charges that the companies deliberately increase the growers' indebtedness with these measures so they will be forced to take chickens at any price. The companies claim that their only interest is to improve the quality of the chicken houses and cut their losses.

The grower's contract is so unequal that he has been compared to the sharecropper in both his status and his poverty. The difference in this version of that infamous relationship is that the bossman is an absentee landlord with a corporate, not a personal, identity whose "big house" is in a paneled boardroom in far-away Minneapolis or New York. Otherwise the analogy needs no explanation. The "cropper" is visited by the "field man" who supplies him with his essentials to make a crop (in this case, baby chicks, feed, and technical advice); the field man collects the harvest (eight week old chickens), measures the results (he weighs the chickens, and sets the price), and decides what the cropper's share ought to be. The cropper may even be forced to buy his supplies (his broiler equipment) from the company store. The corporate landlord keeps all the records. When results are totaled up, the poultry "cropper" often finds he has a bigger debt instead of a big payment, and is even more in thrall to his bossman than before.[26]

The poultry farmers have all the insecurities of an organization man and none of the fringe benefits. While not strictly employees of a corporation, and therefore, *without* retirement and medical benefits, these farmers keep chicks in their houses only at the sufferance of the corporation. David H. Sloan, President of the South Carolina Farm Bureau Federation, states: "the poultry producer in most cases has invested everything he has in the property, poultry houses and equipment. He is at the mercy of the processor because he must have birds to grow or go broke." [27] The grower also shares the psychological state of the sharecropper. The latter knew that he could be evicted if he complained; the grower knows that he can be cut off arbitrarily by the integrator and be left with no chickens to raise. A Georgia organizer for the National Farmers Organization used only mild hyperbole when he recently described the growers as "the last slaves to be freed in the South."

THE BURNOUT

Pillsbury, Arkansas Valley Industries, and the other integrators argue that the grower benefits from the contract system and that the system itself has nothing to do with his penury. It is true that in the fifties, contract farming appeared to be a great opportunity for the farmers.

Production was centered in the depressed, rural counties of five Southern states, where there were many unemployed white farmers with a little land and not much else. For many of these marginal farmers, raising chickens seemed to be the last chance to make money off their farms. The contracts promised to take all the risk out of chicken raising. The farmer on contract is somewhat protected from the fluctuations of the free market, but risks remain. Many growers have market related contracts and thus risk loss in a down market. They risk loss from condemnations which may not be their fault and from cutbacks during periods of overproduction; they risk loss through damage to or obsolescence of their equipment.

The integrators justify the growers' economic plight by pleading their own poverty. In the words of John Yarbrough, the militantly pro-integrator publisher of the news weekly, *The Poultry Times:* "Any grower who believes his integrator is making money today is not acquainted with the economic facts of the broiler business." [28] The poultry industry has been plagued with overproduction in 1970–1971 and the broiler divisions of many large integrators have lost money. But on a five year average, as mentioned earlier, the companies can average a 24% return on invested capital, according to a leading poultry consultant. In any case, the losses of the broiler divisions of food conglomerates are not what they seem. Current tax laws permit diversified companies to deduct losses of one operation from the profits of unrelated or distantly related operations and substantially reduce their total tax load. An effort by poultry growers to prohibit the use of farm production losses as deductions from non-farm production operations in tax calculations failed to win support in Senate hearings on corporation farming in 1968. Moreover, in periods of overproduction, large feed manufacturers like Ralston-Purina may make up in profits from selling feed the losses they incur in processing chickens.

One indication of the integrators' financial strength is that they frequently increase their investment in the poultry industry during surplus crises. This was the case with the turkey industry in 1961 and 1967. The head of the Wisconsin Turkey Federation notes:

"When a [conglomerate] goes into farming, profit should be the motive. However we have seen such companies enter into or expand turkey operations during years where there was little or no profit potential. This leads one to feel that profit, for a specific year at least, is not the only motive." [29]

Over-capacity is precisely what keeps the poultry farmer in peonage, for it robs him of any bargaining power he might have. In the South, the growers have a term for increases of production in a falling market. They call it a "burn-out." Only the strongest growers survive, and they are far more vulnerable than before. The Packers and Stockyards Administration in 1967 accused the processors of using this strategy. It reported that integrators use get-rich-quick advertising campaigns to encourage farmers to build new facilities to grow chickens, even in times of surplus.[30]

The farmers cannot match the financial staying power of the integrators in a falling market. As their debts increase, they become more dependent on the contractors. In order to meet mortgage payments and keep their farms, the farmers have to keep their chicken houses filled with birds even if they were losing money. In August, 1970 the Director of a Mississippi Marketing Association described the situation:

"Most broiler farmers are small farmers and land owners. To get into the business, they had to mortgage their small farms and homes to build broiler houses. From this point on, they must have birds in their houses to make payments; they must have birds in their house or they must leave home." [31]

The grower also suffers from the integrator's sleight-of-hand in accounting techniques. Large companies charge feed and sometimes chicks, produced by other divisions, to their broiler divisions at inflated or "puffed" prices. Since the farmer does not pay for feed and chickens, this may seem simply a matter between the integrator and the Internal Revenue Service. But when puffed prices result in paper losses for the broiler divisions, they work against the growers when they bargain for a new contract with the integrator.[32]

SELF-HELP

Whether or not the integrators are responsible, the fact is that when overproduction occurs, the grower, the weakest link in the industry, is forced to make most of the economic sacrifices. Lack of bargaining power, far more than market conditions, is the cause of his plight. This situation was recognized by the Packers and Stockyards Administration of USDA in 1967:

The problem in Southern broiler contracting is the weak bargaining position of the grower. He is ill-equipped to bargain vigorously and effectively with integrators.[33]

The relative defenselessness of the grower and the real incentives for irresponsible use of private economic power it creates provides an interesting test case for the Department of Agriculture and, on a broader level, for the possibilities for reform in the American political system. Should the growers bank on the objectivity of the federal government and look to it to protect their rights? Would Congress respond to their needs with new legislation? Or should the growers dispense with the old institutions and seek self-help through new institutions of their own making? It is clearly an offense to democratic values that individual farmers should have to confront alone the full force of corporate power, but is the political system flexible enough to respond? Here on the humble stage of the chicken farm, one sees exaggerated in microcosm the plight of farm workers, consumers, textile workers, meat inspectors and other groups left exposed to irresponsible corporate power by structural imbalances in the political and economic system.

The federal agency with regulatory responsibility in the area of chicken farming is the Packers and Stockyards Administration. In a strong report entitled *The Broiler Industry* released in 1967, it first brought the growers' situation to national attention. Based on the uncompromising research of James D. Tuggle and Everett Stoddard, the report described the inequities of the contract system in merciless detail. Spurred by these revelations, Secretary of Agriculture Freeman pledged immediate investigation of any complaints of boycotting or other retaliation by contractors against farmers who joined cooperatives in an attempt to better their lot.[34] He also promised new regulations for growers' contracts.

The effect on the poultry industry was electric. The large integrators directed a barrage of criticism at Freeman and the Packers and Stockyards Administration. But in September 1967, in an attempt to gain industry-wide support, Freeman promised that no new regulations protecting the growers would be put into effect until they had been reviewed in advance by an advisory committee which included integrators and growers.[35] Thus began a long series of delay. Regulations giving the grower a more equal voice in negotiating contracts were not proposed until three years later in the fall of 1970. At the request of the National Broiler Council and other integrator associations, they were then further delayed. The regulations require:

(1) A written contract which includes all significant details, including duration, termination and conditions, and payment terms;

(2) Settlement sheets with all information necessary to compute payments due to the grower;

(3) Condemnation and grading certificates;

(4) Grouping or ranking sheets which show the grower's precise position with other growers during the settlement period.

The regulations seem modest enough, by the standards of any other industry, but they are seen as a fundamental threat to the free enterprise system by some integrator spokesmen. John Yarbrough of The Poultry Times called Assistant Secretary of Agriculture Richard Lyng a "pseudo dictator" when he signed the Federal Register notice of the regulations on January 23, 1971. He quoted a poultryman: "If the Secretary of Agriculture can require all of the things contained in the new Packers and Stockyards regulations, we are living in the wrong country. This is just like Russia." [36] The regulations go into effect on June 1, 1971. Their effectiveness depends on their enforcement and, therefore, remains to be tested.

The growers have luckily not waited for USDA to equalize their bargaining terms with the conglomerates. Out of desperation, they have cast aside the separatist ideology of the family farmer and organized in self-defense. They recognized that the old cliches of individualism and economic independence, appropriate perhaps when an open market existed as a buffer between the farmer and the integrator, had now become luxuries they could not afford.

The efforts of farmers to organize against the integrators have a long and often violent history. They began in 1961 with the formation of the Northwest Poultry Growers Association in Arkansas. Its best known leader was Ellis Hale, who with his wife and four children, raised 200,000 broilers a year in Scott County, south of Fort Smith. His efforts to organize growers were at first discouraged, and then actively opposed by Arkansas Valley Industries, Ralston-Purina, and Tysons Foods, the largest integrators in the state. At first Hale was successful with his message that farmers should stop living off the depreciation of their investment and earn a fair return. But in the spring of 1962, the resistance of the integrators became more threatening. In May, when growers congregated at the Scott County Courthouse for one of Hale's meetings, they got an ominous reception. As the farmers arrived, they found that Arkansas Valley Industries had cars and trucks parked strategically on the square around the courthouse, covering all its approaches. Company officials were sitting in the vehicles taking down the names of the growers as they passed by. During the meeting, a company truck with no muffler gunned its motor near the courthouse door, drowning out Hale's words.

In August, Arkansas Valley Industries cancelled its contracts with Hale and his father and brother, all of whom were members of the Northwest Poultry Growers Association. Ralston Purina and Tysons Foods joined AVI in boycotting all growers who had joined the association. Because of the blacklisting, the Hales and dozens of other growers could no longer get chicks for their broiler houses and went bankrupt. The Hales filed a civil suit against the poultry companies in the hopes of recovering their losses, but when they could not put up the $10,000 necessary to prepare and present the case, their attorneys withdrew.[37]

After a lengthy investigation by the Packers and Stockyards Administration, the three integrators were ordered in 1968 to "cease and desist" their harassment of the growers. The order was subsequently overturned for lack of jurisdiction by the U.S. Circuit Court of Appeals in 1969. USDA has still not asked for legislation to give Packers and Stockyards jurisdiction in such cases. Hale lost everything.

The Arkansas case helped inspire new organizing efforts in other states. The holding action in Alabama in the spring of 1970 was organized by the National Farmers Organization, the most militant of the farm organizations which support the growers' demands for collective bargaining. The NFO strike was marred by violence on both sides. Night riders roamed the lonely claytop roads of northern Alabama, burning the chicken houses of striking and non-striking growers alike. Company trucks were fired on, and there were fights on the picket lines. As one observer noted, there was "much violence, with neighbor turned against neighbor. The wounds will not heal completely during this generation." [38]

The striking farmers refused to accept chicks from the integrators. They demanded higher contract payments and the right to monitor the weighing and inspection of their birds. From the beginning, the companies refused to negotiate with the farmers' representative. John Bagwell, the president of Spring Valley Foods in Cullman, Alabama, was asked by a reporter whether he would negotiate with the NFO. He gave a forthright response:

"I'd rather be dead and in hell, than talk with W. O. Thomas (the NFO local President) . . . the day I talk to that bunch, I'll call all the reporters to Cullman and have

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W. D. Thomas pull down his britches and I'll kiss him square on the ——."[39]

USDA, while officially an impartial observer of the strike, actually went to great lengths to discourage it. When 87 USDA poultry inspectors refused to cross the NFO picket lines because of the violent atmosphere, the Inspector General investigated them, judged them to be AWOL, and deprived them of pay. All the inspectors received letters of reprimand from the Department. The Alabama Poultry Inspectors Local of the American Federation of Government Employees feels strongly that the investigation by the Office of the Inspector General was biased and unfair.[40] There are also charges that the Farmers Home Administration has made reprisals against striking growers. T. H. House of Addison, Alabama, who has an FHA mortgage on his farm, was told by local FHA representative that his farm would be "a changing hands" if he didn't take chickens from the integrators.[41]

USDA's intervention did give the strike a comic interlude. When the inspectors refused to cross the picket lines, the Consumer and Marketing Service was deluged with demands from the processors to keep inspection going. C&MS then made a nationwide appeal for volunteers to go to Alabama. GS 14's from C&MS Washington headquarters, men who had not seen the inside of a chicken plant for years and probably never wanted to see another one, were dispatched to Alabama in their coats and ties to sub for GS 7 inspectors. The crowning indignity came when the inspector-in-charge at Plant 6666 in Gadsden, Alabama, suspended two of these inspector-bureaucrats for incompetence.

The NFO holding action was temporarily stopped by a court injunction on June 28, and has never really recovered. The picket lines have vanished and some growers are returning to the companies, but the 9 county local is holding on. John Bagwell, President of Spring Valley Foods, boasts: "They're whipped. We've broken them." He may be right. Many of the growers are in bad financial trouble. Crawford Smith, one such grower, observes:

"It's a hard row to hoe. All we're asking is fair wages for a fair day's work . . . Seems like we just keep on losing ground."[42]

More recently, the American Agricultural Marketing Association, an affiliate of the American Farm Bureau Federation, has organized growers against the Maplewood Poultry Company in Belfast, Maine. The growers decided not to accept chicks after the integrator made contract changes which allegedly reduced the grower's income by 20%. The AAMA has asked the Packers and Stockyards Administration to investigate threats and intimidation against growers.

The growers have not as yet received much help from the Congressional arena. The Agricultural Fair Practices Act, better known as S. 109, which was passed in 1967, in practice has proved a triumph of form over substance. It promised to protect the grower against unfair trade practices such as boycotts, black lists, contract cutoffs and harassment, but as early as 1971, USDA had prosecuted no integrator under the act. Responsibility for administering the act was recently transferred from the Farmers Cooperative Service to the Consumer and Marketing Service, a move which, by putting it in a primarily marketing agency, has left the act in a kind of bureaucratic limbo. The Consumer and Marketing Service his thus far failed to give active support to investigation and prosecution under the act.[43] Claude Gifford, an editor of the *Farm Journal*, the leading farm magazine, recently accused USDA of being slow in pressing cases for farmers.[44]

Two other bills, S. 2225, and a bill sponsored by Senator Walter Mondale (D.-Wisc.) go much further in defining and protecting the growers' rights at the bargaining table. They would make the failure of an integrator to recognize a bargaining association an unfair labor practice. These bills are now pending.

According to the National Broiler Council and other integrator spokesmen, these bills threaten the efficiency and life-blood of the processing industry. On the contrary, the right to organize to protect occupational interests is a basic cornerstone of the free enterprise system. This kind of institution building is essential to give balance and fair play to the economic relationships of contract farming.

The integrators' attempt to invoke the ideology of economic independence and individuality to justify their attacks on growers' organizations is particularly ironic because it comes at a time when the integrators are trying to increase their own bargaining muscle through group action. Operating under the umbrella of the Capper-Volstead Act of 1922, Ralston Purina and other integrators have formed the National Broiler Marketing Association which now controls 35–45% of the nation's broilers.[45] The Capper-Volstead Act was designed to allow small producers to legally collude in order to offset the power of large corporate buyers. It seems doubtful that its framers wanted it to be used to allow large integrators and non-farm processors to collude against the small farmer. Neither the Federal Trade Commission nor the Justice Department has challenged the legitimacy of the National Broiler Marketing Association. Both are notorious for their indifference to the impact of corporate concentration on the small farmer.

With the exception of the strong Packers and Stockyards report in 1967, USDA has been at best lukewarm to the attempts of growers to organize in their self-defense. Assistant Secretary of Agriculture Richard Lyng recently gave bargaining associations the weakest possible endorsement: "We are not intrinsically opposed to bargaining associations."[46] He states that many farmers have become disillusioned with farm bargaining, and warns that the "rewards and incentives of the free market system must not be . . . unduly inhibited."[47] Lyng is strangely silent, however, on the free market implications of collusion among the integrators.

CONCLUSION

One must conclude, therefore, that up to now USDA has failed this test of its responsiveness to the needs of small producers. More help may be forthcoming in Congress now that the National Farmers Organization, the National Farmers Union, and the American Farm Bureau Federation have joined forces to support a strong bargaining bill, and the collective bargaining efforts of the National Farmers Organizations continue to gather momentum. These groups must force USDA to reevaluate its relationship to farm bargaining.

For the individual chicken farmer, however, the lesson is clear. The corporations have come to Northern Alabama and the other poultry areas to stay. As the corporate state advances into rural America, the farmer will have to organize in self-defense. The alternative is the neo-feudalism of Northern Alabama.

FOOTNOTES

[1] Robert Troy, "Alabama Farmers on Strike," *South Today*, November, 1970, p. 4.

[2] Letter of George Haefner, Operations Manager, Pillsbury Company, to Ralph Meadows, Poultry Producers Association, Montgomery, Alabama, October 10, 1968.

[3] *Corporation Farming*, Hearings before the Subcommittee on Monopoly of the Select Committee on Small Business, U.S. Senate 90th Congress, Second Session on the Effects of Corporation Farming, Small Business, Great Plains and Upper Midwest, Omaha, Nebraska, May 20 and 21, 1968, Eau Claire, Wisconsin, July 22, 1968.

[4] *Corporation Farming, op. cit.* Statement of Nebraska Grange, Albert J. Ebers, Seward, Nebraska, p. 165.

[5] *Feedstuffs*, December 12, 1970, p. 4.

[6] William E. Cathcart, "Changes in the Poultry Meat Industry and Projections for the Decade," *Poultry and Egg Situation*, April, 1970, USDA Economic Research Service, p. 10.

[7] *Ibid*, p. 19.

[7a] James C. Finlayson, Consultant to the Pillsbury Company, quoted in *Feedstuffs*, January 23, 1971, p. 6.

[8] William E. Cathcart, *op. cit.*, p. 19.

[9] *Feedstuffs*, November 7, 1970.

[10] *Corporation Farming, op. cit.*, p. 247.

[11] *Ibid.*

[12] *Ibid.*

[13] *The Broiler Industry, An Economic Study of Structure, Practices and Problems*, Packers and Stockyards Administration, USDA, 1967, p. 4.

[14] Robert Troy, *op. cit.*, p. 4.

[15] *Ibid.*

[16] Dr. Randall E. Torgerson, "A Vision of Broiler Bargaining in the Future," *Feedstuffs*, December 26, 1970, p. 29.

[17] *The Broiler Industry, op. cit.*, p. 21.

[18] *Cost and Returns: Commercial Broiler Farms*, Georgia, 1969, Economic Research Service, USDA, June, 1970.

[19] Wilson Lee and Morris White, "Typical Cash Flow Budgets for Contract Broiler Growers," Cooperative Extension Service, Auburn University, 1970.

[20] *Agricultural Marketing and Bargaining Act*, Hearings, Senate Committee on Agriculture and Forestry, 91st Congress, 1st Session, November 20 and December 9, 1969, p. 85.

[21] Lee and White, *op. cit.*, Table 6.

[22] Daryl Natz, "Take Good Look at Production Costs, Broiler Firms Advised," *Feedstuffs*, January 23, 1971, p. 82.

[23] *The Broiler Industry, op. cit.*, p. 61.

[24] Letter to USDA Hearing Clerk on 9 CFR Part 201, August, 1970.

[25] *The Broiler Industry, op. cit.*, p. 47.

[26] Many observers of the poultry industry in the Deep South have remarked on the analogy to sharecroppers. *See* Robert Troy's excellent article in *South Today*.

[27] Letter to USDA Hearing Clerk, *op. cit.*

[28] *The Poultry Times*, Northeast-Midwest, April 21, 1971, p. 14.

[29] *Corporation Farming, op. cit.*, p. 285.

[30] *The Broiler Industry, op. cit.*, p. 45.

[31] Letter to USDA Hearing Clerk, *op. cit.*

[32] *The Broiler Industry, op. cit.*, p. 4.

[33] *Ibid.*, p. 63.

[34] *Corporation Farming, op. cit.*, p. 285.

[35] *The Broiler Industry, op. cit.*, p. 45.

[36] *The Poultry Times*, Southeastern, March 17, 1971, p. 14.

[37] Dr. Randall E. Torgerson, *Producer Power at the Bargaining Table*, p. 10.

[38] *Feedstuffs*, December 12, 1970, p. 4.

[39] Quoted to Robert Troy, *South Today, op. cit.*

[40] Letter of Ed Harrison to Ralph Nader, October 21, 1970.

[41] Robert Troy, *op. cit.*

[42] *New York Times*, November 21, 1970.

[43] *Feedstuffs*, December 26, 1970, p. 30.

[44] *Feedstuffs*, January 23, 1971, p. 64.

[45] Dr. Randall Torgerson, "A Vision of Broiler Bargaining in the Future", *Feedstuffs*, December 26, 1970.

[46] *Feedstuffs*, January 23, 1970, p. 64.

[47] *Ibid.*

SUPREME COURT DECISION IN REED AGAINST REED

Mr. BAYH. Mr. President, I was greatly pleased with the Supreme Court's decision today in Reed against Reed, a case which squarely presented the question of the constitutionality of State laws which discriminate against women. In a unanimous consent, the Court struck down an Idaho statute giving automatic preference to males over females when both are otherwise equally qualified as potential estate administrators. The Court held that—

The arbitrary preference established in favor of males . . . cannot stand in the face of the Fourteenth Amendment's command that no state deny the equal protection of the laws to any person within its jurisdiction.

I had the privilege of representing the National Federation of Business and Professional Women's Clubs as amicus curiae in the Reed case. I placed a copy of our amicus brief in the RECORD of September 14, and am delighted that the Court has recognized the validity of our argument that women are entitled to the equal protection of the laws under the 14th amendment.

While today's decision is a landmark in the struggle to guarantee equality to all our citizens, I do not believe that it obviates the need for an equal rights amendment to the Constitution. As I pointed out in the amicus brief, such an amendment is still desirable, because of its immense symbolic value. The women of the country must have tangible evidence of our commitment to guarantee them equal treatment under law.

Furthermore, today's decision by the Supreme Court does not reach every instance of sex discrimination. In adopting the 14th amendment test of reasonableness, the Court has left the burden on the woman plaintiff to prove that State action perpetuating sex discrimination is unreasonable. In my brief, I urged the Court to adopt the strictest 14th amendment standard, one which would shift the burden to the State to demonstrate a compelling, overriding interest in the discriminatory practice. The Court has adopted the strictest 14th amendment standard in overturning discrimination in voting power, discrimination against aliens, discrimination against the poor, and most importantly, instances of racial discrimination. I believe that women, too, are entitled to the fullest protection of the 14th amendment, and I regret that the Court did not go further in its decision today. The need for an equal rights amendment is underscored by the inherent limitations of the Reed holding.

I ask unanimous consent that the Supreme Court decision in Reed against Reed be printed in the RECORD.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES SYLLABUS REED VERSUS REED, ADMINISTRATOR

APPEAL FROM THE SUPREME COURT OF IDAHO

(NOTE.—Where it is deemed desirable, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States* v. *Detroit Lumber Co.*, 200 U.S. 321, 337.)

No. 70–4. Argued October 19, 1971—Decided November 22, 1971.

A mandatory provision of the Idaho probate code that gives preference to men over women when persons of the same entitlement class apply for appointment as administrator of a decedent's estate is based solely on a discrimination prohibited by and therefore violative of the Equal Protection Clause of the Fourteenth Amendment.

93 Idaho 511, 465 P. 2d 635, reversed and remanded.

BURGER, C. J., delivered the opinion for a unanimous Court.

SUPREME COURT OF THE UNITED STATES

No. 70–4

SALLY M. REED, APPELLANT, v. CECIL R. REED, ADMINISTRATOR, ETC., ON APPEAL FROM THE SUPREME COURT OF IDAHO

[November 22, 1971]

NOTICE.—This opinion is subject to formal revision before publication in the preliminary print of the United States Reports. Readers are requested to notify the Reporter of Decisions, Supreme Court of the United States, Washington, D.C. 20543, of any typographical or other formal errors, in order that corrections may be made before the preliminary print goes to press.

MR. CHIEF JUSTICE BURGER delivered the opinion of the Court.

Richard Lynn Reed, a minor, died intestate in Ada County, Idaho, on March 29, 1967. His adoptive parents, who had separated sometime prior to his death, are the parties to this appeal. Approximately seven months after Richard's death, his mother, appellant Sally Reed, filed a petition in the Probate Court of Ada County, seeking appointment as administratrix of her son's estate.[1] Prior to the date set for a hearing on the mother's petition, appellee Cecil Reed, the father of the decedent, filed a competing petition seeking to have himself appointed administrator of the son's estate. The probate court held a joint hearing on the two petitions and thereafter ordered that letters of administration be issued to appellee Cecil Reed upon his taking the oath and filing the bond required by law. The court treated §§ 15–312 and 15–314 of the Idaho Code as the controlling statutes and read those sections as compelling a preference for Cecil Reed because he was a male.

Section 15–312[2] designates the persons who are entitled to administer the estate of one who dies intestate. In making these designations, that section lists 11 classes of persons who are so entitled and provides, in substance, that the order in which those classes are listed in the section shall be determinative, of the relative rights of competing applicants for letters of administration. One of the 11 classes so enumerated is "[t]he father or mother" of the person dying intestate. Under this section, then, appellant and appellee, being members of the same entitlement class, would seem to have been equally entitled to administer their son's estate. Section 15–314 provides, however, that "[o]f several persons claiming and equally entitled [under § 15–312] to administer, males must be preferred to females, and relatives of the whole to those of the half blood."

In issuing its order, the probate court implicitly recognized the equality of entitlement of the two applicants under § 15–312 and noted that neither of the applicants was under any legal disability; the court ruled, however, that appellee, being a male, was to be preferred to the female appellant "by reason of Section 14–314 of the Idaho Code." In stating this conclusion, the probate judge gave no indication that he had attempted to determine the relative capabilities of the competing applicants to perform the functions incident to the administration of an estate. It seems clear the probate judge considered himself bound by statute to give preference to the male candidate over the female, each being otherwise "equally entitled."

Sally Reed appealed from the probate court order, and her appeal was treated by the District Court of the Fourth Judicial District of Idaho as a constitutional attack on § 15–314. In dealing with the attack, that court held that the challenged section violated the Equal Protection Clause of the Fourteenth Amendment[3] and was, therefore, void; the matter was ordered "returned to the Probate Court for its determination of which of the two parties" was better qualified to administer the estate.

This order was never carried out, however, for Cecil Reed took a further appeal to the Idaho Supreme Court, which reversed the District Court and reinstated the original order naming the father administrator of the estate. In reaching this result, the Idaho Supreme Court first dealt with the governing statutory law and held that under § 15–312 "a father and mother are 'equally entitled' to letters of administration," but the preference given to males by § 15–314 is "mandatory" and leaves no room for the exercise of a probate court's discretion in the appointment of administrators. Having thus definitively and authoritatively interpreted the statutory provisions involved, the Idaho Supreme Court then proceeded to examine, and reject, Sally Reed's contention that § 15–314 violates the Equal Protection Clause by giving a mandatory preference to males over females, without regard to their individual qualifications as potential estate administrators. 93 Idaho 511, 465 P. 2d 635.

Sally Reed thereupon appealed for review by this Court pursuant to 28 U.S.C. § 1257 (2), and we noted probable jurisdiction, 401 U.S. 934. Having examined the record and considered the briefs and oral arguments of the parties, we have concluded that the arbitrary preference established in favor of males by § 15–314 of the Idaho Code cannot stand in the face of the Fourteenth Amendment's command that no State deny the equal protection of the laws to any person within its jurisdiction.[4]

[1] In her petition, Sally Reed alleged that her son's estate, consisting of a few items of personal property and a small savings account, had an aggregate value of less than $1,000.

[2] Section 15–312 provides as follows:

"Administration of the estate of a person dying intestate must be granted to some one or more of the persons hereinafter mentioned, and they are respectively entitled thereto in the following order:

"1. The surviving husband or wife or some competent person whom he or she may request to have appointed.

"2. The children.

"3. The father or mother.

"4. The brothers.

"5. The sisters.

"6. The grandchildren.

"7. The next of kin entitled to share in the distribution of the estate.

"8. Any of the kindred.

"9. The public administrator.

"10. The creditors of such person at the time of death.

"11. Any person legally competent.

"If the decedent was a member of a partnership at the time of his decease, the surviving partner must in no case be appointed administrator of his estate."

[3] The court also held that the statute violated Art. I, § 1 of the Idaho Constitution.

[4] We note that § 15–312, set out in n. 2, *supra*, appears to give a superior entitlement to brothers of an intestate (class 4) than is given to sisters (class 5). The parties now before the Court are not affected by the operation of § 15–312 in this respect, however, and appellant has made no challenge to that section.

We further note that on March 12, 1971, the Idaho Legislature adopted the Uniform Probate Code, effective July 1, 1972. Ch. 111 (1971) Idaho Session Laws 233. On that date, §§ 15–312 and 15–314 of the present code will, then, be effectively repealed, and there is in the new legislation no mandatory preference for males over females as administrators of estates.

Idaho does not, of course, deny letters of administration to women altogether. Indeed, under § 15–312, a woman whose spouse dies intestate has a preference over a son, father, brother, or any other male relative of the decedent. Moreover, we can judicially notice that in this country, presumably due to the greater longevity of women, a large proportion of estates, both intestate and under wills of decedents, are administered by surviving widows.

Section 15–314 is restricted in its operation to those situations where competing applications for letters of administration have been filed by both male and female members of the same entitlement class established by § 15–312. In such situations, § 15–314 provides that different treatment be accorded to the applicants on the basis of their sex; it thus establishes a classification subject to scrutiny under the Equal Protection Clause.

In applying that clause, this Court has consistently recognized that the Fourteenth Amendment does not deny to States the power to treat different classes of persons in different ways. *Barbier* v. *Connolly*, 113 U. S. 27 (1885); *Lindsley* v. *Natural Carbonic Gas Co.*, 220 U. S. 61 (1911); *Railway Express Agency, Inc.* v. *New York*, 336 U. S. 106 (1949); *McDonald* v. *Board of Election Commissioners*, 394 U. S. 802 (1968). The Equal Protection Clause of that Amendment does, however, deny to States the power to legislate that different treatment be accorded to persons placed by a statute into different classes on the basis of criteria wholly unrelated to the objective of that statute. A classification "must be reasonable, not arbitrary, and must rest upon some ground of difference having a fair and substantial relation to the object of the legislation, so that all persons similarly circumstanced shall be treated alike." *Royster Guano Co.* v. *Virginia*, 153 U. S. 412, 415 (1920). The question presented by this case, then, is whether a difference in the sex of competing applicants for letters of administration bears a rational relationship to a state objective that is sought to be advanced by the operation of §§ 15–312 and 15–314.

In upholding the latter section, the Idaho Supreme Court concluded that its objective was to eliminate one area of controversy when two or more persons, equally entitled under § 15–312, seek letters of administration and thereby present the probate court "with the issue of which one should be named." The court also concluded that where such persons are not of the same sex, the elimination of females from consideration "is neither an illogical nor arbitrary method devised by the legislature to resolve an issue that would otherwise require a hearing as to the relative merits . . . of the two or more petitioning relatives . . . ." 93 Idaho, at 514, 465 P. 2d, at 638.

Clearly the objective of reducing the workload on probate courts by eliminating one class of contests is not without some legitimacy. The crucial question, however, is whether § 15–314 advances that objective in a manner consistent with the command of the Equal Protection Clause. We hold that it does not. To give a mandatory preference to members of either sex over members of the other, merely to accomplish the elimination of hearings on the merits, is to make the very kind of arbitrary legislative choice forbidden by the Equal Protection Clause of the Fourteenth Amendment; and whatever may be said as to the positive values of avoiding intrafamily controversy, the choice in this context may not lawfully be mandated solely on the basis of sex.

We note finally that if § 15–314 is viewed merely as a modifying appendage to § 15–312 and as aimed at the same objective, its constitutionality is not thereby saved. The objective of § 15–312 clearly is to establish degrees of entitlement of various classes of persons in accordance with their varying degrees and kinds of relationship to the intestate. Regardless of their sex, persons within any one of the numerated classes of that section are similarly situated with respect to that objective. By providing dissimilar treatment for men and women who are thus similarly situated, the challenged section violates the Equal Protection Clause. *Royster Guano Co.* v. *Virginia*, *supra*.

The judgment of the Idaho Supreme Court is reversed and the case remanded for further proceedings not inconsistent with this opinion.

Reversed and remanded.

FOREIGN AID

Mr. JAVITS. Mr. President, as my colleagues know, the AID legislation is presently in conference between the Senate and the House. The recent defeat of the AID bill has led many of our major private institutions to review their position concerning foreign aid. It is gratifying that the U.S. Chamber of Commerce has reaffirmed the worth of foreign aid.

I ask unanimous consent that the new position of the U.S. Chamber of Commerce which was adopted by the board of directors of the chamber on November 18 be placed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

U.S. FOREIGN ASSISTANCE AND INTERNATIONAL ECONOMIC DEVELOPMENT

(The Board of Directors of the Chamber of Commerce of the United States of America approved the following statement relating to foreign economic assistance on November 18, 1971)

The National Chamber believes that the United States must recognize the importance of developing countries in its scale of national priorities.

The Chamber reaffirms its belief that legislative and administrative programs to aid economic development should be separated from other programs of security or military assistance and that economic development programs should continue at a meaningful level, and with increased utilization of multilateral assistance.

The Chamber urges that the Administration, in implementing the international aspects of its New Economic Policy, make allowance for the special trade requirements of the developing countries necessary to their economic growth and development.

The Chamber will continue to monitor both bilateral and multilateral economic assistance programs toward optimum benefit of the private sector.

SENATOR SPESSARD L. HOLLAND

Mr. STENNIS. Mr. President, I am deeply grieved at the passing of our friend and former colleague, Senator Spessard L. Holland, of Florida.

It is less than a year since we joined on this floor in well-deserved tribute to Senator Holland, on the occasion of his retirement. That occasion was touched with sadness because we did not like to see him leave this body and leave Washington, but we could enjoy with him the prospect of the pleasures of retirement at his home in Bartow, Fla. This occasion brings us only deep grief and a profound sense of loss.

Spessard Holland was a man of many distinguished talents, who used them unsparingly on behalf of his country, his State, his friends, and his family. He was decorated for heroism in the Army in World War I. He was prosecuting attorney of Polk County, Fla., and he served 8 years in the Florida State Senate. Thirty years ago the people of Florida selected him to serve in their highest office, as Governor. After 4 years, they sent him to the U.S. Senate, until he retired on January 3 of this year, the end of his term.

Spessard Holland's full life, and the way he led it, serving the people, is its own testimonial. He gave his best to every cause he undertook and was a skilled legislator. There is little anyone can say that could add to that testimonial that he carried out in many years of services. I can only say, with affection and admiration, that he lives in my memory as one of the most distinguished Americans I have been privileged to know—a great Senator, and a true friend.

My deep sympathy goes to his wife, Miss Mary, and to his daughter and sons, in their great earthly loss.

Mrs. Stennis joins me in all the sentiments of this statement. Our prayers are that God will continue to bless and sustain Mrs. Holland, their sons and daughter, and their families, now and of the years ahead.

SENATOR HUMPHREY'S TELEGRAM TO PRESIDENT GEORGE MEANY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that my telegram to Mr. George Meany, president of the AFL–CIO be printed in the RECORD.

Due to the important legislation before the Senate, I was unable to fulfill my commitment to address the convention of the AFL–CIO. I did, however, send a message to the convention and to the distinguished president of the AFL–CIO.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MR. GEORGE MEANY,
President of AFL–CIO,
Americana Hotel,
Miami Beach, Fla.

DEAR GEORGE: I deeply regret that I must return to Washington rather than address your convention, so that I may vote on one of the most important piecea of legislation of the Twentieth Century. I would appreciate your reading this message to the delegates, whose friendship I value and whose efforts on my behalf I shall always treasure.

President Nixon came to this convention not to seek cooperation but rather with a set script to provoke confrontation; not to correct inequities, but to accentuate differences; not to explain to the convention and the American people his economic program, but rather to demand obedience to executive edict.

An opportunity for bringing America together was cast aside in the interest of personal political gain. A President should act to unify, not divide.

The President says he is for law and order, and so am I. Law and order, however, includes equal application and respect for the law. There is a long-established rule of law that applies to both public and private matters—it is the "sanctity of contract." That rule of law has been ignored by the Nixon Administration in its refusal to honor collective bargaining agreements between labor and management existing prior to the Phase I freeze of August 15. To deny retroactive pay to workers, who have a binding contract with management, violates the basic principles of law and order.

These are contracts that reflect the toll of a three-year rising inflation—contracts that mean purchasing power to help stimulate a lagging economy—contracts that provide some degree of economic justice for the worker.

Much of the reaction to labor's non-acceptance of Richard Nixon's convention rhetoric is artificially stimulated. The American people must never forget that when you are dealing with a pocketbook issue that affects a man's wages and the well-being of his family, he has the right and the responsibility to speak out loud and clear. That's what has been happening and he should be respected, not chastised for doing so.

The Pay Board should fulfill its responsibilities by immediately recognizing the contracts and permitting their terms to become effective. In plain language, this includes retroactive pay.

This Nation owes a debt of thanks to you and to the leaders of organized labor for your courageous and timely efforts to inject economic justice and growth into the Administration's new economic program.

NORMAN COUSINS: ONE OF AMERICA'S GREAT EDITORS

Mr. HUMPHREY. Mr. President. Norman Cousins is one of my dearest and closest friends, a man whose integrity, insights and intellect I deeply respect. In recent days he resigned as editor of the Saturday Review, a successful magazine whose design he created and whose accomplishments stemmed from his creativity and genius. It was a result of Norman Cousins' wisdom and guidance that the Saturday Review became one of the most effective and wholesome influences on the American literary scene. More than that, however, the magazine and Mr. Cousins have played a crucial role in the strengthening of our society's democratic institutions.

The New York Times of November 17 published an article about Mr. Cousins which summarized some of his and the magazine's accomplishments. As I ask unanimous consent to have the article published in the RECORD, I want to say that from my own intimate, personal knowledge, complimentary and fulsome as the accomplishments may appear from a reading of the article, they do not reflect the full measure of Mr. Cousins or his services to our society. No man in private life worked as hard to accomplish world peace and no man deserves greater appreciation for those efforts, the details of which only future historians will record. I welcome the opportunity at this time to pay personal tribute to Mr. Cousins. He deserves much more.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, November 17, 1971]

UNYIELDING EDITOR—NORMAN COUSINS

(By Lawrence Van Gelder)

"It's the kind of wrench that goes up your spine and right to your soul." With those words, 56-year-old Norman Cousins tried yesterday to describe how he felt about resigning as editor of the Saturday Review. When he joined the magazine in 1940, its circulation was 20,000. Now, he said, it is 660,000. "At the time we began," he noted, "there was something of an unwritten law that no magazine of ideas could have a circulation of more than 30,000. I think that was a lot like the four-minute mile, and when we cracked through the umbrella, we saw a lot of sky up there."

Although he expressed pride in the size of the Saturday Review's audience, the graying-and-dammit-thinning-haired Mr. Cousins said:

"I take the greatest pride in the kind of relationship I've been able to have with individual readers of the magazine. What emerges from my mailbag each day is the sense that I'm not just dealing with customers, but with members of the family."

SOME OTHER PRIDES

Six years ago, shortly after a surprise party held in the magazine's offices at 380 Park Avenue in honor of Mr. Cousins' 25th anniversary as editor, he wrote of some of his other prides in the magazine in an editorial entitled "Life Begins at Twenty-Five":

"I am proud that SR was the first magazine to report and write in depth about the implications of the atomic age, and to maintain its concern. I am proud of the part SR played in the campaign for a ban on nuclear testing."

He continued:

"I am proud of SR's role in bringing about reform in the manufacture and dispensing of unsafe drugs, and in giving its readers such an early and authentic awareness of the problems and possibilities of space travel. I am proud of the way SR anticipated the far-reaching changes in music records and recording equipment. I am proud of its service to and standing in the educational community. I am proud of its leadership position in the field of travel. I am proud of its stand on cigarette advertising. I am proud of what it has done in relating the world of books to the world of ideas, and of the battle it has waged for freedom of intellectual inquiry."

Norman Cousins made up his mind at an early age that he was going to be an editor. "As far back as I can remember I've been interested in print," he said yesterday, and in a little album he had in the third grade, he wrote that he wanted to work in newspapers and magazines.

The son of Samuel and Sara Miller Cousins, he was born June 24, 1915, in Union Hill, N.J. A frail and serious boy, he was thought to have tuberculosis and spent a year when he was 11 in a sanitarium. "I came out with a new respect for the preciousness of life," he said.

After attending Columbia University briefly, he became an education writer for The New York Evening Post in 1934 and the following year joined Current History as literary and managing editor. Five years later, he went to the Saturday Review.

Mr. Cousins is the author or editor of several books, among them "Doctor Schweitzer of Lambarene" and "Talks With Nehru."

He has been a ghost writer of speeches for Presidents, a member of the Mayor's Task Force on Air Pollution, an honorary president of United World Federalists, a co-chairman of the National Committee for a Sane Nuclear Policy. He also helped arrange for the so-called "Hiroshima Maidens"—victims of the Hiroshima atomic bombing—to come to the United States for treatment.

Mr. Cousins adopted one of the Hiroshima women, Shigeko Sasamori. He and Mrs. Cousins, the former Ellen Kopf, have four daughters of their own, ranging in age from 21 to 29.

The Cousins make their home in a Georgian-style house surrounded by woodland in New Canaan, Conn.

Asked about his plans after leaving the Saturday Review, Mr. Cousins said, "Well, you're talking to a man who loves to goof off." He spoke of playing tennis, playing golf, catching up on his reading, working on his organ playing, and then said:

"It might last a couple of weeks. And then back into the arena again."

HAPPY BIRTHDAY TO A VETERAN REPORTER OF INTEGRITY AND COURAGE—MR. ARTHUR BARRAIAULT

Mr. BYRD of West Virginia. Mr. President, I was remiss in not realizing that November 17 was the birthday of one of the best liked, one of the most utterly honest, and one of the most respected veteran reporters of activities of Congress. It would take no divine interpretation on your part to know that I refer to Mr. Arthur Barralault, who happens to work for NBC; but it would make little difference for whom he worked—he would still have the reputation of being charitable with us, when we needed a tolerant attitude, and of being tough with us when we should have been scolded. The majority leader and other Senators have saluted this man of integrity and courage—and now I would like to add my own salute—to a job well done, as they say in the military service in which Mr. Barraiault served during World War II.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 487, H.R. 11731. I do this so that the bill be the pending business.

The PRESIDING OFFICER (Mr. CHILES). The bill will be stated by title for the information of the Senate.

The bill was read by title as follows:

A bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1971, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

ORDER FOR SENATE TO CONVENE AT 10 A.M. TOMORROW INSTEAD OF 9 A.M.

Mr. MANSFIELD. Mr. President, in view of the long day the Senate has had and the lateness of the hour, I ask unanimous consent that the order calling the Senate into session at 9 a.m. tomorrow be vacated and that the Senate convene at 10 a.m.

Mr. GRIFFIN. There is no objection on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

XUM

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that tomorrow after the recognition of the joint leaders there be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited to not more than 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HUGHES ON MONDAY, NOVEMBER 29, 1971

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on Monday, one week from today, November 29, 1971, immediately following the recognition of the two leaders under the standing order, the distinguished Senator from Iowa (Mr. HUGHES) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR WEICKER ON TUESDAY, NOVEMBER 23, 1971

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that tomorrow, immediately following the recognition of the two leaders under the standing order, the distinguished Senator from Connecticut (Mr. WEICKER) be recognized for not to exceed 15 minutes, just prior to the period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and (at 10 o'clock and 28 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, November 23, 1971, at 10 a.m.

NOMINATION

Executive nomination received by the Senate November 22, 1971:

U.S. DISTRICT COURTS

Kenneth K. Hall, of West Virginia, to be a U.S. district judge for the southern district of West Virginia, vice John A. Field, Jr., elevated.

EXTENSIONS OF REMARKS

THE PENTAGON PAPERS

HON. MIKE GRAVEL

OF ALASKA

IN THE SENATE OF THE UNITED STATES

Monday, November 22, 1971

Mr. GRAVEL. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks the following legal motions, applications, affidavits, memoranda, orders, petitions and other papers dealing with the publication of the so-called Pentagon Papers.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Oath of office;
Mr. GRAVEL letter to Mr. Garrity;
Motion to intervene—Mr. GRAVEL;
Brief in support of motion to intervene—Mr. GRAVEL;
Government opposition to motion to intervene;
Notice of hearing;
Motion for specification—Mr. GRAVEL—and order;
Motion to quash—Mr. GRAVEL—and order;
Motion to quash—Mr. Rodberg;
Brief in support of motion to quash—Mr. GRAVEL;
Affidavit of Mr. Dunphy;
Ridgely letter;
Affidavit of Mr. Rodberg;
Affidavit of Mr. GRAVEL;
Government opposition to motion for specification;
Government brief in opposition to motion to quash;
Mr. Rodberg brief in support of motion to quash;
Memorandum and decision of October 4, 1971;
Second. Mr. Rodberg subpena;
Motion in reconsideration and stay—Mr. GRAVEL;
Brief in support of motion for reconsideration—Mr. GRAVEL;
Brief in support of motion for reconsideration—Mr. Rodberg;
Government motion for extension of time;
Motion, and Government brief in opposition to reconsideration;
Government motion for order and order commanding Mr. Rodberg to appear before the the grand jury;
Reply memo for reconsideration;
Motion to intervene—Mr. Webber;
Motion to quash—Mr. Webber;
Order granting motion to intervene—Mr. Webber;
Order granting motion to stay—Mr. Webber;
Motion for further relief—Mr. GRAVEL;
Motion for stay pending proposition of motion for further relief;
Government for modification of order;
Motion and order denying steno copy of grand jury minutes;
Subpena to N. E. Merchants Bank;
Order denying motion for reconsideration;
Order denying Mr. Rodberg's motion for certification;
Order denying motion for further relief;
Supplemental protective order of October 29, 1971;
Notice of appeal—Mr. Rodberg;
Notice of appeal—Mr. Webber;
Government notice of cross-appeal;
Motion for stay pending appeal—Mr. GRAVEL;
Motion for stay pending appeal—Mr. GRAVEL;
Order of October 29;
Motion for postponement of argument;
Order of November 1;
Government brief on appeal;
Brief on appeal—Mr. GRAVEL;
Motion for order to show cause;
Order to show cause;
Affidavit of Charles Fishman;
Brief on appeal—Mr. Rodberg;
Reply brief—Mr. GRAVEL;
Government motion in opposition to Mr. Rodberg brief;
Rejected stipulation;
Granted stipulation;
Order withdrawn—order to show cause;
Order granting Government motion in opposition to Mr. Rodberg's brief;
Mr. Rodberg's motion for reconsideration;
Order denying reconsiderations; and
Letter to clerk and attachment.

OATH OF OFFICE (WITHOUT COMPENSATION)

I, Paul C. Vincent, do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office of Special Attorney under letter of appointment dated July 2, 1971 authorizing me to assist in presentation to the grand jury and trial of the case or cases in the District of Massachusetts in which the Department is informed that various persons have violated in the District of Massachusetts the laws relating to the retention of public property or records with intent to convert (18 U.S.C. 641), the gathering and transmitting of national defense information (18 U.S.C. 793), the concealment or removal of public records or documents (18 U.S.C. 2071), and conspiracy to commit such offenses and to defraud the United States (18 U.S.C. 371) on which I am about to enter: So help me God.

PAUL C. VINCENT.

Date of Birth Dec. 4, 1914.
Date of entry upon duty July 7, 1971.
Subscribed and sworn to before me this 7th day of July A.D., 1971, at R———, Mass.

RICHARD M. PELL,
Clerk.

UNITED STATES SENATE,
Washington, D.C., August 26, 1971.

Hon. W. ARTHUR GARRITY, JR.,
United States District Judge,
Federal Court House,
Boston, Massachusetts

DEAR JUDGE GARRITY: I have been informed by Leonard Rodberg, a personal servant of mine, that he has been subpoenaed to appear before a Federal Grand Jury in Boston at 10 AM, August 27, 1971. I do not know why Mr. Rodberg has been ordered to appear.

However, if Mr. Rodberg has been subpoenaed for the purpose of testifying about any matter or activity done with respect to the performance of my constitutional duties as a United States Senator, I have authorized my attorney, Charles Louis Fishman, to intervene in the matter to assert my

constitutional right to be free of any judicial inquiry for such activities.

Specifically, I have ordered Mr. Fishman to intervene if the Federal Grand Jury attempts to inquire into my actions, or the actions of any of my personal servants, in placing the "Pentagon Papers" into the Official Record of the Senate Subcommittee on Buildings and Grounds or releasing a copy of that Official Record.

I thank you for your time and consideration.

Sincerely,

MIKE GRAVEL.

[In the U.S. District Court for the District of Massachusetts, Civil Division, Civil Action No. EBO–71–172]

MOTION TO INTERVENE

(In re the matter of Leonard Rodberg)

Comes now Movant, United States Senator Mike Gravel and moves this Honorable Court for leave to intervene in the above captioned cause and as reasons therefore states:

(1) Leonard Rodberg is a personal servant of the Movant.

(2) As Movant's personal servant, Leonard Rodberg has performed acts which are now the subject of an inquiry by a Federal Grand Jury.

(3) The aforesaid Federal Grand Jury has subpoenaed Leonard Rodberg to appear and give testimony with reapect to the aforesaid acts on Friday, August 27, 1971 at 10 a.m.

(4) All of the aforesaid acts performed by Leonard Rodberg for the Movant were under the Movants' direction and control.

(5) All of the acts performed by Leonard Rodberg upon orders from the Movant are immune from judicial inquiry by virtue of Movant's constitutional privileges and constitutional duties.

(6) The question presented herein raises serious and substantial constitutional issues which have not but should be decided by this Court.

(7) No other party to the above captioned cause can adequately repreesent the interest of Movant.

(8) The granting of this motion would best serve the interest of Justice.

Wherefore, Movant respectfully requests that this Honorable Court grant the above captioned Motion to Intervene.

CHARLES LOUIS FISHMAN,
Attorney for Movant.

[In the U.S. District Court for the District of Massachusetts, Docket No. EBD 71–172]

BRIEF IN SUPPORT OF MOTION TO INTERVENE

(United States of America versus John Doe)

On August 24, 1971, a grand jury subpoena was served upon Dr. Leonard S. Rodberg, who has been and is presently a member of the personal staff of United States Senator Mike Gravel. In moving to quash the subpoena, Dr. Rodberg alleged, *inter alia,* that the subject matter of the inquiry to be made by the grand jury related to acts done by Senator Gravel, with the necessary assistance of his staff, in reading and inserting into the record the so-called "Pentagon Papers" at the June 29, 1971, hearing of the Senate Subcommittee on Buildings and Grounds; and Affidavits have been submitted by Dr. Rodberg in support of this allegation. Counsel for the Department of Justice have not rebutted this allegation in any way; indeed, during oral argument at the August 27 hearing before this Court they declined to state whether it was true or false.[1]

[1] The subpoena itself is totally devoid of any information on this issue. It does not even contain a statutory reference to the alleged criminal violations under investigation.

Assuming Dr. Rodberg's allegations to be true—as we must in light of the record of this proceeding—Senator Gravel has moved to intervene in order to protect his right to be free of judicial inquiry of his official acts, secured to him as a United States Senator by Article I, Section 6 of the Constitution. It is our contention that the subpoenaing by a grand jury of a personal assistant of a member of Congress with respect to the acts of that member done in the course of his official duties, or with respect to the acts of a personal staff assistant in aiding that member in the discharge of his duties, violates that member's constitutional privilege. Since the right asserted by Senator Gravel is personal to him and will be abridged if Dr. Rodberg is obligated even to appear before the grand jury, Senator Gravel is entitled to intervene in this proceeding, for only Senator Gravel can adequately repreasent his own interests.[2]

The argument in support of intervention necessarily involves an analysis of the nature which is threatened by the grand jury subpoena. We will therefore demonstrate in this Brief that: (1) the actions of Senator Gravel concerning the Pentagon Papers were done in the course of his duties as a member of Congress and are totally immune from judicial inquiry of any kind by virtue of the prohibitions of Article I, Section 6; and (2) the Federal Courts are without power to order a staff assistant of Senator Gravel to appear and testify before a grand jury about theee matters.

A. THE ACTIONS TAKEN BY SENATOR GRAVEL IN RELATION TO THE PENTAGON PAPERS ARE ABSOLUTELY IMMUNE FROM JUDICIAL INQUIRY

The Constitution provides that members of Congress, "for any Speech or Debate in either House . . . shall not be questioned in any other Place." Article I, Section 6, Clause 1. A literalistic reading of this Clause might imply that Congressional immunity applies only with respect to words spoken on the floor. However, this narrow construction has been rejected by the Supreme Court since the earliest cases. In the landmark decision of *Kilbourn v. Thompson,* 103 U.S. 168 (1881), the Court held that the Speech and Debate Clause affords protection for all normal functions of a member of Congress, including, in addition to words spoken in debate, resolutions offered, votes taken, and actions of committees.

Decisions following *Kilbourn* have reaffirmed these principles. Perhaps most significant is *United States* v. *Johnson,* 383 U.S. 169, 179 (1966), where the Court emphasized that the privilege of the Speech and Debate Clause "should be read broadly to include not only 'words spoken in debate,' but anything 'generally done in a session of the House by one of its members in relation to the business before it.'" Moreover, in holding that the privilege was even more applicable to criminal cases than to civil tort suits the Court traced its lineage to the seditious libel prosecutions of members of Parliament whom the Crown believed had acted in subversive or treasonable ways. "[I]t is apparent from the history of the Clause that the privilege was not born primarily of a desire to avoid private suits . . . but rather to prevent intimidation by the executive and accountability before a possibly hostile judiciary." Id., at 180–81. It would seem, therefore, that the subject-matter of the present case—a statement in committee critical of executive conduct in foreign relations—falls squarely within the hard-core protection of the Speech and Debate Clause. *See also Powell* v. *McCormack,* 395 U.S. 486, 502–03 (1969).

Finally it is clear that the privilege cannot be defeated by the Executive challenging the legitimacy of the actions of a member of Congress in committee. If this were so, *Kilbourn,* where the committee members were found to have lacked jurisdiction but were nevertheless immune, and *Powell,* where the committee members were held immune even though found to have acted unconstitutionally, would have been decided otherwise. Similarly, the Supreme Court has held on other occasions that the motivations of committee members and the legality of their conduct in committee are beyond the cognizance of the courts. *Dombrowski* v. *Eastland,* 387 U.S. 82 (1967); *Tenney* v. *Brandhove,* 341 U.S. 367 (1951). If a court were to oblige the Executive by pursuing such inquires, it would leave members of Congress open to the harassment and intimidation which the Clause seeks to prevent.

Accordingly, the actions taken by Senator Gravel in making public the Pentagon Papers are absolutely immune from judicial inquiry.

B. SENATOR GRAVEL'S PRIVILEGE UNDER THE SPEECH AND DEBATE CLAUSE WILL BE VIOLATED IF A STAFF ASSISTANT IS ORDERED TO TESTIFY BEFORE THE GRAND JURY ABOUT HIS OFFICIAL CONDUCT

The Speech and Debate Clause is one of the principle instruments in the Constitution to preserve the separation of powers among the three independent branches of government. The Clause is designed to insure that a member of Congress is able to act fearlessly in the discharge of his official duties, without being afraid of retaliation from a possibly hostile Executive. In order for the Clause to have vitality in achieving this end, it must be construed to immunize a Senator's immediate staff from criminal prosecution or other forms of retaliation for assisting the Senator in carrying out his official duties. No Senator or Congressman could even attempt to meet his official responsibilities without the aid of a personal staff. In determining how to cast his vote on complex issues, in preparing a speech or comments to persuade his colleagues, and in communicating with his constituents, a member of Congress must of necessity rely in part on research and secretarial assistance and the advice of trusted aides. But if a Senator or Congressman is faced with the prospect of possible criminal sanctions against his assistant, he will be deterred from acting courageously on controversial issues. It is no answer to suggest that he will cavalierly sacrifice the interests of those closest to him so as to accomplish the greatest good; this is just the sort of grisly choice which the Speech and Debate Clause sought to foreclose. Nor is it an answer to say that these adverse consequences can be avoided by inviting his staff to desert and isolate him in situations in which he needs their assistance the most. If the Speech and Debate Clause is to have meaning, its privilege must afford protection to a Senator's or Congressman's personal staff.

History and the case law combine with fundamental policy to compel this conclusion. In what is without doubt the single most authoritative interpretation of the scope of Congressional privilege under the Constitution, Thomas Jefferson stated unequivocally that members of the legislature ". . . are at all times exempted from question elsewhere, for anything said in their own House; that during the time of privilege, . . . neither a member himself, his . . . wife, *nor his servants . . . may be arrested* or mesne process, in any civil suit . . . *nor impleaded, cited, or subpoenaed in any court* . . . " Jefferson's Manual of Parliamentary Practice, Section III, reprinted in Constitution, Jefferson's Manual

[2] This intervention is without prejudice to Dr. Rodberg's asserting his own privileges and rights as a bar to the grand jury summons. And there may, of course, by a confluence of arguments with respect to the scope of the Congressional privilege, in much the same way as would result if an attorney were called before the grand jury and his client intervened and asserted the attorney-client privilege.

and Rules of the House of Representatives, p. 124 (1971 edition).[3] (emphasis supplied)

Jefferson's interpretation of the scope of the Speech and Debate Clause has gone unquestioned until the present. There are, happily, few cases which have arisen under the Clause and none on this precise issue, for the Executive branch has historically respected the Constitutional privileges of members of Congress.[4] The decided cases do, however, elucidate upon the underpinnings of the Clause in a manner which bears significantly upon this case.

First, the Speech and Debate Clause was drafted as a guarantee of absolute freedom of speech for members of Congress. *See generally Tenney v. Brandhove*, 341 U.S. 367, 372–75 (1951). It drew its roots from the English Bill of Rights of 1689, which declared: "That the Freedom of Speech, and Debates or proceedings in Parliament, ought not to be impeached or questioned in any Court or place out of parliament." The Articles of Confederation and several of the first State Constitutions anticipated the 1789 document in containing similar unequivocal guarantees. The reason for carrying these forward into Article I, Section 6 was stated cogently by James Wilson, who was second only to Madison in his contributions to the Constitution:

"In order to enable and encourage a representative of the public to discharge his public trust with firmness and success, it is indispensably necessary, that he should enjoy the fullest liberty of speech, and that he should be protected from the resentment of every one, however powerful, to whom the exercise of that liberty may occasion offence."[5]

The Supreme Court has emphasized that the legislative privilege set forth in the Speech and Debate Clause "will be read broadly to effectuate its purposes." *United States v. Johnson*, 383 U.S. 169, 180 (1966). The ultimate purpose of the free speech guarantee in the Clause, as with the First Amendment generally, is to vindicate the rights of the people in a representative government. *Tenney v. Brandhove, supra* at 373–74. The public has the right to be represented to the fullest by its elected Senators and Congressmen and the right to be informed to the fullest of their actions. Each of these rights would be jeopardized if a member of Congress cannot rely unhesitatingly upon the assistance of his staff, for otherwise he would be deterred from meeting his constitutional *duties* to his constituents. As the Supreme Court said in *Tenney v. Brandhove, supra* at 377:

"One must not expect uncommon courage even in legislators. The privilege would be of little value if they could be subjected to the cost and inconvenience of a trial upon a conclusion of the pleader, or to the hazard of a judgment against them based upon a jury's speculation as to motives."

Nor would the privilege be of value if a legislator were to fear like action against his staff. The adverse effects of a possible criminal prosecution upon a legislator's freedom of speech is the same whether the named defendant is the legislator or his staff.

Second, the historical underpinnings of the Speech and Debate Clause take on added significance in this particular case. The actions of Senator Gravel which the Executive wishes apparently to make the subject of a criminal prosecution is the disclosure to his colleagues in Congress and to his constituents of material critical of Executive decisions in an area of prime importance to the country. Such retaliation by the Executive not only flies in the face of the free speech guarantees of the Speech and Debate Clause but is also unfortunately reminiscent of the very prosecutions which made the Clause necessary. The immediate root of the Speech and Debate Clause rested in the seditious libel prosecutions brought by the Crown to silence critical members of Parliament. *See generally United States v. Johnson*, supra at 178–82; *Powell v. McCormack*, 395 U.S. 486, 502–03 (1969). The immediate purpose of the Clause was "to prevent intimidation of legislators by the executive and accountability before a possibly hostile judiciary," *United States v. Johnson, supra* at 181. Unless the as yet undenied allegations by Dr. Rodberg are rebutted, we are presented in this case with the same techniques of intimidation of Congress which led, after hundred of years of struggle, to the incorporation of this Constitutional privilege. The historical abuses which brought the Speech and Debate Clause into being ought not be allowed to be resurrected under a perhaps more subtle guise. These abuses are "part of the intellectual matrix within which our own constitutional fabric was shaped," *cf. Marcus v. Search Warrants*, 367 U.S. 717, 729 (1961), and if allowed to intrude into the present will have the same disastrous consequences for representative democracy. No exception to the Clause should be made which could make possible the muzzling of Congress.

Third, both the Courts and the Executive have recognized that an official's privilege immunizes his assistants who aid him in the discharge of his duties. The court-created concept of judicial immunity has consistently been read to confer immunity on those who assist judges in deciding cases. *See, e.g., Yaselli v. Goff*, 12 F.2d 396 (2d Cir. 1926), *aff'd per curiam* 275 U.S. 503 (1927). No one would suggest that a judge could fearlessly discharge his obligations if he himself were immune from say, libel suits attacking his opinions but his law clerks and secretary who assisted him in preparing the opinions were fair game. A legislator should expect no less immunity from his staff, particularly when the source of the legislative privilege is a constitutional provision and not merely a common-law rule. Compare *Tenny v. Brandhove, supra*, with *Pierson v. Ray*, 386 U.S. 547 (1967).

The Executive Branch also has asserted that official privilege extends to staff assistants. For the past two and one-half years, Dr. Henry Kissinger and others have refused to accede to the wishes of Congress to testify before Congressional committees. They have so refused on the grounds that as personal staff assistant to the President they may not be held to question by a coordinate branch of Government. The source of this privilege is said to be, by implication, in Article II of the Constitution. Surely the Executive Branch cannot now say that constitutional privilege is a one-way street—that it immunizes the staff of the Executive even from Congressional inquiry but that it gives no protection to the staff of a Senator from hostile Executive action.

We are not arguing, of course, that every individual who acts on behalf of a public official enjoys immunity for his actions. Such an argument would run contrary to the principle of *Marbury v. Madison*, 1 Cranch 137, 2 L. Ed. 60 (1803). Persons such as the Sergeant-at-Arms who enforce the orders of Congress are subject to judicial accountability in the same manner as any law enforcement official. *Powell v. McCormack, supra* at 504–05; *Dombrowski v. Eastland*, 387 U.S. 82 (1967) (general counsel of committee executing orders of committee to conduct illegal search). Similarly, police officials or United States marshals who enforce court orders are not immune from later accountability. *Pierson v. Ray, supra*. But these individuals occupy positions and perform functions that differ totally from those who assist a Senator or a judge in his primary official conduct.

Fourth, in one case the Supreme Court has suggested that legislative immunity extends to prohibiting the testimony of staff assistants concerning their actions in concert with the legislator. In *United States v. Johnson, supra*, Congressman Johnson was prosecuted for accepting a bribe to give a speech. Both Johnson and his administrative assistant were questioned on how the speech was prepared and written. The Supreme Court unanimously held that this evidence was "clearly proscribe[d]" by the Speech and Debate Clause. *Id.*, 383 U.S. at 173. The vice was not that Johnson himself had testified but that "an intensive judicial inquiry" had been made into the legitimacy of a speech of a member of Congress, and this "violate[d] the express language of the Constitution and the policies which underlie it." *Id.*, at 177. This consequence would entail whether Senator Gravel or Dr. Rodberg were to be subjected to grand jury inquiry with respect to Senator Gravel's actions in making public the Pentagon Papers at a committee hearing.

C. THE MOTION TO QUASH IS NOT PREMATURE, FOR ANY APPEARANCE BY DR. RODBERG WOULD VIOLATE SENATOR GRAVEL'S PRIVILEGE

The Court has asked counsel to brief the issue of what questions might properly be asked Dr. Rodberg by the grand jury. It is our position, as set forth above, that no inquiry may be made about Senator Gravel's disclosure of the Pentagon Papers or about Dr. Rodberg's assistance of the Senator. More fundamentally, however, unless the allegations in Dr. Rodberg's motion are rebutted, the motion to quash the subpoena must be granted. For if the grand jury intends to investigate into the official conduct of a United States Senator and his staff, any action by it in furtherance of that intention is unconstitutional. The Executive branch has asked this Court to invoke its process to compel the grand jury appearance of Dr. Rodberg. We respectfully submit that this Court, before lending its assistance, must determine the purpose and scope of the grand jury proceedings. For, assuming as we must under the present state of the record that the legislative privilege of Article I, Section 6 of the Constitution is in danger of invasion, any order by this Court in aid of the grand jury proceedings may itself work an unconstitutional end.

Further, the legislative privilege of Senator Gravel cannot adequately be protected by waiting until questions are propounded to Dr. Rodberg. Aside from the fact that the questioning itself is barred by the terms of the Speech and Debate Clause, regardless of the outcome of the proceedings, it is important to note that the proceedings themselves are secret. Neither Senator Gravel nor his representatives is entitled to witness the testimony, and the Senator's rights can be assured only by a prior judicial determination of the legal status of the proceedings. This in turn requires counsel for the Department of Justice to state on the record the precise purpose and scope of the grand jury investigation. If the record in this case remains as it is now, the subpoena must be quashed; we respectfully submit that this Court lacks the constitutional power to be a party to the violation of the Speech and Debate Clause.

CONCLUSION

The constitutional questions set forth in Senator Gravel's motion to intervene are of the highest magnitude. The rights asserted in that motion are personal and can best be represented by the Senator. We therefore request that this Court grant the motion to intervene.

Further, it is our view, as argued above, that any inquiry by the grand jury into the official actions of Senator Gravel, or his staff, through the compulsory testimony of his personal assistant, would do irreparable injury to separation of powers in the Government and is condemned by the Speech and Debate Clause. Accordingly, unless counsel for the Justice Department is prepared to show that the grand jury does not intend and will not inquire into these protected activities, we request this Court to quash the subpoena.[6]

Respectfully submitted,

ROBERT J. REINSTEIN,
CHARLES L. FISHMAN,
Attorneys for Senator Gravel.[6]

Certificate of service

I hereby certify that I served this Brief upon counsel for the parties by causing a copy of it to be mailed, postage prepaid, to Doris Peterson and James Reif, 588 Ninth Avenue, New York, New York, 10036, and by causing a copy of it to be hand-delivered to Alice Brady, United States Attorney Office, U.S. Post Office & Court House, Rm. 1107, Boston, Mass.

ROBERT J. REINSTEIN,
Attorney for Senator Gravel.

U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., September 1, 1971.
CHARLES LOUIS FISHMAN,
Washington, D.C.

DEAR MR. FISHMAN: Enclosed please find a copy of the Government's Opposition to your Motion for Intervention in the matter of the appearance of Leonard Rodberg before a Federal Grand Jury and a copy of my letter to Judge Garrity.

PAUL C. VINCENT, *Attorney.*

SEPTEMBER 1, 1971.

Hon. W. ARTHUR GARRITY, JR.,
U.S. District Judge,
U.S. Post Office & Courthouse Building,
Boston, Mass.

DEAR JUDGE GARRITY: Pursuant to your request, I am enclosing a copy of the Government's Opposition to Senator Gravel's Motion for Intervention in the matter of the appearance of Leonard Rodberg before a Federal Grand Jury.

The original has been filed with the Clerk of the Court and a copy mailed to Mr. Fishman, Attorney for Senator Gravel.

Sincerely,

PAUL C. VINCENT, *Attorney.*

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[3] The Manual was prepared by Jefferson when he was President of the Senate during his Vice-Presidency, from 1797 to 1801. It has been adopted by both Houses of Congress as governing except when in conflict with a standing rule. The Manual is also considered in Great Britain as an authoritative statement of Parliamentary procedure for the period in which it was compiled.

[4] Only five cases relate directly to the Speech and Debate Clause or discuss it extensively. They are Powell v. McCormack, 395 U.S. 486 (1969); Dombrowski v. Eastland, 387 U.S. 82 (1967); United States v. Johnson, 383 U.S. 169 (1966); Tenney v. Brandhoven, 341 U.S. 367 (1951); and Kilbourn v. Thompson, 103 U.S. 168 (1881).

Other cases in which the Clause is cited are Marshall v. Gordon, 243 U.S. 521 (1917); Williamson v. United States, 207 U.S. 425 (1908); Burton v. United States, 196 U.S. 283 (1905); United States v. Kirby, 7 Wall. 482 (1868); Prigg v. Pennsylvania, 16 Pet. 619 (1843); Anderson v. Dunn, 6 Wheat. 204 (1821); and United States v. Cooper, 4 Dall. 341 (1800).

[5] II Works of James Wilson 38 (Andrews ed. 1896), quoted in Tenney v. Brandhove, *supra* at 373.

[6] Following Supreme Court practices, we are filing herewith a Motion for Specification and a Motion to Quash the Indictment. Should this Court grant the Motion to Intervene, we ask this Court to then consider these other motions.

*Counsel wish to acknowledge the assistance of Ralph Kates, a third-year student at Temple Law School, in the preparation of this Brief.

[In the U.S. District Court for the District of Massachusetts, Docket No. EBD–71–172–G]

GOVERNMENT'S POINTS AND AUTHORITIES IN OPPOSITION TO MOTION TO INTERVENE

(In the matter of the grand jury investigation (John Doe))

A Grand Jury in this district is engaged in investigating possible violations of 18 U.S.C. 793 (gathering and transmitting national defense information); 18 U.S.C. 641 (theft or conversion of government property); 18 U.S.C 2071 (concealment of public documents) and 18 U.S.C. 371 (conspiracy to commit such offenses) and possible violations of other laws. A witness, Leonard Rodberg, has been subpoenaed to appear before this Grand Jury. Upon receipt of the subpoena Mr. Rodberg filed a motion to quash that subpoena. United States Senator Mike Gravel has filed a motion to intervene in any actions taken by Mr. Rodberg.

In his motion to intervene, Senator Gravel contends that the subpoenaing of Leonard Rodberg to appear and give testimony before a Federal Grand Jury raises serious and substantial constitutional issues because (1) Leonard Rodberg is a personal servant of the Senator; (2) As the Senator's personal servant Leonard Rodberg has performed acts which are now the subject of an inquiry by the Federal Grand Jury; (3) These acts performed by Leonard Rodberg for the Senator were under the Senator's direction and control, and (4) All of the acts performed by Leonard Rodberg upon orders from the Senator are immune from judicial inquiry by virtue of his constitutional privileges and constitutional duties. The Senator further avers that no other party to this cause can adequately represent his interest.

The only provision in Federal law for intervention is contained in Rule 24, Federal Rules of *Civil* Procedure, which provides:

Upon timely application anyone shall be permitted to intervene in an action: (1) when a statute of the United States confers an unconditional right to intervene; or (2) when the applicant claims an interest relating to the property or transaction which is the subject of the action and he is so situated that the disposition of the action may as a practical matter impair or impede his ability to protect that interest, unless the applicant's interest is adequately represented by existing parties.

The Federal Rules of Civil Procedure govern the procedure in United States District Courts *only* in suits of a *civil* nature and are not applicable in criminal proceedings. Rule 1, *F.R.C.P.; United States* v *Burdette*, (D.C Mich 1957), 161 F Supp 326, *affd* 254 F.2d 610, *cert. den.* 359 U.S. 976; *United States* v *Solomon* (D.C. Ill 1944), 3 FRD 411.

It is submitted that Rule 24 is not applicable in this matter and, moreover, there is no basis in law for a person to intervene in a matter such as this which involves a criminal investigation being conducted by a Federal Grand Jury

Even if Rule 24 were to be held applicable in a criminal case, it would have no application here because grand jury proceedings are not adversary in nature, and there is no "law suit" here in which to intervene. The right to intervene presupposes the existence of a pending suit. *Davis* v. *Jury Commission of Montgomery County* (M.D. Ala. 1966), 261 F. Supp. 591.

The motion to intervene is based upon speculation and conjecture. The Grand Jury has broad powers of investigation, and the scope of its investigation cannot be questioned by a witness—much less by one not under subpoena such as this movant. In *Blair* v. *United States*, 250 U.S. 273, the Supreme Court stated,

[The grand jury] is a grand inquest, a body with powers of investigation and inquisition the scope of whose inquiries is not to be limited narrowly by questions of propriety or forecasts of the probable results of the investigation, or by doubts whether any particular individual will be found properly subject to an accusation of crime. As has been said before, the identity of the offender, and the precise nature of the offense, if there be one, normally are developed at the conclusion of the grand jury's labors, not at the beginning.

It is apparent, therefore, that a *witness* cannot control the scope of an investigation by the grand jury. To permit *third parties* to intervene for the purpose of asserting rights with respect to the testimony of subpoenaed witnesses would create chaos in the grand jury system, frustrating the traditionally broad investigatory functions of the grand jury.

At the time the Motion to Intervene was filed with this Court, counsel for Senator Gravel represented that the Motion should be granted since the subpoena served upon the witness Rodberg did not set forth the scope of the grand jury's investigation. It is axiomatic that a witness may be compelled to testify before a grand jury without being apprised, in the subpoena, of the subject matter under inquiry or the names of persons about whom he is to testify. *In Re Meckley*, (D.C.M.D. Penn. 1943), 50 F. Supp. 274; *affd.* 137 F.2d 310; *Cert. den.* 320 U.S. 370.

Even under Rule 24 the intervention of a party as a matter of right presupposes that the intervenor's interests are or may not be adequately represented by existing parties to the litigation. *Sam Fox Publishing Company* v. *United States* (N.Y. 1961), 366 U.S. 683. The movement in this cause contends that the question presented here raises serious and substantial constitutional issues, and that no other party can adequately represent his interest. However, in his motion to quash the subpoena of the grand jury, Leonard Rodberg has contended that his compelled appearance before the grand jury violates Congressional privilege, separation of powers, and the Speech and Debate Clause of the Constitution. Mr. Rodberg expressed the opinion that the matters concerning which he would be questioned will directly relate to and concern the discharge of his responsibilities as a member of Senator Gravel's staff.

Mr. Rodberg also averred that he would show by affidavit the need to insulate from executive and judicial scrutiny the performance of his responsibilities as an aide and agent of a United States Senator, acting at the express direction of the Senator. In order adequately to protect the fulfillment of that Senator's constitutional rights, duties, and responsibilities as a Senator. Moreover, Mr. Rodberg stated his intention to submit the affidavit of Senator Gravel.

It is apparent from the foregoing that the Senator's interests, if any, in this matter can be adequately protected by Mr. Rodberg, who has raised the same constitutional issues noted in the instant motion.

The Government submits that this Motion does not properly lie for all of the foregoing reasons. The Government also submits that the usual and proper method for an individual desirous of protecting his interests before a grand jury is to make an application for his voluntary appearance before that grand jury so that he may present his side of the story and answer any pertinent questions posed by the grand jury.

Wherefore, for all of the foregoing, this motion should be denied.

Respectfully submitted,

PAUL C. VINCENT,
Attorney, Department of Justice.
JON MARPLE,
Attorney, Department of Justice.

CERTIFICATE OF SERVICE

A copy of the foregoing Opposition to Senator Gravel's Motion for Intervention

was mailed, postage paid, this date, the first day of September 1971 to Charles Louis Fishman, Esq. 633 East Capitol Street, Washington, D.C. 20003.

PAUL C. VINCENT,
Attorney, Department of Justice.

[In the U.S. District Court for the District of Massachusetts, Docket No. EBD 71–172]

MOTION FOR SPECIFICATION

(United States of America versus John Doe)

Comes now movant, United States Senator Mike Gravel, and respectfully moves this Court for an Order requiring the Government to specify in detail the purpose, scope and exact nature of the questions to be asked of Dr. Leonard Rodberg by the Federal grand jury. Movant submits that absent such specification, the appearance of Dr. Rodberg before the grand jury will violate movant's Congressional privilege to be immune from judicial inquiry of acts done by him and his personal staff in the discharge of his duties as a United States Senator, said privilege secured to movant by the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause 1.

In support of this Motion, movant states as follows:

1. Dr. Rodberg was served with a subpeona on Tuesday, August 24, 1971, which seeks to compel Dr. Rodberg's appearance before a Federal grand jury sitting in this District, to wit, in Boston, Massachusetts.

2. Dr. Rodberg is a personal servant of movant and assisted movant in the discharge of his duties as a United States Senator, and in so doing has acted under movant's direction and control.

[In the U.S. District Court for the District of Massachusetts, Docket No. EBD 71-172]

MOTION TO QUASH GRAND JURY SUBPENA

(United States of America versus John Doe)

Comes now movant, United States Senator Mike Gravel, and respectfully moves this Court for an order quashing a subpoena served upon Dr. Leonard Rodberg on Tuesday, August 24, 1971, which seeks to compel Dr. Rodberg's appearance before a Federal grand jury sitting in this District, to wit, in Boston, Massachusetts.

Movant submits that the subpoena served upon Dr. Rodberg should be quashed because it violates movant's Congressional privilege to be immune from judicial inquiry of acts done by him and his personal staff in the discharge of his duties as a United States Senator, said privilege secured to movant by the Speech and Debate Clause of the Constitution, Article I, Section 6. Clause 1.

In support of this Motion, movant states as follows:

1. Dr. Rodberg is a personal servant of movant and has assisted movant in the discharge of his duties as a United States Senator, and in so doing has acted under movant's direction and control.

2. In his aforesaid capacity as personal assistant to movant, Dr. Rodberg assisted movant in preparing for disclosure.

[In the United States District Court for the District of Massachusetts, Docket No. EBD 71–172]

United States of America versus John Doe

MOTION FOR SPECIFICATION

Comes now movant, United States Senator Mike Gravel, and respectfully moves this Court for an Order requiring the Government to specify in detail the purpose, scope and exact nature of the questions to be asked of Dr. Leonard Rodberg by the Federal grand jury. Movant submits that absent such specification, the appearance of Dr. Rodberg before the grand jury will violate movant's Congressional privilege to be immune from judicial inquiry of acts done by him and his personal staff in the discharge of his duties as a United States Senator, said privilege secured to movant by the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause 1.

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1. Dr. Rodberg was served with a subpeona on Tuesday, August 24, 1971, which seeks to compel Dr. Rodberg's appearance before a Federal grand jury sitting in this District, to wit, in Boston, Massachusetts.

2. Dr. Rodberg is a personal servant of movant and assisted movant in the discharge of his duties as a United States Senator, and in so doing has acted under movant's direction and control.

3. In his aforesaid capacity as personal assistant to movant, Dr. Rodberg assisted movant in preparing for disclosure and subsequently disclosing to movant's colleagues and constituents, at a hearing of the Senate Subcommittee on Public Buildings and Grounds, the contents of the so-called "Pentagon Papers," which were critical of the Executive's conduct in the field of foreign relations.

4. It is believed that the questions to be asked of Dr. Rodberg by the grand jury will concern the acts of movant and of Dr. Rodberg set forth in paragraphs 2 and 3.

5. All of the said acts performed by movant and by Dr. Rodberg are immune from judicial inquiry by virtue of movant's constitutional privileges and constitutional duties.

Respectfully submitted.

ROBERT J. REINSTEIN,
CHARLES L. FISHMAN,
Attorneys for Senator Gravel.

CERTIFICATE OF SERVICE

I hereby certify that I served this Motion upon counsel for the parties by causing a copy of it to be mailed, postage prepaid, to Doris Peterson and James Reif, 588 Ninth Avenue, New York, New York, 10036, and by causing a copy of it to be hand-delivered to

ROBERT J. REINSTEIN.

[In the U.S. District Court for the District of Massachusetts]

MOTION TO QUASH GRAND JURY SUBPOENA

(United States of America versus John Doe)

Comes now movant, United States Senator Mike Gravel, and respectfully moves this Court for an order quashing a subpoena served upon Dr. Leonard Rodberg on Tuesday, August 24, 1971, which seeks to compel Dr. Rodberg's appearance before a Federal grand jury sitting in this District, to wit, in Boston, Massachusetts.

Movant submits that the subpoena served upon Dr. Rodberg should be quashed because it violates movant's Congressional privilege to be immune from judicial inquiry of acts done by him and his personal staff in the discharge of his duties as a United States Senator, said privilege secured to movant by the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause 1.

In support of this Motion, movant states as follows:

1. Dr. Rodberg is a personal servant of movant and has assisted movant in the discharge of his duties as a United States Senator, and in so doing has acted under movant's direction and control.

2. In his aforesaid capacity as personal assistant to movant, Dr. Rodberg assisted movant in preparing for disclosure and subsequently disclosing to movant's colleagues and constituents at a hearing of the Senate Subcommittee on Public Buildings and Grounds, the contents of the so-called "Pentagon Papers," which were critical of the Executive's conduct in the field of foreign relations.

3. It is believed that the questions to be asked of Dr. Rodberg by the grand jury will concern the acts of movant and of Dr. Rodberg set forth in paragraphs 1 and 2.

4. All of the said acts performed by movant and by Dr. Rodberg are immune from judicial inquiry by virtue of movant's constitutional privileges and constitutional duties.

5. The appearance of Dr. Rodberg before the grand jury would violate movant's constitutional privileges.

Respectfully submitted,

ROBERT J. REINSTEIN,
CHARLES L. FISHMAN,
Attorneys for Senator Gravel.

CERTIFICATE OF SERVICE

I hereby certify that I served this Motion upon counsel for the parties by causing a copy of it to be mailed, postage prepaid, to Doris Peterson and James Reif, 588 Ninth Avenue, New York, New York, 10036, and by causing a copy of it to be hand-delivered to

ROBERT J. REINSTEIN.

[U.S. District Court for the District of Massachusetts, Docket No. EBD 71–172]

(United States of America versus John Doe)

APPLICATION FOR AN ORDER TO SHOW CAUSE AND A STAY OF A GRAND JURY SUBPOENA

Applicant Dr. Leonard S. Rodberg, upon a grand jury subpoena served upon him on the 24th day of August, 1971, the motion to quash said subpoena, the verified affidavits of Dr. Leonard S. Rodberg and of James Reif and exhibits annexed thereto, and all the proceedings heretofore had herein, respectfully moves this Court:

(1) for the issuance of an Order to Show Cause as annexed hereto and;

(2) for a stay of the execution of the specified grand jury subpoena presently returnable on August 27, 1971, until disposition of applicant's motion to quash said subpoena; and

(3) granting such other and further relief as to this Court may seem just and proper in the premises.

Respectfully submitted

DORIS PETERSON,
JAMES REIF,
c/o Center for Constitutional Rights.
NEW YORK, N.Y., *August 27, 1971.*

[U.S. District Court for the District of Massachusetts, docket No. ——]

(United States of America versus John Doe)

ORDER TO SHOW CAUSE

Upon the grand jury subpoena served upon Dr. Leonard S. Rodberg, the motion to quash, the verified affidavits of Leonard S. Rodberg and James Reif and the exhibits annexed thereto and all the proceedings heretofore had herein let the government show cause before this Court at the United States Courthouse, Boston, Massachusetts, in Courtroom ——, at —— o'clock, on the —— day of —, 1971, why an order should not be granted quashing the above specified subpoena on each of the following independent grounds:

1. that a compelled appearance by Leonard S. Rodberg before the secret grand jury proceedings violates congressional privilege, separation of powers and the Speech and Debate Clause,

2. that it abridges movant's rights to freedom of the press, freedom of expression and freedom of association in violation of the First Amendment,

3. that it violates movant's rights under the Fourth Amendment and Title 18 U.S.C. Sections 2510–20 to be free from unconstitutional and illegal electronic surveillance,

4. that in failing to delimit its scope, the subpoena is unreasonable under the Fourth Amendment, a denial of due process under the Fifth Amendment, and a denial of the right to effective counsel under the Sixth Amendment, and

5. that it constitutes an abuse of process; or alternatively, why a protective order should not be entered limiting the questioning of movant before the grand jury to a scope consistent with law.

Be it further ordered that execution of the above specified subpoena be hereby stayed pending disposition of the motion to quash said subpoena.

And be it further ordered that personal service or by certified mail by the —— day of August, 1971, of this Order to Show Cause and the papers above specified upon which it is granted shall be deemed sufficient.

Dated August —, 1971.

[U.S. District Court for the District of Massachusetts, Docket No. ——]

(United States of America v. John Doe)

MOTION TO QUASH GRAND JURY SUBPOENA AND TO STAY GRAND JURY APPEARANCE PENDING DISPOSITION OF THIS MOTION

Dr. Leonard S. Rodberg respectfully moves this Court for an order quashing a subpoena served upon him on Tuesday, August 24, 1971, which seeks to compel his appearance before a federal grand jury sitting in this district, to wit, in Boston, Massachusetts, on Friday, August 27, 1971 at 10:00 a.m. Alternatively, Dr. Rodberg moves for the entry of a protective order limiting the questioning of movant before the grand jury to a scope consistent with law. Further, Dr. Rodberg respectfully requests that his subpoena be adjourned and his appearance before the grand jury be stayed pending disposition of this motion and that he be permitted time in which to prepare and submit to this Court substantial affidavits and other documentary material in support of this motion.

Movant submits that this subpoena should be quashed upon, *inter alia*, each of the following independent grounds:

a. That it violates Congressional privilege, separation of powers and the Speech and Debate Clause;

b. That it abridges movant's rights to freedom of the press, freedom of expression and freedom of association in violation of the First Amendment.

In support of paragraphs (a) and (b), movant alleges as follows:

1. On June 29, 1971 Mike Gravel, United States Senator from the State of Alaska, in the course of a meeting of the Senate Subcommittee on Public Buildings and Grounds read publicly a portion of the so-called "Pentagon Papers," and inserted the rest of the papers in his possession into the record of the subcommittee.

2. Immediately after that reading and at the express direction of Senator Gravel, aides and assistants to the Senator distributed to members of the press and others copies of the papers from which Senator Gravel had read.

3. On the night of June 29, 1971, movant was and continues to be, down to the present date, a member of Senator Gravel's staff.

4. On Wednesday, August 18, 1971, it was reported and alleged in the Washington Post that Senator Gravel had turned over copies of the "Pentagon Papers" to a Boston, Massachusetts, publisher for publication as a book. It was further alleged that movant here had arranged on Senator Gravel's behalf the transfer and publication of these papers. It was further alleged that movant here had made previous unsuccessful efforts to arrange publication of the papers in Senator Gravel's possession. See *Washington Post* article attached hereto as Exhibit "A."

5. On Tuesday, August 24, 1971, it was reported and alleged in an article in "Boston After Dark," a weekly newspaper, that, after several earlier unsuccessful attempts, movant had, at Senator Gravel's behest, arranged the publication of the papers in Senator Gravel's possession. See the article attached hereto as Exhibit "B."

6. On the evening of that same day, Tuesday, August 24, movant was served at his home in Silver Spring, Maryland, by an agent of the Federal Bureau of Investigation with the instant subpoena which seeks to compel his appearance on Friday, August 27 at 10:00 a.m. before a federal grand jury here in Boston. See subpoena attached hereto as Exhibit "C."

7. It is believed (as shown in the affidavit attached hereto) that the questions to be asked of movant before the grand jury will concern the June 29 meeting of the Subcommittee on Public Buildings and Grounds and the distribution of papers that occurred immediately thereafter.

8. It is further believed that the questions to be asked of movant before the grand jury will concern the allegation made in the newspaper articles attached hereto as Exhibits "A" and "B" that he has been involved in an effort to publish as a book the documents in Senator Gravel's possession.

9. Movant believes that an appearance for the purpose of questioning him regarding these matters raises substantial and fundamental issues concerning the scope of Congressional privilege and of the Speech and Debate Clause, and the distribution of governmental authority among the separate and distinct branches of government.

10. Movant further believes that such questions raise important and delicate issues regarding First Amendment freedoms, particularly freedom of the press, freedom of expression and freedom of association.

11. Movant therefore sought to retain legal counsel in connection with his appearance before the grand jury.

12. Informed late Wednesday, August 25, that Doris Peterson and James Reif were attorneys who had had experience in representing citizens subpoenaed to appear before grand juries, movant contacted them by telephone that same afternoon at their law offices in New York City and arranged to meet with them in person the following morning, Thursday, August 26.

13. Movant met with the aforementioned attorneys on Thursday, August 26. This was the first time they had ever met.

14. After some discussion it became apparent that time would be needed in order properly to protect Dr. Rodberg's rights and, in particular, to prepare and obtain affidavits in support of the claims enunciated above.

15. Therefore James Reif, one of Dr. Rodberg's attorneys, called Paul Vincent, United States Attorney, on Thursday, August 26 seeking a voluntary adjournment of movant's subpoena until movant and his attorneys had had sufficient time to prepare a memorandum of law and affidavits in support of Dr. Rodberg's position.

16. Mr. Vincent declined to adjourn the subpoena. He was thereupon informed of Dr. Rodberg's intention to seek a stay from this Court.

17. The affidavits and documentary material which movant seeks time to prepare, will show that the matters concerning which he would be questioned will directly relate to and concern the discharge of his responsibilities as staff member of the Honorable Mike Gravel, United States Senator from Alaska.

18. Movant would show by affidavit the need to insulate from executive and judicial scrutiny the performance of his responsibilities as an aide and agent of a United States Senator, acting at the express direction of that Senator, in order adequately to protect the fulfillment of the Senator's constitutional rights, duties and responsibilities as a Senator.

In connection with the showing described in this paragraph and paragraph 17, movant intends to submit the affidavit of Senator Mike Gravel, who will describe in detail the responsibilities of his office and his relationship with movant. Senator Gravel is presently in his home state of Alaska and his affidavit is therefore presently unobtainable.

19. The affidavits will further show that Dr. Rodberg's appearance before the grand jury will constitute great and immediate irreparable injury to the First Amendment rights of movant and of others. In particular, movant would show that his appearance would exert a chilling effect and constitute a prior restraint upon the public distribution and publication of the papers in the possession of Senator Gravel and other alleged copies of the Pentagon Papers. The appearance would also chill and inhibit the future discussion and distribution in the press and elsewhere of any facts which may reflect unfavorably on past or present national administrations, facts of which every American citizen must have knowledge if he or she is to fulfill his or her responsibilities as an informed and intelligent participant as a voter and citizen in a democratic society.

21. Movant would further show by affidavits that compelling the appearance of a citizen before a grand jury for the express purpose of testifying about the distribution and publication of materials whose distribution and publication may not, consistent with the First Amendment, be suppressed, *New York Times* v. *United States*, 91 S.Ct. 2140 (1971), would deter the future distribution and publication of the same or other similar materials by deterring persons with access to such materials from supplying them to the press, thus drying up press sources of information about matters of great public importance.

Movant submits that in consideration of the aforegoing he should be excused from appearance before the grand jury or, alternatively, that this Court enter a protective order limiting the permissible scope of interrogation, unless and until the government demonstrates a compelling justification for movant's appearance and testimony. Specifically, movant submits that the government, to meet its burden must show (i) reasonable grounds to believe that Dr. Rodberg has information (ii) relevant to a specific and specified incident the grand jury has grounds for investigating as a possible violation within its jurisdiction of designated statutes, and (iii) that the government has no alternative sources for the same or equivalent information whose use would not entail an equal degree of incursion upon First Amendment rights. Movant further alleges that his subpoena should be quashed on the grounds:

c. That it violates movant's right under the Fourth Amendment and Title 18 U.S.C. Sections 2510–20 to be free from unconstitutional and illegal electronic surveillance; specifically, that the subpoena itself as well as the questions to be propounded to movant are the direct or indirect product of unlawful electronic surveillance of or directed at movant or of premises the surveillance of which movant has standing to object to.

In connection with this issues, movant requests a hearing pursuant to *Alderman* v. *United States*, 394 U.S. 165 (1969) and 18 U.S.C. § 3504, wherein the government must affirm or deny the existence of such surveillance and wherein, if the government represents that no such surveillance has occurred, movant may examine the accuracy and adequacy of that representation.

d. That in failing to delimit its scope, the subpoena is unreasonable under the Fourth Amendment; a denial of due process under the Fifth Amendment; and a denial of the right to the effective assistance of counsel under the Sixth Amendment; and

e. That it constitutes an abuse of process.

Respectfully submitted.

DORIS PETERSON,
JAMES REIF,
c/o Center for Constitutional Rights.

[From the Washington Post, Aug. 18, 1971]

SENATOR GRAVEL TO PUBLISH WAR PAPERS

(By Ken W. Clawson)

Mike Gravel, the Alaska senator who stunned his colleagues with a midnight reading of portions of the secret Pentagon study of the Vietnam war, has turned over the documents to a Boston publisher for compilation into a book.

Beacon Press and Gravel said yesterday the four-volume book would be released in late October in paperback and hard cover editions. New disclosures will be contained in the volumes, they said.

The book will be titled, "The Senator Gravel Edition of the Pentagon Papers: The Defense Department History of Decision Making on Vietnam."

Beacon Press officials said the initial printing would range between 10,000 and 15,000 in paperback and fewer than 5,000 in hard cover.

A Justice Department spokesman said the Beacon announcement is being studied "to determine what, if any, action will be taken." He pointed out that Attorney General John N. Mitchell has said that "no avenue of criminal prosecution has been ruled out in connection with theft and unauthorized disclosure of the classified papers.

Beacon agreed to publish Gravel's copies of the documents after negotiations with Dr. Leonard S. Rodberg, a former University of Maryland physicist who is now a fellow at the Institute for Policy Studies here. Five other publishers turned Rodberg down.

Gravel, in a speech yesterday before the Commonwealth Club in San Francisco, said the controversial papers "deserve the widest possible dissemination." He said that was his reason for shocking the Senate on June 29 by alternately reciting and weeping as he read parts of the documents and placed about 4,000 pages into the record of his public works subcommittee. That record has never been published.

"Every American is entitled to the opportunity of examining and digesting for himself the lessons they contain as a means for ensuring that never again will this great nation be duped into waging a war under false pretenses," Gravel said.

Beacon officials said in Boston the edition would contain 14 times as much of the voluminous papers as has been published in the nation's newspapers or in the Bantam-New York Times book, "The Pentagon Papers," issued in July.

The book will contain 95 per cent of the Pentagon task force narrative on the history of U.S. involvement in Vietnam, Beacon officials said.

Beacon is a nonprofit publishing firm associated with the Unitarian-Universalist Association.

Beacon officials criticized the American press for losing interest in the study after the Supreme Court upheld the right of the New York Times and The Washington Post to publish the classified material. Daniel Ellsberg, who worked on the study in the Pentagon, is awaiting trial in Los Angeles after he admitted disseminating the material to the press as an act of conscience.

Beacon officials said they did not anticipate legal repercussions, because they were printing—with the exception of a foreword by Sen. Gravel—only those documents that the Alaska senator had placed in the subcommittee record.

That record has not been published because Chairman Jennings Randolph (D-W. Va.) reportedly was so furious with Gravel for calling the unauthorized, nongermane subcommittee meeting that he refused to authorize payment of a stenographer or a public record.

Before Beacon agreed about 10 days ago to publish the papers, at least five New York publishing houses and the MIT Press in Cambridge, Mass., turned them down, according to Rodberg.

Rodberg said yesterday the New York publishing house of Simon and Shuster was prepared to publish the documents supplied by Gravel—by an as yet unidentified source—until the Bantam book went on the market in July. He said four other major houses turned down the material, also on grounds that it was a losing commercial venture.

A Beacon spokesman said yesterday the Gravel book is the biggest venture in the history of the small publishing firm. More than $100,000 is required to bring out the book by October, the spokesman said.

The documents and narrative will be published verbatim in contrast to the Bantam book, which also contained New York Times news stories about the documents.

Gravel will receive no royalties. The Times paid contributors to the Bantam book a flat fee for their work in addition to their salaries as editors, reporters, and aides.

The Pentagon Papers was jointly published by Bantam Books and Quadrange Books, a subsidiary of the New York Times. Profits go to the two firms.

Rodberg's involvement with Sen. Gravel stems from the Alaska Senator's June 29 reading, although the physicist's antiwar activities have been increasingly visible.

During the 1969 Senate controversy over the anti-ballistic missile system, Rodberg was one of the authors of a study for Sen. Edward M. Kennedy (D-Mass.) that concluded the ABM would not work and would appear to Russia as an escalation of the arms race.

Rodberg was a member of the executive committee of the Federation of American Scientists in 1967 when the group declared in a policy statement that no university should accept grants that require research findings to be kept secret. Last April, Rodberg edited a book, "The Pentagon Watchers," which explored military propaganda and secrecy.

[From Boston After Dark, Aug. 24, 1971]

WHY MIT AND HARVARD SUPPRESSED THE PENTAGON PAPERS

(By Bo Burlingham)

On the cluttered desk of Howard R. Webber, the director of the MIT Press, sits a double pen holder inscribed with the words "Publish and be damned." Next to it is a sealed box decorated with an intricate, celestial pattern of suns and moons and stars. Beneath the design appears the phrase, "Exorcise the Pentagon."

These sentiments notwithstanding, the MIT Press declined last month to publish the Pentagon Papers out of a fear that the Nixon Administration might retaliate with legal action against the Press and the university of which it is a subdivision.

It had impressive company in its decision. Although several copies of the top secret study are floating around Congress and the New York *Times* has one from which it prepared its articles, no one seemed willing to make it available to the public, until Sen. Mike Gravel of Alaska and the Beacon Press ironed out a publishing agreement at the end of July. Last Tuesday, in simultaneous statements, they announced the publication of a four volume, 2.5 million word, 3000 page Senator Gravel Edition of the Pentagon Papers, to be available in bookstores by late October.

Knowledgeable sources indicated that the Gravel edition will include all of the original study except the section dealing with diplomacy. Dr. Daniel Ellsberg has said that he gave the diplomatic documents only to Sen. William Fulbright, Chairman of the Senate Foreign Relations Committee, because he feared that publicity would compromise secret channels which might prove important in a serious search for peace.

Now the common wisdom has it that the publication of the "complete" Pentagon Papers comes as no surprise. Yet prior to the Beacon decision, at least six other publishing houses—including the MIT and Harvard University Presses—passed up the opportunity to publish them. It is in fact one of the ironies of the Pentagon Papers episode that, except for the efforts of Sen. Gravel and the Boston Press, the study might have remained unavailable to the public for an indefinite period of time.

Gravel took it upon himself to put the Papers into the public domain shortly after a set came into his possession on July 24. "The Senator believed that the public had a right to the Pentagon Papers," an aide said later. "The executive branch was trying to keep them under wraps, and it was unclear at the time which way the courts would decide. He was determined to get them out by hook or by crook."

Failing in his attempt to introduce the document into the Congressional Record, he called a meeting of his Subcommittee of Public Buildings and Grounds on June 29, at which he read extensively from the study. He placed the entire work on file with the subcommittee and let it be known that reporters could have copies for the asking. The next day, several journalists took him up on his offer. At least one newspaper, the St. Louis *Post-Dispatch*, subsequently ran articles based on the Gravel papers.

Meanwhile, a former physicist at the University of Maryland, now a fellow of the Institute for Policy Studies in Washington, had become involved in Gravel's project. Informed of the Senator's intention to release the Pentagon Papers to the public, Dr. Leonard S. Rodberg attended the July 29 subcommittee meeting as a sort of chronicler of the events. The following Tuesday, July 6, he returned to Capitol Hill to gather background material for an article, at which time he discussed with Gravel the possibility of publishing the entire study. The Senator liked Rodberg and recruited him as his publishing agent.

With Gravel's approval, Rodberg approached a friend of his, well known in left intellectual circles for his ability to get controversial works into print. The friend contacted Simon and Shuster, which expressed an interest in the idea. On Thursday, July 8, Gravel, Rodberg, and a lawyer flew to New York to confer with Bernard Shur-Cliff, the executive editor in charge of the Pocketbooks Division.

They discussed the project well into the night. Gravel insisted, first, that the book appear soon; second, that it be relatively inexpensive; and third, that it be widely distributed. Shur-Cliff considered these terms acceptable and spoke of publishing a mammoth paperback containing the entire narrative, but not the documents (the official memoranda, letters, telegrams, reports, etc., included as an appendix in the original study). The book would be ready in three weeks, and the first edition would run between 100,000 and 200,000 copies. It would sell for $3.95.

On Friday morning, Gravel spoke with the President of the publishing house, Leon Shimkin, and then left for Alaska. Rodberg and the others stayed behind to confer with Simon and Shuster's lawyer (a retired general) and the production personnel.

Later that same day, Bantam Books put on sale a collection of New York *Times* articles, under the title, *The Pentagon Papers*.

On Friday evening, the network newscasts included reports about Bantam's first day on the market, complete with films of the lines of customers who purchased the entire stock at the bookshop in the Pentagon. The executives of Simon and Shuster watched the national news coverage and received their own reports as well. The Bantam edition, they decided, had cornered the market for Pentagon Papers. "We estimated," Shur-Cliff said later, "that Bantam would sell a million copies of its paperback within four or five days. That meant that the Gravel project was no longer commercially feasible for us." At midnight, he telephoned Rodberg to call off the deal.

On Monday, July 19, Rodberg telephoned Arnold Tovell, the editor-in-chief of the Beacon Press, to outline for him Gravel's proposal. Tovell listened and asked him to call back on Tuesday. He then conferred with officials of Beacon and its parent organization, the Unitarian Universalist Association. The next day, he informed Rodberg that Beacon was "very interested" and invited him to come to Boston with the documents. Rodberg flew here on Wednesday to work out an arrangement with Beacon.

Beacon is a relatively small publishing house and could not make an offer comparable to that of Simon and Shuster. It would take the firm two to three months to have its edition in the bookstores; the complete, four volume, paperback work would sell for $20; and the first edition would number not more than 25,000 sets (100,000 books).

Even such an arrangement would strain Beacon's resources to the limits. While it has not given a precise estimate of the cost of producing the *Gravel Edition*, Goban Stair, director of the publishing house, has put the figure at "well in excess of $100,000" and admits, "Frankly, I very much wish somebody else were publishing this." As a non-profit, public-interest corporation, commercial considerations play a secondary role in Beacon's publishing decisions. The publication of the Pentagon Papers, its officials point out, will at least delay the appearance of other works they consider important.

And so when Rodberg left the Beacon offices on Thursday, he was still looking for a publisher for the Pentagon Papers. He had learned that the MIT Press might be interested and, from Logan Airport, he tried to reach its director, Howard Webber. On Friday, July 23, he contacted Webber on vacation in New Hampshire.

Gravel's offer came as a surprise to Webber, but not a shock. By coincidence, members of the faculty board which oversees the operation of the Press had discussed the possibility of publishing the Pentagon Papers at their last meeting in June. Webber described the conversation as "speculative" and "casual," but it was serious enough to lead him to believe that they might well accept Gravel's proposal.

He invited Rodberg to visit him in New Hampshire and to bring along the Papers. Rodberg obliged, and the two spent most of Friday discussing the project.

According to Rodberg, Webber seemed to have little doubt that the MIT Press would publish the study. It was capable of doing the job quickly (in three or four weeks) and distributing the work widely. Moreover, before Rodberg left, Webber telephoned several members of the faculty board, the legal counsel for the Press and the Institute, and Provost Walter Rosenblith—the highest ranking administration official in the absence of MIT President Jerome Wiesner—and received encouragement in the project. Every board member he reached expressed keen interest, though they did advise further consideration.

Rodberg left for Washington on Friday evening believing that the MIT Press would publish the Gravel edition of the Pentagon Papers. It was left that he would discuss the arrangements with Gravel and telephone Webber on Saturday about the Senator's response. The following Wednesday, Charles Fishman, the director of a Washington peace group named War No More, would travel to Boston to handle the final arrangements with the Press. Royalties, it was agreed, would go to War No More.

But Rodberg did not reckon with the administration of MIT or the strength of the Institute's ties to the government, nor did he take into account the fickleness of the faculty board members.

On Monday, July 26, four of the eight members of the board held an extraordinary meeting with Rosenblith, the Institute's lawyer, and Webber in the Provost's office. For two hours, they discussed the project, at the end of which they decided that the MIT Press would not publish the Pentagon Papers—notwithstanding the fact that it met all of their normal criteria for publication.

The difference in this case was the legal factor. After listening to the advice of counsel, the board members concluded that publication of the Pentagon Papers would violate the Espionage Act of 1917, under which Daniel Ellsberg has been indicted. They considered it a good possibility, moreover, that the Nixon administration would decide to prosecute MIT. If the MIT Press knowingly broke the law, so the reasoning went, it would be performing a political act, and that would run counter to Institute policy, i.e., that the university should not take political stands and should not engage in any activity which a significant minority of the university community finds objectionable.

In addition, Rosenblith argued that the publication of the Pentagon Papers by the MIT Press would tend to link MIT and Ellsberg in the public mind. Ellaberg, he said, has been careful to avoid associating MIT with his actions, and the Institute preferred that the separation be scrupulously maintained.

No one, it seems, raised the issue of freedom of the press, nor was the independence of the university thought to be a relevant question. Most important, the board members apparently accepted the lawyer's analysis as the accurate opinion of a competent technician, and did not suggest that another point of view be sought out—say, that of a constitutional rather than a corporation lawyer.

By the end of the meeting, only Webber remained unconvinced. On Tuesday morning, he informed Rodberg of the board's decision.

The latter received the news with dismay. That afternoon he returned to Boston to work out the final arrangements with Beacon. First, however, he had a friend approach the Harvard University Press with the offer of the Pentagon Papers. Director Mark Carroll rejected it out of hand.

Curiously, the legal question played no significant role in Beacon's consideration of the project, nor did it appear to have much influence on the decisions of the New York publishing houses. "They (Gravel's aides) went over the legal implications in some detail with our house lawyer," said executive editor Shur-Cliff of Simon and Shuster, "and we all pretty much agreed that this would present no particular obstacle."

In fact, only with MIT did the possible violation of the Espionage Act become a major factor in the decision not to publish. Skeptics say that it provided a convenient loophole through which the Institute escaped a situation which might have compromised its standing with the Pentagon. They note that MIT holds more Defense Department contracts than any other university in the country.

It is, indeed, remarkable that no one at the meeting challenged the view that publication of the documents would constitute a clear violation of the law. "Anyone who says that," commented one Harvard Law School professor known for his work in constitutional law, "is either very ill-informed or a charlatan, pure and simple."

Said Rodberg, an MIT alumnus, "It's obvious that no one considered the publication of the Pentagon Papers very important. If they had, they would have looked for other advice. . . . But even if you accept their reasoning, you see they had a double allegiance. In the end the members of the board decided that their loyalty to a MIT as it now exists was stronger than their loyalty to a free press, which they are supposedly custodians of."

Some of those present at the special meeting on July 26 point out in self-defense that the board members knew of Beacon's willingness to publish the Papers, "so it wasn't as if we were keeping them from the public."

However, this view was not shared by all members of the board. As one of them, Prof. Ernest Rabinowicz, observed, "If you see a man drowning, you don't count on the next person to save him. You decide either to save him or to let him drown."

In this case, evidently, Rabinowicz and his colleagues decided to let him down.

[U.S. District Court for the District of Massachusetts, Docket No. —]

UNITED STATES OF AMERICA VERSUS JOHN DOE

Leonard S. Rodberg, being duly sworn, deposes and says:

1. I am thirty-eight years old and have a Ph.D. in physics. I am married, have four children and live in Silver Spring, Maryland.

2. I am presently and have been since June 29, 1971, a member of the staff of Mike Gravel, United States Senator from the State of Alaska. I am also a Fellow at the Institute for Policy Studies in Washington, D.C.

3. Upon information and belief, the purpose of compelling my appearance before the grand jury is to ask questions of me directly relating to the discharge of my responsibilities as an aide to and agent of Senator Gravel.

4. The subpoena to appear before the grand jury on August 27, 1971, at 10:00 a.m. in Boston, Massachusetts, was served upon me without prior notice on Tuesday evening, August 24, 1971, by an agent of the Federal Bureau of Investigation in Maryland.

5. Due to prior professional commitments, attorneys who I had anticipated would be able to represent me proved unable to do so. After some investigation I learned that James Reif and Doris Peterson were attorneys experienced with respect to grand jury proceedings. I contacted them at their office on Wednesday, August 25, 1971, and arranged to meet and did thereafter meet with Mr. Reif and Ms. Peterson on Thursday morning, August 26.

6. Said meeting was the first occasion that I met with either Mr. Reif or Ms. Peterson.

7. Having had no prior notice of my subpoena and having had only one day in which to consult with counsel, I have not had an opportunity to gather affidavits and other material which I believe will support my claim that I should not be required to appear before the grand jury, or that in the alternative a protective order should be entered limiting the scope of the questions that can be asked of me.

8. In particular, I would like to obtain the affidavit of Senator Gravel who, I have been informed, is presently in his home state of Alaska.

9. Further, I would like to obtain affidavits if possible of reporters and publishers relative to the general practice with regard to their sources of information and the reasons for that practice. They would also include affidavits by other persons in the academic community relative to the circulation of documents generally therein. These would be for the purpose of demonstrating the importance of the First Amendment rights which are involved.

10. Upon information and belief, I have been the subject of unlawful electronic surveillance, which surveillance has resulted in the issuance of the subpoena commanding my appearance before the instant grand jury and has tainted the questions to be asked of me therein.

LEONARD S. RODBERG, Ph.D.

[U.S. District Court for the District of Massachusetts, Docket No. —]

UNITED STATES OF AMERICA VERSUS JOHN DOE

James Reif, being duly sworn, deposes and says:

1. I am an attorney-at-law duly licensed as such in the State of New York. I make this affidavit in support of the relief prayed for in the attached motion.

2. On Wednesday afternoon, August 25, 1971, I received a telephone call from Dr.

Leonard S. Rodberg in Maryland, asking that Doris Peterson and I consult with him in connection with a subpoena that had been served on him the previous evening, August 24, 1971, compelling his appearance before a grand jury in Boston, Massachusetts, at 10:00 a.m. on Friday, August 27, 1971.

3. I arranged for Dr. Rodberg to meet with Mrs. Peterson and myself at our office the following morning in New York.

4. On Thursday, August 26, 1971, Dr. Rodberg met with Mrs. Peterson and me at our office. This was the first time either Mrs. Peterson or I had met Dr. Rodberg.

5. After some discussion, we decided that to protect fully Dr. Rodberg's rights, it would be necessary to prepare and obtain affidavits in support of the claims enunciated in the moving papers to which this affidavit is annexed, as well as to prepare a memorandum of law.

6. Therefore I called Paul Vincent, United States Attorney, that same day, Thursday, August 26, 1971, seeking a voluntary adjournment of movant's subpoena until movant and his attorneys had had sufficient time to prepare a memorandum of law and affidavits in support of Dr. Rodberg's position.

7. Mr. Vincent declined to adjourn the subpoena. I thereupon informed him of Dr. Rodberg's intention to seek a stay from this Court.

8. Upon information and belief, the grand jury before which Dr. Rodberg has been subpoenaed is the grand jury which has received widespread notoriety for its investigation of the "Pentagon Papers."

9. Upon information and belief the questions to be asked of Dr. Rodberg before the grand jury will concern the June 29, 1971, meeting of the Senate Subcommittee on Public Buildings and Grounds at which, upon information and belief, Senator Mike Gravel read and put into the record of the Subcommittee part of the Pentagon Papers and through aides, distributed them immediately thereafter.

10. Upon information and belief, the questions to be asked of Dr. Rodberg before the grand jury will concern also the allegation made in the newspaper articles attached hereto as Exhibits "A" and "B" that he has been involved in an effort to publish as a book the documents in Senator Gravel's possession.

11. As an attorney I believe that Dr. Rodberg's interests will be best served if affidavits supporting the attached motion to quash are submitted with it. Due to the shortness of time, however, it has not been possible to prepare or obtain these affidavits upon which Dr. Rodberg's claims will necessarily turn.

JAMES REID.

CERTIFICATE OF SERVICE

This is to certify that a copy of the aforegoing Motion to Quash and papers submitted in support thereof was served upon Paul Vincent, United States Attorney, Department of Justice, by hand deliver, this 27th day of August, 1971.

[In the U.S. District Court for the District of Massachusetts, EBD 71-172]

BRIEF OF INTERVENER, SENATOR MIKE GRAVEL, IN SUPPORT OF MOTION TO QUASH SUBPOENA

(MIKE GRAVEL, U.S. Senator, intervener versus United States of America in the matter of Leonard S. Rodberg, United States of America versus John Doe)

In our brief of support of Motion To Intervene, filed September 1, 1971, we set forth in detail our reasons for concluding that the appearance of Dr. Rodberg before the federal grand jury under the present record in this proceeding will violate Senator Gravel's privilege to be immune from any judicial inquiry of acts done by him and his personal staff in the course of his duties as a United States Senator this privilege being secured to Senator Gravel by the Speech and Debate Clause of the Constitution. In order to avoid undue repetition, we incorporate those basic arguments by reference and limit this brief to a supplementation of some of the points previously made.

(1) We observed in our previous brief (page 10) that the Executive branch itself has asserted, contrary to the position taken in this proceeding, that an official's privilege to be free from question by a coordinate branch of government extends in full force to his staff assistants. In addition to insulating staff assistants from questioning in Congress, the Executive has invoked the privilege to suppress from Congressional inquiry planning reports prepared by staff assistants which involve important aspects of foreign relations. (See the *Boston Globe*, September 1, 1971, page 8 attached hereto as Exhibit A.) It ill befits the Executive to now contend that a similar privilege does not attached to Members of Congress and to their assistants.

Research has also revealed that the Executive has in fact successfully litigated in court the proposition that subordinate officials and staff assistants are also privileged for acts done in the discharge of their duties.

In *Barr v. Matteo*, 360 U.S. 564 (1959), a subordinate official in the Executive department was sued for libel after maliciously issuing a press release which challenged the integrity of two critics and referred their names to Senator Joseph McCarthy. Barr's only defense was that this communication was absolutely privileged from judicial inquiry.[1] The Supreme Court agreed. After noting that the court has created rules of absolute privilege to immunize judges and their staffs and Executive officers of Cabinet rank, in a matter paralleling the Constitutional privilege of Members of Congress, *id* 569–70, and observing that the reason for each privilege was that adverse court action would otherwise "inhibit the fearless, vigorous, and effective adminstration of policies of government" and "dampen the ardor of all but the most resolute, or the most irresponsible, in the unflinching discharge of their duties," *id* 571, the court held that these considerations dictate its application to subordinate officials.

"The privilege is not a badge or emolument of exalted office but an expression of policy designed to aid in the effective function of government. The complexities and magnitude of governmental action have become so great that there must of necessity be a delegation and redelegation of authority as to many functions, and we cannot say that these functions become less important simply because they are exercised by officers of lower rank in the Executive hierarchy." Id, 572–73. (Footnote omitted.)

Even closer to the factual setting of this proceeding is the companion case to Barr, *Howard v. Lyons*, 360 U.S. 563 (1959). That case was a libel suit against a Captain in the Navy for preparing a memorandum to his immediate superior and sending a copy to Members of Congress, concerning conditions in the Boston Naval Shipyard. Following the principles enunciated in Barr, the Supreme Court held Captain Howard to be immune from suit.

The Barr and Howard decisions therefore lend additional support to the thesis that official privilege, to be viable cannot be cabined in an arbitrary manner to the exclusion of staff assistants. It seems indisputable that were Dr. Rodberg a member of the staff of a judge or Executive official he would be entitled to absolute privilege for the conduct of his duties under official roles. Since the source of the privilege herein asserted is a provision of the Constitution which "itself gives an absolute privilege to Members of both Houses of Congress in respect to any speech, debate, vote, report, or action done in Session," *Barr v. Matteo*, *supra* 569, the scope of the Congressional privilege surely must be given at least as much respect.

(2) Perhaps in no other area of Constitutional law is Mr. Justice Holmes' admonition so valid that a "page of history is worth a volume of logic." *New York Trust Company v. Eisner*, 256 U.S. 345, 349 (1921). Behind the "simple phrases" of the Speech and Debate Clause "lies a history of conflict between the Commons and the Tudor and Stuart monarchs during which successive monarchs utilized the criminal and civil law to suppress and intimidate critical legislators. *United States v. Johnson*, 383 U.S. 169, 178 (1966). The Supreme Court has reminded us that in considering the application of the Speech and Debate Clause to criminal prosecutions we must "look particularly to the prophylactic purposes of the clause," molded by "the long struggle for Parliamentary privilege in England," *id* 182. Courts must therefore construe the clause bearing in mind the fact, imprinted in our Constitutional heritage, that "there is little doubt that the instigation of criminal charges against critical or disfavored legislators by the Executive in a judicial forum . . . in England and in the context of the American system of separation of powers, is the predominate thrust of the Speech and Debate Clause." *Ibid.*

It is against these contours that the instant proceedings must be judged—striking against the "taproots" of legislative privilege and the "presupposition of our political history." *Tenny v. Brandhove*, 341 U.S. 367, 372 (1951). For, under the undisputed facts of this proceeding, the Executive branch has determined to turn the clock back for our Constitutional history. The institution of criminal proceedings in retaliation for a speech of a United States Senator critical of Executive conduct of foreign policy is a recreation of the seditious libel prosecutions which are the historical root of the clause. When Charles I was at first criticized and eventually denied funding from Parliament to continue fighting a needless and bloody war overseas, he struck back at his critics by prosecuting Sir John Elliot and others for "seditious" speeches in Parliament. 3 *How. St. Tr.* 294, 332. The result was the greatest Constitutional crisis in English history, until, in 1668, "after a long and bitter struggle, Parliament finally laid to rest the ghost of Charles I." *Tenny v. Brandhove*, *supra*, 372.[2]

Even if history were not so clear in condemning retaliation by the Executive against Senator Gravel for exposing and criticizing a disastrous chapter in American foreign policy, the subpena would still be void, for it "threatens those consequences which the Framers so deeply feared." *Cf. School District v. Shempt*, 374 U.S. 203, 230, 236 (1963). (Mr. Justice Brennan concurring). Invoking the grand jury in such a retaliatory manner jeopardizes separation of powers in the government in three ways:

(A) It deprives the people of adequate representation in Congress. No Member of Congress who fears retaliation against himself or his staff can represent his constituents in the manner intended by the Framers. Such action by the Executive would, to borrow from the language of *Barr v. Matteo*, *supra* 571, "dampen the ardor of all but the most resolute, or the most irresponsible, in the unflinching discharge of . . . duties."

(B) It violates the freedom of speech indispensable to representative government. The people have the right to be informed by their representatives of the complete workings of the government so that they can meaningfully exercise their franchise. "The people, not the government, possess the absolute sovereignty." See *New York Times v.*

[1] Barr was represented by an attorney from the Department of Justice.

[2] At the opening of every new Parliament since the Great Revolution, the Speaker of the House of Commons has demanded of the King an oath of fidelity to the privilege. (I *Blackstone's Commentaries* * 164–65.)

Sullivan, 376 U.S. 254 (1964). One branch of government does not possess the power to censor another and prevent or deter it from communicating with the people. For the consequence would be censoring the public's right to know. As Madison said, "If we avert to the nature of Republican Government, we shall find that the censorial power is in the people over the Government and not in the Government over the people." 4 *Annals of Congress* 934 (1794).

(C) It is an illegitimate intrusion by the Executive into the Senate's perogatives in foreign affairs and in the conduct of war. With the history of war dictated by the Crown against the wishes of Parliament fresh in their minds, the framers of the Constitution vested the war-making and appropriation powers in Congress. Article I, Section 8, Clause 11–14. As a further insurance of the separation of powers in the foreign relations sphere, the Senate was given the Advise and Consent power on treaties. Article II, Section 2, Clause 2.

In his speech on the Vietnam war and disclosure of the Pentagon papers, Senator Gravel's actions fit into the past and continuing deliberations in the Senate on how its powers should be used to terminate the conflict in Indochina. This debate implicates all of the Constitutional powers and duties of the Senate over foreign affairs. It is a flagrant violation of separation of powers for the Executive to retaliate against critical Senators so as to affect the outcome of deliberations of a coordinate branch of government.

Furthermore, in discharging its obligations over foreign relations, the Senate has the right to obtain and use all relevant information. As the Supreme Court says in *Watkins v. United States*, 354 U.S. 178 (1957):

(Citation omitted.)

To put the matter simply the Executive does not possess the Constitutional power to tell the Senate what it may or may not read.

(3) In our previous brief we pointed out the essential differences between a staff assistant and someone such as the Sergeant at Arms, so that Congressional immunity extends to the former but not to the latter. The arguments set forth herein further highlight those differences. The purposes behind the Constitutional privilege—insuring fearless representation or an unfettered communication to constituents, preventing retaliation by a hostile Executive, and preserving other values in our scheme of separation of powers—all require that personal staff assistants be immune for aiding Members of Congress in the discharge of their duties. On the other hand, none of these factors would affect the accountability of persons such as the Sergeant at Arms.

When, as in *Powell v. McCormack*, 395 U.S. 486 (1969) and *Kilbourn v. Thompson*, 103 U.S. 168 (1881) the Sergeant at Arms and other officers carried out Congressional orders in excluding a Member and arresting a third person, they acted exactly as any federal law enforcement official does in executing a Congressional statute. Similarly, in *Dombrowski v. Eastland* 387 U.S. 82 (1967), Sourwine, the General Counsel of the Committee, conspired with others and then carried out an unconstitutional search and seizure, for which he, like every other law enforcement official is subject to accountability in the courts.[4] If the enforcement actions of these persons were not subject to judicial review, the Constitutional rights of citizens could not be preserved and *Marbury v. Madison* would be reduced to mere rhetoric. This, indeed, was the reasoning articulated in *Kilbourn* and reiterated in *Powell*. 395 U.S. 506.

[4] Indeed, Sourwine was afforded the limited immunity of every police officer who enforces a statute. See *Pierson v. Ray*, 386 U.S. 547 (1967).

No Senator or Congressman will be deterred in discharging his responsibilities, or in communicating freely with his colleagues and constituents, or will be open to retaliation by a hostile Executive because of the fear that a law enforcement official will be held judicially accountable for carrying out the orders of Congress, whether made by resolution or statute. Nor will he be deterred if a person such as Sourwine acts as a policeman is subject to judicial review. On the other hand, each of these adverse consequences will be realized, and judicial review will not be enhanced if a staff assistant can be held liable for advising and helping a Member of Congress in preparing and distributing a speech, casting a vote and otherwise discharging his duties.

CONCLUSION

The subpoena issued by the Executive branch in this case challenges the most basic and bedrock principles of our Constitutional form of government. It cannot withstand analysis under the terms, history and policies of the Speech and Debate Clause. The subpoena must be quashed.

Respectfully submitted,

ROBERT J. REINSTEIN,
CHARLES L. FISHMAN,
Attorneys for Senator Gravel.

[In the U.S. District Court for the District of Massachusets, Docket No. EBD 71–172]

AFFIDAVIT OF ROBERT G. DUNPHY

(MIKE GRAVEL, intervenor, versus United States of America versus John Doe in re Leonard Rodberg)

Robert G. Dunphy, Sergeant at Arms, United States Senate, Washington, D.C. 20510, being duly sworn, deposes and says:

1. By letter to me dated June 29, 1971, Senator Gravel designated Dr. Leonard Rodberg as a member of his personal staff. Senator Gravel's letter is set forth below:

Mr. ROBERT G. DUNPHY,
Sergeant at Arms,
U.S. Senate,
Washington, D.C.

DEAR MR. DUNPHY: Effective this date please add to my personal staff roll the name of Dr. Leonard Rodberg.

Dr. Rodberg will serve as a special assistant to me, with full access to my office, performing duties I assign and under my direct supervision.

Sincerely,

MIKE GRAVEL.

U.S. DEPARTMENT OF JUSTICE,
Washington, D.C.

WILLIAM A. RIDGELY,
Financial Clerk,
U.S. Senate,
Washington, D.C.

DEAR MR. RIDGELY: We would appreciate your causing a search to be made of the official records of the United States Senate to ascertain whether the name of Leonard S. Rodberg appears as an employee of the United States Senate.

Thank you for your cooperation in this matter.

Sincerely,

A. WILLIAM OLSON,
Deputy Assistant Attorney General,
Internal Security Division.

[U.S. District Court, District of Massachusetts, Docket No. EBD 71–172]

AFFIDAVIT

(MIKE GRAVEL, U.S. Senator, intervenor versus United States, United States versus John Doe in re Leonard S. Rodberg)

Leonard S. Rodberg, being duly sworn, deposes and says:

1. I have been subpoenaed to appear before a federal grand jury in Boston, Massachusetts. I make this affidavit to show why my appearance before this secret grand jury would violate the rights and privileges of Mike Gravel, United States Senator from the State of Alaska, and my obligation to assert those rights and privileges, and would violate as well my rights under the First Amendment to the Constitution of the United States.

2. My background, insofar as it bears upon the instant matter, may be summarized briefly:

In 1956 I was awarded a Ph.D. in physics from the Massachusetts Institute of Technology. In the following year I was a Research Associate in nuclear physics at M.I.T. and, in the two years after that, Research Physicist at the University of California at Berkeley, California.

In 1959 I became Assistant Professor of Physics at the University of Maryland, a position I held through 1961, when I obtained a leave of absence to work as a Physical Science Officer in the Disarmament Administration in the Department of State. For this position I received Top Secret Clearance from the Department.

In 1962 when the Policy Research Office of the Science and Technology Bureau of the United States Arms Control and Disarmament Agency was created. I was appointed Chief of that office. In that position I was responsible for directing and conducting studies on United States disarmament policy and had occasion to work with officials from the Defense Department, Central Intelligence Agency, White House, and other agencies concerned with national security questions. I also supervised contract studies with academic and industrial researchers and served as liaison between them and the government. Further, I directed the work of academic consultants on arm control studies of interest to the government. I continued in these various functions until 1966.

I should also mention that in the years 1960–67, I was a Consultant to the Los Alamos Scientific Laboratory on questions relating to nuclear physics. In order to be appointed Consultant I had to and did receive Top Secret clearance from the Atomic Energy Commission.

From 1966 until 1970, I was Associate Professor and Associate Chairman of the Department of Physics and Astronomy at the University of Maryland.

In the period 1967–70, I was also a Visiting Fellow at the Institute for Policy Studies in Washington, D.C. In July 1970, I became a full-time Resident Fellow at the Institute.

3. In addition to my work as described in Paragraph #2, I have also authored numerous written works and speeches. For example, in 1967 I wrote a graduate textbook on physics, *Introduction To The Quantum Theory Of Scattering*, published by Academic Press. In 1966–69, I published several articles and delivered a number of speeches to both university and general audiences on ABM and arms control. The articles included "ABM: Some Arms Control Issues," Bulletin Of The Atomic Scientists (June, 1967) and "Limiting Strategic Technology," Bulletin Of The Atomic Scientists (November, 1969).

4. Since 1966, I have been sought out by a number of members of Congress for advice and suggestions concerning ABM, arms control, the military budget, military policy, economic conversion, how to study and evaluate military organizations and policies, United States policy in Vietnam, and new economic priorities.

In the summer of 1969, I was asked to organize a Congressional conference sponsored by more than fifty Senators and Congressmen, on Planning for New Priorities. I organized, participated in and spoke at that two day conference which was held in the Senate Office Building during June, 1969. After consultation with and under the direction of some of these Congressmen, I secured the participation of approximately fifteen academic experts in foreign and military policies and economics. Press reports were issued on the conference by the Congressional sponsors;

newsmen were present and reported on the proceedings.

On another occasion, at the request of the sponsoring Congressmen, I spoke at and participated in, and drafted the report for another Congressional conference, which report was subsequently published by the sponsoring Congressmen.

In 1969 I wrote a chapter in a book commissioned by Senator Edward Kennedy, entitled, *"ABM: An Evaluation of the Decision to Deploy an Anti-Ballistic Missile System"* (Harper and Row). Senator Kennedy wrote the introduction to this book. My chapter was entitled "ABM Reliability."

5. In the summer of 1969, I was co-director of a study of United States military organization and policy. A dozen college students participated in this three month conference under my direction. The results of this study were subsequently published in a book I coedited: *The Pentagon Watchers* (Doubleday, 1970).

During 1970 I directed two student studies—one on defense contracting and the other commissioned by Ralph Nader, on analytical consulting firms. A draft report was written on the first study and press reports issued. A book is in preparation on the second study which will be published next summer.

In my position as Fellow at the Institute For Policy Studies, I have been conducting research and writing on the Vietnam War, particularly the United States decision making process, the operation of the United States national security agencies, military budget, economic conversion and the uses of advanced technology. I also have organized conferences and seminars, directed the research of students and am in communication with scholars from around the country in connection with the aforementioned areas.

In April, 1971 I helped to organize, participated in, spoke at and wrote the report of the Conference on Economic Conversion sponsored jointly by a number of Congressmen and public organizations. In the course of this activity I worked closely with a number of aides to individual Congressmen. The report of the Conference has been published by the Coalition on National Priorities and has been distributed to members of Congress and interested members of the public.

6. Since 1967 I have been on the executive committee of the Federation of American Scientists (hereinafter FAS). FAS is a nonprofit organization of scientists and engineers concerned with the impact of science on public affairs. As an executive committee member of FAS, I participate in developing policy position by preparing expert analyses of issues under consideration based on my special background and access to information. In 1968, I submitted written testimony on behalf of FAS to the House Armed Services Committee. The positions taken by FAS have in the large been opposed to official administration policy. As the only member of the executive committee resident in Washington, I have discussed FAS positions and expert analyses with members of Congress, often at their request.

I have also been on the Executive Board of the Coalition on National Priorities and Military Policy (hereinafter Coalition) since 1969. The Coalition is a coalition of peace groups, church groups and other organizations concerned with military spending, arms control and economic conversion. I have the same role with respect to the Coalition as with FAS. It, too, has adopted positions opposed to current administration policy, primarily concerned with reducing military spending. In the spring of this year I testified on the defense budget on behalf of the Coalition before the Senate and House Armed Services Committees.

7. On June 29, 1971, I was asked by Mike Gravel, United States Senator from the State of Alaska, to become a member of his personal staff and have been acting in that capacity since that date. Everything I have done as Senator Gravel's aide, I have done only after consultation with him and upon his express direction.

8. From the foregoing, it can be seen that my roles have been multiple: research, writing, lecturing, supervising research projects, as well as providing advise, assistance, information, expertise to Senators and Congressmen for the performance of their official duties, as well as liaison to other persons whose expertise Congressmen require. Experience has shown that my success in fulfilling these multiple roles depends upon my ability to maintain access to a wide variety of confidential sources of information. My knowledge of and ability to communicate and advise on issues relating to government policy in the areas mentioned above would be seriously jeopardized if I should be forced to appear before a secret grand jury.

Within the academic community, information concerning matters of political importance often becomes available through confidential sources. These sources are moved to provide previously and otherwise nonpublic information by the unwritten but certain assurance that the fact of their disclosing such information shall remain confidential. Disclosure of that confidence would jeopardize the source in any one of numerous ways, as, for example, loss of one's job.

This has been particularly true with regard to American involvement in Vietnam. As the published reports from the Pentagon Papers make clear, much information bearing directly upon American responsibility for the tragedy of Vietnam has been kept from the American public, wholly without just cause. And much of what the citizenry knows has been supplied to it by the academic world. That community has played a primary role in the dissemination of facts regarding the war in Southeast Asia, and thus has played a significant part in the growth of American opposition, indeed revulsion, toward the war. This role has been fulfilled directly as by the writing of articles, books, monographs, the giving of lectures and speeches, the participation in conferences, discussions and debates. It has been done indirectly as by supplying information to the press or to Senators and Congressmen.

I have fulfilled nearly all these functions in the last several years. My ability to obtain this information which is of substantial importance to the American public has depended in large part upon confidential sources. In connection with American involvement in Vietnam, I have received information from numerous persons who were willing to provide that information upon their belief that the facts surrounding its transfer would not be revealed.

If, contrary to that expectation, I could be questioned regarding those sources, such a possibility would severely undermine my effectiveness as a scholar and writer with regard to Vietnam, for the fear of disclosure of their confidences would force those sources away. Without those sources, my contributions to the education of Americans with regard to Vietnam would necessarily be undermined.

Upon reflection it seems to me that perhaps this is precisely what the government is trying to achieve. Subpoenaing persons within the academic community quite clearly tends to intimidate their continuing to work to get out the truth about Vietnam. My own personal experience since August 4 is testimony to that. By intimidating that small group of scholars who have access to information about Vietnam that is otherwise being kept from the American public, the government can effectively inhibit continued efforts within the academic community to inform the people of the facts about Vietnam. Perhaps this is unintentional, but the motive is irrelevant. Whether intended or not, the inevitable effect of an effort to question that small number of scholars who have access to confidential sources with regard to American responsibility in Vietnam about those sources is to dry up those sources. I feel very strongly that this is most unfortunate: it is only because the public has become increasingly informed about Vietnam that it has been able to exert some small measure of control over executive policy here. And as noted earlier, it is the academic community that has been largely responsible for informing the public.

9. With particular reference to the assistance which I render to Congressman, in addition to jeopardizing necessary confidential sources, my future usefulness to them in the capacities described earlier would be greatly reduced if I should be forced to appear before a secret grand jury where they might think that privileged Congressional information about their functioning in their official role as Congressmen was obtained through me. In view of the fact that grand jury proceedings are secret their reliance on the confidentiality of their relationship with me would be greatly jeopardized.

10. I believe that the danger of losing the confidence of sources presently available to me arises from my appearance before the grand jury, unaffected by whether or not I respond to particular questions. Information is made available to me because my sources believe their communications will be kept in confidence. This confidence is a fragile thing. If sources fear that I can be forced to appear in a secret proceeding to be questioned in any way about their confidences they will assuredly refuse in the future to provide me with other information about which the public has a right to know. It is the appearance *per se* which creates this danger, for sources of information are of course unable to witness or participate in the secret proceedings and thus have no way to assure that their confidences are being preserved.

LEONARD S. RODBERG.

Sworn and Subscribed to before me this 8th day of September, 1971.

NANCY STEARNS,
Notary Public.

CERTIFICATE OF SERVICE

I hereby certify that I served this affidavit upon counsel for the parties by causing a copy of it to be mailed, postage prepaid, to Robert J. Reinstein at 1715 N. Broad Street, Philadelphia, Pa., 19122, and Charles L. Fishman, 633 E. Capitol Street, Wash., D.C., 20003, and by causing a copy of it to be hand delivered to the office of the United States Attorney for the District of Massachusetts, Boston, Mass.

——— ———.

[U.S. District Court for the District of Massachusetts, Civil Action, No. EBD 71-172-G]

AFFIDAVIT OF MIKE GRAVEL

(MIKE GRAVEL, Intervenor versus United States of America, United States of America versus John Doe, In Re.: Leonard Rodberg)

I, Mike Gravel, being first duly sworn, do depose and say that Dr. Leonard Rodberg is, and has been since June 29, 1971, a member of my personal staff in the United States Senate.

MIKE GRAVEL.

Subscribed and Sworn to before me this 10th day of September, 1971.

MARGARET M. FLAHERTY,
Notary Public.

GOVERNMENT OPPOSITION TO INTERVENOR'S MOTION FOR SPECIFICATION

(In the matter of a grand jury subpoena served upon Leonard S. Rodberg)

Intervenor, United States Senator Mike Gravel, requests the Court for an Order requiring ". . . the government to specify in detail the purpose, scope and exact nature of the questions to be asked of Dr. Leonard Rodberg by the Federal Grand Jury." The motion is totally without precedent. The Federal Rules of Criminal Procedure certainly do not provide for such an unusual motion. The Federal Rules of Civil Procedure do provide for a "Motion for More Definite Statement," but this is not what movant is requesting, nor is this a civil matter governed by the Federal Rules of Civil Procedure.

On the merits, a witness need not be apprised of the subject matter under inquiry by a Grand Jury. *In Re Meckley,* (D.C.M.D. Penn. 1943), 50 F. Supp. 274; *affd.* 137 F.2d 310; *cert. den.* 320 U.S. 370.

Further, a witness can neither question nor control the scope of a Grand Jury investigation. *Blair* v. *United States,* 250 U.S. 273.

Wherefore, this motion should be denied.

Respectfully submitted,

PAUL C. VINCENT,
Attorney, U.S. Department of Justice.
JON H. MARPLE,
Attorney, U.S. Department of Justice.

(In the matter of a grand jury subpoena served upon Leonard S. Rodberg)

GOVERNMENT'S MEMORANDUM IN OPPOSITION TO LEONARD S. RODBERG'S MOTION TO QUASH A GRAND JURY SUBPENA

(This Memorandum, In Addition To Opposing The Motion of Leonard S. Rodberg Is Also Addressed To The Motion To Quash The Rodberg Subpoena Brought By The Intervenor, Senator Mike Gravel)

I. THE SPEECH AND DEBATE CLAUSE CONFERS NO LEGISLATIVE PRIVILEGE OR IMMUNITY UPON SERVANTS, EMPLOYEES, OR AGENT OR INDIVIDUAL SENATORS

Dr. Leonard S. Rodberg claims that the subpoena served upon him violates the Speech and Debate clause of the United States Constitution on the grounds that he ". . . was and continues to be, down to the present date, a member of Senator (Mike) Gravel's staff." (Motion, p. 2). Further, he claims that his activities directed toward procurement of a publisher for the "Pentagon Papers" were undertaken by virtue of this servant/employee/agent relationship. Assuming that Rodberg occupied a bona fide staff position to the Senator* this allegation is insufficient as a matter of law to establish any privilege to excuse responding to this subpoena regardless of the scope of inquiry of the Grand Jury or the questions to be presented to Rodberg.

The Constitution on its face provides for a very limited privilege:

> The Senators and Representatives . . . shall in all Cases, except Treason, Felony and Breach of the Peace, be privileged from Arrest during their Attendance at the Session of their respective Houses, and in going to and returning from the same; and for any Speech or Debate in either House, they shall not be questioned in any other Place. (Art. I § 6). Hereafter, "immunity" refers to the exemption from arrest; "privilege" refers to the exemption from inquiry on account of a speech made in Congress. The "Speech and Debate Clause," however, refers to entire Constitutional provision quoted herein.

The wording of this clause makes no provision for its extension to even a Senator's family or body servants, much less his professional assistants or staff. In the absence of express provision, this court should be reluctant to find therein, as no other court has yet done, a "privilege" or "immunity" which would exempt an ordinary citizen from the obligations of the law.

Constitutional history shows us that the framers expressly excluded all other persons from protection and for good purpose. At the time this country was founded, England had just succeeded in curbing the excesses of Parliamentary privilege and immunity unreviewable by King or judiciary, which had been gradually extended to the family, servants, and agents of the members of Parliament. *Merrick & Durant* v. *Giddings,* 1 MacArthur & M (11 D.C.) 55 (S.C.D.C. 1879); *Stockdale* v. *Hansard,* 7 C&P 737; as cited in *Long* v. *Ansell* 69 F. 2d 386 at 387 (C.A.D.C. 1934). The fruit of this restatement was codified in an Act of Parliament, 10th George III, Chapter 50, declaring that any person could commence or prosecute an action or suit against any member of Parliament, his family, or his servants; that he was not immune from service of process; that in no wise could an action be stayed, dismissed, or delayed on the basis of a claim of Parliamentary membership. The sole exception thereto was provided in Sec. 2:

> But nothing in this act shall extend to subject the person . . . of any of the members . . . to be arrested or imprisoned upon any such suit or proceeding.

This very limited immunity, the exclusion of the person of the member from physical detainment through civil arrest characterizes the scope of the Speech and Debate Clause as enacted into the Constitution. *Williamson v. United States,* 207 U.S. 425, 446 (1908).

No less an authority than Thomas Jefferson has construed the Speech and Debate Clause in precisely this fashion. In compiling Jefferson's Manual on Parliamentary Practice, soon after the Constitution was ratified he recounted how the Parliamentary Privilege and Immunity in England had continually expanded, untrammeled by judicial definition, until the enactment of the aforementioned Statute of 10 G III. However,

> It was probably from this view of the encroaching character of privilege that the framers of our Constitution, in their case to provide that the laws shall bind equally on all, and especially that those who make them shall not exempt themselves from their operation, *have only privileged Senators and Representatives themselves* from the single act of arrest in all cases except treason, felony, and breach of the peace, during their attendance at the session of their respective houses, and in going to and returning from the same, and from being questioned in any other place for any speech or debate in either house. (*Jefferson's Manual, supra,* Sec. III as reprinted in the Senate Manual, 1967 at 382-383)

There has been found no post-revolutionary judicial decision whatsoever which has extended legislative privilege to any member of a Senator's staff, regardless of his status. It must be considered, moreover, that Jefferson's exposition constitutes a present aspect of Senate procedure. Dr. Rodberg can hardly claim an extension of the scope of a Constitutional provision which the Senate itself has not exercised and has in fact disclaimed.

Further, Dr. Rodberg is in no position to claim any exemption for himself even if it extends to him. The rights are owing to the house as a body or to the Senators as an elected official, and the traditional practice has been that, where a member has been served with legal process in the form of a subpoena *duces tecum* or *ad testificandum,* he should receive permission of his house to respond thereto. Cannon's Precedents of the House of Representatives, 1936, §§ 585-588 at pp. 824-829; *Trimable* v *Johnston,* 173 F. 2d 651, 653 (C.A.D.C. 1959). Not being a member of the Senate or of the staff of that body the Senate has no interest in securing his presence for the conduct of legislative business. Consequently, any exemption which Dr. Rodberg could possibly have will have to be claimed by the Senator of whose staff he is a member. Denial of this motion would leave Senator Gravel perfectly capable of asserting whatever privilege or immunity he may feel is due him on account of a subpoena served upon a staff member.

II. NO IMMUNITY SUBSISTS IN A SENATOR TO QUASH A GRAND JURY SUBPOENA ISSUED TO PROCURE TESTIMONY RELATIVE TO ALLEGED FELONIOUS ACTIVITY

Dr. Rodberg claims his legislative immunity by derivation as a staff member of Senator Mike Gravel. Conversely, should the Senator be without immunity to resist a similar subpoena Dr. Rodberg is without immunity as well. As will be demonstrated *infra,* the Constitution grants no immunity for members of Congress to resist criminal process in Grand Jury proceedings.

The Constitutional provision here at issue was adopted for the sole purpose of exempting legislators from the archaic legal measure of civil arrest. *Williamson* v. *United States, supra.* After a thorough review of the legislative precedents in England and in this country, the Supreme Court concluded in that case that immunity has never been thought to interfere with the administration of criminal justice. In fact, the stipulation relating to "treason, felony, or breach of the peace" is not intended to be limited but having been lifted verbatim from the English Bill of Rights of 1689, 1 W & M, Sess 2, C. 2, refers to ". . . all criminal cases and proceedings whatsoever . . ." Cushing, 8th ed. §§ 546, 567 as quoted in *Williamson, supra,* at 445-446. Thus, Congressman Williamson was indicted, tried and convicted for conspiracy. This is the law today, *United States* v. *Johnson,* 383 U.S. 185 (1966), though prosecution in some cases may be made difficult due to the admissibility in evidence of legislative records not available to the prosecution or that the defendant is privileged from inquiry in that the alleged crime was committed through giving a speech on the floor of Congress. This liability to criminal law is completely in accord with the scope and intent of the Constitutional Convention: to guarantee an unfettered freedom of exchange in the legislative process by removing the prospect of retribution, either through ". . . possible prosecution by an unfriendly executive and conviction by a hostile judiciary. . . ." *United States* v. *Johnson, supra* at 179. Moreover, it serves the "additional function of reinforcing the separation of powers so deliberately established by the founders." *Ibid.,* at 178.

Yet the convention remained aware that government by legislative excess and disregard of the lawful processes was no fanciful danger; and that unless kept within legitimate bounds this power could sap the integrity of our Federal system. Madison pointed out at the time of ratification that "[t]he legislative department is everywhere extending the sphere of its activity, and drawing all power into its impetuous vortex." He believed that specific obstacles had to be erected against such possible abuses of power. See The Federalist, No. 48, pp. 336-340 (Bourne ed. 1914) and Nos. 49, 56 and 73. In the same vein, Jefferson wrote to Madison in 1789 that "[t]he tyranny of the legislatures is the most formidable dread at present, and will be [so] for long years." See *Tenney* v. *Brandhove,* 341 U.S. 367, 375 n.4; *United States* v. *Brown,* 381 U.S. at 443-444, and note 17 (1965). Should legislators succeed in disregarding the judicial powers of inquiry into criminal conduct by refusing compliance with a Grand Jury subpoena, they would have elevated themselves above the criminal law virtually by their bootstraps. No testimony sought here will seek to review a Congressman's political views, his motives or any exercise of legislative discretion. In responding to a subpoena, Sena-

* The Government contends that, in fact, Rodberg was not a staff member of Senator Gravel for purposes of exposure of or soliciting publication of the Pentagon papers. His affidavit, a self-serving statement devoid of specifics, constitutes the sole allegation of his agency; indeed, the news articles filed therewith indicate that he had represented himself to the Washington Post (P. A1, August 18, 1971) and Boston After Dark (P. 1, August 24, 1971) as being a fellow of the Institute for Policy Studies.

tor Gravel would only fulfill his own duty as a citizen to assist the Executive branch in its own Constitutional obligation to enforce the laws of the United States. Should questioning prove self-incriminating, the Senator would retain his own Fifth Amendment privilege, in this regard. To withhold testimony on the basis of exemption would frustrate the separation of powers doctrine by interfering in executive proceedings, and in this case to forswear Senator Gravel's own vested duty to uphold the Constitution and laws of the United States.

The Speech and Debate Clause has been previously construed to require compliance by legislators with proper subpoena issued to obtain testimony in the criminal prosecution of third party defendants. Mr. Justice Chase held, when the issue was first presented, that a Congressman is subject to subpoena regardless of whether Congress might then be in session. *United States* v *Cooper*, 4 Dallas (4 U.S.) 341 (1800). The case has been followed without distinction or overruling for over 170 years, and most recently in *United States* v. *Segar*, 180 F. Supp. 467, 468 (S.D.N.Y. 1960) at n.4. But cf: *Trimble* v. *Johnston*, supra at 653 (dicta).

The Government neither affirms nor denies that this proceeding is brought to investigate the disclosure of the so-called "Pentagon Papers". Yet assuming *arguendo*, that such be the case the Senator could not claim further that the grand jury cannot lawfully inquire into the business of reading and publishing the "Pentagon Papers" as it constitutes privileged legislative business. The speech and debate clause has been construed to protect not only speeches given on the floor of Congress, as in *Johnson, supra*, but also to protect debates and speeches in committee hearings, as well as reports, resolutions, the act of voting and "in short, to things generally done in a session of the House by one of its members in relation to the business before it." *Kilbourn* v. *Thompson*, 103 U.S. 168, 204 (1880). Yet the action of Senator Gravel which he assumes has led to the subpoena of Dr. Rodberg stands in no such footing. The Senator convened a special, unauthorized, and untimely meeting of the Senate Subcommittee on Public Works (at midnight on June 29, 1971), for the purpose of reading the documents and thereafter placed all unread portions in the subcommittee record, with Dr. Rodberg soliciting publication following the meeting. (See news articles attached to motion of Dr. Rodberg). The Congress does not enjoy uncurbed power to conduct business; excursions of committee hearings into private lives unconnected with a legitimate legislative purpose have long been held unconstitutional. *Kilbourn* v. *Thompson, supra; Marshall* v. *Gordon*, 243 U.S. 521 (1917). The power of the judiciary to reject unauthorized legislative activity stands upon no less a precedent than *Marbury* v. *Madison*, 1 Cranch (5 U.S.) 87 (1803). The prerogative of Judicial review has been exercised often in recent years to curb extra-legislative excursions by Congressional committees. *Watkins* v. *United States*, 354 U.S. 178 (1957); *McGrain* v. *Daugherty*, 273 U.S. 135 (1927); *Hentoff* v. *Ichord*, 318 F. Supp. (D.C. 1970). The reading of the paper in question can have no possible relationship to the legislative business with which Senator Gravel has sought to cloak himself. Even the Senate has disclaimed official sanction for his action. (See clipping, Washington Post August 18 attached to motion of Dr. Rodberg). Not being engaged in official subcommittee business, his actions cannot be above scrutiny by those charged to enforce the criminal statutes.

Even if Senator Gravel's activity can be deemed official, his subsequent negotiations for and contracting for the publication of the Pentagon Papers divested him of whatever privilege he may have had. In *Long* v *Ansell*, 69 F. 2d 386 (C.A.D.C. 1934) the court noted that whereas a legislator might be privileged from being called into civil liability for statements made on the floor of the Senate, the privilege stopped with the legitimate conduct of Congressional business; thus, if he republished the statement outside the Senate, he might well be subject for liability therefor. 69 F. 2d at 389. By analogy, whatever legitimate purpose he may have had in conducting Subcommittee proceedings, was lost by republishing the documents under his own name. A subpoena issued to require grand jury testimony relating to such activity would require compliance, and by derivation the compliance of Dr. Rodberg.

III. NO IMMUNITY SUBSISTS IN ANY SENATE STAFF MEMBER TO RESIST A SUBPOENA ISSUED TO PROCURE TESTIMONY IN AN INVESTIGATION CONCERNING UNLAWFUL ACTIVITY

Dr. Rodberg implies in the alternative that he acted and continues to act as a member of the Senate staff of the House and Grounds Subcommittee (as opposed to being a member of Senator Mike Gravel's personal staff). The Government does not concede that such implication represents fact. Moreover, even assuming that Rodberg can support this implication, it affords no grounds to excuse compliance with a subpoena. The law specified criminal liability for Congressional staff members for unlawful acts committed while acting under color of their official duties. *United States* v. *Nathan Voloshen*, Cr. no. 70–20 (S.D.N.Y. November 24, 1970). Congressional staff members have likewise been subject to civil suit for unauthorized or unconstitutional acts committed in their official capacities. Accordingly, the House Sergeant-at-Arms was held liable for false imprisonment as an aftermath of *Kilbourn* v. *Thompson, supra*, and the Senate Judiciary Committee was held subject to suit in tort for false imprisonment in *Dombrowski* v. *Eastland* 387 U.S. 82 (1967). This rule prevails even if the action precipitating litigation was ordered by Congress. *Powell* v. *McCormack*, supra, at 505, and even if the court should find that the Congressmen or Senators themselves would not be susceptible to suit for the same actions or for directing the deeds complained of. *Powell, supra; Trimble* v. *Johnson, supra*, at 654: The law relative to legislative employees thus appears no different than that specifying immunity for other employees or agents of the Executive branch, who can be sued for any activity which was unauthorized or for which the purported authorization was unlawful or unconstitutional. *Bivens* v. *Six Agents*, — U.S. —, 39 U.S.L.W. 4821 (June 21, 1971). By analogy, should this court find that Dr. Rodberg's actions, taken at the behest of Senator Gravel were not strictly in accord with Congressional mandate, or that such mandate was without lawful or Constitutional support, then they are fully subject to whatever criminal or civil implications arising therefrom, and the employee should be required to respond to a subpoena relating thereto. Such a finding would not conflict with any privilege of Senate employees to resist any subpoena issued to procure testimony concerning their official actions properly executed under lawful directive.

IV. A SUBPOENA REQUIRING TESTIMONY BEFORE THIS GRAND JURY IS NOWHERE VIOLATIVE OF THE WITNESS' FIRST AMENDMENT RIGHTS

The most favorable view of the law relating to protection of First Amendment rights upon which movant can rely is that for the Government to justify compelling disclosures which would effect a violation of a witness' First Amendment rights an overriding Governmental interest must be demonstrated. *Watkins* v *United States*, 354 U.S. 178 ( ). In conducting Congressional inquiries, for example, "[w]here First Amendment rights are asserted to bar Governmental interrogation resolution of the issue always involves a balancing by the courts of the competing public and private interests at stake in the particular circumstances shown." *Barenblatt* v. *United States* 360 U.S. 109 (1959) at 126. "It is manifest that despite the adverse effects which follow upon compelled disclosure of private matters, not all such inquiries are barred. . . . The critical element is the existence of, and the weight to be ascribed to, the interest of the Congress in demanding disclosures from an unwilling witness." *Watkins, supra* at 198.

The Government contends that these proceedings have not yet reached the stage at which this court must balance the interests of the Government against the infringement to be resulting from testimony.

Since Rodberg has not yet appeared to testify, the questions to which he must respond and the scope of inquiry for which he has been summoned are as yet undetermined. Moreover, the harm to result from answering them cannot be asserted, giving no basis for evaluation. For just this reason (but by way of dicta) a Federal Court dismissed an action for restraining order to prevent compliance with a Senate subpoena in *Cole* v *Trustees of Columbia University*, 300 F. Supp. 1026 (S.D.N.Y. 1969). The plaintiffs in that case failed to show that the mere act of appearance, regardless of questions to be asked, would present an imminent threat of irreparable injury. (400 F. Supp. at 1031). Previous cases allowing a witness exemption from having to give testimony have arisen in the context of prosecution for contempt of Congress, when the subject of inquiry and specific questions had become known.

Should this court deem it necessary to weigh the competing public and individual interests involved, the balance can only tip in favor of compelling testimony. On the part of the witness, the sole claim to individual harm is that by merely being called to give testimony, he will be subject to grave retribution. On the contrary, this duty befalls every good citizen in the same manner as jury duty or serving as witness at trial. Further, Rodberg cannot claim that questions he will answer or responses to be required will subject him to community publicity, social approbation or pecuniary liability since hearings are held in secret. For this reason, Congressional hearing cases such as *Barenblatt* where intimate personal matters were required to be divulged in public are no authority for the proposition that Rodberg will suffer similar ridicule. On the other hand, the Government is engaged in a crucial step of enforcing the criminal law. "The power to investigate is basic." *Anderson* v. *Sills*, 265 A. 2d 678, 56 N.J. 210 (S.C. N.J. 1970). In that case, a state court denied an injunction against the use of certain intelligence-gathering procedures promulgated by the Attorney General of New Jersey. The interests of the Government in enforcing criminal statutes go to the very purpose of Government's existence; to protect citizens and property:

The First Amendment itself would be meaningless if there were no constituted authority to protect the individual from suppression by others who disapprove of him or the company he keeps. Hence, the First Amendment rights must be weighed against the competing interests of the citizen. If there is no intent to control the content of speech, an overriding public need may be met even though the measure adopted to that end operates incidentally to limit the unfettered exercise of the First Amendment right. [265 A. 2d at 687]

The Government sees no possible circumstances under which the hypothetical deterrents to free speech or freedom of the press alluded to in the witness' motion can inure as a result of his mere appearance at this grand jury investigation. Should questions or testimony be raised which place him at a disadvantage, time enough remains for this court to again weigh the competing interests involved and protect whatever rights are in danger of violation.

IIIA. GRAND JURY PROCEEDINGS CONSTITUTE NO "PRIORITY RESTRAINT" RELATIVE TO THIS WITNESS

A subpoena issued to procure testimony in a grand jury proceeding has no characteristics whatever of a "prior restraint" on the exercise of individual rights under the First Amendment. This proceeding, regardless of outcome, will not affect the publication of any papers of materials such as the witness has succeeded in having published. A "prior restraint" by definition constitutes action taken before the fact to insure that speech or publication of questionable materials does not occur. *Near* v. *Minnesota*, 833 U.S. 897 (1931); *Bantam Books, Inc.* v. *Sullivan*, 372 U.S. 58 (1963). It was the highly publicized litigation brought to restrain previous publication of the "Pentagon Papers" which raised and disposed of the prior restraint question. *New York Times* v. *United States*, —— U.S. ——, 91 S. Ct. 2140 (June 30, 1971). Indeed, that decision excepted treatment of any issues which might be subsequently raised in a criminal proceeding on account of such publication. (Slip Op. of Mr. Justice White, p. 10)* To that extent, *New York Times* is authority for the proposition that these grand jury proceedings have no characteristics of a prior restraint on publication of these documents.

IIIB. TESTIMONY MAY NOT BE EXCUSED ON GROUND OF ITS CHILLING EFFECT ON THE EXERCISE OF FREE SPEECH

In the *New York Times* case the Supreme Court again viewed with approval the deterring effect upon publication of vital defense information effected by the passage of the Espionage Act, 18 U.S.C. § 793, noting that Congress refrained from passing additional provisions allowing the Executive Branch to seek injunction in the belief that criminal sanctions alone would be sufficient. (Slip op. of Mr. Justice White, p. 10). Thus, whatever "chilling effect" is wrought by this statute is deemed no violation whatever of a citizen's First Amendment rights. Many previous cases deciding this same question have reached a like conclusion. *Abrams* v. *United States*, 250 U.S. 616, 619 (1919); *Schenck* v. *United States*, and *Bauer* v. *United States*, 249 U.S. 47 (1918); *Frowork* v. *United States*, 249 U.S. 204 (1918). Having proved the statute Constitutional, the measures prerequisite to its enforcement can in no wise be less so. Moreover, the witness cannot indirectly raise an attack upon the constitutionality of a statute which has long since been proved viable.

Further, validly constituted Grand Jury proceedings convened to enforce a time-tested criminal statute can in no wise be deemed to have such a "chilling effect" upon the exercise of individual Constitutional rights so as to justify exemption from compliance with a lawful subpoena. The Supreme Court has exercised this doctrine only so far as to grant injunctive relief against state officials threatening prosecution under patently unconstitutional criminal statutes when the mere initiation of prosecution insured certain and irrevocable harm. *Dombrowski* v. *Pfister*, 380 U.S. 479 (1965). This does not deny that where Government-instituted Civil litigation will have a deterring effect upon the exercise of individual Constitutional rights, state interests supporting the action must outweigh the need for protection of the individual rights. *National Association for the Advancement of Colored People* v. *Alabama*, 357 U.S. 449 (1958). But where the Federal Government has enacted legislation essential to the national economy and having strong roots in the protection of national security, some slight infringement on the rights of a relatively few individuals will be tolerated. *American Communications Association* v. *Douds*, 399 U.S. 382 (1950). This grand jury proceeding has been initiated as a vital and unavoidable step in the investigation of possible violations of criminal statutes. It threatens no Federal or official sanctions whatever unless the witness should be indicted. Since all testimony will be given and received entirely in secret, no private or community sanctions can attach to any testimony given. As to the potential deterrent effect upon commission of crimes affected by indictment, this as aforestated stands as one of the most approved and intentional effects of criminal jurisprudence.

Finally, the Supreme Court has just this term taken further steps to limit the "chilling effect" doctrine in *Younger* v. *Harris*, 401 U.S. 37 (1971), refusing to enjoin prosecution in a state court unless the danger from prosecution itself presented an unconstitutional and irreparable injury. No such threat can be asserted here.

Indeed, Dr. Rodberg's entire allegation relative to violation of his First Amendment rights amounts to no more than the possibility that the threat of required testimony may inhibit "future discussion" of facts reflecting unfavorably to a national administration. (Motion, p. 5). In so stating, he seeks to invoke the rights of others, a procedure proscribed in *Titleston* v. *Ullman*, 318 U.S. 44 (1943) and to raise Constitutional issues not yet *in esse* nor for which there exists any ascertainable case or controversy. The disposition of his motion in his favor would thus not appear proper judicial treatment of delicate and complex questions.

III. COMPLIANCE WITH THIS SUBPENA WILL CONSTITUTE NO INFRINGEMENT ON THE WITNESS' FREEDOM OF THE PRESS

The witness further seeks to suggest that requiring his testimony series to infringe on freedom of the press. No such problem is presented with respect to him personally as he has alleged neither that he is a reporter nor that he is a publisher. He should not be allowed to obfuscate the issues before this court by raising rights on behalf of others not present and unidentified. But assuming that Dr. Rodberg had sufficient standing to claim a newsman's privilege, there is insufficient legal precedent to sustain his claim. No statute has ever exempted news personnel from testifying in grand jury proceedings, nor has such a privilege been specified in the Bill of Rights. Only scant judicial treatment has been accorded the question.

The Massachusetts Supreme Court has recently ruled, however, that no such privilege exists within this jurisdiction. *In Re Pappas*, 266 N/E.2d 297 (S.C.Mass 1971). In *Pappas* the court ruled that a newsman is required to testify before a grand jury convened to investigate possible unlawful activity by members of the Black Panther Party in the Boston area, even if such testimony required the divulgence of his news sources:

"Requiring a newsman to testify about facts of his knowledge does not prevent their publication or the circulation of information. Any effect on the free dissemination of news is indirect, theoretical, and uncertain, and relates at most to the future gathering of news . . . We adhere to the view that there exists no constitutional newsman's privilege, either qualified or absolute, to refuse to appear and testify before a court or grand jury. The obligation of newsmen we think is that of every citizen, viz. to appear when summoned, with relevant written or other material when required, and to answer relevant and reasonable inquiries. Such appearance, however, like those of other citizens, are subject to supervision by the presiding judge to prevent oppressive, unnecessary, irrelevant, and other improper inquiry and investigation (and of course, subject to due protection of the privilege of any witness against self-incrimination)." [266 N.E.2d at 302–303; footnotes and citations omitted]

In so ruling, the court expressly rejected a recent Ninth Circuit case, *Caldwell* v. *United States*, 434 F.2d 1081 (C.A. 9 1970) now on certiorari to the Supreme Court (cert. granted 39 U.S.L.W. 3478 (May 3, 1971)). That court allowed a newsman to decline testifying at a grand jury proceeding also convened to investigate Black Panther activity:

We hold that where it has been shown that the public's First Amendment right to be informed would be jeopardized by requiring a journalist to submit to secret Grand Jury interrogation, the Government must respond by demonstrating a compelling need for the witness' presence before judicial process properly can issue to require attendance.

We go no further than to announce this general rule. As we noted at the outset, this is a case of first impression. The courts can learn much about the problems in this area as they gain more experience in dealing with them. For the present we lack the omniscience to spell out the details of the Government's burden or the type of proceeding that would accommodate efforts to meet that burden. [footnotes omitted]

The unique facts in that case were exceedingly important to the court's holding. The reporter, Caldwell, was a Black newsman who had gained special access to the militant Black Panther Party as a specific source of news that was of great interest to the public. (434 F.2d at 1090). Based upon its finding that on these facts the Government had not shown a compelling need that would outweigh the threat to First Amendment rights, the court recognized Caldwell's right to abstain from both appearing and testifying.

In rejecting *Caldwell*, the *Pappas* court noted that:

Were we to adopt the broad conclusions of that decision, [Caldwell] that a newsman's privilege exists because of the First Amendment, we would be engaging in judicial amendment to the Constitution or judicial legislation. . . . The opinion in the *Caldwell* case largely disregards important interests of the Federal Government and the several States in enforcement of the criminal law for the benefit of the general public. We are of the view also that the opinion unnecessarily expresses in terms of newly discovered constitutional absolutes, interests of the news media, which (so far as reasonably requiring protection) may be guarded by sound judicial discretion and administration. [266 N.E.2d at 302–303]

These considerations compelled the *Pappas* court to reiterate the following general rule:

On the meager record before us, we can do no more than to state (1) that a grand jury, to carry out its ancient and important public information, must be allowed appropriate scope of investigation; (2) that it is the duty of all citizens having relevant knowledge to assist in such inquiries when called upon to do so; (3) that the burden rests upon a witness, asserting impropriety in a grand jury inquiry, to establish that the grand jury inquiry is improper or oppressive; and (4) that, in exercising his supervisory discretion, the presiding judge (with respect to the examination of any witness and not merely as to news gatherers) may take into account all pertinent circumstances affecting the propriety, purposes, and scope of the grand jury inquiry and the pertinence of the probable testimony of the particular witness to the investigation in progress. (266 N.E. 2d at 303–304) [Emphasis in original]

CONCLUSION

Dr. Rodberg has alleged no grounds whatever to justify exemption from full and complete cooperation with the Grand Jury hear-

*. . . [F]ailure by the Government to justify prior restraints does not measure its Constitutional entitlement to a conviction for criminal publication (Ibid., p. 4)

ing now in session. Having been served with lawful subpoena, he is obliged to comply therewith under threat of judicial sanctions.

Dr. Rodberg is no staff member of any United States Senator. Yet if he were, this fact would not exempt him from compliance. The Constitutional privilege extended to members of Congress reaches no further, even to members of their personal staff or their families. Again, even if a Senate staff member were entitled to protection under the Speech and Debate Clause, this exemption can only be claimed by the Senator whom he serves or by the house. Such a privilege, being derivative in nature, cannot be claimed where it would not protect the Senate member concerned; here, Senator Gravel can himself claim no exemption. The Speech and Debate clause was enacted in its present form specifically to insure that Senators would remain subject to obligations and sanctions of the criminal law and it has been applied in precisely this fashion for over 170 years. Accordingly, legislators have been deemed subject to subpoena and have occasionally been prosecuted. Under the "privilege" provision, Congressmen and their servants have always been subject to judicial limitation upon their actions where, even though garbed in the trappings of Congressional propriety, they have issued subpoenas or ordered imprisonment which transgressed their Constitutional powers. Thus, this court has complete powers to find that the activities in which the Senator and Dr. Rodberg were engaged were far removed from legitimate Congressional business and cannot therefore claim the protection of the privilege clause. Even if Senator Gravel's activity in the subcommittee hearing was privileged, efforts to have the "Pentagon Papers" published thereafter comprised no official action. Finally, Dr. Rodberg can claim no immunity by virtue of being a Senate staff member. The law in this area is no different from the laws of immunity governing the officials of the Executive Branch: an official is fully accountable for his actions taken outside the scope of his authority or prescribed in excess of his agency's Constitutional powers. By analogy, he cannot claim immunity from criminal subpoena in connection with any actions characterized as *ultra vires*.

Nor can Rodberg reach for the well-worn cloak of First Amendment privilege. This Grand Jury proceeding constitutes no prior restraint on his freedom of speech or expression; that issue has been previously litigated in *New York Times* v. *United States*. Nor can this proceeding be characterized as having a chilling effect upon the exercise of his rights. This proceeding threatens no patently unconstitutional harm, irretrievable after the initial act of testifying; no courts have ever reached this finding, whose effect would be to disable the administration of criminal justice. And, since Dr. Rodberg is not a newsman he can claim no privileges as such.

The Government has not addressed itself to the Movant's contention involving electronic surveillance, since this Court has previously denied his motion in that respect.

WHEREFORE, for all of the foregoing, it is submitted that this motion should be denied.

Respectfully submitted,

PAUL C. VINCENT,
Attorney, Department of Justice.
JON H. MARPLE,
Attorney, Department of Justice.

CERTIFICATE OF SERVICE

Copies of the foregoing Memorandum in Opposition to Leonard S. Rodberg's Motion to Quash a Grand Jury Subpoena were mailed, postage paid, this date, the fifth day of September 1971 to Doris Peterson and James Reif, c/o Center for Constitutional Rights, 588 Ninth Avenue, New York, New York 10036, attorneys for Movant. A copy has also been mailed to Charles Louis Fishman, Esq., 633 East Capitol Street, Washington, D.C. 20003, attorney for Intervenor, Senator Gravel.

JON H. MARPLE,
Attorney, Department of Justice.

[In the U.S. District Court for the District of Massachusetts, Docket No. EBD 71-172]

STATEMENT OF FACTS

(MIKE GRAVEL, U.S. Senator, Intervenor versus United States of America, United States of America versus John Doe, in re Leonard S. Rodberg)

THE PRESENT POSTURE OF THE CASE

On August 24, 1971, a subpoena was served on Dr. Leonard S. Rodberg, directing him to appear to testify before a federal grand jury in Boston, Massachusetts, on August 27. The subpoena gives no indication on its face as to the nature of the testimony to be sought from the witness. It does not state what persons or crimes are allegedly the subject of investigation. The person claimed to be the subject of the investigation is designated as John Doe and no statutes are cited.

Dr. Rodberg is a member of the staff of United States Senator Mike Gravel. Under date of August 27, Dr. Rodberg moved this Court to quash the grand jury subpoena and for a stay pending disposition of the motion. The Court under date of August 27 granted such a stay and set the motion for argument on September 10.

In Dr. Rodberg's motion he alleged that the subpoena should be quashed upon, *inter alia*, each of the following independent grounds:

(a) That it violates Congressional privilege, separation of powers and the Speech and Debate Clause;

(b) That it abridges his right to freedom of the press, freedom of expression and freedom of association, in violation of the First Amendment.

On August 27, Senator Gravel moved to intervene in this matter, alleging in essence that Dr. Rodberg was employed by him to perform work in respect to the business of the United States Senate and that all such acts performed by Dr. Rodberg are immune from judicial inquiry by virtue of the constitutional provisions referred to above and the privileges of members of the United States Senate. On September 1 the motion to intervene was granted. On that date Senator Gravel moved to quash the aforesaid subpoena upon substantially the foregoing grounds.

There are thus pending before the Court at this time the motions of Senator Gravel and Dr. Rodberg to quash the subpoena.

THE FACTUAL BASIS FOR THE MOTIONS

This is a further development of the New York Times case (*New York Times Company* v. *United States*, 91 Sup. Ct. 2140 (1971)).

While the government was litigating the question of the right of the *New York Times* to publish the so-called Pentagon papers, to wit, on June 29, 1971, Senator Gravel, in the course of a meeting of the Senate Subcommittee on Public Buildings and Grounds, of which he is chairman, read publicly a portion of said papers and inserted those papers in his possession into the record of the Subcommittee. Immediately after that reading, and at the express direction of Senator Gravel, his aides and assistants distributed to members of the press and others copies of the papers from which the Senator had read.

In connection with Senator Gravel's work on the Pentagon papers, Dr. Rodberg was engaged to perform analytical and advisory work for the Senator because, as the record shows, Dr. Rodberg has been a student of the decision-making process of the United States government, especially in regard to the Vietnam war. Dr. Rodberg's work for the Senator was in the area of his expertise and he assisted the Senator in threading his way through the massive material which the Senator had obtained.

Dr. Rodberg, as the affidavits show, was awarded a Ph. D. in physics from M.I.T. in 1956 and thereafter engaged in research and teaching in that field. From 1960 to 1967 he was a consultant at the Los Alamos Scientific Laboratories on questions relating to nuclear physics. Beginning in 1961 he was engaged by the Disarmament Administration in the Department of State, and in 1962 he became Chief of the Policy Research Office of the Science and Technology Bureau of the United States Arms Control and Disarmament Agency. He thus developed expertise in the field of arms control, disarmament, and the general matter of decision-making process of the government in the war in Vietnam. In addition to publications in his original field of physics, including *Introduction to the Quantum Theory of Scattering*, published in 1967, he wrote a chapter of a book commissioned by Senator Edward Kennedy entitled *ABM: An Evaluation of the Decision to Deploy an Anti-Ballistic Missile System*, and was co-director of the study of U.S. military organizations and policy which resulted in the publication of a book entitled *The Pentagon Watchers*, of which he was co-editor. He has spoken and written extensively on arms control, the ABM, and the strategy and technology of military policies of the United States.

His expertise in these areas led to his developing a consultant relationship with a number of members of Congress who came to him beginning in 1966, and up to the present time, for advice and suggestions concerning arms limitation, the military budget and policy, problems of economic conversion, study and evaluation of military organizations and policies, the United States policy in Vietnam, and the impact of that policy on the allocation of priorities within this country.

Indeed, in the summer of 1969, Dr. Rodberg was asked by a group of Congressmen to organize a Congressional conference on planning for new priorities. The conference, which was held at the Senate Office Building, was sponsored by approximately 50 members of Congress. Dr. Rodberg participated in and spoke at the Congressional conference. Under the direction of Congressmen, he secured for them the participation of academic experts in foreign and military policies and economics. At the request of Congressmen he also spoke at, participated in, and drafted the report for another Congressional conference, which report was subsequently published by sponsoring Congressmen.

In the summer of 1970 Dr. Rodberg became a full-time research fellow at the Institute for Policy Studies, in which position he has been conducting research and writing on the Vietnam war, particularly, the United States decision-making process, the operation of the United States national security agencies, military budget, economic conversion, and the uses of advanced technology. He has also organized conferences and seminars, directed the research of students, and is in communication with scholars from around the country in connection with the aforementioned areas.

In April 1971, he helped to organize, participated in, spoke at, and wrote the report of the Conference on Economic Conversion, sponsored jointly by a number of Congressmen and public organizations. In this activity he worked closely with a number of aides to individual Congressmen. The report of the conference has been published by the Coalition on National Priorities and has been distributed to members of Congress and interested members of the public.

It is evident from the affidavits that Dr. Rodberg is one of the experts in this country on a great many matters having to do with the decision-making process of the United States and with the war in Vietnam and has, at their request, and supplied his expertise to Senators and Congressmen concerned with the development of public policy in these areas.

As is clear from the affidavits, the relationships with Congressmen and Senators are necessarily confidential and based upon mutual trust. The ability of Dr. Rodberg to furnish his expertise and the willingness of Congressmen and Senators to consult with him is entirely dependent upon the confidential character of their relationships. The ability of Senators and Congressmen to consult Dr. Rodberg and use his expert knowledge and skills would be greatly restricted and hampered if they could not do so in complete confidentiality.[1]

Insofar as the evidence adduced in behalf of movant in *In re Grand Jury Subpoena: Richard Falk, Witness*, EBD 71-165, supports our position, we respectfully incorporate that evidence here.

Argument

I. The subpoena violates the Congressional privilege with respect to speech and debate and, Senator Gravel having asserted that privilege, Dr. Rodberg is barred from responding thereto.

In the instant case the Court has granted a motion to intervene on behalf of Senator Gravel, who has asserted that the subpoena addressed to Dr. Rodberg, a member of Senator Gravel's personal staff, is violative of the Speech and Debate Clause of the Constitution of the United States.

The issue as far as concerns Dr. Rodberg is not whether he has any privilege not to testify but whether indeed he does not have a duty to testify in light of the assertion of the privilege by the Senator.

We will not burden the Court with repetition of the arguments as to the scope and meaning of the Speech and Debate Clause, those issues having been fully presented to the Court by Senator Gravel. Our only concern therefore is to make clear Dr. Rodberg's legal obligation in light of the threatened abridgement of Senator Gravel's constitutional duties. Our submission at this point is that Dr. Rodberg is duty-bound not to testify in the light of the Senator's assertion of privilege.[2] The relationships here are not dissimilar from those that exist between an attorney and a client. The privilege with respect to confidential communications to attorneys, as the courts have repeatedly said, is a privilege of the client, and subject to waiver only by the client—not by the attorney. See *Poliafico* v. *United States*, 237 F. 2d 97 (6th Cir., 1956), *cert. den.*, 352 U.S. 1025; *Magida on Behalf of Vulcan Detinning*

[1] Due to the shortness of time and the difficulty in contacting several persons including Senators, we have not been able to obtain as of this date the full evidence we intend to present to the Court. However, we expect to receive much of that evidence by the date of the hearing on this motion and will present it at that time.

[2] Had the Senator not intervened, then Dr. Rodberg would have been duty-bound to have asserted the privilege on behalf of the Senator, no differently than is the responsibility of the lawyer to assert the attorney-client privilege on behalf of an absent client. See, for example, *Republic Gear Co.* v. *Borg-Warner Corp.*, 381 F.2d 551, 556 (2d Cir. 1967), where the court dealt with this question precisely and held that the lawyer was "duty-bound to raise the claim [of privilege] in any proceeding in order to protect communications made in confidence" in the absence of his client. Indeed in his first presentation to this Court before the Senator was a party Dr. Rodberg did assert this privilege.

Co. v. *Continental Can Co.*, 12 F.R.D. 74 (D. C.N.Y., 1952); *Petition of Sawyer*, 129 F. Supp. 687 (D.C. Wisc., 1955), affirmed, 229 F. 2d 805, *cert. den.*, 351 U.S. 966. As stated by the court in *Timken Roller Bearing Co.* v. *United States*, 38 F.R.D. 57, 64 (D.C.Ohio, 1964): "Thus only the client can unseal his attorney's lips; only the patient can authorize disclosure of sickbed confidences."

Thus in this case Dr. Rodberg is duty-bound to respect the assertion of privilege by Senator Gravel and is in no position to frustrate the Senator's claim under the Constitution.

II. The subpoena must be quashed because under the circumstances of this case Dr. Rodberg's appearance before the grand jury would violate fundamental first amendment rights.

The record establishes that Dr. Rodberg is a highly regarded scholar in the field of the decision-making mechanism regarding Vietnam within the government of the United States. He has not only been able to disseminate ideas directly to the American public through writings and speeches but he has acted frequently as consultant to legislators who have themselves acted upon his advice and expertise.

In this regard Dr. Rodberg is one of a small number of scholars within the academic community who have played and continue to play a unique role with respect to the war in Vietnam. As the Court is undoubtedly aware, opposition to the war did not arise full-blown at the war's inception. Indeed, it is not inaccurate to state that the war was, if not endorsed, at least accepted without question, in 1965 by a substantial majority of Americans. However, as the Court is no doubt equally aware, the last six years have witnessed a staggering change in the opinions of Americans toward the war. Today, the war is strongly opposed by a substantial majority of Americans.

We submit that the key to understanding the full extent of the threat to First Amendment rights posed by the proposed appearance by Dr. Rodberg before the grand jury lies in the understanding of how this profound opposition to further American involvement in Vietnam has grown. We would respectfully suggest two interrelated elements: (1) that opposition has grown largely as a result of information made available to the American people by that small number of scholars of which Dr. Rodberg is one, and (2) that the ability of Dr. Rodberg (and others like him, as for example, Professor Richard Falk) to obtain such information of vital public concern flows ineluctably from sources which are confidential.

American opposition to the war has grown in large measure as a result of the people's growing awareness of the realities of the war. Some of the realities uncovered are notorious: the massacre at My Lai, the corruption of the Saigon regime, the maiming and disfiguring of human beings by the use of napalm, etc. etc. The list is endless, stark newspaper headlines following each upon the other. Equally as important in the American people's understanding of this tragedy has been their education as to the how and the why behind each new story. It is in this regard that Dr. Rodberg and other scholars in the field of American decision-making have performed so vital a function. It is these scholars who through laborious digging and searching have uncovered the how and the why and have then brought them to the attention of the American public. It is the nature of the decision-making process and its implementation which best explain the individual incidents which result.

In digging and searching for information with respect to American decision-making regarding Vietnam, Dr. Rodberg has had access to a variety of confidential sources. Such sources attend the work of a man like Dr. Rodberg in much the same way that confidential sources attend the work of a newspaper man (or indeed the work of federal law enforcement officials). They are indispensable to obtaining the how and the why regarding Vietnam. These sources are persons in sensitive personal positions who are moved to communicate important information with assurances that their communications will be kept confidential. These relationships between sources and Dr. Rodberg are delicate and fragile. They depend upon a trust which, once breached, is not reconstructed. We are not suggesting that Dr. Rodberg or other scholars are the recipients of official secrets or information not lawful to obtain. The wealth of confidential information which they receive is entirely proper, but not available generally for the obvious reason that government experts knowledgeable in these matters do not feel free to air their knowledge or opinions in public.

We take it to be unquestioned that there is a substantial First Amendment interest in the dissemination of information regarding matters of public importance. The Supreme Court has said:

"The newspapers, magazines, and other journals of the country, it is safe to say, have shed and continue to shed, more light on the public and business affairs of the nation than any other instrumentality of publicity; and since informed public opinion is the most potent of all restraints upon misgovernment, the suppression or abridgement of the publicity afforded by a free press cannot be regarded otherwise than with grave concern." *Grosjean v. American Press Co.*, 297 U.S. 233, 250 (1936).

It cannot for a moment be doubted that the interest in the exposure to the American people of information regarding American involvement in Vietnam and the deception of the government with respect thereto, the most important public issue of the day, is as substantial as any other. Were there such doubt, one need only read the enduring words of Justice Black in this regard:

"In the First Amendment the Founding Fathers gave the free press the protection it must have to fulfill its essential role in our democracy. The press was to serve the governed, not the governors. The Government's power to censor the press was abolished so that the press would remain forever free to censure the Government. The press was protected so that it could bare the secrets of government and inform the people. Only a free and unrestrained press can effectively expose deception in government. And paramount among the responsibilities of a free press is the duty to prevent any part of the government from deceiving the people and sending them off to distant lands to die of foreign fevers and foreign shot and shell." *New York Times Co.* v. *United States*, 91 S. Ct. 2140, 2143 (1971).

The *Times* case settled what should have been clear all along—that the foundation of our government is the people's right to know the basic facts upon which governmental policy is based. And the constitutional clause which establishes that principle is of course the First Amendment.

In the *New York Times* case the government sought to impede by injunctive process the constitutional right of the people to "know" the facts upon which their governmental policy was being determined. The Court refused and concluded that the people's right to know far outweighed any claims of the executive to maintain secrecy. The basic point was that it was the purpose and intent of the First Amendment to prevent that very type of secrecy.

The right to acquire information regarding American involvement in Vietnam is a necessary right, one concomitant to the right to disseminate that information. See, e.g., *Caldwell* v. *United States*, 434 F.2d 1081 (9th Cir., 1970), *cert. granted*, 402 U.S. 542 (1971). The principle that information must

not unnecessarily be cut off at its source is fundamental to the concept of an unabridged flow of that information to the people. As Madison wrote:

"A popular government without popular information or the means of acquiring it is but a prologue to a farce or tragedy or perhaps both."[3]

The Supreme Court has long recognized that First Amendment freedoms can be violated as readily by indirect abridgement as by direct and has, accordingly, acted to protect those rights however they are threatened. As Justice Stewart declared for a unanimous Court in *Bates* v. *City of Little Rock*, 361 U.S. 561, 523 (1960): "Freedoms such as these are protected not only against heavy-handed frontal attack, but also from being stifled by more subtle governmental interference." Furthermore, the Court has, in an unbroken line of cases, recognized that compelling disclosure of facts intended to be kept confidential may constitute just such a "more subtle governmental interference." See *Sweezy* v. *New Hampshire*, 354 U.S. 234 (1957); *NAACP* v. *Alabama*, 357 U.S. 449 (1958); *Bates* v. *City of Little Rock*, *op cit.*; *Gibson* v. *Florida Legislative Investigation Committee*, 372 U.S. 539 (1963); *DeGregory* v. *Attorney General of New Hampshire*, 383 U.S. 825 (1968).

In the present case it can be seen that an effort to compel Dr. Rodberg to testify regarding matters disclosed to him in confidence will interfere with the free flow of information regarding Vietnam and thus interfere with the dissemination of ideas which lies at the core of the First Amendment. Sources of confidential information will no longer be sources if their communications are no longer confidential. The people's right to know will suffer accordingly, for the explanation of the how and the why of Vietnam will be based on just that much less information.

That conndential sources of information will dry up if they come to fear exposure is not a novel perception. That fact is shown not only here but in the companion case of Professor Falk. The fact was shown (and judicially recognized) in the landmark case of *Caldwell* v. *United States*, 434 F. 2d 1081 (9th Cir., 1970), *cert. granted*, 402 U.S. 542 (1971). Because *Caldwell* discusses the abridgement of the public's First Amendment right to know that can occur where, as here, a person is subpoenaed to appear and testify before a federal grand jury concerning information disclosed to him in confidence, it is appropriate to examine that case in some detail.

Caldwell involved a newspaper reporter who had access to confidential sources of information which was a matter of general public interest. He demonstrated to the court that the only way he could maintain his line of communication with his confidential sources was to maintain the absolute confidentiality of his relationships. He then argued that the very process of his appearance before a secret grand jury would render him suspect and would dry up his sources of confidential information.

The court in *Caldwell* accepted this proposition and concluded that the public's right to know and Caldwell's need to maintain his lines of communication so as to serve that interest of the public, outweighed any claimed interest of the government to proceed by way of secret grand jury proceedings at least unless the government could show some compelling countervailing justification.

The essence of *Caldwell* is that in respect to persons who function in the area of the dissemination of information in the public interest, and whose very functioning requires the maintenance of confidentiality and trust, the device of a secret grand jury proceeding is recognized as an impermissible interference with such rights absent a strong showing of governmental necessity.

This case, and its companion, that involving Professor Falk, poses exactly the same issue in the context of the work of scholar-journalists who have contributed so much to the final exposure of the deceptive nature of government policy in Vietnam.

The role of scholarship and the dissemination of information on the development of the war in Vietnam is nowhere more clearly revealed than in the careers and work of Dr. Rodberg and Dr. Falk. The current determination by the American people and their representatives in Congress to reassert control over the policies of their government in respect to the war is the product of years of effort by journalists and scholars who have dug deep and have exposed governmental policies.

Scholarship is based upon access to information. The value of the material is such that it is not all available in libraries. Much of the material upon which serious studies have been made comes from personal interviews of a most confidential nature. The ability of a scholar to function—just as the ability of Caldwell to function—is dependent upon the lines of communication remaining open. There is a compelling right of the people to have available to them information regarding a matter not only of general importance but a matter which is the most important issue of the day. Therefore the employment of a process which impedes these lines of communication is an impermissible burden upon the First Amendment, absent a strong showing, not made here, of government necessity. The infringement of the First Amendment is accomplished in this case merely by Dr. Rodberg's appearance before the grand jury. In this regard, *Caldwell* is again instructive.

Emphasizing that "[t]hroughout history secret interrogation has posed problems and caused unease," 434 F. 2d at 1089, the Court of Appeals concluded that because of the *secret* nature of the grand jury proceedings, the First Amendment issues in that case required that the subpoena itself be quashed. The essence of *Caldwell* was that the confidential relationships between a newspaper reporter and his sources of information would be destroyed by the very requirement that he appear for a secret interrogation—after all, nobody could be sure what he would say under compulsory process behind closed doors and the basis of trust would thus be destroyed.

As the court in *Caldwell* said in referring to a reporter's relationship with his sources:

"The relationship depends upon a trust and confidence that is constantly subject to re-examination and that depends in turn on actual knowledge of how news and information imparted have been handled and on continuing reassurance that the handling has been discreet.

"This reassurance disappears when the reporter is called to testify behind closed doors. The secrecy that surrounds Grand Jury testimony necessarily introduced uncertainty in the minds of those who fear a betrayal of their confidences."

The conclusion in *Caldwell* as to the effect of the witness's appearance on his confidential source is as fully applicable to such a source when his communication is to a scholar-writer as when it is to a newspaper reporter. Indeed, the instant case is even stronger than *Caldwell* on the issue that the mere appearance before a grand jury would be destructive of fundamental First Amendment interests. This is because Dr. Rodberg not only makes his expertise, achieved in large measure by reason of confidential information, available to the public at large, but makes it available on a direct consulting basis to Senators and Congressmen.

The facts in the record establish that Dr. Rodberg is a highly regarded scholar in the field of the decision-making mechanism within the government of the United States, particularly on the issues of the Vietnam war. He has been consulted frequently by legislators in that respect. An indispensable element of his ability to function is the complete confidence placed in him by those who give him information, as well as by those who utilize his information. If it was true, in *Caldwell*, that there is a First Amendment public interest in the preservation of the confidential relationship between a newspaperman and his sources of information, how much more true is it that there is a First Amendment public interest in the preservation of confidential relationships between an expert on one of the most important issues of the day, and those Senators and Congressmen who seek his counsel.

It is literally true that the effective functioning of the Congress of the United States would be threatened if its members could not rely on knowledge they obtained in confidence from experts in a field. If the executive branch seeks to force such persons to testify in secret, the legislative process, which is at the heart of the democratic functioning of our society, is impaired.

The issues go far beyond the rights of Dr. Rodberg or even his relationship with a particular Senator. The chilling effect upon all persons engaged in the legislative process—Congressmen, Senators, their aides, and persons called upon to give them the benefit of their knowledge and expertise—can have devastating impact upon the workings of the democratic process. Again, as pointed out in *Caldwell*, the objective of the First Amendment "is the maximization of the 'spectrum of available knowledge' ". *Id.* at 1084. How much more true is it that the objective of the First Amendment is to assure the maximization of the spectrum of available knowledge to the representatives of the people engaged in the legislative process.

It is common knowledge, as pointed out in Senator Gravel's brief before this Court, that the executive branch has frequently insisted on its need to have confidential communication within its own branch. Thus, it is notorious that the President has refused to permit Mr. Kissinger to testify before various committees and only last week the administration refused to disclose to the Senate Foreign Relations Committee a planning report on the United States military aid program which the Pentagon had termed an "internal working paper." Attorney General Mitchell in the President's name invoked executive privilege to keep an F.B.I. investigative report out of the hands of a House subcommittee.

The need of Congressmen and Senators to have the benefit of confidential communication of experts is even greater, for without such communication they have no possibility of being informed of the basis on which they are to exercise their legislative powers. And the interest is not that of legislators; it is rather the interest of the public at large, because the informed functioning of the legislative body allows the expression of the body politic.

What we ask the Court to recognize, exactly as did the Court of Appeals in *Caldwell*, is that the very process of secrecy in interrogation of an expert in American policy who has access to confidential communications is inherently inconsistent with the character of relationships which the First Amendment and the legislative process require to be protected. Legislators will not soon again avail themselves of Dr. Rodberg's expertise, if his communications with Senator Gravel can be scrutinized in secret before a grand jury.

CONCLUSION

This is in large part an unprecedented matter touching upon principles which go to the root of our system of government. If the obligations of the Legislature can be questioned in the manner the Government seeks here, this case will be remembered as a turning point in our constitutional history, a point at which the most basic principle of separation of powers was blurred and our system of checks and balances sacrificed. For the aforegoing reasons, the subpoena served upon Dr. Rodberg should be quashed.

Respectfully submitted,

JAMES REIF.

SEPTEMBER 8, 1971.

CERTIFICATE OF SERVICE

I hereby certify that I served this brief upon counsel for the parties by causing a copy of it to be mailed, postage prepaid, to Robert J. Reinstein at 1715 N. Board Street, Philadelphia, Pa., 19122, and Charles L. Fishman, 633 E. Capitol Street, Washington, D.C., 20003, and by causing a copy of it to be hand delivered to the office of the United States Attorney for the District of Massachusetts, Boston, Mass.

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[3] 3 Writing of James Madison 393 (Hunt ed., 1906).

[District of Massachusetts, E.B.D. No. 71-165-G]

MEMORANDUM OF DECISION, OCTOBER 4, 1971

(United States of America versus John Doe, in the matter of a grand jury subpoena served upon Richard Falk)

Garrity, J. Petitioner, a prominent professor of international law and critic of the war in Vietnam, seeks to quash a subpoena compelling his appearance before a federal grand jury ostensibly investigating crimes related to the release and dissemination of the much-publicized "Pentagon Papers." At a hearing on August 20, 1971, the court stayed Professor Falk's appearance and ordered that petitioner and the government file affidavits and memoranda of law prior to a further hearing on September 10.

That the grand jury is investigating crimes related to the Pentagon Papers, which were the subject of the decision of the Supreme Court in *New York Times Company* v. *United States*, 1971, 403 U.S. 713, and for whose alleged unauthorized possession and conversion Daniel Ellsberg has been indicated in the Central District of California, is apparent from the prosecuting attorneys' oaths of office on file with the Clerk. They describe the current investigation as being based on information "that various persons have violated in the District of Massachusetts the laws relating to the retention of public property or records with intent to convert (18 U.S.C. 641), the gathering and transmitting of national defense information (18 U.S.C. 793), the concealment or removal of public records or documents (18 U.S.C. 2071), and conspiracy to commit such offenses and to defraud the United States (18 U.S.C. 371)." The parties' arguments have proceeded on this assumption.

The nature of the petitioner's claim, which is supported by thirty affidavits, including his own, is indicated by the following excerpts from his affidavit:

"My motion to quash this subpoena is based on the principal contention that my *mere appearance* before *this particular* Grand Jury will impair greatly my capacity to carry on my professional duties in an effective fashion. This contention arises from the rather distinctive character of my professional identity. Much of my professional work has involved writing and advising on the United States role in the Vietnam War. This effort has been dependent upon the trust of many individuals and upon access to a variety of kinds of confidential information. My contact with the subject-matter of this Grand Jury investigation is solely a consequence of this trust and with the exclusive purpose of carrying out my professional role as an author and a journalist. To require my appearance in a secret proceeding of this type that is concerned with this subject would undermine the confidence of others in my capacity to protect my sources of information against disclosure . . . .

"My professional work involves a number of different roles. In several of these roles relating to writing and advising on matters of United States foreign policy, especially in the setting of the Vietnam War, the relevance of confidentiality should become apparent from a recital of my actual experience over the last several years. In brief, confidentiality of relationship has been essential for me in the following roles: (1) as a scholar devoted to revealing the truth as it relates to issues of American foreign policy and, in particular, to the Vietnam War; (2) as a journalist who writes for the public on these issues in national newspapers and magazines; (3) as a consultant for TV and radio broadcast activity in relation to this subject-matter; (4) as an expert witness for defendants who rely on arguments relating to the legal status of the war; (5) as a consultant and adviser to Members of Congress and other government officials concerned with these issues."

At the hearing, in arguing the breadth of the interest relied upon by petitioner, counsel quoted as follows from the affidavit of Professor Stanley Hoffman of Harvard University, Professor of Government and Chairman of the University's Standing Committee on West European Studies:

"This scholarly function goes beyond the role which the media perform in informing the public, also on the basis of research whose confidentiality must be protected. To be sure, governments do not always like the analyses or advice scholars produce. But the destruction of the function scholars provide is too high a price to pay in retaliation for unwelcome views or unorthodox judgments. Scholars are of course morally and legally responsible for what they prescribe. But such responsibility is one thing, an obligation to divulge their sources is quite another—and would come dangerously close to harassment."

The parties rely heavily on two recent decisions, one by the Court of Appeals for the Ninth Circuit concerning a newspaper reporter and one by the Supreme Judicial Court for Massachusetts concerning a newsman-photographer, in which the Supreme Court has granted certiorari. Petitioner's precedent is *Caldwell* v. *United States*, 9 Cir., 1970, 434 F. 2d 1081, cert. granted 402 U.S. 942. There a federal grand jury conducting a "general investigation" into a possible criminal activity by members of the Black Panther Party subpoenaed petitioner, a black reporter for the New York Times specializing in news concerning Panther activities. By motion in the District Court, petitioner sought to quash the subpoena, arguing (as the court later found) that "compelled disclosure of information received by a journalist within the scope of . . . confidential relationships jeopardizes those relationships and thereby impairs the journalist's ability to gather, analyze and publish the news . . ." *Application of Caldwell*, N.D. Calif., 1970, 311 F. Supp. 358, 361. The district court nevertheless ordered that he testify, entering instead a broad protective order designed to shut off investigation into confidential information while permitting "questions concerning . . . statements or information . . . given to him for publication or public disclosure . . ." *Id.* at 362.

Caldwell refused to appear, and on appeal from the ensuing contempt order the Court of Appeals reversed, holding that even his mere appearance before the grand jury would jeopardize "the public's First Amendment right to be informed . . ." *United States* v. *Caldwell*, *supra* at 1089.[1] The court emphasized, however, the narrowness of its holding; while recognizing that the threat of lost sources was dominant in the case before it, it stated that "not every news source . . . is as sensitive as the Black Panther Party . . ." *Id.* at 1090.

The government cites *In Re Pappas*, 1971 Mass. Adv. Sh. 69, cert. granted 402 U.S. 942, in which a newsman-photographer employed by a television station refused to answer certain questions of the grand jury about what he saw and heard in a store serving as a Black Panther Headquarters. Pappas had been allowed to enter the headquarters on condition that he not report anything he saw or heard inside the store except a police raid. In rejecting his contentions that his testimony before the grand jury would violate a privilege to protect the source of information acquired in confidence and his rights under the First and Fifth Amendments to the Constitution of the United States, the court stated at 76:

"Were we to adopt the broad conclusions of that [Caldwell] decision, that a newsman's privilege exists because of the First Amendment, we would be engaging in judicial amendment of the Constitution or judicial legislation. Requiring a newsman to testify about facts of his knowledge does not prevent their publication or the circulation of information. Any effect on the free dissemination of news is indirect, theoretical and uncertain, and relates at most to the future gathering of news. The opinion in the *Caldwell* case largely disregards important interests of the Federal government and the several States in enforcement of the criminal law for the benefit of the general public. We are of the view also that the opinion unnecessarily expresses, in terms of newly discovered constitutional absolutes, interests of the news media, which (so far as reasonably requiring protection) may be guarded by sound judicial discretion and administration."

In the court's opinion petitioner does not fit within the *Caldwell* doctrine, though not mainly because he is not a newspaper reporter. The public interest under the First Amendment in the "maximization of the 'spectrum of available knowledge'" which the *Caldwell* court deemed sufficient to override an unlimited grand jury subpoena clearly is of the same general nature as the public interest alleged by petitioner here. In no way do his facts become any less a part of the "spectrum of available knowledge." *Griswold* v. *Connecticut*, 1965, 381 U.S. 479, 482, for appearing in books and articles rather than in a newspaper. Such media are "vehicle[s] of information and opinion" of a type long recognized by the Supreme Court as being within its definition of "the press." *Lovell* v. *Griffin*, 1938, 303 U.S. 444, 452.

Even though a substantial First Amendment right is here involved, the *Caldwell* protection is not applicable because, upon consideration of all the affidavits filed in support of the motion, the court perceives no real likelihood that petitioner's sources of lawfully transmitted information will be inhibited by his mere appearance before the grand jury.[2] The facts here and in the *Caldwell* case are crucially distinguishable. Reporter Caldwell's sources were members of the Black Panther Party, persons often lacking in education and sophistication whose distrust of government, especially of police and prosecutors, is well known. No persuasive analogy can be drawn between a Black Panther's fear of harassment and prosecution and the anxieties of petitioner's sources who

[1] "Where First Amendment rights are asserted to bar governmental interrogation, resolution of the issue always involves balancing by the courts of the competing private and public interests at stake in the particular circumstances shown." *Barenblatt* v. *United States*, 1959, 360 U.S. 109, 126.

[2] The issue of the legality of Professor Falk's information and sources is not before the court and for purposes of this decision the information is presumed both lawful and of public value. Obviously, sources of illegally revealed information may and must be "inhibited" by investigation and prosecution.

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likely are highly trained and sophisticated individuals. Such persons, highly placed in the councils of government, education and industry, undoubtedly will continue to "leak" confidential but otherwise lawful information to petitioner and indeed to other scholars, journalists and consultants too. The facts here fall far short of showing a confidential relationship between petitioner and his "contacts" as unique and exclusive as that which obtained between Caldwell and his Black Panther acquaintances.

In addition, the grand jury in the California case was engaged in a "general investigation" not focused on specific crimes. *Caldwell* v. *United States*, *supra* at 1082. While even such a general investigation may be conducted, *Hale* v. *Henkel*, 1906, 201 U.S. 43, it is clear that one might operate to place reasonable fear of disclosure and jeopardy into the minds of diverse law-abiding citizens. Here, however, the government has indicated the specific statutory offenses which it is investigating, *State* v. *Knops*, 1971, 49 Wis.2d 647, and the reasonableness of such investigation is supported by the fact that at least some of the Pentagon Papers, or copies thereof, were possessed by persons in Massachusetts, since portions were published by a Boston newspaper.[3] Where the investigation is thus focused, the court will not presume that men of substantial intelligence and good intent will be inhibited from pursuing otherwise lawful activity; it is more rational, and more likely, that such persons will presume that the grand jury process will not be misused against them.

The motion to quash is denied. So ordered.

W. ARTHUR GARRITY, JR.,
U.S. District Judge.

[U.S. District Court for the District of Massachusetts]

SUBPOENA TO TESTIFY BEFORE GRAND JURY
(U.S. versus John Doe)

To: Leonard Rodberg, 420 Elsner Sreet, Silver Spring, Md.

You are hereby commanded to appear in the United States District Court for the District of Massachusetts at P.O. & Courthouse Building in the city of Boston on the 14th day of October 1971 at 11:00 o'clock A.M. to testify before the Grand Jury and bring with you [1]

Please report to: Richard E. Bachman, Asst. U.S. Attorney, Chief, Criminal Division, Rm. 1107 P.O. & Courthouse, Boston, Mass.

RUSSELL H. REID,
Clerk.

Date October 4, 1971.
By Denise Irwin, Deputy Clerk.

[In the U.S. District Court for the District of Massachusetts, No. E.B.O. 71–172]

MOTION OF INTERVENOR-PETITIONER FOR RECONSIDERATION AND STAY PENDING RECONSIDERATION AND/OR APPEAL

(Mike Gravel, United States Senator, Intervenor-Petitioner versus United States, United States versus John Doe, in the matter of a grand jury subpoena served upon Leonard Rodberg)

1. Senator Mike Gravel, intervenor-petitioner, respectfully moves this Court to reconsider its resolution of two issues in the "Memorandum of Decision and Protective Order" entered on October 4, 1971. Movant respectfully submits that these issues ought to be reconsidered because they present complex and important questions of constitutional law and were not heretofore discussed in sufficient depth by the parties. Movant further respectfully submits that given the holding of the Court the appearance of Dr. Rodberg before the grand jury will violate movant's privileges and rights secured by the Speech and Debate Clause.

2. The first issue upon which movant seeks reconsideration relates to this Court's holding that the actions of Senator Gravel to inform fully his constituents about Executive conduct in foreign relations, by arranging for the republication and public distribution of the official record of the Subcommittee on Public Buildings and Grounds, were not protected by the Speech and Debate Clause and could be investigated by the Grand Jury and made the subject of criminal proceedings instituted by the Executive.

3. In the course of its discussion on this issue this Court stated (Slip Opinion, page 12, fn. 5):

"The Senator has made no specific claim that his legislative privilege extends to his actions subsequent to the Subcommittee hearing. However, this claim has been advanced by Dr. Rodberg and contested by the Government and hence the Court has considered it."

Movant respectfully submits that he *did* specifically assert that republication of the Subcommittee record was protected by the Speech and Debate Clause. A significant portion of oral argument was devoted to this issue, and there was an extended colloquy between the Court and counsel for movant. Furthermore, counsel for movant did not anticipate that the Government would argue that the Congressional privilege did not extend to republication, and in fact this argument was contained in only one paragraph of the Government's brief, with citation to dictum in a paragraph of a decision decided 37 years ago. (Government Brief, p. 11). There was at that point no time to file a reply brief, and counsel for movant could only outline their arguments orally.

4. The issue of whether the Grand Jury can interrogate and the Executive institute criminal proceedings against a member of Congress or his staff assistant for republishing a committee record critical of Executive conduct in foreign relations is of utmost importance to separation of powers in our tripartite system of government. As is elaborated in the Memorandum of Law attached hereto, movant believes that the precedents and policies of the Speech and Debate Clause demand that the privilege is applicable to republication of the Subcommittee record under the facts of this case. At the very least, this issue is of such magnitude that a final decision on it should be based on more research and argument of counsel for the parties than has heretofore been presented. Movant therefore respectfully requests this Court to reconsider its decision on this question.

5. The other issue upon which movant seeks reconsideration relates to whether or not the protective order issued by the Court adequately protects movant's constitutional privilege. For the reasons set forth in the accompanying Memorandum of Law, movant respectfully submits that this Court's findings that "the government's interest in (Dr. Rodberg's) testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the Grand Jury," (Slip Opinion, pages 5–6) when combined with the failure of the government to specify the purpose and scope of the questioning (as it has done in similar cases of privilege) and the secrecy of the Grand Jury proceedings, compels a quashing of the subpoena as a matter of law or at a minimum a more inclusive protective order.

6. Due to the importance and complexity of these issues, movant respectfully requests this Court to stay enforcement and execution of the subpoena served upon Dr. Rodberg pending reconsideration. Such a stay is essential to preserve the status quo and will not unduly affect any legitimate interests of respondent.

7. Should this Court deny reconsideration, movant respectfully requests a stay pending appeal. The issues presented herein, in the context of a criminal proceeding, are of first impression and have never previously been decided by the Court of Appeals or by the Supreme Court. The precedent set in this case will have far-ranging implications in the relations of the three branches of government and in the construction of Article I, Section 6 of the Constitution. A stay pending appeal is necessary to preserve the status quo, and preserve for appeal these important issues. As to movant, the denial of the motion to quash and the motion for specification is a final order, inasmuch as movant himself has not been directed to appear before the grand jury and cannot thereby obtain review by refusal to comply with this Court's order. Appellant's rights cannot be protected by waiting until questions are asked of Dr. Rodberg, because: (a) appellant is not entitled to attend the secret grand jury proceedings; and (b) any questioning of Dr. Rodberg concerning the official actions of appellant itself violates the terms of the Speech and Debate Clause, regardless of the answer given thereto by Dr. Rodberg and regardless of the outcome of the grand jury inquiry.

8. Movant requests oral argument upon this motion.

Respectfully submitted,

CHARLES L. FISHMAN,
HERBERT O. REID,
ROBERT J. REINSTEIN,
Attorneys for Senator Gravel.

[In the U.S. Court of Appeals for the First Circuit, No. —]

MEMORANDUM OF LAW IN SUPPORT OF MOTION OF APPELLANT FOR STAY PENDING APPEAL

(MIKE GRAVEL, U.S. Senator, appellant against United States, appellee)

INTRODUCTION

In the "Memorandum of Decision and Protection Order" issued October 4, 1971, the Court below made three basic findings of fact and ten conclusions of law. The findings of fact, which are relevant to this motion, are: [1]

1. Dr. Leonard E. Rodberg is a personal staff assistant of Senator Gravel. Slip Opinion, p. 4).

2. "[A]s personal assistant to [Senator Gravel], Dr. Rodberg assisted [Senator Gravel] in preparing for disclosure and subsequent disclosing to [Senator Gravel's] colleagues and constituents, at a hearing of the Senate Subcommittee on Public Buildings and Grounds, the contents of the so-called 'Pentagon Papers,' which were critical of the Executive's conduct in the field of foreign relations." (Slip Opinion, p. 2).

3. "Viewing together the crimes which this grand jury is investigating and the chronology of acts and events leading up to Dr. Rodberg's subpoena, the Court infers that the government's interest in his testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury." (Slip Opinion, pp. 5–6).

The conclusions of law made by the Court below may be summarized as follows:

1. The Speech and Debate Clause "is limited specifically to legislative acts and antecedent conduct so intimately related to them such as cannot be proved without re-

Footnotes at end of article.

sort to inquiry into legislative acts." (Slip Opinion, p. 7).

2. Senator Gravel's legislative acts may not consistently with the Speech and Debate Clause be the subject of questioning of any witness before the grand jury. (Slip Opinion, p. 9).

3. All actions taken by Senator Gravel at the June 29 Subcommittee meeting, and in preparation for and intimately related to this meeting, are privileged. (Slip Opinion, pp. 10, 16).

4. The judiciary may not inquire into the purpose or legitimacy of the Subcommittee meeting. (Slip Opinion, pp. 10–11).

5. "[T]he legislative privilege conferred by the Speech or Debate Clause belongs to Congressmen only and not to their assistants and aides." (Slip Opinion, p. 7).

6. However, in order to protect a Senator's privilege, it "must extend to some activities of a member of his personal staff acting at his direction." (Slip Opinion, p. 14.)

7. Therefore, "the Speech and Debate Clause prohibits inquiry into things done by Dr. Rodberg as the Senator's agent or assistant which would have been legislative acts, and therefore privileged, if performed by the Senator personally." (Slip Opinion, p. 14; see p. 17).

8. Dr. Rodberg may be questioned about subjects beyond the protection of the privilege, including "the activities of third parties with whom he and the Senator dealt" and "with his own conduct previous to his joining the Senator's personal staff . . ." (Slip Opinion, p. 8).

9. Senator Gravel's "arranging for private publication of the Pentagon Papers . . . is not embraced by the Speech or Debate Clause," and Dr. Rodberg and other witnesses (Including, presumably, Senator Gravel) may therefore be interrogated about it by the grand jury. (Slip Opinion, p. 12; see pp. 16–17).

10. The protective order which delimits the subject matter of questions which may not be asked of witnesses before the grand jury "fully protects" Senator Gravel's Constitutional rights.

It is our contention that the policies underlying the Speech and Debate Clause and the case law compel the conclusion that the actions of a Senator in republishing and distributing to his constituents the contents of an official, public record of a Senate subcommittee which is critical of Executive conduct in foreign relations is immune from Executive harassment and retaliation and cannot be the subject of interrogation by the grand jury or the institution of criminal proceedings by the Executive. We further believe that under the facts as found by the Court and the conclusions of law reached, the protective order which has been entered by the Court below does not protect adequately Senator Gravel's Constitutional rights.

I. The republication and public distribution by a Senator of an official, public record of a subcommittee critical of executive conduct in foreign relations is protected by the speech and debate clause

A. Republication of Committee Records is Related to the Due Functioning of the Legislative Process

Ever since the landmark decision of *Kilbourn* v. *Thompson*, 103 U.S. 168 (1968), the Supreme Court has rejected attempts to confine the Speech and Debate Clause to words spoken on the floor of Congress and has held that it affords protection for things "generally done in a session of the House by one of its members in relation to the business before it." *Id.*, at 204. Reiterating this test as recently as 1967, the Court added that an action of a Member of Congress is protected by the Congressional privilege if it is "related to the due functioning of the legislative process." *United States* v. *Johnson*, 383 U.S. 169, 172, 179.

In considering whether any given practice falls within these standards, two benchmarks are suggested from the decisions. First, a court may ask whether that practice is necessary to fulfill any of the goals of representative government as established by the Constitution. Second, a court may look for guidance at the actual workings of Congress to determine whether the practice is widely utilized by Members of Congress and uniformly regarded as legitimate; in other words, whether it is "generally done . . . by . . . its members in relation to the business before it."

It is clear that republication of speeches or committee reports or transcripts and their dissemination to the electorate meets each of these criteria. The scheme of representative democracy envisaged by the Framers presupposes the maximum amount of communication between the citizens and their elected representatives. Under our system of government, the ultimate power resides in the people. As Madison, who is appropriately called the Father of the Constitution, said, "The people, not the government, possess the absolute sovereignty." [2] For this system to be viable, the people must be informed fully of the workings of government so that they may be able meaningfully to exercise their Constitutional rights to vote intelligently and to "free public discussion of the stewardship of public officials." [3] Madison well understood that this imposes a *duty* on public officials to inform the electorate:

"Let it be recollected, lastly, that the right of electing the members of the government constitutes more particularly the essence of a free and responsible government. The value and efficacy of this right depends on the knowledge of the comparative merits and demerits of the candidates for public trust, and on the equal freedom, consequently, of examining and discussing these merits and demerits of the candidates respectively." [4]

James Wilson, another architect of the Constitution, had precisely this in mind when he emphasized the "informing function" of Congress as an essential part of the due functioning of the legislative process:

"It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice, and to embody the wisdom and will of its constituents. Unless Congress have and use every means of acquainting itself with the acts and the disposition of the administrative agents of the government, the country must be helpless to learn how it is being served; and unless Congress both scrutinize these things and sift them by every form of discussion, the ignorance of the very affairs which it is most important that it should understand and direct." [5]

In concluding that "[t]he informing function of Congress should be preferred even to its legislative function," [6] Wilson surely was not drawing an unbridgeable distinction between the two. Informing the electorate is a "legislative act" since it is clearly "related to the due functioning of the legislative process." *United States* v. *Johnson*, supra at 172.[7] In fact, it is no exaggeration to say that direct communication with the electorate is an essential bedrock of the legislative process, for it insures that the constituents of a Member of Congress inform *him* and his colleagues of their well-considered views on pending and future legislation—an indispensable prerequisite for a Congressman deciding how to cast his own vote.

It should go without saying that the republication of speeches, committee reports or transcripts is necessary for a Member of Congress to inform and carry on a dialogue with his constituents. Few people have access to the *Congressional Record*, and fewer still to the original transcripts of committee hearings. Nor can the press be depended upon solely to report the views of Congressmen to their constituents. The press gives at best a summary, perhaps overlaid with editorial comment. There is no substitute for the dissemination of the original.

Secondly, if one were to examine the actual workings of Congress to determine whether republication of speeches is "generally done," *Kilbourn* v. *Thompson*, *supra*, the same conclusion would be reached. The informing function of Congressmen and its relationship to the legislative process has been documented in many scholarly studies. See, e.g., Griffith, *Congress: Its Contemporary Role* (3rd Ed. 1961); Key, *Politics, Parties and Pressure Groups* 3d Ed. 1952). Perhaps every Congressman, without exception and since the earliest days of the Republic, has circulated copies of his speeches to the public, held press conferences elaborating upon what he said on the floor, issued press releases, and spoken directly to his constituents in explaining his votes or speeches and inviting their views. And we doubt that a single Member of Congress could be found who thought that these actions were not "related to the functioning of the legislative process." *United States* v. *Johnson*, *supra* at 182. "Republication" is not a talismanic phrase signifying an act done outside the proper sphere of Congressional activity. On the contrary, when analyzed it is evident that the term bespeaks an integral part of the legislative process and of the entire system of representative government.[8] Mr. Justice Black expressed this cogently in holding that an executive official was immune from damage suits for issuing a defamatory press release:

"The effective functioning of a free government like ours depends lsrgely on the force of an informed public opinion. This calls for the widest possible understanding of the quality of government service rendered by all elective or appointed public officials or employers. Such an informed understanding depends, of course, on the freedom people have to applaud or criticize the way public employees do their jobs, from the least to the most important." *Barr* v. *Matteo*, 360 U.S. 564, 577 (1958).

In sum, it is clear that an examination of both the theoretical framework of our representative government and its actual practices leaves no doubt that direct communication by a Congressman to the electorate, through the republication and public distribution of speeches, committee reports or transcripts, is conduct "generally done" by Members of Congress "in relation to the business before it" and is clearly "related to the due functioning of the legislative process" Accordingly this conduct is protected from grand jury investigation by the Speech and Debate Clause.

B. Prior Decisions Confirm that Republication by a Member of Congress of a Speech or Committee Record is Privileged Under the Speech and Debate Clause

Prior to the case at bar, courts have on five occasions expressed views upon the scope of privilege with respect to republication of official documents. We believe that these decisions fully support our position.

1. *Hearst* v. *Black*, 87 F. 2d 68 (D.C. Cir. 1936), was an action to enjoin the Members of a Special Senate subcommittee from retaining possession and distributing copies of documents which it had allegedly secured illegally. The Court of Appeals agreed that the seizure of the documents violated statutory and Constitutional rights, id., at 70, but held nevertheless that Congressional privilege barred the judiciary from intervening in any way with the use of the documents by the Subcommittee, including republication (copying) and distribution to people outside of Congress. The Court stated:

". . . The prayer of the bill is that the committee be restrained from keeping the messages or making any use of them or disclosing their contents. In other words, that if we find that the method adopted to obtain the telegrams was an invasion of the ap-

Footnotes at end of article.

[1] Strike the words "and bring with you" unless the subpoena is to require the production of documents or tangible things, in which case the documents and things should be designated in the blank space provided for that purpose.

[3] In *New York Times Co.* v. *United States*, *supra*, at 754, Mr. Justice Harlan, dissenting, referred to "the seemingly uncontested facts that the documents, or the originals of which they are duplicates, were purloined from the Government's possession and that the [New York Times and Washington Post] newspapers received them with knowledge that they had been feloniously acquired."

pellant's legal rights, we should say to the committee and to the Senate that the contents could not be disclosed or used in the exercise by the Senate of its legitimate functions. We know of no case in which it has been held that a court of equity has authority to do any of these things. On the contrary, the universal rule, so far as we know it, is that the legislative discretion in discharge of its constitutional functions, whether rightfully or wrongfully exercised, is not a subject for judicial interference.

"The Constitution has lodged the legislative power exclusively in the Congress. If a court could say to the Congress that it could use or could not use information in its possession, the independence of the Legislature would be destroyed and the Constitutional separation of powers invaded . . ." *Id.*, at 71–72.

2. After a twenty-year hiatus, the republication issue was again presented, this time in a libel suit. In *Methodist Federation for Social Action* v. *Eastland*, 141 F. Supp. 729 (D.D.C. 1956) (three-judge court), the Senate Internal Security Subcommitte had printed a limited number of pamphlets accusing several well-known and respectable groups, including the plaintiff, of being Communist-front organizations. The Subcommittee then ordered another 75,000 copies to be printed. Claiming that the accusations in the pamphlet were false and defamatory and would cause irreparable injury, the plaintiff requested a restraining order against republication and distribution of the pamphlet. The Court assumed the plaintiff's assertions to be true but dismissed the case on the grounds of the Congressional privilege of the Speech and Debate Clause holding:

"By express provision of the Constitution, Members of Congress, 'for any Speech or Debate in either House . . . shall not be questioned in any other place.' Art. I, Sec. 6.

"The premise that courts may refuse to enforce legislation that think unconstitutional does not support the conclusion that they may censor Congressional language they think libelous. We have no more authority to prevent Congress, or a Committee or public officer acting at the express direction of Congress, from publishing a document than to prevent them from publishing the *Congressional Record*. If it unfortunately happens that a document which Congress has ordered published contains statements that are erroneous and defamatory, and are made without allowing the persons affected an opportunity to be heard, this adds nothing to our authority. Only Congress can deal with such a problem.

"The Constitutional history called to our attention includes no instance in which an English court has attempted to restrain Parliament, or an American court to restrain Congress, from publishing any statement . . .

"As to the members of the Senate Subcommittee, the complaint is dismissed for lack of jurisdiction. *Cf. Hearst* v. *Black*, *supra*." Id., at 731–732.

Thus, in this case, as in *Hearst* v. *Black*, the Court concluded that the Constitutional privilege of Members of Congress embraced republication of Subcommittee reports and placed this action beyond the cognizance of the judiciary.

3. In *Hentloff* v. *Ichord*, 318 F. Supp. 1175 (D.D.C. 1970) the Court held unequivocally that the Speech and Debate protects Members of Congress from any judicial accountability for republishing a committee report. The action was brought to prevent the Members of the House Committee on Internal Security and the public printer from republishing and distributing 6,000 copies of a Committee Report which, if circulated, would infringe the plaintiffs' First Amendment right. The relief sought was an injunction against republication and distribution, limiting the Report's disclosure to insertion in the *Congressional Record* and such discussion as would ordinarily follow in debate on the floor.

Relying on the Speech and Debate Clause, the Court *dismissed the complaint as to the Members of Congress*. After reviewing the precedents, Judge Gesell stated:

". . . These cases establish that the courts lack jurisdiction to entertain an action seeking any remedy against a Member of Congress for any statement made or action taken in the sphere of legitimate legislative activity.

"Plaintiffs contend that . . . this Court may restrain Congressmen from publishing, filing, or distributing, except by insertion in the *Congressional Record*, a report that impinges upon First Amendment rights.

"The Court is of a contrary view. Members of Congress have the same right to speak as anyone else. *Their legislative activities are not limited to speech or debate on the Floor of Congress. Information in this Report involves matters of public concern, and the Court will take no action which limits the use that individual Congressmen choose to make of the Report or its contents on or off the Floor of Congress.* No injunction is appropriate against any Congressman named defendant." Id., at 1179 (emphasis added)

The Court then followed the distinctions in *Kilbourn* v. *Thompson*, *supra* and *Powell* v. *McCormack*, *supra*, between Members of Congress, who are totally immune from judicial accountability, and ministerial agents, who may be held liable for enforcing Congressional orders. Thus, the Court restrained the public printer from republication but held the Members of Congress absolutely privileged from accountability. And with respect to the latter, Judge Gesell explicitly stated that the privilege of Congressmen for republication of Committee reports stemmed from the recognition that the informing function of Congressmen was within "the sphere of legitimate legislative activity." [9]

4. The only case which even suggests that a Congressman's privilege may be diluted for republishing a speech or Committee report is *McGovern* v. *Martz*, 182 F. Supp. 343 (D.D.C. 1960). However, a close reading of the facts and opinion in that case shows that it lends but very limited support for the proposition that the Speech and Debate Clause does not extend to republication.

The *McGovern* case involved a libel action by Congressman (now Senator) McGovern, who sued the publisher of a newsletter for falsely reporting that he had sponsored a "Communist front." The defendant counterclaimed that the Congressman had inserted certain defamatory remarks into the *Congressional Record*. There was no republication of these remarks.[10] The Court granted McGovern's motion to dismiss the counterclaim on the ground of Congressional privilege. Id. at 348. The Court then addressed itself to whether the privilege would protect circulation of reprints from the *Congressional Record*. Its remarks on this issue are *obiter dictum* since neither reprints nor unofficial dissemination was involved. Further, the Court recognized that Congressmen must be "protected and thereby free to inform their constitutents," and believed that a privilege, albeit qualified by a malice requirement, was applicable. *Id.* at 348.[11]

It is evident that *McGovern* v. *Martz* can not be read broadly as a precedent that republication of committee reports or transcripts is not protected by the Speech and Debate Clause, for four basic reasons:

(a) The discussion was *obiter dictum*. Due to the failure of proper adversary presentation the Court was unaware of prior precedents, including *Hearst* v. *Black*, *supra*, which is binding on the District Courts for the District of Columbia. And the only holding of the case related to insertions in the *Congressional Record*.

(b) Even in dictum, the Court did *not* say that republication was not protected by the Speech and Debate Clause. Rather it stated that a privilege existed but was not absolute. As we shall show, *infra section C.*, the Court's logic in a libel suit would compel an absolute privilege in a criminal prosecution case.

(c) In qualifying the privilege by a malice standard the Court was clearly in error. The Supreme Court in *Tenney* v. *Brandhove*, *supra* at 377, held explicitly that if the privilege exists it is absolute: "The claim of an unworthy purpose does not destroy the privilege." See also *Cochran* v. *Couzens*, 42 F. 2d 783 (D.C. Cir. 1930) cert. denied 283 U.S. 874. Having determined that republication was within "the sphere of legitimate legislative activity," the Court was bound to hold the privilege absolute. And as long ago as 1896, the Supreme Court held that an official's personal malice is relevant only when the official acted "in reference to matters . . . manifestly or palpably beyond his authority." *Spalding* v. *Vilas*, 161 U.S. 483. See also *Barr* v. *Matteo* 360 U.S. 564 (1959).

(d) The qualifying dictum in the *McGovern* case has not been followed. *Hentoff* v. *Ichord*, *supra* at 1179.

5. The Supreme Court has settled decisively that the privilege of a non-elected Executive official encompasses republication and that the privilege is absolute even in libel cases. In *Barr* v. *Matteo*, 360 U.S. 564 (1959) and its companion case *Howard* v. *Lyons*, 360 U.S. 593 (1959), two subordinate officials in the Executive Department were sued for issuing and circulating copies of defamatory press releases.[12] Invoking the judicially-created doctrine of Executive privilege for acts within the legitimate sphere of official conduct, the Court stated:

". . . It would be an unduly restrictive view of the scope of the duties of a policy-making executive official to hold that a public statement of agency policy in respect to matters of wide public interest and concern is not action in the line of duty." 360 L.S. at 575.

And the Court held: *"The fact that the action here was within the outer perimeter of petitioner's line of duty is enough to render the privilege applicable . . ." Ibid.* (Emphasis added.)

As the Court below observed in its decision (Slip Opinion, pp. 14–15), judicially developed rules in cases of non-Constitutional privilege bear upon the scope of the Congressional privilege since the former "surely does not warrant broader protection than the legislative privilege based upon the Speech and Debate Clause." By a parity of reasoning, the Supreme Court's holding that republication of documents and their distribution to the public by Executive officials is absolutely privileged applies with at least equal force to the Constitutional privilege of Members of Congress. And no amount of legal alchemy can make a public press release by a subordinate official of the Executive department more within his legitimate sphere of activity than the circulation of copies of the official record of a Senate Subcommittee by a Member of Congress who is under the Constitutional obligation to inform his constituents about the workings of government.

In sum, the civil cases which have been heretofore decided uphold the Constitutional privilege of Members of Congress to republish and distribute to the electorate official committee records.

C. The Purposes of the Speech and Debate Clause Require that the Privilege Protect Members of Congress who inform the Electorate about Executive Conduct of Foreign Affairs, from Intimidation and Harassment by the Executive

Even if prior precedents were ambiguous and qualified the legislative privilege in civil cases, their logic, when combined with the historical purposes of the Speech or Debate Clause and the sphere of its contemporary importance would establish an absolute privilege to govern the facts of this case. The civil cases presented typically a claim that a Member of Congress was using the authority of his office to violate willfully an individual's rights. That kind of situation creates the maximum temptation for intervention by the judiciary on the side of the individual.

On the other hand, what is now before this court is a classic separation of powers case. The judiciary is not being asked to balance the preferred Constitutional rights of individuals against the privileges of Members of Congress; to the contrary, the Executive branch of government has come to the Court below and claimed that it may determine what a Member of Congress may tell his constituents about matters of overwhelming public concern. We do not exaggerate by saying that this claim challenges the fundamental character of our tripartite system of government. To any such claim, the Constitution must stand as an impenetrable barrier.

First, the Executive's contention that it may institute criminal proceedings against a Congressman for speaking to the electorate flies in the face of the historical purposes of the Speech or Debate Clause. The Clause was drafted to secure absolute freedom of speech for Members of Congress.

It was the end product of a lineage of legislative free speech guarantees from the English Bill of Rights of 1689 to the first State constitutions and the Articles of Confederation. See generally *Tenney* v. *Brandhove*, *supra* at 372–75. None of these provisions drew a distinction between a speech of a legislator directed at his colleagues and one to his constituents.[13] On the contrary, the Court in *Tenney* stated that the clause was designed to protect both. *Id.*, at 377 and fn. 6. This is consistent with no less an authority than Thomas Jefferson. When a Federal grand jury protested against abuses by Congressmen who disseminated slanderous accusations to the public, Jefferson responded that the framers of the Constitution wrote the Speech or Debate Clause to allow Congressmen to inform the electorate without inhibition:

"[T]hat in order to give to the will of the people the influence it ought to have, *and the information which may enable them to exercise it usefully*, it was part of the common law, adopted as the law of this land, that their representatives, in the discharge of their functions, should be free from the cognizance or coercion of the coordinate branches, Judiciary and Executive." Writings of Thomas Jefferson 158 (Ford Ed. 1896) (Emphasis added).

The privilege must be read to protect republication and public distribution of speeches and committee records. As we have shown above (Part A), this is a principal avenue relied upon by Members of Congress to provide the people with "the information which may enable them to exercise it usefully." [14]

The Constitutional evil which would result from denying the privilege's applicability to the informing function of Congress is magnified when this is done at the behest of the Executive and with respect to material which is critical of Executive behavior. If the Executive branch may, at will institute criminal proceedings against and interrogate Members of Congress before grand juries about publications of their speeches and committee reports which they sent to the electorate, it will possess the power to isolate effectively all but the most courageous legislators from their constituents. If such a rule applies Congressmen will have to watch what they say to the people—in press releases, newsletters and anything spoken outside of the four walls of the Capitol—lest it offend the Executive and open them up to harassment, grand jury inquisitions and prosecutions. Yet if the Speech and Debate Clause means anything, it is that courts and prosecutors are not referees over what Congressmen say to their constituents.

Nor are these consequences mere speculation. For this case reveals the present importance of the Speech and Debate Clause "to prevent intimidation by the Executive and accountability before a possibly hostile Judiciary," *United States* v. *Johnson*, *supra* at 181. Having for years kept secret from the American people the real history of our involvement in Indo-China, and having attempted to impose a prior restraint on the press, the Executive now retaliates against a Senator who revealed to the people—the true sovereign—the reasons why the Executive, without Congressional authorization, took the country into war. The Executive would thereby establish that it, and it alone, has sole authority to reveal to or withhold from the people any information it chooses. As long as government is to continue as one of separation of power, this cannot be. The proper rule of Constitutional law was stated in *Methodist Federation* v. *Eastland*, *supra* at 731:

"Nothing in the Constitution authorizes anyone to prevent the President of the United States from publishing any statement . . . similarly nothing in the Constitution authorizes anyone to prevent the Supreme Court from publishing any statement. We think it equally clear that nothing authorizes anyone to prevent Congress from publishing any statement."

In conclusion, we wish to bring to the Court's attention a speech given by Senator Sam Ervin on the Floor of the Senate on September 20, 1971. Coming as it does from an acknowledged expert on Constitutional law, we wish to set forth herein some significant excerpts from this speech:

. . . . . .

"The events now transpiring in Boston before a Federal grand jury put into question (a) principle of freedom secured by our predecessors.

. . . . . .

"I have in mind, of course, the efforts of the administration to inquire into the actions of the junior Senator from Alaska (Mr. Gravel) in connection with the revelations of the contents of the Pentagon Papers.

. . . . . .

"The Administration, through its lawyers in the Internal Security Division of the Justice Department, has made a direct and broadscale attack on the rights of all Senators, upon the prerogatives of the Senate, and upon the Constitutional guarantees which have been established to protect the Congress from harassment by a vindictive Executive. It is an attack on the independence and freedom of this body.

. . . . . .

"The privilege of the Speech and Debate Clause protects legislators not only from prosecution by the Executive and from the judiciary. Quite obviously it also protects them from instrumentalities such as the grand jury, which can be used as the Executive's instrument of harassment and persecution.

"It must be stressed that the privilege does more than immunize the legislator against attempts to punish him or to exact retribution for the things he says in the course of performing his legislative duties. The privilege also protects him against having to defend or justify or explain what he has said. The privilege seeks to free the legislator from being harassed by law suits, grand juries, and prosecutors. Were this not so, the independence of the legislator might just as well be destroyed by forcing him to defend himself all over the country.

. . . . . .

"There is another reason why the privilege against inquiry into a speech does not depend on the legality or Constitutionality of the act to which it is tied. That is because the privilege seeks to avoid any abridgement of the freedom of a legislator, even from fear of future retribution. If a legislator knew that he had to account for the possibility that he would have to defend or justify his speech sometime in the future, then he would not be as willing to express himself on controversial matters.

. . . . . .

"The administration's motives in pressing this action are not only aimed at the privilege, but at a Senator who dared oppose it on the war, and who had the effrontery to use information the administration desired to keep from the people. If the administration were to have its way, we must remain in total ignorance of what has transpired in Vietnam, and anything else the Government does, unless it chooses to tell us. By suppressing this information, the executive branch has tried to keep the Congress and the Nation in total ignorance. Now it tries to dictate what the scope of a Senator's business is, and where and when and how he may conduct it. The tendency if not the intent, of this effort is to harass the Senator from Alaska, and thereby to silence him and other critics in this body along with those who are outside these halls.

. . . . . .

"The purpose of the privilege is to protcet the legislative branch from a vindictive executive and a hostile judiciary. It is an element of the principle of separation of powers.

. . . . . .

"Here, that is precisely the case. Ultimately, I suppose the question of a criminal action may be involved. But the prosecution will be to protect the special interests of the Executive in its efforts to keep its secrets from the Congress and the people. The motive, of course, is to suppress opposition to Executive policy in the Congress and in the country. When the Speech and Debate Clause is involved in a clash between the executive and the legislative, the history of this legislative immunity is especially important. The immunity was finally gained only after Charles I has lost his head. And he lost his head in part at least because he imprisoned members of Pallament who had opposed him in needless and costly overseas wars, even to the extent of presuming to vote to deny him funds for the war. The establishment of the legislative privilege came during the fight by the legislature to establish its independence from a king who claimed total power. The historical precedents are too close to be ignored. We see history repeating itself."

We respectfully request this Court to grant a stay pending appeal from the decision of the Court below holding that a United States Senator may be subjected to grand jury interrogation and the institution of criminal proceeding for making available to the people copies of an official subcommittee record dealing with Executive conduct in foreign affairs.

II. The protective order does not guarantee adequately Senator Gravel's constitutional rights, and under the facts of the case the subpoena must be quashed

As the Court below stated in its decision, the Constitutional interests which must be protected in this proceeding by virtue of the Speech and Debate Clause are those of Senator Gravel, and not the witness. However, since Senator Gravel is not entitled to be present during the grand jury proceedings, a delicate mechanism is necessary to protect his rights against both what is asked and what the witness may answer. We tendered

Footnotes at end of article.

such a mechanism in our Motion for Specification, which gave the Justice Department an opportunity to narrow the scope of its inquiry and allow the Court and counsel for Senator Gravel to examine in advance whether the questions to be asked violate the Senator's privilege. Despite disclaimers by the Justice Department to the contrary, this technique has been heretofore voluntarily used by it in other privilege cases. For instance, in *United States* v. *George*, 444 F. 2d. 310 (6th Cir. 1971), the witness moved to enjoin enforcement of a grand jury subpoena on the grounds that his testimony might incriminate his wife and that he was already under indictment for the transactions being investigated. The Justice Department filed an affidavit with the District Court setting forth the scope and purpose of the investigation, and the Court concluded that neither privilege was jeopardized.

Even more directly on point are cases involving First Amendment rights in which the government specified the nature of the proposed inquiry by the grand jury, either voluntarily or pursuant to Court order. In *Caldwell* v. *United States*, 434 F. 2d 108 (9th Cir. 1970), cert. granted 402 U.S. 942 (1971), after Caldwell had filed a motion to quash the subpoena, the Justice Department filed documents stating the extent of legal proceedings already underway with respect to certain members of the Black Panther Party, and particularizing the specific incidents about which it was believed that Caldwell had knowledge and would therefore be questioned by the grand jury. (A summary of this specification is contained in the appendix to the petitioner's brief to the Supreme Court, pages 64–68.) In the case of *In Re Verplank*, 329 F. Supp. 433 (C.D. Cal. 1971), which presented analogous Constitutional issues, the Court ordered a governmental showing of specificity. The specificity technique was utilized in these cases as the only feasible method for obtaining the precise record indispensible for Constitutional adjudication. Otherwise, as both the Justice Department and the Courts recognized, there was a significant chance that substantive rights and privileges would, in effect, bottom out for lack of procedural safeguards. The necessity for such safeguards is surely as great in the present case, which implicates the Constitutional privileges of Members of Congress and basic tenets of our system of separation of powers.

Not only did the Justice Department decline to follow this procedure in this case, but it asserted the right to inquire into the actions of Dr. Rodberg in assisting Senator Gravel and to subpoena the Senator himself and question him about his official actions. Given the record in the case, the District Court's findings are certainly justified "that the government's interest in (Dr. Rodberg's) testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury." (Slip Opinion, Pages 5–6). And this finding compels that the subpoena must be quashed, for there are no legitimate areas of inquiry about which the government intends to question Dr. Rodberg. All of the actions taken by Senator Gravel with respect to the Pentagon Papers are privileged under the Speech and Debate Clause, including, as we have shown in Part I *supra*, arranging for its republication. There is not the slightest indication in this record that the Justice Department wishes to question Dr. Rodberg about "his own actions previous to his joining the Senator's personal staff."[16] This speculative hypothesis is foreclosed by the record of this case by the refusal of the Justice Department to specify (which it surely would have done if it were interested in activities of Dr. Rodberg's unconnected with the Senator), and by the District Court's findings of fact. Since, therefore, the subpoena was issued for a wholly unconstitutional purpose, it must be quashed.

The Protective Order is under-inclusive because it does not encompass activities of Senator Gravel with respect to the Pentagon Papers which followed the Subcommittee hearing.

Furthermore, even if we assume *arguendo* that there are legitimate areas into which the grand jury may and intends to inquire of Dr. Rodberg, Senator Gravel's Constitutional rights cannot adequately be protected by the Protective Order of October 4, 1971. The reason is, quite simply that Senator Gravel will not be present during the questioning and cannot assure that the Protective Order is obeyed scrupulously. We do not case aspersions on either counsel for the Justice Department or on Dr. Rodberg by pointing out that they cannot be the final arbiters of Senator Gravel's privilege. It is readily apparent that even with both acting in utmost good faith, counsel for the Justice Department may ask and Dr. Rodberg might answer an illegitimate question. We list the following as examples of how Senator Gravel's rights will be jeopardized by the Protective Order:

a. Counsel for the Justice Department may ask who supplied Senator Gravel with the Pentagon Papers. He may think this justified by referring to the language of the Court's opinion allowing questioning "as to the activities of third parties with whom he and the Senator dealt." We think the question would be barred by Paragraph (1) of the Protective Order[17] and would certainly object to it. Yet we would not be able to and, if Dr. Rodberg decides in his discretion to answer it, he becomes the final arbiter, reaching an unreviewable and unconstitutional end.

b. Similarly, other questions about "third parties with whom . . . the Senator dealt" may well relate to whose advice the Senator sought and received on whether to hold the hearing, who helped in drafting the introductory remarks, and who helped prepare the material for inclusion into the record—all of which, in our view, would be barred by the same provision and possibly Paragraph (2) as well.[18] Here, too, some mechanism is necessary to enable Senator Gravel himself to assert his rights without being forced to depend on the judgments of the witness.

c. The Justice Department may also wish to rely broadly on the Court's statement that Dr. Rodberg may be questioned about "his own actions previous to his joining the Senator's personal staff." Yet those questions may relate directly to Senator Gravel's official activities and blatantly violate the Speech and Debate Clause (and the Protective Order), but there is no means by which Senator Gravel can prevent the witness from answering and turning a Constitutional violation into a *fait accompli*.

Examples such as these can be multiplied many times over. We ask this Court for a stay pending appeal because the order of the Court below has the effect if allowing the violation of Senator Gravel's Constitutional rights in a manner which cannot subsequently be remedied. The probability of irreparable Constitutional violations is so high that questioning of Dr. Rodberg cannot be permitted under the unrealistic hope that Senator Gravel's rights will not be infringed. The government is playing with loaded dice, and this Court cannot wait until it rolls the wrong number. We think there are only three methods that will provide for scrupulous compliance with the Constitution: (a) a detailed specification can be made so that proposed questions may be considered in advance; (b) the grand jury proceedings can be made public so that Senator Gravel may be present; or (c) the subpoena can be quashed. Having rejected the first two, the Justice Department is in no position, under the facts of this case, to oppose the third. Respect for the Constiution is more important than respect for the convenience of the Justice Department. We therefore request this Court to stay the decision of the District Court requiring Dr. Rodberg to appear before the grand jury pending appeal.

CONCLUSION

For the reasons stated herein above, we respectfully request the Court to grant a stay of the decision of the Court below pending disposition of this appeal. The Constitutional issues raised are of utmost importance and must be presented to this Court in a posture in which Senator Gravel's legal position has not been mooted and his rights, if we are correct, irreparably violated.

Respectfully submitted,

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Attorneys for Senator Gravel.

FOOTNOTES

[1] Of course, the District Court made other findings of fact on pages 1–5 of the Slip Opinion. We do not set them out because they are not material to this motion. We do wish to point out, however, a possible error in the District Court's recitation of events leading up to the June 29 meeting of the subcommittee. There may be an inference in the opinion that Senator Gravel read and inserted into the record from the set of Pentagon Papers sent under seal from the President to Congress. This is not true; Senator Gravel read from documents which he had independently obtained. Furthermore, these documents are not identical in every respect to the documents furnished under seal to Congress.

[2] Quoted in *New York Times* v. *Sullivan*, 376 U.S. 254, 274 (1964).

[3] *Id.*, at 275.

[4] *Elliot's Debates* 575 (Virginia Resolution of 1798).

[5] Wilson, Congressional Government 303 (1885), quoted in *Tenney* v. *Brandhove*, 341 U.S. 367, 377 fn. 6 (1951).

[6] *Ibid.*

[7] The term "legislative act," used by the District Court in its decision (Slip Opinion p. 12), does not appear in any Supreme Court opinions. The Court in *Kilbourn* spoke of "things generally done in a session of the House by one of its members in relation to the business before it," 103 U.S. at 204. In *Tenney* v. *Brandhove*, 341 U.S. 367, 376 (1951), the Court referred to "the sphere of legitimate legislative activity," and included investigations whose functions were either to propose legislation or inform the public, *id.*, at 377 and fn. 6. In *Johnson*, the Court used the phrase "related to the due functioning of the legislative process," 383 U.S. at 172, and also quoted the *Kilbourn* language, *id.*, at 179. And in *Powell* v. *McCormack*, 395 U.S. 486 (1969), the Court quoted the above phrases from *Kilbourn*, *Tenney* and *Johnson*.

If, by using the new phrase "legislative acts," the District Court intended simply a shorthand for the above standards, our disagreement is only to its application. On the other hand, if the Court below intended to use the phrase as including only those acts in which a Member of Congress proposes, debates upon and votes on legislation, we think that this is inconsistent with and much narrower than the Supreme Court standard. Certainly, for example, in *Dombrowski* v. *Eastland*, 387 U.S. 82, 82 (1967), the actions of Senator Eastland were not even remotely connected with pending or proposed legislation. And neither are many speeches given on the floor of Congress. Yet surely the Court of Appeals was correct in *Cochran* v. *Couzens*, 42 F. 2d 783 (D.C. Cir. 1930), *cert. denied* 282 U.S. 874, that no showing was necessary that words spoken between Congressmen must be pertinent to any pending or future legislation.

[8] While a Member of the House of Representatives, Madison said: "If we advert to the nature of Republican Government, we shall find the censorial power is in the people over the Government, and not in the Government over the people." 4 *Annals of Congress* 934 (1794). If the people's representatives default on their duty to inform the electorate, the converse would be true.

[9] In its decision (Slip Opinion, p. 13), the Court below quoted certain language from *Hentoff*. These comments dealt solely with the liability of the Public Printer, and not the scope of the Speech and Debate Clause. Judge Gesell distinguished Committee Reports from the *Congressional Record* because Article I, Section 5 of the Constitution requires a journal of proceedings to be kept; thus the Court would not enjoin the Public Printer from including the report in the *Congressional Record*. 318 F. supp. at 1180. But, as noted in the text, the Court held that the privilege absolutely immunized the Members of Congress themselves from judicial inquiry for causing the Committee report to be republished anywhere. We therefore respectfully submit that the above-quoted language is inapposite to the issue of this case, which is whether a Senator may be held accountable for republishing an official Subcommittee record. *Hentoff* holds that he may not.

[10] A second counterclaim alleged republication of certain other letters by Mr. McGovern. This was held barred by the Statute of Limitations, and was not decided on the merits. 182 F. Sup. at 349.

[11] While the Court stated at one point that the reason for the rule of Congressional privilege was "complete and uninhibited discussion among legislators," it also recognized the informing function as another purpose. Any reading of the Court's opinion which picks out the former to the total exclusion of the latter makes the opinion incomprehensible. Why should the Clause protect intralegislative communication but not a Congressman's statement to his electorate? And if the reason for the privilege related only to intralegislative communications, why should there be even a qualified immunity for distribution of speeches to the public? How would a republication of a libelous speech to another Member of Congress fare? And finally, if *only* intralegislative communication is protected, why have the courts gone beyond the literal language of the Speech or Debate Clause? Each of these questions would have had to be answered by the Court in *McGovern* if it had meant to exclude public dissemination of speeches from the Clause altogether.

[12] In Howard, copies of the press release were sent to various newspapers and wire services and to members of the Massachusetts delegation in the Congress . . ." 360 U.S. at 594. The press release in *Barr* similarly was given wide circulation. In both cases, the Executive officials went far beyond merely sending reports to their immediate superiors.

[13] And when, after the drafting of the Constitution, a British court purported to draw such a distinction (see *Stockdale* v. *Hansard*, 9 A. & E. 1, 112 Eng. Rep. 1112 (1839), the reaction in Parliament was so intense that the decision was almost immediately overruled by statute 3 & 4 Vict. c. 9 (1840).

[14] And even if this were somehow put on the "outer perimeter" of a Congressman's duties, *Barr* v. *Matteo*, *supra*, teaches that it must be protected by an absolute privilege.

[15] While the witness appeared but refused to answer eight questions, the significance of the case is in the specification made by the Justice Department.

[16] cf. Slip Opinion, p. 8.

[17] Par. (1) provides:

"No witness . . . may be questioned about Senator Mike Gravel's conduct at the meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 nor about things done by the Senator in preparation for and intimately related to said meeting."

And how, conceivably, could Dr. Rodberg determine whether a question refers to conduct "intimately related" to the Senator's subcommittee meeting?

[18] Par. (2) provides:

"Dr. Leonard S. Rodberg may not be questioned about his own actions as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for and intimately related to said meeting."

MEMORANDUM IN SUPPORT OF MOTION FOR REHEARING OR CERTIFICATION AND FOR A STAY

[In the U.S. District Court for the District of Massachusetts, Docket No. EBD 71–172–G]

(Mike Gravel, U.S. Senator, Intervenor v. United States of America; United States of America v. John Doe In re Leonard S. Rodberg)

PRELIMINARY STATEMENT

This is the memorandum of law on behalf of Dr. Leonard S. Rodberg in support of the motion for rehearing or certification of the Court's order entered October 4, 1971, and for a stay pending disposition of the motion. The relevant facts are set forth fully in the affidavit in support of the motion and, accordingly, will not be repeated here.

1. This Court should grant a rehearing on the motion to quash the subpoena served upon Dr. Leonard S. Rodberg

A. The First Amendment

We recognize that a rehearing is an unusual proceeding but we respectfully submit that the special circumstances of this case warrant such rehearing.

In its memorandum decision of October 4, 1971, this Court recognized "the importance and usefulness of th[e] type of work by men like Dr. Rodberg and acknowledg[ed] the existence of First Amendment interests here"[1] but rejected Dr. Rodberg's First Amendment argument for the reasons stated in its contemporaneous opinion in *Application of Falk*, E.B.D. No. 71–165–G. In *Falk*, the Court held that the rights asserted are indeed "substantial" but "crucially distinguishable"[2] from those in *Caldwell* v. *United States*, 434 F. 2d 1081 (9th Cir., 1970) cert. granted 402 U.S. 942 (1971).

In the *Falk* opinion this Court noted that the: public interest under the First Amendment in the "maximization of the 'spectrum of available knowledge'" which the *Caldwell* court deemed sufficient to override an unlimited grand jury subpoena clearly is of the same general nature as the public interest alleged by petitioner here.

• • • *Alabama ex rel. Flowers*, 377 U.S. 288, 307–308 (1964). The Court in *Caldwell* said that when it has been found that requiring testimony before a grand jury may infringe on First Amendment rights the power to compel testimony should not be exercised "until there has been a clear showing of a compelling and overriding national interest that cannot be served by any alternative means."[3]

Mr. Justice Brennan, speaking for the Court in *Smith* v. *California*, 361 U.S. 147, 155 (1959), said that "It is plain to us" that when governmental action (in that case an ordinance) aimed at unlawful activity had "such a tendency to inhibit constitutionally protected expression that it cannot stand under the Constitution." Similarly, the inhibiting effect of a subpoena on lawful First Amendment activity was recognized in *In re Verplank*, 329 F. Supp. 433, 437 (C.D. Cal., 1971).[4] After noting that although there "is nothing inherently sinister in the efforts of a draft counseling center to collect and disseminate that material," the court recognized various adverse effects of the subpoena on the legitimate business of the center:

This court also recognizes that in order for the Center to give valid advice to registrants, it must first obtain personal information from them. The possibility that such information will be revealed indiscriminately could certainly deter many registrants from seeking or receiving information from the Center. Production of lists of medical personnel acting as consultants to the Center may also have an adverse effect on the willingness of any professionals to be connected in any way with its activities.

The court concluded: "Thus, a definite impact on the exercise of First Amendment rights may be readily discerned."

Thus, the facts of this case are closer to the facts of *Caldwell* than this Court understood when it wrote its opinion. Further, the distinction made by the Court between professionals and persons "lacking in education and sophistication . . ." was made without any basis in the record, and was reached without the benefit of the *Verplank* decision which reaches the contrary conclusion and which was handed down before this Court's opinion of October 4. For these reasons, we ask the Court to reconsider its ruling on movant's First Amendment claim. The Court's statement that Dr. Rodberg is "only incidentally a journalist."[5] should not control in view of this Court's recognition of the First Amendment rights here involved. In *Verplank*, *supra*, at 437–8, the court said, "All citizens have a right to receive accurate, up-to-date information concerning the selective service system and army induction procedures, as well as a right to associate in order to obtain such information." The draft counseling center supplying that information was certainly not a journalist nor was Rev. Verplank whose subpoena was quashed with respect to matters that threatened First Amendment rights.

Further, we believe that the Court's conclusion that Dr. Rodberg's sources of information are less sensitive than reporter Caldwell's is incorrect as a matter of fact. When it comes to inhibiting the exercise of First Amendment freedoms, professional people are no different from "persons often lacking in education and sophistication." *Falk*, Sl. Op., p. 7. As Judge Gray noted in *Verplank* with respect to a draft counseling center: Production of lists of medical personnel acting as consultants to the Center may also have an adverse effect on the willingness of any professionals to be connected in any way with its activities." *Op. cit.*

The public interest in not frightening off persons supplying information to Dr. Rodberg is greater than in the *Caldwell* case. Here, the rights of a Senator and the people to effectively participate in and control their government is at stake. Such issues are even more important than the right to know which lead the *Caldwell* court to quash the subpoena there.

B. The Speech or Debate Clause

This Court stated unequivocally that "Senator Gravel's legislative acts may not consistently with the Speech or Debate Clause be the subject of questioning before the grand jury."[6] It further holds that "the Speech or Debate Clause prohibits inquiry into things done by Dr. Rodberg as the Senator's agent or assistant which would have been legislative acts, and therefore, privileged, if performed by the Senator personally."[7] In holding that making arrangements for republication of the sub-committee report is not embraced by the Speech and Debate Clause the Court relied *inter alia* on *Hentoff* v. *Ichord*, 318 F. Supp. 1175 (D.D.C., 1970). The court in *Hentoff* specifically noted that that report was "devoid of legislative purpose" and "on its face contradicts any assertion of such a purpose."[7] This Court did not make such a finding. Quite to the contrary, it noted: "It has not been suggested by the Government that the subcommittee itself is unauthorized, nor that the war in Vietnam is an issue beyond the purview of congressional debate and action." *Rodberg*, at p. 11. Furthermore, the Court

Footnotes at end of article.

in *Hentoff, supra* at 1182, noted that publication of the report "will inhibit free speech and assembly" whereas in this case it is the subpoenaing of Dr. Rodberg that will have the effect of inhibiting free speech and free press. In *Hentoff* the court was protecting individual rights against violation by governmental action. Even so, it specifically refused to enjoin individual Congressmen, stating:

> Their *legislative activities are not limited to speech or debate on the floor of Congress.* Information in this Report involves matters of public concern, and the Court will take no action which limits the use that individual Congressmen choose to make of the Report or its contents *on or off the floor of Congress.* No injunction is appropriate against any Congressman named defendant. *Hentoff, supra* at 1179.

The Court thus held that republication of the report by a Congressman was within the ambit of the Speech or Debate Clause. Only the Public Printer and Superintendent of Documents, performing non-discretionary functions for the House at large could be held accountable.

II. Insofar as it denies the motion to quash, the order of this court involves a controlling question of law as to which there is substantial ground for difference of opinion and an appeal from that order will materially advance the ultimate termination of this litigation, thus making appropriate certification to the court of appeals

Alternatively to the motion for rehearing, Dr. Rodberg respectfully requests that pursuant to 28 U.S.C. § 1292(b), this Court certify its order of October 4, 1971, to permit an appeal to the Court of Appeals and to stay his subpoena pending disposition of that appeal.

The denial of a motion to quash a grand jury subpoena has been held to be an interlocutory order, and such an order is ordinarily not appealable. See *United States* v. *Ryan*, 91 S. Ct. 1580 (1971); *Cobbledick* v. *United States*, 309 U.S. 323 (1940). However, the Interlocutory Appeals Act of 1958 specifically provides an exception to this general rule. Title 28 U.S.C. 1292(b) provides as follows:

> When a district judge, in making in a civil action an order not otherwise appealable under this section, shall be of the opinion that such order involves a controlling question of law as to which there is substantial ground for difference of opinion and that an immediate appeal from the order may materially advance the ultimate termination of the litigation, he shall so state in writing in such order. The Court of Appeals may thereupon, in its discretion, permit an appeal to be taken from such order, if application is made to it within ten days after the entry of the order: *Provided, however,* That application for an appeal hereunder shall not stay proceedings in the district court unless the district judge or the Court of Appeals or a judge thereof shall so order.

Section 129(b) thus provides express statutory authority for appealing this Court's order and for staying execution of movant's subpoena pending that appeal. As stated in § 1292(b) the criteria for such an appeal are that the order involve a controlling question of law as to which there is substantial ground for difference of opinion and that an appeal from the order will materially advance the ultimate termination of this litigation. The Court of Appeals had occasion soon after the enactment of this statute in 1958 to discuss its scope and purpose. See *Oskoian* v. *Canuel*, 264 F. 2d 591 (1st Cir., 1959); *In re Heddendorf*, 263 F. 2d 887 (1st Cir., 1959). We will not repeat that discussion but respectively submit, on the basis of the analyses in those decisions, that both criteria are met in the circumstances of this case and that it therefore warrants certification to the Court of Appeals.

Movant has raised two primary issues: the scope of protection afforded him by the First Amendment and that afforded him by legislative privilege arising out of the Speech or Debate Clause. In the circumstances of this case, his very appearance would violate each of those constitutional safeguards.

As to the First Amendment contention, the Court relied upon its contemporaneous opinion in *Application of Falk*, E.B.D. No. 71-165. The Court agreed with witnesses' contention that "a substantial First Amendment right is here involved."[8]

But the Court held that movants' sources of information would not be inhibited by mere appearance before the grand jury because they "are highly trained and sophisticated individuals."[9] We have discussed in Point I why we feel such a conclusion is not warranted. Whether or not the Court is in agreement with our position it cannot be gainsaid that there is substantial ground for difference of opinion. Specifically, on the question of the chilling effect upon First Amendment freedoms caused by appearance before a grand jury, the court in *In re Verplank*, 329 F. Supp. 433 (C.D.Cal., 1971) has disagreed with the distinction drawn by this Court between professional people and those "lacking in education and sophistication whose distrust of government, especially of police and prosecutors, is well known." *Application of Falk*, Sl. Op. p. 7. The *Verplank* court quashed a subpoena *duces tecum* directed to a Presbyterian minister serving as a draft counselor insofar as the subpoena sought the production of records of counselees or lists of physicians, dentists or psychiatrists to whom counselees had been referred. Like this Court, Judge Gray recognized that "First Amendment activities are involved." *Id*, at 437. But he went further, recognizing not only the inhibiting effect of the subpoena upon registrants seeking or receiving information from the draft counseling center but the inhibiting effect upon "highly trained and sophisticated individuals," *Application of Falk*, Sl. Op. p. 7, the doctors, dentists and psychiatrists:

> Production of lists of medical personnel acting as consultants to the Center may also have an adverse effect on the willingness of any professionals to be connected in any way with its activities. Thus a definite impact on the exercise of First Amendment rights may be readily discerned. 329 F. Supp. at 437 Because the government failed to demonstrate a compelling need for the information sought, Judge Gray prohibited its coerced production. That another federal judge has reached a contrary conclusion on the particular point in question demonstrates, we believe, that there exists a substantial ground for difference of opinion.

The same is true with respect to the one disagreement the Court had with Dr. Rodberg's position under the Speech or Debate Clause. The Court agreed that "Senator Gravel's legislative acts may not consistently with the Speech or Debate Clause be the subject of questioning before the grand jury." Sl. Op. p. 9, and that his insertion of the Pentagon Papers into the Congressional Record was a legislative act. The Court further agreed, because movant was performing non-ministerial duties for the Senator, that "the Speech or Debate Clause prohibits inquiry into things done by Dr. Rodberg as the Senator's agent or assistant which would have been legislative acts, and therefore privileged, if performed by the Senator personally." Sl. Op., p. 15. In light of these holdings the Court's conclusion that Dr. Rodberg could be questioned about alleged republication by Senator Gravel of material already inserted into the Congressional Record because such republication was not legitimate legislative activity is inconsistent with the position taken by Judge Gesell in *Hentoff* v. *Ichord*, 318 F.Supp. 1175 (D.D.C., 1970). In *Hentoff*, plaintiffs sought to enjoin members of Congress, the Public Printer and the Superintendent of Documents from republishing a Congressional report. The plaintiffs conceded what the Court has found here as a matter of law, that insertion of material into the Congressional Record is legitimate legislative activity protected by the Speech or Debate Clause. *Supra* at 1179. However, the plaintiffs sought to enjoin general public distribution of the report and alleged that an injunction would lie against both members of Congress and the Printer and Superintendent. Judge Gesell agreed as to the latter two because they were not members of Congress but rather were "administrative personnel whose non-discretionary duties to the legislative body as a whole in no substantial way related to the specific furtherance of the legislative tasks of individual members." *Rodberg*, Sl. Op., p. 15. But as to the members of Congress, the Court said:

> Plaintiffs contend that the discussion in *Powell*, together with such decisions as *McGovern* v. *Martz*, 182 F. Supp. 343 (D.D.C., 1960), and *Long* v. *Ansell*, 63 U.S. App. D.C. 68, 69 F.2d 386 (1934), indicates that this Court may restrain Congressmen from publishing, filing, or distributing, except by insertion into the *Congressional Record*, a report . . .
>
> The Court is of a contrary view. Members of Congress have the same right to speak as anyone else. Their legislative activities are not limited to speech or debate on the floor of Congress. Information in this Report involves matters of public concern, and the Court will take no action which limits the use that individual Congressmen choose to make of the Report or its contents on or off the floor of Congress. *Hentoff, supra*, at 1179. The Court thereby held that republication by a member of Congress of a Congressional report was legitimate legislative activity within the sphere of the Speech or Debate Clause, a conclusion at variance with the Court's conclusion here.[10] As noted *supra*, we believe such disagreement demonstrates conclusively that there is substantial ground for difference of opinion.

We further submit that an interlocutory appeal with materially advance the disposition of this litigation. This case presents the unusual, almost unique, situation wherein an appearance by a witness before a grand jury will threaten not only the witness' constitutional rights but the rights of a United States Senator. This the Court has already recognized by granting Senator Gravel's motion to intervene. Ordinarily the denial of a motion to quash a subpoena is deemed interlocutory because it is said the witness can subsequently risk contempt and litigate again the issue(s) he has raised on the motion. But that reasoning does not apply to Senator Gravel who stands on a different legal footing. Since the subpoena is not directed to him, the Senator can in no way refuse to comply with it and then litigate the issues raised here; there can be no contempt proceeding for the Senator because there is no outstanding order of the Court for him to disobey. In other words, as to him, the denial of the motion to quash is a final order and, hence, appealable under Title 28 U.S.C. § 1291.

As noted in the affidavit, we have been informed that Senator Gravel intends to file a notice of appeal if this Court declines to grant a rehearing upon the motion. This case will then be in the following posture: the constitutionality of the subpoena under the Speech or Debate Clause will be properly before the Court of Appeals, but being litigated by the intervenor, rather than the party to whom it is directed. On the other hand, the First Amendment claim, not raised by the Senator will not be before the Court of Appeals and will first have to be litigated at the

Footnotes at end of article.

District Court level. Neither one of these results is desirable. As long as the issue of the lawfulness of the subpoena under the Speech or Debate Clause will properly be before the Court of Appeals, regardless of what Dr. Rodberg may do, the policy against piecemeal appeals which lies behind the general prohibition against interlocutory appeals, has no application. As long as the issue will be properly appealed by the intervenor there is no sound reason for denying Dr. Rodberg, the man to whom the subpoena is directed, the right to litigate that issue himself.

Secondly, the bifurcation of this case that would be caused by the litigating of the Speech or Debate Clause issue in the Court of Appeals while the First Amendment claim remains at the District Court level itself, directly contradicts the "policy against piecemeal appeals." *Switzerland Cheese Association* v. *E. Horne's Market*, 385 U.S. 23, 24 (1966). Under the unique circumstances presented here, it is wholly consistent with that policy, if not indeed mandated by it, that the Court's order be certified so as to permit litigation in the Court of Appeals of *all* the issues presented to this Court. Such certification would prevent, not encourage, piecemeal appeal.

Finally, we have asked for a stay of movant's subpoena pending disposition of this motion. The subpoena is returnable on Thursday, October 14, 1971, and a stay will therefore be necessary to preserve the status quo while this Court considers the instant application. As noted in the supporting affidavit, a temporary adjournment will not prejudice the government as it has apparently subpoenaed several witnesses for this week. If this Court grants a rehearing to reconsider its decision of October 4, a continuance of the stay would be most appropriate. Likewise, if the Court certifies its order to permit an interlocutory appeal, a stay, authorized by § 1292(b), would be necessary to preserve the status quo and prevent a mooting out of this litigation.

CONCLUSION

For the aforegoing reasons, this Court should grant a rehearing or certify its order, and grant a stay.

Respectfully submitted,

JAMES REIF
DORIS PETERSON
MORTON STAVIS
PETER WEISS,

c/o Center for Constitutional Rights, 588 Ninth Avenue, New York, New York 10036. (212) 265-2500.

NEW YORK, N.Y., *October 11, 1971.*

FOOTNOTES

[1] *Application of Rodberg*, Sl. Op. p. 3.
[2] *Falk*, Sl. Op. p. 6.
[3] *Caldwell*, 434 F.2d at 1086.
[4] The opinion in *Verplank, supra*, was not available to counsel for movant at the time of oral argument. It was officially reported last week.
[5] *Rodberg*, at p. 9.
[6] *Id.*, p. 15.
[7] *Hentoff, supra* at 1182.
[8] *Application of Falk*, Sl. Op. p. 6.
[9] *Ibid.*, P. 7.
[10] This Court relied on Hentoff in its discussion of whether republication of the particular report at issue there fulfilled a valid legislative purpose. It should be noted that the conclusion that republication of that *particular* report did not fulfill a valid legislative purpose can in no way control the determination whether publication of an entirely different document, the Pentagon Papers, fulfills such a purpose. Secondly, the discussion in *Hentoff* was in the context of a discussion of an injunction against persons performing non-discretionary functions for the House generally, a group this Court has itself distinguished from Dr. Rodberg, Sl. Op., p. 15.

[U.S. District Court, District of Massachusetts, United States of America v. John Doe, E.B.D. No. 71-172-G]

MOTION FOR EXTENSION OF TIME WITHIN WHICH TO FILE GOVERNMENT'S BRIEF IN OPPOSITION TO MOTIONS OF LEONARD S. RODBERG AND INTERVENOR MIKE GRAVEL, UNITED STATES SENATOR, FOR RECONSIDERATION AND STAY, ET CETERA, AND ORDER THEREON

(In the Matter of a Grand Jury Subpoena Served Upon Leonard S. Rodberg)

The United States of America moves the Court for an order extending the time within which the government may file its brief in opposition to the motions of Leonard S. Rodberg and Intervenor Mike Gravel, United States Senator, for reconsideration of this Court's ruling on October 4, 1971, and other relief, from Friday, October 15, 1971, to Monday, October 18, 1971, at 12:00 p.m.

This motion is based on the attached affidavit of Warren P. Reese.

Respectfully submitted,

HERBERT F. TRAVERS, Jr.,
U.S. Attorney.

By WARREN P. REESE,
Assistant U.S. Attorney.

Good cause appearing therefore, it is so ordered.

/S/ W. ARTHUR GARRITY,
U.S. District Judge.

Dated: October 14, 1971.

AFFIDAVIT

BOSTON, MASS., OCTOBER 14, 1971.

Suffolk, ss:

Warren P. Reese, being first duly sworn states:

1. I am an Assistant United States Attorney temporarily assigned to assist the United States Attorney for the District of Massachusetts, and I am authorized to represent the government in grand jury investigations and judicial proceedings ancillary thereto.

2. On October 12, 1971, Leonard S. Rodberg, a witness subpoenaed by the grand jury, and United States Senator Mike Gravel, an intervenor in the Rodberg matter, filed motions for reconsideration of this Court's ruling on October 4, 1971, and other relief. During a brief hearing concerning the matter, I agreed and the Court instructed me to file the government's brief in opposition by Friday, October 15, 1971.

3. Because of the complexity of the issues preented and the impact of various conflicting assignments and responsibilities, I requested that attorneys in the Internal Security Division, Department of Justice, write the brief for my approval to assure its timely and well considered preparation. I was informed this date by the responsible attorney that the brief is now being typed in preliminary draft form, and that the review draft would be finished sometime on Friday, October 15.

4. It is my desire and intention to travel to Washington, D.C., following completion of other government business in Boston, to confer with Departmental Attorneys on Friday, October 15, and review the brief for approval. This circumstance is expetced to prevent delivery of the brief to Boston for filing on Friday, even if the brief is considered acceptable in its existing form.

5. To assure appropriate treatment of the issues, and in view of the circumstances, it is respectfully requested that the government be permitted to file its brief by 12:00 p.m. Monday, October 18, 1971.

6. James Reif, Attorney for Rodberg, and Charles Fishman, attorney for Senator Gravel, have been advised of the foregoing and have agreed to the extension subject to the Court's order. Mr. Fishman informed me that, based on our conversation, a reply Memorandum from Senator Gravel might be indicated, and that due to a death in his family which will require his presence in Florida this coming weekend, he would prefer the extension be granted, with the expectation that the Court would allow sufficient time for a reply brief to be filed.

WARREN P. REESE,
Assistant U.S. Attorney.

MOTION FOR ORDER COMMANDING MOVANT TO APPEAR BEFORE THE GRAND JURY ON OCTOBER 28, 1971

(Mike Gravel, U.S. Senator, Intervenor v. United States of America; United States of America v. John Doe; In the matter of a grand jury subpoena served upon Leonard Rodberg)

Comes now the United States by and through the undersigned counsel and moves the Court for an Order commanding Leonard S. Rodberg to appear before the grand jury on October 28, 1971.

In support of the Motion there is attached hereto a Memorandum of Points and Authorities to which this Court's attention is respectfully invited.

Respectfully Submitted,

HERBERT F. TRAVERS, Jr.,
U.S. Attorney.

WARREN P. REESE,
Assistant U.S. Attorney.

OCTOBER 18, 1971.

MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO MOTION FOR RECONSIDERATION AND STAY PENDING RECONSIDERATION AND/OR APPEAL

A. BACKGROUND

1. Status of the proceedings

This matter arose when a subpoena was served on Leonard S. Rodberg to compel his appearance before the grand jury and testify regarding matters presently under investigation by that body. He filed a motion to quash the subpoena and to stay his order to appear before the grand jury *pendente lite*. Senator Mike Gravel's motion for leave to intervene was granted, and he filed a motion to quash and for other relief.

After briefing and oral argument, this Court entered a memorandum of decision and protective order on October 4, 1971, denying the motions to quash the subpoena but restricting the scope of inquiry. A new subpoena was thereafter served on Rodberg.

Rodberg and the Intervenor now seek to have this Court reconsider its initial decision and grant a stay of the subpoena pending such reconsideration. The Intervenor requests that, if reconsideration of the motion to quash is denied, a stay be granted pending appeal to the Court of Appeals. Rodberg requests a stay and certification of the issue to the Court of Appeals pursuant to 28 U.S.C. 1292(b) and Rule 5(a) Federal Rules of Appellate Procedure, in the event of an adverse ruling.

2. CONTENTIONS OF THE MOVING PARTIES

(a) Intervenor

(1) The Speech or Debate Clause applies to unofficial publication and distribution, by the Intervenor of a classified study of the Department of Defense covering U.S.-Vietnam relations (hereinafter the "McNamara Papers") and protects the Intervenor and his employees from grand jury inquiry concerning such publication and distribution.

(2) The protective order included in this Court's order of October 4, 1971, does not adequately protect the Intervenor's constitutional rights.

(3) This Court's order of October 4, 1971 is final as to the Intervenor and therefore is appealable.

(b) Leonard Rodberg

(1) The mere fact of Rodberg's appearance before the grand jury will have a chilling ef-

fect upon First Amendment freedoms of press and association.

(This issue will not be treated in this memorandum in view of this Court's decision in the case of *In the Matter of a Grand Jury Subpoena Served on Richard Falk*, E.B.D. No. 71-135-G, reconsideration denied October 12, 1971, the issues and facts of that case being substantially indistinguishable from those of the instant case.)

(2) The Speech or Debate Clause protects Intervenor from any grand jury inquiry concerning unofficial publication and distribution of the "McNamara Papers"; and Rodberg, by virtue of his status as a member of the Intervenor's personal staff, is also protected.

(3) Should this Court affirm its denial of the motions to quash the subpoena, the issue relating to the Speech or Debate Clause should be certified to the Court of Appeals for review because there is substantial ground for difference of opinion, and appeal will materially advance the ultimate termination of this litigation.

3. The factual setting

The facts are essentially not in dispute. They are, as excerpted from the court's opinion, set forth below:

"Dr. Leonard S. Rodberg, a physicist and resident fellow at the Institute for Policy Studies in Washington, D.C., and currently engaged as a staff member of United States Senator Mike Gravel of Alaska, petitioned the court on August 27, 1971, to quash a subpoena ordering him to appear before a federal grand jury ostensibly investigating crimes relating to the release and dissemination of the much-publicized classified study by the Department of Defense entitled 'History of U.S. Decision-Making Process on Viet Nam Policy,' popularly called the 'Pentagon Papers.'

"The crimes being investigated by the grand jury include the retention of public property or records with intent to convert (18 U.S.C. § 641), the gathering and transmitting of national defense information (18 U.S.C. § 793), the concealment or removal of public records or documents (18 U.S.C. § 2071), and conspiracy to commit such offenses and to defraud the United States (18 U.S.C. § 371), as is indicated in the prosecuting attorneys' oaths of office on file with the Clerk. [Footnote omitted]

• • • • •

"Both motions of the Senator allege, and the court finds, that 'as personal assistant to movant, Dr. Rodberg assisted movant in preparing for disclosure and subsequently disclosing to movant's colleagues and constituents, at a hearing of the Senate Subcommittee on Public Buildings and Grounds, the contents of the so-called "Pentagon Papers," which were critical of the Executive's conduct in the field of foreign relations.'

"Late in the evening of June 29, Senator Gravel, a member of the Committee on Public Works, called a meeting of its Subcommittee on Public Buildings and Grounds, of which he is chairman. Earlier that same day, the Senator had added Dr. Rodberg to his personal staff. At the meeting he read extensively from the study and, at its conclusion, placed the entire study comprising 7,000 pages of complex material in 47 volumes on file with the subcommittee, thereby making it widely available to the press. About seven weeks later, on August 18, it was reported in the Washington Post that Senator Gravel had turned over the Pentagon Papers to a Boston publisher, Beacon Press, for compilation into a four-volume book to be released in late October under the title, 'The Senator Gravel Edition of the Pentagon Papers: the Defense Department History of Decision Making on Vietnam;' and that Beacon Press came to agreement with the Senator after negotiations with his assistant Dr. Rodberg. In the August 24 edition of a weekly newspaper, Boston After Dark, an article, 'Why MIT & Harvard Suppressed the Pentagon Papers,' described in detail Dr. Rodberg's prior negotiations with publishers other than Beacon Press. On the evening of August 24, Dr. Rodberg was subpoenaed to appear and testify before the current grand jury."

B. ARGUMENT

1. The speech or debate clause

(a) Introductory Statement

Great emphasis is placed by intervenor on the practice and necessity of communications between the electorate and their representatives in his endeavor to persuade this Court to consider the private publication of classified documents as being no different from the republication of speeches and reports delivered and developed in the normal course of legislative activity. Such publication of classified documents which were prepared by an executive agency hardly comports with the test espoused by the intervenor that the Speech or Debate Clause affords protection for things "generally done in a session of the House by one of its members in relation to the business before it" or action "related to the due functioning of the legislative process." (Intervenor's Brief, pp. 4–5.)

Although a legislator's issuance of press releases, the holding of press conferences, and speaking to constituents regarding his views on matters pending before the Congress may be legitimate activity concerning his legislative responsibilities, publication by a legislator through a commercial printer of classified documents under the circumstances herein could hardly have been contemplated historically as a proper subject for protection under the Speech or Debate Clause. The reason for this conclusion is apparent. There has been unwavering consistency in the articulation of the purposes and benefits of the Speech or Debate Clause in the cases in which it has been considered.

Perhaps the earliest declaration of purpose was uttered by Mr. Chief Justice Parsons in *Coffin* v. *Coffin*, 4 Mass. 1, (1808) which was adopted by the Supreme Court in *Kilbourn* v. *Thompson*, 103 U.S. 168:

> These privileges are thus secured, not with the intention of protecting the members against *prosecutions for their own benefit, but to support the rights of the people* by enabling their representatives to execute the functions of their office without fear of prosecutions, civil or criminal. I, therefore, think that the article ought not to be construed strictly, but liberally, that the full design of it may be answered. I will not confine it to delivering an opinion, uttering a speech, or haranguing in debate, but will extend it to the giving of a vote, to the making of a written report, and to every other act *resulting from the nature and in the execution of the office*. And I would define the article as securing to every member exemption from prosecution for everything said or done by him *as a representative, in the exercise of the functions of that office*, without inquiring whether the exercise was regular, according to the rules of the House, or irregular and against their rules. I do not confine the member to his place in the House; and I am satisfied that there are cases in which he is entitled to this privilege when not within the walls of the representatives' chamber (Emphasis added, pp. 203–204.)

The purpose was reiterated in 1950 by Mr. Justice Frankfurter in *Tenney* v. *Brandhove*, 341 U.S. 367 (1950):

> The provision in the United States Constitution was a reflection of political principles already firmly established in the States. Three State Constitutions adopted before the Federal Constitution specifically protected the privilege. The Maryland Declaration of Rights, Nov. 3, 1776, provided: "That freedom of speech, and debates or proceedings, in the legislature, ought not to be impeached in any other court or judicature." Art. VIII. The Massachusetts Constitution of 1780 provided: "The freedom of deliberation, speech and debate, in either house of the legislature, *is so essential to the rights of the people*, that it cannot be the foundation of any accusation or prosecution, action, or complaint, in any other court or place whatsoever." Part The First, Art. XXI. (Emphasis added, p. 373.)

• • • • •

> The claim of an unworthy purpose does not destroy the privilege. Legislators are immune from deterrents to the uninhibited discharge of *their legislative duty, not for their private indulgence but for the public good.* (Emphasis added, p. 377.)

Writing for the Majority in *United States* v. *Johnson*, 383 U.S. 169 (1966), Mr. Justice Harlan observed—

> The legislative privilege, protecting against possible prosecution by an unfriendly executive and conviction by a hostile judiciary, is one manifestation of the "practical security" for *ensuring the independence of the legislature*. (Emphasis added, p. 179.)

The initial inquiry then is whether such private publication by a senator of material of the character of the "McNamara Papers" is (1) legitimate legislative activity, and (2) an activity, the protection of which is conducive to the achievement of the constitutional purpose, to secure the independence of the legislature and thereby benefit the public. A more complete answer to these questions requires a determination of the scope of the Speech or Debate Clause.

b. Private Publication by a Senator of Classified Documents is not Embraced Within the Speech or Debate Clause

In ruling that Dr. Rodberg could be questioned concerning arrangements made for private publication of the "McNamara Papers", this Court properly ruled that the privilege embodied in the Speech or Debate Clause does not apply. *McGovern* v. *Martz*, 182 F.Supp. 343 (D.D.C., 1960) and *Long* v. *Ansell*, 69 F.2d 386 (C.A. D.C., 1934), *aff'd.* 293 U.S. 76 also make it clear that "the reason for the rule—complete and uninhibited discussion among legislators—is not here served." Accord, *Restatement of Torts*, 1938 ed. § 590 Comment b.

In reaching its decision, this Court relied in part on *Hentoff* v. *Ichord*, 318 F.Supp. 1175 (D.D.C., 1970). The Government, in discussing the decision in Hentoff, Would hasten to point out that although it does not agree with the holding in that case as applied to the specific facts therein, the rationale employed by the court was proper (any publication which may involve the Speech or Debate Clause requires a determination whether the publication was a part of the legislative process). However, notwithstanding the specific holding in *Hentoff*, the application of the rationale applied there to the facts in this case, which are distinguishable from those in *Hentoff*, demonstrates that this Court's initial decision was proper.

In *Hentoff* v. *Ichord*, *supra*, the court considered an action for injunctive relief against certain Congressmen and the Public Printer to prevent the printing and distribution of an official study prepared for the House Internal Security Committee. In that case, injunctive relief against Congressmen was denied *not* because the court was unwilling to recognize a broad extension of the Speech or Debate Clause to cloak the acts of individual Congressmen outside the scope and forum of their legislative business. Rather, the Court chose to deny relief as to the Congressmen purely on the grounds of their First Amendment rights:

> Members of Congress have the same right to speak as anyone else. . . . [T]he court will take no action which limits the use that individual Congressmen choose to make of the report. . . . (318 F.Supp. at 1179).

That decision, which held that a legislative employee who was ordered to print the report could be enjoined, supports this Court's decision that the Speech or Debate Clause does not protect extra-legislative publication. And, this much this Court recognized in quoting *Hentoff* in its opinion (p. 13):

> Nothing in the Constitution or the cases suggests, however, that a committee report is a necessary adjunct to speech or debate in Congress. . . . [a]nd its further printing and public distribution is not necessary to give effect of the freedom of Congressmen to speak and debate on or off the floor. (*Hentoff, supra*, at 1180).

(1) Private publication bears no relation to legislative business

Such legislative business of the Senate, the Intervenor was engaged in at midnight on June 29, 1971, terminated at the close of the Subcommittee hearing that night. Thus, applying the test suggested by *Kilbourn* v. *Thompson*, 103 U.S. 168 (1880), that the immunity conferred by the Speech or Debate Clause envisions only ". . . things generally done in a session of the House by one of its members in relation to the business before it." 103 U.S. at 204, *Kilbourn* supports the conclusion that any subsequent private publication of any documents disclosed that night is not barred from a grand jury investigation by the Speech or Debate Clause.

More importantly, the Intervenor's or Dr. Rodberg's actions in unofficially publishing these documents through the Beacon Press stand on no different footing than those of any person seeking to print and distribute documents he wishes disseminated. Their actions are thus entitled to no greater privilege from inquiry than those of a private citizen, and this grand jury is entitled to determine whether criminal acts by anyone else have been committed in the process.

2. Prior decisions confirm that no privilege exists as to unofficial publication outside of Congress of the content of official speeches or Records

Assuming *arguendo* that certain documents were given by the Intervenor to Beacon Press (or given at his direction) and that they constitute a proper legislative record of the Senate Subcommittee for House and Grounds, no privilege exists whatever insofar as their subsequent publication and distribution outside of Congress is concerned.

The Speech or Debate Clause provides that insofar as members of Congress are concerned:

> ". . . for any speech or debate in either House, they shall not be questioned in any other place."

This provision, therefore, does not apply to statements made or distributed outside of the scope of the official business of the Congress, in which any such statements or documents are used. Instead, the privilege protects and insures only that the official business of the Congress will be free from interference.

The Court of Appeals for the District of Columbia Circuit has already considered and decided a case, controlling here, which raises this question in a factual setting surprisingly close to this proceeding, *Long* v. *Ansell*, 69 F.2d 386 (D.C. Cir., 1934), affd. 293 U.S. 76 (1934). In that case, a libel suit was filed against Senator Long for printing and distributing several libelous articles alleged to be a reprint of a speech made by him in the Senate. The lower court noted, in affirming denial of a motion to quash the subpoena served upon the legislator, that:

> "The charge here is not for slander resulting from a speech made on the floor of the Senate, but for libel in publishing and distributing a copy of the speech. . . . The acts charged have only remote connection with the speech. While the published articles were in part reproductions of the speech, the offense consists not in what was said in the Senate but in the publication and circularizing of the documents."

Long has not only been cited and relied on since 1934 as good law, see, e.g., *McGovern* v. *Martz*, 192 F. Supp. 343 (D.D.C. 1960), but it confirms the long-standing rule in both American and English common law that republication of legislative documents is privileged only to a qualified extent. For example, the American Law Institute's Restatement of Torts § 590, comment b, reads in part:

> ". . . Defamatory matter spoken or otherwise uttered in a legislative proceeding is a publication thereof and a report of the legislative proceeding is a republication of the defamatory matter. Such republication is not absolutely privileged under the rule stated in this Section, but is conditionally privileged under the rule stated in § 611. Thus there is no absolute privilege to disseminate the Congressional Record of reprints therefrom, either by a Senator or a Congressman or by a third person."

See also, *Rox* v. *Abingdon*, 1 Esp. 226 Peake 310 (1795); *Rex* v. *Creevy*, 3 Eq. 2. Cases, 228, 1 M & S. 273 (1813), Kent's Commentaries 249 N.C. (8th ed. 1954), 1 Story, "Commentaries on the Constitution of the United States." (5th Ed. 1905) § 866, N. (a), *Cole* v. *Richards*, 108 N.J.L. 356 A. 466 (1932), and *Methodist Federation for Social Action* v. *Eastland*, *infra*.

This rule is, of course, in complete harmony with other collateral areas of our legal system. For example, the judicial privilege is also qualified as to unauthorized publication. While a judge enjoys an absolute privilege for the official publication of a judicial statement, i.e., by reading an opinion in open court or filing it in the clerk's office, there is only a qualified privilege for the unofficial circulation of copies of a defamatory opinion. See, e.g., *Murray* v. *Brancato*, 290 N.Y. 52, 48 N.E. 2d 257 (1943); *Francis* v. *Branson*, 168 Okl. 24, 31 F. 2d 870 (1933); and, Note, 12, Ford L. Rev. 193 (1943).

Furthermore, an analysis of the precedents provided by the Intervenor in support of his motion confirms, by the absence of any one point, that there is no authority for the proposition that private publication is performed with the benefit of the Congressional privilege against inquiry after the subsequent publication. In *Hearst* v. *Black*, 87 F. 2d (D.C. Cir. 1938) the court was not even faced with a question regarding republication but, rather, a suit to prevent disclosure *in the first instance* of material gathered for committee investigations. The court ruled only that:

> "If courts cannot enjoin the enactment of unconstitutional laws . . . they cannot enjoin legislative debate or discussion of constitutional measure because of incidental disclosure or publication of knowledge unconstitutionally acquired." 87 F. 2d at 72.

Such a ruling hardly supports any contention that a wholesale private printing and public distribution of the material would be above judicial inquiry after the fact. Here, the Intervenor would have this Court believe that judicial reluctance to exercise supervision over Congressional deliberations *before they had commenced* constituted an acknowledgement that a grand jury was utterly without power to inquire into the activities of non-legislative members after the fact.

And, in *Methodist Federation* v. *Eastland*, 141 F. Supp. 729 (D.D.C. 1956) the court again considered whether it could enjoin a discretionary act of Congress *before* it has transpired on the basis of allegations of irreparable injury. Again, no finding was made that a court could not entertain a suit for redress after the fact and, as in *Long*, assess whatever liability may be appropriate. And, as in *Hearst*, *Methodist Federation* involved only a request for an injunction against publication prior to the publication.

And *Hentoff* v. *Ichord*, *supra*, is no support for Intervenor's contention that members of Congress are "absolutely privileged" from accountability for what they do. Moreover, in *Hentoff* v. *Ichord*, even in circumstances where the Court held the members of the House to be absolutely privileged, circumstances not present here, the Court none the less held that their agent was not immune. *Cf Powell* v. *McCormack*, (1969) 395 U.S. 486, 504–506.

In his next case, the Intervenor candidly acknowledges (Mem., p. 13) that *McGovern* v. *Martz*, 182 F.Supp. 343 (D.D.C. 1960) supports the Government position. There the court said:

> "But what of republication? Should an absolute privilege exist to bar suits for defamation resulting from a Congressman's circulation of reprints or copies of the Congressional Record to non-Congressmen? The reason for the rule—complete and uninhibited discussion among *legislators*—is not here served. Accordingly, the absolute privilege to inform a fellow legislator (either by way of speech on the floor or writings inserted in the Record) become a qualified privilege for the republication of the information. 'Though a member of congress is not responsible out of congress for words spoken there, though libelous upon individuals; yet if he causes his speech to be published, he may be punished as for a libel by action or indictment. This is the English and the just law.' 1 Kent's Commentaries 249, note c 8th Ed. 1854). (182 F.Supp. at 347)"

And, in so ruling, a further precedent was created for the proposition that *republication* enjoys only a *qualified* privilege. Even when the Senator alludes (Mem., p. 14 n. 11) to the "informing" function which should be protected by the privilege he points to a portion of the Court' opinion which shows that a qualified privilege fulfills this need completely:

> "Congressmen undoubtedly have a responsibility to inform their constituents, and undoubtedly circulation of the Congressional Record is a convenient method. It does not follow from this however, that an absolute privilege is necessary; a qualified privilege is enough."

The Intervenor's final majority, *Barr* v. *Matteo*, 360 U.S. 564 (1959), is equally inopposite. There, the Court recognized a privilege where executive officials were acting in the scope of their official duties. In *Barr*, an official was sued for defamation caused by a press release he had issued. The Court found that the initial release constituted an act "in the line of duty." Important here is the fact that neither a republication nor a grand jury investigation was involved.

For these reasons, the grand jury should be permitted to inquire into any efforts to effect private publication of the "McNamara Papers."

The four qualifying restrictions with which the intervenor seeks to constrict this inquiry should also be rejected. The above discussion in *McGovern* was in no wise *obiter dictum* as he suggests (Mem., p. 14); but for the ruling as to the extent of privilege, the court would have been obliged to dismiss defendant's counterclaim with prejudice. The discussion is thus the controlling ground of the final result. Even if the *McGovern* court erred in qualifying the privilege by a malice standard as intervenor suggests, that error was on the side of failing to qualify sufficiently the republication privilege. *Tenney* v. *Brandhove*, 341 U.S. 367, (1951) which intervenor cites as authority for an unqualified privilege, involved a defamation suit for an in-committee investigation which resulted in damages. No republication was involved and the Supreme Court concluded, "We have only considered the scope of the privilege as applied to the facts of the present case." 341 U.S. at 378. *Cockran* v. *Cousens*, 42 F. 2d 783 (D.C. Cir. 1930) *cert. denied* 283 U.S. 874 says no more than that an *absolute* privilege applies to *any speeches made on the floor of the Senate* even if unrelated to official business, a conclusion which has no bearing on this proceeding.

3. Rodberg Has No Claim to Derivative Status Under the Speech or Debate Clause.

Given the conclusion that publication of the "McNamara Papers" by the Intervenor through Beacon Press is not protected by the Speech or Debate Clause, Rodberg, as well, has no status under the Clause in the context of that enterprise for a number of reasons. First, his immunity is derived from the Intervenor. Second, it can be no greater than that possessed by the Intervenor, which in this case is none. Finally, an agent can, and often does, have less immunity than does his employer. As stated in a per curiam decision in *Dombrowski* v. *Eastland*, 387 U.S. 82, 85 (1937) in which respondent Sourwine was the chief counsel:

"... It is the purpose and office of the doctrine of legislative immunity, having its roots as it does in the Speech and Debate Clause of the Constitution, *Kilbourn* v. *Thompson*, 103 U.S. 168, 204 (1881), that legislators engaged 'in the sphere of legitimate legislative activity,' *Tenney* v. *Brandhove*, *supra*, 341 U.S. at 376, should be protected not only from the consequences of litigation's results but also from the burden of defending themselves. This Court has held, however, that this doctrine is less absolute, although applicable, when applied to officers of employees of a legislative body, rather than to legislators themselves. As the Court said in *Tenny* v. *Brandhove*, *supra*, the doctrine, in respect to a legislator, 'deserves greater respect than where an official acting on behalf of the legislature is sued . . . .' (341 U.S. at 378) Cf. *Wheeldin* v. *Wheeler*, 373 U.S. 647 (1963). In the light of this principle, we are compelled to hold that there is a sufficient factual dispute with respect to respondent Sourwine to require reversal of the judgment below as to him."

Thus, it is difficult to conceive how the independence of the legislature is insured in any way by inclusion within the protective ambit of the Speech or Debate Clause the commercial publication and distribution of classified material by a Senator and therein lies the problem presented by the Intervenor's request.

The basic error of intervenor's position can be simply stated. The privilege conferred by the Speech or Debate Clause lies only where the act done was a part of the legislative process. (Mem., pp. 4–5). Here, intervenor contends that he did nothing more than reprint only what was a part of the Subcommittee's record. Assuming *arguendo* that he is correct and further assuming that his initial insertion of the documents into the record was a proper part of the legislative process, does it follow that any subsequent private publication of that information is, thereby, privileged from inquiry? The obviousness of the answer that it does not renders extended discussion unnecessary.

As the court in *Hentoff* v. *Ichord*, 318 F. Supp. 1175 (D.D.C. 1970) makes clear by its holding, whether or not the initial publication was proper, the legislative privilege, if invoked for any subsequent publication, requires a determination be made anew as to the legislative purpose for the republication. In other words, if a document were published in the *Congressional Record* for a proper legislative purpose, a subsequent republication solely "for exposure's sake" (Id. at 1182) would not be privileged in all circumstances.

Thus, it is of no concern whether the information was originally made a part of any congressional record or report; rather, it must be determined whether the publication at issue served any proper legislative purpose—e.g., was it published "in a session of the House by one of its members in relation to the business before it" and was it "related to the due functioning of the legislative process" (Intervenor's Mem., pp. 4–5) or was it published solely for the private use and benefit of a Member. If it was the latter, then the privilege will not lie. Here, the republication was not accomplished by inserting it in the *Congressional Record* or by making it a part of a Committee report. Nor was it mailed by the Intervenor to his constituents in Alaska. Instead, the publication was accomplished by using the services of a private commercial printer (in Massachusetts) to prepare a four-volume book entitled "The Senator Gravel Edition of the Pentagon Papers . . ." to be sold to purchasers throughout the entire Nation. Notwithstanding the question whether this was really an attempt to inform his constituents in Alaska of his position on matters pending before the Congress, it was undoubtedly not a part of the legislative process; thus, the privilege does not lie in this case.

For all of these reasons, Dr. Rodberg is not immune from any grand jury inquiry into his activities, and, therefore, his and the Intervenor's motions should be denied.

2. *This Court's Order Is Not Appealable*

As mentioned earlier, both parties have requested a stay of Dr. Rodberg's appearance pending appeal of this Court's Order denying their motions to quash his subpoena. The first issue presented by their requests for a stay is whether or not this Court's Order is appealable.

Thirty years ago, in *Cobbledick* v. *United States*, 309 U.S. 323, the Supreme Court decided the issue whether a district court order denying a motion to quash a grand jury subpoena *duces tecum* was a "final decision of [a] district court" and, as such, reviewable under what is now 28 U.S.C. 1291. In setting forth the basis for its ultimate conclusion that it was not, the Court said:

"Since the right to a judgment from more than one court is a matter of grace and not a necessary ingredient of justice, Congress from the very beginnnig has, by forbidding piecemeal disposition on appeal of what for practical purposes is a single controversy, set itself against enfeebling judicial administration. Thereby is avoided the obstruction to just claims that would come from permitting the harassment and cost of a succession of separate appeals from the various rulings to which a litigation may give rise, from its initiation to entry of judgment. To be effective, judicial administration must not be leaden-footed. Its momentum would be arrested by permitting separate reviews of the component elements in a unified cause. These considerations of policy are especially compelling in the administration of criminal justice. Not until 1889 was there review as of right in criminal cases [footnote omitted]. An accused is entitled to scrupulous observance of constitutional safeguards. But encouragement of delay is fatal to the vindication of the criminal law. Bearing the discomfiture and cost of a prosecution for crime even by an innocent person is one of the painful obligations of citizenship. The correctness of a trial court's rejection even of a constitutional claim made by the accused in the process of prosecution must await his conviction before its reconsideration by an appellate tribunal. • • • 309 U.S. at 325–326.

After reviewing these considerations, the Court found them to be compelling in the context of a grand jury proceeding. The grand jury was in the Court's view an integral part of the criminal justice system, and in that regard, the Court said at 327–328:

"• • • The Constitution itself makes the grand jury a part of the judicial process. • • • The proceeding before a grand jury constitutes 'a judicial injury' • • • of the most ancient lineage. • • • The duration of its life, frequently short, is limited by statute. It is no less important to safeguard against undue interruption the inquiry instituted by a grand jury than to protect from delay the progress of the trial after an indictment has been found. Opportunity for obstructing the 'orderly progress' of investigation should no more be encouraged in one case than in the other. That a grand jury proceeding has no defined litigants and that none may emerge from it, is irrelevant to the issue. The witness' relation to the inquiry is no different in a grand jury proceeding than it was in the *Alexander* case. *Whatever right he may have requires no further protection in either case than that afforded by the district court until the witness chooses to disobey and is committed for contempt.* • • • *At that point the witness' situation becomes so severea from the main proceeding as to permit an appeal.* • • •" (Footnote omitted and emphasis supplied.)

Thus, *Cobbledick* established the firm principle that the interest in avoiding delay overrides the interest of a grand jury witness in interlocutory appellate review of the obligations imposed upon him by a subpoena.

In the years, since a number of lower courts have uniformly applied the *Cobbledick* rule where attempts have been made to seek review of orders denying motions to quash grand jury subpoenaes. See, e.g., *Lampman* v. *United States District Court*, 418 F. 2d 215 (C.A.9) *cert. denied*, 397 U.S. 919; *In re Buckey*, 395 F. 2d 533 (C.A. 6); *In re Grand Jury Investigation of Violations*, 318 F. 2d 533 (C.A. 2), petition for certiorari dismissed, 375 U.S. 802; *Dugan & McNamara* v. *Clark*, 170 F. 2d 118 (C.A. 3).

Very recently the Supreme Court in *United States* v. *Ryan*, 402 U.S. 530 (1971) reaffirmed the principles set forth in *Cobbledick*, *supra*. There, Mr. Justice Brennan, speaking for the Supreme Court, said:

". . . one to whom a subpoena is directed may not appeal the denial of a motion to quash that subpoena but must either obey its command or refuse to do so and contest the validity of the subpoena if he is subsequently cited for contempt on account of his failure to obey." 402 U.S. at 532

For this reason, the Supreme Court reversed an appellate court decision that a denial of a motion to quash a subpoena is appealable.

Dr. Rodberg's position on this point can be, and was for that matter, simply stated. Citing the Supreme Court's decision in *Cobbledick* and *Ryan*, he said:

"The denial of a motion to quash a grand jury subpoena has been held to be interlocutory order, and such an order is not ordinarily appealable." (Memorandum, p. 12), after which he immediately turned to a discussion of a potential exception to this rule, 1292(b). (This question is discussed in the following section.) If Dr. Rodberg is correct, which he is, all that remains to be determined is whether the Intervenor can appeal the Order.

Originally, Dr. Rodberg was the only moving party in this matter. The Intervenor sought protection of his constitutional privilege and was permitted to intervene on the ground such privilege was potentially subject to invasion, depending on questions put to Rodberg by the grand jury. An appropriate protective order was rendered; the Intervenor has achieved his purpose.

The privilege extended to a Senator is only qualifiedly available to his representatives.[1]

If Rodberg possesses status as the alter ego of the Intervenor such status is only part of Rodberg's legal identity as a witness. For this reason an *interlocutory* protective order is all the Intervenor could hope to expect and that was granted. Thus, he has all the protection he is entitled to receive. Just as Dr. Rodberg can have no greater immunity than that possessed by the Intervenor so it is, by analogy, that the Intervenor can have no greater rights in this case regarding quashing

[1] As mentioned earlier, in *Dombroski* v. *Eastland*, 387 U.S. 82 (1967), a plaintiff was permitted to bring an action against the chief counsel for a Senate subcommittee (a decidedly more sensitive position than that occupied by Rodberg) although his employer, the Committee chairman, was found privileged from accountability in the suit.

of the subpoena than does Dr. Rodberg. Here, the Intervenor has not been subpoenaed and unlike Dr. Rodberg, the Court's order denying the motion to quash the subpoena in no way affects his rights for they are expressly protected by the protective orders.

For these reasons, neither Dr. Rodberg nor the Intervenor has a right under 28 U.S.C. 1291 to appeal this Court's Order.

3. *A denial of the motions to quash Dr. Rodberg's subpoena does not constitute grounds for certifying the question to the Court of Appeals*

Dr. Rodberg has also asked this Court for an order certifying the questions he raises in his initial motion to the Court of Appeals within the meaning of Title 28 U.S.C. Section 1292(b) and pursuant to Rule 5(a) of the Federal Rules of Appellate Procedure. His request presents one basic issue: Is a denial of a motion to quash a grand jury subpoena, which is not normally appealable, appealable under 28 U.S.C. 1292(b). The short answer is that it is not.

Section 1292(b) affords him no relief for a number of reasons:

(1) There is no controlling questions of law about which there is a *substantial ground for differences of opinion* which will

(2) materially advance the ultimate *termination* of the *litigation*.

The central question presented here is whether a private publication of material, which was also disclosed in part on the floor of the Senate by a Senator, is rendered immune from inquiry by a grand jury by the Speech or Debate Clause. The government's position, as discussed in detail earlier, is that it is not. See, e.g., *Long* and *McGovern*, both *supra*. Neither Dr. Rodberg nor the Intervenor has cited one case in support of his proposition that it is privileged conduct. Thus, the first showing that must be made in order for a question to be certified under 1292(b)—there is a substantial ground for differences of opinion on the controlling question—is not present.

Most obvious here, the second requirement, has not been met for the question would not "materially advance the ultimate termination of the litigation."

The purpose of the second requirement is clearly set out in the Senate Report:

"The bill results from a growing awareness of the need for expedition of cases pending before the district courts. Many cases which are filed in the Federal district courts require the district judge to entertain motions at an early stage in the proceedings which, if determined, against the plaintiff, result in a final order which would then be appealable to the circuit courts of appeals of the United States. However, such motions, if determined in the plaintiff's favor, are interlocutory since they do not end the litigation and are not, therefore, under existing provisions of law, appealable. For example, in a recent case a motion to dismiss for want of jurisdiction was filed in the district court early in the proceedings. The district court denied the motion and the matter then proceeded to trial. The disposition of that case took almost 8 months. Upon final order the case was appealed and the court of appeals determined that the district court did not have jurisdiction and entered an order accordingly.

Had this legislation been in effect at that time, the district judge could have stated in writing his opinion that the motion was controlling and the defendant could thereupon have made application to the court of appeals for a review of the order denying the motion. Had the court of appeals entertained such a motion and reached the conclusion that it ultimately did, it would have resulted in a saving of the time of the district court and considerable expense on the part of the litigants.

"There are many civil actions from which similar illustrations could be furnished. For example, in an antitrust action a plea may be entered that the claim is barred by the the statute of limitations. If this motion is denied, under existing law the matter is not appealable and the case then goes forward to trial. Disposition of antitrust cases may take considerable time, yet upon appeal following final disposition of such cases, the court of appeals may well determine that the statute of limitations had run and for that reason the district court did not have jurisdiction.

"Another instance in which the provisions of this bill might prove useful is where the litigant desires to join a third party defendant. At present, there is no appeal from an order joining a third party defendant or refusing to do so. The instant legislation would permit an appeal within the limitations previously described." S. Rep. No. 2434, 85th Cong. 2d Sess. 2–3, set out in 1958 U.S. Code Cong. & Admins. News 5256.

The House Report also describes other illustrative orders to which § 1292(b) is applicable:

"Without cataloging all of the cases in which interlocutory appeals could be proper, the following categories are those which would generally be affected: (a) cases where an accounting is necessary upon an adjudication of liability under a contract, (b) cases where a long trial would be necessary for the determination of liability or damages upon a decision overruling a defense going to the right to maintain the action, (c) cases involving third party defendants where there would be no reason for continuing the actions if the third parties could not be held liable and (d) cases relating to the transfer of the action where it is claimed that the transfer is not authorized by law." H. Rep. No. 1667, 85th Cong. 2d Sess. 1.

4. *A stay pending appeal should not be granted*

It cannot be gainsaid that a stay pending appeal should not be granted where no appeal is permitted by law. Here, as just discussed, neither Dr. Rodberg nor the Intervenor has a right to appeal this Court's Order. Instead, Dr. Rodberg must, if he so chooses, await an order holding him in contempt of court before he can appeal. *Ryan*, *supra*. Therefore, this Court should deny their motions for a stay pending appeal.

C. CONCLUSION

For all of the foregoing reasons, Dr. Rodberg's and the Intervenor's motion should be denied and this Court should enter an Order commanding movant Rodberg to appear before the grand jury on October 28, 1971, at 10:00 a.m.

Respectfully submitted,

HERBERT F. TRAVERS, JR.,
U.S. Attorney.

WARREN P. REESE,
Assistant U.S. Attorney.

OCTOBER 18, 1971.

CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the attached Motion and Memorandum in Support thereof on Senator Mike Gravel and Leonard S. Rodberg, by mailing a copy thereof to their counsel of record, specifically Charles L. Fishman, Esquire, 633 East Capitol Street, Washington, D.C. 20003, and James Reif, Esquire, c/o Center for Constitutional Rights, 588 9th Avenue, New York City, New York 10036, respectively, this day, October 18, 1971.

WARREN P. REESE,
Assistant U.S. Attorney.

[Mike Gravel, U.S. Senator, Intervenor v. United States of America. United States of America v. John Doe]

MOTION FOR ORDER COMMANDING MOVANT TO APPEAR BEFORE THE GRAND JURY ON OCTOBER 28, 1971

(In the matter of a grand jury subpoena served upon Leonard Rodberg)

Comes now the United States by and through the undersigned counsel and moves the Court for an Order commanding Leonard S. Rodberg to appear before the grand jury on October 28, 1971.

In support of the Motion there is attached hereto a Memorandum of Points and Authorities to which this Court's attention is respectfully invited.

Respectfully Submitted,

HERBERT F. TRAVERS, JR.,
U.S. Attorney.

WARREN P. REESE,
Assistant U.S. Attorney.

[Mike Gravel, U.S. Senator, Intervenor-Petitioner versus United States.—United States versus John Doe.]

REPLY MEMORANDUM IN SUPPOAT OF MOTION OF INTERVENOR-PETITIONER FOR RECONSIDERATION AND STAY PENDING RECONSIDERATION AND/OR APPEAL

(In the matter of a grand jury subpoena served upon Leonard Rodberg)

In our Memorandum in Support of Motion for Reconsideration and Stay, filed October 12, 1971, we stated in considerable detail our arguments underlying our request for this Court to reconsider two of the holdings made in its October 4 decision. The Government on October 18, 1971, filed a Memorandum in opposition to this motion. Since the respective positions of the parties have now been presented at length, we do not wish to burden the Court with further extended discussion,

particularly with respect to even more analysis of the cases upon which both sides rely. However, we feel that it is necessary to reply briefly to three salient features of the Government's legal position.

1. In Part II of our Memorandum (pp. 23–29), we argued that the Protective Order entered by this Court does not guarantee adequately Senator Gravel's constitutional rights and that a more sensitive mechanism, such as a specification, was indispensable. We also pointed out that such a mechanism has been heretofore employed in grand jury proceedings involving claims of lesser magnitude. *The Government did not answer these arguments at all in its Memorandum.*

Further support for our position may be found in a long line of cases in which the Supreme Court has imposed extraordinarily strict procedural requirements in situations where the utilization of normal procedures would affect adversely the exercise of First Amendment rights. The Court has, for example, required that a full adversary hearing precede any court order to seize allegedly unprotected written material, *Quantity of Books* v. *Kansas*, 378 U.S. 205 (1964); *Marcus* v. *Search Warrant*, 367 U.S. 717 (1961), or to enjoin allegedly unlawful demonstrations, *Carroll* v. *Princess Anne County*, 393 U.S. 175 (1968). These requirements were imposed as "sensitive tools," *Speiser* v. *Randall*, 357 U.S. 513, 525 (1958), so that protected speech would not be suppressed inadvertently as a result of *ex parte* determinations of constitutionality. Similar procedural mechanisms must be employed in this case, or else there is significant danger that unconstitutional questions will be posed to and answered by the witness, with Senator Gravel not present and unable to object, and therefore without any realistic possibility of judicial review or remedy. Prior judicial determination, in an adversary hearing, of the constitutional status of proposed questions is thus essential. The only constitutional alternative is quashing the subpoena.

2. The Government asserts that the denial of *Senator Gravel's* motion to quash and motion for specification is not a final order and thus not appealable under 28 U.S.C. § 1293 (Govt. Mem., pp. 22–23). No case is cited in support of this proposition,[1] and, with due respect, we believe that it is specious. In *Perlman* v. *United States*, 247 U.S. 7 (1918), the Supreme Court held that a non-witness intervenor could appeal as of right from the denial of his motion to quash a grand jury subpoena. In that case, the Government sought a subpoena directed to a third party to produce for grand jury inspection certain documents owned by Perlman.[2] Perlman moved to intervene and to quash the subpoena on the grounds that it violated his Fourth Amendment rights. Intervention was allowed and the motion to quash denied. On appeal to the Supreme Court, the Government argued that the denial of Perlman's motion to quash was interlocutory. Rejecting this argument, the Court stated that Perlman had no other means to obtain review and therefore the denial of his motion to quash was a final, appealable order. *Id.*, at 12–13.

As in *Perlman*, Senator Gravel cannot obtain review from the denial of the motion to quash except by direct appeal, inasmuch as he has not been called to answer and cannot, by refusal to comply, be adjudicated in contempt. Numerous other cases are in accord with *Perlman* that the denial of a motion to quash a subpoena issued in either a civil or grand jury proceeding is appealable under 28 U.S.C. § 1291 where no other means of obtaining appellate review is available to the person affected, particularly a non-witness. *Covey Oil Co.* v. *Continental Oil Co.*, 340 F. 2d 993 (10th Cir. 1965), *cert. denied*, 380 U.S. 964; *First National Bank* v. *Arisgueta*, 287 F. 2d 219 (2d Cir. 1960), *cert. denied* 365 U.S. 840; *Overby* v. *U.S. Fidelity & Guar. Co.*, 224 F. 2d 158 (5th Cir. 1955) and cases cited therein at p. 162 nn. 3, 4; *In re Investigation by U.S. Atty Gen.*, 104 F. 2d 658 (2d Cir. 1939).[3]

Accordingly, a denial of the motion to quash is, as to Senator Gravel, a final order; and should this Court deny our motion for reconsideration, a stay pending appeal should be granted in order to preserve Senator Gravel's legal position on issues of great constitutional importance for ultimate determination by the appellate courts.

3. The thrust of the Government's argument on republication seems to be that some instances of republication of speeches and committee records by a Member of Congress are protected by the Speech and Debate Clause—e.g., in "press releases, . . . press conferences, and speaking to constituents" (Govt. Mem., pp. 5–6)—while others are not. It chooses to characterize the public committee record in this case as "classified," and invites the court to weigh the motives of Members of Congress and to scrutinize on an *ad hoc* basis the content of committee reports as a prerequisite to permitting Congresamen to inform the electorate about matters of public importance. This argument turns the constitutional privilege on its head, for the privilege was designed to foreclose just those sort of inquiries into motive and propriety. *Tenney* v. *Brandhove*, 341 U.S. 367 (1951); *Cochran* v. *Couzens*, 42 F. 2d 783 (D. C. Cir. 1930), *cert. denied* 282 U.S. 874. By definition, if a *privilege* is applicable to a given activity, it cannot be defeated by an *ad hoc* assertion of illegality.

The essential, undisputed fact is that the material which Senator Gravel has attempted to make available to the people comprises the official public record of the subcommittee of which he is chairman. This conduct by a Member of Congress, in making available to the people a committee record concerning matters of overwhelming importance to the Nation, is an exercise of the constitutional privilege in its classic and most pristine sense.

As stated before, further discussion of the cases relied upon by both parties and their relevance to criminal proceedings would be superfluous.[4] While we believe that our construction of the cases is correct, at the very least it is clear that they give enough support for our position so that the issue is not free from doubt. The constitutional questions presented by Senator Gravel are therefore ripe for final adjudication by the appellate courts. As a Member of the United States Senate, representing the rights of Congress as secured by the Constitution, Senator Gravel is entitled to have these bedrock questions of separation of powers decided by the highest court of the land. For these reasons as well, a stay pending appeal ought to be issued should this Court deny the relief requested by Senator Gravel.

Respectfully submitted,

ROBERT J. REINSTEIN,
Temple University Law School.
HERBERT O. REID,
Howard University School of Law.
CHARLES L. FISHMAN,
Washington, D.C.

CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the attached Reply Memorandum on Dr. Leonard S. Rodberg and the United States by mailing this day a copy to their counsel of record, to wit, Doris Peterson, Esq., Center for Constitutional Rights, 588 Ninth Avenue, New York, N.Y. 10036, and Warren P. Reese, Esq., Office of the United States Attorney, United States Post Office and Courthouse Building, Boston, Massachusetts.

ROBERT J. REINSTEIN.

[Mike Gravel, U.S. Senator, Intervenor-Petitioner v. United States.—United States v. John Doe]

SUPPLEMENTAL CERTIFICATE OF SERVICE

(In the matter of a grand jury subpoena served upon Leonard Rodberg)

I, Harvey A. Silverglate, a Member of the Bar of this Court, hereby certify that I served the following document upon the United States by delivering by messenger on this day a copy of same to Herbert F. Travers, Jr., Esquire, United States Attorney, 1107 U.S. Post Office & Courthouse, Post Office Square, Boston, Massachusetts 02109: "Reply Memorandum [of Mike Gravel] in Support of Motion of Intervenor—Petitioner for Reconsideration and Stay Pending Reconsideration and/or Appeal."

Done this 22nd day of October, 1971.

HARVEY A. SILVERGLATE.

[Mike Gravel, U.S. Senator v. John Doe]

MOTION TO INTERVENE

(In re the matter of Howard Webber)

Comes now Movant, United States Senator Mike Gravel and moves this Honorable Court for leave to intervene in the above captioned cause and as reasons therefore states:

1. Howard Webber is the editor of M.I.T. Press.

2. As the editor of M.I.T. Press, Mr. Weber had contact and discussions with members of Movant's personal staff which contacts and discussions are now the subject of an inquiry by a Federal Grand Jury.

3. The aforesaid Federal Grand Jury has subpoenaed Mr. Webber to appear and give testimony with respect to the aforesaid contact and discussion on Wednesday or Thursday, October 27 or 28, 1971.

4. All of the aforesaid contacts and discussions between Mr. Webber and members of Movant's personal staff relate to the publication of the June 29, 1971 official transcript of the United States Senate Subcommittee on Buildings and Grounds.

5. All of the aforesaid contacts and discussions between Mr. Webber and Movant's personal servants are immune from judicial inquiry by virtue of Movant's constitutional privileges and duties.

6. The question presented herein raises serious and substantial constitutional issues which have not but should be decided by this Court.

7. No other party to the above captioned cause can adequately represent the interest of Movant.

8. The granting of this motion would best serve the interest of Justice.

9. Movant has no information upon which to determine if Mr. Webber plans to appear before the Grand Jury and give testimony in violation of Movant's constitutional rights.

Wherefore, Movant respectfully requests that this Honorable Court grant the above captioned Motion to Intervene.

ROBERT REINSTEIN,
Temple University School of Law.
HOWARD O. REID, Sr.,
Howard University School of Law.
CHARLES LOUIS FISHMAN,
Attorney for Movant.

[United States of America versus John Doe]

MOTION TO QUASH OR STAY GRAND JURY SUBPOENA

(In re the matter of Howard Webber)

Comes now Movant, United States Senator Mike Gravel, and respectfully moves this Court for an order quashing or staying a subpoena served upon Howard Webber which seeks to compel Mr. Webber's appearance before a Federal grand jury sitting in this District, to wit, in Boston, Massachusetts.

Movant submits that the subpoena served upon Mr. Webber should be stayed because it violates Movant's Congressional privilege to be immune from judicial inquiry of acts done by him and his personal staff in the discharge of his duties as a United States Senator, said privilege secured to Movant by the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause 1.

1. The United States has subpoenaed Mr. Webber for the purpose of questioning him about the publication of the official Senate Subcommittee transcript involved in the case of *Mike Gravel, United States Senator* v. *United States* (Docket No. EBD 71–172).

2. This Court has under consideration Movant's Motion For Reconsideration in the case of *Mike Gravel, United States Senator* v. *United States* (Docket No. EBD 71–172).

3. If this Court decides that publication of the official record of a Senate Subcommittee is constitutionally protected the grand jury will be barred from questioning anyone, including Mr. Webber, about his conduct with respect thereto.

4. If this Court decides that publication of the official record of a Senate Subcommittee is not constitutionally protected Movant has asked for a stay of this Court's decision pending appeal. To permit Mr. Webber to testify with respect to the publication of the aforesaid transcript would moot the constitutional claim of Movant prior to the final resolution of the important and complex constitutional issues presented herein.

5. No substantial injury will result to the United States from the granting of this Motion.

Wherefore, Movant respectfully requests that this Honorable Court grant the above Motion to Quash or Stay the subpoena served upon Howard Webber pending final disposition of the case entitled *Mike Gravel*, U.S.S. v. *United States* EBD 71–172.

CHARLES LOUIS FISHMAN,
Attorney for Movant.
ROBERT REINSTEIN,
Temple University School of Law.
HOWARD O. REID, Sr.,
Howard University School of Law.

[Mike Gravel, U.S. Senator versus John Doe]

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MOTION TO QUASH OR STAY GRAND JURY SUBPOENA

[United States of America v. John Doe]

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Movant submits that the subpoena served upon Mr. Webber should be stayed because it violates Movant's Congressional privilege to be immune from judicial inquiry of acts done by him and his personal staff in the discharge of his duties as a United States Senator, said privilege secured to Movant by the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause 1.

[Mike Gravel, U.S. Senator, Intervenor-Petitioner vs. United States—United States vs. John Doe]

MOTION FOR FURTHER RELIEF

(In the matter of a grand jury subpoena served upon Leonard Rodberg)

Comes now Movant, Mike Gravel, United States Senator, and respectfully moves this Court for an order granting further relief to prevent the abridgement of Movant's constitutional rights under the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause 1.

In support of this Motion, Movant states as follows:

1. This Court has under consideration Movant's Motion for Reconsideration and/or Stay Pending Appeal of this Court's Memorandum of Decision and Protective Order entered on October 4, 1971 in the above captioned cause.

2. The United States has subpoenaed certain witnesses for the purpose of inquiring into matters protected from inquiry by Article I, Section 6, Clause 1 and the Protective Order issued by this Court on October 4, 1971. Specifically, the government wishes to inquire into how and from whom Movant received certain material commonly referred to as the Pentagon Papers.

3. The United States has subpoenaed certain other witnesses for the purpose of inquiring into Movant's publication of the official transcript of the Senate Subcommittee on Building and Grounds. The constitutional permissibility of such an inquiry is now before the Court for reconsideration in the above captioned cause.

4. Movant has no control over the willingness of those subpoenaed to answer questions prohibited by this Court's Protective Order of October 4, 1971 or Article I, Section 6, Clause 1.

5. Movant has no control over the willingness of those subpoenaed to answer questions concerning Movant's publication of the official transcript of the aforesaid Senate Subcommittee.

6. If this Court decides that publication of the official record of a Senate Subcommittee is constitutionally protected the grand jury will be barred from questioning anyone about his conduct with respect thereto.

7. If this Court decides that publication of the official record of a Senate Subcommittee is not constitutionally protected Movant has asked for a stay of this Court's decision pending appeal. To permit any witness to testify with respect to the publication of the aforesaid transcript would moot the constitutional claim of Movant prior to the final resolution of the important and complex constitutional issues presented herein.

8. If the United States seeks answers to questions prohibited by this Court's Protective Order of October 4, 1971, Movant has no procedure with which to object and to secure a ruling from this Court.

9. If the United States seeks answers to questions concerning publication of the aforesaid official record of a Senate Subcommittee now under submission to this Court, Movant has no procedure with which to object and to secure a ruling from this Court.

10. If this Court permits inquiry into the aforesaid areas and others before the grand jury Movant's constitutional rights will have been irreparably violated.

Wherefore, Movant respectfully requests this Honorable Court to grant the following further relief:

1. To require a listing from the United States of all those who have been subpoenaed or are to appear before the grand jury to give testimony.

2. To hold a hearing to determine which of the listed witnesses has privileged information which, constitutionally, cannot be inquired into, or should not be inquired into pending final determination on reconsideration.

3. To require the United States to specify all questions to be asked each witness, covered by Paragraph 2 above, and to rule on the constitutional permissibility of each said question.

If this Court should deny this Motion, Movant requests this Court to grant a stay of all subpoenas now outstanding or to be issued, pending appeal to the United States Court of Appeals for the First Circuit.

ROBERT J. REINSTEIN,
Temple University School of Law.
HOWARD O. REID, Sr.,
Howard University School of Law.
CHARLES LOUIS FISHMAN,
Attorney for Movant.

MOTION FOR STAY OF GRAND JURY SUBPOENAS PENDING DISPOSITION OF MOTION FOR FURTHER RELIEF

(Mike Gravel, U.S. Senator, Intervenor-Petitioner versus United States; United States versus John Doe)

Comes now Movant, Mike Gravel, United States Senator, and respectfully moves this Court to issue an order staying enforcement and execution of all subpoenas now outstanding or to be issued compelling the appearance of witnesses before the Federal grand jury sitting in Boston, Massachusetts, and involved herein, pending disposition by this Court of the Motion for Further Relief filed heretofore by Movant.

Movant requests this stay for the following reasons:

1) The Federal grand jury is scheduled to sit on Thursday, October 28, 1971, at 9:00 A.M. and hear the testimony of witnessea upon whom subpoenas have been heretofore served.

2) This Court has before it a Motion for Further Relief filed by Movant which seeks to prevent the questioning of witnesses before the grand jury concerning matters which Movant asserts is immune from inquiry by virtue of Article I, Section 6, Clause 1 of the Constitution, and this Court's Protective Order of October 4, 1971. Other matters into which the grand jury intends to inquire are before this Court on Movant's Motion for Reconsideration and/or Stay Pending Appeal.

3) A stay of grand jury subpoenas pending disposition of the Motion for Further Relief is necessary to preserve the status quo aud prevent Movant's legal position from being mooted and, assuming the correctness of

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[1] All of the cited cases apply only to *Dr. Rodberg's* position, which is distinct since he can secure review by refusing to appear or answer.

[2] The third party was an attorney who came into possession of the documents as exhibits introduced in a civil case involving Perlman.

[3] And see the decisions holding that an order granting a motion to quash a subpoena, although ordinarily interlocutory, is a final order when "the party seeking the subpoena has no other means of obtaining review." *Horizons Titanium Corp.* v. *Norton Co.*, 290 F. 2d 421 (1st Cir. 1961); *Carter Products, Inc.* v. *Eversharp, Inc.*, 360 F. 2d 868 (7th Cir. 1966); *Westinghouse Electric Co.* v. *Burlington*, 351 F. 2d 762 (D.C. Cir. 1965).

[4] We did not discuss *Long* v. *Ansell*, 69 F. 2d 386 (D.C. Cir. 1934), because it is not a Speech and Debate Clause case. Senator Long refused to accept service of process in the libel suit *only* on the grounds of the immunity from arrest during a session of Congress. As the Court made clear, he did not even argue the privilege of the Speech and Debate Clause as a bar to the service of process. The only reference to the Speech and Debate Clause by the Court is found in *dictum* in a somewhat opaque last paragraph. We do not understand how the Government can assert that *Long* is "surprisingly close to this proceeding." (Mem., p. 11).

Movant's legal position, the irreparable violation of Movant's constitutional rights.

Respectfully submitted.

ROBERT J. REINSTEIN,
Temple University School of Law, Philadelphia, Pa.
CHARLES L. FISHMAN,
Washington, D.C.
HOWARD O. REID, Sr.,
Howard University School of Law, Washington, D.C.

MOTION FOR MODIFICATION OF ORDER

(MIKE GRAVEL, U.S. Senator, Intervenor-Petitioner vs. United States: United States vs. John Doe, in the matter of a grand jury subpena served upon Leonard Rodberg; in the matter of a grand jury subpena served upon Howard Webber)

The United States of America moves the Court for an Order modifying its Order announced in the above matter on October 28, 1971, staying enforcement of the subpoenas which have been served on Leonard Rodberg and Howard Webber, and barring the questioning of all witnesses regarding republication by Senator Gravel of the Pentagon Papers.

It is requested that the stay Order as to Rodberg and Webber's subpoenas be vacated or modified to permit the taking of evidence from Webber and Rodberg other than by questions bearing upon republication.

The grounds for this motion are that the present stay Order prevents the government from seeking evidence which is not related to the purpose of the protective Order. The general protective Order adequately preserves the status quo to permit resolution on appeal of the issues raised in support of Senator Gravel's Motions to Quash Rodberg's and Webber's subpoenas and will prevent questioning by the Grand Jury which might moot the issue on appeal.

Respectfully submitted.

JAMES N. GABRIEL,
U.S. Attorney,
WARREN P. REESE,
Assistant U.S. Attorney,
Attorney for the United States.

MOTION FOR STENOGRAPHIC COPY OF GRAND JURY MINUTES

Mike Gravel, U.S. Senator v. United States; United States v. John Doe

Comes now Movant, United States Senator Mike Gravel, and moves this Honorable Court for an Order requiring that a daily stenographic copy of the transcript of the testimony of all witnesses who have or will in the future testify before the Federal grand jury involved herein. Movant represents that such an Order is necessary to insure his rights as guaranteed by the Constitution and by this Court's Protective Orders.

Respectfully submitted,

ROBERT J. REINSTEIN,
Temple University Law School, Philadelphia, Pa.
CHARLES L. FISHMAN,
Washington, D.C.
HERBERT O. REID, Jr.,
Howard University Law School, Washington, D.C.

UNITED STATES V. JOHN DOE

STEPHEN PARKHURST,

Vice-President and Cashier, New England Merchants Bank, Prudential Center, Boston, Mass.

You are hereby commanded to appear in the United States District Court for the District of Massachusetts at P.O. & Courthouse Building, in the city of Boston on the 10th day of November 1917 at 10 o'clock A.M. to testify before the Grand Jury and bring with you the records of the checking accounts, both special and regular, maintained by the Unitarian Universalist Association, Inc., and Beacon Press, Inc., 25 Beacon Street, Boston, Massachusetts from June 1, 1971 through October 15, 1971, such records to include, but not limited to, all deposits and withdrawals during the aforementioned period of time, and copies of all deposit slips and checks drawn on each account, and items deposited, in the amounts of $10,000 and above.

This subpena is issued on application of the United States.

Please report to: Richard E. Bachman, assistant U.S. Attorney, Chief, Criminal Division, Room 1107, P.O. & Courthouse Building, Boston, Mass.

Date, October 28, 1971.

MOTION OF INTERVENOR-PETITIONER FOR RECONSIDERATION AND STAY PENDING RECONSIDERATION AND/OR APPEAL

(Mike Gravel, U.S. Senator, Intervenor-Petitioner v. United States; United States v. John Doe; in the matter of a grand jury subpoena served upon Leonard Rodberg)

1. Senator Mike Gravel, intervenor-petitioner, respectfully moves this Court to reconsider its resolution of two issues in the "Memorandum of Decision and Protective Order" entered on October 4, 1971. Movant respectfully submits that these issues ought to be reconsidered because they present complex and important questions of constitutional law and were not heretofore discussed in sufficient depth by the parties. Movant further respectfully submits that given the holding of the Court the appearance of Dr. Rodberg before the grand jury will violate movant's privileges and after hearing, motion for reconsideration is denied; motion to stay is allowed to the extent that * * * of the subpoena on Leonard Rodberg is stayed for 10 days.

MOTION FOR REHEARING OR CERTIFICATION AND FOR STAY

(Mike Gravel, U.S. Senator, Intervenor, v. United States of America; United States of America v. John Doe; in re Leonard S. Rodberg)

Upon the affidavit annexed hereto and the supporting memorandum of law, Dr. Leonard S. Rodberg respectfully moves this Court for an order granting a rehearing upon the motion to quash the subpoena served upon him, which motion was denied by Hon. W. Arthur Garrity, Jr. (U.S.D.J.) on October 4, 1971, in a Memorandum of Decision and Protective Order. Alternatively, movant asks for the entry of an order certifying the decision of Judge Garrity as an interlocutory appeal within the meaning of Title 28 U.S.C. § 1292 (b) pursuant to Rule 5(a) of the Federal Rules of Appellate Procedure. Dr. Rodberg further moves for a stay of his appearance before the grand jury, now scheduled for October 14, 1971, pending disposition of the aforesaid alternative motions and, if a rehearing or certification is granted, for an extension of that stay until the motions for rehearing and certification denied; motion for stay is mooted by stay of 10 days, granted on motion of intervenor Sen. Gravel.

MEMORANDUM AND ORDER DENYING MOTION FOR FURTHER RELIEF

OCTOBER 29, 1971

(United States of America v. John Doe; in the matter of a grand jury subpoena served upon Leonard S. Rodberg)

By memorandum of decision and protective order issued October 4, 1971, the court prohibited a grand jury inquiry into the legislative acts of intervenor United States Senator Mike Gravel. By a motion for further relief the Senator seeks a further order requiring the government to list the names of prospective grand jury witnesses and to specify all questions to be asked each witness and moves that the court by a hearing in advance of a witness's appearance determine whether a witness has privileged information which may not be the subject of inquiry consistently with the Speech or Debate Clause of the Constitution of the United States, Art. I, § 6, cl. 1.* At a hearing on the motion, counsel for the intervenor submitted that, unless further relief of the type requested is ordered, the court and intervenor have no way of assuring that the court's protective order of October 4, 1971 is being observed and that questions which may arise during the grand jury proceedings regarding the applicability of the protective order will be properly decided. The court denied the motion from the bench and stated that this memorandum and order would subsequently be filed.

Intervenor's motion is denied on the following grounds: (a) The court has no reason to doubt that its protective order will be obeyed. At the hearing, government counsel stated that it would be. Attorneys are officers of the court on whose good faith the court customarily relies and there is no reason why an exception should be made in this case. (b) The court believes that its protective order issued October 4 is unambiguous. The purport of the order is explained at length in the memorandum accompanying it. (c) The relief sought by the intervenor in his motion for further relief would impede the grand jury's investigation. A balance must be struck between the intervenor's right not to be intimidated by the Executive by an inquiry into his legislative acts, *United States* v. *Johnson*, 1966, 383 U.S. 169, 181, and the grand jury's right not to be hobbled by a daily dissection of its activities.

In connection with the court's staying the enforcement of subpoenas on witnesses Leonard Rodberg and Howard Webber, the court has today issued a supplemental protective order prohibiting for a ten-day period inquiry into Senator Gravel's arranging for publication of the so-called Pentagon Papers. At the hearing counsel for the intervenor urged that the same further relief be granted for the purpose of implementing any such supplemental protective order. For the same reasons the court also denies the intervenor's motion as applied to the supplemental protective order.

[United States District Court, District of Massachusetts, E.B.D. No. 71-172-G, E.B.D. No. 71-209-G]

SUPPLEMENTAL PROTECTIVE ORDER, OCTOBER 29, 1971

(United States of America versus John Doe, in the matter of a grand jury subpoena served upon Leonard S. Rodberg, in the matter of a grand jury subpoena served upon Howard Webber)

Garrity, J. In its memorandum of decision dated October 4, 1971 the court rejected the contention of the witness Rodberg and the intervenor Senator Gravel that private publication of the so-called Pentagon Papers may not be inquired into consistently with the Speech or Debate Clause of the Constitution of the United States, Art. I, § 6, cl. 1. However, the arguments urged on behalf of the witness and intervenor are substantial and by no means frivolous. In order that the intervenor's position may be preserved on appeal, the court orders that the following Supplemental Protective Order be entered and remain in effect for ten days: **

No witness before the grand jury currently investigating the release of the Pentagon Papers may be questioned about Senator Mike Gravel's conduct in arranging for the private publication of the Pentagon Papers nor about Dr. Leonard S. Rodberg's conduct in arranging for said publication to the extent that what he did was in his capacity as a member of the Senator's personal staff.

United States District Judge.

[In the United States District Court for the District of Massachusetts, No. E.O.B. 71-172]

Mike Gravel, United States Senator, Intervenor-Petitioner versus United States, United States versus John Doe, in the matter of a Grand Jury subpoena served upon Leonard Rodberg)

NOTICE OF APPEAL

Notice is hereby given that Senator Mike Gravel, intervenor-petitioner above named, hereby appeals to the United States Court of Appeals for the First Circuit from the final order, denying the Motion of Quash Subpoena and Motion for Specification, entered in this action on the 4th day of October, 1971.

ROBERT J. REINSTEIN,
HERBERT O. REID,
CHARLES L. FISHMAN,
Attorneys for Senator Gravel.

[In the United States District Court for the District of Massachusetts, No. E.O.B. 71-172]

Mike Gravel, United States Senator, Intervenor-Petitioner versus United States, United States versus John Doe, in the matter of a Grand Jury subpoena served upon Leonard Rodberg)

NOTICE OF APPEAL

Notice is hereby given that Mike Gravel, United States Senator, Intervenor-Petitioner above named, hereby and herein appeals to the United States Court of Appeals for the First Circuit from the final order, denying Movant's Motion For Further Relief or for a stay pending appeal, entered in this action on the — day of October, 1971.

ROBERT J. REINSTEIN,
HERBERT O. REID, SR.
CHARLES LOUIS FISHMAN,
Attorney for Movant.

[United States District Court, District of Massachusetts, No. E.B.D. 71-172]

(Mike Gravel, United States Senator Intervenor—Petitioner versus United States, United States veraus John Doe, in the matter of a Grand Jury subpoena served upon Leonard Rodberg)

NOTICE OF CROSS APPEAL

Notice is hereby given that the United States of America hereby appeals to the United States Court of Appeals for the First Circuit from the United States District Court "Protective Order"' entered herein on October 4, 1971.

DAVID R. NISSEN,
WARREN P. REESE,
Assistant U.S. Attorneys.

BOSTON, MASS., OCTOBER 29, 1971.

CERTIFICATE OF SERVICE

Suffolk, ss.

Assistant U.S. Attorneys David R. Nissen and Warren P. Reese hereby certify that they have this day served a copy of the foregoing Notice of Cross Appeal upon:

Robert J. Reinstein, Temple University School of Law, Philadelphia, Pa.; Howard O. Reid, Sr., Howard University School of Law, Washington, D.C.; and Charles Louis Fishman, 633 East Capitol Street, Washington, D.C. 20003 by mailing same to them in franked official envelopes.

DAVID R. NISSEN,
WARREN P. REESE,
Assistant U.S. Attorneys.

[In the United States Court of Appeals for the First Circuit, No. 71-1331]

MOTION FOR STAY PENDING APPEAL

(Mike Gravel, United States Senator, Appellant versus United States, Appellee)

On Appeal from the Final Order of the United States District Court for the District of Massachusetts, Hon. W. Arthur Garrity, Jr., Docket No. E.B.D. 71-172.

HERBERT O. REID, Sr.
ROBERT J. REINSTEIN,
CHARLES L. FISHMAN,
Attorneys for Senator Gravel.

[In the U.S. Court of Appeals for the First Circuit, No. —]

MOTION FOR STAY PENDING APPEAL

Mike Gravel, U.S. Senator, Appellant, versus United States, Appellee

Appellant, United States Senator Mike Gravel, by his counsel respectfully requests that this Court stay pending appeal, the execution and enforcement of the Order of the United States District Court for the District of Massachusetts, Hon. W. Arthur Garrity, Jr., denying Appellant's Motion for Further Relief (attached hereto and made a part hereof as Exhibit "A") which Motion sought to require a listing of all witnesses to be brought before a federal grand jury sitting in Boston, hearing to determine which witnesses have privileged information which should not be inquired into, and specification of all questions to be asked each witness with such privileged information.

Appellant has appealed to this Court from the aforesaid Order on the grounds that such inquiry by the grand jury into the official conduct of a United States Senator violates Appellant's constitutional privilege secured by the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause I and the Separation of Powers Doctrine. Appellant submits the following reasons in support of the Motion for Stay Pending Appeal.

(1) Appellant is a United States Senator from the State of Alaska and at all times material to this proceeding was acting in his official capacity.

(2) On June 29, 1971 Appellant, as Chairman, conducted a meeting of the Senate Subcommittee on Buildings and Grounds.

(3) During the course of the aforesaid Subcommittee meeting a transcript was compiled. Part of the aforesaid transcript consists of material commonly referred to as the "Pentagon Papers."

(4) Subsequent to the aforesaid Subcommittee meeting Appellant made the aforesaid transcript available to the press and the aforesaid transcript was public published.

(5) On August 24, 1971, a Federal grand jury subpoena was served upon Dr. Rodberg, seeking to compel his appearance before a Federal grand jury sitting in the District of Massachusetts, in Boston.

(6) Dr. Rodberg moved to quash said subpoena, alleging, *inter alia*, that the subject matter of the inquiry to be made by the grand jury related to acts done by Senator Gravel, with the necessary assistance of his staff, in reading and inserting into the record the so-called "Pentagon Papers," at the June 29, 1971 hearing of the Senate Subcommittee of Buildings and Grounds and in subsequently arranging to have the record of the subcommittee published.

(7) On August 24, 1971, Appellant, Senator Gravel, filed a motion to intervene before the District Court. Appellant alleged in support of that motion that Dr. Rodberg is a personal staff assistant of appellant, who aided Appellant in the discharge of his official duties, and that the grand jury seeks to inquire of Dr. Rodberg into the official conduct of Appellant and his assistants. Appellant contended that any such grand jury proceeding would violate Appellant's constitutional right to be immune from judicial inquiry into his official conduct and that intervention was necessary in order for Appellant to protect his own rights.

(8) On September 1, 1971, the District Court granted Appellant's Motion to Intervene. That same date, Appellant moved to quash the grand jury subpoena and moved also for a specification of the purpose, scope and questions to be asked of Appellant's assistant by the grand jury. Appellant alleged, *inter alia*, that the grand jury intended to question Appellant's assistant, Dr. Rodberg, about the official acts of Appellant and his staff in preparing for disclosure and subsequently disclosing to Appellant's colleagues and constituents, at a Senate Subcommittee hearing, the contents of the Pentagon Papers, which were critical of the Executive's conduct in the field of foreign relations.

(9) On October 4, 1971, the District Court issued a "Memorandum of Decision and Protective Order" (attached hereto and made a part hereof as Exhibit "B"). The Court found as a fact that Dr. Rodberg is, and has been since June 29, 1971, a personal assistant of Senator Gravel. (Slip. Op., page 3). The Court also concluded, on the basis of (a) the undisputed allegations of Senator Gravel and Dr. Rodberg, (b) the crimes under investigation by the grand jury and (c) the events leading up to Dr. Rodberg's subpoena, that "the government's interest in his testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury." (Slip. Op., pages 5-6).

(10) Despite these findings, the District Court denied Appellant's Motion to Quash and Motion for Specification.

(11) The District Court held that the actions of Senator Gravel to inform fully his constituents about Executive conduct in foreign relations, by arranging for the publication and public distribution of the official record of the Subcommittee on Public Buildings and Grounds, were not protected by the Speech and Debate Clause and could be investigated by the grand jury and made the subject of criminal proceedings instituted by the Executive. (Slip. Op., pages 12-13).

(12) The District Court held that the only official actions of Senator Gravel immune from judicial inquiry by virtue of the Speech and Debate Clause related to the preparation for and conduct of the June 29, 1971, meeting of the Subcommittee on Public Buildings and Grounds by the Senator and his personal staff. The District court entered the following protective order:

"(1) No witness before the grand jury currently investigating the release of the Pentagon Papers may be questioned about Senator Mike Gravel's conduct at a meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 nor about things done by the Senator in preparation for and intimately related to said meeting.

"(2) Dr. Leonard S. Rodberg may not be questioned about his own actions on June 29, 1971 after having been engaged as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for and intimately related to said meeting."

(13) Since October 4, 1971, Appellant has filed a Motion For Reconsideration and/or Stay Pending Appeal from the Memorandum Decision and Protective Order issued by the Court below. The Court below denied the Motion for Reconsideration and for stay pending appeal on October 28, 1971, but granted a 10-day stay in order to present this matter to this Court.

(14) Since October 4, 1971, Appellant has discovered that the United States has subpoenaed several witnesses to appear before the grand jury on October 27 and 28, 1971 for the purpose of inquiring into questions and events prohibited under the Protective Order of October 4, 1971. Specifically, Appellant has

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* The intervenor filed a separate motion that he be furnished with a transcript of the grand jury proceedings to date. By separate order endorsed on the motion it was also denied.

** This period corresponds with the duration of the stays ordered on October 28, 1971 staying enforcement of subpoenas on witnesses Leonard Rodberg and Howard Webber on application of the intervenor.

learned that the United States seeks to ascertain how and by whom the "Pentagon Papers" reached Appellant.

(15) Since October 4, 1971, Appellant has discovered that the United States has subpoenaed several witnesses to appear before the grand jury on October 27 and 28, 1971, for the purpose of inquiring into the publication of the official transcript of the aforesaid Senate Subcommittee meeting of June 29, 1971.

(16) Appellant moved the Court below on October 27, 1971 for further relief to prevent the United States from bringing the aforesaid classes of witnesses before the aforesaid grand jury for the aforesaid purposes.

(17) On October 28, the Court below denied Appellant's Motion For Further Relief or for a Stay in excess of ten days Pending Appeal to this Court. A Notice of Appeal was filed on October 28, 1971.

(18) A stay of execution and enforcement of the District Court order is necessary to preserve the status quo and to protect fully the rights of Appellant and will not injure or harm any legitimate interests of Appellee. It is Appellant's contention that any testimony by witness with privileged information before the grand jury under the facts of this proceeding will itself violate Appellant's rights under the Speech and Debate Clause. As to Appellant, the denial of the Motion to Quash and the Motion for Specification is a final order, inasmuch as Appellant himself has not been directed to appear before the grand jury and cannot thereby obtain review by refusal to comply with the order of the District Court. Appellant's rights cannot be protected by waiting until protected questions are asked of the witnesses because: (a) Appellant is not entitled to attend the secret grand jury proceedings; (b) any questioning of the witnesses concerning the official actions of Appellant itself violates the terms of the Speech and Debate Clause, regardless of the answer given thereto by the witnesses and regardless of the outcome of the grand jury inquiry; (c) Appellant has no vehicle for controlling the witnesses or their answers; (d) Appellant has no method of seeking judicial review of the questions asked.

(19) By Order dated October 28, 1971 (a copy of which is not available), the Court below entered a supplemental provision to its Protective Order, effective for an interim period of ten days pending appeal and determination by this Court of Appellant's motion for stay pending appeal. Said supplemental provision prohibits the questioning of any witness concerning the actions taken by Senator Gravel in republishing the Subcommittee Record. For the reasons fully set out in Part II of the Memorandum of Law attached hereto, Appellant submits that the Protective Order, as temporarily amended, does not protect adequately Appellant's constitutional rights. Appellant has no right to be present in the grand jury proceedings, has no method of raising objections to questions which in Appellant's view may be barred by the Constitution and the amended Protective Order, cannot control the witnesses or their inclination to answer, and has no method of securing judicial review. A stay of enforcement of the execution of the subpoenas presently returnable is essential in order to preserve for appeal the contention of Appellant that the only constitutional methods for protecting Appellant's constitutional rights are quashing the subpoenas or requiring a specification, as has been done in other analogous proceedings (see Part II of Memorandum of Law).

(19A) The issues asserted by Appellant involve important questions of separations of powers and the construction of the Speech and Debate Clause and are therefore of the highest magnitude. The precise issues set forth herein have not been heretofore decided by this Court or by the Supreme Court. For the reasons stated in the Memorandum in Support of Stay, attached hereto, Appellant submits that:

(a) the District Court erred in holding that the actions of a United States Senator in republishing and distributing to his constituents the official record of a Senate subcommittee, of which he is Chairman, is not immune under the Speech and Debate Clause from grand jury inquiry and the institution of criminal proceedings by the Executive.

(b) the protective order by the District Court does not adequately protect Senator Gravel's constitutional privileges and rights; and

(c) upon the undisputed facts of this proceeding and the findings made by the District Court, the subpoenas must be quashed as a matter of law.

(20) Appellant has appealed to this Court from the final judgment of the District Court.

Wherefore, Appellant respectfully requests that this Court stay execution and enforcement of all grand jury proceedings pending consideration of the appeal which has been taken by Appellant. Appellant requests a hearing on this motion for stay pending appeal.

Respectfully submitted.

Herbert O. Reid, Sr., Howard University Law School, Washington, D.C.

Robert J. Reinstein, Temple University School of Law, 1715 N. Broad Street, Philadelphia, Pennsylvania.

Charles L. Fishman, 633 East Capitol Street, Washington, D.C.

Attorneys for Senator Gravel.

[In the U.S. District Court for the District of Massachusetts, No. E.B.D. 71–172]

MOTION FOR FURTHER RELIEF

Mike Gravel, United States Senator, Intervenor-Petitioner versus John Doe • • • (In the matter of a Grand Jury Subpoena served upon Loenard Rodberg)

Comes now Movant, Mike Gravel, United States Senator, and respectfully moves this Court for an order granting further relief to prevent the abridgement of Movant's constitutional rights under the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause 1.

In support of this Motion, Movant states as follows:

(1) This Court has under consideration Movant's Motion for Reconsideration and/or Stay Pending Appeal of this Court's Memorandum of Decision and Protective Order entered on October 4, 1971 in the above captioned cause.

(2) The United States has subpoenaed certain witnesses for the purpose of inquiring into matters protected from inquiry by Article I, Section 6, Clause 1 and the Protective Order issued by this Court on October 4, 1971. Specifically, the government wishes to inquire into how and from whom Movant received certain material commonly referred to as the Pentagon Papers.

(3) The United States has subpoenaed certain other witnesses for the purpose of inquiring into Movant's publication of the official transcript of the Senate Subcommittee on Building and Grounds. The constitutional permissibility of such an inquiry is now before the Court for reconsideration in the above captioned clause.

(4) Movant has no control over the willingness of those subpoenaed to answer questions prohibited by this Court's Protective Order of October 4, 1971 or Article I, Section 6, Clause 1.

(5) Movant has no control over the willingness of those subpoenaed to answer questions concerning Movant's publication of the official transcript of the aforesaid Senate Subcommittee.

(6) If this Court decides that publication of the official record of a Senate Subcommittee is constitutionally protected the grand jury will be barred from questioning anyone about his conduct with respect thereto.

(7) If this Court decides that publication of the official record of a Senate Subcommittee is not constitutionally protected Movant has asked for a stay of this Court's decision pending appeal. To permit any witness to testify with respect to the publication of the aforesaid transcript would not moot the constitutional claim of Movant prior to the final resolution of the important and complex constitutional issues presented herein.

(8) If the United States seeks answers to questions prohibited by this Court's Protective Order of October 4, 1971, Movant has no procedure with which to object and to secure a ruling from this Court.

(9) If the United States seeks answers to questions concerning publication of the aforesaid official record of a Senate Subcommittee now under submission to this Court, Movant has no procedure with which to object and to secure a ruling from this Court.

(10) If the Court permits inquiry into the aforesaid areas and others before the grand jury Movant's constitutional rights will have been irreparably violated.

Wherefore, Movant respectfully requests this Honorable Court to grant the following further relief:

(1) To require a listing from the United States of all those who have been subpoenaed or are to appear before the grand jury to give testimony.

(2) To hold a hearing to determine which of the listed witnesses has privileged information which, constitutionally, cannot be inquired into, or should not be inquired into pending final determination on reconsideration.

(3) To require the United States to specify all questions to be asked each witness, covered by Paragraph 2 above, and to rule on the constitutional permissibility of each said question.

If this Court should deny this Motion, Movant requests this Court to grant a stay of all subpoenas now outstanding or to be issued, pending appeal to the United States Court of Appeals for the First Circuit.

Robert J. Reinstein, Temple University School of Law, Philadelphia, Pennsylvania.

Charles Louis Fishman, Attorney for Movant, 633 East Capitol Street, Washington, D.C.

Howard O. Reid, Sr., Howard University School of Law, Washington, D.C.

[United States District Court, District of Massachusetts No. E.B.D. No. 71–172–G]

MEMORANDUM OF DECISION AND PROTECTIVE ORDER—OCTOBER 4, 1971

United States of America versus John Doe in the matter of a Grand Jury subpoena served upon Leonard S. Rodberg

Garrity, J. Dr. Leonard S. Rodberg, a physicist and resident fellow at the Institute for Policy Studies in Washington, D.C., and currently engaged as a staff member of United States Senator Mike Gravel of Alaska, petitioned the court on August 27, 1971 to quash a subpoena ordering him to appear before a federal grand jury ostensibly investigating crimes related to the release and dissemination of the much publicized classified study by the Department of Defense entitled "History of U.S. Decision-Making Process on Viet Nam Policy," popularly called the "Pentagon Papers."

The crimes being investigated by the grand jury include the retention of public property or records within intent to convert (18 U.S.C. § 641), the gathering and transmitting of national defense information (18 U.S.C. § 793), the concealment or removal of public records or documents (18 U.S.C. § 2071), and conspiracy to commit such offenses and to defraud the United States (18 U.S.C. § 371), as is indicated in the prosecuting attorneys' oaths of office on file with the Clerk.[1]

At the initial hearing on Dr. Rodberg's motion, the court stayed his appearance before the grand jury until after the parties had filed affidavits and briefs and presented further oral argument. Senator Gravel moved for leave to intervene and, after briefing, intervention was allowed and the court accepted motions by the Senator to quash the subpoena and for specification of the exact nature of the questions to be asked of Dr. Rodberg. Both motions of the Senator allege, and the court finds, that "as personal assistant to movant, Dr. Rodberg assisted movant in preparing for disclosure and subsequently disclosing to movant's colleagues and constituents, at a hearing of the Senate Subcommittee on Public Buildings and Grounds, the contents of the so-called 'Pentagon Papers,' which were critical of the Executive's conduct in the field of foreign relations."

Dr. Rodberg's first contention in support of his motion to quash is separate from the argument advanced jointly by him and Senator Gravel. This contention is that the subpoena violates rights of his under the First Amendment. In a supporting affidavit, Dr. Rodberg states in part that:

"My roles have been multiple: research, writing, lecturing, supervising research projects, as well as providing advice, assistance, information, expertise to Senators and Congressmen for the performance of their official duties, as well as liaison to other persons whose expertise Congressmen require. Experience has shown that my success in fulfilling these multiple roles depends upon my ability to maintain access to a wide variety of confidential sources of information. My knowledge of and ability to communicate and advise on issues relating to government policy in the areas mentioned above would be seriously jeopardized if I should be forced to appear before a secret grand jury."

While recognizing the importance and usefulness of this type of work by men like Dr. Rodberg, and acknowledging the existence of First Amendment interests here, he is only incidentally a journalist and the court rejects this argument for the reasons stated in its memorandum of decision in E.B.D. No. 71–165, *Application of Falk*, filed contemporaneously herewith.

Dr. Rodberg's other contention, identical to that urged by Senator Gravel, is that the grand jury subpoena served upon him contravenes the Speech or Debate Clause, Article I, section 6, clause 1, of the Constitution of the United States.[2] It is based upon an unusual sequence of events occurring at the height of the court battle over newspaper publication of the controversial Papers. The Court of Appeals for the District of Columbia Circuit had ruled that no prior restraint should issue against publication but the Court of Appeals for the Second Circuit had reached the opposite result. Oral arguments had been heard by the Supreme Court on June 26, 1971. Pending decision by the Supreme Court, publication was temporarily barred. Meanwhile the President had sent a set of the documents to the Congress. On June 30, the Supreme Court affirmed the judgment of the District of Columbia Circuit and reversed that of the Second District, thereby permitting publication. *New York Times Company v. United States, supra.*

Late in the evening of June 29, Senator Gravel, a member of the Committee on Public Works, called a meeting of its Subcommittee on Public Buildings and Grounds, of which he is chairman.[3] Earlier that same day, the Senator had added Dr. Rodberg to his personal staff. At the meeting he read extensively from the study and, at its conclusion, placed the entire study comprising 7,000 pages of complex material in 47 volumes on file with the subcommittee, thereby making it widely available to the press. About seven weeks later, on August 18, it was reported in the Washington Post that Senator Gravel had turned over the Pentagon Papers to a Boston publisher, Beacon Press, for compilation into a four-volume book to be released in late October under the title, "The Senator Gravel Edition of the Pentagon Papers: the Defense Department History of Decision Making on Vietnam"; and that Beacon Press came to agreement with the Senator after negotiations with his assistant Dr. Rodberg. In the August 4 edition of a weekly newspaper, Boston After Dark, an article, "Why MIT & Harvard Suppressed the Pentagon Papers," described in detail Dr. Rodberg's prior negotiations with publishers other than Beacon Press. On the evening of August 42, Dr. Rodberg was subpoenaed to appear and testify before the current grand jury.

In opposing the motions to quash and for specification, the Government has pointed out that the grand jury proceedings are secret and it has not been proved by the moving parties that Dr. Rodberg will be interrogated about the subjects described in the newspaper stories. However, given the secrecy and flexibility of all grand jury proceedings, no movant ever could demonstrate with certainty the specific facts about which he had been subpoenaed to testify. Viewing together the crimes which this grand jury is investigating and the chronology of acts and events leading up to Dr. Rodberg's subpoena, the court infers that the government's interest in his testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury.

The Speech or Debate Clause, in the context of criminal proceedings, has been applied definitively in *United States* v. *Johnson*, 1966, 383 U.S. 169. Defendant Johnson was a Maryland congressman accused of violating the conflict of interest statute, 18 U.S.C. § 281, and conspiring with codefendants to defraud the United States in violation of 18 U.S.C. § 371. As part of the conspiracy, defendant allegedly delivered for pay a speech in Congress favorable to certain loan companies. Johnson and codefendants were convicted of both crimes. The Court of Appeals had upheld the conspiracy conviction of the coconspirators and the conviction of Johnson under the conflict of interest statute, but held that the conspiracy count was "unconstitutional as applied to . . . Johnson." 337 F.2d at 192. In effect, the Court of Appeals read the Speech or Debate Clause to create an immunity against prosecutions for unlawful acts or motives underlying otherwise privileged legislative conduct. On certiorari granted on the Government's petition, the Supreme Court affirmed the judgment of the Court of Appeals but did not agree as to the breadth of the application of the Speech or Debate Clause. Rejecting the interpretation that the privilege barred the conspiracy prosecution, the Supreme Court instead remanded for a new trial on that count, admonishing however that no evidence of, or inquiry into, the privileged speech would be permitted.

In its opinion in the *Johnson* case, the Supreme Court stated that the privilege must "be read broadly to effectuate its purposes," 383 U.S. at 180, and that "the privilege was not born primarily of a desire to avoid private suits . . . but rather to prevent intimidation by the executive and accountability before a possibly hostile judiciary," at 181. The Court also ruled that the Clause does not reach "conduct, such as was involved in the attempt to influence the Department of Justice, that is in no wise related to the due functioning of the legislative process," at 172, and that its "decision does not touch a prosecution which . . . does not draw in question the legislative acts of the defendant member of Congress or his motives for performing them," at 185. Thus, the privilege is limited specifically to legislative acts and antecedent conduct so intimately related to them such as cannot be proved without resort to inquiry into legislative acts.

Another relevant fundamental principle is that the legislative privilege conferred by the Speech or Debate Clause belongs to Congressmen only and not to their assistants and aides. In the first place, the Constitution mentions only Senators and Representatives. Secondly, Thomas Jefferson's authoritative interpretation of the privilege, in Jefferson's Manual of Parliamentary Practice, Section III, reprinted in the Senate Manual, 1967, 382–383, states that "the framers of our Constitution . . . have only privileged Senators and Representatives themselves. . . ." Thirdly, no case or other authority indicates to the contrary. Cf. *Powell* v. *McCormack*, 1969, 395 U.S. 486, 504–506, holding that employees of the House of Representatives might be sued in a civil action which would be barred against Congressmen by the legislative privilege.

It follows that while the Speech or Debate Clause plainly sets limitations upon the grand jury's investigation, the motions to quash the subpoena served on Dr. Rodberg seek too broad a result. Without doubt he may be questioned as to the activities of third parties with whom he and the Senator dealt. He may also be questioned about, and is legally responsible for, his own actions previous to his joining the Senator's personal staff on June 29 and many of his actions thereafter. That the Senator's legislative privilege will serve to bar some questions, as hereinafter ruled, does not by any means excuse Dr. Rodberg from appearing and answering questions on subjects beyond the protection of the privilege.

Similarly, Senator Gravel's motion for specification which seeks an order requiring the Government to specify in detail the purpose, scope and exact nature of questions to be asked of Dr. Rodberg will not be granted in terms. In the court's opinion such an order is unnecessary in the circumstances of this case to afford full protection to the Senator's legislative privilege and would more-

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[1] Various opinions in *New York Times Company* v. *United States*, 1971, 403 U.S. 713, 727–740, emphasized that a criminal prosecution might lie for acts related to the publication of classified materials. Whether such a prosecution would lie for acts subsequent to the placing of classified materials in the public record of a congressional subcommittee, the Supreme Court opinions did not intimate and we have not considered. Obviously there may be no prosecution for publication of declassified materials.

[2] Art. I, § 6, cl. 1 provides, "The Senators and Representatives shall receive a Compensation for their Services, to be ascertained by Law, and paid out of the Treasury of the United States. They shall in all Cases, except Treason, Felony and Breach of the Peace, be privileged from Arrest during their Attendance at the Session of their respective Houses, and in going to and returning from the same; *and for any Speech or Debate in either House, they shall not be questioned in any other Place.*" [Emphasis added.] The last clause is known as the Speech or Debate Clause.

[3] Most of the facts stated in this paragraph appear only in Dr. Rodberg's unverified motion which incorporates as exhibits two newspaper stories thereto attached. They have been adopted as findings by the court for purposes of this decision because not disputed in any way by the Government and because underlying the parties' legal submissions.

over impede the grand jury in the discharge of its investigative duties. As stated in *Blair* v. *United States*, 1919, 250 U.S. 273, 282, regarding the nature of the grand jury,

"It is a grand inquest, a body with powers of investigation and inquisition, the scope of whose inquiries is not to be limited narrowly by questions of propriety or forecasts of the probable result of the investigation, or by doubts whether any particular individual will be found properly subject to an accusation of crime. As has been said before, the identity of the offender, and the precise nature of the offense, if there be one, normally are developed at the conclusion of the grand jury's labors, not at the beginning."

On the other hand, it is equally clear from the *Johnson* case that Senator Gravel's legislative acts may not consistently with the Speech or Debate Clause be the subject of questioning before the grand jury.[4] The question of what constitutes legislative acts has been treated in decisions in civil actions cited with approval in the *Johnson* case. The classic statement appears in *Kilbourn* v. *Thompson*, 103 U.S. 168, 204, as follows:

"It would be a narrow view of the constitutional provision to limit it to words spoken in debate. The reason of the rule is as forcible in its application to written reports presented in that body by its committees, to resolutions offered, which, though in writing, must be reproduced in speech, and to the act of voting, whether it is done vocally or by passing between the tellers. In short, to things generally done in a session of the House by one of its members in relation to the business before it."

In view of the primary purpose of the privilege "to prevent intimidation by the Executive and accountability before a possibly hostile Judiciary," *United States* v. *Johnson*, *supra* at 181, the protection of the privilege afforded by the Speech or Debate Clause may be broader in criminal proceedings than in civil. Therefore the court sustains Senator Gravel's claim that whatever he did at the subcommittee meeting on June 29 and certain acts done in preparation therefore are privileged.

The Government has argued that the Senator's conduct at the subcommittee meeting is unprivileged because the purpose of the meeting, the reading of the Pentagon Papers, was unrelated to any investigation or undertaking authorized by the parent Committee on Public Works or by the Senate in its delegation of power to the parent committee. Senator Gravel has suggested that the availability of funds for the construction and improvement of public buildings and grounds has been affected by the necessary costs of the war in Vietnam and that therefore the development and conduct of the war is properly within the concern of his subcommittee. The court rejects the Government's argument without detailed consideration of the merits of the Senator's position, on the basis of the general rule restricting judicial inquiry into matters of legislative purpose and operations. "To find that a committee's investigation has exceeded the bounds of legislative power it must be obvious that there was a usurpation of functions exclusively vested in the Judiciary or the Executive." *Tenney* v. *Brandhove*, 1951, 341 U.S. 367, 378.

There are, of course, occasions when a court is obliged to scrutinize the powers of a congressional committee and the relationship of its activities to its legitimate legislative purpose. But such occasions have been limited to cases in which the power of Congress under the Constitution has been at issue, e.g., *Kilbourn* v. *Thompson*, *supra*, or where the constitutional rights of individuals have been jeopardized by congressional action, as in cases dealing with prosecutions under 2 U.S.C. § 192 for contempt of Congress, e.g., *Watkins* v. *United States*, 1957, 354 U.S. 178. As stated in the latter case, at 205:

"It is, of course, not the function of this Court to prescribe rigid rules for the Congress to follow in drafting resolutions establishing investigating committees. That is a matter peculiarly within the realm of the legislature, and its decisions will be accepted by the courts up to the point where their own duty to enforce the constitutionally protected rights of individuals is affected."

It has not been suggested by the Government that the subcommittee itself is unauthorized, nor that the war in Vietnam is an issue beyond the purview of congressional debate and action. Also, the individual rights at stake in these proceedings are not those of a witness before a congressional committee or of a subject of a committee's investigation, but only those of a congressman and member of his personal staff who claim "intimidation by the executive." *United States* v. *Johnson*, *supra*, at 181. "The courts have no right to dictate . . . the procedures for Congress to follow in performing its functions. . . ." *United States* v. *Hintz*, N.D. Ill., 1961. 193 F. Supp. 325, 331. Judging the applicability of the legislative privilege in the exercise of the functions of a legislator's office should be done "without inquiring whether the exercise was regular according to the rules of the House, or irregular and against their rules." *Coffin* v. *Coffin*, 1808, 4 Mass. 1, 27.

Senator Gravel's arranging for private publication of the Pentagon Papers by Beacon Press stands on a different footing and, in the court's opinion, is not embraced by the Speech or Debate Clause.[5] The test is not the public benefit or political value of such private publication[6] but whether it is a legislative act, i.e., "related to the due functioning of the legislative process," *United States* v. *Johnson*, *supra* at 172, or "generally done in a session of the House by one of its members in relation to the business before it." *Kilbourn* v. *Thompson*, *supra* at 204. Guidance is available mainly in decisions in civil actions dealing with congressmen's civil liability for libel. A distinction has been drawn in the cases between defamatory words inserted in the Congressional Record, held to be privileged, and defamation resulting from a congressman's circulation of reprints or copies of the Congressional Record to his constituents. As to the latter, *McGovern* v. *Martz*, *D.D.C.*, 1960, 182 F. Supp. 343, held that the absolute privilege of the Speech or Debate Clause does not apply to republication, stating at 347, "The reason for the rule—complete and uninhibited discussion among *legislators*—is not here served." See *Restatement of Torts*, 1938 ed., § 590, comment b. In *Hentoff* v. *Ichord*, D.D.C., 1970, 318 F. Supp. 1175, an issue was whether the court had power to enjoin distribution of a House committee report by the Public Printer and Superintendent of Documents. In holding that it did, the court said at 1180,

"Nothing in the Constitution or the cases suggests, however, that a committee report is a necessary adjunct to speech or debate in Congress . . . and its further printing and public distribution is not necessary to give effect to the freedom of congressmen to speak and debate on or off the floor. The Speech or Debate Clause does not necessarily bar an action to enjoin the Public Printer from printing a committee report for public distribution."

While recognizing a special vitality attaching to the Speech or Debate Clause in criminal proceedings, *United States* v. *Johnson*, *supra* at 180–182, the court nevertheless concludes that the reasoning of these civil cases is valid and in the instant case controlling.

Having delineated the area of Senator Gravel's conduct which may not be investigated by the grand jury, the court turns to the question whether some of Dr. Rodberg's activities are also protected from investigation, not because of any privilege of his own but by reason of his having acted as the Senator's agent and assistant in the Senator's performing various legislative acts.[7] The Senator and witness submit, and the court agrees, that the legislative privilege enjoyed by a senator must extend to some activities of a member of his personal staff acting at his direction. To rule otherwise would dilute and jeopardize the privilege itself. For example, speeches delivered on the floor of Congress are often drafted by a skilled staff assistant and not by the congressman himself; to make such an assistant accountable for the content of a speech drafted by him would serve to defeat the privilege. A legislator's dependence upon confidential assistants is analogous to a lawyer's, whose client's privilege against disclosure of confidential communications has been held applicable to the lawyer's assistants. *United States* v. *Kovel*, 2 Cir., 1961, 296 F. 2d 918. The opinion in that case stated at 921, "The complexities of modern existence prevent attorneys from effectively handling clients' affair without the help of others . . ." This holding has been adopted by the Proposed Rules of Evidence for the United States Courts, Preliminary Draft, 1969, Rule 5–03(b). Although the attorney-client privilege is of ancient origin, 8 Wigmore Evidence (McNaughton Rev. 1961), § 2290, p. 542, and is grounded on strong social policy, it is not a constitutional privilege and surely does not warrant broader protection than the legislative privilege based upon the Speech or Debate Clause. In this respect the legislative privilege is akin to the executive privilege about which the Supreme Court in *Barr* v. *Matteo*, 1959, 360 U.S. 564, commented at 573:

"The complexities and magnitude of governmental activity have become so great that there must of necessity be a delegation and redelegation of authority as to many functions, and we cannot say that these functions become less important simply because they are exercised by officers of lower rank in the executive hierarchy."

Powell v. *McCormack*, 1969, 395 U.S. 486, and similar cases permitting actions against subordinate employees of legislative bodies are distinguishable. Employees held accountable in such cases were administrative personnel whose non-discretionary duties to the legislative body as a whole in no substantial way related to the specific furtherance of the legislative tasks of individual members. Such institutional employees clearly have less impact upon legislation than personal staff members entrusted by the legislator

[4] On a later appeal from Johnson's conviction upon retrial, *United States* v. *Johnson*, 4 Cir., 1969, 419 F. 2d 56, it was held that the grand jury's receipt of evidence about Johnson's speech, while "constitutionally impermissible," did not invalidate the indictment, citing *Costello* v. *United States*, 1956, 350 U.S. 359.

[5] The Senator has made no specific claim that his legislative privilege extends to his actions subsequent to the subcommittee hearing. However, this claim has been advanced by Dr. Rodberg and contested by the Government and hence the court has considered it.

[6] The importance of the "informing function of Congress" is described in powerful terms in a quotation from Wilson, Congressional Government (1885), 303, set forth in fn. 6 of the opinion of the Court in *Tenney* v. *Brandhove*, *supra* at 377.

[7] Despite *Kilbourn* v. *Thompson*, *supra*, and *Tenney* v. *Brandhove*, *supra*, the related doctrine of legislative immunity is applicable, though not absolutely, to officers and employees of legislative bodies. *Dombrowski* v. *Eastland*, 1967, 387 U.S. 82, 85. In this sense, therefore, such employees have rights flowing from the Speech or Debate Clause.

himself with sensitive and confidential duties. Therefore the court holds that the Speech or Debate Clause prohibits inquiry into things done by Dr. Rodberg as the Senator's agent or assistant which would have been legislative acts, and therefore privileged, if performed by the Senator personally.

Lastly, the relief to which Senator Gravel is entitled under the particular circumstances here presented must be determined in the light of two of the principles derived from the decisions discussed in this memorandum: a congressman may not be prosecuted for legislative acts but may be prosecuted for non-legislative acts; and in any such prosecution no evidence from any source of a congressman's legislative acts may be considered against him. A further consideration is the self-evident proposition that no prosecuting attorney, grand jury foreman or other official has lawful authority to prohibit or foreclose a federal grand jury from investigating any offenses against the United States. Therefore, if Senator Gravel's rights under the Speech or Debate Clause are to be fully protected, a protective order will be required limiting the subject matter of the current grand jury's investigation and not merely the questions which may be put to Dr. Rodberg, the witness under subpoena.

For the foregoing reasons it is ordered that the motion to quash and for specification be denied, but that the following protective order be entered:

(1) No witness before the grand jury currently investigating the release of the Pentagon Papers may be questioned about Senator Mike Gravel's conduct at a meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 nor about things done by the Senator in preparation for and intimately related to said meeting.

(2) Dr. Leonard S. Rodberg may not be questioned about his own actions on June 29, 1971 after having been engaged as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for and intimately related to said meeting.

W. ARTHUR GARRITY, Jr.,
United States District Judge.

MEMORANDUM OF LAW IN SUPPORT OF MOTION OF APPELLANT FOR STAY PENDING APPEAL

Mike Gravel, U.S. Senator, appellant v. United States, appellee

On Appeal from the Final Order of the United States District Court for the District of Massachusetts, Hon. W. Arthur Garrity, Jr., Docket No. E.B.C. 71–172.

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MEMORANDUM OF LAW IN SUPPORT OF MOTION OF APPELLANT FOR STAY PENDING APPEAL

Mike Gravel, U.S. Senator, appellant v. United States, appellee

INTRODUCTION

In the "Memorandum of Decision and Protection Order" issued October 4, 1971, the Court below made three basic findings of fact and ten conclusions of law. The findings of fact, which are relevant to this motion, are: [1]

1. Dr. Leonard S. Rodberg is a personal staff assistant of Senator Gravel. (Slip Opinion, p. 4).

2. "[A]s personal assistant to [Senator Gravel], Dr. Rodberg assisted [Senator Gravel] in preparing for disclosure and subsequently disclosing to [Senator Gravel's] colleagues and constituents, at a hearing of the Senate Subcommittee on Public Buildings and Grounds, the contents of the so-called "Pentagon Papers," which were critical of the Executive's conduct in the field of foreign relations." (Slip Opinion, p. 2).

3. "Viewing together the crimes which this grand jury is investigating and the chronology of acts and events leading up to Dr. Rodberg's subpoena, the Court infers that the government's interest in his testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury." (Slip Opinion, pp. 5–6).

The conclusions of law made by the Court below may be summarized as follows:

1. The Speech and Debate Clause "is limited specifically to legislative acts and antecedent conduct so intimately related to them such as cannot be proved without resort to inquiry into legislative acts." (Slip Opinion, p. 7).

2. Senator Gravel's legislative acts may not consistently with the Speech and Debate Clause be the subject of questioning of any witness before the grand jury. (Slip Opinion, p. 9).

3. All actions taken by Senator Gravel at the June 29 Subcommittee meeting, and in preparation for and intimately related to this meeting, are privileged. (Slip Opinion, pp. 10, 16).

4. The judiciary may not inquire into the purpose or legitimacy of the Subcommittee meeting. (Slip Opinion, pp. 10–11).

5. "[T]he legislative privilege conferred by the Speech or Debate clause belongs to Congressmen only and not to their assistants and aides." (Slip Opinion, p. 7).

6. However, in order to protect a Senator's privilege, it "must extend to some activities of a member of his personal staff acting at his direction." (Slip Opinion, p. 14).

7. Therefore, "the Speech and Debate Clause prohibits inquiry into things done by Dr. Rodberg as the Senator's agent or assistant which would have been legislative acts, and therefore privileged, if performed by the Senator personally." (Slip Opinion, p. 14; see p. 17).

8. Dr. Rodberg may be questioned about subjects beyond the protection of the privilege, including "the activities of third parties with whom he and the Senator dealt" and "with his own conduct previous to his joining the Senator's personal staff . . ." (Slip Opinion, p. 8).

9. Senator Gravel's "arranging for private publication of the Pentagon Papers . . . is not embraced by the Speech or Debate Clause," and Dr. Rodberg and other witnesses (including, presumably, Senator Gravel) may therefore be interrogated about it by the grand jury. (Slip Opinion, p. 12; see pp. 16–17).

10. The protective order which delimits the subject matter of questions which may not be asked of witnesses before the grand jury "fully protects" Senator Gravel's Constitutional rights.

It is our contention that the policies underlying the Speech and Debate Clause and the case law compel the conclusion that the actions of a Senator in republishing and distributing to his constituents the contents of an official, public record of a Senate subcommittee which is critical of Executive conduct in foreign relations is immune from Executive harassment and retaliation and cannot be the subject of interrogation by the grand jury or the institution of criminal proceedings by the Executive. We further believe that under the facts as found by the Court and the conclusions of law reached, the protective order which has been entered by the Court below does not protect adequately Senator Gravel's Constitutional rights.

I. The republication and public distribution by a Senator of an official, public record of a subcommittee critical of executive conduct in foreign relations is protected by the speech and debate clause.

A. Republication of Committee Records is Related to the Due Functioning of the Legislative Process.

Ever since the landmark decision of *Kilbourn* v. *Thompson*, 103 U.S. 168 (1968), the Supreme Court has rejected attempts to confine the Speech and Debate Clause to words spoken on the floor of Congress and has held that it affords protection for things "generally done in a session of the House by one of its members in relation to the business before it." *Id.*, at 204. Reiterating this test as recently as 1967, the Court added that an action of a Member of Congress is protected by the Congressional privilege if it is "related to the due functioning of the legislative process." *United States* v. *Johnson*, 383 U.S. 169, 172, 179.

In considering whether any given practice falls within these standards, two benchmarks are suggested from the decisions. First, a court may ask whether that practice is necessary to fulfill any of the goals of representative government as established by the Constitution. Second, a court may look for guidance at the actual workings of Congress to determine whether the practice is widely utilized by Members of Congress and uniformly regarded as legitimate; in other words, whether it is "generally done . . . by . . . its members in relation to the business before it."

It is clear that republication of speeches or committee reports or transcripts and their dissemination to the electorate meets each of these criteria. The scheme of representative democracy envisaged by the Framers presupposes the maximum amount of communication between the citizens and their elected representatives. Under our system of government, the ultimate power resides in the people. As Madison, who is appropriately called the Father of the Constitution, said, "The people, not the government, possess the absolute sovereignty." [2] For this system to be viable, the people must be informed fully of the workings of government so that they may be able meaningfully to exercise their Constitutional rights to vote intelligently and to "free public discussion of the stewardship of public officials." [3] Madison well understood that this imposes a *duty* on public officials to inform the electorate:

"Let it be recollected, lastly, that the right of electing the members of the government constitutes more particularly the essence of a free and responsible government. The value and efficacy of this right depends on the knowledge of the comparative merits and demerits of the candidates for public trust, and on the equal freedom, consequently, of examining and discussing these merits and demerits of the candidates respectively." [4]

James Wilson, another architect of the Constitution, had precisely this in mind when he emphasized the "informing function" of Congress as an essential part of the due functioning of the legislative process:

"It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice, and to embody the wisdom and will of its constituents. Unless Congress have and use every means of acquainting itself with the acts and the disposition of the administrative agents of the government, the country must be helpless to learn how it is being served; and unless Congress both scrutinize these things and sift them by every form of discussion, the ignorance of the very affairs which it is most important that it should understand and direct." [5]

In concluding that "[t]he informing function of Congress should be preferred even to its legislative function," [6] Wilson surely was not drawing an unbridgeable distinction be-

Footnotes at end of article.

tween the two. Informing the electorate is a "legislative act" since it is clearly "related to the due functioning of the legislative process." *United States* v. *Johnson*, supra at 172.[7] In fact, it is no exaggeration to say that direct communication with the electorate is an essential bedrock of the legislative process, for it insures that the constituents of a Member of Congress inform *him* and his colleagues of their well-considered views on pending and future legislation—an indispensable prerequisite for a Congressman deciding how to cast his own vote.

It should go without saying that the republication of speeches, committee reports or transcripts is necessary for a Member of Congress to inform and carry on a dialogue with his constituents. Few people have access to the *Congressional Record*, and fewer still to the original transcripts of committee hearings. Nor can the press be depended upon solely to report the views of Congressmen to their constituents. The press gives at best a summary, perhaps overlaid with editorial comment. There is no substitute for the dissemination of the original.

Secondly, if one were to examine the actual workings of Congress to determine whether republication of speeches is "generally done," *Kilbourn* v. *Thompson*, *supra*, the same conclusion would be reached. The informing function of Congressmen and its relationship to the legislative process has been documented in many scholarly studies. See, e.g., Griffith, *Congress: Its Contemporary Role* (3rd Ed. 1961); Key, *Politics, Parties and Pressure Groups* (3d E. 1952). Perhaps every Congressman, without exception and since the earliest days of the Republic, has circulated copies of his speeches to the public held press conferences elaborating upon what he said on the floor, issued press releases, and spoken directly to his constituents in explaining his votes or speeches and inviting their views. And we doubt that a single Members of Congress could be found who thought that these actions were not "related to the functioning of the legislative process." *United States* v. *Johnson*, *supra* at 182. "Republication" is not a talismanic phrase signifying an act done outside the proper sphere of Congressional activity. On the contrary, when analyzed it is evident that the term bespeaks an integral part of the legislative process and of the entire system of representative government.[8] Mr. Justice Black expressed this cogently in holding that an exective official was immune from damage suits for issuing a defamatory press release:

"The effective functioning of a free government like our depends largely on the force of an informed public opinion. This calls for the widest possible understanding of the quality of government service rendered by all elective or appointed public officials or employers. Such an informed understanding depends, of course, on the freedom people have to applaud or criticize the way public employees do their jobs, from the least to the most important." *Barr* v. *Matteo*, 360 U.S. 564, 577 (1958).

In sum, it is clear that an examination of both the theoretical framework of our representative government and its actual practices leaves no doubt that direct communication by a Congressman to the electorate, through the republication and public distribution of speeches, committee reports or transcripts, is conduct "generally done" by Members of Congress "in relation to the business before it" and is clearly "related to the due functioning of the legislative process." Accordingly this conduct is protected from grand jury investigation by the Speech and Debate Clause.

B. Prior Decisions Confirm that Republication by a Member of Congress of a Speech or Committee Record is Privileged Under the Speech and Debate Clause.

Prior to the case at bar, courts have on five occasions expressed views upon the scope of privilege with respect to republication of official documents. We believe that these decisions fully support our position.

1. *Hearst* v. *Black*, 87 F. 2d 68 (D.C. Cir. 1936), was an action to enjoin the Members of a Special Senate subcommittee from retaining possession and distributing copies of documents which it had allegedly secured illegally. The Court of Appeals agreed that the seizure of the documents violated statutory and Constitutional rights, id., at 70, but held nevertheless, that Congressional privilege barred the judiciary from intervening in any way with the use of the documents by the Subcommittee, including republication (copying) and distribution to people outside of Congress. The Court stated:

". . . The prayer of the bill is that the committee be restrained from keeping the messages or making any use of them or disclosing their contents. In other words, that if we find that the method adopted to obtain the telegrams was an invasion of the appellant's legal rights, we should say to the commitee and to the Senate that the contents could not be disclosed or used in the exercise by the Senate of its legitimate functions. We know of no case in which it has been held that a court of equity has authority to do any of these things. On the contrary, the universal rule, so far as we know it, is that the legislative discretion in discharge of its constitutional functions, whether rightfully or wrongly exercise, is not a subject for judicial interference.

"The Constitution has lodged the legislative power exclusively in the Congress. If a court could say to the Congress that it could use or could not use information in its possession, the independence of the Legislature would be destroyed and the Constitutional separation of powers invaded. . . ." *Id.*, at 71–72.

2. After a twenty-year hiatus, the republication issue was again presented, this time in a libel suit. In *Methodist Federation for Social Action* v. *Eastland*, 141 F. Supp. 729 (D.D.C. 1956) (three-judge court) the Senate Internal Security Subcommittee had printed a limited number of pamphlets accusing several well-known and respectable groups, including the plaintiff, of being Communist-front organizations. The Subcommittee then ordered another 75,000 copies to be printed. Claiming that the accusations in the pamphlet were false and defamatory and would cause irreparable injury, the plaintiff requested a restraining order against republication and distribution of the pamphlet. The Court assumed the plaintiff's assertions to be true but dismissed the case on the grounds of the Congressional privilege of the Speech and Debate Clause holding:

"By express provision of the Constitution, Members of Congress, 'for any Speech or Debate in either House . . . shall not be questioned in any other place.' Art. I, Sec. 6

"The premise that courts may refuse to enforce legislation that think unconstitutional does not support the conclusion that they may censor Congressional language they think libelous. We have no more authority to prevent Congress, or a Committee or public officer acting at the express direction of Congress, from publishing a document than to prevent them from publishing the *Congressional Record*. If it unfortunately happens that a documents which Congress has ordered published contains statements that are erroneous and defamatory, and are made without allowing the persons affected an opportunity to be heard, this adds nothing to our authority. Only Congress can deal with such a problem.

"The Constitutional history called to our attention includes no instance in which an English court has attempted to restrain Parliament, or an American court to restrain Congress, from publishing any statement . . .

"As to the members of the Senate Subcommittee, the complaint is dismissed for lack of jurisdiction. *Cf. Hearst* v. *Black, supra.*" Id., at 731–732.

Thus, in this case, as in *Hearst* v. *Black*, the Court concluded that the Constitutional privilege of Members of Congress embraced republication of Subcommittee reports and placed this action beyond the cognizance of the judiciary.

3. In *Hentoff* v. *Ichord*, 318 F. Supp. 1175 (D.D.C. 1970) the Court held unequivocally that the Speech and Debate protects Members of Congress from any judicial accountability for republishing a committee report. The action was brought to prevent the Members of the House Committee on Internal Security and the Public Printer from republishing and distributing 6,000 copies of a Committee Report which, if circulated, would infringe the plaintiffs' First Amendment right. The relief sought was an injunction against republication and distribution, limiting the Report's disclosure to insertion in the *Congressional Record* and such discussion as would ordinarily follow in debate on the floor.

Relying on the Speech and Debate Clause, the Court *dismissed the complaint as to the Members of Congress*. After reviewing the precedents, Judge Gesell stated:

". . . These cases establish that the courts lack jurisdiction to entertain an action seeking any remedy against a Member of Congress for any statement made or action taken in the sphere of legitimate legislative activity.

"Plaintiffs contend that . . . this Court may restrain Congressmen from publishing, filing, or distributing, except by insertion in the *Congressional Record*, a report that impinges upon First Amendment rights.

"The Court is of a contrary view. Members of Congress have the same right to speak as anyone else. *Their legislative activities are not limited to speech or debate on the Floor of Congress. Information in this Report involves matters of public concern, and the Court will take no action which limits the use that individual Congressmen choose to make of the Report or its contents on or off the Floor of Congress.* No injunction is appropriate against any Congressman named defendant." Id., at 1179 (emphasis added)

The Court then followed the distinctions in *Kilbourn* v. *Thompson*, *supra* and *Powell* v. *McCormack*, *supra*, between Members of Congress, who are totally immune from judicial accountability, and ministerial agents, who may be held liable for enforcing Congressional orders. Thus, the Court restrained the Public Printer from republication but held the Members of Congress absolutely privileged from accountability. And with respect to the latter, Judge Gesell explicitly stated that the privilege of Congressmen for republication of Committee reports stemmed from the recognition that the informing function of Congressmen was within "the sphere of legitimate legislative activity."[9]

4. The only case which even suggests that a Congressman's privilege may be diluted for republishing a speech or Committee report is *McGovern* v. *Martz*, 182 F. Supp. 343 (D.D.C. 1960). However, a close reading of the facts and opinion in that case shows that it lends but very limited support for the proposition that the Speech and Debate Clause does not extend to republication.

The *McGovern* case involved a libel action by Congressman (now Senator) McGovern, who sued the publisher of a newsletter for falsely reporting that he had sponsored a "Communist front." The defendant counterclaimed that the Congressman had inserted certain defamatory remarks into the *Congressional Record*. There was no republication of these remarks.[10] The Court granted

Footnotes at end of article.

McGovern's motion to dismiss the counterclaim on the ground of Congressional privilege. *Id.* at 348. The Court then addressed itself to whether the privilege would protect circulation of reprints from the *Congressional Record*. Its remarks on this issue are *obiter dictum* since neither reprints nor unofficial dissemination was involved. Further, the Court recognized that Congressmen must be "protected and thereby free to inform their constituents," and believed that a privilege, albeit qualified by a malice requirement, was applicable. *Id.* at 348.[11]

It is evident that *McGovern* v. *Martz* cannot be read broadly as a precedent that republication of committee reports or transcripts is not protected by the Speech and Debate Clause, for four basic reasons:

(a) The discussion was *obiter dictum*. Due to the failure of proper adversary presentation the Court was unaware of prior precedents, including *Hearst* v. *Black*, *Supra*, which is binding on the District Courts for the District of Columbia. And the only holding of the case related to insertions in the *Congressional Record*.

(b) Even in dictum, the Court did *not* say that republication was not protected by the Speech and Debate Clause. Rather it stated that a privilege existed but was not absolute. As we shall show, *infra* section C., the Court's logic in a libel suit would compel an absolute privilege in a criminal prosecution case.

(c) In qualifying the privilege by a malice standard the Court was clearly in error. The Supreme Court in *Tenney* v. *Brandhove*, *supra* at 377, held explicitly that if the privilege exists it is absolute: "The claim of an unworthy purpose does not destroy the privilege." See also *Cochran* v. *Couzens*, 42 F. 2d 783 (D.C. Cir. 1930) cert. denied 283 U.S. 874. Having determined that republication was within "the sphere of legitimate legislative activity," the Court was bound to hold the privilege absolute. And as long ago as 1896, the Supreme Court held that an official's personal malice is relevant only when the official acted "in reference to matters . . . manifestly or palpably beyond his authority." *Spalding* v. *Vilas*, 161 U.S. 483. See also *Barr* v. *Matteo* 360 U.S. 564 (1959).

(d) The qualifying dictum in the *McGovern* case has not been followed. *Hentoff* v. *Ichord*, *supra* at 1179.

5. The Supreme Court has settled decisively that the privilege of a non-elected Executive official encompasses republication and that the privilege is absolute even in libel cases. In *Barr* v. *Matteo*, 360 U.S. 564 (1959) and its companion case *Howard* v. *Lyons*, 360 U.S. 593 (1959), two subordinate officials in the Executive Department were sued for issuing and circulating copies of defamatory press releases.[12] Invoking the judicially-created doctrine of Executive privilege for acts within the legitimate sphere of official conduct, the Court stated:

". . . It would be an unduly restrictive view of the scope of the duties of a policy-making executive official to hold that a public statement of agency policy in respect to matters of wide public interest and concern is not action in the line of duty." 360 U.S. at 575. And the Court: *"The fact that the action here was within the outer perimeter of petitioner's line of duty is enough to render the privilege applicable . . ." Ibid* (Emphasis added.)

As the Court below observed in its decision (Slip Opinion, pp. 14–15), judicially developed rules in cases of non-Constitutional privilege bear upon the scope of the Congressional privilege since the former "surely does not warrant broader protection than the legislative privilege based upon the Speech and Debate Clause." By a parity of reasoning, the Supreme Court's holding that republication of documents and their distribution to the public by Executive officials is absolutely privileged applies with at least equal force to the Constitutional privilege of Members of Congress. And no amount of legal alchemy can make a public press release by a subordinate official of the Executive department more within his legitimate sphere of activity than the circulation of copies of the official record of a Senate Subcommittee by a Member of Congress who is under the Constitutional obligation to inform his constituents about the workings of government.

In sum, the civil cases which have been heretofore decided uphold the Constitutional privilege of Members of Congress to republish and distribute to the electorate official committee records.

C. The Purposes of the Speech and Debate Clause Require that the Privilege Protect Members of Congress who Inform the Electorate about Executive Conduct of Foreign Affairs, from Intimidation and Harassment by the Executive.

Even if prior precedents were ambiguous and qualified the legislative privilege in civil cases, their logic, when combined with the historical purposes of the Speech or Debate Clause and the sphere of its contemporary importance would establish an absolute privilege to govern the facts of this case. The civil cases presented typically a claim that a Member of Congress was using the authority of his office to violate willfully an individual's rights. That kind of situation creates the maximum temptation for intervention by the judiciary on the side of the individual.

On the other hand, what is now before this Court is a classic separation of powers case. The judiciary is not being asked to balance the preferred Constitutional rights of individuals against the privileges of Members of Congress; to the contrary, the Executive branch of government has come to the Court below and claimed that it may determine what a Member of Congress may tell his constituents about matters of overwhelming public concern. We do not exaggerate by saying that this claim challenges the fundamental character of our tripartite system of government. To any such claim, the Constitution must stand as an impenetrable barrier.

First, the Executive's contention that it may institute criminal proceedings against a Congressman for speaking to the electorate flies in the face of the historical purposes of the Speech or Debate Clause. The Clause was drafted to secure absolute freedom of speech for Members of Congress. It was the end product of a lineage of legislative free speech guarantees from the English Bill of Rights of 1689 to the first State constitutions and the Articles of Confederation. See generally *Tenney* v. *Brandhove*, *supra* at 372–75. None of these provisions drew a distinction between a speech of a legislator directed at his colleagues and one to his constituents.[13]

On the contrary, the Court in *Tenney* stated that the clause was designed to protect both. *Id.*, at 377 and fn. 6. This is consistent with no less an authority than Thomas Jefferson. When a Federal grand jury protested against abuses by Congressmen who disseminated slanderous accusations to the public, Jefferson responded that the framers of the Constitution wrote the Speech or Debate Clause to allow Congressmen to inform the electorate without inhibition:

"[T]hat in order to give to the will of the people the influence it ought to have, *and the information which may enable them to exercise it usefully*, it was part of the common law, adopted as the law of this land, that their representatives, in the discharge of their functions, should be free from the cognizance or coercion of the coordinate branches, Judiciary and Executive." Writings of Thomas Jefferson 158 (Ford Ed. 1896) (Emphasis added).

The privilege must be read to protect republication and public distribution of speeches and committee records. As we have shown above (Part A), this is a principal avenue relied upon by Members of Congress to provide the people with "the information which may enable them to exercise it usefully."[14]

The Constitutional evil which would result from denying the privilege's applicability to the informing function of Congress is magnified when this is done at the behest of the Executive and with respect to material which is critical of Executive behavior. If the Executive branch may, at will, institute criminal proceedings against and interrogate Members of Congress before grand juries about publications of their speeches and committee reports which they sent to the electorate, it will possess the power to isolate effectively all but the most courageous legislators from their constituents. If such a rule applies Congressmen will have to watch what they say to the people—in press releases, newsletters and anything spoken outside of the four walls of the Capitol—lest it offend the Executive and open them up to harassment, grand jury inquisitions and prosecutions. Yet if the Speech and Debate Clause means anything, it is that courts and prosecutors are not referees over what Congressmen say to their constituents.

Nor are these consequences mere speculation. For this case reveals the present importance of the Speech and Debate Clause "to prevent intimidation by the Executive and accountability before a possibly hostile Judiciary," *United States* v. *Johnson*, *supra*, at 181. Having for years kept secret from the American people the real history of our involvement in Indo-China, and having attempted to impose a prior restraint on the press, the Executive now retaliates against a Senator who revealed to the people—the true sovereign—the reasons why the Executive, without Congressional authorization, took the country into war. The Executive would thereby establish that it, and it alone, has sole authority to reveal to or withhold from the people any information it chooses. As long as government is to continue as one separation of power, this cannot be. The proper rule of Constitutional law was stated in *Methodist Federation* v. *Eastland*, *supra*, at 731:

"Nothing in the Constitution authorizes anyone to prevent the President of the United States from publishing any statement . . . similarly nothing in the Constitution authorizes anyone to prevent the Supreme Court from publishing any statement. We think it equally clear that nothing authorizes anyone to prevent Congress from publishing any statement."

In conclusion, we wish to bring to the Court's attention a speech given by Senator Sam Ervin on the Floor of the Senate on September 20, 1971. Coming as it does from an acknowledged expert on Constitutional law, we wish to set forth herein some significant excerpts from this speech:

. . . . . .

"The events now transpiring in Boston before a Federal grand jury put into question [a] principle of freedom secured by our predecessors.

. . . . . .

"I have in mind, of course, the efforts of the administration to inquire into the actions of the junior Senator from Alaska (Mr. Gravel) in connection with the revelations of the contents of the Pentagon Papers.

. . . . . .

"The Administration, through its lawyers in the Internal Security Division of the Justice Department, has made a direct and broad scale attack on the rights of all Senators, upon the prerogatives of the Senate, and upon the Constitutional guarantees which have been established to protect the Congress from harassment by a vindictive

Footnotes at end of article.

Executive. It is an attack on the independence and freedom of this body.

• • • • • •

"The privilege of the Speech and Debate Clause protects legislators not only from prosecution by the Executive and from the judiciary. Quite obviously it also protects them from instrumentalities such as the grand jury, which can be used as the Executive's instrument of harassment and persecution.

"It must be stressed that the privilege does more than immunize the legislator against attempts to punish him or to exact retribution for the things he says in the course of performing his legislative duties. The privilege also protects him against having to defend or justify or explain what he has said. The privilege seeks to free the legislator from being harassed by law suits, grand juries, and prosecutors. Were this not so, the independence of the legislator might just as well be destroyed by forcing him to defend himself all over the country.

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"There is another reason why the privilege against inquiry into a speech does not depend on the legality or Constitutionality of the act to which it is tied. That is because the privilege seeks to avoid any abridgement of the freedom of a legislator, even from fear of future retribution. If a legislator knew that he had to account for the possibility that he would have to defend or justify his speech sometime in the future, then he would not be as willing to express himself on controversial matters.

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"The administration's motives in pressing this action are not only aimed at the privilege, but at a Senator who dared oppose it on the war, and who had the effrontery to use information the administration desired to keep from the people. If the administration were to have its way, we must remain in total ignorance of what has transpired in Vietnam, and anything else the Government does, unless it chooses to tell us. By suppressing this information, the executive branch has tried to keep the Congress and the Nation in total ignorance. Now it tries to dictate what the scope of a Senator's business is, and where and when and how he may conduct it. The tendency if not the intent of this effort is to harass the Senator from Alaska, and thereby to silence him and other critics in this body along with those who are outside these halls.

• • • • • •

"The purpose of the privilege is to protect the legislative branch from a vindictive executive and a hostile judiciary. It is an element of the principle of separation of powers.

• • • • • •

"Here, that is precisely the case. Ultimately, I suppose the question of a criminal action may be involved. But the prosecution will be to protect the special interests of the Executive in its efforts to keep its secrets from the Congress and the people. The motive, of course, is to suppress opposition to Executive policy in the Congress and in the country. When the Speech and Debate Clause is involved in a clash between the executive and the legislative, the history of this legislative immunity is especially important. The immunity was finally gained only after Charles I had lost his head. And he lost his head in part at least because he imprisoned members of Parliament who had opposed him in needless and costly overseas wars, even to the extent of presuming to vote to deny him funds for the war. The establishment of the legislative privilege came during the fight by the legislature to establish its independence from a king who claimed total power. The historical precedents are too close to be ignored. We see history repeating itself."

We respectfully request this Court to grant a stay pending appeal from the decision of the Court below holding that a United States Senator may be subjected to grand jury interrogation and the institution of criminal proceeding for making available to the people copies of an official subcommittee record dealing with Executive conduct in foreign affairs.

II. The protective order does not guarantee adequately Senator Gravel's constitutional rights, and under the facts of the case the subpoena must be quashed.

As the Court below stated in its decision, the Constitutional interests which must be protected in this proceeding by virtue of the Speech and Debate Clause are those of Senator Gravel, and not the witness. However, since Senator Gravel is not entitled to be present during the grand jury proceedings, a delicate mechanism is necessary to protect his rights against both what is asked and what the witness may answer. We tendered such a mechanism in our Motion for Specification, which gave the Justice Department an opportunity to narrow the scope of its inquiry and allow the Court and counsel for Senator Gravel to examine in advance whether the questions to be asked violate the Senator's privilege. Despite disclaimers by the Justice Department to the contrary, this technique has been heretofore voluntarily used by it in other privilege cases. For instance, in *United States v. George*, 444 F. 2d 310 (6th Cir. 1971), the witness moved to enjoin enforcement of a grand jury subpoena on the grounds that his testimony might incriminate his wife and that he was already under indictment for the transactions being investigated. The Justice Department filed an affidavit with the District Court setting forth the scope and purpose of the investigation, and the Court concluded that neither privilege was jeopardized.

Even more directly on point are cases involving First Amendment rights in which the government specified the nature of the proposed inquiry by the grand jury, either voluntarily or pursuant to Court order. In *Caldwell v. United States*, 434 F. 2d 108 (9th Cir. 1970), cert. granted 402 U.S. 942 (1971), after Caldwell had filed a motion to quash the subpoena, the Justice Department filed documents stating the extent of legal proceedings already underway with respect to certain members of the Black Panther Party, and particularizing the specific incidents about which it was believed that Caldwell had knowledge and would therefore be questioned by the grand jury. (A summary of this specification is contained in the appendix to the petitioner's brief to the Supreme Court, pages 64–68.) In the case of *In re Verplank*, 329 F. Supp. 433 (C.D.Cal.1971), which presented analogous Constitutional issues, the Court ordered a governmental showing of specificity. The specificity technqiue was utilized in these cases as the only feasible method for obtaining the precise record indispensible for Constitutional adjudication. Otherwise, as both the Justice Department and the Courts recognized, there was a significant chance that substantive rights and privileges would, in effect, bottom out for lack of procedural safeguards. The necessity for such safeguards is surely as great in the present case, which implicates the Constitutional privileges of Members of Congress and basic tenets of our system of separation of power.

Not only did the Justice Department decline to follow this procedure in this case, but it asserted the right to inquire into the actions of Dr. Rodberg in assisting Senator Gravel and to subpoena the Senator himself and question him about his official actions. Given the record in the case, the District Court's findings are certainly justified "that the government's interest in (Dr. Rodberg's) testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury." (Slip Opinion, Pages 5–6). And this finding compels that the subpoena must be quashed, for there are no legitimate areas of inquiry about which the government intends to question Dr. Rodberg. All of the actions taken by Senator Gravel with respect to the Pentagon Papers are privileged under the Speech and Debate Clause, including, as we have shown in Part I *supra*, arranging for its republication. There is not the slightest indication in this record that the Justice Department wishes to question Dr. Rodberg about "his own actions previous to his joining the Senator's personal staff."[16] This speculative hypothesis is foreclosed by the record of this case by the refusal of the Justice Department to specify (which it surely would have done if it were interested in activities of Dr. Rodberg's unconnected with the Senator), and by the District Court's findings of fact. Since, therefore, the subpoena was issued for a wholly unconstitutional purpose, it must be quashed.

The Protective Order is under-inclusive because it does not encompass activities of Senator Gravel with respect to the Pentagon Papers which followed the Subcommittee hearing.

Furthermore, even if we assume *arguendo* that there are legitimate areas into which the grand jury may and intends to inquire of Dr. Rodberg, Senator Gravel's Constitutional rights cannot adequately be protected by the Protective Order of October 4, 1971. The reason is, quite simply that Senator Gravel will not be present during the questioning and cannot assure that the Protective Order is obeyed scrupulously. We do not cast aspersions on either counsel for the Justice Department or on Dr. Rodberg by pointing out that they cannot be the final arbiters of Senator Gravel's privilege. It is readily apparent that even with both acting in utmost good faith, counsel for the Justice Department may ask and Dr. Rodberg might answer an illegitimate question. We list the following as examples of how Senator Gravel's rights will be jeopardized by the Protective Order:

a. Counsel for the Justice Department may ask who supplied Senator Gravel with the Pentagon Papers. He may think this justified by referring to the language of the Court's opinion allowing questioning "as to the activities of third parties with whom he and the Senator dealt." We think the question would be barred by Paragraph (1) of the Protective Order[17] and would certainly object to it. Yet we would not be able to and, if Dr. Rodberg decides in his discretion to answer it, he becomes the final arbiter, reaching an unreviewable and unconstitutional end.

b. Similarly, other questions about "third parties with whom . . . the Senator dealt" may well relate to whose advice the Senator sought and received on whether to hold the hearing, who helped in drafting the introductory remarks, and who helped prepare the material for inclusion into the record—all of which, in our view, would be barred by the same provision and possibly Paragraph (2) as well.[18] Here, too, some mechanism is necessary to enable Senator Gravel himself to assert his rights without being forced to depend on the judgments of the witness.

c. The Justice Department may also wish to rely broadly on the Court's statement that Dr. Rodberg may be questioned about "his own actions previous to his joining the Senator's personal staff." Yet those questions may relate directly to Senator Gravel's official activities and blatantly violate the Speech and Debate Clause (and the Protective Order), but there is no means by which Senator Gravel can prevent the witness from answering and turning a Constitutional violation into a *fait accompli*.

Examples such as these can be multiplied many times over. We ask this Court for a stay pending appeal because the order of the Court below has the effect of allowing the violation of Senator Gravel's Constitutional rights in a manner which cannot subsequently be remedied. The probability of irreparable Constitutional violations is so high that questioning of Dr. Rodberg cannot be permitted under the unrealistic hope that Senator Gravel's rights will not be infringed. The government is playing with loaded dice, and this Court cannot wait until it rolls the wrong number. We think that there are only three methods that will provide for scrupulous compliance with the Constitution: (a) a detailed specification can be made so that proposed questions may be considered in advance; (b) the grand jury proceedings can be made public so that Senator Gravel may be present; or (c) the subpoena can be quashed. Having rejected the first two, the Justice Department is in no position, under the facts of this case, to oppose the third. Respect for the Constitution is more important than respect for the convenience of the Justice Department. We therefore request this Court to stay the decision of the District Court requiring Dr. Rodberg to appear before the grand jury pending appeal.

CONCLUSION

For the reasons stated herein above, we respectfully request the Court to grant a stay of the decision of the Court below pending disposition of this appeal. The Constitutional issues raised are of utmost importance and must be presented to this Court in a posture in which Senator Gravel's legal position has not been mooted and his rights, if we are correct, irreparably violated.

Respectfully submitted,

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FOOTNOTES

[1] Of course, the District Court made other findings of fact on pages 1–5 of the Slip Opinion. We do not set them out because they are not material to this motion. We do wish to point out, however, a possible error in the District Court's recitation of events leading up to the June 29 meeting of the subcommittee. There may be an inference in the opinion that Senator Gravel read and inserted into the record from the set of Pentagon Papers sent under seal from the President to Congress. This is not true; Senator Gravel read from documents which he had independently obtained. Furthermore, these documents are not identical in every respect to the documents furnished under seal to Congress.

[2] Quoted in *New York Times* v. *Sullivan*, 376 U.S. 254, 274 (1964).

[3] *Id.*, at 275.

[4] *Elliot's Debates* 575 (Virginia Resolution of 1798).

[5] Wilson, Congressional Government 303 (1885), quoted in *Tenney* v. *Brandhove*, 341 U.S. 367, 377 fn. 6 (1951).

[6] *Ibid.*

[7] The term "legislative act," used by the District Court in its decision (Slip Opinion p. 12), does not appear in any Supreme Court opinions. The Court in *Kilbourn* spoke of "things generally done in a session of the House by one of its members in relation to the business before it," 103 U.S. at 204. In *Tenney* v. *Brandhove*, 341 U.S. 367, 376 (1951), the Court referred to "the sphere of legitimate legislative activity," and included investigations whose functions were either to propose legislation or inform the public, *id.*, at 377 and fn. 6. In *Johnson*, the Court used the phrase "related to the due functioning of the legislative process," 383 U.S. at 172, and also quoted the *Kilbourn* language, *id.*, at 179. And in *Powell* v. *McCormack*, 395 U.S. 486 (1969), the Court quoted the above phrases from *Kilbourn*, *Tenney* and *Johnson*.

If, by using the new phrase "legislative acts," the District Court intended simply a shorthand for the above standards, our disagreement is only to its application. On the other hand, if the Court below intended to use the phrase as including only those acts in which a Member of Congress proposes, debates upon and votes on legislation, we think that this is inconsistent with and much narrower than the Supreme Court standard. Certainly, for example, in *Dombrowski* v. *Eastland*, 387 U.S. 82, 82 (1967), the actions of Senator Eastland were not even remotely connected with pending or proposed legislation. And neither are many speeches given on the floor of Congress. Yet surely the Court of Appeals was correct in *Cochran* v. *Couzens*, 42 F. 2d 783 (D.C. Cir. 1930), *cert. denied* 282 U.S. 874, that no showing was necessary that words spoken between Congressmen must be pertinent to any pending or future legislation.

[8] While a Member of the House of Representatives, Madison said: "If we advert to the nature of Republican Government, we shall find the censorial power is in the people over the Government, and not in the Government over the people." 4 *Annals of Congress* 934 (1794). If the people's representatives default on their duty to inform the electorate, the converse would be true.

[9] In its decision (Slip Opinion, p. 13), the Court below quoted certain language from *Hentoff*. These comments dealt solely with the liability of the Public Printer, and not the scope of the Speech and Debate Clause. Judge Gesell distinguished Committee Reports from the *Congressional Record* because Article I, Section 5 of the Constitution requires a journal of proceedings to be kept; thus the Court would not enjoin the Public Printer from including the report in the *Congressional Record*. 318 F. supp. at 1180. But, as noted in the text, the Court held that the privilege absolutely immunized the Members of Congress themselves from judicial inquiry for causing the Committee report to be republished anywhere. We therefore respectfully submit that the above-quoted language is inapposite to the issue of this case, which is whether a Senator may be held accountable for republishing an official Subcommittee record. *Hentoff* holds that he may not.

[10] A second counterclaim alleged republication of certain other letters by Mr. McGovern. This was held barred by the Statute of Limitations, and was not decided on the merits. 182 F. Supp. at 349.

[11] While the Court stated at one point that the reason for the rule of Congressional privilege was "complete and uninhibited discussion among legislators," it also recognized the informing function as another purpose. Any reading of the Court's opinion which picks out the former to the total exclusion of the latter makes the opinion incomprehensible. Why should the Clause protect intra legislative communication but not a Congreasman's statement to his electorate? And if the reason for the privilege related only to intra legislative communications, why should there be even a qualified immunity for distribution of speeches to the public? How would a republication of a libelous speech to another Member of Congress fare? And finally, if *only* intralegislative communication is protected, why have the courts gone beyond the literal language of the Speech or Debate Clause? Each of these questions would have had to be answered by the Court in *McGovern* if it had meant to exclude public dissemination of speeches from the Clause altogether.

[12] In Howard, copies of the press release were sent to various newspapers and wire services and to members of the Massachusetts delegation in the Congress . . ." 360 U.S. at 594. The press release in *Barr* similarly was given wide circulation. In both cases, the Executive officials went far beyond merely sending reports to their immediate superiors.

[13] And when, after the drafting of the Constitution, a British court purported to draw such a distinction (see *Stockdale* v *Hansard*, 9 A. & E. 1, 112 Eng. Rep. 1112 (1839), the reaction in Parliament was so intense that the decision was almost immediately overruled by statute 3 & 4 Vict., c. 9 (1840).

[14] And even if this were somehow put on the outer perimeter" of a Congressman's duties, *Barr* v. *Matteo*, *supra*, teaches that it must be protected by an absolute privilege.

[15] While the witness appeared but refused to answer eight questions, the significance of the case is in the specification made by the Justice Department.

[16] cf. Slip Opinion, Page 8.

[17] Paragraph (1) provides:

"No witness . . . may be questioned about Senator Mike Gravel's conduct at the meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 nor about things done by the Senator in preparation for and intimately related to said meeting." And how, conceivably, could Dr. Rodberg determine whether a question refers to conduct "intimately related" to the Senator's Subcommittee meeting?

[18] Paragraph (2) provides:

"Dr. Leonard S. Rodberg may not be questioned about his own actions as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for and intimately related to said meeting."

[In the U.S. Court of Appeals for the First Circuit, No. —]

MOTION FOR STAY PENDING APPEAL

(Mike Gravel, U.S. Senator, appellant, versus United States, appellee)

On Appeal from the Final Order of the United States District Court for the District of Massachusetts, Hon. W. Arthur Garrity, Jr., Docket No. —.

HERBERT O. REID, Sr.
ROBERT J. REINSTEIN,
CHARLES L. FISHMAN,
Attorneys for Senator Gravel.

[In the U.S. Court of Appeals for the First Circuit, No. —]

MOTION FOR STAY PENDING APPEAL

(Mike Gravel, U.S. Senator, appellant, versus United States, appellee)

Appellant, United States Senator Mike Gravel, by his counsel respectfully requests that this Court stay, pending appeal, the execution and enforcement of the Order of the United States District Court for the District of Massachusetts, Hon. W. Arthur Garrity, Jr., denying Appellant's Motion to Quash a subpoena served upon Howard Webber which seeks to compel his appearance before a Federal grand jury sitting in Boston, Massachusetts to testify concerning the official conduct of Movant in the discharge of his duties as a United States Senator. A copy of said Motion to Quash is attached hereto as (Exhibit "A").

Appellant has appealed to this Court from denial of the aforesaid Motion on the grounds that such inquiry by the grand jury into official conduct of a United States Senator violates Appellant's constitutional privilege secured by the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause I and the Separation of Powers Doctrine. Appellant submits the following reasons in support of the Motion for Stay Pending Appeal.

1) Appellant is a United States Senator from the State of Alaska and at all times

material to this proceeding was acting in his official capacity.

2) On June 29, 1971 Appellant, as Chairman, conducted a meeting of the Senate Subcommittee on Buildings and Grounds.

3) During the course of the aforesaid Subcommittee meeting a transcript was compiled. Part of the aforesaid Subcommittee transcript consists of material commonly referred to as the "Pentagon Papers".

4) Subsequent to the aforesaid Subcommittee meeting Appellant made the aforesaid official transcript available to the press and the aforesaid transcript was publicly published.

5) On August 24, 1971, a Federal grand jury subpoena was served upon Dr. Leonard S. Rodberg, seeking to compel his appearance before a Federal grand jury sitting in the District of Massachusetts, in Boston.

6) Dr. Rodberg moved to quash said subpoena, alleging, *inter alia*, that the subject matter of the inquiry to be made by the grand jury related to acts done by Senator Gravel, with the necessary assistance of his staff in reading and inserting into the record the so-called "Pentagon Papers," at the June 29, 1971 hearing of the Senate Subcommittee of Buildings and Grounds and in subsequently arranging to have the record of the subcommittee published.

7) On August 24, 1971, Appellant, Senator Gravel, filed a motion to intervene before the District Court. Appellant alleged in support of that motion that Dr. Rodberg is a personal staff assistant of appellant, who has aided Appellant in the discharge of his official duties, and that the grand jury seeks to inquire of Dr. Rodberg into the official conduct of Appellant and his assistants. Appellant contended that any such grand jury proceeding would violate Appellant's constitutional right to be immune from judicial inquiry into his official conduct and that intervention was necessary in order for Appellant to protect his own rights.

8) On September 1, 1971, the District Court granted Appellant's Motion to Intervene. That same date, Appellant moved to quash the grand jury subpoena and moved also for a specification of the purpose, scope and questions to be asked of Appellant's assistant by the grand jury. Appellant alleged, *inter alia*, that the grand jury intended to question Appellant's assistant, Dr. Rodberg, about the official acts of Appellant and his staff in preparing for disclosure and subsequently disclosing to Appellant's colleagues and constituents, at a Senate Subcommittee hearing, the contents of the Pentagon Papers, which were critical of the Executive's conduct in the field of foreign relations.

9) On October 4, 1971, the District Court issued a "Memorandum of Decision and Protective Order" (attached hereto and made a part hereof as Exhibit "B"). The Court found as a fact that Dr. Rodberg is, and has been since June 29, 1971, a personal staff assistant of Senator Gravel. (Slip. Op., page 3). The Court also concluded, on the basis of (a) the undisputed allegations of Senator Gravel and Dr. Rodberg, (b) the crimes under investigation by the grand jury and (c) the events leading up to Dr. Rodberg's subpoena, that "the Government's interest in his testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury." (Slip. Op., pages 5–6).

10) Despite these findings, the District Court denied Appellant's Motion to Quash and Motion for Specification.

11) The District Court held that the actions of Senator Gravel to inform fully his constituents about Executive conduct in foreign relations, by arranging for the publication and public distribution of the official record of the Subcommittee on Public Buildings and Grounds, were not protected by the Speech and Debate Clause and could be investigated by the grand jury and made the subject of criminal proceedings instituted by the Executive. (Slip Op., pages 12–13).

12) The District Court held that the only official actions of Senator Gravel immune from judicial inquiry by virtue of the Speech and Debate Clause related to the preparation for and conduct of the June 29, 1971, meeting of the Subcommittee on Public Buildings and Grounds by the Senator and his personal staff. The District Court entered the following protective order:

"(1) No witness before the grand jury currently investigating the release of the Pentagon Papers may be questioned about Senator Mike Gravel's conduct at a meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 nor about things done by the Senator in preparation for and intimately related to said meeting.

"(2) Dr. Leonard S. Rodberg may not be questioned about his own actions on June 29, 1971 after having been engaged as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for and intimately related to said meeting."

13) Since October 4, 1971, Appellant has filed a Motion for Reconsideration and/or Stay Pending Appeal from the Memorandum Decision and Protective Order issued by the Court below. The Court below stayed the execution and enforcement of a second subpoena served upon Dr. Rodberg pending reconsideration. The Court below has not yet decided the Motion for Reconsideration and/or Stay Pending Appeal.

14) Subsequent to October 4, 1971, Appellant learned that the United States has subpoenaed Howard Webber to appear before the grand jury on October 28, 1971 for the purpose of inquiring into the actions of Appellant in attempting to publish and thereby disclose to the electorate the contents of the record of the aforesaid Subcommittee transcript. The legitimacy or illegitimacy of this grand jury inquiry is now under active reconsideration by the Court below in proceedings with respect to the subpoena served upon Dr. Rodberg and the stay entered in that case.

15) On August 24, 1971, Appellant, Senator Gravel, filed a Motion to Intervene before the District Court and a Motion to Quash or Stay the subpoena served upon Mr. Webber (attached hereto as Exhibit "C").

16) On October —, the Court below denied Appellant's Motion to Quash or Stay the subpoena served upon Mr. Webber. The Court below also denied Appellant's Motion for Stay Pending Appeal to this Court. A Notice of Appeal was filed on October —, 1971.

17) A stay of execution and enforcement of the District Court order is necessary to preserve the status quo and to protect fully the rights of Appellant and will not injure or harm any legitimate interests of Appellee. It is Appellant's contention that any testimony by Mr. Webber before the grand jury concerning Appellant's official conduct as a United States Senator will itself violate Appellant's rights under the Speech and Debate Clause. As to Appellant, the denial of the Motion to Quash is a final order, inasmuch as Appellant himself has not been directed to appear before the grand jury and cannot thereby obtain review by refusal to comply with the order of the District Court. Appellant's rights cannot be protected by waiting until protected questions are asked of the witness because: (a) Appellant is not entitled to attend the secret grand jury proceedings; (b) any questioning of the witness concerning the official actions of Appellant itself violates the terms of the Speech and Debate Clause, regardless of the answers given thereto by the witness and regardless of the outcome of the grand jury inquiry; (c) Appellant has no vehicle for controlling the witness or his answers; (d) Appellant has no method of seeking judicial review of the questions asked.

18) The constitutional issues asserted by Appellant involve important questions of separation of powers and the construction of the Speech and Debate Clause and are therefore of the highest magnitude. The precise issue presented on appeal here have not been heretofore decided by this Court or by the Supreme Court. For the reasons stated in the Memorandum in Support of Stay, attached hereto, Appellant submits that:

(a) the District Court erred in holding that the actions of a United States Senator in republishing and distributing to his constituents the official record of a Senate Subcommittee, of which he is Chairman, is not immune under the Speech and Debate Clause from grand jury inquiry and the institution of criminal proceedings by the Executive;

(b) the protective order by the District Court does not adequately protect Senator Gravel's constitutional privileges and rights; and

(c) upon the undisputed facts of this proceeding and the findings made by the District Court, the subpoena must be quashed as a matter of law.

19) Appellant has appealed to this Court from the final judgment of the District Court.

Wherefore, Appellant respectfully requests that this Court stay execution and enforcement of the subpoena served upon Mr. Webber pending consideration of the appeal which has been taken by Appellant.

Respectfully submitted,

HERBERT O. REID, Sr.,
CHARLES L. FISHMAN,
ROBERT J. REINSTEIN,
Attorneys for Senator Gravel.

[In the U.S. District Court for the District of Massachusetts, Civil Division, Civil Action No. —]

MOTION TO INTERVENE

(Mike Gravel, U.S. Senator, versus John Doe, in re the matter of Howard Webber)

Comes now Movant, United States Senator Mike Gravel and moves this Honorable Court for leave to intervene in the above captioned cause and as reasons therefore states:

1) Howard Webber is the editor of M. I. T. Press.

2) As the editor of M. I. T. Press, Mr. Webber had contact and discussions with members of Movant's personal staff which contacts and discussions are now the subject of an inquiry by a Federal Grand Jury.

3) The aforesaid Federal Grand Jury has subpoenaed Mr. Webber to appear and give testimony with respect to the aforesaid contact and discussion on Wednesday or Thursday, October 27 or 28, 1971.

4) All of the aforesaid contacts and discussions between Mr. Webber and members of Movant's personal staff relate to the publication of the June 29, 1971 official transcript of the United States Senate Subcommittee on Buildings and Grounds.

5) All of the aforesaid contacts and discussions between Mr. Webber and Movant's personal servants are immune from judicial inquiry by virtue of Movant's constitutional privileges and duties.

6) The question presented herein raises serious and substantial constitutional issues which have not but should be decided by this Court.

7) No other party to the above captioned cause can adequately represent the interest of Movant.

8) The granting of this motion would best serve the interest of Justice.

9) Movant has no information upon which to determine if Mr. Webber plans to appear before the Grand Jury and give testimony in violation of Movant's constitutional rights.

Wherefore, Movant respectfully requests that this Honorable Court grant the above captioned Motion to Intervene.

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ROBERT REINSTEIN,
Temple University School of Law.
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[In the U.S. District Court for the District of Massachusetts, Docket No. —]

MOTION TO QUASH OR STAY GRAND JURY SUBPOENA

(United States of America versus John Doe, In re the matter of Howard Webber)

Comes now Movant, United States Senator Mike Gravel, and respectfully moves this Court for an order quashing or staying a subpoena served upon Howard Webber which seeks to compel Mr. Webber's appearance before a Federal grand jury sitting in this District, to wit, in Boston, Massachusetts.

Movant submits that the subpoena served upon Mr. Webber should be stayed because it violates Movant's Congressional privilege to be immune from judicial inquiry of acts done by him and his personal staff in the discharge of his duties as a United States Senator, said privilege issued to Movant by the Speech and Debate Clause of the Constitution, Article I, Section 6, Clause 1.

1. The United States has subpoenaed Mr. Webber for the purpose of questioning him about the publication of the official Senate Subcommittee transcript involved in the case of *Mike Gravel, United States Senator* v. *United States* (Docket No. EBD 71–172).

2. This Court has under consideration Movant's Motion For Reconsideration in the case of *Mike Gravel, United States Senator* v. *United States* (Docket No. EBD 71–172).

3. If this Court decides that publication of the official record of a Senate Subcommittee is constitutionally protected the grand jury will be barred from questioning anyone, including Mr. Webber, about his conduct with respect thereto.

4. If this Court decides that publication of the official record of a Senate Subcommittee is not constitutionally protected Movant has asked for a stay of this Court's decision pending appeal. To permit Mr. Webber to testify with respect to the publication of the aforesaid transcript would moot the constitutional claim of Movant prior to the final resolution of the important and complex constitutional issues presented herein.

5. No substantial injury will result to the United States from the granting of this Motion.

Wherefore, Movant respectfully requests that this Honorable Court grant the above Motion to Quash or Stay the subpoena served upon Howard Webber pending final disposition of the case entitled *Mike Gravel*, U.S.S. v. *United States* EBD 71–172.

CHARLES LOUIS FISHMAN,
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ROBERT REINSTEIN,
Temple University School of Law.
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[U.S. District Court, District of Massachusetts]

MEMORANDUM OF DECISION AND PROTECTIVE ORDER

(October 4, 1971)

United States of America v. John Doe, in the matter of a grand jury subpoena served upon Leonard S. Rodberg, E.B.D. No. 71–172–G.

Garrity, J. Dr. Leonard S. Rodberg, a physicist and resident fellow at the Institute for Policy Studies in Washington, D.C., and currently engaged as a staff member of United States Senator Mike Gravel of Alaska, petitioned the court on August 27, 1971 to quash a subpoena ordering him to appear before a federal grand jury ostensibly investigating crimes related to the release and dissemination of the much-publicized classified study by the Department of Defense entitled "History of U.S. Decision-Making Process on Viet Nam Policy," popularly called the "Pentagon Papers."

The crimes being investigated by the grand jury include the retention of public property or records with intent to convert (18 U.S.C. § 641), the gathering and transmitting of national defense information (18 U.S.C. § 793), the concealment or removal of public records or documents (18 U.S.C. § 2071), and conspiracy to commit such offenses and to defraud the United States (18 U.S.C. § 371), as is indicated in the prosecuting attorneys' oaths of office on file with the Clerk.[1]

At the initial hearing on Dr. Rodberg's motion, the court stayed his appearance before the grand jury until after the parties had filed affidavits and briefs and presented further oral argument. Senator Gravel moved for leave to intervene and, after briefing, intervention was allowed and the court accepted motions by the Senator to quash the subpoena and for specification of the exact nature of the questions to be asked of Dr. Rodberg. Both motions of the Senator allege, and the court finds, that "as personal assistant to movant, Dr. Rodberg assisted movant in preparing for disclosure and subsequently disclosing to movant's colleagues and constituents, at a hearing of the Senate Subcommittee on Public Buildings and Grounds, the contents of the so-called 'Pentagon Papers,' which were critical of the Executive's conduct in the field of foreign relations."

Dr. Rodberg's first contention in support of his motion to quash is separate from the argument advanced jointly by him and Senator Gravel. This contention is that the subpoena violates rights of his under the First Amendment. In a supporting affidavit, Dr. Rodberg states in part that:

"My roles have been multiple: research, writing, lecturing, supervising research projects, as well as providing advise, assistance, information, expertise to Senators and Congressmen for the performance of their official duties, as well as liaison to other persons whose expertise Congressmen require. Experience has shown that my success in fulfilling these multiple roles depends upon my ability to maintain access to a wide variety of confidential sources of information. My knowledge of and ability to communicate and advise on issues relating to government policy in the areas mentioned above would be seriously jeopardized if I should be forced to appear before a secret grand jury."

While recognizing the importance and usefulness of this type of work by men like Dr. Rodberg, and acknowledging the existence of First Amendment interests here, he is only incidentally a journalist and the court rejects this argument for the reasons stated in its memorandum of decision in E.B.D. No. 71–165, *Application of Falk*, filed contemporaneously herewith.

Dr. Rodberg's other contention, identical to that urged by Senator Gravel, is that the grand jury subpoena served upon him contravenes the Speech or Debate Clause, Article I, section 6, clause 1, of the Constitution of the United States.[2] It is based upon an unusual sequence of events occurring at the height of the court battle over newspaper publication of the controversial Papers. The Court of Appeals for the District of Columbia Circuit had ruled that no prior restraint should issue against publication but the Court of Appeals for the Second Circuit had reached the opposite result. Oral arguments had been heard by the Supreme Court on June 26, 1971. Pending decision by the Supreme Court, publication was temporarily barred. Meanwhile the President had sent a set of the documents to the Congress. On June 30, the Supreme Court affirmed the judgment of the District of Columbia Circuit and reversed that of the Second Circuit, thereby permitting publication. *New York Times Company* v. *United States, supra.*

Late in the evening of June 29, Senator Gravel, a member of the Committee on Public Works, called a meeting of its Subcommittee on Public Buildings and Grounds, of which he is chairman.[3] Earlier that same day, the Senator had added Dr. Rodberg to his personal staff. At the meeting he read extensively from the study and, at its conclusion, placed the entire study comprising 7,000 pages of complex material in 47 volumes on file with the subcommittee, thereby making it widely available to the press. About seven weeks later, on August 18, it was reported in the Washington Post that Senator Gravel had turned over the Pentagon Papers to a Boston publisher, Beacon Press, for compilation into a four-volume book to be released in late October under the title, "The Senator Gravel Edition of the Pentagon Papers: the Defense Department History of Decision Making on Vietnam"; and that Beacon Press came to agreement with the Senator after negotiations with his assistant Dr. Rodberg. In the August 24 edition of a weekly newspaper, Boston After Dark, an article, "Why MIT & Harvard Suppressed the Pentagon Papers", described in detail Dr. Rodberg's prior negotiations with publishers other than Beacon Press. On the evening of August 24, Dr. Rodberg was subpoenaed to appear and testify before the current grand jury.

In opposing the motions to quash and for specification, the Government has pointed out that the grand jury proceedings are secret and it has not been proved by the moving parties that Dr. Rodberg will be interrogated about the subjects described in the newspaper stories. However, given the secrecy and flexibility of all grand jury proceedings, no movant ever could demonstrate with certainty the specific facts about which he had been subpoenaed to testify. Viewing together the crimes which this grand jury is investigating and the chronology of acts

[1] Various opinions in *New York Times Company* v. *United States*, 1971, 403 U.S. 713, 727–740, emphasized that a criminal prosecution might lie for acts related to the publication of classified materials. Whether such a prosecution would lie for acts subsequent to the placing of classified materials in the public record of a congressional subcommittee, the Supreme Court opinions did not intimate and we have not considered. Obviously there may be no prosecution for publication of declassified materials.

[2] Art. I, § 6, cl. 1 provides, "The Senators and Representatives shall receive a Compensation for their Services, to be ascertained by Law, and paid out of the Treasury of the United States. They shall in all Cases, except Treason, Felony and Breach of the Peace, be privileged from Arrest during their Attendance at the Session of their respective Houses, and in going to and returning from the same; *and for any Speech or Debate in either House, they shall not be questioned in any other Place.*" (Emphasis added.) The last clause is known as the Speech or Debate Clause.

[3] Most of the facts stated in this paragraph appear only in Dr. Rodberg's unverified motion which incorporates as exhibits two newspaper stories thereto attached. They have been adopted as findings by the court for purposes of this decision because they were not disputed in any way by the Government and because underlying the parties' legal submissions.

and events leading up to Dr. Rodberg's subpoena, the court infers that the government's interest in his testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury.

The Speech or Debate Clause, in the context of criminal proceedings, has been applied definitively in *United States* v. *Johnson*, 1966, 383 U.S. 169. Defendant Johnson was a Maryland congressman accused of violating the conflict of interest statute, 18 U.S.C. § 281, and conspiring with codefendants to defraud the United States in violation of 18 U.S.C. § 371. As part of the conspiracy, defendant allegedly delivered for pay a speech in Congress favorable to certain loan companies. Johnson and codefendants were convicted of both crimes. The Court of Appeals had upheld the conspiracy conviction of the coconspirators and the conviction of Johnson under the conflict of interest statute, but held that the conspiracy count was "unconstitutional as applied to . . . Johnson." 337 F.2d at 192. In effect, the Court of Appeals read the Speech or Debate Clause to create an immunity against prosecutions for unlawful acts or motives underlying otherwise privileged legislative conduct. On certiorari granted on the Government's petition, the Supreme Court affirmed the judgment of the Court of Appeals but did not agree as to the breadth of the application of the Speech or Debate Clause. Rejecting the interpretation that the privilege barred the conspiracy prosecution, the Supreme Court instead remanded for a new trial on that count, admonishing however that no evidence of, or inquiry into, the privileged speech would be permitted.

In its opinion in the *Johnson* case, the Supreme Court stated that the privilege must "be read broadly to effectuate its purposes," 383 U.S. at 180, and that "the privilege was not born primarily of a desire to avoid private suits . . . but rather to prevent intimidation by the executive and accountability before a possibly hostile judiciary," at 181. The Court also ruled that the Clause does not reach "conduct, such as was involved in the attempt to influence the Department of Justice, that is in no wise related to the due functioning of the legislative process," at 172, and that its "decision does not touch a prosecution which . . . does not draw in question the legislative acts of the defendant member of Congress or his motives for performing them." at 185. Thus, the privilege is limited specifically to legislative acts and antecedent conduct so intimately related to them such as cannot be proved without resort to inquiry into legislative acts.

Another relevant fundamental principle is that the legislative privilege conferred by the Speech or Debate Clause belongs to Congressmen only and not to their assistants and aides. In the first place, the Constitution mentions only Senators and Representatives. Secondly, Thomas Jefferson's authoritative interpretation of the privilege, in Jefferson's Manual of Parliamentary Practice, Section III, reprinted in the Senate Manual, 1967, 382–383, states that "the framers of our Constitution . . . have only privileged Senators and Representatives themselves. . . ." Thirdly, no case or other authority indicates to the contrary. Cf. *Powell* v. *McCormack*, 1969, 395 U.S. 486, 504–505, holding that employees of the House of Representatives might be sued in a civil action which would be barred against Congressmen by the legislative privilege.

It follows that while the Speech or Debate Clause plainly sets limitations upon the grand jury's investigation, the motions to quash the subpoena served on Dr. Rodberg seek too broad a result. Without doubt he may be questioned as to the activities of third parties with whom he and the Senator dealt. He may also be questioned about, and is legally responsible for, his own actions previous to his joining the Senator's personal staff on June 29 and many of his actions thereafter. That the Senator's legislative privilege will serve to bar some questions, as hereinafter ruled, does not by any means excuse Dr. Rodberg from appearing and answering questions on subjects beyond the protection of the privilege.

Similarly, Senator Gravel's motion for specification which seeks an order requiring the Government to specify in detail the purpose, scope and exact nature of questions to be asked of Dr. Rodberg will not be granted in terms. In the court's opinion such an order is unnecessary in the circumstances of this case to afford full protection to the Senator's legislative privilege and would moreover impede the grand jury in the discharge of its investigative duties. As stated in *Blair* v. *United States*, 1919, 250 U.S. 273, 282, regarding the nature of the grand jury,

"It is a grand inquest, a body with powers of investigation and inquisition, the scope of whose inquiries is not to be limited narrowly by questions of propriety or forecasts of the probable result of the investigation, or by doubts whether any particular individual will be found properly subject to an accusation of crime. As has been said before, the identity of the offender, and the precise nature of the offense, if there be one, normally are developed at the conclusion of the grand jury's labors, not at the beginning."

On the other hand, it is equally clear from the *Johnson* case that Senator Gravel's legislative acts may not consistently with the Speech or Debate Clause by the subject of questioning before the grand jury.[4] The question of what constitutes legislative acts has been treated in decisions in civil actions cited with approval in the *Johnson* case. The classic statement appears in *Kilbourn* v. *Thompson*, 103 U.S. 168, 204, as follows:

"It would be a narrow view of the constitutional provision to limit it to words spoken in debate. The reason of the rule is as forcible in its application to written reports presented in that body by its committees, to resolutions offered, which, though in writing, must be reproduced in speech, and to the act of voting, whether it is done vocally or by passing between the tellers. In short, to things generally done in a session of the House by one of its members in relation to the business before it."

In view of the primary purpose of the privilege "to prevent intimidation by the Executive and accountability before a possibly hostile Judiciary," *United States* v. *Johnson*, *supra* at 181, the protection of the privilege afforded by the Speech or Debate Clause may be broader in criminal proceedings than in civil. Therefore the court sustains Senator Gravel's claim that whatever he did at the subcommittee meeting on June 29 and certain acts done in preparation therefor are privileged.

The Government has argued that the Senator's conduct at the subcommittee meeting is unprivileged because the purpose of the meeting, the reading of the Pentagon Papers, was unrelated to any investigation or undertaking authorized by the parent Committee on Public Works or by the Senate in its delegation of power to the parent committee. Senator Gravel has suggested that the availability of funds for the construction and improvement of public buildings and grounds has been affected by the necessary costs of the war in Vietnam and that therefore the development and conduct of the war is properly within the concern of his subcommittee. The court rejects the Government's argument without detailed consideration of the merits of the Senator's position, on the basis of the general rule restricting judicial inquiry into matters of legislative purpose and operations. "To find that a committee's investigation has exceeded the bounds of legislative power it must be obvious that there was a usurpation of functions exclusively vested in the Judiciary or the Executive." *Tenney* v. *Brandhove*, 1951, 341 U.S. 367, 378.

There are, of course, occasions when a court is obliged to scrutinize the powers of a congressional committee and the relationship of its activities to its legitimate legislative purpose. But such occasions have been limited to cases in which the power of Congress under the Constitution has been at issue, e.g., *Kilbourn* v. *Thompson*, *supra*, or where the constitutional rights of individuals have been jeopardized by congressional action, as in cases dealing with prosecutions under 2 U.S.C. § 192 for contempt of Congress, e.g., *Watkins* v. *United States*, 1957, 354 U.S. 178. As stated in the latter case, at 205:

"It is, of course, not the function of this Court to prescribe rigid rules for the Congress to follow in drafting resolutions establishing investigating committees. That is a matter peculiarly within the realm of the legislature, and its decisions will be accepted by the courts up to the point where their own duty to enforce the constitutionally protected rights of individuals is affected."

It has not been suggested by the Government that the subcommittee itself is unauthorized, nor that the war in Vietnam is an issue beyond the purview of congressional debate and action. Also, the individual rights at stake in these proceedings are not those of a witness before a congressional committee or of a subject of a committee's investigation, but only those of a congressman and member of his personal staff who claim "intimidation by the executive." *United States* v. *Johnson*, *supra*, at 181. "The courts have no right to dictate . . . the procedures for Congress to follow in performing its functions. . . ." *United States* v. *Hintz*, N.D. Ill., 1961, 193 F.Supp. 325, 331. Judging the applicability of the legislative privilege in the exercise of the functions of a legislator's office should be done "without inquiring whether the exercise was regular according to the rules of the House, or irregular and against their rules." *Coffin* v. *Coffin*, 1808, 4 Mass. 1, 27.

Senator Gravel's arranging for private publication of the Pentagon Papers by Beacon Press stands on a different footing and, in the court's opinion, is not embraced by the Speech or Debate Clause.[5] The test is not the public benefit or political value of such private publication[6] but whether it is a legislative act, i.e., "related to the due functioning of the legislative process," *United States* v. *Johnson*, *supra* at 172, or "generally done in a session of the House by one of its members in relation to the business before it." *Kilbourn* v. *Thompson*, *supra* at 204. Guidance is available mainly in decisions in civil actions dealing with congressmen's civil liability for libel. A distinction has been drawn in the cases between defamatory words

[4] On a later appeal from Johnson's conviction upon retrial, *United States* v. *Johnson*, 4 Cir., 1969, 419 F.2d 56, it was held that the grand jury's receipt of evidence about Johnson's speech, while "constitutionally impermissible," did not invalidate the indictment, citing *Costello* v. *United States*, 1956, 350 U.S. 359.

[5] The Senator has made no specific claim that his legislative privilege extends to his actions subsequent to the subcommittee hearing. However, this claim has been advanced by Dr. Rodberg and contested by the Government and hence the court had considered it.

[6] The importance of the "informing function of Congress" is described in powerful terms in a quotation from Wilson, Congressional Government (1885), 303, set forth in fn. 6 of the opinion of the Court in *Tenney* v. *Brandhove*, supra at 377.

inserted in the Congressional Record, held to be privileged, and defamation resulting from a congressman's circulation of reprints or copies of the Congressional Record to his constituents. As to the latter, *McGovern* v. *Martz*, D.D.C., 1960, 182 F. Supp. 343, held that the absolute privilege of the Speech or Debate Clause does not apply to republication, stating at 347, "The reason for the rule—complete and uninhibited discussion among *legislators*—is not here served." See *Restatement of Torts*, 1938 ed., § 590, comment b. In *Hentoff* v. *Ichord*, D.D.C., 1970, 318 F. Supp. 1175, an issue was whether the court had power to enjoin distribution of a House committee report by the Public Printer and Superintendent of Documents. In holding that it did, the court said at 1180:

"Nothing in the Constitution or the cases suggests, however, that a committee report is a necessary adjunct to speech or debate in Congress. . . . and its further printing and public distribution is not necessary to give effect to the freedom of congressmen to speak and debate on or off the floor. The Speech or Debate Clause does not necessarily bar an action to enjoin the Public Printer from printing a committee report for public distribution."

While recognizing a special vitality attaching to the Speech or Debate Clause in criminal proceedings, *United States* v. *Johnson*, *supra* at 180–182, the court nevertheless concludes that the reasoning of these civil cases is valid and in the instant case controlling.

Having delineated the area of Senator Gravel's conduct which may not be investigated by the grand jury, the court turns to the question whether some of Dr. Rodberg's activities are also protected from investigation, not because of any privilege of his own but by reason of his having acted as the Senator's agent and assistant in the Senator's performing various legislative acts.[7] The Senator and witness submit, and the court agrees, that the legislative privilege enjoyed by a senator must extend to some activities of a member of his personal staff acting at his direction. To rule otherwise would dilute and jeopardize the privilege itself. For example, speeches delivered on the floor of Congress are often drafted by a skilled staff assistant and not by the congressman himself; to make such an assistant accountable for the content of a speech drafted by him would serve to defeat the privilege. A legislator's dependence upon confidential assistants is analogous to a lawyer's, whose client's privilege against disclosure of confidential communications has been held applicable to the lawyer's assistants. *United States* v. *Kovel*, 2. Cir., 1961, 296 F. 2d 918. The opinion in that case stated at 921, "The complexities of modern existence prevent attorneys from effectively handling clients' affairs without the help of others. . . ." This holding has been adopted by the Proposed Rules of Evidence for the United States Courts, Preliminary Draft, 1969, Rule 5–03(b). Although the attorney-client privilege is of ancient origin, 8 Wigmore, Evidence (McNaughton Rev. 1961), § 2290, p. 542, and is grounded on strong social policy, it is not a constitutional privilege and surely does not warrant broader protection than the legislative privilege based upon the Speech or Debate Clause. In this respect the legislative privilege is akin to the executive privilege about which the Supreme Court in *Barr* v. *Matteo*, 1959, 360 U.S. 564, commented at 573:

"The complexities and magnitude of governmental activity have become so great that there must of necessity be a delegation and redelegation of authority as to many functions, and we cannot say that these functions become less important simply because they are exercised by officers of lower rank in the executive hierarchy."

Powell v. *McCormack*, 1969, 395 U.S. 486, and similar cases permitting actions against subordinate employees of legislative bodies are distinguishable. Employees held accountable in such cases were administrative personnel whose non-discretionary duties to the legislative body as a whole in no substantial way related to the specific furthreance of the legislative tasks of individual members. Such institutional employees clearly have less impact upon legislation than personal staff members entrusted by the legislator himself with sensitive and confidential duties. Therefore the court holds that the Speech or Debate Clause prohibits inquiry into things done by Dr. Rodberg as the Senator's agent or assistant which would have been legislative acts, and therefore privileged, if performed by the Senator personally.

Lastly, the relief to which Senator Gravel is entitled under the particular circumstances here presented must be determined in the light of two of the principles derived from the decision discussed in this memorandum: a congressmen may not be prosecuted for legislative acts but may be prosecuted for non-legislative acts; and in any such prosecution no evidence from any source of considered against him. A further consideration is the self-evident proposition that no prosecuting attorney, grand jury foreman or other official has lawful authority to prohibit or foreclose a federal grand jury from investigating any offenses against the United States. Therefore, if Senator Gravel's rights under the Speech or Debate Clause are to be fully protected, a protective order will be required limiting the subject matter of the current grand jury's investigation and not merely the questions which may be put to Dr. Rodberg, the witness under subpoena.

For the foregoing reasons it is ordered that the motion to quash and for specification be denied, but that the following protective order be entered:

(1) No witness before the grand jury currently investigating the release of the Pentagon Papers may be questioned about Senator Mike Gravel's conduct at a meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 nor about things done by the Senator in preparation for and intimately related to said meeting.

(2) Dr. Leonard S. Rodberg may not be questioned about his own actions on June 29, 1971 after having been engaged as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for and intimately related to said meeting.

W. ARTHUR GARRITY, Jr.,
U.S. District Judge.

[U.S. COURT OF APPEALS FOR THE FIRST CIRCUIT
No. 71-1331 AND No. 71-1332]

UNITED STATES OF AMERICA v. JOHN DOE, MIKE GRAVEL, U.S. SENATE, INTERVENOR, APPELLANT, SAME v. SAME, SAME

MEMORANDUM AND ORDER

(Entered October 29, 1971)

Hearing have been held on Intervenor's motion for stay pending appeal from the district court's denial of his motion for further relief and, it appearing that: (1) the integrity of the processes of a grand jury must not be lightly regarded; (2) the grand jury here convened is not restricted to investigation of the specific crimes described below; (3) the allegations of possible infringements of the rights of the Intervenor under Article I, Section 6, Clause 1, of the Constitution of the United States as well as allegations of violation of the doctrines of separation of powers, raise important issues of substance, the harm of any such alleged infringements being irreparable; (4) an expedited schedule for hearing appeals on related issues has been adopted, such hearing to be held on November 4, 1971, and it being contemplated that speedy disposition of these issues including those raised by the instant motion, may be forthcoming.

It Is Hereby Ordered that until further order of this court, the grand jury shall not pursue its inquiry into the retention of public property or records with intent to convert (18 U.S.C. § 641), the gathering and transmitting of national defense information (18 U.S.C. § 793), the concealment or removal of public records or documents (18 U.S.C. § 2071), or conspiracy to commit such offenses or to defraud the United States (18 U.S.C. § 371) insofar as these or any other crimes may relate to the so-called "Pentagon Papers", in whatever form. However, it shall be empowered to continue its investigation into any other crimes.

It is further ordered that the parties be excused from reproducing the records on appeals in appendix form, that appellants' brief is to be filed on or before five p.m., Monday, November 1, 1971, and that appellee's brief is to be filed on or before five p.m., Wednesday, November 3, 1971. It is further ordered that the parties are granted leave to file four copies of their briefs in reproduced form to comply with Rule 5(d) and that service of said briefs is to be made in hand.

By the Court:

/s/ DANA H. GALLUP, *Clerk.*

[U.S. Court of Appeals for the First Circuit,
No. 71-1331, and No. 71-1332]

UNITED STATES OF AMERICA v. JOHN DOE, MIKE GRAVEL, U.S. SENATOR, INTERVENOR, APPELLANT, SAME v. SAME, SAME

MOTION FOR POSTPONEMENT OF ORAL ARGUMENT

Comes now Intervenor—Appellant, Mike Gravel, United States Senator, and moves this Honorable Court for a postponement of oral argument until such time as this Court may direct and as reasons therefore states:

(1) Appellees on Friday, October 29, 1971, filed a notice of cross appeal in this case.

(2) Appellees did not notify counsel for Senator Gravel of this action until Monday November 1, 1971 and then the notification was by ordinary mail notwithstanding the expedited schedule adopted by this court and obvious need for oral communication on Friday, Saturday or Sunday.

(3) Intervenor-Appellant has not yet been notified by Appellee of the issues he intends to raise in the cross appeal. Therefore it is impossible for counsel to discuss the issues in his brief.

(4) Intervenor—Appellant is under order from this Court to file its brief on appeal with the Clerk of the Court by 5 p.m. Monday, November 1, 1971. Therefore it will be impossible for Counsel for Senator Gravel to brief the issues involved in the cross appeal even if they were known to counsel.

(5) Intervenor—Appellant is entitled to an opportunity to adequately brief and present his position on the issues whatever they may be, which are raised in the cross appeal.

(6) Whatever inconvenience may result to appellee from the granting of this motion is caused by Appellee's failure to properly and timely notify counsel for Senator Gravel of their cross appeal and the issues presented therein. Counsel for Senator Gravel was available all day Friday, October 29, 1971 in Boston until 8 pm at a location known to counsel for appellee and was not so notified. Counsel was available but not notified all day Saturday and Sunday in Washington at the Senate Office Building where he has been reached by counsel for appellees on various other occasions.

[7] Despite *Kilbourn* v. *Thompson*, *supra*, and *Tenney* v. *Brandhove*, *supra*, the related doctrine of legislative immunity is applicable, though not absolutely, to officers and employees of legislative bodies. *Dombrowski* v. *Eastland*, 1967, 387 82, 85. In this sense, therefore, such employees have rights flowing from the Speech or Debate Clause.

Wherefore, Intervenor-Appellant respectfully moves this Honorable Court for an order postponing the oral argument scheduled for November 4, 1971, until counsel for Senator Gravel has had a reasonable opportunity to brief the issues presented on appellees cross motion.

CHARLES L. FISHMAN,
Attorney for Senator Gravel.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the attached Motion for Postponement of Oral Argument was hand delivered to the United States Attorney for Massachusetts, U.S. Post Office Building, Post Office Square, Boston, Massachusetts, this first day of November, 1971.

CHARLES L. FISHMAN,
Attorney for Senator Gravel.

[U.S. Court of Appeals, No. 71-1331, No. 71-1332, and No. 71-1335]

United States of America, v. John Doe, Mike Gravel, U.S. Senator, Intervenor, Appellant, Same, v. Same, v. Same

Order of Court, Entered November 1, 1971

It is ordered that the order of this court of October 29, 1971, be amended by striking the third paragraph thereof and substituting the following in place thereof:

"It is further ordered that the parties be excused from reproducing the records on appeals in appendix form, that appellants' brief is to be filed on or before 5:00 P.M. on Thursday, November 4, 1971, that appellees' brief is to be filed on or before 5:00 P.M. on Monday, November 8, 1971, and that these cases be heard at 11:00 A.M. on Wednesday, November 10, 1971. It is further ordered that the parties are granted leave to file four (4) copies of their briefs in reproduced form to comply with Rule 5(d) and that service of said briefs is to be made in hand."

It is further ordered that this new paragraph is to be applicable to the case No. 71-1335.

By the Court:

DANA H. GALLUP, *Clerk.*

[U.S. Court of Appeals for the First Circuit, No. 71-1331, No. 71-1332, and No. 71-1335]

UNITED STATES OF AMERICA v. JOHN DOE, MIKE GRAVEL, U.S. SENATOR, INTERVENOR, APPELLANT, v. SAME, v. SAME

APPEAL FROM AN ORDER OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

The United States of America has consolidated its brief as Appellant and Appellee for the convenience of the court in order to avoid the making of lengthy arguments in separate briefs which would be in most respects identical.

In the event that Appellant Intervenor raises issues not anticipated by the government, we will file a short supplemental appellee's brief.

I: ISSUES PRESENTED FOR REVIEW

Cross-Appeal by the United States: 1. Does the Speech or Debate clause bar the questioning of persons about legislative activities or conduct related thereto.

On Appeal by the Intervenor: 2. Same as No. 1 above. 3. Has the Intervenor presented an appealable issue for review.

II: STATEMENT OF THE CASE

This is an appeal from an Order entered by the District Court on October 4, 1971, reaffirmed on October 28, 1971, which denied the motions of the Appellant-Intervenor and witness Leonard Rodberg to quash a grand jury subpoena served on Rodberg and granted certain relief to the Intervenor through a protective Order. This Order brought to culmination a series of proceeding precipitated by service of the subpoena on Rodberg which commanded his appearance before the grand jury in Boston on August 27, 1971.

Rodberg moved to quash subpoena on August 27. Thereafter, Appellant-Intervenor moved to intervene alleging that Rodberg was his personal servant; that the grand jury sought to elicit testimony from Rodberg concerning his actions directed and controlled by the Intervenor, and upon his orders, which was immune from judicial inquiry by virtue of the Intervenor's constitutional privileges and duties; and that no other party could adequately represent the interest of the Intervenor. He was permitted to intervene, and he thereupon moved (1) to quash the Rodberg subpoena and (2) for an Order requiring the Government to specify in detail the purpose, scope and exact nature of the questions to be asked Rodberg by the grand jury.

The facts are not essentially in dispute. They are recited favorably to the Intervenor in the District Court's memorandum of decision entered October 4 as follows:

"Dr. Leonard S. Rodberg, a physicist and resident fellow at the Institute for Policy Studies in Washington, D.C., and currently engaged as a staff member of United States Senator Mike Gravel of Alaska, petitioned the court on August 27, 1971, to quash a subpoena ordering him to appear before a federal grand jury ostensibly investigating crimes relating to the release and dissemination of the much-publicized classified study by the Department of Defense entitled 'History of U.S. Decision-Making Process on Viet Nam Policy', popularly called the 'Pentagon Papers.'

"The crimes being investigated by the grand jury include the retention of public property or records with intent to convert (18 U.S.C. § 641), the gathering and transmitting of national defense information (18 U.S.C. § 793), the concealment or removal of public records or documents (18 U.S.C. § 2071), and conspiracy to commit such offenses and to defraud the United States (18 U.S.C. § 371), as is indicated in the prosecuting attorneys' oaths of office on file with the Clerk. [Footnote omitted]

* * * * *

"Both motions of the Senator allege, and the court finds, that 'as personal assistant to movant, Dr. Rodberg assisted movant in preparing for disclosure and subsequently disclosing to movant's colleagues and constituents, at a hearing of the Senate Subcommittee on Public Buildings and Grounds, the contents of the so-called 'Pentagon Papers,' which were critical of the Executive's conduct in the field of foreign relations.'

"Late in the evening of June 29, Senator Gravel, a member of the Committee on Public Works, called a meeting of its Subcommittee on Public Buildings and Grounds, of which he is chairman. Earlier that same day, the Senator had added Dr. Rodberg to his personal staff. At the meeting he read extensively from the study and, at its conclusion, placed the entire study comprising 7,000 pages of complex material in 47 volumes on file with the subcommittee, thereby making it widely available to the press. About seven weeks later, on August 18, it was reported in the Washington Post that Senator Gravel had turned over the Pentagon Papers to a Boston publisher, Beacon Press, for compilation into a four-volume book to be released in late October under the title, 'The Senator Gravel Edition of the Pentagon Papers: the Defense Department History of Decision Making on Vietnam;' and that Beacon Press came to agreement with the Senator after negotiations with his assistant Dr. Rodberg. In the August 24 edition of a weekly newspaper, Boston After Dark, an article, 'Why MIT & Harvard Suppressed the Pentagon Papers,' described in detail Dr. Rodberg's prior negotiations with publishers other than Beacon press. On the evening of August 24, Dr. Rodberg was subpoenaed to appear and testify before the current grand jury."

Rodberg contended that the mere fact of his appearance before the grand jury would have a chilling effect on his First Amendment freedoms of press and association. Both Rodberg and the Intervenor protested that the Speech or Debate Clause[1] insulated them from grand jury questioning regarding (1) the meeting of the Senate Subcommittee on Public Buildings and Grounds on June 29, 1971, during which the Senator read from the Defense Department study on U.S.-Vietnam relations popularly known as the Pentagon Papers, and (2) subsequent efforts by Senator Gravel, through Rodberg, to publish the Pentagon Papers.

The Motions to Quash and for specification were denied in the District Court's decision of October 4 in which the Court made the following conclusions of law, among others:

(1) Intervenor's legislative acts may not consistently with the Speech or Debate clause be the subject of questioning before the grand jury [Memorandum of Decision, p. 9];

(2) The privilege is limited specifically to legislative acts and antecedent conduct so intimately related to them such as cannot be proved without resort to inquiry into legislative acts. [ibid, p. 7];

(3) Whatever Intervenor did at the subcommittee meeting on June 29 and certain acts done in preparation therefor are privileged [ibid., p. 10];

(4) Intervenor's arranging for private publication of the Pentagon Papers by Beacon Press is not embraced by the Speech or Debate clause [ibid., p. 12];

(5) The legislative privilege enjoyed by a Senator must extend to some activities of a member of his staff acting at his direction [Ibid., p. 14];

(6) Therefore, the Speech or Debate clause prohibits inquiry into things done by Dr. Rodberg as the Intervenor's agent or Assistant which would have been legislative acts, and therefore privileged, if performed by the intervenor personally [Ibid., p. 15];

(7) If Intervenor's rights under the Speech or Debate clause are to be fully protected, a protective Order will be required limiting the subject matter of the current grand jury's investigation and not merely to the questions which may be put to Dr. Rodberg, the witness under subpoena [Ibid., p. 16].

The protective order was framed as follows:

"(1) No witness before the grand jury currently investigating the release of the Pentagon Papers may be questioned about Senator Mike Gravel's conduct at a meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 nor about things done by the Senator in preparation for and intimately related to said meeting.

"(2) Dr. Leonard S. Rodberg may not be questioned about his own actions on June 29, 1971 after having been engaged as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for and intimately related to said meeting."

The Intervenor filed a motion for reconsideration and for a stay pending decision emphasizing the proposition that his activities concerning republication of the Pentagon Papers fell within the protection of the Speech or Debate clause. Rodberg filed a motion for rehearing or certification to the Court of Appeals, pursuant to 28 U.S.C. 1292(b) as an interlocutory appeal, and for a stay. Rodberg's subpoena was ordered stayed pending the District Court's decision following reconsideration of the October 4 ruling.

In the interim a subpoena was served on Howard Webber, editor of M.I.T. Press, and his appearance before the grand jury was scheduled for October 29, 1971. Intervenor, on October 27, 1971, moved for leave to intervene with regard to the Webber subpoena (which was granted) and for an Order quashing or staying that subpoena. Additionally, the Intervenor moved for the following:

(1) An order requiring the government to provide a listing of all those who had been subpoenaed or are to appear before the grand jury to give testimony;

(2) Hearings to determine which of the witnesses had privileged information which, constitutionally, could not be inquired into, or should not be inquired into pending final determination on reconsideration;

(3) An Order requiring the government to specify all questions to be asked each witness, and a ruling on the constitutional permissibility of each such question.

Finally, the Intervenor moved for an Order staying enforcement and execution of all subpoenas then outstanding or to be issued compelling appearance of witnesses before the Boston grand jury pending disposition of the motion for further relief outlined above in Paragraphs 1, 2 and 3.

All of the foregoing described motions were denied by a Memorandum and Order Denying Further Relief, entered in E.B.D. No. 71-172-G, October 29, 1971. By a supplemental Protective Order entered that same date in E.B.D. Nos. 71-172-G and 71-209-G the Court ordered the Rodberg and Webber subpoenas stayed for 10 days and barred questioning by the grand jury touching upon the Intervenor's conduct in arranging for private publication of the Pentagon Papers and upon Rodberg's conduct in arranging for such publication to the extent that what he did was in his capacity as a member of the Intervenor's personal staff.

The motions for reconsideration were denied and the District Court's decision of October 4 reaffirmed. Rodberg's request for certification was denied.

The Intervenor appeals from the orders denying the motions to quash the Webber subpoena and for reconsideration of the order denying the motions to quash the Rodberg subpoena and for specification of the purpose and scope of the questions to be asked Rodberg.

The Government appeals from the District Court's October 4, 1971 decision (reaffirmed October 28, 1971) (1) that Senator Gravel's legislative acts may not consistently with the Speech or Debate Clause be the subject of questioning before the grand jury; (2) that the Speech or Debate Clause prohibits inquiry into things done by Dr. Rodberg as the Senator's agent or assistant which would have been legislative acts, and therefore privileged, if performed by the Senator personally; and (3) the protective order designed to implement the court's ruling.

On October 29, 1971, Intervenor filed his notices of appeal and the government filed notice of its appeal from the above-mentioned initial protective order. On the same date the Court of Appeals granted Intervenor's motion for a stay pending appeal and halted the grand jury's inquiry until further order of this court.

[1] Art. I, § 6, cl. 1 provides, "The Senators and Representatives shall receive a Compensation for their Services, to be ascertained by Law, and paid out of the Treasury of the United States. They shall in all Cases, except Treason, Felony and Breach of the Peace, be privileged from Arrest during their attendance at the Session of their respective Houses, and in going to and returning from the same; and for any Speech or Debate in either House, they shall not be questioned in any other Place." The last clause is known as the Speech or Debate Clause.

III: ARGUMENT

[On Intervenor's Appeal]

A. THE DISTRICT COURT PROPERTY DENIED INTERVENOR'S MOTIONS TO QUASH SUBPENAS AND SUPERVISE THE GRAND JURY

1. The "Speech or Debate" Clause Does Not Require or Permit the Granting of the Relief Demanded by Intervenor.

Article 1, Section 6, Cl. 1 of the United States Constitution creates a legislative privilege for "Senators and Representatives" by providing that "for any Speech or Debate in either House, they shall not be questioned in any other Place."

It is the meaning of this clause and the nature and extent of the privilege it creates which will be determinative of the issues raised on this appeal and cross-appeal.

(a) The "Speech or Debate" Clause Does Not Prohibit Questioning Regarding Legislative Activities.

The provision that "they shall not be questioned in any other place" does not mean that legislators may not be asked questions about their speeches or debates outside of Congress. If the clause carried this meaning, fellow legislators, constituents, news gatherers and others could not ask legislators outside of Congress about the meaning of a speech, the basis for factual assertions contained therein, the sources of information employed, or the speaker's motivation, all of which are common matters of inquiry by the groups mentioned above.

The Intervenor has argued, and the District Court apparently concluded, that such questioning of anyone about a legislator's speech or debate activities is violative of the legislative privilege, if the questioning occurs in a *judicial proceeding*. This also is incorrect. The error is due in part to attributing modern day meaning to the words "questioned in any other place" despite the fact that the words are of ancient origin and meaning. The error also stems from failure to note that the clause forbids the questioning of legislators *"for"* speeches or debates, not *about* them, and applies only to legislators, not to other persons.

The proposition that the legislative privilege does not preclude the questioning of legislators or others as witnesses in judicial proceedings, about legislative activity can be demonstrated by two brief illustrations:

Case No. 1:

A legislator enters the House chamber and makes the following speech: "Fellow members, I am appalled by what has occurred here today. This morning on my way to this chamber I came across our colleague John Smith lying on the floor of the corridor with a severe wound in his head. He had been rendered unconscious and robbed. I did not see the crime occur, and do not know who committed it, but I urge the proper authorities to make every effort to apprehend the culprit."

Weeks later, the legislator is called to Court as a prosecution witness in the case against two defendants for assaulting and robbing John Smith. The legislator testifies on direct examination that on the day in question, while walking down the pertinent corridor, he saw two men depart hurriedly from the area where John Smith lay, and he identifies the defendants as the men.

On cross-examination, defendants' counsel would not be precluded from exploring the arguably inconsistent prior statement made by the legislator in his speech. The legislative privilege would not prevent such interrogation because the inquiry is *about* his prior speech and not "for" it, and because he is not being "questioned" for the speech as that term is used in the Speech or Debate Clause, as will be shown hereafter.

Case No. 2:

A legislator makes the following speech on the chamber floor: "Fellow members, I have received detailed information showing that a respected business executive is in fact the head of a criminal syndicate in my District. His name is Paul Brown. Tomorrow in this chamber I will disclose the details."

That evening, the legislator is gravely wounded in an assassination attempt. A grand jury inquires into the the crime and finds circumstantial evidence that Paul Brown directed the attempted murder. The grand jury would not be precluded by the legislative privilege from gathering evidence of Brown's motive by receiving testimony as to the giving of the speech and its content either from the legislator himself, or from others who heard it. Again, this is so because the legislator would not be "questioned" "for" the speech within the meaning of the Speech or Debate Clause, but would merely be asked about it.

The historical antecedents of the Constitution are instructive on what it means to be "questioned" "for" a speech or debate. The Supreme Court in *Tenney* v. *Brandhove*, 341 U.S. 367, 373 (1951), stated that "[t]hat [Speech or Debate] provision in the United States Constitution was a reflection of political principles already firmly established in the States." Comparison of the following is enlightening:

The English Bill of Rights of 1689 provided:

"That the Freedom of Speech, and Debates or Proceedings in Parliament, ought not to be impeached or questioned in any Court or Place out of Parliament." (1W. & M., Sess. 2, C. 2.)

Our Articles of Confederation, 1777, Article V provided:

"Freedom of speech and debate in Congress shall not be impeached or questioned in any Court, or place out of Congress. . . ."

The Maryland Declaration of Rights, Nov. 3, 1776, provided:

"That freedom of speech and debates, or proceedings in the Legislature, ought not to be impeached in any other Court or judicature."

The Massachusetts Constitution of 1780, Article XXI, provided:

"The freedom of deliberation, speech, and debate in either house of the legislature, is so essential to the rights of the people, that it cannot be the foundation of any accusation or prosecution, action or complaint, in any other Court or place whatsoever."

The New Hampshire Constitution of 1784, Part 1, Article XXX, provides:

"The freedom of deliberation, speech, and debate, in either house of the legislature, is so essential to the rights of the people, that it cannot be the foundation of any action, complaint, or prosecution, in any other Court or place whatsoever."

The foregoing provisions make it plain that the word "questioned" as used in the Constitution's Speech or Debate Clause, is synonymous with "impeached," called to account, and called to answer charges in a court of law. In this clause the word simply does *not* have its present day meaning of being "asked about" something.

The Oxford English Dictionary, Vol. VIII (1933), gives the following illuminating information on the historical meaning of the word "Question":

"2.c. In question: Under judicial examination; on trial.

d. To call in (or into) question: To examine judicially, bring to trial; to take to task, call to account.

1611 Bible Acts xix.40

We are in danger to be called in question for this day's uproar.

A1641 Bp. Montague Acts & Mon. (1642)59

Socrates . . . was called into question, and had sentence of death pronounced against him.

1647 J. Carter Nall & Wheel 78

Presently he was . . . called in question as a delinquent." (p. 47)

"1.b. To examine Judicially; hence, to call to account, challenge, accuse (of).

1637 Heylin Answ. Burton 60

When you were questioned publickely for your misdemeanors.

a1341 Bp. Montague Acts & Mon. (1642) 240 Socrates was questioned and condemned at Athens.

1656 Bramhall Replic. ii 96 He had rather his own Church should be questioned of Idolatry.

1789 Constitution U.S. Art 1, § 6 For any speech or debate in either house [members of Congress] shall not be questioned in any other place.

1839 Macaulay Ess. (1843) II. 458 [He] cannot be questioned before any tribunal for his baseness and ingratitude." (p. 48)

The special meaning of the term "questioned" is illustrated by the case of *Ex Parte Wason*, L.R. 4 Q.B. 573 (1869), in which the Court held that statements made in the House of Lords "could not be made the foundation of civil or criminal proceedings . . ." (p. 576) Mr. Justice Lush stated that "the motives or intentions of members of either House cannot be *inquired into by criminal proceedings* with respect to anything they may do or say in the House." (emphasis added) (p. 577). This clearly indicates the nature of the questioning prohibited by the legislative privilege. In short, the questions prohibited by the legislative privilege are not those asked by inquirers, but are those raised by the institution of judicial action against the legislator.

(b) The "Speech or Debate" Clause Bars Civil and Criminal Prosecution of Legislators for their Legislative Activities.

In *Coffin* v. *Coffin*, 4 Mass. 1 (1808), Chief Justice Parsons said:

"These privileges are thus secured, not with the intention of protecting the members against prosecutions for their own benefit, but to support the rights of the people, by enabling their representatives to execute the functions of their office *without fear of prosecutions, civil or criminal.* I, therefore, think that the article ought not to be construed strictly, but liberally, that the full design of it may be answered. I will not confine it to delivering an opinion, uttering a speech, or haranguing in debate, but will extend it to the giving of a vote, to the making of a written report, and to every other act resulting from the nature and in the execution of the office. *And I would define the article as securing to every member exemption from prosecution for everything said or done by him as a representative*, in the exercise of the functions of that office, without inquiring whether the exercise was regular, according to the rules of the House, or irregular and against their rules." (emphasis added.)

In the English case of *Stockdale* v. *Hansard*, 9 Adolphus & Ellis 1 (1839), it was said that by virtue of the legislative privilege: "whatever is done within the walls of either assembly must pass without *question in any other place*. For speeches made in Parliament by a member to the prejudice of any other person, or hazardous to the public peace, that member enjoys *complete impunity*. For every paper signed by the speaker by order of the House, though to the last degree calumnious, or even if it brought personal suffering upon individuals, *the speaker cannot be arraigned in a court of justice.*" (emphasis added)

Both the cases, and text writers describe the legislative privilege as an exemption from civil and criminal prosecution. See, for example, Cushing LEGISLATIVE ASSEMBLIES, § 901 (2d Ed. 1866), which states that:

"[I]n short, • • • the privilege in question secures the members of a legislative assembly against all *prosecutions*, whether civil or criminal, on account of any thing said or done by them, during the session, resulting from the nature and in the exercise of their office." (emphasis added)

Every case found by the government in which a court has held the legislative privilege applicable, has involved a legislator who has had a civil or criminal prosecution brought against him for his legislative activities. For example, several civil cases have found the privilege applicable. In *Kilbourn* v. *Thompson*, 103 U.S. 168 (1880), the court held that representatives could not be sued for false imprisonment based upon what they had done in the course of their legislative activities.

Tenney v. *Brandhove*, 341 U.S. 367 (1951), held that a suit against a California legislator for alleged violation of federal civil rights legislation by virtue of his legislative activities must be dismissed as violative of the legislative privilege. In both the *Tenney* and *Kilbourn* cases, the Supreme Court refers to the *Coffin* opinion, *supra*, as authoritative. In *Cochran* v. *Couzens*, 42 F. 2d 783 (D.C. Cir. 1930); *cert. den.* 282 U.S. 874 (1930), the court affirmed a dismissal of a complaint for slander in a speech on the floor of the Senate. The court held that:

"The words forming the basis of plaintiff's action were uttered in the course of a speech in the chamber of the Senate of the United States, and were absolutely privileged and not subject to 'be questioned in any other place.'"

More importantly, the legislative privilege insures against criminal prosecutions. As the Court of Appeals said in *United States* v. *Johnson*, 337 F. 2d 180, 190 (4th Cir. 1964),

"The constitutional protection against *being called upon to answer* in 'any other place' for a speech delivered in the House is equally impaired whether the court proceedings are criminal or civil. Indeed, fear of criminal prosecution may be the graver inhibition." (emphasis added)

The Supreme Court in *United States* v. *Johnson*, 383 U.S. 169 (1966), approved the Court of Appeals conclusion as follows:

"The legislative privilege, protecting against possible *prosecution* by an unfriendly executive and conviction by a hostile judiciary, is one manifestation of the 'practical security' for ensuring the independence of the legislature." (emphasis added) (p. 179)

• • • • •

". . . it is apparent from the history of the clause that the privilege was not born primarily of a desire to avoid private suits such as those in Kilbourn and Tenney, but rather to prevent *intimidation* by the executive and *accountability* before a possibly hostile judiciary." (emphasis added) (pp. 180–181)

• • • • •

"There is little doubt that the instigation of *criminal charges* against critical or disfavored legislators by the executive in a judicial forum was the chief fear prompting the long struggle for parliamentary privilege in England and, in the context of the American system of separation of powers, is the predominant thrust of the Speech or Debate Clause. In scrutinizing this criminal prosecution, then, we look particularly to the prophylactic purposes of the clause." (emphasis added) (p. 182).

The indictment involved in the *Johnson* cases contained a conspiracy count which alleged that as part of the conspiracy, Representative Johnson was paid to make a speech in Congress and to persuade officials of the Department of Justice to postpone and dismiss a criminal action pending against a co-conspirator.

The Court of Appeals construed the case as raising the issue, not of whether questions could be asked about the speech, but of whether such a prosecution could be brought. The court said:

"This is the first case, within our knowledge, squarely raising the question whether the congressional privilege deprives a court of *jurisdiction to try* a member on a criminal charge of accepting money to make a speech in the House of which he is a member." (emphasis added) (337 F. 2d 186).

The Appellate Court concluded that it was not questions asked about the speech, but the indictment itself which was prohibited by the legislative privilege. The court declared:

"Inevitably, *the indictment* required an inquiry into Johnson's reason for delivering the speech, the very inquiry which the Supreme Court has explicitly declared to be beyond a court's power." (337 F. 2d 189) (emphasis added).

The Supreme Court in *United States* v. *Johnson*, 383 U.S. 169 (1966), reached the same conclusion. In extensive passages, the court indicated that it was the criminal charge, not the asking of questions, which was barred by Art. I, § 6, of the Federal Constitution:

"It is the *application* of this broad conspiracy *statute* to an improperly motivated speech that raises the constitutional problem with which we deal." (emphasis added) (p. 172).

• • • • •

"The constitutional infirmity infecting this prosecution is *not* merely a matter of the introduction of *inadmissible evidence*. The attention given to the speech's substance and motivation was not an incidental part of the Government's case, which might have been avoided by omitting certain lines of questioning or excluding certain evidence. The conspiracy *theory* depended upon a showing that the speech was made solely or primarily to serve private interests, and that Johnson in making it was not acting in good faith, that is, that he did not prepare or deliver the speech in the way an ordinary Congressman prepares or deliveries an ordinary speech." (emphasis added) (pp. 176–177).

• • • • •

"We see no escape from the conclusion that such an intensive judicial inquiry, made *in the course of a prosecution* by the Executive Branch under a general conspiracy statute, violates the express language of the Constitution and the policies which underlie it." (emphasis added) (p. 177).

• • • • •

"The essence of such a *charge* in this context is that the Congressman's conduct was improperly motivated, and as will appear that is precisely what the Speech or Debate Clause generally forecloses from executive and judicial inquiry." (emphasis added) (p. 180).

• • • • •

"The *indictment* itself focused with particularity upon motives underlying the making of the speech and upon its contents:

'(15) It was a part of said conspiracy that the said Thomas F. Johnson should . . . render services, for compensation, . . . to wit, the making of a speech [•••] on the floor of the House of Representatives.' • • •

"We hold that a *prosecution* under a general criminal statute dependent on such inquiries necessarily contravenes the Speech or Debate Clause." (emphasis added) (pp. 184–185).

The conclusion is inescapable that the legislative privilege creates an immunity from civil or criminal prosecution. It does not bar the questioning of witnesses about legislative activities in proceedings in which the legislator himself is not being so called to account.

2. Only Senators and Representatives are protected by the Legislative Privilege.

The Intervenor has contended that Leonard Rodberg is his employee and as such shares the legislative privilege given the Intervenor by the Speech or Debate Clause.

This contention is clearly refuted by the language of the Speech or Debate Clause itself, as well as by the holding of *Dombrowski* v. *Eastland*, 387 U.S. 82, 85 (1967).

However, whether the Intervenor or the Government is correct in its view of the law is of no consequence in the present posture of this case. The legislative privilege creates an exemption from civil and criminal prosecutions for the legislative activities of those persons to whom its protection extends. Since witness Rodberg has not been prosecuted civilly or criminally for any activity which he or the Intervenor allege to be privileged, there is no occasion for any Court to decide whether he is covered by the legislative privilege or not. For the Court to do so would make its decision anticipatory and advisory, and would conflict with long established rules of jurisprudence. *United States* v. *Fruehauf*, 365 U.S. 146, 157 (1961); *Muskrat* v. *United States*, 219 U.S. 346 (1911).

3. Senators and Representatives Are Protected by the Legislative Privilege Only in Their Legislative Activities

The intervenor has insisted that the acquisition of documents later used in a speech, and their subsequent publication by a private printer are all activities prctected by the legislative privilege.

In fact, the Speech or Debate Clause does not apply to such acquisitions or publications and the reason for the rule would not be served by such an application because such activities are not necessary to give legislators freedom to speak and debate. *McGovern* v. *Martz*, 182 F. Supp. 343 (D. D.C. 1960); *Long* v. *Ansell*, 69 F. 2d 386 (D.C. Cir. 1934), *aff'd* 293 U.S. 76 (1934); *Hentoff* v. *Ichord*, 318 F. Supp. 1175 (D. D.C. 1970); *Restatement of Torts*, 1938 ed. § 590 Comment b.

The intolerable situation which would be created by cloaking such activities with legislative immunity is readily seen from a simple illustration. If such activities were privileged, a legislator could receive a valuable stolen literary property, enter it as an exhibit in a committee hearing and then dispose of it to a publisher for a handsome profit, all with complete impunity.

Here too, however, the question of whether the Intervenor or the government is correct in its view of the law is of absolutely no consequence in the present posture of this case. Because the Intervenor has not been, and is not now, the subject of civil or criminal prosecution for any activity which he alleges to be privileged, there is no occasion for any Court to decide whether the activities he alleges to be privileged are in fact so privileged. Such a Court decision would be entirely anticipatory and advisory and would contravene long established rules of jurisprudence. *United States* v. *Fruehauf*, 365 U.S. 146, 157 (1961); *Muskrat* v. *United States*, 219 U.S. 346 (1911).

4. The Legislative Privilege Is Enforced by Obtaining Court Action Against Offending Prosecutions.

Because Intervenor has completely misconstrued the nature of the legislative privilege, he has also failed to apprehend the manner in which a legislator obtains its protection. He views the legislative privilege as prohibiting the government from asking any witnesses questions about: (1) how and from whom he received certain stolen government papers, and (2) publication of the papers after he placed them into the record of a Senate subcommittee. His proposed method for securing this fancied privilege is alternatively: (1) to quash the grand jury subpoenas of all witnesses who could be asked such questions, or (2) to supervise the grand jury's investigation himself by: (a) obtaining a list of all grand jury witnesses, (b) determining by Court hearing which witnesses know answers to questions he claims cannot be asked, and (c) obtaining in advance a list of all questions to be asked such witnesses.

However, as has been shown heretofore, the legislative privilege does not forbid the asking of questions but exempts legislators from civil and criminal prosecution. A legislator secures the protection of the privilege when—and only when—a civil or criminal charge is brought against him, for until that time his immunity from prosecution has not been infringed in any way. At such time he may then request the judiciary to dismiss the offending charge. He may not, however, seek to protect his legislative privilege by standing outside the grand jury door and complaining to the Court that he must know what witnesses are being called, what they know, and what they are being asked.

A legislator's immunity from prosecution by virtue of his position is to be guarded in the same way that the immunity of a witness testifying under an immunity statute such as 18 U.S.C. § 2514 is protected. Such a witness cannot complain that other witnesses are being questioned about matters on which he possesses immunity. Nor can he successfully demand a list of witnesses, or disclosure of their knowledge or the questions to be asked them. His immunity simply is not violated unless he is charged with an offense from which he is immune. His remedy—like the legislator's—is then to have the Court remove the offending charge.

In addition to its inappropriateness as a means of securing his legislative privilege. Intervenor's requested "mechanism" for controlling the grand jury would be violate of long-established rules, statutes and case law governing the secrecy of grand jury proceedings. Rules 6, 16, Federal Rules of Criminal Procedure; Title 18, United States Code, Section 3500; *Pittsburgh Plate Glass Company* v. *United States*, 360 U.S. 395 (1959); *United States* v. *Procter & Gamble*, 356 U.S. 677 (1958).

The case of *United States* v. *Johnson*, 383 U.S. 169 (1966), is instructive in this area also. Had Representative Johnson *not* been charged in the Indictment, there would have been no constitutional impediment to the questioning of witnesses concerning the details of his bribe-prompted speech in a prosecution of the other defendants. In fact, they were tried with Johnson and, according to the Supreme Court, at the trial

"Extensive questioning went on concerning how much of the speech was written by Johnson himself, how much by his administrative assistant, and how much by outsiders representing the loan company." (p. 173)

Despite this extensive questioning into matters for which defendant Johnson had legislative immunity, the convictions of Johnson's co-defendants were allowed to stand because they had no right that the evidence not be introduced against them. See *United States* v. *Johnson*, 337 F. 2d 180, 192 (4th Cir. 1964).

On the appeal from his conviction following his retrial, Johnson sought reversal claiming that the grand jury had violated his privilege by hearing evidence concerning his speech. The Appellate Court in *United States* v. *Johnson*, 419 F. 2d 56, 58 (4th Cir. 1969), in no way agreed with his contention but disposed of his argument by saying:

"Johnson contends that the counts of the indictment on which he was convicted are invalid because the grand jury that returned them heard evidence concerning his Congressional speech. Johnson's argument, however, is foreclosed by authorities that we deem controlling." [citing cases including *Costello* v. *United States*, 350 U.S. 359 (1956)]

Although too obvious to mention, it is abundantly clear that the existence of a grand jury investigation does not constitute a civil or criminal prosecution against the Intervenor or anyone else. As the Supreme Court has pointed out in *Cobbledick* v. *United States*, 309 U.S. 323, 327 (1940), "a grand jury proceeding has no defined litigants and . . . none may emerge from it . . ." In *Blair* v. *United States*, 250 U.S. 273, 282 (1919), the Court said of a Grand Jury investigation:

"The identity of the offender, and the precise nature of the offense, if there be one, normally are developed at the conclusion of the grand jury's labors, not at the beginning."

B. THE DENIAL OF INTERVENOR'S REQUESTED RELIEF IN THE DISTRICT COURT IS NOT APPEALABLE

Finality as a condition of review is a long-standing characteristic of federal appellate procedure. Denial of a motion to quash a grand jury subpoena has been held interlocutory and not appealable in *Cobbledick* v. *United States*, 309 U.S. 323 (1940), and *United States* v. *Ryan*, 402 U.S. 530 (1971).

It is true that in the present situation the Intervenor has no means of having himself held in contempt for disobedience to a subpoena so that he could appeal from such an order. However, this does not mean that he faces irreparable injury unless he is allowed to appeal, so as to invoke the rule in *Perlman* v. *United States*, 247 U.S. 7 (1918); permitting an appeal.

Perlman made a claim which if correct and not adjudicated on appeal could have meant that his constitutional right would have been violated. The Intervenor here has made a claim of legislative privilege for himself and his employee covering certain activities, but if the correctness of his claim is not reviewed by this Court he not only does not face irreparable injury, but he faces no injury whatever because no civil or criminal prosecution has infringed his constitutional immunity. In fact, he should not have been permitted to intervene in the District Court, and has no right or privilege to vindicate on this appeal.

If Intervenor's position on appealability were correct, then any legislator who wished to hamper or retard a grand jury investigation could claim a fear that witnesses may be asked about his activities, move to quash their subpoenas, and appeal from the lower courts' denials. If a civil or criminal charge were later brought against him he could seek its dismissal in court on grounds of legislative privilege and could appeal from denial of such a motion.

If a legislator were given such a series of appeals, it would be obvious both that the initial appeals were interlocutory and that he faced no injury—irreparable or otherwise—at the time the initial appeals were taken.

In the event that the Intervenor or his employee were charged with a civil or criminal offense, appeal could be had from any lower court ruling on their claim of legislative privilege. This would be full and adequate appellate review of his constitutional claim. Any review of claims made previous to such time would be premature and advisory.

[On the Government's Appeal]

C. THE DISTRICT COURT'S "PROTECTIVE ORDER" IMPROPERLY LIMITS THE GRAND JURY'S INQUIRY

The District Court's protective order states that: (1) "no witness before the grand jury . . . may be questioned about" certain conduct of Senator Mike Gravel, and that (2) Witness Rodberg "may not be questioned about" certain of his own actions taken at the Senstor's direction.

As has been demonstrated in preceding portions of this brief, the Speech or Debate Clause prohibits a legislator from being "questioned" for legislative activities by civil or criminal prosecution, but does not preclude witnesses from being "questioned about" such activities in proceedings in which the legislator himself is not being so called to account.

In view of the nature of the legislative privilege, a protective order to insure a legislator's rights under it is neither necessary nor proper. The privilege creates an immunity from civil and criminal prosecution for legislative activities. This immunity is fully protected by resort to the courts when such an offending prosecution is brought. Any protective order issued in the absence of such a prosecution is entirely anticipatory and ad-

visory, and is an improper interference with the lawful functions of the grand jury.

IV. CONCLUSION

For the reasons previously stated, with regard to the appeal of the Intervenor, the appeal should be dismissed, or in the alternative the District Court's denial of his requested relief should be affirmed.

With regard to the appeal of the government, the District Court's protective order should be vacated.

Respectfully submitted,

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[U.S. Court of Appeals for the First Circuit]

BRIEF OF INTERVENOR, APPELLANT

(No. 71-1331—United States of America, versus John Doe, Mike Gravel, U.S. Senator, Intervenor, Appellant)

(No. 71-1332—Same, versus Same, Same)

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Attorneys for Senator Gravel.

JURISDICTION

The Jurisdiction of this Court to hear and decide this matter is based upon 28 U.S.C. § 1291, in that this is an appeal from a final order of the District Court denying Appellant's motions to quash subpoenas, for specification, and for further relief. The argument in support of this Court's jurisdiction under 28 U.S.C. § 1291 is presented *infra* at pp. 13-17.

STATEMENT OF THE CASE

Appellant, Mike Gravel, is a duly elected and certified member of the United States Senate and Chairman of the Senate Subcommittee on Buildings and Grounds. On June 29, 1971, he duly convened a public meeting of the Subcommittee, with United States Congressman John Dow testifying as a witness; and during the course of the meeting Senator Gravel read and inserted into the official subcommittee record part of the material commonly referred to as the "Pentagon Papers."

At the end of the hearing, Senator Gravel ordered that the record of the subcommittee hearing be publicly released, and excerpts from it were widely reported in the press. In July of 1971, Senator Gravel ordered a copy of the record delivered to Beacon Press, a nonprofit publishing house operated by the Unitarian-Universalists Association. Also in July the United States Attorney requested the Court below to convene a grand jury.

On August 24, 1971 a subpoena was served upon Dr. Leonard S. Rodberg ordering him to appear and give testimony three days later before the grand jury. Dr. Rodberg had become a member of Senator Gravel's personal legislative staff on the morning of June 29 and acted from that point on under Senator Gravel's direction and control.[1] On August 27, 1971 Dr. Rodberg moved to quash the subpoena in the Court below. On that same date Senator Gravel moved to intervene, which motion was briefed by the parties and granted by the Court below on September 1, 1971.

Senator Gravel then moved to quash the grand jury subpoena or for a specification of the purpose and scope of the inquiry and the questions to be asked. Senator Gravel and Dr. Rodberg both alleged that the government intended to interrogate Dr. Rodberg before the grand jury about the actions of Senator Gravel and his aides in making available to his colleagues and the electorate the contents of the "Pentagon Papers," which were critical of Executive conduct in foreign relations. Evidence in support of this allegation was introduced, and the government did not deny it. On the contrary, the government asserted that none of the actions taken by Senator Gravel, including those at the Subcommittee hearing, were privileged by the Speech or Debate Clause and that the government could subpoena and criminally prosecute Senator Gravel himself.[2] Oral argument was heard on these motions on September 10, 1971.

On October 4, 1971, the Court below issued its Memorandum of Decision and Protective Order (see *infra* pp. 8-11.) which denied Senator Gravel's Motions to Quash or For Specification. The Court below held that Article I, Section 6, Clause I of the Constitution—the Speech or Debate Clause—prohibited the grand jury from making any inquiry of any witness about Appellant's "conduct at a meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 [or] about things done by the Senator in preparation for and intimately related to said meeting." (Memorandum of Decision and Protective Order of October 4, 1971, p. 16); and prohibited questioning of Dr. Rodberg "about his own actions on June 29, 1971, after having been engaged as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for or intimately related to said meeting." (Memorandum of Decision and Protection Order of October 4, 1971, p. 17.) The Court below held, however, that Senator Gravel's actions in securing the public distribution of the official Subcommittee record by its republication "stands on a different footing and, in the Court's opinion, is not embraced by the Speech or Debate Clause." (Memorandum of Decision and Protective Order of October 4, 1971, p. 12).

On October 12, 1971, Appellant filed before the Court below a Motion for Reconsideration and/or Stay Pending Appeal. The Court below stayed enforcement of Dr. Rodberg's subpoena pending reconsideration and asked for a brief from the government on the issues presented. While this Motion was under consideration by the Court below, counsel for Appellant discovered that the grand jury had subpoenaed and intended to question witnesses about matters Appellant believes are protected from inquiry by Article I, Section 6, Clause I, and the District Court's Protective Order of October 4, 1971. Specifically, counsel for Appellant was informed by the United States Attorney that the grand jury wished to inquire into how and from whom Appellant received the material which he read at the Subcommittee hearing. Counsel for Appellant also discovered that the grand jury had subpoenaed and intended to question witnesses about matters which were then under submission to the Court below. Specifically, counsel for Appellant was informed by the United States Attorney that the grand jury wished to inquire into Appellant's and Dr. Rodberg's conduct in releasing the official Subcommittee record for public dissemination. Among these witnesses was Howard Webber, Director of M.I.T. Press, whose activities with Senator Gravel and Dr. Rodberg were described in documents previously filed in the Court below. Appellant moved to intervene and quash the Webber subpoena, alleging that the government intended to interrogate him solely about the above activities. Appellee did not deny any of these allegations, either in the Court below or in this Court on Appellant's Motion for Stay Pending Appeal, and admitted in the Court below that its primary interest in Mr. Webber related to the conduct of Senator Gravel and his aides in attempting to republish the Subcommittee record. Moreover, the subpoena issued on Webber was *duces tecum* and directed him to produce records and notes of conversations held on July 23 with Dr. Rodberg "concerning the Pentagon Papers."

On October 27, 1971, Senator Gravel filed in the Court below a Motion for Further Relief seeking to prevent the inquiries discussed above by providing the Court and Appellant with some judicial mechanism for assuring that the Court's protective Orders and stays were being observed and that questions regarding the applicability of the Court's protective order would be properly decided. The District Court denied Senator Gravel's Motion on three grounds.

"(a) The court has no reason to doubt that its protective order will be obeyed. At the hearing, government counsel stated that it would be. Attorneys are officers for the court on whose good faith the court customarily relies and there is no reason why an exception should be made in this case.

"(b) The court believes that its protective order issued October 4 is unambiguous. The purport of the order is explained at length in the memorandum accompanying it.

"(c) The relief sought by the intervenor in his motion for further relief would impede the grand jury's investigation. A balance must be struck between the intervenor's right not to be intimidated by the Executive by an inquiry into his legislative acts, *United States v. Johnson*, 1966, 383 U.S. 169, 181, and the grand jury's right not to be hobbled by a daily dissection of its activities."

The Court below granted Appellant's Motion to Intervene with respect to the subpoena issued on Mr. Webber. While the Court below denied on October 28, 1971, Appellant's Motion to quash Mr. Webber's subpoena, it granted Appellant a ten (10) day stay on Webber's subpoena pending appeal to this Court. On the same day (October 28, 1971) the Court below denied Appellant's Motion For Reconsideration in Dr. Rodberg's case but granted Appellant a ten (10) day stay of Dr. Rodberg's subpoena pending appeal to this Court. On October 28, 1971, Appellant sought by motion but was denied stenographic copies of the grand jury minutes.

On October 29, 1971 the District Court issued a supplemental Protective Order to its Order of October 4, 1971. The Court below characterized Appellant's constitutional claims as substantial and by no means frivolous. To protect Appellant's position the District Court for a period of ten (10) days ordered the grand jury not to question any witness about Appellant's conduct in arranging for the republication of the Subcommittee record or about Dr. Rodberg's conduct in arranging for publication to the extent that Dr. Rodberg was acting in his capacity as a member of the Senator's personal staff.

On October 28, 1971, Appellant filed his notice of appeal in both cases with the Clerk of the District Court and moved immediately in this Court for a stay pending appeal. This Court held an emergency hearing on October 29, 1971 and entered a Memorandum and Order prohibiting, until further order of this Court, any grand jury inquiry in whatever form into any crimes which may relate to the so-called "Pentagon Papers." On October 29, 1971, the United States filed a cross appeal.

FINDINGS OF FACT AND CONCLUSIONS OF LAW BY THE COURT BELOW

In the "Memorandum of Decision and Protective Order" issued October 4, 1971, the Court below made three basic findings of fact and ten conclusions of law. The findings of fact, which are relevant to this appeal, are: [3]

1. Dr. Leonard S. Rodberg is a Personal staff assistant of Senator Gravel. (Slip Opinion, p. 4.)

2. "[A]s personal assistant to [Senator Gravel], Dr. Rodberg assisted [Senator Gravel] in preparing for disclosure and subsequently disclosing to [Senator Gravel's] colleagues and constituents, at a hearing of the Senate Subcommittee on Public Buildings and Grounds, the contents of the so-called "Pentagon Papers," which were critical of the Executive's conduct in the field of foreign relations." (Slip Opinion, p. 2.)

3. "Viewing together the crimes this grand jury is investigating and the chronology of acts and events leading up to Dr. Rodberg's subpoena, the Court infers that the government's interest in his testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury." (Slip Opinion, pp. 5-6.)

The conclusions of law made by the Court below may be summarized as follows:

1. The Speech or Debate Clause "is limited specifically to legislative acts and antecedent conduct so intimately related to them such as cannot be proved without resort to inquiry into legislative acts." (Slip Opinion, p. 7.)

2. Senator Gravel's legislative acts may not consistently with the Speech or Debate Clause be the subject of questioning of any witness before the grand jury. (Slip Opinion, p. 9.)

3. All actions taken by Senator Gravel at the June 29 Subcommittee meeting, and in preparation for and intimately related to this meeting, are privileged. (Slip Opinion, pp. 10, 16.)

4. The judiciary may not inquire into the purpose or legitimacy of the Subcommittee meeting. (Slip Opinion pp. 10-11.)

5. "[T]he legislative privilege conferred by the Speech or Debate Clause belongs to Congressmen only and not to their assistants and aides." (Slip Opinion, p. 7.)

6. However, in order to protect a Senator's privilege, it "must extend to some activities of a member of his personal staff acting at his direction." (Slip Opinion, p. 14.)

7. Therefore, "the Speech or Debate Clause prohibits inquiry into things done by Dr. Rodberg as the Senator's agent or assistant which would have been legislative acts, and therefore privileged, if performed by the Senator personally." (Slip Opinion, p. 14; see p. 17.)

8. Dr. Rodberg may be questioned about subjects beyond the protection of the privilege, including "the activities of third parties with whom he and the Senator dealt" and "his own conduct previous to his joining the Senator's personal staff . . ." (Slip Opinion, p. 8.)

9. Senator Gravel's "arranging for private publication of the Pentagon Papers . . . is not embraced by the Speech or Debate Clause," and Dr. Rodberg and other witnesses (including, presumably, Senator Gravel) may therefore be interrogated about it by the grand jury and made the subject of criminal prosecution. (Slip Opinion, p. 12; see pp. 16-17.)

10. The protective order which delimits the subject matter of questions which may not be asked of witnesses before the grand jury "fully protects" Senator Gravel's Constitutional rights.

In the "Memorandum and Order Denying Motion for Further Relief" entered on October 29, 1971, the Court below held that Appellant must rely entirely upon the good faith of the United States Attorney to enforce the Protective Order of the District Court.

In the District Court's "Supplemental Protective Order" of October 29, the Court below made the following conclusions of law:

1) Appellant's contentions are substantial and by no means frivolous. (Slip Opinion, p. 1.)

2) The subpoenas served upon Dr. Rodberg and Mr. Webber were stayed for a period of ten (10) days.

3) No witnesses called before the grand jury could be questioned about Appellant's or Dr. Rodberg's conduct in arranging for publication of the so-called "Pentagon Papers" for a period of ten (10) days.

QUESTIONS PRESENTED

I. Whether the decision of a United States District Court denying the Motion of a United States Senator to quash a grand jury subpoena or for specification is appealable under 28 U.S.C. § 1291 when the constitutional rights of the Senator under the Speech or Debate Clause are threatened with irreparable injury by the testimony of third parties over whom the Senator has no control and when the Senator has no other means of securing judicial review?

II. Whether the Executive Branch may seek the aid of the Judicial Branch in convening a grand jury, subpoenaing witnesses and seeking the employment of the Court's contempt powers to assist the Executive in its inquiry into the publication by a United States Senator of the official record of a Senate Subcommittee of which he is Chairman?

III. Whether the Court below committed error in holding that Senator Gravel's constitutional rights were threatened with violation but nevertheless refused to establish any judicial procedures to enforce those rights or provide for judicial review of quesitons of constitutional fact, requiring instead that Senator Gravel rely entirely upon the "good faith" of counsel for the Executive Branch to interpret and enforce the Court's order?

ARGUMENT

I. This court has jurisdiction over this appeal pursuant to 28 U.S.C. § 1291

The Appellee has asserted that the denial of Senator Gravel's motions to quash, for specification and for further relief, is not a final order and thus not appealable under 28 U.S.C. § 1291. In *Perlman v. United States*, 247 U.S. 7 (1918), the Supreme Court held that a non-witness intervenor could appeal as of right from the denial of his motion to quash a grand jury subpoena. In that case, the Government sought a subpoena directed to a third party to produce for grand jury inspection certain documents owned by Perlman.[4] Perlman moved to intervene and to quash the subpoena on the grounds that it violated his Fourth Amendment rights. Intervention was allowed and the motion to quash denied. On appeal to the Supreme Court, the Government argued that the denial of Perlman's motion to quash was interlocutory. Rejecting this argument, the Court stated that Perlman had no other means to obtain review and therefore the denial of his motion to quash was a final, appealable order. *Id.*, at 12-13.

As in *Perlman*, Senator Gravel cannot obtain review from the denial of the motion to quash except by direct appeal, inasmuch as he has not been called to answer and cannot, by refusal to comply, be adjucated in contempt. Numerous other cases are in accord with *Perlman* that the denial of a motion to quash a subpoena issued in either a civil or grand jury proceeding is appealable under 28 U.S.C. § 1291 where no other means of obtaining appellate review is available to the person affected, particularly a non-witness, and the injury complained of is irreparable. *Covey Oil Co. v. Continental Oil Co.*, 340 F. 2d 993 (10th Cir. 1965), *cert. denied*, 380 U.S. 964; *First National Bank v. Arisguieta*, 287 F. 2d 219 (2d Cir. 1960), *cert. denied* 365 U.S. 840; *Overby v. U.S. Fidelity & Guar. Co.*, 224 F. 2d 158 (5th Cir. 1955) and cases cited therein at p. 162 nn. 3, 4; *In re Investigation by U.S. Atty Gen.*, 104 F. 2d 658 (2d Cir. 1939).

The inverse situation—appeal of an order granting a motion to quash—although ordinarily interlocutory, has been held final and therefore appealable under 28 U.S.C. § 1291 when no other avenue of judicial review is feasible. *Carter Products v. Eversharp, Inc.*, 360 F. 2d (7 Cir. 1966); *Westinghouse Electric Co. v. Burlington*, 351 F. 2d 762 (D.C. Cir. 1965). This Court has followed and applied that rule in *Horizons Titanium Corp. v. Norton Co.*, 290 F. 2d 421 (1st Cir. 1961). In all of these cases the test has been the availability or lack of alternative means of obtaining judicial review to prevent an irreparable injury.

The government, through the Solicitor General, has acknowledged and applied the *Perlman* rule in a strikingly analogous case.

In *McSurely v. Ratliff*, 389 U.S. 949 (1967), officials of the State of Kentucky illegally seized the personal property of McSurely who sought to retain possession of his property through the federal courts. After a statutory three-judge court decided the case in favor of McSurely, 282 F. Supp. 848 (E.D. Ky. 1967), but granted a stay pending appeal to the government, a United States Senate Committee issued a subpoena *duces tecum* to Ratliff. McSurely then moved to quash the subpoena sought by the Senate Committee by moving in the ongoing action. The three-judge District Court refused to quash the subpoena. McSurely then appealed to Circuit Justice Stewart who granted a stay of the subpoena and at the suggestion of the Solicitor General sent the case back to the District Court for a hearing. The Memorandum of the Solicitor General states:

"Appellants' essential contention as stated in their application to the Circuit Justice is that the order of the District Court insofar as it directs officials of the Commonwealth of Kentucky to make available to the Senate Committee the documents here in question precludes them from an effective exercise of their right to test the validity of the Committee's subpoena by contempt or otherwise. Thus they argue that whereas in the ordinary situation where a legislative body direct it's subpoena *duces tecum* to the owner of the records he may present his objections to production to that body, and, if they are overruled, test his claim by reusing to produce and running the risk of a citation for contempt, here, the opportunities to contest will be lost if a third party who has obtained possession without consent should be obliged to produce them directly.

"At the same time the Committee has no purpose to prevent the applicants from securing a judicial determination of the validity of any defenses which they may have, provided that they present their claims expeditiously. Moreover we do not dispute the proposition that their opportuntiy to present such defenses as they might otherwise have should not be lost by virtue of the fact that the documents here involved are in the hands of a third party. Accordingly we acknowledge applicants standing to challenge the subpoena issued to the state authorities. Compare *Reisman v. Caplin*, 375 U.S. 440."

On remand the District Court denied McSurely's Motion to Quash and the Supreme Court granted another stay while ordering McSurely to file a jurisdictional statement. 390 U.S. 412 (1968). Thereafter the Supreme Court ruled that the appeal properly belonged in the Court of Appeals for the Sixth Circuit. On remand the Sixth Circuit heard and decided the case in favor of McSurely. See *McSurely v. Ratliff*, 398 F. 2d 817 (6th Cir. 1968). The subpoena was quashed. Here, as in *McSurely*, jurdisdiction is in this Court because Senator Gravel has no other available means of securing judicial review to prevent irreparable injury to vested constitutional rights.

For the above reasons Appellant submits that this Court has jurisdiction of this case under 28 U.S.C. § 1291.

Footnotes at end of article.

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II. The republication and public distribution by a Senator of an official, public record of a subcommittee critical of Executive conduct in foreign relations is protected by the speech or debate clause.

Preliminary Statement

This appeal as distinguished from appellee's cross appeal involves only two conclusions of law from the Memorandum of Decision & Protective Order of October 4, 1971 of the Court below. They are: (1) that Senator Gravel's "arranging for private publication of the Pentagon Papers . . . is not embraced by the Speech or Debate Clause," and Dr. Rodberg and other witnesses (including, presumably, Senator Gravel) may therefore be interrogated about it by the grand jury (Slip Opinion, p. 12); and (2) that the protective order which delimits the subject matter of questions which may not be asked of witnesses before the grand jury "fully protects" Senator Gravel's constitutional rights (see pp. 16–17, Slip Opinion).

The two issues presented before this Court on appeal with respect to the scope of the privilege relate to the constitutional protection to be given to republication of the official record of the June 29 meeting of the Senate Subcommittee on Public Buildings and Grounds by its chairman. We submit that the holding of the Court below that a Member of Congress is privileged for reading material into a committee record but may be subjected to executive inquiry and possible criminal prosecution for then making the record, containing information of overwhelming public concern, available to the public contravenes the history, logic and principles of the Speech or Debate Clause and of separation of powers.

While the Senator's actions at the June 29 Subcommittee meeting are not in question in this appeal but may be in the cross appeal, some discussion of the rationale for the applicability of the privilege to them is necessary for an understanding of the scope of the privilege conferred by the Speech or Debate Clause. We are not suggesting that a Senator is immune from prosecution with respect to all actions taken, simply because of his status as a Member of Congress (e.g. armed robbery or even bribery are obviously beyond the scope of the privilege). The test is not geographical or physical and it does not depend on the fortuitous location of the Senator's activities. Nor does the Clause give Congressional immunity to the speeches of a Senator only when those speeches occur on the Senate floor, as a literalistic reading of the Speech or Debate Clause might imply, for such narrow construction has been rejected by the Supreme Court since the earliest cases. In the landmark decision of *Kilbourn* v. *Thompson*, 103 U.S. 168 (1881), the Court held that the Speech or Debate Clause affords protection for all normal functions of a Member of Congress, including in addition to words spoken in debate, resolutions offered, votes taken, and actions of committees, without reference to the location of these activities.

This test which the Supreme Court applied in *Kilbourn* has been reaffirmed in the decisions following that case, the most significant being *United States* v. *Johnson*, 383 U.S. 169, 179 (1966) where the Supreme Court emphasized that the privilege "shall be read broadly to include not only 'words spoken in debate,' but anything 'generally done in a session of the House by one of its members in relation to the business before it'." The standard to be applied, then, under the Speech or Debate Clause, and the only one consistent with the history and policy of the privilege, is whether or not the activities sought to be protected are "related to the due functioning of the legislative process." *U.S.* v. *Johnson*, *supra*, at 169, 172, 179. This standard immunizes a Member of Congress for actions taken in the discharge of his duties as a representative of the electorate and prevents harassment and retaliation by the Executive which would thereby endanger our system of separation of powers. Accordingly, the Court below was clearly correct in holding that the privilege must immunize conduct of a Senator taken at a committee hearing. *Kilbourn* v. *Thompson*, *supra*; *Tenney* v. *Brandhove*, 341 U.S. 367 (1951); *Dombrowski* v. *Eastland*, 387 U.S. 82 (1967); *Powell* v. *McCormack*, 395 U.S. 486, 502–03 (1969). We think it evident, however, that direct communication by a Senator with the electorate through the publication and distribution of committee records plays as large a roll in our system of representative government and is thus entitled to like protection.

A. Republication of Committee Records is Related to the Due Functioning of the Legislative Process.

As noted above, ever since the landmark decision of *Kilbourn* v. *Thompson*, 103 U.S. 168 (1881), the Supreme Court has rejected attempts to confine the Speech or Debate Clause to words spoken on the floor of Congress and has held that it affords protection for things "generally done in a session of the House by one of its members in relation to the business before it." *Id.*, at 204. Reiterating this test as recently at 1967, the Court added that an action of a Member of Congress is protected by the constitutional privilege if it is "related to the due functioning of the legislative process." *United States* v. *Johnson*, 383 U.S. 169, 172, 179.

In considering whether any given practice falls within these standards, two benchmarks are suggested from the decisions. First, a court may ask whether that practice is necessary to fulfill any of the goals of representative government as established by the Constitution. Second, a court may look for guidance at the actual workings of Congress to determine whether the practice is widely utilized by Members of Congress and uniformly regarded as legitimate; in other words, whether it is "generally done . . . by . . . its members in relation to the business before it."

It is clear that republication of speeches and committee records and their dissemination to the electorate meets each of these criteria. The scheme of representative democracy envisaged by the Framers presupposes the maximum amount of communication between the citizens and their elected representatives. Under our system of government, the ultimate power resides in the people. As Madison, who is appropriately called the Father of the Constitution, said, "The people, not the government, possess the absolute sovereignty." [5] For this system to be viable, the people must be informed fully of the workings of government so that they may be able meaningfully to exercise their Constitutional rights to vote intelligently and to "free public discussion of the stewardship of public officials." [54] Madison well understood that this imposes a *duty* on public officials to inform the electorate:

"Let it be recollected, lastly, that the right of electing the members of the government constitutes more particularly the essence of a free and responsible government. The value and efficacy of this right depends on the knowledge of the comparative merits and demerits of the candidates for public trust, and on the equal freedom, consequently, of examining and discussing these merits and demerits of the candidates respectively." [6]

James Wilson, another architect of the Constitution, has precisely this in mind when he emphasized the "informing function" of Congress as an essential part of the due functioning of the legislative process:

"It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice, and to embody the wisdom and will of its constituents. Unless Congress have and use every means of acquainting itself with the acts and the dispositon of the administrative agents of the government, the country must be helpless to learn how it is being served; and unless Congress both scrutinize these things and sift them by every form of discussion, the country must remain in embarrassing, crippling ignorance of the very affairs which it is most importanct that it should understand and direct." [7]

In concluding that "[t]he informing function of Congress should be preferred even to its legislative function," [8] Wilson surely was not drawing an unbridgeable distinction between the two. Informing the electorate is a "legislative act" since it is clearly "related to the due functioning of the legislative process." *United States* v. *Johnson*, supra at 172. In fact, it is no exaggeration to say that direct communication between a Member of Congress and the electorate is an essential bedrock of the legislative process, for it insures that the people will inform *him and his colleagues* of their well-considered views on pending and future legislation—an indispensable prerequisite for each Congressman deciding how to cast his own vote.[9]

It should go without saying that the republication of speeches, committee reports or transcripts is necessary for a Member of Congress to inform and carry on a dialogue with the people. Few individuals have access to the *Congressional Record*, and fewer still to the original transcripts of committee hearings. Nor can the press be depended upon solely to report the views of Congressmen to their constituents. The press gives at best a summary, perhaps overlaid with editorial comment. There is no substitute for the dissemination of the original.[10]

Secondly, if one were to examine the actual workings of Congress to determine whether republication of speeches and committee records is "generally done," *Kilbourn* v. *Thompson*, *supra*, the same conclusion would be reached. The informing function of Congressmen and its relationship to the legislative process has been documented in many scholarly studies. See, e.g., Griffith, *Congress: Its Contemporary Role* (3rd Ed. 1961); Key, *Politics, Parties and Pressure Groups* (3rd Ed. 1952). Perhaps every Congressman, without exception and since the earliest days of the Republic, has circulated copies of his speech made on the floor and in committee to the public, held press conferences elaborating upon what he said on the floor, issued press releases, and spoken directly to his constituents in explaining his votes or speeches and inviting their views. And we doubt that a single Member of Congress could be found who thought that these actions were not "related to the due functioning of the legislative process." *United States* v. *Johnson*, *supra* at 182.

"Republication" is not a talismanic phrase signifying an act done outside the proper sphere of Congressional activity. On the contrary, when analyzed it is evident that the term bespeaks an integral part of the legislative process and of the entire system of representative government. The heart of representative democracy is the communicative process between the people and their agents in government. If the people's representatives do not fulfill their duty to inform the electorate, there will be endangered the ideal of self-government upon which our Republic was founded—"If we advert to the nature of Republican Government, we shall find the censorial power in the people over the Government, and not in the Government over the people." [11] Mr. Justice Black expressed this cogently in holding that an executive official was immune from damage suits for issuing a defamatory press release:

"The effective functioning of a free government like ours depends largely on the

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force of an informed public opinion. This calls for the widest possible understanding of the quality of government service rendered by all elective or appointed public officials or employers. Such an informed understanding depends, of course, on the freedom people have to applaud or criticize the way public employees do their jobs, from the least to the most important." *Barr* v. *Matteo*, 360 U.S. 564, 577 (1958).

In sum, it is clear that an examination of both the theoretical framework of our representative government and its actual practices leaves no doubt that direct communication by a Congressman to the electorate, through the republication and public distribution of speeches and committee records, is conduct "generally done" by Members of Congress "in relation to the business before it," *Kilbourn* v. *Thompson*, *supra* at 204, is clearly "related to the due functioning of the legislative process," *United States* v. *Johnson*, *supra* at 179, and is surely within "the sphere of legitimate legislative activity," *Tenney* v. *Brandhove*, *supra* at 376. Accordingly this conduct is protected from grand jury investigation by the Speech or Debate Clause.

B. Prior Decisions Confirm that Republication by a Member of Congress of a Speech or Committee Record is Privileged Under the Speech or Debate Clause.

Prior to the case at bar, courts have on five occasions expressed views upon the scope of the Congressional privilege with respect to republication of official documents. We believe that these decisions fully support our position.

1. *Hearst* v. *Black*, 87 F. 2d 68 (D.C. Cir. 1936), was an action to enjoin the Members of a Special Senate Subcommittee from retaining possession and distributing copies of documents which they had allegedly secured illegally. The Court of Appeals agreed that the seizure of the documents violated statutory and Constitutional rights, *id.*, at 70, but held nevertheless that Congressional privilege barred the judiciary from interfering in any way with the use of the documents by the Subcommittee, including republication (copying) and distribution to people outside of Congress. The Court stated:

"The prayer of the bill is that the committee be restrained from keeping the messages or making any use of them or disclosing their contents. In other words, that if we find that the method adopted to obtain the telegrams was an invasion of the appellant's legal rights, we should say to the committee and to the Senate that the contents could not be disclosed or used in the exercise by the Senate of its legitimate functions. We know of no case in which it has been held that a court of equity has authority to do any of these things. On the contrary, the universal rule, so far as we know it, is that the legislative discretion in discharge of its constitutional functions, whether rightfully or wrongly exercised, is not a subject for judicial interference.

"The Constitution has lodged the legislative power exclusively in the Congress. If a court could say to the Congress that it could use or could not use information in its possession, the independence of the Legislature would be destroyed and the Constitutional separation of powers invaded." *Id.*, at 71–72.

2. After a twenty-year hiatus, the republication issue was again presented, this time in a libel suit. In *Methodist Federation for Social Action* v. *Eastland*, 141 F. Supp. 729 (D.D.C. 1956) (three-judge court), the Senate Internal Security Subcommittee has printed a limited number of pamphlets accusing several well-known and respectable groups, including the plaintiff, of being Communist-front organizations. The Subcommittee then ordered another 75,000 copies to be printed. Claiming that the accusations in the pamphlet were false and defamatory and would cause irreparable injury, the plaintiff requested a restraining order against republication and widespread distribution of the pamphlet. The Court assumed the plaintiff's assertions of malicious defamation and irreparable injury to be true but dismissed the case on the grounds of the Congressional privilege of the Speech or Debate Clause, holding:

"By express provision of the Constitution, Members of Congress, 'for any Speech or Debate in either House . . . shall not be questioned in any other place.' Art. I, Sec. 6 . . .

"The premise that courts may refuse to enforce legislation they think unconstitutional does not support the conclusion that they may censor Congressional language they think libelous. We have no more authority to prevent Congress, or a Committee or public officer acting at the express direction of Congress, from publishing a document than to prevent them from publishing the *Congressional Record*. If it unfortunately happens that a document which Congress has ordered published contains statements that are erroneous and defamatory, and are made without allowing the persons affected an opportunity to be heard, this adds nothing to our authority. Only Congress can deal with such a problem.

"The Constitutional history called to our attention includes no instance in which an English court has attempted to restrain Parliament, or an American court to restrain Congress, from publishing any statement . . .

"As to the members of the Senate Subcommittee, the complaint is dismissed for lack of jurisdiction. Cf. *Hearst* v. *Black*, supra," *Id.*, at 731–732.

Thus, in this case, as in *Hearst* v. *Black*, the Court concluded that the Constitutional privilege of Members of Congress embraced republication of Subcommittee reports and placed this action beyond the cognizance of the judiciary.

3. In *Hentoff* v. *Ichord*, 318 F. Supp. 1175 (D.D.C. 1970) the Court held unequivocally that the Speech or Debate protects Members of Congress from any judicial accountability for republishing committee reports. The action was brought to prevent the Members of the House Committee on Internal Security and the Public Printer from republishing and distributing to the public 6,000 copies of a Committee Report which, if circulated, would infringe the plaintiffs' First Amendment right. The relief sought was an injunction against republication and distribution, limited the Reporter's disclosure to insertion in the *Congressional Record* and such discussion as would ordinarily follow in debate on the floor.

Relying on the Speech or Debate Clause, the Court *dismissed the complaint as to the Members of Congress*.

After reviewing the precedents, Judge Gesell stated:

". . . These cases establish that the courts lack jurisdiction to entertain an action *seeking any remedy* against a Member of Congress for any statement made or action taken in the sphere of legitimate legislative activity.

"Plaintiffs contend that . . . this Court may restrain Congressmen from publishing, filing, or distribution, except by insertion in the *Congressional Record*, a report that impinges upon First Amendment rights.

"The Court is of a contrary view. Members of Congress have the same right to speak as anyone else. *Their legislative activities are not limited to speech or debate on the Foor of Congress. Information in this Report involves matters of public concern, and the Court will take no action which limits the use that individual Congressmen choose to make of the Report or its contents on or off the Floor of Congress.* No injunction is appropriate against any Congressman named defendant." *Id.*, at 1179 (emphasis added).

The Court then followed the distinctions in *Kilbourn* v. *Thompson*, *supra* and *Powell* v. *McCormack*, *supra*, between Members of Congress, who are totally immune from judicial accountability, and ministerial agents, who may be held liable for enforcing Congressional orders. Thus, the Court restrained the Public Printer from republication but held the Members of Congress absolutely privileged from accountability. And with respect to the latter, Judge Gesell explicitly stated that the privilege of Congressmen was within "the sphere of legitimate legislative activity." [12]

4. The only case which even suggests that a Congressman's privilege may be diluted for republishing a speech or Committee report is *McGovern* v. *Martz*, 182 F. Supp. 348 (D.D.C. 1960). However, a close reading of the facts and opinion in that case shows that it lends but very limited support for the proposition that the protection of Speech or Debate Clause does not extend to republication.

The *McGovern* case involved a libel action by Congressman (now Senator) McGovern, who sued the publisher of a newsletter for falsely reporting that he had sponsored a "Communist front." The defendant counterclaimed that the Congressman had inserted certain defamatory remarks into the *Congressional Record*. There was no republication of these remarks.[13] The Court granted McGovern's motion to dismiss the counterclaim on the ground of Congressional privilege. *Id.* at 348. The Court then addressed itself to whether the privilege would protect circulation of reprints from the *Congressional Record*. Its remarks on this issue are *obiter dictum* since neither reprints nor unofficial dissemination was involved. Further, the Court recognized that Congressmen must be "protected and thereby free to inform their constituents," and believed that a privilege, albeit qualified by a malice requirement, was applicable. *Id.* at 348.[14]

It is evident that *McGovern* v. *Martz* cannot be read broadly as a precedent that republication of committee reports or transcripts is not protected by the Speech or Debate Clause, for four basic reasons:

(a) The discussion was *obiter dictum*. Due to the failure of proper adversary presentation the Court was unaware of prior precedents, including *Hearst* v. *Black*, *supra*, which is binding on the District Courts for the District of Columbia. And the only holding of the case related to insertions in the *Congressional Record*.

(b) Even in dictum, the Court did *not* say that republication was not protected by the Speech or Debate Clause. Rather it stated that a privilege existed but was not absolute. As we shall show, *infra* section C., the Court's logic in a libel suit would compel an absolute privilege in a criminal prosecution case.

(c) In qualifying the privilege by a malice standard the Court was clearly in error. The Supreme Court in *Tenney* v. *Brandhovc*, supra at 377, held explicitly that if the privilege exists it is absolute: "The claim of an unworthy purpose does not destroy the privilege." See also *Cochran* v. *Couzens*, 42 F. 2d 783 (D.C. Cir. 1930) cert. denied 283 U.S. 874. Having determined that republication was within "the sphere of legitimate legislative activity," the Court was bound to hold the privilege absolute. And as long ago as 1896, the Supreme Court held that an official's personal malice is relevant only when the officials acted "in reference to matters . . . manifestly or palpably beyond his authority." *Spalding* v. *Vilas*, 161 U.S. 483. See also *Barr* v. *Matteo* 360 U.S. 564 (1959).

(d) The qualifying dictum in the *McGovern* case has not been followed. *Hentoff* v. *Ichord*, *supra* at 1179.

5. The Supreme Court has settled decisively that the privilege of a non-elected Executive official encompasses republication and

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that the privilege is absolute even in libel cases. In *Barr* v. *Matteo*, 360 U.S. 564 (1959) and its companion case *Howard* v. *Lyons*, 360 U.S. 593 (1959), two subordinate officials in the Executive Department were sued for issuing and circulating copies of defamatory press releases.[15] Invoking the judicially-created doctrine of Executive privilege for acts within the legitimate sphere of official conduct, the Court stated:

". . . *It would be an unduly restrictive view of the scope of the duties of a policy-making executive official to hold that a public statement of agency policy in respect to matters of wide public interest and concern is not action in the line of duty.*" 360 U.S. at 575. (Emphasis added.)

And the Court held: "*The fact that the action here was within the outer perimeter of petitioner's line of duty is enough to render the privilege applicable . . .*" *Ibid.* (Emphasis added.)

As the Court below observed in its decision (Slip Opinion, pp. 14–15), judicially developed rules in cases of non-Constitutional privilege bear upon the scope of the Congressional privilege since the former "surely does not warrant broader protection than the legislative privilege based upon the Speech or Debate Clause." By a parity of reasoning, the Supreme Court's holding that republication of documents and their distribution to the public by Executive officials is absolutely privileged applied with at least equal force to the Constitutional privilege of Members of Congress. And no amount of legal alchemy can make a public press release by a subordinate official of the Executive department more within his legitimate sphere of activity than the circulation of copies of the official record of a Senate Subcommittee by a Member of Congress who is under the Constitutional obligation to inform his constituents about the workings of government.

In sum, the civil cases which have been heretofore decided uphold the Constitutional privilege of Members of Congress to republish and distribute to the electorate official committee records.[16]

C. The Purposes of the Speech or Debate Clause and the Principles of Separation of Power Require that the Privilege Protect Members of Congress who Inform the Electorate about Executive Conduct of Foreign Affairs, from Intimidation and Harassment by the Executive.

Even if prior precedents were ambiguous and qualified the legislative privilege in civil case, their logic, when combined with the historical purposes of the Speech or Debate Clause and the sphere of its contemporary importance in our system of separation of powers would establish an absolute privilege to govern the facts of this case. The civil cases presented typically a claim that a Member of Congress was using the authority of his office to violate willfully an individual's rights. That kind of situation creates the maximum temptation for intervention by the judiciary on the side of the individual, and there may very well be circumstances, in which no other means is available to safeguard the preferred constitutional rights of the individual, that the judiciary will be compelled to draw the balance on the side of the individual *Cf. Hentoff* v. *Ichord*, *supra*.

On the other hand, what is now before this Court is a classic separation of powers case. The judiciary is not being asked to balance the rights of individuals, including preferred Constitutional rights, against the privileges of Members of Congress; to the contrary, the Executive branch of government has come to the Courts and claimed that it may determine what a Member of Congress may tell his constituents about matters of overwhelming public concern. We do not exaggerate by saying that this claim challenges the fundamental character of our tripartite system of government. To any such claim, the Constitution must stand as an impenetrable barrier.

The Executive's contention that it may institute criminal proceedings against a Congressman for speaking to the electorate flies in the face of the historical purposes of the Speech or Debate Clause. The Clause was drafted to secure absolute freedom of speech for Members of Congress. It was the end product of a lineage of legislative free speech guarantees from the English Bill of Rights of 1689 to the first State constitutions and the Articles of Confederation. See generally *Tenney* v. *Brandhove*, *supra* at 372–75. None of these provisions drew a distinction between a speech of a legislator directed at his colleagues and one to his constituents.[17] On the contrary, the Court in *Tenney* stated that the Clause was designed to protect both. *Id.*, at 377 and fn. 6. This is consistent with no less an authority than Thomas Jefferson. When a Federal grand jury protested against abuses by Congressmen who disseminated slanderous accusations to the public, Jefferson responded that the framers of the Constitution wrote the Speech or Debate Clause to allow Congressmen to inform the electorate without inhibition:

"[T]hat in order to give to the will of the people the influence it ought to have, *and the information which may enable them to exercise it usefully*, it was part of the common law, adopted as the law of this land, that their representatives, in the discharge of their functions, should be free from the cognizance or coercion of the coordinate branches, Judiciary and Executive." 7 *Writings of Thomas Jefferson* 158 (Ford Ed. 1898) (Emphasis added).

The privilege must be read to protect republication and public distribution of speeches and committee records. As we have shown above (Part A), this is a principal avenue relied upon by Members of Congress to provide the people with "the information which may enable them to exercise it usefully."[18]

The Constitutional evil which would result from denying the privilege's applicability to the informing function of Congress is magnified when this is done at the behest of the Executive and with respect to material which is critical of executive behavior. If the Executive branch may, at will, institute criminal proceedings against and interrogate Members of Congress before grand juries about publications of their speeches and committee reports which they sent to the electorate, it will possess the power to isolate effectively all but the most courageous legislators from their constituents. If such a rule applies, Congressmen will have to watch what they say to the people—in press releases, newsletters and anything spoken outside of the four walls of the Capitol—lest it offend the Executive and open them up to harassment, grand jury inquisitions and prosecutions. Yet if the Speech or Debate Clause means anything, it is that courts and prosecutors are not referees over what Congressmen say to people.

Nor are these consequences mere speculation. For this case reveals the present importance of the central historical purpose of the Speech or Debate Clause, "to prevent intimidation by the Executive and accountability before a possible hostile Judiciary," *United States* v. *Johnson*, *supra* at 181. Having for years kept secret from the American people the real history of our involvement in Indo-China, and having attempted to impose a prior restraint on the press, the Executive now retaliates against a Senator who revealed to the people—the true sovereign—the reasons why the Executive, without Congressional authorization, took the country into war. The Executive would thereby establish that it, and it alone, has sole authority to reveal to or withhold from the people any information it chooses. As long as our government is to continue as one of separation of power, this cannot be. The proper rule of Constitutional law was stated in *Methodist Federation* v. *Eastland*, *supra*, at 731:

"Nothing in the Constitution authorizes anyone to prevent the President of the United States from publishing any statement . . . similarly nothing in the Constitution authorizes anyone to prevent the Supreme Court from publishing any statement. We think it equally clear that nothing authorizes anyone to prevent Congress from publishing any statement."

In conclusion, we wish to bring to the Court's attention a speech given by Senator Sam Ervin on the Floor of the Senate on September 20, 1971. Coming as it does from an acknowledged expert on Constitutional law, we wish to set forth herein some significant excerpts from this speech:

. . . . . .

"The events now transpiring in Boston before a Federal grand jury put into question [a] principle of freedom secured by our predecessors.

. . . . . .

"I have in mind, of course, the efforts of the administration to inquire into the actions of the junior Senator from Alaska (Mr. Gravel) in connection with the revelations of the contents of the Pentagon Papers.

. . . . . .

"The Administration, through its lawyers in the Internal Security Division of the Justice Department, has made a direct and broadscale attack on the rights of all Senators, upon the prerogatives of the Senate, and upon the Constitutional guarantees which have been established to protect the Congress from harassment by a vindictive Executive. It is an attack on the independence and freedom of this body.

. . . . . .

"The privilege of the Speech or Debate Clause protects legislators not only from prosecution by the Executive and from the Judiciary. Quite obviously it also protects them from instrumentalities such as the grand jury, which can be used as the Executive's instrument of harassment and persecution.

"It must be stressed that the privilege does more than immunize the legislator against attempts to punish him or to exact retribution for the things he says in the course of performing his legislative duties. The privilege also protects him against having to defend or justify or explain what he has said. The privilege seeks to free the legislator from being harassed by law suits, grand juries, and prosecutors. Were this not so, the independence of the legislator might just as well be destroyed by forcing him to defend himself all over the country.

"There is another reason why the privilege against inquiry into a speech does not depend on the legality or Constitutionality of the act to which it is tied. That is because the privilege seeks to avoid any abridgement of the freedom of a legislator, even from fear of future retribution. If a legislator knew that he had to account for the possibility that he would have to defend or justify his speech sometime in the future, then he would not be as willing to express himself on controversial matters.

"The administration's motives in pressing this action are not only aimed at the privilege, but at a Senator who dared oppose it on the war, and who had the effrontery to use information the administration desired to keep from the people. If the administration were to have its way, we must remain in total ignorance of what has transpired in Vietnam, and anything else the Government does, unless it chooses to tell us. By suppressing this information, the executive branch has tried to keep the Congress and the Nation in total ignorance. Now it tries to dictate what the scope of a Senator's business is, and where and when and how he may conduct it. The tendency, if not the intent, of this effort is to harass the Senator from Alaska, and thereby to silence him and other critics in this body along with those who are outside these halls.

"The purpose of the privilege is to protect the legislative branch from a vindictive executive and a hostile judiciary. It is an element of the principle of separation of powers.

. . . . . .

"Here, that is precisely the case. Ultimately, I suppose the question of a criminal action may be involved. But the prosecution will be to protect the special interests of the Executive in its efforts to keep its secrets from the Congress and the people. The motive, of course, is to suppress opposition to Executive policy in the Congress and in the country. When the Speech or Debate Clause is involved in a clash between the executive and the legislative, the history of this legislative immunity is especially important. The immunity was finally gained only after Charles I had lost his head. And he lost his head in part at least because he imprisoned members of Parliament who had opposed him in needless and costly overseas wars, even to the extent of presuming to vote to deny him funds for the war. The establishment of the legislative privilege came during the fight by the legislature to establish its independence from a king who claimed total power. The historical precedents are too close to be ignored. We see history repeating itself."

We respectfully submit that the Court below erred in holding that a United States Senator may be subjected to grand jury interrogation and the institution of criminal proceeding for making available to the people copies of an official subcommittee record critical of Executive conduct in foreign affairs.

III. The protective orders issued by the court below do not adequately guarantee Senator Gravel's constitutional rights, and it was error to deny the motion for further relief

A determination of the ambit of the constitutional protection secured by the Speech or Debate Clause, or, conversely, a delineation of the legitimate scope of grand jury questioning, is only one aspect of the instant litigation. Another aspect, which is equally important, concerns the procedures which must be established to protect adequate these substantive rights. The Supreme Court has admonished on numerous occasions that the vindication of legal rights is largely dependent upon the procedural rules under which these rights are enforced. "[T]he procedures by which . . . as case [is] determined assume an importance fully as great as the validity of the substantive rule of law to be applied. And the more important the rights at stake the more important the procedural safeguards surrounding those rights." *Speiser* v. *Randall*, 357 U.S. 513 (1958).

Since the constitutional rights which seek protection in this proceeding are of the highest order of magnitude, it is essential that the procedures utilized be examined with the strictest scrutiny so that these rights do not, in effect, bottom-out for lack of procedural safeguards. In failing to allow for any procedural mechanism to enforce its protective orders, the Court below has stripped these legal rights of any safeguards. In the first part of this section, we shall demonstrate why the protective orders issued by the Court below, standing alone, do not adequately protect Senator Gravel's constitutional rights. In the second part, we tender an alternative procedure under which the legitimate interests of both Senator Gravel and the respondent may be realized.

A. Because Enforcement of the Protective Order is Vested Unchallengably, and Unreviewably in the Government, it Does Not Guarantee Adequately Senator Gravel's Constitutional Rights.

As the Court below correctly observed in its decision of October 4, 1971, the constitutional interests which must be protected in this proceeding by virtue of the Speech or Debate Clause are those of Senator Gravel, and not prospective witnesses. Ordinarily, a party may protect against illegitimate questioning by the grand jury by simply refusing to answer a given question and securing judicial review. Yet in this case, Senator Gravel will not be present during the questioning and has no means of assuring that the protective orders are not violated. Senator Gravel thus has no method of objecting to questions which in his view may be impermissible under the Constitution and the protective orders. Nor can he control the witnesses and their inclination to answer. Thus a legally prohibited question may be posed and answered without the party whose legal rights are violated—Senator Gravel—being able to object and secure judicial review. Under the decision of the Court below, the prosecutor and the witness are, in their unchallengable and unreviewable discretion, the final arbiters of Senator Gravel's constitutional privilege. Realistically, of course, this reduces to the discretion of the prosecutor. The witness will probably be unaware of the protective orders;[19] if aware, he is hardly in a position to construe them;[20] and even if able, he would have to be willing to risk a contempt citation on behalf of the rights of another.[21] The grand jurors are no check since they too were not informed by the Court below of the protective orders, would not in any event know how to construe them, and might even on their own initiative pursue illegitimate inquiries.

Nor can an after-the-fact remedy cure the illegitimate inquiry. Exclusionary rules are usually relied upon to protect privileges such as the attorney-client and husband-wife, for those privileges seek to bar the use of privileged information in a criminal trial. The privilege of the Speech or Debate Clause, however, by its very terms prohibits the illegitimate *questioning* itself. Such inquiry into the official conduct of a Member of Congress violates the separation of powers principles at the root of the Clause. And, as Senator Ervin stated (*supra*, p. 47), the privilege must protect legislators from instrumentalities such as the grand jury which "can be used as the Executive's instrument of harassment and persecution." He continued:

"It must be stressed that the privilege does more than immunize the legislator against attempts to punish him or to exact retribution for the things he says in the course of performing his legislative duties. The privilege also protects him against having to defend or justify or explain what he has said. The privilege seeks to free the legislator from being harassed by law suits, grand juries, and prosecutors."

And see *United States* v. *Johnson*, 419 F. 2d 56 (4th Cir. 1969), where the Court stated that the grand jury's receipt of evidence about the Congressman's speech was "constitutionally impermissible."

Accordingly, if illegitimate questions are posed to and answered by a witness, with Senator Gravel not present and unable to object, there is no realistic possibility of judicial review or remedy and the constitutional violation becomes an irreparable *fait accompli*. In sum, the Court below has decreed rights without a remedy.

The Court below has attempted to justify the creation of these unenforceable unreviewable rights by positing that its protective orders will be complied with scrupulously as a result of the "good faith" of government counsel.[22] With all due respect, we believe that this theory is totally unsupportable for three fundamental reasons.

First, in an adversary system such as ours, no party has ever been forced to depend *entirely* on the untrammelled discretion of his opponent to enforce his vested rights. It is one thing to say that we generally rely in part on the good faith of government officials to carry out their orders; it is quite another for a court to foreclose every opportunity in the party for whom the order is issued—the party whose rights are at stake—to determine for himself whether it is being complied with, to make objections where necessary to obtain a final judicial determination, and, perhaps, to never know with certainty whether his rights were respected.[23] Surely no court would hold that a black plaintiff who proves a denial of his right to vote or right to desegregated education on the grounds of race is then left for his remedy *entirely* to the good faith of the State voting registrars or school board, without any ability to determine whether they comply or to seek judicial review. Yet that is the logic of the Court below, for I found that the government attorneys issued subpoenas for purposes of inquiry before the grand jury in violation of Senator Gravel's rights and nevertheless held that the enforcement of his rights must be unchallengeable and unreviewable. Not only is there no method by which Senator Gravel can object to a question and thereby secure a judicial determination, but the order of the Court below effectively bars any appellate review of questions of constitutional fact. The duty of this Court, as all appellate courts, "is not limited to the elaboration of constitutional principles; [the court] must also review the evidence in proper cases to make certain that those principles have been constitutionally applied." *New York Times* v. *Sullivan*, 376 U.S. 254, 285 (1964). As Mr. Justice Brennan said, "to accept this suggestion"—that judicial review of questions of constitutional fact may be dispensed with—

"Would be to abnegate the responsibility, ultimately the responsibility of the United States Supreme Court, to uphold constitutional guarantees. In . . . areas involving constitutional rights the Court has consistently recognized its duty to apply constitutional standards on the basis of an independent review of the facts of each case." Brennan, "The Supreme Court and the Meiklejohn Interpretation of the First Amendment," 79 Harv. L. Rev. 1, 7 (1965) (footnote citing cases omitted).

We respectfully submit that the order of the Court below amounts to an abdiction of ultimate judicial enforcement that is constitutionally impermissible, is unprecedented in the history of constitutional jurisprudence, and stands the principle of *Marbury* v. *Madison* on its head.

Second, the nature of this particular proceeding must be borne in mind. Senator Gravel has come to court charging the Executive "with intimidation," *United States* v. *Johnson*, *supra* at 181. This charge is not lightly made; it is shared by respected members of Congress and by noted and objective historians.[24] Nor may its relationship to history be ignored. Perhaps in no other area of constitutional law is Mr. Justice Holmes' admonition so valid that "a page of history is worth a volume of logic." *New York Trust Co.* v. *Eisner*, 256 U.S. 345, 349 (1921). The institution of criminal proceedings against

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a Member of Congress in retaliation for a speech critical of Executive conduct in foreign affairs is a recreation of the seditious libel prosecutions which are at the historical root of the Clause. *United States* v. *Johnson*, *supra* at 178. When Charles I was at first criticized and eventually denied funding from Parliament to continue fighting a needless war overseas, he struck back at his critics by prosecuting Sir John Elliot and others for "seditious" speeches in Parliament. The consequence was the greatest constitutional crisis in English history until, in 1688, "after a long and bitter struggle, Parliament finally laid the ghost of Charles I." *Tenney* v. *Brandhover*, *supra* at 372. As Senator Ervin observed, "We see history repeating itself."

In a conflict such as this one between coordinate branches of government, the very principles and history of the doctrine of separation of powers belies the notion that a legislator must depend for the preservation of his privilege upon the good will of officials of the executive department. As we have noted above, the privilege was the final result of a long and bloody struggle between the Crown and Parliament and secures the rights of legislators on much firmer foundation than the good faith of the executive. This imposes a peculiar obligation on the judiciary to act as a neutral and ultimate arbiter of the privilege. Any rule of procedure which denies this role to the judiciary and, in the face of historical condemnation, places it in the executive is unconstitutional.

Third, even if the utmost good faith of counsel for the executive is assumed, the Protective Order standing alone would not guarantee adequately Senator Gravel's constitutional rights. For it is readily apparent that with both acting in good faith, counsel for the government may ask and a witness might answer illegitimate questions. All lawyers of experience know that, as with any statute or court opinion, no order of a court can be free from ambiguity or the need for interpretation. Borderline situations are bound to occur, and it does not denigrate counsel for the government to suggest that they surely will be influenced in their construction by their interests and their views of the legal principles involved, which may be very different than our own and those of the court.

Throughout the proceedings in the Court below, counsel for the government vigorously asserted legal arguments on the scope of the Speech or Debate Clause which were based on construing precedents and history in the narrowest possible manner, and we were not able to agree on even minor issues of law. In fact, the government's initial legal position, which has been retreated from reluctantly only in the face of adverse rulings by the Court below, was that the Speech or Debate Clause had no applicability at all to these proceedings and that Senator Gravel could be interrogated by the grand jury and criminally prosecuted for holding the Subcommittee hearing. In light of this and similar positions taken by counsel for the government, it is fanciful to assume that their opinion of the permissibility of questioning will coincide with our's or the court's. Cf. *Alderman* v. *United States*, 394 U.S. 165 (1968).

It should also be pointed out that we and counsel for the government have not been able to agree upon the operative scope of the orders of the Court below. On October 12, 1971, we moved in the Court below for reconsideration on the issue of republication and requested a stay of Dr. Rodberg's subpoena pending reconsideration. The stay was granted, and the Court took the matter under advisement and asked for briefs from the government. While the stay was in effect and the matter under advisement, counsel for the government sought to compel the appearance of Howard Webber, Director of M.I.T. Press, before the grand jury to testify about the conduct of Senator Gravel and his aide, Dr. Rodberg, in attempting to have the subcommittee record republished. Moreover, the subpoena was *duces tecum*, ordering Mr. Webber to produce all records and notes of conversations with Dr. Rodberg on July 23, 1971, "concerning the Pentagon Papers." This action was clearly in violation of the intendment of the stay, and it is hard to believe that counsel for the government did not realize that this action would moot the legal issue taken under advisement. Only as a result of our discovering this accidentally were we able to intervene and preserve our legal position. And even *after* the Court below granted a ten-day stay of Mr. Webber's subpoena to retain the status quo for appeal, the government still intended to enforce the subpoena *duces tecum* by resorting to a strained reading of the stay orders. The only reason that the legal issues before this Court have not been mooted is that this Court, at the conclusion of argument on the motion for stay pending appeal, was able to persuade government counsel to temporarily suspend its efforts to enforce the Webber subpoena.

If the counsel for the government is allowed in their absolute discretion to interpret and enforce the protective orders in the same fashion, the constitutional harm will be irreparable.

Finally, the language of the Memorandum Decision of the Court below and the protective orders do not dispel fears that Senator Gravel's rights will be respected scrupulously. It is apparent that even in good faith illegitimate questions might be posed and answered. We list the following as examples of how Senator Gravel's rights will be jeopardized by sole reliance on counsel for the government and the witness in enforcing the protective orders:

a. Counsel for the Justice Department has informed us that they intend to ask how and from whom Senator Gravel obtained the material which he read to the Subcommittee. Counsel may think this justified by referring to the language of the Court's opinion allowing questioning "as to the activities of third parties with whom [Rodberg] and the Senator dealt." We think the question would be barred by Paragraph (1) of the Protective Order [23] and would certainly object to it. Yet we would not be able to and, if the witness decides in his discretion to answer it, he becomes the final arbiter, reaching an unreviewable and unconstitutional end.

b. Similarly, other questions about "third parties with whom . . . the Senator dealt" may well relate to whose advice the Senator sought and received on whether to hold the hearing, who helped in drafting the introductory remarks, and who helped prepare the material for inclusion into the record—all of which, in our view, would be barred by the same provision and possibly Paragraph (2) as well.[24] See also *United States* v. *Johnson*, *supra*. Here, too, some mechanism is necessary to enable Senator Gravel himself to assert his rights without being forced to depend on the judgments of the witness.

c. The Justice Department may also wish to rely broadly on the Court's statement that Dr. Rodberg may be questioned about "his own actions previous to his joining the Senator's personal staff." Yet these questions may relate directly to Senator Gravel's official activities and blantantly violate the Speech or Debate Clause (and the Protective Orders), but there is no means by which Senator Gravel can prevent the witness from answering and turning a Constitutional violation into a *fait accompli*.

Examples such as these can be multiplied many times over. The decision of the Court below has the effect of allowing the unreviewable and unremediable violation of Senator Gravel's constitutional rights and of the principles of separation of powers. The probability of irreparable constitutional violations is so high that questioning of the witnesses under the terms set forth by the Court below cannot be permitted under the unrealistic hope that Senator Gravel's rights will not be infringed.[27] The government is playing with loaded dice, and the courts cannot wait until the wrong number is rolled. We now address ourselves to the procedures which we think ought to be applied.

B. The Court Below Erred in Denying the Motion for Further Relief.

A delicate mechanism in this case is essential to protect Senator Gravel's constitutional rights from predictable infringements in these grand jury proceedings. As in First Amendment cases, "sensitive tools" are necessary in order to insure that protected rights are not suppressed through the use of insufficient procedural safeguards. *Speiser* v. *Randall*, 357 U.S. 513 (1958). We believe that a delicate mechanism is available which will safeguard the constitutional rights at stake in this proceeding and at the same time allow the grand jury to investigate into lawful areas of inquiry. But we wish to emphasize, before discussing our proposed procedures, that the burden is not on us but on Appellee to come forward with acceptable procedures.

The grand jury is an integral part of the judicial branch of government and is not merely a tool of the prosecution. *Wood* v. *Georgia*, 370 U.S. 375 (1962); *Brown* v. *United States*, 357 U.S. 41 (1959). The constitutional conflict has arisen in this proceeding because the executive has chosen to ignore the function intended for the grand jury by the Constitution, which is to safeguard constitutional liberties and "to stand between the prosecutor and the accused," *Hoffman* v. *United States*, 341 U.S. 479 (1951), and has determined instead to turn it into an investigative and prosecutorial instrument. The executive does not thereby rely on its own powers and processes; instead, it comes to the Federal courts and asks the judiciary to invoke the judiciary's compulsory process, enforceable by the contempt power, in a manner which will violate important constitutional rights in our system of separation of powers. Unless and until the executive can prove that these rights are not in danger of infringement, the courts must refuse to lend assistance. For, absent such a showing, any order by the courts in aid of the grand jury proceedings will itself work an unconstitutional end by making the judiciary a party to the violation of separation of powers and the privilege of the Speech or Debate Clause. Preventing the government's investigation through the grand jury from being impeded is not a sufficient justification for abridging constitutional rights, as the Supreme Court has emphasized time and again in Fifth Amendment cases:

"If this result adds to the burden of diligence and efficiency resting on enforcement authorities, any other conclusion would compromise in important constitutional liberty." *Hoffman* v. *United States*, *supra* at 489–90.

Thus, it must be said, as in *Speiser* v. *Randall*, *supra* at 529 that the government "clearly has no compelling interest at stake such as to justify a short-cut procedure which must inevitably result in suppressing protected [rights]." To put the matter another way, respect for the Constitution is more important than respect for the convenience of the Justice Department.

Guidance for the construction of constitutionally acceptable procedures in this case is available from analogous First Amendment decisions and techniques on

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occasion employed before the grand jury. In a long line of First Amendment cases, the Supreme Court has imposed extraordinarily strict procedural requirements in situations where the utilization of normal procedures would affect adversely the exercise of First Amendment rights. The Court has, for example, required that a full adversary hearing precede any court order to seize allegedly unprotected written material, *Quantity of Books* v. *Kansas*, 378 U.S. 205 (1964); *Marcus* v. *Search Warrant*, 367 U.S. 717 (1961), or to enjoin allegedly unlawful demonstrations, *Carroll* v. *Princess Anne County*, 393 U.S. 175 (1968). A similar procedural mechanism is called for in this case. When it becomes apparent that the government seeks to question a certain witness in an area which implicates the constitutional privilege, a prior judicial determination, in an adversary hearing, of the constitutional permissibility of the proposed inquiry is essential.

A technique along these lines has been heretofore used voluntarily by the government in other privilege cases involving testimony before the grand jury. For instance, in *United States* v. *George*, 444 F. 2d. 310 (6th Cir., 1971), the witness moved to enjoin enforcement of a grand jury subpoena on the grounds that his testimony might incriminate his wife and that he was already under indictment for the transactions being investigated. The Justice Department filed an affidavit with the District Court setting forth the scope and purpose of the investigation, and the Court concluded that neither privilege was jeopardized.[28] Even more directly on the point are cases involving First Amendment rights in which the government voluntarily specified the nature of the proposed inquiry by the grand jury or was ordered to do so by a court. In *Caldwell* v. *United States*, 434 F. 2d 108 (9th Cir. 1970), *cert. granted* 402 U.S. 942 (1971), after Caldwell filed a motion to quash the subpoena, the Justice Department filed documents stating the extent of legal proceedings already underway with respect to certain members of the Black Panther Party, and particularizing the specific incidents about which it was believed that Caldwell had knowledge and would therefore be questioned by the grand jury. (A summary of this specification is contained in the appendix to the petitioner's brief to the Supreme Court, pages 64–68 and is reproduced in the margin.) [29] In the case of *In Re Verplank*, 329 F. Supp. 433 (C.D. Cal. 1971), which presented analogous Constitutional issues, the Court quashed a subpena because the government failed to show with sufficient specificity the scope and purpose of legitimate inquiry.

We believe that these precedents suggest sensible and workable procedures which can be used in the instant case. We therefore propose the following:

1. The government should disclose to the Appellant and the Court below the names of all persons who have been subpoenaed or who are to appear before the grand jury in connection with the Pentagon Papers investigations.[30] Disclosure of this information to others may be barred by a protective order.

2. Such a list is necessary because Senator Gravel is obviously in the best position to determine, as a threshold matter, which persons possess privileged information. He will then state to the Court which witnesses do *not*, to his knowledge, possess such information, and they may be called and questioned in the usual manner.

3. With respect to witnesses whom Senator Gravel contends do possess privileged information, the Court can then hold a Fifth Amendment-type hearing, see *Hoffman* v. *United States*, *supra*, to determine for itself whether there is a colorable claim of privilege.[31]

4. If a colorable claim of privilege is shown for a witness, the government should be required to specify the nature and scope of the porposed inquiry. The specification in the *Caldwell* case, serves as an excellent model.

5. If it is evident from this specification that none of the proposed areas of inquiry implicate the privilege, the witness may then be called. On the other hand, if a cetrain area does implicate the privilege, the government should be required to specify the questions which it intends to ask concerning this area. This detailed specification in a perhaps limited area of inquiry is also not novel, for the government has frequently used it in cases in which it justifies an offer of immunity in a contempt proceeding. *See, e.g., United States* v. *Fitzgerald*, 235 F. 2d 453, 454 (2d Cir. 1956); *In re Ullman*, 128 F. Supp. 617, 628 (S.D.N.Y. 1955), *affirmed* 350 U.S. 422 (1956). The necessity for such a specification, in advance, of the questions to be asked concerning subject matter which implicates the privilege is illustrated in the Webber proceeding. Counsel for the government stated in the Court below that republication of the Subcommittee record was the primary area of intended inquiry and that other areas were "ancillary." Only an examination of the questions to be asked can sort out—and allow for judicial review of—the legitimate and illegitimate.

With respect to other witnesses, on the other hand, the area implicating the privilege may be distinct from other areas of clearly legitimate inquiry, and a specification of questions in only the former area would be required.

6. As a final safeguard, the Court should instruct the grand jurors and the witnesses of its orders and a transcript of testimony should be kept by which the Court can verify *in camera* that its orders have been complied with.

We believe that this procedural mechanism will adequately safeguard the rights of Senator Gravel under the Speech or Debate Clause, will preserve the separation of powers essential to our scheme of government and will allow the grand jury to conduct legitimate investigations. Two arguments appear to be asserted by Appellee against it—impeding the grand jury process and breaching its secrecy. We do not think that these procedures will unduly impede the *legitimate* processes of the grand jury; even if they did, as we have shown *supra*, pp. 63–65, the Supreme Court has consistently held that the balance must be drawn in favor of constitutional rights. Certainly the rule that a witness may leave the grand jury room after each question to confer with counsel is a greater impediment, yet the Sixth Amendment right prevails.[32] So, too, is an impediment created by the colorable claim hearing on the Fifth Amendment enunciated in *Hoffman* v. *United States*, *supra*. There is no reason why rights secured by the Speech or Debate Clause—rights which insure the continued viability of separation of powers—should be treated with less dignity.

Similarly, the secrecy argument does not provide a compelling reason to renounce these procedures. The secrecy rule was designed to protect witnesses, not prosecutors; and since we seek *prior* determinations of legality, the rule would appear to be inapposite. Moreover, secrecy of grand jury proceedings has never been adhered to absolutely. A party who can show a "particularized need" may obtain a transcript, *Dennis* v. *United States*, 384 U.S. 855, 868–75 (1961); *Pittsburgh Plate Glass Co.* v. *United States*, 360 U.S. 395, 400 (1959); or where there is a "compelling necessity," *United States* v. *Procter and Gamble Co.*, 356 U.S. 677 (1958); or where "good cause" has been shown, *Blumenfield* v. *United States*, 284 F. 2d 46 (8th Cir., 1960) *cert. denied*, 365 U.S. 812 (1961); or where "the ends of justice require it," *Pittsburgh Plate Glass Co.* v. *United States*, 360 U.S. 395 (1959); or where such disclosure may be required "either in the general public interest or in the protection of private rights," *Palmentere* v. *Campbell*, 205 F. Supp. 261 (D.C.Mo., 1962); or finally, where strong or "substantial reasons" have been shown for disclosure, *United States* v. *Elliott*, 266 F. Supp. 318 (D.C.N.Y., 1967). And it is noteworthy that the Court in *Dennis*, *supra* at 855, rejected the contention that protection of rights can be secured solely by the supervision of the courts:

"In our adversary system, it is enough for judges to judge. The determination of what may be useful to the defense can properly and effectively be made only by an advocate."

And *cf. Alderman* v. *United States*, supra.

In sum, we are convinced that these procedures are both feasible and constitutionally compelled. It was therefore error for the Court below to have denied the Motion for Further Relief. And as we stated before, the burden of establishing constitutionally acceptable procedures rests on the government, which affirmatively seeks the compulsory processes of the Federal courts to aid its investigation. It is not enough for the government to criticize our proposals—the government must come forward with an acceptable alternative or be denied the assistance of the judiciary to reach an illegitimate end. The Constitution demands no less.

CONCLUSION

For the reasons set forth herein above, Appellant respectfully submits that this Court should reverse the decision of the District Court and hold that (a) the republication by Appellant of the official record of a Senate Subcommittee is immune from grand jury inquiry and (b) Appellant is entitled to the relief requested in Part III of this Brief.

Respectfully submitted.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the attached Brief of Intervenor-Appellant was hand-delivered to the United States Attorney for Massachusetts, U.S. Post Office Building, Post Office Square, Boston, Massachusetts, this first day of November, 1971.

Charles L. Fishman, Attorney for Appellant.

FOOTNOTES

*Counsel wish to acknowledge the assistance of Ralph Kates, a third-year law student at Temple University Law School, in the preparation of this Brief.

[1] Senator Gravel duly notified the Sergeant at Arms of the Senate of Dr. Rodberg's appointment by letter on June 29, 1971.

[2] Government's Memorandum in Opposition to Motion to Quash, pp. 5–11. This argument was also vigorouly presented orally.

[3] Of course, the District Court made other findings of fact on pages 1–5 of the Slip Opinion. We do not set them out because they are not material to this appeal. We do wish to point out, however, a possible error in the District Court's recitation of events leading up to the June 29 meeting of the subcommittee. There may be an inference in the opinion that Senator Gravel read and inserted into the record from the set of Pentagon Papers sent under seal from the President to Congress. This is not true; Senator Gravel read from documents which he had independently obtained. Furthermore, these documents are not identical in every respect to the documents furnished under seal to Congress.

[4] The third party was an attorney who came into possession of the documents as ex-

hibits introduced in a civil case involving Periman.

[6] Quoted in *New York Times* v. *Sullivan*, 376 U.S. 254, 274 (1964).

[6a] Id., at 275.

[6] *Elliot's Debates* 575 (Virginia Resolution of 1798).

[7] Wilson, *Congressional Government* 303 (1885), quoted in *Tenney* v. *Brandhove*, 341 U.S. 367, 377 fn. 6 (1951).

[8] *Ibid.*

[9] The Supreme Court has never required that the privilege encompasses only those acts for which a nexus can be shown with pending legislation. On the contrary, the Court has, for example, held investigations privileged whose functions were either to propose legislation or to information the public, since they were "within the sphere of legitimate legislative activity," *Tenney* v. *Brandhove*, *supra* at 376–77 and fn 6. Similarly, in *Dombrowski* v. *Eastland*, 387 U.S. 82 (1967), Senator Eastland was held privileged for actions which were not remotely connected with pending or future legislation. Neither are many speeches on the Floor of Congress; yet surely the Court of Appeals was correct in *Cochran* v. *Couzens*, 42 F. 2d 783 (D.C. Cir. 1930), *cert. denied* 282 U.S. 874, that no showing was necessary that words spoken between Congressmen were pertinent to pending or future legislation.

[10] Likewise, Congressmen must have, and in fact exercise, wide discretion in selecting modes of direct communication to the electorate with respect to the dissemination of speeches and committee records on matters of public interest. A Subcommittee record of thousands of pages, such as involved here, can hardly be distributed in newsletter form. And the government's attempts in the Court below to characterize the instant publication as a "commercial enterprise" are both misplaced and irrelevant. The undisputed facts in the record establish that Senator Gravel will obtain no royalties from the publication. And, in any event, the Supreme Court has unambiguously held that material of social value which is otherwise protected by the Constitution does not lose that protection because it is published commercially. *New York Times* v. *Sullivan*, 376 U.S. 254, 265–66 (1964). And uncountable public documents are commercialized by the Public Printer and private publishers to enhance circulation.

[11] James Madison, 4 *Annals of Congress* 934 (1794).

[12] In its decision (Slip Opinion, p. 13), the Court below quoted certain language from *Hentoff*. These comments dealt solely with the liability of the Public Printer, and not the scope of the Speech or Debate Clause. Judge Gesell distinguished Committee Reports from the *Congressional Record* because Article I, Section 5 of the Constitution requires a journal of proceedings to be kept; thus the Court would not enjoin the Public Printer from including the report in the *Congressional Record*. 318 F. Supp. at 1180. But, as noted in the text, the Court held that the privilege absolutely immunized the Members of Congress themselves from judicial inquiry, for causing the Committee report to be republished anywhere. We therefore respectfully submit that the above-quoted language is inapposite to the issue of this case, which is whether a Senator may be held accountable for republishing an official Subcommittee record. Hentoff holds that he may not, in an action *"seeking any remedy."* Finally, Judge Gesell did not, as respondents suggested in the Court below, state that the courts would investigate into the purpose of the republication and hold the privilege applicable only if a valid legislation purpose, in the sense of relating to proposed legislation, were shown. On the contrary, the Court had no difficulty in concluding that the report was "devoid of legislative purpose" and "on its face contradicts any assertion of such a purpose," *id.* at 1182, but nevertheless held the Members of Congress unaccountable in the judiciary because the report contained information of public interest and its distribution was thus part of the Congressmen's "legislative activities." *Id.*, at 1179. It may be noted that in the present case, the Court below stated: "It has not been suggested by the Government that the subcommittee itself is unauthorized, nor that the war in Vietnam is an issue beyond the purview of congressional debate and action." (Slip Opinion, p. 11).

[13] A second counterclaim alleged republication of certain other letters by Mr. McGovern. This was held barred by the Statute of Limitations, and was not decided on the merits. 182 F. Supp. at 349.

[14] While the Court atated at one point that the reason for the rule of Congressional privilege was "complete and uninhibited discussion among legislators," it also recognized the informing function as another purpose. Any reading of the Court's opinion which picks out the former to the total exclusion of the latter makes the opinion incomprehensible. Why should the Clause protect intra-legislative communication but not a Congressman's statement to the electorate? And if the reason for the privilege related only to intra-legislative communications, why should there be even a qualified immunity for distribution of speeches to the public? How would a republication of a libelous speech to another Member of Congress fare? And finally, if *only* intralegislative communication is protected, why have the courts gone beyond the literal language of the Speech or Debate Clause? Each of these questions would have had to be answered by the Court in *McGovern* if it had meant to exclude public dissemination of speeches from the Clause altogether.

[15] In *Howard*, copies of the press release were sent to various newspapers and wire services and to "members of the Massachusetts delegation in the Congress . . ." 360 U.S. at 594. The press release in *Barr* similarly was given wide circulation. In both cases, the Executive officials went far beyond merely sending reports to their immediate superiors.

[16] In the Court below, the Respondent placed heavy reliance upon *Long* v. *Ansell*, 69 F. 2d 386 (D.C. Cir. 1934), calling it "surprisingly close to this proceeding." The simple answer is that *Long* is not a Speech or Debate Clause case. Senator Long refused to accept service of process in a libel suit *only* on the grounds of the provision in Article I, Section 6 that immunizes Congressmen from arrest during a session of Congress. As the Court made clear, Senator Long did not even argue the privilege of the Speech or Debate Clause as a bar to service of process, and the only discussion of the Clause is in an extremely brief and somewhat opaque final paragraph.

The Court below did not rely on *Long* v. *Ansell*, *supra*. It did, however, cite for support *Restatement of Torts*, 1938 ed., Sec. 950, comment b. It may be observed that the rules of defamation proposed by The American Law Institute in 1938 have not, as a general matter, been accepted by the courts in constitutional adjudication. *See*, e.g., *Restatement of Torts*, 1938 ed. Sec. 598, comment a, which was not followed in *New York Times* v. *Sullivan*, 376 U.S. 254, 280 and fn. 2d (1964).

[17] And when, after the drafting of the Constitution, a British court purported to draw such a distinction (see *Stockdale* v. *Hansard*, 9 A.&E.1, 112 Eng. Rep. 112 (1839)), the reaction in Parliament was so intense that the decision was almost immediately overruled by statutes 3 & 4 Vict., c. 9 (1840).

[18] And even if this were somehow put on the "outer perimeter" of a Congressman's duties, *Barr* v. *Matteo*, *supra*, teaches that it must be protected by an absolute privilege.

[19] Mr. Webber being an example.

[20] How, for instance, could anyone but Senator Gravel object and a court decide the legal question of whether his conduct was "intimately related" to the Subcommittee meeting, as specified in Paragraph 1 of the October 4 Protective Order?

[21] It should be noted in this respect that Mr. Webber was prepared to appear before the grand jury, bring with him notes of conversations with Senator Gravel's aides and perhaps answer all questions about Senator Gravel—until prevented by the stay pending appeal.

[22] Memorandum and Order Denying Motion for Further Relief, dated October 29, 1971, p. 2.

[23] The Court below denied our motion for stenographic copies of grand jury minutes, thus keeping Senator Gravel in an indefinite state of uncertainty as to whether his constitutional privilege was violated.

[24] Henry Steele Commager, "A Senator's Immunity," *New York Times*, October 15, 1971, p. 39 M, col. 5–8.

[25] Paragraph (1) provides: "No witness . . . may be questioned about Senator Mike Gravel's conduct at the meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 nor about things done by the Senator in preparation for and intimately related to said meeting."

[26] Paragraph (2) provides: "Dr. Leonard S. Rodberg may not be questioned about his own actions as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for and intimately related to said meeting."

[27] Compare *Speiser* v. *Randall*, 357 U.S. 513, 526 (1958): "The vice in the present procedure is that, where particular speech falls close to the line separating the lawful and the unlawful, the possibility of mistaken fact finding . . . will create the danger that the legitimate utterance will be penalized."

[28] While the witness appeared but refused to answer eight questions, the significance of the case is in the specification made by the Justice Department.

[29] The government stated in *Caldwell* that the following matters in the public domain indicate to a limited extent the scope of the matters currently under investigation involving certain members of the Black Panther Party:

(1) On June 24, 1969, several Black Panther Party members were granted immunity by the District Court in connection with an asserted grand jury investigation of possible violations of 18 U.S.C. §§ 2101 and 231, *supra*. They refused to testify, were held in contempt, appealed, lost the appeals; and their cases were pending in this Court in petition for *certiorari*.

(2) On August 26, 1969, a motion was made to quash a grand jury subpoena *duces tecum* seeking records of the Huey P. Newton Fund in connection with an asserted investigation of possible violations of 18 U.S.C. § 1341, *supra*. The subpoena was modified by agreement of counsel and a consent order entered by the District Court, September 9, 1969.

(3) On December 3, 1969, the grand jury indicted Black Panther Party Chief of Staff David Hilliard for a violation of 18 U.S.C. § 871 allegedly committed on November 15, 1969.

(4) On February 5, 1970, the Government moved to compel compliance with grand jury subpoenas served on Black Panther leaders Raymond "Masai" Hewitt, John Seale and Sam Napier, requiring production of documents relating to publication of three numbers (November 22, 1969; December 27, 1969; and January 3, 1970) of the Panther Party newspaper, *The Black Panther*. On March 4, 1970, the Government moved the District Court to grant immunity to grand jury witnesses Sherrie Bursey and Branda Joyce Presley. In connection with these proceedings, the District Court was informed by the Government that threats to kill the President had been published in the three designated numbers of *The Black Panther*, and that the grand jury was investigating possible violations of 18 U.S.C. § 1751, "as well as other matters."

The Government also asserted in *Caldwell* that the "following matters relate to [the] issuance of a subpoena for the testimony of Earl Caldwell:"

(1) In a New York Times article published on December 14, 1969, Mr. Caldwell attributed to David Hilliard the statement that the Black Panther Party "advocate[d] the very direct overthrow of the Government by way of force and violence [and by] . . . picking up guns . . . [and] armed struggle," and went on to note that "[In] their role as the vanguard in a revolutionary struggle the Panthers have picked up guns." This statement "coming after the threat of the Panthers to kill President Nixon, made in the November 22, 1969, issue of *The Black Panther*, and prior to the same threat made in the December 27, 1969 and the January 3, 1970 issues, appeared relevant to an inquiry or investigation of a possible violation in connection with the publication of these statements and related activities of the responsive individuals."

(2) Mr. Caldwell's *New York Times* articles of June 15, June 20, and July 28, 1969 quoted Panther Party Chairman Bobby Seale and Chief of Staff David Hilliard, and recounted Mr. Caldwell's observations and reflections on the Panthers. [ ] (sic) These included observations that the Panthers "had been transformed from a street gang type of organization to an organization based on an ideology," and that the Panthers now talk in terms of such concepts as "class struggle."

(3) After David Hilliard's November 15, speech, "a number of instances of similar statements, made in various parts of the country, were reported by investigative agencies." "In most instances," these statements were attributed to reported Panther Party members, or persons reportedly "linked to it or associated with it in some manner." The statements, in the context of having guns attacking the system, the establishment, etc., and coupled with obscene invective, included "Nixon must die," etc. They were sometimes made "to small groups of sympathizers," sometimes made by "full use of coverage by the press and the facilities of commercial and educational radio and television to disseminate their messages to a wide audience."

(4) On December 3, 1969, a San Francisco disk jockey who had written articles for *The Black Panther*, suggested in a program dedicated to David Hilliard's indictment, that listeners could support free speech by wiring the President a fifteen-word telegram quoting the allegedly threatening passage in Hilliard's Moratorim (sic) Day speech.

(5) On January 5, 1970, Eldridge Cleaver, Black Panther Party Minister of Information, was interviewed over CBS. In the interview, he announced plans to return to the United States from his exile in Africa to go underground, and to lead a "war of liberation from the fascist imperialist social order in the United States," which would include taking off the heads of Senator McClellan and President Nixon. Mr. Cleaver added: "This is not rhetoric."

[30] When we tendered our Motion for Further Relief, we did not know that this grand jury was investigating other areas. As a result, our request for a list of all witnesses to appear was obviously too broad.

[31] Obviously, this hearing cannot be used to elicit *all* privileged information known to this witness for, as in the analogous Fifth Amendment cases, this would itself defeat the privilege. *Hoffman* v. *United States*, *supra*.

[32] See also *Sheridan* v. *Garrison*, 273 F. Supp. 637, 684–685 (E.D. La. 1967), Rev. on other grounds 415 F. 2d, 699 (5th Cir. 1969).

[U.S. Court of Appeals for the First Circuit]

MOTION FOR ORDER TO SHOW CAUSE AND FOR IMPOSITION OF COURT SANCTIONS

(No. 71–1331—United States of America versus John Doe, Mike Gravel, U.S. Senator, intervenor, appellant)

(No. 71–1332—Same versus same, same.)

Comes now Movant, United State Senator Mike Gravel, and moves this Honorable Court for an order directing Richard Bachman, Assistant United States Attorney, David Nissen, Assistant United States Attorney, Warren Reese, Assistant United States Attorney and John Doe of the F.B.I. to show cause why they should not be adjudged in contempt of this Court's order entered on October 29, 1971, and as reasons therefor state:

1) On October 29, 1971, this Court entered an order in the above captioned cause. Paragraph 2 of that order states:

"It is Hereby Ordered that until further order of this court, the grand jury shall not pursue its inquiry into the retention of public property or records with intent to convert (18 U.S.C. § 641), the gathering and transmitting of national defense information (18 U.S.C. § 793), the concealment or removal of public records or documents (18 U.S.C. § 2071), or conspiracy to commit such offenses or to defraud the United States (18 U.S.C. § 371) insofar as these or any other crimes may relate to the so-called 'Pentagon Papers' in whatever form. However, it shall be empowered to continue its investigation into any other crimes."

2) On October 28, 1971, the aforesaid grand jury issued two subpoenas *duces tecum* signed by Richard Bachman to the New England Merchants National Bank directing the bank to appear before the aforesaid grand jury on November 10, 1971 at the Post Office Building, Boston, Massachusetts, and to bring with it all records of checks drawn of $5,000 or more on the accounts of Beacon Press or the Unitarian-Univeresalists Association.

3) The aforesaid subpoenas were served on officials of the New England Merchants National Bank on October 29, 1971.

4) Since October 29, 1971 and pursuant to the aforesaid grand jury subpoenas John Doe and other agents of the Federal Bureau of Investigation have been examining and seizing under the grand jury subpoenas the bank records of Beacon Press and the Unitarian-Universalists Association. This conduct is continuing at the present time.

5) Upon information and belief Movant alleges that the actions of Richard Bachman in issuing the aforesaid subpoena and the agents of the Federal Bureau of Investigation who served and are executing the subpoena and have seized records pursuant thereto were taken under the order, supervision and control of David Nissen and Warren Reese.

6) The actions taken by Richard Bachman, David Nissen, Warren Reese and John Doe are in direct violation of this Court's order of October 29, 1971; were knowingly committed and constitute contemptuous conduct.

Wherefore, Movant respectfully requests that this Honorable Court call Respondents before the Bar of this Court and hold a hearing forthwith and in any event no later than 1 P.M., Friday, November 5, 1971 and order Richard Bachman, David Nissen, Warren Reese and John Doe to show cause why this Court should not adjudge them in contempt of its order of October 29, 1971.

CHARLES LOUIS FISHMAN,
Counsel for Movant.

[U.S. Court of Appeals for the First Circuit, No. 71–1331]

ORDER TO SHOW CAUSE AND FOR IMPOSITION OF COURT SANCTIONS

(United States of America versus John Doe, Mike Gravel, U.S. Senator, intervenor, appellant)

(Same versus same, same)

Richard Backman, David Nissen, Warren Reese and John Doe are hereby ordered to appear before the Bar of this Court on November 4, 1971, at —— M to show cause why they should not be adjudged in contempt of this Court for violation of this Court's order of October 29, 1971.

——— ———,
Judge, U.S. Court of Appeals.

COMMONWEALTH OF MASSACHUSETTS *ss:*

AFFIDAVIT OF CHARLES LOUIS FISHMAN

Charles Louis Fishman, being first duly sworn according to law deposes and say that:

1. I am counsel to United States Senator Mike Gravel in the following cases now before this court, Nos. 71–1331 and 71–1332.

2. On November 4, 1971, I was informed by Norman Zalkind, counsel for Beacon Press and Frank B. Fredrick, counsel for the Unitarian Universalist Association that two subpoenas duces tacum were issued by the grand jury involved in the aforesaid cases to the New England Merchants National Bank commanding the bank to appear before the grand jury on November 10, 1971 and to bring with them all bank records of checks drawn on the accounts of Beacon Press or the Unitarian Universalists Association of $5,000 or more and drawn between June 1, and October 1, 1971.

3. I was further informed that agents of the Federal Bureau of Investigation, under compulsion of the aforesaid subpoenas, have seized and are continuing to seize the aforesaid checks.

4. I was further informed that the aforesaid subpoenas were signed by Richard Backman, Assistant United States Attorney.

5. I notified David Nissen, Assistant United States Attorney of the intended filing of the attached Order To Show Cause on November 4, 1971.

CHARLES LOUIS FISHMAN.

[U.S. Court of Appeals for the First Circuit, No. 71–1335]

BRIEF OF WITNESS-APPELLEE—ISSUES PRESENTED FOR REVIEW

(United States of America, Appellant, v. John Doe, in the matter of a grand jury subpoena served upon Leonard Rodberg)

Whether the protective order entered by the District Court is necessary to protect the rights and interests safeguarded by the legislative privilege embodied in the Speech or Debate Clause of the United States Constitution?

A. Whether the convening of a legislative subcommittee and the insertion of material into the CONGRESSIONAL RECORD and things done in preparation for and related thereto are protected by the Speech or Debate Clause?

B. Whether the protective order issued by the District Court is necessary to protect the rights threatened by Dr. Rodberg's appearance before the grand jury?

PRELIMINARY STATEMENT

This is an appeal by the government from the protective order entered on October 4, 1971 by the District Court for the District of Massachusetts (Hon. W. Arthur Garrity, Jr.) with respect to the scope of the grand jury questioning of Dr. Leonard S. Rodberg that may properly be permitted consistent

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with the Speech or Debate Clause of the United States Constitution.[1]

On the evening of August 24, 1971, Dr. Rodberg was served at his home in Silver Spring, Maryland with a subpoena which sought to compel his appearance on the morning of August 27 before a federal grand jury in the District of Massachusetts. At that time and since June 29, 1971, Rodberg was a personal aide to Senator Mike Gravel, United States Senator from Alaska. The subpoena was served by the FBI on the same day an article had appeared in the weekly newspapers, *Boston After Dark*, which stated that Dr. Rodberg was a legislative assistant to Senator Gravel who had assisted the Senator in the insertion of the so-called "Pentagon Papers" into the Congressional Record at the June 29, 1971 meeting of the Subcommittee on Public Buildings and Grounds (a subcommittee of the Senate Committee on Public Works). The article further stated that Dr. Rodberg had assisted in the Senator's subsequent efforts to make those documents in the Congressional Record generally available to the public. A similar article had appeared only a few days earlier in the *Washington Post*.

Dr. Rodberg (and Senator Gravel, whose motion to intervene was granted by the district court) moved to quash the subpoena on the ground, *inter alia*, that questioning of Rodberg would violate the legislative privilege embodied in the Speech or Debate Clause. Movants alleged that the government sought to question Dr. Rodberg solely in connection with the insertion of the Pentagon Papers into the Congressional Record and the effort by Senator Gravel to make them generally available to the public. The government did not deny this claim. On October 4, Judge Garrity issued a "Memorandum of Decision and Protective Order." In his opinion the Judge stated:

"[G]iven the secrecy and flexibility of all grand jury proceedings, no movant ever could demonstrate with certainty the specific facts about which he had been subpoenaed to testify. Viewing together the crimes which this grand jury is investigating and the chronology of acts and events leading up to Dr. Rodberg's subpoena, the court infers that the government's interest in his testimony pertains to his acts as Senator Gravel's assistant with regard to the Pentagon Papers and that the government attorneys plan to question him about them before the grand jury." Sl. Op., pp. 5–6.

Although denying the motions to quash, the District Court noted that "the Speech or Debate Clause plainly sets limitations upon the grand jury's investigation."[2] More particularly, "it is . . . clear from the *Johnson* case that Senator Gravel's legislative acts may not consistently with the Speech or Debate Clause be the subject of questioning before the grand jury."[3] The Court "sustain[ed] Senator Gravel's claim that whatever he did at the subcommittee meeting on June 29 and certain acts done in preparation therefor are privileged."[4] Further, relying upon *Barr* v. *Matteo*, 360 U.S. 564 (1960), the Court concluded that "the legislative privilege enjoyed by a senator must extend to some activities of a member of his personal staff acting at his direction. To rule otherwise would dilute and jeopardize the privilege itself." Sl. Op., p. 14.

Therefore, to ensure the adequate protection of the rights threatened by Dr. Rodberg's appearance before the grand jury, the District Court entered the following order:

"(1) No witness before the grand jury currently investigating the release of the Pentagon Papers may be questioned about Senator Mike Gravel's conduct at a meeting of the Subcommittee on Public Buildings and Grounds on June 29, 1971 nor about things done by the Senator in preparation for and intimately related to said meeting.

"(2) Dr. Leonard S. Rodberg may not be questioned about his own actions on June 29, 1971 after having been engaged as a member of Senator Gravel's personal staff to the extent that they were taken at the Senator's direction either at a meeting of the Subcommittee on Public Buildings and Grounds or in preparation for and intimately related to said meeting."

It is this protective order which the government challenges here.[5]

ARGUMENT

The protective order entered by the District Court is necessary to protect the rights and interests safeguarded by the legislative privilege embodied in the speech or debate clause of the United States Constitution.

A disposition of this appeal requires a resolution of two questions: (1) whether the legislative activity in question is legislative activity protected by the Speech or Debate Clause and (2) how can that activity be properly protected against executive interference under the circumstances of this case? We will discuss these issues separately.

A. The convening of a legislative subcommittee and the insertion of material into the Congressional Record and things done in preparation for and related thereto are protected by the Speech or Debate Clause.

The initial inquiry, whether Senator Gravel's convening of the Subcommittee on Public Buildings and Grounds and his insertion into the Congressional Record of the "Pentagon Papers" are safeguarded by the Speech or Debate Clause, need not detain us long.[6] It has been clear for at least ninety years that the Clause protects all normal functions of a member of Congress including, in addition to words actually spoken in debate, resolutions offered, votes taken, and actions of committees. *Kilbourn* v. *Thompson*, 103 U.S. 168 (1881). As the Supreme Court said in *United States* v. *Johnson*, 383 U.S. 169, 179 (1966), in relying upon *Kilbourn*, the Clause "should be read broadly to include not only 'words spoken in debate,' but anything 'generally done in a session of the House by one of its members in relation to the business before it.'" In this light it is apparent that the activities involving Senator Gravel described above are protected by the Speech or Debate Clause, that they are the very essence of the activity which that Clause was intended to safeguard. Indeed, we do not understand appellant to contend otherwise.[7]

B. The protective order entered by the District Court is necessary to protect the rights threatened by Dr. Rodberg's appearance before the Grand Jury.

The government's entire argument is based on the following interpretation of the Speech and Debate Clause: the Clause prohibits the questioning of Senators and Representatives "for any Speech or Debate in either House;" "for" does not include "about"; therefore the executive branch may investigate, probe and question anyone "about" that legitimate legislative activity. As long as no one entitled to the safeguards of the Speech or Debate Clause is *prosecuted*, the executive is in no way limited by the strictures of that constitutional provision.[8] We submit that such an interpretation is fundamentally flawed, that it misconceives the basic thrust and purpose of the Speech or Debate Clause and finds no support in the authoritative decisions of the Supreme Court.

That Court has long rejected the government's claim that the Speech or Debate Clause should be narrowly construed; to the contrary, "the legislative privilege will be read broadly to effectuate its purposes." *United States* v. *Johnson*, *supra* at 180. And so it has been. For example, as earlier noted, the provision has not been limited to "Speech or Debate in either House," but rather has been interpreted to include anything "generally done in a session of the House by one of its members in relation to the business before it." *Kilbourn* v. *Thompson*, 103 U.S. at 204. Thus, in the very first case to come before it involving the Speech or Debate Clause the Supreme Court plainly rejected the notion that its scope should be confined to narrow, literal terms.

In *Tenney* v. *Brandhove*, 341 U.S. 367, 373 (1951) the Supreme Court observed of the legislative privilege:

"The reason for the privilege is clear. It was well summarized by James Wilson, an influential member of the Committee of Detail which was responsible for the provision in the Federal Constitution. 'In order to enable and encourage a representative of the public to discharge his public trust with firmness and success, it is indispensably necessary, that he should enjoy the fullest liberty of speech, and that he should be protected from the resentment of every one, however powerful, to whom the exercise of that liberty may occasion offence.'" II Works of James Wilson (Andrews ed. 1896) 38.[9]

The Court has made abundantly clear that the "powerful" of whom Wilson spoke, refers primarily to the executive branch. In *United States* v. *Johnson*, the Court said:

"[I]t is apparent from the history of the clause that the privilege was not born primarily of a desire to avoid private suits such as those in *Kilbourn* and *Tenney*, but rather to prevent intimidation by the executive and accountability before a possibly hostile judiciary." *Supra* at 180–1.

[1] Dr. Rodberg is not now a party in Nos. 71-1331 and 71-1332. The latter involves a subpoena directed to Howard Webber, director of MIT Press. The former is an appeal from the denial of the motion to quash the subpoena directed to Dr. Rodberg. His application for certification of the district court's order so as to permit him to appeal from that order was denied on October 28, 1971. We have therefore confined our discussion here solely to the issue raised by the government's appeal, reserving for the appropriate time other objections. We of course agree with the position urged by Senator Gravel that everything he has done in connection with the Pentagon Papers is within "the sphere of legitimate legislative activity," *Tenney* v. *Brandhove*, 341 U.S. 367 376 (1951) and thus by virtue of the Speech or Debate Clause immune from executive scrutiny in any way.

[2] Sl. Op., p. 8.

[3] *Id.* at 9.

[4] *Id.* at 10.

[5] Counsel for Dr. Rodberg were not informed that the government was appealing the District Court's order until Tuesday, November 2, and then only by virtue of a telephone conversation with counsel for Senator Gravel. We did not receive the government's brief in this matter until late Friday afternoon, November 5. Despite these difficulties we have sought to comply with schedule established by this Court's order entered November 1.

[6] The Clause, which is Article I, Section 6, Clause I of the United States Constitution, provides that "for any Speech or Debate in either House, [Senators and Representatives] shall not be questioned in any other place."

[7] The government claimed below that this activity was beyond the purview of the Constitutional provision. However, the District Court flatly rejected this assertion, Sl. Op., pp. 10–12, and the government has not pursued it here.

[8] This argument is the premise of *every* separate section of the government's brief. See pp. 10–11, 21, 22, 23–4, 27, 28 of Consolidated Brief of the United States.

[9] In *Powell* v. *McCormack*, 395 U.S. 486, 503 (1969) the Court again quoted with approval this passage.

In this respect the Clause implicates fundamental considerations involving separation of powers.

This case presents perhaps the clearest possible example of an executive hostile to the legislature. It is a well-known fact, of which this Court may take judicial notice, that a conflict has arisen in recent years between the executive and legislative branches of government over the conduct of the war in Southeast Asia. The conflict is most clearly drawn between the President and the United States Senate. The executive has been the subject of increasing criticism by the Senate over its conduct of the war and the executive's frequent assertions of unquestionable power in the area of foreign affairs, and specifically the war, subject to increasing question. The effort by the Senate to fulfill its constitutional responsibilities with respect to the conduct of the war, and to limit the claims of the executive to sole authority in this area, has grown in direct proportion to the Senate's knowledge about the war and its recognition that much information about the war has been kept from it. Not surprisingly, therefore, the effort by a United States Senator to inform the American public about the facts regarding the war and the reality that much about Vietnam and Southeast Asia has been kept secret meets with executive disfavor. The attempt by the executive to probe the legislative activities by Senator Gravel in this respect presents the classic example of the kind of situation to which the Speech or Debate Clause was meant to apply.

The history and function of the Clause and the particular facts of this case notwithstanding, the government argues that no Speech or Debate question is here presented because there is as yet no sanction sought to be imposed upon those protected by the Clause, as by initiating of a judicial proceeding. Such a reading of the Clause is entirely too narrow and is inconsistent with its very purpose.

In terms of attempting to intimidate the legislative branch, secret questioning before a grand jury can as effectively abridge the interests protected by the Speech or Debate Clause as any other method, if not more so. In many respects, the Speech or Debate Clause overlaps the First Amendment. Wilson wrote that it was "indispensably necessary" that a legislator should have "the fullest liberty of speech." *Op. cit;* by inserting the Pentagon Papers into the Congressional Record, Senator Gravel performs a dual role, each of which is the fulfillment of First Amendment interests. On the one hand, he acts for his constituents and expresses their views; on the other he informs the people of information previously kept from them, thus satisfying the public's right to know, *Lamont* v *Postmaster General*, 381 U.S. 301, 308 (1965) (concurring opinion) by helping to maximize the "spectrum of available knowledge." *Griswold* v. *Connecticut*, 381 U.S. 479, 482 (1965). The intended effect of inserting the Pentagon Papers into the record was, in the words of Justice Black, to "bare the secrets of government and inform the people." *New York Times Co.* v. *United States*, 403 U.S. 713, 717 (1971).

We emphasize the First Amendment roots of the Speech or Debate Clause because the First Amendment cases are the ones which most decisively reject a claim that intimidation of deterrence of constitutionally protected activity does not come until a prosecution is instituted. Over and over, the precedents recognize that compelling an unwilling witness to subject himself to interrogation and investigation may as effectively abridge the performance of constitutionally protected activity as the application of judicial sanctions. See, e.g., *NAACP* v. *Alabama*, 357 U.S. 449 (1958); *Gibson* v. *Florida Legislature Investigation Committee*, 372 U.S. 539 (1963); *DeGregory* v. *Attorney General*, 383 U.S. 825 (1966); *Caldwell* v. *United States*, 434 F. 2d 1081 (9th Cir., 1970), cert. granted 402 U.S. 942 (1971). What the Supreme Court has said with respect to First Amendment rights applies equally well to the related rights under the Speech or Debate Clause:

"The fact that Alabama . . . has taken no direct action . . . to restrict the right of petitioner's members to associate freely, does not end inquiry . . . In the domain of these indispensable liberties . . . the decisions of this Court recognize that abridgment of such rights, even though unintended, may inevitably follow from varied forms of governmental action. Thus, in *Douds*, the Court stressed that the legislation there challenged . . . would have the effect 'of discouraging' the exercise of constitutionally protected political rights . . . Similar recognition of possible unconstitutional intimidation of the free exercise of the right to advocate underlay this Court's narrow construction of the authority of a congressional committee investigating lobbying . . ." *NAACP* v. *Alabama*, *supra* at 461.

Questioning a United States Senator or his legislative aide about the performance of legislative responsibilities in a proceeding whose purpose is to obtain criminal indictments will necessarily deter the vigorous exercise of that legislator's constitutional duties. As the Supreme Court noted in *Tenney* v. *Brandhove*,. "[o]ne must not expect uncommon courage even in legislators." 341 U.S. at 377. It is both understandable and accurate to say that legislators may well curtail the vigor of the performance of their representative duties if they have to fear disclosure of confidential matters or other questioning by the executive branch. The Supreme Court has recognized that the key to the enforcement of the Speech or Debate Clause is not immunity from criminal or civil sanction but immunity from the threat of such sanctions. In *Powell* v. *McCormack*, the Court noted that the Clause "insures that legislators are free to represent the interests of their constituents *without fear* that they will be later called to task in the courts for that representation." *Supra* at 503 [Emphasis added]. In the context of the analogous executive privilege, the Court has spoken of the importance "that officials of government should be free to exercise their duties unembarrassed by the *fear* of damage suits in respect of acts done in the course of those duties . . ." *Barr* v. *Matteo*, 360 U.S. at 571 (Emphasis added).

The *Barr* Court recognized that "the threat of [such suits] might appreciably inhibit the fearless, vigorous, and effective administration of policies of government." *Id.* As the Court has noted in the closely related First Amendment context: "The threat of sanctions may deter . . . almost as potently as the actual application of sanctions." *NAACP* v. *Button*, 371 U.S. 415, 433 (1963).[10] We therefore conclude that the Speech or Debate Clause is a constitutional limitation upon the scope of questioning before the grand jury, and precludes questioning of witnesses about Senator Gravel's activities in connection with his insertion of the Pentagon Papers into the Congressional Record.[11]

Dombrowski v. *Eastland*, 387 U.S. 82, 85 (1967) recognizes that legislative immunity applies to legislative officers and employees (although less absolutely in circumstances not relevant here). In light of that application and from the decisions of the Supreme Court in *Barr* v. *Matteo*, *supra* and *Howard* v. *Lyons*, 360 U.S. 593 (1959), it is apparent that the second part of the District Court's protective order was constitutionally required. In *Barr* the Supreme Court held that a press release issued by an acting director of a government agency announcing his intention to suspend two agency employees was within the scope of the director's duties and absolutely privileged, despite the claim that the issuance was done maliciously. The Court first quoted from *Spalding* v. *Vilas*, 161 U.S. 483, 498–99 (1896) in establishing the executive privilege. It then held that the privilege was not only available to executive officers but also to executive employees of lower rank as well:

"We do not think that the principle announced in Vilas can properly be restricted to executive officers of cabinet rank, and in fact it never has been so restricted by the lower federal courts. The privilege is not a badge or emolument of exalted office, but an expression of a policy designed to aid in the effective functioning of government. The complexities and magnitude of governmental activity have become so great that there must of necessity be a delegation and redelegation of authority as to many functions, and we cannot say that these functions become less important simply because they are exercised by officers of lower rank in the executive hierarchy." *Supra* at 572–3.[12]

Barr thus forcefully established the principle which the government would now have this Court repudiate: that a governmental privilege must necessarily extend to those upon whom a legislator or executive necessarily depend for the performance of official duties. As the District Court said:

[10] In the present case, the investigation occurs in context of a grand jury proceeding and the threat of criminal sanctions is therefore apparent. But we wish to emphasize that even were such a threat removed, the Speech or Debate Clause would still bar the inquiry which the government seeks. This is because, as we have shown, the Clause guards against *all* deterrence of a legislator's constitutional responsibilities, whatever the source. And it is plain from the experience with the House Un-American Activities (HUAC), now the House Internal Security Committee (HISC), that compelled questioning, even without the threat of criminal or civil sanctions, effectively deters protected activity. (For years HUAC has questioned unwilling witnesses about the details of their political activity with the effect, if not the purpose, of inhibiting that activity, the absence of sanctions not withstanding. See *Stamler* v. *Willis*, 371 F.2d 413, 414 (7th Cir., 1966).

[11] The effort by the government to exclude grand jury investigations from the protection of the Speech or Debate Clause is reminiscent of its argument long ago that the Fifth Amendment privilege against self-incrimination did not apply to such proceedings. See *Counselman* v. *Hitchcock*, 142 U.S. 547, 562–4 (1892). The Fifth Amendment declares "no person . . . shall be compelled in any criminal case to be a witness against himself." The Court, in rejecting the argument that the privilege did not apply to grand jury proceedings, noted: "The privilege is limited to criminal matters but it is as broad as the mischief against which it seeks to guard." *Id.* at 562. The legislative privilege must necessarily apply to grand jury proceedings in the same way as the Fifth Amendment, if it is to adequately protect against the "mischief," "against which it is intended to guard," the deterrence of vigorous representative government.

[12] *Howard* v. *Lyons*, *supra*, a companion case to *Barr* and decided the same day, involved a letter written by the commanding officer of the Boston Naval Shipyard to members of Congress explaining why he intended to withdraw recognition of a labor organization in the shipyard. The Supreme Court held that the executive privilege extended even to this officer and that since his circulation of the letter to Congressmen was within the scope of his official duties, the officer was absolutely privileged from civil liability. *Lyons* is thus even a stronger example on its facts than *Matteo* of the application of a governmental privilege to employees.

XUM

"[T]he legislative privilege enjoyed by a senator must extend to some activities of a member of his personal staff acting at his direction. To rule otherwise would dilute and jeopardize the privilege itself. For example, speeches delivered on the floor of Congress are often drafted by a skilled staff assistant and not by the congressman himself; to make such an assistant accountable for the content of a speech drafted by him would serve to dilute the privilege." Sl. Op., p. 14.

The District Court analogized, properly we submit, the legislator's dependence upon confidential assistants to a lawyer's reliance upon assistants to whom the attorney-client privilege regarding confidential communications applies. *United States* v. *Kovel*, 296 F. 2d 918 (2nd Cir., 1961). In order to ensure the accomplishment of the responsibilities which the Speech or Debate Clause seeks to protect, it is necessary to protect not only the legislator but also his personal aides without whom those responsibilities could not be fulfilled.

Powell v. *McCormack*, *supra*, and similar cases permitting civil actions against subordinate employees of legislative bodies have no application to the facts of this case. Again, as the District Court concluded: "Employees held accountable in such cases were administrative personnel whose non-discretionary duties to the legislative body as a whole in no substantial way related to the specific furtherance of the legislative tasks of individual members. Such institutional employees clearly have less impact upon legislation than personal staff members entrusted by the legislator himself with sensitive and confidential duties." Sl. Op., p. 12.[13]

[13] We confess we are surprised at the position taken in this case by the government for it is fully inconsistent with its position elsewhere. For example, presidential aide Henry Kissinger has long refused a Senate request that he appear before committee to be "questioned about" certain aspects of United States involvement in Southeast Asia. He has declined to do so on the basis of the analogous executive privilege.

Moreover in at least two pending lawsuits the same Justice Department which seeks to question Dr. Rodberg has resisted civil actions against legislative employees on the grounds of legislative immunity. In *USSF* v. *Eastland*, Civ. No. 1474–70 (D.D.C.) the plaintiffs seek injunctive relief against execution of a subpoena issued by the Subcommittee on Internal Security of the Senate Judiciary Committee. Asserting the legislative privilege, the government has argued in its "Memorandum in Support of the Defendant's Opposition to Plaintiff's Motion for Order Compelling Answers . . ." that J. G. Sourwine, a defendant and staff counsel to the subcommittee may not be questioned about, by means of depositions, "information secured by him pursuant to his official duties as an employee of the Senate."

McSurely v. *McClellan*, Civ. No. 516–69 (D.D.C.) is an action against a Senator and employees of a legislative subcommittee for damages for the unconstitutional issuance of a Congressional subpoena, alleged to have been issued outside the scope of legitimate activity. The Justice Department has moved to dismiss the complaint or alternatively for summary judgment on the ground that the Senator and the legislative employees are immune from suit by virtue of the legislative privilege. We quote from the Justice Department's "Memorandum of Points and Authorities" in support of those motions:

"Moreover, in light of the details set forth in Senator McClellan's affidavits concerning the involvement of the defendants with the McSurelys, it is equally plain that [the legislative employees] are entitled to legislative immunity. Particularly is this so in view of Senator McClellan's affidavit, which states that all actions of [those employees] in relation to the McSurelys were done within the scope of their duties as agents and employees or representatives of a Senate Subcommittee and that all such actions were taken pursuant to lawful congressional investigation within the legislative authority of the Senate of the United States as assigned to the Senate Subcommittee."

Putting aside the question whether the government lacks equity to seek to enforce a subpoena on the basis of an argument it expressly repudiates in other cases, we submit that if the government is correct in its contentions in the *USSF* and *McSurely* matters, then *a fortiori*, it may not question Dr. Rodberg about his own actions or those of Senator Gravel in connection with the June 29 reading of the Pentagon Papers into the Congressional Record. For we have seen that the Speech or Debate Clause "was not born primarily of a desire to avoid private suits such as those in *Kilbourn* and *Tenney*, but rather to prevent intimidation by the executive . . ." *United States* v. *Johnson*, *op. cit.* If legislative employees may not be questioned in a civil action about their activities which are alleged to be outside "the sphere of legitimate legislative activity," *Tenney* v. *Brandhove*, *supra* at 376, then clearly they may not be questioned in the context of a criminal investigation commenced by the executive.

[14] We have discussed the protective order only in the context of the issue presented by the government's appeal: whether it was necessary or proper. While we believe it was, we wish to emphasize that we do not believe it was sufficient to protect the constitutional interests at stake. We believe it should extend to all activities of the Senator and his aides with respect to the Pentagon Papers. Moreover, if, as the District Court held, Dr. Rodberg cannot be questioned about certain of his actions involving activity encompassed by the Speech or Debate Clause, it should follow that no other witness can be questioned about Dr. Rodberg's actions in that regard. Because these questions are touched upon in Nos. 71–1331 and 71–1332 and because they are not squarely presented by the government's appeal in this case, No. 71–1335, we do not discuss them at length, but only mention them so as to make our position clear.

Dr. Rodberg is not an administrative employee of the legislative body as a whole who is assigned ministerial duties (as is, for example, the Sergeant-at-Arms). Rather he is a personal aide to Senator Gravel, charged with the responsibility for the accomplishment of "senstive and confidential duties." In order to protect the Senator, Dr. Rodberg must therefore be protected from executive scrutiny of his own duties in that regard to the same extent as is the Senator. The protective order entered by the District Court was thus constitutionally required.[14]

CONCLUSION

For the aforegoing reasons, the protective order of the District Court should be affirmed.

Respectfully submitted,

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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing brief was served by hand deliver upon the office of the United States Attorney for the District of Massachusetts, United States Courthouse, Boston, Massachusetts thia 8th day of November, 1971.

[U.S. Court of Appeals for the First Circuit, Nos. 71–1135, 71–1331, and 71–1332]

UNITED STATES OF AMERICA, APPELLANT VERSUS MIKE GRAVEL, U.S. SENATOR, APPELLEE

BRIEF OF INTERVENOR APPELLEE AND REPLY BRIEF OF INTERVENOR APPELLANT

PRELIMINARY STATEMENT

In these proceedings (Nos. 71–1331 and 71–1332), now before this Court, Intervenor Senator Mike Gravel has appealed first the District Court's failure to grant or provide adequate and necessary judicial relief to properly safeguard the Constitutionally protected rights of Senator Gravel arising out of the Speech and Debate Clause recognized by the District Court and secondly, the failure of the District Court to include within the protection of the Speech and Debate Clause the conduct of Senator Gravel in the publication of the official Subcommittee minutes. In No. 71–1335 the government appeals so much of the District Court's order which recognized and applied the Speech and Debate Clause to preclude the Grand Jury from inquiry of the Senator or his aides about the Senator's conduct preliminary to and during the holding of the Subcommittee Hearing, in which the so-called "Pentagon Papers" were made public.

This is Intervenor Senator Mike Gravel's brief as Intervenor—Appellee in No. 71–1335 (the Government's appeal), and Intervenor Appellant's reply brief to Appellee's brief in Nos. 71–1335 and 71–1332. This merger on the part of the Intervenor is necessitated by the consolidated brief of the United States of America filed in Nos. 71–1331, 71–1332, and 71–1335.

The appeal and the cross-appeal in this matter raise the extent of the protection afforded Senator Gravel by the Speech and Debate Clause from Grand Jury investigation into his official legislative conduct in holding a Subcommittee meeting, publishing the minutes of such meeting, and the extent to which his personal aides are likewise barred from interrogation, the necessary protective machinery to guarantee any rights recognized by the Court.

PART I—APPELLEE'S BRIEF

Question presented

The question presented by the government's appeal is whether the Executive Branch may utilize the compulsory processes of secret grand jury proceedings to conduct an intensive investigation into the legislative activities of a Member of Congress.

Argument

The speech or debate clause prohibits interrogation by the grand jury into the legislative activities of a Member of Congress

The government's basic position in this proceeding, as we understand it, is that a Member of Congress has no protection under the Constitution from interrogations by Federal grand juries, accomplished by the use of the court's compulsory processes, about his legislative activities. Although now apparently conceeding that Senator Gravel's conduct at the Subcommittee hearing falls within the scope of the Speech or Debate Clause [1], the government nevertheless maintains that the Clause permits the Executive Branch, by use of the compulsory process of the grand jury to compel anyone it wishes, including Senator Gravel, and under threat of contempt sanctions, to testify and produce documents about any and all phases of this protected conduct.

The government's argument proceeds under the headings:

A. The District Court properly denied intervenor's motions to quash subpoenas and supervise the grand jury.

1. The "Speech or Debate" Clause Does Not Require or Permit The Granting of the *Relief Demanded by Intervenor.*

(a) The "Speech or Debate" Clause Does Not Prohibit Questioning Regarding Legislative Activities.

(b) The "Speech or Debate" Clause Bars Civil and Criminal Prosecution of Legislators for their Legislative Activities.

2. Only Senators and Representatives are *Covered by the Legislative Privilege.*

3. Only Legislative Activities Are *Covered by the Legislative Privilege.*

4. The Legislative Privilege is Enforced by Obtaining Court Action Against *Offending Prosecutions.*

To argue and conclude at page 20 as follows:

The conclusion is inescapable that the legislative privilege creates an immunity from civil or criminal prosecution. It does not bar the questioning of witnesses about legislative activities in proceedings in which the legislator himself is not being so called to account.

The government argues its cross-appeal for one page under the heading:

C. The District Court's "Protective Order" improperly limits the grand jury's inquiry.

to conclude:

As has been demonstrated in preceding portions of this brief, the Speech or Debate Clause prohibits a legislator from being "questioned" for legislative activities by civil or criminal prosecution, but does not preclude witnesses from being "questioned about" such activities in proceedings in which the legislator himself is not being so called to account.

In view of the nature of the legislative privilege, a protective order to insure a legislator's rights, under it is neither necessary nor proper. The privilege creates an immunity from civil and criminal prosecution for legislative activities. This immunity is fully protected by resort to the courts when such an offending prosecution is brought. Any protective order issued in the absence of such a prosecution is entirely anticipatory and advisory, and is an improper interference with the lawful functions of the grand jury.

The crux of the government's position is that Senator Gravel's conduct, including the Subcommittee hearing, is not protected by the Speech and Debate Clause from the instant inquiry, and therefore no agent of the Senator is protected.

The government's case is positioned on the proposition that the Speech and Debate Clause protects only against criminal prosecution, and objection is premature unless the Senator is prosecuted, and information secured in derogation of the privilege is "used."

The grand jury in exercising its legitimate functions is limited by the Speech and Debate Clause to the same judicial restrictions as are placed upon the courts which authorized the grand jury compulsions.

The government's argument misconceives first, the true posture of the grand jury and the relationship between the United States District Attorney and its investigative agents and agencies on one hand, and the grand jury and its function on the other. Secondly, the government's argument misconceives the judicial power of control which may be exercised over the grand jury to constrain that body or persons acting with it from engaging in illegal and unconstitutional conduct.

The Grand Jury is both a sword and a shield of justice—a sword because it is the terror of criminals, a shield because it is the protection of the innocent against unjust prosecution.

United States v. *Cox*, 342 F.2d 167, 186, n. 1 (5th Cir. 1965).

The purpose of the grand jury, historically, has been to stand as a buffer between the citizen and the prosecutive functions of government. It was never supposed to perform the functions of the executive branch. To the contrary, it was intended to stand wholly independent of, and apart from, the executive branch of government.

Historically, this body has been regarded as a primary security to the innocent against hasty, malicious and oppressive persecution; it serves the invaluable function in our society of standing between the accuser and the accused, whether the latter be an individual, minority group or other, to determine whether a charge is founded upon reason or was dictated by an intimidating power or by malice and personal ill will.

Wood v. *Georgia*, 370 U.S. 375, 390 (1962).

There are two ways in which a grand jury may discharge its function. It may commence its own investigation into a particular subject matter. Alternatively, it may pass upon evidence already in the possession of the United States Attorney and presented by the latter to it. In each case the grand jury is to determine whether there is probable cause to believe that a crime has been committed. If it finds probable cause, it is then to return an indictment. If it fails to find probable cause, it is to return a "no bill" or *"ignoramus."*

The subpoena power of the court is used to summon witnesses and to compel their testimony before the grand jury. Since the court's judicial power is employed to effectuate this compulsion, the court may prevent abuses of the employment of subpoenas. The grand jury itself has no independent power to summon witnesses and compel their testimony; only the court has this subpoena power. Similarly, the Department cannot compel the attendance and testimony of witnesses in the furtherance of its investigations or for any other purpose.

As the court observed in *Dunkin* v. *United States*, 221 F. 2d 520, at 522:

"'The Constitution of the United States, the statutes, the traditions of our law, the deep rooted preferences of our people speak clearly. They recognize the primary and nearly exclusive role of the Grand Jury as the agency of compulsory disclosure.' They do not recognize the United States Attorney's office as a proper substitute for the grand jury room and they do not recognize the use of a grand jury subpoena, a process of the District Court, as a compulsory administrative process of the United States Attorney's office.

"It was clearly an improper use of the District Court's process for the Assistant United States Attorney to issue a grand jury subpoena for the purpose of conducting his own inquisition."

Because of this constraint on the prospective and investigative arm of government, the Department has developed the practice of subpoenaing witnesses to appear before the grand jury and answer questions which the government wishes answered in furtherance of its own investigation. Through this mechanism, the Department achieves by indirection what it could not achieve directly—compulsory interview of witnesses. In such cases, the grand jury does not pursue either of its legitimate functions. It is not passing upon evidence assembled by the prosecutor, which he is presenting in order to persuade the grand jury to indict. Nor in this instance is the grand jury initiating or conducting its own investigation. Instead it is pursuing the investigation initiated and conducted by the prosecutor.

In *United States* v. *O'Connor*, 118 F. Supp. 248, 250–251, the Court stated:

"So far as this Court knows, Congress has never in criminal matters vested the executive with an unrestricted subpoena power to uncover information which might aid in the enforcement of criminal statutes and the preparation of criminal cases, Cf. In re National Window Glass Workers, D.C.N.D. Ohio, 287 F. 219. Rule 17(c) of the Federal Rules of Criminal Procedure, 18 U.S.C.A., has only the limited function of procuring production of papers in use in evidence at a trial. It is not the equivalent of pre-trial discovery. Cf. Bowman Dairy Co. 1. United States, 341 U.S. 214, 220, 71 S.Ct. 675, 95 L.Ed. 879.

"The Constitution of the United States, the statutes, the traditions of our law, the deep rooted preferences of our people speak clearly. They recognize the primary and nearly exclusive role of the Grand Jury as the agency of compulsory disclosure. That is the inquisitorial body provided by our fundamental law to subpoena documents required in advance of a criminal trial, and in the preparation of an indictment or its particularization. See *Hale* v. *Henkel*, 201 U.S. 43, 26 S. Ct. 370, 50 L.Ed. 652."

There probably is no clearer case of the prostitution of the grand jury process than is daily evidenced in the matter of "The Boston Grand Jury Inquiry into the Publication of the Pentagon Papers." The grand jury has not initiated its investigation, nor may it be said that it is conducting its own investigation. Sitting to hear evidence already in the possession of the United States Attorney is the only proper remaining grand jury function. From the inception of this grand jury until the present the government has made it abundantly clear that the executive is conducting an exploratory investigation, using the grand jury compulsion because it possesses no such power of its own while conducting executive investigations.

This Court is thus presented by the government with a flagrant misuse of the subpoena power of the grand jury. The facts show that the Justice Department denied a subpoena power by Congress, *United States* v. *Minker*, 350 U.S. 179, 191 (1956) (Concurring opinion of Black, J.), is seeking to use the subpoena power *of the grand jury* to perform its own executive function of accumulating evidence. This represents a fundamental perversion of the function of the grand jury and a violation of the principle of separation of powers. While the history of the grand jury has been an attempt to establish its full independence from the executive branch of government, the action taken here by that branch is an attempt to subvert that independence and return the grand jury to a position whereby it would be an appendage of the executive branch rather than of the judicial branch. The precedents establish beyond any doubt that grand jury process may not be invoked to perform functions that lie exclusively with the Justice Department. *United States* v. *Minker*, 350 U.S. 179, 190–2 (concurring opinion of Black, J.); *Durbin* v. *United States*, 221 F. 2d 520 (D.C. Cir., 1954); *United States* v. *O'Connor*, 118 F. Supp. 248 (D. Mass., 1953); *United States* v. *Pack*, 150 F. Suppl (D. Del., 1957); *In re National Window Glass Workers*, 287 F. 219 (N.D. Ohio, 1922); *United States* v. *Procter & Gamble* Co., 356 U.S. 677, 683–4 (1957); *United States* v. *Procter & Gamble Co.*, 187 F. Supp. 55 (D.N.J., 1960).

The government seeks to pursue its investigation by the use of the grand jury's compulsory process and argues that the court may not interfere or restrain the grand jury or those acting pursuant to the grand jury powers until the stage of prosecution and use of information which may be objectionable. This is nothing short of executive power "run riot."

The Court held *In re National Window Glass Workers* (N.D. Ohio E.D.) 287 Fed. 219, at 225:

"A grand jury has no existence aside from the court which calls it into existence and upon which it is attending. A grand jury does not become, after it is summoned, im-

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Footnotes at end of article.

paneled, and sworn, an independent planet, as it were, in the judicial system, but still remains an appendage of the court on which it is attending * * * All indictments or presentments of a grand jury become effective only when presented in court and a record is made of such action. A grand jury is not, therefore, and cannot become, an independent, self-functioning, uncontrollable agency. It is and remains a grand jury attending on the court, and does not, after it is organized, become an independent body, functioning at its uncontrolled will, or the will of the district attorney or special assistant. The process by which witnesses are compelled to attend a grand jury investigation is the court's process and not the process of the grand jury, nor of the district attorney. If a witness fails to attend, the power, as well as the duty, to compel his attendance, is vested in the court. If, after appearing, he refuses to testify, the power, as well as the duty, to compel him to give testimony is vested in the court, and not in the grand jury. It can therefore never become an immaterial matter to the court what may be done with its process or with its grand jury. A court would not be justified, even if it were so inclined, to create or call into existence a grand jury, and then go off and leave it. A supervisory duty, not only exists, but is imposed upon the court, to see that its grand jury and its process are not abused, or used for purposes of oppression and injustice."

See *Levine* v. *United States*, 362 U.S. 610, 617, 4 L.Ed 2d 989, 995, 80 S. Ct. 1036, 1043.

Recently the Supreme Court of the State of Illinois, in *The People of the State of Illinois, Appellee*, vs. *Barnabas F. Sears, Appellant.—The People ex. rel. Barnabas F. Sears et al., Petitioners*, vs. *Joseph A. Power, Judge, et al., Respondents*, Docket Nos. 44287, 44288, 44299, 44348—Agenda 45,—(Decided May, 1971.) held:

"Much of petitioners' argument deals with the necessity for secrecy of the grand jury proceedings contending that a prosecutor can not fearlessly perform his duties if at any time the court 'can intrude itself in these proceedings and exercise the powers claimed here.' The short answer to that is that the grand jury is an integral part of the court and not the tool of the prosecutor and neither the prosecutor nor the grand jury is vested with power to proceed without regard to due process.

"Nor do we find persuasive the argument that a defendant wrongfully indicted has his day in court at trial, and assuming vindication by acquittal has not been harmed thereby. We agree with the statement *In re Fried* (2d cir.), 171 F. 2d 453, that a wrongful indictment inflicts substantial harm on a defendant not entirely remedied by acquittal. That a court may act prior to indictment to prevent injustice and abuse of process is settled law. See *Austin* v. *United States* (4th cir.), 297 F. 2d 356, and cases cited therein."

The government's contention, if accepted, would effectively vitiate the Speech or Debate Clause as an instrument in the preservation of separation of powers. The Supreme Court made clear in *United States* v. *Johnson*, 383 U.S. 169 (1966), that the Clause was intended to insulate the freedom of speech and activity of Members of Congress from intimidation and harassment by the Executive, and that the Clause was written in the broadest terms to bar *all* forms of legal proceedings which could be used by the Executive to intimidate Congress:

"Although historically seditious libel was the most frequent instrument for intimidating legislators, this has never been the sole form of legal proceedings so employed, and the language of the Constitution is framed in the broadest terms." *Id.*, at 182–83 (footnote omitted).

The Court therefore concluded that in considering its applicability to any form of legal proceeding, we must "look particularly to the prophylactic purpose of the clause." *Id.*, at 182.

The government attempts to justify its position by a process of construction in which the terms of Speech or Debate Clause are read in the narrowest possible way; "questioned" is thereby transmuted into "prosecuted"; and the Clause is reduced merely to affording a defense to a criminal or civil prosecution. Not only is this technique of construction directly contrary to the Supreme Court's admonition that "the clause will be read broadly to effectuate its purposes," *United States* v. *Johnson*, 383 U.S. 169, 180 (1968), but the conclusion that the Clause protects the legislator only from accountability has been consistently rejected by the Court. Thus, in *Powell* v. *McCormack*, 395 U.S. 486, 502–503, 505 (1969), the Court explicitly stated that ". . . [T]he clause not only provides a defense on the merits but also protects a legislator from the burden of defending himself," and "insure[s] that legislators are not distracted from or hindered in the performance of their legislative tasks by being called into court to defend their actions." And in *Tenney* v. *Brandhove*, 341 U.S. 367, 373 (1951), the Court said:

"The privilege would be of little value if [legislators] could be subjected to the cost and inconvenience and distraction of a trial upon a conclusion of the pleader, or the hazard of a judgment against them based upon a jury's speculation as to motives."

See also *Dombrowski* v. *Eastland*, 387 U.S. 82 (1967). It seems incontrovertible that an intensive grand jury investigation into the protected legislative activities of a Member of Congress will result in the same hindrance and distraction from his duties as the actual filing of a suit against him.[2] So too will the concomitant uncertainty as to whether he will be indicted for engaging in protected legislative conduct. For as the Court of Appeals said in Johnson, "Indeed, fear of criminal prosecution may be the graver inhibition." *United States* v. *Johnson*, 337 F. 2d 180, 190 (4th Cir. 1964).

Furthermore, the Supreme Court's decision in *United States* v. *Johnson*, *supra*, held that the Speech or Debate Clause means exactly what it says in barring not only prosecution for but judicial questioning into legislative activities. The Court began its opinion by ruling inadmissible all evidence concerning the preparation of the Congressman's speech (383 U.S. at 173):

"The language of the Speech or Debate Clause clearly proscribes at least some of the evidence taken during trial. Extensive questioning went on concerning how much of the speech was written by Johnson himself, how much his admininstrative assistant, and how much by outsiders representing the loan company."

Indeed, there was so much evidence introduced about the speech—through the questioning not only of Johnson but his aide and others as well (*id.*, at 173–76, fn. 4, 5)—that the Court held that an entire count of the indictment was tainted:

"We see no escape from the conclusion that such an intensive judicial inquiry, made in the course of a criminal prosecution by the Executive Branch under a general conspiracy statute, violates the express language of the Constitution and the policies which underlie it . . .

"The essence of such a charge in this context is that the Congressman's conduct is improperly motivated, and . . . that is precisely what the Speech or Debate Clause generally forecloses from executive and judicial inquiry." *Id.*, at 177, 180.

It necessarily follows from these decisions that the Speech or Debate Clause prohibits "executive and judicial inquiry" of the legislative activities of a Member of Congress in grand jury proceedings. And since grand jury proceedings are criminal in nature, the applicability of the Clause to them is more forceful than to civil proceedings such as *Tenney*, *Powell*, and *Dombrowski*, in which there was no involvement by the Executive Branch. This was at least implicitly recognized by the Court of Appeals when Johnson argued, after being convicted a second time, that all indictments against him were void because of illegal questioning in the grand jury. While following the rule of *Costello* v. *United States*, 350 U.S. 359 (1956), and refusing to void the indictments, the Court acknowledged that the grand jury's receipt of evidence about Johnson's speech was "constitutionally impermissible." 419 F 2d 56 (4th Cir. 1969).

Even apart from these decisions, the doctrine of official privilege has always been understood to bar inquiry by one branch of government into the official activities of another. While not of constitutional magnitude, the Executive privilege has been invoked by successive Presidents since Jefferson[3] as a bar to themselves and their personal staff assistants being called to testify before Congressional committees. For the past two and one-half years, Dr. Henry Kissinger and others have refused to appear before Congressional committees, and they have done so on the grounds that they may not be held to question by a coordinate branch of government. The Executive has also invoked its privilege to suppress from Congressional inquiry several planning reports which were prepared by staff assistants and involve important aspects of foreign relations.[4] The source of this privilege is said to be, by implication, in Article II of the Constitution. It ill befits the Executive Branch to now say that privilege is a one-way street—that it immunizes the Executive from Congressional inquiry but that it gives no protection at all to a Senator from the compulsory processes and investigation of the grand jury.

The government's position is even more inconsistent, for it has successfully argued in court that the legislative privilege not only protects Congressmen from accountability but also prohibits testimony about privileged activities. In *United States Servicemen's Funds* v. *Eastland*, Civ. No. 1474–70 (D.D.C. October 21, 1971), an action for damages was brought against Senator Eastland and employees of the Subcommittee for Internal Security for issuing subpoenas which allegedly violated First Amendment rights. The plaintiffs sought to take the deposition of Sourwine, Counsel for the Subcommittee, and he refused to testify or disclose written or verbal information about the Subcommittee's activities which were not of public record. Sourwine was represented by the Internal Security Division of the Justice Department, which is coincidentally the Division involved in the present grand jury proceedings, and they argued as follows: [5]

"To permit in the present posture of this case, a full-scale examination, by the attempted deposition of the Subcommittee's counsel of the Subcommittee's judgment in issuing its subpoena would be an invasion of the prerogatives of the legislature and a serious interference with Congressional investigations and with Congressional privilege."

The District Court agreed, and held that Sourwine did not have to appear and testify. See also *Smith* v. *Crown Publishers, Inc.*, 14 F.R.D. 514, 515 (S.D.N.Y. 1953).

We hasten to add that the facts of the *Servicemen's* case make the legal issue very difficult. In civil litigation where First Amendment rights are at stake, there are cogent arguments that courts should not permit one part of the Constitution to be used to shield from judicial review the violation of another. Even there, however, the Justice Department had no trouble in asserting the traditional argument that the privilege prohibits judicial inquiry into legislative conduct. It is only now that the shoe is on the other foot that the Executive claims—and in a proceeding which involves the Executive, Legislative and Judicial Branches in a classic confrontation—that the privilege is inapplicable except as a defense on the merits.

Finally, the government argues in its Brief (pp. 12–15) that the Framers, in using the term "questioned" in Article I, Section 6, intended a unique meaning akin to "impeached." First of all, this argument may prove too much. It is clear beyond doubt that "impeached," as used in the Constitution, is not equatable with "prosecuted." In cases of impeachment, the House of Representatives acts precisely like an indicting grand jury. Thus, if the Congressional immunity applies in impeachment proceedings, it is more than a defense on the merits and extends to grand jury proceedings.

In any event, the historical interpretation of a clause in the Constitution should not turn into a dispute over mere semantics or a battle of dictionaries.[6] For behind the "simple phrases" of the Speech or Debate Clause "lies a history of conflict between the Commons and the Tudor and Stuart monarchs during which successive monarchs utilized the criminal and civil law to suppress and intimidate critical legislators." *United States* v. *Johnson*, 383 U.S. 169, 178 (1966). This history reveals beyond doubt that the intimidating conduct which lies at the "taproots" of the Clause, *Tenney* v. *Brandhove*, *supra*, took a wide variety of forms and was certainly not limited to the institution of criminal proceedings. The Crown's arsenal also included issuing direct orders to the Speaker to cease debate on certain subjects, bribing corruptable Members of Parliament, summarily arresting others and arraigning them before the Star Chamber or directly committing them to the Tower, and spreading rumors of Royal displeasure and threats of retaliation; and each of these actions led Parliament to protest that its freedom of speech and debate was infringed. See generally Taswell-Langmead, *English Constitutional History* 318–21, 336–37, 541–79, 770–772 (4th Ed. 1890).

Secret, inquisitorial bodies with contempt power—the equivalent of the modern-day investigating grand jury—also played their part as the Crown's instruments of intimidation, and were in fact employed to suppress a legislator in one of the most important clashes between the Crown and Parliament prior to the Great Revolution.[7]

The conflict began in 1575 when Peter Wentworth protested on the Floor of Parliament the detention by the Privy Council of another legislator. Queen Elizabeth released the legislator but ordered the elimination of long speeches in Parliament. Undeterred, several legislators, including Wentworth, debated a bill concerning religious rites and the succession; and they were ordered to stop by the Queen, who also caused rumors to be spread of future retribution. Peter Wentworth then took the Floor and delivered "the most remarkable speech on the rights and liberties of the Parliament." [8] Wentworth protested *all* intimidating conduct by the Crown as a violation of Parliament's privileges, and he decried the rumors and royal commands in particular as blatant violations of the rights of the House of Commons. Before he finished, Wentworth was arrested and taken before a committee composed of Privy Council members and other state officials, who interrogated him about his speeches in Parliament. Wentworth responded that if the committee were acting on behalf of the Crown it had no right to question him and he would not answer, the sole body with authority to examine him being the House of Commons; and he was thereupon committed to the Tower for contempt.

We are presented in this case with the use of the grand jury in the same manner which led, after hundreds of years of struggle, to the vindication of the privilege. The abuses which occurred in cases such as Wentworth's and Eliot's, who was persecuted for protesting a disastrous war, were deeply embedded in the memory of those who created our system of government. So firm was the understanding of the widespread nature of these abuses that Thomas Jefferson, in what is without doubt the single most authoritative interpretation of the scope of the Congressional privilege, wrote that it bars intrusions of all forms by the Executive into the unhindered freedom of speech and debate in Congress. *Jefferson's Manual of Parliamentary Practice* (1797–1801), reprinted in Senate Manual (1969), at pp. 413–14.

The abuses which gave rise to the legislative privilege and necessitated its inclusion in the Constitution ought not be allowed to be resurrected under a perhaps more subtle guise. For they are "part of the intellectual matrix within which our own constitutional fabric was shaped," *cf. Marcus* v. *Search Warrant*, 367 U.S. 717, 729 (1961), and if allowed to intrude in the present will have the same disastrous consequences for representative democracy. No exception to the Speech or Debate Clause should be made which makes possible the muzzling of Congress.

PART II—APPELLANT'S REPLY

The government's answer to the first argument of the appellant, that this Court has jurisdiction of this appeal, is contained in the government's consolidated brief under the heading:

"B. The Denial of Intervenor's Requested Relief in the District Court is not Appealable."

The substance of the government's reply is that the District Court's order is not appealable since it is not final because an order to quash a grand jury subpoena has been held to be interlocutory and hence not appealable. Further, the government contends that since the Speech or Debate Clause protects only against prosecution and prosecutional use of information, any objection raised before such prosecution is premature. The government concludes that there is no "irreparable injury" because there is no injury. The government's position is summarized in their consolidated brief, pages 27–28 as follows:

"In the event that the Intervenor or his employee were charged with a civil or criminal offense, appeal could be had from any lower court ruling on their claim of legislative privilege. This would be full and adequate appellate review of his constitutional claim. Any review of claims made previous to such time would be premature and advisory."

The appellant urges upon this Court the conclusion that *United States* v. *Johnson*, 337 F. 2d 180, 191–192 (4th Cir. 1964) disposes of the government's contention adversely:

". . . [T]he process of indictment by a grand jury and inquiry in a court may itself be so devastating that an innocent congressman may well fear it. . . .

"In the case of a congressman, the possibility—even the likelihood—of ultimate vindication in a court proceeding is no substitute for the guarantee held out by the Constitution."

Secondly, the appellant next argued that the republication by Senator Gravel of the record of the Subcommittee meeting was protected by the Speech or Debate Clause. In the consolidated brief the government's reply to appellant's second argument is contained under heading: (See Consolidated Brief of U.S., pp. 21–23.)

"A. 3. Senators and Representatives are Protected by the legislative privilege only in their legislative activities."

The government makes no distinction between grand jury inquiry as to the initial conduct of the Senator in conducting the meeting and the protection of what transpired there on one hand, and subsequent republication on the other. Again the government's position is that the conduct of the meeting and the subsequent republication are not exempt from grand jury inquiry and even if they are in error as to this, any judicial action restraining the grand jury prior to prosecution is premature and advisory.

The government's answer to appellant's final argument, that the protective order issued by the District Court does not adequately protect Senator Gravel's constitutional rights, is contained in the government's consolidated brief at page 28 where the government asserts that:

C—The District Court's "Protective Order" Improperly Limits Grand Jury's Inquiry.

Simply stated the government's position is that since they are correct on the merits there is no need for any protective order. The government makes no effort to address itself to the constitutional claims and issues raised in Senator Gravel's brief either as to remedy or judicial reviewability of constitutional facts.

Appellant respectfully submits that appellees have failed to address themselves in any substantial manner to the claims raised by Senator Gravel in his brief as Intervenor-Appellant.

CONCLUSION

The Framers of our Constitution believed that representative democracy could best be served if Members of Congress were given unlimited freedom in actions within the scope of their legislative activity. They knew that the privilege might be occasionally abused, but they also wisely understood that the risks to democracy in anything less than an absolute privilege, broadly construed and interpreted, were much greater.[9] This perception is as true today as when the Constitution was written. "In the final analysis, no task is likely to be more important to the preservation and ultimate vitality of our governmental system of separation of powers than the widespread popular acceptance of the doctrine of legislative privilege in its most unwavering, pristine and absolute terms." [10] That is the theory of our Republic.

The actions taken by the Executive Branch in this case challenge the most basic and bedrock principles of our constitutional form of government. They cannot withstand analysis under the terms, policies and history of the Speech or Debate Clause and the doctrine of separation of powers. The Court below was clearly correct in holding that the Constitution affords protection to Senator Gravel against these actions. Our dispute with the decision of the Court below, as detailed in our Brief in Nos. 71–1331 and 71–1332, is that it did not go far enough and hold unconstitutional all of the actions which "threaten those consequences which the Framers deeply feared," *School District* v. *Schempp*, 374 U.S. 203, 230, 236 (1963) (Brennan, J., concurring).

Respectfully submitted.

ROBERT J. REINSTEIN,
Temple University Law School, Philadelphia, Pa.,
HERBERT O. REID, Sr.,
Howard University School of Law, Washington, D.C.,
CHARLES L. FISHMAN,
Washington, D.C.,
Attorneys for Appellant [11].

FOOTNOTES

[1] In the District Court, the government maintained that it could not only interrogate witnesses about the Subcommittee hearing but prosecute Senator Gravel for it. Government's Memorandum in Opposition

Footnotes at end of article.

to Motion to Quash (in No. 71-1331), pp. 5-11.

[2] The Court in *Powell* observed that legislators are not distracted from their duties when law enforcement officials who execute their orders are subject to judicial review. Thus suit could be maintained against the Sergeant-at-Arms in the same manner as with respect to any policeman. And see *Dombrowski* v. *Eastland, supra*, where Sourwine, the Subcommittee counsel, was given only a limited immunity when he acted like a policeman and engaged in an illegal search and seizure.

These situations of course differ *toto ceolo* from the situation of the instant case, where a secret grand jury with contempt power seeks to interrogate a Senator's personal aides and others in order to investigate directly into his protected legislative activities. The distraction and inhibiting effect of such an interrogation is patent even if the Senator himself is not subpoenaed.

[3] President Jefferson was subpoenaed by Chief Justice Marshall in the trial of Aaron Burr for treason. Jefferson refused to testify about privileged information.

[4] See the *Boston Globe*, September 1, 1971, p. 8, which describes President Nixon's having invoked the privilege to reject the unanimous demand of the Senate Foreign Relations Committee to see a planning report on the military aid program.

[5] Memorandum in Support of Defendant's Opposition to Plaintiff's Motion for Order Compelling Answers and Production of Documents, pp. 7-8.

[6] The ambiguous quotations of the Oxford English Dictionary (Government Brief pp. 13-14) may be compared with the following from Black's Law Dictionary (4th Ed. 1968), p. 1412:

Question. A subject or point of investigation, examination or debate; theme of inquiry; problem; matter to be inquired into; as a delicate or doubtful question . . .

A method of criminal examination heretofore in use in some of the countries of continental Europe, consisting of the application of torture to the supposed criminal, by means of the rack or other engines, in order to extort from him, as the condition of his release from the torture, a confession of his own guilt or the names of his accomplices.

EVIDENCE

An interrogation put to a witness, for the purpose of having him declare the truth of certain facts as far as he knows them.

[7] The following account of Peter Wentworth's case is taken from Cella, "The Doctrine of Legislative Privilege of Freedom of Speech and Debate: Its Past, Present and Future as a Bar to Criminal Prosecutions in the Courts," 2 Suffolk L. Rev. 1, 6-10 (1968) and Taswell-Langmead, *supra* at 490-94.

[8] Cella, *supra* at 8.

[9] Also, "[P]resumably, legislators will be restrained in the exercise of such a privilege by the responsibilities of their office. Moreover, in the event of their failure in that regard, they will be subject to discipline by their colleagues." *Cochran* v. *Couzens*, 42 F. 2d 733, 784 (D.C. Cir. 1930), *cert. denied* 282 U.S. 874.

[10] Cella, *supra* n. 7, at 43.

[11] Counsel wish to acknowledge the assistance of Ralph Kates, a third-year law student at Temple University Law School, in the preparation of this Brief.

[U.S. Court of Appeals for the First Circuit, No. 71-1335, No. 71-1331, No. 71-1332]

UNITED STATES OF AMERICA, APPELLANT v. MIKE GRAVEL, U.S. SENATOR, APPELLEE

Appeal from the Final Order of the United States District Court for the District of Massachusetts, Civil Action Nos. E.B.D. 71-172 and E.B.D. 71-209

CERTIFICATE OF SERVICE

I, Harvey A. Silverglate, a Member of the Bar of this Court, hereby certify that I served a copy of "Brief of Intervenor Appellee and Reply Brief of Intervenor Appellant" upon the United States by hand delivering a copy of same by messenger on this day to the Office of the United States Attorney, 1107 U.S. Post Office & Courthouse, Post Office Square, Boston, Massachusetts 02109, to the attention of Warren Reese, Esquire, Attorney for the Department of Justice.

Done on this 9th day of November, 1971.

HARVEY A. SILVERGLATE.

[U.S. Court of Appeals for the First Circuit, No. 71-1335]

UNITED STATES OF AMERICA, APPELLANT, v. JOHN DOE

Appeal from an order of the U.S. District Court for the District of Massachusetts.

Motion of appellant United States of America for an order that the clerk not file the brief of Leonard Rodberg, or in the alternative that said brief be stricken.

JAMES N. GABRIEL,
U.S. Attorney.
DAVID R. NISSEN,
Assistant U.S. Attorney.
WARREN P. REESE,
Assistant U.S. Attorney.
Attorneys for the United States.

MOTION

Appellant, United States of America, hereby moves this court to order the clerk not to file the brief of Leonard Rodberg, or in the alternative to strike said brief on the ground that Leonard Rodberg is not a party to this appeal.

The District Court's Memorandum of Decision and Protective Order denied Leonard Rodberg any of the relief he requested, and he did not appeal therefrom. The "Protective Order" from which the United States appeals was made for the sole benefit of the Intervenor, and no rights accrue to Leonard Rodberg from it. The district court's decision said:

"Therefore, if Senator Gravel's rights under the Speech or Debate Clause are to be fully protected, a protective order will be required limiting the subject matter of the current grand jury's investigation and not merely the questions which may be put to Dr. Rodberg, the witness under subpoena."

The District Court then ordered that: "(1) no witness before the grand jury . . . may be questioned about" certain conduct of the intervenor, and "(2) Dr. Leonard S. Rodberg may not be questioned about" certain of his own actions on June 29, 1971, taken at the Intervenor's direction.

This protective order gave witness Rodberg no more rights than it did any of the other unnamed witnesses to whom it refers. None of them are parties to the government's appeal from the order.

Respectfully submitted,

JAMES N. GABRIEL,
U.S. Attorney.
DAVID R. NISSEN,
Assistant U.S. Attorney.
WARREN P. REESE,
Assistant U.S. Attorney.
Attorneys for the United States.

CERTIFICATE OF SERVICE

SUFFOLK, SS.

BOSTON, MASS.,
November 8, 1971.

I, William A. Brown, Assistant U.S. Attorney, hereby certify that I have this day sent copies of the within Motion to: Robert J. Reinstein, Temple University Law School, Philadelphia, Pennsylvania, 19122; Charles L. Fishman, 633 East Capital Street, Washington, D.C.; Herbert O. Reid, Sr., Howard University Law School, Washington, D.C.; and James Reif, c/o Center for Constitutional Rights, 588 Ninth Avenue, New York, New York, 10036, by mailing them in franked official envelopes, Air Mail, Special Delivery.

WILLIAM A. BROWN,
Assistant U.S. Attorney.

[U.S. Court of Appeals for the First Circuit, No. 71-1331, No. 71-1332]

UNITED STATES OF AMERICA, V. JOHN DOE, MIKE GRAVEL, UNITED STATES SENATOR, INTERVENOR, APPELLANT; UNITED STATES OF AMERICA, V. JOHN DOE, MIKE GRAVEL, UNITED STATES SENATOR, INTERVENOR, APPELLANT

STIPULATION

(November 5, 1971)

It is hereby stipulated between the parties hereto that the New England Merchants National Bank need not deliver or turn over any documents relating to the so-called "Pentagon Papers" to any representative of the United States of America and in any case shall not deliver or turn over any such documents to any federal grand jury in the District of Massachusetts until the termination of the restraining order entered by the United States Court of Appeals for the First Circuit on October 29, 1971.

Counsel for Appellants.
Counsel for Appellees.

[U.S. Court of Appeals for the First Circuit, No. 71-1331; No. 71-1332]

UNITED STATES OF AMERICA, V. JOHN DOE, MIKE GRAVEL, UNITED STATES SENATOR, INTERVENOR, APPELLANT; AND UNITED STATES OF AMERICA, V. JOHN DOE, MIKE GRAVEL, U.S. SENATOR, INTERVENOR, APPELLANT

STIPULATION

It is hereby stipulated between the parties hereto that until the termination of the restraining order entered by the United States Court of Appeals for the First Circuit on October 29, 1971, no representatives of the United States shall seek to obtain documents relating to the so-called "Pentagon Papers" within the District of Massachusetts for their own examination or for the use of a grand jury by the force or use of a subpoena.

Counsel for Appellants.

Counsel for Appellees.

[U.S. Court of Appeals for the First Circuit, No. 71-1331; No. 71-1332]

UNITED STATES OF AMERICA V. JOHN DOE, MIKE GRAVEL, UNITED STATES SENATOR, INTERVENOR, APPELLANT; UNITED STATES OF AMERICA, V. JOHN DOE, MIKE GRAVEL, U.S. SENATOR, INTERVENOR, APPELLANT

ORDER OF COURT

It is ordered that appellant's request that the motion for order to show cause and imposition of court sanctions be withdrawn be, and the same hereby is, allowed.

By the Court:

DANA H. GALLUP,
Clerk.

[cc: Messrs. Fishman, Reid and Nissen.]

[U.S. Court of Appeals for the First Circuit, No. 71-1335]

UNITED STATES OF AMERICA, V. JOHN DOE

ORDER OF COURT

On motion of the government,

It is ordered that the brief filed on behalf of Leonard S. Rodberg as purported appellee may be received as and only as brief amicus curiae.

By the Court:

DANA H. GALLUP,
Clerk.

[U.S. Court of Appeals for the First Circuit, No. 71-1335]

UNITED STATES OF AMERICA, APELLANT V. JOHN DOE

In the matter of a grand jury subpoena served upon Leonard Rodberg.

Motion for reconsideration of Court's order allowing brief of witness-appellee, Dr. Leonard Rodberg, to be received only as a brief amicus curiae.

Witness-Appellee, Leonard S. Rodberg, by his attorneys, hereby moves this Court for Reconsideration of this Court's Order entered November 9, 1971, which allowed Dr. Rodberg's brief to be received as and only as a brief amicus curiae. In view of the fact that the Government's appeal affects the rights of the Witness-Appelle, Dr. Rodberg, he respectfully asks this Court to enter an order accepting his brief as that of a party-appellee. Dr. Rodberg waives his right to participate in oral argument unless this Court should desire to hear from his attorney. This relief is necessary in order that Dr. Rodberg may have standing before this Court and to pursue further relief before this Court and by further appeal.

Respectfully submitted,

DORIS PETERSON,
JAMES REIF,
MORTON STAVIS,
PETER WEIS,
Attorneys for Leonard Rodberg.

Motion denied.

[U.S. Court of Appeals for the First Circuit, No. 71-1335]

UNITED STATES OF AMERICA, APPELLANT, V. JOHN DOE

ORDER OF COURT

Upon motion,

It is ordered that motion for reconsideration of court's order allowing brief of witness-appellee, Dr. Leonard Rodberg, to be received only as a brief amicus curiae be, and the same hereby is, denied.

By the Court:

DANA H. GALLUP,
Clerk.

[From the Washington Post, Nov 17, 1971]

RACE "QUOTA" IN MILITARY DOCUMENTED

(By George C. Wilson)

The Black Caucus of the House of Representatives released secret papers yesterday which document for the first time the official discussions that shaped the policy of restricting the number of black GIs sent to Iceland.

Caucus co-chairman Shirley Chisholm (D-N.Y.) said the secret material shows that "racism has become institutionalized at all levels of the military."

Rep. Ronald V. Dellums (D-Calif.), the other co-chairman, said the caucus has heard that the governments of West Germany, Greece and Turkey demand the same kind of restrictive assignment procedures for black servicemen. Dellums added that the caucus had not obtained the policy paper it is seeking to document the charge.

Defense Secretary Melvin R. Laird, when newsmen asked him about the alleged quota system for Iceland, said he had not had a chance to study the documents, thus declined to comment.

About 3,000 servicemen are stationed in Iceland, the Pentagon said last night, but the number of blacks was not immediately ascertainable. Leave policies in Iceland long have been restrictive for both blacks and whites in hopes of avoiding unpleasant incidents between servicemen and the Icelandic population.

In the Middle East, American commanders in the past have forbidden Jewish officers and men from going on leave in Arab countries for fear of provoking incidents. The political climate in the host country has traditionally influenced Pentagon personnel policies.

The caucus released a letter, classified secret, and two memos classified confidential. The communications indicate that:

Iceland before 1961 objected to any American black servicemen being assigned there, but relented to allow a token number.

The State and Defense Departments decided to clamp a lid of secrecy on the quota system for Iceland.

The Icelandic government said it would not contradict U.S. government assertions that "there are no racial or other restrictions" covering the assignment of servicemen to Iceland.

William C. Burdett, then acting deputy assistant secretary for European affairs, in the "secret" letter dated Aug. 11, 1961, said the Icelandic government had changed its position from no black servicemen allowed in Iceland to "no objections to 'three or four' colored servicemen in the Defense Force . . ."

The same Burdett letter said the following about the Icelandic government's position on public statements about this quota system: "If there are congressional or other inquiries to which the (State) Department must reply, the Icelandic government will not object to a statement to the effect that because of the small population and other special circumstances existing in Iceland, members of the Iceland Defense Command are especially picked, but there are no racial or other restrictions and, in fact, Americans of all races are currently serving with the command in Iceland."

A memo dated Feb. 17, 1969, and signed by Navy Capt. C. B. Stafford said the Icelandic government's ban on blacks "was not part of the bases agreement" but apparently was "a verbal agreement" between Iceland and the State Department.

Stafford's memo also said that former Navy Secretary Fred Korth in June, 1963, ordered that "two married Negro personnel" be sent to Iceland after inquiries by the President's Committee on Equal Opportunity in the Armed Services and findings of discriminatory practices by Rep. Charles C. Digge Jr. (D.-Mich.), now a member of the Black Caucus.

"The State Department had effected an agreement in 1961 to permit the assignment of 'three or four' Negro servicemen to Iceland," Stafford said. "This number was expanded in 1965 to 15-20 and is currently 39."

Apparently, that increase in numbers was considered large enough to put Iceland out of the special category, because Stafford wrote that race "is not an assignment factor."

Stafford stated in his memo to the executive assistant and naval aide to the assistant secretary of the Navy for manpower and reserve affairs that "with the rise of black power, we are being persuaded to withdraw from a policy which was arrived at after a great deal of effort."

"Some Negro personnel have had good experiences during assignment to Iceland," Stafford said, "and we appear to be making general progress. The subject of assignment of Negro personnel only exacerbates problems associated with the bases' agreement in Iceland. Official communications relative to this subject are classified secret and above."

The third document released by the caucus was a memo for the Bureau of Naval Personnel by Lt. A. E. Norton dated Sept. 9, 1970. Norton said "the source of the guidance" for keeping the number of blacks in Iceland at a "low limit" were two U.S. Navy memos dated Sept. 9 and 10, 1969.

[In the U.S. District Court, Central District of California, Misc. No. 1821 (WF)]

MEMORANDUM OPINION AND ORDER

(In the matter of: Anthony Russo, Jr. Witnesses Before the Grand Jury)

The issue presented by this proceeding is whether the court has the power to purge a grand jury witness of civil contempt of court upon his promise to testify upon the condition that he be furnished a transcript of his testimony.

The contempt proceedings involving the witness are reported in *Anthony Russo, Jr. v. United States*, —— F.2d —— (No. 71-2046, 9th Cir. August 17, 1971). In summary:

(1) The government began an investigation and presented evidence before a grand jury of this district in regard to possible violations of Title 18 of the United States Code.

(2) As a result of those investigations, Daniel Ellsberg was indicated relative to documents pertaining to the involvement of the United States in Southeast Asia, which documents have been referred to as the Pentagon Papers. *See New York Times Co. v. United States*, 403 U.S. 713 (1971).

(3) On June 23, 1971, Anthony Russo, Jr. was subpoenaed to appear and testify before the grand jury. He refused, claiming the privilege against self-incrimination. The government then filed an application with the court to grant him immunity pursuant to 18 U.S.C. § 2514.

(4) The court granted immunity, but Mr. Russo nevertheless refused to testify. He was then brought before the court and ordered to answer the questions the jury had asked. When he refused, the court adjudged him in civil contempt, and committed him to the custody of the Attorney General until such time as he purged himself of that contempt.

(5) The order of contempt was affirmed by the Court of Appeals for the Ninth Circuit on August 17, 1971. *Russo v. United States, supra*. He was then committed to custody.

(6) On October 1, 1971, Mr. Russo filed a motion for an order (a) to require the government to record and transcribe all matters occurring before the grand jury while he was before it; (b) to require the government to furnish him with a copy of the transcript of his testimony; and (c) to prohibit the government from taking any action against him on account of any disclosures the witness may make regarding any matters which may occur in his presence before the grand jury.

(7) At the conclusion of the hearing, the court ordered that conditioned upon the government's furnishing Mr. Russo with a copy of his testimony, he will have purged himself of contempt of court if he appeared before the grand jury on October 18, 1971, and answered all questions put to him.

(8) On October 18, 1971, the witness appeared before the grand jury ready to answer questions. However, the attorney for the Department of Justice informed him that the government would not furnish him with a transcript of his testimony.

(9) The parties then appeared before the court and the government moved the court to vacate the condition that a copy of the transcript of the witness' testimony be furnished to him.

The government's request is in effect a motion for a finding that the witness has not purged himself of a civil contempt of court. The motion is denied and the court finds that Mr. Russo has purged himself.

The motion raises two questions. The first is the power and propriety of this court to require that the testimony of Mr. Russo be recorded and transcribed. The second is the power to purge the witness of civil contempt of court by accepting his promise to testify if he is furnished a transcript of his testimony.

In regard to the first question, Rule 6(d) of the Federal Rules of Criminal Procedure states that "for the purpose of taking evidence, a stenographer or operator of a recording device may be present while the grand jury is in session", except while the jury is deliberating or voting. That rule along with Rule 6(e), relating to disclosure of matters occurring before the grand jury, unquestionably empower this court to require all or any part of grand jury proceedings to be recorded and transcribed, with the exception of jury

deliberations and voting. *See United States v. Thoresen*, 428 F. 2d 654 (9th Cir. 1970); *Herzog v. United States*, 226 F. 2d 561, 566 (9th Cir. 1955), *cert. denied*, 352 U.S. 844 (1956).

The rule in the Ninth Circuit is that the recording or transcribing of grand jury testimony is permissible, not mandatory. *United States v. Thoresen, supra*; *Loux v. United States*, 389 F.2d 911, 916(1968). Because the testimony before a grand jury may have a substantial effect upon the rights and interests of those who appear before it and those indicated by it, this rule has come under heavy attack from many courts and commentators who contend that the recording of grand jury proceedings should be made mandatory. *See, e.g.*, ABA Special Committee on Federal Rules of Procedure, 38 F.R.D. 95, 106; 8 J. Moore, *Federal Practice* ¶6.02[2] at 11 (2nd ed. 1970); *United States v. Gramolini*, 301 F. Supp. 39 (D.R.I. 1969). While no circuit has yet gone this far, several have held that the better procedure is to record and transcribe grand jury testimony. *United States v. Aloisio*, 440 F.2d 705 708 (7th Cir. 1971) (appeal pending); *United States v. Hensley*, 374 F.2d 341, 352 (6th Cir. 1967), *cert. denied*, 388 U.S. 923, *reh. denied*, 389 U.S. 891; *United States v. Cianchetti*, 315 F.2d 584, 591 (2nd Cir. 1963). This circuit recently observed.

"Where a defendant, anticipating future grand jury proceedings involving himself, gives notice in advance that he will seek a transcript of the proceedings if an indictment is returned and offers to pay the expense of having a reporter in attendance or shows inability to pay, a sound exercise of discretion would ordinarily call for the granting of a motion that a reporter be in attendance" *United States v. Thoresen, supra* at 666.

Although *Thoresen* referred to a request by a "defendant" that the grand jury proceedings be recorded, the holding cannot be limited in that regard. In that case, the first indictment returned against the defendants was dismissed when the statute upon which a portion of the indictment was based was held unconstitutional by the Supreme Court. Anticipating further grand jury proceedings, the defendants moved the court for an order compelling the presence of a court reporter at any subsequent grand jury proceedings involving them. The district court's denial of this motion prompted the above-quoted comment in the circuit court.

The defendants in *Thoresen*, therefore, were in the unique situation of being substantially certain that they would be the subject of future grand jury proceedings and that they would be indicted. It was in this sense that the circuit court referred to them as "defendants". In the instant case, Mr. Russo is not a defendant; indeed, he had been granted immunity. Nevertheless, his activities and those of his associates, are under scrutiny by the grand jury. It is impossible at this point in the proceedings to be certain what Mr. Russo's testimony may reveal, what further information this grand jury may discover, or what effect these proceedings may ultimately have upon the rights and interests of Mr. Russo. It would be folly to assume that his substantial rights may not be jeopardized by a subsequent turn of events. The grand jury in question is investigating a wide range of activity, and its inquiries are being coordinated with those of other grand juries around the country. The record suggests that the government has undertaken a very broad investigation without knowing how long it may extend. It is essential, therefore, that the record of the jury be preserved. For these reasons, this court holds that Mr. Russo has as much interest in a recording of his grand jury testimony as did the defendants in *Thoresen*. Although Mr. Russo has not offered to pay the expense of having a reporter in attendance, or to pay for the transcript, the government has not made his ability to pay an issue. If it subsequently becomes as issue, the matter can be resolved in appropriate proceedings.

Therefore, Mr. Russo's motion that a reporter be present when he testifies is entirely proper, and this court hereby reaffirms its prior order granting that motion. Since the government states that it intends to have a reporter present in any case, this order certainly places no additional burden on it.

The government contends that providing a witness with a transcript of his testimony will invade the secrecy of grand jury proceedings and diminish the effectiveness of the grand jury as an institution. In order to assess this argument, it is necessary to examine the history of the grand jury and its traditions of secrecy.

The institution of the grand jury is deeply rooted in English history. Many authorities regard the Assize of Clarendon, issued by Henry II in 1166, as the origin of the modern criminal grand jury. *See, e.g.*, 1 Holdsworth, *A History of English Law* 312–27 (6th ed. 1938); 1 Stephen, *A History of the Criminal Law of England* 184–86, 250–58 (1883). That decree provided for a body of twelve men in each county, to be summoned by the Crown, whose function was to report to the King's officials persons who, according to public knowledge, were suspected of crimes. At its inception, therefore, the grand jury functioned solely to augment the centralized power of the Crown by acting as public prosecutor to ferret out crime in the counties.

As the grand jury became an established institution, it gradually developed independence of action from the Crown. This was accomplished by enclosing its proceedings in a veil of secrecy which the Crown was unable to penetrate. The body adopted the practice of hearing witnesses in private, rather than in open court. Representatives of the Crown were not permitted in the room while the jury examined the witnesses and deliberated. Simultaneously, the custom of the Crown's judges to examine the jurors on their findings was discontinued. *See* Edwards, *The Grand Jury* (1906). The jurors themselves swore on oath of secrecy which contained no reservation in favor of the government. They were enjoined "the king's counsel, your fellows, and your own, you shall keep secret". 8 Wigmore, *Evidence* § 2360, at 728 (McNaughton rev. 1961).

The true independence of the grand jury, made possible by the institution of secrecy, was realized in 1681 in the *Trial of Stephen College*, 8 How. St. Tr. 549, 550 (1681), and the *Earl of Shaftesbury's Trial*, 8 How. St. Tr. 759, 771–74 (1681). Each of these men was accused by the Crown of high treason. At the insistence of the King's counsel, the grand juries were required to hear the witnesses in open court. After doing so, the jury in each case demanded and was granted the opportunity to examine the witnesses again in private and to deliberate in private. In each case the jury then refused to indict. Edwards, *supra* at 28–30. These two cases are celebrated as establishing the grand jury as a bulwark against the oppression and despotism of the Crown.

Thus, it is important to note that the common law concept of grand jury secrecy developed from a need to protect the jurors and the accused from the tyranny of the Crown. Secrecy insulated the jurors from the pressures of the Crown and permitted the grand jury to guard the people against the oppressive power of autocratic government.

The grand jury was brought to this country without significant change. The experience under British rule instilled in the colonists a healthy distrust of the power of centralized government. Consequently, they provided in the Fifth Amendment that "[n]o person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury". This provision was felt necessary to secure the liberties of the citizens against arbitrary encroachment by the government. *Ex parte Bain*, 121 U.S. 1, 12 (1887); *Hurtado v. California*, 110 U.S. 516, 538–58 (1884) (dissenting opinion). Here, too, secrecy was found necessary to this function. The most celebrated example of grand jury independence in this country is the case of *Peter Zenger* in 1734. In that case, two New York grand juries, resisting heavy pressure by the colonial governor, refused to return an indictment of criminal libel for an attack upon the colonial governor. Note, *The Grand Jury as an Investigatory Body*, 74 Harv. L. Rev. 590, 590–91 (1961).

Over the years, as fear of the oppressive power of the government has subsided, the government prosecutor has regained substantial influence over the grand jury and, consequently, that institution has lost much of its former independence. *See* 8 J. Moore, *Federal Practice* ¶6.02[1]. The grand jury now relies upon the prosecutor to initiate and prepare criminal cases and investigations which come before it. The government attorney is present while the jury hears testimony; he calls and questions the witnesses and he draws the indictment. The only remnant of secrecy with respect to the government which adheres today is the practice of conducting the actual deliberations and voting of the jury in private. However, the prosecutor's influence may be felt even then. *United States v. Gramolini, supra* at 41.

In addition to permitting the grand jury a measure of independence, the institution of grand jury secrecy serves other purposes which were propounded at least as early as the *Earl of Shaftesbury's Trial, supra*, in 1681. See 8 Wigmore, *Evidence* § 2360, at 729. Formulated at a time when the grand jury was struggling to free itself from domination by the Crown, one may speculate whether these justifications were designed to obscure the real purpose of secrecy. Whatever may have been their original motivation, the following justifications for grand jury secrecy are now generally recognized by the courts:

(1) The grand jurors themselves are to be free from the apprehension that their opinions and votes may be subsequently disclosed by compulsion.

(2) The complainants and the witnesses summoned are to be free from the apprehension that their testimony may be subsequently disclosed by compulsion, and this in order that the state may secure willing witnesses.

(3) The guilty accused is not to be provided with such clues as will enable him to flee from arrest or to suborn false testimony or tamper with witnesses.

(4) The innocent accused, who is charged by complaint before the jury but is exonerated by their refusal to indict, is entitled to be protected from the compulsory disclosure of the fact that he has been groundlessly accused. 8 Wigmore, Evidence § 2360, at 734–35. *See also United States v. Procter & Gamble Co.*, 356 U.S. 677, 681 n.6 (1958).

The question then is the extent to which providing a witness with a transcript of his own grand jury testimony would be inconsistent with valid reasons for secrecy. In approaching this question, it must be remembered that the policy of grand jury secrecy should be maintained to the full extent necessary to fulfill the ends of justice, and no further. *Atwell v. United States*, 162 F. 97, 100 (4th Cir. 1908).

Unlike the jurors themselves, witnesses before grand juries were not sworn to secrecy at common law, but were bound to refrain

from disclosure. *Regina v. Hughes* 1 Car. & K. 519, 174 Eng. Rep. 919 (N.P. 1844); 1 J. Chitty, *The Criminal Law* 317 (5th Am. ed. 1847). The rule in this country is not uniform. In 1946, when the Federal Rules of Criminal Procedure were adopted, only two states, Missouri and Texas, required by statute an oath of secrecy of witnesses. Several states required such an oath as a matter of practice, while still others imposed no obligation of secrecy upon witnesses. *Compare People v. Naughton*, 38 How. Prac. 430 (N.Y. 1870) and *State v. Fish*, 90 N.J.L. 17, 100 A. 181 (1917) *rev'd on other grounds*, 91 N.J.L. 228, 102 A. 378 (no obligation of secrecy), with *State v. Kemp*, 124 Conn. 639, 1 A.2d 761 (1938) (requiring oath of secrecy). In the federal courts, no act of Congress imposed an obligation of secrecy on grand jury witnesses and the majority of districts required no oath of secrecy. However, in approximately 33 of the 85 district courts at that time witnesses were required to take such an oath. *See* Federal Rules of Criminal Procedure, Second Preliminary Draft, Note to Rule 6 (1944); *see also Goodman v. United States*, 106 F.2d 516 (9th Cir. 1939).

The Advisory Committee to the Supreme Court, which drafted the Federal Rules of Criminal Procedure, considered the justifications for imposing secrecy upon grand jury witnesses and determined that such secrecy was not necessary. As adopted in 1946, Rule 6(e) read in pertinent part:

"(e) Secrecy of Proceedings and Disclosure. Disclosure of matters occurring before the grand jury other than its deliberations and the vote of any juror may be made to the attorneys for the government for use in the performance of their duties. Otherwise a juror, attorney, interpreter or stenographer may disclose matters occurring before the grand jury only when so directed by the court preliminarily to or in connection with a judicial proceeding or when permitted by the court at the request of the defendant upon a showing that grounds may exist for a motion to dismiss the indictment because of matters occurring before the grand jury. No obligation of secrecy may be imposed upon any person except in accordance with this rule."

The Committee Notes to Rule 6(e) state:

"2. The rule does not impose any obligation of secrecy on witnesses. The existing practice on this point varies among the districts. The seal of secrecy on witnesses seems an unnecessary hardship and may lead to injustice if a witness is not permitted to make a disclosure to counsel or to an associate."

Witnesses before all federal grand juries, therefore, have been free since 1946 to disclose what transpired during their presence in the grand jury room. *See In the Matter of Petition for Disclosure of Evidence before October, 1959 Grand Jury*, 184 F. Supp. 38 (E.D.Va. 1960); *In the Matter of Hearings before Committee on Banking and Currency of the United States Senate*, 19 F.R.D. 410 (N.D.Ill. 1956), *rev'd on other grounds*, 245 F.2d 667 (7th Cir. 1957). *But see United States v. Smyth*, 104 F. Supp. 279, 280 n.5 (N.D. Cal. 1952); *United States v. Owen*, 11 F.R.D. 371, 373 (W.D.Mo. 1951).

There is no evidence that this breach of secrecy has diminished the effectiveness of the grand jury system or adversely affected the ability of the government to investigate crime and bring offenders to justice. Rule 6(e) has been reexamined as recently as 1966. In that year the rule was amended by adding "the operator of a recording device" and "any typist who transcribes recorded testimony" to the list of persons bound by the obligation of secrecy. The fact that it was not felt necessary so to bind witnesses, after twenty years' experience without such an obligation, is further testimony to the success of the rule.

The absence of criticism of Rule 6(e) is easily explained. An examination of the justifications for the policy of grand jury secrecy demonstrates that requiring secrecy of witnesses would serve no purpose. Of the justifications hereinbefore quoted, the first is inapposite. Permitting a witness to disclose his testimony does not interfere with the jurors' ability to deliberate and vote in secrecy. The second justification, that secrecy frees the witness from the apprehension that his testimony may be disclosed and encourages full disclosure by the witness, is most important. Professor Wigmore contends that the nondisclosure of a witness' testimony is a privilege of the witness himself. 8 Wigmore, *Evidence* § 2362. The privilege is not the grand juror's "for he is merely an indifferent mouthpiece of the disclosure" nor is it the government's, for "the state's interest is merely the motive for constituting the privilege". "[T]he *privilege*", he concludes, "must therefore be *that of the witness*, and rests upon his consent." Wigmore, *supra* at 736. Rule 6(e) is entirely consistent with this position. It permits the witness—and only the witness—to disclose the content of his testimony, at least until an indictment has issued or justice otherwise requires disclosure.

The third justification is that secrecy will prevent the guilty accused from fleeing before an indictment has issued, suborning false testimony or tampering with witnesses. Persuasive though this argument may initially appear, it is of little moment within the framework of the issues presented in this proceeding. As a witness may disclose all he knows anyway, furnishing him with an accurate transcript of his testimony cannot possibly affect the justification. The last justification is perhaps hardest to dispel, for the protection of the innocent accused is the cornerstone of our system of criminal justice. However, this court must infer from the absence of criticism of Rule 6(e) over its twenty-five year history that the innocent accused has not suffered under this rule. In large measure, this is undoubtedly attributable to the effectiveness of the government's investigatory process and to the tremendous influence the government prosecutor exerts over the grand jury. In recent history, federal grand juries have seldom, if ever, refused to indict.

A witness before a grand jury, then, is not presently bound to secrecy in any regard. This court can conceive of no reason why furnishing a witness a written transcript of his testimony should interfere with the valid functions of the grand jury any more than does the existing practice.

The provision of a transcript does not weigh differently on the justifications for secrecy than the present rule. In addition, providing a transcript will further the interests of justice and benefit the grand jury and the witness. As the Advisory Committee noted, every witness is entitled to relate the proceedings to his attorney. Indeed, this is essential to safeguard the witness' rights and interests. A written transcript will insure that the attorney is provided an accurate record of the proceedings. Further, the existence of a written transcript would minimize the possibility of the witness' publicizing false information regarding the grand jury proceedings, a possibility which bothered government counsel in this case.

In addition, a review of a written transcript would give the witness and his attorney or associate an opportunity to correct errors in the transcription or inadvertent mistakes in the testimony itself. Any attorney who has ever undertaken the laborious process of deposing witnesses knows how errors and mistakes creep into the reporter's transcript. Any trial judge who has had to determine motions to correct transcripts knows that mistakes are made and how vitally important it is that they be corrected immediately when the testimony is still fresh in the minds of the court, counsel and witnesses. A witness who has been granted immunity is still subject to perjury, and in such a prosecution willingness to correct a misstatement is relevant to the issue of intent. *United States v. Lococo*, — F.2d — n. 2(No. 26, 336, 9th Cir. Sept. 27, 1971). The need of a witness for the transcript of his testimony before a grand jury, therefore, is real and founded upon a pragmatic regard for his protection. In short, providing the witness with a written transcript shortly after he testifies will insure an accurate record of the proceedings and will maximize the usefulness of the witness' testimony.

It is important to note that providing a witness a transcript does not force him to divulge the contents of his testimony. Under existing practice, the witness may voluntarily disclose the substance of his testimony to whomever he chooses—his attorney, an associate, the person under investigation, or the news media. On the other hand, he need make no such disclosure if he so prefers. The courts will not require such disclosure absent a showing of "compelling necessity". *Arlington Glass Co. v. Pittsburgh Plate Glass Company*, 24 F.R.D. 50, 52 (N.D. Ill. 1959). The availability of a transcript does not affect these options. The witness is free to keep the transcript confidential or reveal it.

It is the conclusion of this court, therefore, that furnishing a grand jury witness a transcript of his testimony shortly after his appearance is not inconsistent with valid reasons for grand jury secrecy and will not diminish the effectiveness of the grand jury system or interfere with governmental efforts to investigate crime.

The government next contends that it is improper for this court to order that a transcript be provided Mr. Russo because the disclosure is not "preliminarily to or in connection with a judicial proceeding," as provided in Rule 6(e). The government has misconstrued the order of the court. The court has not ordered the government to furnish the witness a transcript. The order under consideration merely purged Mr. Russo of civil contempt. Therefore, it is not necessary in the context of this case to determine whether a grand jury witness is involved in a "judicial proceeding."

The government further argues that a grand jury witness must show a "particularized need" to obtain a transcript. The "particularized need" test was formulated by the Supreme Court in *United States v. Procter & Gamble Co.*, 356 U.S. 677 (1958). In that case the government brought civil suit following a federal grand jury investigation of possible criminal violations of the anti-trust laws in which no indictment was returned. The trail court granted a motion by the company for discovery of the entire grand jury transcript. The Supreme Court reversed, holding that the company had not shown sufficient "compelling necessity" or "particularized need" to overcome the "indispensable secrecy of grand jury proceedings." 356 U.S. at 682.

The Court relied heavily upon one justification of the rule of secrecy: "[T]o encourage all witnesses to step forward and testify freely without fear of retaliation." 356 U.S. at 682. As hereinbefore discussed providing a witness a transcript of his own testimony is not inconsistent with this policy. Nor is it inconsistent with other justifications there recognized by the Court. *See United States v. Procter & Gamble Co.*, 356 U.S. at 681 n.6. Accordingly, this court finds that a witness need make no showing of "compelling necessity" or "particularized

need not to be entitled to a written transcript of his testimony. He must show only that his testimony was recorded and a transcript can be made.

This position is not inconsistent with Rule 16(a)(3) of the Federal Rules of Criminal Procedure. Under that rule, which went into effect July 1, 1966, a district court "[u]pon motion of a defendant . . . may . . . permit the defendant to inspect and copy or photograph any relevant . . . (3) recorded testimony of the defendant before a grand jury". Although this rule vests some discretion in the court whether to permit such discovery, it has generally been held that the defendant is entitled as a matter of right to a copy of his own testimony before the grand jury, unless the government affirmatively establishes a substantial reason why it should be withheld. *United States v. Manetti*, 323 F. Supp. 683 (D. Del. 1971); *United States v. Projansky*, 44 F.R.D. 550, 558 (S.D. N.Y. 1968); 8 J. Moore, *Federal Practice* § 16.05[2]; *see also United States v. Cook*, 432 F.2d 1093 (7th Cir. 1970), *Cert. denied*, 401 U.S. 996 (1971).

It cannot be doubted that this court has the power both to hold a witness in contempt for refusing to testify before a grand jury and to purge the witness of contempt when it is satisfied that the dignity of the Court has been restored. The grand jury is subject to substantial supervision and control by the court. As the Supreme Court observed in *Brown v. United States*, 359 U.S. 41, 49 (1959):

"A grand jury is clothed with great independence in many areas, but it remains an appendage of the court, powerless to perform its investigative function without the court's aid, because powerless itself to compel the testimony of witnesses. It is the court's process which summons the witness to attend and give testimony, and it is the court which must compel a witness to testify if, after appearing, he refuses to do so."

Congress has not made refusal to testify a specific offense. Refusal to testify is an affront to the court, and it is for the court to determine the punishment and the cure. The power to punish for contempt is inherent in all courts. *Ex parte Robinson*, 86 U.S. (19 Wall.) 505 (1873). Contempt is punishable because of the necessity of maintaining respect toward the court. The power to punish for contempt is exercised to vindicate the court's dignity for disrespect shown to it or to compel the performance of an order. *See Penfield Co. v. Securities & Exchange Commission*, 330 U.S. 585, 593 (1947) *reh. denied*, 331 U.S. 865. The very nature of contempt permits the court the broadest discretion to determine the circumstances in which the interests of the court and the public have been disregarded and to determine what conduct by the condemnor is required to vindicate those interests. As stated by the Supreme Court in *McComb v. Jacksonville Paper Co.*, 336 U.S. 187, 193 (1949): "We are dealing here with the power of a court to grant the relief that is necessary to effect compliance with its decree. The measure of the court's power in civil contempt proceedings is determined by the requirements of full remedial relief. They may entail the doing of a variety of acts . . . ." *See also Penfield Co. v. Securities & Exchange Commission, supra; Gompers v. Bucks S. & R. Co.*, 221 U.S. 418 (1911); *Oriel v. Russell*, 278 U.S. 353, 364–65 (1929).

In the instant case, Mr. Russo was subpoenaed by the court to testify before the grand jury. He refused to testify and was found in civil contempt for refusing to obey the order of court to answer questions. The court's order was that Mr. Russo would be held in custody until such time as he purged himself of contempt. This court now holds that Mr. Russo has purged himself of that contempt by his promise to testify before the grand jury conditioned upon being furnished a written transcript of his testimony within thirty-six hours of his appearance. He is held immune from all penalties by reason of refusing to testify as a witness before a grand jury unless the government agrees that it will furnish him a copy of the transcript of his testimony.

It is further ordered that the clerk this date shall serve copies of this memorandum opinion and order by United States mail upon the attorneys for the parties appearing in this matter.

Dated this 17th day of November, 1971.

WARREN J. FERGUSON,
U. S. District Judge.

CAPTAIN COOK JAYCEES CONDEMN U.N. DECISION ON NATIONALIST CHINA

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BEGICH. Mr. Speaker, the recent action taken by the United Nations regarding the Government of Nationalist China has caused much controversy. Many people have called for reevaluating our role in the United Nations and of the United Nations role in the world.

For us to judge this action properly, it is important that we consider all points of view.

In a resolution I received recently, the Captain Cook Jaycees have expressed their beliefs on this subject. I believe it is important that their views be expressed and examined. I am inserting a copy of this resolution for my colleagues' inspection:

CAPTAIN COOK JAYCEES—RESOLUTION

The Captain Cook JayCees—

Believing that all nations of the world should have a right to be represented at the United Nations, and

Believing that the Nationalist government, is in truth the legal representative of an independent country, therefore

Condemn the recent action of the United Nations General Assembly, with regard to the replacement of the Nationalist government, and

Hereby direct the secretary to forward this resolution to the Secretary General of the United Nations.

JAMES H. HISSONG,
President.

NATIONAL BIBLE WEEK

SPEECH OF

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. ASPIN. Mr. Speaker, as this week is National Bible Week, it is only fitting to take a few moments to reflect on the profound impact this book has had on all of us.

It has an unending wealth of historical information in the Old Testament and has a constantly fresh message in the New Testament. The Bible has been, and is, a fundamental part of our lives, and I think it is only fitting that we have a week to give special recognition to this great book.

A PLAINTIVE LAMENT

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Monday, November 22, 1971

Mr. METCALF. Mr. President, in all good humor I do not want to attempt to appropriate the mantle of our former colleague Gene McCarthy as poet laureate of the Senate. I do not even present the following as poetry. But it is a plaintive lament that we did not know our good fortune when Ezra Taft Benson was Secretary of Agriculture. Looking backwards to those days the farmers of America are nostalgic. Now that Hardin is leaving and Butz is the new champion there is no place to go but downhill. Therefore I present to the Senate a little rhyme singable too, that does not transgress upon Gene McCarthy's high calling but does voice the exasperation of the dirt farmer with the Nixon farm policy and with the men he chooses to administer it.

I ask unanimous consent that the rhyme be printed in the RECORD.

There being no objection, the rhyme was ordered to be printed in the RECORD, as follows:

EZ BENSON, WON'T YOU PLEASE COME HOME?

(To be sung to the tune of "Bill Bailey, Won't You Please Come Home?")

Won't you come back Ez Benson?
Won't you come home?
This crew is worse than you.
They jigger parity—call it prosperity,
But it's for the favored few.
Farmers are counted out,
Folks leave the farm,
Agribusiness even owns the squeal.
You were a saintly man
Alongside Nixon's flim flam artists.
Benson won't you please come, Ezra won't you please come,
Benson won't you please come home?

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

REFORMERS GAIN THE UPPER HAND IN THE BIA

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. FRASER. Mr. Speaker, during the past year a dispute has raged within the Bureau of Indian Affairs over the direction of agency policies. Young activists in the agency fought aggressively to give the Indian people a greater role in running BIA programs, while "old line" bureaucrats resisted these changes.

For a time it appeared as if the conservative bureaucrats had the upper hand. Indian groups throughout the country complained loudly that the forces of reaction within the Bureau were blocking efforts to implement the self-determination policies outlined in the President's July 1970 Indian message. President Nixon, himself, admitted recently that the BIA bureaucracy was in need of a "good shakeup."

Now it appears that the reformers have won out—at least for the time being. In the following Minneapolis Tribune article, Frank Wright explains the significance of recent development in the Bureau:

RISKY END RUN BY BRUCE PUTS ACTIVISTS BACK IN SADDLE AT BIA

(By Frank Wright)

WASHINGTON, D.C.—The young activists, aided by a daring bureaucratic end run by Commissioner Louis Bruce, are back in the saddle at the Bureau of Indian affairs (BIA).

They have emerged as the winners in a long and crucial struggle over the personnel shakeup demanded at the agency by President Nixon.

The decisive move came Wednesday when Bruce went to Reno, Nev., and told the annual convention of the National Congress of American Indians, the largest Indian organization in the country, that he was putting several of the activists into key posts in a BIA reorganization and was sidelining several of their more conservative opponents.

The thousand or more Indians at the convention loved it, but it was a risky thing for Bruce to do because he had purposely neglected to seek prior approval of the announcement from his superiors at the Interior Department.

He was acting on his own, a perilous thing for a subordinate government administrator to do.

Bruce's decision to wing it came slowly and in stages.

He had gone to work through channels after the President said in early October that he was dissatisfied with an entrenched bureaucracy that "feeds on itself, defends itself and fights for the status quo and does very little, in my opinion, for progress in the field."

Despite the President's insistence, however, Interior Department officials stalled and delayed, urging further study. They included such people as Undersecretary William Pecora; William Rogers, a deputy assistant secretary who often has dealt with the BIA for Interior Secretary Rogers Morton; Wilma Victor, Morton's special assistant for Indian affairs; and Harrison Loesch, assistant secretary for public land management. Aligned with them was John Crow, BIA deputy commissioner under Bruce.

Bruce, meanwhile, was being pressured by the activists, most of them Indians whom he had recruited more than a year ago to revive the BIA and institute the President's expressed policy of self-determination for the Indian.

With the President publicly on their side, with Indian militancy on the rise and with public awareness of the Indian's depressed plight increasing they felt Bruce should force a breakthrough. They had become increasingly frustrated and restive.

His attempt to go through channels hit a roadblock Nov. 12 when the Interior Department approved a new BIA structure that eliminated the job of associate commissioner. That has been the No. 3 post, and Bruce has planned to elevate to it one of the leading activists, Ernie Stevens, a Wisconsin Oneida who has been director of community services.

The new structure was proposed by Crow, who had been made deputy last summer by Morton and touched off a furor by downgrading several of the activists.

After Nov. 12 Bruce and the activists decided to make their end run as a last alternative.

They agreed to fill the posts in Crow's organizational scheme with their own choices, announce them as quickly as possible, get support from Indian country and hope that officials at the Interior Department would then be afraid to reverse them after the fact.

On Tuesday morning Bruce gave Crow a memorandum instructing him to do the paper work on 15 personnel changes. That afternoon he flew to Reno with Stevens and Alexander McNabb, a Micmac, director of operating services and another leading activist.

The next day Bruce told the convention that:

Stevens was now assistant commissioner for economic development, which includes a $40-a-million-a-year employment assistance program plus defense of tribal and water rights.

Stevens' former deputy and ally, Florie Kelanof, was promoted to assistant commissioner of community services, which includes welfare, housing and other projects.

McNabb was now assistant commissioner of engineering and construction, which includes an upgraded road-building and irrigation program.

His former deputy, Robert Gajdys, was now director of the office of Administrative Services, which oversees a contracting program under which the BIA arranges with tribes to operate many services previously provided by the government.

Harold Cox, who had been associate commissioner for administration, was downgraded to director of a new and small office of management systems.

William Freeman, former director of economic development, and Philip Acker, former head of the employment assistance program, were shunted off to a new Office of Planning. The activists had complained that Freeman was doing nothing to build up reservation economies and that Acker was using the employment assistance program to entice Indians off their land and into dead-end jobs—or no jobs—in the cities.

Calvin Bryce, who had been in charge of the contracting program, was being shipped to Phoenix, Ariz., to become deputy director of the BIA area office there. Activists claimed that he had obstructed tribal efforts in contracting.

Economic development would become top priority at the BIA. As a start, Morton was being urged to decentralize employment assistance by allowing tribes to set up their own job-training programs on the reservations instead of requiring all job-hunters to come to the cities.

Bruce was cheered. The newly elected president of the national congress, Leon Cook, endorsed the commissioner's actions and said he was moving in the right direction. Cook, a Minnesota Chippewa, had been one of the young BIA activists but quit recently because he felt Bruce lacked aggressiveness. Cook has taken a post in the Minneapolis school system.

Bruce returned to Washington Thursday, holding his breath.

Friday morning Morton, reportedly caught by surprise by Bruce's action, issued a terse statement. It endorsed what the commissioner had said about new initiatives in economic development and road construction. But it called the personnel changes "temporary" and said they would be reviewed with the commissioner "in the near future."

The near future apparently came rapidly.

Friday night Bruce called reporters to tell them he had been authorized by officials at the Interior Department to say that he was "very confident" his personnel actions would be approved and had been given "assurances of that."

The commissioner said he was "tickled to death."

VOLUNTEER FIREMEN

HON. J. CALEB BOGGS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Monday, November 22, 1971

Mr. BOGGS. Mr. President, it has been my privilege upon occasion to draw attention to the fine job done by volunteer firemen throughout this country.

There are an estimated 1.8 million volunteer firemen in the United States, compared to only 200,000 paid firemen. The existence of volunteer fire companies guarantees many communities protection from fire and accident at little or no cost to the taxpayer.

We are very much indebted to volunteer firemen, who spend large amounts of their time at public service and who live with great inconvenience and even personal danger in order to serve their communities.

It has been my privilege this year to offer two pieces of legislation which I believe would benefit our volunteer fire companies. One was S. 2040, which would include volunteer firemen training under the provisions of the Vocational Education Act of 1963. This bill was accepted as an amendment to the Higher Education Act passed by the Senate earlier this year and is presently in conference with the House of Representatives.

Another bill, S. 2748, was introduced several weeks ago. It would provide a $50,000 death benefit for survivors of policemen, firemen and correction officers killed in the line of duty. This legislation, I believe, would make entrance to police work, correction work, and fire prevention work more attractive to many more young men.

Mr. President, there are more than 6,000 volunteer firemen in my State, and we are very proud of each of them. Recently, Mr. Phil Milford wrote a two-

part article in the Wilmington Morning News about our volunteer fire operation. I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Wilmington (Del.) Morning News, Nov. 16, 1971]

STATE'S VOLUNTEERS AMONG BEST—NO SLACK SEEN IN FIRE LINES HERE

(By Phil Milford)

Although there are indications that the volunteer fire fighter in America is on the way out, the ranks of Delaware's part-time fire force are growing with few signs of decline.

While State Fire Marshal William R. Favinger admits "a volunteer has got to be an oddball," there are more than 6,000 such fire fighters in the state—and they are increasing in both numbers and professionalism as the state, helped by federal monies, continues to support them.

It was not always so.

Within the past 20 years, Delaware has appointed its first full-time fire marshal, instituted a state fire prevention commission, hired six assistant fire marshals, created the office of fire protection engineer, and documented Fire Prevention Rules and Regulations that conform to the best fire prevention code available.

In addition, fire call-boards—actually emergency communications centers—have been set up in two of the state's three counties, and a third call-board is slowly being planned for Kent County. These radio networks provide instantaneous communications when a fire or accident occurs, with a minimum response time.

Earlier this year, a New York Times article explored the "fading role" of volunteer firemen faced with urban progress. In many of the nation's fast-growing suburbs, reporter Jon Nordheimer wrote, "Volunteer fire departments are becoming unworkable and paid firemen are increasingly picking up the slack."

Among the reasons given were the lessening numbers of men available during the day to answer alarms; the vanishing "social role" of the fire house; and the appearance of industrial and apartment complexes that demand advanced skill to fight fires.

Many of the objections to volunteer community service in time of fire and disaster are valid; but in Delaware at least, hiring full-time, paid fire fighters has not been the solution it has in other parts of America. In fact Wilmington, with its several hundred paid professionals, is still the only organization of its type. The rest are volunteer.

In a community such as Newark—a fast-growing urban complex—it is difficult to get enough men to respond to daytime alarms, according to Favinger, a volunteer fireman for 36 years. But the solution has been the "multiple response" alarm used in New Castle County, where several area companies respond to potentially large fires, thus not depending upon only one company's complement for manpower. In addition, Newark's Aetna Hose, Hook & Ladder Company uses woman ambulance drivers to fill the daytime gap.

As for the dwindling value of the fire house as a social center for Delawareans, one has to enter any fire house during the evening hours, or attend the average wedding reception, or join the throng at the annual Mother's Day Dinner, attend the annual Firemen's Convention or "go to Bingo" to see the enthusiasm and dedication of the men and women auxiliary members.

One volunteer recently compared activity at the fire house to that of church organizations and said some churches have the lesser numbers.

The charge that professionalism is lacking among volunteers may be valid in some areas, but not in Delaware. A deputy state fire marshal, pondering the relative value of paid and volunteer fire fighting forces, noted recently that the difference is great for one reason because the paid men are sitting next to the truck when the alarm sounds, and often have a shorter distance to travel, while the volunteer has to get to the fire house first, before he can get to the fire.

Notwithstanding that fact—a result primarily of the economical unfeasibility of paying everyone in surburban companies—Delaware men, once they arrive at the "fire grounds," are probably among the best trained anywhere.

The state fire school near Dover has been cited as among the finest facilities of its kind, and many of the courses it offers, ranging from basic firemanship to crash-rescue work, are brought to the individual's fire houses by the school's instructors, according to Louis J. Amabili, the director.

Delaware is "well along" compared to the rest of the country in volunteer fire fighting, Favinger said. He said that in some states, not only are the men ill trained, but sometimes require the owner of a burning property to be a regular subscriber to the company. "And if your dues aren't paid, the house burns," one fireman recalled recently.

"Delaware is one of the few states that has every mile covered by a fire company," Favinger said, and if the blaze requires more manpower, other companies cooperate and send whatever is needed.

A recent example of such cooperation for the public good was seen during floods that inundated much of Brandywine Hundred and made Chester, Pa., a temporary swamp.

James Roy, chief of the Cheswold Fire Company and member of the Kent County Volunteer Firemen's Association, said recently that several Kent County companies were asked to go north to help clean up and rescue. He said all the companies worked well together with no complaints—something he said might not be the case in other parts of the country where boundaries lines are often sacred.

In the fiscal year ending June 30, 1971, property in Delaware had a total value of more than $1,776,000,000, according to the annual report of the state Fire Prevention Commission. During that period, a total of $4,021,861 was paid by insurance companies for fire losses in recent years.

In the same period, there were 11,362 fire alarms sounded in Delaware, with 114,000 man-units spending 7,000 hours in service. In all, 24 people lost their lives due to fires in the state.

That the loss was not greater is because these highly trained men, most of whom would be termed "non professionals," donated their time and risked their lives for their fellow man.

[From the Wilmington (Del.) Morning News, Nov. 18, 1971]

FAVINGER CITES NEED FOR STATEWIDE RADIO NET—MONEY IS FIREFIGHTERS' FOREMOST PROBLEM

(By Phil Milford)

With paid fire fighters in Wilmington and thousands of volunteers in other parts of the state, the public is protected against man's ancient two-faced friend and enemy as never before.

But although the apparent national trend toward all-paid firemen is not manifest to any great extent in Delaware, and most people will continue to receive protection from many dedicated volunteers, there are definite problems.

The foremost, of course, is money.

One of the major needs in Delaware is for a complete fire radio network in all three counties, according to State Fire Marshal William R. Favinger.

At present, both New Castle and Sussex Counties have "call boards," on the air 24 hours a day. Women handle the calls in Sussex. When someone needs fire equipment, they call the fire board, which immediately pushes the correct buttons to activate the necessary fire sirens in the county. Both boards transmit on the same frequency.

In Kent County, however, a citizen reporting a blaze may dial the number of a private home, a store, or a funeral parlor. Sometimes the call goes directly to the local firehouse. But there is no call board in the county—a situation called "antique" by one fire chief and "behind about 10 years" by a deputy fire marshal.

Hopefully, this dangerous situation, which sometimes necessitates several calls before the fire house door is opened, will be corrected soon, according to Chief James Roy of the Cheswold Fire Company.

Roy is chairman of the Kent County Fire Radio Committee, which Tuesday (Oct. 26) presented a proposal to the County Levy Court requesting $90,000 for the radio network's equipment. The court took the request (accompanied by several hours' presentation by firemen) under consideration, noting that the money must come from the General Assembly.

"We hope to get it pretty soon," Roy said, "but it may take 3 or 4 months."

Meanwhile, the old system prevails, with only Dover, highly urbanized and growing rapidly, having a central dispatcher. The Dover Fire Department, a volunteer group also known as the Robbins Hose Company, dispatches a hand full of companies in the area, but cannot handle all 19 companies in the county.

The money problem, too, limits Favinger's office, but he has extensive plans for the future.

The office of the State Fire Marshal has two basic functions—investigation and inspection. During the fiscal year ending June 30, 1971, for example, the office investigated hundreds of fires; 663 complaints; arrested 47 persons of whom 15 were convicted; apprehended 106 juveniles (responsible for most field fires, firemen says); and spent 211 hours in court. In addition, the 6 deputy fire marshals conducted 2,267 inspections of schools, businesses, hospitals, and other institutions and studied blueprints of 95 planned structures to determine fire safety requirements—a function now filled by the newly appointed fire protection engineer, Benjamin Roy Jr., formerly a deputy.

But the problems central to Favinger's organization occur, he says, because inspections take up too much of his deputies' time, who could better use their technical skill on investigation. Within the next 5 years Favinger would like to hire 9 inspectors to deal solely with examining structures. Unlike the present deputies, the inspectors would not carry guns or have police powers. This would leave deputy fire marshals free for other matters.

Another innovation necessary, but now impossible because of the money problem, is a full-time office in Delaware's most heavily populated area—New Castle County. At present, the office has a part-time staff, with the fire marshals often answering the phones.

With a staffed office, Favinger said, his deputies could spend more time answering complaints, conducting investigations of fires, talking to school and other citizen's groups, and enforcing such regulations as those dealing with explosives and fuel transport.

Favinger would also like to send his deputies, who live in various areas of the state but who are subject to duty anywhere, to more national gatherings of fire marshals, where both training and exchange of ideas on fire fighting are available. "But we're limited by our budget," he said. Favinger also said that in the future he would like competitive examinations for fire marshal deputies to stress investigation more than the present generalities.

Besides the immediate need for a Kent County Fire Board, Favinger is working on various opportunities to obtain federal monies. He said present federal legislation under the Occupational Safety Act may provide dollars for his needs, but added that other funds are available, too.

The Federal Highway Safety Act recently provided money through the state for a vehicle rescue course administered by the State Fire School, directed by Louis J. Amabili of Hockessin. The school offers courses in fire fighting and was subsidized by Washington for an emergency care course for ambulance drivers which is among the first in the country, and a model for other states.

Favinger says there are four independent municipalities in Delaware that govern their own fire departments. But Wilmington, Newark, Dover, and Milford all work with his office and are included in state statistics. Favinger feels that Newark soon may have to pay at least some of their fire fighters—but many company representatives feel that it should be "all or none" due to the human tendency for volunteers to resent paid associates.

But on the whole, Delaware's volunteers are probably here to stay. In a recent survey by mail, more than a third of the 60 volunteer companies returned questionnaires that overwhelmingly rejected the possibility of paid members—at least in the near future.

The companies, composed of men from teen-age to over 60, listed an average age in the early 30's. Their numbers ranged from 25 to about 100, with membership mostly growing but at least remaining stable. Most of the companies were formed in the 1920's.

When asked if they see their roles as volunteers lessening or growing, all but 4 said they are growing. Two of the dissenters cited the lack of interest among service (something contradicted by others) and the negative effect caused by state regulations young people today in the fire—specifically the new licensing law for ambulance attendants.

When asked about a central dispatcher's importance, nearly all companies felt that response time and service to the public would be best served with a radio network. One Kent County company listed the lack of a central dispatcher as its major concern.

Among the gripes listed by the volunteers (questionnaires were sent to company chiefs or presidents) were difficulty in getting manpower in the daytime when needed; money; enlisting business-minded firemen; the misuse of ambulances as taxis; unenforced fire codes; inadequate water supplies; and faulty news media reports. One comment on improving volunteer firefighting in Delaware was that mandatory regular and advanced training should be given annually or semi-annually. Another company suggested that in light of dwindling response by citizens to annual fund drives, a "fire tax" may soon be necessary. One New Castle County chief noted that too much equipment is duplicated among companies, with no coordination as to type of apparatus in an area.

One downstate company responded that young people sometimes feel they are not wanted because of their color. The chief said he is now intentionally selecting people without regard to race, and notes that ingrown prejudices among white firemen are declining—and the more people in the community working together, the better the service, he suggests.

NATIONAL BIBLE WEEK

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. BEGICH. Mr. Speaker, we are now at a point in time that the decisions we are making affect more and more people. This is a time of unprecedented social change where mores are continually changing. What was socially unacceptable yesterday may very well be a viable part of our society tomorrow. In dealing with these changes we must never lose sight of our moral and ethical background.

It is proper then, at this time, that we make an effort to consider and evaluate our religious beliefs. We must be sure that if we are going to deal with moral changes, we must fully understand our own spiritual feelings. For this reason, Gov. William A. Egan of Alaska has proclaimed the week of November 21, 1971, Bible Week.

I am inserting a copy of the Governor's proclamation for my colleagues' inspection.

PROCLAMATION—BIBLE WEEK

Our system of law and justice has been built upon the foundation of the Ten Commandments. Respect for the sacredness, worth, and dignity of the individual, an essential element in our system, is rooted in Biblical teachings.

It is imperative for modern man, confused and perplexed by rapid technological and social changes, to understand the roots of his moral and spiritual belief-system.

Therefore, I, William A. Egan, Governor of Alaska, do hereby proclaim the week of November 21 through 28, 1971, as Bible Week and urge people of all faiths to observe the week by reading the Scriptures and setting up a plan of regular examination of the Foundation Book of Judeo-Christian heritage.

Dated this fourth day of November, 1971.

SECTION 503 OF MILITARY PROCUREMENT AUTHORIZATION

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, November 22, 1971

Mr. BYRD of Virginia. Mr. President, the President now has signed into law the Military Procurement Authorization for 1972, which includes legislation to end the dependence of the United States upon Russia for the bulk of its chrome ore. This is section 503 of the authorization bill.

I believe that Congress, in voting on this question, analyzed the issue in terms of its significance to the security of this Nation.

Chrome is a vital U.S. defense material, essential for nuclear submarines, jet aircraft, and all stainless steel products.

Because of an executive order by President Johnson in 1967 resulting from a mandate from the United Nations, the United States has been prohibited from importing chrome from Rhodesia. Thus, having no chrome of our own, we have become dependent on Communist Russia for this vital defense material.

On September 23, the Senate of the United States decided to call a halt to such a ridiculous situation; and on November 10, the House of Representatives concurred. The House vote on the direct issue was a smashing 251 to 100.

It was not a regional vote or a party vote.

Analysing these two critical votes, we find that the proposal to remove the embargo on Rhodesian chrome received strong support from members of both political parties—and from Representatives or Senators from 46 of the 50 States.

Leading the list were California, Texas, Pennsylvania, Illinois, New York, Ohio and Michigan.

I ask unanimous consent that there be printed in the extensions of remarks a State-by-State breakdown of the number of Members of the House of Representatives who voted in favor of retaining section 503 of the military procurement bill on November 10.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

California, 21; Texas, 19; Pennsylvania, 17; Illinois, 15; Ohio, 13; New York, 13; and Michigan, 11.

Florida, 9; Georgia, 9; North Carolina, 9; Virginia, 9; Indiana, 7; Missouri, 7; Alabama, 7; Louisiana, 6; and Tennessee, 6.

Kentucky, 5; Kansas, 5; Wisconsin, 5; South Carolina, 5; New Jersey, 4; Iowa, 4; Connecticut, 4; Minnesota, 4; and West Virginia, 3.

Oklahoma, 4; Maryland, 3; Mississippi, 3; Colorado, 3; New Mexico, 2; Nebraska, 2; Montana, 2; Arizona, 2; and Massachusetts, 2.

Idaho, 2; Oregon, 2; Arkansas, 1; South Dakota, 1; Nevada, 1; New Hampshire, 1; Washington, 1; Maine, 1; and North Dakota, 1.

NEW FORCE IN TEXAS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. PICKLE. Mr. Speaker, in a ringing, stinging speech to the Texas Women's Political Caucus Saturday in Texas, Liz Carpenter laid it on the line with a rallying cry of not just "register and vote" but "file and run."

It is a tight speech and sums up well a vibrant force growing in this country that will be recognized sooner or later—and if the Caucus has its way, it will be clearly sooner. They will be striving for more women delegates to the presidential conventions and more women candidates at all levels.

Mrs. Carpenter points out striving for full equality in politics and elsewhere does not necessitate any loss of femininity.

As she puts it:

The moonlight doesn't seem any dimmer, the candlelight doesn't flicker any less, the bubbles in the bubble bath don't burst any sooner, when your take-home pay is the same as your male counterpart.

She makes a plea for what she calls "peepul"—for dignity and femininity without being stifled under a cloud of protectionism. And she does so in no uncertain terms, praising the House for its passage of the women's rights amendment. Her words sting and bite and make one flinch occasionally—but they get an important point or two across.

The text of that speech follows:

THINKING WOMEN—THE NEW POLITICS IN TEXAS

We gather here today as the political parties begin organizing for the 1972 election. We gather here because we are determined that women have an equal voice in the party structures. We gather here because we are determined *this time* to run that gamut from Texas Precinct to National Convention to see that the two major political parties—(and others which emerge)—live up to their glowing words about party reform.

Larry O'Brien, Robert Dole, Gore Vidal—any others—here we come!

But it is no secret that this year while we talk of party politics and party issues, more and more Americans (and particularly young Americans) are being turned off by any party. They are saying, "A plague on both your houses." There are many who have lost faith in both major political parties because they do not believe these parties speak for the mass of American people or that they will live up to their proposed reforms.

Suddenly last summer a new political movement was born which will help them—the National Women's Political Caucus, composed of women from many political parties, old-line organizations, newly formed groups, and many women who are not a member of anything except the human race—almost.

All of us are moving the women's liberation movement into women's participation for human liberation, for better day care programs, better ecological laws, better education, abortion reform, equal opportunities for people of all color and all sex.

Today in Texas this movement takes hold at the grassroots. You will leave here after our workshops committed and equipped with the know-how to organize your towns and counties and be a vital force in placing women in positions of decision-making at every level which affects our lives:

—That means in Government, where our rallying cry in 1972 will not only be "register and vote", but "file and run". Yes, run for office—Delegate, Tax Assessor, the Legislature, Congress. And if you decide you aren't qualified, then support the qualified candidate who lets you know how she or he stands on the human issues. Ask yourself, does he listen to you, a woman voter, a woman with a family or a business or a job, as much as he listens to others? Does he give *you* equal time?

—That means in the corporation where we will no longer be the unwitting consumers of unimaginative male-run conglomerates that neither represent their major employees or their major consumers on their boards. Lyndon Johnson gave us Title 7 in the Civil Rights Act of 1964. Let's use it. Let's sue.

It means in Labor Unions where we are perfectly willing to trade that phoney mantle of protectionism for some equal pay and equal rights. It is high time that George Meany and the AFL-CIO stop dragging their feet and stalling the Senate on the Equal Rights Amendment. I don't know what has bothered George Meany all these years. Can it be that he is a male chauvinist plumber? Well, most of the labor forces are now wise to it. Well, Congress is getting wise to this. The House passed the Equal Rights Amendment this Fall with only 23 voting against it.

Now it's the Senate's turn. Before we go home today, I hope we will wire the leadership of the Senate and Senators Tower and Bentsen—that we want quick, prompt, overwhelming passage of a right that is long overdue.

So let every party chairman know, let every Governor and every candidate for Governor know now—that today in Texas, women are issuing a declaration of independence. We are tired of making the coffee, licking the stamps, and writing the checks.

We are tired of selling the tickets and being locked out of the ball park.

We mean to be in on the decisions.

So—if we seem a little pushy. If we seem a little noisy—it is because, Roy Orr and George Williford, we shout so you will hear us.

And we are going to be busy and organized and on hand May 6 in every precinct meeting in this state—not just to vote, my friends, but to run for delegate.

The 200th anniversary of our nation is almost here. We will no longer take second place to anyone. We care about this country; we care about this state; we care about our home towns—and we are no longer going to take second place to anyone.

We intend to "rip off" a piece of the political action for ourselves in 1972.

And let me tell you, from years of experience, this is where we will separate the men from the boys.

Those who count women in, can count on women.

Those who count women out, can't count on us at all. We are going to leave you behind at the ballot box nursing your boyhood insecurities.

This is not a battle cry for revenge. It is a rallying cry for simple justice. Any male candidate worth electing knows this. And any political candidate today with any pulse-feeling capabilities at all knows there is a new momentum, there is new action, something has happened to women. As Sarah Hughes put it, "We're tired of studying our status. We have graduated."

"The voice of the people may be soprano," Governor Preston Smith told the Status of Women Commission last year.

And he's right. But the voice of power is bass—and it has been getting "base" and "baser."

We are no longer going to be stuck with the ridiculous statistics. More than half of the voting power of this country—53 percent—is women. But only 12 women are in Congress. None on the Cabinet. None on the Supreme Court.

At the last national conventions, only 13 percent of the delegates to the Democratic convention were women. Only 17 percent of the delegates to the Republican convention were women.

And what about Texas?

Texas sent 120 delegates to the Democratic National Convention. Thirteen were women. Thanks for nothing gentlemen.

The Republicans did a little better and this hurts me as a psalm-singing Democrat. They sent 56 delegates to the convention; 15 were women.

The Texas Senate and House have 181 members. Only two are women and anyone who watches it knows. Barbara Jordan and Frances Farenthold are lonely. Let's send them some company.

Every intelligent person, man or woman, in this country knows there are millions of working women being exploited.

You know it when a woman professor makes $7,000 and a man in the same job makes $9,000. You know it when a woman scientist earns $10,000 a year and her male counterpart takes home $13,000.

You know it when a restaurant owner hires waitresses until 6 P.M. just when the good tips start. He smugly argues it's not safe to keep the girls on the job after dark. But he doesn't bat an eye when he has charwomen coming in at 2 A.M. to clean the place up.

Every parent of a college-educated daughter knows it when they pay more than $10,000 to educate her in the professions and she is met time after time with this question: can you type? Some of our strongest allies today, my friends, are middle-income fathers of bright, remarkable young women.

It does seem strange that considering we are almost at the 200th Anniversary of our Nation's founding, that Black men were given the vote over 100 years ago, and White and Black women won the vote more than 50 years ago, we should—at this late date—still have to be talking about winning equality for women.

Some might think it more lady-like if we just bat our eyes, be demure and settle for the tokenism which has been our lot for fifty years within our country and within our parties. But that is not what thinking women do.

One of the great myths of all time is that being a political activist somehow defeminizes us.

I've worked hard all my life. So have millions of other working women. And let me assure you the moonlight doesn't seem any dimmer, the candlelight doesn't flicker any less, the bubbles in the bubble bath don't burst any sooner, when your take-home pay is the same as your male counterpart. You can be sensuous and still think and vote and run for office.

Yes, women are indeed an admirable sex. Through the centuries, we've been wept upon, stepped upon, and slept upon—and we still find something in men to love.

I've worked for woman-power in politics since I started covering Eleanor Roosevelt's Press Conferences 27 years ago, and I do not plan to abdicate my movement because of a little noise. The words "Right On" do not come trippingly off my tongue. But sometimes I'm learning and I'm enjoying it. If the caucus sometimes comes on a little strong, let's remember—these are strong times. But I assure you that this is no burlesque.

If the Democrats and Republicans mean what they say—and we do what we can do—the next National Conventions will not be peopled by the shopworn henchmen and fatcats of outmoded party structures. They will represent a broader base of every group in this country.

I believe the political party that is truly committed to inner reform by action—one whose delegates are truly from the people—(and I spell it the Sam Rayburn way)—*"peepul"*—will do more to restore the faith of this country in itself than any other single action.

It's in your hands. And let me say to you—for I have worked in the National Media a long time, on both sides of the pad and pencil—let me recall what a public relations man once said to Moses when Moses was leading the children of Israel out of the wilderness of Egypt. (Perhaps you don't know the history of public relations goes back that far . . . but it does.)

As they approached the Red Sea, the public relations man said, "Moses, what are you going to do when you get to the Red Sea?"

"That's easy," Moses replied, "I will simply raise my hands and the waters will part."

The PR man looked aghast. "Wow! You do that and I'll get you two paragraphs in the Old Testament."

So, my friends, if you write people into the political conventions in Miami and San Diego, I believe I can get you two paragraphs when the historians write what women did in the 1970's to make this a more humane, compassionate country.

I have a lot of faith in the women of this country. They have a way of knowing whether you are for them or against them. They can spot a phoney. Perhaps, because we are so deeply involved in the continuity of life, we are more fundamental in our sense of values, more committed to bring this unfinished democracy to fruition where we can all enjoy the pursuit of happiness.

We know that, as a Nation, we simply cannot enjoy the questionable luxury of treating any citizen as less than a total person.

This last year I've traveled over 100,000 miles in this country. In fact, I think I've traveled more than Spiro Agnew and Edmund Muskie combined—and had more to say than Martha Mitchell, if that is humanly possible.

And I find a sad sort of loneliness in this land, an emptiness of spirit, an eroding fear that perhaps permeates a zipcode, area-code, punch card society . . . A fear that there will be no human being to answer a cry in the night. But there is also a plaintive yearning to be *someone* who answers the cry in the night.

That is why it is so right at this particular moment in our Nation's history that we not be timidly transfixed as spectators. That we rally to women's *participation* for human liberation.

I'm glad we are a caucus of many viewpoints. How awful if we were stereotyped, crystallized into a single track mind with no room for growth or change!

And let's remember—not to shortchange each other—women are human. We don't have to approve of each other 100 percent on all issues. Seventy percent will do. How many friends do you endorse 100 percent? If all the varied assortment of people in the American Revolution had waited to *like* each other, we'd still be at Bunker Hill.

Each of us has something to bring to the Women's Political Caucus. Surely women in this new, exciting political movement have reached the point of civilization where we can have many voices, because we are of *one* heart. The movement is big enough for all of us. The question is: Are we big enough for the movement. I think we are. I think we must be. For there is work to be done. And together, we can reach out to this Nation and answer its cry in the night.

COMPREHENSIVE CHILD DEVELOPMENT PROGRAM

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SCHMITZ. Mr. Speaker, on Monday of this week, November 15, the joint Senate-House conference committee completed its work on S. 2007, the Economic Opportunity Act extension which includes the new comprehensive child development bill. Yet, in a continuation of the most peculiar and objectionable procedures which have marked the handling of this measure from the beginning, no printed report on the conference committee's conclusions has yet appeared, and I am now informed that none is expected until after the Thanksgiving recess.

Not only my own constituents, but concerned parents and citizens from all over the country have been writing to me—and no doubt many of my colleagues have received similar letters—asking for copies of this measure. Except for pages of very fine print in the CONGRESSIONAL RECORD of September 30, the day we passed the bill, we have nothing to send them, since it was passed on that day as an amendment to the Economic Opportunity Act extension, without a printed committee report being available. Those who ask us for a copy of such an important bill, and have to be told that there is none, naturally wonder why. So do I.

Passage of this measure by the Senate and House in September took place with comparatively little advance warning and debate, and very little publicity before or after the fact. But as more and more people have learned of what we did then, a tide of public anger is rising with which sooner or later we shall have to deal. A good time to begin would be when this conference committee report comes to us for approval. It should be sent back to committee with instructions to remove the "child development" portion so that this could be handled in the normal way, on its own merits or demerits, as a separate bill.

The Comprehensive Child Development Act would provide extensive care—mental, physical, social, and psychological—for all American children below school age. It is far more than the simple custodial day care which many supporters of this legislation who have not studied it carefully still think is its primary or sole purpose.

For anyone—especially government—to try to supplant a child's parents in deciding what their child needs is to mount an assault on the family, the foundation of any stable society. There is no better way to raise children than in the close-knit, mutually loving, deeply personal interrelationship of a family. Both human experience and religious faith testify to this truth.

Interference with the family unit is fundamentally contrary to our Judaeo-Christian heritage. This legislation promises to provide just such interference with, and perhaps eventual elimination of, the responsibility of parents for the upbringing of their children. Thinking men, and religious men, are becoming more and more concerned about this "child development" legislation. Examples could be cited from each of the three major divisions of American religious belief—Protestant, Catholic and Jewish—from Dr. Jerzy Hauptmann, editor of the Lutheran Scholar, to Will Herberg, noted Jewish sociologist and student of comparative religions, to last week's editorial in the Catholic Standard, the diocesan newspaper of Washington, D.C. I would like to insert into the RECORD at this point for the benefit of my colleagues this brief, but most thought-provoking editorial.

The editorial follows:

[From the Catholic Standard, Washington, D.C., Nov. 11, 1971]

RECONSIDERATION NEEDED

House and Senate conferees on Capitol Hill are working toward a reconciliation of what they consider relatively minor differences between two versions of the same bill (HR 10351 and S 2007), to be known as the Comprehensive Child Development Act. The Act, if passed, will be an amendment to the Economic Opportunity Act of 1964.

The provisions of the Child Development Act are aimed at giving supportive care to children under the age of six. The Senate has added a highly questionable National Child Advocacy section to the proposed legislation. All of this represents what many think is the opening thrust by government into an area historically reserved to the family. Although the Act purports to guarantee voluntary participation, the step between non-compulsory and compulsory participation can become very tenuous when heavy government funding is involved. The immediate funding to establish the programs would be $100 million with a goal of $2 billion for the next year.

The purposes of this legislation may appear laudatory and indeed many aspects are. But the broader implications are extremely serious. What will result is a "partnership" arrangement between government and parents in an area where rights and responsibilities of parents must be paramount.

We hope that both houses of the Congress will reconsider this legislation. If not, we would expect the President to exercise his veto power with strong recommendations for a reconsideration of the bill.

THE CASE AGAINST LIMITING EARNINGS FOR SOCIAL SECURITY RECIPIENTS

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. STEELE. Mr. Speaker, I include the following article from the AARP news bulletin entitled, "The Case Against Limiting Earnings for SS Recipients," which I thought would be of interest to my colleagues.

The article follows:

THE CASE AGAINST LIMITING EARNINGS FOR SS RECIPIENTS

(The following excerpts are reprinted by courtesy of Barron's National Business and Financial Weekly. The author is Truman D. Weller, a free-lance writer and member of the Association who during his career was affiliated with Cowles newspapers in Des Moines and later Minneapolis, where he was assistant to publisher. When he retired he was northeast division manager for the U.S. Chamber of Commerce.

In truth, Social Security is killing the initiative and incentive of thousands of people. An elderly Indiana farm couple, for example, found themselves hard-pressed because their interest in a small sorghum crop pushed their income over the prescribed limit, cutting Social Security payments.

Much of the unfairness is caused by the stringent, unjust rules governing the Social Security program. Basically, five points cause these difficulties.

(1) Limiting earnings to $1,680 during a calendar year, so as not to affect benefits. As a result, when a Social Security recipient approaches the ceiling, he is inclined to quit working for the remainder of the year.

(2) The inconsistency of a worker obtaining greater total spendable income by earning less. (In a chart which accompanied the magazine story, it was illustrated how a person on Social Security and earning $3,600 would have more disposable income than another Social Security recipient earning $4,800.)

(3) The inequities which arise from the narrow monetary advantage gained by the person who works and forfeits all or part of Social Security benefits, compared with the individual who only collects the benefits. In a typical example, an individual earning $6,000 a year will enjoy an advantage of only $150 a month more than someone with comparable retirement benefits but not working.

(4) The test which limits earnings by salary

or wages in a single month unless benefits are forfeited. The test says those earning over $140 in a month must forfeit benefits for that month. In many instances, total benefits of husband and wife are greater than $140. Consequently, any earnings between $140 and up to the amount of the total benefits would represent a loss for the couple.

(5) Restrictions of the retirement test to the self-employed retiree and the handicaps to the operation of his own business. This part of the guideline deals with the amount of time a person over 65 may engage in his business and still collect benefits.

Here, the amount of profit is not a restricting factor. One man make $2,000 or $20,000 from his business. Instead, time is the criterion and anyone spending more than 45 hours a month in his business is, as a rule, deemed to be rendering "substantial service" and thus prone to forfeiture of benefits.

Social Security was adopted in this country during the Depression of the Thirties. At the time the legislation was being considered, unemployment varied between seven and 11 million, and the great hue and cry was to remove those over 65 from the labor market in order to provide jobs for the younger workers. Unfortunately, that philosophy still remains with the Social Security program. It does not square with the relative economic affluence of our present age nor with a shortage of technical manpower predicted by the National Industrial Conference Board.

Every working retiree pays at least two taxes on earnings—the federal income and the Social Security levies. In some states, he also pays a state income tax and many metropolitan cities now levy a city wage tax as well.

Retirees with private pensions are required to pay income tax on their benefits, once the contributory part has been exhausted. Today, one out of five retirees pays such a tax and in another 10 years, the number is expected to double. This serves to put earnings of retirees in a higher bracket, since they already are liable for the income from their pension. And the necessity of paying tax on earnings in a higher range serves as another repressive measure to discourage earnings by retirees.

The choice of whether a person over 65 wants to live a quiet life of leisure or continue working should be an individual decision. But those who choose to work should be free to do so. Older persons should not be hampered by arbitrary rules and regulations.

DEATH BY THE PINT: THE CRITICAL NEED FOR MORE VOLUNTEER BLOOD DONORS

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. VEYSEY. Mr. Speaker, on Wednesday, November 17, I introduced H.R. 11828 to establish a Federal program to encourage voluntary blood donation and require that all blood banks be licensed and inspected by the Federal Government. The urgent need for legislation of this type was demonstrated in a recent series of articles in the Chicago Tribune. I am appending the first half of that series to these remarks. I hope my colleagues will join with me on this bill and help end the use of skid-row blood donors and the hepatitis they contribute with their blood.

The first half of the series follows:

"LIFESAVER" IS POTENTIAL KILLER: FIND BLOOD OF PAID DONORS POLLUTED WITH HEPATITIS

Tribune Task Force reporters spent weeks talking to medical experts and traveling in the Skid Row subculture that supplies much of the Chicago area's blood to get the story behind the blood donor dilemma in Chicago. This first report in a series was prepared by Reporters William Jones, Task Force director; Philip Caputo; Pamela Zekman; and William Currie.

The blood of 26-year-old Robert Irby is a potential killer, but that fact hasn't stopped the unemployed truck driver from selling the precious fluid a dozen times in the last two years to earn spending money.

Irby is considered a professional donor and under the rules of the blood-peddling business, his career should have ended July 22, 1970. On that date, as Irby prepared to collect another $15 for a pint of his blood, technicians at the Mount Sinai Hospital Blood Center discovered hepatitis in his blood.

The discovery meant that Irby must never again give blood because of the grave danger of infecting a recipient. The presence of hepatitis—a debilitating and sometimes fatal disease characterized by yellow skin and extensive liver damage—often tragically reverses successful surgery after the patient receives a transfusion of the tainted blood.

BAD BLOOD POISONS SURGERY

But Irby's blood donor career was not over on that day, and what followed is yet another example of what many medical experts have warned about for years: For every step forward that medical science has taken on the operating table, it all too often falters by pumping poisoned blood back into the patient.

One blood expert estimates that nearly one out of every four persons over the age of 40 who contact hepatitis from blood transfusions will die. And it is the over-40 age group that receives 60 per cent of all blood transfusions.

In Irby's case, his name was stricken forever from the list of potential paid donors at Mount Sinai. A brief form letter was mailed to Irby suggesting that he see his doctor, and that was the end of it. Irby claims he didn't understand why his blood was rejected, and the 26 other blood donor stations in Cook County were never notified.

Since he was never paid for that last pint at Mount Sinai, Irby wasn't about to do business there again even if the center wanted his blood. Instead, he went to the Michael Reese Hospital Blood Center two months later, where the only existing test for hepatitis (an admittedly ineffective process that weeds out only one of four potentially infectious donors) failed to detect the presence of the deadly virus in his blood.

REPORTERS FOLLOW HIS TRAIL

He sold a pint on Sept. 8, 1970, on Nov. 23, 1970, and on Feb. 1, 1971. He again sold blood on April 1.

Task Force reporters were able to document what happened to some of Irby's blood once it was sold and began moving into the medical community.

Three of the four pints were used for research, but a hospital official conceded they could just as well have been used in a transfusion following major surgery. The fourth pint was routed to another hospital, where officials are still attempting to determine how it was used.

According to the American Medical Association, the majority of the nation's blood supply comes from paid donors like Irby—in Chicago they account for as much as 60 per cent of the 250,000 pints drawn annually—and the paid donor is most likely to be an alcoholic or drug addict who needs the money for a bottle of cheap wine or a bag of heroin.

Chicago's four commercial blood operations cater to the blood peddler. They set up their drawing stations in neighborhoods like Uptown and West Madison Street and candidly concede that this is where most of their donors live.

And, health experts say, the thousands of gallons drawn from their veins each year are polluted with hepatitis because most paid donors live in the wretched conditions where the virus thrives.

LIVE IN UNSANITARY CONDITIONS

Dr. J. Garrott Allen, professor of surgery at Stanford University School of Medicine and an authority on blood, puts it this way:

"The paid donor is often a cloistered resident of Skid Row, where he and his colleagues are alleged to enjoy frequently the practice of the communal use of unsterile needles and syringes for the self-administration of drugs. . . . There are also other unsanitary practices that prevail among this kind of population which favor repeated exposures to infectious hepatitis as well. . . . Still another contributing factor is alcoholism, which appears to make such individuals more susceptible to an initial attack of either infectious or serum hepatitis."

And all too frequently, little attention is paid to the blood seller by those who work in commercial blood shops. Task Force reporters posing as drifters discovered they could give blood several times a week if they were willing to run the health risk. After selling a pint at one commercial operation, for example, a reporter was quickly accepted the next day at another location, even tho the scab on his arm was still fresh from the day before. Common medical practice is for donors to wait eight weeks between donations.

HEPATITIS NEAR EPIDEMIC STAGE

"Hepatitis is reaching epidemic proportions in America," notes Dr. Bernard F. Clowdus II, chief of gastroenterology and liver disease at Mount Sinai Hospital.

"The figures from blood bank testing and from the Martin Luther King Health Center indicate that it is reaching epidemic proportions in Chicago. It is presently epidemic among people in Lawndale and of the middle class drug culture."

Clowdus underscored the problem by disclosing that beginning Oct. 1, Mount Sinai will reserve 21 beds for the exclusive use of hepatitis victims.

Dr. Mitchell Spellberg, a gastroenterologist at Michael Reese Hospital, considers blood from paid donors so lethal that in a recent operation he used blood that didn't match that of the patient rather than risk using blood that may have come from a paid donor.

Doctors at Michael Reese now face an added burden in getting blood for transfusions because the facility has banned the use of blood from paid donors.

SEES LESS RISK IN MISMATCH

"I had to give the man blood that didn't quick match. I just decided I had to take the risk, and it just happened to work out okay," Dr. Spellberg said. "It is an added risk, but less of a risk, in my mind, than using paid donor blood, which we can't use at Reese anyway."

Dr. Aaron Josephson, director of the Michael Reese Blood Center, said the ban on paid blood resulted from "overwhelming evidence that the type of paid donor we have in Chicago had a high incidence of hepatitis."

Dr. Josephson and other authorities in blood research note that the hepatitis rate in paid donors is at least 10 times higher than that in volunteers. Other studies show that the ratio in Chicago is 11 to 1.

And when paid donors like Robert Irby and thousands of others like him continue to sell their blood again and again, the statistics can spiral to nightmare proportions.

Howard Schmid, a 57-year-old La Grange factory worker, underwent successful heart surgery in November and was making plans to return to work when the statistics caught up with him.

3 MONTHS LATER, HEPATITIS

Mrs. Rosebud Schmid described her husband's delicate operation as a "huge success" and said her husband was making plans in February to return to work in June. Then, three months after his release, Schmidt's eyes and skin began turning yellow, he felt weak, and his temperature soared to 101 degrees, Mrs. Schmid recalled.

Medical records show that Schmid received 22 pints of blood costing $750 during surgery in Rush-Presbyterian-St. Luke's Hospital.

Twelve of the pints came from the Interstate Blood Bank, a Tennessee corporation which operates three donor stations in Chicago and sells blood to hospitals.

Schmid was taken to Berwyn's MacNeal Memorial Hospital, where he languished for two weeks before Mrs. Schmid received a call.

"They said I'd better come down there because Howard was dying," she recalled. "He died the next day."

Schmid's death certificate lists serum hepatitis as the cause of death, and Mrs. Schmid has filed a $250,000 suit against Rush-St. Luke's.

DIDN'T KNOW THE RISK, SHE SAYS

"No one ever told us when he was operated on that that was the risk he was going to take. That's the part that hurt us the most. If they had just told us, maybe we could have done something," said Mrs. Schmid. "We could have all gotten together, and we could have had good blood given to him."

Richard M. Titmuss, an internationally known authority on the relationship between blood transfusion and hepatitis, has described the blood recipient as a little more than a guinea pig.

The ultimate test of the quality of a unit of blood is whether the recipient contracts hepatitis, Titmuss said, noting that the patient is "in effect the laboratory for testing the quality of blood."

"Blood, like milk, may be bought and sold," Dr. Allen of Stanford points out. "But unlike milk, not all sources of blood are Grade A. The dairy industry is better regulated and is subject to quality control. Milk is a product that carries an implied warranty."

Allen claims that the least that should be done at this point is to label paid donor blood as "high risk" and other volunteer blood as "low risk" in its relationship to hepatitis.

He points out that the laws of 25 states, including Illinois, define blood as a service, not a product, and therefore blood is not subject to warranty. Many hospitals and physicians favor such a legislative definition because it protects them from lawsuits if a patient contracts hepatitis from blood transfusions.

NOT ENOUGH UNPAID VOLUNTEERS

The obvious answer to the problem, of course, is to obtain all blood from volunteer sources. But under the current operating policies of volunteer blood drives, according to Dr. Richard Sassetti, director of the Rush-Presbyterian-St. Luke's Blood Bank, "the demand would soon outstrip the supply. Right now we're in a situation where if a patient in need of transfusions lives long enough to contract hepatitis, we feel we've done him a favor."

Complicating the hepatitis problem is a lack of reliable statistics, a situation which frequently results from poor reporting of the disease. Last year, for example, Chicago hospitals reported only 758 cases of hepatitis to the Chicago Board of Health.

Edward King, assistant city health commissioner, pointed out that his investigators then discovered an additional 648 cases which had gone unreported.

Tomorrow: The men who sell their blood.

MEET THE MEN SELLING BLOOD TO BUY WINE

(There is a crisis in the quality of blood being used in Chicago and the nation and the Tribune Task Force spent weeks investigating the problem. This second part in a series deals with those who sell their blood and was prepared by William Jones, Task Force director; and reporters Philip Caputo, William Currie and Pamela Zekman.)

Philip D. Testard is a peddler and his product is his blood.

He makes his sales calls at any one of several Chicago commercial blood banks and the $5 he receives in exchange for each pint is enough to keep him in cheap wine for a week. When times are hard, he drinks canned heat by cutting it with water and soft drinks.

"I'm on the wine now and I'll be on the wine till I die," said the 41-year-old Testard, an unshaven, toothless ex-convict.

Testard lives in the city's sink—Skid Row. His home is the street, and he sleeps on benches and in abandoned buildings. His diet consists of food scraps filched from garbage. Mostly, tho, he subsists on wine, going on drinking binges that last as long as five days.

He is one of the thousands of derelicts, drug addicts and alcoholics in Chicago who regularly peddle their blood for a few dollars to spend on the binge or the next supply of drugs. Their product carries no guarantee, no warning that it might be poison, even tho it is 10 times more likely to be teeming with potentially lethal hepatitis virus than the blood from a volunteer, an unpaid donor.

CITES HEPATITIS ODDS

Some day, blood from men like Testard may be in your veins. It is being used right now and is causing medical nightmares for surgeons and public health officials alike.

As much as 60 per cent of the 250,000 pints of blood needed in Chicago every year is drawn from the paid professional donor. Hospital blood bank directors report that 1 out of every 20 patients who receive this blood will contract hepatitis, but only 1 out of every 200 recipients who are given volunteer blood will be infected with the disease.

The possibility that their product might kill or debilitate someone does not concern the blood peddlers. Most are so desperate for money to support their habits that they endanger their own health by selling blood—two, three and as many as four times a month.

Some peddlers, like Testard, do not even know what hepatitis is, altho they must profess they never had the disease to be allowed to trade a pint for a few dollars. And the only medical test ever devised to spot hepatitis in a potential donor is effective in only one out of four cases according to medical experts.

BLOOD HIS LIVELIHOOD

"What is hepatitis, anyway?" Testard asked a reporter as he waited to donate at the Beverly Blood Center, 4420 N. Broadway. He had just been told to return later because the center did not immediately need his blood type. The wait relieved Testard because it would give him time to have a few more drinks to compose himself before donating.

Testard said he was worried about being turned down because a rejection would mean the loss of his only source of income. He employs a number of tricks of the blood peddlers trade to avoid being turned away.

One of the rules of the blood buying business limits donations to once every two months. Nevertheless, Testard is able to donate every two weeks—largely because there is virtually no communication between the various blood centers and hospitals that draw blood.

"Sure I give blood every two weeks," Testard said. "It takes five days to a week to get rid of that needle mark and then I'm good for another blood bank."

Occasionally, Testard sells blood twice within two weeks to the same donor station, skirting the rule by using false identification, he said.

Testard said he maintains his strength thru this gruelling schedule by eating garbage.

"You heard of the National Tea, you heard of the A & P, you heard of the Jewel?" Testard asked. "Well, that's how to eat. They throw out-of-date food into the garbage cans in back of the stores and I pick it up. It's tough, tougher than working, but the food isn't bad. I eat the pies and the cakes and the cold cuts. The meat that needs to be cooked I sell to the pizza joints up here [in Uptown] for a few bucks."

RECALLS PAYOFFS

Such eating habits account for the most common hurdle faced by Testard and most other professional donors. Their diet causes them to suffer from a low blood iron level. To qualify for a donation, the donor's iron count must be 41, but many blood peddlers register counts as low as 35.

Testard also knows his commercial blood banks. Some have tough rules while others will overlook a low iron count, especially if they are behind in their monthly quota. He claims that some technicians will pass a donor with low iron in exchange for a cut of his fee.

"There used to be a nurse over that at [a commercial blood firm] who'd pass you if you gave her a buck," Testard said. "What you'd do is tell her that you needed the money real bad and that you'd give her a buck for passing you. She'd class you and then you'd take your voucher and cash it at the currency exchange. Then you'd go back to the blood bank and drop the dollar in a wastebasket next to her desk."

When bribes fail, the donor simply barters his blood at a station where the rules aren't strictly enforced.

Ray Armour has been a blood peddler for 30 of his 50 years and claims he is frequently rejected for a low iron count. Armour describes himself as a vagabond and drunk. On the day he was interviewed, Armour had just been turned down at the Chicago Blood Donor Center, 2320 N. Clark St., but was not discouraged. He said he planned to make the rounds that day and was certain he would find a station that would buy his blood.

LIKE BUTCHER SHOPS

"Some of 'em are like butcher shops," Armour said. "They don't care, just as long as you walk in breathing."

A companion of Armour, who identified himself only as John, said it is possible to sell blood twice in one day, simply by offering your other arm for the second sale. John has sold blood so many times that scar tissue has formed on both arms. Like Testard, Armour and John make their homes in flophouses and under viaducts, using phony addresses on their donor cards.

The practice of using false identification and addresses makes it virtually impossible to track down paid donors who are hepatitis carriers.

Task Force reporters made this discovery when they attempted to find 10 professional donors whose blood was found to be infected with the disease. None were found and their addresses turned out to be vacant lots, park benches, abandoned buildings and warehouses.

Perhaps one or more of them was the peddler whose blood infected Richard S. with hepatitis. A hemophiliac, he asked that his

real name not be used because he feared he would lose his job if his employers knew of his condition.

To stay alive, a person suffering from hemophelia often must take numerous transfusions each month of blood products drawn from the blood of several donors.

RISK IS ASTRONOMICAL

Considering that the ordinary patient has an 11 to 1 chance of contracting hepatitis from a paid donor, the chances of the disease's striking a hemophiliac are astronomical.

In October, 1970, it struck Richard S., who has to transfuse blood products from seven different pints every three weeks.

"It was a real blow to me," he recalled. The doctor said it might take me the rest of my life to recover. Hepatitis on top of hemophilia was almost too much. Two chronic illnesses—it just didn't seem fair."

He has words for the Philip Testards and Ray Armours and the other blood peddlers whom he believes to be imperiling his life for a bottle of wine.

"I'd think that people who sell blood should think about it a little more and realize what might happen if they lie about their condition. It doesn't seem at all fair. Why can't they take someone else into consideration instead of that lousy money? I'll give them the money if they need it, but don't put my life on the line for it."

The text of H.R. 11828, which I introduced November 17, 1971, follows:

H.R. 11828

A bill to establish a Federal program to encourage the voluntary donation of pure and safe blood, to require licensing and inspection of all blood banks, and to establish a national registry of blood donors

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Blood Bank Act of 1972."

FINDINGS

SEC. 2. The Congress finds that human blood is necessary for medical treatment and that an adequate supply of pure and safe blood throughout the United States is essential to the welfare of the nation. Congress further finds that interstate shipment of pure and safe whole blood and blood components is necessary for the welfare of the United States; that since human blood is a living tissue which cannot be manufactured, an adequate interstate supply of blood depends upon the willingness of individuals to donate their blood; that since the virus hepatitis is transmitted in human blood and is found significantly more often in the blood of persons who donate for monetary compensation than in the blood of voluntary donors, the purity and safety of the national blood supply is seriously threatened by the inadequate level of voluntary donation and by monetary compensation of blood donors. The Congress therefore finds that the welfare of the United States will be promoted by development of a 100 percent voluntary blood supply as soon as possible, that voluntary donation should therefore be encouraged and promoted, and that certain procedures and standards should be established with respect to the operation of all blood banks in the United States.

ESTABLISHMENT OF PROGRAM; DIRECTOR

SEC. 3. There is established in the Department of Health, Education, and Welfare a National Blood Bank Program to be under the supervision of a Director appointed by the Secretary of Health, Education, and Welfare. The Director of the National Blood Bank Program (hereinafter in this Act referred to as the "Director") shall be appointed subject to the provisions of Title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of Chapter 51 and Subchapter III of Chapter 53 of such Title relating to classification and General Schedule pay rates.

FUNCTIONS AND DUTIES OF DIRECTOR

SEC. 4. (a) NATIONAL BLOOD BANK SYSTEMS.—Upon the application of any group or organization of blood banks, the Director shall designate such group or organization as a National Blood Bank System under this Act if the group or organization—

(1) includes member blood banks in not less than ten States, which member banks have drawn an aggregate of not less than two million units of blood in the year preceding application;

(2) requires by written contract member blood banks, which are not maintained and operated directly by the group or organization, to adhere and be bound by the rules and regulations of the group or organization;

(3) requires all member blood banks to maintain a program for the recruitment of voluntary blood donors;

(4) adopts rules and regulations for the operation of member blood banks which rules and regulations are approved by the Director and certified to be equal to or more stringent than the Standards for Blook Banks and Transfusion Services of the American Association of Blood Banks and the applicable standards of the American Red Cross;

(5) provides for—

(A) accreditation of member blood banks which operate in conformity with the rules and regulations referred to in paragraph (4);

(B) a program approved by the Director of annual, unannounced inspection of accredited member blood banks to determine adherence to such standards; and

(C) recommend the filing, suspension or termination of accreditation of member blood banks which fail to adhere to such standards;

(6) requires that accredited member blood banks—

(A) designate named individuals in such accredited member blood banks to have express responsibility for recruitment of voluntary blood donors;

(B) be open for business on days and at hours most convenient for voluntary blood donors;

(C) cooperate with other blood banks in the recruitment of voluntary blood donors and in other functions; and

(D) label clearly each unit of blood collected as "low risk" when it is from a voluntary blood donor or "high risk" when it is from a paid blood donor.

(b) PROMOTION OF VOLUNTARY BLOOD DONATION.—In order to assure an adequate supply of pure and safe blood throughout the nation, the Director shall:

(1) develop, by grant or contract, new procedures, materials and techniques to inform the public of the need to voluntarily donate blood;

(2) provide direct assistance to establish an adequate supply of voluntary blood in those parts of the country where it is presently unavailable;

(3) develop a national program to honor and recognize all voluntary donors;

(4) establish yearly goals of voluntary donors for each blood bank;

(5) conduct evaluations of the effectiveness of various recruitment techniques and inform the licensed blood banks of the most effective techniques;

(6) classify blood banks which collect no more than a specified percentage of their blood from paid donors as "Class A Blood Banks" and classify all other blood banks as "Class B Blood Banks";

(7) annually increase the allowable percentage of paid donors to qualify as a "Class A Blood Bank": to the highest level consistent with an adequate national blood supply.

(c) DONOR REGISTRY.—The Director shall maintain a registry of all persons who give blood after July 1, 1972, to a licensed blood bank and shall identify individuals on such registry who may have been implicated in the transmission of hepatitis or who should otherwise be disqualified as blood donors. The Director shall notify all blood banks of such disqualifying information.

LICENSE TO OPERATE AS A BLOOD BANK

SEC. 5. (a) LICENSE REQUIRED.—No person may operate as a blood bank unless such person is licensed under this section.

(b) REQUIREMENTS OF LICENSE.—Upon application therefor the Director shall issue a license to operate as a blood bank to any person if—

(1) such person agrees to require identification of each blood donor and such other information relating to each blood donor as the Director may prescribe; and

(2) such person agrees to transmit to the Director such information (including information indicating that the donor may be infected with hepatitis) as the Director may require; and

(3) the application therefor contains or is accompanied by such information as the Director finds necessary and the applicant agrees and the Director determines that the blood bank will be operated in accordance with standards the Director issues to carry out the purposes of this Act, including standards for purity, potency, and safety of blood, donor selection, allowable percentage of paid donors, regulations covering the management of blood inventories; and a requirement that all blood be tested by the best practical test for the presence of hepatitis; and

(4) such person agrees to clearly label each unit of blood collected as "low risk" when it is from a voluntary donor and "high risk" when it is from a paid donor.

(c) PERIOD OF VALIDITY.—A license issued under this section shall be valid for a period of three years, or such shorter period as the Director may establish for any blood bank or class or classes thereof.

(d) FEES.—The Director may require payment of fees for the issuance and renewal of licenses, but the amount of any such fee shall not exceed $125 per annum.

(e) The Director or his designee shall conduct an annual inspection of each blood bank licensed under this section to determine compliance with standards issued under this Act. The time of such inspections shall not be announced prior to the inspection.

(f) The Director may designate a National Blood Bank System as his inspecting agent for purposes of this section. He may accept accreditation by a National Blood Bank System in lieu of this inspection requirement.

(g) REVOCATION, SUSPENSION, OR LIMITATION; NOTICE AND HEARING: GROUNDS.—A blood bank license may be revoked, suspended, or limited if the Director finds, after reasonable notice and opportunity for hearing to the licensee blood bank, that such licensee or any employee of the blood bank—

(1) has been guilty of misrepresentation in obtaining the license;

(2) has engaged or attempted to engage or represented himself as entitled to perform any procedure or category of procedures not authorized in the license;

(3) has failed to comply with reasonable requests of the Director for any information or materials, or work on materials, he deems necessary to determine the blood bank's continued eligibility for its license hereunder or continued compliance with the Director's standards hereunder;

(4) has refused a request of the Director or any Federal officer or employee duly designated by him for permission to inspect the blood bank and its operations and pertinent records at any reasonable time; or

(5) has violated or aided and abetted in the violation of any provisions of this section or of any rule or regulation promulgated thereunder.

(h) LEGAL PROCEDURE; IMMINENT HAZARD TO PUBLIC HEALTH; JURISDICTION OF DISTRICT COURT; TEMPORARY INJUNCTIONS OR RESTRAINING ORDERS; BOND; FINAL ORDERS.—Whenever the Director has reason to believe that continuation of any activity by a blood bank licensed under this section would constitute an imminent hazard to the public health, he may bring suit in the district court for the district in which such blood bank is situated to enjoin continuation of such activity and, upon proper showing, a temporary injunction or restraining order against continuation of such activity pending issuance of a final order under this section shall be granted without bond by such court.

(i) APPEALS; PETITIONS; RECORD; ADDITIONAL EVIDENCE; MODIFIED OR NEW FINDINGS; JURISDICTION OF COURT OF APPEALS; CONCLUSIVENESS OF FINDINGS; REVIEW BY SUPREME COURT.—

(1) Any party aggrieved by any final action taken under subsection (e) of this section may at any time within sixty days after the date of such action file a petition with the United States Court of Appeals for the circuit wherein such person resides or has his principal place of business, for judicial review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director or other officer designated by him for that purpose. The Director thereupon shall file in the court the record on which the action of the Director is based, as provided in section 2112 of title 28.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Director, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Director, and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper. The Director may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendations, if any, for the modification or setting aside of his original action, with the return of such additional evidence.

(3) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to affirm the action, or to set it aside in whole or in part, temporarily or permanently. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive.

(4) The judgment of the court affirming or setting aside, in whole or in part, any such action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(j) VIOLATIONS AND PENALTIES.—Any person who willfully violates any provision of this section or any rule or regulation promulgated thereunder shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both such imprisonment and fine.

ADVISORY COUNCIL

SEC. 6. (a) ESTABLISHMENT.—There is established an Advisory Council to be composed of the following nine members appointed by the President:

(1) two representatives from each National Blood Bank System, one of whom shall be a person with not less than five years recent experience in blood bank administration;

(2) three representatives of blood consumer groups including:

(A) one hospital administrator,

(B) one representative of organized labor,

(D) one representative of business management; and

(3) two persons experienced in advertising and public relations neither of whom may be employed or retained during their service on the Council, by any firm or other organization which is engaged in operating a blood bank.

(b) DUTIES OF COUNCIL.—The Advisory Council shall—

(1) make recommendations to the Director with respect to long term policy goals for the National Blood Banks Program established under section 3 of this Act;

(2) make recommendations to the Director with respect to the encouragement of blood donation and the motivation, recruitment, and recognition of blood donors; and

(3) make recommendations to the Director relating to reciprocal transactions between National Blood Bank Systems to the extent that no agreement relating to such transactions exists between such Systems.

(c) TRAVEL EXPENSES; PER DIEM.—While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

ANTITRUST EXEMPTION

SEC. 7. Notwithstanding any antitrust law, as defined in section 2(a) of the Antitrust Civil Process Act (76 Stat. 548; 15 U.S.C. 1311(a)), a National Blood Bank system may exclude or reject from membership in such System any blood bank which does not qualify for tax exempt status under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1954.

BLOOD ASSURANCE PROGRAMS

SEC. 8. No person other than a blood bank which is classified as a "Class A Blood Bank" may maintain any program in which individuals deposit blood in advance of their need for blood or pledge to give blood upon request.

ADMINISTRATION OF PROGRAM

SEC. 9. No provision of this Act and no part of any program established under this Act shall be administered by or under the supervision of the National Institutes of Health.

PURCHASE OF BLOOD BY FEDERAL GOVERNMENT

SEC. 10. No agency, department, or other instrumentality of the Government of the United States shall contract for or pay for the provision of blood from any person other than a "Class A Blood Bank" and such agency, department, or other instrumentality shall take such measures as may be necessary to insure that such blood has been tested according to the best available test for hepatitis.

DEFINITIONS

SEC. 11. For the purposes of this Act, the term—

(a) "Blood" means human whole blood, or any component thereof.

(b) "Blood Bank" means any person or other entity engaged in the bleeding of individuals and performing two or more of the following functions—

(1) recruitment of blood donors;

(2) processing of blood for transfusions;

(3) storage of blood;

(4) crossmatching of blood;

(5) administration of blood to individuals; or

(6) preparation of blood components for transfusion.

(c) "Blood Donor" means a paid blood donor or a voluntary blood donor.

(d) "Paid blood donor" means an individual who receives monetary compensation or an adjustment in his scheduled period of prison confinement for his donation of blood or any component thereof.

(e) "Voluntary blood donor" means any individual donating his blood other than a paid donor.

(f) "Accredited blood bank" means a blood bank accredited by a National Blood Bank System.

AUTHORIZATION

SEC. 13. There is authorized to be appropriated $10,000,000 for the Fiscal Year 1973, $10,000,000 for the Fiscal Year 1974, and $10,000,000 for the Fiscal Year 1975 to carry out the purposes of this Act.

SENATE—*Tuesday, November 23, 1971*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God, we thank Thee at this festival season for the good world Thou hast made; for things great and small, beautiful and awesome; for seen and unseen splendors.

We thank Thee for human life; for the variety of our skills and interests; for different ways of thinking and speaking.

We thank Thee for work to do; for useful tasks that need careful study and precise judgment; for the comradeship of daily toil; and for exchanges of good humor and encouragement.

We thank Thee for this place and the privilege it affords of service to our fellow citizens. Equip us with awareness of truth and strength of character so that what is done here may enable our Nation to be an instrument of Thy grace and a beacon of freedom to all men. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, November 22, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 491 and 492.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RICHARD C. WALKER

The Senate proceeded to consider the bill (H.R. 3749) for the relief of Richard C. Walker, which had been reported from the Committee on the Judiciary with

an amendment, on page 2, after line 17, insert a new section, as follows:

SEC. 3. (a) Section 98 of title 28 of the United States Code is amended to read as follows:

"§ 98. Louisiana

"Louisiana is divided into three judicial districts to be known as the Eastern, Middle, and Western Districts of Louisiana.

"Eastern District

"(a) The Eastern District comprises the parishes of Assumption, Jefferson, Lafourche, Orleans, Plaquemines, Saint Bernard, Saint Charles, Saint James, Saint John the Baptist, Saint Tammany, Tangipahoa, Terrebonne, and Washington.

"Court for the Eastern District shall be held at New Orleans.

"Middle District

"(b) The Middle District comprises the parishes of Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Pointe Coupee, Saint Helena, West Baton Rouge, and West Feliciana.

"Court for the Middle District shall be held at Baton Rouge.

"Western District

"(c) The Western District comprises six divisions.

"(1) The Opelousas Division comprises the parishes of Evangeline and Saint Landry.

"Court for the Opelousas Division shall be held at Opelousas.

"(2) The Alexandria Division comprises the parishes of Avoyelles, Catahoula, Grant, La Salle, Rapides, and Winn.

"Court for the Alexandria Division shall be held at Alexandria.

"(3) The Shreveport Division comprises the parishes of Bienville, Bossier, Caddo, Claiborne, De Soto, Natchitoches, Red River, Sabine, and Webster.

"Court for the Shreveport Division shall be held at Shreveport.

"(4) The Monroe Division comprises the parishes of Caldwell, Concordia, East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, and West Carroll.

"Court for the Monroe Division shall be held at Monroe.

"(5) The Lake Charles Division comprises the parishes of Allen, Beauregard, Calcasieu, Cameron, Jefferson Davis, and Vernon.

"Court for the Lake Charles Division shall be held at Lake Charles.

"(6) The Lafayette Division comprises the parishes of Acadia, Iberia, Lafayette, Saint Martin, Saint Mary, and Vermilion.

"Court for the Lafayette Division shall be held at Lafayette."

(b) The district judge for the Eastern District of Louisiana holding office on the day immediately prior to the effective date of this section, and whose official station on such date is Baton Rouge, shall, on and after such date, be the district judge for the Middle District of Louisiana. All other district judges for the Eastern District of Louisiana holding office on the day immediately prior to the effective date of this section shall be district judges for the Eastern District of Louisiana as constituted by this section.

(c) (1) Nothing in this section shall in any manner affect the tenure of office of the United States attorney and the United States marshal for the Eastern District of Louisiana who are in office on the effective date of this section, and who shall be during the remainder of their present terms of office the United States attorney and marshal for the Eastern District of Louisiana as constituted by this section.

(2) The President shall appoint, by and with the advice and consent of the Senate, a United States attorney and marshal for the Middle District of Louisiana.

(d) The table contained in section 133 of title 28 of the United States Code is amended to read as follows with respect to the State of Louisiana:

"Districts	Judges
. . . . .	
"Louisiana:	
"Eastern	9
"Middle	1
"Western	4".

(e) Section 134(c) of title 28 of the United States Codes is amended by deleting the first sentence.

(f) The provisions of this section shall become effective one hundred and twenty days after the date of enactment of this Act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act for the relief of Richard C. Walker and to create an additional judicial district in the State of Louisiana."

RIVER BASIN MONETARY AUTHORIZATIONS AND MISCELLANEOUS CIVIL WORKS AMENDMENT ACT OF 1971

The bill (S. 2887) authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes, was announced as next in order.

Mr. SPONG. Mr. President, on behalf of the city of Alexandria and the county of Arlington, I wish to thank the Public Works Committee for including in the bill a provision which will relieve these financially hard-pressed communities of a portion of the cost of the Four Mile Run flood control project in the Arlandria community of northern Virginia.

Specifically, the bill allocates as a Federal responsibility the cost of replacing the George Washington Memorial Parkway bridge over Four Mile Run. This will mean a savings of an estimated $1,008,000 to Alexandria and Arlington.

Transferring the cost to the Federal Government is in accord with the recommendation of both the Department of Interior and the Chief of Engineers.

In commenting on the project in a letter dated January 23, 1970, to the Chief of Engineers, the Department of the Interior observed that the George Washington Memorial Parkway is a Federal facility classified as part of the national park system, owned and operated by the National Park Service. The Department further stated:

We believe it was an oversight in formulating the project to consider the Parkway facilities as a highway bridge not eligible for flood control funding. The Parkway should be treated as a federal facility wherein it could be eligible for appropriation for the flood control project. To this end, we recommend incorporating the Parkway replacement into your federal funding category for this project.

The Chief of Engineers in an interim report to the Secretary of the Army dated March 2, 1970, recommended that the bridge replacement be included in the Federal cost of the flood-control project.

The cost was assigned as a local responsibility in order to expedite the authorization and appropriation process last year. However, it is not fair to require local governments to pay for the replacement of a federally owned and maintained bridge. Accordingly, I requested the distinguished chairman of the Public Works Committee, Mr. RANDOLPH, and the distinguished chairman of the Flood Control Subcommittee, Mr. JORDAN of North Carolina, to reinstate the recommendation of the Interior Department and the Chief of Engineers.

I want to thank them publicly and the committee for giving favorable consideration to my request. I especially appreciate the quick action on this matter by the committee.

Mr. President, I would be remiss if I neglected to express again my disappointment that preconstruction planning has not moved more quickly on this urgently needed project. Responsibility for the delay rests with the Office of Management and Budget, which impounded from October 7, 1970, until July 1, 1971, the $170,000 appropriated by Congress for preconstruction planning in fiscal 1971.

Moreover, it was only belatedly that the administration requested $245,000 for the project in fiscal 1972. That amount has been approved by Congress.

I hope the budget request for fiscal 1973 will be in an amount sufficient to reflect an awareness by OMB that the Four Mile Run project is deserving of high-priority status.

The Corps of Engineers has advised that preconstruction planning can be finished in fiscal 1973 if adequate funds are provided. In a letter to me dated August 30, 1971, the corps estimated the total cost of planning at $1,015,000. This means that in the absence of any inflationary factor, $600,000 should be the amount of the budget request for fiscal 1973.

I would hope, of course, that the project can be sufficiently accelerated to justify an appropriation for actual construction in fiscal 1973.

The bill was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2887

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in addition to previous authorizations, there is hereby authorized to be appropriated for the prosecution of the comprehensive plan of development of each river basin under the jurisdiction of the Secretary of the Army referred to in the first column below, which was basically authorized by the Act referred to by date of enactment in the second column below, an amount not to exceed that shown opposite such river basin in the third column below:

Basin	Act of Congress	Amount
Alabama-Coosa River	Mar. 2, 1945	$38,000,000
Arkansas River	June 28, 1938	57,000,000
Brazos River	Sept. 3, 1954	20,000,000
Central and southern Florida	June 30, 1948	18,000,000
Columbia River	June 28, 1938	130,000,000
Mississippi River and tributaries	May 15, 1928	97,000,000
North Branch, Susquehanna River	July 3, 1958	17,000,000
Ohio River	June 22, 1936	62,000,000
Quachita River	May 17, 1950	1,000,000
San Joaquin River	Dec. 22, 1944	44,000,000
South Platte River	May 17, 1950	37,000,000
Upper Mississippi River	June 28, 1938	2,000,000
White River	June 28, 1938	4,000,000

(b) The total amount authorized to be appropriated by this section shall not exceed $527,000,000.

SEC. 2. In addition to previous authorizations, there is hereby authorized to be appropriated the sum of $101,000,000, for the prosecution of the comprehensive plan for the Missouri River Basin, approved in the Act of June 28, 1938, as amended and supplemented by subsequent Acts of Congress, and said plan is modified and expanded to include the following items of work, and the monetary authorization is increased accordingly:

(a) The Chief of Engineers, under the direction of the Secretary of the Army, is hereby authorized to perform such work as may be required, including the construction of dikes, to prevent shoaling near the pumping plant intake of the Frazer-Wolf Point irrigation unit on the Fort Peck Indian Reservation, located on the north bank of the Missouri River about thirty miles downstream from the Fort Peck Dam, at an estimated cost of $335,000 subject to the provision that the Bureau of Indian Affairs, Department of the Interior, obtain all necessary lands, easements, and rights-of-way, and maintain the project after completion;

(b) (1) That in connection with the improvements authorized by section 6 of the Act approved October 3, 1962 (76 Stat. 704, 706), to be undertaken on the Crow Creek Sioux Reservation in South Dakota, the Secretary of the Army is authorized and directed to provide the following under plans approved by the Crow Creek Sioux Tribal Council, at an estimated cost of $800,000:

(i) in connection with the community center building which serves as the Crow Creek Tribal Council offices: offices or conference rooms for visiting Bureau of Indian Affairs personnel, auditorium facilities, sufficient offices and conference rooms for tribal offices, and an adequately sized and equipped kitchen to serve community gatherings;

(ii) adequate water, sewer, and drainage facilities;

(iii) a street lighting system throughout the townsite;

(iv) widening of streets and provision of offstreet residential parking;

(v) sufficient parking near the community center for community gatherings;

(2) The Secretary of the Interior is hereby authorized and directed to reimburse the Crow Creek Sioux Tribe, from appropriations authorized by section 2(b)(1) of this Act, for all attorneys' fees and engineering fees, and expenses related thereto, as approved by the Secretary of the Interior, that the tribe has incurred or will incur in obtaining and implementing legislation to remedy difficulties arising from implementation of the Act of October 3, 1962 (78 Stat. 704), but such reimbursement shall not exceed a total of $22,500.

SEC. 3. Section 221 of the Flood Control Act of 1970 (84 Stat. 1824, 1831) is amended by striking the period at the end of subsection (f), substituting a comma therefor, and adding the following: "or to the assurances for future demands required by the Water Supply Act of 1958, as amended."

SEC. 4. The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to cause a survey to be made for flood control and allied purposes, including channel and major drainage improvements, and floods aggravated by or due to wind or tidal effects on Chiltipin Creek at and in the vicinity of Sinton, Texas.

SEC. 5. The project for flood protection on Fourmile Run, city of Alexandria and Arlington County, Virginia, approved by resolutions of the Committee on Public Works of the United States Senate and House of Representatives, dated June 25, 1970, and July 14, 1970, respectively, in accordance with the provisions of section 201 of the Flood Control Act of 1965 (Public Law 89-298), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, shall replace the George Washington Memorial Parkway bridge over Fourmile Run, at Federal expense, substantially as recommended by the Chief of Engineers in his report dated March 2, 1970, published as House Document Numbered 91-358.

SEC. 6. The project for flood control and improvement of the lower Mississippi River, adopted by the Act of May 15, 1928 (45 Stat. 534), as amended and modified, is hereby further modified to provide that local cooperation to be hereafter furnished in connection with the Obion River Diversion aspect of the Tiptonville to Obion River, Tennessee project, authorized by the Act approved June 22, 1936 and amended by the Act approved July 24, 1946, shall consist of the requirement that local interests agree to maintain the completed works in accordance with the provisions of section 3 of the Act of May 15, 1928, and hold and save the United States free from damages due to the construction works.

SEC. 7. Nothing in any prior Act of Congress, committee report, or congressional document, shall be construed as requiring the State of West Virginia, in connection with the construction of the Stonewall Jackson Lake, West Fork River, West Virginia, and the Rowleseburg Lake project, Cheat River, West Virginia, to furnish assurances that it will hold and save the United States free from any claims for damages from storage of water.

SEC. 8. The Act entitled "An Act to provide for municipal use of storage water in Benbrook Dam, Texas" approved July 24, 1956 (70 Stat. 632) as amended by Public Law 91-282, is further amended by inserting immediately after the end of the Act the following:

"The Secretary of the Army is authorized to contract with the city of Arlington, Texas, for the use of water supply storage in the Benbrook Reservoir for municipal water supply for any storage not used by the city of Fort Worth or the Benbrook Water and Sewer Authority, for a period not to exceed four years or until such time as the water supply storage is needed for navigation purposes, whichever first occurs."

SEC. 9. (a) In order to protect the environment, promote safety, and provide access to the public use recreation area around Perry Reservoir, Kansas, the Secretary of the Army, acting through the Corps of Engineers, is authorized and directed, notwithstanding any other provision of law, to take such action as may be necessary to improve the following roads in the vicinity of the Perry Reservoir area, Kansas:

(1) The road leading north from United States Highway Numbered 24, at Perry, Kansas, to an intersection with a black top road east of the dam, consisting of approximately three miles;

(2) The road on the west side of Perry Reservoir beginning at the north end of Delaware State Park running north and west and intersecting State Highway K Numbered 92 approximately one and one half miles west of Ozawkie, Kansas, consisting of approximately six miles; and

(3) The road beginning on State Highway K Numbered 92, one mile east of Old Town Public Use Area, and running north approximately eight miles to intersect with State Highway K Numbered 4 and State Highway K Numbered 16 east of Valley Falls, consisting of approximately nine miles.

(b) In carrying out such improvements, the Secretary of the Army shall be authorized to realign and grade such roads, and to pave such roads with a plant-mix bituminous surface (including chemical stabilization), in accordance with secondary road standards of the State of Kansas.

SEC. 10. This Act may be cited as the "River Basin Monetary Authorization and Miscellaneous Civil Works Amendment Act of 1971".

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. I ask unanimous consent that the Senate go into executive session to consider nominations on the calendar, under New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nominations on the Executive Calendar, beginning with New Reports, will be stated.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—IN THE COAST GUARD

The second assistant legislative clerk proceeded to read sundry nominations in the Coast Guard, which had been placed on the Secretary's desk.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc; and without objection, the President will be immediately notified of the confirmation of these nominations.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

NOTICE OF VOTES ON THREE TREATIES ON MONDAY, NOVEMBER 29, 1971

Mr. MANSFIELD. Mr. President, after discussing the matter with the distinguished minority leader and the appropriate members of the Committee on Foreign Relations, I ask unanimous consent that following the vote on Executive B, 92d Congress, first session, the Treaty To Resolve Pending Boundary Differences and Maintain the Rio Grande and Colorado River as the International Boundary Between the United States of America and the United Mexican States, signed at Mexico City on November 23, 1970, the Senate proceed to consider Executive E, 92d Congress, first session, the Convention between the United States of America and Japan for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Tokyo on March 8, 1971, and the Senate will then proceed to the consideration of Executive O, 91st Congress, second session, the protocol, signed at Washington on October 12, 1970, to the convention between the United States of America and the French Republic with respect to taxes on income and property of July 28, 1967. Mr. President, all these measures were reported unanimously

from the Committee on Foreign Relations. It is anticipated that before we adjourn for Thanksgiving, these matters will be discussed in detail and final reading will be had. On that basis, if the Senate agrees, there will be three separate rollcall votes on these three treaties on Monday next, November 29, 1971, after our return.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. SCOTT. Mr. President, I ask unanimous consent that my staff assistants Hannah McCornack and Ken Davis be granted the privilege of the floor for the remainder of this week.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE SENATE'S GOOD HUMOR

Mr. SCOTT. Mr. President, this morning, the Chaplain referred to the importance of proceeding in good humor. I, too, should like to comment on that because I think the closing of our session last night reflects one of the important characteristics of the Senate.

We fought hard for our different points of view. We struck hard blows on both sides of the aisle without at any time striking foul ones. We contended vigorously for our various points of view. We made a record. We made some issues. But at the end of the debate, as always, some people prevail and some people do not prevail; but we closed our session in excellent humor and with mutual respect, each of us for all of the others.

If the Senate is to continue as the greatest deliberative body in the world, it is essential that we at all times recognize the leavening effect of humor and good will and the importance of remembering that we exist only through mutual comity, cooperation, and the tolerance of consent.

I am very glad, having traveled through the valleys and up the hills, that we finally reached the top of the mountain and enjoyed the sharing of refulgent light for our common benefit.

Mr. MANSFIELD. Mr. President, may I join the distinguished minority leader in his remarks. I wish I had said it previous to the vote: that regardless of the outcome of the tax measure, it would be accepted in good faith on this side as it was accepted in good faith on the other side.

It is true that the debate was spirited at times. There are always two sides to every question, of course. Only time will tell who was right. But it was worthwhile because it did help to clear the air. It did bring a very important issue before the Senate for its consideration. I am grateful to the entire Senate, most especially to the Republican side of the aisle, because had they desired to do so, they could have kept us in session on this one issue ad infinitum, because I know they had amendments by the score to keep us running back and forth for many days, if not for weeks, to come.

I am very glad that the issue has been decided. This is the way democracy works in an institution such as the Senate. We sometimes win and sometimes lose. If we win, we take it, hopefully, with grace. If we lose, there will always come another time. But what is important, as the distinguished Senator from Pennsylvania has said, is the comity and understanding on both sides which make this body function.

Mr. SCOTT. I thank the majority leader. It is fortunate, perhaps, that the cognomen of the Secretary of Agriculture designate furnished for us a moment of jocularity.

Mr. MANSFIELD. Mr. President, from now on I intend to watch my language.

ORDER OF BUSINESS

The PRESIDING pro tempore. Under the previous order, the Senator from Connecticut (Mr. WEICKER) is recognized for not to exceed 15 minutes.

ATTENDANCE RECORD OF THE PRESIDENTIAL HOPEFULS

Mr. WEICKER. Mr. President, I rise this "morning after" to note the historical significance of what occurred on this floor yesterday. Compared to the incredible event I am about to relate the "revolutionary campaign funding bill," as writers have termed it, pales into insignificance. The Revenue Act of 1971 all but disappears from view. George Meany's crashing rudeness becomes but a minor slight. Vietnam and phase II lose the center stage.

Specifically I refer to the 100-percent attendance by all the Senate Democratic presidential hopefuls on the campaign funding bill.

This fact only becomes significant when you compare the 100-percent batting average on this overwhelming crucial issue with the batting average on other matters of some concern to the American people.

For instance a random sampling shows—

Vote No. 13. The Appalachia Regional Development Act of 1971 which was geared to providing funds for the needy, rather than politicians. Three of eight absent—63 percent present.

Vote No. 18. A bill to provide a 10-percent increase in social security payments, providing money for the elderly, not politicians. Five of eight were absent—38 percent present.

Vote No. 22. To prohibit sonic booms over the United States, thus protecting the health of people rather than the financial health of politicians. Five of eight absent—38 percent present.

Vote No. 23. SST funding, one of the eight managed to miss this one, among the most controversial measures before the Senate in years—88 percent present.

Vote No. 29. Public service employment, three of eight absent—63 percent present. This one would have provided Federal help for the unemployed, rather than tax support for unemployed politicians.

Vote No. 34. The Ribicoff amendment to the Equal Education Opportunities for Children Act, to provide State planning funds, six of eight were absent—25 percent present.

Vote No. 38. Stennis amendment to Equal Education Opportunities for Children Act, applying criteria on desegregation equally across the country. Three of eight missing—63 percent present.

Vote No. 46. Applying ceilings on wage-price control authority to interest rates. Five of eight absent—38 percent present.

Vote No. 61. Amendment to bar draftees from combat. Four of eight absent—50 percent present.

Vote No. 93. An amendment to increase combat pay. Four of eight absent—50 percent present.

Vote No. 114. Space shuttle. Three of eight absent—63 percent present.

Vote No. 126. The school lunch program, to provide food for needy youngsters rather than for needy politicians. Four of eight absent—50 percent present.

Vote No. 127. A bill designed to help insure jobs for men working for firms faced with bankruptcy, the so-called Lockheed bill, the amendment to bar Lockheed from congressional review. Four of eight absent—50 percent present.

Vote No. 182. The Federal Elections Campaign Act, which perhaps would have made the present Pastore amendment unnecessary, even on this. One of eight was absent—88 percent present.

Vote No. 199. Passage of the Economic Opportunities Act amendments, to provide assistance to the poor, rather than to poor politicians. Four of eight absent—50 percent present.

Vote No. 201. The motion to table the conference report on Draft Act extension. Five of eight absent—38 percent present.

Vote No. 207. The vote to permit imports of chromium ore from Rhodesia, highly controversial. Two of eight absent—75 present.

Vote No. 209. Motion to place MIRV funds in escrow. Seven of the eight absent—13 percent present.

Vote No. 213. Amendment to end the F–14 program. Three of eight missing—63 percent present.

Vote No. 214. The amendment to end ABM contracts. Three of eight absent—63 percent present.

Vote No. 217. Vote on importing Rhodesian chrome ore. Two of eight absent—75 percent present.

Vote No. 223. A move to restore Federal pay raises, meaning money to Federal employees rather than political aspirants. One managed to miss that vote—88 percent present.

Vote No. 228. Move to bar foreign aid funds to Vietnam until it was determined election was fair. Four of eight absent—50 percent present.

Vote No. 243. Repeal of the Formosa resolution. Four of eight absent—50 percent present.

Vote No. 244. Move to strike Cooper-Church from foreign aid bill. Three of eight absent—63 percent present.

Vote No. 247. Ceiling on funds for Cambodia. Four of eight absent—50 percent present.

Vote No. 248. Dealing with U.S. contributions to U.N. voluntary agencies. Four of eight absent—50 percent present.

Vote No. 250. Foreign aid funds to Greece. Six of eight absent—25 percent present.

Vote No. 251: Ceiling of $150 million for Cambodia. Five of eight absent—38 percent present.

Vote 252. To increase Cambodia expenditures ceiling by $91 million. Five of eight absent—38 percent present.

Vote 253. Cut authorizations for development loan fund by $165 million. Five of eight absent—38 percent present.

Vote 254. Amendment to cut U.N. funds. Four of eight absent—50 percent present.

Vote No. 255. To cut military grant authorizations by $113 million. Four of eight absent—50 percent present.

Vote No. 256. Foreign Assistance Act of 1971, final passage, five of eight absent—38 percent present.

Votes No. 384 and 385. Pastore amendment to provide millions in tax dollars to finance political campaigns—none of eight absent—100 percent present.

Mr. President, such a record clearly deserves congratulations for having broken all known records of self-service.

Even though the moon had fallen to science up until yesterday's Democratic spectacular, it was a term used to connote the monetary unattainable for politicians.

Gentlemen, think Mars.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. SCOTT. I think that an even more amazing side effect of this particular guerrilla raid on the depository of our funds was not the presence of all of the presidential aspirants here, but their significant absence from the high temple of holiness to which they all make some abject obeisance—namely, the convention of the AFL–CIO in Miami.

Their sanctimonious excuse is that they had to be here to vote. However, if anyone would look at a plane schedule, it would be quite obvious that they could have been present at an early breakfast and still have arrived here without missing one or two of the preliminary votes. Yet, somehow, with a unanimity to which they also conform in their presence, there was a unanimity in their absence from this convention. This is the first time in my recollection that anything like this has happened.

The distinguished Senator from Connecticut has made an important point regarding their attendance in the Senate. But I do hope, for the sake of Presidential fairness, that they will be able later to hitch their central wagon to the star by which they are guided and will perhaps have an opportunity to yield to the temptation of one of the declared presidential aspirants who sent word that he was for anything they wanted.

That does not mean a public-be-damned attitude. It means he is for any wage increase no matter how sky high. He is not for maintaining the limitations of the Pay Board or Price Commission, but the Pay Board particularly. This kind of impossibility might be reflected if the other candidates had the opportunity to make in person their ceremonial bows to the lords of labor. As one who has had the endorsement of many unions over the years—dozens of them—they know I am not going to bend a knee to them; I am going to be perfectly independent of them. I think a man who wants to be President of the United States should hold that view.

Maybe I ought to be a candidate for President of the United States, although I am not a candidate now and never have been. But because I have no fear of the consequences of making a statement of this kind, it is more acceptable than bowing to any special interest groups.

I wish that this similar absence of fear would reflect itself more often when dealing with pressure groups, whether it be a chamber of commerce, labor union, veterans' organization, or any other group. Therefore, I shall watch the future sessions of this great body of organized labor, which does meet to protect the sacred rights of collective bargaining and other important rights which have been hard fought for and hard won. But I hope that hereafter our presidential candidates will be able to trek around and make their pilgrimages to the temples where they worship without being put to the inconvenience of rushing back to the Chamber to vote themselves more money.

Mr. COOK. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. COOK. Mr. President, I might say to the Senator from Connecticut and the Senator from Pennsylvania that one thing that bothered me more than anything else about it was the fact that we were debating a future change in the political system that has tremendous ramifications, some of which none of us can even foresee. If, in fact, the measure is not received by the American people then, obviously, it will not be in existence and we will go back to the present system.

But I must say that not only were those Senators here yesterday, but they did not miss one vote on one amendment on this matter from the time it was brought up. Yet except for what I think was a fine contribution to the debate by the Senator from Massachusetts in the early stages last week, not a single Senator who is in contention for the nomination of the Democratic Party entered into this debate from time to time during its course. This very important issue is before the American people, and not one word from those Senators is in the RECORD. The RECORD contains words by one contender in the prior to the final vote, after the Pastore amendment had been disposed of and after other amendments had been disposed of.

But the point I really would like to make is that it seems rather strange to me that on an issue that is so important not only to the actions of Congress itself, but in its ramifications on the Presidency, at no time did any of these distinguished Members of this body see fit to enter into this debate. They came when the bell rang, they left after the bell rang five times, and they returned when the bell rang again. This is rather a sad commentary on what could have been historically important as a debate. There could have been interjected into the debate the feelings of those who may well succeed to the high office of President, but their words are absent. They saw fit not to enter into debate.

Mr. WEICKER. Mr. President, will the Senator yield on that point?

Mr. COOK. I yield.

Mr. WEICKER. If you are going to the cookie jar, you do not turn on all the lights and ring the dinner bell.

Mr. COOK. One remark made last night on one of the news programs was that the distinguished Senator from Minnesota said,

> Now the President will not have to worry about whom to invite to dinner because he will not have a long list of people to whom he is obligated.

If all the primaries go off on schedule, and all the money is spent this year, as it was in 1968—it cost over $25 million to get through those primaries—and there will probably be more, there will be a long, long list of people he could invite to the White House to whom he might feel obligated as a result of going through the primaries.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. SCOTT. Perhaps the presidential aspirants were stricken by the mute nature of the monetary aid that was piling up before their very eyes, and there was no need to talk because their actions speak so loud we could not have heard them anyway.

The PRESIDING OFFICER (Mr. GAMBRELL). The Senator's time has expired.

PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 3 minutes.

ATTENDANCE OF DEMOCRATIC SENATORS TODAY

Mr. MANSFIELD. Mr. President, I was privileged to listen to the speeches just made about attendance records—very much interested—and I am happy to report to my Republican colleagues that the attendance of Democrats in the Senate today to consider a very important bill, the Defense appropriation bill, is 100 percent.

Mr. SCOTT. I do confess my unmitigated delight upon receipt of these latest dispatches.

Perhaps I might repeat my inquiry of the distinguished majority leader as the clock tolls on toward 5 o'clock, 6 o'clock, and 7 o'clock this evening. Then we will discover the degree of interest of presidential candidates vis-a-vis the vote on one of the most important bills of the year, the appropriation for the Department of Defense, and we will see if they give up their engagements in the public interest or not. Perhaps my speech may help the distinguished majority leader in keeping his erring flock at home.

Mr. MANSFIELD. May I say that national security always comes first.

Mr. SCOTT. Exactly, sir.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON STATUS OF RESEARCH FACILITIES FUNDS

A letter from the Director of Science and Education, Department of Agriculture, transmitting, pursuant to law, a report on status of research facilities funds, as of June 30, 1971 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT ON THE FEASIBILITY OF FEDERAL ASSISTANCE FOR URBAN MASS TRANSPORTATION OPERATING COSTS

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on the "Feasibility of Federal Assistance for Urban Mass Transportation Operating Costs", dated November, 1971 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

REPORT ON REVIEW OF U.S. PROGRAMS IN AFGHANISTAN

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on review of U.S. programs in Afghanistan (with an accompanying report); to the Committee on Government Operations.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs:

Vincent E. McKelvey, of Maryland, to be Director of the Geological Survey.

By Mr. AIKEN, from the Committee on Agriculture and Forestry:

Earl Lauer Butz, of Indiana, to be Secretary of Agriculture (Executive Rept. No. 92-13), together with individual views.

By Mr. EASTLAND, from the Committee on the Judiciary:

Alfred T. Goodwin, of Oregon, to be a U.S. circuit judge for the ninth circuit;

James S. Holden, of Vermont, to be a U.S. district judge for the district of Vermont;

Levin H. Campbell, of Massachusetts, to be a U.S. district judge for the district of Massachusetts;

Ralph F. Scalera, of Pennsylvania, to be a U.S. district judge for the western district of Pennsylvania;

Charles M. Allen, of Kentucky, to be a U.S. district judge for the western district of Kentucky;

Clarence C. Newcomer, of Pennsylvania, to be a U.S. district judge for the eastern district of Pennsylvania;

William H. Rehnquist, or Arizona, to be an Associate Justice of the Supreme Court of the United States; and

Lewis F. Powell, Jr., of Virginia, to be an Associate Justice of the Supreme Court of the United States.

EXTENSION OF TIME FOR THE FILING OF COMMITTEE REPORTS

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the Committee on the Judiciary have until midnight on Tuesday next to file its report and minority views regarding the nominations to the Supreme Court of Mr. Powell and Mr. Rehnquist.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PERCY (for himself and Mr. FULBRIGHT):

S. 2900. A bill to amend the John F. Kennedy Center Act to authorize funds for operation and maintenance of the nonperforming arts function of that Center. Referred to the Committee on Public Works.

By Mr. MOSS:

S. 2901. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Colorado River in the State of Utah as a component of the national wild and scenic rivers system. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOSS:

S. 2901. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Colorado River in the State of Utah as a component of the national wild and scenic rivers system. Referred to the Committee on Interior and Insular Affairs.

AMENDMENT TO WILD RIVERS ACT

Mr. MOSS. Mr. President, I am today introducing a bill to amend the National Wild and Scenic Rivers Act to designate 13½ miles of the Colorado River in Grand County, Utah, as a component of the national wild rivers system. The stretch of the river to be so classified runs from the lower end of the Westwater ranch to the upper end of the Rose ranch. It begins about 6 miles west of the Colorado-Utah State line, and flows west and south in the State of Utah.

The wild rivers designation, as this body well knows, is applied to certain selected rivers of the Nation which have remarkable scenic, recreational, geologic, or other values which should be preserved by keeping the river in its free-flowing condition, and its shore environment in its natural state, so that generations to come may enjoy them unimpaired by man-made incursions.

The stretch of the Colorado River in Utah to which this legislation applies qualifies superbly as a wild river. The river enters into Granite Canyon below Westwater ranch and within a few miles is constricted into narrow gorge of hard black granite rock topped by Navajo sandstone which shades from reds into oranges and yellow. The sheer walls of the gorge rise some 1,000 to 1,200 feet above the river's floor. There are 12 rapids within a 4-mile section of the river, where the water is very rough. The white water coursing swiftly through the gorge is both picturesque and awe inspiring.

Some 200 people ran the rapids in this gorge this past year. The trip is made in small rubber rafts, under the guidance of an experienced riverman. I have run these rapids with Mr. Dee Holladay, of Salt Lake City, and I assure you it is an exhilarating experience. The area is primitive and remote, and completely unspoiled.

The bill I am introducing provides that not only the river and its bed shall be protected and maintained in their natural state, but that about 2 miles on each side of the shore shall be protected also to maintain the complete wilderness character of the area.

The Secretary of the Interior is authorized under the bill to exercise whatever protective measures are necessary to retain this stretch of the river and its environs in their present natural state.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2097

At the request of Mr. PERCY, the Senator from New Jersey (Mr. WILLIAMS), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Rhode Island (Mr. PELL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wisconsin (Mr. NELSON), the Senator from Minnesota (Mr. MONDALE), the Senator from Missouri (Mr. EAGLETON), the Senator from California (Mr. CRANSTON), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. STEVENSON), the Senator from Colorado (Mr. DOMINICK), the Senator from Ohio (Mr. TAFT), the Senator from Vermont (Mr. STAFFORD), the Senator from New Hampshire (Mr. COTTON), the Senator from Delaware (Mr. ROTH), the Senator from Delaware (Mr. BOGGS), the Senator from California (Mr. TUNNEY), the Senator from New York (Mr. BUCKLEY), the Senator from Iowa (Mr. MILLER), the Senator from Colorado (Mr. ALLOTT), and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of S. 2097, a bill to establish a Special Action Office for Drug Abuse Prevention to concentrate the resources of the Nation in a crusade against drug abuse.

S. 2465

At the request of Mr. CHILES, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 2465, a bill to establish the Everglades-Big Cypress National Recreation Area in the State of Florida.

S. 2748

At the request of Mr. BOGGS, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of S. 2748, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide benefits to survivors of police officers, prison guards, and firemen killed in the line of duty.

S. 2825

At the request of Mr. PEARSON, the Senator from New Jersey (Mr. CASE), the Senator from Kentucky (Mr. COOPER), the Senator from Kansas (Mr. DOLE), the Senator from Michigan (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. MOSS), and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of S. 2825, a bill establishing a Government-administered life insurance policy to all Vietnam-era veterans.

SENATE JOINT RESOLUTION 164

At the request of Mr. GRIFFIN, the Senator from Tennessee (Mr. BAKER) was added as a cosponsor of Senate Joint Resolution 164, a joint resolution proposing an amendment to the Constitution of the United States relating to the assignment and transportation of pupils to public schools.

SENATE JOINT RESOLUTION 169

At the request of Mr. HOLLINGS, the Senator from Georgia (Mr. GAMBRELL), the Senator from Maryland (Mr. MATHIAS), the Senator from Alabama (Mr. ALLEN), the Senator from Kentucky (Mr. COOPER) were added as cosponsors of Senate Joint Resolution 169, a joint resolution to pay tribute to law-enforcement officers of this country on Law Day, May 1, 1972.

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 202

At the request of Mr. MATHIAS, the Senator from New York (Mr. JAVITS), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Alabama (Mr. SPARKMAN), and the Senator from ALASKA (Mr. STEVENS) were added as cosponsors of Senate Resolution 202, relating to troop reductions in Europe.

ADDITIONAL COSPONSOR OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 51

Mr. TOWER. Mr. President, I am pleased to join in sponsoring Senate Concurrent Resolution 51 offered by the distinguished Senator from New York (Mr. BUCKLEY) and the distinguished Senator from Tennessee (Mr. BROCK). The concurrent resolution expresses "the sense of Congress that the President, acting through the United Nations, should present to the United Nations General Assembly in fitting manner the issue of the right to emigrate from and also return to one's country."

The fundamental right of emigration is specifically written into the United Nations' Universal Declaration of Human Rights. However, Communist nations which are member states of the General Assembly have consistently ignored the Universal Declaration of Human Rights by refusing to allow citizens the right to emigrate to the land of their choice.

If the United Nations has a proper role to play in the affairs of the nations of the world, I believe this is a proper subject for the U.N. to consider. The plight of Soviet Jews is perhaps the best example of the totalitarian system perpetrated by the Communist world. Living under a system of constant terror including all forms of political, social, and religious persecution, many Soviet Jews have been denied the right to leave the Soviet Union and emigrate hoping to find a more peaceful life elsewhere. Members of other groups have also sought the right to emigrate from within the Communist world and have been denied the right to do so. The wall separating East and West Berlin continues to symbolize the Communists' total disregard for the universal right of social mobility declared to be the policy of the international community.

Mr. President, I understand that this concurrent resolution has been the subject of hearings in the House of Representatives and that it has gained the support of both the Department of State and the U.S. Ambassador to the United Nations, the Honorable George Bush. The Senate should, therefore, act swiftly on this matter and present to the world community our united stand against Communist brutality in denying fundamental human rights to all the peoples of the world regardless of race, color, or creed.

NOTICE OF HEARING ON NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, December 1, 1971, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nominations:

Leroy J. Contie, Jr., of Ohio, to be U.S. district judge, northern district of Ohio, vice James C. Connell, retired.

Thomas A. Flannery, of Maryland, to be U.S. district judge for the District of Columbia, vice Leonard P. Walsh, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

NOTICE OF HEARING ON A NOMINATION

Mr. MCCLELLAN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, December 1, 1971, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nomination:

Donald W. Banner, of Illinois, to be Commissioner of Patents, vice William E. Schuyler, Jr., resigned.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Michigan (Mr. HART), the Senator from North Dakota (Mr. BURDICK), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Hawaii (Mr. FONG), and myself, as chairman.

NOTICE OF HEARINGS BEFORE PUBLIC HEALTH, EDUCATION, WELFARE, AND SAFETY SUBCOMMITTEE OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. TUNNEY. Mr. President, in addition to previously announced bills that will be considered in hearings tomorrow, November 24, 1971, by the Subcommittee on Public Health, Education, Welfare, and Safety of the Committee on the District of Columbia, we will also receive testimony on S. 2899, the District of Columbia Medical Facilities Construction Act of 1972.

The hearings will be held on Wednesday, November 24, 1971, at 10 a.m. in room 6226, New Senate Office Building. Persons interested in testifying on this bill should contact Mr. Gene E. Godley, General Counsel, in room 6222, New Senate Office Building.

ADDITIONAL STATEMENTS

NATIONAL BIBLE WEEK

Mr. TOWER. Mr. President, a recent news item from Kenya reported the theft of a case from a house during the night—a case which the thieves later abandoned when they found it contained 160 copies of the Bible. It had been sent to a post office worker from the United States for free distribution in public places. The headline accompanying the article read: "The Word Wasn't What They Wanted."

Something like that might be said of the modern world insofar as it turned away from God: the Word is not what we want. The annual observance of National Bible Week serves to recall us as a people to the moral and spiritual foundations of our society as those foundations are revealed in the Word of God which is the Bible. That Word is truly one of judgment—judgment tempered by mercy, to be sure, but there is always a sense in which it is unwelcome. Some prefer not to hear and to heed the clear call of repentance and conversion of life which runs like a golden thread through the pages of the Old and New Testaments:

Jerusalem, Jerusalem, return unto the Lord thy God.

In these troubled and difficult days for America it often seems that we might well echo that headline: "The Word Wasn't What They Wanted." And yet, apart from the teaching enshrined in the Bible, we will find neither security nor peace.

The Bible is, as it were, a kind of basic training in life. For Christians the Bible is the greatest book in the world, and for this reason: In the Bible, as in no other book, God speaks to man, makes Himself known, does something to us and for us, and tells us how we are expected to live. We share the Old Testament with two of the other great religions of the world, Judaism and Islam. The New Testament is distinctively Christian, and in its pages the pattern of a perfect life, lived in utter obedience and service, is set forth. For Christians the crowning fulfillment of Scripture is the Word made flesh, the spirit, the mind, and the character of Jesus Christ.

National Bible Week is a call to each of us, individually and in families, as well as in our churches and synagogues, to turn to the Word of God and, above all, to hearken. For many the Bible is little more than a heavy bookend, a dust gatherer more often praised than read.

And yet its message is of such power that it is able to transform the lives of men and nations. Far from being a dead book, the Bible continues to inspire new and contemporary translations suited to the needs of fresh generations of readers throughout the world.

The Bible has always been associated with man's struggle for freedom, dignity, and justice. The historian, J. R. Green, cited the impact of the great King James translation, the familiar authorized version, upon the minds and hearts of those Englishmen who fought valiantly in the 17th century to preserve and extend the blessings of liberty. Their faith is a part of our American heritage. In the words of Sir Walter Scott:

Within that awful volume lies
The mystery of mysteries!
Happiest they of human race,
To whom God has granted grace
To read, to fear, to hope, to pray.
To lift the latch, and force the way.

Modern scholarship has immensely enlarged our knowledge and understanding of the historical background in which the Bible came into being. The result has been a new ecumenical spirit among divided Christian communities, centering in the recovery of the Word as the foundation of Christian life and thought.

Whatever the future may hold, we may be certain that the Bible will maintain its special place, enduring vitality, and perennial relevance. The American poet John Greenleaf Whittier has spoken for every age in these lines:

We search the world for truth; we cull
The good, the pure, the beautiful,
From all old flower-fields of the soul;
And, weary seekers of the best,
We come back laden from our quest,
To find that all the sages said
Is in the Book our Mothers read.

MICHIGAN STATE UNIVERSITY EXPERTS CRITICIZE BLS REORGANIZATION

Mr. PROXMIRE. Mr. President, in line with the continuing concern about the reorganization at the Bureau of Labor Statistics, Department of Labor, I ask unanimous consent that a letter to the Joint Economic Committee on this matter, signed by 11 members of the Economics Department of Michigan State University, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JOINT ECONOMIC COMMITTEE.
November 17, 1971.

To the Joint Economic Committee of Congress:

We the undersigned faculty members of Michigan State University are concerned over the reorganization of the Bureau of Labor Statistics as announced in the Department's press release of September 29, 1971. It appears that two professional economists, Mr. Harold Goldstein and Mr. Peter Henle, have for political reasons been demoted or displaced from duties they had been carrying out satisfactorily.

Although new appointments may be based on professional competence, as the release states, the fact that career civil service appointees can lose their posts in this way is bound to put pressure on every government statistician to avoid the presentation of unpleasant facts that might incur the displeasure of their political superiors.

The release also states that the Bureau's statistical procedures and standards will not be affected. We take this reassurance at face value, but the release says nothing about analysis and explanation of the data, and interpretations made to the press and the public by those who have a special bias may be misleading. We therefore feel that official releases accompanying the data should be prepared only by responsible technical experts.

We believe that summary reorganizations and other actions of this kind tend to undermine the integrity of federal statistics. Trust and confidence in data that are essential for analysis of the nation's position have been built up over several decades but could be dissipated in short order.

We therefore urge an investigation of the needs some assurance of fair play from sources outside the administrative channels themselves.

changes already made and any others that are contemplated. The American public

John P. Henderson, Economics; Walter Adams, Economics; Lawrence Officer, Economics; Subbiah Kannafan, Economics; Byron W. Brown, Economics; Maurice Weinrobe, Economics; Mitchell Stengel, Economics; G. Patric Larrowe, Economics; Harry G. Brannard, Economics; Harold Reinholds, Economics; Milton C. Taylor, Economics.

Mr. PROXMIRE. Mr. President, I invite special attention to the second paragraph, referring to the displacement or demotion of two fine economists:

Although new appointments may be based on professional competence, as the release states, the fact that career civil service appointees can lose their posts in this way is bound to put pressure on every government statistician to avoid the presentation of unpleasant facts that might incur the displeasure of their political superiors.

This fact is frequently overlooked by those attempting to justify the actions.

HONOR TO J. EDGAR HOOVER AND THE FBI

Mr. EASTLAND. Mr. President, the 25th annual meeting of the Southern Regional Conference of Attorneys General met recently in my State. In session at Biloxi, Miss., this distinguished group of legal leaders adopted a series of resolutions expressing their viewpoint on a variety of subjects.

Among these resolutions was one expressing the appreciation of the Southern Regional Conference of Attorneys General to the Federal Bureau of Investigation and its Director, the Honorable J. Edgar Hoover.

Mr. President, I agree—as do many Americans—with the letter and the spirit of this resolution, honoring a great American and the outstanding organization which he heads. The resolution is as follows:

Whereas, the Federal Bureau of Investigation has earned, through years of dedicated service, high esteem as one of the most reputable and competent law enforcement agencies in the world; and

Whereas, the Director of the FBI, J. Edgar Hoover, in a lifetime of service to our country, deserves a place of honor as one of America's outstanding patriots and leaders; and

Whereas, each of our states has benefited from FBI expertise, not only in carrying out its investigative responsibilities but also in its police training programs, laboratory and fingerprint work and through other services the FBI offers to state and local prosecutors and local law enforcement agencies:

Now, therefore, be it resolved, that the Southern Regional Conference of Attorneys General expresses its appreciation to J. Edgar Hoover and the FBI.

DISCOURTESY TO PRESIDENT NIXON

Mr. GOLDWATER. Mr. President, when AFL–CIO president, George Meany, adopted his rude and hostile attitude toward the President of the United States, he chose to do it in comfortable surroundings of his own making. In other words, while he was mouthing disrespectful wisecracks and making sure that the Chief Executive was not accorded the courtesy due the highest office in the land, he was surrounded by his longtime buddies and henchmen in the labor movement. What he seems to have forgotten was that the entire Nation looks on when a President performs, regardless of attempts to freeze out important parts of the communications media.

I suspect that Mr. Meany is now beginning to understand this condition. From all over the Nation critical editorial comment is rolling in, and it has had the effect of making President Nixon a hero. Typical of the editorial comments was that published in the Nashville, Tenn., Banner of November 20. It is entitled "The Right Speech at the Right Place at the Right Time." Because it is a particularly incisive and accurate appraisal of Mr. Nixon's address to the AFL–CIO convention, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE RIGHT SPEECH AT THE RIGHT PLACE AND TIME

In the address delivered yesterday before the AFL–CIO convention—a revision of his prepared text—President Nixon made the right speech, at the right place and at the right time. With no intention of offending his audience, but with the candor a mutual understanding demands, he told that Miami Beach assembly that he was going to make his economic program work, with or without organized labor's support.

It was not a prejudicial utterance, notwithstanding the fact that AFL–CIO President George Meany has adopted a hostile position to much of the freeze policy as it applies to wages. In Phase II, Mr. Nixon assuredly does not want to alienate any element in the nation's economy; he is bent, rather, on orienting all these components in the mutual interest of all, for economic recovery, stability, and prosperity.

At the same time, he recognizes that the urgency of success in that objective necessitates action for its accomplishment, regardless of any segment that either refuses to lend support or attempts to block it. In still other words, the President is not playing a partisan game; but, in the responsibility that is his, is seeking to mobilize the maximum of economic strength for the job that is to be done.

He could have reminded his audience that some of the very ones opposing his program, including some in positions of labor leadership, are those who most strenuously advocated wage and price controls before they were clamped on.

In acknowledging areas of disagreement on details, the President paid a warranted tribute to the judgment and national devotion of organized labor's rank-and-file.

"What there can be no disagreement on," he said, "is the need to provide more jobs for more Americans; the need to provide a dollar that doesn't decrease in value every time you get a pay raise; the need to increase production; the need to increase trade with other nations and stop subsidizing foreign industry with American jobs, and the need generally to establish a sound and stable economic base which will give us prosperity in time of peace."

The President obviously does not confuse the attitude of Meany & Co. with that of the total constituency, For he knows that, contrary to the stance of those labor leaders who preceded him on that rostrum to berate the administration and impugn its motives and objectives, a substantial segment of organized labor has supported his economic program. For example, the Gallup Poll disclosed on Aug. 28 that the Nixon program was supported by 65 per cent of labor union families interviewed, indicating a wide divergence between the view of union leadership and that of rank-and-file members.

It logically is assumed that President Meany is aware of that, also, and it is a factor in his decision to continue as a member of the Pay Board, notwithstanding his stated disagreement.

President Nixon launched his program in the national interest, and obviously intends for it to succeed. He frankly declared that he knew that when the chips were down, and the objectives of such vital consequence nationally, he could count on labor's support for his policies.

Stating it as frankly as he did, and with it serving notice, it was the proper message indeed, on the proper occasion. More than those at Miami Beach were listening.

THE SITUATION IN PAKISTAN

Mr. PERCY. Mr. President, the tragedy of the South Asian situation deepens, and with the passing weeks we continue to learn of the brutality, homelessness, and starvation suffered by the East Bengalis.

Mrs. Mildred Robbins visited East and West Pakistan from September 30 to October 11 of this year as an observer for the International Peace Academy. In this capacity she visited Karachi, Lahore, and Islamabad in West Pakistan and Dacca and Chittagong in East Pakistan, meeting with Pakistani Government officials, civil servants, private individuals, Pakistani and foreign voluntary nongovernmental agencies, foreign government representatives, U.N. personnel and members of the national and international press. She notes that, even though the number of refugees pouring into India continues to grow, the problem is not lack of relief supplies but inadequate distribution, poor organization, and a breakdown of the transportation system. She also acknowledges that the relief problem cannot really be solved until the political problem is resolved.

Mrs. Robbins' report is the most recent firsthand report of which I am aware. While I do not necessarily agree with all of her conclusions, I believe the report is essential reading for those of us who are deeply interested in the Pakistani situation.

I ask unanimous consent that the text of her report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT ON PAKISTAN—SEPTEMBER 30 TO OCTOBER 11, 1971

(By Mrs. Mildred Robbins)

I was in Pakistan—East and West—for twelve days as an observer for the International Peace Academy. I was to report on the current conditions in Pakistan, offer its good offices as a third party and assess the need for and response to the development of training programmes in the fields of disaster relief and rehabilitation.

To try to meet these requirements, I went to Karachi, Lahore, Islamabad in West Pakistan and to Dacca and Chittagong in East Pakistan. I met and spoke with about seventy people. They represented Pakistani government officials, civil servants, private individuals, Pakistani and foreign voluntary nongovernmental agencies, foreign government representatives, U.N. personnel and members of national and international press.

A perspective on Pakistan's history makes the complexity of problems more comprehensible in the light of the current civil war in East Pakistan and the mass exodus of East Pakistanis into India.

Faced with two rival movements, both responding to deep feelings in the sub-continent, the British agreed in 1947 to division, based on Muslim pressures for the creation of two nations. Pakistan was to consist of the Muslim majority areas—much of Bengal and much of the Punjab, together with Sind and the N.W.F.P. To understand the feelings of today one must recall that the Bengalis and the Punjabis never got along well together. Their common religion was their one link—they differ in language and temperament, in skills and development. The Punjabis are thought of as more pragmatic, more government, military and business-oriented, while the Bengalis tend to enjoy politics and literature. The West Pakistanis today consider the East Bengalis as simple people whom they are trying to elevate from their state of under-development, and the Bengalis regard the Punjabis as a rather rough and militaristic people.

The partition in 1947 was accompanied by communal rioting with the loss of tens of thousands of lives. Some six million Muslims fled to Pakistan and a similar number of Hindus and Sikhs fled to India. Despite this vast exchange, Hindus remained in the Bengali wing of Pakistan and Muslims remained in India. In fact, India today, after Indonesia and Pakistan, ranks third in numbers of Muslims. Relations between India and Pakistan reflect a centuries old Hindu-Muslim rivalry and a mutual distrust.

Today, the divisive issues of Kashmir, a Barrage on the Ganges and a few small enclaves are used by Pakistan as examples of India's lack of good faith, its continuing aggression against Pakistan, and its determination not to accept the partition. This bitterness has escalated with the civil strife in East Pakistan and the flight of millions of East Pakistanis, principally Hindu, into India. Pakistan feels that the whole disturbance was caused by and is being exacerbated by India. They are quick to point out India's role in providing sanctuary for the rebels and the arming and training of the forces for Bangla Desh. Pakistan, in further defence against accusations of continuing massacre, point to the fact that they have permitted the U.N. to handle the relief efforts and have agreed to the posting of U.N. observers on their borders whereas India has refused to permit observers. A point here—the Pakistan Southern border near Calcutta is far more difficult to patrol because of its geography than is that of India's border. On the other hand, it is reported that not only has India not permitted U.N. observers, but also has not permitted foreign correspondents, relief agencies, et al, near the borders or the relief camps. Neither countries' hands are completely clean.

There are major troop movements on the borders and the tension is heightening. In West Pakistan signs abound, "Crush India" and civilian evacuees are starting to come in from the borders. This was reported particularly around Lahore, which is considered a border town. To many West Pakistanis who view the civil strife with dis-belief and indignation, the "blame India" movement is another example of not admitting a reality. When questioned about the validity of East Pakistan's grievances, they recount all that has been done for East Pakistan but that reform takes time and resources. They bristle at allegations of their discrimination.

The sad part is that the central government is holding back on initiating reforms, which could serve as a sign of good intent.

With rising civil strife the most prominent activity of the government is the imposition of martial law. True, they have offered general amnesty, they have installed a civilian governor, and they have opened twenty-three reception centres for the safe return of refugees along the borders. They say they will appoint more East Pakistani administrators. However, the credibility of these efforts must be questioned. True amnesty does not exist—in fact, there is a continuing effort to root out individuals—in government and in civilian life—who appear to be opposed to the central government. As for the civil governor—an East Pakistani—he may be trying but he does not have the power. The power in East Pakistan remains with the Army. A General questioned almost flippantly what peace was and felt that Western ideologies had no place in Pakistan and should not be foisted upon them. As another military officer explained to me, the simple people of East Pakistan just were not ready for democracy. They saw democracy as an opportunity to hold meetings and to speak freely.

In justification, the central government is trying to preserve the unity of their nation. Many of them recall all too vividly the horrors associated with the partition and the many sacrifices they were called upon to make to create a new nation, hopefully free of religious prejudice. They feel it imperative to save the nation of Pakistan; that it would be as if one limb were torn from a body. To quote the widow of a former leader, "Pakistan belongs to each one of us as a sacred trust, and we are not going to betray that through our own selfishness, greed, laziness or fear". She said, "The threat of an imminent war, under which we find ourselves today, along with that of destruction, death and disaster, was engineered by those who never in their hearts accepted our sovereign independence; by those who maliciously tried to subvert and mislead some of our own people seeking power for themselves".

Alas, the people of West Pakistan are separated not only by a lack of sympathy and miles, but also by a lack of sympathy and understanding of the problems and realities of the East Pakistani. Government officials, cloistered in the newly-constructed capital of Islamabad, are isolated from the true situation. They make declarations and issue edicts that somehow do not seem to have relevance to the demands of the day.

There is a civil war being waged in Pakistan. Comparisons have been made with the civil war in the United States where one of its most distinguished Presidents waged war for four years but not only to preserve the union, but also to ensure the equal rights of all. The U.S. has learned to live together as a nation. Whether this is possible in Pakistan is doubtful. However, when seeking resolution to conflict one should not admit the inability for reconciliation and should never cease to explore all possibilities for such resolution.

POLITICAL FACTORS

The death of the Pakistani leader Jinnah in 1948 and the assassination of his political successor Prime Minister Liaquat Ali Khan deprived Pakistan of its two most able leaders too early in its life. Political instability followed until a military take-over by General Ayub Khan occurred in 1958. However, he was forced, under the pressures of students and workers, to relinquish his post in March of 1969. General Yahya Khan took over as Martial Law Administrator with his promise of a civilian government to be initiated soon after. He permitted political parties and political activities to be resumed.

On December 7, 1970, Yahya set about "to restore democratic institutions" by holding national elections. It was a free and peaceful election. Eleven different political parties and fifteen independents emerged with seats in the National Constituent Assembly. One party, however, emerged with a majority of votes—one-hundred-and-sixty-seven of the three-hundred-and-thirteen total. The pakistani Awami League, headed by Sheikh Mujibur Rahman, received ninety-eight per cent of the votes of the East Pakistani electorate. He had promised greater autonomy for East Pakistan and had embodied this in six points. East Pakistan has always maintained that it has been under-represented in the central government and denied its proper share of central government resources. Their unity in voting was particularly spurred by the slow response of the central government to their cyclone crisis in November.

The Pakistan's Peoples Party, with the next strongest majority of eighty-one seats, was led by Zulfikar Ali Bhutto. Thus Mujib and Bhutto met with Yahya in the succeeding days after the election to arrive at some understanding before the Assembly convened on March 3. The talks ended in a deadlock and the Assembly meeting was postponed.

This postponement was viewed by the Awami Party as further evidence of discrimination. A non-violent, non-participation movement was started which subsequently led to violence, to provocations against the Army and government, to prisoners being released, to killings, to the hoisting of the Bangla Desh flag. The army moved in to restore law and order and maintain the unity of the country. A whole new series of atrocities were committed, a reign of terror was started and no-one felt safe. Bengali was pitted against Bengali and the Hindus didn't stand a chance. The Bengali members of the Pakistan armed forces refused to fire on other East Bengalis and fled across the borders to India. Those Awami League members who were able to escape were joined by masses of Hindus. Mujib was arrested the first night of the crackdown. Eighty-eight out of the one-hundred-and-sixty-seven elected Awami Leaguers have since been granted amnesty. The government has called for by-elections to fill the empty spots in East Pakistan. Curiously, the Dacca seat won by Mujib and that of his Constitutional expert, Kamal Hosain, are not listed as up for re-election. The ban on political activities, imposed on March 26, was lifted on October 10. Many political parties are now campaigning in East Pakistan all vying for the vacant seats.

Despite the claims of freedom to Campaign, at a press conference called by a retired Air Marshall, he described the fact that there was a black-out of news about him in the papers. "How," he asked, "can you run for an office if the people don't know you are running?" "And how can you equate loyalty to one's country with loyalty to one's government?" He asked, "Why go through the formality of an election, aiming for the creation of democratic institutions if all candidates are not initially permitted to speak out?" Because of this frustration, he withdrew from the running for office. A few days earlier he had made the suggestion that no elections be held and that the Assembly be convened as elected. This suggestion was immediately negated.

If the elections are held in December and January as planned, the results will not reflect the people's first choice—the Awami League—since the Party is banned. Will the elections take place? Will the Mukti Bahini discourage the people from voting? Will the Army force the vote? Will the people cast blank ballots? How many of the Awami accredited electorate remain in East Pakistan? Questions such as these cast credibility upon the elections' results.

REFUGEES

The numbers of refugees now in India, and the numbers still growing, boggle one's mind. According to Pakistan they number two million two hundred, and according to India they number over nine million. Perhaps the truth lies somewhere in between. It is an horrendous human problem which seems to defy solution. India, herself suffering in those regions with the problems of want and starvation, is faced with the enormous problem of the care and feeding. Forty-eight nations have responded to the need with contributions in money and supplies channeled through the U.N. High Commissioner for Refugees as well as by direct national contributions to India. Private relief agencies are also giving assistance, although the Indian government has asked them to absent themselves from the refugee camps, claiming there are enough qualified Indians to handle the problem. A volunteer corps has been developed within the camps made up of qualified personnel who, as doctors, social workers and teachers, are helping to alleviate the conditions of their fellow Pakistani. A long term solution to the problem must be sought but the immediate problem of keeping millions of people alive must be met.

What is the future of the refugees? Will they return? Are there adequate provisions for their safety? Will they be welcomed? Will the displaced person have his house and land returned to him? Who will displace the individual residing there now? There are twenty-three reception centres for the displaced persons set up all along the borders of Pakistan. According to official Pakistani figures on October 11, there were 179,111 returnees of whom 48,119 were processed through the centres; of these 13,000 were non-Muslims. Each centre is set up to handle 500–1,000, but at the moment there is no over-crowding problem because of the small number of returnees.

Reasons given to me for the returnees slipping over the borders and not going through the centres included the possibility that they may be prevented normal return by the Indians; the concentration of the Indian and Pakistani armies on the borders; and the apprehension of reprisals at the centres.

FOOD SITUATION

From all indications, there are adequate food supplies for the next four months and there is a good rice crop soon to be harvested. The difficulty is getting it to the people. There is practically nothing moving. Supplies must be moved out of the port and dispersed into the countryside. Two major factors working against this are the government and transportation.

There seems to be ineffective central authority at the ports. The ships remain loaded in the harbours; rice, a year-and-a-half old lies rotting in the warehouses; dried milk spills out of torn bags; cement bags harden; supplies are stacked in haphazard fashion and cut down on the warehouse capacity; supplies ordered as a result of the November cyclone such as rape seed and roofing still lie about; where there was once many thousands of skilled workers (in unloading and stacking) there are now about five hundred; boats run aground because of over-loading. Further discouraging facts emerge such as the bombing of the laden ships in port, the blow-ups of power lines, of railroads and traffic on the roads, with the intimidation of boatmen and drivers. A real effort has been made to secure an agreement with the Mukti Bahini to permit the supplies to be delivered to the people in U.N. marked cars and boats with assurance that the Army will not be associated with the shipments. The central government has agreed to this. However, constant delays occur with the officialdom and bureaucracy, with harassments such as the requirement of ship captains to sign waivers that guards are not necessary to ensure the safety of their crews, and continuing change of government personnel.

Therefore, contingency plans, though being drawn up for relief, rehabilitation and reconstruction, are still thwarted by the problems of transportation and government. Trucks are being delivered—one hundred white cars with the U.N. symbol have already arrived, with the likelihood of eleven hundred more to arrive. Minibulkers, tugs, ferries and country boats are being secured. But unless the food can be loaded with a minimum of steps into these various means of transportation and dispersed into the fifty-nine sub-divisions of the country, there will be large pockets of hunger in this country of seventy million people and an ever-increasing stock-pile of supplies at the ports.

All these efforts are being co-ordinated by the newly created United Nations East Pakistan Relief Organisation (UNEPRO), which is seeking to bring together the efforts of agencies such as UNICEF, CAO, WHO, World Food Programme, the U.N. High Commissioner for Refugees together with the bilateral efforts of many governments and non-governmental agencies. Pakistan has agreed to this U.N. presence. If UNEPRO is able to feed and care for the people, it will serve as a valuable precedent for other international disaster areas.

There is material law imposed on the citizenry of East Pakistan. There is fear and hunger; no security or safety. There are growing numbers of disturbances by the Mukti Bahini. Bridges are blown, the trains no longer run, ships have been sunk and firing goes on in the countryside and in the cities each night. Repressive acts by the Army occur daily, continuing against suspect East Pakistanis. Democracy is a long way off.

There are rumours—and few substantiated facts—and even these become distorted in the retelling.

The tragedy is that everyone seems to be locked into their situations and positions. Certainly no leader, Yahya included, wants to go down in history as the man who brought about the disruption and dissolution of his country—or the man who perpetrated genocide. He is looking for a way out. But even if he finds it, does he have the power to follow through? How much power does the Army exercise?

West Pakistan feels assured that things are much better in East Pakistan, while the actual situation in East Pakistan worsens daily and the fear and apprehension grow. The Army, securing the unity of the nation, has the whole populace cowering and so does the Razakhar and the Peace Committees. From across the border the Mukti Bahini come each night also sowing fear and destruction. The mass of people don't know which way to turn. But they know they want, at least, autonomy, but if this is not possible they will opt for outright secession. Their leader Mujib is imprisoned and people wonder, if he is now released, what influence he will have.

West Pakistan government officials say they do not condone the excesses that have occurred; they do not exclude any possibility for settlement; they state the U.N. is in complete charge of relief operations; they say that they do not hate India but do insist on her respect.

The government is using nineteenth century colonial action of force to impose its will. The strain on the economic life—as exports decrease and the military budget increases—is being felt, as is the psychological impact on the people. It is a time of human tragedy and political upheaval.

To sum up, current conditions in Pakistan reflect the results of a series of events that started with the November cyclone—slow Pakistan reaction for emergency help—dramatic electoral victory for the Awami League in December—postponement of the Assembly—Awami League's reaction of initial non-violence and then violence—Army's crushing imposition of martial law—massive stream of refugees into India—continuing civil strife.

Pivotal factors working against reconciliation and the resolution of the refugee problem include:

Growth of terrorism on both part of Army and Mukti Bahini.

Breakdown of the transportation system that inhibits distribution of relief supplies.

Further possible political chaos ensuing as a result of the by-elections.

Growth of tension between India and Pakistan with the concomitant possibility of an outbreak of war.

No apparent solution to the growing number of refugees in India.

The civil war is a national problem. All nations should disengage themselves. The U.N.'s role and impact still remains a question of feasibility and possibility. Though I.P.A. offered its good offices in mediation, it remains to be seen if this offer will be taken up. There was much interest in I.P.A.'s suggestion re: development of training programmes for disaster relief and rehabilitation.

The refugees now in India have produced an international problem.

The whole situation is compounded by interests of the big powers—Russia, U.S.A. and China—in the subcontinent.

Though the peaceful resolution of conflict seems remote, the moral suasion of the international community, both public and private, must persevere. The alternative is further destruction of peoples' lives and homes and nations.

Finally, one must clearly see that it is basically a political problem that must be resolved before the relief problem can be resolved.

RECOMMENDATIONS RE: GOVERNMENTS

1. Assume as neutral a position as possible and disengage from any political involvement. It is not anyone's business but that of Pakistan's. There is a civil war and all foreign interests should remove themselves.

2. The problem of the refugees in India has become an international problem. Massive aid should be directed here.

3. All economic aid to Pakistan should be channeled through the Consortium of thirteen nations joined in Aid to Pakistan, working through the International Bank for Reconstruction and Development.

4. All military shipments, including parts, should cease.

5. Quiet diplomacy must continue, both by governments and the U.N.

RECOMMENDATIONS RE: U.N.

Against the background of the two primary difficulties of transportation and government:

1. Urgent need for the effective coordination of all U.N. specialised agencies.

2. The chain of command of the U.N. operations should be clearly defined and the leadership identified.

3. The need for at least one hundred field service personnel to be stationed *permanently* in depots throughout the countryside. This would expedite the delivery and receipt of supplies, ensure, to some extent, that the supplies reach the needy, and serve as a security bulwark for the local population. Permanent assignment would permit the familiarisation with the countryside, the needs and the people. At the moment, the U.N. seems to be trusted by the three factions—the Army, the Mukti Bahini and the people. These nonmilitary outposts should be established rather rapidly as it would further assure the Mukti Bahini that the efforts were geared to the people and they might permit the boats to move again.

4. There is a need for an accurate inventory of the stocks—type, date of delivery, condition—as well as a good housecleaning. Not clear whether this is in purview of the U.N., but certainly should try to exercise influence as to the method of stacking of materials, their site assignment, etc.

5. Discourage, if possible, anymore food supplies for the next four months. There seems to be no imminent danger of famine—the inadequacy lies in the inability to transport the food to the people. As an example, UNICEF is getting the dried milk to the Chittagong area, but can make no deliveries in the Dacca area.

6. UNEPRO should be seen as a pilot project for further U.N. disaster relief operations and for the establishment of such a permanent body within the U.N. At the outset, it seems to be one step ahead of the Biafra Relief operation. Certainly, useful operational guide-lines can be developed from the experience—frustrating though it may be.

7. Will the scope of the U.N. encompass rehabilitation as well as relief under UNEPRO? This would seem to make sense in disaster areas, as the emergency operation must move almost immediately into the other area of rehabilitation.

8. Will the U.N. be effective in East Pakistan? At the moment I am rather pessimistic. It is dependent on how far and how fast the government is prepared to co-operate (despite protestations). The world community has heard that Pakistan has welcomed U.N. to take over the relief operations in East Pakistan. In effect, it has transferred its responsibilities. Therefore, if it is not successful, that responsibility lies with the U.N.

RECOMMENDATIONS RE: IPA

1. Continue to explore possibility of third-party role to seek alternative solutions to end the conflict with "dignity and respect". Many West Pakistanis expressed the hope for "peace and tranquility."

2. Pursue the possibility of working with the new U.N. disaster relief agency, proposed by U Thant, in the development of training programmes.

3. Develop training programmes for disaster-prone areas. The Pakistan government officials were very interested in seeing programmes developed for:—

(i) Administrators (to include an over-all plan) and

(ii) Secondary personnel who could then pass on the training to the local levels.

4. Explore the possibility (remote) of improving co-operative relations between volunteer agencies and between specialised agencies.

5. Develop plan for utilisation of armed forces for humanitarian purposes—e.g. relief. First step would have to be to change the people's image of the armed forces.

POST MORTEM ON FOREIGN AID

Mr. CHURCH. Mr. President, Dr. Nasrollah S. Fatemi, director of the Graduate Institute of International Studies at Fairleigh Dickinson University at Teaneck, N.J., recently wrote two articles in support of the view that the American foreign-aid program is generating more problems than it is solving. Dr. Fatemi supports the action of the Senate in defeating the omnibus foreign-assistance legislation last October 29.

Dr. Fatemi, formerly Ambassador from Iran to the United Nations, quite correctly points out that the foreign aid program, as it now operates—

Has brought us nothing but worries and world problems, should be stopped and be replaced by a multilateral program to which all the rich nations should contribute.

At another point in the articles, published in the Record, of Hackensack, N.J., on November 4, he suggests that the defeat of the foreign aid bill last October:

Will compel both the Administration and the Congress to study the whole subject anew, and this is a compulsion to be welcomed.

Mr. President, I ask unanimous consent that these two thoughtful articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

AID: WHAT IT COULD BE AND WHY

The United States foreign aid program, as of now killed in its familiar form by the Senate, was based on principles that no longer apply, and it was not working as the country had hoped. It took an extraordinary combination of liberals and conservatives to defeat it, and motivations for voting it down were in striking contrast to one another, but it may well have been the best result possible.

The theory of the aid program when it was devised after World War II was sound enough. There was an actual Russian military threat in Europe, and the nations of Europe were in desperate need of funds for recovery from the war. That was the time when the cold war was at its height, and American thinking became stylized in the mold of the cold war. The aid program which worked among the industrial nations of Europe and the political theory that held the Soviet Union at bay through President Truman's administration were applied as if they were revealed truth for the world as a whole.

The involvement in Vietnam is only the most spectacular of the results. The aid program was applied to help undeveloped nations achieve industry and affluence, and they are further behind the developed nations than they were at the start. The hope from the beginning was that United States foreign aid would advance the cause of freedom. It hasn't done so. The program's title implies that it is non-military, but more than half the $3.3 billion in the bill the Senate killed last week was for military purposes in a world that no longer can afford war. During the debate just before the final vote Sen. Church of Idaho said:

"Even with enormous power and the best of intentions, there are some things we cannot do, things which are beyond our moral and intellectual resources. If we learn nothing else from the experience of the Sixties, it will profit us immeasurably to have learned that being richer and stronger than everybody else has not made us wiser. When it comes to wisdom, we are part of the pack; just knowing that will be wisdom enough."

The foreign aid program was designed when the world had two superpowers and they were in conflict. Emerging today are five superpowers, the United States and the Soviet Union and beyond them united Europe, mainland China, and Japan.

The defeat of the foreign aid program in its familiar form should be seen not as a disaster but as an opportunity. Can its vast bureaucracy be dismantled? Can the Third World actually be helped? What more can be done by multinational agencies collaborating

in small projects and so learning to work together in large ones?

The defeat will compel both the administration and the Congress to study the whole subject anew, and this is a compulsion to be welcomed.

FOREIGN AID DIED LONG SINCE AS PAR AS ITS PURPOSES GO

(By Nasrollah S. Fatemi)

The Senate should be applauded for putting an end to a foreign aid program which is ineffective and wasteful and is heping only a few corrupt and authoritarian kings and politicians from Madrid to Malaya, from Taiwan to Teheran. This should have happened 10 years ago to save the United States close to $60 billion in foreign aid and a war in Vietnam which has cost us 55,000 lives and more than $180 billion.

On June 5, 1963, in testimony before the House Committee on Foreign Affairs, I stated:

"The idea of foreign aid is great, and history can show few other examples as generous and as magnanimous. But too many assistance programs and concept under the Foreign Assistance Act have been unrealistic, inefficient, too expensive, and, in some countries, corruption-ridden."

I suggest that the present program, which has brought us nothing but worries and world problems, should be stopped and be replaced by a multilateral program to which all the rich nations should contribute.

If our purpose was to stop and contain Communism, it is unfortunate that since 1948 the population of the Communist world has quintupled. After 20 years of our opposition to Communist China, by an overwhelming vote of 76 to 35, the membership of the United Nations voted to admit the government of the People's Republic of China. Despite the spending of billions of dollars we were not able to get even Iceland, Belgium, Iran, Israel, Ethiopia, Turkey, Laos, Pakistan, Portugal, Morocco, Greece, Thailand, and Spain to vote against the Albanian resolution.

THE PROGRAM HAS BEEN GENEROUS

If our purpose was to help the people of the world fight against poverty, misery, and ignorance, it has failed dismally. A report by the General Accounting Office implies that foreign aid spending has been a kind of diplomatic pork barrel. In most countries receiving our foreign aid the rich are getting richer and the poor are getting poorer. The gap between the poor and the rich nations of the world is much wider today than it was in 1947.

The administration tells us that our balance of payments problem has been caused by foreign speculators, and that military expenditures and foreign aid should not be blamed for it; but figures published by the United States Department of Commerce show that our military expenditures, foreign aid, and grants in 1970 produced a $7.5-billion deficit in our balance of payments. For the current year we are faced with the largest deficit balance in the history of the United States—$10 billion.

In a conference of the rich nations in Paris on Oct. 22, the administration failed to get the support of other nations to tie in a part of the foreign aid to purchases in the United States.

This country accounts for about 45 per cent of the total aid, investments, and loans from the wealthy countries and for 80 per cent of the grants and free assistance. The Soviet Union, West Germany, Japan, France, and the other nations, give very little free aid and grants. Their assistance is mostly investment or interest bearing loans. Every rich nation except the United States ties its loans and investments to credit and the purchase of its goods and commodities.

If our objective was to strengthen democratic regimes vis-a-vis Communist dictatorship, our balance sheet shows many liabilities in Latin America, Spain, Portugal, Greece, the Middle East, Africa, and Southeast Asia. Most of our military and foreign aid has been used by kings, politicians, and generals to wipe out democratic ideas and institutions, to dissolve parliaments, and to crush the opposition. The death of the parliamentary system in Cambodia is the latest in a series of long and unhappy events since 1952.

We have given more than $3 billion to Iran, a country whose capital of four million people is without a sewer system, whose illiteracy rate is over 80 per cent, and whose autocratic Shah spent $100 million to entertain international loafers and freeloaders.

We all owe a vote of thanks to the Senate because:

1. During the last seven years our foreign aid has had no plan, purpose, or leadership. It has been bureaucratic, mismanaged, and corrupt. One third of the total economic and military appropriations is used for salaries, stipends, and other expenses of more than 100,000 civilian and military advisers and staff. There has never been a frank and objective evaluation of its achievements.

IT DIDN'T HELP OUR POLICY

The administration spokesmen claim that our foreign policy will suffer without foreign aid. If this is true and foreign aid has been so essential to our peaceful foreign policy then would somebody explain to the taxpayers what happened in Lebanon, the Soviet penetration of the Middle East and North Africa, the Greek and Turkish conflict, the Indian and Pakistani clashes, the Dominican adventure, and the 10 year war of Indochina?

Why did we have to spend another $200 billion on war and keep a million American troops outside the United States? Why is it possible for other powers to conduct foreign relations without paying protection money to international blackmailers?

2. Our foreign aid since 1954 has had no connection with the original ideas of the Marshall Plan and Point Four. It has been a vehicle to preserve the status quo and military dictatorships. Instead of tailoring it to the needs of the masses in every country, instead of trying to liberate millions of exploited peasants and workers throughout the world, instead of using it to support reform-minded and progressive leaders who fight for justice and democratic institutions, we have allowed it to be used by princes and politicians and generals to erode the very principles of justice and freedom.

3. The present foreign aid is both useless and counterproductive because it is tied to our military adventures: 80 per cent of soft development loans in 1970 was spent in nine countries; 90 per cent of the supporting assistance was granted to three countries, and only 15 countries were the beneficiaries of 87 per cent of the total aid programs.

4. During the last decade, thanks to the bureaucrats in Washington, the war in Indochina, and our many giveaway programs, the richest and the best economic system in the world has been pushed to the brink of bankruptcy.

Our friends and foes know that it is no longer possible for the United States to bear the burden of defense of Europe and to give away billions of dollars for military expenditures and foreign aid.

According to a congressional survey, foreign aid backlog funds appropriated but not spent so far exceed $5 billion; therefore, the Senate vote neither hampers nor hurts the present programs for the next two years.

This will give Congress two years to evaluate past programs and to come out with a new plan which would effectively respond to the objectives and needs of the 1970s. Neither our present foreign aid nor our economic situation meets the changes which both the President and the Senate have been talking about.

The present Humpty Dumpty cannot be resurrected.

PRESIDENT NIXON AND THE AMERICAN INDIAN

Mr. BELLMON. Mr. President, of all the problems that faced President Nixon when he took office in January 1969, none was more perplexing or frustrating than the plight of the American Indians.

Victims of centuries of oppression, substantial numbers of the Nation's 800,000 Indians continued to live in abject poverty—poorly housed, poorly educated, unable to get jobs or to provide for adequate health care and other necessities for themselves and their families.

Despite expenditures of large amounts of Federal funds, the bottom-of-the-barrel position of the "First American" offered tragic evidence that all the efforts of the Federal Government had added up to a dismal failure.

The Nixon administration has not ignored this difficult problem, but instead has recognized the need for new attitudes and effective action programs. Within the relatively short time these new approaches have been applied, already an impressive record has begun to be written.

As a Senator from the State having the largest Indian population—97,731, according to the 1970 census—I am proud to be a part of this effort. Among the legislative proposals which have been developed to help the Indian achieve a better place in our society is a bill which I am sponsoring to establish within the Department of the Interior the position of Assistant Secretary for Indian Affairs. It is my feeling, and the feeling of the Nixon administration, that the growing Indian population of this country deserves to be represented within the Department by its own Assistant Secretary. Under the present administrative framework, the Bureau of Indian Affairs is under the Assistant Secretary for Land Management. This is one of the most dehumanizing conditions that has been allowed to be perpetuated.

The Senate has passed this bill and sent it to the House, where I hope it will receive favorable action, because it is long past time for the Federal Government to start treating American Indians like people and not like property.

The progress being made by the Nixon administration to find solutions to the problems of Indians has been documented in a report prepared by the research division of the Republican National Committee. This is a report which should be of interest to all Members of Congress, regardless of whether they represent sizable Indian populations.

Mr. President, I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

RESEARCH REPORT: AMERICAN INDIANS

It is time for the United States government to focus its full attention on the plight of the American Indians—those first Americans which President Nixon has described as "the most deprived and isolated group in our nation." They have needlessly suffered centuries of injustice. Today, their problems are many and severe. President Nixon said:

"The American Indians have been oppressed and brutalized, deprived of their ancestral lands and denied the opportunity to control their own destiny."

President Nixon has addressed himself to this crucial need. The Nixon approach is two-fold: re-defining the government's attitudes towards American Indians, and translating these new attitudes into *action* designed to solve the problems of Indians.

NIXON ATTITUDES

Under the direction of President Nixon, America has progressed from the question of whether the federal government has a responsibility to Indians to the question of how that responsibility can best be fulfilled. The President has attempted to dramatically break with past approaches to Indian problems. In his Message to Congress on American Indians (July 8, 1970) he suggested "a new and coherent strategy." The essence of this strategy is simple: *that Indians should manage their own affairs.* President Nixon described his goal: "to create the conditions for a new era in which the Indian future is determined by Indian acts and Indian decisions." President Nixon believes that such an approach is the only pragmatic solution to Indian problems. The President observed: "programs which are managed and operated by Indians are likely to be more effective in meeting Indian needs."

An important feature of President Nixon's approach to Indian problems is his unqualified rejection of the *termination* policy—that is, the notion that federal responsibility for Indian reservations can be eventually phased out as those reservations become self-sufficient. The President clearly stated: "This policy of forced termination is wrong." He believes that to terminate the federal government's relationship with American Indians would represent intolerable neglect. The government cannot afford to "terminate" the citizenship rights of *any* segment of American society. Thus, the President has requested that Congress repeal and repudiate the termination policy which was expressed in past legislation.

President Nixon firmly believes that this new attitude will lead to better living conditions for American Indians. But attitude alone is not enough; it must be translated into action. As an elder at the Tesque Pueblo in New Mexico remarked to government officials: "I have seen the thunder and lightning many times before, but I have never seen the rain."

President Nixon is determined to bring the "rain".

NIXON ACTION

Appropriations

The high priority of Indian affairs in the Nixon administration is best reflected by the level of funding given to Indian programs. For instance, the fiscal 1972 budget of the Bureau of Indian Affairs is *$408.3 million*, an increase of *$52.5 million* over the current fiscal year's funding. The 1971 budget request of the Office of Economic Opportunity increased *18%* over 1969. And last year, OEO funds for Indian economic development *doubled* and alcoholism and recovery programs funding *tripled*. Altogether, funding for Indian programs run by the federal government increased from slightly more than *$613 million* in fiscal 1970 to *$716 million* in fiscal 1971. An estimated *$825 million* will be appropriated in fiscal 1972.

Urban Indians

The Nixon Administration has recognized the need to aid Indians living in urban centers. It is estimated that almost as many Indians live in cities as on reservations. Three-fourths of these Indians live in poverty. Since the Bureau of Indian Affairs does not have jurisdiction over non-reservation Indians, efforts must be directed through other channels. As a start, OEO and the Department of Health, Education and Welfare will create seven urban Indian centers in major cities to serve as links between existing government service programs and urban Indians.

Indian lands

The Nixon Administration has made a genuine start towards restoring to Indians some of their rightful lands. For example: the Taos Pueblo Indians used lands at and near Blue Lake in New Mexico for religious and tribal purposes as early as the fourteenth century. In 1906, however, the U.S. Government appropriated these lands from the Indians "without compensation". President Nixon—recognizing this injustice—endorsed legislation which would restore *48,000 acres* of sacred lands to the Taos Pueblo people. That legislation was enacted in December, 1970. Another example: President Nixon asked Congress to approve a settlement of Alaska land claims giving Indians, Eskimos, and Aleuts *$1 billion* over a period of three years and title to *40 million acres* of land.

Health

Health conditions of American Indians have reached tragic proportions:

The average life expectancy for an American Indian is approximately seven years less than for other Americans.

Infant mortality is nearly *50%* higher for Indians and Alaska natives than for the general population.

Indians contract tuberculosis at a rate *eight times* that of the general population.

The suicide rate of Indians is *twice* that of the national average.

"This Administration," President Nixon declared, "is determined that the health of the first Americans will be improved." Six major health areas have been selected for immediate attention: middle ear disease, mental health, alcohol control, maternal and child health, development of community health projects, and manpower development. The President requested $163,692,000 for the Health Services and Mental Health Administration for Indian programs—an increase of $19,003,000 over the 1971 appropriation.

Economic conditions

Indians are the economically poorest segment of American society. Indian households are large, averaging five persons per family (as compared to 3½ for the nation). Indian unemployment is ten times the national average, and 80% of the Indians on reservations have incomes below the poverty line.

In an attempt to ease the financial strain of the Indian community, the Nixon Administration has taken steps designed to stimulate Indian business. The Indian Business Development Fund was provided to allocate money grants to serve as cash equity for Indians unable to qualify for small business loans from public or private sources. To date, 241 new Indian-owned small businesses have been granted funds to start their operations and an additional 143 have received funding for expansion purposes. The IBDF has generated a total of $18.4 million in capital for Indian business. These new and expanded Indian businesses will create an estimated 2,800 jobs with an annual payroll of approximately $11.7 million.

The President also proposed the "Indian Financing Act of 1970" which would: (A) Increase the funds of the Revolving Loan Fund (which loans money for Indian economic development projects) from approximately $25 million to $75 million; and (B) Provide loan guarantees, loan insurance, and interest subsidies. Indian unemployment will, hopefully, also be reduced through implementation of the BIA fiscal 1972 budget. The budget provides $14.9 million for the direct employment of over 4,000 Indians. In the first nine months of fiscal 1971, nineteen new commercial and industrial enterprises (started up with BIA assistance) accounted for more than 500 new jobs in Indian areas. Also, Tribal Work Experience Programs have increased. By April, 1971, such programs were in operation on twenty-four Indian reservations and were responsible for the employment of 3,185 workers (with 12,947 persons in their families).

These various programs and initiatives have had dramatic results in selected areas. For example, economic development programs have served to lower the unemployment rate at the Gila River Reservation in Arizona from *56%* to *18%*. Moreover, the median family income was increased by *150%* and the welfare rate was reduced by *50%*.

Education

Indians are severely under-educated. In fact, their educational level is only ¾ that of other Americans. Indians drop out of schools at a rate twice that of the national average. The average educational level for all Indians presently under Federal supervision is less than nine school years.

The Nixon Administration is committed to improving this intolerable situation. Hopefully, the new government policy of self-determination will make such improvement possible. The President observed: "at least part of the problem stems from the fact that the Federal government is trying to do for Indians what many Indians could do better for themselves." Also, the OEO strongly endorsed a report on Indian education which concluded that making an American Indian a "white man" should *not* be the goal of Indian education. In April, 1971, the Commissioner of OEO formed an Indian Education Task Force for the purpose of determining where additional money is needed and how existing money can be best applied. The OEO spent a total of *$60–65 million* on educational activities that directly or indirectly affected Indians in fiscal 1970.

President Nixon has announced an increase in scholarships for Indian college students of *$848,000* (increasing the number of assisted students from 6,100 to 8,400). In addition, the President requested that Congress amend the Johnson-O'Malley Act (which provides for Federal funds to schools with a certain percentage of Indian children) so as to authorize the Secretary of the Interior to channel funds directly to Indian tribes and communities. The Johnson-O'Malley program has been funded at a level of *$20 million* in the current fiscal year.

Funding for education-related programs of the Bureau of Indian Affairs increased *$19.7 million* in fiscal 1972 (from *$144.1 million* to *$163.8 million*).

Self-determination

Prior to President Nixon's Message to Congress on Indian problems—and the subsequent new policy which emerged—Indians were not in control of their own affairs.

At the Bureau of Indian Affairs, 80% of all the positions from grade GS 7 and above were held by non-Indians. Only 2.4% of HEW's Indian health programs were actually run by Indians. And of the Department of Interior's programs directly serving Indians, only a mere 1.5% were under Indian control. Such facts reflect not only an unjust situation but an unlawful one. For an "Indian preference" law has been in existence since 1934.

The Nixon Administration has acted to give American Indians the control which they lawfully deserve. BIA Commissioner Louis R. Bruce (a Mohawk-Sioux) has prepared a new directive which will apply "Indian preference" standards to the agency's hiring and promotions systems. To date, fifteen out of a possible twenty top BIA executive positions have been filled with Indians. The total number of Indians currently in BIA area director positions has risen to six out of a possible eleven (as compared to the one out of eleven previously). In addition, all 200 BIA schools have Indian advisory school boards

or education committees. These facts represent substantial evidence that the BIA is truly moving towards active reform.

The President's theme of self-determination has been applied to other areas of Indian life. American Indians, in short, have begun to control their own destiny. Consider these examples:

Indian tribes actively participated in the development of the initial Fiscal 1973 Planning, Programming and Budgeting data.

Several new inter-tribal and national organizations were created in the last year—among them the National Chairman's Association, the North American Indian Women's Association, and the United Tribes of Western Oklahoma and Kansas.

Indian communities run more than sixty community action agencies presently located on Federal reservations. In fact, the OEO spent approximately $57 million in Fiscal 1971 through Indian-controlled grantees.

The BIA's Environmental Awareness Program (which was begun in February) involves thousands of Indian students in 219 Bureau boarding schools.

Conclusion

President Nixon has acted to improve the lives of "the nation's most neglected minority." He has reformed the federal government's attitude towards the American Indian—giving them, for the first time in centuries, ultimate control of their own affairs. He has also attempted to supply government help where it is needed.

American Indians are the physically poorest segment of our society. However, they are undoubtedly one of the richest American groups culturally. At a time in our history when most Americans are frustrated with problems of mass technology, the American Indian's sense of purpose has remained essentially intact. As we become increasingly aware that our natural resources are critically endangered, we remember that American Indians have practiced respect for the environment since their beginnings. As President Nixon observed: "We must begin to act on the basis of what the Indians themselves have long been telling us."

In conclusion, President Nixon has made a genuine effort to help solve the physical problems of Indians. It is his hope that, in return, Indians will help to solve the cultural problems of America. President Nixon believes that "the first Americans"—who have already enormously contributed to their country—may very well show the way to an even greater America.

U.S. LEADERSHIP AGAINST THE CRIME OF GENOCIDE

Mr. PROXMIRE. Mr. President, President Harry Truman, in his letter to the Foreign Relations Committee on the subject of the Genocide Convention, said:

By the leading part the United States has taken in the United Nations in producing an effective international legal instrument outlawing the world-shocking crime of genocide, we have established before the world our firm and clear policy toward that crime. By giving its advice and consent to my ratification of this convention, which I urge, the Senate of the United States will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of principles of law and justice.

The United States was a leader in the writing of the Genocide Convention. It was largely through the efforts of our Government that this treaty was written and submitted to the nations of the world for ratification. But now we have lost our leadership in this area. For 22 years this treaty has been before the Senate awaiting ratification. During that time 75 nations of the world have ratified it. But the United States, the Nation that is so responsible for the existence of this treaty, has not ratified it. Our failure to act embarrasses us before the other nations and weakens our moral leadership.

Now the Senate has an opportunity to act. On May 4 of this year the Foreign Relations Committee reported the treaty, and it is now on the Executive Calendar of the Senate. We have only to consider it and agree to it to once again assume the position of leadership that we once held in this area. The time to act has come.

Mr. President, the Senate should ratify the Genocide Convention without delay.

INDIVIDUAL TAXPAYER DESERVES SAME TREATMENT AS CORPORATIONS

Mr. BENTSEN. Mr. President, the Revenue Act has been passed by the Senate, and it now goes to conference. Because of the numerous amendments which were offered, and the lateness of the hour, some amendments were not brought to the floor. One of them is an amendment which I considered offering to provide tax carryback treatment for individuals equal to the provisions available to corporations. I recognize, however, that this is a complex amendment that should be studied and, if needed, revised by the Finance Committee. Because other tax bills will be coming to the Senate from the House, the committee will have ample opportunity to consider this carryback amendment in connection with its consideration of one of those bills.

Present tax law permits any taxpayer, corporate or individual, a carryback of net operating losses, excess foreign tax credits, and a variety of other items. The pending tax bill, in revitalizing the investment credit, also provides a carryback benefit for individual as well as corporate taxpayers. With respect to net capital losses, however, the Internal Revenue Code authorizes a 3-year carryback benefit for corporations, but does not provide similar treatment for individuals.

We are all aware of cases of individual taxpayers who, having realized capital gains during the year, sell property at the end of the year at depressed prices in order to realize offsetting capital losses. If the tax law accorded the same capital loss carryback benefit to individuals that it now grants to corporations, much of the pressure for year-end loss selling would be eliminated, and an artificial depressant on the economy would be similarly eliminated.

In withholding an amendment to the Revenue Act of 1971, I wanted assurance that if the Finance Committee, in its wisdom and in its own review of the amendment, hereafter does take favorable action on the proposal, it will adopt an effective-date provision confirming that an excess capital loss realized by an individual in 1972 can be carried back against a net capital gain realized by the individual in his tax year ended December 31, 1971, just as would be the case if the provision had been adopted as a part of the recently passed tax bill.

The intent, is to give to the individual taxpayer consideration equal to that now given to corporations. It is my belief that there should be continued encouragement to the individual; that he should be encouraged to join in the efforts to expand investment and create jobs.

Such a proposal obviously would have some effect on revenues to the Federal Government, but I am told that preliminary estimate indicate that the tax loss would be minimal in the short term, and negligible in the long term.

Mr. President, I hope the committee will give serious consideration to this proposal, and I hope that if its review of the matter results in adoption, it will be done in a manner to include the 1971 taxable year.

HEW SURVEY OF RACIAL ENROLLMENT IN SCHOOLS

Mr. STENNIS. Mr. President, the subject of desegregation in public schools is one that is arousing strong interest and vigorous debate throughout the country and in the Congress. Numbers of bills and amendments are pending in the House and Senate, dealing with busing, implementation of district court orders, limitations on actions of Federal departments, and similar matters. These legislative actions will receive careful attention in committee and on the floor, and it can be anticipated that some pronounced differences of opinion will be debated. The interest of the American people has been brought to bear very sharply on this subject.

I, for one, welcome this development. When the people's voice is strongly heard there will be action taken. I believe that in the matter of school desegregation we are about to begin a concerted move toward a policy that will be moderate in nature, will apply uniformly in all regions of the country, will place less emphasis on assignment of children to schools for purposes of racial percentages, and place more emphasis on providing quality education in neighborhood schools.

For the pending debate of this whole subject to be meaningful in the maximum degree, all of the facts are needed, and they are needed soon.

It will be recalled that the Department of Health, Education, and Welfare conducted, for the school years 1968–69, and 1970–71, national surveys of racial and ethnic enrollment in public schools. For the 1970–71 survey, certain data were made available by HEW in January of 1971, but the data were in such form that a comparison could not be made with the results of the previous 1968–69 survey. It was not until June, 1971, after the end of the school year, that a comparison of the two surveys became available.

I am informed that a third national survey of racial and ethnic enrollment is being conducted by HEW. The findings of this survey are a part of the facts that must be available to Congress in exploring the solutions to the present destructive actions that are taking place in the nation's public schools. The results of the third national survey are needed at the earliest possible date, and if it should be necessary to release the data in preliminary form, subject to further refinement, the preliminary form should be such as to permit comparison with the two previous surveys.

Mr. President, under date of November 9, 1971, I wrote to the Secretary of Health, Education, and Welfare, requesting that the results of this year's survey be made available as soon as possible.

On the following day, November 10, I noted from an article published in the Washington Star that survey data were available on that date to the Board of Education of Prince Georges County, Md., in connection with HEW proceeding to withhold $14 million in Federal funds from the county because the schools are resegregating. The article is entitled "County's Dilemma," by Donald Hirzel.

Mr. President, I hope that when I receive a reply from the Secretary of Health, Education, and Welfare, he will give an assurance of the early availability of the findings of the third national school survey. I sent him a telegram on November 22, emphasizing the early need for this information.

I ask unanimous consent that my letter of November 9 to the Secretary of Health, Education, and Welfare, and Mr. Hirzel's article from the Washington Star be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., November 9, 1971.

Hon. ELLIOT L. RICHARDSON,
Secretary of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: I am informed that the Department of Health, Education, and Welfare is conducting a third national survey of racial and ethnic enrollment in the public schools, similar to those that were made for the school years 1968–69 and 1970–71. It is my understanding that the suspense date for submission of survey data by school districts was established as October 15, 1971.

You will recall that for the survey of the 1970–71 school year, certain data were made available by HEW on January 4, 1971, and on January 14, 1971, in HEW Press Release A–20. These data, however, were in a form that did not lend itself to a comparison of the 1968–69 and 1970–71 surveys. It was not until June 18, 1971, that a comparison of the two surveys became available, in HEW Press Release A–66.

I hope your Department will expedite the compilation and release of this year's survey, and that it will be in a form comparable to the two previous surveys. I believe that members of Congress need the survey figures early in the session, for use in hearings and other legislative considerations, and that it would be unfortunate if the data were not available until the end of the school year, as was the case with the last survey. With a submission date of October 15 for the raw data, it should be possible for computer processing to be completed in a few weeks.

Please advise me when members of Congress may expect to receive the results of the survey of racial and ethnic enrollment for the current school year, in a form comparable to the previous two surveys.

Sincerely,

JOHN C. STENNIS,
U.S. Senator.

[From the Washington Evening Star, Nov. 10, 1971]

COUNTY'S DILEMMA—SCHOOLS RESEGREGATING

(By Donald Hirzel)

Some Prince Georges County schools, mainly in communities near the District line, are moving toward resegregation, school administration statistics show.

The statistics, ordered by the Department of Health, Education and Welfare, were given to the Board of Education yesterday.

HEW has begun proceedings to withhold $14 million in federal funds from the county because it feels the schools are failing to desegregate the student bodies and faculties.

At present there are 156,596 students in the county schools, of whom 22.4 percent are black, compared with 19.9 percent last year.

WHERE RATIOS ROSE

The statistics released yesterday show that some schools which had predominantly black enrollments last year, instead of gaining white students, actually have increased their black enrollment. The schools are in black communities developing near the city.

For example, Central High School has jumped from 66.7 percent black enrollment last year to 81.9 percent this year.

Fairmont Heights, which a few years ago was all black, is now 73.2 percent black, compared with 73.9 percent last year. Fairmont Heights was the scene of massive busing last year in an effort to achieve a more even balance between white and black students. However, many white students transferred to the school withdrew to go to other public schools or to private schools.

HEW has cited Fairmont Heights as one of the areas that should be desegregated. The school board rejected a busing program submitted to it during the summer which would have broken down some of the high concentrations of black students.

In the statistics the pattern becomes more pronounced in the junior high schools and elementary schools. For example, Kent Junior High, in the Landover area, increased from 82.4 percent black enrollment last year to 87.6 percent this year; Mary M. Bethune, in the Eastern Avenue area, has increased from 58.5 percent to 60.1 percent, and Thomas G. Pullen, off Central Avenue, has gone from 81.3 percent to 84.6 percent black.

Many of the schools in the older communities near the city reflect high percentages of blacks this year, moderate increases over last year. Ardmore has a 94.8 percent black student body; Beaver Heights, 100 percent; Columbia Park, 83.2 percent; Glenarden Woods, 99.8 percent; Highland Park, 98.1 percent; Palmer Park 86.6 percent, and Seat Pleasant 97.3 percent.

SCHOOL NEGLECT CITED

One of these schools, Pullen Junior High, also is suffering from neglect, the school's PTA president told the board yesterday.

Joseph Amaral Jr. said that as a result of overcrowding the school has become a "storage and discipline center for unhappy teenagers, frustrated administrators and disillusioned teachers."

He said the conditions are due to "either a callous, indifferent attitude by our school officials or a blatant case of discrimination."

Amaral said the overcrowding at his school could be relieved by transferring students to schools with under-capacity enrollment.

Jesse Warr Jr., the only black member of the school board and one of its leading advocates of school desegregation, said in an interview that resegregation is occurring because of housing patterns.

Warr explained that more and more blacks are moving into the county from Washington and many are buying lower priced homes located, for the most part, in the older communities near the city.

He said he believes the pattern can be reversed in the long run by dispersing blacks throughout the county, rather than concentrating them in specific areas.

Warr said the school system also could adopt a policy guideline insisting that new schools, when opened, reflect the racial balance of the county.

A CRISIS IN CRIME: A SENATOR LISTENS

Mr. CHURCH. Mr. President, the Senate Special Committee on Aging devotes much time and effort to field hearings and field visits.

We on that committee think that we can learn only so much in hearing rooms of the Senate office buildings.

We feel that we should hear directly from the elderly themselves; we feel that we should hear from those who work with the elderly; we feel that there is no substitute for grassroots communication.

My immediate predecessor as committee chairman, the Senator from New Jersey (Mr. WILLIAMS), heartily subscribes to such convictions. He has long been an active searcher out after facts on everything from quackery to the harmful effects of involuntary relocation.

As chairman of our Subcommittee on Housing for the Elderly, Senator WILLIAMS has become especially concerned about the effects of crime and vandalism upon elderly tenants in federally assisted housing. At a hearing a few weeks ago, he heard example after example of elderly persons living like prisoners in their own apartments: afraid to go out at night, afraid to take their social security checks to the bank, afraid of beatings and worse. One 72-year-old man, who had a job a year ago, now is on welfare and he is suffering from a nervous condition. A mugging and a robbery have changed his life around completely.

Even such compelling testimony cannot tell the entire story. A few days ago, Senator WILLIAMS visited a public housing project right here in Washington, D.C. A sensitive report, written by Richard Critchfield, of the Washington Star, told what happened then in a story which appeared on November 26.

I ask unanimous consent that the account be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A SENATOR LISTENS

(By Richard Critchfield)

"You asking me?"

Mrs. Eva Lackey, 86, of 1101 7th St. SE told her surprise visitor she had no idea what could be done about "a crisis in crime" against old people.

But her harrowing account of life in the Arthur Capper public housing project left Sen. Harrison A. Williams Jr. (D-N.J.) persuaded it certainly exists close to the Capitol.

Williams, like most senators, has visited ghettos mostly in his home state. But as chairman of the subcommittee on housing for the elderly which is now investigating crime and as the victim of a holdup a few years ago in his southwest garage—he wanted to see how things were close at hand.

Williams and two aides visited several elderly residents at Arthur Capper and the Potomac Gardens public housing project on Pennsylvania Avenue at 13th Street Tuesday.

Mrs. Lackey gave him an earful.

XUM

She said her single-bedroom apartment has been broken into eight times, that last month a group of youths tried to kick the door in one night and that it is impossible to get mail delivered—the letters are stolen and torn open for possible Social Security, pension and welfare checks.

Mrs. Lackey said she used to keep a .32-caliber revolver until that was stolen too, unfortunately, "because I'm a dead shot."

Williams saw rifled mailboxes in the hallway, a floor littered with bits of torn envelopes and an empty apartment next to Mrs. Lackey's used as a "shooting gallery," with bottle caps used to heat heroin, spent matches and a piece of surgical tubing on the floor.

A remarkably cheerful and spry old lady, Mrs. Lackey told the senator that the night the youths tried to smash her door in, she had called back, "Just stay there. I called the police. I'd like you to stay there until they come."

She paid $36 a month for her apartment. A policeman's daughter who has been widowed 45 years, Mrs. Lackey lived on her pension earned after 21 years with the Justice Department.

She explained to the senator that the only safe way residents of her building can get their pension, Social Security and welfare checks is to meet the mailman themselves. When her checks came, she said, she quickly made out a bank deposit card, put both in an already addressed envelope and put that into his mailbag before he moved down the street.

Mrs. Lackey showed no sign of feeling sorry for herself, even though she portrayed life in Arthur Capper as a continuous battleground. "When the younger boys get hurt, I'm a first-aider and I tend to them," she said. She felt most crime was committed by youths 15 to 20 or older.

"There's no rule, rhyme or reason for it," she lamented. "They sing in the hall all hours of the night, there's people who sell dope right in the building."

She ruled out unemployment as the basic cause for rising crime rates. "There are jobs there for people who want to take them. I don't think some of them want jobs, they'd rather steal."

Williams came back from the visit convinced the city was of elderly people who feared for their safety and were so afraid to leave their apartments they were, "in effect, prisoners in their own homes."

SEVAREID ON FOREIGN AID

Mr. CHURCH. Mr. President, the Senate defeated H.R. 9910, the House-passed foreign aid bill, on October 29 by a vote of 27 in favor of the measure and 41 opposed. This action, in my judgment, may be regarded in retrospect as a crucial occasion in terms of the future course of American foreign assistance programing.

Three days after the defeat, Eric Sevareid, commenting on the action of the Senate, discussed the reasons for the defeat and expressed the hope that radical revisions would be forth coming or else, he concluded in his television commentary—

We will have learned from experience that we are unable to learn from experience.

Mr. Sevareid's perceptions are succinctly stated and to the point. I ask unanimous consent that the text of his commentary be printed in the RECORD.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

CBS EVENING NEWS WITH WALTER CRONKITE
(EXCERPT)

SEVAREID. The Washington air is filled with cries of horror, Pennsylvania Avenue flowing with tears, crocodile and otherwise. All because the U.S. Senate killed the foreign aid bill on Friday, the bill the President's people had said that he would himself veto if it sharply limited spending in Indo-China.

The White House now warns that the Senate action jeopardizes American security, others that it would create vacuums that Russia will leap to fill. The Washington statement-writing industry, cry of horror department, is in sad need of new blood. The liberal-conservative coalition that killed the bill did so because painful experience has proved that real reform of the program is impossible. There are times when no other instrument except the meat axe will serve; a surgeon's scalpel has never yet cleared a jungle.

This country is not about to stop helping disaster victims, refugees, Israel or hungry children. But if the Senate bloc wins this fight, we will stop or diminish surplus arms shipments to some 50 nations, loan arrangements that get poor countries hopelessly in debt to us, that mostly help the already affluent in those countries and amount to taxpayers' subsidies of selected American business firms. The Senate bloc also hopes to reduce an aid program bureaucracy that now uses more people to run the program in Brazil alone than the British used to run all of India before its independence.

It all goes back to World War II and the immediate postwar years. The approach got a new shot in the arm with President Kennedy and the academic intellectuals around him who thought we could renovate the societies of Latin America in ten short years.

The program has been endlessly tinkered with to no avail because many of its promises were simply wrong. One was that peace, democracy and material progress are not only good, each in itself, but somehow interdependent; another that American money, arms and advisers could produce the kind of governments we would like in alien societies and preserve them; another that the spreading gap between rich and poor countries would produce, not just human misery, which we must try to alleviate, but World War III.

There will be an aid bill, an aid program and an aid apparatus, but if they closely resemble what now exists, then we will have learned from experience that we are unable to learn from experience.

SENATOR SPESSARD HOLLAND

Mr. SPARKMAN. Mr. President, all Senators who had the privilege of serving here with Spessard Holland and, in fact, all those who knew him were shocked and grieved when word came that he had died.

Spessard Holland entered the Senate just about 6 weeks before I did. I had the pleasure of serving with him for more than 20 years. I came to know him as a Senator who worked hard, who studied the legislation before him, and who acted upon it conscientiously and with great legal and legislative ability. I often consulted with Spessard Holland on legislation before the Senate. He was always fair in his appraisal and was often most helpful to me.

Spessard was a gentleman in every sense of the word. He was a wonderful Senator and a good friend.

I believe everyone that knew Spessard and Mary Holland must have been impressed with the wonderful companionship that they manifested. I know the great loss that came to her and to their children when they had to give him up. Mrs. Sparkman and I extend to Mrs. Holland and to their children our deepest sympathy.

THE VIEW FROM JAPAN

Mr. HUMPHREY. Mr. President, I have been critical of this administration's policy toward Japan because I think that it is endangering our relations with that country. We have tended to shunt Japan aside in our recent diplomatic maneuverings, relegating her to a secondary role in international relations, when in fact she plays a major one. I have hoped that the administration would take appropriate measures to counteract its past diplomatic blunders which have created such grave misunderstanding between our two countries.

Months have passed since the President announced his trip to Peking and invoked his new international economic measures and since Secretary Laird visited Japan. Weeks have passed since the U.N. vote on the China question. Still there has been no attempt on the part of our Government to repair the damage. I am not saying that the United States is solely to blame since many of these questions are rooted in much older grievances. I am suggesting that the United States has been clumsy and insensitive in its handling of recent developments affecting the future of American-Japanese relations.

It is not enough to make these observations. It is urgent that we do something, and the administration's refusal thus far to take any action points up a much larger problem. Our willingness may not just be a question of how we view our own priorities; it may be a failure to understand the significance of what we have already done, and a failure to fully comprehend Japanese society. Perhaps, the most serious obstacle to international communication and agreement is the superficial acquaintance with foreign societies and cultures. A lack of sensitivity in this area, leads us farther astray in bilateral and international relations.

A case in point is Japan. I tend to believe that the administration's actions stem from incorrect perceptions of Japanese society and the role of Japan in future international relations. Mr. Frank Gibney, a well-known authority on Japan, has written an excellent piece in the last issue of Foreign Affairs. Mr. Gibney first wrote about Japan in 1953 in his book entitled "Five Gentlemen of Japan" and is now in the process of writing another. He learned to speak Japanese during his service as part of naval intelligence in World War II and has been living in Japan periodically. Frank Gibney is now executive vice president of Encyclopaedia Britannica in Tokyo, where he has lived for 6 years. Before that he was senior editor of Newsweek and an editorial writer for Life, so it is fair to say that Mr. Gibney is both an accomplished writer and an expert observer of contemporary Japanese society.

In his foreign affairs article, Mr. Gibney does a remarkable job of describing American insensitivity to the nuances of the Japanese character. By so doing, he points up the chances we have missed for the solidification of our relations into a true working friendship. He notes that the so-called dialog which has existed between Japan and America is much overrated.

Far from being simply critical, the author offers several suggestions which both countries can follow in order to reduce distortions in United States-Japanese relations. Among them are:

First. An American motion to have Japan seated as a permanent member of the Security Council.

Second. A joint-standing committee on trade to be established.

Third. Greater support to cultural exchange and information conferences begun by Ambassador Reischauer in 1962.

Mr. President, I recommend this article to the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE VIEW FROM JAPAN
(By Frank Gibney)

After more than a quarter-century of formally close contact, the real relationship of the American and the Japanese peoples is like that of two men observing each other through the flawed glass and distorting mirrors of a funhouse. Their perspectives are strikingly, sometimes absurdly different. Our dealings of the last 25 years—one war, a successful occupation, unnumbered seminars, government conferences, student exchanges and an $11 billion yearly trade relationship—seem not to have clarified the view.

This would be tolerable in the cases of many nations less closely involved with one another, or in times less troubled. But Japan is not only the principal U.S. trading partner and a pledged political ally; it is the one great world power—outside the West European complex—which shares with the United States common social aspirations, a strikingly similar urban-technological way of life and an intelligent devotion to the democratic principle. The failure, more plainly, of Americans to see Japan and its people as they really are is coming to affect us badly.

For Japanese-American relations are backing into a crisis, in large part because neither party can perceive the other's position. Trade confrontations have escalated into virtual economic warfare. And politically, on the heels of Okinawa revisionism and vexing questions about Japanese "rearmament," came the July announcement of President Nixon's invitation to Peking. The 180-degree turn in the American attitude toward China, made conspicuously without advice from Tokyo and without informing Tokyo in advance, has dramatized the distorted perspectives as nothing else could.

Where and how do they differ? The View from There, *i.e.* the United States as the average Japanese sees it, is at least a three-dimensional study. He sees a people whose achievements and energies spell competence. His regard for American technological skill and the essential modernity of things American verges on the superstitious. American politics, as copiously reported in the Japanese press, may seem an unpredictable blend of toughness and indecision, but even among the far Left there is a certain respect for American "fairness" and "democratic principles."

Socially, the American comes on as likeable, with an enviable informality. (Americans visiting Japan after residence in Europe are interested to find that their nationality is no longer a pejorative.) Culturally, the kinetic modernity of modern Japan—songs, movies, TV quiz-shows, billboards, *sake* vending machines, business management seminars, even the majority of new phrases in its language—expresses itself in American terms. Hemingway, Faulkner and Norman Mailer are nearly as real to Japanese university students as their own Kawabata, Mishima and Kenzaburo Oi.

Thanks to the postwar occupation and their own peculiar reaction to the one military defeat in their history, the Japanese rarely think of the United States as an enemy, past or present—except in the sense of an economic competitor. The ultimate in cities remains New York or, more comfortably, Los Angeles with its Japanese hotels, banks, and shopping sections. The ideal vacation is to go to Hawaii. The ideal baseball team to beat is still the U.S. World Series champions.

Thus the image of America, as viewed from There, is larger than life-size, and that presents a problem. Accustomed to thinking of the United States, variously, as an elder brother, a cornucopia, or an abode of inexhaustible resources, the Japanese find it hard to realize that a certain portion of their own prosperity is coming out of America's hide—and that this is increasingly resented across the Pacific.

There is one more conspicuous blind spot. With a deep inner pride in their own worth, the Japanese tend to assume that their intense scrutiny of American fads, social ferment, economic indicators, and legislative processes is naturally to some extent reciprocated. Of course it is not. The View from Here is cursory and casual. Its limits are accurately suggested by the relatively minuscule coverage of Japan in the daily and weekly U.S. press. To be sure, there is Economic Japan: a clouded but impressive picture of pell-mell, purposeful industry—Sony-Toyopet-Honda-tanker-Mitsubishi. But the "economic miracle" is generally presented as inexplicable, or the effect of "low wages" and "human wave" salesmanship. It still excites a kind of involuntary anger in American visitors to note that phenomena like the great super-trains of the New Tokaido line were designed and produced with no borrowing from Western sources.

Japan's politics and political figures are almost unknown. The same holds true for political parties, inner economic trends—aside from notes on new car exports—or social statistics. Where the Japanese newspaper reader and TV viewer receives a continuing report on the United States, the comparable American reporting on Japan is spasmodic and hence over-dramatized when it appears, *e.g.* a picture of an isolated student riot in Tokyo, selected by an editor principally for its violence, will probably be all that the average, well-informed American knows about the Japanese university.

About one of the world's liveliest and most sophisticated literatures the American knows nothing, except when one of its major exponents either receives the Noble prize or commits suicide. He is unaware of the urban ferment in discoveries, ideas and new designs for living going on in Japan—the only country whose mass communication and city civilization are facing precisely the same problems of transport, pollution and so on as his own—barring, of course, the racial one. The quaint Japanese are cracking the technological sound barrier right behind us.

Yet behind the textiles and transistors, the American, so relatively sophisticated about the changing situations of Britons, Italians or Russians, sees in the Japanese the same 25-year old image which American soldiers originally brought back from the occupation days: smiling, polite little people (if on occasion deceitful) who are hard-working but inscrutable, living in a lovely country with a big snow-capped mountain, fragile temples, inept taxi drivers and of course, geisha. It was a significant commentary on the View of Japan from Here that *Time magazine*, in an otherwise thoughtful cover story on Japanese business last May, saw fit to illumine its last page with an utterly implausible photograph titled "Businessman Relaxing with Geisha," showing two nude figures in a hot spring bath.

Indeed, the American historical image of Japan is worse. For the myth of the Japanese as a bayonet-wielding soldier, perpetrating the rape of Nanking, somehow was ground into our consciousness through all the "save China" rallies of the thirties and the stored racial prejudice of an earlier era. Japan still bears the marks of an enemy country. Long after the Germans of World War II have resumed their popular status as beer-drinking efficiency experts and shortly after the Chinese hordes who slaughtered Americans on the Yalu in 1951 were transformed into cheerful ping-pong-players, the memory of Pearl Harbor somehow remains green.

Japanese travelers in the United States do not help the image much. Business contacts excepted, their social shyness, linguistic failings and over-sensitivity to mistakes in front of foreigners drive them into self-chosen cultural ghettos. Whether in New York, Düsseldorf or Paris, all but the most sophisticated Japanese businessmen head like homing pigeons for their cotes in the local Nippon Club. This voluntary seclusion adds to the idea of a people hopelessly "inscrutable."

II

If not inscrutable, the Japanese are undeniably unique. Japan is best described as a nation society—a tightly threaded 2,000-year old mesh of human fabric, with an extraordinarily broadly based culture, a low common denominator of artistic tastes and living standards and a talent for narrowing the national energies to certain shared tasks or objectives. It is a meritocracy, where almost every bright boy (and most bright girls) can get to college if he passes the exam. It is a consensus-style democracy, where it is considered bad form for the majority to outvote the minority without compromise. In fact, the Japanese have long achieved of their own free will the kind of society that Marxist ideologues only dream about.

Japan continues to have a recognized Political-Economic-Social Establishment, at a time when from New York to Moscow almost every other Establishment is on the run. The Japanese cult of industry, their strong sense of community, their patience and adaptability to crowded conditions have given them a marvelous cushion against modern technological and cultural shock. The problems that Western man is now desperately trying to solve—how to preserve one's individuality in a society taken over by "group-think," how to develop a social ethic, if not a new morality, strong enough to hold its ground against the pressures of mechanistic progress—the Japanese have been working out for centuries. Like an early commuter who has waited all night for the morning bus, the Japanese is there already.

The Japanese can wax indignant over rising prices, bad housing or faulty sewage systems—and their new consumer movement is formidable—but their resiliency remains prodigious. A U.N. survey recently showed how in all West European countries the incidence of crimes of violence always increased as living standards rose; but in Japan it decreased. In adding his own appreciation of Japan's high social boiling point, a columnist for Tokyo's *Asahi* wrote: "Given what we have here—the world's highest rise in commodity prices, horrible pollution and

environment problems, severe housing difficulties—the people of any Western European country would probably have thrown out their government many times over. . . ."

It is partly this kind of inspired groupiness that made the success of "Japan, Inc." so spectacular. But there is another reason: the protective insulation of Japan over two decades. During this time the country could gather its energies for a leap forward quite as it had in the last years of the Tokugawa period, before the samurai of old Edo had become the technicians of the Meiji Restoration. It might be said that the Japanese, considered as members of the world community, passed with rocket speed from the militarist thirties to the scientific sixties, without ever having really lived through the international turmoil of the forties and fifties. In the light of the changes now being wrought by the post-industrial society and the overturn of methods and thought-patterns that the forties and fifties considered modern, this asset seems considerable.

This is hardly to say that the Japanese missed the quarter-century of history which included war and the A-bomb. But during this time they were isolated from the sense of living in an international community, thanks first to the censorship of the militarist government and, later, the avuncular embrace of MacArthur's occupation.

When Japan's energies were released, she immediately fell into the pursuit of economic gain. With undemanding political leadership and an ultimate guarantee of safety under the American nuclear umbrella, the Japanese felt free to concentrate on being "economic animals," and showed a conspicuous disregard for the sensibilities of both their customers and rival tradesmen in the process.

In so doing they also almost deliberately ignored the political conflicts of the ideologically divided world around them (other than to make considerable economic profit from the war in Korea). Intellectuals, comfortably protected from the invasions and implosions of world communism, continued to denounce the fascism and militarism of the thirties as the prime enemies. The people as a whole, having fallen into a chronically Japanese situation of mass dependency during the U.S. occupation, tended to feel that international politics, pro-American or no, were simply not Japan's concern. This political myopia plagues Japan to this day.

Over the last few years, however, the mood has changed. "Economical animal" is becoming a dirty word. A new generation is emerging—more traveled, more outspoken and, indeed, physically bigger than its elders, thanks largely to the spectacular changes in the Japanese diet. There is little of the obviously revolutionary about this generation in Japan. Although young people are quick to denounce inept bureaucrats, greedy businessmen or excessive ceremony, they are possibly less discontented with the structure of their society than young people anywhere. The new generation is genuinely internationalist-minded, with an almost desperate urge to be thought cosmopolitan. It is also vigorously proud of being Japanese, at least tolerant of the Emperor system and anxious that Japan play its rightful role as a great power.

The problem is how. Japan's current political leadership is hardly inspiring. The Sato government has steadily played cautious international politics, content to follow the U.S. lead in most matters, and conservative to a fault. The Socialists, the major opposition party, are not only committed to a kind of high-buttoned shoe Marxism which flies in the face of Japan's economic reality, but their Mao-first, anti-imperialist foreign policy embarrasses the other opposition parties, including the Communist. No party, statesman or party faction has yet appeared who can either rally both Right and Left behind a new foreign policy or dramatize such a policy to the people over the heads of the party leaders.

The Japanese make decisions by consensus. Until a national consensus has been taken, no really active diplomacy is possible. There are signs that a consensus is in the making, impelled by everyone's rising consciousness of great-power status. Major realignments of the two principal parties, at least, are taking place. But until the country makes up its mind, there will be no movement. Many compare this period with the middle and late thirties, when a similar debate was taking place over whether Japan should continue its militarist course, hold its gains, or retreat.

The current drift of thinking, however, is miles away from militarism. The country, most particularly the younger generation, is still determined that a modern great power need not be a military power. Having had their one losing war, the Japanese do not want even the risk of another. Nor has the American failure in Vietnam been reassuring about the virtues of conventional military power. As the almost desperate recruiting posters of the Self-Defense Forces suggest, it takes a lot to get young Japanese marching. They may be fascinated with the currently popular revival of old war songs and memoirs, but this is no more to be confused with a new militarism than Yukio Mishima's startling *hara-kiri* suicide. It is no coincidence that the country's number one popular hit song is called *Senso wo shiranai kodomotachi*—"Children Who Have Never Known War."

The feeling also grows that Japan has too slavishly followed American policy, that Japan alone of the major powers is still practicing bipolar diplomacy in a changed world. This mood has been fueled by the fuss over Okinawa, by the heavy protectionist and rearmament pressure from the United States and, not least of all, by the unilateral China policy of the United States. Not since the sudden flare-up of the 1960 riots against the Japanese-American security treaty has the American-Japanese political relationship been so problematical.

The so-called dialogue which has existed between Japan and America is much overrated. It is, in fact, little more than a series of meetings, seminars and symposia, held by generally the same group of participants—a coterie of U.S. experts on Japan and Japanese experts on America who are well accustomed to hearing each other's views.

Nor have the two governments helped much to clear the view. They have been curiously passive, if for different reasons.

The Japanese Foreign Office is a group of competent professionals who have the misfortune of working without any firm foreign policy to interpret. After the late Premier Shigeru Yoshida laid the foundations for the Japanese-American alliance (while opting out of anything like a military commitment to it), his successor, Hayato Ikeda, went on to further the Japanese economic miracle with a low-posture diplomacy to match his government's self-effacing politics at home. Premier Eisaku Sato has continued this modest stance, partly out of reluctance to exacerbate his domestic problems. Only on economic matters does Japanese diplomacy go into high gear, quick to mobilize in support of the errant businessman. In contrast China, where economic considerations are unfailingly sacrificed to political, Japan's diplomats are instructed to put the economic first.

As a corollary of this, the information effort of the Japanese government is minimal. Even Japan's representation on the U.N. Secretariat is less than half the desired maximum, despite the obvious competence of Japanese civil servants. The Japanese government has yet to develop even a large-scale program for educating students from other Asian countries in Tokyo or, to begin with, teaching them Japanese.

In Southeast Asia, where Japan has a huge economic stake, Japanese businessmen are about as popular as Yankees in Chile. It is a galling fact that the headquarters of the Asian Development Bank, an institution largely dependent on Japan for its success, had to be located in Manila rather than Tokyo because of general anti-Japanese prejudice. (Japanese aid programs tend to be cautious and, in relation to the country's GNP, minimal—another source of resentment.)

Yet with all these handicaps, and despite the emerging national consensus that international communications must be improved, Japan has yet to make a national effort to meet the outside world. The nation will put its best face forward for a 1964 or a 1972 Olympics in Tokyo or Hokkaido, or a 1970 World's Fair in Osaka; everything will be done at such times to assure the happiness of the visitor from Oswego or Indianapolis. But as for presenting the Japanese case in Oswego or Indianapolis, that is a different matter. There is still too much stored ethnic and cultural arrogance within the Japanese and too much visible doubt as to what role he should or could assume in a world outside which is, after all, peopled with foreigners.

III

By comparison, the American government, like American business and academic interests, has every advantage in presenting the American case to Japan. The basic national sympathy toward Americans is so strong that Japanese criticism of the whole Vietnam involvement, through the last seven years, has been, in a relative sense, mild. And Japanese diplomacy gives the impression of an interested bridge partner, waiting to follow the first good bid from the American side.

Good bids have been hard to find. Although the U.S. Embassy in Tokyo is one of the world's largest, it has since the departure of Edwin Reischauer in 1967 largely confined itself to a low posture, of which the most self-effacing Japanese diplomat could be proud. All the visibility comes direct from Washington. The number of U.S. diplomats who speak adequate Japanese is shockingly limited as are the linguists in the U.S. business community. And both groups, not to mention the great bulk of the U.S. press corps, remain largely sealed off from the life around them, for social as well as linguistic reasons.

For all their trust in technology, the Japanese remain an intensely ceremonial people, with an abnormal appreciation for a good or graceful gesture and an abnormal sensitivity to a bad one. Manner is almost as matter to them. They abhor open controversy, except in recognized public bear-baiting sessions like the Diet where it is part of the established order. They dislike litigation, and lawyers occupy an interestingly humble position in their councils. The American businessman who makes decisions and deals after long confrontations between rival teams of lawyers and accountants finds that such forensics often boomerang disastrously.

Despite this obvious Japanese fact of life (which, indeed, General MacArthur exploited to the full in a gesture-packed occupation), the executors of American foreign policy have ignored the advantages of the right gesture or the apt courtesy. On the contrary, in recent years they have concentrated on making the relationship with Japan an exercise in open confrontations and public pressures. Even more than most, the Japanese find it hard to understand our penchant for installing the adversary system of justice in diplomacy.

The three crises which have lately arisen between the United States and Japan are symptomatic of this problem: (1) the trade imbalance, with the loud revival of American protectionism; (2) Japanese rearmament and the U.S. nuclear defense, originally touched off by the Okinawa reversion movement; (3) the projected new American relationship with China, with the implied

nese and the American sense for what is appropriate grew ever further apart—so that the View from Here and the View from There might be from different planets—on the American side, unnecessarily public confrontation politics, on the Japanese side smouldering, but stubborn resistance and resentment.

The textile controversy first dramatized the sharpness of economic competition between Japan and America, which grows worse almost hourly. Even allowing for President Nixon's new ten percent import surtax, the imbalance of trade between the United States and Japan this year come close to $2 billion, in Japan's favor. Not since 1965 have accounts been reasonably equal. Japan makes most of its export money to the United States by straight sales, while a good bit of the American export to Japan takes the shape of direct or indirect investment, royalties, patent rights, and so on. Foreign investment in their country is a traditional sore spot with the Japanese, who had the Meiji Restoration, among other things, to forestall it. Japan not only subsidizes its exporters, but fences in foreign investments and imports with an anachronistic web of legal and bureaucratic restrictions unworthy of a great power. While Japanese TV sets, motorcycles, small cars and steel were crashing into the U.S. market, U.S. exporters and investors continued to be cut off from fair competition in Japan. The Americans have just cause for complaint, which the Japanese belatedly recognize.

The Nixon administration set out to solve this problem, however, in the worst possible way. Early in 1969, even before an ambassador had been appointed, the new President sent Secretary of Commerce Stans to Tokyo to give the Japanese government a widely publicized lecture on what would happen if they did not moderate excessive competition with American textile manufacturers.

It is well known in Japan that textiles are far from the most important export to the United States (electronics and automobiles make up 30 percent, textiles barely 10 percent.) It was also widely believed that President Nixon had promised various Southern statesmen to ease competitive pressure on textiles in return for their votes.[1] (The same articles discussing this in the U.S. press were faithfully translated and read in Japan.) As the U.S. government kept publicly emphasizing demands for Japan itself to restrict textile exports to the United States, Japanese indignation went up proportionally. Japanese textile manufacturers have their political lobbies, too, and the somewhat leftist press is always quick to headline any point of confrontation with the Americans. Over the past two and a half years every step in the textile negotiations has been scanned with a magnifying glass on page one of Japanese newspapers.

Meanwhile, more important economic dangers were neglected, more opportunities for negotiation overlooked. On the contrary, when the dollar was suddenly cut loose from gold and the surtax invoked, Washington left little doubt that its principal target was Japan. On no European country ever has the United States publicly used such bludgeoning tactics. On no other country could such tactics have a worse effect. "Never push an adversary into a corner," the late Prime Minister Ikeda was fond of saying, "you give him no room to manoeuvre and he becomes desperate."

The problem of Okinawa and its bases showed the same pattern of neglect, irritation and ultimate crisis. It took 20 years of studiously unimaginative U.S. military government to turn the Okinawans from poor relations of Japan, who in the late forties would have welcomed American annexation outright, to the angry irredentists of the nineteen-sixties. Five years too late for it to be a graceful gesture, the United States agreed to give up Okinawa by 1972. But the Administration's sudden decision to leave ratification of the Okinawa Reversion Treaty to the Senate, where the textile lobby might conceivably block it, removed even the traces of goodwill.

The current stipulations about the United States retaining bases, with the furor over poison gas storage on Okinawa, have brought a second wave of agitation against any special future status for Okinawan bases whatsoever. Here, just as with the trade controversy, the Japanese press headlines the slightest news development, while American readers and viewers remained until recently ignorant that there is a controversy at all.

In the wake of this—and just shortly before Mr. Kissinger returned from China—Secretary of Defense Laird made his recent, well-publicized visit to Tokyo. The Secretary may have been careful in his public statements, but both U.S. and Japanese newspaper reports suggested, most forcibly, that his visit was: (1) part of an American campaign to make Japan increase her conventional armaments; and (2) a corollary effort to persuade Japan to develop her own nuclear warfare capability, in case the so-called U.S. nuclear umbrella over Japan suddenly had to be folded, *e.g.* as a result of SALT commitments.

To the Japanese, the two pressures seemed paradoxical. On the one hand the United States urged them to increase their conventional military forces, designed from the beginning purely as back-up to the American nuclear protective power. Then, in the same breath, it was suggested that this nuclear protection may have to be curtailed. (Meanwhile, some U.S. Congressmen had recently visited Premier Sato to express their concern at the possibility of Japan going "militarist" again.)

From Washington it may have seemed only simple logic that the Secretary of Defense would advise the Japanese to strengthen their own military commitment, now that the United States was phasing out of Okinawa and feeling a general financial pinch about all military commitments overseas. This was, indeed, only a logical continuation of a consistent U.S. effort, begun only five years after MacArthur's anti-war constitution, to have Japan increase its forces.

The View from There is quite different. The Self-Defense Forces in Japan are barely past the status of a public embarrassment. Most Japanese continue to think that a strong economy and a unified society are worth more than numerous divisions. The need for armed forces may be understood by some, but not by many.

Some Japanese commentators even extrapolated the belief that the Laird visit was in fact timed to fit the Kissinger visit to Peking, as a reminder to the Chinese that the United States could still exert military pressure on them, via Japan. However, far from the truth this may be, it had an effect on Japanese intellectuals comparable to the popular indignation against the proposed Soviet fleet maneuvers off Shikoku last year.[2]

IV

The new American relationship with China has brought alive the historic triangle among the three countries, in which the roles of wife and mistress seem to keep switching. Although China's past role in this relationship was more that of a patient than an agent, this can hardly be said today. To many Japanese—right-wing businessmen as well as left-wing editorial writers—China to the west represents a strong and needed counter-attraction to the heavy American magnetic pull eastward. (Russians are not much liked in Japan, and their negative postwar diplomacy toward Japan has yet to help the image.) Many elements are involved—curiosity, a bookish nostalgia for China's classical culture, guilt over the Japanese spoliation of China for many decades, not least of all the fascination of opening a new vast hinterland for Japanese products.

Yet for all the talk of *Do-bun do-shu*—"Common culture, common race"—the Japanese do not know China well and have only a superficial interest in knowing more. Fewer than 2,000 students are currently studying the Chinese language, far less than those studying Spanish. There is no modern literature about China to compare with the tons of published comment and translated works on Europe and the United States. Japan's basic concern with China is no more than an unsentimental wish to establish some kind of lasting relationship with such a vast and fearful neighbor—but no less, either.

No one responded with more enthusiasm to Chou En-lai's ping-pong diplomacy than the Japanese. Even the Sato government, borne on a groundswell of public opinion, felt it time to change the attitude toward China from the current opportunistic economic relationship, called by the uninhibited *dogeza gaiko*—"kow-tow diplomacy"—in which Japanese trade representatives and unofficial diplomats regularly make the pilgrimage to Peking, and receive fairly substantial orders after signing declarations denouncing Japanese "militarism," which are then disavowed by the Administration in Tokyo.

Cautiously, Premier Sato's government began to make some overtures. At the same time, Foreign Office spokesmen continued to stress Japan's strong adherence to a joint U.S.-Japanese approach to the China problem; and in particular, regarding Taiwan, where Japan has large business interests.

It was at this point that the Nixon announcement struck with the suddenness of a bucket of cold water. Premier Sato's whole foreign policy toward China, a scaffolding built on the American model, tumbled overnight, as government spokesmen had to admit they had known nothing of the Kissinger visiting until the very instant before the President's announcement.[3]

On the surface, Japanese reaction to the United States overture to China was and is favorable. The current in favor of recognizing China has been running stronger in Japan than in the United States. But underneath ran an undertow of resentment. The Nixon announcement confirmed a long-gathering suspicion that, in any really important Asian diplomacy, the United States would go it alone. Comments ranged from "That proves that there is no Japanese diplomacy" to "In this world, there is no Japan." Trust in the United States has been cracked, and it may never be wholly put together. "Nixon finally freed us," one Japanese friend said to me. "We need never be bound to you again."

As of this writing, the U.S. government has not yet seen fit to make any substantial gesture toward Japan to balance remotely the Peking visit. President Nixon's announcement—made a few days after his surtax declaration—that he would meet Emperor Hirohito's Europe-bound plane in Aleska

[1] Imports from Japan amount to a total of two percent of U.S. textile production.

[2] In March 1970, the Soviet government notified Japan that some of its fleet units would be holding firing practice off the coast of Shikoku, as well as certain other areas north of Japan, the following month. Although these maneuvers were probably part of a pattern aimed to exert *indirect* pressure on China, Moscow completely underestimated the *direct* Japanese reaction. After Foreign Office protests, the Soviet government agreed to cancel the whole business.

[3] Japanese recalled, with some irony, that Premier Kiichiro Hiranuma, Japan's prewar pro-Axis leader, had resigned under similar circumstances, after denouncing the "monstrous complications" of diplomacy, when he was surprised by the announcement of the Nazi-Soviet pact in 1939.

hardlly seems to qualify. It is true that nations and peoples see each other through a glass darkly. But not often in national relationships has there been such a confused view of what is important in such an important relationship.

Some things could be done to make the U.S.-Japanese relationship less distorted.

(1) A major step would be an American motion to have Japan seated as a permanent member of the Security Council, along with communist China, in the realignment of that organ which seems inevitable. Japan is a great power in the sense that some present Council members are no longer. A wish for permanent representation in the Security Council has been growing strong in Japan. Yet, in all the talk about the United States sponsoring mainland China membership, in the United Nations and on the Council, only one or two voices have been raised to consider the Japanese.

(2) A joint standing committee should be established to review the Japanese-American trade relationship and suggest mutually palatable ways of easing strains in it before the next venture into courtroom diplomacy. This would mercifully supplement the current periodic formal joint Cabinet-level meetings.

(3) The cultural exchange and information conferences, started by Ambassador Reischauer in 1962, should receive heavy support both from government and industry. The work should include regular conferences between editors, which might persuade some Japanese journalists that a consistently negative anti-American attitude is not necessarily good news and might persuade their American counterparts that there is a flesh-and-blood Japan, apart from the "bullet train and geisha suicides."

(4) Both the United States and Japan could profit from a structured interchange of ideas on how to deal with the urban technological revolution. Their problems are astonishingly similar both in their scope and their degree of urgency.

(5) Some further work should be done on the reduction of American bases in and around Japan, and either a clear reaffirmation, a clear restatement, or a clear rejection of the nuclear umbrella principle. Before the Nixon announcement about China, one could have said flatly, "The Japanese will not take to nuclear weapons in the next decade, if at all." Now, there is some doubt. Too many American voices have lately been calling the nuclear umbrella into question.

The Japanese have their own fences to mend. The holier-than-thou attitude of Japanese businessmen about American protectionism ignores their own underbrush of protection at home and the hostile measures taken, until recently, against any foreign investment—not to mention the foot-dragging on yen revaluation.

These steps may seem weak and incomplete but they would be the beginning of a cooperation long overdue. For behind the distortions in the View from Here and the View from There is the basic breakdown of an alliance—an alliance which began as a military pact with one very senior and one very junior partner. This is so no longer. Japan is no longer a client state, nor must the United States be forever cast in the role of an understanding protector. On the contrary, these are two great powers, with essentially common objectives, vast resources, and few points of friction, present or foreseeable that could not be negotiated on equal terms. It is not too late to reconstruct the alliance on new principles, in which an element of military protection can remain, but subordinate to more positive goals of cooperation in technology and education and an improvement of living standards in the whole area of Asia and the Pacific. But if some drastic changes are not made in its shape and functions—and most importantly, in the commitment of *both* peoples to it—the alliance will soon be dead.

MOTION PICTURE PIONEERS OF THE YEAR

Mr. GRAVEL. Mr. President, "Motion Picture Pioneers of the Year" is a high honor which has just been bestowed. More about it later.

Two men who exemplify American achievement are Samuel Z. Arkoff and James H. Nicholson. Both were of a very modest means when they formed a company in 1954 to produce and distribute motion pictures. Their capital was $3,000 loaned by a friend who had confidence in them, and their other assets were the trust in which they were held by their associates and their own self-respect.

Today American International Pictures, of which James H. Nicholson is president and Samuel Z. Arkoff is chairman of the board, is a leading supplier of motion pictures. And it has had the longest continuous management by its founders of any such organization in America today.

Samuel Arkoff was born in Fort Dodge, Iowa. Although no one in his family had been interested in the entertainment business, he was. After attending the University of Colorado and the University of Iowa he studied law at Loyola University in Los Angeles. While studying for his legal degree he worked in the then-aborning television business. During World War II Arkoff was a U.S. Air Force cryptographer.

James Nicholson is a native of Seattle, Wash., but his early experience in the motion picture business was in San Francisco, where on his 16th birthday he applied for an usher's job in a movie theater, was accepted, and proceeded to learn everything he could about theater operations. To this day Nicholson can run a projector and splice film.

American International Pictures has distributed to theater or television outlets 450 feature films, many of which it has produced, and some that have been acquired. Today this firm releases a minimum of 26 new motion pictures each year, one of the most impressive totals in the industry. It has 29 exchanges in the United States to provide local service to exhibitors and its films are shown throughout the world.

Thanks to the creativity and sensitivity of Samuel Arkoff and James Nicholson, American International has been able to anticipate the taste and interest of important segments of the public and thus has started trends in types of films that have had wide acceptance.

Upgrading of subject matter has always been a concern of Nicholson and Arkoff and their company is now stressing the social and box office value of classics. American International's "Wuthering Heights" and its release of "Julius Caesar" were among the fine attractions recently provided and "Camille," "The House of Seven Gables" are now in production. Robert Louis Stevenson's "Kidnaped" will be available in January.

Arkoff and Nicholson are an American success story, and they are something else too. They have continuously given their time and effort to help others, particularly young people. They and their company have been tireless supporters of Variety Clubs International, which has raised more than $160 million to give children all over the world better lives and better health. Nicholson is an International vice president of their show business charity organization.

Arkoff and Nicholson, who live in California near American International Pictures' home offices in Beverly Hills, are family men. Arkoff is a frequent speaker at colleges and student forums.

"Motion Picture Pioneers of the Year" is certainly a fitting accolade for John H. Nicholson and Samuel Z. Arkoff. In a sense, they are motion picture's pioneers for many years.

Six hundred leaders of the motion picture industry attended the 33d anniversary dinner of the foundation of the Motion Picture Pioneers, Inc., in New York City, to pay tribute to Sam Arkoff and Jim Nicholson on November 22, 1971. They were presented plaques on behalf of the foundation, one of the most prestigious in the entertainment world by Sherrill C. Corwin, president of Variety Clubs International.

Cecil B. DeMille. Adolph Zukor, Darryl Zanuck, and Spyros Skouras are among the 27 motion picture "greats" who had been honored over the years at previous ceremonies. Now John H. Nicholson and Samuel Z. Arkoff have earned and been given this recognition by their peers, as motion picture pioneers of the year. They are a credit to their industry and their Nation.

FREEDOM, LIE DETECTORS, AND THE COMPUTER AGE

Mr. ERVIN. Mr. President, yesterday's New York Times contains an article by Ben Franklin on the use of lie detectors in America to try to determine whether or not a man is fit for employment.

Mr. Franklin has again done some excellent research on governmental and private practices which affect the privacy and constitutional rights of thousands of Americans. His report is alarming, for it reveals that—

About two hundred thousand persons in private employment—not counting thousands of others in Federal, state, and local government—will be subjected to lie detector, or polygraph examinations this year.

The Constitutional Rights Subcommittee study of privacy and the first amendment has shown that in this computer age, every detail acquired from investigations about a person's life, habits, attitudes, and beliefs can be programed in codes and made available in seconds through cross-country electronic and machine transmissions. Computer printouts aid in this ever-increasing exchange of information among Federal, State, and local governments and among private agencies and corporations. If our freedoms are to remain secure, it is more important than ever that in this sometimes bewildering technocratic age the individual be assured that the information conveyed about him be correct, current, and relevant to the decisions being made about him.

For this reason, all Americans, I believe, will be concerned about Government's use of machines to try to compel people to reveal their innermost thoughts about the most private matters in order

to obtain employment. They are increasingly concerned that this attitude toward voluntary expression and toward rights of freedom of thought and mind is being emulated by private industry throughout the country.

On the basis of my research while serving as a judge, I came to the conclusion that the use of these machines on Americans was a form of 20th century witchcraft. I have seen no documentation which alters my view, and Mr. Franklin's investigation merely serves to reinforce my convictions. I was particularly impressed by his account of research which shows that a plant, hooked to the galvanic skin reflex portion of the polygraph, responds with human-like tracings of anxiety when it is threatened with burning by a match or is spoken to harshly.

Mr. President, I realize that many people want to use any methods in the name of efficiency and economy, and I realize further that many folks simply do not want to be interfered with in using such practices.

In spite of this, however, I introduced S. 2156 to protect the privacy and first amendment rights of all Americans. While this bill would not affect law enforcement or State and local governments, it would prohibit the compelling of Americans to submit to lie detectors in order to obtain or to hold a job in the Federal Government or in industries whose activities affect interstate commerce.

The Constitutional Rights Subcommittee is now considering this bill and it is my hope that hearings can be scheduled in the next session to consider all points of view on this problem.

I ask unanimous consent that this perceptive and illuminating article by Ben Franklin, entitled "Lie Detector's Use by Industry Rises; Rights Peril Feared," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIE DETECTOR'S USE BY INDUSTRY RISES; RIGHTS PERIL FEARED

(By Ben A. Franklin)

WASHINGTON, November 21.—The lie detector, a device known to millions of readers of Dick Tracy as an implacable breaker of hardened criminals, is quietly coming into far wider use as a "truth-telling" informant in the world of ordinary sinners.

In a decade of rising crime, corporate and insurance company losses from embezzlement, pilfering and outright theft by employees in retail sales, warehousing and delivery services have soared steadily to $10 million a day—more than $3 billion a year—according to the Insurance Information Institute. The losses are greater than those from conventional robbery and burglary together.

More and more, employers have been striking back, trying to weed out dishonest workers by forcing employees to take—and pass—lie detector tests, either as a consideration of continued employment or as part of a pre-employment screening process.

About 200,000 persons in private employment—not counting thousands of others in Federal, state and local government—will be subjected to lie detector, or polygraph examinations this year, according to one informed estimate. Many will fail, although how many will probably never be known. "Discretion," a self-imposed rule of secrecy, veils much of the polygraph industry's impact.

But the spread of commercial lie detector testing—polygraphists call it a "detection of deception" system that gives employees "a moral vaccination" against dishonesty—has begun to generate substantial opposition as an invasion of privacy and a violation of the constitutional guarantee against self-incrimination.

INDUSTRY STILL CONFIDENT

In recent years 12 states and three cities, acting under pressure from labor unions, have restricted or outlawed lie detection in routine corporate personnel screening. The tests, never acceptable in court, have been repudiated by the Federal Bureau of Investigation. And a measure to prohibit their use nationally is pending in Congress.

Nonetheless, the lie detector industry remains confident that many more profitable years lie ahead—the examinations bring in $50 an hour—and that the demand for its services will continue to grow faster than the opposition.

The Insurance Information Institute estimates, for example, that the annual cost of employe stealing and cheating will double to $6-billion in the next decade, reason enough, partisans of the polygraph say, for their business to double too.

Many polygraph practitioners—there are 4,000 to 5,000 in the industry—believe their technique is a bastion of honesty amid a decaying morality. "There comes a time," says J. Kirk Barefoot, a leading polygraphist and former president of the American Polygraph Association, "when your privacy and mine has to be weighed against a company being stolen blind and put out of business."

Their opponents feel, however, that the polygraphists are only adding to the confusion. They point to technical studies asserting that the lie detector technique is scientifically flawed. And they trace its acceptance to a self-perpetuating circle: belief in the machine's efficacy induces confessions; a high rate of confessions induces belief in the machine's efficacy.

CONFESSIONS AS CONFIRMATION

The success of the polygraph industry in obtaining employe confessions is its chief selling point among pragmatic businessmen who regard the outpourings of guilt as confirmation that the system works. According to John E. Reid, the head of a leading Chicago polygraph company, "We get better results than a priest does."

How the process operates, and what its impact on an ordinary individual can be, is shown by the case of Stanley Brundage, a composite person put together for this profile to protect the privacy of the four real persons from whose real polygraph histories he is drawn. Company names in the episode are fictional.

Picture Mr. Brundage as a 25-year-old vending machine service man who married on his return from Vietnam a year and a half ago and now is the father of a year-old son. His brush with the polygraph came this year when he applied for a job with U-Vend-It, a competitor of Automatix, Inc., for which he had been working as a route man for the last seven months.

The new job would have brought him $10 a week more than the $182 a week he had been earning at Automatix. At U-Vend-It he was asked routinely to sign a job applicant's waiver saying:

"I agree that the U-Vend-It Company may require me to take a pre-employment polygraph (lie detector) examination and to take such examinations periodically, as the company may require. I understand that my refusal or failure to take such a test when requested may be grounds for dismissal."

UNEASY OVER QUESTION

The employment questionnaire asked: "Have you ever been tested on the polygraph before?" And, "If so, give dates, places and reasons for the test." Mr. Brundage wrote, "None."

Another question asked, "Have you ever been convicted by any police department for any reason?" Mr. Brundage now says that this question made him uneasy. He knew that the police do not convict, but he had no police record. He answered, "No."

But less than 24 hours later, after 90 minutes of interrogation while connected by wires and tubes to a polygraph instrument at U-Vend-It's private applicant screening firm, Confidential Personnel Services, Inc., Stanley Brundage had not only been barred from the new job, he had also been dismissed from his old one. And he was unlikely to find another in the vending service trade without moving from his native Midwestern city.

For confronted by the lie detector, Mr. Brundage had confessed to taking cigarettes from his employe's stock for his own use and to "borrowing" small amounts of money for short terms—$62 to get his car out of a repair shop was the largest—from his route man's "bank."

The money was a change-making kitty given him every Monday. He had turned it back in—always perfectly accounted for, with the impromptu "loans" repaid—every Friday.

But to the polygraph examiner, an understanding former policeman, Mr. Brundage had also confessed much more—a homosexual encounter at the age of 13, a teenage shoplifting spree, a near court-martial that was quashed by his commanding officer and appeared nowhere in his "honorable" army record and a martial infidelity of more recent vintage.

QUESTIONS ABOUT SEX

Although a number of polygraph examiners insisted in interviews that no one under a routine test as a job applicant should be asked questions about his sex life, nearly all of them acknowledged that such questions are asked fairly widely. In Mr. Brundage's case, the charges against him in Vietnam had involved an alleged rape, and the subject of sex was opened up. He has always maintained his innocence.

His confession began when the examiner informed him that he had shown "sensitivity" on the polygraph chart—a suppression and recovery of respiration, an increase in blood pressure and pulse, and an increase in galvanic skin response, a measure of a minute electrical current at the fingertips that rises with increased perspiration—to the question: "Have you ever taken money, merchandise or property from any employer".

Advising Mr. Brundage to "think about" this finding while he left the polygraph room to "consult a supervisor," the examiner returned to find Mr. Brundage, as the young man recalls it, "prepared to tell him anything he wanted to know—and maybe more. I felt like a very bad guy".

Mr. Brundage was not hired by U-Vend-It. Moreover, Automatix had recently signed an applicant screening contract with the same polygraph agency, the largest in the city, and the "not recommended" rating noted on Mr. Brundage's permanent file card at Confidential Personnel Services surfaced on its first routine sweep of names on Automatix's payroll.

SCOPE OF COMMERCIAL TESTING

Although the polygraph examiner did not disclose details of Mr. Brundage's test or his confession—either would have been a breach of ethics under the code of the American Polygraph Association—the examiner suggested that Automatix "talk to" Mr. Brundage about his test. Mr. Brundage partially confessed again and was dismissed.

Across the country this year similar episodes are shocking the lives of countless persons in commercial employment.

Some idea of the scope of this nongovernmental, nonpolice polygraph activity can be gained by comparing it with current estimates that the lie detector tests given by

Federal agencies number about one-tenth of those conducted for businesses by private practitioners.

There are no recent Federal figures, but a detailed study seven years ago by the House Government Operations Committee, disclosed that, in 1963, 20 Federal agencies gave 24,000 lie detector tests, not counting the classified and unreported tests required by the Central Intelligence Agency, known to be a heavy polygraph user.

Except at C.I.A. and the National Security Agency, a secret Federal cryptographic and intelligence gathering office, most experts think the use of the lie detector has declined since then in Government here. A 1965 guidance issued by the United States Civil Service Commission is supposed to limit polygraph testing to serious national security cases.

The International Conference of Police Associations has had a standing resolution since 1964 that declares that although a policeman properly relinquishes many rights to avoid questioning when he puts on a badge, this "does not include compulsory subjugation to interrogation under an apparatus of questionable accuracy, the reliability of which has never been demonstrated to the courts."

But private, commercial use of the polygraph has been growing steadily for 15 years.

According to the estimate of Mr. Barefoot, who now heads employe security for Cluet, Peabody & Company, an apparel manufacturing and retailing concern based in New York, some 200,000 lie detector tests are now being given each year to private job applicants or to employes.

Mr. Barefoot, 44 years old, is a former policeman, a graduate of the polygraph course—"Police Science and Administration"—at Washington State University, and a former two-term president and board chairman of the American Polygraph Association. This year he is leading the A.P.A.'s lobbying fight against the polygraph prohibition bill of Senator Sam J. Ervin Jr., Democrat of North Carolina.

COMPULSION TO CONFESS

"Most people have a compulsion to confess," Mr. Barefoot said in an intreview. "They hesitate, of course, as long as they feel there is uncertainty as to their guilt. They may be uncertain about it within themselves. But once you remove that uncertainty—the thing the polygraph does best—they confess. Often they go so far that the examiner has to shut them up. But the confession is the acid test, the real validity of the polygraph from the employer's point of view. He wants honest employees and this way he gets them."

Whether the lie detector way to honest dealing is compatible with a free society is the question raised by Senator Ervin, the chairman of the Senate Judiciary Committee's Subcommittee on Constitutional Rights and one of the leading students here of the Bill of Rights.

Calling the polygraph "a tool to compel a man to speak against his will" and "an instrument of 20th century witchcraft, more appropriate to a police state," Mr. Ervin introduced last June a bill that would virtually ban the lie detector. It is to be the subject of hearings before his subcommittee next year.

The bill would forbid, with criminal penalties, the use of the polygraph in employee screening for hiring, firing or promotion in both Government and in private employment affected by interstate commerce—virtually all of it. Police departments and Federal "security agencies" would be exempt.

A DEEPLY IDEOLOGICAL THING

The pro-polygraph rationale, according to Lee M. Burkey, a Chicago labor lawyer who has successfully reversed through arbitration hearing procedures of union contracts a dozen lie detector dismissals, is "at its root a deeply ideological thing by people who desperately long for law and order."

"I see employer after employer depending on the lie detector," Mr. Burkey said in an interview. "They are only perpetuating the lack of order in America by going through this magic ritual, with all its terrible injustices. The real criminals don't care about the lie detector. It isn't admissible as evidence in court.

"So the truly amoral people breeze through the polygraph, while the introspective, nervous, sensitive person who probably is guilty of some wrong doing—but perhaps not the theft under investigation—shows all the 'wrong' tracings, believes the machine knows all, and makes damaging confessions."

Polygraph defenders like Mr. Barefoot and Mr. Reid, the courtly, white haired director of one of the country's oldest, busiest and most reputable lie detector firms, John E. Reid & Associates of Chicago, have devoted most of their energies to the long dispute over the accuracy and the scientific basics of their instrument and to efforts to police their own craft.

"If you want to write that there are a lot of rotten people in this business," Mr. Reid said during a day-long interview, "there are. What our critics should do is help us get better examining licensing laws, such as we have here in Illinois, let us throw the rascals out and let us do our work. We have the best investigative thing in the world going and they want to put us out of business."

Mr. Reid dismissed the invasion of privacy argument by saying, "No one who comes here has to take the test. They sign a voluntary statement." But he acknowledged that competition for jobs had given polygraphy a significant boost.

He brushed aside the Fifth Amendment objections, too, as "a protection in criminal law."

"A man is not on trial here," Mr. Reid declared. "He is free to go. I wouldn't be here five minutes if we were putting the finger on the innocent, you know. But the people who resist the test, so many of them are guilty. They try to affect others not to take it, and that tells us a lot."

Mr. Reid called subjects who try to manipulate the polygraph by taking drugs, coughing, sneezing, and giving "sensitivity" responses to control questions such as "did you eat breakfast this morning?" the "biggest suckers for us because if they do that they give themselves away completely."

The standard text book on the lie detector, "Truth and Deception," was written by Mr. Reid and Prof. Fred E. Inbau of the Northwestern University Law School. It suggests that "the recorded observations of a secretary or a receptionist as to the subject's general conduct or behavior while in the waiting room will be very helpful to the examiner" in assessing guilt or innocence.

In the following 10 pages of the Reid-Inbau book, the authors warn that such factors as lethargy, nervousness, muscular tension, apprehension over "accusation or interrogation," and the sensitivity of menstruating female subjects to the respiration-measuring tube around their breasts or to the tube's pressure on "falsies" may cause erroneous "deception" responses.

The procedural admonishments include this:

"In instances where the subject insists that he has never stolen anything at any time in his life the examiner should then ask: 'Did you ever try to steal anything?' If he says, 'No', he should then be asked: 'Did you ever think of stealing anything?' If the answer is 'No', this question will serve as a control."

A footnote adds, however, that "a subject who denies ever having stolen anything in his whole life (after being asked about this as above described) is usually established by the test itself as being a liar regarding the main offense under investigation."

ACCURACY IS CHALLENGED

Doubts about the accuracy of the polygraph and the interpretations of its practitioners have received wide attention during the last decade in scientific and academic circles. A number of tests at independent laboratories—some of them commissioned by Federal military and security agencies under Government contract—have challenged the lie detector industry's claim to "99 per cent accuracy."

In 1961, Prof. Jerome H. Sholnikoff of the Yale Law School concluded in The Yale Law Journal that polygraph lie detection depended "on the myth of infallibility" for its psychological impact in inducing confessions.

A year later, Profs. Richard A. Sternbach, Lawrence A. Gustafson and Ronald L. Colier reported that the polygraph's accuracy was "close to 70 per cent." In the Harvard Business Review, they wrote that "the polygraphic method will be effective only as long as people believe it is a real 'lie detector' and confess their guilt when confronted with fancy-looking squiggles on chart paper."

Reporting on an Air Force-funded study of the polygraph in 1962, Prof. Joseph G. Kubis of Fordham University found that "countermeasures can be developed which confuse and deceive the lie detection operator." An Office of Naval Research study, conducted at the Stanford Research Institute in 1964, found the polygraph only 75 per cent accurate.

BASIS OF RELIGIOUS SECT

Many new uses of polygraph equipment are being tested nowadays, often to the embarrassment of commercial lie detector examiners. One of the instrument's standard physiological tests of truthfulness—the galvanic skin response device, which electrically measures increases in perspiration at the fingertips as a sign of lying—has become the basis of a frankly experimental, California-based religious denomination, the Founding Church of Scientology.

In scientology, parishioners are asked to pay $400 for twelve and a half hours of intensive consultation with a minister, while grasping the electrodes of an "E-meter," a simple, battery-powered galvanic skin reflex device. Questions and responses that elicit "sensitivity" or "inner tension" on the meter—scientology rigorously avoids saying that the meter fluctuations indicate "lies"—are pursued in consultation until the "inner tension is released" in confession.

That the American Polygraph Association is sensitive to such experimental uses of its polygraph instrumentation is indicated by its attitude toward Cleve Backster, a New York City polygraphist and former adviser to the C.I.A. who has been conducting for six years serious experiments with the galvanic response of philodendron plants.

Mr. Backster, the lie detector examiner of such leading criminal lawyers as F. Lee Bailey and Henry Rothblatt, has appeared on network television to demonstrate that a plant, hooked to the galvanic skin reflex portion of the polygraph, responds with human-like tracings of anxiety when it is threatened with burning by a match or is spoken to harshly.

But because the publicity given his work is "bad for public relations," as one A.P.A. official put it, Mr. Backster was warned by the association months ago to "disassociate" his plant experiments from lie detection.

Now, because he cooperated in the preparation of an article in the current issue of National Wildlife Magazine describing the "strenuous" galvanic response reaction not only of plants but also of chicken eggs, A.P.A. officials say Mr. Backster is threatened with expulsion from the association.

THE CANNIKIN NUCLEAR TEST

Mr. GRAVEL. Mr. President, more and more evidence is coming to light that the Atomic Energy Commission's Cannikin underground nuclear test did not go exactly as planned.

The Anchorage Daily News recently revealed that the blast shook Amchitka more severely than AEC scientists had predicted.

This is further evidence that we must be extremely careful in monitoring the effects of Cannikin now and in the future. The unexpected can and does happen.

I ask unanimous consent to have the Anchorage Daily News article reprinted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BLAST SHOOK HARDER THAN AEC PLAN

(By Allan Frank)

The Atomic Energy Commission said Friday that its five-megaton Cannikin bomb shook Amchitka more severely than AEC scientists had predicted.

AEC public information officer Henry G. Vermillion said: "Preliminary indications are that the beach and ocean floor (Bering Sea) in the near vicinity of the Cannikin site has been lifted permanently by several feet.

"Cliff falls along the Bering Sea for a two-mile stretch were greater than had been predicted."

The AEC also said helicopter surveys "have indicated a lessened number of sea otters in the Bering Sea near the Cannikin site as compared with before the test."

Alaska Fish and Game officials have charged that the AEC blast killed "hundreds" of sea otters and the corpses floated out to sea.

But Vermillion said, "Searches of the shores of Amchitka have located 14 dead sea otters . . . and two additional injured otters and two abandoned otter pups were observed by helicopter. It is assumed these died."

AEC officials say that 16 of the 18 otters were sighted on the Pacific Ocean side, but Alaska Fish and Game officials say the "mass kill" was on the Bering Sea side.

"Of the 14 recovered sea otters bodies, 12 underwent autopsies. Deaths of seven appeared to be from overpressure in water. Two died from rockfalls and three apparently were fatally injured by vertical acceleration (upthrust of the ground)," the AEC said.

"It is not believed likely that more explosion-injured sea otters will be found," the AEC said.

Earlier this week, Fish and Game officials said that "300-800 otters" had died and that AEC scientists had left Amchitka too early to make any meaningful evaluation of the kill.

Four seals also were found and 16 dead birds, seven that died from over-pressure and eight from vertical acceleration, were recovered.

No eagles or peregrine falcons were found dead, although two falcon eyries and five or six eagle nests were destroyed.

The AEC also reported "hundreds of dead fish, mostly greenling, were found on the beaches."

In its June environmental impact statement, the AEC said the "most probable expectation (is) that only a few fish will be killed . . . to the unlikely possibility that casualties may include hundreds of fish in the near shore area such as Pacific cod and dusky rockfish; a few salmon in deeper offshore water; hundreds of fish such as Atka, mackerel, lantern fish, rockfish and smelt in mid-water off-shore area and thousands of rockfish and Pacific cod in off-shore bottom areas."

Freshwater fish, including Dolly Varden char and three-spine stickle-back, died when the blast ruptured the dike of a pond holding drilling mud, according to the AEC.

About 5,000 cubic yards of the toxic mud from the pond, 4.7 miles from ground zero, flowed into the Pacific Ocean through a 1.5 mile long creek.

"It must be assumed that organisms in the affected part of the creek were destroyed," Vermillion said.

The AEC estimates that the fish and otter populations will be back to normal "within a few years."

It also will take several years for the marine life to recover from the sea floor uplifting, which may run the length of the island. In its impact statement, the AEC had predicted that the "extreme case" of uplift would be about three feet.

Around the blast site, the cavity which formed has a maximum depth of about 60 feet, with a radius of about 2,600 feet.

Drillback into the bomb chamber to test for radioactive materials should be "complete by spring, 1972." Preliminary work for the drillback has begun, although the AEC had not indicated whether the hole actually is being drilled.

The AEC also said that its instruments recorded as expected and that preliminary studies indicate the test went well. Vermillion said no detectable radiation has escaped to the surface.

The AEC'S Lawrence Livermore Laboratory south of San Francisco, indicated that the test yielded "the necessary information."

Environmental surveys of the island also will continue, according to the AEC spokesman.

THE AMERICAN FARMER: THE GREAT EMANCIPATOR

Mr. BELLMON. Mr. President, earlier this year I joined with the distinguished chairman of the Senate Agriculture Committee, Senator TALMADGE, in protesting the tendency of many Americans to kick the farmers around. As a representative of a farming State and as a lifelong rural area resident, I have found that farmers seldom receive the kind of appreciation they deserve for the important contributions they make to our society.

Therefore I was pleased to read an article in the November 1971 issue of the Progressive Farmer by Del Deterling, titled "The American Farmer: The Great Emancipator." This article points out graphically the reasons why agriculture should be strengthened instead of constantly being belittled and blamed.

Along the same line, in my home State of Oklahoma, an excellent brochure, "How Oklahoma Agriculture Helps You," has been published by the agricultural experiment station at Oklahoma State University. It was prepared in cooperation with the agri-business committee of the State chamber of commerce, the Extension Service, the State department of agriculture, and the Oklahoma Young Farmers Association.

Mr. President, I ask unanimous consent that these two items be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Progressive Farmer, November 1971]

THE AMERICAN FARMER: THE GREAT EMANCIPATOR

(By Del Deterling)

People in this country have become so accustomed to having a varied and generous selection of wholesome food at a relatively low cost that they pretty well take agriculture for granted. In fact, in this age of synthetic fibers and materials, when researchers glibly speak of manufacturing protein from petroleum, algae, and sewage waste, there are many who feel agriculture is diminishing in importance.

Some, in the name of ecology, even say our present systems of food and fiber production are a nuisance and a hazard to the environment that must be curtailed and eliminated.

But eliminating agriculture from the Unite States would have the same impact on the economy as removing one wheel from an automobile. It wouldn't run very far.

Regardless of how taken for granted, ignored, belittled, and even blamed for creating problems of pollution, migration of the masses to the cities, inflation, and diversion of public funds from more lofty goals, the production of food and fiber is still the most essential task of our nation.

People do, after all, need food. All other pursuits take on secondary importance to finding enough food to still a hungry stomach and clothes to repel the heat and cold.

The next time one of your city friends remarks about the declining importance of agriculture, ask him what he thinks would happen to the national economy if you suddenly eliminated an industry that:

Has assets of $300 billion—more than two-thirds the value of all U.S. corporations, half the market value of all stocks listed on the New York Stock Exchange.

Employs 5 million people directly and supports 16 million more in associated businesses—more people than are employed by the steel industry, auto industry, the utilities, and the transportation industries combined.

Spends $55 billion a year for goods and services to produce crops and livestock and for food, clothing, furniture, and other goods; pays $4 billion in real estate and federal and state income taxes.

Consumes 28 billion kilowatt hours of electricity, 5 million tons of steel, 9% of the rubber, and $3.4 billion worth of fuel annually.

And if anyone brings up the subject of Government subsidies, ask him what other country he can think of where customers need use only 16½ cents out of every dollar of income after taxes to pay for essential food, plus about an equal amount to pay for clothing and shelter, leaving two-thirds of each dollar to buy color televisions, boats, a second car, a home on the lake, a better education for his kids, health care for his family, and other things that improve the quality of his life.

You might add that if the American producer hadn't developed the efficiency that enables him to produce food for himself and 50 other people, there would need be many more people engaged in the production of food and fiber, and a lot fewer would be free to build color TV's and boats, keep the golf greens in perfect condition, operate motels and hunting lodges, and provide the other nonessentials to which we have become accustomed.

In contrast, in Russia 55% of the population is engaged in food and fiber production, and 50% of the disposable income of each family unit is required to pay for food. Red China must keep 75% of its manpower tied up with agricultural production. Even in Western Europe and Japan, consumers must shell out one-third or more of their income to buy food.

The question then justifiably could be asked: "Who is subsidizing whom?"

The American farmer, therefore, could rightly be called the "Great Emancipator" for freeing manpower, income, and time from the slavery of grubbing for enough to eat and to wear and for enabling our citizens to enjoy a quality of life never before experienced by any people on this earth.

Such recognition does not come easy nor by itself. The general public is not given to pouring out praise for those things it takes for granted.

Farmers and ranchers must take the initiative in calling attention to the important contributions of agriculture to the health and well-being of the country and the world. Pleas for sympathy will not do the job. Producers must join hands with their agribusiness allies to develop positive programs to get the public to realize that America can be strong and free, that its citizens can enjoy the fruits of abundance, only so long as its food and fiber industry is strong and healthy.

HOW OKLAHOMA AGRICULTURE HELPS YOU

AGRICULTURE'S SECONDARY EFFECTS ON THE ECONOMY

Agriculture not only is Oklahoma's largest industry—it also has an unusually high "multiplier effect" in its secondary benefits throughout the state's economy.

Each $1 in personal income from agricultural processing will produce $4.32 in personal incomes for other people.

This effect can be illustrated by the opening of a new meat packing plant.

First, such a plant will create new jobs. These additional employees will increase the demand for gas stations, groceries, stores, transportation, communication, and so on.

Then these service businesses expand and hire more employees. Such service-type employees also increase the demand for services.

The cycle continues until the effect of the new packing plant is felt throughout the economy.

IF YOU ARE A MERCHANT

Oklahoma farmers and ranchers spend about $34 million a year for fuel and oil for their motor vehicles.

Based on recent figures, these producers spend $33 million a year for fertilizer and lime, $10 million for seed, and $146 million for feed.

Building materials businessmen ring up nearly $32 million in yearly sales to agriculture producers.

Merchandisers of hardware and small hand tools in Oklahoma have $7.6 million in annual sales to farmers and ranchers.

Oklahoma's agricultural producers spend $8.8 million yearly for pesticides, $2 million for binding materials, and $2.3 million for veterinary medicine supplies.

In a year's time, they also pay $694,000 for dairy supplies, $458,000 for containers, $387,000 for greenhouse and nursery materials, and $258,000 for harness and saddlery.

IF YOU WORK FOR A FIRM THAT SERVES AGRICULTURE

Transportation and public utility employees in Oklahoma total about 50,000. Service to the agriculture community makes up a sizable portion of their business.

The food-processing industry is the second largest user of power in the state. It buys nearly a fifth of the kilowatt hours used by Oklahoma industry.

Four hundred agriculture service firms have 2,500 employees.

IF YOU WORK IN FOOD OR FIBER HANDLING OR PROCESSING

Nearly 400 Oklahoma firms are manufacturing food and kindred products. They employ 15,000 persons—the largest single segment of Oklahoma manufacturing.

More than 50 percent of the employees in Oklahoma warehousing and storage are in agriculture-product warehousing.

Food stores in the state employ nearly 20,000 workers.

The 460 Oklahoma grain elevators employ about 3,800 persons full and part time. Ninety livestock markets provide jobs for 2,300 persons.

The growing field of forestry finds about 120 lumber and wood products firms hiring more than 2,000 workers.

Apparel and textiles are manufactured by about 100 firms, which hire 10,000 persons.

IF YOU ARE IN THE AUTO OR EQUIPMENT BUSINESS

Investment in motor vehicles and machinery by Oklahoma farmers and ranchers was estimated at about $745 million at the beginning of 1971.

They spent about $126 million for vehicle and equipment in one recent year. This included purchases of tractors costing $21 million, trucks worth $26 million, autos at $17 million, and other machinery and equipment costing $62 million.

That same year, these producers paid an additional $28.5 million for repairs, parts, tires, and batteries for their vehicles and equipment.

IF YOU ARE A GOVERNMENT OFFICIAL

Oklahoma farmers and ranchers pay about $40 million in taxes each year on their operations. This includes $30 million in ad valorem taxes on farm real estate, plus $10 million in personal taxes on livestock, farm machinery, and household goods.

Nearly a third of Oklahoma's working force is employed in agricultural industry. About 250,000 persons make up this work force, roughly half on the land, and half in businesses related to agriculture.

These businesses, in turn, generate a multiplicity of other jobs, mostly in urban areas.

IF YOU ARE IN FINANCE

Agricultural producers in Oklahoma were obligated for real estate mortgages of $637.5 million at the beginning of 1970.

Non-real-estate loans by all institutions to Oklahoma farmers and ranchers in a recent year were estimated at $970 million.

DID YOU KNOW?

There are 90,000 farms and ranches in Oklahoma, with an average size of 412 acres.

The state has 37.1 million acres of farmland.

Those 37.1 million acres recently were valued at an average of $173 an acre. This means that Oklahoma agriculture producers have $6.2 billion invested in their land.

The "average" 412 acres of land and buildings thus would cost about $71,000.

In addition, Oklahoma agriculture producers have $815 million invested in livestock, plus $744 million invested in motor vehicles and machinery.

This brings their total investment to $7.8 billion.

So the "average" Oklahoma agricultural unit has about $86,000 invested in land, livestock, and equipment.

Oklahoma ranks second among the states in number of beef cows. Oklahoma City is the largest feeder-cattle market in the U.S.

Oklahoma is third among the states in wheat production.

Sale of agricultural products in the state in a recent year reached nearly a billion dollars—$939,279,000.

Livestock products accounted for 72% of these sales, and crops the other 28%. Beef is the state's major livestock product, and wheat is the major crop.

Other crops have an important place as "freshest and tastiest." For instance, strawberries, peaches, and pecans are grown in-state and arrive at food markets fresh, tasty, and with all-around high quality.

NATIONAL FARMERS UNION OPPOSES CONFIRMATION OF NOMINATION OF DR. EARL BUTZ

Mr. HUMPHREY. Mr. President, the Senate Committee on Agriculture and Forestry has completed its hearings on President Nixon's nomination of Dr. Earl Butz as Secretary of Agriculture. Many individuals and organizations testified on this nomination and it was evident in the course of these hearings that considerable opposition to the Senate confirming Dr. Butz to this important post has developed throughout the country, especially among the farm people of this Nation. Farmers, and several of the organizations that represent them on the national level, have filed strong opposition to Dr. Butz' appointment. One of these organizations, which has long been noted for its championing the cause and interests of American family-farm agriculture, is the National Farmers Union. The president of that organization, the very able and talented Tony Dechant, made a very compelling and persuasive statement in opposition to Dr. Butz' confirmation. There is no doubt in my mind that Mr. Dechant's testimony accurately and appropriately reflects the views of the 250,000 farm families who are members of this great national organization.

Mr. President, I also wish to state that I am also opposed to Dr. Butz' confirmation. In the course of our hearings on confirming his nomination, Dr. Butz refused to make any commitments either for himself or for the administration regarding what policies and programs he would pursue to strengthen and improve the prices and income of our Nation's family farmers. Therefore, the only basis left for me to judge what he might do if confirmed, is his past record. And, Mr. President, that record, based upon his previous actions, speeches, and statements he made while serving as Assistant Secretary under former Secretary of Agriculture Ezra Taft Benson, shows no encouragement or sympathy for preserving the family-farm system of agriculture.

Mr. Dechant, in his statement before our committee, hit hard at the threat that Dr. Butz' confirmation would pose for the farmers of this country. Therefore, Mr. President, I ask unanimous consent to have Mr. Dechant's testimony, presented before the Committee on Agriculture and Forestry on Dr. Butz' nomination, printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

DECHANT OPPOSES SENATE APPROVAL OF EARL BUTZ AS SECRETARY OF AGRICULTURE

WASHINGTON, D.C., November 17.—The Farmers Union opposed the appointment of Dr. Earl L. Butz as Secretary of Agriculture here today at a hearing of the Senate Agriculture Committee.

The National President of the Farmers Union Tony Dechant told the Committee that Butz' appointment raises serious questions about the future of family farm agriculture in America. He said the National Board of Directors of the Farmers Union voted unanimously to oppose the nomination.

Dechant said, "Dr. Butz' economic views are archaic. He has been in the active service of a number of corporations which seek to dominate the rural economy.

"His appointment as Secretary of Agriculture would suggest:

"1. Farmers can expect a continuation of low farm prices which have been administered by the Nixon Administration.

"2. Farmers can expect little relief from the Nixon Administration's disastrous set-aside land retirement plan which has proven unworkable as a system of supply management.

"3. Farmers can expect a continuation of President Nixon's policies which favor corporations at the expense of producers.

"4. Farmers can expect the farm program to be a pawn in President Nixon's bid for re-election, with possible attempts to sugar-coat the bitter pill of the set-aside program, and with final phase-out of workable farm programs scheduled to follow the November, 1972 election.

"The steep decline of farm parity began during the era of Secretary of Agriculture Ezra Taft Benson, for whom Dr. Butz served as Assistant Secretary. The departure of millions of families from rural America swelled into the greatest mass migration in history. No Administration has been able to reverse the trend which was set in those years. Dr. Butz favored a phase-out of positive supply management long before the term 'set-aside' was coined by the Nixon Administration. He was an exponent of the massive soil bank land retirement plan during the Benson years.

"Dr. Butz' service to Purdue University while he was on the payroll of several large corporations represented a conflict of interests. Since he is philosophically and politically dedicated to the advocacy of their cause, we believe a similar conflict of interests would continue in the President's Cabinet, even though he resigns from his positions of corporate responsibility."

Dechant stated that:

"Dr. Butz has a bad record, but we recognize that a man can change. Our concern is heightened because of the gravity of the present situation for farmers. We cannot afford to provide time for the new Secretary to develop some new approach. The Nixon Administration took nearly two years to shape and refine the present set-aside fiasco. It was not really new—it was the same old massive land retirement scheme advocated by Dr. Butz more than a decade ago. Mr. Chairman, we do not have two years, nor even two months for more political gimmickry at the expense of the American farmer.

"We know what must be done. We must have effective supply management. We must have improved prices. We must have a massive infusion of low interest rate credit to rescue agriculture from the disaster created by our present farm program.

"I believe it is time that the Congress looks seriously at the proposal to create strategic reserves of our basic farm commodities. We must greatly increase our capacity for farm storage. We must raise commodity loans in order to protect farm income when prices are at their lowest. We must scrap the ill fated set-aside plan. Legislative proposals to accomplish all of these goals are before you.

"Farmers like other businesses must be afforded opportunity to make longer range plans. The optional diversion in the 1972 feed grains program, for example, does not fit farmers needs to make such plans. It's time that this administration recognize the need for effective, permanent supply management programs. Piecemeal and stop-gap measures to cope with emergency situations which could have been avoided are not good enough. Farmers deserve better.

"A little over a year ago I called for the resignation of Secretary of Agriculture Hardin. I did so to dramatize the extent of the alarm with which farmers regarded the unworkable set-aside land retirement scheme and the undue pressures of the Administration on the Congress and Senate to adopt it. The former Chairman of this Committee, Senator Ellender said that never in 34 years had he felt such pressures from the Executive Branch. As you know, he refused—as did Senator Herman Talmadge the present Chairman of this Committee—to sign the House-Senate Conference Report which was adopted under Administration pressure."

Dechant said that he is opposing Dr. Butz' appointment in order to dramatize again our deep concern over the future of American agriculture if present trends continue. He said that "if decisive changes are not made in our farm program before spring planting time he would be back again, calling a press conference and asking for the resignation of another Secretary of Agriculture."

NFO OPPOSES CONFIRMATION OF NOMINATION OF DR. EARL BUTZ AS SECRETARY OF AGRICULTURE

Mr. HUMPHREY. Mr. President, the farmers of this country have long looked to the U.S. Department of Agriculture and the man who is appointed to represent that Department in the councils of government to provide them with leadership and assistance. They especially look upon the Secretary of Agriculture as their champion and chief defender and promoter of their legitimate interests. Of course, in order for any Secretary to perform those functions, he must have the basic confidence of the millions of farm families he is to represent in that capacity. The hearings that were just concluded on President Nixon's nominee, Dr. Earl Butz, for Secretary of Agriculture clearly indicate that Dr. Butz would not enjoy such confidence among the farm families of this Nation. Several major national farm organizations presented testimony before our committee in strong opposition to Dr. Butz' appointment as Secretary.

One of the strongest statements presented against Dr. Butz' confirmation was made by Mr. Oren Lee Staley, the very able and aggressive president of the National Farmers Organization. Mr. Staley stated the basic concerns of American farm producers very succinctly when he said:

Businessmen wouldn't accept appointment of a national labor leader as Secretary of Commerce; laboring men and women wouldn't accept appointment of the president of General Motors as Secretary of Labor; and farmers shouldn't be called on to accept appointment of Earl Butz as Secretary of Agriculture. . . . We oppose Dr. Butz because he has identified completely with agribusiness and preached its gospel while serving in the Department of Agriculture in the 1950's, as an administrator at Purdue University, as a widely-traveled speaker, and as a board member of three agribusiness giants.

Mr. President, it should be noted at this point that only families or individuals who are directly engaged in farming and who depend upon agriculture as their chief livelihood, can become members of the National Farmers Organization. The NFO has been in the forefront of championing collective bargaining for American farmers. They have poineered many new and innovative approaches in that regard and have developed a strong and tightly knit organization of farmers throughout the Nation.

The statement presented by Mr. Staley before our committee on Dr. Butz' nomination and confirmation clearly represents the views and position of his individual members, many of whom I and other Senators have heard from directly.

Mr. President, in addition to his testimony presented before our Committee on Agriculture and Forestry, Mr. Staley also has written a followup letter to me about Dr. Butz' confirmation which I believe every Senator should take time to read. Therefore, I ask unanimous consent that both Mr. Staley's testimony and letter be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

NATIONAL FARMERS ORGANIZATION,
Corning, Iowa, November 19, 1971.

Hon. HUBERT H. HUMPHREY,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: After observing two days of questioning of Dr. Earl Butz at the Agricultural Committee Hearings, we remain firmly convinced that his confirmation as Secretary of Agriculture would be a disaster for farmers. His answers have not satisfied our concerns over his long and close ties to agri-business, his attitudes toward elimination of farmers and the drive by integrators and others to gain control of the food industry, and the conflict of interest arising from his substantial payments as a director of three of the nation's largest agri-business companies.

He did not satisfactorily answer most of the questions put to him by Senators and other members of Congress of both political parties. These included attempts to determine what he might recommend to raise farm prices, how he would get REA and other department funds released by the White House, how he would tighten poultry inspections, and what he would do to halt the drive by integrators and others to take over farm production.

We feel Senate approval of Dr. Butz would be a vote to abandon an historic commitment to opportunity for people on the land. It would, in effect, ratify a policy to drive people out of agriculture, undermine farm and small business enterprises, and destroy rural towns and cities.

The Senate, in voting on confirmation, will be making a choice on the kind of agriculture and rural America our country wants to encourage. This crucial decision, in our judgment, is the most important single farm vote in this Congress. Farmers everywhere are deeply upset over the selection of Earl Butz and hope the Senate will not cast a vote against them. We, therefore, urge you to vote against the confirmation of Dr. Butz

Respectfully yours,
OREN LEE STALEY, *President.*

TESTIMONY OF OREN LEE STALEY

I appreciate this opportunity to appear in opposition to the nomination of Earl L. Butz as Secretary of Agriculture.

We are shocked and angered at the selection of a man so closely tied to the corporate giants moving into agriculture. It is a disastrous appointment from the producer's standpoint.

Business men wouldn't accept appointment of a national labor leader as Secretary of Commerce; laboring men and women wouldn't accept appointment of the president of General Motors as Secretary of Labor; and farmers shouldn't be called on to accept appointment of Earl Butz as Secretary of Agriculture.

We oppose Dr. Butz because he is a leading spokesman for those who accept the proposition that it is not necessarily bad to continue eliminating hundreds of thousands of farmers each year and permitting integrators and others to gain more control of the food industry.

We oppose Dr. Butz because he accepts bigness in agriculture and the movement of people off the land as inevitable.

We oppose Dr. Butz because he has identified completely with agribusiness and preached its gospel while serving in the Department of Agriculture in the 1950s, as an

administrator at Purdue University, as a widely-traveled speaker, and as a board member for three agribusiness giants.

We are opposed to giving a man with these views and associations a national platform and the tremendous power and influence that goes with being Secretary of Agriculture.

There is no point in mincing words on what this confirmation vote means. It means making a choice on the kind of agriculture and the kind of rural America we want to encourage in the years ahead.

In meeting its constitutional responsibility, the U.S. Senate will choose between an historic commitment to opportunity for people on the land and a goal of mechanical efficiency that drives people out of rural areas, eliminates farm and small business enterprises, and destroys rural communities.

In a 1959 speech quoted in Farmer's Digest, Dr. Butz said "the fact that an individual producer may surrender some of his managerial freedom and may transfer part of his risk-taking to someone else is really a very small price to pay for the advantages that flow out of an integrated system." By this statement and by his testimony before this committee yesterday, Dr. Butz makes clear his concern for the whole chain of food production, handling and marketing. Surely he is an honest man.

Gentlemen, we do not believe the big companies like Tenneco, Dow Chemical, Bank of America, Ralston-Purina, Boeing, and Stokely-Van Camp need the sympathetic assistance of a Secretary of Agriculture in order to survive. Certainly our farm families do need understanding and support.

Some of these big companies, like Tenneco for example, readily concede that these intrusions into farming are part of a bold move to dominate the food industry from field to checkout counter by controlling all phases of production, processing and marketing.

Dr. Butz, by serving on the board of two companies directly involved in these activities, is clearly tied to these attempts to destroy the family farm system and usher in a concentrated, corporate agriculture.

The confirmation situation is further complicated by a conflict of interest in which Dr. Butz took in $26,600 a year as a board member of three agribusiness companies while serving as a dean at Purdue. This committee should determine what services Dr. Butz performed for these companies to make him worth that much money.

It also should find out how well he could serve the farmers of his state as dean of agriculture at the same time he was drawing $12,000 a year as a director of an aggressive integrator like Ralston Purina.

Dr. Butz has disclosed the amount of stock he owns in three agribusiness firms he served as a director—International Minerals and Chemicals, Stokely-Van Camp and Ralston-Purina—and disclosed that this represented about one-third of the value of his investment portfolio. What about the other two-thirds? Is it made up of agribusiness companies or others that would be affected by decisions of the Secretary of Agriculture?

This appointment would put him in charge of programs and regulatory agencies that deal with at least three of his own companies, possibly more, a conflict of interest situation that would not be humanly avoided by merely placing his stocks in a blind trust.

On Tuesday the General Accounting Office issued a report stating that poultry inspection had not eliminated unacceptable conditions in most of 68 plants reviewed. It found that unacceptable condition continued in 17 plants criticized in a previous GAO review. The plants are not named, but will Dr. Butz, the ex-director of the biggest single factor in the nation's broiler industry, vigorously straighten out this situation and end the shortcomings in that industry?

The record will show that in poultry inspection hearings in the 1950s he advocated gradualism. Certainly after 15 years unacceptable conditions should not be tolerated, but will they be?

The committee should determine whether or not the companies in which Dr. Butz has been a director have contributed to improved conditions in the areas in which they operate, or whether they have provided leadership in bringing better conditions. I would like to submit to the committee a copy of a recent Nader report, containing a chapter entitled "Poultry Peonage," with which you might start such research.

Dr. Butz can resign his positions with the agribusiness companies he has served but it is unlikely he will be able to resign his longtime agribusiness biases.

Gentlemen, when you put your stock in trust you still own it. You still have your interest in the companies. How can you expect Dr. Butz to protect free and open bargaining between producers and the companies with which he has been associated?

Taking Ralston Purina's far-flung business interests as an example, possibilities of conflict immediately arise in the supervision of the Commodity and Exchange Authority, the food inspection services, the Packers and Stockyards Administration, and the Agricultural Research Service.

There are a number of other important questions that we feel the committee should explore fully with Dr. Butz during these hearings.

Does Dr. Butz favor expansion of cattle feeding by packing companies, for example, or does he favor legislation that would, in effect, limit feeding to those engaged in agricultural production on a fulltime basis?

Does he favor continuation of tobacco allotments now held by family farmers or would he discontinue this program and turn production over to the big tobacco companies?

Does he favor continued agricultural research centering on high volume, huge concentrations of animals and capital and so-called efficiency or does he favor research that considers social efficiency, people and social costs?

Does he favor integration of the hog industry with eventual destruction of the market and a takeover by big agribusiness firms or does he favor doing what is necessary to keep this industry in the hands of independent producers?

Does he favor international commodity agreements with guaranteed price floors or does he favor an export policy that results in sales abroad at any price?

Does he favor an increase of up to 25% in feed grains price supports or does he favor continuation of the present disastrously low levels being paid to producers?

These are some questions Dr. Butz should be asked before these confirmation hearings come to a close.

There has been a real reaction among farmers to this appointment because few men who have served in the Department of Agriculture have made more inflammatory statements than Dr. Butz. His widely-published statement advising farmers to "adapt or die, resist and perish" is typical.

He is widely known among family farmers for his callous lack of concern about their welfare and the reaction you are seeing and feeling today truly come from the grass roots.

We urged the President to withdraw the appointment the afternoon it was announced. We now respectfully urge you to reject formal confirmation of Dr. Butz, and all that he represents in terms of agriculture and rural America, and to advise the President to name someone who is committed to strengthening rural areas and preserving individual enterprise in agriculture.

NOMINATION OF EARL BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. HUMPHREY. Mr. President, I have received several hundred telegrams and messages registering opposition to the confirmation of Dr. Earl Butz as Secretary of Agriculture. Two of those telegrams are of particular importance in that they come from prominent officials and they also express the concern of rural America. I ask unanimous consent that the telegrams from Gov. J. James Exon of Nebraska and the commissioner of agriculture in the State of Minnesota Mr. Jon Wefald, be printed at this point in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN.,
November 17, 1971.

Senator HUBERT H. HUMPHREY:

The nomination of Doctor Earl L. Butz as Secretary of Agriculture is unacceptable to Minnesota Great Farming Industry that I officially represent. A declining farm population and depressed farm economy could expect only hastened disaster from this chief architecture of the devastating policies applied during the sad administration of Ezra Taft Benson. Minnesota and American agriculture need a Secretary of Agriculture who will champion the cause of the family farmer essential to economic growth, rural development and national population stability. Dr. Earl L. Butz in my opinion is at the opposite pole, a demonstrated champion of cooperate farming. I strongly oppose the nomination of Dr. Butz.

JON WEFALD,
Commissioner of Agriculture,
State of Minnesota.

LINCOLN, NEBR.,
November 17, 1971.

HUBERT H. HUMPHREY,
U.S. Senator,
Old Senate Office Building,
Washington, D.C.:

I respectfully urge the United States Senate refuse consent to nominee Dr. Earl Butz for Secretary of Agriculture. Regardless of other considerations, the key reason for my objection to Dr. Butz has been his past record under former Secretary Benson when the nation's farmers suffered their other worst cost-price ratio in the Nation's history. We are in deep economic distress in the farm belt. I am concerned that this fact is not fully appreciated or at least placed in its proper perspective in Washington. An indication that the U.S. Senate is concerned and intends corrective action would be evidenced by your declining to act favorably on this nomination.

Respectfully,

J. JAMES EXON,
Governor of Nebraska.

IUE FRIGIDAIRE WORKERS FORGO PAY INCREASES

Mr. TAFT. Mr. President, the IUE workers at General Motor's Frigidaire plant in Dayton, Ohio, have agreed to forgo their pay increases during the next 2 years. They did this to help preserve their jobs and make it economic for General Motors to recall thousands of their fellow workers previously laid off. As a result of their action, General Motors expects to be able to cut prices on Frigidaire appliances.

I commend these IUE workers for their responsible action. We all recognize that the high cost of living makes pay increases highly desirable and even quite necessary. Nevertheless, these workers have understood that by pricing products out of the market they would be destroying their own jobs. Their action is entirely consistent with the President's objectives of increasing productivity and maintaining wage and price stabilization.

These workers understand that productivity is the key to their job security. Only by increasing the productivity of American industry can American workers have a higher standard of living. These Dayton workingmen and women have the good sense to know that if Frigidaire products cannot be sold they will not have jobs.

They also know that the only meaningful job protection is a productive and competitive work force that can make American products better and cheaper than any other work force in the world.

In a word, they have given up short-term gains for more long-term security. If General Motors is able to reduce the price of its appliances, there will be more jobs in the Dayton area and Christmas will not offer such a bleak prospect for these workers and their families.

I ask unanimous consent that an article from the New York Times of November 22, 1971, relating to this matter be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GM APPLIANCE WORKERS WAIVE RAISES FOR 2 YEARS

DETROIT, November 21.—Workers at the General Motors Corporation's appliance plants in Dayton, Ohio, agreed today to give up future pay rises for two years.

In return, General Motors is expected to recall some of the thousands of laid-off workers and cut prices on its appliances.

G.M.'s Frigidaire Division, which makes refrigerators, washing machines and other appliances as well as auto parts such as air-conditioners, has 10,000 employees. Another 3,400 have been laid off.

Earlier this year the company in a letter to its employees complained that they earned $1 to $2 an hour more than other appliance workers in this country.

The Frigidaire workers belong to the International Union of Electrical Workers, but their G.M. contract followed the pattern set by the United Automobile Workers, and the U.A.W. workers generally earn much more than workers in other appliance plants.

The agreement to eliminate the scheduled wage increases was negotiated in Detroit over the weekend and approved by members of the I.U.E. local in balloting at the University of Dayton field house.

The workers agreed to waive a 3 per cent increase that was due them tomorrow and a similar raise scheduled for a year from now. They also voted to waive a cost-of-living increase, probably about 14 cents an hour, that would come due in December, and any future cost-of-living raises during the current contract.

In addition, the union members agreed to extend their contract, which was scheduled to expire in the fall of 1973, to May of 1974.

Any workers recalled or newly hired will start at 25 cents an hour less than the going rate, subject to approval of the Wage and Hour Division of the Department of Labor. Frigidaire workers now earn $4.34 an hour.

The union also accepted a proposal that it be split into two locals, one for the appliance business and one for auto air-conditioner manufacturing.

The workers who build the air-conditioners will get their raises. There are about 6,000 involved in this work.

General Motors is expected to recall 200 workers Dec. 6 and another 650 Feb. 1.

It is known that General Motors felt that the expensive contract settlements in the auto industry, applied to its appliance business, were pricing its goods out of the market. The layoffs began last fall when the latest contracts with the U.A.W. and the I.U.E. was signed.

There were rumors that the company was considering getting out of the appliance business General Motors admitted it was considering making its appliances in Japan and importing them into the United States. It also said it might have them manufactured by another American company and sold under a G.M. label, or it might halt the manufacture of appliances at Dayton and produce them elsewhere.

TRAGEDY IN ULSTER—IX—ROOTS OF THE PRESENT CRISIS, PART 2

Mr. KENNEDY. Mr. President, the London Sunday Times of November 21 contains the second article in its current two-part series on the recent origins of the present tragedy in Ulster.

The first part, which was published on November 14 and which I placed in the RECORD last Saturday, November 20, traced the course of events from their peaceful beginning in the civil rights movement of the mid-sixties to August 1970, when the deterioration in relations between the Catholic minority and British troops began.

The second part of the series traces the rise of killing and violence by the IRA provisionals, and the slide into the desperate policy of internment announced in August of 1971.

Throughout these events, as the Sunday Times narrative states:

The thread in the steadily darkening pattern since 1969 has been the complex interaction of military strength and political weakness.

I believe that until Britain learns, as America learned in Vietnam, that there can be no military solution to what is essentially a political crisis, the tragedy of Ulster will grow worse, and the toll of death and brutality will rise.

The essence of Senate Resolution 180, that Senator RIBICOFF and I have submitted, is the call for steps to achieve a prompt and reasonable political solution to the Ulster crisis. If the Sunday Times series demonstrates any single point, it is the futility of the current single-minded search for a military solution.

Mr. President, I believe that the present article contains an extremely valuable analysis of the Ulster tragedy, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the London Sunday Times, Nov. 21, 1971]

INSIGHT: A PERSPECTIVE ON ULSTER, PART 2: TWO SHOTS THAT KILLED A LAST BID FOR PEACE

Last week's narrative plotted the origins of the strife in Ulster. It told how the movement to win equal civil rights for the Catholics met with reluctant reforms from the Orange supremacy, and with violent repression which in turn fostered increasing Catholic militancy. It told how, by a compound of political misjudgments and ancient suspicions, the role of the British Army was changed—from August 1969, when it was sent in to protect the burning Catholic ghettoes, to August 1970 when it found itself facing a hostile Catholic population. As we take up the narrative, the scene was set for the rise of the gunmen of the Provisional IRA.)

James Callaghan, Labour's Home Secretary, was already planning direct rule in Ulster—control of the province from London—when Labour lost the election in June 1970. Few of his colleagues knew. The Prime Minister, Harold Wilson, did know, and was "dithering," Callaghan remarked at the time. The Cabinet had not been approached.

Callaghan's mind appears to have been made up. He now tends to ssy merely that he was "reviewing" the situation, but we have no reason to doubt a detailed private account of his intentions which he gave at the time.

In view of what has happened since, it is worth examining both the reasons for Callaghan's direct rule plan and the difficulties his civil servants then foresaw.

Callaghan was fed up. He thought that the Catholics were stringing the British Government along, making fresh demands as soon as old ones were met. Somewhat in contradiction to this, he had also come to doubt the will of the Stormont Parliament to put into effect even the modest reform programme Labour was pressing—and he had equally small faith in the ability of the Ulster Prime Minister, James Chichester-Clark, to carry it out.

"It's absurd," Callaghan said of Stormont, a few days before the 1970 election. "Here they are, with all the panoply of government—even a Prime Minister—with a population no bigger than four London boroughs. They don't need a Prime Minister, they need a good Mayor of Lewisham." (As a model of government, Lewisham may not habitually spring to mind, but Callaghan's wife used to be a GLC councillor there.) With some misgivings, his civil servants agreed.

Much Whitehall staff work had gone into the mechanism for direct rule. At the Home Office Callaghan had a document drawn up examining three possible ways of taking over Ulster. (Since then the document has grown: five possible forms of direct rule have been explored.)

It is said today that direct rule would entail a full-scale military "invasion" of Ulster, followed by an army of Whitehall officials to replace what is seen as a potentially mutinous bureaucracy. That indeed may have to be the scale of any future operation. The 1970 plan was less dramatic.

About 15,000 troops would have gone over—1,000 more than we have there now. Many of the troops, it was thought, could be withdrawn again in a few days. The Ulster Civil Service would carry on, it was reckoned, and only a few dozen Whitehall men, already selected and briefed, were to go over to improve the quality of administration at key points.

The timing of the direct rule intervention depended on the British General Election (June 18, 1970) and events in Ulster. The "season" of Orange marches (June to August) was just about to begin. For a variety of reasons—including the practical difficulty of enforcing a ban—Callaghan was proposing to let the marches go ahead, though several of his colleagues feared bloodshed. If there had been trouble, it would, he recognised, have at least the virtue of justifying direct rule.

This, of course, was the crucial moment when government and the Ulster problem

unexpectedly fell into the lap of the Tories and of Reginald Maudling, the new Home Secretary. It is possible that Maudling did not even know what Callaghan had in mind—because of the Whitehall custom of not telling Ministers of new Governments what their predecessors had been up to.

AN ABRUPT END TO THE ARMY'S "HONEYMOON"

As we recounted last week, fears of bloodshed as the Orange marches got under way were amply fulfilled. Within ten days of Maudling taking over, he was faced with the first entry of the gunmen of the Provisional IRA into organised action (during the Protestant seige of St. Matthew's Church, East Belfast, on June 27). And he was faced with the abrupt end of the Army's "honeymoon" with the Catholic population (which can be dated fairly precisely to the Army's July 3–5 curfew and house searches in the Falls Road Catholic ghetto). By the end of that one disastrous week of rioting and disorder, the toll was ten dead, 276 injured and £500,000 of damage.

But instead of responding—as Callaghan had planned to do—with the immediate imposition of direct rule, Maudling left Stormont to impose "law and order" of a different kind.

Anyone who supposes that "firm measures" alone are the cure for the ills of Ulster should examine the next episode with care, for it is hard to imagine that there was ever a measure which was firmer, in its way, than the Criminal Justice (Temporary Provisions) Act 1970.

On Monday, June 29, 1970, after the rioting and shooting which followed from the decision of the Army GOC, General Sir Ian Freeland, to "push the Orange parades through the Ardoyne," the Ulster Cabinet met in a state of something like panic. In anticipation, the Minister of Home Affairs, Sir Robert Porter, and the Attorney-General, Basil Kelly, had spent the weekend cobbling up a new piece of legislation, to provide *mandatory* prison sentences for rioters.

The Cabinet had been toying with this for six months. The chief advocates had been Freeland and Brian Faulkner—as Minister of Housing and Local Government and a member of the Security Committee, he has the most influential hardliner in the Cabinet. Freeland had always pressed for two changes in the law: stiffer sentences and a new blanket charge to cover people who might be merely *present* at a riot.

Without dissent, the Cabinet approved the hastily-drafted legislation, applying minimum six-month jail terms for anyone convicted of "riotous behaviour," "disorderly behaviour" or "behaviour likely to cause a breach of the peace."

Inevitably, the Army was going to be the chief instrument for applying this crude legal device—because the Army would be doing the arresting in riots. The theory was that the Army would hand over anyone arrested to the Royal Ulster Constabulary for charging. But the first that Sir Arthur Young, the head of the RUC—sent by Callaghan in 1969 from the City of London police to clean up the Ulster force—heard of it was when one of his officers, Bill Meharg, burst into his office as the Cabinet broke up and said: "You will never guess what they've done now." Young was appalled.

Freeland saw no problems. He complained at the next meeting of the Security Committee that it was "too little too late." But the more thoughtful members of the RUC saw the peril.

It was, as Porter more or less admitted in Stormont, unnecessary on a strictly legal basis. Already, there was an ample battery of charges to deal with trouble on the streets, ranging from breach of the peace through disorderly and riotous behaviour, unlawful wounding, grievous bodily harm, and even arson, with further penalties for weapons. But all these charges, of course, needed the specialist disciplines and skills of a police force to make them work.

These were the skills the Army lacked. Now, as the police saw it, the law was being bent for the Army's benefit—and normal police work would suffer in consequence. Deprived of the traditional breach of the peace charge, for instance, the police would find it hard to cope with non-sectarian, Saturday night drunks.

The legislation was unstoppable: Stormont rushed it through in a record eighteen-hour debate. Only two MPs challenged it line by line: Ian Paisley, who had just won a by-election, and his ally William Beattie. (Paisley, it should be said for the record, is one of the few men at Stormont with any sort of consistent record in opposing military excess and despotic law. Most people affect to see this as nothing more than concern for the necks of his own more extreme supporters, but there is a certain gristly integrity to Paisley's mind which separates him from the *Eatanswill* traditions of Stormont at large.)

One of Paisley's complaints was that the Bill was so ill-drafted as not to make sense in parts, and Basil Kelly's own words, must surely be unique for an attorney-general recommending a piece of legislation to a parliament. "Inevitably," he said, "harsh cases will arise as a result of this Bill, perhaps even wrong convictions on the basis of mistaken identity."

The spirit in which this warning was received was encapsulated in the words of Captain Robert Mitchell, MP for North Armagh. "It brings in," he said with satisfaction, "an element of ruthlessness."

The results of this hasty legislation were soon made apparent. On August 1, in a disturbance in Belfast, a former chairman of the Civil Rights Association, a dentist called Frank Gogarty, was recording the sounds with a microphone and tape. He was stopped by an Army patrol, bundled against a wall and searched, being thrown against the wall twice in the process. When he protested, he was cursed, kicked and thrown into a jeep, at which he said: "Stop kicking me, you British bastards."

Gogarty was charged with disorderly behaviour and, because of his "insulting and abusive" language, with behaviour likely to cause a breach of the peace."

In court, the soldiers agreed with Gogarty's account of his arrest—as a private put it, he had not been "handled with kid gloves." The magistrate dismissed the disorderly behaviour charge, and the language he found nothing worse than "a case of bad manners."

It did, however, constitute behaviour likely to cause a breach of the peace. Gogarty had to get the mandatory six months—the magistrate saying that he would support a petition for his reprieve.

On appeal, however, Gogarty's sentence was actually *increased:* he was now bound over for two years as well as being jailed.

There may be faster methods of alienating moderates, but it is hard to think what they might be.

A Belfast docker, 20-year-old John Benson, was the next celebrated victim. He painted "No Tea Here" on the wall of his street—a reference to the now defunct practice of giving tea to the troops. Beside such ubiquitous Belfast graffiti as "Taig Bastards Out," this contribution was scarcely inflammatory. But the Army complained to the police, and a constable traced Benson by following a trail of red paint drips back to Benson's kitchen.

Deciding that the slogan was "an obvious attempt to intimidate people," the magistrate gave Benson the requisite six months for breach of the peace.

HOW THE STAGE WAS SET FOR THE PROVISIONALS

This sort of case was so clearly disastrous that Attorney-General Kelly approached the police. Could they, he suggested, "bend the law" a little, and use new charges that did not carry mandatory sentences? There was, according to police sources, an argument of some heat when Young said flatly that the only solution was a repeal of the Act. The judiciary—particularly the magistrates—took the same view.

The Cabinet finally succumbed to pressure in December, 1970, and with some sleight of hand repealed mandatory sentences for everything except riotous behaviour.

But by Christmas, 1970, the damage was done. The Ministry of Home Affairs' statistics reveal the fearsome range of the Act. Between July 1 and December 17, 1970—when repeal took effect—269 people were charged with riotous or disorderly behaviour. The police withdrew 129 of these before they came to court; and reduced the charges in 22 cases. (Nine cases dragged on and had still not been heard when the statistics were assembled.)

In the end, therefore, 109 defendants went to court on charges carrying mandatory prison sentences. *Everyone was convicted.* Only four of 17 sentences that went to appeal were reversed.

But the fact that of 269 charged only 109 finally came to court shows that in effect the police were sabotaging the Act by introducing an element of discretion into its working. This sounds worse but the Catholics maintain, with some justice, that this discretion—extended by the partial repeal—has been consistently exercised in Protestant favour.

Inevitably, the Criminal Justice Temporary Provisions Act 1970 came in Catholic eyes to rank, after the Special Powers Act, as the second most repressive piece of legislation at Stormont's command. *And the Army was Stormont's instrument for enforcing it.* Polarisation was complete. The stage was set for the emergence, at last, of the Provisionals.

So far this narrative has made little mention of the headline-takers of today, the gunmen and bombers of the Provisional IRA. The reason is simple. Although the origins of the Provisionals (the Provos) go back beyond the entry of the British troops, their rise to power in the Catholic communities was markedly late, and their descent into war with the British Army later still. Not until February 6 this year was the first British soldier killed by a Provisional. Not until *April* did General Farrar-Hockley sit down to write a military assessment forecasting—accurately—that a Provisional bombing campaign "is *now* inevitable" (our italics).

This lag of 18 months between the entry of British troops and the opening of the Provo offensive is now forgotten. The common argument is that *because* the Provisionals are undoubtedly violent men, many of whom have welcomed conflict with the Army, *therefore* they have caused the trouble. In a context less emotional than Ireland, the non sequitur would not be accepted for a second. As we have tried to demonstrate, the thread in the steadily darkening pattern since 1969 has been the complex interaction of military strength and political weakness. The Provisionals have reacted to these events.

Certainly, the Provisionals are gunmen, bombers, murderers. But why—if they are such conspiratorial desperadoes—did they take 18 months to emerge, and how did they finally do so?

The IRA in Belfast is essentially a different animal from the IRA elsewhere in Ireland, for the cold-blooded reason that the Catholic enclaves of the city, particularly around St. Matthews' in east Belfast, are peculiarly exposed to Protestant reprisal. Previous IRA campaigns have thus avoided the city, and the IRA men there have seen themselves very much as community *defenders* against potential Protestant attack—with highflown ideas about fighting for a 32-county Republic way down their list of objectives.

Given the unchanging geography of Belfast, and the tradition-bound nature of

Ulster society in general it is surprising that there should have been men, like the Belfast Falls IRA leader Jimmy Sullivan, who were actually willing to follow the official IRA Dublin leadership into such new-fangled ideas as supporting Bernadette Devlin's election to Westminster (thus tacitly accepting the separate identity of Ulster as part of the United Kingdom).

But as the IRA leadership moved through the 1960s away from their simple historic dedication to a 32-County Republic and into the Civil Rights movement by way of an optimistic brand of socialism, many old-time Belfast IRA men were inevitably bewildered by this change. Those men became, for the most part, the leaders of the Provisionals.

The split over the leadership's Left-wing policies came in 1964. The IRA in Belfast then consisted of a single "battalion," an impressive title for a scrappy gang of rather under 100 activists. The commander, Billy McKee was overthrown—nominally, in a dispute over the carrying of the Republican tricolour flag on one occasion—and a group of diehards promptly marched out with him. Their names now read like a roll-call of top Provisionals: Joe Cahill (ex-Chief of Staff, now in the South); Seamus Twoomey (present Chief of Staff); Billy Kelly (recent leader of the Provisionals' Third Belfast Battalion, now in the South) and, later, Sean MacNally (now Provisional Quartermaster-General).

To replace McKee, the "official" IRA hierarchy elected Billy McMillen, with Jim Sullivan of the Lower Falls as his number two. But even several of those who stayed "official" were unhappy, notably Francis Card (later to be the Provo's propaganda chief, now jailed) and Leo Martin (still at large).

The collapse of the "official" IRA came over the issue of arms. To raise money to sustain the IRA newspaper, the United Irishman, the Dublin leadership decided in 1968 to sell their now, hopefully, unwanted—weapons to the Free Wales Army (who promptly lost them to the Scotland Yard Special Branch).

This, naturally enough deepened the resentment in Belfast. As violence grew in the summer of 1969, some of the old hands took "precautions." Francis Card secreted three pistols under the bath in his house near the Clonard Monastery, Leo Martin paid £8 for a Smith & Wesson revolver. But rearmament remained on this minuscule scale.

It is a part of Provo mythology that the official Dublin leadership of the IRA actually planned that the Belfast Catholics should be left unarmed before Protestant attack in 1969. The weird theory, supposedly, was that there would be a terrible massacre which would eliminate the troublesome Belfast dissidents and finally bring down Stormont as a byproduct. When the old IRA fears came true, and the Protestants did attack Catholic areas of Belfast in August 1969, the inability of the "official" hierarchy to do their traditional job of community defence finally discredited them.

In September, 1969 after a meeting at which guns were drawn, the IRA leadership in Belfast—under pressure from the old-timers like McKee who had re-joined—declared their independence from Dublin. The actual split in Belfast between the "Provisionals" (the old-timers) and the "officials" (who still looked to Dublin) came in December.

In August, 1969, the "joint" IRA strength in Belfast was just under 150; by December it had swelled to 600. But of these only 80 or so were hard-core, and when the two factions split, although the Provos took about 400 men with them, they took only 30 or so of the trained activists.

This did not worry the Provos. They reckoned that an effective urban guerrilla campaign required a nucleus of only 50 well-trained men.

There were still pockets of Republicanism which preferred to go their own way. The Catholics of East Belfast, clustered around the Short Strand, formed their own "community deference association" and have remained to this day something of a no-man's-land for either IRA faction.

Only the Lower Falls, under Jim Sullivan's sway, remained an Official stronghold plus the Turf Lodge district of west Belfast, where several hundred old Falls' residents had been rehoused (Sullivan had retained his reputation in August 1969 by producing three Thompson sub-machine guns for the defence of the Lower Falls.)

Much of the quiescence of the first six months of 1970 can be accounted for by these regroupings in Belfast. The Provisionals and some of the "neighbourhood defence militia" went training that spring in camps over the border in Donegal, Cork and Wicklow. There was much reading of guerrilla manuals, notably the writings of General Grivas. The Provisionals were simply not strong enough to take anyone on—even if they had wanted to.

Did they want to? The Army's relations with the Catholics were good—though to a large degree that reflected merely the fact that the Army's relations with the Protestants were at that time bad. There is some evidence that the Provisionals were unhappy with this fraternisation, and missed few chances to spread a little disaffection.

Yet, remarkably, until the summer of 1970 the only traceable incidents for which the Provisionals were definitely responsible were one shooting and one bombing. The shooting was on September 28, 1969, when a Protestant crowd made to storm the isolated Unity Walk Catholic Flats near the city centre and a Provisional inside the block tried to frighten them away with a burst of Thompson fire. And on January 27, 1970, in an obscure act of retaliation for an alleged act of Army misbehaviour, the Provisionals blew a hole in the wall of the old police barracks by Unity Flats—the soldiers inside narrowly escaping injury.

Even in the first clash between the British Army and the Catholics—the riots, sparked by an Orange parade, on the Ballymurphy estate in west Belfast over the first three nights of April, 1970—there is evidence that the Provisional leadership thought the Ballymurphy riots should be stopped, and formed a vigilante squad to haul off troublemakers.

There is no evidence that Ballymurphy changed the Provisionals' attitudes. What did, however, decisively affect first the Provisionals' own perceptions and then the Catholic population's readiness to endorse these, were the events of June-July, 1970, which we described in the first article: the shoot-out with the Protestants at St. Matthew's Church and the Army's curfew of the Falls.

These events shook the Provisionals. The St Matthew's battle pointed towards a doctrine of militant self-help. The Falls curfew seemed to indicate that, under the new Conservative Government, the Army was now to take a much tougher anti-Catholic line. The Criminal Justice (Temporary Provisions) Act seemed finally, in the Catholic eyes to cement the military into the structure of Unionist supremacy.

Recruitment to the Provos was dizzily fast in the last half of 1970. There was sporadic Catholic rioting, but it was neither of the Provisionals making nor in their control. By the end of 1970 the Provisionals were in the odd situation of being, at least, the acknowledged leaders of an increasingly uncontrollable community. And Chichester-Clark's reform programme was still in the pending tray.

Chichester-Clark was among the optimists of Ulster. When the troops moved into Derry and Belfast in the 1969 riots, he thought they would be back in barracks within 12 months. When those 12 months in fact ended with the Orange parades and the Falls curfew, he thought the first a success and the second justified. When the winter of 1970 seemed quiet, Chichester-Clark and his Cabinet colleagues began to murmur that the trouble was over. The Army was disconcerted. "We used to tell them: 'For God's sake your troubles are ahead of you,'" one senior army officer recalled. "But they wouldn't listen."

The root of Chichester-Clark's optimism did him credit, however. In 1969 he, like most Ulstermen had blamed the trouble on the IRA. But while his Cabinet colleagues had remained of that fundamentalist persuasion, Chichester-Clark had in 1970 come to believe the IRA at that time was secondary. "The trouble really is communal discontent," he once said privately. And this he thought his reform programme would assuage.

WHY THE REFORM MEASURES COLLECTED DUST

But Chichester-Clark was isolated. He was worried about upsetting his own backbenchers. He had no pressure from the new Conservative Ministers in London to make his party come to heel. So, despite his perception of the ills of Ulster, Chichester-Clark allowed the proposals to stay in the pending tray (when the new Prime Minister, Brian Faulkner, announced his Green Paper of reforms this autumn, it was the year-old draft prepared for Chichester-Clark with Chichester-Clark's own handwritten notes in the margin).

Through the winter of 1970, the only consistent pressure on Chichester-Clark for reform was from the British civil servant Ronald Burrough's. He had been sent to Ulster by Harold Wilson and stayed as the British Government's representative when the Tories came to power.

Yet even his inability to put through reform did not dent Chichester-Clark's optimism. When he told Burroughs that the proposals were "not practical," Chichester-Clark meant merely that he could not yet force them upon his mutinous party. Most particularly (and now most ironically) Chichester-Clark meant that he could not force them through his Cabinet against the objections of Faulkner.

But by the end of 1970 time had run out. In a complex series of interactions, the volatile brew of political timidity, random communal riots and nascent guerrilla terror, was about to explode.

The riots on the Ballymurphy estate, West Belfast, in January, 1971, began a double political process: Chichester-Clark's disenchantment with reform (an odd disillusion since he had not tried it) and his increasing attachment to strong measures. But the riots were remarkable for something else: a secret attempt by the Army to enlist the Provisionals of the IRA in keeping the peace.

The Second Royal Anglian Regiment had assumed the task of controlling Ballymurphy and a wedge of West Belfast some months before. Although the Anglians are a notably unflappable regiment with one of the best reputations for coolness in Ulster riots, the help of the community leaders was clearly needed to keep the peace.

Quietly the Anglians' colonel, Gerrard Wright, resurrected the practice of his predecessor and began to talk to the local Provisionals. The men he met were a formidable trio: Francis Card, number three on the Provisional Brigade Staff, who lived by Kashmir Road in the Clonard; Liam Hannaway, also on the Brigade Staff, and his brother Kevin, commander of the Provisionals' "Second Battalion" covering both Clonard and Ballymurphy, who lived in Cawnpore Street, by the Clonard monastery.

The contacts continued on a regular basis through the months of sporadic rioting in Belfast at the end of 1970. Both sides seem to have seen them as an inexpensive intelli-

gence operation. Neither side can have guessed what they would become.

When the Ballymurphy riots began, the circumstances were such as to suggest to the Army that the contacts with the IRA Provisionals might be helpful.

It was clear to the Army that the petrol bombing was random hooliganism: "At no time," says the Army headquarters log for the time, "was there aggressive action by organised groups. There is eyewitness evidence that the rioting might have been bloodier on January 12/13, 1971 but for the fact that the Provisional leadership were working to stop it. According to two sources, the Provisionals actually placed some youths under armed arrest.

AN ARMY SEARCH ENDS A TACIT TRUCE WITH IRA

On January 13, so far as the participants can now remember, the Army got in touch with the Provisional leadership to appeal for help in cooling Ballymurphy.

The sequence of events—agreed by IRA and Army sources—is that Francis Card was invited to an Army post in North Howard Street, to be warned of a rumored threat against his life. The subject of Ballymurphy was raised—and at a meeting later in his house in Cawnpore Street, Liam Hannaway, told the Army: "If you get out of Ballymurphy we can control it without your assistance."

It was a long meeting, apparently a couple of hours. Leo Martin, who joined the talks with the Army, made the toughest demands. But both sides explored possible solutions. The Provisionals rejected a suggestion that the RUC should go back into Ballymurphy in place of the troops. On the other hand, the soldiers did not apparently reject the idea that they should allow the IRA to keep order.

The meeting was broken up by renewed rioting in Ballymurphy. And the next morning, January 4—acting on the orders of higher authority"—700 troops began a house-to-house search of Ballymurphy.

Before the rioting finished that night, 42 petrol bombs and three bottles of sulphuric acid had been thrown, and guns had at last been used, wounding one soldier.

Even for the Provisionals, the thought of taming Ballymurphy was now daunting. One of the leaders told us much later: "We were in control of Ballymurphy in a normal situation. But it is a big area. There are thousands of teenagers there who detest the British uniform. Every time they saw one in these riots they went berserk. And we couldn't start beating people around because we disliked the British, could we? The people we had in Ballymurphy were swamped—say 20 rioters to one nonrioter. . ."

There is a sliver of evidence that Chichester-Clark learned on January 15 of the Army's discussions. He made the odd public announcement that day to the effect that the Army would not be leaving Ballymurphy "in response to physical force or to any form of political pressure."

But though the Ballymurphy riots were successfully quelled by the evening of January 14, with whatever sort of collaboration between Provisionals and Army, there was dwindling confidence by both sides in the viability of their discussions.

We cannot say how frequently the two sides met during the latter part of January, but contact was apparently "regular" between Colonel Wright, Francis Card and Liam Hannaway. One officer explained: "We felt that some sort of communication was better than no communication at all. Every meeting was calculated to produce some glimmer of contact, spreading one's net. They thought they were conning us. We thought we were conning them. Neither of us was successful."

The Provisionals wanted the political success of an agreement with the Army in Ballymurphy. The Army was equally keen on a tacit truce with the Provisionals, if only to help Chichester-Clark's survival by keeping the streets quiet.

But the Provisionals could not keep their mouths shut. On January 27, William Craig, the hard-line former Minister for Home Affairs, told a sensational story in Stormont. Two RUC constables, he said, had been patrolling in the Clonard area when a pair of Professionals had advised them to leave the area if they valued their lives. The police approached an Army patrol, *who confirmed the advice.*

The first point to be made is that the anecdote is true. The second is that while the Clonard and Ballymurphy areas had for months been virtually "no go" areas—where the police went only by vehicle and by day—Craig's story of expulsion was, to the Unionists, new and sensational.

Was the Army acquiescing in Provisional authority in parts of Belfast? The Provisionals thought the Army was.

According to Liam Hannaway, the Provisionals were promised (at a meeting around February 1, Hannaway thinks) that there would be no military or police activity in the Clonard while talks between the Army and the Provisionals were in progress.

This view is supported independently by another IRA man. The Army's recollection of the date of the meeting is uncertain: either around January 20 or "early February". But senior officers passionately deny that any deal resulted from the meeting.

What happened next certainly ended any faint chance of an agreement.

On Wednesday, February 3, the Second Royal Anglians, on the orders of General Farrar-Hockley, the second in command in Ulster, cordoned and searched the Clonard and Ardoyne areas. Army sources say that the RUC Special Branch had learned of Provisional documents—either stolen or compiled by the IRA—giving personal details about Special Branch men. (Whether these were home addresses and habits, or the sort of material that could lead to blackmail, we do not know.) The Army was asked to retrieve the documents, which, the sources claim, they did—apparently in Hannaway's house.

In the Clonard, the Army stayed around after the search, and Catholic rioting broke out. Then when Protestant workers from the nearby Mackie's engineering works came out to lunch, and began to jeer the Catholic crowds and even pelt them with "Belfast confetti"—as the local mixture of ballbearings and the tiny discs produced by shipyard riveting is called—the Army and police ostentatiously turned their *backs* to the Protestant confetti-throwers and concentrated on the Catholics.

Around four in the afternoon, after a few hours of calm, it was evidently decided to clear the streets. The soldiers did this before the Mackie's workers were due to come out again by roaring up and down in their jeeps. At least two people were knocked down.

The operation was a deliberate show of Army toughness. The idea, we have been told, was to "cut the Provisionals down to size" by demonstrating that the Army could invade their home territory whenever it wished. If the idea was to humiliate the Provisionals, however, its effect was on the contrary to solidify the Clonard behind them.

The rioting over the two nights which followed was the worst the Army had faced in Belfast. In one encounter on the New Lodge Road, five soldiers were wounded in a burst of machine-gun fire. Another had his thigh broken by a gelignite bomb. In the two days eight soldiers were wounded, one seriously.

As these riots moved into their second day Farrar-Hockley appeared on Ulster Television. In answer to the point that the searches had caused serious riots, he made a momentous statement: "We searched this area because we have good evidence that it harbours members of the IRA Provisionals," he said.

He proceeded to name Francis Card, Billy McKee, Leo Martin and Liam and Kevin Hannaway as Provisionals of "some braggadocio." He neglected to say that these were the same Provisionals with whom the Army had been in talks. Martin, who happened to be watching television when Farrar-Hockley spoke, had an interesting reaction: "That's a breach of confidence," he said.

It was also exceedingly embarrassing for the Provisionals, *because their own followers did not know about the discussions and might have been outraged to learn of them.*

There were no more talks. The Provisional leadership now felt it had to prove its readiness to take on the British Army.

On the following night, February 6, Gunner Robert Curtis, aged 20, of 94 Locating Regiment, Royal Artillery was shot dead in the New Lodge Road. He was the first of 36 British soldiers killed at the time of writing. Four of his companions were wounded, one critically.

That same night, three other soldiers were injured. The Army killed one Republican sympathiser, 28-year-old Bernard Watt, and 19-year-old James Saunders, a staff officer in F Company of the Provisionals' Third Battalion.

Chichester-Clark announced on television: "Northern Ireland is at war with the Irish Republican Army Provisionals."

Contemplating Chichester-Clark as he said that, the British representative Burroughs sent back a report to the Home Office—advising them not to give in to the Prime Minister's demands for more force. Whatever they did, he said, "I think Chichester-Clark has shot his bolt."

Chichester-Clark had been talking since January of resigning, but to everyone's surprise he put a good final fight. The mounting IRA campaign of violence impelled him to demand still more troops from Britain and tougher action in the Catholic areas which Maudling and Carrington in London turned down on the advice of the Army.

AN "ASTONISHING" DOCUMENT FROM THE CABINET

Talking at Lisburn shortly before midnight, on Saturday, February 20, 1971, Ronald Burroughs and General Farrar-Hockley received a document from the Stormont Cabinet. It subsequently became famous in high Government circles: one of the dozen or so people who saw it called it "the most astonishing document I have ever seen from a Government department in my life."

It was an ill-typed list, covering two pages, of the Unionists' Military "demands." These included—besides such obvious measures as more troops, and more arrests—block searches, total curfews of Catholic areas, sterner action on the border, and a plan to bring the Ulster Defence Regiment, the reformed B-Specials, into parallel operation with the Army.

But the most startling demand was apparently written in at the foot of the first page as an afterthought. So far as we can gather, the Unionists wanted searches of Catholic areas as straight reprisal raids.

"It was militarily useless, morally wrong, and in the long term politically self-defeating," was one judgment. Burroughs and Farrar-Hockley submitted a joint memorandum to London saying that the document was unacceptable in every major respect. It was rejected. (Many of the measures, however, have since crept into use under Faulkner.)

The *coup de grace* was supplied by the Provisionals. On the evening of March 10, three young Scottish soldiers were shot in the back of the head outside a pub on a country road near Belfast. Scotland Yard detectives later concluded that their murderers were three Provisionals, led, ironically, by an ex-British paratrooper. The reaction to the killings was so intense in Ulster that for about 48 hours, Chichester-Clark feared that the Protestant "backlash" had been precipitated at last.

On March 16, he flew to London to see Heath, Carrington and Maudling. He returned to report to Stormont on March 18 that Westminster had agreed to send another 1,300 troops of the 3,000 he had asked for. "It wasn't anything like enough and everyone knew it," he remarked after the debate.

The next morning, Friday, March 19, he told Downing Street that he intended to resign. At nine that evening, he was sitting in his flat in Stormont Castle eating chicken and chips with three senior civil servants. The telephone rang. It was Heath.

"I didn't realize it was as critical as that," he said. "Why on earth didn't you tell me?" (As Chichester-Clark remarked later: "Short of leaping on the Cabinet table at Number Ten, I thought I could hardly have made it clearer.") Heath tried to dissuade him. "All you're doing, Jimmy," he shouted down the line in tones of unmistakable anguish, "is passing the bloody buck."

The next man in as Prime Minister, chosen by a handsome margin over William Craig, on March 23, was Brian Faulkner.

There is a story about Brian Faulkner which is famous in Unionist circles, and is held to illustrate his most important political gift: agility. It concerns a visit which he paid to the South when Minister of Commerce under O'Neill.

Ulster politicians who happened to hear the Dublin radio that day were startled to hear that Faulkner had visited the Dublin Horse Show—and had been seen in the Presidential box with the arch-Republican, Eamon de Valera himself. They noted that this remarkable event had occurred too late to be reported in the Belfast Telegraph (an evening paper). But still they wondered how Faulkner, a man who had risen on the power of the Orange Right, could hope to get away with it.

They understood next day, when the Belfast News Letter, the morning paper, carried a report of a vibrant denunciation of the Roman Catholic Church—made by Brian Faulkner in one of the Ulster border counties. Having made his gesture towards the South, Faulkner had jumped into his car and driven rapidly north to redress the balance.

Terence O'Neill, when he was Premier of Northern Ireland, used to say that the political style of his most brilliant Minister was summed up in elaborate trade-offs of this kind. And so it was natural that Faulkner, on becoming Prime Minister, should attempt to save the Province with a balancing act. He tried to bring the Catholic-based opposition into the process of government, without alienating his power-base in the Unionist Right.

The collapse of this balancing act led directly to the policy of internment. But Faulkner failed not because he had lost his old instinct for equilibrium: the proximate causes of failure were firstly certain rifle-shots fired by the British Army, and secondly the interplay of personality within the Social Democratic and Labour Party.

Among the Unionists and their rivals in the micro-society of Ulster, individual personality can still sway history. For instance, many people think stability would have been preserved had Faulkner—"a real professional"—become the Unionist leader immediately on the fall of O'Neill in 1969.

He did not do so simply because O'Neill chose to cast his own vote for James Chichester-Clark, the very man whose defection had just brought O'Neill down. "I did it," O'Neill once recalled, "because Jimmy had only been trying to bring me down for six weeks. Brian had been trying for six years. Childish, isn't it?"

The Social Democratic and Labour Party is no less prone to feuding: the bond between its members is less ideology than that all their constituencies have Catholic majorities. The SDLP's leader, Gerry Fitt, is a rumbustious ex-sailor with the back-slapping manner of a minor US Senator. The style does not sort particularly well with that of John Hume, an intellectual meritocrat from Derry. And Fitt has had some mighty personal disputes with Paddy Devlin, an enormous whiskered man who represents the Falls Road area. (On one momentous occasion, they traded punches in Stormont Castle.)

FAULKNER'S "BEST HOUR"—THEN TWO MEN DIE

But these are men of some ability and vitality, frustrated by the prospect of permanent opposition amid the slapstick repartee of Stormont. (Sample: Mr. Currie—"When was the Council of Trent?" Mr. Devlin—"I do not know. It is some bar down around Sandy Row." On June 22 this year in his speech on the Queen's Message, Faulkner made a considerable gesture towards relieving that frustration.

He proposed to add three new and powerful committees to the existing Public Accounts Committee, which would consider Government policies on social services, industrial development and environmental matters. And, much more radically, he proposed that the Opposition should provide salaried chairmen for two of them.

It was an imaginative, even brave, move. Faulkner had taken over against a background of steadily escalating violence. From the end of March the Provisional bombing campaign had really cut loose—37 major explosions in April, 47 in May and 50 in June when Faulkner made his offer.

The SDLP members reacted euphorically. Faulkner's proposals, said Paddy Devlin, "showed plenty of imagination. It was his best hour since I came into the House. . . . The Prime Minister has given Hon Members and indirectly those outside an opportunity to share in decision-making."

John Hume said that "it should be made clear to all people today who say that no change has taken place, that this is simply not true. There have been changes in this community. . . ." Another member spoke of "adulation" coming from both sides of the House: against the background of normal Catholic attitudes to Unionists, "adulation" was fair.

Six days later, Faulkner "balanced." With five members of his Government, including Harry West of the ultra-Right, he made a pilgrimage to Brownlow House, Lurgan, a true shrine of Orange ideals. (Though, to keep the colours straight, Brownlow House is the home, not of the Orange Order itself, but of the Royal Black Institution—the Blackmen being the crème de la crème of Orangemen.)

Faulkner's symbolic gesture to his Right wing might, and ought, to have been tolerable to the Catholics against the substance of his political offer in the face of mounting Unionist anger about the bombing campaign. But nine days later in the Bogside of Londonderry—John Hume's seat—the Faulkner initiative was doomed by a series of accidents.

Relations in the Bogside, Derry, between the soldiers and the Catholic population deteriorated in the first half of 1971 almost as rapidly as in Catholic Belfast. By the night of July 7, rioting had been going on unbroken for four days, and the Royal Anglians had been fired on sixty times by their count. It says a good deal for the fire discipline of his regiment—the Anglians have a reputation for unusual coolness and restraint—that only three shots were fired in reply.

The night of Wednesday, July 7, was noted as "busy" in the Army log. Rubber bullets were fired on several occasions, and shortly after midnight a patrol began to march down William Street, a main thoroughfare where heavy stoning and petrol bombing had been going on.

A man was seen "carrying a rifle" in Fahan Street. According to the Anglians, he was ordered to stand still, but moved to a new position and took aim.

A marksman fired one round from his self-loading rifle, at short range. The man fell, and was immediately borne away by the crowd. When the patrol reached the spot, there were huge pools of blood but no sign of any rifle.

The shot man was Seamus Cusack, an unemployed welder, aged 28. He was hit in the femoral artery, causing heavy bleeding. He was put in a car and driven across the border to Letterkenny Hospital, where he died from loss of blood. Immediate treatment, or even the application of a tourniquet in the car, might have saved his life.

As the Army see it, Cusack's fatal removal across the border is proof that he was an IRA gunman, who could not face treatment in Ulster. But Bogside people injured in riots regularly cross the border for treatment, because they fear that Ulster hospitals might give their name to the security officers.

It was, in other words, a kind of routine to take Cusack to Letterkenny. It appears that sheer inexperience led his rescuers to think that he was not badly hurt.

Cusack was not known to belong to any Republican organization; local opinion is that he was more interested in boxing than politics. Patrick Duffy, a well-known moderate whose peace-keeping efforts have been praised by the Army, says: "I would swear on oath that Cusack was stooping to pick up a helmet knocked off a soldier." Other witnesses think that Cusack was trying to rescue Duffy's little son from the line of fire.

Extreme Protestant opinion holds that a few shootings will bring back law and order. But in Derry that afternoon Cusack's death caused further, bitter rioting.

Just after 3 p.m. an army vehicle was rammed by a hijacked lorry. An Anglian patrol in a Saracen amoured car was called to help, and the Army log records that there were three loud explosions from nail bombs. Petrol bombs were also thrown.

At 3.13, an Anglian marksman again fired one round from an SLR. His target, according to the log, was a man who "fired at him." Desmond Beattie, unemployed, aged 19, died almost instantly.

Father Tony Gillespie, who was standing in a group near Beattie, said at the inquest: "I saw the lad drop to his knees with blood pouring out of him. I could see the hole in his chest." But he said he could not see any trace of a bomb or other weapon.

Henry Curran said that a youth, dressed differently from Beattie, ran past him with "a cylindrical object wrapped in cloth." He threw it at the Saracens, and it exploded. Beattie was shot immediately afterwards.

Forensic scientists found no traces of explosives on Beattie's body, and no sign that he had fired a gun. The soldier who shot him, described only as Mr. A, gave evidence wearing dark glasses, and with his collar turned up to avoid identification.

NO INQUIRY, SO THE OPPOSITION QUITS STORMONT

Mr. A said he saw Beattie with a round dark object in one hand, and what appeared to be a flame in the other. This was surprising, as the first report had spoken of the dead man firing a gun.

An open verdict was returned on Desmond Beattie. By that time, his death had already become a kind of cause celebre.

XUM

John Hume tried to call a meeting of the Social Democratic and Labour Party MPs on the weekend after the shootings. He collected Ivan Cooper, from neighbouring mid-Derry, plus Austin Currie, Paddy O'Hanlon and Paddy Devlin. But Gerry Fitt was somewhere in Antrim, out of telephone range. When, finally, a message reached the SDLP leader, his response was that he was not going to Derry for any meeting called by John Hume.

Hume, then, dominated the meeting. He was emotionally concerned about his two dead constituents, and he was politically concerned about being outflanked to the Left. On the same weekend Rory O'Brady, political chief of the Provisional IRA, came over the border to be rapturously greeted by 2,000 Bogsiders. He gave them, in sharp contrast to Hume's careful reformism, the straight "sweep them into the sea" line. "Please God," he cried, "we'll fix it this time!"

John Hume needed urgently to show that he was not the creature of Stormont—a task not eased by the eagerness with which he and his colleagues had embraced Faulkner's committees. So he drafted, and the little meeting approved, a long and powerful statement. It gave the British Government until the following Thursday to set up an independent, public inquiry into the deaths of Beattie and Cusack. Failing that, the SDLP would leave Stormont and set up an "alternative Parliament."

No doubt everyone present knew that Fitt would not approve. But Paddy Devlin, presumably one man who might have cooled the tempers, was still fuming over past disputes with Fitt. So Fitt first learned of his party's new policy when he saw the Sunday night television news. At once, he booked a flight to London for a private chat with Reginald Maudling.

Maudling, obviously, could not yield to the ultimatum. But if he could do something—such as bring forward the inquest, and perhaps increase its status by some means—a way might be found for the SDLP to stay inside the system. Maudling, it seems, was willing to help, and for a while the deal seemed likely to work.

But then, back in Ulster, Austin Currie, another SDLP member, was asked by a radio reporter whether any proposal, such as a special inquest, might settle the Beattie-Cusack affair. No, he said, it would not: there must be a new inquiry. On Tuesday Lord Balniel announced in Westminster that there would be no such inquiry: on Thursday Fitt, fuming, had to lead his men out of Stormont.

It was a symbolic walk-out, because Stormont was not sitting at the time. But it was enough—more than enough—to make the Unionists say that the hand of friendship had been bitten.

It is, of course, possible to say that Faulkner's gesture would have succeeded but for the deaths of Beattie and Cusack. But by mid-1971, such deaths were becoming so frequent in Ulster as to constitute the ordinary risks of politics.

From Faulkner's election in March to the introduction of internment on August 9 there was an average of two bomb explosions a day. In one hectic 12 hours in July, no fewer than 20 explosions wrecked pubs, shops and banks, injuring a dozen civilians. All told more than 100 civilians were wounded in bombings in this period.

The Army, too, felt the impact of the surge of IRA Provisional activity. Four more soldiers died and 29 were injured between April and August; in return the Army killed four civilians, one, William Reid, being described as a known Provisional.

The bombings and the collapse of his political initiative gave Brian Faulkner a persuasive case for internment, and it was his personal achievement that it was finally granted. But internment was not, as it might appear, Faulkner's response to the events of midsummer. When he took over as Prime Minister on March 23 the issue was not *whether* internment was to come but *when* and on what scale?

Throughout 1970 Faulkner was a persistent advocate of internment inside Chichester-Clark's Security Committee—"week after week, it became quite a ritual," one Minister recalled.

Faulkner had been Minister of Home Affairs from 1959 in the IRA campaign of 1956–1962. Ulster's Catholics had given that campaign no support but one of Faulkner's more abiding convictions was that internment was a crucial factor in its defeat.

Chichester-Clark, who was against the idea, learned to stave off Faulkner's demands by simply asking the Army and the police for their opinion each time. This never varied: given the likely degree of success, internment would not be worthwhile. The Army and the police did not know who to arrest.

INTERNMENT: HOW FAULKNER GOT WHAT HE WANTED

Even as Chichester-Clark was falling, internment was not one of his central demands. When Faulkner took over the policy change was immediate. Some time in April, despite the Army's scepticism about internment as a policy, the Director of Military Intelligence at Lisburn set up with the RUC Special Branch a joint "internment working party."

The targets were, from the start, Catholics. The original Ministry of Defence agreement to set up a full scale Military Intelligence in Ulster in March 1970 had been to investigate Protestant extremists, but the IRA bombing campaign had now changed the focus of attention.

The working party had no trouble identifying the leading figures in the Officials and the Provisionals. The Officials, pre-1969, had been highly publicised in the civil rights campaign. And the Provisional leaders were the old-fashioned Republicans that most Special Branch men knew in their sleep. On specialised areas—the bank accounts through which funds passed, for instance—the Army also had good information.

But the younger and newer Provisionals, the actual "gunmen," were almost wholly unidentified. The Provisionals' command structure was equally unknown. (Though Joe Cahill took over as Provisional Chief of Staff when Billy McKee was arrested in March this year, for instance, Intelligence sources seem not to have learned this for five months.)

Filling in the gaps was difficult. In the new housing estates—such as Ballymurphy and Andersonstown, both Provisional strongholds—the police had almost no informers. The Army found it hard to set up an intelligence network (two M15 men who arrived in the late summer of 1970 made a mess of the job). And while the RUC Special Branch had been knocked into fairly good shape by Scotland Yard men in 1970, it was still feeling its way.

Much of the working party's time was spent sorting through thousands of photographs, taken by Army cameramen at riots, funerals, demonstrations, and meetings and comparing the participants with pictures on RUC police files. (Most of the work was done at the RUC headquarters in east Belfast.)

But the working party had no direction whether their list was to cover merely the "gunmen," or all past or present Republicans of any kind. The debate inside the group on this question was interrupted, by a kidnapping and a hold-up.

Around 6 a.m. on July 16, four men dressed in medical-looking white coats walked into the Royal Victoria Hospital in central Belfast, strolled up to Ward 10, and producing Thompson sub-machine guns from under their coats to quell the guards. They removed an IRA Provisional, recently wounded in the leg while placing a gelignite bomb, and drove off with him.

The following evening, July 17, armed men entered the Daily Mirror printing plant in Dunmurry, ordered the workers out of the building, and blew up the presses.

The internment decision effectively stems from that moment. On the Sunday, July 19, Faulkner telephoned Edward Heath in London and said that he thought it was now necessary. When the Army GOC in Ulster, General Harry Tuzo (he had taken over in February) went to London the next day to get a knighthood, the Defense Secretary, Lord Carrington, gave him less welcome news at the same time. Either the Army came up with an alternative policy to internment—which it still opposed—or Faulkner would have to have his way.

Two separate strands are visible in the events that followed: the last-minute efforts to finalise the "internment list," and a search by the Army for an alternative.

Around dawn on July 23, 1,800 troops, and police, raided houses in Belfast and nine other towns in the province. They got what they wanted; both Provisionals and Officials kept no documents on their own activities, but each faction kept excellent files on the other towns in the province. They got what raids followed: by the first days of August, the working party reckoned its list was complete.

There were just over 500 names on it. No more than 120–130 were gunmen or officers in the Officials or the Provisionals. (The breakdown was roughly 80-plus Provisionals to 40-plus Officials.) The other 400 were "sympathisers." A small group actively helped the gunmen—sheltered them, stole cars for them, and so on. Another group was "too close for comfort": speechmakers, editors of news-sheets, and grass-roots radicals whose work coincided at points with that of the Officials.

But there was a special group of eight or ten who were not gunmen, nor had given "aid and comfort," nor preached violence. They were included on the list simply because they were active politicians who, in the wake of internment, would be ringleaders in the uproar. Chief among these was the People's Democracy leader Michael Farrell.

General Tuzo remained highly skeptical about "the Unionists' panacea," as they dubbed internment. It could not work, he said, with the border to the Republic open; and everyone knew there was no chance of the Irish Prime Minister, Jack Lynch, obligingly collaborating by introducing internment in the South, as had happened in the earlier abortive IRA campaign.

Precisely the same conclusion was reached by the Ulster Cabinet. Afterwards, it was said that the British Government only sanctioned internment at the request of the Northern Ireland Government. This is not so.

Faulkner's Cabinet met on Tuesday, August 3. Internment was the main topic, but although on first impression everyone favoured it, such "ifs and buts" emerged that in the end the Ministers reached no consensus, and made no recommendation either way. Nor did Faulkner ask them to make one. Uncharacteristically, he said little the entire meeting.

All that the Ulster Cabinet did agree was that if internment was to be effective, it had to come in the South at the same time. Faulkner said simply "London will have to pursue that."

On Thursday morning, August 5, the Joint Security Committee met in Stormont Castle: Faulkner in the chair as usual and, round the table, politicians like John Taylor, the junior Minister for Home Affairs, a couple of civil servants, the new RUC Chief Constable Graham Shillington, and the Army contingent led by Tuzo. Even here opinion was against internment. Shillington reported that only a minority of the police favoured it, and those mostly men on the border, not officers in hot spots like Belfast.

That afternoon Faulkner and Tuzo left secretly for London. (The first Faulkner's Cabinet heard of the visit was on television news that evening. They were affronted: "Who does he think he is?" was their main reaction.)

At the Ministry of Defence in the office of the Defence Secretary, Lord Carrington, Tuzo repeated his objections to internment. But in the last analysis Tuzo did not object to the policy. He could offer nothing else which held out the hope of checking the violence (91 bomb explosions in July) and he accepted the necessity to do something to restore the morale and authority of Stormont.

Then Carrington walked across Whitehall and into 10 Downing Street for the Cabinet meeting.

ESCALATION AS THE PRICE FOR AN EASY OPTION

Faulkner was impressive at the Cabinet—"full of confidence and raring to go," according to one account. Maudling was shrewd enough to see that the analogies Faulkner had been drawing between his success in 1959 and now were shaky, but Maudling was alarmed and anxious at the increasing violence and he, too, had no other policy: with the Immigration Bill and Ulster it had been a tiring period for Maudling. If Faulkner wanted to try it, why not? He gave his support. So did Carrington and William Whitelaw, the Lord President and Leader of the Commons.

There was no real opposition. Tuzo was called in but not to give his views, merely to answer technical questions about the military requirements of the operation.

Faulkner had got what he wanted.

It requires an effort now to recall the euphoria with which internment was launched and its early results celebrated.

"We have forced the gunmen into the open," said Brian Faulkner. "We've Licked the IRA" cried an Evening Standard headline, quoting Brigadier Tickell, the Army spokesman, five days after the first early-morning arrests. General Tuzo is now a convinced upholder of internment; the Army believes it is getting on top."

At the time the Army's "suggestion" for detention numbered only in the 100 region and the actual order to round up several hundred surprised them.

So far the harsh arithmetic of the three months and 12 days since internment supports Tuzo's earlier position of scepticism: twenty-six British soldiers killed against a total of 10 dead in the previous seven months; 110 wounded against 67.

The RUC has suffered even more severely. Nine policemen—most of them unarmed—have died since internment came in; before that, just two had been killed all year. The impact on civilians has been just as bloody. Up to internment, 15 were known to have been killed; at least 57 have died since then.

The tempo of the bombing has also accelerated alarmingly. In the period up to internment there were just under 300 explosions in which an estimated 3,318 pounds of gelignite were used. Since then a massive 6,200 pounds of explosive has been used in some 380 bombings.

The aftermath of the internment decision has been reported amply and recently in this and other newspapers. The aim in these articles has not been to repeat that exercise, but to reach back in time and reconstruct the circumstances which led the British Government to this desperate choice.

What is worth repeating, however, is that exactly the same process went into the decision as into the previous escalations of 1960 and 1970. That is, the British Government adopted without serious struggle the option which would enable it to stave off for the moment any assumption of direct responsibility for the affairs of Ulster. Brian Faulkner let it be understood, that internment was the price of his own survival.

This is a syndrome which has now worked itself out three times. Each time, it has monstrously inflated the burden of responsibility which some British Government is going to have to assume, some time or other—at least, if the theme of our history is correct.

CORRECTIONS

The 20,000-word first installment last week of A Perspective on Ulster contained a number of errors of detail, mostly minor. They were:

Page 16, col. 7: The self-styled "Chief of Staff" of the UVF was Samuel Stevenson.

Page 17, col. 2: The Commissioner of Police in Belfast was Harold, not Arthur, Wolseley.

Page 17, col. 4: For Shoreland, read Shorland; eight, not ten, extra armoured cars were ordered.

Page 17, col. 5: The Browning calibre is 0.303, not 0.30.

Page 18, col. 1: The RUC man killed in the Shankill riots of October, 1969, was Constable Victor Arbuckle, not an Inspector.

Page 18, col. 3: For Paddy Sullivan, and Paddy Kennedy. (This was an error in setting, as the context will have made clear.).

Page 18, col. 6: Brigadier Hulson's title was Brigade Commander, 39 Brigade.

Page 19, col. 7: The battle in St. Matthew's churchyard took place from the cover of the building, and a few small monuments outside. There are no gravestones.

Page 19, col. 7: For Terence Street police station, read Tennent Street.

Page 19, col. 7. William Long was an ex-Minister for Home Affairs. At the time of the Falls curfew he was Minister of Education.

NOMINATION OF DR. EARL BUTZ AS SECRETARY OF AGRICULTURE

Mr. HUMPHREY. Mr. President, I have recevied a telegram from Mr. Carroll G. Wilson, president of the Minnesota Farm Bureau Federation, in which he states that organization's position in favor of the confirmation of the nomination of Dr. Earl Butz as Secretary of Agriculture.

So that the record will be clear, I wish to point out that at no time have I represented the official position of the Minnesota Farm Bureau Federation to be other than it is.

I have stated that I have received communications from individual members of that organization stating their opposition to Dr. Butz' confirmation. These communications are among several hundred I have received which overwhelmingly oppose his confirmation.

Mr. President, I ask unanimous consent that Mr. Wilson's telegram be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MINNESOTA FARM BUREAU FEDERATION,
St. Paul, Minn., November 22, 1971.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.

HONORABLE HUBERT H. HUMPHREY: Board of director, Minnesota Farm Bureau Federation meeting this date notes, November 20 Minneapolis Tribune wire services story reporting, "The Minnesota Farm Bureau, the State affiliate of the conservative farm organization which usually opposes him (Humphrey), has wired him (Humphrey) to ask him to fight Butz." No officer or member of board of directors has authorized any such statement in any form. Urge you correct wire services story. We believe Mr. Butz, whose lifelong dedication to agriculture is well known, has background equaling or surpassing that of many former Agriculture Secretaries. It is our hope that Senate confirms Earl Butz.

CARROLL G. WILSON,
President.

THE ARROGANCE OF BIG LABOR

Mr. FANNIN. Mr. President, for almost two centuries we and our forefathers have been seeking to maintain a healthy balance among the many competing interests within America.

When any one element has become too powerful, when any one segment begins to dictate to all others, then it is time to make some adjustments and to bring our system back into balance.

When big business became dictatorial, it was slapped down by tough antitrust laws.

Now it is big labor that is out of hand and threatening the well-being of our Nation. Big unions are on a course that is destructive of our economy and our American system of free enterprise.

The arrogance of big labor was on display for the Nation last Friday in Florida. The union chiefs and their yesmen put on a rude demonstration of their disdain not only for the President of the United States but for the people of the United States.

This response to the President obviously was staged by George Meany, president of the AFL–CIO. The sneers and snickers were on cue.

I noted that earlier in the AFL–CIO convention Mr. Meany had taken delight in questioning the intelligence and ability of the nonlabor appointments to the Pay Board.

Mr. Meany made it clear that he has no respect for anyone who does not jump when he or the other officials of big labor give the signal.

The union position as pronounced by Mr. Meany is astounding.

We are told that the unions will cooperate with the President's economic program only when it is to their benefit. They will not cooperate in any instance which calls for the union leaders or members to share in the sacrifices that are necessary to bring stability to our economy.

George Meany and the unions are following a selfish and destructive policy.

It has been said that "statesmanship" is a dirty word among labor leaders. Union chiefs believe that they must continue to push for higher and higher wages and more benefits for workers regardless of productivity or economic conditions or other realities. They operate with blinders on.

Union leaders who now virtually rule industries are ruining many of these industries. They are grasping for political power and for immediate exorbitant benefits at the cost of eventual annihilation for their industries.

Now the unions are threatening to try to ruin the administration's economic program—a program which contains many features long advocated by the union leaders themselves. Yes, the union

leaders say they will sabotage the program whenever decisions go against them in the stabilization program.

Mr. President, it will be a disaster if our Government allows a relatively small segment of our population represented by the union leaders to derail our anti-inflation efforts. And it clearly will be their fault if this program should fail.

I applaud President Nixon's declaration that he will follow through with this vital program with or without the cooperation of the support of union officials. It is the President of the United States, not the president of the AFL–CIO, who is in step with the workers and the vast majority of the American people.

Mr. President, the New York Times carried a very interesting editorial on the efforts of the unions to undermine phase II. I request unanimous consent that the editorial be printed at this point in the RECORD:

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNDERMINING PHASE II

Organized labor no longer seeks to disguise its basis for participation in President Nixon's anti-inflation program. The resolution adopted by the A.F.L.–C.I.O. convention and the keynote speech by George Meany make it plain that the aim of the labor members on the tripartite Pay Board is to defeat the goal of wage stabilization.

Under the federation's program, unions would keep right on grabbing everything they could at the bargaining table or on the picket line, in an endless repetition of the process that has robbed past pay boosts of any worth in increased purchasing power.

Forgotten are the two years of clamor by labor and its Democratic allies in Congress for Presidential action to control the runaway spiral. Now that Mr. Nixon has belatedly embraced economic activism, labor accuses him of a diabolical plot to "destroy free collective bargaining." And committees of House and Senate are busy redrafting the Economic Stabilization Act to insert weakening provisions the unions could not push through the semi-autonomous Pay Board.

The key element in the A.F.L.–C.I.O. indictment of the board is that it has refused blanket validation of all collective bargaining agreements, no matter how inflationary. Yet the Federal courts, in the gold and mortgage moratorium cases in the early years of Franklin D. Roosevelt's New Deal, laid down the principle that Government's right to fulfill its constitutional responsibilities could not be impaired by pre-existing contracts. That principle was reaffirmed just last month by the three-judge Federal court, which upheld the present wage control law.

Indeed, the five labor members of the Pay Board were themselves ready to compromise inside the board on the issue of contract validity. Their formal written proposal would have made existing pacts subject to review if they called for pay increases "unreasonably inconsistent" with the board's basic criteria. The only real difference between their suggestion and the one finally adopted by the public and industry members was that the labor bloc would have specifically eliminated all increases up to 8 per cent from challenge. The majority plank omits any such figure.

The unfortunate fact is that the official standard contains far too much elastic, as was demonstrated yesterday by the joint vote of the Pay Board's industry and union members to let go into effect unchanged the first-year increases called for by the highly inflationary strike settlement just negotiated in the coal mines.

The three public members who voted against approving the pact estimated that it provided an increase of 16.8 per cent in hourly compensation, or more than triple the 5.5 per cent ceiling established by the board for postfreeze contracts. The industry and union members, putting the increase at something over 15 per cent in pay and fringe benefits, resorted to some tortured rationalizations to explain why none of it breached the general pay rules.

Few will doubt, however, that the decision represented an abject surrender to economic power of precisely the type that organized labor intends to make the norm in its mockery of a control program. The coal operators, with the steel and copper companies and the electric utilities as dominant elements in their industry, were willing to give the shaky leadership of the United Mine Workers what it felt it needed to stay in command. Gov. Arch A. Moore of West Virginia used all his political clout to help lobby the increase through.

Undoubtedly, the Governor will now accompany the operators on a pilgrimage to the Price Commission to win a similar green light for coal price increases far above the economywide level of 2.5 per cent. The commission's chairman, C. Jackson Grayson, has said that the board may balk—as it should—at granting a pass-along in higher prices for labor costs above the basic Pay Board ceiling. There would be no better place to start than with the inflated settlement in coal.

President Nixon, in his speech before the A.F.L.-C.I.O. yesterday, emphasized his own resolve to persist in the war against inflation, whether or not he had the cooperation of labor, industry, or any other group. On this issue we believe the President is entitled to unequivocal support. The initial breach driven by labor and industry into an equitable system of wage-price restraints is one too many.

Mr. FANNIN. Mr. President, an article published in tonight's Washington Evening Star also should be of great interest to the Senate. Columnist David Lawrence is the writer, and his piece is very appropriately entitled "Biggest Monopoly Ever Developed." I ask unanimous consent that the column be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIGGEST MONOPOLY EVER DEVELOPED

(By David Lawrence)

The real controversy that confronts the nation today is not just between the AFL–CIO leaders and President Nixon but over the continuance or discontinuance of the monopolistic power held by one group in this country.

The antitrust laws forbid businesses to organize and fix their prices together, but national labor unions have assumed the right to set wages at arbitrary levels. These rates of payment imposed by big unions in major industries have been accepted in their lines of work as a proper basis for contract demands.

Whether the wage scales are equitable or whether they reflect the productivity which management needs in order to justify certain wage costs as a basis for price increases that are not inflationary is not given any consideration by the negotiators for unions.

Now when the government steps in with a Pay Board and tries in a national emergency to find some way to bring about a system that will restrain wage increases so that prices will not have to be so high, the cooperation of union labor is withheld by the leaders, who insist they will be their own judges of what the rates shall be.

This defiance of governmental guidelines and mediation is at the moment producing much concern because, unless a method is found to get teamwork from the labor side, there is little hope that inflation will be restrained. Management will have to pay extremely high wage rates, and prices will, of course, have to be raised accordingly.

President Nixon has been trying to persuade labor that the mechanism of the Pay Board is designed to be fair and to apply a judicial attitude toward the questions that arise. But if the unions insist they must have their way, there will be no opportunity to control some of the principal factors that have been causing the inflationary curve to move upward.

What is surprising is that Congress has stood by without taking any steps to enact legislation that is long overdue—namely, to remove the monopoly power held by labor unions. If companies entered into the kind of agreements for an entire industry that unions make, they would be prosecuted under the antitrust laws.

Perhaps one reason for the failure to take up such legislation is that the officials of unions have persuaded a lot of their members to contribute to the campaign funds of senators and representatives. It is believed that a large number in both houses of Congress are obligated to labor-union support.

The law, of course, forbids labor organizations themselves to contribute, but individual members are not restricted from doing so. Campaign committees are set up by unions which canvass workers and obtain contributions for political purposes.

The whole situation has for years been ignored by Congress, which now and then takes up the question of money coming from big contributors to political campaigns but avoids any restrictions on the flow of funds through indirect channels to congressional candidates from labor-union members.

The net result is that labor unions are unrestrained in the exercise of the biggest monopoly that has ever been developed, and they hold the greatest amount of power in our economic system, even though they represent only one quarter of the nation's labor force.

The President of the United States is having a hard time battling with the unions. When they determine not to pay attention to governmental guidelines as he carries on his fight against inflation, there is very little that can be done unless Congress takes a realistic view and writes an effective anti-monopoly law applying to labor organizations.

There are many people who feel that the rank and file of labor favors cooperation with the government. But their leaders evidently hold a different view. They seem to think that their own elections to union offices depend upon demanding higher and higher wages for the members and conducting a fight against the government's efforts to curb inflation and hasten recovery. But, in the long run, if the economy is hurt by such tactics, union members will be hurt too.

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE SANTEE ELECTRIC COOPERATIVE, INC.

Mr. THURMOND. Mr. President, the board of directors of the Santee Electric Cooperative, Inc., Kingstree, S.C., in its regular monthly meeting on October 14, adopted a resolution.

This resolution urges the Office of Management and Budget to release all funds appropriated for the REA in order that electric cooperatives may keep pace with increasing costs to improve their systems.

The resolution states that Congress has appropriated for the Rural Electric Administration a sum of $545 million and that the OMB has authorized a release of only a portion of these funds.

Mr. President, I ask unanimous consent that this resolution be printed in the CONGRESSIONAL RECORD.

There being no objection the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, Congress has appropriated for the Rural Electrification Administration a sum of $545,000,000, and

Whereas, The Office of Management and Budget has authorized the release of only a portion of the funds, and

Whereas, there is an immediate need for the release of all of the funds so appropriated to improve electrical systems and to keep pace with the increasing costs.

Now, therefore, be it resolved, That the Board of Trustees of Santee Electric Cooperative, Inc. ask our Senators and Congressmen to request the Office of Management and Budget to release all funds appropriated for the REA in order that electric cooperatives may keep pace with the increasing costs and to improve their systems.

I hereby certify that the above is a true and correct copy of a Resolution duly adopted by the Board of Trustees of Santee Electric Cooperative, Inc., Kingstree, South Carolina, at its regular Board Meeting on the 14th. day of October, 1971.

R. S. BURGESS, Jr.,
Secretary,
Santee Electric Cooperative, Inc.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

The PRESIDING OFFICER (Mr. GAMBRELL). Under the previous order the Chair lays before the Senate the unfinished business, H.R. 11731, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1971, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a quorum call—and it will not be live, so far as the Senator from Montana is concerned—with the proviso that at its conclusion the distinguished Senator from Louisiana (Mr. ELLENDER), the chairman of the subcommittee handling the bill, be recognized; and that he be followed by the distinguished Senator from North Dakota (Mr. YOUNG), the ranking Republican member of the Committee on Appropriations.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, the bill pending before the Senate this morning is the Defense appropriation bill, I wish to say that the Defense Subcommittee of the Appropriations Committee completed hearings on the original requests in this huge bill last June. Since then, we have been awaiting action on the part of the House. The House, of course, was not able to complete action on the bill, because the authorization bill had not been enacted. It will be recalled that 2 or 3 months elapsed before that bill was enacted and the House could proceed with the appropriation bill.

Mr. President, it is my hope that next year the committee will be able to start early and complete action on the 14 regular bills before June 30. I think that is entirely possible, if we provide a rule that all authorizing legislation must be passed on or before June 1. If the authorizing legislation is not enacted, then it will be up to the Senate and the House to proceed with the remaining appropriations and by way of supplementals provide for necessary items.

I can see no reason why the Defense bill, which entails expenditures of over $70 billion, should be held back, because of a lack of authorization on a few items for hardware. There is no reason, for instance, why we should not provide the sums necessary for continuing programs, such as the pay of civilian and military personnel and the maintenance and operations costs of all three departments. These are the items that are required for the day-to-day operation of the Department of Defense.

This is also true of other departments and agencies. If we were able to enact those general appropriations bills prior to June 30 of next year and the years that follow, I am sure that it would be a great help to the Executive Department.

Unless appropriations bills are enacted prior to June 30, we are forced to resort to continuing resolutions. I do not like that method of financing. It has been established for some years, but at times it has been abused.

Such a procedure places in one bill—the continuing resolution—not only authorizations for a program, but appropriations for that program equal at least to what was spent the year before. An example, this year is the OEO program which is normally considered in the Labor-HEW appropriation bill. Since OEO was not authorized by the time we handled the Labor-HEW appropriation bill in August, it was omitted from that bill but it was authorized and appropriated for in the continuing resolution—so far for almost one-half the fiscal year.

That, Mr. President, has happened not only in OEO, but in several other programs. Foreign aid is another instance. We are continuing the authority for foreign aid in a continuing resolution. Foreign aid, to all intents and purposes, died when the main bill that was passed by the House of Representatives was killed by the Senate recently.

Although the legislation upon which it was to be continued during fiscal year 1972 is dead, the program is continuing under a continuing resolution.

The last continuing resolution that we enacted last week developed as follows: There was a provision made in the House joint resolution that the program would continue during the entire time that Congress would be in session for the first session of this Congress. The Committee on Appropriations of the Senate felt otherwise, and we fixed December 1 as a final date, believing that the bill could be completed by that date.

But, Mr. President, there was something that the Committee on Appropriations did not know at the time. We did not know that the House of Representatives had agreed to recess over the Thanksgiving holiday for 10 days, to come back next Monday. In the meantime, there would be no one on the House side to take care of enacting the extension or a new bill. The House refused to agree to the resolution that the Senate had passed, to make the continuing resolution valid until December 1, and to provide that the expenditure rate would not exceed the rates agreed to in the two authorization bills passed by the Senate.

The Senator from North Dakota (Mr. YOUNG) and I were consulted by the House side, and we also had a meeting at the White House. The President called us there to explain to us what had happened, and the necessity for proceeding with an extension of the resolution. After quite a little debate, it was decided on our part to extend the continuing resolution to December 1. But in the meantime, as I have stated, the House of Representatives failed to pass the continuing resolution that the Senate had passed. Someone objected, the position taken being that there was no possibility of the House of Representatives completing its work by December 1, after it returned from the holiday recess on November 29.

The Members of the Senate who attended the conference at the White House at the time insisted on December 1, as the date to which the continuing resolution should be extended but when we saw that the House of Representatives would not agree to that date, we agreed to extend the continuing resolution until December 8.

It is felt that between the time the House of Representatives returns, and December 8, the President should have on his desk the authorizing legislation necessary not only for the foreign aid program, but also the appropriation for the District of Columbia and for certain supplemental appropriations. It is my hope that as soon as the House of Representatives returns, it will pass authorizing legislation, so that on or before December 8 of this year, we will have completed work on all appropriation bills.

I am sure that that is possible. It would have been possible by December 1, if the House had remained in session, as

the Senate has. But all of that, Mr. President, is water under the bridge. I am not blaming the House of Representatives. I now understand that this agreement of recess for 10 days was agreed upon several weeks ago, but there was no mention made of it at the time, and I did not know a thing about it. When we were informed, we readily consented to extend the time to December 8, I reiterate the hope that we will be able to complete all actions on all appropriation bills on or before December 8.

Mr. President, the Defense Department appropriation bill is the largest single bill to be considered by Congress this session, providing, as it does, funds for fiscal year 1972 to operate and maintain our Military Establishment.

The budget request of the Defense Department was $73,543,829,000. That was composed of the original amount that was requested by the Department, which amounted to $71.8 billion, plus four supplemental appropriations that were added as time went on.

The first supplemental was dated April 29, and was for civilian and military pay increases that Congress enacted effective January 1, 1971. That amounted to $1.6 billion.

The second was a budget amendment submitted June 21 for drug abuse corrective programs. It amounted to $34.2 million.

The third, submitted July 30, was for additional F-111D aircraft and other programs, amounting to $111 million.

In addition, $183,570,000 was requested for the Safeguard anti-ballistic-missile system.

All of those items added together amounted to, in round figures, $73.5 billion.

The bill before the Senate has been reduced from that sum to $70,242,513,000, the amount we are considering today. It is a decrease in round numbers from the request of the Defense Department of $3.3 billion and is a decrease from the House allowance of $805.5 million.

Mr. President, at this point I am not going to go into all the details as to how that amount was reached, but I have here an exhibit explaining this action. I ask unanimous consent that the exhibit be printed at this point in the RECORD.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

Recommended reductions in the budget requests

[In millions]

Military personnel	$259.7
Operation and maintenance	435.4
Procurement (authorization reductions)	662.6
Procurement (other reductions)	1,330.0
R.D.T. & E. (authorization reductions)	257.0
R.D.T. & E. (other reductions)	282.3
Special foreign currency program	.3
Safeguard ABM construction activities	74.0
Total	3,301.3

The total reduction of $3.3 billion in the budget requests includes the following major categories of reductions: reductions based on the transfer of funds to appropriations in this bill from other appropriations and revolving funds, $945 million; reductions resulting from reductions in active duty military strengths made in the Manpower Authorization Act, $279,100,000; and reductions in intelligence programs, $390 million.

Mr. ELLENDER. Mr. President, we also took into account the work done by the House, including reductions made. We augmented that by $805,500,000. I shall provide an exhibit indicating exactly how that figure was reached. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

Recommended reductions in the House bill

[In millions]

Military personnel (increase)	$10.3
Operation and maintenance	223.0
Procurement	496.3
R.D.T. & E.	101.7
Safeguard ABM construction activities (increase)	5.2
Total	805.5

The total reduction of $805.5 million in the House bill includes the following major categories of reductions: Reductions based on additional transfers from other appropriations and revolving funds, $330 million; additional reductions in intelligence activities, $68.4 million; and reductions based on revised Army ammunition requirements, $78 million.

Mr. ELLENDER. In addition to the referred to reductions, the committee also made certain transfers from old appropriations and revolving funds in lieu of new appropriations. The committee made reductions totaling approximately $945 million based on the transfer to appropriations in this bill of old appropriations and revolving funds. Although these transfers reflect a reduction in new appropriations recommended, they do not reflect a reduction in programs. However, they do result in a decrease in the total funds available to the Department of Defense for obligation.

SUMMARY BY FUNCTIONS AND ORGANIZATIONS

The total recommended by the committee includes funds for the following functional categories:

Military personnel, $21,032,274,000; retired pay, $3,777,134,000; operation and maintenance, $20,212,481,000; procurement, $17,688,992,000; research, development, test and evaluation, $7,410,062,000; special foreign currency program, $12,000,000 and Safeguard ABM construction, $109,570,000.

The total recommended by the Committee includes funds for the following organizational components:

Army, $20,151,430,000; Navy and Marine Corps, $22,319,519,000; Air Force $22,177,812,000; Defense Agencies/Secretary of Defense, $1,816,618,000 and retired pay, $3,777,134,000.

Each of these organizational components will be discussed later.

The appropriations for fiscal year 1971, the 1972 budget requests, the House allowances, and committee recommendations for each of the major functional categories and organizational components are set out in the tabulation on page 2 of the report.

SUMMARY

While the committee has recommended reductions of $3.3 billion in the budget requests considered, its reduction in requested programs is about $2.4 billion when the $0.9 billion in transfers are considered.

In the case of the recommended reduction of $805 million below the House bill, $320 million results from additional transfers, so the "program" reduction below the House bill is about $485 million.

Mr. President, I also ask unanimous consent to have printed in the RECORD a summary of the total cost of all the functions of the various departments, concluded as exhibit B.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF BILL BY MAJOR CATEGORIES

Functional title	Appropriation, fiscal year 1971 (new budget obligational authority)	Budget estimate, fiscal year 1972 (new budget obligational authority)	House allowance	Senate committee recommendation	Senate committee bill compared with— Appropriations, 1971	Budget estimates, 1972	House allowance
Title I—Military personnel	$22,397,857,000	$21,291,969,000	$21,021,974,000	$21,032,274,000	[1] −$1,365,583,000	−$259,695,000	+$10,300,000
Title II—Retired military personnel	3,391,032,000	3,777,134,000	3,777,134,000	3,777,134,000	+386,102,000		
Title III—Operation and maintenance	20,121,894,000	20,647,834,000	20,435,481,000	20,212,481,000	+90,587,000	−435,353,000	−223,000,000
Title IV—Procurement	16,029,110,000	19,681,660,000	18,185,292,000	17,688,992,000	+1,659,882,000	−1,992,668,000	−496,300,000
Title V—Research, development, test, and evaluation	7,004,187,250	7,949,362,000	7,511,762,000	7,410,062,000	+405,874,750	−539,300,000	−101,700,000
(Transfer authority)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(−300,000,000)		
Title VII—Special foreign currency program	2,621,000	12,300,000	12,000,000	12,000,000	+9,379,000	−300,000	
Title VIII—General Provisions (Additional transfer authority, Sec. 836)	(600,000,000)	(1,000,000,000)	(600,000,000)	(900,000,000)	(+300,000,000)	(−100,000,000)	(+300,000,000)
Title VIII—Anti-ballistic missile construction	334,000,000	183,570,000	104,370,000	109,570,000	−224,430,000	−74,000,000	+5,200,000
Total, Department of Defense	[1] 69,580,701,250	73,543,829,000	71,048,013,000	70,242,513,000	[1] +661,811,750	−3,301,316,000	−805,500,000
(Transfer authority)	[1] (950,000,000)	(1,050,000,000)	(650,000,000)	(950,000,000)		(−100,000,000)	(+300,000,000)

Functional title	Appropriation, fiscal year 1971 (new budget obligational authority)	Budget estimate, fiscal year 1972 (new budget obligational authority)	House allowance	Senate committee recommendation	Senate committee bill compared with — Appropriations, 1971	Budget estimates, 1972	House allowance
Distribution by organizational component:							
Army	$20,953,596,000	$21,429,762,000	$20,455,796,000	$20,151,430,000	−$812,166,000	$−1,278,332,000	$−304,366,000
Navy	21,031,336,250	23,354,333,000	22,629,095,000	22,319,519,000	+1,288,182,750	−1,034,814,000	−309,576,000
Air Force	22,101,818,000	23,053,940,000	22,366,770,000	22,177,812,000	−75,994,000	−876,128,000	−188,958,000
Defense agencies/OSD	[1] 2,092,919,000	1,928,660,000	1,819,218,000	1,816,618,000	−276,301,000	−112,042,000	−2,600,000
Retired military personnel	3,391,032,000	3,777,134,000	3,777,134,000	3,777,134,000	+386,102,000		
Total, Department of Defense	[1] 69,580,701,250	73,543,829,000	71,048,013,000	70,242,513,000	[1] +661,811,750	−3,301,316,000	−805,500,000
(Transfer authority)	[1] (950,000,000)	(1,050,000,000)	(650,000,000)	(950,000,000)		(−100,000,000)	(+300,000,000)

[1] Includes $300,000,000 provided for combat readiness, South Vietnamese Forces, Defense, for fiscal year 1971.

Mr. ELLENDER. Mr. President, I wish to emphasize one point to the Senate, as to why the amount recommended by the committee was not less than it provided. The RECORD shows that, although there are a million fewer military and civilian personnel in the Defense Department today than in 1968, the cost is $6.2 billion more than it was that year. In other words, to operate a Department of 1 million fewer personnel, it is costing us $6 billion more. The reason for that is, of course, the various salary increases that Congress voted for our civilian employees as well as for military personnel.

If we use 100 as a base, let us say, in fiscal year 1964, the first salary increase in 1964 made that base rise, insofar as the military basic pay was concerned, from 100 to 110.65 and the classified civilian employee base from 100 to 102.05.

The cumulative effect of all the raises from October 1, 1963, to November 14, 1971, was a base pay rise from 100 to 220.24 for the military and from 100 to 155.39 for classified civilian salaries.

So it can be seen why, with a million fewer people, the cost to the taxpayers is $6 billion-plus more.

Exhibit C details how this occurred. I also ask unanimous consent to have printed in the RECORD a tabulation of military and civilian pay raises since fiscal year 1964, expressed in percentage figures.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MILITARY AND CLASSIFIED CIVILIAN PAY RAISES SINCE FISCAL YEAR 1964

[In percent]

	Military basic pay	Classified civilian salaries
Oct. 1, 1963	14.2	
Jan. 5, 1964		4.1
July 1, 1964		4.2
Sept. 1, 1964	2.3	
Sept. 1, 1965	10.4	
Oct. 1, 1965		3.6
July 1, 1966	3.2	2.9
Oct. 1, 1967	5.6	4.5
July 1, 1968	6.9	4.9
July 1, 1969	12.6	9.1
Jan. 1, 1970	8.1	6.0
Jan. 1, 1971	7.9	6.0
Nov. 14, 1971	11.6	
1. Base prior to fiscal year 1964 raises	100.0	100.0
2. Effective rate in fiscal year 1964	110.65	102.05
3. Cumulative effect of above raises from base 1	220.24	155.39
4. Ratio of current rate to average amount paid fiscal year 1964 (line 3 plus line 2)	191.4	152.3
5. Effective rate (fiscal year 1972)	211.78	

Mr. ELLENDER. Mr. President, I should like to discuss now, in some detail, a few of the programs of the Army. I have already placed in the RECORD the recommendations of the committee which include $20.2 billion for the Department of the Army for fiscal year 1972. Broken down, the military personnel and operation and maintenance appropriations amounted to $15.3 billion for the support of an active army with an end strength of approximately 893,000 personnel, the Army Reserves with a paid drill strength of 260,000, and the Army National Guard with a paid drill strength of 400,000. All of that, of course, is fixed by the law. The Armed Services Committees authorize the man-year strength of the services. Mr. President, I ask unanimous consent that exhibit D be printed in the RECORD at this point, showing as it does Army forces for fiscal years 1970, 1971 and 1972.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF ACTIVE FORCES

	Actual, June 30, 1970	Planned June 30, 1971	Planned June 30, 1972
Divisions:			
TRICAP [1]		1	1
Airborne	1	1	1
Infantry	5	3	2⅔
Mechanized	4	4	4
Armored	4	3	3
Airmobile	2	1	1
Total	16	13	12⅔
Independent brigades	4	2	1
Active duty military personnel [2]	1,322,548	[3] 1,107,200	[4] 893,474
Reserve component personnel (paid drill training)	669,846	660,000	660,000
Army National Guard	409,192	400,000	400,000
Army Reserve	260,654	260,000	260,000

[1] The Tricap (Triple Capability) Division is an experimental division consisting of a combination of armored, air cavalry, and air mobile units.
[2] Includes reimbursables.
[3] Reflects revised end strength in fiscal year 1971 column of fiscal year 1972 President's budget.
[4] Reflects change from President's budget to comply with authorized average strength in Public Law 92-129.

Mr. ELLENDER. Mr. President, the total for Army procurement, which is, of course, separate and apart from military and civilian pay and the operation of the Army, is $3.1 billion. This program is discussed in detail in the report at pages 106 to 118 of the report.

This narration is too lengthy for inclusion in the RECORD. However, the report is available on the desk of each Senator and is also available in the Document Room.

For research, development, test, and evaluation the committee recommends approximately $1.8 billion. This program is discussed on pages 165 to 174 of the committee report. One research and development program is that for Safeguard. The committee has recommended for the Safeguard ABM system $1.2 billion, in round figures, which is the amount authorized by Congress.

I wish to say that this amount is to continue development of Safeguard and to continue deployment at the Grand Forks and the Malmstrom sites. Funds are also included for advance preparation at the third and fourth sites at Whitman, Mo., and Warren, Wyo. The committee's recommendations for Safeguard are discussed on pages 16 and 17 of the committee report.

Mr. MANSFIELD. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. May I say, speaking for the State of Montana—I am sure the Senator from North Dakota (Mr. YOUNG) will speak for his own State, because he was the driving force behind this legislation—I appreciate the fact that the impact on these small towns and communities, on the roads and other facilities which will be affected by the placing of the Safeguard system here, is being protected by the Senate and that the word of Congress is being reinforced, because it is most important. The people in my State, just as in the State of North Dakota, made no effort and did not seek to put any pressure on Congress. But we do think that when the Federal Government puts in installations of this magnitude in States like North Dakota and Montana, the Federal Government has an obligation which will take heed of the needs and difficulties which confront the towns, the small cities and the villages in the area.

I want to express my appreciation for what the Senate has done. I want to express personally to the distinguished Senator from North Dakota (Mr. YOUNG), the ranking Republican on the committee, my appreciation for the intense interest he displayed and the effectiveness with which he has pursued this subject.

Mr. YOUNG. Mr. President, I greatly appreciate the comments of the distinguished majority leader. These are huge installations being constructed in a

sparsely populated area, with only small towns and villages around. These installations employ at any given time 3,000 or 4,000 people, so that the small towns in the area cannot absorb all the needs and wants of these people without some assistance from the Federal Government. I personally would not have signed the conference report without this money in it.

Mr. ELLENDER. As the Senator knows, we have provided for funds in order to cushion the economic impact.

Mr. MANSFIELD. Sewer systems and roads.

Mr. ELLENDER. Yes; for things of that kind.

I want to point out, so it will not be overlooked, that of the amount we are now providing, there is the sum of $54-plus million which is a cost increase because of inflation and additional costs.

As I said a while ago, there is no money in the bill to provide for construction programs, except for the Grand Forks and the Malmstrom sites. There is, however, a small amount for advance preparation for the third and fourth sites at Whiteman, Mo., and Warren, Wyo., as I have stated.

In order to describe this more fully, I ask unanimous consent to have printed in the RECORD pages 16 and 17 of the committee report marked as "Exhibit E."

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SAFEGUARD ANTIBALLISTIC MISSILE SYSTEM

The recommendations of the committee include $1,191.6 million for the continuation of development and deployment of the Safeguard antiballistic missile system, which amount is a production of $177.4 million in the budget requests that total $1,373.5 million.

The Safeguard system consists of two types of phased array radars, the Missile Site Radar and Perimeter Acquisition Radar, their associated data processors, and the two types of missiles, Sprint and Spartan. The Safeguard mission includes protection of land-based retaliatory forces against a direct attack, protection of the American people against a low-level ICBM attack, and protection against the possibility of accidental attacks. However, the Congress has approved only that part of the mission that provides for protection of the land-based retaliatory forces.

The amount included in the request for each appropriation and the amount recommended are set out in the following tabulation:

[In millions of dollars]

Appropriation	Budget request	Committee recommendation
Military personnel, Army	$14.1	$14.1
Operation and maintenance, Army	90.8	74.8
Procurement of aircraft and missiles, Army	[1] 675.0	[1] 640.0
Research, development, test, and evaluation, Army	410.0	357.6
Military construction, Army	[2] 172.5	[2] 98.5
Family house, Defense	11.1	11.1
Total	1,373.5	1,196.1

[1] Includes $1,000,000 for the procurement of communications equipment that does not require annual authorization.
[2] An additional $20,500,000 is included in the Military Construction Appropriation Act, 1972 (H.R. 11418, Public Law 92–). Of this total, $15,300,000 is for plans and design, and $5,200,000 is for access roads.

The program requested in the budget and the program on which the committee's recommendations are based are set out in the following tabulation:

[In millions of dollars]

	Budget program	Recommended program
Continuation of development R.D.T. & E.	$410.0	$357.6
Continuation of deployment at the 2 phase I sites (Grand Forks Air Force Base, N.D., and Malmstrom Air Force Base, Mont.)	726.6	686.6
Cost increases at the 2 phase I sites	None	54.0
Community impact facilities at the 2 phase I sites	5.2	5.2
Initiation of construction of 3d site at Whiteman Air Force Base, Mo.	34.0	None
Advance preparation at 3d site at Whiteman Air Force Base, Mo.	76.0	76.0
Initiation of construction at the 4th site at either Warren Air Force Base, Wyo., or Washington, D.C., area	95.0	None
Advance preparation at the 4th site, Warren Air Force Base, Wyo.	13.0	3.0
Costs not allocated to specific sites	[1] 13.7	[1] 13.7
Total	1,373.5	[1] 1,196.1

[1] An additional $20,500,000 is included in the Military Construction Appropriation Act, 1972 (H.R. 11418, Public Law 92–). Of this total, $15,300,000 is for plans and designs, and $5,200,000 for access roads.

The committee's recommendation for the Safeguard system is in accord with the previous action of the Senate in acting on the Department of Defense Procurement and Research and Development Authorization Act, 1972 (H.R. 8687), which was based on the following recommendation of the Senate Armed Services Committee:

"The committee again this year has decided to confine the authorization for continuation of the Safeguard system to those sites devoted to the defense of the deterrent. However, because of the current construction status, the committee recommends full deployment at only the phase I sites of Malmstrom and Grand Forks. The committee recommends authorization of advance preparation (site survey, land acquisition, and procurement of long-lead items) at Warren and Whiteman Air Force bases only. Authorization of anything beyond study of component configuration of a National Command Authority defensive system is not recommended for fiscal year 1972."

This recommendation of the Senate Armed Services Committee is implemented in Section 403 of the Department of Defense Procurement and Research and Development Authorization Act, 1972 (H.R. 8687), and the funds recommended herein are subject to the restrictions imposed therein. This provision reads as follows:

"SEC. 403. (a) None of the funds authorized by this or any other Act may be obligated or expended for the purpose of initiating deployment of an anti-ballistic missile system at any site; except that funds may continue to be obligated or expended for the purpose of advanced preparation (site selection, land acquisition, site survey, and the procurement of long leadtime items) for anti-ballistic missile system sites at Francis E. Warren Air Force Base, Cheyenne, Wyoming, and Whiteman Air Force Base, Knobnoster, Missouri. Nothing in this section shall be construed as a limitation on the obligation or expenditure of funds in connection with the deployment of an anti-ballistic missile system at Grand Forks Air Force Base, Grand Forks, North Dakota, or Malmstrom Air Force Base, Great Falls, Montana.

Mr. ELLENDER. Mr. President, we now come to another program, the Cheyenne helicopter and the Air Force A–X close support aircraft.

When I first studied these two programs, I found they had the same objective; that is, close air support. I wondered why it was that the Army was building the Cheyenne helicopter and that the Air Force was also building the A–X for the same purpose.

I suggested to Mr. Packard that a selection should be made between them. The Senator from North Dakota (Mr. YOUNG) was present when we discussed this. We both felt at the time that there was no necessity to build two different pieces of hardware to accomplish essentially the same purpose; namely, that of close air support.

In the discussion that took place, as I recall, Mr. Packard at first indicated that a selection would be forthcoming.

After several months of study, however, Mr. Packard came to the conclusion, as I recall it, that there had not been enough study made of either the Cheyenne helicopter or the A–X close air support aircraft. Mr. Packard, as well as two or three others involved in this matter discussed it with the Senator from North Dakota (Mr. YOUNG) and me. They decided not to go ahead with procurement of either one, because they felt it best to have further research done on both of these programs. At the suggestion of the Department the committee decided to provide $9,300,000 for further study of the Cheyenne armed helicopter program. It was believed that after another year's study, the Department would be in a better position to make a decision as to the capability of both that aircraft and the A–X airplane.

The amount necessary to further study the A–X airplane was $47 million and it was provided.

Mr. President, I realize that is quite a large sum of money.

However, the committee felt it was needed so that we could make a definite determination as to which of the two was better.

I feel confident that by the expenditure of the sums just indicated the Defense Department will be in a much better position to say which of the two systems is the better for the mission. In the long run, there is little doubt that this course will save the taxpayers money.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD exhibit F, which indicates in detail what will be done with this money and the reason why the committee decided as it did.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHEYENNE ATTACK HELICOPTER PROGRAM

The fiscal 1972 budget request for the appropriation "Procurement of Equipment and Missiles, Army" includes a request of $13.2 million for the advance production engineering for the production of the Army's Cheyenne attack helicopter. These funds have been disallowed, in accordance with the action taken in the Department of Defense Procurement and Research and Development Authorization Act, 1972 (H.R. 8687).

The fiscal year 1972 request for the appropriation "Research, Development, Test, and Evaluation, Army" does not include any funds for the continuation of the development of the Cheyenne. However, on May 28, 1971 the Department of Defense submitted a reprograming action proposing an additional $61,260,000 for the Cheyenne development program, to be derived by transfer from funds provided in the "Procurement of Equipment and Missiles, Army" appropriation for the production of these helicopters. Of this $61,260,000, approximately $35 million was for reimbursement to the contractor for services performed, approximately $9.3 million was for the continuation of the development program during fiscal year 1972, and approximately $17 million was for the continuation of the development program during fiscal year 1973. In acting on this reprograming action, the committee approved only that portion that was required for reimbursement to the contractor for services performed, and the Department of Defense was advised that the committee would consider the inclusion of funds * * *.

SEC. 403. (a) None of the funds authorized by this or any other Act may be obligated or expended for the purpose of initiating deployment of an anti-ballistic missile system at any site; except that funds may continue to be obligated or expended for the purpose of advanced preparation (site selection, land acquisition, site survey, and the procurement of long leadtime items) for anti-ballistic missile system sites at Francis E. Warren Air Force Base, Cheyenne, Wyoming, and Whiteman Air Force Base, Knobnoster, Missouri. Nothing in this section shall be construed as a limitation on the obligation or expenditure of funds in connection with the deployment of an anti-ballistic missile system at Grand Forks Air Force Base, Grand Forks, North Dakota, or Malmstrom Air Force Base, Great Falls, Montana.

Mr. ELLENDER. Mr. President, there is another program that was a little contentious. That is the Army XM–803 tank, formerly the MBT–70.

It will be recalled that 4 or 5 years ago we entered into an agreement with Germany to make a joint effort to construct this modern MBT tank. Not long after that agreement was entered into, it seems that the Germans desired to go one way and we another. So the Germans proceeded to construct their version of a tank—which is a little different from ours—and we proceeded to go on our own.

Up to now, over $200 million has been spent on research and development on this tank. The House took up the matter, and, after study, decided, as I understand it, that they would much prefer to have a new tank started. I believe the thinking was that the additional cost of research on the MBT–70 tank would be too great. Also, since there had also been spent $200 million on the tank, by the time it was ready for production, it might cost as much as $1 million apiece.

For that reason the House decided not to provide any more funds to develop the MBT–70 tank.

Instead, they provided $20 million in order to start a new tank program. Of course, much of the technical information that was gathered by the Defense Department in developing the MBT–70 could be utilized as well as such other information as they might have.

We called on the Defense Department for its opinion as to what course to pursue. Mr. Laird indicated that he thought it was a bad idea to abandon the MBT–70 tank. He suggested that at least $62.8 million be appropriated for the research on this tank, notwithstanding the fact that we had already spent in excess of $200 million on research and it appeared that the tank would cost between $600,000 and $1 million each.

We discussed the matter with him. When the committee met to mark up the bill, we discussed the pros and cons of the tank situation. It was decided that the committee would recommend in the bill, not the $62.8 million requested by Mr. Laird, but the $50 million, leaving it more or less in the hands of the Defense Department to decide whether or not it would continue the construction of the tank in question or start upon a new one. In the words of the committee report, "The committee has not approved the continuation of the XM–803 program, nor has it recommended its termination. The intent of the committee is to provide $50 million for the development of a new tank."

If the Senate agrees with our view, it will mean that the Senate will provide $50 million for tank development as against $20 million by the House. Of course, we hope we will be able to iron out our differences in conference.

Mr. President, I ask unanimous consent to have printed in the RECORD an exhibit indicating the full discussion of the tank situation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ARMY TANK PROGRAM

The recommendation of the committee for the appropriation entitled "Research, Development, Test, and Evaluation, Army" includes $50,000,000 for the Army's new tank development program.

The budget included $27,500,000 for the continuation of development and $59.1 million for advanced production engineering for the XM–803 (formerly MBT–70) tank program. The Department of Defense Procurement and Research and Development Authorization Act provides for $62,800,000 for the continuation of the XM–803 research and development program, but does not include any funds for the advanced production engineering.

The House disallowed all funds requested for the XM–803 (MBT–70) program and allowed $20,000,000 for the initation of a new program for the development of a new tank. The effect of the House action is to terminate the XM–803 (MBT–70) program.

The committee has not approved the continuation of the XM–803 program, nor has it recommended its termination. The intent of the committee is to provide $50,000,000 for the development of a new tank.

The Secretary of Defense is requested to review the XM–803 tank program and the new prototype tank program proposed by the House and to determine which of these programs he deems to be the most desirable, and the $50,000,000 recommended by the Committee is available for the program the Secretary selects.

Mr. ELLENDER. Mr. President, I come now to the Navy Department, which includes, of course, the Marine Corps. The recommendation of the committee included $22.3 billion, in round figures, for the Navy and the Marine Corps. About $9.8 billion is recommended for Navy military and Reserve personnel, and operation and maintenance required for support of the Navy. These funds will provide an end strength of about 600,000 men, a fleet of some 658 ships, an active aircraft inventory of about 7,100 aircraft, and a Naval Reserve with a paid drill strength of 129,000.

Mr. President, a summary of this material can be found on page 75 of the report. I ask unanimous consent that the summary may be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF MAJOR NAVY FORCES

	Actual, June 30, 1970	Planned[1] June 30, 1971	Planned[1] June 30, 1972
Commissioned ships in active fleet	769	710	658
Warships	420	411	403
Other	349	299	255
Submarine-launched ballistic	656	656	656
Attack and ASW support carriers	19	18	16
ASW and air defense escort ships	231	226	227
Amphibious assault ships	99	82	76
Aircraft inventory (active)	7,929	7,359	7,141
Tactical aircraft (Navy and Marine Corps)	2,328	2,271	2,208
ASW aircraft	744	759	745
Active duty military personnel Navy	692,435	622,565	603,548
Reserve components personnel (paid drill training): Naval Reserve	127,645	[2] 139,437	129,000

[1] Reflects the President's fiscal year 1972 budget.
[2] Reflects end-strength required to obtain the 129,000 man-year average authorized.

Mr. ELLENDER. Mr. President, I also ask unanimous consent to have printed in the RECORD a summary of Marine Corps forces.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF MARINE CORPS FORCES

	Actual June 30, 1970	Actual June 30, 1971	Planned June 30, 1972
Marine divisions (active)	3	3	3
Marine aircraft wings (active)	3	3	3
Active duty military personnel	259,737	211,548	206,315
Reserve components personnel	47,880	48,276	44,613

Mr. ELLENDER. We have provided approximately $8.5 million for Navy and Marine Corps procurement programs. These are described in the committee report on pages 119–147. A total of approximately $2.3 billion is recommended for the Navy's various research, development, test and evaluation programs. These programs are discussed on pages 174–186 of the committee report.

There were three items of particular interest. One was in reference to the F–14. There was some discussion in committee as to whether or not we should proceed with an option that we have to contract for 48 F–14 aircraft. The committee concluded to concur in the House action.

Under an existing contract we can exercise four separate options with Grumman, the concern now building the aircraft for the Navy. The contract entails construction of 48 planes at a cost of $66.03 million exclusive of initial spares. Some think a better plane can be obtained, but this better plane will cost much more money, and if changes are decided on by the Department, we are going to have to pay a heavy penalty to the manufacturer. In other words, we would experience large-scale cost escalation as we have had on other contracts, such as we have had in the past in connection with the C–5, the F–111, and others.

The expert advice of Mr. Packard and others indicated that it was best for the Government to exercise the first option and buy the 48 planes, even though there is an engine under development which may prove better. Some who opposed this argued that less money would be used if presently available aircraft were utilized after improvement. But we received expert testimony, to my mind, that indicated if we made these changes we would still have an older aircraft and it would be impossible for us to construct it so that it would be as good as the F–14 that we hope to purchase. It was further brought out that a new engine that is being developed for the F–14 and the possibility exists that this improved engine can in later years be installed in the 48 aircraft that we have bargained for. The committee recommends an appropriation of $1,029.8 billion for the F–14 program.

As I said, there is a second option that the Navy is considering for fiscal year 1973. When we consider funding the program for that year, we shall again be faced with a decision as to whether the contractor will be able to perform under the contract.

The committee regrets that all of these 48 aircraft will be of the F–14A configuration without the new technology engine. The committee has requested the Department to take steps to insure that future production of this aircraft will be of the F–14B configuration with the new engine, and to give consideration to equipping the F–14A aircraft with the new engine in order to reduce the number of F–14B's that will have to be produced.

The F–14 program is discussed on pages 21 and 22 of the committee's report.

Mr. President, a more detailed account of this transaction and a description of the plane involved in that option will be shown in exhibit J, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

F–14 TOMCAT FIGHTER AIRCRAFT

The recommendations of the Committee include $1,029.8 million for the Navy's F14A/B Tomcat fighter aircraft. The recommended funds are for the following purposes:

Procurement of aircraft.—$600.8 million is recommended for the procurement of F–14A aircraft. The recommended sum and $59.5 million of advance procurement provided in the fiscal year 1971 program will provide a total of $660.3 million for the procurement of 48 of these aircraft.

Advance procurement.—$84.8 million is recommended for advance procurement to support the planned procurement of F–14 aircraft in fiscal year 1973.

Spares and repair parts.—$116 million is recommended for the procurement of initial spares and repair parts for the support of F–14 aircraft.

F–14A development program.—$128 million is recommended for the continuation of the development of the advance technology engine for the F–14B aircraft. This program is a Navy-Air Force joint program for the development of the advance technology engine for the F–14B aircraft. This program is a Navy-Air Force joint program for the development of an engine for the F–14B and the Air Force's F–15 air superiority fighter. This new engine will have a gas generator (core) that is common to both versions. The Navy version of this new engine will produce approximately 40% more thrust and weigh approximately 25% less than the engine used in the F–14A.

In recommending these funds the Committee expects the Navy to obtain these 48 aircraft in accordance with the existing contract terms. On this point the Chairman of the Board of Directors of the prime contractor in a letter to the Deputy Secretary of Defense, dated July 27, 1971, said:

"In response to your call of last week requesting a commitment from the Grumman Aerospace Corporation that we will build (48) F–14A's as presently configured at the contract price if the Department of Defense Fiscal Year 1972 program for the F–14 is authorized and funds appropriated, *I wish to advise you that we will.* We have arrived at this conclusion after extended conversations with the Navy." (Italic added.)

The F–14A is a two-place, tandem seat, variable sweep wing, supersonic, carrier-based aircraft designed to replace the F–4 aircraft in Naval fighter and fleet air defense roles in the 1973–1980 time period. It will have visual attack and an all-weather capability to deliver Phoenix and Sparrow air-to-air missiles using a modified AN/AWG–9 weapon control system. It will be equipped with the M–61 gun and Sidewinder air-to-air missiles for close-in air-to-air combat. The F–14A version is powered by two TF–30–P–412 engines, and the F–14B version will be powered by two F401–PW–400 advance technology engines.

It is the view of the Committee that the Department of Defense and the Navy should take whatever steps are necessary in order to obtain the F–14B aircraft with the advance technology engine as soon as possible. Furthermore, consideration should be given to the reasonability of equipping all F–14A aircraft with the advanced technology engine.

The F–14 aircraft program is discussed on pages 734–740, 868–869, and 1130–1150 of part 3 of the Committee hearings on the Department of Defense Appropriation Bill, 1972.

Mr. ELLENDER. Mr. President, we have recommended $881 million for five nuclear attack SSN class 688 submarines. In addition $22.5 million was authorized for advance procurement for an additional one. The House allowed the funds, but there is no budget estimate for that. We gave it consideration, but decided not to go along with the request. What we did was to follow the advice of Mr. Packard and Mr. Laird in providing for five submarines, and let the additional one wait until next year.

Pertinent reference will be found in exhibit K, which I ask unanimous consent be made a part of the RECORD at this point.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

NUCLEAR ATTACK SUBMARINES (SSN CLASS 688)

The committee's recommendations for the appropriation entitled "Shipbuilding and Conversion, Navy" includes $881 million for the SSN Class 688 nuclear attack submarine program. These funds are for the following purposes:

Construction of submarines.—$767.5 million is recommended for the construction of SSN Class 688 nuclear attack submarines. This sum and $110 million advance procurement provided in prior fiscal years will provide a total of $877.5 million for the construction of five of these submarines.

Advance procurement.—$113.5 million is recommended for advance procurement to support the planned fiscal year 1973 construction program.

This new class submarine was initially funded in fiscal year 1970 when funds were provided for three, and four were funded in fiscal year 1971. These submarines will have, in addition to their high-speed capability, an improved sensor system, improved acoustic countermeasure, an advanced fire control system, a central computer complex, improved navigational capability, and an advanced electronic countermeasures receiver.

This program is discussed on pages 1307–1312 of part 3 of the Committee hearings in the Department of Defense Appropriation Bill, 1972.

Nuclear attack submarine (SSN–688 class).—$767.5 million is recommended for the construction of advanced SSN–688 class nuclear attack submarines. This sum and $110 million advance procurement provided in prior years make a total of $877.5 million available for the construction of five of these submarines. In addition to its increased speed capability, this new class of nuclear attack submarine will have an improved sensor system, improved acoustic countermeasures, and advanced fire control system and a central computer complex to integrate the navigation, fire control and electronics countermeasure receivers in one system. Seven of these submarines were funded in fiscal years 1970 and 1971. The mission of this high-speed vessel is to destroy enemy submarines and surface ships in order to prohibit the employment of such forces in attack and destruction of U.S. or allied targets.

In addition, $113.5 million is recommended for advance procurement of long leadtime equipment for future ships.

Mr. ELLENDER. The committee recommends the appropriation of $194.6 million for the construction of the third nuclear powered guided missile frigate of the DLGN–38 class. The total estimated cost of this ship is $240 million, but this is likely to increase.

At this time, the Department of Defense plans to build only three ships of this class. For this reason, the committee recommends concurrence in the House disallowance of $14.6 million requested for the advance procurement to support the construction of the fourth ship of this class.

This program is discussed on pages 24, 25, and 133 of the committee report. I am sending to the desk exhibit L which I ask to have inserted in the RECORD.

There being no objection, the exhibit L was ordered to be printed in the RECORD, as follows:

NUCLEAR GUIDED MISSILE FRIGATES (CLASS DLGN–38)

The committee's recommendation for the appropriation entitled, "Shipbuilding and Conversion, Navy" includes $194.6 million for the construction of a third nuclear guided missile frigate of the DLGN–38 class. The sum recommended, and advance procurement of $45.7 million will provide a total of $240.3 million for the construction of this ship. This ship will have a full load displacement of 10,000 tons, and will be 585 feet long with a maximum beam of 63 feet. It will be equipped with the NUC D2G nuclear propulsion system and will have the capability of a speed of 30 knots. Its ordnance includes 2 5-inch guns, ASW missiles, AAW missiles, and Mk–46 torpedoes. It will also have facilities for an on-board helicopter.

This ship will have the capability to operate offensively in the presence of air, surface or subsurface threats independently or with nuclear or conventional strike forces, and to provide protection to those forces and other naval forces or convoys against air, surface, or subsurface threats.

The budget request included $14.6 million for advance procurement to support the construction of an additional nuclear guided missile frigate (DLGN–38) in fiscal year 1973. However, on May 5, 1971 the Deputy Secretary of Defense advised the Committee of a decision to build only three of these ships at this time. The Secretary stated:

"We are about to negotiate a multi-ship contract for the construction of DLGN–38 class frigates. Before negotiations can proceed, a decision is needed on how many ships the contract should cover. The Navy proposed two alternative programs for the construction of nuclear frigates for the FY 70–74 time frame. One alternative included three ships, the DLGN–38 class vessels funded in FY 70 and FY 71 and requested in the FY 72 Budget. The second alternative was a five-ship program which included two additional DLGN–38 ships to be started in FY 73 and FY 74.

"After reviewing the two options carefully and discussing them at length with the Secretary of the Navy and the Chief of Naval Operations, I have approved the recommendations of the Secretary of the Navy that we proceed with the three-ship program. My reasons were similar to many of the considerations in my decision to postpone construction of an additional nuclear powered carrier. The very substantial overall cost of these ships, limitations on funds available for Defense, and other high priority needs, led me to conclude that we should only plan to build three nuclear frigates at this time.

"This decision was also influenced by the significant increase in the cost of the DLGN–38 over earlier estimates. These cost considerations, coupled with the expected strong pressures on Defense spending over the next few years, made me especially concerned over being committed to a multi-year contract for ships beyond those already funded or proposed to the Congress."

On October 28, 1971 the Deputy of Defense further advised the committee as follows:

"Our current planning does not include funding for a nuclear-powered guided missile frigate (DLGN) in the FY 1973 program. Therefore there is no longer a requirement for the $14,575,000 requested for advance procurement in the FY 1972 budget."

In view of the decision not to proceed with the construction of the fourth DLGN–38 frigate in fiscal year 1973 the committee recommends concurrence in the House disallowance of the $14.6 million requested for advance procurement for this fourth ship.

This program is discussed on pages 1312–1320 of part 3 of the Committee hearings on the Department of Defense Appropriation Bill, 1972.

Mr. ELLENDER. This recommendations of the committee include $763.1 million for the continuation of the Polaris-to-Poseidon submarine conversion program. The total includes funds for the conversion of six of these submarines. The current plan calls for the conversion of 31 of the 41 Polaris submarines to the Poseidon configuration. Through fiscal year 1971, 14 of these conversions have been funded.

The Polaris-to-Poseidon conversion program is discussed on pages 25 and 26 of the committee's report. I ask to have exhibit M, which I am sending to the desk, included in the RECORD.

There being no objection, the exhibit M was ordered to be printed in the RECORD, as follows:

POLARIS-TO-POSEIDON CONVERSION PROGRAM

The recommendations of the committee include $763.1 million for the continuation of the conversion of Polaris submarines to carry the Poseidon missile. These funds are for the folowing purposes:

	Millions
Conversion of 6 submarines (total estimated cost, $387.2 million, less advance procurement of $121.8 million)	[1] $265.4
Advance procurement to support the planned fiscal 1973 conversion program	[1] 123.0
Advance procurement to support the planned fiscal 1974 conversion program	[1] 13.0
Outfitting material and post-delivery costs	[1] 7.0
Procurement of Poseidon missiles	[2] 348.9
Poseidon initial spares	[2] 5.8
Total	763.1

[1] Included in the appropriation entitled, "Shipbuilding and conversion, Navy."

[2] Included in the appropriation entitled, "Procurement of aircraft and missiles, Navy."

The current program calls for the conversion of 31 of the 41 Polaris submarines to carry the Poseidon missile. The Poseidon is a two stage solid propellant missile with improved accuracy, and with a larger payload than the Polaris missile. The Poseidon is equipped with multiple independent re-entry vehicles (MIRV's). Through fiscal year 1971, 14 of these conversions have been funded.

In addition to the funds referred to above, the committee's recommendation for the appropriation entitled, "Research, Development, Test, and Evaluation, Navy" includes substantial funds for the continuation of the development and testing of the fleet ballistic missile system, fleet ballistic missile defense, and fleet ballistic missile command and control.

The Polaris-to-Poseidon conversion program is discussed on pages 1296–1303 of part 3 of the Committee hearings on the Department of Defense Appropriation Bill, 1972.

Mr. ELLENDER. Mr. President, that covers some of the more important Navy procurement items. Of course, Senators will be able to read the detail on this procurement in the report.

For the Department of the Air Force, the recommendation of the committee includes $22,177,812,000. $13.3 billion of that sum is recommended for military and reserve personnel and operation and maintenance. This will support an Air Force with an end strength of about 750,000, an Air Force Reserve with a paid drill strength of about 50,000, and an Air National Guard with a paid drill strength of about 89,000.

The Air Force will have an active aircraft inventory of about 11,900 aircraft and will have 1,054 operational ICBM missiles.

A little over $6 billion is recommended for the various Air Force procurement programs. These programs are discussed in detail on pages 147 and 163 of the report.

In addition, $2,845,944,000 is recommended for the research, development, test and evaluation programs of the Air Force. These programs are discussed on pages 186–196 of the committee's report.

The recommendations of the committee include funds for a number of Air Force programs of general interest.

The committee recommends $485.7 million for the F–111 aircraft. Of this amount $112 million is recommended for procurement of 12 additional F–111F aircraft, as requested in the budget estimates of July 30. An additional amount, aggregating $349.2 million, is recommended for overtarget and unfunded deficiencies for aircraft funded in prior fiscal years. Including the sum recommended, the Congress has now provided a total of $975.5 million for these overtarget costs for all versions of the Air Force is F–111 and for the FB–111 aircraft. The F–111 program is discussed on pages 26 and 27 of the committee report.

I ask unanimous consent to place in the RECORD at this point exhibit N, which describes this matter.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

F–111 AIRCRAFT

The recommendations of the Committee include $485.7 million for the Air Force's F–111 and FB–111 aircraft programs. These funds are provided for the following purposes:

Procurement of F–111F tactical aircraft—$112 million is recommended for the procurement of 12 F–111F tactical aircraft. These funds were requested in an amendment to the budget submitted to the Congress on July 30, 1971 (H. Doc. 92–150). The committee desires to make it clear that it expects the Air Force to obtain these 12 aircraft at a total cost not in excess of $112 million recommended.

The F–111F is the latest model in a series of swing-wing F–111 tactical aircraft. Like its F–111D predecessor, it will have the capability to operate from bases at extended range from its targets, to penetrate sophisticated defenses and to carry out attacks at night and in all types of weather. The F model differs from the F–111D only in its engine and its avionics system. It is equipped with the new P–100 engine, which provides a 25 percent increase in thrust over the older model. Its avionics package is expected to be less costly than the Mark II system used in the D model, but will retain similar navigation capabilities and comparable air-to-ground attack performance against fixed targets. The F–111F is manufactured by the General Dynamics Corporation, Ft. Worth, Texas, and the engines are manufactured by the Pratt and Whitney Division of United Aircraft, East Hartford, Conn.

F–111 and FB–111 aircraft overtarget costs and unfunded deficiencies.—$349.2 million is recommended for F–111 and FB–111 overtarget costs and unfunded deficiencies. Of this total, $183.8 million was requested in a budget amendment submitted July 30, 1971 (H. Doc. 92–150). Simply stated, overtarget costs and unfunded deficiencies are the difference between the estimated contract costs

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(on which appropriations are based) and the actual contract costs. Through fiscal year 1971 a total of $626.3 million has been provided for these overtarget costs and unfunded deficiencies. (This sum includes a recently approved fiscal year 1971 reprogramming of $190.4 million.)

Including the $349.2 million recommended in this bill, a total of $975.5 million has been provided for these overtarget costs and unfunded deficiencies. The Committee does not expect to consider any future requests for funds for these overtarget costs and unfunded deficiencies.

Initial aircraft spares and repair parts.—$5.3 million is recommended for the procurement of initial aircraft spares and repair parts for the support of F–111F aircraft.

Research and development.—$19.2 million is recommended for the continuation of the F–111 Category I and II testing programs. The current total estimated cost of the F–111 research, development, and testing program is $1,641.5 million. Through fiscal year 1971 a total of $1,616.1 million has been made available for this program.

In addition to the above referred-to funds the Committee's recommendation for the aircraft modification program includes approximately $43.8 million for the modification of F–111 tactical aircraft and approximately $29 million for the modification of FB–111 strategic bomber aircraft.

The F–111 program is discussed on pages 502–514 and 697–700 of part 4 and pages 985–998, 1003 and 1074 of part 1 of the Committee hearings on the Department of Defense Appropriation Bill, 1972.

Mr. ELLENDER. The committee also recommends $321.5 million for the C–5A strategic transport aircraft. The recommended program is the same as the program approved by the Senate in the authorization Act. The funds recommended are subject to the restrictions and limitations imposed in section 504(a) of the authorization Act.

The recommended funds do not provide for the procurement of any additional aircraft. $299.1 million is required to cover funding deficiencies for the 76 production aircraft funded in prior fiscal years. It is now estimated that the C–5A program, which includes five test aircraft and 76 production aircraft, will cost $4,552.7 million, which includes $3,095.5 million for the 76 production aircraft, $1,029.2 million for research and development, and $428 million for initial spares and repair parts.

The C–5A program is discussed on pages 28 and 29 of the committee report. I am sending to the desk exhibit O which I ask to have included in the RECORD.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

C–5A STRATEGIC TRANSPORT AIRCRAFT

The recommendations of the committee include $321.5 million for the C–5A strategic transport aircraft program. The C–5A is the largest aircraft ever built and has a basic mission payload of 100,000 pounds for a 5,560 nautical mile mission, a maximum speed of 470 knots, a ceiling of 43,500 feet and a ferry range of 7,200 miles. The current plan calls for the procurement of 81 of these aircraft, including the 5 test aircraft.

The funds recommended are for the following purposes:

Prior year unfunded deficiencies.—$299.1 million is recommended to cover funding deficiencies in the 76 production aircraft funded in prior fiscal yars.

Research and development.—$22.4 million is recommended for the completion of the planned C–5A research and development program. The current total estimated cost of the C–5A research and development program is $1,029.2 million. Through fiscal year 1971 $1,003.2 million has been made available for this program.

The committee's recommendations are in accord with the provisions of the Department of Defense Procurement and Research and Development Authorization Act, 1972 (H.R. 8687, Public Law 92–56), and the funds recommended are subject to the provisions of Sec. 504 of that Act which reads as follows:

"SEC. 504. (a) The amount of $325,100,000 authorized to be appropriated by this Act for the development and procurement of the C–5A aircraft may be expended only for the reasonable and allocable direct and indirect costs incurred by the prime contractor under a contract entered into with the United States to carry out the C–5A aircraft program. No part of such amount may be used for—

"(1) direct costs of any other contract or activity of the prime contractors;

"(2) profit on any materials, supplies, or services which are sold or transferred between any division, subsidiary, or affiliate of the prime contractor under the common control of the prime contractor and such division, subsidiary, or affiliate;

"(3) bid and proposal costs, independent research and development costs, and the cost of other similar unsponsored technical effort; and

"(4) depreciation and amortization costs on property, plant, or equipment.

Any of the costs referred to in the preceding sentence which would otherwise be allocable to any work funded by such $325,100,000 may not be allocated to other portions of the C–5A aircraft contract or to any other contract with the United States, but payments to C–5A aircraft subcontractors shall not be subject to the restriction referred to in such sentence.

"(b) Any payments from such $325,100,000 shall be made to the prime contractor through a special bank account from which such contractor may withdraw funds only after a request containing a detailed justification of the amount requested has been submitted to and approved by the contracting officer for the United States. All payments made from such special bank account shall be audited by the Defense Contract Audit Agency of the Department of Defense and, on a quarterly basis, by the General Accounting Office. The Comptroller General shall submit to the Congress not more than thirty days after the close of each quarter a report on the audit for such quarter performed by the General Accounting Office pursuant to this subsection.

"(c) The restrictions and controls provided for in this section with respect to the $325,100,000 referred to in subsections (a) and (b) of this section shall be in addition to such other restrictions and controls as may be prescribed by the Secretary of Defense or the Secretary of the Air Force."

The C–5A program is discussed on pages 526–535 and 701–702 of part 4 of the Committee hearings on the Department of Defense Appropriation Bill, 1972.

Mr. ELLENDER. The committee recommends $414.5 million for the Air Force's F–15 air superiority fighter. These funds will provide continuation of the development program for this fighter aircraft which will total $1.7 billion. Twenty test aircraft will be produced and tested in this program with an end toward developing a superior fighter aircraft.

Mr. President, there is another large item that was discussed by the committee, and that concerned the B–1 bomber. The amount we recommended for the B–1 bomber is $370.3 million. That amount is to continue the development program which includes three flight test aircraft and one structural fatigue test airframe. The current estimated cost of the development program is $2.6 billion. That, I want to make plain, is merely to build the prototype. In other words, it is to pay for research in that field. There is nothing in the bill indicating that any moneys are to be used to produce any of these bombers.

It is my position that no obligation would be made by the Government to go into procurement of the B–1's unless and until they are thoroughly tried and thoroughly researched, so that we will not find ourselves in the same situation as we were in other large contracts of this character.

The committee recommends $1,010.1 million for the continuation of the Minuteman missile force. Of this total, $443.2 million is for the procurement of Minuteman II and Minuteman III missiles to replace old Minuteman I missiles. The committee's recommendation is based on an ultimate force of 450 Minuteman II's and 550 Minuteman III's, which are equipped with the multiple independently armed reentry vehicle (MIRV's). This program is discussed on pages 30 and 31 of the committee report.

Mr. President, this matter is discussed in exhibit 1, and I ask unanimous consent that the exhibit be placed in the RECORD at this point.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

MINUTEMAN MISSILE PROGRAM

The recommendations of the committee include $1,010.1 million for the Minuteman II and III ICBM program. The Minuteman is a three stage solid propellant intercontinental ballistic missile which is deployed in hardened and dispersed silos. Its mission is the destruction of those strategic targets designated by the national strategic target list. Minuteman II carries one re-entry vehicle and has the capability to carry penetration aids to penetrate enemy defenses. The Minuteman III has an improved capability provided by a post-boost propulsion control system for the deployment of multiple Mark-12 reentry vehicles (MIRVs). The current program calls for an ultimate force of 450 Minuteman IIs and 550 Minuteman IIIs.

The total recommended is for the following purposes:

Minuteman II and III missile procurement.—$443.2 million is recommended for the procurement of Minuteman II and III missiles. The sum recommended and $28.5 million advance procurement provided in fiscal year 1971 will provide a total of $471.7 million for the fiscal year 1972 missile procurement program.

Advance procurement.—$34.2 million is recommended for advance procurement to support the planned fiscal year 1973 missile procurement program.

Minuteman force modernization.—$270.5 million is recommended for the Minuteman force modernization program. This program includes the basic force modernization program which involves modifying launch control facilities to accept the Minuteman IIs and IIIs; the upgrade silo program, which involves the providing of increased prelaunch survivability; and the command data buffer program.

Initial spares and repair parts.—$16.4 million is recommended for the procurement of initial spares and repair parts to support the Minuteman missiles.

Minuteman modifications.—$64.2 million is recommended for the continuation of the Minuteman update program. This program involves the incorporation of post delivery configuration management deficiencies revealed during operational use and various test programs.

Research and development.—$181.6 million is recommended for the continuation of the Minuteman development and testing program.

The Minuteman program is discussed on pages 568–577, 595–596, and 740–743 of part 4 and pages 96 and 993 of part 1 of the Committee hearings on the Department of Defense Appropriation Bill, 1972.

Mr. ELLENDER. The committee has not recommended any additional funds for the advanced development prototype program proposed by the Department of Defense. However, it has authorized the use of $34 million of the funds made available in the various R.D.T. & E. appropriations for this purpose. I shall explain the reasoning behind this:

The budget does not include any funds for the prototype program. The Department proposed a prototype program, and informally submitted to Congress a request for $67.5 million for the program, as follows: Army, $23.5 million; Navy, $20 million; and Air Force, $24 million.

The Authorization Act includes $34 million for the prototype program as follows: Army, $12 million; Navy, $10 million; and Air Force, $12 million.

The House allowed $12 million for the Air Force's prototype program and stated that $6 million was for the light weight fighter and $6 million was for the medium STOL transport aircraft.

The committee has not recommended any funds for the program, but it has authorized the use of funds provided for research and development for the program as follows: Army, $12 million; Navy, $10 million; and Air Force, $12 million.

The prototype program is discussed on pages 13 and 14 of the committee's report. I ask unanimous consent that exhibit Q be included in the RECORD.

There being no objection, exhibit Q was ordered to be printed in the RECORD, as follows:

ADVANCED DEVELOPMENT PROTOTYPE PROGRAM

After the submission of the President's Budget for fiscal year 1972 the Department of Defense proposed a new research and development program, the objective of which was to emphasize the construction of hardware prototypes early in the development stage of weapons systems. In describing the proposed program, a representative of the Department of Defense stated:

"The prototype program will provide for competition in real performance and actual hardware and it will require the competing teams to demonstrate the superiority of their product, rather than the superiority of their salesmanship."

The Department of Defense Procurement and Research and Development Authorization Act, 1972 includes an authorization of $34,000,000 for this program as follows: Army, $12,000,000; Navy, $10,000,000; and Air Force, $12,000,000. However, these funds are not included in the pending budget requests.

The committee encourages the construction of prototypes in the development of weapons systems, especially engineering prototypes on which production decisions may be based. In reviewing the program proposed by the Department of Defense, the Committee was concerned that the emphasis was placed on advanced development prototypes rather than engineering prototypes. In the future the Committee urges the Department of Defense to adopt the engineering prototype concept in the development of more weapons systems, as in the case of the Air Force's A–X close air support aircraft, the new Army tank program for which funds are recommended in this bill. The Committee concurs in the view of the House committee that the Air Force's program for the development of the Subsonic Cruise Armed Decoy (SCAD) should be conducted under a competitive prototype procedure.

The House bill includes $12,000,000 in the appropriation "Research, Development, Test, and Evaluation, Air Force" for the prototype program, and these funds are provided specifically for the lightweight fighter program and the medium STOL aircraft program. The committee has recommended the disallowance of this $12,000,000 because of the lack of a formal budget request. However, the Committee authorizes the use of funds provided for the fiscal year 1972 research and development programs for the prototype program as follows: Army, $12,000,000; Navy, $10,000,000; and Air Force, $12,000,000.

Mr. ELLENDER. I now wish to discuss the support of free world forces. As all of us know, we have been carrying quite a load for quite some time in order to maintain and assist our friends across the sea. As has been pointed out on many occasions before the Senate, we have spent literally billions of dollars in the support of the free world, and this has been going on now for many, many years. We have spent far in excess of $138 billion assisting our friends, and we are still spending a great deal of money all over the world, in Taiwan—that is, Formosa—the Philippines, Spain, Western Europe, and elsewhere. The amounts cannot be well separated to indicate how much we are spending in each of these areas, but an estimate was made several months ago indicating that we are now spending, for Western Europe, the Mediterranean, and Spain, assisting our allies in the neighborhood of $14 billion.

I regret, as I have indicated on many occasions on this floor, that we have been carrying so much of a load in order to assist our allies, particularly in western Europe. These allies are well able to do more than they are now performing in their own defense. Ever since I have been a member of the Armed Services Subcommittee of the Appropriations Committee, I have requested information from every Secretary of Defense as to what they would do about forcing our allies to supply us with more troops, more money to pay our own troops, and more money for hardware procurement.

The record will show, Mr. President, that all I was able to obtain from these Secretaries was, "We'll do our best. We'll try our best."

Last year, members of this administration had a conference with the heads of the different allied governments, and they agreed with what they thought was quite a help. They got our allies in western Europe to agree to provide not quite a billion dollars over a period of 5 years.

Mr. President, to me that is insignificant, because all of the money that these allies are providing is to pay for the construction of facilities on their own soil. Notwithstanding the fact, Mr. President, that we were driven out of France by De Gaulle, we are still assisting in an amount of about 25 percent to 27.5 percent in the cost of building and construction on the soil of the rest of our allies in Western Europe. Aside from all that, Mr. President, we have spent hundreds of millions of dollars in Spain in order to protect ourselves and our allies in Western Europe. We did not go to them and say. "You put up so much to pay for the airports" we did it ourselves. We have three there. We also have one on the Azores. We have a huge port at Cadiz. All of that was constructed with not one red cent paid by any of our allies.

Moreover, Mr. President, we are being called upon to put up more funds in order to provide for the infrastructure programs that are proposed to be built—in part at least because we have been forced to leave France. I thought I would mention that, Mr. President, because I have been traveling in Europe for more than 20 years, and what I am speaking of now, I know from personal knowledge.

I have tried to give good advice as to what ought to be done, but somehow my advice is rarely followed. Some time ago my good friend, the Senator from South Dakota (Mr. MCGOVERN), placed in the RECORD a résumé of some of my reports on my travels abroad, particularly several of them that pertained to Southeast Asia, beginning in 1954, 1955, and 1966.

Those reports show Mr. President, that if the senior Senator from Louisiana had been listened to, we would not be in Southeast Asia today. But no, the Department of Defense and the State Department were holding the reins, and we have been finding ourselves, now, for the past 20 years at least in trouble practically all over the world. Something should be done to stop all this. I am very hopeful that this year and next year will be the turning point in that direction.

For the support of free world forces, we have in this bill a recommendation of $2,303,600,000. This includes $1,909.1 million for the South Vietnamese forces, $138.5 million for the support of local forces in Laos, $68.1 million for local forces in Thailand, and $195.9 million for Korean forces in South Vietnam.

The use of funds appropriated by the U.S. Armed Forces for the support of the military forces of these countries is authorized in section 501 of the Department of Defense Procurement and Research and Development Act. This program is described on page 11 of the committee report, as shown in exhibit R, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

SUPPORT OF FREE WORLD FORCES

Section 738 of the bill authorizes the use of appropriations available to the Department of Defense to support Vietnamese and other free world forces in support of the Vietnamese forces and for the support of local forces in Laos and Thailand and for related costs. The recommendations of the Committee include $2,303.6 million for these purposes for the following countries: South

Vietnam, $1,901.1 million; Korea, $195.9 million; Laos, $138.5 million; and Thailand, $68.1 million.

The recommended amount for these purposes in each appropriation is set out under the appropriate heading in this report.

The funds recommended for these purposes are provided pursuant to and in accord with section 501 of the Department of Defense Procurement and Research Authorization Act, 1972 (Public Law No. 92–), which reads as follows:

"SEC. 501. Subsection (a) (1) of section 401 of Public Law 89–367, approved March 15, 1966 (80 Stat. 47), as amended, is hereby amended to read as follows.

"(a) (1) Not to exceed $2,500,000,000 of the funds authorized for appropriation for the use of the Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support: (A) Vietnamese and other free world forces in support of Vietnamese forces, (B) local forces in Laos and Thailand; and for related costs, during the fiscal year 1972 on such terms and conditions as the Secretary of Defense may determine. None of the funds appropriated to or for the use of the Armed Forces of the United States may be used for the purpose of paying any overseas allowance, per diem allowance, or any other addition to the regular base pay of any person serving with the free world forces in South Vietnam if the amount of such payment would be greater than the amount of special pay authorized to be paid, for an equivalent period of service, to members of the Armed Forces of the United States (under section 310 of title 37, United States Code) serving in Vietnam or in any other hostile fire area, except for continuation of payments of such additions to regular base pay provided in agreements executed prior to July 1, 1970. Nothing in clause (A) of the first sentence of this paragraph shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos: Provided, That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of United States Forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war."

Mr. ELLENDER. Mr. President, I wish to point out that the committee is not attempting to reduce defense expenditures so much as the amount of new money to operate the Defense Department.

The budget requested general transfer authority in the amount of $1 billion. The House reduced this authority to $600 million, the amount provided for fiscal year 1971. What we are doing here is increasing the amount that can be transferred from one account to another from $600 million to $900 million, in the hope that we can use this transfer authority to reduce the new obligational authority requested. These funds are subject to the reprograming procedure established between the Department of Defense and the concerned committees. This expanded transfer authority is not to be used for the initiation of the development and/or the production of new weapons systems. Ever since I have been chairman of this committee—and even long before that, while I was serving with the late Senator Russell as well as Senator Hayden—I have watched what the Defense Department did in regard to reprograming. Often, the Defense Department asked for funds to build, let us say, two or three ships. They learned later that they did not need those ships, so they took the money that was going to be spent to construct these ships and requested reprograming approval in order to fund a different program.

So far as I am concerned, as chairman of the committee, I believe that from here on, with programs of that kind, the committee as a whole must know about them, before we embark upon the actual construction. We must have a budget estimate from the President. In that way, I think we will be better off. When it comes to the construction of, let us say, an aircraft carrier that will cost, after being equipped, as much as $1 billion. A program of that kind should be asked for and budgeted by the President. I am very hopeful that in the future this will be done.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD exhibit S, from the committee report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION 736: TRANSFER AUTHORITY

The budget proposed a general transfer authority between appropriations in this Act of not to exceed $1,000,000,000, and the House bill provides for $600,000,000. The committee recommends transfer authority of $900,000,000, and an expansion of the authority to cover all appropriations and funds available to the Department of Defense exclusive of appropriations for military construction. All transfers pursuant to this provision are subject to prior approval under the existing reprogramming procedures.

The committee's objective in recommending the increase in the amount of the transfer authority and expansion to cover other appropriations and funds is to give the Secretary of Defense the flexibility that is required to meet numerous mandatory increases in various programs, such as increase in the CHAMPUS (civilians health and medical program, uniformed services) program, for permanent change of station travel resulting from turbulence in the military personnel programs, increases required for the transportation of equipment resulting from rate increases, and to the extent possible increases required for military and civilian pay increases. It is not the intent of the committee that this expanded authority be used to initiate the development and procurement of weapons systems.

Mr. ELLENDER. Mr. President, there is an item on which I expect that there will be an amendment, and it is with regard to a set-aside for commercial air transportation services. I am not going to spend any time on it, because it will be discussed thoroughly, I understand, as an expected amendment.

Mr. President, there is another amendment that will have to be considered. I understand that the Senator from Mississippi (Mr. STENNIS) probably will offer an amendment to strike the reduction in troops amendment. The committee recommended the inclusion of this provision, the intent of which is to reduce the number of U.S. military personnel in Europe to 250,000 by June 15, 1972. The provision reads as follows:

SEC. 744. After June 15, 1972, no part of the funds appropriated in this Act shall be available for the support of U.S. military personnel in Europe in excess of 250,000.

During the course of the hearings, the committee was advised that there were 294,000 U.S. military personnel stationed in Europe. However, the Department of Defense now states there are 310,000 U.S. troops in Europe, as follows: 195,000—Army; 70,000—Air Force; 45,000—Navy and Marines, including 29,000 with the 5th Fleet in the Mediterranean.

Mr. President, I am not going to discuss that feature of the bill in detail because, as I understand it, an amendment will be offered to strike it. There will be ample opportunity to discuss the program in full.

Mr. President, I am very happy that I have been able to present this bill to the Senate. The hearings, as I said, were completed in June of last year. I hope that with all the information I have presented to the Senate with the excerpts from the report, it will become easier reading for anyone who wants to follow all the actions taken by us before the committee.

Mr. President, if there are any questions, I shall be very glad to answer them, and, if not, I yield the floor to the distinguished Senator from North Dakota (Mr. YOUNG).

Mr. YOUNG. Mr. President, I wish to commend the distinguished chairman of the Senate Appropriations Committee for his statement. Our friend, Senator ELLENDER, has long been considered by Members of the Senate as one who believes in the strictest kind of economy. He worked long and hard to cut this budget in every way he could, without impairing the defense needs of this Nation.

The appropriations bill we are now considering would provide $70.2 billion for defense. It is $806 million below the amount approved by the House and $3.3 billion below the President's 1972 budget estimates. It is one of the largest cuts that has been made in a defense budget request in our history.

This is still a big budget and I would like to see it reduced much further but, at the present time, I believe this is impossible. While the war in Vietnam is winding down and our military forces there are less than one-half what they were at the peak, we still have a sizable fixed cost in this Southeast Asian war.

There are many other fixed costs that there is little we can do about at the present time. One, for example, is the cost of our military personnel. Even though the personnel in our Defense Department has been reduced by 1,300,000 in the past 2 years, the overall cost of personnel is approximately the same as it was in 1964. This is largely because of salary increases.

Congress has raised military and civilian pay nine times since 1964. As a result, it would cost $15.3 billion more for pay and allowances to employ the same number as were on the rolls of the Defense Department in 1964.

Average active duty military pay rates are 83.3 percent higher this year than in 1964, and the average government civilian salary has increased by 58.7 percent. The total cost for manpower and manpower related costs in the Defense Department is still $39.2 billion, even though personnel has been reduced by 1,300,000 in the past 2 years. Personnel costs are approximately 65 percent of the total amount of this bill.

There are many other large military fixed costs which cannot be reduced immediately or during the balance of the fiscal year for which this appropriation is being made.

For example, we have fixed military obligations in many places in the world. One of the larger costs is for the 300,000 troops we have stationed in Germany. We have sizable military bases in Thailand, the Philippines, Okinawa, Japan, Great Britain, and other foreign nations. We still have a great many bases in almost every State of the Union. Many military bases have been closed and I believe still more should be closed.

There are also fixed costs for things such as operation and maintenance which would include, among other things, requirements for diesel fuel, kerosene, gasoline, and other petroleum products, the prices of which have gone up rather than down.

Aside from the pay area and fixed costs, inflation has added approximately $9 billion to the defense budget since 1964 for weapons and equipment and supplies procured by the Armed Forces.

Mr. President, when we deduct all the fixed costs from this total budget of $70.2 billion, there is little more than $15 billion in this budget where cuts could be applied. Thus, the nearly $3.3 billion cut by the House and Senate is a sizable percentage of the budget that actually can be cut.

I believe that even with this sharply decreased budget, we are still providing for most of our top priority requirements in the area of new planes, ships and various other new modern equipment. Unquestionably, if this Nation were financially able to make available more funds for defense we could be developing even more modern military equipment.

Mr. President, we cannot afford to be unconcerned about our overall military posture when Russia is steadily increasing her budget to provide more modern weapons systems.

They already are superior to us in many categories of military strength. We cannot expect to maintain an Army as powerful as Russia's, but we must continue to at least keep apace of Russia in the development of new modern, more sophisticated and effective military weapons systems.

The Russians today are producing high-performance aircraft, such as the Foxbat. It flies higher and faster than any fighter plane we have today. Russia's navy shipbuilding program is steadily increasing in total numbers. Russian nuclear submarine construction each year is far beyond that of the United States. Almost their entire big navy is new and modern while much of ours is old and becoming obsolete.

We have but one new high-performance aircraft coming into production next year—the F–14. Our most modern aircraft, the F–4, was designed way back in 1953.

In the area of intercontinental ballistic missiles, the most powerful, destructive force in the world today, Russia has greatly increased their strength. They have more ICBM's than we have. They have some such as the SS–9 which is bigger and more powerful than anything we have. We should with our more sophisticated ICBM's be at least equal to Russia in this highly important area.

This budget does provide for some research and development for other highly important weapons systems. There is money in this bill to continue the research and development of the new B–1 bomber.

Mr. President, there are many other areas of defense that could and should be covered, but I believe the distinguished chairman of our committee (Mr. ELLENDER) has covered most of them in his statement. He has provided by his detailed information some excellent information.

I have long felt that we overcommitted ourselves in the world far beyond our capability, both militarily and economically. The new Nixon policy of not trying to police the whole world is going a long way toward correcting this. This program, if continued, will reduce our overall military forces and costs.

Mr. President, I have always felt that whatever military force we have should have the most modern military equipment possible. I do not believe that our own national security and well-being could ever permit us to become a second-rate military power to Russia or any other country.

In the long months of hearings and work that went into this Defense appropriation bill, we were fortunate to have some exceptionally able and experienced staff members. I have only the highest commendation for the staff of this committee, headed by Bill Woodruff and the minority counsel, Ed Hartung, Fran Hewitt, and Farrell Egge.

Mr. President, I hope that the defense budget, as recommended by the Senate Appropriations Committee after long and careful consideration, will be approved and without any major changes.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the committee amendments, with the exception of section 744 dealing with the withdrawal of troops from Europe, which appears on pages 48 and 49 of the bill, be agreed to en bloc and that the bill as thus amended be considered as original test for the purpose of further amendment, provided that no points of order be considered as waived.

The PRESIDING OFFICER. Is there objection?

Mr. ALLOTT. Mr. President, reserving the right to object, I would like to inquire if the committee excepted the Mansfield amendment. I did not quite hear him.

Mr. ELLENDER. I did.

Mr. MANSFIELD. Mr. President, reserving the right to object, how does the Senator spell that—e-x-c-e-p-t or a-c-c-e-p-t? I hope it is the latter.

Mr. ELLENDER. The Senate will decide that later.

Mr. MANSFIELD. How is it spelled?

Mr. ELLENDER. Accept.

Mr. ALLOTT. Mr. President, if that is the situation, I shall object. I do not know whether we are being facetious or not. However, I thought the Mansfield amendment was excepted.

Mr. ELLENDER. The Senator is correct. I was just joshing.

Mr. MANSFIELD. I was not being facetious. I am serious about this, and I hope that the Senate will be serious, too.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 10, after the word "elsewhere", strike out "$7,315,637,000" and insert "$7,319,637,000".

On page 2, line 18, after the word "cadets", strike out "$4,555,071,000" and insert "$4,562,071,000".

On page 4, line 18, after the word "law", strike out "$102,616,000" and insert "$101,716,000".

On page 6, at the beginning of line 19, strike out "$6,735,662,000" and insert "$6,598,012,000".

On page 8, at the beginning of line 1, strike out "$5,039,040,000" and insert "$5,021,240,000".

On page 8, line 16, after the word "salaries", strike out "$360,553,000" and insert "$360,077,000".

On page 9, line 19, after the word "Government", strike out "$6,274,381,000" and insert "$6,211,323,000".

On page 10, line 18, after the word "Government", strike out "$1,197,465,000" and insert "$1,208,565,000".

On page 11, line 12, after the word "aircraft", strike out "$369,961,000" and insert "$365,961,000".

On page 12, line 9, after the word "Bureau", strike out "$413,428,000" and insert "$402,328,000".

On page 12, line 20, after the word "Board", strike out "$122,000" and insert "$106,000".

On page 14, line 10, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 14, line 24, after the word "purposes", strike out "$1,040,820,000" and insert "$940,820,000, and in addition, $100,000,000 which shall be derived by transfer from 'Procurement of Equipment and Missiles, Army, 1971/1973'"; and, on page 15, line 2, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 15, line 18, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 16, line 7, after the word "purposes", strike out "$1,496,300,000" and insert "$1,418,300,000"; and, in line 10, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 17, line 3, after the word "purposes", strike out "$527,400,000" and insert "$507,300,000"; and, in line 4, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 17, line 16, after the word "plants", strike out "$3,905,000,000" and insert "$3,855,000,000"; at the beginning of line 17, strike out "$50,000,000" and insert "$100,000,000"; at the beginning of line 19, strike out "$25,000,000" and insert "$75,000,000"; and, in line 21, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 18, line 9, after the word "amended", strike out "$3,017,500,000" and insert "$2,926,200,000, and in addition $5,000,000 to be derived by transfer from 'Shipbuilding and Conversion, Navy 1971–75',"; and, in line 12, after the word "available", strike out "for obligation until June 30, 1976" and insert "until expended".

On page 19, line 9, after the word "plants", strike out "$1,702,803,000" and insert "$1,637,803,000"; in line 10, after the word "addition", strike out "$50,000,000" and insert "$110,000,000"; in line 12, after the word "and", strike out "$25,000,000" and insert "$85,000,000"; and, in line 14, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended."

On page 19, line 24, after the word "only"; strike out "$118,100,000" and, insert "$103,100,000"; in the same line, after the word "addition", strike out "$10,000,000" and insert "$25,000,000"; and, on page 20, line 3, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 20, line 18, after the word "things", strike out "$2,933,800,000" and insert "$2,899,000,000"; in line 19, after the word "addition", strike out "$108,700,000" and insert "$158,700,000"; in line 22, after the word "and", strike out "$25,000,000" and insert "$75,000,000"; and, in line 24, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 21, line 14, after the word "things", strike out "$1,633,700,000" and insert "$1,633,600,000" and, in line 19, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 22, line 11, after the word "amended", strike out "$1,510,998,000" and insert "$1,478,998,000"; at the beginning of line 12, strike out "$50,000,000" and insert "$90,000,000"; and, in line 14, after the word "available", strike out "for obligation until June 30, 1974" and insert "until expended".

On page 23, line 3, after the word "amended", strike out "$62,971,000" and insert "$52,971,000, and in addition, $5,000,000 to be derived by transfer from 'Procurement, Defense Agencies, 1971/1973,'"; and, at the beginning of line 6, strike out "for obligation until June 30, 1974" and insert "until expended".

On page 23, line 14, after the word "law", strike out "$1,789,656,000" and insert "$1,795,656,000"; in line 15 after the word "addition", strike out "$25,000,000" and insert "$51,900,000"; and, in line 17, after "1971/1972", insert a comma and "of which not to exceed $9,300,000 shall be available for the continuation of the development of the AH–56A Cheyenne armed helicopter,".

On page 23, line 26, after the word "law", strike out "$2,358,319,000" and insert "$2,281,319,000".

On page 24, line 10, after the word "law", strike out "$2,892,944,000" and insert "$2,845,944,000".

On page 24, line 24, after the word "law", strike out "$440,843,000" and insert "$437,143,000".

On page 30, line 9, after the word "amended", strike out the semicolon and "(1) under regulations approved by the Secretary of Defense, for transportation from their homes to rest and recuperation centers in the Pacific area and return plus per diem payments of not to exceed $30 per day for each dependent for periods not over two weeks, for dependents of military personnel assigned as province or district senior advisers in Vietnam on voluntarily extended tours of duty totaling not less than eighteen months, during periods when such military personnel are granted special incentive leaves at such rest and recuperation center".

On page 36, line 11, after the word "Defense", strike out "which shall not require the performance of proficiency flying but may permit such flying (except in cases of members who have been assigned to a course of instruction of 90 days or more)"; and, after the amendment just above mentioned, insert "Such regulations (1) may not require such flying except where the Secretary of the Department concerned determines that such flying is required to maintain proficiency in anticipation of member's assignment to combat or other essential flight operations and (2) may permit such flying, except that such flying may not be required or permitted in cases of members who have been assigned to a course of instruction of 90 days or more."

On page 43, line 10, after the word "fleet", insert a colon and *"Provided further*, That funds in this Act shall be available for the procurement of commercial air cargo services only to the extent that the Secretary of Defense determines that such services are required to supplement the cargo airlift capabilities of the Military Airlift Command."

On page 44, line 21, after the word "contract", strike out the comma and "or (4) costs of participation in the United States Transportation Exposition".

On page 45, line 3, after the word "of", strike out "$50,000" and insert "$25,000".

On page 45, line 7, after "Sec. 736.", strike out "Upon" and insert "During the current fiscal year upon"; in line 11, after the word "exceed", strike out "$600,000,000" and insert "$900,000,000"; at the beginning of line 12, insert "or funds"; in the same line, after the amendment just above stated, strike out "contained in this Act" and insert "available to the Department of Defense for military functions (except military construction)"; in line 14, after the word "appropriations", insert "or funds"; and, in line 16, after the word "appropriation", insert "or fund".

On page 49, line 8, after "section 401(a)(1)", strike out "H.R. 8687 as passed by the Senate" and insert "Public Law 92–156"; and, after the amendment just above stated, strike out "$93,300,000" and insert "$98,500,000".

On page 49, line 14, after "section 401(a)(2)", strike out "H.R. 8687 as passed by the Senate" and insert "Public Law 92–156".

Mr. INOUYE. Mr. President, in recent months, a great deal of confusion and contradictory information has evolved from the contractor and the Department of Defense and others concerning the F–14 fighter now under development by the Grumman Aircraft Corp. I hope that my contribution to the F–14 debate will not add further to this confusion.

Critics of this aircraft have suggested that it cannot outperform the Soviet Mig series of fighters, and more basically, some have suggested that the F–14 fighter is not a good air superiority fighter.

Because of this criticism, confusion, and contradictory information, I, like many of my colleagues, decided to conduct a special study of the F–14. For example, I have taken a look at the National Aeronautics and Space Agency and Department of Navy assessments of this aircraft, and have been briefed on the latest flight test data by officials of Grumman Aircraft Corp.

Mr. President, in my humble opinion, I wish to suggest that the F–14 aircraft, after more than 2½ years of development, is meeting or exceeding its guaranteed specifications. For example, I have been advised that:

First, the growth in weight of the F–14 since the contract award is the lowest achieved in naval aviation. More specifically, I have been advised that the weight growth is one-fourth of the average of past naval aircraft. I gather that this factor is an extremely important one, when one considers that these airplanes are required to take off and land on aircraft carriers. The weight factor, therefore, becomes an extremely important one.

Second, the performance estimates of the F–14 developed by the Navy have been substantiated by an independent National Aeronautics and Space Agency assessment made at the request of the Department of Defense.

Third, in 1968, the Department of Navy conducted a study of the Soviet threat to determine if the projected performance of a carrier-based fighter—now the F–14A—was sufficient to maintain air superiority through the 1980 time period. This projected performance of the F–14A was validated and proved vastly superior to modified versions of the F–4 aircraft.

Fourth, more recently, the Department of Navy, at the direction of the Department of Defense conducted comparison studies of the F–14 to the current and projected Soviet threats. Results of their study demonstrate that in close-in dog fighting, against mass raids, or high speed, small cruise missiles, the F–14 is the only weapon system presently available that will or can provide air superiority through the 1980 time period.

Fifth, the F–14 fire control system and the Phoenix long-range missile have enjoyed one of the most successful test programs in the history of weapons development. The design and test phases have been closely monitored and participated in by operational people who will eventually use this system. Although not yet employed operationally, Phoenix tests to date demonstrate that all design performance requirements are being satisfied.

Sixth, the F–14 airplanes are now flying successfully and are rapidly verifying the entire predicted flight envelope. For example, in level flight accelerations, the F–14A is exceeding predictions and F–4 chase planes fall behind by significant distances. The F–4 chase airplanes struggle to keep up with the F–14 as they cruise along at high altitude. The F–14A high speed test aircraft easily exceeded twice the speed of sound recently. F–14A's have flown as much as 12½ hours combined flight time in 1 day, a feat never before achieved with early test aircraft. The F–14A has landed at weights equal to or greater than the carrier landing weight with 6 Phoenix missiles on board, at speeds significantly lower than the specifications and 20 m.p.h. slower than the present F–4 airplanes. The F–14 is meeting or exceeding its predicted maneuverability capabilities at dog fighting speeds by as much as 25 percent.

Mr. President, I am convinced that the air inventory of our Navy needs a weapon system such as the F–14, but at the same time, I am aware of the development details that have been associated with the F–14 program, such as the unfortunate crash of the first test aircraft and the development problems of the advanced technology engine for the F–14B and F–15. The problems associated with the F–14 are not unique. One need only consider the C5A and the F–111. At this juncture, it would be well to ask ourselves a few fundamental questions: Do we need this weapon system? My study indicates that the answer is yes. Can our aerospace industry design and construct this weapon system? Again, I feel that the answer is yes. Has the aerospace industry encountered development problems with new weapon systems? Without question, the answer is yes. Once again, the C5A and the F–111 are presented as striking examples.

Mr. President, if these new weapons and weapon systems are vital and necessary, and if our aerospace industry has demonstrated that it can produce them, can or should the development cycles of these systems be improved? I feel that we should have learned a few lessons from the C–5A and the F–111. One lesson that stands out in my mind is that our Defense Department must be given adequate time for developing new weapons and weapon systems with adequate funding and sufficient technical milestones to indicate whether such new weapons or weapon systems are ready for production or not.

In other words, the concurrency of development and production must be minimized. To put it in better understood lay language, we should "fly before we buy." In the case of the C–5A and the F–111, we unfortunately applied the concept of "buy and fly" instead of the practical "fly before we buy."

Similarly, industry must be given adequate time, also. It should not be unreasonably pressed to a point where its private financing sources dwindle to a point of desperation in order for it to meet unrealistic schedules based on our ill-conceived "buy and fly" contracts—Lockheed should have taught us a lesson. By pushing Grumman, we may end up with another Lockheed-type problem.

Mr. President, the fundamental problems involving development and production must be solved if we are to protect our diminishing and critical resources and get the best buy for our dollar. Mr. President, I will support the Senate Appropriations Committee's recommendation calling for the procurement of 48 F–14A's in fiscal 1972. However, I would hope that, in the consideration of future buys of this new weapon system, the problem of concurrency of development and production be given most serious consideration by the Department and the contractor.

QUORUM CALL

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDEFINITE POSTPONEMENT OF S. 1698

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the consideration of S. 1698, which is listed on page 15 of the calendar under "Subjects on the Table," be indefinitely postponed because I do not intend to call up this measure.

The bill has to do with providing an additional period of time for review of the basic national rail passenger system; to postpone for 7 months the date on which the National Railroad Passenger Corporation is authorized to contract for provision of intercity rail passenger service; to postpone for 7 months the date on which the Corporation is required to begin providing intercity rail passenger service, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries.

REPORT ON HEALTH PROGRAM OF THE FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. STEVENSON) laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

I am pleased to submit to the Congress the first annual report on health matters covered by the Federal Coal Mine Health and Safety Act of 1969.

The report covers the implementation of the health program during its first year of operation under this act. This program has been carried out by the National Institute for Occupational Safety and Health of the Department of Health, Education, and Welfare. The report provides a compendium of health standards, medical specifications, research and public health information activities from December 30, 1969, through December 31, 1970.

Highlighted in this document are the health regulations promulgated under the act, the status of the medical and industrial hygiene research projects, specific health standard recommendations to control and eliminate occupational disease, and proposed research for the future.

It is encouraging to note that as of December 31, 1970, the Department of Health, Education, and Welfare approved 398 coal mine operator plans in which the company is providing an opportunity for confidential medical examinations at no cost to the miner. These plans applied to nearly 76,000 underground miners. Concurrently, 440 physicians sought and obtained certification to participate in the reading of chest roentgenograms. Contracts have also been made by the Public Health Service with medical organizations to provide for chest X-rays of coal miners in seven States at the mines where operators have not submitted such plans, and additional contracts are now being obtained for the remaining 14 States which have underground coal mining operations. A comprehensive research program has been established to develop criteria necessary to set optimal health standards. The Department of Health, Education, and Welfare is moving rapidly to further refine health and safety standards and to assist the Department of the Interior in the implementation of this act.

I commend this report to the attention of the Congress.

RICHARD NIXON.

THE WHITE HOUSE, *November 23, 1971.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. STEVENSON) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of Senate proceedings.)

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

The Senate continued with the consideration of the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

Mr. PROXMIRE. Mr. President, our debate on this bill today brings to an end another year's debate on the size and shape of the military budget. It concludes the third consecutive year in which we have tried very hard to analyze and understand our defense needs both at home and around the world.

But our debate on this bill today also marks a new first. This is the first defense appropriations bill which has been guided through the Senate by a new chairman of the Appropriations Committee, the distinguished Senator from Louisiana (Mr. ELLENDER).

He has done a masterful job, indeed. He has examined in depth the justifications the Pentagon has made for the more than $73.5 billion requested for fiscal 1972. And he has found more than $3 billion which can be deducted from that request with no danger to our national security.

I think I know something about the kinds of pressures my friend from Louisiana faced in recommending so large a cut—the constant arguments against specific cuts, the suggestion that he was undermining our Nation's strength. I do know his response to one such suggestion. That response was "hogwash." It is a very appropriate response, especially since the Senator from Louisiana stands behind not only the $3 billion he has cut, but also the more than $70 billion he has recommended for appropriation.

Mr. President, we in the Senate have a long way yet to go in developing our ability to scrutinize the defense budget. But we have also made some progress in the past 3 years. My friend from Louisiana has played an important role in the process. I commend him highly for the contribution he has made.

The PRESIDING OFFICER. The clerk will report the committee amendment on page 48.

The committee amendment was read as follows:

On page 48, line 16, after the word "in", insert "Titles I through VIII of".

On page 48, after line 19 strike out:

"SEC. 744. None of the funds in this Act shall be available for the induction or enlistment of any individual into the military services under a mandatory quota based on mental categories."

And, in lieu thereof, insert:

"of United States military personnel in Europe in excess of 250,000."

Mr. JACKSON. Mr. President, I ask unanimous consent that when I call up my amendment No. 750 it take precedence over the pending committee amendment.

Mr. ELLENDER. Mr. President, reserving the right to object, I want it understood that the Senator will have the opportunity to present his case, but that no vote will be had on the amendment until the Republican policy committee meeting ends, and I do not know what time that is going to be.

Mr. JACKSON. Mr. President, may I say I shall be very pleased to work out a voting time with the distinguished chairman of the committee and that I shall not ask for a vote at this time.

Mr. ELLENDER. With that understanding, Mr. President, there will be no objection.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

Mr. JACKSON. Mr. President, I shall be calling up my amendment No. 750 shortly.

The purpose of the amendment is clear and simple. It calls for an appropriation, pursuant to the authority voted by the Senate last year, to enable the President to make available to Israel on credit terms vital aircraft and other defense equipment essential to maintaining the balance of power in the Middle East.

I know that many Senators share my concern that doubts about the stability of the balance in that troubled part of the world could give rise to a renewal of the conflict between the Soviet-supported Arab States and Israel. In recent days there have been ominous threats by President Sadat of Egypt of an attack against Israeli territory. These threats, however flamboyant and irresponsible, carry with them the danger that loose talk of invasions and war can set in motion a train of events only partially controlled, with consequences that are tragic in the extreme. Looking back, it is difficult to understand how Egypt could have chosen to mobilize for war in June of 1967. Thus, we should take little comfort from the optimistic view that because a renewal of war in the Middle East looks foolish to us, it must necessarily look foolish to those who would initiate it. I, for one, view the prospect of an outbreak of hostilities in the Middle East with the most activated concern.

There is a consensus among experts in these matters that a repetition of the 1967 war would not end, as it did then, in a matter of days—perhaps not even in a matter of weeks. In discussions here and during my visit to Israel I was made painfully aware that the next war, unlike the last, could become a war of attrition in which thousands of innocents could lose their lives, and in which the danger to world peace would increase beyond anything we have known in recent years. No one can take lightly such grim prospects. And no one can responsibly dismiss lightly the rhetoric that brings conflict closer.

I am convinced that at this moment the single most important step this country can take to help bring a measure of stability to the troubled Middle East is to make plain our determination that we will not prejudice Israel's ability to deter by further denying her the aircraft she needs to prevent an invasion across the Suez Canal or a renewal of the war of attrition against her defensive positions in the Sinai.

Mr. President, the principal element of this administration's policy in the Middle East has been a pledge to maintain the military balance in a condition of rough parity. Measuring such a balance is extremely difficult—especially, as in the present case, when superior equipment on the Arab—and Soviet—side is said to be offset by superior training and skill on the part of the Israeli defense forces. How does one compare an Israeli air force, highly skilled, with too few first-line planes with an Egyptian air force that has too many first-line planes and too few skilled pilots? And how, in such an uncertain calculation, should one weigh the massive deployment of Soviet-supplied SAM missiles throughout Egypt, any one of which is capable of destroying an Israeli plane? Finally, how does one estimate the role of the Soviet Union in the event hostilities break out? Can anyone say with certainty that the Soviets will not be drawn into a conflict—that, no matter what happens in the Middle East, they will keep their combat aircraft and their pilots grounded and their fleet at a distance from the conflict?

I emphasize these uncertainties, Mr. President, because they suggest how fragile is a military balance with so many elements—and I have mentioned only three—about which it is impossible to be precise. Moreover, the balance in the Middle East is "subject to rapid change" to use the words of Secretary of Defense Laird. The conditions prevailing today can be dramatically different tomorrow. And in all of this the crucial and decisive factor is the balance in the air; and that balance depends, in large measure, on the available supply of first-line aircraft.

Mr. President, our most urgent immediate task in the Middle East is to acknowledge that the unrestrained flow of sophisticated weapons to Egypt from the Soviet Union has jeopardized the balance of power in a most dangerous way. We can preserve the peace in the Middle East but only if we recognize that it is today threatened by the narrow margin of Israel's air defense capability. With so few planes at her disposal we invite a miscalculation on the part of the Egyptian and Soviet forces leading them to believe that they could eliminate the Israeli air force as a factor in Israel's defense and thereby reverse the events of June 1967.

It is against this background, Mr. President, that I wish to introduce my amendment to the pending appropriations bill. It is a simple amendment that merely gives effect to a policy clearly laid down by an overwhelming majority of the Senate in upholding, by a vote of 87 to 7, the necessary authority under which this appropriation is here offered.

Mr. President, last September, we voted to provide the authority to enable the President to supply credits to Israel in such amounts as may be necessary to provide aircraft and other equipment essential to maintain the balance in the Middle East.

Just a few days ago 78 Senators joined in cosponsoring Senate Resolution 177 calling upon the President to make Phantom aircraft available to Israel.

The President has the authority he needs. He has a mandate from the Senate to exercise that authority by making them available now. All that is required is an appropriation, and my amendment today is nothing more than the necessary appropriation. It would make available $500 million in military credits, half of which—or more—could be used to provide the planes that 87 Senators authorized and that 78 Senators urged be made available at once.

Mr. President, I wish to point out that the Senate version of the Foreign Assistance Act contains the authority for an appropriation of $300 million for military credits for Israel. In my view that authority is superfluous since the authority contained in section 501 of the Defense Procurement Act of 1970 is all that is required. Section 501, by agreement in a House-Senate conference, is still in force and remains in force until September 1972.

But more important is the fact that we do not as yet have a foreign assistance program. We may not get one for weeks or even months. It is subject to uncertainties and delays. None of its several provisions is securely a part of the public law.

Section 501, on the other hand, is the law of the land. I am merely proposing that we make the necessary appropriation to give effect to the policy we have legislated and so recently reaffirmed. Even if the $300 million authorization contained in the Senate version of the Foreign Assistance Act emerges from conference and is enacted into law, we will have nothing that we do not already have in section 501 of the Defense Procurement Act. The difference is that the $500 million I am now proposing can be made available immediately. And in view of the rapid deterioration of the military balance in the Middle East, especially in the last few days, it is urgent that we act at once.

Moreover, Mr. President, the $300 million in requested authority is inadequate for both Phantom aircraft and other essential equipment. The aircraft alone will cost at least $250 million, perhaps more, and considerably more than $50 million has already been committed to supporting equipment. Thus we would face an eventual deficiency appropriation if we were to wait and appropriate funds to carry out the Senate's policy in a piecemeal fashion. If the $500 million requested in my amendment is appropriated here today I would expect the administration to adjust its $300 million request accordingly. And I need not point out that the administration has hardly been overeager to make available the planes it is my intention to fund with this amendment.

I will not go into detail about the state of the Israeli economy and Israel's obvious inability to provide for an adequate defense without credit assistance. Suffice it to say that fully 30 percent of Israel's gross national product goes to defense. And let me add that the annual cost of servicing the foreign debt incurred by Israel, largely as a result of necessary defense outlays, is alone $500 million.

Mr. President, I have long believed that we have failed in our Middle East policy to pay sufficient attention to the cynical role of the Soviet Union in exploiting the tragic conflict between Arabs and Jews. The policy of purposeful instability that the Soviets practice is a menace to international order. And it imposes extraordinary burdens on the innocent victims who must work doubly hard to achieve even minimal security for their precious freedom and independence.

All that I am proposing is that we extend the credits necessary to permit a brave ally to purchase the means with which to defend itself while we look to a better day in a more peaceful world where weapons and credits are no longer needed.

I want to state that I shall call up my amendment now; but, in accordance with the understanding that I have with the chairman of the Appropriations Committee, there will not be a vote on this matter until the two of us work out a mutually satsifactory time.

AMENDMENT NO. 750

Mr. JACKSON. Mr. President, I call up my amendment No. 750 and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read the amendment (No. 750) as follows:

On page 49, between lines 21 and 22, insert a new title as follows:

TITLE IX—AIRCRAFT AND OTHER EQUIPMENT FOR ISRAEL AS AUTHORIZED BY PUBLIC LAW 91-441

SEC. 901. For expenses, not otherwise provided for, necessary to enable the President to finance sales, credit sales, and guarantees of defense articles and defense services to Israel, as authorized by section 501 of Public Law 91-441 (84 Stat. 909), $500,000,000, including $250,000,000 for sales, credit sales, and guarantees of F-4 Phantom aircraft to have the funding suggested in the amendment proposed by the distinguished Senator from Washington.

This situation has been made more acute by the recent bellicose statements by President Sadat, and his pledge to fight suggests an increasing truculent attitude. The Soviets have recently delivered Badger bombers and are sustaining a high level of arms support. We must permit the President to keep up with these developments.

Much of the growing uncertainty and the intensity of the problem in the Middle East may well have been spawned by the proposed troop cut in Europe.

The stalemate of the foreign aid legislation, good sense, and American interest in maintaining the volatile balance of power in the Middle East strongly support the adoption of the Jackson amendment.

Therefore, Mr. President, as one who is concerned primarily with peace in the Mideast, a peace which I believe will be accomplished only when the parties involved understand that we will continue to support the State of Israel as long as her neighbors seek to overwhelm her. Our goal of peace in the Mideast requires a balance of power which must be preserved until Israel's right to exist is politically secure. I strongly urge the adoption of Amendment No. 750 as a necessary move toward the preservation of this balance.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. DOLE. I yield.

Mr. ELLENDER. Did I understand the Senator to say that he had discussed the matter with the Secretary of State today?

Mr. DOLE. Yes.

Mr. ELLENDER. With what response? Can the Senator tell us that?

Mr. DOLE. Well, I can say that the discussion occurred this morning, with the distinguished senior Senator from New York present, as well as the senior Senator from Missouri, the junior Senator from Massachusetts, the senior Senator from Massachusetts, the senior Senator from Connecticut, the senior Senator from Wyoming, and the junior Senator from Kansas.

The discussion concerned our perception of an urgent need to deliver the Phantom jets to Israel. The distinguished Senator from New York, who is now present in the Chamber, had arranged the meeting with the Secretary. As I said before, this was not an effort to lobby the Secretary. We were there because of our interest in peace in the Mideast, and our belief that such peace depends upon the preservation of a balance of power there. The Secretary made no commitment. I did not expect him to make a commitment. But at least the subject was discussed in a forthright manner, and I believe some were encouraged, and perhaps some were discouraged. I do not know the reaction of every Senator. Perhaps the Senator from New York might wish to comment.

Mr. ELLENDER. Mr. President, what I would suggest, for the moment, since the Republican Policy Committee is having a luncheon and since the Democratic

Mr. DOLE. Mr. Chairman, will the Senator yield?

Mr. JACKSON. I yield the floor.

Mr. DOLE. Mr. President, I yield myself 5 minutes, in the absence of the ranking minority member.

The PRESIDING OFFICER. There is no time limitation.

Mr. DOLE. Mr. President, I strongly support amendment No. 750, offered by the distinguished Senator from Washington. I would cosponsor the amendment, but I understand that the Senator from Washington prefers not to have cosponsors at this time. Is that correct?

Mr. JACKSON. I would be happy to, but the problem is that it is so late. I would be delighted if others want to join, but I offered this revised version of the amendment only yesterday. I deeply appreciate the support of the Senator from Kansas on this matter.

It is just a matter of reaching all the interested Senators.

Mr. DOLE. Let me say, Mr. President, that just this morning a group of Senators met with Secretary of State William Rogers. We discussed rather forthrightly and in some detail our concern for the balance of power in the Middle East, a topic which has been raised here today by the distinguished Senator from Washington.

I believe, of course, that America's primary objective in the Mideast must be a peaceful settlement of that region's political problem the secure existence of the state of Israel. This is also the belief of the President and of the Secretary of State.

We also believe, or at least some of us believe, that the military balance at this time between the strength of the Arab countries and that of the State of Israel is not favorable to Israel. This morning, as we met with the Secretary of State, a number of us suggested to the Secretary that Phantom jet be delivered to Israel in the near future.

Mr. President, I would suggest that the proposed troop cuts called for in this bill have unsettled many of our allies in Europe and elsewhere.

Nowhere is the importance of sincere U.S. commitment more crucial to a nation's survival than is the case with Israel in the Middle East. The Israeli's can foresee in the reduction of our commitment to Europe, as suggested in the bill, an erosion of our support for their own cause. Therefore, we must reaffirm our commitments. For to dilute U.S. commitment in Europe must also suggest dilution in the Middle East. Accordingly, I strongly urge that the Senate adopt amendment No. 750, which would provide $500 million for Israel, of which $250 million would be for Phantom F-4 jets, and $250 million for other supporting military assistance.

The fine lines of American commitment to Europe, if reduced as called for, must directly affect Israel, politically and militarily. At the present time there is no solution in sight to the stalemate on the foreign aid bill, which includes $300 million in credit for Israel. Given this certainty, the President will lack flexibility in maintaining the balance of power in the Middle East unless he can

Policy Committee is also having a luncheon, is that we recess for about 30 or 40 minutes. I would like to have some Senators present on the floor to listen to what is being said. It is my considered judgment that there is no authorization for the money now being requested, and I find it strange that the newspapers tell us that the President is doing all he can to accommodate Israel and to protect their efforts. For that to come from Senators rather than the President himself I also find strange.

Those matters I should like to discuss with enough Senators present so that we can have a full discussion of the whole matter.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. JAVITS. Mr. President, I think that normally the question of moving for a recess would be a prerogative of the leadership. I think the Senator is correct, that Senators ought to listen to this, and there is no use making explanations, which will go into the decision on the vote on this amendment, to an empty Chamber.

Therefore, I would suggest the absence of a quorum, so that we may consult the leadership and see if they are willing to take a short recess. Would the Senator be agreeable to that?

Mr. ELLENDER. Yes. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. ELLENDER. Mr. President, I move that the Senate stand in recess until not later than 1:30 this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 12:51 p.m., the Senate took a recess.

The Senate reassembled at 1:30 p.m., when called to order by the Presiding Officer (Mr. CHILES).

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington (Mr. JACKSON).

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BENTSEN). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, at the direction of the distinguished majority leader, I make the following unanimous-consent request with respect to the pending amendment by Mr. JACKSON, having discussed it with the assistant Republican leader and the distinguished manager of the bill (Mr. ELLENDER), and with the distinguished mover of the amendment (Mr. JACKSON):

I ask unanimous consent that time on the pending amendment by Mr. JACKSON be limited to 1 hour, to be equally divided between and controlled by the distinguished mover of the amendment and the distinguished manager of the bill; provided further, that time on any amendment in the second degree, motion, appeal, or point of order—with the exception of nondebatable motions—be limited to 30 minutes, to be equally divided between the mover of such and the distinguished manager of the bill—and if the manager of the bill does not oppose such, then the time on any such motion, appeal, amendment in the second degree, or point of order to be under the control of the distinguished minority leader or his designee; provided further, Mr. President, that Senators in control of the time on the amendment in the first degree may yield therefrom to any Senator on a motion, appeal, point of order, or amendment in the second degree.

Mr. GRIFFIN. Mr. President, reserving the right to object—and I shall not object—I have conferred with the distinguished ranking Republican member of the Appropriations Committee, the Senator from North Dakota (Mr. YOUNG), the distinguished Senator from Colorado (Mr. ALLOTT), the distinguished Senator from New York (Mr. JAVITS), the distinguished Senator from Kansas (Mr. DOLE), the distinguished Senator from Illinois (Mr. PERCY), and with others who have expressed an interest. So far as I can determine the unanimous-consent request is satisfactory, and accordingly, there is no objection from our side.

The PRESIDING OFFICER (Mr. BENTSEN). Is there objection to the request of the Senator from West Virginia? The Chair hears none and it is so ordered.

Mr. BYRD of West Virginia. I thank all Senators.

The PRESIDING OFFICER. Who yields time?

The Chair awaits the pleasure of the Senate. Time is running.

Mr. DOLE. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be taken out of both sides.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BROCK). Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York (Mr. JAVITS) is recognized for 5 minutes.

Mr. JAVITS. Mr. President, I hope that the Senate will adopt this amendment of the Senator from Washington (Mr. JACKSON). I think it is a desirable and indeed an essential element in a great drama which is unfolding now concerning Israel and the Arab States, a drama which deeply and importantly concerns the United States.

Mr. President, we are Senators of the United States and so the interests of our country must be paramount. So I should like to state, first, the interests of our country in this matter.

The fact is, that well over 50 percent, as a minimum, by any calculation, of the energy resources, the oil and fuel which powers Europe's industries, comes from the Middle East.

In the case of Japan, the industrial outpost of the free world and the Far East, it is about 90 percent. Japanese reserve stocks are generally considered to be only about 30 days.

In addition, the route through the Suez Canal and the Straits of Tiran and the Red Sea represent the critical passage among three continents. The reason invaders have for centuries fought over Palestine and the contiguous areas is that it is so critically important in terms of the strategy of the world. Under all these circumstances, our country has a critical stake there. The fact is, unhappily for all of us, it is an area which is backward in a most unfortunate way in terms of education, economic progress, social and political development. It is still in a very difficult state and to the world is often an anachronism.

Under these circumstances, to have a vigorous, a courageous and a small nation with the great democratic traditions of our own and of the free world at the very heart of this area, is very much in my mind like having West Berlin in the center of Eastern Europe. It is absolutely indispensable to the hope which, somehow, is needed in the whole area, as this small nation has sought only the means to defend itself. It has never asked the United States for troops. It has asked only for what is necessary in order to safeguard its own national integrity.

It seems to me that this represents an admirable investment by the United States. That is what Senator JACKSON is asking us to do. He is asking us, first to match our policy with the survival and the security of this small state because of its prime interest to us; and second, of course, is the moral point, that we officiated at the establishment of Israel in a very important way, with President Truman. It was rent, shall we say, out of the hearts of mankind who had seen one-third of the Jewish people decimated by Adolph Hitler and who felt the call of conscience to try to give them a safe haven that they could truly call their own—those that wanted to go there.

The only final question is, how do we interpret it now? A settlement in the Middle East becomes the No. 1 priority of American policy.

Senators must make their choice. And 78 Members of the Senate have made their choice on the proposition that if we enable Israel to have a sense of security because of having her own means to defend herself, she will be much more amenable to negotiations and much more likely to be flexible in the negotiations than if she is afraid of her own survival.

With respect to this matter we may have disagreed with the State Department. However, 78 Senators did sign their names on the dotted line to a resolution to supply Phantom jets for that purpose. As of today the present policy is the idea of denying Israel the jets. This alone will not get them the jets. The President has the right to deliver or not to deliver as he chooses. However, it will show the strong support of the Senate of the United States for the basic defense of Israel, to show that they are not completely vulnerable. That is half, perhaps more than half, of the battle.

Unless that is made crystal clear as we enter into the debate in the General Assembly which will take place soon, there will be tremendous challenges with respect to the United States.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, will the Senator yield me 1 additional minute?

Mr. JACKSON. Mr. President, I yield the Senator from New York 1 additional minute.

Mr. JAVITS. Mr. President, this is the last time to make this point. It is for all of those reasons, starting with the national interests of the United States, that I believe the Jackson amendment should be agreed to.

Mr. JACKSON. Mr. President, I yield 5 minutes to the distinguished Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 5 minutes.

Mr. ALLOTT. Mr. President, I thank the distinguished Senator for yielding.

First of all, I want to associate myself with the remarks of the Senator from Washington and the remarks of the Senator from New York in their entirety.

Mr. President, as one of the cosponsors of Senate Resolution 177, I heartily endorse the resolve in the paragraph of that resolution. I ask unanimous consent that the body of that resolution only be printed in full at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. RES. 177

Resolution calling for the shipment of Phantom F–4 aircraft to Israel in order to maintain the arms balance in the Middle East

Whereas the Soviet Union is continuing to supply additional sophisticated weapons including advanced jet aircraft, and has deployed combat pilots, and other military personnel in Egypt, and other Arab States; and

Whereas these actions have seriously affected the military balance in the Middle East and increase the danger of war; and

Whereas the aforementioned developments have encouraged certain Arab States to resist peace negotiations and to threaten the resumption of war; and

Whereas this constitutes a grave threat to peace in the Middle East, prejudicial to the vital interests of the United States; and

Whereas the policy of the United States as expressed by the President and the Congress of the United States is to maintain the arms balance in this region: Therefore be it

Resolved, That—

(1) The United States without further delay should take affirmative action on Israel's pending request for F–4 Phantom aircraft, and provide such supporting equipment and assistance as are essential to maintain Israel's deterrent capability;

(2) The United States Government should oppose any attempts at the United Nations to alter the meaning and effect of Security Council Resolution 242 of November 22, 1967, and should reaffirm the importance of secure and defensible borders as a vital element in a peace settlement to be negotiated by the parties themselves.

Mr. ALLOTT. Mr. President, I think that the Senator from New York has placed his finger on one of the things that bothers me about the Near East, and that is its importance to the peace of the world.

Any person who studies the international geopolitical situation at this time must be concerned almost by the hour with the saber rattling of President Sadat of the United Arab Republic that goes on in the Near East. This saber rattling calls attention to the very limited resources, material, and men, that Israel has.

Israel is the only true democracy in that area of the world. Its continuing survival and vitality is important to this country. Without the existence of a strong Israel, as the Senator from New York has pointed out, the energy resources of the Middle East may soon be chewed up or priced out of our market in this country.

So, like the sponsor of the amendment, the chairman of the Committee on Interior and Insular Affairs, I, as the ranking minority member, and other members of the committee are quite well aware that within the next 3 to 4 years our country is going to face an energy crisis of proportions which we never would have conceived to be possible even just a few years ago.

We cannot convert our energy from gas wells to oil, from coal to oil, or from coal to nuclear energy overnight. For this reason the maintenance of a stable political situation in the Near East is of very, very vital importance to this country. I particularly think that we cannot afford to permit Israel to take a secondary or inferior military position. And we are at the very point where this situation exists at the present time.

Mr. President, I intend to vote for the amendment making aircraft and other arms available to Israel on credit terms. I urge every Senator to examine the facts—Israel's needs and our obligations—and to join in voting for this prudent, equitable amendment.

This amendment will enable the President to exercise the authority given him last year. This amendment will provide $500 million in military credits which the President is authorized to extend. This will enable Israel to purchase those vital instruments of protection, the Phantom jets.

The Senate remembers that the original authorization for this was endorsed by 87 Senators. Subsequently, 78 Senators—myself included—have urged that the planes be made available promptly. The passage of this pending amendment is all that remains to be done to insure the necessary credits—and to insure, insofar as possible, an extended period of at least partial safety for Israel.

This amendment is not a departure from established policy. On the contrary, it conforms to the policy, and the authority, voted by the Senate 1 year ago—a year during which Israel's enemies have armed themselves still more heavily, and avoided negotiations still more determinedly.

This amendment is not bellicose. On the contrary, it asserts our unwillingness to allow a dangerous deterioration in the position of Israel. To do any less would invite dangerous miscalculations on the part of the Soviet Union and its Egyptian clients.

This amendment is not destabilizing. On the contrary, our only worry today should be whether the aid which this amendment will provide will be sufficient to offset the destabilizing influx of Soviet arms. I do not know how to make an exact equation between x number of Israeli fighter planes and y number of Soviet missiles. Nor do I know of anyone else who has mastered that complicated equation.

But, Mr. President, this much I do know. I know that it is the obligation of the United States to err on the side of safety in helping the brave nation of Israel to help itself.

The urgency of this amendment was recently demonstrated by President Sadat of Egypt. Sadat exceeded even Egyptian standards of ominous bluster in his recent speech promising war in the near future. Now is the time for the United States, by means of this amendment, to sober Sadat.

Some persons say that Sadat's speech was "mere words." Perhaps. But these people—and Sadat himself—should know that rash words kindle flames that cannot be controlled by the speaker, however calculating and cynical, he may be. I would remind skeptics, and Mr. Sadat, that the recent history of the Middle East is written in bloodshed by innocent people caught up in the madness of Egyptian leaders who were careless with inflammatory words.

At any rate, this is no time to allow our wishes to be father to our thoughts. This is not the time to indulge facile optimism.

There are those who say that Sadat's promise of war was only an attempt to drag the great powers into imposing a "solution" on Israel. If that is Sadat's intention, then now is the time to answer him by passing this amendment. An imposed solution will be no solution at all. Egypt will either negotiate, or face a stalemate with a determined Israel—an Israel backed by a United States that will not be party to an imposed "solution," and that will not allow Israel to decline into weakness.

Frankly, Mr. President, for some time now I have been skeptical of the optimism radiated by some officials of the U.S. Government with regard to the likelihood of a prompt and peaceful settlement of the tangled Middle East situation.

Perhaps our optimism has been a diplomatic necessity at times. But it has never conformed to the military facts, or to the Soviet and Egyptian intentions which their military moves reveal.

I have seen a variety of new maps for the Middle East. I have seen various

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proposals for adjusting boundaries; deploying "police forces" of various compositions; for staging a congenial negotiating settlement.

I have seen the Middle East crisis settled on paper many times. But the Middle East crisis will not be settled on papers scribbled over by third parties. The crisis will be settled when the parties directly involved, and most particularly Israel and the Egyptians are brought together for meaningful negotiations. The Israelis stand ready today, as they have in the past, for just that kind of negotiations. Thus the next move is up to the Egyptians and to their ally, the Soviet Union. If the Soviet Union would disengage militarily, and the Egyptians, would engage, diplomatically, we would be well on our way to a settlement.

But until those happy eventualities, there are not many things that we can do.

But the things we can do—virtues of omission and commission—are very important.

The greatest "virtue of omission" would be for us to omit all actions that discourage the Egyptians from coming into direct negotiations with the Israelis. As long as the Egyptians can nourish the hope that we—or some coalition of great powers—will impose a solution on the Israelis, the Egyptians will be reluctant to negotiate seriously.

The greatest positive contribution we can make to peace in the Middle East right now is to vote for the amendment before us.

To repeat, Mr. President, it is the compelling duty of the United States to err on the side of safety in helping Israel to help itself. I wish I were confident that this amendment erred on the side of safety. But I am confident that this amendment does no more than prudent and simple justice demands that we do now.

There is a familiar saying about the hard realities of world politics. It is this: A democracy must win every time, a dictatorship only needs to win once.

We all pray that, in the Middle East, there will not be a "next time" in terms of war. But there may be; the record of recent history makes it, if not a probability, at least a strong possibility. And the recent belligerosity of President Sadat is about as much warning as we or Israel is apt to get.

Therefore, Mr. President, I sincerely hope that other Senators will join in the passage of the amendment of the Senator from Washington.

Mr. President, I yield back my remaining time.

Mr. JACKSON. Mr. President, I commend both Senators, the Senator from New York and the Senator from Colorado, for their excellent statements.

I express my especial appreciation to the Senator from Colorado for raising the important issue of the energy reserves in that part of the world, in the Middle East. The implications for the Western World of the loss of that area are quite obvious. The Senator from Colorado has made a real contribution by pointing up that special problem.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. AIKEN. Mr. President, as the Senator knows, the foreign aid bill carries two items—one for $85 million, and one for a minimum of $300 million—which are earmarked for Israel. The $300 million is credit sales which can go there if the President desires it, and the $85 million is supporting assistance. In addition to the $300 million earmarked for Israel, there is $250 million more authorized which the President could also use for any country.

If the Senator's amendment to the pending bill should be agreed to, would the Senator then be agreeable to taking the $385 million out of the foreign aid bill.

Mr. JACKSON. The situation, as the Senator knows, is that the authority to appropriate under my amendment was passed last year under section 501 of the Procurement Act.

I would point out that we have $500 million in this amendment. Of that, $250 million is needed for Phantom aircraft, and $180 million of the remainder has already been spent, which leaves only $70 million. In the Foreign Assistance Act there is $85 million in economic assistance.

Mr. AIKEN. That is supporting assistance.

Mr. JACKSON. What is not needed could be taken out.

Mr. AIKEN. The Senator is correct. But the $300 million minimum in the credit ceiling for military supplies should also be taken out.

Mr. JACKSON. That would be up to the conferees, of course. Assuming that the funds are made available, there is no need for the authorization, because it is already authorized by law.

Mr. AIKEN. I say, regardless of what else happens to the foreign aid bill, these two items undoubtedly will stay in there as they are, the $85 million and the $300 million minimum credit for Israel.

Mr. JACKSON. The Senator is correct.

Mr. AIKEN. I would not want to see them in both bills.

Mr. JACKSON. No one knows when we will have a foreign aid authorization bill.

Mr. JAVITS. Mr. President, would the Senator yield further?

Mr. JACKSON. I yield.

Mr. JAVITS. It is a fact that what the question of the Senator from Vermont and the answer of the Senator from Washington leads to is that it is not intended as a duplication of the foreign aid bill in this appropriation, and insofar as there is a duplication, the Senator would contemplate that that duplication would be omitted. Also, is it not a fact that the same Appropriations Committee will have to deal with the foreign aid appropriations and that the committee has two bites at it, one in the authorization and the other in the appropriation?

Mr. JACKSON. The Senator is correct. And there is a basic authorization in the law that runs through September of 1972.

Mr. President, I now yield 5 minutes to the distinguished senior Senator from Connecticut.

Mr. RIBICOFF. Mr. President, my praise and commendation to the distinguished Senator from Washington whose depth of knowledge and understanding of the entire Middle East are a great boon and asset not only to this body, but also to the entire free world.

Mr. President, while the United States has continued to withhold Phantom jets from Israel, considerable quantities of Soviet arms and equipment, including the latest combat aircraft, have continued to flow to Egypt. Additional aircraft have been delivered in recent months. Only last week the State Department, after praising alleged Soviet restraint, was forced to admit heavy bombers with air to surface missiles were supplied to Egypt.

According to open sources, which may be outdated by now, the Egyptian air force today has almost 500 supersonic jet aircraft, most of them late model Mig–21's. Since the cease-fire in August of 1970 Egypt has received more than 120 new supersonic aircraft from the U.S.S.R. Five to seven Soviet combat squadrons are stationed in Egypt flying their own aircraft from bases under exclusive Soviet control.

Recent deliveries to these bases include numbers of Sukhoi 11's—Flagon—and Mig–23's—Foxbat, the newest and best planes in the Soviet arsenal, aircraft never previously deployed outside the Soviet Union. The number of Soviet pilots in Egypt is estimated at close to 200 and the total number of Soviet military personnel is between 15,000 and 20,000, including combat ground forces responsible for the operation and protection of their sophisticated missile systems which include the latest SAM–4's and SAM–6's.

More ominously in the light of President Sadat's bellicose threats, the Soviet Union has been furnishing Egypt a continuing supply of helicopters for troop transport and assault, along with the latest amphibious equipment. This includes quantities of the only operational amphibious tanks in the world today.

The military ties between the Soviet Union and Egypt were confirmed in the agreement signed last May between the Presidents of Egypt and the Soviet Union, and were restated following President Sadat's most recent visit to Moscow. In the joint communique concluding this visit it was announced that "specific steps for the additional strengthening of the military might of Egypt" had been agreed upon. This can be interpreted as indication of a new arms deal between the two countries.

To the extent that Soviet arms deliveries may have been moving at a slower pace in recent months, this can primarily be attributed to the Egyptian army's capacity to absorb so much new equipment. Last year, Soviet deliveries followed a similar pattern.

It should be obvious to American policymakers by now that because of its particular strategic situation and vast numerical inferiority in troops and armor, Israel must rely on its air force as the decisive element in its defense. This explains the acute sensitivity in Israel to any development that threatens its air force's capabilities and the arms balance. By permitting a situation to develop where this balance is not treated on its own merits, the United States is placing Israel at both a military and political disadvantage—and all for the purpose of forcing disastrous concessions from Israel.

Militarily, Israel is now threatened by the prospect of renewed hostilities, prompted by the shift in the arms balance. Politically, the current aircraft embargo weakens Israel's negotiating strength and automatically encourages Arab intransigence. The shift in the arms balance accompanied by the withholding by the United States of aircraft to Israel undermines any political progress and actually enhances rather than lessens the chances of renewed war.

President Sadat has publicly made clear what was obvious to many of us for many weeks, the prospects of an interim Suez Canal agreement are nil. Our Government's diplomatic maneuverings with respect to the interim settlement have not influenced the Egyptians into a more reasonable posture. On the contrary, it has offered them the temptation of renewing the conflict. The good offices role which the United States assumed in an effort to promote an interim settlement has been harmed by its public statements, notably the six-point plan announced at the U.N. which raised serious threats to Israel's security.

If an interim settlement of any kind is to be worked out, and if a genuine overall settlement is to be arranged, the chances for attaining them are damaged, not improved, by withholding planes from Israel, and by making the United States an advocate of Egyptian positions.

The amendment being offered today by the Senator from Washington (Mr. JACKSON) is a logical follow on to Senate Resolution 177, which was introduced by Senator SCOTT along with 77 cosponsors and the original 87 to 7 vote in the Senate approving section 501 of Public Law 91–441.

This amendment is a vital step in directing our Nation's policies toward achieving genuine peace in the Middle East by enabling Israel to have the military means to thwart Soviet ambitions and Arab threats of war at this critical juncture.

Let me emphasize that what this amendment covers are credit sales, not gifts. Unlike other nations upon whom we have lavished billions in military equipment, Israel has so far paid for all of its defense purchases from the United States, despite the crushing burdens imposed on her people. No other nation in the world must devote more than 25 percent of its GNP for its defense.

By approving this amendment today, the Senate will be helping avert the chances of war in the Middle East, by undoing much of the damage that has already been done to American interests in the Middle East by State Department policies of vacillation and wishful thinking.

I urge all the cosponsors of Senate Resolution 177 to implement that resolution today by approving this amendment.

Again, my commendation to the Senator from Washington for his leadership on this particular issue.

Mr. JACKSON. Mr. President, I wish to thank the senior Senator from Connecticut for a very fine statement. He is very modest when he refers to the interest I have taken in this area, because the Senator from Connecticut has been a student of this problem dating back to the days when he served on the House Foreign Affairs Committee with such distinction.

I have no further requests for time on this side of the aisle, Mr. President.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, I oppose this amendment, because it is not in order. It has not been authorized nor has the President asked for it, except I understand he asked for $300 million in the foreign aid bill passed by the Senate last week.

To say the least, Mr. President, I was taken by surprise when I was informed just 2 hours ago that the pending amendment would be offered to the bill that the Committee on Appropriations considered only last week.

There was no evidence presented to our committee on this amendment. To the contrary, whatever evidence has been submitted has been submitted to the Committee on Foreign Relations. Why this amendment is being proposed to the Defense bill I cannot understand. There is ample time for the Committee on Foreign Relations to take action. There is ample time to consider this in the regular manner rather than appending it to an extraneous bill, the Defense bill, where no hearings have been held.

Mr. President, last year when we marked up the Defense bill the committee did not permit any appropriations that did not have a budget estimate, except for some very small items.

This morning we have reported this bill and we have indicated to the Senate and to the country that the appropriation bill is $3.3 billion below the budget estimate, and over $800 million below the House estimate. Now, in one swoop we are being asked to add $500 million to this bill to assist Israel. I do not like to see that. We have other methods to accomplish whatever is justified.

Above all, I am saying to the Senate that there is no authority under the law by which this appropriation could be appended to the pending bill.

Under the rules of the Senate, before any appropriation can be made there must be authority through the authorizing committee, and it is my contention that there is no such authority at present. The language relied upon by the proponents of the amendment, from my understanding, is included under section 501, title V, general provisions of Public Law 91–441.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. ELLENDER. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Now, what is that language? Does it specify that a certain amount must be used for the purposes indicated here?

The language appears under the "General Provisions" of the act. It is not a specific provision. If any Senator will simply look at the authorizing legislation for appropriations, they will find that this authority to appropriate is expressly spelled out. But here is what the proponents of this amendment rely on:

> The Congress views with grave concern the deepening involvement of the Soviet Union in the Middle East and a clear and present danger to world peace resulting from such involvement which cannot be ignored by the United States. In order to restore and maintain the military balance in the Middle East, by furnishing to Israel the means of providing for its own security, the President is authorized to transfer to Israel by sale, credit sale, or guaranty such aircraft, and equipment appropriate to use, maintain, and protect such aircraft, as may be necessary to counteract any past, present, or future increased military assistance provided to other countries of the Middle East. Any such sale, credit sale, or guaranty shall be made on terms and conditions not less favorable than those extended to other countries which receive the same or similar types of aircraft and equipment. The authority contained in the second sentence of that section shall expire September 30, 1972.

No mention is made of funds there. It is simply a clause that we find in many bills under the title of "General Provisions." Nowhere in that act is any amount stated or is there anything saying that this money is to be appropriated. In fact, the provision merely gives the President authority to transfer funds.

In a moment I am going to ask the distinguished Senator from Arkansas (Mr. FULBRIGHT) to state what happened last year under this law. Last year, I understand no one objected, and no point of order was made, and $500 million was made available to Israel for credit military sales.

Although that $500 million was made available, we are again confronted with a request for $500 million more.

Mr. President, in addition to that, we have pending now in the foreign aid bill a $300 million item for military credit sales for Israel. So that, if this proposal is enacted, it means that we will add $500 million more to the $500 million that we added last year, and if the foreign aid bill is enacted, there will be another $300 million for Israel, making a total of $1.3 billion available in just 1 year.

What does that mean? Without any specific mention, but simply by an authority to transfer under the general provisions of this act, we appropriated $500 million last year, and we are considering $500 million more now, and $300 million in the foreign aid program. Where is the limit? This is not an open end authorization. There is no mention, as a matter of fact, that this is intended to be an authority to appropriate. There is absolutely nothing in it to show that this money is authorized.

Mr. President, as I previously indicated, before we call for a vote on this amendment, I expect to make a point of order.

Mr. FULBRIGHT. Mr. President, will the Senator yield me 5 minutes?

Mr. ELLENDER. I yield 10 minutes to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, the distinguished chairman of the Appropriations Committee, has stated quite accurately the origin of this matter and the alleged authority. I have recently read the law. It does not authorize an appropriation. It simply authorizes the President to transfer aircraft and materials by various means.

I may correct one small detail. I raised the question of procedural propriety last year, because the proposal was brought in without any hearings or proper legislative basis. The Senate, however, in its wisdom, over my objection, did pass the item. But it is not authority; at least, it is not authority to appropriate. It is the type of authority the Senator just mentioned.

So the Senator has correctly stated the situation.

The military credit sales authority in S. 2819 is, as he has said, a credit ceiling of $550 million of which $300 million is earmarked for Israel. The bill also contains an authorization of $85 million of supporting assistance for Israel. The $85 million is a grant which the administration did not request. It was put in the bill in the committee without its being requested by the administration. The administration indicated they tentatively planned to make $300 million in credit sales to Israel.

Actually, there is nothing to prevent the administration, from using all of the $550 million ceiling for Israel if he wants to, but $300 million is earmarked specifically for Israel.

I must say also that Congress passed a provision in the Foreign Military Sales Act which states that no appropriation shall be made except pursuant to an authorization, as the Senator well knows. This seems to be directly contrary to that.

Let me say further on the matter of policy, the administration, under the leadership of the Secretary of State, has been making a strong effort to bring about a negotiated settlement in the Middle East. I believe, and I think the President believes, that this is the only way to bring about peace there. I think what the Senate did last September, and what it is being asked to do today, is creating one of the principal obstacles to bringing about a settlement of the war between Israel and the Arab nations.

I have supported the President's policy. I have made speeches here in the Senate and in other places supporting the President's efforts to bring about a negotiated settlement based upon the United Nations resolution of 1967.

Everyone knows the critical question now is whether Israel is to retain the territory which she conquered in that war. Apparently Israel has made up her mind it is going to retain it, which automatically, I think, prevents the possibility of a negotiated settlement. That is a very controversial matter. It is controversial in Israel. Mr. Ben Gurion, one of Israel's greatest statesmen, is in accord with my view. I quoted a speech he made in this country in which he stated he believed the long term good of Israel depended on settlement, not in a long perpetuation of the war, and not upon military acquisition of territory.

I think Congress is interfering with the efforts of the administration to bring about a negotiated settlement in the Middle East.

I believe it is a great mistake to do so. I realize the emotional appeal of Israel. It is a valiant country. Certainly I do not wish to do anything to undermine its security.

This is a question of judgment as to what is in the interests of this country as well as of Israel. It is my opinion that it is in the interests of this country and of Israel to support the President's efforts to bring about a negotiated settlement. He has judged, and the administration has, that there is a military balance in the Middle East. On that basis, he has up to now declined to provide further Phantom jets, as would be provided by this amendment.

The amendment is designed to force the hand of the President, to bring pressure to bear upon the President to do what evidently is against his better judgment as to the proper way to bring about a settlement in the Middle East. I think that is what it is obviously intended to do.

I have no objection to the Senate taking issue with any President, if they feel that they know enough about the subject matter, and that it is in the interests of this country to do so. In this case, all I am saying is that I agree with the judgment of the President on all counts that the effort to bring about a negotiated settlement is in the interests of the United States as well as those of Israel and people everywhere.

This Government does not want to precipitate or to develop a confrontation with Russia. And there is a very dangerous situation in the Middle East. The President correctly said, not too long ago, that he thought the Russians were being rational in the armament they were providing the Egyptians. That is our information. I know of nothing to contradict that.

So now, while of course the Senate has a right to do what it likes with the public's money, I agree with the President's policy and with what the Senator from Louisiana has said.

In addition to that, I think, as an orderly procedure, if we are ever to be a responsible body, we have to follow the usual, established procedure in this body for the appropriation of large sums of money, which is authorization after hearings, and then an appropriation, also after hearings and deliberations, by the appropriate committees. I think it is a very questionable procedure to bring in amendments to appropriate vast amounts of money without any hearings whatever.

The Foreign Relations Committee does not specifically say to the President, "You have got to give them $250 million in Phantom F–4's." It simply gave him authority to extend military credit sales of $300 million. It seems to me that is ample, under the circumstances, and that it would be unreasonable to go beyond that. As the Senator says, this would be a total of $1.3 billion for military aid to Israel within the space of a little over a year. And in addition there is the $85 million in grants for supporting assistance, which as a practical matter, can be considered an additional amount for the purchase of arms for their own forces.

Lastly, I want to say that I think that those who go too far, who go as far as I think this amendment would do, in support of Israel, run a grave risk——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FULBRIGHT. I ask for 1 more minute.

Mr. ELLENDER. I yield the Senator 1 minute.

Mr. FULBRIGHT. Run a grave risk of creating an attitude which would be counterproductive, if I may use that terrible word.

In other words, it will be against Israel's interest in the long run. If we do become involved as a result of failure to bring about a settlement in the Middle East, and there would be demands for us to become involved, in view of our stringent circumstances, there is a great danger that there would develop in this country a reaction against Israel, which I would regret. The wisest policy, I think, as I have stated, is that of the President, who is trying to be as even-handed in this area as we can. That was the language, I believe, that the Secretary of State used, to try to be just and equitable to both sides, and above all, for the purpose of bringing about a negotiated settlement in one of the most explosive areas in the world, the area where the United States and Russia are, I would say, closer to a confrontation than in any other area—the area which might lead to a very serious conflict between these two super-powers, neither of which wants it.

So I regret very much that this amendment is offered, and I think the Senator from Louisiana is quite correct.

Mr. ELLENDER. I yield 5 minutes to the Senator from Oklahoma.

Mr. BELLMON. I thank the Senator.

Mr. President, there has been a reference made on the Senate floor this afternoon to saber rattling by President Sadat of Egypt, and I would like to share with my colleagues some of my observations.

I had the opportunity, only about 10 days ago, to meet with President Sadat in Cairo. I was there for a visit to the Aswan Dam, and was in the country for the better part of a week. My meeting was arranged at the President's request, not at mine, and I believe Members of the Senate might be interested in some impressions I gathered during that conversation.

I believe it is necessary, in order to understand what President Sadat may be doing now, to recognize the political situation in Egypt which brought him to power, and the problems he faces in trying to govern his country in a very difficult time. I think we need to recognize that since becoming president of Egypt, President Sadat has taken a great many steps and has made many moves that seemed impossible a few months ago. He has agreed to virtually every requirement of the U.N. resolution. He has agreed to four-power presence, any U.N. presence, or any other presence in the Sinai that would guarantee the access of Israel to the Gulf of Aquaba. He has agreed publicly and repeatedly to defend the existence of Israel as an enduring state in the Middle East. In my opinion, he has been extremely gracious; he has taken these steps at a time when his own government was in an embryonic stage. He simply cannot be expected to go on forever taking the kinds of action he has taken unless the United States or the Government of Israel, or others interested in that area, can give some evidence that those actions are beginning to produce some results.

The Egyptians have a phrase, which I cannot pronounce, which means "empty words." I am of the opinion that from time to time the rulers of Egypt, and even rulers in this country, engage in this exercise partially to keep their own people somewhat appeased. It is my opinion, though I am certainly not quoting President Sadat, that some of the actions we look upon as saber rattling may be taken at this time to help the people of his own country realize that he is a strong leader, that he is not afraid to take a distasteful step if one is necessary, but I believe this we ought to recognize that the things he has actually done and the moves he has actually made are moves, not toward war, but to find a peaceful solution to the difficult and complex relationship between the Arabs and the Israelis.

I am convinced, based on statements by our Government and observations I was able to make while I was in Egypt, that the Russians are not at the present time sending more arms to Egypt. I know, based again upon my observations, that the Egyptians are anxious to see the time when they will need more arms come to an end. I was told repeatedly that Egypt is paying in sterling, once a month, for the cost of whatever military equipment and personnel the Russians have furnished Egypt. I know that the Egyptians are extremely anxious to stop this drain on their national treasury, so that those funds may be applied to the development of their country and toward meeting the very serious social problems that exist there. They realize, and I think everyone in the Senate would agree, that it is ridiculous for a poor country to continue to waste its limited funds on war or preparation for war, and certainly this is true for both the Arabs and the Israelis.

In my opinion, the issue of Phantom jets is largely political. It is intended to attempt to further polarize our country. It is intended to push the United States further into an anti-Arab posture so far as world opinion is concerned. Three times in the last 20 or 25 years, the Israelis have demonstrated their complete military superiority.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BELLMON. Will the Senator yield me 1 additional minute?

Mr. ELLENDER. I yield 1 additional minute.

Mr. BELLMON. I doubt that a further demonstration of this superiority would come any closer to producing a solution to the problem than has already been produced. To me, the answer over there is not a military answer; but, rather, hope for the future lies in seeking a peaceful resolution.

It is plain to me, after the actions President Sadat has taken, that the next move is up to this country or to the Israelis. Since Israel has so completely demonstrated its military superiority—and I think all of us admire the Israelis for what they have done—it seems to me that they are in a position to be somewhat magnanimous in this situation and ought to make a move not toward war but toward peace; and our Government ought to insist and ought to support them in moving in that direction.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. JACKSON. I yield 2 minutes to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I have heard it said on the floor today that there is a military balance between Egypt and Israel. If we go just by the measure of equipment, this could be correct in some areas; but if we go in the whole arena, it is not correct.

For example, at the present time, the ground forces of Egypt outnumber those of Israel about 3 to 1. The air forces are even more lopsided. They outnumber the Israelis about 5 to 1.

The question to me in this whole argument is whether we keep our promise or not. Some of us may not like it, but we have made commitments, not in written treaty form. But we made it plain to the Israelis that when they get into trouble, we are going to help them.

I remind my colleagues that the Phantom line, the F–4 line, is very rapidly drawing to a close. Our new Air Force fighter, the F–15, will begin coming off the line sometime next year. Even the purchase of F–4's by Germany is not going to keep that line up indefinitely.

If we are going to continue what we have promised for Israel, it seems to me that now is the time, because we do not have much time left. Frankly, I would hate to see my country fail to keep its word again.

In closing—and with no relationship to this—it is amusing to sit on this side of the aisle and hear my colleagues on the other side say that this is procedurally wrong because it did not go to an authorization committee. We did precisely the same thing yesterday, so I am anxious to see how the Senate will vote on the point of order today.

Mr. JACKSON. I thank the Senator from Arizona for making a very important point in connection with the balance of forces. I think that is something that has not been discussed on the floor, and it is indeed a very valid point.

Mr. President, I wonder whether the Senator from Louisiana wishes to take some time.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Washington has 7 minutes remaining, and the Senator from Louisiana has 2 minutes.

Mr. JACKSON. I yield 5 minutes to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I rise, first, to commend the distinguished Senator from Washington for his leadership in this matter and to join the Senator from Connecticut (Mr. RIBICOFF) in his support of this amendment.

I believe that the Senator from Washington (Mr. JACKSON) has properly answered the issue as to whether or not there is an adequate authorization for the funds that are to be made available under the amendment of title IX, section 901, being proposed by Senator JACKSON. I do not think there is any doubt that the history of section 501 of the Military Procurement Act makes very clear that there is adequate authorization.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JACKSON. I think this is a good time to lay to rest the argument about an inadequate authorization here.

I would point out that during the discussion of this amendment to the Military Procurement Act of 1971—the debate in the Senate on September 1, 1970—the whole argument was over the question of an authorization for appropriation; and the main contention of the Senator from Arkansas (Mr. FULBRIGHT) was that this was an unlimited authorization and appropriation. The RECORD is replete with the discussion on that point; and the Senate adjudicated that question by a vote of 87 to 7.

I think that should lay to rest any argument here about the legislative history of section 501 of the Military Procurement Act.

Mr. HUMPHREY. The Senator from Washington has made it very clear that that is the situation that prevailed a year ago September. It still prevails. The authorization is there. Now the question is, will we make that authorization effective?

The question has been raised about the Foreign Assistance Act. We do not know what is going to happen to the Foreign Assistance Act. There is uncertainty. But there is no uncertainty about what is happening in the Middle East. There is no uncertainty that the Soviet Union has negotiated a new agreement with the United Arab Republic for military assistance. There is no uncertainty as to the fact that those planes are coming into the United Arab Republic. There is no uncertainty that there are Soviet pilots in Soviet planes in Egypt. There are as many Soviet pilots in Soviet planes in Egypt as Israel has in her air force with her planes and Israeli pilots.

Every time our Government vacillates, the situation in the Middle East becomes more grave. Whenever the President of the United States takes a firm stand, the Soviet Union becomes much more willing to talk and the United Arab Republic becomes much more willing to negotiate.

Within the last 48 hours, word has come from Cairo that war may be forthcoming; that President Sadat has been, in a sense, steaming up, stimulating, pleading with his troops to get ready.

I submit that the balance of power in the Middle East is in the vital interest of the United States of America; that Israel today is in danger of being on the weak side of that power structure, and

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the moment she is, she is in danger of attack.

We are not offering credit sales to Israel out of sheer affection for Israel. The simple fact is that this is one way—and about the only way I see—to preserve any hope of peace in that area that can lead to negotiations.

Therefore, I support vigorously the amendment of the Senator from Washington. A few days ago, on November 16, I entered into the RECORD a statement about Phantom jets for Israel. I pointed out what was beginning to happen: the ratio of airpower in the hands of the United Arab Republic as compared to that of Israel, the modernization of the Egyptian air force, the extensive training of the Egyptian air force. It is not just a matter of jets. The Soviet Union today has a naval base in Egypt. The Soviet Union today mans missiles in Egypt. The Soviet Union is there. I think that the only way we have a chance to preserve any semblance of peace is to support this amendment and insist that the Government of the United States act promptly to make these jets and other military equipment available.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. Does this mean that $500 million will be added to the appropriation bill as reported by the committee?

Mr. ELLENDER. The Senator is correct.

Mr. MANSFIELD. Does this usually take place when the consideration of the foreign aid bill is before us?

Mr. ELLENDER. Well, it will take place.

Mr. MANSFIELD. In military grants.

Mr. ELLENDER. Yes, it will; because in the foreign assistance bill is an item of $300 million and that is authorized.

Mr. MANSFIELD. I see.

Mr. ELLENDER. That will come up in due time.

Mr. MANSFIELD. That means $500 million as appropriated——

Mr. ELLENDER. Right. It is proposed to add it to this bill.

Mr. MANSFIELD. In addition to what the committee reported?

Mr. ELLENDER. Right. It also means that the $500 million that was appropriated last year——

Mr. MANSFIELD. What does the Senator mean; $500 million more?

Mr. ELLENDER. Yes.

Mr. MANSFIELD. Does that mean $1 billion then?

Mr. ELLENDER. Yes, that will be $1,300,000,000 if the Foreign Relations Committee acts favorably on the question.

Mr. FULBRIGHT. It has already acted favorably. It is in conference.

Mr. MANSFIELD. Not in lines of credit but cash appropriations.

Mr. ELLENDER. Yes, cash appropriations, to be used as indicated.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. BROCK). One minute remains to the Senator from Louisiana.

Mr. ELLENDER. I thank the Chair.

Mr. President, I cannot say very much in 1 minute except to reemphasize what the Senator from Arkansas said awhile ago, that the President of the United States as well as the Secretary of State have taken care of this matter. The President has not asked for this and neither has the Secretary of State. It is a group of Senators who are now asking that we provide this $500 million and that is in addition to the $500 million we made available last year. If the Foreign Relations Committee——

Mr. FULBRIGHT. The foreign aid bill is in conference.

Mr. ELLENDER (continuing). Comes up with their bill, it will mean a total of $1.3 billion that we shall have available for Israel.

Mr. FULBRIGHT. That is right. It has passed the Senate.

Mr. ELLENDER. I do not believe that is right. This is being proposed, as I say, without authorization.

Mr. President, I want to make a point of order——

Mr. JACKSON. Mr. President, I think it is important to keep the record straight. Section 501 of the Defense Procurement Act of 1971, which we adopted last year, came into being because the Military Sales Act expired on July 1, 1970. There was then no authority to appropriate credits for the State of Israel. We are talking about long-term credits which involve a direct appropriation. I want to make it clear that it requires appropriations to implement it. But I would point out and emphasize that the reason section 501 was passed is that there was no authority; and the reason why there was no authority at that time to extend the credits, and the reason why this amendment is being offered today is that we do not have authorized into law the Foreign Assistance Act. It is pending in conference. It is reasonable to assume that it is highly questionable that an authorization for foreign aid will be approved before we adjourn.

That is why this amendment is being offered here today, because it is pursuant to an authorization approved by the Senate 87-to-7. It is that simple. I would point out that 78 Senators have indicated, by a resolution introduced before the Senate, their support for what we are asking here now.

The PRESIDING OFFICER. All time has now expired.

Mr. ELLENDER. Mr. President, now I wish to make a point of order. As I understand it, there will be 15 minutes to a side, 30 minutes altogether; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. ELLENDER. Mr. President, as I pointed out a while ago——

The PRESIDING OFFICER. The Senator must raise the point of order first.

Mr. ELLENDER. All right. I make the point of order that this proposed appropriation is without authorization, which is contrary to rule XVI, paragraph 1. I therefore make the point of order and I would like to be heard.

The PRESIDING OFFICER. The Senator has 15 minutes on the question of the point of order which is now before the Senate.

Mr. ELLENDER. Mr. President, as I pointed out a while ago, the distinguished Senator from Washington and others argue that this appropriation is authorized by title V, section 501, Public Law 91–441. This is not an authorization. The rules of the Senate provide that the authorization must be expressly stated in legislation. If appropriations are to be made on the basis of what is implied in legislation then we can do away with the authorizing committees.

Since enactment of section 501, Congress has passed the Foreign Military Sales Act, Public Law 91–672 which was approved on January 12, 1971. In section 10a of that act:

SEC. 10. (a) Notwithstanding any provision of law enacted before the date of enactment of this section, no money appropriated for foreign assistance (including foreign military sales)—it is specifically mentioned—shall be available for obligation or expenditure—

(1) unless the appropriation thereof has been previously authorized by law; or

That is the law now, and that is what is expressly provided in the rules of the Senate.

Mr. President, it is crystal clear that there is no express authorization for appropriating additional funds for military credit sales to Israel.

I have been advised that the Parliamentarian has been furnished a legal opinion by the Office of Legislative Counsel indicating that section 510 of Public Law 91–441 is an implied authorization to make this appropriation for military sales to Israel, and that if a point of order is made against the amendment, it may be that the Chair would rule that it is in order. I do not believe the Chair will so rule.

This matter should be of grave concern to all the authorizing committees. We have always operated under the rule that appropriations must be expressly authorized in legislation. A ruling that this appropriation is in order will establish a precedent that should be of concern to the legislative committees more than to the Committee on Appropriations. It would seem that such a precedent would give to the Committee on Appropriations far-reaching authority to make appropriations where authorizations are only implied.

As long as I am chairman of the Appropriations Committee, I shall continue to insist on express authorizations rather than implied authorizations. I do not feel we should circumvent the rules of the Senate simply because some feel it may be expedient to do so. If we do violence to our Senate rules in this instance such action will haunt us later; mark my words.

Mr. FULBRIGHT. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. Mr. President, according to the theory the Senator referred to by the council, if the Senate authorizes the President to do anything without allowing any appropriation at all, an appropriation is nonetheless authorized. That seems a very odd theory to me. What that means is the authority to transfer planes to Israel. We have hundreds and thousands of planes. That is authority to transfer. That is what section 501 says, to transfer.

It does not say it authorizes the President to give them money. It is the transfer of planes.

I remember we had a question of this nature to come up concerning the authority for the Secretary of State to utilize foreign currencies. The question was raised about whether this was not in violation of the Constitution because it was an appropriation. The Attorney General ruled that it was not an appropriation, because it was not money from Treasury that was authorized. That was a sound distinction.

Here, we are not authorizing an appropriation of money out of the Treasury. It seems to me that the proposed amendment, which is without any authority, makes a shambles of the whole concept of authorization and appropriation.

Mr. ELLENDER. That is my point. In addition to all of that, Congress has additionally acted since that time and has said it shall not be, unless authorized.

Mr. President, I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I have always taken a dim view of a legislative committee trying to appropriate money. Likewise, I think a legislative committee has just as much right to resent the Appropriations Committee trying to authorize the appropriation of money in a strictly appropriations bill.

In the case of this amendment, there is no budget item, no authorization whatever. I never heard of this amendment until this morning. This is a big sum of money, $500 million to appropriate without even a hearing.

Mr. President, I have received correspondence with reference to Senate Resolution 177. However, I am not one of the 78 cosponsors. I agreed when answering letters from constituents that we should sell these F–4 jets to Israel. But not illegally or against the rules of the Senate.

Mr. GRIFFIN. Mr. President, I understand that the time on the point of order has been assigned to the minority leader. On his behalf, I assign the time to the Senator from New York with the understanding that at least 5 minutes be yielded to the Senator from Washington (Mr. JACKSON).

Mr. JAVITS. Mr. President, I thank the acting minority leader. I yield 5 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 5 minutes.

Mr. JACKSON. Mr. President, the issue here is whether section 501, in order to be effective, must have language which, in effect, authorizes an appropriation. The distinguished senior Senator from Louisiana relies on Public Law 91–672, section 10, subsection (a), in which it states:

Notwithstanding any provision of law enacted before the date of enactment of this section, no money appropriated for foreign assistance (including foreign military sales) shall be available for obligation or expenditure (1) unless appropriation thereon has been previously authorized by law.

First, let me state that the section we are relying on, section 501, is in fact an authorization for an appropriation. That is the whole point. I ask unanimous consent to have printed in the RECORD the memorandum for the Parliamentarian which was prepared and signed by Mr. Hugh C. Evans, senior counsel for the Office of Legislative Counsel, in which he answers this question, stating that section 501 is an authorization; and he very succinctly outlines his arguments in support of that proposition. He relies heavily on the legislative history on section 501.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR THE PARLIAMENTARIAN

This memorandum is written in response to your request for the opinion of this office whether section 501 of Public Law 91–441, approved October 7, 1970, was an authorization for the appropriation of funds to carry out the purposes stated in that section.

Section 501 is contained in the Act authorizing the appropriation of funds for the fiscal year beginning July 1, 1971, for military procurement. Section 501 provides as follows:

SEC. 501. The Congress views with grave concern the deepening involvement of the Soviet Union in the Middle East and the clear and present danger to world peace resulting from such involvement which cannot be ignored by the United States. In order to restore and maintain the military balance in the Middle East, by furnishing to Israel the means of providing for its own security, the President is authorized to transfer to Israel, by sale, credit sale, or guaranty, such aircraft, and equipment appropriate to use, maintain, and protect such aircraft, as may be necessary to counteract any past, present, or future increased military assistance provided to other countries of the Middle East. Any such sale, credit sale, or guaranty shall be made on terms and conditions not less favorable than those extended to other countries which receive the same or similar types of aircraft and equipment. The authority contained in the second sentence of this section shall expire September 30, 1972.

While this section does not contain the phrase "authorized to be appropriated" or similar language, there are two reasons which convince me that such section is an authorization of appropriation provision.

The first reason is based on the legislative history of the provision. It is clear from this history that the provision was intended to be an authorization for the appropriation of funds. Section 501 was added to H.R. 17123 of the 91st Congress by the Committee on Armed Services of the Senate. (H.R. 17123 was subsequently enacted as Public Law 91–441). At the time that H.R. 17123 was being considered on the floor of the Senate, many Senators believed that the language of section 501 was necessary because (1) it was not likely that a foreign military sales authorization bill would be timely enacted for the fiscal year beginning July 1, 1971, given the respective positions of the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs regarding certain amendments adopted by the Senate to such authorization bill, and (2) even if enacted, there would be insufficient authority to provide adequate military assistance to Israel.

At the time the Senate Committee on Armed Services was considering H.R. 17123, Senator Jackson offered the amendment under discussion and it was agreed to by the Committee. The Senate agreed to the committee amendment with a floor amendment limiting the life of the committee amendment to September 30, 1972. It was during the course of discussion on the Senate floor of an amendment offered by Senator Fulbright to section 501 that the purpose and intent of section 501 was clearly revealed. A copy of the pertinent pages of the Congressional Record pertaining to that amendment by Senator Fulbright is attached for your information.

The apparent purpose of section 501 was to enact a special military sales Act for Israel. The proponents felt that the funds then available to assist Israel were inadequate and that, because of the situation in the Middle East at the time, additional funds were necessary to aid Israel.

The Foreign Military Sales Act authorizes generally the same type of assistance for friendly foreign nations as section 501 authorizes for Israel. Except for cash sales, funds must be appropriated to carry out other types of sales and guarantee arrangements entered into under the Foreign Military Sales Act. Accordingly, if one accepts the position that section 501 was intended as a special military sales Act for Israel, it logically follows that funds were intended to be authorized thereby.

Mr. Woodruff of the Senate Committee on Appropriations informed me, in response to an inquiry made by me, that in requesting funds for military assistance to Israel in the supplemental appropriation bill in 1970, the President cited the provisions of section 501 as the basis of such request. An appropriation of $500,000,000 for military assistance to Israel was included in Public Law 91–665, approved January 8, 1971. House Report Number 91–1688 which accompanied H.R. 19928 (subsequently enacted as P.L. 91–665) states that the funds included for Israel were being appropriated pursuant to the authorization provided for in section 501 (see page 14).

The second reason for believing that section 501 is an authorization for appropriations is that the section authorizes the President to undertake certain acts. The enactment by Congress of a provision of law conferring authority upon the President to perform certain acts itself constitutes authority for the appropriation of funds to carry out those acts, in the absence of a clear legislative intent to the contrary. Otherwise, Congress would be engaging in a useless gesture of authorizing the President to act but not authorizing funds to accomplish that act.

This office has consistently taken the position that language specifically authorizing appropriations is unnecessary to authorize the appropriation of funds to carry out any legislative program enacted by the Congress. The same position is taken by Mr. Reed Dickerson in his book on *Legislative Drafting*:

§ 9.2. Provisions affecting appropriations. In a bill setting up a Federal program it is unnecessary to include a provision that expressly authorizes Congress to appropriate money for the purpose, unless the provision is to name a specific amount or there is another special reason for including it. As an authorization, the provision is unnecessary because by prescribing or authorizing an action Congress impliedly authorizes the necessary appropriation. If such a provision has any effect, it can only be restrictive. Thus, if an existing provision authorizes a specific amount, the appropriation of a larger amount would be subject to a point of order.

If it is desirable in a special case that Congress keep a year-to-year check on the expenditures for a particular program, the draftsman may include a watch-dog provi-

sion. With a provision that action must be "within funds specifically appropriated for the purpose," no money may be spent for the named purpose unless it has been so earmarked by Congress in the appropriations for that fiscal year.

Your attention is also invited to the fact that the executive branch looked upon section 501 as an authorization for the appropriation of funds. On page 76 of the Budget Appendix for fiscal year 1972 the following explanation for a military assistance budget item appears:

This account was created to fund credit sales to Israel authorized by section 501 of the Defense Procurement Act of 1970. Since the Foreign Military Sales Act has not yet been enacted and credits for Israel were urgently required, Congress enacted the separate authorization. The $500 million appropriated in the Supplemental Appropriations Act, 1971, is shown in this account. No request is being made in this account for 1972 since funds for Israel are included in the regular foreign military credit sales account.

For the foregoing reasons I believe that section 501 of Public Law 91-441 constitutes an authorization for the appropriation of funds.

HUGH C. EVANS,
Senior Counsel.

NOVEMBER 22, 1971.

Mr. JACKSON. I would like to point out, Mr. President, as I did a moment ago, that when section 501 was up for debate on September 1, 1970, the distinguished Senator from Arkansas (Mr. FULBRIGHT) made his case against section 501 on this basis:

To give an open-ended authorization without any ceiling whatever, I think, is unprecedented for domestic or foreign programs.

Mr. FULBRIGHT. Mr. President, I said authorization to transfer. I do not believe I used the words "authorization to appropriate funds." If I did, it was certainly inadvertently. It was merely an authorization to transfer, which it says in section 501.

Mr. JACKSON. The Senator put the question to me at the time. I will go back and quote from the RECORD.

This is Senator FULBRIGHT:

Does the Senator know of any precedent in which Congress or the Senate has ever authorized an unlimited appropriation, as this amendment does, for any nation in the world?

And my answer was:

I cannot cite a specific precedent.

I would say that the U.S. Senate adjudicated this question. If there ever was a case where the legislative history was laid before the Senate and voted upon, it was on the particular question now being raised.

Mr. FULBRIGHT. I have read a part of it. It was just handed to me. This says that it is an implied authorization. There is no doubt the language is quite like it. It was an authorization to transfer, and it was unlimited, no limit whatever. I was making the point that it was without limit and it could have been any amount. It was clear that there was subsequently enacted a prohibition against appropriations without an authorization. And one of the reasons I proposed that provision was to insert clear and specific language to try to stop this kind of circumvention. And that provision became law in January of this year.

There is a double meaning shifting back and forth on this word authorization.

Mr. JACKSON. Mr. President, the Senator not only used the word "authorization," but he also used the words appropriation when he said:—"has ever authorized an unlimited appropriation."

It is very clear that this Senate decided the question. After all, this was the main thrust of the debate, and the Senate voted 87 to 7 to say that this particular section should be approved.

The objection to section 501 was that it was an unlimited authorization for appropriation. Of course, the answer is that the appropriations process controls that. However, running through the whole debate we dealt with this issue. I can go on further in the debate, again quoting:

Mr. FULBRIGHT. I think this is an unlimited authorization. It could be $10 billion if they wish. . . .

Mr. FULBRIGHT. That is correct, unlimited authorization to transfer planes.

Mr. JACKSON. I mention that only to point out that the Senate—and the Senate must rely on its own precedents—had that question before it. And the Senate voted overwhelmingly to sustain it. And on top of all of that, without taking any more time here—and I have placed it in the RECORD—the legislative counsel of the Senate has said that this is an authorization for an appropriation.

Together with the adjudication of the Senate earlier and the ruling now of the legislative counsel in which he relies heavily on the legislative history, I think it is clear that section 501 is, in fact, an authorization for appropriations, and the magic words "an authorization of appropriations"—which is language used from time to time—is not necessary.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. Mr. President, it seems to me very clear that the executive department itself has considered that this is an authorization and used it so. That is what the opinion says, in the budget and in the appropriation made in January 1971. Further, Mr. President, we are accustomed to authorizations without a specific amount. The law can make open authorizations, which this does. It seems to me what is conclusive about this matter is the last sentence of section 501 which states:

The authority contained in the second sentence of this section shall expire September 30, 1972.

If it meant nothing but an expression of policy, what was to expire?

Section 501 also states:

In order to restore and maintain the military balance in the Middle East by furnishing to Israel the means of providing for its own security, the President is authorized to transfer to Israel, by sale, credit sale, or guaranty, such aircraft, and equipment appropriate to use, maintain, and protect such aircraft, or may be necessary to counteract any past, present or future increased military assistance provided to other countries of the Middle East.

At the time this section was passed we were awaiting a foreign aid bill that was bogged down, just as we are now awaiting a foreign aid bill which may be bogged down.

So we gave authority to proceed as to aircraft, although many other military supplies in the Military Sales Act are not referred to in section 501.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself 30 additional seconds.

That is why when we discussed the question of duplication we made clear we would not duplicate between this and the Foreign Military Sales Act in the same material, for the same nature of supplies.

Mr. President, for those reasons, I believe the point of order should be overruled.

Mr. FULBRIGHT. Mr. President, will the Senator from Louisiana yield to me for 5 minutes?

Mr. ELLENDER. I yield 5 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. FULBRIGHT. Mr. President, with respect to the play on words of "authority," of course, there is authority to transfer in the words of section 501. It referred to the authority to transfer planes. This is not authority to appropriate in the sense that the Senator has used it. The Senator said the Executive considered it as such. If that is true why did they request $300 million for Israel under the foreign military sales program, which we have specifically earmarked in the bill? It is about the only country I can think of with sufficient influence to get funds earmarked. Other countries that are contemplated to receive credit under that program take their chances.

The administration says: "We intend to give Greece and Turkey so much." But this money for Israel is earmarked by our bill. If the executive branch thought that the amendment of last year was sufficient authority I do not know why they did not submit a request for an appropriation under it.

But I emphasize that subsequent to action on the amendment by the Senator from Washington (Mr. JACKSON) last year there was enacted into law section 10 of the Foreign Military Sales Act Amendments of 1971, Public Law 91-672, which was approved January 12, 1971. What could be clearer than this provision? Obviously it was intended to prevent a repetition of the kind of thing that took place last year. It states:

Notwithstanding any provision of law enacted before the date of enactment of this section, no money appropriated for foreign assistance (including foreign military sales) shall be available for obligation or expenditure.

We had in mind specifically the kind of procedure involved in the amendment before us today.

I did not make a point of order last year. I simply asked that it be held in abeyance until we saw what happened in the conference on the military sales bill because it was not presented in an orderly manner or in accordance with

procedures of the Senate. That is what I had in mind.

I repeat this language to which I have referred:

Notwithstanding any provision of law enacted before the date of enactment of this section, no money appropriated for foreign assistance (including foreign military sales)—shall be available for obligation or expenditure—

(1) Unless the appropriation thereof has been previously authorized by law.

I think it is quite clear that what would be undermined here is the procedures of the Senate. All that vote meant last year, and it was not based strictly on the point of order that is now raised, was that it proved the State of Israel has great support in the Senate.

I repeat that I believe the administration view of how to bring peace to the Middle East is far wiser than that of the supporters of this amendment. The administration does not want to perpetuate an arms race in the Middle East. They hope for a balance that will bring about a negotiated settlement rather than another war which would be won, no doubt, as easily as was the 3 day war that they won in 1967. That took much less than that, actually, to demolish the defenses of Egypt.

There is no question they could do it again. The question is: Is it in the interest of our long term security and their long term security? That is what we are doing here. We would be interfering with the administration's efforts in this matter and we would be doing it in violation of the rules of the Senate and the law.

If this amendment went to committee it could be discussed and considered. The administration's testimony would be heard. I do not know what the result would be. At least it would be in accordance with the rules and principles of the Senate and the way we legislate.

This is about the only instance I know of in which a foreign country has so much influence it can subvert the rules of the Senate, not once but twice. There is no doubt it will get whatever it needs.

Certainly, this administration cannot be accused of being anti-Semitic. Just look back and see what they have gotten. The President gave them $500 million last year. $500 million for a country with 3 million people is a lot of money. Per capita, no country in the world receives as much from this country as Israel. It has not been mistreated. Neither this administration nor preceding administrations have mistreated Israel in the matter of money.

If the Senate does not sustain this point of order we will say whenever we feel like it we will forget about authorizations and appropriating processes and if we have enough friends we will get enough money for our particular projects.

Many of us have been concerned about establishing a reputation of influence and responsibility for the Senate in other capacities. If the Senate does this it will remove any substance from the argument that the Senate is a responsible body and that it should have a greater role in the formulation of foreign policy. If we vote this procedure, I am not sure I could urge others to give greater power to the Senate because I think it is irresponsible in ignoring its own rules and the law already passed.

Mr. JAVITS. Mr. President, in contesting the desirability of passing this amendment on the grounds of whether it will or it will not produce peace in the Middle East, I join my friend, the Senator from Arkansas. I have one view and he has another view. But pinning this on the point of order of some irregularity of procedure, I am sorry but I cannot accept that.

It seems to me that section 501 is clear. It not only uses the word "transfer" but it also states "transfer to Israel, by sale, credit sale, or guaranty."

Mr. President, that does not imply some kind of transfer which is divorced from authority. That is authority. So if the Senator from Arkansas differs from my view on his own substantive grounds, fine. We should vote on that ground.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 1 additional minute so that I may yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I point out to my colleague from New York that if this did not contemplate an appropriation it is obvious the only other transfers we would be transferring would be first-line equipment to Israel. That was not the case. The military sales program has always been backed up with an appropriation. This is the same language that has been used for military sales to all countries. There is no dispute about that. The record and the precedents are clear. This is the language we used when we extend capital. We can talk about giving Israel $500 million.

That is why there is a distinction here between an appropriation without any strings attached and an extension of credit. We could not carry out the Military Sales Act, from which the language of section 501 is copied, unless there were an authorization to back it up. That is the rationale. It is as clear as anything can be. No one raised this question before. It went through the Senate by a vote of 87 to 7 after the question was raised whether there should be this kind of appropriation with the authorization. The Senate answered in the affirmative.

Mr. JAVITS. Mr. President, is there any time left?

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. JAVITS. I am prepared to yield back my time.

Mr. ELLENDER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. ELLENDER. There is nothing else I can add except to emphasize, as I stated awhile ago, that there is positively no authorization for this. Even agreeing to what the Senator from Washington stated about what the Senate did last year, since that time, in order to prevent anything from happening as happened before, the Senate went on record, I repeat, and passed the Foreign Military Sales Act of 1971 wherein it was stated in section 10(a) that:

Notwithstanding any provision of law enacted before the date of the enactment of this section, no money appropriated for foreign assistance shall be available for obligation or expenditure unless the appropriation thereof has been previously authorized by law.

That has not been done.

I yield back the rest of my time.

Mr. JAVITS. Mr. President, I yield 1 minute to the Senator from Washington.

Mr. JACKSON. Mr. President, I do not want to belabor this point, but the whole question is whether it is authorized by law. I think it is very clear that it was authorized by law in 1970, so that the act passed on January 12, 1971, which requires that it previously be authorized by law, has not changed the argument here at all, because it was authorized by law in 1970, and the statute that has been relied upon does not in anywise change, repeal by implication, or in any other way, the authorization that the Congress approved in section 501 of the Defense Procurement Act of 1971.

Mr. MATHIAS. Mr. President, I wish to express my support for the amendment offered by the Senator from Washington (Mr. JACKSON). It was with deep dismay that I heard the remark of President Anwar Sadat of Egypt earlier this week in which, in effect, he told his country that war with Israel was inevitable. Mr. President, I believe that every Member of this Chamber fervently hopes President Sadat's pessimistic prediction proves false. It is essential, however, that this country, in its efforts to restrain hostilities by withholding military arms to Israel, not be guilty of creating an imbalance in the Middle East situation—one that might embolden one side to unleash an attack. Briefly put, it is essential that we release to Israel the aircraft and other equipment that is necessary to a credible defense.

Mr. President, this country maintains a far more difficult position toward the Middle East than does the Soviet Union, for we try to seek an accommodation between the two sides. The Soviet Union, on the other hand, is eager to "keep the pot boiling" in order to make possible the continued expansion of the Soviet presence in the eastern Mediterranean. The existence of some 20,000 Soviet military personnel in Egypt, sophisticated Soviet missiles fired by Soviet teams, and Soviet-flown aircraft are all evidences of her intentions in this corner of the world.

Sad as this escalation is to the hopes we had maintained for an early accommodation, we dare not continue any longer to permit this imbalance to grow. Accordingly, I shall add my vote to the amendment Senator JACKSON has proposed for the release of aircraft and other equipment for Israel as authorized by Public Law 91-441.

Mr. TUNNEY. Mr. President, in the past several days, the world has listened to President Sadat's statements that efforts at achieving peace have failed and that "there is nothing left for us but the battle."

Egypt's armed forces were said to be in a state of standby alert and leaves were reported canceled in the wake of President Sadat's declaration that he

had decided that there was no alternative to fighting.

Mr. President, Mr. Sadat's statements have been made as the United States has continued to withhold Phantom jets from Israel and after the Soviet Union has continued to pour arms and equipment into Egypt.

Some interim settlement is essential. Both Egypt and Israel must make some accommodations to the other and work toward obtaining peace in the explosive region in which they find themselves.

But, in the meantime, it is irresponsible for the Nixon administration to continue to refuse to Israel the Phantom jets which she so desperately needs to maintain for her own survival and a true balance of power in the Middle East.

Toward that end, I shall support the Jackson amendment to the defense appropriation bill, which I suggest is a logical next step to Senate Resolution 177, introduced by 78 Senators, urging immediate credit sales of Phantom jets to Israel.

The immediate sale and delivery of those planes is the best protection we can have—at this critical moment in the Middle East—that war between Egypt and Israel can be averted.

Mr. MUSKIE. Mr. President, I strongly support the amendment to provide $500 million for military sales and credits to Israel. I do so because I believe that additional assistance to Israel at this time is required to maintain the balance of power and peace in the Middle East.

In recent days there has been an atmosphere of intensified rhetoric combined with growing discouragement over prospects for a peaceful settlement. In such circumstances, continued stability depends more than ever on a secure balance of power between rival groups. Yet, because of the administration's strategy of attempting to gain political leverage over Israel by withholding shipments of Phantom jet aircraft, the military balance has been shifting during the last year against Israel. There is a growing threat that Egypt might perceive, in an intense crisis, a margin of military strength that could tip the balance of decision in favor of war. We must not permit that to occur.

While we continue to withhold needed aircraft from Israel, the State Department can only issue protests to the Russians over the latest shipment of aircraft to Egypt—up to 10 additional subsonic TU–16 Badgers which may be capable of firing sophisticated air-to-ground missiles. The Soviets show no signs of stopping the flow of arms into the Middle East.

In these circumstances, I think we must act to reinforce Israeli military strength. The $300,000,000 in credit sales contained in the military assistance bill may not be adequate—and even this authorization may be facing great difficulty before it can be enacted into law.

I therefore support this amendment to appropriate $500,000,000, including $250,000,000 for F–4 Phantom aircraft, under the previous authorization contained in section 501 of the Defense Procurement Act of 1970. I believe we must act to redress the balance of power—and save the peace—in the Middle East.

Mr. THURMOND. Mr. President, amendment No. 750 to the pending defense bill, offered by the distinguished Senator from Washington (Mr. JACKSON) is needed if this country is to aid Israel in offsetting the Soviet arms buildup of Egypt.

The amendment would provide an additional $500 million in credits to Israel to finance essential military equipment and F–4 Phantom jet fighters.

One way to preserve peace in the Middle East is to aid Israel to the extent that Egypt does not gain a military advantage. Just recently the Soviets escalated the arms balance in this area by providing Egypt with bombers.

The security of Israel and America's well-being in the Middle East must be maintained through additional arms shipments when needed. This amendment will provide the President with the tools to preserve the balance of power if and when he deems it necessary.

Passage of this amendment would also indicate strong support of Israel by the Senate. The deterrent effect could be important as Egypt continues to move closer each day to launching attacks against Israel.

Mr. BAYH. Mr. President, for the past 15 months the Nixon administration has played a delaying game on Israeli requests for urgently needed military assistance credits—and I emphasize the term "credits" because this is not a foreign aid giveaway. During the same period, the Soviet Union has continued to supply to Egypt the latest and most sophisticated weapons in its arsenal, including self-propelled SA–4 and SA–6 missiles, Sukhoi 11's, Mig–23's, and Badger bombers.

As a result of our delays and steady Soviet shipments, Egypt now has more than twice as many aircraft as Israel—and even more critical, strategically, it has three times as many supersonic planes. Clearly, the precarious military balance of power in the Middle East, which previous administrations have worked so hard to preserve, is shifting toward Egypt. Such a shift, I fear, is at the heart of President Sadat's recent belligerent statements.

Now is the time for the United States to act to redress that imbalance because a strong and secure Israel is the best deterrent to renewed hostilities in the Middle East.

Mr. President, last September I voted against an attempt to delete the $500-million authorization for military credits to Israel that is now law. That authority still exists. What this amendment seeks to do is to fully fund that authorization so that desperately needed Phantoms and other items can be made available to Israel once again.

The sentiment of Congress on this matter was made clear the other day when 78 of us joined in sponsoring Senate Resolution 177, urging the President to make Phantom jets available to Israel—now.

Some have argued that this amendment is unnecessary in view of the $300-million authorization in the original foreign aid bill. But there is no foreign aid bill now and there may not be one for quite some time. In addition, that $300-million authorization falls short of what Israel needs in the way of Phantoms and other military hardware. The Phantom jets alone will cost at least $250 million. So what is needed is both a larger appropriation and an immediate one.

Mr. KENNEDY. Mr. President, I rise to support the amendment offered by the Senator from Washington to the Defense appropriations bill to appropriate funds to meet the security needs of the Government of Israel.

This is the final step available to the Senate to demonstrate our determination to assure Israel the means necessary to defend itself. It follows a long series of attempts to impress upon this administration the view of the Senate that the military and political balance of power in the Mideast required additional supplies of Phantom jets to the Government of Israel.

On May 28, 1970, 76 Senators sent a letter to the President on this subject. On July 30, 1970, 73 Senators sent a letter to the President expressing our concern over the shifts in the balance of power.

Last year, specific open-ended authorization for military credit sales to Israel was approved by 87 Senators in the 1970 Defense Procurement Act. And only last month 78 Senators introduced a resolution again urging the sale of Phantom jets to Israel.

But despite these expressions of concern, the administration has refused to meet Israeli requests for military assistance to offset the heightened Soviet shipments.

Now I believe this amendment provides us with a vehicle to mandate the sale of Phantom jets which Israel requires for its defense. It would provide $500 million to finance military credit sales, including $250 million specifically earmarked for Phantom jets.

I believe that the security of Israel, and peace in the Middle East depend on Israel maintaining sufficient military force to dissuade any effort by Arab governments to alter the current situation through force of arms.

The best hope that we have for a final negotiated settlement is the belief on the part of the Arabs that military action is a futile road for them to follow in seeking to revise the results of the 1967 war. They must recognize that alterations in boundaries and a general settlement of the issues in dispute can only come at the bargaining table.

For that reason, I have joined in the efforts of other Senators to press the administration to respond to Israeli requests for additional military equipment.

It perhaps should be noted that the military balance of power in the Middle East has shifted drastically in the past 4 years as the Soviet Union has shipped substantial quantities of supersonic aircraft, tanks, and Soviet pilots and advisers to Egypt.

The most recent figures supplied by the congressional research service show the Egyptian force contains 466 supersonic aircraft, including 156 Soviet piloted jets, compared to the 150-plane Israeli force.

And it should be clearly understood that the Soviet jet deliveries to Egypt include the latest Mig–23 Foxbat jets which are considered by most observers as the most potent jet fighters.

It is in that context that the request of Israel for Phantom jets must be evaluated. The $250 million now in the amendment would provide sufficient funds to meet the requests of the Israel Government. And I believe it would permit Israel to maintain parity in the military balance of power in the Middle East.

Just as important in my mind, Mr. President, is the need at this juncture in the Mideast situation, to provide a reaffirmation of U.S. commitment to the security of Israel. The recent saber rattling statements of the Government of Egypt require some response from the United States to indicate unequivocally the U.S. commitment and the U.S. concern.

Therefore, Mr. President, for these reasons, I strongly urge the Senate to approve this amendment.

Mr. SCOTT. Mr. President. I rise in support of the Jackson amendment appropriating additional funds for the procurement of more F–4 Phantom jets by the Israeli Government.

Just this morning at breakfast with President Nixon, this whole matter was discussed very thoroughly.

President Nixon told me that he was constantly reviewing the situation and assured me that the balance of forces in the Middle East would be maintained at all times.

I am confident that the adoption of the Jackson amendment will help the President keep that commitment.

Mr. PERCY. Mr. President, in voting to make it possible for Israel to purchase aircraft and other military equipment, I feel we are making an important contribution to peace in the Middle East. No action would so undermine the peace as to deny Israel its ability to maintain the military balance which serves as a deterrent to war.

The sum of money seems large, but these are sales, not aid, and Israel has never defaulted on its debt payments. Moreover, this money, to keep the peace in the Middle East, is only a small fraction of what is spent for war in Southeast Asia.

I firmly believe that the amendment is in our national interest and in the interest of peace. I support it enthusiastically.

Mr. GURNEY. Mr. President, the pending amendment takes on special importance coming as it does this week, for once more the drums of war have begun to sound in the Middle East. President Sadat of Egypt has announced his intention to interrupt the present semi-peaceful status quo and lead his nation into battle once again.

His boldness cannot be explained in terms of historical perspective. For past military ventures on the part of Egypt have consistently been doomed to failure. Rather his boldness is explained by the undeniable fact that militarily Egypt, and much of the Arab world, has become an outpost of the Russian Bear.

President Sadat has a much better situation militarily than his predecessor had in 1967. In addition to other Russian military hardware, he has the fastest, most agile, military fighter plane in the world in the Mig–23. With thousands of Russian advisers and Russian pilots in Egypt, this nation has taken the position that the Soviet Union would discourage that country and other Arab nations in which they have influence from participating in another reckless military adventure. It has, however, become increasingly clear that this analysis has been borne more from wishful thinking than from a concrete assessment of the realities of the situation.

That in the eyes of Egypt, and the other Arab States who have had their defense bolstered with massive intrusions of Soviet arms and personnel that seem now to believe that they have military superiority over Israel. Israel during the same period has been denied adequate military supplies from nations who have been her suppliers. The Arab nations such as Egypt, therefore, once again they are flexing their muscles in anticipation of the final push of Israelis into the sea.

If once again war comes to the Middle East it will prove a discredit to this Nation. If our closest friend in that area is in fact defeated as a result of inaction on the part of the United States, that defeat will only bring this Nation shame.

Mr. President, I respectfully submit that the time for delay in this extremely sensitive area has long since passed. We should vote approval of this amendment forthwith and enable a good friend and ally of ours, the state of Israel, to obtain the necessary aircraft to preserve the military balance of power in the sensitive area of the Middle East.

For while the Arab nations such as Egypt have been successful in obtaining military hardware, including the Mig–23, to shore up their arsenals and make them a potent military force, Israel has consistently been refused permission by the Western Nations to purchase adequate amounts of military hardware for its defense.

Mr. President, there are two factors to be considered when one discusses the adequacy of Israel's military hardware. The first factor to consider is whether or not the hardware is in fact adequate; in this case adequate to ensure that Israel would be able to defend herself against her enemies.

The second factor to be considered, and one that is perhaps more important in the situation under discussion, is the perceived adequacy of that military hardware. This is the more important question, how strong Israel's posture appears from the vantage point of her enemies. It is clear Israel needs only one item of military hardware to enable her to defend herself, and that is sufficient jet planes to stand off her enemies. With adequate air defense she can survive, without it she cannot.

The United States is her only source of jet fighters. That is why the passage of this amendment is so important.

Mr. ELLENDER. Mr. President, I ask for the yeas and nays.

Mr. JACKSON. Mr. President, the yeas and nays on which? On the amendment?

Mr. ELLENDER. No. On the point of order.

The PRESIDING OFFICER. There has been no ruling up to this time.

UNANIMOUS-CONSENT REQUEST

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may proceed for 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, at the direction of the distinguished majority leader, and having cleared this request with the distinguished assistant Republican leader, the distinguished manager of the bill, the distinguished Senator from Mississippi (Mr. STENNIS), and the distinguished ranking Republican member of the Appropriations Committee, I ask unanimous consent that upon final disposition of the pending amendment by Mr. JACKSON, the Senate proceed to the consideration of the committee amendment, the so-called NATO amendment, which appears at the bottom of page 48 of the bill, and that time thereon be limited to 80 minutes, to be equally divided between the distinguished manager of the bill and the minority leader or his designee; that time on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, be limited to 20 minutes, to be equally divided between the mover of such and the distinguished minority leader or his designee.

The PRESIDING OFFICER. Is there objection?

Mr. GOLDWATER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ELLENDER. Mr. President, I understood that the Chair had already stated that the question before the Senate would be whether or not there is authority for this action.

The PRESIDING OFFICER. The Chair will make its statement at this point.

PRIVILEGE OF THE FLOOR

Mr. JACKSON. Mr. President, may I ask to make a unanimous consent request?

Mr. President, I ask unanimous consent that Richard Perle, of my staff, be permitted to be on the floor during the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

RULING POINT OF ORDER

The PRESIDING OFFICER (Mr. BROCK). In response to the point of order raised by the Senator from Louisiana, the Chair is aware and has carefully studied the memorandum of the senior legislative counsel supporting the contention

that section 501 is authorization for an appropriation such as this. However, the Chair would point out that the point of order is addressed to an interpretation of the law.

The Chair knows of no provision or precedent authorizing the Presiding Officer to interpret the law.

Under rule XX, paragraph 2, the Chair now submits the question to the Senate. The question is: Does the Senate sustain the point of order that the funds contained in the amendment are not authorized by section 501 of Public Law 91-441?

Mr. ELLENDER. Mr. President, I ask for the yeas and nays.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SCOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCOTT. If one wishes to support the position taken by the Senator from Washington, the vote would be "nay," and if one wishes to sustain the point of order raised by the Senator from Louisiana, the vote would be "yea." Is that correct?

The PRESIDING OFFICER. The Senator has correctly stated the situation. A vote to sustain the point of order of the Senator from Louisiana would be a "yea" vote.

Mr. ELLENDER. Mr. President, did I understand the Chair to state that there was no precedent for this as one reason why the Chair was submitting the question to the Senate?

The PRESIDING OFFICER. The Chair is not authorized to interpret the law. That is the statement of the Chair.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), and the Senator from Indiana (Mr. HARTKE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New Hampshire (Mr. COTTON) is necessarily absent.

The result was announced—yeas 14, nays 81, as follows:

[No. 390 Leg.]

YEAS—14

Aiken	Hart	Smith
Bellmon	Hatfield	Stafford
Church	Hughes	Stennis
Ellender	Long	Young
Fulbright	Mansfield	

NAYS—81

Allen	Case	Gurney
Allott	Chiles	Hansen
Baker	Cook	Harris
Bayh	Cooper	Hollings
Beall	Cranston	Hruska
Bennett	Curtis	Humphrey
Bentsen	Dole	Inouye
Bible	Dominick	Jackson
Boggs	Eagleton	Javits
Brock	Ervin	Jordan, N.C.
Brooke	Fannin	Jordan, Idaho
Buckley	Fong	Kennedy
Burdick	Gambrell	Magnuson
Byrd, Va.	Goldwater	Mathias
Byrd, W. Va.	Gravel	McClellan
Cannon	Griffin	McGee
McGovern	Pearson	Spong
McIntyre	Pell	Stevens
Metcalf	Percy	Stevenson
Miller	Proxmire	Symington
Mondale	Randolph	Taft
Montoya	Ribicoff	Talmadge
Moss	Roth	Thurmond
Muskie	Saxbe	Tower
Nelson	Schweiker	Tunney
Packwood	Scott	Weicker
Pastore	Sparkman	Williams

NOT VOTING—5

Anderson	Eastland	Mundt
Cotton	Hartke	

So the point of order was not sustained.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Mississippi (Mr. EASTLAND) and the Senator from Indiana (Mr. HARTKE), are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana (Mr. HARTKE) and the Senator from Mississippi (Mr. EASTLAND), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New Hampshire (Mr. COTTON) is necessarily absent.

The result was announced—yeas 82, nays 14, as follows:

[No. 391 Leg.]

YEAS—82

Allen	Fong	Nelson
Allott	Gambrell	Packwood
Anderson	Goldwater	Pastore
Baker	Gravel	Pearson
Bayh	Griffin	Pell
Beall	Gurney	Percy
Bennett	Hansen	Proxmire
Bentsen	Harris	Randolph
Bible	Hollings	Ribicoff
Boggs	Hruska	Roth
Brock	Humphrey	Saxbe
Brooke	Inouye	Schweiker
Buckley	Jackson	Scott
Burdick	Javits	Sparkman
Byrd, Va.	Jordan, N.C.	Spong
Byrd, W. Va.	Jordan, Idaho	Stafford
Cannon	Kennedy	Stevens
Case	Magnuson	Stevenson
Chiles	Mathias	Symington
Church	McClellan	Taft
Cook	McGee	Talmadge
Cranston	McGovern	Thurmond
Curtis	McIntyre	Tower
Dole	Miller	Tunney
Dominick	Mondale	Weicker
Eagleton	Montoya	Williams
Ervin	Moss	
Fannin	Muskie	

NAYS—14

Aiken	Hart	Metcalf
Bellmon	Hatfield	Smith
Cooper	Hughes	Stennis
Ellender	Long	Young
Fulbright	Mansfield	

NOT VOTING—4

Cotton	Hartke	Mundt
Eastland		

So Mr. JACKSON's amendment was agreed to.

Mr. JACKSON. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1810. An act for the relief of Dorothy G. McCarthy;

H.R. 8356. An act to make permanent the authority to pay special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation; and

H.R. 10203. An act to amend the Water Resources Research Act of 1964, to increase the authorization for water resources research institutes, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, November 23, 1971, he presented to the President of the United States the enrolled bill (S. 1810) for the relief of Dorothy G. McCarty.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

The Senate continued with the consideration of the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized. The question is on agreeing to the committee amendment at the bottom of page 48.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, may I be recognized?

The PRESIDING OFFICER. The Senator from West Virginia is recognized. Will the Senator from West Virginia indulge the Chair while he tries to get order in the Senate?

The Senate is not in order. The Senator from West Virginia will not proceed until the Senate is in order.

The Senator from West Virginia may proceed.

Mr. BYRD of West Virginia. Mr. President, I thank the Chair. What is the pending amendment?

The PRESIDING OFFICER. The pending amendment is the committee amendment on page 48.

Mr. BYRD of West Virginia. Mr. President, I have cleared this matter with the distinguished minority leader, the distinguished Senator from Mississippi (Mr. STENNIS), the distinguished manager of the bill, the Senator from Louisiana (Mr. ELLENDER), the distinguished Senator from Colorado (Mr. ALLOTT), the distinguished Senator from Arizona (Mr. GOLDWATER), the distinguished Senator from New York (Mr. JAVITS), the distinguished ranking minority member on the committee, the Senator from North Dakota (Mr. YOUNG), and the distinguished Senator from Maine (Mrs. SMITH). At the direction of the distinguished majority leader, I ask unanimous consent that on the pending amendment the time be limited to 80 minutes, to be equally divided between the distinguished manager of the bill and the minority leader or his designee; provided further that the time on any amendment in the second degree, motion or appeal—with the exception of nondebatable motions—be limited to 20 minutes, to be equally divided between the mover of such and the distinguished minority leader or his designee.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SCOTT. Mr. President, I yield myself 1 minute for the purpose of indicating that if I am not present on the floor, I have designated the Senator from Colorado (Mr. ALLOTT) to handle the time on this side.

The PRESIDING OFFICER. Who yields time? Time is running and will be equally divided. Who yields time?

Mr. ELLENDER. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 10 minutes.

Mr. ELLENDER. Mr. President, for the past 15 years some Members of the Senate, including myself, have argued that our forces in Europe should be reduced. When the authority was given by Congress to send our forces to Western Europe, I was one of the 10 or 12 who voted against sending our troops to Western Europe.

At that time that President Truman was given authority to maintain troops abroad, Western Europe was well on the way to recovery. I personally thought that to send as many as 5½ divisions to Europe was not only excessive, but was also unnecessary. The Soviet had taken control of the countries that it now occupies before the NATO agreement was formulated. Eastern Europe was turned into a buffer zone to protect Russia against attack.

Mr. President, when our troops were first sent to Western Europe, there was an understanding that our allies would furnish x number of divisions on their own, and we were to furnish 5½.

Mr. President, we complied with the agreement as to the number of divisions. We fulfilled our promises as to men and materiel. Our allies did not. There is not a NATO commander who represented us in Europe who has said that our allies were doing their share under the NATO agreement. On the contrary, we have heard admissions from them as to the lack of meaningful contributions every year that the appropriation came up for a continuation of our presence in Western Europe.

A great deal of evidence was presented to the committee to indicate that our allies were not complying with their agreement. The divisions that they had agreed to furnish were not at hand in a combat-ready condition.

I can well recall receiving in early 1960 a top secret document from the Defense Department. When I read the actual facts, Mr. President, I was astounded to learn how little help our American troops could have relied upon if they had been faced with attack. After studying that document in 1960, I made a special tour of the NATO countries of Western Europe. There, on the scene, I found that the actual facts, as presented to me on a secret basis, were absolutely correct.

The number of troops available for combat was far below the number these NATO allies were supposed to have in the field.

When I came back to Washington, I reported my findings to the committee. My findings indicated that if the Russians had struck in July, 1960, the only divisions ready to meet the foe would have been our five and one-half divisions and a Canadian brigade. The rest of the so-called divisions were poorly equipped. Some of them were only 30 percent of strength. Others were made up entirely of reservists, and were available for action on paper only.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. ELLENDER. Mr. President, I yield myself 5 additional minutes.

Mr. SCOTT. Mr. President, will the Senator yield to permit me to make a brief unanimous consent request?

Mr. ELLENDER. I yield, provided that the time not be charged to me.

Mr. SCOTT. Certainly.

Mr. President, I ask unanimous consent to withdraw my designation of time in support of the motion to strike and that the time heretofore allocated to me and the Senator from Colorado (Mr. ALLOTT) be allocated to the distinguished Senator from Mississippi, the chairman of the Subcommittee (Mr. STENNIS).

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 additional minutes.

Mr. ELLENDER. To continue, Mr. President, I returned to Washington and reported that information to the committee. On the strength of conditions that I found, the amount of money made available for Western Europe was, as I recall, cut back substantially.

Since that time, to every Secretary of Defense who appeared before the committee, I invariably said, "I am informed that our allies are not furnishing the number of troops that they should. They are not being armed as they should. Their military hardware is poor and not equal to ours. In short, they are not bearing their share of the load. What are you going to do about it?"

Invariably, the answer was, "Well, we will try to make them come up with more assistance."

The year before last, the question was again posed to Mr. Laird, when he first became Secretary of Defense. I pointed out that for years Western Europe had found shelter under the military umbrella provided by the United States, and had used their resources, and ours, to develop their own economies. Again, the answer was, "We will try to get our allies to furnish more assistance and provide more help."

A short time ago we were told that our allies had made arrangements to give a certain amount of money by way of an additional contribution. Then we were told that it was not money they would provide to help sustain our troops; it was not money they would appropriate in order to increase their military strengths. It was a promise to furnish just under $1 billion over a period of 5 years for NATO infrastructure in Western Europe. In other words, the expenditures would go only to benefit themselves.

As far as I am personally concerned, I have tried in every way I know to reduce our expenses in Western Europe. I have tried in every way I could to have our Western European allies assist us on a meaningful basis, but all in vain. I want to say, Mr. President, that last year, 10 years after my 1960 visit, I returned to Western Europe. I visited most of the NATO countries. There was very little difference to what I had found in 1960, except in the case of Germany.

I say it is high time for us to reduce the number of soldiers we have there now, particularly when we are getting no help abroad with the economic problems we now face.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. STENNIS. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, may we have order, please?

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. I am going to be as brief as I can.

First, Mr. President, without going into detail, this proposed reduction will actually save very little, if any, money. These troops will be brought home and still be in the service, still be entitled to all the allowances and everything that goes with it, housing, transportation, and other benefits. I could discuss that at length, but I say on my responsibility that this will save very little money.

On the question of the balance of payments, the arrangement we have with West Germany cancels out most of that negative effect on our economy.

Now just a word about the number of troops in Europe. This amendment, to which I speak in opposition, provides that we shall reduce that number by June 15 and there were no funds available for the support of other U.S. personnel in Europe. What is Europe? The most accurate count I can get of all the troops we have on the mainland of Western Europe, and England, and another island included there, does not run to these 313,000 or 316,000 troops we talk about. Instead, all those in that entire area, including 30,000 in the Navy, with the ordinary reductions, would be 313,000 next June. So if we are talking about reducing from 310,000 or 313,000—and I will not argue that difference particu-

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larly—we are bound to be counting in the 30,000 that we have in the 6th Fleet and those attached to our naval forces in the Mediterranean—approximately 30,000.

I do not think anyone wants us to diminish the strength of the fleet. It is there not only in connection with NATO but in connection with the situation in the Middle East, in which the Senate has overwhelmingly voted additional support for Israel.

Passing on to another point, we have a policy of withdrawal in the Pacific, not only in the war area of Indochina but in other areas. It is well known, and fairly progressive and fairly successful. However, you cannot do these things by 8 o'clock tomorrow morning. I favor some withdrawal. I have said it before, and I say again with emphasis, I favor some withdrawal of the number of troops in Europe, but I think that to have an orderly and effective withdrawal which is safe for us and for others, there ought to be negotiations, some attempt at an understanding. Then, if that fails, notice can be given of the beginning of a withdrawal, say 12 months from the time of that notice. Then start on a modest basis and progressively move forward. That is what I think.

We had this question up this year, and this is the main point I want to make. By the way, I have served notice that I favor any withdrawal program if it is orderly, and I repeat that.

On May 19 of this year, just 6 short months ago plus 4 days, by a vote of 36 to 61, the Senate refused to go along with the idea of making reductions during this calendar year. What kind of signal is this to the Chief Executive of this Nation, the man charged with the responsibility of being our spokesman and negotiator and the chief of our foreign policy? Maybe he is the wrong President—I am not arguing that. Maybe he should not have been elected—I am not arguing that. But he is the President. We have to have a President. When he is no longer there, we will have another President. The principle is the same. I think he is trying hard.

We gave him an unmistakable signal to go on with his negotiations, to go on with his efforts to try to get a mutuality of withdrawal with the Warsaw Pact countries, to go on with his efforts to get some help from our allies.

Certainly the implication was that we would leave him free to continue that. What are we doing here now? Before the ink is dry on what we did just a short time ago, we are making a reduction. What will our allies think? What will the Warsaw Pact countries think? We are on dangerous ground, in almost the last gasp of this session, doing this kind of thing.

I have evidence here. I said I wanted the best evidence we could get from original sources. Here is a letter dated November 22 from the White House, signed by the President of the United States, addressed to me, because I told them I wanted to know:

This week the Senate will once again consider a proposal to make a substantial unilateral reduction in United States Armed Forces maintained in Europe for the common defense. I believe passage of such a measure would be a great mistake.

The manifest congressional concern for a more equitable sharing of defense burdens in Europe and elsewhere has been a significant factor in the formulation of our national policy. We are currently in the final stages of talks to establish improved arrangements for the sharing of the defense burden in Europe, including an agreement with West Germany to offset nearly two billion dollars of United States costs, and the second phase of the European Defense Improvement Program, to be finalized at the NATO meeting beginning December 8.

That has to be finalized in a few days.

In the area of East-West relations, we expect that Mr. Brosio will be received in Moscow next week to begin discussions on basic issues in Mutual Balanced Force Reductions. At the same time, the Berlin negotiations have entered the final and most difficult stage. As you know, we are also making significant progress in the SALT negotiations.

Passage of the proposed troop cut would, with one stroke, diminish Western military capability in Europe and signal to friend and adversary alike a disarray and weakness of purpose in the American Government.

We are now preparing to undertake vitally important new initiatives for peace in two great capitals of the world. If these initiatives are to gain positive results in the months and years ahead, I must be able to rely on the firm support and the substantial and creative contribution of a bipartisan Congress.

I believe that this ill-timed measure should be rejected, and that our efforts should be directed toward the positive tasks and the great opportunities for achieving a real peace that lie before us.

That is just commonsense.

Signed by Mr. Nixon.

I think the Chief Executive is trying. He is the man who was selected by the people, and as long as he is trying, I am willing to wait a few more days, a few more months, or whatever is necessary to make this a more orderly procedure.

We are making progress in the Pacific. We are making some progress in the Atlantic area of the world. Especially since we gave this signal in the vote on May 19, I hope, just because we are disappointed in some other things, we will not backtrack and cancel the signal we gave and pull the rug out from under the chief negotiator for all America.

Mr. President, I continue with my prepared remarks:

Mr. President, section 744 of the defense appropriations bill provides that no part of the funds appropriated in that act shall be available for support of U.S. military personnel in Europe in excess of 250,000. The committee report states that the committee's action is based upon the figure of approximately 300,000 men being stationed "in Europe" and thus requiring a reduction of approximately 50,000.

In the first place, Mr. President, there are not this number of men on the European Continent. The best figures I can obtain indicate that there are only about 280,000 men actually stationed on the European Continent at the present time, even including those in Great Britain and in non-European Turkey. In order for the figure of 300,000 men to be reached it is necessary to include not only those men actually in Europe, but also those on board our naval forces of the 6th Fleet in the Mediterranean—approximately 30,000 men. Thus it is clear, Mr. President, that the figures used by the committee do not only refer to our forces in Europe itself, but the committee has taken as a basis for reductions all forces in that part of the world. Thus the first point that I want to make is that if these reductions are carried out in a balanced, across-the-board fashion they will inevitably involve some reduction in our capability to maintain stability on NATO's southern flank. Security and stability are more important today in the mid-East than ever before in light of the tensions between the Arab States and Israel, fostered by the Soviet Union's increasing involvement in that area. To make reductions in our level of forces or those shore installations in southern Europe which are associated with the 6th Fleet's operations would be particularly unwise in the present circumstances.

If our level of forces are not to be reduced, then the cuts required by section 744 must be made in either Air Force or Army personnel in Europe. Although NATO's air forces are outnumbered by Warsaw Pact forces by nearly 2 to 1, they do have certain other advantages in pilot skill and aircraft quality which creates a rough balance in airpower in that part of the world. Recently our allies agreed to spend $420 million to construct approximately 2,000 aircraft shelters and related protective facilities in Europe. The United States will provide no financial contribution in this effort, but our aircraft and personnel will, of course, use the shelters and facilities which will be built. In any potential conflict in Europe it is extremely important to be able to maintain air superiority, and I believe that a reduction at this time in U.S. tactical air forces in Europe would be unwise.

Thus if the cuts required by section 744 become law they would have to be taken almost entirely from the U.S. Army in Germany, which now totals about 190,000. Frankly, Mr. President, I believe that some reductions could be made, in time, in the number of U.S. Army troops stationed in Germany. But a unilateral reduction of about 60,000 in these forces under a legislative fiat is not the way for such reductions to be accomplished. There has been some interest expressed by the Soviet Union last May in mutual force reductions and NATO has just appointed its former Secretary General, the distinguished Mr. Manilo Brosio, to meet with Warsaw Pact representatives next week in Moscow and explore the possibilities of mutual reductions. I have no doubt, Mr. President, that the Soviets are watching and waiting to see if we will take these steps unilaterally and free them of any pressure to agree to mutual reductions.

We must always remember, Mr. President, that there are dual advantages if we can reach an agreement with the Soviet Union for mutual withdrawals from Eastern and Western Europe. Soviet troops in Eastern Europe not only constitute a threat to our allies in the West, but they are also the garrison troops which the Soviet Union requires to subjugate the nations of Eastern Europe. The pressures for nationalism in Eastern Europe as expressed in East Germany in 1953, in Hungary in 1956, and in Czechoslovakia in 1968 are real and important.

The more Soviet troops there are in Eastern Europe the less likely it is that those nations will be able to follow their own paths in trade and in political relationships with the West. Thus it is very much in our own interest to keep pressure on the Soviet Union to relax its hold upon its Eastern Europe empire. Long-range stability in Europe can only benefit by such a relaxation.

If we take the steps to withdraw our own forces unilaterally we will lose any opportunity for a mutual withdrawal. I believe we should give the President the opportunity to proceed with these negotiations and to contribute to long-range peace and stability in Europe by negotiating mutual reductions with the Soviet Union.

Finally, Mr. President, I believe that the primary motivation of those who would make this reduction in this way at this time is an interest in economy. I want to point out, Mr. President, that this amendment as written does not save one dollar. In fact, it will result in increased expenses over the next few years and the long-range savings would be small at best. This amendment does not require or even imply that the 60,000 men to be withdrawn from Europe are to be entirely cut out of the Armed Forces. To make such a reduction in addition to the 100,000-man reduction recommended by the Armed Services Committee and enacted into law last September would be highly irresponsible and highly disruptive for the Army. I believe we can assume that these troops will not be cut out of the Armed Forces altogether, but rather withdrawn from Europe to be based in the United States.

Thus any savings that are made will not be savings in the overall cost of these forces, but only that small portion which can be attributed to their being based overseas—transportation costs, and so forth. This bill will become law half-way through this fiscal year so only about $45 million could be saved in operating costs. But the cost of moving these men and equipment back to the United States and the costs of reducing and closing the appropriate bases will run well over $40 million. In addition, it will cost extra money to construct facilities for them in the United States and, ironically, this will come at a time when we have just finally convinced the West German government to rehabilitate barracks and facilities of our troops in Europe at a cost to the Germans of over $100 million. Thus, this year, a precipitate and sudden withdrawal of this sort would actually cost us money, and this does not include the costs which we would incur later if we wish to provide the equipment necessary to insure that these troops could be redeployed rapidly to Europe in a crisis. Rapid redeployment would require us to purchase a second set of some types of heavy combat equipment to be stockpiled in Europe and such equipment for 30,000 men would cost several hundred million dollars.

I believe we should determine from these arguments, Mr. President, that reductions in our forces in Europe must be careful, deliberate, and well planned. If at all possible they should be carried out in the context of mutual reductions negotiated with the Soviets. But the kind of reduction which would be forced by section 744 of this bill under the present circumstances would be ill timed, injurious to important negotiations, and costly.

I ask unanimous consent to have the President's letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., November 22, 1971.

Hon. JOHN C. STENNIS,
U.S. Senate,
Washington, D.C.

DEAR JOHN: This week the Senate will once again consider a proposal to make a substantial unilateral reduction in United States Armed Forces maintained in Europe for the common defense. I believe passage of such a measure would be a great mistake.

The manifest congressional concern for a more equitable sharing of defense burdens in Europe and elsewhere has been a significant factor in the formation of our national policy. We are currently in the final stages of talks to establish improved arrangements for the sharing of the defense burden in Europe, including an agreement with West Germany to offset nearly two billion dollars of United States costs, and the second phase of the European Defense Improvement Program, to be finalized at the NATO meeting beginning December 8.

In the area of East-West relations, we expect that Mr. Brosio will be received in Moscow next week to begin discussions on basic issues in Mutual Balanced Force Reductions. At the same time, the Berlin negotiations have entered the final and most difficult stage. As you know, we are also making significant progress in the SALT negotiations.

Passage of the proposed troop cut would, with one stroke, diminish Western military capability in Europe and signal to friend and adversary alike a disarray and weakness of purpose in the American Government.

We are now preparing to undertake vitally important new initiatives for peace in two great capitals of the world. If these initiatives are to gain positive results in the months and years ahead, I must be able to rely on the firm support and the substantial and creative contribution of a bipartisan Congress. I believe that this ill-timed measure should be rejected, and that our efforts should be directed toward the positive tasks and the great opportunities for achieving a real peace that lie before us.

With best wishes,

Sincerely

RICHARD M. NIXON.

Mrs. SMITH. Mr. President, with the exception of the Mansfield provision, I support this bill. It is less than I would hope for, but it is a good bill.

I have spoken on this Mansfield troop reduction in Europe before. I have acknowledged that it has some merit and great popular appeal.

But again, I say this is not the way to legislate on such a vital foreign and military policy. This should be done on legislation through the legislative committees after thorough hearings. Not this way in a rider on an appropriations bill.

Mr. JACKSON. Mr. President, will the Senator yield me 5 minutes?

Mr. STENNIS. I yield 5 minutes to the Senator from Washington.

Mr. JACKSON. First of all, I want to associate myself with the remarks of the distinguished Senator from Mississippi, the able chairman of the Senate Armed Services Committee. I think he stated the case very well. There is a need here for mutual efforts to reduce forces.

Section 744 of the pending Defense Appropriations Act will have the effect of reducing unilaterally our strength in Europe by about 60,000 men as of the middle of 1972.

I believe a reduction of this magnitude within so short a period of time should result only from a larger agreement for balanced reductions of both NATO and Warsaw Pact strength in which there is a quid pro quo for our own actions.

At a time when NATO representatives are engaged in exploratory talks with the Soviets on the question of conventional force reductions, it is vitally important to reaffirm that mutuality will be the governing principle in our dealings with the Warsaw Pact. By stipulating such a major American unilateral reduction at this time the pending amendment would encourage further Soviet delay in discussing mutual reductions.

Mr. President, this body has on several occasions considered the most desirable way of resolving the unfinished European business of the Second World War. Throughout those debates, I have emphasized what a continued American troop commitment to Europe can contribute to this search for peace. For the past 25 years, our presence in Europe has been significant enough to convince the Soviets that any crisis they inspire in the NATO area would immediately have become a Soviet-American problem, not just a European one. No token American force would have been capable of demonstrating this.

The primary function of NATO's conventional forces, with their vital American component, has been to meet an emergency as effectively as possible, posing the continual threat that if the crisis grew larger, the risks of escalation would continue to grow larger with it. To perform this function, NATO forces capable of containing a sizable, though limited, attack were required. Anything less would have been a standing temptation to Soviet testing of allied resolve. These forces are still needed today for precisely the same purposes. And they will be required so long as we do not have a general European settlement which deals with the basic causes of tensions in Europe.

It is clear that an agreement on mutual reduction of conventional forces in central Europe can reduce the risks of war and point the way toward a more comprehensive political settlement. It could also open the road to a freer life for the peoples of Eastern Europe by reducing the Soviet military presence—

an oppressive force which stifles national self-expression.

Mr. President, we may well be on the verge of seeing our steady and consistent policy result in important steps toward a general European settlement. The obstacles are still great, but we have begun the process. After all these years, let us not revive Soviet hopes about the prospects for gaining a military advantage in Europe—and thereby dash our own hopes for an East-West understanding based on mutual force reductions.

On a matter as important as this, it is both prudent and wise to make our intentions in passing this legislation as clear and as unmistakable as possible. I cannot believe that any Member of the Senate wants to resolve the unfinished business of Europe by turning America's back on the Continent. The fact is that only by following the course of responsible participation can we insure that Europe remains an area of peace—instead of the cockpit for another war.

Finally, Mr. President, let me remind my colleague of Mr. Brezhnev's speech in Tiflis earlier this year, in which he indicated for the first time—the very first time that the Soviet Union has so indicated since the end of World War II—a willingness to talk about a mutual pullback of forces. How tragic it would be if we should proceed, in the midst of the preparations for those East-West talks, to move and act unilaterally on a matter that requires a mutual approach if we are going to relieve tension and if we are going to bring about a mutual, balanced pullback of forces. I think it would be a great tragedy, after all these years of western perseverance, for this country to make a unilateral move at this time on a matter that involves these mutual discussions. It would clearly indicate to the Russians that we do not have the resolve nor the willingness to stay the course, at a time when it is so important to stay the course, so that we can see a lessening of tension and the beginning of a mutual pullback of forces on both sides of the Iron Curtain.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, I believe the statement which has been made that if we unilaterally pull back from Western Europe we will adversely affect our efforts toward a mutual and balanced troop reduction does not require further explanation by me.

I think we should understand our reasons for being in Western Europe. We do not remain in Western Europe solely because we wish to help our European allies and contribute to their defense. We are there because it is in our national interest to be there, because we have pursued a foreign policy and a defense policy that holds that it is far more desirable for us to maintain our defense perimeter as far from our own shores as possible and as close to any potential enemy's shores as possible. This, basically, is why we are in Western Europe today.

There is no psychological substitute for the presence of American forces in Western Europe. Should we effect unilateral withdrawals from Western Europe, we will encourage Western European powers to make their accommodations with the Soviet Union, and those accommodations would have the increasing effect of isolating the United States, not just from a military or political standpoint, but ultimately from an economic standpoint as well.

One wise man has said that there is a danger, that indeed the trend is apparent——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. TOWER. One more minute?

Mr. STENNIS. I yield the Senator 1 additional minute.

Mr. TOWER. That there is an apparent trend that Finland will become another Latvia or another Poland, that Sweden will become another Finland, and that Norway will become another Sweden. The Russians are already encircling our northern flank. The Norwegian Sea is practically a Russian lake. They have poured ships into the Mediterranean, and are looking toward the Indian Ocean.

With this increasing presence of Soviet power and increasing military pressures on NATO, we would be very unwise indeed to attempt a unilateral withdrawal of American troops at this time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Missouri.

Mr. SYMINGTON. Mr. President, first I would congratulate the able and distinguished senior Senator from Louisiana as well as a majority of the Appropriation Committee. On this subject he has been a true prophet. If we had listened to him many years ago, our economic problems would be far less than they are today.

Over 20 years ago I was sent to talk with General Eisenhower—visiting his son at West Point—about the possibilities of his going to SHAPE. That is mentioned because the late President Eisenhower was the first to make the suggestion back in 1963 that there might be a major withdrawal of troops from Europe.

Listening to the discussion this afternoon, it sounds like the same old discussion heard year after year after year: "Mañana, mañana, mañana; tomorrow we will, but we do not want to do it now. We do not want to be precipitate. We want it orderly."

Let me say to my colleagues on this floor today, if there is doubt about the fact we are running out of money, they should look at the latest facts and figures about the economy. Year after year this comes up. Year after year we say, "Tomorrow." Year after year our economy continues to deteriorate.

There are people who liked General MacArthur. I did and respected him. The general told me, in the late 1950's, that all the talk about conventional forces in Europe, whether they were a trip wire or a shield was silly; that the word which should be used "parade," that anyone who thought we could stop the enemy on the ground in Europe without utilizing nuclear weapons was very wrong.

It is on the published record that we have over 7,000 nuclear warheads in Europe, and we have many more if you count others around the rest of the world.

That is where the true strength is, not in these terribly expensive European conventional forces.

You cannot blame European countries for wanting to continue to have us support their economy, which we do with these hundreds of thousands of troops, and which I have looked at in detail in recent months. But I would ask this question today of the Senate: If we are going to spend this money abroad for what, in effect, is tradition with no true recognition of modernity in possible future warfare, where are we going to get the badly needed money for our schools, our cities, our rural areas with their serious problems?

There are four categories of voting on the floor of the Senate. The first are those who have been described as ones who can hear the farthest drum before the cry of a single hungry child. Then there is a group who can hear every child, whether he is hungry or not, before they can hear a single drum.

Then you have a third group, who say, "Nothing can happen to the almighty dollar, so we will vote for all the children and all the drums."

The time has come when we must have some priorities with respect to the way we are allocating our steadily decreasing resources, else it should be clear to everybody—that the economy of the United States could well be destroyed.

For these reasons I fully support the position of the Senator from Louisiana.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. I yield 4 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, no one in this body can agree more with the idea that our troop strength and total strength in NATO should have received attention long ago. No one will agree more that they should be withdrawn. But, Mr. President, I must remind my colleagues again that, whether we like it or not, this decision rests with our President; and we cannot in a constitutional way—although we can in our moral way, in our right of expression—say to the President, "We feel that you should be doing more in this field."

The only way in the world we can control bodies overseas that have been sent there by the President is to control the amount of money we appropriate to spend for that purpose; and if we go that route, it takes years and years and years, not just days.

I can understand the great concern of the Senator from Missouri about the economy. I recall the years I have stood on this floor and pleaded with Congress not to waste money, that we have wasted it on almost every domestic enterprise in which we have engaged. Unfortunately, at the same time, the Senate has advised and consented to a great

many treaties which have committed us overseas. We are in NATO because this body voted unanimously—I cannot recall a single vote against it—when these 17 treaties were being formulated and were being advised and consented to by the Senate. I cannot recall a single vote being against them.

These are the treaties which commit us to war. Again, whether we like it or not, we have done it. Having made these commitments in the treaties, I think we are honor-bound in this country to pursue them, with the President at the same time pursuing negotiations and discussions that will lead to the reduction of our forces in NATO.

Without knowing what the President's intentions are in Moscow, I feel that certainly one of the points that will be discussed will be the possibility of reducing the power of the Warsaw Pact nations so that the NATO countries, including ourselves, can begin to scale down our operations and our costs there.

Again, this decision is in the hands of the President. While we can tell him in no unmistakable words that we would like him to be doing more about it or getting out completely, he has the constitutional right to ignore completely anything we do in this body; and I think that for the sake of unity and the perpetuation of our constitutional concepts, that is what the President should do.

I think the question is not, "Will we pull out in a hurry or will we pull out slowly?" but, "Will we retain enough strength, at the same time negotiating with other countries to reduce theirs, so that we can fulfill the treaty commitments we have with 17 countries in the North Atlantic Treaty Organization, every one of which carries us to war?"

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. DOMINICK. I thank the Senator.

Mr. President, we are going to come to a vote on this matter soon, and I want to make the RECORD clear so far as my decision is concerned.

I supported the Senator from Montana when he submitted his resolution urging the President to withdraw a substantial number of troops from Europe. I have felt for a long period of time—and have delivered many public speeches on it—that we should have withdrawn or reduced our forces long before this, not because I was ignorant of the Russian threat—which I think is imminent—but because I felt that the European NATO allies should have taken a far stronger line for their own defense and not just relied on us.

However, having said that, I also voted against the Mansfield move to reduce it by 120,000; and I will vote against this, because I do not believe that Congress either has the power or should have the power to determine where specific troops of the Armed Forces, of which the President is Commander in Chief, should be stationed. Once we do that, we are going to have 535 generals in this body trying to determine where all the troops should be, where the weapons should be, and where they should not be.

Our power is in the power of the purse, the question of the amount of money we are willing to spend on overall defense; but the tactics of it must be determined by the Commander in Chief—the President—and the Joint Chiefs of Staff.

Mr. STENNIS. I thank the Senator.

Mr. President, I understand that the Senator from Montana desires some time.

Mr. MANSFIELD. Yes.

Mr. ELLENDER. I yield to the Senator from Montana such time as he desires.

Mr. MANSFIELD. Mr. President, as always, this has been a most interesting series of speeches, with the same old arguments and with a letter from the President, but without the use of the old guard this time. My arguments very likely will be the same old arguments as well. But I noted that the distinguished Senator from Mississippi asked in his argument, "What do the allies say" about what we are considering, debating, and deciding here?

My answer is another question: What do the American people say about 535,000 military personnel and dependents stationed in Western Europe more than a quarter of a century after the end of the Second World War?

What this proposal would do, as it is incorporated in the appropriation bill now before the Senate, would be to put into effect the Nixon doctrine in Europe; because the Nixon doctrine calls for a low profile not just in Southeast Asia and the Western Pacific but in Europe as well.

The distinguished Senator from Arizona said, referring to the President, "He"—the President—"does have the constitutional right to ignore what we do in this body." If that is the case, why do we not just abolish the Senate. Where is the doctrine of institutional equality which is guaranteed under the Constitution? What are we here—a bunch of robots? We have constitutional responsibilities, too. I was talking to the President some months ago, and, as I recall, he made this statement to me somewhat as follows:

> We pay two-thirds of the cost of the defense of the free world.

We certainly do. In the past 20 years the NATO countries collectively have spent on defense $1,500 billion, and of that amount this country spent $1,095 billion dollars. We have spent it not in the NATO area but to keep our bases throughout the world and carry on the war in Southeast Asia, and for other purposes; but $1,095 billion—I repeat, $1,095 billion—of the people's money was spent during that period of time.

The distinguished Senator from Colorado (Mr. DOMINICK) thinks that Congress should be ignored. He said that if it is not, we will have 535 generals.

Well, as one who served as a seaman second class in the Navy, a private in the Army, and a private first class in the Marine Corps, and that was my highest rank, I do not believe that I am entitled to wear even one star on my shoulder.

But, I think, as a Senator from the State of Montana, as a U.S. Senator, I have a responsibility and I intend to carry out that responsibility to the best of my ability while I have the honor and privilege to represent the people from the Big Sky country.

Last August and September I took a trip to Europe along with the distinguished Senator from South Carolina (Mr. HOLLINGS). We covered a number of countries—Norway, Denmark, France—which is in and out of NATO—Italy, and Morocco—where we have installations connected with NATO—and the 6th Fleet; a staff member with me went to Germany for a close look over a period of days.

As of the year 1970, we find that of all the nations in NATO, the United States spent 7.8 percent of its gross national product, far more than any other NATO country. We find also that so far as terms of conscription in the NATO countries are concerned, Belgium has a 12-month conscription period; Canada has none; Denmark has a 12-month period—it has even thought of reducing that to 8 months; France has a 12-month period; Germany has a 15- to 18-month period; Greece has a 24-month period; Italy has a 24-month period for the navy and less for the others; Luxembourg, with 550 men in its army, has a 16-month conscription period; The Netherlands has an 18-month period; Norway has 12 months; Portugal has 24 months, mostly for service not in relation to NATO but in relation to Mozambique, Angola, and Portuguese Guinea; Turkey has a 20-month conscription period; the United Kingdom has no conscription; the United States has a 24-month period. I repeat, 24 months.

Mr. President, I would hope that the committee amendment affecting a nominal troop cut in Europe is sustained by the Senate.

It was last May—6 months ago—that the Senate rejected an amendment to cut by one-half, American troops stationed in Europe.

May I say that had that amendment passed at that time, I would have fallen through the floor of the Senate because it was too much of a cut, too quickly, and too soon. The purpose was, after a decade of trying by way of a sense of the Senate resolution, to make a dent in the situation, to bring the matter to the attention of the administration downtown, to bring it to the attention of Congress, to bring it to the attention of our allies, and to get away from ignoring it, as we do so easily in this country on subjects which are discomforting.

Since that time a great deal has happened—enough in my judgment to warrant raising once again in this body the issue of this Nation's involvement in Western Europe and the depth of its commitment there—not its commitment of spirit; there is no question about that; but its commitment of money, of men and supplies. The fact is, U.S. troop levels in Europe have been of great concern for a number of years. That an effort to cut that level 6 months ago was un-

successful in no way diminishes that concern, nor does it answer the many questions that have arisen in the meantime.

Few in this body will forget the general alarm that was sounded across this Nation and around the globe last May by those who opposed the original effort to reduce U.S. troop strength in Europe. Heard from then were voices of an earlier leadership that had not been heard from in years and years. It was irresponsible, so they said, for America to withdraw unilaterally half its troops from Western Europe. The critics suggested that there would come a cost-sharing program to distribute more equitably the burden of our NATO defense. It has been 6 long months. It is now late November and the cost burden of Europe's defense has not been reduced by a single cent. No such plan has emerged.

Instead, what this military overcommitment has meant to the economy here at home has been made all too clear.

The value of the dollar has decreased 11 percent in Europe. The cost of maintaining the 535,000 troops and dependents in Europe has, therefore, increased by 11 percent that consideration alone.

In the past 6 months Americans have left the consequences of overextension to the near breaking point. Economic controls over our own people are as severe as any imposed since the great depression. Six months ago there was no such thing as a wage-price freeze. Six months ago the devaluation of the dollar was completely out of the picture. Six months ago the import surcharge was not in the trade arsenal. Six months ago there was no mention of phase I, no thought of phase II, of pay boards and price commissions, of rent controls and whatever else must be brought to bear on an economy that simply was left alone for too long.

I do not mean to say that overextension to Europe or anywhere else abroad was solely to blame for America's economic ills; but to sustain 525,000 American troops and their dependents in Europe, the economic consequences have to be paid.

During the August recess, I endeavored to view again firsthand the American military situation in certain selected countries in Europe and in others through a staff member. I was interested not only in the monetary crisis just mentioned and the fallout arising therefrom, but particularly I sought to assess on that continent this Nation's military might that happens to be located there. I was impressed by the increasing problem of morale among American troops; a situation that was perhaps inevitable. A division of highly trained fighting men who have been sent abroad and have as their main occupation worthless, makework tasks, are going to suffer discontent, disharmony, drug addiction, and all the rest of the maladies that plague troops in such outrageous circumstances. And, Mr. President, do not you believe that this is not true. Soldiers trained to handle the most advanced weapons systems in the world cannot be sent abroad and given virtually nothing to do without turning to different means of occupying themselves.

Because of the continued economic restraints America is experiencing and because of the decrease in morale of our American military personnel, I find it imperative today to make again an effort to achieve a reduction of American military personnel in Europe.

It cannot be characterized as a drastic cutback, I might say. It is nominal only. May I say, furthermore, that I would even be willing to reduce the figure to 35,000 within the same time frame in the attempt to take the first step on the journey to bringing about a gradual reduction.

What must be faced is that the United States, through the Marshall plan, through the economic redevelopment and restoration of Europe which followed, has created a viable, strong, and highly competitive world market. Through our own generous efforts, we have created a world marketplace and now, having done that, we cannot say that we are going to remove ourselves from it and expect our friend and foe alike to supply us because we have supplied them for so long. This is just not the reality of the international economic scene.

In many ways on this issue, the desires of the Government have become similar to Narcissus, of Greek mythological fame. He was the young boy who stooped to drink and became so fascinated by his reflection that he was unable to live in a world where he came in contact with anyone other than himself. For too long the United States has been seeing images of itself around the globe. If it has not been the image, then it has been the attempt the image, be it in Indochina, the Dominican Republic, or wherever else America has gone. The result has been such an overextension of our military power that it has consistently bogged us down in international conflicts, with adverse domestic and economic ramifications.

Mr. President, this bill contains a "phase I." It is "phase I" of an effort for this Nation to return to reality in Western Europe, and to recognize the changes which are occurring throughout the world today, most especially in this first year of the decade of the 1970's. At an appropriate time in the future, phases two and three will be launched and gradually we will find ourselves in a proper role with regard to our NATO commitment. This is a first step. The process, hopefully, will redefine and reevaluate America's entire role overseas. Today all we are saying is that 25 years after the end of World War II, the United States is no longer the sole power in a vacuum created by war.

We are no longer the only society with the technological competence and economic abundance to supply and to compete with others. We are not a second-rate power, neither are we any longer the only first-rate power. There must be taken corrective measures to establish new boundaries of American responsibilities.

There is still the same old question that will always be asked. What of the deep fear of Western Germany—which is half of the old Germany? The argument goes that with a reduced restraining presence of American forces, Germany may seek to expand its own military power. It is this fear that would harden Russia's present position in Europe. This is pure speculation. Not only does it ignore the fact that Bonn has shown no stomach for substantial enlargement of its military forces, but it also denies the growing role of West Germany in the Common Market, its desire to retain its strong ties to the West as well as its eagerness for trade ties with the East.

As for mutual balanced force reductions, we negotiate and we talk and we thrash over these problems. We do not decide. We do not act. I wait now for it to be revealed right here on this floor today that indeed, once again that we are on the brink of a decision that will accomplish MBFR—that any action to effect a nominal U.S. pullback alone will destroy the last flicker of hope for achieving that end. It is a revelation, I must say, that will come as no surprise. If, in fact, Soviet reluctance to reduce its forces is dominated by fear of a nuclear West Germany, unrestrained by our presence, then the Soviets will be no more anxious to reduce its position in central Europe through mutual force reduction talks. In Southeast Asia we have learned too well the painful consequences of failing to face up to and correct bad policy when we are paying the price of it. We have busied ourselves debating the more superficial issues. On this matter, we need to clear the air with constructive action.

Paring the issue down to its simplest terms, no case can be made that a reduction by just one-sixth of our NATO forces would endanger the physical security of Western Europe; nor would it remove any bargaining chips. Why, it is asked in turn, should a unilateral effort to deescalate this European garrison be rejected? I do not oppose good faith talks with the Soviets or with anyone else. But since the Soviets do have considerable independent incentive to achieve force reductions on their own, what is so necessary about moving simultaneously? This initiative would be a reduction, not an escalation of forces. This initiative would ease tensions, not aggravate them. This initiative would enhance, rather than diminish, the prospects for eventual mutual troop reductions.

In summary, I would only stress again that this troop reduction effort does not seek the end of NATO. It seeks only to reduce ever so slightly the size of the U.S. garrison in Europe. It seeks only to bring this Nation's financial contribution to the NATO cause somewhat closer into line with that of other members. It seeks to shift the economic burden of NATO partly away from the American people.

As I see it, the current financial crisis is the handwriting on the wall. A slight shift now should make clear to all nations that our political and military role abroad which was established in another time and circumstance is not properly adjusted to current needs; not our own and not the world's.

I urge that the committee's action be sustained.

Mr. President, I ask unanimous consent that there be printed in the RECORD that portion of my report dated October 19, 1971, entitled "The United States and NATO," containing the charts and other worthwhile material.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

III. THE UNITED STATES AND NATO

Current U.S. policies with regard to NATO ought to be seen in the light of the low level of European contribution to the organization and in the current atmosphere in Europe which is redolent with East-West detente. In this last regard, personal assurances were received from U.S. negotiators in Europe that progress is being made in the SALT talks and that, notwithstanding intra-German differences, a genuine breakthrough has been achieved with regard to the Berlin problem.

These recent evidences of relaxation of European tensions and other indications bear significance for the size of the U.S. deployment in Europe. The latter, presumably, is based on NATO's so-called strategy of "flexible-response" which, in practical terms, means an immediate readiness to engage in any war, short of nuclear, in response to attacks from the East. It is difficult to find people in Western Europe who believe such attacks are within the realm of likelihood. Government officials and military officers, who are trained to prepare for the worst eventuality, of course, concentrate on the possibility and certainly no one can say war is impossible. Insofar as the European governments themselves are concerned, however, they are not "putting their money" on this proposition.

That such is the case is indicated by the percentage of gross national product (GNP) which is being diverted by NATO members for defense. Set forth below is a table showing the defense expenditures of the NATO countries (excluding Iceland, which has no armed forces) expressed in percentages of GNP:

DEFENSE EXPENDITURES—TOTAL AND PERCENT OF GROSS NATIONAL PRODUCT AT CURRENT MARKET PRICES

[Calendar years, in millions of dollars]

[Exchange rates used: Belgium 50 francs, Denmark 7.5 kroner, France 5.554 new francs, Germany (F.R.) 3.66 DM, Greece 30 drachmas, Italy 625 lire, Luxembourg 50 francs, Netherlands 3.62 guilders, Norway 7.14 kroner, Portugal 28.75 escudos, Turkey 15 liras, United Kingdom $2.40 per £ 1, Austria 26 schillings, Spain 70 pesetas, 1.081 dollars]

Country	1962		1963		1964		1965		1966		1967		1968		1969		1970 [1]	
	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP
Belgium	422.0	3.3	445.0	3.2	497.0	3.2	501.0	3.0	526.0	2.9	569.0	2.9	602.0	2.9	630.0	2.8	[2] 695.0	2.8
Denmark	207.0	3.0	220.0	3.0	235.0	2.8	263.0	2.8	277.0	2.7	300.0	2.7	345.0	2.8	352.0	2.5	[2] 368.0	2.3
France	3,994.0	6.0	4,114.0	5.5	4,372.0	5.3	4,556.0	5.2	4,813.0	5.0	206.0	5.0	5,438.0	4.8	5,708.0	4.4	5,900.0	4.0
Germany (F.R.)	4,708.0	4.9	5,443.0	5.3	5,342.0	4.7	5,441.0	4.4	5,533.0	4.2	5,849.0	4.3	5,276.0	3.6	5,895.0	3.6	[2] 6,103.0	3.3
Greece	170.0	4.0	179.0	3.8	188.0	3.6	210.0	3.6	239.0	3.7	313.0	4.3	367.0	4.7	425.0	5.1	450.0	5.0
Italy	1,377.0	3.3	1,649.0	3.4	1,789.0	3.4	1,939.0	3.3	2,146.0	3.4	2,174.0	3.1	2,245.0	3.0	2,259.0	2.7	2,310.0	2.5
Luxembourg	7.1	1.4	7.0	1.3	9.2	1.5	9.5	1.4	9.9	1.4	8.3	1.4	7.5	1.0	7.8	.9	[2] 8.3	.9
Netherlands	604.0	4.5	637.0	4.4	735.0	4.3	750.0	3.9	771.0	3.7	884.0	3.9	906.0	3.6	1,017.0	3.6	[2] 1,096.0	3.5
Norway	192.0	3.6	205.0	3.6	220.0	3.5	266.0	3.8	273.0	3.6	294.0	3.5	336.0	3.7	350.0	3.6	375.0	3.4
Portugal	200.0	6.9	199.0	6.4	224.0	6.6	232.0	6.2	257.0	6.3	333.0	7.2	372.0	7.2	371.0	6.5	400.0	6.3
Turkey	199.0	5.7	211.0	5.0	229.0	5.1	255.0	5.2	266.0	4.7	306.0	4.8	344.0	4.7	360.0	4.6	355.0	4.3
United Kingdom	4,353.0	6.3	4,488.0	6.1	4,799.0	6.0	5,018.0	5.8	5,168.0	5.6	5,463.0	5.7	5,545.0	5.4	5,497.0	5.0	5,950.0	5.1
Total Europe on NATO	16,433.0	5.0	17,797.0	5.0	18,639.0	4.7	19,441.0	4.6	20,279.0	4.4	21,699.0	4.5	21,784.0	4.1	22,872.0	3.9	24,010.0	3.7
Austria	80.0	1.1	100.0	1.3	131.0	1.5	114.0	1.2	135.0	1.3	142.0	1.3	158.0	1.3	158.0	1.3	165.0	1.2
Spain	379.0	3.2	417.0	3.0	460.0	3.0	494.0	2.7	677.0	3.2	832.0	3.6	998.0	3.9	1,033.0	3.6	1,165.0	3.6
United States	52,381.0	9.3	52,295.0	8.9	51,213.0	8.1	51,826.0	7.6	63,571.0	8.5	75,484.0	9.5	80,732.0	9.3	81,444.0	8.7	76,507.0	7.8
Canada	1,674.0	4.4	1,584.0	3.8	1,677.0	3.6	1,535.0	3.0	1,633.0	2.9	1,818.0	3.0	1,783.0	2.7	1,757.0	2.4	[2] 1,906.0	2.4

[1] Estimate.
[2] Actual.

Note: See following table for earlier years. (1) Date shown are on basis of NATO definition of defense expenditures. (2) Data for Germany prior to 1955, Greece for 1955, and Austria and Spain for all years, are estimated. Germany's expenditures through 1955 were largely occupation/support costs. (3) Conversions of national currency data into dollars have been made on the basis of official foreign exchange rates. A uniform exchange rate has been applied for all years in order to preserve the trend of the national currency data and eliminate distorting fluctuations in the dollar figures caused by devaluations. Because of purchasing power disparities comparisons between countries cannot be precise.

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Country	1949		1950		1951		1952		1955		1958		1959		1960		1961	
	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP	Defense expenditure	Percent of GNP
Belgium	153.0	2.3	165.0	2.4	268.0	3.4	399.0	4.9	341.0	3.7	366.0	3.5	374.0	3.5	383.0	3.3	391.0	3.2
Denmark	48.0	1.9	48.0	1.7	63.0	2.0	90.0	2.7	123.0	3.2	132.0	2.9	132.0	2.6	148.0	2.7	157.0	2.6
France	862.0	5.5	1,006.0	5.5	1,587.0	7.1	2,256.0	8.6	1,984.0	6.5	2,983.0	6.8	3,228.0	6.6	3,450.0	6.4	3,672.0	6.2
Germany (F.R.)	1,230.0	5.0	1,202.0	4.3	1,701.0	4.9	2,336.0	5.9	2,017.0	3.9	1,872.0	2.8	3,029.0	4.2	3,310.0	4.1	3,600.0	4.0
Greece	54.0	5.9	66.0	6.1	87.0	6.6	88.0	6.4	123.0	5.1	149.0	4.7	158.0	4.8	170.0	4.8	168.0	4.2
Italy	482.0	3.7	565.0	3.9	732.0	4.4	833.0	4.6	881.0	3.8	1,035.0	3.5	1,067.0	3.4	1,136.0	3.4	1,199.0	3.2
Luxembourg	2.2	.9	3.4	1.4	5.3	1.6	8.7	2.4	12.3	3.3	8.6	2.0	8.0	1.8	5.3	1.1	5.8	1.1
Netherlands	188.0	4.0	249.0	4.8	293.0	4.9	346.0	5.5	469.0	5.6	457.0	4.6	416.0	3.9	477.0	4.0	556.0	4.4
Norway	52.0	2.7	50.0	2.4	80.0	3.1	116.0	4.0	133.0	4.0	143.0	3.6	155.0	3.6	148.0	3.3	165.0	3.3
Portugal	49.0	3.7	53.0	3.6	54.0	3.4	59.0	3.6	77.0	4.1	86.0	4.0	98.0	4.3	105.0	4.2	171.0	6.4
Turkey	37.0	6.0	40.0	5.8	43.0	5.3	49.0	5.1	72.0	5.1	98.0	4.1	143.0	4.8	160.0	4.9	181.0	5.5
United Kingdom	1,870.0	6.2	2,038.0	6.4	2,755.0	7.8	3,746.0	9.9	3,762.0	8.1	3,819.0	6.9	3,814.0	6.5	3,972.0	6.4	4,102.0	6.2
Total European NATO	5,027.0	4.9	5,485.0	4.8	7,668.0	5.8	10,327.0	7.0	9,994.0	5.5	11,149.0	4.8	12,622.0	5.0	13,464.0	4.9	14,368.0	4.8
Austria									21.0	.5	73.0	1.4	77.0	1.4	73.0	1.2	73.0	1.1
Spain	NA	NA	NA	NA	NA	NA	165.0	4.1	201.0	3.7	249.0	3.0	255.0	3.0	269.0	3.0	295.0	2.9
United States	13,503.0	5.2	14,307.0	5.0	33,059.0	10.0	47,598.0	13.7	40,371.0	10.2	45,096.0	10.1	45,833.0	9.5	45,380.0	9.0	47,808.0	9.2
Canada	344.0	2.3	457.0	2.8	1,128.0	5.8	1,734.0	7.8	1,682.0	6.5	1,610.0	5.1	1,513.0	4.5	1,530.0	4.4	1,587.0	4.4

NA—Not available.

Note: See preceding table for later years. (1) Data shown are on basis of NATO definition of defense expenditures. (2) Data for Germany prior to 1955, Greece for 1955, and Austria and Spain for all years, are estimated. Germany's expenditures through 1955 were largely occupation/support costs. (3) Conversions of national currency data into dollars have been made on the basis of official foreign exchange rates. A uniform exchange rate has been applied for all years in order to preserve the trend of the national currency data and eliminate distorting fluctuations in the dollar figures caused by devaluations. Because of purchasing power disparities comparisons between countries cannot be precise.

It will be noted that the European defense effort in terms of percent of GNP has been dwindling ever since the Berlin crisis of 1961–62. Figures for 1971 when compiled will show further ebbing in many cases. There are all sorts of caveats which can be made in regard to these figures. Nevertheless, they are indicative. The same point is true about the following data relating to conscription in the Alliance countries:

CONSCRIPT TERMS IN NATO COUNTRIES 1951–71

[In months; Key: A—Army; N—Navy; AF—Air Force]

Country	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71
Belgium						18	18	15	15/12	12	12	12	12	12	12	12	12	12	12	12	[1] 12
Canada																					
Denmark						16	16	16	16	16	16	16	16	16 N/AF14	16 AF14	14 AF12	14 AF12	14 AF12	14 AF12	12	12
France						18	(24)18	(24)18	(27)24	(24)18	(24)18	(24)18	18	18	16	16	16	16	16	16/12	12
Germany							12	12	12	12	12	12	18	18	18	18	18	18	18	18	18/15
Greece						(21)18	(21)18	(21)18	(21)18	24	24	24	24	24	24	24	24	24	24	24	24
Italy						18	18	18	18	18	18	18	18 N28	15 N24	15 N24	15 N24	15 N24	15 N24	15 N24	15 N24	15 N24
Luxembourg						12	12	12	12	12	12	12	9	9	9	6					
Netherlands					18	18	18	18	18	18	18	20	20/18	A18 N/AF21	A18 N/AF21	A18 N/AF21	A18 N/AF21	A16 N21 AF18	A16 N21 AF18	A16 N21 AF18	A16 N/AF18
Norway					16	16	16	16	16	16	16	16	16	12	12	12	15	15	15	15	15
Portugal					4	4	4	18	18	18	18	18	18	18	18	18	A12	A12	A12	A12	A12
Turkey					24	24	24	24	24	24	24	24	24	24	24	24	18	24	24	24	[4] 24
United Kingdom	24	24	24	24	24	24	24	24	24	24	24/—									[3] 18 [4] 20	20
United States	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24

[1] 15 months for service in Belgium only.
[2] Exceptions according to need of service.
[3] Officers.
[4] Enlisted men.

NOTES

Complete data not available for 1951–55.
/ Denotes change in law during calendar year.
France—156–62. Legal draft was 18 months; conscripts were retained for number of months in parenthesis.
Greece—1956–59. See note re France.

It may be understandable, but it is still regrettable, that the viability of NATO seems yet to depend so much on United States leadership, physical presence and exhortation. The habit is 25 years old and may be hard to break but it is essential for both Western Europe and the United States to move away from this one-sided emphasis. The European governments are so accustomed to the omnipresence of the United States that they continue to insist on their inability to deflect more of their budgets for defense. Yet, there is a failure to comprehend that the same consideration may be true in this country. The point seems to be getting across, at last, but in a disruptive way. That might have been avoided if adjustments in contributions to the military effort in Europe among the NATO members had been pressed in good time.

Even now, with the difficulties at home and the accumulated evidence of relaxed European attitudes towards the East, the United States continues to maintain a swollen and cumbersome military establishment in Western Europe. Indeed, while U.S. military forces in Europe amounted to 291,000 at the end of 1970, by June 30, 1971 they had increased to a figure of 307,000. With them, as of June 30 of this year, were no less than 230,000 American dependents, 150,000 located in Germany alone. In addition, the United States employed almost 90,000 local nationals in connection with maintaining the military presence. These troops, dependents and employees are spread through 60 cities, towns and villages just in Germany, with engineering and supply units located at about 80 sites in that country.

The U.S. command structure in Europe also remains top-heavy. According to EUCOM (U.S. European Command Headquarters) there are still 128 general and flag officers in the theatre, or approximately one for every 2,350 men. The balance of payments and cost-reduction exercises of the past few years have trimmed some fat. Other reductions have resulted from the U.S. military withdrawals on request from France, the shift of technical and other personnel to Viet Nam, the dual-basing concept which permits two-thirds of a division to remain in the United States, and the halving of the MAAG (Military Assistance Advisory Group) missions in Western Europe. It should also be noted that a Department of the Army survey for 1970 reports a 15 percent reduction in headquarters personnel. So long as the over-all command structure remains basically untouched, however, such reductions as have taken place amount to a matter of hacking at the fringes. It is reasonable to expect that the U.S. military complex in Europe will continue to involve upwards of half a million Americans until some hard decisions are made on the initiative of the Administration or precipitated by the Congress.

It is difficult to determine the part of the deficit in the balance-of-payments which is derived from the U.S. military deployment. The figure generally used is about $1.8 billion a year. Against this is a so-called "offset agreement" with West Germany in the amount of roughly $1.6 billion covering the two fiscal years 1970–71. Of the offset, $200 million a year is in the form of West German loans to the United States and some $400 million has gone for annual purchases of military equipment in this country which in all probability would have to be purchased for the German military establishment with or without a U.S. military presence in Europe. In any event, German loans to this nation and arms purchases are hardly ideal ways of closing a balance-of-payments gap.[4] Nor do they have anything whatsoever to do with reducing the cost of the total U.S. commitment to NATO which accounts for about $14 billion of the budget of the Department of Defense. On the contrary, the interest which has to be paid on the offset loan would have the effect of increasing the cost!

Important as the payments deficit or the cost of the NATO deployment may be, they are not the most significant considerations which urge the reduction of U.S. forces in Europe. First and foremost what is involved is a matter of principle. It is a matter of the validity of a policy which, contrary to historical experience, requires the indefinite stationing of heavy concentrations of troops in Western Europe. The presence of large numbers of armed forces overseas for extended periods of time inevitably creates the kind of human problems as well as financial problems which we are experiencing now in West Germany. These constitute a source of weakness rather than strength in relations among allies. Troops serving in distant lands in peacetime lose a sense of clear purpose. The local citizenry lose a sense of solicitude and respect. The mutual resentments grow.[5]

Moreover, it is wrong to expend excessively from public funds almost out of force of habit after a change in the circumstances which precipitated the spending process in the first place. That there has been a change in Europe is indicated by the unwillingness of the European nations to turn aside from their concentration on economic progress in order to accept more of the military burdens of NATO.

It is contended by some European governments that the United States last December bound itself not to take any unilateral action with regard to force reductions and that this restraint must continue to operate for the foreseeable future. In point of fact, the Executive Branch cannot make such an indefinitely binding commitment without concurrent action by the Congress since the commitment is dependent, in the last analysis, on Congressional appropriations. In any event, it should be noted that other NATO members have not bound themselves indefinitely and the actual level of each nation's present commitment to NATO is what each nation is prepared to commit.

Of course the United States or any NATO nation should confer with NATO allies before acting on force-reductions or any other important measure—and this applies to spheres of action other than the military. That ought to go without saying but it is not the same as saying that the United States is bound, any more than other members, by the outcome of such talks. The distinction may be the slender one of whether

[4] Moreover, there appears no way to discover exactly how much our troops and their dependents add to the balance-of-payments deficit by spending in Germany for non-American goods and services. There are items such as the price paid for automobile insurance—not to mention the outlays following car accidents—which may cost Americans in the neighborhood of $20 million annually. Another example of such costs is the high charge for utilities to U.S. personnel; these may run to about $25 to $30 million each year.

[5] While the West German Government may be anxious to keep the U.S. military establishment intact, a good many Germans apparently would not be sorry to see substantial American withdrawals. There are indications of rising bitterness on the part of U.S. servicemen and their dependents because of their treatment in German communities where they are situated. Germany is where the problem is concentrated, because more than half the nearly 400 major bases maintained abroad by the U.S. Defense Department are located there.

or not other countries tacitly acquiesce in, or openly disapprove of, the specific action but it is a real distinction.

In my judgment, the question of substantial reductions of U.S. forces in Europe at this time revolves around a matter of political atmospherics, rather than military necessity. Very few military men will say without numerous reservations that the presence of four and one-third American divisions in Germany, along with the total strength of the alliance can prevent the Soviet Union from reaching the Atlantic if it were to undertake a full-scale conventional attack. The real deterrent is nuclear, along with the expectation of the participation of the United States in the event of any general military conflict in Europe short of nuclear war. That European governments are anxious for insurance on the finality of the U.S. commitment in the form of the presence of American troops is understandable. What is not understandable is the adamancy about the size of the deployment which, it appears, is insisted on not only by the European governments but, perhaps, even more emphatically by the Executive Branch of this government.

It is not suggested now and has never been suggested by me at any time in the past that U.S. forces be completely withdrawn from Europe. Rather what I believe to be long past due is a planned reduction of forces which will cut the size of the present deployment at least in half. That would still leave in Europe substantial U.S. forces as an earnest of this nation's commitment. What is advocated, in short, is an orderly cut in U.S. forces in Europe to a level somewhat higher than that suggested by Dwight D. Eisenhower, as satisfactory for NATO purposes as long ago as a decade!

It seems to me that the excessive deployment which has persisted since that time has not only contributed to our economic difficulties but has warped the character of the North Atlantic Alliance. The continued overemphasis on the military aspects of NATO in the face of a declining need has brought into some question the credibility of the United States commitment to the peaceful development of Western Europe States commitment to the peaceful development of Western Europe. We have not devoted anything like comparable attention to the political, economic and moral aspects of our inter-relationships with the European countries. We should long since have emphasized and consolidated those aspects of the Alliance, while at the same time acting to reduce our military contribution to a more reasonable level.

The hour may now be very late to bring about this adjustment which in any circumstances would be a delicate and difficult task. If it is to be achieved at this time of economic stress, there will have to be the closest attention from the President and, perhaps, even his personal intervention. Indeed, it might be helpful if President Nixon were to include a visit to Western Europe in his travel plans for the months ahead. Congress can and should contribute to the process in every way possible, while at the same time giving the President full support whenever he takes initiatives to strengthen the conditions of peace in Europe.

This moment in Intra-European and Euro-U.S. relations offers opportunities to cement that peace. It would be tragic if the opportunities were to be lost either because of faulty reactions to international financial difficulties or because the machinery of our European-NATO policy insists on flailing at the ghosts of the past instead of dealing with present realities.

If there are opportunities in the moment, there are also possibilities for destructive economic sniping and political intrigue. The dangers are there and they will increase rapidly unless the present tendencies towards multiplying trade restrictions and recrimination are held in check and unless the NATO adjustments are forthcoming without further delay. There need not be a slide into what, in the end, may well be the crumbling of Western unity. It is late but there is still time to move into a new and fruitful age of mutuality with Western Europe and within a peaceful Europe.

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from Colorado and will then yield to the Senator from Wyoming.

Mr. ALLOTT. Mr. President, there is never a good time for the Senate to act precipitously. There is no such thing as an issue on which the Senate should act hastily. As George Washington once remarked, the Senate is the saucer into which we pour our legislation so that it may cool.

These thoughts come to mind as we consider the proposal to affect a substantial unilateral withdrawal of troops from Europe. It was not so very long ago—May 19—that we dealt with a similar measure. At that time, after a noteworthy and gratifying outpouring of bipartisan support for current policy, the measure was defeated 36 to 61. It was defeated because a substantial maojrity of Senators decided—correctly, in my judgment—that such a unilateral withdrawal is unnecessary, unwise, and directly detrimental to perhaps the very first real prospects for a mutual reduction of troop levels on both sides of the Iron Curtain.

But in spite of all this, we are now being asked to reverse the position we so emphatically affirmed not so long ago. And I cannot but feel that we are in some danger of being swept along in an unmanageable, unreflective riptide of resentments and disillusionment regarding the world role of the United States.

If we act today to reverse our considered judgment of just 5 months ago, I am afraid that will lend credibility to the notion that the Senate is too volatile, too rash, too shortsighted to be a useful partner in the setting of foreign policies.

In the hope of dissuading some Senators from doing this injury to the Senate position, and to the world role of the United States, I want to briefly review some of the substantial reasons for defeating the move to cut our European strength.

Perhaps the most expeditious way of outlining what is at stake here is by making clear what is not at stake. Consider these points:

First. The impending vote on the question of whether or not to withdraw troops from Europe now, unilaterally, is not a referendum on whether we, here in the Senate, want to go on record as favoring troop withdrawals. Virtually every one of us share with the President a desire to reduce the number of Americans stationed abroad. What is at stake are the delicate matters of diplomacy—the questions of when, and how much, and—most importantly—what form of reciprocity is involved.

Second. The question here is not whether, pending mutual troop withdrawals, we should go on paying an unfair share of the burden of defense in Western Europe. In fact, a more equitable pattern of burden sharing is being worked out amongst the allies without any intervention from the Senate being necessary. In fact, an abrupt and unilateral American withdrawal can only demolish all hopes for beneficial negotiations with our allies. Make no mistake about it. Our allies have got the message. They are not dense or stupid or villainous. They have been tardy in picking up their fair share in the burden of defending Western Europe. But American diplomacy has moved our allies, and particularly the Germans, off dead center. This is not the time to disregard these diplomatic efforts.

Third. What is at stake here is not formalizing the end of the cold war. Let us all face at least a portion of the unpleasant truth. However much we desire an end to the strenuous exertions of the cold war, the most that can be said is that the cold war is defrosting. It is not over yet. The way to encourage the defrosting to continue is to encourage a warming wind from the east. That is, we must do nothing that would discourage a Soviet inclination to move toward mutual and balanced force reductions. Clearly the Soviets are uneasy about the new diplomacy involving China. Clearly they would like to reach some accommodation in Europe. Clearly, judging by the flurry of traveling by high Soviet officials, the Soviet Government is moving, ponderously as always but moving nonetheless, toward some sort of genuine negotiations. Today we can vote to cut our troop strength unilaterally, thereby destroying any desire—indeed, any need—for the Soviets to negotiate. Or we can prudently draw back from that position, and respect the integrity of the diplomatic process. Make no mistake about it. A vote for a unilateral cut in troops is a vote of no confidence in the American diplomatic process.

Clearly the United States has much reductions. The principal Soviet instrument for increasing the U.S.S.R.'s influence over Western Europe is the Soviet Army itself. Referring to the Western Europeans, the key element in their ability to resist these pressures rests on their confidence in U.S. military support for their defense.

It is also true that the people of Eastern Europe have much to gain from mutual and balanced force reductions. The massive Soviet force concentrations in Eastern Europe are a terrible burden on the local economies. And the presence of these forces exerts a strong inhibiting pressure against all the forces of liberalization that are struggling to make themselves felt. I know that Americans of Eastern European extraction remain alert to the plight of all peoples in Eastern Europe. These Americans are also alert to shifts in American policy which have an impact on the well-being of Eastern Europeans. The policy we are considering here is one such policy. Any unilateral troop withdrawal will remove the incentive for the Soviets to remove some of their troops from the unhappy

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nations of Eastern Europe. And I am sure that many Americans are watching us and hoping that we will not remove the incentive.

Now there are those who argue that, in spite of the clear reasons of diplomacy for not taking a unilateral step at this time, still we must move unilaterally because of economic considerations.

This is not true.

First, as a general point, it must be emphasized that we must never be so rigid in our economic policies that we allow economic exigencies to determine policies relating to the most sensitive matters of national security. In fact, when we have problems without balance of payments, we should address those problems with just the kinds of measures currently being employed.

In fact, it is of the utmost importance to note that in the 6 months since we last voted on a similar troop withdrawal proposal, the shift in U.S. international economic policy has taken much of the force from the argument that the balance-of-payments crisis necessitates a unilateral troop withdrawal. The revision of relative currency values combined with the indvidual efforts of NATO partners to reduce the pain of our burden, have vastly reduced the significance of that argument. For example, it is gratifying that our allies are buying many of their weapons systems from us in order to help us offset the balance-of-payments drain in our European commitment.

It is often said that this balance-of-payments drain amounts to $14 billion. That is not so. That is the cost of our entire European military commitment. But the actual balance-of-payments loss is less that $2 billion. It is important to understand that a cutback of troops in Europe will not result in substantial actual savings. After all, units withdrawn will not be disbanded. They will be stationed elsewhere, perhaps in the United States, if sufficient bases are available.

In fact, according to a study prepared by the Rand Corp., if we were to reduce our troop strength in Europe while maintaining a credible commitment, we would need to adopt some form of dual base arrangement, complete with the facility for rapid troop deployment across the Atlantic. This is not an inexpensive proposition. I recount all of this just to reemphasize the fact that there is no way of arguing for troop reductions on the grounds of economic necessity.

Mr. President, this question of the relationship between the United States and Europe has occupied my attention and energies more than any other question in the field of foreign policy. Just this year I have made two trips to Europe, during which I spoke at length with many European officials, and with the highly qualified Americans serving in Europe. Everyone I spoke with agreed on one central point. The U.S. troops immunize Western Europe from suspicion about Germany. Thus our stable commitment there is a necessary basis for the continued development of West European unity. Unilateral reductions in U.S. forces in Europe, taken out of the context of general European reductions would make German forces look uncomfortably large and could thereby have the effect of forcing a reduction in German forces as well—another reduction without a mutual Soviet reduction.

I might add that the only alternative to that scenario is equally ominous. An increase in the old fears of Germany might could lead the smaller nations of Western Europe to seek to come to their own understanding with the Soviet Union. In either case the progress of European unity, from which we all stand to gain, and which has recently gained so much from the decision of the British Government to enter the European Economic Community, would be set back.

In addition, Mr. President, the question of our troop level in Europe is related to fast-breaking events in the economic field.

There is no question that recent changes in U.S. policy regarding economic affairs have given now intensity to old anxieties that are never far below the surface in Western Europe. These are anxieties about the stability of our entire commitment to a long-range partnership—both economic and military—with the Atlantic community.

Recently the so-called dollar crisis has aggravated this anxiety about the basic strength of the United States. This comes at a very crucial and sensitive time, when we are witnessing significant changes in the relations between the Soviet Union and both Eastern and Western Europe. To take just one example, consider the Berlin agreement. Of course, this agreement must be considered a tentative, and at best a first step along the road to a real settlement of the Berlin question. But the crucial point is that there is nearly universal agreement in Europe that if the United States had begun unilateral troop reductions before that first agreement was reached, there would be no agreement at all.

After all, if the American resolve to stand firm in Europe is crumbling, the Soviets need not take any constructive steps. They must merely wait us out, and maintain an enormous and undiminished military presence with which to exert pressure.

Let me emphasize that point. Just as the presence of the 6th Fleet in the Mediterranean has been instrumental in keeping the peace in the Middle East, so, too, the stability of the American commitment to Europe has been instrumental in—indeed, necessary to—the achievement of a partial Berlin settlement.

Likewise, the fact that a tenuous cease fire was achieved in the Middle East was no reason for withdrawing any part of the 6th Fleet. By the same token, the fact that the Berlin talks are meeting with some success; and that the SALT talks are in a crucial stage; and the talks on mutual and balanced force reductions—MBFR—are being prepared—these facts are not reasons for an abrupt departure from past policy. On the contrary, these are all reasons for maintaining that stable policy which at long last is producing results in sober, promising diplomacy.

Mr. President, I do not want American soldiers stationed overseas any longer than is necessary. But my desire to cut back troops is more than countered by the evidence that I have cited. For that reason, I am voting against the unilateral withdrawal of American troops.

Mr. STENNIS. Mr. President, I yield 4 minutes to the Senator from Wyoming.

Mr. McGEE. Mr. President, I rise with reluctance but with serious thought on the trading points advanced by my majority leader, the senior Senator from Montana. I do so in appreciation of a very deep consideration that he has given to this question together with every Member in this body.

I just visited with the junior Senator from Maine (Mr. MUSKIE) who could not be here at this moment, but he has filed a statement for the RECORD opposing the action anticipated here.

I oppose my leader for one essential reason and that is that our procedure here is in the wrong order. We are proceeding in reverse. Of course, it would be great if our allies would carry a more liberal share of the load, and they should. There is one thing that would be worse than our allies dragging their feet and that would be for us to drag our feet in the maintenance of that delicate balance drawn across Eastern Europe. The chance to involve our allies more constructively and the chance to reduce our total manpower commitments in Europe hang on the success with which we maintain that balance. So my position is that we keep our priorities in the right order rather than reverse them.

I, too, am concerned about the economic effect, but the one thing we cannot afford at this stage is to lose that balance in Europe for which we have already paid such a high price. That, in my judgment, would be utter folly.

I would say to my friend from Montana that, as even he confesses now, his earlier efforts to cut back American manpower in Europe by one-half was a trial balloon, and had it passed he would have fallen down on the floor. Worse than that would be the consequence of pulling the rug out from under this body and its responsibility to the free world, a responsibility that is largely ours. The more help we can get from our friends, the better, but help or no help, our best chance rests in sustaining the balance. The balance in Europe cannot be lowered unilaterally, and keep the meaning it permits us to have as we seek a better way to achieve the reduction of armaments of all nations, in the months and years ahead.

Therefore, I would hope that Members of this body will put first things first so that we will win the chance to address ourselves to the very meaningful point of the majority leader; namely, lowering the manpower commitments everywhere. Without the first we will not have a chance to do the second.

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I feel the distinguished majority leader has rendered a valuable service to the country in raising this issue. I believe he has many points he has forcefully made and his points will strengthen the hand of the United States in pressing forward with the position we have argued with our NATO allies.

The President has decided to reduce our military force from 3.5 million men to 2.5 million men, and I have not heard a serious proposal that that level of 2.5 million men, which we will reach by July 1, 1972, should be further reduced.

Then, the question is: Where should these men be deployed? The cost of maintaining these men in Europe is no greater and it may be less than it would be in this country.

The problem is the balance-of-payments cost and we are in the midst of serious negotiations with our European allies. There is every hope we shall have successful negotiations to have them recognize the problem. They must meet the problem of the impact on our balance of payments of the costs of our forces in Europe.

I have enumerated any number of times where and how they can meet those costs. We have reduced our troops in Europe from 434,000 men in early 1960 to 310,000 men now.

As we are on the brink of negotiations with the Soviet Union on mutual reduction of forces, I feel after talking with Manlio Brosio when he was here several weeks ago, that we could not have a more competent negotiator on behalf of NATO and U.S. forces in dealing with the Soviet Union.

We should not take the chance that we might disrupt negotiations on burden sharing at this time and we should not unilaterally draw our forces down at this time when there is a possibility that we can have a mutual reduction of forces.

At a time when negotiations between NATO and the Warsaw Pact on mutual and balanced force reductions are in prospect, I believe it would be unwise to reduce U.S. troop levels unilaterally. To do so would be to eliminate the possibility of meaningful negotiations for mutual reductions. And I am absolutely convinced that the peace of Europe and the world is better served by mutual reductions than by a unilateral reduction.

Communist Party Secretary Leonid Brezhnev has indicated on several occations the willingness of the Soviet Union to begin such negotiations, and last month the NATO Deputy Foreign Ministers appointed Manlio Brosio to make preliminary explorations with the Warsaw Pact on the question of mutual reduction negotiations. It is expected that Brosio will go to Moscow within the next few weeks.

In view of the desire of the United States, the Soviet Union and their allies of both NATO and the Warsaw Pact to seek agreement on mutual and balanced force reductions, I simply cannot see any logic in going ahead, unilaterally, to reduce U.S. force levels in Europe at this time.

Moreover, President Nixon intends to travel to Moscow next May to work toward a more stable relationship between East and West and between the Soviet Union and the United States. Hopefully by then substantial progress toward mutual reductions of forces would have been made, which would immensely increase the possibilities for useful discussions leading further toward a reduction in tensions and toward greater East-West accord.

It can further be argued that unilateral reductions would adversely affect the progress of the talks on strategic arms limitations, and would jeopardize the discussions between East and West Germany on Berlin.

At the 24th party congress, March 30, 1971, Brezhnev said:

> We have come out in favor of reduction of armed forces and armaments in areas where armed confrontation is especially dangerous, primarily in Central Europe.

Can anyone gainsay that a reduction in the Soviet military presence in central Europe would be desirable? Surely we should have enough patience to give negotiations on mutual force reductions a chance.

President Nixon, in his foreign policy statement for the 1970's, said that:

> Reducing the military confrontation in Europe is in the common interest of East and West. Our objective should be to create a more stable military balance at lower levels and lower costs.

The administration is going ahead with mutual and balanced force reductions in order to maintain the security of the West at lower cost and to lower the level of tension in central Europe.

I do not wish to indicate that negotiations on mutual troop reductions will be a simple matter. The views of some 20 governments will be involved, and there will be special difficulties in determining the relationships of the tank-heavy Soviet divisions to the more lightly equipped NATO divisions. There will be great problems in reaching equations that will be acceptably balanced in the minds of all those negotiating.

Nevertheless, if we go it alone now in the matter of troop reductions, the chances for successful negotiations will be undercut seriously.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Christian Science Monitor of November 23, 1971, entitled "Let's Not Hurry on Troops."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET'S NOT HURRY ON TROOPS

We have the greatest sympathy with Sen. Mike Mansfield's desire to cut down the costs of American military forces in Europe to save money for the taxpayers. And we recognize that he may well be correct in his contention that bringing back 50,000 of the 310,000 Americans now in Germany could happen without seriously weakening NATO's defensive posture or subtracting from President Nixon's bargaining power when he sits down with the Russians in the spring.

However, the cost of keeping those troops in Germany is less than the cost of keeping them at home, and it seems to us that the reasons for going slow about bringing them home are considerably stronger than the reasons for rushing it.

After all, Central Europe is the strategic heart of the world. The American forces located there are the tangible expression of America's very real and continuing interest in what happens in Central Europe. Perhaps the same interest can be conveyed by fewer men, but why the rush?

Manlio Brosio is waiting right now in Brussels for an answer to the request of the allied Western powers for him to go to Moscow to open preliminary discussions aimed at "mutual and balanced withdrawal" of all outside forces from Europe. This mission is intended as a preliminary to the next meeting of the NATO Foreign Ministers in Brussels in early December.

And the Brosio mission with its intended sequel in the December meeting of the foreign ministers is all part of the preparations for President Nixon's trip to Moscow in the spring when he hopes to be able to get into very serious talks with the Russians about mutual troop withdrawals.

In view of all this planning, and all that could hinge on it, it seems to us that the Congress might prudently table any pending resolutions about American troop withdrawals from Europe for the time being. We do not know that the pending Mansfield amendment would do any harm. But we are also confident that tabling it would not do us any harm either. And it does seem to us that, when dealing with something so vital to the peace and stability of the world as Central Europe, it would be better to risk going too slowly than to risk going too fast. The cost of keeping 50,000 American troops in Europe for another six months or a year is not enough in our opinion to justify taking any risks at all.

Mr. PERCY. Mr. President, I also ask unanimous consent to have printed in the RECORD excerpts of replies I have received from 15 of our chiefs of mission to NATO countries in response to a cable I sent them last Friday.

There being no objection, the replies were ordered to be printed in the RECORD, as follows:

ITALY

(By Ambassador Graham Martin)

Although I can well understand the sense of frustration and weariness which may have contributed to the committee action calling for reduction of about 60,000 in American troop levels in Europe by next June 15, I very much hope this will not be the final action of the Congress. Except for two brief interludes, I have had the opportunity to observe at close range the evolution of the NATO Alliance for more than two decades. In this long historical perspective, it has well served the interests of all its members, including the United States which brought it into being with complete bi-partisan support. It is therefore, an American success story—a successful American Foreign Policy initiative—in which all Americans, regardless of party, can take legitimate pride.

Adjustments are necessary to meet changing conditions. We now have the opportunity to negotiate with the Warsaw Pact nations mutual and balanced force reductions. Americans used to be pretty good horse traders, but it is always difficult to trade something for nothing. I happen to have a great deal of faith in American diplomacy, but I really think the Senate should ponder whether it should send my diplomatic colleagues into the forthcoming MBFR negotiations with this kind of handicap, for these negotiations may literally determine whether we can avoid a nuclear confrontation for the balance of this century.

In the beginning, it was inevitable that we should bear the major share of the costs

of the alliance. Indeed, there was no other choice. But for some time now, I know of no responsible American or European who does not admit that we are now carrying a disproportionate share of the burden This Administration has worked hard and effectively to redress this balance, and these efforts are now beginning to bear fruit both in actions underway to bring up the force-levels of our other allies to agreed-upon levels, and in other arrangements for a more equitable sharing of the common defense burden. Since our allies, like ourselves, are free and open societies, this process is inevitably slow, agonizingly so at times, but the process is most definitely underway, and a bit of patience is needed. With it, I am confident we shall see a considerable acceleration in the measures that will result in a more equitable sharing of the common burden.

I am more concerned over the psychological and political impact which the proposed action would have in convincing both our friends and our opponents that we have definitely begun to turn our concerns inward. I have never forgotten an article I ran into in Cairo in early 1943. Written by Gerald W. Johnson, its title was "The Inscrutability of the Yankees." Its thrust was that although we attribute to Orientals the inscrutability of countenance and circumlocution of expression that is often baffling, it is really the Americans who confuse the rest of the world. Reviewing the thirties—The Johnson Act, The Neutrality Act, the renewal of the draft by a one-vote margin, Roosevelt's campaign speech in Boston: "Again, again, and again, I assure you that your sons will not fight in a foreign war"—Johnson observed it was perhaps logical for Hitler and Tojo to assume they had a free hand. Yet anyone who really knew America, knew that the response it finally made was one it had to make because it was the kind of country it was. I think Gerald Johnson's essay of 1943 has a certain relevance to 1971. I deeply believe we are still the kind of country we have always been, and that when the chips are finally down we will respond as we always have. Having participated in one war, and having brought back to Arlington a son from another war, I profoundly hope we will not again confuse either our friends or our opponents by giving a signal which I believe is completely contrary to the position the country will finally take when the chips are down.

France

(By Ambassador Arthur K. Watson)

A. Prospects for Mutual Troop Reduction Negotiations with USSR—

Any unilateral reduction on our part obviously removes the basis for negotiations regarding mutual and balanced force reductions. I have seen no evidence whatsoever that the Soviets or other Warsaw Pact members would make similar unilateral reductions as a kind of parallel action.

B. Effect on Forces of Other Allies—

Other NATO allies are already confronted with question of modernizing and strengthening their forces. We would only make it more difficult for those governments to convince their own parliaments and public opinion to move in this direction if we confront them with a unilateral decision to reduce our own forces.

C. Burden Sharing Negotiations—

The same considerations apply to burden-sharing where Parliamentary and public opinion will again be critical factors in determining public policy in Europe.

D. Psychological and Political Impact in Europe—

I am very concerned about the possibilities for misunderstanding in Europe of the very basic and profound US attachment to our transatlantic relationship, and our very close identity of purpose with Western Europe in all fields, whether political, economic, cultural, or national security. The security interests of the US and Europe are intimately interconnected and I am concerned that our own actions not give rise to any illusions that this is not the case. Any proposal that may be adopted which appears to run counter to our basic interests in Europe can only perplex, confound and dismay the governments and public here who share our basic approach. It would further undermine the credibility of US policy in Europe when added to the unresolved economic and monetary questions in our relations with Europe. I know that you understand this clearly and will emphasize it to the Senate.

The Netherlands

(By Ambassador J. William Middendorf II)

I would greatly regret the one-sided and incomplete approach of the Mansfield Amendment to a vitally important and very complex problem. To act unilaterally in this way would not only weaken US vis-a-vis the Soviets, but would also indicate that we are beginning to dismantle the alliance which, to my way of thinking, is just as important as it was two decades ago even though its shape and activities are inevitably changing.

A. Prospects for Mutual Troop Reduction Negotiations with USSR—

If we begin major unilateral withdrawals I see no good reason why the Soviets should do anything except sit tight and watch happily the consternation in Western Europe, while confidence in the alliance dissipates on both sides of the Atlantic.

B. Effect on Forces of Other Allies—

I fear that to urge our allies to increase or improve their forces would sound rather hollow against the background of unilateral reduction on our part. Their parliaments—including the Dutch—are faced with heavy budgetary demands in fields more popular than defense (e.g., housing, education, environmental control). I strongly suspect the tendency would be to level forces down rather than bring them up. "If the leading power of the Alliance is so relaxed and so airy about its commitments, what can we Europeans do?" This approach would be particularly strong among the smaller European powers.

C. Burden Sharing Negotiations—

Burden sharing really came about as response to President's pledge last year that given similar actions by allies we would maintain and improve our forces in Europe. If we go back on this, there would seem to be little incentive for Europeans to carry out their defense improvement plans, on which at present they seem to be seriously working.

D. Psychological and Political Impact in Europe—

Passage of the Mansfield Amendment would be a milestone of the wrong kind. We get increasing questions here whether a new isolationism is growing up in the US, and the Mansfield Amendment would be another "proof" to those who think it is.

E. Other Considerations—

I fear there would be a spill-over into other fields such as the financial and commercial if Mansfield Amendment were adopted. Trust in our ability to carry out our commitments would be shaken, with results I think would be highly adverse to our general interests.

Federal Republic of Germany

(By Ambassador Kenneth Rush)

A. Prospects for Mutual Troop Reduction Negotiations with the USSR—

There is no doubt that a unilateral cut now in US forces in Europe would in practical terms eliminate the possibility of negotiating reductions with the Russians and therefore of bringing about comparable Soviet withdrawals and agreement on other measures such as forward observer posts against unauthorized troop increases which are a major purpose of MBFR negotiations.

B. Effect on Forces of Other Allies—

The immediate result on the German forces would be a strong pressure for comparable reductions in view of the residual suspicion with which Germany is still viewed by its neighbors in Eastern and Western Europe. In these circumstances not only would German forces not be improved, they would probably be reduced.

C. Burden sharing negotiations—

The reduction would have an immediate and negative effect on current burden sharing negotiations with the FRG. Why should the Germans make a large financial contribution based on their desire to retain the American forces here and computed on the basis of the present level of forces when such forces are drastically cut?

D. Psychological and Political Impact in Europe—

I believe there is a serious risk that the planned reduction would be taken in Europe as a signal of a major permanent shift in the American position on international affairs and of subsequent total withdrawal of US forces. This would result in a serious increase of Soviet influence over Western Europe and block the movement towards the more independent, self-sustaining Western Europe we want.

E. Other Comments—

I consider the proposal for reduction, if carried out, would have disastrous consequences both for the prospects of a stronger Western Europe working cooperatively with the US and for negotiated solution of specific East-West differences with the Soviet Union, including the SALT negotiations.

Iceland

(By Ambassador Luther Replogle)

A. Prospects for Mutual Troop Reduction Negotiations in the USSR—

I believe passage of Mansfield amendment would have seriously damaging effect on possible MBFR negotiations with USSR. Unilateral troop reduction would distort framework of preliminiary discussions with NATO allies and seriously undermine their confidence in US at this critical time. Obviously it would place US at an extreme disadvantage in eventual negotiations with Soviet Union. Such a reduction might lead Soviet Union to conclude that negotiations are no longer important if concessions can be obtained without them.

B. Effect on Forces of other Allies and Burden Sharing—

While it is possible that a US reduction might serve to galvanize the NATO allies into bringing their forces up to agreed-upon levels and assuming more of the defense burden, I believe the contrary to be more likely. The effect of a troop reduction by the US as leader of the Alliance may well lead the European allies to conclude that we consider the Soviet threat to be diminishing and that, therefore, they too can safely maintain their forces at, or reduce them from, present levels.

C. Psychological and Political Impact in Europe—

In my view, the psychological and political consequences resulting from the passage of the amendment would be disastrous. Over the years the US has been the keystone of the NATO alliance. Most of the favorable developments in postwar Europe have come about because of the security NATO has afforded. A troop reduction of this magnitude, decided upon unilaterally, and following closely the Senate's recent action on foreign aid might make it appear that US is in the throes of a basic policy reassessment.

U.S. Mission to NATO

(By Charge' George Vest)

Passage of the Mansfield Amendment would have the most serious adverse effects on US security interests in Europe. European security is inseparable from our own.

A. Prospects for Mutual Troop Reduction Negotiations with USSR—

Substantial reduction of US forces in Europe would remove any incentive for the Soviet Union to undertake serious negotiations, just at a time when the Soviets have responded favorably to repeated NATO calls for mutual and balanced reductions. The US military commitment to Europe is the keystone to MBFR. Without it MBFR prospects would collapse. Not only would we lose our chance of setting in motion a process of erosion of Soviet dominance of Eastern Europe, but we would invite doubt about the dependability of US leadership since we have always joined in calls for MBFR negotiations. It might be noted that maintenance of US forces in Europe at current levels is also a major factor in strengthening the hand of the West in other ongoing or potential negotiations such as the Berlin negotiations and a conference on European security and cooperation.

B. Effect on Forces of Other Allies—

Our partners substantially meet agreed force goals now. However, the AD–70S Study last year indicated a need for members of the Alliance to improve their forces qualitatively. Since then, there has been positive allied action. The US has set the example. For the US to engage now in a reduction of the magnitude proposed would not only undercut what we foresee as a continuing improvement on the part of our allies, but would almost certainly precipitate a reversal. Such a reduction would undercut the President's promise that given a similar approach by our allies, the US will maintain and improve its own forces in Europe and not reduce them unless there is reciprocal action from our adversaries.

C. Burden Sharing Negotiations—

The US has been pressing its allies to assume a more equitable share of the burden for the common defense. Our efforts are beginning to bear fruit. The allies volunteered last December to increase their defense spending by $1 billion in the next five years over and above programmed force improvements. If the US drew down its forces and lessened its efforts, it is most doubtful that our allies would make up the resulting deficiencies.

D. Psychological and Political Impact in Europe—

Passage would have a severe impact. Passage might be taken as an indication to our allies, and to the Soviets, that the US was headed back toward isolationism. They would tend to see this as the first step in realizing the central objective of Soviet-European policy, the removal of US military strength and political influence from Western Europe.

E. Other Considerations—

Another consideration is the effect of passage on the strategy of flexible response. Present NATO and US troop strength makes this strategy feasible and believable and provides for a non-nuclear "breathing space" in case of non-nuclear attack. This capability to meet and contain an attack at a level below the nuclear threshold is vital for US security in an era of strategic nuclear parity.

Canada

(By Ambassador Adolph W. Schmidt)

In response to Senator Percy's request, the following are my views on the effect of the Mansfield provision if it were to be carried out.

A. Prospect for Mutual Troop Reduction Negotiations with USSR—

There is no question in my mind that the Mansfield provision would not only reduce Soviet incentives for mutual troop reductions very substantially, but would also make it politically more difficult for the USSR to reduce its troops, whether mutually or unilaterally, or even to engage in negotiations on the issue. (A unilateral reduction by the US would mark for the Soviets, and for our Allies in Western Europe, such a failing of American resolve as would raise for the Soviets for the first time since 1945 a realistic prospect of their long-sought goal of hegemony over all Europe. I firmly believe that prospect would be so attractive that whatever may be Soviet motivations for troop reduction, they would be submerged until either the goal were attained, or Soviet hopes flagged once again.)

B. Effect on Forces of Other Allies—

The Europeans know that no feasible amount of force increase by NATO Allies could compensate for the critical failure of American resolve and commitment to the defense of Europe that would be manifest in implementation of the Mansfield provision.

C. Burden Sharing Negotiations—

I would leave it to my colleagues in European NATO capitals, who are involved, as I am not, in burden-sharing negotiations, to comment directly upon that issue. We could not, however, in good conscience expect to approach the Canadian Government for a long time with any request for an increase in its contribution to NATO.

D. Psychological and Political Impact in Europe—

In a broader context, we are passing through an era in which US influence declines as that of other nations inevitably grows. The world watches our reaction and weighs our future. If in weariness, or disappointment, or self-centeredness, we withdraw at the sacrifice of our own and our Allies' interests, we must not expect a rallying of supportive effort around the globe, but rather the contrary.

Turkey

(By Ambassador William J. Handley)

The following are my comments in response to Senator Percy's questions:

Prospects for Mutual Troop Reduction Negotiations with USSR—

Unilateral US reduction would be seen by Turks as undermining NATO's collective bargaining position and preventing them from having their security concerns fully taken into account in East-West negotiations.

Effect on Forces of Other Allies—

Turkey is seeking and would continue to seek to meet agreed goals. But, its possibilities are largely dependent on US Military Assistance Program. As to efforts of other major allies, Turkey welcomes these but does not view them as in any sense a replacement for US strength in NATO.

Psychological and Political Impact—

Isolated, poor, and having a common border with the Soviet Union, Turkey, even more than the allies, equates NATO with the United States. It relies almost entirely on US both for outside support and for the maintenance of its own forces at any meaningful level of combat-readiness. Already shaken by threats to the US Military Air Program, it would view adoption of the Mansfield Amendment as further evidence of growing US isolationism and disengagement from Europe.

United Kingdom

(By Ambassador Walter H. Annenberg)

I am deeply disturbed that there is again before the Senate a proposal for action by the Congress to limit the level of US forces in Europe. The continued effectiveness of NATO, the security of Western Europe and the United States, the move toward greater unification in Europe, and the prospect of progress toward better relations with Eastern Europe once again hang in the balance. All of these efforts with our allies depend fundamentally on the firm commitment of the United States.

A. Prospect for Mutual Troop Reduction Negotiations with USSR—

I believe that a unilateral reduction of US forces such as is now proposed in the Senate would seriously jeopardize, if not abort, the current move toward negotiations with the Soviet Union and the Warsaw Pact Nations for mutual and balanced force reductions. In the past six years the Russians have undertaken an extraordinary expansion of their strategic capabilities. There is already deep concern in Western Europe about the dangers inherent in reductions on our part unless they are carefully and resolutely negotiated from the premise that the overall defensive posture and capability of NATO must not be diminished in relation to the Warsaw Pact. Unilateral reductions by the United States would inevitably call into question the basic premise of mutual reductions, and some of our NATO allies would feel obliged to review their attitude toward that prospect. I think it likely that some NATO governments would conclude that the NATO policy aimed at mutual reductions should be reversed; the British Government would, I believe, reason that such a conclusion might be unavoidable. The general view of our NATO allies would be that mutual reductions could not be achieved in the face of unilateral US reductions.

B. Effect on Forces of Other Allies—

A unilateral US move would have broader and equally serious effects with respect to the collective NATO effort and individual allied defense efforts. During the past year, and now again this year, European NATO governments have made improvements over and above what had been originally planned in their defense programs. To a large extent, these additional efforts were in response to United States initiatives and to our pledge of continued US force commitments. If that pledge were not to be kept, the political consequences in Europe would oblige many governments to review their own programs, with the probability that support for a continuation of increased efforts would not be forthcoming.

C. Burden Sharing Negotiations—

The negotiations with our allies on various forms of burden sharing would be undermined by independent action by the US to reduce forces. While European governments have accepted the proposition that Europe must do more in its own defense, any arbitrary degradation of the collective defense would reduce the willingness of our European allies to make greater contributions. Why make a bigger effort for a less effective whole?

D. Psychological and Political Impact in Europe—

Such a step must be weighed against the background of what appears increasingly to Europe as a pattern causing apprehension about the essential orientation of the United States and its basic purposes. Such doubts about American actions and intentions gnaw at the confidence of European people and leaders in their own capacity and abilities. The cohesion and collective will of the Alliance are endangered by these misgivings, and the most serious questions are raised about the leadership which, whether sought or not, rests with the United States. I am convinced that the essential interests of the United States lie in common with our NATO Allies and that the continued commitment in cooperation with our allies remains as the most valid base for US policy.

Portugal

(By Ambassador Ridgway Knight)

From personal conversations I know that there is serious concern at top of Portuguese leadership over abrupt US actions such as aid cutoff and previous troop cut moves, which are viewed as emotional and not worthy of free world's leadership. While I well realize that we are seeking to share with others some of the burdens of this leadership, it is a fact—and not a pleasant one—that trust in our qualifications for leadership is being

eroded by such moves as the Mansfield provision.

LUXEMBOURG

(By Fred J. Galanto, Chargé)

Possibility of reduction of US Forces in Europe is of major concern here. When official from the US Mission to NATO was interviewed on Radio-Television Luxembourg (listening audience estimated at 12 million) on November 12, this was very first subject to be raised.

In recent weeks high-level GOL officials have voiced to us their fears that any precipitous reduction in US forces would lead to public pressures in other European NATO countries to reduce troop levels.

Government and political leaders would object to any unilateral reduction in forces by the US on two additional grounds. First that there would be no corresponding quid pro quo from the Soviet Union; second, they want to be able to consult on and discuss these issues with the US rather than being presented with a *fait accompli*.

Finally, there is perhaps no other country in Western Europe where the memory and appreciation for the liberating role of the United States in 1917–18 and again in 1944–45 are so keen and alive as in Luxembourg. People here look upon US forces in Europe not only as the guarantor of defense against the Russians but as the primary stabilizing influence among the present Western European allies.

GREECE

(By Ambassador Henry Tasca)

My comments on Senator Percy's questions are as follows:

A. Prospects for Mutual Troop Reduction Negotiations in the USSR—

While GOG (Government of Greece) obviously follows subject of MBFR, it has not focussed sharply on matter in light of the so far very slowly evolving situation *vis-a-vis* negotiations with USSA. At same time, since GOG, like most countries assumes best negotiating tactics rest upon position of strength, it would undoubtedly prefer balance to remain as it is rather than accept what it would view as one-sided deterioration.

B. Effect on Forces of Other Allies—

GOG forces are already close to agreed-upon levels. Prospect, particularly in light of current status of US military aid, of major increase in Greek force levels is unlikely.

C. Burden Sharing Negotiations—

Respecting burden-sharing, Greece has made a substantial effort to improve its defense forces. Its defense budget for next year will be greater than the current year's.

D. Psychological and Political Impact in Europe—

Main impact in Greece will be psychological and political. Greeks will indeed link cut in level US forces in Europe with recent vote on foreign aid and other signs of growing isolationism in U.S. Senior Greek officials have expressed to us on number of occasions in last few months their concern that US losing the ability and will to provide the Alliance with continued firm leadership. Approval of Mansfield provision would be particularly disheartening to Greeks, who have so scrupulously adhered to their NATO commitments, and would be seen as further evidence that US faltering in its leadership role.

E. Other Considerations—

While Greece remains firmly committed to NATO, actions of this kind cannot help but cause Greeks to review their options. Adoption of the Mansfield proposal would be not only damaging to our interests here in NATO context but also in relation other matters of strategic importance to US.

NORWAY

(By Chargé John Campbell, Ausland)

A. Prospects for Mutual Troop Reduction Negotiations in the USSR—

The proposed action would certainly throw away a negotiating counter which we expect to use in the MBFR talks with the Soviet Union.

B. Effect on Forces of Other Allies and Burden Sharing Negotiations—

The proposal would reduce any immediate incentive for the Norwegians to increase their share of our defense burden since we would be starting to pull out of Europe. The possibility of increasing Norwegian defense efforts would decline as they paused to reevaluate this new changing situation.

C. Psychological and Political Impact in Europe—

Proposed action would have an adverse psychological and political effect on Norwegians especially after the Senate's recent negative vote on foreign aid. It would confirm a growing impression here that the U.S. is turning isolationist, in addition to becoming protectionist in its trade policies.

D. Other Considerations—

This proposed action would also be especially demoralizing here just as the Norwegian public is becoming more aware of the growing Soviet military strength along the Norwegian border and more frequent Soviet naval exercises in the Norwegian Sea. The action would raise fundamental questions about our leadership of NATO.

BELGIUM

(By Chargé Louis Charles Boochever)

If the proposed amendment to the Defense Appropriations Act were to become law, it would create serious doubts within the Belgian Government and public about the willingness and ability of the United States to honor its mutual defense commitments in Europe. As a result, the Belgians' present resolve to maintain and increase their own strength would be shaken.

More specifically, I believe that a unilateral US reduction of the magnitude involved in the amendment would have the following effects:

A. Prospects for Mutual Troop Reduction Negotiations with USSR—

It is clear that we would have lost critical leverage in the prospective MBFR negotiations with the east. The Belgians, on the other hand, would be under domestic pressure to reduce their forces, since parliament and the public could hardly be convinced that any action on the part of a country of less than ten million people could compensate for the considerable lost strength represented by the proposed US withdrawal.

B. Effect on Forces of Other Allies and Burden Sharing—

Likewise, in the face of a unilateral US force reduction of this type, US requests to the Belgian government to increase its own defense budget would find little sympathy here, and the currently bright prospects for force improvements and an increased European willingness to shoulder a more equitable share of the defense burden are likely to fade.

C. Psychological and Political Impact in Europe—

Psychologically, the effect of the Mansfield Amendment, if passed into law, would be substantial in Belgium. In the first place, here and elsewhere, many Europeans would conclude that the US has determined that the threat from the East has diminished. Secondly, although the figures involved will themselves cause grave doubts about US commitments, the reduction would certainly be seen as a first step in a US withdrawal from Europe and world affairs in general. Whatever the true economics involved, Europeans would find it most difficult to believe that the motivation for US reduction did not go far beyond the need to redress economic and financial imbalances. One hears often here the concern that isolationist sentiment in America is growing and that this will inevitably have an effect on the US role in world affairs. A unilateral US troop reduction in Europe will undoubtedly fortify this impression and substantiate doubts about the wisdom of relying on US commitments. Willing to increase their own efforts in order to complement American strength, at least the smaller European countries will in the current circumstances see any effort to replace large-scale American troop withdrawals as futile. The end result would be a Western Europe with weakened defenses and, therefore, in a distinctly disadvantageous position vis-a-vis Warsaw Pact forces.

DENMARK

(By Chargé Byron E. Blankinship)

Replies to Questions Posed by Senator Percy are as follows:

A. Prospects for Mutual Troop Reduction Negotiations with USSR—

As seen from Copenhagen, reduction and if possible elimination of US presence and influence in Europe remains one of prime goals of Soviet policy. They remain reluctant, however, to remove their troops from nations of Eastern Europe. Unilateral US troop reduction now would give Soviets a good deal of what they want without requiring any *quid pro quo* on their part. It would also probably encourage them to hold up on any serious mutual withdrawal measures in expectation that internal US political pressures will inevitably bring about more sweeping retrenchment on American side.

B. Effect on Forces of other Allies—

Unilateral US troop cut would militate against chances of securing improvements in Danish armed forces and would encourage reduction in Danish force levels rather than bringing them fully up to snuff.

C. Burden Sharing Negotiations—

Burden sharing negotiations would also be hampered by unilateral US reductions. In Embassy's judgment, Danes would not react by contributing more but by reducing their own share because US withdrawal would accelerate existing tendencies here toward neutralism.

D. Psychological and Political Impact in Europe—

Impact here of troop withdrawals, on top of dramatic cut-off in foreign aid, would greatly reinforce growing impression that US is withdrawing into itself. Most disturbing aspect of this wide-spread opinion is perhaps that Danes do not reproach US for isolationism but regard such development as understandable and inevitable. Danes are already very wary of offending Soviet Union and further growth of idea that US has turned its back on Europe could precipitate strong pressures here for Danish Government to "reinsure" with USSR on whatever terms it is able to obtain for itself. Dangers to US long term interests are obvious and would not repeat not be limited to Denmark or even to Scandinavia as such attitudes would quickly spread elsewhere in NATO, particularly among smaller members.

E. Other Considerations—

Danes have consistently regarded US military presence in Europe regarding security guarantee, which protects them against potentially hostile forces in area. As small country, Denmark is very sensitive to influences from all its neighbors and erosion of assurance provided by disinterested ally such as US could undermine Danish confidence in future development of US-European relationship.

Mr. MANSFIELD. I agree they are part of the establishment but when are we going to stand up as individuals in this body and express our individual judgment?

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from Virginia.

Mr. BYRD of Virginia. Mr. President, this is a difficult vote to cast.

My judgment is along the line of that expressed by the distinguished Senator from Missouri (Mr. SYMINGTON) and the distinguished Senator from Montana (Mr. MANSFIELD).

It is vitally important that we reduce the number of U.S. ground troops in Europe. The troops morale is not good; the use of drugs is too prevalent; discipline is too lax. Our balance-of-payments deficit is smashing. Our Federal budget is greatly out of balance and the U.S. dollar is steadily declining in value.

I have read carefully the letter just submitted by the President of the United States to the Senator from Mississippi (Mr. STENNIS). I read it several times.

It is a very strong letter from the Commander in Chief urging the Congress not to mandate him to bring home from Europe troops at the rate of 10,000 per month during the next 6 months.

He points out also the delicate stage of the SALT talks and emphasizes he has made new initiatives for peace in two great capitals of the world.

At this delicate time in world history I am inclined to give additional time to the Commander in Chief in a matter of such worldwide significance.

For that reason I shall once again oppose mandating the President on this matter, but it may be the last time I will be able to so vote.

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from California.

Mr. TUNNEY. Mr. President, I believe that American forces in Europe should be reduced. But I do not believe that this is the time for the Congress to impose that reduction upon our troop levels.

Last May, I stated that, if the President's progress in negotiating force reductions was inadequate, the Congress should consider a legislative cut in American troops strength in Europe.

I have carefully considered and evaluated the President's position and I believe that the administration has been and still is negotiating in good faith to reduce—mutually with the Soviet Union—American force levels in Europe. Although progress has been slow, I believe that some more time must be allowed.

Therefore, I shall oppose the legislative imposition of the American troops cut at this time. But I wish to make it quite clear that I am opposed to it because I have been assured by the administration that serious efforts are currently underway to achieve a mutual and balanced troops reduction; that at the NATO Deputy Foreign Ministers meeting recently a negotiator was selected who expects to enter shortly into negotiations in Moscow on this issue; and that a common U.S.-NATO negotiating position will be presented to the Warsaw Pact countries in the very near future.

With negotiations so imminent, I do not believe that this is the proper time to reduce unilaterally our forces in Europe.

That conclusion is reinforced, Mr. President, by the escalating language in the Middle East. It would be inappropriate at this time, with President Sadat of Egypt raising his voice and escalating his rhetoric at a level which comes dangerously close to a declaration of war, to withdraw precipitously any of our troops from Europe.

I wish to make it quite clear, however, that my vote today shall in no way foreclose me from reevaluating my position at a later date. If no progress has been made; if the representations I have received proved to be hollow expectations rather than true substantive progress; we can expect this issue to be raised again—and I shall vote to legislatively do what the executive branch has diplomatically failed to do.

I want to make clear that by voting against the Mansfield amendment today, in no way am I foreclosing the possibility of reevaluating my position at a future date and, like the Senator from Virginia, this may be the last time I vote against a Mansfield amendment.

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, the defense appropriations bill contans a provision, passed in committee by a 14-to-13 vote, which would limit effective next June 15 the number of U.S. forces in the European theater to 250,000.

This provision would require that approximately 60,000 U.S. military personnel in Europe be brought home and relocated in the continental United States within the next 6 months.

First, there should be no illusion on the part of the American people that this will save any money. To my knowledge, none of the advocates of this cut claim that it would save money. In fact, it would initially cost money because bringing men and equipment back to the United States and positioning them somewhere on U.S. soil would obviously require large expenditure. However, this reduction would have a small but favorable impact on our balance-of-payments deficit as it would reduce U.S. spending in Europe to support these men and the additional benefit of ending spending by the dependents of these personnel.

Mr. President, let me say at the outset that I favor some reductions in our NATO personnel. However, I strongly urge the Congress to avoid placing an arbitrary ceiling on force levels in Europe while the President is trying to obtain reductions from the Warsaw Pact nations.

The United States is the "glue" which holds NATO together and any reduction on our part should be carefully coordinated with our allies there and hopefully matched by the Warsaw Pact nations.

Mr. President, I think the complexity of the NATO situation can be illustrated by listing some points on this subject. The fact that any reductions at this time would impact seriously on President Nixon's trip to Russia next year should be obvious. The fact that arbitrary reductions involve complex long-range policy considerations will be amply demonstrated by these points:

First. A cut of 60,000 men will seriously reduce our already weak conventional war capability in NATO. This reduction, which may seem small when compared with our overall forces, would in fact reduce our ground troops by one-third. If we diminish this conventional capability with this cut, then reasons for not cutting further in the next few years will be hard to suppress as U.S. ground forces of around 100,000 will be little more than a tripwire. These remaining men and their dependents would be quickly overrun if war should break out in Europe.

Second. A NATO cut would mean the United States is returning to an all nuclear response capability. Do we want to restrict the President to the use of only nuclear weapons if our European allies become active targets of Soviet expansionism?

Third. A new study by the Brookings Institution suggests that unilateral withdrawal of a part of all of the U.S. commitment in Western Europe would mean more, not less, spending. Most troops in Europe are housed in rent-free facilities.

Mr. President, I ask unanimous consent that a news article on the Brookings report headlined "Troops in Europe 'Budget Bargain' U.S. Study Shows" in the October 21, 1971, issue of the San Diego Union be printed in the RECORD at the conclusion of my remarks.

Fourth. If we pull out of NATO without mutual reductions by the Warsaw Pact, then our allies, faced by strong military forces across their borders, may take a neutralist stance. This could lead to a vacuum which the Soviets would surely step into. The possibility is an important reason why reductions should be carefully phased on a mutual basis.

Fifth. Efforts to obtain mutual reductions would have no chance of success if the Congress reduces U.S. forces while the President is trying to obtain mutual reductions. It is important to our overall national security that we maintain or improve our defense posture while reducing our burden in Europe through negotiations.

Sixth. An arbitrary step to cut NATO forces, in the face of the President's efforts through negotiations, would signal to the American people that the country is reverting back to fortress America and isolationism.

Seventh. The President is planning a trip to Peking and Moscow next year. We should not tie his hands now by taking action that should wait until after those trips. We have to give him flexibility. When he took office as President in 1969 we had 550,000 troops in Vietnam.

They are now down to 190,000; 25,000 will go out in December and 20,000 more in January, and we will have only about 145,000 there in February.

The President is doing all he can all over the world. He faces a big problem. Let us not tie his hands. Let us give him the flexibility to bring these troops back as early as he can, as I am sure he will do.

Mr. President, before closing my remarks, I ask unanimous consent that a

letter to me from Secretary of Defense Melvin Laird, dated November 18, 1971, be placed in the RECORD at the conclusion of my remarks. This letter makes clear that President Nixon and Secretary Laird oppose this NATO withdrawal.

Finally, these seven points are just some of the issues which the Senate should consider in this matter. As I stated earlier, reductions of our NATO commitment are desirable when made in the context of our broader national policy and when linked with mutual withdrawals by the Warsaw Pact nations. The Congress should allow the President time to implement these policies and not weaken his hand during the next crucial months.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the San Diego Union, Oct. 21, 1971]

TROOPS IN EUROPE "BUDGET BARGAIN," U.S. STUDY SHOWS

(By Ray McHugh)

WASHINGTON.—A new study of the American military commitment in Western Europe suggests that unilateral withdrawal of part or all of the 300,000-man U.S. garrison would mean more, not less, defense spending.

In the book "U.S. Troops in Europe: Issues, Costs and Choices," four Brookings Institution specialists have taken sharp issue with Senate Majority Leader Mike Mansfield's arguments for withdrawal. The Montana Democrat, defeated once this year, is again proposing a 50 per cent cut in the European force.

The Brookings Institute is a respected, private, nonpartisan research and analysis organization.

The garrison is actually a "budgetary bargain," says authors John Newhouse, Melvin Crown, Edward R. Fried and Timothy W. Stanley.

Unilateral withdrawal, they warn, could upset the military-political balance in Europe, wreck any hopes for mutual East-West arms reductions, splinter West Europe's still shaky platform for political unity and rouse Atlantic animosities that could cripple the drive for trade and monetary reform.

"If the current American troop strength is maintained and the U.S. commitment to defend Western Europe remains credible to Moscow," they write, "Soviet policy will probably remain much as it is—a combination of detente and negotiation aimed at checking moves toward closer Western European and Atlantic cooperation, while maintaining Soviet control over Eastern Europe.

MOSCOW REACTION

"What would Moscow do if American forces were unilaterally reduced?

"In the short run, probably not very much. The danger of immediate destabilizing Soviet actions would be small, since Moscow would be reluctant to apply threats or pressures that might stimulate Western European defense cooperation and closer Atlantic ties."

Desirable Russian action would be just as unlikely, they add. There would be no longer any incentive to negotiate mutual force reductions.

Any unilateral American withdrawal also could have disastrous effects in West Germany. Without strong conventional American forces in Germany, they argue, Chancellor Willy Brandt's "Ostpolitik" forces would be doomed. Bonn would have to choose between building a national military force to fill the gap—a force that would lack credibility, or take the more palatable short-term political route and order parallel cuts in military spending.

POLITICAL STORMS

"The emergence of a militarily weak and politically disarmed West Germany could strongly attract the U.S.S.R. toward a policy of renewed pressure on Western Europe," the Brookings writers say.

They also point out that any American withdrawal would cause political storms in Western Europe that would impede or even end movement toward unity and would touch off anti-American sentiments that could cripple trade and monetary cooperation.

Treasury Secretary John Connally has repeatedly reassured Western Europe that troop cuts are not considered part of President Nixon's new economic policy.

Today it is NATO's ability to fight for some time without using nuclear weapons that makes strategic deterrence credible, the writers argue, and that ability depends on conventional forces.

SOME SEE ADVANTAGE

Some believe that a unilateral cut in U.S. forces would shock the European NATO countries into strengthening their own defenses and prod them toward political union. The Brookings Institute writers claim that Europe's long dependence on the United States and its current lack of a steady impulse toward unity makes it just as likely that most NATO countries would cut their own forces and follow separate paths toward accommodation with the Soviet Union.

Over a period of time; the writers say, there may be more progress toward European unity, but for now NATO provides the political stability Western Europe needs if it is to achieve the internal progress needed to overcome its military dependence on the United States.

Proponents of U.S. force cuts argue that redeployment to the United States would save money, ease the strain on the U.S. balance of payments, and promote a more equitable distribution of the NATO defense burden. The writers say we would not save money simply by bringing troops back and stationing them in the United States.

AIRLIFT COSTLY

Cost reductions, they add, could be achieved only if we reduced the forces we maintain for European contingencies wherever they are stationed. Simply transferring a U.S. division from Europe to the United States could end up being more costly, because of the need to pay for expensive airlift capacity to return troops to Europe in an emergency, the Brookings writers said.

A solution to the balance-of-payments problem, the writers recommend, lies in negotiating cost-sharing and foreign exchange offset arrangements with NATO partners that would make the cost of U.S. troops in Europe no different from those stationed at home.

THE SECRETARY OF DEFENSE,
Washington, D.C., November 18, 1971.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: I learned last night that the Defense Appropriations Subcommittee of the Senate has adopted an Amendment offered by Senator Mansfield that would cut US troop levels in Europe. In light of my deep concern over this precipitate action, I immediately issued the following statement:

"The proposal of a Senate Appropriations Subcommittee to slash US military strength in Europe by more than 60,000 men by next June 15 is dangerous, and would undermine chances for the success of mutual and balanced force reduction negotiations. This ill-timed action would threaten the peace which NATO nations in Europe have enjoyed for more than a quarter of a century.

"As we prepare for negotiations with the Warsaw Pact, unilateral disarmament would be reckless. I am confident that the Congress will reject the imposition of an arbitrary ceiling on our deterrent military strength in Europe."

I cannot stress strongly enough my deep concern over the consequences that would flow from Congressional approval of such a troop reduction in NATO at this particular time.

In my judgment, these consequences would entail:

A severe loss of confidence in the ability of the United States to honor its commitments.

Further allied uncertainty concerning our determination to bring prospective negotiations with the Warsaw Pact to a proper conclusion. This could impact on the security of Europe for years to come.

A weakening of our ability to negotiate with the Soviet Union from a position of strength. I have repeated this theme continuously to my fellow ministers of defense, and I intend to continue emphasizing this point during the forthcoming December NATO ministerial meetings.

Undermining the agreements we have already arrived at within the Alliance to meet with members of the Warsaw Pact to discuss mutual and balanced force reductions. The Alliance has selected former Secretary General Brosio to explore the basis for negotiations with the Warsaw Pact and he is now anticipating his first meeting in Moscow. U.S. reductions at this time could seriously undercut the progress already made and the prospects for future progress.

A strong likelihood that our Allies will lose the momentum behind their own force improvements. Not only did European nations last December commit $1 billion above programmed defense expenditures over the next five year period, but they have since projected additional significant expenditures earmarked for force modernization. This is ample evidence that they are committed to an increased shouldering of the common defense burden.

A Soviet conclusion that they can count on a unilateral withdrawal of U.S. forces from Europe, thereby removing their incentive for meaningful negotiation. This could also impact unfavorably on other negotiations we are conducting with the Soviet Union by leading them to believe there is no need to bargain seriously with us. Some Europeans, with their confidence in collective security seriously eroded, could also be given an incentive to move toward accommodation with the Soviets thus further diminishing Soviet incentives to deal with us.

Finally, and perhaps most importantly, creating an impression on our Allies that we are unwilling to keep our pledges. This Administration has established its credibility throughout the world by its willingness and ability to keep its commitments. In Vietnam, in Berlin, in SALT, we have done what we said we would do. It is imperative to our security that we be given the opportunity to improve our posture and reduce our burden in Europe through negotiations.

I am confident that President Nixon's Strategy for Peace can succeed and will succeed if we do not abandon the principle of moving into negotiations from a position of strength.

I would hope that as you have an opportunity to reflect on the impact of this action at this time, you will agree with me that this is not the time for a unilateral weakening of our defense posture in Europe.

Best regards,

MELVIN R. LAIRD.

Mr. STENNIS. Mr. President, I yield one-half minute to the Senator from New York (Mr. JAVITS).

Mr. JAVITS. Mr. President, the size and the nature of the U.S. presence in Europe in the 1970's is an issue of vital importance on both sides of the Atlantic. For the first time in 25 years basic assumptions regarding the U.S. presence—in all its manifestations—are being questioned and reconsidered.

In the field of military security, the NATO Treaty has completed the 20-year period specified in article 13 and adherence to the treaty is now subject to denunciation by any of its members on 1 year's notice.

At the December 1969 meeting of the NATO Ministerial Council, the Nixon administration pledged to maintain the current U.S. troop levels in Europe at least through mid-1971. The level and the nature of the U.S. military presence in Europe beyond that date is yet to be determined. It will be influenced in an important way by developments relating to other aspects of the U.S. presence in Europe, including trade between the United States and the EEC and aid to the developing world.

Also, the progress of Chancellor Brandt's Ostpolitik, and the prospects for a European security conference, undoubtedly will influence the decision regarding future U.S. troop levels in Germany and Europe as a whole. The success or failure of the Strategic Arms Limitation Talks—the SALT negotiations—between the United States and the Soviet Union could have a profound influence on the nature the western deterrent, not only in global terms but in terms of the conventional—and tactical nuclear—defense of Western Europe.

In my judgment, however, the most important factor determining the military security relationship between the United States and Western Europe in the years just ahead will be, first, the unfolding of the Mideast crisis now reaching the climactic stage; second, trade and financial relations; and third, negotiations between the Soviet Union and the People's Republic of China.

In the Mideast, Europe and NATO are living on a powder keg; in trade and financial relations the United States and Europe are on the verge of a trade war.

As we have discussed today, the stakes in the Mideast for the United States are very high for it is an area of vital security interest to the United States—as it is to Europe. The Mideast—rather than Vietnam—is an area in which the Kremlin has chosen to test U.S. power and resolve, and the tenor of its political leadership of the West.

While the Mideast is an area of high importance to the United States, it is an area of direct, critical importance to Western Europe. The Mideast commands Europe's land, sea, and air routes to Asia and Africa. Fifty percent of Europe's industrial energy resources—and 80 percent of its oil—are obtained from the Mideast. The Mediterranean is the point of attack on Europe's soft underbelly.

Because of the importance of the Mideast to European and U.S. interests, and because of the nature of the Soviet challenge there, the role which Europe plays in the developing Mideast crisis is likely to have a major effect on the nature of United States-European security ties during the 1970's.

The U.S. presence in Europe has, of course, other major facets besides the military. The U.S. economic presence in Europe is a matter of prime importance on both sides of the Atlantic. American investment in European industry continues to elicit controversy. Within the international monetary community, questions concerning U.S. balance-of-payments policy and the future role of the dollar are subjects of highest concern. All of these questions are directly related to the cost and contribution of security expenditures and will bear heavily on decisions regarding the level of U.S. troops maintained in Europe over the next decade.

I wish to emphasize that issues of the highest importance to the United States are now being negotiated in Europe. The issues now under negotiation are of transcendent importance as they could determine the fate of Europe for the remainder of the century. The massive freeze in Western and Eastern European affairs for the past 25 years is cracking and a glacial flow has commenced. In my judgment, it is essential that the United States be alert to the possibilities as well as the dangers inherent in the present situation of flux and that we be prepared to invest the energy, attention, and resources necessary to enable us to join effectively in the shaping of the future of Europe now beginning to emerge.

The critical point has not yet been reached on mutual balanced force reductions. We cannot forego this opportunity. If we risk the situation by giving the signal for withdrawal now by pulling out 60,000 troops we put both the negotiations with the Soviet and Europe in jeopardy. If we leave a vacuum by giving this signal Europe will either move toward the Soviet Union, or West Germany will have to fill this vacuum. If the former, negotiations so promising for peace are over. If the latter the Soviet Union with its deep-seated fear of German nationalism will even more deeply divide Europe, and further jeopardize peace.

Mr. MUSKIE. Mr. President, over the last 6 months, the Nixon administration has both carelessly and unnecessarily strained U.S. relations with some of our principal allies—Canada, Japan, and West Germany, to name a few. Nixon administration actions have been high-handed and unilateral, and they have given scant attention to the problems and interests of our allies. Many of us in the Senate have criticized the President for these actions. By voting now to reduce American force levels in Europe by as many as 60,000 men without prior consultation with our allies, we would be committing the same kind of diplomatic error.

I do not believe that there is any political or military magic in maintaining our current European force level of 310,000. There is fat in our European forces that can and ought to be trimmed. I am convinced that our European forces must be reduced over time by substantial numbers. But these reductions should be made only after consultations with our allies. And such reductions should be part of a planned and orderly program of withdrawal so that both allied and other nations understand our intentions precisely, and are informed as to how many troops are to be withdrawn and how many will remain.

To withdraw without consultation and without such planning might persuade others that we are weakening a European commitment which we actually want to maintain. We should not create such an illusion where the reality is not intended and not desired.

When I voted several months ago against the amendment to make substantial troop cuts in Europe, I said that consultations with our allies and our decision about U.S. troop levels in Europe depended upon a number of other issues: among them, the state of West German Chancellor Willy Brandt's policy of Ostpolitik, the U.S. balance of payments, and negotiations with respect to mutual and balanced force reductions—MBFR.

The fate of Chancellor Brandt's Ostpolitik still hangs in the balance. His government has successfully negotiated agreements with Poland and the Soviet Union. Berlin negotiations with the East German regime are in progress. At this critical juncture, I fear that German opponents of this policy of normalization could use American force reductions to undercut domestic support for Ostpolitik.

The U.S. balance of payments has continued to deteriorate disastrously, and we must act swiftly to reverse the decline. But the removal of 60,000 men from Europe would have very little effect on that problem. Instead, we must demand from our allies additional offsetting payments to neutralize the balance of payments cost of keeping our troops in Europe. But this can only be done appropriately and effectively by means of tough negotiations. To withdraw some troops unilaterally might only undermine ongoing negotiations with our allies for offsetting payments for our remaining troops.

The situation with respect to MBFR has also changed over the last few months, but in the direction of making it even more imperative that a unilateral American troop cut be avoided at this time. Former NATO Secretary General Manlio Brosio has been making the diplomatic rounds, including Moscow, to see what can be done to get these negotiations underway. I believe that mutual and balanced force reductions in Europe represent one of the most critical and important arms control possibilities in the near future, and I urge the administration to move forthrightly toward this goal. But I do not believe unilateral withdrawals, at a time when the Soviets have indicated their willingness to negotiate for mutual withdrawals, will advance the prospects of MBFR.

Mr. President, I do not believe this is the time for making unilateral force reductions in Europe. But I do believe this is clearly the time for tough negotiations and planning for such force cuts in the near future, and I urge the administration to press ahead with negotiations among our NATO allies and with the Soviet Union for mutual and balanced force reductions at the earliest possibility.

XUM

Mr. BEALL. Mr. President, last spring the Senate defeated efforts to precipitously reduce U.S. troop strength in Europe. But once again we are confronted with this issue and if it is deleted from this bill, I am sure that it will be brought up again and again. That fact alone does not discredit the merits of this case, however, and I would like to take this opportunity to briefly examine the merits of our commitments in Western Europe.

The North Atlantic Treaty Organization, no matter what its shortcomings may be, has served an immensely important role in the postwar era. The creation of NATO was a direct response to a very real threat. By 1948, it had become clear to everyone that the Soviet Union intended to retain perpetual control over the nations of Eastern Europe and to extend its influence as far westward as possible. NATO was created as a shield to such expansionism and its success can hardly be discounted.

Combined with the Marshall plan, NATO provided the Europeans with the military security that fostered a sense of renewed confidence in their future. As we have seen throughout history, political stability, domestic tranquility, and military security lead to economic growth, cultural creativity and a reduced likelihood of war. NATO helped to tap the immense technical, human and economic resources of postwar Europe.

In recent years, we have seen a distinct lessening of tensions along the Iron Curtain in general and in the Berlin area in particular. The recently negotiated Berlin accords hold out hope of a significantly improved atmosphere for East-West relations throughout Europe. In fact, I believe that it is safe to say that the success of NATO has contributed to a rethinking of Moscow's objectives in the post-Stalin era.

But the past successes of the North Atlantic Treaty Organization do not in themselves warrant our blind allegiance to existing policies. But there are a number of considerations which must be given to any fundamental shift in our Nation's foreign policy.

I think that it is extremely important for all of us to remember that the Constitution charges the President with responsibility for the execution of our foreign policy. If the U.S. foreign policy is to be a success, it must be credible. If it is to be credible, it must be coherent. Thus, we cannot speak to the rest of the world with more than one voice.

Over the last quarter of a century, the Congress has participated in the formation of this policy by ratifying the NATO Treaty, appropriating the funds necessary to implement it, by confirming the various military and diplomatic personnel needed to fulfill America's commitments to NATO, and so forth. Now the Senate, via the appropriations procedure, seeks to precipitously and arbitrarily alter the foreign policy of the United States and perhaps more significantly to usurp from the President, his responsibility for the implementation of said policy. For a Senate which talks a great deal about Presidential credibility, I think it is significant to note that it is not the credibility of the Senate that is at stake in this matter, but the credibility of the United States in its dealings with nations overseas.

I would remind my colleagues in the Senate that the President of the United States is not opposed to a reduction of U.S. forces in Europe. President Nixon's willingness to expend every effort in the search for a just peace is reflected in his willingness to journey to Peking and Moscow, the capitals of our two most formidable adversaries. While in Moscow, it is clear to everyone that the President will be seeking to achieve the reduction of Soviet forces in Eastern Europe to correspond with our reduction of forces in Western Europe. The Deputy Foreign Ministers of the NATO nations recently met to discuss the issue of mutual and balanced force reductions. Manlio Brosio, former Secretary General of NATO, has been asked to travel to Moscow to "explore" the possibilities of initiating MBFR talks. It would be tragic for the U.S. Senate, at this moment in history, to arbitrarily force a unilateral reduction of American manpower in Europe, thus scuttling a perfect chance for a negotiated settlement that could significantly improve the chances of building a lasting peace.

The unilateral cutback of American troops would have an unsettling effect on the Europeans. Our intentions, as well as our will, to carry out our commitments are being questioned. A less secure, less stable, less confident Europe is much more likely to follow policies which will serve to lessen our influence. Thus, they will follow economic, political, military, and diplomatic policies that may run counter to our national interest.

The Middle East is an especially explosive area of the world at the present time and NATO's southern flank extends into this region. In addition, the 6th Fleet patrols the Mediterranean Sea. An arbitrary percipitous cut back now would obviously diminish our ability to maintain the balance of power necessary to insure Israel's security. It would diminish our ability to counter the Russian buildup in the eastern Mediterranean area, and it would further diminish our influence in the remaining pro-Western Arab States—many of which are rich in oil and vital to the economic health of the Western World.

Mr. President, in conclusion I would simply remind my colleagues in the Senate that President Nixon will shortly be journeying to Moscow in an effort to lessen tensions and improve the chances for building a "generation of peace." Whether some of my colleagues in this Chamber are willing to admit it or not, I think history is going to tell us that President Nixon, during his first term in office, clearly and correctly perceived the changes that have taken place in the world today. He may already have achieved for himself the status of being a great President, because he has modernized and redirected our foreign policy in keeping with the needs of the last third of the 20th century. I enthusiastically support the amendment which will strike this provision from the defense appropriations bill. I believe that it is incumbent upon us to support those organizations, commitments, and forces which are working to promote the cause of peace. To do less would undermine the President's position as he prepares to meet with the leaders of the Kremlin. The Senate, by its vote on this measure, will tell the world whether the President goes to Moscow to deal with our adversaries from a position of strength or a position of weakness.

Mr. SCOTT. Mr. President. I think we must consider the consequences which will result from the precipitate action called for by section 744, which would require us to reduce our forces in Europe to some 250,000 personnel by June 15, 1972. Whatever may be said about this section, foremost in my mind is that it fails to take into account one cardinal fact—our forces in Europe are there in our own national interest.

This section calls upon us to reduce our forces by nearly 60,000 men. If we should carry out these cuts we would, of course, make a gift to the Soviet Union of removing and significantly weakening our defense posture in Europe, an area of vital importance to this Nation's security.

The Senate is aware that we are well along the path to serious talks with the Soviet Union and its Warsaw Pact allies on a number of important security matters. Together with 13 of the members of NATO, we have recently appointed Manlio Brosio, former Secretary General of that organization, to explore the willingness of the Soviet Union and its Warsaw Pact allies to enter into serious negotiations on the mutual reduction of forces in Europe. We hope he will soon visit Moscow—but the mere fact of this provision could influence the Soviets not to extend the invitation we have been momentarily expecting.

If we reduce our forces at this time, we shall also substantially reduce our bargaining leverage with the Soviet Union, for what incentive would that nation have to engage in talks about mutual reductions when we move by ourselves unilaterally to remove a substantial number of our own?

Beyond this, we have also indicated our willingness, with evidence of good faith on the other side, to prepare and actively to participate in a conference or conferences on European security. But once again the very success of these and other efforts lies in our willingness to maintain a strong bargaining position—which means our resolve toward Europe must not be lessened.

Clearly NATO's preparations for negotiations on mutual and balanced force reductions, and for a conference on European security would be endangered by a decision on our part unilaterally to reduce our forces.

First of all, such action would be a great shock to our Allies, who would leap to the conclusion that without prior consultation or discussion the United States would unilaterally abrogate the commitments made by its President to maintain its forces in Europe and not to reduce them without reciprocal action by our adversaries. In the disarray and confusion which could follow the adoption of this section, our Allies might well give up in despair the increased defense efforts

which they have begun or agreed to undertake toward improving the conventional posture of the alliance and toward a more equitable sharing of the common defense burden and which would amount to over $1 billion. They might well be tempted to strike a bargain with the Soviet Union leading to an increase in its power and influence in Europe, filling the gap left by the withdrawal of the United States.

Section 744 would constitute a giant blow at the foundation of a policy that has been painstakingly constructed in cooperation with our allies since the end of World War II—looking to the day that we seem to be rapidly approaching where both sides are convinced that negotiations are the way to a lasting peace. The fruits of this policy can be seen in the SALT, or in the successful conclusion of the first phase of the Berlin negotiations.

I cannot accept the contention that we should change at this critical hour a policy that has been carried forward steadily by five successive Presidents, backed by overwhelming bipartisan support. I fully support the view that our forces in Europe are there in America's interests; they are not there simply to protect Europeans—our involvement in two world wars on European soil fully substantiates this.

This provision, of course, strikes not only at our ground forces in Europe but at our air and naval forces as well. We have long been concerned with the buildup of Soviet power in the Middle East and particularly with the heavy arms supply program by which the Soviet Union has undertaken to support Egypt. Have we considered, Mr. President, the possible effects on the peace and stability in the Middle East of a significant withdrawal of our naval forces in the Mediterranean? I think this is a matter on which we all should reflect carefully before adopting this language.

I am aware of the desire to see the expenses devoted to the defense of this Nation used, when possible, to help stabilize the economy. But we must not be penny wise and pound foolish—if the forces were demobilized, obviously there would be some savings, but are we willing to see our overall defense posture reduced further? In addition, unless we are prepared to demobilize the forces we return to the United States, there would be no financial savings. I suggest the proponents of this section gather the economic facts entailed in bringing our forces home from Europe and weigh them carefully in light of the political and military consequences of this action.

At this point, let me warn against confusing appearance with reality. There is growing interest in detente and peace. Varying signs exist in all parts of Europe that now may be a time to make strenuous efforts in this direction. The administration is aware of this. Its policies reflect this. However, in Europe we have an ambiguous situation—Europe is in a period of transition.

On one side of the coin there are signs of an evident desire for detente. On the other side of the coin, the Soviet Union maintains in Eastern Germany 20 modern, well-equipped divisions as well as forces in Czechoslovakia and Poland. These are being continually improved. It maintains in Central Europe a modern, strong air force. This represents a force of some 520,000 men in Eastern Europe. Moreover, the Soviet Union is making efforts to modernize and develop the forces of its Warsaw Pact allies. There continues to be a rapid expansion of Soviet military activities in the Mediterranean and a concomitant growing of their influence there. The millennium has not yet embraced Europe.

In 1963, prior to the beginning of the era of flux that I have just noted, General Eisenhower called for a reduction of some of our forces from Europe. You will recall that at that time the United States enjoyed overwhelming nuclear superiority and the strategy of flexible response, which would give NATO strong conventional forces to deal with the age of nuclear parity, was still years away. General Goodpaster explained last year in his testimony before the Subcommittee on Foreign Affairs that General Eisenhower had, from the time we sent 4 divisions to Europe in 1951, assumed European progress toward unity that would eventually permit Western Europe to take over most, if not all, of this responsibility. General Goodpaster said that he believed circumstances that would permit that course without loss of what had been achieved had not come about.

Finally, I believe that there are fundamental misunderstandings about the role our forces play in Europe, the costs of maintaining them there, the impact withdrawal would have on our economic program, and a lack of appreciation for the political and military consequences of a United States withdrawal.

I have no doubt about the importance of recent developments in Europe, the sense of detente in the air, and the opening of new lines of communication to the East. However, I do have great doubt about any move which would significantly weaken our military posture in Europe at a time when we and the Europeans are engaged in serious efforts to make adjustments which can have a vital effect not only on the continent's future peace and security but on that of the United States.

NOW IS NOT THE TIME TO LEAVE EUROPE

Mr. DOLE. Mr. President, I rise to bring the attention of the Senate to the grave implications of the recent course proposed by the Appropriations Committee when it recommended that the troop authorization for the United States in NATO be slashed by 60,000 men.

The Senator from Kansas believes such a move would be detrimental to our relations with Western Europe at a time when the economic climate between the two continents is already strained. It would be ominous in a military sense, and it would be politically injurious to the United States. This action, if accepted by the Senate, would undermine the President's ability to effectively discuss troop levels when he visits Moscow next year. It would also reduce the potential for negotiated efforts toward mutual and balanced troop reductions in Eastern and Western Europe. It would lower the threshold for possible nuclear war by reducing conventional conflict capabilities, and in reality, it would create a greater strain on our finances than would our present deployment in Europe.

If passed by the Senate, the troop cut proposed by the Appropriations Committee would seriously undermine America's present strategy for sustaining peace in Europe. The greatest danger arising from this proposal is its timing which would have it implemented at the same time that the President will be visiting Moscow. This would make it most difficult for the President to discuss mutual balanced troop withdrawals from Europe with the Russians. It would also undermine the President's credibility for bargaining or negotiating on other matters, for the Russian leadership could become increasingly prone to thinking of the U.S. Senate as "Santa Claus."

Today, I would like to discuss the implications of this untimely troop cut proposal in the context of America's successful strategy for peace in Europe.

At the heart of the question of our force levels is the nature of our strategic objectives in Europe. These objectives are the result of plans which have continually been reviewed and subjected to critical scrutiny. These plans have enabled us to sustain a military and political balance calculated to insure the security and stability of Western Europe in a coherent manner.

OUR STRATEGY IN EUROPE REQUIRES MILITARY FLEXIBILITY

Now that more than 25 years have passed the Second World War, we now appear to be entering a period of negotiation with our adversaries. However, it is equally clear that these adversaries and particularly the Russians are as willing as ever to use their military power to promote their own political advantage to our detriment.

Our NATO strategy must counter the military and political might of the USSR. To do so it must be threefold. It must deter war in Europe and provide the Europeans with enough strength to conduct effective negotiations with the USSR and its allies. If deterrence should fail it must ultimately enable the NATO alliance to defend itself successfully. If it is to do so, it must anticipate the entire range of possible threats from conventional to nuclear, for if NATO is to operate as an effective military deterrent, it must have convincing responses to all possible Warsaw Pact initiatives. Today, NATO has such capability out more than ever it is necessary that we sustain NATO's conventional forces capability. We are at a stage when we have nuclear parity—a general and regional nuclear standoff with the Soviets—but under today's conditions great nuclear power capability is no longer a guarantee of military stalemate due to the unacceptable risks inherent in its use at any level.

RELIANCE ON TACTICAL NUCLEAR WEAPONS IS DANGEROUS

Reduction of our conventional forces in Europe without undermining NATO's flexible response strategy is dangerous for it implies huge risks in the event of conflict at any level. Soviet military might both nuclear and conventional—is grow-

ing. The Soviet military presence is expanding into the Mediterranean, Near East and Indian Ocean while their grip on Eastern Europe remains as tight as ever. Whether we meet this challenge depends upon the credibility of our military forces and especially our conventional forces.

Some proponents of troop cuts argue that we should rely more on tactical nuclear weapons in Europe so that we could reduce our conventional forces. While it is true that NATO has plans, procedures and ample means for the use of nuclear weapons at every level of conflict intensity, this is equally true of the Warsaw Pact. Therefore, if we initiated the use of nuclear weapons at an early stage of a conflict in order to avoid being militarily overwhelmed, we would face the real risk of retaliation in kind with the grim likelihood of escalation up to full strategic exchange.

Therefore, a strategy of greater reliance on tactical nuclear weapons would confront us with the monumental dilema of either risking military defeat or resorting almost at once to nuclear combat. In addition, a shift to such a strategy, would certainly involve vast damage to the society and economics of our allies in the event of a conflict. Such possibilities would seriously undermine both the European support for NATO, and United States commitment, for it could assure the destruction of Europe and increase the likelihood of general war with the attendant nuclear threat to the United States.

OUR PRESENT FORCE LEVEL IS JUST ENOUGH

As things now stand, NATO forces are of sufficient quality and size that they could conduct a realistic defense of Europe. Our ground forces in the key central region—even without France—are only slightly smaller than those of the Warsaw Pact and, with mobilization, would constitute a formidable military power. The two alliances would be roughly in balance after mobilization of their conventional forces. In short, any Warsaw Pact attempt to invade Western Europe today would require the use of force on such a scale that the Soviet Union is well aware that its own national survival would ultimately be risked. To reduce our NATO based forces now, without a corresponding reduction in Soviet forces, would clearly increase the military risks and decrease the political security of Western Europe. It would thus weaken the alliance and create in Europe—especially Germany—conditions conducive to a decisive political advantage for the Soviet Union.

THE POLITICAL AND LOGISTICAL INADEQUACY OF DUAL BASING

There are some who accept such risks, citing the apparently remote likelihood of a European conflict. They feel that we could do just as good a defensive job if we withdrew some of our forces on the understanding that they would be rapidly returned in the event of a crisis. The trouble with this is that we have already withdrawn 2⅔ divisions, on the understanding that they would return to Europe in a crisis. The transportation of these forces to the European theater will in itself strain our Air Force transport capacity.

Further reliance on forces stationed in the United States would require buying more transport aircraft and the additional prepositioning of equipment in Europe—both at very high cost. Such dual basing in the absence of adequate transportation would gravely weaken NATO. Dual basing would also seriously heighten a preconflict crisis of a political nature to a critical level. For such an overseas mobilization would carry with it to a crisis a momentum which could make conflict almost inevitable. In addition, one might also bear in mind the difficulties of coordinating and integrating United States and European forces on such short notice. In all probability this prospect alone would involve sufficient complexity to make the dual-basing concept wholly impractical as well as politically inadvisable.

FLEXIBLE RESPONSE REQUIRES 310,000 U.S. TROOPS

Our present strategy of flexible response is the best and safest means of sustaining our national security interests in Europe. However, this strategy will remain credible only as long as we maintain a sufficient conventional force level to meet aggression as far forward as possible and at any level of violence. The presence of our 310,000 men in the European theater constitute a force which has been carefully calculated to satisfy such a need. These 310,000 men are scattered from Greenland to the eastern Mediterranean. With a manpower deployment as thin as this, an arbitrary force reduction of 60,000 men—20 percent of our force—would leave dangerous gaps. As they now stand, our troops are a potent force and provide an essential alternative to nuclear conflict. They are the cornerstone of the whole alliance structure, a barometer of our commitment to the defense of Europe and at the heart of a strategy which places a high premium on reducing the risks of nuclear war.

A TROOP CUT WOULD REMOVE SOVIET INCENTIVE TO NEGOTIATE

We are now at a point when negotiations are underway or planned which could lead to far-reaching changes in Europe. We have been engaged in Berlin negotiations and SALT talks with the Russians. The possibility now exists for a conference on European security and negotiations with the USSR and Eastern Europe on mutual and balanced force reductions between NATO and the Warsaw Pact. A cut in our own forces before these various negotiations were concluded or even begun would undercut, if not defeat our overall diplomatic objectives in Europe. If the Soviets believe they can sit back and wait for us to reduce our forces unilaterally, they will have no incentive to make reciprocal reductions. For this reason alone the maintenance of our current force levels in Europe is vital until we have had a chance to test Soviet willingness to engage in serious negotiations.

The simple fact is that a unilateral reduction of our forces at this time would be interpreted by the Russians as well as our European allies as a reduction of our political commitment to defend Europe.

A TROOP CUT NOW WOULD SERIOUSLY UNDERMINE THE PRESIDENT AT MOSCOW

Next spring, President Nixon will journey to Moscow and his agenda will be certain to include a discussion of troop reductions in Europe as well as possible moves to lower tensions in other areas of the world. If the Senate gratuitously offers the Soviets a unilateral reduction of our forces in Europe how can the American people expect their President to persuade the Russian leadership to do likewise? What can he offer in exchange? The major reduction called for in this bill would seriously diminish the negotiating position and even the leadership credibility of the President. For who in Moscow could deny the possibility of other unilateral cuts of American strength elsewhere on the globe by the U.S. Senate?

The Senator from Kansas believes that a "summit" meeting calls for statesmanship and coherency of purpose by all branches of U.S. Government. If the President is to have the respect of his Soviet counterparts, he must have options available for purposes of negotiation. A unilateral troop cut could undermine the President on the eve of his visit to Moscow and diminish the prospects for useful agreements there.

WE MUST REMEMBER

If we were to adopt the reduction of our force level for NATO by 60,000 men we would bring heavy pressures on our European allies to reach accommodations with the Soviet Union and Eastern Europe. Such a development would not be in the national interest of the United States. In recent months and for weighty reasons of national well-being, the United States has imposed its trading partners in Europe—and elsewhere—a 10-percent import surcharge. This move has had particularly strong effects upon our friends in Western Europe, since they have traditionally exported manufactured goods to this country.

If we were to compound the political and economic strains arising out of these economic difficulties with the Europeans by staging a major reduction of our troop levels in NATO, the effect would be highly suggestive of isolationism and diminished American commitment to Western Europe. The balance of power which we have sustained there to contain the imperial ambitions of the Soviet Union would be seriously undermined.

ISRAEL COULD BE WEAKENED BY THE TROOP CUT

The troop cut proposed in the appropriations bill will injure the credibility of U.S. commitments beyond Europe. All of the world is aware of the paramount importance which the United States has historically assigned to Europe as a strategic theater. If we diminish our credibility there by a 20-percent troop cut, how can Israel and the other nations of the Middle East watch unmoved? The friendly and moderate Arab States will be weakened and will turn more toward the Soviet Union. The radical states in the Middle East will be emboldened. Ultimately, the position of the Soviet Union in the Middle East would be enhanced politically, if not militarily.

The reduction by 20 percent of U.S. troops in Europe as suggested in the pending legislation would weaken our already thinly deployed troop levels across the board. This would affect our troop strength on the southern Mediterranean flank of NATO, and would diminish our ability to contain a conflict situation in the Mediterranean area and specifically, from Israel's point of view, the Middle East.

THE LESSONS OF HISTORY

History clearly shows us how the nations of Europe react to perceptible shifts in political and military commitments. One need look back no further than Soviet-Nazi nonaggression pact or the course of Finland in recent years to appreciate the fact that nations react to preserve their own interests. The interests of Western Europe following diminished American commitment to NATO would flow in the direction of political and economic accommodations with Eastern Europe and the Soviet Union. Such a shift by Europe could only accrue to the immense benefit of the Soviet Union.

I do not believe that conflict is likely to occur in Europe, although possibilities certainly exist there. However, governments must act to cover their bets when political shifts occur and weakened American commitment to NATO would assuredly change the political and military balance in Europe.

The lessons of history show us clearly that the best diplomatic policies are those which prevent weakness and avoid excessive military burdens. I believe that the President is following such a course. We seek stability in Europe and the normalization of Western relationships with Eastern Europe and the Soviet Union. We seek to preserve the independence of all nations and to promote their self-reliance. In Europe we can achieve this by coherent and timely behavior designed to promote successful negotiations between NATO and the Warsaw Pact. We can only expect such understanding to evolve from positions of mutual respect and capability. The troop cut would defeat this objective at the very time that the President would travel to Moscow in pursuit of it.

The proposed troop cut is badly timed. It would defeat our strategic interests in Europe and it would diminish prospects for great power troop negotiations. It would weaken the President at Moscow. I urge that the troop cut proposal be defeated.

Mr. MATHIAS. Mr. President, it is apparent that our friends in the Atlantic community are decidedly uneasy about our intentions for the future. They hear us talk about unilateral reduction of troops stationed in Europe and they feel the impact of unilateral economic steps already taken by the United States. To actually reduce our NATO troop levels without consultation would confirm their worst fears.

We need to have a better relationship with Europe today than at any time since World War II. Europe is our major trading partner. Europe provides vital elements in our defense system. European central banks perform a necessary service in stabilizing the dollar in international money markets.

But we should have a coordinated policy to achieve a reduction in the number of all men under arms in Europe. A constructive alternative to a unilateral cut is the resolution I submitted which proposes a consistent and reasonable approach to that goal. While that resolution is not in order in this debate, I ask unanimous consent that it be printed in the RECORD. I express the hope that it may receive early consideration by the Senate.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Resolved, That it is the sense of the Senate that:

1. The United States should revitalize its policy of support for the North Atlantic Alliance and reaffirm the policy of the United States for full partnership in the defense of the entire Atlantic Community on the basis of self-help and mutual support; and

2. The United States should actively seek mutual and balanced force reductions to be brought about through consultations among the NATO Allies with view toward negotiations between the NATO powers and the members of the Warsaw Pact; and

3. The United States should continue consultations with its Allies on the level of American forces required on the Continent to preserve the Atlantic defense potential and on the apportionment of troop reductions among the members of the alliance in event of agreement with the Warsaw Pact powers on mutual force reductions; and

4. In the absence of troop reductions between NATO and the Warsaw Pact, troop reductions undertaken by the Soviet Union, or a significant strengthening of Western European defense capacity, the United States should make no substantial reduction in the current level of its forces deployed in Europe before June 30, 1973, at which time the United States should determine with its European Allies the level of American forces required for Western defense; and

5. The United States should seek, with its European Allies, to immediately improve the effectiveness of forces deployed in Europe and to encourage the development of a common Western European defense effort within the framework of NATO; and

6. The United States should continue to support steps furthering the progress of *detente* in Europe, in ways best designed to maintain the strength of the Atlantic Alliance and reassure its European Allies of its continued commitment to their peaceful development; and

7. The United States should undertake with its European Allies to resolve the current monetary and trade crisis, with a particular view toward augmenting the total strength of the peoples constituting the Atlantic Alliance, while building a new structure of international economic relations for the benefit of all nations.

Mr. KENNEDY. Mr. President, the amendment of the Senate majority leader which was adopted by the Senate Appropriations Committee establishes a reasonable reduction in the size of U.S. forces committed to NATO and stationed in Europe.

I also want to emphasize that the reduction is modest, approximately 50,000, and surely it cannot be argued that this is a new or unexpected development.

Over the past 6 years, the distinguished majority leader has continually sought to bring both Democratic and Republican administrations to face the issue of "How much is enough?" to meet our commitment to NATO.

I joined as a cosponsor of those amendments which were aimed at inducing the executive branch to negotiate a reduction of our share of the NATO burden. The resolutions also were aimed at encouraging negotiations with the Soviet Union to achieve mutual reductions in NATO and Warsaw Pact forces. Yet neither avenue has been pursued with the vigor demanded by the times.

That is why I believe the reduction of 50,000 men is a necessary step to bring our commitment of troops to NATO into line with present reality.

We must recognize that the stage on which we act is far different today from what it was 20 years ago.

The progression of events has made it necessary for us to reshape the responsibilities of the nations of the North Atlantic Alliance to reflect those changing events.

The enormous and positive developments in Europe—economic, political, and social—have occurred without an equivalent adjustment in the internal structure of the Alliance.

There has been a tripling of the per capita gross national product of the Federal Republic of Germany over the past two decades. That is only one indication of the massive changes which have occurred in the capacity of the various nations to contribute to Atlantic security.

The achievements of the Common Market and the impressive beginnings of an all-European space program are further evidence of the changes which have occurred in the past two decades which require an adjustment in the relative shares of the member nations.

I believe it would be unfortunate if we failed to recognize the changes which have occurred and opted for the maintenance of the status quo in the internal relationship of NATO.

This means a greater leadership for Europe within the Alliance. The action last year of the Euro-group should be seen as part of the natural expression of an expanded leadership role by the European nations commensurate with their increased capacities.

And in keeping with that capacity, I believe that a much greater share of the command decisions should be European.

What this also entails in my view is a decrease in the form of the U.S. commitment to the defense of Europe—not in the commitment itself.

It can be said quite clearly and has been in the past, that the first line of defense of the United States is in Europe. That is undoubtedly true. But in many more ways, we have continuing commitment to the security of Europe.

And it is in the context of a change in form not of substance that I believe the two seemingly contradictory elements of a reduction in U.S. troops and a reaffirmation of the U.S. commitment can occur.

I believe that a 50,000-man reduction should not be seen as a reduction in the U.S. commitment and I hope that others will confirm my view that we are willing to accept a long-term commitment for a substantial force level to NATO.

It is in that context that I believe the reduction proposed in the current bill does not reflect a turning away from Europe.

Also, I believe that the comparative troop levels of NATO and the Warsaw Pact demonstrates that this reduction in no way reflects a surrender to a trip-wire policy.

Composite statistics from the London Institute of Strategic Studies and the Department of Defense, which were placed in the RECORD last May 13 and which I ask unanimous consent to place in the RECORD again, demonstrate that the NATO division forces have actual manpower of 725,000 men available in the center region compared to 591,000 for the Warsaw Pact.

There being no objection, the statistics were ordered to be printed in the RECORD, as follows:

APPENDIX I

TABLE 1.—WORLDWIDE NATO AND THE WARSAW PACT, MID-1970

	NATO [1]	Warsaw Pact
Manpower:		
Army	3,360,500	2,822,000
Navy	1,029,500	529,500
Air Force	1,340,250	574,000
Total men	5,730,250	3,925,500
Combat aircraft	10,074	12,535
Nominal combat aircraft value	$30,600,000,000	$19,200,000,000
Total Defense budget	$75,526,000,000	[2] $47,158,000,000

[1] Excludes U.S. manpower, combat aircraft, and portion of Defense budget dedicated to Vietnam. Includes France.
[2] At U.S. prices. That is, the United States could "buy" the Warsaw Pact forces—pay the men at our pay scales and build the equipment in our own factories—for about $47,200,000,000 per year.

TABLE 2.—WORLDWIDE NATO AND WARSAW PACT FORCES, OCTOBER 1968

[Excluding U.S. increases for Vietnam]

	NATO	Warsaw Pact
Manpower:		
Army/Marines	3,000,000	2,850,000
Navy	1,070,000	470,000
Air Force	1,400,000	880,000
Total men	[1] 5,470,000	4,200,000
Tactical aircraft:		
Total inventory	11,500	9,000
Nominal inventory value	$27,000,000,000	[2] $16,000,000,000
Total Defense budget	[3] $75,000,000,000	[4] $50,000,000,000

[1] This total includes the forces of France.
[2] Approximate.
[3] Does not include U.S. costs for Vietnam.
[4] At U.S. prices. That is, the United States could "buy" the Warsaw Pact forces—pay the men at our pay scales and build the equipment in our own factories—for about $50,000,000,000 per year.

TABLE 3.—THE MILITARY BALANCE BETWEEN NATO AND THE WARSAW PACT, 1970

Ground formations	Northern and Central Europe NATO	Northern and Central Europe Warsaw Pact	Northern and Central Europe (Of which U.S.S.R.)	Southern Europe NATO	Southern Europe Warsaw Pact	Southern Europe (Of which U.S.S.R.)
CATEGORY						
Ground forces available to commanders in peacetime (in division equivalents):						
Armored	8	31	19	6	12	3
Infantry, mechanized and airborne	16	38	21	28	22	3
Manpower (in thousands):						
Combat and direct support troops available	580	900	585	525	370	74
Tanks: Medium/heavy tanks available to commanders:						
in peacetime	11,000	14,000	8,000	2,100	5,000	1,400
Air forces: Tactical aircraft in operational service:						
Light bombers	16	240	200		30	30
Fighter/ground attack	1,400	1,300	1,000	600	200	50
Interceptors	350	2,000	900	250	850	450
Reconnaissance	400	400	300	100	100	40

TABLE 4.—THE MILITARY BALANCE BETWEEN NATO AND THE WARSAW PACT, 1969

Ground formations	Northern and Central Europe NATO	Northern and Central Europe Warsaw Pact	Northern and Central Europe (Of which U.S.S.R.)	Southern Europe NATO	Southern Europe Warsaw Pact	Southern Europe (Of which U.S.S.R.)
CATEGORY						
Ground forces available to commanders in peacetime (in division equivalents):						
Armored	8	30	19	6	11	3
Infantry, mechanized and airborne	16	35	20	27	23	4
Manpower (in thousands):						
Combat and direct support troops available	608	925	600	525	375	100
Tanks: Medium/heavy tanks available to commanders:						
In peacetime	5,250	12,500	8,000	1,800	4,600	1,300
Air forces: Tactical aircraft in operational service:						
Light bombers	50	260	220		60	60
Fighter/ground attack	1,150	1,285	820	550	215	105
Air forces: Tactical aircraft in operational service:						
Interceptors	450	2,000	885	300	860	295
Reconnaissance	400	250	220	125	50	40

APPROXIMATE STRENGTHS OF MILITARY FORMATIONS

Country	Division (in men) Infantry	Armor	Airborne	Infantry brigade (in men)	Squadron (in aircraft) Bomber/fighter-bomber	Fighter	Transport
United States	16,000	15,500	13,500	4,000–5,000	12–15	18–25	16
Soviet Union	10,000	8,250	7,000	2,000	9–10	10–12	8–10
China	12,000–14,000	10,000	6,000	3,000	9–10	10–12	8–10
Britain	12,000–15,000	12,000–15,000		4,000–6,000	8–10	12–14	9–12
France	14,000	16,000	14,000	3,500–4,000	4–12	12–15	16
Germany (West)	15,500	14,500		3,000–4,000	15–20	15–20	12–18

Sources: Department of Defense, Office of Systems Analysis; The Military Balance, 1970–71, Institute of Strategic Studies, London.

APPENDIX II

TABLE I.—NATO AND WARSAW PACT FORCES (CENTER REGION), MID-1970

	NATO	Warsaw Pact
Land forces—M-Day:		
Divisions	[1] 22	[2] 45
Manpower in divisions	319,000	384,000
Manpower in divisions forces	725,000	591,000
Riflemen (NATO as percent of pact)	98	
Equipment (NATO as percent of pact):		
Tanks	[3] 85	
Antitank weapons	150	
Armored personnel carriers	130	
Artillery and mortars (number of tubes)	[4] 100	
Divisional logistic lift	150	
Total vehicles	135	
Engineers (percent)	137	
Tactical air forces:		
Combat aircraft	2,000	2,500
Percentage of force by mission deployed in Europe	20	40
Percentage of force by mission capability (center region):		
Primarily interceptors	10	
Multipurpose fighter/attack	48	15
Primarily attack	9	6
Reconnaissance	13	8
Low performance	20	29
Total (percent)	100	100

[1] Includes 5 French divisions.
[2] 22 of which are Soviet and 23 of which are East European, including 8 Czech.
[3] NATO tanks are generally more modern. The "relative weakness" in tanks reflects NATO's essentially defensive role.
[4] NATO is likely to have superior firepower because of the greater lethality of its ammunition and the logistic capability to sustain higher rates of fire.

Note: Effectiveness—NATO has some superiority in sophistication of equipment (i.e. payload loiter capability) the capability of its aircrews, which have in general higher training standards and fly more hours, and the versatility of its aircraft. The NATO countries also have a worldwide inventory of aircraft far greater than that of the Warsaw Pact and in a situation where total reinforcement can be taken into account would have the greater capability.

TABLE II.—CENTER REGION NATO AND WARSAW PACT FORCES, MID-1968 DATA [1]

	NATO [2]	Warsaw Pact [3]
Land forces—M-Day:		
Divisions	28⅔	46
Manpower in divisions	389,000	368,000
Manpower in divisions forces	677,000	619,000
Riflemen (NATO as percent of Pact)	100	
Equipment (NATO as percent of Pact):		
Tanks	60	
Antitank weapons	150	
Armored personnel carriers	130	
Artillery and mortars (number of tubes)	100	
Divisional logistic lift	150	
Total vehicles	135	
Engineers (percent)	137	
Tactical air forces:		
Number of deployed aircraft	2,100	2,900
Percentage of force by mission deployed in Europe	20	4
Percentage of force by mission capability (Center Region):		
Primarily interceptors	10	42
Multipurpose fighter/attack	48	15
Primarily attack	9	6
Reconnaissance	13	8
Low performance	20	29
Total (percent)	100	100
Effectiveness indicators (NATO as percent of pact):		
Payload	280	
Typical loiter time	[4] 250–500	
Crew training	180	

[1] These data relate to the situation prior to the Czechoslovakian crisis. Revised figures have not yet been established but they are unlikely to make a significant difference in the rough balance portrayed in this table. Center region includes West Germany, Belgium, Netherlands, and France for NATO; East Germany, Poland, and Czechoslovakia for the Pact.
[2] Includes 5 French divisions.
[3] 22 of which are Soviet, and 24 of which are East European, including 8 Czech.
[4] Range depends on tactical mission profile assumed.

Mr. KENNEDY. Thus, a reduction of 50,000 men does not in any way reflect a massive deterioration in the conventional military capability of NATO forces, as has been threatened.

In fact, if the composition of our forces were examined, I believe that the 50,000 reduction, when combined with reduction in the numbers of generals, a reduction in the numbers of support troops and a reduction in the numbers of headquarters, can occur without reducing significantly our combat capability.

After this matter was presented to the Military Committee of the North Atlantic Assembly meeting in Ottawa, of which I am cochairman, a resolution was adopted calling for a review of the organizational structure of the military forces.

The resolution which I introduced was specifically aimed at the U.S. force in Europe and at the current ratios of combat to support troops and the numbers and roles of headquarter units in relation to the forces they command. The resolution was later adopted by the General Assembly. I ask unanimous consent to print this resolution in the RECORD at this time.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RECOMMENDATION 11 ON THE MOST EFFICIENT USE OF MILITARY MANPOWER [1]

The Assembly,

Considering that the most efficient use of the available manpower of NATO forces will promote the defence objectives of NATO and the security of Europe;

Considering that there are different organisational structures within the military forces of the different member nations;

Considering that it would be desirable for any changes in force by any member country of NATO to be made in conjunction with a reorganisation of the remaining forces;

Recommends to the Defence Planning Committee of NATO that:

(a) it should undertake a review of the organisational structure of the member nation forces assigned to NATO, paying particular attention to the ratio of combat to support troops and to the numbers and roles of headquarter units in relation to the forces they command;

(b) it should recommend possible steps each nation might take to reorganise its forces in order to achieve an improved capability for the defence of Europe;

(c) it should report on the results of allocating NATO Headquarters and shape in the Brussels area and, according to its findings, recommend next steps to improve their efficiency.

[1] Presented by the Military Committee.

Mr. KENNEDY. Briefly, the question which the chairman of the Senate Armed Forces Committee also raised during hearings on the military manpower authorization bill this year is the following.

U.S. forces in Europe include 4⅓ combat division forces, approximately 200,000 men, very few of whom are actually combat troops.

The vast majority of those troops are support troops. Within the division force there is a 16,000 combat element, a 16,000 initial supporting element, and a 16,000 sustaining support element. In fact, even within the 16,000 combat element, there are 9,000 complementary supporting troops.

While it can be legitimately argued that the combat troops could not exist without the 9,000 complementary supporting troops, and perhaps a similar argument could be made for portions of the 16,000-man initial supporting element, the 16,000 sustaining support element is a totally different matter. They are designed to provide additional support in a time period long after any initial attack. They could easily be airlifted to Europe if they are needed at all.

In addition, we have some 7,000 officers and enlisted men assigned to headquarters commands, including 128 generals or flag officers.

So it is that I believe a 50,000-man reduction in our NATO forces can be accomplished without any major reduction in our combat capabilities. Surely the proposed reduction does not entail the horrendous results that the opponents of the committee amendment are suggesting.

Nor does this step reflect a rejection of the route of mutual balanced force reductions as the ultimate method for ending the present situation of two armed camps straddling the European Continent. If anything, it reflects a U.S. declaration of its readiness to enter into such negotiations.

Thus, I would hope that the legislative history would make clear that any further substantial reductions in the

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force level would take place only through mutual balanced force reductions.

Mr. President, I want to emphasize that our commitment to Europe is firm. We are not calling for a complete withdrawal of U.S. troops, nor do I believe that would be in the interest of the United States or in the interest of peace.

For 26 years, U.S. forces have garrisoned Europe. For 26 years, we have talked of the European nations assuming a greater share of the burden of their defense. Yet for 26 years, we have watched the support and logistical tail of our divisions curl around the Continent of Europe.

The time has come to end U.S. domination of the alliance and to permit the European nations to take a greater share of the military burden.

Mr. COOPER. Mr. President, the time for debate on the amendment of the distinguished majority leader, Senator MANSFIELD has been limited to 40 minutes in support and 40 minutes in opposition to the amendment. I oppose the amendment and I will vote "no" on retaining the Mansfield amendment in the pending Department of Defense appropriation bill.

As time is limited, there is no opportunity to give my reasons for opposing the Mansfield amendment.

When a similar amendment was last voted upon, on May 13, 1971—although the reduction sought there was 150.000 rather than 50,000 as in the pending amendment—I spoke upon the subject. I am therefore taking the liberty of placing in the RECORD—in small print—my speech at the time. The reasons I gave then are applicable at this time.

In fact, I believe it is even more important today to reaffirm our adherence and position in NATO, for it appears there is the possibility of serious negotiation on the subject of mutual and planned troop reduction of NATO and Warsaw Pact forces. This type of agreement cannot be secured by unilateral reduction of its forces by the United States.

The speech follows:

STATEMENT BY JOHN SHERMAN COOPER

Mr. President: It is not often that I differ with the distinguished Majority Leader, Senator Mansfield, on questions concerning foreign policy. He is universally respected for his integrity and judgment. But on this issue—the reduction of U.S. forces in the NATO alliance without any corresponding reduction of Soviet forces—I must differ with the Majority Leader and oppose his amendment.

Senator Mansfield's amendment to reduce United States forces committed to NATO has raised a fundamental question. It is a fundamental question that affects the basic security of this country. The amendment to cut United States forces by 150,000 troops poses a serious challenge to the strength and indeed the future existence of the NATO alliance and to the security of the United States.

What is at issue is whether continued U.S. military support of the NATO Alliance is in the United States interest. What is also at issue is whether the policy of deterrence—to prevent war with the Soviet Union, to prevent a nuclear war—that has evolved since the end of World War II will remain in force.

Senator Mansfield has raised valid questions about the cost of United States participation in NATO. Also, it is a valid question whether the actual contribution to NATO made by our European Allies is a true reflection of their economic capabilities and their security conderns.

We cannot minimize the cost the United States has paid and continue to pay to keep the NATO Alliance strong. Over three years ago, in preparing a report for the Military Committee of the Atlantic Assembly, I obtained an estimate of the cost of NATO to the United States from an analysis made for me by the Department of Defense. For the first time, it was revealed that the manpower—ground, air, naval—materiel and all attendant costs of the NATO mission in Europe, in the United States and on the sea, is about $14 billion a year. $8 billion of this $14 billion is for direct support of the approximately 250,000 military personnel we now have in Western Europe.

If the cost of the Sixth Fleet is included, the actual operating costs for our forces and dependents in Europe is about $7 to $8 billion. The remainder is for forces stationed in the United States, for ships and air power positioned in the United States and in the Atlantic and elsewhere, which, in the event of a war in Europe would be sent to reinforce NATO forces. But, as others have pointed out in this debate, and this must be emphasized—the forces cost to the United States would be reduced little, if at all, by the withdrawal of the forces proposed by the amendment before us, unless they were discharged from the service.

If we consider the NATO Military Alliance as necessary for deterrence, as a means of assisting in the prevention of war and a nuclear war and thus necessary for the security of the United States—and I do not believe this concept can be successfully challenged—then we must consider our cost in relation to that of our allies. The United States' contribution of $14 billion to the NATO mission is more than matched by the amounts spent by our NATO partners which is over $22 billion annually.

As for manpower, our allies supply by far the largest share, 20 divisions, while the United States provides 4⅓ divisions. The combined Gross National Product of Western Europe is somewhat smaller than that of the United States. Its total population is about ½ larger than the United States. In almost every respect I do not think that it can be argued that the Europeans have not made a substantial contribution to the NATO Alliance. And, now, since and largely because of, the announcement of President Nixon's desire to maintain U.S. strength in Europe and because of his determined efforts and that of Secretary Rogers in the NATO Council and of Secretary Laird, our NATO partners are strengthening their military capabilities and contributing large sums of the Alliance.

The Mansfield "sense of the Senate" resolutions of past years, even though not acted upon by the Senate or the House, have had good effect in urging upon our NATO allies in Europe the necessity of taking the action of improving qualitatively their active forces and reserves, of making contributions to infrastructure solely as English and European undertakings. Our allies are taking these steps today. I believe the passage of this resolution would only serve to undercut the common action of the United States and our allies in strengthening the NATO position and an immensely important objective I now want to discuss.

The joint effort of the U.S. and our NATO allies now positively underway is to provide greater assurance that conventional war and above all, a nuclear war, will continue to be deterred.

Prior to the present program of strengthening qualitatively NATO forces and improving defense facilities and infrastructure, NATO recognized its inability to stand for any length of time against well-armed Soviet and Warsaw Pact forces possessing a capability of speedy mobilization and reinforcement. NATO relied upon the so-called "trip wire" strategy—that is the strategy of meeting a Warsaw Pact attack by the use of tactical nuclear weapons, a situation which all agree would rapidly escalate into all-out nuclear war.

Four years ago NATO adopted the strategy of "flexible response" which had as its purpose a lessening of the likelihood of any kind of war, conventional, tactical or strategic. It was determined that NATO conventional forces should be strengthened to resist any probable attack. Over the past three years and particularly in the last year, significant qualitative improvements have been made. Deficiencies remain, but NATO's deterrent role has been considerably strengthened.

If the forces proposed in the amendment before us should be removed, together with their equipment, the result would be a thin "trip line" across Europe and an increase in our allies' forces could not fill the gap left by U.S. departure. There is no question that a reversion to the "trip wire" strategy which would inevitably follow might cost the United States less in dollars than we spend today, but it would increase the danger of a nuclear war.

I am concerned about the nuclear arms race and all its wasteful costs. All of us are concerned that it will result in an instability that will weaken the present nuclear deterrent and will make nuclear war more likely.

In a very important way, the SALT talks will tell us the direction of our future security. The SALT talks are an attempt by the two great super-powers to institutionalize a new concept of security. That new concept is Parity, or, as President Nixon has defined it, "sufficiency." It is based on the belief that neither super-power can achieve a significant superiority in destructive power over the other. It is a belief that any new developments in technology can be matched, and that neither side can produce enough weapons, no matter how powerful, to overcome the other. The SALT talks are unique in the history of the world because if they are successful neither side will gain any strategic advantage, and both sides will be greatly benefited. If the talks are successful, the great stockpiles of weapons whose destructive force is equivalent to that of 15 tons of TNT per every person on earth can be reduced, equally on both sides, to considerably less than each side now possesses.

In Europe the NATO and Warsaw Pact forces are now at Parity. There is a balance in manpower and weaponry. Neither side has enough superior strength in any category—men or materiel, which cannot be matched by the other side.

I attach, as an appendix, to this statement, the comparative forces of the NATO and Warsaw Pact. I think these tables will show that it is unlikely that either side would launch an attack. It is unlikely because the military facts are such that the result would be, at best, stalemate, and at worst, complete annihilation on both sides, or indeed the entire world.

The United States relies upon the NATO alliance because we do not have the strength to remain secure by ourselves. There is no alternative, except to join with the Western European countries in a common effort to deter war. With our allies, the combination of our joint wealth, manpower and military force, provides for the United States and Western Europe a balance which more than matches the power and the economic resources of the Soviet Union and its allies. Given the existing military strength and economic resources of the Soviet Union and its allies, it is in our interest to have a strong NATO.

By this, I do not mean reductions cannot be made. But, if NATO reduces its forces, it must do so under two conditions—conditions that seem to me reasonable. If we are at parity now with the Warsaw Pact, reductions that are made in NATO should be made mutually by both super-powers. Comparable reductions would have to be made by the Warsaw Pact forces. And, secondly, it only makes sense to make no unilateral reductions unless they are a result of a joint decision of all the NATO allies.

I do not know, and none of us knows Soviet intentions. It seems unlikely that a sensible government would take military action that could lead to war and nuclear war. But we do remember Czechoslovakia, we see the growing strength of Soviet conventional and strategic forces, and Soviet movement into the Mideast and Mediterranean. We know that NATO must have had effect in deterring action in Europe.

I am hopeful at this time when the Soviet Union and the United States are encouraged in negotiations to halt the strategic nuclear arms race at a time when initiatives are being taken toward a settlement of issues which have caused tension and threatened the peace in Europe, as evidenced by West German efforts toward a treaty with the Soviet Union and Poland and bettering relations with East Germany; and at a time when the four powers are attempting to settle the difficult questions concerning Berlin; at a time when the countries of Europe are moving toward greater unity we will not take this step toward disunity, toward a "trip wire" nuclear strategy, toward a lessening of our security.

For these reasons, I cannot support Senator Mansfield's amendment, and I would urge the Senate to continue its support of the NATO Alliance at its present levels, until such time as mutual reductions of forces by the two opposing Pacts can be made. I think greater efforts should be directed toward this end, but, in the meantime, I believe the present course to be the correct one.

In my view, NATO is vital to American security. In the present day in Vietnam, we are engaged in a war and in an area which I do not believe is vital to our security. The Congress and the country desire to get out of the entanglement of Vietnam, with its cost in lives and treasure. We are extricating ourselves from that tragic involvement, but we should not unwisely withdraw from an alliance which has brought us security in the past and which continues to have meaning now.

I consider the maintenance of our present position in NATO under all these conditions an instrument of peace.

Mr. STENNIS. Mr. President, I yield back such time as I may have with the exception of one-half minute, which I yield to the majority leader.

Mr. MANSFIELD. Mr. President, mutual force reduction—if we get it in 10 years, we will be lucky. If we get it in two decades it may be a possibility.

I ask unanimous consent that I may have printed in the RECORD at the conclusion of my remarks a statement made by President Eisenhower and myself which I think will be a counterpoise to the 16 ambassadors, in which he said he had his views as President but because of the delicacy of the question he held for peace, but when he came out of office he said one division would be enough.

What about the 70,000 aliens working at American installations? Just lately have they allowed wives of American servicemen to do KP. Think about that and think about a lot of other things, too.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT

Reduction in NATO forces has been long talked about. As far back as 1963 in the Saturday Evening Post, President Eisenhower said:

"Though for eight years in the White House I believed and announced to my associates that a reduction of American strength in Europe should be initiated as soon as European economies were restored, the matter was then considered too delicate a political question to raise. I believe the time has come when we should start withdrawing some of those troops."

The same critics of troop withdrawals have repeatedly stated such a show of strength was necessary to sustain the morale of our European friends. That argument has worn pretty thin. President Eisenhower put it succinctly when he declared:

"One division can show the flag as definitely as several."

Mr. BYRD of West Virginia. Mr. President, the distinguished majority leader has long advocated and most persuasively argued for a withdrawal from Europe of a substantial number of U.S. forces. So far, his efforts to achieve that desirable end have engendered some agreement but little positive action.

Once again, he is in the vanguard of the forces of pragmatism and it is devoutly hoped that the Members of this body will accord the majority leader their support and assist him to superimpose realism and commonsense on a situation that is jeopardizing the economic future of the United States. And, Mr. President, when the economic future of our country is impaired, the security of our country is endangered.

There can be no argument that the Marshall plan and the formation of the North Atlantic Treaty Organization were sound economics and intelligent strategy. Our NATO allies after World War II were in tatters—their treasuries bare and their military capabilities in dangerous disrepair. We, too, had suffered grievously but of all the Allies, we were best able to finance and man the defenses that prudence dictated had to be established in postwar Europe. The United States assumed this responsibility and largely because we did, there has been peace in Europe for 25 years.

Mr. President, I would be the last to claim that our military presence in Europe stems only from altruism. Our own military security needs imposed the requirement that West Germany, France, Belgium, the United Kingdom, and the other NATO partners be not exposed nakedly to threats of aggression from any quarter.

What it cost the United States to station 300,000 troops and the myriad of ancillary services needed to maintain them was money well spent while we could afford it and while the nations of Europe were struggling to put bread in the mouths of their workers and shoes on the feet of their children. But, Mr. President, these are changed days. The majority of European countries are enjoying healthy growth rates and favorable foreign exchanges. I need not emphasize to Members of this distinguished body that only if the stringent economic measures now being taken by the administration are successful will we be able to extricate ourselves from the economic slough into which we have fallen. The assumption of a very large lion's share of military and financial responsibility while we were affluent was admirable—its retention in our current circumstances, in my opinion, is a disservice to the American people.

We are spending close to 7.7 percent of our gross national product on defense. Our NATO allies average but 4 percent of their GNP on their defense. Our persistent balance-of-payments deficit and the drain on our gold reserves go on apace. Is it not time, Mr. President, that we take what steps we can to alleviate in every way this deteriorating situation? Is it not time that we reordered our priorities and lowered our profile around the world? And is it not time to recognize that our continued and expensive presence in Europe could be substantially, yet safely, withdrawn? It is axiomatic, after all, that the economic well-being of the United States is as important to the overall security of the North Atlantic area as is our defense contribution. With the latter, we help. Without the former, we are helpless.

With their sound economic situations, the nations of the North Atlantic alliance are easily able to contribute substantially more to their own defense, but as long as we continue to bear the brunt, so long will they continue to say "Let Sam do it."

Mr. President, I do not advocate for a moment that the United States should withdraw behind the fastnesses of our frontiers. I would be no party to our abrogating our duties and responsibilities to the world community. But, Mr. President, I feel strongly that we are carrying a disproportionate share of the load in Western Europe and that we will be allowed to continue in that role till we ourselves take positive action to balance the scale. Mr. President, the amendment offered by the distinguished majority leader would be a significant step in that direction and I urge my colleagues to vote for it.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. STENNIS. Mr. President, I ask for yeas and nays on the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment beginning with line 24, at the bottom of page 48.

Mr. STENNIS. Mr. President, a "nay" vote would be in opposition to the committee amendment for the reduction?

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. ELLENDER. Mr. President, a "yea" vote sustains the committee? Is that correct?

The PRESIDING OFFICER. The Senator is correct.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana

(Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The result was announced—yeas 39, nays 54, as follows:

[No. 392 Leg.]

YEAS—39

Aiken	Hart	Montoya
Anderson	Hatfield	Moss
Bayh	Hollings	Nelson
Bible	Hughes	Packwood
Burdick	Inouye	Pastore
Byrd, W. Va.	Kennedy	Proxmire
Cranston	Long	Randolph
Eagleton	Magnuson	Ribicoff
Ellender	Mansfield	Stafford
Fulbright	McClellan	Symington
Gambrell	McIntyre	Talmadge
Gravel	Metcalf	Williams
Harris	Mondale	Young

NAYS—54

Allen	Dole	Miller
Allott	Dominick	Pearson
Baker	Eastland	Pell
Beall	Ervin	Percy
Bellmon	Fannin	Roth
Bennett	Fong	Schweiker
Bentsen	Goldwater	Scott
Boggs	Griffin	Smith
Brock	Gurney	Sparkman
Brooke	Hansen	Spong
Buckley	Hruska	Stennis
Byrd, Va.	Humphrey	Stevens
Cannon	Jackson	Stevenson
Case	Javits	Taft
Chiles	Jordan, N.C.	Thurmond
Cook	Jordan, Idaho	Tower
Cooper	Mathias	Tunney
Curtis	McGee	Weicker

NOT VOTING—7

Church	McGovern	Saxbe
Cotton	Mundt	
Hartke	Muskie	

So the committee amendment on page 48, line 24, was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 731

Mr. DOMINICK. Mr. President, I call up my amendment No. 731.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 23, line 26, and page 24, line 1, strike out "$2,281,319,000" and insert in lieu thereof "$2,299,619,000".

On page 24, after the period in line 4, insert the following: "Of the $2,299,619,000 appropriated in the preceding sentence, not less than $33,689,000 shall be available for research and development in connection with the surface effect ship program."

The PRESIDING OFFICER. Does the Senator wish to have the amendments considered en bloc?

Mr. DOMINICK. Yes; it is in fact one amendment, but I ask unanimous consent that it be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, I am perfectly willing to enter into a very short time agreement on this amendment, because I do not think it will require any length of time.

Mr. MANSFIELD. How much?

Mr. DOMINICK. Thirty minutes to a side.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time allocation of 30 minutes on the pending amendment, the time to be equally divided between the manager of the bill and the proponent of the amendment, the time not to begin until after the colloquy between the majority and minority leaders.

Mr. DOMINICK. I did not hear the Senator's last statement.

Mr. MANSFIELD. Half an hour, but it would not begin until after the colloquy between us about the program for the rest of today and tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. SCOTT. Mr. President, I rise, with the understanding that this time will not be taken out of any amendment, to inquire of the distinguished majority leader as to what is the schedule for the rest of the night, and then as to what will prevail before we depart for the festal board sometime tomorrow.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished minority leader, which I am sure is of interest to the Senate as a whole, it is hoped that we will be able to finish the pending business tonight. The cooperation and accommodation of all Senators and the mood of the Senate seem to indicate that that is a fairly good possibility.

I should like at this time, if the distinguished minority leader would yield, to ask the assistant majority leader to make a series of requests, if he would, about time limitations on other amendments.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. I thank the majority leader and the minority leader.

Mr. President, I ask unanimous consent that upon the disposition of the pending amendment by the Senator from Colorado (Mr. DOMINICK), the Chair recognize the distinguished Senator from Missouri (Mr. SYMINGTON) to call up an amendment dealing with national intelligence, the time on that amendment to be limited to 90 minutes, to be equally divided between the distinguished mover of the amendment and the distinguished manager of the bill; that upon the disposition of that amendment, the amendment by the Senator from New Hampshire (Mr. MCINTYRE), No. 749, be called up, the time on that amendment to be limited to 30 minutes, to be equally divided between the distinguished mover of the amendment and the distinguished manager of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. SCOTT. Mr. President, reserving the right to object, would the distinguished assistant majority leader cover the matter of amendments to amendments?

Mr. BYRD of West Virginia. I was going to do that.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. BYRD of West Virginia. I have not completed it.

Mr. GOLDWATER. Mr. President, reserving the right to object—and I will not object—could the leadership tell us whether or not we can expect the yeas and nays on final passage?

Mr. MANSFIELD. I think we should, on a bill of this nature. It is a few billion dollars.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon the disposition of the amendment by the Senator from New Hampshire (Mr. MCINTYRE), the amendment by the Senator from Alaska (Mr. GRAVEL), No. 747, be called up, the time on that amendment to be limited to 30 minutes, to be equally divided between the mover of the amendment and the manager of the bill.

Provided further, that time on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions to any of the aforementioned amendments, be limited to 20 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. MAGNUSON. Mr. President, reserving the right to object, I did not hear the Senator from West Virginia mention the proposed amendment by the Senator from Nevada. Do we intend to bring that up now?

How much time is there now on all the requests?

Mr. MANSFIELD. It will speed up. We are wasting time now if we do not get an agreement.

Mr. BYRD of West Virginia. The distinguished Senator from Nevada has not indicated to me as yet how much time he wants.

Mr. CANNON. I am not prepared to indicate at this time. I do not know. As I have indicated earlier, I am going to raise a point of order that I think is good. If the opponents of that position intend to go to a vote on the issue, then I am not going to agree to a time limit, because I want to educate the Senate on the issues involved first.

Mr. SYMINGTON. Mr. President, reserving the right to object, do I correctly understand that my amendment will be called up after the amendment of Senator DOMINICK?

Mr. MANSFIELD. Yes.

Mr. SYMINGTON. How much time am I allowed?

Mr. MANSFIELD. Ninety minutes, 45 minutes to a side.

Mr. CASE. Mr. President, reserving the right to object, how many more amendments are there?

Mr. MANSFIELD. We have five, on the basis that we understand; and the purpose is to try to finish tonight and adjourn early tomorrow.

Mr. CASE. I understand. But I asked how many there are beyond those mentioned already.

Mr. MANSFIELD. I do not know, except for the one by the Senator from Nevada.

Mr. CANNON. I really do not know. If my point of order is sustained, that will end it. If the Senate overrides it, then I will have some amendments to offer. So I cannot tell at this point.

Mr. CASE. I just suggest that it would make good sense, if we are going to be here until 11 o'clock again, a second night, we might carry it over until tomorrow and finish in a reasonable way.

Mr. MANSFIELD. I do not intend to stay until 11 o'clock tonight.

Mr. CASE. I think there is such a thing as carrying it too fast.

Mr. MANSFIELD. There is such a thing as carrying it too far and too fast.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, following that, if this bill is finished tonight, we will turn to the consideration tomorrow of H.R. 9961, an act to provide Federal credit unions with 2 additional years to meet the requirements for insurance, on which there is a time limitation, which should not take too long.

Then, hopefully, we can bring up the matter of the education bill, in which the distinguished Senator from Rhode Island (Mr. PELL), the distinguished Senator from Alabama, and others are interested.

If something can be worked out about the hold by the Senator from Alaska (Mr. STEVENS) on H.R. 9727 and by Senator MATHIAS relative to S. 1857, we might take up those, also.

Then it is intended—it might be possible; we will have to see—to bring up the post card voter registration bill.

Mr. SCOTT. I thank the distinguished majority leader. I should like to say that I will have a goose in the oven tomorrow, and I should know whether it will be time to go home and turn the oven on during the afternoon. Does the Senator think I might have that time?

Mr. MANSFIELD. It looks reasonably good.

Mr. SCOTT. I thank the Senator. I recall that the cackling of geese saved Rome. They certainly have not saved the Union recently.

Mr. TOWER. When does the majority leader anticipate laying before the Senate the extension of the Economic Stabilization Act?

Mr. MANSFIELD. Tomorrow night, to make it the pending business when we return.

Mr. President, I ask for the yeas and nays on the amendments on which it has been agreed to vote on Monday next. I ask unanimous consent that it be in order to ask for the yeas and nays at this time on the three treaties.

Mr. GOLDWATER. Mr. President, what three amendments?

Mr. MANSFIELD. Three treaties. I beg the Senator's pardon. One treaty has to do with the Rio Grande border with Mexico, resolving the boundary differences, another is the tax convention with Japan, and the other is the tax protocol with France. They all were reported unanimously.

Mr. GOLDWATER. There is nothing about the treaty with Mexico?

Mr. MANSFIELD. That is right.

Mr. GOLDWATER. The Senator might be surprised.

Mr. MANSFIELD. The Senator knows the importance of maintaining the boundary.

Mr. GOLDWATER. I know the importance of maintaining our water, too.

Mr. MANSFIELD. Yes. But we lose nothing. They are routine treaties.

Mr. TOWER. It is all right.

The PRESIDING OFFICER. Does the Senator desire a separate vote on each treaty?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. I yield back whatever time I have used.

Mr. MANSFIELD. I thank the distinguished Senator.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

The Senate continued with the consideration of the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. DOMINICK. Mr. President, if I may have the attention of Senators, I think we can be fairly short on this amendment.

I send to the desk a modification of my amendment and ask that it be considered as the amendment upon which we will act.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ELLENDER. Mr. President, will the modified amendment be stated?

The PRESIDING OFFICER. The Chair will state the modified amendment.

Mr. DOMINICK. I think I can explain it better, because all I did was change the figures.

The PRESIDING OFFICER. Without objection, the amendment, as modified, will be printed in the RECORD.

The amendment, as modified, is as follows:

On page 23, line 26, and page 24, line 1, strike out "$2,281,319,000" and insert in lieu thereof "$2,293,619,000".

On page 24, after the period in line 4, insert the following: "Of the $2,293,619,000 appropriated in the preceding sentence, not less than $27,689,000 shall be available for research and development in connection with the surface effect ship program."

Mr. DOMINICK. Mr. President, the purpose of my amendment is to restore funds to the Navy's R. & D. surface effect ship program. I am concerned lest what I believe to be a misunderstanding leads to an unfortunate setback in a development program which gives great promise for the advancement of our naval capability in the foreseeable future. The Senate bill before us would reduce the appropriation for the surface effect ship program by over $24 million. This is a reduction of over 60 percent from that authorized by the Armed Services Committee and requested by the Navy.

Mr. President, the Research and Development Subcommittee of the Armed Services Committee, of which I am a member, looked at this program very carefully. It was the subcommittee's recommendation that $39.6 million be authorized for fiscal 1972. This recommendation was approved by the full committee, was accepted by the Senate in approving the military procurement authorization bill and was further agreed to in conference. In my opinion, the SES program has undergone ample review and was fully justified.

The reduction of over $24 million, in effect, will preclude an orderly completion of the test effort about to commence for two small craft as well as any preliminary design effort for a follow-on oceangoing version.

I believe that there exists a misapprehension of the Navy's intentions for this program. The Navy has not planned to award the contracts for design, construction, and test of a large, 2,200 ton class, SES in fiscal year 1972. That effort is contemplated as a prototype program in fiscal year 1973. However, the fiscal year 1973 effort will be predicated upon data and experience evolved as a result of the closely related test and evaluation of two 100 ton units with preliminary design study of the 2,200 ton unit in fiscal year 1972. If we cut $24.2 million from this program we will have canceled any preliminary design studies and will have destroyed the parallel development concept of the program.

The Navy plans to provide the data from its ongoing tests of the smaller craft to three or four contractors who will undertake preliminary design studies in fiscal year 1972 for a larger ship of about 2,200 tons. A displacement of 2,200 tons is the smallest which will permit sustained operation in the open sea. Obviously, test and evaluation in the open sea is an essential element of the development effort.

Mr. President, I would like to point out that the interlacing of the design effort for the larger craft with the test and evaluation of the smaller craft is fully consistent with the prototyping concept recently adopted by the Department of Defense and approved by the Congress. In essence, the Navy will be utilizing actual test experience for prototype development instead of theoretical calculations. Further, the interaction of the 100-ton test program with the large model preliminary design studies will reduce the unknowns in the follow-on large 2,200-ton prototype effort. I do not believe we can find a procedure more consistent with the desire of the Congress to substitute hardware experience for paper studies.

Mr. President, it seems to me that maritime technology has been in a static state. Very few important advances have been made in recent years. However, in

the surface effect ship we have a potential technological breakthrough which is unequalled since the transition from sail to steam propulsion. By having ships of virtually unlimited displacement that can achieve 80-knot-plus sustained speeds, the surface effect ship could change traditional functions, roles, and missions at sea in ways that cannot now be foreseen. One area of vital concern to our Nation is the possibility the surface effect ship offers of reduced vulnerability to submarine attack and the attendant increased potential for anti-submarine warfare. And, certainly, until we have operational versions in use, we will not be able to employ it effectively or explore its full potential.

Mr. President, I am unable to find anything objectionable to the concurrency of this program. The program is deliberate in its processes, while also losing no time in this vital development. The reduced level of funding in the bill we are now considering would, however, cost at least one year's delay and more than $15 million in pursuing the prototype program.

Therefore, Mr. President, for the reasons I have discussed, I believe it very essential that a significant amount of the funds deleted from this program be restored. My modified amendment would restore $12.3 million which is the minimum needed to pursue the Navy's surface effect ship prototype program. Of the restored money, $9.75 million will be used to continue improvements in the technology, $1.5 million will be used to prepare a Navy test site at Patuxent River, and $1.05 million will permit further study of support requirements and design criteria.

Mr. President, I ask unanimous consent that a breakout of how the restored $12.3 million will be used be printed in the RECORD at this point. I also ask unanimous consent that an extract from Jane's Fighting Ships 1970–71 be printed in the RECORD at this point. It will be evident from the figures in this extract what speeds the Soviet subs are capable of attaining and it becomes clear why we must pursue the technology of a ship that can go 80 to 100 knots.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

TECHNOLOGY

[Dollars in millions]

AERO-HYDRO

Activity and budget:
Hybrid Sidewall Seals, (NSRDC) $.700.
Resistance & Appendages, (Lockheed) $.300.
Turning & Maneuvering, (Contr.) $.350.
Stability Limit-Testing, (NSRDC) $.200.

PROPULSION

Lift System, (Contr./NSRDC) $.250.
Water Inlets, (Hydronautic) $.350.
Water Propulsors, (Contr.) $1.575.
Air Fans, (Contr.) $.225.
Transmissions & Gearing, (Curtiss) $.300.
Advanced Concepts, (Contr.) $.200.

STRUCTURES

Cavitation Damage, Matls., (Contr.) $.400.
Structural Criteria Model, (NSRDC) $.200.
Loads Research, (NSRDC) $.425.
Matls. Development, (Goodyear) $.375.
Compliant Structures, (Bell) $.200.
Full Scale Module Tests, (NSRDC) $.300.
Test Fixtures & Equipment, (Contr.) $.700.

RELATED TECHNOLOGY

Sensor-Weapon-Ship Compatibility, (APL/JHU) $.275.
Collision Avoidance, (Sperry) $.300.
Auxiliary Equipment, (Contr.) $.150.
SES Navigation, C&C, (Contr.) $.275.
Design Guidance Manuals, (Contr.) $.450.

MANNED MODEL CRAFT

Propulsion/Habitability, (ROHR) $.400.
Drag & Seals, (NPGS) $.200.
Modifications & Overhaul, (ROHR) $.650.
Total budget, $9.750.

SURFACE EFFECT SHIP, FISCAL YEAR 1972 FUNDING

[Dollars in millions]

TEST SITE PREPARATIONS

Test Site Engineering (Contr./NAVAIR) $6.
Training & Operation (NATC, PAX-RIVER) $5.
Seal Test Equipment (Contr.) $4.
Total $1.5.

REQUIREMENTS AND DESIGN CRITERIA

Mission Configuration (Contr.) $35.
Weapon System Integration (Contr.) $25.
Support Requirements (Contr.) $45.
Total $1.05.

NUCLEAR POWERED SUBMARINES

BALLISTIC MISSILE TYPES

10 "Y" class

Displacement tons, 8,000 surface, 9,000 submerged.
Length feet (metres), 426.5 (130.0).
Beam feet (metres), 34.8 (10.6).
Draught feet (metres), 32.8 (10.6).
Missiles, 16 "Sawfly" launching tubes.
Torpedo tubes, 8—21 in.
Main engines, Nuclear reactors; steam turbines.

The first units of this class were reported in 1969. The vertical launching tubes are arranged in two rows of eight and the missiles have a range of 1,500 nautical miles.

10 "H II" class

Displacement tons, 3,700 surface; 4,100 submerged.
Length feet (metres), 344.5 (105.0).
Beam feet (metres), 33 (10.05).
Draught feet (metres), 25 (7.6).
Missiles, 3 launching tubes.
Torpedo tubes, 6—21 in (bow).
Main engines, Nuclear reactors, steam turbines; 15,000 shp.
Speed knots, 25.
Complement, 90.

Long range submarines with three vertical ballistic missile tubes in the large "sail", or conning tower. The earlier vessels of the "H 1" class had missiles with a range of 320 nautical miles, but later units known as the "H II" class have ballistic missiles with a range of 600 miles.

CRUISE MISSILE TYPES

5 "C" class

Displacement, tons, 4,000 surface; 5,000 submerged.
Length feet (*metres*), 385.9 (*117.0*).
Beam feet (*metres*), 32.8 (*10.0*).
Draught feet (*metres*), 24.6 (7.5).
Missiles, 8 "Shaddock" launching tubes.
Torpedo tubes, 6—21 in.
Main engines, Nuclear reactors; steam turbines.
Speed knots, 30 approx, submerged.
Complement, 100.

Streamlined submarines designed for high speed. First reported extant in 1969. Developed from the "E" class. Large bulbous bow. Short range missile system of eight topside tubes, four to port and four to starboard. (A new type of submarine officially announced in 1968 has a prominent steel bulge around the conning tower).

25 "E II" class

Displacement, tons, 5,000 surface; 5,600 submerged.
Length, feet (*metres*), 393.7 (*120.0*).
Beam, feet (*metres*), 33 (*10.05*).
Draught, feet (*metres*), 27 (*8.3*).
Missiles, 8 "Shaddock" launching tubes.
Torpedo tubes, 6—21 in (bow).
Main engines, Nuclear reactors, steam turbines.
Speed, knots, 22 max; 14 crusing.
Complement, 100.

The design of the "E II" sub-group was a development of most of the "E I" sub-group lengthened to accommodate—more missile launchers, arranged four on each side.

5 "E I" class

Displacement tons, 4,600 surface; 5,000 submerged.
Length feet (*metres*), 383.9 (*117.0*).
Beam feet (*metres*), 33 (*10.05*).
Draught feet (*metres*), 27 (*8.3*).
Missiles, 6 "Shaddock" launching tubes.
Torpedo tubes, 6—21 in (bow).
Main engines, Nuclear reactors, steam turbines.
Speed knots, 20 max.; 12 cruising.
Complement, 92 (12 officers, 80 men).

Long-range submarines, with six cruise missiles in launching tubes elevated from the flush deck and arranged two abreast. Cruise missiles have a range of — nautical miles. "E" class submarines in the Pacific are based at Komsomolsk.

Mr. DOMINICK. I have talked this over with the Senator from New Hampshire (Mr. MCINTYRE) and it is my understanding that he will be agreeable to this amendment. I yield to him now to make such comments as he may care to make.

Mr. MCINTYRE. I thank the Senator for yielding to me. I agree with the Senator from Colorado and I fully support the need for developing a ship with this capability. The promise is great for a surface effect ship program. I do not believe that the Navy should go beyond the 100-ton test vehicle for fiscal 1972, but this is a very promising program. Admiral Zumwalt is interested in it. Originally, I think that we funded the whole program of some $34 million, but since the House Committee on Appropriations and the Senate Committee on Appropriations have seen fit to cut it back, we should make clear, as the Senator from Colorado will indicate, if he has not done so already, that the manner in which it has been cut back will seriously jeopardize the ongoing part of the program. As long as the Senator from Colorado has modified his amendment, I certainly will go along with it.

Mr. DOMINICK. I thank the Senator from New Hampshire. This is an important program. I know how hard the Senator has worked on it reviewing each one of the programs item by item.

Now, Mr. President, I yield 3 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, the distinguished senior Senator from Colorado has proposed an amendment to the fiscal year 1972 military appropriations bill. His action has been ably supported by several of my colleagues. I would offer my comments only to register yet another vote in support of their efforts.

I too am concerned that the reductions in the funding sought for test, evaluation, and technical support of the two 100-ton models of the surface effect ship in fiscal year 1972 would unnecessarily delay the appearance of an ocean-going model of this exciting concept in advanced marine propulsion. Since the 2,200-ton displacement is the lower limit which would permit a deep-ocean military capability, it will not be until the appearance of that model that the full potential of the concept can be assessed.

We are speaking of the fiscal year 1974–77 time frame in regard to the test and evaluation of the 2,200-ton model. I believe this is important to understand when we consider the possibility of further delay in test and evaluation of the 100-ton models. For instance, it is not contemplated that test and evaluation of the 2,200-ton model could begin until sometime in 1976. Weapon and sensor testing must come even later.

Mr. President, I do not believe that the milestone schedule which I have outlined represents a hasty development. It is not contemplated that the contract for the detailed design will be let for approximately another year. The Navy and the Congress will be afforded ample opportunity to evaluate the progress of the development as it unfolds. Certainly, the schedule affords decision points where the course of the development can be altered or terminated if need be.

I do not believe that we have reached one of those decision points at this time. In fact, it is my opinion that we will unnecessarily retard the development by limiting its funds as now proposed in the appropriations bill before us. No substantial reason has been offered to support such limiting action. Until we are provided substantial cause for limiting or discontinuing the funding, I propose that this body support the development as it has been planned by accepting the amendment offered by my colleague from Colorado.

Mr. DOMINICK. I thank the Senator from Arizona. I know that he and the Senator from New Hampshire (Mr. MCINTYRE) have probably been the two most active Senators working on the Research and Development Subcommittee. It is awfully good to get their support.

Now, Mr. President, I yield 3 minutes to the Senator from Vermont (Mr. STAFFORD).

Mr. STAFFORD. Mr. President, I strongly support the amendment offered by the junior Senator from Colorado which would provide needed funds for the expeditions development by the United States of the surface-effects ship.

Whether a technological breakthrough is proceeding at too fast or too slow a pace is a matter of subjective judgment, performed in a gray area of facts and data, only partially developed and only hazily perceived by most onlookers. Those best qualified to make such judgments are the scientists, the builders, and the entrepreneurs, who possess the vision and the personal knowledge which have as their origins the conceiving and doing of a project.

I am concerned that we may be caught up in a tide of introspection and self-criticism, of doubt, and of excessive caution on a national scale. If such is the case, we are in imminent danger of stifling the national initiative and thereby throttling one of America's greatest qualities of the past—innovation.

Certainly, few, if any, of us in this room have either the familiarity with the technology concept of the surface-effects ship, or the knowledge of the facts associated with its development to date, to make a flat determination as to whether the project is proceeding too fast or too slow. Yet, we would make such a determination and demand that we be shown, step by step, the justification for proceeding further. This sort of supervision might be justifiable if the Congress were on the spot to confer daily with the doers of the work. But we cannot do this. At best, we are able to devote only a little time annually to hearing and assimilating the facts as we understand them. We are woefully behind, and have been so for several years in enacting even basic funding legislation. How then do we propose to exercise detailed supervision, while avoiding the stultification of progress and the sapping of managerial energy in this and like development?

Do not misunderstand me, Mr. President. I do not advocate the turning over of national resources to individuals without checks and balances. Our military planners are subject to error and miscalculation, as we in this room are subject. But I am not convinced that the qualifications and past record of our military establishment are such as to warrant the distrust ascribed to it today. In my estimation, some of the results for which the military are regarded with the greatest criticism were governed by circumstances largely beyond their control. I have observed with growing dismay the almost continuous stream of doubt and criticism which has been directed at our major military procurements. Some of this was wholly justified. In other instances, project managers have been held responsible for the influences on their projects of national economic ills. And, in still other instances, the criticism has borne all the hallmarks of sideline heckling by persons who offered nothing constructive alternatively.

A great deal of this doubt and criticism has its genesis in the discontent with military matters which has grown to disquieting proportions in the past several years. Few of my colleagues will not agree that our judgments are colored to some degree by the many evidences of this discontent. But we of the legislative branch have a transcendant responsibility to look beyond the tremors and emotions of the present and to seek what is best for this country in the years to follow. I submit that overly centralized control of projects such as the surface effects ship will not provide what is best.

These are my reasons, Mr. President, for supporting the amendment offered by the distinguished senior Senator from Colorado. The development of the 100-ton models of the surface effects ship should be allowed to proceed as planned until we have better evidence that either the development itself or its rate of progress is not in the national interest.

Mr. President, I urge the adoption of the amendment offered by the Senator from Colorado.

Mr. DOMINICK. I thank the Senator from Vermont very much for his comments.

Now, Mr. President, I yield briefly to the Senator from Washington (Mr. MAGNUSON).

Mr. MAGNUSON. Mr. President, I hope that the Senate will adopt this amendment, for this reason: I happen to be personally familiar with the technology involved in these ships. They are not only technologically feasible but they are the most sorely needed ship we need for the whole of our Navy to complement what the Russians are doing in the Mediterranean and other places. This will not be a shot in the dark.

When we talk about an 80-knot Navy, we are telling the truth. With these ships, they are so sophisticated that the Navy will have to use airplane pilots to run them rather than regular ship pilots. No submarine will be able to get near them. I therefore hope that we can go ahead with this program because I happen to know of two things, one being that one of them has already been tested. I guess that two of them are on their way. This is a very important part of our new technology in the Navy. As far as I know, all the naval officers and naval technicians are very high on this phase of our development.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMINICK. Mr. President, the Senator is perfectly correct. In looking over the money provided, I was entertained to see not only navigation for pilots but also training, so that they will know what they are doing when they go that fast.

Mr. President, I yield 1 minute to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 1 minute.

Mr. MATHIAS. Mr. President, I rise to support the amendment. It is an important amendment. I associate myself with the remarks of the Senator from Arizona who makes the point that research is the key to the future. I agree. I think it is the key to a more economic approach and a more effective defense.

That is the purpose which the amendment proposes to effectuate. I hope it will be agreed to.

Mr. DOMINICK. Mr. President, I thank my good friend, the Senator from Maryland. I appreciate his comments.

Mr. President, I yield 1 minute to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 1 minute.

Mr. CASE. Mr. President, I will not take the minute. I commend the Senator for his initiative and continued interest in this approach. It is a pleasure to find myself associated with the Senator in tandem rather than in opposition. It makes me feel very good.

Mr. DOMINICK. I must say that I am delighted. And I can think of no nicer ally than my friend, the Senator from New Jersey.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Colorado has 1 minute remaining.

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Mr. DOMINICK. Mr. President, I yield 1 minute to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 1 minute.

Mr. THURMOND. Mr. President, the amendment offered by the distinguished Senator from Colorado (Mr. DOMINICK) deserves the support of the Senate.

Restoration of the funds as proposed in this amendment would permit an orderly completion of the test effort for two small but important Navy ships and would allow a preliminary design effort for a follow-on oceangoing vessel.

In this program we have an example of the prototyping concept that so many of the Defense Department critics favor. The Navy is simply trying to test and evaluate these smaller ships and utilize the results in the design of a larger ship. This is a sensible program.

The Senate should also realize that the surface effect ship program is on the threshhold of a new technology in naval warfare. The idea is to have ships with such limited displacement that they can achieve high speeds. This would provide a ship which would be virtually invulnerable to submarine attack while at the same time it would be highly effective in antisubmarine warfare.

The Navy is testing two small ships with two different types of propulsion systems in an effort to achieve speeds of 80 to 100 knots.

Obviously these ships will be traveling on top of the water, not through the water.

The idea is to go with the system which tests out as the better of the two. The winning system would be applied to a larger ship approximately the size of our World War II destroyers.

Mr President, for these reasons I urge the Senate to approve this amendment so that the Navy may continue an orderly development of this vital program.

Mr. ELLENDER. Mr. President, the committee gave a good deal of thought to the surface effect ships. Up to now we have spent $37.4 million to construct two 100-ton prototype ships.

Last year the House as well as the Senate eliminated all funds budgeted for the project. That was done because, when this program was first started, the Commerce Department took part in it and agreed to put up half the funds necessary for the research. Between one and 2 years after the work on the surface effect ship was started, The Commerce Department withdrew from the program. I understand that the Department withdrew because it was decided such a ship would not be practical for carrying freight and heavy material.

What the Senate did last year was to provide a sufficient sum of money to complete these two prototype ships so that they could be tested adequately.

Mr President, in order to complete this research work, the House provided the budget estimate of $14.3 million that we are told will complete the two test models so that we can discover the potentials of this type of construction concept.

Admiral Zumwalt, Chief of Naval Operations, agreed last year with the committee that before any further funds were appropriated to carry on the development of the surface effect ship, those two prototypes should be completed, put into the water, and tried.

Mr. President, the $14.3 million in the bill will be spent this year to try out these 100-ton prototypes. That was what agreed too, and that is what the committee did. If we put the amount of money in that the Senator is asking to be placed in the bill, it will mean that we are starting the construction of a 2,000-ton ship before the smaller models are adequately tested. All of the work done will be in that direction. I believe that it would be a waste of money until we find out how the 100-ton prototype ship operates.

That is the picture. The committee carefully provided in the bill the $14.3 million so as to complete these two prototype ships. If these prove successful, then we can proceed to consider funds needed to develop a bigger ship.

Mr. President, we have spent up to now $37,400,000 on the two prototype ships, with $14,300,000 more to come. To allocate more, without trying this new concept out is a waste of money. Let us complete the two prototypes with the money we have available and run the necessary tests. The work will go on. The experiments will go on, and the money we have provided will not only be sufficient to complete the two prototype ships, but it will also provide funds to try them out.

Mr. McINTYRE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. McINTYRE. I have to take issue with the distinguished Senator and his committee because the funds appropriated do not provide for important general technology to support the 100-ton ship program, and the preparation of the Navy Patuxent River site for the test program. A total of $12.3 million must be restored for these requirements or this program is set back about 1 year. This would delay the availability of this revolutionary new generation of ships.

Mr. ELLENDER. Before we spend any more money in the same direction we want to see whether the 100-ton ship works as hoped. If it does fulfill its promise, then it will be time to start on one that will displace 2,000 tons. That is the objective, and I am supporting it.

As it is now, the two models were to be tested in operation this year, but that schedule has not been met on that basis, I believe until we complete the trial of these ships to see whether or not they work, it would be the height of folly for us to go full steam ahead.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. ELLENDER. There is no telling how much the 2,000 ton model will cost. Let us spend $14.3 million provided for in this bill and see if those 2 prototypes work. Next year it will be time enough for us to decide whether to go on with this program.

That is why the House provided the moneys that we now have in the bill for that purpose.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. DOMINICK. I think there must be some confusion on this matter. I really think there must be and I am not trying to be difficult about it because I know how hard the Senator works on these matters. I am not putting in for design; I am putting in $12.3 million for technology which is needed for the Patuxent Base and assistance, and design criteria as they go on working on these currently. It will provide for final technology on these ships and the test site at Patuxent and, while we are doing this we will see if the technology research could be applicable to a bigger ship.

If we want to try before we buy, we had better look at it. We have gone over this in detail. I could not find any place where we are doing other than what the Senator wants or what I want.

Mr. ELLENDER. The Senator will recall that the Pentagon, the Congress, and the taxpayers got into a great deal of spending a lot of money on the C–5 and the F–111 and other projects without testing them adequately, and before we knew what we were doing that is what I am trying to head off.

Mr. DOMINICK. I agree.

Mr. ELLENDER. These two test models will be completed and tests will be run this year. The committee felt that is what should be done and that is what I am advocating here—that we continue work on these prototypes. We will develop the needed technology as we proceed to work on the 100-ton ship.

What I am attempting to do is protect the American taxpayer by proceeding in an orderly and rational manner, step by step. I also desire to protect the Department of Defense, the Navy, and the Congress against having to face some of the expensive errors of judgment of the recent past.

Mr. PELL. Mr. President, I think it is important in acting on these multibillion dollar funding requests for military procurement that we keep an eye on the future. It is often said of generals, admirals, and politicians that they always are preparing to refight the last campaign.

But times change, and it would be both unwise and false economy to agree to spend billions of dollars on the conventional naval vessels today, while refusing to spend the relatively small amounts of money required to develop the naval vessels of tomorrow, ships that may provide more effective and economical defense of our country. And certainly, the surface effect ships hold promise of being an important breakthrough in naval vessel performance.

Accordingly, I support strongly the amendment offered by the junior Senator from Colorado (Mr. DOMINICK) to restore to this appropriation bill the funds requested by the Navy for the surface effect ship program.

Mr. DOMINICK. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. All time has expired.

Mr. DOMINICK. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified of the Senator from Colorado.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from New Hampshire (Mr. COTTON), the Senator from New York (Mr. JAVITS), and the Senator from Maine (Mrs. SMITH) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Illinois (Mr. PERCY) is detained on official business.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

If present and voting, the Senator from Illinois (Mr. PERCY) and the Senator from Maine (Mrs. SMITH) would each vote "nay."

The result was announced—yeas 59, nays 30, as follows:

[No. 393 Leg.]

YEAS—59

Aiken	Fannin	Nelson
Allen	Fong	Packwood
Allott	Gambrell	Pearson
Baker	Goldwater	Pell
Bayh	Griffin	Ribicoff
Bennett	Gurney	Schweiker
Bentsen	Hansen	Scott
Bible	Hollings	Sparkman
Boggs	Hruska	Spong
Brock	Hughes	Stafford
Brooke	Humphrey	Stevens
Buckley	Inouye	Stevenson
Case	Jackson	Taft
Cook	Jordan, Idaho	Talmadge
Cooper	Kennedy	Thurmond
Cranston	Magnuson	Tower
Curtis	Mathias	Tunney
Dole	McGee	Weicker
Dominick	McIntyre	Williams
Ervin	Miller	

NAYS—30

Anderson	Fulbright	Mondale
Bellmon	Gravel	Montoya
Burdick	Harris	Moss
Byrd, Va.	Hart	Pastore
Byrd, W. Va.	Hatfield	Proxmire
Cannon	Jordan, N.C.	Randolph
Chiles	Long	Roth
Eagleton	Mansfield	Stennis
Eastland	McClellan	Symington
Ellender	Metcalf	Young

NOT VOTING—11

Beall	Javits	Percy
Church	McGovern	Saxbe
Cotton	Mundt	Smith
Hartke	Muskie	

So Mr. DOMINICK's amendment, as modified, was agreed to.

Mr. DOMINICK. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GOLDWATER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. GRAVEL). The Chair recognizes the Senator from Missouri.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield to the Senator from Montana.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session, to consider certain nominations at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. COURTS

The assistant legislative clerk read the following nominations, which were favorably reported earlier today by the Committee on the Judiciary:

James S. Holden, of Vermont, to be a U.S. district judge for the district of Vermont.

Ralph F. Scalera, of Pennsylvania, to be a U.S. district judge for the western district of Pennsylvania.

Clarence C. Newcomer, of Pennsylvania, to be a U.S. district judge for the eastern district of Pennsylvania.

Charles M. Allen, of Kentucky, to be a U.S. district judge for the western district of Kentucky.

Alfred T. Goodwin, of Oregon, to be a U.S. circuit judge for the ninth circuit.

Levin H. Campbell, of Massachusetts, to be a U.S. district judge for the district of Massachusetts.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOPER. Mr. President, I am very glad that the Senate has confirmed this evening Judge Charles M. Allen of Louisville, Ky., to be a U.S. district judge for the western district of Kentucky.

The nomination of Judge Allen by President Nixon has received wide approval in Kentucky. By reason of education, experience as a practicing lawyer and as an elected circuit court judge, a court of general jurisdiction in the Commonwealth of Kentucky, Judge Allen has superior qualifications. He is a man of fine and respected family background, of the highest integrity, and he is held in high regard by the bar, his colleagues of the judiciary and by the people of Louisville and Jefferson County.

I am sure that Judge Allen will fill his important office with great ability and honor.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislation business.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

The Senate resumed the consideration of the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

Mr. SYMINGTON. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats, and attachés will leave the Chamber.

INTELLIGENCE—THE GREAT WASTE IN GOVERNMENT

Mr. SYMINGTON. Mr. President, a premise to these observations, and the amendment which I thereupon plan to offer to this military appropriation bill, is based on a belief that the Senate is as much interested in the question of the overall structure and functioning of our intelligence apparatus as is the House of Representatives.

The PRESIDING OFFICER. Will the Senator send his amendment to the desk, so that it may be reported?

Mr. SYMINGTON. The amendment is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 49, between lines 2 and 3, insert the following:

SEC. 745. None of the funds appropriated in this Act in excess of $4,000,000,000 may be available for expenses by the Central Intelligence Agency, the National Security Agency, and the Defense Intelligence Agency, and for intelligence work performed by or on behalf of the Army, Navy, and the Air Force.

Mr. SYMINGTON. Mr. President, one notes that earlier this month, in its report to the House, the House Committee on Appropriations made the following observations; and inasmuch as those observations confirm both our own thinking and our findings over recent years, I will read them into the RECORD at this point:

The Committee feels that the intelligence operations of the Department of Defense have grown beyond the actual needs of the Department and are now receiving an inordinate share of the fiscal resources of the Department.

Redundancy is the watchword in many intelligence operations. The same information is sought and obtained by various means and by various organizations.

Coordination is less effective than it should be.

Far more material is collected than is essential.

Material is collected which cannot be evaluated in a reasonable length of time and is therefore wasted.

New intelligence means have become available and have been incorporated into the program without offsetting reductions in old procedures.

As noted in this House report, their conclusions were based on extensive hearings—let us note also that last year this House Committee held extensive hearings on intelligence activities in the Department of Defense, the bulk of

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which proceedings were included in the public record.

During these hearings, the then Assistant Secretary of Defense, now Secretary of the Army, Secretary Froehlke, who had been directed by the Secretary of Defense to review the intelligence programs, also testified that he was surprised to find that there was no comprehensive inventory of DOD intelligence assets. He thereupon stated that he concurred with the committee's expressed concern about duplication in the intelligence community.

In addition, this report states that the committee expects to review the intelligence program in total during the hearings on the fiscal year 1973 budget request.

In reviewing the hearings and reports of interested Senate committee's, we can find no comparable interest on their part with respect to the billions appropriated annually for intelligence.

Back in 1966, as a member of both the CIA Subcommittee of the Senate Armed Services Committee and also the Senate Foreign Relations Committee, I became concerned that, because of their lack of knowledge of certain intelligence matters bearing on foreign policy, members of the Foreign Relations Committee were not in a position to make intelligent judgment of certain U.S. policies overseas. Accordingly, I presented this situation as I saw it to the then chairman of Armed Services, the late Senator Russell.

At the beginning of the 90th Congress, in January 1967, Chairman Russell invited three members of the Foreign Relations Committee to sit with the CIA Subcommittee of Armed Services, which committee also included members of the Senate Appropriations Committee. This arrangement presumably continues, but the members of the Foreign Relations Committee participate as a matter of grace, not of right. I say presumably because in any case said CIA Subcommittee has not met once this year, and from what I understand does not plan to meet.

During a markup last week of military appropriations by the Senate Defense Appropriations Subcommittee, no mention was made of the multibillion dollar appropriation requests contained in this bill for most of the some 15 intelligence operating or/and advisory groups in the executive branch of this Government.

As an ex officio member of Appropriations because of being the ranking member of the Armed Services Committee, after the subcommittee meeting I called the staff of Appropriations to ask in general about the intelligence appropriations; but I was told that, except for the five senior members of the Senate Appropriations Committee, they had been instructed not to talk about these multibillion dollar intelligence appropriations, even to the other members of the Appropriations Committee.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

That is such a shocking statement that I thought some attention should be called to it.

Mr. SYMINGTON. I am glad to yield to the able Senator.

Mr. FULBRIGHT. The statement the Senator just made, that he, as a Senator, was told by a staff member—who obviously does know about it—that he could not tell the Senator even the amount or anything else about this, seems to me a shocking and unprecedented situation. I have never heard of this before, except from the executive branch. I have never heard of a member of a Senate staff telling a Senator that he could not tell him what he knew about the relevant business of any committee.

Mr. SYMINGTON. I thank the Senator for his contribution.

Mr. FULBRIGHT. Does the Senator know of any precedent for this?

Mr. SYMINGTON. I do not.

Mr. FULBRIGHT. Did the Senator ever have this experience before?

Mr. SYMINGTON. No; I did not.

Mr. FULBRIGHT. That is what I mean. This is the only time I have ever heard of it.

Mr. SYMINGTON. This means that these billions of dollars of the taxpayers' money are being authorized and appropriated by the Senate with the knowledge and approval of just five of its Members.

As a result of their 3-year investigation—1969–71—of our worldwide treaties and commitment, both staff teams of the Senate Subcommittee on U.S. Security Agreements and Commitments Abroad of the Foreign Relations Committee found heavy duplication—therefore, waste—of the taxpayers' money, in the intelligence field; and, perhaps even more important, they found many conditions which were not known by those on the Senate committees designated to review our military and political policies and position with other countries.

The cover story in a recent issue of Newsweek magazine confirms this confusion and waste, and details general dissatisfaction with much of it. The article states that President Nixon's "major complaints are faulty intelligence, runaway budgets, and a disparity between a glut of facts and a poverty of analysis."

Mr. President, several times today on the floor, people have justified their position on the grounds the President felt this way, or felt that way. Now let me repeat how the President feels about this matter, according to this article:

> President Nixon's "major complaints are faulty intelligence, runaway budgets and a disparity between a glut of facts and a poverty of analysis."

This article also asserts:

> Bureaucracy has transformed what began as an amateurish happy few into a sprawling intelligence conglomerate encompassing more than a dozen government agencies, 200,000 employees and a budget of some $6 billion a year.

As one Member of the Senate, despite my committee assignments, I do not know whether those figures are accurate or inaccurate, too large or too small.

Earlier this month, the news media began calling me one evening about a major reorganization in the intelligence field that had just been announced by this Government. I told them the truth—that I knew nothing about it.

The press carried a story about this reorganization the next morning. I thereupon called the CIA to find out about it and later that day—Saturday—a member of that organization delivered the White House press release to my home, stating that the press release was all the Agency knew about it at the time.

It is clear to anyone familiar with the executive branch that this reorganization: First, could be turning over the intelligence operation to the military—exactly what the National Defense Act of 1947 took careful steps to prevent—and second, places policy control of intelligence in a new committee in the White House, headed by the Assistant to the President for National Security Affairs, Mr. Kissinger, on this committee sit both the Attorney General and the Chairman of the Joint Chiefs of Staff, as well as the Deputy Secretaries of State and Defense.

This gives Executive privilege to the final policymakers, and therefore, except for the power of the purse, enables said policymakers to, in effect, take the entire question of intelligence out of the hands of Congress.

The fact that I do not think such a development is right or proper, Mr. President, is the basic thrust of the amendment that I am offering this evening.

I thereupon made a short talk on the floor of the Senate delineating this extraordinary development, and protesting that such a major change incident to our overall security should not be made without the knowledge let alone the approval, of anybody in the Senate; and I ask unanimous consent that this talk be inserted at the end of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SYMINGTON. The Chairman of the newly formed White House Intelligence Committee, Dr. Kissinger, thereupon called me and said I was right, that the change should have been discussed with the proper committees of Congress, that the reorganization details had been handled by Mr. George Shultz, and that he, Kissinger, would arrange for Mr. Shultz to come down and talk to me about it.

I thanked him for his call, but said I felt any such a briefing should be given to the committees, not to an individual Member. That is the last I have heard of it.

In a recent article in the U.S. News & World Report, written by the former Executive Assistant to the Deputy Director of the CIA, a very serious charge was made—namely, that the present setup gives "the military considerable power to shape intelligence estimates." The article went on:

> Whenever you're working on a problem that the military is deeply interested in—because it's affecting one of their programs, or their war in Vietnam, or something—and you're not saying what they want you to say, the browbeating starts: the delaying tactics, the pressure to get the report to read more like they want it to read, in other words, influencing intelligence for the benefit of their own operation or activity.

A former member of the CIA establishment, in a reply to these statements published in the same issue of that magazine, stated:

> In both the Senate and the House there are subcommittees of both Appropriations and Armed Services. In the Senate, members of the Foreign Relations Committee are invited to join briefings of the other subcommittees.

And then states:

> I submit that there is no federal agency of our government whose activities receive closer scrutiny and "control" than the CIA.

Based on the facts presented above, the reverse of that statement is true in my opinion, and it is shameful for the American people to be so misled. There is no Federal agency of our Government whose activities receive less scrutiny and control than the CIA; and the same is true of other intelligence agencies of the Government who reportedly receive billions of dollars more each year than does the CIA.

I have the greatest respect for the five members of the Senate Appropriations Committee who alone of all Senators know the details of this multibillion-dollar authorization and appropriation. But I do not believe that they, and they alone, should render final decision on both said authorizations and appropriations without the knowledge, let alone the approval, of any other Senators, including those on the Armed Services Committee who are not on this five-member Subcommittee of Appropriations, and all members of the Senate Foreign Relations Committee.

The latter committees have fully as much interest in our military and political activities in foreign lands as do members of this Appropriations Subcommittee; in fact, the heads of the CIA in foreign countries operate under the supervision of the Ambassador; and those Ambassadors report to the Secretary of State.

As a matter of fact, and as anybody knows who has traveled around in these foreign countries where we are at war or in what might be called partial peace, the heads of the CIA in these countries operate under the direct supervision of the Ambassador, and those Ambassadors report to the Secretary of State.

Today we all know this Nation faces serious fiscal and monetary problems. Our economy is in grave trouble and one of the chief reasons for this condition has to do with our vast military expenditures at home and abroad.

With that premise, apprehension about this situation can only be increased by the fact the reorganization announced earlier this month by the White House in turn increases the influence of the military in the formulation of intelligence estimates. I was a Secretary in the Defense Department when the National Security Act of 1947 was passed—in fact I monitored the passage of that bill for Secretary Patterson—and therefore know this is exactly what President Truman and his advisers, for the obvious reasons, attempted to avoid.

The wording of the law itself makes the point. I ask unanimous consent that this wording be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. SPONG). Without objection, it is so ordered.

(See exhibit 2.)

Mr. SYMINGTON. Mr. President, if this analysis is correct, many billions of additional and often unnecessary dollars will be added to the defense budget, because that budget is based on intelligence estimates of the plans, programs, and production of the possible enemy; and invariably the estimates of the military have been higher than those of the civilians.

Knowledge—intelligence—about the plans and programs of the possible enemy is generally considered to be at least as important as any other factor in the formulation of the defense budget.

As but one example of that importance, there follows a colloquy between the distinguished present chairman of the Senate Appropriations Committee and former Secretary of Defense McNamara, during the defense appropriations hearings of 1967:

> Senator ELLENDER. What part does the State Department take in making decisions that have resulted in the programs you are presenting to us now?
>
> Secretary MCNAMARA. That State Department is informed of, but does not affect my recommendations as to what ought to be done.
>
> Senator ELLENDER. Are your recommendations founded solely on what you get from the JCS?
>
> Secretary MCNAMARA. No, sir; they are not. The JCS are, of course, the principal military advisers to the President by law, and of much more importance they are actually his military advisers because of their experience. But the national intelligence estimates are taken into account in my recommendations as well as other information.

Again, in that this year the CIA Subcommittee of the Armed Services Committee has not met once, it would appear there is now even more secrecy in the handling of intelligence funds; and this at a time when there is a steadily rising chorus among the people of this country for less secrecy.

Apparently some people believe that the very word "intelligence," in itself, requires that all these billions should only be authorized and appropriated in such great secrecy.

To me, this does not wash. We authorize and appropriate, through the proper congressional committees, tens of billions of dollars annually for the other component parts of the military.

There is nothing secret, for example, about the constantly referred to cost of a nuclear aircraft carrier, or the cost of the C–5A, or the cost of the main battle tank; but knowledge of these costs does not mean that either the Congress or the American public have been informed, in case of a war, how, along with our military personnel, it is planned to utilize these weapons. That would be getting into war plans, something which should be studiously avoided.

By the same token, knowledge of the overall cost of intelligence does not in any way entail the release of knowledge about how the various intelligence groups function, or plan to function.

Why should there be greater danger to national security in making public overall intelligence costs than in making public other overall security costs?

I am certain in my own mind that we would not have engaged in at least one war—killing people and having our own killed—if pressures, combined with unwarranted secrecy, had not been characteristic of our intelligence knowledge and activities in that country; because our political and military actions were approved by the Congress on the basis of misinformation and a lack of information.

In summary, therefore, I do not believe the Senate can meet its responsibilities, or exercise its "constitutional prerogative" if this bill is approved under these circumstances; therefore, I offer this amendment which has been read at the desk and which provides that the Senate impose a ceiling on the amount of funds in this bill that can be expended for intelligence activities during the fiscal year in question.

Responsible news media continue to assert to the American people that the cost of intelligence to the American taxpayer now runs to between $5 billion and $6 billion. I do not believe that figure is necessarily correct, but if it is correct, it but confirms the many informed reports we have had about duplication and waste.

I now ask for the yeas and nays.

The yeas and nays were ordered.

EXHIBIT 1

CONGRESSIONAL OVERSIGHT OF INTELLIGENCE ACTIVITIES

(Statement by Senator Stuart Symington)

Last Friday the White House announced that the President had ordered a reorganization of the intelligence community. I ask unanimous consent that their press release to this end be placed in the Record at the conclusion of these remarks.

As reported by the press, the Administration's plan creates an "enhanced leadership role" for the Director of the Central Intelligence Agency, turns more of the operating responsibility for that Agency over to the Deputy Director, and creates or reconstitutes a variety of boards, committees and groups who are charged with important responsibilities within the intelligence community.

The reported aim of the reorganization is to improve the "efficiency and effectiveness" of United States intelligence activities; and press comments on this move include references to alleged concern over the size and cost of intelligence operations; also to general unhappiness about various specific intelligence estimates. Such reports have been officially denied, but it is acknowledged that this reorganization is the result of "an exhaustive study" of the United States intelligence activities.

It could be that the reorganization announced last week by the White House is a constructive move. In recent years there has been a growing belief that there was heavy duplication and therefore waste within the overall intelligence community. Unfortunately, however, it has been impossible for the public, or even concerned members of Congress, to obtain enough information on this subject for informed judgment.

By the same token, it is equally impossible to determine, at least at this time, whether the organization changes now decreed will accomplish their stated purposes, or to determine what will be their practical effect.

One thing is clear, based on the manner in which the reorganization was handled and announced; namely, the Executive Branch does not consider either the orga-

nization, or the operation, of the intelligence community to be matters of concern to the Congress. To my knowledge there was no advance consultation whatever with the Congress regarding this reorganization, or even any advance notice of what had been decided.

In 1947 the Central Intelligence Agency was established by act of Congress. Its powers and duties are specified by law. Its Director and Deputy Director are subject to confirmation by the Senate.

Last year the Congress appropriated an amount estimated by the press to be between five and six billion dollars for the activities of this agency and the other component parts of the intelligence community.

As one member of the Senate, I will not accept the proposition that the Congress' role in organizing the intelligence community ended twenty-four years ago with the passage of the National Security Act, or that our only current and continuing responsibility is to appropriate whatever number of billions of dollars the Executive Branch requests so as to handle this work.

Last Saturday, when I learned from the press about this intelligence reorganization, as ranking member of the Senate Armed Services Committee I wrote the Chairman of that Committee, requesting hearings either by the full Committee or by the CIA Subcommittee, of which I have been a member for some fifteen years. In that letter I presented the fact that this Subcommittee has not met once this year.

This latest reorganization on the face of it raises questions about past, present and future performance of our multi-billion dollar annually intelligence community; questions such as

If it has been inefficient, what and where were its deficiencies?

In what sense does it need to be more "responsive?"

What is implied about the past by the reference in the press release to the objective of insuring "strengthened leadership" in the future?

The White House announcement offers neither answers to these questions, nor explanations of the remedies which have now been unilaterally decreed.

In order to understand properly said action by the Executive Branch, Congress should know the answers to such questions as the following:

How is the leadership role of the Director of the Central Intelligence Agency "enhanced" by the creation of a new and obviously more powerful supervisory committee chaired by the Advisor to the President for National Security Affairs, on which new Board not only sits the Attorney General but also the Chairman of the Joint Chiefs of Staff?

Has this new White House committee been given authority or/and responsibility which heretofore was the responsibility of the CIA, and which the Congress, under the National Security Act, vested in the Agency?

How can the integrity of the intelligence product be assured when responsibility for the most critical aspects of intelligence analysis is taken out of the hands of career professionals and vested in a combination of military professionals and the White House staff?

EXHIBIT 2

CENTRAL INTELLIGENCE AGENCY

SEC. 102. (a) There is established under the National Security Council a Central Intelligence Agency with a Director of Central Intelligence who shall be the head thereof, and with a Deputy Director of Central Intelligence who shall act for, and exercise the powers of, the Director during his absence or disability. The Director and the Deputy Director shall be appointed by the President, by and with the advice and consent of the Senate, from among the commissioned officers of the armed services, whether in an active or retired status, or from among individuals in civilian life: *Provided, however,* That at no time shall the two positions of the Director and Deputy Director be occupied simultaneously by commissioned officers of the armed services, whether in an active or retired status.

Mr. GOLDWATER. Mr. President, if the Senator from Missouri will yield I do not have a copy of the Senator's amendment but I made a note as it was read.

It states:

The Central Intelligence Agency, the National Security Agency, and the Defense Intelligence Agency, and for intelligence work performed by or on behalf of the Army, Navy, and the Air Force.

Now would the Senator break that down into, say, the intelligence that is acquired by a photorecon flight, one, or the intelligence——

Mr. SYMINGTON. May I ask the Senator if he is speaking on my time or on the time of the opposition?

Mr. GOLDWATER. I am not sure that I oppose it. I want merely to find out how deep the Senator wants to go.

Mr. ELLENDER. I yield 5 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 5 minutes.

Mr. GOLDWATER. I thank the Senator from Louisiana for yielding me this time.

What disturbs me, as the Senator knows as well as anyone else in this Chamber, the Army and Navy, the Air Force and the Marine Corps are always, constantly, engaged in obtaining battlefield intelligence and information, some of which applies to the kind of intelligence we are discussing here and some of which applies to intelligence needed to conduct a battle. But the thing that disturbs me is, is there any way to allocate or to determine the cost of that kind of intelligence?

Mr. SYMINGTON. I say to the Senator I do not know. No doubt millions of Americans have seen the chart in Newsweek magazine, however, a chart called "The United States Intelligence Community." It does not give figures for that Agency which, to the best of my knowledge, spent by far the most money, but it does say in the chart that the Army has 38,500 intelligence staffers and a budget of $775 million; that the Navy has 10,000. It does not give the Navy money; that the Air Force has 60,000 staffers with a budget of $2.8 billion. It says the Central Intelligence's budget is $750 million. It says the Defense Intelligence Agency has a budget of $100 million and spends an added $700 million through Armed Forces. Then it goes into additional agencies—six of them, no figures.

I am a member of Armed Services, an ad hoc member of Appropriations, a member of the CIA Subcommittee, and a member of the Foreign Relations Committee, and I would like to know what is going on in this vital field.

When we read that $6 billion is being spent on intelligence, that may be billions of dollars too high, but I would like to know something about it.

Mr. GOLDWATER. The thing I am trying to satisfy in my own mind is how we would go about the bookkeeping of the very elementary type of intelligence-gathering that involves a patrol sent out for intelligence purposes?

Mr. SYMINGTON. The figure I state in the amendment is too high, according to some—$4 billion.

Mr. GOLDWATER. I am not arguing with the Senator about that. I am inclined to agree with him, but I think the amendment would be better—and better understood—if we did not get down to the nitty-gritty of 1 and 1 is 2, at the sergeant or the private level, who is sent out to undertake a photo reconflight.

I am speaking here to their problems and their costs. The question I had is: How far down the hole do we go before we stop?

Mr. SYMINGTON. Let me answer my able friend in this way. We had staff men go in certain areas of the world and they found great duplication. They found the intelligence units of the CIA, the Department of Defense, the Army, the Navy, and the Air Force all directed to particular intelligence, tremendous duplication, therefore waste.

If it is clarification that the able Senator wants, that is what I want—namely, what we are doing month after month with these gigantic sums of money being expended in the intelligence field.

If we are going to have a Congress that means anything, prerogatives, the proper Senate committees ought to be informed.

Mr. GOLDWATER. I am not arguing with the Senator.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield the Senator from Arizona 1 additional minute.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 1 additional minute.

Mr. GOLDWATER. Mr. President, lack of redundancy is the secret of what to my opinion is the best intelligence of the world, the British Intelligency Agency. We have three separate groups that keep piling in an input of redundancy, and each of them becomes a problem of determining which are the most valid.

I thank the Senator from Missouri.

Mr. SYMINGTON. Mr. President, again the House Appropriations Committee, this month, said:

The committee feels that the intelligence operation of the Defense Department is growing beyond the actual needs of the department and are now costing an inordinate share of the fiscal resources of the department. Redundancy is the watchword of any intelligence operation. The same information sought to be obtained by various members and various organizations is naturally less effective than it should be.

Naturally that stimulated my interest in trying to get at the facts.

Mr. STENNIS. Mr. President, I want to speak after the Senator from Louisiana. However, will the Senator yield me 2 minutes for the purpose of asking a question on that point?

Mr. ELLENDER. I yield 2 minutes to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I refer to the same sentence that the Senator referred to with respect to the intelligence of the Army, the Navy, and the Air Force. The Senator does not mean to include what we call tactical intelligence that is done at the level of a battalion?

Mr. SYMINGTON. No.

Mr. STENNIS. He does not mean where a colonel would order a captain to go out and patrol for the purpose of seeking out and getting prisoners to try to get intelligence about the enemy.

Mr. SYMINGTON. I would not want to include the battlefield, but I do want to include all military operations of the Central Intelligence Agency. The Secretary of Defense stated, in open session:

We have no Pentagon military operations in Laos.

I believe that is true because he said it. This means the Central Intelligence Agency is running the war in Laos, and if so, the Foreign Relations Committee and the Armed Services Committee ought to know at least something about it.

Mr. STENNIS. Mr. President, for one illustration, the Senator's amendment refers to what are in the budget items here for the Central Intelligence Agency, the National Security Agency, and the Defense Intelligence Agency. That is the primary references and inclusions that are in the Senator's amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 1 additional minute to the Senator from Mississippi.

Mr. SYMINGTON. No intelligence unit should evade the purposes of my amendment by delegating some of the work they would normally do to the Army, the Navy, or the Air Force.

Mr. STENNIS. I agree.

Mr. SYMINGTON. I feel that without reservation because in this article they state:

Bureaucracy has transformed what began as an amateurish happy few into a sprawling intelligence conglomerate encompassing more than a dozen government agencies, 200,000 employees and a budget of some $6 billion a year.

Mr. STENNIS. Mr. President, I thank the Senator. We will come back to that point later. I know that the Senator from Louisiana wants to speak now.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. SYMINGTON. I will be glad to yield on my own time to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I would like to say that the distinguished Senator from Missouri has opened the door on one of the great issues for the country and for the Congress.

The Senator is quite aware that he has touched on a very sensitive nerve because billions of dollars of intelligence funds are contained in this appropriation. No one can tell where in this bill those funds are. When they read a line item and find that there is so much for aircraft, or for a carrier, those may or may not be the real amounts.

This practice gives rise to questions about every item in the appropriation. I want to ask the Senator why he thinks it is necessary to keep secret the amount of money to be allocated from this appropriation to the National Security Agency. Everyone knows what the NSA does. They read about it in the newspapers. Why is it necessary? What purpose is served by keeping it secret?

Mr. SYMINGTON. Mr. President, I do not know. Much of it slips out.

For example, on March 31, 1971, in the Senate Armed Services Committee hearing, I asked the question:

On page 2 of the congressional data sheet the last item on the table of aircraft procurement program is "classified projects" $579,800,000, requested for 72. This is almost one-fifth of the total aircraft procurement request. Would you please tell us briefly what are the major projects in this category.

General Crow replied:

Because of classification, it can only be provided in oral briefing.

That exchange was declassified and then made a matter of public record.

In the published hearings last year of the House Appropriations Committee, then Assistant Secretary of Defense Froehlke, now Secretary of the Army, was plenty critical of the intelligence setup.

He said the cost of all military intelligence activities, excluding tactical intelligence, was $2.8 billion; and that figure was published.

I want to be careful that through legislative history we do not counter what we are trying to do, namely, get the facts.

Mr. FULBRIGHT. Every time an appropriation comes along, we are told that the Russians are out-distancing us everywhere. We are told this by the same Senators. It is like the swallows coming back to Capistrano. And I wonder how that can be because we spend a lot more money than the Russians spend. We have asked Mr. Helms about this. One explanation may be that we devote so much of the money in this bill to nonmilitary items such as intelligence. That may be an explanation. It has always been a puzzle to me why we get so little in hardware for our money. We are told that we are a second-class power, that we do not have as many airplanes or ships as the Russians. We hear this all the time.

Either we are, or we are not, as strong as we say. Certainly we spend plenty of money. Are hearings held in the Committee on Armed Services on this issue? Has the Senator ever attended any hearings on the question of the activities of the National Security Agency?

Mr. SYMINGTON. We were briefed by the Director of the Central Intelligence Agency twice, the full committee, last January; and then again this morning.

Mr. FULBRIGHT. Did he discuss how much was spent by the National Security Agency?

Mr. SYMINGTON. I asked but he did not know.

Mr. FULBRIGHT. He does not know?

Mr. SYMINGTON. He does not know about the others, only his own in any detail.

Mr. FULBRIGHT. Is he not the head of what is referred to as the intelligence community?

Mr. SYMINGTON. He is the chairman of the National Security Council Intelligence Committee.

Mr. FULBRIGHT. Then his role is that of a coordinator. If anyone knows about this new reorganization, should it not be Mr. Helms?

Mr. SYMINGTON. That is what we are trying to find out. It is all plenty fuzzy.

Mr. FULBRIGHT. Was there no testimony on the question of intelligence in the Committee on Armed Services that the Senator knows of?

Mr. SYMINGTON. No.

Mr. FULBRIGHT. And the Committee on Armed Services does not authorize anything specifically for intelligence?

Mr. SYMINGTON. There is no authorization in any way to pass upon intelligence activities in the Committee on Armed Services. The able chairman of the committee is in the Chamber. He could so verify.

Mr. FULBRIGHT. How long has the Senator been a member of that committee?

Mr. SYMINGTON. It will be standing 20 years next January.

Mr. FULBRIGHT. Would not the Senator have heard of such hearings if they took place?

Mr. SYMINGTON. I would think so.

Mr. FULBRIGHT. The Senator hears of all hearings that take place in the Committee on Foreign Relations. Is that correct?

Mr. SYMINGTON. Yes.

Mr. FULBRIGHT. What is the motive or reason for keeping secret the amount of money being spent, for example, by the National Security Agency, which I suspect is the largest operation? Why is the amount of money secret? I am not talking about who their spy is, if they have one. Why do they insist on secrecy about the amounts?

Mr. SYMINGTON. I do not know.

Mr. FULBRIGHT. Do they think the Russians do not know we have the National Security Agency?

Mr. SYMINGTON. The worst spy we ever discovered was probably in the National Security Agency, a sergeant who was leading a gay and double life, a spy who, when caught, killed himself.

The point of my amendment is to emphasize that we in the Committee on Armed Services and the Committee on Foreign Relations do not have anything like the necessary facts to properly allocate the increasingly limited resources of this country between international and domestic programs.

Mr. FULBRIGHT. In this overall question the Senator spoke about secrets, and there are classes of secrets, of course. The Senator talks about battlefield secrets. Nobody is asking how many men are being sent out on a foray into enemy territory. We are interested in the amount of money that goes into this bill for intelligence because it is a very large amount. I have not heard any suggestion, any legitimate reason, why that amount should be secret, other than one last suggestion. Is this just a way to cover up expenditures so there can be no accounting to the public or Congress?

Mr. SYMINGTON. There are no five gentlemen anywhere——

Mr. FULBRIGHT. That is not the question.

Mr. SYMINGTON. Let finish my sentence.

There are no five gentlemen, in the Senate or anywhere else I respect more

than these four and one lady. But this protest of mine is against the system, not the people involved.

Mr. FULBRIGHT. I hope that the Senator does not infer that my question is based on any suspicion about any Member.

Mr. SYMINGTON. No.

Mr. FULBRIGHT. If the Senator wants to raise that issue let me say that I have the greatest respect for the Senator from Louisiana and I am willing to turn the whole Senate over to him and go home because he has the experience. I am as fond of him as I am of any man in public life. That is not the question.

Mr. SYMINGTON. I agree.

Mr. FULBRIGHT. The Senator from Louisiana is a Member of this body and has been for a long time, and I am sure he does not take the position he should pass on all issues that come here because he has had long experience. That is not the system. I do not understand why the overall amount for these activities has to be secret.

Mr. SYMINGTON. Neither do I.

Mr. FULBRIGHT. It is a very bad practice because it casts doubt on this whole appropriation. When you look at an item in this bill you wonder if it is really the amount of money for the A-14, for example, or if it is for the NSA. One cannot tell what it is.

Mr. SYMINGTON. The Senator is correct.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield to the able Senator from California.

Mr. CRANSTON. Are there references in the appropriation bill to funds for intelligence uses?

Mr. SYMINGTON. No.

Mr. CRANSTON. How are they provided for; by padding other categories?

Mr. SYMINGTON. I am not sure I have enough knowledge to answer. Presumably yes.

Mr. CRANSTON. What is the Senator's answer on what is provided to the intelligence community?

Mr. SYMINGTON. I have heard so many varying facts that is another primary reason I introduced the amendment.

Mr. CRANSTON. The Senator has no estimate?

Mr. SYMINGTON. I have no estimate that in any way could be considered remotely accurate.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. COOPER. Do I understand that the purpose of the amendment is that as these appropriations or the money spent in these intelligence functions are not known and are not directly authorized or appropriated by Congress and the Senate, that the Senator wants to make it a matter of precedent and right that the Senate and Congress should actually authorize and appropriate these funds?

Mr. SYMINGTON. That is correct. As a matter of right, I believe there are certain committees, the Committee on Armed Services and the Committee on Foreign Relations, that should know in executive session about the authorization and appropriation of moneys in this intelligence category.

Mr. COOPER. I would make one comment.

It is always a matter that is troublesome because it could involve security, but it is a fact we learned during the last several years that without the knowledge of Congress our country has become involved in pressures that led to a long and costly war.

Mr. SYMINGTON. The Senator is so right. That is one of the primary reasons for my amendment.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I regret that the Senator from Missouri saw fit to introduce this amendment. Of course, I am opposing it.

I have been in the Senate for 35 years. I have been on the Committee on Appropriations for about 22 or 23 years. Ever since I have been on that committee, all the appropriations affecting our sensitive intelligence program have been handled by only a few Members of the Senate and a few Members of the House. Twenty years ago we started out with two Members. That number has been increased to five, who are chosen from the Committee on Appropriations. That has been the method that has been followed all these years.

I would hesitate to have these programs submitted to the committee of the whole because of the highly sensitive nature of the material that come before us. In order to justify the amounts asked, we are told the reasons why it is needed.

My fear is that if this material were made widely available, we would do harm to our own intelligence operations. Of course these intelligence operations are a very important part of our overall defense.

I do not understand the extent of the amendment of my good friend from Missouri. The amendment reads:

> The Central Intelligence Agency, the National Security Agency, and the Defense Intelligence Agency, and for intelligence work performed by or on behalf of the Army, Navy, and the Air Force.

Well, of course, much of the intelligence gathered, whether it be tactical or not, is gathered either by the CIA or the Defense Department.

This method of appropriating funds for these intelligence activities has been in effect for at least 20 years that I know of, since I have been on the committee. We five who sit on this committee hear the testimony of those applying for funds. The funds are justified to us. We ask many questions. None of this information is in writing, nor is it recorded, but it is simply given to us, and we weigh it and then recommend appropriations as is seen fitting.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield myself 5 minutes more.

There is no specific appropriation for the intelligence activities. They are funded from many different appropriations included in the bill.

Mr. President, as I said, this is a rather ticklish subject. It is a subject that I do not care to discuss in the open. I believe that the Senator from Missouri (Mr. SYMINGTON), and, as a matter of fact, any other Senator on the committee who desires to be briefed by the Defense Department or by the Central Intelligence Agency may be briefed. We request it at times. There is nothing to stop the Senator from Missouri (Mr. SYMINGTON) or the Senator from Mississippi (Mr. STENNIS) from calling Mr. Helms before the committee to give them an idea of what he is doing. But this matter of justifying the amount of money asked in order to carry on intelligence has been for years confined to a few people, because of the sensitivity of the subject. I am very hopeful that that method can be continued.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. In 1 minute.

When I first became one of the five, I attended these hearings. The late Senator Russell was then chairman of the committee. I attended the hearings and took a good deal of interest in them. After hearing both the Defense Intelligence as well as the CIA requests, I thought that there was somewhat more money asked for than needed. So my first effort as a member of the five was to reduce the number of people engaged in intelligence. As I recall, we asked that the number of persons engaged in certain intelligence activities be reduced by 5,000, and that was done.

Mr. President, I wish to say that this year, instead of trying to reduce the number of persons, we actually reduced the amount of money requested.

I wish to point out that I have discussed this matter with Mr. MAHON, who is chairman of the House Appropriations Committee. We discussed together what ought to be done to reduce the amount of money that was requested for intelligence. I gave him a few ideas of what I proposed to do.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield myself 3 more minutes.

I wish to say that he not only listened to me, but adopted some of the ideas I gave him. So the House reduced the intelligence request by $320 million, and the Senate committee reduced the amount by $70 million more, making a total reduction for this year in the amount asked of $390 million.

I think that is a substantial reduction in our intelligence. I want to pledge to the Senate that as a member of the five, I shall continue to look more deeply into this matter, in the hope of being able to cut back a good deal more than the cut made this year.

These cuts were made by our committee and by the House after careful hearings of Defense Intelligence as well as the CIA. I would hesitate to suggest that more Senators and more Members of the House be involved in this sensitive work.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. This intelligence covers a lot more than intelligence gathering. Does it not also cover, for example, the cost of the organization of the war in Laos, supported by the CIA? Would that not be included in this same amount of money? It is financed through the CIA. This is no secret. It has been published.

Mr. ELLENDER. I saw it publicized——

Mr. FULBRIGHT. Perhaps the Senator does not agree to it, but it has been published. But suppose, as a hypothetical case, that it is carried on by the CIA. Would not that operation be carried in this amount?

Mr. ELLENDER. For that activity?

Mr. FULBRIGHT. Yes, for the manpower. It has been stated that the CIA has 36,000 there. It is no secret. Would the Senator say that before the creation of the army in Laos they came before the committee and the committee knew of it and approved it?

Mr. ELLENDER. Probably so.

Mr. FULBRIGHT. Did the Senator approve it?

Mr. ELLENDER. It was not—I did not know anything about it.

Mr. FULBRIGHT. So the whole idea of Congress declaring war is really circumvented by such a procedure, is it not?

Mr. ELLENDER. Well, Mr. President, I wish to say that——

Mr. FULBRIGHT. Is it not?

Mr. ELLENDER. No; I do not think so.

Mr. FULBRIGHT. Well, if you can create an army and support it through the CIA, without anyone knowing about it, I do not know why it is not. That is a hypothetical question I am asking.

Mr. ELLENDER. I understand. But, Mr. President, I wish to say that I do not know. I never asked, to begin with, whether or not there were any funds to carry on the war in this sum the CIA asked for. It never dawned on me to ask about it. I did see it publicized in the newspapers some time ago.

Mr. FULBRIGHT. Well, this has been publicized often. But the CIA has many large operations. They operated a revolution in Guatemala some years ago, and threw out the government. But does not the Senator think Congress ought to know?

Mr. ELLENDER. Well, let Congress change the rules, if it so desires. Let Congress designate more than the five we have. But I would like to see it proceed in an orderly fashion, the same as it has in the past, and if the distinguished Senator from Arkansas——

Mr. FULBRIGHT. Let me ask, why does the Senator seem to think it is so necessary to keep secret the operations in Laos, as opposed to Vietnam? We have great publicity on Vietnam; why does the Senator think it has to be secret, the operation in Laos?

Mr. ELLENDER. It is apparently not secret, since the Senator knows about it. I think the Senator from Missouri (Mr. SYMINGTON) has sent some investigators out there and secured a lot of information that he made public.

Mr. FULBRIGHT. Well, the newspapers published the information before that. We were alerted to the situation when I first read about it in a newspaper account, and then we sent the people out there to check on it, it was so amazing.

Mr. SYMINGTON. Mr. President, if the able chairman will yield, I have never published any information along this line that was not cleared first.

Mr. FULBRIGHT. One of the reasons why this committee was created was as a result of reading in the newspapers just such stories, because it was incredible that we were supporting an army of 36,000 and paying for it without knowing about it.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. ELLENDER. I yield 10 minutes to the Senator from North Dakota.

Mr. FULBRIGHT. I wonder if the Senator would give us the reason why this should all be secret.

Mr. YOUNG. Mr. President, I have served on this Intelligence Subcommittee on Appropriations for 5 or 6 years, and this is the first time I ever attempted to defend what the CIA or any intelligence agency does. In order to do it, you would have to document your case, and one cannot document intelligence and spying. Spying is a dirty business, but it is a business every nation in the world engages in. Russia does a bigger job of it than we do. You cannot disclose secret information. But it is very valuable to us. It was very valuable to know, when we had the showdown with Cuba, just what the Russians would and would not do.

This five-member committee was not publicized or listed until about 3 or 4 years ago. The House of Representatives does not list their names yet.

You always have to have some secrecy in Government. For example, when the atomic bomb was developed, if there had been more than 10 people in the House and Senate who knew about that, it would have been public knowledge. But this was one of the best kept secrets in history.

You have all kinds of intelligence. For example, the satellites are intelligence-gathering vehicles. Would a weather satellite be an intelligence-gathering vehicle? It could be a part of military intelligence. That knowledge is very important to them. Does the Symington amendment include this?

As to all these press stories we read and hear, this is an interesting subject to write about, of course. People like to read them. I do, too. And if you want to read something very interesting and authoritative where intelligence is concerned, read the Penkovsky papers. Penkovsky was a Russian spy who became very disillusioned with the Russian Government, and told us all he knew about Russian intelligence, and he was caught. He knew he was going to be caught eventually, and he was caught and killed.

But this is a very interesting story, on why the intelligence we had in Cuba was so important to us, and on what the Russians were thinking and just how far they would go. For the life of me, I cannot understand what the amount of money we spend for intelligence would have to do with the Committees on Foreign Relations or Armed Services.

What the Senator is interested in is intelligence. So far as I am concerned, there is no objection to that committee from whatever intelligence they are able to get.

Mr. FULBRIGHT. No; I am not interested in the spies and their mistresses, and the Goldfinger type of thing. But here is a vast amount of money. I gave one illustration. Does not the Senator think it is our responsibility to know about the kind of activity in Laos, which I am quite certain is going on? In fact, I know it. But we were first alerted through the newspapers of the army there.

The Senator says it was a tremendous thing to keep the atomic bomb secret. As a matter of fact, suppose it had been known we were making one, what would have been the harm in that? It was not the secrecy that was significant, it was the fact that we succeeded. I do not know why the secrecy was all that important. If they had known we would have it in advance, it is quite possible that we would not have had to drop it. I do not know; that is a speculative matter. But I am not impressed with the argument that it was so important to keep it secret, other than perhaps as far as the technical thing was concerned.

When Roosevelt asked for 50,000 airplanes, everyone knew we were going to build 50,000 airplanes. We did build them, and used them.

But this secrecy and classification has become a god in this country, and those people who have secrets travel in a kind of fraternity like a college secret society, and they will not speak to anyone else. Yet the Senator wants us to appropriate the money and vote for the bill. I want to say that I find it very difficult to vote for a measure as to which I do not know whether the amount involved is $5 or $10 billion. When I think about what a poor, second-class Nation we are said to be militarily, although we spend twice as much as the Russians, it occurs to me that it may be $20 billion, for all I know.

I cannot understand why it is so important to be secret. As the Senator said, we know that the Russians do it, and the Russians know that we do. Everyone knows that we monitor their shots, just like they monitor ours. We all do the same thing. There is no secret about that, except that we do not know what we are spending on it, and how much it is, and we also do not know about the operations that are not intelligence gathering.

It is very unusual that we have an agency called an intelligence agency out operating a war. That is like the Pentagon. It is not gathering intelligence in Laos; I submit it is organizing and paying for a war. It is running airlines and paying for them. That is not intelligence gathering at all.

Mr. YOUNG. Is the Senator talking on his time or mine?

Mr. FULBRIGHT. I just ask the Senator, why should that be a secret? I really do not know. If we hire citizens of other nations to do in Cambodia what our own people are forbidden to do by law, does the Senator think that is good?

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. ELLENDER. I yield 1 more minute.

Mr. YOUNG. I read in the magazines and newspapers where the CIA was supposed to be hiring soldiers in Laos. If they hired some there, I am not opposed to it. The British have hired soldiers for 500 years. If someone was hired to interrupt the movement of goods and equipment down the Ho Chi Minh Trail, I am not opposed to that.

Mr. FULBRIGHT. Maybe it is a good thing, but why the secrecy? I am not now saying that it is good or bad. I am asking, why should it be so secret?

Mr. YOUNG. You can find out that much without knowing the amount of money they are appropriated. The amount of money is certainly not so important as the amount of intelligence. The Senator can get that as well as I can.

Mr. FULBRIGHT. If the money in here for intelligence is $20 billion, I think that is very important for the Senate to know.

The PRESIDING OFFICER. Who yields time?

Mr. ELLENDER. I yield 10 minutes to the Senator from Mississippi.

Mr. FULBRIGHT. Could the Senator say what percentage the committee cut the budget? Would he say they cut the budget 20 percent, or 10 percent?

Mr. ELLENDER. We cut the budget $390 million.

Mr. FULBRIGHT. Is that 20 percent, or 10 percent?

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, for what length of time am I recognized?

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 10 minutes.

Mr. STENNIS. May I ask what time remains to the two sides?

The PRESIDING OFFICER. The remaining time is 13 minutes on each side.

Mr. STENNIS. Mr. President, I thank the Senator from Louisiana for yielding to me.

Mr. President, to try to settle a matter such as this, involving our activities all over the world—open and secret—with 45 minutes of debate to a side, to me, is tragic. I want to underscore that to every Member of this body, and with great respect for the author of this amendment. He and I really have rather good feelings for each other, I think.

Mr. SYMINGTON. We certainly do.

Mr. STENNIS. I think it is a great tragedy, and I would like the elected leaders of this body to hear what I am saying about that. It is absolutely impossible even to begin to state the facts, much less argue or explain the procedures about this matter. It is tremendous. It is perhaps the most important work we do in all the national security element.

There has been talk about it not being itemized in the bill. Did you ever see the U–2 itemized in any appropriation bill? Of course not. But it was through the U–2 that we got the most valuable information that perhaps we ever have gotten. It saved us hundreds of millions of dollars—billions, I think—and caused us to arm in time.

I will not go into any further details on that. That is just one illustration.

As I say, you cannot begin to go into this matter. But the question has been raised about the secrecy, why the secrecy, and I refer now to section 6 of the amendments to the National Security Act. The amendments were passed in 1949, as I recall. My time will be up almost by the time I read this special section. This is the law that Congress passed at that time for the security system we were trying to set up.

> Section 6. In the interests of the security of the foreign intelligence activities of the United States, and in order to further implement the proviso of section 403(d) . . . of this title, that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure, the agency shall be exempted from the provisions of section 654 of title V . . .

As I recall hurriedly, this relates to the disclosures. Some of these titles have been repealed, but this is the blanket that was put on it then.

> . . . and the provisions of any other law which require the publication or disclosure of the organizations, functions, names, special titles, salaries, or numbers of personnel employed by the agency.

That is the ban of secrecy that was put on it when we enacted this law. That is indicative of what Congress thought about it—suspended all the other requirements, and all laws, and so forth. Further:

> Provided that in referring to this section, the Director of the Bureau of the Budget shall make no reports to Congress in connection with the agency under sections 947 . . . of title V.

I understand that that is a reference to personnel, and I do not know what else. Those sections have been repealed a little, changed a little, reenacted, and so forth.

But there is the secrecy. It was in the atmosphere of this guideline that men such as Styles Bridges, former chairman of the Appropriations Committee—some Members of the Senate knew him; the late Senator Russell—many of the Senators knew him; Leverett Saltonstall; and a good number of others worked out a plan, trying to carry out their functions. They worked out a plan whereby this matter would be taken care of.

My goodness, talking about trying to keep something secret from some other Senator or somebody else. Trying to protect this country. It is in that spirit that this matter has been carried on—not a pleasant duty, by any means. I will get out anytime someone holding a responsible position in the Senate, such as our leader, says who has been selected and who will take my place.

This is the most grave thing I have seen come before the Senate, to handle it this way. I have no criticism of my friend here. But that is the gravity of it. It can be proved by other sections of the law.

The whole Central Intelligence Agency is brought into focus here. I want to say that I have been watching them for quite a while. This Agency is conducted in a splendid way. Except for salary increases, it has been reducing expenditures for the last several years. It has been reducing its budget. It carries on its job in a professional way, in the finest way.

There is a new intelligence plan of some kind. I call it a plan, and we are going into it now. That came out of the White House. We can argue about that, make fun of it. But intelligence is not a laughing matter. We are going into that fully now. I was not advised about it beforehand. I do not expect anybody to give me a great deal of attention, but I wish the chairman of the Armed Services Committee and the ranking member had been advised about it, and Appropriations. But they were not. But we are going into it now.

My impression is that we are talking about someone being kicked upstairs and denied authority and some other fellow put in. I do not know whether that is true or not, but I do not believe it is. Helms does not think so. But we are getting to the bottom of it. As soon as I heard this, I called him up and told him:

> You are the only man who has been approved by the committee and the Senate to be Director of the CIA. You are the only man we approved, and you are the only man, so far as I am concerned, who is going to be its director, until we do something about it.

That was with all deference to the deputy. I want a civilian in control of that agency, for my part. We had to approve this man. He assured me that his dominance over it, his effectiveness, his powers over, it will not be diminished one bit. He told us that today. We had a hearing on this matter.

That is just touching the high points. But we are going into it, and we are going to analyze it and study it and have an investigation—if one wants to use that word—if necessary. We do not take these things lightly. The stakes are too high.

Now, about these other agencies. Senators know what they get into. I am not going to delineate any more. I mentioned the U–2. I do not like some things about intelligence. As has been said, spying is spying. But if we are going to have an intelligence agency, we have to have an intelligence agency, and it cannot be run as if you were running a tax collector's office or the HEW or some other such department. You have to make up your mind that you are going to have an intelligence agency and protect it as such, and shut your eyes some and take what is coming.

This is a great deal of money here. I want to refer now to the last few words in the Senator's amendment. I do not know how far down the line that language goes, but I think it goes much farther down the line of intelligence than anything we handled in the method we talked about.

That language is broad enough to go to tactical intelligence. Every military unit in the field has an intelligence officer. In Vietnam they have to go out—we have heard the Senator tell about it—we send a major or a captain out with a patrol to try to take prisoners, and the prisoners are quizzed, to try to find out about the enemy. I think this language is broad enough to cover that sort of

activity: tactical patrols. But it is not a budgeted item in the bill or in any of the matters I have been talking about. We would not know where to start. I do not know how much these tactical intelligence activities cost. It is not a budgeted item. There is no way to calculate it. That is part of running the Army. That is part of running the Navy. Think, for example, about the big sums of money that must have been spent in Korea on such tactical intelligence.

Mr. FULBRIGHT. Mr. President, will the Senator from Mississippi yield for a question?

Mr. STENNIS. I do not yield at this time. This is all so tragic—so little time I have to yield to any Senator—I can talk to Senators about this matter in the cloakroom, or in their offices, or in my office, but here tonight, in just a few minutes on this ending matter, I am not going to use my time to try to answer questions that way. I say again, I wish the leaders were in here—they are busy somewhere else—so that I could try to impress upon them the necessity for further time. I did not hear the unanimous consent request about the limitation. I was handling another matter then. It will take hours and hours fully to explain this matter, so that this body could intelligently pass on it. The Senator is giving an absolute figure here which, according to the interpretation, is far, far beyond what the Senator would intend to do. So in the last 10 seconds here, let me warn about the necessity that the only thing to do now is to vote this amendment down, and then take up the cudgels and the problem again and work it out some other way.

Mr. SYMINGTON. Mr. President, I am impressed with the observations of the chairman of the Armed Services Committee, his stating this amendment is not drawn properly, and so forth. I wish his interest in the subject had developed to the point where he had held just one meeting of the CIA subcommittee this year.

To show the lack of respect the executive branch has for the Senate, there was not one Senator who was approached in any way before the White House made this basic, major reorganization of our entire intelligence apparatus.

Mr. STENNIS. We will attend to that one, Senator, too.

Mr. SYMINGTON. As a longtime member of the Committee on Foreign Relations, as an ad hoc member of the Appropriations Committee and the ranking member of Armed Services, I respectfully plead with my colleagues to allow me to receive in executive session enough intelligence information to in turn form an intelligent judgment on matters which so vitally affect our security; and so I can vote in committee and on the floor of the Senate on the basis of the facts. There have been several cases where I have not been able to do that in the past. In my opinion, this lack of disseminated information has cost the country a great deal of treasure and a number of American lives.

Now, Mr. President, I yield 3 minutes to the Senator from California (Mr. CRANSTON), and then 1 minute to the Senator from Arkansas (Mr. FULBRIGHT).

Mr. CRANSTON. I would like to address some questions to the distinguished chairman of the committee. The chairman stated that he never would have thought of even asking about CIA funds being used to conduct the war in Laos. I am sure I never would have thought to ask such a question. But it appeared in the press that perhaps that was happening. I would like to ask the Senator if, since then, he has inquired and now knows whether that is being done?

Mr. ELLENDER. I have not inquired.

Mr. CRANSTON. You do not know, in fact?

Mr. ELLENDER. No.

Mr. CRANSTON. As you are one of the five men privy to this information, in fact you are the No. 1 man of the five men who would know, then who would know what happened to this money?

The fact is, not even the five men, and you are the chief one of the five men, know the facts in the situation.

Mr. ELLENDER. Probably not.

Mr. CRANSTON. The Senator stated that $390 million has been cut. I applaud that action. Could the Senator tell me what figure in this bill is cut by $390 million, or is there no figure that has been cut specifically?

Mr. ELLENDER. No specific figure.

Mr. CRANSTON. What is the total figure appropriated—the total amount appropriated by the bill?

Mr. ELLENDER. The total of the bill as reported is $70,242,513,000.

Mr. CRANSTON. When we run through the bill, we find that there is allocated money for pay and allowances, for individual clothing, for subsistence, for interest on deposits, for retirement pay, for travel, for operation and maintenance, for medical and dental care, for welfare and recreation, for medals and awards, for emblems and other insignia, and then an itemization for the hiring of people, and miscellaneous items such as procurement of aircraft, procurement of naval vessels, leasing of buildings, the purchase of milk, itemized figures on expenses of prisoners, figures for each of those, and so forth. Is the way these items are handled inflated, or bloated, in fact—some of them, at least—that will cover up what is in this bill for intelligence?

Mr. ELLENDER. Yes, the Senator is correct—some of it.

Mr. SYMINGTON. Mr. President, I yield 1 minute now to the Senator from Arkansas.

The PRESIDING OFFICER (Mr. TALMADGE). The Senator from Arkansas is recognized for 1 minute.

Mr. FULBRIGHT. The Senator from Mississippi, whom we all respect so greatly, I think "protesteth too much." All the amendment does is simply to put a ceiling on the overall amount which may be expended for intelligence activities. The amendment has nothing to do with secrecy. It does not in any way seek to make public any of the State secrets the Senator referred to. His comments are utterly irrelevant to the amendment, I believe. This is a simple amendment, merely trying to put a ceiling on intelligence expenditures. It is also rather odd that the Senator from Mississippi said he does not know what is spent for intelligence, and yet the chairman of the Appropriations Committee said that we cut it $390 million. What was the original amount from which the cut was made? The overall amount to which the Senator from Missouri (Mr. SYMINGTON) refers is the same thing the Senator from Louisiana, who knows what he is talking about and, as chairman of the committee, spoke to this body about. Yet the Senator from Mississippi says he has no idea what is spent for intelligence.

The Senator from Louisiana knows what total he is talking about when he says it was cut $390 million. The Senator from Louisiana certainly has some figure in mind. He was not talking about sergeants going out, looking for booby traps. He had some total figure in mind. It is strange that the chairman of the Armed Services Committee has no idea what the Senator from Louisiana is talking about.

Mr. STENNIS. Will the Senator from Arkansas yield at that point?

Mr. FULBRIGHT. I do not yield to the Senator on my time. The Senator refused to yield to me. The Senator from Mississippi has tried his best to obfuscate this matter. If he is as serious about this thing as he says he is—and I think this is a serious matter, as a matter of fact, the most serious thing we have before us—I do not think it is tragic to bring it up. So why do we not have an executive session and talk about it at length?

If the Senator from Mississippi would like to have an executive session, we could talk about it all day, sometime next week, when we return after Thanksgiving.

We talk about intelligence. It is no secret from anyone that we are waging war in Laos and have been for a long time.

Mr. SYMINGTON. Mr. President, following the thought of the Senator from Arkansas, if the able chairman of Appropriations, the Senator from Louisiana (Mr. ELLENDER) and the able chairman of the Armed Services, the Senator from Mississippi (Mr. STENNIS) will agree to a secret session next week, so we could discuss this matter more thoroughly, I will withdraw my amendment tonight.

I ask the Senator from Louisiana and the Senator from Mississippi if they would agree to such a session?

Mr. ELLENDER. Answering for myself, I would like to complete this bill. If the Senator desires to talk about it after the bill is completed in executive session, that is all right with me. But I would not want it to interfere with the final passage of the bill.

Mr. SYMINGTON. Why not let the bill wait until we get more facts about the many billions of dollars involved?

Mr. ELLENDER. As I have said, we agreed on the time for the Senator to discuss the amendment. I am very anxious to complete the bill today if possible.

Mr. SYMINGTON. Mr. President, there has been much criticism of the time limitation and I see the majority whip on the floor. He would be the first to say I was anxious we not have any limitation. But I did finally agree. I also agree with the Senator from Mississippi that there should not be a limitation on time.

But if we want to proceed I ask unanimous consent we have another 2 hours.

Mr. GOLDWATER. I object.

The PRESIDING OFFICER. Objection is heard. Who yields time?

Mr. FULBRIGHT. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Missouri has 5 minutes remaining.

Mr. SYMINGTON. Mr. President, I say to my colleagues that I have been told in confidence different figures concerning how much money we were actually expending on national intelligence. As a result of people going into foreign lands we now know that much of what we are doing is both costly and unwise, actions we would have undertaken if we had had the right information. As the Senator from California pointed out, if we had had more information on certain important issues, we would have made different decisions.

All this amendment does is say we cannot spend more than $4 billion on intelligence this fiscal year.

I would hope that the Senate would agree.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. FULBRIGHT. Mr. President, I agree with what the Senator from Mississippi said about the importance of this. He said that we cannot dispose of all of this in a few minutes. I agree.

This amendment is a very important amendment. It seems to me that when this matter was brought up before, we did have an executive session and did discuss the matter.

Today we are much more critical of the amount of money we spend than we were at the time when the program developed.

It is important that the Senate, as a whole, understands what the intelligence program is. I would think the Senate would welcome an opportunity to have this explained. It would satisfy curiosity about this matter.

One of the things that worries me most of all is that I do not see any reason why we should pass appropriations for the CIA to organize an army, pay the troops, and conduct a full-scale war in Laos. Yet people of this country think we have a democracy in which a war, if one is to be fought, has to be declared by Congress. Yet Congress did not know about the war in Laos until it was well underway.

Today, while the war is known to everyone, there still is no official acknowledgement. There is nothing in this bill to indicate how much money we will spend in support of the army in Laos. It will be many millions of dollars. I do not see how we could support an army of the size we do without that much money.

I do not see what is wrong with knowing these things. This is an operation. This is not intelligence. It is the difference between the U–2 and the affair in the Dominican Republic, and upsetting the government in Guatemala. Maybe these things are good. But no doubt Congress ought to know about them so that it can decide.

Mr. SYMINGTON. One of the great surprises of my life was to find out how much of the money in this intelligence budget actually goes to the Central Intelligence Agency. The Senator feels the situation in Laos is very wrong. We could talk about other situations.

Mr. FULBRIGHT. The Senator reminds me of something about Mr. Helms. Mr. Helms has been far better with the Congress than any other intelligence man with whom we deal. I would put him at the top. The recent reorganization looks like an effort to curb Mr. Helms in favor of the Pentagon, and this what I do not like.

Mr. SYMINGTON. I do not either, moving into the hands of the military.

Mr. MATHIAS. Mr. President, the old saying that some may apply to this amendment is that one should not stir muddy water. For the Senator from Missouri has focused our attention on water that is not only muddy, but actually murky. Many Members may be reluctant to stir this water for fear of what they may find. I think we cannot delay much longer in turning our attention in this direction for fear that what is there may evade our examination and our concern.

But I find it intolerable that we should attempt to debate and decide this question with such a complete lack of firm facts and reliable information, and with the limitation of time and freedom of expression that is necessary under existing conditions. Under the circumstances, I feel unable to support this amendment at this time. I would support, however, a motion to hold an executive session at an early date at which the whole issue could be thoroughly and thoughtfully considered.

An alternative to an executive session of the whole Senate might be a joint meeting of the Foreign Relations and Armed Services Committees under appropriate conditions that would permit adequate investigation without jeopardizing security. While proper security is a national requirement, yet the Congress must have the facts in order to resolve the issues that are embodied in the reports of a secret war in Laos and other covert activities alleged to be conducted by one or another of our intelligence agencies.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Missouri. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), the Senator from Louisiana (Mr. LONG), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

Mr. GRIFFIN. I announce that the the Senator from Maryland (Mr. BEALL), the Senator from New Hampshire (Mr. Maine (Mrs. SMITH) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Illinois (Mr. PERCY) is detained on official business.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

If present and voting, the Senator from Illinois (Mr. PERCY) and the Senator from Maine (Mrs. SMITH) would each vote "nay."

The result was announced—yeas 31, nays 56, as follows:

[No. 394 Leg.]

YEAS—31

Bayh	Hart	Nelson
Burdick	Hatfield	Pell
Byrd, W. Va.	Hughes	Proxmire
Case	Humphrey	Randolph
Chiles	Inouye	Ribicoff
Cooper	Kennedy	Stevenson
Cranston	Magnuson	Symington
Eagleton	Mansfield	Tunney
Fulbright	Metcalf	Williams
Gravel	Mondale	
Harris	Montoya	

NAYS—56

Aiken	Eastland	Miller
Allen	Ellender	Packwood
Allott	Ervin	Pastore
Anderson	Fannin	Pearson
Baker	Fong	Roth
Bellmon	Gambrell	Schweiker
Bennett	Goldwater	Scott
Bentsen	Griffin	Sparkman
Bible	Gurney	Spong
Boggs	Hansen	Stafford
Brock	Hollings	Stennis
Brooke	Hruska	Stevens
Buckley	Jackson	Taft
Byrd, Va.	Jordan, N.C.	Talmadge
Cannon	Jordan, Idaho	Thurmond
Cook	Mathias	Tower
Curtis	McClellan	Welcker
Dole	McGee	Young
Dominick	McIntyre	

NOT VOTING—13

Beall	Long	Percy
Church	McGovern	Saxbe
Cotton	Moss	Smith
Hartke	Mundt	
Javits	Muskie	

So Mr. SYMINGTON's amendment was rejected.

Mr. ELLENDER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. STENNIS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENTS

Mr. MANSFIELD. Mr. President, it has been a long and hard 3 weeks. I know that some Senators are getting tired. Some would like to put the bill over until tomorrow. Others—I believe a majority—would like to finish it tonight.

It is my understanding that as of now we have only one amendment in contention, and the distinguished Senator from New Hampshire (Mr. MCINTYRE) has indicated that he would be willing to agree to a limitation of 20 minutes.

I ask unanimous consent that the Senator from New Hampshire be allotted 15 minutes and that the manager of the bill be allotted 5 minutes on that amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I understand that another possibly contentious amendment will not be offered, and that there will be an amendment

offered by the distinguished Senator from Nevada (Mr. CANNON) and by the distinguished Senator from Mississippi, both of which will be accepted, or at least accommodated. It would appear, if the Senate would agree, that we could come to a final vote on the bill at 9 o'clock or thereabouts.

Mr. BROOKE. Mr. President, I have an amendment which I hope would be accepted.

Mr. MANSFIELD. If it is not accepted, would the Senator agree to the most limited time possible in view of the circumstances?

Mr. BROOKE. Yes.

Mr. MANSFIELD. How much time?

Mr. BROOKE. Twenty minutes.

Mr. HUMPHREY. Mr. President, I have an amendment which I would like to propose, and I would be willing to limit it to a very small amount of time.

Mr. MANSFIELD. Ten minutes?

Mr. HUMPHREY. Ten minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time on the amendment of the distinguished Senator from Massachusetts (Mr. BROOKE) be limited to 20 minutes, with time to be equally divided, and that time on the amendment of the Senator from Minnesota (Mr. HUMPHREY) be limited to 10 minutes, the time to be equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. And that, at the conclusion of the consideration of these amendments, the Senate proceed to third reading and final passage.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MCINTYRE. Mr. President, I call up my amendments No. 749.

The PRESIDING OFFICER. The clerk will read the amendments.

The assistant legislative clerk proceeded to read the amendments.

Mr. MCINTYRE. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCINTYRE. Mr. President, I ask unanimous consent that notwithstanding the fact that the figure on page 23, line 26, and page 24, line 1 has been amended, I be permitted to offer an amendment changing the same figure.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendments of Mr. MCINTYRE (No. 749) are as follows:

On page 23, line 26, and page 24, line 1, strike out "$2,293,619,000" and insert in lieu thereof "$2,341,069,000".

On page 24, lines 10 and 11, strike out "$2,845,944,000" and insert in lieu thereof "$2,875,944,000".

On page 24, lines 24 and 25, strike out "$437,143,000" and insert in lieu thereof "$442,143,000".

Mr. MCINTYRE. Mr. President, I ask unanimous consent to add as cosponsors of my amendment the distinguished Senator from Texas (Mr. BENTSEN), the distinguished Senator from Arizona (Mr. GOLDWATER), and the distinguished Senator from Colorado (Mr. DOMINICK), all members of the Subcommittee on Research and Development of the Armed Services Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCINTYRE. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCINTYRE. Mr. President, I would be remiss if I did not compliment the distinguished chairman of the Appropriations Committee and the members of that committee for the fine work they have done on the fiscal year 1972 defense appropriations bill. All of us in the Senate realize what a fine job the Senator from Louisiana has done. Their action which resulted in a cut of about $3 billion from the amount requested is highly commendable.

I am moved, however, to express my concern with one particular aspect of their actions. This involves a general reduction of $112 million in the research and development appropriations. Of this amount, $77 million was assessed to the Navy, $30 million to the Air Force, and $5 million, which also had been cut by the House, to the Advanced Research Projects Agency.

In my view, Mr. President, to reduce the budget request by a lump sum amount is unwise. It may be interpreted as sidestepping to a degree the need to examine the details of the major programs so that specific reductions can be made where and when supported by the facts. It may also be interpreted as relinquishing to the Department of Defense the responsibility for deciding how to spread the reduction; and that decision by Defense may not turn out to have been wise or in the best interest of the country. It is certainly an unjustified cut in the one R. & D. program of the Department of Defense which is the key to our technological lead over the Soviet Union.

Originally our subcommittee, in frustration, undertook to make percentage cuts which were entirely judgmental and arbitrary. When the full committee considered the subcommittee recommendations, I recall being asked why a given percentage was selected and why it could not be twice that or half that. I could not, in good conscience. I would guess, Mr. President, that the Appropriations Committee would have some degree of difficulty if similar questions were asked about the general reductions of $112 million. The fact that the Navy was requested to consider spreading their $77 million reduction among 57 programs at their discretion, and the Air Force $30 million among 33 programs at their discretion does not help the situation. If anything, this will cause a lot of squabbling within the services and the Department of Defense. I am concerned, too, that logic may be subordinated to loud and forceful proponents, or other unjustified influences.

I have learned my lesson well. In reviewing the fiscal years 1971 and 1972 R. & D. requests, although we were limited in time and had to devote many long hours in hearings and briefings, the major part of the budget was covered in detail. We on the subcommittee bit the bullet, Mr. President. As a consequence, we were able to come up with specific recommendations by individual programs right down the line, and they were sustained by the full committee and the Senate as a whole.

I cannot condone this practice, Mr. President, which to me is counterproductive in every sense of the word. It also contradicts the principles which we on the R. & D. Subcommittee have taken such great pains to uphold in steering the Research and Development Subcommittee through the authorization request for research and development.

To correct this situation, Mr. President, I have introduced amendment No. 749 to the pending bill which would accomplish the following:

First, it would restore $58,700,000 of the $77 million general cut made in the Navy program. Of the difference of $18,300,000, $12,300,000 has been proposed to be restored by an amendment introduced by my distinguished colleague from Colorado to the surface effect ship program. The remaining $6 million is not proposed for restoration because it is in excess of the total amount provided in the fiscal year 1972 military procurement authorization bill as passed by the Senate.

Second, it would restore the $30 million general cut made in the Air Force program.

Third, it would restore the $5 million general cut made by the House and sustained by the Senate Appropriations Committee in the program of the Advanced Research Projects Agency.

These actions, Mr. President, would restore these appropriations to levels which would be within the total amounts provided for these agencies in the military procurement authorization bill as passed by the Senate.

I should mention, Mr. President, that my comments are not intended to apply solely to the Appropriations Committee in its action on the defense budget. They apply to all committees of both Houses of Congress which have the responsibility for legislation involving the use of the taxpayer's dollar.

I certainly hope that the amendment will receive the approval and the backing of my fellow Senators.

Mr. President, I point out that my serious objection here is summed up in a statement on page 176 of the report of the Appropriations Committee, as follows:

General reduction.—It is the view of the committee that substantial savings can be made by a careful review of the requirements for the numerous projects included in the planned fiscal year 1972 program, and a $77,000,000 general reduction is recommended. While this reduction has not been applied to specific projects, the committee requests the Navy to consider the application of the total reduction to the following projects:

And then it lists about 70 of them.

Mr. President, in the subcommittee of the Appropriations Committee that I chair, we went to work on some 17 of these particular programs, and in some instances, when the case was made, for example, by the Navy, we sustained their

request; in other instances, we cut them back.

I think that is the intelligent way we should go at it, especially when we are dealing with what DOD and many military observers feel is our preeminence in the field of technology.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, will the Senator yield me 2 minutes?

Mr. McINTYRE. I yield the Senator 1 minute.

Mr. DOMINICK. I just want to congratulate the Senator from New Hampshire, the chairman of the R. & D. Subcommittee, on his efforts. I know what a tremendous job he has done on this measure. Time after time, he has been totally surrounded by papers, talking with witnesses, trying to find out what we were really doing in this R. & D. area. He has gone into extraordinary detail, in I think probably the most fruitful program we have had for a long time to delve into the enormous amount of money spent on research and development.

I merely wanted to congratulate the Senator and say I am happy to support his amendment.

Mr. McINTYRE. I thank the Senator for his support. I yield 1 minute to the distinguished Senator from New York.

Mr. BUCKLEY. Mr. President, the McIntyre amendment will provide for the restoration of the minimum funds required for the vitally important development of our future defense capabilities. It will mitigate to some small extent the damage to our defenses which will result from the sharp cuts in defense spending reflected in the defense appropriation bill now under consideration.

It should be kept in mind that the President's originally requested expenditure of $73.5 billion for fiscal year 1972—a level of expenditure which many experts considered to be dangerously low—has been cut by $3 billion, most of it out of those funds allocated for research, development and procurement.

In considering what is or is not an adequate rate of expenditure for various aspects of our national defense, we must focus on the magnitude of the threat which is now being posed by the rapid, purposeful expansion of the Soviet Union's conventional and strategic forces. I have had occasion earlier this year to describe the rate at which the Soviet Union is overtaking us in her strategic and naval capabilities. Just last Sunday, the New York City newspapers carried two items describing our relative decline in still other areas.

The first of these was a column which appeared in the New York Daily News under the title, "The Shock of Being Second in Air Power." I ask unanimous consent that the column be reprinted in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. The second item, which appeared in the New York Times, contained the following quotation from the 1971–72 edition of the authoritative "Jane's Weapons Systems":

> Russia now has the initiative in weapons technology. Whereas for a long time it was assumed—with considerable justification—that the NATO countries had a clear lead in the development of sophisticated weapons, it is now clear that the U.S.S.R. has extinguished that lead and is outstripping the West.

I ask unanimous consent that the article from the Times be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BUCKLEY. It would be well for Members of this body to ponder the implications of the statement quoted from "Jane's Weapons Systems." The case has been made in such diverse organs as the "International Institute for Strategic Studies," "Jane's Fighting Ships," and "Jane's All the World's Aircraft" that the United States has already fallen behind the Soviet Union in so many categories of strategic weaponry, that the credible threat of a successful Soviet preemptive first strike upon U.S. strategic forces is now within the realm of feasibility. It now appears that we are also losing—if we have not already lost—the technological base from which to restore the primacy of our forces and to equip them with the kind of modern weapons which will be required to defend our security, and to enable the President to implement our legitimate foreign policy objectives.

The defense appropriations bill currently before the Senate has gone far beyond mere cost-cutting economy measures. It is on the verge of destroying the vital technology base of our research and development community which is necessary to support any crash effort we may be required to make to modernize and expand our military forces on an emergency basis.

Our memory should not be so short as to forget that we had a year or two of warning after the initiation of hostilities in Europe in World War II before we were forced into war. This gave us barely enough time to develop a minimum defense establishment with which to enter the war. No one believes that we will be granted an equivalent period of time for mobilization should the Soviet Union seek to exploit its military advantage in the near future.

The aggregate amount of funds appropriated for R. & D. in the bill before the Senate are barely enough for a cost-of-living adjustment, and thus they provide no opportunity to improve our technology base at a time when the Soviet Union is actively improving its own. The restoration of funds provided for in the McIntyre amendment is the absolute minimum required by the elemental imperatives of national survival. I urge its adoption.

EXHIBIT 1

THE SHOCK OF BEING SECOND IN AIR POWER

(By Jerry Greene)

WASHINGTON, November 20—The late Gen. Hoyt Vandenberg had a word for it 20 years ago, a descriptive one-liner laying out the picture far better than a batch of statistics. And the little known tragedy of today is that we are rapidly nearing the same status once again.

"We have a shoestring, one-shot Air Force," Vandenberg told a House committee only a half-dozen years after the United States had fielded the mightest aerial combat armada in history.

A couple of days ago President Nixon signed a $21.3 billion defense authorization bill for fiscal 1972. The $70 billion-plus defense appropriations bill is now before the Senate.

The appropriations bill carries nearly $3 billion for procurement and modernization of aircraft and purchase of spare parts and support equipment. More than a billion dollars is allocated for 200 new planes.

Yet in the face of these enormous outlays, in relation to Russia and the Warsaw Pact nations, USAF is in a sorry state for manned aircraft, running very hard to stand still—in second place.

For all of the quibbling over shipment of F–4 Phantom jets to Israel, if this sale of 50 planes was ordered immediately the aircraft would have to be taken away from an American squadron.

As of today the Air Force has only 102 more F–4 fighter aircraft on order, 16 to be delivered this fiscal year, 75 in fiscal 1973, and 11 in fiscal 1974.

The 1972 budget, for a year nearly half gone already and the appropriation still not passed by Congress, provides for the purchase of 164 aircraft of all kinds for USAF, the smallest annual buy since 1935.

Since 1968, the procurement of aircraft for USAF has not been sufficiently large to replace losses from all causes, the largest coming from the Vietnam war.

At latest reports, USAF had about 6,000 combat aircraft. Russia had 10,000 such planes.

Such a comparison lends support to the comment by one of the top military planners who told us, "under the best possible assumptions our ability to win the air superiority battle are very chancy, a very high risk involved. It appears very doubtful that in Western Europe we could win air superiority in the early stages."

It might be noted in passing that not since the battle of El Alamein early in World War II have American ground forces been engaged in combat without complete air superiority. Those who have been under air attack can tell the curious that it does make a difference.

The basic reason for the sad state of USAF as regards aircraft is quite simple: Most of our latest models are quite old in either design or production or both—and it will be years, even if Congress is willing, before we get new ones.

But, apart from the ICBM and the ABM and the costly troubles of the C–5A cargo plane of the Air Force, we thought we'd take a look, after all of the propaganda of the annual appropriations time. What we found was neither pretty nor reassuring.

A LOOK AT MANNED PLANES

There can be no precise comparison of the Air Force of today and that of World War II, of course, because so much of the modern potency lies in the strategic arm, where the heavy element resides in the ICBM force. We are looking here at the flying end of the spectrum, the planes with pilots and air crews, bombers and fighters.

Some idea of the competition can be seen in the fact that in the last 15 years, Russia has produced at least 20 different fighter aircraft of which eight types are currently operational. During the same time the U.S. has built exactly one completely new fighter, the highly controversial F–111, destined far more for interdiction bombing than for air fighting.

The F–4 Phantom, now in the "E" model, was first delivered to USAF for service in 1964. This aging aircraft can handle what the Russians have built up to the Mig–21 fighters, but we are told there would be grave difficulty with the newer Mig–23 and the SU–7.

The Mig–23s are coming off the Soviet assembly lines at the rate of three per month. And the Russians have two newer prototype fighters undergoing tests.

GOOD PLANES IN THE WORKS

We've got something that will match the Russians best, but not any time soon. That is the Air Force's F–15 and the Navy's F–14, the first purely air-to-air fighter planes in a generation. The Navy has three prototype F–14s flying tests. But under the best possible speed, the Air Force F–15 won't make its first flight until July 1972. The last research and development model isn't slated to come off the assembly lines until 1974.

Perhaps the arms limitation talks and President Nixon's peace initiatives will one day remove the necessity for any of this costly and deadly new stuff. Unhappily, nobody seems to have convinced the Russians that expenditures for modern combat aircraft are either unnecessary or undesirable for the present.

EXHIBIT 2

SOVIET SAID TO LEAD IN ADVANCED ARMS

LONDON, Nov. 20.—The Soviet Union now is ahead of the West in the development of highly sophisticated weapons, an authoritative British reference book said this week.

Moscow's advance was made possible to a great extent by costly duplication of effort by members of the North Atlantic Treaty Organization, according to Jane's Weapons Systems 1971–72. The 586-page volume, published in its third annual edition, is a companion reference work to Jane's Fighting Ships and Jane's All the World's Aircraft.

"Russia now has the initiative in weapons technology," the publishers said. "Whereas for a long time it was assumed—with considerable justification—that the NATO countries had a clear lead in the development of sophisticated weapons, it is now clear that the U.S.S.R. has extinguished that lead and is outstripping the West."

Recent advances in the Soviet early-warning radar system, Jane's said, plus "the modern Soviet Navy and the nature of its armament and equipment, and the existence of an operational antiballistic missile system around Moscow are evidence of the Soviet ability to take the initiative in weapon system development and deployment."

The PRESIDING OFFICER. Who yields time?

Mr. McINTYRE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. McINTYRE. I yield 1 minute to the Senator from Mississippi.

Mr. STENNIS. Mr. President, this is a matter of opinion. I would just like respectfully to disagree with the chairman and the ranking minority member of the committee here.

This subcommittee, chaired by the Senator from New Hampshire, has done much splendid work and brought to the Senate a real analysis of many projects that have saved millions and millions of dollars in the last 3 or 4 years. I respect their judgment and know about their hard work. I was not able to be present at the markup of this part of the bill, but I am convinced of the value of the Senator's amendment. It backs up the work the Senator did on the authorization.

I support the amendment.

Mr. McINTYRE. I thank the Senator from Mississippi, and I reserve the remainder of my time.

Mr. ELLENDER. Mr. President, I wish to say that the committee went over this program very carefully, and from a total of $7.9 billion, which was the amount that the House provided, we reduced the Army by $155.8 million, the Navy by $150.1 million, and Air Force by $171.1 million, and defense agencies $62.3 million, for a total of $539.3 million.

The committee, as I have stated, went over these research appropriations very carefully, and we felt, that we are cutting the various services, that is, the Army, the Navy, the Air Force, and the other defense agencies, this amount of money, aggregating $539.3 million, that the remainder, which was $7.4 billion, would be ample to carry on the work in the research field.

Of course, if the Senate should vote for this amendment, it would simply add to the bill about $93 million.

Mr. President, no one can make me believe that with three agencies spending as much as $7.9 billion there is not some waste. What we did before we made the cut was ask that they select which of the programs named on pages 176 and 177 of the committee report could stand the reductions. We deducted, as I have stated, the $539.3 million, and left it to them to state where the sums were to be taken.

Mr. President, it is a huge sum, $7.9 billion, that we are talking about now, and as I have stated, I just canot believe that with such a large sum of money being spent for research, there is not bound to be some duplication in it, and I feel confident that if the three services follow our prescription, they can do very well with the amount of money that we have provided.

As I have stated, it is left to them to make the cuts they desire among the various programs outlined in the report.

I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, in a way I am happy to see these amendments offered to increase appropriations. Our committee, responding to what we thought was the mood of the Senate and the mood of the country, tried to cut this budget as far as we could without hurting the military, and I think we did.

There is one provision we put in that I think would be very helpful. The House provided $600 million in transfer authority. We increased that to $900 million.

The PRESIDING OFFICER. The 5 minutes of the Senator from Louisiana have expired, and the Senator has no more remaining time.

Does the Senator from New Hampshire yield time to the Senator from North Dakota?

Mr. McINTYRE. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes.

Mr. McINTYRE. I yield 1 minute to the Senator from North Dakota.

Mr. YOUNG. We increased the transfer authority from $600 million to $900 million, and we believe that will help them take care of many of their problems.

Mr. McINTYRE. Mr. President, will the distinguished chairman of the committee yield to me, on my time, for a question?

Mr. ELLENDER. I yield.

Mr. McINTYRE. Can the Senator tell me why the proposed reduction was not $56 million, or one-half of this $112 million? What is the logic that stands behind the $112 million?

Mr. ELLENDER. It was our idea to accomplish a $500 million reduction, and that is how we obtained it. We asked the department to give us a list of the projects in which this cut would be made, and this list is printed on pages 176 and 177 of the report. That is how the amount was reached.

Mr. McINTYRE. What was the logic of the $500 million cut?

Mr. ELLENDER. As I said, we did our best to reduce the bill in various areas. We reduced in other areas than research and development, and we sought to fix an amount, a round figure, and the amount that was cut from this huge $7.9 billion—almost $8 billion—in research was only this $539 million.

Mr. McINTYRE. With the unobligated funds put against that, there is a net cut of $7.4 billion. Is that not true?

Mr. ELLENDER. It would be $7.4 billion that would be left, yes.

Mr. McINTYRE. So it amounts, actually, to a $600 million cut.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McINTYRE. I thank the Senator.

Mr. HATFIELD. Mr. President, at this time, I wish to call attention to some language in the House report on this bill, which I urge be implemented with all due dispatch.

I refer to the serious problem confronting the private ship repair industry today, as the smaller yards see a lesser and lesser percentage of Navy ship repair available for their yards.

I call attention to language in the House report on this bill on page 63 of the report. There, the House report states:

> Likewise, it is equally important that a realistic portion of conversion and overhaul work be assigned to private shipyards to retain an industrial base for instant reaction in the event of a national crisis. As illustrated at the beginning of the Southeast Asia conflict, private shipyards were able to satisfy the increased demands of the Navy for the rapid activation of ships and vessels for combat operations.

Mr. President, I concur with these sentiments. In my opinion, and I am sure it would have the support of others of my colleagues here this evening, I think that a better distribution between nuclear and non nuclear repair work must be developed. The current plans penalize the smaller shipyards that are unable to bid on the large nuclear repair work.

The Navy has been able to point to a certain percentage, or a certain dollar figure in support of their contention that the private yards get a fair share of the dollar volume.

The awarding by the Navy of a few nuclear repair jobs to the big yards beefs up the dollar volume and the percentage figures, but many of the smaller yards are left out in the cold.

Mr. President, in my opinion, the House report would have been improved with the addition of the words "nonnuclear" to that sentence I referred to earlier. The phrase should have read, in

my opinion, "a realistic portion of nonnuclear conversion and overhaul."

Mr. President, it is essential to the defense posture of this country that we have viable private shipyards. They can be activated in short order in emergencies, and should be maintained at as high a level of productivity as possible. I am aware of arguments advanced in support of the Naval repair yards, but I think that much of what is offered in support of the Navy yards pertains and centers more on the larger repair work, and not on the smaller, nonnuclear work.

Employment in the smaller private repair yards is at a critically low level in many areas. In my State, the yards are operating at a fraction of their potential strength.

I will not go into great detail at this point regarding this provision in the House report. I hope that the Navy will see that the private yards receive an equitable share of the smaller, nonnuclear repair work. I intend to pursue this over the course of the next year, and I hope that when we consider the next military appropriations bill that I will have some good news in this area to report to my colleagues.

I ask unanimous consent that a letter from the Portland local of the International Association of Machinists and Aerospace Workers discussing the employment situation in Portland appear at this point in the RECORD.

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS,
Portland, Oreg., August 2, 1971.

Hon. MARK O. HATFIELD,
Senate Office Building,
Washington, D.C.

DEAR SIR: On behalf of members of Willamette Lodge No. 63, International Association of Machinists and Aerospace Workers, we would like to call to your attention a very serious problem confronting the ship repair industry and its several thousand skilled mechanics here in Portland.

Since World War II we have had an available manpower pool of approximately 3,000 workers for the shipyard industry. These people are not an itinerant group but are stable citizens of the community who contribute substantially to its overall economic and social development.

The impact of a serious reduction in ship repair activity has been much in evidence since early in 1970 where today only about 200 of our people are employed, and many of these on a part-time basis.

We are now in great danger of losing permanently such of the skill and know-how which has identified Portland as the most productive and least costly ship repair port on the Pacific Coast.

It is obvious that there has been a substantial decrease in the amount of work available, particularly on U.S. Navy vessels which has in the past been the source of the major portion of the work load for Portland.

We can understand how a reduction in the number of ships of the fleet should have an effect on all sectors of the industry, both government and private. However, we cannot understand and find it even more difficult to explain to our unemployed members why during this very difficult period the U.S. Navy is permitted to maintain their yards at near peak employment while the private sector stands idle.

The implementation of the fallacious "Home Port Rule" where under the guise of permitting the crews to be with their families at the vessel's home port while it is being repaired and then at great expense to the government transferring that vessel along with its crew, their families and personal belongings to another Navy yard location to make the repairs is unjust and is being manipulated by the Navy for their own benefit.

Also, the recent policy change of placing all repair work on noncombatant auxiliary type naval vessels in their own yards and removing these vessels from the historical practice of being repaired in private yards on a competitive bid basis will force a greater reduction in private yard employment and will lead to the closure of many.

If this happens, it will be a devastating blow to both the government and the taxpayer and certainly will be damaging to our defense mobilization base.

We want you to know that labor protests these changes vigorously and asks that you take whatever steps are necessary to force a discontinuance of these new policies.

Very truly yours,
JOHN D. PETROFF,
Secretary-Treasurer, Williamette Lodge No. 63 IAMAW.

THE AIR WAR IN NORTH VIETNAM

Mr. HUGHES. Mr. President, the current defense appropriations bill contains several billion dollars for continuing the air war in Indochina. According to the air war study by scholars at Cornell University, this cost is likely to level off at between $2 and $4 billion for the indefinite future. These are harsh and expensive facts.

Although there has been a great deal of discussion about the air campaigns in Laos and Cambodia, I have noticed very little talk about the continued air war against North Vietnam. In order to inform myself and now my colleagues, I wrote to Secretary Laird asking for more information on this aspect of the Indochina war.

Compared with the costs and severity of the air campaigns in neighboring areas, the continued attacks on North Vietnam are not very significant.

But at a time when we are being told that the war is winding down, the fact is that the air war in North Vietnam is being increased.

So far this year there have been 82 so-called protective reaction strikes against North Vietnam. This figure is more than four times the 20 such strikes reported for all of 1970.

In November alone, there have already been 13 such attacks. Admittedly, November is a month when infiltration normally increases and U.S. attacks along the trails can be expected to increase. Yet, the 13 strikes this month are a significant increase over 1970, when there were only two such strikes, over 1969, when there was one, and over 1968, when there were three.

No one can question the right of pilots who are attacked to defend themselves. But not all of these strikes have been in response to direct attacks, since the current rules of engagement give pilots the right to retaliate whenever antiaircraft radar "lock on" to their own planes.

The New York Times reported this change in the rules last January, citing instructions to pilots to take "more aggressive actions." One source described this more permissive atmosphere in this way: "The emphasis now is clearly to attack at the slightest hint of a threat. Unless the North Vietnamese keep their radar off, we'll see more cross-border operations."

That prediction was, of course, quite accurate.

The new mood of pilots was reflected in a story in the Baltimore Sun last May. Reporter Michael Parks said that Navy planes were "waiting to pounce on Communist antiaircraft facilities at the slightest sign of hostile action in the steadily escalating air war over Indochina." He quoted pilots who spoke of "beating the other guy to the draw" and "getting there first with the most." No doubt this situation has continued.

We should remember, Mr. President, that the North Vietnamese also have an inherent right of self-defense. After 4 years of devastating air attacks, they are naturally suspicious of any American plane flying over their territory.

What do their radars see? When we send an unarmed reconnaissance flight over North Vietnam, it is escorted by four fighter-bombers. Presumably, retaliation will occur whenever enemy radar locks on to any of those planes. It is thus highly misleading for our officials to claim that its strikes are in response to threats to unarmed aircraft.

Even these claims account for only 20 of the protective reaction strikes this year—and for only eight strikes in all of 1970.

Over 50 of the strikes so far this year were justified as retaliation for threats to aircraft on admittedly hostile missions in Laos and South Vietnam. Yet in 1970 there were only four such retaliations. These attacks may also include retaliation against enemy artillery and other military threats.

There is a third type of "protective reaction strike," one which hardly deserves that label. These are the "limited duration" strikes which the Pentagon says are attacks "upon a AAA/SAM threat that is not immediate."

Up until a year ago, when massive raids were launched in conjunction with the raid on the abandoned Son Tay prison camp, there had been seven such large scale attacks in the 2 years of official suspension of bombing of North Vietnam. In the past year alone, a larger number—eight—of such strikes have occurred. The most recent was on September 23, when 200 sorties were flown against oil depots as well as antiaircraft gun and missile sites. More recently, planes on November 7 carried out the largest raids since September 21. And on November 8, the retaliating planes carried bombs rather than rockets.

These large scale raids are the hardest to justify as protective reactions and the most damaging to our supposed understanding with the North Vietnamese. How can we expect them to reduce their own involvement in the war when we continue to threaten their homeland? It is wholly plausible, as Jack Anderson has reported, that the Joint Chiefs have prepared scenarios for a full-scale resumption of the bombing campaign against North Vietnam.

I do not question the figures which have been supplied to me by the Defense Department. I am troubled, however, to read newspaper accounts which are at variance with these official statements. For example, a Baltimore Sun story on November 2 says that through September there had been 82 protective reaction strikes in 1971, while the official figure is 63. A New York Times story on September 24 says that the mission on that day was the 62d for September and that the number for August was 14. The official figures are 10 and seven, respectively. I earnestly hope that we have not been misled by some definitional quirk into believing that the figure is lower than it actually is.

The facts on this air war may not be as startling or frightening as those of the other air wars being waged in Indochina, but the consequences are still quite important.

As long as this bombing of North Vietnam continues, the war will continue. As long as we send pilots over that nation, we are risking their lives and adding to the list of prisoners of war.

And most distressing of all, as long as this war escalates as it has been doing in recent months, we will be signaling to friend and enemy alike that we intend to step up rather than end this tragic war.

Mr. President, in order that others may have the full facts on this issue, I ask unanimous consent to include in the RECORD a table showing the number of strikes over North Vietnam by month since November 1968.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PROTECTIVE REACTION STRIKES AGAINST NORTH VIETNAM

Month	January	February	March	April	May	June	July	August	September	October	November	December	Total
1968													
Type:													
I[1]	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1	17	18
II[3]	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2	5	7
III[4]	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	0	0	0
Total	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	3	22	25
1969													
I	3	0	3	8	6	7	2	1	1	2	0	0	33
II	1	1	8	3	15	12	0	1	0	0	1	0	42
III	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	4	1	11	11	21	19	2	2	1	2	1	0	75
1970													
I	1	3	0	1	1	1	1	1	0	0	0	0	8
II	1	0	1	0	0	0	0	0	1	0	1	0	4
III	0	0	2	1	4	0	0	0	0	0	1	0	8
Total	2	3	3	1	5	1	1	1	1	0	2	0	20
1971													
I	1	1	0	4	3	0	0	3	3	1	[5]3		19
II	6	5	1	7	8	2	2	4	6	4	[5]4		49
III	0	3	3	0	0	0	0	0	1	0	[5]0		7
Total	7	9	4	11	11	2	2	7	10	5	[5]7		75

[1] Immediate protective reaction for NVN reconnaissance missions. From 1968 to May 1970 there may be some few strikes that were delayed.
[2] Not applicable.
[3] Immediate protective reaction for aircraft in Laos/RVN near NVN border. There may be a very limited number of strikes generated in response to enemy action against U.S./Allied forces other than aircraft operations near the NVN border.
[4] Limited duration protective reaction strikes.
[5] Figures through Nov. 15.

SOME UNRESOLVED ISSUES IN CLOSE AIR SUPPORT

Mr. PROXMIRE. Mr. President, I want to talk briefly today about one set of issues related to the bill before us. During the past 5 years the Department of Defense has funded, at a cost of nearly $600 million, the development or procurement of three new close support aircraft—the A–X, the Harrier, and the Cheyenne. Each of these aircraft has been specifically designed to provide close-range, highly responsive aerial fire support to our combat troops in the field.

Everyone recognizes the fundamental importance of the close support mission. If a full-scale conventional conflict should ever erupt in Europe, we would have far more need for front-line close support against advancing enemy tanks than we would for interdiction strikes against enemy trucks in Poland.

But the importance of the close support mission is no grounds for buying three new close support aircraft. The different aircraft duplicate each other's functions, while costing far more than if one were produced in quantity. In fact, the more important the close support mission is, the greater the justification for buying a large number of the best available plane for the mission.

Accordingly, there has been a good deal of concern the past few years about the need to choose between our close support options. Up to now, however, there has been a lot of talk and very little action. And what action there has been appears to be action in the wrong direction—toward an expansion rather than reduction in the number of candidate systems. The A–X, the Harrier, and the Cheyenne all remain alive. And we are also considering future purchase of the A–7D, the Cobra/TOW, the King Cobra, and the Black Hawk.

I do not want to talk in depth today about my own proposed solution to the problem—which involves heavy primary reliance on the A–X, backed up by some 60 Harriers and a limited number of Cobra/TOW's. I have already explained its rationale in an MCPL report on close support and in testimony earlier this month to the Senate Armed Services Committee's Close Support Subcommittee. But I do want to talk about two specific points directly related to funds provided in this bill.

I. CHEYENNE HELICOPTER FUNDING

Earlier this year the Army sought to reprogram $61.3 million into Cheyenne helicopter research and development work, a purpose for which no funds were sought in the official Defense Department budget. While I recognized that funds were available for reprograming from the canceled Cheyenne production contract, I felt that it was highly inappropriate to rely on such back-door methods for the financing of controversial programs.

Accordingly, I wrote to the distinguished Senator from Louisiana (Mr. ELLENDER) as chairman of the Appropriations Committee and asked that he disapprove the reprograming request. I suggested then that any Cheyenne funding thought necessary by the Appropriations Committee could be provided instead through a committee amendment to the defense appropriations bill. Such an approach would not hurt the Cheyenne program, I noted, while it would preserve the integrity of the normal budget process and allow Cheyenne critics a chance to challenge further funding on the floor.

COOPERATION APPRECIATED

I would like to thank my friend from Louisiana (Mr. ELLENDER) for his gracious and cooperative response to my request. He pointed out to me that $35 million of the $61.3 million requested by the Army represented funds due Lockheed in settlement of litigation over the canceled production contract. I agreed with him that there was no overriding reason why this money could not be reprogramed as the Army sought, with the balance of the request being considered during action on this bill. As a result of that consideration, the bill now contains $9.3 million for continued Cheyenne research and development work. I deeply appreciate the assistance of the Senator from Louisiana (Mr. ELLENDER) in reaching this accommodation.

Because of my personal opposition to the Cheyenne program and my belief that it should be canceled, I have considered offering at this time an amendment to strike the $9.3 million in the bill

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for the program. I will not do so, however, for the following reasons.

First, the Appropriations Committee, in reporting out the bill, made clear that it, too, wants a choice soon between the AX and the Cheyenne. Let me quote from the committee report:

It is the view of the committee that the development of the Cheyenne should be continued in order that it may be fully evaluated along with the A-X light attack aircraft to determine *which* should be produced for the close air support mission. *It is hoped that this decision will be reflected in the budget for fiscal year 1973.*

Second, the Senate Armed Services Committee is itself in the process of concluding hearings on the close support question, hearings which should enable it to make its own recommendations for a solution to present problems sometime in the next month or two.

With both these important committees committed to a prompt resolution of these problems, it would not be appropriate for me to preempt them at this time. I trust that constructive action will be forthcoming soon. And I remain convinced that the advantages of the A–X over the Cheyenne will be plainly perceived when the decision is made.

II. A–7D ADVANCE PRODUCTION FUNDING

Let me turn my attention now to a second specific subject—the $5.8 million in advance procurement funds for a fiscal 1973 A–7D buy which were contained in the bill as reported by the House, but which were deleted by the Senate Appropriations Committee. I strongly support the Senate committee's action and believe it important to state precisely why.

First, we have no need for additional A–7D's in the primary interdiction bombing role for which they have always been purchased. Air Force and Navy purchases of different A–7 models have already totaled almost 1,200 for fiscal years 1967 through 1972. And Secretary Laird stated in testimony to Congress last March that the 97 A–7D's in the fiscal 1972 budget "will complete our planned procurement of A–7D's." It should also be noted that no advance procurement funds would be needed if the Defense Department changed its mind and decided that more A–7D's were in order. In that event the Department could stretch out this year's buy to permit a smoother production rate through next year, thereby saving money overall for the 2-year period and obviating the need for advance procurement funds this year.

Second, there is no reason to buy more A–7D's and keep the line open to provide a hedge against difficulties in the A–X program. I doubt to begin with whether such a hedge is needed. But even if it is, we already have plenty of available A–7D's for use in a fly-off with the A–X. And if it were decided to continue with the A–7D after that fly-off, it would cost only $20 million to reopen the A–7D line, a cost which should be contrasted with the $70 million cost of keeping it open through next fiscal year. In fact, we are already planning to keep open through fiscal 1976 the A–7E line on which a very similar plane is turned out. That is why the costs of reopening the A–7D line would be so low.

I believe, therefore, that there is no sound defense policy consideration which calls for the appropriation of A–7D advance procurement funds at this time. And the defense budget is not the proper vehicle for boosting profits and employment opportunities in selected areas of the country. I sincerely hope, therefore, that the conference committee will support the Senate's action on these advancement procurement funds.

Mr. EAGLETON. Mr. President, again this year, the Army's "dream tank," which long ago turned into a taxpayer's nightmare, has squeaked through, alive if not well.

The Senate Appropriations Committee has decided not to follow the lead of the House, which deleted all funds requested by the administration—$86.6 million—for the MBT–70/XM–803 program and recommended that $20 million be spent in search of ways to improve the current generation of tanks. The committee, to quote its report, did "not approve the continuation of the XM803 program, nor has it recommended its termination." Instead, the Senate Appropriations Committee has requested the Secretary of Defense to review the XM803 program, something that has been done before, apparently without benefit.

In each of the last 3 years the MBT–70/XM–803 has come under fire. In 1969 the GAO reported that the tank program was in need of serious review. Secretary Packard assured Congress that such a review would be conducted. At the end of the "review" Secretary Packard promised a cost reduction of $250,000 per tank, from $850,000 to $600,000.

However, by early 1971 costs were again soaring.

Earlier this year, the House Armed Services Committee revealed, and the Senate Armed Services Committee confirmed, that the MBT–70/XM803 would cost over $1.1 million per unit, not $600,000. And although the MBT–70/XM803 program was cut from the $86.6 to $62.8 million in authorization, this rolling blunderbuss survived an effort by the House Armed Services Committee to bring it to a halt.

As the House Armed Services Committee stated earlier this year:

Recurring expressions of concern, both within the Army and by independent external observers, that the tank is nearing the end of its era of combat capability also influenced the Committee in its decision. New anti-tank weapons, including missiles, have brought about this obsolescence; and Soviet technical capabilities would permit them to field such anti-tank weapons before the MBT–70, or any alternative tank, has been in the force structure very long. In this connection, the Committee notes that both Russia and Germany appear to have recognized the diminishing utility of the heavy tanks and are placing more and more emphasis on light, hard-hitting, anti-tank vehicles and weapons. Although the USSR will probably continue to use its medium tank, its heavy tank is no longer in production, and is being gradually phased out of inventory. In any event, the U.S. M60A1 and the M60A1E2 are qualitatively equal to or better than any USSR tank now in the field or anticipated in the foreseeable future.

Less than 2 weeks ago, the House Appropriations Committee, after intensive study of the MBT–70/XM–803 program by the members and committee staff, recommended that all funds for the program be deleted, and that $20 million be added to R. & D. for the purpose of initiating a prototype program to provide a reasonably priced tank for the 1970's. In its report, the House Appropriations Committee stated of the tank:

The Committee had its Surveys and Investigations staff conduct a thorough study of the main battle tank program during 1971. It was found that the Army simply was unable to support its cost estimates for the austere version of the tank and that it would in all probability cost between $850,000 to over $1,000,000 each depending upon whether or not total program acquisition costs are used in computing the unit cost. The Committee is firmly convinced that no tank is worth that much money, particularly when Army witnesses advise that the less costly M60A1 is as good or better in some respects than deployed Soviet battle tanks. Taking into consideration the size of the existing Soviet armor threat in Europe and the advertised capabilities of the MBT–70/XM803, it is highly doubtful that the United States could devote the necessary resources to acquire at such a high cost an MBT–70/XM803 in sufficient numbers to satisfy the requirements of the Army in meeting the Soviet tank threat.

The Committee continues to feel that the MBT–70/XM803 is unnecessarily complex, excessively sophisticated, and too expensive, and that the Army, by eliminating or modifying relatively minor features, has failed to satisfy the recommendation in the committee report on the fiscal year 1970 bill. For these reasons the Committee has recommended that all funds for the MBT–70/XM803 be deleted from the fiscal year 1972 budget and the program terminated. In its stead, the Committee has recommended that $20,000,000 be added to the Army R.D.T. & E. budget for the purpose of initiating a prototype program to build a limited number of tanks of two different designs for test and evaluation. While the Committee does not consider the austere MBT–70/XM803 to be a prototype candidate, that tank does have certain design features such as spaced armor, low silhouette, turret stabilization, and a gun capable of firing a kinetic energy round that should be incorporated in the prototype. The use of Daimler-Benz engine, which was developed as a back-up engine during the joint development program with the Germans, should also be seriously considered for one of the prototype designs.

On November 16, 1971, the able chairman of the House Appropriations Committee, Mr. MAHON, echoed what I have been saying for several years. He stated:

It is felt that to continue the main battle tank program would be to throw good money after bad . . . The proposed XM–803 is unnecessarily complex, excessively sophisticated, and too expensive.

Chairman MAHON is not against a strong defense. Neither is Congressman STRATTON, who has done an outstanding job of bringing the MBT–70/XM–803 program under the scrutiny of the House Armed Services Committee. Neither am I. No responsible Member of Congress wants a weak America.

But for far too long, a "strong defense" has been equated in too many minds with the most sophisticated and costly weapons systems that money can buy. And that simply is not a valid calculation.

To drain our treasury, to spend ourselves into bankruptcy, in pursuit of super and super-expensive weapons which other countries do not feel obligated to have, has been the hallmark of defense spending since the 1960's. In pursuit of the "blockbuster," we have overlooked functional and less expensive weapons.

Many of us in Congress have been saying during the last 3 years that more costly and technologically fancy weapons do not necessarily add to our security—that, in fact, wasteful military spending can seriously impair our overall ability to defend ourselves.

The House Committee has already recognized this and the Senate Committee seems to be on the verge of doing so. Granted, much more must be done. But by deleting funds for the MBT–70/XM–803 program, the House Committee has taken an important step toward reestablishing sanity to our search for security. I urge the Senate to accept the House recommendation in conference.

Mr. HATFIELD. Mr. President, Monday's Washington Post should be mandatory reading for those who are fond of talking about the war in Vietnam that is "winding down." On page one we read:

Thousands of South Vietnamese troops, spearheaded by an armored column, pushed north from Highway 7 in eastern Cambodia today in the start of a new offensive . . . Scores of U.S. helicopters and advisers moved into Tayninh to support the operation.

In an adjoining article about the war in Cambodia titled, "Bloody Little Battle" we read this description of the villages on the outskirts of Phnom Penh:

The Communists are massed in the fields and bushes, attracting Cambodian artillery, South Vietnamese bombers, and American helicopter gunships. Along the roads, there are hundreds of refugee families, in carts drawn by cows, taking their possessions to a nearby village or pagoda, only to move again when that refuge is threatened . . . Last weekend the Communists seized the railroad station town of Toul Leap, about three miles from here, wiping one whole Cambodian battalion in the process. The bombers and gunships went to work and the enemy has been run out. But there is no more town.

On the editorial page in a column written from Svayrieng, Cambodia, we read:

Meanwhile, refugees at a camp near here, whose homes were destroyed by U.S. bombing and allied artillery fire, exist with a pitiful shortage of food, shelter, clothing. American funds must be reserved, officials explain, for the military and essential economic programs which other countries won't provide . . . Thus Cambodia has found its place in the Southeast Asian dilemma. It looks to the United States to be able to survive, and about all the United States knows how to do is help speed destruction. Having become involved this far, America can't decently tell the Cambodians to forget it and lose. But neither can either country gain from a bloodier war.

Then, back to page 1, we read:

Meanwhile, in Saigon, the U.S. Command announced one of the deepest bombing raids this year inside North Vietnam, against an anti-aircraft gun site near Vinh . . . It was the 80th "protective reaction" strike by U.S. planes over North Vietnam this year, and the fifth within the last eight days . . . U.S. Air Force and Navy fighter-bombers made their 79th "protective reaction" strike of 1971 inside North Vietnam earlier Sunday." The same article states, "U.S. headquarters also reported three more B–52 raids in the northwest corner of South Vietnam along the Laos Border . . . Saigon headquarters reported a Vietcong mortar shelling early Monday of Hoian . . . In the same area, Saigon headquarters said, an enemy unit shelled and attacked a regional force position Monday morning near the district town of Ducduc . . . Fresh fighting was also reported in the Central Highlands.

Perhaps Gary Wills' column in the same paper sums it all up best:

Vietnam haa always been the invisible war. We were in it before we knew we were in. And we have forgotten it before we are out. There is a feeling that if the war is not an issue, it is nothing; it does not exist . . . So we hear a great deal about withdrawals, each time there are some, while our bombing is increased; our "support troops" keep the Thieu regime in office, its own troops in the field; and "Vietnamization" means continuation of the war until we can entirely forget it—and then all the pretensions on which it has been prolonged can collapse unnoticed. For the aim of the war is no longer to win it, but to forget it.

It is an indictment of our moral insensitivity for this body to vote more money for continuing the war, while in the same breath we talk about the war's end—if we talk about the war at all.

It is worth noting just how long we have been winding down this war. The Paris talks, begun ostensibly to bring the war to a close, first met on May 13, 1968. That was almost 3½ years ago—we have been in the process of "winding the war down" or ending the war for that long. The war had already been going on with substantial American involvement since 1965.

As one who fought in World War II, I cannot help but remember that it took about 3½ years for that war, against Germany and Japan, to begin, escalate, and totally cease. In other words, by the end of the year, we will have been in the process of just ending this war for about as long as it took us to fight all of World War II, and with no real end to the fighting and bloodshed in sight.

Just how is this war winding down? First of all, in terms of the U.S. troops actually there on the ground. This we all know. The total number of troops in Vietnam has been reduced by about 67 percent. Furthermore, in 1967, U.S. troops made up 34 percent of the total allied troops there. Presently, they comprise about 10.6 percent of those forces. There has been a corresponding drop in the percentage of Americans killed in action among all those of the allied forces who die. Through 1971 thus far, U.S. soldiers have comprised about 6 percent of those allied forces killed in action, compared to about 38 percent in 1967. But that is one of the few dramatic ways in which the ugly statistics of bloodshed and death in Indochina are changing.

Consider, for example, the rate of overall casualties in Indochina. In 1967, there were about 24,000 to 25,000 deaths from hostile action among allied forces; these figures include estimates of allied deaths in Laos. At the very peak of the war in 1968, there were over 45,000 allied deaths. If we look at the average rate of overall total casualties among the South Vietnamese, Americans, and other allies, we find that from 1966 through this year, that average has been about 30,400 deaths per year. Now, when we look at the overall allied casualty rate for this year, and assume that will continue to be about the same, we find that there will be about 31,590 total deaths from hostile action in 1971—a figure higher than the level in 1967, when our troop strength was growing to its peak level. Of course, the current level of overall casualties among the allied forces has reduced from that during the Laotian invasion, earlier this year, and from the Cambodian invasion last year. But taken on the whole, and put into perspective since 1966, we find that overall military deaths from the fighting in Indochina are continuing this year at an alarming level, only slightly reduced from last year. The substantial reduction of American deaths has not been matched by any similar reduction in the Vietnamese who are dying in this war. And the official statistics reporting enemy deaths would lead us to believe that at our present rate, we will kill about 20 percent more enemy soldiers this year than last. My point is that as far as the Vietnamese are concerned, this war is not winding down.

Civilian casualties further reflect the reality of a war whose destruction and suffering for the people of Indochina knows no end. Precise figures and trends are not known. The Pentagon has never seen the need to make the kind of estimates of civilians killed in the way as they have for the number of enemy soldiers who die, and are computed each week. The only estimates that we do have come from sources outside of the executive branch, such as the Senate Subcommittee on Refugees. The evidence suggests that as the overall bomb tonnage over South Vietnam has decreased in the past 2 years, civilian casualties may be reduced from the peak of the war in 1968. Yet, as the bombing has begun in earnest in Cambodia since early 1970 and has significantly intensified in Laos since the beginning of 1969, civilian casualties in those countries have become significantly intensified. Estimates placed the number of refugees in Laos during June of this year at 315,000, or more than 10 percent of the entire population of the country. This amounts to an increase of 240 percent since 1969. And in Cambodia, the refugee toll since April 1970 is believed to be about 1.5 million people.

When the total tragic toll of this war's continuing human cost is taken, we find that the suffering for the people of Indochina is not winding down at all. In fact, it can be argued that the overall suffering of the war—those killed, wounded, and made refugees—has actually been rising this year compared to last. During the time that we have been "ending the war," the human suffering it is causing, while somewhat less intense within South Vietnam, has been tragically magnified throughout Laos and Cambodia in ways unknown during the Johnson years of the war.

The human toll of the war's suffering has always been most heavily inflicted by the bombs that have fallen on Indochina.

By the end of this year, we will have dropped 6 million tons of bombs on Indochina, an area about the size of Texas. That is 3 times the total tonnage used in World War II. Nearly half of this total will have been dropped during the first 3 years of this administration. In fact, the 2.9 million tons dropped since the beginning of 1969 through August of this year is more than the total tonnage dropped during the last 3 years of the Johnson administration, when the bombing of North Vietnam was being undertaken. That 2.9 million tons also exceeds the combined total of the bombing during World War II and the Korean war, and is only slightly less than the 3.2 million tons dropped during the 4 years of President Johnson's bombing policies.

It has been pointed out that the total of bombs dropped over Indochina has decreased in the past 2 years, and this is true. Primarily this reflects the substantial decrease in the level of bombing in South Vietnam proper, as well as the cessation of bombing over North Vietnam at the end of 1968.

What is far more revealing, however, is the way in which new air war has been opened in Cambodia, and the ongoing air war has been greatly intensified in Laos.

During the height of the bombing of North Vietnam, our bombs were falling at the rate of 200,000 tons per year. It is thought that during the peak there were at least 1,000 civilian casualties per week.

The effects of that bombing campaign were well documented by authors and members of the press who were allowed to visit North Vietnam during that time. And as the Pentagon papers reveal, the "Rolling Thunder" was a carefully orchestrated attempt to bring North Vietnam to their knees by our bombing.

Revealing comparisons between that bombing and our present level of bombing can be made. The bombing in Laos, for instance, increased by 2½ times in 1969 over 1968, and has remained since then about 44,000 tons per year—more than twice the level of the bombing of North Vietnam. About 90,000 tons of bombs will fall on Cambodia this year, in that country's relatively young air war. And in South Vietnam, the one place where our bombing has decreased under the present administration, we will drop about 270,000 tons this year—still higher than the peak of our bombing of North Vietnam.

We could phase out the U.S. bases for our planes within South Vietnam next year. But our planes based in Thailand, on carriers, and at Pacific bases will remain for the air war that will continue for years into the future, if there is no political settlement of this war.

It cannot be seriously contended that the air war is winding down or ending. There are overall decreases in total tonnage dropped, but of far greater consequence for those who live in Indochina is that the air war has escalated geographically over new areas previously spared from our bombs. The human consequences are revealed in thousands of new casualties and refugees from those same locations.

We have been winding down the rhetoric about this war; it has been talked about so little lately that you would think it is over. But little else about this tragedy is being wound down or ended.

The Mansfield amendment which has now become law declares it to be the policy of the United States to withdraw all of its forces and end all military operations at the earliest practicable date. In implementing that policy, it calls upon the President to set that date certain.

The administration, however, has announced that they intend to disregard the Mansfield amendment which has become the law of the land.

We have heard about this war winding down for long enough. And the people of Indochina have suffered under this perpetually "ending" war for long enough.

By voting for the defense appropriations bill, we are all voting to continue the war that we are trying so hard to forget. Therefore, I shall vote against the bill, and urge other Senators to do likewise until the President announces the date for our total military withdrawal from Indochina.

Let us vote to stop this tragedy and save ourselves and our country.

Mr. President, I ask unanimous consent that four articles published in the Washington Post on Monday, November 22, to which I have referred, appear at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 22, 1971]

SAIGON LAUNCHES NEW OFFENSIVE INSIDE CAMBODIA

UNITED STATES TAKES SUPPORT ROLE IN OPERATION

SAIGON, November 22 (Monday).—Thousands of South Vietnamese troops, spearheaded by an armored column, pushed north from Highway 7 in eastern Cambodia today in the start of a new offensive.

U.S. advisers said the drive is aimed at raiding staging areas from which elements of three North Vietnamese divisions could attack South Vietnamese bases on the highway, about 90 miles northwest of Saigon.

South Vietnamese field commanders said they anticipated that the new operation would also relieve enemy pressure on Phnom Penh and on the 20,000-man Cambodian government force battling Communist-led troops on the northeastern front in Cambodia.

Initial reports said that more than 5,000 South Vietnamese soldiers were involved in the opening thrust. The number was expected to increase.

There were no immediate reports of significant ground contact, but South Vietnamese air strikes killed 40 enemy soldiers west of the town of Krek, officers in the field said.

Officers said the operation could last up to 30 days, depending on what the South Vietnamese find.

Scores of U.S. helicopters and advisers moved into Tayninh to support the operation. Tayninh, 55 miles northwest of Saigon, is the forward command post for South Vietnamese operations into eastern Cambodia.

Communist-led forces who have fought their way to within 10 miles of the Cambodian capital are known to be resupplied from bases in the border region.

The South Vietnamese field commanders felt that the Communist-led forces would have to divert some men from fighting elsewhere in Cambodia to protect their base camps and storage depots in the border region north of Highway 7.

Meanwhile, in Saigon, the U.S. Command announced one of the deepest bombing raids this year inside North Vietnam, against an antiaircraft gun site near Vinh.

The command said four Navy A–7 Corsairs based on a carrier in the Tonkin Gulf struck at the site Sunday afternoon after North Vietnamese guns fired on an unarmed Navy reconnaissance plane.

It was the 80th "protective reaction" strike by U.S. planes over North Vietnam this year, and the fifth within the last eight days.

The command said that results of the strike were not known and that there was no damage to the four attack bombers or the reconnaissance plane, which apparently was on a photo mission over North Vietnam.

Vinh, a major North Vietnamese city about 145 miles north of the Demilitarized Zone, is at the hub of five supply routes. The site was eight miles west of the coast, the command said.

U.S. headquarters also reported three more B–52 raids in the northwest corner of South Vietnam along the Laos border.

South Vietnamese headquarters said its propeller-driven Skyraiders attacked North Vietnamese positions near Chrum in eastern Cambodia and pilots claimed 40 North Vietnamese killed. The claim was not confirmed by a body count on the ground.

Saigon headquarters reported a Vietcong mortar shelling early Monday of Hoian, a coastal province capital 15 miles south of Danang. The shelling hit a U.S. compound, wounding five American servicemen, and also damaged South Vietnamese installations, wounding four militiamen and four civilians.

In the same area, Saigon headquarters said, an enemy unit shelled and attacked a regional force position Monday morning near the district town of Ducduc, about 25 miles south of Danang. Headquarters said the attack was repelled.

Fresh fighting also was reported in the Central Highlands. Fields reports said a battalion of North Vietnamese attacked the Pleidjereng South Vietnamese ranger camp, 25 miles west of Pleiku and 12 miles from the Cambodian border, on Sunday.

There was no immediate word on casualties. It was the second attack on the camp in three days.

U.S. Air Force and Navy fighter-bombers made their 79th "protective reaction" strike of 1971 inside North Vietnam earlier Sunday. Pilots said they knocked out two enemy antiaircraft 80 miles north of the DMZ and near the North Vietnam-Laos border when the site fired on an American bomber on a mission over the Ho Chi Minh Trail.

[From the Washington Post, Nov. 22, 1971]

BLOODY LITTLE BATTLE

NIGHT FIGHT NEAR PHNOM PENH LEAVES THE QUESTION: WHY?

(By Peter Osnos)

PREY KHIEU, CAMBODIA, November 21.—For the better part of five hours early today, Cambodian soldiers withstood a determined enemy ground attack atop this bump in the rice paddies, just 15 miles from the center of Phnom Penh.

When it ended at sunrise, 13 Cambodians were dead, including three soldiers' wives and one child. Another 23 people were wounded. Sime of these were women and children, too.

The enemy left two bodies behind. One, found near the Cambodians' skimpy command post, was wearing only shorts and a skull cap. He carried a grenade bag and had made himself darker with charcoal. He looked Vietnamese.

It was a tough and bloody little battle that proved nothing. But it was close enough to the capital to be considered part of the enemy's dramatically stepped-up activity in the area, and for that reason it was significant.

American officials maintain that the attacks are merely harassment and not intended to culminate in a drive on Phnom Penh. That remains to be seen. For the moment, the city itself seems as quiet and lovely as always, except for the sound of constant artillery fire at night.

But in the villages on the outskirts to the northwest, there is considerable fear. The Communists are massed in the fields and bushes, attracting Cambodian artillery, South Vietnamese bombers and American helicopter gunships.

Along the roads, there are hundreds of refugee families, in carts drawn by cows, taking their possessions to a nearby village or pagoda, only to move again when that refuge is threatened.

The family of 48-year-old Nop Sim, his wife, children and grandchildren, fled from their home a month ago and came to a pagoda called Angtaloenk because Vietcong and Khmer Rouge were gathering in the vicinity.

Today, because of the fighting at Prey Khieu, a mile or so away, they were preparing to go again, taking Nop Sim's sister along also because now her village is endangered too.

At midday, A-37 bombers were making strike after strike just a few hundred yards from the bumpy road where the farmers and some of the weary defenders of Prey Khieu were making their way to safety.

The company atop the knoll had been there for a month, with only a few light contacts. Then at 1:30 a.m. this morning the enemy struck with rocket and mortar fire and, at practically the same time, moved in on the ground.

In one corner of the Cambodian outpost the attackers killed three soldiers and one wife. From the way the dead looked, they were hit pointblank. A shallow trench had been dug where the enemy fortified the tiny stronghold they had taken.

Ut Seng Ean, 35, commander of the company at Prey Khieu, said that at the height of the fighting there were 40 Communists, while his force was 120 men strong. The Cambodians must have held their own, because the enemy withdrew. But the company was tired so replacements were brought in.

What is most distinctive about the Cambodian position is how weak it looks. Although they had been there for weeks, the soldiers had built no bunkers and relied on lean-tos made of palm leaves. The new company seemed content to leave things that way.

There is every likelihood that the Communists will make another try for the knoll, and probably, if they risked enough men, could take it. But then what? The hill is high ground, commanding a view as far as Phnom Penh, but is also a prime target for bombers and gunships.

Last weekend the Communists seized the railroad station town of Toul Leap, about three miles from here, wiping out a whole Cambodian battalion in the process. The bombers and gunships went to work and the enemy has been run out. But there is no more town.

At Toul Leap, the Communist surrounded the Cambodian battalion's camp in one section of the town and allowed most of the villagers to flee. Fighting went on for four days, and when it was over fewer than 10 of the Cambodians made it out. The rest were killed, captured, or wounded.

The Cambodians counterattacked with a brigade led by Lon Non, the mercurial brother of Prime Minister Lon Nol. By the standards of the Cambodian war, air support was very heavy.

It took four days to rout the enemy, and when the Cambodians finally made their way to the town they met very little resistance. The official government news agency declared that their soldiers' victory was "astonishing."

This morning, as if to prove that they are still around, the Communists fired about 20 mortar rounds into the rubble of the town and killed three Cambodians.

For the enemy, taking Toul Leap accomplished little more than would overrunning Prey Khieu—at least the town had food. The Communist must have a reason for what they are doing, the Cambodians say, but nobody has a clue what it is and that is what makes them especially nervous.

In the meantime, all that is known for sure is that the enemy is hitting closer and closer to the capital.

AN INVISIBLE WAR IS SOON FORGOTTEN

(By Garry Wills)

Vietnam has always been the invisible war. We were in it before we knew we were in. And we have forgotten it before we are out. There is a feeling that if the war is not an issue, it is nothing; it does not exist. Even its critics, among the politicians, are afraid to run hard against it, for fear they will base their campaign on a non-existent thing. And the administration, of course, keeps taking credit for having ended the war because it is in the process of ending it.

So we hear a great deal about withdrawals, each time there are some, while our bombing is increased; our "support troops" keep the Thieu regime in office, its own troops in the field; and "Vietnamization" means continuation of the war until we can entirely forget it—and then all the pretensions on which it has been prolonged can collapse unnoticed.

For the aim of the war is no longer to win it, but to forget it. We cannot withdraw entirely without remembering the pesty thing. If we phase out, the same thing will, in time, take place that would have followed on a complete withdrawal two years ago. But "phasing out" lets us avoid looking at what is happening. That is worth a great deal to us, and we are paying a great deal for it, in money and lives (our own and others').

The worst danger is that our prolongation of "phase-out," to achieve forgetfulness, will lead to an open-ended minimal "presence" in Vietnam, with a residual force just sufficient to keep the Vietnamese fighting each other for another decade. It would be our last cruel gift to this country we have absentmindedly ravaged so long, and it would guarantee a hatred for us quite earned, a hatred felt by all sides (as already it is felt in some measure, by followers of a Diem or Ky no less than by partisans of the Vietcong).

Our rulers do not tend to think in terms of "costs" to others. But even they see one danger in the "residual force" solution—the danger of a rear-guard massacre, once our residual troops reach a dangerously exposed minimum.

It is on this subject that the China and Moscow visits can be most useful. Our President, like the other rulers, must deny that the fate of Saigon and Hanoi will be settled in the absence of either regime's representatives. And it is true that direct settlement of the war cannot be conducted at such meetings. But our cordial relations with such "big brothers" of the Communist world must give Hanoi pause at anything so offensive as a slaughter of remaining Americans.

On the other hand, pressure can be put on us through this network of forces making for coexistence to take our tempting exposed last targets out for good and all. In this way, the politics of these visits may betray Mr. Nixon into statesmanship, into a real ending of the war, not mere hypnotic lullings of our consciousness that it goes on.

He can probably, even in those conditions (of total withdrawal), conclude the hidden war with a disguised defeat, getting credit for doing now what he could have done earlier, under better terms, without the intervening loss of life. The Vice President, with his customary candor, has stated the real goal: "It will be Nixon's peace, and his alone." Well, all right—let it be his. But let it be.

CAMBODIA FINDS ITS PLACE IN THE ASIAN DILEMMA

(By Flora Lewis)

SVAYRIENG, CAMBODIA.—This key junction on the major road between Pnom Penh and Saigon is now firmly in Cambodian hands, and the road is—usually—open. But some 15 miles back toward Pnom Penh, at Neak Leung, whole blocks lie in ruins. A devastating Communist raid took Neak Leung by surprise not long ago, and most of the people fled.

North and northwest of here, vast areas of Cambodia are denied to government control, about half of the national territory, although it would be too much to say that the region is all under Communist control.

Every bridge along the canal-laced road from Pnom Penh has been blown at least once. Almost every bridge in Cambodia has been blown, many replaced by Bailey bridges donated by Britain. Here, unlike in Laos and even much of Vietnam, it is a war of destruction and disruption rather than selective combat.

It has led Cambodian nationalists to believe that the North Vietnamese don't just want to impose a sympathetic government in this country, but want to subjugate it. Now whole platoons of soldiers, living with their wives and babies in tiny pup tents made of grass and thatch, guard the vital bridges.

In the circumstances, it may be surprising to hear that Cambodian and American officials alike are pleased with the military situation. It is, as they point out, much better than might have been expected. A year and a half after the fighting started, they no longer veil the dire realities of Cambodia's wildly risky plunge into Vietnam's war.

Now it is conceded that the Vietnamese could probably have taken Pnom Penh at any time they wished in the summer of 1970, but didn't wish to pay the price because they couldn't have mustered enough Cambodian supporters for a victory parade. They were modest, or shrewd, enough to choose against a show of purely Vietnamese Communist strength in the Khmer capital.

The intervening months have been used to multiply the Cambodian army almost 10-fold, provide some equipment and training and establish a defense organization for the first time. The Communists have also used the time, however, to recruit supporters.

Official figures, which must be considered decidely conservative, show the difference. In the first months of the war, Cambodian officials spoke of the local pro-Communist force, the Khmer Rouge, as negligible. No more than 2,000, they said. They still call the Khmer Rouge negligible. Only 15,000, they say, though that is a 750 per cent growth in something over a year.

But there is a certain stabilization of the front. Neither side has made, nor apparently expects to make, much change in the areas of control for the visible future.

This is really a Nixon doctrine war. The Cambodians and the Vietnamese are fighting. The United States and, on the other side, Russia and China, are providing the wherewithal. Since the Nixon doctrine remains imprecise, however, there are naturally arguments among both Americans and Cambodians about how it should be applied.

Cambodian officials, with support from American military officers, think the United States should Americanize the war at least in the technical sense, with helicopters and

tanks and heavy artillery, if not with manpower. The Cambodian plea, which I heard repeatedly from Premier Lon Nol, his partner Deputy Premier Sirik Matak, Lon Nol's rambunctious and lively younger brother Lt. Col. Lon Non, down through the chain of command to the young captain who reported on the tactical situation at Svayrieng, was this: If you won't give us as much as South Vietnam, a more populous country, at least you should give us half as much.

Brig. Gen. Theodore Mataxis, who heads the U.S. "military equipment delivery team" here, thinks Cambodia should have more of a chance to fight the American way, with more American support. His Pnom Penh staff, after much argument, was recently limited to an expanded complement of 150 Americans, but he has another 75 working on military help to Cambodia under him in Saigon.

A U.S. mission from Pacific command headquarters recently recommended another 50 people to handle the flow of supplies. U.S. Ambassador Emory Swank, slipping but still trying to cling to the "low-profit" policy in this war, has proposed that the United States hire under contract other nationals—South Koreans, Filipinos, Thais—to do the job more discreetly.

Essentially, Swank and his advisers rely on Congress to limit the funds that would be needed for a bigger American role with men or major weapons. They don't admit it, but congressional truculence is their main defense in resisting the insistent pressures to "really support Cambodia."

Meanwhile, refugees at a camp near here, whose homes were destroyed by U.S. bombing and allied artillery fire, exist with a pitiful shortage of food, shelter, clothing. American funds must be reserved, officials explain, for the military and essential economic programs which other countries won't provide. Humanitarian needs are left to those countries, but they have too many other requests to notice.

Thus Cambodia has found its place in the Southeast Asian dilemma. It looks to the United States to be able to survive, and about all the United States knows how to do is to help speed destruction. Having become involved this far, America can't decently tell the Cambodians to forget it and lose. But neither can either country gain from a bloodier war.

There are no clean answers, now that war unhappily exists here too. For the United States, however, the only helpful answer is to sustain economic aid and refute the Cambodians' belief that what we want most from them is to fight, or that the American way of fighting is the way for Indochina.

The PRESIDING OFFICER. The Senator from New Hampshire has 2 minutes remaining.

Mr. McINTYRE. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. McINTYRE. In conclusion, Mr. President, I wish to say that the original request by the Department of Defense for research and development was almost $8 billion. In effect, the result of the Appropriations Committee utilizing unobligated funds brings that, for all practical purposes, down $600 million. The effect of the amendment offered by the Senator from New Hampshire would be to restore that $100 million. The net addition is $93 million for the research and development which is badly needed and should be restored.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield the remainder of my time to the Senator from Louisiana.

Mr. ELLENDER. The amount of money was not $8 billion. It is $7.9 billion.

Mr. McINTYRE. $7,950,000,000.

Mr. ELLENDER. $7.95 billion. So that it is not $600 million that we cut it. The total amount is $539.3 million.

Mr. McINTYRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the amendment of the Senator from New Hampshire. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. McGOVERN), the Senator from Maine (Mr. MUSKIE), the Senator from Louisiana (Mr. LONG), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from New York (Mr. JAVITS), the Senator from Arizona (Mr. GOLDWATER), the Senator from New Hampshire (Mr. COTTON), and the Senator from Maine (Mrs. SMITH) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Illinois (Mr. PERCY) is detained on official business, and if present and voting, would vote "nay."

The Senator from Ohio (Mr. SAXBE) is absent on official business.

If present and voting, the Senator from Maine (Mrs. SMITH) would vote "yea."

The result was announced—yeas 53, nays 33, as follows:

[No. 395 Leg.]

YEAS—53

Allen	Ervin	McIntyre
Baker	Fannin	Miller
Bellmon	Fong	Packwood
Bennett	Gambrell	Pastore
Bentsen	Griffin	Pearson
Bible	Gurney	Schweiker
Boggs	Hansen	Scott
Brock	Hollings	Sparkman
Brooke	Hruska	Stennis
Buckley	Humphrey	Stevens
Byrd, W. Va.	Inouye	Taft
Cannon	Jackson	Talmadge
Chiles	Jordan, N.C.	Thurmond
Cook	Jordan, Idaho	Tower
Cranston	Kennedy	Tunney
Curtis	Magnuson	Weicker
Dominick	Mathias	Williams
Eastland	McGee	

NAYS—33

Aiken	Pulbright	Nelson
Allott	Gravel	Pell
Anderson	Harris	Proxmire
Bayh	Hart	Randolph
Burdick	Hatfield	Ribicoff
Byrd, Va.	Hughes	Roth
Case	Mansfield	Spong
Cooper	McClellan	Stafford
Dole	Metcalf	Stevenson
Eagleton	Mondale	Symington
Ellender	Montoya	Young

NOT VOTING—14

Beall	Javits	Muskie
Church	Long	Percy
Cotton	McGovern	Saxbe
Goldwater	Moss	Smith
Hartke	Mundt	

So Mr. McINTYRE's amendment was agreed to.

Mr. McINTYRE. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. BYRD of West Virginia and Mr. CANNON moved to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CANNON obtained the floor.

Mr. CANNON. Mr. President, I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that amendment No. 747 which was to have been offered be vacated.

The PRESIDING OFFICER (Mr. CHILES). Without objection, it is so ordered.

Mr. CANNON. Mr. President, I had intended to raise a point of order against a provision contained in H.R. 11731, providing appropriations for the Department of Defense.

Mr. President, on page 43, line 11 of section 731 the Committee on Appropriations, in violation of the Rules of the Senate—rule XVI—has proposed new legislation in an appropriations bill. The legislation is contained in the following language:

Provided further, That funds in this Act shall be available for the procurement of commercial and cargo services only to the extent that the Secretary of Defense determines that such services are required to supplement the cargo airlift capabilities of the Military Airlift Command.

Mr. President, in seeking to explain its action, the Committee on Appropriations, on page 6 of its report, contends that such legislation does not violate rule XVI because it is germane to section 731 of the House bill and is therefore in order.

While I dispute that interpretation and while the Senate may have an opportunity to make a finding whether it is germane, I rise to point out that the amendment completely contradicts and nullifies what has been the policy of Congress and the executive branch of the U.S. Government for more than 15 years.

In light of the violence done by this amendment to longstanding Government policy I am incredulous, Mr. President, that the Appropriations Committee would even consider making such a far-reaching and profound change in policy knowing that this matter has been under review by the Commerce Committee for the last 9 months. Furthermore, I am advised that this subject was never before the committee during hearings on the appropriations bill, nor was the matter discussed, even in passing, by members of the committee during its markup session on the Defense appropriations bill.

Mr. President, it appears to me as though this amendment was inserted in the appropriations bill following a written recommendation by the chairman and the ranking minority member of the committee. That recommendation was made at the direct request of the Deputy Secretary of Defense. Secretary Packard was apparently motivated by the fact that the Committee on Commerce had recently ordered reported legislation reaffirming longstanding policy regarding

the role of the Nation's civil air carriers in augmenting the Nation's airlift capability in time of peace as well as in time of national emergency or war.

The Secretary of Defense, the chairman of the Senate Appropriations Committee and the Appropriations Committee staff know that this has been a matter of vital concern to the Senate Commerce Commitee since February of this year. To date, the Aviation Subcommittee which I chair, has held at least 5 days of hearings on the subject—has exchanged voluminous correspondence on it and finally, in total exasperation, has reported a bill S. 1821—Senate Report 92–503—introduced by my distinguished colleague from Washington, Senator MAGNUSON, forcing the Department of Defense to adhere to the policies established by the Congress and the President.

Apparently believing that it could circumvent the committees possessing jurisdiction in this manner, and thinking that Senator MAGNUSON's legislation could be effectively thwarted through the appropriations process, the Department of Defense surreptitiously and without consulting either Senator MAGNUSON or myself offered an amendment to this bill which does have the effect of killing the provisions of S. 1821. Mr. President this is an unwarranted and devious attempt, by the Department of Defense, to subvert the rules and practices of the Senate to effect a change in policy which has not been authorized by the President or the Congress.

As far back as 1957, the Senate Committee on Appropriations, recognizing the distinction between the role of the Military Air Transportation Service, MATS—now known as MAC—and the civil air carriers in meeting the Nation's airlift needs said:

Last year in the conference committee on the Defense appropriations bill the Senate jointed with the House in stating in a letter to the Secretary of Defense that the Government should, to the greatest extent practicable, adjust its use of air transportation so as to use existing unutilized capacity of United States air carriers. This statement was based upon our position that maximum utilization by the Department of Defense of United States civil air carriers is essential both in the promotion of our free enterprise economy and in the provision of the necessary ready reserve civil airlift for national defense; and that Government operations of its own air transport facilities should be limited to that essential to military security. (Senate Report 543, 85th Congress, First session, page 13)

Since that time, several committees of Congress including the Appropriations Committees of both Houses and the Armed Services Committees of both Houses have, time and again, concurred in that view. I will have more to say about that later.

Mr. President for the last several years the Department of Defense and the U.S. Air Force have been slowly undermining this long acknowledged policy. Since acquiring its new fleet of more than 250 C–141 Starlifters, and more than 40 C–5A Galaxies, the Air Force has sought to utilize these aircraft to completely reverse the roles of the Military Airlift Command and the U.S. civil carriers in meeting the international airlift requirements of the Department of Defense.

In fiscal year 1960, the total volume of military cargo which was moved by air was approximately 170,000 tons, of which only 17,500 tons or 10.5 percent was handled by the civil carriers. In the years which followed, the total volume of military cargo increased dramatically, largely as a result of the expanding war in Vietnam. The civil carriers, responding to the need, greatly expanded their cargo capacity, and the Department of Defense, in accordance with its announced policies, allocated to them an ever-increasing amount of military cargo. In percentage terms, the civil carriers' share of military cargo reached its peak in fiscal year 1962, when they carried 40.5 percent of all cargo moved by air. In terms of tonnage, the peak was reached in fiscal year 1967, when the civil carriers handled a total of 202,000 tons, which represented 33.6 percent of the total military cargo shipped that year.

Then, very suddenly, the trend was reversed. Although total military cargo shipments continued to grow in fiscal years 1968 and 1969, the amounts allocated to the civil carriers fell to 163,000 tons or 24 percent in 1968, and 148,000 tons or 20.3 percent in 1969.

In fiscal years 1970 and 1971 the total military cargo shipped began to decline, due to the reduction in the level of warfare in Vietnam. The amount carried by the civil carriers, however, fell off much more dramatically. In 1970, the airlines carried only 15.7 percent or 104,000 tons.

What has happened is obvious. There has been a complete reversal of policy. After inducing the civil carriers to acquire substantial cargo capacity by offering them a fair share of military cargo business, the Department of Defense has simply pulled the rug out.

In a memorandum submitted by the Air Force to me on April 7, this reversal of policy is quite clearly revealed. That memorandum states that—

Efficiency and economy dictate the use of this (MAC) capability to satisfy logistic support requirements. (p. 1.)

It further states that—

The primary role now developing for the civil air carriers is to replace the MAC aircraft on their worldwide DOD logistics support route when they are diverted to carry out a wartime deployment. (p. 2.)

Otherwise, the only role contemplated for the civil carriers, so far as international cargo is concerned, is—

To satisfy peak international cargo demands. (p. 3.)

In "The Role of MATS in Peace and War," the definitive document on U.S. policy, the very first item listed under the heading "Presidentially Approved Courses of Action" reads as follows:

1. That MATS be equipped and operated in peacetime to meet approved military hard-core requirements in a general war and in situations short of general war, and such other military requirements as cannot be met adequately by commercial carriers on an effective and timely basis. (p. 5)

The Air Force has now turned this policy on its head. It proposed to use the civil carriers only for "such other military requirements as cannot be met adequately" by the military. The amendment in section 731 of this Appropriations bill seeks to ratify this change in policy.

Aside from being militarily shortsighted, the new Air Force policy is contrary to the whole philosophy of our free enterprise system. In effect, MAC is now running a cargo airline, at the taxpayers' expense, in direct competition with the commercial carriers. In the 1950's, the Congress repeatedly criticized MATS, MAC's predecessor for engaging in precisely this kind of competition with private enterprise. The Department of Defense ultimately recognized the validity of this criticism, and specifically altered its policies in response to it. This, indeed, is what "The Role of MATS in Peace and War" was all about.

Contrary to what the Air Force would have the Senate believe, MAC's cargo operations today go far beyond the requirements of minimum training of flight crews. Until recently, MAC's cargo fleet was operating as much as 8 hours per day, and it is only because the volume of cargo has diminished that it is now proposing to reduce its operations to 4 to 4½ hours per day. The Air Force memorandum submitted to me on April 7 makes it crystal clear that its utilization of military cargo aircraft is now being pegged to military cargo requirements, rather than training and hard-core requirements. This is squarely contrary to established policy, and constitutes direct competition with the commercial carriers.

The current Air Force policy flouts not only the longstanding policy of the President, but also the recommendations made just last year by the House Airlift Subcommittee. In its report, that committee specifically disapproved the reduction in the civil carriers' share of military cargo traffic:

This reduction in cargo airlift allocated to the CRAF participants is no incentive for the commercial carriers to order new cargo aircraft to offset the existing deficit.

The C–5A was designed to airlift vehicles and cargo outsize to the C–141, not troops or general cargo. Yet the Air Force and MAC now propose to use the C–5 in peacetime for movement of general cargo—both bulk and palletized—under the guise of maintaining flight crew proficiency.

The effect of such a policy will be the elimination of a substantial commercial cargo airlift capability now available from the civil carriers, in particular the supplementals. . . . (H.A.S.C. No. 91–59, pp. 9236–37.)

The Air Force seems to think it can use its own aircraft for routine cargo carriage in times of peace, and still expect the civil carriers to take over that function in times of emergency or of "peak" demand. Clearly, this makes no economic sense. The commercial carriers cannot afford idle capacity—their present financial posture makes that clear enough. If the Department of Defense does not use their cargo capability, then they will be forced to put it to work elsewhere or dispose of it. Either way, it will not be available to provide immediate airlift service for the military in times of national crisis. And certainly the civil carriers will not be willing or able to expand their cargo capacity unless there is an immediate and continuing market for it.

The basic concept of the policies which

were developed and applied so successfully in the early 1960's was that MAC, not the civil carriers, should retain a substantial reserve capacity for use in times of emergency. The routine cargo missions, which must be performed in peace as well as in war, were to be handled by the civil carriers, thus leaving MAC free not only to carry the "hardcore" traffic, but also with sufficient capacity in reserve to expand its hardcore operations in times of crisis. If MAC aircraft are heavily committed to routine supply missions, the will be unable to respond to an emergency without causing a substantial disruption of normal service. Moreover, unless the civil carriers are used to perform this function in times of peace, they will simply not have the capacity which would be needed in time of war.

Even from a training viewpoint, the current Air Force policy makes no sense. It seems elementary that if MAC is to carry hardcore traffic in times of crisis, it must train for that mission by performing the same functions in peacetime. This principle was recognized in a MATS document entitled "Review of the Civil Reserve Air Fleet Program" issued in 1963:

It is imperative that any concept or system which is to be employed in wartime must be nothing more than an expansion of the system utilized in peacetime. Therefore there must be designed and tested in peacetime the operational concept and organization which must do the job in war. (p. 16.)

EXCESSIVE UTILIZATION OF MAC AIRCRAFT

The Air Force has programed 4.25-hours per day average utilization for its long-range cargo aircraft—claiming this is necessary to provide adequate training and to maintain proficiency and to maintain maximum surge capacity. In fact, this rate of utilization is far in excess of that needed for training and leaves far too little opportunity to increase utilization when surges are needed.

Using, as the Air Force does, three crews per aircraft, 4.25-hours utilization per day provides an average of 42½-flying hours per month for each crew member. The Air Force has reported to the committee that in fact the average hours flown per month by MAC airlift aircrews during August 1971 was as follows:

Aircraft commanders, 47.2 hours. Copilots, 44.3 hours. Navigators, 59.2 hours. Flight engineers, 48.5 hours. Loadmasters, 46.1 hours.

The average flying hours of an airline pilot working full-time ranges from 60 to 80 a month. Civil air carriers have testified that 6 to 8 hours flying time per month is adequate to maintain a pilot's proficiency.

In testifying before the committee the Air Force spelled out the Military Airlift Command's mission priorities as follows:

The highest priority for peacetime use of MAC aircraft is internal training of the MAC force for combat readiness. The next priority is joint training and exercises with other elements of the armed forces. The third priority is performance of special airlift missions not suitable for incorporation in the MAC channel airlift system. Movement of DOD channel traffic on military airlift aircraft is the lowest priority peacetime mission for those aircraft. To the extent, however, that productive airlift capability is created through training activities, we believe it to be in the interests of the national defense and of the taxpayer to minimize the cost to the Government by using this capability effectively to meet current transportation needs.

However, under questioning the Air Force testified that its flying hours are distributed among the training priorities in the following pattern.

First, internal training of the force for combat readiness: 8.4 percent.

Second, joint training and exercises with other elements of the Armed Forces: 15.4 percent.

Third, performance of special airlift missions: 12.1 percent.

Fourth, movement of DOD channel traffic on military aircraft: 48.5 percent.

Thus only 35.9 of the total flying hours performed by MAC crews is devoted to three highest mission priorities. The lowest priority mission—the one the civil carriers are capable of performing—accounts for nearly half of the total flying time of the Military Airlift Command force.

Clearly, this is indicative that the flying hours are inflated over and above those necessary to provide adequate training to meet the MAC mission and the Committee on Commerce is of the view that the current flying hour program could be significantly reduced without impairing the training and exercise of the MAC force.

The MAC aircraft themselves, of course, need no training. On the contrary, these extremely expensive logistic aircraft, purchased for high priority military cargo, are being needlessly utilized and worn out at too fast a pace in routine cargo operations. These expensive logistic aircraft were not procured for the purpose of flying routine cargo, post exchange goods and footlockers around the world.

As to surge capability, it is obvious that the larger the number of hours flown regularly, the smaller the number of hours remaining for expanding operations. If any proof were needed, the very limited ability of MAC to expand its operations in the past few months clearly shows that its surge capability is reduced by its excessive commitment to routine cargo operations.

MAC'S MISSION

MAC's wartime mission requires it to be capable of performing such combat missions as troop drops with the C–141, short field landings with the C–141 and C–5A, and other difficult and specialized military operations. The idea that MAC can achieve meaningful training for its combat role by performing routine logistical support missions in and out of major airports or military airfields in peacetime is simply unrealistic. And it is even more unrealistic to think that a large and modern civil cargo fleet can simply be available, on a standby basis, "to replace the MAC aircraft on their worldwide DOD logistics support routes when they are diverted to carry out a wartime deployment," or even "to satisfy peak international cargo demands." Anyone who thinks this is possible has not read the history of the 1950's.

Even the Air Force has acknowledged that the continuation of the Civil Reserve Air Fleet—CRAF—is essential to the Nation's defense system. The CRAF concept, which was originated in 1952, has been periodically modified to meet changing defense needs, and to reflect economic realities.

Recent history has dramatically demonstrated the need for civil augmentation of military airlift to meet emergency situations. In every major crisis since World War II—the Berlin blockade, the Korean conflict, the Cuban missile crisis, the Vietnam war—the civil carriers have played an important role in providing essential transportation service to the military. Although the need to activate CRAF has never arisen, this is only because the civil carriers responded to the need voluntarily. And the fact that they had the capacity to respond was, especially in recent years, largely the result of the CRAF program.

An essential part of that program is the procurement policy which was developed in the early 1960's. Under this program, each carrier's military business is related directly to its CRAF commitments, not only in terms of the number of aircraft committed but also the size and type of aircraft involved. Before this procurement policy was initiated, the CRAF fleet was woefully inadequate. Today, as a result of the enlightened policies of the early 1960's, the CRAF passenger fleet consists of 126 long-range passenger jets and 196 cargo jets, of which 12 are fully convertible.

As the House Airlift Subcommittee observed in its recent report, however, "modernization of the CRAF is a continuous process." H.A.S. C. No. 91–59, p. 9236. In particular, the committee noted that "current firm orders for new aircraft do not indicate production of enough convertible or cargo aircraft to fulfill projected wartime requirements." Ibid. And continuous expansion and modernization of the entire fleet is obviously essential if it is to be capable of meeting tomorrow's needs as well as those of today.

The recent decision of the Air Force to withdraw almost all international military cargo traffic from the civil carriers is certainly not calculated to preserve and strengthen CRAF. On the contrary, its inevitable effect will be to weaken the ability of the civil carriers to respond in time of crisis—particularly in the area of cargo capacity, where a shortage already exists. What we are witnessing today is a repetition of the same shortsighted policies, which, in the 1950's prevented the expansion of the civil fleet.

BACKGROUND

The concept that an effective military airlift system must be based upon a partnership between what was then known as the Military Air Transport Service—MATS—and the civil air carriers can be traced back to the late 1940's and early 1950's, when a series of Defense Department studies all concluded that programs and policies must be developed for the rapid mobilization of civil aircraft to augment the military airlift system in time of national crisis. Pursuant to Executive Order No. 10219, issued by President Truman on February 28, 1951, the Department of Defense developed the

first plan for the establishment of a "Civil Reserve Air Fleet"—CRAF—which was issued on March 20, 1952.

It was recognized very soon thereafter that in order to have a large and modern civil fleet available for use in time of crisis, the Government would also have to use that fleet for routine traffic in peacetime. Thus, in 1954, a report entitled "Civil Air Policy" prepared for President Eisenhower by the Air Coordinating Committee, comprised of Government officials of both military and civil agencies, advanced the following recommendations, among others:

(3) In determining the extent to which air transportation will be used in meeting military peacetime and wartime airlift requirements, the Department of Defense should continue its policy not to engage in competition with private industry, and to support the expansion of the nation's civil airlift capability on an economically sound basis. (p. 17)

(4) The Government should, to the greatest extent practicable, adjust its use of air transportation so as to use existing unutilized capacity of United States air carriers. (p. 17)

(5) Federal Agencies should, within . . . sound . . . supply management, expand their use of civil cargo airlift as it becomes available for routine, non-emergency use. (p. 24.)

In 1955, the Hoover Commission's Report on Transportation recommended:

That the peacetime operations of the integrated Military Air Transport Service be restricted and realistically limited to persons and cargo carefully evaluated as to necessity for military air transportation and, only after commercial carriers have been utilized to the maximum extent, should transportation on Service carriers be authorized. (p. 59)

In the same year, the Comptroller General's audit report on the Civil Aeronautics Board included the following statement:

We believe it important that the Congress direct the Department of Defense to transfer, wherever possible, military mail, cargo and passengers to United States certificated air carriers. As stated in the (Air Coordinating) Commission's report, prompt action by the Department would result not only in a significant reduction in subsidy for international carriers, but also in the development of an economic self-sufficient civil airline system, thus providing a substantial reservoir of airlift to be available to meet mobilization emergencies. (p. 30)

These policies, however, were not really implemented in the 1950's. As the MATS fleet of military aircraft expanded, the Department of Defense tended increasingly to utilize these aircraft for purposes which could appropriately be served by the civil carriers. Several congressional committees took note to this problem, and asked the Defense Department to correct the situation. For example, in 1956 the House Appropriations Committee emphasized the fact "that commercial air facilities, including scheduled and nonscheduled airlines, are an essential part of the overall mobilization transport strength of the United States," and called upon the Air Force to—

Give attention to handling its air transport business in such a way as to assist in keeping the non-scheduled and other airlines in a reasonably sound financial and operating position. (R. Rep. No. 2104, 84th Cong., 2nd Sess., p. 46 (1956)).

The Senate committee fully concurred with this view, as I noted above.

In 1958, a comprehensive investigation of the entire relationship between the civil carriers and the Department of Defense was undertaken by the Military Operations Subcommittee of the House Government Operations Committee. The committee produced a lengthy and thorough report, containing 22 specific recommendations. Among them were the following:

Recommendation No. 2:

The Military Air Transport Service should concentrate on outsize and special-cargo traffic and technical missions, leaving to the civil air carriers the primary responsibility for the transportation of passengers and the more conventional kinds of military cargo.

Recommendation No. 3:

The applicable military directives and regulations should be redrafted to eliminate the preferential position of the Military Air Transport Service in peacetime military airlift and to establish, consistent with other recommendations in this report, a full partnership role for civil carriers in moving peacetime military traffic and in contributing to war readiness through the Civil Reserve Air Fleet.

Recommendation No. 4:

In the event the applicable military directives and regulations are not redrafted to eliminate the preferential position of the Military Air Transport Service and an effective program is not developed for expanding the use of commercial air services, the Congress should adopt appropriate legislation to achieve these objectives.

Recommendation No. 5:

The Civil Reserve Air Fleet should be expanded and more closely integrated with military airlift missions. It is especially important that the Air Force encourage the civil air carriers to procure more modern cargo aircraft for the Civil Reserve Air Fleet, by allocating to these civil carriers a larger share of the cargo traffic of the Military Air Transport Service. Such action would more adequately provide the incentive necessary to overcome the dangerous risk inherent in the deficit that now exists in meeting overall wartime requirements for cargo airlift. (H.R. Rep. No. 2011, 85th Cong., 2nd Sess., pp. 5–7 (1958)).

Another detailed investigation was conducted in 1960 by the Airlift Subcommittee of the House Armed Services Committee. Its report clearly revealed the extent to which the Defense Department's underutilization of civil carriers had seriously weakened the Nation's overall airlift capability:

In the cargo area the CRAF capability is not only grossly inadequate in terms of capacity, but it is limited and outmoded in terms of equipment . . . There is not a single aircraft in CRAF's cargo fleet which was specifically designed for cargo operations. It is this gross deficiency which gives rise to an overriding requirement that new, turbine-powered cargo aircraft be procured by the civil carriers who participate in CRAF and that there be created an incentive for such participation. (H.R. Rep. No. 53, 86th Cong., 2nd Sess., p. 4042 (1960)).

To meet this problem, the subcommittee recommended that new procurement policies be devised which would create a greater incentive for the civil carriers to modernize and expand their cargo capacity.

In the same year, the Department of Defense issued a detailed report of its own on the entire problem, entitled "The Role of Military Air Transport Service in Peace and War." This report, for the first time, articulated a clear division between the respective roles of the military and civil in the total airlift system:

In the context of the philosophy of maintaining within the Armed Forces only the resources or capability essential to the effective implementation of military strategy, MATS ideally should perform only the "hard core mission" leaving to the commercial carriers the job of providing airlift for routine logistic supply and normal personnel movements in accordance with criteria prescribed by the Department of Defense. This is a realistic delineation between military and commercial carriers for programming purposes. However, for peacetime operations economic considerations will dictate some adjustment. (p. 9).

The report also noted that:

Current airlift procurement policies and practices are not accomplishing the desired results in promoting a healthy growth of United States overseas commercial cargo airlift capability. With Congressional approval, if necessary, they should be better adapted to reflect the long-term interest of the Department of Defense in commercial airlift capability and provide the continuity and stability required for effective and economical support of military forces. (p. 4).

A number of specific "Presidentially Approved Courses of Action" were set forth in the report designed to implement the policies and objectives noted above. These included the curtailment other than hardcore traffic, and the expanded utilization of commercial carriers for these purposes. To provide greater incentive for expansion of the civil cargo fleet, the report called for the elimination of competitive bidding, which had generally produced uneconomical rates for the transportation of military cargo, and the substitution of CB ratemaking in this area. In addition, it proposed a major overhaul of the CRAF program, and the development of a formula by which a carrier's share of military traffic would be determined by such factors as the quantity and relative value of the aircraft which it has committed to CRAF, and its willingness to acquire cargo aircraft.

"The Role of MATS in Peace and War" was the product not only of Defense Department studies, but also of the work which had been done over the years by various committees of the Congress. The policies which it contained were promptly implemented, and resulted in a rapid expansion and modernization of both the military and civil segments of the airlift system.

As a result of the new policies adopted at the beginning of the decade, the cargo capacity of both the military and civil carriers was greatly expanded and modernized in the 1960's. On the military side, MAC has acquired a massive fleet of C–141's now being supplemented by the C–5A's On the civil side, new modern turbine-powered cargo and cargo-convertible aircraft have been acquired and committed to CRAF. The total civilian capacity in cargo ton-miles committed to CRAF has increased five and one-half fold since 1960.

The benefits of the policy are well de-

scribed in a 1966 report of the Military Airlift Subcommittee of the House Armed Services Committee as follows:

This increased activity on the part of the commercial carriers in support of military requirements has benefited both the military and the civil airlines. The commercial airlift relieved military aircraft to perform other missions and to be available to meet military contingencies that arose. The civil carriers benefited from this Government business at a minimum rate determined to be fair and reasonable by the Civil Aeronautics Board. The revenue from this Government business has served the intended purpose of helping the commercial airlines to modernize their fleet by acquiring new long-range jet aircraft which are more efficient, reliable and less costly to operate. This increased capability, especially in the long-range jet cargo equipment, becomes an important asset to our national airlift inventory, and will make a substantial contribution in the future toward meeting the military requirement for airlift in times of emergency.

The military-civil partnership which was fostered by the policies of the 1960's yielded enormous benefits to the Government, the air transport industry, and, most importantly, the Nation as a whole. It provided an essential military airlift capacity at a cost far below what the taxpayers would have had to spend if that capacity had been provided primarily by the military services themselves. Simply by using civil carriers for the performance of needed military cargo and passenger transportation, at rates which were far below those paid by commercial passengers and shippers, the Government was able to obtain not merely efficient transportation service, but also a huge reserve fleet of aircraft which is available on a moment's notice to augment the military airlift capability in time of war. This reserve fleet, which has an estimated value of $3 billion, was created without cost to the Government, entirely through private financing.

The acquisition by the carriers of aircraft suited to the needs of the Department of Defense was no mere accident. It was the result of a carefully planned procurement policy, designed to encourage and reward such acquisition. The continued modernization and expansion of this fleet will depend upon the continuation of the same kind of policy.

The procurement policy which the Air Force has adopted in the last year or two ignores the demonstrated benefits of the military-civil partnership concept which was developed in the 1960's. It ignores also the need for the continued maintenance and modernization of the civil fleet. It represents a return to the policies of the 1950's, which failed to produce an adequate airlift capability and which were condemned by the Congress and the President.

Mr. President, the subject matter covered in the committee amendment to section 731 of this bill is fully treated in the hearings on S. 1821, a bill now on the calendar. I do not expect to call that bill up until sometime after the first of the year. However, it has been the subject of a number of days of hearings and diligent work on behalf of the committee. The amendment proposed in this bill which, as I said, I believe to be subject to a point of order, would completely undo the work that the committee has put into S. 1821 after long and involved hearings and study.

Before making a point of order, I discussed this matter with the distinguished Senator from Louisiana, the chairman of the committee, and he and I and Senator MAGNUSON have reached an agreement under which the Committee on Appropriations will agree to strike the amendment in section 731.

Mr. ELLENDER. The Senator is correct. And the language to which he refers appears on page 43, lines 11 to 15 of the bill. And when the bill that he mentioned, S. 1821, is called up, an amendment will be added to the bill indicating that the bill will not be applicable to fiscal year 1972. With that understanding, I agree to strike from the bill the language to which the Senator objects.

Mr. CANNON. I will accept such an amendment to S. 1821, at such time as it is before the Senate to postpone the effective date of the bill until July 1, 1972.

Mr. ELLENDER. The Senator is correct.

Mr. MAGNUSON. Mr. President, may I say that I deeply appreciate what the Senator from Louisiana has agreed to on this matter. Obviously the Senate must tackle this problem in its legislative committees. I do not know, but I doubt that the bill will be taken up before next year. I understand it is on the calendar.

Mr. CANNON. It is on the calendar. It will not be taken up until after the first of January when we come back from the recess.

Mr. MAGNUSON. This is a fair and equitable solution.

WHY NOT A CEILING ON C–5A SPENDING?

Mr. PROXMIRE. Mr. President, in the Military Authorization Act for fiscal year 1972, we carried forward the C–5A funding restrictions first imposed last year with reference to the contingency fund approved for this program.

The Senate Armed Services Committee insisted on continuing this restriction, and in its conference with the House Armed Services Committee, prevailed over what I understand were very strenuous objections to this language.

The act now provides that the prime contractor, the Lockheed Corp., is precluded from including bid and proposal costs, independent research and development costs, and costs of other similar unsponsored technical effort, or depreciation and amortization costs on property, plant, or equipment, in those costs recoverable under the C–5A aircraft program.

It is my understanding that this restriction could save the taxpayer a maximum of $20 million. This is not an insignificant sum. It is a lot of money. And I am very pleased at the Senate committee's strong position to continue the funding restriction.

However, we are talking about a program that is expected to cost $4.5 billion. That at least is the most current Air Force estimate of the total program costs to the Government.

Is it not true that if the costs increase again under the new reimbursement type contract, the Government will have to pay them? Why not impose a ceiling on the Government costs for this program?

I believe that Congress ought to legislate a ceiling on the C–5A.

It is universally acknowledged that the C–5A will experience one of the largest cost overruns in the history of weapons procurement. The overrun that is now expected will be extremely high both in absolute dollars and as a percentage of the original estimated unit cost.

It was originally estimated that 120 aircraft would cost $3.4 billion, or about $28 million each. It is now estimated that 81 aircraft will cost $4.5 billion, or more than $58 million per copy. If the original planning estimate is adjusted for the reduced quantity to be purchased, the dollar amount of the overrun is about $2 billion. I might add that the Air Force reduced the quality of C–5A's precisely because of the cost overrun that was being experienced.

On top of the unfortunate cost history is the fact that current Air Force plans call for keeping the C–5A in a largely idle condition. I understand that the distinguished chairman of the Senate Armed Services Committee has himself raised questions about the planned utilization rate for the C–5A. I have read the testimony of the Air Force given in the Senate Armed Services Committee hearings this year and, in my judgment, the distinguished chairman's questions on this point were not satisfactorily answered.

We all recall Lockheed's demands for additional funds to finance this program. In response to those demands, and after long negotiations between Deputy Secretary David Packard and the Lockheed Corp., the original contract was, in effect, torn up and a new one was put in its place. The old contract was a fixed-price incentive type. The new contract is a cost reimbursement type, with a fixed-loss provision.

This cavalier treatment of the contractual obligations entered into in writing by both parties is indicative, in my judgment, of the permissive attitude toward defense contractors in general, and toward the contractor in the C–5A program in particular. I would hope that this incident will serve as an answer to those who in the future might raise questions about the sanctity of Government contracts.

The practical effect of a cost reimbursement agreement is the removal of the lid on the costs of this program. Congress, under the new contract, is now liable for all C–5A costs no matter how high they go. In theory, there was at least a limit to the amount of Government liability under the old fixed-price contract. Presently there is not even a theoretical limit, as the Pentagon, by writing a new agreement, has obligated itself to pay any and all costs of this program.

The question is, why should the Congress go along with this kind of arrangement? Why not legislate a ceiling on the C–5A program, placing a limit to the Government's liability? Certainly, under the circumstances, considering the enormous cost overruns and the technical problems and structural defects that have plagued this program, Congress would be well justified to drawing a line and saying, beyond this point we will pay no more for the C–5A.

In David Packard's testimony to the Senate Armed Services Committee this year, it was indicated by him that the Department of Defense has unofficially taken a similar view toward any cost increases in this program, for the time being anyway. Mr. Packard stated then:

I have advised the Secretary of the Air Force that I am not going to request funds beyond our current estimate of program costs. It is up to him to get the aircraft within these funds.

Why should not the Congress take Mr. Packard at his word and incorporate his views into the legislation by adding a ceiling?

The ceiling I would impose would be quite liberal. I would use the Air Force's current estimate of total Government costs to complete this program, which I understand is $4.5 billion, and use that figure as the ceiling. If the Air Force is confident that the program will not grow beyond this amount, why not insist that they live by it?

OPEN ENDED C–5A THROW AWAY MAKES NO SENSE IN VIEW OF 40-PERCENT RESERVATION FOR COMMERCIAL CARGO

Mr. PROXMIRE. I am adamantly opposed to any language that would require the Air Force to shift a portion or a fixed amount of its cargo business to commercial carriers. But this is what the Senate would do in 1973.

Any such provision would be a new Government subsidy to private industry. It would also compound the waste and add to the costs of the C–5A program. I believe the American taxpayer has paid enough for this aircraft. The agreement has been made to enforce further C–5A idleness.

In order to see this problem in perspective, it may be useful to review some of the facts about the C–5A.

It has been one of the most mismanaged military procurements in our history. The cost overrun is expected to be about $2 billion. On a unit cost basis, the aircraft will run about twice as much as the original estimates, from $28 million to $58 million each.

The chances that the program will involve additional costs for the Government are, in my judgment, all too good. Under the new cost reimbursement contract entered into between the Pentagon and Lockheed earlier this year, the Government is liable for all and any costs in this program. If one of the planes is in an accident, regardless of whose fault it is, the Government must pay for the repairs.

If, because of poor workmanship or any other failing on the part of the contractor, an aircraft is damaged or destroyed, the Government must pay. If there are structural defects in this plane that need to be corrected, the Government must bear the costs, even though the defects were brought about by the contractor.

In fact, the Government has already paid dearly for the numerous deficiencies that have turned up on this plane. The total costs are expected to be about $4.7 billion, most of which has already been spent.

Now, the question is whether the Air Force ought to get some use out of the program that has cost so much. The facts about current plans to use the C–5A are very discouraging.

The daily utilization rate for the C–5A so far has been 3 hours. The Air Force plans to increase this utilization rate eventually to 4.75 hours. But this is far below the norm.

Commercial cargo carriers employ a 10 to 14 daily hour utilization rate for their aircraft, for the 707 and for the DC–8. Thus, the Air Force plans call for using the C–5A at the most about one-third the commercial utilization rate. The C–5A is already a largely idle aircraft.

The reason for this is quite simple, and very similar to the plight of the commercial airlines. The Air Force has purchased more cargo planes than it needs. There is now a tremendous overcapacity of military cargo planes. I recently asked the General Accounting Office to compile some figures on utilization rates of military cargo carriers and of actual cargo carried.

I ask unanimous consent to print in the RECORD at this point the tables compiled by the General Accounting Office.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
October 15, 1971.

Hon. WILLIAM PROXMIRE,
Chairman, Subcommittee on Priorities and Economy in Government, Joint Economic Committee, Congress of the United States.

DEAR MR. CHAIRMAN: In response to an informal request from your committee, we have furnished to you various statistical information concerning the utilization of military cargo aircraft. In confirming this information below, we are presenting the data in the order requested.

AVERAGE DAILY HOURLY UTILIZATION OF EACH TYPE OF MILITARY CARGO AIRCRAFT USED BY THE MILITARY AIRLIFT COMMAND DURING FISCAL YEARS 1969, 1970, AND 1971.

Type of aircraft	Fiscal year— 1969	1970	1971
C–133	5.1	4.8	4.2
C–141	7.8	7.2	6.4
C–5a	None	.57	3.0

Source of Information: Report RCS—SSA 41, History of USAF Hours for Planning and Reference.

Actual cargo carried (in million ton miles) by the military airlift command—including contract—carriers for fiscal years 1961 through 1971

1961	1421.2
1962	1771.6
1963	2049.8
1964	2075.2
1965	2293.5
1966	3442.8
1967	5474.9
1968	7467.2
1969	7341.5
1970	6095.9
1971	4910.1

Source of Information: Headquarters, Military Airlift Command.

AVERAGE DAILY HOURLY UTILIZATION OF EACH TYPE OF MILITARY CARGO AIRCRAFT USED BY THE MILITARY AIRLIFT COMMAND DURING FISCAL YEARS 1961 THROUGH 1968

Aircraft type	Fiscal years 1961	1962	1963	1964	1965	1966	1967	1968
C–97		3.4	3.8					
C–118	5.2	4.5	4.2	3.8	4.1			
C–121	4.8	4.2	4.0	3.3				
C–124 (troop carriers)	2.4	2.4	2.3	3.0	2.8	2.8		
C–124 (cargo transport)	4.4	4.3	3.8	4.0	4.1	4.3	3.8	4.2
C 130			3.3	3.8	4.5	5.8	6.6	6.5
C 133	4.0	3.6	3.7	4.2	3.0	5.3	5.5	5.4
C–135		4.5	4.5	5.0	4.7	5.3	6.3	4.2
C 141					4.2	4.7	6.6	7.1

Source: RCS–SSA 41, "History of USAF Hours for Planning and Reference."

The committee subsequently asked that we clarify a discrepancy concerning the average daily hourly utilization of C–141 during fiscal year 1970. The 7.2 hourly utilization rate which the Air Force had provided to us was in conflict with testimony by Mr. Robert C. Seamans, Jr., Secretary of the Air Force, before the Committee on Armed Services, United States Senate, on S. 939 (H.R. 8687). A schedule submitted by Secretary Seamans appeared on page 1237 of these hearings with a footnote stating that the Military Airlift Command C–141 force was flying an 8.0 utilization rate in fiscal year 1970.

Further investigation by the Air Force showed that the 7.2 hourly utilization was correct and that Secretary Seamans had quoted the 8.0 programmed hourly rate rather than the actual rate.

We informed the Committee that the information which we furnished was provided to us through our Air Force liaison office in the Department of Defense. Because of the immediate need for the information, it was not independently verified by the General Accounting Office. The sources of the information are those identified to us by the Air Force liaison office.

We will be glad to furnish any additional information required by you or the committee.

Sincerely,

R. F. KELLER,
Deputy Comptroller General of the United States.

Mr. PROXMIRE. It will be noted that the utilization rate of the C–5A for fiscal year 1971, indicated in the first table, was 3 hours. This compares with the 6.4 hour utilization rate for that year for the C–141, and the 4.2 hour utilization rate for the C–133.

If we look at the fiscal year 1969 column, we find that the C–133 was used 5.1 hours per day, and the C–141 was used 7.8 hours per day.

I am informed that the utilization rates of both the C–133 and the C–144 are expected to decrease even further. What is the explanation for the reduced utilization rates for these aircraft?

The explanation is that the adding of the C–5A into the Air Force's inventory has given it a tremendous overcapacity

of cargo carriers. As this overcapacity grows it is necessary to reduce the utilization of the other military transports.

This represents, not a conservation of aircraft, but a huge waste. It is wasteful to purchase equipment that you do not need. It is wasteful for military aircraft, purchased with taxpayers' money to be underutilized. And it is clear to me and it should be clear to all that a 3-hour utilization rate or a 4.75-hour utilization rate is much too low and is wasteful.

The current proposal would aggravate this situation. To require the Air Force to give a fixed amount of its cargo business to commercial airlines would inevitably further reduce the utilization rates of military aircraft, especially the C-5A.

I have been an outspoken critic of the C-5A program. I still criticize it. It costs too much, it has been mismanaged by the Air Force, and the contractor's performance has been poor. In my opinion, the public has been bilked. We did not need the 81 planes that the Air Force agreed to buy in the first place.

But now we have the C-5A's. Most of them have been built and delivered to the Air Force. A number of them are flying. What are we to do, ground them while the work they are designed to do is carried on by the commercial airlines?

Mr. President, this amendment will add to the costs of the C-5A and it is an unnecessary and unwarranted proposed subsidy.

Mr. ELLENDER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Delete lines 11 through 15 on page 43.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

Mr. BROOKE. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be reported.

The legislative clerk read as follows:

On page 23, lines 14 through 15, strike $1,795,556,000 and insert in lieu thereof $1,796,256,000.

Mr. BROOKE. Mr. President, included in the Defense appropriations bill as passed by the House of Representatives and reported by the Senate Appropriations Committee is a reduction of $600,000 for food research by the Natick Laboratories in Natick, Mass.

The amount involved in this reduction is very small—it is perhaps one of the smallest items in the entire bill. But it is a particularly important item in terms of our overall military objectives.

For years, the Natick Laboratories have done food research for the Department of the Army. In that time, the laboratories have developed a vast array of new methods for preparing, preserving, and distributing food products to American servicemen. As anyone who has served in the Armed Forces well knows, the morale-boosting effect of a well-prepared meal cannot be overstated. I well remember, in my own career, how much it meant to have a small can of fruit cocktail on a hot, dusty train in North Africa. And I can well imagine how equally important it must be for men in the field in Vietnam to be able to eat flavorful radiation-preserved meats or freeze-dried fresh vegetables while on patrol.

So well have the dedicated men and women at the Natick Laboratories done their job that their responsibilities have been expanded, as of July 1, 1971, to cover not only the Army's food research programs but similar programs for the entire Department of Defense. Scientists at the laboratories are presently working on ways to freeze-dry the making of an entire cherry pie so that it can be preserved and used many months later in the field or on board a submarine. They are trying to develop ways of fresh-freezing lettuce and other garden vegetables so that servicemen may have fresh salads the entire length of a 25- or 30-day voyage by sea.

In these days when we are moving toward an all-volunteer army, the quality of the food which is served to the military plays a vital role in encouraging and retaining volunteers. Simply stated, better food can mean more volunteers, higher morale, a lower turnover rate, and a consequent cost saving in terms of training and disciplinary procedures.

But the new responsibilities which have been thrust upon the Natick Laboratories have come at a very unfortunate time in terms of their overall budget.

In fiscal year 1971, the laboratories had a budget of $3.6 million for food research for the Army. In fiscal year 1972, the Department of Defense requested $6.2 million for the expanded program. This amount was reduced to $5.7 million by the authorizing committee and was reduced another $600,000 by the House of Representatives. This further reduction was sustained by the Senate Appropriations Committee.

Yet certain items included in this budget were irreducible: Because of inflationary pressures, the laboratories required $4 million just to maintain present operating level. In addition, it has become absolutely essential that they purchase new bars of cobalt-60 for their food irradiation program. Funds for the purchase of this cobalt have been in every appropriations request since 1967, but in each case they have been disapproved and the purchase has been deferred for another year. This year, the purchase can no longer be postponed. The bars of cobalt presently in place have been utilized to their maximum capacity. The radiation facility has been operating on three continuous shifts per day in order to achieve the amount of radiation needed within the time prescribed. Overtime pay for the operators of the facility has eaten into many of the funds originally allotted for other projects. The laboratory must have its new cobalt-60 this year.

Research projects which will have to be postponed to pay for the Cobalt-60 include new cooking and baking techniques, studies on the preservation and preparation of food at high altitudes for the Air Force and the NASA space program, development of heating systems for individual rations for men in the field, studies on the prevention of insect infestation of certain food products, and a host of other equally worthwhile and desirable projects.

Mr. President, an additional $600,000 does not seem too much to ask for so important and constructive a program. With a total of $5.1 million—the full amount authorized by the Armed Services Committee—the Natick Laboratories could begin to meet the requirements of the Navy, the Marine Corps, and the Air Force by initiating new projects suited to the particular operating conditions of these services. I strongly urge that the Senate restore this $600,000 for food research. I have discussed this amendment with the distinguished chairman of the Appropriations Committee, Senator ELLENDER, and with the distinguished ranking member, Senator YOUNG, and would welcome their comments on this amendment.

Mr. KENNEDY. Mr. President, I am happy to join today with Senator BROOKE in an amendment urging the restoration of $600,000 to the Department of Defense food research and development program. During the debate on authorization for this program we were concerned with restoring $2.2 million to the budget request for this program carried out at the U.S. Army Natick Laboratory in Massachusetts. Today this amendment seeks to restore $600,000 to the appropriation.

A budget reduction of $600,000 for this research and development program can only be termed shortsighted. It may be true that the food technology program at one time was designed to study food delivery technique for the Department of the Army alone. But that is no longer true. This program serves all branches of the military service including the Air Force, Navy, Marines, as well as the Army.

It may be true that when the program was begun no one foresaw the implications for the civilian community of the success or failure of the program. But that is no longer true. This research and development is the pivotal link in governmental research into food preservation for civilian as well as military uses.

It may be true that troop reduction in Southeast Asia means that adequately preserved and nutritious food is in less demand, because of fewer numbers. But that is not the whole truth. There are thousands of men and women serving in the Armed Forces to whom meals and morale are still important; and we owe them the best we can deliver in the way of fast and appealing meals.

A cutback in funding for the food research and development program at the Natick Army Labs could affect a most important area of research and development: Studies in garrison feeding for all branches of the Armed Forces. Approximately 52 percent of servicemen entitled to eat in military dining facilities buy their meals at restaurants. This involves not only a waste of effort and technique in military dining facilities, but a great disservice to the man or woman serving in the military service who finds it so depressing or unattractive to take advantage of these meals, that he or she feels compelled to leave the base. Research into the delivery of appealing and nutritious meals to large numbers could be very important to schools, hospitals, and other institutions faced with similar problems.

If there is any reduction in this program, while the savings may be small, the numbers affected include those thousands serving in all branches of the military service. This program, designed to serve all the services jointly, was originated to save money and avoid duplication of effort. Each branch of the service does not request funding individually for research into food service technology as the Department of the Army, primarily at the Natick Labs in Massachusetts, is now responsible not only for solving the Army's unique food delivery problems, but all the branches' individual requirements as well as those problems they face jointly in terms of food delivery.

The White House Conference on Food, Health, and Nutrition in 1969 investigated the problems of food technology within the Armed Forces. And as Senator PERCY of Illinois pointed out, the implementation of their recommendations regarding feeding systems, food production facilities, food processing, and food service personnel could result in a savings of as much as $500 million annually and possibly as much as $1 billion a year.

The Natick Army Labs are researching fast, efficient, effective, and safe feeding systems. Dr. Edward S. Josephson, assistant director for radiation at Natick, points out that the Department of Defense food R.D.T. & E. for fiscal 1972 is the initial attempt to bring all the important technologies to bear on a coordinated effort to upgrade the feeding systems in all of the services. A pilot experiment at Fort Lewis increased attendance in military dining facilities from 48 to 78 percent while reducing food service manpower 40 percent. There is no reason why an enlisted man who is entitled to meals as part of his compensation should prefer restaurant facilities to the military dining facilities. He is not entitled to second-rate meals, but to attractive, appealing and nutritious food.

Based on the results of this experiment we have good reason for high expectations at the conclusion of the research program to improve feeding systems. Dr. Josephson points out that it is critical now to support this important work, and the restoration of the $600,000 will allow a continuation of the research and engineering that will lead to even further improvements.

In addition to developing new garrison feeding systems, Natick Army Labs is conducting research into new cooking and baking techniques designed to produce high quality food products with increased yield. This research program could result in a savings of as much as $1 million annually. No trend in food technology is more significant than that of increasing the nutritional value of food as yield is also increased. For too long we have paid little attention to the nutritional value of food, but there has been an awakening among consumers. Some foodstores are experimenting with nutrition content labeling. Leading scientists and physicians are outlining for us the importance of nutrition to health and well-being. And surely the less wealthy countries must look forward to a technology which allows an increased yield without the loss of nutritional quality.

The Army research program has also concentrated its efforts in frozen food product research. As in the other areas of research and development this too has high potential for the civilian sector. Research which has outlined successful methods of freezing and a continuing inquiry into the preservation of nutritional value in frozen foods unfortunately has not been accompanied by successful technology for improving frozen food appeal. In some cases frozen food has become so unattractive as to be of little value, because it is so seldom used. This research program attempts to increase the acceptability of frozen foods, making them more attractive to the consumer.

The argument that this type of R. & D. should be left to the commercial food industry is not well founded. A spokesman for the food industry recently pointed out that at least 90 percent of their R. & D. results are considered proprietary. Their engineering and technology does not have the same specific goals and is not designed to serve the same ends. There is little requirement on the commercial market for expansive feeding systems. The food industry—faced with its own problems in technology—is not conducting research to be turned over to the Army for military use.

The military services have always been the leaders in the area of food technology. Because of the needs of Napoleon's army, canning was developed. Many of our commercial packaging techniques resulted from military service techniques. All of the innovative research and development into radiation processing has progressed as the result of military needs to deliver nutritional and varied food items to the Armed Forces.

We do not have a higher priority than the alleviation of hunger and human misery. And it is to this end that the national food radiation program, also conducted at Natick Labs, is directed. Surplus commodity distribution within the United States and emergency food delivery around the world will benefit from the answers we find in this program.

I can think of no finer success for the Department of the Army than the development of the most efficient method of delivery of food in emergency situations. As I have said before, as chairman of the Subcommittee To Investigate Problems connected with refugees and escapees, I have seen time and time again what fast and efficient food delivery in an emergency situation means. It can mean the difference in terms of growth, in terms of health, and very often in terms of survival.

In restoring $600,000 to the DOD food technology program appropriation we will assure continued research and development into a field in which the Army has already demonstrated its success. To abandon or reduce such a program at this point is not only to lose an investment in talent and money, but to significantly affect hundreds of thousands of men and women serving in the Armed Forces. And ultimately this affect will be felt in the civilian community as well. I urge that the $600,000 be restored for this program.

Mr. ELLENDER. What is involved in the amendment?

Mr. BROOKE. The restoration of $600,000 to the defense appropriation bill for more research, food research for the Department of Defense. The Natick Laboratories were doing research for the Department of the Army. It is now expanded to include all of the services. The House cut back the appropriation request of the Department of Defense by $1.1 million. It was then further cut back by $600,000.

Mr. ELLENDER. And the Senator's amendment simply restores the $600,000?

Mr. BROOKE. The Senator is correct.

Mr. ELLENDER. Mr. President, in view of the adoption of the amendment of the Senator from New Hampshire, I have consulted with a few members of the committee. We are willing to accept the amendment and take it to conference.

I yield back the remainder of my time.

Mr. BROOKE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. STENNIS. Mr. President, on behalf of myself and the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Wisconsin (Mr. PROXMIRE), I send an amendment to the desk and ask that it be stated. The vote will be a voice vote.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

On page 34, line 17, after the word "duty" insert "subject to existing laws".

Mr. STENNIS. Mr. President, I have sent to the desk a short clarifying amendment which I hope will cause no Senator any difficulty. The distinguished Senator from Wisconsin (Mr. PROXMIRE) and the distinguished Senator from Massachusetts (Mr. KENNEDY) are interested in this matter and have asked to be cosponsors of this amendment.

Section 713(c) on page 34 of the appropriations bill is normally included in each defense appropriations bill. It merely provides that if it is necessary for the President to increase the number of military personnel on active duty beyond the number for which funds are provided in this act, the Secretary of Defense is authorized to provide for the cost of such increased personnel. Such a provision is necessary for emergencies, for the President must have the authority to pay the reservists which he can call to active duty upon the declaration of a national emergency. This year, however, in the draft bill we imposed firm legislative ceilings for the first time on both the numbers of men who can be inducted into the Armed Forces and the average active duty strength of each service. These ceilings allow the President the flexibility to respond to emergencies but

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only—and I would emphasize only—by calling up the Reserves.

Section 301 of the Selective Service Act makes it clear that these ceilings are firm ones except that the President may exceed them by ordering to active duty the Ready Reserve after declaring a national emergency. My concern is to make it perfectly clear that the passage of section 713(c) does not repeal the firm ceilings which were placed upon the numbers of draftees who may be inducted by the President and the average active duty strength. The amendment which I propose simply clarifies section 713(c). Under the amendment I propose the President would still have the authority to call up 1 million members of the Ready Reserve to active duty after declaring a national emergency and he would have the authority to pay these men. But it would be clear that section 713(c) does not repeal the important ceilings on draft calls and on average active duty strength.

I want to stress, Mr. President, that I am certain that the Appropriations Committee did not intend to repeal these ceilings by including section 713(c). The section is what lawyers often call "boiler plate"—that is, a section which is ordinarily included in legislation. The section is necessary to insure that reservists called to active duty may be paid. But it must be clarified so that the executive branch will not again be able to involve the United States in a large-scale conflict without declaring a national emergency and without clear-cut manpower authority granted by the Congress.

MANPOWER AMENDMENT

Mr. KENNEDY. Mr. President, I rise to join the distinguished chairman of the Armed Services Committee and the Senator from Wisconsin in offering an amendment to the defense appropriations bill, H.R. 11731.

Essentially it is a technical amendment, erasing any confusion that might exist between the language in the current bill and the provisions of the draft bill which were enacted into law.

Those provisions, which were amendments I offered to the draft bill, placed absolute ceilings on the numbers of men who could be drafted each year and absolute ceilings on the number of active duty personnel in the Armed Forces.

The amendment setting an absolute ceiling on inductees, which included a perfecting amendment by Senator STENNIS setting the level at 130,000 for fiscal year 1972 and 140,000 for fiscal year 1973, passed 78 to 4 on June 9.

The amendment setting an overall ceiling on the size of the active duty military personnel and denying the President any escape clause passed by a vote of 79 to 0 on June 21.

However, the current section 713(c) of the appropriations bill contains a section which permits the President to increase the numbers of men beyond the numbers that can be paid by the appropriations in the present bill. This creates some confusion and to avoid that confusion, our amendment would simply state that the permission given to the President to increase the number of active duty personnel is subject to the provisions of the draft bill. In that way, there is no way in which he can violate the ceilings on the active duty force without coming to Congress for approval.

This reinforces the congressional intent to limit Presidential discretion—in the absence of an emergency—to increase the size of the Armed Forces. It does so without affecting his ability to respond to emergencies by calling up the Reserves.

The reasons I gave then for proposing the amendment to limit Presidential discretion perhaps should be repeated.

We have seen the history of our past involvement in Vietnam and the steady rise in the number of draftees and the size of the Armed Forces over the past 7 years. This escalation occurred without the check of periodic congressional votes on the rising number of inductees and the rising size of the Armed Forces.

We have been virtual bystanders as the number of draftees soared, as the size of the Armed Forces rose, and as the number of American deaths passed 45,500.

We have been permitted to receive only those documents and those messages that would vindicate the foreign policy decisions already made by the Executive.

And we have watched uncomfortably as congressional influence in the design and execution of American foreign policy has dissolved.

Our action in establishing absolute congressionally mandated ceilings reflects a restoration of congressional involvement in foreign policy decisionmaking.

Reasserting the responsibility of the Congress to establish the size of the Armed Forces also reflects a reassertion of the Constitution.

Article 1, section 8, of the Constitution provides:

The *Congress* shall have power to . . . raise and support armies . . . to provide and maintain a Navy . . . to make rules for the government and regulation of the land and naval forces.

Thus, this action in the draft bill to establish congressionally mandated levels for the Armed Forces represents a recognition that the administration's request for military manpower must be treated as a request, with the final decisionmaking power assigned by the Constitution to the Congress.

This is not to say that in an emergency situation the President's hands are bound. He has the power, given to him by the Congress, to call up the Reserves in case of emergencies.

The concept of a reserve force capable of responding to national emergencies is in keeping with our historic reliance on the citizen-soldier. But again, it is only in the case of a national emergency and reports must be made to the Congress on the use of those Reserves.

In this way, I believe the amendments which I introduced and which were enacted into law represent a reassertion of congressional responsibility for the size and method of raising the Armed Forces. I believe that purpose was accomplished without curtailing the President's ability to respond to emergencies.

And now with the amendment presented today, we are assured that those goals will not be lost. Therefore, I strongly urge the Senate to accept the amendment now before it to require that the ceilings established in the draft bill remain in force.

Mr. ELLENDER. Mr. President, there is no objection to the amendment.

Mr. STENNIS. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Mississippi.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD, reads as follows:

On page 49, between lines 21 and 22, insert a new title as follows:

TITLE IX—DISPOSITION OF SURPLUS MILITARY EQUIPMENT IN VIETNAM

SEC. 901. (a) There is established in the Department of Defense an office known as the Office of Vietnam War Surplus, hereinafter in this title referred to as the "Office", which shall be headed by a civilian appointed by the Secretary. The head of such office shall be directly responsible to the Secretary of Defense.

(b) Notwithstanding any other provisions of law, it shall be the function of the Office to—

(1) determine the kinds and amount of equipment and materials owned by the Department of Defense in South Vietnam and which is no longer necessary for the use of the Armed Forces of the United States in Vietnam;

(2) assess and evaluate such equipment and material for the purpose of determining whether it can be used by Federal, state, or local governments in the United States or by private enterprises or persons in the United States in either urban or rural areas;

(3) serve as a central office for the disposition of all such equipment and materials;

(4) make such equipment and materials available to other departments and agencies of the Federal government and to state and local governments without charge;

(5) make such equipment and materials available without charge to private nonprofit organizations determined by the Secretary of Defense, after consultation with the Secretary of Health, Education and Welfare, the Secretary of Housing and Urban Affairs, the Secretary of Agriculture, and the Director of the Office of Economic Opportunity to be engaged in programs of urban or rural development or programs of assistance to low income persons.

SEC. 902. The Secretary of Defense shall submit a written report to the Congress within 90 days after the date of enactment of this title indicating what action has been taken to carry out the provisions of this title. He shall include in such report such recommendations for legislation as he deems appropriate for the improvement of the program provided for herein.

Mr. HUMPHREY. Mr. President, I will take just a moment to discuss the amendment. I will read some of its contents because it explains itself.

I have asked in the amendment that there be established in the Department of Defense an office to be known as the Office of Vietnam War Surplus, hereinafter in this title referred to as the "Office," which shall be headed by a civilian appointed by the Secretary. The function of the Office shall be to—

First. Determine the kinds and amounts of equipment and materials owned by the Department of Defense in South Vietnam and which is no longer necessary for the use of the Armed Forces of the United States in Vietnam;

Second. Assess and evaluate such equipment and material for the purpose of determining whether it can be used by Federal, State, or local governments in the United States or by private enterprises or persons in the United States in either urban or rural areas;

Third. Serve as a central office for the disposition of all such equipment and materials;

Fourth. Make such equipment and materials available to other departments and agencies of the Federal Government and to State and local governments without charge;

Fifth. Make such equipment and materials available without charge to private nonprofit organizations determined by the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Director of the Office of Economic Opportunity, to be engaged in programs of urban or rural development or programs of assistance to low-income persons.

Section 902: The Secretary of Defense shall submit a written report to the Congress within 90 days after the date of enactment of this title indicating what action has been taken to carry out the provisions of this title. He shall include in such report such recommendations for legislation as he deems appropriate for the improvement of the program provided for herein.

The purpose of the amendment is quite clear. We have immense amounts of material that are going into surplus as we withdraw from Vietnam. Some of that will obviously be made available to the Government of South Vietnam. Other parts of it will be in surplus.

We have tracks, jeeps, trucks, bulldozers, and vast amounts of metallic products, items that can be used and would be of great help to our own people, particularly those in low-income areas and community action projects and municipalities.

I realize, of course, that we have a surplus disposal program. However, I want to be sure that the first priority on the use of these surplus products is for the people of the United States insofar as it is possible to make it available for them.

I recognize that some of it would not be shipped back. It might be uneconomic to make it available. However, where it is economically advisable to do so, I would hope that we might be able to expedite this special use.

Mr. President, I offer the amendment on behalf of myself and my distinguished colleague, the senior Senator from Minnesota. I know that serious consideration is being given to this sort of project within some of the agencies of our Federal Government. It seems to me that we in the Senate and in the House of Representatives ought to express our interest in it and also assent and consent to whatever may develop.

Mr. President, I have no other argument to make, because I think on its face it makes great and good sense. The question is whether we will use this material which can be made available economically or leave it, as has happened in many other instances with people who will not care for it, who will not put it to its proper use. It can be used to great advantage in the localities of the countries and cities and towns and counties of our country that have serious financial needs and that need every bit of help they can get.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. STEVENS. Mr. President, does the Senator desire to establish a priority under the department for the disposal of surplus property in the Department of Defense?

Mr. HUMPHREY. If we place the main responsibility in the Secretary of Defense. However, he would be able to delegate that for himself; he would declare that which he deems to be surplus.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I wish to make a point of order that this is legislation pure and simple and is contrary to rule XVI of the Rules of the Senate.

The PRESIDING OFFICER. The Chair has examined the amendment and finds it is legislative in intent and under rule XVI it would be out of order.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that it be considered to be in order since it relates to surplus in the Department of Defense and property that should be used for public purposes.

Mr. GRIFFIN. I object.

The PRESIDING OFFICER. Objection is heard.

Without objection, the action of the Senate striking the committee amendment on page 48, beginning on line 24, will have no effect on the committee amendment striking out lines 20 through 23 on the same page.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 11731) was read the third time.

LET US GET STARTED NOW ON THE AIR FORCE LIGHTWEIGHT FIGHTER

Mr. PROXMIRE. Mr. President, for the last few years everyone has been giving lip service to the need for a new "Fly Before You Buy" weapons acquisition policy. Yet concurrency between development and production remains the rule on most new systems and, with the exception of the A–X, there have been no new competitive development programs in the past several years.

Against this background, the new advanced prototype program announced earlier this year by Deputy Defense Secretary Packard seemed a welcome development indeed. Each of the three services had agreed to initiate a series of prototype development programs, many of them competitive, on which no production decisions would be made until development had been completed.

PROTOTYPE PROBLEMS

It seemed like the first small step in a new direction. But how badly we have stumbled in its taking. Now, less than 6 months after the program was announced, no funds are earmarked for it in this bill and its future is very much in doubt. The reasons why, in retrospect, are clear.

For one thing, the military services had only a limited enthusiasm for the new plan. Oh, they were for it all right, if it would alleviate congressional criticisms of their standard procurement policies and if they were given extra funds—above those requested in original budget submissions—for the new prototype projects. But they were not anxious to take prototype money out of their own hides.

And Secretary Packard's own commitment to the program was ambivalent. Inside the Pentagon, he was quite willing to "sell" the services on the idea of getting more money for additional projects not covered in their budgets; but he was not about to assert his manager's prerogative and demand that priorities for prototypes be established. On the Hill, meanwhile, he extolled the virtues of the new program and hinted that more funds would be useful; but he never made a formal budget request for the extra $67.5 million the prototype projects would cost, perhaps in embarassment over the $7.9 billion request for new research funds already pending before the Congress.

In addition, some of the prototype projects themselves were suspect. The House Appropriations Committee expressed disappointment that "the prototyping concept was not applied to some of the higher priority existing development efforts" already included in the Pentagon's budget and noted that some of the projects to which it was applied were "low priority programs similar to other programs which have been discussed for some years but have not received funding because of the many higher priority efforts which absorbed the available funds."

For all these reasons, the funds provided for Secretary Packard's prototype program have dwindled steadily as it has passed through the legislative process. The Senate-House conference committee on the military procurement bill provided only $34 million specifically earmarked for the $67.5 million program. This sum was cut to $12 million by the House Appropriations Committee. And

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funds were eliminated altogether by our own Appropriations Committee in its markup on this bill.

JUSTIFIED CRITICISM

On balance, I agree with the critical appraisal these committees have made of the Packard prototype program. It has not given prototyping the priority it needs within the Department of Defense. And unless it gets that priority, any funds provided by the Congress could be money down the drain, money earmarked for the kind of low priority defense needs to which the House Appropriations Committee referred.

I am also pleased to note the warm endorsement these committees gave to the basic prototyping concept, notwithstanding their criticism of the specific Packard package. And this endorsement has been translated into effective action by the committees' welcome call for a competitive prototype development approach both to the Air Force Subsonic Cruise Armed Decoy—SCAD—program and to the new replacement for the Army's gold-plated Main Battle Tank.

ONE UNFORTUNATE SIDE EFFECT

But I must object to one unfortunate side effect of the Senate Committee's action on the Packard package—its deletion from the bill of all funds specifically earmarked for the new Air Force lightweight fighter prototype program. Unlike some of the projects in the Packard package, this lightweight fighter is not a low priority program; in fact, it would provide for one of the highest priority procurement needs we face at the present time.

We are now embarked on the development and procurement of two very complex and very expensive air superiority fighters—the F–14 and the F–15. The issue is not simply whether we need both these aircraft. Let us assume here that we do. The fact remains that we will never be able to buy them in anywhere near the numbers needed to maintain the present size of our fighter force structure.

Let us look briefly at the facts. The F–14 is now estimated to cost $16.7 million per copy, an estimate which is likely to rise when a Grumman bail-out occurs and when the "B" engine is added to the plane. Yet even at its present estimate, the F–14 costs three to four times the cost of the F–4's it is replacing. Under these circumstances, there is no way we could hope to replace with F–14's on a 1-to-1 basis the 1,500 fighter aircraft purchased for the current generation of Navy-Marine Corps fighters. In fact, the Navy is presently planning on a far more realistic 300 aircraft buy.

And the situation in the Air Force is not much different. The F–15 is presently budgeted at only twice the cost of an F–4, but this ratio is likely to increase before we go too far. And whatever the final ratio turns out to be, it is sure to be so high that a 1-to-1 replacement of the almost 3,000 current Air Force fighters in the inventory is far beyond the realm of hope.

A SIMPLE ALTERNATIVE

These economic facts of life present us with a simple alternative—either we supplement the F–14's and F–15's in our inventory with high performance lightweight fighters or we dangerously jeopardize our security.

The Senate Armed Services Committee summed it up in reporting out its authorization bill:

If we can afford a permanent force structure of only one-fifth as many fighter aircraft or tanks as our potential adversaries—because our systems are about five times as expensive as theirs—then a future crisis may find us at a sharp numerical disadvantage.

And the House Appropriations Committee echoed the thought:

The Committee has been deeply concerned about the very great cost of producing new fighter aircraft which are now costing in the vicinity of $15 million per copy and feels that we must try to develop viable, small, lightweight fighter aircraft so that our forces will not be overwhelmed by vastly superior numbers of enemy aircraft.

Mr. President, the need for a new light weight fighter is universally recognized. And the Air Force has initiated a lightweight fighter program, for which $10 million was requested informally for fiscal 1972. But there is no money earmarked for that lightweight fighter in this Appropriations bill, and in the House bill there is only $6 million so identified.

I recognize that there was no formal request for these funds, but are we in Congress to allow an act of omission in the executive branch to determine our response to this clear-cut military need?

Are we going to go on spending $2 billion annually on the F–14 and F–15 while failing to spend the $90 million needed over the next 3 years for a lightweight fighter competitive prototype development program?

Mr. President, it is late in this session and there is much important business waiting to be conducted. Accordingly, I do not propose to take up the Senate's time with a formal amendment on the lightweight fighter issue. I sincerely hope, however, that our conferees on this bill will recognize the widespread interest which has been shown—both in the Armed Services Committee and on the Senate floor—in moving ahead now with a lightweight fighter program. I hope that they will accede to the House position on this issue. And I hope that the Air Force would then reprogram the $2 to $4 million which might be needed in addition to move out on the lightweight fighter according to its present plans. I would note in this regard that Mr. Packard in a letter to the distinguished Senator from Mississippi (Mr. STENNIS) dated November 19, has given assurances that he intends to support this program with whatever reprogramed funds are needed during fiscal 1972.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD of Virginia. Mr. President, I have one brief question I wish to address to the distinguished chairman of the Committee on Appropriations.

May I inquire as to the amount of the unfunded military retirement surplus of the Government?

Mr. ELLENDER. The estimated unfunded liability costs for military personnel for fiscal year 1972 is $118.6 billion.

Mr. BYRD of Virginia. The last figure I had was $116 billion.

Mr. ELLENDER. I believe that was the approximate amount for fiscal year 1971.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), the Senator from Louisiana (Mr. LONG), the Senator from Utah (Mr. Moss), the Senator from Illinois (Mr. STEVENSON), and the Senator from New Mexico (Mr. ANDERSON) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "yea".

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from New Hampshire (Mr. COTTON), the Senator from New York (Mr. JAVITS), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Maine (Mrs. SMITH) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

If present and voting, the Senator from Maine (Mrs. SMITH) would vote "yea".

The result was announced—yeas 80, nays 5, as follows:

[No. 396 Leg.]

YEAS—80

Aiken	Ellender	Nelson
Allen	Ervin	Packwood
Allott	Fannin	Pastore
Baker	Fong	Pearson
Bayh	Gambrell	Pell
Bellmon	Griffin	Percy
Bennett	Gurney	Proxmire
Bentsen	Hansen	Randolph
Bible	Hart	Ribicoff
Boggs	Hollings	Roth
Brock	Hruska	Schweiker
Brooke	Hughes	Scott
Buckley	Humphrey	Sparkman
Burdick	Inouye	Spong
Byrd, Va.	Jackson	Stafford
Byrd, W. Va.	Jordan, N.C.	Stennis
Cannon	Jordan, Idaho	Stevens
Case	Kennedy	Symington
Chiles	Magnuson	Taft
Cook	Mathias	Talmadge
Cooper	McClellan	Thurmond
Cranston	McGee	Tower
Curtis	McIntyre	Tunney
Dole	Metcalf	Weicker
Dominick	Miller	Williams
Eagleton	Mondale	Young
Eastland	Montoya	

NAYS—5

Fulbright	Harris	Mansfield
Gravel	Hatfield	

NOT VOTING—15

Anderson	Hartke	Mundt
Beall	Javits	Muskie
Church	Long	Saxbe
Cotton	McGovern	Smith
Goldwater	Moss	Stevenson

So the bill (H.R. 11731) was passed.

Mr. ELLENDER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GRIFFIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized in the engrossment of Senate amendments to H.R. 11731 to correct the figure beginning on line 26 on page 23 and line 1 on page 24 to $2,352,319,000 and correct the figure in the amendment by the Senator from Colorado from $2,293,619,000 to $2,352,319,000.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, I move that the Senate insist on its amendments and request a conference with the House on the disagreeing votes thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. MCCLELLAN, Mr. STENNIS, Mr. PASTORE, Mr. SYMINGTON, Mr. YOUNG, Mrs. SMITH, and Mr. ALLOTT conferees on the part of the Senate.

TRIBUTES TO SENATOR ELLENDER, SENATOR YOUNG, AND OTHERS ON PASSAGE OF DEFENSE APPROPRIATIONS

Mr. MANSFIELD. Mr. President, once again the distinguished senior Senator from Louisiana (Mr. ELLENDER), the able chairman of the Committee on Appropriations, has demonstrated his outstanding legislative skill and ability by steering this enormous funding measure through the committee and to successful Senate consideration on the floor today. Senator ELLENDER has performed again the outstanding public service that has marked his long and illustrious career in this body.

It must be said that no item contained in this highly complex proposal was inserted without his full and personal understanding and appreciation for its consequences and impact.

The Senate and the American people may rest assured that their defense dollar under the supervision of Senator ELLENDER is being spent as effectively as possible. We are deeply grateful.

The Senate is grateful as well for the efforts of the distinguished senior Senator from North Dakota (Mr. YOUNG). His contributions and splendid cooperation as the ranking minority member of the committee were indispensable to this overwhelming success. Senator YOUNG assured expeditious and efficient consideration. This is only typical of his many contributions.

To those Senators who offered amendments we are particularly grateful. Of special note was the contribution of the distinguished Senator from Missouri (Mr. SYMINGTON). By raising a most significant issue of intelligence he has called attention to a matter of immense importance. He has raised an issue which is just now in its infancy, but which in time I am confident will grow to enormous proportions. It is time, in my judgment, that we take a long, hard look at our intelligence community, its function and objectives.

Other Senators also are to be commended. The distinguished Senator from Washington (Mr. JACKSON), the distinguished Senator from Mississippi (Mr. STENNIS), and many others joined to assure full consideration of this most important funding measure.

To the Senate I am personally grateful. Especially do I appreciate the cooperation of every Member in coming in early and staying late to complete action on the Nation's business.

CREDIT UNION SHARE INSURANCE AMENDMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 438, H.R. 9961. I do this so that it will be the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read the bill by title, as follows: A bill (H.R. 9961) to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the Proxmire amendment, on which the Senate had previously granted 2 hours of debate, the time be reduced to 1 hour under the same circumstances.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

PROGRAM

Mr. MANSFIELD. Mr. President, there undoubtedly will be a rollcall vote on the Proxmire amendment, which I anticipate will come around the hour of 10:30 a.m.

Following disposition of H.R. 9961, the Senate will turn to the consideration of Calendar No. 439, H.R. 9727, a bill to regulate the dumping of material in the oceans, coastal, and other waters, and for other purposes. I understand that there is a distinct possibility that there will be a rollcall vote on that bill.

Following the disposition of that bill, the higher education bill will be taken up. Whether or not there will be votes on that, I am certain there will be a certain amount of colloquy.

ORDER TO ADD NAME OF SENATOR WILLIAMS TO INDIVIDUAL VIEWS IN SENATE REPORT 507

Mr. MANSFIELD. Mr. President, I ask unanimous consent to add the name of Senator WILLIAMS to the individual views contained in the report (Rept. No. 507) of the Senate Committee on Banking, Housing, and Urban Affairs on S. 2891, the Economic Stabilization Act Amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971—AMENDMENT

AMENDMENT NO. 751

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself, Mr. DOLE, Mr. ERVIN, Mr. COOK, Mr. JORDAN of North Carolina, Mr. GRAVEL, Mr. EAGLETON, Mr. MONDALE, Mr. TUNNEY, Mr. MCINTYRE, and Mr. MCGEE) submitted an amendment intended to be proposed to the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970, as amended, and for other purposes.

ADDITIONAL COSPONSOR OF A BILL

S. 2767

At the request of Mr. THURMOND, the Senator from Alaska (Mr. STEVENS) and the Senator from Indiana (Mr. BAYH) were added as cosponsors of S. 2767, a bill to authorize nonregular military service personnel to elect retirement as early as age 50.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session.

There being no objection, the Senate proceeded to consider executive business.

TAX CONVENTION WITH JAPAN; TAX PROTOCOL WITH FRANCE; AND TREATY WITH MEXICO RESOLVING BOUNDARY DIFFERENCES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Executive O, 91st Congress, second session, Executive E, 92d Congress, first session, and Executive B, 92d Congress, first session.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider Executive O, 91st Congress, second session, the tax protocol with France, Executive E, 92d Congress, first session, the tax convention with Japan, and Executive B, 92d Congress, first session, the treaty with Mexico resolving boundary differences, which were read the second time, as follows:

PROTOCOL TO THE CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE FRENCH REPUBLIC WITH RESPECT TO TAXES ON INCOME AND PROPERTY OF JULY 28, 1967

The President of the United States of America and the President of the French Republic, desiring to amend the Convention between the United States of America and the French Republic with respect to taxes on income and property of July 28, 1967, have appointed for that purpose as their respective Plenipotentiaries:

The President of the United States of America: William P. Rogers, Secretary of State of the United States of America, and

The President of the French Republic: Charles Lucet, Ambassador Extraordinary and Plenipotentiary of the French Republic at Washington,

who have agreed upon the following provisions:

ARTICLE 1

(1) The following new paragraph (6) shall be added to Article 9 (Dividends) of the Convention:

"(6) (a) A resident of the United States who receives a dividend from a French corporation which, if received by a resident of France would entitle such resident to a tax credit (avoir fiscal), shall be entitled to a payment from the French Treasury equal to such credit (avoir fiscal), subject to the deduction from such payment of withholding tax in the amount provided for in paragraph (2) (a) of this article.

"(b) The provisions of subparagraph (a) shall be applicable to the following residents of the United States:

"(i) An individual or other person (other than a corporation or an entity treated under United States law as a corporation) who is a resident of the United States;

"(ii) A corporation which is not a regulated investment company and which, within the meaning of the provisions of the United States Internal Revenue Code providing a credit for taxes paid by a foreign corporation, owns less than 10 percent of the voting stock of the French corporation referred to in subparagraph (a); or

"(iii) A corporation which is a regulated investment company owning less than 10 percent of the voting stock of the French corporation referred to in subparagraph (a) and which has less than 20 percent of its shares owned by persons who are neither citizens nor residents of the United States.

"(c) The payment provided for under subparagraph (a) shall be deemed to be a distribution by the French corporation.

"(d) The competent authorities may prescribe regulations to implement the provisions of this paragraph and further define and determine the terms and conditions under which any payment provided for in subparagraph (a) may be made."

(2) Paragraph (3) of Article 9 of the Convention shall be amended to read as follows:

"(3) Paragraphs (2) and (6) of this article and, in the case of dividends derived by a resident of France, paragraph (1) of this article, shall not apply if the recipient of the dividends has a permanent establishment in the other Contracting State and the shares with respect to which the dividends are paid effectively connected with the permanent establishment. In such a case, the provisions of Article 6 shall apply."

(3) Paragraph (5) of Article 9 of the Convention shall be amended to read as follows:

"(5) When the prepayment (précompte) is levied by reason of dividends paid by a French corporation to a resident of the United States, who is not entitled to the payment described in paragraph (6) with respect to such dividends, such resident shall be entitled to the refund of that prepayment, subject to deduction of the withholding tax with respect to the refunded amount in accordance with paragraph (2) of this article."

ARTICLE 2

This Protocol shall be ratified and instruments of ratification shall be exchanged at Paris. It shall enter into force one month after the date of exchange of the instruments of ratification.

Its provisions shall for the first time have effect for dividends declared on or after the first day of January 1970.

ARTICLE 3

This Protocol shall remain in force as long as the Convention between the United States of America and the French Republic with respect to taxes on income and property of July 28, 1967 shall remain in force.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed the present Protocol and affixed thereto their seals.

DONE at Washington in duplicate in the English and French languages, both texts being equally authoritative, the 12th day of October 1970.

For the President of the United States of America:

[SEAL] WILLIAM P. ROGERS

For the President of the French Republic:

[SEAL] CHARLES LUCET

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND JAPAN FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

The United States of America and Japan,

Desiring to conclude a new convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income,

Have agreed upon the following articles:

ARTICLE 1

(1) The taxes which are the subject of this Convention are:

(a) In the case of the United States, the Federal income taxes imposed by the Internal Revenue Code, hereinafter referred to as "United States tax", and

(b) In the case of Japan, the income tax and the corporation tax, hereinafter referred to as "Japanese tax".

(2) This Convention shall also apply to taxes substantially similar to those covered by paragraph (1) of this article which are imposed in addition to, or in place of, existing taxes after the date of signature of this Convention.

(3) For the purpose of Article 7, this Convention shall also apply to taxes of every kind imposed by a Contracting State or a political subdivision or local authority thereof. For the purpose of Article 26, this Convention shall also apply to taxes of every kind imposed by a Contracting State.

ARTICLE 2

(1) In this Convention, unless the context otherwise requires:

(a) The term "United States" means the United States of America and, when used in a geographical sense, means the states thereof and the District of Columbia.

(b) The term "Japan", when used in a geographical sense, means all the territory in which the laws relating to Japanese tax are in force.

(c) The term "a Contracting State" or "the other Contracting State" means the United States or Japan, as the context requires.

(d) The term "person" means an individual, a corporation, or any other body of persons.

(e) (i) The term "United States corporation" means a corporation which is created or organized under the laws of the United States or any state thereof or the District of Columbia, or any unincorporated entity treated as a United States corporation for purposes of United States tax; and

(ii) The term "Japanese corporation" means a juridical person which has its head or main office in Japan or any organization without juridical personality treated for purposes of Japanese tax as a Japanese juridical person.

(f) The term "competent authority" means:

(i) In the case of the United States, the Secretary of the Treasury or his delegate, and

(ii) In the case of Japan, the Minister of Finance or his authorized representative.

(g) The term "citizen" means:

(i) In the case of the United States, a citizen of the United States, and

(ii) In the case of Japan, a national of Japan

(2) As regards the application of this Convention by a Contracting State, any term used in this Convention and not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that Contracting State relating to the taxes which are the subject of this Convention.

ARTICLE 3

In this Convention:

(1) The term "resident of Japan" means:

(a) A Japanese corporation, or

(b) Any other person resident in Japan for purposes of Japanese tax.

(2) The term "resident of the United States" means:

(a) A United States corporation, or

(b) Any other person (except a corporation or any entity treated under United States law as a corporation) resident in the United States for purposes of United States tax, but in the case of an estate or trust only to the extent that the income derived by such person is subject to United States tax as the income of a resident.

(3) An individual who is a resident of both Contracting States shall be deemed to be a resident of that Contracting State in which he maintains his permanent home. If he has a permanent home in both Contracting States or in neither Contracting State, he shall be deemed to be a resident of that Contracting State with which his personal and economic relations are closest (center of vital interests). If the Contracting State in which he has his center of vital interests cannot be determined, he shall be deemed to be a resident of that Contracting State in which he has a habitual abode. If he has a habitual abode in both Contracting States or in neither Contracting State, he shall be deemed to be a resident of that Contracting State of which he is a citizen. If he is a citizen of both Contracting States or of neither Contracting State, the competent authorities of the Contracting States shall settle the question by mutual agreement. An individual who is deemed to be a resident of a Contracting State and not a resident of the other Contracting State by reason of the provisions of this paragraph shall be deemed to be a resident of the first-mentioned Contracting State for all purposes of this Convention, including Article 4.

ARTICLE 4

(1) A resident of a Contracting State may be taxed by the other Contracting State on any income from sources within that other Contracting State and only on such income, subject to any limitations set forth in this Convention. For this purpose, the rules set forth in Article 6 shall be applied to determine the source of income.

(2) The provisions of this Convention shall not be construed to restrict in any manner any exclusion, exemption, deduction, credit, or other allowance now or hereafter accorded—

(a) By the laws of a Contracting State in the determination of the tax imposed by that Contracting State, or

(b) By any other agreement between the Contracting States.

(3) Except to the extent provided in paragraph (4) of this article, this Convention shall not affect the taxation by a Contracting State of its residents (and, in the case of the United States, its citizens).

(4) The provisions of paragraph (3) of this article shall not affect:

(a) The benefits provided under Articles 5, 7, 21, and 25; and

(b) The benefits provided under Articles 19, 20, and 22, but in the case of benefits conferred by the United States only if the person claiming the benefits neither is a citizen of, nor has immigrant status in, the United States.

(5) There shall be allowed, for purposes of United States tax, in the case of a resident of Japan who is not a resident of the United States (other than an officer or employee of the Government of Japan or local authority thereof), in addition to the deduction for one personal exemption provided in section 873 of the United States Internal Revenue Code as in effect on the first day of December 1968, a deduction for personal exemptions, subject to the conditions prescribed in sections 151 through 154 of the Internal Revenue Code as in effect on the said date, for the spouse of the taxpayer and for each child of the taxpayer present in the United States and residing with him in the United States at any time during the taxable year, but such additional deduction shall not exceed that proportion thereof which the taxpayer's gross income from sources within the United States which is treated as effectively connected with the conduct of a trade or business within the United States within the meaning of section 864(c) of the Internal Revenue Code for the taxpayer's taxable year bears to his entire income from all sources for such taxable year.

(6) The United States may impose its personal holding company tax and its accumulated earnings tax notwithstanding any provision of this Convention. However, a Japanese corporation shall be exempt from the United States personal holding company tax in any taxable year if all of its stock is owned, directly or indirectly, by one or more individuals who are residents of Japan (and not citizens of the United States) for that entire year. A Japanese corporation shall be exempt from the United States accumulated earnings tax in any taxable year unless such corporation is engaged in trade or business in the United States through a permanent establishment at any time during such year.

(7) Where, pursuant to any provision of this Convention, a Contracting State reduces the rate of tax on, or exempts from tax, income of a resident of the other Contracting State and under the law in force in that other Contracting State the resident is subject to tax by that other Contracting State only on that part of such income which is remitted to or received in that other Contracting State and under the law in force in that other Contracting State the resident is subject to tax by that other Contracting State, then the reduction or exemption shall apply only to so much of such income as is remitted to or received in that other Contracting State.

ARTICLE 5

(1) Double taxation of income shall be avoided in the following manner:

(a) In accordance with the provisions of the law of the United States, as in force from time to time, regarding the allowance of a credit against United States tax of tax payable in any country other than the United States, the United States shall allow to a citizen or resident of the United States as a credit against United States tax the appropriate amount of Japanese tax and, in the case of a United States corporation owning at least 10 percent of the voting power of a Japanese corporation from which it receives dividends, shall allow credit for the appropriate amount of Japanese tax paid by the Japanese corporation paying such dividends with respect to the profits out of which such dividends are paid. For the purpose of applying the United States credit in relation to taxes paid to Japan, the rules set forth in Article 6 shall be applied to determine the source of income.

(b) In accordance with the provisions of the laws of Japan, as in force from time to time, regarding the allowance of a credit against Japanese tax of tax payable in any country other than Japan, Japan shall allow to a resident of Japan as a credit against Japanese tax the appropriate amount of United States tax and, in the case of a Japanese corporation owning at least 10 percent of the voting shares of a United States corporation from which it receives dividends, shall allow credit for the appropriate amount of United States tax paid by the United States corporation paying such dividends with respect to the profits out of which such dividends are paid. For the purpose of applying the Japanese credit in relation to taxes paid to the United States, the rules set forth in Article 6 shall be applied to determine the source of income.

(2) The tax of a Contracting State which shall be credited by the other Contracting State in accordance with this article shall include any tax on income on profits imposed by any political subdivision or any local authority of the first-mentioned Contracting State.

ARTICLE 6

For purposes of this Convention:

(1) Dividends shall be treated as income from sources within a Contracting State only if paid by a corporation of that Contracting State.

(2) Interest shall be treated as income from sources within a Contracting State only if paid by that Contracting State, a political subdivision or local authority thereof, or by a resident of that Contracting State. Notwithstanding the preceding sentence, if the person paying the interest (other than interest paid on indebtedness incurred in connection with the purchase of ships or aircraft)—

(a) Whether or not such person is a resident of a Contracting State, has a permanent establishment in a Contracting State in connection with which the indebtedness on which the interest is paid was incurred and such interest is borne by such permanent establishment, or

(b) Is a resident of a Contracting State and has a permanent establishment in a State other than the Contracting States in connection with which the indebtedness on which the interest is paid was incurred and such interest is borne by such permanent establishment,

such interest shall be deemed to be from sources within the State in which the permanent establishment is located.

(3) Royalties for the use of, or the right to use, property (other than ships or aircraft) or rights described in paragraph (3) (a) of Article 14, and gains to the extent that they are contingent on the productivity, use, or disposition of such property or rights described in paragraph (3) (b) of Article 14, shall be treated as income from sources within a Contracting State only if the royalties, or the amount realized on the sale, exchange, or other disposition from which the gain is derived is paid for the use of, or the right to use, such property or rights within that Contracting State.

(4) Income from real property, including royalties in respect of the operation of mines or quarries, or the exploitation of any natural resources and gains derived from the sale exchange, or other disposition of such property or of the right giving rise to such royalties, shall be treated as income from sources within a Contracting State only if such property is situated in that Contracting State.

(5) Income from the rental of tangible personal property (other than from the rental of ships or aircraft) shall be treated as income from sources within a Contracting State only if such property is situated in that Contracting State. Income from the rental of ships or aircraft derived by a person not engaged in the operation of ships or aircraft in international traffic shall be treated as income from sources within a Contracting State only if the lessee is a resident of that Contracting State.

(6) Income (other than directors' fees described in paragraph (5) of Article 18) received by an individual for his performance of labor or personal services whether as an employee or in an independent capacity shall be treated as income from sources within a Contracting State only if such services are performed in that Contracting State. Income from labor or personal services performed aboard ships or aircraft operated by a resident of a Contracting State in international traffic shall be treated as income from sources within that Contracting State, if rendered by a member of the regular complement of the ship or aircraft. For purposes of this paragraph, income from labor or personal services includes pensions (as defined in paragraph (2) of Article 23) paid in respect of such services. Notwithstanding the preceding provisions of this paragraph, remuneration described in Article 21 shall be treated as income from sources within a Contracting State only if paid by, or out of the funds to which contributions are made by, that Contracting State or a political subdivision or local authority thereof. Directors' fees described in paragraph (5) of Article 18 shall be treated as income from sources within a Contracting State only if the corporation of which the individual is a director is a corporation of that Contracting State.

(7) Income from the purchase and sale of personal property (other than gains defined as royalties in paragraph (3) (b) of Article 14) shall be treated as income from sources within a Contracting State only if such property is sold in that Contracting State.

(8) Notwithstanding paragraphs (1) through (7) of this article, industrial or commercial profits which are attributable to a permanent establishment which the recipient, being a resident of a Contracting State, has in the other Contracting State, including income derived from real property and natural resources and dividends, interest, royalties (as defined in paragraph (3) of Article 14), and capital gains, but only if the property or rights giving rise to such income, dividends, interest, royalties, or capital gains are effectively connected with such permanent establishment, shall be treated as income from sources within that other Contracting State. To determine whether property or rights are effectively connected with a permanent establishment, the factors taken into account shall include whether the property or rights are used in or held for use in carrying on industrial or commercial activity through such permanent establishment, and whether the activities carried on through such permanent establishment were a material factor in the realization of the income derived from such property or rights. For this purpose, due regard shall be given to whether or not such property or rights or such income were accounted for through such permanent establishment.

(9) The source of any item of income to which paragraphs (1) through (8) of this article are not applicable shall be determined by each of the Contracting States in accordance with its own law.

ARTICLE 7

(1) A citizen of a Contracting State who is a resident of the other Contracting State shall not be subjected in that other Contracting State to more burdensome taxes

than a citizen of that other Contracting State who is a resident thereof.

(2) A permanent establishment which a resident of a Contracting State has in the other Contracting State shall not be subjected in that other Contracting State to more burdensome taxes than a resident of that other Contracting State carrying on the same activities. This paragraph shall not be construed as obliging a Contracting State to grant to individual residents of the other Contracting State any personal allowances, reliefs, and deductions for taxation purposes on account of civil status or family responsibilities which it grants to its own individual residents.

(3) A corporation of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which a corporation of the first-mentioned Contracting State carrying on the same activities, the capital of which is wholly owned or controlled by one or more residents of the first-mentioned Contracting State, is or may be subjected.

ARTICLE 8

(1) Industrial or commercial profits of a resident of a Contracting State shall be exempt from tax by the other Contracting State unless such resident is engaged in industrial or commercial activity in that other Contracting State through a permanent establishment situated therein. If such resident is so engaged, tax may be imposed by that other Contracting State on the industrial or commercial profits of such resident but only on so much of such profits as are attributable to the permanent establishment.

(2) Where a resident of a Contracting State is engaged in industrial or commercial activity in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to the permanent establishment the industrial or commercial profits which would be attributable to such permanent establishment if such permanent establishment were an independent entity engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the resident of which it is a permanent establishment.

(3) In the determination of the industrial or commercial profits of a permanent establishment, there shall be allowed as deductions expenses which are reasonably connected with such profits, including executive and general administrative expenses, whether incurred in the Contracting State in which the permanent establishment is situated or elsewhere.

(4) No profits shall be attributed to a permanent establishment of a resident of a Contracting State in the other Contracting State merely by reason of the purchase of goods of merchandise by that permanent establishment, or by the resident of which it is a permanent establishment, for the account of that resident.

(5) The term "industrial or commercial profits" includes income derived from manufacturing, mercantile, insurance, agricultural, fishing, or mining activities, from the operation of ships or aircraft, from the furnishing of personal services, and from the rental of tangible personal property (other than ships or aircraft). Such term also includes income derived from real property and natural resources; dividends, interest, royalties (as defined in paragraph (3) of Article 14); and capital gains but only if the right or property giving rise to such income, dividends, interest, royalties, or capital gains is effectively connected with a permanent establishment which the recipient, being a resident of a Contracting State, has in the other Contracting State. Such term does not include—

(a) Income received by an individual as compensation for his personal services either as an employee or in an independent capacity, or

(b) Income derived by a corporation or other entity of a Contracting State from sources within the other Contracting State from furnishing personal services of an individual who does not or would not qualify for exemption under paragraph (2) of Article 18 by reason of paragraph (3) thereof.

ARTICLE 9

(1) For the purpose of this Convention, the term "permanent establishment" means a fixed place of business through which a resident of a Contracting State engages in industrial or commercial activity.

(2) The term "fixed place of business" includes but is not limited to:

(a) A branch;
(b) An office;
(c) A factory;
(d) A workshop;
(e) A warehouse;
(f) A mine, quarry, or other place of extraction of natural resources; and
(g) A building site or construction or installation project which exists for more than 24 months.

(3) Notwithstanding paragraphs (1) and (2) of this article, a permanent establishment shall not include a fixed place of business used only for one or more of the following:

(a) The use of facilities for the purpose of storage, display, or delivery of goods or merchandise belonging to the resident;

(b) The maintenance of a stock of goods or merchandise belonging to the resident for the purpose of storage, display, or delivery;

(c) The maintenance of a stock of goods or merchandise belonging to the resident for the purpose of processing by another person;

(d) The purchase of goods or merchandise, or the collection of information, for the resident; or

(e) Advertising, the supply of information, the conduct of scientific research, or similar activities which have a preparatory or auxiliary character, for the resident.

(4) A person acting in a Contracting State on behalf of a resident of the other Contracting State, other than an agent of an independent status to whom paragraph (5) of this article applies, shall be deemed to be a permanent establishment in the first-mentioned Contracting State if such person has, and habitually exercises in the first-mentioned Contracting State, an authority to conclude contracts in the name of that resident, unless the exercise of such authority is limited to the purchase of goods or merchandise for that resident.

(5) A resident of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because such resident engages in industrial or commercial activity in that other Contracting State through a broker, general commission agent, or any other agent of an independent status, where such broker or agent is acting in the ordinary course of his business.

(6) The fact that a resident of a Contracting State is a related person with respect to a resident of the other Contracting State or with respect to a person who engages in industrial or commercial activity in that other Contracting State (whether through a permanent establishment or otherwise) shall not be taken into account in determining whether that resident of the first-mentioned Contracting State has a permanent establishment in that other Contracting State.

ARTICLE 10

(1) Notwithstanding Article 8 and Article 16, income which a resident of the United States derives from operation in international traffic of ships or aircraft registered in the United States and gains which a resident of the United States derives from the sale, exchange, or other disposition of ships or aircraft operated in international traffic by such resident and registered in the United States shall be exempt from Japanese tax.

(2) (Notwithstanding Article 8 and Article 16, income which a resident of Japan derives from the operation in international traffic of ships or aircraft which are either registered in Japan or leased by such resident and gains which a resident of Japan derives from the sale, exchange, or other disposition of ships or aircraft operated in international traffic by such resident and registered in Japan shall be exempt from United States tax.

ARTICLE 11

(1) Where a resident of a Contracting State and any other person are related and where such related persons make arrangements or impose conditions between themselves which are different from those which would be made between independent persons, then any income, deductions, credits, or allowances which would, but for those arrangements or conditions, have been taken into account in computing the income (or loss) of, or the tax payable by, one of such persons, may be allocated and utilized in computing the amount of the income subject to tax and the taxes payable by such resident of that Contracting State.

(2) A person is related to another person if either person owns or controls directly or indirectly the other, or if any third person or persons own or control directly or indirectly both. For this purpose, the term "control" includes any kind of control, whether or not legally enforceable, and however exercised or exercisable.

ARTICLE 12

(1) Dividends derived from sources within a Contracting State by a resident of the other Contracting State may be taxed by both Contracting States.

(2) The rate of tax imposed by a Contracting State on dividends derived from sources within that Contracting State by a resident of the other Contracting State shall not exceed—

(a) 15 percent of the gross amount actually distributed; or

(b) When the recipient is a corporation, 10 percent of the gross amount actually distributed if—

(i) During the part of the paying corporation's taxable year which precedes the date of payment of the dividend and during the whole of its prior taxable year (if any), at least 10 percent of the voting shares of the paying corporation was owned by the recipient corporation, and

(ii) Not more than 25 percent of the gross income of the paying corporation for such prior taxable year (if any) consists of interest or dividends (other than interest derived from the conduct of a banking, insurance, or financing business and dividends or interest received from subsidiary corporations, 50 percent or more of the outstanding shares of the voting stock of which is owned by the paying corporation at the time such dividends or interest is received).

(3) Paragraph (2) of this article shall not apply if the recipient of the dividends, being a resident of a Contracting State, has a permanent establishment in the other Contracting State and the shares with respect to which the dividends are paid are effectively connected with such permanent establishment.

ARTICLE 13

(1) Interest derived from sources within a Contracting State by a resident of the other Contracting State may be taxed by both Contracting States.

(2) Notwithstanding paragraph (1) of this article, interest derived from sources within the United States by the Bank of Japan or by the Export-Import Bank of Japan, or by any resident of Japan with respect to debt obligations guaranteed or indirectly financed by either of such banks or with respect to debt obligations insured by the Government of Japan pursuant to the Law concerning Export Insurance of March 31, 1950 (Law No. 67), shall be exempt from United States tax.

(3) Notwithstanding paragraph (1) of this article, interest derived from sources within Japan by any Federal Reserve Bank in the United States or by the Export-Import Bank of the United States, or by any resident of the United States with respect to debt obligations guaranteed or insured or indirectly financed by any of such banks, shall be exempt from Japanese tax.

(4) The rate of tax imposed by a Contracting State on interest derived from sources within that Contracting State by a resident of the other Contracting State shall not exceed 10 percent.

(5) Paragraphs (2), (3), and (4) of this article shall not apply if the recipient of the interest, being a resident of a Contracting State, has a permanent establishment in the other Contracting State and the indebtedness giving rise to the interest is effectively connected with such permanent establishment.

(6) Where any interest paid by a person to any related person exceeds an amount which would have been paid to an unrelated person, the provisions of this article shall apply only to so much of the interest as would have been paid to an unrelated person. In such a case, the excess payment may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

(7) The term "interest", as used in this Convention, means income from bonds, debentures, Government securities, notes, or other evidences of indebtedness, whether or not secured, and whether or not carrying a right to participate in profits, and debt-claims of every kind, as well as all other income assimilated to income from money lent by the taxation law of the Contracting State in which the income has its source.

ARTICLE 14

(1) Royalties derived from sources within a Contracting State by a resident of the other Contracting State may be taxed by both Contracting States.

(2) The rate of tax imposed by a Contracting State on royalties derived from sources within that Contracting State by a resident of the other Contracting State shall not exceed 10 percent.

(3) The term "royalties", as used in this article, means—

(a) Payment of any kind made as consideration for the use of, or the right to use, copyrights of literary, artistic, scientific works, or motion picture films or films or tapes used for radio or television broadcasting, patents, designs or models, plans, secret processes or formulae, trademarks, or other like property or rights, or know-how, or ships or aircraft (but only if the lessor is a person not engaged in the operation in international traffic of ships or aircraft), and

(b) Gains derived from the sale, exchange, or other disposition of any property or rights referred to in subparagraph (a) of this paragraph (other than ships or aircraft) to the extent that the amounts realized on such sale, exchange, or other disposition for consideration are contingent on the productivity, use, or disposition of such property or rights.

(4) Paragraph (2) of this article shall not apply if the recipient of the royalty, being a resident of a Contracting State, has in the other Contracting State a permanent establishment and the property or rights giving rise to the royalty are effectively connected with such permanent establishment.

(5) Where any royalty paid by a person to any related person exceeds an amount which would have been paid to an unrelated person, the provisions of this article shall apply only to so much of the royalty as would have been paid to an unrelated person. In such a case, the excess payment may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

ARTICLE 15

(1) Income from real property, including royalties in respect of the operation of mines or quarries, or the exploitation of any natural resources and gains derived from the sale, exchange, or other disposition of such property or of the right giving rise to such royalties, may be taxed by the Contracting State in which such real property, mines, quarries, or natural resources are situated. For purposes of this Convention, interest on indebtedness secured by real property or secured by a right giving rise to royalties in respect of the operation of mines or quarries, or the exploitation of any natural resources shall not be regarded as income from real property.

(2) Paragraph (1) of this article shall apply to income derived from the usufruct, direct use, letting, or use in any other form of real property.

ARTICLE 16

Gains from the sale, exchange, or other disposition of capital assets derived by a resident of a Contracting State shall be exempt from tax by the other Contracting State unless—

(1) The gain is derived by a resident of a Contracting State from the sale, exchange, or other disposition of property described in Article 15 situated within the other Contracting State,

(2) The gain arises out of the sale, exchange, or other disposition described in paragraph (3) (b) of article 14,

(3) The recipient of the gain, being a resident of a Contracting State, has a permanent establishment in the other Contracting State and the property giving rise to the gain is effectively connected with such permanent establishment, or

(4) The recipient of the gain, being an individual who is a resident of a Contracting State—

(a) Maintains a fixed base in the other Contracting State for a period or periods aggregating more than 183 days during the taxable year and the property giving rise to such gains is effectively connected with such fixed base, or

(b) Is present in the other Contracting State for a period or periods aggregating more than 183 days during the taxable year.

ARTICLE 17

(1) Income derived by an individual who is a resident of a Contracting State from the performance of personal services in an independent capacity may be taxed by that Contracting State. Except as provided in paragraph (2) of this article, such income shall be exempt from tax by the other Contracting State.

(2) Income derived by an individual who is a resident of a Contracting State from the performance of personal services in an independent capacity in the other Contracting State may be taxed by that other Contracting State, if:

(a) The individual is present in that other Contracting State for a period or periods aggregating more than 183 days in the taxable year, or

(b) The individual maintains a fixed base in that other Contracting State for a period or periods aggregating more than 183 days in the taxable year, but only so much of it as is attributable to such fixed base, or

(c) The individual is a public entertainer, such as a theater, motion picture or television artist, musician, or athlete, and the income is derived from his personal services as such public entertainer, unless such individual is present in that other Contracting State for a period or periods not exceeding a total of 90 days during the taxable year and such income does not exceed 3,000 United States dollars in the aggregate or its equivalent in Japanese yen in the aggregate during the taxable year.

ARTICLE 18

(1) Wages, salaries, and similar remuneration derived by an individual who is a resident of a Contracting State from labor or personal services performed as an employee, including remuneration derived by an officer or a member of the board of directors of a corporation, may be taxed by that Contracting State. Except as provided in paragraph (2) of this article, such remuneration derived from sources within the other Contracting State may also be taxed by that other Contracting State.

(2) Remuneration of the type described in paragraph (1) of this article derived by an individual who is a resident of a Contracting State shall be exempt from tax by the other Contracting State if—

(a) He is present in that other Contracting State for a period or periods not exceeding in the aggregate 183 days in the taxable year;

(b) He is an employee of a resident of the first-mentioned Contracting State or of a permanent establishment of a resident of a State other than the first-mentioned Contracting State if such permanent establishment is situated in the first-mentioned Contracting State (such resident, including a corporation or other entity to which the permanent establishment belongs, is referred to in this article as "the employer"); and

(c) The remuneration is not borne as such by a permanent establishment which the employer has in that other Contracting State.

(3) Paragraph (2) of this article shall not apply to remuneration of the type described in paragraph (1) of this article if the individual receiving such remuneration is a substantial owner of the employer and 50 percent or more of the income of the employer for the taxable year from sources within that other Contracting State is derived from furnishing the labor or personal services of one or more individuals (computed without deductions for compensation paid to such individuals) each of whom is a substantial owner of the employer. For purposes of the preceding sentence, an individual shall be treated as the substantial owner of the employer if the employer is a corporation or other entity and such individual—

(a) Owns directly or indirectly 25 percent or more of the total voting power of all classes of stock entitled to vote, or of the total value of all classes of stock, of such corporation or other entity, or

(b) Has directly or indirectly an interest of 25 percent or more in the assets, or has a right to 25 percent or more of the profits of such other entity.

In computing the ownership of an individual, he shall be deemed to own the stock, assets, or rights owned directly or indirectly by his brother, sister, spouse, ancestor, or descendant.

(4) Notwithstanding paragraph (2) of this article, remuneration derived by an individual from the performance of labor or personal services as an employee aboard ships or aircraft operated by a resident of a Contracting State in international traffic shall be exempt from tax by the other Contracting State if such individual is a member of the regular complement of the ship or aircraft.

(5) Notwithstanding paragraph (2) of this article and Article 17, a director's fee derived

by an individual resident of a Contracting State in his capacity as a member of the board of directors of a corporation of the other Contracting State, which cannot be taken as a deduction by the corporation but is treated as being a distribution of profits in that other Contracting State, may be taxed by that other Contracting State.

ARTICLE 19

(1) An individual—

(a) Who is a resident of a Contracting State at the beginning of his visit to the other Contracting State, or

(b) Who was, immediately before receiving the invitation referred to below, exempt from tax in that other Contracting State under paragraph (1) (a) of Article 20,

and who, at the invitation of the Government of that other Contracting State or of a university or other accredited educational institution situated in that other Contracting State, is temporarily present in that other Contracting State for the primary purpose of teaching or engaging in research, or both, at a university or other accredited educational institution shall be exempt from tax by that other Contracting State on his income from personal services for teaching or research at such university or educational institution, for a period not exceeding two years from the date of his arrival or the date he completed the study, training, or research in that other Contracting State with respect to which the exemption in paragraph (1) (a) of Article 20 applied.

(2) This article shall not apply to income from research if such research is undertaken not in the public interest but primarily for the private benefit of a specific person or persons.

ARTICLE 20

(1) (a) An individual who is a resident of a Contracting State at the beginning of his visit to the other Contracting State and who is temporarily present in that other Contracting State for the primary purpose of—

(i) Studying at a university or other accredited educational institution in that other Contracting State, or

(ii) Securing training required to qualify him to practice a profession or professional specialty, or

(iii) Studying or doing research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization,

shall be exempt from tax levied by that other Contracting State with respect to the amounts described in subparagraph (b) of this paragraph for a period not exceeding five taxable years from the date of his arrival in that other Contracting State.

(b) The amounts referred to in subparagraph (a) of this paragraph are—

(i) Gifts from abroad for the purpose of his maintenance, education, study, research, or training;

(ii) The grant, allowance, or award; and

(iii) Income from personal services performed in that other Contracting State in an aggregate amount not in excess of 2,000 United States dollars or its equivalent in Japanese yen for any taxable year.

(2) An individual who is a resident of a Contracting State at the beginning of his visit to the other Contracting State and who is temporarily present in that other Contracting State as an employee of, or under contract with, a resident of the first-mentioned Contracting State, for the primary purpose of—

(a) Acquiring technical, professional, or business experience from a person other than that resident of the first-mentioned Contracting State, or

(b) Studying at a university or other accredited educational institution in that other Contracting State,

shall be exempt from tax by that other Contracting State for a period of 12 consecutive months with respect to his income from personal services in an aggregate amount not in excess of 5,000 United States dollars or its equivalent in Japanese yen.

(3) An individual who is a resident of a Contracting State at the beginning of his visit to the other Contracting State and who is temporarily present in that other Contracting State for a period not exceeding one year, as a participant in a program sponsored by the Government of that other Contracting State, for the primary purpose of training, research, or study, shall be exempt from tax by that other Contracting State with respect to his income from personal services in respect of such training, research, or study, performed in that other Contracting State in an aggregate amount not in excess of 10,000 United States dollars or its equivalent in Japanese yen.

ARTICLE 21

(1) Wages, salaries, and similar remuneration, including pensions or similar benefits, paid by, or from public funds of, the United States, or a political subdivision or local authority thereof to a citizen of the United States for labor or personal services performed for the United States or for any of its political subdivisions or local authorities in the discharge of governmental functions shall not be subject to Japanese tax, if such individual is not a national of Japan and has not been admitted to Japan for permanent residence.

(2) Wages, salaries, and similar remuneration, including pensions or similar benefits, paid by, or out of funds to which contributions are made by, Japan, or local authority thereof to an individual who is a national of Japan for labor or personal services performed for Japan or for any of its local authorities in the discharge of governmental functions shall not be subject to United States tax, if such individual is not a citizen of the United States and does not have immigrant status in the United States.

ARTICLE 22

(1) Reimbursed travel expenses shall be subject to Articles 17 through 21, but such expenses shall not be taken into account in computing the maximum amount of exemptions specified in paragraph (2) of Article 17 and in Article 20.

(2) If an individual qualifies for benefits under more than one of the provisions of Articles 17 through 21, he may apply those provisions which are most favorable to him. He may not claim benefits under more than one of the provisions of such articles with respect to the same income.

(3) The benefits provided under Article 19 and paragraph (1) of Article 20 shall extend only for such period of time as may be reasonably or customarily required to effectuate the purpose of the visit, but in no case shall any individual have the benefits provided therein nor more than a total of five taxable years from the date of his arrival.

ARTICLE 23

(1) Except as provided in Article 21, pensions and annuities paid to an individual who is a resident of a Contracting State shall be taxable only in that Contracting State.

(2) The term "pensions", as used in this article, includes periodic payments made after retirement or death in consideration for services rendered, or by way of compensation for injuries received, in connection with past employment, including United States and Japanese social security payments.

(3) The term "annuities", as used in this article, includes a stated sum paid periodically at stated times during life, or during a specified number of years, under an obligation to make the payments in return for adequate and full consideration (other than services rendered).

ARTICLE 24

Nothing in this Convention shall affect the fiscal privileges of diplomatic and consular officials under the general rules of international law or under the provisions of special agreements.

ARTICLE 25

(1) Where a resident of a Contracting State considers that the action of one or both of the Contracting States results or will result for him in taxation not in accordance with this Convention, he may, notwithstanding the remedies provided by the national laws of the Contracting States, present his case to the competent authority of the Contracting State of which he is a resident. Should the resident's claim he considered to have merit by the competent authority of the Contracting State to which the claim is made, it shall endeavor to come to an agreement with the competent authority of the other Contracting State with a view to the avoidance of taxation contrary to the provisions of this Convention.

(2) The competent authorities of the Contracting States shall endeavor to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of this Convention. In particular, the competent authorities of the Contracting States may consult together to endeavor to agree—

(a) To the same attribution of industrial or commercial profits to a resident of a Contracting State and its permanent establishment situated in the other Contracting State;

(b) To the same allocation of income, deductions, credits, or allowances between a resident of a Contracting State and any related person;

(c) To the same determination of the source of particular items of income; or

(d) To the same meaning of any term used in this Convention.

(3) The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of this article. When it seems advisable for the purpose of reaching agreement, the competent authorities may meet together for an oral exchange of opinions.

(4) In the event that the competent authorities reach such an agreement, taxes shall be imposed, and refund or credit of taxes shall be allowed, by the Contracting States in accordance with such agreement.

ARTICLE 26

(1) The competent authorities of the Contracting States shall exchange such information as is pertinent to carrying out the provisions of this Convention or preventing fraud or fiscal evasion in relation to the taxes which are the subject of this Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons other than those (including a court or administrative body) concerned with assessment, collection, enforcement, or prosecution in respect to the taxes which are the subject of this Convention.

(2) In no case shall the provisions of paragraph (1) of this article be construed so as to impose on a Contracting State the obligation—

(a) To carry out administrative measures at variance with the laws or the administrative practice of that Contracting State or the other Contracting State;

(b) To supply particulars which are not obtainable under the laws or in the normal course of the administration of that Contracting State or of the other Contracting State; or

(c) To supply information which would disclose any trade, business, industrial, commercial, or professional secret or trade process, or information, the disclosure of which would be contrary to public policy.

(3) The exchange of information shall be either on a routine basis or on request with reference to particular cases. The competent authorities of the Contracting States shall agree on the list of information which shall be furnished on a routine basis.

(4) The competent authorities of the Contracting States shall notify each other of any amendments of the laws relating to the taxes referred to in paragraph (1) of Article 1 and of the adoption of any taxes referred to in paragraph (2) of Article 1 by transmitting the texts of any amendments or new statutes at least once a year.

(5) The competent authorities of the Contracting States shall exchange the texts of all published material interpreting this Convention under their respective laws, whether in the form of regulations, rulings, or judicial decisions.

ARTICLE 27

(1) Subject to the provisions of paragraph (2) of this article, each of the Contracting States shall endeavor to collect such taxes imposed by the other Contracting State as will ensure that any exemption or reduced rate of tax granted under this Convention by that other Contracting State shall not be enjoyed by persons not entitled to such benefits. The Contracting State making such collections shall be responsible to the other Contracting State for the sums thus collected. The competent authorities of the Contracting States may consult together for the purpose of giving effect to this article.

(2) In no case shall this article be construed so as to impose upon a Contracting State the obligation to carry out administrative measures at variance with the regulations and practices of either Contracting State or which would be contrary to the first-mentioned Contracting State's sovereignty, security, or public policy.

ARTICLE 28

(1) This Convention shall be ratified and instruments of ratification shall be exchanged at Washington as soon as possible. It shall enter into force on the thirtieth day after the day of the exchange of instruments of ratification. Its provisions shall for the first time have effect:

(a) In the case of Japan—

For income derived during any taxable year beginning on or after January 1 of the year next following the year in which this Convention enters into force; and

(b) In the case of the United States—

(i) As respects taxes withheld at source on dividends, interest, royalties, and similar payments, to any obligation to pay such taxes arising on or after January 1 of the year next following the year in which this Convention enters into force; and

(ii) As respects other taxes on income, to taxable years beginning on or after January 1 of the year next following the year in which this Convention enters into force.

(2) The Convention between the United States of America and Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income signed at Washington, D.C. on April 16, 1954, modified and supplemented by the Protocols signed at Tokyo on May 7, 1960, and August 14, 1962, shall terminate and cease to have effect in respect of income to which this Convention applies under paragraph (1) of this article.

ARTICLE 29

This Convention shall remain in force until terminated by a Contracting State. Either Contracting State may terminate the Convention at any time after five years from the date on which this Convention enters into force by giving to the other Contracting State notice of termination at least six months before the end of any calendar year through diplomatic channels. In such event, this Convention shall cease to have effect:

(1) In the case of Japan—

For income derived during any taxable year beginning on or after January 1 of the year next following the year in which the notice of termination is given; and

(2) In the case of the United States—

(a) As respects taxes withheld at source on dividends, interest, royalties, and similar payments, on January 1 of the year next following the year in which the notice of termination is given; and

(b) As respects other taxes on income, for any taxable year beginning on or after January 1 of the year next following the year in which the notice of termination is given.

In witness whereof, the undersigned, duly authorized thereto, have signed this Convention.

Done at Tokyo, in duplicate, in the English and Japanese languages, the two texts having equal authenticity, this eighth day of March, 1971.

For the United States of America:
ARMIN H. MEYER. [SEAL]

For Japan:
KIICHI AICHI. [SEAL]

TREATY TO RESOLVE PENDING BOUNDARY DIFFERENCES AND MAINTAIN THE RIO GRANDE AND COLORADO RIVER AS THE INTERNATIONAL BOUNDARY BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED MEXICAN STATES

The United States of America and the United Mexican States,

Animated by a spirit of close friendship and mutual respect and desiring to:

Resolve all pending boundary differences between the two countries,

Restore to the Rio Grande its character of international boundary in the reaches where that character has been lost, and preserve for the Rio Grande and Colorado River the character of international boundaries ascribed to them by the boundary treaties in force,

Minimize changes in the channels of these rivers, and should these changes occur, attempt to resolve the problems arising therefrom promptly and equitably,

Resolve problems relating to sovereignty over existing or future islands in the Rio Grande,

And finally, considering that it is in the interest of both countries to delimit clearly their maritime boundaries in the Gulf of Mexico and in the Pacific Ocean.

Have resolved to conclude this Treaty concerning their fluvial and maritime boundaries and for such purpose have named their plenipotentiaries:

The President of the United States of America, Robert H. McBride, Ambassador of the United States of America to Mexico, and

The President of the United Mexican States, Antonio Carrillo Flores, Secretary of Foreign Relations,

Who, having communicated to each other their respective full powers, found to be in good and due form, have agreed as follows:

ARTICLE I

In order to resolve the pending boundary cases of the Presidio-Ojinaga Tracts, the Horcon Tract, Beaver Island, and islands, in which the territory of one of the Contracting States has been placed on the opposite bank of the Rio Grande, and to restore this river as the international boundary, the United States and Mexico have decided to modify the position of the Rio Grande in certain reaches, in accordance with the following terms:

A. To change the location of a section of the channel of the Rio Grande in the area of the Presidio-Ojinaga Tracts, so as to transfer from the north to the south side of the Rio Grande an area of 1606.19 acres (650 hectares). This relocation shall be effected so that the middle of the new channel follows the alignment shown on the map of the International Boundary and Water Commission, United States and Mexico (hereinafter referred to as the "Commission"), entitled Relocation of the Rio Grande in the Presidio-Ojinaga Tracts, attached to and forming a part of this Treaty.

B. To change the location of the channel of the Rio Grande upstream from and near Hidalgo-Reynosa, so as to transfer from the south to the north of the Rio Grande an area of 481.68 acres (194.93 hectares). This relocation shall be effected so that the middle of the rectified channel follows the alignment shown on the Commission's map entitled Relocation of the Rio Grande Upstream from Hidalgo-Reynosa, attached to and forming a part of this Treaty.

C. To change the location of the channel of the Rio Grande downstream from and near Presidio-Ojinaga, so as to transfer from the south to the north of the Rio Grande an area of 252 acres (101.98 hectares). This relocation shall be effected so that the middle of the rectified channel follows the alignment shown on the Commission's map entitled Relocation of the Rio Grande Downstream from Presidio-Ojinaga, attached to and forming a part of this Treaty.

D. Once this Treaty has come into force and the necessary legislation has been enacted for carrying it out, the two Governments shall determine, on the basis of a recommendation by the Commission, the period of time appropriate for each of them to carry out the following operations:

(1) The acquisition, in conformity with its laws, of the lands to be transferred to the other and of the rights of way for the new river channels;

(2) The orderly evacuation of the occupants of the lands referred to in paragraph D (1) of this Article.

E. The changes in location of the Rio Grande referred to in paragraphs A, B and C of this Article, shall be executed by the Commission as soon as practical in accordance with the engineering plans recommended by it and approved by the two Governments. The cost of these changes in location shall be equally divided between the two Governments, through an appropriate division of work recommended by the Commission in the same engineering plans.

F. On the date on which the two Governments approve the Commission's Minute confirming the completion of the relocations of the channel of the Rio Grande provided for in paragraphs A, B and C of this Article, the change of location of the international boundary shall be effected in each case and the middle of the new channels of the Rio Grande and of the present channels north of the Horcon Tract and north of Beaver Island shall become the international boundary; and consequently the following territorial adjustments shall take place:

(1) By reason of the rectification referred to in paragraph A of this Article, there shall pass from the north to the south of the Rio Grande within the territory of Mexico, 1606.19 acres (650 hectares) in the Presidio-Ojinaga Tracts.

(2) By reason of the rectification referred to in paragraph B of this Article, there shall pass from the south to the north of the Rio Grande 481.68 acres (194.93 hectares) to form a part of the territory of the United States. This transfer is in recognition of the fact that the Horcon Tract and Beaver Island, located south of the Rio Grande, comprising a total area of 481.68 acres (194.93 hectares) now under the sovereignty of the United States shall pass to and become part of the territory of Mexico.

(3) By reason of the rectification referred to in paragraph C of this Article, there shall pass from the south to the north of the Rio Grande 252 acres (101.98 hectares) to form a part of the territory of the United States. This transfer is in recognition of the fact that, upon the adoption of the new boundary in accordance with Article II of this Treaty, Mexico will receive a greater number and acreage of islands than the United States.

ARTICLE II

In order to resolve uncertainties relating to the sovereignty over islands and to restore to the Rio Grande its character as the international boundary in those locations where this character has been lost between the Gulf of Mexico and its intersection with the land boundary, the Contracting States agree that:

A. Except as provided in Articles I (F), III (B) and III (C) of this Treaty, from the date on which this Treaty enters into force, the international boundary between the United States and Mexico in the limitrophe sections of the Rio Grande and the Colorado River shall run along the middle of the channel occupied by normal flow and, where either of the rivers has two or more channels, along the middle of the channel which in normal flows has the greater or greatest average width over its length, and from that time forward, this international boundary shall determine the sovereignty over the lands on one side or the other of it, regardless of the previous sovereignty over these lands.

B. For the purposes of this Treaty, the Commission shall in each case determine the normal flows, which shall exclude flood flows, and the average widths, referred to in the preceding paragraph of this Article.

C. The Commission, on the basis of the surveys which it shall carry out as soon as practical, shall with appropriate precision delineate the international boundary on maps or serial photographic mosaics of the Rio Grande and of the Colorado River. In the future, the Commission shall make surveys as frequently as it may consider justifiable, but in any event at intervals not greater than ten years, and shall record the position of the international boundary on appropriate maps. Each of the Governments shall bear half of the costs and other expenses determined by the Commission and approved by the two Governments for the surveys and maps relating to the boundaries.

ARTICLE III

In order to minimize problems brought about by future changes in the limitrophe channels of the Rio Grande and the Colorado River, the Contracting States agree that:

A. When the Rio Grande or the Colorado River moves laterally eroding one of its banks and depositing alluvium on the opposite bank, the international boundary shall continue to follow the middle or the channel occupied by normal flow or, where there are two or more channels, it shall follow the middle of the channel which in normal flow has the greatest average width over its length.

B. (1) When the Rio Grande or the Colorado River, through movements other than those described in paragraph A of this Article, separates from one Contracting State a tract of land, which might be composed of or include islands, of no more than 617.76 acres (250 hectares) and with an established population of no more than 100 inhabitants, the Contracting State from which the tract of land has been separated shall have the right to restore the river to its prior position and shall notify the other Contracting State, through the Commission, at the earliest possible date whether or not it proposes to restore the river to its prior position. Such restoration must be made at its own expense within a period of three years counted from the date on which the Commission acknowledges the separation; however, if such restoration should have been initiated but not completed within the period of three years, the Commission, with approval of both Governments, may extend it for one year. The boundary shall remain in its prior location during the periods herein provided for restoration of the river, notwithstanding the provisions of Article II(A) of this Treaty.

(2) If at the conclusion of the periods herein provided the river has not been restored to its prior position, the international boundary shall be fixed in accordance with the provisions of Article II(A) of this Treaty, and sovereignty over the separated tract of land shall, as of that date, pass to the Contracting State on whose side of the river the separated tract is then located. Should the Contracting State from whose territory the tract was separated notify the other Contracting State of its intention not to restore the river to its prior position, the international boundary shall be fixed in accordance with the provisions of Article II(A) of this Treaty, and sovereignty over the separated tract shall change as of the date on which notification is given through the Commission.

(3) When a tract of land passes from the sovereignty of one Contracting State to the other in accordance with paragraph B(2) of this Article, its area shall be ascertained and recorded by the Commission as a credit in favor of the Contracting State from which it was separated, for later compensation by an equal area in a natural separation of a tract of the other Contracting State which is not restored or in a future rectification recommended by the Commission and approved by the two Governments in the same river. The costs of such rectifications shall be divided equally between the Contracting States and, upon completion, the middle of the new channels shall become the international boundary and the Commission shall cancel the corresponding credit.

C. When the Rio Grande or the Colorado River, by movements other than those provided in paragraph A of this Article, separates, from one Contracting State a tract of land, which might be composed of or include islands, having an area of more than 617.76 acres (250 hectares) or an established population of more than 100 inhabitants, the international boundary shall remain in its prior position and sovereignty over the separated tract of land shall not change, notwithstanding the provisions of Article II(A) of this Treaty. In such cases the Commission shall restore the river to its prior channel as soon as practical, equally dividing the costs between the Contracting States. As an alternative procedure the Commission, with the approval of the two Governments, may rectify the channel of the river in the same section in which the separation occurred, so as to transfer an equal area to the Contracting State from which the tract of land was separated. The costs of these rectifications shall be divided equally between the two Governments and, upon their completion, the middle of the new channels shall be the international boundary, as defined in Article II(A) of this Treaty.

D. The Commissioners shall exchange all information coming to their attention about possible or actual separation of lands as referred to in paragraphs B and C of this Article. The Commission shall promptly make the necessary surveys and investigations in all cases of separation and determine, in accordance with the provisions of paragraphs B and C of this Article, which type of separation has taken place.

E. Pending any changes in sovereignty brought about by the application of paragraphs B or C of this Article, each Contracting State shall extend to the nationals of the other such facilities for transit through its territory as may be necessary to permit the use and enjoyment of separated tracts as before the separation, including such exemption from customs duties and immigration procedures as may be necessary.

F. When in the limitrophe reaches of the Rio Grande and Colorado River, a part of the channel temporarily loses its character as the boundary by reason of the changes contemplated in paragraphs B and C of this Article, the international character of the use and consumption of those waters, in the order established under Article 3 of the Treaty of February 3, 1944 shall not be modified.

ARTICLE IV

In order to reduce to a minimum the shifting of the channels of the Rio Grande and the Colorado River in their limitrophe sections, and the problems that would be caused by the separation of tracts of land, the Contracting States agree that:

A. Each Contracting State, in the limitrophe sections of the Rio Grande and the Colorado River, may protect its bank against erosion and, where either of the rivers has more than one channel, may construct works in the channel or channels that are completely within its territory in order to preserve the character of the limitrophe channel provided, however, that in the judgment of the Commission the works that are to be executed under the paragraph do not adversely affect the other Contracting State through the deflection or obstruction of the normal flow of the river or of its flood flows.

B. (1) Both in the main channel of the river and on adjacent lands to a distance on either side of the international boundary recommended by the Commission and approved by the two Governments, each Contracting State shall prohibit the construction of works in its territory which, in the judgment of the Commission, may cause deflection or obstruction of the normal flow of the river or of its flood flows.

(2) If the Commission should determine that any of the works constructed by one of the two Contracting States in the channel of the river or within its territory causes such adverse effects on the territory of the other Contracting State, the Government of the Contracting State that constructed the works shall remove them or modify them and, by agreement of the Commission, shall repair or compensate for the damages sustained by the other Contracting State.

C. (1) The Commission shall recommend to the two Governments the execution of works it may consider advisable and practical for improvement and stabilization of the channels of the Rio Grande and of the Colorado River in its limitrophe sections, including among others the following measures: clearing, channel excavations, bank protection and rectifications. The Commission shall include in its recommendations an estimate of the costs of construction, operation and maintenance of the works, and a proposal for the division of the work and costs between the Contracting States.

(2) As soon as may be practical, after the two Governments approve the Commission's recommendations, each of the Contracting States shall execute, at its expense, its share of the construction, operation and maintenance referred to in paragraph C(1) of this Article.

ARTICLE V

The Contracting States agree to establish and recognize their maritime boundaries in the Gulf of Mexico and in the Pacific Ocean in accordance with the following provisions:

A. The international maritime boundary in the Gulf of Mexico shall begin at the center of the mouth of the Rio Grande, wherever it may be located; from there it shall run in a straight line to a fixed point, at 25°57'-22.18" North latitude, and 97°8'19.76" West longitude, situated approximately 2,000 feet seaward from the coast; from this fixed point the maritime boundary shall continue seaward in a straight line the delineation of which represents a practical simplification of the line drawn in accordance with the principle of equidistance established in Articles 12 and 24 of the Geneva Convention on the Territorial Sea and the Contiguous Zone. This line shall extend into the Gulf of Mexico to a distance of 12 nautical miles from the baseline used for its delineation. The international maritime boundary in the Gulf of Mexico shall be recognized in accordance with the map entitled International Maritime Boundary in the Gulf of Mexico, which

the Commission shall prepare in conformity with the foregoing description and which, once approved by the Governments, shall be annexed to and form a part of this Treaty.

B. The international maritime boundary in the Pacific Ocean shall begin at the westernmost point of the mainland boundary; from there it shall run seaward on a line the delineation of which represents a practical simplification, through a series of straight lines, of the line drawn in accordance with the principle of equidistance established in Articles 12 and 24 of the Geneva Convention on the Territorial Sea and the Contiguous Zone. This line shall extend seaward to a distance of 12 nautical miles from the baselines used for its delineation along the coast of the mainland and the islands of the Contracting States. The international maritime boundary in the Pacific Ocean shall be recognized in accordance with the map entitled International Maritime Boundary in the Pacific Ocean, which the Commission shall prepare in conformity with the foregoing description and which, once approved by the Governments, shall be annexed to and form a part of this Treaty.

C. These maritime boundaries, as they are shown in maps of the Commission entitled International Maritime Boundary in the Gulf of Mexico and International Maritime Boundary in the Pacific Ocean, shall be recognized as of the date on which this Treaty enters into force. They shall permanently represent the maritime boundaries between the two Contracting States; on the south side of these boundaries the United States shall not, and on the north side of them Mexico shall not, for any purpose claim or exercise sovereignty, sovereign rights or jurisdiction over the waters, air space, or seabed and subsoil. Once recognized, these new boundaries shall supersede the provisional maritime boundaries referred to in the Commission's Minute No. 229.

D. The establishment of these new maritime boundaries shall not affect or prejudice in any manner the positions of either of the Contracting States with respect to the extent of internal waters, of the territorial sea, or of sovereign rights or jurisdiction for any other purpose.

E. The Commission shall recommend the means of physically marking the maritime boundaries and of the division of work for construction and maintenance of the markers. When such recommendations have been approved by the two Governments the Commission shall construct and maintain the markers, the cost of which shall be equally divided between the Contracting States.

ARTICLE VI

A. The lands and improvements which, upon relocation of the international boundary under the provisions of Articles I, III and IV of this Treaty, are transferred from one Contracting State to the other, shall pass to the respective Contracting State in the absolute ownership, free of any private titles or encumbrances of any kind; compensation to the owners of the lands to be transferred shall be the responsibility of the delivering Contracting State. No payments shall be made between the two Governments for value of the lands and improvements transferred from one Contracting State to the other as a result of the change of location of the international boundary.

B. The relocation of the international boundary and the transfer of portions of territory or any other provision of this Treaty shall not affect in any way:

(1) The legal status with respect to citizenship laws, of those persons who are present or former residents of the portions of territory transferred;

(2) The jurisdiction over legal proceedings, of either a civil or criminal character, which are pending on the date on which the relocation is effected or which were decided prior to that date;

(3) The jurisdiction over acts or omissions occurring within or with respect to the said portions of territory prior to their transfer;

(4) The law or laws applicable to the acts or omissions referred to in paragraph B (3) of this Article.

C. (1) All materials, implements, equipment and repair parts intended for the construction, operation and maintenance of the works required to carry out the provisions of this Treaty shall be exempt from taxes relating to imports and exports. For this purpose, each Section of the Commission shall furnish verification certificates covering all materials, implements, equipment and repair parts intended for such works.

(2) The personnel employed either directly or indirectly on the construction, operation or maintenance of the works required to carry the provisions of this Treaty shall be permitted to pass freely from one country to the other for the purpose of going to and from the place or location of the works, without any immigration restrictions, passports, or labor requirements. For this purpose, each Section of the Commission shall furnish adequate means of identification to the personnel employed by it on the aforesaid works.

ARTICLE VII

The boundary on international bridges which cross the Rio Grande or the Colorado River shall be shown by an appropriate monument exactly over the international boundary determined by this Treaty at the time of demarcation. When in the judgment of the Commission the variations of the international boundary should warrant that the monument on any bridge should be relocated, it shall so recommend to the two Governments and with their approval may proceed to the reinstallation. This monument shall denote the boundary for all the purposes of such bridge. Any rights other than those relating to the bridge itself shall be determined in case later changes occur, in accordance with the provisions of this Treaty.

ARTICLE VIII

The following agreements shall be terminated as of the entry into force of this Treaty, without prejudice to any right, title or interest which has accrued thereunder except as otherwise provided in this Treaty with respect to such right, title or interest:

A. the Convention Touching the International Boundary line, signed on November 12, 1884;

B. the Convention for the Elimination of Bancos in the Rio Grande, signed on March 20, 1905; and

C. to the extent that they are inconsistent with this Treaty:

(1) Article V of the Treaty of Guadalupe Hidalgo, signed on February 2, 1848;

(2) Article I of the Gadsden (Mesilla) Treaty, signed on December 30, 1853;

(3) Article IV of the Convention establishing the International Boundary Commission, signed March 1, 1889; and

(4) Article VI of the Convention on Rectification of the Rio Grande, signed February 1, 1933; and

D. any other agreement, or any part thereof, between the United States of America and the United Mexican States which is inconsistent with this Treaty, to the extent of that inconsistency.

ARTICLE IX

The present Treaty shall be ratified in accordance with the constitutional processes of each Contracting State and the instruments of ratification shall be exchanged in Washington, D.C. as soon as possible. It shall enter into force on the date of the exchange of ratifications.

Done at the City of Mexico, the twenty-third day of November, nineteen seventy, in the English and Spanish languages, each text being equally authentic.

For the United States of America:
ROBERT H. MCBRIDE.
For the United Mexican States:
ANTONIO CARRILLO FLORES.

Mr. MANSFIELD. Relative to the Treaty with Mexico, I ask unanimous consent that various excerpts from the report (No. 92-11) be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

TREATY WITH MEXICO RESOLVING BOUNDARY DIFFERENCES

BACKGROUND

For over a century the erratic rivers—the Rio Grande and the Colorado—forming parts of the United States–Mexico boundary have caused administrative uncertainties regarding the exact location of that boundary. Consequently, disputes have arisen with respect to national sovereignty over those islands and tracts of land which have shifted from one side of the river to the other. Since 1884, the two Governments have unsuccessfully attempted, through a series of treaties, to resolve these differences and to establish a procedure for determining sovereignty.

During the past several years, the Governments of the United States and Mexico, through the International Boundary and Water Commission seated at El Paso, Texas, and Ciudad Juarez, Chihuahua, have studied and discussed these boundary difficulties in search of a solution. On the basis of those discussions, the U.S. Secretary of State and the Mexican Secretary for Foreign Relations reached an accord on the basic principles for a comprehensive treaty. These principles were approved by President Nixon and President Diaz Ordaz in Puerto Vallarta, Mexico, on August 20, 1970, and a treaty incorporating them was signed in Mexico City on November 23, 1970. This treaty was submitted to the Senate on April 21, 1971.

PROVISIONS OF TREATY

The final version of this treaty consists of a short preamble and nine articles. A summary of its major provisions is set forth below.

Articles I and II settle three specific boundary problems.

First, the long-standing dispute over the land known as the Presidio-Ojinaga Tracts (Texas-Chihuahua) is resolved by assigning 1606.19 acres to Mexico and 555.81 acres to the United States.

Second, the Horcon and Beaver Island Tracts in the lower Rio Grande Valley will pass to Mexico and the Mexican Government will cede, as compensation to the U.S., an equal amount of nearby acreage (481.68 acres).

Third, the boundary is re-established in the middle of the river. Where there is more than one channel the boundary will run in the center of the wider or widest channel regardless of its depth. Under this arrangement, Mexico will receive a greater number and acreage of islands than the United States. In order to offset this loss, the Mexican Government has agreed to cede 252 acres of land in the Presidio Valley to the U.S.

After the treaty comes into force and enabling legislation has been enacted, the International Boundary and Water Commission will then proceed to relocate the Rio Grande with the two Governments sharing the costs equally. Thereafter, all lands belonging to Mexico will be south of its channel, and all lands belonging to the U.S. will be north of its channel.

The Commission is also required to prepare, as soon as practical, maps showing the exact location of the international boundary. These maps will be revised in the future at intervals not greater than 10 years.

Article III provides a procedure for the handling of land transfers when a river shifts or adopts a new channel. In the case of a small tract of land or island no larger than 617.76 acres nor having a population of more than 100, the Government of the country from which the tract is separated must re-

store the river to its prior location within three years (with a possible one year extension) or the boundary will be altered. In the case of larger tracts, where restoration is likely to be in the interest of both Governments, the Commission will restore the acreage to the country from which it was cut, either where the cut was made or at a more advantageous place in the same section of the river, with the two Governments sharing the cost equally.

If a Government chooses not to restore a small tract, that country will receive a credit for the lost territory. This credit will be cancelled either when the river naturally cuts land of equal acreage to its side of the river or in a future project to straighten or rectify the same river. Therefore, neither country will permanently lose territory through sudden shifts in a river.

Article IV authorizes the Commission to undertake projects to preserve the boundary channels. It prohibits the construction of works which will deflect or obstruct the flow of a river to the disadvantage of the other country. Each Government will be obliged to remove or modify works that do cause damage and to repair or compensate for any damage actually caused by such works.

Article V establishes permanent maritime boundaries in the Gulf of Mexico and the Pacific Ocean which will be drawn to a distance of 12 miles from the coasts, based on the principle of equidistance contained in articles 12 and 24 of the Geneva Convention on the Territorial Sea and the Contiguous Zone. A short, inshore segment of the boundary on the Gulf side will continue to move with the mouth of the river, swinging from a fixed point 2,000 feet off the present mouth to the middle of the river, wherever it may be at any time.

Article VI obliges the Governments to transfer, free of any private titles or encumbrances, those lands and improvements that pass from one Government to the other under this treaty. When lands are ultimately transferred to the other country, private citizens will be compensated by their own Government which will, over a period of time, recoup much of this cost from the sale of lands similarly transferred to it from the other country.

The Commission will also be authorized to move material, equipment, personnel, etc., from one country to the other without customs, immigration, and labor restrictions.

Article VII authorized the movement of boundary markers on bridges in order to conform to a river's movement under the bridge.

Article VIII terminates the boundary conventions of 1884 and 1905 and all provisions in other treaties which are inconsistent with this treaty.

Article IX provides that this treaty will enter into force when ratifications are exchanged in Washington.

COMMITTEE ACTION

The Committee on Foreign Relations held a public hearing on the Treaty With Mexico Resolving Boundary Differences on the morning of November 19, 1971, at which time the following witnesses testified: Mr. Robert Hurwitch, Deputy Assistant Secretary of State for Inter-American Affairs; and Mr. Joseph F. Friedkin, U.S. Commissioner, International Boundary and Water Commission, U.S. and Mexico.

In the afternoon of November 19, 1971, the Committee met in executive session and ordered the Treaty With Mexico Resolving Boundary Differences reported favorably to the Senate for advice and consent to ratification.

The statements of Mr. Hurwitch and Mr. Friedkin are appended to this report.

Mr. MANSFIELD. Mr. President, I make the same request with respect to the report (No. 92–12) on Executive E, 92d Congress, first session, the tax convention with Japan, and Executive O, 91st Congress, second session, the protocol signed at Washington on October 12, 1970, to the convention between the United States of America and the French Republic with respect to taxes on income and property.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

TAX CONVENTION WITH JAPAN AND TAX PROTOCOL WITH FRANCE

I. TAX CONVENTION WITH JAPAN

A. PURPOSE

The purpose of this convention, which was signed on March 8, 1971, is to replace the existing income tax convention with Japan dated April 16, 1954, as modified and supplemented by protocols of May 7, 1960, and August 14, 1962. According to the Administration, it follows in general the pattern of income tax conventions now in force between the United States and a number of other countries and reflects changes in American and Japanese tax laws and recent developments in treaty policy of both countries. To the extent that policy and technical considerations permit, the convention follows the model draft convention published in 1963 by the Organization for Economic Cooperation and Development which the United States and Japan joined in 1961 and 1964, respectively. In addition, it is similar to income tax convention recently concluded by the United States with France, Finland and Belgium.

B. PROVISIONS OF CONVENTION

The Tax Convention with Japan contains a preamble and 29 articles. These are summarized in the Under Secretary of State's letter of submittal which is incorporated in the President's message transmitting the convention to the Senate. According to the Department of State, the following changes from the existing convention represent substantive improvements:

1. The force of attraction rule would be eliminated. Under the new convention the reductions in the rate of withholding tax on investment income would be applicable as long as the investment income is not effectively connected with a permanent establishment which the taxpayer has in the taxing country. Under the existing convention the mere existence of a permanent establishment makes the reductions inapplicable.

2. Interest income can be taxed at 10 per cent under both the existing and new conventions, and both conventions provide an exemption for interest received by the Bank of Japan and the Export-Import Bank of Japan and the Federal Reserve Banks of the United States and the Export-Import Bank of the United States. The new convention extends the exemption from Japanese tax to interest received by residents of the United States on debt obligations guaranteed or insured or indirectly financed by those United States banks and reciprocally extends the exemption from United States tax to interest received by residents of Japan on debt obligations guaranteed or insured or indirectly financed by those Japanese banks or insured by the Government of Japan.

3. The definition of direct investments for purposes of the 10 per cent withholding rate on dividends would be changed to reduce the stock ownership requirement from more than 50 per cent of the stock to at least 10 per cent of the voting stock.

4. Rental income from tangible personal property not connected with a permanent establishment of the recipient would be exempt under the new convention, whereas the existing convention applies the 10 per cent royalty rate to rental income. The exemption would not, however, apply to rent from leases of ships or aircraft by a person not engaged in the operation of ships or aircraft in international traffic.

In addition, at the time the convention was signed, there were two exchanges of notes relating to understandings with regard to certain provisions of the agreement. The Department of State's explanation of these two exchanges (reprinted on pp. 25–28 of the President's message) is set forth below:

"One of the related exchanges of notes deals with exemptions of United States residents deriving international shipping or aircraft income from Japanese enterprise tax (or tax substantially similar to the enterprise tax) if state, county, or local governments in the United States do not impose an income tax (or a tax substantially similar to the Japanese enterprise tax) on the operation by a Japanese resident of ships or aircraft in international traffic."

"The other exchange of notes relates to the application of the exemption for international shipping and aircraft income to income from containers used in international shipping and to income from a lease of a ship or aircraft by a person engaged in international traffic to another person engaged in international traffic. This exchange also recognizes that interest income is derived from a debt obligation indirectly financed by the Export-Import Bank of Japan where that bank provides funds in the form of export, import, or investment credit to a resident of Japan for the purpose of making a loan to a U.S. resident."

C. DATE OF ENTRY INTO FORCE

Pursuant to the provisions of Article 28, the convention will enter into force 30 days after the date on which instruments of ratification are exchanged and its provisions will have effect for taxable years on or after January 1 of the year following which the treaty comes into force. The convention may be terminated by either party five years after it enters into force by giving notice of termination at least six months before the end of any calendar year.

II. PROTOCOL TO FRENCH TAX CONVENTION

A. PURPOSE AND BACKGROUND

The purpose of this protocol, which was signed on October 12, 1970, is to extend to certain United States residents the benefits of a tax credit available under French law to residents of France who receive a dividend from a French corporation. In effect, this would require France to give American portfolio investors in French corporations a credit equal to one-half of the French corporate income tax paid with respect to profits out of which dividends are distributed.

According to the Administration, under French law, when a shareholder residing in France receives a dividend from a French corporation, he is considered to have paid half the profits tax charged to the corporation. The French corporate tax is nominally 50 per cent, but it is viewed as though the corporation paid a tax of 25 per cent and withheld the other 25 per cent on behalf of the government from the dividends distributed to the shareholder. The shareholder includes the latter portion in his income and then claims it as a credit against his personal tax liability, receiving a refund in appropriate cases.

As explained in the State Department's letter of submittal, this type of credit was introduced for residents of France in 1965. During the negotiation of the 1967 treaty with France, the United States proposed the inclusion in the agreement of a similar credit for American investors, largely on the ground that the French tax on U.S. shareholders should not be greater than on French shareholders. The French would not accept the proposal at that time but agreed to reopen discussions on the subject in the future if the credit were to be granted to nonresidents of any other country. France has since undertaken negotiations on this matter with certain other countries and for this reason agreed to the pending protocol.

B. PROVISIONS

The protocol contains one substantive provision which adds a new paragraph (6) to Article 9 (relating to the taxation of dividends) of the existing 1967 tax convention with France. Pursuant to the terms of the protocol, the investors who would be entitled to the French tax credit or (*a*) United States resident individuals; (*b*) United States corporations owning less than 10 percent of the shares of the paying French corporation; and (*c*) United States regulated investment companies of which 80 per cent or more of the shares are owned by United States residents and citizens.

It should be noted that related corporations (where the recipient owns 10 per cent or more of the shares of the paying corporation) will not be entitled to the credit with respect to dividends between them. This is confirmed in an exchange of diplomatic notes which took place at the time the protocol was signed. The notes are included in the President's message transmitting the protocol to the Senate.

C. DATE OF ENTRY INTO FORCE

Under the terms of Article 2, the protocol will enter into force one month after the instruments of ratification are exchanged and its provisions will have effect for dividends declared on or after January 1, 1970. The protocol will remain in force as long as the 1967 convention continues in force.

COMMITTEE ACTION

The Committee on Foreign Relations held a public hearing on the Tax Protocol with France and the Tax Convention with Japan on November 19, 1971. At that time, Mr. Edwin Cohen, Assistant Secretary of the Treasury in charge of tax policy, testified in support of the Protocol and Convention. His prepared statement is reprinted in the Appendix to this report. Also included in the Appendix is a copy of the letter from Mr. Laurence M. Woodworth, Chief of Staff of the Joint Committee on Internal Revenue Taxation, together with memoranda on the Protocol and the Convention. Mr. Woodworth's letter states that the staff of the Joint Committee is not aware of any objection to the proposed Convention or Protocol.

Following the hearing on November 19, the Committee met in executive session and ordered the Protocol and Convention reported favorably to the Senate with the recommendation that the Senate give its advice and consent to ratification of the agreements.

The PRESIDING OFFICER. Without objection, the convention, the protocol, and the treaty will be considered as having passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification, which will be read for the information of the Senate.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present and concurring therein), That the Senate advise and consent to the protocol, signed at Washington on October 12, 1970, to the Convention between the United States of America and the French Republic with Respect to Taxes on Income and Property of July 28, 1967 (Ex. O, 91–2).

Resolved (two-thirds of the Senators present and concurring therein), That the Senate advise and consent to the ratification of the Convention between the United States of America and Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Tokyo on March 8, 1971 (Ex. E, 92–1).

Resolved (two-thirds of the Senators present and concurring therein), That the Senate advise and consent to the ratification of the Treaty to Resolve Pending Boundary Differences and Maintain the Rio Grande and Colorado River as the International Boundary Between the United States of America and the United Mexican States, signed at Mexico City on November 23, 1970 (Ex. E, 92–1).

Mr. MANSFIELD. Mr. President, just to emphasize what has already been said, the vote on the first treaty will occur at 10 o'clock on Monday next. The vote on the second comes at 11 o'clock that day. Then the vote on the other treaty and the other protocol, rollcall votes, will follow.

So the Senate can anticipate three rollcall votes on the first day of the renewal of the session after the Thanksgiving Day recess, which I must emphasize for the benefit of the press amounts to only 2 days.

LEGISLATIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTES TO THE LATE SENATOR HOLLAND AND THE LATE SENATOR ROBERTSON

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that there be an extension of 10 days for tributes to our late departed colleague, Senator Holland.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. MANSFIELD. May I say that at an appropriate time, the joint leadership will request the distinguished present Presiding Officer of the Senate, the Senator from Florida (Mr. CHILES) and his associate, the distinguished Senator from Florida (Mr. GURNEY) to initiate some time during which the Senate can express its feelings toward our late departed colleague, and the same situation will develop in relation to the two distinguished Senators from Virginia (Mr. STONE and Mr. BYRD) relative to the passing of our late beloved colleague, Senator Robertson.

UNANIMOUS-CONSENT AGREEMENT WITH RESPECT TO S. 2824

Mr. BYRD of West Virginia. Mr. President, at the direction of the distinguished majority leader, having cleared the matter with the distinguished Senator from New Hampshire (Mr. COTTON), the distinguished Senator from Washington (Mr. MAGNUSON), and the distinguished assistant Republican leader, I ask unanimous consent that at such time as S. 2824, the so-called Fish Inspection Bill, is brought up for consideration, there be a time limitation on the bill of 3 hours, to be equally divided between the distinguished Senator from New Hampshire (Mr. COTTON) and the distinguished Senator from Washington (Mr. MAGNUSON), and that time on any amendments in the second degree, motions, and appeals, with the exception of non-debatable motions, be limited to one-half hour, to be equally divided by the mover and the manager of the bill;

Provided further, that Senators in control of time on the bill may yield therefrom to any Senator on any amendment, motion, or appeal, with the exception of non-debatable motions.

The PRESIDING OFFICER. The Senator did not specify the time on amendments.

Mr. BYRD of West Virginia. One-half hour on amendments in the first degree and the second degree.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR TRANSACTION OF MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, is there an order for morning business tomorrow?

The PRESIDING OFFICER. There is not.

Mr. BYRD of West Virginia. I ask unanimous consent that immediately following the recognition of the two leaders tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I ask unanimous consent that at the conclusion of morning business tomorrow, the Chair lay before the Senate the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow has already been stated by the distinguished majority leader.

ADJOURNMENT UNTIL 9 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 9 o'clock and 45 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, November 24, 1971, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate, November 23, 1971:

DIPLOMATIC AND FOREIGN SERVICE

Robert Foster Corrigan, of Ohio, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Rwanda.

William A. Stoltzfus, Jr., of New Jersey, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Bahrain and to the State of Qatar.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 23, 1971:

U.S. COAST GUARD

The nominations beginning Richard E. Sarason, to be commander, and ending David L. Nelson, to be lieutenant commander, which nominations were received by the Senate and appears in the CONGRESSIONAL RECORD on November 18, 1971.

U.S. CIRCUIT COURTS

Alfred T. Goodwin, of Oregon, to be a U.S. circuit judge for the ninth circuit.

U.S. DISTRICT COURTS

Charles M. Allen, of Kentucky, to be a U.S. district judge for the western district of Kentucky.

Levin H. Campbell, of Massachusetts, to be a U.S. district judge for the district of Massachusetts.

Clarence C. Newcomer, of Pennsylvania, to be a U.S. district judge for the eastern district of Pennsylvania.

Ralph F. Scalera, of Pennsylvania, to be a U.S. district judge for the western district of Pennsylvania.

James S. Holden, of Vermont, to be U.S. district judge for the district of Vermont.

EXTENSIONS OF REMARKS

THE PUBLIC STATEMENTS OF WILLIAM H. REHNQUIST—PART II

HON. BIRCH BAYH

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Monday, November 22, 1971

Mr. BAYH. Mr. President, last week I placed in the RECORD excerpts from the speeches, writings, and testimony of William H. Rehnquist, President Nixon's nominee to replace John Marshall Harlan as an Associate Justice of the Supreme Court. Today, I ask unanimous consent to provide further excerpts from Mr. Rehnquist's public statements. These excerpts are from Mr. Rehnquist's testimony before several congressional committees, and an article he wrote for the Harvard Law Record in 1959 concerning the role of the Senate in the confirmation process. I bring these additional statements by Mr. Rehnquist to the attention of the Senate so that the full RECORD will be available when the nomination comes to be considered by the Senate as a whole.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

FURTHER EXCERPTS FROM THE WRITINGS AND TESTIMONY OF WILLIAM H. REHNQUIST

K. Excerpts from testimony at hearings on Executive Order No. 11605 (SACB) before the Senate Subcommittee on Separation of Powers (October 5, 1971) (unprinted):

• • • • •

Senator ERVIN. What organizations' activities is the Attorney General empowered, or alleged to be empowered, to scrutinize?

Mr. REHNQUIST. Well, under the provisions of 11605, which is President Nixon's Executive Order, it would be organizations which are totalitarian, fascist, communist, subversive, as more fully defined in a later section of the order, plus organizations which have adopted a policy of unlawfully advocating the commission of acts, of force or violence, to deny others their rights under the Constitution or laws of the United States, or which seek to overthrow the Government of the United States or state or subdivision thereof by any unlawful means.

Senator ERVIN. Is not President Nixon's Order far broader than President Eisenhower's?

Mr. REHNQUIST. I think not, Mr. Chairman. I am inclined to agree with Senator Gurney that it is actually narrower. It expands one category, in that it specifically mentions the commission of acts of force or violence to deny others their rights under the constitution or laws of the United States or any state, and I do not believe that that was contained in President Eisenhower's Executive Order. But the definitional sections found on pages 3, 4 and 5 of the Order tend to be tighter than those found in President Eisenhower's Order.

Senator ERVIN. Do you not agree that President Eisenhower's Order was specifically directed toward persons already enjoying or actually seeking federal employment?

Mr. REHNQUIST. Well, I think you have to take the situation as it existed at that time. 10450 did not exist by itself. It existed along with the provision for the Attorney General to compile a list of organizations—and I cannot accurately paraphrase the language in one sentence, but who advocated the overthrow of the Government by force or violence.

Senator ERVIN. Where does the Attorney General get that authority?

Mr. REHNQUIST. He originally got it—Or the origin was an order by President Roosevelt which was not really as refined as the later order issued by President Truman. But I think the customary way of discussing it is to say that it originally came from the Order issued by President Truman.

Senator ERVIN. My point is: What statute empowers the Attorney General to petition the Subversive Activities Control Board to designate an organization, for example, as totalitarian as set out in President Nixon's Order?

Mr. REHNQUIST. Well, I would say the statute that confers upon the President the right to determine suitability and qualifications for federal employment.

Senator ERVIN. Does that statute give the President the power to have the Subversive Activities Control Board, upon petition of the Attorney General, place the organizational membership of all Americans, all Americans, under the scrutiny of the Subversive Activities Control Board?

Mr. REHNQUIST. The statute certainly does not, but much the same objection was raised in these two cases I refer to in my testimony, that it was an improper delegation for the President and it lacked statutory authority, and the Court of Appeals for this Circuit said otherwise.

Senator ERVIN. Well, what statute gives the President authority to confer upon the Subversive Activities Control Board, by an executive order, the power to scrutinize the activities and the acts of every group in America who commits acts of force or violence, or unlawfully damages or destroys property or injures persons, or violates laws pertaining to treason, rebellion or insurrection, riots or civil disorders, seditious conspiracy, sabotage, trading with the enemy, obstruction of the recruiting and enlistment service of the United States, impeding officers of the United States or related crimes or offenses?

That is what this is all about, is it not? It undertakes to give this power.

Mr. REHNQUIST. The Order certainly does undertake to empower the Board to do that, and the general notion that the President could confer this type of power on the Attorney General under the statutory authority vested in him by Congress to review the qualifications of federal employees was upheld by the Court of Appeals for this Circuit.

Now, the added question remains: Can he transfer that power from the Attorney General to the Subversive Activities Control Board?

Senator ERVIN. I believe there is a question prior to that. What statute gives the Subversive Activities Control Board the power to investigate violations of criminal statutes which are punishable as crimes after trial in the courts of this country. And what statute gives the President the power to confer jurisdiction in respect to criminal acts upon the Subversive Activities Control Board?

Mr. REHNQUIST. Well, he was previously upheld in his conferring jurisdiction of much the same type on the Attorney General, under the delegation statute. In my opinion, he can confer that authority on the Attorney General, he can likewise confer it on the Subversive Activities Control Board. Clearly, he can make these findings himself.

Senator ERVIN. The difference is fundamentally that the Attorney General is an executive officer. He is the head of the Department recognized by the Constitution. The Subversive Activities Control Board is an agency created by the Congress, not by the Constitution, and its powers are defined by the Congress.

Mr. REHNQUIST. Mr. Chairman, the Attorney General is a creation of the Congress.

Senator ERVIN. Yes, but he is also a head of the Department, and the head of a department is an officer recognized by the Constitution.

Mr. REHNQUIST. Well, but I really do not think that is significant in this respect. The Constitution says the President may call upon the heads of various departments for their opinion, but certainly that does not pretend to circumscribe what the President may confer in the way of authority upon the heads of departments, nor does it——

Senator ERVIN. You consider that the President would have authority to let the Subversive Activities Control Board try criminal cases?

Mr. REHNQUIST. No, sir, certainly not.

Senator ERVIN. But you do contend that he has the power from some undesignated source to let them investigate things, or acts, which are crimes under state law, and things which are crimes under Federal law, do you not? Is that not your position?

Mr. REHNQUIST. Yes. I do not think it is from some undisclosed source. I think it is from a rather specific congressional statute, his power to define and pass upon the qualifications for federal employment, and the Subversive Activities Control Board, in discharging this function, is not purporting to assess criminal liability. It is purporting to make findings as to the activities of particular organizations for the benefit of potential federal employers who are entitled to take this into consideration, knowing their sympathetic membership in this type of organization.

Senator ERVIN. I have inserted in the record the statutory provisions cited by the President in Executive Order 11605 to sustain issuance of this Order, and I am unable to find a single syllable in any one of them that empowers him to make this vast extension of powers to hte Subversive Activities Control Board.

Mr. REHNQUIST. Well, I understand your position, Mr. Chairman. I simply find myself in respectful disagreement with it.

Senator ERVIN. Well, of course, as a Chief Justice once said, we probably read the same books and found different conclusions, but I would be awfully glad if you would point out some specific provisions in these statutes cited by the President to justify this exercise of power, denied by an Act of Congress, to give the Subversive Activities Control Board that power.

Mr. REHNQUIST. Well, when you say "denied by an Act of Congress," Mr. Chairman, I take it you do not mean affirmatively denied but simply not affirmatively conferred upon it?

Senator ERVIN. Affirmatively implied.

Mr. REHNQUIST. Well, I think that the prior delegation of President, the two I have mentioned in my prepared statement, to, you know, the seven independent agencies which have a good deal more claim to be outside of the Executive Branch than the Subversive Activities Control Board, more than supports this.

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Senator ERVIN. I just want to say that as far as I am concerned, I do not think any prior Executive Orders should be cited to justify the assertion of further authority by a President, because, that way, Presidents could lift themselves far up above the Constitution by their own bootstraps, and, as for statutory authority, I do not think the President has the right to issue an Executive Order which has the effect of legislation.

• • • • •

Senator ERVIN. Does not the Executive Order of President Nixon undertake to empower the Subversive Activities Control Board, upon petition of the Attorney General, to investigate any organizations which the Attorney General alleges fit the qualifications prescribed in the Executive Order regardless of whether any of the members of those organizations are employed by the Federal Government or seeking employment by the Federal Government?

Mr. REHNQUIST. I agree with the thrust of your question, except for the use of the word "investigate," Mr. Chairman. On page 22, as I read it, the section (c) says:

"The Subversive Activities Control Board shall, upon petition of the Attorney General, conduct appropriate hearings to determine whether any organization is" such and such.

But certainly there is no triggering mechanism that a member of an organization must first have applied for federal employment before that goes.

Senator ERVIN. Yes. So, it gives him the power to investigate all organizations; that is, to conduct hearings to determine whether organizations fit into any of these categories when the Attorney General files a petition to that effect, regardless of whether those organizations have among their members any federal employees or any persons who have any intention ever of seeking employment with the Federal Government?

Mr. REHNQUIST. There is certainly no nexus between a member seeking employment and the right of the Board to conduct the hearing.

Senator ERVIN. Now, also, it gives the Subversive Activities Control Board, on petition of the Attorney General, the power to conduct hearings in respect to crime, the crimes enumerated in the Executive Order, regardless of whether those crimes are committed by any federal employee or any person who ever contemplates seeking employment with the Federal Government, does it not?

Mr. REHNQUIST. It does, Mr. Chairman. I think that that is the only way it can be done in a situation like this. If the President considers that membership in an organization of this type ought to be a factor to be taken into consideration, the various means for applying for federal employment and the tremendous decentralized nature of the program prevent that from being centralized, and so the only practicable way to handle it is to put it in the hands of those administering the Federal Government employment program, such findings as the Board may make.

Senator ERVIN. Would not the practicable thing be to establish a mechanism for determining the organizational membership of persons who are actually employed by the Federal Government or persons seeking employment by the Federal Government, instead of putting all Americans under the scrutiny of the Subversive Activities Control Board?

Mr. REHNQUIST. I think, in this way, Mr. Chairman, that that would be an extraordinary unworkable way, because the first person, say, who is a member of the Weathermen, that applies for a position in the Federal Government, at that point, under your theory, the SACB would be authorized to investigate or to hold hearings with respect to the Weatherman. Now, then, you have the long process of the Justice Department investigation, hearings, findings of fact by the Board, all of this while the particular individual is presumably having the decision on his employment held up.

Senator ERVIN. Do you think that the American people are so lacking in intelligence that they need the Subversive Activities Control Board to tell them that the Weatherman faction of the Student's for Democratic Society are an undesirable organization?

Mr. REHNQUIST. I think it is desirable, Mr. Chairman, to have some sort of a formal fact-finding process. Perhaps, the Weatherman is an obvious case. But I think it is quite conceivable that having a membership in an organization by a federal employee without the benefit of the fact-finding process might conclude they were somewhat suspect. If the fact-finding process concludes that they do not meet the test of the Order, that, in effect, would permit people to be employed, and it would not be resolved just on the basis of suspicion or on the basis of a particular hunch that the employing officer may have but rather on the basis of a hearing on the record with evidence presented.

Senator ERVIN. Well, it would seem to me the intelligent way to go about this, if the purpose is to ensure loyalty in the federal establishment, would be to investigate the membership of people who are employed, who seek federal employment or who enjoy federal employment, rather than investigating organizational membership of all of the Americans, all of the American people, regardless of whether they are employed by the Federal Government or ever seek employment with the Federal Government.

Mr. REHNQUIST. I think, initially, Mr. Chairman, that would provide a different approach than this. I think that within a matter of a couple of years it would rapidly become exactly the same thing, because you have enough applicants for federal employment and enough belonging to a number of different organizations so that the triggering mechanism would have been put into effect, and the Board would be investigating exactly what it would be investigating now.

In addition, under your system, you would have a system of investigation of organizations with respect to which there is no reason to believe at all that they meet the requirements of the Order, whereas, the way the Order is drawn, the Justice Department must first make some sort of a finding of probable cause before the petition.

Senator ERVIN. Yes, but you cannot tell whether they meet this criteria unless you investigate it. In other words, it seems to me that this is like sailing clear across the Atlantic Ocean when your objective is to get across the creek.

L. Excerpts from testimony at hearings on equal rights for men and women, 1971, before a subcommittee of the House Judiciary Committee (1971).

Mr. REHNQUIST.

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While the Department supports the enactment of House Joint Resolution 208, the equal rights amendment, there is no denying that opponents of that amendment have raised significant quesitons which deserve the serious consideration of the committee. The placing in the Constitution of such broad general language as is to be found in House Joint Resolution 208 would, by reason of doubt as to the scope of its language, add substantial uncertainties in this area of constitutional law which would probably require extensive and protracted litigation to dispel. Those who have testified in favor of the amendment in the past do not themselves appear to be in agreement as to the sweep of its language. Yet it is conceded that however broad its sweep, it would not reach many practices of private individuals which unjustifiably differentiate between men and women. The Department of Justice feels that the amendment, no matter how construed, would not be a substitute for legislation, such as H.R. 916.

Some proponents of the amendment have stated that ambiguities in its language cannot be taken care of by legislative history. This rather short answer, however, is not entirely satisfactory.

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Hearings before the Senate Judiciary Committee last year have highlighted the extraordinary breadth of construction urged by some of the amendment's supporters. While the President, the administration, and undoubtedly most of the Nation are united in their desire to achieve equality for women, as that term has been commonly understood, there is some question as to whether the broadest possible construction of the amendment may not go substantially beyond that common understanding. We would have some doubts as to whether there is a national consensus for compelling all levels of government to treat men and women across the board as if they were identical human beings. Certainly many people feel that publicly maintained restrooms should continue to be separate, that differing ages of consent and majority are, under some circumstances, justifiable, and that laws which are adopted with the genuine purpose of protecting women, rather than as a disguise for discriminating against them, are likewise permissible. Even if one were to determine for himself that all of these differences in treatment ought to be abandoned, under a Federal system such as ours, the question would remain as to whether a unitary rule should be promulgated by constitutional amendment which would deny to each State the right to choose for itself among rational alternative policies.

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In spite of the reservations of the Department of Justice and of these developments which have intervened between the time that the President spoke in 1968 and the present time, the administration is committed to the support of House Joint Resolution 208. The desirability of obtaining some such declaration of policy in the Constitution outweighs the disadvantages of this particular proposal.

Whatever may be the resolution of the committee with respect to House Joint Resolution 208, there is no question but what many of the serious inequalities of treatment suffered by women occur in the area of private conduct, rather than public conduct, and can therefore be reached only by legislation such as H.R. 916.

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We are agreed that the EEOC needs additional enforcement machinery to function

effectively. However, we favor legislation providing for direct actions in the district courts by the Commission, rather than legislation like H.R. 916 providing for administrative cease and desist orders, as a means of strengthening the EEOC's enforcement powers.

* * * * *

I have taken, from your statement, that you prefer the legislative approach, and I would like to ask you directly—if you had the choice, would you take the legislative approach or the constitutional approach?

Mr. REHNQUIST. You mean if one could have only one of the two?

Mr. KEATING. All right, let's start out with that one.

Mr. REHNQUIST. Yes. If one could have only one of the two, I think I would prefer the legislative approach. I think it reaches more evils that are of general concern to women than the constitutional amendment would.

Excerpts from testimony at hearings on U.S. Government information policies and practices—The Pentagon Papers, before the House Subcommittee on Foreign Operations and Government Information (1971).

Mr. HORTON. Would you like to amplify on the position of the Justice Department?

Mr. REHNQUIST. I will be happy to. I suspect after you hear me amplify, you might rather see it in writing, and I will be glad to.

Section 2954 of title 5, United States Code, which is the statute in question, is derived from section 2 of the act of May 29, 1928. Section 1 of that act provided for the repeal of 128 statutes requiring the submission of reports to Congress, which either had become obsolete or which served no useful purpose.

Section 2 of the 1928 act, which has now become section 2954 of title 5, United States Code, was designed to enable Congress to obtain, if needed, the information theretofore contained in the discontinued report. And we think that is indicated in the Senate report made to the Congress in the enactment of the 1928 statute, and I will quote from that:

"To save any question of the House of Representatives to have furnished to it any of the information contined in the reports proposed to be abolished, a provision has been added to the bill requiring such information to be furnished to the Committee on Expenditures in the Executive Department or upon the request of any seven members thereof.

"This section makes it possible to require any report discontinued by the language of this bill to be resubmitted to either House upon its necessity becoming evident to the membership of either body."

That is the end of the quotation from the Senate report. And it was our conclusion that the legislative history from which the section was derived indicates that its purpose was to serve as a vehicle for obtaining information theretofore embodied in routine annual reports to Congress submitted by the several agencies rather than the extremely broad purpose, which I cheerfully concede is a permissible interpretation of the language itself.

Mr. HORTON. In other words, the Executive has put a very narrow interpretation on that section?

Mr. REHNQUIST. Well, a narrow and entirely justifiable one, I believe, but it's certainly a narrow one rather than a broad one?

Mr. HORTON. Well, what does it mean? What is its meaning?

Mr. REHNQUIST. Well, to me it would mean that the types of annual reports the requirement of submission to Congress of which was discontinued by section 1 of the 1928 statute can nonetheless be selectively demanded by any seven members of the committee if they wish them.

Mr. HORTON. In other words, that is the limit to which this statute applies?

Mr. REHNQUIST. That is our interpretation.

Mr. MCCLOSKEY. Mr. Rehnquist, the rule that permits you to look at the legislative history applies only when the wording of the statute is ambiguous, that is correct?

Mr. REHNQUIST. It's a rule, but it has its exceptions.

Mr. MCCLOSKEY. Do you know of any legal exception in your experience which justifies looking behind the clear language of section 2954, by the executive branch?

Mr. REHNQUIST. Yes, sir. Well, the executive branch is simply trying to forecast what a court would say in interpreting it.

Mr. MCCLOSKEY. Is there any ambiguity in that statute? This is exceptionally clear language. Can you point to me any ambiguity in that statutory section which would justify seeking explanation of that ambiguity?

Mr. REHNQUIST. I don't think it's that clear.

Mr. MCCLOSKEY. Is there any ambiguity in the section that you should find? Can you read the law specifically so the subcommittee at this point can be aware of the ambiguity which, in your judgment, would require going to the legislative history of the statute?

Mr. REHNQUIST. An executive agency on the request of the Committee on Government Operations in the House of Representatives or of any seven members thereof shall submit any information requested of it relating to any matter within the jurisdiction of the committee.

Mr. MCCLOSKEY. Is there any ambiguity there, Mr. Rehnquist?

Mr. REHNQUIST. I don't think the words "any information" are necessarily that sweeping.

Mr. HORTON. Well, what we have to do is define any information, because, at the present time at least, the Executive has put an interpretation on it to the effect that it has to do only with reports which were discontinued. You may be right, but if we are to seek any type of information other than the type, according to the testimony that you have given, and you are giving a factual legal interpretation of it, then we are going to have to make some changes in our legislation, is that not correct?

Mr. REHNQUIST. To obtain it under that statute, yes.

Mr. HORTON. In other words, when Mr. Reuss wrote his letter signed by several members asking for the report from the committee headed by Dr. Richard Garwin, that was not a subject of the section? It was not a matter included within the section, according to the letter of Mr. Ehrlichman, and also according to the statement that you have made?

Mr. REHNQUIST. That was our interpretation, yes.

Mr. HORTON. And then also, I did not sign the letter, but the letter recently signed and transmitted by Mr. Moorhead and several members of this committee asked to be served with reports from the Department of Defense. It is your interpretation that this also would be without the scope of the interpretation of this particular section, because they are not reports that had been required and then discontinued, is that correct?

Mr. REHNQUIST. If that is the nature of the reports requested. I am not familiar with it, but certainly as you describe it, that would be correct.

Mr. MOORHEAD. Would the gentleman yield?

Mr. HORTON. All right.

Mr. MOORHEAD. I understand the Ehrlichman letter refers to an article dated April 1961, in the George Washington Law Review. I think that it would be important to identify the authors of that article.

Mr. Robert Kramer, footnote in the article, was Assistant Attorney General, United States Department of Justice, 1959–61, and Mr. Herman Marcuse, the other author, was and still is, an attorney, United States Department of Justice, Office of Legal Counsel, in your office, Mr. Rehnquist. I think that their positions at the time they wrote the article are significant.

The second thing that I think should be pointed out is that this statute in question, while originally enacted in May of 1928, was amended and reenacted—on September 6, 1966—so that reenactment and reaffirmation of what I consider this broad and sweeping language should be considered by the Congress and signed by the President, approved this language on two occasions.

I don't see how it could be amended to be any broader. If there is any action, I think it should be tested in the courts.

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Mr. MOORHEAD. Now, the staff has prepared an analysis of two significant cases referred to by Mr. Rehnquist, in his statement; that is, *U.S.* v. *Reynolds*, and *U.S.* v. *Curtiss-Wright Export Corp.*, and I think that staff memorandum should also be inserted in the record at this point. That will be so ordered.

(The memorandum follows:)

MEMORANDUM BY LEGAL STAFF, HOUSE GOVERNMENT OPERATIONS COMMITTEE ON THE STATEMENT OF WILLIAM H. REHNQUIST, ASSISTANT ATTORNEY GENERAL, OFFICE OF LEGAL COUNSEL, DEPARTMENT OF JUSTICE, TESTIFYING ON EXECUTIVE PRIVILEGE, JUNE 29, 1971

The statement declares: "The right of the Executive to withhold certain types of information from the other coordinate branches has been equally well recognized." It refers to two Supreme Court cases as buttressing that assertion. The first case involves the Government's claim of privilege to resist judicial discovery in a tort claims action: *U.S.* v. *Reynolds* (345 U.S. 1 (1953). The second involves a question of the constitutionality of a delegation by Congress of certain legislative power to the President: *U.S.* v. *Curtiss-Wright Export Corp.* (200 U.S. 304 (1936)).

Both cases should be examined closely, since they support Mr. Rehnquist's declaration above only in a highly qualified fashion (*Reynolds* case) or by remote inference derived from orbiter dicta (*Curtiss-Wright* case).

* * * * *

Mr. MCCLOSKEY. Thank you, Mr. Chairman. Mr. Rehnquist, going back to this letter of Mr. Ehrlichman dated June 20, which is before you now, that letter referred to a report on the SST prepared in 1969 by a committee headed by Dr. Richard L. Garwin, and on June 20, the following year, the White House, through this letter, declined to reveal that report on the SST to a committee of Congress of competent jurisdiction.

If I recall correctly, the administration, at that time, was proposing to the Congress in its budget message, that both the House and Senate approve an expenditure of $290 million in 1970 for the SST.

Now, this brings squarely into focus the question of the lawmaking power of Congress when we are asked to vote for or against the SST, and the right of the executive to withhold a report prepared at taxpayer expense relating to that issue affecting whether we should or should not fund the SST. In your judgment, does the executive privilege, which I believe you said was based—in your testimony, on page 18 yesterday—on the generally recognized premise that the President must be free to receive absolutely impartial and disinterested advice from his advisers.

In your judgment, does the right of the Executive to receive impartial and disinterested advice entitle the Executive to refrain from giving to Congress a memorandum on the very subject which the Congress is to legislate?

Mr. REHNQUIST. Certainly, in many situations, I think it would.

Mr. MCCLOSKEY. What, about the SST, could possibly justify claiming executive privilege for a memorandum prepared by the committee for the President?

Mr. REHNQUIST. I am not familiar with the memorandum itself, nor am I intimately

familiar with the questions that are involved—

Mr. MCCLOSKEY. This is the question, Mr. Rehnquist. Can you recall the question that I asked you?

Mr. REHNQUIST. Perhaps the reporter would read it back.

(The reporter read the record as requested.)

Mr. REHNQUIST. If this was a memorandum prepared by way of advice to the President as to whether or not he should recommend the funding of the SST, it is, in my judgment, the sort of advice from a subordinate to the Chief Executive which is covered by executive privilege.

Mr. MCCLOSKEY. Even though the Executive is asking the Congress to legislate on the SST, is that your testimony?

Mr. REHNQUIST. Yes. The alternative would be that whenever Congress has a subject of legislation before it, and the administration sends a witness down and says this is our position, Congress would be perfectly free to compel testimony, well, how about A through Z, who all participated in it as to advising him, and how did they reach their opinions, and I think that is exactly what it covers.

Mr. MCCLOSKEY. Mr. Rehnquist, first of all, the President, in his letter to the chairman, John Moss of this committee, on April 7, 1969, said that the scope of executive privilege must be very narrowly constructed. Under this administration, executive privilege would not be asserted without specific Presidential approval.

Now, if you extend executive privilege to any recommendation made to the President on an issue of pending legislation, isn't that a broad definition of executive privilege which would cover any report prepared for the President on pending legislation?

Mr. REHNQUIST. I don't think that is a broad construction. I think that is one of the classical areas where most people have agreed that the doctrine applies.

Mr. MCCLOSKEY. Well, this committee, headed by Richard Garwin, that was asked for a report on the SST, is that any different from any Presidential adviser or consultant or contractor who is asked to prepare a report on the merits of a pending proposal?

Mr. REHNQUIST. I don't know the circumstances of the Garwin committee report, or how it was contracted for, or who Mr. Garwin is, for that matter. But on the hypothesis that he was making a recommendation to the President as to whether or not something should be done, I think that it doesn't require a broad construction of the doctrine to say that that is within it.

Mr. MCCLOSKEY. On a project like highway construction, where one highway engineer within the Department of Transportation prepared a report recommending the highway, and another member of the Department of Transportation prepared a report pointing out defects in the highway proposal, would executive privilege be properly invoked for both reports, in your judgment?

Mr. REHNQUIST. Well, there you are taking it down the line a ways. I mean, many of these recommendations, the highway-type recommendations, are not to the President, they are to one of his subordinates.

Mr. MCCLOSKEY. Well, I don't think Mr. Garwin's report was directed to anyone other than the Secretary of Transportation, was it?

Mr. REHNQUIST. I am not familiar with the circumstances.

Mr. MCCLOSKEY. Let me make the assumption that the Garwin report which was finally released to the Congress in 1970 was, in fact, a representation to the Secretary of Transportation. Is there any difference between that report and a report prepared by the President himself?

Mr. REHNQUIST. It is a question of degree, I think.

Mr. MCCLOSKEY. Let's be precise on this. If Dr. Garwin's committee report was prepared for the Secretary of Transportation, would that, in your judgment, make it subject to executive privilege?

Mr. REHNQUIST. It could, if it was on a subject on which the Secretary of Transportation was expected to advise the President.

Mr. MCCLOSKEY. Well, isn't every subject considered by the Department of Transportation investigated on something to ultimately advise the President?

Mr. REHNQUIST. No. I would think the highway thing would stop well below the President.

Mr. MCCLOSKEY. What about the SST?

Mr. REHNQUIST. I think that is an example of something that was a Presidential decision.

Mr. MCCLOSKEY. The President, in his budget, proposed to us that we fund the SST and also the highway program. I find no difference between the highways and the SST, do you?

Mr. REHNQUIST. Yes, I do.

Mr. MCCLOSKEY. What distinction?

Mr. REHNQUIST. Well, that the decision as to where individual highways should be located, or the amounts that should be spent on them, are not things that the President participates in.

Mr. MCCLOSKEY. Doesn't he participate when he recommends to the Congress each year a budget message which contains, say, $3 billion for highways? Isn't that his recommendation to the Congress?

Mr. REHNQUIST. I suppose in legal theory, it is, but as a practical matter, that is not the sort of decision that is made by the President or that is ultimately decided by the President.

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Because the subcommittee's inquiry is a wide-ranging one, it may be helpful if I outline what I conceive to be three related but different situations, all of which have recently received considerable public notice, and all of which are doubtless of interest to the subcommittee.

The doctrine of executive privilege, as I understand it, defines the constitutional authority of the President to withhold documents or information in his possession or in the possession of the executive branch from compulsory process of the legislative or judicial branch of the Government. This doctrine is implicit in the separation of powers established by the Constitution.

Related to the doctrine of executive privilege, but by no means coextensive with it, is the classification of material in the possession of the executive branch under the provisions of executive orders. These executive orders established rules governing the classification of documents involving national defense information, and prohibit disclosure by executive branch personnel of documents so classified to anyone not authorized to receive them. The Freedom of Information Act, which may be said to have established a "right to know" on the part of the public, as against the Government, exempts from its disclosure requirements "matters that are * * * specifically required by executive order to be kept secret in the interest of the national defense or foreign policy." This exemption in the Freedom of Information Act justifies refusal on the part of the executive to make classified material available to the general public. But the mere fact of classification by itself, of course, does not constitute a sufficient basis for withholding information from a committee of Congress, since most, if not all, congressional committees themselves are fully authorized to receive classified documents.

Third, and particularly in the public eye now, is the extent of the authority of the executive branch to seek the aid of the judicial branch in preventing or punishing the publication of material where such publication would be dangerous to the national security. By hypothesis, in this third situation, the material in question is already in the hands of the potential publisher, so there is no question of the executive being compelled to furnish it in order that it may be published. It is this question, of course, which has been the subject of the current litigation in the cases involving the New York Times and the Washington Post.

I will devote my testimony primarily to the question of executive privilege, and to the matter of compliance with the President's 1969 memorandum, since that is what the Attorney General and I understand that you wish, Mr. Chairman. I will, to the extent of my ability, and to the extent that it will be appropriate, be happy to respond to questions about any other matters which are within my competence.

The Constitution nowhere expressly refers either to the power of Congress to obtain information in order to aid it in the process of legislating, nor to the power of the Executive to withhold information in his possession, the disclosure of which he feels would impair the proper exercise of his constitutional obligations. Nonetheless, both of these rights are firmly rooted in history and precedent.

It is well established that the power to legislate implies the power to obtain information necessary for Congress to inform itself about the subject to be legislated upon, in order that the legislative function may be exercised effectively and intelligently.

The right of the Executive to withhold certain types of information from the other coordinate branches has been equally well recognized. In *Reynolds* v. *United States*, 345 U.S. 1, the Supreme Court upheld the applicability of such a privilege against judicial subpena. The claim of the Executive to withhold this type of information from Congress goes back to the administration of President Washington. In 1792, the House of Representatives embarked on its first effort to investigate the conduct of the executive branch in connection with the ill-fated expedition of General St. Clair into the Northwest Territory. When demand was made upon the Secretary of War for the production of all papers connected with that expedition, President Washington called upon his Cabinet for consultation "because it was the first example and he wished that as far as it should become a precedent, it should be rightly conducted * * *. He could readily conceive that there might be papers of so secret a nature as they ought not to be given up."

The Cabinet concluded unanimously on April 2, 1792, that the House of Representatives had the right to institute inquiries, and that it might call for papers generally and "that the Executive ought to communicate such papers as the public good would permit and ought to refuse those the disclosure of which would injure the public. Consequently we're to exercise a discretion."

That is an excerpt from Jefferson's notes of that Cabinet meeting.

President Washington determined that in this particular instance, the disclosure of the papers would not be contrary to the public interest and instructed the Secretary of War to make the papers requested available to the House of Representatives.

In 1796, in connection with the appropriation of the funds required to carry out the financial provisions of the Jay Treaty, the House of Representatives requested the President to produce the instructions to the Minister who negotiated that treaty. This time, President Washington advised the House that he could not comply with its request.

* * * * *

The nature of foreign negotiations requires caution, and their success must often depend on secrecy; and even when brought to a conclusion a full disclosure of all the

measures, demands, or eventual concessions which may have been proposed or contemplated would be extremely impolite; for this might have a pernicious influence on future negotiations or produce immediate inconveniences, perhaps danger and mischief, in relation to other powers.

As, therefore, it is perfectly clear to my understanding that the assent of the House of Representatives is not necessary to the validity of a treaty; as the treaty with Great Britain exhibits in itself all the objects requiring legislative provision, and on these the papers called for can throw no light, and as it is essential to the due administration of the Government that the boundaries fixed by the Constitution between the different departments should be preserved, a just regard to the Constitution and to the duty of my office, under all the circumstances of this case, forbids a compliance with your request.—Richardson, "Messages and Papers of the Presidents," Vol. I, pp. 194–196.

Since that time virtually every President has had occasion to determine whether the disclosure of information to Congress was appropriate.

The Supreme Court, in *United States* v. *Curtiss-Wright Corp.*, decided in 1936, 299 U.S. 304, 319–321, based its decision in part on the authority of the President to withhold information in the field of foreign relations from Congress, and refers to some of the instances when Congress acknowledged this authority in the President. The disputes between Congress and the Executive over the invocation of executive privilege have not been so much about the existence of the authority, as they have about the extent and manner in which it is exercised.

The President's authority to withhold information is not an unbridled one, but it necessarily requires the exercise of his judgment as to whether or not the disclosure of particular matters sought would be harmful to the national interest. As is the case with virtually any other authority, it has a potential for abuse; but as in the case of other authorities, the potential for abuse has never been deemed a sufficient reason for denying the existence of the authority.

The doctrine of executive privilege has historically been pretty well confined to the areas of foreign relations military affairs, pending investigations, and intragovernmental discussions. I will mention a few pertinent examples, and attempt to indicate the reasoning behind the claim of privilege in each of these fields.

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There is another category of situations in which Congress has recognized the validity of claims of executive privilege. They center around what may be called the freedom of the executive branch from legislative interference with its decisionmaking process. It includes the confidentiality of conversations with the President, of the process of decisionmaking at a high governmental level, and the necessity of safeguarding frank internal advice within the executive branch. Here, too, I will advert to some examples.

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The reasoning behind the claim of executive privilege in these four classical categories seems to me to be as thoroughly defensible in principle as it is well established by precedent.

In the field of foreign relations, the President is, as the Supreme Court said in the *Curtiss-Wright* case, the "sole organ of the Nation" in conducting negotiations with foreign governments. He does not have the final authority to commit the United States to a treaty, since such authority is reposed in the U.S. Senate and, of course, if implementing legislation is required, that legislation must come from the Congress. But the frequently delicate negotiations which are necessary to reach a mutually beneficial agreement which may be embodied in the form of a treaty often do not admit of being carried on in public. Frequently the problem of overly broad public dissemination of such negotiations can be solved by testimony in executive session, which informs the members of the committee of Congress without making the same information prematurely available throughout the world. The end is not secrecy as to the end product—the treaty—which, of course, should be exposed to the fullest public scrutiny, but only the confidentiality as to the negotiations which led up to the treaty.

The need for extraordinary secrecy in the field of weapons systems and tactical military plans for the conducting of hostilities would appear to be self-evident. At least those of my generation and older are familiar with the extraordinary precautions taken against revelation of either the date or place of landing on the Normandy beaches during the Second World War in 1944.

The executive branch is charged with the responsibility for such decisions, and has quite wisely insisted that where lives of American soldiers or the security of the Nation is at stake, the very minimum dissemination of future plans is absolutely essential. Such secrcey with respect to highly sensitive decisions of this sort excludes not merely Congress but all but an infinitesimal number of the employees and officials of the executive branch as well.

I have summarized earlier in my testimony the reasons given by Attorney General Jackson, and reaffirmed by Attorney General Mitchell, as to the need for confidentiality of open investigative files.

Finally, in the area of executive decisionmaking, it has been generally recognized that the President must be free to receive from his advisers absolutely impartial and disinterested advice and that those advisers may well tend to hedge or blur the substance of their opinions if they feel that they will shortly be second-guessed either by Congress, by the press, or by the public at large.

Again, the aim is not for secrecy of the end-product. The ultimate Presidential decision is and ought to be a subject of the fullest discussion and debate, for which the President must assume undivided responsibility. But few would doubt that the Presidential decision will generally be a sounder one if the President is able to call upon his advisers for completely candid and frequently conflicting advice with respect to a given situation.

I would add, finally, that the integrity of the decisionmaking process which is protected by executive privilege in the executive branch is apparently of equal importance to the legislative and judicial branches of the Government. Committees of Congress meet in closed session to "mark up" bills, and judges of appellate courts meet in closed conference to deliberate on the result to be reached in a particular case. In each of these instances, experience seems to teach that a sounder end result—which will be in the fullest object of public scrutiny—will be reached if the process of reaching it is not conducted in a goldfish bowl.

Indeed, if additional precedent were warranted, the decision of the Founding Fathers to conduct in secret all of its deliberations at the Constitutional Convention of 1787 appears to be very much in point.

While reasonable men may dispute the propriety of particular invocations of executive privilege by the various Presidents during the Nation's history, I think most would agree that the doctrine itself is an absolutely essential condition for the faithful discharge by the Executive of his constitutional duties. It is, therefore, as surely implied in the Constitution as is the power of Congress to compel testimony.

Mr. MOORHEAD. You referred throughout your testimony to the authority of the executive branch to withhold information from Congress. Your legal argument to the authority of the Executive, the President.

Do you claim a power of the executive branch in addition to that of the President to withhold information from the Congress?

Mr. REHNQUIST. No; in my testimony the terms may be used interchangeably, and I think it helps a little to do that, because frequently the information sought, or the documents sought are not in the personal possession of the President, but I do not intend by that interchangeable use to suggest that anybody in the executive branch has a right to say, "I am claiming executive privilege and I will not furnish the document."

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Mr. REID. Let me try and narrow my question from the broad principle.

Does the Executive in your judgment have the right to withhold from Congress information that is central to a congressional decision, which information is embarrassing to the Executive because it may not be on all fours with public executive statements?

Mr. REHNQUIST. You mean simply on the ground that it makes the President look bad?

Mr. REID. Yes.

Mr. REHNQUIST. No, I don't believe he does.

Mr. REID And, equally, you would hold, therefore, that Congress has the right to obtain documents and information—whether it be on the war or on other questions that are fundamental—at a time that it is relatively timely to fundamental decisions?

In other words, let me put it another way.

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I can well appreciate the confidentiality of conferences between the chiefs of states, and I don't think anyone would seriously question that. But that right, it seems to me, does not extend to fundamental questions, such as a major change in the direction of a war, nor does this permit the Executive to conceal a change or, indeed, proceed on a basis that would fool the public or mislead the Congress.

Mr. REHNQUIST. Well, insofar as your suggestion that it is undesirable and bad for the President to fool the public or mislead the Congress, I certainly agree with you.

If you mean to say, in addition, that the top-level advice that is recently and currently given to the President is for that reason to be made fully available to Congress by compelling those advisers to testify to it, I think the executive privilege suggests that is not the case.

Mr. REID. Finally, if the Congress in the exercise of oversight function, that I believe it has, determines certain documents have been improperly classified by the executive, that either the Congress or the American people are entitled to know about, would you question at all the right of the Congress to declassify and make public these documents?

Mr. REHNQUIST. The right of Congress on its own initiative to make public documents which had been classified by the executive, but which Congress felt were improperly so classified?

Mr. REID. That is correct.

Mr. REHNQUIST. Yes, I would question that right.

Mr. REID. Well, I would merely hold that I think the Congress does have that right.

Thank you very much for your testimony.

Mr. REHNQUIST. When I say I question it, Mr. Reid, I don't mean to say that I have thought the thing through. But it certainly isn't apparent on the face of it to me that Congress has that right.

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Mr. REID. Permit me to turn to your testimony on page 1. You state that:

"The doctrine of executive privilege, as I understand it, defines the constitutional authority of the President to withhold documents or information in his possession • • •"

You say a little further on.

"This doctrine is implicit in the separation of powers established by the Constitution."

When you say "implicit" you do not mean absolute, I take it.

Mr. REHNQUIST. I meant it is not stated in the Constitution; it is implied from the structure of the Constitution, and certainly it is not absolute in the sense that the President could willy-nilly withhold any number of things requested by Congress just because he did not feel like giving them.

Mr. REID. And there, of course, the Congress has the clear right to compel the production of those documents if they are central to the congressional purpose. And merely the Executive's embarrassment should not trigger a claim of executive privilege. The only point I make here today is that Congress does not necessarily recognize the right of the executive privilege in the extent that claim may be made for it, and different Members have evaluated this differently. It has to be a relatively narrow privilege not in conflict with congressional rights. But I detect from your testimony that you think that it is a rather broad executive privilege; am I incorrect in that?

Mr. REHNQUIST. Well, I suppose it is the old question of compared to what?

Mr. REID. Compared with coordinate balance between the Congress and the Executive. It should not be so broad that it conflicts with congressional powers and rights.

Mr. REHNQUIST. No; and I think generally it does not. I think there are conceivably cases where Congress is pursuing a very legitimate legislative investigation and where there is no question of Congress' right to obtain information generally in the area. Nonetheless, if a particular document were sought which may oe quite relevant to the investigation by the standards of *McGrain* v. *Daugherty*, even a conservative justification of executive privilege could justify the withholding of that document, if the President should determine that its disclosure would jeopardize the national security.

Mr. REID. On page 2, if you look at your testimony there, you say,

"These Executive orders establish rules governing the classification of documents involving national defense information, and prohibit disclosure by executive branch personnel of documents so classified to anyone not authorized to receive them."

Would you hold that to be the case if the documents were improperly classified?

Mr. REHNQUIST. The question arises, what is meant by improper classification? The Ninth Circuit decided in a case last year on the Freedom of Information Act that the only review the courts would make of an executive classification was whether it was arbitrary or unreasonable. They would not attempt themselves to decide whether it should have been classified in the manner it was.

Mr. REID. Well, leaving aside the question of the mechanics, would you hold this is a privilege even though the document was improperly classified by any reasonable test? We in the Congress would not hold that you had that right if they were improperly classified.

Mr. REHNQUIST. I think if one can show that the classification was arbitrary or unreasonable—maybe that is just a paraphrase perhaps of what you are saying—that the provisions of executive orders as to dissemination would probably not govern.

Mr. REID. Now, in connection with that, are you familiar with section 18 of the Executive order?

Mr. REHNQUIST. Not word for word.

Mr. REID. Specifically it provides that:

"The head of each Department and agency shall designate a member or members of his staff to conduct continuing review of the implementation of directives within the Department or agency concerned, to insure that no information is withheld here under which the people of the United States have a right to know • • • and will insure that the information is properly safeguarded in conformity therewith."

Is there anyone in the Justice Department charged with the responsibility of a continuing review of the classification used by that Department?

Mr. REHNQUIST. I think that Mr. Nelson in the Internal Security Division is the Department security officer and is the person who is primarily responsible for the administration of that provision of the order.

Mr. REID. Might I turn to page 4 of your testimony, in which you refer to a case, *Reynolds* v. *United States:*

"The right of the Executive to withhold certain types of information from the other coordinated branches has been equally well recognized."

As I read your comment there, you are talking about the right of the Executive to withhold information. And the Court held in that case, as I understand it—the Supreme Court held in *United States* v. *Reynolds*—that such claims are not conclusive, the Court saying:

"The Court itself must determine whether it is appropriate for the claim of privilege."

In other words, the Court in the case which you cited held that that was not the ultimate determination of the Executive, but that the Court ought to see whether the Executive had properly interpreted and exercised the rights that he might have in that regard.

Mr. REHNQUIST. I wouldn't read any of that language from *Reyonlds* quite that way, Mr. Reid. I have read it as meaning that the general area must be an appropriate one for the claim of executive privilege, not that the Court would itself review and determine for itself whether the thing was properly classified.

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Mr. Moss. Let me ask about the power of the court to enforce this against Congress. Let's go to another area. Supposing we keep a considerable body of information classified within the Executive Department and the Congress becomes impatient to get over the red-tape involved in getting access to this, and is faced with the clear fact that it has lost confidence in the objectivity of the executive in classifying information. Couldn't the Congress, by conditioning appropriation, deny any funds for the custody, use, and preservations of such records within the executive department?

Mr. REHNQUIST. I think the appropriations power is so extensive that very, very likely, Congress should include some such provision.

Mr. Moss. Now, that is why I refer to this as a gray area. At no point in our history have we ever gone to the mat to test the final power, but I would like to illustrate that the Congress does have, of all the branches of government, it can withhold funds from the courts. It has the power of impeachment. It has powers given to neither of the other branches.

If there is a doctrine inherent in the Constitution, we in the Congress have the doctrine of oversight. We exercise the residual powers of the people, unless they expressly exercise them.

Mr. REHNQUIST. Well, I have some trouble with the idea that the Congress has a sort of residual power from the people and the President has none.

Mr. Moss. I would think so. I realize this is very broad and far-fetched, but we seem to be dealing in a lot of that in asserting a very broad executive privilege which, stripped of all of its trappings, and in the final analysis, the President alone determines the national interest and what the Congress can have, and I don't buy that.

I think there is a concurrent authority for the Congress, if it waiits to be as insistent as the Executive, to compel the production of the information it seeks. Would you challenge that?

Mr. REHNQUIST. Do you mean a concurrent authority which would overrule a legitimate claim of executive privilege?

Mr. Moss. I don't know what a legitimate claim of executive privilege is. I know what we finally accommodated to. This committee, working with President Nixon, as with his two immediate predecessors in office, has arrived at a narrowed basis of accommodation of executive privilege, as asserted by the Executive. It is not implied that the committee recognizes that there is a valid claim, but within the scope of that claim there is a means of accommodating; isn't that correct?

Mr. REHNQUIST. Yes; I think so.

Mr. Moss. Certainly, if the Congress were to enact a statute which spelled out a system of classification and specified that be the only system of classification, that would dominate, or do away with the classification under Executive Order 10501, wouldn't it?

Mr. REHNQUIST. Yes; I think Congress could supersede Executive Order 10501 so long as it didn't infringe on the constitutional prerogatives of the President.

Mr. Moss. Well, the President has a very real constitutional responsibility imposed upon him to take care that the laws are faithfully executed, and if that was a law he would have just as much of a mandate to take care that it did be faithfully executed as he would to enforce the Internal Revenue laws, wouldn't he?

Mr. REHNQUIST. Unless he felt the law were unconstitutional.

Mr. Moss. You mean he is going to act as a separate Supreme Court and determine that a law is unconstitutional? Wouldn't he follow the processes of law to determine whether or not that law was unconstitutional?

Mr. REHNQUIST. Well, I think the processes of law in that case would be to somehow submit the matter to the courts.

Mr. Moss. That is correct. You would go to the courts, not the President. And he wouldn't make that unilaterally and have that binding on anyone, would he?

Mr. REHNQUIST. No.

Mr. Moss. Then he would be bound to take care, unless and until the courts determined that the law exceeded the constitutional authorities of the Congress?

Mr. REHNQUIST. I don't believe necessarily that in the interim he would be obligated in the manner you indicate. I think he would have a right to take appropriate steps to have the law tested.

Mr. Moss. Of course he would have a right to test it. I wouldn't question that. That is the system of Government by law that I believe is certainly inherent in the Constitution.

Mr. REHNQUIST. I do, too.

Mr. Moss. That is why I say he would not unilaterally move to achieve this objective. He would do it through the courts, and it would become unconstitutional only if the courts concur with his contention; isn't that correct?

Mr. REHNQUIST. Certainly.

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Mr. ERLENBORN. Thank you.

In that case then, Mr. Chairman, I will proceed.

Mr. Rehnquist, I want to thank you for your appearance and your testimony. If I ask any questions that you feel get into areas of the litigation, please feel free to so comment.

I would like to ask you what I consider to be a rather broad background question.

First of all, there is the question of freedom of the press that is quite current today. Not referring to this litigation, but to the general principle, is freedom of the press complete and absolute or are there limitations, as the court has already found there are limitations on freedom of speech?

Mr. REHNQUIST. Well, I can certainly give you my interpretation from reading that I have done in the field. Certainly the *Near* case, headed some 40 years ago, indicates that there are some limitations to freedom of the press.

Mr. ERLENBORN. The question then I think becomes to whom does freedom of the press extend? Is this a right to be exercised by the so-called working press, or is it a right that exists in the people?

Mr. REHNQUIST. I think under our Constitution legally it extends to the working press, but I think in a philosophical sense it exists to benefit not the working press but to benefit the public at large.

Mr. ERLENBORN. So if you do attribute this to the working press, then we have some unresolved questions as to how you define the working press. I have always wondered when the press used that term "working," who they had in mind as "nonworking press." But beyond that, would you think that the underground newspaper mimeographed on the college campus comes within that classification, or would I as an individual using a Xerox machine come within that classification?

Mr. REHNQUIST. I think the question, though it is difficult to answer in the terms you pose it, is perhaps more easily answerable if you consider that the freedom of speech is protected in the same way as freedom of the press, and I can't imagine any idea or piece of news or statement of opinion however put forth, that wouldn't be protected either by freedom of the press or freedom of speech.

That is not to say that either one is absolute, but I think the mechanics by which it is expressed are not controlling.

Mr. ERLENBORN. You are saying, I take it, that they are somewhat extensive viewed in the same light and are subject to the same limitations. In other words, those things that you should not be able to express through freedom of speech because that area is circumscribed would also be circumscribed under the freedom of the press? Would that be a legitimate conclusion?

Mr. REHNQUIST. I wouldn't want to be held to it precisely. I think there are intimations in some Supreme Court cases that a type of inflammatory oratory in a large group, such as being in effect told, "Let's go burn that building across the street down," might not be subject to the protections of the first amendment, whereas a more abstract pamphlet of the same nature might be.

That may not be a good example, but I do think there are some distinctions.

Mr. ERLENBORN. Now to get the question of what limitations can be exercised. We hear the phrase, "prior restraint" relative to the first amendment and freedom of the press.

Is the Government system of classification of documents in itself sort of prior restraint?

Mr. REHNQUIST. Not in my opinion. I think prior restraint in the sense it is used in talking about the constitutional right of the press means a restraint on the press to print information which is already in its hands and does not extend, at least in the same broad scope, to the right of the press to obtain information which is not presently in its hands.

Mr. ERLENBORN. Prior restraint then might be limited to a judicial restraint?

Mr. REHNQUIST. I think that is the only restraint of that sort that could exist in this country.

N. Excerpts from testimony at hearings on Executive impoundment of appropriated funds, before the Senate Subcommittee on Separation of Powers (1971).

Mr. REHNQUIST.

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But this, I think, is not the kind of question that presents difficulty. The question is where either Congress is not clear in the intent with which it writes a statute, or in the case where that Congress is crystal clear—take the language that Congressman Vinson from Georgia sought to introduce into the military appropriations bill for fiscal 1963, that the Defense Department, in effect, is directed, mandated—and uses all the mandatory words possible. Surely in the latter case there is no question as to what the intent of Congress is. Then the question becomes one of whether, given a mandatory intent on the part of Congress, the Executive has a right to impound.

In the question of trying to find a mandatory intent on the part of Congress, it is not a question of looking for the word "shall" as opposed to "may." Our office, in the memo that was published in the Congressional Record in December 1969, concluded that in providing for certain formula grants for schools—I think it was impacted aid, but I am not sure—Congress had indicated that these were to be spent, not necessarily because it said they shall be spent, but just from taking the overall language of the authorization bill, the enabling statute if there was one in the particular appropriations language, and construing them together to try to find on a reasonable basis what intent Congress manifested.

Well, when it comes to the action of the Executive in these situations, I take it that it is conceded that the President, as I believe Mr. Weinberger suggested yesterday, must consider all the laws in determining whether or not spending is mandated in a particular case. That is not to say that Congress could not pass a law saying notwithstanding the provisions of any other law. I think that is the way that the Arizona Legislature used to draft at least half its laws. I do not think it is a happy form of draftsmanship, but presumably, Congress could, if it wanted to, exempt from the provisions of all other laws a particular appropriation. I think many would feel that was not a wise action, but there is no doubt of Congress' power to do it. But in the absence of language of that sort, you have the provisions of the Anti-deficiency Act, the provisions of the Debt Ceiling Act, and, conceivably, other laws likewise would be relevant in trying to determine from all the circumstances what was the intent of Congress with respect to this particular piece of appropriations legislation.

If, on the basis of consideration of all the laws, the conclusion is that the intent of Congress was to mandate the spending, then our office has taken the position, in the memorandum I previously referred to, that the President is not at liberty to impound in the case of domestic affairs which have no national defense or foreign policy considerations. This is not the position of the Department of Justice. The Department of Justice, through the Attorney General, has taken no position on the matter and it is not the position of the administration. I think the administration, as such, as an institution, has not taken any position on the matter. But that, nonetheless, was and is the position of our office under the particular circumstances there.

But if one gets into the area of national defense spending, I think from the debates in the fiscal 1963 Military Appropriations Act, it is clear that more than one Senator expressed the view that the President had authority in the area of national defense, by virtue of his constitutional standing as Commander in Chief, which might permit him to withhold in that area where he could not have in the strictly domestic area. In fact, I would go further and say that certainly Members of Congress from time to time have taken the view that Congress can't force the President to spend money of any sort. Congressman Laird, before he became Secretary of Defense, and Congressman Flood from Pennsylvania, during debates in Congress in October of 1968, both expressed that view.

So when I say the Office of Legal Counsel has taken the position that the President must spend in the domestic area when it is clearly mandated that he do so, I recognize that there are views to the contrary and that this is not an easy question or one that admits of no argument on the other side.

In the foreign affairs field, also, there is probably an exception, though it is not anything one would want to opine on until he had a problem before him. But given the foreign affairs power of the President and a case like the *Curtiss Wright* case, which certainly indicates that the President's power in that area is quite different from the domestic field, I think a different conclusion could well be reached.

I think that Thomas Jefferson, when he was President, objected to Congress appropriating money to pay specific salaries to his ambassadors. His view was that Congress, under the doctrine of separation of powers, ought to appropriate a lump sum for the payment of ambassadors and he would decide who got what. That battle was never renewed, so far as I know, and I think it was resolved in favor of congressional specification. But it is some indication of the fact that people right there at the founding of the country, someone like Jefferson, felt that foreign affairs powers were quite different than the power of the President in domestic affairs.

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Professor JOHNSON. What recourse does the Congress have if the President does impound funds despite a mandatory appropriation?

Mr. REHNQUIST. That is not an easy question to answer. I think Congress, as such, probably does not have judicial recourse. Whatever recourse it is has a political one. If the act of Congress is sufficiently clear that identifiable beneficiaries were intended to get the funds, that those beneficiaries may have some sort of legal action to compel the allocating of the funds to them I think has to be regarded as a debatable question. I think 20 years ago, one would have said there simply is not that right in any beneficiaries, but with the expansion of the doctrine of standing, I think you cannot be quite so confident of it now.

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Professor STOLZ. Assuming that the Department is prepared to approve this bill, do you see any objection to broadening it to include the Comptroller General instituting an action to prevent an illegal impoundment?

Mr. REHNQUIST. I can see a good deal of objection from the point of view of the Executive. Traditionally, there has been rivalry between the Comptroller General and the Attorney General. By the way that things are set up, the Comptroller General is basically an agent of Congress and the Attorney General is an agent of the Executive. And every time you confer additional authority on the Comptroller General, you are subtracting something from the executive branch. I am sure the executive branch would not take the position that you must never subtract anything. But I think it would want to look very carefully at what was being subtracted.

Professor STOLZ. Well, I suppose that the theory behind this measure is an alternative to what the chairman was talking about as a way of resolving these disputes as they come up, a somewhat more legitimate, polite way than the internecine use of political clout.

Is there any real objection—if that is the theory of it and the Department is preparing to accept it with respect to illegal expenditure—is there any reason why they should not be prepared to accept it with respect to illegal nonexpenditures?

Mr. REHNQUIST. I think the separations are distinguishable. I think the claim of the Comptroller General to get in at the beginning of a dispute over whether money should be expended, where he contends that it can be expended, is a logical extension of his power to audit accounts, which is the basic power conferred on him under the Budgeting and Accounting Act of 1921, whereas I think nothing in his power to audit accounts suggests to the same extent that he have the authority to force expenditures. I mean, if you do not spend money that you ought to spend, presumably, your accounts are not going to be surcharged.

Professor STOLZ. That is true, they are not going to be surcharged, but it is at least possible that it is just as illegal not to spend money as it is to spend it improperly.

Mr. REHNQUIST. I suppose, speaking in the abstract, that it could be. In theory, one might be obligated to spend just as surely as he is obligated not to spend.

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Professor BICKEL. Maybe Congress did not choose to make that a case. But it seems to me a different case from what is now the very broad area of foreign relations, where all kinds of monies are appropriated for all kinds of purposes, and if that whole area is put in a special position, this is a rather slender foundation to rest that argument on.

Passing on to the war power, I am even more puzzled. It is difficult for me to see why, as Commander in Chief, with his independent powers to command the Army and the Navy and the Air Force, why that means that if Congress appropriates money for 50 bombers and he decides he does not need 50 bombers, even though Congress appropriates it in mandatory fashion, which is the only real case we are talking about, he can override it. Whereas in what seems to me an even more crucial case, from the point of view of the Commander in Chief function, if Congress fails to appropriate money for the 50 bombers and he figures he needs them, he cannot generate the money and spend it. Either way, it seems to me the Commander in Chief is subject to the will of Congress. He commands whatever the Congress provides or fails to provide.

Mr. REHNQUIST. You have a specific thing in the Constitution that no money shall be withdrawn from the Treasury unless appropriated by Congress. Certainly a more general power such as the power of the Commander in Chief would not be construed, I should not think, to override that. But you do not have the same categorical direction at all in the Constitution as to whether the President must spend where Congress has appropriated. That is much more doubtful.

Professor BICKEL. One wonders about that. That brings us to the basic constitutional position. But one wonders whether the power of Congress to make laws, which is stated, of course, in substantive terms and implies the power to spend the money that is appropriated and appropriate the money necessary to carry out such purposes. The very distinctly stated duty of the President to execute laws, just as distinct as the prohibition against spending money that is not appropriated by law, referring it back to section 8 of article 1 for the affirmative power of the Congress—the distinct duty of the President to execute the law is just as distinct as the prohibition against spending unappropriated money. One wonders why that does not mean that he is to carry out the laws of the Congress. When Congress says spend $50 million, he spends $50 million, because that is not just—because behind that is always, in the constitutional scheme, a substantive policy, which is the law. That is really the law which he is supposed to carry out in substantive policy.

Now, you know, in modern times, problems have arisen and a practice has arisen that indicates that that is not enough. Those simplicities are not enough. Problems arise after the money has been appropriated and some mind has to be applied to them and a judgment has to be made. And it is that practice that we are here dealing with. But the original constitutional position seems to me to go across the board and to be all in favor of Congress.

Mr. REHNQUIST. Well, to say that because the President is required to take care that the laws be faithfully executed, that he simply has a ministerial duty to carry out whatever law Congress has passed regardless of the fact, say, that it may, in his opinion, and quite justifiably, infringe on some constitutional prerogatives of his, is not an idea you would subscribe to.

Professor BICKEL. No, I certainly would not. Nor did I suggest that.

Mr. REHNQUIST. But you are saying that the authority to take care that the laws be faithfully, or his direction to take care that the laws be faithfully, executed is by itself some sort of direction to him to simply carry out the will of Congress without regard to—

Professor BICKEL. Certainly; it is the only foundation upon which one can argue that when Congress passes a statute establishing Social Security Administration and medicare or something, and says, this is the policy and this is how we want people taken care of—the only foundation for saying that the President, after having vetoed the law—well, take a specific example. Congress passes the Internal Security Act of 1952, or the Taft-Hartley Act, and the President vetoes it and Congress overrides his veto. The only foundation for saying that the President can't impound that policy is that the Constitution says he is charged with taking care that the law is executed. Now, that does not mean he does not have any discretion, he does have an Executive function, nor does it mean that Congress can override the Executive function. They cannot come in and tell him how to execute it or monitor his directives to his subordinates. As you say in one opinion, Congress can't come in between the President and the Commissioner of Education. It can't speak to the Commissioner of Education over the President's head. It can't, in other words, shortcut the Executive function. But it sets the policy. That is what is meant by law and the position is that the President has to carry it out or Executive discretion reaches farther than I am sure you would argue that it ought to reach.

So my problem is that I have difficulty seeing where the power of the Commander in Chief or the power of foreign relations as such cuts into this general scheme and allows for the argument that whereas a mandatory appropriation in the domestic field would have to be obeyed, a mandatory appropriation to buy tanks or to hand over $50 million to Israel or Saudi Arabia does not have to be obeyed.

Mr. REHNQUIST. Well, I think it gets difficult to probably make an impression on one or the other in the abstract. I do think it is clear beyond dispute that, for instance, a number of Senators during the 1963 debate made a point that the power of Congress to compel spending in the national defense area, where you are talking about whether you are going to have additional planes or not, is not the same as its authority in the domestic field. And I suspect that I could cite examples from either the foreign affairs field or from the defense field where Congress can't compel the President to act, whether it be spending money or otherwise, to the same extent it can in the domestic field.

Now, given that difference——

Professor BICKEL. If I may interrupt, Mr. Rehnquist, I would dispute that except as you come to very specific functions that can be defined as those of the Commander in Chief, just as very specific functions can be defined as those of an Executive which the separation of powers prevent Congress from taking over. Congress can't tell you who should command a regiment, who should command a division. It can't tell you how to command those troops tectically or, if you will, strategically. But I do not follow that this has a sort of vague, continually outgoing reach. It has been the fashion since World War II, I think, to regard the foreign affairs and war power as sort of interminable vistas that reach out into an undefinable future and I think one of the salutary things about the day we are living in now is that people are reexamining that and reexamining the rather vague, general, and indiscriminate statements of the past that of course, the Commander in Chief, or of course, the President is in charge of foreign relations, and he can do virtually anything.

Mr. REHNQUIST. I fully agree with you.

Professor BICKEL. Maybe we had better stop right there.

Mr. REHNQUIST. Maybe we had.

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Mr. REHNQUIST. Senator, certainly so far as the power of the purse being the power to insist that money be appropriated before it is spent, I do not have the slightest doubt and I take it that no one who has studied the matter would. I think it is a more difficult question when you start talking about the power to compel money to be spent.

Let me, if I might, pose an example that would certainly trouble me and I would hope it would trouble those who are partisans of the other view. Supposing Congress appropriates a million dollars and says it has to be spent to equip all the people in regiment "A" with blue uniforms and the President decides he does not want blue uniforms on regiment "A." Now, I think, clearly within his power as Commander in Chief, he has a right to prescribe the mode of dress of that regiment. Can he be compelled to spend that money even though he is perfectly free under the Constitution to refuse to use the proceeds of it?

Senator ERVIN. I respectfully disagree with you, because I think the power to make rules for the Government and regulation of the land and navy forces includes the power to say what kind of uniforms they should wear if Congress should so specify. I think the President is authorized to direct their fighting and authorized to direct them when they are called out to suppress insurrections. I think that is the power of the Commander in Chief, but not to determine whether their uniform shall be blue or some other color.

Professor BICKEL. It seems to be something going more to the heart of the function of the commander is discipline, is it not? Yet the Constitution happens to provide on that subject. It is Congress which decides that a breach of discipline gets tried by a jury of a man's peers or gets tried by six majors and one colonel or what the penalty for it is or whatever. Because Congress is given that power specifically by the Constitution. I think all that is reserved is what you can define as the power to command and what is left of the power of command after you carve out the things that belong to Congress.

Mr. REHNQUIST. I do not agree with the view that power to make regulations governing land and naval forces would go as far as you suggest.

Professor BICKEL. You do not agree?

Mr. REHNQUIST. No.

Professor BICKEL. If it is enacted by Congress, the President could not decide not to enforce it.

Mr. REHNQUIST. I would suggest as far as the Congress suggested it, it would go.

Professor BICKEL. If you are living under a constitution where Congress can say what

the means are for enforcing discipline on your troops, you have swallowed the camel. That certainly should enable you to swallow the gnat of Congress also saying what kind of uniforms they ought to wear.

Mr. REHNQUIST. No, I do not think that follows. I think it is two different kinds of things.

Professor BICKEL. A camel and a gnat.

Mr. REHNQUIST. I do not agree that they are so different in size.

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Professor MILLER. I ask Mr. Rehnquist what he sees in the inherent Executive power of the Commander in Chief and foreign affairs? Do you find any limits at all that you can perceive, Mr. Rehnquist?

Mr. REHNQUIST. I would not speak of it as inherent Executive power.

Professor MILLER. Excuse me. Then where does it come from?

Mr. REHNQUIST. The power of the Commander in Chief and the foreign affairs power that is impliedly conferred by the Constitution, is certainly recognized in the *Curtiss-Wright* case.

Professor MILLER. As a matter of technical law, Mr. Rehnquist, what Mr. Justice Sutherland said in that case was dicta, was it not, not necessary to the case itself? You are relying on a pretty flimsy straw when you rely on *Curtiss-Wright*. I know it is about all you have.

Mr. REHNQUIST. Well, we have a nearly unanimous opinion written by Sutherland, and concurred in by Brandeis and Cardozo. I would not regard that as flimsy.

Professor MILLER. I mean the language about the delegation of the power to the Executive. What the *Curtiss-Wright* case, in effect says, is that the National Government has all the powers of any sovereign, despite the Constitution's basic theory that the National Government is one of limited delegated power. That is the import, it seems to me, of the *Curtiss-Wright* case. It does not really go to the question of the division of powers between the President and Congress and to rely on it for presidential power seems to me is going far beyond what the court said.

Mr. REHNQUIST. It may be carrying it beyond what was necessary for the holding of the case, but the Court speaks in terms of the President, not of the National Government when it is talking about the foreign affairs power.

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Professor MILLER. Let's jut stay with the expression of the Senate, at least, that there should be no ground troops in Cambodia or Laos.

Professor WINTER. For any purpose?

Professor MILLER. All right. I am just asking whether or not the Commander in Chief power would go as far as thought desirable?

You are putting forth the theory of Executive power which has a good deal of political theory behind it, of course. The English term for it is "reason of state." There are certain areas where the President does have a sort of inherent power where he can act, without regard to law or without regard to anything else. I am asking whether you think in that context, whether you believe, could the President flout or ignore what Congress wants and quietly say, "I am going to send troops in anyway?"

Mr. REHNQUIST. Giving the widest latitude to the discussion format that the chairman has set up, which I appreciate and think is very valuable, I nonetheless think that as an officer of the administration, it would be inappropriate for me to express a view on something that particular and specific in a format like this. Let me try in another way to answer the question.

Supposing instead of the Cooper-Church amendment, the Congress had passed a law or a resolution saying that in no circumstance should another assault be made on "Hamburger Hill." To me, that would be a rather clear invasion of the President's power as Commander in Chief.

Professor MILLER. Why is it clear? To be clear, you have to have standards to judge by. All I am asking for are the standards. Where do you find them and who sets them out or do you set them out in each case that comes along?

Mr. REHNQUIST. I think that you try to find them from historical precedents, from what was meant by the Framers at the time they gave the Commander in Chief power to the President, and from reasoning from other provisions of the Constitution. It is the most difficult area of all of the Constitution, I think, because it is amorphous. But I think it was designed by the framers to be amorphous and we just have to wrestle with it the best we can.

O. Exchange of Correspondence Between William Rehnquist, Assistant Attorney General and Edward M. Kennedy, a Senator from Massachusetts Concerning Pocket Vetoes (1970).

WASHINGTON, D.C.,
December 29, 1970.

Hon. JOHN N. MITCHELL,
Attorney General, Department of Justice, Washington, D.C.

DEAR MR. ATTORNEY GENERAL: As you know, on December 26 it was announced that the President would not sign S. 3418, the "Family Practice of Medicine Act," and that the bill would therefore be subject to a "pocket veto," under which Congress would have no opportunity to reconsider the legislation in light of the President's objections.

Whatever the merits of this particular bill—and I strongly supported it in the Senate—the President's action raises extremely serious questions that far transcend the bill itself and that go to the heart of the distribution of power under the Constitution between Congress and the Executive Branch with respect to the enactment of Federal legislation. Surely, contrary sporadic practice notwithstanding, the Pocket Veto provision of the Constitution—Article I, Section 7, Clause 2—was intended to apply only in circumstances involving an adjournment *sine die* at the end of a Congress or at the end of a session of Congress, and was not intended to apply to brief adjournments of Congress during a session such as the recent Christmas period. This is all that the leading decisions of the Supreme Court appear to have held. See *Wright* v. *United States*, 302 U.S. 583 (1938); *Pocket Veto Case*, 279 U.S. 655 (1929). Indeed, in *Wright* v. *United States*, the Supreme Court expressly suggested that the Pocket Veto provision might not be applicable in a case involving a brief adjournment within a session.

In light of the discrepancy between the theory and practice involving the Pocket Veto provision, I would be grateful to receive a clarification of the Administration's position on this issue.

Sincerely,

EDWARD M. KENNEDY.

DEPARTMENT OF JUSTICE,
Washington, D.C., December 30, 1970.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: The Attorney General has asked me to reply to your letter to him of December 29 relating to the pocket veto of S. 3418, inasmuch as I had given the advice to the White House that under the circumstances a pocket veto by the President would be appropriate.

In your letter you state that the pocket veto "was intended to apply only in circumstances involving an adjournment *sine die* at the end of a Congress or at the end of a session of Congress, and was not intended to apply to brief adjournments of Congress during a session such as the recent Christmas period. You also state that "In *Wright* v. *United States*, the Supreme Court expressly suggested that the pocket veto provision might not be applicable in a case involving a brief adjournment within a session." Suggesting a "discrepancy between the theory and practice involving the pocket veto provision", you have requested a clarification of the Administration's position on this issue.

The position of this Administration on the "pocket veto" issue is, as nearly as I can determine, entirely consistent with that of preceding Administrations which have considered the question. The two decided Supreme Court, cases, both of which are cited in your letter, have, with one exception, pretty well marked out the boundaries of the pocket veto power, and in my opinion the President's exercise of that power in declining to sign S. 3418 conforms both to these judicial precedents and to the consistent practice of other Presidents during the last quarter century.

The Pocket Veto Case, 279 U.S. 655 (1929), decided by a unanimous Court, seems to me to have expressly rejected your contention that the pocket veto provision was intended to apply only in circumstances involving an adjournment *sine die* at the end of a Congress or at the end of a session of Congress. Although the adjournment of Congress there involved was for a period of several months, it was neither an adjournment at the end of the session nor at the end of the Congress, since the Senate adjourned on July 3rd until November 10th, while the House adjourned on July 3rd *sine die*. Notwithstanding the difference in length of time of adjournment between that case and the situation respecting S. 3418, the Court in the *Pocket Veto Case* was required to interpret the following language from the constitutional provision authorizing the "pocket veto": ". . . if any bill shall not be returned by the President within 10 days (Sundays excepted) after it shall have been presented to him, the same shall be a law, in like manner as if he had signed it, unless the Congress by their adjournment prevent its return, in which case it shall not be a law." (Art. I § 7, United States Constitution.)

The bill which was pocket-vetoed by President Coolidge in the *Pocket Veto Case* had been presented to him on June 24, 1926, and the adjournment of Congress took place on July 3rd. The Court said:

"The specific question here presented is whether, within the meaning of the last sentence—which we have italicized—Congress by the adjournment on July 3rd prevented the President from returning the bill within ten days, Sundays excepted, after it had been presented to him. If the adjournment did not prevent him from returning the bill within the prescribed time, it became a law without his signature; but, if the adjournment prevented him from doing it, it did not become a law. This is unquestioned." 279 U.S. at 674.

The Court went on to say that the term "adjournment" as used in the constitutional provision authorizing pocket vetoes did not refer only to the final adjournment of Congress. It pointed out in support of this conclusion that the word "adjournment" is used both in section 5 of Article I in reference to the power of a smaller number than the majority of each House to "adjourn" from day to day, and in the fourth clause of the same article, in reference to the prohibition that neither House during the session of Congress shall, without the consent of the other, "adjourn" for more than three days.

The Court then stated:

"We think that under the constitutional provision that the determinative question in reference to an 'adjournment' is not whether it is a final adjournment of Congress or an

interim adjournment, such as an adjournment of the first session, but whether it is one that 'prevents' the President from returning the bill to the House in which it originated within the time allowed. It is clear, and as we understand it, it is not questioned, that since the President may return a bill at any time within the allotted period, he is prevented from returning it within the meaning of the constitutional provision, if by reason of the adjournment it is impossible for him to return it to the House in which it originated on the last day of that period." 279 U.S. at 680.

The Court then concluded that since Congress had adjourned prior to the expiration of the ten day period given President Coolidge by the Constitution in which to decide whether or not to veto the particular bill there involved, the pocket veto provision became operative. It seems clear to me that the Court's decision did not turn on the length of the adjournment, any more than on its finality, but that it turned instead on the fact that the adjournment commenced within the ten day period allotted to the President by the Constitution to decide whether or not to veto the measure in question.[1]

The most recent formal expression on the pocket veto provision appears in the opinion of Attorney General Biddle of July 16, 1943, 40 Op. A.G. 274. The Attorney General after reviewing the cases and the historical practice, advised President Roosevelt that an adjournment of Congress within a session was an occasion for a pocket veto.

In the memorandum on the same subject transmitted to the White House in November, 1968 by my predecessor in this office, the precedents then existing were summarized in this language:

"The experience of the past quarter of the century discloses the following practice. If the tenth day (Sundays excluded) after the presentation of the bill fell into a period in which neither House was in session, Presidents uniformly exercised their pocket veto power, even if the period of adjournment were short, or if Congress reconvened on the day following expiration of the constitutional period."

The following instances were relied upon in support of this statement:

(1) In the spring of 1944, the Congress adjourned from April 1st to April 12th. A private bill had been presented to the President on March 30, 1944, 90 Cong. Rec. 3380. The tenth day (Sundays excepted) following the day of presentation was April 11, 1944, i.e., the day preceding the reconvening of the Congress. On that day, President Roosevelt signed a memorandum of disapproval. The bill was considered to have been pocket-vetoed. 90 Cong. Rec. 3408.

(2) In the spring of 1956, both Houses of Congress adjourned from March 29th to April 9th. A private bill had been presented to the President on March 22nd, and the tenth day following the day of presentation was therefore April 3, 1956. President Eisenhower withheld his approval from the bill, and it was considered to have been thereby pocket-vetoed as of April 3, 1956. 108 Cong. Rec. Index 732.

(3) In the summer of 1964, both Houses of Congress adjourned from August 21 to August 31 during the Democratic presidential nominating convention. A private bill had been presented to the President on August 14, 1964, and the tenth day following the day of presentation was August 26, 1964. President Johnson signed a memorandum of disapproval on August 24, 1964, which was communicated to the House of Representatives on September 2, 1964. 110 Cong. Rec. 21409.

Most recently, in the summer of 1968, President Johnson pocket-vetoed a bill relating to cotton importation during an adjournment of both Houses of Congress of approximately one month. 4 Weekly Comp. Pres. Docs. 1222.

Similar precedents may be found going back a good deal further than the quarter century period covered in the memorandum described above. Those which occurred prior to 1928 are collected in House Doc. No. 493. 70th Cong. 2d Sess. They include pocket vetoes during Christmas adjournment of Congress by Presidents Andrew Johnson, Benjamin Harrison, and Grover Cleveland.

In *Wright* v. *United States*, 302 U.S. 583 (1938), a majority of the Court held that where only one House had adjourned, and the adjournment of that House was for a period of only three days, "Congress" as that term is used in the constitutional provision authorizing pocket vetoes, had not adjourned, and therefore a pocket veto was not available to the President in that situation. The Court's majority declined to speculate on the result if one House had adjourned for more than three days.[2]

The Court in *Wright* summarized its ruling in these words:

"We hold that where the Congress has not adjourned and the House in which the bill originated is in recess for not more than three days under the constitutional permission while Congress is in session, the bill does not become a law if the President has delivered the bill with his objections to the appropriate officer of that House within the prescribed ten days and the Congress does not pass the bill over his objections by the requisite votes." 302 U.S. at 598.

In the situation confronting President Nixon with respect to his disapproval of S. 3418, both Houses of Congress had adjourned for a period of longer than three days—the Senate from December 22nd to December 28th, and the House from December 22nd to December 29th—and by their adjournment had prevented the President from having the full ten day period allotted him under the Constitution to decide whether or not to veto in the ordinary manner the bill in question. In my opinion, therefore, on these facts the general rule of the *Pocket Veto Case*, rather than the exception to that general rule carved out in the *Wright* case, governed, and the President was not only authorized to exercise a pocket veto, but if he wished to disapprove it at all, he very probably had no choice as to the form of veto.

You state in your letter that the President's action raises extremely serious questions that far transcend the bill itself and go to the "heart of the distribution of power under the Constitution between the Congress and the Executive branch with respect to the enactment of federal legislation". While I believe that the President was on very firm legal ground in taking the action he did, there is no doubt that the use of the pocket veto power has been a bone of contention between the President and the Congress throughout the years. Indeed, the *Pocket Veto Case, supra*, apparently resulted from an effort on the part of the House of Representatives to repudiate the traditional interpretation of the pocket veto clause—by then more than a century old—and to limit the exercise of that form of veto to the final adjournment of Congress. This effort on the part of the House was, of course, unsuccessful. Again in 1940, Congress passed a bill, H.R. 3233, 76th Congress, which purported to repeal as of the date of their "enactment" all bills and joint resolutions which prior to the beginning of the 76th Congress had been pocket-vetoed, during an adjournment of the Congress other than a final adjournment. President Roosevelt vetoed the bill on the ground that it was inconsistent with the constitutional practices going back to President Adams, as well as with the Supreme Court's interpretation of the Constitution in the *Pocket Veto Case*, 88 Cong. Rec. 8024. The veto was sustained.

Thus, while the Administration's position with respect to presidential use of the pocket veto provision is largely at odds with the position taken in your letter, I believe it is consistent both with the decided cases and with quite well established historical practice.

Yours very truly,

WILLIAM H. REHNQUIST,
Assistant Attorney General, Office of Legal Counsel.

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[1] The Court in that case also said (though the statement does not appear to have been necessary to its holding) that even though one or both Houses of Congress were to authorize an agent to receive messages from the President, "the delivery of the bill to such officer or agent . . . would not comply with the constitutional mandate." 279 U.S. at 684. While *dicta* is not entitled to the same weight as is a holding, the fact that the language is subscribed to by a unanimous Supreme Court, and the fact that it is found in one of the only two cases from that Court dealing with the question, make it the best available authority on the point.

[2] The Court majority in *Wright* rejected the argument that because the originating House was the one which had adjourned for three days, the President was prevented from returning the bill within the meaning of the constitutional language. While some of its reasoning, in so doing, if lifted out of context, could be said to undercut the reasoning in the *Pocket Veto Case*, the fact that the *Wright Court* reserved the question of the effect of an adjournment of even one House alone for more than three days would indicate that its language is to be confined to the fact situation there presented.

P. Article by William Rehnquist, "The Making of a Supreme Court Justice," Harvard Law Record October 8, 1959.

THE MAKING OF A SUPREME COURT JUSTICE

(By William H. Rehnquist)

(NOTE.—This article was written shortly before Mr. Justice Stewart was named to the Supreme Court. It was delayed by the editors, pending his confirmation by the Senate.)

The Supreme Court of the United States is now in the midst of one of the storms of criticism which have periodically assailed it. Bills have been introduced in Congress to limit the jurisdiction of the high court, to overrule some of its controversial non-constitutional decisions, and to declare the sentiment of the Senate as to the necessity of judicial background on the part of a nominee to the Court. It has been urged that the "advice" of Senate be sought by the President before any nomination to the Court is made.

Criticism of the Supreme Court can easily become frustrating to the critics, because the individual justices are not accountable in any formal sense to even the strongest current of public opinion. Nonetheless, it ill behooves the critics of the present Court to seek imposition of new curbs on it until such controls as now exist are fully tested and found wanting.

Specifically, until the Senate restores its practice of thoroughly informing itself on the judicial philosophy of a Supreme Court nominee before voting to confirm him, it will have a hard time convincing doubters that it could make effective use of any additional part in the selection process.

As of this writing, the most recent Supreme Court Justice to be confirmed by the Senate was Charles Evans Whittaker, Examination of the Congressional Record for debate relating to his confirmation reveals a startling dearth of inquiry or even concern over the views of the new Justice on constitutional interpretation. Mr. Justice Whittaker was nominated by President Eisenhower in

March, 1957. *Brown* v. *Board of Education* (the Segregation Cases), 347 U.S. 483, had been decided three years before, and implementing decisions had been handed down in the interim. *Slochower* v. *Board of Higher Education*, 350 U.S. 551, where the Court held by a vote of 5–4 that the New York School Board could not fire a teacher for the reason that he had invoked the Fifth Amendment before a Congressional Committee, had been decided less than a year before. At the moment of Whittaker's nomination, the services of cases involving the rights of Communists to be admitted to practice law in a state and to refuse to answer questions put to them by legislative investigating committees was pending on the docket of the Supreme Court,[1] of anti-social activities.

If any interest in the views of Mr. Justice Whittaker on these cases was manifested by the members of the Senate, it was done either in the cloakroom or in the meeting of the Judiciary Committee. The discussion of the new Justice on the floor of the Senate succeeded in adducing only the following facts: (a) proceeds from skunk trapping in rural Kansas assisted him in obtaining his early education; (b) he was both fair and able in his decisions as a judge of the lower federal courts; (c) he was the first Missourian ever appointed to the Supreme Court; (d) since he had been born in Kansas but now resided in Missouri, his nomination honored two states.

Given in addition the fact that Mr. Justice Whittaker had been an eminently successful courtroom lawyer, the fact that he had been a leader in the activities of the organized bar, and the fact that he had been very highly regarded as a judge of the lower federal courts—all of which he was—the Senators could still have no indication of what Mr. Justice Whittaker thought about the Supreme Court and segregation or about the Supreme Court and Communism.

Less than thirty years before, the Senate had made no bones about its concern with the judicial philosophy of a Supreme Court nominee. Then, too, the Supreme Court was nearing the vortex of a storm—but it was a storm raised by the very groups who are claimed to be the special wards of the Warren court. State and federal laws regulating minimum wages, maximum hours, and other business practices were being struck down by the Court as violative of "freedom of contract;" a freedom which, the Court said, was embodied in the phrase "due process of law." The labor injunction, the strike as a conspiracy, and the "yellow-dog" contract were in their heyday. When, in February, 1930, President Hoover sent to the Senate the name of Circuit Judge John J. Parker to be Associate Justice of the Supreme Court, he sparked one of the most remarkable battles over a judicial nomination in the history of the upper chamber.

Objections to Parker's confirmation were at once voiced by two groups: organized labor, and the National Association for the Advancement of Colored People. Labor's objection was based on Parker's opinion, as a judge of the Circuit Court of Appeals for the Fourth Circuit, in the so-called "Red-Jacket" case.[2] His opinion for that court had upheld an injunction forbidding certain union organizers from attempting to organize a mine, and thereby induce the employees of the mine to breach their "yellow-dog" contracts. The objection of the NAACP stemmed from a campaign speech made by Parker in 1920, while running for governor of North Carolina on the Republican ticket. In this speech he had said:

"The Negro, as a class, does not desire to enter into politics. The Republican party of North Carolina does not desire him to do so. We recognize the fact that he has not yet reached the stage in his development where he can share in the burdens and responsibilities of government. This being true and every intelligent man in North Carolina knows that it is true . . . the participation of the Negro in politics is a source of danger to both races."

No very definite issue developed as to the campaign speech. It seemed agreed by most of the participants in the debate that the statements were understandable in the context of North Carolina politics, but that from a hindsight born with Parker's nomination for national office they would much better have been left unsaid.

As to the labor injunction, though, precise battle lines were drawn and the issue was debated in editorial columns, in masses of letters and telegrams to the Senate Judiciary Committee, and finally on the floor of the Senate. The most surprising fact about this great debate of 1930 was that none of the protagonists on either side doubted that the question should be: What were Parker's views on labor injunctions and yellow dog contracts? *The New York World*, in opposing Parker's confirmation, probably spoke for both sides when it said editorially on April 23, 1930:

"The Senate has every right, if it so chooses, to ask the President to maintain on the Supreme Court bench a balance between liberal and conservative opinion in the country as a whole, and every right on this premise to object that the presence of Judge Parker on the bench would increase, rather than lessen, the top heavily conservative bias of the Supreme Court as now constituted."

Most of the participants further agreed that the result reached by the Court of Appeals in the "Red-Jacket" case was undesirable; Parker's antagonists contended that he approved the result, or at least never batted an eye in reaching it, while his defenders claimed that he was bound by controlling decisions of the Supreme Court on the question, and as a judge of an intermediate appellate court had no choice but to follow them.

A few glittering generalities were hurled by each side, but to a remarkable degree editorial writers, members of the bar, and Senators engaged in a case-by-case analysis of the law as Parker found it when he had written the "Red-Jacket" opinion three years previously. The administration stood squarely behind its nominee, and Attorney General Mitchell even prepared a legal memorandum reaching the conclusion that Parker had no choice in writing the opinion that he did. On the Senate floor, the forces in favor of confirmation were nominally led by Senator Overman from the nominee's home state of North Carolina. But though Overman did a prodigious amount of work behind the scenes, he took little part in the debate on the law. The forces opposing confirmation were led by Senator William E. Borah of Idaho.

Senator Borah's principal speech began in the afternoon of one day and concluded the following day. The first part of it, before any requests to yield were made, occupies nine of the full, closely printed pages of the *Congressional Record*. Borah spoke to a question charged with emotion and public interest, and on which most of the demagogic fireworks were in the armory of his side. Yet his speech is anything but rabble rousing. Instead it is a closely reasoned, masterful exposition of the role of the Supreme Court in our system, coupled with an analysis of the precedents in an attempt to show that Parker must have reached his "Red-Jacket" result by choice, since the controlling cases did not compel it.

Almost any reply to Borah would have been anti-climactic, yet Senator Gillett of Massachusetts gave the Idahoan no quarter. He did not quarrel with the propriety of the inquiry, but he took vigorous issue with Borah's interpretation of the state of the law as Parker found it. In what appears to be an even closer reading of the cases than Borah's Gillett ably defended the proposition that Parker was doing only what the Supreme Court decisions required him to do. After extended debate, the Senate refused to confirm Parker by a vote of 41–39.

Several times during this debate Senator Borah made clear his views as to the nature and scope of the Senate's inquiry into the philosophy of a Supreme Court nominee. In his principal speech, he mentioned that the case of *Hitchman Coal Co.* v. *Mitchell*, 245 U.S. 229, upholding the legality of "yellow-dog" contracts, had been decided thirteen years earlier by the Supreme Court. At this point he was interrupted by Senator Carter Glass of Virginia:

GLASS. "And we have sat here all these years and permitted that to remain the law?"

BORAH. "No; we have tried by an Act of Congress to repudiate that principle, but the Supreme Court of the United States said that our action was null and void. Mr. President, that is what makes this matter so very important. They pass upon what we do. Therefore, it is exceedingly important that we pass upon them before they decide upon these matters. I say this in great sincerity. We declare a national policy. They reject it. I feel I am well justified in inquiring of men on their way to the Supreme Court something of their views on these questions."

Again, during the debate on Parker's confirmation, Borah said:

"Upon some judicial tribunals it is enough, perhaps, that there be men of integrity and of great learning in the law, but upon this tribunal something more is needed, something more is called for, here the widest, broadest, deepest questions of government and governmental politics are involved."

Surely the first part of this last quotation epitomizes the Senate's attitude, as manifested in discussion on the floor, toward the confirmation of Mr. Justice Whittaker. His integrity, his learning, his success at the bar, would be the only necessary subjects of inquiry in the case of a judge appointed to a lower court. Indeed, perhaps no further inquiry would be proper in the case of a judge of a lower court. He is not there to apply his own judicial philosophy, willy-nilly, to the litigants before him, but rather to decide the case of those litigants by application of the principles laid down by higher courts. Such a process involves the use of the same ability to reason by analogy as lawyers call on constantly, and therefore the legal ability of an appointee to a trial court is of paramount importance.

Similarly, in the case of the judge who actually tries the case, we do not expect a decision between individual litigants strictly in terms of popular sentiment. The people through their legislative representatives enact what laws they will, subject to constitutional limitations. But once a law is written, neither the people nor their representatives are further consulted as to what was meant by it; the written words, together with relevant background material, are interpreted by a presumably impartial judge. Democracy ends at the courthouse door, and Joe Doaks is not to be imprisoned simply because a majority of the people sitting in the jury box or on the courthouse steps think he should be.

These reasons suggest that the primary concern with an appointee to an inferior federal court should be his ability to apply rules laid down by more authoritative sources, rather than his feeling as to whether this material is right or wrong. But in the case of the Supreme Court, the "something more" which Borah spoke of comes into play. I would prefer to interpret this phrase, not as meaning that it takes more ability to be a Justice of the Supreme Court than a judge of the lower federal courts, but rather that there are additional factors which come into play in the exercise of the function of a Supreme Court Justice.

The Supreme Court, in interpreting the constitution, is the highest authority in the land. Nor is the law of the constitution just "there," waiting to be applied in the same sense that an inferior court may match precedents. There are those who bemoan the absence of *stare decisis* in constitutional law, but of its absence there can be no doubt. And it is no accident that the provisions of the constitution which have been most productive of judicial law-making—the "due process of law" and "equal protection of the laws" clauses—are about the vaguest and most general of any in the instrument. The Court in *Brown* v. *Board of Education*, supra, held in effect that the framers of the Fourteenth Amendment left it to the Court to decide what "due process" and "equal protection" meant. Whether or not the framers thought this, it is sufficient for this discussion that the present Court thinks the framers thought it.

Given this state of things in March, 1957, what could have been more important to the Senate than Mr. Justice Whittaker's views on equal protection and due process? It is high time that those critical of the present Court recognize with the late Charles Evans Hughes that for one hundred seventy-five years the constitution has been what the judges say it is. If greater judicial self-restraint is desired, or a different interpretation of the phrases "due process of law" or "equal protection of the laws", then men sympathetic to such desires must sit upon the high court. The only way for the Senate to learn of these sympathies is to "inquire of men on their way to the Supreme Court something of their views on these questions."

[1] *Schware* v. *New Mexico Board of Bar Examiners*, 353 U.S. 232; *Konigsberg* v. *State Bar of California*, 353 U.S. 252; *Watkins* v. *U.S.*, 354 U.S. 178; *Sweezy* v. *New Hampshire*, 354 U.S. 254.

[2] *International Organization, United Mine Workers* v. *Red Jacket Consolidated Coal & Coke Co.*, 4th Cir., 18 F2d 839, decided April 18, 1927.

RURAL ELECTRIFICATION NEEDED IN ALASKA

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BEGICH. Mr. Speaker, the development of rural electrification is an extremely important program in Alaska. When I testified before the Subcommittee on Farm Credit and Rural Electrification of the Senate Agriculture Committee on October 26, 1971, I said that Alaska is the potentially richest supplier of energy in the United States, but also we are the most underdeveloped powerrich State in the Union. Much has been done in this area, but there is much more to be done. For continuing progress, we must turn to the National Rural Electric Cooperative Association for aid and assistance. They realize the problems involved in this area and are working to solve them with the knowledge accumulated across the Nation.

Every year the rural electrification systems hold regional meetings to discuss mutual problems and to discuss avenues of action on these problems. This year there were 389 farm and rural leaders at the regional meeting and they represented 93 cooperatives from the States of Alaska, California, Idaho, Montana, Nevada, Oregon, Utah, and Washington.

These men are dedicated to the task of providing for the needs of the rural electrification system. I have received a copy of the resolutions that were passed at the October meetings, and I believe it is important that we turn to these resolutions for guidance. I am sure that my colleagues will find the following resolutions educational and valuable:

NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

REGION IX—SPOKANE, WASH.,
October 10–12, 1971.

9–1. REAFFIRMING PAST ACTIONS

Resolved, we reaffirm our support of the Continuing Resolutions be adopted at the NRECA Annual Meeting at Dallas, Texas, February, 1971, subject to the following deletions and amendments:

Be it resolved that the following Continuing Resolution be deleted:

17. *Hydroelectric Development of Snake River*

Be it resolved that the following Continuing Resolutions be amended as shown:

5. *Preference Principle.* Change "Federally-financed nuclear projects" to "Federally-financed power facilities or portions of power facilities".

18. *Payout Status of Colorado River Storage Project.* Change last sentence to "We also urge the Bureau of Reclamation to make available to all preference customers definitive marketing criteria and rates on all interim power of proposed projects in ample time for the area preference customers to avail themselves of this power."

32. *Rural Telephone Program.* We reaffirm our support for the rural telephone program and pledge our backing of adequate REA telephone loan appropriations, as determined and recommended by the National Telephone Cooperative Association, and we pledge support to the newly-formed Rural Telephone Bank.

38. *Rural Housing.* We recommend that the level of the Farmers Home Administration insured housing program be set at 300,000 units a year beginning with the current fiscal year so as to make possible the achievement of the rural part of the national housing goal set by Congress in 1968. We urge NRECA, statewide associations, power supply and distribution systems to continue their vigorous support of the National Rural Housing Campaign which in large measure has been responsible for the tremendous momentum gained by the FmHA rural housing program during the past year.

48. *Safety Accreditation.* Delete period after the word "program", and add the following phrase: "and as a step towards compliance with the Federal Occupational Safety and Health Act of 1970."

Be it further resolved that the following resolutions be added to the list of continuing resolutions:

63. *Reorganizing USDA.* We recommend that as an alternative to the Administration's proposal for reorganizing the Department of Agriculture out of existence that the USDA be given the official overall responsibility for the mission of rural development which it is obviously better suited to perform than any other existing or proposed department by virtue of its rural and farm orientation, its long experience working with rural people, and its extensive local field operations. Further, we recommend that Congress devise a comprehensive, nationwide rural development program to be undertaken by the Department of Agriculture with provisions for additional components that the USDA will require along with provisions for expanding existing components and for changes or innovations in existing USDA structure that will be necessary to insure success.

64. *Community Facilities.* We recommend that the Farmers Home Administration insured water and sewer loan program beginning in fiscal 1972 be set at a level of $750-million and that the accompanying grant program be set at $250-million. Water and waste disposal systems for rural America are especially essential for the sound orderly growth and ecology of the country. We urge rural electric systems to help develop, support, and organize such services as necessary and to provide necessary management, maintenance and other technical assistance to them as appropriate to maintain their feasibility.

65. *Streamline FmHA.* We urge Farmers Home Administration to streamline its administrative procedures in order to increase the productivity of its local county offices involving such things as standardization of regulations, enlisting the assistance of third parties in preparing loan documents, and contracting for as much of the detail work of servicing loans as possible. We also urge the Congress to appropriate adequate funds for additional FmHA personnel in order to handle the agency's tremendously expanded workload.

66. *Mobile Home Standards.* Because there is no required national uniform inspection or certification program for mobile homes, we encourage member systems to seek adoption as a minimum standard of their state government, the industry standard for Mobile Homes, A119.1, American National Standards Institute.

67. *Anti-Trust Laws.* We urge Congress to give high priority to strengthening the nation's anti-trust laws to the effect that encroachment in any manner upon territory served by rural electric cooperatives, and by municipal, and other publicly owned nonprofit distribution systems would be restraint of trade and at the expense and detriment of local people and their locally owned systems.

68. *Geothermal Resources.* We urge the Congress to amend the present law on disposition of geothermal resources underlying public lands, first, to provide that the U.S. Geological Survey shall explore and assess the magnitude of such geothermal resources; and secondly, to establish by law policies governing the disposition of such resources to prevent monopoly control over them and to assure preference in their sale to publicly owned and consumer-owned power systems.

69. *National Power Grid.* We reaffirm our support for development of a national power grid capable of moving large blocks of electricity back and forth across the country as may be required to meet load requirements; with various segments of the system to be owned and operated by individual electric systems or voluntary combinations of such systems without limitation as to type of ownership, and in such manner as to preserve the pluralistic character of the industry and the integrity of individual participating systems. The capacity of the grid should be planned so as to accommodate the needs of all systems desiring to participate in its utilization. We support and urge construction and operation by the Federal government of such transmission facilities as are necessary segments of a national power grid, but are uneconomic in terms of return necessary to justify private investment.

70. *Women's Action.* We strongly urge that women be made equals in the rural electrification program. Women can and must be placed in positions of leadership. They should be nominated and elected to the board of directors of our electric cooperatives. They can competently serve on advisory commit-

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tees and aid effectively in special projects sponsored by the systems. We especially recommend that all systems develop an active program to involve women in cooperative governmental affairs committees. We recognize the need for zealous interest in consumer affairs. Women are substantial users of electricity and are the major purchasers of appliances, furniture, clothing, foods and other supplies used in the home. Our cooperatives must offer assistance, aid in securing educational resource persons and materials, and support efforts by women in securing better laws and protection for the consumer.

9-2 ESSENTIALITY OF REA LOANS AT 2-PERCENT INTEREST AND CFC PROGRAM

Whereas, many people's needs for modern central station electric service are being met only because of the Federal program of loans at two percent interest to consumer-owned rural electric systems, and

Whereas, the economic development of rural areas, especially those which are, either because of economic problems or declining population or both, disadvantaged, is possible only if those areas have electric service on a par with that of more fully developed areas at fully competitive rates, and

Whereas, the rural electric systems which borrow capital from the Rural Electrification Administration sign and carry out agreements—in return for the privilege of borrowing at an interest rate of two percent—to serve customers in remote areas on the same basis as those living near the sources of electric power, and

Whereas, many systems have expressed their willingness to supplement their REA loans with higher cost capital, and have for this purpose organized and invested in their own self-help supplemental financing institution, the CFC (National Rural Utilities Cooperative Finance Corporation);

Now, therefore, be it resolved that we oppose any and all efforts to phase out the REA program in its present form with interest rates at two percent;

Be it further resolved that we petition the Administration and the Congress to provide adequate funds for loans at two percent interest to meet the full capital requirements of both distribution and power supply cooperatives serving areas suffering from lack of population or from economic underdevelopment while at the same time meeting the basic requirements in all other rural service territories;

Be it further resolved that we pledge our cooperation with each other to assure the success of our supplemental financing operation through CFC and to assure adequate funding for the REA program in its present form.

9-3. FARM CREDIT LEGISLATION OF 1971

Whereas, the credit needs of agriculture and of rural America continue to grow and have changed significantly since the original Farm Credit System laws were enacted, and

Whereas, the Commission on Agricultural Credit, a panel of 27 farm and rural leaders which included NRECA General Manager Robert D. Partridge, conducted a 10-month study of present and future credit needs of farmers and rural communities which resulted in recommendations for modernizing and expanding the scope of the Farm Credit System's lending operations to meet the changing needs of rural America, including the growing need for loans for rural farm and non-farm homes and home improvements, and

Whereas, these recommendations are the basis for the Farm Credit legislation introduced in the first session, 92nd Congress, and approved by the Senate:

Now, therefore, be it resolved that we commend the Commission on Agricultural Credit for its forward looking recommendations in this area, the Farm Credit Administration for translating these recommendations into proposed legislation and the Senate for passing the Farm Credit legislation;

Be it further resolved that we urge the House of Representatives to act promptly and favorably on the bill as passed by the Senate;

Be it further resolved that a copy of this resolution be sent to the Members of Congress representing this Region.

9-4. RURAL HEALTH

Whereas, the health of rural people is jeopardized by a shortage of doctors, dentists and nurses by the emphasis being placed in the medical profession on the training of specialists rather than the training of general practitioners, by the absence or inadequacy of hospitals and other medical facilities in many rural areas, and by the rapidly escalating cost of medical services, and

Whereas, this situation poses a serious problem to rural people, which, if not corrected now, will reach crisis proportions as the rural doctors now in general practice retire;

Now, therefore, be it resolved that we urge the medical profession to train more doctors and nurses, including general practitioners;

Be it further resolved that we in the rural electric program work with other groups on programs to improve rural medical facilities and hospitals and to encourage doctors to enter the practice of medicine in rural America.

9-5. ENVIRONMENTAL REGULATIONS

Whereas, the rural electric cooperatives serve electricity to the rural areas over transmission and distribution lines that cover great expanses of the Federal and State land in Western United States, and,

Whereas, each rural electric cooperative is interested in the environmental problems facing both Federal and State governments and is desirous of supporting regulations, fair, reasonable and consistent, and,

Whereas, it appears that there is a developing problem of complexity, duplication and delay in electric power line construction because of regulations enforced by the various responsible public agencies, and,

Whereas, the rural electric cooperatives deem it appropriate to support the environmental movement with constructive suggestion.

Now, therefore, be it resolved, that the appropriate Federal and State environmental control agencies are hereby urged to adopt and implement appropriate simplified regulations and procedures that recognize particular problems inherent in western public land areas that eliminate the duplication of Federal and State regulatory controls, that give greater authority and flexibility to local area offices, and that recognize the difference between distribution and transmission lines.

Be it further resolved, that a sincere effort be made to keep the costs of complying with environmental regulations from defeating the basic purpose and intent of the Rural Electrification Act, including the concept of area coverage.

9-6. BPA SERVICE TO PREFERENCE CUSTOMERS

Whereas, consumer-owned power distribution systems are classified as preference customers under the Bonneville Act, and as such are entitled to service from the Bonneville Power Administration under established BPA rate schedules, and

Whereas, Elmhurst Mutual Power & Light Company; Alder Mutual Light Company; Ohop Mutual Light Company; Parkland Light & Water Company; Eatonville Power & Light Company; Town of Milton; Town of Fircrest; Town of Steilacoom; are consumer owned systems which meet the qualifications of preference customers but have been unable to obtain service from the Bonneville Power Administration, and

Whereas, under present circumstances these systems are unable to directly share in the benefits and responsibilities of participation in regional power supply programs as are the customers of BPA, and

Whereas, it is the feeling of the NRECA Region IX Session Committee that this right to participate in direct Federal power supply by all or any consumer-owned utilities under local autonomy in utility service should be maintained, and

Whereas, the above systems desire to become Bonneville customers; therefore be it

Resolved, that we strongly urge the Administrator of BPA to accept these systems as customers and take steps necessary to provide service to them either directly or by wheeling agreements at the earliest possible date.

9-7. ELECTRIC RESEARCH

Whereas, we recognize the urgent need for electric power research and development programs, particularly for the Liquid Metal Fast Breeder Reactor, and

Whereas, voluntary contributions are being solicited which will be most helpful for this purpose, and we urge all systems in Region IX to contribute, but

Whereas, vast sums will be required to carry on adequate research and development programs for new concepts in generation, transmission and distribution methods, including the LMFBR;

Now, therefore, be it resolved, that we urge that intensive legislative efforts be made to obtain adequate funds from as broad a public base as possible, preferably through Federal appropriations.

9-8. KEEPING G-T A VIABLE FORCE

Whereas, Generation-Transmission loans are, and have been from the beginning, a most vital element in the REA program because they have provided the rural electric systems with an effective bargaining leverage and have given the systems a realistic alternative when existing power suppliers refuse to provide wholesale power on acceptable terms and conditions, and

Whereas, this bargaining leverage is even more important to the rural electrics today as they have to struggle to survive in an industry where technology and economics are putting a dangerous squeeze on the smaller electric systems, and

Whereas, the G-T program cannot serve as a bargaining tool if wholesale power suppliers can feel assured that Congressional and/or Administrative policy decisions will put a lid on G-T loans;

Now, therefore, be it resolved, that we respectfully urge both Congress and the Administration to support the G-T program that it might continue to be a viable force, recognizing that REA has never had adequate funds for this job but also recognizing that the need for help at the wholesale power negotiating table is now greater than ever.

9-9. NATIONAL FUEL POLICY

Whereas, the United States is currently experiencing a progressively worsening shortage of fossil fuels, including natural gas, coal and oil, which threatens the ability of electric utility systems to meet their public responsibility of providing reliable service, and

Whereas, this shortage has been accompanied by sharp increases in gas, oil and coal unit prices of from 50 percent to 100 percent, and

Whereas, there exists a significant interlock of corporate control over the production and processing of otherwise competitive power plant fuels; for example, nine major oil companies, which also produce large quantities of natural gas, hold substantial interests in the coal, oil shale and uranium industries, and

Whereas, such interlocking control could reduce or eliminate price competition between various fuel types, thereby raising the cost to the American public of nearly all goods and services, and

Whereas, certain types of anti-trust law violation can, as a practical matter be prosecuted only by the Federal Government, which in some cases is also uniquely capable of preventing repetitions of such violations;

Now, therefore, be it resolved that we urge the President, the Congress, the Federal Trade Commission and the Department of Justice to explore all avenues which may uncover evidence of potential violations of existing anti-trust laws in the fuel industry, to vigorously prosecute all such violations and to enact laws designed to prevent future abuses of the economic power peculiarly inherent in large energy companies;

Be it further resolved, that:

(1) We urge the Federal Trade Commission to investigate the mergers of major oil and coal companies, and urge Department of Justice cooperation in such investigations;

(2) We urge the Department of Justice to conduct a grand jury investigation of coal prices;

Be it further resolved that we urge the President and the Congress to take all further measures necessary to assure the nation of an adequate fuel supply in future years, including limitation on export of coal and removing restrictions on import of oil.

9-10. NUCLEAR FUEL ENRICHMENT

Whereas, the U.S. Atomic Energy Commission has abandoned its long-established policy of performing nuclear fuel enrichment services at a price reflecting actual cost to the Government of the work involved, and has initiated new fuel enrichment pricing criteria based on the hypothetical cost of rendering such service in a new, privately constructed and operated plant, including allowances for taxes foregone, return on private investment and the private cost of borrowed capital, and

Whereas, the Controller General of the U.S. and the U.S. Attorney General are in disagreement as to the legality of AEC's new fuel enrichment pricing criteria, and

Whereas, the apparent justification for AEC's new enrichment pricing criteria is a desire to suppress widespread objection to the Administration's announced goal of selling AEC's fuel enrichment plants to private owners, and

Whereas, private operation of such plants would substantially further raise the price of nuclear fuel, thereby increasing the nation's electricity bill by approximately $1-billion per year;

Now, therefore, be it resolved, that we strongly oppose AEC's revised nuclear fuel enrichment price criteria, and urge prompt passage of legislation requiring that such prices be based on actual cost incurred by the Government in providing the service.

9-11. NATIONAL ENERGY POLICY

Whereas, the economic and social structure of our country is dependent upon an abundant and reliable supply of electric energy, and

Whereas, the people in many parts of the Nation live in constant danger of blackouts and brownouts, and

Whereas, the Nation's requirements are increasing 100 percent every 10 years, much faster than supply facilities are being expanded, and

Whereas, industry and commerce, which take 60 percent of our total consumption of electric energy, can expand only when and where they can get adequate electric service, and

Whereas, the American laboring man and woman increase their productivity by using ever-increasing amounts of electric energy—the present amount used by the average worker being equal to the labor of 560 persons, and

Whereas, increases in generation and transmission of electric power are inhibited by many factors including environmental problems, inadequate supplies and high prices of desirable fuels, a trend toward monopolistic control of energy sources, inadequate technology in the production and use of new fuels and in extra high voltage transmission, and lack of a national power grid, and

Whereas, our national resources can be marshalled and allocated properly to meet the power crisis only if the Nation develops a national power policy;

Now, therefore, be it resolved that we give our utmost support to the prompt development of a national energy policy aimed at ensuring all Americans an abundant, dependable, enduring supply of electric power at lowest possible cost consistent with conserving our environment and resources;

Be it further resolved, that we seek the active help of all groups and individuals who are, or can be made aware of their vital stake in such a policy;

Be it further resolved that we ask the major political parties and candidates for national office to take policy positions on this matter to the end that during the next campaign there will be a fair debate of the issues leading to affirmative action in the next Congress.

9-12. EXTENSION OF DEFERMENT PERIOD ON REA LOANS

Whereas, the House and Senate Committee on Appropriations in reporting in the Department of Agriculture Appropriations for fiscal 1971, and again for 1972, endorsed the self-help supplemental financing organization, National Rural Utilities Cooperative Finance Corporation (CFC), established by REA rural electric systems borrowers, and

Whereas, both Appropriations Committees expressed interest in encouraging rural electric systems to invest in CFC and urged REA to assist its borrowers to make such investments;

Now, therefore, be it resolved, that the rural electric systems of this Region support the concept of deferment of principal payments on loans beyond the present three-year allowance with the understanding that rural electric borrowers requesting and receiving such extended deferment invest amounts equivalent to the deferred quarterly principal payments on such loans in Capital Term Certificates of CFC.

9-13. COOPERATIVE-MUNICIPAL COOPERATION

Whereas, the electric cooperatives which are assisted by the Rural Electrification Administration require continued assistance to serve the more sparsely settled and remote regions, and

Whereas, it would provide rural electric cooperatives a distinct advantage in serving their customers with low cost electric service if they could jointly participate with municipal utilities in issuing bonds to finance an electric generating station, and

Whereas, Representative Vernon Thompson has introduced legislation which would amend Section 103(C) of the Internal Revenue Code to include rural electrics among exempt person, thus making them eligible to buy power from electric plants financed with tax exempt bonds without jeopardizing the tax status of the bonds,

Now, therefore, be it resolved, that NRECA strongly endorse Representative Thompson's legislation and urge the members of the rural electric cooperatives take an active role in supporting this legislation.

9-14. ELECTRIC RATES

Whereas, the concept of lowest cost electricity has proved to be an important factor in the development of our Nation and the improvement in the standard of living of our citizens, and

Whereas, the cost of electricity is an important element in the cost of all goods and services, and

Whereas, numerous power companies and Federal power agencies have announced their intentions to seek substantially higher power rates, and

Whereas, these proposed higher rates will inevitably result in continued inflation;

Now, therefore, be it resolved, that while we recognize that increased costs experienced by power suppliers do mean that some increase in electric rates may be inevitable, we reaffirm our support of the concept of lowest-cost power; and

Be it further resolved, that we urge the Administration, as a part of its avowed policy of combatting inflation, to do all within its authority to hold the line on electric power rates of Federal Power Marketing Agencies, and

Be it further resolved, that the Administration use its good offices to discourage power companies from seeking massive rate increases, and

Be it further resolved, that we deplore the current high level interest rates which are feeding inflation and raising the cost of all goods and services, including electric power rates, and we urge prompt action to lower rates from their present unconscionable levels, and

Be it further resolved, that we commend Congressman Wright Patman of Texas for his continuing efforts.

9-15. HUNGRY HORSE PROJECT

Whereas, the Hungry Horse Project Act of 1944 is applicable throughout Montana, and power from or attributable to the Hungry Horse Project shall be made available throughout Montana by means of requirements contracts between Montana rural electric cooperatives and appropriate Federal power marketing agencies;

Now, therefore, be it resolved, that we urge the Secretary of the Interior to request Congress for appropriations to construct transmission lines or enter into transfer agreements with the owners of transmission lines from other Federal dams in Montana to rural electric cooperatives; and

Be it further resolved, that we urge that the wholesale price of power throughout eastern Montana be the same at each point of delivery regardless of whether power is delivered from a Federal transmission line or is transferred over the facilities of a private utility or other owner.

9-16. HYDRO-THERMAL PROGRAM

Whereas, the electric utilities of the Pacific Northwest have reached a hydrothermal accord on the proper timing of construction of thermal generating plants in the Pacific Northwest and the addition of hydro-peaking capacity to enable all the electric utilities to meet the continued demand for electric energy; and

Whereas, implementation of this hydrothermal program requires the participation of the Federal Government, through the Corps of Engineers and the Bureau of Reclamation, to provide peak generating capacity at existing federal project with a minimum investment for maximum benefits, and the participation of the Bonneville Power Administration to maximize the use of the federal transmission grid. The rural electric cooperatives will participate in obtaining financing and the development of the thermal generating plants, and

Whereas, the hydro-thermal accord emphasizes the location of thermal plants near load centers, properly sized to minimize the number of plants, thereby preserving lands and right-of-way which would be required for transmission lines, and the failure to continue the hydro-thermal accord will result in smaller generating projects, the piecemeal development of smaller transmission systems, and higher cost for electric energy, and

Whereas, the comprehensive plan outlined in the hydro-thermal accord will insure that electric consumers in the Northwest will have sufficient powers for industry, for irrigation and for domestic use,

Now, therefore, be it resolved, that the President of the United States, the Bureau of the Budget, and the Congress continue to im-

plement the hydro-thermal program with net billing procedures as presented by the Pacific Northwest utilities.

9–17. TRANSMISSION LINES AND COAL RESOURCES

We favor construction of transmission and substation facilities to integrate Federal and public power projects in the Missouri River Basin and the Pacific Northwest in order to achieve maximum benefits of low cost electric energy. Specifically, we urge construction of Federal transmission lines between these two areas to permit development of the vast low-cost coal resources available in Montana to meet future customer load requirements in both areas.

We emphasize the lack of reliability and capacity in the Montana Power Company present 115 KV line Rainbow to Cut Bank, and urge the immediate consideration of the 161 KV Rainbow to Browning line to provide a loop feed and the capacity and reliability presently denied this area.

9–18. MIDDLE SNAKE

Whereas, the hydroelectric power which would be produced at multiple purpose dams on the Middle Reach of the Snake River is vitally needed in the Pacific Northwest and represents the cleanest, most efficient, new energy resource available to the region, and

Whereas, the Federal Power Commission Examiner has recommended that a hydro-electric license be issued to the Washington Public Power Supply System and Pacific Northwest Power Company to jointly build and operate a Middle Snake project;

Now, therefore, be it resolved, that we urge the Federal Power Commission to issue a license to the joint applicants for construction of this vitally needed multipurpose project.

9–19. BUREAU OF RECLAMATION PAYOUT SCHEDULES

Whereas, Federal legislation has established a criteria of 50-year payout for multiple purpose water resource projects and NRECA has supported and promoted such projects;

Now, therefore be it resolved, that we urge that NRECA and its members request the U.S.B.R. to revise the payout schedules to conform with Federal legislation, resulting in rate stability.

9–20. LINE RELOCATION ON PUBLIC LANDS

Whereas, many State and Federal highways are either being rebuilt or new ones constructed, and

Whereas, many of these highways cross public lands and electric utilities have distribution and transmission lines adjacent to them, and

Whereas, electric line rights-of-way across public lands are revokable upon demand for any public use, such as for highway construction or improvement, with the utility receiving no compensation for vacating its rights-of-way, and

Whereas, electric utility use is public use.

Now, therefore, be it resolved, that we respectfully urge that Congress and the various State Legislatures pass laws that will require the agency funding State or Federal highway construction on improvement reimburse electric utilities their actual costs for any electric line relocation required.

9–21. UTILITY CORRIDORS

Whereas, this country is witnessing ever increasing demands that more land be made available for use by the general public, and

Whereas, the amount of land that can be made available for public use is rapidly diminishing, and

Whereas, all utilities, whether they be electric, telephone, water, sewer, public roadways, etc., are each year requiring more and wider strips of lands for their rights-of-way.

Now, therefore, be it resolved, that utility corridors be established along all State and Federal highways constructed in the future and the accommodation of all utilities become a part of the planning of new highways.

9–22. PREFERENCE POWER IN NORTHERN CALIFORNIA

Whereas, the City of Santa Clara, California, is a preference customer of the Bureau of Reclamation, Department of the Interior, and

Whereas, the Bureau has withdrawn a major portion of the city's power supply forcing the city to purchase a substitute quantity from Pacific Gas and Electric Company at exorbitant rates, and

Whereas, this action is most unfair and penalizes the citizens of Santa Clara to the benefit of the power company,

Now, therefore, we urgently request that Congress and the Department of Interior institute a complete study on the matter of supplying preference power in Northern California to insure that private power companies are not receiving preference power to which they are not entitled.

9–23. AREA LOAN FUNDS

Whereas, the practice of approving REA loans to cover the needs of systems for a period of only one year instead of two years is uneconomical and requires considerable extra work,

Now, therefore, be it resolved that we urge full funding of the program so REA can return to the policy of granting two-year loans at the earliest date possible.

9–24. MULTIPLE PURPOSE POWER PROJECTS

Whereas, the authorization and construction of multiple-purpose projects benefits the economy of the nation, and many of these projects are in this region;

Now, therefore, be it resolved, that we urge the Congress to appropriate funds to complete planning and begin construction of the following projects at the earliest possible dates:

Bradley Lake, Alaska;
Auburn-Folsom, California;
Bonneville, Oregon-Washington (second powerhouse);
Ice Harbor, Washington (new units);
Chief Joseph, Washington (new units);
Lower Teton, Idaho;
Asotin, Washington-Idaho; and
Dixie Project, Southern Utah.

Be it further resolved, that we urge the Congress to authorize Federal construction of the following multiple-purpose projects:

Burns Creek, (Crandall), Idaho;
Kootenai Falls, Montana;
Fort Benton-High Cow Creek, Montana;
Lower Flathead, Montana;
Lenore, Idaho; and
Ben Franklin, Washington.

9–25. IN MEMORIAM

Whereas, we feel deeply the loss of several of Region IX's finest rural electric cooperative leaders during the past year,

Now, therefore, be it resolved, that we pause a moment in silence and pay our respects to those leaders who have served our program so long and so well.

9–26. APPRECIATION

Whereas, the success of the rural electrification program depends to such a large extent upon the drive, work and leadership of many people and groups, all of whom deserve recognition and a warm thank you;

Now, therefore, be it resolved, that the delegates of this Region do hereby express their deep appreciataion to all those who have been, and are, contributing to the success of the program. Particularly, this resolution gives special recognition to:

1. The NRECA Board of Directors and the staff for providing the high level of leadership and wide variety of valuable services to the NRECA membership.

2. Robert D. Partridge, General Manager of NRECA, for his dynamic leadership and to his staff for their services and devotion to our program.

3. David A. Hamil, Administrator of REA, and his staff for their great devotion to rural electrification.

4. The REA staff members both in the field and at headquarters for their loyal, devoted and efficient work on behalf of the program.

5. Friends of rural electrification in legislative bodies and executive branches of the Federal Government, as well as in the States, for their assistance on issues crucial to our program.

6. Henry Curtis of Northwest Public Power Association for his generous help to the Resolutions Committee.

7. The many individuals, suppliers, the Ridpath Hotel, the Washington Statewide Association and its manager Bob Smith, his staff and member electric systems, and other organizations for contributing to the success of this regional meeting.

9–27 GENERATORS AT GRAND COULEE

Whereas, the power load in the Pacific Northwest will be increasingly supplied by thermal generation which must be operated at high load factor to obtain maximum efficiency and such base-load operation will require large amounts of hydroelectric generation to meet the peak loads; and

Whereas, the Congress has authorized and the Bureau of Reclamation is now constructing a third powerplant at Grand Coulee Dam consisting of six 600-Mw hydroelectric generating units; and

Whereas, the Grand Coulee Reservoir provides a regulated supply of water sufficient for the peaking operation of additional generating units; and

Whereas, the Bureau in its design has made provision for increasing the size of the Third Powerplant by six additional 600-Mw generating units when authorized; and

Whereas, the Third Powerplant provides one of the most economical sources available for such large amounts of peaking power generation; and

Whereas, this Third Powerplant peaking generation can be obtained without polluting the environment or depleting non-replaceable fuel resources; and

Whereas, it is recognized that the Bureau of Reclamation will require time to prepare a report requesting authorization of these additional units for submittal to the Congress; and that the Congress will then require time for deliberation on the authorization of these additional units; and that the Bureau of Reclamation will then require time to prepare designs, procure equipment, and construct and install these additional units;

Now, therefore, be it resolved that the members fo Region IX both individually and jointly, press for and lend support to the authorization and construction of an additional six generating units in the Grand Coulee Third Powerplant in as timely and orderly manner as possible.

9–28. NORTH SLOPE TRANS-ALASKA PIPELINE

Whereas, we are facing an energy crisis in the United States and particularly on the west coast and the Pacific Northwest, and

Whereas, there exists large oil and gas reserves on the north slope of the State of Alaska, and

Whereas, the best available information indicates that the proposed pipeline is the safest and most practical method of transport to make these resources available to the people of the United States, and

Whereas, we believe that by careful planning, construction and management, energy resources can be utilized to meet human needs with minimal environmental damage;

Now, therefore, be it resolved that Region IX endorses and urges the Secretary of Interior to issue the permit for the immediate construction of the North Slope Trans-Alaska pipeline from the Arctic to Valdez, Alaska;

Be it further resolved that copies of this resolution be delivered to the President of the United States, the Secretary of the Interior and to the Senators and Representatives of Region IX states.

9–29. 18-YEAR-OLD VOTER

Whereas, we believe that the education of young people (both urban and rural) in the principles of cooperation and in the encouragement of their involvement in citizenship processes is one of the top priorities of the rural electric program, both locally and nationally;

Be it resolved that Region IX endorse the resolution of the NRECA Board of Directors, calling for an extensive national voter education and registration program among the new, young voters;

Be it further resolved that rural electric women be encouraged by local boards and managers to help in this very vital field of endeavor.

9–30. AMERICANA CRAFT FAIR

Whereas, the first rural electric Americana Craft Fair held in conjunction with the NRECA Annual Meeting in 1971 was an unqualified success and a splendid monument to cooperation, and

Whereas, we believe that this project is a creative implementation of Continuing Resolution, "Women's Participation", since proceeds were given to the Rural Electric Building of the Agricultural Hall of Fame and to ACRE;

Now, therefore, be it resolved that Region IX women participate in the Craft Fair at Las Vegas in 1972; and that proceeds from the fair be divided equally between ACRE and the Agricultural Hall of Fame;

Be it further resolved that each state in Region IX cooperate fully in planning a regional booth, thereby saving in efforts and expenses on the part of each of the eight states.

WEST VIRGINIA 4–H CLUBS HONORED FOR ENVIRONMENTAL IMPROVEMENT ACTIVITIES

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, November 23, 1971

Mr. RANDOLPH. Mr. President, there is no more potent weapon for use in the improvement of our country than the youth of America. The dedication, energy, and idealism of our boys and girls are regularly focused on the needs of America at all levels. The results of their involvement are widespread.

I am gratified that a group of young West Virginians was selected for national recognition of their work in behalf of a better environment. The Hustlers and Crackerjacks 4–H Clubs, of White Sulphur Springs, were chosen to receive the national youth award of Keep America Beautiful at its convention in Washington on November 11 and 12.

The members of the clubs were honored for their active program, which is part of the total community effort to qualify White Sulphur Springs as an All-American City by 1976. They used to good advantage, a week visiting Washington, the highlight of which was presentation of the award.

Adults who accompanied the club members were Mrs. Fred Halterman, Mr. and Mrs. Marshall Bostis, Mrs. Treva Weikel, Glen Simmons, and Lantie Cole.

The club programs are carried out under the supervision of Donette Zickafoose, Greenbrier County extension agent for 4–H work.

Participants from the clubs were Debbie Humphrey, Patty Bostic, Robin Bostic, Chuck Bostic, Eddie Cook, Joyce Kaptis, Sharon Houdyshell, Linda Houdyshell, Danny Hall, Pam Weikel, Dean Weikel, Beverly Coleman, Addia Tate, Berry Weese, Cindy Collins, Joan Wilson, Christie O'Neil, Donna Ford, Elaine Ayers, Debbie Ford, Shirley Ayers, Kathy Ford, Mike Honaker, Charles Vallandingham, Danny Honaker, David Vallandingham, Donna Honaker, Rhonda Stidom, Kathleen Wilson, Patricia Baud, Darrell Hinkle, Delbert Hinkle, Philip Watson, and Billy Erwin.

Mr. President, the award from Keep America Beautiful was accepted by Kathleen Wilson for the Crackerjacks and Hustlers 4–H Clubs. She described in detail the activities that earned the award, and I ask unanimous consent that her acceptance speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

KEEP AMERICA BEAUTIFUL ACCEPTANCE SPEECH

(By Kathleen Wilson)

Good afternoon.

I am Kathleen Wilson, and I am a representative of the White Sulphur Springs Crackerjacks and Hustlers 4-H Clubs. The clubs are urban groups in Greenbrier County, southeastern West Virginia. We have been involved in state youth conservation programs for several years. In 1970 we expanded our anti-litter and beautification activities. We, the young people of these clubs, committed ourselves to an extended anti-litter and anti-pollution program in connection with the town-wide "spirit of 76" 5-year improvement project in preparation for the 1976 bi-centennial of the United States and of White Sulphur Springs.

The following are various projects our club undertook:

Gleaned litter from neglected and rural areas of our community.

Shovelled snow from sidewalks and raked leaves from lawns of the senior citizens.

Cleared litter and raked leaves from the high school and elementary school lawns.

Wrote, directed, and performed a skit, entitled "Litterbugs Miss All the Fun" for the children of our community.

Sponsored a "Beautification Week" of anti-litter activities.

Sponsored and participated in an Anti-Litter Day with groups competing for prizes donated by the Chamber of Commerce for the group collecting the most trash. And one conscientious group of 4th graders even accused another group of stealing their trash, but the 4th graders still won first prize.

Presented programs on litter and pollution to the Girl Scouts, the Women's Izaak-Walton League, and a community public meeting. On the day that we presented the skit for the Women's Izaak-Walton League, we had planted 5,000 pine tree seedlings donated by the Forestry Service in the small community of Auto. To make things complicated, on the way home the truck which was transporting us had three flat tires, and we ended up having only half-an-hour to take showers, put on clean clothes, eat, and be at the meeting ready to perform the skit. Anyone could have guessed what we spent the day doing since we still smelled like pine.

Attempted to convince town officials to leave the city dump open for public use and to have the police issue strong warnings about the enforcement of litter laws.

Displayed "live litterbug" (a mirror in a box) in a local store. This was a small box with the words "see the live litterbug" printed on it. When you looked into the box, you saw your reflection in the mirror. People would look inside the box, get embarrassed, and refuse to tell the person behind him what it was; they would let the other person see for themselves.

Sponsored and participated in a Litter Parade to dramatize the need for litter prevention.

The Green Mitt Garden Club, Greenbrier Business and Professional Women's Club, the Women's Izaak Walton League, White Sulphur Springs Women's Club, all the junior high school bands in the county, Cub Scouts, Girl Scouts, and Boy Scouts, and many church organizations took part in the conservation parade.

Our club presented a float in the parade made of tin cans in the shape of a horse, entitled "Nightmare of the Highway." After the parade someone even stole our "Nightmare."

Participated in the community's annual Christmas Parade with a live float stressing the conservation theme with the slogan, "Time, Our Greatest Gift to Our Community."

Cleaned litter from the town parking lot and Memorial Park, a playground area used by the community's children. We provided a trash can in the playground for the children's litter.

Distributed litterbags, donated by the Forestry Service, to motorists driving through the community.

Prepared and presented programs on litter-prevention and pollution control at the Greenbrier County 4–H Round-Up. Our skits won first and second prizes. One of the skits was written by a young club member and presented by the younger members of the club.

The conservation chairman of the club appeared on radio station WRON and talked about the club's anti-litter beautification program and urged citizens to get involved in similar projects.

Researched litter and other pollution problems and prepared articles that were published in community newspapers.

Wrote to leading detergent companies, asking them what they were doing toward anti-pollution of water. Then we tried the various products of the companies—some low in phosphates, some with no phosphates. We found that the no-phosphate detergent did not clean as well as the products we had been using in our homes. But we did find one low-phosphate detergent, Wisk, that performed equally well. We wrote to the Lever Company for samples and informational brochures. These we distributed over White Sulphur Springs, asking the people to try Wisk and if they found it to be comparable to their present detergent, to buy and use Wisk. We are still in the process of finding out the results of these efforts.

Prepared a proclamation on Conservation Education Month urging everyone to be concerned with conservation and secured the Mayor's signature and endorsement for the project.

Toured pollution abatement facilities of WESTVACO (Bleached Board Division) plant and heard a lecture on pollution control.

Participated in the West Virginia Youth Conservation Program sponsored by the West Virginia Department of Natural Resources and the Sears Roebuck Foundation. The club's conservation projects were honored with awards presented at the West Virginia Youth Conservation program meeting. In 1969, 1st place; 1970, Governor's Cup; 1971, 4th place.

The Greenbrier Valley Conservation District sponsored an Art Poster Contest and

provided cash awards for the winners. Several of our members entered the contest.

The White Sulphur Springs Star and the West Virginia Daily News provided full coverage of our anti-litter efforts.

The goal of the White Sulphur Springs "Spirit of 76" project is to make the town as "All-American City" by 1976, and the Cracker Jacks and Hustlers 4-H Clubs have committed themselves to improving the city "ecology-wise" as much as possible before the end of the program. These clubs have taken the initiative by launching and carrying through anti-litter, anti-pollution, and conservation projects. As a result, other organizations and a number of community officials have been encouraged to join in and participate in a town-wide environmental improvement program. And we hope that if you are ever in our part of the state of West Virginia that you will appreciate the beauty we have created.

A HOLIDAY MESSAGE

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mrs. ABZUG. Mr. Speaker, I received a most thoughtful and moving holiday message the other day. I would like to share it with you and all of my colleagues:

This year my brother and I will observe Christmas, as we did a year ago, in prison.

Our mother, 85 years old, will observe the holiday at home, waiting, pondering, hoping. She waits not for our release alone, but for the release of all prisoners, here and everywhere. She awaits in her prayer and longing, the release of humanity from the iron conscienceless prison of war . . .

She supported us during our "crime" and our trial, she visited us in prison. When questioned on T.V. about our breaking the law, she said simply, "It was not God's law they violated." Her words had gone, we feel, to the heart of the matter, not only for us, but for all Americans, and especially for American women . . .

Certainly the trouble is not that we do not want peace. We have seen enough war, we are sick unto death of death. The war has come home like a stalking corpse, trailing its blood, its tears, its losses, its despairs—seeking like an American ghost, the soul of America.

We want peace. But the rub is that we do not want to pay the price of peace. We still dream of a peace that has no cost attached. We want peace, but we live content with poverty and injustice in our midst, with the murder of prisoners and students, the despair of the poor, to whom justice is endlessly denied. We long for peace, but we also wish to keep undisturbed an arrangement of privilege and power that ensures the economic misery of two-thirds of the world's people.

Obviously there will be no genuine peace, while such a violent scheme of things continues. America will extricate itself from the bloody landscape, the ruined villages and mutilated dead of Vietnam. But nothing will be settled there, nothing mitigated at home. Nothing changed, that is, until a change of heart leads to a change of the social structure of every area of our national life.

In this change, women will of necessity play a great part, and thus liberate themselves.

But to do this, they must see clearly the nature of their enslavement. The modern state is perpetually mobilized for war; a mobilization of conscience, appetite, cupidity and fear. Such a dragnet necessarily takes captive the 51% of Americans who are women. Women are part of the war making state . . . Women are irreplaceable cogs in the cyclic machinery of cupidity and consumerism: they produce the children who fight the hot wars and accept the cold wars, both as inevitable conditions of life. Women, too, are champions of private property, defenders of lily white schools, resisters against neighborhood integration, advocates of corrupt "nine points of the law" politics of those in possession.

Liberation from such slavery will not be an easy achievement. For some women, it will mean casting off a role of predestined poverty and exploitation. Women will refuse to be victims. For others, liberation will mean refusal to play the power game, realizing how cruelly dispassionate the will to power is, they will realize that the slavemasters inevitably becomes the victim of violence, greed and hate.

The season we celebrate speaks of the liberation of peoples. In Jewish and Christian tradition, freedom is both a gift of God and an achievement of people. It costs: blood, tears, imagination, energy—above all and including all: love, the instrument and end of all human striving.

Greetings to you and yours, from prison. Peace and liberation.

DANIEL BERRIGAN,
PHILIP BERRIGAN.

REHABILITATION WORKING AT RFK YOUTH CENTER

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. MOORHEAD. Mr. Speaker, how many Atticas do we need before we will admit that our prisons are not accomplishing the task of prisoner rehabilitation?

Some will say that the job of prisons is merely to incarcerate and nothing more. I do not agree.

With the high rate of recidivism, it is obvious that much of the crime in our Nation is caused by those already familiar with institution walls, be they city, State, or Federal.

For this reason, it is always heartening to see a prison rehabilitation program working.

In this instance I am referring to the record of the Robert F. Kennedy Youth Center, in Morgantown, W. Va., where some of the most innovative rehabilitation programs are functioning, and functioning well.

A recent article in the Pittsburgh Post-Gazette tells just what is taking place at the RFK Youth Center. I think all of my colleagues will be interested in this institution and its techniques:

STONE WALLS DO NOT THIS PRISON MAKE—RFK CENTER GIVES YOUNG OFFENDERS CHANCE

MORGANTOWN, W. VA.—One night this week, three young men climbed out a dormitory window, raced across a dimly lit campus and disappeared into the darkness.

Another evening at the same campus, a young man looked up from a pool game during a dormitory dance. "Man, this place is called prison," he said, "but it's the first decent chance I've had to do anything in 17 years."

He had gotten a message that the three who ran away had missed.

Most inmates at the Robert F. Kennedy Youth Center do see the light—a light that the federal government is trying to find for a troubled correctional system that has led to Atticas and San Quentins.

"What we're trying to do," says a youth center official, "is to say to troubled young men and women that we want to help, how about giving us a chance."

The chance—for 235 young offenders here—is a multi-million-dollar rehabilitation experiment which has produced convincing results in less than three years.

Without bars or high wire fences, the Kennedy Youth Center is easy to leave. And many have escaped—about 100 since the facility opened in December, 1968.

But records also show that more than 300 of the 400 who have been released from the center are still free—a success rate of about 75 per cent.

"That's not an ideal figure," says Roy Gerrard, former director of the center who is now deputy director of the U.S. Bureau of Prisons. "But it's a lot better than any other place I know of."

Inmates who escape from the Kennedy center don't get a second chance there. Records show that most of the 100 escapees were apprehended and sent elsewhere, mostly to maximum security institutions.

There are no cells at the Kennedy center. Instead, there are individual rooms in seven dormitories that dot a 250-acre campus just outside Morgantown, home of West Virginia University. Scattered on the grounds are athletic fields, a gymnasium, classroom buildings and an indoor swimming pool, part of an $11 million physical plant.

For the center's 210 males and 25 females, who range in age from 16–23, life is far different than at practically any other penal institution.

"The objective is to normalize the environment, to keep an offender in the same community environment in which he must eventually live," says Jay Flamm, center director.

All inmates are involved in some kind of educational or work program.

An important ingredient in the formula is money. Flamm says the government spends about $34 per day on each inmate, easily the highest per capita expenditure of any federal penal facility. This cost includes the $11 million price tag on the physical plant.

The average expenditure for all federal prisons is about $10.50 a day for inmate, according to federal prison officials in Washington.

At Kennedy Center, inmates receive at least six hours of instruction per day in areas lavishly equipped to teach electronics, woodworking, power technology, graphics, aeromechanics, basic and remedial education courses and data processing.

Classes are taught by 22 instructors hired as guidance counselors and then trained to teach vocationally.

The counselors attempt to work in small discussion groups outside of classes. Gerrard says they have been quite successful in avoiding the problems of race and homosexuality that plague most penal institutions. The center population is about 50 per cent black.

Most of the inmates here are persons who have stepped outside the federal law for the first time. They are referred here by the courts and by other penal institutions when officials spot a potential for rehabilitation.

"Society hasn't come up with many answers for corrections," says Gerrard. "A lot of the things we're doing at Kennedy might point the way to a better future."

A typical Friday night at the center will find a dance in one of the dormitories, where coeds and social workers from West Virginia University come for the evening.

"The mission of the center is a pioneering one," says Flamm.

"What we're finding is that you can do things differently and make a go of it."

"At the center the students know we care and will try to help them," Gerrard says. "That's what it's all about anyway."

"The answers we're finding can be applied in other places if the public is willing to pay the price."

Outside a dance one recent Friday night, an inmate who was to be released in two days said his life may have been turned around in the past nine months.

"If you could see where some of us come from," he said, "you'd know why more don't run away. This place is better than most of our homes. And some of us have found out here that this might be our last honest chance to turn our life around."

NEWSPAPERS TELL CITIZENS HOW TO WORK FOR A BETTER ENVIRONMENT

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, November 23, 1971

Mr. RANDOLPH. Mr. President, Americans are concerned with the threat that pollution poses to life. We know that unless we discontinue our wasteful, damaging ways, much of the world will not be a fit environment in which to live.

Desire to improve the situation, however, is not always enough. We need to know how our concern can be transformed into action.

I am pleased by the attention being given to this matter by newspapers in West Virginia and throughout the Nation. Many of them are taking the lead to inform readers just what they can do for a cleaner, better environment.

The Inter-Mountain, published in my hometown of Elkins, recently published a concise checklist of ways in which individual citizens can help improve the environment in their communities. It contains valuable advice for all Americans.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BATTLE WITH POLLUTION BEGINS AT HOME

Homeowners can familiarize themselves with pollution-stopping actions. Here are some suggestions:

1. Acquaint yourself with anti-pollution ordinances and make sure you abide by them. When you see a flagrant violation, report it to the proper authorities.

2. Don't burn leaves or trash. Better to start a compost heap and return the nutrients to the soil. Remove weeds in the lawn by hand rather than applying a herbicide.

3. Use insecticides sparingly, and only when absolutely necessary, to kill flies, mosquitos and midges. If you must use them, follow directions carefully.

4. Plant trees and shrubs. They absorb carbon dioxide, produce oxygen, help purify the air and prevent soil erosion.

5. Use a hand mower if your lawn is small. Keep gasoline-powered tools in top operating condition so noise and exhaust fumes will be minimized.

6. Be careful with matches around wooded or grassy areas. Forest and grass fires cause air and water pollution.

7. When on a picnic, be sure to properly dispose of all paper dishes, cups and other refuse. Pick up any discards left by others. Littering of picnic grounds spoils them for everyone.

8. When building a house, be sure it is well insulated and tree-shaded. This will minimize fuel consumption in winter and air-conditioning loads in summer.

9. In winter, turn your thermostat down a few degrees. Have your home heating system checked annually, or any time it appears to be operating inefficiently.

10. If you live in the city, don't litter the sidewalks. Use litter baskets—and curb your dog!

11. Observe parking regulations so that the sanitation department can collect garbage and clean the street without obstruction.

12. Encourage and support your sanitation department when it seeks more modern and efficient collection and disposal equipment.

13. If you live in a building with an incinerator, follow instruction carefully so you don't litter incinerator rooms. If you put your garbage out on the street for collection, make sure you use a spill-proof container.

14. Start a campaign to save newspapers, cans and bottles for collection and recycling where facilities are available.

15. Never flush away what you can put in your garbage pail. Organic materials like cooking fat clog plumbing and septic tanks, causing sewage overflow.

16. Measure detergents carefully, using only enough to get your clothes clean. Try to run your dishwasher only once a day or less, depending upon the size of your family.

17. Don't use heavy electrical appliances, such as washers and driers, during those hours, usually 5 to 7 p.m., when the electrical load is at its peak. The strain at the local generating station may contribute to air pollution. Install low wattage bulbs in lamps not used for reading. Turn out lights not being used to conserve power.

18. Don't drive a car when you don't have to. Walk, bicycle, or use mass tranportation, if possible. When you do drive, avoid quick starts and stops. Don't leave the engine running while parked. Car exhaust is a pollutant.

19. Make sure your car is equipped with required antipollution devices and have them checked regularly. If you buy a new car, read the instructions in your owner's manual regarding maintenance and up-keep of these devices. Match horsepower ratings to your needs. Don't buy a high horsepower car if you don't need it.

20. Burn a fuel rated most efficient for your engine, in terms of the reduction of emissions.

21. Get an engine tune-up every 10,000 miles or at least once a year. Be sure to change oil and air filters regularly.

22. Carry a litterbag in your car—and in you boat too. Bring the bag back with you and dispose of it properly at the end of your trip.

23. Help reduce noise pollution. Don't use your horn unless safety dictates. Keep your muffler and tail pipe repaired.

THE LATE HONORABLE J. HOWARD EDMONDSON

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 17, 1971

Mr. ROONEY of New York. Mr. Speaker, the untimely passing of the Honorable J. Howard Edmondson, former Governor and Senator from the State of Oklahoma, was indeed a shock. Howard Edmondson was in the prime of life yet he had already achieved more than most men could ever aspire to in their entire careers. In 1953, he served as a chief prosecutor in the county attorney's office in Tulsa and the following year was elected county attorney and reelected to that post 2 years later. In 1958, he was elected Governor of the State of Oklahoma and in the capacity introduced many innovative reforms. In 1963, he came to the U.S. Senate to fill the unexpired term of the late Senator Robert S. Kerr. At the time of his unexpected death he was managing the Senate campaign of our distinguished colleague ED EDMONDSON, his brother. To his wife and children and to his brother I extend the Rooneys' deepest sympathy on their terrible loss.

KENTUCKIAN REELECTED PRESIDENT OF KEEP AMERICA BEAUTIFUL—SENATOR RANDOLPH RECEIVES AWARD

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Tuesday, November 23, 1971

Mr. COOPER. Mr. President, representatives of citizen organizations, dedicated to a clean and attractive America gathered in Washington on November 11 and 12 for the 18th annual meeting to Keep America Beautiful.

This organization and its State and local affiliates work at the grassroots level in the crusade for a better environment. Such groups are essential to any effort to improve our world.

Mr. President, for the past year, Keep America Beautiful has operated under the active leadership of its president, James C. Bowling, a native of Paducah, Ky. I am proud that a former citizen of my State is so deeply involved in this important work. During the 2-day meeting, members of Keep America Beautiful demonstrated their appreciation for Mr. Bowlings work by reelecting him to a second term as president. I know that their confidence is well-placed.

This annual meeting, attended by more than 600 persons, was addressed by my friend and colleague, Senator JENNINGS RANDOLPH, of West Virginia, the chairman of the Senate Committee on Public Works.

Keep America Beautiful also presented a special award to Senator RANDOLPH with the following citation:

Presented to the Honorable Jennings Randolph, senior senator from West Virginia for distinguished leadership and personal dedication to improving the environment for the citizens of his state and country.

Mr. President, I am pleased to add my commendation to Mr. Bowling and Senator RANDOLPH for their outstanding leadership for a better America. I have had the opportunity to know, as a fellow member of the Committee on Public Works, of the long record of initiatives and leadership to protect the environment.

CITIES SERVICE OIL SETS THE PACE IN WILDLIFE AND MARINE LIFE CONSERVATION

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. COLLINS of Texas. Mr. Speaker, America is proud of the innovations in wildlife and marine life conservation made by Cities Service Oil. Cities Service has received a first place award in petroleum engineer's environmental control development program for its fee land operations which have developed more than 30,000 acres of lands and waters for recreational benefits and improved air environment.

The awards program will be a continuing part of Petroleum Engineer Publishing Co.'s editorial program in Petroleum Engineer, Pipeline & Gas Journal and Hydrocarbon News, and is designed to disseminate to the public and throughout the industry the positive story of the petroleum industry's developments in pollution prevention. We salute Cities Service for their achievement in environmental control which was recognized in the award statement:

CITIES SERVICE OIL SETS THE PACE IN WILDLIFE AND MARINE LIFE CONSERVATION

Through Cities Service Oil Co.'s land management program, the company is following its corporate philosophy of being a good neighbor wherever it operates and a good steward and conservator of its landholdings and natural resources.

Cities Service cites its fee land operations and development in Ouachita, Moorehouse and Union parishes in North Louisiana.

More than 30,000 acres of fee lands and water have been developed to improve value of the land, provide recreational benefits, and improve the air environment—all within the business concept.

Some 1400 acres covered by water and known as Black Bayou Lake is a satisfying and productive fishing spot. As a good neighbor, Cities Service keeps the latch string to the lake on the outside, permitting anyone to fish and hunt duck without charge.

Following guidelines of the Louisiana Wildlife and Fisheries Commission, a 240-acre pond for the raising of crawfish was developed on a small area near a bayou which was unsuitable for conventional farming. Thus, the oil company is producing high protein fish food in a highly engineered pond that surfaces over a gas field and tieing the two operations together as natural resource-related. In doing so, Cities Service is supplying an increasing demand from Louisianians for crawfish, the poor man's delight and the gourmet's delicacy.

More than 13,000 acres have been dedicated to the Louisiana Wildlife and Fisheries Commission's wildlife management area. While the company will continue to cut timber from this area, the land becomes part of a large reserve managed by the state commission and available to the public for hunting.

Cities Service has more than 22,000 acres in timber within the 3-parish area. First planting of pine was in 1955, first "thinning" in 1970. Typical of the company's pine planting program: in one year, pine seeds were broadcast from a helicopter on 1250 acres. In addition, 400,000 pine seedlings were planted on another tract.

Cities Service recognizes that trees are essential to a healthful environment, and, figured on the accepted formula, reports its timber holdings are creating enough oxygen to supply the annual needs of almost 400,000 people.

More than 2400 acres are dedicated to farming on a tenant basis. Pecan farming is another innovation on the fee lands. Some 400 acres already are planted in pecan trees and an additional 600 trees will be planted annually for the next few years.

In its land management program, Cities Service feels it is attaining stature as a good steward of its fee lands—developing the natural resources to their utmost, replenishing renewable natural resources, maintaining and improving the environment and extending land usage for recreational purposes.

SISTER CITIES PROGRAM

HON. J. CALEB BOGGS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Tuesday, November 23, 1971

Mr. BOGGS. Mr. President, I wish to pay tribute to an organization which is doing the shirt-sleeves work of creating international understanding and good will. I speak of the Town Affiliation Association of the United States.

President Eisenhower provided the inspiration for the Town Affiliation Association when he announced a broad people-to-people program in 1956. Since then, with the cooperation of the National League of Cities and the U.S. Information Agency, TAA has promoted "sister-city" programs between 370 American cities and towns and 445 cities and towns in 60 foreign countries.

Once the groundwork for a sister-city affiliation has been laid by a local affiliation committee, usually with the mayor as honorary chairman, the stage is set for a long and varied friendship between the cities. Since sister-cities are chosen on the basis of mutual interests, projects involving visitor exchanges, letter writing, school affiliations, and business and cultural exchanges develop naturally.

We in Delaware are particularly proud of the fact that TAA has flourished in recent years under the presidency of a dynamic and distinguished business leader from Dover, Del., Mr. Frederick W. Brittan. Mr. Brittan has accomplished what everyone said should be done but no one knew quite how to do. He has brought people to people across thousands of miles in a way that is personally meaningful to them.

Thanks to Mr. Brittan's tireless efforts, Delaware has an active sister-city program. It has enriched the lives of Delawareans with numerous cultural, social, educational, and commercial exchanges. Wilmington has for many years enjoyed a sister-city affiliation with Kalmar, Sweden. Likewise, Newark, Del., is affiliated with La Garde Freinet, France, and Dover is affiliated with two foreign cities—Lamia, Greece, and Tunja, Colombia.

Mr. President, I merely wish to draw the attention of Senators to this outstanding program which is deserving of our support and our appreciation.

Recently, Dr. George G. Wynne, Information Officer at the U.S. Mission to International Organizations in Geneva, who has long been associated with the sister-city program, wrote an excellent report on the Town Affiliation Association, highlighting the association's history, its achievements, and its current worldwide activities. It is a fine article. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TOWN AFFILIATION: THE U.S. EXPERIENCE

(By Dr. George G. Wynne)

The age of mass communications has increased the possibilities of direct contact between peoples across national frontiers. A gradual rise in living standards in many parts of the world, coupled with the progressive easing of travel and currency restrictions in the twenty-two years that have passed since World War II have brought international travel within the reach of ever greater numbers of people. With particular reference to the United States, this means that during 1969 more foreign nationals (excluding Mexico, 1 million, and Canada, 9 million)—an estimated 2 million—visited the U.S. than at any time in history.

To the extent that travel and personal contact between people of different nationalities strike at the roots of fear and hostility in the relations of governments, they help bring about that wide base of international understanding to which governments, fashioned of people and limited in varying degrees by their support, need be responsive. The proposition is basic and simple: what we don't know, we begin to fear and what we fear we begin to hate. As soon as the unknown quantity resolves itself into people with the same cravings and aspirations as our own, we begin to understand each other and to tolerate what may be differences in customs and behavior. Mutual suspicions are replaced by that other widespread trait of our gregarious human family—a natural curiosity about the other fellow and what makes him tick. From this realization of common humanity flows mutual friendship, respect and compassion.

With the advent of community affiliations (Sister Cities) and other organized personal contacts on a local level in the interest of international understanding, but outside the direction and control of central government, a powerful new force has entered the international arena: that of people dealing with people, directly or through the private and professional groups that claim their interest. In the future this concept may not only prove an important adjunct to conventional moves by enlightened governments in the promotion of world peace and understanding, it might actually stake out the limits of popular support for government actions detrimental to international unity.

What then is the American experience and the challenge for the future held by people to people diplomacy? This paper will confine itself to the town affiliation or sister city movement which currently links more than 350 American communities ranging in size from New York City to Oakland, Nebraska (pop. 1,400) in mutually stimulating programs of information and cultural exchange that help widen the horizon of participating communities.

THE TOWN AFFILIATION ASSOCIATION

In September, 1956, former President Eisenhower announced the People-to-People program, holding the basic concept that the citizens of this country, representing the great strength of the United States, could and should make contributions to improve the image and understanding of our country abroad. This very sound concept was to involve people at all levels of our society in "personal diplomacy." Many ideas and committee endeavors were suggested and tried as elements of the program.

Of the original committees established in 1956, the principal purpose of the Civic Committee of People-to-People was to establish town affiliation relationships. Thirteen years have passed since the program was announced, and many of the other original committees no longer exist. However, the Town Affiliation (sister city) program has proved to be one of the most viable, far-reaching and effective in its impact.

In 1957, the U.S. Information Agency asked the National League of Cities, because of its broad-based municipal membership throughout the United States, to serve as a clearinghouse and in an administrative capacity to help expand the program. Today, more than 350 American cities have established affiliations with more than 450 cities in 60 other nations of the free world. These cities are actively engaged in meaningful international relations on behalf of the 1 out of every 4 Americans represented by the combined population of more than 45 million persons in these United States cities.

In the early years of the program, no more than a dozen active affiliations existed. As the number increased, the necessity developed for some type of clearinghouse through which interested cities could obtain pertinent information as to affiliation procedures, leads to foreign cities available for affiliation, receive information regarding successful and unsuccessful programs and how to do it materials. During that same period, the USIA had established the Office of Private Cooperation, serving in an advisory and liaison capacity, to assist those cities wishing to obtain expert knowledge or desirable project ideas and to service embassy requests from abroad.

This combination proved to be most effective in the early years of the program; there were not too many cities then affiliated, and communication with them was relatively easy. However, as more cities heard about the program, more joined and requests doubled and tripled. The oroginal informal working relationship began to prove confusing, and efforts were initiated to give a more formal structure and policy to the entire national movement.

In 1965, the first efforts were made along these lines at a Western Regional Sister City Conference, held in Portland, Oregon, at which the delegates unanimously recommended the establishment of a national association. Following this action, the League of California Cities and the League of Oregon Cities adopted resolutions supporting the idea during their annual meetings. The Executive Committee of the National League of Cities took identical action at its meeting late in 1965. An interim Board of Directors was named, so that Article of Incorporation and By-Laws could be drafted and other procedures established to accomplish this organization. At the 10th Anniversary Conference of the Town Affiliation Program held in Washington in September, 1966, delegates unanimously supported this idea, and the incorporation was completed. Additional meetings were held to formalize the structure of the organization, a fund raising drive was launched, and the association finally became a reality on June 12, 1967, in the District of Columbia.

The National League of Cities and many State Leagues of Cities wholeheartedly support the Town Affiliation Association. However, town affiliations are basically citizen-oriented.

They should be citizen-directed and involve widespread citizen participation. It is the consensus of the leadership of the NLC that its role, and that of any organization of city officials, should be one of participation and support, rather than one of policy-making and administration. Therefore, at the will and direction of the cities currently involved, the Town Affiliation Association of the United States, Inc. was founded in 1967.

A RECORD OF ACHIEVEMENT

The joining of forces in the U.S. over the past three years of national and civic organizations for a nation-wide promotion of community affiliations has pushed the number of active information and cultural exchange programs in effect between American and foreign cities to a historic high at the time of this writing. These have been recognized as a promising new technique in intercultural relations at the local level designed to bring the talents and resources of private citizens to bear on the problem of eliminating sources of intolerance, prejudice and suspicion among nations.

Even though negotiations aimed at establishing specific affiliations normally take six months or more, involving as they sometimes do local legislative action in both communities, the organization of committees and action programs, international correspondence and the scaling of language barriers, new affiliations are now coming into being at the rate of one every six days.

Efforts are now under way to strengthen the content and impact of existing programs through an exchange of views, program ideas and case studies of successful projects in a monthly newsletter designed to serve as a vehicle for the exchange of information between participating American communities.

The significance of this combined effort in the initiation of international relations at the city level has been recognized in feature articles appearing in such nationally noted magazines as The Reader's Digest and Look Magazine. Leaders of American thought and action, including Presidents Eisenhower, Kennedy, Johnson, and Nixon, legislators, judges, scientists and educators, have hailed the achievements of the program in establishing enduring friendships between America and their neighbors on this shrinking planet. Introduced on a number of occasions on the floor of Congress and reported in the Congressional Record, these remarks have added their weight to the scores of positive evaluations by the nation's leaders on both sides.

As the type of activities undertaken by American Cities in their exchanges with foreign affiliates generally fall into the same categories, no attempt will be made to single out or evaluate the projects of specific cities. The scope of this paper does not permit such project summaries. The highlights presented below are grouped rather according to functional areas in which sister city programs have already advanced the cause of international friendship and cooperation while giving evidence to progressively increasing the scope and depth of their contribution.

RAPPROCHEMENT BETWEEN VITAL WORLD AREAS

Eighty Japanese communities with a combined population in excess of 30 million are now linked with an equal number of American cities in a massive rebirth of sympathy between the citizens of two nations locked in mortal struggle within the memory of the present generation. The movement has spread so rapidly in Japan that city governments have made it a point of municipal policy to be the first in their area to obtain an American affiliation. Unlike the programs of American communities which are financed almost entirely by private and voluntary contributions, Japanese municipalities often underwrite the affiliation activities out of city funds as a project in the public interest.

Besides an impressive exchange of delegates and visits considering the distances involved, the program here has been characterized by the trading of permanent and dramatic tokens of goodwill between communities. These have ranged from a full-size replica of San Diego's 20-ton Guardian of the Waters statue now facing eastward across the Pacific from a waterfront shrine in Yokohama, to cast bronze temple bells and entire pagodas shipped by Japanese communities to U.S. sister cities as a symbol of their lasting friendship and goodwill. In the course of these exchanges even a San Francisco cable car, an object of local lore, representative of a vanishing era, has found its way to enshrinement in the public park of Osaka—San Francisco's sister city. Thousands of young people in both countries are corresponding with each other, school systems are cooperating in exchanges of information and exhibits and many more local officials, opinion makers, students and businessmen on both sides of the Pacific are getting to know each other in that climate of goodwill, mutual trust and local loyalties established by the sister city program, than would otherwise have been possible.

The same holds true of affiliations with German speaking communities, some of which like that of Worthington, Minnesota and Crailsheim, Germany date back to the early postwar period and have been productive over since to student and teacher exchanges. Several affiliations have even resulted in marriages. A case in point is provided by the Hagerstown, Maryland-Wesel, Germany affiliation where former Mayor Winslow Burhans' daughter married the son of a Wesel municipal judge.

Though this paper has confined itself to the American experience, we understand that the hundreds of Franco-German twinnings of cities have contributed dramatically because of their geographical closeness and the ease of travel to a physical rapprochement between the two countries.

The day may come when such exchanges will also contribute to the lessening of East-West tensions, but such a development presupposes a workable method to limit and hold to parity the role of government in community programs.

LEARNING FROM EACH OTHER

The existence of sister city links has resulted in thousands of privately financed student and teacher exchanges instrumental in building a lasting appreciation of the overseas neighbor's society and culture among today's opinion makers and tomorrow's leaders. In obtaining personal knowledge of each other's ways, problems and aspirations, exchange visitors have time and again gained a priceless awareness that the standards of their own society are relative rather than absolute and that the essential unity of the human family is of greater significance than its manifold divisions.

Exchanges of delegations and organized group visits of local citizens in the course of their vacations, or specifically for study purposes have also contributed to this objective. These private exchanges of persons, hurdling political and language barriers, would not have come about without the sister city program. This applies in like measure to the exchanges of information in the form of exhibits, correspondence, newspaper articles, films and tape recordings, besides the more obvious exchanges of book and magazine collections which are daily bringing American cities and their foreign affiliates closer together in an appreciation of each other's culture and viewpoints.

Ingenious methods have been adopted by the program committees of sister cities in mobilizing the financial and human resources of the community in support of their worthwhile endeavors. Fund-raising devices to finance scholarships, teacher exchanges, library presentations and other program work have included trade fairs (Riverside, Cal.), fashion shows (Denver, Colo.), dances (Forest Heights, Md.), the general solicitation of contributions by local industry and the registering of sister city programs as nonprofit corporations qualifying for tax-exempt membership dues and contributions (York, Penn.; Montclair, N.J.; San Diego, Cal., etc.).

The importance of foreign language study brought home to affiliated communities in

the course of their association has resulted in accelerated language teaching efforts at the local level with built-in incentives for proficiency in place of earlier indifference. Sister Cities have in some instances been successful in obtaining the services of exchange teachers invited to the United States under government grants and local school systems in affiliated cities are making a greater effort to participate in government sponsored teacher exchanges with particular reference to the city of their choice.

In what is reportedly to be one of the most massive U.S. efforts of its kind, the public schools of York, Pennsylvania affiliated with Arles in southern France—are providing regular instruction in French to thousands of primary and high school students. The program uses the services of exchange teachers provided by Arles and has been in force for a number of years. Other affiliated cities are likely to follow suit with the growing interest in foreign travel, language and culture now spreading throughout the country. Local radio stations and the National Association of Educational Broadcasters are cooperating in this effort by organizing instruction programs in major world languages. Adult education programs have followed suit by offering evening classes of instruction in the languages of affiliated cities. A recent example is Downey, California where some 70 leading citizens joined an intensive Spanish language course in preparation for a group visit to Guadalajara, Mexico, their new sister city to the south.

MUNICIPAL COOPERATION

Communities linked in town affiliation programs are exchanging technical information on municipal problems such as waste disposal, traffic control, fire fighting, zoning regulations and the like. They have even started to help each other by exchanging the services of experts on requests to deal with specialized local problems. A New York traffic engineer has gone to Tokyo and port officials in Seattle and Kobe have swapped places to study their problems from a new perspective. Taking a busman's holiday and sampling life abroad in the process, the Jakobstad, Finland fire chief fought fires with the Jamestown, New York fire department and vice versa.

There are other examples of this kind, but technical cooperation at the municipal level is just beginning and it provides a challenge for international action through such organizations as the United Nations, since the costs and specialized skills involved generally exceed the resources available to single communities. Participating cities and the U.N. technical cooperation program could well afford to take a closer look at how their skills and resources could best be combined to bring the know-how of advanced municipalities to bear on the problems of urban centers now emerging from centuries of social neglect.

Also contributing to the impact of sister city programs have been technical exchanges sponsored by private industry, such as skilled craftsmen from Arles working in the Home Furniture Company of York, Pennsylvania, or a builder from Wesel employed for a year by a Hagerstown, Maryland firm. Opportunities provided by the regular exchange programs of government and private organizations have sometimes been utilized by enterprising city affiliators in providing transportation for such specialists as newspaper and radio reporters. A newsman from Rennes, France, for instance, served on the staff of the Rochester, New York Daily and a Sendai, Japan reporter has worked with the Riverside, California press.

A FRIEND IN NEED . . .

Sister cities have rallied to aid each other when stricken by disaster or faced by critical needs and sudden emergencies. Wesel, Germany residents rallied to aid Hagerstown, Maryland, faced by severe unemployment in the winter of 1961. When severe earthquakes ravaged Chile one summer, the community of Sausalito, California, affiliated with Vina del Mar, raised several thousand dollars for relief operations. Iron lungs have been flown to Japan to combat a polio epidemic, and a twin-engined plane was presented to Goiania, Brazil by Orlando, Florida to service the educational needs of Indian tribes in scattered jungle locations.

Los Angeles sent crates of medical supplies to typhoon-damaged Nagoya, Japan. Places for medical interns from Graz, Austria, where medical facilities were overcrowded in the postwar years, have been provided annually by Montclair, New Jersey; a children's health clinic established in Brest, France by Denver, Colorado, and a ward financed in the Mercara, India community hospital by Darien, Connecticut, to mention but a few examples of Sister City assistance.

MAKING BETTER CITIZENS

In helping their country by making and keeping friends abroad, Americans engaged in the program are not only gaining a sympathetic awareness of the problems of the other fellow, from the frank discussions and exchanges of views that typify the best affiliations, they are learning to see themselves as others see them. The work of the town affiliation committee, focusing the efforts of local groups and of citizens in all walks of life into a positive community objective, moreover provides a constructive experience of working together with one's neighbor for a common goal representative of man's noblest aspirations.

Their association in this relatively selfless endeavor tends to generate among participants a climate of mutual respect and appreciation. Former San Jose Mayor Robert Doerr noted in a representative evaluation of sister city committee work at the 1959 Civic Committee Conference that, "a great many things have happened in San Jose as a result of the affiliation which have contributed to what we might call an era of good feeling.

Local citizens working together for the first time on a program for the good of the community and the nation found they could cooperate. When called together for other civic projects, they knew each other personally and were off to a good start." The mechanism established by city affiliators in initiating and coordinating projects involving all community service organizations, the schools, churches, city officials, newspaper, and radio station, thus provides a vehicle for obtaining community action on local issues in the public interest.

A well-rounded sister city committee is a truly representative group that often provides a more accurate cross-section of community interest, occupations and concerns than the men officially charged with the city's affairs. As such, it can help channel community feelings into constructive endeavors and respond quickly to local, national and international challenges.

With the depth and the impact of sister city programs constantly on the increase, this widening experience in local action for international goals cannot help but produce more internationally conscious and thoughtful citizens across the length and breadth of America. This may well be on an age of national inter-dependence.

SOME CAUTIONS

While this power has so far confined itself to the positive aspects of town affiliations a number of definite cautions need to be observed by the committees operating the program to insure that it takes advantage of the opportunity to improve international relations. If these common sense cautions are consistently ignored, an affiliation can lead to more harm than good in the sum total of frayed tempers, irritations and mutual recriminations it will generate.

The author believes that the national organizations promoting the program as a pathway to peace and international cooperation are aware of the dangers inherent in projects not carefully planned and thought through. As will be shown in the succeeding section, their assistance to local committees is of a type specifically designed to avoid these pitfalls.

THE SUPERFICIAL APPROACH

If groups in a community embark on an international program without concern for a lasting and serious relationship, paying attention only to the local and transitory rewards of publicity, their foreign counterparts will soon come away disenchanted from a relationship that provides only the means to an essentially selfish end. A lasting affiliation cannot be built on a lavish one-time spectacle, nor on a drawn-out but empty ritual of contact which fails to deal in meaningful terms with mutual problems and curiosities substituting mere form and motion for the content of human relations.

Conversely, sincere but overly-enthusiastic approaches by American community groups steeped in the pragmatic tradition that in an age of salesmanship tends to get deafened by the sound of its own voice, may frighten and put on their guard overseas communities used to more formal and low-keyed approaches.

UNREQUITED AFFECTION

If repeated demonstrations of goodwill and suggestions of affiliation encounter only silence, if so to speak, the hand proffered in friendship is ignored by the prospective partner, people soon turn away with irritation and injured pride from their unsuccessful international experiment. They may become more parochial and less tolerant in their outlook than they were before. Equally as bad is the acquiescence of an uninterested city, too polite to refuse the insistent advances of a foreign community, but unwilling to live up to the foreign relations responsibilities it has acquired by following the line of least resistance. More perishable than most commodities, the tender shoots of municipal friendship need friendly care and protection during the planting period to insure they will thrive in the soil that receives them.

POLITICAL EXPLOITATION

Like the Olympic Games, city affiliations are intended to match the talents of skilled amateurs, in this case amateurs in the field of international relations. Participants in sister city activities work at the enjoyment of friendship across national frontiers as an avocation, a rewarding hobby in addition to their full-time pursuits. If governments, which are supposed to stay out of these private associations, infiltrate and exploit them for their own political objectives by dispatching trained "professionals" in the guise of "amateurs," the contest is likely to turn into an unequal propaganda exercise. Privately financed community efforts are no match for a government project able to absorb the travel costs of centrally available revenues.

MEETING THE PROBLEM

By intensive servicing of present and prospective town affiliations with information, advice and study guides, the organizations active in coordinating the program on a national level are seeking to avoid superficial or thoughtless approaches to experiments in international communication on the part of local communities. The Town Affiliation Association provides information on foreign countries, on customary procedures employed in establishing affiliations and on the tried and tested projects of other American communities. Affiliation committees are referred to program aids such as pertinent books or services available from private or public organizations and the experiences of other American cities in exchange programs with the country of their choice. There is much room for improvement in this field.

At present, only a handful of people are working nationally on this vital problem of servicing an information exchange, while the number of affiliations keeps increasing at an accelerating pace. The danger of affiliations going sour because they lack sustained initiative, guidance and information calls for a considerably greater servicing effort than is now being expended. The disproportionately positive influence on foreign relations wielded by the sister city program in terms of national cost and effort more than merits such an increase in the scope and depth of professional servicing.

THE INTERMEDIARY

To avoid embarrassing rebuffs and the need for future disentanglements of one-sided affiliations that have become a liability rather than an asset to the international standing of a community, the Town Affiliation Association took its role as an intermediary between U.S. and foreign communities very seriously. In cooperation with foreign municipal and other organizations and with resident Americans abroad, the initial reaction of foreign city governments and local organizations to a proposed affiliation is carefully searched out.

If the answer is "no," be it because of other commitments, the pressure of more urgent projects, or just plain lack of interest, the middleman technique employed by TAA avoids hurt feelings at this point and the city looks elsewhere for a partner. Acting as a buffer between communities before they establish contact, the TAA approach on behalf of a member city permits an unwilling prospect to bow out more gracefully than would be possible after direct contact is established between the cities. The impersonal role of TAA as a broker allowed cities to react realistically rather than politely and avoids problems later.

KEEPING PROGRAMS OUT OF GOVERNMENTAL CONTROL

In order to maintain town affiliations on a non-political level, outside of domination by power structures opposed to free information exchange and the principles of representative government embodied in the municipal structure of U.S. communities, the Town Affiliation Association and other cooperating members in the western hemisphere decided to work only with the professional and non-political organizations affiliated with the International Union of Local Authorities in the pursuit of sister city programs.

American communities favor exchanges of persons and information with all countries but prefer, according to TAA, that these be carried on informally in cases where there is danger that an official city affiliation could be exploited for its own purposes by a hostile central government acting through local administrators.

A SISTER CITY PLAN

An outline of the process by which an American community establishes and operates a sister city program normally includes these steps:

An individual or a group becoming aware of the purposeful nature of town affiliations seeks to obtain community support through the Mayor's office by means of a steering committee including to the extent possible a cross-section of community leaders and organizations.

The committee reviews the human and physical resources of the community from the standpoint of starting and carrying through a successful affiliation program. The mayor usually serves as honorary chairman of this committee, which decides on the country and, in some cases, even the city or cities desired as prospective partner(s). Historical ties, ethnic composition of the community, factors of size and economy, cultural interests should have some bearing on the choice.

The committee will consult the list of foreign cities already affiliated with American communities to avoid duplicate efforts and secure information on existing programs and techniques from the Town Affiliation Association of the United States.

When the choice is narrowed down to a country or a particular city, the committee transmits its wishes to the Director of Town Affiliations at the Town Affiliation Association, together with background information, pamphlets, photos and other available graphic and visual material on the community to help TAA and its foreign affiliates in effecting a proper "introduction" to the prospective partner overseas.

The Town Affiliation Association working with local resident Americans or government officials overseas assures itself of reciprocal interest by local authorities in the proposed foreign city. When that interest is established, direct contact ensues between the two cities who will have established counterpart committees to carry on exchange projects.

The first such project is the official act of affiliation, in the form of a resolution passed by the city council, which is exchanged with the municipal government of the sister city at ceremonies in both cities by representatives of the foreign city or its national government.

While these first contacts between sister cities are made at the municipal level, the next contacts take place on a continuing basis between organized counterpart groups in each community—the schools, service clubs, Chambers of Commerce, labor unions, professional associations, women's clubs, veterans, youth and hobby groups. From these official and organizational relations comes the people to people contacts that alone assure the success and continuity of a sister city program.

The scope and nature of the privately-sponsored exchanges of ideas, persons and objects, which form the core of a continuing town affiliation, is limited only by the imagination and resources of participating communities. Information on the types of successful projects undertaken by U.S. communities is available without charge from the Town Affiliation Association of the United States, 1612 K Street, N.W., Washington, D.C.

A survey by the Town Affiliation Association of existing town affiliation conducted by questionnaire has clearly established that the most active sister city programs are those supported to the greatest extent by the mass media of the community To insure that the program filters down to the third and most important level of sustained people-to-people contact, it is essential that exchange projects, fund-raising drives and local events connected with the sister city receive frequent and extensive coverage by the newspaper, radio/TV stations and the public service advertising of the commercial community.

The elements of continuing personal contact and wide community participation constitute in the American experience the only basis of a town affiliation that lives up to its promise of passing on to the next generation a heritage of improved relations on a very small planet.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How Long?

LET'S BUILD A SPACE SHUTTLE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. TEAGUE of Texas. Mr. Speaker, Industrial Research, one of the leading technical-managerial journals of today regularly conducts polls among its readers on significant national issues. The development of a low cost space transportation system, I am convinced, is not only essential for a strong national space program but also for our national security and the long-range economic well-being of our Nation. The November 1971 issue of Industrial Research asked its readers a number of significant questions about our national space program and particularly the development of a low cost transportation system—the space shuttle. The results of that poll overwhelmingly support the need for a space shuttle program. I am including this poll in the CONGRESSIONAL RECORD because of its significance in the decisions that will have to be made by the Congress in the near future.

The poll follows:

OPINION POLL RESULTS—LET'S BUILD A SPACE SHUTTLE

A significant majority, more than 83%, of respondents to the August "Opinion Poll" questionnaire favor a continued emphasis on space exploration via the space shuttle.

Forty-one percent of the survey respondents thought the space shuttle program will provide the most economical approach to future space exploits now that the Apollo flights are nearing completion. Only a few respondents felt that employment, national security, and our position in space were important factors in considering the shuttle project.

Little concern was evidenced, only 17%, that the space shuttle program would siphon money away from purely scientific space projects.

Tabular results of the August poll are presented below:

Q. 1: Do you favor the proposed space shuttle project?

	Percent
Yes	83
No	17

Q. 2. Which one of the following arguments cited by shuttle supporters do you think is most significant?

	Percent
It is the most economical approach to future exploits	41
It will aid employment and national security	8
Without it the U.S. will become a second-rate power in space	6
It is critical to the survival of NASA	4
All of the above	35
None of the above	6

Q. 3. Which of the following arguments cited by shuttle opponents do you think is most significant?

	Percent
It will take funds away from needed social problems	42
The economies proposed are unlikely	8
There is little application for such a vehicle	5
Now that we've reached the moon, there is no need for further space involvement	2
All of the above	6
None of the above	37

Q. 4. Some scientists oppose the shuttle program because they fear it will take dollars away from purely scientific space projects. Do you agree?

	Percent
Yes	17
No	83

Q. 5. If the shuttle program is defeated, NASA will have no major projects following the Apollo flights. In your opinion, what should be the future of NASA?

	Percent
Continue to seek other major space projects	56
Exist as smaller organization for limited space work	21
Conversion to work on other national priorities	19
Disbandment after completion of current programs	4

Q. 6. Why is the space program—the glorious offspring of the 1960s—now fighting for its life in the 1970s?

	Percent
Public now is more concerned with social problems	25
Involvement in Vietnam has drained funds and interest	11
A growing dissatisfaction with science and technology	16
Goal of being first on moon was accomplished	6
All of the above	38
None of the above	4

SENATE—*Wednesday, November 24, 1971*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God, ruler of men and nations, at this festival of thanksgiving our hearts are warmed and our minds uplifted as we think of Thy goodness and mercy to our Nation and to each of us.

We thank Thee for home and family; for children, for their brave play and startling frankness; for youth, and their high idealism, their irreverence for worn-out values; their search for freedom and their solemn vows.

We thank Thee for growing up and growing old, for wisdom deepened by experience.

We thank Thee especially for this good land which Thou hast given us for our heritage; for freedom under Thy rulership; for institutions created and illumined by Thy Spirit; for Thy guiding hand on our pilgrimage through the years that are past; and for a place of honor and service among the nations.

We thank Thee for the bright hope of a world of justice and righteousness and for every advance which brings nearer the day of Thy kingdom.

We thank Thee for all that has been done to eliminate poverty and disease and to provide a better life for all the people.

We thank Thee especially for reduced combat, for diminishing bloodshed on faraway battlefields and for the hope of peace with justice and security.

We thank Thee for leaders who put their trust in Thee and for all workers whose motive is service to all mankind.

Come upon us afresh to make us new with Thy divine spirit that we may "be strong in the Lord and in the power of His might."

Send us to our homes and our churches with thanksgiving in our hearts and praise to Thee on our lips.

We pray in the Redeemer's name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, November 23, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination in the Geological Survey, under New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nomination on the Executive Calendar, in the Geological Survey, under New Reports, will be stated.

GEOLOGICAL SURVEY

The second assistant legislative clerk read the nomination of Vincent E. McKelvey, of Maryland, to be Director of the Geological Survey.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed; and without objection, the President will be immediately notified of the confirmation of the nomination.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

MAJOR GENERAL SHOUP—A MARINE'S MARINE

Mr. MANSFIELD. Mr. President, Newsweek magazine for November 29, 1971, contains an article entitled "A Marine's Marine."

It refers to the former Commandant of the Marine Corps, Maj. Gen. David Monroe Shoup, who, incidentally, happened to be born in a place called Battleground, La.

I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHERE ARE THEY NOW?—A MARINE'S MARINE

In the fall of 1959, when Maj. Gen. David Monroe Shoup was catapulted over the heads of nine senior officers to become the 22nd commandant of the U.S. Marines, divided leadership and controversy over hard-nosed training methods had driven the fabled morale of the Corps to an all-time low. Almost from the day he took charge, however, the bespectacled, barrel-chested Shoup—a Medal of Honor winner for his gritty leadership of the marines' bloody victory at Tarawa—began to revive the Corps' sagging esprit. In the process, he pointedly defied many of the most cherished Marine traditions, overhauling the training program, replacing obsolete landing craft with helicopters and even abolishing the swagger stick. But Shoup also insisted upon strict adherence to the old-fashioned personal virtues and ramrod discipline that had made him the epitome of a marine's marine.

Ironically, it was not until several years after his retirement in 1963 that the general public first learned about the maverick side of Shoup's character. Shoup's widely reported observation that "the whole of Southeast Asia is [not] worth the life of or limb of a single American" severely jolted the nation's military brass in 1966. And later, the increasingly dovish ex-general shocked the entire military-industrial complex by asserting that the U.S. should "keep [its] dirty, bloody, dollar-crooked fingers out of . . . these [exploited] nations."

DOOMED

Today, although he seems less eager to enter the verbal arena than in years past, Shoup believes that his criticisms of the Vietnam war effort have long since been confirmed. "I was among the first," he recalls somewhat wearily, "to say we could not win because we were not permitted to go to the heart of the war—to North Vietnam." For the same reason, he believes, President Nixon's Vietnamization program is also doomed to failure. "As soon as we get out," the peppery, white-haired grandfather of four asserts, "North Vietnam will be able to move right in and take over." Sadly, he adds: "After all that killing—it is frustrating, frustrating."

At 66, Shoup and his wife, Zola, live in a hilly, wooded enclave of Arlington, Va., just a few miles away from the Pentagon. Shoup plays an occasional game of golf, but he is far more interested in working on his autobiography. Yet if he spends more time looking backward these days, Shoup still remains vitally interested in the future. He confidently predicts that "as long as the Navy operates on water, we will need the Marines." As for the future of military leadership, though, Shoup is not quite so certain. "Machines will probably be making the decisions," he conjectured with undisguised regret last week. "The human brain is just too slow to cope with the complexities of modern warfare."

TROOP REDUCTIONS IN VIETNAM

Mr. SCOTT. Mr. President, the current issue of Life magazine contains two very dramatic illustrations. On pages opposite each other there are two maps, one showing the presence and location of U.S. forces in Vietnam at about the beginning of this administration, and another showing the near absence of U.S. combat allocations in Vietnam at this time. The maps illustrate more cogently, I think, than most prose, how near we are to ending this war. In fact, the article is entitled "The U.S. Pulls Out of Vietnam."

Mr. President, tomorrow is Thanksgiving Day. I verily believe that the year 1972 will mark the end of active U.S. participation in Southeast Asia.

I hope that next Thanksgiving Day, 1972, we will be able to comment in this Chamber—should we be here that late—earlier if we are not here that late—that the war has ended so far as the United States is concerned. I hope also that the war will have ended so far as Vietnam is concerned.

Let me repeat the warning I made here some time ago—my very sincere hope that the United States will not become involved in the dreadful crisis developing between India and Pakistan. It would be so easy, by giving a little aid here or a little aid there, a few arms here and a few arms there, for us to get involved in a far bigger place than South Vietnam—and involved indefinitely with almost untellable consequences.

I hope that we in this Chamber, and elsewhere in the country, will resolutely remain not aloof, as one indifferent remains aloof, but apart as one who truly wishes to preserve neutrality remains apart.

I have not heard many voices on this subject, but I sincerely believe that the way to stay out of war is to see it coming and plan what we have to do. The way to stay out of trouble is to plan against trouble.

Thus, Mr. President, I hope that we will stay out of this dreadful involvement that is developing between India and Pakistan.

Mr. MANSFIELD. Mr. President, I join in the distinguished minority leader's comments and commend him for his remarks.

I, too, hope that by this time next year there will be no more U.S. troops in Vietnam, that the war will be behind us, and that what we will be considering will be the rehabilitation of that which has been destroyed.

I also join the distinguished minority leader in his remarks relative to not becoming involved physically in the India-Pakistan situation, which seems to be reaching highly dangerous proportions.

Let me express the hope—and I am sure that the distinguished minority leader will join me—that this is the time—now, today—not tomorrow, but today—for the Security Council in the United Nations to act. It operates the year round. It is a small group. There is no reason why it should not engage its great prestige; the Security Council is composed of the greatest nations in the world. If they have any power, if they have any clout, now is the time to exercise it.

I also join the distinguished minority leader in commending the President for reducing U.S. forces in Vietnam, since he assumed office, from 546,000 to around 180,000 at the present time.

Let me say in conclusion that insofar as the remarks made by the distinguished minority leader are concerned, as to our not becoming involved elsewhere—at least, that was his implication—I trust that we will not become involved in any more Vietnams anywhere in the world, because the price is too high, the cost is too high, the casualties are too high. The reputation of this Nation has suffered enough because of the misadventure in Southeast Asia.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to exceed 15 minutes, with statements therein limited to 3 minutes.

Mr. GRIFFIN. Mr. President, may I be recognized?

The PRESIDENT pro tempore. The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, I yield my time to the distinguished minority leader.

CAUTION ABOUT U.S. PARTICIPATION IN INDIA-PAKISTAN CONFLICT

Mr. SCOTT. Mr. President, I thank the distinguished assistant minority leader. I asked for additional time, first, to make the point, about which I am sure the distinguished majority leader and I are in agreement, that my comment on the India-Pakistan debacle does not indicate in any sense an incallous disregard of human suffering and that it does not in any way deny continuing commitments to relieve those suffering from natural disasters on from the tragedies that come to people who are caught in them.

I understand that our aid to the East Pakistan refugees is greater than has been given by all the world combined.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. MANSFIELD. Mr. President, I join wholeheartedly in what the distinguished minority leader has just said. From a humanitarian point of view, I think we must and should do everything possible. However, I was referring to a physical military involvement. I think we have had enough of that for some time to come.

Mr. SCOTT. Mr. President, I thank the majority leader.

PROPOSED EXPEDITION OF SENATE WORK NEXT YEAR

Mr. SCOTT. Mr. President, the conferences of both parties in the Senate have been considering a matter on which I will report only from this side of the aisle. However, I am advised that the feeling is very general. I say this now merely to get it on the record for the benefit of all Senators.

Beginning next year we have simply got to consider a way to expedite the processes of the Senate.

On my side of the aisle—and the distinguished majority leader can comment, if he wishes to, concerning the other side—it is our feeling that we should dispose of all authorizations next year before the end of June. Someone said, "What is the penalty?" The penalty is that if one does not get an item included in an authorization bill, anything that he gets will have to come through a supplemental appropriation bill later.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. PASTORE. Mr. President, I have run up against this problem several times and have remarked on it on the floor of the Senate. I have handled the Independent Offices Appropriations bill, and many times we had completed our hearings and were ready for markup, but no authorization measure had been passed. We had to wait and wait and wait.

Mr. SCOTT. That has been true time and time again. Another illustration is the defense appropriations bill—a $77 billion bill—which is often held up because a $2 billion item has not been authorized.

This is no way to conduct legislative business, as I see it. I believe that reform is in order.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. BYRD of West Virginia. Mr. President, if I may be recognized, I yield my 3 minutes to the distinguished majority leader.

The PRESIDENT pro tempore. The majority leader is recognized for 3 minutes.

Mr. MANSFIELD. Mr. President, once again, I agree wholeheartedly with what the distinguished minority leader has just said. It is my understanding that the Republican conference has agreed unanimously to such a procedure. The Democratic Policy Committee has agreed unanimously to such a procedure. We are delighted that the Republican confer-

ence took the initiative in this respect. We are very happy to join them.

I have no doubt that the Democratic caucus, if one is called, would unanimously approve of such a procedure as well.

It is interesting to note that the distinguished President pro tempore is in the chair. He is also the chairman of the Appropriations Committee. May I say that he has done not only an outstanding, but also a magnificent job in getting the appropriations bills, insofar as the Senate was concerned, to the floor in an expeditious manner. I know that he would like to have this assurance. Beginning next year, if authorization bills are not ready by June 30—and that is giving them a long time—we anticipate and expect that the Appropriations Committee will go ahead, and any pieces of legislation authorized thereafter having to do with appropriations can be taken up in a supplemental bill.

May I ask the distinguished minority leader if he would convey this message to the White House so that they—and they have done a very good job this year all over—would be aware of this action, so that their messages and recommendations could come up in sufficient time and their witnesses would be ready, so as to enable this kind of procedure to go into effect?

Mr. SCOTT. Mr. President, I would be glad to do so and to express it very strongly.

I join with the distinguished minority leader in praising the great chairman of the Committee on Appropriations, who has done one of the most magnificent jobs in getting these matters handled that I have seen in the 13 years I have been in the Senate.

Mr. MANSFIELD. Mr. President, I should like to include in that commendation the distinguished Senator from North Dakota (Mr. YOUNG), who in a quiet way has been most diligent in working as a team with the Senator from Louisiana. Together, the team of ELLENDER and YOUNG make a great combination.

Mr. SCOTT. Oh, it is a fine old firm.

PETITIONS

A petition was laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

The petition of David W. Fuller, Springfield, Mo., praying for the enactment of legislation relating to termination of citizenship in the United States of America; to the Committee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. COOPER:

S. 2902. A bill to amend the Railroad Retirement Act of 1937 so as to increase the amount of the annuities payable thereunder to widows and widowers. Referred to the Committee on Labor and Public Welfare.

By Mr. TOWER:

S. 2903. A bill to amend titles 10 and 14, United States Code, to provide for the issuance of a medal to be known as the prisoner of war medal. Referred to the Committee on Armed Services.

By Mr. ANDERSON:

S. 2904. A bill authorizing the Secretary of the Interior to hold certain property in trust for the benefit and use of the Acoma Indian Tribe, New Mexico. Referred to the Committee on Interior and Insular Affairs.

By Mr. MILLER (for himself, Mr. CURTIS, Mr. DOLE, Mr. HRUSKA, Mr. HUGHES, and Mr. PEARSON):

S. 2905. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COOPER:

S. 2902. A bill to amend the Railroad Retirement Act of 1937 so as to increase the amount of the annuities payable thereunder to widows and widowers. Referred to the Committee on Labor and Public Welfare.

Mr. COOPER. Mr. President, I introduce today a bill to provide certain amendments to the Railroad Retirement Act of 1937. The purpose of these amendments is to increase the amount of annuities payable to widows and widowers.

This bill is identical with H.R. 5521, which was introduced in the House by Congressman PEPPER on March 3, 1971.

By Mr. TOWER:

S. 2903. A bill to amend titles 10 and 14, United States Code, to provide for the issuance of a medal to be known as the prisoner of war medal. Referred to the Committee on Armed Services.

Mr. TOWER. Mr. President, I introduce legislation which would authorize the President of the United States to award a prisoner of war medal to those members of the Armed Forces who have been captured in the line of duty and held as a prisoner of war for any period of time subsequent to January 1, 1960, by any foreign government or power.

Tomorrow, our great Nation will pause for a day to give thanks for the multitude of blessings that we enjoy as American citizens. We will contemplate our bountiful tables, the security of our homes and the freedoms and privileges of the Bill of Rights. I urge my fellow countrymen to join me tomorrow in praying for the humane treatment and early release of the American prisoners of war whose plight is a result of their individual determination, dedication, and courageous efforts to preserve the integrity and the security of our great Nation.

We are deeply aware of the sacrifices that these brave men have made for all Americans so that we might enjoy the use and protection of our institutions of freedom. Today, there are 1,136 Americans missing in action and 463 Americans who have been acknowledged as prisoners of war in Southeast Asia. Tomorrow the families of 1,599 of our finest men will be celebrating a Thanksgiving while a beloved family member is held captive on the other side of the world or whose whereabouts are completely unknown. The families have made their own personal contribution to America and Americans owe them an expression of gratitude.

Mr. President, at this time I ask unanimous consent that the following information concerning the status of Americans who are missing in action or who are prisoners of war be placed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATUS OF U.S. PRISONERS OF WAR AND MISSING IN ACTION, PRISONER RELEASES, AND ESCAPES IN SOUTHEAST ASIA AS OF NOVEMBER 6, 1971

A. BY COUNTRY

Country	Missing	Captured	Total
North Vietnam	407	378	785
South Vietnam	478	82	560
Laos	251	3	254
Total	1,136	463	1,599

B. BY SERVICE

Branch	Missing	Captured	Total
Army	375	63	438
Navy	108	143	251
Marine Corps	91	23	114
Air Force	562	234	796
Total	1,136	463	1,599

C. STATISTICAL RECAPITULATION BY YEAR

	1964 [1]	1965	1966	1967	1968	1969	1970	1971	Total
Missing	4	54	206	247	284	200	92	49	1,136
Captured	3	74	93	162	113	11	4	3	463
Total	7	128	299	409	397	211	96	52	1,599

[1] Between 1961 and 1964, only a few U.S. military personnel were captured or missing in action in Southeast Asia, all of whom subsequently escaped, were released, died in captivity, or have otherwise been accounted for.

American Prisoners of War and Missing in Action in Communist China as of November 6, 1971.

Two American military officers (one Navy, one Air Force) have been captured by Chinese Communist forces during the Vietnam war. Both are currently listed by the Defense Department as being "interned" in China. In addition, five naval personnel, whose aircraft was hit over North Vietnamese territory, "are thought to have gone down in China." They are listed as missing in action.

Prisoner of War Releases

Since the beginning of the war, the North Vietnamese have released only nine Americans. The Vietcong have freed 24 Americans, three by means of battlefield negotiations.

IV. ESCAPES BY U.S. PRISONERS OF WAR

Army	11
Navy	2
Marine Corps	10
Air Force	1
Total	24

Source: U.S. Defense Department. Directorate of Information, Assistant Secretary, Public Affairs. Telephone conversations, Nov. 9 and 11, 1971.

Mr. TOWER. Mr. President, I feel that the courage of these men should be officially recognized by our Government For this reason, I am introducing this legislation creating a medal to be awarded to these men.

I urge my fellow Senators to give this matter their careful consideration. I feel that this action will be significant in demonstrating once again the solidarity of the American people in their determination to obtain humane treatment and release of our prisoners of war.

At this time, I ask unanimous consent to include the full text of my bill in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2903

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 357 of title 10, United States Code, is amended—

(1) by inserting in section 3744 "prisoner of war medal," immediately after "distinguished-service medal," in subsections (b), (c), and (d);

(2) by striking out in section 3744(c) "distinguished himself" and inserting in lieu thereof the following: "has distinguished himself or has been a prisoner of war";

(3) by adding immediately after section 3750 a new section 3750a as follows:

"§ 3750a. Prisoner of war medal: award; limitations

"(a) The President may award a prisoner of war medal with a rosette or other device to be worn in place thereof, to any person who, while serving as a member of the Army on active duty, is captured in line of duty and held as a prisoner of war for any period of time subsequent to January 1, 1960, by any foreign government or power.

"(b) Not more than one prisoner of war medal may be awarded to any person. For each 180 day period that any person was held as a prisoner of war, following the initial period of 180 days he was so held, the President may award such person a suitable bronze star device; and the President may award a suitable silver star device to any person held as a prisoner of war for any period or periods totaling two and one-half years."; and

(4) by inserting in section 3752 (a) "prisoner of war medal," immediately after "flying cross,".

(b) The catch line of section 3744 of such title is amended to read as follows:

"§ 3744. Medal of honor; distinguished-service cross; distinguished-service medal; prisoner of war medal: limitations on award".

(c) The table of sections at the beginning of such chapter 357, is amended—

(1) by striking out

"3744. Medal of honor; distinguished-service cross; distinguished-service medal: limitations on ward."

and inserting in lieu thereof

"3744. Medal of honor; distinguished-service cross; distinguished-service medal; prisoner of war medal: limitations on award."; and

(2) by inserting

"3750a. Prisoner of war medal: award; limitations." immediately after

"3750. Soldier's Medal: award; limitations.".

SEC. 2. (a) Chapter 567 of title 10, United States Code, is amended—

(1) by adding immediately after section 6246 a new section 6246a as follows:

"§ 6246a. Prisoner of war medal

"(a) The President may award a prisoner of war medal with a rosette or other device to be worn in place thereof, to any person who, while serving as a member of the Navy or Marine Corps on active duty, is captured in line of duty and held as a prisoner of war for any period of time subsequent to January 1, 1960, by any foreign government or power.

"(b) Not more than one prisoner of war medal may be awarded to any person. For each 180 day period that any person was held as a prisoner of war, following the initial period of 180 days he was so held, the President may award such person a suitable bronze star device; and the President may award a suitable silver star device to any person held as a prisoner of war for any period or periods totaling two and one-half years.";

(2) by inserting in section 6248 "prisoner of war medal," immediately after "Marine Corps Medal," in subsections (a) and (b);

(3) by striking out in section 6250 "distinguishes himself" and inserting in lieu thereof the following: "has distinguished himself or has been a prisoner of war";

(4) by inserting in section 6251 "the prisoner of war medal," immediately after "silver star medal,"; and

(5) by inserting in section 6254 "prisoner of war medals," immediately after "silver star medals,".

(b) The table of sections at the beginning of chapter 567 is amended by inserting

"6246a. Prisoner of war medal." immediately after

"6246. Navy and Marine Corps Medal.".

SEC. 3. (a) Chapter 857 of title 10, United States Code, is amended—

(1) by adding immediately after section 8743 a new section 8743a as follows:

"§ 8743a. Prisoner of war medal: award; limitations

"(a) The President may award a prisoner of war medal with a rosette or other device to be worn in place thereof, to any person who, while serving as a member of the Air Force on active duty, is captured in line of duty and held as a prisoner of war for any period of time subsequent to January 1, 1960, by any foreign government or power.

"(b) Not more than one prisoner of war medal may be awarded to any person. For each 180 day period that any person was held as a prisoner of war, following the initial period of 180 days he was so held, the President may award such person a suitable bronze star device; and the President may award a suitable silver star device to any person held as a prisoner of war for any period or periods totaling two and one-half years.";

(2) section 8744 is amended by—

(A) inserting "prisoner of war medal," immediately after "service medal," in subsections (b), (c), and (d); and

(B) striking out in subsection (c) "distinguished himself" and inserting in lieu thereof the following: "has distinguished himself or has been a prisoner of war";

(3) section 8745 is amended by inserting "prisoner of war medal," immediately after "distinguished-service medal,";

(4) the catch line of such section 8745 is amended to read as follows:

"§ 8745. Medal of honor; Air Force cross; distinguished-service medal; prisoner of war medal; delegation of power to award";

(5) Section 8747 is amended by inserting "prisoner of war medal," immediately after "silver star,";

(6) the catch line of such section 8747 is amended to read as follows:

"§ 874. Medal of Honor; Air Force Cross; Distinguished Service Cross; Distinguished Service Medal; Silver Star; Prisoner of War Medal; replacement";

(7) section 8748 is amended by inserting "8743a," immediately after "8743,";

(8) the catch line of such section 8748 is amended to read as follows:

"§ 8748. Medal of Honor, Distinguished Service Cross; Distinguished Service Medal; Prisoner of War Medal; Silver Star Medal; availability of appropriations"; and

(9) section 8752 is amended by inserting in subsection (a) "Prisoner of War Medal," immediately after "Distinguished Flying Cross,".

(b) The table of sections at the beginning of such chapter 857 is amended—

(1) by inserting

"8743a. Prisoner of War Medal; award; limitations."

immediately after

"8743. Distinguished Service Medal award."; and

(2) by striking out

"8747. Medal of Honor; Air Force Cross; Distinguished Service Cross; Service Medal; Silver Star; replacement.

"8748. Medal of Honor; Air Force Cross; Distinguished Service Cross; Service Medal; Silver Star: availability of appropriations."

and inserting in lieu thereof

"8747. Medal of Honor; Air Force Cross; Distinguished Service Cross; Service Medal; Silver Star; Prisoner of War Medal: replacement.

"8748. Medal of Honor; Air Force Cross; Distinguished Service Cross; Service Medal; Silver Star;; Prisoner of War Medal: availability of appropriations.".

SEC. 4. (a) Chapter 18 of title 14, United States Code, is amended—

(1) by adding immediately after section 493 a new section 493a as follows:

"§ 493a. Prisoner of War Medal

"(a) The President may award a Prisoner of War Medal with a rosette or other device to be worn in place thereof, to any person who, while serving as a member of the Coast Guard on active duty, is captured in line of duty and held as a prisoner of war for any period of time subsequent to January 1, 1960, by any foreign government or power.

"(b) Not more than one prisoner of war medal may be awarded to any person. For each 180 day period that any person was held as a prisoner of war, following the initial period of 180 days he was held, the President may award such person a suitable bronze star device; and the President may award a suitable silver star device to any person held as a prisoner of war for any period or periods totaling two and one-half years.";

(2) section 496 is amended by inserting "prisoner of war medal," immediately after "Guard medal," in subsections (a) and (b) (2);

(3) section 497 is amended by inserting "prisoner of war medal," immediately after "Guard medal,"; and

(4) the first sentence of section 498 is amended by striking out "distinguishes himself" and inserting in lieu thereof the following: "has distinguished himself or has been a prisoner of war".

(b) The table of sections at the beginning of such chapter 13 is amended by inserting

"493a. Prisoner of war medal."

immediately after

"493. Coast Guard medal.".

SEC. 5. The time limitations imposed by clauses (1) and (2) of sections 3744(b), 6248(a), and 8744(b) of title 10, United States Code, and clauses (1) and (2) of section 496(a) of title 14, United States Code, shall not apply to "the awarding of the prisoner of war medal (authorized by the amendments made by this Act) to any person otherwise eligible for such medal by reason of his status as a prisoner of war during any period between January 1, 1960, and the date of enactment of this Act, if—

(1) the prisoner of war medal authorized by this Act is awarded within five years after the date of enactment of this Act in the case of members of the Navy, Marine Corps, and Coast Guard or three years after the date of enactment of this Act in the case of members of the Army and Air Force; and

(2) a statement setting forth the service on which the award is based and recomemnding official recognition of such service is made by the person's superior through official channels within three years after the date of enactment of this Act in the case of members of the Navy, Marine Corps, and Coast Guard or two years after the date of enactment of this Act in the case of members of the Army and Air Force.

By Mr. MILLER (for himself, Mr. CURTIS, Mr. DOLE, Mr. HRUSKA, Mr. HUGHES, and Mr. PEARSON):

S. 2905. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. MILLER. Mr. President, I introduce for printing and appropriate reference a bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians.

In February 1970 a final award was made in Indian Claims Commission docket No. 153 to the three Sac and Fox Indian tribes. Later that year the money to pay the award was appropriated by the Congress. However, before payment can be made, Congress must enact legislation setting forth the purposes for which the funds will be used. That legislation has been delayed because the tribes have not been able to agree upon a distribution formula.

The bill I am introducing calls for a percentage distribution based primarily on the original land holdings of the three tribes. The Sac and Fox of Mississippi in Iowa and the Sac and Fox of Missouri in Kansas and Nebraska support this approach. The Sac and Fox of Oklahoma apparently desire a distribution on the basis of present day enrollment and the two Oklahoma Senators have introduced such a bill (S. 1069).

The three Sac and Fox Tribes operate under different constitutions and bylaws and different enrollment requirements. It is my understanding that the enrollment requirements of one of the tribes has been liberalized, and therefore, the other two tribes feel that distribution of the award on the basis of present day enrollment would not be equitable.

I believe that both distribution proposals should be before the Senate Interior and Insular Affairs Committee when they consider this matter, and that is why I am introducing this measure.

I am joined in introducing this bill by my colleague from Iowa and the Senators from Kansas and Nebraska.

Mr. President, I ask unanimous consent that a copy of a joint resolution by the Sac and Fox of Mississippi in Iowa and the Sac and Fox of Missouri in Kansas and Nebraska be included in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION OF SAC AND FOX OF MISSISSIPPI IN IOWA AND SAC AND FOX OF MISSOURI IN KANSAS AND NEBRASKA

Whereas, in a meeting at Kansas City, Missouri, held on July 24, 1971, between the three tribes of the Sac & Fox—Oklahoma, Iowa and Missouri—for the purpose of arriving at a division of claims award docket 153: the three tribes decided by a vote of two in favor "Missouri and Iowa" and one against "Oklahoma" that the claims award be divided on a percentage basis as follows: 46% to the Sac & Fox of Oklohoma; 39% to the Sac & Fox of Mississippi in Iowa; and 15% to the Sac & Fox of Missouri in Kansas and Nebraska.

Whereas, it was decided democratically between the three Sac & Fox Tribes by a vote of 2 to 1, that the same percentages be used for division of all future joint claims awards made to the three Sac & Fox tribes, and

Whereas, it is the feeling of the "Missouri" and "Iowa" Sac & Fox tribes that the percentage division adopted by majority vote at the Kansas City meeting on July 24, 1971, be the deciding and final step to settle the claims controversy, between the three Sac & Fox tribes, and

Whereas, the three Sac & Fox tribes operate under three different constitution and by-laws and enrollment requirements thus nullifying division on current or present day enrollment basis, and

Whereas, the division of claims dockets 138 and 143 was made on the basis of percentage division, and by majority approval of the three groups, at a meeting held at Topeka, Kansas, May 7, 1966, and

Whereas, the Oklahoma tribe has liberalized their enrollment requirements and as a result their membership increased from approximately 800 in 1949, to approximately 1900 today, and

Whereas, the percentages adopted at the Kansas City meeting July 24, 1971, were arrived at on the basis of original land holdings of the three tribes, and further, the Sac & Fox tribes were and are three distinct separate entities. And rightfully the division should be made equally between the three tribes, but to resolve the controversy the Sac & Fox tribes of Iowa and Missouri have again made the concession to allow the Sac & Fox of Oklahoma, a larger percentage.

Now therefore be it resolved that the Sac & Fox of Mississippi in Iowa and the Sac & Fox tribe of Missouri in Kansas and Nebraska in a joint meeting held at Omaha, Nebraska, on September 30, 1971, hereby reaffirm the action taken at the Kansas City, Missouri, meeting held on July 24, 1971; where it was agreed by majority vote that the division of claims award funds under docket 153, and all future joint claims to the three tribes, be made on the following percentage basis: 46% to the Sac & Fox of Oklahoma; 39% to the Sac & Fox of Mississippi in Iowa; and 15% to the Sac & Fox of Missouri in Kansas and Nebraska.

And be it further resolved, that the congressional delegations of the State of Kansas and Nebraska and Iowa be requested to introduce legislation on behalf of the two tribes to effect this proposed division and be it further resolved that copies of this resolution will be forwarded to the Commissioner of Indian Affairs, Secretary of Interior, House and Senate Committees, on Interior, and Insular Affairs, and any other officials or individuals interested in the affairs of the Sac & Fox tribes.

CERTIFICATION

The above joint resolution was adopted by the tribal council of the Sac & Fox tribes of Iowa and Missouri at a meeting held in Omaha, Nebraska, on September 30, 1971, at the Holiday Inn.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2349

At the request of Mr. TUNNEY, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 2349, the Voting Rights Act Amendments of 1971.

S. 2383

At the request of Mr. BYRD of West Virginia, for Mr. BURDICK, the Senator from Michigan (Mr. HART) was added as a cosponsor of S. 2383, to amend certain provisions of chapter 311 of title 18, United States Code, relating to parole.

S. 2509

At the request of Mr. SCOTT, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of S. 2509, to incorporate Pop Warner Little Scholars, Incorporated.

S. 2676

At the request of Mr. TUNNEY, the Senator from Vermont (Mr. STAFFORD), the Senator from Colorado (Mr. DOMINICK), and the Senator from Delaware (Mr. BOGGS) were added as cosponsors of S. 2676, the National Sickle Cell Anemia Prevention Act.

S. 2732

At the request of Mr. BYRD of West Virginia, for Mr. BURDICK, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 2732, relating to the nullification of certain criminal records.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971—AMENDMENTS

AMENDMENTS NOS. 752, 753, 754, AND 755

(Ordered to be printed and to lie on the table.)

AMENDMENTS TO ECONOMIC STABILIZATION ACT NEEDED TO PROTECT INTERESTS OF UTILITY CONSUMERS

Mr. METCALF. Mr. President, I am today submitting a series of amendments to S. 2891, a bill to extend the Economic Stabilization Act of 1970.

The purpose of these amendments is twofold: First, to make it unmistakably clear that Congress intends the price freeze to stay on major public utilities until the President or his delegate determines that any requested increases will not be inflationary; and, second, to provide a full opportunity for the consumer and other members of the public to challenge these and other price increases and Presidential stabilization rulings at both the administrative level and in the courts, including the ultimate right to obtain injunctive relief.

Mr. President, while the Banking and Currency Committee is to be commended for making a number of improvements over the administration's bill, such as the authority to roll back windfall profits, remedies for victims of overcharges, exemptions for individuals with substandard earnings, and other protections, the basic danger in the legislation remains. That is that the President is given sweeping powers to stabilize prices, wages, interest rates, and dividends, but he is also given equally sweeping powers to grant general exceptions and exemptions from what he determines to be the inflationary norm.

Indeed, I share the fear of many Members of this body that we may be creating—at his own request—a veritable Frankenstein in the Presidency with life and death control over our economic lives. But I fear more the inequities that are already beginning to develop when the "big boys" apply their political, legal, and economic pressures to get out from under the umbrella of control to the detriment of the consumer, the small businessman, and the public who do not have the resources and the lawyers and accountants to fight "city hall."

An example of a serious inequity through exemption is to be found with respect to public utilities. It is in this area that the consumer is locked in. He has to use these services. He has virtually no way to avoid the sting of inflationary price increases and the economic impact of the country of rate hikes for electricity, gas, telephone, mass transit, rail and air transportation, which if permitted, will total billions of dollars.

But what was one of the first acts of the administration in moving into phase II of its economic policy? It virtually took off the freeze—as a practical matter—on public utilities by leaving the decision up to dozens of weak, understaffed, regulatory agencies—Federal, State, and local. They are supposed to make the crucial decisions as to national inflationary impact. Anyone who has any experience in public utility regulation knows that State regulatory agencies, for the most part, are dominated by the businesses they regulate, because of the inequities in regulatory procedures. The commissions have neither the resources, staffing, nor inclination to generate an aggressive testing of the evidence produced by the companies. To rest with these agencies the additional role of enforcing a coordinated, national economic policy installs the rabbits as guardians of the public's lettuce.

The Committee on Banking and Urban Affairs, on page 5 of its report on S. 2891, cites this public utility situation as an example of the "broad authority for such general exemptions or exceptions as are necessary" under the legislation. I cannot believe that the committee had time to consider the far-reaching implications of the situation. It is what the industry wanted—business as usual—fragmented regulation—fractured federalism—out of reach of national control and enforcement.

The administration has made a gesture toward keeping some control over the larger companies. Those with $100 million or more in gross receipts are required to notify of their intentions to seek a rate increase. Those with $50 million or more are required to notify when they have received a rate increase. In each case, the administration has imposed upon itself a limitation of 30 days in which to take action, otherwise the increases go forward. This shotgun technique is tantamount to no effective control, or worse, irrational and inequitable decisionmaking.

Mr. President, we are attempting through this legislation to coordinate strong powers at the national level to pull us out of an economic crisis. This is why I feel so strongly that we must keep the lid on utility prices charged by larger utilities, and place the burden directly on them to seek special relief and on the President to justify any relief he grants them.

One of my proposed amendments would, in essence, turn the existing process around. It would enjoin any public utility with $10 million or more in annual gross operating revenues from charging a rate greater than that charged by it on August 15, 1971, without first obtaining approval from the President or his delegate, and such approval must be consistent with the standards for price increases published under the legislation and not in excess of the level of price increases permitted for businesses generally. As the economy improves, the President may wish to relax the guidelines and approve a greater number of increases, or even grant exemptions to classes of utilities. But for the moment, under my amendment, he holds the reins securely in his hands. He has dropped the reins under the present regulations and the committee bill.

No mechanism for control and enforcement—however strong on paper—is immune from abuse, inequities, negligence, or indolence. This has certainly been proven true in the area of economic regulation. That is why many of my colleagues in both Houses and I have fought persistently and vigorously for the right of an independent advocate for consumer interests to be brought into the regulatory system to "keep the big boys honest" to use the slogan of our own distinguished senior Senator from Washington (Mr. MAGNUSON) and Virginia's Lieutenant Governor-elect, State Senator Henry Howell.

The committee bill creates at least the implication, if not the congressional presumption, that the regulatory process is a bilateral relationship between the President as regulator, and the business companies affected. Indeed, there is a very important third party to this contract, and it is the consumer, the public.

At the moment, the administration has created a Price Commission to be an advisory commission to the President, but its recommendations have been given the power of Presidential authority. Is this authority to be exercised as a result of decisions secretly arrived at, and perhaps secretly negotiated with industry, or will the public have the right to know what is going on? These are not trivial questions, given our democratic process of government.

My first amendment in the area of public representation would require the President to establish procedures which shall be available to any person for the purpose of seeking an interpretation, modification, or rescission of, or seeking an exception or exemption from, any rules, regulations, or orders issued by the President or his delegate, together with a right to administrative review. S. 2891 gives such a right of administrative review only to interpretations of rules, regulations, and orders. There is no opportunity to seek a stoppage of bad decisionmaking before it goes into the enforcement process.

Another of my amendments seeks to make it clear in the legislation that a person in interest—in addition to the party directly affected by a regulation or order of the President—can seek an interlocutory or permanent injunction restraining the enforcement, operation or execution of such regulation or order. That means that a consumer, for himself, or on behalf of a class, would be able to challenge not only the regulations applying to a group of companies, but any exception or exemption to a single company.

Under the committee bill, the wording would tend to restrict the right to obtain such a far-reaching injunction only to affected businesses as directed to the Government. Under my amendment, the consumer party could seek to obtain the equitable relief in both directions—against the Government and against the company. This is a fair approach. And the mere authority for outside plaintiffs to challenge the operations of the economic enforcement mechanism could have a salutary effect.

Mr. President, time is already running on phase II. The freeze has thawed. I

have obtained information that as of November 19, 67 applications have been made to the Price Commission for approval of price increases under the 30-day rule. Among these applicants are some of the largest public utilities in the country. I am also informed that certain utilities and other companies are being put on the "72-hour list" which may mean that decisions are, or have been, issued within 72 hours—certainly an outrageously short period of time to act on such important matters.

It is my intention to investigate this matter more fully before floor action is taken on the legislation.

The bill is complicated in its procedural parts relating to citizen's rights, and as wide as a barn door in its substantive parts relating to the authority of the President. I am not at all sure that I will vote for it whatever the outcome of improving amendments. We have here public advisory committees making governmental judgments that affect every citizen. We have bilateral negotiations between bureaucrats and business firms. We have decisionmaking going on behind closed doors, with precious little opportunity for the public to know anything. We have a virtual freeze on critical information about industries and companies which the bureaucrats can see but the public cannot. I refer to section 205 of the bill.

And we have confusion, particularly among those in our democracy who want to do the right thing to help the Government, but are not sure how to do it, or what they should do. I would hope that the Senate can move to restore some order to the system, now that phase II is upon us.

The Congress is giving utilities additional tax advantage, in the Revenue Act of 1971. It is increasing the investment tax credit available to public utilities from 3 to 4 percent. Furthermore, as a ranking member of the House Ways and Means Committee has pointed out, the Congress wrote in safeguards—for utilities, not the public, I would add—safeguards to help insure that the public utilities share in the benefits, and that these benefits are not all flowed through as adjustments in utility charges. The Revenue Act also incorporates the 20-percent leeway in depreciation that the Treasury provided earlier by administrative action.

Mr. President, to the extent that wage-price controls are successful and the interest costs decrease the needs of utilities for rate increases will diminish. Some of the present rate increase requests—based on projections made before the August freeze, should instead become rate decreases. Yet the United Press International ticker this noon carries an article about huge utilities with above-average earnings, such as Commonwealth Edison in Illinois and Consumers Power, the misnamed Michigan investor-owned utility, applying to the Price Commission for quickie increases.

The list of huge corporations asking for fast action goes on and on—Michigan Bell, Eastern Gas and Fuel Associates, which is a large holding company, Wisconsin Gas, Seaboard Coast Line, and, of course, Penn Central.

What I am saying, Mr. President, is that the Congress has created another big bonanza for the huge utility corporations. If we are to take our responsibilities to our constituents seriously, we should write into the Economic Stabilization Act of 1971 the safeguards which I propose.

Mr. President, I send my amendments to the desk for printing.

AMENDMENT NO. 756

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS (for himself, Mr. BEALL and Mr. KENNEDY) submitted an amendment intended to be proposed by them jointly to the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

AMENDMENT NO. 757

(Ordered to be printed and to lie on the table.)

Mr. McGEE (for himself and Mr. FONG) submitted an amendment intended to be proposed by them jointly to the bill (S. 2891), supra.

AMENDMENT NO. 758

(Ordered to be printed and to lie on the table.)

Mr. NELSON submitted an amendment intended to be proposed by him to the bill (S. 2891), supra.

AMENDMENTS NOS. 760, 761, AND 762

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE submitted three amendments intended to be proposed by him to the bill (S. 2891), supra.

HIGHER EDUCATION ACT OF 1971—AMENDMENT

AMENDMENT NO. 759

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.)

Mr. BAYH submitted an amendment intended to be proposed by him to the House amendment to S. 659, the Higher Education Act of 1971.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 751

Mr. CRANSTON. Mr. President, for reasons relating to the first amendment and freedom of the press, I have submitted an amendment exempting media from wage and price controls which I intend to propose to S. 2891, the Economic Stabilization Act.

The original cosponsors were Senators DOLE, ERVIN, COOK, EAGLETON, GRAVEL, JORDAN, MCINTYRE, MCGEE, MONDALE, and TUNNEY.

I ask unanimous consent that at the next printing of amendment No. 751, the following Senators be added as cosponsors:

Senators AIKEN, GOLDWATER, HUGHES, HUMPHREY, MCGOVERN, STEVENS, and THURMOND.

The PRESIDING OFFICER (Mr. GAMBRELL). Without objection, it is so ordered.

CORRECTION OF A COMMITTEE REPORT ON S. 1938, CONSUMER CREDIT PROTECTION ACT OF 1971

Mr. EAGLETON. Mr. President, in order to save the expense of a star print to correct a typographical error in the report of the Committee on the District of Columbia on S. 1938, the Consumer Credit Protection Act of 1971, I wish publicly to correct that report through the CONGRESSIONAL RECORD so that there will be no misunderstanding as to what the committee meant.

On page 20 of the committee report, in the committee's discussion of section 9, it is stated:

In the committee's judgment, based upon its full and very careful consideration of the matter, the exemptions from the District of Columbia usury law must include mortgage bankers and other institutional investors retroactively to 1913.

The typographical error that I mentioned is that the word "usury" is incorrect and should be stricken, and the words "Loan Shark" substituted therefor.

I know that in the rush toward adjournment the Government Printing Office is deluged with work for Congress, and I can easily understand how an error such as this occurred.

ANNOUNCEMENT OF HEARINGS BEFORE THE SUBCOMMITTEE ON BUSINESS, COMMERCE AND JUDICIARY OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Illinois (Mr. STEVENSON), I ask unanimous consent that an announcement by the Senator with respect to hearings before the Subcommittee on Business, Commerce and Judiciary of the District Committee be printed in the RECORD.

There being no objection, the statement by Mr. STEVENSON was ordered to be printed in the RECORD, as follows:

Mr. President, I am today announcing hearings on the following bills by the Subcommittee on Business, Commerce, and Judiciary of the Senate District Committee:

S. 1363, to revise and modernize procedures relating to licensing by the District of Columbia;

S. 1338, to authorize the government of the District of Columbia to fix certain fees;

S. 2208, to improve the laws relating to the regulation of insurance in the District of Columbia; and

S. 2209, District of Columbia Law Enforcement and Criminal Justice Act.

The hearings will be held on Wednesday, December 1, 1971, at 9:30 a.m. in room 6226, New Senate Office Building. Persons interested in testifying on these bills should contact Mr. Gene E. Godley, general counsel in room 6222, New Senate Office Building.

ADDITIONAL STATEMENTS

PRAYERS AT THANKSGIVING

Mr. CURTIS. Mr. President, during this Thanksgiving season we should turn our thoughts to our men who are held as prisoners of war by the Communist and those men who are missing in action.

As we gather to give thanks for our many blessings, we should earnestly pray for the safe return of those brave men who have sacrificed so much for our country. We should earnestly pray that all men listed as missing in action be accounted for and returned. We should also petition our Heavenly Father for special care for the wives, children, parents, and other loved ones of these prisoners of war and those missing in action.

WHAT'S RIGHT WITH AMERICA

Mr. HANSEN. Mr. President, recently, Senator GOLDWATER addressed the American Industrial Bankers Association in Hamilton, Bermuda. Scarcely more than a half dozen years ago, Senator GOLDWATER was regarded by a majority of Americans as a man to be feared. His candor, reflecting his inate honesty, was hit upon time and time again by those opposing the presidential Republican nominee as a basis for persuading Americans that he was a wreckless warmonger.

But history has a way of revealing facts which may be submerged or hidden for a while. Today a great many Americans of both parties, and indeed many others with no party affiliation at all, are forced to respect this great American. He has a way of telling it like it is. I feel certain that Senators will enjoy reading what he had to say recently on the subject of "What's Right With America." I ask unanimous consent that the speech be printed in the RECORD

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WHAT'S RIGHT WITH AMERICA

(An Address by Senator Barry Goldwater of Arizona, at the Closing Luncheon of the 37th Annual Convention, American Industrial Bankers Association, Hamilton, Bermuda, Nov. 12, 1971.)

Mr. Chairman and honored guests, I wish it were possible for me to explain to you how happy I am to be with you here today and to share my thoughts about the United States of America, its problems and its tremendous accomplishments.

It may interest you to know that sometime ago in my weekly newspaper column I suggested that the time had come for a prolonged period of counting our blessings. I suggested we begin accenting the positive aspects of American life rather than harping constantly on every little thing that does not measure up to an arbitrary standard erected by some individuals or groups that feel they know better than anyone else what our nation needs.

The response to that one newspaper article was rather astounding. I received letters from all over the nation agreeing with me and congratulating me as though I had stumbled on something entirely new.

And now today you have kindly asked me to address this closing luncheon of your convention and direct my remarks to the general topic of "What's Right With America."

When you stop and think of it, it is rather astounding that our nation should have received such a huge and constant dose of criticism and carping and downgrading and debunking that an organization as important as yours should think that the positive side of our life in the United States requires special attention and special emphasis.

I wish I didn't have to, but I agree with your analysis one hundred per cent. The time is long past for us to count our blessings honestly and place our problems in proper perspective.

What's right with America? Let us count the ways. But how can you in the space of one short speech possibly enumerate the great advantages which have led millions of immigrants to our shore and which have given millions of Americans the most bountiful standard of living the world has ever seen? You can't, so I must warn you that the best I can do is try and hit a few high spots.

Perhaps I am not sounding a political popular theme. From listening to the many men who would like to become an official nominee to replace President Nixon in the White House, you begin to get the idea that the only way to curry favor with the American voters is to criticize and downgrade and if I may use the expression "put down" the greatest country on earth in every one of the many aspects in which it fails to measure up to perfection. To hear some of the President's critics talk you would believe that we are on our last leg as a nation merely because Utopia has not been achieved. You hear more talk about poverty levels and illiteracy than about the fact that the world has never seen a nation which has gone as far as the U.S. in wiping out poverty and improving education.

On balance, the criticism of our nation is way out of proportion. Sure, there are many things wrong which we would like to see corrected. We do have a problem with inflation. We do have a problem with crime. We do have a problem with drug addiction. And we do have a problem with racial tension. But we have always had problems and I dare say that as long as the nature of man remains unchanged we shall continue to have problems. But they should be viewed in the light of challenges to our best efforts rather than the material of disaster and cataclysm and a reason for revolution.

I am not suggesting, ladies and gentlemen, that this country of ours should sweep its problems under the rug and pretend that they do not exist. I believe we must put forth our best efforts as responsible members of society to correct them as quickly as we can. But I object strenuously to what has almost become a national frame of mind which says because we have problems there is something terribly wrong with the system; that because we have problems there is something evil about the men who run our government and make and enforce our laws. I am sick and tired of reading in my newspaper and viewing on my television screen and hearing on my radio a steady stream of news which emphasizes, stresses, enlarges and in many instances exaggerates the difficulties which plague the American social syetem. I believe we have gone overboard in our attempts to ferret out every little thing in American life which does not measure up to a standard of perfection. I'm reminded of a story which I heard about a large automotive executive in the United States whose small son asked him the question: "What's a sin, Daddy?" and got the quick reply, "Anything that doesn't please Ralph Nader."

All joking aside, the practice of debunking anything and everything has become almost a national hysterical pasttime in our country. And I hasten to say that much of the campaign is generated by honest advocates of purity in air, food and water. The drive for ecology—while highly laudable and highly important—has produced some injurious side effects, not the least of which is to convince many Americans that we are hell-bent on catastrophe. Not long ago the federal government discovered that the use of phosphate detergents, while admittedly a pollutant, may be preferable to the substitutes of a non-polluting nature. As Surgeon General Jesse L. Steinfeld put it, the new substitutes "are highly caustic and clearly constitute a health hazard which the phosphates do not." He went on to say, "my advice to the housewives would be use a phosphate detergent. It is safe for the household."

When you consider all the publicity and all the activity that has gone on to remove phosphates as a major pollutant in recent years this development comes as a distinct shock. Two years ago, the federal government called for removing phosphates for reason of pollution and the detergent industry began to substitute other materials. What's more many cities enacted legal bans against the use of phosphates on the strength of the federal government's pollution advice. Now in many areas the campaign for clean air and clean water has had some fine results. In others, as in the case of the phosphates, the cure has turned out to be worse than the disease.

In effect, ladies and gentlemen, our country has literally been on a binge of self-flagellation and self-criticism. Every edition of our newspapers contains more complaints about more things that aren't perfect. Every news broadcast provides a similar fare. But how often do you hear anyone in public life or in private conversation talk about what's right with America? How often do you hear our people publicly expressing their gratitude for having the privilege of living in the greatest climate of individual freedom and opportunity that the civilized world has ever known? How often do you hear anyone mention the many benefits that we enjoy but which the rest of the world does not? How often do you hear people marvelling at the fact that nearly 80 million Americans are now gainfully employed at salaries and wages higher than any before known anywhere in the world—even allowing for the inroads made by price inflation.

A strange facet of American life is that United States citizens take all the great benefits which they enjoy completely for granted and many of them complain bitterly and protest publicly because they aren't made better faster.

Let me tell you what the actual figures compiled by government agencies show about this society of ours which is so deficient that there is a televised street demonstration nearly every day with people agitating for revolution for destruction of the system or the establishment or whatever you want to call it.

Let me explain to you how ridiculous are many of these claims of American shortcomings.

Did you know that eight out of every ten American families now own at least one automobile and that one of every four families own two or more? Household expenditures for new and used cars now exceed $30 billion a year and that figure is climbing steadily. And, unlike every other part of the world, almost every American home is today wired for electricity. Almost all of them have TV, radios, refrigerators and electric irons. About forty per cent of all American homes have both a color and a non-color TV set. Would it surprise you to know that ninety-five per cent of all U.S. homes have vacuum cleaners and clothes washers; about ninety per cent have telephone service; and about forty per cent have electric or gas clothes dryers?

To give you an idea about American material abundance let me point out that in 1946, there were 21.4 million refrigerators in U.S. homes; now, there are 63.9 million, for an increase of almost two hundred per cent. The number of electric washing machines rose from 18.8 million in 1946 to 59 million in 1971 for a 214 per cent increase.

Home freezers, which were very rare in the '40's, now adorn some 20 million American households. Clothes dryers can be found in 29 million homes and 26 million room air conditioners are busy cooling American homes.

XUM

And we can't leave out the homes themselves. In 1945, 20 million Americans owned homes. Today, that figure is over 40 million for a one hundred per cent increase.

As I recount some of these figures, I can almost hear the professional critics of American life pointing to the fact that we have many more people in the United States today. Well, let's look at that figure. In 1946, we had 141,936,000 people in this country. The latest population figure put out by the Census Bureau this year stands at 207,372,000. So where does that leave us? Population in the U.S. is up 46 per cent, civilian employment is up 44 per cent; but home ownership is up one hundred per cent, automobile ownership is up 130 per cent; savings are up a whopping 696 per cent.

It might surprise many Americans to understand that our economy today is actually running at record high levels. Business activity is running an annual rate of more than a trillion dollars as measured by the total of all goods and services produced in the nation. That is a 12 per cent rise from the peak reached in late 1969. And, when you allow for inflation, the percentage increased is 2.5 and rising.

For all of the bad-mouthing and complaining that goes on today, the individual income on the average in the United States now stands at a record $3,614.00 a year after taxes.

So this is what we have. As of today, more people are gainfully employed than ever before. More automobiles are being sold. More homes are being started. More goods are being sold. In other words, our economic catastrophe is showing signs of being the most prosperous and affluent catastrophe in world history.

Since we are continually hearing complaints about health and education in the United States it behooves us to take a look at those figures, too. While American population was increasing by 46 per cent the number of people covered by hospital insurance increased 335 per cent. While the population was increasing by 46 per cent, the number of Americans attending college was increasing 304 per cent. And while the population was increasing 46 per cent, vacation time taken yearly by Americans increased 176 per cent.

And right here I would like to make a point that is seldom even mentioned in all the public discussions about American society. And that point is that there is so much right with America these days that this very fact is one of our problems. How are you going to get people, especially the younger people, to understand what American affluence really means to them personally if they have never known anything else? For those of us who went through the depression and were baptized in economic fear, it is plain to understand that the American people—at least in a material sense—have never had it so good. What's more, no people any place on earth have ever had it so good. But it is amazing how few people understand this obvious fact.

And perhaps you gentlemen can see some of this also in terms of the business community. I am sure you realize that there are literally millions of business executives today who have never known what it meant to have their enterprises threaten to dry up and to find financial and industrial failure staring them in the eye. Sometimes I feel that we lost something when our large industries and commercial enterprises began operating by committee. We need, and I believe we need desperately, today the kind of individual leadership and courage that we had when this nation was being built in between savage economic depressions. Things may be too right with America in this sense. Things may be so right that we are losing our individual moral courage, we are losing our competitive spirit and we are losing our determination to win out over every obstacle.

Did it ever occur to you that some of the things that are causing most of the trouble in this country today may be the result of default on the part of responsible citizens like you and me? How many of you today are going along with the idea of non-involvement and of standing aloof from the problems and the tensions which are racking this nation? With all due respect, I would suggest that some of you might need to examine your own attitudes and decide whether you as an individual and as a business leader are doing your part to emphasize what is right and to work and strive for the policies which you endorse. I'm sorry to say I run into too many responsible citizens today who would rather not commit themselves who sometimes for business reasons would rather not take sides between the forces which are criticizing us into a national attitude of pessimism and the forces which are courageously standing up for the truth and sanity. You may not realize just how much some of us politicians know about corporate tendencies to keep hands off partisan matters. Time and time again I have encountered business executives who have long shared my feeling about government policies and about fiscal responsibility but who carefully contribute just as much to my opponent's campaign as to my own.

I believe that the time has come for all of us to stand up for what is right. I believe the time has come for all of us to put our energies and our money where our hearts lie. I believe in short, that it is time for all responsible Americans and especially financial leaders such as yourself to take sides, to join the forces which are advocating the policies which you think are best for the United States and for the American economy.

It does little good, say for a leader in the aerospace industry to contribute his hard-earned money to Senators or Congressmen who are working to kill off American technology and who are working to deprive the United States aerospace industry of the worldwide markets which it deserves. The rollcall vote which defeated the American Supersonic Transport project is a case in point. We will never know how many hundreds of thousands of jobs and billions of dollars in wages and profits we threw away when the Senate voted to scuttle that important technological advance.

Ladies and gentlemen, I should like to say that there is so much right with America that we cannot see the forest for the trees. We have been measuring our condition, not against those that prevailed here even ten years ago and not against those that prevailed in other countries, but against somebody's idea of how things should be.

Much of the agitation for revolution comes from young people in this country and too much of it comes from a small minority with questionable motives who refuse absolutely to listen to anyone's view except their own. They constantly tell us that our generation has made a mess of things. I am inclined to agree with them but I am also absolutely convinced that the mess our generation is leaving to the youngsters of the 1970's is much less of a mess than was ever left to any other generation. We don't owe this small infinitesimal claque of radicals any explanation for the way our generation performed. We owe them a chance and an opportunity in a climate of freedom and nothing more. We do not owe them the right to sit in judgment upon their elders and we do not owe them the right to measure our efforts against some Utopia promised in theory but not in practice by Mao Tse-tung or Karl Marx.

And one of the great things that is right with America today is its human resources. In this my reference is to those millions of responsible, honorable, patriotic, hardworking Americans who have created an age so affluent that even the enemies of our system make use of it to drive and fly all over the country complaining about its evil. Every generation makes mistakes and always will. Ours is no different and the one to which that small, loud minority belongs is no different either. They'll make their mistakes and they better hope that they can keep their average as low as the one which has been established in the past quarter century in this bountiful land of America.

Ladies and gentlemen, it really is time for us to count our blessings and count them loud enough that we may hopefully drown out some of the negative, ill-informed criticism that some discontented Americans seem to have adopted as a natural birthright.

SCOTLAND YARD

Mr. BYRD of West Virginia. Mr. President, one of the most pressing problems facing our society is the restoration of law and order. The permissiveness of family life, the permissiveness of our courts and the apparent reluctance of authorities ever to risk criticism of denying the criminal's rights even to the jeopardy of the rights of law-abiding people are deeply disturbing.

A story by Alfred Friendly, from London, published in the Washington Post, regarding the impending appointment of a new Chief for Scotland Yard has particular application to our judicial and criminal processes in the United States.

Mr. President, I ask unanimous consent that Mr. Friendly's report be printed in the RECORD. I commend it to the attention of the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCOTLAND YARD'S NEW CHIEF HITS DEFENDANTS' RIGHTS RULE

(By Alfred Friendly)

LONDON.—The prospective new chief of Scotland Yard, Robert Mark, is hailed—and correctly—as the most enlightened and progressive police officer in Britain.

Yet of all people, it is he who has mounted the most provocative attack in many years on the very core of the liberals' conventional wisdom about protecting the legal rights of persons accused of crime.

His thesis may be even more germane to the United States than to Britain, for the problem of crime is enormously more acute there than here, as is the public worry about deterring it.

The issue is whether justice is really best served by the increasingly rigorous safeguards for the rights of criminal suspects built up by law and judicial decisions over the years.

What Mark is questioning are the British equivalents of the American Fifth Amendment protection against self-incrimination, as expounded in the Miranda and many other Supreme Court decisions.

A word, first about the man. He was once the youngest chief constable (of Leicester) in Britain, at age 39. Now 54 and deputy commissioner of metropolitan police, he will succeed to the top post in April.

MOST INFLUENTIAL OFFICER

Although there is no federal police organization in the United Kingdom, the relationship between the force for metropolitan London and those in the rest of the country is such that the head of Scotland Yard is the most influential police director in the land and comes close to being a national director.

Urbane, literate, impeccably liberal in his views about the rights of minority dissent and the legitimacy of demonstrations and protest manifestations, a preacher and unfailing practitioner of minimum force, Mark is the antithesis of the stereotype of the heavy-booted, thick-headed cop.

So much so, in fact, that news of his appointment provoked ill-concealed distrust and dismay among some of the more traditionalist top officials of Scotland Yard.

In a series of recent speeches, however, Mark has been advancing a thesis dear to the hearts of the "law and order" devotees: that the highly refined devices of the law and courtroom to protect those accused are anachronisms, that they do not serve the cause of justice but that of the minority of criminals—the hard-core professionals—who, indeed, are the only ones he feels really menace the society gravely.

When the criminal law was essentially punitive in intent and conception, Mark argues, and involved death, flogging and transportation to penal colonies, and when punishments came also to being or were in fact irreversible, it was proper and understandable that unfairness to the accused was of much greater concern to the society than unfairness to itself.

But are the safeguards which, he is certain, now "largely destroy the effectiveness of the criminal law" really appropriate today when the law's primary purposes are the prevention of crime, the reformation of the offender and the protection of the community at large?

SWEEPING CONCLUSION

In a startlingly sweeping conclusion, Mark says he does not believe that the safeguards are of any help today to an innocent man. But they are, he says, the means of escape of the professional criminal—or whom 40 per cent brought to trial in Britain are acquitted. (In the United States, incidentally, the corresponding acquittal rate is 92 per cent.)

"The criminal trial today," Marks says, "is less a test of guilt or innocence than a competition in which the knowledge of the rules, gamesmanship, and, above all, self-control, is likely to decide the outcome: a kind of show-jumping contest in which the rider for the prosecution must clear every obstacle to succeed.

"To the police, perhaps better than to anyone else, it demonstrates only too well the distance between the Olympian heights of theoretical justice and the foothills of crime and ordinary human behavior.

"There is only one way to lessen that distance . . . by matching the growing humanity of the criminal law with increased effectiveness as a means of establishing truth rather than technical guilt.

"And the only way of doing that is to put an end to the entitlement of the suspected or accused person to play an entirely negative part in that process. He should not be required to answer questions either before or during his trial. But his unwillingness to do so, either to the police or from the witness box, should be the subject of comment by the prosecution.

"The formal caution against self-incrimination before arrest should be abolished and there should be recognition that every person, including a suspected person, has a moral obligation to reveal what he knows about a crime or an alleged crime.

"Such a change would be unthinkable against a background of hanging and flogging; but is it so unreasonable today . . .?"

PROBABILITY OF CONVICTION

Contrary to many experts in the field, Mark holds that it is not principally detection and apprehension that deters the professional, inveterate criminal, but only the certainty or high probability of conviction. Present practice, he insists, does not provide that deterrent.

Surprisingly, in this very civil-rights-conscious country, there has been no great public attack on Mark's philosophy from the liberal press or from the civil liberties and criminal justice organizations, although there doubtless would be if Parliament ever set about changing the law as he proposes.

Whether he is right or not, Mark has touched a matter of growing concern here. The question is not an easy one, as the bitter controversy over it in the United States attests.

IN DEFENSE OF THE PHILADELPHIA EAGLES

Mr. SCOTT. Mr. President, I noted with great interest that President Nixon made a visit to the Redskin practice field yesterday. He, as you know, has been referred to many times as America's No. 1 football fan. But the Redskins will need a little more this weekend than just the plaudits and the enthusiasm of their greatest supporter. Mr. President, the Redskins meet the most improved team in the National Football League, the fast closing Philadelphia Eagles. Now you, my colleagues, and many across this great land know what happened the last time I spoke out about a Pennsylvania team. It was the Pittsburgh Pirates. They beat the Baltimore Orioles in the world series and as a result my colleague, Senator SCHWEIKER, the junior Senator from Pennsylvania, joined me in taking a free elephant ride across the parking lot in front of the Capitol, courtesy of the Senators from Maryland, Messrs. BEALL and MATHIAS. Now, I do not propose to make a wager with the President of the United States, but I do expect Sunday's game with the Philadelphia Eagles to be a Jim-dandy and one that will demonstrate one of the best defenses in the league meeting one of the most improved football teams in the league. I am sure Ed Kyhat's Philadelphia Eagles read the newspapers. The visit by the President should give the Eagles an extra psychological boost to make this game an outstanding one. Go Philadelphia! Go Eagles!

UNFAIR TRADE PRACTICES IN THE MEAT INDUSTRY

Mr. METCALF. Mr. President, I vigorously object to the nomination of Mr. Earl Butz as Secretary of Agriculture and will vote "no" on his confirmation when the Senate takes it up next week.

Others have addressed themselves to the nominee's more recent history, but I should like to talk today about his service as an Assistant Secretary of Agriculture since it is reasonable for a man to be required to run on his record, as Senators know.

While serving as Secretary Benson's assistant, Earl Butz, by stifling an investigation that the law clearly required, was, in my opinion, guilty of misfeasance. When questioned, he said he took full responsibility and "would do the same thing again." That is malfeasance.

Mr. President, that is the outline of the sorry chronicle of this nominee's performance as a public official. The full story which I am about to relate appears in the hearings of the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary, 85th Congress, first session, pursuant to Senate Resolution 57 on S. 1356, a bill to vest with the Federal Trade Commission jurisdiction to prevent monopolistic practices in the meat and meat products industry. The hearings are entitled "Unfair Trade Practices in the Meat Industry," and appear in volume 1221 of the Senate committee hearings, 1956–57 which I obtained from the Senate Library. But as copies are not readily available and as its importance to the consideration of Mr. Butz cannot be overestimated, I feel it is imperative that it be printed. I, therefore, ask unanimous consent that the testimony to which I have reference be printed in its entirety in the CONGRESSIONAL RECORD at the conclusion of my remarks.

The title of the hearings and the title of the bill tell us the issues. The subcommittee had reason to believe that the Packers and Stockyards Act was not being implemented and sought to determine if a change in jurisdiction should be effected to honor the intent of Congress.

Mr. Butz was one of the witnesses for the Department of Agriculture who defended his execution of existing law and the Department's adverse report and proposed amendments to the pending bill.

The amendments would have exempted grocery chains from application of the Packers and Stockyards Act, and for purposes of instituting proceedings, would have brought the chains under the jurisdiction of the Federal Trade Commission when the Secretary of Agriculture found, in his discretion, that it would be in the public interest so to do.

The committee sought to determine, by the record of departmental regulatory activities, under title II of the Packers and Stockyards Act, what might be expected under the amendments they proposed. Mr. Butz said that the Department had "not had evidence of any widespread unfair or illegal practices in the livestock and meat industry in recent years" and said there had been relatively few complaints. Of a suit brought by the Department of Justice in 1948 he said that charges were dropped in 1954 after a rather extensive investigation and "the Department of Agriculture cooperated fully with the Department of Justice in its action." Mr. Butz went on to say that the Department had attempted to administer the act to the fullest extent possible by, first, a "shift in emphasis" and, second, within the available funds. He subsequently admitted that the sum of $20,000 had been transferred for enforcement activities but that there had been no direct request to Congress for money for such purposes for which Mr. Butz was responsible as Assistant Secretary for Marketing and Foreign Agriculture. Mr. Butz presented a study prepared by the Secretary on "Current Activities and Problems Under the Packers and Stockyards Act" dated April 4, 1957.

The policy in 1957 seems to parallel recent Department of Agriculture actions suppressing information respecting the presence of dangerous substances in foodstuffs.

The Department of Agriculture recently held up for several months, allegedly for further tests, a positive finding of a carcinogenic drug, de-ethyl stil-

besterol, DES, in the livers of cattle. The tests subsequently confirmed presence of the drug and the information was released.

Mr. Butz said that it was the practice of the Department then "under investigative procedures to give no publicity unless we develop the facts that indicate rather clearly there is a case." Asked if the Department ever conducted "investigations which do not result in the filing of cases but in which you persuade or induce the parties to desist from certain practices," Mr. Butz responded affirmatively. Mr. Pettus, acting director of the livestock division, appearing with him, enlarged on this theme. He said:

The reason we do not announce actions in this case—and there are many cases that may be borderline cases, where it appears there may be a violation occurring—is because we advise the person involved of this. They agree if it is questionable, even though they may think it is not a violation. They will agree to refrain from that type of a practice, and we have not believed in the past that giving publicity to that is justified, because there may be some question even legally as to whether or not the practice is a direct violation of the act.

Mr. Butz agreed that the trend toward vertical integration in the food industry had dangerous implications "but not so great they could not be overcome by proper regulation and proper safeguarding of competition."

In response to questions respecting abuses in vertical integration by food chains and the use of Department personnel to enforce the law, Mr. Butz said that there was a study underway of a chain whose name he preferred not to divulge, and continued:

It is quite true for 26 years it (the law) has not been adequately enforced, but don't you think when the sinner confesses and resolves to do better he should be given a chance?

Let us look at how Mr. Butz improved the enforcement of the Packers and Stockyards Act when its implementation was one of his responsibilities as an Assistant Secretary of Agriculture, after confession and resolution to do better.

Questioning by the committee disclosed the fact that he had overruled the recommendation of his department head that a suit be filed against Safeway stores for the use of newly acquired feedlot operations to depress prices on the west coast. Instead, he "broadened" the issue into an economic study, the subject of which he was loathe to name. Mr. Butz said that this decision, not to invoke the Packers and Stockyards Act as prescribed by Congress, and to turn the matter instead over to the Agricultural Marketing Service for study, was made in his office "And I would accept full responsibility for that and would do the same thing again."

Mr. President, Mr. Butz' admissions in the record, and his promise to continue to bypass the Packers and Stockyards Act, speak for themselves. This is no confessed sinner, seeking absolution by virtue of a promise to do better. This is a man who saw nothing wrong in failing to execute the law as intended by Congress, and said he would do the same thing again. I believe the Senate has no choice except to deny confirmation to a Cabinet post of a man who intends to abide by the law selectively.

I shall vote "no."

I ask unanimous consent to have printed in the RECORD an excerpt from the hearings before the Subcommittee on Antitrust and Monopoly of the Judiciary Committee on the subject of unfair trade practices in the meat industry.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

UNFAIR TRADE PRACTICES IN THE MEAT INDUSTRY, MAY 22, 1957

(Before the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, Washington, D.C.)

The subcommittee met, pursuant to recess and subsequent postponement, at 10:10 a.m., in room 424, Senate Office Building, Senator Joseph C. O'Mahoney presiding.

Present: Senators O'Mahoney, Watkins, and Dirksen.

Also present: Donald P. McHugh, cocounsel, antitrust; Wilbur D. Sparks, attorney, antitrust; Peter Chumbris, counsel for minority, antitrust; Tom Collins, professional staff member; Carlile Bolton-Smith, counsel to Senator Wiley; and Dr. Reed L. Frischknecht, legislative assistant to Senator Watkins.

Senator O'MAHONEY. The session will come to order. Unfortunately, the pressure of senatorial business on other lines has kept most of our members away this morning. Senator Wiley, who has been intensely interested in this bill, is attending the Foreign Relations Committee meeting. Senator Watkins, cosponsor, is in conference with the Governor of Utah in his own office, and then he must take the Governor to the Appropriations Committee, so he can not be here.

Mr. Butz, the committee is very glad to have you proceed. I note that the report of the Department has been received this morning, signed by Mr. True D. Morse, Acting Secretary, dated May 20. That report will be made a part of the record at this point.

(The report referred to is as follows:)

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 20, 1957.

HON. JAMES O. EASTLAND,
Chairman, Judiciary Committee, United States Senate.

DEAR SENATOR EASTLAND: Reference is made to your letter of March 27, 1957, requesting our views on S. 1356, a proposed amendment to the Packers and Stockyards Act to transfer jurisdiction over the meatpacking industry to the Federal Trade Commission.

This bill is designed to clarify the jurisdiction which the Secretary of Agriculture and the Federal Trade Commission have over certain practices in the food and meatpacking industry. It would eliminate title II of the Packers and Stockyards Act and amend other sections of the act and the Federal Trade Commission Act.

The Packers and Stockyards Act is a carefully integrated act, all parts of which are interrelated and supplement each other for the purpose of accomplishing the objective of assuring producers the true value of their livestock and poultry. The act in its present form provides the Secretary with sufficient authority to maintain open competitive market places and to prevent and correct practices of any organization in the livestock marketing and meatpacking or merchandising industries which restrict or limit competition for livestock, poultry, meats, and poultry or dairy products. The close relationship between merchandising practices and the determination of prices for livestock and poultry makes coordination of responsibility for all phases of a meatpacker's operations essential to the maintenance of open competition. A division of this regulatory authority could seriously handicap the accomplishment of the purposes of the present act.

At present, approximately 2,000 meatpackers are under the jurisdiction of the Packers and Stockyards Act, and around 1,000 stockyards are posted or eligible for posting under this act. This bill as now written would create a conflict in jurisdiction since the Department would retain jurisdiction over the livestock transactions of meatpackers at posted stockyards while losing jurisdiction over their livestock operations elsewhere. The transfer of jurisdiction over the direct country buying operations of meatpackers and over their merchandising practices would make it impossible for the Department to assure that apparent competition at public livestock markets is, in fact, true competition; nor could it effectively prevent or uncover many important restrictive discriminatory, or monopolistic practices at points away from public stockyards affecting the prices to be paid at public stockyards. In fact, the Department would be left with the responsibility for maintaining competitive livestock markets but without jurisdiction over some of the meatpacking companies, 1 of the 2 main parties to competition at these markets.

The Department recognizes the need for some changes in the present law due to the complexities which have developed in modern food merchandising. The Department does not favor the bill in its present form but would recommend that in lieu of the amendments to the Packers and Stockyards Act contained in the proposed bill there be substituted the following amendments to this act:

(1) By amending section 201 (7 U.S.C. 191) to read as follows:

"SEC. 201. When used in this Act—

"The term 'packer' means any person principally engaged in the business (a) of buying livestock in commerce for purposes of slaughter, or (b) of manufacturing or preparing meats or meat food products for sale or shipment in commerce, or (c) of buying livestock in commerce for purposes of slaughter and of manufacturing or preparing meats or meat food products for sale or shipment in commerce, or (d) of manufacturing or preparing livestock products for sale or shipment in commerce, but no person engaged in such business of manufacturing or preparing livestock products shall be considered a packer unless also engaged in any business referred to in clause (a) or (b) above."

This amendment eliminates the application of the packer provisions of the act to persons who are primarily engaged in some other activities but have acquired an interest in the packing industry which represents a relatively minor part of their operations; e.g., grocery chains. Such persons who are presently subject to the Packers and Stockyards Act would under this amendment be subject to the Federal Trade Commission Act.

(2) By striking the words "It shall be unlawful for any packer or any live-poultry dealer or handler to:" at the beginning of section 202 (7 U.S.C. 192) and inserting in lieu thereof "It shall be unlawful for any packer or live-poultry dealer with respect to any activity, or any other person with respect to buying livestock or live poultry for purposes of slaughter, to:" and by striking the word "packer" wherever it appears in sections 203, 204, and 205 and inserting in lieu thereof the word "person."

Under this amendment packers and live-poultry dealers as redefined in amendments (1) and (3) would be subject to the jurisdiction of the Department of Agriculture as heretofore. Other persons heretofore subject to the jurisdiction of the Department under Title II—Packers of the act would be subject to the jurisdiction of the Department with respect only to the buying of livestock and live-poultry for purposes of slaughter, and with respect to all other activities would be subject to the jurisdiction of the Federal Trade Commission.

(3) By inserting after the word "person" in the second sentence of section 503 (7 U.S.C. 218b) the word "principally."

This amendment changes the definition of live-poultry dealer so that for the purposes of title II of the act only persons principally engaged in the business of buying or selling live poultry in commerce for the purpose of slaughter will fall within the definition of live-poultry dealers.

(4) By striking the period at the end of subsection (b) of section 406 and inserting in lieu thereof ", or in any case where the Secretary determines it to be in the public interest for the Federal Trade Commission to institute a proceeding under which circumstances it shall have authority to exercise in connection therewith all the powers, functions, and authority of the Secretary under this Act." (7 U.S.C. 227.)

This amendment will authorize the Federal Trade Commission, upon a determination by the Secretary of Agriculture that it is in the public's interest, to institute proceedings exercising all of the Secretary's authority against persons subject to the Packers and Stockyards Act.

These amendments would have no effect on the present budget of the Department.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

STATEMENT OF EARL L. BUTZ, ASSISTANT SECRETARY OF AGRICULTURE; ACCOMPANIED BY ROY W. LENNARTSON, DEPUTY ADMINISTRATOR, AGRICULTURAL MARKETING SERVICE; NATHAN KOENIG, SPECIAL ASSISTANT TO THE ADMINISTRATOR, AGRICULTURAL MARKETING SERVICE; DAVID M. PETTUS, ACTING DIRECTOR, LIVESTOCK DIVISION, AGRICULTURAL MARKETING SERVICE; CHARLES BUCY, ASSISTANT GENERAL COUNSEL, U.S. DEPARTMENT OF AGRICULTURE; AND ROBERT L. FARRINGTON, GENERAL COUNSEL, U.S. DEPARTMENT OF AGRICULTURE

Mr. BUTZ. Mr. Chairman, on behalf of the Department of Agriculture I am pleased to respond to your request for views on S. 1356, which would amend the Packers and Stockyards Act to transfer jurisdiction over meatpackers to the Federal Trade Commission.

The Secretary of Agriculture has primary responsibility among the executive agencies of the Government for most activities directly concerned with agriculture, including the production and marketing of livestock and livestock products. Within the Department of Agriculture there are several major regulatory activities directly concerned with agricultural products and other items of food. These include enforcement of the Perishable Agricultural Commodities Act and the Commodities Exchange Act, which also have regulatory provisions similar to those contained in the Packers and Stockyards Act of 1921, as amended. The Packers and Stockyards Act, which has been administered by the Department since its passage 36 years ago, has as its primary purpose the assurance of fair competition and fair trade practices in the marketing of livestock and livestock products.

The objectives of the Packers and Stockyards Act are the prevention and correction of irregularities and abuses on the part of persons engaged in the livestock marketing and meatpacking industry. These include unfair, discriminatory, and deceptive practices or the control of prices or the development of monopolies. The act seeks to assure farmers and ranchers of open competitive market conditions and reasonable marketing costs in the livestock and meatpacking industry. Also involved is the determination and control of rates and charges of stockyard companies and the market agencies at the various public stockyards. The act provides protection to the livestock and meat industry itself from unfair, deceptive, unjustly discriminatory, or monopolistic tendencies of competitors, large or small.

A brief review of the background of the Packers and Stockyards Act may be helpful at this time. Prior to and particularly during World War I, a few firms in the meatpacking industry expanded sharply, and there were some that engaged in undesirable trade practices. In 1917, legislative hearings were held by committees of both Houses of Congress on bills designed to eliminate packer monopolistic practices. Subsequently, President Wilson directed a thorough investigation be made by the Federal Trade Commission of the meatpacking industry and its related activities. While this investigation was underway as a result of a specific directive from the President, the Department of Justice instituted antitrust proceedings against the five largest meatpackers. Those legal proceedings were concluded in 1920 when the then Big Five packers signed the famous packers' consent decree, thereby agreeing to divest themselves of ownership of stockyard property, to refrain from retail merchandising of meat, and the like.

At this same time there was increasing interest in obtaining legislation with which to deal directly with the livestock and meatpacking industry. As a result, Congress, in 1921, passed the Packers and Stockyards Act. This act provided new legal authority over trade practices and monopolistic tendencies relating to the livestock and meat industry beyond that which was already available. The act vested in the Secretary of Agriculture, among other things, the authority to issue cease-and-desist orders after hearings with respect to packers who engaged in practices theretofore prohibited under other legislation.

The legal responsibilities and the authority of the Department of Justice under the antitrust laws to deal with restraint of trade, monopolistic practices, mergers, etc., were not changed when packer jurisdiction was placed with the Department of Agriculture.

Under the Packers and Stockyards Act the Secretary of Agriculture is authorized to regulate stockyards and all persons engaged in business on such yards in connection with livestock transactions. The act requires the posting of stockyards, registration of marketing agencies and dealers, provides for bonds for the protection of producers, and permits prescribing reasonable rates for livestock agencies and stockyards when charges are found to be unreasonable. The act prohibits unfair trade practices whether or not related to restraint of trade or of monopoly. It provides for reparation proceedings to protect injured parties against damages suffered from unfair trade practices, etc. Thus the act provides protection from unfair competition to producers and consumers as well as to the meat industry itself.

S. 1356, the legislation with which this hearing is concerned, is designed to transfer to the Federal Trade Commission jurisdiction which the Secretary of Agriculture now has over certain practices of the meatpacking industry. This would be done through the elimination of title II of the Packers and Stockyard Act and changes in other sections of the act applicable to meatpackers.

The Department of Agriculture readily concedes the need for some changes in the Packers and Stockyards Act but does not favor the enactment of S. 1356 in its present form.

Livestock comprises an important segment of our agricultural economy today, just as it did at the time the Packers and Stockyards Act was passed. In fact, over one-half of farmers' cash receipts come from the sale of livestock and livestock products.

The Packers and Stockyards Act is a carefully integrated act. All parts of it are interrelated and supplement each other for the purpose of accomplishing all objectives of the act. In its present form the act provides the Secretary of Agriculture with sufficient authority to maintain open, competitive market places and to prevent malpractices by any organization in the livestock market, or in the meatpacking industry, which would tend to restrict competition in or monopolize the business of buying and selling livestock, poultry, meat, or other livestock products.

Mr. MCHUGH. Mr. Butz, I wonder if you would explain to the subcommittee at this point in what way this transfer would interfere with the Department's function of assuring open competition of public livestock markets.

Mr. BUTZ. It is my understanding this legislation if enacted would transfer from the Department of Agriculture regulation over the buying activities of the packers not on posted stockyards. We supervise them on posted stockyards and also have general supervision over them on stockyards not posted.

Mr. MCHUGH. By permitting the Federal Trade Commission to have jurisdiction over the regulation of buying practices at country buying points, in what way would that interfere with the ability of the Department of Agriculture?

Mr. BUTZ. You would have divided jurisdiction. You would have part of the livestock being sold through posted stockyards and part through nonposted stockyards, with 2 agencies of Government supervising the complete buying practices, 1 agency supervising on the posted stockyards and another on the nonposted stockyards.

Mr. MCHUGH. Is there any reason to believe that because you do have that division of jurisdiction, which you have now between the Department of Justice and Federal Trade Commission in connection with the administration of several statutes, it would interfere with the Department of Agriculture's ability to proceed against unfair practices in the stockyards?

Mr. BUTZ. I think it would not interfere with our ability to proceed against unfair practices on the posted stockyards, but that is not the point. There is a great deal of competition at buying points between what we call the central markets and the interior markets, or in a broader sense the posted yards and nonposted yards. The posted yards in the main are the larger yards, and the nonposted yards in the main are the smaller interior yards. This is a struggle that has been going on for some time, and it involves a deep philosophical struggle regarding the pricing of livestock and regarding competition in the whole area of marketing livestock. It is our feeling that if the supervision over those two different types of markets were split between two agencies of Government it would be difficult to integrate properly the enforcement of proper trading practices. It would be difficult to prevent a ruling that might favor one class of market as against a different class of market.

Mr. MCHUGH. Would it be possible for you to detail for us more specifically in what way action taken by the Federal Trade Commission at country buying points might complicate your problems in enforcing the same provisions on the stockyards?

Mr. BUTZ. It would be difficult for me to detail that except to say that you might have a different kind of action taken on one class of stockyards than you have on the other class of stockyards. That would throw the competitive balance to the posted yards or to the nonposted yards, as the case may be.

Mr. McHUGH. Can this be handled by a degree of liaison between the Federal Trade Commission and Department of Agriculture?

Mr. BUTZ. I presume it could be, but the best liaison, of course, would be if it were all in the same department.

Mr. McHUGH. I understand that the position of the Department is that you are very anxious to have jurisdiction over buying practices at the country buying points, not on the stockyards. Has the Department of Agriculture instituted any proceedings involving this type of unfair trade practice at country buying points?

Mr. BUTZ. I have Mr. Pettus, Director of the Livestock Division, to answer that question.

Senator O'MAHONEY. Will you state your full name for the record, please?

Mr. PETTUS. I am David M. Pettus, Acting Director of the Livestock Division, Agricultural Marketing Service.

Senator O'MAHONEY. How long have you held this position?

Mr. PETTUS. I have held this position since the first of February this year.

Senator O'MAHONEY. I notice you call yourself Acting Director. Is there presently a Director?

Mr. PETTUS. No, sir. The Director retired at the end of January this current year.

Mr. BUTZ. May I say the Director retired, and Mr. Pettus was the Deputy Director for how many years?

Mr. PETTUS. Since 1950.

Mr. BUTZ. Since 1950 he has been Deputy Director.

Senator O'MAHONEY. Thank you.

Mr. PETTUS. We have had a specific instance of this nature this last year at Nashville, in which we issued charges against packers for unfair trade practices in the country. These practices were related to the buying practices at the stockyards, and it was through the buying practices at the stockyards that we found the improper buying practices in the country, and the interrelation between the two made it much easier to determine violation.

Mr. McHUGH. When was this, Mr. Pettus?

Mr. PETTUS. It was in the past year. I think it was last summer when we actually issued the charges. I would have to refer to the record for the specific date.

Mr. McHUGH. This was a complaint that was formally filed?

Mr. PETTUS. No; it was an investigation that we carried out on the basis of our observation at the market.

Mr. McHUGH. Did it result in the filing of a complaint?

Mr. PETTUS. Yes.

Mr. McHUGH. Would you give us the name of that complaint?

Mr. PETTUS. I do not have it here. I can get it for you and submit it for the record.

(The material referred to follows):

U.S. DEPARTMENT OF AGRICULTURE—BEFORE THE SECRETARY OF AGRICULTURE

(P. & S. Docket No. 2224)

PRELIMINARY STATEMENT, FINDINGS OF FACT, CONCLUSIONS, AND ORDER

In re: J. L. RICHARDSON, Respondent

Preliminary statement

This is a disciplinary proceeding under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), hereinafter referred to as the act. The Order of Inquiry and Notice of Hearings filed by the Director, Livestock Division, Agricultural Marketing Service, on June 19, 1956, alleged that the respondent engaged in various unfair, unjustly discriminatory, and deceptive practices, in violation of the act. On November 27, 1956, respondent admitted the allegations contained in the Order of Inquiry and Notice of Hearing, waived the right to an oral hearing and to the report of the examiner, and consented to the issuance of an order, with findings of fact, requiring him to cease and desist from the practices complained of in said Order of Inquiry and Notice of Hearing, and suspending his registration for a period of four months. The Livestock Division, by its attorney, has recommended that such an order be issued.

Findings of fact

1. The Union Stock Yards, Nashville, Tennessee, hereinafter referred to as the stockyard, was at all times mentioned herein and is now a posted stockyard subject to the provisions of the act.

2. The respondent, an individual, is registered with the Secretary of Agriculture as a dealer to buy livestock for slaughter at the stockyard and various other posted stockyards, and at the times of the transactions of respondent hereinafter referred to was so registered. At such times respondent was employed as a packer buyer by Neuhoff Packing Company at the stockyard.

3. On or about March 12, 1955, respondent engaged in a secret speculative transaction with M. N. Townsend, an employee of Watkins Commission Company, Inc., a registered market agency at the stockyard, and W. Woodis, a registered dealer at the stockyard, in which 62 cattle were purchased from Dewey Campbell, a livestock producer, Winchester, Tennessee, at less than their fair value; such cattle were resold at the stockyard through the facilities of Watkins Commission Company, Inc., and Nashville Livestock Commission Corporation, a registered market agency at the stockyard, on March 14, 1955, for a net profit of $393.80 which was divided equally among respondent, Townsend, and Woodis; Campbell was led to believe that he was required to pay yardage and commission charges to Watkins Commission Company, Inc., for handling the cattle and was assessed such charges in the amount of $145.70 whereas respondent, Townsend, and Woodis were liable for such of the charges as were required to be paid and Watkins Commission Company, Inc., furnished no selling service in connection with the sale of the cattle by Campbell; and false entries were made in a sales invoice and an account of sale issued by Watkins Commission Company, Inc., in the name of Woodis and in scale tickets issued by the stockyard company in connection with such cattle, copies of which were made a part of the accounts records, and memoranda of Watkins Commission Company, Inc., and the stockyard company, respectively.

4. On or about April 25, 1955, respondent engaged in a secret speculative transaction with W. Woodis, a registered dealer at the stockyard, in which 9 cattle were purchased from Elliott T. Rives, a livestock producer, Pembroke, Kentucky, at less than their fair value; such cattle were resold at the stockyard through the facilities of Nashville Livestock Commission Corporation, a registered market agency at the stockyard, the same day for a net profit of $185.25 which was divided equally between respondent and Woodis; Rives was led to believe that he was required to pay yardage, commission, and other marketing charges to Nashville Livestock Commission Corporation for handling the cattle and was assessed such charges in the amount of $17.52 whereas respondent and Woodis were liable for such of the charges as were required to be paid and Nashville Livestock Commission Corporation furnished no selling service in connection with the sale of the cattle by Rives; and false entries were made in an account of sale issued by Nashville Livestock Commission Corporation in the name of E. Rives and in a scale ticket issued by the stockyard company in connection with such cattle, copies of which were made a part of the accounts, records, and memoranda of Nashville Livestock Commission Corporation and the stockyard company, respectively.

5. On or about March 18, 1955, respondent assisted H. S. Pugh, Vice President and cattle salesman for Nashville Livestock Commission Corporation, a registered market agency at the stockyard, in carrying out a secret speculative transaction through the facilities of Nashville Livestock Commission Corporation for Pugh's own account in which 15 cattle were purchased by Pugh from Glenn Foust, Foust Bros., J. D. Foust, and Howell Foust, livestock producers, Clarksville, Tennessee, at less than their fair value; such cattle were resold at the stockyard through the facilities of Nashville Livestock Commission Corporation on March 21, 1955, for a net profit of $230.67 to Pugh; the livestock producers were led to believe that they were required to pay yardage, commission, and other marketing charges to Nashville Livestock Commission Corporation for handling the cattle and were assessed such charges by Nashville Livestock Commission Corporation in the amount of $29.10 whereas Pugh was liable for such of the charges as were required to be paid and Nashville Livestock Commission Corporation furnished no selling service in connection with the sale of the cattle by the livestock producers; and false entries were made in accounts of sale issued by Nashville Livestock Commission Corporation in the names of Foust Bros., J. D. Foust, and Howell Foust and in scale tickets issued by the stockyard company in connection with such cattle, copies of which were made a part of the accounts, records, and memoranda of Nashville Livestock Commission Corporation and the stockyard company, respectively.

Conclusions

By reason of the facts set out in Findings of Fact 3, 4, and 5 above, it is concluded that respondent has wilfully violated section 312 (a) of the act and section 10 of an act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes" (15 U.S.C. 50), which section is incorporated in and made a part of the Packers and Stockyards Act, 1921, by section 402 of the latter act (7 U.S.C. 222).

Inasmuch as respondent has consented that an order be issued requiring him to cease and desist from the practices complained of in said Order of Inquiry and Notice of Hearing and suspending his registration for a period of four months, and complainant has recommended that such an order be issued, the order will be issued.

Order

Respondent shall cease and desist from engaging in the unfair, unjustly discriminatory, and deceptive practices set out in the Findings of Fact above.

Respondent's registration under the act is suspended for a period of four months.

This order shall become effective on the sixth day after service.

Copies hereof shall be served upon the parties.

Done at Washington, D.C., this 20th day of December 1956.

THOMAS J. FLAVIS, *Judicial Officer.*

U.S. DEPARTMENT OF AGRICULTURE—BEFORE THE SECRETARY OF AGRICULTURE

(P. & S. Docket No. 2224)

RECOMMENDATION OF COMPLAINANT IN RE J. L. RICHARDSON, RESPONDENT

Respondent, on November 27, 1956, filed an amended answer admitting the allegations contained in the Order of Inquiry and Notice of Hearing, waiving the right to an oral hearing and to the report of the examiner, and consenting to the issuance of an order, with findings of fact, requiring him to cease and desist from the practices complained of in the Order of Inquiry and Notice of Hearing and suspending his registration for a period of four months.

Complainant, in view of all of the circumstances in the case, recommends that such order be issued.

JEROME S. DUCREST,
Attorney for Complainant.

U.S. DEPARTMENT OF AGRICULTURE—BEFORE THE SECRETARY OF AGRICULTURE

(P. & S. Docket No. 2224)

AMENDED ANSWER, IN RE J. L. RICHARDSON, RESPONDENT

Respondent admits the allegations contained in the Order of Inquiry and Notice of Hearing, waives the right to an oral hearing and to the report of the examiner, and consents to the issuance of an order, with findings of fact, requiring him to cease and desist from the practices complained of in said Order of Inquiry and Notice of Hearing, and suspending respondent's registration for a period of four months.

J. L. RICHARDSON.

NOVEMBER 26, 1956.

Subject: In re J. L. Richardson, Respondent, P. & S. Docket No. 2224.

ALDERSON REPORTING CO.,
306 Ninth Street, NW.,
Washington, D.C.

GENTLEMEN: This will confirm the telephone request from this office that, pursuant to your contract with the Department No. 12–01–100–54, you furnish a stenographic record of the hearing to be held in connection with the subject proceeding. The time and place of the hearing, and other pertinent information are set forth below.

Date and time of hearing: November 30, 1956, at 10 a.m.

Place of hearing: Room 845, United States Courthouse, Nashville, Tennessee.

Type of delivery of transcript: Ordinary.

No. of copies of transcript: Original and three.

Delivery instructions: All copies and exhibits to the Hearing Clerk.

Very truly yours,

AGNES B. CLARKE,
Hearing Clerk.

E. R. Meyer, 11–26–56.

cc: L. D. Sinclair, P. & S. Branch, Livestock Division, AMS.

Jerome S. Ducrest, Office of the General Counsel.

NOVEMBER 23, 1956.

Certified return receipt requested.

Subject: *In re J. L. Richardson, Respondent,* P. & S. Docket No. 2224.

Mr. J. L. RICHARDSON,
2517 Barclay Drive
Nashville 6, Tennessee

DEAR MR. RICHARDSON: Enclosed is a copy of the Hearing Examiner's notice that the oral hearing herein, heretofore set for 10 a.m. on Friday, November 30, 1956, will be held in Room 845, United States Court House, Nashville, Tennessee.

Very truly yours,

AGNES B. CLARKE,
Hearing Clerk.

Enclosure.

E.R. Meyer, 11–23–56.

cc. Jerome S. Ducrest, Office of the General Counsel, with copy of notice.

L. D. Sinclair, P. & S. Branch, Livestock Division, AMS, with copy of enclosure.

J. Fred Matteson, 214 Livestock Exch. Bldg., Nashville 3, Tennessee, with enclosure.

U.S. DEPARTMENT OF AGRICULTURE—BEFORE THE SECRETARY OF AGRICULTURE

(P. & S. Docket No. 2224)

NOTICE OF HEARING IN RE J. L. RICHARDSON, RESPONDENT

The above docket was assigned to me on November 19, 1956.

The oral hearing herein, heretofore set for 10 a.m. on Friday, November 30, 1956, will be held in Room 845, United States Courthouse, Nashville, Tennessee.

JACK W. BAIN,
Hearing Examiner.

NOVEMBER 23, 1956.

SEPTEMBER 10, 1956.

Registered return receipt requested

Subject: *In re J. L. Richardson, Respondent,* P. & S. Docket No. 2224.

Mr. J. L. RICHARDSON,
2517 Barclay Drive, Nashville 6, Tennessee.

DEAR MR. RICHARDSON: Enclosed is a copy of the Chief Hearing Examiner's notice of oral hearing which is to be held in this proceeding in Nashville, Tennessee, at 10 a.m., local time, on November 30, 1956. You will be notified at a later date of the exact place of the hearing.

Copies of the transcript of testimony taken at the hearing will not be available for distribution; however, a copy will be furnished to Mr. J. Fred Matteson, 214 Livestock Exchange Building, Nashville, Tennessee, and may be inspected there. If you prefer to purchase a copy, arrangements can be made with the reporter at the hearing, or you may place your order in advance by writing direct to the official reporter, Alderson Reporting Company, 306 Ninth Street NW., Washington 4, D.C.

Very truly yours,

AGNES B. CLARKE,
Hearing Clerk.

Enclosure.

E. R. Mayer, 9–10–56.

cc: John L. Currin, Office of the General Counsel, with enclosure

L. D. Sinclair, P. & S. Branch, Livestock Division, AMS, with enclosure

J. Fred Matteson, 214 Livestock Exch. Bldg., Nashville 3, Tennessee, with enclosure

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U.S. DEPARTMENT OF AGRICULTURE—BEFORE THE SECRETARY OF AGRICULTURE

(P. & S. Docket No. 2224)

NOTICE OF HEARING, IN RE J. L. RICHARDSON, RESPONDENT

Notice is hereby given that the hearing in reference to the above matter will be held in Nashville, Tennessee, at 10 o'clock a.m., local time, on November 30, 1956. All parties will be notified at a later date of the exact place of the hearing.

GLEN J. GIFFORD,
Chief Hearing Examiner.

SEPT. 7, 1956.

Subject: *In re J. L. Richardson, Respondent,* P. & S. Docket No. 2224.

Mr. J. L. RICHARDSON,
2517 Barclay Drive, Nashville 6, Tennessee.

DEAR MR. RICHARDSON: This will acknowledge receipt of your letter of July 12, 1956, which has been filed as your answer to the order of inquiry and notice of hearing in the subject proceeding. You will be informed when further action is taken in this matter.

Very truly yours,

AGNES B. CLARKE,
Hearing Clerk.

E. R. Meyer, 7–19–56.

cc: John L. Currin, O. G. C., copy of answer served personally

L. D. Sinclair, P. & S. Branch, Livestock, Division, AMS, with copy of answer

J. Fred Matteson, 214 Livestock Exch. Bldg., Nashville 3, Tennessee, with copy of answer

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J. L. RICHARDSON,
2517 Barclay Drive, Nashville 6,
Tennessee, July 12, 1956.

Re: J. L. Richardson, Respondent, P. & S. Docket No. 2224.

HEARING CLERK,
U.S. Department of Agriculture,
Washington 25, D.C.

SIR: I must deny that I have willfully violated the Packers and Stockyards Act, 1921. What I have done I am happy to admit, in fact I have already given a statement. It may be, though, it would surprise me, that something I have done constitutes a violation of the Act. But certainly I have not intentionally violated it.

With reference to paragraph III, Order of Inquiry: I did not participate in this transaction. I merely passed on to Woodson Woodis the information that M. N. Townsend knew, so he told me, where some cattle could be bought. I was genuinely surprised (and pleased, too, of course) when, after Woodson Woodis purchased the cattle—and until he informed me to that effect some time later I had no knowledge of it nor was concerned—he thanked me and gave me his personal check in the amount of $131.25, which he indicated was a third of what he had cleared on his purchase.

Even a naive person, if he thinks he is doing something wrong, would have sense enough to not expose his connection with the deed by accepting a personal check.

As to paragraph IV: There is nothing at all secret about this transaction so far as I am concerned. And naturally it was speculative as all commercial transactions are, if by that you mean that it was hoped a profit would result. But quite the contrary of paying less than their fair value for the nine (9) head of cattle, the owner was paid more than they were worth, or at least fully as much as they were worth. This is proved by the fact that the next purchaser who bought them at only a normal markup lost money on them.

I neither made, nor authorized anyone to make, any false representation or false entry.

Referring to paragraph V: I had no connection whatsoever with this transaction. I neither participated in it nor profited from it, if there was any profit in it. I was simply a guest passenger in the car of Hilton Pugh who was given me a lift to Hopkinsville, Kentucky, when he en route stopped to look at some cattle. I saw them, too; I don't recall that I offered to buy them, however; at any rate, they were not sold to me.

Respectfully,

J. L. RICHARDSON.

U.S. DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., June 21, 1956.

Registered Mail Return Receipt Requested

Subject: In re J. L. Richardson, Respondent, P. & S. Docket No. 2224.

Mr. J. L. RICHARDSON,
Care of Neuhoff Packing Company,
3107 Adams Street, Nashville, Tennessee.

DEAR MR. RICHARDSON: Enclosed is a copy of an order of inquiry and notice of hearing under the Packers and Stockyards Act, 1921, as amended, which has been filed by Mr. H. E. Reed, Director, Livestock Division, Agricultural Marketing Service, naming you as respondent.

A copy of the rules of practice governing proceedings under the Packers and Stockyards Act is on file in the office of Mr. J. Fred Matteson, 214 Livestock Exchange Building, Nashville, Tennessee; it is available there for reference if you are not already familiar with these rules.

In accordance with these rules of practice, you may have 20 days after the receipt of this letter within which to file with the Hearing Clerk an answer, in quadruplicate, containing a precise statement of the facts which constitute the grounds of defense and specifically admitting, denying, or explaining each of the allegations of the inquiry and notice.[1]

Within the same time allowed for the filing of your answer, you may, if you wish, request an oral hearing. Failure to file such a request will constitute a waiver, on your part, of oral hearing.

Your answer, as well as any motions or requests that you may wish to file hereafter for the attention of the hearing examiner

[1] Failure to file an answer to or plead specifically to any allegation of the complaint shall constitute an admission of such allegation.

XUM

may be addressed to the Hearing Clerk, United States Department of Agriculture, Washington 25, D.C.

Very truly yours,

AGNES B. CLARKE,
Hearing Clerk.

Enclosure:
E. R. Meyer, 6-21-56.
cc: John L. Currin, O. G. C., with enclosure
L. D. Sinclair, P & S. Br., Livestock Exch. Bldg., Nashville 3, Tenn., with enclosure

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U.S. DEPARTMENT OF AGRICULTURE—BEFORE THE SECRETARY OF AGRICULTURE

(P. & S. Docket No. 2224)

ORDER OF INQUIRY AND NOTICE OF HEARING IN RE J. L. RICHARDSON, RESPONDENT

There is reason to believe that J. L. Richardson, hereinafter referred to as the respondent has willfully violated the Packers and Stockyards Act 1921, as amended and supplemented (7 U. S. C. 181 et seq.), hereinafter referred to as the act, and, therefore, this order of inquiry and notice of hearing is issued alleging the following:

I

The Union Stock Yards, Nashville, Tennessee, hereinafter referred to as the stockyard, was at all times mentioned herein and is now a posted stockyard subject to the provisions of the act.

II

The respondent, an individual, is registered with the Secretary of Agriculture as a dealer to buy livestock for slaughter at the stockyard and various other posted stockyards, and at the times of the transactions of respondent hereinafter referred to was so registered. At such times respondent was employed as a packer buyer by Neuhoff Packing Company at the stockyard.

III

On or about March 12, 1955, respondent engaged in a secret speculative transaction with M. N. Townsend, an employee of Watkins Commission Company, Inc., a registered market agency at the stockyard, and W. Woodis, a registered dealer at the stockyard, Dewey Campbell, a livestock producer, Winchester, Tennessee, at less than their fair value; such cattle were resold at the stockyard through the facilities of Watkins Commission Company, Inc., and Nashville Livestock Commission Corporation, a registered market agency at the stockyard, on March 14, 1955, for a net profit of $393.80 which was divided equally among respondent, Townsend, and Woodis; Campbell was led to believe that he was required to pay yardage and commission charges to Watkins Commission Company, Inc., for handling the cattle and was assessed such charges in the amount of $145.70 whereas respondent, Townsend, and Woodis were liable for such of the charges as were required to be paid and Watkins Commission Company, Inc., furnished no selling service in connection with the sale of the cattle by Campbell; and false entries were made in a sales invoice and an account of sale issued by Watkins Commission Company, Inc., in the name of Woodis and in scale tickets issued by the stockyard company in connection with such cattle, copies of which were made a part of the accounts, records, and memoranda of Watkins Commission Company, Inc., and the stockyard company, respectively.

IV

On or about April 25, 1955, respondent engaged in a secret speculative transaction with W. Woodis, a registered dealer at the stockyard, in which 9 cattle were purchased from Elliott T. Rives, a livestock producer, Pembroke, Kentucky, at less than their fair value; such cattle were resold at the stockyard through the facilities of Nashville Livestock Commission Corporation, a registered market agency at the stockyard, the same day for a net profit of $185.25 which was divided equally between respondent and Woodis; Rives was led to believe that he was required to pay yardage, commission, and other marketing charges to Nashville Livestock Commission Corporation for handling the cattle and was assessed such charges in the amount of $17.52 whereas respondent and Woodis were liable for such of the charges as were required to be paid and Nashville Livestock Commission Corporation furnished no selling service in connection with the sale of the cattle by Rives; and false entries were made in an account of sale issued by Nashville Livestock Commission Corporation in the name of E. Rives and in a scale ticket issued by the stockyard company in connection with such cattle, copies of which were made a part of the accounts, records, and memoranda of Nashville Livestock Commission Corporation and the stockyard company, respectively.

V

On on about March 18, 1955, respondent assisted H. S. Pugh, Vice President and cattle salesman for Nashville Livestock Commission Corporation, a registered market agency at the stockyard, in carrying out a secret speculative transaction through the facilities of Nashville Livestock Commission Corporation for Pugh's own account in which 15 cattle were purchased by Pugh from Glenn Foust, Foust Bros., J. D. Foust, and Howell Foust, livestock producers, Clarksville, Tennessee, at less than their fair value; such cattle were resold at the stockyard through the facilities of Nashville Livestock Commission Corporation on March 21, 1955, for a net profit of $230.67 to Pugh; the livestock producers were led to believe that they were required to pay yardage, commission, and other marketing charges to Nashville Livestock Commission Corporation for handling the cattle and were assessed such charges by Nashville Livestock Commission Corporation in the amount of $29.10 whereas Pugh was liable for such of the charges as were required to be paid and Nashville Livestock Commission Corporation furnished no selling service in connection with the sale of the cattle by the livestock producers; and false entries were made in accounts of sale issued by Nashville Livestock Commission Corporation in the names of Foust Bros., J. D. Foust, and Howell Foust and in scale tickets issued by the stockyard company in connection with such cattle, copies of which were made a part of the accounts, records, and memoranda of Nashville Livestock Commission Corporation and the stockyard company, respectively.

VI

By reason of the facts alleged above, respondent willfully violated section 312(a) of the act (7 U.S.C. 213(a)), and section 10 of an act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," (15 U.S.C. 50), which section is incorporated in and made a part of the Packers and Stockyards Act, 1921, by section 402 of the latter act (7 U.S.C. 222).

Wherefore, this inquiry and notice as to the truth of the matters hereinbefore alleged is instituted and the Agricultural Marketing Service requests:

1. That unless the foregoing matters are admitted or satisfactorily explained in writing within 20 days from the receipt of this order of inquiry this matter be set down for oral hearing in conformity with the rules of practice governing proceedings under the act (9 C.F.R. 202 et seq.); and

2. That such order or orders be entered as are authorized by the act and warranted in the premises.

Done at Washington, D.C., this 19th day of June, 1956.

H. E. REED,
Director, Livestock Division, Agricultural Marketing Service.

CONTINUATION OF HEARING

Mr. MCHUGH. Was this a complaint against a meatpacker or several meatpackers?

Mr. PETTUS. It is a complaint against market agencies and meatpackers involved in the transactions. Both market agencies and meatpackers were involved in alleged violations of the act.

Mr. MCHUGH. Were these alleged violations of title II?

Mr. PETTUS. May I ask our attorney if he recalls specifically?

Mr. BUCY. I do not recall the particular case, but title II applies to all of the packers' operations. Therefore, when livestock transactions of a packer are involved we bring the charge with respect to the packer under title II, because of the breadth of title II to cover the actions on the posted stockyards as well as off, whereas title III only applies to actions on posted stockyards. If you got into a proceeding otherwise under title III involving transactions on the posted stockyards and off the posted stockyards, if your case developed that the unfair practices took place off the yards, we would go through a proceeding uselessly and not be able to issue a C and D against the packer, because his unfair practices took place off the yard rather than on the yard; whereas under title II, where we have jurisdiction over all of his livestock transactions, we can issue the C and D no matter where it develops factually the actual unfair practice took place.

Senator O'MAHONEY. So that the readers of the transcript may understand, will you explain what you mean by C and D?

Mr. BUCY. Cease and desist order.

Mr. MCHUGH. You stated you will be able to furnish a copy of this complaint?

Mr. PETTUS. Yes.

Mr. MCHUGH. Will you tell us, if you know, the status of this complaint?

Mr. PETTUS. The complaint is partially settled as far as some of the firms are concerned. Part of it I believe is still pending. I cannot at this time recall exactly which firms and which companies have the complaint settled, but I will be glad to furnish that for the record.

Senator O'MAHONEY. Please do.

Mr. MCHUGH. In addition to this case which you have just mentioned, within the past 15 years has the Department of Agriculture instituted any other proceedings against meatpackers, charging them with any type of unfair or discriminatory practices in connection with their country buying?

Mr. BUTZ. This will be covered later in the statement, Mr. Chairman, if I could proceed with it. This is covered later in my statement.

Senator O'MAHONEY. You may proceed.

Mr. BUTZ. At present, approximately 2,000 meatpackers are under the jurisdiction of the Packers and Stockyards Act, and around 1,000 stockyards are posted or eligible for posting under the act. S. 1356 would create a conflict in jurisdiction which would tend to defeat the objectives of the act. As an example, if S. 1356 were enacted in its present form the Department would retain jurisdiction over the livestock transactions of packers and others on posted stockyards while jurisdiction over such transactions in commerce elsewhere would be vested in the Federal Trade Commission. The transfer of jurisdiction over the direct country-buying operations of packers would interfere with the Department's function of assuring that apparent competition at public livestock markets is, in fact, adequate or true competition. Nor could the Department effectively prevent or uncover many important restrictive, discriminatory, or monopolistic practices at points away from posted stockyards affecting the prices to be paid at posted stockyards. In fact, the Department would be left with the responsibility for assuring competitive livestock markets, but without jurisdiction over the meatpacking industry—the principal purchasers—which is so important in the competition and trade at those markets. The Department believes that this proposed bill, if enacted in its present form, would substantially reduce the potential effectiveness and the ultimate value of the Packers and Stockyards Act to the livestock producers and feeders.

During most of the period since enactment of the Packers and Stockyards Act the Department has given attention to enforcing all of its provisions, not only those concerned with stockyards. The Department has administered the Packers and Stockyards Act to prevent unfair and undesirable practices by the packing industry and in the buying and selling of livestock. We have not had evidence of any widespread unfair or illegal practices in the livestock and meat industry in recent years and, in fact, there have been relatively few complaints of violations of the Packers and Stockyards Act.

The Department has given considerable attention to enforcing the provisions of the act which are concerned with stockyards, including stressing fair trade practices, prompt and accurate returns, and reasonable charges in connection with the selling and buying of livestock and the services provided at the yards. Over the years there has been somewhat less emphasis on the work under title II of the act, that is, the so-called packer provisions, but title II has not been neglected. In fact, during World War II, and again during the Korean emergency, the livestock and meat industry was under direct rigid Government controls, including price and slaughter controls, compulsory grading, meat-distribution controls, etc. Also, in 1948 the Department of Justice brought charges against the leading packers under the Sherman Antitrust Act. After a rather extensive investigation, the charges were dropped in 1954. The Department of Agriculture cooperated fully with the Department of Justice in its action.

Among the formal investigations currently underway, 17 involved meatpackers' operations, including questions of monopoly, price discrimination or price manipulation, restriction of competition, unfair practices in merchandising or advertising, including restriction of competition in buying livestock. The Department has attempted to administer the act to the fullest extent possible within the available funds which have been appropriated and allocated for this work. It may be, however, that both the Department and Congress may have followed a too modest course of providing funds for administering the act.

Mr. MCHUGH. These additional regulations over meatpackers which you speak of here have nothing to do with further control under any of the authority exercised by the Department of Agriculture, I gather?

Mr. BUTZ. You are talking about the wartime controls?

Mr. MCHUGH. The ones you have spoken of in your statement.

Mr. BUTZ. No; we have cooperated with the Justice Department in these controls you speak of.

Senator O'MAHONEY. Which Department initiated the matter; Justice or Agriculture?

Mr. BUTZ. We have two types of actions indicated in this paragraph. One was the wartime controls during World War II and during the Korean emergency which were exercised by the Department. The other was the antitrust action brought in 1948 by the Department of Justice in which our Department cooperated, but the initiative was taken by the Department of Justice.

Mr. MCHUGH. The wartime controls you are speaking of have nothing to do with controls exercised by the Department of Agriculture under the authority of the Packers and Stockyards Act?

Mr. BUTZ. I think that is correct. These controls were under a wartime act.

Mr. MCHUGH. So this is additional authority as a result of Congress instructions to exercise certain wartime authority?

Mr. BUTZ. Yes, sir.

Senator O'MAHONEY. I gather, Mr. Secretary from what you said, that you had no difficulty in cooperating with the Department of Justice?

Mr. BUTZ. So far as I am aware there was no difficulty.

Senator O'MAHONEY. Is that right, Mr. Pettus?

Mr. PETTUS. That is correct.

Senator WATKINS. That was prior to your time in the Department, Mr. Butz?

Mr. BUTZ. Yes, sir.

Mr. MCHUGH. In connection with the Department of Justice case in 1954, I wonder if you would explain for us just what the extent of the cooperation between the Agriculture and Justice Departments consisted of in that matter.

Mr. BUTZ. May I ask our Deputy General Counsel to do that?

Mr. BUCY. I think probably the administrative people had more knowledge of the detail, but they cooperated with the Department of Justice in furnishing them information that was available in the Department of Agriculture with respect to operations on posted stockyards and other places. In other words, it was a cooperation with the investigation of the Department of Justice in making available to their investigators and attorneys the data and information that could be more readily obtained through the Department of Agriculture.

Senator O'MAHONEY. That being the case, if the Department of Agriculture can cooperate with the Department of Justice, is it not reasonable to assume that it could cooperate also with the Federal Trade Commission?

Mr. BUCY. The Department of Agriculture I am sure can cooperate in any way in enforcement of the law.

Senator O'MAHONEY. Very well. Then you will cooperate with the committee.

Mr. BUTZ. Mr. Chairman, I think that one of the points inferred from this paragraph has not been clearly made here, and that is, that during World War II and again during the Korean war we had a rather complete control over the packing industry. Then we had this action by the Department of Justice under the Sherman Antitrust Act. That ran from 1948 until 1951, and was dismissed. During both of those times it was not found that there was in fact monopoly in the meatpacking industry. I think that the point is that these two actions would indicate that the mere absence of a lot of activity on the part of Agriculture under title II through these years does not necessarily mean there was a lack of enforcement.

Mr. MCHUGH. Mr. Butz, you have stated it was found that there was no monopoly in the meatpacking industry. Found by whom?

Mr. BUTZ. The action was dropped by the Department of Justice.

Mr. MCHUGH. Do you know the reason that action was dropped?

Mr. BUTZ. No, sir; I do not. I would assume if there were evidence of monopoly they would have pressed the action further.

Mr. MCHUGH. Are you familiar with the fact that the Attorney General announced one of the principal reasons for the discontinuance of that action was because of the ruling by the trial court limiting the kind of evidence which the Department would be able to put in in time, making it difficult to proceed with the prosecution of that suit?

Mr. BUTZ. I am not familiar with the details of it.

Mr. MCHUGH. Are you familiar with the general theory of the charge made against the packers in that case?

Mr. BUTZ. No. This is before I came with the Department. I might ask Mr. Bucy to comment on that.

Mr. BUCY. The general theory, the main one general theory involved, was that there was a combination there of the packers to gain a monopoly in restraint of trade and competition. I am not entirely familiar with all the theories that the counsel in the Department of Justice may have had in the case, but that was the major theory.

Mr. MCHUGH. Is it not true, Mr. Bucy, that there was no determination made by the Department of Justice in connection with this proceeding, or no determination made by any court, as to whether or not there remained in fact any monopoly, or conspiracy to monopolize, in the meatpacking industry?

Mr. BUCY. I cannot speak for what determination was made within the Department of Justice. The matter was dismissed by the courts, not on the matter of merits but because the Department of Justice, as I understand it, requested that the matter be dismissed. In other words, it was the same as choosing not to prosecute further. As to what the Department of Justice had concluded on the whole facts before them, I think probably they can speak better than I could.

Senator WATKINS. May I ask this question: Did Agriculture participate in the decision to drop the case?

Mr. BUCY. Not to my knowledge.

Senator WATKINS. Were you consulted about it?

Mr. BUCY. I was not consulted.

Senator WATKINS. What position were you occupying at the time?

Mr. BUCY. I was an attorney in 1954. I was Assistant General Counsel. They changed the name since then, but I was Associate Solicitor in the Department of Agriculture in charge of marketing and regulatory laws.

Senator WATKINS. And that had to do with, of course, the packing industry?

Mr. BUCY. All regulatory laws, including the packers and stockyards.

Senator WATKINS. Since you were not consulted, you took no part in making a decision to drop the case?

Mr. BUCY. You are correct, Senator?

Senator WATKINS. Do you know who started the investigation that finally led to the suit?

Mr. BUCY. I would assume it was the Department of Justice, it being an antitrust prosecution.

Senator WATKINS. Did Agriculture play any part whatsoever in gathering the evidence or cooperating with the Department of Justice in the preliminaries to the bringing of the suit?

Mr. BUCY. As I previously stated, Senator, the Department of Justice requested the Department of Agriculture, as I understand it, to make available to them certain information and to have their men come over and work with the Department of Agriculture's men in gathering information that was available in the Department of Agriculture in furtherance of their investigation.

Senator WATKINS. There was no initiative, then, on the part of Agriculture in beginning this suit? That would be a fair conclusion; would it not?

Mr. BUCY. I think that is a fair conclusion.

Senator WATKINS. Do you know what the charges were against the packers?

Mr. BUCY. Right today I do not recall in detail, but as I said before my recollection is that the charges were that they were acquiring and combining to monopolize and to restrain trade and that it would lead to a monopoly.

Senator O'MAHONEY. Senator Watkins, it has been agreed by Mr. Pettus, who is the Acting Director of the Marketing Branch, to present the committee with the full text of this complaint.

Mr. BUTZ. May I proceed?

Mr. MCHUGH. May I ask some more questions?

Senator O'MAHONEY. Yes, indeed.

Mr. McHUGH. Is it not true, Mr. Butz, that essentially the charge of conspiracy to monopolize was brought by the Department of Justice, and involved changes of market sharing, divisions of markets by agreement among the defendant meatpacking companies?

Mr. BUTZ. I am not familiar with the charges.

Mr. McHUGH. Mr. Bucy?

Mr. BUCY. I believe it did. I suppose the best evidence on that would be for the committee to have before it the complaint that was filed by Justice, which would give the full details of the charges, but I believe there was involved in the combination to restrain trade a matter of apportionment of sales areas.

Senator O'MAHONEY. Off the record.

(Discussion off the record.)

Mr. McHUGH. Are you familiar with the fact that considerable statistical data were obtained by the Department of Justice at that time, pervious to the discontinuance of the case, to support the charges that there was a division of the markets in various sections of the United States?

Mr. BUTZ. I am not familiar with it.

Mr. McHUGH. Are you familiar with the fact that the Department of Justice had assembled considerable information, statistical and otherwise, in support of its charges that there was a division of the markets among the meatpackers in various areas of the United States?

Mr. BUCY. I am not familiar with what the Department of Justice has in its investigation file. I would assume that they felt they had evidence in support of the charges that they made in their complaint, and that any action of this kind does involve a rather extensive investigation, which will involve a great deal of statistical matter. We have encountered it in proceedings in the Department in that field, and it does involve substantial statistical research and investigation.

Mr. McHUGH. After the discontinuance of this suit by the Department of Agriculture in 1953, has the Department continued to make a study and analysis of the record of the evidence that was accumulated at that time, bearing upon the charges of market sharing?

Mr. PETTUS. I am sorry. I did not get the question.

Mr. McHUGH. Since the discontinuance of the suit by the Department of Justice in 1953, at which time considerable statistical data was available to support the charges of market sharing, has the Department of Agriculture continued to investigate the charges of market sharing in various areas of the United States?

Mr. PETTUS. Not as a specific followup of that overall case, but in our various types of records that we get on packers, the reports that we get each year, and our observations, we have continued to look over the entire question of sharing.

Mr. McHUGH. Have you made studies to determine whether or not the pattern of market buying by the packers has continued along the same lines since the discontinuance of the suit, or whether it has altered in any way?

Mr. PETTUS. We have not made what you might call formal studies and published reports on it; no, sir.

Senator WATKINS. What have you done in an informal way?

Mr. PETTUS. We have observed from their reports and from the information that we get on our market what the situation is as far as packer expansion and as far as the buying of small packers by larger ones. The general picture has been under observation.

Senator WATKINS. Have you made any active move to get facts, yourself, rather than to observe what other people have dug up for you?

Mr. PETTUS. Well, this information is some that we get ourselves directly from the packers under the act, as well as the information that our Department gathers on the size of packers, their operations, and so forth.

Senator WATKINS. Who gathers evidence on the packers?

Mr. BUTZ. Mr. Chairman, many of these comments bear on comments in the next 2 or 3 pages of the testimony here. I think it will be helpful if we complete the testimony and then take up the questions.

Senator WATKINS. I have no objection to that. I did not know whether it was covered or not. I thought since we were in the matter we might as well pursue it to get all the information.

Mr. BUTZ. It will take just a few minutes to finish the statement, and I think that will answer some of these questions.

Senator O'MAHONEY. You may proceed. We will take it up afterward though, Mr. Butz.

Mr. BUTZ. The Department recognizes the importance of this regulatory problem and, in fact, we have begun recently to expand the staff and regulatory activities under the act. At the present time, with additional funds appropriated, we are working toward posting all eligible stockyards, and we have increased our activities in connection with trade practices of meatpackers, as well as with buyers and sellers at stockyards.

We are going to continue to give stronger emphasis to the trade practices work under the act. We recently have redirected an additional $20,000 of Department funds for Packers and Stockyards Act enforcement during the last part of this fiscal year, with the funds to be used for additional staffing, particularly in connection with title II activities. In addition, we plan to make available for title II work at least an additional $75,000 during the coming year from funds which are available within the Department. We also anticipate requesting from Congress additional funds for administering the act, particularly title II, in our next budget request. Expanded attention to all parts of the act is desirable and is anticipated.

The fact that this regulatory function has been conducted with little public notice in recent years should not be considered as an indication of inaction. Investigative and regulatory functions of the Government frequently are given little publicity. The present Secretary of Agriculture appreciates the importance of effective administration of the act, and earlier this year Secretary Benson, himself, initiated a survey of the activities and regulations under the Packers and Stockyards Act. Last month a report of that study was made public, and we are now following through to make the necessary changes and improvements indicated by this report. Since reference has been made to this report by several of the witnesses who have testified before this subcommittee, I should like to suggest at this time that it be made a part of the record of this hearing.

Senator WATKINS. May I ask you at this point, has Congress ever turned you down in any request for funds to administer that act, particularly title II?

Mr. BUTZ. It is my understanding they have not turned down any request for title II specifically, but they have turned down a request for funds for the Packers and Stockyards Act. It is my understanding that in our request to Congress we do not spell out title I and title II. We simply request funds, for the Packers and Stockyards Act.

Senator WATKINS. I think there might be some question as to the accuracy of that statement. I think some of the requests indicate very clearly what part of the administration they are asking the funds for.

For instance, you asked for one-hundred and seventy thousand-odd dollars this year to post stockyards. You seemed to spell it out.

Mr. BUTZ. We asked for that increase for the purpose of posting additional stockyards, but beyond that it is my understanding we did not indicate the division.

Senator O'MAHONEY. The budget goes into detail with respect to every expenditure of every department, and the justification which is submitted to Congress with every budget leaves no detail unmentioned.

Mr. BUTZ. Quite right; except for our personnel in the field, particularly, there is some overlapping of duties, and sometimes they are working on title I and sometimes on title II.

Senator O'MAHONEY. I think an examination of the budget will clearly reveal what requests were made. For example, what requesta did the Department of Agriculture make this year in the present pending budget for the enforcement of this act

Mr. BUTZ. We asked for an increase, as I recall, of one-hundred and seventy-some-odd-thousand dollars this year the Packers and Stockyards Act, and the justification we gave this year was to expand the stockyards posting activities.

Senator O'MAHONEY. Would the appropriation which was requested for the Department of Agriculture in the budget be sufficient to enable you to carry on the work that you are outlining here?

Mr. BUTZ. No, sir. Since the budget was submitted, we have within the Department transferred a sum into the Packers and Stockyards Division to strengthen this enforcement division.

Senator O'MAHONEY. That was since the initiation of this bill?

Mr. BUTZ. Yes, sir. This was done following the study that Secretary Benson asked be made of the work under the Packers and Stockyards Act.

Senator O'MAHONEY. So that it would be necessary for the Department of Agriculture to file a supplemental budget request to carry out the program that you are outlining this morning?

Mr. BUTZ. Either that or to make transfers within the departmental budget.

Senator O'MAHONEY. Do you have enough money in the departmental budget now to take away from one activity and switch to another activity?

Mr. BUTZ. We have moved about $20,000, as I will point out in a subsequent paragraph here if I can get to it.

Senator O'MAHONEY. Twenty thousand thousand dollars is not much out of the $5 billion which is in the budget for the Department of Agriculture.

Mr. BUTZ. Quite right. That is for the remainder of this fiscal year, which is a very small part of the fiscal year, and then we have allocated another approximately $75,000 during the coming year into this work. This is in the subsequent paragraph, if I may proceed.

Mr. McHUGH. Do I understand then, Mr. Butz, that in connection with the 1957 request for an increase in the appropriation for enforcement of the Packers and Stockyards Act, there were no requests for any funds to be used in connection with the administering of the unfair trade practices provision of title II of the act?

Mr. BUTZ. There was no direct request for that purpose. Our request was for additional personnel to post additional stockyards, and those people do sometimes work on this activity. If I may proceed, that is covered in these subsequent paragraphs.

Senator WATKINS. May I say this: There were bills introduced in the last session of the Congress, last July, and all of this, of course, has occurred subsequent to that time. Whatever you did not ask for, of course, the failure was since that time as well.

Mr. BUTZ. For the last 2 years, Senator, we have been strengthening the enforcement of title II, however, from funds available within the Department and from personnel available in the Department.

Senator WATKINS. Would you furnish us with a statement showing just what you did with respect to that and how much you transferred and how much that enforcement was increased?

Mr. BUTZ. Yes, sir. I just read that paragraph at the top of page 6.

Mr. McHUGH. Are you telling us that the Department of Agriculture did reserve special funds for the enforcement of title II activities, previous to the beginning of this committee's investigation of the meatpacking industry in June of last year?

Mr. BUTZ. No, sir; but there was some reassignment of emphasis on the way personnel was used. As you will note from the paragraph I just read at the top of page 6, we have in the last 2 years stepped up our activities of investigations under title II. It was done with existing personnel in the field.

Mr. McHUGH. Has not that activity been stepped up substantially since last summer?

Mr. BUTZ. It is my understanding it has been over the last 2 years. Mr. Pettus, would you answer that question, please?

Mr. PETTUS. It has been longer than since last summer, but I would say we have increased our activities even more since last summer. But it preceded last summer—the increase in this area.

Senator O'MAHONEY. You will give Senator Watkins and myself a little credit for stepping up this activity by introducing this bill; won't you?

Senator WATKINS. Mr. Chairman, I wonder if we might have the Department give us the number of people who are engaged in activities in any way related to the enforcement of title II of the act; also their names and their location where they are working, and what other activities they may be engaged in in the Department other than enforcement of title II. I think we ought to have a detailed list of that information.

Mr. BUTZ. That will be provided. Mr. Chairman, may I proceed with the statement? Much of this is covered in the statement.

Senator O'MAHONEY. Proceed.

Senator WATKINS. The information I just asked for?

Mr. BUTZ. No; this is not in the statement.

Senator WATKINS. I did not think it was.

Mr. BUTZ. Much of what we have been talking about is in the statement.

Senator WATKINS. And I would like the address of each of those people.

Mr. BUTZ. In that connection, I would like to point out that in a very real sense most of our people in the field are or may be at times concerned with the enforcement of title II. If something comes up that needs the attention of personnel, they are shifted from one function to the other, and it is difficult to say that individual X is on title II and individual Y is on title III. There is fluidity in our whole staff with respect to the enforcement of both titles III and II.

Senator WATKINS. There may be, but there a clear-cut distinction between title III and title II, is there not, in the law?

Mr. BUTZ. Yes, indeed; but that distinction does not go as far as to say that individual X can work only on title II and individual Y only on title III.

Senator WATKINS. I understand there is a possibility even those that are assigned directly to title II may spend most of their time on title III.

Mr. BUTZ. Indeed; and those assigned to title III may spend most of their time on title II.

Senator WATKINS. That is exactly what I would like to find out.

Mr. McHUGH. Can you tell us the name of the man who is in charge of the section that is handling the unfair trade practices under title II?

Mr. BUTZ. That is one of Mr. Pettus' men.

Mr. PETTUS. Mr. Donald Bowman is head of our Trade Practices Section in the Packers and Stockyards Branch.

Mr. McHUGH. At the time the committee requested that Mr. Lee Sinclair also appear, we were under the impression that that was Mr. Sinclair's function. What is his role?

Mr. PETTUS. His duty is chief of the entire packers and stockyards operations.

Mr. McHUGH. So these duties would come under Mr. Sinclair?

Mr. PETTUS. That is right.

Mr. McHUGH. Someone else, then, is directly in charge; is that it?

Mr. PETTUS. Of the trade practice work; yes.

Senator O'MAHONEY. Who is in charge at the Secretarial level? I do not mean the Secretary, of course. I mean who on the Secretarial staff.

Mr. BUTZ. The Assistant Secretary for Marketing and Foreign Agriculture, which position I hold; and directly under me is Mr. Wells, who is the Administrator of the Agricultural Marketing Service, and Mr. Lennartson, his deputy, is here today. Mr. Pettus, as acting head of the Livestock Division, reports to the Administrator of the Agricultural Marketing Service.

Senator O'MAHONEY. So that the expansion of the activities of the Department of Agriculture would be directed by you?

Mr. BUTZ. Yes, sir.

Senator O'MAHONEY. What have you done?

Mr. BUTZ. Sir?

Senator O'MAHONEY. What have you personally done in the past year to expand activity under title II?

Mr. BUTZ. Well, the chief thing I think has been—in consultation with Mr. Wells and Mr. Lennartson—we have for the remainder of this fiscal year transferred some $20,000 into this activity, to permit the expansion of personnel and activities under the program during the remaining part of the fiscal year. That is a bigger sum than $20,000 on a fiscal year basis, you see. We have made tentative provision to transfer some $75,000, if we can find the competent personnel, to strengthen the work next fiscal year.

Senator O'MAHONEY. Is that the measure of the expansion—$20,000 for the remainder of this fiscal year and $75,000 tentatively?

Mr. BUTZ. I would say that is not a complete measure of the change in emphasis, because, as we pointed out before, the personnel already available under the Packers and Stockyards Act are eligible for shifting, as the case may be, and we have shifted emphasis on this as we brought out here earlier. We have investigations going forth.

Senator O'MAHONEY. Have you taken any steps to prepare the supplemental budget which so clearly will be necessary?

Mr. BUTZ. We think this is not necessary as a supplemental budget for this next year. We will make a request in the budget that will be submitted for the following fiscal year. But it has been possible, we feel, within the budgetary items to make the necessary shifts for the next year.

Senator O'MAHONEY. So that enforcement of title II will depend upon the shifts that you make during fiscal 1958 from other activities to this activity?

Mr. BUTZ. Yes, sir; the shifts in budget plus the shift in emphasis. And Mr. Pettus reminds me of one more thing. We are asking for an increase of $170,000 for posting, and those personnel also will be available to assist with this in cases where evidence of malpractice comes up on the yards that are posted.

Senator O'MAHONEY. That is the measure of the new activity?

Mr. BUTZ. That is one measure of new activity.

Senator O'MAHONEY. Have you got it all in? Let's get it all in.

Mr. BUTZ. $175,000 that we have requested in the budget for next year as an increase for the Packers and Stockyards Act, and then we expect within the Agriculture budget to transfer some additional $75,000 into strengthening of title II, which will make approximately $250,000.

Senator O'MAHONEY. What agricultural activity for which you have already submitted a budget will suffer or be neglected by reason of this shift?

Mr. BUTZ. What we plan is discontinuance of a contract that we have had in the fruit and vegetable merchandising training program which has been going for approximately 10 years, which, after consultation with those responsible, we feel has essentially accomplished its purpose and can go on its own. We have been in consultation with the Appropriations Committee on this item and feel we can make the shift all right.

Senator O'MAHONEY. That isn't what I heard, Mr. Secretary. I have heard considerable complaints about the supermarkets and the food chains with respect to the pricing of fruits and vegetables and other commodities raised on truck farms.

Mr. BUTZ. Oh, yes; but this is a separate project.

Senator O'MAHONEY. Are you going to abandon those poor farmers?

Mr. BUTZ. No, sir. This was a separate project that we had that involved training techniques for wholesale and retail merchandising. It has been going for 10 years. It has been in cooperation with wholesalers around the country, and they put in a substantial share of the cost. It is our feeling and their feeling they can now pick it up and run with it. There is no disposition to abandon the fruit and vegetable producers. Don't misunderstand me.

Senator O'MAHONEY. I think you may proceed with your statement. You are making a very interesting statement, which stimulates a lot of questions.

Mr. BUTZ. I welcome the questions. I would like to finish this if I could.

Senator WATKINS. Mr. Chairman, I come from a fruit area, and we have had some very grave questions in our minds as to whether we are getting fair treatment in that area, and before we get through with this I might like to ask some questions about that as to how many people are working on it.

Mr. BUTZ. I will be happy to have you do that. This was a project working with the wholesalers and retailers; not with producers.

Senator WATKINS. The people I am inclined to complain about are the wholesalers, particularly, who go out in the fruit areas to buy fruit. Some of them do not have very much competition in that field in our area.

Mr. BUTZ. Proceeding with the statement, I would suggest that the study which the Secretary had made and which has been referred to, be made a part of the record.

Senator O'MAHONEY. This study will be made a part of the record.

Senator WATKINS.

Senator WATKINS. I take it, later on probably, after we have studied it a little further we may have some questions to ask of the Secretary with respect to it.

(The study referred to above is as follows:)

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 4, 1957.

REPORT ON CURRENT ACTIVITIES AND PROBLEMS UNDER THE PACKERS AND STOCKYARDS ACT

I. THE ACT AND ITS MAIN PROVISIONS

This report is the result of a survey of current activities and problems relating to the investigation and regulation of trade practices in livestock buying and meat merchandising under the Packers and Stockyards Act. The survey was undertaken in the Department of Agriculture at the direction of the Secretary of Agriculture. The purpose was to review problems relating to livestock-buying and meat-merchandising practices in order to appraise the adequacy of the Department's resources and current policies in this field.

The Packers and Stockyards Act was enacted by Congress in 1921. The primary purpose of this act is to assure fair competition and fair trade practices in livestock marketing and in the meatpacking industry. The objective is to safeguard farmers and ranchers against receiving less than the true market value of their livestock and to protect consumers against unfair business practices in the marketing of meats, poultry, etc. Pro-

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tection is also provided to members of the livestock marketing and meat industries from the unfair, deceptive, unjustly discriminatory, and monopolistic practices of competitors, large or small.

Three general areas of regulation are encompassed by the act. The regulation of packers is provided for in title II. Title III provides for the regulation of stockyards posted under the act (operating in interstate commerce and having an area of 20,000 square feet or more) and of market agencies and dealers operating at such stockyards. Title V provides for the regulation of live-poultry dealers and handlers at cities or places that may be designated under the act. The other titels of the act, title I and title IV, cover definitions and general provisions.

Summary of principal provisions

The act provides that meatpackers subject to its provisions shall not engage in practices that restrain commerce or create a monopoly. They are prohibited from buying or selling any article for the purpose of or with the effect of manipulating or controlling prices in commerce. They are also prohibited from engaging in any unfair, deceptive, or unjustly discriminatory practice or device in the conduct of their business, or conspiring, combining, agreeing, or arranging with other persons to do any of these acts.

Commission men, dealers, and stockyard operators at markets posted under the act are prohibited by its provisions from engaging in any unfair, deceptive, or unjustly discriminatory practice or device in the conduct of their business. The Secretary of Agriculture is authorized to require such commission men and dealers to furnish reasonable bonds to assure payment for livestock bought or sold at a stockyard.

Stockyard owners and market agencies are required to furnish reasonable stockyard services without discrimination and to charge reasonable and nondiscriminatory rates. Stockyard owners and market agencies are also required by the act to file with the Secretary schedules of their rates and charges and of any changes that may be made in them. These rates and charges are subject to review by the Secretary, and if found to be unreasonable the Secretary may fix ones that are reasonable.

Meatpackers, commission men, dealers, and stockyard operators are required by the act to keep such books and records as fully and correctly disclose all their transactions. Such books and records are required to be made available to authorized representatives of the Secretary for examination and copying as may be deemed necessary. Provision is made in the act for filing such reports as the Secretary may require and for the issuance of supenas to compel production of such books and records and for the giving of testimony by witnesses.

Under the act, commission men and dealers found to be violating its provisions may be suspended from doing business. Among the various enforcement provisions, the act also provides for the issuance, after formal hearings, of cease and desist orders against meatpackers and all other persons subject to it.

II. BACKGROUND OF THE ACT

Some years following enactment of the Sherman Antitrust Act, which sought to make more effective the common-law doctrine against restraint of trade, agitation arose for legislation dealing directly and separately with the packers or at least the dominant firms in the industry. In 1917, after legislative hearings had been held by committees of both Houses of Congress on a series of bills dealing with the packer monopoly problem, the President directed the Federal Trade Commission to investigate meatpacking and related activities.

The resulting report indicated that the big meatpacking firms virtually had complete control of the trade, from the producer to the consumer. The report also indicated that one of the essential means by which this control of the trade was made possible was through the packers' ownership of a controlling part of the stock in the stockyards companies of the country. This controlling interest gave the meatpackers a "whip hand" over not only the operations of the stockyards but also over the activities of the commission men and dealers.

Two actions followed in the chain of events. One was a Department of Justice action which led to the consent decree of 1920 under which the four largest meatpacking firms agreed to divest themselves of the ownership of stockyard properties and to refrain from the retail merchandising of meat. The other was the action by Congress which resulted in the enactment of the Packers and Stockyards Act in 1921.

Key position of stockyards recognized

The bill that provided the basis for the Packers and Stockyards Act recognized that if the packer problem was to be solved it was necessary to have additional authority. This was needed particularly with respect to the stockyards and the transactions in livestock conducted there in order to protect the producers of livestock from the results of unfair practices. Therefore, although in the first instance the question was raised by reason of monopolistic practices among the large meatpackers, the legislative program enacted embraced two largely separate legislative schemes—the one dealing with packers and the other with the regulation of stockyards and transactions taking place at stockyards by all persons including the packers.

Thus, in some respects the Packers and Stockyards Act provided for new legal authorities while in some others it provided for trade practice or antitrust powers additional to the general authorities already available to the Department of Justice. The act vested the Department of Agriculture with authority to issue cease-and-desist orders after hearing with respect to packers who engaged in practices such as those prohibited under the Federal Trade Commission Act and the so-called antitrust laws administered by the Department of Justice. The Department of Agriculture was also vested with authority to regulate stockyards and all persons engaged in business on such yards in connection with livestock transactions. This regulatory phase of the act encompassed a field of regulation outside the scope of the antitrust laws; namely, prescribing reasonable rates for stockyards and market agencies, posting stockyards, registering market agencies and dealers, requiring bonds for the protection of producers, prohibiting unfair trade practices whether or not relating to restraint of trade or monopoly, providing reparation procedures to insure protection of producers and others suffering from unfair trade practices, etc. This field of stockyards regulation was not only primarily but solely the responsibility of the Department of Agriculture. The fundamental purpose was to insure the fairness of the marketplace where the country's livestock production first enters the channels of commerce to reach the consumer in the form of meat products.

The keystone position held by the stockyards in the flow of livestock from the country's farmers and of meat to the Nation's consumers is highlighted in a Supreme Court decision, in a 1922 case involving the Packers and Stockyards Act, in which Chief Justice Taft stated:

"Thousands of head of livestock arrive daily (in the large stockyards) by carload and trainload lots, and must be promptly sold and disposed of and moved out to give place to the constantly flowing traffic that presses behind. The stockyards are but a throat through which the current flows, and throat through which the current flows, and only incident to this current from the West to the East, and from one State to another * * * " (*Stafford* v. *Wallace*, 258 U. S. 495, 515–516).

The object sought by the regulation of marketing at the stockyards, Chief Justice Taft stated, "Is the free and unburdened flow of livestock" in interstate commerce, and the "chief evil feared is the monopoly of the packers, enabling them unduly and arbitrarily to lower prices to the shipper who sells, and unduly and arbitrarily to increase the price to the consumer who buys * * * "

III. ADMINISTRATION OF THE ACT IN THE DEPARTMENT OF AGRICULTURE

After its enactment in 1921 the Packers and Stockyards Act was administered in the Department of Agriculture under the Office of the Secretary until 1927, when it was placed in the Bureau of Animal Industry. It remained in the Bureau of Animal Industry until 1939, when the administration of the act was transferred to the Agricultural Marketing Service. The successor agencies of this earlier Agricultural Marketing Service have had various names and responsibilities, but since 1942 the Packers and Stockyards Act has been administered by the Packers and Stockyards Branch of the Department's Livestock Division—now one of the chief operating divisions in the new Agriculture Marketing Service established in the fall of 1953.

During the first 2 years under the act, 1922 and 1923, all of the stockyards then eligible for posting or regulation were brought under the act. The organization was built up on the basis of 260 positions in the fiscal year 1923, sufficient not only for regulation of the stockyards but also for a substantial volume of investigative activities. Over the next 2 years this was cut in half, or to 130 people, in fiscal year 1925.

Over the next twenty-odd years attention was given chiefly to regulating the stockyards, including particular stress on returns and charges in connection with the servicing and selling of livestock at the yards. The position of the Department in this regulatory work was upheld by the favorable court decisions on its approach to ratemaking cases initiated in the first few years after the act became law. During the twenty-odd years from 1924 to 1945, appropriations provided by Congress for administering the act ranged mostly from a little more than $300,000 to somewhat over $400,000 a year, sufficient to maintain a staff of around 100 employees.

After World War II greater emphasis was placed on trade practices, with less emphasis on ratemaking investigations. The investigations were concerned principally with the practices of buyers and sellers at stockyards. Operations of meatpackers beyond the stockyards also came under scrutiny, particularly with respect to investigation of complaints received. The Department continued to cooperate with the Department of Justice in any investigations or other actions taken in connection with their enforcement of the antitrust laws against meatpackers.

During the postwar period, appropriations for administering the Packers and Stockyards Act have ranged mostly between more than $700,000 to well in excess of $600,000 per year. However, the higher wage scale and operating costs did not permit increasing personnel above the previous average figure of around 100 employees—in fact, the number fell below that figure. The course followed in administering the act was aimed at making the most effective use of the rather limited funds available from the standpoint of the broad public interest and the most direct and immediate value to procedures of livestock.

Increased stress on trade practices

Within the last 2 years there has been a broadened emphasis on the operation of meatpackers under the act. A a result more work is now being done in connection with trade practices of meatpackers as well as trade practices of buyers and sellers at stockyards. Among the many inquiries currently underway, there are about 46 important investigations being made under the act. Of this total, 29 are concerned primarily with the operations and practices of stockyard companies and registrants and 17 involve investigations of meatpackers.

Among the 29 investigations which primarily involve operations and practices of stockyard companies and registrants under the act, 2 have so far reached the stage of formal charges. Although the 29 investigations cover many types of violations under the act, they may be grouped into the following 4 broad categories: 6 involve restriction of competition, monopoly, and price manipulation; 8 relates to fraudulent prices or weights; 2 concern stockyard rate determinations; and 13 involve unfair or deceptive practices, failure to furnish adequate services, etc.

Among the 17 investigations of meatpackers subject to the act are some that originated as far back as 2 years ago and are at or near the stage of formal charges. These 17 packers investigations may be grouped into 3 broad categories as follows: 6 concern primarily questions of monopoly, price discrimination or price manipulation, or restriction of competition in the sale of meats or other products; 6 involve unfair practices in merchandising or advertising of meat or other products; and 5 pertain to unfair livestock buying practices of packers or restriction of competition in buying livestock.

The broadened emphasis that has been placed on scrutinizing trade practices, monopoly, and related problems in the meatpacking industry is expected to continue. To a considerable extent, however, the attention that can be devoted to this depends upon the funds and personnel available. In general, with the rather limited funds available over the last 15 years, the Department has felt that the most returns to livestock producers, as well as the public generally, could be obtained from regulatory and investigative activities at the market or livestock-buying level.

The regulatory problems under the Packers and Stockyards Act, especially as they apply to stockyards and to the day-to-day purchase of livestock, have been greatly expanded by the development of truck transportation and the rapid decentralization of livestock marketing which started in the mid-1920's. Where there were around 80 major rail centered livestock markets at the time the Packers and Stockyards Act was passed, the number has greatly increased since then, especially with the rise of auction markets. As a result, it is estimated that currently there are altogether some 900 to 1,000 markets with 20,000 square feet or more of space with the act provides shall be posted or regulated.

This has meant that the Department either had to spread its regulatory staff so thin as to give ineffective supervision or to limit the number of yards posted. In order to assure effective supervision of posted yards, it was necessary to limit the number of yards posted. As a result, the situation had been reached in 1952 where only about one-third of the eligible yards were posted. Since these were the major yards, it is estimated that they accounted for about 80 percent of the sales of livestock through public stockyards. As a result, the policy decision was reached in the Department to ask for additional funds and personnel over a period of 3 years which would allow the posting of all eligible stockyards, starting with the appropriation request for fiscal year 1957.

In the funds appropriated by Congress for the 1957 fiscal year, the Department received for administering the act an increase of approximately $100,000 for posting more markets this year. This increase in available funds makes it possible for the Department to post and supervise about 200 additional auction markets and to exercise its authority over the buying practices of packers as well as other buyers at these markets. For the 1957–58 fiscal year, the Department has requested an additional increase of about $178,000 in appropriated funds which, if granted, would total around $980,000, providing for a total staff of about 120 employees. This increase would be for the purpose of posting additional markets and for further expanding investigatory activities under the act.

IV. PERSONNEL AND THE NATURE OF THEIR WORK

A total of 93 full-time and 5 part-time employees currently constitutes the staff of the Packers and Stockyards Branch of the Livestock Division which is responsible for administering the Packers and Stockyards Act in the Agricultural Marketing Service. The number now employed represents an increase in fiscal year 1957 of 15 new marketing specialists, 1 scale and weighing specialist, 1 clerk, and a change of 8 part-time clerks to full-time duty during this fiscal year as a result of additional funds provided by Congress for further extending operations under the act.

Of the total number engaged in the work of the Packers and Stockyards Branch, 15 are full-time employees in the Washington office, 78 are full-time employees in the field, and 5 are part-time employees in the field. The positions held by these employees, both in Washington and in the field, are shown in the following table:

	Washington	Field	
		Full time	Part time
Administrative officer (Chief)	1		
Marketing specialist	5	44	
Accountants		12	
Valuation engineers	1	3	
Scale and weighing specialists	1	2	
Clerical	7	17	5
Total	15	78	5

Direction for all investigatory and supervisory work is handled under the Chief of the Packers and Stockyards Branch by seven specialists on the Washington staff. The primary responsibility for investigation and market supervision rests on a field staff of 61 marketing, accounting, and engineering specialists stationed in 20 field or district offices throughout the country. These are specialists who are familiar with the problems of the livestock marketing and meatpacking industries.

The organization that is maintained in administering the Packers and Stockyards Act permits a high degree of flexibility in planning and conducting major investigations and in meeting the fluctuating demands of different district offices. This is because the entire field force may be actively utilized in such an investigation whenever necessary. Individual field staff members are able to study problems common to all districts and also provide prompt assistance to their districts as the need may arise.

In recent years on major investigations, as many as a dozen experienced specialists have been detailed from their districts for varying periods of time to assist specialists in other districts. This permitted major investigations to be conducted without the cost and delay incident to the employment and training of additional temporary personnel. The use of temporary, untrained personnel is in fact not practical in such investigations.

All of the specialists and technicians employed in connection with the administration of the act have a high degree of training for their work. Almost all the marketing specialists and all such specialists employed in the last 10 years have practical farm and livestock experience, are college educated, and have received intensive on-the-job and other special training in investigational techniques and procedures. Most are college graduates in animal husbandry or economics and several have advanced degrees in these fields. In addition, some have law degrees, and a considerable number had been employed in the livestock-marketing and meatpacking industries and in this way have acquired first-hand practical experience.

V. THE MEATPACKING INDUSTRY

The number of meatpacking establishments in the United States has tended to increase gradually over most of the period covered by census data. In 1899 there were 882 such establishments; by 1909 the number had risen to 1,221, and information from the 3 most recent census periods is as follows:

Year:	*Number of meatpacking establishments*
1939	1,478
1947	2,153
1954	2,367

These totals are reported to include only those plants engaged primarily in slaughtering operations and exclude plants which have as their main business the production of sausage, other prepared meat products, etc.

While the relative importance of the largest packers has varied considerably since pre World War II there has been no tendency for their share of the total livestock slaughter and volume of meat handled to increase, at least for the United States as a whole. The following tabulation ahows the proportion of the total number of livestock slaughtered by the top four meatpacking companies during recent years in relation to the total commercial slaughter.

PERCENT SLAUGHTER BY TOP 4 PACKERS IS OF TOTAL COMMERCIAL SLAUGHTER

Year	Cattle	Calves	Sheep	Hogs
1920	49	36	63	44
1921	46	33	60	40
1922	48	34	59	40
1923	49	36	61	43
1924	50	37	62	41
1925	51	40	65	40
1926	51	40	68	40
1927	52	43	68	40
1928	51	47	69	40
1929	50	47	70	40
1930	48	46	69	38
1931	47	46	69	40
1932	45	43	65	39
1933	49	45	69	43
1934[2]	44	48	68	43
1935[2]	45	46	69	42
1936[2]	49	49	70	45
1937	44	47	68	41
1938	45	44	68	43
1950	37	33	63	41
1951	32	32	63	40
1952	35	32	63	39
1953	36	34	61	38
1954	34	32	60	39
1955	32	31	58	38

[1] Commercial slaughter excludes farm kill.
[2] Excludes slaughter for Government account.

In recent years there has been an overall tendency for the smaller companies to increase their slaughter of livestock, cattle especially, in relation to the total commercial slaughter. This is indicated by the fact that for the 15 top-ranking companies the percentage of both cattle and sheep and lambs slaughtered in relation to total commercial slaughter has for most species shown some decline between 1950 and 1955 with relatively little change in other livestock slaughtered.

The changes that have taken place are shown in the following table:

TOP-RANKING COMPANIES IN TOTAL COMMERCIAL SLAUGHTER (FEDERAL INSPECTION AND OTHER WHOLESALE AND RETAIL), CALENDAR YEAR 1955 COMPARED WITH 1950

[Percent of total slaughter]

Number of companies	Cattle	Calves	Sheep and lambs	Hogs
1955:				
1 to 3	29.7	32.2	56.9	35.6
1 to 5	33.7	35.2	64.1	45.0
1 to 8	38.2	37.8	71.0	54.6
1 to 10	39.1	38.7	73.0	59.6
1 to 15	40.4	39.9	74.2	64.3
1950:				
1 to 3	32.9	31.2	57.5	35.5
1 to 5	38.6	34.8	67.2	45.0
1 to 8	42.3	37.8	76.0	54.6
1 to 10	43.6	38.9	77.1	58.8
1 to 15	45.6	39.5	78.0	63.7

While the meatpacking industry is large and dispersed throughout the country, only a few firms are highly diversified in their business operations—producing, handling, and selling a range of different products. Insofar as the buying, slaughtering, processing, and selling of meats are concerned, the operations of meatpacking firms tend to be quite similar. However, the entry of chainstores into the meatpacking business has complicated the picture to some extent, as have the country buying and direct marketing of livestock.

Chainstores and other multiple-unit companies have become more and more important factors in the distribution of meats as well as other foods and other groceries. Grocery-store companies operating 4 or more stores increased their percentage of the total grocery-store sales from 38.5 to 43.3 percent between 1930 and 1954. Companies with 11 or more stores did 34.4 percent of the grocery-store business in 1948 and 39.4 percent in 1954.

VI. COVERAGE AND SCOPE OF OPERATIONS UNDER THE ACT

Of the total number of meatpackers in the United States, approximately 2,000 engaged in interstate commerce are under the jurisdiction of the Packers and Stockyards Act. In addition, approximately 2,600 buyers who purchase livestock for these meatpackers are registered to buy for them at the posted markets and are supervised under the act.

Some of the meatpackers, particularly the larger ones, process, handle, and sell many other products in addition to meat or meat food products. These include such items as poultry, eggs, butter and other dairy products, oleomargarine, soaps, dog foods, cleansers, fertilizers, and so forth. The merchandising and other practices followed in connection with these products are also subject to scrutiny under the act.

Included among those classified as meatpackers under the act are those chainstores that also have meatpacking and meat-processing operations. There are 14 chainstores presently filing reports as meatpackers under the act. This number includes six of the leading chains. These 6 chains, in addition to their meatpacking or meat-processing operations, have approximately 10,900 retail grocery stores. The remaining 8 smaller chains have less than 100 stores each in addition to their meatpacking or processing operations.

There currently are 375 livestock auction markets and 64 terminal markets posted under the act. By the end of the present 1957 fiscal year about 100 more auction markets will be posted, bringing the total to 500 or more markets. If posting of livestock markets is continued during the next fiscal year as contemplated, complete market supervision should be made available to livestock producers at 150 or more auctions. The number of posted stockyards under the act each year since operations started is shown in the following table:

Stockyards posted under Packers and Stockyards Act, 1922–57

Year	Number posted stockyards
1922	78
1923	76
1924	79
1925	77
1926	80
1927	(1)
1928	75
1929	71
1930	73
1931	91
1932	93
1933	93
1934	99
1935	107
1936	124
1937	140
1938	166
1939	181
1940	199
1941	222
1942	217
1943	205
1944	202
1945	196
1946	193
1947	201
1948	207
1949	207
1950	308
1951	333
1952	327
1953	325
1954	322
1955	335
1956	352
1957 [2]	439

[1] No figures available.
[2] Through Mar. 18.

In the early years of the act there were relatively few livestock markets and these were located primarily in large terminals. All of the markets eligible under the act were posted. As transportation facilities, particularly roads and trucks, improved and with decentralization of marketing, the number of livestock markets eligible for posting increased. The posting of these markets, however, did not keep pace with the rise in numbers. At the present time about half the eligible markets are posted.

There are registered to do business at the markets posted under the act 1,300 livestock commission firms and about 2,000 livestock dealers. Approximately 2,000 scales at posted stockyards and at buying stations owned by interstate meatpackers are required by Department regulations to be tested regularly to assure accuracy.

The Department also has the responsibility of reviewing and approving rates and charges by commission firms and stockyard operators. These rates and charges amount to more than $92 million per year. Facilities and services rendered by the commission firms and stockyard operators are examined to determine if such facilities and services are reasonable and nondiscriminatory.

In 16 cities designated under the act, supervision is exercised over the business operations of 1,300 poultry dealers, agents, and handlers.

REPORTS REQUIRED TO BE FILED

With the exception of employee packer buyers, all packers, stockyard operators, dealers, and others subject to the act are required by regulation of the Department of Agriculture to file annual reports of their operations. The employee packer buyers are not required to file such reports because reports are filed by the packers for whom they purchase livestock.

The annual reports of meatpackers are received by the 20 district offices that are maintained by the Packers and Stockyards Branch. Each packer sends his report to the district office in which his headquarters is located. Information contained in these reports is primarily concerned with ownership, organization, and feeding purposes are also reported. The reports received from packers are reviewed by personnel of the district offices and there kept on file. The annual reports of the top four packers are forwarded to the Washington office of the Branch, where they are retained in a permanent file.

Although the annual reports of packers are reviewed, there is no tabulation or statistical analysis made of the information contained in them for the purpose of determining industry trends, problems, or conditions. This is also true generally of reports required to be filed by others under the act. However, information concerning the feeding operations of packers has been requested each year from 1954 forward. This information has been tabulated and consolidated into a report which shows the significance of this feeding activity, and will, over a period of years, disclosed the industry trend.

The annual reports of all stockyard companies, terminal or auction, are also received by the district offices. Copies of the reports are made for the district office files. The originals are forwarded to the Washington office where they are used principally in determining the reasonableness of existing rates or charges and of requests for increases. These determinations require review and analysis of items of expense and income. Much of the information required for this purchase is contained in the reports submitted by the stockyard companies.

Market agencies and dealers operating at posted stockyards file their annual reports of operations at these markets with the district offices where they are retained. The information contained in these reports is reviewed for evidence of change in ownership or organization which would require change in registration, for volume of business which may require a change in bond coverage, for income and expense information in connection with agency rate determinations, and for indications of possible violations of the act. Some analysis of these reports is made in certain instances when this is necessary in carrying out marketwide investigations. Dealers operating only as packer buyers are not required to submit annual reports.

Poultry dealers, agencies, and handlers licensed to operate at designated markets also submit their annual reports to the district offices where they are filed and retained. These reports consist for the most part of ownership and organization information and include a financial statement. The information shown on these reports is used principally to assure that each licensee is properly licensed and meets the financial requirements of the act.

Extent of activities last year

At the end of the 1955–56 fiscal year there were 352 posted stockyards under the act. In the field of trade-practice investigations, the principal emphasis during the past year has centered on practices at terminal stockyards, because of the influence these markets have on prices received by livestock producers at all markets and by those selling direct. Thus, the limited funds available have been concentrated on the elimination of deceptive, collusive, and other price restrictive practices at these markets in order to permit full competition to determine livestock values. Also under scrutiny at the same time were packer buying practices at stockyards as well as some other aspects involving the conduct of their businesses.

The trade-practice investigations for the most part involved practices which seriously affect the net return to the livestock producer and which may give certain buyers an unfair competitive advantage to the detriment of other buyers or of producers or consumers. These included false weighing, switching of livestock and other fraudulent practices, unfair turn systems, restrictions on bidding and other monopolistic buying practices, deceptive and collusive arrangements between packers, dealers, sellers' agents and their employees affecting the disposition of livestock or the price paid to the livestock producer, unreasonable selling or buying services, failure to pay for livestock, and speculation by agents in their principals' livestock.

During the past fiscal year there were an estimated 40 important investigations underway, 74 formal cases initiated, and 129 audits completed. Between 2,000 and 3,000 informal complaints were handled by the field force responsible for supervisory work under the act. A total of 1,704 scales were tested. This number included 882 stockyards scales, 749 scales used by packers for weighing livestock, and 93 scales used for weighing poultry. Bonds in force totaled $47,368,000. The work done during the year in reviewing increases in stockyards rates and charges resulted in modifications which saved $482,000 for livestock shippers.

An approach in which the operations of an individual market are investigated and analyzed in detail continues to prove itself unusually effective. Perhaps the most recent investigation of this sort which has paid rather large dividends took place on one of the major hog markets. This investigation started around the beginning of the 1956 fiscal year and involved not only one individual but all of the registered hog dealers at that particular market. The results of this investigation were far reaching. The fraudulent weights alone represented an annual loss of an estimated $750,000 per year which was brought to a halt as a result of this marketwide investigation.

Cooperation with other agencies

Because the Packers and Stockyards Act contains many provisions that are similar or supplemental to provisions of other regulatory acts passed by Congress, it is necessary to maintain close working relationships with agencies such as the Department of Justice, the Federal Trade Commission, and the Interstate Commerce Commission. In particular, provisions of the Packers and Stockyards Act are related to the Federal Trade Commission Act as to fair trade practices, to the Interstate Commerce Act as to reasonable rates that may be charged at stockyards, and to the antitrust laws as to monopoly and other related prohibited acts.

Where appropriate, there is collaboration with the Federal Trade Commission to the benefit of both the Department and the Commission. In areas of business where the Federal Trade Commission has jurisdiction over a particular phase and the Department has jurisdiction over meatpackers in the same field, the Department coordinates its approach with that of the Federal Trade Commission so as to avoid conflicting policies and actions in the same areas of business. On many occasions meetings are held with Commission officials to discuss problems of mutual interest.

The Department has also had occasion to collaborate in the same way with the Interstate Commerce Commission.

Under the antitrust laws, the Department of Justice has concurrent jurisdiction with the Secretary of Agriculture over the meatpacking industry. In actions brought against meatpackers for alleged violations of the antitrust laws, the Department of Agriculture has cooperated with the Department of Justice in various ways.

Cases involving violations of criminal provisions of the Packers and Stockyards Act are sent to the Department of Justice each year through the Department of Agriculture's Office of General Counsel. Also actions to recover civil penalties or to restrain persons from violations of orders issued under the act go to the Department of Justice for prosecution. In recent years several quite important cases arising under the act have been decided in the United States courts of appeal. In these cases, both the Department of Justice and the Department of Agriculture appeared, and the cases were argued by attorneys from the Department of Agriculture.

VII. PROBLEM AREAS UNDER THE ACT

Analyzing operations under the Packers and Stockyards Act, it is apparent that there are some practical operating problems as well as a question as to further increasing activities in order that the trade practice sections of the act may be more effectively administered.

Insofar as producers are concerned, the primary purpose to be served by the act is the prevention of any actions or practices which deprive them of the full and true market value of livestock and poultry. Such practices are also detrimental to consumers and others who buy livestock and poultry products. The prevention of such practices involves the maintenance of open, competitive, efficient, and economical markets for livestock and poultry producers, and also the continuous review of the purchasing and merchandising practices of the meat-packing industry.

The maintenance of livestock and poultry markets that are open to all buyers is essential to and makes possible true market values but does not guarantee them. Continued inquiry, observation, and investigation are necessary to assure that apparent competition is true competition and to prevent and uncover price manipulations and deceptive, discriminatory, or monopolistic practices. This requires, of course, continual supervsion or observation of the livestock marketing, meatpacking, and merchandising processes. The objective is to provide the protection which the act seeks to insure for the livestock producers, the marketing and meatpacking industries, and the consuming public.

Accepting these objectives, the four main problem areas which emerge from the survey of current activities under the Packers and Stockyards Act are:

(1) *Complying with the provision of the act which requires that all stockyards with 20,000 square feet or more of space and operating in interstate commerce shall be posted or regulated.*—The policy of the Department is to complete the posting of all eligible stockyards over a period of 3 years beginning with the 1956–57 fiscal year for which an increased appropriation was requested. Congress made available for the year around $769,000, which included an increase of about $100,000 for posting more markets. This will permit bringing the total of posted stockyards to at least 500 or more by the end of the fiscal year, as compared with a total of 352 posted yards at the end of the previous fiscal year. This will include all eligible stockyards in 15 central and western States. Many of the remaining 33 States have eligible stockyards but not all of them are posted. The Department's program proposes to cover the eligible stockyards in these States.

For the 1957–58 fiscal year the Department has requested additional funds in its budget to permit the posting of all eligible stockyards in 10 more States. These States would include the remaining 7 North Central and Corn Belt States, the 5 Western States, and 4 South Central States. This would leave 17 Eastern States to be completely posted during the following year of the program. If the appropriation request is granted, the increase would amount to about $178,000 or a total appropriation of around $980,000 for administering the act. By the end of the 1957–58 fiscal year, with the necessary appropriation granted, it is anticipated that the number of posted stockyards will total around 700.

Altogether, it is estimated that a total of approximately 900 to 1,000 stockyards are probably eligible for posting under the Packers and Stockyards Act. With 500 or more stockyards expected to be posted at the end of the current fiscal year and around 700 at the end of the 1957–58 fiscal year, the objective of the Department is to continue moving along with the posting program as rapidly as possible. The extension of posting operations is expected to continue under the Department's program into the 1958–59 fiscal year and perhaps for a year or so beyond, depending on the availability of funds.

The 900 to 1,000 stockyards believed eligible for the posting under the Packers and Stockyards Act are out of a total of approximately 2,400 interstate public stockyards in the country. The interstate stockyards ineligible for posting are not subject to the act because they have less than 20,000 square feet of area.

Those public stockyards doing an interstate business but not posted are not restricted in their business-getting practices nor are they required to provide and maintain the standard of facilities and services required of posted stockyards. A few of these ineligible yards handle as large a volume of business as do competing posted stockyards. The use of unfair competitive practices to obtain business by unposted stockyards poses some problems for the posted stockyards that have to compete with them—problems which cannot be controlled under the act.

The posting of all eligible yards under the act, however, will give producers and the trade substantially more protection than has been the case over recent years. Further, the additional personnel necessary for stockyards supervision will contribute materially to the more effective investigation of trade practices not only in the livestock marketing but also at the meatpacker and merchandising level.

(2) *The question as to how much increased emphasis should be given to investigation of trade practices having to do with livestock buying and packer operations including merchandising.*—This covers not only the problem of trade practices within the stockyards themselves but also such broader investigations as may be necessary in order to assure that unfair, collusive, discriminatory practices are not being carried forward at the packing and merchandising levels in such a way as to limit competition or adversely affect free determination of market prices. There is also the question as to whether more adequate and useful data might not be obtained by a revision of the various reports now required under the act.

The great amount of emphasis that has been placed over the years on eliminating undesirable trade practices in stockyards has produced highly beneficial results. However, changes in the marketing of livestock and poultry have introduced new factors that needed to be examined. For example, the direct marketing of livestock and the rapid growth of auction markets require an ever-increasing amount of attention. Practices involved in the increasing direct marketing of livestock and country buying by meatpackers have given rise to a number of complaints.

Significant problems that arise from changes and shifts in the production and marketing system pose important questions for investigation and study in the field of trade practices. These questions are raised by such problems as (1) direct marketing of livestock and country buying practices of packers, (2) schedule selling in the sale of livestock at public markets, (3) consignment slaughtering and carcass sale by packers and livestock producers and their effects on competition in the determination of livestock and meat values, (4) merchandising policies

and practices of meatpackers, (5) weighing practices at other than terminal stockyards, (6) feeding operations of meatpackers and their effects on the determination of livestock prices, and (7) acquisition of meatpacking plants by competitors and the effects on competition for livestock and the sale of meats in certain areas.

Most of the cases under the act do not involve broad economic problems but are local in nature and effect and do not require long involved studies or large numbers of personnel. Investigations of alleged monopolistic practices, however, do become more involved and may require studies over an extended length of time by quite a number of personnel and entail a great deal of work by Department of Agriculture attorneys.

Recent experience has demonstrated that investigations and supervision necessary for the enforcement of title II of the act can for the most part be carried out as part of the regular duties of the specialists and other workers located in the field. However, the workload requirements at certain district offices located in important slaughter centers and major metropolitan consuming areas pose the question of whether some additional marketing specialists and accountants should be stationed at these offices. With further expansion of work in the field, some addition in the Washington staff would be needed to plan and direct this phase of the work, assist the field forces in complicated investigations, and provide field direction for those investigations and studies of national scope or significance.

Effective administration and prompt enforcement of any regulatory measure such as the Packers and Stockyards Act are highly dependent upon the availability of adequate information and the use made of this information in the job that must be done. Packers and others subject to the act are now required to file annual reports. In the past, the Department has consistently adhered to a policy of requesting from those subject to this act a minimum of information in their reports.

This raises the question as to whether both the timeliness and the content of these reports from packers might be improved and whether the information supplied should be in more pertinent detail for analysis and interpretation. Such reports would help pinpoint industry or individual problems and assist in bringing about more effective and economical administration of the act. This is so, particularly in view of the information such reports can reveal relating to trends, shifts, emphasis, degree of concentration in the industry, etc. Moreover, greater knowledge of the operations of the industry can have a salutary effect on the industry itself, and in that way, also add to the effectiveness of administering the act.

It must be recognized, however, that packer operations throughout the country are so detailed that it is obviously impractical to obtain from regular reports all of the information that would be necessary in handling complaints under the act. Consequently, in the investigation of individual cases, special reports would undoubtedly be required from packers in order to determine whether or not there are violations.

(3) *The question as to how trade-practice investigations and actions should be carried forward in connection with the nonlivestock products handled by firms which fall within the "packer" classification under the Packers and Stockyards Act.*

The definition of what constitutes a "packer" under the Packers and Stockyards Act poses some problems in the fields of administration and enforcement. The term "packer" is defined in the act to include any person engaged in the business (a) of buying livestock in commerce for purposes of slaughter or (b) of manufacturing or preparing meats or meat food products for sale or shipment in commerce. The definition would also include, among others, a person engaged in the business of marketing meats, poultry, or dairy products in commerce if such person owns or controls any interest referred to in (a) or (b). Thus, for example, a company engaged in the business of marketing ice cream and other dairy products in commerce could be a packer within the definition for shipment in commerce. The same holds true in the case of a chainstore company.

The act provides that the Federal Trade Commission shall have no power or jurisdiction with reference to any matter which the act makes subject to the Secretary of Agriculture. However, the Secretary may request the Commission to make investigations and report to him. The Secretary has the sole authority under the act to take enforcement action on the basis of investigations conducted by the Department or by the Commission on his request.

(4) *The question of providing more adequate and wider information coverage of operations and actions under the Packers and Stockyards Act as an aid in developing an improved public understanding and contributing to more effective administration.*

An improved understanding of objectives and operations under the act is apparently needed not only among the general public but also among livestock producers and the various elements in the livestock marketing and packing industries. This raises the question of wider public release of more adequate information.

There is an important public interest in greater knowledge of the meatpacking industry and other segments under the act. This poses a question of whether useful industrywide information which may be provided by reports filed by packers and others should be adapted for general public release in a manner, of course, that would in no way divulge the kind of information required to be kept confidential under that act.

Enforcement and related cases are also of interest. Press releases are issued on formal cases, especially those of significance. Administrative and informal actions are usually not covered by press releases. Formal administrative actions are included in outline form in a monthly report which goes to approximately 300 industry members who requested being on the mailing list. All formal decisions in cases are also published in the Department's "Agriculture Decisions" which has limited circulation. The present procedure for releasing information relating to enforcement and other cases raises a question as to whether changes need to be made in the handling of such information so as to best serve the public interest and also contribute to more effective administration of the act.

CONTINUATION OF HEARING

Senator O'MAHONEY. Any member of the committee who desires to base any questions upon this report will have the privilege of doing so.

Mr. MCHUGH. You state here that investigative and regulatory functions of the Government frequently are given little publicity. You are referring here, I assume, to regulatory procedures in the Department of Agriculture?

Mr. BUTZ. Yes, sir, especially investigative procedures. It is our practice under investigative procedures to give no publicity unless we develop the facts that indicate rather clearly there is a case.

Mr. MCHUGH. Unless it results in the filing of a case?

Mr. BUTZ. Yes, sir.

Mr. MCHUGH. The only way there is any publicity attached to these proceedings would be if a formal proceeding were filed?

Mr. BUTZ. Yes, sir.

Mr. MCHUGH. That is the only way in which consumers and livestock producers would learn the rules the Agriculture Department is in fact prescribing for the conduct of competition in this area?

Mr. BUTZ. No, the rules are well stipulated. We have rules on all posted markets we follow, but the reason we do not give publicity to the investigations that we make is that we do not want to harm an innocent party. If an allegation has been made of some malpractice and we conduct an investigation and the evidence does not show substantive evidence of malpractice, then we do not want to subject that individual to the light of unfavorable publicity.

Mr. MCHUGH. Do you ever conduct investigations which do not result in the filing of cases but in which you persuade or induce the parties to desist from certain practices?

Mr. BUTZ. Yes, sir.

Mr. MCHUGH. Isn't this the sort of a matter which would deserve public attention?

Mr. BUTZ. That does get the public's attention.

Mr. MCHUGH. In what way?

Mr. PETTUS. May I comment on that, please? In the past we have not followed the practice of giving that type of an investigation publicity.

Mr. MCHUGH. Why is that?

Mr. PETTUS. It has been the policy which was followed because it was deemed in the interest of the type of operation that we were following to correct the practice without causing complaint, or to continue to get the cooperation of the people involved in enforcing the act.

Mr. MCHUGH. Even though there were practices involved which in the opinion of the Department of Agriculture were harmful?

Mr. PETTUS. It has been our practice, yes.

Mr. MCHUGH. The reason you do not file a complaint or that you do not institute proceedings to which publicity is attached is because you do not want to take action which would alienate the support of people upon whom you are relying?

Mr. PETTUS. I would not say that is the complete story. The reason we do not announce actions in this case—and there are many cases that may be borderline cases, where it appears there may be a violation occurring—is because we advise the person involved of this. They agree if it is questionable, even though they may think it is not a violation. They will agree to refrain from that type of a practice, and we have not believed in the past that giving publicity to that is justified, because there may be some question even legally as to whether or not the practice is a direct violation of the act, but it borders on reducing competition, for example, and when we get compliance with that sort of thing we do not feel justified in issuing press releases and formal statements regarding it.

Mr. MCHUGH. I assume if you ask the companies in question to give up the practice and to cease and desist from this conduct, the Department must have considered that such practices were harmful.

Mr. PETTUS. I believe that is right. May I give an example of the type of thing I have reference to here. A packer who is buying through a dealer the livestock which he intends to slaughter we feel may increase the competition on the market if he will put his own buyer on the market, so that there are not only the orders of this packer through his own buyer but also other orders through the dealer that the packer was using. So by increasing the number of people on the market we think we get more competition, and we think we get higher prices for livestock. However, it is not a direct violation for a packer to use a dealer, unless we can prove that the result of that is a restraint of trade, and that is pretty difficult to prove. But it is pretty obvious in a good many cases that you get increased competition when you separate these packers' orders and put them on the market in the hands of an individual packer representative rather than consolidate them in one dealer.

Mr. MCHUGH. In the course of these investigations which the Department of Agriculture is conducting, if it determines that certain conduct has been engaged in which is improper, is it presently the enforcement policy of the Department to enter into arrangements with the company involved, in which the companies would agree to abandon the practice, without the necessity of filing formal complaints?

Mr. PETTUS. Is it our policy?

Mr. MCHUGH. Is that the policy of the Department of Agriculture now?

Mr. PETTUS. To do what concerning these cases?

Mr. MCHUGH. In connection with its investigations, where it determines that certain practices are being conducted which are improper, in the opinion of the Department, is it the policy to get these companies to agree to abandon the practice without the necessity of filing of formal complaints and instituting formal proceedings?

Mr. PETTUS. I would say it is our policy to handle such cases where we can without getting into formal arrangements, on an informal basis, because of the fact that they can be handled much more expeditiously and at far less cost if we can get an agreement with them. Some of these may result in a cease-and-desist order.

Mr. MCHUGH. I am speaking of situations now that do not involve formal complaints and that do not involve a cease-and-desist order. You are speaking now of a kind of voluntary arrangement between the Department and the companies in question?

Mr. PETTUS. Yes. I think perhaps you are speaking of a stipulation, where the Department stipulates with the person involved that they will not indulge in this type of an operation.

Senator O'MAHONEY. It is quite habitual to refer to corporations with the personal pronoun. It is understandable. But I think it ought to be borne in mind that we are dealing here not so much with persons as we are with very large corporations, so that the personal pronoun actually does not apply. As I understand Mr. McHugh's questions and your answers on this particular point that we are developing now, the Department has followed the policy of avoiding the publication of charges for fear that an injustice might be done against a company or an organization or an individual against whom a complaint or an allegation has been made in some manner. You do not want unproven charges given

Mr. PETTUS. That is correct.

publicity. That is my understanding.

Senator O'MAHONEY. Then you have conferences with representatives of the organizations involved in borderline cases and in other cases. Does that mean that you seek to get voluntary agreements among the packers to adopt a particular kind of practice?

Mr. PETTUS. Individual packing companies?

Senator O'MAHONEY. Yes.

Mr. PETTUS. Rather than packing companies as a group. I am not sure, Senator, whether you meant we agreed with the group or with individuals. We do seek to get voluntary agreement with individuals to discontinue certain action.

Senator O'MAHONEY. I understood you to testify with respect to the situation which develops when a purchaser on the market, a dealer, represents several buyers.

Mr. PETTUS. Our contract there is with the individual buyer in the case that I illustrated, rather than the dealer.

Senator O'MAHONEY. With the individual buyer and not the dealer. So that your conferences are not with the group but with the individuals?

Mr. PETTUS. That is right, sir.

Senator O'MAHONEY. By "individuals" I mean the individual purchasers, corporate or personal, as it may be.

Mr. BUTZ. Shall I proceed?

Senator O'MAHONEY. I think it is your turn, Mr. Secretary.

Mr. BUTZ. Thank you. I am now at the middle of page 7.

There have been a number of changes in the livestock and meat industry in recent years which have tended to complicate the administration of the Packers and Stockyards Act. Among these changes are such things as an increased number of livestock markets, changes in methods of marketing livestock and meat, increases in the number and kinds of firms in the meat industry, and the growth and development of the food industry, particularly the retail segment.

Regulatory problems applying to stockyards and the purchase of livestock have been greatly expanded by the developments in transportation and the decentralization of livestock marketing. At the time the Packers and Stockyards Act was passed, there were around 80 livestock markets which were eligible for posting under the act. These were most rail-centered terminal markets. Since that time the number of important livestock markets has greatly increased, due to developments in transportation. There has been a great increase in the number of auction markets, buying stations, concentration yards, and so forth. As a result, it is estimated that currently there are some 900 to 1,000 markets which are eligible for posting and regulating under the act.

Another factor which has helped make administration of the act more difficult has been the rapid increase in the number of meatpacking establishments. The rate of expansion between 1939 and 1947 was very rapid with the number of plants increasing by 46 percent in a span of just 8 years. The increase has been somewhat slower since then, although there has been about a 10 percent increase in the past 7 years.

Even with the large number of firms in the meatpacking industry, there is considerable concentration, and there has been for a long time. But there has not been increased concentration nor is there an unusual degree of concentration in the meatpacking industry when compared with a number of other industries. In fact, today the four largest packers are slaughtering a smaller share of total commercial slaughter than in 1920. The actual number of livestock slaughtered by the four largest firms has increased by 40 percent since 1920, but during the same period total commercial slaughter has increased 64 percent.

During recent years vertical integration has developed to a considerable degree within many industries. This has been the case particularly in the retail food field. Insofar as livestock and meat are concerned, some firms have developed vertical integration in their operations to the extent that some are now producers, feeders, slaughterers, processors, wholesalers, retailers, and they also carry on other related activities.

Some chains dealing in food and nonfood products have come within the jurisdiction of the Packers and Stockyards Act in recent years by virtue of acquiring interest in meatpacking operations even though their principal business is not meatpacking or activities related to it.

Senator WATKINS. Could I ask a question at this point? What do you think is motivating these groups to get small packing plants and add them to their business operations?

Mr. BUTZ. There is a difference of opinion on that. It may be the whole economic pressure toward vertical integration that makes them do it. Some maintain, of course, they do it to come under the administration of the Packers and Stockyards Act.

Senator WATKINS. Don't you think that has had considerable to do with it?

Mr. BUTZ. There is no evidence as far as I am concerned that it has or has not. Some have alleged that it has. I think one of the principal things is the trend toward integration in the whole food industry. As I want to point out later here, I do not think they should be under the Packers and Stockyards Act.

Mr. MCHUGH. Dr. Butz, do you think the trend toward integration in the meatpacking industry has any dangerous implications in terms of maintenance of free competition?

Mr. BUTZ. I think I would have to answer your question in the affirmative. Although it is very difficult to answer, this trend toward integration is one, of course, that is a trend in many industries besides the meatpacking industry, as you well know. It is a trend in many nonagricultural industries. I think a certain amount of vertical integration of that kind is inevitable as the process of efficiency and increased productivity in our whole society moves forward. There are, I think, inherent dangers in the process, but they are I think not so great that they could not be overcome by proper regulation and proper safeguarding of competition. I am not prepared right now to say what that should be.

Mr. MCHUGH. Is the Department of Agriculture making studies or conducting investigations to determine whether or not there has been any abuse of vertical integration by people who are subject to its jurisdiction?

Mr. BUTZ. Yes, sir. I think the most pronounced illustration of vertical integration we have is in the poultry industry, where at the present time a very high percentage of our poultry is produced under a closely integrated process that goes all the way from the hatching of the chicks to the marketing of the birds and even the processing of the birds. We are studying in that particular case the impact of that process on the whole industry, the impact on the producers and the impact on the level of profitability in the industry, and the like of that.

Mr. MCHUGH. Are these investigations which might result in the filing of charges of violation of the Packers and Stockyards Act?

Mr. BUTZ. No; these would not.

Senator WATKINS. Do you think this vertical integration has a tendency to create monopolies?

Mr. BUTZ. It moves in that direction. I would say it would make it easier to have monopolistic practices.

Senator WATKINS. I wonder if you would agree with a statement made to me in a letter from Mr. H. M. Blackhurst, general manager of the Utah Poultry Farmers Cooperative of Utah.

Mr. BUTZ. A very capable chap.

Senator WATKINS. It is dated May 17 this year.

"Thanks for your letter of May 6, enclosing the House resolution concerning the study of the Nation's poultry business by the new subcommittee of the Agriculture and Forestry Committee. As you are undoubtedly aware, the poultry business nationwide has been facing difficult times during the past several years. This includes turkeys, market poultry, and egg producers, as well as broiler raisers. Vertical integration, so-called, has virtually taken over in the large broiler-producing areas, making some inroads among egg producers. Continuation of such a program would perhaps eliminate the egg and broiler industry in Utah among our small- and medium-size farmers. Our economy, as you know, is made up of small producers who in years past accounted for a considerable surplus in egg production in Utah which before the war found its market outlets in the New York area and since the war has used the west coast, along with our home market. We are fast coming to a point where we are producing only about as many eggs as are consumed locally, both because of the increased population as well as industrial expansion, which has taken our young people off the farms. This trend to vertical

integration in the industry puts control of the production in the hands of the large feed manufacturers or other operators, and the small producers soon become hired hands. Whether or not an investigation would be helpful in maintaining the integrity of the small farm or farmer, or if the trend to specialization and resulting concentration in the hands of a few is too far advanced to be checked by some remedial program to maintain their independence would have to await development."

I call your special attention to that. Have you been making investigations in that field to see whether or not the small farmer and small producer in the poultry industry is actually being put out of business, as this correspondent indicates, just becoming hired hands of the feed manufacturers and larger groups?

Mr. BUTZ. Yes, Senator, there is much truth to what he says. This has been the result of an economic change in poultry production. As far as I am aware, there is no evidence of collusion among the large poultry producers, and as far as I am aware no evidence of monopolistic practices in restraint of trade.

Senator WATKINS. Have you investigated that?

Mr. BUTZ. We have studied this whole question of integration and the impact of it on the small producer.

Senator WATKINS. We can understand that, but have you investigated to see whether or not there is any unfair trade practice taking place in connection with this development?

Mr BUTZ. We have done that in the Packers and Stockyards Act.

Senator WATKINS. That is what I am trying to find out—whether your investigation is going on. This is a real thing to those people in my State. They have hundreds or thousands of these producers, and in other States likewise. Their markets are going by reason of this type of competition. Now, whether there is anything unfair about it or not, we do not know, but we certainly look to the Department of Agriculture to find out if that is going to be the role of the Department in respect to these matters. Of course, if these unfair trade practices lead to integration and that is a bad thing for competition and brings about less competition, then it ought to be investigated.

Mr. BUTZ. I think our evidence indicates this integration results primarily from the fact that there is a great deal of economy of skill in chicken and egg production at the present time. We now have labor efficiency in broiler production down to a point where one man can handle twenty to twenty-five thousand birds and handle 3 to 4 batches a year. So one man can now handle from eighty to a hundred thousand birds a year. This simply means that to be efficient and meet competition you have to have almost that scale of operation. The same thing to a lesser extent is taking place in other segments of the poultry industry. I think this is a result of tremendous technological advances in the poultry industry rather than as a result of collusion among the producers.

Senator WATKINS. Let me finish Mr. Blackhurst's letter.

"We are certainly in favor of the exercise of the law of supply and demand. The operation of a free market in the poultry industry has never been sympathetic to Government subsidy, but they are beginning to feel that something should be done to help preserve their independence. In Utah we have worked diligently to keep the prices where our producers could operate their small units profitably, but competitive conditions have been rather acute. As an example, 1 of the large retail distributors of food was able to retail broilers at 3 cents per pound less than our wholesale price, and some of the small stores could buy at retail and sell at our wholesale price to their customers. This, of course, is not a common occurrence, but it shows what can be done. We have done a great deal of work to avoid such cutthroat methods and have been rather successful in keeping it at a minimum, but eternal vigilance is necessary."

I think that is all of the letter that is pertinent.

Mr. MCHUGH. Dr. Butz, since poultry dealers have been subjected to the Packers and Stockyards Act, has the Department instituted any investigations looking toward the filing of any complaints against poultry dealers?

Mr. PETTUS. Yes, we have, I would say, a good many complaints against poultry dealers and unfair trade practices in marketing of poultry.

Senator WATKINS. You mean in the selling of poultry to the consumer?

Mr. PETTUS. No, the selling of poultry producers at a poultry market.

Senator WATKINS. What about the sales to the consumer, such as I just called to your attention through this letter?

Mr. PETTUS. I do not know of any cases that we have had recently on sales of poultry to the consumer.

Senator WATKINS. Or to the wholesalers by intermediate brokers and others?

Mr. PETTUS. Of dressed poultry?

Senator WATKINS. Yes.

Mr. PETTUS. I do not know of any cases we have had in that field, sir.

Senator WATKINS. Do you have enough staff that you could really go to work and investigate that if it were called to your attention?

Mr. PETTUS. I think we would have to expand our staff to adequately handle that, Senator.

Senator WATKINS. You would have to expand it probably as much as a thousand percent, would you not, to really do a job?

Mr. PETTUS. No, sir, I do not think so, because we have I think a much larger number of people working on these problems than is generally presumed, because we have all of our market supervisors throughout the country working on these problems whenever they come to the attention of our people.

Mr. MCHUGH. Mr. Butz, can you tell me whether or not the Department of Agriculture has ever conducted any investigations under title II of an abuse of vertical integration by retail chains, and in particular of charges that certain retail chains have abused their control or ownership over feed lot operations for the purpose of depressing prices?

Mr. BUTZ. There is one underway in the West now that has not been completed.

Mr. MCHUGH. Will you tell us what that one is?

Mr. BUTZ. We have not divulged it, because we are collecting the evidence.

Mr. MCHUGH. Can you tell us against whom that investigation is directed?

Mr. BUTZ. I prefer not to. I will be glad to tell the chairman in confidence. I do not want it in the record.

Mr. MCHUGH. Can you tell us without mentioning the name whether or not this is in the form of a study that is being conducted now?

Mr. BUTZ. I understand it is a study. We have had some allegations of malpractice in that area against a large firm, and we are investigating it.

Senator O'MAHONEY. Mr. Secretary, I will take advantage of your suggestion, and I will ask you to see that a member of our staff is given the opportunity to review the details of that procedure.

Mr. BUTZ. We will be glad to.

Senator WATKINS. Mr. Secretary, with respect to the question that I asked you a moment ago about having sufficient help, is it not true that in the Ogden, Utah area you have 2 marketing specialists and 1 clerk, 3 people to regulate 26 parkers in 3 States, 12 of them in Utah, 13 in Idaho, and also 1 in Oregon?

Mr. PETTUS. Those are the people permanently assigned to that location. When we have an investigation underway we frequently bring in people from other markets and from our Washington area and add to our staff.

Senator WATKINS. If they do not have any bigger staff in other areas than in these areas, what would you have to enforce the law where you are moving them from?

Mr. PETTUS. We leave a reduced staff.

Senator WATKINS. For instance, in Billings, Mont., you have 1 marketing specialist and 1 half-time clerk, as I get it, to regulate 5 packers in Utah, 3 in Idaho, 2 in Wyoming, and 11 in Montana, 21 altogether. How in the world can you take anybody from that area to help somewhere else such as the Ogden, Utah area, if the others are manned the same way?

Mr. BUTZ. If it is pertinent to the discussion, may I ask how many personnel the Federal Trade Commission has in the same area?

Senator WATKINS. I do not know. If they had jurisdiction over these people. I assume they would have a lot more.

Mr. BUTZ. They would expand their staff a great deal.

Senator WATKINS. They would have to expand it, certainly. They already have 400 lawyers that are skilled in the matter of detecting unfair trade practices and knowing how to bring the actions. How many lawyers do you have in that field?

Mr. BUTZ. We have 400 too, I guess.

Senator WATKINS. Not in this particular field. I hope not. If you have they have certainly been hiding down there in the Department. We have been trying to find out how many people you actually had working on it. About three is all we can find down in Washington.

Mr. BUTZ. It is possible to shift personnel.

Senator WATKINS. You would have to shift them awfully fast.

Mr. BUTZ. We had a case in the Ogden market 2 years ago. Would you explain how you shifted personnel to the Ogden market at the time we were doing that investigation in the Ogden market?

Mr. PETTUS. In the first place, we had an accountant go out there and work on the problem where we suspected a violation. After the accountant looked into the records and got some information, he sent it to our Washington staff, and they sent people out to look into the situation. I cannot recall at the moment how many people we had looking into the particular transaction, but we try to operate it with as few people as possible because we are spread so thin, Senator.

Senator WATKINS. I recognze you are spread thin, and that is our complaint—that you do not have enough force to do the job in title II.

Mr. PETTUS. We agree with you, and I think that is pointed out.

Senator WATKINS. You have not had for nearly 36 years.

Mr. PETTUS. I agree with you, sir.

Senator WATKINS. We think that is a long enough trial period. With all the problems that have been handed to Agriculture, we thought we would certainly find someone who would be glad to get rid of this matter of law enforcement in the field, in which the Federal Trade Commission has a special interest by reason of the act of Congress creating it as an independent regulatory agency—a special arm of the Congress.

Mr. BUTZ. It is quite true for 26 years it has not been adequately enforced, but don't you think when the sinner confesses and resolves to do better he should be given a chance?

Senator WATKINS. Am I to take this today as a confession? I did not think it was that.

Mr. BUTZ. For a number of years our enforcement has been inadequate. The last 2 years we have been building up again.

Senator DIRKSEN. Mr. Butz—and maybe Mr. Pettus wants to answer this—Congress helps to keep you thin, does it not? If I remember correctly, the House took $178,000 out of your appropriations in your budget request for packers and stockyards activities this year; did they not?

Mr. PETTUS. That statement has been made and covered by the Secretary earlier in his testimony, sir. We feel that both we and Congress may have not been as diligent in this field as would have been desirable, looking backwards on it particularly.

Senator WATKINS. We would be very happy to have you give a bill of particulars with respect to Congress. If Congress is to blame, I think we ought to have the evidence, and if we are we certainly will have to reform.

Senator DIRKSEN. Mr. Butz, I wanted to emphasize this for clarity now, because it was stated here that you are operating rather thinly. Of course, that simply means insufficient personnel. When you ask for personnel, the only place you can get it is if Congress gives you the money. So you go before the House committee and ask for the $981,000 to enforce the Packers and Stockyards Act, and they short change you and give you $178,000 less than your budget request.

Mr. BUTZ. Yes, Senator. I think through the 20 or 30 years of this act the various Secretaries of Agriculture have felt that they first wanted to proceed with the posting of the yards, that they thought this was the point where the producers sell their livestock, and they wanted to proceed with that. And the Packers and Stockyard Division has proceeded vigorously with that. We feel in the next year or two we will pretty well have completed the posting of the yards eligible for posting, and now having done that, we will be prepared to move vigorously into the other field. But I think the Secretaries of Agriculture through many administrations over a period of 30 years have given priority to the posting process first with the limited funds they have had available for the packers and stockyards portion.

Senator WATKINS. Then the Congress is not to blame if they had not asked for the money.

Mr. BUTZ. I think Secretaries have asked for it, but within the limited resources they got they decided the top priority was on posting.

Senator O'MAHONEY. I am in perfect accord with the Senator from Illinois in his concern.

Senator DIRKSEN. I do not mean by that that the Senate is going to restore the money.

Senator O'MAHONEY. I am not going to suggest that at the moment, because I know that the climate in the Appropriations Committees of the Senate and the House is against additional appropriations. Therefore, I am very fearful that the suggestion that Secretary Butz is making here for duplicating and overlapping operations requiring additional appropriations by the Department of Agriculture will result only in the postponement of the enforcement of the Packers and Stockyards Act, particularly with respect to title H. We must deal with the climate that we have. As the Hoover Commission recommends, there should be an abolition of duplicating and overlapping operations in Government. This bill that Senator Watkins and I are sponsoring is intended to accomplish that purpose.

Mr. BUTZ. I think on my last page I have some proposals that will meet this same objection.

Senator O'MAHONEY. I am anxious for you to get to them.

Mr. BUTZ. I am equally anxious. If I can proceed for one more page, I will be finished. I am now at the bottom of page 8.

At the present time 14 food chain organizations are filing reports as meatpackers under provisions of this act. This number includes 6 of the leading food chains in the country, with approximately 10,000 retail outlets, and 8 smaller food chains having less than 100 stores each, in addition to their packing operations.

Senator O'MAHONEY. Will you furnish the committee with a list of names?

Mr. BUTZ. Yes, we can do that.

(The list is in the subcommittee files.)

Senator O'MAHONEY. Proceed.

Mr. BUTZ. The possibility has been expressed by some, including witnesses before this subcommittee, that nonfood firms would buy into the meatpacking field as a means of avoiding laws administered by the Federal Trade Commission. In view of this, the Department is recommending at this time that Congress amend title II of the Packers and Stockyards Act to prevent the possibility of such occurrence and to further clarify the jurisdiction of the Department of Agriculture and the Federal Trade Commission under this act. We propose that the Packers and Stockyards Act be amended, as indicated in our report, so as to accomplish the following:

(1) Redefine packers and live-poultry dealers as those principally so engaged.

Senator O'MAHONEY. How would we define "principally engaged"?

Mr. BUTZ. This is a matter I think that would have to be worked out, I should think, in the legislative report.

Senator O'MAHONEY. What suggestions do you have? Ten percent? Twenty-five percent? Forty?

Mr. BUTZ. I should think at least half or over half.

Mr. FARRINGTON. "Principally," I should think, Mr. Chairman, would be over half.

Mr. MCHUGH. Is that in terms of dollar sales?

Mr. FARRINGTON. Basically, yes, sir; but we hope that through the legislative history of this we could reach a very good definition which would implement this general standard of "principally engaged." Certainly dollar sales would be an important factor.

Senator O'MAHONEY. Have you reached a decision in the Department which would ripen into a recommendation? In the report from the Secretary, there is no definition now. Are you prepared to offer a definition?

Mr. FARRINGTON. It was our thought, Mr. Chairman, that "principally engaged" would be a sufficient general standard for the legislation. If not, we would try to develop something else.

Senator O'MAHONEY. Please finish reading the amendment.

Mr. BUTZ. Yes, sir.

(2) With respect to others not included in this modified definition, the Department of Agriculture would retain jurisdiction only over their livestock and live-poultry transactions; and (3) provide that, upon a determination of the Secretary of Agriculture that it is in the public interest in any case, the Federal Trade Commission would be authorized to proceed against any person subject to the Packers and Stockyards Act, exercising all the authority vested in the Secretary.

Senator O'MAHONEY. Before you go on with that last paragraph, do I understand this to mean that you are proposing to throw the food chains to the wolves in the Federal Trade Commission while shielding the packers behind the Department of Agriculture?

Mr. BUTZ. No, sir; there is no throwing to the wolves and no shielding. We feel that the food chains are not principally packers and should not come under the Packers and Stockyards Act as they now do if they acquire an interest in a packing plant. The Department of Agriculture does not want to build an empire here. As I heard Secretary Benson say many times, we are not reaching for authority, and we feel this is not a matter of throwing to the wolves—I hate to use that term of reference—of the Federal Trade Commission.

Senator WATKINS. Why do you think all these food chains want to get over into the Agriculture Department rather than Federal Trade Commission?

Mr. BUTZ. I have no evidence that they want to get under the Department of Agriculture. They may well have purchased a packing firm just in the process of economic integration. I don't know.

Senator WATKINS. But the minute they are proceeded against in the Federal Trade Commission they immediately say, "You can't do anything to us. We are under the jurisdiction of the Department of Agriculture."

Mr. BUTZ. They naturally take advantage of the existing law. That law should be changed.

Senator WATKINS. It seems as though there must be something attractive, at least to them, that may look like they would enjoy more immunity under the Department of Agriculture.

Mr. BUTZ. It may well be they purchased a meatpacking plant just as a step in the process of economic integration.

Senator WATKINS. I cannot understand this stampede, apparently, of the food chains to get away from the Federal Trade Commission over into Agriculture.

Mr. BUTZ. There are only 14 of them that have done so.

Senator WATKINS. Six of the leading chains. I am talking about the big boys.

Senator O'MAHONEY. Mr. Secretary, let me proceed with the line that I was following. Reports came to us last year that Safeway Stores was carrying on an operation on the west coast whereby, through their feed lots, they were depressing the prices of livestock to individual producers, and, in fact, maintaining control of the prices to the disadvantage of the producers and of the packers. If such in fact were the case, would Safeway Stores be free from enforcement under the Department of Agriculture and subject to control? I mean under the legislation you suggest.

Mr. BUTZ. Under the legislation we suggest, that practice would be, I understand in Agriculture.

Senator O'MAHONEY. Suppose such a condition exists?

Mr. BUTZ. I will have counsel to answer that.

Mr. BUCY. The same law would apply to that transaction or a transaction involving livestock, and that is the factual situation you set forth as presently applied. In other words, a livestock transaction would be subject to the Packers and Stockyards Act, and the Packers and Stockyards Act in its prohibited acts is equally as broad, if not broader, than the other statutory authority that is exercised by the Federal Trade Commission.

Senator O'MAHONEY. If I understand you correctly, you mean that, under this amendment, such practices as were alleged to have been followed by Safeway would be prosecuted by the Department of Agriculture?

Mr. BUCY. They would be within the jurisdiction of the Department of Agriculture, and if the facts supported a charge that they were engaging in an unfair practice in restraint trade they would be subject to prosecution.

Senator O'MAHONEY. Are you familiar with whether or not there was such a charge made in the Department of Agriculture against Safeway?

Mr. BUCY. Such a charge was not referred to the General Counsel's Office, Senator.

Senator O'MAHONEY. Was not referred?

Mr. BUCY. Not that I recall.

Senator O'MAHONEY. Do you recall, Mr. Butz?

Mr. BUTZ. I think no charge has been formally made like that. Those allegations have been made, and we have discussed a research project, along with some of the cattle organizations in the West, looking into this whole area of the buying practices of Safeway.

Senator O'MAHONEY. There were allegations of malpractice by Safeway, were there not?

Mr. BUTZ. Oh, yes. They have been kicking around for some time.

Senator O'MAHONEY. I know, because they have been kicked around to this committee. The information has come to us, and the principal allegation, as I recall, was that Safeway was using its feed-lot operations for the express purpose of depressing the price to the livestock grower.

Mr. BUTZ. It is my understanding—and I am not sure about this, Senator, but it is my understanding—Safeway has pretty well divested itself of its feed-lot operations.

Senator O'MAHONEY. Did this come to your attention, Mr. Secretary?

Mr. BUTZ. Yes. They came in over the last couple or 3 years, with quite a lot of criticism from the producers' group primarily because of their feed-lot operations, and I understand they are in the process of divesting themselves of their feed-lot operations, if they have not entirely done so.

Senator O'MAHONEY. Is this one of the cases that you had in mind earlier when I interrogated you?

Mr. BUTZ. Yes; this was part of the case.

Senator O'MAHONEY. Mr. McHugh, have you in your collection of material gone to the Department and secured any information on that?

Mr. MCHUGH. Yes. We have been permitted to examine certain records in the files of the Department of Agriculture in connection with this matter.

Mr. Butz, was there a recommendation made within the Department that a full-scale investigation be conducted of the practices of Safeway, looking toward a possible violation of title II of the Packers and Stockyards Act?

Mr. BUTZ. Yes; within the Department there was a recommendation made that we considered at high level on this matter, and some of initial inception. It involves the whole area of the impact on pricing of certain buying practices. We felt, and I was one of those likewise who felt, that this was a proper subject for an economic analysis of the whole question of the impact of this type of practice on the pricing structure, because it was broader than Safeway itself.

Mr. MCHUGH. But there were specific charges brought to the Department's attention involving Safeway on the west coast; is that correct?

Mr. BUTZ. I would say allegations, not charges; general allegations brought to the Department. I would not say specific charges.

Mr. MCHUGH. Was there some preliminary inquiry conducted by the Department in connection with these charges or allegations?

Mr. BUTZ. I am not familiar with the details of this. I understand that there was some preliminary investigation done. Mr. Pettus is familiar with the details of that. He could answer that. But I understand there was some preliminary investigation done, and this was the basis of our decision to study the whole area.

Mr. MCHUGH. Mr. Pettus, was there not a recommendation within the Department that there be a full-scale investigation conducted of these practices, to determine whether or not they violated title II of the act?

Mr. PETTUS. Yes, sir.

Mr. MCHUGH. What happened to that recommendation?

Mr. PETTUS. What Mr. Butz explained. It was considered at high level, and they decided it was a broader question than this specific case which we brought up and should be a matter of a research study.

Mr. MCHUGH. This research would be conducted by whom?

Mr. BUTZ. By the Agricultural Marketing Service.

Mr. MCHUGH. Does that mean this matter then would be transferred out of the jurisdiction of the Packers and Stockyards Branch?

Mr. BUTZ. Not necessarily. If any evidence develops that there is malpractice there, it is always back in the Packers and Stockyards Branch.

Mr. MCHUGH. But for the time being it has been referred to another section for the purpose of making this kind of an economic study?

Mr. BUTZ. Yes, sir. The question is broader than the specific case.

Mr. MCHUGH. Is that study now being conducted?

Mr. BUTZ. It is my understanding it is. We are working on it in the Agricultural Marketing Service.

Mr. MCHUGH. Can you give us any idea when any recommendation will be made?

Mr. BUTZ. I am not familiar with the progress of it at the moment.

Senator O'MAHONEY. You have raised a very interesting question by your answers, Mr. Secretary. I understand you to say that Safeway is divesting itself of its feed-lot operations. It that right?

Mr. BUTZ. That is my understanding. This is under no pressure from the Department. They decided to do this on their own.

Senator O'MAHONEY. They decided to do that on their own?

Mr. BUTZ. Yes, sir.

Senator O'MAHONEY. But did you regard the fact that there were feed-lot operations which did depress the market as one of significance that ought to be clearly covered by law?

Mr. BUTZ. I am not prepared to admit the feed-lot operations did in fact depress the market. There is difference of opinion on that. This is one of the reasons that I, among others in the Department, decided we should have some economic analysis made of this question before proceeding further. There were simply allegations that the feed-lot operations depressed the market. There was some evidence they did. There is evidence on the other side. This whole question involves, I think, a very broad and deep economic analysis, and that is the type of thing we want to get before we can proceed further.

Mr. MCHUGH. If these charges could be sustained, would they not constitute a violation of title II of the Packers and Stockyards Act?

Senator O'MAHONEY. Mr. Pettus nods affirmatively.

Mr. PETTUS. If they could be sustained.

Mr. MCHUGH. In view of that, don't you think that the Department has the enforcement responsibility under that act to make the investigation to determine whether or not those charges are true?

Mr. BUTZ. You cannot determine that in the face of this broad economic question unless you have some economic analysis made of it. The operating facts are well known. What we need now is the analysis.

Senator O'MAHONEY. What you are saying, Mr. Secretary, is that you had a specific charge against a specific chain, and that instead of proceeding with that charge you decided to have an economic analysis made of the whole business of integration, and thereby dismissed the case against Safeway?

Mr. BUTZ. Not necessarily. I do not think we had a specific charge. We had a general allegation that this practice, which was done not alone by Safeway—other people do the same practice, too, and some packers indulge in the same practice of having feed lots. The general allegation was that this practice results in lower livestock prices. We wanted to get the answer to that.

Senator O'MAHONEY. That is one of the reasons this bill is before the committee, because there are such practices. We find the record to be that the Department of Agriculture has not thoroughly suppressed these practices. Otherwise you could not testify here this morning that they do exist. You have just said that not only do the food chains follow these practices, but the packers do, too.

Mr. BUTZ. Not necessarily. If any evidence develops that there is malpractice there, it is always back in the Packers and Stockyards Branch.

Mr. MCHUGH. Mr. Chairman, I would be the last to conclude in a summary fashion without the benefit of additional economic analysis that such practices should be suppressed.

Senator O'MAHONEY. What would be a better way to determine whether or not such practices had a bad effect in depressing prices than by going through with the recommendation that was made to you?

Mr. BUTZ. I think in this case you have got to have some broad economic analysis of the impact of this kind of practice on the price structure. So far as I know, Safeway Stores, to use a case in point, violated no law in owning the feed lot. Am I correct in that, Mr. Pettus?

Mr. PETTUS. That is right.

Mr. BUTZ. They were perfectly within their legal rights in having a feed lot, and any large packer, so far as I am aware, is perfectly within his legal rights in having a feed lot. Am I correct in that?

Mr. PETTUS. That is right.

Mr. BUTZ. Therefore, we took the decision that before we proceeded with anything approaching a criminal action or investigation that might result in a cease-and-desist order on this kind of question we simply had to have more analysis of the whole practice.

Senator O'MAHONEY. Mr. Secretary, this illustrates precisely the point of this whole hearing and of this whole bill. Of course it is not forbidden by law. I know of no law forbidding a chainstore from buying a feed lot. What we are dealing with is the Federal Trade Commission Act and the Packers and Stockyards Act, both of which were intended to suppress unfair practices. If the feed lot was used as an unfair practice to depress prices, it was a violation of law. What you are testifying to the committee is that you postponed or stopped the proceeding against Safeway in order to make a broad, theoretical examination into integration.

Mr. BUTZ. Quite right, because we had no conclusive evidence, as far as I know, and as of this date we have no conclusive evidence that this practice does in fact depress prices. Those who indulge in this practice are few, on the other hand.

Senator O'MAHONEY. There is no sense in you and I arguing about it. You have the facts. You promised me that you would submit to use the proceedings in that matter.

Mr. BUTZ. We will do that. Let me cite the other side of the case, because this Safeway case is much broader than Safeway, as you know. Packers particularly who have feed lots argue, I think with some validity, that the mere presence of a reserve supply of livestock in their feed lots permits them to even out the day-to-day variations in the flow of livestock, and as you well know if you have a killing floor set up there is some economy in having a constant flow of volume, not depending on the day-to-day variations in market receipts. They argue, I think with some validity, that their own feed-lot operations permit them in days of small receipts to pull in from their own feed lot to get a constant killing operation. On the other side it can be argued, as some producer groups argue, that the mere presence of packer-owned livestock permits them to reduce their buying in the free market, and is price depressing. Those are the two sides of the coin.

Senator O'MAHONEY. We are trying to assess them both.

Mr. Butz, you have almost finished your paper. I am going to suggest that you finish it, and the committee will then take a recess until 2 o'clock this afternoon. Senator Dirksen, who is a member of the committee and who will occupy the chair of the minority leader on the floor this afternoon, has agreed to ask permission for this committee to sit this afternoon, and I am sure that permission will be granted. We will let you finish this paragraph.

Mr. McHugh, we hope that you and the staff will sit down with the staff of the Secretary and go into this Safeway matter, and then this afternoon we will cross-examine Mr. Butz on the whole business.

Senator WATKINS. I wanted to ask one question so they can be thinking it over and maybe have the answer by 2 o'clock. Maybe he has it now. With respect to the proposed amendment—I will read it again: "Redefine 'packers and live poultry dealers' as those principally so engaged."

Now, with respect to others not included in this modified definition reading "with respect to others not included in this modified definition, the Department of Agriculture would retain jurisdiction only over their livestock and live poultry transaction."

May I ask as a matter of fairness to all businesses whether or not the Department of Agriculture would attempt to regulate under your proposal, packers' wholesale and retail activities in fields other than just meatpacking? Would you keep that in your jurisdiction, or would that go over to the Federal Trade Commission?

Mr. BUTZ. This is covered in item 3 in that paragraph:

"*Provided*, That upon a determination of the Secretary of Agriculture that it is in the public interest in any case, the Federal Trade Commission would be authorized to proceed against any person subject to the Packers and Stockyards Act exercising all the authority vested in the Secretary."

This would mean, for example—let us take a specific case. Currently I understand the Federal Trade Commission has a case pending against a number of ice-cream manufacturers, and one of the ice-cream manufacturers is a packer. So that in this case the Secretary of Agriculture could say, "Well, let's take them all together, and you exercise jurisdiction in the case." Or take another packer which has a large sporting goods industry, for example. This is one where jurisdiction over that obviously could be transferred to the Federal Trade Commission.

Senator WATKINS. In the case of the activities of some of the big packers, where they have nonpacker activities and want to get still more of them, I understand they are now asking to have the consent decree modified to permit vertical and especially horizontal expansion. Would you agree that then those activities all ought to be under the Federal Trade Commission?

Mr. BUTZ. I should think so.

Senator WATKINS. Now you have a splitting up again, do you not, with two departments operating on the same people?

Mr. BUTZ. These large packers are pretty well departmentalized. I suspect the sporting goods of Wilson & Co. is pretty well separate form the meatpacking business.

Senator WATKINS. That may be so, but in the Government departments you have part of the activity in Agriculture and part over in the Federal Trade Commission. Why not all in one place? If you can do a better job in Agriculture, maybe we better give it all to you folks.

Mr. BUTZ. We want the meat there because the meat phase is an integrated operation.

Mr. Chairman, may I still finish my statement?

Senator O'MAHONEY. If you will, please.

Senator WATKINS. I thought you had or you had waived it.

Senator O'MAHONEY. Put it in the record.

Mr. BUTZ. I will waive it. It can be copied in.

(The concluding paragraph of Mr. Butz' prepared statement is as follows:)

Mr. BUTZ. With the amendment we propose, the Department of Agriculture would continue to have its necessary jurisdiction over the meatpacking industry and at the same time the Federal Trade Commission could exercise jurisdiction over the operations of companies which today may be unwarrantedly classified as packers under the Packers and Stockyards Act. This would assure appropriate regulation of all segments of the industry and would avoid the possibility of duplication and provide for necessary coordinated regulation.

Mr. Chairman, we now have some of the information you asked for earlier on the decisions issued in the Nashville case. We have that here if you want to put it in the record. Here is the press release.

Senator O'MAHONEY. Very well. That may be made part of the record.

[Press release, Department of Agriculture, Washington, December 26, 1956]

DECISIONS ISSUED, HEARINGS HELD, ON PACKERS AND STOCKYARDS ACT VIOLATIONS AT NASHVILLE

Suspension of the registration of the Watkins Commission Co., Inc., Nashville, Tenn., under the Packers and Stockyards Act, for 4 months beginning February 1, 1957, was announced today by the United States Department of Agriculture.

Registrations of Woodson Woodis, a livestock dealer, and of J. L. Richardson, a registered buyer for Neuhoff Packing Co., a division of Swift & Co.—both of Nashville—also have been suspended for 4 months, beginning 6 days after cease and desist orders are served on these respondents, probably in early January.

The Watkins Commission Co., Woodson Woodis, and J. L. Richardson consented to the issuance of cease and desist orders growing out of alleged violations of the Packers and Stockyards Act. This act is a Federal statute having the primary objective of assuring lovestock producera open, competitive markets, free of unfair trade practices.

Persons and firms whose registrations are suspended under the Packers and Stockyards Act may not operate in the livestock business at posted stockyards during the suspension period.

The Department also announced that cases are pending in connection with Packers and Stockyards Aot violations charged against the Nashville Livestock Commission Corp., and against William Grissim III, doing business as Grissim Commission Co. These two firms are market agencies.

In the Watkins case (docket No. 2218), the judicial officer for the Department found that shippers' proceeds had been used for the company's own purposes, such as the financing of one of its salesmen in the purchase of livestock, and that on two occasions this resulted in a deficit in the company's custodial funds.

The judicial officer also found that an employe had been permitted to engage in a secret speculative transaction with a registered dealer and a packer buyer at the stockyard, and that livestock owned by employeea of the company had been sold in competition with consigned livestock. Another finding was that the company had made false entries in its books and records.

In the Woodis case (docket No. 2220), the Department's judicial officer found that Mr. Woodis had entered into secret speculative transactions with salesmen and owners of market agencies, and in some instances with packer buyers, for the purchase of cattle from farmers at less than fair value. The cattle were resold through the facilities of market agencies at the stockyard, and the profit either kept by the respondent or shared with the salesmen and packer buyers. In most instances the farmers had been led to believe they had to pay the commission and yardage on the livestock.

Another finding was that Mr. Woodis had entered into secret speculative transactions with a salesman in the purchase of cattle at the stockyard and that consigned livestock was used to fill the order. The profit from these transactions was shared by the respondent and the salesman. The judicial officer also found that false scale tickets, accounts of sale, and other records had been made at the stockyard, and that Mr. Woodis had failed to keep proper books and records.

It the Richardson case, the Department's judicial officer found that Mr. Richardson had entered or assisted others to enter into speculative transactions with a registered dealer and salesman of commission firms for the purchase of livestock from farmers at less than its fair value. The livestock were resold through commission firms or registered market agencies at the stockyard, and the profit divided. Farmers had been charged yardage and commission on the cattle, but no actual selling service had been performed. Another finding was that false scale tickets, accounts of sale, and other records were made at the stockyard.

Oral hearing of alleged violations by the Nashville Livestock Commission Corp. (docket no. 2221) was concluded at Nashville on November 30. A number of farmers testified at this hearing with regard to their transactions with the corporation. The Department will announce its decision later.

Oral hearing in the case of William H. Grissim III, doing business as Grissim Commission Co. (docket No. 2222), was concluded at Nashville on December 4, and decision is pending.

(Note to editors: Full text of dockets cited in this release is obtainable from the Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D.C.)

CONTINUATION OF HEARINGS

Mr. BUTZ. Mr. Chairman, this material includes some of our original files. We wonder if you might include it in the record and have permission to withdraw it after it is incorporated in the record.

Senator O'MAHONEY. We will have a copy of it made.

May I say that Mr. McHugh reminds me that in our letter to the Department we requested the presence of Mr. Sinclair. Will you have him here this afternoon?

Mr. BUTZ. We will be glad to have Mr. Sinclair here.

Senator O'MAHONEY. The committee will stand in recess until 2 o'clock this afternoon.

(Whereupon, at 12:01 p.m., the committee recessed, to reconvene at 2 p.m.)

AFTERNOON SESSION

Senator O'MAHONEY. The session will resume. Mr. McHugh?

Mr. MCHUGH. I wonder, Mr. Butz, referring to the tail end of your testimony this morning, if you would briefly restate for us again what the effect of your proposed amendment is.

Mr. BUTZ. What the effect of it is?

MCHUGH. Yes. Just describe again what this would do.

Mr. BUTZ. Well, the effect would be, I think, to thoroughly define what is meant by packer. That would be somebody who is principally a packer by whatever criterion Congress should decide to set up, and he would come under the jurisdiction of the Packers and Stockyards Act. The Secretary would also retain jurisdiction with respect to other than those who are primarily packers—retain jurisdiction only over their livestock operation. With respect to those who were primarily packers, the amendment would permit the Secretary at his discretion to request the Federal Trade Commission to exercise authority over such nonlivestock product activities of theirs as may be deemed appropriate or in certain cases even over certain livestock product activities.

Mr. MCHUGH. It would also be broad enough to cover certain livestock product activities at the request of the Federal Trade Commission?

Mr. BUTZ. At the discretion of the Secretary.

Mr. MCHUGH. Would Agriculture under this proposal retain jurisdiction over people who are primarily in the meatpacking business? Does that mean that the Department of Agriculture would have the authority to proceed against unfair trade practices in any case involving the market of meat and meat products by meatpackers?

Mr. BUTZ. Yes.

Mr. MCHUGH. Do I understand from that that the Department would then conduct investigations and file complaints where it found that there were certain discriminatory pricing practices in connection with the marketing of meat and meat products?

Mr. BUTZ. Yes, sir.

Mr. MCHUGH. I wonder if you can tell us what the criterion is as used by the Department for determining what kind of discriminatory pricing practices in the marketing of meat and meat products are illegal or would be prohibited under this act?

Mr. BUTZ. Yes. That is an operating question. I would like for Mr. Pettus to answer, please.

Mr. PETTUS. You are talking now about the proposed amended act or the present act as it stands?

Mr. MCHUGH. No. I am assuming from what Mr. Butz has said that under the proposed amendment the Department of Agriculture retains jurisdiction over the activities of those who are primarily meatpackers, in connection with their marketing of meat and meat products. In conducting an investigation involving such practices, where there has been a charge of discriminatory pricing, what would be the criterion? What is the standard of illegality as used by the Department in such cases?

Mr. PETTUS. Well, unfair trade practices cover a wide scope of operations. I could give you many examples of what we consider unfair trade practices, but we do not have a list of all of the unfair trade practices that we consider prohibited.

Mr. MCHUGH. The trade practice I am referring to here is a specific one. It is the charge that meatpackers have been engaging in discriminatory pricing practices, that they sell to different buyers of the same goods at different prices. In investigating such complaints, what is the criterion used by the Department in determining whether or not those pricing practices should be prohibited?

Mr. PETTUS. If they are practices which favor one of the customers of a packer over another one so that it gives that customer an unfair advantage in selling his product, if in selling to a chainstore, for example, or any other store the packer reduces his prices so that that store can undersell others and thereby tend to increase this packer's outlet——

Mr. MCHUGH. It would be prohibited?

Mr. PETTUS. We would consider it an unfair trade practice if he made lower prices to these people than to others unless it was a competitive situation where a certain large-sized operator, because of the volume he took, received lower prices in carload lots or something of that nature.

Mr. MCHUGH. There are several questions suggested by your answer. In connection with the latter, involving volume buying, do I understand you to say that if a large buyer was getting the advantage of lower prices because of the volume which he purchased, regardless of the competitive effects of such sales on competitors of that buyer, the Department would consider that to be normal competition?

Mr. PETTUS. No, sir. I did not intend to leave the impression that just because he was a large buyer he would be given a clear bill of health on lower prices. My point was that there are instances where lower price is a natural result of larger volume.

Mr. MCHUGH. In connection with discriminatory sales of meat products by a packer, would the Department consider that such a sale was illegal and should be prohibited if that sale merely had the effect of injuring one single buyer?

Mr. PETTUS. I don't believe I could give a direct answer to that kind of a situation without knowing all of the facts involved.

For example, it may be that a small operator or a large operator would be able to buy meat at a lower price than some other competitor in a purely and completely legal manner in a competitive manner and because of his operations he might be in a position to take over some of the business of his competitors. But it could arise from a purely economic situation which has nothing to do with unfair trade practices.

Mr. MCHUGH. In other words, all discriminatory pricing would not be viewed as unlawful?

Mr. PETTUS. Well, I am not sure that I understand just what you mean by discriminatory pricing. I thought you meant different pricing. If discriminatory pricing is merely a different price, then I would say that it is not considered unlawful because, as I previously pointed out, large volume or small volume carload lots compared with less-than-carload lots, and such as that, would affect the prices at which the product is sold and I would not call it discriminatory.

Mr. MCHUGH. Has the Department of Agriculture worked out any standards for determining when different prices are discriminatory and when they are not, and has it worked out any standards for determining under what circumstances competition might be injured by such prices?

Mr. PETTUS. I do not believe we have any such set of written standards. May I request Mr. Sinclair, who is head of our Packers and Stockyards Act, to confirm that or comment on it?

Mr. SINCLAIR. Well, we follow this general policy that so long as it merely reflects a saving to the packer in volume, he can reflect that in his pricing. But there can't be discrimination in that field either. Everybody can buy in the same volume at the same price. That is all right. It is a little bit of a saving, oftentimes maybe quite a bit of saving to a packer to sell in volume as compared with piecemeal selling, and that saving to him in that volume may be reflected in his price and not be unjust discrimination. And our act says unjust discrimination.

Obviously there is some discrimination there but it can be reflected in a price so long as everybody has the same opportunity for that same volume.

Mr. MCHUGH. Is this to suggest that a cost justification on the part of the seller, then, would be a complete defense?

Mr. SINCLAIR. That is true.

Mr. MCHUGH. Do I understand from that you are saying the Department of Agriculture follows the same standards of legality and observes the same defenses that are available to buyers and sellers under the Robinson-Patman Act?

Mr. SINCLAIR. We generally follow and we study the decisions of the Federal Trade and the courts along that line and do follow the same general principle that they apply in their cases. I have read many of their decisions along the same line and I believe we are in line with the policies that they have adopted through their own decisions or through court decisions.

Mr. MCHUGH. Is it not true that the act which you are enforcing, specifically title 2 of the Packers and Stockyards Act does not set up any criteria for determining what constitutes discriminatory pricing?

Mr. SINCLAIR. That is true. It just says unjust discrimination and that is very broad general language.

Mr. MCHUGH. Isn't it true that there have been no court rules as to what constitutes unjust discrimination under this title of the act?

Mr. SINCLAIR. Well, only what I am saying now, administratively, that is the way we construe it. I can't point my finger at a particular case at the moment to refer you to one, but that would be our general attitude, the policy on that particular question, and again I say I believe it is in line because we have studied the decisions of the Federal Trade and of the courts.

Senator O'MAHONEY. You say it would be your general policy?

Mr. SINCLAIR. Yes, sir.

Senator O'MAHONEY. And practice?

Mr. SINCLAIR. Yes.

Senator O'MAHONEY. Can you give us an instance where it has been your policy?

Mr. SINCLAIR. Well, we have had some cases where we have made studies. I can't refer to a case right now that is in point that went to a decision, but we have had cases such as Colonial Stores in Boston where we made an investigation and applied that rule to their operations and they, I believe, agreed in that case to comply with that general rule.

Senator O'MAHONEY. You said you believe. Who is your adviser?

Mr. SINCLAIR. Mr. Bowman. He is in charge of our Trade Practice Section.

Senator O'MAHONEY. Yes. I know.

Mr. SINCLAIR. That was Colonial Provision, Boston. There they agreed informally—they didn't have a formal case—they agreed to comply with that application of that rule.

Senator O'MAHONEY. What were they charged with doing?

Mr. SINCLAIR. Well, discriminatory pricing of their product to various outlets.

Senator O'MAHONEY. How did you define discriminatory pricing in that case?

Mr. SINCLAIR. Well, giving undue advantages to one over another in price.

Senator O'MAHONEY. The facts were so clear that the company involved accepted your judgment without going to court about it?

Mr. SINCLAIR. That is right.

Senator O'MAHONEY. Is that correct?

Mr. SINCLAIR. That is correct.

Senator O'MAHONEY. How extensive was it?

Mr. SINCLAIR. Well, it was limited to that general area. It was not a nationwide thing.

Senator O'MAHONEY. What was the name of the organization?

Mr. SINCLAIR. Colonial Provision.

Senator O'MAHONEY. Was it a packer?

Mr. SINCLAIR. Yes.

Senator O'MAHONEY. Was it also a distributor?

Mr. SINCLAIR. Well, they were a packer and, of course, wholesale and retail—it wasn't retail, wholesale, wholesale to delicatessens and small stores, and that kind of a distribution.

Senator O'MAHONEY. Was there any such case in which the interpretation, the practice and policy you were following, was adjudged by a court?

Mr. SINCLAIR. Not of our cases that I can point to.

Senator O'MAHONEY. About how many such cases could you point to?

Mr. SINCLAIR. There would be very few. I wouldn't know how many, but that would be—that one I remember, that was handled informally. I would have to review all the cases to see whether we had any such other cases on that particular point.

Senator O'MAHONEY. I was trying to develop whether or not your practice was directed to the future or whether it had been established in the past.

Mr. SINCLAIR. That has been our standard policy.

Mr. MCHUGH. Isn't it true, Mr. Pettus, that there have never been any court decisions interpreting title II of the Packers and Stockyards Act in the entire history of the act?

Mr. PETTUS. Might I ask our legal counsel to give you an answer on that?

Mr. FARRINGTON. Mr. Bucy.

Mr. BUCY. There have been administrative proceedings applying this question of discrimination and, of course, the Robinson-Patman Act court decisions are available as interpreting what, is unjust discrimination in price under the Packers and Stockyards Act. There have not been any court cases, that is, any of the final decisions in administrative proceedings have not been the subject of court review involving this particular question.

Mr. MCHUGH. Is it not true that we have a very well defined body of law explaining what constitutes an unlawful discriminatory price as a result of enforcement of certain statutes by the Federal Trade Commission?

Mr. BUCY. As a result of actions by the Federal Trade Commission and the Department of Justice, we have cases interpreting and holding what is a discriminatory price and those are equally applicable and available in cases under the Packers and Stockyards Act.

Mr. MCHUGH. But the Department of Agriculture in making its determination of what constitutes the legal tie-in sale and a legal exclusive contract or a discriminatory price is not bound by decisions of a court interpreting the statutes where the Federal Trade Commission and the Department of Justice have instituted suit.

Mr. BUCY. I would think that if they attempted to deviate substantially from the court's interpretation of what that term means that they would find themselves subject to reversal in the court and the language in the act is very substantially the same and the Congress has passed these acts and some interpretations of them.

In the Robinson-Patman Act they say certain practices shall not be considered discriminatory pricing and that act was passed since the Packers and Stockyards Act, and certainly any executive agency would look to the interpretation of that term by the Congress and the courts in reaching a sound, nonarbitrary decision as to what constituted discrimination of price.

Mr. MCHUGH. Since there have been no cases filed, at least within the past 19 years, by the Department of Agriculture involving such practices, isn't it true that the courts have not had occasion to pass upon it and there has been no way of knowing whether or not the Department of Agriculture has applied appropriate tests and standards in determining legality in these cases?

Mr. BUCY. I am not sure that your number of years is accurate as to there not having been filed any cases. There have been some seventy-odd proceedings under this act involving packers in trade practices in their merchandising aspects. Some 50 of those were in the merchandising aspect. The last one dealt with poultry in 1940. So we have had cases down through the years in the early stages of the administration of this act that could have been the subject of court review, and some cease and desist orders are still effective against packers under those early cases.

Senator O'MAHONEY. Secretary Butz, I wanted to ask you some questions I had in mind this morning with respect to the nature and the interpretation of the amendment which you suggest. If you will turn to page 9 of your recent statement, you will find it set forth there. Your first suggestion is the redefinition of packers and live poultry dealers as those principally so engaged, and you and your counsel agree that by "principally" you mean at least 50 percent.

Mr. BUTZ. I think so.

Senator O'MAHONEY. Then on No. 2 you say, "With respect to others not included in this modified definition, the Department would retain jurisdiction only over their livestock and live poultry transactions."

What do you mean by "transactions"?

Mr. BUTZ. Well, this gets at the country buying of livestock and poultry. This would be one of those companies whose minor line of activity would be its packer activity. We want to retain jurisdiction over their livestock and poultry activities.

Senator O'MAHONEY. You mean activities and operations, as well as transactions?

Mr. BUTZ. Well, I should think the operations involving their livestock and poultry buying, slaughtering——

Senator O'MAHONEY. There seems to be some——

Mr. BUTZ. As I read the report we made on the bill now, that is corect. It does say with respect to any live poultry dealer, with respect to any activity or any other person with respect to buying livestock and poultry.

Senator O'MAHONEY. You want to confine it to buying?

Mr. BUTZ. Yes. I think so. The country buying transactions. This is covered in the report we made on the bill.

Senator O'MAHONEY. I don't think that I have made my question clear. Unfortunately, you know, Mr. Secretary, most of the litigation that takes place in the world is caused by a dispute over what the law means.

Mr. BUTZ. Yes. May I——

Senator O'MAHONEY. Therefore, when you are trying to draft a piece of legislation, it is wise to get the meaning of it as clear as possible.

Mr. BUTZ. Yes.

Senator O'MAHONEY. No. 2 is, "With respect to others not included in this modified definition." That means with respect to others, meaning packers and live poultry dealers, not included in this definition. That is to say, those who are only 49 percent engaged in packing and poultry dealing.

Mr. BUTZ. Yes, I think——

Senator O'MAHONEY. The Department would retain jurisdiction only over their livestock and live poultry transactions. I am trying to determine whether by transactions you mean to include activities and operations, or whether you mean only selling.

Mr. BUTZ. Let me read what is in the report we made on the bill which I think clarifies this, and we might put it in the record at this point, Mr. Chairman.

The language we had in the report was follows:

"It shall be unlawful for any packer or live poultry dealer with respect to any activity or any other person with respect to buying livestock or live poultry for purposes of slaughter—

And then there is some legal language here, and then it goes on to explain. It says:

"Under this amendment packers and live poultry dealers as redefined in amendments (1) and (3) would be subject to the jurisdiction of the Department of Agriculture as heretofore. Other persons—

And those are the ones we speak of now——

Senator O'MAHONEY. Where are you reading from?

Mr. BUTZ. From the report, page 3, the first full paragraph.

"Other persons—

And those are the ones we speak of now—heretofore subject to the jurisdiction of the Department under Title II: Packers, of the act would be subject to the jurisdiction of the Department with respect only to the buying of livestock and live poultry for purposes of slaughter and with respect to all other activities would be subject to the jurisdiction of the Federal Trade Commission."

Mr. FRISCHKNECHT. This would be a firm like Hot Shoppes, which is primarily in the restaurant business and which owns a packing plant and under the definition now contained in the law is classified as a packer.

Mr. BUTZ. And, under the present definition, Hot Shoppes are subject entirely to the Packers and Stockyards Act. Under this amendment only their livestock-purchase operations would be subject to it.

Senator O'MAHONEY. Since you used the word "only," can you tell the committee what, in your interpretation, is excluded from the jurisdiction of the Department of Agriculture by your proposal?

Mr. BUTZ. I think in this case we would exclude all the nonpacking activities of that particular company; the Hot Shoppes, for example, is primarily a restaurant. That entire operation would be excluded. Their purchase of foodstuffs from elsewhere would be excluded. We would supervise only their operations concerned with the purchase of livestock.

Senator O'MAHONEY. By whom or what Government agencies would those excluded operations be supervised?

Mr. BUTZ. Federal Trade Commission.

Senator O'MAHONEY. You want that to be clearly stated in any amendment that you propose?

Mr. BUTZ. Yes, sir.

Senator O'MAHONEY. Now, then, we proceed to No. 3. I am reading from your statement now.

"*Provided* that, upon a determination of the Secretary of Agriculture that it is in the public interest in any case, the Federal Trade Commission would be authorized to proceed against any person subject to the Packers and Stockyards Act exercising all the authority vested in the Secretary."

As I read that, it means, first, that there must be a determination by the Secretary.

Mr. BUTZ. That is——

Senator O'MAHONEY. Before the Federal Trade Commission——

Mr. BUTZ. That is correct, the way this reads.

Senator O'MAHONEY. Before the Federal Trade Commission would be authorized to proceed. How is this determination to be obtained?

Mr. BUTZ. Well, I should think it could be obtained in a number of ways. I think, for example, of a current case, the case where the Federal Trade Commission is investigating the sale of ice cream in some of the Northwestern States. One of the agencies involved there is a packer which, under the proposed definition here, would still be a packer. It is a major packer. The Secretary of Agriculture, either on his own initiative or after consultation with the Federal Trade Commission, could decide that this is a case that can best be handled in the public interest by transferring jurisdiction to the Federal Trade Commission so that they could handle all the companies together in this particular case.

Senator O'MAHONEY. Isn't it a fact, therefore, that the Federal Trade Commission would have to petition the Secretary of Agriculture to permit it to look into a particular case?

Mr. BUTZ. Not necessarily. I think in this particular case, as I understand it, our attorneys have been working concurrently with the attorneys in the Federal Trade Commission on this case. In this case the Secretary of Agriculture on his own initiative may decide that this is best handled by transferring it to the Federal Trade Commission.

Senator O'MAHONEY. Let me point out, Mr. Secretary, we are not dealing with the present Secretary; we are not dealing with you, personally.

Mr. BUTZ. I understand that.

Senator O'MAHONEY. We are just using you as a witness now, and you are doing a good job of testifying. You speak clearly and very promptly. I compliment you as a witness.

Mr. BUTZ. Thank you, sir.

Senator O'MAHONEY. It helps greatly to have a person who is skilled in the use of language when you are trying to draft a piece of legislation. But, under the statement as it is contained in your testimony, it is wholly

within the power of any Secretary to determine.

Mr. BUTZ. You are right. That is correct.

Senator O'MAHONEY. To determine whether or not the Federal Trade Commission can act.

Mr. BUTZ. That is right.

Senator O'MAHONEY. He may say "Yes"; he may say "No."

Mr. BUTZ. At the present time, he does not even have that power. At the present time, as I understand——

Senator O'MAHONEY. Don't you think it would be well, if any procedure were to be had along these lines, to state definitely in the law what the standards are? Don't you think there should be standards? For example, the Secretary has to make a determination that it is in the public interest in a particular case. What are the standards by which he should determine whether it is in the public interest? Do you care to provide any?

Mr. BUTZ. I suppose that is a case where the Secretary would fall back on legal counsel to answer that.

Senator O'MAHONEY. Can we fall back on legal counsel to help draft the amendment that you proposed this morning and have not made clear?

Mr. FARRINGTON. Mr. Chairman, under the language as written, the Secretary, of course, would look at all the facts and, on the basis of those facts—and, as you know, they vary in every particular case—determine whether it would be more expeditious, would bring about a quicker settlement and all the other factors, to decide whether or not Agriculture should keep it or turn it over to the Federal Trade Commission. The present ice-cream case is an example where I feel sure it will be turned over.

Senator O'MAHONEY. Don't you think it is incumbent upon Congress, when it is drafting a law, to write down specifically and clearly what the standards of action by a Government official are and must be?

Mr. FARRINGTON. Well, it is certainly desirable whenever you can, Mr. Chairman. I can see that.

Senator O'MAHONEY. Don't you agree with me that the language here is not so drafted?

Mr. FARRINGTON. No. The language here, as I say, is very general, and there are many instances, sir, when you have to leave something to discretion. It is very difficult to draft standards which would apply to all cases. I am sure you know.

Senator O'MAHONEY. Are you of the opinion, then, that Congress should give to the Secretary of Agriculture the complete jurisdiction to determine whether or not the Federal Trade Commission should proceed in a particular case? He is going to determine by your language here if it is in the public interest. Congress is the body that ought to determine what is in the public interest.

Mr. FARRINGTON. Surely.

Senator O'MAHONEY. All I am trying to do is secure your assistance.

Mr. FARRINGTON. We will assist every way we can, Mr. Chairman, certainly.

Senator O'MAHONEY. Your assistance in trying to specify in understandable language how that public interest is to be determined.

Mr. FARRINGTON. We will be glad to work with you, sir.

Senator O'MAHONEY. Then you acknowledge it is not perfect now?

Mr. FARRINGTON. Well, I will say, sir, that it does not have any specific guides by which that decision could be made.

Senator O'MAHONEY. There could be a disagreement between the Federal Trade Commission and the Secretary of Agriculture.

Mr. FARRINGTON. That is true.

Senator O'MAHONEY. He would have complete authority under this language to sweep the thing under the table.

Mr. FARRINGTON. Yes.

Senator O'MAHONEY. And say, forget it.

Mr. FARRINGTON. Yes. And, of course, that is not unusual in vesting discretion in administrative officers.

Senator O'MAHONEY. That is one of our troubles. We vest too much discretion in administrative and executive officers to discharge the functions of Congress. I told Secretary Butz that I am inherently opposed to granting broad discretionary powers to an administrative official because it changes the legislative power from the public's elected representatives to those who are not the representatives of the people, but administrative officers selected in whatever manner may be provided by law.

Mr. BUTZ. You see, Mr. Chairman, at the present time the Secretary of Agriculture has no discretion whatever in this. In the ice cream case we mentioned, he has no legal authority at the present time, as I understand it, to request the Federal Trade Commission to take action concurrently against a major meatpacker involved in the case.

Let me say, for example—

Senator O'MAHONEY. Let me interrupt you long enough to say there was a Secretary of Agriculture by the name of Jardine who, without any legal authority to do so, did rule that no attention would be paid to title II.

Mr. BUTZ. Yes, but in this case, as I understand it, our lawyers are going forward concurrently in developing information on the ice cream case. Is that correct?

Mr. FARRINGTON. That is correct.

Senator O'MAHONEY. We are making some progress and it is always helpful to lay things on the table.

Mr. FRISCHKNECHT. Of course, under the law now, the Secretary of Agriculture can ask the Federal Trade Commission to conduct investigations for him.

Mr. BUTZ. But not to prosecute.

Mr. FRISCHKNECHT. No. But upon which he can base decisions either to or not to proceed to prosecute.

Mr. BUTZ. That is right. But the Secretary of Agriculture still must make the decision under existing law as to what action would be put forth.

Mr. FRISCHKNECHT. He has it now. You are complaining because he has it all, now you want to let him be selective of cases for which he will and will not assume responsibility.

Mr. BUTZ. What we are asking for is the right, where it seems prudent to do so, to delegate that authority.

Senator O'MAHONEY. Let me ask one more reference to the concluding phrase in your suggested amendment. The words are "exercising all the authority vested in the Secretary."

Was it the purpose in drafting that phrase to limit the discretion of the Secretary to authorize the Federal Trade Commission to have such authority only as that which is vested in the Secretary of Agriculture by the law?

Mr. FARRINGTON. Not necessarily, Mr. Chairman.

Senator O'MAHONEY. You see, that illustrates how important it was for me to ask these questions. I saw everybody on that side of the table shaking his head no, no, that isn't what we want. But that is what you said you want.

Mr. BUCY. No, that isn't what this amendment does, Mr. Senator. This amendment is an addition to a provision which says——

Senator O'MAHONEY. Mr. Butz, why do they say that about the words you used?

Mr. BUTZ. You know lawyers better than I do, Mr. Chairman.

Mr. BUCY. The amendment says the Federal Trade Commission shall not exercise their authority under their own act except presently where the Secretary requests an investigation and report.

This would say except also where he determines it is in the public interest to institute a proceeding. So they could proceed both under their own act and under this act, amended act. In other words, they could draw a complaint charging under both acts.

Senator O'MAHONEY. Under both acts?

Mr. BUCY. That is correct.

Senator O'MAHONEY. This doesn't say so.

Mr. BUCY. This provision with this amendment added to it would say so.

Senator O'MAHONEY. Show me the language in the amendment that would do that.

Mr. BUCY. You have to read the provision of the Packers and Stockyards Act, Senator.

Senator O'MAHONEY. We are talking about an amendment.

Mr. BUCY. This is an amendment to a provision of the Packers and Stockyards Act, so therefore you must read the whole provision in order to interpret the amendment.

Senator O'MAHONEY. All right.

Mr. BUCY. Under the Packers and Stockyards Act, section 406–B:

"On and after the enactment of this Act and so long as it remains in effect, the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which by this Act is made subject to the jurisdiction of the Secretary of Agriculture, except—

And then it refers to pending proceedings at the time this legislation was passed, and then it goes down further and says,

and except when the Secretary of Agriculture in the exercise of his duties hereunder shall request of the Federal Trade Commission that it make investigations and report in any case—

And with the amendment it would continue—

or in any case where the Secretary determines it to be in the public interest for the Federal Trade Commission to institute a proceeding, under which circumstances it shall have authority to exercise in connection therewith all the powers, functions" under the act.

Senator O'MAHONEY. Now, in interpreting that, if I may interrupt you, we must bear in mind the history that Secretary Butz recited this morning of the writing of the Packers and Stockyards Act. When that was written, the Federal Trade Commission had just completed an investigation at the request of the President of the United States of the alleged unfair activities of the big packers. It brought in a report which resulted in the filing by the Department of Justice of a suit against the big packers under which the big packers, choosing not to fight, to plead not guilty, in other words, accepted a consent decree which divested them of their ownership in the stockyards, divested them of their facilities in retail distribution. It was after that historic development that this Packers and Stockyards Act was written. That is what prompted the representatives of the packers to go to the conferees of the Senate and the House and to induce them to say, to use the language which you have just read, that the Federal Trade Commission should not have any power. The Federal Trade Commission had been so successful that the packers didn't want any more of them.

What you are proposing now is that the Secretary of Agriculture is the only authority who can give the Federal Trade Commission the power to exercise the authority Congress gave it first.

Mr. BUCY. The Congress itself, of course, took that power away from the Federal Trade Commission.

Senator O'MAHONEY. Senator Norris of Nebraska delivered a wonderful speech on the floor.

Mr. BUCY. We are attempting to give some of it back to the Commission. With respect to everyone other than those principally engaged as packers.

Senator O'MAHONEY. May I suggest that you go into conference in the Department and see if you can't give back some more. [Laughter]

I think we have demonstrated the point.

Mr. Frischknecht, were you indicating a desire to ask something?

Mr. FRISCHKNECHT. Just to recapitulate now with respect to which activities under the amendments proposed by the Department would remain with the Department and which would remain with the Federal Trade Commission or which would go to the Federal Trade Commission. Now, as I understand it, and as Senator Watkins understood it this morning, all of the meatpacker activities as defined, per your proposal, would remain with the Department of Agriculture. That would include the buying and selling of livestock, the processing and the wholesaling and the retailing, of meat products, that is, authority to regulate, trade practices involved in all of those levels by a meatpacker would remain with the Department of Agriculture.

Now, all of the nonmeat and nonfood products, wholesaling and retailing activities by a packer as newly defined per your proposal would also remain with the Department of Agriculture.

Mr. BUTZ. Those who are primarily packers.

Mr. FRISCHKNECHT. As defined in your amendment.

Mr. BUTZ. Correct.

Mr. FRISCHKNECHT. Now, then, you would also——

Senator O'MAHONEY. If they were primarily packers.

Mr. FRISCHKNECHT. Yes.

Senator O'MAHONEY. That is to say, the nonfood activities of those organizations the operations of which were 50 percent packing would not be under the jurisdiction of the Federal Trade Commission.

Mr. BUTZ. That is right.

Mr. FRISCHKNECHT. And you would also include within the jurisdiction of the Department of Agriculture all of the so-called meatpacker activities of the nonpacker, newly defined, that is all of the meatpacker activities now of a nonpacker as newly defined within the law.

Mr. BUTZ. The acquisition activities——

Mr. FRISCHKNECHT. That is what I am speaking of now. The buying and selling of livestock by a nonpacker as newly defined. You would keep that in the Department of Agriculture. That is the buying and selling of livestock by a nonpacker as newly defined. You would keep that in the Department.

Mr. BUTZ. Yes, sir. That is——

Mr. FARRINGTON. Buying for purposes of slaughter.

Mr. FRISCHKNECHT. Nonpacker, redefined.

Mr. FARRINGTON. For purposes of slaughter.

Mr. FRISCHKNECHT. Then in the Federal Trade Commission would remain regulatory authority over the nonmeat activities of all firms not defined as a packer under your proposal.

Mr. BUTZ. That is right.

Mr. FRISCHKNECHT. That is correct, isn't it?

Now, this morning when Mr. McHugh directed some questions toward Mr. Butz relating to country buying and mentioned or spoke of the liaison and relationships the Department had with Justice, I think you folks indicated that you got along well where you had that kind of concurrent jurisdiction.

Senator O'MAHONEY. Mr. Frischknecht, can you hold that question for a minute? I have just been called to the phone. If you will excuse me, please.

(Recess.)

Senator O'MAHONEY. Proceed. Thank you very much for your courtesy.

Mr. FRISCHKNECHT. When the chairman was called to the phone, Mr. Butz, I was making an observation with respect to something you had said this morning in reply to Mr. McHugh to the effect that perhaps the best liaison would be to have all jurisdiction in one department rather than separate it, perhaps, as you said S. 1356 now does with respect to country buying activity.

Now, on the other hand, isn't that exactly what we have involved in this proposal of the Department? With respect now to the wholesaling and the retailing by a packer as defined under your amendment of its nonmeat food and its nonfood-product activities? Yet with respect to a grocery store that may own a packing plant you will regulate his livestock buying activities in the Department of Agriculture, his buying and selling of livestock, but the Federal Trade Commission will regulate all of his nonmeat-buying activity. So, under your proposal, then, we would have divided jurisdiction with respect to control over the nonmeat food products and the nonfood products of packers on the one hand which would stay in Agriculture and those same activities of nonpacker as defined in your proposal. Is not the latter all your amendments actually leaves in the Federal Trade Commission.

Mr. BUTZ. Well, I think that is true. However, in the case of those who are principally engaged in packing, their nonmeat and nonfood activities would be a relatively small proportion of their business, you see. We feel in that case it is necessary to have general supervision over that because sometimes, as has been alleged, they may use profits in their nonmeat activities to engage in discriminatory pricing practices on the meat.

Mr. FRISCHKNECHT. Mr. Chairman, Senator Watkins asked that certain portions of a study identified as report of the Federal Trade Commission on industrial concentration and product diversification in the 1,000 largest manufacturing companies, 1950, published January 1957, be included in the record at this point. This is the portion beginning with the third paragraph on page 64 down through the second paragraph on page 65. His reason for making the request is that this particular material shows that at least 1 or more of the 4 largest packers ship 21 classes of nonfood products in interstate commerce, in addition to their meat products, and that they ship some 51 classes of nonfood products in interstate commerce, and also because this information reveals that although the shipments of fresh meats by the 8 largest companies primarily engaged in fresh meat production, consisted of about one-half of their total shipments, another 29 percent consisted of prepared meats. In addition, about another 10 or 11 percent consisted of non-meat-food products and another 10 or 11 percent of nonfood products entirely.

So that outside the scope of their meatpacking activities, these largest packers, according to this study, have substantial interests of a nonmeat kind regulation of trade practices with respect to which, in Senator Watkins' judgment, ought to be under the jurisdiction of the Federal Trade Commission, rather than the Department of Agriculture as would be the case under the Department's proposal.

Senator O'MAHONEY. The material may be made part of the record.

REPORT OF THE FEDERAL TRADE COMMISSION ON INDUSTRIAL CONCENTRATION AND PRODUCT DIVERSIFICATION IN THE 1,000 LARGEST MANUFACTURING COMPANIES: 1950. JANUARY 1957, PAGES 64–65

Fresh meats constituted almost exactly half the total shipments of all products made by the eight companies principally engaged in the industry. Another 29 percent consisted of prepared meats. Of the remainder, which amounted to $1,228 million, somewhat more than half consisted of nonfood products. Table 35 lists some of these product classes, the number of companies making shipments, and the percent each product class constituted of the total shipments of the 8 companies. Under each of the headings (1) meat products, (2) food products other than meat, and (3) nonfood products, the classes of larger commercial importance are listed first.

TABLE 35.—PERCENTAGE DISTRIBUTION OF THE SHIPMENTS OF 8 COMPANIES PRINCIPALLY ENGAGED IN FRESH MEATS, BY CLASS OF PRODUCTS, 1950

Product class	Number of companies	Percent of companies' shipments
Total, all products	8	100.0
Meat products	8	81.8
Fresh meats	8	50.5
Prepared meat products for human consumption, including lard	8	29.2
Dressed poultry and small game	4	2.1
Food products other than meat	5	6.6
Butter	4	1.0
Dairy products, except butter	4	1.6
Shortening and salad oils	4	1.9
Margarine	4	.8
10 other classes of food products	5	1.3
Nonfood products	8	11.6
Soap and glycerine	4	.7
Grease and tallow	8	.8
Hides, bones and inedible meats	8	2.7
Feed and fertilizer byproducts	8	.7
58 other classes of nonfood products	5	6.7

Every firm necessarily shipped the immediate byproduct of the slaughterhouse, but these byproducts represented less than 4 percent of their total shipments. One of the smaller firms among the 8 large companies principally engaged in fresh meats reported shipments of certain animal oil products other than fatty acids, and in another instance 1 of the smaller firms shipped grain mill products other than wheat flour, cornmeal or prepared animal feed. With these 2 exceptions, all of the shipments in industries other than fresh meats or prepared meats were made by the 4 largest of the 8 companies principally engaged in fresh meats. These companies carried on extensive manufacturing operations not necessarily a part of the production of fresh meats and prepared meats, although almost always bearing some relation to their major business. The 4 companies shipped varying numbers of a total of 21 classes of food products and 51 classes of nonfood products. The distribution of these 72 product classes by the number of the 4 companies involved was as follows:

Number of classes of products shipped by—	Food	Nonfood
All of the 4 largest meatpackers	9	4
3 of the 4 largest meatpackers	4	7
2 of the 4 largest meatpackers	2	13
1 of the 4 largest meatpackers	6	27
1 or more of the 4 largest meatpackers	21	51

With respect to the 21 classes of food products, in all but 2 instances shipments by these companies amounted to at least $1 million. Of the 51 classes of nonfood products, there were 29 classes of which the shipments by these companies amounted to at least $1 million. Among the classes of products of which the value of shipments cannot be reported without disclosing figures on individual companies, well over half the companies' shipments were of fertilizers, leather, or the products of vegetable oil mills.

TABLE SHOWING FOOD AND NONFOOD PRODUCTS SHIPPED BY 4 LARGEST COMPANIES SHIPPING FRESH MEATS AND BYPRODUCTS

APPENDIX D, TABLE 4. PRODUCTS SHIPPED BY COMPANIES IN THE SAME LINE OF BUSINESS

[Number of companies, among the 1,000 largest manufacturing companies principally engaged in each industry, that made shipments in each industry and product class, the value of such shipments and the percent they constituted of all shipments by the companies principally engaged in the industry, 1950]

Industry and product class in which shipments were made	2011 Fresh meats and byproducts; 20111 Fresh meats — All companies: Number	All companies: Value of shipments (thousands)	All companies: Percent	4 largest companies: Number	4 largest companies: Value of shipments (thousands)	4 largest companies: Percent	2013 or 20133 Prepared meat products for human consumption, including lard: Number	Value of shipments (thousands)	Percent	2833 Medicinal chemicals 28332 Inorganic and organic medicinals (bulk type): Number	Value of shipments (thousands)	Percent
All industries	8	$6,024,798	100.0	4	$5,143,114	100.0	4	$800,774	100.0	4	$205,675	100.0
Food and kindred products industries	8	5,491,423	91.1	4	(1)	(2)	4	(1)	(2)			
2011 Fresh meats and byproducts	8	3,023,344	53.2	4	2,698,681	52.5	4	353,316	44.1			
20111 Fresh meats	8	3,041,413	50.5	4	2,550,491	49.6	4	342,234	42.7			
20114 Hides, bones, and inedible meats	8	161,931	2.7	4	148,190	2.9	4	11,082	1.4			
2013 or 20130 Prepared meat products for human consumption, including lard	8	1,756,445	29.2	4	1,390,402	27.0	4	411,645	51.4			
2015 or 20150 Dressed poultry or small game	4	128,340	2.1	4	128,340	2.5						
2021 or 20210 Butter	4	59,326	1.0	4	59,326	1.2	2	(1)	(2)			
2022 or 20220 Natural cheese	4	28,761	.5	4	28,761	.6	2	(1)	(2)			
2023 Concentrated milk	3	(1)	(2)	3	(1)	(2)	1	(2)	(2)			
20231 Dried milk, dried buttermilk, etc	2	(1)	(2)	2	(1)	(2)						
20232 Canned milk	1	(1)	(2)	1	(1)	(2)						
20233 Bulk evaporated and condensed milk (whole milk, skim milk, buttermilk and whey)	3	(1)	(2)	3	2,316	(1)	1	(2)	(2)			
20234 Ice cream mix and ice milk mix	2	(1)	(2)	2	(1)	(2)						
2024 or 20240 Ice cream and ices	3	(1)	(2)	3	(1)	(2)						
2025 Special dairy products, not elsewhere classified	4	31,491	.5	4	31,491	.6	1	(1)	(2)			
20251 Special dairy products, including cottage cheese, malted milk powder, etc	1	(2)	(3)	1	(2)	(2)						
20252 Process cheese	4	(1)	(2)	4	(1)	(2)	1	(1)	(2)			
4011 Fresh milk and cream: 40113 Bulk fresh milk and cream	4	1,833	(4)	4	1,833	(4)	1	(1)	(2)			
2033 Canned and preserved food products, except fish and meat	2	(1)	(2)	2	(1)	(2)						
20336 Canned baby foods	1	(1)	(2)	1	(1)	(2)						
20337 Canned soups and poultry products	1	(1)	(2)	1	(1)	(2)						
20339 Canned and preserved products, not elsewhere classified	1	(1)	(2)	1	(1)	(2)						
2041 and 2045 Flour and meal, including prepared flour: 20414 Rye flour, hominy grits, and other grain-mill products, not elsewhere classified	1	(1)	(2)									
2042 Prepared animal feeds	4	28,724	.5	4	28,724	.6	2	(1)	(2)			
20421 Prepared animal feeds, except dog and cat food	3	(1)	(2)	3	(1)	(2)	1	(2)	(2)			
20422 Dog and cat food, prepared	4	(1)	(2)	4	(1)	(2)	2	(1)	(2)			
2071 Confectionery products	1	(2)	(3)	1	(2)	(3)	1	(2)	(3)			
20711 Confectionery products, except solid chocolate bars	1	(2)	(3)	1	(2)	(3)						
20715 Salted, roasted, and blanched nuts	4	24,368	.4	4	24,368	.5						
2090 or 20900 Eggs (liquid, frozen and dried)	4	114,892	1.9	4	114,892	2.2						
2092 or 20920 Shortening and salad oils	4	47,691	.8	4	47,691	.9	1	(2)	(3)			
2093 or 20930 Margarine	2	(2)	(3)	2	(2)	(3)						
2097 or 20970 Manufactured ice												
2099 Food preparations, not elsewhere classified, including milled rice	3	(1)	(2)	3	(1)	(2)	1	(2)	(3)			
2099 Food preparations, not elsewhere classified, including milled rice	3	(1)	(2)	3	(1)	(2)	1	(2)	(3)			
20996 Roasted coffee							1	(1)	(2)			
Entries withheld to avoid disclosures		66,210	1.1		(1)	(2)		(1)	(2)			
Industries outside the food group		533,375	8.9		(1)	(2)		(1)	(2)	4	205,675	100.0
2211 or 22110 Scoured wool, and other products of scouring and combing plants	1	(1)	(2)	1	(1)	(2)						
2293 or 22930 Paddings and upholstery filling	2	(1)	(2)	2	(1)	(2)						
2393 or 23930 Textile bags, except laundry and wardrobe bags (code 23929)	1	(2)	(3)	1	(2)	(3)						
2422 Veneer: 24222 Softwood veneer	1	(2)	(3)	1	(2)	(3)						
2444 Wooden boxes: 24448 Box shook: fruit, vegetable, industrial, etc	1	(1)	(2)	1	(1)	(2)						
2751 or 27510 Letterpress and gravure printing, except books (code 27320) and greeting cards (code 27710)	1	(1)	(2)	1	(1)	(2)				1	(1)	
2761 or 27610 Lithographing, except books and pamphlets (code 27320) and greeting cards (code 27710)	1	(2)	(3)	1	(2)	(3)						
2819 or 28190 Sulfuric acid, synthetic ammonia, chlorine compounds, and other industrial inorganic chemicals, not elsewhere classified	3	3,112	.1	3	3,112	.1				2	(1)	(2)
2823 Plastic materials: 28231 Cellulose plastic materials										1	(2)	(3)
2829 Organic chemicals, not elsewhere classified: 28291 Synthetic organic chemicals, not elsewhere classified	1	(1)	(2)	1	(1)	(2)				2	(1)	(2)
28293 Nonsynthetic organic chemicals other than hardwood distillation products (code 28620), essential oils (code 28920) and fatty acids (code 28870)										1	(2)	(3)
2831 or 28310 Biological products										1	(2)	(3)
2832 or 28320 Botanical products other than preparations (codes 28341–4)										2	(2)	(3)
2833 Medicinal chemicals	3	(1)	(2)	3	(1)	(2)				4	106,253	51.7
28331 Drugs of animal origin, uncompounded (bulk)	3	(1)	(2)	3	(1)	(2)				2	(1)	(3)
28332 Bulk antibiotics, alkaloids, vitamins, etc										4	(1)	(3)
2834 Pharmaceutical preparations	2	(1)	(2)	2	(1)	(2)				4	59,981	29.2
28341 and 28343 Ethical and proprietary preparations for human use	2	(1)	(2)	2	(1)	(2)				4	(1)	(3)
28342 Ethical preparations for veterinary use	1	(1)	(2)	1	(1)	(2)				1	(2)	(3)
28344 Proprietary preparations for veterinary use										1	(2)	(3)
2841 Soap and glycerine	4	41,902	0.7	4	41,902	0.8	1	(2)	(3)	1	(1)	(2)
28413 Glycerine	3	(1)	(2)	3	(1)	(2)	1	(2)	(3)			
28415 Soaps, including cleansers containing abrasives, and washing powders (excluding specialty soaps)	4	34,616	.6	4	34,616	.7	1	(2)	(3)			
28416 Specialty soaps: Mechanics hand soaps, medicated soaps, shaving soaps	1	(2)	(3)	1	(2)	(3)	1	(2)	(3)	1	(2)	(3)
2842 Cleaning and polishing preparations	1	(2)	(3)	1	(2)	(3)						
28421 Synthetic organic detergents, including those combined with soap or with alkaline detergents	1	(2)	(3)	1	(2)	(3)						

Footnotes at end of table.

TABLE SHOWING FOOD AND NONFOOD PRODUCTS SHIPPED BY 4 LARGEST COMPANIES SHIPPING FRESH MEATS AND BYPRODUCTS—Continued

APPENDIX D, TABLE 4. PRODUCTS SHIPPED BY COMPANIES IN THE SAME LINE OF BUSINESS—Continued

[Number of companies, among the 1,000 largest manufacturing companies principally engaged in each industry, that made shipments in each industry and product class, the value of such shipments and the percent they constituted of all shipments by the companies principally engaged in the industry, 1950]

Industry and product class in which shipments were made	2011 Fresh meats and byproducts; 20111 Fresh meats — All companies: Number	All companies: Value of shipments (thousands)	All companies: Percent	4 largest companies: Number	4 largest companies: Value of shipments (thousands)	4 largest companies: Percent	2013 or 20133 Prepared meat products for human consumption, including lard: Number	Value of shipments (thousands)	Percent	2833 Medicinal chemicals 28332 Inorganic and organic medicinals (bulk type): Number	Value of shipments (thousands)	Percent
28423 Specialty detergents (for window glass, wallpaper, paint, etc.)	1	(2)	(3)	1	(2)	(3)						
2871 Fertilizers	3	(1)	(2)	3	(1)	(2)						
28711 Mixed fertilizers	3	(1)	(2)	3	(1)	(2)						
28712 Fertilizer materials of organic origin	1	(2)	(3)	1	(2)	(3)						
28713 Superphosphate	2	(1)	(2)	2	(1)	(2)						
2881 or 28810 Cottonseed oil mill products	2	(1)	(2)	2	(1)	(2)						
2883 or 28830 Soybean oil mill products	2	(1)	(2)	2	(1)	(2)						
2884 or 28840 Vegetable oil mill products, not elsewhere classified	3	(1)	(2)	3	(1)	(2)						
2885 or 28850 Marine animal oil mill products, excluding vitamin oils (code 28332)	1	(2)	(3)	1	(2)	(3)						
2886 Grease, tallow, and related products	8	$89,586	1.5	4	$79,189	1.5	4	$15,440	1.9			
28861 Grease and tallow	8	46,090	.8	4	40,981	.8	4	5,437	.7			
28862 Feed and fertilizer byproducts	8	43,496	.7	4	38,208	.7	4	10,003	1.2			
2887 or 28870 Fatty acids	3	8,387	.1	3	8,387	.2						
2889 Animal oils, not elsewhere classified	5	5,274	.1	4	(1)	(2)						
2891 Raw and acidulated soap stock and roots (all types)	4	478	(4)	4	478	(4)						
2892 Stearin and other animal oil mill products other than fatty acids	5	4,797	.1	4	(1)	(2)						
2893 Toilet preparations: 28932 Hair preparations, including shampoos	1	(2)	(3)	1	(2)	(3)				1	(1)	(2)
28931 Perfumes, toilet waters and colognes										1	(2)	(3)
28932 Hair preparations, including shampoos										1	(2)	(3)
28934 Cosmetics and toilet preparations other than perfumes, toilet waters, colognes, hair preparations and dentifrices										1	(1)	(2)
2894 Glue and gelatin	4	11,688	.2	4	11,688	.2						
28941 Glue (vegetable and animal)	3	(1)	(2)	3	(1)	(2)						
28942 Gelatin, except ready-to-mix desserts (code 20991)	1	(1)	(2)	1	(1)	(2)						
2896 or 28960 Compressed and liquified gases, except liquified petroleum gas (code 29116)	1	(2)	(3)	1	(2)	(3)				1	(2)	(3)
2897 or 28970 Agricultural insecticides and fungicides	1	(2)	(3)	1	(2)	(3)						
2898 or 28980 Salt (sodium chloride, edible)	2	(1)	(2)	2	(1)	(2)						
2899 Chemical products, not elsewhere classified: 28993 Chemical specialties, not elsewhere classified	1	(2)	(3)	1	(2)	(3)				3	$711	.3
28991 Household insecticides and repellants										2	(2)	(3)
28993 Chemical specialities, not elsewhere classified										2	(2)	(3)
2952 Roofing felts and coatings: 29522 Asphalt and tar coatings, cements and pitches	1	(2)	(3)	1	(2)	(3)						
3111 Leather, tanned and finished	2	(1)	(3)	2	(1)	(3)						
31111 Cattlehide and kip side leathers	2	(1)	(3)	2	(1)	(3)						
31112 Calf and whole kip leathers	2	(1)	(3)	2	(1)	(3)						
31113 Sheep and lamb leathers	2	(1)	(3)	2	(1)	(3)						
31114 Leathers other than cattle, calf, and sheep	2	(1)	(3)	2	(1)	(3)						
3121 Industrial leather products	1	(1)	(3)	1	(1)	(3)						
31211 Industrial leather belting	1	(1)	(3)	1	(1)	(3)						
31213 Textile leathers, and other industrial leather products	1	(2)	(3)	1	(2)	(3)						
3131 Boot and shoe cut stock and findings: 31311 Boot and shoe cut stock	2	(1)	(2)	2	(1)	(2)						
3141 Footwear, except rubber	1	(2)	(3)	1	(2)	(3)						
31413 Women's, misses' and children's dress shoes	1	(2)	(3)	1	(2)	(3)						
31416 Playshoes	1	(2)	(3)	1	(2)	(3)						
3171 and 3172, or 31710 and 31720 Handbags and small leather goods	1	(2)	(3)	1	(2)	(3)						
3291 Abrasive products: 32911 Nonmetallic abrasives	1	(1)	(2)	1	(1)	(2)						
3295 Minerals and earths, ground or otherwise treated: 32952 Minerals and earths ground or otherwise treated	1	(2)	(3)	1	(2)	(3)				1	(1)	(2)
3496 or 34960 Collapsible tubes										1	(2)	(3)
3551 Food-products machinery: 35514 Milling, canning, packing and other food-products machinery, not elsewhere classified										2	(2)	(3)
3639 or 39390 Musical instruments other than pianos and organs	1	(2)	(3)	1	(2)	(3)						
3949 or 39490 Sporting and athletic goods	1	(1)	(2)	1	(1)	(2)						
Entries withheld to avoid disclosure		373,426	6.2		(1)	(2)		(1)	(2)		39,441	19.2

4011 Fresh milk and cream; 40112 Bottled fresh milk and cream

	All companies: Number	All companies: Value of shipments	All companies: Percent	4 largest companies: Number	4 largest companies: Value of shipments	4 largest companies: Percent	2092 and 20920 Shortening and salad oils: Number	Value of shipments	Percent
All industries	7	$1,615,811	100.0	4	$1,498,299	100.0	3	$406,022	100.0
Food and kindred products industries	7	1,577,670	97.6	4	(1)		3	200,875	49.5
2013 or 20130 Prepared meat products for human consumption, including lard	1	(1)	(2)	1	(1)	(2)			
2021 or 20210 Butter	7	87,178	5.4	4	82,730	5.5			
2022 or 20220 Natural cheese	7	47,143	2.9	4	45,730	3.0	1	(2)	(3)
4011 Fresh milk and cream	7	722,776	44.7	4	(1)	(2)	1	(1)	(2)
40112 Bottled fresh milk and cream	7	646,060	40.0	4	576,840	38.5	1	(2)	(3)
40113 Bulk fresh milk and cream	6	76,714	4.7	4	(1)	(2)	1	(2)	(3)
2023 Concentrated milk	7	111,079	6.9	4	(1)	(2)	1	(2)	(3)
20231 Dried milk, dried buttermilk, etc	6	36,550	2.3	4	(1)	(2)			
20232 Canned milk	3	44,450	2.8	2	(1)	(2)			
20233 Bulk evaporated and condensed milk (whole milk, skim milk, buttermilk and whey)	7	18,379	1.1	4	17,800	1.2	1	(2)	(3)
20234 Ice cream mix and ice milk mix	7	11,698	.7	4	10,851	.7			

		4011 Fresh milk and cream; 40112 Bottled fresh milk and cream						2092 and 20920 Shortening and salad oils		
		All companies			4 largest companies					
		Number	Value of shipments	Percent	Number	Value of shipments	Percent	Number	Value of shipments	Percent
2024 or 20240	Ice cream and ices	7	$277,468	17.2	4	$244,416	17.0			
2025	Special dairy products, not elsewhere classified	7	(1)	(2)	4	(1)	(2)			
20251	Special dairy products, including cottage cheese, malted milk powdar, etc	6	(1)	(2)	4	(1)	(2)			
20252	Process cheese	4	(1)	(2)	3	(1)	(2)			
2031 or 20310	Canned fish and other seafood							1	(1)	(1)
2033	Canned and preserved food products, except fish and meat	2	(1)	(2)	2	(3)	(3)	1	(1)	(1)
20334	Canned fruit juices	1	(3)	(3)	1	(3)	(3)			
20335	Canned vegetable juices	1	(3)	(3)	1	(3)	(3)			
20338	Jams, jellies, and preserves							1	(1)	(1)
2034	Dried and dehyrated fruits and vegetables: 20341 Dried fruits	1	(3)	(3)	1	(3)	(3)			
2035	Pickles and sauces	2	(1)	(2)	2	(1)	(2)	2	(1)	(1)
20353	Mustard and other meat sauces, except tomato	1	(3)	(3)	1	(3)	(3)	1	(3)	(3)
20354	Salad dressings, including mayonnaise	2	(1)	(2)	2	(1)	(2)	2	(1)	(1)
2037	Frozen foods	1	(3)	(3)	1	(3)	(3)	1	(3)	(3)
20371	Frozen packaged fish							1	(3)	(3)
20372	Frozen fruits and juices	1	(3)	(3)	1	(3)	(3)			

[1] $1,000,000 or more.
[2] Less than $1,000,000.
[3] Withheld to avoid disclosure of figures reported by an individual company.
[4] Less than one-half of one percent.

Mr. BUTZ. Mr. Chairman, may I ask Mr. Frischknecht how many of these products he mentioned as nonfood products are livestock-related products such as hides, bones, and so forth?

Mr. FRISCHKNECHT. The information with respect to that is contained in the table.

Mr. BUTZ. But a substantial quantity would be related or livestock-derived products.

Mr. FRISCHKNECHT. Table—table 35 I am now referring to shows that——

Senator O'MAHONEY. It has been said those products include almost everything except the squeal of the hog.

Mr. FRISCHKNECHT. Table 35 shows that the nonfood products in the category Mr. Butz asks about consist of some 4.9 percent of the total of all products sold. In addition, 58 classes of nonfood products, exclusive of the byproducts from the meat operations—the 4.9 percent of the total referred to—were shipped in interstate commerce and they comprise some 6.7 percent of the total shipments made by these 8 companies.

Senator O'MAHONEY. Mr. McHugh?

Mr. MCHUGH. Dr. Butz, it has been reported to this committee that the Department of Agriculture has never exercised its rights under section 406–B of referring for study any matter to the Federal Trade Commission.

Mr. BUTZ. I am informed that is correct.

Mr. MCHUGH. Can you tell us whether or not there was any consideration given to referring this Safeway matter, which you described this morning, to the Federal Trade Commission under this authority?

Mr. BUTZ. Not that I am aware of.

Mr. MCHUGH. Can you tell us why the Department of Agriculture has never seen fit to refer any of these matters for study to the Federal Trade Commission?

Mr. BUTZ. Well, I think they involve primarily the buying and selling of livestock and the movement of meats. You mentioned the Safeway case this morning. That was, we felt, properly under the jurisdiction of the Packers and Stockyards Act and of the Department of Agriculture.

Mr. MCHUGH. But, nevertheless, the Department did not see fit, as I understand from your testimony, to proceed with making an investigation looking to possible violation of the Packers and Stockyards Act.

Mr. BUTZ. The Department is going forward with a very broad investigation of this. As I pointed out this morning, we decided to make it broader than the specific allegations which had been made. Over the noon hour I got a list of the topics of investigation which are currently going forward. We have six different areas of investigation.

Mr. MCHUGH. Investigation of what?

Mr. BUTZ. Let me read the topics, if I may.

It will give you some idea of the whole area and this grows out of the allegation that came with respect to the Safeway Stores because, as I said this morning, this is much broader than Safeway. It involves a whole philosophic concept of marketing and pricing and what a particular group of agencies in the market structure can or cannot do.

These are the six general headings under which studies are currently going forward.

Senator O'MAHONEY. I call your attention to the fact that what you have just now said amounts to a declaration that it was the judgment of the Department of Agriculture that the charges, whatever they were, in the Safeway matter were postponed of all consideration while you entered into this broad study involving other areas and other matters.

Mr. BUTZ. And these specific charges are being investigated as a part of the broader study. I wouldn't say they are postponed. They are a part of that broader study.

Mr. MCHUGH. Do you distinguish between an investigation and a study?

Mr. BUTZ. It is very difficult to make that distinction. I can call that investigation, if you wish. The research people would call it a study, I presume. The words are interchangeable.

Mr. MCHUGH. The study that is now being conducted is a study of the overall problem including the Safeway matter. Is that correct?

Mr. BUTZ. Yes, sir.

Mr. MCHUGH. This is not an investigation of the particular Safeway practices looking toward possible filing of a complaint if the charges are sustained?

Mr. BUTZ. As I understand it, if, as a part of this investigation, we develop the evidence that indicates there are malpractices involved then, with very little, if any, additional investigation, charges can be filed.

Mr. MCHUGH. Was there a preliminary investigation conducted here by the Department of Agriculture in connection with the Safeway allegations?

Mr. BUTZ. Not to my knowledge; was there? Yes, there were some.

Mr. MCHUGH. Will you tell us about that, please?

Mr. BUTZ. Can you, Mr. Pettus?

Mr. PETTUS. We received some letters and some reports that there were activities on the part of packers in certain southwestern areas which were in violation of the act. We sent one of our personnel out to investigate the situation to see what basis there was for the charges that we received. He made a report of his findings and that report was given consideration and is the basis on which this decision was made to have the broader study.

Mr. MCHUGH. Did he make a recommendation?

Mr. PETTUS. Yes, he did.

Mr. MCHUGH. This was a report by whom?

Mr. PETTUS. This was a report—our investigator who made the report was Mr. Donald Bowman. His report was transmitted by the then Director of the Livestock Division.

Mr. MCHUGH. That was reviewed by Mr. Bowman's immediate supervisor?

Mr. PETTUS. Yes.

Mr. MCHUGH. That would be who?

Mr. PETTUS. Mr. Lee Sinclair.

Mr. MCHUGH. Did Mr. Sinclair make any recommendations based on this?

Mr. PETTUS. I don't recall at the moment whether he made recommendations or not, but I presume he concurred in the recommendation that went forward from the Director of the Livestock Division.

Mr. MCHUGH. Perhaps, since Mr. Sinclair is here, he can answer this question.

Mr. SINCLAIR. My recollection of that is what I wrote a covering memorandum with Mr. Bowman's report. I believe I directed it to Mr. Harry Reed, who was then Director of the Livestock Branch, in which I enclosed his report, referred to it generally and made a specific recommendation in my memorandum.

Mr. MCHUGH. What was that recommendation?

Mr. SINCLAIR. That the case, so far as it had been developed, a preliminary investigation indicated violations of the Packers and Stockyards Act and that the case be fully investigated and that we attempt to get sufficient funds to carry out that investigation.

Mr. MCHUGH. Is it your opinion that based upon this preliminary investigation, these charges, if sustained, would constitute a violation of the Packers and Stockyard Act?

Mr. SINCLAIR. We felt, in viewing what we had, that there was sufficient evidence to warrant a full-scale investigation; that the facts indicated a violation. Of course, it was a preliminary one, in which we did not seek to fully develop all facts, and determine whether we should go forward or not. We felt there were sufficient facts.

Mr. MCHUGH. You were overruled in this recommendation, then, in the Department?

Mr. SINCLAIR. Well, the case came back with a memorandum on it that, in effect, there was an overruling, yes.

Mr. MCHUGH. Was the matter considered again after it was returned to you with this notation for conducting a study?

Mr. SINCLAIR. Well, I brought it up again myself about January of this year with Mr. Reed, the Director of the Livestock Branch, and I told him I still wondered about the wording of the memorandum, because it was not very lengthy, and I did not feel very clear on it, and I would like to have it discussed to make sure that it still meant that we should not investigate this case.

Mr. Reed told me later that he had taken it up again and that the memorandum did mean what he told me it meant, that is, that we should not investigate it.

Mr. MCHUGH. Did Mr. Reed say with whom he took that up?

Mr. SINCLAIR. Well, he said, "across the street," that was all that I recalled. That meant with his superiors.

Mr. MCHUGH. What did that mean to you? With whom?

Mr. SINCLAIR. Well, I understood it to mean his superiors, who would be Mr. Lennartson, Mr. Wells, and Mr. Butz.

Mr. MCHUGH. After that, did you concur in the decision that was made not to go forward with this investigation, but to conduct this research study?

Mr. SINCLAIR. Well, we weren't asked about that. We were told that we should not investigate it.

Mr. MCHUGH. Did your opinion on the manner in which this should be conducted change any?

Mr. SINCLAIR. My opinion?

Mr. MCHUGH. Did your opinion as to the best manner of handling this problem change any?

Mr. SINCLAIR. No.

Mr. BUTZ. Mr. Chairman, may I point out at this point that this was discussed in my office with Mr. Wells and Mr. Lennartson, and we decided there to broaden the scope of this investigation.

Senator O'MAHONEY. That has already been testified to, I think. It is clear from what has been said.

Mr. BUTZ. And I would accept full responsibility for that and would do the same thing again.

Senator O'MAHONEY. Evidently, Mr. Bowman and Mr. Sinclair agreed in the recommendation that there should be an immediate further investigation of a particular case, and the decision of the secretariat was that it should be merged in a broader study.

Mr. BUTZ. Yes, sir.

Senator O'MAHONEY. Do we have those papers?

Mr. MCHUGH. We have seen some, Senator.

Senator O'MAHONEY. Have you everything that the staff needs?

Mr. MCHUGH. Yes, I think that we have everything the staff needs, and the Department has been very cooperative in providing us with all the information that we need.

Mr. Butz, can you tell us what action the Department is presently taking in connection with the Armour & Co., complaint involving unfair advertising in connection with margarine sales?

Mr. BUCY. That is presently in the solicitor's office, the General Counsel's office, and we are considering at this time whether or not there are sufficient facts to institute a formal proceeding. There have been, as I understand it, substantial changes and discontinuance of some of the aspects of the advertising that were in question in the original Federal Trade Commission case, and presently the advertising differs substantially from that advertising.

We are presently getting the information as to the latest advertising, the current advertising, with a view to a possible issuance of complaint if it is determined that it warrants a complaint on the basis that it constitutes a violation of the Packers and Stockyards Act.

Mr. MCHUGH. In determining whether or not deceptive advertising in the sale of oleo violates the Packers and Stockyards Act, do you use exactly the same standard that the Federal Trade Commission does under section 5 of the Federal Trade Commission Act?

Mr. BUCY. Our standard might be broader than that and include theirs plus a broader field. Because we will be dealing with the broad aspect of unfair practice, misrepresentation. That oleo provision, as I recall it, deals with representing or suggesting that the oleo is a dairy product.

Now, there might be representations that did not deal with whether it was a dairy product or not, but if they were false representations we would feel that we would still proceed. But certainly we would proceed on any product which was not a dairy product that represented or suggested that it was a dairy product.

Mr. MCHUGH. In other words, in bringing actions of this nature under the Packers and Stockyards Act, you do have a different set of criteria than those used by the Federal Trade Commission?

Mr. BUCY. I would say we have theirs plus a broader one in this instance.

Mr. MCHUGH. In which case it is a different setup?

Mr. BUCY. It is different in that it covers broader territory.

Mr. MCHUGH. Which means that people in the business of manufacturing and selling oleo, depending upon whether or not they are packers, may be subjected to different types of cases in connection with their advertising of oleo?

Mr. BUCY. No. As long as they are a packer, they are only subject to the Department of Agriculture at the present time.

Mr. MCHUGH. I say, depending upon whether or not they are packers, which will determine whether or not the Department of Agriculture or the Federal Trade Commission brings the suit.

Since you concede that there are different standards employed by the two agencies, I am suggesting that the result of this is that for deceptive acts in the sale of oleo you may have wholly different standards now being used by enforcement agencies.

Mr. BUCY. That is correct. They would both be subject to the oleo provision, but they might be subject to additional different standards on the broad concept of what constitutes misrepresentation.

Senator O'MAHONEY. Any other questions?

Mr. Bolton-Smith, representing Senator Wiley, have you any questions?

Mr. BOLTON-SMITH. May it please the chairman, I have two.

Mr. Secretary, is the amendment which the Department of Agriculture is proposing in S. 1356 the same as the proposed amendment which Senator Dirksen filed on May 20, which has been printed, with two exceptions?

I hand you a copy of that proposed amendment.

The two exceptions, it appears to me, might be on the top of page 3 of Secretary Morse's letter, where you propose striking out the word "packer" wherever it appears in sections 203, 204, or 205, and inserting in lieu thereof the word "person."

Mr. BUTZ. Yes; that is the first difference.

The second difference, of course, is that we propose still an additional section to what Senator Dirksen had, which would place nonpacker activities under the Packers and Stockyards Act as well as under the Federal Trade Commission.

It would give the Secretary discretion to transfer nonpacker activities to the Federal Trade Commission.

Mr. BOLTON-SMITH. But the Federal Trade Commission would have authority to proceed under the Packers and Stockyards Act as well as under acts administered by the Federal Trade Commission?

Mr. BUTZ. You are correct; yes.

Mr. BOLTON-SMITH. That would mean, then, I assume, that someone who was a packer would, with respect to his nonpacking activities, be subject to an additional statute to the one that any other nonpacker would be subject to?

Mr. BUTZ. That is correct.

Mr. BOLTON-SMITH. So this will create some additional burden on the packer as compared with the nonpacker?

Mr. BUTZ. I think that is right. He would be subject to the provisions of two acts in that case. But I should point out that the acts are very similar, however.

Mr. BOLTON-SMITH. If there is no objection, Mr. Chairman, I would appreciate it if the Secretary would read into the record the six points of the study that he is having conducted that grew out of the complaints about Safeway. Those are not confidential, are they?

Mr. BUTZ. Indeed not.

I will be glad to.

The first general area is economic analysis of the whole meat distribution in the San Francisco Bay area. That is nearing completion.

The second, economic effects of the distribution of beef by United States grades. We had gotten a good deal of complaint about pricing by grades.

Third, Los Angeles chainstore beef procurement and wholesale pricing study.

Fourth, special problems in marketing slaughter cattle in the West.

Fifth, economic analysis of the changing locations of the livestock slaughter and processing.

Six, price behavior and price relationships among country and terminal markets for hogs.

Mr. BOLTON-SMITH. That is all, Mr. Chairman.

Senator O'MAHONEY. Mr. Collins, do you have any questions?

Mr. COLLINS. No questions.

Senator O'MAHONEY. Mr. Frischknecht, have you any questions to ask? I know the Senator is detained on the floor. He may want you to ask some questions.

Mr. FRISCHKNECHT. In page 2, Mr. Butz, of your statement, the last sentence reads as follows:

"The act vested in the Secretary of Agriculture, among other things, the authority to issue cease-and-desist orders after hearings with respect to packers who engage in practices heretofore prohibited under such legislation."

And over on page 4, the first full paragraph at the top of that page implies that the act gives the Secretary sufficient authority, including cease-and-desist orders, to maintain open and competitive markets.

Some time ago Senator Watkins requested from the Department some information with respect to cease-and-desist orders, and so forth, that is, as to how many of them had been brought under title II of the P and S Act. Do you have any idea how many have been issued since 1921?

I was just speaking with Mr. Sinclair to see if he did not have a copy of that letter.

Mr. BUTZ. Mr. Bucy has that.

Mr. BUCY. What was you question addressed to? The number of proceedings or the number of cease-and-desist orders?

Mr. FRISCHKNECHT. I suppose what you are going to need first is your reply to Congressman Celler's request for information relative to cease-and-desist orders.

Mr. BUCY. I am familiar with that. But I have statistics written down here without reference to that if you are interested.

Mr. FRISCHKNECHT. Fine.

Now, how many cease-and-desist orders under title II since 1921?

Mr. BUCY. Under title II, there are 11.

Mr. FRISCHKNECHT. There are 11. I have here copy from a letter, which I think has already been placed in the record, from Congressman Celler to Senator O'Mahoney.

Senator O'MAHONEY. That is in the record.

Mr. FRISCHKNECHT. It suggests there have been some 32 cease-and-desist orders under title II.

Mr. BUCY. I beg your pardon. That 11 related to merchandising transactions. There have been 21 additional relating to livestock transactions, a failure to pay for livestock, giving checks that bounced, and that sort of thing.

There are 32 altogether.

Mr. FRISCHKNECHT. There are 32 altogether, are there not?

Mr. BUCY. That is correct.

Mr. FRISCHKNECHT. Now, have any of these related to country buying?

Mr. BUCY. Yes.

Mr. FRISCHKNECHT. Some have related to country buying. Now, how many of these 32 cease-and-desist orders have been for refusal to pay for livestock, for example?

Mr. BUCY. Well, in the field, if you lump it, the field other than merchandise—and I assume you are interested in whether it is failure to pay or misrepresentation on livestock—there are 22.

Mr. FRISCHKNECHT. Well, perhaps you have more recent information than contained in this letter, but this one suggested some 19. So that nearly two-thirds of these cease-and-desist orders title II are for failure or refusal to pay for livestock.

Mr. BUCY. That is correct.

Mr. FRISCHKNECHT. Yes. Now, this morning, in his testimony, Mr. Butz suggested that one of the problems associated with S. 1356 is the fact that it would make for divided jurisdiction with respect to regulation of buying activities, to include country buying.

Mr. BUCY. Right.

Mr. FRISCHKNECHT. Now, if S. 1356 is enacted, for example, after an amendment perhaps to title III which would remove the restrictions limiting the regulation of buying and selling at stockyards, by broadening that scope of jurisdiction to include country buying, the Department would have all the authority that it might need, would it not, with respect to regulating the buying and selling of livestock?

Mr. BUCY. What you are saying is that if the act is amended so that Agriculture exercises full authority over all livestock buying, would that be enough? The answer is "Yes"—with respect to livestock.

Mr. FRISCHKNECHT. With respect to livestock.

Now, I am referring here to section 201 of title VII of the United States Code, which deals with some definitions of terms such as dealers, and market agents; and to section 213(a) which is entitled "Prevention of Unfair Discriminatory or Deceptive Practices."

I will pass this over, so that you can take a look at it.

The question that Senator Watkins wanted me to ask you today is this. Suppose we were to remove that phrase "at a stockyard," which appears in section 201(c). This now reads as follows:

"The term 'market agency' means any person engaged in the business of (1) buying or selling in commerce livestock at a stockyard on a commission basis, or (2) furnishing stockyard services."

If that phrase "at a stockyard" were removed, you would have about the same authority as you now have under title II.

Mr. BUCY. No. If you removed that phrase, we would have to register people who engaged in buying all over the United States. We would have to get down into a registering basis with respect to buying for feed-lot purposes, for that type of activity.

Mr. FRISCHKNECHT. The Senator's concern here is that we perhaps could broaden this definition to include more than "at a stockyard."

We could broaden the definition to include more than the restriction here "to a stockyard" so as to include country buying.

Mr. BUCY. In other words, title III can be amended so as to give us jurisdiction over all livestock transactions.

Mr. FRISCHKNECHT. Right.

Mr. BUCY. But I don't think that is the place to do it.

Mr. FRISCHKNECHT. We can do that with respect to the term, here, identifying or defining a market agency, and a dealer; as well as in section 213 (a), which is the substantive provision here. We could also amend that, could we not, to take care of the objection the Department has to S. 1356?

Mr. BUCY. Oh, yes. That could be amended so as to broaden our jurisdiction to apply to all livestock transactions. It is just another way of accomplishing the same thing that we take care of in our amendment by providing that we should have jurisdiction over any person with respect to buying livestock for slaughter.

Mr. FRISCHKNECHT. Now, if we were to do that, we could take care of that major objection, couldn't we? It is not an insurmountable problem; is it?

Mr. BUCY. That particular objective, as to giving jurisdiction to the Department, could be obtained by 2 or 3 different kinds of amendment.

Mr. FRISCHKNECHT. The reason the Senator was interested in this particular question was because so many of these cease-and-desist orders are for refusal to pay for livestock, some 19, and there are some 5 more here, according to this letter I have referred to, that relate to fraud involving weight and grading, some 5 of these, you see, and we wondered why they were brought under title II rather than title III.

You explained that this morning.

Mr. BUCY. It was because they were packers. And then some of the other activities that have still cease-and-desist orders out, as to packers with respect to apportioning territory, price control, exchanging price information, and that sort of thing. So that they are under C and D orders with respect to some of those activities.

Mr. FRISCHKNECHT. Yes, but with some type of amendment of the language now in title III, you could still bring those in areas other than at a posted stockyard under title III, could you not?

Mr. BUCY. Oh, yes; you could transfer that from II to III.

Senator O'MAHONEY. Thank you very much, Mr. Secretary, you and all your staff. Again I say you are frank and clear in your responses and very cooperative. We are very much obliged to you.

Who is the next witness?

Mr. MCHUGH. The next witness, Senator, is Mr. Fred Olander.

Senator O'MAHONEY. Thank you very much for your patience, Mr. Olander. We protracted this hearing longer than I anticipated when you arrived this morning. But we are ready to have you proceed now.

STATEMENT OF FRED OLANDER, CHAIRMAN, RIVER MARKETS LIVESTOCK GROUP, KANSAS CITY, MO.

Mr. OLANDER. It was very interesting.

Mr. Chairman, and gentlemen of the committee, my name is Fred Olander. I am just an old cowpoke from the stockyards at Kansas City.

I have a statement here which I have placed in the hands of the committee, and I do not intend to take the time of the committee to read it, except portions of it.

Senator O'MAHONEY. May I say, then, that the whole statement will be made a part of the record as though delivered, and you may summarize it as you desire.

Mr. OLANDER. Very well, sir.

My name is Fred Olander. I am an owner of the National Livestock Co., a livestock market agency engaged in business at the Kansas City Livestock Market. My service as an agent and representative of the grower and feeder in the sale and purchase of livestock covers a period of 40 years. I have served as president of the National Livestock Exchange and the Kansas City Livestock Exchange. I am at the present time chairman of the River Markets Livestock Group. This group comprises the associations of buyers and sellers of livestock known as livestock exchanges located at Omaha, Nebr.; Sioux City, Iowa; Sioux Falls, S. Dak.; St. Joseph, St. Louis, and Kansas City, Mo.; and Denver, Colo. The market agency members of this group, commonly referred to as commission firms, represent in the course of a year's business in the sale and purchase of livestock many hundreds of thousands of livestock growers and feeders. During 1956 the 7 markets handled 37 percent of all cattle, calves, hogs, and sheep marketed at the 63 posted public central livestock markets of the United States.

At the group's most recent meeting held in St. Joseph, Mo., April 12 and 13 of this year, all member livestock exchanges were represented. A motion was presented and I quote the action taken from the minutes:

"It was moved, seconded and unanimously carried that the group go on record as supporting S. 1356 which would confer upon the Federal Trade Commission jurisdiction of those engaged in commerce in meat and meat products for the purpose of preventing unlawful restraints in commerce or monopolistic acts or practices."

The action taken which I have presented to the members of this committee speaks for itself and represents the considered judgment of men who have long been engaged as market agents in the representation of livestock producers at major public stockyards of the Middle West. Their decision to support this bill to restore to the Federal Trade Commission jurisdiction in connection with unfair trade practices and monopolistic acts of meatpackers was not hurriedly reached. It expresses the best judgment of these men.

The market agencies with which they are connected are subject to regulation by the Secretary of Agriculture as to rates, charges, and unfair practices under the provisions of the Packers and Stockyards Act of 1921. As agents representing livestock producers in the sale and purchase of livestock on public central markets they are a part of agriculture and are properly subject to the jurisdiction of the Secretary of Agriculture as provided in that act. • • •

"PROJECT POLE" EMPHASIZES POSITIVE SIDE OF POLISH CULTURE

Mr. SCHWEIKER. Mr. President, a good friend of mine from Pennsylvania, Ed Piszek, has begun an interesting public relations project—"Project Pole." He has launched a national advertising campaign to emphasize to all Americans the positive contributions that the Polish people have made to our country, and to the world.

As the Senate sponsor of S. 23, the Ethnic Heritage Studies Centers Act of 1971, I am encouraged by this further step to inform all Americans about the backgrounds, heritages, and cultures of the various ethnic groups that make up our country. I believe that this kind of educational effort can help break down misunderstandings and prejudices that unfortunately result in so much divisiveness in society.

I was privileged to meet with Ed Piszek and review his advertising campaign, "Project Pole," and I think all Senators may be interested in his efforts. Recently, he appeared on NBC Television's Today show, to discuss "Project Pole." I ask unanimous consent that the transcript of that discussion be printed at the conclusion of these remarks. In addition, I ask unanimous consent that an article about "Project Pole," published in the Wall Street Journal, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

PROJECT POLE

For: NBC "Today"
Program: Today
Date: November 10, 1971, 7:00 a.m.
Station: WNBC-TV and NBC Television Network
City: New York, N.Y.

FRANK MCGEE. For some time now, we've had a rash of Polish jokes. Polish Americans, many of them, are simply not amused, a reaction that other ethnic groups in this country have had when they were made the butt of similar gibes. Polish-Americans also have never appreciated the term 'dumb Polack,' no matter how friendly the tone of voice in which it's said. Smiling is not enough.

In fact, Mr. Edward Piszek, a successful businessman of Philadelphia—and he is of Polish descent—believes that Poles in this country generally have not enjoyed their proper status, and so, he's given a half-million dollars toward a public relations campaign called "Project Pole." The idea is to let America know the contributions that Poles have made, not only to this country but the world, and the Director of Project Pole is Father Walter Ziemba—Ziemba, did I get it correct?

Father WALTER ZIEMBA (laughing). More or less.

MCGEE. He is a Polish-American, also, and he is the president of Orchard Lake School, a private college and seminary in Michigan. Welcome, gentlemen. And let me ask, first a question that I posed just before we had our little break: do you oppose all jokes involving Poles, or just the ones that we've been hearing that make the Poles out to be dumb and stupid and sloppy?

EDWARD PISZEK. No, we're not against all jokes, because Poles love humour, and I think we like—at least I can speak for myself—I like a joke, a Polish joke, that I can laugh along with the joke-teller. But when the joke is told at our expense, we don't seem to like it. At least, I don't like it.

MCGEE. Um-hmm. It seems to many of us that there was a wave of Italian jokes first. I guess this would depend on the part of the country in which you're living. At any rate, here in the Northeast, it seemed to be that we had a great wave of Italian jokes and then, suddenly, the same kind of joke was being told but the cast had been changed.

Now, it was Poles. And what I'm asking is, have you launched this campaign as a result of the Italo-Americans' efforts to have an anti-defamation league? Are you following in step behind them?

PISZEK. Well, I think ours—we're trying to do it in a positive way. We're trying to show that, over the millennium, the Poles have done more than their share, but for one reason or another, they didn't learn to communicate, maybe to put all the time, money, and energy that it takes to communicate in mass media to the society in which they live and, as a matter of fact, to the entire world.

MCGEE. What is the one thing you find that you can tell a person who's not acquainted with the contribution that Poles have made? What is the one thing you tell them that they find most surprising?

ZIEMBA. I think recently the most surprising thing came from the reaction to the first advertisement that we put in which told the public that Copernicus was of Polish background—Nikolai Coperkny (?)—and they'll say . . .

MCGEE. That was his name?

ZIEMBA. Yes. Nikolai Coperkny was his original, full Polish . . .

MCGEE. Nikolai meaning . . .

ZIEMBA. Nikolai, Nicholas.

MCGEE. Nicholas, huh?

ZIEMBA. And Coperkny, Copernicus. The people will say, "I knew Chopin was Polish; I knew Madame Curie was Polish, but I didn't know that Copernicus was Polish." Or the second advertisement called attention to the fact that Joseph Conrad was Yusef Korzeniowsky, and they find these things rather surprising, which means that the ethnic joke, which is kind of a part of the American phenomenon, can be a way of introducing people to more substantial and more profound and more serious hits of information which, as Americans, they're richer for knowing:

MCGEE. Well, I'll confess I'm your typical example. I knew about Chopin, I knew—I think I knew about Madame Curie; I'm not sure about that. I did not know about Copernicus. That came as—I would have thought he was Italian.

ZIEMBA. Project Pole is a success.

(Laughter.)

PISZEK. Mr. McGee, would you believe that I was 52 years old before I, as a Pole, knew that Copernicus was Polish? This is part of the real problem. The real problem is to get this information to the Polish-Americans. They themselves are not knowledgeable about these facts.

ZIEMBA. Americans don't know that in 1608 there were seven Polinians or Poles in the Jamestown Colony, and one of our experiences at the Center for Polish Studies and Culture at Orchard Lake brought a letter from a ten-year-old who claimed this in class, and the teacher said, "Good heavens! What are you talking about? There were no Poles in America in 1608." So he wrote back, almost tears on the paper, saying, "Would you please send me the substantiation for the fact that there were, because my Dad told me." And so we sent him the whole history of the Jamestown Colony.

MCGEE. Well, there is a thing going on in the country where people of various national backgrounds or racial backgrounds or religious backgrounds are insisting that they be—what shall I say? Be given proper recognition, be treated with proper respect, and that people be made aware of their contribution to the overall American culture. Can this be done, do you think, without fragmenting the American society?

PISZEK. I would say very much so. The central reason for what we're trying to do is to really motivate and inspire the Pole with more information about himself, so he can make his total contribution to America. If this wasn't a program to strengthen America, all peoples in America, I, for one, would be no part of it. It is not just for the Poles; it is for all the total society, so that we can make our full contribution.

ZIEMBA. Project Pole is about three weeks old, now, and the flood of mail from non-Polish-background Americans is most surprising: people who're identifying with their own ethnic background saying, "This is wonderful." One letter from a black in Oregon for two pages went on applauding what we were doing, with some advice as to how to do it better.

[Laughter.]

MCGEE. What was his advice?

ZIEMBA. Well, he said how the blacks went about doing it: getting the positives in front of the people, and telling your own people about their own background if they don't know about it, so that they can have the kind of personal security about themselves, ego enhancement, ego image-building. A secure person is a happy person, and a happy person is a productive person. Project Pole would like to make all ethnics productive people in America.

MCGEE. In what sequence did the greatest wave of Polish immigration occur in this country?

ZIEMBA. There were two: about 1870 was the first great immigration; ended about 1920. And then, the post-Second World War there was a great number of immigrants coming, just under two million. Two completely different kinds of immigrations: the first, a peasant immigration, a kind of horizontal cut of the lowest class in terms of economic security; the post-World War II immigration was a very, very educated group, the displaced person, the engineer, the lawyer, the doctor, the scientist.

MCGEE. Were there a lot of Jews among this latest wave of Polish immigrants?

ZIEMBA. Numerically and relatively, perhaps not so many, because so many were killed in Poland before they even had a chance to get out.

MCGEE. That raises an interesting question. Is Project Pole for the benefit of all Poles, Christians and Jews, or is it Christian Poles?

PISZEK. Well, it would be for all Poles, for all peoples. As I said before, we sincerely hope that this is a strengthening of America, that we kind of are part of that mosaic where the differences will bring out the beauty and strength in our country, and not any fractionalization, but rather a knitting together of something that was stronger than it ever was before.

ZIEMBA. Part of Project Pole was born in a gesture from an American of Polish-Jewish background, Mr. Leo Stang (?) of Detroit, who gave the Orchard Lake Center $10,000 to publicize itself, because he said that 'nobody knows anything about you. Here's ten thousand dollars, and get yourself an ad in Life Magazine—which we did. And Mr. Piszek picked up the mass-media line of it, and continued to evolve the whole concept of Project Pole.

MCGEE. Okay. Who was this Polish king who knew that men could differ, yet live together productively, and did something about it?

ZIEMBA. Boleslas the Fourth, and he said that every man has the right to be a person unto himself, and he gave equal rights to Christians and non-Christians, the non-Christians in Poland being those of Jewish background, so that the Jew and the Pole were equal in the eyes of the Polish government in the 14th century.

MCGEE. Would it be fair to say that what you're really doing is not saying, "Don't tell jokes about Poles," but "Don't tell just one kind of joke about a Pole, and let us tell jokes and then join you in the laughter. Don't do it at our expense; let us be a part of it, and, at the same time, bear in mind that that's not a complete picture of the Polish people. There's a little more to it than that."?

PISZEK. I would say that's a good summation, there.

Mr. MCGEE. Well, I don't see how anybody could fault you for trying to do that.

ZIEMBA. We're trying to be unique in our own—unique, and to express and to do something in our own way. For instance, we learned from—when the black men said, "Black is beautiful"—personally, when I heard that the first time, it didn't sound—it sounded—but the more I thought about it . . .

MCGEE. There's a man going this way, and it means I've got to go away. Time for a station break.

[From the Wall Street Journal, Oct. 12, 1971]

POLISH-AMERICANS HIT ETHNIC SLURS, PRAISE THEIR CULTURE IN ADS—WAS COPERNICUS TRYING TO TELL US SOMETHING? YES, AND IT'S FAR FROM A JOKING MATTER

(By Greg Conderacci)

ORCHARD LAKE, MICH.—Have you heard the story about the Polish millionaire who spent $500,000 to help stamp out Polish jokes?

It's no joke.

It's "Project Pole," an effort to place a half-million dollars worth of pro-Polish advertising in newspapers across the country.

"Polish jokes should set up in a man a determination to prove they're not true," says Edward J. Piszek, president of Mrs. Paul's Kitchens, Inc. of Philadelphia and the man bankrolling the campaign. "In a positive way, it's an answer to the jokes—instructively

You eliminate the opportunity to originate the joke by proving it's not true."

So today a pilot campaign, in the form of a half-page advertisement, will appear in Detroit newspapers with the headline: "The Polish astronomer Copernicus said in 1530 that the earth revolved around the sun. What was he trying to tell us?" The answer, Mr. Piszek says, is that Polish-Americans are every bit as good as any other Americans.

SECOND-CLASS CITIZENS?

Mr. Piszek's problem is not only that he has to convince the other Americans. He has to convince the Polish-Americans, too. Henry J. Dende, editor and publisher of the Polish-American Journal, a national newspaper based in Scranton, Pa., says Polish-Americans face such a publicity crisis that Project Pole is "a necessity."

"You have to go through a daily newspaper with a magnifying glass to find anything with a Polish theme," he says, and because Polish-Americans don't read much about themselves "they relegate themselves to second-class citizens." He contrasts meager media coverage of Pulaski Day to coverage of Columbus Day and St. Patrick's Day. "We can't even get a big story in the paper when 250,000 Poles march in New York," he asserts.

To make matters worse, most Polish references in the media are bad, he says. "I watched a television program the other night in which the phrase 'dumb Polack' was used seven times. I counted them. I don't mind an ethnic joke now and again, but why do they have to beat us over the head with it?"

Poles who emigrated to the United States weren't representative of all Poles in Poland, says Project Pole's director, Father Walter J. Ziemba. "The Polish peasant immigrant—poor, deprived, ambitious, independent, courageous—came from a dismembered nation with no political identity and without opportunity for education. All he knew were his prayers and his songs. When he came to this country he couldn't tell people about Poland's 1,000-year history. So now Project Pole must tell him these things," he says.

The Copernicus ad is only the first of a series designed to educate Polish and other Americans in Polish history. Famous Poles—Joseph Conrad, Marie Curie, Chopin—are featured. One ad proclaims: "Before there was a United States there was a Poland."

Project Pole is the first campaign of its kind, Father Ziemba says, adding that the campaign will be a sustained effort for "at least a year." In Detroit, at least 12 to 16 ads will run in daily papers. Washington, D.C.; Hartford, Conn.; Philadelphia, Buffalo, and Chicago, also will be targets of Project Pole, he says, and about 29 Polish newspapers across the country will begin carrying Project Pole ads this week.

ART AND IMAGINATION

Father Ziemba, the friendly, bespectacled president of Orchard Lake School here, a tiny private Catholic college and seminary he likes to call "the Polish Notre Dame," says he hopes people will read the Copernicus ad and say, "Hmmm, I didn't know Copernicus was Polish." He says he also hopes people will clip the ad's coupon and send for a) "Poland," a "magnificent art book" ($6), or b) "The Imagination of Poland," a "48-page colorful booklet" that details Polish achievements (50 cents), or c) a poster that "shows at a glance the great men and women of Poland" ($1).

The money goes to Mrs. Paul's, a frozen-food processor owned by Mr. Piszek's family, to defray some of the cost of the campaign. Mr. Piszek says he expects to get about $200,000 of his money back—"unless it turns out to be a total turkey."

Most Polish leaders are enthusiastic about Project Pole. "I think the Polish-American community will welcome it," says Aloysius A. Mazewski of Chicago, president of the Polish-American Congress.

But not everybody is sold on Project Pole. One prominent Polish-American, who asks not to be identified, says the project probably will fail "because you can't sell culture the way you sell fish. Project Pole is just an attempt on the part of the Polish community to get something into the media that's favorable. The Negro has stopped the harassment of the media, but Rowan and Martin are still free to malign the Poles on television. I fervently hope Project Pole works, but I'm not very confident of its success."

ADDRESS BY SENATOR MUSKIE

Mr. PELL. Mr. President, the Senator from Maine (Mr. MUSKIE) addressed the Oregon State School Boards Association in Portland on November 9. He discussed the fiscal crisis that is facing our Nation's schools and especially the high property taxes which limit the resources devoted to education. The Senator from Maine eloquently called for increased Federal initiatives and full funding of present authorizations in order to relieve pressure on property taxes and to remove the present constraints on school budgets.

The junior Senator from Maine has an intense interest in securing better education for our Nation's youngsters and for increasing the whole quality of our educational system. He is a man whose personal familiarity with these problems as a Senator, Governor, and last but not least, as a father, all help qualify him to speak on the subject.

He is also a man who, I believe and hope, may be the next President of the United States. For all these reasons, I believe his statement would be particularly interesting to the Senate. I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR EDMUND S. MUSKIE

When a politician speaks in 1971, sensible school board officials automatically raise their guard.

For a generation, you have listened to the pledges of candidates on the campaign trail. You have heard phrases of easy assurance—that electing this new Governor or that new President is somehow the answer to the problems of public education. But in recent years, you have seen the problems become a crisis—and crisis become a code word for more excuses, more delay, and more inaction. Just weeks ago, a distinguished educational writer concluded: "High rhetoric and low budgets have failed American education in the past. Can we live with an encore?"

We know the answer: A society cannot live without schools—and our schools cannot continue to live with society's half-hearted support. And each of you has learned that in some very painful ways.

Only ten of your State's three hundred and thirty-eight school districts are strong enough to finance public education without yearly tax increases.

The difference between per pupil expenditures in your highest and lowest spending districts is over a thousand dollars a year.

You face a 6 percent limit on annual budget increases for public education—and that limit can be lifted temporarily only by voter approval. But the voters are saying "No" . . . even to budgets that are already austere.

And here in Portland, the school board has been forced to reduce the school year by sixteen days. At the same time, the school lunch program is $150,000 short—and Portland will end up short of teachers in 1972.

Now multiply Oregon's crisis across the country. You will find the same pattern everywhere: taxes that are too high for people and too low for schools—budgets that are down while prices are up—teachers without jobs and school boards whose best hope is bare survival. No wonder a national newsmagazine reports that, in the worst places, Public education is literally on the verge of collapse.

A decade and more ago, we asked why Johnny couldn't read. At the present rate, the answer will soon be simple: the schools can't afford to buy enough books.

And who is at fault? At the State and local level, everyone and no one. Everyone has failed public education. But no one has enough resources to provide enough help for our schools.

In most cities, public institutions are rapidly turning into caretaker Governments, merely trying to hold the line against urban decline. Who, for example, could find more money for education in Philadelphia's budget—which was balanced by across the board cuts in police patrols, prison security, and food allowances for needy children? And how can Milwaukee stay even on schools when 24,000 taxpayers have fled the city in the last ten years?

So for a while, school financing depended on higher taxes . . . higher taxes on those who were left behind in the cities—and higher taxes on those who found out that education was expensive in the suburbs and the countryside, too. But not in 1971. In 1971, property tax increases and bond issues are losing more elections than Harold Stassen ever did. It's easy to blame the voters. But it's hard to persuade them to pay more when their real earnings are actually less than in 1965. The schools are in trouble—but so is the average income American. And property taxes are not the solution.

They are not a solution in Oregon—where people will not settle for a reduced standard of life just to stay in their own neighborhoods.

And they are not a solution in cities like Newark—where a $900 a year tax on $10,000 worth of property has driven people out of their homes and that city.

The property tax is the wrong tax . . . wrong for people and wrong for education. We cannot pay for progress in our schools with a regressive tax. Americans will not support it. And they will vote almost anyone out of office who does.

And so we look to the states to save our schools. In New York, the six largest cities have demanded a phased state takeover of education costs. Here in Oregon, some officials are asking the state to guarantee a minimum academic budget—while others want Salem to provide financial support to equalize the disparities in local property tax revenue.

Few states have done as much as they should—here or anywhere else in America. In Oregon, the State's share of the cost for elementary and secondary education has fallen from 27% in 1970 to 23% in 1971. And local taxes have hit workers and homeowners harder and harder in the last twelve months.

So it is important for the state to do better—after all, what is at stake is the future of Oregon's children. But state assistance alone is not the best answer. In 1971, the fiscal crisis which started in cities and school districts has spread to statehouses throughout America. The states can do more than they have—but that will add up to less than what must be done.

Indeed, the real fault now is not in state capitals or local school districts, but in three long years of federal failure.

There is something wrong with an administration that vetoes appropriations for education—while it prolongs a war no general can win and no reason can make right.

There is something wrong with an administration that puts the anti-ballistic missile ahead of promised appropriations to teach our sons and daughters how to read.

There is something wrong with an administration that now asks for more defense spending—and asks each year for less Federal aid to education.

And there is something wrong when the Federal Government collects 90% of the Nation's income tax revenues—and only pays 7% of the Nation's bill for public education.

Our schools are in trouble. And the administration in effect says that whatever the States and localities cannot do for their citizens, simply will not be done.

I believe our children and our schools deserve more than that. I believe three immediate steps are essential.

First, the Federal Government must share Federal revenues with States and localities.

I am not talking about special revenue sharing for education—which may leave you with even less than you had before. What we need now—what we have needed for over a year—is general revenue sharing. The program must allow very broad discretion in allocating aid—which is the only way local officials like you can meet the mounting costs of education. And a program of revenue sharing must also put our money where our problems are—which cannot be done by an administration formula that leaves a gold coast resort like Miami Beach with twice as much aid per capita as its hard-pressed neighbor, the city of Miami.

The second essential step is welfare reform. In 1971, state and local welfare costs are draining resources from our schools. The U.S. Commissioner of Education recently reported that some central cities find themselves with only a third of their budgets left for public education after they pay the bill for programs like public assistance. A phased federal takeover of welfare would free billions of dollars at the state and local level—and that could mean better schools for millions of children.

Finally, the administration must request full funding for federal education programs. School library appropriations were $50 million in 1968—and they should not be where they are in 1971—down to nothing. Guidance funds were $17 million three years ago—and they should not be down to nothing this year. The congress was willing to spend far more. The president was not. And the congress is still willing—if only the president will respond.

Obviously, these immediate steps are only interim measures. They will permit public education to survive, but not to advance. Yet progress in our schools is now vital. The educational community is filled with the ferment and the ideas of reform. And ultimately reform depends upon the vast new commitment of federal resources.

But we cannot treat education in isolation from the other shortcomings of our society.

Before we can truly move ahead in education—before we can move beyond mere survival—we must ask and answer overriding questions about the future and the fate of America.

Of course legislation like revenue sharing can stave off disaster—and that is why revenue sharing is so important. But the programs we are pushing now will only postpone the crisis to another day. Five years after they have passed, I can see you meeting again to worry about the crisis in public education.

That will happen—unless we muster all the wealth and all the ideas at our command to make America as good and great as it can be.

We have the wealth and we can find the ideas. What we seem to lack is the will.

We know that we must shift our attention from the task of death abroad to the tasks of life at home. But recently the administration asked for a $4.5 billion increase in the defense budget. And so what we have to show for our efforts is not results, but worn out phrases like new priorities.

And we know that we must reform our tax laws—to put the burdens of our society where they belong—on those who are able to pay the bill. Yet some millionaires still pay less than their secretaries. Great fortunes still pass through tax loopholes virtually intact. And giant corporations still spend millions lobbying for tax preferences—and still save billions from them.

The real victims of all this are your schools and our children—the cities of America and the health of Americans. The blunt truth is that we can achieve very little in our national life until we have changed far more in our nation's laws. Not the laws which give us programs—too often, the only thing in a new program is a new name. But the laws which determine how we raise our revenues and whether we use them for war or peace.

What it all adds up to is a need for leadership—from the local level to the nation's capital. And I am convinced that most Americans are now ready to be led again as they have been led before. They are ready to believe again that government truly can improve the way people live.

The crisis we have seen in our schools is only a symptom of a wider crisis. You can see it in the broken buildings and boarded up windows of an abandoned slum—as well as in the town which has a new savings and loan association but a sixty year old school. And you can see it in the Americans who go without medical care—as well as in the students who go without books or lunches at school.

We can change that.

We can take the first steps to insure survival.

And we can move beyond survival—to a time when American schools and American life finally will equal America's hopes and boasts.

In the end, it will all depend on citizens like you.

You can make your voices heard and your views count in hundreds of local communities.

You can reach more people and speak more persuasively than any politican.

And you can help to save not only our schools, but our society.

I hope you are ready to try.

NOMINATION OF EARL BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. HUGHES. Mr. President, even Mr. Butz' friends are apparently not too enthusiastic about his selection for Secretary of Agriculture. Reporter Nick Kotz of the Washington Post, in an article in this morning's paper, related that the American Farm Bureau Federation, whose president has endorsed the nomination, is now asking the White House for concessions as a condition for continued activity on Mr. Butz' behalf. I am submitting that article at the end of this statement.

That report reflects the mail I have been receiving from Farm Bureau members opposing the nomination of Mr. Butz. One letter from Iowa expresses the "strong opposition" of 16 Farm Bureau members to Mr. Butz' selection. It is becoming increasingly clear that America's farmers, those most directly served and affected by the Department of Agriculture, find the President's choice unacceptable.

In a column in today's Washington Post, Mr. William Raspberry deals with another of the issues against Dean Butz Approximately half of the budget of the Department of Agriculture is devoted to food programs, including food stamps and free lunches for needy children. The Senator from Wisconsin has submitted into the RECORD on Monday, November 22, a transcript of a speech given by Mr. Butz in April 1971, expressing his scorn for the food stamp program as it is presently constituted as well as the President's proposed welfare reform program. I do not think that this is the kind of compassionate, concerned leadership that we need at this point at the Department of Agricutlure.

There is some ambiguity in the statements made at Mr. Butz' recent hearings in the Agriculture Committee concerning his association with the policy of his Agriculture boss in the 1950's, Ezra Taft Benson. Considerable attempt was made to stress that Mr. Butz joined the Department of Agriculture after the Benson legislation was cnacted. In case there is any uncertainty about where he stood on that program, let us look at the record.

In 1953, before joining the Benson administration, Mr. Butz told the St. Louis Post Dispatch—February 19, 1953:

We need a longtime program that doesn't lead us blindly into a policy of curtailed output, because never can any sector of our economy be prosperous unless it produces fully.

He attacked the previous rigid support policy, and advocated laissez-faire in agriculture.

When Mr. Butz left the Department, the senior Senator from South Dakota (Mr. MUNDT) called Mr. Butz, "one of the strong men" of Benson's Department—Washington Post, April 23, 1957. Soon after leaving, Mr. Butz, in 1957, told the St. Louis Post Dispatch—November 14, 1957:

One hundred percent of parity wouldn't solve his (the farmer's) problem. There isn't much any kind of price support program can do for him. His crying need is for an opportunity to expand production. But his government prevents him from producing enough to make a decent living.

When asked at his confirmation hearings, Mr. Butz stated that he still held to the basic agricultural philosophy he supported in the Benson administration, although he now felt that the present farm programs were necessary in the short run. However, he stated that he still subscribed to the "free market" philosophy as a "longrun goal."

Is Mr. Butz a converted man? Has he abandonned his old laissez-faire positions? Perhaps. But there is still a serious question in my mind about his commitment to a strong farm program.

I ask unanmous consent that articles on the nomination be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 24, 1971]

WHITE HOUSE'S FARM ALLY DEMANDS CONCESSIONS FOR SUPPORTING BUTZ

(By Nick Kotz)

The Nixon administration's closest ally on farm issues is now demanding concessions from the White House in return for supporting the nomination of Earl C. Butz as Secretary of Agriculture.

The American Farm Bureau Federation, the nation's largest and most conservative farm group has let the White House know that it wants public commitments from Butz and the administration in support of a farm bargaining bill and several other measures in Congress.

The Farm Bureau's lobbying help could be needed to assure Butz's confirmation by the Senate. Opponents claim they already have 35 to 40 commitments to vote against the nomination, but the White House said President Nixon is "absolutely not" considering withdrawing it.

The Farm Bureau wants the administration to support a bill requiring food processors to bargain collectively with groups of farmers.

STRIKE ACTION SOUGHT

In addition, the Farm Bureau wants the White House to take action to end a West Coast dock strike that has contributed to a corn surplus. It also wants White House backing of legislation to regulate Cesar Chavez's United Farm Workers Organizing Committee. A key provision would forbid strikes during harvest.

Originally, William Kuhfuss, Farm Bureau President, publicly praised Butz's nomination in a telegram, which Farm Bureau officials now say privately was solicited by the White House.

Kuhfuss repeated his personal praise of Butz yesterday, but he also pointedly told reporters that he would like to see "some positive statements" from Butz and wanted Butz and the administration specifically to endorse farm bargaining legislation.

Butz last week in Senate testimony endorsed the general principle of farm bargaining but did not commit himself to support legislation.

MEMBERS PROTESTED

The nomination has set off a wave of protests among rank-and-file Farm Bureau members, because Butz has served as a director of at least one firm, Ralston Purina Co., which has refused to bargain with Farm Bureau groups. Furthermore, Ralston Purina was a leader in developing a vertically integrated poultry industry in which a single company raises, processes and distributes poultry.

Explaining the opposition of his members, one Farm Bureau official said yesterday: "What do you expect? He's been on the boards of the very companies that have refused to bargain with farmers, and who are now lobbying against a farm bargaining bill.

Butz, 62, former dean of agriculture at Purdue University, also has been criticized because he served as an assistant to President Eisenhower's unpopular Agriculture Secretary, Ezra Taft Benson.

Lack of active support from the Farm Bureau could hurt Butz badly since the National Farmers Union and National Farmers Organization already oppose the nomination.

Opponents are hoping that Butz can be beaten by a coalition of farm organizations, organized labor, advocates for the poor, and environmentalists.

OPPOSED BY WOODCOCK

Yesterday Leonard Woodcock, president of the United Auto Workers, announced his opposition, saying the nomination "means huge agribusiness enterprises will be encouraged to continue to drive the small farmer off the land and deeper into poverty."

A Senate Small Business Committee hearing meanwhile heard testimony critical of Ralston Purina and other firms Butz has served as a director, though Butz was not mentioned by name.

Harrison Wellford, of the Center for the Study of Responsive Law, Jim Hightower of the Agribusiness Accountability Project, and Roger Blobaum, an agricultural consultant from Iowa, all stressed that Ralston Purina and other giant agribusiness firms had integrated the broiler industry at the expense of the small farmer.

Moreover, they told the corporate-secrecy hearing that agribusiness is being permitted to take over the nation's food supply system without public debate or scrutiny.

The witnesses complained that present reporting procedures of the Internal Revenue Service and the Securities and Exchange Commission and inactivity of the Agriculture Department have obscured dramatic changes in ownership of the food supply system.

[From the Washington Post, Nov. 24, 1971]

SENATE COMMITTEE APPROVES NOMINATION OF DR. BUTZ

(By William Raspberry)

It is no great surprise, really, that the Senate Agriculture and Forestry Committee has approved (by an 8-to-6 vote) the nomination of Dr. Earl C. Butz to be Secretary of Agriculture.

But it is curious, to put it mildly, that the committee hearings dwelt almost exclusively on the small farmer-agribusiness issue and virtually ignored the question of Butz's feelings about Agriculture-sponsored food assistance programs.

Barbara Bode, who doesn't put it mildly, is shocked, dismayed, incredulous and occasionally unprintable. And with good reason, considering that one-fourth of the Agriculture Department's budget goes for food assistance.

As executive director of the Children's Foundation, a public nonprofit service to groups organized for child-welfare and hunger issues, she has been deeply involved in school-lunch and other federally subsidized food programs, and she understands the importance of official attitudes.

"From press reports (the hearings were closed), we get the impression that no one raised any really substantive questions about his attitudes toward school lunches, school breakfasts, food stamps or similar programs," she said.

She quoted from an old speech in which Butz chided those who talk about poverty in modern-day America. "There will always be a 'lower fifth' of our society," Butz was supposed to have said, "But let us not forget that the 'lower fifth' of our society today is better off than the 'upper fifth' in my day."

"Given his ye-have-the-poor-always-with-you attitude," Miss Bode wondered, "does he believe that the Department of Agriculture shouldn't be involved in 'giveaway' programs? Or that they should be cut back?

"I think some questions should have been raised."

The Agriculture Department already has been under attack for its regulations (later rescinded) lowering the poverty cut-off for free lunches, effectively eliminating a million or more children from its coverage, and for foot-dragging on other assistance programs.

With the Administration's posture thus revealed, and with Butz coming in as the new tough guy to shape things up, he will have considerable power to do more of the things that many people regard as anti-poor.

Thus Miss Bode's astonishment that no one on the committee made Butz talk about his views and his plans for dealing with the assistance programs.

She was particularly upset that the certified liberals on the committee—Humphrey and McGovern—let the issue slip by.

Jerry Berman of the Center for Community Change echoes that view.

"If anybody was to point out that more than the price of corn is involved in the Butz nomination," he said, "it should have been McGovern or Humphrey. Although both voted against confirmation, neither seemed to give much importance to the question of poverty.

"It's almost as though we're going back to the days of the invisible poor."

Some observers have also wondered at the silence of the so-called Hunger Lobby—the UAW, AFL-CIO, Leadership Conference on Civil Rights, the churches, Common Cause and others.

"The questions simply weren't raised," Miss Bode said. "Apparently they (committee members) thought the Midwestern vote was crucial and that for Midwesterners the small-farmer question is more important than hunger."

Nor could she raise them officially herself. Her position with the Children's Foundation, a publicly supported agency, makes it illegal for her to lobby against the President's nominee.

But if she had the chance to speak her mind before the committee, there is no doubting what her testimony would be: No ifs, ands—or Butz.

[From the Washington Post, Nov. 23, 1971]

EARL BUTZ AND A WAY OF LIFE

(By Tom Braden)

We are like men about to continue a journey, looking around to see whether we have forgotten something. If we find it, do we really want it? Or shall we leave it behind? The Senate isn't so much questioning whether Earl Butz would be a good secretary of agriculture as it is asking itself: "Shall we take along that small farm?"

It has served a useful past. "It gave me and my family a good living," wrote a farmer in Jefferson's time, "and left me, one year with another, 150 silver dollars, but I have never spent more than $10 a year which was for salt, nails and the like. Nothing to wear, eat or drink was purchased, as my farm provided all."

But it has been of diminishing importance for a long time. Chances are you could count the senators who grew up on 160 acres on the fingers of one hand. One-hundred and sixty acres won't farm any more. "Farming is not a way of life," Mr. Butz has said, "it's a way to make a living."

They measure farms these days in sales. Farms which produce $8,000 in annual sales have only 8 per cent of the market, those who farm them earn less than $3,000 cash per year.

So maybe we ought to leave the small farm behind. Thirty million people have left it in the last 30 years; 2,000 farms a week are selling out to the large owners who control 24 per cent of the market and gross an average of $270,000 annually.

But there are disadvantages, too. The Senate seems to be saying so as it ponders Mr. Butz, who represents agribusiness, thinks the number of farms ought to decrease and sees nothing wrong with the vertical arrangements whereby Del Monte, Swift, A & P and Campbell Soup own or lease the land from which they buy the crop and make the product.

The disadvantages lie partly in the cost and quality of the food. The price goes up. We eat hard tomatoes because hard tomatoes can be picked by a machine. We shall shortly eat hard strawberries for the same reason.

Is there also a social cost in leaving the small farm behind? For every six farms which fold, a small-town business folds too. By 1980, according to the Department of Agriculture, another million farms will go out of business. Do we want to keep traces of the Middle West of Zona Gale? Do we care about preserving crossroads towns, white houses, the traces of self-sufficiency left over from the yeoman dream?

If we do, we shall have to do a lot more than question Mr. Butz. We shall have to prop up the independent farmer with the same zeal with which we have propped up the great combines. We could start by insisting that the $4 billion annually which the government spends to buy food be spent with the independent farmer. We could fund small farmers in co-operatives; we could insist that the $234 million annually which we spend on land-grant colleges be used to pioneer and produce cheap farm equipment instead of being used to research for the benefit of agribusiness.

It would require a major turnaround, and it probably won't take place. Those who yearn may ease their consciences by voting against Mr. Butz. Doing more than that would require battle with large interests who will argue, "You can't fight progress."

But it is well to pause and look around. Is rural America to be a factory or a place to live? That is the real question behind the question of Earl Butz.

NOMINATION OF EARL L. BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. CRANSTON. Mr. President, the nomination of Dr. Earl L. Butz as Secretary of Agriculture not only raises disturbing questions about this administration's game plan for rural America—it suggests that the die has already been cast. Small farmers can expect little help from the Department that is supposed to be their spokesman in Government if Dr. Butz is confirmed.

Three days of hearings before the Senate Agriculture Committee did little to quiet my doubts about Dr. Butz. It is clear that his basic philosophy has not changed since he helped to design and implement the disastrous farm policies of Ezra Taft Benson, the controversial Secretary of Agriculture during the Eisenhower years. His long-standing ties with industro-agriculture, his tendency to equate bigness with efficiency, and his philosophy on price supports, supply management, farmer bargaining, and cooperatives indicates that the rural America favored by Dr. Butz will amount to little more than a giant food factory.

In addition, there is increasing evidence that Dr. Butz has little understanding of the environmental crisis which threatens every citizen in every city and town in America. In an April 26, 1971 speech released by Senator PROXMIRE, Dr. Butz said:

> I'm going to talk about something this morning that I think is a real threat to American agriculture . . . And that's the threat that comes from the environmentalists, or from the do-gooders, or from consumerism, or from whatever you want to call it.

He goes on to suggest that growing national concern about the continued abuse of our environment is mere "faddism"—that 1971 can be termed the "year of the environment" and that 3 or 4 years ago:

> What were we marching for then? Then the big clamour was hunger and malnutrition . . . And what came out of that? Out of that came a food stamp plan—so generous, so extensive—that it's just short of ridiculous in some parts of this country. Out of it came a welfare program that President Nixon is recommending to the Congress that is so far out that even the Democrats in Congress won't buy it.

I find these statements appallingly insensitive. They show little concern about the urgency of the environmental crisis and the need for Federal food assistance programs. This is certainly an inappropriate stance from the man who will head the U.S. Forest Service which administers 187 million acres of public forest lands in 42 States, the food stamp program which now feeds more than 10.5 million needy people, and the school lunch program which assures a balanced meal to every needy school child.

In California alone, the State has identified 1 million needy pupils, or about 25 percent of the school population.

In fiscal 1972, nearly 40 percent of the total budget for the Department of Agriculture is allocated to Federal food programs.

Mr. President, the nomination of Dr. Butz indicates that President Nixon has made his choice for rural America. He has chosen to allow the continued migration from farm to city of millions of small farmers, small businessmen, and farm workers. He has chosen the further demise of the family farm—both as an economic unit and as a way of life.

He has chosen to allow giant corporations to continue their invasion of the production phases of agriculture, a trend which is most directly responsible for the precarious position in which the small farmer finds himself in 1971.

An economic and technological revolution is sweeping agriculture, and the small farmer is its chief victim. As large diversified corporations enter the production phases of farming, more and more small farms are forced to close. More than a million farms will close up in the next 10 years. As the small farmer leaves, the small businesses lose their customers. The huge investment required to get started in farming today is beyond the reach of the young, and they leave the farm as soon as they are able. Behind them remain the old and the young—the very groups that need the community services which the dwindling rural tax base can no longer support. Churches, schools, hospitals, and community centers are boarding up their doors. Whole towns stand silent and deserted as ghostly reminders of a better day in rural America.

Mr. President, these trends are not inevitable.

The myth that the small farmer is leaving because he is "inefficient" is false. The small farmer is not inefficient, but he cannot compete with giant conglomerates with multibusiness revenues, who can afford to operate with small margins of profit. The farmer has only one source of income—his crop. If he is undersold by industro-agriculture, his very livelihood is threatened.

I believe that the Senate's vote on this nomination will indicate our choice for rural America. It will indicate that we have either decided in favor of an agriculture that is little more than a giant food factory or an agriculture that allows people to live and work in dignity. I believe it is essential that we choose the latter. Therefore, I urge the Senate to reject this unwise nomination.

THE NOMINATION OF WILLIAM REHNQUIST

Mr. BAYH. One of the most important constitutional powers of the Senate is its power—and its concomitant responsibility—to play a meaningful role in the process of selecting Justices of the Supreme Court. In the classic and particularly fitting words of Senator George Norris of Nebraska during the debate over President Hoover's ill-fated nomination of Judge John Parker to the Court more than 40 years ago:

> When we are passing on a judge, we not only ought to know whether he is a good lawyer, not only whether he is honest—and I admit that this nominee possesses both of these qualifications—but we ought to know how he approaches the great questions of human liberty.

I have reluctantly concluded that William Rehnquist approaches the great questions of human liberty in a way which reveals a dangerous hostility to the great principles of equal justice for all people and individual freedom under the Bill of Rights. For this reason I must vote against advising and consenting to his nomination.

On three separate occasions in the past 7 years, Mr. Rehnquist plainly demonstrated a persistent unwillingness to allow law to be used to promote racial equality in America. In 1964 in Phoenix he spoke out vehemently against a local ordinace designed to assure equal access to public accommodations regardless of race. He argued after the ordinance had been approved by a unanimous city council that—

> It is, I believe, impossible to justify the sacrifice of even a portion of our historic individual freedom for a purpose such as the ordinance.

Upon being nominated to the High Court, Mr. Rehnquist told the Senate that he has changed his mind and would no longer oppose a public accommodations ordinance. But it is hardly comforting that during the mid-1960's, when the entire country was demanding equal rights for all Americans and significant laws were being passed by Congress and state legislatures, Mr. Rehnquist did not feel black people should be accorded equal access to drug stores in Phoenix. In addition, other actions after 1964 make it unwise to rely on the nominee's change of heart, first announced at the confirmation hearings.

In 1966, Mr. Rehnquist opposed two key provisions of a Model State Antidiscrimination Act. The first of these would simply have permitted an employer, subject to the approval of State agency, to hire new employees and fill vacancies in such a way as to reduce or eliminate imbalances with respect to race, religion or sex, if he wished to do so.

The second would have banned "blockbusting" by realtors for their own profit—practices which Robert Braucher, then chairman of the committee and a professor at Harvard Law School and now a Justice of the Supreme Judicial Court of Massachusetts, called "vicious, evil, nasty, and bad" and without any "merit whatever." Yet Mr. Rehnquist saw both "unconstitutional and a serious policy question" about this provision. Both of these provisions were included in the Model Act notwithstanding Mr. Rehnquist's opposition to them.

Moreover, Mr. Rehnquist wrote a public letter in 1967 in opposition to efforts to promote integration in the Phoenix

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public school system in which he stated that—

We are no more dedicated to an "integrated" society than to a "segregated" society.

He has never disassociated himself from that statement despite many chances to do so during the hearings. And if Mr. Rehnquist himself is no more dedicated to integration than to segregation, he is outside the mainstream of modern American thought.

Mr. Rehnquist's unwillingness to allow law to be used to promote equality has two significant implications which argue strongly against his confirmation. First, his views are such that one must fear the interpretation he may give to the grand promise of the 14th amendment: equal protection of the laws. Indeed, one must fear the limits he would impose on a legislature's power to redress 200 years of racial injustice. Second, there is the question of the appearance of fairness and impartiality. At a time when many Americans, young and old alike, doubt the responsiveness of our system of Government, we cannot afford to put on the Supreme Court a man whose public words and deeds show that he is insensitive to the role that law must play in achieving a fair and just society.

The second set of reasons which underlie my decision to vote against William Rehnquist have to do with his lack of dedication to the fundamental individual freedoms of the Bill of Rights. Mr. Rehnquist has consistently interpreted constitutional clauses which confer power on the executive, or protect property rights, to their utmost breadth, while narrowly construing those which confer rights on the individual. One need only compare, to take a single example, his sweeping reliance on the Republican Form of Government Clause to justify Government surveillance with his stringent and narrow interpretation of the first amendment arguments against such conduct.

Indeed, it was in the context of testifying about surveillance that Mr. Rehnquist made his astounding comment that—

I think it quite likely that self-discipline on the part of the Executive branch will provide an answer to virtually all of the legitimate complaints against excesses of information gathering.

This widely condemned statement reveals Mr. Rehnquist's views concerning the balance of power. He is a person who consistently favors executive over legislative or judicial power—a view of our system of government particularly dangerous for a man who seeks confirmation as a Justice of the Supreme Court. For example, Mr. Rehnquist has vigorously defended the Nixon administration's position on so-called national security wiretapping, under which the Attorney General claims the right to listen to private conversations whenever he believes a domestic threat to the national security is involved, without prior judicial authorization. When these views are combined with Mr. Rehnquist's public statements on the Subversive Activities Control Board, the executive privilege, the right to bail, and the rights of public employees to free speech, among others, a clear pattern of insensitivity to the fundamental individual freedoms of the Bill of Rights emerges.

These are the major reasons which have led me to decide to vote against Mr. Rehnquist. I will analyze his record and present my position in greater detail in the individual views I plan to file to the Judiciary Committee's report.

Since President Nixon has called both Mr. Rehnquist and Mr. Powell conservatives, the question arises why I have decided to vote for one and not for the other. The answer is that they are very different sorts of men, and the label "judicial conservative" serves to confuse analysis rather than aid it. Based upon a thorough investigation of Lewis Powell's record and his testimony to the Senate Judiciary Committee, I am convinced that he is within a great American tradition of legal philosophy—the tradition of Holmes and Frankfurter and Harlan. This tradition has often been called conservative. But whatever it is called, it has played a vital role in preserving and protecting the fundamental liberties of the Bill of Rights and according equal justice to all Americans.

I believe Lewis Powell is dedicated to equal justice under law. My belief is confirmed by the fact that Mr. Powell's nomination is supported by several leaders of the black community in his hometown of Richmond, including the first black member of the Richmond School Board, who served with Mr. Powell from 1953 to 1961. It is confirmed by the fact that the Leadership Conference on Civil Rights, which has vigorously opposed the nomination of Mr. Rehnquist, has not opposed the nomination of Mr. Powell. And it is confirmed by the testimony of Mrs. Jean Camper Cahn, an outstanding black lawyer who played a leading role in creating the OEO legal services program, who has written eloquently of the humanity, empathy, sense of decency, fair play and commonsense of Mr. Powell. It is this distinction, this recognized open-mindedness that distinguishes Mr. Powell from Mr. Rehnquist.

I am willing to accept a nominee who may be described by the President as a judicial conservative, but I am unwilling to accept a nominee of any philosophy who exhibits an insensitivity to those basic human rights that distinguish our society from others. We in the Senate have a responsibility to look beyond the pressures of the moment to the interest of the thousands of litigants and millions of Americans whose very lives may be affected by Mr. Rehnquist's decisions, not just for the duration of this administration, but perhaps for the remainder of this century. Every Senator has a responsibility to study Mr. Rehnquist's philosophy in this light. Having made that study, I must oppose him.

Mr. President, I ask unanimous consent that a copy of Mr. Rehnquist's 1964 letter and public testimony opposing a local public accommodations ordinance, the 1967 letter concerning our Nation's commitment to an integrated society, a statement I made concerning Mr. Rehnquist's position with respect to a Model State Antidiscrimination bill, my statement in support of Lewis Powell, and a memorandum which has been prepared for me concerning Mr. Rehnquist be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

PUBLIC ACCOMMODATIONS LAW PASSAGE IS CALLED "MISTAKE"

Editor, The Arizona Republic: I believe that the passage by the Phoenix City Council of the so-called public accommodations ordinance is a mistake.

The ordinance is called a civil rights law, and yet it is quite different from other laws and court decisions which go under the same name. Few would disagree with the principle that federal, state, or local governments should treat all of its citizens equally without regard to race or creed. All of us alike pay taxes to support the operation of government, and all should be treated alike by it, whether in the area of voting rights, use of government-owned facilities, or other activities.

The public accommodations ordinance, however, is directed not at the conduct of government, but at the conduct of the proprietors of privately owned businesses. The ordinance summarily does away with the historic right of the owner of a drug store, lunch counter, or theater to choose his own customers. By a wave of the legislative wand, hitherto-private businesses are made public facilities, which are open to all persons regardless of the owner's wishes. Such a drastic restriction on the property owner is quite a different matter from orthodox zoning, health, and safety regulations which are also limitations on property rights.

If in fact discrimination against minorities in Phoenix eating-places were well nigh universal, the question would be posed as to whether the freedom of the property owner ought to be sacrificed in order to give these minorities a chance to have access to integrated eating places at all. The arguments of the proponents of such a sacrifice are well known; those of the opponents are less well known.

The founders of this nation thought of it as the "land of the free" just as surely as they thought of it as the "land of the equal." Freedom means the right to manage one's own affairs, not only in a manner that is pleasing to all, but in a manner which may displease the majority. To the extent that we substitute, for the decision of each businessman as to how he shall select his customers, the command of the government telling him how he must select them, we give up a measure of our traditional freedom.

Such would be the issues in a city where discrimination was well nigh universal. But statements to the council during its hearings indicated that only a small minority of public facilities in the city did discriminate. The purpose of the ordinance, then, is not to make available a broad range of integrated facilities, but to whip into line the relatively few recalcitrants. The ordinance, of course, does not and cannot remove the basic indignity to the Negro which results from refusing to serve him; that indignity stems from the state of mind of the proprietor who refuses to treat each potential customer on his own merits.

Abraham Lincoln, speaking of his plan for compensated emancipation, said:

"In giving freedom to the slave, we assure freedom to the free—honorable alike in what we give and in what we preserve."

Precisely the reverse may be said of the public accommodations ordinance: Unable to correct the source of the indignity to the Negro, it redresses the situation by placing a separate indignity on the proprietor, it is as barren of accomplishment in what it gives to the Negro as in what it takes from the proprietor. The unwanted customer and the disliked proprietor are left glowering at one another across the lunch counter.

It is, I believe, impossible to justify the sacrifice of even a portion of our historic individual freedom for a purpose such as this.—William H. Rehnquist [June 1964].

COMMENTS OF WILLIAM REHNQUIST, ON THE PUBLIC ACCOMMODATIONS ORDINANCE PROPOSED FOR THE CITY OF PHOENIX (JUNE 1964)

Mr. Mayor, members of the City Council, my name is William Rehnquist. I reside at 1817 Palmcroft Drive, N.W., here in Phoenix. I am a lawyer without a client tonight. I am speaking only for myself. I would like to speak in opposition to the proposed ordinance because I believe that the values that it sacrifices are greater than the values which it gives. I take it that we are no less the land of the free than we are land of the equal and so far as the equality of all races concerned insofar as public governmental bodies, treatment by the Federal, State or the Local government is concerned, I think there is no question. But it is the right of anyone, whatever his race, creed or color to have that sort of treatment and I don't think there is any serious complaint that here in Phoenix today such a person doesn't receive that sort of treatment from the governmental bodies. When it comes to the use of private property, that is the corner drugstore or the boarding house or what have you. There, I think we—and I think this ordinance departs from the area where you are talking about governmental action which is contributed to by every taxpayer, regardless of race, creed or color. Here you are talking about a man's private property and you are saying, in effect, that people shall have access to that man's property whether he wants it or not. Now there have been other restrictions on private property. There have been zoning ordinances and that sort of thing but I venture to say that there has never been this sort of an assault on the institution where you are told, not what you can build on your property, but who can come on your property. This, to me, is a matter for the most serious consideration and, to me, would lead to the conclusion that the ordinance ought to be rejected.

What has brought people to Phoenix and to Arizona? My guess is no better than anyone else's but I would say it's the idea of the lost frontier here in America. Free enterprise and by that I mean not just free enterprise in the sense of the right to make a buck but the right to manage your own affairs as free as possible from the interference of government. And I think, perhaps, the City of Phoenix is not the common denominator in that respect but that it is over on one side, stressing free enterprise. I have in mind, the state of the Housing Ordinance, last year, which a great number of people—you know, the opinion makers, leaders of opinions, community leaders were entirely for it. I happen to favor it myself and yet it was rejected by the people because they said, in effect, "we don't want another government agency looking over our shoulder while we are running our business". Now, I think what you are contemplating here is much more formidable interference with property rights than the Housing Ordinance would have been and I think it's a case where the thousands of small business proprietors have a right to have their own rights preserved since after all, it is their business.

Now, I would like to make a second point very briefly, if I might, and that is on the mandate existing to this Council and this again, of course, is a matter of one man's opinion against another. As I recall, the position taken by the preceding Council, of which I know you, Dr. Pisano, Mr. Hyde, Mr. Lindner were all on, was that there would be no compulsory public accommodations ordinance and as I recall, when this Council ran against the Act Ticket, which I would have thought would be the logical ticket, if elected, to bring in an ordinance like this, nothing was said about any sort of change that the voters might guide themselves by in voting in this particular matter. I don't think this Council has any mandate at all for the passing of such a far reaching ordinance and I would submit that if the Council, in its wisdom, does determine that it should be passed, it has a moral obligation to refer it for the vote of the people because something as far reaching as this without any mandate or even discussion on the thing at the time the election for City Council was held is certainly something that should be decided by the people as a whole rather than by their agents, honorable as you ladies and gentlemen are. I have heard the criticism made by the groups which have favored this type of ordinance in other cities that we don't want our rights voted on but of course, it is they who are bringing forward this bill. The question isn't whether or not their rights will be voted upon but instead, it's a question of whether their rights will be voted upon by you ladies and gentlemen who are the agents of the people or the people as a whole. Thank you very much for your time. (Transcribed from tape on record at Phoenix city clerk's office.)

[From the editor, the Arizona Republic]

"DE FACTO" SCHOOLS SEEN SERVING WELL

The combined effect of Harold Cousland's series of articles decrying "de facto segregation" in Phoenix schools, and The Republic's account of Superintent Seymour's "integration program" for Phoenix high schools, is distressing to me.

As Mr. Cousland states in his concluding article, "whether school board members take these steps is up to them, and the people who elect them." My own guess is that the great majority of our citizens are well satisfied with the traditional neighborhood school system, and would not care to see it tinkered with at the behest of the authors of a report made to the federal Civil Rights Commission.

My further guess is that a similar majority would prefer to see Superintendent Seymour confine his activities to the carrying out of policy made by the Phoenix Union High School board, rather than taking the bit in his own teeth.

Mr. Seymour declares that we "are and must be concerned with achieving an integrated society." Once more, it would seem more appropriate for any such broad declarations to come from policy-making bodies who are directly responsible to the electorate, rather than from an appointed administrator. But I think many would take issue with his statement on the merits, and would feel that we are no more dedicated to an "integrated" society than we are to a "segregated" society; that we are instead dedicated to a free society, in which each man is equal before the law, but in which each man is accorded a maximum amount of freedom of choice in his individual activities.

The neighborhood school concept, which has served us well for countless years, is quite consistent with this principle. Those who would abandon it concern themselves not with the great majority, for whom it has worked very well, but with a small minority for whom they claim it has not worked well. They assert a claim for special privileges for this minority, the members of which in many cases may not even want the privileges which the social theorists urge be extended to them.

The schools' job is to educate children. They should not be saddled with a task of fostering social change which may well lessen their ability to perform their primary job. The voters of Phoenix will do well to take a long second look at the sort of proposals urged by Messrs. Cousland and Seymour.

STATEMENT OF SENATOR BIRCH BAYH, ON MR. REHNQUIST'S ACTIONS CONCERNING UNIFORM STATE ANTIDISCRIMINATION ACT, NOVEMBER 22, 1971

In the past few days I have come upon additional information which casts some light on Mr. William Rehnquist's attitude toward the great quest for equality in America. The attitude indicated by this new information—especially when taken together with other information already before the Senate—is disturbing indeed.

At its 1966 annual meeting the National Conference of Commissioners on Uniform State Laws took up a proposed State Model Anti-Discrimination Act, which had been three years in the preparation. The Act created State Commissions on Human Rights to deal with discrimination in employment, public accommodations, educational institutions, and real property transactions. Mr. Rehnquist represented Arizona at the proceedings. The transcripts of the deliberations of the Committee of the Whole reveal that Mr. Rehnquist opposed two important provisions of the Model Act.

The first was a proposal which was, in the words of the Commissioners Comments, "designed to permit the adoption [by an employer] of voluntary plans to reduce or eliminate" racial, religious, or sex imbalance in its workforce. These plans were to be subject to the approval of the Commission on Human Rights, and they could apply only to the hiring of new employees or the filling of vacancies. According to the debates, four states already had enacted similar laws: Indiana, Massachusetts, Illinois, and California. Mr. Rehnquist opposed this provision, and, in effect, moved to delete it. Another Commissioner called this "a direct attack upon the power granted in the statute to eliminate racial imbalance." The issue then came to a vote and Mr. Rehnquist's motion was defeated. The provision now appears as Section 310 of the Model Act.

The second proposal that Mr. Rehnquist opposed was one designed to prohibit vicious "blockbusting" tactics by which realtors sometimes play on racial fears for their own profit. As the Reporter-Draftsman of the Act, Professor Norman Dorsen of New York University, said during the deliberations, a number of cities and at least one state (Ohio) had antiblockbusting provisions by 1966. Mr. Rehnquist moved to delete this section. He said:

"It seems to me we have a constitutional question and a serious policy question, and in view of the combination of these two factors, plus the fact that it doesn't strike me this is a vital part of your bill at all, I think this would be a good thing to leave out."

Mr. Robert Braucher, then Chairman of the Special Committee on the Model Anti-Discrimination Act and a Professor at Harvard Law School, and now a Justice on the Supreme Judicial Court of Massachusetts, then made an eloquent defense of the anti-blockbusting provision:

"I would like to speak for just a moment to the merits of this. The practices that are dealt with in this provision are practices that have no merit whatever. They are vicious, evil, nasty, and bad. These are people who go around—and this is not a hypothetical situation; this is something that has happened in every big city in the United States—and run up a scare campaign to try to depress the value of real estate. They will, if possible, buy one house, and then they will throw garbage out on the street; they will put up "For Sale" signs; they will perhaps hire twenty badly clad and decrepit-looking Negroes to occupy a single-family house, and so forth, and then they go around to the neighbors and say: "Wouldn't you like to sell before the bottom drops out of your market?

"And the notion that that type of conduct should be entitled to some kind of pro-

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tection under the bans of free speech is a thing which doesn't appeal to me a tiny bit."

A vote was then taken on Mr. Rehnquist's motion to delete the section, and the motion failed. The section now appears as Section 606 of the Model Act.

While Mr. Rehnquist subsequently authored the Justice Department's opinion upholding the "Philadelphia Plan"—requiring that substantial numbers of minority employees be hired to redress the effects of earlier discrimination—his arguments at the Conference suggest that his personal philosophy and policy preference is to the contrary. And when his statements are combined with other views he has expressed within the last seven years—his vehement opposition to a 1964 Phoenix public accommodations ordinance, and his public letter in 1967 stating that "we are no more dedicated to an integrated society than we are to a segregated society"—a persistent unwillingness on Mr. Rehnquist's part to permit law to be used to promote racial equality in America is revealed.

STATEMENT OF SENATOR BIRCH BAYH ON THE SUPREME COURT NOMINATION OF LEWIS POWELL, NOV. 11, 1971

The President has said that few decisions are as important as the nomination of a Justice for the Supreme Court of the United States. I agree. And no less important is a Senator's decision whether to advise and consent to such a nomination. With this in mind, and in light of the difficult struggles we have had in recent years over nominations to the high court, I have devoted my most careful attention to the two nominees presently before the Senate. I have today concluded that I will support the nomination of Lewis Powell.

I have stated what I felt were the three qualities the nation demands of a nominee to the Supreme Court: outstanding legal ability, unimpeachable integrity, and a demonstrated commitment to fundamental human rights. In the course of the Senate hearings on the Powell nomination no question was raised concerning his competence as a lawyer or his personal integrity. Few men or women in America could earn the active support of as many leading lawyers and legal scholars, many of whom have testified or written about their personal knowledge of the nominee's qualifications and their enthusiastic support for him. The American Bar Association not only found that Mr. Powell "meets high standards of professional competence, judicial temperament and integrity," the highest rating given to Supreme Court nominees by the ABA Committee on the Federal Judiciary, but voted unanimously that Mr. Powell meets this standard "in an exceptional degree."

The focus of the Senate hearings on Mr. Powell's nomination has been a discussion of the third criterion I mentioned earlier, demonstrated commitment to fundamental human rights. In exploring the nominee's commitment, the Committee has properly inquired into his judcial philosophy. I believe that the power and the responsibility of the Senate to make such inquiry is now generally accepted—and the President himself encouraged an investigation of judicial philosophy by announcing that these nominees had been selected because of their philosophy. Mr. Powell cooperated fully with the Judiciary Committee in this inquiry, and is to be commended for his conduct.

Lewis Powell and I disagree on some matters of judicial philosophy. Were the power of nomination mine, I might well have nominated someone whose views coincided more nearly with my own. But that is not the issue here. Based upon my investigation of Lewis Powell's record and his testimony to the Senate Judiciary Committee, I am convinced that he is within a great American tradition of legal philosophy—the tradition of Holmes and Frankfurter and Harlan. This tradition has often been called conservative. But whatever it is called, it has played a vital role in preserving and protecting the fundamental liberties of the Bill of Rights and according equal justice to all Americans. For these reasons, I will vote for the confirmation of Lewis Powell.

I have not come to this decision without careful thought and some hesitation. Because of specific questions that have been raised, I have undertaken a careful review of the record before us, especially in the areas of civil liberties and civil rights.

For me the most serious question about Mr. Powell's civil liberties views was raised by an article he wrote originally for the Richmond, Virginia *Times-Dispatch*, which has been reprinted in other publications, including the *New York Times*. In that article Mr. Powell appeared to defend certain positions of the Nixon administration which I consider dangerous, including wire-tapping without a prior court order. But I have found upon consideration of the entire record that this question is less serious than had originally been thought. First, Mr. Powell testified that the article was written not as a careful analysis of the legal problems involved, but rather as an effort to counteract what he believes are unwarranted charges among the young of systematic and widespread repression in the United States. Thus the article cannot be taken as expressing Mr. Powell's considered legal views. Moreover, Mr. Powell clarified in his testimony before the Committee several aspects of the article. For example, he acknowledged that, not withstanding a contrary implication in the article, "in most cases it would not be difficult to draw" the line between foreign threats and alleged domestic threats to the national security. Finally, Mr. Powell both on other occasions and in his testimony has expressed strong dedication to civil liberties. In 1967, for example, he said "We rightly cherish the privacy of citizens in their conversations. Indeed, unless substantial privacy exists the very fundamentals of free speech are threatened. . . . Certainly, no serious thought should be given to granting an unlimited right to eavesdrop." And while testifying on Monday Mr. Powell said that "I would not trust any government to self discipline, Senator Bayh. I think the purpose of the Bill of Rights was to assure there are limitations on what the government can do."

I have also been troubled by questions concerning Lewis Powell's record in the area of civil rights. In particular, I was disturbed by the eloquent testimony presented to the Committee by Representative John Conyers and by Attorney Henry Marsh of Richmond. There are certainly decisions which Lewis Powell made over the course of his career on the Richmond and Virginia school boards with which I disagree; there may be some which, in the bright light of hindsight, seem unjustifiable. Perhaps Lewis Powell did not do everything humanly possible to end segregation in Virginia during the troubled decade following *Brown* v. *Board of Education*. But if that were the test for appointment to the Supreme Court, few in public life, north or south, could pass it. Unfortunately, we must all share that indictment.

I wonder how many of us can recall the climate of that period in the South, how many of us are aware of the tremendous pressures on those who sought in good faith to abide by the decision in *Brown* v. *Board of Education*. Perhaps Armistead L. Boothe put it best in his testimony in support of Mr. Powell when he said, "From July 1954 onward the issue in the State was just as sharp as a new knife blade between an assignment (or freedom of choice) plan, to keep the schools open, or massive resistance, to cripple them.

Lewis Powell, like my friend and colleague Bill Spong, was one of the courageous men in Virginia who was determined to obey the law of the land, and not to engage in massive resistance to the School Desegregation Cases. As he told the Committee this week "the task of my Board, and my task as I conceived it, was to keep the schools open, and that we did, and finally they were integrated." There may be some who think that his opposition to massive resistance was simply a subterfuge designed to perpetuate segregation. But as one who knows Lewis Powell, who listened to him testify, and who remembers the difficult times during which he sat on the school boards, I believe he is dedicated to equal justice under law.

My belief is confirmed by the statements of other concerned persons. Mr. Powell's nomination is supported by several leaders of the black community in Richmond, including the first black member of the Richmond School Board, who served in that capacity with Mr. Powell from 1953 to 1961. The Leadership Conference on Civil Rights, which has opposed William Rehnquist, has taken no position with respect to the Powell nomination. Mrs. Jean Camper Cahn, an outstanding black lawyer who played a leading role in creating the OEO Legal Services Program, has written concerning the crucial role of Lewis Powell in implementing that program. In addition, Mrs. Cahn said: "My support is based upon the fact that I am drawn inescapably to the sense that Lewis Powell is, above all, humane, that he has a capacity to emphathize, to respond to the plight of a single human being to a degree that transcends ideologies of fixed positions. And it is that ultimate capacity to respond with humanity to individualized instances of injustice and hurt that is the best and only guarantee I would take that his conscience and his very soul will wrestle with every case until he can live in peace with a decision that embodies a sense of decency and fair play and common sense."

But perhaps no one has said it more plainly than Lewis Powell himself, who said on Monday:

"I had a mother and father who had a deep conviction that all human beings were equal and that no one was better than anyone else; and I inherited that and have never departed from it."

That inheritance will serve Lewis Powell well on the Supreme Court.

MEMORANDUM FOR SENATOR BIRCH BAYH ON THE NOMINATION OF WILLIAM REHNQUIST TO BE AN ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

1. It now seems to be generally accepted that the Senate, in the exercise of its constitutional obligation of "Advice and Consent" to the President's nomination of a Supreme Court Justice, is properly concerned with the nominee's views and values which may affect his approach to the important issues that come before the Court. The propriety of the Senate's consideration of a nominee's ideology (in this sense) is documented by the *Memorandum on the Role of the Senate in Considering the President's Nominees for Appointment to the Supreme Court of the United States*, addressed to Senator Bayh and to Senator Tunney by Professors Paul Brest, Thomas C. Grey and Arnold M. Paul. Mr. Rehnquist's article, *The Making of a Supreme Court Justice*, Harvard Law Record, October 8, 1959, p. 7, also urges that the Senate has the obligation "of thoroughly informing itself on the judicial philosophy of a Supreme Court nominee before voting to confirm him." (*Id.*, at 7.)

2. There are two basic conclusions to be drawn from what Mr. Rehnquist has publicly written and said. The first is that he places a very low value upon concerns of equality and individual liberties—that he consistently gives these concerns far less weight than that to which they are entitled by their high place in the Constitution of the United States and their vital role in the fabric of contemporary American society. The second is that Mr. Rehnquist is essentially closed-minded; that he is rather a legal apologist than a legal reasoner; that he reasons backward from his desired conclusions to their justifications, instead of suspending judgment until the reasons which should inform judgment have been impartially considered.

3. The first conclusion is exemplified by a number of specific points:

a. *Racial Equality.* In his testimony and writing concerning the Phoenix public accommodations ordinance, Mr. Rehnquist expressly says that he values a business proprietor's interest in choosing his customers above a Negro's interest in having equal, non-discriminatory access to business premises. The proprietor's interest in the use of his property may properly be subordinated to the values reflected in zoning, health and safety regulations, but not to the value of racial equality. Mr. Rehnquist's suggested distinction between telling a business man "what you can build on your property" and "who can come on your property" is obviously unsubstantial. It is a verbalism which only partly conceals a preference for the interests protected by zoning over the interest of equality. (See his 1964 testimony and letter.)

b. *Speech and Political Association.* It is instructive to compare Mr. Rehnquist's treatment of the values which conflict in the area of government surveillance. On the one hand, he rejects the notion of judicial control over surveillance on the ground that the very process of litigation will impede the investigative activities of the Executive and will—in Learned Hand's borrowed phrase—"dampen the ardor of all but the most resolute" public officials. He does not explore the extent of the impediment, or consider available devices (such as *ex parte* or *in camera* judicial proceedings) which would minimize it. On the other hand, he denies that surveillance raises First Amendment questions, resolutely rejecting the argument that it may "dampen the ardor" of political dissenters. The acknowledged possibility of abuse of surveillance does not call for judicial controls; but the possibility of abuse of judicial process calls for executive immunity from judicial controls. The government's investigative interests must be protected from the "chilling effect" of litigation; but the First Amendment interests of political dissenters need no protection from the "chilling effect" of the investigation. *See generally*, "Privacy, Surveillance, and the Law" (March 19, 1971); testimony on "Investigative Authority of the Executive" (March 9, 17, 1971); "Law Enforcement and Privacy" (July 15, 1971).

Obviously, such conceptions as "possibility of abuse" and "chilling effect" have differing application to the facts and values on the two sides of the surveillance controversy; and, carefully analyzed, they may cut more heavily on one side than the other. But anyone who seeks fairly to resolve the controversy must fairly examine the applicability of these conceptions to the contentions on both sides, not just one. To be concerned with degrees of impairment of investigation that result incidentally from judicial supervision, but unconcerned with degrees of impairment of political expression that result incidentally from surveillance, bespeaks sensitivity to law enforcement values but none to the values of free speech. That sums up Mr. Rehnquist's approach. He uncritically accepts—and expands—such notions as "dampening the ardor" of investigators; but, when it comes to the First Amendment, he is content to stand equally uncritically upon the proposition that: "No decided case of the Supreme Court of the United States has ever held or said that the 'chilling effect' of a governmental activity by itself, unaccompanied by either an attempt to impose governmental sanctions to compel the involuntary divulgence of information or to impose criminal or other sanctions on the basis of the information obtained amounted to a violation of the First Amendment."

This last proposition appears to be wrong. See *Bantam Books, Inc.* v. *Sullivan*, 372 U.S. 58 (1963). But even were it correct, Mr. Rehnquist's refusal to "extrapolate from decided Supreme Court cases" in the First Amendment area starkly contrasts with his far-reaching extrapolations in other areas; for example, (i) his extrapolation of a broad power of federal Executive surveillance from the "faithfully executed" Clause as construed by *In re Neagle*, 135 U.S. 1 (1890), and the "Republican Form" Clause *see* Testimony on Investigative Authority of the Executive (March 9, 17, 1971); (ii) his extrapolation of a broad Presidential war-making power from the "Commander in Chief" Clause *see* Expansion of the War into Cambodia: The Legal Issues, 45 N.Y.U.L. Rev. 628 (1970); and (iii) his extrapolation of a concept of "qualified martial law," apparently authorizing the Executive arrest and detention of thousands of citizens, from decided cases which scarcely go so far. One who makes *these* extrapolations, but limits *N.A.A.C.P.* v. *Alabama ex rel. Patterson*, 357 U.S. 449 (1958), and *Bates* v. *Little Rock*, 361 U.S. 516 (1960), to the adventitious circumstances that both involved a "governmental legal sanction" is treating the First Amendment as a constitutional stepchild. So is one who asserts that a doctrine of "purely commercial advertising" permits the government to prohibit the advertising of literature whose *sale* the First Amendment concededly protects *see* Testimony on H.R. 11031 (Sept. 25, 1969).

The same scant regard for the First Amendment appears in Mr. Rehnquist's analysis of the free-speech rights of public employees. *See* Public Dissent and the Public Employee, 11 Civ. Serv. J. 7 (1971). Although it purports to employ a "balancing" approach, this article casts the balance very heavily against freedom of expression. This is hardly surprising once the "interest on the other side of the scale [is] . . . described as the interest of the government in governing effectively." Closely examined, the various "factors [used] . . . to meet the balancing test" plainly appear designed to paint *Pickering* v. *Board of Education*, 391 U.S. 563 (1968), into the narrowest possible corner. But more significant than Mr. Rehnquist's conclusions is his analytic method of "balancing." When he discusses the weights on the government employer's side, he examines in lavish and loving detail all of the justifications for stifling speech—"'loyalty,' 'harmony,' . . . avoidance of 'dissention,'" the chief Executive's "popular mandate," and the intolerability of "insubordination." On the other side, he aligns a "claim for freedom of speech" to which he devotes no such detailed analysis. Surely this "claim" also has its several components, including not only the public employee's interest in speaking (which Mr. Rehnquist appears to see as the only First Amendment interest involved) but the public's interest in hearing—and, in particular, a self-governing people's interest in hearing about governmental policies from those most knowledgeable concerning them. About these concerns Mr. Rehnquist says nothing, because he reserves his "critical analysis" for the weights in the other pan. Indeed, he not only slights but also distorts the First Amendment interests involved: for example, he treats the expression of individual views by public employees as some sort of plebiscite which would "control" their employer. This sort of "critical analysis" and "balancing" manifests either a calculated stacking of the weights against the First Amendment or, at the least, a callous insensitivity to what the First Amendment is all about.

c. *Rights of Arrested Persons.* Mr. Rehnquist shows the same insensitivity to Bill of Rights guarantees in the criminal process, and particularly to the rights of arrested persons. Discussing the May Day arrests, he treats the problem of delayed preliminary hearings as though the function of a preliminary hearing were principally to prevent protracted investigative detentions *see* "Which Ones Have the White Hats?" (May 5, 1971). In fact, another major function of the preliminary hearing is to enforce the Fourth Amendment's prohibition of arrests without probable cause, by requiring the arresting officer to justify his arrest before a judicial examiner. Mr. Rehnquist stresses the point that preliminary hearings are more difficult to hold—but he ignores the point that they are also particularly important to hold—in a time of indiscriminate mass arrests.

This treatment of the Eighth Amendment is astounding. On the one hand, he reads it (together with the Fourth and Fifth Amendments) as broadly expressive of a "right to be let alone," which he then broadens into "the right to be free from robberies, rapes, and other assaults on the person by those not occupying an official position"—a concept which warrants governmental use of preventive detention as a device to prevent criminal depradations. Here, certainly, is an extrapolation which dwarfs even Mr. Rehnquist's extrapolations from the "Republican Form" and "Commander in Chief" Clauses of the Constitution. *supra*. But when the detained man points to the Eighth Amendment, Mr. Rehnquist replies that "the framers of this Amendment deliberately chose language confined to a relatively narrow set of circumstances" *see* "Official Detention, Bail, and the Constitution" (Dec. 4, 1970); and that, read with proper narrowness, the Amendment "does not establish a right to bail; it forbids judges from requiring excessive bond in cases where the defendant has a statutory right to bail" (p. 82). The latter grudging construction ignores much history and logic (see Foote, *The Coming Constitutional Crisis in Bail*, 113 U. PA. L. REV. 959, 1125 (1965)); but, if it were correct, it would surely render the Eighth Amendment unavailable as a source of Mr. Rehnquist's "right to be let alone." It appears that this Amendment means whatever Mr. Rehnquist wants it to mean: *viz.*, preventive detention.

Mr. Rehnquist also takes his own liberties with the Supreme Court's criminal procedure decisions. Whatever view one entertains upon the difficult question of the constitutionality of "no-knock" statutes, it is plainly misleading to assert that they are "actually nothing more than a codification of constitutional law, and of practices which were held not to violate the Constitution in a case decided a few years ago by the Supreme Court of the United States" *see* "The Administration of Criminal Justice" (Dec. 2, 1970). Presumably, Mr. Rehnquist refers to *Ker* v. *California*, 374 U.S. 23 (1963), in which the Supreme Court split 4–4 on the relevant issue. (Mr. Justice Harlan's decisive vote was based upon another ground, which Justice Harlan had abandoned in deference to precedent several years before Mr. Rehnquist's speech.)

It should be made plain that, in the foregoing pages, the quarrel is not principally with Mr. Rehnquist's results in particular cases. Fair-minded men will often disagree on constitutional questions, as on others. What leads to the conclusion that Mr. Rhenquist is heedless of the basic constitutional guarantees of civil rights and liberties is his reasoning process, not his results. Consistently, he overlooks or understates the nature and significance of whatever civil-liberties claim he

purports to be assessing. Consequently he consistently dismisses such claims without having given them a fair and adequate hearing. He invariably reads constitutional clauses and judicial decisions which promote civil-liberties interests narrowly, without explaining why; and equally invariably he reads constitutional clauses and judicial decisions which militate against civil-liberties interests broadly, without explaining why. He accords the most painstaking and sympathetic analysis to all of those considerations which—he ultimately concludes—require the subordination of civil-liberties values; but the competing civil liberties values themselves receive no such analysis. Confronted with a civil-liberties claim, he does not pause to consider it dispassionately; instead his critical faculties are bent immediately toward the fashioning of reasons for its rejection.

A final example of this penchant is his treatment of the rule excluding unconstitutionally obtained evidence in criminal trials. The exclusionary rule is a controversial subject, to be sure. But controversial questions are not responsibly resolved by begging them, as Mr. Rehnquist does with this one. His discussion begins and ends with the unexamined premise that the exclusionary rule can be defended only as a means of forbidding unfair prosecutive practices—rather than as a means of deterring illegal searches and seizures. Once he adds to this assumption the further assumption that there is nothing inherently unfair about convicting a man upon the basis of illegally seized evidence, he unsurprisingly comes out where he started: with a strong distaste for the exclusionary rule. *See* "Which Ones Have the White Hats?" (May 3, 1971). Surely, however, there is something missing in a consideration of the exclusionary rule which does not face up to the rule's basic purpose of enforcing the Fourth Amendment.

4. Much of what has just been said also undergirds the second conclusion: that Mr. Rehnquist does not display the balance in reasoning which should characterize a Supreme Court Justice. Specifically:

(a) He habitually manufactures unsubstantial and merely verbal distinction whose only purpose is to justify whatever conclusions he wishes to reach. Examples are his distinction between limiting a businessman's choice of what is built on his property and who comes on it, drawn for the purpose of opposing a public-accommodations ordinance *see* part 3(a), *supra*, and his distinction between intimidation of political dissenters by "compulsory process" or other "legal sanction" and intimidation of political dissenters by other means *see* part 3(b), *supra*. He reads cases which can be made to support his desired results with unexampled breadth (e.g., *Neagle; Valentine* v. *Chrestensen; Ker*, but denies the plainest logical implications of cases which stand in his way (e.g., *N.A.A.C.P.* v. *Alabama; Pickering, see* parts 3 (b) and (c), *supra*.

(b) He construes constitutional clauses which confer Executive power with the utmost breadth (e.g., the "Republican Form" Clause; the "Commander in Chief" Clause), while construing guarantees of individual liberty with persistent stinginess (e.g., the First Amendment; the Eighth Amendment *see* part 2(b), *supra*. His approaches to interpretation of these two sorts of constitutional provisions differ as do day and night. No explanation is ever offered why Mr. Rehnquist chooses one or the other approach; and the obvious explanation is—to borrow Mr. Rehnquist's words in criticism of the Warren Court—"ideological sympathy at the expense of generally applicable rules of law".

(c) When he purports to "balance" interests, he does so unfairly. He subjects a governmental interest to "critical analysis" or not, depending upon whether it gains or loses force from critical analysis. (Compare his treatment of the government's interest in restricting its employees' freedom of speech *see* part 2(b), *supra*, with his treatment of its interest in preventive detention *see* part 2(c), *supra*.) The governmental interest is given the benefit of such concerns as "chilling effect" (under other names) while the competing interest of individual liberty is not. The governmental interest is minutely inspected and dissected for the purpose of increasing its bulk, while the competing interest is left unexamined or dissected for the purpose of throwing half of it away. Mr. Rehnquist's treatment of civil disobedience *see* "The Law: Under Attack From the New Barbarians" (May 1, 1969) is exemplary. It recognizes—for the purpose of urging the immorality of even symbolic disobedience—that coercive law enforcement is no substitute for self-governance. But it ignores or denies the same perception when it takes University administrators to task for failing to use coercive measures on the campus. It develops in fine detail every aspect of the corrosive effects of symbolic disobedience, while saying nothing at all about the plight of the minority which is so deprived of access to the forums of public opinion that it must carry its case to the public conscience by suffering the consequences of an unjust law. Much is said about the irrelevance of Gandhi, but nothing about the relevance of Martin Luther King, Jr.

Other aspects of Mr. Rehnquist's writings demonstrate the same sort of intellectual double-standard:

(d) His decisive argument against symbolic civil disobedience emphasizes, first, the value of majority rule in a democracy and, second, the historical fact that majorities are capable of responding to minority interests. A classic instance of this latter fact, he asserts, is Congressional passage of the 18-year-old voting act. Mr. Rehnquist does not mention that he opposed that act, and urged submission of the 18-year-old voting issue to the constitutional amendatory process, upon the precise ground that social change of this nature should await the action of "extraordinary majorities both in Congress and among adopting States" *see* Testimony on Lowering the Voting Age to 18 (March 10, 1970). Plainly, Mr. Rehnquist shifts back and forth between majoritarianism and his notion of "consensus" as may suit his purposes: to discourage both social change and the effective advocacy of social change.

(e) The same double standard is shown in his analysis of *Valentine v. Chrestensen*, 316 U.S. 52 (1942). Mr. Rehnquist cited this case as posing a constitutional problem for an anti-blockbusting provision of a Model State Anti-Discrimination Act while he was a Commissioner on Uniform State Laws. This is apparently the only time that Mr. Rehnquist has given the First Amendment wide scope—and, significantly, it is a time when his argument cut against the interests of racial equality. Contrast that narrow reading of *Valentine* with the incredibly broad reading he gave the same case when arguing that it was constitutional for the government to prohibit the advertising of allegedly obscene materials which concededly could not be banned themselves. *See* Testimony on H.R. 11031 (Sept. 25, 1969).

(f) Mr. Rehnquist purports to advocate both stern law enforcement measures and prison reform *see* "The Administration of Criminal Justice" (Dec. 2, 1970). His zeal for prison reform is limited, however, by the realistic assessment that "the case for prison reform must be sold in competition with the case for any number of other worthwhile expenditures of public money." This appears to be the only reference in his writings to the economic costs of a program which he professes to approve. He never considers, for example, the costs of government surveillance, preventive detention, federal administration of an anti-bombing statute, etc. Economic concerns, like analytic ones, emerge in his thinking only to support the results he wants to reach.

(g) Mr. Rehnquist aligns himself with those who decry the lack of "judicial self-restraint" of the Warren Court. See Rehnquist, *The Making of a Supreme Court Justice*, Harvard Law Record, October 8, 1959, pp. 7, 9. On the other hand, he defends the Justice Department's use of wiretapping despite doubts concerning its constitutionality, on the ground that "[i]f the Department of Justice were to refuse to enforce the legislation of Congress because of doubts as to its constitutionality, the matter would never get to court for decision," and it is "to the courts, that any final decision as to the constitutionality of legislation passed by Congress is confided." Indeed, he goes further, and suggests that the Executive would be derelict in its role and duty if it "refused to push for legislation" authorizing preventive detention, despite the admitted possibility that such legislation might be unconstitutional. In other words, the Executive and Congress are to push ahead with legislation that may be unconstitutional, on the theory that constitutionality is the Supreme Court's business; but Court decisions of unconstitutionality are to be criticized for overriding the will of the Executive and Congress, The Executive and Congress are to watch out for law enforcement; the Supreme Court is to watch out for the Executive and Congress; and no one is to watch out for the Constitution.

(h) If there is a constant characteristic in Mr. Rehnquist's legal writings, it is the employment of this sort of double standard. Ideas and arguments that are ideologically uncongenial to him are subjected to a critical analysis which his own ideas and arguments need not undergo. Always demanding strict proof of an unwelcome view but never of a welcome one, Mr. Rehnquist largely uses legal analysis as a means of liberating himself from claims that he does not wish to recognize, so that he can do as he pleases

5. It may be objected, certainly, that Mr. Rehnquist has heretofore spoken as an advocate, and that he may speak. But this is hardly persuasive. First, Mr. Rehnquist has said quite explicitly that his selection for his present position reflects his intellectual compatability with the views that he advocates in that position. Rehnquist, *The Old Order Changeth: The Department of Justice under John Mitchell*, 12 ARIZ. L. REV. 251; 252–253 (1970). Second, the most troubling features of his writings and speeches relate not to the ultimate positions which he advocates but to the reasoning process by which he advocates them. These reasoning processes, surely, are his own, whatever may be the advocate's use to which he puts them. If he *is* capable of balanced reasoning—of subjecting his own viewpoints to the criticism which he wields against others—he has never given any affirmative indication of it, and finally, nothing in the testimony he gave at the hearing gives one cause to believe that his advocate's views were different from his own.

6. This memorandum does not deal with his testimony in the confirmation hearing. But it is worth noting that his testimony tends to confirm the conclusions drawn from his previous writings. Where he withdrew from previously held positions—for example, with regard to the public accommodations ordinance and some aspects of government surveillance—he did so in a way, and for stated reasons, which reflect no different basic views, values, or reasoning processes than the ones which led him to his original positions. Once again it must be emphasized that it is those views, values and reasoning processes—not Mr. Rehnquist's positions on specific issues—that appear to be dangerous. In addition, Mr. Rehnquist's testimony at the confirmation hearings was less than wholly forthright. His claim of "privilege" was, of course, in a technical sense, entirely unfounded; what it amounted to—if something more than an evasion—was a preference for the public image of the Justice Department over the constitutional role of the Senate in the confirmation process.

SALUTE TO VETERANS' PROGRAM AT WOODBRIDGE, N.J.

Mr. CASE. Mr. President, last month the Allied Council of New Jersey Veterans' Organizations held a most successful salute to veterans' program at the Woodbridge Veterans' Memorial Park in Woodbridge, N.J.

I am pleased to pay tribute to the Allied Council of New Jersey Veterans Organizations for the fine work it is doing in behalf of the Vietnam veterans in New Jersey.

I ask unanimous consent that the letter I have received from Martin Kaufman, commander of Elin-Unger Post No. 273, Jewish War Veterans, and chairman of the salute to veterans' program, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HILLSIDE, N.J.,
October 28, 1971.

Senator CLIFFORD P. CASE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CASE: This is the first opportunity in which I have been able to sit down and write to you about the just concluded Salute To Veterans Program held at Woodbridge Center, Woodbridge, New Jersey, Oct. 25–27, 1971.

If any program was to receive an Americanism Award this program should be at the top of the ladder. Opening day we attracted over 100,000 people. The highlight was Governor Cahill and may I add that your kind message was read before those in attendance and was warmly received. The highlight of the second day was the Stage Door Canteen. We entertained forty patients from East Orange Veterans Hospital and forty patients from Lyons Veterans Hospital.

The highlight for the third day was to us the most important part of the three day program. The Job Seek Program which was run in the Community Hall between the hours of four and nine. Some fifty industrial and government agencies participated and we had 125 Veteran applicants seeking out these organizations for employment.

As for the Salute To Veterans Program we had participating over forty (40) veteran, civic and government groups and we attracted over 250,000 people.

Sincerely yours,

MARTIN KAUFMAN, *Chairman.*

CHEYENNE HELICOPTER DEVELOPMENT

Mr. THURMOND. Mr. President, in view of some remarks placed in the RECORD last night with reference to future weapon systems for close air and close fire support, I feel the Senate would benefit from some points in favor of the Cheyenne helicopter gunship program.

The Cheyenne is the Army's most urgent requirement. The helicopter gunship saved countless lives in Vietnam. It is the only airborne machine which can provide suppressive and sustained fire in support of transport helicopters which deliver our fighting men to hot spots on the battlefield.

Development of the Cheyenne is practically complete. It would be foolish to develop an advanced gunship and then cut off the money needed to fully test and evaluate it.

The utility of the helicopter gunship is a matter of record:

First. The Air Force owns helicopter gunships and uses them to extract downed pilots and protect airbases in Vietnam.

Second. The Navy uses helicopter gunships for the same purposes plus river patrols and along shorelines.

Third. The Marines have helicopter gunships—Cobras—integrated into each of its ground divisions just as the Army wants to do with the Cheyenne.

Fourth. Israel and other nations are using helicopter gunships. Israel used them successfully in raids on Egyptian territory. As evidenced at the recent Paris Air Show, the U.S. is behind in various aircraft development, but it is ahead in helicopters.

Justification for the Cheyenne can be fully met on one point—its ability to operate in bad weather and at night when fixed wing planes are grounded. During Tet in Vietnam the weather was so bad that at one location during February fixed wing planes were grounded for 24 of the 28 days, and helicopter gunships provided all close air support. The weather in Europe is bad more often than it is good.

While the Cobra is a good gunship, the Cheyenne carries three times as much ordnance and possesses armor plating for protection. The Cheyenne also fires the TOW anti-tank missile, an essential weapon in destroying enemy armor.

The army of the future is to be smaller and based on mobility. Presently over 90 percent of the Soviet divisions are mobile—mainly moving in personnel carriers. The U.S. Army is developing the Tri-Cap Division, one-third helicopter borne, one-third tank, and one-third air cavalry with helicopter gunship units. This concept will have to be abandoned if the Cheyenne program dies.

Approval by the Senate last night of the $9.3 million for the Cheyenne will assure continued development, testing, and evaluation. We need the information which would be obtained from such testing to make a decision in 1973.

Mr. President, the Senate should realize that the Army has given up a sizable amount of equipment to absorb the cost of the Cheyenne. The Marines gave up F–4 squadrons to allow for the cost of the Harrier. The Army wants the Cheyenne badly enough to sacrifice for it as the Marines did to get the Harrier.

Thus, the cost of the Cheyenne has to some degree already been absorbed in the budget. If the Cheyenne program is not completed, then the military planners will have to go with the Air Force AX close support plane which is still in the early stages of development. The Air Force wants seven wings of the AX over and above the present 21-wing tactical air wing structure while the Army would be using the Cheyenne in lesser numbers as an integrated part of the ground fighting forces.

The man on the ground, the man with the "mud on his boots" who takes the brunt of any war, deserves the added protection and support which can only be provided by an-advanced helicopter gunship. No one can deny that the gunship has unique capabilities which will save lives among our foot soldiers.

I am pleased that the Senate has approved the Appropriations Committee request that $9.3 million be allowed in the Defense bill for continued development of the Cheyenne helicopter gunship.

THE SUPREME COURT NOMINATIONS

Mr. HANSEN. Mr. President, over the past several weeks, statements have appeared, both in the RECORD and in the media, on the qualifications of Lewis F. Powell and William H. Rehnquist to serve as Justices of the U.S. Supreme Court.

The Senate Committee on the Judiciary has held hearings on the President's nomination of these two gentlemen and I congratulate the committee on its fine work in developing a clear record on which every Senator can base his vote on confirmation.

I have had some opportunity to study the record of Mr. Powell and Mr. Rehnquist.

They are individuals of great academic and professional accomplishment.

It is my intention to vote in favor of the confirmation of both these able men.

Lewis F. Powell, Jr., is, without question, one of the outstanding lawyers in the South and, indeed, in the entire Nation. He exercised leadership in his early years when he served as president of the student body of his university. He was elected to Phi Beta Kappa and holds both a bachelor's and a master's degree in law.

Mr. Powell's professional reputation is founded on his many years of activity as a member of Hunton, Williams, Guy, Powell and Gibson, one of Virginia's oldest and most respected law firms. His career is a testimony to public service. He has acted as a leader and stabilizing force within his community, and his contributions are many and most significant.

In 1964–65, Lewis Powell served in the prestigious postion of president of the American Bar Association, an organization representing 117,000 attorneys, judges, and teachers of law. The record of Lewis F. Powell superbly qualifies him for service on the U.S. Supreme Court.

While the nomination of William H. Rehnquist has generated some controversy, there is no question in my mind that this man embodies those qualifications and attributes required for service as a member of our Nation's highest Court.

William Rehnquist's academic credentials are of the highest order. He was elected to both Phi Beta Kappa and the Order of the Coif. His accomplishments led to his selection as law clerk to the late U.S. Supreme Court Justice Robert

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H. Jackson, an honor reserved only for the few.

Mr. Rehnquist turned to private practice in Phoenix, Ariz., where he established himself as a prominent and capable member of the legal community. His interest and participation in public affairs led to his appointment as Assistant Attorney General, Office of Legal Counsel, U.S. Department of Justice, a position which President Nixon has described as the President's attorney's attorney. Indeed, William Rehnquist's capable execution of his duties in this post may in large measure be responsible for the criticism he has endured in recent weeks. He has proved to be a strong and persuasive advocate for the administration positions which he has had the duty of representing. This is not to say that he has not agreed with these positions. But all of us can appreciate the position of an advocate and William Rehnquist himself has stated that he would not hesitate to adopt a position as a justice different from one he had advocated as an attorney or as counsel for the Justice Department.

It is impossible to find a man with whom a person can agree on every point. In fact, if an individual does agree with another all of the time, there is a good chance that the individual is willing to compromise his own principles in order to satisfy the demands of the other person. But total agreement on philosophy is not a prerequisite for Senate confirmation of a nomination to the Supreme Court.

Mr. Herbert Ely, chairman of the Democratic Party in Arizona, a man who has known Mr. Rehnquist for over 10 years and who has often engaged in philosophical and political combat with the Supreme Court nominee, said:

Although I would not have nominated William Rehnquist as Justice of the Supreme Court, nevertheless, as a Senator I would vote to confirm the appointment. From a decade of personal experience with William Rehnquist, I found him to be qualified to serve on the U.S. Supreme Court both in intellect and legal scholarship. He is a man who happens not to share my political philosophy. But in my opinion he is neither an extremist or a bigot.

Mr. President, on November 21, an editorial entitled, "Proper Yardstick for a Justice", appeared in the Denver Post and reminds us that William Rehnquist himself in a 1959 article, defended the right of the Senate to inquire into the nominee's views on issues that might come before the Supreme Court. That same editorial referred to a New York Times article by Senator John McClellan.

Our distinguished colleague set forth three issues which face the Senate in determining a nominee's qualifications for the Supreme Court and stated:

After personal integrity and professional competency, what is crucial, in my judgment, is the nominee's fidelity to the Constitution.

I agree with the senior Senator from Arkansas, in finding that both William H. Rehnquist and Lewis F. Powell, Jr., meet this high standard and are most competent individuals.

I heartily support the confirmation of their nominations by the Senate.

Mr. President, I ask unanimous consent that the editorial to which I referred earlier be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PROPER YARDSTICK FOR A JUSTICE

It is almost as if the liberal members of the Senate Judiciary Committee this month had been following the advice of William Rehnquist himself—contained in the 12-year-old article reprinted on this page from the Harvard Law Record—in their determined inquiry into the conservative lawyer's views on issues that might come before him as a Supreme Court justice.

In the article Rehnquist approved this procedure as necessary to enable the Senate to influence the tone, and indeed the decisions, of a court whose latitude for interpretation is intentionally very broad. Now that he has actually gone through such an inquiry, he may look at the matter differently however.

After parrying a question from Sen. Hiram Fong, R-Hawaii, with the statement that it would be "inappropriate" for him as a Supreme Court nominee to answer, Rehnquist was asked by Sen. Ted Kennedy, D-Mass.:

"What kind of questions should we be asking you?"

To which Rehnquist replied: "I simply am not able to answer that, Senator."

He did tell Sen. Philip Hart, D-Mich., that "I would disassociate my personal philosophy to the greatest extent possible from my role as a judge."

And when Sen. John McClellan, D-Ark., asked him if he would "hesitate to adopt a position as a justice different from one you had advocated as an attorney or as counsel for the Justice Department," Rehnquist replied: "I would not."

So in effect, Rehnquist wound up saying much the same thing that Felix Frankfurter said in 1939 when he, as one of Franklin Roosevelt's liberal appointees (who later became an outstanding court conservative), appeared before the first senate inquiry of this sort: "I would think it not only bad taste but inconsistent with the duties of the office for which I have been nominated for me to attempt to supplement my past record by present declarations."

We are impressed with what Senator McClellan said about qualifications in an article in the New York Times earlier this month:

"There is room on the United States Supreme Court for liberals and conservatives, Democrats and Republicans, Northerners and Southerners, Westerners and Easterners, blacks and whites, men and women—these and other similar factors neither qualify nor disqualify a nominee. After personal integrity and professional competency, what is crucial, in my judgment, is the nominee's fidelity to the Constitution."

By that threefold test, both Rehnquist and his fellow nominee, Lewis F. Powell Jr., appear to qualify for the Senate approval they seem at this point certain to receive.

THE BIGGEST CITY—AND THE LOWEST CRIME RATE

Mr. SCOTT. Mr. President, I was extremely interested to read on the editorial page of the Washington Post for Tuesday, November 23, an article which begins as follows:

Tokyo today boasts the largest population of any city in the world, if that's anything to boast about—11,513,669, give or take a few births and deaths since the most recent reading; and it also boasts the lowest rate of crime among all the world's great metropolises.

This opening sentence on the editorial page of one of our prestigious newspapers caught my eye and I read to the end of the article. It is written by Alan Barth, one of the Washington Post's top writers, who is currently visiting in Japan with his wife. Among the statistics he cites with some astonishment is that in 1970 there were only 213 murders in Tokyo compared with 1,117 murders in New York City. There were only 474 robberies compared with 74,000 in New York, and 500 rapes compared with over 2,000. There were only six bank robberies in Tokyo during 1970.

The traditional reporter, the man with an inquiring mind, would obviously question how this situation came about. He would seek for reasons, and would hope therefrom to draw some ideas for improvement of our disgraceful record. Some of the reasons found by Alan Barth are described in the article which I read. They make good reading, if not happy reading, but the conclusion Mr. Barth reaches is pretty hard to contradict.

He says:

It would be worth a considerable price if citizens in the Capital of the United States were able to walk around the streets at night in comfort and security, without fear of footpads, as citizens do commonly and unconsciously every night of the week in the Capital of Japan.

Mr. President, the article in question made a great impression upon me, and it should likewise make a great impression upon every thinking citizen. The situation on our streets today screams for correction. Even here, in the city which is the Capital of the United States, in the complex of buildings which constitute our national legislature, where the representatives of all the people meet daily in the Congress of the United States, and are served in their offices by thousands of dedicated, toiling workers, it is a disgraceful condition that the secretaries working for us fear to walk the sidewalks outside their buildings after dark.

It is absolutely unacceptable that a young woman leaving her office to walk a block or two to her car or to a bus stop must be escorted there by a policeman, or run the risk of being robbed, raped or otherwise molested. The situation that exists upon the very doorstep of the Congress of the United States should bring the blush of shame to every Member of the Congress.

Mr. President, we cannot allow this to continue. Tokyo, a city many of ours would do well to emulate, has found an answer. Mr. Barth has suggested some of the methods the Japanese have used. I do not suggest that all these means will serve us equally as well, but I do suggest that the striking difference between the statistics of crime in Japan and in the United States indicates that we, here, have not done our duty.

Mr. President, I ask unanimous consent that the entire text of this outstandingly thoughtful article by Mr. Alan Barth be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TOKYO—THE LOWEST CRIME RATE

(By Alan Barth)

TOKYO.—Tokyo today boasts the largest population of any city in the world, if that's anything to boast about—11,513,669, give or take a few births and deaths since the most recent reading; and it also boasts the lowest rate of crime among all the world's great metropolises.

There were only 213 murders in Tokyo during the course of 1970—and only three of them, incidentally, were accomplished by pistols—as compared with 1,117 murders in New York City which is now smaller in population by about 30 per cent. There were only 474 robberies in Tokyo compared with 74,102 in New York, 7,268 assaults compared with 18,410, and 500 rapes compared with 2,141.

If the comparison is made in terms of crime per 100,000 of population in 1970, Tokyo's homicide rate stands at 1.9, New York's at 10.5 and Washington's at 11.4. The forcible rape rate during 1970 was almost as striking: 4.4 for Tokyo; 19.9 for New York; 23 for Washington, D.C.

There was a total of six bank robberies in Tokyo during the whole course of last year; and there were just 625 purse snatchings.

In an effort to find out the reasons for this contrast, I talked with a police superintendent, a distinguished professor of criminal law and several newsmen, American as well as Japanese. They suggested a number of explanations, some obvious, some less so. Perhaps the basic explanation lies in the homogeneity of the Japanese people. There is no ethnic problem in this country, no major racial minority disadvantaged and made desperate by discrimination. Koreans are rather disliked and sometimes mistreated in Japan; but they are not numerous enough to constitute a very serious problem. And there is a class of outcasts rather like the Indian untouchables, called Eta, traditionally victimized by discrimination; but they are mostly in rural areas, and the tradition is fast fading.

The racial homogeneity of the Japanese is fortified by their common cultural background. The multiple strands of melting-pot America do not exist in Japan. And Japanese tradition gives much more value to conformity than to individuality; it operates to promote respect for the law and for authority. Despite a strong strain of violence in their history—made manifest contemporaneously by the student demonstrations—the Japanese are an order-loving and highly disciplined people.

Moreover, Japan is a set of small islands without the long land borders that make the United States so vulnerable to narcotics smuggling. There is virtually no narcotics problem in Japan; heroin addiction is looked upon with horror and is almost unknown.

Apart from these natural advantages, however, the Japanese have done some things about the causes of crime and have taken steps to combat it realistically in ways that might be effective in America as well.

There are now practically no slums in Tokyo, no areas which by their squalor and deprivation and lawlessness breed criminals in the way that stagnant pools breed mosquitoes. There is desperate overcrowding but there is no ghetto and no inner city set apart from the rest of the community as a sinkpot. Besides, there is now no unemployment in Japan; on the contrary there is a labor shortage, so that pretty nearly everyone who wants to work can find a job. To facilitate employment, besides, the Japanese have almost completely wiped out illiteracy. The public schools do a formidable job of making the Japanese the most enthusiastic readers in the world—and making them singularly well equipped to do useful work in an industrial society.

Another way in which the people of Tokyo have managed to curb crime is by giving status, support and dignity to their police force. The force, consists of 35,000 officers, and it is believed to be as free from corruption as any law enforcement body in the world. The Tokyo police constitute a department of a national police body in this geographically small country; there are no state divisions of authority or difference of custom and procedure to impede effective operation on a nationwide basis.

More important, police work is a career to which top graduates of Japanese universities aspire. Men of the highest ability—often men of great cultivation and learning—are moved into authority in the law enforcement ministry. In consequence, the police department has developed an extremely high esprit de corps. It has a tradition of discipline, of service and of high reputation that put it on a par with other departments of the national government. Men who serve it in administrative capacities take great pride in its prestige. And to a Japanese, nothing is more painful or shameful than to bring disgrace in any way upon his family, his school or his organization.

The Japanese do one other thing that helps immeasurably, in the opinion of the authorities I talked with, to keep the crime rate down. They maintain a rigid control of firearms. They regard the pistol as a dangerous weapon, useful only to criminals. And so the law regarding pistols is very simple indeed: it provides that no one—that is to say nobody at all, excepting a soldier or a policeman and a tiny number of specially circumstanced civilians—may purchase, purvey, play with or possess a pistol in any form or of any caliber. Even toy pistols are frowned upon here; they may be made only of plastic and they must be colored red or white to keep them from being mistaken for the real thing. Possession of a pistol is considered a serious offense subject to drastic punishment.

Regarding rifles and shotguns, the law is much more lenient. Anyone may own a long gun—provided that he register it with the police and obtain from them a permit in advance. The gun must be kept unloaded except when used for hunting or target shooting; and it must be kept securely locked up so that children cannot fire it unexpectedly when showing it off to their younger siblings.

There are about 75,000 guns registered in Tokyo. And the Japan Times was moved to an annoyed editorial the other day about what it called "the spreading gun mania." "With the opening of the hunting season," the editorial complained, ". . . we can expect another rash of fatalities." Last year there were 280 hunting accidents reported to police. These accidents occur despite the fact that the police require those holding hunting licenses to attend a lecture session on the proper handling of guns.

Possession of lethal weapons has always been narrowly restricted in Japan. From feudal times onward, only the samurai, very limited in number, could carry swords. And the tradition was carried forward respecting the possession of firearms.

Control over the private ownership of guns was advanced, Prof. Hideo Tanaka of the University of Tokyo law school told me, by the American Army of occupation. The occupation authorities were extremely firm about the private possession of firearms. Uninhibited by constitutional niceties about unwarranted searches, they saw to it that every gun in the country—or pretty nearly every gun—was turned in.

Occupation by a foreign power and the acceptance of random searches are, manifestly, too high a price to pay even to solve the gun problem. But then the shooting, annually of upwards of 200,000 Americans within the borders of their own country is a rather high price to pay for the pleasure of our domestic Nimrods and marksmen. Perhaps rational men could devise some modest measure of control that lies in between the two.

The crime rate, when all is said and done, is nothing but a thermometer of social sickness. The striking disparity between the incidence of crime in Japan and in the United States suggests pretty plainly that Americans are running a high social fever.

When such a symptom manifests itself, it is a good idea to try to diagnose its causes. The cost of neglect can be far greater than the cost of correction.

It would be expensive, no doubt, to eradicate the slums of Washington, to improve the schools so that everyone got enough education to earn a living, to put a stop to racial segregation and discrimination so that men were not made outcasts by reason of their color and to end the sordid traffic in weapons designed for the killing of human beings. But it would be worth a considerable price if citizens in the Capital of the United States were able to walk around the streets at night in comfort and security, without fear of footpads, as citizens do commonly and unconsciously every night of the week in the Capital of Japan.

THE HISTORIC ALABAMA-AUBURN FOOTBALL GAME

Mr. ALLEN. Mr. President, on Saturday following Thanksgiving, thousands of Alabamians and millions of other Americans wherever they may be, briefly will lay aside their concerns of everyday life and devote their attention to an action that will take place Saturday afternoon in Legion Field in Birmingham, Ala. Yes, most of the Nation will focus on Legion Field where two of the finest college football teams in the country will line up for a resumption of a rivalry that goes back to 1892. I speak of the annual football game between the Crimson Tide of the University of Alabama and the Tigers of Auburn University.

Saturday's game will mark the 23d consecutive year and the 35th time that these two great schools have met, and the record book, which shows an almost even split in this series, is indicative of the friendly rivalry that exists between them.

What makes this year's game of even greater interest—of nationwide interest—is that Alabama and Auburn will be playing for the championship of the great Southeastern Conference—and possibly as a forerunner of the National Championship. Saturday's game will be the first time in the conference's 30-year history that two undefeated teams will meet in the final game of the regular season, and this is the first time that both Alabama and Auburn hold an undefeated record coming into their annual game.

For this 1971 season, Alabama has a 10–0 record while Auburn sports a 9–0 record, both having played against some of the finest college teams not only in the Southeastern Conference but also in the entire Nation.

Of added interest is the fact that Saturday's game will feature three All-American football players, Johnny Musso, the outstanding running back for the Tide, Pat Sullivan, the Auburn quarterback, and Terry Beasley, Auburn's fine pass receiver. Sullivan and Musso are in the running for the Heismann

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Trophy, the winner of which will be announced tomorrow night during the nationally televised football game between two other great competitors, the University of Georgia and Georgia Tech, playing in Atlanta.

As of this moment, Pat Sullivan will need to engineer only one more touchdown to set a new national career scoring record. He has been responsible for a total of 71 touchdowns over his 3 year playing career, surpassed only by the 72 touchdowns manufactured by Army's great halfback Glenn Davis who played for West Point from 1943 to 1946.

But every Auburn and Alabama player is a star in his own right.

Not only will Saturday's football game pit undefeated teams and All-American players against one another, but it will also feature two coaches who are ranked among the top 20 coaches in the Nation.

Coach Paul "Bear" Bryant, who is head coach at the University of Alabama, has won more football games than any other active college coach in the country. During his 27 year career as head coach he has established a record of 209 wins, 66 losses and 16 ties.

Coach Ralph "Shug" Jordan, head coach at Auburn University has an equally enviable record. Now in his 21st year of coaching at Auburn, he sports a record of 146 wins, 66 losses, and 5 ties.

Alabama's appearance in 25 bowl games is unmatched by any other team in the Nation, and when Coach Bryant takes his Tide into the Orange Bowl on New Year's Day it will mark the 13th consecutive bowl appearance by his team since he became head coach at Alabama in 1958.

Auburn University, will appear in the Sugar Bowl, the 9th postseason bowl appearance for this great university.

Mr. President, there is still another unusual feature in this game to be played Saturday. Each of the head coaches is directing the team for his own alma mater. Coach Jordan graduated from Auburn in 1932 after an outstanding playing career. Coach Bryant graduated from Alabama in 1936 after having played in the Rose Bowl and having been captain of his team in 1935.

Coach Bryant and Coach Jordan represent the finest attributes to be found among coaches and other leaders of our youth. They teach their players the value of dependence on one another, and they fill their young men with the will to give their best and to play to win. And, at the same time, they teach their boys the meaning of true sportsmanship, that while the goal is to win, it is how you play the game that counts most. The ranks of outstanding college coaches are filled with men who have played under or coached under Coaches Bryant and Jordan, and the high standards found in American college football are due, in great part, to these two great Alabama coaches.

Mr. President, the whims of fate may influence the outcome of Saturday's historic meeting between the University of Alabama and Auburn University, but the outcome will be determined in larger measure by the efforts of those fine young men who will find themselves in the eyes of the Nation under the piercing lens of the network television cameras.

The entire Nation will be able to see this game between two teams, either one of which is worthy of being No. 1 in the Nation. And when the bowl games are played, either Alabama or Auburn could well be No. 1.

NOMINATION OF EARL L. BUTZ AS SECRETARY OF AGRICULTURE

Mr. JACKSON. Mr. President, American farmers are growing more and earning less. They feel threatened by low farm prices, the growth of corporate giants in agriculture and a national administration which has failed to develop a constructive farm policy.

There is nothing in the background or philosophy of Earl Butz to reassure the thousands of farmers who look to the Secretary of Agriculture to represent their interests. They have already experienced him in action at the Department of Agriculture—and it was not a pleasant experience. And they know that Mr. Butz has shown little concern for the independent farmers working outside the realms of the corporate food producers with whom he has been so closely associated.

There are other grounds for doubts about the wisdom of this appointment. Since Mr. Butz last served in Government, there has been a dramatic change in attitudes toward our environment. I see no evidence that Mr. Butz understands this. As the author of the National Environmental Policy Act, I am seriously concerned over his ability to administer agriculture programs—which have broad impact on the environment—with due respect for the mandate of that act.

In any event, the fact that farmers lack real confidence in Mr. Butz foredooms any chance for reforming this administration's farm programs. Without broad support in the farm belt, Mr. Butz cannot hope to build a consensus for progressive farm policies. Under these circumstances, and particularly in light of Monday's vote in the Senate Agriculture Committee, the President should withdraw this nomination.

WHAT IS HAPPENING TO JEWS IN RUSSIA

Mr. MATHIAS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Committee of Concern, headed by the outstanding soldier, business leader, and humanitarian General Lucius D. Clay. The statement acquires an added significance when coupled with the knowledge of what is happening to Jews in Russia. I am sure that Senators will find the statement to be educational and valuable.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMITTEE OF CONCERN,
October 7, 1971.

STATEMENT ON JEWS IN RUSSIA

The distressing and increasingly alarming reports which we have received in recent days from most reliable sources concerning the threat to the survival of the remnants of Syrian Jewry, prompts us once again to speak out.

Following are details concerning the plight of the Jewish community in Syria:

1. The Syrian authorities are holding in jail 12 young Syrian Jews, charged with having attempted to flee the country. The names of 11 of them are: Isaac Hamra, Sheila Hamra, Misses Badio Dibbo, Boukehl, Melles, and Yachar; Messrs. Abdo Saadia, Simon Bissou, and Azur Bianga. The last named is 27 years old and was arrested with his wife (24) and his four-year-old son. The others are all believed to be in their late teens or early twenties.

2. The Syrian security police have interrogated the relatives of the 12 Jews and the relatives of others who have either succeeded in fleeing the country in the past or who were suspected of planning an escape and going to Israel. There are reports that they have been interrogated under torture, and held under strict solitary confinement for periods up to three months.

3. All who have been released after confinement are, without exception, reported to be physically ill or bodily maimed or mentally deranged. Jews who did succeed in escaping to Israel or other countries in the free world report that those who have fallen into Syrian hands are being subjected to electrical torture, the ripping off of fingernails and cigarette burns on various extremities of the body. Jewish girls have been abducted, raped and thrown naked into the streets of the Jewish ghetto in Damascus. Recently, Jewish homes were set on fire in the Damascus ghetto.

4. The desperate attempts of groups of Jews to flee the country are prompted by the cruel conditions to which the community has been subjected for years. Among the restrictions imposed upon the Jews of that country are:

(a) A total ban on Jewish emigration. Jews are also forbidden to leave the country for visits to relatives or for medical treatment. Moslem Syrians are readily able to visit neighboring countries and more than 500,000 Syrians have visited Lebanon thus far this year alone.

(b) Even within Syria itself travel by Jews is restricted to three kilometers from one's home address. Further movement requires a special permit which is generally not granted.

(c) Distinctive Jewish identity cards marked with a red stamp, "Member of the Mosaic faith."

(d) Prohibition of employment in government offices, public bodies or banks.

(e) Other restrictions on the normal conduct of their personal lives, such as noninstallation of telephones and non-issuance of new driving permits.

(f) The authorities have turned over houses in the Jewish quarter to occupation by Palestinian Arabs who harass the remaining Jewish residents in the quarter.

(g) A Higher Committee for Jewish Affairs (composed of representatives of the Interior Ministry and the security services) maintains a constant surveillance over the Jewish community and carries out frequent arrests, interrogations, and sudden house searches invariably at night.

(h) Jews are prohibited from selling their houses or other real estate.

(i) Army personnel and government employees may not make purchases in Jewish-owned stores.

(j) When a Jew dies, his property is transferred to a Government authority for Palestinian Affairs. His family must then pay rent for the continued use of the home or business property.

(k) Jews have become convinced of the futility of bringing petitions against Moslems to the law courts since the rulings are always in favor of the latter.

(l) Except for doctors and pharmacists, Jewish professionals are banned from practice.

(m) Most Jews who worked for Moslems have been dismissed without compensation. Most Jewish vendors have had their licenses revoked. The majority of the community has been reduced to abject poverty.

(n) The property and assets of a Jew who succeeds in fleeing the country are automatically confiscated.

(o) Jewish schools have been taken over by the state. Moslem principals have been appointed and Jewish religious studies have been drastically reduced. General school examinations are now always held on Saturday, the Jewish Sabbath. Only a very few Jews are permitted to pursue university studies.

(p) The Jewish cemetery in Damascus has been almost entirely destroyed and a highway has been built through it. The petition for a new cemetery has been turned down and in the small area that remains graves have to be opened to accommodate new burials.

We call on the Syrian authorities to cease their persecution of the Jewish minority, to free those unjustly imprisoned and to permit those Jews who wish to emigrate to do so.

EUGENE CHARLES HEIMAN AWARDED RANK OF KNIGHT IN SOVEREIGN ORDER OF CYPRUS

Mr. CHILES. Mr. President, I should like to recognize a fellow Floridian who has received a particularly high honor. He is Eugene Charles Heiman, a distinguished attorney practicing in Miami and Stuart, who was awarded the rank of Knight in the Sovereign Order of Cyprus in recognition of outstanding service to mankind. The award was made at the Chapel of the United Nations in New York.

The purpose of the Sovereign Order of Cyprus is to strive for maintenance of the spiritual ideals of liberty and dignity of man and to oppose all types of oppression. One of the four oldest orders of chivalry, it was founded in 1192 by the then King of Cyprus and Jerusalem and confirmed by Pope Innocent III in 1200.

The order honors writers, artists, men of science, culture, education, medicine, and other walks of life regardless of race or creed. In 800 years only 900 persons have received the knighthood.

PRESIDENT NIXON AT AFL–CIO CONVENTION

Mr. PACKWOOD. Mr. President, President Nixon deserves a word of praise for his courage and determination in going before the AFL–CIO convention in Miami Beach last week. Despite the warnings that his presence was not welcomed, and that he faced the prospect of rude and hostile treatment, the President chose to appear at the convention to give his side of the story. Organized labor and the American public were entitled to know the administration's assessment of the progress of the new economic policy to date, and to know the President's position on the continued participation of the labor movement. The President discussed both topics forcefully and forthrightly.

In announcing his new economic policy last August, and in formulating the post-freeze phase of his program, the President has repeatedly made clear that he deemed labor's cooperation essential. They were consulted prior to the promulgation of the elements of phase II, and their key recommendations were incorporated into the President's program.

In going before the AFL–CIO convention last week the President was walking the extra mile to convince labor leaders that his economic program is neither antilabor nor probusiness—it is a program for all Americans. The President made it abundantly clear that he would proceed with or without the support of organized labor, making the statement without bitterness or condemnation. Saying what he did before the obviously anti-Nixon convention took a great deal of courage and intellectual honesty. It may have been Mr. Nixon's finest hour.

I congratulate the President for going to Miami and hope that his display of frankness and determination has convinced labor leaders of the President's sincerity. In his own words, if the new economic policy fails to revitalize the American economy, we all lose—not labor, not Government, not business, but the entire Nation.

Though some may disagree with the President's approach to our economic problems, he deserves the time and the cooperation to allow his initiatives the chance to work. Organized labor can make an enormous contribution to the success of the program, but only if it remains as a fulltime, full participating partner in the process.

The President recognized this and thus, risked personal embarassment to say so before the AFL–CIO convention. The ball is now in Mr. Meany's court, and based on his past record of public spiritedness, most of us are sure of his continued cooperation.

WES BARTLETT, FIRST IOWAN TO HEAD KIWANIS INTERNATIONAL

Mr. MILLER. Mr. President, Iowa is proud that the 55th president of Kiwanis International is an Iowan.

Wes Bartlett of Algona is the first Iowan to head this great service organization and, as the Algona Upper Des Moines newspaper put it:

Algona is undoubtedly the smallest town by far ever to have one of its residents serve as president of any of the Nation's three largest service clubs.

A native Iowan, Wes Bartlett has lived in Algona some 26 years and has been a force in community development ever since. He has earned the reputation of a man who makes things work. His interests range across the board—the Boy Scouts, chamber of commerce, united fund, board of education, the Industrial Development Corp., and, of course, the United Methodist Church.

The October 1971, issue of the Kiwanis magazine contains a profile of "The Man From Iowa." I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MAN FROM IOWA

(By Dennis Moore)

July 6, 1971, was a big day in Algona, Iowa. That morning more than a hundred townspeople gathered on the street and sidewalk in front of the Foster Furniture store for an old-fashioned celebration complete with placards, band music, and window dressing. But that was only the prelude to the day's merrymaking. Still to come were speeches cheers, a presentation of the key to the city by no less a personage than the mayor himself, and a great many laughs from start to finish.

But even more remarkable than the trappings of the affair was the reason for it, for the people of Algona were not celebrating the Fourth of July two days late, nor were they assisting at a grand opening. In fact, Foster Furniture has stood on the same spot in Algona for many years, and on July 6 there wasn't even a sale in progress. But the owner of Foster Furniture was there—for the first time in several weeks, actually—and that was the source of the hoopla. Or, as the Algona *Upper Des Moines* put it, "With pride and honor—and considerable humor—some one hundred friends and fellow Kiwanis members and their wives welcomed home Wes Barlett Tuesday morning."

It was a fitting tribute to the man who the week before had been officially elected the 55th President of Kiwanis International, and as Wes Bartlett put it, "Could you imagine anything like this happening in Chicago?" Indeed you couldn't, but the simple fact is that things are different in Algona, and it is impossible to fully appreciate the new leader of Kiwanis without first understanding that difference. The *Upper Des Moines* explained part of it: "Never before has an Iowan been named president of the organization. Probably more remarkable, Algona is undoubtedly the smallest town by far ever to have one of its residents serve as president of any of the nation's three largest service clubs." But behind that simple statement of fact is a deeper truth, for Algona, Iowa, is one of those rare rural American enclaves where, despite the passage of time, things still seem to work. And Wes Bartlett is one of the men who makes them work.

At first glance, everything about Algona seems somehow larger than life. The business district looks large enough to support a population of 10,000 or more, but the real figure is only half that. Churches dot the town landscape and the constable still walks a leisurely beat down the main street, checking the time on his parking meters. A lovely country club rolls over the farmland north of town, but the county fair is still the biggest social event of the year. Railroad passenger service is only a memory now and the nearest large airport is some fifty miles distant, but residents still ask, "How can you stand to live in the city?"

Wes Bartlett has been part of this Algona scene for some twenty-six years now. A southern Iowan by birth, he first entered Algona history by marrying one of its daughters, his charming wife Mary, in 1941. Then, after giving up a highly successful teaching career in nearby Ames in 1945, he moved to Algona to take over Foster Furniture. It didn't take him long to get involved in community affairs, but then it never had. While teaching in Primghar he had been a member of the local Lions club, the only service club in town. Later, in Eagle Grove he had served a brief term as a member of Rotary, the only service club there. In Algona, however, he had a choice between Rotary and Kiwanis. At the urging of his Kiwanian father-in-law, he chose the latter.

His introduction to Kiwanis, however, was somewhat disturbing. "Come when you can," he was told on joining. "You don't have to do anything." Wes came, all right, and has kept on coming every week for the past twenty-five years. And despite the "no sweat" welcome, he has worked diligently for Kiwanis. By 1950 he had risen to the post of club president, and the very next year served as lieutenant governor of his division. From

there it was strictly onward and upward. In 1953 he served as governor of the Nebraska-Iowa District, then went on to become a member of several International committees, including the Special International Committee on a Permanent Home, which planned Kiwanis' move to its own headquarters building in Chicago.

Wes' next major step toward the top came at the 1964 International Convention in Los Angeles, where he was elected to the International Board of Trustees, the only new man named to the Board that year. At the 1968 Convention in Toronto he was chosen as Vice-President of the organization, then served as Treasurer in 1969–70, President-elect in 1970–71, and finally, at the International Convention in San Francisco last June, was lifted to the highest office in Kiwanis by a unanimous vote of the House of Delegates.

But even aside from his thorough training in Kiwanis administration, Wes has been a leader in civic affairs for all of his adult life. He has been active in Boy Scout work for thirty-seven years, earning both the Silver Beaver Award and membership in the Order of the Arrow. He is a past president of the Algona Chamber of Commerce, United Fund, Industrial Development Corporation, and the Kossuth Community Concert Association. He was a member of the Kossuth County Board of Education for twenty-two years, serving as president of the board for twelve of those years. As a high school teacher in Ames, he even found time to coach the school golf team, which under his leadership won the Iowa state championship in 1945.

The church has also played an important role in his life. An active member of the Algona United Methodist Church, he has served as a lay delegate to the Iowa Area of the Conference, and as a member of its board of trustees. More recently, he has devoted long hours to the church building fund and is the man largely responsible for the new facilities recently added to the church.

Mary Bartlett too has participated fully in the civic life of Algona. Aside from her work with the ladies of the church, she has been at Wes' side every Thursday as pianist for the Algona Kiwanis club. And through it all Wes and Mary have raised three children—a daughter, Barb, and sons Bill, an osteopath, and Brett, a senior in college.

When you talk with Wes Bartlett, two facets of his conversation strike you. The first is his sense of humor, which runs naturally and easily through his speech. A smile is never far from his face, and he is an incurable kidder. The second is a phrase that pops up consistently as Wes talks about problems and their solutions, both within and outside Kiwanis. It is "getting together around a table." That's the way they do things in Algona, whether it's the Chamber of Commerce, the church, or the local Kiwanis club. When there's something to be done, everyone gets together around a table, decides what's to be done—and does it.

And there's a third concept that emerges again and again in conversation with Wes: his concern with Kiwanis at the local level, for it is there, he believes, that the primary emphasis must be placed. "We have followed a wise path," he says of his years on the International Board, "for by adopting the new administrative year and the concept of a single emphasis program we have helped to strengthen Kiwanis at the local level, and this is where the job must be done."

Wes believes that the 1971–72 major emphasis program, "Unite for Progress in Operation Drug Alert and Project Environment," will be of great help to the individual Kiwanis club in terms of cooperation with youth and membership development. "It's amazing," he says, "how many men have joined Kiwanis as a result of Operation Drug Alert. I think Project Environment will give us that same sort of boost." Does Wes see membership as a problem? "Internally it's our greatest concern," he says. "But it's not only a case of membership development; it's membership retention as well. We have to give men coming into the organization something to do, we have to follow up on men moving from one community to another."

Wes is equally concerned with the problem of youth relations. "Kiwanis, Key Club, Circle K—it's just like a family as far as I'm concerned," he says, "and what we all have to do in the coming year is sit down jointly and lay everything on the table. What are the problems? How do we attack them? Do we need broader help? These are the questions that we have to ask, and it has to be done at the local level." In the area of drug abuse, Wes believes, "We're past the point of alerting. It's time to cooperate with more professional organizations. We can't do the entire job, but we can be the coordinating group and provide the manpower necessary to set up, for example, a local clinic for drug users."

In the realm of environment too, Wes—a zoology major in college—sees community coordination as the answer. "We have to see ecology," he says, "as something more than just pulling debris out of a stream. We have to see it as the sum total of our environment—and that's a big area, one that we can't possibly handle alone. But we can help establish Community Councils on Ecology, and through them we can coordinate the efforts of all those groups and individuals who have a knowledge of, and are concerned about environment. As a matter of fact, we've already done that here in Algona."

Things do seem to work in Algona. Perhaps the town is a latter-day Brigadoon, rising from a prairie mist every hundred years, unchanged and unchanging. Or perhaps the only magic of Algona is its people—people like Wes and Mary Bartlett.

Last July 6 when all the welcome-homes had been said and all the honors bestowed, Wes took time out to answer reporters' questions inside the door of Foster Furniture. Back outside a man was dismantling the speaker system set up for the celebration. Wes excused himself for a moment, stuck his head out the door, and ask, "Need any help?"

SUPPORT FOR THE HELLS CANYON-SNAKE NATIONAL RIVER BILL

Mr. PACKWOOD. Mr. President, several days ago I spoke of an article published in the Sport Fishing Institute Bulletin regarding S. 717, the Hells Canyon-Snake National River bill.

I am delighted to share with Senators a letter I received from Richard H. Stroud, executive vice president, Sport Fishing Institute, in which he discusses the resolution adopted at the SFI regular semiannual session at Key Biscayne. The resolution urges the administration to support Congress in passage of S. 717.

I ask unanimous consent that Mr. Stroud's letter and the resolution be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

SPORT FISHING INSTITUTE,
Washington, D.C., November 24, 1971.

Hon. ROBERT PACKWOOD,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PACKWOOD: I have the honor to transmit to your attention and possible consideration the following Resolution recently adopted by the Board of Directors of the Sport Fishing Institute: Hells Canyon-Snake National River.

It is our hope that this expression of Institute views will be helpful in your deliberations of appropriate related action.

Sincerely yours,

RICHARD H. STROUD,
Executive Vice President.

SPORT FISHING INSTITUTE, BOARD OF DIRECTORS RESOLUTION: HELLS CANYON-SNAKE NATIONAL RIVER

Whereas, a substantial portion of the remnant anadromous salmon and steelhead trout of the Columbia River Basin find their ancestral spawning grounds in the principal tributaries of the Middle Snake River; and

Whereas, interception en route to their vital spawning sites with resulting further decimation of these fish stocks, whether by an impassable or poorly passable high dam in the Hells Canyon area of the Snake River or, farther upstream, either by another dam such as the once-favored Nez Perce Dam on the Snake River immediately below the mouth of the Salmon River, or by the once-approved High Mountain Sheep Dam on the Middle Snake River with its related companion Lower Canyon Dam on the Salmon River, or by the currently-recommended Pleasant Valley-Mountain Sheep project on the Middle Snake River, above the Salmon River, would undoubtedly break the backbone of the irreplaceable Columbia River Basin anadromous fisheries; and

Whereas, a current proposal (S. 717) to establish a "Hells Canyon-Snake National River" would, if enacted, provide substantial long-term protection for these vital remaining anadromous fish stocks, at the same time preserving outstanding recreational and scenic values of unique national significance:

Now, therefore, be it resolved, that the Board of Directors of the Sport Fishing Institute, meeting in regular semi-annual session at Key Biscayne, Miami, Florida, this sixth day of November, 1971, do herewith urge the Administration to support and the Congress to pass without substantial alteration the "Hells Canyon-Snake National River" Bill (S. 717), as introduced by Senator Robert Packwood of Oregon, with co-sponsorship by a substantial fraction of the whole U.S. Senate, thereby prohibiting construction of additional dams on a 120-mile stretch of the Snake River along the Oregon-Idaho border, extending from a southernmost point near Homestead, Oregon, to a northernmost point near Asotin, Washington, and including one of the world's deepest natural gorges.

KGW—AN OUTSTANDING EXAMPLE OF WHAT A BROADCASTING STATION CAN DO

Mr. PACKWOOD. Mr. President, during recent days, the Senate has been spending a great deal of time discussing financing of political campaigns. There are probably as many different thoughts about the ideal solution as there are members of the Senate. No matter what our individual preferences may be, I believe we can all agree the broadcasting industry is tremendously significant. That is why I would like to bring to your attention the story of what one broadcasting facility is my home State of Oregon has done to discharge its responsibility in this critical area of national life.

The station to which I refer is KGW, in Portland. Forrest Amsden is the general manager, and it was under his direction that the following program was broadcast over KGW–TV, KGW–AM radio, and KINK–FM radio.

Earlier this year, Mr. Amsden and his staff began planning a Speak Up Campaign. The Speak Up Campaign was designed to accomplish exactly what the title says: Get citizens involved in the problems of their community, their State and the Nation and work for changes through our political system.

Mr. Amsden and his staff met with the State party chairmen of the Democrat and Republican Parties in Oregon as the first step in the Speak Up Campaign. From that meeting came a decision to incorporate the Speak Up Campaign in Oregon as a nonpartisan effort. An advertising agency in Portland then agreed to donate its time to help coordinate the campaign. Elaborate and detailed plans culminated this fall in the staging of the 5-week Speak Up Campaign on KGW radio and television.

Two hundred and eight 1-minute and 30-second spots were run on KGW–TV, including many in prime time. One hundred and sixty-three were run on KINK–FM and 136 on KGW–AM.

These spots asked the audience for their thoughts on government. Was government functioning as it should be functioning or should it be changed? The audience was then encouraged to either call or write KGW for additional information. As a result of this intensive and original campaign, more than 4,500 requests were received asking for additional information on how they could become involved. KGW then sent each person a questionnaire asking them to express their views on a variety of issues such as identifying the key problems of the State, or how they felt about farm labor legislation, or how they felt about some other current issue.

It was not an easy questionnaire to fill out, but those involved in the Speak Up Campaign believed it was the best way to obtain meaningful participation. On the bottom of the questionnaire, there was an appeal for the person returning the questionnaire to donate money to the party of his choice. He could designate the party, or it would be divided equally between the Republican Party and the Democratic Party if no preference were listed. Most marked a preference. The results from the intensive campaign resulted in $443 for the Democrats, $319 for the Republicans and $1 for the Socialist Labor Party. I should add here that the Socialist Labor Party has filed a protest against license renewal application of KGW, alleging that the Speak Up Campaign did not attempt to further the cause of minor parties. The protest, of course, is ridiculous because KGW has performed a valuable public service—a public service which personifies the responsible broadcaster.

Both political parties in Oregon took advantage of this special campaign to launch their own door-to-door campaigns of collecting dimes and dollars during this period. It was a superb example of how good communications works in the public interest and in concert with our two political parties.

This campaign was staged at considerable personal expense to KGW. When a person was sent a questionnaire, he was also sent a self-addressed, stamped envelope. Nothing was left to chance. Mr. Amsden estimates that the promotion will cost KGW about $2,500 in actual cash. This does not include the time of those involved in arranging for the Speak Up Campaign, the production of the spot announcements for radio and television, or the air time for the spots. Neither does it include the time of the advertising agency personnel who helped coordinate the project.

KGW is now planning to air a one-half hour program giving results of the questionnaire and outlining what they believe was accomplished.

I applaud KGW Radio and Television in Portland, Oreg., for this novel approach in attempting to gain greater citizen participation in government. I encourage KGW to perform this same kind of public service in the future and know that they have every intention of doing this. I would also encourage other broadcasters to take the cue from KGW and become similarly involved. This is a fine example of commercial broadcasting performing in the public interest.

DEVOTED SERVICE TO PATIENTS AT VETERANS' ADMINISTRATION HOSPITALS

Mr. MILLER. Mr. President,

I have the deepest admiration for the individuals who devote their service to others at the VA hospitals.

This quotation appears in a letter to the editor of the Dubuque Telegraph-Herald of October 11, and does much to counteract criticism of the Veterans' Administration by some individuals. Donald F. Brus, who wrote the letter, is a paraplegic and thus is in a position to know of what he speaks.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LETTER

The AP article of Monday, October 4 in The Telegraph-Herald titled, "VA hospital waiting lists are mounting," was of great interest to me. Why, because every time one of these reporters wants to write an article, they try and find something wrong with a VA hospital. It seems they will keep questioning until they find someone to complain. In most every article they are questioning long-term patients who not only have a disability but the strain of staying for a long period for treatment.

I happen to be a paraplegic who spent many months in hospitals, private and VA. Since this article deals with the VA hospital, so shall I. The two months at the Iowa City VA hospital were two months of excellent care with proper turning at all times and the best of help with aids, nurses, and doctors.

The next eight months were spent at Hines VA hospital at Hines, Ill. with also the best of treatment. As an example, a doctor is on the spinal-cord injury ward 24 hours of every day of the year. On Thanksgiving Day I had a temperature of 104 degrees and the doctor was there within five minutes after discovery of the high temperature. The treatment and therapy was excellent.

I was surprised to read the statement Mr. Glen Mayer made in the article of the long wait in the personal care clinic. This does happen at times but it can be narrowed down to possibly one or two of the help which would turn out to be a local problem, with the individual possibly having too much civil service protection. As for Mr. Mayer, I spoke with him last week while at Hines and he is doing very well after being readmitted, while at death's door, within minutes.

I have the deepest admiration for the individuals who devote their service to others at the VA hospitals. The many benefits a long-term patient receives at a VA hospital can only happen at one of these institutions. They not only have the best of medical care, but also physical, educational, and occupational therapy available to them at all times.

I have read so many derogatory articles on VA hospitals that I felt it was time some people might hear some of the good points. If it were not for the VA hospital I cannot see how I could have made it financially. Hines VA hospital also requests that I return each six months for follow-up checkups. Where else can one receive such fine service?

In place of our government cutting down on aid to VA facilities they should increase aid to them. I would hope the AP reporter who wrote the article could spend a little time in the direction of trying to assist VA facilities in place of only looking for complaints.

DONALD F. BRUS.

COAL GASIFICATION—CONGRESS SHOULD ACT ON PRESIDENT NIXON'S REQUEST FOR FUNDS NECESSARY TO MEET NATION'S ENERGY NEEDS

Mr. SCHWEIKER. Mr. President, on June 4 President Nixon sent to the Congress a special message in which he emphasized the importance to the Nation of a plentiful supply of clean energy. The President said:

A sufficient supply of clean energy is essential if we are to sustain healthy economic growth and improve the quality of our national life.

The President's recommendations for achieving the clean energy goal included a commitment to complete the successful demonstration of the liquid metal fast breeder reactor by 1980, and an expanded program to convert coal into a clean gaseous fuel. The President subsequently asked Congress for the necessary funds to implement the recommendations contained in his energy message, but final action is still ahead of us. My purpose today is to call attention to the urgency to act if the objective of a plentiful supply of clean energy is to be reached.

I am especially interested in the President's recommendation for an accelerated effort to gasify coal. My interest stems in part, of course, from the fact that Pennsylvania is a major coal producing State. But beyond that, coal gasification represents our chief hope of overcoming the increasingly serious shortages of natural gas, which everyone

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acknowledges to be the cleanest of the fossil, or conventional, fuels.

Many gas distributors already are feeling the supply pinch and are warning their industrial and commercial customers of possible interruptions in supply this winter. New commercial and industrial customers are being turned away in almost every section of the country. Fortunately, however, our abundant coal reserves offer a rich source of additional gas if we will only take advantage of the opportunity open to us.

The President called for a cooperative program involving Government and industry to speed the development of an economically acceptable gasification process. Industry, through the American Gas Association, responded by agreeing to put up $10 million, or one-third of the first-year cost of an accelerated program. It is now up to the Congress to demonstrate its good faith by putting up its two-thirds share, or $10 million on top of the $10 million appropriated earlier this year for gasification research.

Within the last few weeks the Department of the Interior, anticipating congressional approval of the accelerated gasification effort, signed a $24.8 million contract with Bituminous Coal Research, Inc., for the development of one promising commercial coal gasification process. This, incidentally, was the largest contract ever awarded by Interior's Office of Coal Research.

The contract calls for BCR, the research affiliate of the National Coal Association, to build and operate a coal gasification pilot plant at Homer City, Pa., near a plentiful source of bituminous coal. The plant will use the BI-GAS process of conversion which BCR, under the sponsorship of OCR, has been investigating at a smaller scale level for the past 7 years. This pilot plant will be in addition to coal gasification pilot plants in or near operation by other organizations which have Interior Department funding.

I am informed, Mr. President, that the reason for this multiplant effort is that there are a number of potential approaches to gasifying coal, each with its own technology, cost, and suitability for various coal resources. All of these are still to be proven in the critical pilot plant stage. Gasification research and development along a number of lines increases the chances for the much needed successful development of one or more commercially viable coal gasification processes. As OCR Director George Fumich has said, "we do not have all our eggs in one basket in an effort that is vital to our future domestic gas supply."

The acceleration of Government-industry support of coal gasification represented by the OCR-BCR contract is definitely needed despite plans announced by individual fuel companies to build gasification plants using existing technology. Of course, the basic technology for coal gasification has been well established for years. I am told that before BCR elected to develop its BI-GAS process, it evaluated 65 different gasification processes that have been conceived or used here or abroad.

The Nation's urgent need now, however, is for a coal gasification process that will be economically viable in our future fuel economy. The day will will probably come when the Nation will need a supplement for natural gas at any cost, but the principal objective of current U.S. research and development is to bring the cost of synthetic gas within the competitive range of rising prices for imports of such substitutes as liquefied natural gas and gas made from imported hydrocarbon liquids such as naphtha.

In any case, current coal gasification processes to be tested in Government-industry sponsored pilot plants offer promise without technological duplication. In announcing the contract award to Bituminous Coal Research, Secretary Morton said:

A key feature of the BI-GAS process is its inherent straightforward simplicity.

The experts say that the advantages of the BI-GAS process certainly qualify it for accelerated development as a method of converting all ranks of coal—from lignite to bituminous coal—to pipeline-quality gas, which means the process gas is pure enough and has the high heat value necessary or interchangeability with natural gas in the Nation's pipelines. The yield from the BI-GAS process is a clean-burning gas rich in methane—the principal ingredient in natural gas itself. But the other processes being pursued by Government and industry also have potential advantages. It is likely, I understand, that the final commercial process may well be a combination of several of the research processes.

I understand that the BI-GAS process and others being researched also meet the demand for a nonpolluting fuel, eliminating from the final gas product such unwanted elements as sulfur compounds. Selective purification systems remove the pollutant and pass it to a separate unit for recovery of sulfur. Under favorable market conditions, the recovered sulfur could be sold as a by-product, giving the process an operating credit against the cost of producing gas.

Although the BI-GAS pilot plant is designed to consume only 120 tons of coal per day and to produce a relatively small amount of pipeline gas—about 2 to 3 million cubic feet a day—it will provide the necessary data to design a plant capable of using 12,000 tons of coal and producing 250 million cubic feet of gas a day—the gas output considered necessary for commercial success.

The capital investment in a coal gasification plant of that size has been estimated at about $250 million—a far greater sum than that called for in pilot plant development and one that will be borne by industry, not by Government. Federal spending on coal gasification research and development is now helping to pay merely for the technological base of the huge synthetic fuel structure that industry will build to assure the Nation's energy future.

Mr. President, we hear much these days about the possibility of fuel shortages which could lead to brownouts or blackouts. I do not want to be an alarmist, but it seems to me that prudence and commonsense tell us we must get along with the program the President has recommended. I trust Congress will see fit to act very soon on the supplemental money requests he has made for the purpose of assuring the Nation a plentiful supply of clean energy. For if it does not, the program envisioned by President Nixon for accelerated research and for the emergence of a synthetic fuel industry in this decade will be jeopardized.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

A UNANIMOUS-CONSENT AGREEMENT—TIME FOR ROLLCALL VOTES ON TREATIES AND PROTOCOL ON MONDAY, NOVEMBER 29, 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that this time not be charged against either side.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order providing for the three rollcalls on the two treaties and one protocol to begin at 11 o'clock Monday next be changed to 1 o'clock Monday next.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, it can be anticipated, then, that the debate on phase 2 will begin at the conclusion of the morning business on Monday next.

CREDIT UNION SHARE INSURANCE AMENDMENTS

The PRESIDENT pro tempore. In accordance with the previous order, the Chair lays before the Senate the unfinished business, which the clerk will report.

The assistant legislative clerk read as follows:

Calendar No. 438, H.R. 9961, a bill to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes.

The Senate resumed the consideration of the bill.

The PRESIDENT pro tempore. Debate on the bill is controlled. Who yields time?

Mr. BENNETT. Mr. President, I yield myself 5 minutes on the bill.

The PRESIDENT pro tempore. The Senator from Utah is recognized for 5 minutes.

Mr. BENNETT. Mr. President, just 13 months ago on October 19, 1970, a program of Federal share insurance was established. The law required that all Federal credit unions apply for the insurance and authorized State-chartered credit unions to apply. The law provided that,

The Administrator shall reject the application of any credit union for insurance of its member accounts if he finds that its reserves are inadequate, that its financial condition and policies are unsafe or unsound, that its management is unfit, that insurance of its member accounts would otherwise involve undue risk to the fund, or that its powers and purposes are inconsistent with the promotion of thrift among its members and the creation of a source of credit for provident or productive purposes.

If the application of a Federal credit union was rejected by the Administrator, because it failed to meet the requirements for insurance, the credit union was allowed a 1-year period in which to correct any deficiencies and obtain insurance. If it was not insurable within the year, the law required the Administrator to either suspend or revoke its charter.

At the present time, there are just under 1,300 active credit unions whose shares have not been insured. Unless the requirement of the present Credit Union Act that the Administrator suspend or revoke the charter of Federal credit unions which do not become insured within 1 year from the initial rejection is amended, the liquidation of Federal credit unions could begin in January of 1972.

Section 1 of H.R. 9961 would extend the time period during which Federal credit unions may qualify for share insurance for an additional 2 years, or a total of 3 years. The Administrator of the National Credit Union Administration has estimated that about half of the initially rejected credit unions will be qualified for insurance within the year from the date of their initial rejection and that, given additional time, all but about 365 credit unions would become insurable.

This is an estimate looking forward for a 2-year period.

Section 2 of the bill provides that Federal share insurance may not be denied to State credit unions which may accept demand deposits under State law, if the credit union otherwise meets the requirements for insurance established under the act, provided however, that the demand deposits are not covered by the Federal share insurance and that the demand deposit accounts are subordinate to share accounts in the event of the liquidation of such an insured State credit union. This provision was approved by the committee in response to a situation existing in the State of Rhode Island where the legislature enacted legislation which permitted credit unions chartered by the State to offer demand deposits subject to certain conditions.

Section 2 of the committee bill does not provide demand deposit authority for federally chartered credit unions nor is it intended in any way to either encourage or discourage demand deposit authority for credit unions which are under State jurisdiction.

Section 3 of the bill provides the Administrator of the National Credit Union Administration with additional authority in the liquidation of a credit union or in assisting a credit union which may be in financial difficulty. Under present law, the Administrator is authorized to merge a credit union under his jurisdiction only with another insured credit union. He is authorized to guarantee the obligations of a credit union only to a third party insured credit union. The committee bill would authorize the Administrator to make such appropriate arrangements with any credit union, individual, partnership, corporation, trust, estate, cooperative, association, government or governmental subdivision or agency, or other agency, for the purpose of merger or for the purpose of improving the financial status of the Federal Credit Union.

Mr. President, the bill before us bears the number H.R. 9961 and is, in effect, identical with the bill passed by the House. During discussion in committee, an amendment was presented which was rejected, but I understand it will be presented on the Senator floor today.

With this brief explanation of the purpose of the bill, I will yield the floor. I expect to claim more time to discuss the amendment if it is offered.

The PRESIDENT pro tempore. Who yields time?

Mr. SPARKMAN. Mr. President, I yield myself 3 minutes.

The PRESIDENT pro tempore. The Senator from Alabama is recognized.

Mr. SPARKMAN. Mr. President, I certainly support and concur in prompt legislation that will prevent some Federal credit unions from being forced into liquidation.

The Senator from Utah is the Senator who is entitled to the credit for bringing share insurance into being. He advocated it in the beginning, and this year introduced the legislation we are considering today. So far as I know, there is no controversy on the bill. We all agree that the legislation should be enacted.

As has already been noted, last year we enacted legislation providing Federal credit unions with share insurance program. In addition, we provided that State chartered credit unions could obtain share insurance if they wished to do so and if they could meet the qualification for share insurance contained in the legislation.

The law establishing the share insurance program provided that Federal credit unions would have 1 year after an application for share insurance had been rejected to correct deficiencies—to get their houses in order—to obtain insurance. The law further required that if a Federal credit union did not meet the standard within that year, the Administrator of the National Credit Union Administration could either suspend or revoke the union's charter.

Since enactment of last year's law, some 11,400 or about 88 percent of all Federal credit unions have been insured. About 1,200 have not. It is estimated that three-fourths of those that have not been insured can and will qualify for insurance. Certainly, Mr. President, I do not and I dare say that no one in this body wishes to cause any credit union to be suspended from operation or have its charter revoked because it cannot presently qualify for insurance.

Last year's legislation was an attempt to provide security and insurance for those who place their hard earned savings in credit unions. The legislation was for the very purpose of protecting the credit union saver. Failure now to enact legislation extending the time to allow credit union to qualify for insurance would seem to me to nullify exactly what we were trying to accomplish by providing the insurance program initially.

PRIVILEGE OF THE FLOOR

Mr. SPARKMAN. Mr. President, I ask unanimous consent that Mr. Dudley L. O'Neal, staff director of our committee, and Mr. Reginald Barnes, may be permitted on the Senate floor during the debate on the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, will the Senator from Alabama yield me for 3 minutes on the bill?

Mr. SPARKMAN. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, my remarks on H.R. 9961 will be necessarily brief because I believe the main controversy is on my amendment to the bill, and we will discuss that on separate time.

I believe it is safe to say that all members of the Committee on Banking, Housing, and Urban Affairs agreed that some immediate legislation is needed to prevent the forced liquidation of over 1,300 Federal credit unions. H.R. 9961 as reported by the committee provides a limited solution to the problem. I believe my amendment provides a far better solution; however, if my amendment should fail, I intend to support H.R. 9961 as reported.

In order to understand the need for legislation, it is necessary to review the legislative history of the credit union share insurance program enacted last year. Under this legislation, credit unions were given the same type of deposit insurance available to commercial banks and savings and loan associations. Each account was insured for a maximum of $20,000. The entire program operates on insurance premiums collected from the credit unions themselves, hence, there is no involvement of the taxpayers' money.

I think that is very important, and I will bring it up again when my amendment is before the Senate.

Under the law, share insurance was made optional for State-chartered credit unions, but mandatory for federally chartered credit unions. The administration of the program was assigned to the National Credit Union Administration. The Administrator of that agency is directed to apply certain standards to those credit unions applying for insurance. Federal credit unions which fail to meet these standards are given one additional year from the time of their initial application to qualify. If at the end of the 1-year period they still fail to qualify, their Federal charter must be revoked or suspended. Unless such a credit union were able to obtain a State

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charter, it would be required to liquidate, and in many cases at a loss to its savers.

The need for remedial legislation is primarily due to the strict interpretation given to the law by the Administrator of the National Credit Union Administration, Gen. Herman Nickerson. Under General Nickerson's administration, over 10 percent of all federally chartered credit unions have failed to meet the insurance standards. This rejection rate is five times the rate originally estimated by the former Administrator of the National Credit Union Administration during congressional hearings on the share insurance legislation. Moreover, it has taken considerably longer than 1 year for those rejected credit unions to meet the higher reserve requirements established by the present Administrator. Because of these unforeseen developments, some legislation is thus a vital necessity.

H.R. 9961 as reported by the committee would remedy the problem by extending for 2 additional years the time period which Federal credit unions have to qualify for share insurance. As I will indicate later in my statement in support of my amendment to H.R. 9961, I believe a simple 2-year extension of the time period is an inadequate solution to the problem. However, it is clearly better than no legislation, and should my amendment fail I would intend to support H.R. 9961 as reported.

The PRESIDENT pro tempore. Who yields time?

Mr. BENNETT. Mr. President, I yield myself 1 minute from the bill for the purpose of asking unanimous consent that Mr. Mike Burns of the committee staff be permitted to be on the Senate floor during the debate on the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Who yields time? What is the pleasure of the Senate?

Mr. SPARKMAN. Mr. President, I do not care to use any further time.

The PRESIDENT pro tempore. The bill is open to amendment.

AMENDMENT NO. 702

Mr. PROXMIRE. Mr. President, I call up my amendment, No. 702, and I modify it by adding a final sentence as follows. Incidentally, this modification is a suggestion of the chairman of the committee, and it is a good suggestion:

The Administrator shall also encourage State Credit Union Stabilization Funds or similar funds to reimburse the Credit Union Share Insurance Fund for any insurance payments made on behalf of accounts at insured credit unions whose application for insurance has been disapproved.

The PRESIDENT pro tempore. Does the Senator ask unanimous consent to modify his amendment?

Mr. PROXMIRE. As I understand, the yeas and nays have not been ordered on my amendment, so I do not need unanimous consent to modify it.

The PRESIDENT pro tempore. There is a unanimous consent agreement on the amendment, the Parliamentarian informs the Chair.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may so modify my amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent to have the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Wisconsin (Mr. NELSON) added as cosponsors of my amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Will the Senator send his modification to the desk?

Mr. PROXMIRE. Yes, I am sending it to the desk.

I ask unanimous consent to have the reading of the amendment dispensed with, and I will explain it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 702, as modified, is as follows:

On page 1, strike out lines 3 through 6 and insert the following:

SECTION 1. (a) Paragraph (2) of subsection (c) of section 201 of the Federal Credit Union Act (12 U.S.C. 1781(c)(2)) is amended by striking out "reject" and inserting in lieu thereof "disapprove".

(b) Subsection (d) of such section 201 (12 U.S.C. 1781(d)) is amended to read as follows:

"(d) In the case of any Federal credit union whose application for insurance is disapproved, if such Federal credit union has annually transferred such a percentage of its gross income to its reserves as is required under section 116(a) and notwithstanding any reserving requirements established under section 116(b) of this Act, the Administrator shall nonetheless issue to such Federal credit union a certificate of insurance which shall be valid for a period of two years. The Administrator shall suspend or revoke the charter of any Federal credit union which has failed, upon the expiration of such two-year period of insurance, to file an application for insurance which is approved by the Administrator in accordance with subsection (c). A Federal credit union which is insured under this subsection for a period of two years is an insured credit union under the provisions of this title for such period of two years. The Administrator shall offer technical assistance, management training, and management counseling to all credit union whose application for insurance has been disapproved so as to enable the maximum number of such credit unions to meet the standards for insurance required by this title. In furnishing such technical assistance, management training, and management counseling, the Administrator may utilize moneys in the National Credit Union Share Insurance Fund as provided under section 203(a) of this title. The Administrator shall also encourage to the maximum extent feasible, that such technical assistance, management training, and management counseling be made available through State stabilization funds, similar funds, or similar State credit union organizations. The Administrator shall also encourage State credit union stabilization funds or similar funds to reimburse the credit union share insurance fund for any insurance payments made on behalf of accounts at insured credit unions whose application for insurance has been disapproved."

Mr. PROXMIRE. Mr. President, this amendment would provide provisional share insurance for a 2-year period to those federally chartered credit unions who have failed to meet the insurance standards laid down by the Administrator of the National Credit Union Administration. If at the end of the 2-year period the credit union still fails to meet the insurance standards, it would have its Federal charter revoked, and in most cases would be required to liquidate.

So this is not an amendment that would qualify Federal credit unions which are unsound or which cannot meet the standards eventually.

At the present time, there are over 1,300 credit unions which have failed to meet the insurance standards. The Administrator of NCUA estimates that by the end of 2 additional years, all but 365 of these credit unions would be able to qualify for Federal share insurance. These 365 credit unions have assets of $35 million, reserve deficiencies of approximately $2 million, and about 50,000 members.

The principal difference between my amendment and the committee bill as reported is what happens to these 365 credit unions and their savers at the end of the 2-year period. Under the committee bill, the 365 credit unions would be required to liquidate, most of them at a loss to their savers. These losses could approach $2 million. While the average loss per saver may not be high, many individual savers could lose hundreds or even thousands of dollars.

Under my amendment, any losses by the 365 credit unions would be paid by the credit union share insurance fund. Thus, there would be no loss to the individual savers in those credit unions which fail to meet the insurance standards.

Mr. President, I wish to emphasize that my amendment in no way weakens or modifies the insurance standards set by the Administrator of NCUA. Nor does it provide permanent share insurance to credit unions which cannot meet the insurance standards. Like the committee bill, my amendment would give rejected credit unions a 2-year period to qualify for permanent share insurance. In no way would my amendment perpetuate or condone unsound financial practices.

Neither the committee bill nor my amendment will prevent losses from occurring at the 365 credit unions which cannot meet the standards. These losses could be as high as $2 million. The only difference between the two approaches is who is going to pay for these losses. Under the committee bill, the losses would become a liability of the individual savers. Under my amendment, the losses would be paid by the credit union share insurance fund.

The very purpose of the share insurance program is to protect credit union savers against loss. Prior to the share insurance legislation, credit unions were the only financial institution without deposit insurance; and I think that undoubtedly hundreds, perhaps thousands, of people who invested in credit unions thought that their investments were protected and that they were insured because, of course, that is true of banks, savings and loan associations, and so forth.

At long last, this gap in our system of financial regulation and protection has been closed. However, it would be most ironic and unfortunate if the share insurance program were to inflict sizable losses on credit union savers. Yet that is exactly the result if the committee bill is not amended. The major purpose of the share insurance program would be frustrated. I do not believe Congress intended such a result when it enacted the share insurance program last year.

Mr. President, I believe the 2-year provisional insurance offered by my amendment is a much better solution to the problem compared to the committee bill. First of all, I believe the provisional insurance amendment is fair and more equitable to the approximately 50,000 savers who could lose their savings under the committee bill. Many of these savers are persons of modest means and can least afford to lose their life savings. I believe the Federal Government and the credit union movement as a whole has a moral obligation to insure all credit union savers against loss. Federal credit unions rejected for insurance were chartered by the Federal Government, and those who entrusted their savings to them had every reason to expect that they were financially safe and solvent. Most credit union savers are average people and are not highly sophisticated in financial matters. One might argue that these credit union savers should have known better and should not have placed their money in a shaky institution. According to this line of argument, it is improper for the Federal Government or other credit unions to bail out these savers from the consequences of their own mistakes.

Remember, this is not taxpayers' money we are talking about; this is a fund that is created as a result of premiums paid by credit unions themselves, and the credit union movement supports my amendment.

I believe this argument could be applied to those who buy stock in a large corporation such as Lockheed Aircraft. When a large company gets into trouble, the stockholders should bear the loss. But I believe this is far too harsh a doctrine to apply to the average credit union saver who is not experienced in financial matters, and certainly it is not investing in a stock, in which he can expect to make a gain or suffer a loss.

Mr. President, following the unprecedented Lockheed bailout, the Congress is now being asked to apply the principles of Adam Smith to the small credit union saver. If we can provide protection for the big corporation, why cannot we help the little man who has his life savings tied up in a failing credit union?

The credit union movement was founded upon the principles of self-help and mutual cooperation. I believe the vast majority of credit unions would rather see that no credit union saver loses his money. I see no problem in permitting credit unions to use their own money which they have paid into the insurance fund to pay for losses suffered by savers in credit unions forced to liquidate because of their failure to meet the share insurance standards. The share insurance program itself is indirectly responsible for these forced liquidations. It is therefore entirely proper and fair that the losses be assumed by the share insurance fund. My amendment would accomplish this objective by providing provisional insurance to rejected credit unions.

Mr. President, my amendment will not cost the Federal taxpayer one nickel. The moneys in the credit union share insurance fund are contributed not by the taxpayer but by the credit unions themselves. We are dealing solely with credit union money. It is entirely reasonable that we use credit union money to solve a problem in a manner which is most consistent with the traditional ideals of the credit union movement itself.

Mr. President, there is a second and more practical reason for providing provisional insurance. If we permit 365 credit unions to fail at a loss to their savers, the public's confidence in the solvency and integrity of all credit unions could be severely affected. Like Caesar's wife, financial institutions must be above suspicion. If one person loses money in a credit union, the adverse publicity can cause many more to withdraw their savings from other credit unions. This unfortunate result would be prevented by my amendment, since any losses would be paid by the insurance fund.

A third reason for extending provisional share insurance to nonqualifying credit unions is that it will help restore their financial solvency. If a credit union is rejected for insurance, it will have difficulty in attracting new deposits and in keeping their existing deposits. How many people would want to keep their money in a credit union which has been rejected for insurance because its reserves are inadequate? The stigma of being rejected for insurance will make it increasingly difficult for these credit unions to achieve the growth they need for restoring their financial solvency.

The lack of provisional insurance will work a particular hardship on limited income credit unions which have the authority to accept deposits from nonmembers such as banks, churches, corporations, or other groups or persons outside the credit union's field of membership. The only way limited income credit unions can become self-supporting is to attract deposits from nonmembers. The income earned from these additional deposits will enable the limited income credit union to pay its operating expenses and build up its reserves. However, these outside deposits will not be forthcoming unless provisional insurance is granted. Thus the committee bill will deny limited income credit unions the means of gaining financial solvency.

The fourth reason for providing provisional insurance is that it will increase the authority of the Administrator over those credit unions rejected for Federal share insurance. The Administrator has a great deal more regulatory authority over insured credit unions than he does over uninsured credit unions. For example, he can issue a cease-and-desist order directing an insured credit union to refrain from engaging in unsafe or unsound practices. He can also order a change in the management of an insured credit union. These supervisory controls are not available with respect to an uninsured credit union.

This means that my amendment would permit the Administrator himself not only to save credit unions the failure of which might otherwise result in a loss on the part of their depositors, but also to take the kind of steps that are necessary to put them on a sound basis.

If my amendment is adopted, the Administrator of NCUA would have much more authority over those credit unions rejected for permanent share insurance. He would be in a stronger position to supervise their operations so that they would have a much better chance of meeting the insurance standards by the end of the 2-year period.

Finally, Mr. President, I believe that adequate precedent exists for my provisional insurance amendment. Last year, when Congress passed the Securities Investor Protection Corporation Act, it insured brokerage firm customers against any losses arising from a brokerage firm failure. All brokerage firms were covered by the insurance program regardless of their financial condition. Each account in a brokerage firm was insured for a maximum of $50,000.

Brokerage firms are not supervised or examined by the Federal Government as are credit unions. Moreover, brokerage firms underwent losses far in excess of those ever experienced in the 34-year history of credit unions. And yet brokerage firms were automatically provided with insurance while credit unions are required to pass a rigid test.

Brokerage firm customers certainly need protection. But as a group, they are far more knowledgeable about financial matters than are credit union savers. Surely credit union savers are entitled to at least the same degree of protection which Congress decided to give brokerage firm customers.

Mr. President, I find it wholly inconsistent that the Congress would apply one standard for the rich and well-to-do, and another standard for the person of modest income. If blanket insurance can be extended to all brokerage firms, why cannot the same treatment be given credit unions, whose insurance involves much less of a risk compared to the brokerage industry.

Mr. President, it might be argued that provisional insurance would, or could, impose an undue burden on the credit union share insurance fund. I believe this is a wholly specious argument. As I have indicated, the maximum losses are estimated at only $2 million. The credit union share insurance fund will have at least $18 million in reserves by the end of the 2-year period, thus there is more than enough money in the fund to pay any losses which might result. Some have suggested that the fund might be faced with an insurmountable cash flow problem if it were required to purchase the assets of liquidating credit unions. According to this argument, the immediate cash drain on the insurance fund could far exceed the ultimate losses realized by the liquidation.

I believe this argument ignores the other options available to the Administrator of the insurance fund. First, any cash flow problem can be alleviated by borrowing from the Treasury. Under the law, the Administrator can borrow up to $100 million from the Treasury if re-

quired. Second, the Administrator can sell the assets of a liquidating credit union to other credit unions or other organizations on a guaranteed basis. By using guarantees, the insurance fund thus obviates the need for using its own cash to carry the assets.

Finally, Mr. President, it has been argued that perhaps individual savers will not lose money after all—that their losses might be assumed by the various stabilization funds operated by State credit union leagues. Mr. President, I believe this argument is merely an exercise in wishful thinking. The moneys in the State stabilization funds available for losses is far short of the $2 million in potential losses resulting from the liquidation of the 365 credit unions which cannot be expected to meet the insurance standards. Moreover, these funds are unevenly distributed throughout the various States. Some States have no stabilization funds at all. In other States, only token amounts are available. Thus we cannot afford to rely upon the notion that the State stabilization funds might somehow be able to solve the problem.

The language that has been suggested by the chairman of the committee helps substantially, I think, in this regard.

Mr. President, my amendment is strongly supported by the Credit Union National Association—CUNA—which represents over 92 percent of the credit union movement. In a recent poll conducted by CUNA, credit unions voted by a margin of 6 to 1 to favor provisional insurance. It is not surprising that credit unions favor the provisional insurance amendment for the reasons I have just listed. Since the credit unions themselves are overwhelmingly in favor of provisional insurance, I do not see why the Congress should deny them the right to use their own money to solve their own problem as they see fit at no expense to the Federal taxpayer.

In summary, Mr. President, my amendment will protect credit union savers from suffering unfair losses; it will promote public confidence in the credit union movement; it will permit nonqualifying credit unions to rebuild their financial solvency; it provides the Administrator with greater authority over nonqualifying credit unions; and, finally, it will not cost the Federal taxpayers a single penny. I urge the Senate to approve my amendment.

Mr. President, I would like to add one further word. I think this amendment has been very substantially improved by a modification suggested by the chairman of the committee (Mr. SPARKMAN), when he suggested that we strengthen the provisions that are implicit, but not set forth, that the administrator should be aggressive and do all he can to assist credit unions that are in difficulty. This is the language that I added at the suggestion of Senator SPARKMAN:

> The Administrator shall offer technical assistance, management training, and management counseling to all credit unions whose application for insurance has been disapproved so as to enable the maximum number of such credit unions to meet the standards for insurance required by this title. In furnishing such technical assistance, management training, and management counseling, the Administrator may utilize moneys in the National Credit Union Share Insurance Fund as provided under section 203(a) of this title. The Administrator shall also encourage to the maximum extent feasible, that such technical assistance, management training, and management counseling be made available through State stabilization funds, similar funds, or similar State credit union organizations."

Mr. President, I hope, in view of the fact that this amendment provides what the credit unions themselves overwhelmingly say they want, and the organization that represents 92 percent of the credit union movement supports this amendment very vigorously, that the Senate will, in turn, vote favorably on my amendment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, would the Senator from Utah like to use some time now?

Mr. BENNETT. I see other proponents——

Mr. SPARKMAN. I will be glad to yield to the Senator from Utah.

Mr. BENNETT. I would assume that, since I have managed the bill and am in opposition to the amendment, the Senator from Alabama will yield control of the time to me.

Mr. SPARKMAN. Oh, yes.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. WILLIAMS. I have a short statement in support of the amendment offered by the Senator from Wisconsin.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, I am happy to yield to the Senator from New Jersey, and then I would suggest that the Senator from Utah use some of his time, so that we do not use up all of our time before the opposition speaks.

How much time does the Senator wish?

Mr. WILLIAMS. Three minutes.

Mr. PROXMIRE. Mr. President, I yield 3 minutes to the Senator from New Jersey.

Mr. WILLIAMS. Mr. President, under the committee bill approximately 350 Federal credit unions will be denied share insurance. However, under the amendment offered by the senior Senator from Wisconsin (Mr. PROXMIRE), of which I am a cosponsor, these credit unions and their shareholders would be granted 2 additional years of temporary insurance. During that time, they will be required to solve their reserve and delinquency problems or face expulsion.

The issue now before us is whether or not these credit unions should be automatically insured. The opponents of our amendment argue that it is not fair to insure credit unions that do not meet the current standards of the act because thousands of other credit unions have been able to comply. We have been told that it is poor business practice to cover these credit unions; that they will fail anyway and that the insurance fund should not bear the brunt of the loss. However, the National Credit Union Administration has estimated that these 350 credit unions have shares worth approximately $35 million and a reserve deficiency of $2 million. In other words, the ultimate loss from the share insurance fund would be at the most $2 million from a fund that now amounts to $7 million and will amount to $20 million by the end of the additional 2 years. And this $20 million is made up of assessments levied on individual credit unions—the very same credit unions that favor 2 additional years of blanket coverage. It is a sad day indeed when the Congress tries to tell our Nation's credit unions that they are prohibited from insuring their own members with their own premium dollars because the risk is too great.

Therefore, in my opinion, we can dismiss the argument that insuring all credit unions is likely to be a serious blow to the fund and that the preponderance of credit unions are opposed to blanket insurance coverage. CUNA, representing the great majority of our Nation's credit unions, adheres to the credit union principle of mutual assistance and fully supports the adoption of this amendment.

The real issue involved is a simple one: Is the Congress going to permit several thousand credit union members to suffer losses which in some instances cover their life savings because their credit union is liquidated for failing to meet insurance requirements? Or are we going to take constructive action to prevent these credit union members, many of whom are from our Nation's lower-income groups, from suffering severe financial loss?

I, for one, do not believe that we in the Congress, or the members of insured credit unions, are so materialistic in our beliefs, so selfishly profit minded, so blinded by managerial efficiency that we will not show our concern for these credit union shareholders by providing them with insurance coverage. We should express the same concern as we did last year when we provided complete insurance coverage for our Nation's stockbrokers in their time of financial crisis.

The real issue is not whether the National Credit Union share insurance fund is faced with a $2 million payout. It is whether we are willing to take the steps which are necessary to prevent credit union shareholders from losing their savings. And the best way to do this is the way that the majority of our credit unions favor—it is to give insurance coverage to all credit unions now when they need it most. I, therefore, urge this body to adopt the amendment offered by the senior Senator from Wisconsin (Mr. PROXMIRE). I strongly support it.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, I yield myself such time in opposition to the amendment as I may require. It is the understanding of the Senator from Utah that he has 30 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. BENNETT. I will try not to use that much time.

Mr. President, it is important that the Senate approve this legislation without

undue delay. The committee bill would allow an additional 2 years for Federal credit unions to meet the standards of safe operation required for share insurance. If an extension of time is not granted, some Federal credit unions that have not been able to meet the minimum standards will lose their Federal charters early next year.

As the principal sponsor of the legislation which provided insurance for credit union shares, I feel a particular responsibility toward those which have been unable to obtain insurance and recommend strongly that the committee bill be approved.

Mr. President, the committee bill is supported by the Administrator of the National Credit Union Administration, the National Credit Union Board which represents credit unions from all districts in the Nation, credit union organizations, and credit unions throughout the Nation. It is certainly true that some credit unions and some credit union organizations, while supporting the extension of time as necessary, have also asked that the Administrator be required to insure all Federal credit unions regardless of the fact that they have been rejected for insurance because of insufficient reserves, unsafe or unsound operations and policies, unfit management, or because they are not fulfilling the objectives of credit unions.

The proposition that all Federal credit unions be insured regardless of their operating soundness is strongly opposed by the National Credit Union Administration, credit union organizations, and many credit unions on grounds of equity, equality of treatment between State-chartered and federally chartered credit unions, and the concept that credit unions, to really serve their members, should be required to meet certain minimum standards of financial soundness in their operations.

Incidentally, a survey taken by the National Credit Union Administration indicated that credit unions divide about evenly on this issue. I might add, I believe there are obvious reasons why the CUNA results referred to by the Senators from Wisconsin are biased.

Granting an additional 2 years for federally chartered credit unions to qualify for insurance will not only provide an opportunity for most of the credit unions which should continue in operation to become insured, but also it will provide an opportunity for the Administrator and the board of the National Credit Union Administration to develop the basic facts on which a decision can be made as to what congressional action, if any, should be taken with regard to those which do not meet minimum standards of safe operation during that period. The Administrator, in testimony before our committee on this section of the bill, said:

> All I am asking now is for two years past a one-year grace in order that I can give you facts on which you can make a judgment.

This bill, as unanimously approved by the committee, provides those 2 years. It does not make a final judgment on whether additional assistance should be granted through congressional action at a later time. It does, however, make the judgment that credit unions known to be financially unsound will not automatically be insured by the Administrator. I believe it is important to recognize at this point that some of the credit unions which have had their initial application for insurance rejected have assets of as much as $10 million, and many of them have assets of over $1 million. There is, in my view, no justification for the Congress to lower the standards and insure all Federal credit unions of this size when thousands of smaller credit unions have been required to meet the standards approved by the Congress last year.

Mr. President, the committee carefully considered this issue; and an amendment offered by the Senator from Wisconsin which would have provided insurance to all Federal credit unions, so long as they had met the annual requirement to transfer a specified percentage of gross income to statutory reserves, was turned down. According to the National Credit Union Administration, all rejected Federal credit unions have met this requirement. The fact that a credit union has met this annual requirement for a transfer to reserves has little, if any, relationship to the adequacy of its reserves, the soundness of its policies, or the solvency of the credit union. We were fully aware of this when we enacted the original share insurance legislation and specifically provided the Administrator with authority to establish special reserves either by regulation or when found to be necessary in any special case.

The fact that a credit union might have met the regular reserve requirements was never intended to prohibit the Administrator from assessing special reserve requirements where the credit union's financial condition was inadequate; on the contrary, it was expected. By and large, the special reserve requirement that the Administrator has assessed against some credit unions has been as a result of their excessive loan delinquency. This loan delinquency, if charged off by many of the credit unions, would make them insolvent or at least would be equal to all the reserves that were set aside. Such a circumstance would certainly indicate financial unsoundness and fall directly within the intent of Congress in providing for a special reserve requirement.

Transfers to the regular reserve are usually made only at the end of a dividend period—quarterly, semiannually, or annually, usually the latter. If a Federal credit union experiences rapid growth, required transfers to the regular reserve do not enable that account to keep pace with growth in members' savings and in loans to members. As a specific example, a Federal credit union chartered in 1967 had accumulated assets in excess of $2.3 million when its application was reviewed earlier this year. Loans to members amounted to almost $2.2 million. Delinquent loans totaled $25,700, almost $13,000 of which were delinquent more than 12 months. To protect against probable losses from loans which were seriously delinquent and against possible losses from other loans totaling over $2.1 million, the credit union had reserves of only $22,400.

Federal credit unions which experience high losses on loans to members do not accumulate adequate reserves, even though statutory transfers to the regular reserve are made, because the reserves are depleted by the absorption of uncollectible loans. Doubt is cast upon the collectibility of delinquent loans in credit unions having a high loss ratio that is not present in credit unions which have a history of no losses or relatively small losses.

The present statute provides that 10 percent of gross income is transferred to the regular reserve until the reserve shall equal 7½ percent of the total outstanding loans and risk assets, then 5 percent of gross income until the regular reserve shall equal 10 percent of the total of outstanding loans and risk assets. If a credit union does not recognize and charge off loans that are without value, it is possible for the credit union to be in a position of "no transfer" or a reduced transfer to regular reserve at the end of a dividend period, yet have inadequate reserves. To cite another example, a Federal credit union had assets of $1,100,000, shares—savings—of $908,000, and loans of $962,000. The regular reserves totaled $97,500—over 10 percent of loans. The credit union, then, was in a "no transfer" position. It had, however, $182,000 in delinquent loans, $114,000 of which was in loans delinquent more than 12 months. Loans considered to be losses exceeded reserves.

In another case, a Federal credit union had $160,000 in loans, with reserves of $12,300. Reserves were 7.6 percent of loans. The Federal credit union was in a reduced transfer position, yet it had $13,600 in loans delinquent more than 12 months. Loans totaling almost $12,000 were considered probable losses, which would practically wipe out all reserves if they were charged off.

These credit unions had made the regular reserve transfers required by the Credit Union Act, yet reserves in relation to needs were inadequate and the credit unions therefore uninsurable.

Mr. President, the committee bill grants an additional 2 years in which these credit unions can become insurable. The committee by its action has retained the authority for the Administrator of the National Credit Union Administration who supervises Federal credit unions to require them to comply with minimum standards of soundness in order to have Federal share insurance, as provided in the share insurance bill last year which received a unanimous vote in the Senate, a unanimous vote in the House Banking and Currency Committee, and no opposition on the House floor. In addition, on November 1 of this year, the House of Representatives, by a vote of 349 to 0, upheld the requirement that these same standards of operation be maintained in approving H.R. 9961 in the same form as approved by the Senate Committee.

Before taking a vote in our committee, we discussed at great length the possibility that some who now have their savings in credit unions may be subject to possible losses if their credit union could not obtain insurance in the additional 2-year-time period provided by the committee bill. Frankly, I have more faith

in the credit union movement than to believe that national organizations of credit unions will not use their best efforts and their own special funds to assure that there will be no losses to individual savers.

In our hearings, it was established that the stabilization funds of the various credit union organizations in the States as well as on a national level total about $7½ million. It was pointed out that this total amount is not liquid but that it could be made available to assist individual credit unions to comply with insurance standards or to offset losses by individual credit union members in the event of liquidation of uninsured credit unions.

In opposing less Federal share insurance just 2 years ago, it was argued by those who now are requesting that unsound Federal credit unions be insured, that there was no need for Federal share insurance because the stabilization funds were sufficient to assure that no members would experience of any affiliated credit union a loss. At that time, the stabilization fund assets amounted to just over $6 million. Now, the Federal share insurance fund has been established to take on the responsibility of insuring against loss, all members holding 95 percent of total shares in all Federal credit unions. Thus the responsibility to be met by stabilization funds has been greatly reduced. At the same time, the stabilization fund assets have increased to about $7½ million. There is no doubt in my mind that these funds can be used to assure that no individual member of an uninsured credit union will lose any of his savings.

Representing CUNA, Inc., before our committee, Mr. J. Paul White, managing director of the Utah Credit Union League, testified that the Utah League has already taken action to assure that the Federal credit unions in Utah which have not yet been able to comply with insurance requirements will be made eligible for insurance or that there will be no loss to members in the event of liquidation. The Utah League is to be highly commended for this action which is demonstrative of the self-help concept that has been the basis of the success of the credit union movement in the past. While we do not know how many other State leagues have taken this type of action or what the national association has done in this respect, certainly one would expect them to be interested enough in their members to use their stabilization fund assets which greatly exceed even the highest estimates of possible loss. If past experience is an indication, we should be able to count on all of the State leagues to meet this challenge and assure that members in uninsured credit unions do not lose any of their savings.

Actually, the availability of these stabilization on funds was used as an argument against the need for Federal insurance. If these were adequate to protect 100 percent of all member credit unions then they are more than adequate to make insurable the 3 percent that are expected to fail to meet that test at the end of 2 years.

Mr. President, the sponsors of this amendment have used the broker-dealer insurance measure enacted by Congress last year to bolster their amendment by saying that we provided complete coverage for all stockbrokers in their time of financial crisis.

I would like to clear the record on this issue. First, it should be remembered that there was indeed a financial crisis last year which resulted in the enactment of the broker-dealer insurance. I believe the Senator from New Jersey, the chairman of our Securities Subcommittee, knows as well as anyone that broker-dealer business was drastically depressed both because of volume decline of about 30 percent, compounded by about an equal decline in share prices on which commission income of securities firms is based, and, as the Senator from New Jersey said at that time:

> Some of our Nation's largest brokerage firms have reported losses of up to $8.9 million in 1969.

No one has suggested that share insurance for credit unions was enacted because of a crisis. In fact, there was no confidence crisis when the share insurance was enacted and there is no confidence crisis now. This was made very plain, and it is not a service to the credit union movement to even intimate that there will be a crisis even if certain credit unions should liquidate. The sponsors of this amendment know very well that even if 365 credit unions were to liquidate because they could not get insurance, that would be fewer than the normal number of annual Federal credit union liquidations which totaled 541 in 1970 and 561 thus far in 1971.

Now let me just say that the sponsors of this amendment also know that the comparison between what we did for the customers of broker-dealers was not in any way to insure all, regardless of their financial condition, as would be the case under this amendment. Before enacting the insurance for broker-dealer customers, it was made clear that the industry would take responsibility for customer losses sustained by all firms in capital violation prior to the effective date of the legislation. What this means is that the insurance fund excluded possible losses from those marginal firms from insurance coverage. That is what was done when the banks were insured. That is what was done when the savings and loan associations were insured, and that is what we did when we enacted the share insurance for credit unions, and that is what would be done if the existing stabilization funds were used as I have suggested. The difference, however, is that we have given credit unions a period of time to become insurable and, now, the committee bill gives them another 2 years. Further, no final decision is made as to what will be done at the end of the 2 years. We will then have the information on which to base a rational decision and could provide even a further time extension.

Mr. President, there is another matter that must be considered in connection with this proposal to insure all Federal credit unions regardless of the soundness of their operations. When we enacted the share insurance legislation, we were very careful not to discriminate between Federal credit unions and State credit unions. In fact, the act itself contains a nondiscriminatory provision stating that:

> It is not the purpose of this title to discriminate in any manner against State-chartered credit unions and in favor of Federal credit unions, but it is the purpose of this title to provide all credit unions with the same opportunity to obtain and enjoy the benefits of this title.

Now we have this amendment before this body which has as its intent the insuring of all Federal credit unions so long as they meet the minimal requirements of reserve transfers contained in Section 116(a) of the act. The amendment would, in fact, literally force the Administrator to insure all of the Federal credit unions which he has rejected because of other deficiencies which the act requires the Administrator to take into account before providing share insurance. The amendment, however, does not alter the present standards so far as State-chartered credit unions are concerned. If the amendment were to be accepted, it would therefore lower the standards required of Federal credit unions to a level that all would be insured, but it would not lower the standards for State credit unions. It would therefore be discriminatory against State credit unions. I, for one, cannot support such a result.

Let me add, it is interesting that CUNA is now recommending such discrimination. Last year their spokesmen expressed deep concern over many provsions in the bill which he said might weaken the dual system of credit unions. Certainly different standards for insurance would weaken the dual system.

Mr. President, to indicate the feeling on this issue of discrimination, I would like to read part of a letter I received from one of the largest State-chartered credit unions in Utah:

> Our credit union is state-chartered, and we are considering the insurance on a voluntary basis, but frankly, we will not subscribe if the Credit Union Administrator, Herman Nickerson, is compelled to insure approximately 1,420 'sick' credit unions. . . . An alternative is to give the credit unions who cannot comply a year or two to get their house in order, and if unable to do so, merge with a good strong organization that has a common bond.
>
> I realize that this recommendation is contrary to what CUNA is recommending to Congress, but we believe common sense would dictate a different approach.

I am not including the entire letter in the RECORD for obvious reasons. However, I ask unanimous consent to have printed in the RECORD a telegram I received from the President of the Association of State Credit Union Supervisors stating his view on this issue.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

OLYMPIA, WASH.

Senator WALLACE F. BENNETT,
Washington, D.C.:

I wish to urge passage of H.R. 9961, pertaining to an extension of 2 years for Federal Credit Unions to qualify for share insurance. As president of the association of State Credit Union Supervisors, I want to see the integrity of the insurance fund protected. Since a number of substantial state credit unions already have obtained the coverage. And others are considering it. H.R. 9961 represents a much more rational alternative to granting temporary insurance coverage to weak credit unions since this could invite considerable abuse. The prospect of marginal credit unions being able to solicit shares with the shelter of temporary coverage is not reassuring. As the official responsible for supervision of state credit unions in Washington, I also hope that H.R. 9961 prevails.

WILLIAM E. YOUNG.

Mr. BENNETT. Mr. President, I hope that the Senate will approve the proposed legislation as reported by our committee, without amendment, to assure that the administrator of the National Credit Union administration will not be required to revoke or suspend the charter of any Federal credit union for at least 2 more years because it has not met insurance standards, and also to assure that reasonable operating standards be required not just for State credit unions but also for Federal credit unions in order to obtain Federal share insurance.

Mr. President, I think the best way to explain why, in good conscience, I must oppose this amendment is to go over the history of how Federal share insurance for credit unions came to be.

I am the author of the bill that provided the insurance. We have heard here today that the Credit Union National Association supports the amendment. The Credit Union National Association was unalterably opposed to Federal share insurance for its members 2 years ago. They discovered that their membership would not support that position; and before we finally voted, they had to reverse it.

The statement has been made here today that we should be sorry for these perhaps 350 little credit unions that at the end of 2 more years may not be able to qualify; that, therefore, we should give them share insurance, and that we should let them get into the system without qualifying. That is what CUNA wanted to do with all credit unions. When my bill was passed, that approach was rejected. Furthermore we are not just dealing with 350 credit unions.

This amendment says:

> We want to give 1,250 credit unions, more or less, a privilege we have denied to about 12,000 Federal credit unions and approximately the same number of State credit unions. We want to let them slip in under the tent. We want to let them go on doing the things that have gotten them into the condition in which they now find themselves.

We did not give the same privileges to approximately 22,000 or 23,000 others.

The point has been made that these are so few and the loss would affect these people so much that we should make an exception in their case. The Federal credit union insurance program is, in effect—given the difference in the systems—a copy of the insurance program we have for the banks and the savings and loan associations.

In the bank closing in 1932, no banks were open that were insolvent. We did not give any of them a chance to slip in under the tent. Those that could not meet the specifications of the Treasury remained closed, and the stockholders and the depositors in many cases lost far more than is at stake here.

The Federal savings and loan associations all had to qualify for insurance under the FSLIC. We say this is the same kind of business, but we must be especially kind to these organizations that have made very bad loans and investments. We say that to allow 350 or 365 credit unions to be closed would be a tragedy that would sweep across this country and wipe out faith in credit unions.

For the last 2 years, an average of 550 credit unions have been liquidated for various reasons including poor management but the credit union movement has not been rocked to its foundation.

It is very amusing to me to have dragged into this argument the insurance that was set up to take care of the stock brokerage crisis of a couple of years ago. An attempt has been made to relate that to this credit union situation. Actually, what the proponents did not bring out is that before any brokerage house could be insured, the industry itself was required to put up $50 million—private funds—to take out of the list of brokerage houses those that were in trouble. For a reason which has already been indicated, and on which I would like to build, funds to take out these potential 350 losses already exist in the Federal credit union movement but no commitment has been made to use these funds, nor is any required in this amendment.

When the original share insurance legislation was introduced and CUNA fought it so vigorously, their basis was, "We have private funds to insure our members, and we do not need to have Federal credit union insurance."

They were referring, of course, to the stabilization funds that exist today in the amount of some $7.5 million. Very interestingly my colleague, the author of the amendment, has now modified it to express the pious hope that some of the money will be used to help these people in need of help. My own State of Utah has six Federal credit unions that have not qualified for share insurance. In testimony before the committee, the president of the Utah Credit Union League said they would use their stabilization funds to see that no Federal credit union is in a position where they cannot get insurance.

Those funds were raised as a quasi-insurance fund to protect their members. Now that the burden of insurance has been lifted from the association, the funds still remain. If they are not going to be used for purposes of this kind, then they remain as funds to be spent for any purpose the association may want to use them for, including lobbying with Congress, which has been going on at a terrific rate since this bill was reported.

It seems to me that the proposal that we give a special privilege to as many as 1,250 to 1,300 organizations which cannot qualify for insurance, is the kind of last face-saving gesture that, "We have got to win something out of this debate."

Mr. President, there is another aspect of this legislation that no one has discussed. There are approximately 1,250 credit unions today that have not been able to qualify.

It is assumed that some 900 of these would qualify if given 2 years additional time.

Acting under the authority of the law, the administrator of the Federal Credit Union administration has required those organizations which are in doubtful condition, to sign agreements to increase their transfer to reserves against bad loans in order to obtain insurance.

Now, Mr. President, if we are going to let 1,250 credit unions have insurance without any additional limitation or requirements, would it not be only fair that the administrator must go back to the people on whom he has imposed the additional burdens in order to make them solvent and say, "I can no longer require you to perform under this order. You are free from the responsibility of setting up greater reserves," because, obviously, he is not going to have the power to require the 1,250 to set up the reserves.

Well, where are we today?

The House has passed a bill providing for 2 years. They rejected the proposition represented by the Senator from Wisconsin. It seems to me that we would be wise to take the same step.

There is another consideration I would also mention in summary. The bill does not give any special relief to any State-chartered credit union. Obviously no program should be operated by the Federal Government that is not fair to every person who may become a part of a given system. There are undoubtedly State-chartered credit unions that cannot qualify for insurance. This bill would give them no help. So, by giving a special dispensation, a special privilege to federally chartered credit associations, we will be unfair to the State associations.

I have had correspondence from some of the State associations in my State expressing very strong opposition to the creation of this unfair situation.

The author of the amendment talked earlier about the stabilization funds. If the Credit Union National Association and the State Leagues have the same kind of brotherly consideration for their members as they had before the Federal credit union share insurance bill was passed, I think they should be prepared to make a public statement saying that they are prepared to use the stabilization funds which they gathered for the protection of their members. But, except for my own State of Utah, whose State League is to be highly commended, I have heard no such statement. If they would do that, there would then be no necessity to load onto the more than 11,000 Federal credit unions, which have qualified and are paying their assessments into the insurance fund, the weakness and the failure of those that cannot qualify. If we want to be really fair, as I say, why did not we in the beginning say that everyone gets insurance without any qualification? That is what CUNA wanted in the beginning. That is what the Senate turned down.

As I remember it, the author of the amendment joined the rest of us in opposing blanket insurance for all credit unions when the bill was passed.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. BENNETT. I yield.

Mr. TOWER. Mr. President, I share the view of the Senator from Utah that it is not appropriate for us here to cover these credit unions which cannot meet the standards set by the National Credit Union Administration. And I share his view that probably the stronger unions that are sound end up paying for the losses of those that are unsound.

I think that all those that do not qualify ought to be allowed time to qualify. However, I think even on a provisional basis that we should not try to insure them now. After all, Congress insures on the basis of this kind of procedure, in situations involving the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation.

The Senator said that some 1,200 to 1,300 credit unions cannot qualify. How many of those could conceivably qualify in the next 2 years? Could the Senator give me a figure on that?

Mr. BENNETT. Mr. President, let me restate the figure there. Approximately 1,250 do not now qualify. It is assumed that about 350 of those will not be able to qualify after 2 years.

Mr. TOWER. About 350 will not be able to qualify.

Mr. BENNETT. The Senator is correct. It could be assumed that these probably are credit unions that are currently deteriorating or are on the verge of failure.

They are in very bad shape now, or otherwise the Administrator would not have been able to make such an estimate.

Mr. TOWER. Mr. President, let me ask the Senator from Utah if there is any other type of assistance available to those credit unions that do fail in the next 2 years.

Mr. BENNETT. The Senator from Utah made it clear that funds gathered from both Federal credit unions and the State credit unions were gathered specifically to help their members if they got in trouble. It seems to me that this is an ideal time for them to come forward and say, "Now that we have the Federal credit union insurance, we will help our members to qualify and offset the losses of those who cannot qualify."

Mr. TOWER. Mr. President, I thank the Senator from Utah.

Mr. BENNETT. Mr. President, I yield the floor.

Mr. PROXMIRE. Mr. President, I yield 3 minutes to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 3 minutes.

Mr. GAMBRELL. Mr. President, I thank the Senator from Wisconsin for yielding me 3 minutes to comment on the amendment. I supported the amendment in the committee and I plan to support it again on the floor today.

I might say that the support I have given it has not been as a result of any pressure or suggestions on the part of the Credit Union Association. In fact, I did not hear from any representatives of the Credit Union Association until after the committee vote on this subject was taken.

My own impression that the amendment is desirable is based on policy considerations.

First, the Federal credit unions—and I might say in this regard that they are different from the large State credit unions—have as part of their name the word "Federal." I think the Federal Government owes some duty to consider depositors who have relied on this being covered under a Federal system. Presumably people think that it may have some Federal sponsorship, and they rely upon that fact.

Second, I think it would be a mistake to visit on the depositors the misdeeds, the miscalculations, and mismanagement of the managers of these cooperative funds. This is not like an operating company in which people have risked their money for profit in reliance on some business manager in whom they had confidence. Most of these depositors have put their money into the funds on the theory that it is a federally-sponsored program which the Federal Government offers some protection to and some insurance concerning the solvency. Perhaps that is a mistaken impression. However, primarily these are people who are employees and who are simply looking for a cooperative way in which to make a return available to themselves.

I think it is very important in order to assure the public confidence in these funds that the Federal Government take steps such as this amendment proposes to take to assure that depositors will not suffer losses by misplaced reliance on these funds.

Mr. President, for these reasons, I intend to support the amendment on the floor today.

Mr. BENNETT. Mr. President, I am prepared to yield back the remainder of my time, if the Senator is.

Mr. SPARKMAN. Mr. President, I would like to make a few remarks.

Mr. PROXMIRE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Wisconsin has 5 minutes remaining.

Mr. PROXMIRE. Mr. President, I yield 4 of those 5 minutes to the Senator from Alabama.

Mr. BENNETT. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Utah has 10 minutes remaining.

Mr. SPARKMAN. Mr. President, I feel myself in a rather peculiar position with reference to this amendment. I voted against the Proxmire amendment in the committee. However, the amendment was not in the same form then that it is now. Members of the committee will remember that I repeatedly urged that an effort be made by the Administrator to help these credit unions that he felt would not be able to qualify. Even though that is mere speculation on his part, that they will not be able to qualify, I point out that the Senator from Wisconsin has included in his amendment something that I urged upon the Administrator. And, by the way, I have received a letter from the Administrator in which he says:

> I wish to make it absolutely clear that the National Credit Union Administration has a very extensive program for assisting credit unions which are in difficulty. This is particularly so with low income credit unions, credit unions whose insurance applications were rejected, and credit unions that have peculiar difficulties. Every effort is being made to help credit unions that have not been insured to qualify. As I have personally studied each application to date, I shall continue to do so in the future. I assure you that I have not rigidly followed criteria only but I have personalized each case, giving due consideration to the credit union's individual circumstances.

Mr. President, I ask unanimous consent that this letter and my reply to it be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL CREDIT UNION ADMINISTRATION,
Washington, D.C., November 11, 1971.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I wish to take this opportunity to express my appreciation for the action of the Committee on Banking, Housing and Urban Affairs on H.R. 9961.

The National Credit Union Administration is convinced that an extension of time for rejected credit unions to put their houses in order is the proper course to take.

In reflecting on my testimony before the Committee, there were several areas which I believe need clarification. I wish to make it absolutely clear that the National Credit Union Administration has a very extensive program for assisting credit unions which are in difficulty. This is particularly so with low income credit unions, credit unions whose insurance applications were rejected, and credit unions that have peculiar difficulties. Every effort is being made to help credit unions that have not been insured to qualify. As I have personally studied each application to date, I shall continue to do so in the future. I assure you that I have not rigidly followed criteria only but I have personalized each case, giving due consideration to the credit union's individual circumstances.

If H.R. 9961 is passed by the Senate, I intend to report periodically to the Committee. After a reasonable period of time, I will be in a position to assess the specifics confronting the credit unions not then insured.

I would also like to state the National Credit Union Board was consulted by me and approved my recommendation to extend the time that a rejected credit union could qualify for insurance from one year to three years, as provided in H.R. 9961.

Let me assure you that it is the desire of the National Credit Union Administration to do everything possible to ensure that all credit unions become insured if at all possible.

Sincerely yours,
HERMAN NICKERSON, Jr.,
Administrator.

NOVEMBER 11, 1971.

Gen. HERMAN NICKERSON, Jr.
National Credit Union Administration, Washington, D.C.

DEAR GENERAL NICKERSON: Thanks for your letter of November 11. I appreciate your comments in it. I am very glad to have your statement regarding an "extensive program for assisting credit unions which are in difficulty." I do hope that as many as possible of those small credit unions can be helped to qualify for the share insurance.

With best wishes and kindest regards, I am

Sincerely,
JOHN SPARKMAN.

Mr. SPARKMAN. Mr. President, as I have pointed out, the Senator from Wisconsin has included a requirement in his amendment that the Administrator put on an intensive program of assistance. I urged in the hearings before the committee that if an effort were made, management could be bettered and assistance could be given in getting better financial management. I pointed out that the greatest cause of failure in small businesses is poor management. Therefore, when the Small Business Act was passed, we wrote a requirement in the law that every effort should be made and training courses should be given to help management and to lend assistance of every kind to small businesses. I stated that the same thing could be done here.

I have the Administrator's assurances that he will carry on that kind of training and assistance program. Furthermore, I was very much impressed with what the gentleman who testified for this kind of program—and he was from Utah—told us that Utah had utilized the stabilization fund to help those small credit unions that are in trouble to pull out.

I think it should be done throughout the whole country. Unfortunately, we cannot compel it at the present time. But in this amendment it is provided that the Administrator shall make every effort to get the people—the leagues within the individual States—to use this stabilization fund for the purpose of helping credit unions that are in trouble.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Mr. President, how much time do I have remaining on the bill?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. BENNETT. I am happy to yield time to the Senator on the amendment.

Mr. SPARKMAN. I thank the Senator. I only need a couple of minutes.

Mr. BENNETT. I yield 3 minutes to the Senator.

Mr. SPARKMAN. On page 12 of the report there is shown the credit unions which to date have been rejected. It also shows the number in the individual States. It so happens that California has the largest number. I believe Texas has the next largest number, or Pennsylvania, probably. But at any rate many of those unions can be pulled out of trouble.

I tried repeatedly to find the characteristics of some of these small credit unions during the hearings. I was not able to get it but later I did get it with respect to my State of Alabama. I believe there are 28—22 now since the bill has been reported out; six of those qualified—but there are 22 now.

I find that every one of them is a high unemployment area. I hope in the 2 years we can get some betterment of this unemployment situation and that these credit unions will be able to pull out.

As the Senator from Utah pointed out, there is no such amendment in the House bill. The House bill is just as the Senate reported the bill. This will be a matter for conference. I am not perfectly satisfied with the situation. I wish we could find some way to work it out but I suggest we take the amendment to conference and let us work it out that way.

Mr. President, that is all I wanted to say but I want to take advantage of this opportunity to pay our respects to the members of our staff who have worked so diligently on this matter. I particularly refer to John Evans, who is a professional staff member. He is the man who did the work and who assisted the Senator from Utah (Mr. BENNETT) in presenting the original matter of share insurance and he has done a tremendous job throughout. I pay my respects to him and to the other members of the staff, Michael Burnes, Dudley O'Neal, Reginald Barnes, and all members of the staff.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. BENNETT. This is on my time.

Mr. TOWER. Will the Senator yield to me for 30 seconds?

Mr. BENNETT. I yield 1 minute to the Senator from Texas.

Mr. TOWER. Mr. President, I would like to associate myself with the remarks of the Senator from Alabama relative to the staff. They have done this work in the face of the matters they were involved in in connection with the Phase II legislation. They had a considerable load on them and they performed very well.

Mr. BENNETT. Mr. President, in this kind of debate there are always one or two things that get by a person and it is hard to keep them all in mind.

The Senator from Wisconsin made note of the fact that there was no Federal money involved in this insurance. That is true of all deposit insurance funds. It is not unique, and it is the savers from the solvent credit unions who will be asked to put up the money to take care of these people.

One final thought which has been inspired by the last comments of the chairman. Why do we not let this bill stand as it is, with an understanding that 1 year from now or a year and a half from now we will look at the situation and see how many of these institutions are in trouble?

It seems to me that the prudent thing to do is to let 1 year or a year and a half of that run and then ask the Administrator where his problems are and how big they are and what kind of problem it is, and then I think we could legislate more wisely and prudently.

Otherwise, we would be potentially insuring, or blanketing in about 900 that are going to qualify anyway.

Mr. President, if this amendment is agreed to and we go to conference on it, I will attempt in conference to suggest postponement of the automatic insurance until we get closer to the end of the 2 years, rather than to do it now.

Mr. President, I do not think the yeas and nays have been requested. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. A quorum would not be in order until the other side has yielded its time.

Mr. PROXMIRE. We may have a sufficient number now.

Mr. BENNETT. Mr. President, I ask for the yeas and nays again.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BENNETT. I yield back my time.

Mr. PROXMIRE. Mr. President, I have only 1 minute remaining so I wish to state very quickly that the 365 or 350 credit unions that are not qualifying at the present time would not be permitted to continue past the 2-year period unless they qualified. The amendment is clear on that. It states:

> The administrator shall suspend or revoke the charter of any Federal credit union which has failed, upon the expiration of such 2-year period of insurance, to file an application for insurance which is approved by the administrator in accordance with subsection (c).

Also, the Administrator is in a position under this amendment—because once insurance is provided he has cease and desist powers—to remove management and take other steps to improve the union. This is an effective way to see that the smallest number of credit unions liquidate and that there will be no loss to depositors.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin, as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Oklahoma (Mr. HARRIS), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Illinois (Mr. STEVENSON), the Senator from Idaho (Mr. CHURCH), and the Senator from Georgia (Mr. TALMADGE) are absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Tennessee (Mr. BAKER), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. FANNIN), the Senator from Hawaii (Mr. FONG), the Senator from Illinois (Mr. PERCY), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New Jersey (Mr. CASE) is detained on official business.

If present and voting, the Senator from New Jersey (Mr. CASE) would vote "yea."

The result was announced—yeas 62, nays 17, as follows:

[No. 397 Leg.]

YEAS—62

Aiken	Gambrell	Montoya
Allen	Gravel	Nelson
Bayh	Griffin	Packwood
Beall	Gurney	Pastore
Bellmon	Hart	Pearson
Bentsen	Hartke	Pell
Boggs	Hatfield	Proxmire
Brock	Hollings	Randolph
Brooke	Hughes	Ribicoff
Burdick	Humphrey	Schweiker
Byrd, Va.	Jackson	Scott
Byrd, W. Va.	Javits	Smith
Cannon	Jordan, N.C.	Sparkman
Chiles	Magnuson	Spong
Cranston	Mansfield	Stafford
Dole	Mathias	Stennis
Eagleton	McClellan	Stevens
Eastland	McGee	Tunney
Ellender	Metcalf	Williams
Ervin	Miller	Young
Fulbright	Mondale	

NAYS—17

Allott	Cooper	McIntyre
Anderson	Curtis	Roth
Bennett	Goldwater	Taft
Bible	Hansen	Thurmond
Buckley	Hruska	Tower
Cook	Jordan, Idaho	

NOT VOTING—21

Baker	Harris	Muskie
Case	Inouye	Percy
Church	Kennedy	Saxbe
Cotton	Long	Stevenson
Dominick	McGovern	Symington
Fannin	Moss	Talmadge
Fong	Mundt	Weicker

So Mr. PROXMIRE'S amendment (No. 702), as modified, was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, I yield to the Senator from Arkansas.

THE EAST AND GULF COAST DOCK STRIKE

Mr. McCLELLAN. Mr. President, the east and gulf coast dock strike is now 54 days old. According to press reports today, negotiations between longshoremen and the shipping industry broke off last night because of economic differences, and they have been recessed indefinitely.

Mr. President, America can ill afford the devastating blow this strike is inflicting on our economy, particularly on our agricultural industry. Farmers throughout the Nation, and especially in my area, are being hard hit by the inability to move their products. Arkansas farmers are incurring heavy daily losses, and as the strike continues the losses will spread throughout related industries as plants, processors, packagers and distributors feel the further paralyzing effects of the work stoppage. Our competitive position in the world markets has slipped dangerously and many of these markets may well be lost forever through our inability to deliver.

Mr. President, the situation is critical and calls for immediate and effective action to open the idle docks. I have today called upon President Nixon to use the full powers of his office, including, if necessary, immediate invoking of the Taft-Hartley Act. I ask unanimous consent, Mr. President, to have printed in the RECORD at this point, the text of my telegram to President Nixon today urging this action.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

TELEGRAM

Hon. RICHARD M. NIXON,
President of the United States,
The White House,
Washington, D.C.

I respectfully urge that you use the full power of your office immediately—including, if necessary, the Taft-Hartley Act—to halt the devastating strike which has shut down all of our Eastern and Gulf State ports. This stoppage—presently in its 54th day with negotiations now recessed indefinitely—is having catastrophic effects on our nation's economy—both at home and abroad—and on the many thousands of farmers, allied tradesmen and workers throughout the United States who produce and distribute American grain commodities to worldwide markets.

As a result of this strike:

We are rapidly losing hundreds of millions of dollars in soybean, rice and corn sales to foreign countries. (Soybean losses alone are mounting to around $540 million. Grain shipments to Japan are down more than 1 million tons during the first three months of this new fiscal year.)

We are quickly and irrevocably losing countless commodity export markets to international competitors through our failure to meet current shipping commitments. (Western Europe and Japan have already sought new arrangements with Africa and South America for various grain substitutes. Already our foreign competitors have stepped into the breach we have left in Japan—Australia's sales to her having gone up by 325,000 tons, S. Africa's by 100,000 tons, Canada's by 150,000 tons and Korea's by 60,000 tons, with Thailand to supply another 1 million tons.)

We are further impairing our already bleak balance of trade position with the loss of American ports responsible for more than two-thirds of our agricultural export traffic and which accounted for some $5.2 billion in export sales in 1970.

We are causing irreparable losses to America's largest and most vital industry—agriculture. (Already 1.2 million tons of grain exports have been lost since July because of these dock strikes. Already soybean crush statistics have begun to fall—showing a 6 million bushel decrease for October. Already the price for soybean meal has begun to depress—now down more than $9 per ton from a year ago.)

The State of Arkansas has been particularly hard hit by this grave situation. It is faced with a $75 million loss in its rice harvest—about one half of this year's total production.

Arkansas is faced with the loss of more than half of this year's soybean crop—amounting to around $150 million.

Arkansas is faced with wholesale shutdowns of factories and widespread unemployment as countless numbers involved in the processing, packaging and shipping of these precious food commodities are being laid off and plants made idle.

Arkansas is faced with farm bankruptcies and distressed farm sales.

Arkansas is faced with a severe recession in many of its smaller towns whose economies are so directly dependent on the dollars generated by this foreign trade.

In short, Mr. President, Arkansas is hurting and hurting bad from this strike. And the situation becomes more and more intolerable each day that it is allowed to continue.

During the past year, Arkansas farmers received approximately one-third of their entire income from export sales—including $73.2 million from rice, $52.1 million from cotton, $108 million from soybeans, $25.7 million from vegetable oil and $33.5 million from protein meal. It is regrettably apparent that Arkansas will not be able to match these figures—let alone exceed them—because of the growing losses materializing from this strike.

Multiply Arkansas' manifold hardships across this great land, and the ramifications and consequences of this strike on the backbone of American industry and the taxpayer are evident. These consumptive and competitive losses are not ephemeral, Mr. President. They are permanent, and mean fewer jobs, less income and a weakened American economy at a time when America can ill afford such a calamitous reversal from one of its strongest income producing sectors.

The past should be our guide to the action which must be taken now. We must not allow the recent 1968 Eastern-Gulf port strike situation to reoccur. We must not allow the irreparable damage it caused to be repeated. The wounds from that deleterious national disruption have yet to fully heal—its harmful effects still haunt the national purse and the pocketbooks of millions. It is time to act, Mr. President. I respectfully urge you to use the power of your office to reopen our critically needed ports.

JOHN L. MCCLELLAN,
U.S. Senator.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield to the distinguished Senator from Alabama.

Mr. SPARKMAN. I appreciate the Senator's bringing up this matter, because it has a deadening effect in many respects to have these dock strikes. The port of Mobile is one of the largest ports in the country. A great deal of shipping goes out of there. The farmers in Alabama have been caught with no place to store their soybeans. One ship has been loaded and has gone out, but there is a crying need for others, in order to give relief to the soybean farmers in the State of Alabama, and I certainly hope that something can be done toward working it out.

Mr. McCLELLAN. I thank the Senator.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I would like to associate myself with the remarks of the distinguished Senator from Arkansas, and with his position. This strike has been devastating to the farmers of our State. We have one of the finest ports in the Nation at Charleston, S.C., and that port has been on strike. Soybeans and other goods have not been shipped, and it has been most harmful to the economy of our State. I sincerely hope the President will take prompt action on this most important matter.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the distinguished Senator from Iowa.

Mr. MILLER. Mr. President, I certainly share the concern of the Senator from Arkansas over the problem caused our farmers and our grain shippers by virtue of the strikes, especially at the Gulf ports. However, I understood the Senator from Arkansas to state that he has been asking the President to invoke the Taft-Hartley law.

I must say with all deference that my understanding, from the legal counsel in the Department of Labor, that the President cannot take action under the Taft-Hartley law because the Taft-Hartley law will require a Federal judge to make a finding that a national emergency exists. It is for this reason that the Senator from Iowa introduced a bill 2 years ago, and again this year, to extend the President's authority in the case of a regional emergency.

My guess is that the President will simply have to advise the Senate that he does not have the authority under the Taft-Hartley law to move and that the Senate should take action on my bill, which will give him this authority in the case of a regional emergency.

I might say that the Committee on Labor and Public Welfare held hearings on my bill more than a month ago. I pointed out during the hearings the tragic consequences of regional emergencies being caused by these dock strikes not only to farmers but also to workers and to businesses, and I asked for prompt action.

I regret to say to the Senator from Arkansas that no action has been forthcoming from the Committee on Labor and Public Welfare at this moment.

Mr. GRIFFIN. Mr. President, a point of order. I do this very reluctantly, because I agree with what the Senators are saying on this subject. But this is in violation of the Pastore rule. There is going to be a rollcall vote on final passage of the pending business, and some Senators are anxious to get away. I wonder whether we could stick to the business.

Mr. McCLELLAN. If the Senator will yield me 1 more minute——

The PRESIDING OFFICER. The Senator's point is well taken. This is not germane to the subject matter.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. GRIFFIN. The Senator can ask unanimous consent.

Mr. McCLELLAN. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCLELLAN. Mr. President, speaking about a national emergency, already our foreign competitors have stepped into the breach we have left in Japan. Australia's sales to her have gone up by 325,000 tons, South Africa's by 100,000 tons, Canada's by 150,000 tons, and Korea's by 60,000 tons, with Thailand to ship a million tons of grain.

If that is not a national emergency, with the conditions in America what they are today, I do not know what is. We have depressed our already weakened economy further by not being able to fulfill our export commitments—totaling into hundreds of millions of dollars—because of this dock strike. In turn countless thousands are being laid off and plants made idle in Arkansas and all across our land. If this deplorable situation does not create a national emergency, I do not know what will.

The PRESIDING OFFICER. The time of the Senator has expired.

CREDIT UNION SHARE INSURANCE AMENDMENTS

The Senate continued with the consideration of the bill (H.R. 9961) to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes.

Mr. BENNETT. Mr. President, I yield back the remainder of my time.

Mr. HRUSKA. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Oklahoma (Mr. HARRIS), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I also announce that the Senator from Illinois (Mr. STEVENSON), the Senator from Georgia (Mr. TALMADGE), and the Senator from Idaho Mr. CHURCH) are absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Tennessee (Mr. BAKER), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. FANNIN), the Senator from Hawaii (Mr. FONG), the Senator from Illinois (Mr. PERCY), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New Jersey (Mr. CASE) is detained on official business.

If present and voting, the Senator from Hawaii (Mr. FONG) and the Senator from New Jersey (Mr. CASE) would each vote "yea."

The result was announced—yeas 79, nays 0, as follows:

[No. 398 Leg.]

YEAS—79

Aiken	Ervin	Mondale
Allen	Fulbright	Montoya
Allott	Gambrell	Nelson
Anderson	Goldwater	Packwood
Bayh	Gravel	Pastore
Beall	Griffin	Pearson
Bellmon	Gurney	Pell
Bennett	Hansen	Proxmire
Bentsen	Hart	Randolph
Bible	Hartke	Ribicoff
Boggs	Hatfield	Roth
Brock	Hollings	Schweiker
Brooke	Hruska	Scott
Buckley	Hughes	Smith
Burdick	Humphrey	Sparkman
Byrd, Va.	Jackson	Spong
Byrd, W. Va.	Javits	Stafford
Cannon	Jordan, N.C.	Stennis
Chiles	Jordan, Idaho	Stevens
Cook	Magnuson	Taft
Cooper	Mansfield	Thurmond
Cranston	Mathias	Tower
Curtis	McClellan	Tunney
Dole	McGee	Williams
Eagleton	McIntyre	Young
Eastland	Metcalf	
Ellender	Miller	

NAYS—0

NOT VOTING—21

Baker	Harris	Muskie
Case	Inouye	Percy
Church	Kennedy	Saxbe
Cotton	Long	Stevenson
Dominick	McGovern	Symington
Fannin	Moss	Talmadge
Fong	Mundt	Weicker

So the bill (H.R. 9961) was passed.

Mr. SPARKMAN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. ALLOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, I move that the Senate insist on its amendment and request a conference with the House, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. CHILES) appointed Mr. SPARKMAN, Mr. PROXMIRE, Mr. WILLIAMS, Mr. TOWER, and Mr. BENNETT conferees on the part of the Senate.

DAVID J. CRUMB

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 494, S. 888.

The PRESIDING OFFICER (Mr. CHILES). The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 888, for the relief of David J. Crumb.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 10, after "section 5742", insert "(a)"; so as to make the bill read:

S. 888

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to pay out of the appropriations available for payment of travel expenses to David J. Crumb, formerly stationed in Roseberg, Oregon, who incident to perma-

nent change of station was ordered to report for duty at his new station in Pinedale, Wyoming, on December 31, 1967, the real estate expenses which would have been payable to him under the provisions of section 5742(a) of title 5, United States Code, and Bureau of the Budget Circular Number A–56, revised October 12, 1966, without regard to the time limitation contained in section 4.1d of the Circular: *Provided*, That no part of the amounts authorized to be paid by this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim of Mr. Crumb, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–508), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill as amended is to authorize the Secretary of the Interior to pay to David J. Crumb out of funds appropriated for payment of travel expenses, expenses incurred in the sale and purchase of a residence, to which expenses he would have been entitled under section 5724(a) of title 5, U.S. Code, and Bureau of the Budget Circular Numbered A–56, revised October 12, 1966, without regard to the time limitation contained in section 4.1d of the Circular.

STATEMENT

Mr. Crumb was an employee of the Bureau of Land Management who was transferred from Roseburg, Oregon, to Pinedale, Wyoming, on January 12, 1968. At that time, there was no available housing in Pinedale. It was therefore necessary to leave his family in his residence at the old station at Roseburg. Housing did not become available at Mr. Crumb's new station until six months after the effective date of transfer, at which time he proceeded to purchase a home, and arranged to sell the residence at the old official station.

Mr. Crumb entered into a contract to sell his house on November 13, 1968. The sudden death of his wife on November 23, 1968, necessitated changing all the documents to remove references to Mrs. Crumb. This process was delayed because Mr. Crumb was unable to obtain a copy of the death certificate until January 1969. The sale and purchase arrangements were complete on February 20, 1969. Under the existing regulations, the matter should have been terminated by January 12, 1969—one year after Mr. Crumb's transfer—in order for him to qualify for payment of settlement costs.

This claim was submitted to the Comptroller General, but payment was judged not allowable under Circular A–56. However, the Department of the Interior feels that Mr. Crumb's case is unique and that relief is justified in the circumstances. He sold his house with ample time left to complete the transaction within the time limit. Only his wife's death prevented him from doing so. Moreover, after his wife's death he acted as quickly as possible in processing the necessary papers, but narrowly missed completing the sale within the specified period in order to be eligible for reimbursement. The amount of Mr. Crumb's claim is $2,308.50.

The Committee is in agreement with the Department of the Interior and recommends that the legislation be favorably considered.

MARINE PROTECTION AND RESEARCH ACT OF 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 439, H.R. 9727, on which I understand there will be a rollcall vote in a very short while.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 9727) to regulate the dumping of material in the oceans, coastal and other waters, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The Senate proceeded to consider the bill which had been reported from the Committee on Public Works with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Marine Protection and Research Act of 1971".

FINDING, POLICY, AND PURPOSE

SEC. 2. (a) Unregulated dumping of material into the oceans, coastal, and other waters endangers human health, welfare, and amenities, and the marine environment, ecological systems, and economic potentialities.

(b) The Congress declares that it is the policy of the United States to regulate the dumping of all types of material into the oceans, coastal, and other waters and to prevent or strictly limit the dumping into the oceans, coastal, and other waters of any material which could adversely affect human health, welfare, or amenities, or the marine environment, ecological systems, or economic potentialities. To this end, it is the purpose of this Act to regulate the transportation of material for dumping into the oceans, coastal, and other waters, and the dumping of material by any person, subject to the jurisdiction of the United States from any source if the dumping occurs in waters beyond the territorial jurisdiction of the United States.

DEFINITIONS

SEC. 3. For the purposes of this Act the term—

(a) "Administrator" means the Administrator of the Environmental Protection Agency.

(b) "Oceans, coastal, and other waters" means oceans, gulfs, bays, salt water lagoons, salt water harbors, other coastal waters where the tide ebbs and flows, the Great Lakes and their connecting waters, and the Saint Lawrence River.

(c) "Material" means, but is not limited to, dredged material, solid waste, incinerator residue, garbage, sewage, sludge, munitions, radiological, chemical, and biological warfare agents, high-level radioactive waste, chemicals, biological and laboratory waste, wrecker or discarded equipment, rock, sand, excavation debris, and industrial, municipal, agricultural and other waste; but such term does not mean oil within the meaning of section 11 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1161), and does not mean sewage from vessels within the meaning of section 13 of such Act (33 U.S.C. 1163).

(d) "United States" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, the territories and possessions of the United States, and the Trust Territory of the Pacific Islands.

(e) "Person" means any private person or entity, or any officer, employee, agent, department, agency, or instrumentality of the Federal Government (except as to the provisions of subsections (a) through (f) of section 104), of any State or local unit of government, or of any foreign government.

(f) "Dumping" means the addition of any material or combination of materials to that part of the oceans, coastal and other waters beyond the territorial jurisdiction of the United States: Provided, That it does not mean a disposition of any effluent from any outfall structure where such disposition is regulated under the provisions of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1151–1175) or under the provisions of section 13 of the Rivers and Harbors Act of 1899, as amended (33 U.S.C. 407), nor does it mean a routine discharge of effluent incidental to the propulsion of, or operation of motor-driven equipment on, vessels: Provided further, That it does not mean the construction of any fixed structure or artificial island nor the intentional placement of any device in the oceans, coastal, and other waters or on or in the submerged land beneath such waters, for a purpose other than disposal, when such construction or such placement is otherwise regulated by Federal or State law or occurs pursuant to an authorized Federal or State program: And provided further, That it does not include the deposit of oyster shells or other materials when such deposit is made for the purpose of developing, maintaining, or harvesting fisheries resources and is otherwise regulated by Federal or State law or occurs pursuant to an authorized Federal or State program.

(g) "District court of the United States" includes the District Court of Guam, the District Court of the Virgin Islands, the District Court of Puerto Rico, the District Court of the Canal Zone, and in the case of American Samoa and the Trust Territory of the Pacific Islands, the District Court of the United States for the District of Hawaii, which court shall have jurisdiction over actions arising therein.

(h) "Secretary" means the Secretary of the Army.

(i) "Dredged material" means any material excavated or dredged from the navigable waters of the United States.

(j) "High-level radioactive waste" means the aqueous waste resulting from the operation of the first cycle solvent extraction system, or equivalent, and the concentrated waste from subsequent extraction cycles, or equivalent, in a facility for reprocessing irradiated reactor fuels, or irradiated fuel from nuclear power reactors.

(k) "Transport or transportation" means the carriage by a vessel, and related handling, of any material or combination of materials for the purpose of adding such material or combination of materials to the oceans, coastal, and other waters.

TITLE I—OCEAN DUMPING

PROHIBITED ACTS

SEC. 101. (a) No person shall transport any radiological, chemical, or biological warfare agent or high-level radioactive waste, or, except as may be authorized in a permit issued under this title, and subject to regulations issued under section 106(c) hereof by the Secretary of the department in which the Coast Guard is operating, any other material from the United States for the purpose of dumping into the waters described in section 101(b).

(b) No person shall dump any radiological chemical, or biological warfare agent or high-level radioactive waste, or, except as may be authorized in a permit issued under this title, any other material, (1) in a zone contiguous to the territorial sea of the United States, extending to a line twelve nautical miles seaward from the base line from which the breadth of the territorial sea is measured, to the extent that it may affect the territorial sea or the territory of the United States, or (2) in said contiguous zone or in other high seas areas of the oceans, coastal, and other waters, when transported by any person subject to the jurisdiction of the United States by the fact of removing material therefrom.

(c) No officer, employee, agent, department, agency, or instrumentality of the United States shall transport any radiological, chemical, or biological warfare agent or high-level radioactive waste, or, except as may be authorized in a permit issued under this title, any other material from any location outside the territory of the United States for the purpose of dumping it into the oceans, coastal, and other waters.

ENVIRONMENTAL PROTECTION AGENCY PERMITS

SEC. 102. (a) Except in relation to radiological, chemical, and biological warfare agents and high-level radioactive waste, as provided for in section 101 of this title, the Administrator may issue permits, after notice and opportunity for public hearing, for the transportation of material for dumping or for the dumping of material into the waters described in section 101(b), where the Administrator determines that such transportation, or dumping, or both, will not degrade or endanger human health, welfare, or amenities, or the marine environment, ecological systems, or economic potentialities. The Administrator shall establish and apply criteria for reviewing and evaluating such permit applications, and, in establishing or revising such criteria, shall consider, but not be limited in his consideration to, the following:

(A) The need for the proposed dumping.

(B) The effect of such dumping on human health and welfare, including economic, esthetic, and recreational values.

(C) The effect of such dumping on fisheries resources, plankton, fish, shellfish, wildlife, shorelines and beaches.

(D) The effect of such dumping on marine ecosystems, particularly with respect to—

(i) the transfer, concentration, and dispersion of such material and its byproducts through biological, physical, and chemical processes,

(ii) potential changes in marine ecosystem diversity, productivity, and stability, and

(iii) species and community population dynamics.

(E) The persistence and permanence of the effects of the dumping.

(F) The effect of dumping particular volumes and concentrations of such materials.

(G) Appropriate locations and methods of disposal or recycling, including land-based alternatives and the probable impact of requiring use of such alternate locations or methods upon considerations affecting the public interest.

(H) The effect on alternate uses of the oceans, such as scientific study, fishing, and other living resource exploitation, and nonliving resource exploitation.

In establishing or revising such criteria, the Administrator shall consult with the Secretaries of Commerce, Interior, State, Defense, Agriculture, Health, Education, and Welfare, and Transportation, the Atomic Energy Commission, and other appropriate Federal, State, and local officials. With respect to such criteria as may affect the civil works program of the Department of the Army, the Administrator shall also consult with the Secretary. In reviewing applications for permits, the Administrator shall make such provision for consultation with interested Federal and State agencies as he deems useful or necessary.

(b) The Administrator may establish and issue various categories of permits, including the general permits described in section 103(c).

(c) The Administrator may, considering the criteria established pursuant to subsection (a) of this section, designate recommended sites or times for dumping and, when he finds it necessary to protect critical areas, shall, after consultation with the Secretary, also designate sites or times within which certain materials may not be dumped.

(d) Any application for a permit under this section for the transportation for dumping or dumping of dredged material into the waters described in section 101(b) shall be accompanied by a certificate from the Secretary that the area chosen for dumping is the only reasonably available alternative and, unless the Administrator finds that the material to be dumped will adversely affect municipal water supplies, shellfish beds, wildlife, fisheries (including spawning and breeding areas), or recreation areas, such permit shall issue.

PERMIT CONDITIONS

SEC. 103. (a) Permits issued under this title shall designate and include (1) the type of material authorized to be transported for dumping or to be dumped; (2) the amount of material authorized to be transported for dumping or to be dumped; (3) the location where such transportation for dumping will be terminated or where such dumping will occur; (4) the length of time for which the permits are valid and their expiration date; (5) any special provisions deemed necessary by the Administrator, after consultation with the Secretary of the department in which the Coast Guard is operating, for the monitoring, surveillance, and enforcement of the transportation or dumping; and (6) such other matters as the Administrator deems appropriate.

(b) The Administrator may prescribe such processing fees for permits and such reporting requirements for actions taken pursuant to permits issued by him under this title as he deems appropriate.

(c) Notwithstanding any other provision of this title, the Administrator may issue general permits for the transportation for dumping, or dumping, or both, of specified material or classes of materials for which he may issue permits, which he determines will have a minimal adverse environmental impact.

(d) Any permit issued under this Act shall be reviewed not less frequently than every three years, and, if appropriate, revised. The Administrator may limit or deny the issuance of permits, or may alter or revoke partially or entirely the terms of permits issued by him under this title, for the transportation for dumping, or the dumping, or both, of specified material or classes of material, where he finds that such material cannot be dumped consistently with the criteria and other factors required to be applied in evaluating the permit application. No action shall be taken under this subsection unless the affected person or permittee shall have been given notice and opportunity for hearing on such action as proposed.

(e) The Administrator shall require an applicant for a permit under this title to provide such information as he may consider necessary to review and evaluate such application.

(f) Information received by the Administrator as a part of any application or in connection with any permit granted under this title shall be available to the public as a matter of public record, at every stage of the proceeding subject to the provisions of section 552 of title 5 of the United States Code. The final determination of the Administrator shall be likewise available.

(g) A copy of any permit issued under this title shall be placed in a conspicuous place in the vessel which will be used for the transportation or dumping authorized by such permit, and an additional copy shall be furnished by the issuing official to the Secretary of the department in which the Coast Guard is operating, or his designee.

PENALTIES

SEC. 104. (a) Any person who violates any provision of this title, or of the regulations promulgated under this title, or a permit issued under this title shall be liable to a civil penalty of not more than $50,000 for each violation to be assessed by the Administrator. No penalty shall be assessed until the person charged shall have been given notice and an opportunity for a hearing on such violation. In determining the amount of the penalty, the gravity of the violation, prior violations, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation shall be considered by said Administrator. For good cause shown, the Administrator may remit or mitigate such penalty. Upon failure of the offending party to pay the penalty, the Administrator may request the Attorney General to commence an action in the appropriate district court of the United States for such relief as may be appropriate.

(b) In addition to any action which may be brought under subsection (a) of this section, a person who knowingly violates this title, regulations promulgated under this title, or a permit issued under this title shall be fined not more than $50,000, or imprisoned for not more than one year, or both.

(c) Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this Act, shall, upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or by both.

(d) For the purpose of imposing civil penalties and criminal fines under this section, each day of a continuing violation shall constitute a separate offense as shall the dumping from each of several vessels, or other sources.

(e) The Attorney General or his delegate may bring actions for equitable relief to enjoin an imminent or continuing violation of this title, of regulations promulgated under this title, or of permits issued under this title, and the district courts of the United States shall have jurisdiction to grant such relief as the equities of the case may require.

(f) A vessel, except a public vessel within the meaning of section 13 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1163), used in a violation, shall be liable in rem for any civil penalty assessed or criminal fine imposed and may be proceeded against in any district court of the United States having jurisdiction thereof; but no vessel shall be liable unless it shall appear that one or more of the owners, or bareboat charterers, was at the time of the violation a consenting party or privy to such violation.

(g) If the provisions of any permit issued under section 102 are violated, the Administrator may revoke the permit or may suspend the permit for a specified period of time. No permit shall be revoked or suspended unless the permittee shall have been given notice and opportunity for a hearing on such violation and proposed suspension or revocation.

(h)(1) Except as provided in paragraph (2) of this subsection any person may commence a civil suit on his own behalf to enjoin any person, including the United States

and any other governmental instrumentality or agency (to the extent permitted by the eleventh amendment to the Constitution), who is alleged to be in violation of any prohibition, limitation, criterion, or permit, established or issued by or under this title. The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such prohibition, limitation, criterion, or permit, as the case may be.

(2) No action may be commenced—

(A) prior to sixty days after notice of the violation has been given to the Administrator and to any alleged violator of the prohibition, limitation, criterion, or permit; or

(B) if the Attorney General has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with the prohibition, limitation, criterion, or permit; or

(C) If the Administrator has commenced action to impose a penalty pursuant to subsection (a) of this section, or has initiated permit revocation or suspension proceedings under subsection (f) of this section; or

(D) if the United States has commenced and is diligently prosecuting a criminal action in a court of the United States or a State to redress a violation of this title.

(3)(A) Any suit under this subsection may be brought only in the judicial district in which the violation occurs.

(B) In any such suit under this subsection in which the United States is not a party, the Attorney General, at the request of the Administrator, may intervene on behalf of the United States as a matter of right.

(4) The court, in issuing any final order in any suit brought pursuant to paragraph (1) of this subsection may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

(5) The injunctive relief provided by this subsection shall not restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or limitation or to seek any other relief (including relief against the Administrator of a State agency).

(f) No person shall be subject to a civil penalty or to a criminal fine or imprisonment for dumping materials from a vessel if such materials are dumped in an emergency to safeguard life at sea. Any such emergency dumping shall be reported to the Administrator under such conditions as he may prescribe.

RELATIONSHIP TO OTHER LAWS

SEC. 105. (a) After the effective date of this title, all licenses, permits, and authorizations other than those issued pursuant to this title shall be void and of no legal effect, to the extent that they purport to authorize any activity regulated by this title, and whether issued before or after the effective date of this title.

(b) Prior to issuing any permit under this title, if it appears to the Administrator that the disposition of the material, other than dredged or fill material, to be transported for dumping or to be dumped may affect navigation in the navigable waters of the United States or may create an artificial island on the Outer Continental Shelf, the Administrator shall consult with the Secretary and no permit shall be issued if the Secretary determines that navigation will be unreasonably impaired.

(c) After the effective date of this title, no State shall adopt or enforce any rule or regulation relating to any activity regulated by this title. Any State may, however, propose to the Administrator criteria relating to the dumping of materials into the waters described in subsection 101(b) which might affect waters within the jurisdiction of such State and, if the Administrator determines, after notice and opportunity for hearing, that the proposed criteria are not inconsistent with the purposes of this title, he may adopt those criteria and may issue regulations to implement such criteria. Such determination shall be made by the Administrator within one hundred and twenty days of receipt of the proposed criteria. For the purposes of this subsection, the term "State" means any State, interstate, or regional authority, Federal territory or Commonwealth, or the District of Columbia.

(d) Nothing in this title shall be deemed to affect in any manner or to any extent any provision of the Fish and Wildlife Coordination Act as amended (16 U.S.C. 661–666c).

ENFORCEMENT

SEC. 106. (a) The Administrator may, whenever appropriate, utilize by agreement, the personnel, services, and facilities of other Federal departments, agencies, and instrumentalities, or State agencies or instrumentalities, whether on a reimbursable or a nonreimbursable basis, in carrying out his responsibilities under this title.

(b) The Administrator may delegate responsibility and authority for reviewing and evaluating permit applications, including the decision as to whether a permit will be issued, to an officer of his agency, or he may delegate, by agreement, such responsibility and authority to the heads of other Federal departments or agencies, whether on a reimbursable or nonreimbursable basis.

(c) The Secretary of the department in which the Coast Guard is operating shall conduct surveillance, monitoring as requested by the Secretary of Commerce, and other appropriate enforcement activity to prevent unlawful transportation of material for dumping, or unlawful dumping. Such enforcement activities shall include, but not be limited to, enforcement of regulations issued by the Secretary of the department in which the Coast Guard is operating, establishing specifications for safe transportation, handling, carriage, storage, and stowage. Upon request by other departments and agencies having responsibilities under this Act, the Secretary of the department in which the Coast Guard is operating shall supply such information as they may require on a reimbursable basis.

REGULATIONS

SEC. 107. In carrying out the responsibilities and authority conferred by this title, the Administrator and the Secretary of the department in which the Coast Guard is operating, are authorized to issue such regulations as they may deem appropriate.

INTERNATIONAL COOPERATION

SEC. 108. The Secretary of State, in consultation with the Administrator, shall seek effective international action and cooperation to insure protection of the marine environment, and may, for this purpose, formulate, present, or support specific proposals in the United Nations and other competent international organizations for the development of appropriate international rules and regulations in support of the policy of this Act.

EFFECTIVE DATE AND SAVINGS PROVISION

SEC. 109. (a) This title shall take effect six months after the date of the enactment of this Act.

(b) No legal action begun, or right of action accrued, prior to the effective date of this title shall be affected by any provision of this title.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 110. There are hereby authorized to be appropriated not to exceed $3,600,000 for fiscal year 1973 or $5,500,000 for fiscal year 1974 for the purposes and administration of this title.

ANNUAL REPORTS

SEC. 111. The Administrator shall report annually on or before June 30 of each year beginning June 30, 1972, to the President and to the Congress on his administration of this title, including recommendations for additional legislation if deemed necessary.

TITLE II—COMPREHENSIVE RESEARCH ON OCEAN DUMPING

SEC. 201. (a) The Secretary of Commerce, in coordination with the Secretary of the Department in which the Coast Guard is operating and with the Administrator shall, within six months of the enactment of this Act, initiate a comprehensive and continuing program of research regarding the effects of the dumping of material in the ocean, coastal and other waters, and shall from time to time report his findings (including an evaluation of the short-term ecological effects and the social and economic factors involved) to the Congress.

(b) There are authorized to be appropriated for the fiscal year in which this Act is enacted and for the next two fiscal years thereafter such sums as may be necessary to carry out this section, but the sums appropriated for any such fiscal year may not exceed $1,000,000.

SEC. 202. (a) The Secretary of Commerce, in consultation with other appropriate Federal departments, agencies, and instrumentalities shall, within six months of the enactment of this Act, initiate a comprehensive and continuing program of research with respect to the possible long-range effects of pollution, overfishing, and man-induced changes of ocean eco-systems. In carrying out such research, the Secretary of Commerce shall take into account such factors as existing and proposed international policies affecting oceanic problems, economic considerations involved in both the protection and the use of the oceans, possible alternatives to existing programs, and ways in which the health of the oceans, coastal and other waters may best be preserved for the benefit of succeeding generations of mankind.

(b) In carrying out its responsibilities under this section, the Secretary of Commerce, under the foreign policy guidance of the President and pursuant to international agreements and treaties made by the President with the advice and consent of the Senate, may act alone or in conjunction with any other nation or group of nations, and shall make known the results of its activities by such channels of communication as may appear appropriate.

(c) In January of each year, the Secretary of Commerce shall report to the President and to the Congress on the results of activities undertaken by it pursuant to this title during the previous fiscal year.

(d) Each department, agency, and independent instrumentality of the Federal Government is authorized and directed to cooperate with the Secretary of Commerce in carrying out the purposes of this title and, to the extent permitted by law, to furnish such information as may be requested.

(e) There are authorized to be appropriated for the fiscal year in which this Act is enacted and for the next two fiscal years thereafter such sums as may be necessary to carry out this section, but the sums appropriated for any such fiscal year may not exceed $1,000,000.

PRIVILEGE OF THE FLOOR

Mr. STEVENS. Mr. President, I ask unanimous consent that a member of my staff may have the privilege of the floor during debate on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that majority and minority counsel be granted the privilege of the floor during the debate on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, man's wastes have reached the oceans since time immemorial, for the oceans are the natural repository of water running off the land, and of particles settling out of the air. The oceans have an enormous capacity to assimilate wastes, although we can look into our own history and find examples where organic wastes, which we normally expect to be assimilated easily by the oceans, must have caused problems. As far as I can tell, the first regulation of wastes into the ocean originating from the United States in 1675, when Governor Edmund Andros of New York decreed that all persons were forbidden—

To cast any dung, dirt or refuse of ye city, or anything to fill up ye harbor or among ye neighbors or neighboring shores, under penalty of forty shillings.

But since the industrial revolution we have seen an ever-accelerating amount of waste being poured into our rivers, and, more recently, increased amounts dumped at sea. We have treated the oceans as enormous and indestructible, as the universal sewer of mankind. Previously we thought that the legendary immensity of the ocean was such that man could do nothing against such a gigantic force. Just the opposite is now true. Since World War II, our technological productivity has created exotic, highly toxic wastes that are not found in a natural state. And these toxic wastes are frequently long lived and can induce untold harm to birds, fish, ocean mammals, and to man.

Against a background of burgeoning wastes from our society and a growing concern for their disposal, the Council on Environmental Quality published a report to the President, entitled "Ocean Dumping—A National Policy," in October 1970. The report summarizes the dimensions and immediacy of the problems created by disposal of wastes at sea and the need for clear national policy and legislation to regulate the pollutants being added to the oceans by the United States. It also calls for appropriate international action. Of particular significance were their summary findings on current regulatory authority and activities:

Current regulatory activities and authorities are not adequate to handle the problems of ocean dumping. States do not exercise control over ocean dumping and generally their authority extends only within the 3-mile territorial sea. The Army Corps of Engineers authority to regulate ocean dumping is also largely confined to the territorial sea. The Corps has responsibility to facilitate navigation, chiefly by dredging navigation channels. As such, it is in the position of regulating activities over which it also has operational responsibility. The Coast Guard enforces several Federal laws regarding pollution but has no direct authority to regulate ocean dumping. The authority of the Federal Water Quality Administration does not provide for issuance of permits to control ocean dumping. And the Atomic Energy Commission has authority only for disposal of radioactive materials. . . ."

Acting on the recommendation of the Council on Environmental Quality, the President submitted proposed legislation early in the 92d Congress to regulate ocean dumping. The bill was introduced by Senator CALEB BOGGS for himself and 37 Senators as S. 1238, and was referred jointly to the Committees on Commerce and Public Works. Other bills were also introduced to regulate or ban the disposal of waste materials in the oceans. These include S. 192, introduced by Senator NELSON, S. 1082, introduced by Senator CASE, and S. 1286, introduced by Senator BOGGS.

Hearings were held in the Committee on Commerce by the Subcommittee on Oceans and Atmosphere during March and April of this year. At the same time, the House Committee on Merchant Marine and Fisheries was acting on a companion bill, H.R. 9727, which passed the House on September 28. After three executive sessions, the Committee on Commerce ordered H.R. 9727 reported favorably, with amendments in the nature of a substitute text and an amended title, on November 8. The bill was reported with the concurrence of the Committee on Public Works, to which, as I pointed out earlier, the bill had been jointly referred.

As reported, H.R. 9727 is divided into two titles: title I—Ocean Dumping, and title II—Comprehensive Research on Ocean Dumping.

The purpose of title I of the bill is to regulate the dumping and transportation for dumping of waste material in those parts of the oceans, coastal and other waters beyond the territorial jurisdiction of the United States. The bill bans under all circumstances the transportation for dumping and dumping in waters beyond the territorial jurisdiction of the United States of radiological, chemical, or biological warfare agents and high level radioactive wastes. The bill also bans the transportation for dumping and dumping beyond the territorial jurisdiction of the United States of all other waste materials unless authorized by a permit issued by the Administrator of the Environmental Protection Agency, EPA.

The Administrator of EPA is authorized to issue permits for the transportation for dumping and dumping of materials when he deems that such action will not degrade the marine environment or endanger human life, in accordance with criteria that he is to establish by regulation. Civil penalties may be assessed by the Administrator, after notice and opportunity for hearing, and an action may be brought to impose criminal penalties for knowingly violating title I.

The sum of $3.6 million is authorized to be appropriated for fiscal year 1973, and $5.5 million for fiscal year 1972 to carry out the purposes and administration of title I.

Title II of the bill authorizes and directs the Secretary of Commerce, in coordination with the Secretary of the Department in which the Coast Guard is operating and the Administrator of EPA, to initiate a comprehensive program of research on the effects of ocean dumping. There is authorized to be appropriated not to exceed $1 million to carry out the provisions of section 201 and not to exceed $1 million to carry out the provisions of section 202 for each of the 3 fiscal years following enactment.

Mr. President, this bill was referred jointly to the Committees on Commerce and Public Works. As reported, H.R. 9727 reflects an agreement between the chairmen of the two committees insuring consistency between H.R. 9727 and the proposed Federal Water Pollution Control Act Amendments of 1971 (S. 2770). By way of background, the Committee on Commerce has exclusive legislative jurisdiction over transportation within the internal and territorial waters of the United States, and beyond in the contiguous zones and other high seas areas of the oceans. The committee shares equally with the Committee on Public Works jurisdiction over legislation affecting the discharge of pollutants into the territorial waters of the United States, other than from outfalls extending from land. Beyond the territorial waters of the United States, the Committee on Commerce has exclusive legislative jurisdiction over discharge of pollutants into the contiguous zone and other high seas areas of the oceans, with the exception of outfalls extending from land into such areas.

Under the agreement between the Commerce and Public Works, all dumping of waste materials and pollutants into the Great Lakes and the territorial seas surrounding the United States, and all discharges from outfall structures extending from land, would be governed and regulated under the proposed Federal Water Pollution Control Act Amendments of 1971 (S. 2770). All dumping and transportation for dumping of waste materials and pollutants in those parts of the oceans beyond the territorial jurisdiction of the United States would be governed and regulated by the Marine Protection and Research Act of 1971 (H.R. 9727). Both acts would be administered by the Administrator of the Environmental Protection Agency. Both acts contain the same criteria requirements to be established by the Administrator. Both acts contain similar enforcement and penalty provisions. In as many ways as possible, Mr. President, the Committees on Commerce and Public Works have worked together to insure the consistency between our respective bills, and to erase the possibility of loopholes in the two bills, with respect to ocean dumping.

Mr. STEVENS. Mr. President, as a member of the Committee on Commerce, and as the ranking minority member of the Subcommittee on Oceans and Atmosphere which conducted hearings on this legislation, I rise to urge that the Senate pass the bill, H.R. 9727, in substantially the same form as it was reported by our committee. Although in due course I intend to bring up a minor perfecting amendment to the bill, I want to express at this time my complete support for the legislation, and commend my colleagues on the committee for the truly bipartisan approach which has been adopted in our efforts to eradicate this growing threat of ocean pollution.

I would like to commend our distinguished chairman of the Committee on Commerce (Mr. MAGNUSON) and the distinguished chairman of our Subcommittee on Oceans and Atmosphere (Mr. HOLLINGS) for their attention to this problem and for the capable leadership they have provided the committee in its deliberations on this matter.

The bill which we are today considering, H.R. 9727, is an amended version of the bill passed by the House of Representatives on September 9, 1971. Although it differs greatly in scope, it takes the same regulatory approach as was taken in the House passed bill, and as recommended to the President by the Council on Environmental Quality in their October 1970 report entitled "Ocean Dumping: A National Policy." That approach was incorporated in the bill, S. 1238, introduced by Senator BOGGS at the request of the administration, and which among other bills was the subject of several days of hearings by our subcommittee in March and April of this year.

As previously stated, the scope of H.R. 9727 as we are considering it today is largely a result of an agreement between the Committee on Commerce and the Committee on Public Works, to whom both the bill, as originally introduced (S. 1238), and as passed by the House (H.R. 9727), were referred jointly. This agreement, arrived at to facilitate consideration of the legislation pending before the respective committees, provided that all dumping of waste materials and pollutants into the Great Lakes and the territorial seas surrounding the United States, and all discharges from outfall structures extending from land, would be governed and regulated under the proposed Federal Water Pollution Control Act Amendments of 1971 (S. 2770). This legislation, reported by the Committee on Public Works, was approved by the Senate on November 2, 1971.

As for the Marine Protection and Research Act of 1971 (H.R. 9727), it was determined that it would regulate all dumping and transportation for dumping of waste materials and pollutants into those waters beyond the territorial jurisdiction of the United States.

Thus, the purpose of H.R. 9727 is threefold:

First, it would completely ban the transportation for dumping and dumping of radiological, chemical, or biological warfare agents and high level radioactive wastes in the oceans beyond the territorial jurisdiction of the United States;

Second, it would ban such transportation for dumping and dumping of all other materials in those waters unless authorized by a permit issued by the Administrator of the Environmental Protection Agency, subject to certain criteria; and

Third, it would authorize and direct the Secretary of Commerce to initiate a program of research into the short-term and long-term effects of such dumping.

Mr. President, the need for this legislation is well established and begs no additional documentation. H.R. 9727 is the result of our relatively sudden realization that the sea is not a bottomless septic tank, but a delicately balanced ecosystem dependent upon the good sense of man for its continued existence. It differs from other bodies of water only in its physical dimensions and the corresponding conceptions in our minds. As the world has grown smaller, so have the scales of that delicate balance grown more tenuous, until we have finally become aware of the weight of unnecessary pollutants which we ourselves have been tipping against our own best interests. We now take a step which will help tip those scales back a little, and gives us a means to control the deposit of such wastes to protect the marine life upon which we grow increasingly more dependent.

Yet, such unilateral action on behalf of the Congress and the United States is not enough to afford us and our oceans the kind of protection which we need. I am pleased with the assertion that legislation such as this will greatly enhance our position in deliberations for the 1972 United Nations Conference on the Human Environment. It is my hope that that conference and similar international gatherings will produce an important and effective agreement for the control of marine pollution.

The importance of such an agreement was given emphasis recently by an observation of Thor Heyerdahl at the International Conference on Ocean Pollution conducted by our Subcommittee on Oceans and Atmosphere. It is an observation which makes some of our jurisdictional assertions here in Congress seem problematic at best, although we recognize their regrettable necessity. Mr. Heyerdahl said:

> There is no such thing as territorial water . . . We can draw a line on the ocean floor and lay claims to the static land on the bottom, but the body of water above it is as independent of the map as is the atmosphere above dry land . . . The salt sea is a common human heritage. We can divide the ocean floor between us, but we shall forever be doomed to share the common water which rotates like soup in a boiling kettle: The spices any nation puts in will be tasted by all the consumers.

I urge that the Senate today adopt this legislation so essential to our national program of pollution control, and I look forward to a cooperative spirit that will produce similar commitments by all nations on behalf of our world environment.

Mr. HOLLINGS. Mr. President, we have an amendment from the Senator from Wisconsin (Mr. NELSON). We have a couple of amendments from the Senator from New Jersey (Mr. CASE). And we have an amendment from the Senator from Alaska.

I hope to have worked out the one with the Senator from Wisconsin, and we will try to take that up and engage in a dialog without a rollcall vote. I cannot say until the Senator from New Jersey appears whether that matter can be worked out without a rollcall. I hope so.

We will accept the amendment of the Senator from Alaska.

I yield now to the Senator from Wisconsin to call up his amendment for the convenience of those Senators who may want to engage in a dialog and then leave the floor later.

AMENDMENT NO. 630

Mr. NELSON. Mr. President, I send to the desk a modification of my amendment No. 630 and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

At the end of the bill insert the following:

TITLE III—MARINE SANCTUARIES

SEC. 301. (a) The President, after obtaining the views of the Secretaries of Commerce, Defense, Interior, State and Transportation and the Administrator, shall designate as marine sanctuaries those areas of the oceans, coastal, and other waters, as far seaward as the outer edge of the Continental Shelf, as defined in the Convention on the Continental Shelf (15 U. S. T. 741; TIAS 5578), which he determines necessary for the purpose of preserving or restoring the ecological, esthetics, recreation, resource and scientific values of and related to such areas.

(b) Prior to designating a marine sanctuary which includes waters lying within the territorial limits of any State or superjacent to the subsoil and seabed within the seaward boundary of a coastal State, as that boundary is defined in section 2 of title I of the Act of May 22, 1953 (67 Stat. 29), the President shall consult with, and give due consideration to the views of, the responsible officials of the State involved. As to such waters, a designation under this section shall become effective sixty days after it is published, unless the Governor of any State involved shall, before the expiration of the sixty-day period, certify to the President that the designation, or a specified portion thereof, is unacceptable to his State, in which case the designated sanctuary shall not include the area certified as unacceptable until such time as the Governor withdraws his certification of unacceptability.

(c) When a marine sanctuary is designated, pursuant to this section, which includes an area outside the United States Territorial Seas, the Secretary of State shall take action, as appropriate, to enter into agreements with other Governments, in order to protect such sanctuary and promote the purposes for which it was established.

(d) The President shall make his initial designations under this section within two years following the date of enactment of this title, and no mineral leases shall be issued for the area seaward of the territorial sea off the east coast of the United States to the outer edge of the Continental Shelf as defined in the Convention on the Continental Shelf (15 U. S. T. 741; TIAS 5578) until such designations have been made. Thereafter, he shall periodically designate such additional areas as he deems appropriate. The President shall submit a report annually to the Congress, setting forth a comprehensive review of his actions under the authority under this section, together with appropriate recommendations for legislation considered necessary for the designation and protection of marine sanctuaries.

(e) Before a marine sanctuary is designated under this section, the President shall hold public hearings in the coastal area which would be most directly affected by such designation, for the purpose of receiving and giving proper consideration to the views of any interested party. All public hearings required under this title must be announced at least thirty days before they take place, and all relevant materials, documents, and studies must be made readily available to the public for study at least thirty days in advance of the actual hearing or hearings.

(f) After a marine sanctuary has been designated under this section, the President shall issue necessary and reasonable regulations to control any activities permitted within the designated marine sanctuary, and no permit, license, or other authorization issued pursuant to any other authority shall be valid unless the President shall certify that the permitted activity is consistent with the purposes of this title and can be carried out within the regulations promulgated under this section. Such regulations shall be applied in accordance with recognized principles of international law, including treaties, conventions, and other agreements to which the United States is signatory.

SEC. 302. (a) Whoever violates any regulation issued pursuant to this title shall be liable to a civil penalty of not more than $50,000 for each such violation, to be assessed by the President. Each day of a continuing violation shall constitute a separate violation.

(b) No penalty shall be assessed under this section until the person charged has been given notice and an opportunity to be heard. Upon failure of the offending party to pay an assessed penalty, the Attorney General, at the request of the President, shall commence action in the appropriate district court of the United States to collect the penalty and to seek such other relief as may be appropriate.

(c) A vessel used in the violation of a regulation issued pursuant to this title shall be liable in rem for any civil penalty assessed for such violation and may be proceeded against in any district court of the United States having jurisdiction thereof.

(d) The district courts of the United States shall have jurisdiction to restrain a violation of the regulations issued pursuant to this title, and to grant such other relief as may be appropriate. Actions shall be brought by the Attorney General in the name of the United States, either on his own initiative or at the request of the President.

SEC. 303. There are authorized to be appropriated for the fiscal year in which this Act is enacted and for the next two fiscal years thereafter such sums as may be necessary to carry out the provisions of this title, including sums for the costs of acquisition, development, and operation of marine sanctuaries designated under this title, but the sums appropriated for any such fiscal year shall not exceed $10,000,000.

Mr. NELSON. Mr. President, I ask unanimous consent that the names of the Senator from Montana (Mr. METCALF) and the Senator from Michigan (Mr. HART) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I have discussed this amendment in some detail with the Senator from Rhode Island (Mr. PELL), the Senator from South Carolina (Mr. HOLLINGS), the senior Senator from Washington (Mr. MAGNUSON), the junior Senator from Washington (Mr. JACKSON), the Senator from New Mexico (Mr. ANDERSON), and the Senator from West Virginia (Mr. RANDOLPH). Although we are all in accord on the objectives sought to be accomplished by my amendment, there are some difficult jurisdictional problems and international problems that we need to be sure we have carefully resolved in the drafting of the amendment.

As everyone here knows, there are several jurisdictional matters involving the Continental Shelf and the water columns above it, with the 50 States having jurisdiction over the first 3 miles and the Federal Government having jurisdiction of the waters above the shelf out to the 12-mile limit, with our Government not claiming jurisdiction over the fisheries beyond the 12-mile limit. Some other governments do. However, our Government asserts jurisdiction over the Continental Shelf for purposes of the extraction of minerals.

The object and purpose of my amendment is to establish marine sanctuaries off our coast as far out as the Continental Shelf goes for purposes of protecting these ocean areas against the extraction of minerals or other activities which might destroy their wealth.

It is not the objective of the amendment to assert jurisdiction of our country over the marine fisheries in the water columns above the shelf beyond the 12-mile limit. That is where the difficulty comes in drafting the amendment and reaching agreement on it.

I think there is no dispute between any of us on the fact that at this stage of history, the United States does assert the right to control the extraction of oils and minerals from the Continental Shelf itself out from the coastline to the end of the Continental Shelf.

I have had discussions, as I previously mentioned, with the distinguished Senators who are chairmen of the various committees with jurisdiction over various aspects of the issues here.

It concerns, as everyone knows, the right of the States in the first 3 miles, and the Commerce Department jurisdiction over the fisheries above the shelf out for 12 miles. It involves the jurisdiction of the Secretary of the Interior and the authority to issue permits for the extraction of minerals for the whole width of the Continental Shelf.

Mr. HOLLINGS. Mr. President, after careful study of the rationale for marine sanctuaries as proposed in title III of the House-passed version of H.R. 9727, and now by Senator NELSON in his amendment, the Committee on Commerce concluded that such sanctuaries should be rejected as proposed. The issue is not the usefulness or the desirability of marine sanctuaries. As I will show later, marine sanctuaries are very desirable in certain circumstances. But the issues are how to establish them, to whom they will apply, and with what ramifications on other interests of the United States. In raising the question of marine sanctuaries in international waters, we are caught in the middle of one of the most complex international legal arenas known today. And when all the interests are weighed in balance, I feel that we must reject the proposal.

The committee believes that the establishment of marine sanctuaries is appropriate where it is desirable to set aside areas of the seabed and the waters above for scientific study, to preserve, unique, rare, or characteristic features of the oceans, coastal, and other waters, and their total ecosystems. We envision such sanctuaries as natural areas set aside primarily to provide scientists the opportunity to make baseline ecological measurements. In coastal areas such measurements will be essential to many coastal and estuarine zone management decisions that will have to be made, as well as helping to predict and measure the impact of human activity on the natural ecosystem. Such sanctuaries should not be chosen at random, but should reflect regional differentiation and a variety of ecosystems so as to cover all significant natural variations.

Scientific research and ecological data can aid significantly in providing a rational basis for intelligent management of coastal and estuarine areas where such sanctuaries might be located. They could be used to monitor vital changes in the estuarine environment, or forecast possible deterioration from anticipated human activities. In our hearings on coastal zone management, Dr. Eugene Odum, director of the Institute of Ecology, University of Georgia, likened such sanctuaries to "pilot plants." He told us:

> Scientists have to have "pilot plants" to check out broad theories on a large environmental scale, just as an industrialist would not want to market a product directly from a laboratory; he would want to have a "pilot plant" study first.

And it was with these thoughts in mind that the Committee on Commerce reported out favorably S. 582, the National Coastal and Estuarine Zone Management Act of 1971, which contains a provision for estuarine sanctuaries and authorizes $6 million to be appropriated for them. Sanctuaries authorized under that act, however, could not extend seaward farther than the outer limits of the territorial waters of the United States. And therein lies the principal difference between our committee's provision and the Nelson amendment.

As presently written, the Nelson amendment purports to authorize the Secretary of Commerce to designate marine sanctuaries in international waters which are not subject to the jurisdiction and control of the United States. This is the fatal flaw. It would extend American jurisdiction in violation of international law and contrary to the very interests that the United States is trying to promote in the 1973 law of the sea conference.

The 1973 conference on the law of the sea has been called by the 25th U.N. General Assembly to produce agreements on a wide spectrum of outstanding, unresolved oceans issues. The United States is actively involved in the preparations for that conference and has proposed a draft seabeds convention, among other things. But central to American objectives in that conference is the need to obtain international agreement on a narrow territorial sea and guaranteed transit through and over international straits, so as to insure the continued mobility of our military and naval forces and merchant fleets around the world. These objectives can best be achieved through multilateral agreement, and are most seriously threatened by unilateral coastal state claims over areas of the high seas. It is very important that we do not attempt to exert control over ocean areas beyond national jurisdiction unilaterally, without multilateral international agreement, thereby encouraging other countries to do so.

Advocates of the marine sanctuaries argue that the Nelson amendment would not be a unilateral grab of high seas areas, which would exclude foreigners

from the sanctuaries. They argue that the amendment would only apply to Americans. Perhaps. But it completely avoids the international issue and our historical experience. This thinking is very similar to the fine distinctions that the United States made when President Truman declared that the Continental Shelves surrounding the United States are subject to the jurisdiction and control of the United States. We claimed that we were not asserting full sovereignty over the shelves. We claimed that the rights of freedom of navigation in high seas areas were unimpaired. We claimed a number of international legal niceties to justify and limit the extent of the American claim to the resources of the Continental Shelves.

No other nation complained. In fact, many thought we had a good idea. So good, that they went well beyond, and the rest is history. The claims of Latin American countries to full sovereignty over the oceans and seabed and subsoil extending 200 miles from land grew from that original limited U.S. claim. And you can see some of the results every time Ecuador or Peru hauls in one of our tuna boats for violating their territorial waters, even though they may be 150 miles from land.

The advocates for the Nelson amendment have a legal nicety when they say that our unilateral designation of marine sanctuaries in high seas areas would govern only Americans. But, in fact, what they are trying to achieve is well known in the literature as "creeping jurisdiction." And it puts the United States in an untenable position in our international negotiations. On the one hand we would be nibbling away at the international freedoms of the high seas, unilaterally asserting authority to regulate activities in high seas areas. On the other hand we are taking the position in international negotiations that our best interests are served by narrow territorial claims and the greatest freedom of navigation. The two are diametrically opposed.

Mr. President, there are methods by which we can create marine sanctuaries in high seas areas without violating international law and without taking an inconsistent stance in international negotiations on the law of the sea. But the methods involve use of the treaty power under our Constitution, and not the unilateral assertion of authority through domestic legislation alone.

The Committee on Commerce has already reported a bill that would provide estuarine sanctuaries. And it would provide for those sanctuaries in an area where the United States has exclusive jurisdiction, recognized by all nations of the world, and consistent with our national objectives on the law of the sea. For this and the reasons that I have just stated, I recommend that the Senate vote to reject the Nelson amendment.

Mr. NELSON. Since very difficult problems are involved here, I understand that the distinguished Senator from Washington is prepared to give this matter hearings in his committee jointly with the other committees which have jurisdiction if I, at this time, withdraw the amendment.

Mr. JACKSON. Mr. President, will the Senator yield for that purpose?

Mr. NELSON. I yield.

Mr. JACKSON. The Senator from Wisconsin is correct. We had a discussion prior to this colloquy in the cloakroom with the chairman of the Commerce Committee, the Senator from Washington (Mr. MAGNUSON), the Senator from New Mexico (Mr. ANDERSON), and the Senator from West Virginia (Mr. RANDOLPH), the chairman of the Public Works Committee.

It would be my suggestion that in view of the fact that the amendment does involve jurisdictional questions pertaining to the Committee on Interior and Insular Affairs as it relates to the Continental Shelf itself, and the fisheries as it relates to that activity with its impact on the Commerce Committee, and the question of pollution and its involvement both on the Commerce Committee and the Public Works Committee, hearings held upon the point in connection with the Senator's amendment.

I would be glad to arrange for such a hearing and call in, on a joint basis, the Public Works Committee and the Commerce Committee and any other committee that might be involved in this.

I would further point out that under the authority of the Senate we are undertaking an energy study in the Interior and Insular Affairs Committee, as the Senator knows. Involved in that energy study, of course, is the whole question of the conflict between the need for energy on the one hand and the environmental impact on the other.

So, for all these reasons and others that I have not mentioned, I would be very pleased at an appropriate time to arrange for such a hearing in concert with other committees that would be involved. We could get into the whole question effectively.

I certainly applaud the Senator's concern which has been a long and continuous one regarding this problem. It is a serious problem.

I further point out that there has been an oil or gas discovery just to the north of Maine, I believe, on an island off the coast of Nova Scotia, which could have an impact on this question of fisheries and the environment as a whole, and it raises some considerations regarding the need for joint consultations with the Canadian Government.

I raise this as a further part of this question as it relates to east coast activity in the Outer Continental Shelf.

Mr. NELSON. I appreciate the comments of the Senator and his assurance that we will have an opportunity to explore this before the appropriate committees.

As I said previously, I know we share the same concern. We have issued Federal permits for ocean oil wells—some 6,600, or thereabouts—in the Gulf of Mexico—and also off the west coast—and are now beginning to consider the issuance of permits off the east coast, with Canada already having oil wells drilled off its east coast.

We all agree our concern is that when we proceed, we proceed with sensible controls that protect the recreational values of the shoreline of the east coast, and that we be sure we do not destroy fisheries or important marine habitat or other ocean environment and economic values by authorizing extractions in the Continental Shelf on other activities.

I know we are all in agreement on that. The question is the best way to proceed.

Mr. JACKSON. Mr. President, will the Senator yield briefly?

Mr. NELSON. I yield.

Mr. JACKSON. In a speech a few days ago I pointed out the need for a joint energy policy with Canada. I believe the Senator's amendment raises some good questions in that area. If we are going to solve our energy problem, consistent with the maintenance of a good environment, we have to look at the continent of North America. This area obviously is critical for our own requirements, but whatever we do in this area as it pertains to the sea—Canada and the United States—it can adversely affect either; as a matter of fact, it could adversely affect both Canada and the United States.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. NELSON. I yield to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I wholly approve of the remarks, particularly of the Senator from Washington, the chairman of the Committee on Interior and Insular Affairs; and I think it is advisable, and I am sure we all appreciate the attitude of the distinguished Senator from Wisconsin in withdrawing the amendment at this time.

This does involve many important considerations. I have been discussing the matter with members of the Interior Committee this morning, particularly Senators JACKSON, ANDERSON, and BIBLE, and some minority members of that committee, and since we are in a position where this bill would go to conference, I have some remarks dealing with some of the questions posed by this particular amendment, or title III, as it appears in the House bill.

Mr. President, the provisions of title III as passed by the House of Representatives, H.R. 9727, contains a title III which authorizes the Secretary of Commerce ". . . after consultation with the Secretaries of State, Defense, Interior, and Transportation and the Administrator . . ." to designate as marine sanctuaries those areas of the oceans, coastal, and other waters, as far seaward as the outer edge of the Continental Shelf, as defined in the 1958 convention, which he determines necessary for the purpose of preserving or restoring such areas for their "conservation, recreational, ecological, or esthetic values." Where State waters are included within a sanctuary, the Governor of the State has 60 days to certify that the State portion or any specified portion thereof is unacceptable and that area will remain outside the sanctuary until the Governor withdraws his certification of unacceptability. When an area beyond the 12-mile limit is included within a sanctuary, the Secretary of State is instructed to enter into such agreements with other governments

". . . in order to protect such sanctuary and promote the purposes for which it was established."

After a sanctuary is established, ". . . no permit, license, or other authorization issued pursuant to any other authority shall be valid unless the Secretary shall certify that the permitted activity is consistent with the purposes of this title and can be carried out within the regulations promulgated under this section."

Enforcement is in any U.S. district court, and penalties include a civil penalty of $50,000 for each violation—each day constitutes a separate violation—in rem civil penalties against vessels, and authority to restrain the offending activity.

The Secretary shall make his initial designation within 2 years of enactment, and from time to time thereafter he shall add new areas "as he deems appropriate." An annual report is to be submitted to Congress, and hearings are to be held in the affected area upon 30 days notice.

As Senators know, the bill (H.R. 9727) was reported to the Senate with title III stricken. However, since it is in the House-passed version it will be a matter before the conference committee, and therefore, I believe that these comments are both pertinent and timely:

First. By authorizing the Secretary of Commerce to designate marine sanctuaries for the purpose of preserving or restoring such areas for their "conservation, recreational, ecological or esthetic values", the title would appear to extend the jurisdiction of the United States over the water column—as opposed to merely the shelf itself—overlying the Outer Continental Shelf in contravention of recognized international law which regards under the high seas doctrine, such waters as high seas. A coastal nation may not exercise any claims of sovereignty over such waters. Title III would authorize such prohibited claims of sovereignty over portions of the high seas, and is, therefore, inconsistent with recognized principles of international law.

Second. If the intent of title III is to authorize the executive department to withdraw certain areas of the Outer Continental Shelf from use for future leasing purposes, this committee has already made adequate provision for such withdrawals in its Outer Continental Shelf Lands Act, which at 43 U.S.C. 1341(a) provides:

> The President of the United States may, from time to time withdraw from disposition any of the unleased lands of the Outer Continental Shelf.

This section has been used by the President as the principal source of authority for his withdrawing an area of the Outer Continental Shelf to create a marine sanctuary. President Eisenhower on March 17, 1960, withdrew portions of the Outer Continental Shelf adjacent to Key Largo, Fla. to create a Coral Reef Preserve—see 25 F.R. 2352. Accordingly, there is no need for the Congress to repeat itself by providing new authority for such withdrawals when ample authority already exists.

Third. The Secretary of Commerce would be withdrawing areas of the Outer Continental Shelf which are under the jurisdiction of the Secretary of the Interior for mineral leasing. As Chairman Aspinall stated on the floor of the House:

> The enactment of this title could result in locking up unnecessarily offshore resources valued at billions of dollars, reducing revenues available in the land and water conservation fund for the acquisition of much needed recreation areas, park areas, and wildlife refuges, and curtailing the President's program for meeting the growing energy needs of this Nation.

Furthermore, to authorize one Cabinet member to select areas of the Outer Continental Shelf for leasing and another Cabinet member to select areas which will not be leased would only promote mischief, conflict, and ineffective government within the executive branch.

Fourth. Under the authority of Senate Resolution 45, the Senate Interior Committee with the participation of the Commerce Committee, the Public Works Committee, and the Joint Committee on Atomic Energy are conducting a comprehensive energy study. One of the major sources for petroleum resources is the Continental Shelf. To provide for the locking up of vast areas of the shelf before our energy needs have been examined and the potential sources have been explored to determine availability of the sources, tends to preempt a large part of the study. Certainly, the potential for satisfying our energy needs from the OCS will be a significant part of the energy study.

Fifth. The Department of State, Department of Defense, and the Office of Management and Budget as well as the Department of the Interior have expressed their concern about the claim to extraterritorial jurisdiction proposed in title III. It may suffice to note that any such assertion of jurisdiction beyond established limits has been carefully and properly avoided in title I of the same bill.

Sixth. The Secretary of State is instructed to enter into agreements with other governments in order to protect the sanctuaries. Such agreements should, ordinarily be in the form of conventions, and as such would be subject to Senate ratification. The bill tends to preempt the constitutional powers of the President to negotiate treaties and of the Senate to ratify treaties. Such a provision is of doubtful constitutionality and could not only be a source of embarrassment to the executive branch and the Senate, but would appear to be a proper subject for review by the Foreign Relations Committee.

Mr. President, I have raised these six points concerning title III of the House bill for the purpose of pointing out some of the complicated issues involved. None of my remarks should be construed as a prejudgment on my part as to the bill to be introduced in accordance with the colloquy between the chairman of the Interior Committee and the Senator from Wisconsin (Mr. NELSON). However, I do hope that the draftsmen of that measure as well as the conferees on H.R. 9727 will take cognizance of them in their respective endeavors.

Mr. NELSON. I certainly appreciate any commentary or evaluation of the proposal since what we are seeking to do is to get an amendment which accomplishes what we would like to accomplish without creating problems in the international law field or jurisdictional problems.

Mr. ALLOTT. It does create very complicated questions. I thank the Senator for yielding to me.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. NELSON. I yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I associate myself with the comments which we have been privileged to hear. The chairman of the Committee on Commerce (Mr. MAGNUSON) has for some time been addressing himself to this subject matter, as has the Senator from Wisconsin.

The Senator from Washington (Mr. JACKSON), the chairman of the Committee on Interior and Insular Affairs, and the chairman of the subcommittee (Mr. HOLLINGS) handling this important legislation, as well as the Senator from Colorado (Mr. ALLOTT), are all concerned about the objective sought by the Senator from Wisconsin.

There are several facets of the problem, as Senator NELSON well understands, and as he says now he would withdraw the amendment. This of course, would not indicate in any wise that any of us will withdraw from continued cooperation with him in the months ahead as we develop the base on which his concept can logically be incorporated into law.

I pledge, as chairman of the Committee on Public Works, to the other chairmen (Mr. MAGNUSON and Mr. JACKSON) who are interested and concerned with this subject, that I am eager and anxious to proceed with the legislation proposed by Senator NELSON because his purpose is good, he is knowledgeable on the subject, and he brings to our attention an important recommendation.

Mr. NELSON. I thank the Senator.

STATEMENT IN OPPOSITION TO NELSON AMENDMENT

Mr. STEVENS. Mr. President, I oppose amendment No. 630 offered by the distinguished Senator from Wisconsin (Mr. NELSON). With all due respect to the Senator, I consider such an amendment inconsistent with previous action taken by the Committee on Commerce on other legislation; inadvisable from the standpoint of current efforts now being undertaken internationally with respect to the Law of the Sea Conference; and unnecessary because of existing provisions of the bill and existing authority now exercised by the Secretary of the Interior.

First, I would like to emphasize that if such an amendment is adopted here in the Senate and if it becomes law, it will do so without the benefit of hearings either here or in the House. Without such hearings and an attendant opportunity to hear differing views and differing interpretations, there exist numerous questions concerning both its intent and its effects.

Testimony has been received by the

Committee on Commerce with respect to estuarine sanctuaries, and as a result of favorable committee action, section 312 of S. 582, the National Coastal and Estuarine Zone Management Act of 1971, deals with such a concept. The bill, S. 582, as reported by the Committee on Commerce, woud authorize the Secretary of Commerce—the same Secretary which would administer the proposed marine sanctuaries program—to make available to the States grants of up to 50 percent of the cost of "acquisition, development, and operation of estuarine sanctuaries for the purpose of creating natural field laboratories to gather data and make studies of the natural and human processes occuring within the estuaries of the coastal and estuarine zone."

The bill provides for a first-year authorization of $6,000,000—as opposed to $10,000,000 in the proposed amendment—for up to 15 such sanctuaries, with the Federal share of the cost of each such sanctuary not to exceed $2,000,000.

The provisions of this section of S. 582 are well understood; they are supported by a majority of the committee's membership; and they accomplish what I would understand to be the major purpose of the amendment offered by the Senator from Wisconsin—that of preservation. In addition, it is more consistent with the following recommendation of the Council on Environmental Quality in its report on ocean dumping than is the proposal before us now:

High priority should be given to protecting those portions of the marine environment which are biologically more active: namely the estuaries and the shallow nearshore areas in which many marine organisms breath or spawn. These biologically critical areas should be delimited and protected.

On the other hand, the committee, after thorough consideration of title III of the House-passed bill, and after studying the rationale for such a title as expressed during the House debate, chose to reject such a provision as a part of its legislation regulating ocean dumping. Its reasons for doing so have been well set forth by Senator HOLLINGS, as well as in the report of the Committee on Commerce to accompany H.R. 9727, beginning on page 14—see Senate Report No. 92-451.

Of great importance in my own rejection of such an amendment is its apparent intent—as opposed to the provisions of S. 582—to establish marine sanctuaries in the waters extending beyond both the territorial sea and the contiguous zone. Such a unilateral action on the part of the United States—irrespective of the questionable supposition that it would apply to Americans only—without the benefit of a prior treaty or international agreement to which the United States is signatory, would seem inadvisable.

As a member of the Committee on Interior and Insular Affairs, I must observe that the proposed amendment No. 630 would provide for a duplication of laws. If, in fact, one of the purposes of the proposed amendment—as indicated in section 302(d) thereof—is to protect certain marine areas from damage as a result of mineral extraction, then I would point out that such protection is already afforded by the Outer Continental Shelf Lands Act administered by the Secretary of Interior.

If the purpose also is to protect certain marine areas from the effects of dumping, then I wish to point out that such protection is already authorized in section 102(d) of H.R. 9727. This section would authorize the administrator to designate recommended sites or times for dumping; and, if he deems it necessary to protect critical areas, he is directed to designate both sites and times within which no dumping can occur.

Mr. President, as I stated previously, in the absence of prior opportunity to inquire and satisfy, I find there are several ambiguities in the proposed amendment:

First. Despite numerous assertions by Members of the House during debate in that body, I am not at all satisfied that the designation of the marine sanctuaries is discretionary. Despite the word "may" which appears in section 302(a), I find the following language in subsection (d):

The Secretary shall make his initial designation under this section within two years following the date of enactment of this title . . .

Would this be considered the operative section which would become binding on the Secreary? If so, then the designation of such sanctuaries is clearly mandatory.

Second. What is meant by the language appearing in section 302(a):

. . . or which hereafter may become subject to such jurisdiction and control?

This would seem to suggest the possibility that if the Secretary should decide that at some future point in time the United States would assert jurisdiction over a 200-mile territorial sea, he could now establish a sanctuary encompassing the full 200 miles.

Third. What would be the extent of the activities controlled pursuant to subsection (f)? Would this include, for example, the development of certain fisheries resources even though such development would be excluded from the definition of dumping in title I of H.R. 9727?

Fourth. What is the justification for an authorization of $10 million?

For all of the above stated reasons, I urge that amendment No. 630 proposed by the Senator from Wisconsin be rejected.

Mr. RIBICOFF. Mr. President, as a cosponsor, I am pleased to support the amendment offered by the distinguished Senator from Wisconsin (Mr. NELSON) to the Marine Protection and Research Act now before the Senate.

It has become all too clear that the Interior Department and the oil companies have their eyes on possible oil and gas deposits off the east coast. If we who live on the east coast hope to prevent its spoilation, now is the time to act. Before a single exploratory well is drilled the most thorough examination possible must be made of the area in order to protect the vital recreational and environmental resources which still exist.

Under the amendment, the Federal Government would be given 2 years to designate an initial set of sanctuaries to protect marine resources, recreation, ecological and esthetic values in the ocean. This provision is similar to title III of the House-passed version of H.R. 9727, which was deleted by the Senate Commerce Committee.

The amendment further provides that, in the case of east coast offshore waters, Federal leasing for oil well drilling may not begin until after the 2-year period for the initial establishment of permanent marine sanctuaries.

While the amendment's marine sanctuary authorization would apply to U.S. Pacific Ocean and Gulf of Mexico areas, the 2-year delay in oil leasing would not, inasmuch as oil drilling is already underway in these waters.

To avoid any conflict with questions of international jurisdiction, the amendment specifically provides that the marine sanctuaries must be established and regulated in accordance with principles of international law.

The amendment is strongly supported by the national environmental organizations, including the Sierra Club, Izaak Walton League, Friends of the Earth, Environmental Action, National Wildlife Federation, Wildlife Management Institute, and the National Audubon Society.

I urge all my colleagues to join with Senator NELSON and I in reinstating this important provision.

Mr. NELSON. Mr. President, I ask unanimous consent to have printed in the RECORD a statement in support of my amendment prepared for delivery by the distinguished Senator from Massachusetts.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR KENNEDY

Mr. President, I rise to join the Senator from Wisconsin in support of his amendment to H.R. 9727 which is designed to give the Atlantic Coast a 2-year moratorium on any off-shore oil drilling.

Essentially, the amendment would establish this two-year period to permit the establishment of marine sanctuaries along the Atlantic Coast, areas where there are unique research, conservation, recreational, ecological or esthetic values.

Equally important, the two-year mortatorium would permit independent evaluations of the risks of off-shore oil drilling on the Atlantic seaboard.

Currently, the Department of the Interior has a tentative schedule that could permit the sale of oil leases as early as 1973. A schedule which was released by the department in June and which has not been substantively altered as it affects the Atlantic, calls for a hearing notice to be issued next August, with a sale possible later that year.

But even that date is much too close for comfort.

I merely want to call to the attention of my colleagues what occurred on January 28, 1969, when an oil well being drilled in the Santa Barbara channel blew out.

At that time more than $1 billion damage was estimated to have occurred and for months the beaches of the southern California coast were blackened by the oil slicks from the Union Pacific wells.

When we understand the dimensions of the dangers and imagine the 3.25 million gallons of oil rolling ashore on Cape Hatteras or Cap Cod, then I think we begin to understand the importance of providing the Congress with the time necessary in which to obtain independent studies of the ecological hazards of offshore drilling in the Atlantic.

In this regard, let me remind my colleagues of the recent experience with the Cannikin underground nuclear test. There, we expected that all agency evaluations of the environmental impact of the proposed test would be public documents.

Yet, for more than a year, the key report by the President's chief environmental adviser, the chairman of the Council of Environmental Quality, remained hidden.

It took a court order before we were able to see even portions of that report and that was 3 days prior to the test.

If we do not take steps now to assure ourselves that we will have the information necessary to act; then two years from now we may find ourselves without the information we need to protect the Atlantic coastline.

Therefore, I have recently asked the National Academy of Sciences to undertake an independent study of the potential hazards to the environment involved in off-shore drilling in the Atlantic, along with possible alternatives.

I want to also note that I have asked for a separate independent study as well by the environmental protection agency. These investigations would go beyond the more narrow responsibility of EPA under the National Environmental Protection Act.

I also have asked the governors of the Atlantic seaboard States to join me in my request for independent studies.

Passage of this amendment would be one step to assure that we have the time to thoroughly investigate the hazards to the environment created by the proposed sale of offshore oil leases in the Atlantic.

Mr. HOLLINGS. Mr. President, for the purpose of the RECORD, and on behalf of the committee at this time, 2 weeks ago we enacted the Federal Water Pollution Control Act Amendments of 1971, which came from the Committee on Public Works, governing, among other things, dumping within the coastal waters out to the 3-mile limit of the U.S. territorial seas, and granting to the Environmental Protection Agency the authority to issue permits.

Now, we are trying to pick up in the Committee on Commerce to enact legislation to authorize the Environmental Protection Agency to issue permits for transportation for ocean dumping, and the general control over ocean dumping in a contiguous zone extending from the 3-mile limit to 12 miles from our shores.

The difficulty with the amendment offered by Senator Nelson is not the intent to establish marine sanctuaries. The Committee on Commerce will report shortly the coastal zone management bill (S. 582), which will provide estuarine sanctuaries to the outer limits of our territorial waters. But the language designating as marine sanctuaries those areas of the oceans coastal, and other waters as far seaward as the outer edge of the Continental Shelf, would put it out 100 miles in the case of my State of South Carolina, and in the case of the State of Alaska, it would go out 600 miles. These are obviously in international waters and not subject to the jurisdiction and control of the United States.

At this point there is no use to belabor the problem. The Senator has agreed to withdraw the amendment. We are all working together to establish these sanctuaries.

Mr. President, at this time I ask unanimous consent to have printed in the RECORD the correspondence which the Senator from Washington (Mr. MAGNUSON) has received from the Department of State, the General Counsel of the Department of Commerce, the Executive Office of the President, and the Secretary of the Department of the Interior, Mr. Rogers C. B. Morton, as well as a tentative schedule of Outer Continental Shelf leasing prepared by the Department of the Interior.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., November 24, 1971.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to a request from a member of your staff for the Department of State's views on amendment 630 to HR 9727 as proposed by Senator Nelson.

We have serious problems with this amendment as we did with the original Title III of HR 9727. While it is US policy to seek solution to the problems of marine environment, it is of the highest importance that we do not attempt to exert control over ocean areas beyond national jurisdiction unilaterally and thereby encourage others to do likewise. This involves a very important aspect of our national security as unilateral extensions of national jurisdiction over the oceans restrict the areas in which the US has the right of free navigation without dispute.

Although the proposed amendment to HR 9727 appears in Section 302(a) to limit the authority of the Secretary to designate marine sanctuaries to waters subject to the jurisdiction and control of the US, i.e., the territorial sea, this appears to be contradicted by paragraphs C and D which would appear to claim authority to act in areas further seaward. Under current international law the US has no authority unilaterally to take such actions as designating and controlling marine sanctuaries beyond three miles.

We are seeking international agreements to protect the marine environment beyond our territorial sea. We expect that the 1972 Conference on Human Environment, the 1973 Conference on the Law of the Sea and the 1973 Intergovernmental Maritime Consultative Organization (IMCO) Conference will all make significant contributions in this area and will result in the adoption of international conventions to help in the protection of the ocean environment.

The Administration expects, of course, to work with the Congress in an effort to solve these problems. If we should take any unilateral actions which would exceed the authority of the U.S. under international law, we would thereby make it more difficult to achieve success in our efforts to find international solutions to environmental and law of the sea problems.

We therefore strongly urge that H.R. 9727, as reported out by the Senate Commerce and Public Works Committee on November 12, 1971, be adopted by the Senate without the amendment proposed by Senator Nelson.

Sincerely,

DAVID M. ABSHIRE,
Assistant Secretary for Congressional Relations.

GENERAL COUNSEL OF THE
DEPARTMENT OF COMMERCE,
Washington, D.C., November 24, 1971.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, United States Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We have reviewed Amendment No. 630 to H.R. 9727, an Act, to regulate the dumping of material in the oceans, coastal and other waters, and for other purposes. Amendment No. 630 would add to the bill provisions relating to marine sanctuaries. Specifically, the amendment would authorize the Secretary of Commerce, after notice and public hearings, to establish marine sanctuaries in waters subject to the jurisdiction of the United States. It would provide that, with respect to prospective sanctuaries to be located within the territorial limits of any state, the Governor of such state would have the right to withdraw lands from the proposed sanctuary. Under the amendment, all activities in the sanctuary would be subject to regulation by the Secretary of Commerce. Furthermroe, the amendment would require that all Federal mineral leasing activities off the east coast of the United States would be banned until initial establishment of the sanctuaries.

The Department of Commerce recognizes that there may be important scientific or ecological values the preservation of which would justify special portective measures as to particular areas of the ocean. However, we feel that the issue requires considerable additional study and we recommend against enactment of this amendment for the following reasons:

1. The amendment does not clearly define the areas in which the Secretary would be authorized to establish sanctuaries. The present authority of the United States to provide that degree of control of the seabed and the superadjacent water column necessary for maintenance of a sanctuary does not extend into the contiguous zone. The amendment, however, would suggest an intention that the sanctuaries extend into the contiguous zone and beyond. There should be no attempt to extend the territorial jurisdiction of the United States beyond international norms to which the United States adheres.

2. The amendment provides no guidelines regarding the criteria for the establishment and administration of any sanctuaries authorized to be established under this Act. We believe that any proposal for the establishment of such sanctuaries and their reasonable use should be based on a balancing of ecological factors against the short-term economic gains as well as the long-term economic potentials of a particular area.

3. We also find that the banning of all Federal leasing activities off the entire east coast, pending the initial designation of sanctuaries, is unnecessary at this time. Moreover, we note the Secretary of the Interior in his November 4, 1971 statement did not at that time contemplate any leasing activities in the subject area for the next two years.

4. Finally, the authority of the Environmental Protection Agency and the authority of the Department of the Interior under the Outer Continental Shelf Lands Act, if exercised consistently with the philosophy of the National Environmental Policy Act and the requirements of the Fish and Wildlife Coordination Act, provide a basis for the protection of critical areas of the marine environment against unwise exploitation.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our report to the Congress from the standpoint of the Administration's program.

Sincerely,

MICHAEL F. BUTLER,
General Counsel

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., November 24, 1971.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
United States Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to an informal request from a member of your staff for the Administration's views regarding Amendment 630 to H.R. 9727, the "Marine Protection and Research Act of 1971." This amendment, sponsored by Senator Nelson, would authorize the Secretary of Commerce to designate marine sanctuaries, would require him to make the initial such designation within two years after enactment, and would bar mineral leasing activities off the U.S. east coast until such initial designation had occurred.

The Departments of State, Defense, Commerce and the Interior, in separate letters to you in opposition to the subject amendment, will discuss in some detail the various international, national security, and natural resources problems to which enactment of Amendment 630 could give rise. We fully concur with the views expressed in those letters, and likewise urge that the Congress not enact legislation of this type. We also wholeheartedly endorse the rationale set out on pages 14 and 15 of the November 12, 1971 report of the Senate Commerce Committee, concurred in by the Public Works Committee, for rejecting the marine sanctuaries provisions of the House-passed H.R. 9727, which provisions are substantively the same as those in Amendment 630.

In this letter we wish to emphasize two additional considerations. Under this Amendment, the Secretary of Commerce would, at the least, be injected statutorily into the energy development responsibilities of Interior, the foreign policy implementation responsibilities of State, the national defense concerns of Defense, and the environmental protection mission of EPA. Such a broad range of considerations should not devolve, in our judgment, upon a single cabinet department, especially given the limited time frame provided by the Amendment for the initial designation of marine sanctuaries. We believe that this easily could lead to confusion and conflicts that could impede our attainment of important national objectives.

Our second concern arises from the apparent absence of any consideration of the potential costs associated with formally establishing marine sanctuaries, as compared with any scientific or ecological benefits which might be realized thereby. This could mean in some cases potentially heavy losses of Federal revenue from mineral leasing, without commensurate benefits to environmental quality. Creating sanctuaries in the fashion envisioned in Amendment 630 might involve "taking" the rights of States or private parties, with concomitant Federal indemnification costs that are difficult to estimate but which could be very significant.

The Administration recognizes that there very well may be good reasons, having to do with scientific studies or environmental protection, to take special protective measures in certain areas of the oceans and coastal waters under our jurisdiction. The ocean dumping controls that would be provided under H.R. 9727 will make a major contribution in this regard. In addition, we have initiated special measures to minimize other dangers to the marine environment, particularly in connection with the development of the resources of the outer continental shelf. More generally, the National Environmental Policy Act of 1969 was enacted by the Congress to require that, in the conduct of their programs, all Federal agencies must give full consideration to environmental protection, and we strongly believe this approach to be the preferable to the restrictive one contemplated by Amendment 630.

The comprehensive ocean dumping regulatory authority which H.R. 9727, as reported by your Committee, would confer on the Administrator of EPA will enable us to make important strides toward our common objective of protecting and preserving the resources and environmental quality of the oceans. Accordingly, we urge the prompt enactment of this legislation without Amendment 630.

Sincerely,

CASPAR W. WEINBERGER,
Deputy Director.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., November 23, 1971.

DEAR MR. CHAIRMAN: This responds to your request for our comment on Amendment No. 630, which would add to H.R. 9727 as reported by the Committee a Title III concerning the designation of marine sanctuaries. This Department concurs in the decision of your Committee to strike a similar title from H.R. 9727 as passed by the House, and strongly recommends against the adoption of Amendment No. 630.

With respect to the program responsibilities of this Department, we are very much concerned about the prospective effect of Amendment No. 630. It provides generally for designation by the Secretary of Commerce of marine sanctuaries within a broad area of the oceans, coastal and other waters, and for the regulation of any activities permitted within the designated marine sanctuary. Unlike the House provision deleted by your Committee, Amendment No. 630 would also prohibit the issuance of mineral leases in an area "seaward of the territorial sea off the East Coast of the United States" until such time, within two years from enactment, as the Secretary of Commerce makes his initial designation of a marine sanctuary.

We do not believe that the designation of marine sanctuaries as contemplated by Amendment No. 630 is either a necessary or desirable means of assuring full consideration of environmental values in developing the resources of the Outer Continental Shelf. You are no doubt aware that section 12(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(a)) provides the Secretary of the Interior with authority to withdraw from mineral leasing particular areas of the Outer Continental Shelf, or in the exercise of his discretion, to withhold certain tracts within an area otherwise available for leasing. Both the National Environmental Policy Act of 1969 and regulations promulgated by this Department pursuant to the Outer Continental Shelf Lands Act, a copy of which is attached, require thorough consideration of environmental consequences prior to the issuance of mineral leases and during extraction, if a lease is issued. The several agencies of this Department, with broad program responsibility for outdoor recreation, fish and wildlife, and related values, as well as resource development, are acutely aware that extractive activity must be conducted so as to avoid environmental degradation.

The enactment of the provision in Amendment No. 630, which would seem to have the practical effect of prohibiting for two years mineral leasing seaward of the East Coast, is unnecessary. As I announced on November 4, no decision has been made to conduct an Atlantic Outer Continental Shelf oil and gas lease sale, and no such decision is now planned. While the tentative schedule for Outer Continental Shelf leasing released on June 15 (copy attached) indicates that a sale of Atlantic resources *could* be held prior to 1976, it is now quite obvious that we could not possibly proceed with any action on exploratory drilling for two years. I can assure you, Mr. Chairman, that no decision to proceed would be made in any event without public hearings and an opportunity for complete exchange of information with all parties, public and private.

The Department of the Interior has long expressed concern about the environmental effects of ocean dumping, and we recommend that dumping be regulated through enactment of H.R. 9727 as reported by your Committee. We appreciate your interest in this important matter, and stand ready to provide what ever additional information you might require.

Sincerely yours,

ROGERS C.B. MORTON,
Secretary of the Interior.

Mr. HOLLINGS. I wish to say to the Senator from Wisconsin that I think this language from Secretary Morton sets forth the problem. He stated in his letter dated yesterday:

As I announced on November 4, no decision has been made to conduct an Atlantic Outer Continental Shelf oil and gas lease sale, and no such decision is now planned. While the tentative schedule for Outer Continental Shelf leasing released on June 15 (copy attached) indicates that a sale of Atlantic resources *could* be held prior to 1976, it is now quite obvious that we could not possibly proceed with any action on exploratory drilling for two years. I can assure you, Mr. Chairman, that no decision to proceed would be made in any event without public hearings and an opportunity for complete exchange of information with all parties, public and private.

Does that complete the record as the Senator desired it?

Mr. NELSON. Yes. I introduced a bill, which is in the Committee on Interior and Insular Affairs, to amend the Outer Continental Shelf Lands Act, to establish a National Marine Mineral Resources Trust, and offshore management areas with comprehensive regulations to reconcile ocean use conflicts and protect marine values, and for other purposes, on January 26, 1971.

I think it would be appropriate to submit that bill for printing in the RECORD at this place, and I ask unanimous consent to do so.

Mr. President, I also ask unanimous consent that a statement that I made on February 19, 1970, on the introduction of the Marine Environment and Pollution Control Act of 1970, similar to S. 275 of this Congress be printed at this point in the RECORD.

There being no objection, the statement and the bill were ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD,
Feb. 19, 1970]

S. 3484—INTRODUCTION OF THE MARINE ENVIRONMENT AND POLLUTION CONTROL ACT OF 1970

Mr. NELSON. Mr. President, I am introducing legislation today which, in its broadest terms, is a human survival act. Its concern is with the pollution of the Great Lakes, and now, of the sea, a situation that poses dangers to the future of the human race that rank with those posed by the threat of nuclear war.

The legislation is entitled the Marine Environment and Pollution Control Act of 1970. One portion of the bill would establish a tough new national policy to halt the reckless exploitation and the destruction of our vital marine environment, and would substitute an environmental management plan beyond State waters that would be aimed at achieving a harmonious relationship between man and the source of all life, the sea.

Another part of the legislation would deal specifically with the disposal of tens of millions of tons of wastes into the sea from New York and other major cities on the ocean coastlines, in the Gulf of Mexico, and in the Great Lakes. I will explain in detail the provisions of this legislation later in the statement.

For the past year, the tragic story about the destruction of the sea has been unfolding at an accelerating pace. For people the world over, it is a shocking, surprising story, which they may first receive in disbelief. Throughout history, we have believed the sea was a limitless resource, as indestructible as the earth itself. And, as with all our other resources, we have acted accordingly, abusing it in the name of "Progress," somehow never realizing until very, very late that, like all other systems of the planet, the sea is a frsgile environment, sensitive and vulnerable to the debris of civilization.

Our persistent refusal to accept these facts about all environments on earth is, in the view of many scientists, hurling us headlong to unprecedented worldwide disaster.

The sea is a fragile environment because among other things, its only really productive areas are extremely limited. They are the Continental Shelves, the narrow bands of relatively shallow, highly fertile areas that extend from our coastlines, the same areas on which our myriad and dramatically increasing ocean activities are focused. Our shipping, mineral extraction, fishing, recreation, and waste disposal all are concentrated in these relatively small, fragile areas.

Destroy life on the Continental Shelves—which is what we are doing now—and, for practical purposes, the oceans are rendered a desert. Fertile coastal waters are 20 times as productive as the open ocean.

Destroy the richness of the sea, and you eliminate one of the greatest potential resources for feeding an exploding world population. Even today, there are nations, such as Japan, that depend almost entirely on the sea for their food and for many other critical resources.

Upset the intricate ecological systems of the oceans, and you run the grave risk of throwing all natural system so seriously out of balance that the planet will no longer sustain any life.

The evidence is pouring in that we are already well on the way to causing drastic and lasting damage to the ocean's environment.

Citing the steady buildup of toxic, persistent pesticides in the oceans, many scientists now believe that another 25 to 50 years of pesticide use will wipe out the oceanic fisheries.

Scientists investigating a massive dieoff of seabirds last year off Britain found in the dead birds unusually high concentrations of another deadly pollutant, toxic industrial chemicals used in making paints and plastics, and in other industrial processes. Concentrations of toxic mercury and lead have been reported in instances at alarming ocean levels.

Scientists now see new dangers to marine life and human beings as well from the potential buildup through the food chain of long-term poisons from the crude oil leaked into the oceans by man's activities at a rate of 1 million tons a year.

The oil is showing up far from its original sources. Scientists towing a net recently in the Sargasso Sea hauled in oil tar lumps as much as 2 inches thick. The Sargasso Sea is 500 miles south of Bermuda in the Atlantic Ocean.

In additioin to oil, author-explorer Thor Heyerdahl sighted plastic bottles, squeeze tubes and debris in the mid-Atlantic during his papyrus raft trip last year. At one point, the ocean water was so filthy the raft crew could not use it to wash the dirty dishes.

In the Pacific Ocean, some still undetermined ecological change has caused a population explosion among a species of starfish. It might be just another fascinating incident if it were not for the fact that the starfish, which feeds on living coral, can, in great enough quantities, cause serious erosion on islands protected by coral reefs and lead to the destruction of food-fish populations that inhabit the reefs.

Closer to home, the oil well blowout in the Santa Barbara Channel last year stunned our Nation. Anyone who still believes the sea is invulnerable to the same devastation we now see in rivers across the land should talk to the citizens of Santa Barbara.

Or they should ask the residents of Cleveland, Detroit, Toledo, Chicago, Milwaukee, Green Bay, or Duluth-Superior. For the past several decades, we have been methodically destroying the Great Lakes, among the largest bodies of fresh water on earth. Lake Erie is degraded almost to the point of a cesspool. Lake Michigan is seriously polluted, and is about to be ringed with nuclear power-plants discharging massive heat wastes. Lake Superior, the largest, cleanest Great Lake, is now threatened. On the Minnesota north shore, a mining company is dumping 60,000 tons of iron ore process wastes into the lake each day.

One need only to have glanced over the newspapers for the past few days to get a sense of the pattern that is developing off our coastlines. Off the gulf coast, an intense fire has been burning out of control for several days on an oil well platform. If the situation is not brought under proper control, raw oil from the well could seep over vast areas of the gulf, spreading to wildlife and bird preserves, stretches of coastal marshland and recreation beaches. Off Nova Scotia, oil spreading from a wrecked tanker has contaminated nearby shores and is killing sea birds, and the same thing is happening off Florida as oil spreads from another wrecked tanker.

The situation in a few years will be much worse. If present trends continue, according to a recent report by the President's Panel on Oil Spills, we can expect a Santa Barbara-scale disaster every year by 1980.

The report also confirmed that we do not have the technology to contain the oil from massive blowouts and spills. In fact, scientists are pointing out that current control techniques, such as massive use of detergents to break up oil slicks, can be even more damaging than the spills themselves.

Yet, in blunt testimony to our sorry history of exploiting our resources at any risk to the environment, 3,000 to 5,000 new oil wells will be drilled annually by 1980 in the marine environment. The pressure is on even in polluted Lake Erie, where only widespread public resistance has prevented drilling there to date.

By ironic coincidence, Federal plans for new oil lease sales in U.S. offshore areas were announced only a few days before the Presidential panel's 1969 oil spill report.

Because of the dramatic and sudden nature of its occurrences and damages, oil pollution has been the most visible of the marine environment problems. A second, less visible, but just as significant threat is from the wastes that are overrunning the industralized, crowded metropolitan areas along our coastlines.

Progress—American style—is adding up each year to 200 million tons of smoke and fumes, 7 million junked cars, 20 million tons of paper, 76 billion "disposable" containers, and tens of millions of tons of sewage and industrial wastes.

It is estimated that every man, woman, and child in this country is now generating 5 pounds of refuse a day from household, commercial, and industrial wastes. To quote Balladeer Pete Seeger, Americans now find themselves "standing knee deep in garbage, throwing rockets at the moon."

The rational way out of this dilemma would be using the country's technology and massive resources to develop systems to recycle our wastes, making them valuable "resources out of place," or treating wastes to the highest degree that technology will permit.

Instead, in the classic American style, we have been taking the easy way out. Rather than planning shead to handle the byproducts of our affluent society, we have invariably taken the cheapest, most convenient route to their disposal, regardless of the environmental consequences. Until fairly recently, the easy way has been to dump our debris outside the city limits, or into the nearest river or lake.

But now, the end of one city means the beginning of another, especially in our sprawling metropolitan areas. And either the river or lake is already grossly polluted with other wastes, or water quality standards are demanding that the polluters install decent treatment facilities.

With this tightening situation, one might think that we would finally begin a national effort to establish effective and environmentally safe waste management plans.

Instead, we have found another way to avoid the costs of environmental controls: Dump the debris into that supposedly bottomless receptacle, the sea. The attractions are many. The fact is that environmental regulations in our coastal waters are so loose it is like frontier days on the high seas, a field day for laissez faire polluters. One recent private report points out the inadequacies in offshore environmental regulations.

Few applications for offshore waste dumping permits are ever denied, even when environmental agencies strongly oppose the dumping. In fact, the report could find no instance where the U.S. Army Corps of Engineers—in most cases, the lead agency for regulating the dumping—had ever rescinded a disposal permit, even when the polluter had clearly violated it. The reason, according to the report, is that authorities and responsibilities in the marine environment, are so uncertain that public agencies may be reluctant to take action that might lead to court tests;

Furthermore, most dumping is carried out so far offshore that no present regulations of any Federal, State or local agency explicitly apply;

Although many public agencies are concerned in various ways with ocean dumping, rarely do any of them have a comprehensive picture of the total offshore waste disposal activities in the area;

Regular monitoring of ocean dumping is almost nonexistent, leaving the way wide open for abuse of already inadequate permit terms;

Finally, guidelines to determine how dumping will affect fragile ocean ecology and the marine food chain do not exist. Thus, decisions on the dumping permits are made with a tragic lack of vital information as to the consequences.

In this situation, it is often cheaper for a city to send its municipal wastes out to the ocean depths via a barge; or for an industry to relocate to the coastline from an inland area with tough water quality standards, so it can discharge its wastes directly into coastal waters without having to install costly pollution control equipment.

Because the effects of the ocean dumping are slow to appear, it is a problem that only now is breaking into public view. But when all the facts are in, I am convinced that continued unrestrained dumping clearly will spell a tragedy that will make Santa Barbara pale by comparison.

In the United States, cities, industries, and other polluters are now disposing 37 million tons of wastes into the marine environment every year, and this does not include Great Lakes figures.

Predictably, our mass consumption, mass disposal society is responsible for one-third

to one-half the world's pollution input to the sea.

The cities and metropolitan areas involved include San Francisco, Los Angeles, San Diego, Boston, New York, Philadelphia, Baltimore, Charleston, St. Petersburg, Miami, Port Arthur, Galveston, Texas City and Houston.

The wastes—dumping at sea from barges and ships—run the gamut of by-products from the "affluent" society. They include garbage and trash; waste oil; dredging spoils; industrial acids, caustics, cleaners, sludges, and waste liquor; airplane parts; junked automobiles and spoiled food. Radioactive wastes, poison gas, and obsolete ordnance have also been dumped in the sea by atomic energy and defense agencies.

Along our Pacific coast, 8.8 million tons of these wastes were dumped in 1968 alone.

Along the heavily populated east coast, 23.7 million tons were dumped that year.

And along the gulf coast in 1968, 14.6 million tons of wastes were dumped.

A leader for the whole country in the dumping of wastes into the sea is metropolitan New York. In a recent year, dumping for this area off the New Jersey and Long Island coasts came to 6.6 million tons of dredge spoils, 4 million tons of sewage sludge, 2.6 million tons of dilute industrial waste acids, and 573,000 tons of cellar dirt.

The sewage sludge, dumped 11 miles offshore, has spread over a 10- to 20-square-mile area of the ocean bed, killing bottom life, cutting oxygen levels, poisoning the sea waters. A wide area outside the dumping grounds is also contaminated, possibly by the sewage sludge. Dumping of other wastes is being carried out in five other undersea areas off New York.

The results of several decades of ocean waste disposal off this vast metropolis are grim portents for the future of much of the U.S. marine environment if the practice is allowed to continue.

Off New York, outbreaks of a strange fish disease, where fins and tails rot away, have been reported since 1967.

Recreation-destroying red tides have recently closed local beaches, particularly during the summer of 1968.

Massive growths of nuisance organisms, such as seaweeds and jellyfish, are now prevalent.

Once huge oysterbeds in New York Harbor have been all but eliminated.

Nearly all local clamming areas have been closed because of contamination.

Many swimming beaches are now closed every summer for the same reason, and there are indications that the sewage sludge dumped far offshore may now be creeping back in on the currents.

Now, in the face of this marine disaster, suggestions are being made that the New York dumping grounds be moved anywhere up to 100 miles offshore. Whether this is feasible on even an interim basis, it is highly doubtful it offers any permanent solution. New Yorkers 40 years ago thought they had escaped much of their waste problem when the present offshore dumping grounds were selected. Past history gives little cause for confidence that dumping even 100 miles into the sea will prevent grave consequences 40 years from now.

In fact, the evidence from the present New York situation, and from the effects of other United States and worldwide marine activities, indicates firmly that if we are to avoid setting off further disaster in our vital offshore areas, the dumping should be phased out entirely along our coastlines and the Great Lakes. The legislation I am proposing would require such a phase-out in 5 years, a deadline which respected authorities have indicated would be reasonable, if a concerted effort is started now to find alternative, safe means of waste disposal or recycling.

The only exception would be when the Secretary of the Interior determined that an alternative was not yet technically available. Then, a temporary permit could be issued until an alternative was developed.

The legislation will also deal with the wastes pouring directly into the ocean and the Great Lakes from numerous outfalls of municipal and industrial waste disposal systems. As I pointed out earlier, the alternative of piping our wastes directly into the sea is becoming increasingly attractive from an economic point of view, as water quality standards are tightened inland. Yet from an environmental point of view, moving to the edge of the sea for cheap waste disposal and cheap water supplies will only accelerate the pollution of the sensitive offshore areas. It is a trend that must be halted now, and the legislation I am introducing will allow only liquid, nontoxic wastes, treated at levels equal to the natural quality of the receiving waters, to be disposed of at sea, with the exception noted above, where an alternative was not technically available.

Now, on one 30-mile stretch of the New Jersey coast alone, there are 14 sewer outfalls discharging directly into the ocean, with more planned. In New York harbor, 20 New Jersey companies are either in court or under orders to halt pollution. According to Federal figures several years ago, the estuarine waters of the United States received 8.3 billion gallons of municipal waste discharges per day.

Clearly, wholesale waste disposal and dumping into the ocean environment is a practice that is rapidly becoming a national scandal. It reflects another near total failure of our institutions to come to grips with a grave new challenge of this modern, complex age. And it is one more tragic instance of polluters and Government, with the consent of a lethargic public, avoiding rational environmental planning now, and letting future generations pay the price.

To date, we have been spending only a pittance in this country on new, more effective ways of handling our wastes, while we spend tens of billions of dollars to put man on the moon, or to fight the Vietnam war. Legislation now pending before the Senate, the Resource Recovery Act, would be an important step forward in the urgently needed effort to manage this country's mounting solid wastes.

Ironically, while we continue to accelerate the gruesome process of polluting the sea, industry, our crowded cities, commercial ventures of all kinds, and even public agencies are making big new plans to carve up this rich, little regulated frontier for profit or for the tax dollar.

Already, the Defense Department holds one of the biggest chunks of marine environment—a total of approximately 300,000 square miles used for missile testing grounds and military operations.

But jurisdictions are so confused in the increasingly busy offshore waters that one mining operator had to turn back his sea bed phosphate lease when he found it was in an old Defense Department ordnance dump.

Crowded metropolitan areas are looking to the sea as the answer not only to their waste disposal problems, but for their space shortages as well. In the next few years, it is possible that construction of floating airports will begin for New York City, Los Angeles, and Cleveland. Floating seaports and floating cities may not be far behind.

And population and use pressures on our coastal areas will continue to escalate. Already, more than 75 percent of the Nation's population, more than 150 million people, now lives in coastal States, and more than 45 percent of our urban population lives in coastal counties.

Now, the coasts provide recreation for tens of millions of citizens. And the demand for outdoor recreation is increasing twice as fast as our burgeoning population. Yet in the face of these growing needs and expectations, the coasts are in danger of being crowded and polluted out of the market as recreation resources. In effect, Americans are slamming the door on their last escape route to a livable world. Our choice now is to either clean up our environment, or survive in surroundings we never thought we would have to accept.

Again, we look to the sea for distant answers. Within 33 years, we can expect permanent inhabited undersea installations and perhaps even colonies, according to the commission on the year 2000, a group established by the American Academy of Arts and Sciences.

In another activity, oil tankers, a more frequent source of pollution than oil wells, are being built to huge scales, cutting transportation costs but increasing environmental danger. The *Torrey Canyon* tanker was carrying 118,000 tons of crude oil when it broke up off England in 1967, a disaster that soaked miles of beaches with oil and killed more than 25,000 birds. Today, there are tankers being designed with a 500,000 ton capacity.

In addition to bringing new pollution dangers, the tankers will probably help create a new industrial seascape off our coasts. Since our ports are not big enough to handle these super ships, offshore docking facilities will have to be built.

In the Gulf of Alaska, heavy tankers could soon be operating to ship oil from the southern end of the proposed Trans-Alaska pipeline. Meanwhile, other oil and gas interests are proposing leases for drilling in the gulf. Leasing could put the tankers and oil rigs on a collision course, with massive oil spills as a result.

In another area of resource use, a company will soon begin an experimental mining operation off the southeast Atlantic coast in which a vacuum device will draw materials off the sea bed, and half way up, separate out fine wastes and spew them into the undersea in a broad fan. An almost certain result will be the smothering of bottom life over a wide area.

On Georges Bank, a rich international fishery off the New England coast, studies have identified areas with tremendous oil and gas potential, posing possible conflicts.

The evidence is clear. If tough environmental management steps are not taken now, the outcome of this bustle of new activity is certain. We will ultimately make as much a wreckage of the oceans as we have of the land. There will be constant conflicts between users, more reckless exploitation, perhaps the total destruction of marine life, and through the whole process, public agencies will be relegated to their all too frequent ineffective role of referees between competing resource users.

The legislation I am proposing today as the Marine Environment and Pollution Control Act of 1970 prescribes far-reaching steps to establish rational protection of the ocean environment.

The first section makes it unlawful for U.S. citizens, which includes corporate and municipal officers, to dispose of refuse materials into the Great Lakes, the territorial sea, Outer Continental Shelf waters, or the high seas without a permit from the Secretary of the Interior issued with the concurrence of the Council on Environmental Quality in the White House. Before the Secretary can grant such a permit, he will be required to undertake a broad-ranging investigation into the effects the disposal would have on the marine environment. In addition, public hearings will be held if requested, to give concerned citizens the opportunity to speak on the matter. In general, this legislation provides for public involvement in the decisionmaking process at every available opportunity, an involvement that has far too frequently been lacking in the making of Federal environmental policies.

Under this bill, the Secretary will only grant a waste disposal permit if there is convincing evidence that the disposal will not have any adverse effects on plant and animal life and the marine environment generally. As I have pointed out earlier, consideration of the impact of dumping on the fragile marine ecology of dumping has been entirely inadequate.

The bill would phase out all marine dumping by June 30, 1975, which is a reasonable and essential step for environmental protection, except for the exceptions noted earlier in the statement. It also provides a fine of not more than $1,000 per ton of material disposed of in violation of the act.

In the important second section of the bill, a system for marine environment management is established, which will apply to the submerged offshore lands under the jurisdiction of the Secretary of the Interior. As a first step, the bill provides for an Advisory Committee on the Marine Environment, to be appointed by the Secretary with the concurrence of the Council on Environmental Quality. The private citizen committee will include scientists trained in disciplines dealing with marine environment concerns. It will be responsible for the general scientific overview of the whole new program.

Also called for is a series of comprehensive programs and studies designed to increase our knowledge of the marine environment and its complex ecological systems, and the effects of our activities on this vital environment. Under the bill, the Secretary would develop models of physical and ecological systems of the marine environment which would be used to predict in advance the effects of proposed activities, an unprecedented step in marine environment protection.

I have also included a provision in the bill requiring truly long range forecasts of our needs and requirements, not only for minals, but for recreation, fisheries, shipping, and natural ecological balance, over the next 50 years, another unprecedented step fundamental to making sound decisions about our ocean activities. This information will be made available to the public as it is developed by the Secretary, with the advice and recommendations of the scientific commission.

The next section of the bill provides for the application of the information and knowledge gained by the Secretary and the commission to the development of comprehensive resource management plans for the marine environment. Such plans will be developed whenever the Secretary is notified that present or proposed uses of the marine environment involve a risk of serious environmental damage or serious conflict with present or future users, or when any submerged lands under the jurisdiction of the Secretary are proposed to be leased. As a part of the plan, the Secretary would conduct an intensive study of the specific area involved, and of all the plant and animal life in it, and would attempt to develop means for avoiding adverse effects or conflicts among uses. The Secretary will also seek the views of the Governors of the coastal States in the vicinity of the area of proposed activity.

These efforts will culminate in a management plan which will be submitted to the Advisory Committee on the Marine Environment and also to the Council on Environmental Quality and there will also be opportunity for a public hearing. After concurrence of the council in the plan, the Secretary will implement it in public regulations which will constitute a comprehensive and mandatory guide for the use of the seabed and waters governed by the plan.

I believe these management plans would be a major step in avoiding Santa Barbara-type disasters brought on by lack of foresight and information, and this approach might well merit consideration by the States for the Great Lakes and their offshore territorial waters. Public participation would be an important part of the development of these plans.

It should be made clear that even the adoption of this legislation will only be a beginning in protecting our oceans. Inland, our water standard and cleanup programs must be strictly enforced and well financed, not only for the sake of our rivers and lakes, but for the future of the sea itself, which ultimately receives these wastes. And it is clear too that although the activities of this Nation are a major factor in the threat to the sea, all nations are having an impact, and have responsibilities which they too must exercise if this common world resource is to be protected. It is clear this will require new international cooperation and agreements.

Mr. President, I introduce this legislation for reference to the appropriate committee, and ask that it be printed in the CONGRESSIONAL RECORD at this point.

S. 275

A bill to amend the Outer Continental Shelf Lands Act, to establish a National Marine Mineral Resources Trust, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Outer Continental Shelf Lands Act (67 Stat. 462; 43 U.S.C. 1331–1343) is amended by the addition of the following new sections to title 43 of the United States Code:

"SEC. 1344. (a) There is established in the Department of the Interior an Advisory Committee on the Marine Environment, appointed by the Secretary of the Interior with the concurrence of the Council on Environmental Quality, comprised of eleven members who shall be qualified by training and experience to advise the Secretary of the Interior in the management and protection of the marine environment of the United States. The disciplines represented by the members of the Committee shall include, among others, marine biology and ecology, physical or chemical oceanography, marine geology, resource economics, and marine resources law. The Committee shall consult with and advise the Secretary in the discharge of his responsibilities under section 1345 and in the development of the inventories and analyses required by subsections (c) and (d) of section 1347, and shall analyze and review management plans under subsection (e) of section 1347 and the implementation and enforcement of such plans. The Committee shall conduct annual or more frequent studies of the status and quality of the Secretary's efforts undertaken to implement section 1345, investigations of the quality and the effectiveness of management plans developed under section 1348, including investigations of the effectiveness of public participation in the development of such plans, reviews of the Secretary's actions in the implementation and enforcement of management plans, and generally shall make such investigations, studies, and recommendations at such times as are required for the successful implementation and administration of the program under sections 1344–1349.

The Committee shall transmit the reports of its investigations, studies, and recommendations to the Secretary and the Council on Environmental Quality, and shall make such reports available to the public. The Committee also shall transmit to the Secretary and the Chairman of the Council and make publicly available a report annually on the progress achieved during the preceding year in protecting and enhancing the marine environment together with its recommendations.

"(b) No officer or employee of the United States or of any State shall be appointed to membership on the Committee. The Committee shall be served by a permanent professional staff comprised of persons who are qualified by training and experience in the disciplines relevant to the management and protection of marine environment.

"(c) Members of the Committee shall each receive $100 per diem when engaged in the actual performance of duties of the Committee and reimbursement of travel expenses, including per diem in lieu of subsistence, as authorized in section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–2), for persons employed intermittently.

"(d) The Committee shall appoint and fix the compensation of such personnel as it deems advisable in accordance with the civil service laws and the Classification Act of 1949, as amended. In addition, the Committee may secure temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the Administrative Expenses Act of 1946 (60 Stat. 810), but at rates not to exceed $100 per diem for individuals.

"(e) As used in sections 1344–1348, the term—

"(1) 'marine environment' means the air, the waters, and the submerged lands of the Outer Continental Shelf lying seaward of the boundaries of the coastal States of the United States, and all the resources and values of such air, water, and submerged lands, and

"(2) 'Secretary' means the Secretary of the Interior.

"SEC. 1345. (a) The Secretary, in regular consultation with the Advisory Committee on the Marine Environment and in cooperation with other Federal and State agencies, shall conduct—

"(1) comprehensive programs for the continuing collection and analysis of data concerning the physical systems existing in the marine environment including, but not limited to, data on tides and wind and ocean currents and geological and topographical data, and develop and refine models of such physical systems which will adequately describe the operation of such systems and also provide reliable predictions of the effects of various activities conducted in the marine environment upon such systems;

"(2) comprehensive programs for the continuing collection and analysis of data concerning the plant and animal life found in the marine environment and data concerning the sensitivity of unique as well as representative species of such life to changes in the marine environment resulting from development or use of the marine environment;

"(3) comprehensive investigations of the ecological systems of the marine environment, and develop and refine models of both unique and representative ecological systems which will adequately describe such systems and also provide reliable predictions of the effects of various activities conducted in the marine environment upon such systems;

"(4) a continuing comprehensive analysis of the several activities presently being conducted in the marine environment or likely to be conducted there in the reasonably immediate future, and present and likely future conflicts among such uses with a view to developing an understanding of the basic purposes which those activities serve and to minimizing such conflicts through development of novel and alternative means of serving those purposes;

"(5) a program for the development of baseline data concerning the marine environment, and a comprehensive monitoring program for the marine environment designed to provide immediate notice of changes in such environment;

"(6) far-reaching, long-range studies which will yield forecasts and predictions concerning the activities which may be car-

ried out in, and the uses which may be made of, the marine environment and its resources during the period ending fifty years from the date of each such study, including analyses of the characteristics of and means by which such activities and uses may be conducted, analyses of the likely impact of and constraints imposed by such activities and uses upon other uses of the marine environment, and the likely effects of such activities and uses upon the marine environment itself, predictions of the frequency and significance of future conflicts among uses of the marine environment and of the frequency and the magnitude of any damages to the marine environment which may result from such activities and uses, and recommendations concerning development of technology, management concepts, or other means of preventing or minimizing conflicts among uses of the marine environment and of preventing or minimizing adverse effects upon the marine environment;

"(7) studies necessary to the development of criteria and standards for the protective management of unique or unusually valuable types or species of plant and animal life, of types or species of plant and animal life which are particularly susceptible to damage or destruction from alteration of the marine environment, of areas of the marine environment which present special hazards of environment damage or conflicts among uses, and of areas which exhibit unique or unusually valuable characteristics or values; and

"(8) continuing studies of the susceptibility of the marine environment and its resources to present and future beneficial uses for commercial and sport fisheries, production of fuel and other mineral resources, marine transportation, enjoyment of natural beauty and other nonexploitative recreational uses, scientific research, national defense, and other purposes.

"(b) The Secretary shall publish on a regular basis the reports and results of the studies and investigations and programs authorized by subsection (a) of this section.

"SEC. 1346. (a) The Secretary shall establish by regulation in the Department of the Interior an Inter-Agency Committee on Marine Resources Management to be comprised of one representative each of the Departments of Defense, State, Transportation, Health, Education, and Welfare, Housing and Urban Development, and Commerce, and the Chairman of the Atomic Energy Commission, the Director of the National Science Foundation, and the Secretary of the Smithsonian Institution. The Committee shall assist the Secretary in the development of management plans for the management and protection of the marine environment.

"(b) (1) Whenever the Secretary is advised by the Chairman of the Council on Environmental Quality, the head of any department or agency of the United States or other organization named in subsection (a) of this section, or the Governor of any coastal State of the United States, that any present or proposed use or uses of the marine environment involves a potential risk of serious environmental damage or potential risk of serious conflict with present or likely future uses of the marine environment, and (ii) whenever any submerged lands of the Outer Continental Shelf are proposed to be offered for leasing for oil and gas or sulfur or other minerals, or (iii) whenever it appears to the Secretary that such action is desirable, he shall immediately publish notice pursuant to subsection (e) of section 1347 of his intention to develop a management plan, and shall thereafter proceed with the development of a management plan, for the area identified as being susceptible of potential environmental damage, or within which risks of conflicts among uses may occur, or the area proposed to be offered for leasing, or the area which he judges should be the subject of a management plan. The oil, gas, sulfur, and all other mineral resources of the Outer Continental Shelf which are unleased on the date of enactment of these amendments are hereby designated as the National Marine Mineral Resources Trust and shall be held in an unleased status until the Secretary, with the concurrence of the Council on Environmental Quality, determines (i) that there are technological, managerial, and other means adequate to prevent damage to the marine environment resulting from exploration, extraction, and transportation of marine mineral resources in accordance with these amendments, and (ii) that ecologically sensitive areas of the marine environment will be identified and permanently preserved in accordance with these amendments, and (iii) that there is a national requirement for these resources which cannot be satisfied, consistent with the requirements of national security, by any other practicable means. In no event shall any submerged lands of the Outer Continental Shelf be leased except in strict compliance with a management plan developed, approved, and implemented in accordance with the provisions of sections 1344–1349.

"SEC. 1347. (a) The development of management plans shall be preceded by public notice given in the manner prescribed by subsection (b) of this section and shall reflect the results of the inventories and studies required by subsection (c) of this section, the analyses specified in subsection (d) of this section, and information developed in the course of consultations and public hearings pursuant to subsection (c) of this section in the manner specified in section 1348.

"(b) The notice required by subsection (b) of section 1346 of the Secretary's intention to develop a management plan for an area shall be published in the Federal Register and in a newspaper of general circulation in the general vicinity of the area for which the management plan will be developed. The notice shall indicate that a management plan will be developed for the marine environment in the area described in the notice, indicate that uses of the area involved will be affected by adoption of the management plan, describe the area for which the management plan will be developed, describe the procedural steps by which the management plan will be developed, and state that an opportunity will be extended to all interested persons to express their views and recommendations with respect to development of the management plan.

"(c) As soon as practicable after publication of the notice of intention to develop a plan for an area of the marine environment pursuant to subsection (b) of section 1346 the Secretary shall develop an inventory of the plant and animal life and nonliving resources and intangible values of the area, studies of the physical and ecological factors and systems present in the area, and an inventory of present uses and forecasts of future uses of the area.

"(d) Concurrently with development of the inventories and studies conducted under subsection (c) of this section, the Secretary shall analyze the characteristics of the plant and animal life and nonliving resources and intangible values of the area, the physical and ecological factors and systems present in the area, and the characters and purposes of the present and future uses of the area with a view to developing a comprehensive detailed model or models of the area which will adequately describe the systems existing in the area and their responses to the activities presently being conducted in the area and also provide reliable predictions of the longer range effects of present uses of the area and reliable predictions of the effects of future activities upon the systems and resources existing in the area. In analyzing the present and future uses of the area, the Secretary shall develop information on the frequency and seriousness of present conflicts among uses of the area and the effects of such conflicts on the marine environment, and projections of the frequency and seriousness of future conflicts among such uses, including estimates of the probable frequency of such conflicts, and the types and degrees of seriousness of potential damage to the marine environment resulting from such conflicts. The Secretary also shall include in his analysis under this subsection an investigation of available technological, managerial, or other means of preventing or reducing the adverse impact of activities conducted in the marine environment on the marine environment and on other uses of it and shall identify present and future needs for new or improved technological or other means for preventing or reducing the adverse effects of particular types of activities on the marine environment or on other uses of the marine environment.

"(e) In conducting the inventory under subsection (c) of this section and the analyses required by subsection (d) of this section, the Secretary shall consult with the Advisory Committee on the Marine Environment established by section 1344 and shall request all interested departments and agencies of the Federal Government to prepare and submit to him written reports concerning their interests in the present and future uses of the area for which a management plan is being developed for commercial and sport fisheries, production of fuel and other mineral resources, marine transportation, enjoyment of scenic beauty and other nonexploitative recreational purposes, scientific research, national defense, and other uses, together with their recommendations with respect to the final form, content, and operation of the management plan. In developing the inventory and analyses, the Secretary shall solicit the views and recommendations of the Governor of the coastal State or States in the vicinity of the area for which a management plan is to be developed and invite the views and recommendations of industry and other interested groups and may hold public hearings in the vicinity of such area for the purpose of obtaining the views and recommendations of other interested persons.

"(f) The reports of inventory and analyses conducted pursuant to subsections (c) and (d) of this section, the reports submitted by the interested departments and agencies of the Federal Government, the submissions by the Governors of coastal States and by industry and other interested groups, and the records of any public hearings held by the Secretary shall be included in the administrative record of the proceedings for the development of the management plan and shall be public documents which shall be made available upon request and payment therefor to any interested person.

"SEC. 1348. (a) After completion of the inventory and analyses under subsections (c) and (d) of section 1347 and receipt of the views and recommendations of the Governors of coastal States, interested industry and other groups, and other interested persons under subsection (e) of section 1347, the Secretary shall make comprehensive written findings of fact and written conclusions concerning the area of the marine environment which will be subject to the management plan and shall develop a comprehensive management plan for the area of the marine environment described in the notice issued pursuant to subsection (b) of section 1346 which shall preserve the quality of the marine environment at the highest practicable level and enhance the quality of the marine environment to the highest practicable level where damage to the marine environment already has taken place, prevent or minimize the adverse effects of present and future activities in the marine environment on such environment and its resources and values, and prevent or minimize conflicts among competing uses of the marine environment.

"(b) The management plan shall identify, describe the locations of, and afford appropriate protection for plant and animal life, ecological systems, and recreational and other values which are so unique or valuable or important that they should not be exposed to the risks associated with particular uses of the marine environment and describe any areas of the marine environment which present special hazards of environmental damage or conflicts among uses or which exhibit unique or unusually valuable characteristics or values.

"(c) The management plan shall be expressed in the form of public regulations which shall be consistent with international law and agreements and which will provide a mandatory guide for the use of the land and water areas covered by it. To the maximum degree permitted by international law and agreements, it shall include such prohibitions, constraints, and conditions upon the conduct by citizens of the United States and of foreign nations of specified activities within specific areas covered by it as are appropriate to the protection of the environmental features within such areas or any other areas in which the effects of such activities within the specified areas might be manifested or are necessary to prevent or minimize conflicts among uses of such areas.

"(d) Upon completion of the management plan for an area of the marine environment, the Secretary shall submit such plan to the Advisory Committee on the Marine Environment and to the Council on Environmental Quality. Upon request of any interested party and after not less than thirty days' notice, he shall hold one or more public hearings in the general vicinity of the area covered by the management plan at which all interested parties shall be given an opportunity to express their views with respect to any matter pertaining to the management plan.

"(e) After considering the views of the Advisory Committee and the Council on Environmental Quality, and after reviewing the record of any public hearing held pursuant to subsection (d) of this section, the Secretary shall affirm or modify, as appropriate, the written findings and conclusions made pursuant to subsection (a) of section 1348, and the management plan, if necessary, and submit it together with his written findings and conclusions to the Council on Environmental Quality for its concurrence.

"(f) Upon the concurrence of the Council of Environmental Quality, the Secretary shall adopt and order the implementation of the management plan and shall publish comprehensive regulations embodying the management plan in the manner specified in section 553 of title 5 of the United States Code. No management plan shall be adopted by the Secretary unless it has been concurred in by the Council on Environmental Quality.

"(g) In making his written findings of fact and conclusions pursuant to subsection (a) of section 1348 and in the development and adoption of management plans pursuant to this section, particular activities and uses shall not be permitted in specific areas covered by the management plan except upon the Secretary's findings, supported by clear and convincing evidence, that such activities and uses can be conducted in such areas without significant risks of environmental damage or conflicts among uses. In no event shall any management plan afford a lesser degree of protection to the marine environment than that degree of protection afforded by the laws and regulations of the coastal State or States to marine areas under State jurisdiction which are situated adjacent to or in the vicinity of the area covered by such management plan.

"SEC. 1349. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of sections 1344–1348."

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. NELSON. I yield.

Mr. MAGNUSON. Mr. President, I want to join the distinguished chairman of the Committee on Public Works in assuring the Senator from Wisconsin of the fact that what we are doing here in no way diminishes my support of the objectives of the Senator's amendment, and I am looking forward to those hearings.

The reason I am pleased to say that is that at those hearings we may resolve America's position on fisheries. We have a constant international struggle going on, with us claiming a 12-mile fisheries limit, others a 200-mile limit, and others threatening to go to 1,500 miles. At those hearings we may resolve that problem.

It is pretty hard to separate what is being proposed from marine life in the area. Our problem is that it is going to put them in such a position that it may cause some controversy in the hearings. But I assure the Senator that both Senators from Alaska and both Senators from Washington and other Senators are going to bring up the question of the U.S. territorial limits in relation to fish at those hearings. And we may be able to do a great deal toward resolving this problem internationally.

I congratulate the distinguished Senator from Wisconsin for what he is doing.

Mr. NELSON. I appreciate the comments of the Senator from Washington. As everyone here knows, the distinguished Senator from Washington (Mr. MAGNUSON) has a long, long record of involvement in constructive activity in the preservation and integrity of the environment for the past quarter of a century.

Mr. President, I ask unanimous consent that my amendment be withdrawn.

The PRESIDING OFFICER. The Senator has a right to withdraw his amendment, and the amendment is now withdrawn.

The bill is open to further amendment.

Mr. AIKEN. Mr. President, I wish to offer an amendment to correct an apparent oversight in the preparation of the bill, on page 26, line 26, to strike out the second "and" and the period at the end of the line and add "and its connecting waters." By "connecting waters" I mean to also include "tributaries."

The reason for this amendment is that most of the connecting waters of western Vermont and northeastern New York empty into Lake Champlain, which in turn empties into the St. Lawrence River. There are other rivers and lakes in Vermont the waters of which empty into the St. Lawrence River. Those should be covered because we have had considerable trouble with dumping of sludge and waste material in some of them.

I hope the sponsor of the bill, the Senator from South Carolina, will accept the amendment, because, as I say, it was an oversight. This is important because it is about the largest body of fresh water in the United States.

Mr. HOLLINGS. Mr. President, the committee agrees that it is an oversight and we appreciate the Senator from Vermont's pointing it out. We will be glad to have the language added at the end of the line "and its connecting waters."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENTS NOS. 729 AND 730

Mr. CASE. Mr. President, I call up my amendments (Nos. 729 and 730) and ask that they be stated.

The PRESIDING OFFICER. The clerk will read the amendments.

The assistant legislative clerk proceeded to read the amendments.

Mr. CASE. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed and that they be printed in the RECORD in full at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (No. 729) are as follows:

On page 44, line 11, strike out "(a)".

On page 44, strike out lines 21 through 25.

On page 48, strike out lines 3 through 12, and insert in lieu thereof the following:

"SEC. 203. (a) The Secretary of Commerce shall conduct, and encourage, cooperate with, and render financial and other assistance to appropriate public (whether Federal, State, interstate, or local) authorities, agencies, and institutions, private agencies and institutions, and individuals in the conduct of, and to promote the coordination of, research, investigations, experiments, training, demonstrations, surveys, and studies for the purpose of determining means of ending all dumping of materials within five years of the effective date of this Act.

"(b) Each department, agency, and independent instrumentality of the Federal Government is authorized and directed to cooperate with the Department of Commerce in carrying out the purposes of this title and, to the extent permitted by law, to furnish such information as may be requested.

"(c) There are authorized to be appropriated such sums as may be necessary to carry out this title.".

Mr. CASE. Mr. President, the purpose of the amendment is to broaden the admirable bill which has been reported by the committee and to add to it authority for the Secretary of Commerce to obtain the resources of public and private organizations and industries outside the Federal Government for research.

The bill as written provides for research only by the Federal Government itself. In addition, this amendment provides new authority for research into alternate means of disposing of wastes that are currently dumped into the oceans. The bill as submitted reads "for research into the effects of ocean dumping." This additional research would be into alternate means of disposal of the wastes that are dumped, and not just the effects on the oceans of dumping.

It also would have a goal for the research, that is, to find, within 5 years, the means for not halting all dumping of material into the oceans.

It is in line with legislation that I have introduced in separate bill form.

I hope very much that it will be possible for the committee to accept this amendment and incorporate additional authority in the bill. As I have said, it is an admirable bill as it is now, but I would like to make it an even better bill.

Mr. HOLLINGS. Mr. President, the difficulty we have with this particular amendment—and I am passing to my colleague from New Jersey a proposed alteration of the amendment to see if we cannot agree and forego a rollcall—is that the amendment knocks out the authorization provisions of sections 201 and 202, which limit the expenditure to $1 million on research under each of the two sections.

The Senator from New Jersey is not a member of the Commerce Committee, which has insisted that we do not leave these authorizations for appropriations open-ended. Otherwise, the actual goal of trying within 5 years to set a policy against dumping the committee will welcome and gladly go along with, but we are trying to set a specific limit on the amount. I am trying to see if the Senator would not agree. My proposed amendment to his involves one-third of the moneys authorized under sections 201 and 202.

Mr. CASE. I appreciate that suggestion and also the spirit in which it is offered. I am afraid that it would lead to a very niggardly result. It seems to me if we take $1 million and divide it into three parts, we are not going to have very much for serious research into an alternate means of dumping, which I think, frankly, ought to include a pilot plant or two, so we could make an all-out effort along this line.

Would the Senator give me his thinking about that? We have got to find out how these things work and we cannot do it on an experimental basis except with the help of the Federal Government.

Mr. HOLLINGS. We are trying to fix an authorization therein. I would think that, rather than delete sections 201 and 202 from the bill, we could include that and put in a dollar figure in this particular amendment of the Senator from New Jersey.

How much does the Senator want?

Mr. CASE. I think the Senator's idea is a very good one. What would he think about $10 million?

Mr. HOLLINGS. I think that would be a good figure.

Mr. CASE. Mr. President, I ask unanimous consent to incorporate in the amendment language which will be sent to the desk to put a limitation of $10 million on this particular authority.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. CASE. It is so modified.

Mr. HOLLINGS. Would the Senator also modify it by not striking out the authorizations in sections 201 and 202?

Mr. CASE. I am very happy to accept that suggestion, and do so modify my amendment.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. CASE. I yield.

Mr. STEVENS. I note, on page 2 of the amendment the following language:

> For the purpose of determining means of ending all dumping of materials within five years of the effective date of this Act.

I call the Senator's attention to the fact that some materials that are dumped, for instance organic fish wastes, are returning to the oceans natural waste. I point out that millions of salmon in my State die in the streams after they spawn. They then are washed down into the bays. Or canneries that catch a part of the salmon return the organic waste of the fish-canning process to the sea. We have an amendment here later dealing with that.

By the goal of attempting to end all dumping of materials, I would assume that the Senator means the dumping of harmful or nonorganic materials, not that he is trying to set a congressional goal of ending all dumping per se. Is that correct?

Mr. CASE. The Senator is quite right. The purpose here, in any event, is not to place an embargo upon dumping, but rather to provide for research which will make it possible for us to decide, on the basis of an orderly means, what dumping is harmful and what dumping is permissible, which would be a later decision. The purpose here is to discover the alternate means.

Mr. STEVENS. I thank the Senator. I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey (Mr. CASE), as modified.

The amendment, as modified, was agreed to, as follows:

On page 46, after line 12, insert the following:

"SEC. 203. (a) The Secretary of Commerce shall conduct, and encourage, cooperate with, and render financial and other assistance to appropriate public (whether Federal, State, interstate, or local) authorities, agencies, and institutions, private agencies and institutions, and individuals in the conduct of, and to promote the coordination of, research, investigations, experiments, training, demonstrations, surveys, and studies for the purpose of determining means of ending all dumping of materials within five years of the effective date of this Act.

(b) There are authorized to be appropriated for the first fiscal year after this Act is enacted and for the next two fiscal years thereafter such sums as may be necessary to carry out this section, but the sums appropriated for any such fiscal year may not exceed $10,000,000.

AMENDMENT NO. 730

Mr. CASE. Mr. President, I call up my amendment No. 730, and ask for its immediate consideration.

The second assistant legislative clerk proceeded to read the amendment.

Mr. CASE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that the amendment be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE's amendment (No. 730) is as follows:

On page 33, immediately after the period in line 11, insert the following: "In designating recommended sites, the Administrator shall give preferences to locations beyond the edge of the Continental Shelf.".

On page 34, strike out lines 14 through 19.

On page 34, line 20, strike out "(d)" and insert in lieu thereof "(c)".

On page 35, line 9, strike out "(e)" and insert in lieu thereof "(d)".

On page 35, line 12, strike out "(f)" and insert in lieu thereof "(e)".

On page 35, line 19, strike out "(g)" and insert in lieu thereof "(f)".

On page 41, line 6, strike out the period and "Any" and insert in lieu thereof "unless such rule or regulation meets or exceeds the minimum requirements of this title. In addition, any".

On page 44, line 15, after "of" insert "monitoring and".

On page 44, line 17, strike out "from time to time" and insert in lieu thereof "on a semiannual basis".

On page 45, line 23, after "January" insert "and in July".

On page 46, line 2, strike out "fiscal year" and insert in lieu thereof "six months".

Mr. CASE. I further ask unanimous consent that the several amendments embraced herein be considered en bloc. I would be happy to have separate consideration of any that were desired.

Mr. HOLLINGS. Mr. President, let me make this observation: I have no objection to their being considered en bloc, but what we have here is language that "in designating recommended sites, the Administrator shall give preference to locations beyond the edge of the Continental Shelf."

Mr. President, I oppose this proposed amendment. I oppose it because it tends to diminish the discretion of the Administrator in selecting sites for ocean dumping, and because dumping beyond the edge of the Continental Shelf may, in some cases, do more damage to life in the sea and on the ocean floor than would dumping closer to shore in shallower waters.

Mr. President, written into the bill in section 102 are stringent criteria which the Administrator must meet in reviewing permit applications. Properly applied, these criteria will provide the Administrator with adequate information to minimize or elminate any adverse impact that any given ocean dumping of materials might have. The Administrator must consider: first, the need for the proposed dumping; second, the effect of such dumping on human health and welfare, including economic, esthetic, and recreational values; third, the effect of such dumping on fisheries resources, plankton, fish, shellfish, wildlife, shorelines, and beaches; fourth, the effect of such dumping on marine ecosystems, particularly with respect to the transfer, concentration, and dispersion of such material and its byproducts through biological, physical, and chemical processes, potential changes in marine ecosystem diversity, productivity, and stability, and species and community population dynamics; fifth, the persistence and permanence of the effects of the dumping; sixth, the effect of dumping particular volumes and concentrations of such materials; seventh, appropriate locations and methods of disposal or recycling, including land-based alternatives and the probable impact of requiring use of such alternate locations or methods upon considerations affecting the public interest; and eighth, the effect on alternate uses of the oceans, such as scientific study, fishing, and other living resource exploitation, and nonliving resource exploitation.

These criteria undoubtedly would guide the Administrator in his designation of recommended sites for ocean

dumping. But the effect of the Case amendment would be to tend to cut off his review of these criteria. And it seems to me wholly arbitrary for the Congress to give the Administrator discretion to apply criteria, based on scientific knowledge and careful monitoring, and then to nibble away at it by requiring him to give preference to sites beyond the edge of the Continental Shelf. The arbitrariness is compounded because we do not know sufficiently what is beyond the edge of the Continental Shelf. And that is the only basis—knowledge—on which we shall be able to deal effectively with ocean pollution. The amendment would tend to perpetuate the "out of sight, out of mind" philosophy on which we have been operating to date, and should be opposed.

This makes the duty on the Administrator a little tenuous. In Alaska, he could not consider any kind of permit unless it went out, under that mandatory directive, some 500 or 600 miles. The Senator has only to look at a map of the Alaska Continental Shelf to see what I mean.

We would not mind this being included as a part of the criteria, but to put in first the criteria section, and then later putting in this one, that the Administrator shall give preference to locations beyond the edge of the Continental Shelf, I think unduly burdens the Administrator. It is unrealistic, and does not give due cognizance to the fact that the Administrator, under the general provisions of the bill, must give consideration, before issuing a permit for the proposed dumping, to the effect of such dumping on human health and welfare, fisheries resources, plankton, fish, shellfish, wildlife, and marine ecosystems.

All of those things are being considered. We would not mind this as a consideration. But we do not want it as a mandatory provision that he has got to give preference to determining first whether it can possibly be dumped beyond the Continental Shelf.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. CASE. If I may first comment, I shall be happy to yield to the Senator from Alaska.

I appreciate the attitude the manager of the bill has taken, and it is not my desire to interfere with the work of the Administrator, or to make this the sole criterion by any means. My first concern is providing emphasis on and the direction of all our thinking to the fact that it is in the area near the shore, on the Continental Shelf, that most of the activity which we want to protect exists, that is, the breeding of fish and wildlife and all the rest, and where the danger of pollution and its effects undoubtedly will be found by the research contemplated by this bill to be most harmful.

It is therefore a matter of emphasis and direction of everyone's thinking, including particularly the administrator's thinking, toward the fact that we want to get at pollution where it is most harmful.

Mr. HOLLINGS. That is why we have included in the criteria that the Administrator must determine the effect of such dumping on fisheries resources, plankton, fish, shellfish, wildlife. All of that, as the Senator has indicated, occurs in breeding areas usually within 3 or 4 miles of the coastline, and those criteria are in there. But if when the Senator says "beyond the Continental Shelf" he means going out 70 or 80 miles, where there is no breeding and spawning——

Mr. CASE. Some places it is closer than that, and there is sensitivity to the close-at-hand places we are particularly concerned about in our part of the world.

But as to the suggested change, I am perfectly agreeable, with the colloquy we have had.

Mr. HOLLINGS. Would the Senator want to reward it, and put it in as a part of the criteria?

Mr. CASE. I will amend the amendment in that fashion, and appropriate language will be inserted.

The PRESIDING OFFICER. Will the Senator send his modification to the desk?

Mr. CASE. Yes, I shall do that in due course.

The PRESIDING OFFICER. The amendment is so modified.

Mr. CASE's amendment (No. 730), as modified, is as follows:

On page 32, after line 16, insert the following new subsection (I): (I) In designating recommended sites, the Administrator shall utilize wherever possible locations beyond the edge of the Continental Shelf.".

On page 44, line 15, after "of" insert "monitoring and".

On page 44, line 17, strike out "from time to time" and insert in lieu thereof "on a semiannual basis".

On page 45, line 23, after "January" insert "and in July".

On page 46, line 2, strike out "fiscal year" and insert in lieu thereof "six months".

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. CASE. I yield.

Mr. STEVENS. I agree that the administrator should, wherever possible, utilize these locations beyond the Continental Shelf, but there are areas, such as Alaska, where it would be almost impossible to go beyond the Continental Shelf, and I would think, if we have an injunction to utilize areas beyond the edge of the Continental Shelf wherever possible, that that would meet the objections of the Senator from New Jersey, rather than requiring him to give preference to those areas. It is possible, in some areas of Alaska, to go beyond the Continental Shelf, but not very many. I would call that to the attention of the Senator from New Jersey. We have 65 percent of the areas off the coast of Alaska where it is not possible to go beyond the Continental Shelf.

Mr. CASE. I would suggest that the amendment we have already agreed to, taking away the effect of absolute priority, but rather to include it as an inclusion among the several criteria, would take care of the objection the Senator from Alaska has in mind.

Mr. STEVENS. Would it be possible, before the amendment is finally offered, for us to examine the language that the Senator has in mind? I particularly, for instance, would like to understand the reasons for striking out subsection (c) on page 34. This goes to another subject, but as I understand it, the Senator from New Jersey is objecting to the authorization to issue permits for transportation for dumping, or for dumping, or both, of classes of material that the administrator determines will have a minimal adverse environmental effect.

Keeping in mind the transitional period we are dealing with, I think that it would be almost impossible to live with that section. That was a very critical section, subsection (c) on page 34.

Mr. HOLLINGS. I would hope, Mr. President, if the Senator from New Jersey will yield, that the Senator will not insist on this one. This is a part of the proviso, as the Senator from Alaska has pointed out, that the Administrator shall have the authority to issue general permits.

Section 103(c) which Senator CASE's amendment would delete, authorizes the Administrator to issue general permits in connection with specified material or classes of material which are determined to have a minimal adverse environmental impact on the areas designated. The amendment would propose to delete that authority.

Mr. President, we have proceeded under this bill on the knowledge that all ocean dumping is not harmful. Some materials are highly toxic, and we have either banned the dumping of them or have set criteria on which permits could not be issued for such substances. But in other cases, materials are inert or have no known adverse impact on the marine environment. And there are nonproductive areas of the oceans into which they could be dumped without damage. The sea is not uniformly productive. Some areas are more comparable to deserts than to highly productive agricultural lands.

All that section 103(c) does is reduce the administrative burden for the Administrator and applicants in those cases where there are periodic or continuing dumping activities of materials that have little or no adverse environmental impact when dumped. I urge that this authority be retained.

Mr. CASE. Mr. President, will the Senator yield? I believe the Senator is talking on my time. Perhaps it does not matter.

I understand the purpose of the provision, in the first place, and the concern of the Senator from Alaska as well as the manager of the bill. I do not want to do anything that is silly.

On the other hand, I do not want the town of Nome, or whatever the place may be, to get a general permit to dump x pounds of sludge wherever it wants to, make no report, dump it anywhere it pleases, and do it with any waste material of that sort. The point is that I do want this under complete control, and I do not want the administrator, once he has issued a permit to anyone, to figure that he has done his job and does not have to follow up what is actually being done, get reports in precise detail of the

amount of the stuff, and how often it is dumped. That is the purpose.

Mr. HOLLINGS. The general proviso is that they have to report at least once a year. He is given authority to keep it under constant review.

Mr. CASE. The administrator must make his report once a year.

Mr. HOLLINGS. That is right.

Mr. CASE. We must make it clear that we want him to keep an eye at all times on the people who get these permits so that he knows actually what they are doing.

Mr. STEVENS. I think we are entirely in accord with the Senator from New Jersey.

The preceding subsection authorizes the administrator to prescribe reporting requirements for actions taken pursuant to the permits, which would be periodic reports of those who have the permits, stating to the administrator what had been done under the permits. There is a further injunction to the administrator to periodically review the permits themselves.

We are in a transitional period. I think the prior amendment of the Senator from New Jersey indicates that we are working to study what is happening in the 5 years. Subsection (c), I think, would completely jeopardize the transitional aspects.

Mr. CASE. The Senator from New Jersey has no desire even to suggest, let alone put to a test, anything that is regarded as arbitrary or unreasonable. I will be happy to withdraw those two parts of the amendment and leave, however, as quite seriously offered, the last section—namely, the one dealing with the authority of the States. That is one about which my State is deeply concerned, because we have very strict statutory regulation of dumping; and the authorities in the State—the Governor and his administrator—are most anxious, as I am, not to see any impairment of that strict regulation.

I would suggest to the manager of the bill, if I may, that perhaps he might accept my suggestion here and then go to conference with the House, in case he wanted to work out some language—because the House bill contains some provision for Federal preemption—so that whichever is the stricter of the two regulations will clearly apply, and that people subject to the New Jersey law now will not be able, once this bill is passed, as surely it must be passed, to escape the New Jersey regulation.

The PRESIDING OFFICER. Will the Senator please send the modification to the desk? The clerks cannot follow it if they do not have the modification.

Mr. CASE. I will be happy to do so.

Mr. STEVENS. Could the Chair delay that? There may be further modifications.

Mr. HOLLINGS. I think we will have to have a little dialog here, which will give time to take the first two parts of the amendment that the Senator wrote and the parts that were stricken.

The PRESIDING OFFICER. The Chair has a problem. The Senate has already agreed to one amendment as modified, without the written modification. That still is not at the desk. So there is no way that the Chair can follow this question or that the clerks can do so, without the modifications, until we receive the modifications.

Mr. CASE. Mr. President, I suggest the absence of a quorum, so that the desires of the Chair may be accommodated.

The PRESIDING OFFICER. The Clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CASE. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, I have sent to the desk a modified amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk proceeded to state the amendment.

Mr. CASE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, ordered to be printed in the RECORD, reads as follows:

On page 32, after line 16, insert the following new subsection (I):

"(I) In designating recommended sites, the Administrator shall utilize wherever possible locations beyond the edge of the Continental Shelf.".

On page 44, line 15, after "of" insert "monitoring and".

On page 44, line 17, strike out "from time to time" and insert in lieu thereof "on a semiannual basis".

On page 45, line 23, after "January" insert "and in July".

On page 46, line 2, strike out "fiscal year" and insert in lieu thereof "six months".

Mr. CASE. Mr. President, the manager of the bill, the Senator from South Carolina (Mr. HOLLINGS), the Senator from Alaska (Mr. STEVENS), and I have agreed on this amendment. It is satisfactory with us all. The only thing I want to do is to express my appreciation for the consideration of the Senators. While I have agreed to strike the provision, as I had it originally ready as to the preemption of State laws, I do want it understood that the bill is not intended, and as far as we are concerned, would not have the effect of taking away from New Jersey a particular right that it has under its statutes now. It would not preclude the barring of loading of ships in New Jersey. We are not precluding what the State does have a clear right to do.

Mr. HOLLINGS. Mr. President, I want to join in the concern of the Senator from New Jersey that we do not take any police power from the State or attempt to do so by legislation with respect to the State. Each State retains its control of dumping within its jurisdictional limits that is within the 3-mile limit.

The concern we had—which is now deleted—was when we had on page 41:

No State shall adopt or enforce any rule or regulation relating to any activities regulated by this title.

We then went on to say in effect, "as originally proposed unless within the minimum standard." Inferentially we were saying to a State, "As long as you abide by the Federal standards, you can go ahead and legislate thereon to enforce standards equally as strong. And if the State wants stronger measures, we provide a way for those measures to be adopted by the Administrator.

The State does not have jurisdiction beyond the 3-mile limit. I do not think that by legislation we could give the States jurisdiction.

We wanted to clarify that matter. That is one point of confusion. The other point is the general criteria that the Senator from New Jersey pointed out were needed. That is, that wherever utilization is possible, the Administrator shall designate sites beyond the edge of the Continental Shelf.

Those are the two substantial changes. We deleted the amendment that would give the States any jurisdiction under this bill as to matters regulated by the bill. The intent again, as I said, is to make a start where the Federal Water Pollution Control Act Amendments of 1971 stopped, that is, beyond the 3-mile limit, and pick up there in this measure and have jurisdiction from the 3-mile limit on out on the global oceans.

Mr. CASE. Mr. President, I appreciate very much the Senator's statement in that respect. I point out that what I have said is meant to improve the difficulty with "transport," namely, the language on "transport" on page 29 of the bill.

Mr. HOLLINGS. Mr. President, the Senator from Alaska has a statement to make and then we will be willing to accept the amendment.

Mr. STEVENS. Mr. President, I thank the Senator from New Jersey for his modification. I am sure that wherever possible, consideration will be given to areas like Alaska where we have areas of 500 or 600 miles in talking about the possibility of using areas beyond the Continental Shelf in that light.

I am grateful to the Senator for having clarified that in terms of this very far-reaching bill. I think these are two substantial improvements to the bill.

Mr. CASE. Mr. President, I thank both Senators. I would be very happy to have a vote at this time.

Mr. HOLLINGS. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment was agreed to.

Mr. CASE. Mr. President, for the record, I make the statement that I have agreed upon and incorporated in the first amendment I offered the change we were working on, and that it will so appear in the RECORD.

Mr. HOLLINGS. That will so appear in the RECORD. It will be limited to $10 million for each of the first 3 fiscal years after enactment.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I do not have an amendment, but I want to comment on the bill. First I want to commend the distinguished Senator from South Carolina (Mr. HOLLINGS) not only for this particular legislation, an act to regulate dumping of materials in the oceans, coastal, and other waters, but for his leadership in this body on the subject of marine resources and engineering development, commonly called oceanography.

It was my privilege for better than 2 years to serve as chairman of a body established by Public Law 89-454, known as Marine Resources and Engineering Development Council. It was established under an act of Congress in 1966, and I served as chairman of that Council as Vice President of the United States. I want to call to the attention of the Senate the work of that Council and the importance of its continuity.

In 1966, there was established a Commission on Oceanography, and also a Council on Marine Resources and Engineering Development. The commission made its study and reported to the President and Congress.

The Council, which was a form of organization to coordinate the activities of several offices of the Federal Government, continued to work under appropriation and has presented several reports to the President and Congress.

The distinguished Senator from Washington (Mr. MAGNUSON) was a prime mover in the establishment of both the Council and the Commission. I want to again commend him for his foresight.

The establishment of the Marine Resources Council was over the objection of the executive branch, as was the Commission.

These two initiatives came as a result of congressional action, without any counsel, advice, or encouragement from the executive branch of Government. I have always felt that the executive branch in previous administrations and now has been derelict in the field of oceanography.

The field of oceanography has a national security involvement. The Soviet Union has a tremendous program in the study of the oceans for purposes of national security, and for purposes of defense. It also has a tremendous program in terms of utilizing the oceans for purposes of food, for purposes of study of the environment, and a host of other activities.

It is only because this Congress and others before it have emphasized anything in the field of oceanography that we have a program.

I know the Senator from South Carolina (Mr. HOLLINGS), under the mantle of the Committee on Commerce, is giving us leadership in Congress in this field of oceanography and marine resources and sciences. It is a subject matter that is given all too little attention by Congress.

I suggest it relates not only to our national security, but it relates also to sources of food, and it relates to proper use of our estuaries, rivers, and coastal waters, the industry called fishing, and to the environment.

This particular bill before us is a basic environmental protection bill. I want to say, however, in order for this bill to be truly effective our Government must take the lead in international activities. We are imposing under this bill severe limitations and restrictions upon the disposal of waste by the people of the United States, the Government of the United States, industries, and other areas of our economy. The oceans are international waters.

We have read only recently of the Mediterranean Sea and how it is in danger of becoming a dead sea. We know, for example, that the so-called beautiful Blue Danube is a flowing sewer. We know the Rhine River has become actually a fire hazard. The Rhine River, because of oil slicks and other waste, is subject to becoming a fire hazard to the industries around it.

I commend the committee for its report. On page 16 of the report there is a section entitled "International Impact of This Legislation." I would hope we would look beyond it, not only from the environmental point of view, but the economic point of view because whatever restrictions we impose on ourselves will cost money, which is entirely proper, but I think we also have to understand that the European nations, in particular, have been using the oceans as a dumping ground, as an easy economical way of getting rid of industrial and human waste, and the oceans have currents, just like the rivers, as we know, so the debris and waste going into the oceans from Western European countries, Japan, and any industrialized nations, finds its way to the shores of this land, just as the debris and waste which we put in the oceans along our coast finds its way to London, Stockholm, and other parts of the world.

Of course, we are going to pass this act. This is a tremendous improvement in the environmental protection. It may be one of the most significant pieces of legislation because what happens in the oceans can affect everything on land. We know that a slight degress of change in temperature in the ocean waters can change the entire environment of a planet. Studies show this can be dangerous to plant and human life. Also, as the ocean floor is cluttered with debris and waste it affects life of the sea, and that life is very delicate and fragile.

So I urge on Congress that we put special emphasis on coordinating agencies of the Federal Government in the field of oceanography and marine resources. It is vital that this be done. I hope the President will activate the Marine Resources and Engineering Development Council. I understand it is in limbo now. This is unfortunate. That Council helped to write the Sea Bed Treaty which was ultimately passed by the United Nations. I had a hand in that, so I know something about it. Dr. Edward Wenk, who was a top technician from the Legislative Research Service of the Library of Congress, was staff director. He is an unusual man. He is presently a professor at the University of Washington in Seattle. He is one of the most competent men in his field.

My purpose is to commend the committee. I see my friend, the senior Senator from Washington (Mr. MAGNUSON), in the Chamber. We owe him a debt of gratitude for his foresight. Believe me, we do, just as we owe a debt of gratitude to Representative ROGERS from the other body, Representative LENNON, from the other body, and others who made contributions.

I have served with the Senator from South Carolina (Mr. HOLLINGS). I know he conducted seminars and studies in marine resources and development.

Having served for more than two and a half years as Chairman of that Council, I know of no more important work that could be undertaken by this Congress. The safety of this Nation may be involved. We are a maritime power. We have thousands of miles of coastline. In Alaska alone there are many thousands of miles of coastline. We have the Great Lakes, we have the coastal waters; we have a great stake in the resources of the ocean.

In terms of resources near our coast and the Continental Shelf we have a great stake but, as a maritime power, and we are basically a maritime power—let me make that clear—we should be studying the oceans with meticulous detail.

I believe there is a serious danger to the future of this country if we ignore the meaning and value in hidden secrets of the oceans, as a nation that has been proud of its Navy, as a nation that has been proud of its commerce. If we neglect this area, not only in terms of environmental protection, but also the economic resources and the scientific data which can be discovered, it will be at our peril.

So I rise to make these general observations, not as a theorist, but as one who has been deeply involved and who has made a good deal of study of this matter.

I have in my hand a document known as House Document No. 275, a report of the 90th Congress, second session, "Marine Science Affairs—A Year of Transition." It is a report of the President to the Congress on Marine Resources and Engineering Development. That report outlines what we attempt to do every year.

To show my colleagues the nature and complexity of this subject, may I point out that that Council consists of the State Department, the Department of the Interior, the Department of Commerce, the Department of Health, Education, and Welfare, the Department of Transportation, the Atomic Energy Commission, the National Science Foundation, the National Aeronautics and Space Administration, the Smithsonian Institution—which, by the way, pioneered this area—the Agency for International Development, the Bureau of the Budget, the Council of Economic Advisers, and the Director of the Office of Science and Technology. The respective Cabinet officers served on the Council, and I insisted, during my vice presidency, that the Cabinet officer be there, and not one of his underlings, because this is so important, it seemed to me, that we ought to give it priority attention.

Mr. MAGNUSON. Mr. President, will the Senator from South Carolina yield to me?

Mr. HOLLINGS. I yield.

Mr. MAGNUSON. I am glad I was on the Senate floor when the Senator from Minnesota made his statement. I have

been involved in this subject for a long time. When we first started, I learned that there were 28 different departments and agencies dealing with the field of oceanography, the Navy being the biggest in the field. I became interested in it mainly because I come from a coastal State, and I realized the importance of all forms of oceanography. I come from a university that is steeped in the tradition of oceanography. It was the one university that gave a degree in oceanography for a long time. Now there are three or four. So I have a long background in this subject.

It has been a long struggle in the Government to get these matters together. In handling the space appropriation, I used to sometimes make the remark, less in jest than in seriousness, that we ought to have a Department of Oceonography like the Space Agency. I found that we know more about the back side of the moon than we know of three-quarters of the earth's surface. That is still true today. I do not depreciate the space program, but we should have had both going, because this subject is very important.

But we have finally come around and we have made a turnaround. That first happened when the Senator from Massachusets Mr. Kennedy, before he became President, and I tried to correlate these different efforts into the fleid of oceanography. The Senator from South Carolina (Mr. HOLLINGS) has done yeoman work in establishing NOAA, and in other matters.

I would be somewhat derelict, knowing what has happened in this field, if I did not suggest to Senator HUMPHREY that when we finally had the Council, and when all these other matters were established through the help of the Senator from Minnesota—and I believe it was my bill that established the Stratton Commission——

Mr. HUMPHREY. That is right.

Mr. MAGNUSON. Of which I was a member. I must say, in all frankness, that through the years there were many feuds and jealousies between the different departments as to who should be handling the program. I think we are piecing them together.

The Senator from Minnesota, when he was Vice President, never lost an opportunity that I know of to try to reach this objective. I think we have succeeded. When we total up all the appropriations, they are eight or 10 times higher in the field of Federal contributions than they were 10 or 12 years ago, or when President Kennedy and I started on this program. We first got involved in it when he was in the U.S. Senate because he came from Massachusetts and I came from the State of Washington. We both had fishery problems. We started to look at these problems together.

I think the Senator from Minnesota has done so much work on this matter that I would be derelict if I did not mention it to the Senate, and he has followed it through.

I am glad we have this bill. This is one facet. We are going to have hearings on the marine sanctuaries of the Senator from Wisconsin (Mr. NELSON), which will cover many other facets. We have been moving ahead.

Mr. HUMPHREY. Exactly.

Mr. MAGNUSON. We do not know much about the bottoms. We are going to have to rely on fish for supplying large quantities of protein to the world in the next 2 or 3 generations. There are enough fish in the oceans to take care of the protein needs of millions of people for a long, long time, if we just practice conservation in what we do.

Referring to defense purposes, we are going to have submarines that will be going down to 20,000 feet some day. What do we know about the pressures and the other problems connected with that?

I am so glad to have been here today, because this is an important facet of the whole problem, and to have listened to the Senator from Minnesota and to acknowledge the great work that the chairman of the Subcommittee on Oceans and Atmosphere is doing in this field. It is a many faceted problem. It is not an exact science, either; it is a combination of many things.

I want to mention one more thing and then I shall conclude.

Ten or 15 years ago there was hardly a youngster growing up in the United States who had any interest in pursuing oceanography. There may have been studies of fisheries in some schools, but very few knew anything about it and most did not have any interest in it. Now schools that provide teaching in this field have more applicants than they can take care of.

Mr. HUMPHREY. May I thank my colleague and say that this effort, which the Senator from Washington and others have been behind, has been a godsend in terms of marine resources study.

The Senator made the point of appropriations. May I say the appropriations are not only greater but are very well balanced. For the first time in the last few years we have had some relationship between the appropriations of different agencies and what the priorities are and how they are to be used, instead of doing it in a helter-skelter fashion.

My point is that I want to see the council's work continued so the executive branch can help us here in Congress better to do our job as legislators.

I ask unanimous consent that page 16 of the report under the heading "International Impact of This Legislation," be printed at this point in the RECORD.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

INTERNATIONAL IMPACT OF THIS LEGISLATION

The United States is presently proceeding with the negotiation of an international convention to deal with ocean dumping on a global scale. These negotiations are taking place in the forum provided by sessions of a working group preparing for the 1972 UN Stockholm Conference on the Human Environment. The present U.S. efforts would be materially aided by prompt passage of a separate ocean dumping act along the lines of H.R. 9727, as reported by the Committee.

Other negotiations on new environmental conventions also are underway in three different forums. Besides the ocean dumping topic, work taking place for the Stockholm Conference also covers proposals for a World Heritage Trust and protection of endangered species. The 1973 Law of the Sea Conference preparatory committees are examining the environmental aspects of seafloor mining and drilling activities. And the 1973 Intergovernmental Maritime Consultative Organization (IMCO) Conference will consider measures to control pollution from ships, including replacement of the 1954 Oil Pollution Convention with a more stringent set of provisions, and ship construction standards for carriers of oil and other noxious substances, which like Public Law 89–551 will be considered by the Committee on Commerce at such future date, if such international action is taken. Together, these efforts should culminate in a new second generation of environmental conventions, following on the first set of agreements relating only to oil spills negotiated through IMCO in 1969.

Most of the subjects now being discussed are important not only environmentally but economically as well. Since much of current economic concern atems from the relative competitive position of different nations in world markets, it is important to get as many nations as possible to impose like environmental restraints upon themselves.

At the moment, each of the subjects of the foregoing conventions relate to a matter which is traditionally a focus of international concern. Even though the U.S. draft convention did not reach into international affairs in the ocean dumping negotiations the U.S. has found that a number of eastern and western European nations are so concerned about this possibility that they have stated that they will resist any application of such a convention to such matters. Accordingly, the U.S. domestic legislation can promote international agreement by treating the subject of ocean dumping in international waters separately. By taking this route, the U.S. can tend to equalize our competitive position relative to European industry. A good part of European industry uses the sea as a dumping ground for wastes. Under the proposed U.S. draft convention these practices would have to change, resulting in a considerable economic impact.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that the transmittal letter from the National Council on Marine Resources and Engineering Development and an extract from the report be printed in the RECORD.

There being no objection, the letter and extract were ordered to be printed in the RECORD, as follows:

THE VICE PRESIDENT,
Washington.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am pleased to forward the second annual report of the National Council on Marine Resources and Engineering Development entitled "Marine Science Affairs—A Year of Plans and Progress."

This report is an account of policies, programs, and accomplishments of the Federal Government for utilizing the oceans more effectively in meeting goals and aspirations of our Nation. The report highlights opportunities deserving special emphasis and details funding requirements for marine sciences included in your Fiscal Year 1969 proposals to the Congress. Finally, the report contains an evaluation of progress toward meeting public needs and identifies impediments to further advancements related to this Nation's stake in the sea.

During the past year the agencies of our Government, separately and collectively, have continued to develop a substantial base of research. And they have focused ideas, facilities, and manpower with a clearer sense of direction and priorities to:

Strengthen our economy by identifying new sources of food, fuel, and mineral resources; by encouraging innovation in marine technology; and by enlarging U.S. participation in the world's maritime activities;

Enhance the quality of urban living by arresting degradation and erosion of the shoreline, fostering urban waterfront development, and expanding water recreation opportunities;

Strengthen world understanding and security through international, cooperative marine endeavors, international legal arrangements to avoid potential conflicts, and an unexcelled naval capability to deter aggression;

Foster education and training of oceanographers, engineers, technicians, and those from other professions through collaboration with and assistance to our universities and technical institutes.

The Council has endeavored to clarify goals, to identify unmet needs and opportunties—especially those of concern to several agencies—and to meet urgent problems by encouraging constructive programs. We have provided guidance for implementing the marine science initiatives that you recommended to the Congress last year.

Finally, we have endeavored to utilize the high quality base of science and engineering within an institutional framework which will insure that new concepts can be translated effectively and promptly into practice—a framework that includes participation by State and local Governments, private industry, and the academic community.

The Council has selected several areas for additional emphasis in Fiscal Year 1969, and is recommending that we:

Inaugurate an expanded program of international ocean exploration;

Intensify our use of Food from the Sea in the War on Hunger;

Promote optimal use of the Coastal Zone with stress on Federal, State, and regional cooperation;

Prepare for improvements to our harbor and port systems;

Institute new measures to insure safety of life and property at sea;

Increase investments in manpower and research, including support of the Sea Grant College programs;

Foster marine applications of new technological developments such as spacecraft, deep ocean buoys, and automatic data processing;

Improve our capabilities to work in the deep oceans;

Expand Arctic and subpolar research;

Extend reconnaissance mapping of the Continental Shelf.

There have been many recent reminders that our task has only begun. The world population continues to grow while food supplies stretch thinner. The U.S. has slipped from fifth to sixth place among fishing nations. Oil slicks frequently wash ashore on our beaches. The need for new recreational opportunities becomes increasingly critical as our coastal cities expand and impose new demands on our limited seashores. And attempts by some nations to unilaterally abrogate the traditional freedoms of the seas have threatened long-standing principles of international law.

The Marine Resources and Engineering Development Act of 1966 established a clear mandate for this Nation to employ the sea, as we do the land, to meet the growing needs of our expanding population. I can report to you that with the full cooperation and support of all agencies we shall use our marine resources to respond to the challenge of the decades ahead.

This program is dedicated to the pursuit of excellence. It is proving how the power of science, transformed through our various institutions and the democratic process to a technology, may serve our Nation's diverse interests.

Sincerely,

HUBERT H. HUMPHREY.

A REPORT TO THE PRESIDENT FROM THE NATIONAL COUNCIL ON MARINE RESOURCES AND ENGINEERING DEVELOPMENT, FEBRUARY 1968

INTRODUCTION

America's involvement with the sea began when maritime explorers from Europe discovered and settled this new land. America's utilization of the sea began soon after. Our history reveals cycles of maritime interest and apathy, and today we are re-examining our stake in the oceans in a new context of modern science and technology.

The early seaboard colonies, with a hostile wilderness to their backs, depended for survival on a thread of logistic support 3,000 miles long. As a consequence, this Nation's founding fathers recognized the importance both of the concept of the freedom of the seas and of the necessity for expanding maritime programs and policies.

In the 19th Century we began to explore and develop a continent. Steam power replaced sail; the railroads replaced the pony express; and the people turned their attention to the opening of the West, strictly a land frontier. Interest in the oceans declined.

Only in the 20th Century, as the United States became a great world power, did the importance of the surrounding oceans and of seapower once again become evident. Two world wars demonstrated to the United States that it must have both a strong Navy and merchant fleet.

Since World War II, the Nation has become increasingly aware of the geography of economic and strategic competition, in which the oceans are the principal highways to world trade.

Man's involvement with the oceans is, however, far broader than national security and trade:

The oceans are the principal source of rainfall.

They help to stabilize our climate, for the seas gain and lose heat from the sun more slowly than the land.

They supply food of great variety, rich in protein.

The seabed contains abundant oil, gas, minerals, and precious metals.

The coastal zone is a major arena for rest and recreation and the nursery for marine life.

The entire marine environment serves as a gigantic laboratory of science.

In the middle 1950's, the Government requested a major review by the National Academy of Sciences to assess the importance of oceanography in peace and war. The resulting landmark study treated two important questions:

Should both naval and civil uses of the sea be expanded to help meet national goals and aspirations?

Is man's basic knowledge of the marine environment growing in proportion to his diverse requirements?

Answers to these questions were influenced by broad developments in economic and political affairs at home and abroad, and, after 1959, by specific developments in the marine sciences themselves. The United States had become ever more deeply concerned over the danger of conflicts and threats to world order. Simultaneously, advances in scientific research and space exploration had made man appreciate how little he knew of his natural world and impatient to apply science and technology, whenever possible, to the improvement of society.

In the maritime field, a new impetus occurred to explore and exploit the sea. First, a technological readiness began to emerge from broad advances in science and engineering. Next, important new international conventions provided a legal framework more conducive to orderly development of marine resources. Finally, over the past decade, the United States developed a high-quality fleet of research ships, supporting laboratory facilities, and a substantial body of scientific and engineering personnel.

Despite such evidence of progress in the oceans, the Nation remained undecided as to what fraction of its scientific and industrial resources should be devoted to marine science affairs.

In 1966, declaring that the public interest required a clear statement of national determination to utilize the seas and the Great Lakes more effectively, the Congress created a mechanism by which Federal marine science programs would have greater momentum and sharper direction.

It passed the *Marine Resources and Engineering Development Act of 1966, Public Law 89–454.*[1] This measure set forth an unprecedented national policy to intensify study of the sea and to convert to practical reality its inherent promise for man's benefit. It reaffirmed the leadership of the President of the United States in marine science affairs. It provided the President with two new instruments of assistance—a policy planning and coordinating Council at Cabinet-level chaired by the Vice President, and an advisory Commission of distinguished citizens to develop long-range recommendations.

As the Act recognized, scientific research, exploration, and development of resources in the oceans must be related to man's activities on land. Thus, while marine science goals, policies, and programs must be examined in terms of unique characteristics of the natural environment which they share in common, they must also be examined in relation to the social environment—the major goals of society and the Nation.

The Chairman of the Marine Sciences Council enumerated many of these relationships between the sea and society when he reported to the Congress that:

"There are one and one-half billion hungry people in the world. The full food potential of the seas, seriously neglected in the past, must be realized to combat famine and despair. Technologies now at hand can be directed toward increasing the world's fishing catch and enriching the diets of the underfed.

"Seventy-five percent of our population lives along our coasts and Great Lakes. Nine of our fifteen largest metropolitan areas are on the oceans and Great Lakes, and there are on ocean tributaries. Twenty million children live in these metropolitan areas within sight of potential water recreation areas but are often denied their use. Only three percent of our ocean and Great Lakes coastline has been set aside for public use or conservation.

"More than 90 percent by value of our intercontinental commerce travels by ship. Al-

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[1] Following are some abbreviations and definitions generally used in the marine sciences field:

The Act is customarily called the *Marine Sciences Act.*

The National Council on Marine Resources and Engineering Development is usually abbreviated to the *Marine Sciences Council.*

The Commission on Marine Science, Engineering, and Resources is usually referred to as the *Marine Sciences Commission.*

Marine science is a term employed in Public Law 89–454 to describe scientific research, engineering, and technological development related to the marine environment.

The *marine environment* is considered to include the oceans, the Continental Shelf and estuaries of the United States and its territories, the Great Lakes, and the resources of the oceans and Great Lakes.

though there have been rapid changes in the character of ocean cargoes and technologies of cargo handling, the average age of our port structures is 45 years and the average age of our merchant ships is 19 years.

"The continuing threats to world peace require our Navy to maintain a high level of readiness and versatility through a sea-based deterrent and undersea warfare capability. Middle East conflicts following closure of the Gulf of Aqaba vividly emphasize the urgent need for a strengthened code of international law of the sea.

"Thirty million Americans swim in the oceans, eleven million are saltwater sport fishermen, and eight million engage in recreational boating in our coastal States. All these activities are threatened by the dumping of industrial wastes into ocean tributaries. This pollution will increase seven-fold by the year 2000 unless there are drastic changes in waste handling.

"Ocean-generated storms cause millions of dollars of damage annually along our coasts, but marine weather warning services are available to less than one-third of our coastal areas.'

The first annual report to the President, entitled *Marine Science Affairs—A Year of Transition*, described initial efforts to respond to these challenges. It emphasized the transition from scientific oceanography to application of these scientific discoveries, and the transition from considerations largely at the program level to a new concern and responsibility at the policy level of Government. The phrase *marine science affairs* reflects the necessity of coupling marine science and technology to the publicly agreed upon needs and desires of our society.

During the past year, the agencies of the United States Government, separately and in collaboration, have made many accomplishments.

The transition to more effective use of the seas has been continued and accelerated.

This Second Annual Report to the President is entitled *Marine Science Affairs—A Year of Plans and Progress*. The first chapter outlines the Government-wide program and approach and highlights new developments. The next six chapters describe Federal programs in marine sciences that serve the following basic needs and national purposes:

Expanding international cooperation and understanding

Accelerating use of food from the sea

Encouraging development of non-living resources

Enhancing benefits from the Coastal Zone

Facilitating transport and trade

Strengthening military programs for national security.

The remainder of this report is primarily devoted to activities oriented to serve a variety of purposes, namely:

Understanding and surveying the ocean environment

Information management

Scientific research

Manpower: education, training, and facilities

Engineering in the ocean.

Each chapter sets forth priority areas in marine sciences recommended by the Council to the President and reflected in the President's budget for Fiscal Year 1969, now before Congress. To place these special areas in perspective, the report also discusses ongoing efforts and associated funding for the Government as a whole, with funding data delineated both by purpose and by agency.

Mr. HOLLINGS. Mr. President, I yield to the Senator from North Carolina.

Mr. ERVIN. Mr. President, I just want to say that North Carolina has two schools of oceanography, one at the University of North Carolina and one at Duke University. The Senator from Minnesota stated a moment ago that the River Rhine is now a fire hazard. I want to tell a South Carolina story that was once very funny, when the rivers of South Carolina were pure water.

South Carolina has always excelled in all respects, in the character of its Senators and also in the character of the liars it has produced.

In Darlington County they had one of the most gifted liars, who was known as Huckleberry Hart. He could tell a magnificent lie on any occasion, with the slightest opportunity or provocation. One day he was driving along the road, and one of his friends met him, and said:

Huckleberry, tell us a lie.

He said:

I will not do it. I haven't got time. And besides the Pee Dee River is on fire, and I have got to put it out.

That was before rivers became fire hazards, and while the rivers of South Carolina were still pure streams.

I commend the Senator from South Carolina for doing a most magnificent job for his country in the area covered by this bill. I believe he deserves the thanks of all the people of this country for his magnificent efforts in behalf of this measure. I thank the Senator very much.

Mr. HOLLINGS. I thank my colleague from North Carolina, and also the Senator from Minnesota and the Senator from Washington, the chairman of our committee.

Mr. President, I know the troops are restless. Thanksgiving is coming, and everyone wants to go.

Mr. JORDAN of North Carolina. Mr. President, will the Senator give me 1 minute?

Mr. HOLLINGS. I yield 1 minute.

Mr. JORDAN of North Carolina. I join with my colleague (Mr. ERVIN) in congratulating the Senator from South Carolina.

As Senator ERVIN has pointed out, we have two schools of oceanography in our State, one at the University of North Carolina, and one at Duke University. The one at Duke has a very large ship, which they use to go far out to sea and to foreign lands. North Carolina realized a long time ago that we have to take care, not only of our inland waters, but also of ocean waters, because shellfish is a big part of our industry in eastern North Carolina, along with regular fish, oysters, clams, and all those fish, just as it is in South Carolina. We set out to protect that industry a long time ago, and we have been doing a good job; and I congratulate the Senator from South Carolina on this fine piece of legislation.

Mr. HOLLINGS. I thank the Senator from North Carolina. I want to observe in commending our distinguished chairman, the Senator from Washington, that he has been working for 12 years on this subject. Our former Vice President, the Senator from Minnesota (Mr. HUMPHREY) was most active in the Marine Science Council, which brings me to the point of President Nixon's program.

Under the succeeding Vice President, the Marine Science Council did not even meet for more than 6 months before going essentially defunct, and I have been critical of the Vice President on that score. But President Nixon has initiated the National Oceanic and Atmospheric Administration. And I would only hope that the Nixon administration would ride on, and that they would realize we have a real program here, as evidenced by the colloquy we have had on this floor this afternoon.

Recently we passed a big public service employment bill, in the interest of getting everyone back on the job. When I asked, during the Appropriations Committee hearings, what they could do, I was told that they could clean up, they could pick up cans in the park, and work in the city halls and the Statehouses, when the fact of the matter is that we could have taken that billion dollars and several more and put it into the work of the National Oceanic and Atmospheric Administration, and used it to hire engineers, technicians, and others in this marine science field. That is the purpose of S. 1986, which I have introduced, and on which I hope we will act in the next session. I hope we can get a little cooperation from the people at the Office of Management and Budget and the White House. And, with the help of the Senator from Alaska, who has done an excellent job, I would hope we can have a very effective program.

The point of this is that the United States is a maritime power, but we are quickly becoming second class. The sea is essential to us for our national security, but we do not fund the ULMS adequately. The sea has a potential economic return far surpassing anything in space, but we appropriate only nickels and dimes, while thousands of scientists, engineers, and technicians are unemployed. The seas are dying according to Jacques Cousteau, but we have not done much to find out whether he is right or not. And if we wait much longer, we may not have the luxury of time to find out. Because if the oceans die, we die. I appreciate very much the remarks of the Senator from Minnesota and the chairman of the Commerce Committee. They are absolutely right about the need for a strong national oceanic program, and the bill we are acting on today is but one step in that direction.

I yield to the Senator from Alaska for the purpose of offering an amendment.

Mr. STEVENS. Mr. President, I call up an amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 27, lines 9 and 10, strike "and does not mean".

On page 27, line 11, strike the period and insert in lieu thereof ", or organic fish wastes."

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, the purpose of this amendment is to exempt from the provisions of the act organic fish wastes, including such materials as meat, bones, scales and mollusk and fish processors, both floating and ashore, dispose of these items as residue and by-products of their operations.

Mr. MAGNUSON. Will the Senator yield?

Mr. STEVENS. I yield.

Mr. MAGNUSON. I am aware that, although these materials are not utilized by the processors, they are quickly eaten by fish and other marine life. They contribute in no discernible way to oceanic pollution. In fact, many forms of marine life have come to depend upon such residue for their existence.

I was wondering, however, whether there is any pollution from such residue solids suspended in cannery waste water.

Mr. STEVENS. Recent studies in Alaska and British Columbia indicate only doubtful ecological benefits from reducing the biological oxygen demand—BOD—in cannery waste water. There appears to be no appreciable effect on oxygen levels in marine receiving waters.

Mr. MAGNUSON. Will this amendment affect the disposition of fish found to be unfit for human consumption and seized under authority of law by government officials?

Mr. STEVENS. No. It would have no effect on the disposition of such fish.

Mr. MAGNUSON. That brings up another point. This act will unnecessarily impose severe economic hardships upon many coastal processors, particularly in Washington, Alaska, and the Pacific Northwest, if such an exemption is not adopted.

Mr. STEVENS. Yes. To cite but a single example. One such company, Washington Fish & Oyster Co. headquartered in Seattle, but with significant operations in Kodiak and Wrangell, Alaska, and employing many people in my State, wrote me nearly 2 years ago on this subject. They indicated that individual salmon canneries and small communities do not have the financial resources available to comply with such laws economically. Prohibitions against oceanic discarding by small processors may mean that salmon cannery operations as presently conducted will virtually cease to exist, the cost will be so great. They said, and I quote part of their letter:

Salmon, unlike our other sea products, die and decompose immediately after spawning. Their life cycle is complete *except for furnishing the fingerlings with the necessities of life made available by the decomposition process.* Salmon cannery waste is essentially the same product reduced to smaller pieces that is normally put into the same waters by the spawned out fish. In some areas it is necessary to add artificial food to bring the cycle back to balance when the food levels are depleted due to successive years of poor spawning.

"It appears that continuation of the resource needs this waste food and if it is not available then some other food, not natural to the waters, will have to be provided by man.

"Why spend money to remove this food only to spend more money to replace it? I'm not against pollution control but feel the requirements of this resource are unique and totally unlike mining, logging, manufacturing, etc. Nothing is being added to the sea that would not be there if the industry did not exist.

"In Kodiak we anticipate 24 million Pink Salmon during the months of July and August, 1970. If no fishery operates, all 24 million fish will die in the streams and bays by October, 1970. A normal Salmon operation would result in about 40 million pounds less decaying Salmon solids than if no operations exist.

"I feel Alaska Salmon processing operations should be treated accordingly and separately when final pollution controls are put into effect.

This letter, which I have retained in my files, was dated November 25, 1969 and signed by W. C. Hingston, president of King Crab, Inc., of Kodiak, Alaska, and vice president of Washington Fish and Oyster Co.

Mr. MAGNUSON. You can see how important this amendment is for the economic well-being of our States which are so heavily dependent upon fishing. As that letter indicates, nothing is being added to the sea that would not be there if the fishing industry did not exist. They are just returning to the sea what came from it. I urge that the amendment be adopted.

Mr. STEVENS. I thank the distinguished chairman very much for clarifying the purposes and effects of this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, will the Senator from South Carolina yield?

Mr. HOLLINGS. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I have just been advised by legislative counsel that the law which established the Marine Science Council has expired, on June 30 of this year. I say that this is a regrettable development. That Council could be of great help in the proper programing of the resources of the Federal Government. I know it can be effective in doing a job that needs to be done in coordinating and broadening the work of these agencies of the Federal Government to do the job that they ought to do in conjunction with State and local governments and private industry, and in international areas.

I shall not offer any amendment here today. I merely suggest to the committee chairman and to the subcommittee chairman that we look into this matter. It was a very economical operation, and frankly, it does not need any additional appropriation; it can be funded out of the executive office itself. But I believe we need it.

Mr. HOLLINGS. Mr. President, if the Senator will yield, we do have a Federal interagency coordinating committee with the Administrator of NOAA himself chairing that committee, and it takes the place of the Marine Science Council. The Senator's point is well taken; we were trying to continue the function but we wanted to avoid duplication. I would only hope, as a result of the Senator's observation, that coordinating can continue along that line.

Mr. HUMPHREY. Mr. President, I respectfully suggest to the distinguished Senator from South Carolina, who in his work in this field has so well covered it, that at the appropriate time, the subcommittee of which he is chairman look into this matter to see whether or not that coordination is under way and is truly sufficient, and doing the job of long range planning that needs to be done as well.

Mr. HOLLINGS. I thank the Senator.

Mr. President, I ask unanimous consent that the amendment of the Senator from Vermont (Mr. AIKEN), which was to page 26, line 26, reading "and connecting waters" should read "and its tributaries and connecting waters," so that there will be no misunderstanding. I ask unanimous consent that it read in that fashion.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment of the Senator from Vermont (Mr. AIKEN), as modified, is as follows:

On page 26, line 26 strike the second "and" and the period at the end of the line and add "and its' tributaries and connecting waters"

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. STEVENS. Mr. President, I commend the chairman of the subcommittee for his actions. This bill deals with the area beyond the 3-mile limit. We have already dealt with the water pollution subject that came from the Committee on Public Works, and the area within the 3-mile limit off the United States.

This is probably the most far-reaching bill we have dealt with in terms of this ocean dumping bill, and it is a significant contribution.

As has been pointed out today, my State has 56 percent of the coastline and 65 percent of the Outer Continental Shelf more directly affected by this bill than any other State in the Union. We support it wholeheartedly as a way to prevent pollution from coming to our great north country, and we hope it will combat the pollution in what we call the South 48.

Mr. HOLLINGS. Mr. President, it is a distinct privilege to work with the Senator from Alaska (Mr. STEVENS) on this measure. We have worked together, we have traveled together, and we have conducted most of the hearings together.

As he has indicated, his State represents more than 50 percent of the coastline of the United States. He has done an outstanding job, without question.

Mr. BOGGS. Mr. President, I wish to express my strong support for the Senate version of H.R. 9727, the Marine Protection and Research Act of 1971. This is legislation that will effectively regulate the dumping of pollutants into the oceans off the United States.

As my colleagues have noted, this legislation was reported by the Committee on Commerce with the concurrence of the Committee on Public Works. Such concurrence was necessary because the Committee on Public Works holds responsibility for legislation that affects the disposition of pollutants, while the

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Committee on Commerce holds responsibility for matters relating to ocean transportation and basic oceanographic and marine research.

This legislation, S. 9727, is essential if our Nation is to have an effective total program for environmental enhancement. Without control over ocean disposal of wastes, we could not assure pollution abatement for our Nation.

Three weeks ago, the Senate adopted amendments to the Federal Water Pollution Control Act by a vote of 86 to 0. These amendments would control pollution anywhere within the 3-mile territorial sea of the United States, as well as by any outfall pipe into the ocean.

For the information of my colleagues, I ask unanimous consent that the report language dealing with ocean dumping from the Senate report on the Federal Water Pollution Control Act amendments be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BOGGS. Those advances could be lost unless disposal of wastes by vessels beyond 3 miles is effectively controlled. The control system established in title I of the bill should prove a fair and effective one. It requires the issuance of permits by the Environmental Protective Agency for any dumping of wastes, a system and a criteria similar to that established under EPA for waters within 3 miles.

The Senate Subcommittee on Air and Water Pollution held a very informative and helpful hearing on the problems of ocean dumping in Rehoboth Beach, Del., on March 26, 1971. During the daylong hearing, the subcommittee took testimony from numerous witnesses pointing out the danger of unregulated ocean dumping.

For example, sewage sludge from municipal waste treatment plants is dumped by barge regularly about 12 miles outside the entrance to Delaware Bay. This dumping has caused the closing of the area to shellfishing, and thus hampered the local fisheries industry.

In addition, there is a danger that eventually this sludge, or other forms of dumping, could endanger local recreational beaches in New Jersey or Delaware.

A permit system established by H.R. 9727 would allow dumping only if it can be shown that the disposal will not "endanger human health, welfare, or amenities, or the marine environment, ecological systems, or economic potentialities."

I urge my colleagues to support this important bill. I believe it is an essential component of any full and effective national environmental enhancement program.

EXHIBIT 1

SENATE REPORT 92-414: SECTION 403—OCEAN DISCHARGE CRITERIA

This section sets standards under which a permit can be issued for a discharge of pollutants into the territoral sea, the contiguous zone, or the ocean.

The Administrator shall establish guidelines on the effect of disposal of pollutants on human health and welfare, on marine life, and on recreational and economic values, as well as guidelines for determining the persistence of the pollutant and other possible locations for its disposal.

The Committee on Public Works has exclusive jurisdiction over legislation affecting the discharge of pollutants into the navigable waters of the United States. This includes territorial seas of the United States, which under present law, is a band of the oceans extending in most States three miles from the shore. In addition, the Committee has exclusive jurisdiction over the discharge of pollutants from any facility located within States through a pipeline into any part of the oceans including the contiguous zone or beyond. The Committee has established a regulatory framework to control the discharge of pollutants into the navigable waters and from pipelines beyond the territorial seas in Sections 301, 402 and 403. The framework is in concert with the ultimate objective of the Act to eliminate the discharge of pollutants.

The Committee shares equally jurisdiction with the Senate Commerce Committee over the disposal of pollutants from vessels beyond the territorial seas. Both the Committee on Public Works and the Commerce Committee have had before them several bills which would create a regulatory scheme to control the discharge of pollutants from vessels beyond three miles. Both Committees have held hearings on the subject of ocean degradation. There can be no doubt that there is presently serious deficiency that exists in present law that must be repaired if this Nation is to lead in protecting the quality of the ocean.

In order to expedite the legislative process, the Committee on Public Works and the Committee on Commerce have jointly agreed on a bill to provide the regulatory framework to control the dumping of pollutants from vessels into the waters beyond the territorial seas. It has been further agreed that this provision will be contained in a bill to be reported from the Commerce Committee with the concurrence of the Committee on Public Works as to those portions on which there is a joint agreement. The basic outline of the bill would provide the Administrator of the Environmental Protection Agency with authority to control all dumping of pollutants from vessels beyond three miles to twelve miles to control discharge of pollutants from vessels beyond 12 miles wherever such pollutants are generated in the territorial jurisdiction of the United States.

Coupled with the provisions in the bill reported by the Committee on Public Works, the bill to be reported from the Commerce Committee should enable the United States to have complete and integrated regulation of the disposal of pollutants into all waters and over all sources of pollutants subject to its jurisdiction. It is expected that the leadership so exercised by the United States will be the model for other nations and should in a short time produce the framework for international agreement over the protection of the oceans.

The disposal of pollutants into ocean waters is regulated under this bill when it involves a discharge from any outfall beyond the shoreline of the United States or any discharge into the territorial sea from a vessel. Under a bill to be jointly reported by the Committee on Public Works and the Committee on Commerce, the discharge of pollutants from vessels into the waters of the contiguous zone and the oceans would be regulated.

Under section 403, no discharge into ocean waters would be allowed, except in compliance with the criteria established under this section. The Federal role in establishing conditions on any permit for discharge into ocean waters could not be waived. In subparagraph (c)(1)(A) of the section, the contamination of marine organisms or waters which prevents the harvesting of sea food that is safe to eat, the use of oceans for recreation, or its use as drinking water after desalination, among other things, would be recognized as detrimental to human health or welfare.

The ocean's waters are in constant circulation, so that any discharge beyond any arbitrary limit, such as 3 or 12 miles, may reach the beaches of the United States. Thus, in considering discharge effects, the Administrator must consider the effect that the discharge may have elsewhere on the integrity of marine systems.

In subparagraph (c)(1)(G) the Committee wishes to emphasize the need to preserve the ocean in as natural a state as possible at least until we understand its tolerances and characteristics, so that discharges permitted today will not irreversibly modify the oceans for future uses. Any discharge which would so alter the ocean's character that scientific study of that feature of the ocean is forever destroyed would seem to the Committee inconsistent with the objective of maintaining the integrity of the Nation's coastal waters, which constantly circulate with waters in the open ocean. For example, discharge of a harmful pollutant at 15 miles may migrate into the coastal zone region, killing large numbers of one or more species, altering the character of the marine ecosystem characteristic of the coastal zone, and preventing study of the zone's natural features before alteration by man's discharges.

Mr. ROTH. Mr. President, I support the pending bill.

The people of my State are vitally concerned with the effects that unlimited and unregulated dumping in the oceans can have on our shoreline and, in turn, on our economy. We are concerned with the disastrous effects it can have not only on our shoreline as we consider it for recreational purposes, but also for the disastrous effects it has, for example on the shellfish industry on which many of our citizens depend for a living. And we are concerned, in the larger sense, with the effects that indiscriminate ocean dumping can have on marine life which does not directly relate to the economy of my State.

The recent report of the Council on Environmental Quality made it perfectly clear that there is a critical need today for a national policy on ocean dumping.

For that reason, I was pleased to join many other Senators earlier this year in sponsoring legislation (S. 1238) to prevent harmful ocean dumping. This bill essentially would permit the U.S. Government to regulate what is dumped into the oceans insofar as the material to be disposed of originates in the United States, by requiring permits to transport material to be dumped.

The enactment of this legislation will be a significant step toward alleviating a potential crisis in our oceans insofar as the Federal Government is concerned, I believe it to be most important that complete authority to regulate and manage the disposal of waste in the oceans be vested in one agency and that agency should be the Environmental Protection Agency, whose primary mission is to protect and enhance our environment. Fairness and efficiency demand that our

municipalities, as well as industry, should have to deal with only one Federal agency rather than a multiple of agencies in processing applications for disposal of wastes at sea.

I do, of course, have a particular interest in the immediate effects ocean dumping has on my State of Delaware and I know it is a concern which is shared by all of us.

I believe the bill is of vital importance, not only to the coastal States most immediately effected, but to everyone who is concerned about the protection of our environment.

I wholeheartedly support the bill.

Mr. COOPER. Mr. President, the bill before the Senate today, H.R. 9727, The Marine Protection and Research Act of 1971, is a necessary complement to the bill recently passed the Senate to amend the Federal Water Pollution Control Act, S. 2770. In what I believe is an outstanding example of the legislative process, the Committee on Public Works and the Committee on Commerce have acted together to grant authority to the EPA to provide for the comprehensive and integrative control of the discharge and dumping of pollutants into the waters of the oceans.

The chairman of the Committee on Public Works, Senator RANDOLPH, and the chairman of the Committee on Commerce, Senator MAGNUSON, and the ranking member of the Committee on Commerce, Senator COTTON, deserve special commendation for their unusual manner in which the committees have acted.

As stated in the report of the Committee on Commerce accompanying H.R. 9727, the Committee on Public Works concurs in the provisions of H.R. 9727 to regulate the dumping of pollutants in the oceans beyond 3 miles. I would like to point out that the bill, S. 2770 the 1971 amendments to the Federal Water Pollution Control Act controls the addition of pollutants to the waters within the 3-mile limit, as well as all discharges beyond the 3 miles where such discharge occurs through outfall structures. Together the bills would provide comprehensive framework to regulate the discharge of all pollutants which are generated within the territorial jurisdiction of the United States. In addition, the bills set forth essentially the same criteria for guidance to the Administrator in the exercise of his regulatory authority.

I am especially interested in the problems of the discharge of pollutants into the ocean, Mr. President, for in addition to serving on the Committee on Public Works, I serve on the Committee on Foreign Relations where the international implications of the problems related to the environment are becoming of paramount importance. I believe it is especially appropriate for the United States to take very progressive and forthright action to regulate the discharge of pollutants which are generated within its territorial boundaries as they affect the oceans. This Nation, along with the other nations of the world is preparing for the 1972 United Nations Conference on the Environment to be held in Stockholm, Sweden. One of the primary issues before that Conference will be degradation of the world's oceans.

The action the Senate takes today, along with the action it took on the bill S. 2770—actions, I am confident, that will be supported by the House of Representatives—will be an exercise of leadership which will provide example to the other nations of the world. The actions the United States takes today are not self-serving, the protection of the oceans is a matter which is important to all mankind.

I compliment the administration and the Congress for acting together in taking such a vital step in establishing environmental quality.

Mr. President, the provisions of the bill H.R. 9727 and the appropriate portions of the bill, S. 2770 together will conform basically to the recommendations of the administration as contained in the bill, S. 1238, introduced by Senator BOGGS as part of the President's environmental package. The bill S. 1238 would implement the report of the Council on Environmental Quality on Ocean Dumping. The President deserves special commendation for his leadership in recognizing the importance of regulating the discharge of pollutants into the ocean and recommending to the Congress appropriate legislation. I think the bill before the Senate today implements the basic elements of the President's proposal.

The control of the environmental impact resulting from the maintenance of navigation is one of the most difficult problems of environmental quality. It is essential to have a uniform plan of regulation in control of dredging if we are to avoid uncertainty and recrimination that will serve no ones interest. I believe the provision concerning dredging was worked out through the efforts, among others, of Senator RANDOLPH, Senator MUSKIE, Senator BOGGS and Senator ELLENDER is sound and fair.

I therefore hope that the Senate conferees will insist on retaining the provisions first adopted in the Senate passed Federal Water Pollution Control Act.

I also congratulate the Senator from South Carolina, Senator HOLLINGS, for his fine work in the development and management of the bill and Senator STEVENS who has labored to protect his State and all the United States.

WE MUST PROTECT THE OCEANS

Mr. RANDOLPH. Mr. President, the oceans which cover vast areas of the globe are perhaps man's greatest natural resource. Since the dawn of time man has utilized the seas as a source of food, as a means of transportation and, regrettably, as a dumping place for his wastes. The seas have, on occasion, been worshipped as gods, but they have not always been treated with the respect due a diety.

It is late, but I am glad we have realized that the oceans, for all of their great expanse, cannot be subjected to endless abuse. It is also gratifying that the United States, among the nations of the world, is taking the lead in establishing controls over use of the oceans. We are demonstrating good world citizenship in regulating the dumping of materials into the oceans.

We know that the oceans are the one great world resource and that the abusive actions of one nation can seriously affect people everywhere.

Mr. President, the bill before the Senate was developed by the Committee on Commerce and was concurred in by the Committee on Public Works which shares jurisdiction in this area. This distinguished Senator from Washington (Mr. MAGNUSON) who chairs the Committee on Commerce has provided leadership. The Senator from South Carolina (Mr. HOLLINGS) is a leading advocate of effective controls over ocean dumping and made valuable contributions to the measure before us.

A special commendation has been earned by the Senator from Tennessee (Mr. BAKER) who is the only Senator who is a member of both the Commerce and Public Works committees. In this role he provided liaison between the two bodies so that each was fully aware of the work and viewpoints of the other.

Mr. President, the Federal Water Pollution Control Act Amendments of 1971 contains provisions for control of ocean dumping under certain circumstances. These provisions and those of the measure now before the Senate were coordinated to be compatible with the jurisdictions of the two committees and to provide complete controls over ocean dumping. The Senator from Kentucky (Mr. COOPER) has discussed this aspect of the legislation fully and I concur with his observations.

Recent Senate passage of the Water Pollution Act was an important step in strengthening control over the misuse of the oceans. This control cannot be complete, however, without enactment of H.R. 9727.

Mr. GURNEY. Mr. President, I should like at this time to make clear my support for the pending legislation, H.R. 9727. Coming from the State of Florida with its 13,058 miles of coastline potentially affected by ocean pollutants the provision of this bill regulating ocean dumping are exceptionally important to me.

Of particular note is the provision which would ban the transportation and dumping of radiological, chemical, or biological warfare agents or high-level radioactive wastes in our oceans. I say of particular importance because, if you recall, only a year ago despite the firm protests of many of us, the Department of the Army dumped some 65 tons of liquid nerve gas off the coasts of South Carolina, Georgia, and Florida. Fortunately, no side affects have occurred from that dumping up until this point in time. However, possible dangers still exist, and dangers from future actions of this sort exist as well.

While the bill does permit the authorization of exceptions to this overall prohibition, the restrictions involved in obtaining a permit for such dumping would be a significant improvement over the present situation.

Another provision worth mentioning is that present license and permits author-

izing the performance of such actions as dumping or dredging and filling have not been grandfathered in. I think that this provision is important. I think it is necessary that a review be made not only of future actions of this nature but of presently approved actions if we are to maintain some semblance of environmental protection.

The practice of ocean dumping has, of course, been with us for quite awhile. After all, what are the famed canals of Venice but open sewers. The Norwegian explorer and scientist, Thor Heyerdahl in describing his trip from Egypt to the New World on a papyrus raft quite graphically pointed out the fact that not only are inland waters polluted but the very Atlantic Ocean itself has become a sea of refuse.

Thus, we see that ocean dumping has been with us since early time. Doing something about this ocean pollution is long overdue, and the Nation will unanimously applaud the passage of this bill.

I should like to also commend title II of the pending bill dealing with comprehensive research on ocean dumping. We have neglected such research far too long and know far too little about the possible long-range affects of pollution, overfishing, and man-induced changes of ocean ecosystems. It is my hope that this legislation will help, and help rapidly, correct this situation.

Mr. President, I do not mean to indicate that I believe that the pending legislation regulating ocean dumping is the absolute answer to our increasingly serious problem of ocean pollution. What I do mean to indicate is, that I believe that it represents an important and significant step toward rectifying environmental imbalances that have resulted from centuries of ignorance and neglect.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Missouri (Mr. SYMINGTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

I further announce that the Senator from Illinois (Mr. STEVENSON), the Senator from Georgia (Mr. TALMADGE), and the Senator from Idaho (Mr. CHURCH) are absent on official business.

I further announce that if present and voting, the Senator from Rhode Island (Mr. PASTORE), the Senator from Illinois (Mr. STEVENSON), and the Senator from Massachusetts (Mr. KENNEDY), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Hawaii (Mr. FONG), the Senator from Illinois (Mr. PERCY), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

Also, the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. JAVITS), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

If present and voting, the Senator from Hawaii (Mr. FONG) would vote "yea."

The result was announced—yeas 73, nays 0, as follows:

[No. 399 Leg.]

YEAS—73

Aiken	Ervin	Mondale
Allen	Fulbright	Montoya
Allott	Gambrell	Nelson
Anderson	Gravel	Packwood
Bayh	Griffin	Pearson
Beall	Gurney	Pell
Bellmon	Hansen	Proxmire
Bentsen	Harris	Randolph
Bible	Hart	Ribicoff
Boggs	Hartke	Roth
Brooke	Hatfield	Schweiker
Buckley	Hollings	Scott
Burdick	Hruska	Smith
Byrd, Va.	Hughes	Sparkman
Byrd, W. Va.	Humphrey	Spong
Cannon	Jackson	Stafford
Case	Jordan, N.C.	Stennis
Chiles	Jordan, Idaho	Stevens
Cook	Magnuson	Thurmond
Cooper	Mansfield	Tower
Cranston	Mathias	Tunney
Curtis	McClellan	Williams
Dole	McIntyre	Young
Eagleton	Metcalf	
Ellender	Miller	

NAYS—0

NOT VOTING—27

Baker	Goldwater	Muskie
Bennett	Inouye	Pastore
Brock	Javits	Percy
Church	Kennedy	Saxbe
Cotton	Long	Stevenson
Dominick	McGee	Symington
Eastland	McGovern	Taft
Fannin	Moss	Talmadge
Fong	Mundt	Weicker

So the bill (H.R. 9727) was passed.

The title was amended, so as to read: "An act to regulate the transportation for dumping and dumping of material in the oceans, coastal, and other waters, and for other purposes."

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical corrections in the engrossment of the bill, and that the bill be printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on today, November 24, 1971, the President had approved and signed the following acts:

S. 389. An act for the relief of Stephen Lance Pender, Patricia Jenifer Pender, and Denese Gene Pender;

S. 2216. An act to amend the Investment Company Act of 1940, as amended; and

S. 2339. An act to provide for the disposition of judgment funds on deposit to the credit of the Pueblo of Laguna in Indian Claims Commission, docket numbered 227, and for other purposes.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. GAMBRELL) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of Senate proceedings.)

ECONOMIC STABILIZATION ACT OF 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 493, S. 2891. I do this so that the bill may be the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. S. 2891, to extend and amend the Economic Stabilization Act of 1970.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, there will be no debate on the pending measure, which is Phase II of the President's economic program. However, it will be the pending measure upon our return next Monday.

As I see the distinguished chairman of the committee in the Chamber, let me say that it is quite possible the debate will get underway sometime after the Senate comes in and before the votes on the two amendments and the one protocol to which the Senate has agreed to previously as to time.

Mr. SPARKMAN. Mr. President, if I may ask the Senator, did the leader say before?

Mr. MANSFIELD. In view of the changes in the situation with the votes occurring at 1 o'clock p.m. rather than at 11——

Mr. SPARKMAN. I did not realize that——

Mr. MANSFIELD. That we may get started on the consideration——

Mr. SPARKMAN. Yes, I understand. I notice there is to be a period for the transaction of routine morning business for 30 minutes. Would it be agreeable to have a quorum call at that time in order that we may have enough notice to come over here.

Mr. MANSFIELD. Oh, yes, indeed. I think that is wholly proper. We will do our best to keep in touch with the distinguished chairman of the committee who will manage the bill and the distinguished ranking minority leader, the Senator from Texas (Mr. TOWER), at all times.

PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, when above bill is disposed of, and I hope it can be disposed of within 2 days—but I would not guarantee it—it would be the intention of the joint leadership to call up the nomination of Mr. Earl Butz, to be Secretary of Agriculture. And hopefully that could come on a Wednesday or Thursday. Following that the two nominations to the Supreme Court will be called up, marking, I would assume, the end of the first session of the 92d Congress. However, in the meantime conference reports will have a preferred status. The appropriations bills still to be considered, the supplemental and the District of Columbia appropriation bill, will be brought in where the opportunity offers.

What will happen to the conference report on the foreign aid bills, I do not know. However, the conferees meet again on Monday. Hopefully everything can be resolved so that we can adjourn sine die at the end of next week. No one should venture the hope. It will take a good deal of accommodation and understanding on the part of Senators to achieve that worthwhile goal.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BURDICK. Mr. President, would the majority leader consider setting the votes on the treaties over until 2 o'clock instead of 1? Many of us come from the West and have bad connections.

Mr. MANSFIELD. The majority leader is in a difficult position. I understand the Senator's desires, coming from the same part of the country. However, I have developed a great deal of confidence in the efficiency of the Northwest Airlines lately. I hope that they can get the Senator here in time.

The reason that I had hemmed and hawed was that I had originally set the vote at 11 o'clock, and because several Senators could not get here at that time, it was changed to 1 o'clock. Since that time a distinguished Member of this body has indicated that he had set his schedule on an 11 o'clock basis and could not accommodate it to the 1 o'clock time. So, no matter which way we turn, we lose. I hope the Senator will be able to get here. Let us try. It is tough, but maybe providence will be smiling on the Senator that day.

Mr. MONDALE. Mr. President, how much time will be allotted on the Butz nomination?

Mr. MANSFIELD. That would be up to the Senate. I would anticipate a full day. However, it could be longer or shorter. The collective will of the Senate will decide.

Mr. SPARKMAN. Mr. President, will the distinguished Senator yield for a moment?

Mr. MANSFIELD. I yield.

Mr. SPARKMAN. Mr. President, as far as I am concerned, I would be perfectly willing to work out time limitations on the bill. However, the Senator from Texas is not here at the moment. However, I am sure that he would be willing to work out an agreement.

Mr. President, this is a rather complex measure. It has a great many matters in it that are more or less technical and may require considerable discussion. There may be some amendments offered to it. I do not know of any. I think it is a good bill as it is. It was reported unanimously by the committee. However, I call attention to the fact that the House committee has not completed action on a companion measure. They will take it up in the committee on Tuesday.

I am quite sure that there will be differences between the two committees. I do not know how difficult the conference will be on it. I hope that it will not be very difficult. However, I assume that it is desired that this legislation be completed before sine die adjournment.

Mr. MANSFIELD. Yes, indeed. I would hope that it would take no more than 2 days to complete the consideration of the pending business and dispose of it. However, I may be sanguine on that. We will have to roll along and do the best we can in view of the circumstances which exist at a given time.

Mr. SPARKMAN. Mr. President, the House, of course, will be operating under a rule which will set a time. I am sure that we can get to conference quickly, and I hope that we might resolve our differences quickly. I wanted to put the Senate on notice as to the situation.

Mr. MANSFIELD. Mr. President, I hope that the Senators would consider the possibility of a time limitation on the bill come Monday.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BAYH. Mr. President, I was impressed by the analysis of the distinguished leader of the workload still left before the Senate before we can get out by the end of next week and his emphasis on the need for accommodation and particularly by his fairness in suggesting that the length and duration of the debate on some of these issues will be determined in the final analysis by the will of the Senate.

I think the record will show that the Senator from Indiana has not been dilatory in the past, and I do not intend to change that habit. I have been trying to be as accommodating as I can as one Member of the Senate.

I was alarmed as we came out of the Judiciary Committee meeting yesterday at the speculation by some of our friends in the press that a filibuster might be brewing over one of the nominations by the President to be a Supreme Court nominee.

The Senator from Indiana does not have any desire to participate in a filibuster of that nomination. I do not feel that a filibuster existed in the case of the two nominations turned down in the past by the Senate. However, I believe that if this body is to be responsible in fulfilling its responsibility in the advice and consent process, we should look at one nomination with particular care.

The nomination of Mr. Powell was reported unanimously. I enthusiastically support that nomination. As one Member of this body I feel a responsibility to bring to the Senate the issues concerning the nomination of Mr. Rehnquist. This is a fundamental philosophical question. It is not a clear-cut case involving ownership of stock in a party to litigation, or involving a white supremacy speech, as we had in two previous nominations.

I hope that the Senate will be willing to take sufficient time to hear the arguments and deliberations on this matter, and to give them some significant thought. And although this is a difficult position for a Member of the Senate to be in at the end of a busy session, when everyone wants to be home with his family at Christmas, I think we have a great deal of responsibility to see that a nominee to the Supreme Court is not confirmed until this body has an opportunity to hear and consider all the arguments presented.

I say that without really having any firm idea as far as time is concerned. But I hope that no one feels that we should have a 6-hour limitation or a 24-hour limitation or any other limitation that would not permit us to fulfill our responsibility.

I doubt very much if Senators can form an opinion on this matter in that length of time. I know that is not what the leader suggested. I simply feel it is our responsibility at least to suggest to the Senate that we should be prepared to give this matter some time and study.

Mr. President, I do not mean that as an insinuation or a threat that we will get into any of the various parliamentary tactics sometimes resorted to.

Mr. MANSFIELD. Mr. President, frankly I did not say anything, to the best of my knowledge, that would indicate otherwise than what the distinguished Senator from Indiana has just said.

There will be no attempt to curb any Senator and there never will be as long as I am majority leader. If there are to be consent agreements, they will be made on the basis of the consent of the Senate as a whole. And as far as a time limitation is concerned, the only time limitation which has been mentioned today, I might say in passing has to do with the President's phase II economic program.

Let no Senator need be concerned that he will be curbed because no Senator will be curbed.

Mr. BAYH. Mr. President, if my statement is reread, I think the leader will agree that I made it clear that I did not suggest that, but I thought it important for the Senator to be alerted to the fact that we had a subtle and complicated matter before us.

It is not going to be an easy one to decide in the minds of some Senators. I was struggling with it myself. I was looking for an easy way out. That may be a

confession, but I think I was. I think the case can be made easily that there are serious questions about the philosophy of Mr. Rehnquist.

I hope the Senate is willing, under the circumstances, to make the study that is necessary and to put the matter above our personal convenience.

Mr. MANSFIELD. The Senator has made a valid point. It is well taken, and the Senate is now on notice that there may be some considerable debate and the Senate should guide itself accordingly. That is as it should be.

I thank the distinguished Senator from Indiana for raising the question he has.

HIGHER EDUCATION ACT OF 1971—UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when it is made the pending business of the Senate, there be a time limit of 6 hours on S. 659, that there be 2 hours on each amendment thereto, and one-half hour on amendments in the second degree; provided that 3 days notice be given prior to the consideration of S. 659 by the Senate, and that that will be sometime in January—very likely toward the end of the month.

In the interim, I ask unanimous consent that the message on S. 659 be referred to the Committee on Labor and Public Welfare, to be reported at will by the committee.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object——

Mr. BYRD of West Virginia. Mr. President, reserving the right to object, and I shall not object, of course, will the able majority leader include in the request an equal amount of time for motions and appeals, except nondebatable motions, as he has included with respect to amendments in the second degree?

Mr. MANSFIELD. Yes, indeed. I am sorry I overlooked that.

Mr. ALLEN. Mr. President, reserving the right to object, I believe the limitation on amendments in the second degree to 30 minutes is too short because it is the understanding of the junior Senator from Alabama that there will be an amendment filed to the House amendment, a substitute, which would be an amendment in the first degree, and the real amendments would be amendments in the second degree, which would not be limited to 30 minutes.

Mr. MANSFIELD. Would the Senator be satisfied if we changed the one-half hour to 1 hour?

Mr. ERVIN. Perhaps we could change this to state that amendments to the bill or a substitute to the bill should have 2 hours to a side. That would take care of the Senator's objection.

Mr. MANSFIELD. That is all right with me.

Mr. ALLEN. Very well.

Mr. GRIFFIN. Mr. President, reserving the right to object, the changes suggested by the distinguished majority whip would indicate there were motions which were nondebatable. Many times we end up not too clear as to whether a motion to table is debatable.

I think a motion to table should be in order. Are they intended to be in order?

Mr. BYRD of West Virginia. My request has nothing to do with whether or not a motion to table is in order. My suggestion would not rule out motions to table. It merely provides for a time on any motions that are debatable.

Mr. GRIFFIN. Yes; but that indicates some motions will be made that are not debatable. I want to clear up whether a motion to table an amendment would be in order under the agreement. One way or another we should know.

Mr. BYRD of West Virginia. Nothing has been said here to rule out motions to table.

Mr. GRIFFIN. Then a motion to table would be——

Mr. BYRD of West Virginia. Yes.

The PRESIDING OFFICER. Under the proposed agreement a motion to table would be in order.

The Chair needs a clarification on the division of time on amendments to the bill.

Mr. MANSFIELD. One hour, equally divided between the distinguished Senator from Rhode Island (Mr. PELL) and the distinguished Senator from North Carolina (Mr. ERVIN).

Mr. ERVIN. I understood the modification——

Mr. ALLEN. Two hours for these amendments.

Mr. MANSFIELD. Two hours for the substitute, but 1 hour for amendments.

Mr. ALLEN. No, sir; because they would really be amendments in the first degree, although from a parliamentary standpoint they would be amendments in the second degree. There would be amendments to what had been offered as a substitute. They would have the effect of amendments in the first degree, although technically they would be amendments in the second degree.

Mr. MANSFIELD. I hope, and the record should be clear that we would vote at a time certain because if we drag it out for 1 hour or 2 hours, Lord knows where we will end up.

So in this agreement, if we could have a certain number of days certain, with the extension of 2 hours, it would be satisfactory.

Mr. ERVIN. The point the Senator from Alabama is making—I understand the committee will probably, after consideration of the House action, recommend a substitute for the House action. So I think we can take care of that shortly if we agree, as the Senator from Alabama suggested, that amendments proposed to the original bill, in that the original bill is returned by the committee, or amendments proposed to a substitute by the committee in the event the committee offers a substitute in lieu of the original bill, shall have a time limitation of 2 hours.

Mr. MANSFIELD. Fair enough, equally divided.

Mr. ERVIN. That would be sufficient, I think, to take care of it.

Mr. MANSFIELD. Equally divided.

Mr. ALLEN. There will be no amendments to that because that would be an amendment in the second degree.

Mr. MANSFIELD. There are ways and means.

Mr. ERVIN. I think that takes care of the situation—2 hours.

Mr. MANSFIELD. Can the Senator give us an idea of how many days we will be on the proposal?

Mr. ERVIN. I do not think there will be so many amendments because we are as anxious to bring this to a vote as the Senator from Rhode Island is.

Mr. MANSFIELD. Would the Senator consider agreeing to vote at the end of 1 day or possibly 2 days?

Mr. ERVIN. I do not believe we could very well agree to that at this time.

Mr. MANSFIELD. I guess we do not have much choice.

Mr. ERVIN. Those of us who have antibus amendments, and amendments of that character, are just as anxious to bring this matter to a vote as the proponents of the bill or any substitute because we are not going to filibuster in favor of something we are trying to take action on.

To show that I am not assuming this, I wish to point out I have consulted with as many of the cosponsors of these amendments as possible, and I have been assured by the Senator from Alabama (Mr. ALLEN), the distinguished Senator from Virginia (Mr. BYRD), the distinguished Senator from Georgia (Mr. GAMBRELL), the distinguished Senator from South Carolina (Mr. HOLLINGS), my distinguished colleague (Mr. JORDAN), the distinguished Senator from Arkansas (Mr. MCCLELLAN), the distinguished Senator from Mississippi (Mr. STENNIS), the distinguished Senator from Texas (Mr. TOWER), and the distinguished Senator from South Carolina (Mr. THURMOND), that they are in complete harmony with this kind of an agreement.

Mr. ALLEN. That is correct.

The PRESIDING OFFICER. The Chair wishes to ask about control of time on the bill and the amendments.

Mr. MANSFIELD. The time to be equally divided between the manager of the bill, the distinguished Senator from Rhode Island (Mr. PELL), and the distinguished Senator from North Carolina (Mr. ERVIN).

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement? If not, it is so ordered.

Mr. BAYH. If the Senator from Rhode Island does not mind, now that the bill has just been referred to the committee to iron out some differences, I would like to offer a comment. I would hope that he and the members of the committee, while they have the bill under their consideration, would also consider the possibility of adding an amendment which the Senator from Indiana feels very strongly about. I am referring to an amendment that would eliminate some of the discrimination on the basis of sex which exists in our education institutions.

As the Senator well knows, the last time this question was considered the Senator from Indiana's amendment to deal with this problem was ruled nongermane. Thus the matter ended. I did appeal from the ruling of the Chair and was defeated on a parliamentary point. I think this is a critical matter.

I have discussed this with some of our distinguished colleagues who opposed me on this proposal, and I think we have come up with an amendment which will be acceptable to almost anyone. We deal with graduate and undergraduate schools, but we do except from the provisions of this language those undergraduate institutions which are substantially—and the legislative history suggests this refers to about 90 percent—one: sex institutions, primarly all women or all men. We except also those institutions which are religious institutions where the tenet of the particular religion would make it impossible for the member of the opposite sex to be admitted.

Basically, what we are trying to do here, very frankly, is to except military and single-sex undergraduate institutions. This will still permit us to get at the large number of graduate institutions of higher education that are all men and all women institutions. It would exempt the Citadel, which was a matter of grave concern to our friend, the Senator from South Carolina, or West Point, or the Naval Academy, or the Air Force Academy. I believe the matter was of concern to the Senator from Virginia, who has a fine military institution in his State.

We direct our attention to the matter of discriminatory practice going on today in which institutions readily accept women but require them to meet higher standards than men. We direct our attention without exemption to the graduate schools, such as law, medicine, and the arts. I think we ought to root out that kind of discrimination. I think we should assure that we provide equal education opportunities for all our boys and girls, regardless of where they want to go to school.

I wonder if the Senator and his committee would be willing to consider this type of amendment.

Mr. PELL. Mr. President, I have the highest regard and affection for the Senator from Indiana. I can assure him we will consider it, but can give him absolutely no commitment as to the result of our consideration. Beyond that I cannot go at this time.

Mr. BAYH. I understand that the distinguished lady from Oregon (Mrs. GREEN) has put an amendment in the House bill which is very similar to the one suggested by the Senator from Indiana.

Would the Senator from Rhode Island care to give us his comments relative to whether he could support this kind of antidiscrimination measure in the conference committee or in the conference report?

The Senator from Indiana does not want to deter the work of the Senator from Rhode Island or his committee, because this bill is indispensable, but equally indispensable is the establishment of strong principle behind this amendment, that we should root out the discrimination which still exists in many institutions of higher learning.

Mr. PELL. As the Senator knows, in the House bill there was a provision in that regard, and it has some pretty strong advocates in the other body. So, whatever happens, it will not only be considered by our committee at the request of the Senator from Indiana, but it will be considered in conference. Beyond that I think we must see what the will of the conference is and be guided by the majority.

Mr. BAYH. A parliamentary question, Mr. President. Is it appropriate, now that this measure has been referred back to the committee, for the Senator from Indiana to offer an amendment thereto and to submit it?

The PRESIDING OFFICER. The Chair needs to confer with the Parliamentarian.

Will the Senator restate his inquiry?

Mr. BAYH. Is it appropriate now that the higher education bill has been referred back to the committee for the Senator from Indiana to submit to the Senate an amendment which would root out discrimination, which exists in many institutions of higher learning, with regard to women?

The PRESIDING OFFICER. The Senator may submit an amendment to the bill and have it referred to the committee.

Mr. BAYH. I submit an amendment to S. 659, in order that my amendment may be referred to the committee, so the Senator from Rhode Island and his colleagues on the committee will consider it. I hope he can give it favorable consideration, but I understand the limitations he described.

And, Mr. President, I ask unanimous consent that the text of my amendment and a short explanation of it be printed at this point in the RECORD.

There being no objection, the amendment and explanation were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 759

At the appropriate point in the bill, insert the following Section:

"SEC. —. No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance, except that this subsection shall not apply—

"(1) in regard to admissions to an undergraduate educational institution in which 90 percentum or more of the students are of the same sex,

"(2) in regard to admissions, for one year from the date of enactment, nor for six years thereafter, in the case of an educational institution which has begun to process of changing from being an institution which admits only students of one sex to being an institution which admits students of both sexes, but only if it is carrying out a plan for such change which is approved by the Commissioner of Education, or

"(3) to an educational institution which is controlled by a religious organization and where the application of this subsection would not be consistent with the religious tenets of such organization."

EXPLANATION

This amendment would outlaw sex discrimination in higher education. Three exceptions are provided: (1) Substantially (90% or more) single-sex *undergraduate* schools—like the service academies—could continue to limit admissions by sex; (2) schools electing to expand to coeducational status could continue to control admissions by sex over a 7-year transition period where approved by HEW; and (3) certain religious institutions would be exempt. This measure has wider coverage than both the Green amendment reported by the House Education Committee—which would also have exempted single-sex graduate schools—and the Erlenborn amendment, adopted by the House—which would have exempted all undergraduate schools, not just those substantially of one sex.

THANKSGIVING GREETINGS

Mr. MANSFIELD. Mr. President, before the Senate adjourns today, I should like to extend to the Members of this body, both Republican and Democrat, and to the Vice President, the Presiding Officer of this body, my best wishes for a good and worthwhile Thanksgiving.

That wish would also go to the President of the United States, who has a most difficult and onerous responsibility.

I would like, at this time of the year, this season of rejoicing, to express my personal thanks to every Member of this body for the accommodation and understanding which he has shown to the joint leadership, and I include the distinguished Senator from Pennsylvania, the minority leader (Mr. SCOTT), the distinguished assistant minority leader, the Senator from Michigan (Mr. GRIFFIN), the assistant majority leader, the Senator from West Virginia (Mr. BYRD); to the staffs, and to everybody connected with the Senate, for their fine services during this session, which hopefully is drawing to a close.

So I hope that all of us would, over the next 3 or 4 days, come back rehabilitated in a certain sense, resurrected in another, and be prepared to apply with diligence and application whatever skills we may have to the remaining bills which lie ahead.

So to everyone, a joyful Thanksgiving. To our country, peace and love.

Mr. GRIFFIN. Mr. President, the words of the distinguished majority leader are most kind and most typical of the distinguished Senator from Montana, and I want to make it abundantly clear, of course, that insofar as he extends best wishes to the other Members of this body and to the President concerning this holiday season, his wishes are joined in by the leadership on both sides of the aisle.

THE FAMILY ASSISTANCE PLAN

Mr. BYRD of Virginia. Mr. President, no proposal pending before the Congress will have greater impact on the Nation as a whole, and on government finances in particular, than the new welfare pro-

posal (H.R. 1) being urged by the administration.

It is vital that the true scope and impact of this program be thoroughly understood by the Senate and the Nation.

This new program is "revolutionary and expensive."

Those are not my words. Those are the words used to characterize this program by Secretary Richardson of the Department of Health, Education, and Welfare.

Mr. Richardson's description is most apt.

Now before taking up the merits of the family assistance plan, let me say that I agree that the present welfare system is outmoded. It should be changed.

I also believe that in the period until a satisfactory new program is worked out, the administration of the present welfare system must be tightened. This is very important.

As we move toward changing the present system, however, I think we must make sure we are getting something better—and not just an expanded and more expensive program.

The President himself has requested that the effective date be deferred until July 1, 1973. The committee and the Senate should take adequate time and get a full understanding of the costs and ramifications. Once the Nation goes into a gigantic program like this, there is no turning back.

I think that this might be an appropriate time to enact my proposal—Senate Joint Resolution 39—to create a broad-based national commission to study welfare problems and make recommendations.

I cannot support Secretary Richardson's "revolutionary and expensive" program for the following reasons:

One, it lacks adequate work incentives.

Two, I doubt the wisdom of writing into law the principle of a guaranteed annual income.

Three, the annual cost of the new program would be at least $5.5 billion greater than the present program.

Four, the number of welfare recipients would be increased from 12 million persons in 1970 to 25 million persons.

Five, Richard P. Nathan, Deputy Under Secretary for Welfare, says the Government would need to hire an unprecedented 80,000 new Federal employees to administer the program.

With 101,000 employees, the Department of Health, Education, and Welfare already is so huge that it is almost impossible to effectively administer. One can well imagine the added confusion and chaos if 80,000 more workers are added to that Department.

I feel that the Government has an obligation to our fellow citizens who are physically or mentally unable to earn a living. But the "revolutionary and expensive" proposal of Secretary Richardson goes far beyond that. It does not have adequate work incentives, nor does it have adequate provisions to keep off the welfare rolls able-bodied citizens who should be seeking jobs instead of handouts.

The new "revolutionary and expensive" welfare plan is not in keeping with—and, indeed, runs directly counter to—the President's anti-inflation efforts.

It is not welfare reform. It is welfare expansion.

I submit we are not going to be able to lick inflation until the Government puts its own financial house in order.

The Government had a Federal funds deficit last year of $30 billion; it will have a Federal funds deficit this year of $35 billion.

The "revolutionary and expensive" program of Mr. Richardson will add an additional $5.5 billion to the deficit—and to the national debt, which is now $412 billion.

But an even more important objection, in my view, is that Secretary Richardson's "revolutionary and expensive" welfare plan would double the number of welfare recipients.

With the huge deficits the Government has been running it is neither logical nor sound to attempt to double the number of people drawing public assistance.

If the Government cannot now effectively administer the present welfare program, how can it effectively administer a program with twice as many persons drawing Government checks?

One evidence of the difficulty of administration is this: In New York City at the present time 1,000 welfare families are being housed in New York City hotels.

I wrote the Department of Health, Education, and Welfare to ascertain the average monthly rental being paid by the taxpayers for those families.

I was informed in a letter from HEW that the average monthly rental per family is $763.

I have devoted hours and hours of time in an effort to obtain accurate cost figures—and accurate figures as to the number of full-time permanent employees of HEW.

I submit a table showing the cost for public assistance in billions of dollars for the fiscal years 1962 through 1972, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FEDERAL COSTS FOR PUBLIC ASSISTANCE

(In billions of dollars)

1962	$2.7
1963	3.0
1964	3.2
1965	3.5
1966	3.8
1967	4.5
1968	5.6
1969	6.8
1970	8.6
1971	11.6
1972	14.2

(Source: U.S. Department of Health, Education and Welfare.)

Note.—According to testimony of Secretary Richardson of HEW, the total welfare, or public assistance, cost for FY 1973, under H.R. 1, would be $19.7 billion.

Mr. BYRD of Virginia. If the proposal advocated by Secretary Richardson, namely H.R. 1, is approved by the Senate, the cost for fiscal year 1973 would be $19.7 billion, or a 40 percent increase over the cost for fiscal year 1972.

When President Nixon was a candidate for President in 1968, he stated again and again that he wanted to reverse the trend to the welfare state.

But the administration's proposal for revising the welfare laws would double the number of welfare recipients.

The question I have been asking for the last 18 months—and I ask it again in the Senate today—is this: How does one reverse the trend to the welfare state by doubling the number of people on welfare?

There are 100 Members of this body. If the trend toward the welfare state can be reversed by doubling the number of people on welfare, then it would seem that at least one Member of the Senate could tell his colleagues just how it can be done.

In closing, I ask the question again, Mr. President: How does one reverse the trend to the welfare state by doubling the number of persons on welfare?

ORDER TO PRINT S. 659 AS AMENDED BY THE HOUSE OF REPRESENTATIVES

Mr. PELL. Mr. President, I ask unanimous consent that the bill (S. 659) the higher education bill and the amendment of the House of Representatives thereto be printed as referred to the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC STABILIZATION ACT OF 1971—AMENDMENTS

AMENDMENTS NOS. 760, 761, AND 762

CONGRESS SHOULD NOT TURN ITS BACK ON RESPONSIBILITY FOR ANTI-INFLATION POLICIES

Mr. PROXMIRE. Mr. President, it is my understanding that on Monday we will begin to debate, discuss, and work on the phase II economic bill which has emerged from the Banking, Housing, and Urban Affairs Committee, of which I am a member. Today I am submitting three amendments to that bill, S. 2891, the Economic Stabilization Act Amendments of 1971. I send the amendments to the desk, and ask that they be printed and made available to Senators on Monday, when we will discuss this legislation.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

Mr. PROXMIRE. The first of these amendments would terminate the expiration date of the Stabilization Act on April 30, 1972. This is the date on which the present Stabilization Act expires. The committee bill extends the legislation to April 30, 1973.

Should this amendment fail, I intend to offer two additional amendments to S. 2891. The first amendment would exempt State and local governmental employees from the phase II wage controls as of April 30, 1972 unless the President or the Pay Board determined a particular wage increase was unreasonably inconsistent with the wage guidelines.

The second amendment would exempt the so-called tier III firms—that is, the small firms, the great generality of firms in this country—and labor unions from the phase II controls as of April 30, 1972 unless their price or wage increases were unreasonably inconsistent with the guidelines.

The Economic Stabilization Act gives the President sweeping and unprecedented power to control every segment of our economy from large corporations to the corner drug store. This power, incidentally, which has never been exercised before, not even in wartime, even in the World War II era. During each of those periods prices and wages were frozen. But the new phase II is not a freeze. Prices and wages will rise. They will rise by variable amounts. This is going to be extraordinarily difficult to administer fairly or to enforce at all. We have never tried to do this before.

What is the administration going to do now? I think there is some justification for their approach, and I do not disagree at all with the President's freeze and with the fact that he has to decontrol in a gradual way. What the administration is doing, however, is something enormously difficult and complicated. He is providing that prices may increase. In some cases, they can increase 5 percent, 10 percent, 20 percent. In other cases, not at all. The goal is 2.5 percent. He provides that wages can increase—not frozen as they were during the freeze period or other previous periods of wage or price control. Again, the amount they can increase is variable. There is a 5.5 percent guideline, but there are exemptions from that of various kinds. As a matter of fact, in any employer group, you can increase one person's salary 10, 20, 30, or 100 percent, so long as the average increase of the group does not exceed 5.5 percent.

We have no idea how fairly or effectively these controls will be exercised. No one is exactly sure how the guidelines of the Pay Board or the Price Commission will operate.

I believe it is an abdication of our constitutional responsibility to give the President such sweeping power for a 17-month period without providing for a congressional renewal at the earliest possible date. There is no reason to do it. This act does not expire until April 30. Congress again and again fails to extend actions that do expire. We probably are not going to renew the Foreign Aid even this year, even though the authorization expired last July 1. Both this stabilization act does not expire for more than 5 months, and we are being pushed into renewing it before we have an opportunity to see how it works.

Once we see how the program has been operating, we may wish to make substantial changes or modifications in the scope and direction of the phase II economic program. However, by extending the act for 17 months, we have given the entire initiative to the President and have surrendered any realistic hopes for modifying the legislation. For these reasons I have introduced the amendment to roll the expiration date back to April 30, 1972.

Some people say, "Well, if it isn't working, Congress can change it." I would like to see the day that can happen. If the President does not want us to change it, he has a substantial number of Members of his own party in the Senate who will support the President's position. Any change can be delayed, and the President can veto it. As a matter of fact, busy as we will be next year, we are not going to change this act at all until some time in 1973, if we provide for an extension of the expiration date. Once we have done that, Congress is out of the act entirely; we lose whatever real power or authority we may have.

Should the amendment fail, I believe it is important for Congress to establish its own timetable for exempting sectors of the economy from the phase II guidelines. We should not give the President the authority to provide exemptions without any congressional guidance, whatsoever, particularly during an election year.

The amendment exempting employees of State and local governments is intended to give Governors and mayors more flexible authority over wages and salaries paid to their employees. The President has exempted Federal workers from the wage guidelines and I see no reason why State and local employees should not be treated in a similar manner.

They are Government employees. I think the Governors and the mayors should be made aware of the President's goal, and they should be made aware of the desirability of staying within the guidelines. But they have the same kind of pressure—much more pressure, as a matter of fact—to hold down their expenditures than we have here. I think the pressure for them not to provide wage increases is going to be very great without arrogating to the Federal Government this kind of authority.

Many State and local employees have been extremely underpaid and it is unfair to rigidly apply the wage guidelines to these employees. If the President of the United States can be trusted to establish fair wages and salaries for Federal employees outside the scope of the guidelines, I see no reason for not trusting Governors and mayors to act in an equally responsible fashion.

The exemption for State and local employees would not take place until April 30, 1972. By that time, the inflationary pressures on the economy should have substantially subsided and an exemption would not have serious economic effects. However, my amendment still retains the authority of the President to regulate wages of State and local employees if a particular wage settlement is substantially out of line with the wage guidelines. Similar language has been agreed to by the committee concerning the payment of retroactive and deferred pay increases due workers under contracts executed prior to the wage-price freeze.

The authority of the President to regulate the pay of State and local employees is a substantial departure from our American system. We should not tolerate Federal interference in State and local affairs any longer than absolutely necessary to bring inflation under control. My amendment would provide for a reasonable termination to this authority while still giving the President the flexibility to act in unusual circumstances.

Mr. President, my third amendment would exempt the so-called tier III firms from the phase II controls as of April 30, 1972. Tier III firms are defined as those with annual sales or revenues of less than $50 million during their most recent fiscal year. This is the same definition included in the regulations of the Price Commission.

The amendment also exempts the so-called tier III labor unions from the phase II controls as of April 30, 1972. The amendment would exempt the pay adjustments which apply to or affect less than 1,000 employees. A similar definition is contained in the Pay Board regulations.

Mr. President, I think it is important that we start and that Congress provide clear direction and guidelines for decontrolling our economy. We have had 5 solid weeks of testimony before the Joint Economic Committee on the new economic program. We have had several days of testimony before the Senate Banking Committee. I have been in attendance at every one of those hearings. We had some of the top economists in the country, some who have been the most experienced in this area. For any economy to escape from controls is not easy. I think Congress should begin to move in this direction. We know that we are not in the kind of usual inflationary situation, the kind of demand-pull inflation where you have scarce goods and where your capacity is being strained to the limit.

Quite the opposite, we have ample capacity. We have almost 5 million people unemployed. There is no fundamental economic reason why we should have inflation. The reason we have it is that big labor unions have been able to get wage settlements which push up costs and prices. And big corporations have taken advantage of their power to increase prices because of of their monopolistic power. That is the heart of it, and that is what we should concentrate on. We should not interfere with millions of firms which are competitive and which have no such capacity to push prices up, and who are going to be hurt badly and are going to deeply resent this program as the weeks and months pass.

Right now there is euphoria about the program that may continue for a few more days or weeks. But, believe me, there is every indication that this is going to be limited. People react very strongly to something that affects their pocketbook, and this is going to affect the pocketbook of virtually every businessman in the country.

Under my amendment, these exemptions can be reversed by the President if he finds that a particular wage or price increase is unreasonably inconsistent with the standards published by the Pay Board or Price Commission. Thus, the President has the flexibility to act in

particular cases without subjecting millions of firms and workers to the phase II controls.

Most economists feel that the real source of inflation lies with large corporations and labor unions. These are the companies and unions which have the power to administer prices and wages. It is the sector of the economy in which the forces of competition have little or no effect. If we are to have price and wage controls, we should concentrate on these large corporations and labor unions.

Smaller firms and labor unions do not initiate inflationary pressures; rather they react to the price and wage actions taken by the larger companies and unions. Thus, if we control these highly concentrated sectors, we can substantially control the entire economy.

There is no reason to establish rigid price and wage controls on small companies and unions since they are more effectively regulated by the forces of competition. Moreover, the regulations of the Price Commission discriminate against the smaller firms. In order to justify a price increase, a firm must be able to estimate its increase in cost and productivity.

A firm to be safe here should have a really impressive array of economists, statisticians, and cost accountants, and should have an effective cost accounting system. Some of the very big firms have that. When Mr. Grayson testified before our committee, he estimated that 25 percent to 50 percent of the big firms did not know what their productivity is. I think we all know that practically none of the small firms are really able to understand that concept and apply it effectively.

So they are in the dark and fearful. This may have a salutary effect from the standpoint of inflation. People are frightened to increase prices even though they have good economic reasons for trying to do so. But this is a poor way, and an unfair and unjust way to secure price stability. This is a system which will engender great hostility. It is a system that will break down, a system that is unnecessary, because the small firms are not responsible for inflation because of the kind of economic situation we are in now.

The larger firms, with their battery of lawyers and accountants, should have no difficulty in justifying their price increases. However, most of the smaller firms will be unable to acquire the complex data needed to justify a price increase. Most of these small business firms will simply be scared into freezing their prices for fear of violating the price guidelines. Small business will thus be required to shoulder a disproportionate burden of the fight against inflation.

I believe this is wrong and unfair. We should terminate these controls on small business and small unions as soon as practicable. My amendment would require the President to exempt small business and small unions not later than April 30, 1972. I believe these exemptions should be given considerably sooner; however, in no event do I believe they should be needed beyond the April 30, 1972 deadline.

If we are to give the President such sweeping control over our free economy, we should certainly establish a specific and definite timetable for decontrolling those sectors that are least responsible for inflation. To do anything less would be to surrender our constitutional responsibility to the executive branch.

Mr. President, I want to serve notice now that on Monday I expect to give a long speech—and I mean a very long speech, of several hours at least—on the bill before I call up any of my amendments, because this is such a profound, new, and unique economic action that the Government of the United States has taken that it should be discussed in great detail. The very helpful analyses made by some of the ablest people in this country to the committees on which I serve should be made available to the Senate. I intend to do that on Monday next.

Mr. GRIFFIN. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. GRIFFIN. While the junior Senator from Michigan may not find himself supporting each of the amendments referred to, I do want to commend the Senator from Wisconsin for his keen interest in this matter. I consider much of what he has said to be constructive. I commend him, for example, for recognizing that the inflationary period in which we find ourselves now is not the typical demand-pull inflation. Rather, it is cost-push inflation, for the most part. The Senator from Wisconsin put his finger on the biggest problem when he referred to the power of the big union organizations to extract unreasonable wage settlements—settlements that are a major cause of the cost-push inflation.

I would agree with the Senator from Wisconsin that there is not so much of a problem, so far as the small companies and small unions are concerned.

I would add to what the Senator from Wisconsin has said, my concern that many, many small companies and their employees are not covered by pension programs, whereas the large companies and the members of large unions, generally speaking, are covered. It is in the public interest, I believe, that smaller companies be encouraged—not discouraged—to establish pension programs for those employees not covered whether they are represented by labor organizations or not.

I am a bit concerned, frankly, that the guidelines indicated by the administration will discourage smaller companies from putting pension programs into effect. Unless the cost triggers unreasonable price increases, such pension programs are essentially noninflationary.

Indeed, it is noninflationary for increased compensation to be channeled into pension programs, under which benefits do not reach employees until after they retire. So that it seems to me that if the small firms are not to be excluded altogether from control, at least the desirability of encouraging pension special consideration should be given to programs; such benefits should not come under the 5.5-percent wage guideline unless the cost thereof will be used as excuse to raise prices. Has the Senator's committee heard testimony on this subject and, if so, I would be interested in what was indicated.

Mr. PROXMIRE. Yes. The Senator from Texas brought that up at a meeting of the Joint Economic Committee the other day. We heard from Judge Boltd from the Pay Board who came before us at that time.

The Senator from Texas pointed out exactly as the Senator from Michigan has done here, that pensions should be encouraged, but present regulations discourage them. Pensions as the Senator has said are not inflationary in the usual sense. But they do increase costs and in that sense they would be somewhat inflationary.

The Pay Board took the position that because it would affect costs, pensions and other fringe benefits, no matter how desirable and how socially useful they may be, must be, in their view, considered as part of compensation and treated exactly the same way as a wage increase. The Senator from Texas was not convinced and he will offer an amendment—at least I think he will——

Mr. GRIFFIN. Which Senator from Texas is the Senator from Wisconsin referring to?

Mr. PROXMIRE. The junior Senator from Texas (Mr. BENTSEN). He is a member of the Joint Economic Committee. He said he would be interested in offering an amendment to exempt pension payments from the 5.5-percent guideline. That amendment has considerable merit. There is an argument on the side of recognizing that this would tend to increase costs and the Price Commission probably would be inclined—if they were applied to big firms where they approved of the cost increases, and where competition may not be so effective, they might be inclined—to permit that to be passed through on a price increase. But the small firms, I would say to the Senator from Michigan, are unlikely to be so benefited because of the force of competition. So such arrangements are unlikely to be inflationary.

Mr. GRIFFIN. I thank the Senator from Wisconsin. I also agree with him that it was unfortunate—a bad precedent—for the Wage Board to approve the unreasonable and inflationary settlement reached by the mineowners and the United Mine Workers.

Mr. PROXMIRE. I wholeheartedly agree with that. It is tragic that this was the first decision. This is the most visible decision, the first example, so that there is no way of avoiding a precedent in this matter now. It exceeded the guidelines threefold. There is no way we can have a stabilization program if we are going to permit that kind of example to be repeated in the future for such a large sector of the economy.

Mr. President, I yield the floor.

ORDER FOR THE SENATE TO MEET NEXT WEEK, ON TUESDAY, WEDNESDAY, THURSDAY, FRIDAY, AND SATURDAY, AT 9 A.M.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate meets on Tuesday, Wednesday, Thursday, Friday, and Saturday of next week, it meet at 9 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE TO FILE REPORTS ON THE DRUG BILL

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare may have until midnight tonight to file a report on the drug bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest what I hope may be the last suggestion concerning the absence of a quorum for today.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PROXMIRE). Without objection, it is so ordered.

ORDER FOR A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY NEXT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on Monday at the conclusion of the remarks by the distinguished Senator from Iowa (Mr. HUGHES), there be a period for the transaction of routine morning business for not to exceed 30 minutes with statements therein limited to 3 minutes and that at the conclusion of the transaction of routine morning business, the Senate resume its consideration of S. 2891, a bill to extend and amend the Economic Stabilization Act of 1970.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for Monday is as follows:

The Senate will convene at 10 a.m. Immediately following the recognition of the leadership, the Senator from Iowa (Mr. HUGHES) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

At the conclusion of the period for the transaction of routine morning business, the Senate will resume its consideration of S. 2891, a bill to extend and amend the Economic Stabilization Act of 1970, the so-called phase II of the President's economic proposal.

At 1 p.m. the Senate will temporarily lay aside the unfinished business and will proceed in executive session to conduct three consecutive rollcall votes on the following three measures and in the order stated:

First, a treaty to resolve pending boundary differences between the United States and Mexico;

Second, a convention between the United States and Japan for the avoidance of double taxation; and

Third, the protocol between the United States and France regarding taxes on income and property.

Following the three aforementioned rollcall votes, the Senate will resume the consideration of S. 2891, the economic stabilization measure, and rollcall votes can be expected that day on phase II.

As to Tuesday, as far as can be seen at the moment, the Senate will continue its consideration of S. 2891, the Economic Stabilization Act, if that bill has not been finally acted upon by then. Rollcall votes can be anticipated on Tuesday. It is certainly hoped that the final action on the Economic Stabilization Act can be completed on Tuesday. I doubt that it can be completed on Monday.

As to Wednesday, the Senate will resume its consideration of S. 2891, the Economic Stabilization Act, if that bill has not been disposed of prior to that time. If the economic stabilization measure has been disposed of, as I hope it will have been, the Senate will proceed to the consideration of the nomination of Mr. Earl Butz for Secretary of Agriculture. It is hoped that the Senate can complete action on that nomination on Wednesday.

As to Thursday and Friday and Saturday, of course, the program cannot be stated at this time. However, it can be said that following Senate action on the confirmation of the nomination of Mr. Butz, the Senate will take up the two Supreme Court nominations. Inasmuch as the Judiciary Committee has until midnight Tuesday, November 30, to file minority views, it is hoped that the Supreme Court nominations can be called up on Thursday, December 2. Hopefully, and I underline the word hopefully, the two nominations can be disposed of Thursday and Friday or, at the latest, Saturday, December 4.

Aside from the matters I have mentioned, the District of Columbia appropriation bill may be ready for action by the Senate on Friday, December 3. The supplemental appropriations bill may, hopefully, be ready for floor action on Saturday, December 4.

Other than conference reports, which may be called up at any time—and on which rollcall votes may occur—the items I have enumerated constitute the remaining "must" business to be conducted prior to sine die adjournment.

At anytime during the week, other calendar measures which would not consume much time may be interspersed when feasible. I am unsure as to what, if anything, will be done about foreign aid.

So, as a reminder, the three consecutive rollcall votes on Monday begins at 1 p.m. There will likely be additional rollcall votes during the day on phase II. Senators should anticipate rollcall votes daily throughout next week.

ADJOURNMENT TO 10 A.M. MONDAY, NOVEMBER 29, 1971

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, pursuant to the provisions of House Concurrent Resolution 466, as amended, that the Senate stand in adjournment until 10 a.m. Monday, November 29, 1971.

The motion was agreed to; and (at 2 o'clock and 16 minutes p.m.) the Senate adjourned until Monday, November 29, 1971, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 24, 1971:

U.S. DISTRICT COURTS

Morell E. Sharp, of Washington, to be a U.S. district judge for the western district of Washington, vice George H. Boldt.

DEPARTMENT OF JUSTICE

Joseph L. Tauro, of Massachusetts, to be U.S. attorney for the district of Massachusetts for the term of 4 years, vice Herbert F. Travers, Jr., resigned.

CONFIRMATION

Executive nomination confirmed by the Senate November 24, 1971:

GEOLOGICAL SURVEY

Vincent E. McKelvey, of Maryland, to be Director of the Geological Survey.

EXTENSIONS OF REMARKS

JOHN FITZGERALD KENNEDY

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. HANNA. Mr. Speaker, it seems difficult to believe that 8 years have passed since the assassination of the 35th President of the United States, John Fitzgerald Kennedy. Few can deny that the 2 years, 10 months, and 2 days which he served in the highest elective office of the land had a great effect on the country. He was able, during this short time as President, to change the image of the United States, both at home and abroad.

I hope that my colleagues will take a moment to reread the inaugural address given on January 20, 1961, by the late President, for it still has meaning for us today:

INAUGURAL ADDRESS OF JOHN FITZGERALD KENNEDY, PRESIDENT OF THE UNITED STATES, WASHINGTON, D.C., JANUARY 20, 1961

Mr. Chief Justice, President Eisenhower, Vice President Nixon, President Truman, Reverend Clergy, Fellow Citizens, we observe

today not a victory of party, but a celebration of freedom—symbolizing an end as well as a beginning—signifying renewal, as well as change. For I have sworn before you and Almighty God the same solemn oath our forebears prescribed nearly a century and three quarters ago. The world is very different now. For man holds in his mortal hands the power to abolish all forms of human poverty and all forms of human life. And yet the same revolutionary beliefs for which our forebears fought are still at issue around the globe—the belief that the rights of man come not from the generosity of the state, but from the hand of God.

We dare not forget today that we are the heirs of that first revolution. Let the word go forth from this time and place, to friend and foe alike, that the torch has been passed to a new generation of Americans—born in this century, tempered by war, disciplined by a hard and bitter peace, proud of our ancient heritage—and unwilling to witness or permit the slow undoing of those human rights to which this Nation has always been committed, and to which we are committed today at home and around the world.

Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, in order to assure the survival and the success of liberty. This much we pledge—and more.

To those old allies whose cultural and spiritual origins we share, we pledge the loyalty of faithful friends. United, there is little we cannot do in a host of cooperative ventures. Divided, there is little we can do—for we dare not meet a powerful challenge at odds and split asunder.

To those new States whom we welcome to the ranks of the free, we pledge our words that one form of colonial control shall not have passed away merely to be replaced by a far greater iron tyranny. We shall not always expect to find them supporting our view. But we shall always hope to find them strongly supporting their own freedom—and to remember that, in the past, those who foolishly sought power by riding the back of the tiger ended up inside.

To those peoples in the huts and villages across the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required—not because the Communists may be doing it, not because we seek their votes, but because it is right. If a free society cannot help the many who are poor, it cannot save the few who are rich.

To our sister republics south of our border, we offer a special pledge—to convey our good words into good deeds, in a new alliance for progress, to assist free men and free governments in casting off the chains of poverty. But this peaceful revolution of hope cannot become the prey of hostile powers. Let all our neighbors know that we shall join with them to oppose aggression or subversion anywhere in the Americas. And let every other power know that this hemisphere intends to remain the master of its own house.

To that world assembly of sovereign states, the United Nations, our last best hope in an age where the instruments of war have far outpaced the instruments of peace, we renew our pledge of support—to prevent it from becoming merely a forum for invective—to strengthen its shield of the new and the weak—and to enlarge the area in which its writ may run.

Finally, to those nations who would make themselves our adversary, we offer not a pledge but a request: that both sides begin anew the quest for peace, before the dark powers of destruction unleashed by science engulf all humanity in planned or accidental self-destruction.

We dare not tempt them with weakness. For only when our arms are sufficient beyond doubt can we be certain beyond doubt that they will never be employed.

But neither can two great and powerful groups of nations take comfort from our present course—both sides overburdened by the cost of modern weapons, both rightly alarmed by the steady spread of the deadly atom, yet both racing to alter that uncertain balance of terror that stays the hand of mankind's final war.

So let us begin anew—remembering on both sides that civility is not a sign of weakness, and sincerity is always subject to proof. Let us never negotiate out of fear. But let us never fear to negotiate.

Let both sides explore what problems unite us instead of laboring those problems which divide us.

Let both sides, for the first time, formulate serious and precise proposals for the inspection and control of arms—and bring the absolute power to destroy other nations under the absolute control of all nations.

Let both sides seek to invoke the wonders of science instead of its terrors. Together let us explore the stars, conquer the deserts, eradicate disease, tap the ocean depths, and encourage the arts and commerce.

Let both sides unite to heed in all corners of the earth the command of Isaiah—to "undo the heavy burdens and let the oppressed go free."

And if a beachhead of cooperation may push back the jungle of suspicion, let both sides join in creating a new endeavor, not a new balance of power, but a new world of law, where the strong are just and the weak secure and the peace preserved.

All this will not be finished in the first 100 days. Nor will it be finished in the first 1,000 days, nor in the life of this administration, nor even perhaps in our lifetime on this planet. But let us begin.

In your hands, my fellow citizens, more than in mine, will rest the final success or failure of our course. Since this country was founded, each generation of Americans has been summoned to give testimony to its national loyalty. The graves of young Americans who answered the call to service are found around the globe.

Now the trumpet summons us again—not as a call to bear arms, though arms we need; not as a call to battle, though embattled we are; but a call to bear the burden of a long twilight struggle, year in, and year out, "rejoicing in hope, patient in tribulation"—a struggle against the common enemies of man: tyranny, poverty, disease, and war itself.

Can we forge against these enemies a grand and global alliance, North and South, East and West, that can assure a more fruitful life for all mankind? Will you join in that historic effort?

In the long history of the world, only a few generations have been granted the role of defending freedom in its hour of maximum danger. I do not shrink from this responsibility—I welcome it. I do not believe that any of us would exchange places with any other people or any other generation. The energy, the faith, the devotion which we bring to this endeavor will light our country and all who serve it—and the glow from that fire can truly light the world.

And so, my fellow Americans, ask not what your country can do for you: Ask what you can do for your country.

My fellow citizens of the world: Ask not what America will do for you, but what together we can do for the freedom of man.

Finally, whether you are citizens of America or citizens of the world, ask of us the same high standards of strength and sacrifice which we ask of you. With a good conscience our only sure reward, with history the final judge of our deeds, let us go forth to lead the land we love, asking His blessing and His help, but knowing that here on earth God's work must truly be our own.

THE PUBLIC STATEMENTS OF WILLIAM H. RENQUIST—PART III

HON. BIRCH BAYH

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, November 24, 1971

Mr. BAYH. Mr. President, as the Senate approaches its consideration of the nomination of Mr. William Rehnquist to be an Associate Justice of the Supreme Court, it is extremely important that all the relevant information that has been brought forward about this nominee be made available to the whole Senate. For that reason, I have twice before placed into the RECORD excerpts from Mr. Rehnquist's public statements—November 18, 1971, at 42131 and November 23, 1971, at 42964.

Today I ask unanimous consent that two additional items be printed in the RECORD. The first is a copy of the questions addressed to Mr. Rehnquist by the Senator from Michigan (Mr. HART), the Senator from Massachusetts (Mr. KENNEDY) and myself, and the nominee's replies. The other is excerpts from the transcript of the deliberations of the Committee of the Whole of the National Conference of Commissioners on Uniform State Laws on the Model State Anti-Discrimination Act. Both of these items became available only after the Judiciary Committee hearing record was closed, but both are significant in helping each Senator assess whether Mr. Rehnquist has exhibited the commitment to fundamental human rights that we must demand of a Supreme Court Justice.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

FURTHER EXCERPTS FROM THE PUBLIC STATEMENTS OF WILLIAM REHNQUIST

Q. Supplementary Questions Addressed to Mr. Rehnquist by Senator Bayh, Senator Hart and Senator Kennedy, and the Nominee's Replies of November 20, 1971.

QUESTION

1. In your testimony at the Judiciary Committee hearings you stated that you had advised the Justice Department to abandon the argument that the executive branch has the inherent power to wiretap without prior judicial authorization in cases involving the national security. You said (p. 321):

"I feel it was a mistake for the Government to take the position there was inherent power, and that the case could best be put forward both from the point of view of the Government in its more limited interests as an adversary and in the interests of the Government in the larger point of view framed in terms of whether it was an unreasonable search and seizure under the Fourth Amendment, rather than some . . . overriding inherent power."

(a) Would you explain for the Committee what you meant by "the interests of the Government in the larger point of view?"

(b) What in theoretical and in practical terms is the significance of abandoning the inherent power theory in favor of an argument of reasonableness under the Fourth Amendment?

(c) You refused to answer certain questions during the course of the hearings because of a claim of attorney-client privilege (see, for example, pp. 100, 101, 102, 132, 133, 135, 136, 212, 247). Please explain how revealing that you advised the Justice Department to abandon a public position on wiretapping differs from other situations in which you invoked the attorney-client privilege. In light of the answer you gave quoted above, are you now willing to answer the questions you declined to answer by invoking the attorney-client privilege? If so, please do so.

ANSWER

1. (a) When I used the phrase "the interests of the Government in the larger point of view," I meant that the Government is under a greater obligation than the ordinary adversary in a lawsuit to make a reasoned, responsible presentation of its case.

(b) One implication of the "inherent power" position was that in this area the Executive was not subject to the requirements of the Fourth Amendment. The effect of the abandonment of the "inherent power" theory in favor of the argument of reasonableness under the Fourth Amendment was to recognize that the Executive is subject to the restraints of the Fourth Amendment in this area as elsewhere. The practical result was to recognize that the courts would decide whether or not this practice amounted to all unreasonable search which would violate the Fourth Amendment.

(c) During the course of the hearing I declined to answer the questions enumerated because I felt it inappropriate for one who has spoken as an advocate for the Attorney General or for the President to thereafter offer his personal opinion on the same subject. I see nothing inconsistent between that position and my willingness to explain my contribution to a Departmental position which was primarily developed by the Internal Security Division, and ultimately publicly expounded by the Solicitor General.

QUESTION

2. In 1964 you wrote a letter to the *Arizona Republic* opposing a city public accommodations ordinance. You stated at the hearings that your views on this matter had changed and you added (p. 145):

"I think the ordinance really worked very well in Phoenix. It was readily accepted, and I think I have come to realize since, more than I did at the time, the strong concern that minorities have for the recognition of these rights. I would not feel the same way today about it as I did then."

(a) Can you provide the Committee with any indication that your public views on this matter changed before your nomination to be a Supreme Court Justice?

(b) When and why did you come to realize "more than (you) did" in 1964 "the strong concern that minorities have for the recognition of these rights?"

(c) Would your present views be different as to the desirability of such legislation if the ordinance had not been as readily accepted as it was?

ANSWER

2. (a) In a speech delivered in Houston for Law Day, April 29, 1970, I referred to the fact that "dramatic progress has been made by minorities in all of the civil rights areas in the past generation." I would not have referred to a law of the type I had opposed in 1964 as representing "dramatic progress" if I still opposed that type of law.

(b) It is impossible for me to pick out any particular date on which I came to realize "more than I did" in 1964 "the strong concern that minorities have for the recognition of these rights." When I spoke in Phoenix in 1964 I placed a good deal of emphasis on the fact that very few restaurants in Phoenix actually did discriminate and therefore the denial of these rights in practice was infrequent. In the intervening years, at least in part as a result of having become acquainted with more members of minority groups, I have come to appreciate the importance of the legal recognition of rights such as this without regard to whether or not that recognition results in a substantial change in custom or practice.

(c) No. While the manner in which the ordinance was accepted was a factor in changing my opinion, my realization of the depth of feeling of the minorities about this sort of right would not be diminished, and would control, even though the ordinance had been less readily accepted.

QUESTION

3. Four years ago in a letter to the *Arizona Republic* you stated your opposition to proposals to alter the "de facto segregation" of the Phoenix schools. Professor Gary Orfield of Princeton University has told this Committee that the "integration program" you found "distressing proposed no frontal attack on segregation, but called for freedom of choice desegregation with students paying their own bus fares to attend other high schools. The local superintendent also called for more exchanges between the various schools." (p. 13 of prepared testimony)

(a) Does your recollection of the program you opposed comport with that which Professor Orfield described? If not, how does your recollection differ?

(b) Would you explain for the Committee in more detail why you opposed the plan?

(c) Did you regard the scope of that effort in Phoenix in 1967 as an excessive commitment to an integrated society?

ANSWER

3. (a), (b) This question refers to a letter to the Editor appearing in the *Arizona Republic* on Saturday, September 9, 1967, which is captioned "'De facto' Schools Seem Serving Well." The question characterizes the letter as stating my "opposition to proposals to alter the 'de facto segregation' of the Phoenix schools." The letter, of course, speaks for itself; the caption above the letter was not chosen by me. My position, as stated in the letter, was clearly not opposed to a number of the proposals advanced by Superintendent Seymour for reducing *de facto* segregation.

While I have not had an opportunity to review the series of articles by the newspaper reporter, Mr. Harold Cousland, to which my letter refers, I have reviewed a copy of an article in the *Arizona Republic* describing the Superintendent's "integration program" for Phoenix high schools. Referring to this letter, and to my own recollection of the situation in Phoenix at that time, I think that Professor Orfield's description of the Superintendent's proposal is materially inaccurate. Professor Orfield says that the "integration program" called for "freedom of choice desegregation with students paying their own bus fare to attend other high schools." This was not a part of the Superintendent's *proposal* at all; it was a program *already in effect* in Phoenix at that time. I was in full agreement with this program. Superintendent Seymour, according to the article, in fact commented that there was little evidence that minority groups had taken advantage of this existing "open enrollment" policy.

Thus, Professor Orfield confuses the program of open enrollment which was already in effect in Phoenix with a series of additional proposals made by Superintendent Seymour in September, 1967. Among these proposals was the appointment of a policy advisor who was skilled in interpersonal relations and problems, the organization of a city-wide citizens advisory committee representing minority groups, the formation of a human relations council at each high school, and the promotion of a voluntary exchange of students among racially imbalanced schools. He went on to suggest, in addition to this voluntary exchange of students, that he would not rule out busing of students as a partial solution.

As is clear from my letter, I was speaking out in favor of the neighborhood school system, which is entirely consistent with a number of Superintendent Seymour's proposals. It was not, however, consistent with his statement that he would "not dismiss busing of students as a partial solution." In the context of a proposal which had already discussed voluntary exchange of students, and which was made in the context of an existing open enrollment program, the sort of busing envisioned by Superintendent Seymour was inconsistent with the neighborhood school concept. The reason for my opposition to this type of busing can best be expressed in the words which I used at that time:

"The school's job is to educate children. They should not be saddled with the task of fostering social change which may well lessen their ability to perform their primary job."

3. (c) To the extent that the term "that effort" used in this question refers to the suggestion of busing outside of neighborhood schools solely for the purpose of establishing racial balance, I regarded it as undesirable for the reasons stated in my letter and therefore excessive. I certainly did not consider the open enrollment program already in effect in Phoenix in 1967, which is basically that described in the quoted language of Professor Orfield, as being in the least excessive.

QUESTION

4. Mr. Clarence Mitchell has submitted to the Committee an affidavit from State Senator Cloves Campbell which alleges that following your testimony in opposition to the Phoenix public accommodations ordinance in 1964 you said to Mr. Campbell "I am opposed to all civil rights laws" (see p. 465). Did you make that or a similar statement to Mr. Campbell as alleged? If so, would you please elaborate on the circumstances and on what you meant by that statement?

ANSWER

4. I did not make the statement described in question 4, or any similar statement, to Senator Cloves Campbell.

QUESTION

5. In response to a question which asked for "a thumbnail sketch" of "what in your . . . background . . . demonstrates a commitment to equal rights for all . . ." you answered at the hearings (p. 127):

"It is difficult to answer that question, Senator. I have participated in the political process in Arizona. I have represented indigent defendants in the Federal and State courts in Arizona. I have been a member of the County Legal Aid Society Board at a time when it was very difficult to get this sort of funding that they are getting today. I have represented indigents in civil rights actions. I realize that that is not, perhaps, a very impressive list. It is all that comes to mind now."

(a) Would you care to add anything to that list which has come to mind since the hearings?

(b) Please explain in more detail the nature of the civil rights actions in which you represented indigents, and please tell the Committee how many such actions there were.

(c) Was your membership in the Legal

Aid Society Board *ex officio* by virtue of your position in the county bar association?

ANSWER

5. (a) I have recalled since my testimony at the hearings that in 1963 I served as an Associate Member of the American Bar Association Special Committee on the Defense of Indigent Persons Accused of Crime. Since becoming Assistant Attorney General, I have publicly testified in support of the ratification of the Genocide Convention and in support of the Equal Rights Amendment. As Assistant Attorney General, I also supervised and personally participated in the preparation of the Attorney General's Opinion upholding the lawfulness of the so-called "Philadelphia Plan."

(b) (Note: With respect to this question, and subsequent questions which call for historical recollection of legal cases or political activities in which I participated, I have tried as best I can to recall the events requested. I have not had the benefit of my case files or of any other contemporaneous written material, which might have been of significant aid in sharpening my recollection.)

Throughout my practice in Phoenix, I took cases on a regular rotating basis from the Legal Aid Society, a practice followed by many but by no means all of the Bar. In addition, after the *Gault* decision was handed down, I responded to a request from the then Juvenile Court judge for lawyers with some experience to appear without compensation representing juvenile defendants. I would estimate that in addition to the three cases mentioned below, there would be several times that number of the same general description, the particulars of which I cannot now recall.

I recall the following fairly recent representation of indigents outside the criminal defendant area:

(i) I was requested by the Juvenile Court judge of Maricopa County to represent the interests of a woman who had been committed to the State mental hospital during a juvenile proceeding in which she had been deprived of custody of one of her children.

(ii) I represented an elderly woman who was threatened with the sale of her interest in a home as a result of a judgment taken against her by a collection agency in which, as I recall, she contended she had a defense which she had no opportunity to assert because of lack of proper notice of proceedings.

(iii) I spent a good number of hours, partly on the Navajo Reservation and partly in my office in Phoenix, counselling with a group of Indians who constituted one faction in a tribal dispute revolving around whether certain actions taken by the tribal chairman could properly be taken by him, or whether instead they required the approval of the tribal council.

(c) My recollection is that either as Vice President of the Maricopa County Bar Association, or as its immediate past President, I was an *ex officio* member of the Legal Aid Society Board. It would be a mistake to assume from the word *ex officio* that the position was by any means a ceremonial one; it was the principal bar association duty of the officer filling that post. At the time I served, the County Bar Association contributed a substantial part of the total funds available to the Legal Aid Society Board for its operating budget, and I took an active part in the work of the Board.

QUESTION

6. You testified before the Committee as follows in response to a question concerning your role in the government's efforts to prevent publication of the Penatgon Papers:

"It does seem to me that because the government ultimately took a public legal position and argued the matter in the courts, that I would not be reaching the attorney-client relationship to answer your question.

"I am hesitant, but I believe that I am right in saying that I had a slipped disk operation in the latter part of May, and was either at home in bed or in the hospital until about the latter part of the second week in June. I am just trying to recall from memory. Then I started coming back into the office half days, and found that I was overdoing the first couple of days, so I stayed out again. And I think it was either on a Monday or Tuesday I was back in, perhaps for the third time, on a half-day basis, and the Attorney General advised me that the Internal Security Division was going to file papers that afternoon in New York to seek a preliminary restraining order and asked me if I saw any problem with it. And it was a short-time deadline, and I rather hurriedly called such of the members of my staff together as I was able to get.

"When we reviewed it we came across Near versus Minnesota, and advised him that basically it was a factual question so far as we could tell, if the type of documents that were about to be published came within the definition of the language used by Chief Justice Hughes in Near versus Minnesota, there was a reasonable possibility that the Government would succeed in the action.

"I believe I had one other conference with the Attorney General, and I think that was as to who should appear for the United States in the proceedings in New York and in the second circuit. I then went to the beach for a week during which time the arguments took place in the Courts of Appeal, and I think the Supreme Court case was argued while I was at the beach, too, and I have no further involvement in it than that."

(a) Did you have any involvement in the government's action in this matter which is omitted from this statement? Did you for example place any phone calls to any newspapers asking them to refrain from publishing the Pentagon Papers?

ANSWER

6. I took one action in connection with proposed litigation by the Government against *The Washington Post* in connection with its publication of portions of the Pentagon Papers. At the request of the Attorney General, on a date which I believe was Friday, June 18, I telephoned Mr. Ben Bradlee, Executive Editor of *The Washington Post*, and requested on behalf of the Justice Department that the *Post* refrain from further publication of these papers. Mr. Bradlee told me that the *Post* would not accede to this request. I believe that my telephone conversation with Mr. Bradlee was described in a story in the *Post* on Saturday, June 19.

QUESTION

7. Various Supreme Court nominees, including yourself, have properly refused to answer questions put to them by the Senate which would require the nominee prematurely to state his opinion on a specific case likely to come before him once on the bench. Some nominees have also properly declined to answer questions concerning cases they decided or opinions they wrote while sitting on the bench because answering them would have jeopardized the integrity and independence of the judiciary. You invoked yet a third doctrine to decline to answer certain questions at the hearings: the attorney-client privilege. Are you aware of any precedent in the Senate's consideration of a federal official nominated to the Supreme Court or any legal precedent in decided cases or the cannons of ethics or elsewhere, which supports a nominee's invoking the attorney-client privilege to refuse to give the Senate his personal views on matters of public importance on which he had advocated an Administration's position?

ANSWER

7. I know of no other Supreme Court nominee who, having acted as a representative or spokesman for the Executive Branch, was then asked by the Judiciary Committee to express his personal views on the matters with respect to which he had served as a spokesman or advocate. There is, therefore, so far as I know, precedent neither for the questions being asked, nor for the answers being declined.

QUESTION

8. You and Senator Tunney had the following exchange during the hearings:

Senator TUNNEY. Senator Ervin then went on to question you, "don't you agree with me any surveillance which would have the effect of stifling such activities, namely, the first amendment, those activities which are privileged under the first amendment, would violate those constitutional rights?" Your answer was, "No, do not." . . .

Mr. REHNQUIST. I am not sure I do agree with that now. I am inclined to think that it is a fact question and I was perhaps resolving the fact question in my own mind on the basis of the line of inquiry that Senator Hart made yesterday, where thousands of people came, knowing there was going to be such surveillance, on the basis of Judge Austin's decision in Chicago, where he found as a fact that there was no stifling effect.

I do not think I would want to categorically say that such surveillance could not have a stifling effect. I think I would treat it as a question of fact.

Senator TUNNEY. I appreciate your answer.

(a) When you said that you are not sure you would agree with your prior statement now, were you expressing a personal opinion or were you expressing a Justice Department position?

(b) If you were expressing a personal opinion, why in your view was this situation different from other situations in which you refused to state a personal view on positions you had taken as an advocate for the Administration?

ANSWER

8. (a) I was expressing the position that I felt any reasonable spokesman for the Department would have taken had he been aware of this aspect of the problem at the time of his original testimony.

(b) Not applicable.

QUESTION

9. At the time that you testified before Senator Ervin's Subcommittee on Constitutional Rights with regard to the government's intelligence-gathering activities, you said that it was "quite likely that self-discipline on the part of the executive branch will provide an answer to virtually all of the legitimate complaints against excesses of information gathering."

(a) Were you aware at that time as reported in the press, that Federal Bureau of Investigation agents in at least one part of the country had been instructed to conduct interviews for the purpose of making dissenters believe that "there is an agent behind every mailbox" (see, *e.g.*, p. 425–26, 581)?

(b) Does this document give you any reason to alter your views that executive self-restraint will provide sufficient protection of first and fourth amendment freedoms?

ANSWER

9. (a) I was not.

(b) This question characterizes my views as being "that Executive self-restraint will provide sufficient protection of First and Fourth Amendment freedoms." I do not believe this is a fair characterization of the views which I expressed before the Ervin Subcommittee, and it is therefore all but impossible to answer the question as stated. I made quite plain in my testimony, I thought, that both the First Amendment and the Fourth Amendment imposed significant limitations on governmental information gathering. The context in which I made my statement about "Executive self-restraint" was one in which the protections of the First and Fourth Amendments to the Constitution, and such additional statutory limitations on the Executive as those pertaining to wiretapping in the Omnibus Crime Bill of 1968, were already in existence, and the question to which I was addressing myself was whether additional statutory restrictions were desirable.

To the extent that the actual activities of the FBI, as opposed to the characterizations of such activities by a particular agent or by the press, were in fact such as to have a chilling effect, there would be an added factor to be weighed in making a constitutional determination under the First Amendment. If such activities were at all prevalent, I indicated in my testimony before the Ervin Subcommittee that the Department would give careful consideration to remedial legislation.

Following is the text of my statement on these points:

"I think it quite likely that self-discipline on the part of the Executive Branch will provide an answer to virtually all of the legitimate complaints against excesses of information gathering. No widespread system of investigative activity, maintained by diverse and numerous personnel, is apt to be perfect either in its conception or in its performance. The fact that isolated imperfections are brought to light, while always a reason for attempting to correct them, should not be permitted to correct them, should not be permitted to obscure the fundamental necessity and importance of federal information gathering, or the generally high level of performance in this area by the organizations involved.

"In saying this, I do not mean to suggest that the Department of Justice would adamantly oppose any and all legislation on this subject. Legislation which is carefully drawn to meet demonstrated evils in a reasonable way, without impairing the efficiency of vital federal investigative agencies, will receive the Department's careful consideration. But it will come as no surprise, I am sure, for me to state that the Department will vigorously oppose any legislation which, whether by opening the door to unnecessary and unmanageable judiciary supervision of such activities or otherwise, would effectively impair this extraordinary important function of the federal government."

QUESTION

10. Please describe in as much detail as possible your position (including title and the manner in which you were selected), responsibility, and activities in connection with Republican Party efforts to challenge Democratic voters in Arizona for each of the following elections, separately: 1958, 1960, 1962, 1964, 1966, 1968.

In addition, please answer the following questions concerning your position, responsibility or activities in each of the abovementioned years:

(a) Did you personally engage in challenging the qualifications of any voters? If so, please describe the nature and extent of the challenging you did and the bases on which the challenges were made.

(b) Did you train or counsel persons selected to be pollwatchers or challengers about the procedures to be used in challenging? If so, please elaborate concerning how the persons were selected, and the training that you gave. Did you in any of the abovementioned years train or counsel persons selected to be pollwatchers on the bases on which challenges could be made? If so, please elaborate concerning what you advised these persons were proper bases under law for challenges in each of the relevant years.

(c) Did you prepare, select or advise on the use of printed passages from the Constitution designed to be employed by challengers to determine the literacy of a potential voter? Did any such practice come to your attention? Did you think it proper and lawful? If not, did you take steps to curb such procedures?

ANSWER

10. During the course of the Committee's deliberations, I submitted the following affidavit to the Chairman of the Committee.

"I have read the affidavits of Jordan Harris and Robert Tate, both notarized in Maricopa County, Arizona. Insofar as these affidavits pertain to me, they are false. I have not, either in the general election of 1964 or in any other election, at Bethune precinct or in any other precinct, either myself harassed or intimidated voters, or encouraged or approved the harassment or intimidation of voters by other persons."

In order to fully respond to question 10, an understanding of the background of Republican challenging procedures in Maricopa County is necessary. I have therefore tried as best I can to recall and set forth that background.

A combination of the peculiarities of Arizona election law, the customary practices of the Board of Supervisors in appointing precinct election officials, and the numerical weakness of registered Republicans in part of the Country resulted in the fact that the only method by which a Republican observer or poll watcher could be stationed inside a particular polling place in many precincts in order to watch for voting irregularities was to be there as a "challenger." While he was authorized by law to challenge voters, the prospects of his being successful were not great, since the challenges he made were ruled upon by a three-man election board (two judges and an inspector) and in the precincts with extraordinarily heavy Democratic registration at least two and often three members of this board would be Democrats.

The challenger's real usefulness to the Party, therefore, was not that he was going to be able to prevail upon the election board to disqualify any large number of voters, but that his mere presence as a party representative would have a tendency to discourage any large-scale irregularities in voting procedures at that precinct. My recollection is that the most frequent cause of dispute which arose on Election Day during the late 50s and early 60s was the nature of the credentials required for a challenger to be allowed to enter and remain in a polling place, since in many of these precincts there had never been a Republican representative on the scene during Election Day.

With respect to the specific questions posed, I have attempted to refresh my recollection by speaking with several persons in Arizona who acted in Republican Party affairs during the years covered in this question and to Judge Hardy, who was active for the Democratic Party at the same time. I have also had occasion to see two local newspaper articles which appeared in the Fall of 1964, describing my position during the elections of 1960, 1962, and 1964. I recall that at the time there were written schedules, instructions, and the like prepared at least for the elections of 1960, 1962, and 1964, but I have not found anyone who was able to locate any of this written material, and it may no longer be in existence.

In 1958, I became involved in the Election Day program on quite short notice, and spent all of the day at Republican County Headquarters in Phoenix answering questions as to the election laws on the telephone. So far as I remember, I was the only person having this responsibility at County Headquarters. I don't believe I had a title, and I cannot remember by whom I was selected. As I recall, Don Reese, then of Phoenix but presently of Houston, Texas, was County Chairman in 1958.

My attention has been called to a clipping from the *Arizona Republic* in October 1964, which states that in 1960 I was co-chairman of the "Ballot Security Program." I do not have any independent recollection of this fact, but I have no reason to dispute the account in the newspaper. As I recall, however, the program in 1960 was not called the "Ballot Security Program," since I don't remember hearing that term used before 1964.

In 1960, I supervised and assisted in the preparation of envelopes to be mailed out in advance of the election for the purpose of challenging voters on the basis of their having moved from the residence address shown on the poll list; I also recruited about a half a dozen lawyers to work on a "Lawyers Committee" on Election Day. I did not myself recruit challengers, but I did speak to a "school" held for challengers shortly before election, in order to advise them on the law. I believe I also supervised and assisted in the assembling of returns of our mailings which were returned "addressee unknown", so that they could be made available to the particular challenger who was stationed in the precinct in which the address was located. On Election Day, I believe that I spent most of the day in County Headquarters. In that year, however, we had enough other lawyers available in County Headquarters so that I probably spent some of the day going to precincts where a dispute had arisen, and attempting to resolve it.

I cannot remember whether Don Reese or Ralph Staggs was County Chairman in 1960; I believe I was designated by whoever was County Chairman that year.

With respect to 1962, I have been shown an article in the October 1964, *Arizona Republic* which states that I was Chairman of a Lawyers Committee which operated on Election Day. This is consistent with my own recollection. I do not believe that in this year I participated in the mailing out of envelopes prior to election, though I may have. I did speak at a school for challengers, I believe, in much the same manner as in 1960. On Election Day, my recollection is that I spent most of the day in Republican County Headquarters; however, I think that on several occasions in 1962, just as in 1960, I went to precincts where disputes had arisen in an effort to resolve them.

With respect to 1964, I have seen an article in the *Arizona Republic* dated October 1964, stating that I was Chairman of the "Ballot Security Program." This is consistent with my recollection. I presume that I had overall responsibility for the mailing out of envelopes, the recruiting of challengers, and the recruiting of members of the Lawyers Committee to work in County Headquarters; however, I believe that there were individuals other than me who were directly responsible for each of these aspects of the program. At this time, Wayne Lege was Chairman of the Republican County Committee, and I presume it was he who designated me as chairman. My recollection is that on Election Day during this particular election I spent all of my time in County Headquarters.

I also think, though I am not certain, that I spoke at the school for challengers held just before the election; if I did not speak to

the school, I believe I was present when someone else spoke on the law. Challengers were advised in this year, pursuant to an opinion issued by the State Attorney General, that challenging at the polls on the basis of literacy or interpretation of the Constitution was unlawful by virtue of the Federal Civil Rights Act of 1964.

In 1966, my best recollection is that I played no part at all in the election activities, though I am not absolutely certain. If I played any part, it was simply to serve as a lawyer on duty at County Headquarters for a period of several hours in order to handle questions that might come in over the phone.

In 1968, I played no part at all in the election activities.

(a) In none of these years did I personally engage in challenging the qualifications of any voters.

(b) The recruitment of challengers in each of these years was under the direct supervision of someone other than me. However, in at least two of these elections—1960 and 1962—and perhaps in 1964, I spoke at a challengers' school conducted shortly before the election. The purpose of my talk was to advise the various persons who were to act as challengers as to what authorization was required in order to enable them to be present in a polling place during the time the election was being conducted, and also as to the various legal grounds for challenging as provided by applicable Arizona law. My recollection is that I simply recited the grounds set forth in the Arizona Revised Statutes as to the basis for challenge, the method of making the challenge, and the manner in which the challenge was to be decided by the Election Board of the precinct in question.

(c) I did not. No such practice came to my attention until sometime on Election Day, 1962. The manner in which I saw this type of challenge being used, when I visited one precinct, struck me as amounting to harassment and intimidation, and I advised the Republican challenger to stop using these tactics. Since no question was raised at that time as to the propriety or lawfulness of the use of printed passages from the Constitution by challengers in conjunction with the election board in an otherwise courteous and lawful manner, I did not consider it. Shortly after the election, I discussed this type of challenge with Charles Hardy, now Judge of the Superior Court of Maricopa County, and expressed my vigorous disapproval of any scattergun use of literacy challenges. By the time of the next biennial election, in 1964, such challenges were no longer permitted under federal law.

QUESTION

11. To what extent are you able to confirm Mr. Richard G. Kleindienst's statement found in the *Arizona Republic* of November 7, 1962 that the Republican challengers who worked in 1962 "are the same persons, under the same instructions, who have been doing this in Maricopa and Pima counties since 1956?"

ANSWER

11. I cannot speak at all for Pima County, and I cannot speak at all for 1956. I did not myself directly supervise the recruiting of challengers in Maricopa County in any of these years. If challengers were instructed in any formal way in 1958, I do not remember it. Substantially the same legal advice as to challenging, more fully described in the answer to 10(b) above, was given by me in both 1960 and 1962. I do not presently remember whether the same challengers operated in 1958, 1960, and 1962, but I believe there was some turnover each time, and a rather substantial turnover between 1960 and 1962.

QUESTION

12. You testified that one of the roles you played in the Republican efforts to challenge Democratic voters was "to arbitrate disputes that arose" along with a Democratic counterpart" (p. 149). Did any of the disputes as to the roles of the Republican challengers which you sought to mediate involve opposition to the type of challenging procedure being employed or the basis of the challenge, as distinct from the right of the Republican challenger to function at all in such a capacity in the precinct in question? If so, please explain the challenging procedures which came under attack.

ANSWER

12. As described in my answer to 10(c), I recall one instance in which a Republican challenger was himself going down the line and requiring prospective voters to read some passage of the Constitution, rather than presenting his challenge to the Election Board in an orderly way. I advised him to stop this practice, and to make any challenges in the manner provided by the law.

QUESTION

13. Judge Charles L. Hardy in a letter to Senator Eastland describes the tactics of the Republican Party in Phoenix in 1962 as follows:

"In 1962, for the first time, the Republicans had challengers in all of the precincts in this county which had overwhelming Democratic registrations. At that time among the statutory grounds for challenging a person offering to vote were that he had not resided within the precinct for thirty days next preceding the election and that he was unable to read the Constitution of the United States in the English language. In each precinct *every* black or Mexican person was being challenged on this latter ground and it was quite clear that this type of challenging was a deliberate effort to slow down the voting so as to cause people awaiting their turn to vote to grow tired of waiting and leave without voting. In addition, there was a well organized campaign of outright harassment and intimidation to discourage persons from attempting to vote. In the black and brown areas, handbills were distributed warning persons that if they were not properly qualified to vote they would be prosecuted. There were squads of people taking photographs of voters standing in line waiting to vote and asking for their names. There is no doubt in my mind that these tactics of harassment, intimidation and indiscriminate challenging were highly improper and violative of the spirit of free elections."

(a) Please describe the relationship between your role in planning and implementing Republican election day challenging efforts that year and the tactics described by Judge Hardy.

(b) Did any of the practices described by Judge Hardy come to your attention before or during election day in 1962? If so, did you seek to curb such procedures or were they in your view proper?

ANSWER

13.(a) My role in 1962 was, to the best of my recollection, that described above. I neither advised nor suggested that scattergun challenges be made on the basis of literacy. I neither advised nor suggested the handing out of handbills, nor the photographing of voters at the election places. My talk to the challenging "school" in 1962 as to the law governing elections was, I believe, substantially the same as that which I gave in 1960. In 1958 and in 1960 virtually the entire thrust of the Republican challenging effort was devoted to preventing unregistered persons, or persons who had moved from the address from which they were registered, from voting, and as I recall the main disputes which arose in those years with respect to the right of the Republican challengers to enter the polling place to which he was assigned. I did not realize the change in emphasis during Election Day of that year. I therefore feel that there was no connection between my role and the circumstances related by Judge Hardy.

(b) The practices described by Judge Hardy, to the extent that they did in fact obtain, did not come to my attention until quite late in the day of the election in 1962. At that time I believe that the County Chairman decided to remove the Republican challenger from Bethune Precinct because of the serious trouble his actions were causing. The challenging procedures relating to residence described by Judge Hardy were, in my opinion, generally proper; those relating to indiscriminate use of literacy challenges were entirely improper.

QUESTION

14. Were you present at the Bethune precinct at any time on election day, November 3, 1964? If so, while you were there, did you speak to any persons waiting to vote regarding their qualifications to vote under the state literacy laws or other laws, or regarding their ability to read the Constitution? Did you ask anyone waiting to vote at the Bethune precinct in 1964 to read from any printed material which you or anyone else presented to the potential voter? Were you engaged in any dispute at the Bethune precinct in 1964 with Democratic workers regarding efforts by yourself or other Republican representatives to challenge voters? If so, please describe the incident in detail.

ANSWER

14. I was not present at Bethune Precinct at any time on Election Day in 1964.

QUESTION

15. The *St. Louis Post-Dispatch* of November 16 carries a story which states that "documents have been discovered suggesting" that you were "once a member of a rightwing organization" called "Arizonans For America," or "For America." You have previously denied that you are or at any time in the past have been a member of the John Birch Society. Have you been a member of the "Arizonans For America" as is alleged by the *St. Louis Post-Dispatch?* Do you have any additional response to the article?

ANSWER

15. I have never been a member of Arizonans for America or For America. I have seen a newspaper clipping from a local newspaper in 1958 which indicates that I was one of four panelists who appeared at a meeting of Arizonans for America in 1958 to discuss the federal income tax. While I have no independent recollection of speaking at such a meeting, I have no reason to dispute the newspaper account.

R. Excerpts From the Transcript of the Deliberations of the Committee of the Whole of the Commissioners on Uniform State Laws on the Model State Anti-Discrimination Act, August 1, 1966.

Mr. DORSEN. . . .

Section 312, Alternative A, comes from the federal law:

"Nothing contained in this chapter requires an employer, employment agency, labor organization, or joint labor-management committee subject to this chapter to grant preferential treatment to an individual or to a group because of the race, color, religion, sex, or national origin of the individual or group on account of an imbalance which may exist with respect to the total number or percentage of persons of any race, color, religion, sex, or national origin employed by an employer, referred or classified for employment by an employment agency or labor organization, admitted to membership or classified by a labor organization, or admitted to, or employed in, an apprenticeship, or other training or retraining programs, in comparison with the total number or percentage of persons of the race, color, religion, sex, or national origin in the State or a community, section, or other area, or in the available work force in the State or a community, section, or other area."

Alternative A is, of course, a mouthful, and I wouldn't want to be put on my oath as to what it means, but it is taken from the federal law, and it was inserted in the federal law to deal with the problem that has already been mentioned of racial imbalance. The point was that you are not required to hire anybody or, if you are a labor union, refer for employment, because of an imbalance in a particular work force, or what have you. That's in the basic Act.

Alternative B of Section 312 is not for the basic Act; it's for the model Act, and it says:

"It is not a discriminatory practice for a person subject to this chapter to adopt and carry out a plan to eliminate or reduce imbalance with respect to race, color, religion, sex, or national origin if the plan has been filed with the Commission under regulations of the Commission and the Commission has not disapproved the plan."

The history of this section in worth taking a moment to mention. Several states—Indiana, Massachusetts, Illinois, and California—and various communities, but these states, have adopted various forms of statutes which go well beyond this in at least two instances, dealing with racial imbalance.

The Committee's feeling was that if there is going to be anything dealing with racial imbalance, (1) It should come about only under a plan that somebody comes forward with; that the Commission should not be of its own motion promulgating such a plan; and, secondly, that if you have a plan of this kind, you have to go to the Commission and file the plan and give the Commission an opportunity to reject it. As I say, several states have already done one form or another of this, and we put it in as the model Act provision.

Mr. BRAUCHER. In the Section meeting with respect to Alternative B to Section 312 the question was raised whether there should not be time limits imposed on these plans, either some waiting period after they are filed before they go into effect, or some maximum length of time during which you could carry out such a plan, and we propose to add to the comment a statement that that kind of time limitation is the sort of thing which is left to regulations of the Commission.

Mr. DAVIS. Mr. Chairman, I gather here that you are encouraging discrimination. It seems to me that discrimination is going to be bad—if it is bad—regardless of whether you are discriminating for a good motive or a bad motive, and I do not see any justification to legalize discrimination, if the whole purpose of the Act is to try to prevent it.

Mr. BRAUCHER. This is a problem, and it has been argued in various places. There are now judicial decisions in some states—New Jersey comes to mind—where there have been judicial indications that what Commissioner Davis calls discrimination is not the kind of discrimination that is forbidden.

Now, there is a problem here as to how far a state is competent to permit this, if it violates the federal statute. My own guess would be that as long as the discrimination is what is sometimes called benign discrimination, if that's a permissible phrase—my guess is that the Equal Employment Opportunities Commission probably would not get around to prosecuting that for quite a while.

The fact is that if you think in terms of the Telephone Company in a substantial city, such as—the one which comes to my mind, naturally, is Boston—and they find that they do not have any colored employees, and they are confronted with the prospect of people marching around in large numbers in front of their offices—their problem is to get themselves some colored employees, and if that is discrimination, it's a condition they are confronted with.

Now, I think the history of this in the northern states, where this kind of thing has happened, is that the Commissions Against Discrimination or the Human Relations Commissions have on the whole not been very diligent in prosecuting against that kind of discrimination. Recognizing the problem that we might be departing from what's allowed under the federal law, it seemed to us that this was a plase where we could ease the lot of some of our employers who distinctly have problems here.

Now, notice that we have allowed the Commission to step in and say: No, you can't do it. I think that's necessary, because, of course, this could be misused. It could be used to foster and perpetuate a kind of discrimination that's not benign in any sense; but it's a problem, and this thing is an optional section which we thought might be helpful to some people who are otherwise in this rather uncomfortable situation of being whipsawed between two opposing forces. And there is the problem of the fact that several states have moved in this direction.

Mr. EVERETT. Just in terms of the technical presentation, it seems to me it's somewhat misleading as it is stated in Alternative A and B, in that you are expected to pick one or the other, whereas a very real alternative would be to take both.

Mr. DORSEN. Why don't we deal with that?

Mr. MORGAN [D.C.]. As I understand this, it is to avoid taking certain steps because of race, color, sex, and so forth. I'm an old-fashioned lawyer, and with all due respect to the Committee, I must be practical. I am surprised that a group of lawyers would recommend that if it's discrimination not to employ a person because of race, color, or sex, and that the same Act provides that it is unlawful not to employ someone because of his race, color, and so forth—which is the guts of this so-called imbalance——

Mr. DORSEN. I wouldn't add to what Professor Braucher has said. This is a provision that is found in different forms in four states, and in my own knowledge I know of employers who have been put into a very awkward position. It wasn't the Telephone Company, but it was a major employer, and it seems to me the provision is eminently desirable.

Mr. MORGAN. I think you overlook the fact that the very fact that such a provision is put in an act prepared by the Conference of Commissioners on Uniform State Laws gives it a certain character to which it is not entitled legally, and I don't think it should be in any Act that is even proposed by this Conference.

You are a lawyer. You ought to know that if it is unconstitutional to deny education to a person because of color, it is equally unconstitutional to move a child to another jurisdiction or school just because he happens to be of a particular color or race.

Mr. BRAUCHER. Commissioner Morgan, I'm not perfectly clear. There are two different points lurking here. At one point I thought you were saying that we were saying that something was a discriminatory practice at one point and was not a discriminatory practice at another point. In so far as that is a difficulty—the stylistic problem—I think that disappears. Discriminatory practice is the term of art as to what we prohibit. We prohibit discrimination on account of race, color, and so forth, in the first sections, and then we make the exceptions in the later sections. This is not a direct exception. It says it is not a discriminatory practice to carry out a particular type of plan, and it doesn't verbally conflict with anything we have said before.

The other point you are raising is a substantive question of law, and there are two sides to it. That is the question whether it is discrimination in a sense which makes it illegal under various statutes now on the books to cure a pre-existing situation of discrimination. It's very hard to cure a discriminatory situation without discriminating, and in so far as you do, we are trying to resolve that question here so far as it's within the power of the state to resolve it, that in curing a discriminatory situation the inherent—whatever you want to call it—reverse discrimination or benign discrimination or counterdiscrimination—is a thing which is permitted by private action.

Now, notice we are not allowing anybody to command it or to require it, but only to allow the private employer to go forward with a plan.

Mr. MORGAN. May I give you an example? Let's take the Telephone Company.

If some Negro comes to the Telephone Company and wishes to be employed, and they do not employ him because of his color, it's discrimination. However, if he wants to balance, you say that it's not discrimination for him to discharge, or favor certain positions occupied by white people, in order to employ colored people, or some other race, to make balance of that employment. I say that is just as much discrimination as refusal to employ a man because of his color.

Mr. BRAUCHER. Well, I think the case you put is not one that is likely to be an actual case, where you discharge a group of your long-standing employees in order to bring in some new ones. I think what is likely to happen is, particularly in apprentice training programs and the like, that the people in charge make an effort to stir up applications from the people who are short in the existing supply, and this has happened. Employers have felt that they were more or less forced into it. Some of your employers, of course, are subjected to boycotts of their products, and the like, and the pressures get pretty severe.

Mr. MORGAN. Under that condition the ordinary rule against discrimination applies. If you have got jobs open——

Mr. BRAUCHER. Yes, but the point is that some people have made efforts to try to introduce a number of employees of a kind they had not previously had. Now, arguably it's not discrimination at all. I think that's what you are saying. Arguably it is discrimination; and we are going to have to get the facts. But we are saying that this is the sort of thing that the Commission can devote its attention to and develop standards, and, subject to the action of the Commission in disapproving it, we are allowing the employer to go forward with a clear hand.

Mr. MORGAN. Let's suppose there is one position open, and a white man and a colored man come in for employment, and the white man is better equipped than the colored man, but the employer says: I want to employ the Negro, in order to avoid imbalance.

I say this is discrimination, and ought to be punished, if you are going to punish employers at all.

Chairman SCHWARTZ. Gentlemen, I think we have time for just one more comment.

Mr. DAVIS. I want to ask a question, if I may, with reference to this plan. Does the

Committee understand that this plan would have to be all-inclusive, or could it eliminate the imbalance only between males and females or only between white and black?

Mr. DORSEN. It would not have to be all-inclusive, and I think that should be said in the comment. I think it's a fair point.

Mr. MILLIMET. I think Commissioner Morgan has one point which the draft doesn't treat with, and that is Alternative B to Section 312 does not prohibit discharging as part of a plan of reducing imbalance, and it does seem to me that's a little bit different from promoting balance by hiring new employees.

Mr. DORSEN. I think that should be treated differently. That's a fair point.

Mr. REHNQUIST. Mr. Chairman, I have a comment to make on 312, which is the section we were on immediately before lunch, I believe, pertaining to imbalance.

It seems to me there is a very definite substantive question here as to whether or not it is desirable to permit benign discrimination, as Mr. Braucher referred to it, and I would like to see any part which would grant any affirmative authorization under this Act to permit this type of discrimination deleted, and therefore I move that in line 19 of Section 312, after the word "out", there be placed a comma, and the phrase, "if otherwise authorized by law" inserted.

It seems to me that this will keep the laws authorizing this thing in states which already have them, and yet not delegate to an administrative body the terrific problem of defining the term "racial imbalance", which is, as far as I know, primarily a term found in the newspapers. This confers a very broad authority on the Commission without any real bounds to it.

Mr. BRAUCHER. If I understand Commissioner Rehnquist, he is saying on line 19, after the word "out", to insert "if otherwise authorized by law".

Mr. REHNQUIST. Yes, sir.

Mr. BRAUCHER. ". . . a plan to eliminate or reduce imbalance . . ."

I think in order that you may understand what it is we are doing—you will remember that this morning we undertook to limit this section so that it would not authorize the discharge of existing employees, but would deal only with the employment of new employees, and so the proposal that we have now, aside from Commissioner Rehnquist's motion, would be to insert after "a plan" the words "of filling vacancies or hiring new employees so as". I'll read that again.

On the same line, "adopt and carry out a plan" and then insert "of filling vacancies or hiring new employees so as to eliminate or reduce imbalance with respect to".

Mr. REHNQUIST. I heartily concur in that suggestion.

Mr. BRAUCHER. That was a suggestion made this morning, and since it is in the same sentence you are proposing to amend, I thought we should understand how it would fit.

As I understand the proposal, it would be to amend it:

It is not a discriminatory practice for a person subject to this chapter to adopt and carry out, if otherwise authorized by law, a plan of filling vacancies or hiring new employees so as to eliminate or reduce imbalance with respect to . . . and so forth.

Mr. REHNQUIST. It sounds as though my language fits in.

Mr. BRAUCHER. I think it does. I think it does. I thought it was worthwhile to have our proposal with your suggestion added.

Now, as I understand it, this is a motion. The Committee obviously has not met on this proposal. I'm a little troubled by it, myself, because it seems to me that, in the absence of legislation, action by private employers to employ employees is authorized by law. If you don't pass any legislation, it's authorized.

All we were trying to do in this section was to prevent this new legislation in a state where it is new, or this type of statute—this anti-discrimination law—from fettering employers in a freedom which they have enjoyed traditionally to select their own employees on these bases that seem proper to them. The whole thrust of this statute is to limit the preexisting power of private citizens to discriminate in employments, employing employees, and I would suppose in the absence of this statute discrimination among employees on the ground of race is thoroughly authorized. The trouble is that you have the federal statute which forbids certain types of discrimination, and if you mean by your amendment merely if permissible under federal law, you wouldn't have so much trouble with it; but if you mean if authorized by law in some other sense, I find myself in some difficulty.

Our thought was that we are coming in, in some states at least, with a new regulation, and in other states we are displacing existing legislation on discrimination, and we were trying to simply limit the reach of the new legislation. Now, you are suggesting that there is some requirement. Either you have the same notion I have, that anything that isn't forbidden is authorized, or you mean there must be some affirmative authorization in a law somewhere for an employer to select his employees.

Mr. REHNQUIST. Commissioner, if I might respond, the Comment on page 22 states that Alternative B is for the model Act and is "designed to obviate a possible repeal by implication of statutory authorization of plans to cure imbalance." As I conceive my amendatory language, it would retain such statutory authorization where it exists, but it would not cover any additional authorization by this section where it does not already exist by statute.

Mr. BRAUCHER. The suggestion has been made from the Committee: Would it meet your point—I am just trying to understand what it is we are trying to accomplish here. Would it meet your point if we said, "if not inconsistent with other law"?

Mr. REHNQUIST. If I may respond, I don't believe it would meet my point. To me the substantive question here involved is: Do you permit at all benign discrimination, as you referred to it?

The section as drafted authorizes private employers to benignly discriminate. The purpose of any amendment is to sharply limit that permission, so that it has to be created in some other statute already in effect. It would save those statutes, but not authorize under 312 what I regard as a highly controversial type of discriminatory legislation.

Mr. JOINER. I think this motion is a direct attack upon the power granted in the statute to eliminate racial imbalance. It's a complete frontal attack, and raises the issue rather squarely, as I have listened to the discussion. I have heard an articulation of what has always seemed to me to be the real reason for a provision of this kind, and that is that in many areas of employment, and in other areas as well, there has for a long period of time been some kind of discrimination which has, as a result, created a very great imbalance; and this is a direct method—this provision, as I understand it—is a direct method to permit a catch-up of this particular situation, and I think it would be a grave mistake to allow this attack to pass, and I think we should vote "No" on the motion.

Chairman SCHWARTZ. Any other discussion? [No one responded.] Are you ready for the question?

The motion, as I understand it, is to insert in line 19 after the word "out" the words "if otherwise authorized by law".

[The motion was put to a voice vote.]

Chairman SCHWARTZ. I think the motion is lost.

Mr. REHNQUIST. I call for a division.

Chairman SCHWARTZ. All right. Will you raise hands?

Mr. WITHERSPOON. Mr. Schwartz, will you announce how you are taking this vote, so we will know?

Chairman SCHWARTZ. We are voting with raised hands, one hand apiece, "Aye," if you are so minded. [Laughter]

[A hand vote was taken, and the motion was lost.]

Mr. RAIN. Mr. Chairman, I think that Professor Joiner was right as to the purpose of the section and what it is designed to do, and it obviously is the view of the Conference that that is desirable. In that light I think the Comment is misleading. It ought to state exactly what the purpose is—to catch up.

Mr. DORSEN. I think that's right. [Reading.]

Section 606. [Blockbusting.] It is a discriminatory practice for a person, for the purpose of inducing a real estate transaction from which he may benefit financially.

(1) to represent that a change has occurred or will or may occur in the composition with respect to race, religion or national origin of the owners or occupants in the block, neighborhood, or area in which the real property is located, or

(2) to represent that this change will or may result in the lowering of property values, an increase in criminal or antisocial behavior, or a decline in the quality of schools in the block, neighborhood, or area in which the real property is located.

I'm sure you know that provisions of this kind, of which this is a quite narrow one, were begun in cities. Many small cities—and large cities, for that matter—have ordinances roughly of this kind. A couple of years ago Ohio passed a statute dealing with this problem, which has been a recurring one. We thought we could draft a much better one than the one that some of the smaller towns had put together, and we proceeded to do so, and this is the result.

Mr. MORGAN [D.C.] Mr. Chairman, the objection to that provision is that, in the first place, it lacks reality, and in the second place, I think it violates the constitutional freedom against free speech.

Mr. JOINER. I ask the question: Why do you leave color out of this section, when we have been carrying color all the way through?

Mr. DORSEY. It should have been included. That's a typographical error.

Mr. REHNQUIST. Mr. Chairman, I have great reservations about Section 606, even in a Model Act. It forbids what could be a perfectly truthful representation, and it forbids what certainly could be a representation made with a good faith belief in its truth, and I read the case of *Valentine* v. *Christensan*, and I think it's certainly very commendable that the word "see" was presented in the Comment in that case. The fact that you can prohibit a man advertising on a handbill in New York City certainly does not mean that you can prohibit a man making a representation that somebody else is trying to sell a house in the privacy of the man's home.

I therefore move that Section 606 be deleted.

Mr DORSEY. I was just going to say, about your reference to the *Valentine* case: The statutes and ordinances which exist on this subject go well beyond in every respect the way we drafted it, and in particular I would like to draw your attention to Lines 2 and 3 of the section, where we included specifically the phrase "for the purpose of inducing a real estate transaction from which he

may benefit financially", in order to make sure that we weren't dealing with gossip, we weren't dealing with non-commercial representations, or representations that did not have a commercial purpose.

Now, I feel that there is plenty of room for argument. There may be plenty of room for argument both on the constitutional question that you raised and even on the policy question. I do think that if you looked at the ordinances that have been passed, you would agree that the drafting we have done has substantially improved—I don't mean to be immodest about it, because it's not my draft. I can assure you it was worked over very carefully by the members of the Committee, and I think it's a substantial improvement over what we have seen, and I think that it's a desirable provision, if only to limit the scope of potential blockbusting statutes and ordinances that are already on the books.

Mr. REHNQUIST. I have never thought it was the function of the Conference, because it saw some bad laws on the books somewhere, to draw a law slightly less bad. It seems to me our function is to draft something that we can put our approval on. It seems to me we have a constitutional question and a serious policy question, and in view of the combination of those two factors, plus the fact that it doesn't strike me this is a vital part of your bill at all, I think this would be a good thing to leave out.

Mr. BRAUCHER. Mr. Chairman, I don't want to add anything on the constitutional question. We were very conscious of the constitutional problem, and this is very much cut down from the standard—I say "standard"; from the various provisions in these municipal ordinances.

The State of Ohio did include a provision of this kind in its statute, and we have more or less followed that, although I think we are less subject to constitutional doubt than the Ohio statute.

However, I would like to speak for just a moment to the merits of this. The practices that are dealt with in this provision are practices that have no merit whatever. They are vicious, evil, nasty, and bad. These are people who go around—and this is not a hypothetical situation; this is something that has happened in every big city in the United States—and run up a scare campaign to try to depress the value of real estate. They will, if possible, buy one house, and then they will throw garbage out on the street; they will put up "For Sale" signs; they will perhaps hire twenty badly clad and decrepit-looking Negroes to occupy a single-family house, and so forth; and then they go around to the neighbors and say: Wouldn't you like to sell before the bottom drops out of your market?

And the notion that that type of conduct should be entitled to some kind of protection under the bans of free speech is a thing which doesn't appeal to me a tiny bit.

Now, you may be able to get five Justices of the Supreme Court to say that that is unconstitutional. I don't believe it, myself; but if you do, I would like to give them a chance to vote the other way before I withdraw this statute.

[Calls of "Hear! Hear!"]

Mr. ABRAMS. I would like to ask the Committee whether the word "or" between Section 606 (1) and (2) should be "and", because it doesn't seem to read quite right, unless it is.

In Section (2) it refers to "this change", which would not read properly unless Section (1) also was in there to define—

Chairman SCHWARTZ. Where are you?

Mr. ABRAMS. Page 35, Section 606, (1) and (2).

Mr. DOBSEN. You are referring to the "or" on Line 7?

Mr. ABRAMS. Yes. It should be an "and", because that is the kind of representation that you are referring to. Is that not right?

Mr. DORSEN. There is an article by a gentleman from Texas, Professor Witherspoon of the University of Texas Law School, in which he points out that it's really done in all kinds of ways, including spreading of rumors of crime waves, and so forth. It's more than one technique, and sometimes it's done with only innuendo, without expression specifically of color, and we were trying to include that, and that was the reason for the "or".

Mr. ABRAMS. But isn't the intent that the change to which you refer will have the effect that is set forth in Section (2)? Isn't that the change?

Mr. DORSEN. To the extent that that is perhaps the ultimate effect to be effected, you are quite right, but the key word, I think, is "represent", and the process can take place without the representation under (1)—and has, as I understand it—and that's why we put it in the alternative.

Mr. MORGAN [D.C.]. Mr. Chairman, I come from a section where if a Negro moves into the area, it will reduce prices, and I don't think it's a crime for a real estate agent to tell the property holders that a Negro family has moved into the area, and it will reduce values.

Chairman SCHWARTZ. It is not a crime in any event, under this Act.

Mr. MORGAN. It is.

Chairman SCHWARTZ. There is no criminal punishment. There is a cease and desist order.

Mr. MORGAN. Well, it is a discriminatory practice.

Chairman SCHWARTZ. That's right. There are no criminal penalties except contempt, if you go to court.

Mr. MORGAN. How can you have a law without a sanction?

Chairman SCHWARTZ. You have a cease and desist order enforced by a court order.

Mr. MORGAN. I don't think that's appropriate.

Chairman SCHWARTZ. Is there a motion before the house?

[Calls of "Yes! Yes!"]

Chairman SCHWARTZ. The motion, as I understand it, is to delete Section 606 in its entirety. Are you ready for the question?

[The motion was put to a voice vote and was lost.]

IMPROVING THE QUALITY OF LIFE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues an article entitled "Improving the Quality of Life" written by Dr. Irving Abrams, medical director of the Chicago Board of Education; Mrs. Louise G. Daugherty, assistant superintendent, pupil personnel services and special education, Chicago Board of Education; Dr. Richard S. Abrams, psychiatrist, Northwestern University Medical School; and Dr. Michael Vanecko, associate medical director, Chicago Board of Education.

Dr. Irving Abrams, whom I know personally, is an eminent physician and a recognized authority in the field of public health administration. He has given many, many years of dedicated service to the schoolchildren of the city of Chicago, and in his capacity as medical director, he has instituted countless new programs benefiting the health and welfare of the students in the public schools of our city.

Speaking from the vantage point of broad experience, Dr. Irving Abrams and his distinguished coauthors review the relationship of poverty and health defects, which contribute to a child's failure to learn and to achieve, and point out that although health is a contributory factor, social, economic, and political factors contribute as well to behavior disorders and health-learning problems.

Citing some of the shortcomings of current HEW programs, the authors make 10 recommendations aimed at "improving the quality of life" for all Americans. The article—parts I and II—which appeared in the June and October 1971 editions of the Journal of School Health, including these 10 recommendations, follows:

IMPROVING THE QUALITY OF LIFE[1]

(By Irving Abrams, M.D., F.A.A.P., Louise G. Daugherty, Richard S. Abrams, M.D. and Michael Vanecko, M.D.[2])

In this article we shall point up some of the problems that reduce the quality of health, education, and welfare.

The "child in school" is different than the child at home. On entering school, he meets formal competition with his peer group for the first time. He needs satisfying experiences for proper growth and development. He must learn to respect restrictions, to obey, to play cooperatively, to speak clearly, to read, to spell, to write, to develop good health practices and to perform more complicated tasks as he reaches toward maturity.

The child who has the best chance is the one with a good heredity, a smooth parental experience, an uneventful natal day and parents who set proper examples of total living. He needs good preschool and school years embracing optimum or near-optimum health-welfare and educational programs. He should attend a school that has a school doctor and nurse. If he shows signs of educational or health failure he needs a staffing conference by a trained doctor and educator so that a diagnosis can be made and a "direction" given to the child, the teacher, and parents.

Many children do not have this. Many come from homes burdened with large families, with insufficient money, lack of experiential surroundings, lack of motivation, lack of good health and good food habits and a high incidence of reproductive casualty. To some millions of children across the nation, the expression "the parent has the primary responsibility for the health of the child" is meaningless. It is urgent that we

[1] This article is published in two parts. Part I is herein presented. It deals with a multiplicity of factors that reduce the quality of living. Part II deals with programs the authors recommended to improve the quality of life. Because of the length of the entire article, Part II will be published in the October 1971 issue.

[2] From the Chicago Board of Education. I. Abrams, Medical Director, L. Daugherty, Assistant Superintendent, Pupil Personnel Services and Special Education, R. S. Abrams, Psychiatrist, Northwestern University Medical School and M. Vanecko, Associate Medical Director, Chicago Board of Education.

promote, protect and restore the health of school children. Health and education and welfare must be tied together intimately.

At the federal level the expression is HEW, but down the line, H is separated from E and from W in the actual programs that are carried out. The word comprehensive is used loosely if for example a child is seen in a clinic and found to be a "healthy specimen," but who, at the same time, is failing in school, or is a run away or a drug abuser, or is acting out in the classroom, so that the teacher cannot conduct class procedures for the benefit of all the pupils. Somewhere along the line, the poor family has been the victim of commission or omission in terms of adequate health, education, and welfare services from private and/or public agencies.

It is indicated to present the problems that prevent the boy or girl from achieving near their full potential. The failure to achieve in school at the elementary and/or high school level is as serious to the child as other handicapping illnesses or conditions.

In the Chicago Public Schools, children are tested seven times, at periodic intervals, from the entering primary grades through the eleventh grades. About 2 or 3 weeks after entrance to the primary grades, the children are tested with the Metropolitan Readiness Tests. In order for teachers to prepare individual approaches to children, they need to know as much as possible about the children in all categories of function. Testing is only one method of getting some information. The child brings to the primary grades the knowledge and skills of the total past experience in the home and community together with the influences of the heritable traits built into the genes.

Each child, therefore, comes to school with different qualitative and quantitative skills and attitudes. Some of these are tested in the Readiness Tests (1) which embrace word-meaning, listening, matching, alphabet, numbers, copying, and an optional Draw-A-Man Test. As the children advance in grade, other tests are employed.

In January of 1970, the Chicago Public Schools' City-Wide Testing results (2) of the period 1968–1969 were made public for the first time in the school systems' history. What had been known to many in the school system was a shock to the public. The newspapers headlined various test results.

Below is Table One showing the scores of the city public schools as compared with the National Norms (3).

TABLE 1

[In percent]

	Entering 1st-year readiness	
	National	City
Ready	69	52
Probably not ready	24	35
Not ready	7	13

It is noted that ½ of all the children (35% +13%=48%) are "probably not ready" and "not ready".

Let us select at random a school of low income black and compare it with a middle income white. Table Two gives the test readiness of the low-income school (4).

TABLE 2

[In percent]

	Entering 1st-year readiness		
	National	City	Low-income black school
N=91			
Ready	69	52	24
Probably not ready	24	35	44
Not ready	7	13	32

In this school, 76 percent of entering first grade pupils are 'probably not ready' and 'not ready', as compared with 48 percent at the citywide level and 31 percent at the national level.

Table Three gives the test readiness of a middle-income white school (5).

TABLE 3

[In percent]

	Entering 1st year readiness		
	National	City	Middle-income white school
N=77			
Ready	69	52	90
Probably not ready	24	35	8
Not ready	7	13	2

In this school, only 10 percent of the entering first grade pupils are 'probably not ready' and 'not ready.' This is a far better picture than in the black-pupil school and far better than the national level.

If we follow the testing of pupils in each of the two schools we find the pupils in the low-income school score lower than the white pupils in the middle-income school in later grades also, in terms of learning ability, reading, arithmetic computation, and in intelligence quotient. These facts hold up generally in inner city black low-income school children as compared to middle income white school children.

From our experience and from the tests, it means that many low-income children enter primary grades already educationally retarded, and continue on this path. Many are promoted because a child becomes too old and/or too big to be held back, and/or it is expensive to hold a child back. These facts point up the seriousness of the national situation, in which hundreds of thousands of boys and girls from grade and high schools in the U.S.A., are graduated without the multiple skills they need to "make it on their own". The social and political consequences are also serious and are a great danger to the boy and girl, the city, the state and the nation.

The failure to learn is not a simple matter of lowered I.Q., or of brain damage or intellectual impairment or of malnutrition or hunger, or heart murmur or large tonsils. We submit that in our experience on a large scale, *the major causes of failure to learn are social, political and economic.* We feel that many of the programs funded by the Federal Agencies and others are not and will not do the needed job because of prevailing built-in failures.

In recent years, great social changes have crystallized into specific demands. People want health needs met. They know it is poor practice to have to wait and wait in out-patient clinics for health care. They want jobs without regard to racial and ethnic origins. They want more and better food. They know the value of good nutrition. They want better housing. They are tired of seeing their children crippled and dead from lead ingestion and lead inhalation. They want money and energies and people involved in construction, rather than in destruction. People want "in" from the big unions. They want jobs and a part in building our U.S.A. They want better education. They are depressed with seeing their children grow up and not have the skills to get a decent job.

Educational retardation does not necessarily mean mental retardation. The big majority of the hundreds of thousands of boys and girls who are in school and not achieving, are suffering from a pseudo-mental retardation which manifests itself as educational retardation. Perhaps only five percent or less have a real mental retardation of a varying degree.

Of the five percent or less of the mental retardates, seventy-five percent are in the educable mentally handicapped group with I.Q. between 50 and 75. These children are indeed educable with special approaches and programs (6).

Of the five percent or less of the mental retardates, about 20 percent are in the trainable mentally handicapped (T.M.H.) group. Their I.Q. is 30–50. Many children with Down's Syndrome are in this group (although there are some who function near the normal range and at the normal range). The T.M.H. children can be mostly trained and can be educated only to a varying degree.

Of the five percent or less of the mental retardates, only five percent are in the very severe group with I.Q. less than 30. Many of these are in institutions. They cannot be educated. They can be trained in elemental habits only with great patience and a multi-discipline approach.

It is clear to us that there is a large section of our low-income population who are pseudo-retarded and therefore "at risk" because of the restricted opportunities to compete in a competitive society and it is most often engendered by conditions and situations beyond their control.

It is necessary to look at the situations and conditions that terminate in educational retardation for almost ½ of our child population, in order to plan, promote, and implement needed programs. Among these situations and conditions are:—

Health defects of a heritable, congenital and acquired nature; poverty or low-income; father not in the home. Mother overburdened and/or frustrated, and/or working outside the home; no good job for father and frustration from lack of success; inadequate diets and various nutritional abnormalities; lack of experience among the family constellation; numerous infections among the children; crowded housing; teachers trying to keep order and all too often a lack of time and motivation to teach; children acting out in school; frequent absenteeism; frequent moving; failure to develop adequate identification; mental retardation; language barrier; ethnic and racial group emotional immaturity; confused goals; insufficient material possessions such as clothing, furniture, beds, space, food, etc.; general insecurity; trauma from noise, crowding, etc.; gangs; peer group pressures for drug abuse, theft, vandalism, delinquency, crime, etc.; failure to learn to read; unrecognized worm infestations; fragmentation of health services; separation of health from education and welfare and separation of emotional health from physical health.

It is our opinon that most of the health defects are generally, minor causes of failure to learn. *However, some health defects often assume major proportions because of the failure to combine properly the health needs with the educational and welfare needs.* It is necessary nevertheless to state the health defects so that they can be best seen in relation to learning and to low income and poverty. There is abundant empiric and/or specific evidence that the following hazards go hand in hand:—poverty; inadequate nutrition; prematurity and low birth weight babies; small-for-dates babies; some neurologic deficits arising from prematurity; educational retardation; some health-learning problems; some emotional illness associated with frustration, lack of success experiences, failure to achieve near the potential, etc.; many physical illnesses, such as worm infestations, lead poisoning, some anemias, some malnutrition syndromes; some mental retardation; some of the drug and sex scene; some of the crime scene; and on and on.

In recent years a large number of reports in medical journals called attention to the various relationships between poverty, malnutrition, low birth weight, educational failure, mental retardation, neurologic deficit, low income families and so on.

In a study of the physical and mental status of 500 single-born premature infants, and 492 infants born at term. Knobloch (7) et al reported that the incidence of abnormalities increased as the birth weight decreased and that among the infants with birth weights less than 1501 grams, the defects were 50.9 percent. The defects ranged from minor neurological damage to severe intellectual deficiency. Some of these also had major visual handicaps. The authors called attention to a continuum of reproductive casualty resulting from brain damage, with a lethal component consisting of abortions, stillbirths, and neonatal deaths and a sublethal component with a gradation of damage extending from cerebral palsy through epilepsy and mental deficiency to the minor dysfunctions that could result in behavior disorder. This continuum affects the human from the sperm and ovuum union, until well after the baby is born. At birth the reproductive casualty factors are joined by the environmental factors and both then become operative on the baby. Pasamanick et al (8) stated in 1956 there appeared positive and probable etiologic relationships between low socio-economic status and prenatal and paranatal abnormalities which may in turn serve as precursors to retarded behavioral development and to certain neuropsychiatric disorders of childhood. Again in 1958, Pasamanick (9–10) and Knobloch called attention to the likelihood that inadequate diets in early pregnancies as a result of the summer heat might result in fetal cerebral-anoxia-producing complications, that in turn might account for an increase in mental deficiency and possibly other constituents of a continuum of casualty. There is a popular opinion among people generally that abnormalities of pregnancy are rare. This of course is not true.

Between 10 percent and 20 percent of recognized pregnancies end in spontaneous abortion. C. R. Green (11) stated that of 34 embryos two weeks after fertilization, 10 or 29 percent had major abnormalities

Lilienfeld (12) in 1954 studied the records of 564 epileptic children and stated that they showed significantly more complications of delivery, prematurity, and other abnormal neonatal conditions than a similar number of matched controls. He also points up the continuum of reproductive casualty. Incidentally, he feels that because of his findings there is some doubt as to the genetic basis of convulsive disorders.

In 1955, Lilienfeld and Pasamanick (13) emphasized that the nonmechanical abnormalities, such as bleeding during pregnancy and toxemia, appear to be important in the continuum of casualty and that mental retardation should be added to the sublethal component of the continuum.

Goldberg et al (14) studied 553 legally blind children of single birth in New York State and suggests that blindness in children be added to the continuum of reproductive casualty. They point out that congenital cataract was the most notable affliction associated with low birth weight in their study group.

Knobloch and Pasamanick (15–16) in a paper on Heredity and Intelligence state that in the full-term control infants (studied in relation to their several investigations of reproductive casualty), re-examined at the age of 3 years, there was a "marked racial divergence in adaptive and language behavior, while motor behavior and personal-social behavior are essentially unchanged". For white children, the general development quotient rose to 110.9 and for black children, fell to 97.4. Similarly, language rose to 106.0 in the white children and fell to 90.1 in the non-whites. There was no change in gross motor behavior between the races, the quotients remaining at 113.7 and 112.5 respectively. These findings point to the major impact of socio-economic deprivation factors on the development of language ability among young black children.

Investigative work indicates that the genetic information is stored (17) in the DNA and is transmitted to the protein-making machinery of the cell, so that a specific nucleotide sequence in DNA gives rise to a unique amino-acid sequence in the polypeptide chains of proteins. It may be said that DNA contains a coded message with instructions for the manufacture of specific proteins. DNA directs the synthesis of a specific RNA and this, in turn, directs the synthesis of a specific protein. Mutagenic changes affect genetic structures. Genes determine the activity of critical proteins, their quantity or quality, or the milieu in which the proteins operate. Work with mutants showed that in over 95%, each mutant had a single gene defect and lacked, by nutritional analysis, the ability to supply a single nutrient in optimal amount. Subsequent work shows many mutants do not contain appreciable amounts of a particular enzyme for synthesizing the essential substances. *Some mutants make some enzymes but less than an adequate amount.* Thus it is that the normal or distorted actions of a single gene can infringe on a wide variety of related actions and in this way influence metabolic patterns, cellular structures and morphologic units. *Nutrition is at the formation of life and at the development of a life into a functioning human.* The role of nutrition is basic.

A large number of inborn errors of metabolism have been reported involving proteins, fats, carbohydrates and pigments. Some of the conditions are fatal. Some are crippling. A few are understood and remediable, among which are diabetes and PKU.

A consideration of the large number of noxious elements and medications that are lethal or crippling to the fetus, infant, and child is extremely important. However, if we look at just one, namely the Thalidomide (18) affair, we gain an insight to the massive job that needs to be done in the field of medication—the hundreds of things we need yet to know. Thalidomide first came out as Grippex in 1956 and was thought to be effective in flu. Later it was found to be a sedative and was used as a sleeping tablet. It was marketed under a great many different names. The brakes were off and in its wake, thousands of despaired and mourning parents were left with their dead or crippled children. Fortunately incidents like these may be only "one-shot affairs". But socio-economic influences stay with us and take a heavier toll.

There is an overflowing literature on the effects of social (19) and economic and family environmental (20) conditions on the health and function of infants and children. The effects on growth and health such as very high infant mortality, slow rate of growth and physical and mental lethargy, is well-documented in some underdeveloped countries and areas such as among deprived groups in Central America. Patton and Gardner (20) stated, that maternal deprivation, even in high socio-economic homes can produce growth failure with symptoms of physical and mental retardation and severe associated emotional disturbance.

If we were to look at all of the sequelae of the noxious influences plaguing humans and zero in on the target of the day, it would be taking a look at the life wastage in terms of spontaneous abortions, immature stillbirths, premature stillbirths, premature livebirths, (which die soon after birth), and then the premature livebirths, which stay alive with various types of morbidities and defects. Being even more specific, it would be the non-white low birthweight baby in cities that have large numbers of low income black residents, and the white low birthweight babies in areas that have large numbers of low income white residents.

Clifford (21) stated the problem is like an iceberg in which we see only the deaths and the casualties, with the greater number and variety of morbidities hidden deep. The prevention of prematurity is the Sine Qua Non for reducing mental retardation and other neurologic disorders.

Bacala et al (22–23) in two studies, one of low birth weight babies 1500 grams and less, and one of babies 1500 to 2500 grams found that in the under 1500 gram group, 50 percent had borderline mental development or actual mental retardation.

Williams and Scarr (24) found after careful studies that learning ability in low birth weight infants is directly associated with CNS damage.

Eaves et al (25) stated that many authors find as the birth weight decreases, there is a gradually increasing incidence of mental retardation and psychoneurologic defect.

We must take a look at the trends in prematurity in the U.S.A. (26). The following table shows the trends:

TABLE SHOWING PERCENT OF LIVE BIRTHS OCCURRING IN HOSPITALS AND PERCENT LOW-BIRTH-WEIGHT INFANTS U.S.A. 1950–1960–1967

Year	White		Nonwhite	
	Born in hospitals	Low birth weight	Born in hospitals	Low birth weight
1950	92.8	7.1	57.9	10.2
1960	98.8	6.8	85.0	12.8
1967	99.4	7.1	92.9	13.6

It is apparent that from 1950 to 1967 the incidence of prematurity or low birth weight babies has not changed significantly in the white group. However, in the non-white group the incidence of low birth-weight babies increased from 10.2 percent to 13.6 percent. The incidence is almost twice the percent in non-white over white.

A symposium was recently held on the role of malnutrition in the pathogenesis of slums (27). The speakers pointed up a long chain of abnormal conditions, each feeding on the other in an unbroken pattern. Some of the abnormal conditions are:—poverty in the home—maternal malnutrition—small weight baby—brain size smaller than normal. The placenta showing a reduced number of cells as well as differences in composition of DNA, RNA, protein and trace minerals. The brain size may be less than normal, with appreciable reduction in numbers of brain cells, DNA, RNA, protein and lipids. There may be intellectual limitations—growth impairment — frustration — infections — emotional deprivation and disturbance—health-learning difficulties, etc.

In a recent article (28) by Bergner and Susser, it is pointed out that the effects of poverty increase the chances of children growing up and marrying into the poorer classes and keeping up the cycle of poverty and reproductive disadvantages. Kallen (29) agrees with the abnormal effects of severe malnutrition, but states that the effect of mild chronic malnutrition on intelligence is not clear. It is suggested that among the consequences of malnutrition are apathy, uninvolvement in the world, unresponsiveness, interference with learning, interference with using the skills already present, negative self-image, feeling of incompetency, reduced social mobility, etc.

David Coursin (30) stated, "the question is not does malnutrition affect the brain, but how much does it and by what means?" He states that the requirements for prevention of malnutrition are at hand but the concerted efforts of medical, economic, political, educational, psychological, and social forces are needed to implement them successfully. Max Seham (31) stated that 11 million or

more American children are suffering from the "deprivation syndrome", and that the poor, especially the Negro, have been trapped in a relentless cycle of poverty for many years.

K. Mehlinger (32) in a hard-hitting article states the milieu of the ghetto is sick and other ethnic groups as Mexican-Americans, Latin-Americans, Puerto Ricans, and Appalachian-Americans are afflicted with the same endemic illness. He states, "oppressive social conditions destroy the protective function of the black family and rob the child of the inner security and self-esteem needed for mature growth . . . the ghetto child (ghetto-naught) plods and shuffles in a vacuous never-never land of unlimited nothingness.

PSYCHOLOGIC STATUS

Psychiatric service today is sorely lacking in most aspects of human need. When a child or parent show symptoms indicating psychiatric treatment is needed, the service seems not to be easily and readily available on an early and continuous basis. Preventive psychiatry is rare indeed.

A frequent need for the psychiatrist is from the school boy and school girl and their parents. The school is the first major competitive challenge in a person's life. The other major competitive challenge is when the young man and woman "go out into the world to seek fame and fortune," or in other words, when they enter the work force and need to compete to get the job, to hold the job, to change jobs, to get a raise, to gain recognition and so on: Preventive mental health programs practically are not making headway because a look at the world scene shows: widespread social illness, enslavement, mass murders, cruelty, almost unbelievable materialism, poverty, malnutrition, hunger and air-food-water pollution. Strangely, these exist side by side with affluence, good health, compassion, and charity.

If we look at the school scene we find:

Too many children act out.
Too many do not achieve well.
Too many are on drugs.
Too many are truant.
Too many are emotionally disturbed.
Too many are undernourished.
Too many are sick with defects.
Too many are defiant.
Too many do not have clear goals.
Too many are all of these.

In interviewing many children with some or all of these troubles, we find many have confused goals. Many have great difficulty and are actually in crisis, trying to establish and identify with themselves, with adulthood, with their families, with the school, with their future. Many do not have a clear idea of their role and are depressed and fearful of the future. Many gravitate to the peer group or the gang or club, out of sheer need for comfort in belonging with others, who feel as they do. Many neglect their nutrition because of general depression and hopeless outlook. Many put on a rebellious and pseudo-independent front and attempt to hide their inner depression. Many turn to promiscuity or to self-punishment or punishment of others. Many are unable to bring proper relationships to the id, ego and super-ego and the result is failure to establish optimum or near optimum function. The present drug scene in our opinion has a strong element of depression of youth, and the drug scene is only one symptom of this widespread depression. Society is faced with a great challenge. It would take a major change of direction on the national and world scene to make effective priority changes. It would take an Herculean effort to change entrenched committees, departments and groups all along the line, to move rapidly to give service to people. Is this probable?

As the infant grows he needs just enough frustration and challenge and motivation to develop skills as they are challenged to appear, and also so that the individual pattern of skill development will indeed unfold in as near an optimal manner as possible. On the part of the mother and father this means knowledge, love, understanding, compassion, and relative freedom from want of the basic necessities to live. It also means relative freedom from fear of living in any particular country where the climate is far to the right or far to the left. The parents must set examples of good total living so that the milieu of the infant will be best for optimal growth and development. The parents need to have some knowledge of child behavior and child growth and development, especially in regard to diet, inoculations to prevent disease, periods of development, puberty, adolescence, and so on. Many people of foreign ethnic groups in their own foreign countries had little knowledge of these things, but they had love and a father in the home and work to do, and they had a simple, non-rush type of society and milieu. Thus, their built-in skills of being a father and mother were quickly developed when needed.

To expect a mass of black poor, Mexican poor, Puerto Rican poor, Appalachian poor, and rural poor in various parts of the country, to meet the challenge of parenthood when they face more prematurity, poor health care, poor housing, poor education, increased infections and segregation from the more affluent, is, to say the least, unrealistic. Or to expect that many of the existing Federal Health and Education programs can do the job is indeed an amateurish approach to serious widespread problems.

As these children of poverty grow into the adolescent period, they need to identify with interests outside the homes such as friends, loves, groups, jobs, goals, school, clothes, sex, sports and so on. With the total past of so many, it is no wonder the expansion of interest is the gang and its accompanying school failure, truancy, delinquency and the rest.

As this country developed, rationalism took over, but neglected the emotional needs of the ever-increasing population. Rationalism developed from expediency and together they led to steel, brick, mortar, guns, wars, crimes, and lack of participation in decision-making by the young. The materialistic developments continued at a fast pace but wasn't enough to meet the needs of peoples' minds, and changing needs, and changing desires. As the young presented their claims and desires, they feel they were met with a tightening-up of the status quo. We should recommend and implement programs that will surely improve the plight of the needy. The cost of the programs that will work is immaterial—if they work. The vista of planners often is palliative rather than curative—often expedient rather than groundbreaking in imagination.

Finally, we would like to give you our definition of proper nutrition. It should mean proper food intake, proper air intake, proper water intake and proper thought intake.

This world was indeed fortunate to have had a Bobby Kennedy who said:

"Some men see things as they are and say, why? I dream things that never were and say, why not?" We think the world needs to think in the broad aspects embodied in Bobby Kennedy's work.

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IMPROVING THE QUALITY OF LIFE—II [1]

(By Irving Abrams, M.D., F.A.A.P., Louise Daugherty, Richard S. Abrams, M.D. and Michael Vanecko, M.D.)

In June of 1971, Part I of "Improving the Quality of Life", was published in this Journal. Part I emphasized the widespread existence of educational retardation and reviewed the possible and probable relationships of poverty with health defects, but stressed the fact that while health defects were very important in the general failure to learn to achieve, the most important causes were social, economic, and political. A long list of defects, conditions and situations were brought together. Among these are:—poverty, which breeds poverty, inadequate nutrition, prenatal and paranatal abnormalities, low birth-weight babies, increased infections, neurologic deficits, apathy, emotional immaturity, lack of self-esteem, negative self-image, reduced social mobility, identity confusion, high infant mortality, environmental and cultural deprivation, and the concept of a "continuum of reproductive casualty resulting from brain damage, with a lethal component consisting of abortions, stillbirths, and neonatal deaths, and a sub-lethal component with a gradation of damage extending from cerebral palsy through epilepsy and mental deficiency to the minor dysfunctions that could result in behavior disorder and some health-learning problems."

Part I pointed out the school situation in which too many children act out, too many do not achieve well, too many are on drugs, too many are truant, too many are emotionally disturbed, too many are undernourished, too many are sick with defects, too many do not have clear goals, and too many are all of these.

[1] From the Chicago Board of Education, I. Abrams, Medical Director, L. Daugherty, Assistant Superintendent, Pupil Personnel Services and Special Education, R. S. Abrams, Psychiatrist, Northwestern University Medical School and M. Vanecko, Associate Medical Director, Chicago Board of Education.

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The national situation is serious. However, the problems are complex. To attempt to meet the challenges and to fulfill the needs, with a "business-as-usual" methodology is again destined to keep alive many preventable situations and to lose time and lives and materials and energy. This would be a repetition of much that is happening now. Many of the Federal HEW programs are not "on target". Many of the E.S.E.A. programs are burdened with administrative details and administrative overhead so that the recipients of the services are shortchanged. Many non-medical persons who are overseers or "funding people", use their energies to accumulate numbers and quantities of services rather than quality of services with personal and individual concern.

Some of the trends in services actually removes responsibility from the parents and places it squarely on the community. There should be a strong trend to provide health services in which a general practitioner or pediatrician would be the "family doctor", and to practice in groups so that the family doctor would have access to specialty services when needed. This is similar to the old "Mayo Clinic" concept and is good. However, the Head Start program clearly separates the Head Start child from the family health care, and, indeed, splinters the family health care. In E.S.E.A. programs, the personnel paid by E.S.E.A. funds cannot serve children eligible for Model Cities' health service, and cannot serve Head Start children eligible for Head Start health service, even if the E.S.E.A. child is in the same school as the Head Start child, or any other child. This necessitates duplicating personnel and school visits. To us, as doctors, this is characteristic of the unrealistic splintered planning at ton levels.

Another negative aspect of what is taking place in big cities is the frequent changes of professional staff in some medical centers that serve low-income families so that a child or family finds it difficult to establish a necessary intimate relationship with the family doctor concept.

The solutions are not easy. There will need to be plenty of time, materials, labor, production, cooperation, willingness to do the job, careful planning for the present and for the long-range. Plugging holes unfortunately has been substituted for effective planning. Fragmentation has too often sidetracked comprehensive integrative programs. To come anywhere near filling the needs of our American society will require revolutionary concepts, Herculean efforts, massive amounts of money, and better national goals than now exist. It could be easy if the problems were only of a health nature, because a health program of comprehensive scope would be the answer. What makes the solutions difficult and complex is the fact that health is tied in closely with education and welfare and one cannot be separated from the other.

In days gone by, if a person was sick, and needed a hospital, and didn't have the money to pay, his illness was attended to at a charity hospital, but the welfare needs were not considered too seriously because the family didn't complain too seriously and "suffered in relative silence", so to speak. Today, there is an organization of people into groups, and they are aware of the needs and they articulate them clearly.

Also, it is apparent from years of observation of the passing scenes, that the greatest causes of present-day health problems are due to social, economic and political reasons. Thus the solutions must consider programs of social, economic and political significance in order to improve health, welfare and education. Furthermore, the acuteness of the problems requires unusual and massive programs to be effective. For example, feeding children breakfast and lunch in school isn't going to solve the nutritional and welfare problems of the poor family (33). The problems of the poor family are intergenerational, that is, passed on from one generation to the other. This is one reason why the social and economic factors are of major importance.

Can the U.S.A. afford massive planning and massive programs? The answer, of course, is yes! The President of the U.S.A. called for revolutionary planning. We need refer only to World War I and II and the Korean and South Vietnam Wars, and the space program and then think of the huge amounts of money, manpower, materials and organizations that went into them. The true statistics of these wars would stagger anybody. We are not expressing any opinions about wars except to state that the capacity of this great nation indeed can solve all the major problems.

IMPROVE THE QUALITY OF LIFE

To improve the quality of life will surely need more than just vitamin research or teaching some women to use contraceptives, or building some neighborhood health centers, or any planning that may be sporadic, or integrating a few schools or a few teachers, or adding some more children to Head Start. All of these help some, but the problems will always be ahead of the solutions and improvements.

The word "adequate" seems insignificant and so little. It is used so often. Yet, it carries a profound meaning and has the vista of mountains, and costs billions of dollars. The following programs and actions are recommended. They embrace the interests of total living rather than just medicine, because health cannot be separated from other necessities of living, such as education welfare and religion in all its meanings.

We recommend the following:—

1. A conference of World Religious leaders, representing all major religions, to consider practical aspects of population control, of promoting ecumenicalism, of preventing war, and of teaching children the benefits and positive aspects of religion so that the spectre of condemnation of any religion will eventually disappear from all teaching and religious practice. The conference should be regularly scheduled similar to the way management and labor are brought together to settle differences for the common good. The "common good" is in deeper trouble in the area of religious differences, religious bigotry, population out-of-control, wars rampant, and so on, than the common good of any differences of labor and management. Why does the world press pay headline attention to strikes of labor against management rather than to the urgencies herein stated?

Of course, we are fully aware of the obstacles and complexities involved in possible but improbable meetings of world religious leaders. But isn't it high time that religious leaders faced their responsibilities squarely and made themselves accountable to the betterment of mankind and the improvement of the quality of living? Is it too much to expect them to meet and "iron out" differences exactly as labor and management meet in emergency sessions? We know for sure that sometime in the future, this will be done if people are to survive, so why not now, and shouldn't political leaders on the national scene take responsibility to bring about these meetings.

2. A World Congress of the Great Powers to do the following:—

a. Elimination of pollution of air, drinking water, food, lakes, rivers and oceans. A definite timetable must be instituted world wide. Agreements must be reached. Following

agreements on a world basis, each nation must start a large-scale de-pollution process.

b. Elimination of wars through a World Body. This must be accomplished through meetings of the Great Powers. Our own country, the U.S.A., must spend enough to keep militarily strong, but must avoid wars of mistakes.

c. Guarantee freedom of small democratic nations based on compassion, understanding and justice, rather than on oil and real estate.

d. World-wide controlled food program. There is enough food to feed the world. This must be done through the Great Powers. The food production capacity can be mobilized to do the job. In the U.S.A. a nation-wide food plan to eliminate hunger and quantitative and qualitative defective diets is necessary so that the people will be exposed to the knowledge of adequate diets and will have the means to purchase them. This should not reduce research in basic foods and metabolic problems and enzyme systems, etc. However, it offers the quickest and most effective method of reducing under-nutrition and much malnutrition and reducing prematurity and a lot of other troublesome traumas. The cost of feeding the large number of needy of the low-income group is big. However, the long-term cost of the sequelae of inadequate diets is far greater. The impetus needs to be national.

3. Health-Education-Welfare Educational Program. Health education, and education, and welfare education, in all its aspects to the community is sporadic and mostly crisis-inspired practically all over the nation. We send children to school to receive education, to increase their experience, their knowledge, their judgment and their maturity. We neglect the adults. The adults of the nation need information on a regular basis on health matters, economic matters, morality and ethics matters, business matters, legal matters, welfare matters and so on. While all this information is available to anybody who wishes to set out and get it, the fact remains that the great majority of adults (parents and others) do not get it nor do they get enough of it to take advantage of modern knowledge and facilities and services.

In these regards, the press of the national, radio, T.V. and the rest of the communications media needs to be mobilized to bring to the doorstep the things people need to know such as:—

Our National Goals—3 minutes.
The Sacredness of Marriage—3 minutes.
The Responsibilities of a Father—3 minutes.
The Responsibilities of a Mother—3 minutes.
The Importance of Going to School Every Day—3 minutes.
Home Reading for the Family—3 minutes.
High-Risk Pregnancies—3 minutes.
Local Health Facilities—3 minutes.
Local Welfare Facilities—3 minutes.
Your Eyes—3 minutes.
Your Child's Eyes—3 minutes.
Drug Use—3 minutes.
Drug Abuse—3 minutes.
Opportunities for You—3 minutes.
Evening School Program—3 minutes.
Vocation Adult Program—3 minutes.
How to Answer Your Child's Sex Questions—3 minutes.
Any and Every Practical Subject, of Which There are Many Hundreds.

These 3 minute releases should be given, one a week, in the daily press, T.V., radio and other communication channels. If necessary, new channels of communication should be opened. The author of each 3 minute segment should be a practical expert in the field. All of the present attempts before the public are fragmented and piece-meal in substance. This suggested program can integrate health education with other education and welfare of the people. The subject matter is endless. The releases will vary with the community. However, the communication channels must be used more for the benefit of the people than ever before. The "Press" has done a good job but needs to do better. It is not enough to headline a sporadic outbreak of diphtheria or encephalitis. It is necessary to headline the preventive and accepted aspects of total living, so that the people are informed for the common good. There are no politics in reading on the front page the location of various human services. There are no politics in carrying on the front page a 3 minute article on the psychologic needs of children or on the things a person should expect on a trip to the doctor's office, or on why a child needs to attend school every day or on HEW material the parents should know about, and so on. A massive continuing HEW program to the total community can be conducted by a Board of Education in cooperation with a medical society. This can indeed be quite practical.

4. Massive Rehabilitation and Vocational Program, to train people in need of skills that will make them fit to enter the productive work force and remove some of them from a life of frustration, depression, dependency, failure and charity. It is long overdue to train all people who can be trained in skill-development. Our nation needs the skills of people. Giving skills to people now who are "failures", "cripples" and so on, would restore their hopes in many instances. There are thousands of possible jobs in which many people can be trained, people who now are not producing but who are passively receiving help and who wish to contribute to the extent of their time and strength and within the terms of their defects. This program should not be compulsory but needs to be organized so as to reach out to the people in a friendly, helpful, cooperative way.

5. Sharp increases in school budgets for health services. This will afford a real opportunity to bring health services to children where they are needed. For example, the child in school manifests many health problems inside the school building. The improvement and correction of these defects need to be meshed in with an in-depth understanding of the schools' educational system and the nature of the child's competitive challenge and needs. Therefore, physicians need to have some exposure to the school system, before they can be effective in making decisions about the child's school problems. There needs to be a program of medical student and/or interne and/or resident training in school systems. Medical-education planners need to incorporate the school systems into their curricula and programs, so as to round-out the medical education of doctors and other professionals so they will have a knowledge of health, and education and welfare rather than of health and only a smattering of school health knowledge and solutions.

6. A National Health Plan, in which the family doctor will give the primary service in group offices, clinics and hospitals, and in which the family doctor will have access to all specialty services and specialists. We cannot see that people in poverty can pay totally for needed services. A national plan of some sort seems practical. However, the details need to be worked out at conferences of government with health leaders and community representatives. The participation of the non-professional community is vital.

7. A National Plan of stimulating and motivating high school boys and girls to think of, and plan, and enter, the medical, paramedical and nursing and laboratory fields. This is done by having selected students, especially in low-income areas, visit hospitals once a week, 2 hours each week, for a semester, to get exposed to surgery, medicine, pediatrics, laboratory, x-ray, and all other departments in hospitals, on a planned basis, with high-school credit given to the student. This will guarantee a steady supply of manpower to all low-income areas of the nation. This plan is being developed citywide in Chicago by Dr. Frederick Stenn (34) of Northwestern University Medical School and Wesley Memorial Hospital, with the cooperation of the Chicago Board of Education Medical Bureau, and Department of Special Education and Pupil Personnel Services. Students go to the hospital nearest the particular high school, by arrangements all prepared in detail.

8. A massive plan of building new schools, new hospitals, and restructuring those that can be fixed. This needs to be a continuous new program and replacement program because the need is great. This will open up many jobs to help cut unemployment, as well as to care for the educational needs of children, and the health needs of all.

9. A massive plan of building new low-cost housing and reconstructing those that can be fixed. For new housing, the units should be separated and no more than 1 or 2 stories high in order to remove the trauma and crowding of high-rise dwellings. Arrangements need to be made for beautifying the houses with land, park, playground and trees and so on. This program will, of course, be continuous and on-going. It will open up many jobs. It will bring confidence and security to poor people. It will bring hope to the depressed. Private industry can indeed afford to "get in the act" and still retain low-cost aspects, if government will clear the way.

10. Programs of crime prevention must be instituted. Public officials must not "look the other way".

Of course, there are other programs needed. Again, the cost of all of these programs is less than the cost of war, the cost of property damage from frustrated youth all across the country, the cost of keeping youth in prison, who could have been in legal productive jobs, etc. Taxes need not go up. Private industry can absorb most of the programs and with profit. What is needed is initiative and cooperation from government. Also, what is needed is the same powerful massive push for these programs that surely will improve the quality of life, the same vigorous push that is given to wars. Depressions need not occur, if peace breaks out.

Finally, the success of massive programs depends on the skill and integrity of the planners. It surely wasn't the intent of the Medicare planners to pay Nursing Homes enormous sums of money for room and board for elderly men and women, when a great many of these "homes" treated the elderly with neglect. It surely wasn't the intent of Medicare to pay enormous sums to many doctors when *some doctors* did not give adequate quality service to the elderly sick.

We realize it is important to be practical. While some of the 10 programs herein recommended are hardly likely to be implemented, we do feel that saying what we've said here is long overdue.

SUMMARY

Parts I and II reviews some of the available evidence linking poverty with health defects. It is pointed out that, while these associations are probably true, the most important etiological factors are not primarily health, but rather are social, economic and political. Large-scale programs are recommended to improve the quality of life.

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PROBLEMS OF THE AGING

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mrs. ABZUG. Mr. Speaker, there are 20,000,000 Americans over the age of 65. The elderly are the one age group in our society that has become poorer in recent years, and the number of elderly poor continues to increase. The Government has set $1,750 as the poverty level for an individual and $2,200 for a couple. Of the total number of single people over the age of 65, 47 percent live below the poverty level. And 17.6 percent of all aged families live below the poverty level, while one-third of these families have incomes of less than $2,670. Most of these people are dependent upon income from social security benefits.

Because of inflation and skyrocketing costs of food and medical care, the elderly are not able to meet their needs. Medicare, for example, only pays 40 percent of health bills. Property insurance rates have increased 60 percent since 1957; in the same time period, property taxes have risen 50 percent. The cost of housing has increased by more than 25 percent and the cost of transportation has risen by something over 35 percent. Social security and pension benefits have not kept pace with the cost of living increases and the elderly find themselves increasingly excluded from the mainstream of our society.

The Special Studies Subcommittee of Government Operations, of which I am a member, has been holding hearings on the problems of the aging. With the cooperation of our distinguished chairman, Mr. WILLIAM RANDALL, we have had the privilege of hearing witnesses from New York who are particularly familiar with the problems of the urban aging at these hearings. Because their testimonies pinpoint and highlight the problems of the urban aging in particular, I would like to insert them in the RECORD in their entirety:

STATEMENT OF ESTHER LEVITT, DISTRICT 65, RETAIL WORKERS UNION, NEW YORK CITY

In speaking of the needs of the elderly in our country, we would not wish to negate the need for additional money, Social Security, housing, medical care, etc. Our Union has 3,000 retirees, our Pensions are better than average. Nonetheless, our members income falls below the minimum as described by the Bureau of Labor Statistics.

The housing that our retirees—White, Black and Puerto Rican—live in, ranges from adequate to the cell-like rooms in ramshackle rooming houses, where there is no privacy for either cooking or bathroom privileges. However, even in the face of this lack of privacy and with adequate income, the hardest and saddest part of their existence is the constant and never relieved loneliness.

There are some elderly people who make an attempt to hang on to the last vestige of involvement with other human beings. It is one of the most pathetic sights in contemporary America to alight from a bus or train and find the elderly flotsam that inhabits bus and train depots. They are also found in all night cafeterias throughout the city. This is unconscionable in our vital affluent society.

But, there are some even more pathetic. Those are the elderly who do not ever have this capacity to seek human relationships. They are utterly confined to a quasi existence. These are the ignored and the loneliest people in the country. They venture forth only to make their meager purchases and have no contact of any sort with any other human being.

It is to these hundreds of thousands of lonely citizens that we must direct our attention and energies. We must "Reach Out" to these people. We think that the best way to institute this "Reach Out" operation would be the agency which we have at this very moment.

The Social Security Administration should be the instrument for preparing people for retirement and for insuring that once retired they are not cast off from the American mainstream. We have a nucleus of a staff that they might draw from in the ranks of those currently retired. It has been said repeatedly that our most priceless asset is our people. Should people just shrivel up like autumn leaves and be swept away because they have worked all their lives and retired? Where are the Golden Years? What do they mean? What could they mean?

We have done much to extend life. Middle age now reaches into the 60's. We know many vital people who are well into their 70's and some in their 80's. Let us use some of these vital elderly people to "Reach Out" to the lonely, timid retirees.

The mechanics of such an operation to "Reach Out" are available through, let us repeat, the Social Security Administration. Currently, we in District 65 have just instituted such a program, and are gratified at the number of people who have responded to our first attempt. But, we are just one institution in one great city. If this "Reach Out" Program were adopted as National Policy, we could retrieve millions of wasted lives.

It is obviously beyond the power of private organizations to contribute greatly to this

vast need. You in this room have the instrument and the power to break down the walls of indifference, apathy and loneliness.

Thank you.

STATEMENT OF ROLAND N. WILLOUGHBY, RETAIL WORKERS UNION, NEW YORK CITY

The needs of America's Senior Citizens are many.

There is hope that the White House Conference on Aging scheduled November 28 to December 3, will make a genuine effort to make life better for older Americans.

The fact is that millions of men and women age 65 or over are still without adequate income—many of them lacking the cash necessary to participate in the Medicare Program.

Some of the problems affecting the aged which require prompt attention include:

1) Higher Social Security increases
2) Housing for the Elderly
3) Medicare improvements
4) Nursing Home standards
5) Transportation needs

All Americans should have an adequate income as a matter of National policy and to the extent that this level of income is not achieved through private and public retirement programs, income supplementation should be provided from general revenues of the United States Treasury.

To achieve this level, a 25% Social Security increase effective January 1, 1972, over and above the 5% Social Security increase proposed in the Social Security Welfare Bill, is necessary. When last year's Social Security Bill was introduced, it was greeted as necessary and indispensable legislation. The special committee on Aging has called the problems of the elderly an "unnoticed crisis." There is no doubt it is a crisis which affects a majority of the 20 million elderly Americans and threatens to embrace many more millions of people nearing retirement age.

Senior Citizens are entitled to a level of income sufficient to eliminate poverty. There has to be further development of programs to assure elderly citizens reasonable comfort and security and a better balance between income after retirement and income before retirement; to maintain the power of the elderly by increasing retirement income in line with improvements in living standards of the employed segments of our society.

A nation as wealthy as ours can afford to do more for its older people. Government has the duty and the responsibility to serve as a strong advocate for the beneficiaries of the programs it provides. In a representative democracy, government at all levels is the servant of the people. For older people with their special problems of income and health problems, government has the responsibility of seeing that the older people have a fair share of our nation's resources.

HOUSING FOR THE ELDERLY

The housing crisis confronting older Americans is appalling. Six years ago, the Older Americans Act declared that, "in keeping with the inherent dignity of the individual, older people of our nation are entitled to suitable housing—individually related, designed and located with reference to special needs and available at costs which older people can afford."

Recently, the planning staff for the White House Conference on Aging made this finding: "It is apparent that the decade of the 1970's finds the housing circumstances of older people as critical as ever."

"Millions are still forced to live in the dilipidated dwellings of the central cities and in economically deprived rural areas. Most are too poor to afford anything better."

"Many are lonely and isolated, afraid to venture into the city streets. They are immobilized by the lack of transportation and are deprived of needed services from their communities."

Although we have a wide range of Federally financed programs for the elderly, the progress in providing elderly housing units over the past decade—an optimistic estimate of 375,000 units (an average of 37,000 units per year)—is pathetic when measured against the absolute need of at least three million units.

A state of acute emergency exists now with respect to the housing conditions of the elderly—a denial of their "essential dignity" which compels them to live their later years in neglected dwellings in cities and in deprived rural areas.

The situation is worsening. A program—Section 202 of the Housing Act—which provided direct loans to non-profit organizations to build housing for the elderly, a program off to a most promising start, was phased out in 1970 in favor of a program requiring these non-profit organizations to compete in a tight and high interest mortgage market.

We note that the Report of the President's Task Force on the Aging of April, 1970 described this 202 program as "a particularly effective program to meet the housing needs of the elderly."

The developments of housing units for the elderly has been further blocked by the downgrading of concern for senior housing in the Department of Housing and Urban Development. For a period of several years, up to 1969, HUD had a position of Assistant Secretary for Senior Housing.

By Administration policy, the housing needs of the elderly have been submerged in a program of meeting the housing needs of the low-income generally. This concerned the President's Task Force on Aging which observed that this "will inevitably deny to the elderly consideration of their needs for special living arrangements." The record shows that this is happening.

Two decades ago, Congress adopted as a national goal provision of "a decent home and a suitable living environment for every American family." Our lack of progress toward this goal is shameful and for the elderly—particularly the low-income elderly—grim and cruel.

To ease this situation, a five year housing program with the following timetable is needed:

a) Immediate release of $928 million in housing fund appropriated by Congress but impounded by the Administration.

b) Full funding of housing programs to achieve the national goal of 2,600,000 units a year with specific allocations for the construction of a minimum of 120,000 units for the elderly each year.

c) Substantial upward revision of income limits for eligibility for low and moderate income housing.

d) Continuance of and additional authorization for direct loans under the Federal Housing Act's 202 program with an amendment to include life supportive services under direct loan, low interest financing.

e) Use of Federal influence to obtain relaxation of zoning regulations which restrict construction of low income housing for the elderly where the need exists.

In view of the large number of housing units now inhabitated by older people which are being lost by deterioration and decay, we urge an emergency program of rehabilitation to encourage and implement the creation on the State level of volunteer or other rehabilitation and repair programs for housing occupied by the elderly.

An Assistant Secretary for Housing for the Elderly should be appointed in the Department of Housing and Urban Development, given statutory authority and charged with initiating, review and implementing housing programs for the elderly.

The ratio of housing charges or rent should not exceed 20 per cent of income. A governmental rental supplement program should be adequately funded to provide the necessary subsidy for this purpose.

Congress should enact legislation providing a national agency to set-up and administer a nation-wide program of home owner and allied insurance protection to be available at reasonable, uniform cost without regard to the area involved or the character of the neighborhood population.

The achievement of these recommendations would be a partial solution to the housing needs of America's elderly, but one further step is necessary. The alarmingly growing crime rate in our nation's cities strikes fear into the hearts of our citizenry. Senior Citizens are afraid to walk the streets or even within the outer confines of their dwellings.

There should therefor, be provisions for adequate professional security protection for elderly citizens in housing projects.

ON ANOTHER SUBJECT—MEDICARE IMPROVEMENTS

Top quality comprehensive health services should be available to every American as a matter of right without regard to social position, income, race or religion.

The Health Security Bill—S-3 in the Senate and H.R. 22 in the House of Representatives, is designed to provide top health services under a program of Federally operated national health insurance.

This would pay at least 70% of the average citizens health expenses as compared to a smaller percentage of health costs covered under Medicare, the Federal program of health insurance for those age 65 or over.

However, pending enactment of a much sorely needed National Health Insurance Program, improvements in the present Medicare program are vitally essential. These include:

a) Elimination of the premium charged for Medicare, Part B insurance. Medicare, Part A and Part B, should be combined and the Medicare, Part B eliminated. Medicare, Part B benefits should be financed through taxes on rising payrolls and through Federal general revenues.

b) Out-of-hospital prescription drugs. Medicare should pay the full cost of prescription drugs. It now pays for drugs or other medications prescribed during hospitalization, but not for drugs prescribed for use on an out-patient basis.

c) Abolish limitations on hospital care. The Medicare benefit period should cover the entire period of treated illness or disability. Present limitations on Medicare coverage of hospital care should be eliminated up to $60 as should the additional out-of-pocket payments for hospitalization beyond 90 days and the limit of 100 visits under a spell of illness under Medicare home health services.

d) Immediate determination of eligibility for extended care. Many Medicare beneficiaries enter extended care facilities believing Medicare coverage is assured only to learn, frequently, after weeks or months, that Medicare officials have ruled against reimbursements.

The United States Department of H.E.W. should promptly devise procedures to insure early decision as to the patients eligibility for reimbursement for extended care under Medicare.

e) Medical costs should be reduced through maximum use of predetermined reimbursement rates for doctors and other providers of health services and not through additional charges to the patient. Our government should move quickly to institute a "watch-dog" agency for this purpose until superior health services can be provided through a National Health Program for all Americans.

NURSING HOME STANDARDS

Safety in Nursing Homes has been an ongoing concern of millions of elderly who must live in these institutions. President Richard Nixon recently spoke about the ghastly conditions in our Nursing Homes. Pressure for higher standards of Nursing Home care has been increasingly exerted by organized labor, the American Association of Homes for the Aging, Senior Citizens Councils and other humanitarian groups.

What is needed is the establishment of professional standard review organizations and an inspector general for health administration and public access to records concerning an institution. Many of our elderly have become frightened and alarmed over the prospect of being shut out from the outside world by being confined to a Nursing Home.

The Nursing Home industry has greatly expanded since the mid 1960's. A substantial portion of United States Nursing Homes provide substantial services to patients in their care. Independent studies of the Nursing Home industry have proved this.

Incidents of neglect and brutal treatment of patients in Washington, D.C. area Nursing Homes were reported on the floor of the House of Representatives a few short months ago. Public hearings in many areas of the nation to demonstrate the extent of the seriousness of deficiencies in our nation's Nursing Homes are required. A resolution was introduced in the House of Representatives calling for a Congressional investigation of the Nursing Home industry. Make this resolution the law of the land.

TRANSPORTATION

Older Americans rank transportation as a major problem. Without adequate transportation the elderly are denied easy access to shopping areas, church services, recreational facilities, gainful employment and social contacts with friends and relatives.

Cut off from these vital contacts, the elderly tend to become isolated with resulting mental and physical deterioration. For most aged persons, transportation is a heavy expense—accounting for about nine cents of every dollar of the average retired person's budget. It is the top expenditure after food and housing needs.

Senior Citizens see the need for a Federally aided mass transportation, equal in scope to the Federal highway program which, it is estimated will have cost $50 billion when it is completed in 1974. To this end, Older American groups urge Congress to earmark a substantial portion of revenues from Federal gas, oil, and motor vehicle taxes for improvement of mass transit service.

Some U.S. cities have granted their elderly residents the privilege of riding on public transit lines at reduced fares during nonrush periods. State and local authorities across the nation are urged to extend this privilege to elderly men and women.

Substantial reductions in bus, train and domestic air fares are required for the elderly. This would promote the health and comfort of seniors by making it easier for them to visit distant members of their families and friends and to spend their leisure time in travel.

Those are some of the problems and some of the solutions. These problems have been with us for centuries. It is up to you ladies and gentlemen to insure that they are not with us a hundred years from now. Thank you.

STATEMENT OF GERTRUDE W. WAGNER OF HUDSON GUILD-FULTON CENTER FOR SENIOR CITIZENS

Mr. Chairman and members of the Committee. Thank you for this opportunity to present some ideas relating to the aging.

In this country of affluence, the aged are truly among the poorest of the poor. Shunted aside from the mainstream of the work-a-day life, even though their skills may still be intact, they are soon barely surviving on the sums of pensions, annuities and social security. Many are deprived of comfort, health and adequate nutrition.

The Hudson Guild-Fulton Center is located on the lower west side of Manhattan in Chelsea—an area a square mile in size and 22.6% of whose population is now sixty years of age or over. As a voluntary agency with a registered membership of some eight hundred persons, in this age category, and also offering services to many other elderly, we feel that some of the concerns are indeed amenable to solution, in whole, or in part, by Congressional action and we should like to highlight them. Although we represent the urban population, with many intensified problems stemming from living in an impoverished, complicated city, nonetheless, there is a communality among all elderly.

One such concern is the inadequacy of income, which affects many other problems. Our own records indicate the 70% of our members have incomes below the $185 monthly food stamp eligibility level. We would suggest that a basic minimum decent income based on the moderate Bureau of Labor Statistics tables, adjusted to locality, be provided through Social Security payments and supplemented from general tax funds.

Administration through the Social Security system would eliminate fragmented, costly, ineffective programs, such as Welfare and Food Stamps, and would provide for needs in a dignified and humane way. However, sufficient basic income would only, in part, alleviate such problems as inadequate and expensive housing; poor but expensive health care services; lack of security; inadequate transportation; poor nutrition and inadequate meals.

We believe that testimony will be offered here on housing needs, but we would indicate nonetheless that requests from our members for help with housing makes us well aware that there are no apartments available for the thousands (said to be 34,000) Seniors who have been "processed" as eligible for public housing. We suggest that the Congress assume responsibility for enforcing a continuing rent freeze and rent control in such cities as New York—which is due in January 1972, for rent increases and the elimination of the temporary program of rent increase exemptions for Seniors. We further suggest that federal housing programs be realistic so that communities can indeed build or renovate housing.

Further, we urge inclusion of provisions for needed services—as an example—for security police, especially where there is a high concentration of elderly. As part of the large urban community, the elderly would urge effective help at the federal level for increasing police and security forces and in providing for effective drug prevention and addiction treatment programs.

Few would contend that medical services for the aged are adequate. In the Chelsea area, the Hudson Guild has been struggling with local hospitals and other agencies to find some way to meet the needs of temporarily or chronically ill persons who with minimum help could remain safely and comfortably in their homes. The Hudson Guild employs two elderly persons to provide escort and personal services, including assistance with Medicaid, Medicare, Social Security problems, etc., but many more elderly in the area need similar or expanded services. Medicare regulations for home health aides are restrictive and unrealistic and do not provide such necessary services. But, the ever-increasing need for these are aggravated by malnutrition, anxiety, loneliness, etc.

A more comprehensive health service program in which the needs of the aging would be given a high priority is clearly indicated but until such a program is properly legislated, Medicare now must be expanded to include such items as medication, glasses, prosthetic appliances. Good, professionally-determined standards for payment of services by the carriers must be set and be available for inspection. The federal supervision of the Medicaid programs of the several states must insure that services to the poor, including the elderly poor, not be continuously eroded. The current reduction of services in New York State through a 20% co-insurance and the elimination of payment for medication, glasses, dental services, means that New York State is not providing help to the medically indigent.

Since these are days of cost and benefit considerations, let us weigh the results of this deprivation in terms of cost to the taxpayer. And while so doing, let us be mindful of the fact that these older people have by virtue of their longer lives paid more taxes than many others and that those monies which they are now receiving (if indeed they rate Social Security) were paid for partly by them and partly by their employers.

During the past three years, some 30 nutrition projects throughout the country were partially funded by the Administration on Aging under Title IV of the Older American Act of 1965. Types of food services varied greatly from center city to rural areas, from multi-ethnic to homogeneous groups, from meals in large group settings to small gatherings in the homes of participants.

Common denominators of all of these projects were sound nutritional value of meals, nutrition education and social interchange. Most of them also had a home delivery service built in for those physically unable, due to advanced age and, or infirmities, to bring themselves to the meal service.

The net results have been more viable people (for the elderly are people) the ability to remain longer in their homes, in their communities, thus postponing the advent of custodial care; earlier discharge from hospital because meal service was available first at home and later back in the group setting.

For the hard facts and figures in terms of the comparative cost of subsidizing such meal programs and the cost of either longer hospital care or custodial care maintenance, I respectfully refer you to Item 6, page 100, of Joint Hearings before the Special Committee on Aging and the Sub-Committee on Aging of the Committee on Labor and Public Welfare, United States Senate, Ninety-second Congress, March 25th of this year, Senator Frank Church, Chairman.

It is now a year and a half since the recommendations of the Panel on Aging of the White House Conference on Food, Nutrition and Health was released. The Preamble states: "The present crisis among the aged demands immediate national action to relieve poverty, hunger, malnutrition and poor health. . . . Certain priorities exist:

(1) Provision of adequate income to the aging. (2) Provision of adequate nutrition for the aging. (3) Provision of adequate health services to the aging. (4) Federal, state and local funding to insure immediate implementation for (1), (2) and (3) above. (5) Prompt provision of substantial increases in federal funding for support of education, research and development in nutrition and gerontology."

There follow eleven specific proposals for immediate action, proposals which are the results of their thoughtful considerations.

The net results from all the states to the White House Conference on Aging held in 1961, while not quite so specific, were very similar and covered all of the nutritional and health care priorities as well as many other areas to which today other speakers here have or will address their remarks.

Nation-wide conferences cost a considerable amount of money. I can see no cost consciousness in a repeat performance if we fail to implement with fitting legislation the studied recommendations of such conferences, the implication of the findings resulting from our research and demonstration experiences.

I respectfully urge prompt legislative implementation of the recommendations of the White House Conference on Food, Nutrition and Health as previously outlined, such legislation to include adequate monitoring of allocated funds. All this, I submit, is in the interest of more for the tax dollar.

Mr. Chairman, I want again to express my appreciation for this opportunity to present these recommendations for your consideration. I sincerely hope that the presentations given here today will prove helpful to your Committee in its continuing effort to formulate and enact into law legislation which will drastically improve the lot of the lower-income elderly and, at the same time, achieve a worthwhile return for the tax dollar expended.

STATEMENT OF THE OFFICE FOR THE AGING BY ALICE M. BROPHY, DIRECTOR

Chairman Randall, Distinguished Members of the Special Studies Committee: I am delighted to testify before you this morning as the representative of New York City's one million elderly who represent 5% of the total elderly in America. Because 60% of all the elderly in the nation live in urban areas, much of the information gathered by my office in research projects covers many specific areas of concern relevant to the work of your Committee.

Today I wish to call for your help in putting an end to the "medical starvation" of the elderly. In the past month, we have been concerned that one hundred fifty thousand older New Yorkers were removed from Medicaid or had their benefits severely cut back. Although the decision by the Federal court last week restrained the medicaid cutback, older people are constantly subjected to this recurring threat. And yet another setback was the anouncement by HEW Secretary Elliot Richardson that the elderly will pay $68 instead of $60 in 1972 for each hospitalization under Medicare.

The hard facts are that our elderly are not only poor, but that they live daily with chronic and debilitating illness. More than ¾ of our aged suffer from at least one chronic disease and ½ from two or more. The incidence of illness increases as family income decreases. With half the aged living on less than $3,000 and one-third living on less than $2,000 a year, Medicaid cutback threatens the precarious health of our poorest elderly. Medicaid has permitted the elderly poor not only to see physicians, but even more important, paid for prescription drugs, dentures, for non-welfare client.

The average out-of-pocket health costs for the elderly was $248 in 1969 with $70 spent on medication. These costs cannot be carried by persons living in abject poverty.

Thousands of elderly face rapid physical deterioration, loss of dignity and independence and ultimately expensive hospital and nursing home care. And when they are hospitalized, Medicare will now pay less of their bill.

In a National Health Survey of 1959 (and we have no reason to think the picture of chronic illness has changed) 86% of older people in the lowest income bracket suffered from chronic illness, while at the higher income levels only 76% reported such illnesses. The higher incidence of chronic illness among our poorest older people undoubtedly reflects the inadequacies of health care during their earlier years. The Urban League in their study *Double Jeopardy* notes that black people reaching old age are the victims of double jeopardy, their earlier health and income deficiencies being severely compounded by the problems of old age.

Utilization of physicians' services increases with old age. Post-Medicare data from HIP in 1968 revealed that utilization of services per aged person was almost double that of persons under 65.

Furthermore, the elderly tend to spend a longer amount of time in hospitals. In 1964, the city's aged population averaged 16.4 days per hospital stay, while the total population averaged 13.2 days per hospital stay.

Let us now turn to the question of costs and who pays the medical bills of the elderly. Because of their poorer state of health, the elderly are forced to spend a higher proportion of their incomes for health, even with Medicare.

In 1969, the total bill for personal health care for older people in the U.S. was $13.5 billion. Although the elderly were at that time almost 10% of the population, their health care expenditures constituted 26% of the total spent on health in the country. The average health bill for each older person that year was $692, six times the total of persons under 19 and 2½ times that of persons 19 to 64.

Almost all persons in New York City over 65 are enrolled in one or both parts of Medicare, about 210,000 are covered by Medicaid [1] and several hundred thousand carry private insurance as well. It might seem on the face of it that older people have to pay very little of their medical expenses out-of-pocket.

Not so. In 1969, with Medicare in full-swing, older people were still paying an average of 30% of their medical costs out of their own pockets. If the average bill in 1969 was about $700 and an older person paid 30% of this, this means at least $210 was borne by the individual. And this did not include the $48 annual premium for Medicare. With family incomes of $2000 and $3000, medical bills for a couple could average $500 or upwards of a quarter of their incomes.

While Medicare and Medicaid cover about 90% of hospital bills and 80% of doctors' fees, there remain serious gaps. 24% of nursing home care is paid for privately while the expenses of drugs, eyeglasses, hearing aids, dental care, nursing and therapists as well as many types of preventative health care are borne almost wholly by individuals. Since many of the uncovered items are connected with chronic care, these expenses tend to go on unremittingly year after year.

Moreover, it may well be that the average costs quoted under estimate out-of-pocket expenses inasmuch as these averages include persons who have no medical expenses and persons whose expenses are fully covered. We must recognize that for too many individuals out-of-pocket expenses can be more catastrophic than the illness itself.

Not only do individuals continue to bear a significant portion of their health care expenses but the dollar amounts have risen and are continuing to rise, at a skyrocketing rate. Here in New York City where medical costs have risen higher than the national average, medical prices jumped 10% last year. Over the past three years room charges in hospitals have increased 65% as doctors' fees rose 12% and drugs 5%. It is estimated that last year elderly New Yorkers paid $70,000,000 for drugs alone. It has been estimated that with the general increase in medical costs in the last three years, the 20% co-insurance payment alone may be more than the individual's total payments for health services *prior to Medicare*. And the outlook for the future is bleak.

The implication of these facts for older people is even more frightening when we bear in mind the low incomes on which they live. Fixed retirement incomes unlike doctors' and hospital fees, do not rise proportionately.

But cost is only one factor in limiting the utilization of health services by the elderly. Lack of coverage under Medicare and Medicaid and fragmentation in the delivery of care are two other important areas of concern.

The Senate Special Committee on Aging declared that "There is reason to believe that millions of old people in our Nation today postpone treatment until the crisis stage because . . . gaps in Medicare and Medicaid coverage make it difficult for them to receive high-quality health services and supplies except during and immediately after hospitalization."

Medicare at the present time does not cover drugs, dental care, eyeglasses and hearing aids, prosthetics, many diagnostic and treatment services whether in or out-of-hospital and long range psychiatric care.[2] For example:

85% of the elderly had no private insurance for out-of-hospital prescription drugs in 1969. But that year the per capita costs of drugs and drug sundries paid by the elderly was $70.25 and for those with more than one severe illness the expense can rise to over three times that amount. According to Dr. James G. Haughton, formerly First Deputy Administrator of the New York City Health Services Administration the drug costs relating to chronic illnesses may be sufficient "to spell the difference between a Social Security beneficiary's financial independence and his need for public assistance."

Over 50% of the elderly, according to National Health Survey data, had not seen a dentist in more than five years. Less than 1% had private insurance for dental care in 1969.

Although eyeglasses and hearing aids are not reimbursable medical items, two out of every ten older persons has impaired vision and one out of six partial or total deafness.

Home health aides, who can provide health care service to the elderly in their homes far less expensively and far more advantageously psychologically are in serious short supply. In 1969 when there were approximately 2000 such persons available, it was estimated that a minimum of 4000 were needed. Extremely restrictive Federal regulations have held to a minimum this vitally needed service.

Although it is true that homemakers are not always available, even when they are neither Medicare, Medicaid nor private insurance will pay for these services. It is estimated that at least 10% of the nursing home residents in New York City are institutionalized because of lack of adequate care in their own homes. Many could be discharged to their homes and many hospital stays could be reduced by days, and sometimes weeks, if homemaker services could be provided. The present alternative is institutional care at public expense.

A shortage of nursing-home beds for long-term care patients estimated to be between 400 and 700 beds on any given day, keeps patients occupying expensive, no longer needed hospital beds longer than they should.

Fragmentation of services is another serious problem affecting health care for older people. The general practitioner has almost vanished from the scene. It has been estimated that although there are 168 medical doctors per 100,000 persons in the Middle Atlantic states, the ratio drops to 50 per 100,000 in inner city areas where so many elderly live. It is not unusual for an older person to have to drag himself from clinic to clinic, often at different locations and on different days. And too often older people cannot get to clinics because transportation facilities are too expensive, poorly scheduled or simply lacking.

Each organizational deficiency causes financial, social and moral problems for the elderly. Until these deficiencies are resolved, the economic problems of the elderly will be needlessly intensified and their physical suffering neglected.

The soaring costs of health care, the lack of availability of health resources, wide variation in quality of care and lack of preventive care has become a matter of prime national concern. There are now before Congress over a half dozen major bills relating to health care and others are anticipated. It is even expected that Congress will act upon health care in this Session.

The Nixon Proposal, which concerns itself primarily with financing, would use the private sector to finance and provide most health care and would continue Medicare for the elderly but actually reduce coverage of the present program. For example, the plan calls for a reduction in the number of fully-covered hospital days from 60 to 13 and will probably raise the deductibles for hospital and doctors' fees. Nor do the Medicredit plan of the AMA or the Healthcare plan of the insurance companies make provision for any of the present gaps in health care. The Javits plan builds on the Medicare program and offers improvements in coverage, especially in the areas of preventative medicine and drugs. The most comprehensive of all, the Kennedy-Griffiths bill would cover the many gaps that now exist but there is serious question as to its passage. We must work to see that whatever bill is passed extends rather than erodes benefits to older people.

However, no one knows whether a National Health Bill will actually pass this Session. Meanwhile there are many improvements in health care that can be provided for older people.

On the National level within the framework of Medicare it is urgent that drugs, appliances, prosthetics and preventative and diagnostic services and homemaker services be covered.

At the local level, neighborhood based geriatric clinics affiliated with hospital complexes are a vital necessity to overcome many of the gaps and problems in health care and delivery to older persons. These facilities diminish the fragmentation of care by enhancing continuity of care and reduce costs by establishing preventive medicine and rehabilitation. It makes better use of scarce professional manpower. And, in communities where it has been tried, it has reduced the hospitalization rate by as much as 50%.

For now, however, medical starvation is public policy. Medicare cannot continue to escalate medical costs for the elderly which results in their further pauperization and poor health.

I thank you for this opportunity to speak for adequate health services for the elderly and extend to you most cordially the information materials of the New York City Office for the Aging so that we may all work together. To do any less would be tragic for the older people of New York and the nation.

TESTIMONY OF WILLIAM R. HUTTON

I am William R. Hutton, Executive Director of the 3,000,000-member National Council of Senior Citizens, largest U.S. organization of the elderly.

The National Council of Senior Citizens is grateful to Chairman Chet Holifield of the House Committee on Government Operations and to Chairman William J. Randall of the Special Studies Subcommittee of the Government Operations Committee for holding these hearings.

However, our membership feels there is something very wrong in a nation as well off as ours, when there is no space available for a Special Committee on Aging to make members of the House of Representatives aware of the many desperate problems of the low- and moderate-income elderly among their constituents.

There are 20,000,000 Americans age 65 or over and another 20,000,000 in the 55–65 age bracket most of whom have problems about which House members should be kept fully informed, National Council members feel.

Our members have long regretted that the House of Representatives is without a counterpart committee to carry on serious studies in the area of aging being continually undertaken by the Senate Special Committee on Aging.

The Senate Special Committee on Aging is not a legislative committee but it has nevertheless performed brilliantly year after year over its 10-year history by providing factual information that has helped call attention of the Senate to the neglect and suffering imposed on so many U.S. elderly by our changing society.

Thus, during 1969 and 1970, the Senate Special Committee on Aging published a series of powerful studies that documented the grim facts about the needs of the elderly.

This series, entitled "Economics of Aging: Toward a Full Share of Abundance," brought out the tragic fact that the elderly are the one age group in our society that has become poorer, that private industrial pensions are a great benefit to those who collect them but that the great majority of seniors will never collect such a benefit and must depend on Social Security for their retirement income, that despite Medicare, the Federal health insurance program for the elderly, more and more elderly are being denied the benefits of medical care because of the steadily rising out-of-pocket payments required of Medicare beneficiaries.

Included in the series are these studies published in 1969: Social Security for the Aged: International Perspectives; Health Aspects of the Economics of Aging; and Employment Aspects of the Economics of Aging. The Committee in 1970 published the widely quoted Pension Aspects of the Economics of Aging.

I note that Subcommittee Chairman Randall in announcing this hearing said (and I quote): "We must understand the emotionalism that attaches to the difficulties older people encounter in coping with the problems of keeping well and comfortable and sstisfying their needs in these inflationary times but our Subcommittee must look beyond emotion in this area and find answers for as many of the immediate problems of the elderly citizens as we can. . . . Beyond that, we must seek solutions that will make the way easier for coming generations of aged citizens."

Mr. Chairman and other distinguished members of this Subcommittee, the National Council of Senior Citizens is eager to cooperate with you not only during the present hearing but in all further investigative efforts to get the facts about the problems of the low- and middle-income elderly.

The task you have set will surely require a great deal of time and effort. The National Council of Senior Citizens would like to work with you for as long a time as it takes to carry out the task assigned this Subcommittee.

National Council President Nelson H. Cruikshank and the National Council leadership have given some thought to how best our organization can be of assistance to this distinguished body.

Perhaps, to start with, it would be well for me to tell you about the National Council of Senior Citizens and how it endeavors to influence national policy as it affects the problems of older Americans.

The National Council of Senior Citizens has become the major spokesman for the nation's elderly in the short time since retired Congressman Aime J. Forand of Rhode Island organized it back in 1961.

As you know, Forand had become nationally known as the advocate for health insurance for the elderly (now Medicare). Ill health forced Forand to retire from Congress in 1960 but he continued to work for health legislation for the elderly by setting up the National Council of Senior Citizens.

With the enactment of Medicare in 1965, the National Council remained in the field to promote meaningful Social Security benefits levels, better health care, substantially increased housing for the elderly at prices within their means, Federally funded community service employment for the low income elderly, tax relief for elderly home owners living on limited income and reduced fares for the elderly on public transportation systems.

However, the National Council is more than a special interest group for the elderly. Our organization has supported the lowering of the voting age to 18, consumer protection legislation, Federal occupational safety and health legislation, the war on poverty and other measures of general concern to the nation.

Our membership believes what's good for America is good for older Americans and they ask for no benefits at the expense of their children and grandchildren.

Forand was first President of the National Council of Senior Citizens but ill health forced him into permanent retirement in 1963. Nelson H. Cruikshank, now President of the National Council, is the retired Director of the AFL–CIO Social Security Department and an internationally recognized authority on social insurance.

The National Council is a non-partisan, non-profit organization operated democratically by the membership.

National Council policy is determined by delegates from approximtaely 3,000 affiliated clubs meeting annually and between annual meetings by a 55-member board of directors chosen at the annual meetings.

At the National Council's 1971 annual convention held in Washington last June, the delegates' policy resolutions were addressed to the 14 areas of concern that will be considered at the approaching White House Conference on Aging (scheduled November 28 to December 2).

With your permission, Mr. Chairman, I would like to submit for the record of this hearing a dynamic document, entitled "A Platform for the Seventies for All Older Americans", which is based on resolutions adopted at the National Council's 1971 convention.

This document is co-sponsored by representatives of the National Council of Senior Citizens and eight other national organizations concerned about the desperate situation of the nation's elderly.

At this point, you may ask what particular message do today's elderly have for this Subcommittee?

Briefly, the message they send you is this. The elderly of this nation—despite the hardships of two world wars and the great depression—have contributed much to our economic growth and to ever higher standards of living. They are used to making sacrifices and they put national interest before their own personal interest. But they should not be expected in their old age to bear the brunt of inflation or of efforts to control inflation.

To understand the real impact of inflation on the elderly, we must examine three basic and inter-related questions. Where do they get their income? How much do they have? How are they affected by price rises?

Furthermore, we must recognize that certain social and economic trends of the last few decades make inflation an especially acute problem for today's elderly, a problem

[1] Roughly one out of four are enrolled in both programs.

[2] 190 day lifetime limitation on treatment in mental hospitals; payment of 50% of doctors' fees, and an annual limit on out-patient care of $250.

that cries for immediate national attention and solution.

Retired persons are increasingly dependent on money incomes from Social Security. Savings are no longer likely to be in the form of ownership of a farm or small business. There are not only more people who have reached their 65th birthday, but a larger proportion of them have attained advanced years.

The "aging" of the aged population means particularly great increases in the numbers of widows and other older women living alone, a particularly disadvantaged group economically and socially.

The trend toward early retirement—much of it involuntary—adds to the years during which the older person living on a fixed income suffers acutely from price rises.

Sources of income. Where, then, do the elderly get their income?

Employment—the source that automatically provides a hedge against inflation through rising wages—was on a steady decline for the older population long before unemployment became the serious problem for the nation that it now is. Only about one in every six people aged 65 or older is in the labor force at all and fewer than half of these hold fulltime jobs.

Furthermore, realistic assessment of labor force conditions gives little hope that the economy will generate enough job opportunities to solve the income problem of older people, especially the oldest of them, now or in the years ahead. The elderly population's main hope for increased employment opportunities lies in an expansion of part-time paid community service jobs.

Nearly nine out of ten older people now receive Social Security benefits. For many it is the major or only source of income. One-fourth of the aged couples on the rolls at the end of 1967 and two-fifths of the non-married beneficiaries, depended on Social Security for virtually their entire support—except perhaps for about $300 per person for the year. Significantly, too, there had been little improvement in this respect since the incomes of aged beneficiaries were surveyed a decade earlier.

One in ten of the people over 65 receive Old-Age Assistance, more than half of them as supplementation of inadequate Social Security benefits.

One in five, perhaps, receives a private pension—and that can be as low as ten dollars per month. (Here, it is relevant to point out that only the most exceptional pension plan attempts to adjust to rising prices.)

For a very small proportion of older people income from assets is an important source of income. For the average elderly person, however, the major asset is the owned-home—an asset that is too often a *drain* on income rather than a *source* of income.

Clearly, then, our elderly population's best hope—one might even say "only hope"—for protection against the impact of inflation is through the Social Security system.

Amounts of income. In 1970, half of all families with a head over age 65 had incomes below $5,053. Half of all single aged individuals had incomes below $1,951.

Thanks mainly to an increase in Social Security benefits, the median income in 1970 was 5.2 percent above 1969. But over the same period, the Consumer Price Index had gone up 6 percent.

Of all families with an aged head, 16.3 percent had incomes below the poverty level in 1970 and another 8.3 percent were on the borderline—a total of one out of every four elderly families. Of elderly persons living alone or with non-relatives, nearly six out of every ten were classified as poor or near poor.

For your purposes, Mr. Chairman, it is appropriate to examine these figures on the incomes of elderly people in the light of what it costs them to live in today's economy. The Bureau of Labor Statistics has updated its three budgets for urban retired couples. In the Spring of 1970, BLS estimates that the cost for an elderly couple would have been $3,109 at the lower level—in effect, a poverty level—$4,489 at the intermediate level and $7,114 at the higher level—and even the higher level is by no means lavish.

Nearly two out of every five aged couples had insufficient income to afford the intermediate budget. For two-thirds of the single aged persons, the equivalent intermediate budget costing $2,469 was out of reach.

These comparisons take on special significance when it is recognized that, for both the lower and the intermediate budgets, about eight out of every ten dollars is allocated to housing, food, transportation and medical care. These are the costs of surviving from day to day. They are not expenditures that can be postponed until "the price is right".

This nation has experienced unprecedented price rises: an increase in the CPI of 5.4 percent in 1969 and 6 percent in 1970, the two sharpest rises in nearly two decades. As of August 1971, the cost of living had registered increases for 55 consecutive months—the largest unbroken string in the 58 year history of the CPI. And, even more important, many of the price rises have been especially steep for the items on which the elderly are most dependent, items that take up an overwhelming share of their limited incomes.

As an example, let's look at what has been happening to medical costs. Here I would insert a word of gratitude from the members of the National Council of Senior Citizens for the invaluable protection afforded by Medicare. But Medicare covers little more than $2 out of every $5 of their total medical costs, a proportion that has dropped recently and that still leaves unprotected a larger medical bill than the total bill for the average younger person. While the Consumer's Price Index for all items rose by nearly 40 percent from the 1957–59 base, physicians' fees rose about twice as fast or by nearly 80 percent. The increase for hospital daily service charges amounts to over 200 percent, meaning that these charges are now more than triple what they were some twenty years ago.

Total housing costs have risen by more than 25 percent during this period. Some of the costs of home ownership have seen much sharper rises, threatening the ability of the older person to continue to own the home—his major form of accumulating an asset that would be available in his old age after retirement had cut his income in half. Property taxes have risen by nearly 50 percent throughout the nation, according to the CPI, but we know that for many of our members they have doubled or tripled, in some instances exceeding the amount of the total downpayment made on the home years ago with the hope that old age could be secure. Property insurance rates are up more than 60 percent. So are the costs of home maintenance and repairs on which the elderly, whether owners or renters, are increasingly dependent as advanced age curtails the ability to "do it yourself".

The cost of transportation too puts a special burden on the elderly. The cost of all forms of transportation has risen by something over 35 percent since 1957–59 but the cost of local transit fares has more than doubled. And it is on local transit that so many of our elderly are dependent.

The President's wage-price freeze

Against this background—and before offering the recommendations of the National Council of Senior Citizens for dealing with the problem of the impact of inflation on the elderly—I would like to spend a few moments summarizing our reactions to the Administration's 90-day freeze as it affected our elderly population.

When the freeze was announced, we foresaw grave danger that an undue portion of the burden of the so-called economic crisis would be borne by the most vulnerable of our citizens—welfare recipients and other elderly people living on low incomes.

The National Council was greatly dismayed when the President virtually abandoned his welfare reform legislation. We saw very real danger that the economic mood of the administration might even result in an effort to postpone the meagre 5 percent cost-of-living adjustment passed by the House and awaiting Senate action as H.R. 1.

Therefore, on August 20, Nelson H. Cruikshank, President of the National Council of Senior Citizens wrote to President Nixon on behalf of our membership to ask for assurance that the badly needed improvements of H.R. 1 would not be lost in the effort to slow inflation. With your permission, I will introduce Mr. Cruikshank's letter to the President for the record. (There is no need to burden your record with the superficial staff acknowledgement of its receipt by the White House.)

Because of its relevance to the deliberations of the Committee, I would like to quote just one paragraph from Mr. Cruikshank's August 20 letter to the President:

"The price freeze offers little hope to our older people. Very few Social Security beneficiaries are going to be dashing out to buy new cars. Your order was too late to save our older people from rent increases, which many landlords put into effect as soon as Social Security beneficiaries got their last increase in June. Those who own their homes are provided no protection against sharply rising property taxes. Elderly people and the younger members of their families who are forced to borrow to meet urgent family needs find nothing in your plan to protect them against rising interest rates."

I turn now to the recommendations of the National Council of Senior Citizens for easing the burden of price rises for the elderly.

A major reform of the Social Security system is long overdue. We need an immediate substantial increase—we recommend an across-the-board increase of 25 percent—in Social Security benefits, coupled with a Federally financed and administered guarantee of a floor of financial assistance to bring income above the poverty level.

Members of the National Council of Senior Citizens and the elderly generally are disturbed and alarmed at the rising out-of-pocket payments under the Medicare program as I have previously noted. Although Medicare lifts much of the burden of medical costs from the elderly, it pays less than half (40 percent) of their health bills.

For this and other reasons, our membership strongly supports national health security legislation—S–3 in the Senate and H.R. 22 in the House of Representatives—which would guarantee at least 70 percent of the health costs of all Americans, ending the era of so-called deductible and co-insurance payments (out-of-pocket) payments required for Medicare beneficiaries.

Medicare was a great social advance but we must recognize health care as a matter of right for all Americans. The National Council of Senior Citizens favors health care benefits for all Americans from the cradle to the grave.

However, the National Council asks that Congress apply the lessons learned in the operation of the five-year-old Medicare health insurance program for the elderly in setting up a Federal health care program for all Americans.

When Congress enacted Medicare health insurance for the elderly in 1965, it expected doctors and hospitals would exercise restraint in fixing charges for their services and also that insurance firms, serving as

Medicare's fiscal intermediaries, would influence them in this direction.

Both assumptions proved woefully inadequate and the costs have skyrocketed.

The lesson to be learned is that, in the face of rising demand for a very limited supply of available services, doctors, hospitals and other providers of services have no incentive to keep costs down and the private insurance industry can neither provide the incentive nor impose the necessary controls to stabilize health costs.

It is time to think in terms of planning a health care system that assures all Americans equal access to comprehensive and continuous health services of high quality at the lowest possible cost.

However, until this nation has achieved National Health Security for the total population, the fixed incomes of our elderly people will be threatened by heavy and unpredictable health costs—unpredictable insofar as any one individual is concerned but predictable in that a continued escalation is inevitable. The National Council of Senior Citizens strongly supports National Health Security under which the government would assume responsibility for improving the organization and delivery of high quality economical health and health-related services as well as responsibility for the financing mechanism. Pending the enactment and development of National Health Security, we urge immediate improvements in Medicare and Medicaid to extend protection, to control costs, and to reverse the trend toward ever heavier copayments and deductibles.

We believe that the government should actively promote the development of the public service jobs that are so badly needed by the nation and so appropriate for the employment of older persons.

We further recommend immediate enactment of a nationwide Senior Citizens Community Service program—modeled on such as the Senior AIDES program of the National Council—to provide part-time community services for the elderly, administered through the Labor Department as a special employment program for the elderly.

The National Council of Senior Citizens is deeply concerned that the needs of the *elderly* housing have been submerged by the Department of Housing and Urban Development in a program of meeting the housing needs of the low income group generally—to the serious neglect of the millions of elderly who are poor or close to the poverty level.

The truth is that this Administration's resistance to categorical aid and assistance is depriving older Americans in almost every area of Government operation. So we are asking the forthcoming White House Conference on Aging to support us in the contention that appropriate identification of programs and funds for the aged is necessary if our elderly are going to get a fair shake in America's youth oriented society.

In conclusion, the National Council of Senior Citizens recognizes that the nation's elderly depend on America's economic strength and have a real stake in all efforts to promote economic stability. But, I want to emphasize, the particular nature of their problems requires special efforts to achieve economic security for them.

HENRY STREET SETTLEMENT—URBAN LIFE CENTER—NUTRITION PROGRAM FOR THE ELDERLY

The project, known as the Good Companions Luncheon Project, is conducted in the basement facilities of Vladeck Houses, a low-income housing project on the Lower East Side. The address, 344 Madison Street, New York 10002.

The population served by the Good Companions' Luncheon Project are the elderly impoverished people living in the public housing projects in the neighborhood of Henry Street Settlement. They are economically disadvantaged. 70 percent of this group are Jews; the rest are black and Puerto Rican residents of the projects.

At the turn of the century, over one million Jews settled in the area of Manhattan known as the Lower East Side; this group was followed years later by additional waves of Orientals, Puerto Ricans and American blacks from the South—all of these groups seeking the economic promise of the northern United States. Most of the children and grandchildren of the earlier immigrants have moved uptown or out of town, into secure jobs and more comfortable housing, leaving the old people and the new minorities behind to live in poverty, rising crime and poor nutrition.

As a result of the population shift, the proportion of elderly living on the Lower East Side is twice that of the national average. For the nation as a whole, 9.5% of the population are over 60 years of age; on the Lower East Side, 20.5% are over 60 years of age (City Planning Commission, 1965).

The Urban Life Center of Henry Street serves an area within the Lower East Side of approximately 25,000 people. Of these, 55% are white, 29% are Puerto Rican and 16% are black. Among the aged, a higher proportion are white. Their poverty is as severe and as damaging as the other groups; they are the "hidden poor".

The elderly poor who live in Henry Street's neighborhood have a multitude of problems that control their day-to-day lives. Their budgets allow little to spend on food. 7% report an income below $500 annually. Another 14%, between $500—$1,000; 32% between $1,000—$1,500, and 18% between $1,500—$2,000. Thus, the majority of elderly using Henry Street services live, not close to the poverty line, but well below it. This is aggravated by the tendency among the elderly to avoid going on public assistance.

Before the existing luncheon program was set up, an analysis was made of the nutritional level of Good Companions members. Diets were found to be inadequate from all standards of judgment. Daily calorie intake was about 30% below requirement, and these were to a great extent high starch content calories. The analysis did not cover the distressingly high number of elderly people in the neighborhood who are regularly found searching through garbage cans for crusts of bread.

THE GOOD COMPANIONS' LUNCHEON PROJECT

For many years, Henry Street's services to the elderly have been run by the elderly who formed an organization known as the Good Companions. Under the leadership of the Board of the Good Companions, this program is far more dynamic than many centers for the elderly that provide bingo and little else. The participants in the program have been active in many local social service projects including volunteer work at the Gouveurneur Hospital clinic. In the early days the program membership was 100% Jewish; in recent years, again under the leadership of the Board of the Good Companions not one of which is under 70 years of age, the program has made an active effort and has seen unusual success in recruiting black and Puerto Rican old people into the program.

In 1968, Henry Street Settlement in conjunction with the Good Companions accepted a three year grant from the federal government to run a demonstration program in providing hot meals for the elderly. Under the terms of the grant, nutritious hot lunches were provided daily at minimal cost for those who wished them; simultaneously, a study was undertaken that sought to demonstrate that the psychological and physical well-being of elderly people is far improved when they are adequately nourished.

Not surprisingly, the demonstration was proved true, and this nutrition program has become vital to the health and welfare of some 400 elderly poor people, many of whom would have to go into nursing homes if the program were to end.

FURTHER ASPECTS OF THE PROGRAM

The Good Companions and the Henry Street Board felt that the program was vital and should be run at all costs. It has proved to be vital, and it has had some significant side effects which were not even suspected when the program began.

One of these has been the formation of the Mealtime Companion Corps of the Good Companions, a group of elderly volunteers who take turns taking the meals out to the housebound and ill and offering them companionship and light housekeeping help. Another beneficial side effect was the way in which the Good Companions learned how to perform many of the services connected with providing the meals; they have been training and acting as kitchen aides, cashiers, dining room managers, etc. and have thus earned small amounts which they have been able to use to pay for their meals. In this way, they have been able to sustain their dignity and sense of independence by paying $.60 for each meal—without dipping into their very small budgets to do so.

The training that the luncheon participants receive in the normal course of their programs at the Good Companions provides an excellent opportunity for part-time employment in the neighborhood, in restaurants or in the Gouveurneur Clinic and Hospital where they could earn useful funds as cashiers, hostesses, meal time aides, etc. These kinds of jobs have little potential for growing or expanding and thus they are not desired by younger people; they could be very important and constructive sources for continued independence and dignity for elderly people.

SUMMARY

Services to the Elderly at Henry Street Settlement attempts to (1) provide nutritionally adequate meals at a low cost to economically deprived older persons, (2) educate these elderly persons in sound nutritional practices and (3) provide them with social interaction, leisure-time activities and opportunities for participation in community projects.

Evaluation during a three year period of the nutrition program showed that the physical and mental well being of the participants improved, that the meals program tended to act as a stimulant to a broad range of social activities and, further, that the low proportion of homebound elderly participating in the program who required institutionalization indicated the project's success in sustaining the elderly homebound in the community without resort to institutionalization.

Approximately 2,230 lunches are served each month to elderly people who come into the Good Companions Center. Of those, about 600 meals are taken out to the homebound each month, and 50 additional frozen meals are purchased every Friday for weekend use. These meals are vital to the well-being of several hundred people, proud but needy examples of the "hidden poor" in America today. An end to these meals would mean hardship for all—public institutions for many.

STATEMENT OF STEVEN SOLARZ, AMERICAN JEWISH CONGRESS

My name is Steven Solarz. I am a member of the New York State Assembly from the District of Brooklyn and of the American Jewish Congress' Commission on Urban Affairs and its Governing Council. The AJ Congress is an organization that for many years has sought to expand social and economic benefits available to both senior citizens and the general public.

The American Jewish Congress is a national organization of more than 300 chapters and divisions committed to the preservation and creative survival of the Jewish people. In this regard we are deeply involved in social, political and economic problems affecting both American Jews as well as the nation as a whole. We view the problems of the Jews as intimately tied to the well-being and security of the American nation, and any recommendation we make here we feel will benefit not just the aging Jewish poor, but all of the nation's poor.

I have been invited to appear before this committee in order to discuss the special problems of the elderly Jewish poor. In the two days of hearings, we shall hear many poignant descriptions of the plight of the aged poor. Their numerous and complicated problems have been reviewed, and many recommendations have been made, which if enacted, would go a long way towards ameliorating their problems and enable them to live a more fulfilling life.

The AJ Congress' Commission on Urban Affairs just completed a study entitled *The Jewish Poor and the Anti-Poverty Program.* This study is relevant to the concern of this committee because so many of the Jewish poor are elderly and because it is a glaring example of how the needs of the aged have been disregarded by those charged with administering the poverty program.

I request that the committee accept this study which includes legislative recommendations, as part of the record. I would like, however, to summarize some of the outstanding points made in this study that are relevant to the mandate of this committee.

In 1970 there were 943,212 persons 65 years of age and over in New York City. They represent 12 percent of the city's population.

There are only three states (California, Illinois and Pennsylvania) in the U.S. that have as many elderly people as are found in N.Y.C. alone.

The number of senior citizens is growing rapidly. In the five year period, from 1960 to 1965, there has been an estimated increase of 25 percent in the population of the city, 65 and over. From 1960 to 1970 the increase was 15.9 percent. In 1920 the elderly segment of the population was only three percent; by 1940 it reached six percent by 1960 it had risen to 11 percent, and today it is 12 percent and rising steadily.

In 1968 there were 86,296 Jewish elderly poor living in those areas designated as poverty areas in New York City. There are no exact figures as to the total number of Jewish aged living in the city (i.e. in the poverty areas and outside these areas), but it is estimated that there are approximately 300,000.[1] If as is true of the aged as a whole that one-half of households headed by senior citizens have an annual income of less than $3,000, it would follow that there are 150,000 Jewish aged poor in N.Y.C., with 86,296 living in poverty areas and 60,000–70,000 living in other sections of the city.

With this background I would like to comment upon a few of the problems the elderly poor, and especially the elderly Jewish poor, have in participating in the poverty program.

The criteria used to determine the boundaries of poverty areas, as well as the allocations to programs within these areas, discriminates against the elderly, and especially the Jewish elderly. Thus, the three basic factors involved in determining allocations are juvenile delinquency rates, live births in municipal hospitals, and welfare rates. The first two obviously lack any applicability to older citizens and the third, because of the long standing tradition of independence among many of the Jewish and non-Jewish elderly, is only slightly applicable. Other factors that are involved in determining allocations, such as the venereal disease rate, are equally inappropriate for measuring poverty among the aged.

We request that the Congress take steps to correct this situation by mandating the use of income as the sole or basic factor involved in determining both poverty area allocations and boundaries. Whatever criteria are used, they must accurately measure the poverty of the aged poor.

In N.Y.C. less than 1% of monies funnelled from the city and Federal governments through the N.Y.C. Council Against Poverty are allocated to programs dealing with the problems of the aged. Thus, but $500,000 of close to $70,000,000 is spent on such programs. This is barely $1.00 per person per year for the estimated 400,000 impoverished senior citizens living in N.Y.C. Furthermore, out of more than 250 delegate agencies in N.Y.C.'s Poverty Program, only eight of them have programs devoted to senior citizens.

The problem, however, is not just N.Y.C.'s. Much of the fault may he placed on the U.S. Congress. That body's appropriation for the Senior Opportunities Program under the EOA, is but $8,000,000, or once again barely $1.00 per older person per year on a national basis (this is but two percent of the many allocated to Head Start). When a few weeks ago Congressman Scheuer sought to significantly increase that figure by $50,000,000, his proposal was readily defeated.

Our recommendations here is that the funding sections of the Economic Opportunity Act must be changed to provide more money for senior citizens' programs. Thus, in more than half a dozen places (Sections 126, 221–223, Titles III, VI and VIII), the Economic Opportunity Act makes special note of the needs of the aged. Without proper funding these sections are meaningless. It is time that Congress gave them meaning by appropriating adequate sums of money to meet the needs of this group.

Another problem is that sections of the EOA have not been implemented on the local level and the national office of Economic Opportunity has failed to take sufficient steps to see that they are implemented.

For example, in Title I, part B, Work and Training Programs for Youth and Adults, there is a section which provides:

The director shall provide that programs under this part shall be designed to deal with the incidence of long term unemployment among persons 55 years and older. In the conduct of such programs, the director shall encourage the employment of such persons as regular, part time and short term staff in component programs.

This has rarely been done. And again, in the section of funding the Community Action Programs, there is the following provision:

The director may provide financial assistance to the community action agencies for the planning, conduct, administration and evaluation of community action programs and components. These components may involve, without limitation, other activities and supporting facilities designed to assist participants, including the elderly poor, to secure and retain employment . . . make better use of income . . . to provide and maintain adequate housing . . . (Sec. 221)

If these mandates were properly implemented, the Jewish and other elderly poor would benefit substantially.

Many of the elderly Jewish poor, perhaps half of them live outside of poverty areas. In practice this means that they are excluded from participating in the various programs funded under the Economic Opportunity Act.

We ask that poverty be treated on the basis of need and not of residence. It is unfair to an impoverished citizen who resides in East Flatbush to be told that he is ineligible to participate in the poverty program because he does not live a block away in the Crown Heights section which is a defined poverty area.

Title II, Section A, should have a provision clearly mandating that citywide programs be established to cover poor persons not living in defined poverty areas and that such persons also have the opportunity to participate (perhaps on a voucher basis) in the various community programs established even in areas in which they do not reside. This should not be left to local regulations; rather, it should be Federally mandated.

Title II, Sec. B, dealing with Special Programs (Senior Opportunities & Services) should include a provision specifically stating that these programs are not to be limited to poverty areas and that the poor throughout the city should have access to them.

Lastly, Office of Economic Opportunity Memo 81, which was designed to implement the 1967 Amendments to the Economic Opportunity Act specifies that the boards of directors of community act agencies should take measures to include such potentially unrepresented groups as the elderly. This has not been done. We request that community action agencies throughout the country be required to do so.

In conclusion, it has often been stated that a society will be judged by the way it cares for its children, its sick and its aged. It is time that this nation began to pay serious attention to its too frequently forgotten older persons.

STATEMENT PRESENTED BY ANNE SHORE, ON BEHALF OF LOCAL 1199, DRUG AND HOSPITAL UNION, RWDSU AFL–CIO

My name is Anne Shore, I am the Assistant Director of the two Pension Funds of Local 1199 Drug and Hospital Union in New York City. Our Union has a membership of fifty thousand persons in the greater New York and New Jersey area comprised of workers in Voluntary and Private Hospitals and Nursing Homes, the Retail Drug Industry and other health organizations. In addition, the National Union of Hospital and Nursing Home Employees, with which we are affiliated, represents another twenty thousand workers in these fields in other parts of the country. Of these seventy thousand workers about 70% are black, 10% Puerto Rican and 20% white. The majority of those working in hospitals and nursing homes are women.

The composition of hospital workers across the nation, essentially follows this same pattern except that in western Pennsylvania and the midwest the majority are poor white women.

INADEQUATE INCOME

In the brief time that I have today, I want to concentrate on the one main problem of the elderly and that is inadequate income. I want, particularly, to touch on the income of single men and women over age 65 and the special plight of the black elderly. Abject poverty is still the major problem facing all persons over 65 in our country. Let me give you a few examples.

• Statistics are from the position paper prepared for the 1971 White House Conference on Aging entitled "Income—Background and Issues" by Yung-Ping Chen, PhD.

The government has set $1,750 as the poverty level for an individual and $2,200 for a couple. Yet 17.6% of all the aged families now live below this level and 41% of these are aged black families. Individual older persons are far worse off. 47% of all single persons over 65 are compelled to exist on less than $1,750 a year. Translated into weekly income this is something under $34.00 a week. In addition the number of elderly poor continues to increase. From 1968 to 1969 two hundred and fifty thousand more older person's income dropped below the poverty level. Permit me to enlarge on what this means in dollars and cents!

The Bureau of Labor Statistics moderate budget for an urban retired couple issued in 1969 was $4,192 and $2,880 for an individual. Yet nearly 70% of all single women and 32% of all single men over 65 had total annual incomes under $2,000 and one third of all aged families had incomes of less than $2,670.

The terrible plight of black women over 65 is shocking. Over 75% live in dire poverty.

In a city like New York for instance there are over one million persons over age 65, and the cost of living is the fourth highest in the nation, and also higher than any other major city. The plight of the aged almost defies description.

The items which consume the greatest part of a retired persons income are food, housing and medical care and these are the three items which have increased faster and greater than any other components.

MEDICAL CARE

Although the passage of medicare did improve the quantity of medical care for persons over 65, it also escalated the cost of services for the entire population. After five years experience we note that only 47% of the medical expenses of the aged are covered by medicare. Copayments and increased medical fees have eroded much of the benefits. The average annual cost of medical care for a working family is $265.00 nationally (in New York it is much higher). For those over 65 the average annual cost is $650.00. After Medicare has paid its share, $350.00 remains to be met. In families where only one member is over 65, (usually the former wage earner) the problems are even greater since the spouse under 65 is not covered for Medicare.

The sharp cutbacks in Medicaid, have also put an additional financial burden on the aged poor who must also pay for medication, dental care, and eye glasses. Since many of them cannot meet these costs they just settle for less than an adequate level of health care.

DECLINING STANDARD OF LIVING

There is another popular fiction that retired people live on a "fixed income". In reality they are trying to live on "fixed dollar incomes" which are being eroded every day by inflation.

The Senate Special Committee on Aging, in its report dated March 1969, page XI states "The Social Security Benefit payable to a couple who retired in December, 1950 . . . despite periodic adjustment . . . would now purchase a much smaller fraction of the Bureau of Labor Statistics 'moderate' budget—than at the time of retirement". Unless someone can come up with a surer formula whereby the aged can learn to live retroactively, we will have to concede that our current program guarantees attrition of the aged by a systematic and painful process of starvation.

PRIVATE PENSION PROGRAM

Although it may be said that private pensions have raised the incomes of those covered to place them among the elite of the elderly, the facts are that only 19% of married couples; 13% of single men and 5% of single women are actually receiving them. Available information shows that the income of those receiving private pensions in addition to Social Security is still below the moderate budget of the Bureau of Labor Statistics.

Many older people—even those not living in absolute poverty—must travel from one government agency to another to seek assistance such as food stamps to supplement their inadequate incomes. Such bureaucratic splintering of this responsibility is not only a waste of everyone's time but robs the aged of their dignity and self-respect. New York has a rent exemption program which requires that all aged applicants be subjected to a means test. But even this inadequste and demeaning program is being terminated and sharp rent increases will unquestionably follow.

Medicaid is all but unavailable to those over 65 who are not on Old Age Assistance, and of course also requires a means test, and coinsurance.

There is the ultimate indignity of Welfare for many individuals who have been self-sufficient all their lives—many of whom have "managed" for years on Social Security and Pensions, only to see skyrocketing prices force them to accept what they consider as charity.

UNION RETIREES DEMANDS

At a Pre-White House Conference on Aging held by our Union in the spring of 1971, our retired members proposed a guaranteed minimum income for a retired couple of $7,600 and $5,000 for a single person. These figures are comparable to the "higher" of the B.L.S. budgets. Our retired members are not willing to settle for the B.L.S. "moderate budget" which would give a couple $360.00 a month and a single person $240.00 a month (the summary of this Conference is attached). We must demand that Congress establish realistic income standards which meet the needs of all of our people—a national standard which guarantees an adequate annual minimum income for every elderly person in our country. Such a program should then be reviewed regularly for the purpose of making any necessary adjustments to guarantee that its purpose is continued.

NATIONAL COMPREHENSIVE HEALTH CARE

A Comprehensive Medical program to replace the stop-gap measures of Medicare and Medicaid. The cost of both of these programs continues to escalate while the services are diminished. The fact is that neither of these programs have attempted to deal realistically with the medical needs of the elderly or any other section of the population. The major funding for a 20th century national health program must come from General tax revenues as well as Social Security taxes. Many other countries with higher old age pensions are able to finance them through general tax revenues. In order to achieve this goal we will, of course, have to first reestablish our national priorities. Congress and the Administration must decide whether the health of our people is more or less important than flying to the moon, policing the world, building highways to nowhere or subsidizing corporate projects.

HOUSE COMMITTEE ON AGING

The Senate Committee on Aging provides leadership and factual material for many organizations. The Senators on the Committee have become advocates on behalf of the Aging. A comparable Committee in the House would give greater leadership and recognition to the problems of 10% of our population.

CONCLUSION

The above brief picture of the economic plight of the elderly in our country has been amply and fully documented many times in the past few years. I am not an economist and do not pretend to have presented facts from an economists point of view—rather I speak from my years of day to day experience with the elderly.

Retirement for most people is bleak indeed. At a time in life that should be tranquil there is instead insecurity. Instead of the opportunity to enjoy well-earned leisure and pursue new ventures, there is poverty and isolation. Instead of respect and appreciation of a life-time of knowledge and experience there is neglect, and disregard. Finally there is the dreadful spectre which hsunts every elderly person—the unchallenged knowledge that if you live long enough you will become poorer and poorer.

The concern of our union, Local 1199, is not limited to the interests of our members. Our goal is that Congress enact legislation which will guarantee that our affluent society demonstrate its concern for the elderly by enacting legislation which will permit them to live out the balance of their lives with reasonable comfort, dignity and self respect. We cannot afford to compromise for anything less.

STATEMENT BY MRS. ELIZABETH STECHER TREBONY, PROJECT FIND

I am the Director of Project FIND, a senior citizens program on the Lower West Side of Manhattan in New York City's 19th Congressional District, represented by Congresswoman Bella S. Abzug. We started as a demonstration program in July 1967, funded by the Office of Economic Opportunity through the National Council on the Aging.

Our program was continued with local OEO funds after the demonstration funds were discontinued in October 1968. The need for the service aspect of our program was evident; when we started in 1967 there were no service agencies exclusively working with the aged, who constitute 23% of the total population, or 27,000 persons over the age of 65, living in a 240 square block area, 34th to 74th Streets, Fifth Avenue to the Hudson River.

Ours has been an unusual program in that we persistently out-reach in the community to bring services to senior citizens; anything that affects the aged in the 240 block area we consider to be our responsibility. We are responsive to all events from supporting senior citizens being evicted because of building demolition to launching a door-to-door information campaign about the availability of Food Stamps.

During the 4½ years of work in the community, our staff has serviced almost 7,000 senior citizens. Today we have a network of senior citizens clubs in donated space in four church basements and one settlement house. Our club membership numbers close to 1,000.

eW have recently opened up a free coffee house for senior citizens, jointly sponsored by Project FIND, the Port of New York Authority, the New York City Office for the Aging, and the Travelers Aid Society of New York. It is a community effort to answer a serious problem evidenced in every urban area: senior citizens congregating in public places because they have no place else to go. The FIND Coffee House is funded privately by the Port of New York Authority, the Federation of Protestant Welfare Agencies, the New York Foundation, and individual contributors. Daily attendance has reached 115 persons.

We started FIND with a staff of 35 senior citizen aides, working part-time, and two caseworkers. Our program was cut to 7 senior citizen aides and 3 full-time staff, the Director, one Caseworker, and one Assistant Caseworker, when demonstration funds were discontinued and we became funded by New York City's umbrella organization for OEO funds, the Community Development Agency.

Our work consists of service to the homebound—escort service to doctors, hospitals and clinics; emergency homemaker and home visiting program—casework and referral; advocacy intervention and organizing senior citizens into community action groups; as well as staffing five senior citizen clubs.

Because of cuts in our OEO grants—our staff has received no raises in the past four years—transportation costs for escort service excluded and meeting supplies discontinued, we have raised a small amount of private funds for transportation and serv-

[1] The council of Jewish Federations and Welfare Funds is currently doing a demographic study of the Jewish aged in N.Y.C. Until that study is available, all figures are approximate. The figure, 300,000 was arrived at by the Jewish Assoc. for Services for the Aged (JASA) in the following way: Jews represent 25 percent of the total population of N.Y.C. They represent about 30 percent of the aged, since the Blacks and Puerto Ricans have a shorter life span.

ice to the homebound. As well as local church and tenant groups support a free soup-and-sandwich lunch program at our five clubs. We serve free lunches to close to 500 senior citizens every week. Four local churches have joined together and formed volunteer groups to open the FIND Coffee House every Sunday.

I have taken the liberty of attaching several reprints about our program to this Statement.

I welcome this opportunity of bringing to your Committee's attention several very important problems which will directly affect senior citizens, particularly in the year ahead. Many of us in the field of the aging believe that in the ensuing year senior citizens will be facing the greatest crisis in living conditions in New York City than faced in the past ten years.

The crisis is caused largely by actions taken this year by the New York State Legislature.

Yet, I know I speak for the majority of my colleagues in the field of the aging in the City, when I state that the New York State delegation to the White House Conference on Aging (November 28 to December 3rd, 1971) can in no way truly represent our points of view as to what this crisis is.

While two-thirds of all of the State's aged population or 1.3 million 65 years and older, live in the downstate area—New York City, Nassau, Suffolk, Westchester, and adjoining counties to Westchester, our delegation to the White House Conference, chosen by Governor Rockefeller, has such characteristics as to preclude significant City representation, both of the aged poor, leaders in the field of the aging, workers in the field of direct service to the aging, and City Officials.

Almost one half of the State's aged reside in New York City—close to one million over age 65. Yet, instead of one half of the State's delegation of 135, 41 (excluding 7 State Commissioners or high level State officials with Manhattan addresses), *not* 68 delegates will represent New York City. Twelve of the City's delegation of 41 have no business or agency affiliation. Six of the twelve unaffiliated reside in Manhattan, but not all are senior citizens and none of those who are senior citizens reside in poor neighborhoods and could be considered representative of the aging poor in Manhattan. No senior citizen is included in the State delegation residing on the Upper and Lower West Sides, the Lower East Side, Harlem or East Harlem.

The following are criteria set by the National Planning Board, and communicated to Governor Rockefeller on June 8th by Elliot Richardson, Secrtary of HEW. The first listed states that:

The diversity of population in each State be reflected in the composition of the State delegates, and that due recognition be given to ethnic, minority, and economically disadvantaged groups of older persons in each State population.

I state unequivocably that the aged poor from Manhattan, which houses 207,000 over the age of 65, or 11% of the aged in New York State, and probably a greater percent of whom are poor than any other county in the State, are completely without representation at the White House Conference on Aging.

The fourth criterion states that:

The individual's capacity to undertake follow-up action in his State and community, subsequent to the National conference, and his leadership potential be given weight. Insofar as possible, state legislators with responsibility for matters affecting the aged should be considered.

Since leaders in the City's umbrella organizations in the field of the aging have been by-passed, since New York City officials have been by-passed, and since organizations, like geriatric hospitals and voluntary direct service organizations have been by-passed, this criterion has been completely ignored in the choices for delegates representing New York City.

It should be pointed out that each delegate invited to serve as state Delegates will be provided round-trip transportation and $25 per diem for four days. Efforts to gain Federal funds for these stipends originally focused on the need to make it possible for the elderly poor to attend the White House Conference. I would venture to say that every delegate from Manhattan and the majority of the other delegates from New York City, could well afford to pay his own way to Washington. It is a disgrace that Federal funds, gained ostensibly for the purpose of giving a voice to the aged poor, are *not* being used for this purpose.

It could have been very important to have proper representation from Manhattan and New York City because the crisis older people will be facing in the year ahead is probably a uniquely urban problem. This by-passing of those persons who have been most vocal about the urban crisis as it affects the aged, is only symtomatic of the deaf ear our City receives from the New York State Administration and the State Legislature.

When facing our State Legislators in New York City with those issues vitally affecting their constituents, they advise that older people must bring their cause to up-State Legislators because City Assemblymen and Senators lack the number of votes to have an impact on the power of the up-State votes. Yet, the cause of the aged poor in New York State is overwhelmingly a City cause, since ⅓rds of the aged live down-State.

A significant impact through Senior Power on up-State Legislators seems wishful thinking, because the weight of the senior citizen population, even if seniors joined together in their demands, is singularly a small minority in up-State counties.

Thus from the City, we in the field of the aging beg for compassion for the cause of the elderly poor, and if not openly criticized for our aggressiveness by our colleagues in the field of the aging up-State, we are simply ignored as rebels by up-State Legislators.

Examples of the regressive legislation which promises to make life unbearable in the coming year for our senior citizens in New York City are cuts in the State Medicaid program, the removal of vacant New York City apartments from Rent Control, and a State Law which prohibits our City Council from extending senior citizen rent increase exemptions in January 1972, one of six bills included in the vacancy de-control package supported by Governor Rockefeller.

In addition, we in the New York City area have been warned that Federal provisions for new senior citizen service programs may be rejected by the New York State Legislature. Under Title XVI of the Social Security Act, the Federal Government is offering to put up 75% of the cost of service programs, with the State 12½% and the City 12½%. The New York State Legislature reportedly may refuse to put up the 12½% required as the State's share to bring the Federal 75% share of new funds into the State.

Again, the area to suffer most greviously for such disregard for the aged in the State of New York, will be the down-State area. No amount of clamor from New York City, apparently will move the up-State Legislators to realize the enormous needs of the aged poor in the down-State area for such programs. It would seem that somehow the State must be by-passed if New York City is to get such vitally needed funding.

The cuts in Medicaid passed by the State Legislature last June are being held up presently by a lawsuit. But, it is now rumored and City machinery is now being readied to put the cuts into effect in January 1972. These cuts directly affect the aged and disabled. If an elderly person has Medicaid but is not receiving Welfare, after January 1972 he will no longer get coverage through Medicaid for prescription medicines, appliances like hearing aids, crutches, eyeglasses, wheelchairs, and home health aides—the very services which help to keep elderly people living independently in the community, out of institutions.

Some 200,000 senior citizens in New York City have Medicaid, yet less than 60,000 are Welfare clients; the majority of elderly people are too proud to accept Welfare. These 200,000 elderly New Yorkers will have those services for which they relied on Medicaid discontinued; their hospital and doctor bills are covered by Medicare.

If Medicare for all senior citizens is not extended to cover what is called preventive medical care, like prescription medicines, e.g., eyedrops for glaucoma, medication for heart disease or diabetes and medical appliances which can upgrade the general physical condition of an aged person, at least Medicaid broad enough to include these needs should be continued for the aged poor. The restoration of Medicaid benefits to the aged and disabled as it appears now will not pass at the next session of the New York State Legislature, however, unless pressure is brought from all areas of community life and all parts of the State or Federal controls are mandated to the State Legislature to give due recognition to the needs of the aged and disabled poor.

Vacancy decontrol of Rent Controlled apartments in New York City is just another action which heightens the already horrifying housing crisis in New York City, to affect the aged more cruelly than any other age group. Landlords in New York City, and most particularly in Manhattan, are harassing aged people so that apartments can be freed from Rent Control and rents can be appreciably raised.

Obviously the philosophy at work is that it is simple to harass an old woman or man and because of frailty, he or she may not react quickly enough to avoid eviction. The tragic effects of vacancy de-control on senior citizens—70% of whom are renters in New York City—are compounded by rising rents in residential hotels, one of the few housing resources for the aged in Manhattan, an inadequate stock of senior citizen residences, and in adequate nursing homes.

At the same time, there are nowhere near enough new or renovated housing projects for the aged in the City to be other than a drop in the bucket toward the need for accommodations for elderly persons being displaced, either because of luxury development, institutional expansion, or the allout effort to drive older people out of their long-term occupancy of Rent Controlled apartments.

In other words, there is absolutely no place for elderly people to move to today in New York City if they lose the small hotel rooms or Rent Controlled apartments which they now have.

It is vitally important that for the sake of the aged poor and middle income senior citizens in New York City the freeze on rents be continued at the Federal level. Let the housing situation for the aged in New York City be cited as a National emergency with no worsening of conditions allowed, until steps can be taken to provide new or renovated housing for the aged living in the City today.

If the freeze is not continued, some 29,000 low-income senior citizens in New York City will get a 22% increase in rent as of January 1972. This will occur because the State has prohibited the City from continuing Rent Increase Exemptions granted in the Fall of 1970 and the Spring of 1971. It is not so simple to say that those who cannot afford a rent increase will just have to take welfare; this would demoralize the majority such that it amounts in real terms to signing their death warrants.

One practical solution would be Federal rent subsidies to be granted directly to older low-income people, regardless of where they live: Rent Controlled apartments, hotels, adult residences, non-controlled housing units. But the prognosis for this seems dim. Rent subsidies in the past have been restricted to new apartment dwellings, mainly to allow for establishing an economically mixed tenant community which otherwise would be totally middle and upper income.

What's called for is some imaginative programming instituted through the Housing and Urban Development Administration. Here we are in New York City with an old present housing stock which does not meet standards set for being granted funds for renovation.

Everyone it seems has his vision set for 50 or 100 years in the future. If in advance it cannot be surely proved that a building will provide sound housing, with all of the improvements deemed necessary for the health of older people, which will still be serving as sound housing some 50 or 75 years from now, Federal funds cannot be put into the renovation. Yet, all the while, the majority of older people are living under sub-standard housing conditions in our City with none of the safety or comfort devices deemed absolutely necessary.

Somehow it must be possible to exercise imagination in renovating present housing just to meet minimum conditions, raising sub-standard conditions. For example, on the Westside, the housing presently occupied by a great number of senior citizens are old law tenements, with toilets in the halls and bathtubs in the kitchen. These are four and five flight walk-up tenements.

Another large housing stock are old brownstone and limestone family houses which have been converted to small apartments or single room occupancy dwellings. One idea would be to acquire the brownstones through non-profit community housing corporations and convert them into old-fashioned boarding houses, which abounded at the turn of the century, with communal dining rooms and the personal ministrations of a patient landlady.

But financing for renovation of the brownstones seems bogged down because it is not financially feasible nor physically possible to install elevators. In effect, Federal guidelines for feasible programs for the aged dictate that it is not healthy for older people to climb stairs! Isn't it amazing to note that countless thousands of elderly people climb 3 and 4 and 5 flights of stairs everyday, and someone observed that maybe it's for doing that that their hearts are as healthy as they are. It is only chronic heart patients who who absolutely should not climb stairs. I am not advocating intentionally asking an elderly person to test his endurance by climbing stairs, because it is possible to install simple seat elevators on staircases for the upper levels, but this short-range (that is 25 or 30 years) approach is apparently not feasible according to HUD.

Another failure in New York City has been the response of older people to Federal Food Stamps. A fraction—less than 25,000, of those known to be eligible (the requirements are the same for Medicaid and 200,000 have applied for Medicaid) are using Food Stamps.

It is perfectly understandable why Food Stamps are not working—older people in Urban communities have roots in these communities; the grandson of one's schoolmate might be at the check-out counter of the A & P. It is really too much to ask that elderly people suffer the indignation of fumbling around with Food Stamp handouts. The old system for surplus food distribution at least maintained a needy person's anonymity; your neighbor doesn't necessarily know where a shopping basket of food came from.

I have purposely avoided remarks about increasing Social Security allotments, and while I advocate increases, I believe these problems are of more moment today. Even an increase in the amount of Social Security will not help an elderly poor person meet the total projected increases in rent or those medical costs formerly provided by Medicaid.

Thank you.

[From the New York Times, Oct. 15, 1971]

BUS TERMINAL HABITUÉS GET OWN COFFEEHOUSE

(By Paul L. Montgomery)

Mrs. Bertha Moore is 80 years old and lives alone in a $35-a-month room on Tenth Avenue. About the only pastime she used to be able to afford was a trip to the Port Authority Bus Terminal waiting room to watch the world go by.

"When I started over there, the cops would come and chase us out," she recalled yesterday. "They would come and look and look at you. I don't like them looks. Here, you come and nobody looks."

Mrs. Moore was one of 150 guests yesterday at the formal opening of the FIND Coffee House at 425 West 43d Street, a place where elderly habitués of the terminal can come and enjoy one another's company.

The opening was the culmination of two years of work by the New York City Office for the Aging, the Port of New York Authority, the Travelers Aid Society of New York and Project FIND, a program for the elderly begun by the Office of Economic Opportunity.

FIRST OF ITS KIND

"This is the first project of its kind in the country," said Mrs. Elizabeth Stecher Trebony, the executive director of FIND (an acronym for Friendless, Isolated, Needy, Disabled). "We've already had inquiries from all over the world about it."

Mrs. Trebony formed a committee two years ago to study the elderly habitués of terminal. The other key members were Mrs. Stella B. Allen of the city Office for the Aging, Marvin Weiss, who was then manager of the terminal, and the late Herbert Rummel of Travelers Aid.

One of the first tasks was to check on the habits of the terminal sitters. This was accomplished by Mrs. Mary Z. Butler, who is 67, and Mrs. Stella G. Trebony, Mrs. Trebony's mother-in-law, who is 72. They set up a table in the terminal waiting room and began gathering data on 84 regulars and 189 sporadic visitors.

They met some resistance at first, but after a time the habitués began to talk, usually prefacing their remarks with something like, "Don't tell anyone, but I do sit here a lot." The median age of the sitters was 69, the average income $1,500 a year. About 70 per cent of the regulars sat alone; 25 per cent came from outside Manhattan.

TOTAL OF $35,000 CONTRIBUTED

In the meantime, Mrs. Trebony's committee was gathering money and support for the planned coffeehouse. The Port Authority, the Federation of Protestant Welfare Agencies and the New York Foundation made contributions totaling $35,000, and there were also individual donations.

Last year, a place was found. The Port Authority provided workmen to do much of the renovation. Since June, about 400 elderly people have joined the project, and each weekday from 11 A.M. to 5 P.M. they fill its spruce quarters on the ground floor of two adjacent brownstones to chat, sip coffee, play cards, or read.

An arts and crafts program is offered and so is a referral service for those who have problems they want to discuss.

There is no charge for membership. The average age of the members is 70, and the average income, $1,650 a year. Mrs. Trebony says that the coffeehouse can operate on a budget of $35,000 a year, which is about one-third the average cost of a city-sponsored senior citizens center.

"This is the closest thing to home they've got," said Mrs. Allen. "It's really like an extended family situation. You can talk about things here that you couldn't talk about in a more structured place."

"I like it very much," said Mrs. Moore. "I was here the first time it was open and I saw it was nice. They talked to me so nice, I said to myself, these are the friends I should know."

HEALTH, FOOD AND RENT: THREE CRISES FOR THE ELDERLY

(By Elizabeth S. Trebony)

Project FIND's Fourth Annual Conference, "Senior Citizens Report to Congress," on May 21st came at a time this year which could be described as the most serious crisis for the elderly people trying to live in this city.

The West Side's three Congressional Representatives, Bella Abzug, Edward Koch, and William F. Ryan, gave up most of their day for the event, which was co-sponsored by the East Harlem Committee on Aging, Inc. First the Congressmen came to St. Paul the Apostle Church for the morning session on the West Side and then they travelled to East Harlem for the afternoon. Jack Ossofsky, Deputy Director of the National Council on the Aging, was moderator both on the West Side and the East Side. More than 1,000 senior citizens attended.

Frustration was the keynote of the day, expressed both by the Congressmen and all of the seniors who spoke out. The idea of the meeting was, as Jack Ossofsky put it, "to bring together the people of the community, the ordinary citizen of our town with their Representatives in Congress who make the legislative decisions."

The Congressmen all stressed the importance of Senior Power and exerting pressure. Many seniors wanted to know how must Senior Power was necessary beyond what they had shown and were showing that day in the pouring rain by being there and speaking their minds. One lady in East Harlem said, "Do you expect older people to go to Washington or Albany, when most can't afford carfare to City Hall?"

The meetings were planned months ago before many of the recent events occurred which can spell real crisis to the aged in the year ahead. Here are some of the current issues:

The State Legislature has passed a bill cutting Medicaid, which appears to be directed straight at older people, because those payments being cut are the only things elderly people rely on Medicaid for: dental care, eyeglasses, prescription medicines, appliances for the handicapped, home health aides for the sick.

Federal Food Stamps are slated to cost more next September. Now the minimum an eligible person pays is $9 for stamps with which he can buy $14 worth of food. Stamps are to cost more after September.

Mayor Lindsay is cutting the budget and threatens to discontinue the New York City Office for the Aging, the only agent through which elderly people have a voice in City government.

Governor Rockefeller has pushed through his proposal to discontinue rent control in vacant City apartments. Elderly people are already harassed because of rent increase exemptions, which are slated to be revoked in January 1972; the Governor's proposal will mean that older people will be surely pushed out of their apartments by landlords employing one technicality or another.

XUM

Medicare is being whittled away year after year such that, while it never covered preventive care that Medicaid presently picks up (eyeglasses, etc.), it is becoming inadequate for proper hospital coverage—last year the cost was increased and this year—in May, Senior Citizens Month—the duration of full hospital care has been cut from 60 to 30 days a year.

As Stella Allen, director of the West Side Office for the Aging, guest speaker at the West Side meeting, said, "Cut, cut, cut . . . increase, increase, increase. Higher rents in hotels and apartments, higher prices; increase everything that it takes to live a dignified, comfortable and adequate life.

Jack Ossofsky and everyone of the Congressman deplored the "upside-down priorities in this country." Congressman Koch called for the end of the war; William Fitts Ryan condemned legislators for "putting ahead of human beings, the military, SST, and other irrelevancies;" Congresswoman Abzug called for "a National Bill of Rights for elderly citizens, who are entitled to decent Social Security, decent medical care, decent housing, regardless of their ability to pay."

In his summary statement, "A Mandate to Congress," Jack Ossofsky said, "Obviously your message to our Congressmen in New York is that you require action very fast; less talk and more action. This is the message that came through to me as I review the discussions on the West Side and on the East Side today."

He summed up those needs expressed in both communities as adequate Social Security, total health care without the need for additional payments, new and better housing at levels they can afford to pay, with a moratorium on rent increases in hotels and present rent controlled apartments, and finally, more vigorous effort on the part of the police to make the streets and homes safe for elderly people.

In addition to getting the undivided attention of all of our Congressmen for this event, the conference this year had several unique features. Present were invited delegations from every senior club and center on the West Side, from Hudson Guild-Fulton Senior Center on 19th Street to Goddard-Riverside Senior Center on 93rd Street, a number of which made donations toward the cost of free lunch for close to 600 on the West Side.

The day ended with a volunteer guest artist from a professional dance group, organized by Eleanore Kingsley, who was elected last September a director of the Community Corporation of the Lower West Side.

The dancers, directed by the world-famous choreographer-Balletmaster R. Antic, were from the Pan American Ballet Company: Eleanore Kingsley, Jon Von Erb, and Constanza Piccirillo. Also performing was Miss Indra Nila, who presented dances of South India.

One elderly lady said after the hour's entertainment, "I forgot there was such beauty left in the world."

With all the bad news, I guess we all had.

PROJECT FIND: SEEKING OUT THE ISOLATED

(By Jerome D. Bona)

"Hello, Mary." George McDermott called out to Mary Greene. "She's a real old timer," George explained. "We all come here from the neighborhood and to the other FIND clubs, to pass the time of day with each other. And the people from Project FIND help us with our problems. Anything that comes up, you name it, they try to help us. They have a Newsletter which this time tells about senior benefits we ought to know about."

In spite of gale winds, snow and ice this bitter cold March day, some thirty seniors had braved the foul weather, and had gingerly made their way down the steps for the weekly Thursday meeting of the FIND Club held at the Sacred Heart Church on West 51st Street. Elizabeth Stecher Trebony, Director of FIND, sat in one corner, answering special problems, which one-at-a-time seniors were raising in response to their Newsletter.

Mrs. Trebony said FIND was currently working with city-wide groups in the field of the aging to convince older people that they should take advantage of the federal food stamp program and city rent increase exemptions.

"They are adverse to welfare and are against taking charity. But they have a right to programs like food stamps and rent increase exemptions, as past and current contributing members of our society," she said. "And seniors must be encouraged to overcome the stigma these programs seem to have."

Project FIND has developed into a wholly responsive program, adapting itself to whatever causes senior citizens seem to be facing as time goes by. The present under-utilization in the city by seniors of food stamps and rent increase exemptions are just two current examples. Another example is the crises FIND met head on in helping hundreds of seniors when they were being evicted from hotels in the Times Square area two years ago.

Marie Peterson says she's known about Project FIND for a little over a year. "Margaret Lehrfeld came to me from FIND because a neighbor told her about one of my problems, which I'm glad to forget now because it was worked out for me," she said.

"I'm 71 years old now," says Marie. "Unlike the boy who leaves home, I'm that girl who ran away from home to join the circus. I only weighed about 90 pounds then," said Marie, who looks as if she couldn't weigh much more than that today. "I did aerial work on the trapeze, the rings, and the ladders. They liked me because I was light, I guess.

"In the 1920's, I rode the elephants bare back, you know, with the Downie Brothers Circus all up and down the East Coast. They used to have to singe the elephant's hair for me, otherwise it was like bristles," she explained.

Two others, almost as tiny as Marie, are the Greene sisters, Margaret and Mary, both in their 70's. They told about how the West Side was "peaceful" in the old days. "It was most neighborly. Nobody was beaten up just walking down the street. Nowadays it's hard to know which people to trust. Project FIND helps a lot.

"We've always lived on the West Side," says Mary Greene. "And in just two houses all our lives. About three or four years ago, we had to move from 42nd Street to Ninth Avenue when the Port Authority expanded the Lincoln tunnel."

"We were lucky," said Margaret Greene. "We were recommended by an old friend, and were able to get our apartment in a four-family house, and there has only been the one vacancy there in many years."

Mrs. Trebony emphasizes that housing for the elderly is the worst problem in both Clinton and Lincoln Square, where FIND's staff members, who now number 10, seven of them senior citizens, have accomplished an impressive record in servicing the very high number of elderly residents.

Project FIND is an "out-reach" organization. That is, it makes definite moves to seek out isolated senior citizens, mobilizes resources, and reacts to all issues which affect the elderly community. Since it was started three and one-half years ago, FIND has been able to service about 15% of the senior citizen population in the areas. That is well over 5,000 of the 36,000 over-age-60 residents.

Originally one of 12 Federal projects in the nation, New York City's FIND is the only one still in existence; the others didn't have the power to gain local funding after their neighborhood surveying had been completed.

FIND is now funded by the Community Corporation of the Lower West Side with War on Poverty (Office of Economic Opportunity) funds from the Community Development Agency of the City's Human Resources Administration.

Rabbi Gerald A. Goldman, then with the Stephen Wise Free Synagogue, on West 68th Street, was the first chairman of Project FIND's advisory committee. He has now been followed by Rev. Kevin Sheehan, C.S.P., of St. Paul the Apostle Church, just south of Lincoln Center.

Mrs. Trebony is quick to stress that the problems of senior citizens are nowhere near being met. Many live in the 55 or so low-and-middle rent hotels between 34th and 74th Streets. "The majority of these hotels are falling into deterioration," she points out, "as landlords take their profits, simply waiting for their property values to increase as the hotels and walk-up apartment buildings give way to high rate commercial buildings, institutional development, and luxury apartment towers.

"We need housing for the elderly desperately," Mrs. Trebony emphasizes. "But the transition of the West Side makes the acquisition of property prohibitive, except for luxury development and institutional expansion.

"If the elderly and other longtime residents of the West Side are to be protected," Mrs. Trebony maintains, "if the area is to be kept a mixed community ethnically, religiously, and financially, more land has got to be acquired by the city, just as it has been from 50th to 56th Streets, where the Clinton Housing Association is now sponsoring the construction of some 3,000 mixed income housing units."

In keeping with its style of responding to current needs, Project FIND, through its recently founded non-profit corporation, FIND Aid for the Aged, Inc., is also working on the acquisition of brownstones, apartment buildings, and hotels, to turn them into old-fashioned boarding houses, licensed under state law as residences for the elderly. "If we can do this," says Mrs. Trebony, "people evicted from SRO's (single room occupancy buildings) and run-down hotels would have a place to go. But here again, financing is an almost insurmountable problem.

Frances McLaughlin agrees about the relevance of Project FIND. "I became a West Sider nine years ago when the building I lived in on East 73rd Street was renovated," Frances explained. "I had to move out. I was alone down here and didn't know anybody. Then I heard about Project FIND when I went to Show Stoppers one night at Hartley House. For three years now Project FIND has given me a lot of pleasure. I never need be lonesome. I always have a place to go.

"You know I'm 87 years old," says Frances. "Elizabeth just helped me out of a scrape with my landlord. And I've been on TV twice to talk up for senior citizens and Project FIND. Now that we have four FIND clubs, we have some place to go every day."

Clubs are an important activity for FIND staff. In addition to giving seniors a place to go and a free lunch, the clubs are the focal point of the seniors' community action activities, which, next to direct service to seniors in their homes, is the heart of FIND's efforts on behalf of the elderly community.

There are club meetings every day in donated quarters: Tuesdays at St. Luke's Lutheran Church, 308 West 46th Street; Thursdays at Sacred Heart Roman Catholic Church, 457 West 51st Street; Mondays, Wednesdays, and Fridays at St. Stephen's Episcopal Church, 120 West 69th Street; and Tuesdays and Thursdays at Lincoln Square Neighborhood Center, 218 West 64th Street.

With the numerous churches involved, it's an ecumenical project; it's relevant; it's filling a vital need for the neighborhood's older citizens, this Project FIND.

[From Newsday, July 29, 1971]

PROJECT FIND—SOON TO BE FORGOTTEN?

(By Penelope McMullan)

Only seven elderly women are left of Project Find in New York. But their search for abandoned old people in West Side tenements and hotels, and their attempts to help them, is still one of the few well-coordinated community efforts to help the aged in the country.

Project FIND survives, unknown and unthanked, the only one of 12 "FINDs" the Office of Economic Opportunity funded around the country four years ago to study the old. Its an acronym—for friendless, isolated, needy, disabled.

"It's me, Betty," says Margaret Drain, 73, staring expectantly at a chipped gray door of a third-floor walkup. Clutched to her chest, is a bag filled with milk, Marlboros and soup. She waits.

The gray door gives way to an acrid odor of cat and Margaret marches through in her accustomed way and sets down what Elizabeth Z, 69, had told her she needed.

In this Project FIND area—from 34th to 74th Streets, Eighth Avenue to the Hudson River—there are 36,000 people over 60. Most, like Betty Z, live alone, on an income of around $1,500, their total Social Security *plus* savings. "Decaying" is too good a word for the buildings or hotels they live in, but most of their money goes for rent. Their landlords wish they would die or leave; rent control will end in these buildings the day the tenants go.

"There's no mail," Margaret Drain says importantly, her large blue eyes magnified by the lens of her glasses. Betty Z picks at her nightgown; it slips because her left side has been paralyzed by two strokes. When she suffered the last one they had to break down her door to get to her.

"There never is [any mail]" she replies, and sits down at her kitchen table. Her apartment is ugly—exposed pipes, dirty walls, grimy windows that block light, and amidst the clutter, such things as a dusty man's cap perched on a nail. Betty Z doesn't know where it came from—one of the infrequent visits from her sons, maybe.

Mrs. Drain is paid $2,080 a year for this work, but it is not the money she is after; she is being useful. Soon, she leaves to take an 68-year-old woman to a clinic. Chin thrust forward, she seems to march down the streets.

The objectives of all 12 projects set up by the Office of Economic Opportunity in 1967 were the same: they were to hire senior citizens who needed the money, have them search out their peers, and then mobilize their communities. OEO hoped to pave the way toward a national network of FINDs.

But it didn't happen. Eleven groups closed down, leaving only a joint report, "The Golden Years—A Tarnished Myth," behind. As it turned out, local agencies didn't really help them; their communities didn't really care, and then the money ran out.

New York's agencies and West Side community were no better, but this FIND group survived in spite of them. "The aged in New York have no priority," Stella Allen, head of the West Side Office of the Aging, says frankly. "There's just fragmentation and no planning." The city's aged population, 943,212 (12 per cent)—the only segment in the city that is increasing—is way down on the priority list. In Project FIND, for example, when the distribution of the OEO funds that support it changed hands from the National Council on Aging to New York City, the budget fell from $99,000 to its present $50,000.

What happened with this one group was that it was not only well-organized but quickly involved the senior citizens. (Almost the day their doors opened at 1966 Broadway, one of the hotel owners decided to close, and sent eviction notices to more than 250 people who had no place to go and no money for moving.)

"We are advocates," Margaret Lahrfeld, 75, says carefully. She's been a FIND worker from the beginning, and has learned the government jargon. Believing a lifetime spent on West 24th Street, she refers to "pockets of poverty," "advocacy," and her job—"therapy for me."

But the workers never had a chance to be just "finders." Issues like the hotel eviction made them advocates immediately. And when they won a promise from the hotel owner to pay $25,000 to his tenants, they took heart, and prepared never to lose again.

"They got personally involved," Elizabeth Stecher Trebony, FIND's director all four years, says. "In the first months we had two clubs opened up, by the next May two more." This space, donated by four churches in the area, was the catalyst they all needed: a place to meet for recreation and a place to organize for their rights.

Meanwhile the aides continued what Stella Allen calls the "day-to-day services," the little odd jobs like escorting and shopping the aged who have no families to do for them. And, they knew how to get Medicare, Medicaid, or food stamps for the people they found needed help, and how to convince them that taking welfare wasn't the end of the world.

"They don't know their rights," Mrs. Lehrfeld says. "They don't have radios and televisions, most of them, and they don't see the papers."

FIND has to be careful not to offend. "Most people say they'd rather die than go on welfare," Mrs. Lehrfeld says, for these are people come from a time when poverty meant laziness. "These are proud people," Mrs. Trebony says.

Outside volunteers haven't worked out for that reason. At one point, some women from the East Side planned to do a "telephone reassurance service," telephoning shut-ins once a day.

"They were going to do it, but then they said they didn't want to use their real names," Mrs. Trebony says, her eyes darkening at the memory. "They were afraid the old people would start calling them back. But you can't take a dignified old person and say, 'Hello, this is Miss S.'"

In one club, for example, Teresa O'C sits alone, waiting patiently for the free lunch. Painfully, she answers a few questions about herself, but her eyes beg off. When the food comes she swiftly eats as much as she can get, stiffening slightly when she sees her hunger has been noticed.

Mrs. Trebony is protective and dedicated. She fell into this work as a volunteer, and gets an ironic satisfaction from using techniques of the business world (she formerly was an editor at McGraw-Hill) to push for old people instead of profits.

Last year, for example, FIND wrote a report on the "sitters"—about 200 old people who journey from all over the city, and even New Jersey, to the Port Authority Bus Terminal, where they sit in the waiting rooms from morning until night. There are so many that sometimes there's no place for the travelers to sit.

"It's quite a phenomenon," says one FIND staffer. "They do it in Grand Central, too, and if they had the money, you can bet they'd be out at the airports."

Mrs. Trebony's study led to press coverage of "the sitters," and then to money from two foundations and the Port Authority itself for a free "coffee shop," to be run by FIND, at 425 W. 43rd St. FIND will try to get "the sitters" to go there instead.

It will be for others, too; Mrs. Lehrfeld tells Richard K about it when she visits him in his tiny one-room apartment at W. 45th St. To save electricity, he wasn't using his fan, but he turned it on when she came, and pulled out a folding beach chair for her to sit on.

He said he would go to the coffee shop. "It's so monotonous," he told her. "I go from this chair here to that chair over there and back again." His apartment is barely furnished; the "chair here" is one by the front window (most have chairs by their windows), and the "chair there" is next to a small kitchen table. Add a bed, night table and a sewing machine (so he can repair his own clothes) and that's it.

K is an example of how budget cutbacks and funding affect the elderly on the West Side. His apartment is under rent-control, which a Rockefeller-sponsored state bill now abolishes—once the tenant leaves "voluntarily." Even if a senior tenant doesn't leave, there will be an automatic 22 per cent increase in January. Joseph Glamo, K's landlord, simply refuses to make repairs: a broken sink, no cold water, and two rat holes that should be plugged up. If it gets worse, maybe the 88-year-old man would leave "voluntarily."

The state also cut back on Medicaid services—payments for eyeglasses, hearing aids and prescription medicines. So K, who pays $60 a month out of an $82-a-month Social Security check, will simply not get those things, even though he is deaf and going blind.

But Mrs. Lehrfeld tells him she will take him to an eye doctor she's found. "He's a human being," she says, proud of her discovery, "you know, beyond medicine." She also spotted a sign in a Woolworth's that seniors can get their shoes resoled at half price; K's shoes will make that visit. And then there's the television. Mrs. Lehrfeld convinced a woman who had three to part with one. K watches the little red portable often. Ch. 11 is all he can reach on it, but "Beat the Clock" is better than nothing.

Still, FIND's future is not secure. A FIND Fund tries to raise money from private sources, but that's not all they worry about.

"The lack of priority starts at the federal level," Mrs. Trebony says, "and works its way down to the state and city. Right now we're facing the worst year of all, as I see it. The cuts in state aid, and now, federal food stamps will cut cost more. The cuts seem to be directed against the aged, and nobody seems to realize that these are people who just don't have time to wait."

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How Long?

XUM

BILL SCOTT REPORTS

HON. WILLIAM LLOYD SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. SCOTT. Mr. Speaker, since coming to the Congress, I have sent a regular newsletter to citizens of the Eighth District of Virginia and I am inserting in the RECORD at this point a copy of the November 1971 newsletter:

YOUR CONGRESSMAN—BILL SCOTT REPORTS

ELECTION REFORM BILLS

Three major bills relating to campaign spending and reporting will be considered in the House of Representatives after the Thanksgiving holiday. One of the measures has been passed by the Senate, a different one reported by the House Interstate and Foreign Commerce Committee; and still another one reported by the House Administration Committee. All measures are different, controversial, and political. Few people would want anyone to be permitted to spend enough money to buy an election and most would agree on the need for a more complete reporting and disclosure of expenditures. However there are differences of opinion as to the amount of spending limits; whether officials within the Congress, the General Accounting office, or a new Federal Election Commission should supervise spending and reporting by candidates. There are also differences regarding equal time requirements for television and radio, credit card restrictions, limitations on candidates contributions to their own campaign and whether violations of the election laws should result in forfeiture of the election, or in a fine, or imprisonment. We are not sure which of the three basic bills will be adopted in the House, but are reasonably certain that there will be numerous amendments offered on the Floor. Because of the wide differences of opinion within the committees, between individual members and between the Democratic-controlled Congress and the White House there is some doubt as to whether any election reform bill will receive sufficient support to become law before the next Presidential election.

DISTRICT OF COLUMBIA REVENUE ACT

The District of Columbia Revenue Act passed the House of Representatives early this month by a vote of 248 to 50. It contains the largest amount ever authorized to be spent by the District of Columbia Government and provides increases in gasoline tax, corporate income tax, and the Federal payment from $125 million to $170 million but omits any authorization for the imposition of a commuter tax by the District of Columbia Government. Of course, Virginia and Maryland Congressmen had all appeared before the District of Columbia Committee and testified against the levying of this tax. The voice vote in the House on the proposal was overwhelmingly against it. The Senate is also opposed. So we can be sure that there will be no commuter tax for at least another year and hopefully not at any time.

MIDDLEBURG MINISTER

The Chaplain of the House of Representatives has arranged for Reverend W. Michael Nobel, Minister of the Middleburg United Methodist Church to offer the opening prayer in the House on Thursday, December 2. Reverend Noble was Pastor of the Beaverdam Methodist Church in Hanover County prior to being transferred to Middleburg where I was the Layman's Day speaker last month.

FERRY FARM

On December 10, the Director of the National Park Service, the Chief Historian of the Park Service and a representative of the Southeast Region will join me in Fredericksburg to visit Washington's boyhood home at Ferry Farm across the Rappahannock River. The Fredericksburg Area Chamber of Commerce will serve as host to the visitors and are arranging a luncheon and a presentation of the history of the property. A total of 38 members of the House have now co-sponsored the bill to acquire, preserve and restore this historic site and others have indicated a desire to join in the introduction of an identical bill. Therefore, we are hopeful that the House Committee on Interior and Insular Affairs will hold hearings some time next year.

HIGHER EDUCATION BILL AMENDMENTS

Spurred by the tremendous public sentiment against forced busing to achieve racial balance, the House approved an amendment to the Higher Education Act of 1971 that would delay busing under any lower-court order until all legal appeals have been exhausted. It also approved another anti-busing amendment which bars the Federal Government from pressuring or requiring school districts to spend local or state money on busing aimed at achieving racial balance. I voted for both of these amendments and hope they will be retained in the bill by the Senate. Final passage of the measure by a vote of 332 to 38 came after the House had worked on the bill for four days and had engaged in a marathon session which ended at 2:30 a.m. Friday.

INTERSTATE 66

As you may have read, the Federal District Court at Alexandria has determined that there is no justification or legal requirement for further delay in completing the construction of Interstate Route 66. A primary concern, of course, is the portion between the Beltway and the Theodore Roosevelt Bridge which has been discussed many times with the Virginia Highway Commissioner. In a recent letter the Department of Highways advised that an environmental impact statement has been forwarded to the Federal Highway Administration and that the portion of the highway between Glebe Road and Kirkwood Drive, at the intersection of Route 29–211, will be advertised for bids March 15. A second project, from the Beltway to the intersection of Route 7, is now being formalized and should be advertised for contract in early summer. I have again contacted the Secretary of Transportation and urged that every effort be made to expedite the completion of this interstate highway which is not in any sense a substitute for the Metro System. It is contemplated that Metro will utilize the median strip of the highway for its trains.

EAST COAST DOCK STRIKE

A number of constituents including businessmen and representatives of state and county farm bureaus have contacted the office urging that action be taken to terminate the East Coast dock strike. Some have cited loses in excess of a half-million dollars per day primarily to farmers producing grain, soybeans, and tobacco. We are told that railroads are refusing to pick up harvested crops for fear of spoilage while the crops are in their possession and cannot be unloaded because of the strike. Several days ago, therefore, I contacted the President with the request that the Taft-Hartley Act be invoked. In the early stages of the dock strike, the White House refused to invoke it because the strike was not general in nature and negotiations for settlement were under way. However, it has since spread to most East Coast ports and the President has been urged to reevaluate the situation in order to alleviate the loss to farmers and businessmen. The White House has promised that full consideration will be given to the request.

SENIOR CITIZENS

Sometimes we fail to utilize the talent and experience of older people who may not want complete retirement. In all probability, among our constituency, there are people with long years of legislative or Capitol Hill experience who would like to be employed on a part-time basis. Therefore, I am allocating one space in the office to alternate on a four hour a day, or twenty hour a week basis, for persons between the ages of 50 and 65, who would like to work part-time on Capitol Hill. An individual could commence work at 8 a.m. 12 noon or 4 p.m. on a weekday and if fully experienced in research, legislative, journalism or other Congressional activity, be of material help to this office and at the same time relieve the boredom of not being gainfully employed. If you meet this qualification and would be interested, please submit a résumé of your background, experience and available funds require that this proposal be limited to no more than three persons working twenty hours per week.

DUPLICATE NEWSLETTERS

We would like to correct our mailing list and would appreciate it if you will advise us if you are receiving more than one copy of the newsletter or if your mailing address should be corrected in any way.

CALENDARS AND CONSUMER INFORMATION

We have a limited number of Government calendars which will be made available in the order that written requests are received in the office until our supply is exhausted. There are two types, the regular stiff back House of Representatives calendar and the one sponsored by the Capitol Historical Society, which features a number of Washington scenes. If you would like one, please specify your choice and indicate whether or not you would like the other type if the supply of the one you prefer is exhausted.

Also available are copies of a 16-page catalog, or index, of selected Federal publications on how to buy, use and take care of consumer products. About one-fourth of the publications listed are free, and the rest can be obtained for a nominal charge. Individual publications cover such products as appliances, autos, child care, clothing and fabrics, food, health, housing and pest control. Let us know if you'd like a copy of this publication catalog.

SOMETHING TO PONDER

The vote by which Formosa was expelled from the United Nations and Communist China admitted has been described merely as a recognition of reality. However, it may be time for a realistic look at the way the U. N. operates and for the adoption of a U.S. policy more in line with this reality.

The U.N. is said to be $176,699,974 behind in dues collections and other assessments from its members. Some 76 nations are delinquent. The Soviet Union owes nearly $87 million, and the rest of the Communist bloc owes the United Nations another $31 million. In other words, Communist nations owe nearly $118 million to the organization which just voted to accept another huge Communist country. The United States pays one-third of all the operating costs of the U.N. We might ask, is it realistic to have one nation paying 33⅓ percent of the costs of a body that supposedly represents all the nations of the world and allots each member equal voting rights?

RESOLUTION TO EXPEL BYELORUSSIA AND THE UKRAINE FROM THE UNITED NATIONS

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. BROOMFIELD. Mr. Speaker, I lend my full support for the resolution introduced by my distinguished colleague, Mr. BURKE of Florida, asking President Nixon to direct our representatives in the United Nations to take the necessary steps for the expulsion of Byelorussia and the Ukraine from the United Nations.

The Congress and the people of America have been distressed by the recent actions taken by the U.N. to expel the Nationalist Chinese from this world body. If this free, sovereign, and independent state can be expelled, why should two constituent republics, indivisible of the Soviet Union, be allowed to remain.

Byelorussia and the Ukraine are two of the 16 republics that make up the U.S.S.R. They relate to the U.S.S.R. roughly in the same way that Michigan and California relate to the United States. Despite this obvious fact, the Soviets persuaded our war-weary political leaders in 1944 and 1945 that Ukraine and Byelorussia were separate states.

Twenty-six years have passed since then, and Ukraine and Byelorussia, on the contrary, have become more an integral part of the U.S.S.R. They are not allowed to carry on their own sovereign foreign relations, nor have they any semblance of a nation-state which is the criteria for acceptance into the U.N. for all other members.

Any body of nations that expels from its membership an independent nation like Nationalist China, which has defended its borders from intruders for more than 25 years, and at the same time, countenances that retention of Byelorussia and the Ukraine as full-fledged members with an equal vote is practicing the most gross form of hypocrisy. Since Byelorussia and the Ukraine, like Nationalist China, were charter members of the U.N., they too can be expelled by the same method as was used to eliminate the Nationalist Chinese.

The United States has been the primary backer of the U.N. since its inception, paying at least 31.52 percent of the annual U.N. budget. Despite our heavy contributions, the U.N. is virtually in a state of financial collapse. This is quite understandable when one realizes that countries like the Soviet bloc nations owe $118 million alone, while some countries do not pay their dues at all. Two-thirds of the votes in the General Assembly belong to countries which together pay only 4½ percent of the annual U.N. budget.

Mr. Speaker, now is the time to start making the U.N. a truly representative body—a body of independent nations, free and sovereign. I believe that the responsible course is to try to translate the high feelings generated by the China vote into support for national voting procedures and to reform the finances of the U.N.

To conclude, if the U.N. is to be a meaningful and useful body of world states, it must have integrity. The unequal representation of Byelorussia and the Ukraine cannot be tolerated by a group of equal nations.

HOUSE OF REPRESENTATIVES—*Monday, November 29, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let the peace of God rule in your hearts . . . and be thankful.—Colossians 3: 15.

At the close of our Thanksgiving recess, our Father, we pause to thank Thee again for Thy goodness to our Nation and to us. Throughout the year Thy presence has attended our ways and Thy spirit has blessed our days and we are grateful.

Now as we enter the Advent season help us to hear and to heed Thy voice endeavoring to lead us in the paths of righteousness, truth, and love. We are disturbed as we face the experiences of these troubled times and we pray that Thou wilt keep us aware of Thy spirit, strengthening us, guiding us, and seeking to establish among us the ways of peace.

Bless our President, our Speaker, our Members of Congress, and our people. Keep us all faithful to the high task of making America great in goodness and good in greatness—to the glory of Thy holy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3749. An act for the relief of Richard C. Walker;

H.R. 5419. An act for the relief of Corbie F. Cochran, Jr.;

H.R. 6283. An act to extend the period within which the President may transmit to Congress reorganization plans concerning agencies of the executive branch of the Federal Government, and for other purposes;

H.R. 9727. An act to regulate the dumping of material in the oceans, coastal, and other waters, and for other purposes;

H.R. 9961. An act to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes;

H.R. 10947. An act to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes;

H.R. 11341. An act to provide additional revenue for the District of Columbia, and for other purposes; and

H.R. 11731. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

The message also announced that the Senate had passed bills, joint and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 247. An act for the relief of Albert G. Feller and Flora Feller;

S. 641. An act for the relief of Luis Guerrero-Chavez, Guadalupe Guerrero-Chavez, and Alfredo Guerrero-Chavez;

S. 888. An act for the relief of David J. Crumb;

S. 1089. An act for the relief of Robert Rexroat;

S. 1299. An act for the relief of Dr. Biman K. Khastagir;

S. 1436. An act for the relief of Dr. Alfredo Rivera Soliva;

S. 1466. An act to authorize the Secretary of the Army to grant certain rights-of-way for road improvement and location of public utility lines over a portion of Fort DeRussy, Hawaii;

S. 1481. An act for the relief of Jose Amaral de Souza;

S. 1675. An act for the relief of Antonio Plameras;

S. 1893. An act to restore the golden eagle program to the Land and Water Conservation Fund Act, provide for an annual camping permit, and for other purposes;

S. 1923. An act for the relief of Harold Donald Koza;

S. 2048. An act for the relief of Mrs. Jun Kuen Chiu Yee (Jun Kuen McNeeley Yee);

S. 2601. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the national park system, and for other purposes;

S. 2878. An act to amend the District of Columbia Election Act, and for other purposes;

S. 2887. An act authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes;

S.J. Res. 149. Joint resolution to authorize and request the President to proclaim the year 1972 as "International Book Year";

S.J. Res. 176. Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes; and

S. Con. Res. 50. Concurrent resolution authorizing the printing of the handbook entitled "Guide to Federal Programs for Rural Development" as a Senate document.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 9961) entitled "An act to provide Federal credit unions with 2 additional years to meet the requirements

for insurance, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. PROXMIRE, Mr. WILLIAMS, Mr. TOWER, and Mr. BENNETT to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 10947) entitled "An act to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. ANDERSON, Mr. TALMADGE, Mr. BENNETT, and Mr. CURTIS to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11731) entitled "An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. MCCLELLAN, Mr. STENNIS, Mr. PASTORE, Mr. SYMINGTON, Mr. YOUNG, Mrs. SMITH, and Mr. ALLOTT to be the conferees on the part of the Senate.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House:

WASHINGTON, D.C.,
November 22, 1971.

The Honorable, the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

DEAR SIR: Pursuant to the authority granted by the House on November 19, 1971, the Clerk received today the following messages from the Secretary of the Senate:

That the Senate agreed to the House amendments on S. 1810, An Act for the relief of Dorothy G. McCarty;

That the Senate passed without amendment H.R. 8356, An Act to make permanent the authority to pay special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation; and

H.R. 10203, An Act to amend the Water Resources Research Act of 1964, to increase the authorization for water resources research institutes, and for other purposes.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS, *Clerk,*
House of Representatives.
By W. RAYMOND COLLEY.

ANNOUNCEMENT BY THE SPEAKER REGARDING SIGNING OF ENROLLED BILLS

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Friday, November 19, 1971, he did, on Monday, November 22, 1971, sign the following enrolled bills of the House:

H.R. 1836. An act for the relief of Ruth V. Hawley, Marvin E. Krell, Alaine E. Benic, and Gerald L. Thayer;

H.R. 1867. An act for the relief of Bernadette Han Brundage;

H.R. 1899. An act for the relief of Mrs. Maria G. Orsini (nee Mari);

H.R. 1931. An act for the relief of Jesus Manuel Cabral;

H.R. 1962. An act for the relief of Dah Mi Kim;

H.R. 1970. An act for the relief of Mrs. Andree Simone Van Moppes and her son, Alain Van Moppes;

H.R. 2087. An act for the relief of Park Ok Soo and Noh mi Ok;

H.R. 2107. An act for the relief of Jose Bettencourt de Simas;

H.R. 2108. An act for the relief of Nemesio Gomez-Sanchez;

H.R. 2408. An act for the relief of Louis A. Gerbert;

H.R. 2706. An act for the relief of Miguelito Ybut Benedicto;

H.R. 2803. An act for the relief of In Kyong Yi;

H.R. 2814. An act for the relief of Rea Republica Ramos;

H.R. 3041. An act for the relief of Mary James Kates, owner of the Gladewater Daily Mirror;

H.R. 3082. An act for the relief of Ronnie B. (Malit) Morris and Henry B. (Malit) Morris;

H.R. 3383. An act for the relief of Mrs. Mauricia A. Buensalido and Jacqueline A. Buensalido;

H.R. 3425. An act for the relief of Helen Tziminadis;

H.R. 3475. An act for the relief of Paul Anthony Kelly;

H.R. 5422. An act for the relief of The American Journal of Nursing; and

H.R. 7085. An act for the relief of Eugene M. Sims, Sr.;

And on Thursday, November 23, 1971, signed enrolled bills of the House, and an enrolled bill of the Senate as follows:

H.R. 8356. An act to make permanent the authority to pay special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation;

H.R. 10203. An act to amend the Water Resources Research Act of 1964, to increase the authorization for Water Resources Research Institutes, and for other purposes; and

S. 1810. An act for the relief of Dorothy G. McCarty.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House:

WASHINGTON, D.C.,
November 23, 1971.

The Honorable the SPEAKER,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:35 p.m. on Tuesday, November 23, 1971, and said to contain a message from the President transmitting the 1970 Annual Report on Health Program of the Federal Coal Mine Health and Safety Act of 1969.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.
By W. RAYMOND COLLEY.

THE 1970 ANNUAL REPORT ON HEALTH PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

To the Congress of the United States:

I am pleased to submit to the Congress the first annual report on health matters covered by the Federal Coal Mine Health and Safety Act of 1969.

The report covers the implementation of the health program during its first year of operation under this act. This program has been carried out by the National Institute for Occupational Safety and Health of the Department of Health, Education, and Welfare. The report provides a compendium of health standards, medical specifications, research and public health information activities from December 30, 1969, through December 31, 1970.

Highlighted in this document are the health regulations promulgated under the act, the status of the medical and industrial hygiene research projects, specific health standard recommendations to control and eliminate occupational disease, and proposed research for the future.

It is encouraging to note that as of December 31, 1970, the Department of Health, Education and Welfare approved 398 Coal Mine Operator Plans in which the company is providing an opportunity for confidential medical examinations at no cost to the miner. These plans applied to nearly 76,000 underground miners. Concurrently, 440 physicians sought and obtained certification to participate in the reading of chest roentgenograms. Contracts have also been made by the Public Health Service with medical organizations to provide for chest x-rays of coal miners in seven States at the mines where operators have not submitted such plans, and additional contracts are now being obtained for the remaining 14 States which have underground coal mining operations. A comprehensive research program has been established to develop criteria necessary to set optimal health standards. The Department of Health, Education and Welfare is moving rapidly to further refine health and safety standards and to assist the Department of the Interior in the implementation of this act.

I commend this report to the attention of the Congress.

RICHARD NIXON.

THE WHITE HOUSE, *November 23, 1971.*

HON. TOM MURRAY

(Mr. BLANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLANTON. Mr. Speaker, it is my sad duty to inform the House of the death of a distinguished former Member of this body. Former Representative Tom Murray died yesterday in his hometown of Jackson, Tenn. He served for nearly a quarter of a century, until 1966. The funeral will be at 10 a.m., Tuesday in Jackson, Tenn.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the distinguished majority leader, the gentleman from Louisiana (Mr. BOGGS).

Mr. BOGGS. Mr. Speaker, I am sure that I express the sentiments of the Members on both sides of the aisle when I say that all of us are saddened at the passing of Tom Murray.

Mr. Murray served here for almost a quarter of a century. He was, for years, chairman of one of the most important committees of the House. He gave most of his life in service to this body.

I was glad that he lived to a ripe old age and I hope that his last days were happy days.

Mr. Speaker, I again say that all of us who served here with him shall miss him.

Mr. BLANTON. I thank the distinguished majority leader for his kind remarks.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the distinguished minority leader, the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, I join with the distinguished majority leader and the gentleman from Tennessee (Mr. BLANTON) in noting the unfortunate passing of Tom Murray. He was a very unique individual. He was unique in that his previous Government experience fully qualified him to be chairman of the House Committee on Post Office and Civil Service. He served that committee very well in the capacity as chairman. He was as strong as a rock. He was firm in his convictions. He handled the important matters of that committee with great skill and great dedication. He was a delightful person. We all enjoyed his company and we respected his views.

Mr. Speaker, the country lost a great public servant when Tom Murray left the Congress and we have lost a great citizen with his passing.

Mr. BLANTON. I thank the distinguished minority leader for his remarks.

Mr. FULTON of Tennessee. Mr. Speaker, Tom Murray gave many productive years to the House of Representatives, a body which he loved and in which he served for more than two decades with distinction, from 1943 until 1967.

Prior to his election to the House Mr. Murray was an attorney and a Post Office Department employee.

During his career in the House he always maintained an active interest in that Department and in our Federal employees. In 1947 he was named ranking minority member of the newly formed House Post Office and Civil Service Committee.

Two years later, at the commencement of the 81st Congress, Mr. Murray became chairman of that committee, a position of responsibility which he held until leaving the House two decades later.

In addition to his interest in the welfare of Federal employees he actively supported and sponsored legislation to remove political influence from Federal employment practices.

Mr. Tom was well known and highly regarded in Tennessee, particularly in his west State home region. We all deeply regret his passing and extend our deepest sympathies to his survivors.

Mr. DULSKI. Mr. Speaker, I appreciate this opportunity to pay my respects to the late Tom Murray of Tennessee, for 24 years a Member of the House of Representatives.

Tom Murray long was "Mr. Tennessee" in the House and he served his district and his State well over the years.

He came to Washington in 1933, early in the administration of President Franklin D. Roosevelt, and joined the staff of the Post Office Department. This assignment was to set the pattern of his Federal service in both the executive and legislative branches.

As some Members will recall, a crisis occurred in the postal service early in the Roosevelt administration with regard to airmail service. President Roosevelt ordered the Army Air Corps to fly the mail, a drastic and controversial order.

I am told that it was Tom Murray who played a key role in settling that unfortunate dispute and restoring normal airmail service by the airlines.

He was elected to Congress in 1942, and promptly followed his postal interests by seeking membership on postal committees.

When the House was reorganized, effective in January 1947, Tom Murray became the ranking Democrat on the Post Office and Civil Service Committee, newly created by a merger of separate committees under the old system.

Two years later, in 1949, he became chairman of the full committee and continued at the helm except for the 83d Congress when he again served as ranking minority member.

Tom Murray worked hard for improved postal facilities and service. He made good use of his basic understanding of postal problems gained from his long service downtown.

But his committee concern was not restricted to postal affairs. He also took deep interest in the problems of manpower utilization in the Federal Government.

He gave new status to the Manpower Subcommittee and supported fully the efforts to keep close tabs on Federal employment. He was early to recognize the increasing demand and need for highly skilled and professional talent in the Federal service. But, at the same time, he also was persistent in his efforts to eliminate jobs which became no longer necessary.

In handling legislation, in his committee and in floor debate, Tom Murray was recognized as a master parliamentarian. He studied carefully the intimate details of each bill and fought hard for the issues in which he believed.

Mr. Speaker, it was my privilege to learn this House committee and legislative systems under then chairman, Tom Murray. I recall well his thoughtfulness and courtesy to me as a freshman Member and the encouragement which he gave to me along the way.

The passing of Tom Murray takes from us a dedicated legislator who built a fine record of public service to his country, to his State, and to his district. I join my colleagues in extending my deepest sympathy to his family.

GENERAL LEAVE

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their remarks on the life and service of the late Hon. Thomas Murray.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

CONFERENCE REPORT ON S. 1116, PROTECTION OF WILD HORSES AND BURROS (H. REPT. NO. 92-681)

Mr. BARING submitted the following conference report and statement on the bill (S. 1116) to require the protection, management, and control of wild free-roaming horses and burros on public lands:

CONFERENCE REPORT (H. REPT. NO. 92-681)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1116) to require the protection, management, and control of wild free-roaming horses and burros on public lands, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill, and agree to the same with an amendment as follows: In lieu of the matter inserted by the House amendment insert the following:

That Congress finds and declares that wild free-roaming horses and burros are living symbols of the historic and pioneer spirit of the West; that they contribute to the diversity of life forms within the Nation and enrich the lives of the American people; and that these horses and burros are fast disappearing from the American scene. It is the policy of Congress that wild free-roaming horses and burros shall be protected from capture, branding, harassment, or death; and to accomplish this they are to be considered in the area where presently found, as an integral part of the natural system of the public lands.

SEC. 2. As used in this Act—

(a) "Secretary" means the Secretary of the Interior when used in connection with public lands administered by him through the Bureau of Land Management and the Secretary of Agriculture in connection with public lands administered by him through the Forest Service;

(b) "wild free-roaming horses and burros" means all unbranded and unclaimed horses and burros on public lands of the United States;

(c) "range" means the amount of land necessary to sustain an existing herd or herds of wild free-roaming horses and burros, which does not exceed their known territorial limits, and which is devoted principally but not necessarily exclusively to their welfare in keeping with the multiple-use management concept for the public lands;

(d) "herd" means one or more stallions and his mares; and

(e) "public lands" means any lands administered by the Secretary of the Interior through the Bureau of Land Management or by the Secretary of Agriculture through the Forest Service.

SEC. 3. (a) All wild free-roaming horses and burros are hereby declared to be under the jurisdiction of the Secretary for the purpose of management and protection in accordance with the provisions of this Act. The Secretary is authorized and directed to protect and manage wild free-roaming horses and burros as components of the public lands, and he may designate and maintain specific ranges on public lands as sanctuaries for their protection and preservation, where the Secretary after consultation with the wildlife agency of the State wherein any such range is proposed and with the Advisory

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Board established in section 7 of this Act deems such action desirable. The Secretary shall manage wild free-roaming horses and burros in a manner that is designed to achieve and maintain a thriving natural ecological balance on the public lands. He shall consider the recommendations of qualified scientists in the field of biology and ecology, some of whom shall be independent of both Federal and State agencies and may include members of the Advisory Board established in section 7 of this Act. All management activities shall be at the minimal feasible level and shall be carried out in consultation with the wildlife agency of the State wherein such lands are located in order to protect the natural ecological balance of all wildlife species which inhabit such lands, particularly endangered wildlife species. Any adjustments in forage allocations on any such lands shall take into consideration the needs of other wildlife species which inhabit such lands.

(b) Where an area is found to be overpopulated, the Secretary, after consulting with the Advisory Board, may order old, sick, or lame animals to be destroyed in the most humane manner possible, and he may cause additional excess wild free-roaming horses and burros to be captured and removed for private maintenance under humane conditions and care.

(c) The Secretary may order wild free-roaming horses or burros to be destroyed in the most humane manner possible when he deems such action to be an act of mercy or when in his judgment such action is necessary to preserve and maintain the habitat in a suitable condition for continued use. No wild free-roaming horse or burro shall be ordered to be destroyed because of overpopulation unless in the judgment of the Secretary such action is the only practical way to remove excess animals from the area.

(d) Nothing in this Act shall preclude the customary disposal of the remains of a deceased wild free-roaming horse or burro, including those in the authorized possession of private parties, but in no event shall such remains, or any part thereof, be sold for any consideration, directly or indirectly.

SEC. 4. If wild free-roaming horses or burros stray from public lands onto privately owned land, the owners of such land may inform the nearest Federal marshall or agent of the Secretary, who shall arrange to have the animals removed. In no event shall such wild free-roaming horses and burros be destroyed except by the agents of the Secretary. Nothing in this section shall be construed to prohibit a private landowner from maintaining wild free-roaming horses or burros on his private lands, or lands leased from the Government, if he does so in a manner that protects them from harassment, and if the animals were not willfully removed or enticed from the public lands. Any individuals who maintain such wild free-roaming horses or burros on their private lands or lands leased from the Government shall notify the appropriate agent of the Secretary and supply him with a reasonable approximation of the number of animals so maintained.

SEC. 5. A person claiming ownership of a horse or burro on the public lands shall be entitled to recover it only if recovery is permissible under the branding and estray laws of the State in which the animal is found.

SEC. 6. The Secretary is authorized to enter into cooperative agreements with other landowners and with the State and local governmental agencies and may issue such regulations as he deems necessary for the furtherance of the purposes of this Act.

SEC. 7. The Secretary of the Interior and the Secretary of Agriculture are authorized and directed to appoint a joint advisory board of not more than nine members to advise them on any matter relating to wild free-roaming horses and burros and their management and protection. They shall select as advisers persons who are not employees of the Federal or State Governments and whom they deem to have special knowledge about protection of horses and burros, management of wildlife, animal husbandry, or natural resources management. Members of the board shall not receive reimbursement except for travel and other expenditures necessary in connection with their services.

SEC. 8. (a) Any person who—

(1) willfully removes or attempts to remove a wild free-roaming horse or burro from the public lands, without authority from the Secretary, or

(2) converts a wild free-roaming horse or burro to private use, without authority from the Secretary, or

(3) maliciously causes the death or harassment of any wild free-roaming horse or burro, or

(4) processes or permits to be processed into commercial products the remains of a wild free-roaming horse or burro, or

(5) sells, directly or indirectly, a wild free-roaming horse or burro maintained on private or leased land pursuant to section 4 of this Act, or the remains thereof, or

(6) willfully violates a regulation issued pursuant to this Act,

shall be subject to a fine of not more than $2,000, or imprisonment for not more than one year, or both. Any person so charged with such violation by the Secretary may be tried and sentenced by any United States commissioner or magistrate designated for that purpose by the court by which he was appointed, in the same manner and subject to the same conditions as provided for in section 3401, title 18, United States Code.

(b) Any employee designated by the Secretary of the Interior or the Secretary of Agriculture shall have power, without warrant, to arrest any person committing in the presence of such employee a violation of this Act or any regulation made pursuant thereto, and to take such person immediately for examination or trial before an officer or court of competent jurisdiction, and shall have power to execute any warrant or other process issued by an officer or court of competent jurisdiction to enforce the provisions of this Act, or regulations made pursuant thereto. Any judge of a court established under the laws of the United States, or any United States magistrate may, within his respective jurisdiction, upon proper oath or affirmation showing probable cause, issue warrants in all such cases.

SEC. 9. Nothing in this Act shall be construed to authorize the Secretary to relocate wild free-roaming horses or burros to areas of the public lands where they do not presently exist.

SEC. 10. After the expiration of thirty calendar months following the date of enactment of this Act, and every twenty-four calendar months thereafter, the Secretaries of the Interior and Agriculture will submit to Congress a joint report on the administration of this Act, including a summary of enforcement and/or other actions taken thereunder, costs, and such recommendations for legislative or other actions as he might deem appropriate.

The Secretary of the Interior and the Secretary of Agriculture shall consult with respect to the implementation and enforcement of this Act and to the maximum feasible extent coordinate the activities of their respective departments in the implementation and enforcement of this Act. The Secretaries are authorized and directed to undertake those studies of the habits of wild free-roaming horses and burros that they may deem necessary in order to carry out the provisions of this Act.

And the House agree to the same.

WALTER S. BARING,
HAROLD T. JOHNSON,
JOHN P. SAYLOR,
JOHN KYL,
Managers on the Part of the House.

HENRY M. JACKSON,
FRANK CHURCH,
LEE METCALF,
LEN B. JORDAN,
MARK O. HATFIELD,
Managers on the Part of the Senate.

JOINT STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1116) to require the protection, management, and control of wild free-roaming horses and burros on the public lands, submit this joint statement in explanation of the effect of the language agreed upon by the managers and recommended in the accompanying conference report.

The language agreed upon by the managers is the language of the House amendment with several amendments. There were eight points of difference between the Senate version and the House amendment wherein compromise language was agreed upon. These differences and the disposition of them are as follows:

1. The House amendment provided for a definition of the term "range". The Senate version did not. Included in the definition in the House amendment was the phrase "and which need not be fenced". The Committee of Conference agreed to delete this language on the basis that the reference to fencing implies that ranges would or might ordinarily be fenced. The conferees believe that the wild free-roaming horses and burros should be protected and preserved in their natural habitat without undue interference and unnecessary confinement. Reliance on ranges, and particularly fenced ranges, would defeat the purpose of the legislation, i.e., the survival of wild free-roaming horses and burros, and substitute a "zoo-like" concept. The conferees are of the opinion that the confinement of these animals to such ranges, except in unusual circumstances, should be discouraged and that the animals should be considered as integral parts of the public lands, which should be administered on concepts of multiple use. The principal goal of this legislation is to provide for the protection of the animals from death and harassment at the hands of man and not the single-use management of areas for the benefit of the wild free-roaming horses and burros. Hence, the inclusion of the phrase "in keeping with the multiple-use management concept for the public lands".

2. The House amendment included provision for recognition of the role that a state wildlife agency may play in an advisory capacity to the Secretary concerning the management of the wild free-roaming horses and burros. The Senate version did not. The Committee of Conference agreed to modify the language in the House amendment to emphasize "consultation" between state and Federal agencies and also to emphasize the intent as expressed in both the House and Senate versions of the legislation for achievement of an ecological balance on the public lands.

3. The House amendment provided that the remains of a deceased wild free-roaming horse or burro could be disposed of in any customary manner not prohibited by the Act. The Senate version permitted any customary method of disposal so long as the remains, or any part thereof, were not sold for any consideration. The Committee of Conference agreed to the adoption of the Senate language. The conferees recognize the difficulties that may be encountered when it is necessary to dispose of the remains of a deceased wild free-roaming horse or burro and believe that the customary methods of disposal should be permitted, as long as the remains are not sold for any consideration directly, or indirectly.

4. Both the House amendment and the Senate version of S. 1116 allow the maintenance of wild free-roaming horses or burros by individuals. The Senate version would require the individual maintaining such animals to notify the Secretary and report a reasonable approximation of the number of animals so maintained. The House amendment does not include this requirement. The Committee of Conference agreed to the adoption of the Senate language in order to assist the Secretary in the administration of the Act.

5. The Committee of Conference agreed to delete the phrase "except for normal and prudent husbandry needs" from the language contained in the House amendment. The Act carefully establishes a series of safeguards designed to protect the wild free-roaming horses and burros from death and harassment at the hands of man. Permitting individuals to remove or attempt to remove the animals from the public domain on their own authority would negate these safeguards.

6. The Senate version recognizes "harassment" as a prohibited activity under the terms of the Act. The House amendment refers to "substantial harm." The Committee of Conference agreed to the adoption of the Senate terminology in order to widen the scope of prohibited activities. Concern was expressed by the conferees for activities which although not immediately causing substantial harm, would have a cumulatively detrimental effect on the health and welfare of the animals.

7. Both the House amendment and the Senate version contain language with delineates specific acts for which criminal charges can be brought. The Senate version authorizes the Secretary to assess fines for violations. The House amendment does not contain provision for assessment of fines by the Secretary. The conferees recognize the need for prompt and effective enforcement of the Act and note that both versions of the legislation contain language which will permit the Secretary to contribute to the expediency of suspected violators being brought to trial. With respect to the assessment of fines, the Committee of Conference adopted language which provides for trial and sentence by any United States Commissioner or magistrate designated for that purpose by the court by which he was appointed.

8. The Senate version of the bill authorizes and directs the Secretary to undertake studies of the habits of the animals. The House amendment does not. The Committee of Conference agreed to the adoption of the Senate language in light of the apparent lack of adequate knowledge regarding many of the habits of these animals.

It is the opinion of the conferees that the compromise version of this legislation as embodied in the conference report will prove to be an effective measure. It should be pointed out that the Secretaries of Interior and Agriculture are given a high degree of discretionary authority for the purposes of protection, management, and control of wild free-roaming horses and burros on the public lands. The Act provides the administrative tools for protection of the animals from depredation by man. This is the paramount responsibility with which the Secretaries are charged under the terms of the statute.

The Congress has declared that wild free-roaming horses and burros enrich the lives of the American people. The conferees, by recommending the language of the conference report, hope to insure the preservation and protection of the few remaining wild free-roaming horses and burros in order to enhance and enrich the dreams and enjoyment of future generations of Americans.

WALTER S. BARING,
HAROLD T. JOHNSON,
JOHN P. SAYLOR,
JOHN KYL,
Managers on the Part of the House.

HENRY M. JACKSON,
FRANK CHURCH,
LEE METCALF,
LEN B. JORDAN,
MARK O. HATFIELD,
Managers on the Part of the Senate.

APPOINTMENT OF CONFEREES ON H.R. 11731, DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. MAHON, SIKES, WHITTEN, ANDREWS of Alabama, FLOOD, ADDABBO, MCFALL, MINSHALL, RHODES, DAVIS of Wisconsin, WYMAN, and BOW.

PERMISSION TO FILE A PRIVILEGED REPORT ON DISTRICT OF COLUMBIA APPROPRIATIONS, 1972

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the District of Columbia appropriation bill for fiscal year 1972.

Mr. DAVIS of Wisconsin reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CONFERENCE REPORT ON S. 2007, ECONOMIC OPPORTUNITIES AMENDMENTS OF 1971 (H. REPT. NO. 92-682)

Mr. PERKINS submitted the following conference report and statement on the Senate bill (S. 2007) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 92-682)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2007) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Economic Opportunity Amendments of 1971".

EXTENSION OF ECONOMIC OPPORTUNITY ACT

SEC. 2. Sections 171, 245, 321, 408, 615, and 835 of the Economic Opportunity Act of 1964, as amended, are each amended by striking out "five succeeding fiscal years" and inserting in lieu thereof "seven succeeding fiscal years".

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a) (1) For the purpose of carrying out parts A, B, and E of title I (relating to work and training) of the Economic Opportunity Act of 1964, there are authorized to be appropriated $900,000,000 for the fiscal year ending June 30, 1972, and such amounts as the Congress may determine to be necessary for the fiscal year ending June 30, 1973.

(2) For the purpose of carrying out Neighborhood Youth Corps programs under paragraphs (1) and (2) of section 123(a) of such Act, there is further authorized to be appropriated $500,000,000 for the fiscal year ending June 30, 1972. No State shall receive less than $3,000,000 of the amounts appropriated pursuant to this paragraph or six-tenths of 1 per centum of the amounts so appropriated, whichever is less.

(b) For the purpose of carrying out the Project Headstart program described in section 222(a)(1) of the Economic Opportunity Act of 1964 and the Follow Through program described in section 222(a)(2) of such Act, there is authorized to be appropriated $500,000,000 for the fiscal year ending June 30, 1972. For the purpose of carrying out the Follow Through program described in section 222(a)(2) of such Act, there is further authorized to be appropriated $70,000,000 for the fiscal year ending June 30, 1973.

(c)(1) For the purpose of carrying out titles II, III, VI, VII, VIII, and IX of the Economic Opportunity Act of 1964, there are authorized to be appropriated $950,000,000 each for the fiscal year ending June 30, 1972, and for the succeeding fiscal year.

(2) Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this section, of the amounts appropriated pursuant to paragraph (1) of this subsection for each fiscal year, the Director of the Office of Economic Opportunity shall for each such fiscal year reserve and make available not less than $328,900,000 for programs under sections 221, 226, and 227 of the Economic Opportunity Act of 1964 and not less than $61,000,000 for Legal Services programs under section 222(a)(3) and title IX of such Act, and the remainder of such amounts shall be allocated and made available, subject to the provisions of section 616 of such Act, in such a manner that for each such fiscal year—

(A) $378,900,000 shall be for the purpose of carrying out title II of which $114,000,000 shall be for the purpose of carrying out the Comprehensive Health Services program described in section 222(a)(4), $62,500,000 shall be for the purpose of carrying out the Emergency Food and Medical Services program described in section 222(a)(5), $25,000,000 shall be for the purpose of carrying out the Family Planning program described in section 222(a)(6), $8,800,000 shall be for the purpose of carrying out the Senior Opportunities and Services program described in section 222(a)(7), $18,000,000 shall be for the purpose of carrying out the Alcoholic Counseling and Recovery program described in section 222(a)(8), $18,000,000 shall be for the purpose of carrying out the Drug Rehabilitation program described in section 222(a)(9), $5,000,000 shall be for the purpose of carrying out the Environmental Action program described in section 222(a)(10), $10,000,000 shall be for the purpose of carrying out the Rural Housing Development and Rehabilitation program described in section 222(a)(11), and $117,600,000 shall be for the purpose of carrying out programs and activities authorized under sections 230, 231, 232, and 233 of such title;

(B) $38,000,000 shall be for the purpose of carrying out part B of title III (relating to

assistance for migrant and seasonal farmworkers);

(C) $18,000,000 shall be for the purpose of carrying out title VI (relating to administration and coordination) and title X (relating to evaluation);

(D) $58,000,000 shall be for the purpose of carrying out title VII (relating to community economic development); and

(E) $45,000,000 shall be for the purpose of carrying out part A of title VIII (relating to VISTA).

If the amounts appropriated pursuant to paragraph (1) of this subsection for any fiscal year are not sufficient to assure that the full amount specified for each of the purposes set forth in clauses (A) through (E) of this paragraph will be provided for each such fiscal year, then the amount specified for each such purpose in each such clause (after deducting from any amount so specified any amount otherwise specifically provided for such purpose by an appropriation Act for that fiscal year) shall be prorated to determine the allocation required for each such purpose.

(3) In addition to the amounts authorized to be appropriated and allocated pursuant to paragraphs (1) and (2) of this subsection, there are further authorized to be appropriated for carrying out the Economic Opportunity Act of 1964 the following sums:

(A) $2,000,000 for the fiscal year ending June 30, 1972, and $62,000,000 for the fiscal year ending June 30, 1973, to be used for the Community Economic Development program under title VII;

(B) $79,000,000 for the fiscal year ending June 30, 1972, and $109,000,000 for the fiscal year ending June 30, 1973, to be used for the Legal Services program under title IX.

(C) $5,000,000 for the fiscal year ending June 30, 1973, to be used for the Rural Housing Development and Rehabilitation program described in section 222(a)(11).

TRANSFER OF FUNDS

SEC. 4. (a) Section 616 of the Economic Opportunity Act of 1964 is amended by inserting "for the fiscal year ending June 30, 1971, and not to exceed 25 per centum" immediately before the words "for fiscal years ending thereafter".

(b) Section 616 of such Act is further amended by striking out the semicolon the first time it appears therein and all matter thereafter through "$10,000,000" the second time it appears in such section.

COMPREHENSIVE HEALTH SERVICES CHARGES

SEC. 5. Section 222(a)(4)(A)(ii) of the Economic Opportunity Act of 1964 is amended by striking out "such services may be available on an emergency basis or pending a determination of eligibility to all residents of such areas" and inserting in lieu thereof "pursuant to such regulations as the Director may prescribe, persons provided assistance through programs assisted under this paragraph who are not members of low-income families may be required to make payment, or have payment made in their behalf, in whole or in part of such assistance".

DRUG REHABILITATION PROGRAM

SEC. 6. (a) Section 222(a)(6) of the Act is amended by striking out the last sentence thereof.

(b) Section 222(a)(9) of the Act is amended by striking out the last sentence and inserting in lieu thereof the following: "The Director is authorized to undertake special programs aimed at promoting employment opportunities for rehabilitated addicts or addicts enrolled and participating in methadone maintenance treatment or therapeutic programs, and assisting employers in dealing with addiction and drug abuse and dependency problems among formerly hard core unemployed so that they can be maintained in employment. In undertaking such programs, the Director shall give special priority to veterans and employers of significant numbers of veterans, with priority to those areas within the States having the highest percentages of addicts. The Director is further authorized to establish procedures and policies which will allow clients to complete a full course of rehabilitation even though they become non-low-income by virtue of becoming employed as a part of the rehabilitation process.

NEW SPECIAL EMPHASIS PROGRAMS

SEC. 7. Section 222(a) of the Economic Opportunity Act of 1964 is further amended by inserting at the end thereof the following:

"(10) An 'Environmental Action' program through which low-income persons will be paid for working on projects designed to combat pollution or to improve the environment. Projects may include, without limitation: cleanup and sanitation activities, including solid waste removal; reclamation and rehabilitation of eroded or ecologically damaged areas, including areas affected by strip mining; conservation and beautification activities, including tree planting and recreation area development; the restoration and maintenance of the environment; and the improvement of the quality of life in urban and rural areas.

"(11) A program to be known as 'Rural Housing Development and Rehabilitation' designed to assist low-income families in rural areas to construct and acquire ownership of adequate housing, to rehabilitate or repair existing substandard units in such areas, and to otherwise assist families in obtaining standard housing. Financial assistance under this paragraph shall be provided to rural housing development corporations serving areas which are defined by the Farmers Home Administration as rural areas, and shall be used for, but not limited to, such purposes as administrative expenses; revolving development funds; nonrevolving land, land development, and construction write-downs; rehabilitation or repair of substandard housing; and loans to low-income families. Loans under this paragraph may be used for, but not limited to, such purposes as the purchase of new housing units, the repair, rehabilitation and purchase of existing units, and to supplement existing Federal loan programs in order that low-income families may benefit from them. The repayment period of such loans shall not exceed thirty-three years. No loans under this paragraph shall bear an interest rate of less than 1 per centum per annum, except that if the Director, after having examined the family income of the applicant, the projected housing costs of the applicant, and such other factors as he deems appropriate, determines that the applicant would otherwise be unable to participate in this program, he may waive the interest in whole or in part and for such periods of time as he may establish except that (1) no such waiver may be granted to an applicant whose adjusted family income (as defined by the Farmers Home Administration) is in excess of $3,700 per annum and (2) any applicant for whom such a waiver is provided shall be required to commit at least 20 per centum of this adjusted family income toward the mortgage debt service and other housing costs. Family incomes shall be recertified annually, and monthly payments for all loans under this paragraph adjusted accordingly.

COMMUNITY ACTION BOARDS

SEC. 8. The last sentence of section 211(b) of the Economic Opportunity Act of 1964 is amended by striking out "three" and inserting in lieu thereof "six" and by striking out "six" and inserting in lieu thereof "twelve".

NON-FEDERAL CONTRIBUTION CEILING

SEC. 9. Section 225(c) of the Economic Opportunity Act of 1964 is amended by inserting after the second sentence thereof the following new sentence: "The Director shall not require non-Federal contributions in excess of 20 per centum of the approved cost of programs or activities assisted under this Act."

TERMINATION OF ASSISTANCE

SEC. 10. Section 231 of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"(d) If any member of a board to which section 211(b) applies files an allegation with the Director that an agency receiving assistance under this section is not observing any requirement of this Act, or any regulation, rule, or guideline promulgated by the Director under this Act, the Director shall promptly investigate such allegation and shall consider it; and, if after such investigation and consideration he finds reasonable cause to believe that the allegations are true, he shall hold a hearing, upon the conclusion of which he shall notify all interested persons of his findings. If he finds that the allegations are true, and that, after being afforded a reasonable opportunity to do so, the agency has failed to make appropriate corrections, he shall, forthwith, terminate further assistance under this title, to such agency until he has received assurances satisfactory to him that further violations will not occur."

DISTRIBUTION OF FINANCIAL ASSISTANCE

SEC. 11. Section 244 of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"(8) Consistent with the provisions of this Act, the Director shall assure that financial assistance under this title will be distributed on an equitable basis in any community so that all significant segments of the low-income population are being served."

AMENDMENT TO MIGRANT FARMWORKERS PROGRAM

SEC. 12. Section 312(b)(3) of the Economic Opportunity Act of 1964 is amended by inserting after the word "Government" the words "employment or".

CHILD DEVELOPMENT

SEC. 13. (a) Title V of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE V—CHILD DEVELOPMENT PROGRAMS

"STATEMENT OF FINDINGS AND PURPOSE

"SEC. 501. (a) The Congress finds that—

"(1) millions of children in the Nation are suffering unnecessary harm from the lack of adequate child development services, particularly during early childhood years;

"(2) comprehensive child development programs, including a full range of health, education, and social services, are essential to the achievement of the full potential of the Nation's children and should be available to children whose parents or legal guardians shall request them regardless of economic, social, and family backgrounds;

"(3) children with special needs must receive full and special consideration in planning any child development programs and, pending the availability of such programs for all children, priority must be given to preschool children with the greatest economic and social need;

"(4) while no mother may be forced to work outside the home as a condition for using child development programs, such programs are essential to allow many parents to undertake or continue full- or part-time employment, training, or education;

"(5) comprehensive child development programs not only provide a means of delivering a full range of essential services to children but can also furnish meaningful employment opportunities for many individuals, including older persons, parents, young persons, and volunteers from the community; and

"(6) it is essential that the planning and operation of such programs be undertaken as a partnership of parents, community, and State and local government with appropriate assistance from the Federal Government.

"(b) It is the purpose of this title to provide every child with a fair and full opportunity to reach his full potential by establishing and expanding comprehensive child development programs, and services designed to assure the sound and coordinated development of these programs, to recognize and build upon the experience and success gained through the Headstart program and similar efforts, to furnish child development services for those children who need them most, with special emphasis on preschool programs for economically disadvantaged children, and for children of working mothers and single parent families, to provide that decisions on the nature and funding of such programs be made at the community level with the full involvement of parents and other individuals and organizations in the community interested in child development, and to establish the legislative framework for child development services.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 502. (a) For the purpose of carrying out this title, there is authorized to be appropriated $2,000,000,000 for the fiscal year ending June 30, 1973. Any amounts appropriated for such fiscal year which are not obligated at the end of such fiscal year may be obligated in the succeeding fiscal year.

"(b) For the purpose of providing training, technical assistance, planning, and such other activities as the Secretary deems necessary and appropriate to prepare for the implementation of this title, there is authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1972.

"ALLOCATION OF FUNDS

"SEC. 503. (a) The amounts appropriated for carrying out this title for any fiscal year after June 30, 1972, shall be made available in the following manner:

"(1) $500,000,000 shall first be used for the purpose of providing assistance under parts A, B, and E of this title for child development programs focused upon young children from low-income families, giving priority to continued financial assistance for Headstart projects;

"(2) not to exceed 10 per centum of the remaining amounts so appropriated shall be used for the purpose of carrying out parts B, C, D, and E of this title, as the Secretary deems appropriate; and

"(3) the remainder of such amounts shall be used for the purpose of carrying out part A of this title.

"(b)(1) From the amounts available for carrying out comprehensive child development programs under part A of this title, the Secretary shall reserve the following:

"(A) not less than that proportion of the total amount available for carrying out such part A as is equivalent to that proportion which the total number of children of migrant agricultural workers bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving children of migrant agricultural workers on an equitable basis, and to the extent practicable in proportion to the relative numbers of children served in each such program;

"(B) not less than that proportion of the total amount available for carrying out such part A as is equivalent to that proportion which the total number of children in Indian tribal organizations bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving children in Indian tribal organizations on an equitable basis, and to the extent practicable in proportion to the relative numbers of children in each such program;

"(C) not less than 10 per centum of the total amount available for carrying out this title, which shall be made available for the purposes of section 512(2)(I) of such part (relating to special activities for handicapped children);

"(D) not to exceed 5 per centum of the total amount available for carrying out such part A, which shall be made available under section 513(f)(3) of such part (relating to model programs).

"(2) The Secretary shall allocate the remainder of the amount available for part A of this title (after making the reservations provided for in paragraph (1) of this subsection) among the States so as to provide the following geographical distribution:

"(A) 50 per centum thereof so that the amount allotted for use within each State bears the same ratio to such 50 per centum as the number of economically disadvantaged children through age 14 in the State, excluding those children in the State who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection, bears to the number of economically disadvantaged children in all the States, excluding those children in all the States who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection;

"(B) 25 per centum thereof so that the amount allotted for use within each State bears the same ratio to such 25 per centum as the number of children through age 5 in the State, excluding those children in the State who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection, bears to the number of children through age 5 in all the States, excluding those children in all the States who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection;

"(C) 25 per centum thereof so that the amount allotted for use within each State bears the same ratio to such 25 per centum as the number of children of working mothers and single parents in the State, excluding those children in the State who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection, bears to the total number of children of working mothers and single parents in all the States, excluding those children in all the States who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection.

"(c) Not to exceed 5 per centum of the total funds allotted for use within a State pursuant to subsection (b)(2) may be made available for grants to the State to carry out the provisions of section 517 of this title.

"(d) The Secretary shall apportion the remainder of the amount allotted for use within each State (after making allocations under subsection (c)) among the localities in each such State so as to provide the following geographical distribution:

"(1) 50 per centum thereof so that the amount apportioned to each locality bears the same ratio to such 50 per centum as the number of economically disadvantaged children through age 14 in the area served by the locality bears to the number of economically disadvantaged children in the State;

"(2) 25 per centum thereof so that the amount apportioned to each locality bears the same ratio to such 25 per centum as the number of children through age 5 in the area served by the locality bears to the number of children through age 5 in the State;

"(3) 25 per centum thereof so that the amount apportioned to each locality bears the same ratio to such 25 per centum as the number of children of working mothers and single parents in the area served by the locality bears to the number of children of working mothers and single parents in the State.

"(e) The portion of any allotment or apportionment under subsection (b) or (d) for a fiscal year which the Secretary determines will not be required, for the period for which such allotment or apportionment is available, for carrying out programs under this part shall be available for reallotment or reapportionment from time to time, on such dates during such period as the Secretary shall fix, to other States in the case of allotments under subsection (b), or to other localities in the case of apportionments under subsection (d), in proportion to the original allotments to such States under subsection (b), or the original apportionments to such localities under subsection (d), for such year, but with such proportionate amount for any of such States or localities being reduced to the extent it exceeds the needs of such State or locality for carrying out activities approved under this part, and the total of such reductions shall be similarly reallotted among the States or reapportioned among the localities whose proportionate amounts are not so reduced. Any amount reallotted to a State or reapportioned to a locality under this subsection during a year shall be deemed part of its allotment or apportionment under subsection (b) or (d) for such year.

"(f) In determining the numbers of children for purposes of allotting and apportioning funds under this section, the Secretary shall use the most recent satisfactory data available to him.

"(g) As soon as practicable after funds are appropriated to carry out this title for any fiscal year, the Secretary shall publish in the Federal Register the allotments and apportionments required by this section.

"PART A—COMPREHENSIVE CHILD DEVELOPMENT PROGRAMS

"FINANCIAL ASSISTANCE

"SEC. 511. The Secretary of Health, Education, and Welfare shall provide financial assistance for carrying out child development programs under this part to prime sponsors and to other public and private agencies and organizations pursuant to plans and applications approved in accordance with the provisions of this part.

"USES OF FUNDS

"SEC. 512. Funds available for this part may be used (in accordance with approved applications) for the following services and activities:

"(1) planning and developing child development programs, including the operation of pilot programs to test the effectiveness of new concepts, programs, and delivery systems;

"(2) establishing, maintaining, and operating child development programs, which may include—

"(A) comprehensive physical and mental health, social, and cognitive development services necessary for children participating in the program to profit fully from their educational opportunities and to attain their maximum potential;

"(B) food and nutritional services (including family consultation);

"(C) rental, remodeling, renovation, alteration, construction, or acquisition of facilities, including mobile facilities, and the acquisition of necessary equipment and supplies;

"(D) programs designed (i) to meet the special needs of minority group, Indian, and migrant children with particular emphasis on the needs of children from bilingual families for the development of skills in English and the other language spoken in the home, and (ii) to meet the needs of all children to understand the history and cultural backgrounds of minority groups which belong to their communities and the role of members of such minority groups in the history and cultural development of the Nation and of the region in which they reside;

"(E) a program of daily activities designed to develop fully each child's potential;

"(F) other specially designed health, social, and educational programs (including after school, summer, weekend, vacation, and overnight programs);

"(G) medical, dental, psychological, educational, and other appropriate diagnosis, identification, and treatment of visual, hearing, speech, nutritional, and other physical, mental, and emotional barriers to full par-

ticipation in child development programs, including programs for preschool and other children who are emotionally disturbed;

"(H) prenatal and other medical services to expectant mothers who cannot afford such services, designed to help reduce malnutrition, infant and maternal mortality, and the incidence of mental retardation and other handicapping conditions, and postpartum and other medical services (including family planning information) to such recent mothers;

"(I) incorporation within child development programs of special activities designed to identify and ameliorate identified physical, mental, and emotional handicaps and special learning disabilities and, where necessary because of the severity of such handicaps, establishing, maintaining, and operating separate child development programs designed primarily to meet the needs of handicapped children, including emotionally disturbed children;

"(J) preservice and inservice education and other training for professional and paraprofessional personnel;

"(K) dissemination of information in the functional language of those to be served to assure that parents are well informed of child development programs available to them and may become directly involved in such programs;

"(L) services, including in-home services, and training in the fundamentals of child development, for parents, older family members functioning in the capacity of parents, youth, and prospective parents;

"(M) use of child advocates, consistent with the provisions of this title, to assist children and parents in securing full access to other services, programs, or activities intended for the benefit of children;

"(N) programs designed to extend comprehensive prekindergarten early childhood education techniques and gains (particularly parent participation) into kindergarten and early primary grades (one through three), in cooperation with local educational agencies, including the use of former assistant Headstart teachers or similar early childhood education teachers as instructional aides (in addition to those employed by the schools involved) working closely with classroom teachers in the kindergarten and such early primary grades in which are enrolled children they taught in Headstart or other early childhood education programs, providing for full participation of parents of the children involved in program planning implementation, and decision-making and for career development opportunities and advancement through continuing education and training for the instructional aides involved (including teacher salaries, educational stipends for tuition, books, and tutoring, career counseling, arrangements for academic credit for independent study, fieldwork based on their teaching assignments, and preservice and inservice training) and for the classroom teachers and principals involved; and

"(O) such other services and activities as the Secretary deems appropriate in furtherance of the purposes of this part; and

"(3) staff and other administrative expenses of Child Development Councils established and operated in accordance with this part.

"PRIME SPONSORS OF CHILD DEVELOPMENT PROGRAMS

"SEC. 513. (a) In accordance with the provisions of this section, a State, locality, combination of localities, Indian tribal organization, or public or private nonprofit agency or organization, meeting the requirements of this part may be designated by the Secretary as a prime sponsor for the purpose of entering into arrangements to carry out child development programs under this part, upon the approval by the Secretary of a prime sponsorship plan which—

"(1) describes the prime sponsorship area to be served;

"(2) sets forth satisfactory provisions for establishing and maintaining a Child Development Council which meets the requirements of section 514;

"(3) provides that the Child Development Council shall be responsible for developing and preparing a comprehensive child development plan for each fiscal year and any modifications thereof;

"(4) sets forth arrangements under which the Child Development Council will be responsible for planning, supervising, coordinating, monitoring, and evaluating child development programs in the prime sponsorship area;

"(5) in the case of an applicant which is a State, a locality, or a combination of localities, provides for the operation of programs under this part through contracts with public or private agencies or organizations, including but not limited to community action agencies, single-purpose Headstart agencies, community development corporations, parent cooperatives, organizations of Indians, employer and employee organizations, and local public and private educational agencies and institutions, which will serve children in a community or neighborhood or other area possessing a commonality of interest; and

"(6) provides assurances that, where available, the Council will provide itself, or by contract or other arrangement with State, local, or other public agencies or private nonprofit organizations—

"(A) child-related family, social, and rehabilitative services;

"(B) coordination with educational agencies and providers of educational services;

"(C) health (including family planning) and mental health services;

"(D) nutrition services; and

"(E) training of professional and paraprofessional personnel.

"(b) The Secretary shall approve a prime sponsorship plan submitted by a locality which has a population of 5,000 or more persons and is a (1) city, (2) county, or (3) other unit of general local government, if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes adequate provision for carrying out comprehensive child development programs in the area of such locality. In the event that the area under the jurisdiction of a unit of general local government described in clause (1), (2), or (3) of the preceding sentence includes any common geographical area with that covered by another such unit of general local government, the Secretary shall designate to serve such area the unit of general local government which he detemines has the capability of more effectively carrying out the purposes of this part with respect to such area and which has submitted a plan which meets the requirements of this section and includes adequate provisions for carrying out comprehensive child development programs in such area.

"(c)(1) In the event that the Secretary determines that a locality does not meet the requirements for designation as a prime sponsor under this section, he shall take steps to encourage the submission of a prime sponsorship plan, covering the area of such locality, by a combination of localities which are adjoining and possess a sufficient commonality of interest.

"(2) The Secretary shall approve a prime sponsorship plan submitted by a combination of localities, having a total population of 5,000 or more persons, if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child development programs in the area covered by the combination of such localities.

"(d) The Secretary shall approve a prime sponsorship plan submitted by an Indian tribal organization if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child development programs in the area to be served.

"(e) In the event that the Secretary determines, with respect to the area of a particular locality, that a prime sponsorship plan meeting the requirements of this section has not been submitted by a locality or combination of localities covering such area, or by an Indian tribal organization, or in the event that prime sponsorship designation has been disapproved or withdrawn in accordance with subsection (h) of this section, the Secretary may, with respect to the impending fiscal year when no such prime sponsorship designation will be in effect, approve a plan submitted by the State which meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child development programs in such area.

"(f) The Secretary may approve a prime sponsorship plan submitted by a public or private nonprofit agency, including but not limited to a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agriculture workers, organization of Indians, employer organization, labor union, employee or labor-management organization, or public or private educational agency or institution, if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes—

"(1) provisions setting forth arrangements for serving children in a neighborhood or other area possessing a commonality of interest in the area of any locality with respect to which there is no prime sponsorship designation in effect or with respect to any portion of an area where the prime sponsor is found not to be satisfactorily implementing child development programs which adequately meet the purposes of this part, or for making available special services, in accordance with criteria established by the Secretary, designed to meet the needs of economically disadvantaged or preschool children or children of working mothers or single parents; or

"(2) arrangements for providing comprehensive child development programs on a year-round basis to children of migrant agricultural workers and their families; or

"(3) arrangements for carrying out model programs especially designed to be responsive to the needs of economically disadvantaged, minority group, or bilingual preschool children.

"(g) The Governor or appropriate State agency shall be given not less than thirty nor more than sixty days to review applications for designation filed by other than the State, offer recommendations to the applicant, and submit comments to the Secretary.

"(h) A prime sponsorship plan submitted under this section may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided (1) written notice of intention to disapprove such plan, including a statement of the reasons, (2) a reasonable time in which to submit corrective amendments to such plan or undertake other necessary corrective action, and (3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

"(i)(1) If any party is dissatisfied with the Secretary's final action under subsection (h) with respect to the disapproval of its plan submitted under this section or the withdrawal of its prime sponsorship designation, such party may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such party is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence. The Secretary may make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall be conclusive if supported by substantial evidence.

"(3) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(j) When a unit (or combination of units) of general government is maintaining a pattern and practice of exclusion of minorities, the Secretary shall give preference in the approval of applications for prime sponsorship to an alternative unit of government or to a public or private nonprofit agency or organization in the area representing the interests of minority and economically disadvantaged persons.

"(k) In the event that a State, a locality, a combination of localities, or an Indian tribal organization has not submitted a comprehensive child development plan under section 515 or the Secretary has not approved a plan so submitted, or where the Secretary has not designated or has withdrawn designation of prime sponsorship under section 513, or where the needs of migrants, pre-school-age children, or the children of working mothers or single parents, minority groups, or the economically disadvantaged are not being served, the Secretary may directly fund projects, including those in rural areas without regard to population, that he deems necessary in order to serve the children of the particular area.

"CHILD DEVELOPMENT COUNCILS

"SEC. 514. (a) Each prime sponsor designated under section 513 shall establish and maintain a Child Development Council composed of not less than 10 members as follows—

"(1) not less than half of the members of such Council shall be parents of children served in child development programs under this part; and

"(2) the remaining members shall be appointed by the chief executive officer or the governing body, whichever is appropriate, of the prime sponsor to represent the public, but (A) not less than half of such members shall be persons who are broadly representative of the general public, including government agencies, public and private agencies and organizations in such fields as economic opportunity, health, education, welfare, employment and training, business or financial organizations or institutions, labor unions, and employers, and (B) the remaining members, the number of which shall be either equal to or one less than the number of members appointed under clause (A), shall be persons who are particularly skilled by virtue of training or experience in child development, child health, child welfare, or other child services, except that the Secretary may waive the requirement of this clause (B) to the extent that he determines, in accordance with regulations which he shall prescribe, that such persons are not available to the area to be served.

At least one-third of the total membership of the Child Development Council shall be parents who are economically disadvantaged. Each Council shall select its own chairman.

"(b) In accordance with procedures which the Secretary shall establish pursuant to regulations, each prime sponsor designated under section 513 shall provide, with respect to the Child Development Council established and maintained by such prime sponsor, that—

"(1) the parent members described in paragraph (1) of subsection (a) of this section shall be chosen by the membership of Headstart policy committees where they exist, and, at the earliest practicable time, by project policy committees established pursuant to section 516(a)(2) of this part;

"(2) the terms of office and any other policies and procedures of an organizational nature, including nomination and election procedures, are appropriate in accordance with the purposes of this part;

"(3) such Council shall have responsibility for approving basic goals, policies, actions, and procedures for the prime sponsor, including policies with respect to planning, general supervision and oversight, overall coordination, personnel, budgeting, funding of projects, and monitoring and evaluation of projects; and

"(4) such Council shall, upon its own initiative or upon request of a project applicant or any other party in interest, conduct public hearings before acting upon applications for financial assistance submitted by project applicants under this part.

"COMPREHENSIVE CHILD DEVELOPMENT PLANS

"SEC. 515. (a) Financial assistance under this part may be provided by the Secretary for any fiscal year to a prime sponsor designated pursuant to section 513 only pursuant to a comprehensive child development plan which is submitted by such prime sponsor and approved by the Secretary in accordance with the provisions of this part. Any such plan shall set forth a comprehensive program for providing child development services in the prime sponsorship area which—

"(1) identifies all child development needs and goals within the area and describes the purposes for which the financial assistance will be used;

"(2) meets the needs of children in the prime sponsorship area, to the extent that available funds can be reasonably expected to have an effective impact, including infant care and before and after school programs for children in school with priority to children who have not attained six years of age;

"(3)(A) provides that funds received under section 503(a)(1) will be used for child development programs and services focused upon young children from low-income families, giving priority to continued financial assistance for Headstart projects by reserving for such projects from such funds in any fiscal year an amount at least equal to the aggregate amount received by public or private agencies and organizations within the prime sponsorship area for programs during the fiscal year ending June 30, 1972, under section 222(a)(1) of the Economic Opportunity Act of 1964, and (B) provides that programs receiving funds under section 503(d) will give priority to providing services for economically disadvantaged children by reserving not less than 65 per centum of the cost of programs receiving such funds for the purpose of serving children of families having an annual income below the lower living standard budget as determined under paragraph (5) of section 571;

"(4) gives priority thereafter to providing child development programs and services to children of single parents and working mothers not covered under paragraph (3);

"(5) provides procedures for the approval of project applications submitted in accordance with section 516;

"(6) provides, in the case of a prime sponsor located within or adjacent to a metropolitan area, for coordination with other prime sponsors located within such metropolitan area, and arrangements for cooperative funding where appropriate, and particularly for such coordination where appropriate to meet the needs for child development services of children of parents working or participating in training or otherwise occupied during the day within a prime sponsorship area other than that in which they reside;

"(7) provides that, to the extent feasible, each program within the prime sponsorship area will include children from a range of socioeconomic backgrounds;

"(8) provides comprehensive services (A) to meet the special needs of minority group children and children of migrant agricultural workers with particular emphasis on the needs of children from bilingual families for development of skills in English and in the other language spoken in the home and (B) to meet the needs of all children to understand the history and cultural background of minority groups which belong to the communities and the role of members of such minority groups in the history and cultural development of the Nation and the region in which they reside;

"(9) provides equitably for the child development needs of children from each minority group or significant segment of the economically disadvantaged residing within the area served;

"(10) provides, insofar as possible, for coordination of child development programs with other social programs (including but not limited to those relating to employment and manpower) so as to keep family units intact or in close proximity during the day;

"(11) provides for direct parent participation in the conduct, overall direction, and evaluation of programs;

"(12) provides to the extent feasible for the employment as both professionals and paraprofessionals of persons resident in the neighborhoods from which children are drawn;

"(13) includes to the extent feasible a career development plan for paraprofessional and professional training, education, and advancement on a career ladder;

"(14) provides that, insofar as possible, persons residing in communities being served by such projects will receive jobs, including in-home and part-time jobs, and opportunities for training in programs under part B of this title, with special consideration for career opportunities for low-income persons;

"(15) provides for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and interested persons in the community are fully informed of the activities of the Child Development Council and of delegate agencies;

"(16) assures that procedures and mechanisms for coordination have been developed in cooperation with preschool program administrators and administrators of local educational agencies and nonpublic schools, at the local level, to provide continuity between programs for preschool and elementary school children and to coordinate programs conducted under this part and programs conducted pursuant to section 222(a)(2) of the Economic Opportunity Act of 1964 and the Elementary and Secondary Education Act of 1965;

"(17) establishes arrangements in the area served for the coordination of programs conducted under the auspices of or with the support of business or financial institutions or organizations, industry, labor, employee and labor-management organizations, and other community groups;

"(18) sets forth provisions describing any arrangements for the delegation, under the supervision of the Child Development Council, to public or private agencies, institutions,

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or organizations, of responsibilities for the delivery of programs, services, and activities for which financial assistance is provided under this part or for planning or evaluation services to be made available with respect to programs under this part;

"(19) contains plans for regularly conducting surveys and analyses of needs for child development programs in the prime sponsorship area and for submitting to the Secretary a comprehensive annual report and evaluation in such form and containing such information as the Secretary shall require by regulation;

"(20) provides that services for handicapped children, at both the State and local levels, will be used wherever available in programs approved under the plan;

"(21) provides assurances satisfactory to the Secretary that the non-Federal share requirements will be met;

"(22) provides for such fiscal control and funding accounting procedures as the Secretary may prescribe to assure proper disbursement of and accounting for Federal funds paid to the prime sponsor;

"(23) provides that consideration will be given to project applications submitted by public, private nonprofit, and profitmaking organizations with emphasis given to ongoing programs, and that comparative costs of providing services shall be considered along with the quality of such services;

"(24) provides that programs or services under this title shall be provided only for children whose parents or legal guardians have requested them; and

"(25) provides assurance that in developing plans for any facilities due consideration will be given to excellence of architecture and design, and to the inclusion of works of art (no representing more than 1 per centum of the cost of the project).

"(b) No comprehensive child development plan or modification thereof submitted by a prime sponsor under this section shall be approved by the Secretary unless he determines, in accordance with regulations which the Secretary shall prescribe, that—

"(1) each community action agency or single-purpose Headstart agency in the area to be served previously responsible for the administration of programs under this part or under section 222(a)(1) of the Economic Opportunity Act of 1964 has had an opportunity to submit comments to the prime sponsor and to the Secretary;

"(2) the local educational agency for the area to be served and other appropriate educational and training agencies and institutions have had an opportunity to submit comments to the prime sponsor and to the Secretary; and

"(3) the Governor of the State has had an opportunity to submit comments to the prime sponsor and to the Secretary.

"(c) A comprehensive child development plan submitted under this section may be disapproved or a prior approval withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided (1) written notice of intention to disapprove such plan, including a statement of the reasons, (2) a reasonable time to submit corrective amendments to such plan or undertake other necessary corrective action, and (3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

"(d) In order to contribute to the effective administration of this title, the Secretary shall establish appropriate procedures to permit prime sponsors to submit jointly a single comprehensive child development plan for the areas served by such prime sponsors.

"PROJECT APPLICATIONS

"SEC. 516. (a) Financial assistance under this part may be provided to a project applicant for any fiscal year only pursuant to a project application which is submitted by a public or private agency and which provides—

"(1) that funds will be provided for carrying out any child development program under this part only to a qualified public or private agency or organization, including but not limited to a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, private organization interested in child development, employer or business organization, labor union, employee or labor-management organization, or public or private educational agency or institution;

"(2) for establishing and maintaining project policy committees composed of not less than 10 members as follows—

"(A) not less than half of the members of each such committee shall be parents of children served by such project, and

"(B) the remaining members of each such committee shall consist of (i) persons who are representative of the community and who are approved by the parent members, and (ii) at least one person who is particularly skilled by virtue of training or experience in child development, child health, child welfare, or other child services, except that the Secretary may waive the requirement of this clause (ii) where he determines, in accordance with regulations which he shall prescribe, that such person is not available to the area to be served;

"(3) for direct participation of such policy committees in the development and preparation of project applications under this part;

"(4) that adequate provision will be made for training and other administrative expenses of such policy committees (including necessary expenses to enable low-income members to participate in council or committee meetings);

"(5) that project policy committees shall have responsibility for approving basic goals, policies, actions, and procedures for the project applicant, including policies with respect to planning, overall conduct, personnel, budgeting, location of centers and facilities, and direction and evaluation of projects;

"(6) that programs assisted under this part will provide for such comprehensive health, nutritional, education, social, and other services, as are necessary for the full cognitive, emotional, and physical development of each participating child;

"(7) that adequate provision will be made for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and interested persons are fully informed of project activities;

"(8) that with respect to child development services provided by programs assisted under this part—

"(A) no charge will be made with respect to any child who is a member of any family with an annual income equal to or less than $4,320 with appropriate adjustments in the case of families having more than two children, except to the extent that payment will be made by a third party (including a public agency); and

"(B) such charges as the Secretary may provide will be made with respect to any child of any other family, in accordance with an appropriate fee schedule established by him, based upon the ability of the family to pay, which payment may be made in whole or in part by a third party in behalf of such family, except that any such charges with respect to any family with an income of less than the lower living standard budget (as determined in accordance with paragraph (5) of section 571) shall not exceed the sum of (i) an amount equal to 10 per centum of any family income which exceeds the highest income level at which no charges would be made with respect to children of such family under subparagraph (A) but does not exceed 85 per centum of such lower living standard budget, and (ii) an amount equal to 15 per centum of any family income which exceeds 85 per centum of such lower living standard budget but does not exceed 100 per centum of such lower living standard budget, and, if more than two children to this part because of their participation additional charges may be made not to exceed the sum of the amounts calculated in accordance with clauses (i) and (ii) with respect to each such additional child;

"(9) that children will in no case be excluded from the programs operated pursuant to this part because of their participation in nonpublic preschool or school programs or because of the intention of their parents to enroll them in nonpublic schools when they attain school age;

"(10) that programs will, to the extent appropriate, employ paraprofessional aides and volunteers, especially parents, older children, students, older persons, and persons preparing for careers in child development programs;

"(11) that no person will be denied employment in any program solely on the ground that he fails to meet State or local teacher certification standards;

"(12) that programs assisted under this part will provide for the utilization of personnel, including paraprofessional and volunteer personnel, adequate to meet the specialized needs of each participating child;

"(13) that there are assurances satisfactory to the Secretary that the non-Federal share requirements will be met; and

"(14) that provision will be made for such fiscal control and fund accounting procedures as the Secretary shall prescribe to assure proper disbursement of and accounting for Federal funds.

"(b) A project application may be approved by a prime sponsor upon its determination that such application meets the requirements of this section and that the programs provided for therein will otherwise further the objectives and satisfy the appropriate provisions of the prime sponsor's comprehensive child development plan as approved pursuant to section 515.

"(c) A project application from a public or private nonprofit agency which is also a prime sponsor under section 513(f) shall be submitted directly to the Secretary, together with the comprehensive child development plan.

"(d) A project application submitted directly to the Secretary by a public or private agency may be approved by the Secretary upon his determination that it meets the requirements of subsection (a) of this section.

"SPECIAL GRANTS TO STATES

"SEC. 517. Upon application submitted by any State, the Secretary is authorized to provide financial assistance for use by such State for carrying out activities for the purposes of—

"(1) identifying child development goals and needs within the State;

"(2) assisting in the establishment of Child Development Councils and strengthening the capability of such Councils to effectively plan, supervise, coordinate, monitor, and evaluate child development programs;

"(3) encouraging the cooperation and participation of State agencies in providing child development and related services, including health, family planning, mental health, education, nutrition, and family, social and rehabilitative services where requested by appropriate prime sponsors in the development and implementation of comprehensive child development plans;

"(4) encouraging the full utilization of resources and facilities for child development programs within the State;

"(5) disseminating the results of research on child development programs;

"(6) conducting programs for the exchange of personnel involved in child development programs within the State;

"(7) assisting public and private nonprofit agencies and organizations in the acquisition or improvement of facilities for child development programs;

"(8) assessing State and local licensing codes as they relate to child development programs within the State; and

"(9) developing information useful in reviewing prime sponsorship plans under section 518(g) and of comprehensive child development plans under section 515(b)(8).

"ADDITIONAL CONDITIONS FOR PROGRAMS INCLUDING CONSTRUCTION

"SEC. 518. (a) Applications for financial assistance for projects including construction may be approved only if the Secretary determines that construction of such facilities is essential to the provision of adequate child development services, and that rental, renovation, remodeling, or leasing of adequate facilities is not practicable.

"(b) If any facility assisted under this part shall cease to be used for the purposes for which it was constructed, the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds, unless the Secretary determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

"(c) All laborers and mechanics employed by contractors or subcontractors on all construction, remodeling, renovation, or alteration projects assisted under this part shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

"(d) In the case of loans for construction, the Secretary shall prescribe the interest rate and the period within which such loans shall be repaid, but such interest rates shall not be less than 3 per centum per annum and the period within which such loan is to be repaid shall not be more than twenty-five years.

"(e) The Federal assistance for construction may be in the form of grants or loans, provided that total Federal funds to be paid to other than public or private nonprofit agencies and organizations will not exceed 50 per centum of the construction cost, and will be in the form of loans. Repayment of loans shall, to the extent required by the Secretary, be returned to the prime sponsor from whose financial assistance the loan was made, or used for additional loans or grants under this title. Not more than 15 per centum of the total financial assistance provided to a prime sponsor under this part shall be used for construction of facilities, with no more than 7½ per centum of such assistance usable for grants for construction.

"(f) In the case of a project for the construction of facilities and in the development of plans for such facilities due consideration shall be given to excellence of architecture and design and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project).

"USE OF PUBLIC FACILITIES FOR CHILD DEVELOPMENT PROGRAMS

"SEC. 519. (a) The Secretary, after consultation with other appropriate officials of the Federal Government, shall within sixteen months after enactment of this title report to the Congress with respect to the extent to which facilities owned or leased by Federal departments, agencies, and independent authorities could be made available to public and private nonprofit agencies and organizations, through appropriate arrangements, for use as facilities for child development programs under this title during times and periods when not utilized fully for their usual purposes, together with his recommendations (including recommendations for changes in legislation) or proposed actions for such use.

"(b) The Secretary may require, as a condition to the receipt of assistance under this part, that any prime sponsor under this part agree to conduct a review and provide the Secretary with a report as to the extent to which facilities owned or leased by such prime sponsor, or by other agencies in the prime sponsorship area, could be made available, through appropriate arrangements, for use as facilities for child development programs under this title during times and periods when not utilized fully for their usual purposes, together with the prime sponsor's proposed actions for such use.

"PAYMENTS

"SEC. 520. (a) In accordance with this section, the Secretary shall pay from the applicable allocation or apportionment under section 503 the Federal share of the costs of programs, services, and activities, in accordance with plans or applications which have been approved as provided in this part. In making such payment to any prime sponsor, the Secretary shall include in such costs an amount for staff and other administrative expenses for the Child Development Council not to exceed an amount which is reasonable when compared with such costs for other prime sponsors.

"(b)(1) Except as provided in paragraphs (2) and (3) of this subsection, the Secretary shall pay an amount not in excess of 80 per centum of the cost of carrying out programs, services, and activities under this part. The Secretary may, in accordance with such regulations as he shall prescribe, approve assistance in excess of such percentage if he determines that such action is required to provide adequately for the child development needs of economically disadvantaged children.

"(2) The Secretary shall pay an amount equal to 100 per centum of the costs of providing child development programs for children of migrant agricultural workers and their families under this part.

"(3) The Secretary shall pay to each prime sponsor approved under section 513(d) an amount equal to 100 per centum of the costs of providing child development programs for children in Indian tribal organizations.

amount equal to 100 per centum of the costs programs assisted under this part may be provided through public or private funds and may be in the form of cash, goods, services, or facilities (or portions thereof that are used for program purposes), reasonably evaluated, or union or employer contributions. Fees collected for services provided pursuant to section 516(a)(8) shall not be used to make up the non-Federal share, but shall be used by the project applicant for the same purposes as payments under this section, except that, in the case of projects assisted under a comprehensive child development plan, such fees shall be turned over to the appropriate prime sponsor for distribution in the same manner as the prime sponsor's allocation under section 515(a)(3).

"(d) If, with respect to any fiscal year, a prime sponsor or project applicant provides non-Federal contributions for any program, service, or activity exceeding its requirements, such excess may be applied toward meeting the requirements for such contributions for the subsequent fiscal year under this part.

"(e) No State or locality shall reduce its expenditures for child development or day-care programs by reason of assistance under this part.

"PART B—TRAINING, TECHNICAL ASSISTANCE, PLANNING, AND EVALUATION

"PRESERVICE AND INSERVICE TRAINING

"SEC. 531. The Secretary is authorized to make payments to provide financial assistance to enable individuals employed or preparing for employment in child development programs assisted under this title, including volunteers, to participate in programs of preservice or inservice training for professional and nonprofessional personnel, to be conducted by any agency carrying out a child development program, or any institution of higher education, including a community college, or by any combination thereof.

"TECHNICAL ASSSISTANCE AND PLANNING

"SEC. 532. The Secretary shall, directly or through grant or contract, make technical assistance available to prime sponsors and to project applicants participating or seeking to participate in programs assisted under this title on a continuing basis to assist them in planning, developing, and carrying out child development programs.

"EVALUATION

"SEC. 533. (a) The Secretary shall, through the Office of Child Development unless the Secretary determines otherwise, make an evaluation of Federal involvement in child development activities and services, which shall include—

"(1) enumeration and description of all Federal activities which affect child development;

"(2) analysis of expenditures of Federal funds for such activities and services;

"(3) determination of the effectiveness of such activities and services;

"(4) the extent to which preschool, minority group, and economically disadvantaged children and their parents have participated in programs under this title; and

"(5) such recommendations to the Congress as the Secretary may deem appropriate.

"(b) The results of the evaluation required by subsection (a) of this section shall be reported to the Congress not later than eighteen months after the date of enactment of this title.

"(c) The Secretary shall establish such procedures as may be necessary to conduct an annual evaluation of Federal involvement in child development programs, and shall report the results of each such evaluation to Congress.

"(d) Prime sponsors and project applicants assisted under this title and departments and agencies of the Federal Government shall, upon request by the Secretary, make available, consistent with other provisions of law, such information as the Secretary determines is necessary for purposes of making the evaluation required under subsection (c) of this section.

"(e) The Secretary may enter into contracts with public or private agencies, organizations, or individuals to carry out the provisions of this section.

"(f) The Secretary shall reserve for the purposes of this section not less than 1 per centum, and may reserve for such purposes not more than 2 per centum, of the amounts available under paragraphs (2) and (3) of section 503(a) of this title for any fiscal year.

"FEDERAL STANDARDS FOR CHILD DEVELOPMENT SERVICES

"SEC. 534. (a) Within six months after the enactment of the Economic Opportunity

Amendments of 1971, the Secretary shall, after consultation with other Federal agencies and with the Committee established pursuant to subsection (c) of this section, promulgate a common set of program standards which shall be applicable to all programs providing child development services with Federal assistance under this title, to be known as the Federal Standards for Child Development Services. If the Secretary disapproves the Committee's recommendations, he shall state the reasons therefor.

"(b) Such standards shall be no less comprehensive than the Federal Interagency Day Care Requirements as approved by the Department of Health, Education, and Welfare, the Office of Economic Opportunity, and the Department of Labor on September 23, 1968.

"(c) The Secretary shall, within sixty days after enactment of this title, appoint a Special Committee on Federal Standards for Child Development Services, which shall include parents of children enrolled in child development programs, representatives of public and private agencies and organizations administering child development programs, specialists, and others interested in the development of children. Not less than one-half of the membership of the Committee shall consist of parents of children participating in programs conducted under part A of this title and section 222(a)(1) of this Act and title IV of the Social Security Act. Such Committee shall participate in the development of Federal Standards for Child Development Services and modifications thereof as provided in subsection (a).

"DEVELOPMENT OF UNIFORM MINIMUM CODE FOR FACILITIES

"SEC. 535. (a) The Secretary shall, within sixty days after enactment of the Economic Opportunity Amendments of 1971, appoint a special committee to develop a uniform minimum code for facilities, to be used in licensing child development facilities. Such standards shall deal principally with those matters essential to the health, safety, and physical comfort of the children and the relationship of such matters to the Federal Standards for Child Development Services under section 534.

"(b) The special committee appointed under this section shall include parents of children participating in child development programs and representatives of State and local licensing agencies, public health officials, fire prevention officials, the construction industry and unions, public and private agencies or organizations administering child development programs, and national agencies or organizations interested in the development of children. Not less than one-half of the membership of the committee shall consist of parents of children enrolled in programs conducted under part A of this title and section 222(a)(1) of this Act and title IV of the Social Security Act.

"(c) Within one year after its appointment, the special committee shall complete a proposed uniform minimum code for facilities and shall hold public hearings on the proposed code prior to submitting its final recommendation to the Secretary for his approval.

"(d) After considering the recommendations submitted by the special committee in accordance with subsection (c), the Secretary shall promulgate standards which shall be applicable to all facilities receiving Federal financial assistance under this title or in which programs receiving Federal financial assistance under this title are operated. If the Secretary disapproves the committee's recommendations, he shall state the reasons therefor. The Secretary shall also distribute such standards and urge their adoption by States and local governments. The Secretary may from time to time modify the uniform code for facilities in accordance with procedures set forth in this section.

"PART C—FACILITIES FOR CHILD DEVELOPMENT PROGRAM

"MORTGAGE INSURANCE FOR CHILD DEVELOPMENT FACILITIES

"SEC. 541. (a) It is the purpose of this part to assist and encourage the provision of urgently needed facilities for child care and child development programs.

"(b) For the purpose of this part—

"(1) The term 'child development facility' means a facility of a public or private profit or nonprofit agency or organization, licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located), for the provision of child development programs.

"(2) The terms 'mortgage', 'mortgagor', 'mortgagee', 'maturity date', and 'State' shall have the meanings respectively set forth in section 207 of the National Housing Act.

"(c) The Secretary of Health, Education, and Welfare is authorized to insure any mortgage (including advances on such mortgage during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon.

"(d) In order to carry out the purpose of this section, the Secretary of Health, Education, and Welfare is authorized to insure any mortgage which covers a new child development facility, including equipment to be used in its operation, subject to the following conditions:

"(1) The mortgage shall be executed by a mortgagor, approved by the Secretary of Health, Education, and Welfare, who demonstrates ability successfully to operate one or more child care or child development programs. The Secretary of Health, Education, and Welfare may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary of Health, Education, and Welfare may make such contracts with and acquire for not to exceed $100 such stock or interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Child Development Facility Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary of Health, Education, and Welfare under the insurance.

"(2) The mortgage shall involve a principal obligation in an amount not to exceed $250,000 and not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the child development facility, when the proposed improvements are completed and the equipment is installed.

"(3) The mortgage shall—

"(A) provide for complete amortization by periodic payments within such term as the Secretary of Health, Education, and Welfare shall prescribe, and

"(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Secretary of Health, Education, and Welfare finds necessary to meet the mortgage market.

"(4) The Secretary of Health, Education, and Welfare shall not insure any mortgage under this section unless he has determined that the child development facility to be covered by the mortgage will be in compliance with the Uniform Minimum Code for Facilities approved by the Secretary pursuant to section 535.

"(5) The Secretary of Health, Education, and Welfare shall not insure any mortgage under this section unless he has also received from the prime sponsor designated under part A of this title a certificate that the facility is consistent with and will not hinder the execution of the prime sponsor's plan.

"(6) In the plans for such child development facility, due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project).

"(e) The Secretary of Health, Education, and Welfare shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the mortgagee, either in cash or in debentures of the Child Development Facility Insurance Fund (established by subsection (h)) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments or prepayments. In addition to the premium charge herein provided for, the Secretary of Health, Education, and Welfare is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during construction; but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

"(f) The Secretary of Health, Education, and Welfare may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

"(g)(1) The Secretary of Health, Education, and Welfare shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act.

"(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for the purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Child Development Facility Insurance Fund, and all references in such provisions to 'Secretary' shall be deemed to refer to the Secretary of Health, Education, and Welfare.

"(h)(1) There is hereby created a Child Development Facility Insurance Fund which shall be used by the Secretary of Health, Education, and Welfare as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Child Development Facility Insurance Fund.

"(2) The general expenses of the operations of the Department of Health, Education, and Welfare relating to mortgages insured under this section may be charged to the Child Development Facility Insurance Fund.

"(3) Moneys in the Child Development Facility Insurance Fund not needed for the current operations of the Department of Health, Education, and Welfare with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Secretary of Health, Education, and Welfare may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Child Development Facility Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"(4) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage under this section, the receipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Secretary of Health, Education, and Welfare in connection therewith, and all earnings on the assets of the fund, shall be credited to the Child Development Facility Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such fund, cash insurance payments and adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages insured under this section, shall be charged to such fund.

"(5) There are authorized to be appropriated to provide initial capital for the Child Development Facility Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary.

"PART D—FEDERAL GOVERNMENT CHILD DEVELOPMENT PROGRAMS

"PROGRAM AUTHORIZED

"SEC. 546. (a) The Secretary is authorized to make grants for the purpose of establishing and operating child development programs (including the lease, rental, or construction of necessary facilities and the acquisition of necessary equipment and supplies) for the children of employees of the Federal Government.

"(b) Employees of any Federal agency or group of such agencies employing eighty or more working parents of young children who desire to participate in the grant program under this part shall—

"(1) designate or create for the purpose an agency commission, the membership of which shall be broadly representative of the working parents employed by the agency or agencies; and

"(2) submit to the Secretary a plan approved by the official in charge of such agency or agencies, which—

"(A) provides that the child development program shall be administered under the direction of the agency commission;

"(B) provides that the program will meet the Federal interagency standards for child development;

"(C) provides a means of determining priority of eligibility among parents wishing to use the services of the program;

"(D) provides for a scale of fees based upon the parents' financial status; and

"(E) provides for competent management, staffing, and facilities for such program.

"(c) The Secretary shall not make payments under this section unless he has received approval of the plan from the official in charge of the agency whose employees will be served by the child development program.

"PAYMENTS

"SEC. 547. (a) Not more than 80 per centum of the total cost of child development programs under this part shall be paid from Federal funds available under this title.

"(b) The share of the total cost not available under paragraph (a) may be provided through public or private funds and may be in the form of cash, goods, services, or facilities (or portions thereof that are used for program purposes), reasonably evaluated, fees collected from parents, or union or employer contributions.

"(c) If, in any fiscal year, a program under this part provides non-Federal contributions exceeding its requirements under this section, such excess may be used to meet the requirements for such contributions for the succeeding year.

"(d) In making grants under this part, the Secretary shall, insofar as is feasible, distribute funds among the States according to the same ratio as the number of Federal employees in that State bears to the total number of Federal employees in the United States.

"PART E—RESEARCH AND DEMONSTRATION

"DECLARATION OF PURPOSES

"SEC. 551. The purposes of this part are to focus national research efforts to attain a fuller understanding of the processes of child development and the effects of organized programs upon these processes; to develop effective programs for research into child development; and to assure that the result of research and development efforts are reflected in the conduct of programs affecting children through the improvement and expansion of child development and related programs.

"RESEARCH AND DEMONSTRATION PROJECTS

"SEC. 552. (a) In order to further the purposes of this part, the Secretary shall carry out a program of research and demonstration projects, which shall include but not be limited to—

"(1) research to determine the nature of child development processes and the impact of various influences upon them, to develop techniques to measure and evaluate child development, to develop standards to evaluate professional and paraprofessional child development personnel, and to determine how child development and related programs conducted in either home or institutional settings affect child development processes;

"(2) research to test alternative methods of providing child development and related services, and to develop and test innovative approaches to achieve maximum development of children and programs for training adolescent youth in child development;

"(3) evaluation of research findings and the development of these findings and the effective application thereof;

"(4) dissemination and application of research and development efforts and demonstration projects to child development and related programs and early childhood education, using regional demonstration centers and advisory services where feasible;

"(5) production of informational systems and other resources necessary to support the activities authorized by this part; and

"(6) integration of national child development research efforts into a focused national research program, including the coordination of research and development conducted by other agencies, organizations, and individuals.

"(b) In order to carry out the program provided for in subsection (a), the Secretary is authorized to make grants to or enter into contracts or other arrangements with public or private nonprofit agencies (including other Government agencies), organizations, and institutions, and to enter into contracts with private agencies, organizations, institutions, and individuals.

"COORDINATION OF RESEARCH

"SEC. 553. (a) Funds available to any Federal department or agency for the purposes stated in section 551 or the activities stated in section 552(a) shall be available for transfer, with the approval of the head of the department or agency involved, in whole or in part, to the Secretary for such use as is consistent with the purposes for which such funds were provided, and the funds so transferred shall be expendable by the Secretary for the purposes for which the transfer was made.

"(b) The Secretary shall coordinate, through the Office of Child Development, established under section 572 of this title, all child development research, training, and development efforts conducted within the Department of Health, Education, and Welfare and, to the extent feasible, by other agencies, organizations, and individuals.

"(c) A Child Development Research Council, consisting of a representative of the Office of Child Development established under section 572 of this title (who shall serve as Chairman), and representatives from the Federal agencies administering the Social Security Act and the Elementary and Secondary Education Act of 1965 and from the National Institute of Mental Health, the National Institute of Child Health and Human Development, the Office of Economic Opportunity, the Department of Labor, and other appropriate agencies, shall meet at least annually and at such more frequent times as they may deem necessary, in order to assure coordination of child development and related activities under their respective jurisdictions and to carry out the provisions of this part so as to assure—

"(1) maximum utilization of available resources through the prevention of duplication of activities;

"(2) a division of labor, insofar as is compatible with the purposes of each of the agencies or authorities specified in this paragraph, to assure maximum progress toward the achievement of the purposes of this part; and

"(3) recommendation of priorities for federally funded research and development activities related to the purposes of this part and those stated in section 501.

"ANNUAL REPORT

"SEC. 554. The Secretary shall make an annual report to Congress summarizing his activities and accomplishments during the preceding year under this part; the grants, contracts, or other arrangements entered into during the preceding year under this part, and making such recommendations as he may deem appropriate.

"PART F—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 571. As used in this title, the term—

"(1) 'Secretary' means the Secretary of Health, Education, and Welfare;

"(2) 'State' means the several States and the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

"(3) 'child development programs' means programs provided on a full-day or part-day basis which provide the educational, nutritional, social, medical, psychological, and physical services needed for children to attain their full potential;

"(4) 'children' means individuals who have not attained the age of fifteen;

"(5) 'economically disadvantaged children' means any children of a family having an annual income below the lower living standard budget (adjusted for regional and metropolitan, urban, and rural differences, and family size), as determined annually by the Bureau of Labor Statistics of the Department of Labor;

"(6) 'handicapped children' includes mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children or children with specific learning disabilities who by reason thereof require special education and related services;

"(7) 'program' includes any program, service, or activity, which is conducted full or part time, day or night, in child development facilities, in schools, in neighborhood cen-

ters, or in homes, or which provides child development services for children whose parents are working or receiving education or training;

"(9) 'locality' means any city or other municipality or any county or other political subdivision of a State having general governmental powers, or any combination thereof;

"(9) 'parent' means any person who has day-to-day parental responsibility for any child;

"(10) 'single parent' means any person who has sole day-to-day responsibility for any child;

"(11) 'working mother' means any mother who requires child development services under this title in order to undertake or continue full- or part-time work, training, or education outside her home;

"(12) 'minority group' includes, but is not limited to, persons who are Negro, American Indian, Spanish-surnamed American, Portuguese, or Oriental, and, as determined by the Secretary, children who are from environments in which a dominant language is other than English and who, as a result of language barriers, do not have an equal educational opportunity, and, for the purpose of this paragraph, Spanish-surnamed Americans include persons of Mexican, Puerto Rican, Cuban, or Spanish origin or ancestry;

"(13) 'Bilingual' includes, but is not limited to, persons who are Spanish surnamed, American Indian, Oriental, Portuguese, or others who have learned during childhood to speak the language of the minority group of which they are members and who, as a result of language barriers, do not have an equal educational opportunity;

"(14) 'local educational agency' means any such agency as defined in section 801(f) of the Elementary and Secondary Education Act of 1965;

"(15) 'institution of higher education' means any such institution as defined in section 1201(a) of the Higher Education Act of 1965.

"OFFICE OF CHILD DEVELOPMENT

"SEC. 572. The Secretary shall take all necessary action to coordinate child development programs under his jurisdiction. To this end, he shall establish within the Department of Health, Education, and Welfare an Office of Child Development, administered by a Director, which shall be the principal agency of the Department for the administration of this title and for the coordination of programs and other activities relating to child development.

"NUTRITION SERVICES

"SEC. 573. In accordance with the purposes of this title, the Secretary of Health, Education, and Welfare shall establish procedures to assure that adequate nutrition services will be provided in child development programs under this title. Such services shall make use of the Special Food Service Program for children as defined under section 13 of the National School Lunch Act of 1946 and the Child Nutrition Act of 1966, to the fullest extent appropriate and consistent with the provisions of such Acts.

"SPECIAL PROVISIONS

"SEC. 574. (a) The Secretary may make such grants, contracts, or agreements, establish such procedures, policies, rules, and regulations, and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this title, as he may deem necessary to carry out the provisions of this title, including necessary adjustments in payments on account of overpayments or underpayments. Subject to the provisions of section 575, the Secretary may also withhold funds otherwise payable under this title in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this title or any term or condition of assistance under this title.

"(b) The Secretary shall prescribe regulations to assure that programs under this title have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

"(c) The Secretary shall not provide financial assistance for any program, service, or activity under this title unless he determines that persons employed thereunder, other than persons who serve without compensation, shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938 (29 U.S.C. 206), if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar occupations by the same employer,

"(d) The Secretary shall not provide financial assistance for any program under this title which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be engaged, in any way or to any extent, in the conduct of political activities in contravention of section 603 of this Act.

"(e) The Secretary shall not provide financial assistance for any program under this title unless he determines that no funds will be used for and no person will be employed under the program on the construction, operation, or maintenance of so much of any facility as is for use for sectarian instruction or as a place for religious worship.

"(f) A child participating in a program assisted under this title shall not be required to undergo medical or psychological examination (except to the extent related to learning ability), immunization (except to the extent necessary to protect the public from epidemics of contagious diseases), or treatment, if his parent or guardian objects thereto in writing on religious grounds.

"WITHHOLDING OF GRANTS

"SEC. 575. Whenever the Secretary, after reasonable notice and opportunity for a hearing for any prime sponsor or project applicant, finds—

"(1) that there has been a failure to comply substantially with any requirement set forth in the plan of any such prime sponsor approved under section 515; or

"(2) that there has been a failure to comply substantially with any requirement set forth in the application of any such project applicant approved pursuant to section 516; or

"(3) that in the operation of any program or project carried out by any such prime sponsor or project applicant under this title there is a failure to comply substantially with any applicable provision of this title or regulation promulgated thereunder;

the Secretary shall notify such prime sponsor or project applicant of his findings and that no further payments may be made to such sponsor or applicant under this title (or in his discretion that any such prime sponsor shall not make further payments under this title to specified project applicants affected by the failure) until he is satisfied that there is no longer any such failure to comply, or the noncompliance will be promptly corrected. The Secretary may authorize the continuation of payments with respect to any project assisted under this title which is being carried out pursuant to such plan or application and which is not involved in the noncompliance.

"ADVANCE FUNDING

"SEC. 576. (a) For the purpose of affording adequate notice of funding available under this title such funding for grants, contracts, or other payments under this title is authorized to be included in the Appropriations Act for the fiscal year preceding the fiscal year for which they are available for obligation.

"(b) In order to effect a transition to the advance funding method of timing appropriation action, subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same Appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

"PUBLIC INFORMATION

"SEC. 577. Applications for designation as prime sponsors, comprehensive child development plans, project applications, and all written material pertaining thereto shall be made readily available without charge to the public by the prime sponsor, the applicant, and the Secretary.

"FEDERAL CONTROL NOT AUTHORIZED

"SEC. 578. No department, agency, officer, or employee of the United States shall, under authority of this title, exercise any direction, supervision, or control over, or impose any requirements or conditions with respect to, the personnel, curriculum, methods of instruction, or administration of any educational institution.

"NONDISCRIMINATION PROVISIONS

"SEC. 579. (a) The Secretary shall not provide financial assistance for any program under this title unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

"(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with, any program or activity receiving assistance under this title. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if on the ground of sex that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program or activity receiving assistance under this title.

"LIMITATION OF RESEARCH AND EXPERIMENTATION

"SEC. 580. The Secretary is directed to establish appropriate procedures to insure that no child shall be the subject of any research or experimentation under this title other than routine testing and normal program evaluation unless the parent or guardian of such child is informed of such research or experimentation and is given an opportunity as of right to except such child therefrom.

"PARENTAL RESPONSIBILITY

"SEC. 581. (a) Nothing in this title shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, or physical development of their children. Nor shall any section of this title be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law, or to abridge any legal remedies for any such invasion which are otherwise provided by law."

(b) In order to achieve, to the greatest degree feasible, the consolidation and coordination of programs providing child development services, while assuring continuity of existing programs during transition to the programs authorized under this title, the Economic Opportunity Act of 1964 is amended, effective July 1, 1973, as follows:

(1) Section 222(a)(1) of such Act is repealed.

(2) Section 162(b) of such Act is amended by striking out "day care for children" and inserting in lieu thereof "assistance in securing child development services for children but not operation of child development programs for children".

(3) Section 123(a)(6) of such Act is amended by striking out "day care for children" and inserting in lieu thereof "assistance in securing child development services for children", and adding after the word "employment" the phrase "but not including the direct operation of child development programs for children".

(4) Section 312(b)(1) of such Act is amended by striking out "day care for children,".

(c) The Secretary of Health, Education, and Welfare shall promulgate regulations to assure that other federally funded child development and related programs, including title I of the Elementary and Secondary Education Act of 1965 and section 222(a)(2) of the Economic Opportunity Act of 1964, will coordinate with the programs designed under this title. The Secretary shall insure that joint technical assistance efforts will result in the development of coordinated efforts between the Office of Education and the Office of Child Development.

(d)(1) Section 203(j)(1) of the Federal Property and Administrative Services Act of 1949 is amended by striking out "or civil defense" and inserting in lieu thereof "civil defense, or the operation of child development facilities".

(2) Section 203(j)(3) of such Act is amended—

(A) by striking out, in the first sentence, "or public health" and inserting in lieu thereof "public health, or the operation of child development facilities",

(B) by inserting after "handicapped," in clause (A) and clause (B) of the first sentence the following: "child development facilities,", and

(C) by inserting after "public health purposes" in the second sentence the following: ", or for the operation of child development facilities,".

(3) Section 203(j) of such Act is amended by adding at the end thereof the following new paragraph:

"(8) The term 'child development facility' means any such facility as defined in 541(b)(1) of the Economic Opportunity Act of 1964."

(e) Section 205(b)(3) of the National Defense Education Act of 1958 is amended (1) by adding after the word "nonprofit" the phrase "child development program or" and (2) by striking out "and (C)" and inserting in lieu thereof "(C) such rate shall be 15 per centum for each complete academic year or its equivalent (as so determined by regulations) of service as a full-time teacher in public or private nonprofit child development programs or in any such programs assisted under title V of the Economic Opportunity Amendments of 1971, and (D)".

PLAN REPORTING DATE

SEC. 14. Section 632(3) of the Economic Opportunity Act of 1964 is amended by inserting at the end thereof the following: "Such plan shall be presented to the Congress no later than March 1, 1972, and the documents updating such plan shall be presented to the Congress no later than January 31 of each succeeding calendar year."

GUIDELINES

SEC. 15. Part B of title VI of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new section:

"GUIDELINES

"SEC. 639. All rules, regulations, guidelines, instructions, and application forms published or promulgated pursuant to this Act shall be published in the Federal Register at least thirty days prior to their effective dste."

COMMUNITY ECONOMIC DEVELOPMENT

SEC. 16. (a) The Economic Opportunity Act is amended by inserting immediately after title VI the following new title:

"TITLE VII—COMMUNITY ECONOMIC DEVELOPMENT

"STATEMENT OF PURPOSE

"SEC. 701. The purpose of this title is to encourage the development of special programs by which the residents of urban and rural low-income areas may, through self-help and mobilization of the community at-large, with appropriate Federal assistance, improve the quality of their economic and social participation in community life in such a way as to contribute to the elimination of poverty and the establishment of permanent economic and social benefits.

"PART A—SPECIAL IMPACT PROGRAMS

"STATEMENT OF PURPOSE

"SEC. 711. The purpose of this part is to establish special programs of assistance to private locally initiated community development corporations and related nonprofit agencies or organizations conducting activities which (1) are directed to the solution of the critical problems existing in particular communities or neighborhoods (defined without regard to political or other subdivisions or boundaries) within those urban and rural areas having concentrations or substantial numbers of low-income persons; (2) are of sufficient size, scope, and duration to have an appreciable impact in such communities, neighborhoods, and rural areas in arresting tendencies toward dependency, chronic unemployment, and community deterioration; and (3) hold forth the pospect of continuing to have such impact after the termination of financial assistance under this title.

"ESTABLISHMENT OF PROGRAMS

"SEC. 712. (a) The Director is authorized to provide financial assistance to community development corporations and to nonprofit agencies in conjunction with qualifying community development corporations for the payment of all or part of the costs of programs which are designed to carry out the purposes of this part. Such programs shall be restricted in number so that each is of sufficient size, scope, and duration to have an appreciable impact on the area served. Such programs may include—

"(1) economic and business development programs, including programs which provide financial and other assistance (including equity capital) to start, expand, or locate businesses in or near the areas served so as to provide employment and ownership opportunities for residents of such areas, and programs including those described in title IV of this Act for small businesses in or owned by residents of such areas;

"(2) community development and housing activities which create new training, employment, and ownership opportunities and which contribute to an improved living environment; and

"(3) manpower training programs for unemployed or low-income persons which support and complement economic, business, housing, and community development programs, including without limitation activities such as those described in part B of title I of this Act.

"(b) The Secretary shall conduct programs assisted under this part so as to contribute, on an equitable basis between urban and rural areas, to the elimination of poverty and the establishment of permanent economic and social benefits in such areas.

"REQUIREMENTS FOR FINANCIAL ASSISTANCE

"SEC. 713. (a) The Director, under such regulations as he may establish, shall not provide financial assistance for any program or component project under this part unless he determines that—

"(1) such community development corporation is responsive to residents of the area under guidelines established by the Director;

"(2) all projects and related facilities will, to the maximum feasible extent, be located in the area served;

"(3) projects will, where feasible, promote the development of entrepreneurial and management skills and the ownership or participation in ownership of assisted businesses and housing by residents of the area served;

"(4) projects will be planned and carried out with the maximum participation of local businessmen and financial institutions and organizations by their inclusion on program boards of directors, advisory councils, or through other appropriate means;

"(5) the program will be appropriately coordinated with local planning under this Act, the Demonstration Cities and Metropolitan Development Act of 1966, and with other relevant planning for physical and human resources of the areas served;

"(6) the requirements of subsections 122(e) and 124(a) of this Act have been met;

"(7) preference will be given to low income or economically disadvantaged residents of the areas served in filling jobs and training opportunities; and

"(8) training programs carried out in connection with projects financed under this part shall be designed wherever feasible to provide those persons who successfully complete such training with skills which are also in demand in communities, neighborhoods, or rural areas, other than those for which programs are established under this part.

"(b) Financial assistance under this section shall not be extended to assist in the relocation of establishments from one location to another if such relocation would result in an increase in unemployment in the area of original location.

"(c) The level of financial assistance for related purposes under this Act to the area served by a special impact program shall not be diminished in order to substitute funds authorized by this part.

"APPLICATION OF OTHER FEDERAL RESOURCES

"SEC. 714. (a) SMALL BUSINESS ADMINISTRATION PROGRAMS.—

"(1) Funds granted under this part which are invested, directly or indirectly, in a small business investment company or a local development company shall be included as 'private paid-in capital and paid-in surplus,' 'combined paid-in capital and paid-in surplus,' and 'paid-in capital' for purposes of sections 302, 303, and 502, respectively, of the Small Business Investment Act of 1958.

"(2) Within ninety days of the enactment of the Economic Opportunity Amendments of 1971, the Administrator of the Small Business Administration, after consultation with the Director, shall prescribe such regulations as may be necessary and appropriate to insure the availability to community development corporations of such programs as shall further the purposes of this part.

"(b) ECONOMIC DEVELOPMENT ADMINISTRATION PROGRAMS.—

"(1) Areas selected for assistance under this part shall be deemed 'redevelopment areas' within the meaning of section 401 of the Public Works and Economic Development Act of 1965, and shall qualify for assistance under the provisions of title I and title II of that Act and shall be deemed to fulfill the overall economic development planning requirements of section 202(b)(10) thereof.

"(2) Within ninety days of the enactment of the Economic Opportunity Amendments of 1971, the Secretary of Commerce, after consultation with the Director, shall prescribe such regulations as may be necessary and appropriate to insure the availability to community development corporations of such programs as shall further the purposes of this part.

"(c) PROGRAMS OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—The Secretary of Housing and Urban Development, after consultation with the Director, shall take all necessary steps (1) to assure that community development corporations assisted under this part, or their subsidiaries, shall qualify as sponsors under section 106 of the Housing and Urban Development Act of 1968, and sections 221, 235, and 236 of the National Housing Act of 1949; (2) to assure that land for housing and business location and expansion is made available under title I of the Housing Act of 1949 as may be necessary to carry out the purposes of this part; and (3) to assure that funds are available under section 701(b) of the Housing Act of 1954 to community development corporations assisted under this part.

"(d) COORDINATION AND COOPERATION.—The Director shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this part.

"(e) REPORTING ON OTHER FEDERAL RESOURCES.—On or before six months after the date of enactment of the Economic Opportunity Amendments of 1971, and annually thereafter, the Director shall submit to the Congress a detailed report setting forth a description of all Federal agency programs which he finds relevant to achieving the purposes of this part and the extent to which such programs have been made available to community development corporations receiving financial assistance under this part including specifically the availability and effectiveness of programs referred to in subsections (a), (b), and (c) of this section. Where appropriate, the report required under this subsection also shall contain recommendations for the more effective utilization of Federal agency programs for carrying out the purposes of this part.

"FEDERAL SHARE

"SEC. 715. Federal grants to any program carried out pursuant to this part, including grants used by community development corporations for capital investments, shall (1) not exceed 90 per centum of the cost of such program including costs of administration unless the Director determines that assistance in excess of such percentage is required in furtherance of the purposes of this part, and (2) be made available for deposit to the grantee, under conditions which the Director deems appropriate, within thirty days following approval by the Director and the local community development corporation of the grant agreement. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. Capital investments made with funds granted as a result of the Federal share of the costs of programs carried out under this part, and the proceeds from such capital investments, shall not be considered Federal property.

"PART B—RURAL PROGRAMS

"STATEMENT OF PURPOSE

"SEC. 721. It is the purpose of this part to meet the special economic needs of rural communities or areas with concentrations or substantial numbers of low-income persons by providing support to self-help programs which promote economic development and independence. Such programs should encourage low-income families to pool their talents and resources so as to create and expand rural economic enterprise.

"FINANCIAL ASSISTANCE

"SEC. 722. (a) The Director is authorized to provide financial assistance, including loans having a maximum maturity of 15 years and in amounts not resulting in an aggregate principal indebtedness of more than $3,500 at any one time, to any low-income rural family where, in the judgment of the Director, such financial assistance has a reasonable possibility of effecting a permanent increase in the income of such families, or, in the case of the elderly, will contribute to the improvement of their living or housing conditions, by assisting or permitting them to—

"(1) acquire or improve real estate or reduce encumbrances or erect improvements thereon;

"(2) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment; or

"(3) participate in cooperative associations, or to finance nonagricultural enterprises which will enable such families to supplement their income.

"(b) The Director is authorized to provide financial assistance to local cooperative associations in rural areas containing concentrations or substantial numbers of low-income persons for the purpose of defraying all or part of the costs of establishing and operating cooperative farming, purchasing, marketing, and processing programs. Costs which may be defrayed shall include but not be limited to—

"(1) administrative costs of staff and overhead;

"(2) costs of planning and developing new enterprises;

"(3) costs of acquiring technical assistance; and

"(4) initial capital where it is determined by the Director that the poverty of the families participating in the program and the social conditions of the rural area require such assistance.

"LIMITATIONS ON ASSISTANCE

"SEC. 723. (a) No financial assistance shall be provided under this part unless the Director determines that—

"(1) any cooperative association receiving assistance has a minimum of fifteen active members, a majority of which are low-income rural persons;

"(2) adequate technical assistance is made available and committed to the programs being supported;

"(3) such financial assistance will materially further the purposes of this part; and

"(4) the applicant is fulfilling or will fulfill a need for services, supplies, or facilities which is otherwise not being met.

"(b) The level of financial assistance for related purposes under this Act to the area served by a program under this part shall not be diminished in order to substitute funds authorized by this part.

"PART C—SUPPORT PROGRAMS

"TRAINING AND TECHNICAL ASSISTANCE

"SEC. 731. (a) The Director shall provide directly or through grants, contracts, or other arrangements such technical assistance and training of personnel as may be required to effectively implement the purposes of this title. No financial assistance shall be provided to any public or private organization under this section unless the Director provides the beneficiaries of these services with opportunity to participate in the selection of and to review the quality and utility of the services furnished them by such organization.

"(b) Technical assistance to community development corporations and rural cooperatives may include planning, management, legal, preparation of feasibility studies, product development, marketing, and the provision of stipends to encourage skilled professionals to engage in full-time activities under the direction of a community organization financially assisted under this title.

"(c) Training for employees of community development corporations and for employees and members of rural cooperatives shall include, but not be limited to, on-the-job training, classroom instruction, and scholarships to assist them in development, managerial, entrepreneurial, planning, and other technical and organizational skills which will contribute to the effectiveness of programs assisted under this title.

"DEVELOPMENT LOAN FUND

"SEC. 732. (a) The Director is authorized to make or guarantee loans (either directly or in cooperation with banks or other organizations through agreements to participate on an immediate or deferred basis) to community development corporations eligible for financial assistance under section 712 of this title, to families under section 722(a), and to local cooperatives in rural areas eligible for financial assistance under section 722(b) for business, housing, and community development projects which the Director determines will carry out the purposes of this title. No loans, guarantees, or other financial assistance shall be provided under this section unless the Director determines that—

"(1) there is reasonable assurance of repayment of the loan;

"(2) a loan is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs; and

"(3) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made.

Loans made by the Director pursuant to this section shall bear interest at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes, except that, for the five years following the date on which funds are initially available to the borrower, the rate of interest shall be set at a rate considered appropriate by the Director in light of the particular needs of the borrower, which rate shall not be lower than 1 per centum. All such loans shall be repayable within a period of not more than thirty years.

"(b) The Director is authorized to adjust interest rates, grant moratoriums on repayment of principal and interest, collect or compromise any obligations held by him, and to take such other actions in respect to such loans as he shall determine to be necessary or appropriate, consistent with the purposes of this section.

"(c)(1) To carry out the lending and guaranty functions authorized under this part, there shall be established a Development Loan Fund consisting of two separate accounts, one of which shall be a revolving fund called the Rural Development Loan Fund and the other of which shall be a revolving fund called the Community Development Loan Fund. The capital of each such revolving fund shall remain available until expended.

"(2) The Rural Development Loan Fund shall consist of (A) repayments of principal and interest and other receipts from the lending and guaranty operations of such revolving fund and the revolving fund previously established under section 306 of this Act, the assets and liabilities of which shall be transferred to the Rural Development Loan Fund, effective July 1, 1972, and (B) such amounts as may be deposited in such Fund by the Director out of funds made

available from appropriations for the purposes of carrying out this title.

"(3) The Community Development Loan Fund shall consist of (A) repayments of principal and interest and other receipts from the lending and guaranty operations of such revolving fund, and (B) such amounts as may be deposited in such fund by the Director out of funds made available from appropriations for the purpose of carrying out this title. The Secretary may make deposits in the Community Development Loan Fund in any fiscal year in which he has made available for grants to community development corporations not less than $60,000,000 out of funds made available from appropriations for the purpose of carrying out this title.

"EVALUATION AND RESEARCH

"SEC. 733. (a) Each program for which grants are made under this title shall provide for a thorough evaluation of the effectiveness of the program in achieving its purposes, which evaluation shall be conducted by such public or private organizations as the Director may designate, and all or part of the costs of evaluation may be paid from funds appropriated to carry out this part. The results of such evaluations, together with the Director's findings and recommendations concerning the program, shall be included in the report required by section 608 of this Act.

"(b) The Director shall conduct, either directly or through grants or other arrangements, research designed to suggest new programs and policies to achieve the purposes of this title in such ways as to provide opportunities for employment, ownership, and a better quality of life for low-income residents. The Director shall particularly investigate the feasibility and most appropriate manner of establishing development banks and similar institutions and shall report to the Congress on his research findings and recommendations not later than June 30, 1973.

"PART D—GENERAL

"PROGRAM DURATION AND AUTHORITY

"SEC. 741. The Director shall carry out programs provided for in this title during the fiscal year ending June 30, 1972, and for the two succeeding fiscal years. For each fiscal year only such sums may be appropriated as the Congress may authorize by law."

(b) Part D of title I of the Economic Opportunity Act of 1964 is repealed.

(c) Effective after June 30, 1972, part A of title III of the Economic Opportunity Act of 1964 is repealed.

LEGAL SERVICES PROGRAM AND EVALUATION OF PROGRAMS

SEC. 17. (a) The Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new titles:

"TITLE IX—NATIONAL LEGAL SERVICES CORPORATION

"DECLARATION OF POLICY

"SEC. 901. The Congress hereby finds and declares that—

"(1) it is in the public interest to provide greater access to attorneys and appropriate institutions for the orderly resolution of grievances and as a means of securing orderly change, responsiveness, and reform;

"(2) many low-income persons are unable to afford the cost of legal services or of access to appropriate institutions;

"(3) access to legal services and appropriate institutions for all citizens of the United States not only is a matter of private and local concern, but also is of appropriate and important concern to the Federal Government;

"(4) the integrity of the attorney-client relationship and of the adversary system of justice in the United States require that there be no political interference with the provision and performance of legal services;

"(5) existing legal services programs have provided economical, effective, and comprehensive legal services to the client community so as to bring about a peaceful resolution of grievances through resort to orderly means of change; and

"(6) a private nonprofit corporation should be created to encourage the availability of legal services and legal institutions to all citizens of the United States, free from extraneous interference and control.

"ESTABLISHMENT OF CORPORATION

"SEC. 902. (a) There is established a nonprofit corporation, to be known as the 'National Legal Services Corporation' (hereinafter referred to as the 'Corporation') which shall not be an agency or establishment of the United States Government. The Corporation shall be subject to the provisions of this title, and, to the extent consistent with this title, to the District of Columbia Nonprofit Corporation Act. The right to repeal, alter, or amend this title is expressly reserved.

"(b) No part of the net earnings of the Corporation shall inure to the benefit of any private person, and it shall be treated as an organization described in section 170(c)(2)(B) of the Internal Revenue Code of 1954 and as an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from taxation under section 501(a) of such Code.

"PROCESS OF INCORPORATION AND ORGANIZATION

"SEC. 903. (a) There shall be a transition period of six months following the date of enactment of the Economic Opportunity Amendments of 1971 for the process of incorporation and initial organization of the Corporation.

"(b) There is established an incorporating trusteeship composed of the following persons or their designees: the president of the American Bar Association, the president of the National Legal Aid and Defender Association, the president of the Association of American Law Schools, the president of the American Trial Lawyers Association, and the president of the National Bar Association. The incorporating trusteeship shall meet within 30 days after the enactment of the Economic Opportunity Amendments of 1971 to carry out the provisions of this section.

"(c)(1) Not later than sixty days after the enactment of the Economic Opportunity Amendments of 1971, the incorporating trusteeship, after consulting with and receiving the recommendations of national organizations of persons eligible for assistance under this title, shall establish the initial Clients Advisory Council to be composed of eleven members selected, in accordance with procedures established by the incorporating trusteeship, from among individuals eligible for assistance under this title.

"(2) Not later than sixty days after the enactment of the Economic Opportunity Amendments of 1971, the incorporating trusteeship, after consulting with and receiving the recommendations of associations of attorneys actively engaged in conducting legal services programs, shall establish the initial Project Attorneys Advisory Council to be composed of eleven members selected, in accordance with procedures established by the incorporating trusteeship, from among attorneys who are actively engaged in providing legal services under any existing legal services program.

"(3) To assist in carrying out the provisions of this subsection, the Director of the Office of Economic Opportunity shall compile a list of all legal services programs publicly funded during the fiscal year ending June 30, 1971, and the subsequent fiscal year and furnish such list to the incorporating trusteeship. In order to carry out the provisions of this subsection, the Director of the Office of Economic Opportunity shall make available to the incorporating trusteeship such administrative services and financial and other resources as it may require.

"(d) Not later than ninety days after the enactment of the Economic Opportunity Amendments of 1971, all lists required to be submitted as provided in section 904(a) for persons to serve on the initial board of directors shall be submitted to the President.

"(e) During the ninety-day period of incorporation of the Corporation the incorporating trusteeship shall take whatever actions are necessary to incorporate the Corportation, including the filing of articles of incorporation under the District of Columbia Nonprofit Corporation Act, and to prepare for the first meeting of the board of directors, except the selection of the executive director of the Corporation.

"(f) During the ninety-day period immediately following the period specified in subsection (e) of this section the board shall take whatever action is necessary to prepare to begin to carry out the activities of the Corporation six months after the enactment of the Economic Opportunity Amendments of 1971.

"DIRECTORS AND OFFICERS

"SEC. 904. (a) The Corporation shall have a board of directors consisting of seventeen individuals appointed by the President, by and with the consent of the Senate, one of whom shall be elected annually by the board to serve as chairman. Members of the board shall be appointed as follows:

"(1) Six members shall be appointed from among individuals in the general public, not less than three of whom shall be members of the bar of the highest court of a State.

"(2) Two members shall be appointed from lists of nominees submitted by the Judicial Conference of the United States.

"(3) Two members shall be appointed from among individuals who are eligible for assistance under this title from lists of nominees submitted by the Clients Advisory Council.

"(4) Two members shall be appointed from among former legal services project attorneys from lists of nominees submitted by the Project Attorneys Advisory Council.

"(5) Five members shall be appointed as follows—

"(A) one member from lists of nominees submitted by the American Bar Association;

"(B) one member from lists of nominees submitted by the Association of American Law Schools;

"(C) one member from lists of nominees submitted by the National Bar Association;

"(D) one member from lists of nominees submitted by the National Legal Aid and Defender Association; and

"(E) one member from lists of nominees submitted by the American Trial Lawyers Association.

Each initial list and any subsequent list shall include at least three and not more than ten names for each position to be filled.

"(b) The directors appointed under subsection (a) shall be appointed for terms of three years except that—

"(1) the terms of the directors first taking office shall be effective on the ninety-first day after the enactment of the Economic Opportunity Amendments of 1971;

"(2) the terms of the directors first taking office shall expire, as designated by the President at the time of appointment, as follows—

"(A) in the case of directors appointed under paragraph (1) of section 904(a), two at the end of three years, two at the end of two years, and two at the end of one year;

"(B) in the case of directors appointed under paragraph (2) of section 904(a), one at the end of two years, and one at the end of one year;

"(C) in the case of directors appointed under paragraph (3) of section 904(a), one at the end of three years and one at the end of one year;

"(D) in the case of directors appointed under paragraph (4) of section 904(a), one

at the end of three years and one at the end of two years; and

"(E) in the case of directors appointed under paragraph (5) of section 904(a), (i) the term of the director appointed under clause (A) shall expire at the end of three years, (ii) the term of the director appointed under clause (B) shall expire at the end of three years, (iii) the term of the director appointed under clause (C) shall expire at the end of two years, (iv) the term of the director appointed under clause (D) shall expire at the end of one year, and (v) the term of the director appointed under clause (E) shall expire at the end of one year; and

"(3) any director appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(c) The Corporation shall have an executive director, who shall be an attorney, and such other officers, as may be named and appointed by the board of directors at rates of compensation fixed by the board, who shall serve at the pleasure of the board. No individual shall serve as executive director of the Corporation for a period in excess of six years. The executive director shall serve as a member of the board ex officio and shall serve without a vote.

"(d) No political test or qualification shall be used in selecting, appointing, or promoting any officer, attorney, or employee of the Corporation. No officers or employees of the Corporation shall receive any salary from any source other than the Corporation during the period of employment by the Corporation.

(e) All meetings of the board, executive committee of the board, and advisory councils shall, whenever appropriate, be open to the public, and proper notice of such meetings shall be provided to interested parties and the public a reasonable time prior to such meetings.

"(f) No member of the board may participate in any decision, action, or recommendation with respect to any matter which directly benefits that member or any firm or organization with which that member is then currently associated.

"(g) Any board after the initial board shall, in consultation with the respective advisory councils, provide for rules with respect to the subsequent meetings of the Clients Advisory Council and the Project Attorneys Advisory Council.

"ADVISORY COUNCILS; EXECUTIVE COMMITTEE

"SEC. 905. (a) The board, after consulting with and receiving the recommendations of national organizations of persons eligible for assistance under this title, shall provide for the selection of a Clients Advisory Council subsequent to the first such council established under section 903(c)(1) of this title to be composed of not more than eleven members selected in accordance with procedures established by the board, including terms of office, qualifications, and method of selection and appointment, from among individuals who are eligible for assistance under this title. Such procedures must insure that all areas of the country and significant segments of the client population are represented, and in no event may more than one representative on such council be from any one State. The Clients Advisory Council shall advise the board of directors and the executive director on policy matters relating to the needs of the client community and may act as liaison between the client community and legal services programs through such activities as it deems appropriate, including informational programs in languages other than English. The Clients Advisory Council shall submit the lists of individuals for appointment as members of the board in accordance with section 904(a).

"(b) The board, after consulting with and receiving the recommendations of associations of attorneys actively engaged in conducting legal services programs, shall provide for the selection of a Project Attorneys Advisory Council subsequent to the first such council established under section 903(c)(2) of this title to be composed of not more than eleven members selected in accordance with procedures established by the board, including terms of office, qualifications, and method of selection and appointment, from among attorneys who are actively engaged in providing legal services under this title. Such procedures must ensure that all areas of the country are represented, and in no event may more than one representative on such council be from any one State. The Project Attorneys Advisory Council shall advise the board of directors and the executive director on policy matters relating to the furnishing of legal services to members of the client community. The Project Attorneys Advisory Council shall submit the lists of individuals for appointment as members of the board in accordance with section 904(a).

"(c) The board shall provide for sufficient resources for each Advisory Council in order to pay such reasonable travel costs and expenses as the board may determine.

"(d) The board may establish an executive committee of not less than five members nor more than seven members which shall include the chairman of the board, at least one director appointed pursuant to paragraph (1) of section 904(a), one director appointed pursuant to paragraph (3) or (4) of section 904(a), and one director appointed pursuant to paragraph (5) section 904.

"ACTIVITIES AND POWERS OF THE CORPORATION

"SEC. 906. (a) Effective six months after the enactment of the Economic Opportunity Amendments of 1971, in order to carry out the purposes of this title, the Corporation is authorized to—

"(1) provide financial assistance to qualified programs furnishing legal services to members of the client community;

"(2) provide financial assistance to pay the costs of contracts or other agreements made pursuant to section 903 of this title;

"(3) carry out research, training, technical assistance, experimental, legal paraprofessional and clinical assistance programs;

"(4) through financial assistance and other means, increase opportunities for legal education among individuals who are members of a minority group or who are economically disadvantaged;

"(5) provide for the collection and dissemination of information designed to coordinate and evaluate the effectiveness of the activities and programs for legal services in various parts of the country;

"(6) offer advice and assistance to all programs providing legal services and legal assistance to the client community conducted or assisted by the Federal Government including—

"(A) reviewing all grants and contracts for the provision of legal services to the client community made under other provisions of Federal law by any agency of the Federal Government and making recommendations to the appropriate Federal agency;

"(B) reviewing and making recommendations to the President and Congress concerning any proposal, whether by legislation or executive action, to establish a federally assisted program for the provision of legal services to the client community; and

"(C) upon request of the President, providing training, technical assistance, monitoring, and evaluation services to any federally assisted legal services program;

"(7) establish such procedures and take such other measures as may be necessary to assure that attorneys employed by the Corporation and attorneys paid in whole or in part from funds provided by the Corporation carry out the same duties to their clients and enjoy the same protection from interference as if such an attorney was hired directly by the client, and to assure that such attorneys adhere to the same Code of Professional Responsibility and Canons of Ethics of the American Bar Association as are applicable to other attorneys;

"(8) establish standards of eligibility for the provision of legal services to be rendered by any grantee or contractee of the Corporation with special provision for priority for members of the client community whose means are at least adequate to obtain private legal services;

"(9) establish policies consistent with the best standards of the legal profession to assure the integrity, effectiveness, and professional quality of the attorneys providing legal services under this title; and

"(10) carry on such other activities as would further the purposes of this title.

"(b) In the performance of the functions set forth in subsection (a), the Corporation is authorized to—

"(1) make grants, enter into contracts, leases, cooperative agreements, or other transactions, in accordance with bylaws established by the board of directors appropriate to conduct the activities of the Corporation;

"(2) accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible, and use, sell, or otherwise dispose of such property for the purpose of carrying out its activities;

"(3) appoint such attorneys and other professional and clerical personnel as may be required and fix their compensation in accordance with the provision of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule rates;

"(4) promulgate regulations containing criteria specifying the manner of approval of applications for grants based upon the following considerations—

"(A) the most economical, effective, and comprehensive delivery of legal services to the client community in both urban and rural areas;

"(B) peaceful resolution of grievances and resort to orderly means of seeking change; and

"(C) maximum utilization of the expertise and facilities of organizations presently specializing in the delivery of legal services to the client community;

"(5) establish and maintain a law library;

"(6) establish procedures for the conduct of legal services programs assisted by the Corporation containing a requirement that the applicant will give assurances that the program will be supervised by a policymaking board on which the members of the legal profession constitute a majority (except that the Corporation may grant waivers of this requirement in the case of a legal services program which, upon the date of enactment of the Economic Opportunity Amendments of 1971, has a majority of persons who are not lawyers on its policymaking board) and members of the client community constitute at least one-third of the members of such board.

"(c) In any case in which services, otherwise authorized, are performed for the Federal Government by the Corporation, the Corporation shall be reimbursed for the cost of such services pursuant to an agreement between the executive director of the Corporation and the head of the agency of the Federal Government concerned.

"(d) The Corporation shall ensure that attorneys employed full time in programs funded by the Corporation refrain from any outside practice of law unless permitted as pro bono publico activity pursuant to guidelines established by the Corporation.

"(e) The Corporation shall ensure (1) that all attorneys who are not representing a client or group of clients refrain, while engaged in activities carried on by legal services programs funded by the Corporation, from undertaking to influence the passage or defeat of any legislation by the Congress or State or local legislative bodies by representations to such bodies, their members, or committees, unless such bodies, their members, or their committees request that the attorney make representations to them, and (2) that no funds provided by the Corporation shall be utilized for any activity which is planned and carried out to disrupt the orderly conduct of business by the Congress or State or local legislative bodies, for any demonstration, rally, or picketing aimed at the family or home of a member of a legislative body for the purpose of influencing his actions as a member of that body, and for conducting any campaign of advertising carried on through the commercial media for the purpose of influencing the passage or defeat of legislation.

"(f) The Corporation shall ensure that no attorneys or other persons employed by it or employed or engaged in programs funded by the Corporation shall, in any case, solicit the client community or any member of the client community for professional employment; and no funds of the Corporation shall be expended in pursuance of any employment which results from any such solicitation. For the purpose of this subsection, solicitation does not include mere announcement or advertisement, without more, of the fact that the National Legal Services Corporation is in existence and that its services are available to the client community, and does not include any conduct or activity which is permissible under the Code of Professional Responsibility and Canons of Ethics of the American Bar Association governing solicitation and advertising.

"(g) The Corporation shall establish guidelines for consideration of possible appeals to be implemented by each grantee or contractee of the Corporation to ensure the efficient utilization of resources. Such guidelines shall in no way interfere with the attorney's responsibilities and obligations under the Canons of Professional Ethics and the Code of Professional Responsibility.

"(h) At a reasonable time prior to the Corporation's approval of any grant or contract application, the Corporation shall notify the State bar association of the State in which the recipient will offer legal services. Notification shall include a reasonable description of the grant or contract application.

"(i) No funds or personnel made available by the Corporation pursuant to this title shall be used to provide legal services with respect to any criminal proceeding.

"NONPROFIT AND NONPOLITICAL NATURE OF THE CORPORATION

"SEC. 907. (a) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

"(b) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, employee, or any other individual except as reasonable compensation for services.

"(c) The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

"(d) The Corporation shall insure that all employees of legal services programs assisted by the Corporation, while engaged in activities carried on by legal services programs, refrain (1) from any partisan or nonpartisan political activity associated with a candidate for public or party office, and (2) from any voter registration activity other than legal representation or any activity to provide voters or prospective voters with transportation to the polls. Employees of the Corporation or of programs assisted by the Corporation shall not at any time identify the Corporation or the program assisted by the Corporation with any partisan or nonpartisan political activity associated with a candidate for public or party office. The Board of the Directors of the Corporation shall set appropriate guidelines for the private political activities of full time employees of the Corporation or of programs assisted by the Corporation.

"ACCESS TO RECORDS AND DOCUMENTS RELATED TO THE CORPORATION

"SEC. 908. (a) Copies of all records and documents pertinent to each grant and contract made by the Corporation shall be maintained in the principal office of the Corporation in a place readily accessible and open to public inspection during ordinary working hours for a period of at least five years subsequent to the making of such grant or contract.

"(b) Copies of all reports pertinent to the evaluation, inspection, or monitoring of grantees and contractees shall be maintained for a period of at least three years in the principal office of the Corporation subsequent to such evaluation, inspection, or monitoring visit. Upon request, the substance of such reports shall be furnished to the grantee or contractee who is the subject of the evaluation, inspection, or monitoring visit.

"(c) The Corporation shall afford notice and reasonable opportunity for comment to interested parties prior to issuing regulations and guidelines, and it shall publish in the Federal Register on a timely basis all its bylaws, regulations, and guidelines.

"(d) The Corporation shall be subject to the provisions of the Freedom of Information Act.

"FINANCING OF THE CORPORATION

"SEC. 909. In addition to any funds reserved and made available for payment to the Corporation from appropriations for carrying out the Economic Opportunity Act of 1964 for any fiscal year, there are further authorized to be appropriated for payment to the Corporation such sums as may be necessary for any fiscal year. Funds made available to the Corporation from appropriations for any fiscal year shall remain available until expended.

"RECORDS AND AUDIT OF THE CORPORATION AND THE RECIPIENTS OF ASSISTANCE

"SEC. 910. (a) The accounts of the Corporation shall be audited annually in accordance with generally accepted auditing standards by any independent licensed public accountant certified or licensed by a regulatory authority of a State or political subdivision. Each such audit shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audit shall be made available to the person conducting the audit, consistent with the necessity of maintaining the confidentiality required by the best standards of the legal profession, and full facilities for verifying transactions with the balance, or securities held by depositories, fiscal agents, and custodians shall be afforded to any such person. The report of each such independent audit shall be included in the annual report required under this title. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the assets and liabilities, and surplus or deficit of the Corporation, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the income and expenses of the Corporation during the year, and a statement of the sources and application of funds, together with the opinion of the independent auditor of those statements.

"(b)(1) The accounts and operations of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States, consistent with the necessity of maintaining the confidentiality required by the best standards of the legal profession. Any such audit shall be conducted at the place or places where accounts of the Corporation are normally kept. The representative of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or used by the Corporation pertaining to its accounts and operations including the reports pertinent to the evaluation, inspection, or monitoring of grantees and contractors required to be maintained by section 908(b) and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of the Corporation shall remain in the possession and custody of the Corporation.

"(2) A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform the Congress of the operations and conditions of the Corporation, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other transaction or undertaking observed in the course of the audit, which in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the executive director and to each member of the board at the time submitted to the Congress.

"(c)(1) Each grantee or contractee, other than a recipient of a fixed price contract awarded pursuant to competitive bidding procedures, under this title shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Corporation or any of its duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title. The Comptroller General of the United States, or any of his duly authorized representatives shall also have access thereto for such purpose during any fiscal year for which Federal funds are available to the Corporation.

"REPORTS TO CONGRESS

"SEC. 911. The Corporation shall prepare an annual report for transmittal to the President and the Congress on or before the 30th day of January of each year, summarizing the activities of the Corporation and making such recommendations as it may deem appropriate. This report shall include findings and recommendations concerning the preservation of the attorney-client relationships and adherence to the Code of Professional Responsibility of the American Bar Association in the conduct of programs supported by the Corporation. The report shall include a comprehensive and detailed report of the operations, activities, financial condition, and accomplishments of the Corporation, together with the additional views and recommendations, if any, of members of the board.

"DEFINITIONS

"SEC. 912. As used in this title, the term—

"(1) 'State' means the several States and the District of Columbia, Puerto Rico, Guam,

American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

"(2) 'Corporation' means the National Legal Services Corporation established pursuant to this title;

"(3) 'client community' means individuals unable to obtain private legal counsel because of inadequate financial means;

"(4) 'member of the client community' includes any person unable to obtain private legal counsel because of inadequate financial means;

"(5) 'legal services' includes legal advice, legal representation, legal research, education concerning legal rights and responsibilities, and similar activities (including, in areas where a significant portion of the client community speaks a language other than English as the predominant language, or is bilingual, services to those members of the client community in the appropriate language other than English);

"(6) 'legal profession' refers to that body composed of all persons admitted to practice before the highest court of at least one State of the United States; and

"(7) 'nonprofit', as applied to any foundation, corporation, or association means a foundation, corporation, or association, no part of the net earnings of which inures, or may lawfully inure to the benefit of any private shareholder or individual.

"PROHIBITION ON FEDERAL CONTROL

"SEC. 913. Nothing contained in this title shall be deemed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the Corporation or any of its grantees or contractees or employees, or over the charter or bylaws of the Corporation, or over the attorneys providing legal services pursuant to this title, or over the members of the client community receiving legal services pursuant to this title.

"SPECIAL LIMITATIONS

"SEC. 914. The board shall prescribe procedures to insure that—

"(1) financial assistance shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, unless the grantee or contractee has been given reasonable notice and opportunity to show cause why such action should not be taken; and

"(2) financial assistance shall not be terminated, an application for refunding shall not be denied, and an emergency suspension of financial assistance shall not be continued for longer than thirty days, unless the grantee or contractee has been afforded reasonable notice and opportunity for a timely, full, and fair hearing.

"COORDINATION

"SEC. 915. The President may direct that particular support functions of the Federal Government, such as the General Services Administration, the Federal telecommunications system, and other facilities, be utilized by the Corporation or its grantees or contractees to the extent not inconsistent with other applicable law.

"TRANSFER MATTERS

"SEC. 916. (a) Notwithstanding any other provision of law, on and after such date as may be prescribed by the Director of the Office of Management and Budget, or six months after the enactment of the Economic Opportunity Amendments of 1971, whichever is the earlier, all rights of the Office of Economic Opportunity to capital equipment in the possession of legal services programs assisted pursuant to sections 222(a)(3), 230, 232, or any other provision of the Economic Opportunity Act of 1964, shall become the property of the National Legal Services Corporation.

"(b) Effective six months after the date of enactment of the Economic Opportunity Amendments of 1971, all personnel, assets, liabilities, property, and records as determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with any function of the Director under section 222(a)(3) of this Act shall be transferred to the Corporation. Personnel transferred (except personnel under schedule A of the excepted service) under this subsection shall be transferred in accordance with applicable laws and regulations, and shall not be reduced in classification or compensation for one year after such transfer. The Director shall take whatever action is necessary and reasonable to seek suitable employment for personnel who would otherwise be transferred pursuant to this subsection who do not wish to transfer to the Corporation.

"(c) Collective bargaining agreements in effect on the date of enactment of the Economic Opportunity Amendments of 1971 covering employees transferred pursuant to subsection (b) of this section shall continue to be recognized by the Corporation until altered or amended pursuant to law.

"TITLE X—EVALUATION

"COMPREHENSIVE EVALUATION OF PROGRAMS

"SEC. 1001. (a) The Director shall provide for evaluations that describe and measure with appropriate means and to the extent feasible, the impact of programs, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services and including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. He may, for these purposes, contract or make other arrangements for independent evaluations of those programs or individual projects.

"(b) The Director shall to the extent feasible develop and publish standards for evaluation of program effectiveness in achieving the objectives of this Act.

"(c) The Director may require community action agencies to provide independent evaluations.

"(d) Federal agencies administering programs related to this Act shall—

"(1) cooperate with the Director in the discharge of his responsibility to plan and conduct evaluations of such poverty-related programs as he judges appropriate, to the fullest extent permitted by other applicable law; and

"(2) provide the Director with such statistical data, program reports, and other materials as they presently collect and compile on program operations, beneficiaries, and effectiveness.

"(e) In carrying out evaluations under this title, the Director shall, whenever possible, arrange to obtain the opinions of program participants about the strengths and weaknesses of the programs.

"(f) The Director may consult, where appropriate, with State agencies, in order to provide for jointly sponsored objective evaluation studies of programs on a State basis.

"(g) The Director shall publish summaries of the results of evaluative research and evaluations of program impact and effectiveness no later than sixty days after its completion.

"(h) The Director shall take necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

"(i) The Director shall publish summaries of the results of activities carried out pursuant to this title in the report required by section 608."

(b)(1) During the fiscal year 1972 the Director of the Office of Economic Opportunity shall take such action as may be necessary, in cooperation with the executive director of the National Legal Services Corporation, to arrange for the orderly continuation by such corporation of financial assistance to legal services programs assisted pursuant to sections 222(a)(3), 230, 232, or any other provision, of the Economic Opportunity Act of 1964. Whenever the Director of the Office of Economic Opportunity determines that an obligation to provide financial assistance pursuant to any contract or grant agreement for such legal services will extend beyond six months after the date of enactment of this Act, he shall include in any such contract or agreement provisions to assure that the obligation to provide such financial assistance may be assumed by the National Legal Services Corporation, subject to such modifications of the terms and conditions of that contract or grant agreement as the Corporation determines to be necessary.

(2) Effective six months after the date of enactment of this Act, section 222(a)(3) of the Economic Opportunity Act of 1964 is repealed.

(3) Notwithstanding any other provision of law, after the enactment of this Act but prior to the enactment of appropriations to carry out the Economic Opportunity Act of 1964 for the fiscal year ending June 30, 1972, the Director of the Office of Economic Opportunity shall, out of appropriations then available to him, make funds available to assist in meeting the organizational expenses of the Corporation and in carrying out its activities.

(4) Title VI of the Economic Opportunity Act of 1964 is amended by inserting after section 622 thereof the following new section:

"INDEPENDENCE OF NATIONAL LEGAL SERVICES CORPORATION

"SEC. 623. Nothing in this Act, except title IX, and no reference to this Act unless such reference refers to title IX, shall be construed to affect the powers and activities of the National Legal Services Corporation."

(c)(1) Subsection (a) of section 113, subsections (b) and (c) of section 132, section 154, section 233, and section 314(b) of the Economic Opportunity Act of 1964 are repealed.

(2) Section 632(2) of such Economic Opportunity Act of 1964 is amended by striking out "carry on a continuing evaluation of all activities under this Act, and".

(3) Sections 132 and 314 of such Act are each amended by striking out "(a)".

SPECIAL PROGRAMS AUTHORIZED

SEC. 18. Part B of title II of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new sections:

"DESIGN AND PLANNING ASSISTANCE GRANTS

"SEC. 226. (a) The Director shall make grants or enter into contracts to provide financial assistance for the operating expenses of programs conducted by community-based design and planning organizations to provide technical assistance and professional architectural and related services, relating to housing, neighborhood facilities, transportation and other aspects of community planning and development to persons and community organizations or groups not otherwise able to afford such assistance. Such programs shall be conducted with maximum use of the voluntary services of professional and community personnel. In providing assistance under this section, the Director shall afford priority to persons in urban or rural poverty areas with substandard housing, substandard public service facilities, and generally blighted conditions. Design and planning services to be provided by such organizations shall include—

"(1) comprehensive community or area planning and development;

"(2) specific projects for the priority planning and development needs of the community; and

"(3) educational programs directed to local residents emphasizing their role in the planning and development process in the community.

"(b) No assistance may be provided under this section unless such design and planning organization—

"(1) is a nonprofit organization located in the neighborhood or area to be served with a majority of the governing body of such organization comprised of residents of that neighborhood or area;

"(2) has as a primary function the goal of bringing about, through the involvement of the appropriate community action agency or otherwise, maximum feasible participation of local residents, especially low-income residents, in the planning and decisionmaking regarding the development of their community; and

"(3) will carry out its design and planning services principally through the voluntary participation of professional and community personnel (including, where available, VISTA volunteers).

"(c) Design and planning organizations receiving assistance under this section shall not subcontract with any profitmaking organization or pay fees for architectoural or other professional services.

"(d) The Director shall make whatever arrangements are necessary to continue pilot or demonstration projects of demonstrated effectiveness of the type described in this section receiving assistance under section 232 of this Act during the fiscal year ending June 30, 1971.

"YOUTH RECREATION AND SPORTS PROGRAM

"SEC. 227. (a) In order to provide to disadvantaged youth recreation and physical fitness instruction and competition with high-quality facilities and supervision and related educational and counseling services (including instruction concerning study practices, career opportunties, job responsibilities, health and nutrition, and drug abuse education) through regular association with college instructors and athletes and exposure to college and university campuses and other recreational facilities, the Director shall make grants or enter into contracts for the conduct of an annual Youth Recreation and Sports Program concentrated in the summer months and with continued activities throughout the year, so as to offer disadvantaged youth living in areas of rural and urban poverty an opportunity to receive such recreation and educational instruction, information, and services and to participate in such physical fitness programs and sports competitions.

"(b) No assistance may be provided under this section unless satisfactory assurances are received that not less than 90 per centum of the youths participating in each program to be assisted under this section are from families with incomes below the poverty level, as determined by the Director, and that such participating youths and other neighborhood residents, through the involvement of the appropriate community action agency or otherwise, will have maximum participation in program planning and operation.

"(c) Programs under this section shall be administered by the Director, through grants or contracts with any qualified organization of colleges and universities or such other qualified nonprofit organizations active in the field with access to appropriate recreational facilities as the Director shall determine in accordance with regulations which he shall prescribe. Each such grant or contract and subcontract with participating institutions of higher education or other qualified organizations active in the field shall contain provisions to assure that the program to be assisted will provide a non-Federal contribution (in cash or in-kind) of no less than 20 per centum of the direct costs necessary to carry out the program. Each such grant, contract, or subcontract shall include provisions for—

"(1) providing opportunities for disadvantaged youth to engage in competitive sports and receive sports skills and physical fitness instruction and education in good health and nutrition practices;

"(2) providing such youth with instruction and information regarding study practices, career opportunities, job responsibilities, and drug abuse;

"(3) carrying out continuing related activities throughout the year;

"(4) meeting the requirements of subsection (b) of this section;

"(5) enabling the contractor and institutions of higher education or other qualified organizations active in the field located conveniently to such areas of poverty and the students and personnel of such institutions or organizations active in the field to participate more fully in the community life and in solutions of community problems; and

"(6) serving metropolitan centers of the United States and rural areas, within the limits of program resources."

FUNCTIONS OF DIRECTOR

SEC. 19. Notwithstanding any other provision of law, unless enacted hereafter in limitation of the provisions of this section, no new transfers of delegations of programs administered by the Director of the Office of Economic Opportunity under titles II, III, VI, and VII of the Economic Opportunity Act of 1964, as amended, shall be made to the head of any other agency, during the fiscal year ending June 30, 1972, and the succeeding fiscal year.

PUERTO RICO

SEC. 20. (a) Notwithstanding any other provision of law, the Director of the Office of Economic Opportunity shall reserve, for the purpose of section 225(a) of the Economic Opportunity Act of 1964, not more than 4 per centum of the appropriated sums for the fiscal year ending June 30, 1972, for Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs.

(b) Effective after June 30, 1972, section 225(a) of such Act is amended by striking out "Puerto Rico,".

(c) Effective after June 30, 1972, the first sentence of paragraph (1) of section 609 of such Act is amended by striking out the word "or" the second time it appears in such sentence and inserting in lieu thereof a comma and the following: "Puerto Rico, or".

TECHNICAL PROVISIONS

SEC. 21. (a) The application of the formula prescribed by section 225(a) of the Economic Opportunity Act of 1964 for the allotment of funds among the States may be waived by the Director to the extent he deems necessary to prevent hardship in the allotment of funds for programs under title II of such Act resulting from the discontinuance of the authorization for section 222(a)(1) of such title by this Act.

(b) The Director may extend assistance under sections 221 and 222(a) of the Economic Opportunity Act of 1964 to a community action agency or other agency which is in excess of the maximum prescribed in section 225(c) of such Act, if he determines, in accordance with such regulations as he shall prescribe, that the ability of such agency to provide its share of the program costs pursuant to such section 225(c) has been impaired by virtue of the discontinuance of the authorization for section 222(a)(1) of such Act to an extent which justifies such additional assistance.

AMENDMENT TO THE OLDER AMERICANS ACT OF 1965

SEC. 22. (a) Section 611(a) of the Older Americans Act of 1965 (42 U.S.C. 3044(b)) is amended by adding at the end thereof the following new sentence: "The Director of ACTION may approve assistance in excess of 90 per centum of the cost of the development and operation of such projects if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this section."

(b) The amendment made by subsection (a) of this section shall be effective from the date of enactment of this section. In the case of any project with respect to which, prior to such date, a grant or contract has been made under such section or with respect to any project under the Foster Grandparent program in effect prior to September 17, 1969, contributions in cash or in kind from the Bureau of Indian Affairs, Department of the Interior, toward the cost of the project may be counted as part of the cost thereof which is met from non-Federal sources.

And the House agree to the same.

CARL D. PERKINS,
AUGUSTUS F. HAWKINS,
WILLIAM D. FORD,
PHILLIP BURTON,
JOSEPH M. GAYDOS,
WILLIAM L. CLAY,
SHIRLEY CHISHOLM,
MARIO BIAGGI,
ELLA GRASSO,
OGDEN REID,

Managers on the Part of the House.

GAYLORD NELSON,
EDWARD KENNEDY,
WALTER F. MONDALE,
ALAN CRANSTON,
HAROLD E. HUGHES,
ADLAI STEVENSON,
JENNINGS RANDOLPH,
JACOB K. JAVITS,
RICHARD S. SCHWEIKER,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two houses on the amendment of the House to the Senate bill (S. 2007) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The points in disagreement and the conference resolution of them are as follows:

The Senate bill authorized the appropriation of $3,031,000,000 for fiscal year 1972 for all programs under the Act. For fiscal year 1973 $3,121,000,000 was authorized for all programs other than those operated under the authority of title I, parts A, B, and E (manpower). For these latter programs the bill authorized such sums as Congress may determine to be necessary.

The Senate bill in fiscal year 1972 authorized the appropriation of $900,000,000 for programs relating to work and training under title I and an additional $500,000,000 for Neighborhood Youth Corps programs to be distributed among the States so that no State would receive less than $3,000,000 or .6 of 1 centum of the sums appropriated.

There was authorized to be appropriated for fiscal year 1972 the sum of $500,000,000 for Head Start and Follow Through plus an additional $100 million for technical assistance and training in preparation for the expansion of the Child Development program.

The Senate bill further authorized the appropriation of $950,000,000 for titles II, III, VI, VII, VIII, and IX for fiscal year 1972 and for fiscal 1973 the sum of $950,000,000. Of these sums the following reservations were made:

$326,900,000 for local initiative programs under section 221 and sections 226 and 227; and

$61,000,000 for programs under section 222(a)(3) and title IX (Legal Services).

The House amendment authorized the appropriation of $2,194,066,000 for fiscal year 1972 and $2,750,000,000 for fiscal year 1973 and reserved from the appropriation $350,000,000 to be spent on local initiative programs each fiscal year.

The House amendment contained no earmarking but the House report suggested rec-

ommended levels of funding corresponding to Senate earmarks.

The House receded with an amendment earmarking $5 million for Environmental Action and $10 million for Rural Housing Development and Rehabilitation, and authorizing $70 million for Follow Through in fiscal year 1973.

Both the Senate bill and the House amendment extended all existing authorities under the Economic Opportunity Act for two years. The Senate bill in light of the adoption of the Child Development provisions did not extend the authority under Sec. 523, the day care provisions of Title V–B. In view of House adoption of similar day care amendments striking Title V–B, the extension of Sec. 523 in the House amendment was unnecessary and the House receded.

The House amendment, but not the Senate bill, established a general eligibility requirement of $4,500 for a family of four below which payment may not be required for Head Start services. Eligibility requirements could be varied to reflect family, geographic, and special program variations. The House receded.

The House amendment, but not the Senate bill, permitted the Director of the Office of Economic Opportunity to require payment for medical services provided the near or non-poor under the Comprehensive Health Services program. The Senate receded. By permitting the extension of medical services to the near or non-poor the Conferees most emphatically do not mean that the poor are to be supplanted. The authority to require part or whole payments for such medical services might tempt some administrators to favor participants who can make a contribution to their medical expenses. This is not to be condoned. The poor are intended by the Conferees to continue to have preference and there is to be no reduction in service to the poor in any Comprehensive Health facility in order to accommodate those who can make payment.

The House amendment deleted two sentences in the Economic Opportunity Act which required dollar reservations for fiscal years 1970 and 1971 for the Alcoholic Counseling and Recovery program and the Drug Rehabilitation program—these reservations having, by their terms, become inoperative. The House amendment, but not the Senate bill, further amended Sec. 222(a)(9) of the Act relating to the Drug Rehabilitation program and encouraged the Director to undertake special programs promoting employment opportunities for drug dependent individuals. Priority was required for programs serving veterans and employers of significant numbers of veterans. The House amendment, in addition, permitted completion of the course of rehabilitation even though the drug dependent individual has ceased to be "low-income" by virtue of his participation in an employment program. The Senate receded.

The conference substitute adopts the provisions of the House bill with the modification that "employment opportunities for rehabilitated addicts" was modified to include addicts enrolled and actively participating in methadone maintenance treatment programs. The conferees were concerned that the term "rehabilitated addicts" could be defined to mean only those former addicts who have become "drug free" whereas a rehabilitated addict can be one who is participating in methadone maintenance treatment and other therapeutic programs.

The Office of Health Affairs of OEO has reported that approximately 1,000 drug addicts were enrolled in methadone maintenance treatment programs, and an additional 2,615 were enrolled in a variety of other drug treatment programs as of September 1, 1971.

The conference substitute further includes, along with rehabilitated addicts, other drug abusers who are enrolled and participating in other drug treatment and rehabilitation programs. The conferees believe that it is important that employment opportunities be provided for the addict/patient as soon as possible, rather than await completion of a treatment program.

The conference substitute further provides that, in undertaking employment opportunity special programs with special priority to veterans and employers of significant numbers of veterans, there be an additional priority to those areas in the States having the highest percentage of addicts.

The House amendment added a new national emphasis program known as Environmental Action to provide payment for low-income persons working on projects combating pollution and improving the environment. There was no comparable provision in the Senate bill. The Senate receded.

The House amendment authorized an additional new national emphasis program known as Rural Housing Development and Rehabilitation to assist in the alleviation of housing problems of low-income families in rural areas. There was no comparable provision in the Senate bill. For this program there was authorized to be appropriated $10 million for fiscal year 1972 and $15 million for fiscal year 1973. The Senate receded.

The Senate bill required the Director to reserve not more than 4% of the sums appropriated or allocated for sections 221 and 222(a) of the Act in fiscal year 1972 for Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands. After June 30, 1972, Puerto Rico was to be treated as a State for purposes of the allocation formula. The House amendment treated Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands each as States for purposes of the entire Economic Opportunity Act. The House receded.

The House amendment, but not the Senate bill, forbade the Director of OEO to require non-federal contributions of more than 20% of the program cost. The Senate receded.

The House amendment established a procedure under which a Community Action board member might require the Director to investigate allegations that a State Economic Opportunity office was not observing the requirements of the Act or regulations promulgated under it. Where reasonable cause is found the Director was required to hold hearings and was authorized to cut off SEOO funds until satisfactory assurances were provided that such violations would be prevented. There was no comparable Senate provision. The Senate receded.

The House amendment required the Director to assure that Community Action funds are distributed on an equitable basis in any community so that all segments of the low-income population are being served. There was no comparable Senate provision. The Senate receded.

By recognizing in Sec. 312(b)(3) the existence of "employment" as well as "training" programs in the Federal manpower arsenal, the House amendment encouraged the Director to conduct programs to enable farmworkers to take advantage of the opportunities available to them in "work" as well as "training" programs. There was no comparable Senate provision. The Senate receded.

The Senate bill amended Sec. 616 to increase the portion of an allocation that may be transferred from one program or activity to another from the current 15% to 25% in fiscal years 1972 and 1973. The Senate bill also deleted the limitation which places a ceiling on the amount that may be transferred into a program. Existing law provides that such transfers may not result in increasing by more than 100% any program for which there is available $10 million or less or by increasing by more than 35% any program for which amounts available are in excess of $10 million. The House amendment reduced the authority of the Director to transfer earmarked funds to 10% of the amount appropriated or allocated. The House amendment further limited the degree to which the program or activity might be increased to 10%. The House receded.

The House amendment provided that the 5-year national poverty plan, required to be presented on an annual basis to the Congress by Sec. 622, must be presented by December 31 of each calendar year beginning in 1971. There was no comparable Senate provision. The Senate receded with an amendment requiring the presentation of a report on March 1 in 1972 and on January 31 in 1973 and in each succeeding year.

The House amendment required all rules, regulations, guidelines, etc., promulgated under the Economic Opportunity Act to be provided to the House and Senate Committees no less than 30 days prior to their effective date. There was no comparable Senate provision.

The Senate receded with an amendment requiring that all rules, regulations, guidelines, instructions, application forms, etc., promulgated pursuant to this Act be published in the Federal Register thirty days prior to their effective date. The conferees intend that all such documents promulgated pursuant to the Act by OEO, the Department of Labor or HEW be published and that any new category of document not specifically listed but fulfilling the same purpose be included.

The House amendment consolidated into a new title all existing authorities for conducting evaluation activities. The Director was required to develop and publish standards for evaluation of program effectiveness and to measure programs against those standards when considering extension or supplementation of a grant or contract. Independent evaluations might be required of CAAs. Federal agencies administering related programs were required to cooperate with the Director and to provide statistical data and reports consistent with their collection process. The poor were to be consulted in the evaluation process, as were the State agencies. Evaluation results had to be published within 60 days of completion. All such studies and evaluations were to be the property of the United States. The Senate bill had no comparable provision. The Senate receded with a number of amendments. The Director continues to be required to provide for evaluations that describe and measure the impact of programs and their effectiveness and their impact on related programs, but he is only required to do so "with appropriate means and to the extent possible". Similarly, the requirement that the Director shall develop and publish standards for evaluation of program effectiveness in achieving the objectives of this Act is similarly modified by the prepositional phrase "to the extent feasible". The mandatory requirement that the Director consider the extent to which published standards have been met in deciding on grant renewals and supplements was stricken. This, and other amendments to the House provision, were in recognition by the conferees of the inexact nature of the evaluation process and the desire not to cause damage to programs. Similarly, the requirement that the Director consult with State agencies to provide for jointly sponsored evaluation studies was modified to permit such consultation, but not to require it. The publication requirement for results of evaluative research and evaluations of programs and of other activities carried out under this title are modified so that the Director is only required to publish summaries of such materials.

The House amendment corrected an oversight that occurred when the Foster Grandparents Program was transferred out of the Economic Opportunity Act. It gave the Director of ACTION authority to approve assistance in excess of 90% of costs where he determines such action is required. There was no comparable Senate provision. The Senate receded.

The Senate bill extended the length of time a person might serve on a community action board from three to six consecutive years and increased the total number of years a person might serve to twelve years. There was no comparable House provision. The House receded.

The Senate bill combined the existing title I–D Special Impact Program and title III–A Rural Loan Program into a new unified Community Economic Development Program (title VII). This new title provided expanded authorization for grants as well as loans to rural cooperatives and authorized the appropriation of $60 million in fiscal year 1972 and $120 million in fiscal year 1973. The House receded.

The Senate bill established a new program in title II—Design and Planning Assistance Grants—that would authorize the Director to make grants to community-based design and planning organizations to provide technical assistance and professional services to community organizations. There was no comparable House provision. The House receded.

The Senate bill established a Youth Recreation and Sports Program to provide disadvantaged youth with recreation and physical fitness instruction. The House had no comparable provision. The House receded. The conferees intend that maximum use of volunteers be encouraged in the Youth Recreation and Sports Program. It is hoped that the college administrators, instructors and athletes engaged will give freely of their time to provide disadvantaged youth with recreation, physical fitness instruction, and other services authorized. To insure that payment to such persons shall be reasonable, where payment must be made, the Director is expected to establish and promulgate standards as to what constitutes a reasonable rate of compensation. Those standards should not, of course, be inconsistent with sec. 610–1(a) of the Economic Opportunity Act of 1964, as amended.

The Senate bill prohibited further transfers or delegations of programs administered by the Director under titles II, III, VI and VII of the Economic Opportunity Act of 1964, as amended. There was no comparable House provision. The House receded.

The Senate bill permitted the Director to waive the allotment and Federal share provisions of title II to relieve any hardship resulting from the failure to continue Head Start under section 222(a)(1) when the new title V takes effect. There was no comparable House provision. The House receded.

Both the Senate bill and the House Amendment amend title V of the Economic Opportunity Act to establish a new comprehensive child development program.

The House amendment provided that comprehensive child development programs should be available to "children regardless of economic, social, and family backgrounds" whereas the Senate bill provided they should be available "as a matter of right to all children whose parents or legal guardian shall request them regardless of economic, social, and family backgrounds".

The conference agreement provides that programs "should be available to children whose parents or legal guardians shall request them regardless of economic, social, and family backgrounds."

The Senate bill included in the Statement of Findings and Purpose the goal of furnishing meaningful employment opportunities in carrying out child development programs for older persons, parents, young persons, and volunteers. The House amendment did not contain this language.

The House recedes.

The House amendment included the purpose of making services available to all children "who need them" whereas the Senate bill in this respect referred to furnishing service to "those children who need them most."

The House recedes.

With respect to parents, the Senate bill called for their "direct participation . . . in the development, conduct, and overall direction of programs at the community level" whereas the House called for their "full involvement."

The Senate recedes.

For the purpose of carrying out this child development title, the Senate bill authorized appropriations of $2,000,000,000 for fiscal year 1973, while the House amendment authorized the appropriation of such sums as may be necessary for fiscal year 1973 and each succeeding fiscal year.

The House recedes.

The Senate bill authorized the appropriation of $100,000,000 for fiscal year 1972 for planning and technical assistance to prepare for implementing this title. The House amendment authorized the Secretary to provide financial assistance to prime sponsors for planning and development expenses in the current and succeeding fiscal years.

The conference agreement contains the Senate authorization with respect to planning and technical assistance.

The Senate bill provided that $500,000,000 of the amount appropriated shall be used first to provide services for children from low-income families, giving priority to Headstart projects. The House amendment did not contain this reservation.

The House recedes.

The Senate bill provided that up to 10% of the remainder (after allocation of $500,000,000 to Headstart-type programs) could be set aside by the Secretary for the parts of this title authorizing training and technical assistance, for programs for children of Federal employees, for reseach and evaluation, and for child advocacy projects.

The House amendment contained annual authorizations of $45,000,000 for training, $5,000,000 for programs for children of Federal employees, and such sums as may be necessary for evaluation, and for research and demonstration.

The conference agreement contains the Senate authorization in this respect, except that the authorization for child advocacy projects is dropped since the conference agreement does not contain that part of the Senate bill.

In conformity with the Senate bill, the conference agreement provides that the remainder of the appropriation (after the Headstart reservation and the 10% available to the Secretary as described in the preceding paragrapha) is to be used for carrying out comprehensive child development programs under part A.

With respect to funds for comprehensive child development programs, the conference agreement contains provisions, which were similar in both the Senate bill and the House amendment, requiring the Secretary to reserve funds for programs for children of migrant agricultural workers and Indian children in the ratio which the number of such children bears to the total number of economically disadvantaged children in the United States.

The Senate bill also provided for reserving not less than 10 percent of the funds available for the title for special activities for handicapped children. The House amendment reserved not less than 7 percent of such funds for such purpose.

The House recedes.

The Senate bill provided for making available not to exceed 5 percent of the funds available for comprehensive child development programs to be used for model programs. The House amendment provided that not to exceed 5 percent of funds could be used in the Secretary's discretion.

The conference report contains the Senate provision in this respect.

Both the House amendment and the Senate bill allocated funds among and within States on the same basis, but the House amendment provided for reallotment or reapportionment of unused funds according to the basic formula, whereas the Senate bill made no specific provision for reallotment or reapportionment.

The Senate recedes.

The Senate bill provided that up to 5 percent of funds allocated for use in a State could be made available by the Secretary for grants to the State for technical assistance (section 517 in both the Senate bill and the conference agreement).

The House recedes.

The Senate bill unlike the House amendment required apportionments to be published in the Federal Register.

The House recedes.

Both bills set forth a number of eligible uses of funds for child development programs. The Senate bill specifically included among the permitted uses of funds programs to meet the needs of all children to understand the history and cultural backgrounds of minority groups; the House amendment did not include this language.

The House recedes.

The Senate bill specifically authorized prenatal and other medical services to expectant mothers who cannot afford such services in order to reduce malnutrition, maternal aid, infant mortality, mental retardation and other handicaps. The House amendment did not contain such a provision.

The House recedes.

With respect to the dissemination of program information in the language spoken by the parents, the Senate bill referred to the purpose of enabling them to "participate in such programs", whereas the House amendment referred to the purpose of enabling them to "become directly involved in such programs."

The Senate recedes.

The Senate bill specifically authorized programs designed to extend prekindergarten early childhood education techniques and gains (particularly parent participation) into kindergarten through third grade. The House amendment contained no such provision.

The House recedes. It is the expectation of the conferees that no significant amount of funds under this title will be used for such programs, and that local educational agencies should be urged to use funds under titles I and III of the Elementary and Secondary Education Act for teachers' salaries in order to extend Headstart gains into the primary school grades.

Both the Senate bill and the House amendment provided for States, units of general local government (counties and cities), combinations thereof, Indian tribes, and other public and private non-profit agencies to be eligible to be prime sponsors.

The House amendment, unlike the Senate bill, did not allow a unit of general local government with a population of less than 10,000 to be a prime sponsor.

The conference agreement provides that units of general local government are eligible to be prime sponsors and that localities having a population of 5,000 or more persons shall be designated prime sponsors if they meet the requirements of the statute and submit plans which include adequate provisions for carrying out comprehensive child development programs in the area to be covered.

Unlike the Senate bill, the House amendment required as a condition for prime sponsorship designation that a State, city, county, or combination thereof, provide for operating programs by contract with public or private nonprofit agencies.

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The Senate recedes.

Unlike the House amendment, the Senate bill in defining what agency may be designated by the Secretary as a prime sponsor stressed the capacity of the applicant for prime sponsorship to provide for, or arrange for the provision of, the comprehensive social, health, educational, rehabilitative and other services as well as carry out the coordinative and administrative functions.

The conference agreement requires the applicant for prime sponsorship to provide assurances that the Child Development Council will provide such services, where available, either directly, or by contract or other arrangement with State, local, or other public or private nonprofit agencies or organizations.

The Senate bill, unlike the House amendment, made it a condition for prime sponsorship designation that an applicant provide adequate assurances that administrative costs for Child Development Councils not exceed 5% of the total cost of the comprehensive child development program except in the first operational year or in response to special needs defined by regulation.

Instead of making such provision a condition to be pre-judged prior to designation of a prime sponsor, the conference agreement sets forth in the payments provision (section 520) that the Secretary shall include in the costs on which the Federal share is based, in making payments to prime sponsors in any fiscal year, an amount for staff and other administrative expenses for the Child Development Council not to exceed an amount which is reasonable when compared with such costs for other comparable child development programs.

The Senate bill provided for the Secretary to encourage the combination of a number of units of local government for prime sponsorship where one unit's application for such sponsorship was not approvable for the reason that it failed to meet the administrative expenses limitation or that it lacked the capacity to provide or enter into arrangements for child-related services.

The conference agreement provides that, if the Secretary determines that a locality fails to meet any requirement set forth in the section, he shall encourage the submission of a prime sponsorship plan by a combination of localities.

The House amendment made any "Indian tribal organization" eligible to be a prime sponsor, whereas under the Senate bill any "Indian tribe or a Federal or State reservation" was eligible.

The Senate recedes.

Both the Senate bill and the House amendment provided for the designation of public or private nonprofit agencies as prime sponsors in the absence of a governmental prime sponsor or where a designated prime sponsor was not satisfactorily implementing a child development program or where such sponsorship was for the purpose of providing programs for migrants. The House amendment, unlike the Senate bill, provided waiting periods before the Secretary could make such a designation of a public or private nonprofit agency. First, a unit of general local government or a State would have 120 days after the implementation of the section by the promulgation of regulations to submit an application. In the initial year under the House amendment a local governmental unit would have 240 days from such implementation to file a plan before the Secretary could designate another agency and such unit of government would have 90 days prior to the start of each succeeding fiscal year to file its annual plan. Both bills permitted the Secretary to designate a public or private nonprofit agency as a prime sponsor designed to meet the needs of economically disadvantaged children, preschool aged children, or children of working mothers or single parents even though residing in an area served by another prime sponsor designated by the Secretary and the Senate bill also authorized such action by the Secretary to carry out model programs "especially designated to be responsive to the needs of economically disadvantaged and minority groups or bilingual preschool children."

The conference agreement contains the Senate provisions in these respects.

Both in the Senate bill and the House amendment the application of an Indian tribal organization or an eligible city for prime sponsorship designation had priority over the application of a State. However, the House amendment, unlike the Senate bill, gave the Secretary the discretion to designate the State in preference to an otherwise approvable application of a county or a combination of units of local government.

The House recedes.

The House amendment provided that the Governor may have sixty days within which to review and comment on applications for prime sponsorship. The Senate bill provided a reasonable opportunity for such review, in accordance with regulations.

The conference agreement gives not less than thirty nor more than sixty days for such review and comment.

The House amendment provided an applicant for prime sponsorship designation 60 days to submit corrective amendments where Secretary disapproves application or proposes to withdraw designation. The Senate bill required a "reasonable time" for such amendments or other corrective action.

The House recedes.

The House amendment made clear that, in judicial review of Secretary's action with regard to prime sponsorship designation, the findings of fact by the Secretary shall be conclusive if supported by substantial evidence. The Senate bill contained no such provision.

The Senate recedes.

The House amendment, unlike the Senate bill, required the Secretary to give preference to an alternate unit of Government or to a public or nonprofit agency or organization in the area representing the interests of minority and economically disadvantaged persons where a unit of general local government has a practice of excluding minorities.

The conference agreement makes such requirement applicable where any unit of government is maintaining a pattern and practice of exclusion of minorities.

The House amendment, but not the Senate bill, contained a provision that the Secretary may directly fund programs, including those in rural areas without regard to population, where he deems it necessary, in the event that a State, or unit or combination of units of general local government, or Indian tribal organization has not submitted a comprehensive child development plan or the Secretary has not approved a plan so submitted, or where a prime sponsorship designation is not in effect, or where the needs of migrants, preschoolage children, or the children of working mothers or single parents, minority groups, or the economically disadvantaged are not being served.

The Senate recedes.

The Senate bill and the House amendment both required all prime sponsors to establish Child Development Councils except that, under the House amendment, a public or private nonprofit organization was not so required.

The conference agreement follows the Senate provisions in this respect.

The Senate bill, unlike the House amendment, provided for a minimum Child Development Council membership of ten. The House amendment set forth no minimum.

The House recedes.

The Senate bill required that at least one-half of the members of Child Development Councils be parents of the children served with parental representation on Child Development Councils initially chosen by existing Headstart policy committees and subsequently by project policy committees. The House amendment required that one-half of the members of the Child Development Councils be elected representatives from Local Policy Councils (comparable to project policy committees in the Senate bill). The House amendment required that at least one person from each Local Policy Council be a member of the Child Development Council.

The conference agreement contains the Senate provisions in these respects.

The Senate bill required that half of the non-parental representatives on the Council be child development specialists except where they are not available. The House amendment required at least one child development specialist.

The House recedes.

The Senate bill required that, with the exception of the child development specialists, all non-parental members of the Child Development Council must be approved by the parent members.

The Senate recedes.

The House amendment provided that at least one-third of the membership of Child Development Councils be parents who are economically disadvantaged; the Senate bill in this respect required that one-fourth of Child Development Council members be "persons broadly representative of the economically disadvantaged."

The Senate recedes.

With respect to child development plans submitted by prime sponsors, the House amendment required priority for preschool children of working mothers and single parents, whereas the Senate bill simply required priority for preschool-age children.

The House recedes.

The House amendment required that funds be reserved for economically disadvantaged children from Federal funds allocated in any fiscal year in an amount at least equal to the aggregate funds in the prime sponsorship areas for Headstart programs in fiscal year 1972. The House amendment further provided that 65 percent of the remainder of such funds be for children of families having an annual income below the lower budget for an urban family of four persons; the Senate bill provided that not less than 65 percent of the total cost of programs receiving financial assistance shall be for child development programs and services for such children.

The conference agreement contains provisions in this respect which are substantially the same as the House amendment.

The Senate bill, but not the House amendment, required comprehensive services to meet the need of all children to understand the history and cultural background of minority groups.

The House recedes.

The House amendment required equitable services for each minority group in the community to be served; the Senate bill contained the same requirement but also referred to significant segments of the economically disadvantaged.

The House recedes.

The House amendment required coordination of child development programs with other social programs, including employment and manpower programs, to keep members of the family as close together as possible. The Senate bill contained a similar provision which made no reference to other social programs or to manpower programs.

The Senate recedes.

The House amendment required that the comprehensive plan provide for direct parent participation in the conduct, overall direction, and evaluation of programs; the Senate bill did not set forth this specific provision.

The Senate recedes.

The House provision contained provisions, not contained in the Senate bill, for employment as professionals and paraprofessionals of neighborhood residents and for career development for such persons.

The Senate recedes.

The Senate bill provided that preference for program jobs be given insofar as possible to unemployed or low-income persons residing in the project area; the House amendment provided that preference be given to any person residing in the project area.

The conference agreement provides that, insofar as possible, persons residing in the community served will receive jobs, with special consideration for career opportunities for low-income persons.

The House amendment provided that the comprehensive plan assure that local educational agencies and private educational agencies have developed "linkage and coordination mechanisms" to provide continuity between preschool and school programs and between child development programs and EOA programs and ESEA programs. The Senate bill had comparable language but required the prime sponsor to develop these procedures in cooperation with public and private schools.

The conference agreement contains the Senate language.

Both the Senate bill and the House amendment required the comprehensive plan to include requirements for arrangements in the project area with business, industry, labor and other community groups. However, the Senate bill also included a reference to "financial institutions".

The conference agreement includes the Senate language.

Both the Senate bill and the House amendment authorized delegation of arrangements for delivery of services to public or private agencies, under the supervision of the Child Development Council; but the Senate bill, unlike the House amendment, did not authorize delegation of administrative responsibility for development of the comprehensive child development plan.

The conference agreement contains the Senate provision in this respect.

The House amendment, but not the Senate bill, required comprehensive plan to provide for cooperative arrangement to be entered into under which public agencies, at both the State and local levels, responsible for handicapped children programs will make such services available to programs when appropriate.

The conference agreement requires the comprehensive plan to provide that services for handicapped children, at both the State and local levels, will be used wherever available in programs approved under the plan.

The House amendment, unlike the Senate bill, required the comprehensive plan to assure coordination of child development programs for which financial assistance is provided under the authority of other laws.

The House recedes.

The House amendment, but not the Senate bill, required that comprehensive plans provide that consideration be given to applications by public and private profitmaking and nonprofit organizations "with emphasis to on-going programs" and that comparative costs of providing services will be a factor in deciding among applications.

The conference agreement contains this provision with the modification that the comparative cost be considered in relation to the quality of services.

The House amendment contained provision in comprehensive plan requirements that services be provided only for children whose parents or legal guardians have requested them. The Senate bill did not set forth this provision, which was set forth in the Statement of Purpose, in the comprehensive plan requirements.

The Senate recedes.

The House amendment, but not the Senate bill, contained a provision requiring consideration for "excellence of architecture and design" and "inclusion of works of art" in plans for construction.

The Senate recedes.

Both the Senate bill and the House amendment contained the requirement that each community action agency, single purpose Headstart agency, and local educational agency operating Headstart programs be afforded an opportunity to submit comments on a proposed comprehensive plan. They differ only in that the House amendment provided for local educational agency comments only if that agency had operated a Follow Through or Headstart program.

The conference agreement contains the Senate provisions in this respect.

The Senate bill, unlike the House amendment, contained a provision requiring the Secretary to establish procedures to permit prime sponsors to submit jointly a comprehensive child development plan for the areas they serve.

The House recedes.

The House amendment provided for local policy councils selected by parents in each neighborhood or sub-area possessing a commonality of interest, or for a nongeographic grouping of appropriate size. The Senate bill provided for project policy committees to be established by each project applicant, composed of the following: (i) not less than one-half parents of children served; (ii) persons representative of the community approved by the parent members and (iii) persons between one-third and one-half of members appointed as community members who have skills in child development.

The conference agreement contains the Senate provisions in these respects except that only one child development specialist (where available) is required on the project policy committee.

The Senate bill provided that project policy committees develop and prepare project applications, whereas local policy councils under the House amendment determine needs and priorities, make recommendations with respect thereto and encourage project applications to meet those needs.

The House recedes.

The Senate bill provided for the project policy committees' basic goals, policies, actions, and procedures for the project applicant including policies, planning, personnel, budget, facilities and evaluation. The House amendment did not contain such specific provisions.

The House recedes.

The House amendment required that charges be made for participation of children according to ability of family to pay; the Senate bill provided that no fee be charged to economically disadvantaged children but that children from families not so disadvantaged pay a fee according to schedule established by the Secretary based on the ability of the family to pay.

The conference agreement provides that no charges be made to families with an annual income equal to or less than $4,320, with adjustments in the case of families with more than two children. Charges for other families may be made in accordance with a fee schedule established by the Secretary based on ability to pay. However, such fees may not exceed 10 percent of the difference between the free services level and 85 percent of the lower living standard budget, and then 15 percent of any income between that level of 85 percent of the lower living standard budget and 100 percent of the lower living standard budget.

The House amendment provided that no person shall be denied employment solely on the ground that he fails to meet State teacher certification standards; the Senate bill contained same provision but added "or local" teacher certification standards.

The House recedes.

The House amendment provided that project application provide for the utilization of personnel, including paraprofessional and volunteer personnel, adequate to meet the specialized needs of each participating child; the Senate bill did not contain this specific language.

The Senate recedes.

The House amendment set forth provision that project application otherwise further the objectives and satisfy the requirements of the comprehensive child development plan. The Senate bill did not specifically so provide.

The conference agreement contains this requirement.

The House amendment, but not the Senate bill, contained a provision for a public or private nonprofit agency which is a prime sponsor to submit a project application directly to the Secretary.

The conference agreement includes such a provision.

The Senate bill provided that a project application submitted to the Secretary by a public or private agency may be approved upon the Secretary's determination that it meets the statutory requirements.

The conference agreement contains this provision.

The Senate bill contained authority, not included in the House amendment, for the Secretary to provide funds to States to enable them to provide special technical assistance to Child Development Councils and for encouraging State agencies to cooperate in the development and implementation of the comprehensive child development plans of prime sponsors which request such help. (The allocation formula provides that 5 percent of funds under the title may be used for these special grants to States.)

The House recedes.

Both bills provided that applications for financial assistance may be approved if rental, renovation, remodeling, or leasing of adequate facilities is not practicable. The Senate bill, unlike the House amendment, provided for the Secretary to make this determination.

The House recedes in this respect.

It is the understanding of the conferees that lease-purchase arrangements where payment schedules are comparable to rental or leasing arrangements shall be considered within the meaning of the term "leasing".

The House amendment did not authorize the Secretary to recover the value of a facility from grantee after 20 years from its completion if the facility ceases to be used for the purpose for which it was constructed; the Senate bill permitted such recovery at any time the facilities cease to be so used.

The House recedes.

The House amendment authorized loans and grants for construction; the Senate bill permitted grants only.

The Senate recedes.

The House amendment provided that no more than 15 percent of total financial assistance to a prime sponsor could be for construction and only 7½ percent could be for grants for construction. The Senate bill limited grants for construction to 15 percent of total assistance.

The conference agreement contains the House provisions in this respect.

The House amendment, unlike the Senate bill, amended the Education Professions Development Act to authorize the Office of Education to provide assistance for training or retraining professional and nonprofessional personnel for child development programs. In addition, the Senate bill and the House amendment contained similar provisions authorizing the Secretary of Health, Education, and Welfare to support the training of personnel employed, preparing for employment, or volunteering for work in a child development program.

The conference agreement contains the Senate provisions in these respects.

Both the Senate bill and the House amendment required the Secretary to make an evaluation of Federal involvement in child development activities. The bills differed in the following respects:

(a) The House amendment, but not the Senate bill, specified that the evaluation shall be made through the Office of Child Development. The conference agreement provides for such evaluation through the Office of Child Development unless the Secretary determines otherwise.

(b) The Senate bill, but not the House amendment, required the evaluation to include the extent to which preschool, minority groups, and economically disadvantaged children and their parents have participated in programs. The House recedes.

(c) The Senate bill required the evaluation results to be reported to Congress not later than two years after enactment, the House amendment no later than 18 months after enactment. The Senate recedes.

(d) Both the Senate bill and the House amendment required Federal agencies to provide such information as the Secretary determines necessary for the evaluation. The Senate bill, unlike the House amendment, also imposed this requirement upon prime sponsors and project applicants. The House recedes.

(e) The Senate bill, but not the House amendment, provided that the Secretary shall reserve between 1 and 2 percent of funds for this evaluation section. The House recedes.

The House amendment provided that the Secretary establish Federal standards for child development services after approval of a Special Committee. The Senate bill provided that the Secretary consult with such Committee and other Federal agencies and that he give his reasons if he disapproved the Committee's recommendations.

The House recedes.

The Senate bill, but not the House amendment, provided that Child Development Standards shall be no less comprehensive than the Federal Interagency Day Care Requirements as approved by HEW, OEO and the Department of Labor on Sept. 23, 1968.

The House recedes.

The House amendment provided that parents of Title IV Social Security Act programs must be represented along with Head-start parents on the Special Committee to develop standards. The Senate bill did not so provide.

The Senate recedes.

The House amendment provided that on the committee to develop uniform minimum code for facilities standards one-half shall be parents, including Title IV Social Security Act parents; the Senate bill provided one-third shall be parents and did not refer to Title IV.

The Senate recedes.

The House amendment gave the uniform facilities code committee 6 months to report; the Senate bill gave it a year.

The House recedes.

The House amendment provided that promulgation of facilities code required concurrence of the committee. The Senate bill required the Secretary to consider recommendations of the committee.

The House recedes.

The House amendment, unlike the Senate bill, contained provisions authorizing mortgage insurance for child development facilities.

The Senate recedes.

The Senate bill and the House amendment each authorized support for child development programs for the children of Federal employees, except as follows:

(a) The Senate bill limited such assistance to children of civilian employees (not military personnel), whereas the House amendment was not so limited. The Senate recedes.

(b) The Senate bill, but not the House amendment, characterized the programs as "model" programs. The Senate recedes.

(c) The Senate bill and the House amendment provided that no more than 80 percent share shall be paid from funds under this part. The House amendment, unlike the Senate bill, provided that after the first two years of a program's operation, no more than 40 percent of program costs shall be paid from Federal funds. The House recedes.

(d) The House amendment, but not the Senate bill, provided that funds for Federal employee programs shall be distributed among the States, insofar as feasible, in proportion to the number of Federal employees. The Senate recedes.

The Senate bill authorized the Secretary to carry out a research and development programs. The House amendment was similar but established a National Center for Child Development within the Office of Child Development for research purposes.

The conference agreement generally follows the Senate title except that it does not establish a National Center for Child Development.

The Senate bill, but not the House amendment, provided for research to test alternative child development methods.

The House recedes.

The House amendment, but not the Senate bill, included among research activities the following purposes:

(a) production of information systems to support Center activities;

(b) integration of national child development research efforts into a focused national research program.

The Senate recedes.

The Senate bill, but not the House amendment, provided that the Secretary shall give priority in assisting research and demonstration projects to programs carried out by multicounty local development districts under the Appalachian Regional Development Act and the Public Works and Economic Development Act.

The Senate recedes.

Although specific mention of research and demonstration funding for child development programs of multicounty local development districts established under the Appalachian Regional Development Act of 1965 and the Public Works and Economic Development Act of 1965 has been deleted in the conference agreement, this action is in no way to be construed as a rejection of such agencies as being eligible or to preclude the funding of any research and demonstration programs presently conducted by the Appalachian Regional Commission. Such agencies are eligible for research and demonstration grants as are individuals, public or private nonprofit organizations, universities, colleges and community service type organizations.

The House amendment required an annual report on research activities to Congress, a provision not contained in the Senate bill.

The Senate recedes.

The Senate bill, but not the House amendment, authorized a program of national child advocacy projects in various regions of the United States.

The Senate recedes.

Both the Senate bill and the House amendment provided for an Office of Child Development in the Department of Health, Education, and Welfare, to be the principal agency for administering and coordinating child development programs. The Senate bill, unlike the House amendment, contained a statutory provision for Director of the Office of Child Development.

The House recedes.

The House amendment, unlike the Senate bill, required the President to take appropriate steps to establish mechanisms for coordination at the State and local level of child development programs.

The House recedes.

The Senate bill, but not the House amendment, required the Secretary of Health, Education, and Welfare to establish procedures to assure adequate nutrition services in the child development programs, making use of the Special Food Service Programs for Children and the Child Nutrition Act.

The House recedes.

The Senate bill, unlike the House amendment, authorized the Secretary to withhold funds in order to recover amounts expended in the current or immediately prior fiscal year in violation of any term or condition under this legislation.

The House recedes.

The Senate bill, but not the House amendment, required the Secretary to prescribe regulations to assure that programs have adequate internal administrative controls and policies to promote the effective use of funds.

The House recedes.

Both the Senate bill and the House amendment had provision for payments of minimum and prevailing wages which were comparable. They differed in two respects: (1) The Senate bill imposed the duty of compliance directly on the Secretary whereas the House amendment made it a part of the project application and (2) the House amendment would have exempted volunteers from the requirements.

The conference agreement follows the Senate provision, except that persons who serve without compensation would be exempt from such provisions.

The Senate bill prohibited the Secretary from providing financial assistance for any program involving political activities or where funds or personnel are in any way engaged in the conduct of political activities in contravention of section 603 of the Economic Opportunity Act. The House bill did not contain this provision.

The House recedes.

The Senate bill contained language, not in the House amendment, prohibiting use of funds for construction, operation, or maintenance of so much of any facility as is for use for sectarian instruction or as a place or religious worship.

The House recedes.

The Senate bill, but not the House amendment, contained the standard provisions for withholding funds after reasonable notice and opportunity for a hearing.

The House recedes.

The House amendment contained advance funding authority, not set forth in the Senate bill.

The Senate recedes.

The House amendment contained the usual provision that Federal control of education is not authorized. The Senate bill did not contain the provision in this title.

The Senate recedes.

The Senate bill, unlike the House amendment, contained a specific provision prohibiting the Secretary from providing financial assistance unless the recipient provides nondiscrimination assurances.

The House recedes.

The House amendment, unlike the Senate bill, provided that no person should be discriminated against on the ground of sex in any program under this legislation, to be enforced under title VI of the Civil Rights Act.

The Senate recedes.

The House amendment, unlike the Senate bill, called for the Secretary to promulgate regulations "to guarantee" that other Federal funded child development programs including Title I of the Elementary and Secondary Education Act and Follow Through be coordinated with this act. The House provision also called for joint technical assistance efforts which result in coordinated efforts between the Office of Child Development and the Office of Education.

The conference agreement follows the House provisions, but states that regulations shall "assure" such coordination.

The House amendment, unlike the Senate bill, amended the Federal Property and Administrative Services Act to allow child development programs the benefits of surplus property disposals.

The Senate recedes.

The House amendment, but not the Senate bill, provided NDEA student loan forgiveness of 15 percent a year for service as a teacher in a child development program.

The Senate recedes.

The Senate bill defined "economically disadvantaged children" to mean any children of a family having an annual income below the lower living standard budget determined by the Bureau of Labor Statistics. The House amendment defined "economically disadvantaged child" to mean a child of a family whose annual income is at a rate inadequate to permit the purchase of child development services for him, as determined by the Secretary in accordance with criteria in regulations, considering factors taken into account in determining fee charges in other federally assisted child development programs.

The House recedes.

Both the Senate bill and the House amendment repealed provisions in other titles of the Economic Opportunity Act authorizing day care and provided that day care services shall be purchased under the new title V.

The conferees, in providing separate new authority for child development programs, direct that there be no reduction in the child development services available for work and training programs conducted under Title I of the Economic Opportunity Act. Rather, it is anticipated that in developing programs for services under the new Title V authority, the Secretary of Health, Education and Welfare shall ensure that full consideration is given to those which serve work and training program enrollees. However, if no such services are available under Title V authority, it is expected that work and training program sponsors shall purchase into suitable existing child development programs provided by other public or private non-profit agencies.

Both the Senate bill and the House amendment added a new title to the Economic Opportunity Act creating a National Legal Services Corporation. The following differences in the provision were resolved as follows:

In the declaration of policy relating to the Legal Services Corporation the Senate bill stated it is in the public interest "to provide greater access to attorneys and appropriate institutions" while the House amendment said it is in the public interest "to promote and encourage resort to attorneys and appropriate institutions". The House receded.

The Senate bill contained a more detailed and precise definition of the Corporation as a tax exempt organization than did the House amendment. The House receded.

The Senate bill and the House amendment were identical in substance, providing for the establishment of an incorporating trusteeship. The House amendment, in addition, required the trusteeship to establish procedures for lists of nominees by the national professional associations of attorneys in the nominations to the permanent board. The House receded.

The Senate bill provided for two separate initial Advisory Councils—one for clients and one for project attorneys—composed of eleven members each. The House amendment provided for a single Advisory Council to be composed of sixteen members selected from among legal services attorneys and the client community of whom no more than eight were to be individuals eligible for legal services assistance. The Senate bill provided for separate meetings of the Clients Advisory Council and the Project Attorneys Advisory Council for submission of lists of nominees to the permanent board. The House amendment provided that the client members of the Council and the project attorney members should each submit recommendations—in substance, the same effect. The House receded.

The Senate bill provided for a board of directors of fifteen members selected in the following manner:

1 appointed by the Chief Justice of the United States after consultation with the Judicial Conference of the U.S.;

9 appointed by the President with the advice and consent of the Senate as follows: four from the general public; three eligible for legal services assistance chosen from a list submitted by the Clients Advisory Council; two chosen from a list submitted by the Project Attorneys Advisory Council;

5 shall be members by virtue of holding the following offices: President of American Bar Association or his designee; president of National Legal Aid and Defender Association or his designee; president of American Association of Law Schools or his designee; president of American Trial Lawyers Association or his designee; president of National Bar Association or his designee.

The House amendment provided for a board of directors consisting of 17 members appointed by the President and with the advice and consent of the Senate in the following manner:

1 member from lists of nominees submitted by the Judicial Conference of the United States;

7 members from individuals in the general public, three of whom must be attorneys admitted to practice before the highest court in their jurisdiction;

2 members from persons eligible for assistance under this Title, after having given due consideration to the recommendation of client members of the Advisory Council;

2 members from among former legal services project attorneys after giving due consideration to the recommendations of the attorney members of the Advisory Council;

1 member from lists of nominees submitted by the Association of American Law Schools;

4 members from lists of nominees submitted by the American Bar Association, National Bar Association, National Legal Aid and Defender Association, and the American Trial Lawyers Association, in accordance with procedures established by the incorporating trusteeship.

The conference agreement provides for a seventeen member board, all appointed by the President with the advice and consent of the Senate selected in the following manner;

6 members from the general public, three of whom must be admitted to practice before the highest court in their jurisdiction;

2 members from lists submitted by the Judicial Conference of the United States;

2 members who are former legal services project attorneys from lists submitted by the Project Attorneys Advisory Council;

2 members from among persons eligible for legal services assistance from lists submitted by the Clients Advisory Council;

5 members one each from lists submitted individually by the American Bar Association, National Bar Association, National Legal Aid and Defender Association, American Trial Lawyers Association and the Association of American Law Schools.

Regarding the constitution of the initial board of directors of the corporation, it is the intention of the conferees that all groups submitting lists to the President of prospective nominees should do so at the earliest possible time in order that the President may submit to the Senate all of his nominees to constitute the board of directors as quickly as possible, thereby permitting all directors to be duly appointed and the board authorized to begin to function no later than 90 days after enactment of the bill and well in advance of the date—six months from the date of the bill's enactment—when the corporation is fully empowered as a successor to the OEO legal services program.

Both the House amendment and the Senate bill provided for three year terms for board members with staggered terms to insure continuity. The differences between the House amendment and the Senate bill generally reflected the different make-up and means of selection of the board of directors in the respective bills.

The conference agreement provides that the terms of six of the initial board members shall expire after one year: one of the members appointed from lists submitted by the Judicial Conference; two of the members from the general public appointed by the President; one of the members from lists submitted by the Clients' Advisory Council; and the member appointed from lists provided by the National Legal aid and Defender Association; and the member appointed from lists submitted by the American Trial Lawyers Association.

The following six board members are appointed for an initial three-year term: two of the members from the general public appointed by the President; one of the members appointed from lists submitted by the Clients' Advisory Council; one of the members appointed from lists submitted by the Project Attorneys Advisory Council; and the member appointed from lists submitted by the National Bar Association.

The following six members are appointed for an initial three-year term: two of the members from the general public appointed by the President; one of the members appointed from lists submitted by the Clients' Advisory Council; one of the members appointed from lists submitted by the Project Attorneys' Advisory Council; the member appointed from lists submitted by the American Bar Association; and the member appointed from lists submitted by the American Association of Law Schools.

The Senate bill authorized the establishment of an executive committee of not less than 5 nor more than 7 members which was to consist of the chairman of the board, the executive director of the Corporation, and one member each representing the general public, the eligible clients or the project attorneys, and the various professional legal associations. There was no comparable House provision. The House receded with an amendment authorizing the establishment of a similar executive committee which was to include the chairman of the board, at least one member representing the public, at least one member representing either the eligible clients or the project attorneys, and at least one member representing the various legal professional associations. The mandatory inclusion of the executive director on the executive committee was deleted. In so doing the conferees do not intend that the executive director necessarily must be excluded from membership on the executive committee. Membership of the executive director on the executive committee is thus left to the members of the board of the Corporation to decide.

The House amendment assured that attorneys are to be bound by the same canons and codes of behavior as other attorneys in their jurisdiction. There was no similar Senate provision. The Senate receded with an

amendment providing that the Corporation shall assure that the project attorneys adhere to the American Bar Association's Code of Professional Responsibility and Canons of Professional Ethics.

Both the Senate bill and the House amendment authorized the Corporation to establish standards of client eligibility. The House amendment, however, required the standards to be "consistent with those established by the Office of Economic Opportunity for the provision of legal services". The Senate bill contained no such limitation. The House receded.

On a related matter, the Senate receded from a provision in the Senate bill which directed the board of the Corporation to establish graduated fee schedules to allow the near-poor to pay all or part of the cost of legal services provided them. There was no similar House provision. It is the intention of the conferees that the Corporation should not provide funds to afford free legal assistance to individuals or corporations who can afford to employ private counsel. The decision not to include a specific requirement that the standards of eligibility be consistent with those established for legal services programs by the Office of Economic Opportunity should not be understood to imply any dissatisfaction on the part of the conferees with those standards. Rather, the conferees intend that the Corporation should give serious consideration to the guidelines heretofore established by the Office of Economic Opportunity for the Legal Services program. However, the conferees thought it wise to provide authority to the Corporation to make such adjustments as time and experience may require.

The House amendment required that approval of grants be based on economical comprehensive delivery of services in both urban and rural areas. There was no Senate reference to urban and rural concentration. The Senate receded.

The Senate bill authorized the Corporation to be reimbursed for the cost of services rendered to other Federal agencies. There was no comparable House provision.

The House receded with an amendment to make clear that reimbursement would take place only where arrangements for such services were "otherwise authorized".

The House amendment prohibited attorneys or other persons employed by the Corporation, or engaged in programs funded by the Corporation, from solicitation of clients except that the Corporation was to be allowed a "mere announcement or advertisement" of its existence in the community. The Senate receded with an amendment which made clear that the prohibition against solicitation was not intended to include any conduct or activity permissible under the provisions of the Code of Professional Responsibility of the American Bar Association governing solicitation and advertising.

The Senate bill directed the board to establish graduated fee schedules to allow near-poor to pay all or part of the cost of services. There was no comparable House provision. The Senate receded.

The House amendment required the Corporation to notify the Bar Association of the State of grant approvals within that State thirty days prior to their actual approval. There was no comparable Senate provision. The Senate receded with an amendment requiring notification "within a reasonable time prior" to approval of a grant instead of "thirty days prior" to the approval of a grant.

The Senate bill prohibited the use of funds for criminal proceedings or extraordinary writs, such as habeas corpus or coram nobis, except pursuant to guidelines established by the Corporation. The House amendment contained a flat prohibition against the use of funds or personnel provided by the Corporation to provide legal services in any criminal proceedings. The Senate receded. The conferees want to make clear that this prohibition does not in any way relieve any attorney from specific or general responsibilities imposed on him as an officer of the court by the courts before which he practices.

The House amendment made the Corporation liable to any prevailing defendant for the payment of legal fees or court costs awarded in connection with any proceeding brought by attorneys employed by the Corporation. There was no comparable Senate provision. The House receded.

The Senate bill required all employees of legal services programs, while engaged in activities connected with those programs, to refrain from any partisan political activity associated with a candidate for public or party office and from any voter registration activity or from providing transportation to the polls. The House amendment applied the provisions of the Hatch Act to all full-time employees of the Corporation and of programs funded by the Corporation and, in addition, prohibited non-partisan political activity.

The conference agreement provides that such full time employees while engaged in activities carried on by the Corporation refrain from partisan or nonpartisan political activity including voter registration or transportation. Full time employees must also refrain from identifying the Corporation with any candidate for political or party office. The Corporation is directed to establish appropriate guidelines dealing with free time political activities of the full-time employees of the Corporation or its grantees.

The Senate bill provided that the financial transactions of the Corporation, its grantees and contractors, were to be subject to annual audit by the General Accounting Office. The House amendment expanded the authority of the General Accounting Office and, in addition to financial audits, authorized the General Accounting Office to examine the accounts, operations, reports of evaluations, and inspections of the Corporation, its grantees and contractors. The Senate receded.

The Senate bill included in the definition of "legal services" the provision of bilingual legal services to residents of communities when the predominant language is other than English. There was no comparable House provision. The House receded.

The Senate bill provided that rights to capital equipment of legal services programs were to be transferred to the Corporation on the date of enactment. The House amendment prescribed that all such rights should transfer at a time prescribed by the Director of the Office of Management and Budget or six months after enactment, whichever is earlier. The House provision insured the existence of responsible persons and organizational structure to take responsibility for such capital equipment. The Senate receded.

Both the Senate bill and the House amendment provided for the transfer to the Corporation of all personnel, assets, liabilities, property, and records used in connection with the Office of Economic Opportunity Legal Services program. Non-lawyer personnel transferred were protected by the Senate bill in that transfers were to be effected in accordance with applicable laws and regulations (including the continuation of benefits provided under civil service laws relating to seniority, classification of positions, retirement benefits, compensation for work injuries, health insurance, group life insurance, and similar matters) and "without reduction" in classification or compensation for one year following the transfer. The Director of the Office of Economic Opportunity was further required to take the necessary and reasonable actions to "find" suitable employment for such persons who did not wish to transfer. The House receded with clarifying language to the effect that non-lawyer personnel shall be transferred in accordance with applicable laws and regulations and "shall not be reduced" in classification or compensation for one year. Further amendment required that the Director take such action as was necessary and reasonable to "seek" suitable employment for all those persons who did not wish to be transferred.

The Senate bill protected existing collective bargaining agreements covering personnel transferred to the Corporation. There was no comparable House provision. The House receded.

CARL D. PERKINS,
AUGUSTUS F. HAWKINS,
WILLIAM D. FORD,
PHILLIP BURTON,
JOSEPH M. GAYDOS,
WILLIAM L. CLAY,
SHIRLEY CHISHOLM,
MARIO BIAGGI,
ELLA GRASSO,
OGDEN REID,
Managers on the Part of the House.

GAYLORD NELSON,
EDWARD KENNEDY,
WALTER F. MONDALE,
ALAN CRANSTON,
HAROLD E. HUGHES,
ADLAI STEVENSON,
JENNINGS RANDOLPH,
JACOB K. JAVITS,
RICHARD SCHWEIKER,
Managers on the Part of the Senate.

APPOINTMENT OF CONFEREES ON REVENUE ACT OF 1971

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? The Chair hears none, and appoints the following conferees: Messrs. MILLS of Arkansas, ULLMAN, BURKE of Massachusetts, Mrs. GRIFFITHS, Messrs. BYRNES of Wisconsin, BETTS, and SCHNEEBELI.

U.S. ECONOMY IS FARING BETTER

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, on November 19, the Washington Post acknowledged that the U.S. economy is faring better. And indeed it was right. Revised statistics show that the real gross national product grew at an annual rate of 3.9 percent during the third quarter of 1971, rather than the 2.9 percent shown in earlier projections. Simultaneously, inflation, as measured by the GNP deflator, rose at an annual rate of 3 percent during the third quarter, as compared to 4 percent in the second quarter and 5.3 percent in the first. The rise in the Consumer Price Index during the month of October was 0.1 percent, after seasonal adjustment. This was the smallest monthly rise in the CPI since April 1967.

It is obvious that President Nixon's new economic policy is working. Phase I—the freeze—was a great success. It clamped down hard on the inflationary spiral which we inherited from the fiscal irresponsibility of the previous administration. It united the American people in a massive attack on the monster which has been eating away at the purchasing power of the American worker. In constructing phase II the administration has sought to incorporate a high degree of equity into the framework of its policies. Requests for exception to or exemption from the guidelines of the Pay Board and the Price Commission will be examined carefully on an individual basis.

Because of these positive, innovative administration policies, 1972 will fulfill President Nixon's prediction that it will be a great year economically. The prestigious Organization for Economic Cooperation and Development Secretariat has predicted that the U.S. economy will grow at a real rate of over 6 percent during the first 6 months of 1972. Economic expansion at this rate will constitute a strong recovery from the economic slowdown which we experienced during most of 1970 and will return us to a path of steady economic growth in a climate of price stability.

THE PRESIDENT'S PREDICTIONS

(Mr. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOGGS. Mr. Speaker, I listened with great interest to the statement just read by the distinguished minority leader.

I would express the hope that his rosy prediction would come to pass. But if the past and if the present are any indication of the future, then I am afraid that the result will be quite different.

We have had phase II now for several weeks—and most people do not know what it is. I have had more inquiries about what it is and what it does, and what it means and what it does not mean, and what it freezes and what it does not freeze or unfreezes, than any other so-called economic policy that this country has ever seen.

Certainly, you see the results in the confusion and utter pandemonium now prevailing elsewhere in the free world. There has never been a time when the balance-of-payments deficit has been so large nor has there ever been a time in modern history when the balance of trade has been in such a deficit position. The stock market which some claim to be a barometer of business conditions, although it had apparently a little advance on Friday, has been going down and down and down. Unemployment remains at almost 6 percent and our industrial capacity is still unused to the extent of about 30 percent.

So I say, Mr. Speaker, if these conditions present a rosy picture, I would hate to see a gloomy one.

AMERICAN PEOPLE SHOULD KNOW WHAT PRESIDENT PLANS TO DISCUSS WITH COMMUNIST LEADERS

(Mr. PUCINSKI asked and was given permission to address the House for 1 minute.)

Mr. PUCINSKI. Mr. Speaker, I read with great interest over the weekend that President Nixon will tell Prime Minister Trudeau, Prime Minister Heath, Prime Minister Pompidou, Prime Minister Sato, Prime Minister Brandt, and a lot of other foreign leaders what it is that he plans to discuss with the Communist leaders in Peking and with the Communist leaders in Moscow.

I wonder if it would be asking too much for the President to be good enough to tell the American people and to tell the Congress of the United States what he intends to discuss with the Communist leaders in Peking and Moscow.

We have heard a great deal of talk about the President's contemplated visit to Peking and Moscow, but at this moment nobody in this country really knows what it is that the President hopes to achieve at Peking and Moscow.

In view of the dismal track record of summit meetings by previous Presidents—including Yalta—I think it would be pretty nice if the American people knew what their President plans to do before all these foreign dignitaries. After all, its the American taxpayer who is funding these trips and it is not asking too much that he be taken into the President's confidence.

CALL OF THE HOUSE

Mr. DORN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 411]

Anderson, Calif.	Bell	Chisholm
Anderson, Tenn.	Betts	Clark
Arends	Blatnik	Clausen, Don H.
Ashley	Burton	Clay
Aspinall	Byrne, Pa.	Collins, Ill.
Badillo	Camp	Colmer
Barrett	Celler	Cotter
	Chappell	Davis, S.C.
Dent	Helstoski	Reuss
Derwinski	Hillis	Rhodes
Dickinson	Hogan	Rodino
Diggs	Jarman	Rogers
Dowdy	Jones, N.C.	Roy
Duiski	Landrum	Roybal
Edwards, La.	McClory	Sandman
Ellberg	McCloskey	Saylor
Erlenborn	McCormack	Scheuer
Eshleman	McKevitt	Shriver
Evins, Tenn.	Martin	Sikes
Foley	Mayne	Slack
Fraser	Michel	Springer
Gallagher	Miller, Calif.	Steele
Grasso	Minish	Stephens
Gray	Mitchell	Stuckey
Green, Oreg.	Nelsen	Thone
Green, Pa.	Pepper	Ullman
Griffin	Pike	Waldie
Gubser	Pirnie	Whitehurst
Halpern	Poage	Whitten
Hanna	Pryor, Ark.	Wiggins
Hébert	Railsback	Wilson, Charles H.
Heckler, Mass.	Rangel	

The SPEAKER. On this rollcall, 335 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

APPOINTMENT OF CONFEREES ON H.R. 9727, MARINE PROTECTION, RESEARCH, AND SANCTUARIES ACT OF 1971

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9727) to regulate the dumping of material in the oceans, coastal and other waters, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? The Chair hears none, and appoints the following conferees; Messrs. GARMATZ, DINGELL, LENNON, PELLY, and MOSHER.

FEDERAL ELECTION REFORM

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11060) to limit campaign expenditures by or on behalf of candidates for Federal elective office; to provide for more stringent reporting requirements; and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 11060, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Thursday, November 18, 1971, the Clerk had read the enacting clause of the bill.

For what purpose does the gentleman from Massachusetts (Mr. MACDONALD) rise?

AMENDMENT OFFERED BY MR. MACDONALD

Mr. MACDONALD of Massachusetts. Mr. Chairman, pursuant to House Resolution 694, I offer an amendment in the form of a new title I.

XUM

The Clerk read as follows:

Amendment offered by Mr. MACDONALD of Massachusetts: Page 1, after the enacting clause insert the following:

TITLE I—CAMPAIGN COMMUNICATIONS

SHORT TITLE

SECTION 101. This title may be cited as the "Campaign Communications Reform Act".

DEFINITIONS

SEC. 102. For purposes of this title:

(1) The term "communications media" means broadcasting stations, newspapers, and magazines.

(2) The term "broadcasting station" has the same meaning as such term has under section 315(d) of the Communications Act of 1934.

(3) The term "Federal elective office" means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States (and for purposes of section 104(b) such term includes the office of Vice President).

(4) The term "legally qualified candidate" with respect to Federal elective office, or nomination for election to such office, has the same meaning as such term has when used in section 315 of the Communications Act of 1934.

(5) The term "voting age population" means resident civilian population, eighteen years of age and older.

(6) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

REPEAL OF EQUAL-TIME REQUIREMENT FOR CANDIDATES FOR PRESIDENT AND VICE PRESIDENT

SEC. 103. (a) The first sentence of section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by inserting before the colon the following: ", except that the foregoing requirement shall not apply to the use of a broadcasting station by a legally qualified candidate for the office of President or Vice President of the United States in a general election".

(b) The second sentence of such section is amended by striking out "any such candidate" and inserting in lieu thereof "any legally qualified candidate for public office".

MEDIA RATE REQUIREMENTS

SEC. 104. (a) Section 315(b) of such Act is amended to read as follows:

"(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office shall not exceed the lowest unit charge of the station for the same amount of time in the same time period."

(b)(1) To the extent that any person sells space in any newspaper or magazine to a legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of such space for other purposes.

(2) If any person sells space in any newspaper or magazine to any legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, such person shall make equivalent space available on the same basis to all legally qualified candidates for the same office, or for nomination to such office, as the case may be.

LIMITATIONS OF EXPENDITURES FOR USE OF COMMUNICATIONS MEDIA

SEC. 105. (a)(1) No legally qualified candidate in an election (other than a primary or primary runoff election) for a Federal elective office may—

(A) spend for the use of communications media on behalf of his candidacy in such election a total amount in excess of 10 cents (or such greater amount as may be certified under paragraph (4)(A)) multiplied by the voting age population (as certified under paragraph (4)(B)) of the geographical area in which the election for such office is held, or

(B) spend for the use of broadcast stations on behalf of his candidacy in such election a total amount in excess of 50 per centum of the amount determined under subparagraph (A) with respect to such election.

(2) No legally qualified candidate in a primary election for nomination to a Federal elective office, other than President, may spend—

(A) for the use of communications media, or

(B) for the use of broadcast stations, on behalf of his candidacy in such election a total amount in excess of the amount's determined under paragraph (1) (A) or (B), respectively, with respect to the general election for such office. For purposes of this subsection a primary runoff election shall be treated as a separate primary election.

(3)(A) No person who is a candidate for presidential nomination may spend—

(i) for the use in a State of communications media, or

(ii) for the use in a State of broadcast stations,

on behalf of his candidacy for presidential nomination a total amount in excess of the amounts which would have been determined under paragraph (1) (A) or (B), respectively, had he been a candidate for an election for the office of Senator from such State (or for the office of Delegate or Resident Commissioner in the case of the District of Columbia or the Commonwealth of Puerto Rico).

(B) For purposes of this paragraph, a person is a candidate for presidential nomination if he makes (or any other person makes on his behalf) an expenditure for the use of any communications medium on behalf of his candidacy for any political party's nomination in an election to the office of President. He shall be considered to be such a candidate during the period—

(i) beginning on the date on which he (or such other person) first makes such an expenditure (or, if later, January 1 of the year in which the election for the office of President is held), and

(ii) ending on the date on which such political party nominates a candidate for the office of President.

For purposes of this title and of section 315 of the Communication Act of 1934, a candidate for presidential nomination shall be considered a legally qualified candidate for public office.

(C) The Attorney General shall prescribe regulations under which any expenditure by a candidate for presidential nomination for the use in two or more States of a broadcasting station, newspaper, or magazine shall be attributed to such candidate's expenditure limitation in each such State, based on the number of persons in such State who can reasonably be expected to receive such broadcast, newspaper, or magazine.

(4)(A) During the first week of January 1974, and during such week in every second subsequent year, the Secretary of Commerce shall certify to the Attorney General and publish in the Federal Register an amount which bears the same ratio to 10 cents as the value of the communications price index for the last calendar year ending before the date of certification bears to the value of such index for 1972. The communications price index shall be a price index, using 1972 as a base year, measuring changes in the charges to candidates for the use of communications media. Such index shall be established and maintained by the Secretary of Commerce.

(B) During the first week of January 1972, and during such week in every second subsequent year, the Secretary of Commerce shall certify to the Attorney General and publish in the Federal Register an estimate of the voting age population of each State and congressional district for the last calendar year ending before the date of certification.

(5) Amounts spent for the use of communications media on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this subsection, be deemed to have been spent by such candidate. Amounts spent for the use of communications media by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this section, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

(6) For purposes of this section and section 315(c) of the Communications Act of 1934, spending and charges for the use of communications media include not only the direct charges of the media but also agents' commissions allowed the agent by the media.

(b) No person may make any charge for the use by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) of any newspaper or magazine, unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such person in writing that the payment of such charge will not violate paragraph (1), (2), or (3) of subsection (a), whichever is applicable.

(c) Section 315 of the Communications Act of 1934 is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsections:

"(c) No station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate any limitation specified in paragraph (1), (2), or (3) of section 105(a) of the Campaign Communications Reform Act, whichever paragraph is applicable.

"(d) For the purposes of this section:

"(1) The term 'broadcasting station' includes a community antenna television system.

"(2) The terms 'license' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.

"(3) The term 'Federal elective office' means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States."

REGULATIONS

SEC. 106. The Attorney General shall prescribe such regulations as may be necessary or appropriate to carry out sections 102, 104 (b), 105(a), and 105(b) of this Act.

PENALTIES

SEC. 107. (a) Whoever violates any provision of section 104(b), 105(a), or 105(b) or any regulation under section 106 shall be assessed a civil penalty of not more than $1,000 for each violation.

(b) Any legally qualified candidate who willfully violates section 105(a) or any regulation under section 106 shall be punished by a fine of not more than $10,000 or by imprisonment of not more than one year, or both.

EFFECTIVE DATE

SEC. 108. Sections 103 and 104 of this Act and the amendments made thereby shall take effect on January 1, 1972. Section 105 and the amendments made thereby shall apply only to expenditures for the use on or after such date of communications media.

Mr. MACDONALD of Massachusetts (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I think all of us are quite aware that the legislation we have before us today will affect the political life of America for many years to come. Many of us who served here a year ago understand well the bill that was passed at that time, but I think for the benefit of those who have either forgotten or who were not here at that time, it might be well to review the history of this bill.

In 1970, this House by a vote of 272 to 97 passed a bill which is terribly similar to what is now called title I of the Hays bill. That bill had been passed out of the House Commerce Committee. It stayed strictly within the jurisdiction of that committee, as it properly should. It was passed by the Senate by a vote of 60 to 19. Then the conference report came over to the House. Incidentally, the Senate, in conference had for once, adopted all of our measures except the effective date of our bill, and the conference report was overwhelmingly adopted.

What the bill did then and what it will now is to limit the amount of money that can be spent on so-called communications media blitzes. The bill, of course, then went to the President, and for whatever reasons he had, and despite the great display of bipartisan support, the bill was vetoed at the White House. In the veto message the President indicated that a bill would be forthcoming from the administration which would plug more holes. As I recall, the President said that the bill he was sent plugged only one hole in the sieve. He acknowledged the fact that spending was getting out of hand in all Federal elections and, indeed, other elections as well.

We waited for a long time for another bill to be sent up and we never got one.

In his veto message the President indicated also that he thought the broadcasting media were being discriminated against, inasmuch as there was no limitation placed on newspapers or magazines. So in order to avoid another veto, and because we do have jurisdiction over both newspapers and magazines, they were added to this bill.

Specifically, with relation to title I of the bill, it would, first, repeal section 315(a) of the Communications Act of 1934 with respect to candidates for President and Vice President. And for those of you who are not all that familiar with the Communications Act that means the networks, the broadcasters, if they give free time to the Republican Party, the Democratic Party, or another well-known third party, do not have to give time to Lon Daly in Chicago, the Vegetarian Party, or any of the other fringe parties.

Second, title I places an overall limitation on the amount of money which can be spent by or on behalf of any candidate for Federal office.

And this, of course, is to stop the loophole of money being spent by committees for a candidate, and yet the candidate does not have to report a cent of it.

The limit in title I is obtained by multiplying 10 cents times the voting age population—that is people who are eligible to vote whether they register or not. The bill further limits the amount which a candidate could spend of that 10 cents through the broadcast media to 50 percent of that, which obviously is 5 cents. So no candidate can come in and hire a hotshot so-called advertising agency.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. VAN DEERLIN. Mr. Chairman, because of the importance of the gentleman's amendment, I ask unanimous consent that he be allowed to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MACDONALD of Massachusetts. Mr. Chairman, as we all know, the television blitz has worked on both sides.

The last time this was a bipartisan effort, and I hate to see this become a partisan effort, even though I have heard rumors that is what it is about to develop into, because we have had our transgressors on this side and obviously there have been transgressors on that side of the aisle.

It has been said this is an incumbent's bill. It is not. It is a public interest bill, because the public interest should be protected. If one is sold a package of soap or razor blades or anything else that turns out to be defective by an advertising blitz tactic, the person has a right to go to a consumer agency or to the FTC and to complain. However, if the voter is sold a bad bill of goods by a television blitz and gets a packaged candidate who never even really appears on TV, but has an advertising agency do all spot announcements, the person has nowhere to turn to complain except 6 years later for some candidates, 4 years later perhaps for others, and in our case 2 years later. So this seems to me not to be an incumbent's bill but a public interest bill.

Third it has separate limits both as to primaries and general elections. In the case of the presidential primaries, the candidates' expenditures are limited on a State-by-State basis with the candidate able to spend no more than a candidate for the Senate would be able to spend within that State.

Fourth, the broadcast stations would be required to extend to the candidates their lowest unit costs, which are their lowest costs, rates that they set themselves. Newspapers and magazines are not held to that amount but can charge a candidate their standard open or transient rate and treat us political candidates from every level as they would somebody selling a commercial product.

Fifth, no advertising would be accepted from or on behalf of any candidate unless the candidate certifies in writing that the expenditure involved is within his spending limitation.

I know this is a very important bill, and I know that our time is limited. I am not going to transgress on the time of other Members.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I congratulate the gentleman and the committee on which he serves with great distinction as a subcommittee chairman upon a very fine job of legislative craftsmanship on this bill.

I recognize that there are some things that pinch everybody's toes in this, and I recognize there are some things that are not perfect in the bill. To my way of thinking, however, it is a balanced, thoughtful, and carefully written piece of legislation that meets a national need and also meets the primary objections that were raised in the President's veto message, and meets them very, very effectively. I congratulate the gentleman on the job he has done on it.

I hope, as the gentleman does, that this will be a measure that will be beyond partisanship in the final work that is done on it in this House. I think the public is entitled to this kind of legislation. I think it is in the interest of this country to have the House pass it, and I hope it will receive the overwhelming support of this House.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I thank the gentleman. I would like to point out that this bill is in substance exactly the same bill that came out of the Subcommittee on Communications a year ago with not a dissenting vote, and which came out of the full Committee on Interstate and Foreign Commerce with only one dissenting vote.

No amendments were put on in the subcommittee or, after it left the subcommittee, either in the full committee or here in the House. It passed overwhelmingly, with bipartisan support, a year ago here in the House. It passed the Senate with bipartisan support. The conference report was accepted with a bipartisan spirit.

For the life of me I cannot see how in the space of 1 year, when we met the objections—tried to meet and believe we have met the objections—of the veto message, it suddenly should become a partisan issue.

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROWN of Ohio. May I ask the procedure now with respect to H.R. 11231. Is my understanding correct that the bill is now to be read section by section, or to be considered section by section for amendment?

The CHAIRMAN. The amendment of the gentleman from Massachusetts (Mr. MACDONALD) has been read, and is open to amendment at any point.

Mr. BROWN of Ohio. Under the rule?

The CHAIRMAN. Under the rule and the unanimous-consent agreement.

Mr. BROWN of Ohio. I thank the Chair.

AMENDMENT OFFERED BY MR. FREY TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS

Mr. FREY. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

The Clerk read as follows:

Amendment offered by Mr. FREY to the amendment offered by Mr. MACDONALD of Massachusetts: Page 1, strike out lines 7 and 8 and insert in lieu thereof the following:

"(1) The term "communications media" means broadcasting stations, newspapers, magazines and outdoor advertising facilities."

Page 4, strike out lines 8 through 21, and insert in lieu thereof the following:

"SEC. 105. (a)(1) No legally qualified candidate in an election (other than a primary or primary runoff election) for a Federal elective office may—

"(A) spend for the use of communications media on behalf of his candidacy in such election a total amount in excess of the greater of—

"(i) 10 cents (or such greater amount as may be certified under paragraph (4)(A)(i)) multiplied by the voting age population (as certified under paragraph (4)(B)) of the geographical area in which the election for such office is held, or

"(ii) $50,000 (or such greater amount as may be certified under paragraph (4)(B)(ii)), or

"(B) spend for the use of broadcast stations on behalf of his candidacy in such election a total amount in excess of 60 percentum of the amount determined under subparagraph (A) with respect to such election."

Page 6, beginning on line 15, strike out "a broadcasting station, newspaper or magazine," and insert in lieu thereof "communications media."

Page 6, beginning on line 19, strike out "receive such broadcast, newspaper or magazine" and insert in lieu thereof "be reached by such communications media."

Page 6, beginning on line 24, strike out "in the Federal Register" and all that follows down through "1972." in line 3 on page 7, and insert in lieu thereof the following: "in the Federal Register—

"(i) an amount which bears the same ratio to 10 cents, and

"(ii) an amount which bears the same ratio to $50,000, as the value of the communications price index for the last calendar year ending before the date of certification bears to the value of such index for 1972."

Page 8, beginning on line 7, strike out "any newspaper or magazine" and insert in lieu thereof "any newspaper, magazine, or outdoor advertising facility."

Mr. FREY. Mr. Chairman, let me very simply explain what this amendment does.

First. It establishes as the limit on spending the greater amount of $50 000 or 10 cents multiplied by the voting age population. In the present Macdonald of Massachusetts proposal we have a 10-cent-per-voter limitation and we have a subceiling within the Macdonald of Massachusetts proposal that 5 cents can be spent on TV and on radio.

The second item in my amendment goes to allow a little more discretion for TV and radio. In essence, it would allow 6 cents to be spent or 60.1 of the $50,000, whichever is greater, on radio, TV of the total amount.

The third item of my amendment goes to increase the area of coverage. It increases it by one item—outdoor advertising.

Let me make one thing very clear now. This amendment is offered in terms of a compromise. In the committee I felt that we should have complete flexibility. I think we had a very interesting debate on the complete flexibility that should be allowed to candidates. It seems to me that if it is a sin to spend 9 cents on newspapers, then it is equally a sin to spend 9 cents on radio and television. Because districts vary, I think a candidate should be able to pick and choose. The sin is on the amount of money spent and not on how it is spent. To do otherwise is to discriminate against radio and TV.

This came to be a very partisan fight in the committee. My amendment to allow complete flexibility won several times and finally lost on a vote of 24 to 21. Because of my personal feeling that we have only this chance to get a campaign reform bill through and if we miss it this time we will not get it through at all, I am willing to take something less than I want.

As with any compromise, this is not what I want completely. I am sure that there are people who fought equally as hard on the other side against my amendment. But unless we can work out a compromise, I believe this bill will be defeated, and I do not think this should happen.

I think it is abundantly clear that the American people want it. I took a poll in my district of 23,400 people. Eighty-four percent were for limitations on campaign spending. The chairman of the committee stated before recess that the Gallup poll recently showed 78 percent of the people wanted a limitation on campaign reform.

Our credibility is at stake today. We need this bill. While I think it still is discriminatory toward television and radio, it is better than the original Macdonald bill. We need campaign reform—now. For this reason, and this reason only, I offer this amendment and certainly hope that the distinguished chairman of the subcommittee, Mr. MACDONALD, who worked so hard and who has been extremely fair, would accept this amendment.

Mr. MACDONALD of Massachusetts. Mr. Chairman, will the gentleman yield to me?

Mr. FREY. I am delighted to yield to the chairman of the subcommittee.

Mr. MACDONALD of Massachusetts. I appreciate the spirit in which the amendment is offered. If indeed it will help to bring out a bill that is so badly needed, I do not think that there is anything magic about the difference of 10 and 5 and 5 or 6 and 4 as a formula. Within a very narrow range.

I compliment the gentleman on his work both on the bill and in the subcommittee even though we did have some differences.

As far as I am concerned, I would be happy to accept this amendment.

Mr. FREY. I thank the gentleman.

Mr. HAYS. Will the gentleman yield?

Mr. FREY. I am happy to yield to the chairman.

Mr. HAYS. I have not had the privilege of seeing a copy of the gentleman's amendment. Does the gentleman's amendment set a top ceiling on all expenditures?

Mr. FREY. Yes, sir. By the way, the amendment was printed in the RECORD before we adjourned for Thanksgiving. The ceiling is on five items, radio, television, newspapers, magazines, and outdoor advertising. It sets a top limit of 10 cents per vote for voting age population or $50,000, whichever is greater.

Mr. HAYS. I thank the gentleman.

Mr. ANDERSON of Illinois. Will the gentleman yield?

Mr. FREY. I am delighted to yield to the gentleman.

Mr. ANDERSON of Illinois. If I understand the gentleman's amendment correctly, in essence, what you are doing is conforming this particular communications section of the bill to the Senate bill in that the Senate bill also contains billboards and contains interchangeability features. The difference is however, that the overall limitation that the gentleman is suggesting is $50,000 whereas I think it was a $30,000 limitation in the Senate bill. Am I correct on that?

Mr. FREY. Yes, with one caveat. There is a total in the Senate bill of $60,000, $30,000 for broadcast and $30,000 for nonbroadcast items.

Mr. ANDERSON of Illinois. With broadcasting and nonbroadcasting a total of $60,000.

Mr. FREY. Yes.

Mr. ANDERSON of Illinois. As one who originally espoused the idea stated by the gentleman of complete flexibility within any ceiling and of a five-item ceiling, I want to congratulate the gentleman for the spirit of compromise in which he has offered this amendment.

Mr. FREY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. FREY) to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

The amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. VAN DEERLIN TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS

Mr. VAN DEERLIN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. VAN DEERLIN to the amendment offered by Mr. MACDONALD of Massachusetts: Page 2, strike out line 18 and all that follows down through line 5 on page 3, and insert in lieu thereof the following:

"PARTIAL REPEAL OF EQUAL-TIME REQUIREMENTS; STUDY

"SEC. 103. (a)(1) The first sentence of section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by inserting before the colon the following: ', except that the foregoing requirement shall not apply to the use of a broadcasting station by a legally qualified candidate for the office of President or Vice President of the United States, or a legally qualified candidate for the office of United States Senator, in a general election'.

"(2) The second sentence of such section is amended by striking out 'any such candidate' and inserting in lieu thereof 'any legally qualified candidate for public office'.

"(b) The Federal Communications Commission shall conduct a study to determine what safeguards may be necessary to assure reasonable access to broadcasting stations by legally qualified candidates for Federal office following the repeal of section 315(a) of the Communications Act of 1934 in the case of general elections for such offices. Not later than January 3, 1973, the Commission shall submit its recommendations for implementing legislation to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committee on Commerce of the United States Senate."

Mr. VAN DEERLIN. Mr. Chairman, this amendment undertakes to carry out in regard to the Presidential campaign the terms of a bill which this House and the Senate both passed last year, to repeal section 315 of the communications law as it applies to campaigns for President and Vice President. It would extend that repeal to campaigns for the U.S. Senate. It would not, however, extend repeal of section 315 at this time to campaigns for the House of Representatives.

Instead, the Federal Communications Commission would be mandated to conduct a special investigation into the conditions that might prevail if section 315 were repealed across the board.

The Commission would report not later than January 3, 1973, to the Commerce Committees of both House and Senate. At that time we would be able to take another look, to determine whether a beefing up of the Fairness Doctrine or other steps might be desirable before we were ready to see section 315 repealed across the board.

The problems are very different in regard to equal time guarantees as they apply to Presidential candidates, U.S. Senate candidates, and House candidate.

In the presidential area, we have the problem of fringe party candidates—11 or 12 of which were on various State ballots in 1968. Under present law it is impossible for broadcast licensees and, therefore, his networks to offer free time to any candidates, for panel discussion or in formal debate, as long as this restriction is in the law. This means that in the greatest political decision that the American people have to make every 4 years—the choice of a President—they do not have full availability of the greatest communications asset that the world has ever known. Television and radio are effectively denied a role in presenting candidates for President without including the Socialist Labor Party candidate, the Prohibition Party candidate, the Vegetarian Party candidate or for that matter, the Nudist Party candidate.

I would further point out that this repeal was apparently acceptable to the President, because in his veto message last year he did not state objections to repeal of section 315 in the Presidential campaign.

In the normal senatorial campaign, no single broadcaster or handful of broadcasters can really determine the outcome of a statewide election. Therefore, there is not the same peril to a Senator or a candidate for the Senate in this regard.

These races occur every 6 years. Candidates for a U.S. Senate seat are more likely to be in the news—and they cannot be ignored, nor can the issues they raise be ignored.

The U.S. Senate this year, by an overwhelming majority, has passed a bill repealing section 315 for all Federal offices, themselves included.

A different problem exists for House Members, and challengers for House seats. Many of our districts have a single broadcasting outlet, or a very small handful of broadcasters. Most of these broadcasters, I believe, are fully responsible people. But I think, and I believe most of you agree, that we should move very slowly, very cautiously in the repeal of section 315 across the board.

We need the kind of examination of this problem that could be made in the intervening 2 years by the Federal Communications Commission, and hence I have in this amendment asked that such a study be conducted, with a report to be returned to the committees of the Congress. There would not be a full repeal of section 315 until and unless both Houses of the Congress had agreed to it.

Mr. HARVEY. Mr. Chairman, I rise in opposition to the amendment offered by my good friend, the gentleman from California (Mr. VAN DEERLIN), and I do so for this specific reason. I can see no logical basis nor a commonsense basis whatsoever for treating the President of the United States any differently under section 315 than we treat a Member of the House of Representatives, whether that Member be my friend, the gentleman from California, or whether it be a Member of the U.S. Senate. We are all elected officials. Section 315, which goes to certain public officials, as we have written it into law, applies equally to all of us.

Mr. Chairman, they have said that this is not a partisan question, and that it should not be a partisan question, and with that I wholeheartedly agree. But let us not kid ourselves one bit. I have been in this House of Representatives since 1960, and I can recall in 1964 when the Republicans were trying desperately to repeal section 315, and when that bill was killed in the House-Senate conference under strict orders from the White House. If you do not believe me, I can quote you the page number of the CONGRESSIONAL RECORD where Senator MANSFIELD made a motion to table it, and it was tabled, and there was no question as to why it was done.

I can also point out to you in 1968, and many of you who were here then may have forgotten it, but that was the reason we stayed in session for almost 24 hours, around the clock. That was the reason some people missed 35 or more quorum and rollcalls at one particular time. It certainly was a partisan issue then, indeed.

For 1 minute, Mr. Chairman, let us look at some of the arguments that are given. One of the arguments advanced by my good friend, the gentleman from California (Mr. VAN DEERLIN)—and let me say that he is my good friend, and he is certainly one of the ablest members of our committee—but one of the arguments given is that when you run for President as contrasted to House Members, it should be repealed because there are so many more different parties, minor parties, that otherwise clutter up the presidential race, that the networks cannot give equal time.

All over the United States in the last presidential election there were some 19 different parties, and this includes all of the local parties as well which might run in one State and not run in another State.

Actually, there were only some six what I would call major-minor parties, such as the American Party that Mr. Wallace headed and so forth. There were only six of those.

Now let us look at the congressional situation just a minute. In the 1970 general election there were a total of 35 minor parties fielding candidates in Federal elections in the House and Senate. In addition to that, I might say, there were any number of candidates that listed themselves as "independent"—which I do not class as a particular party of any kind at all.

I would point out that in the Senate races in 1970 18 minor parties fielded senatorial candidates. The total number of candidates supported by these parties was 41, with six additional candidates listed as independent. The total number of candidates therefore seeking office in the U.S. Senate in 1970 other than on the Democratic or Republican ticket was 47. I would point out that, in the Senate, two of those got elected and I refer to the Senator from New York (Mr. BUCKLEY) who was elected as a Conservative and the Senator from Virginia (Mr. BYRD) who was elected as an independent.

Now let us look at the House for a minute. It is proposed to give the House some special treatment by the Van Deerlin amendment. For some reason it is said the Members of the House should be singled out and made benefactors under this law. That is not true for the Senate and the President.

Now, what has happened in the House races?

In 1970 again in the House races, 30 minor parties fielded a total of 163 candidates for office with an additional 20 candidates running as independents. So we have 183 minority party candidates running in 152 House districts. I do not have to tell you, of course, that none of them were successful. I could go on and on and point out what the comparison was for Governor and what it was in other races.

But it seems to me, it is clear that the profusion of parties is just as common and just as much of a danger as to House candidates and Senate candidates, as to the President.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(Mr. HARVEY asked and was given permission to proceed for 5 additional minutes.)

Mr. HARVEY. Mr. Chairman, the argument that is made that somehow there are more parties in the race for President and, therefore, we should treat the President differently just does not hold water. There are just as many parties in the election of House Members and the election of Senate candidates concerned as there are in presidential races.

Mr. VAN DEERLIN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. If the gentleman will let me go on further for just a second, I will be glad to yield to my friend, if I can just answer his second argument, if possible.

The gentleman also, and I am referring to my friend, the gentleman from California, makes the point that we should treat House Members differently and that we should give ourselves this special bonus benefit, and special treatment as selected individuals under the repeal of section 315 because of the fact, he says, the statewide nature of Senate races makes Senate candidates less vulnerable to a single broadcaster, than a Congressman, for example. But look at the facts:

First, five States have only one congressional district: Alaska, Delaware, Nevada, Vermont, Wyoming;

Second, 10 States have two congressional districts: Hawaii, Idaho, Maine, Montana, New Hampshire, New Mexico, North Dakota, Rhode Island, South Dakota, Utah;

Third, two States have three congressional districts: Arizona, Nebraska;

Fourth, three States have four congressional districts: Arkansas, Colorado, Oregon.

Thus, 20 States—or 40 percent—have four congressional districts, or less. These 20 States have a total of 43 congressional districts or 10 percent.

In addition, there are 164 congressional districts—or 37 percent—in what must be considered major metropolitan areas. Certainly, these congressional districts have a multiplicity of broadcast outlets. These areas and the number of congressional districts in or around them include the following:

Atlanta, five: Baltimore, eight; Boston, five; Chicago, 18—including areas of Indiana; Dallas, six; Detroit, 10; Houston, six; Los Angeles, 19; Miami, four; Milwaukee, five; New York, 37—including areas of New Jersey and Connecticut; Philadelphia, 12—including areas of New Jersey; San Francisco, nine; St. Louis, five; Washington, D.C., five—including areas of Maryland and Virginia.

My friends, the sole question when you repeal section 315, whether you add the President, the Senate, or the House of Representatives is whether or not you believe that the broadcasters across America have achieved that degree of maturity so that you can trust them without section 315 as we have written it into law.

You say that you can trust them as to the President and you can trust them as to the Senate, but we do not trust them as to the House Members and so, therefore, we are going to exempt the President from 315 and we are going to exempt the Senate, but not the House Members.

Let us just take a look at this.

Mr. VAN DEERLIN. Mr. Chairman, will the gentleman yield on this point?

Mr. HARVEY. I yield to the gentleman in just a moment, if my friend will just allow me to finish this point—then I will be glad to yield.

The real question, Mr. Chairman—and this is going to come up later because we are going to have amendments offered to leave section 315 in in its entirety and to take 315 out in its entirety—but really the question is are you going to treat Senators differently from the way you treat Congressmen? Are you going to treat the President differently from the way you treat Congressmen? I submit that basic fairness requires that they all be treated alike, Mr. Chairman.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to my good friend, the gentleman from Ohio.

Mr. BROWN of Ohio. I should like to ask the gentleman how many networks are likely to cover a presidential contest. We have only three networks in this country. Why is that different from the situation of a Member of Congress who has three stations, say, covering his campaign in his own district? It seems to me that if you had all three networks against you, you might have as difficult a time as a congressional candidate with only three stations in his district and all of them against him.

Mr. HARVEY. I would say to my friend that I have gone through this; I have racked my brain studying it, and I see no difference. They say that it should be studied. What are you going to study? Three hundred and fifteen is the same as to Senators and as to House Members and as to the President.

Mr. VAN DEERLIN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I will yield to the gentleman in just a moment.

Mr. VAN DEERLIN. The gentleman will then be out of time.

Mr. HARVEY. There is plenty of time. There is no effort to cut off the debate. I do not feel that is in the air. My friend is well aware, since he has been in Congress for some time, of the effect of this. The bill will go to conference, and on the basis of my experience, I can see ahead what is going to happen in conference. We are going to take out the amendment as it pertains to Senators, and then once again we will single out the President. Mr. Chairman, the amendment should be defeated.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. HAYS. Mr. Chairman, I oppose the amendment for practically all the reasons the gentleman from Michigan has outlined, plus a couple more. I think the amendment does treat the House differently, and I do not want it treated that way, because it says that we shall be subject to a study by the FCC. I have heard plenty of speeches from both sides of this aisle about the Congress surrendering its power to the executive branch, and if that is not another surrender I do not know what it is. I do not want the FCC telling me what we have to do in this body and how we have to run our campaigns. We are competent to make decisions ourselves and to make our own studies. We do not need the FCC to do it.

Mr. DINGELL. If the gentleman will yield, we are not setting ourselves up for a study by the executive. We are setting ourselves up for study by a creature of the Congress, the Federal Communications Commission, which is an arm and a creature of this body.

Mr. HAYS. I will say to my friend from Michigan that you can believe that if you want to, but I do not. I know it was set up originally as an arm of Congress, but it has not functioned that way. It has served as an arm of the executive branch, which is what all these commissions' functions are.

The gentleman from Michigan (Mr. HARVEY) said, "Do you trust the television stations in the case of the President and in the case of the Senate but not in the case of the House?" My answer is, I do not trust them at all, period. I do not think you can trust them to be discreet about whom they give time to and whom they do not. I do not think you can trust them to be fair about how and to whom they give time and from whom they withhold it. I do not think there is a remote possibility that they would not be prejudiced and do exactly as they please. Certainly that would apply in the case of House Members even more, because in many a district one television station dominates the district, and you are not going to get help. In my case, for example, a station in Cleveland which reaches part of my district would probably not give time to either me or my opponent if the main station in my district decides to support me or support my opponent.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, do I understand then that the gentleman in the well is opposed to the provision which is in the Macdonald bill currently, which would repeal section 315 for the President?

Mr. HAYS. Mr. Chairman, I would put it this way. On principle I do not think we ought to repeal it at all, but I am willing to go that far in the case of the President. I think we ought to have an amendment in there, I will be candid, so if there is a third party that got 10 percent in the last election, it ought to be treated as a major party. I did not vote for George Wallace, I would not, I did not support him, but fair is fair and unfair is unfair.

Mr. BROWN of Ohio. If we repeal it for the President?

Mr. HAYS. I will tell the gentleman about my position on this. Whenever an amendment is offered to strike it, watch how I vote.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to point out to my good friend, the gentleman from California, the danger that is contained in repealing section 315 past that for the President and Vice President. I think all of us who have dealt closely with the broadcasters know they have enough power already to be a real force to be reckoned with. I commend whoever set up the Communications Act of 1934 when television was just a dream maybe, and all those people were afraid of was the power of radio, and time has proved them right. If we take a look at the senatorial campaigns and obviously the presidential campaigns, and take a look at where all the money is spent, and take a look at the people who can come in overnight, as I said in my earlier remarks, we will see the parties on both sides and people on both sides can buy their way into office.

What I keep trying to make clear is we are not trying to protect ourselves, we are not trying to protect the President, we are not trying to protect the Senate, but we are trying to protect the public interest. Any time this political system gets to be such that a candidate has to either be very rich indeed or become indebted to people who are, or who have financial resources which they expend on behalf of the candidates, and automatically Members of the House and Senate and perhaps other branches of the Government become indebted to these people—I think that is a terrible threat. I think it should be stopped. I, for one, having dealt with the broadcasters, know how arrogant they are anyway—they are arrogant enough already. The only protection we have against turning over the control of the political system to the broadcasters, both radio and TV, but especially TV, is section 315.

I respect the gentleman from California, who has done a great job, but I point out to him and to other Members the great danger in repealing 315 unless we want the broadcasters to dictate who is going to sit on the Senate side, and who is not going to—not in all instances, but in many instances, and who is going to sit in this body.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is one of the most important amendments we will consider in this debate. I see great division on both sides of the aisle. There are members of the Democratic Party who are not about to repeal section 315 for anybody under any circumstances and members on the Republican side who feel the same way. This is a matter that deals directly with their own elections and a matter that is important and controversial.

Mr. Chairman, I think the gentleman from California has a middle-ground position that deserves our support. Here is the situation. The Macdonald bill, the House Committee bill, repeals section 315 only for the President and Vice President.

The Senate bill, on the other hand, repeals 315 across the board, for President, Senate, and House.

To my Democratic friends, one of the problems we have in getting a bill this year is, frankly, whether we can have enough compromise and enough modification of the hardline positions and reach some common ground and commonsense, which will result in a bill.

The gentleman from Florida offered a compromise that was agreed to this afternoon in the spirit that I would like to see in the Chamber as we debate this important matter.

One of the fears our Republican friends have is that this 315 repeal for the President only is a gun pointed at Richard Nixon and the Republican Party. They say that in 1968 we were anxious to have it repealed so that our underfinanced candidate could debate their candidate. And now we are playing a different game, where they have the White House and we face an uphill battle.

So, as a show of good faith, the amendment offered by the gentleman from California says:

> All right; we will repeal it for the President across the board permanently, and we will repeal it for the Senate across the board permanently.

Senators of both parties said they are for this repeal and it was adopted by a wide bipartisan margin. But he says:

> For the House Members we have a different problem.

Presidents will lose some stations and will win some. They will have bitter opponents among the broadcasters, and they will have friends.

Senators, in most States, will have many outlets and have diverse responses for many broadcasters.

But there are Members on both sides of the aisle in this House who are under the thumb of just one broadcaster in particular situations. We ought to study these situations before we move.

The fact is that under the Van Deerlin amendment no House Member will ever face this equal time problem—and mark this well—unless the Congress acts.

Perhaps the FCC is not the right body to make the study. Perhaps it ought to be somebody else, and the House and the Senate ought to make studies.

The fact is that under the amendment there will be no repeal for House Members until and unless some future Congress acts. We will certainly not act on it next year.

So I strongly support the amendment offered by the gentleman from California. It is a middle-ground position and it puts us on the right track. It makes sure a bill cannot be vetoed on the grounds of favoritism in this particular area. I should like to see this amendment agreed to.

Mr. VAN DEERLIN. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from California.

Mr. VAN DEERLIN. Let me say that after hearing the gentleman's eloquence, I feel much better not only about my amendment, but about myself as well.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Michigan.

Mr. HARVEY. I thank my friend from Arizona for yielding.

If we are going to have a study of this, then why should we not have a study of it for all three offices; the President as well as the Senate and House Members?

My friend is very eloquent, but in my judgment he has not made any case as to why we should treat the Senators in a different manner and the President in a different manner.

Mr. UDALL. The President and the Senate have been studied forever. We have study after study on the question. We cannot produce any new arguments about the presidency. But no one has ever looked at the 435 House districts to determine whether in a fair way we could administer a 315 repeal. I am not sure that I want it repealed for my district or for the districts of my colleagues. That is the reason why the House is in a special situation.

Mr. HARVEY. If my friend will yield for one moment further, there was nothing in the 1960 act or the 1968 act that had anything to do with any study whatsoever. So far as I know, there have been no legislative action on that matter.

Mr. UDALL. The gentleman may be right, but scholars, journalists, and Members of the House and of the Senate have studied this question. I suspect there are any number of volumes which have been written on this.

I am pained to see the gentleman from Michigan tell us how wrong and selfish we were as Democrats in 1968 and in 1964. He told the story. Now he wants us to do what he urged we do in 1964.

Let us do the right thing. If it was right in 1964 it is right today. Why does the gentleman object to it now?

The CHAIRMAN. The time of the gentleman from Arizona has expired.

(On request of Mr. MACDONALD of Massachusetts, and by unanimous consent, Mr. UDALL was allowed to proceed for 2 additional minutes.)

Mr. MACDONALD of Massachusetts.

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Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to my friend from Massachusetts.

Mr. MACDONALD of Massachusetts. I should like to ask, through the gentleman in the well, if this is so bad this year why did the gentleman who spoke so eloquently against the amendment vote for the repeal for President and Vice President twice last year?

Mr. UDALL. Now suddenly, in 1972, he finds this a very evil thing.

I suggested to him we were wrong in 1964. We should have had repeal.

This does not mean an incumbent President has to debate. This is an equal time provision and has little to do with debate.

I said earlier that I do not believe Richard Nixon will lose a single vote if he says, as an incumbent President, "I decline to debate." I do not think we would make any "brownie points" with the voters as a challenger against an incumbent President on that.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Michigan.

Mr. HARVEY. We are talking about a distinct broadcast station. We are not talking about the networks. There are stations in Phoenix, Ariz., in Cleveland, Ohio, and all across our country which have their rights. As licensees what they do or fail to do affects the President as well as the Senate and the House Members.

Mr. UDALL. I do not trust them any more than the gentleman does.

The CHAIRMAN. Does the gentleman yield further?

Mr. UDALL. I decline to yield for just a moment.

If I should run statewide. I would get help by some and would be hurt by some. But in my own limited district the situation might be different. That is why I think you can logically and philosophically defend a special position for the House. It is because you have 435 special problems there that do not confront a President running nationwide or a Senator running statewide.

Mr. HARVEY. I think the same can be said for the Senate, though.

Mr. ECKHARDT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, because the amendment offered by the gentleman from California is a middle-ground position, he seems to be getting a rather impassioned attack from both sides.

If I understand his amendment, it does not disturb the proposition that there should be an opportunity for the type of open debate in the presidential race that has existed in the past by temporarily removing the restriction of 315. It does not, on the other hand, as I understand it, disturb the protection of every Member of this House to equal time if he is in a situation where radio and television outlets are limited and controlled. The only difference his amendment makes is to extend the 315 removal to the Senate race.

I do not think that that is so innovative or so terribly dangerous; nor do I consider it to be so terribly helpful. It seems to me that his position is truly a middle ground and one in which there can be considerable argument on both sides.

I think that it is absolutely clear that we should not remove 315 from House coverage for reasons in addition to those previously stated. The main reason why I say this is because, although we may consider ourselves able to command attention of the media, it seems to me that the media can frequently ignore a House Member and freeze him out simply by not mentioning him. They cannot do that with regard to a Senate race in any State that I know of. They certainly cannot do it with regard to a presidential race.

Mr. BROWN of Ohio. Will the gentleman yield to me?

Mr. ECKHARDT. I yield to the gentleman.

Mr. BROWN of Ohio. I am hard pressed to understand the subtle distinction in the arguments presented by the gentleman from Texas between the broadcast media and newspapers or other forms of printed media. Newspapers can certainly freeze out a candidate if they wish to, can they not?

Mr. ECKHARDT. Yes, they can. But I think the difference is this: television and radio are so much more powerful because in effect television and radio constitute a parade. The listener or the observer must see what is paraded across the screen. The newspaper is more like a circus. You can take your choice of rings. It seems to me it is much more important that television and radio afford equal time, because I think they have more of the power to make or break a candidate for Congress.

Mr. BROWN of Ohio. Will the gentleman yield further?

Mr. ECKHARDT. Surely.

Mr. BROWN of Ohio. For 160 years in this country we did not have television and radio. During that period of time the newspapers frequently dominated the community just as the gentleman is alleging that television and radio do now. We survived as a society and have come this far with newspapers under the protection of the first amendment. Now, does the gentleman feel that the current media control is such that there is a problem here, or is the gentleman speaking out against the first amendment providing the media with an opportunity to make such a news assessment or editorial judgment.

I am a little confused about the gentleman's position.

Mr. ECKHARDT. How does the gentleman find that it is in violation of the first amendment? The first amendment does not give a man a right to demand that a newspaper give him equal treatment. The first amendment does not even demand that a newspaper sell a person advertising

Mr. BROWN of Ohio. Under the protection of the first amendment——

Mr. ECKHARDT. I rather agree with the gentleman that section 315 should have been extended to a newspaper situation which is a monopoly but, perhaps, it is a little late to raise that question at this time.

Mr. BROWN of Ohio. Mr. Chairman, if the gentleman will yield further, under the first amendment the newspapers were free to do what they wished in terms of coverage of election campaigns and our system survived.

Does not the gentleman think we can survive if section 315 is repealed in all cases with reference to television and radio stations?

Mr. ECKHARDT. I suppose we could survive it, but I think it would be very harmful to our system.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent (at the request of Mr. HAYS) Mr. ECKHARDT was allowed to proceed for 2 additional minutes.)

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Ohio.

Mr. HAYS. I think there is one big difference that the gentleman from Ohio (Mr. BROWN) has failed to point out. I understand the gentleman owns both newspapers and radio stations.

Mr. BROWN of Ohio. Could I correct the gentleman?

Mr. HAYS. If I am wrong.

Mr. BROWN of Ohio. The gentleman from Ohio (Mr. HAYS) is wrong.

Mr. HAYS. You do not own any newspapers?

Mr. BROWN of Ohio. We do not own any radio stations.

Mr. HAYS. All right. I just wanted to make sure that you only owned newspapers.

Mr. Chairman, the point I would like to make which it seems to me has not been made, is this: In my district people can subscribe to any one of a dozen different daily newspapers, but there is only one television station. So, there is a big difference between newspapers and television—a big difference.

The only recourse you have with television is to turn it off, and if you do that, in certain parts of my district, then, you could not see any program.

So, I think you are talking on the one hand about a monopoly and on the other hand about newspapers from which the public can pick and choose.

Mr. ECKHARDT. It seems to me that what the gentleman is stating here, and very ably so, is that if it is a good thing to have section 315 apply to radio and television, it might have been a good thing in the past to have applied the same kind of rules to newspapers.

Mr. HAYS. Maybe we ought to do that now.

Mr. ECKHARDT. But, we certainly should not restrict section 315 from coverage of television and radio today. I think that is what the author of the bill is talking about. I think the gentleman from California also takes that position. The only difference, I think, between them is with respect to what should be done in the Senate races. I, marginally, favor the position of the gentleman from California, but I strongly believe that the protection of section 315 should be applied to House races.

Mr. PODELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to take unenthusiastic opposition to the gentleman's amendment.

It is obvious that all of us realize the importance of removing section 315 as to President and Vice President. Certainly, the gentleman from Michigan referred to his prior votes in that direction. He than afforded us a lot of statistics, some of which makes one wonder if we were not discussing President Nixon's sixth phase program for the moment.

Mr. Chairman, the issue before the House is simply whether or not section 315 as it applies to Members of the House of Representatives is important.

It is not truly an issue with regard to the President and Vice President of the United States because the stations themselves would want them to discuss the issues which they deemed important in debate. This admittedly should include the major party candidates, but not the Vegetarian Party and all various other party candidates which would insist upon equal time. As to the President and Vice President section 315 should and must be repealed.

Insofar as Members of the House are concerned, while you and I are sitting here today every local radio station, every local TV station have what they call an editorial policy.

Each one of these editorials that come on daily are being responded to by some individual back in your district. We have something like eight or nine different channels in New York City, that do this very thing. I never get a chance to respond to the editorial policies because a. I do not hear it in Washington, and b. I am unable to respond because by the time it is transmitted to me and I finally attempt to respond, any one of a number of people have already responded. So we operate at a disadvantage. For this additional reason I think section 315 is important for Members of the House of Representatives and should be retained.

As to Members of the Senate, and we have spent an hour of debate here on whether or not they want to retain section 315. If they want it, well, then, let them have it. If they do not want it, then let them not have it but that should be their decision and not ours. This can be accomplished in conference.

It seems to me the best thing to do is to just pass the bill in its original form, and if the Senate wants to insist upon it in conference we should have no objection.

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened with great interest to the arguments pro and con, and the impression I get is that if we pass this amendment that has been offered by the gentleman from California (Mr. VAN DEERLIN) that then we have taken definitive action for the President, Vice President, and the candidates for the Senate in the repeal of section 315, and on the other hand we are going to have the Federal Communications Commission conduct a study—the impression being that the study would only be applicable to the problem of section 315 as it relates to the House of Representatives.

But as I read this proposed amendment it certainly involves all Federal elective offices, those for whom we have repealed section 315, and the Members of the House of Representatives for whom we have not repealed section 315.

It seems to me, Mr. Chairman, that this highlights the inconsistency of this particular amendment. We want to protect ourselves while yet a study is made, but we want to repeal section 315 for the President, the Vice President, and the Senate, while the study is being made. I think it makes us look a little ridiculous. I think you might call it a House of Representatives self-interest, or self-protection amendment.

Why can we not be consistent, either repeal it as to all, or repeal it as to none? At least the other body had the consistency of repealing section 315 as to everybody, the President, Vice President, Senate, and House of Representatives.

It would make us, in my opinion, look interested in our self-perpetuation, it would make us appear to be completely inconsistent if the Van Deerlin amendment is approved.

I personally think we are much more qualified in the House Committee on Interstate and Foreign Commerce or the comparable committee in the other body to conduct any study that involves the repeal or nonrepeal or modification of section 315.

Mr. Chairman, I strongly oppose the amendment offered by the gentleman from California (Mr. VAN DEERLIN).

Mr. MACDONALD of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Massachusetts.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I thank the gentleman for yielding, and I respect the distinguished minority leader, as I am sure the gentleman knows, but when did the gentleman from Michigan change his mind? Because last year this part did not bother the gentleman at all. The gentleman voted twice last year to repeal section 315 just for the President and the Vice President.

Mr. GERALD R. FORD. There is quite a difference between this amendment and the action we took last year. This amendment perpetuates self-interests for the Members of the House. I do not see where this amendment relates at all to what the House did last year.

Mr. MACDONALD of Massachusetts. Does the gentleman feel that the broadcasters in various sections of this country—and, incidentally, it will not be occurring in my section—but in various sections of the country is the gentleman willing to turn over to the broadcasters who will be and who will not be successful candidates? Because I would point out to the gentleman and to all other Members of the House that a broadcaster can give free time to one candidate and refuse to sell time to the other candidate if section 315 is repealed.

Mr. GERALD R. FORD. I understand what the gentleman is saying, but how can you justify the House treating itself differently from the candidates for President, the Vice President, or the Senate?

I do not see any rational difference whatsoever in the relationship between a broadcaster and a House Member and a broadcaster and any candidate for the Senate or the President or Vice President.

I do not think our constituents see any difference. We are all seeking a Federal elective office and should be treated the same under section 315.

In the interim under this amendment offered by the gentleman from California, it treats House Members differently from others while the study is going on. I think it is inconsistent and inequitable and I think the amendment ought to be defeated.

Mr. MACDONALD of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman, if I have any time remaining.

Mr. MACDONALD of Massachusetts. Mr. Chairman, the gentleman is a very practical politician, and the gentleman knows the public would not stand for three networks giving free time to just one candidate for President because the national interest is obviously concerned.

The gentleman also understands, I would think—I do not know this—but I would guarantee on the presidential, that in any given State you cannot keep a bona fide senatorial candidate off of television without a terrific protest, but you can keep a congressional candidate off in a congressional district.

Mr. GERALD R. FORD. I would point out to the gentleman that the broadcasting media are trying and are doing a reasonably good job in protecting the interest of all candidates.

Mr. DINGELL. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California. I have high regard for the gentleman from California. He is a man of great ability and great integrity and fundamental decency and he is a very useful and valuable member of the Commerce Committee and we are very proud of him.

The gentleman from California has a viewpoint—he comes from the broadcasting industry and this tends to somewhat color his attitude toward that particular industry.

I think the amendment should be viewed as being essentially an industry amendment. It is one which either leads at this time or ultimately will lead to the foot of the broadcasting industry being on the throat of every single candidate for public office in the United States.

I think it is time that we understand there is a distinct difference between a candidate for the Presidency and a candidate for the Senate and a candidate for the House. These three offices are essentially different in their impact and in the way the broadcasting industries are going to view them. A candidate for the Presidency is probably going to be treated essentially fairly by the networks—which is something that does not obtain with regard to a candidate for the Senate and of the House or to Members of the House or Senate.

This body has had a continuing sequence of scrutinies by the Commerce

Committee of the fashion in which the broadcasting industry has conducted its responsibilities in the public trust.

I would like to take this opportunity to recall to my colleagues some of the scrutinies that have been engaged in by the Commerce Committee and by its Subcommittee on Investigations so that you can see whether or not Members of this body want to put the foot of the broadcasting industry on the throats of Members of the House of Representatives and candidates for the House of Representatives.

Not long back, a Member of the House of Representatives had a situation foisted upon him which I think cries to the heavens for investigation and redress.

A chairman of a committee of this body was defeated because the broadcasters in his area turned over to his opponent on election eve, an immense amount of free time which was utilized against him for his incumbent opponent—and that Member is no longer with us.

I just think that if that could happen to a chairman of a committee of this body, it could happen to any other Member.

Let me recount a few other things. Recall the program "Say Goodbye." We had a careful investigation of some of the outrageous things which took place in there, the compendium of pictures of polar bears shot from aircraft, which was foisted on the American public as something to be regarded as reprehensible, and it turned out later that the polar bear depicted as being shot from an aircraft was in fact, shot with a tranquilizer by a game warden as part of a game management program—and later released alive and unhurt.

Recall how the hunger in America documentary was utilized as a vehicle to stir public emotions with a child pictured as starving to death, a child which turned out to be a premature baby. The welfare line was generated by the broadcasters having the doors closed to the welfare agency. Remember, these are the friendly broadcasting people who utilized their resources to electronically eavesdrop at a meeting of the Democratic National Committee. Recall some of the things done by the broadcasters at the Democratic Convention, to facilitate circumstances showing people engaged in violence in order to generate a situation where the aura of outrage would be very clear to the American people to the hurt of the Democratic party.

I will not say the entire broadcasting industry is bad. That is not true. There are honorable men in it. Most of the men in the broadcasting industry are honorable. But the temptation is to seek something sensational. The broadcasting industry by its very nature tends to be a sensational type of industry. In times past they have utilized means which we have questioned after careful scrutiny by committees of the Congress.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The gentleman is confusing me with examples of bias on the part of networks in terms of their coverage.

Mr. DINGELL. I mentioned network. The gentleman is a member of the Commerce Committee and has heard reference to what I am speaking about.

Mr. BROWN of Ohio. I am trying to determine whether the gentleman is arguing that the networks will be fairer to the President than will individual broadcast stations to Members of Congress and their constituency.

Mr. DINGELL. I am glad the gentleman gleaned that from my remarks. That is exactly the impression I intended to make. The fact of the matter is an amendment which would authorize that kind of situation is very bad.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(On request of Mr. HOLIFIELD, and by unanimous consent, Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my good friend from California.

Mr. HOLIFIELD. I was very interested in the gentleman's illustrations. I think it is something we all know has happened and will continue to happen under the present procedures of the broadcasting industry. I would merely like to take this time to point out that both CBS and NBC presented so-called public interest television documentaries in which they gave me some 3½ minutes to state a position on an important matter and then proceeded to give the other 55 or 56 minutes to the opposing viewpoint and absolutely knock it down, and having had that experience on both CBS and NBC, I unhesitatingly say that I have no confidence in the integrity of either of these chains or any other television operator who is given the right to so victimize the American people as they have done on numerous occasions.

Mr. DINGELL. The gentleman is entirely correct. I would just like to add that this body, not long back, unanimously condemned the activities of one of the networks where they took—they did broadcast "falsehoods" on the air—what they did was that they took and doctored a statement of public officials and then broadcast them so that the public officials said something very differently from what they had actually said in the interview.

I think this House must understand one thing. With the immense power of the broadcasting and television media, the one protection that every citizen of this country must have is a protection from the excesses and abuses by broadcasters and the television industry, and they can get that by seeing to it that the equal-time provision, section 315, remains intact, and that the fairness doctrine, which affords another similar protection, remains intact with regard to persons who are Members of the Senate or the House or candidates for the Senate or the House.

Mr. VAN DEERLIN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from California.

Mr. VAN DEERLIN. The gentleman has mentioned the fairness doctrine. Both what my California dean, and most of what the gentleman has complained about would have reference to the fairness doctrine, and not to section 315.

Mr. DINGELL. Mr. Chairman, I have mentioned one case which deals directly with section 315. The gentleman has a good enough imagination to see how, if section 315 is repealed, the broadcasters in his district can do things which will impinge upon his candidacy.

Mr. VAN DEERLIN. The gentleman has impinged upon my reliability.

Mr. DINGELL. I did not.

Mr. VAN DEERLIN. The fact of the matter is that the Senate, with only two dissenting votes, has indicated its willingness to submit themselves to the fairness of the broadcasters.

Mr. DINGELL. I will be glad to discuss the Senate another time.

Mr. ALBERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman. I take this time primarily to commend the gentleman from Ohio (Mr. HAYS) and the gentleman from West Virginia (Mr. STAGGERS) and the gentleman from Massachusetts (Mr. MACDONALD) for bringing these matters to the House. I do this because I think election reform is a top priority measure facing this Congress. I am grateful that the committees have reported these bills.

This legislation is important to the House because it is important to the American people. There are too many signs of a loss of faith in government for us not to be concerned and to take positive action to restore public confidence in the political process. When 47 million eligible voters do not think it is worth bothering to vote for the candidates for the highest office in the land, I think it is time for us to be concerned.

The accelerating costs of running for public office are becoming a serious national problem. Spending in the last Presidential campaign exceeded $44 million—a 50-percent increase over 1964 and 100 percent more than in 1960. Total spending for all campaigns across the Nation in 1968 has been estimated at $300 million, and the massive outlays in last year's statewide elections indicates that an even greater escalation is in the works for 1972 unless we call a halt. We are literally on the crest of a deluge which threatens to get completely out of hand and make a mockery of the democratic process.

Our political system is predicated on the broadest possible participation and the broadest possible opportunity to seek political office. We undermine that cardinal principle when the electoral process threatens to become the exclusive preserve of wealthy men. The blocking of opportunity to run for office is a cause for deep concern to every American.

It is not a question of integrity. It is not a question of corruption. It is a question of elemental democracy, and it is a question that often results in the creation of a climate of opinion that elections are up for sale. That climate is not conducive to public faith in government.

It is not a matter of whose ox is gored between incumbent and challenger. It is the disenchantment of the public that must be our concern.

Each of us in this Chamber has a personal stake in restoring reason and sanity to campaign practices. As individuals who have all been burdened with the onerous and sometimes demeaning task of raising funds, we should welcome relief from the spiraling rate of campaign expenditures. We must, it seems to me, encourage meaningful presentation of the issues to the broadest public possible.

I believe that the American people expect us to enact significant reform. It is my deep conviction that we should. An election reform bill will cap a responsible and productive first session of this Congress.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments to this amendment cease in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. Under the unanimous consent agreement, Members will be recognized for approximately 1½ minutes each.

The Chair recognizes the gentleman from Florida (Mr. FREY).

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FREY. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California (Mr. VAN DEERLIN). I want to make clear at the outset that I have firmly supported the principle of across-the-board repeal of equal time clause. One of the most distressing aspects of our election process in recent years has been the wholesale adoption by candidates of the 10-, 20-, and 30-second spot commercials. While these broadcasts can sometimes make a positive contribution in allowing a new candidate to develop name recognition, on the whole, they fail almost completely in fulfilling the essential task of providing the voting public with detailed insight and knowledge about a candidate's capabilities and positions on the issues.

Yet because of the greater dollar efficiency involved in repeated spot commercials as opposed to longer broadcasts it is almost certain that this trend will continue. I think the answer to that dilemma is a public subsidy for program time similar to the voter's time proposal I introduced with a bipartisan group of 80 cosponsor sponsors earlier this year. However, since it is clear that we are not yet ready to take a step of that kind, I think the next best alternative is to remove the 315 restriction so that broadcasters will be free to offer at least limited amounts of program time for debates and indepth presentations by major candidates.

Mr. Chairman, this objective of elevating political dialog during campaigns is the fundamental rationale for repeal of the equal time clause. It is therefore impossible to avoid the conclusion, I think, that the Macdonald subcommittee failed miserably in its treatment of this issue. It makes no sense to repeal 315 for presidential races only, unless you are willing to suggest that voters need indepth exposure to the abilities and positions of presidential candidates, but not to candidates for the House and Senate. Instead of adhering to this important objective of increasing meaningful candidate exposure to the electorate, the Democratic majority of the committee chose to take a cheap partisan shot at the President which has nothing whatsoever to do with genuine reform.

Mr. Chairman, I know the gentleman from Massachusetts (Mr. MACDONALD) has expressed the view, sometimes with considerable agitation and alarm, that repeal for congressional candidates would be a license for local broadcasters to discriminate against candidates they oppose. While I do not think this danger is as great as the gentleman would have us believe, it cannot be dismissed completely and requires that a repeal of 315 be accompanied with some kind of new safeguards, albeit more flexible ones. I think particularly in metropolitan media markets like New York City where there would be nearly 80 House candidates, or in Los Angeles where there would be 35 candidates there is special need for safeguards to insure fair treatment for all major candidates. But there is not reason why the committee could not have developed these over the past year if it would have had a mind to.

Mr. Chairman, because of this negligence on the part of the Macdonald committee we are now confronted with an impasse that could well mean the life or death of the entire campaign finance reform effort this year. A repeal of 315 for the President only has no place in an honest reform measure and must be stricken or replaced. Yet it would be impossible at this late date to write a bill on the floor that would provide the safeguards for House candidates that I think must accompany an across-the-board repeal. The Van Deerlin amendment, therefore, provides a way out, although it is a second best approach to be sure. By mandating the FCC to propose legislation that would provide safeguards following the repeal of 315 for House candidates, it will force the Communications and Power Subcommittee to face the issue that it so studiously avoided this time around.

Mr. Chairman, this amendment is a fair compromise and I understand the gentleman from Massachusetts will agree to it. It is the only approach to 315 that will strengthen rather than weaken the Senate bill on final passage. So I would say to those who would either not yield on the current repeal for President only or who would hold out for an immediate across-the-board repeal: Do you want a bill or an issue? I think the American people overwhelming demand reform of our election process. If the House again becomes a burial ground for reform, it may well be because too many of us were content to play politics on this issue when the choice to support reform was clear indeed. I hope that will not happen. The Van Deerlin offers the opportunity for those who genuinely want reform to see that it does not.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. MAYNE).

Mr. MAYNE. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. COLLINS).

(By unanimous consent, Mr. COLLINS of Texas yielded his time to Mr. BROWN of Ohio).

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, the question of broadcast domination has come into this discussion with charges that monopolies are more common in broadcast media than in print media. I should just like to suggest that with respect to monopoly coverage that we should look at the numbers of broadcasters as opposed to the numbers of newspapers. Let us look at the statistics which exist at this moment.

We currently have in the United States almost as many TV stations as we do daily newspapers. With cable coming into many communities we are going to have a great many more outlets than we do daily newspapers.

We have as many radio stations, AM and FM, as we do weeklies in the United States.

If the move is to try to control the public expressions and the campaign attitudes of those people who have broadcast media usable in campaigns. Then what are we going to do about the magazines, the newspapers, or even mailings by private individuals and their right to take sides in campaigns.

I think we tread on very dangerous first amendment territory in this 315 thing, and we have for many years. I would like to point out, as I tried to in my earlier questions, that newspapers once dominated the mass media in this country. It was not too many years ago. We have been "protected" by the Communications Act only since 1934. That was only 37 years ago. We had gotten along until that time on the basis of free speech without control through this Congress of what people could say or print in newspapers during political campaigns.

It seems to me what we are talking about is not a lack of confidence or the existence of confidence in the media but, rather, of a lack of a confidence in the average citizens of our country. It seems to me that the average citizen is smart enough to see through biased media when he is being subjected to only one viewpoint.

The chairman of the subcommittee agreed with that. As Mr. MACDONALD said, the public will not tolerate three networks giving only one side of the presidential picture, and I am sure that that is true of public confidence in media in individual congressional districts.

Besides that, media economics will require that many different viewpoints be represented. And media economics includes print media as well as radio and television. The philosophical spectrum will be covered. History has proved that there is a sound regard for balance and fairness in the exercise of free speech.

But history tells us that law is not an effective limitation on free speech when the people desire to express themselves.

The multiplicity of voices and the diversity of outlets in our country are what protect us in our freedoms and our rational political judgments.

I am not so sure that there is anything wrong, on occasion, with running against the media. It is done sometimes, and I think it is done with some success. We only have to look at the history of campaigning in this country. If you look at the old-time newspapers of a century or more ago when they were the only voice in a district and you did not have radio and television, you will see that they took sides and sometimes they took sides ferociously and with strong bias. Nevertheless, the voters made their own judgments and we survived.

The CHAIRMAN. The time of the gentleman has expired.

The Chair now recognizes the gentleman from Minnesota (Mr. FRENZEL).

(By unanimous consent, Mr. FRENZEL was allowed to yield his time to Mr. BROWN of Ohio.)

Mr. BROWN of Ohio. When Mr. FRENZEL and I put in our bill, the Senate piece of legislation on this subject, we consciously wanted a total repeal of section 315 as it applies to all Federal officeholders.

We do not see how we can logically discriminate between a President covered by three major networks. That is where the presidential election coverage will come from. It will not originate from the local broadcasters. The local stations will get their story on the campaign through the three major networks. For those of us who have districts where there are no television stations or where we are ringed about by television stations in nearby areas, it is those local stations from which a portion of our coverage will come. The networks will not play a part in such local campaigns. We ought to have confidence. I believe in the ability of the average citizen to judge if they are getting bad coverage or biased coverage just as they can in newspapers and magazines. We ought to have discretion enough and honesty enough in this body to repeal 315 for all Federal officeholders and not try to legislate our own protection under a law which I think is long since outmoded.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Chairman, each time since I have come to the House that we have had a measure dealing in any wise with the broadcast media I have made it a point to call to the attention of my colleagues in the House that I am one of those who have a minority interest in a licensee of a radio and television station. I do so once again.

I recall when I first came here listening to the gentleman from Arizona (Mr. UDALL) commenting on the potential conflict of interest and making a point when any such situation does exist where we can be accused, that, of course, we have the right to say we plead this situation and then vote "present." But he advised then, and I think soundly, that a preferable procedure is to more full disclosure and then proceed to vote in the public interest.

It seems to me that in a situation like the one facing us, which goes far beyond self-interest by anyone involved in a minority ownership position of such an interest, it is important that we face up to the broader impact of what this amendment would do.

And, for this reason, I intend to vote on the substance of this measure and not to vote merely "present."

Mr. Chairman, on this particular point before us now, I would say it would be sound and fair and in the public interest that we vote to repeal section 315 across the board. Lacking that, it would seem to me sound and fair and in the public interest that we leave it in existence across the board.

I, personally, think that fairness and equity does not rest on the side of those who say that we should let it apply partly but not across the board.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Chairman, I wish to make only three points before we vote.

First, this amendment is an attempt to arrive at a compromise in order to get a bill that can be passed and signed into law.

The Senate said, repeal 315 for everyone. The committee position which I probably would have supported, given the lack of the necessity of compromise, says for the President and Vice President only. It clearly says we will do it for the President and the Senate now and see whether or not it is feasible to repeal section 315 for 435 House congressional districts.

Mr. Chairman, the second point is the fact that the Senate has already said they do not mind having section 315 repealed for Senate seats. The amendment gives them what they have asked for and approved.

Finally, I would like to make the point that the House is protected. Section 315 will never be repealed for any House Member until a future Congress acts on the proposed study. So, you can vote for this amendment with the certainty that nothing will be done with reference to your district until a study is made and reported back to the House and the Senate.

Mr. Chairman, I think probably the finest hour in our political history was in 1960 when we had the great debates between former President Kennedy and President Nixon.

We can get back some of the potential of television if we take off the shackles and in effect maybe bring the Lincoln-Douglas debates into the living room. Therefore, I think this is a sound amendment and one which should be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. THOMPSON).

(By unanimous consent, Mr. THOMPSON of Georgia yielded his time to Mr. HARVEY.)

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. HARVEY).

Mr. HARVEY. Mr. Chairman, I just want to make these two points. First of all, I was very shocked to hear my very good friend from Illinois (Mr. ANDERSON) say, particularly to the Members on my side of the aisle, that if they truly wanted election reform then they should vote for this amendment.

I say to my friends on both sides of the aisle, if you want election reform, then vote down this amendment.

Members of the committee may recall that before the recess I appeared in the well and said that if you truly want election reform, then you will vote for the substitute which will be offered by Mr. FRENZEL and Mr. BROWN of Ohio and which I will introduce later. Why do I say this? I say this because there are two things going for it. The Senate has already approved it and the White House has said it is perfectly fine with them and that they will accept it.

Mr. Chairman, if the members of the Committee of the Whole House on the State of the Union want to get election reform, then vote down this amendment. If you do not want election reform, then go ahead and vote for this amendment and further clutter up the bill.

I say vote this amendment down if you want election reform.

The next point is a point which we have gone over, back and forth, but there seems to be no clear understanding of it. There is nothing in section 315 of the Communications Act that applies to networks. It applies to licensees and broadcasters. I submit to you that exactly the same situation applies in Boston, Mass. or Detroit, Mich. or in any other State of the Union—the exact same broadcasters handle broadcasting as it pertains to the President, the Senators and Members of Congress.

You cannot make a distinction between them. However, that is what this amendment would do.

So, I plead with you to give the President a break, give the Senate a break, and give the House Members a break and treat them the same. They are all candidates for Federal elective office. I see no reason why they should not be treated alike.

Therefore, I urge you to vote down the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. KEITH).

Mr. KEITH. Mr. Chairman, it seems to me that, as has been mentioned by the gentleman from Michigan (Mr. HARVEY) that the real reform the people want and that the Nation really desires lies in the field of full disclosure, in the limitation on expenditures, and in the fair treatment for the President commensurate with that of the Congress.

It is not strange that it was the finest hour for the gentleman from Arizona when the record was put on the line, as it was in 1960, and when they tried to nail Nixon to the mast. But by the same logic if you did not do this in 1964 and if you did not do it in 1968, then we should not do it now. You have an incumbent defending a record that is a good record, but there are always disagreements about such a record, many of us have contributed to this. So I believe Section 315 should be kept the same as it was in 1968 and in 1964.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. VAN DEERLIN).

Mr. VAN DEERLIN. Mr. Chairman, second only to hearing myself described as a spokesman of industry on the floor today, I am concerned about having been referred to as somehow or other advancing a self-interest piece of legislation. The minority leader very forcefully described my amendment as something that would protect only House Members. Well, I believe I should point out—although it seems so obvious that it should not require me to point it out—that this also would protect the opponents of Members of the House who run for reelection. As it is now, in many areas the sitting Congressman might logically expect to have a better time with the existing broadcasters than his lesser-known opponent is going to have. So the opponent should have an equal interest in requiring, before we move in, helter-skelter, to repeal section 315 across the board, that the matter be given ample study—for final determination by the House and Senate—by the agency with the most appropriate ability to conduct such a study, which, of course, is the Federal Communications Commission.

Mr. Chairman, I rest my case.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California (Mr. VAN DEERLIN). I do so very reluctantly because of my friendship for the gentleman from California. I agree with what has already been said, that he is one of the finest gentlemen we have in the House of Representatives. I disagree with the gentleman very strongly on the conclusions he has reached in this matter, and indeed I have disagreed with the gentleman before, but always we have done so in a way that has been friendly.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Illinois.

Mr. SPRINGER. Mr. Chairman, may I say that I admire the distinguished gentleman from California (Mr. VAN DEERLIN). The gentleman has contributed greatly to our committee. However, on this very important question I fully agree with the Chairman that, after having discussed this matter back and forth for 12 years, that we are on the right track at the present time, and that this proposed amendment in my opinion is not in the public interest.

Mr. STAGGERS. Mr. Chairman, I thank the gentleman from Illinois for his statement, and I share his views, and I also agree with many of the other statements that have been made that we are after election reform.

However, from the way we seem to be moving we are not going to be a democracy for very long; we are going to be a plutocracy, and ruled by wealth.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

The Chair recognizes the gentleman from Ohio (Mr. HAYS).

(By unanimous consent, Mr. HAYS yielded his time to Mr. STAGGERS.)

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I thank the gentleman from Ohio for yielding. I did not mean to raise this subject, but since I have, I hope that I can dispose of it in just a moment or two.

If we are going to continue to have a democracy then we must continue to elect our representatives "of the people, for the people, and by the people."

It is getting to the point today that an ordinary person in America cannot be elected to the Congress of the United States, and we might as well recognize that.

When I first ran for office, it was a different proposition. You could run for office and go around seeing people and talking to them and telling them things. You cannot do that today.

I say that we have to make a real reform legislation out of this bill. Legislation that will have some teeth in it and set some limits so that all men and women, regardless of what party they belong to, can run for high office and be elected. But you cannot do it today—I do not care what party you belong to. You have to have a great deal of wealth or access to it.

We, as representatives of the people, have to pass reform legislation. A bill that is really worthwhile and one that has some teeth in it and one that is fair to those who are out of office and is fair to the one who is in office.

The CHAIRMAN. All time has expired on the amendment.

The question is on the amendment offered by the gentleman from California (Mr. VAN DEERLIN), to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

The question was taken; and on a division (demanded by Mr. VAN DEERLIN) there were—ayes 23, noes 83.

So the amendment to the amendment was rejected.

AMENDMENT OFFERED BY MR. SPRINGER TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS

Mr. SPRINGER. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER to the amendment offered by Mr. MACDONALD of Massachusetts: Page 2, line 6, strike out "(and for" and all that follows down through line 8 on such page, and insert in lieu thereof a period.

Page 3, strike out line 6 and all that follows down through line 5 on page 4.

Page 4, line 8, strike out "SEC. 105" and insert in lieu thereof "SEC. 104".

Page 8, line 24, strike out "105" and insert in lieu thereof "104".

Page 9, line 14, strike out "SEC. 106" and insert in lieu thereof "SEC. 105".

Page 9, strike out line 16 and insert in lieu thereof the following:
out sections 102, 104(a), and 104(b) of this Act.

Page 9, line 18, strike out "SEC. 107" and insert in lieu thereof "SEC. 106".

Page 9, strike out line 19 and insert in lieu thereof the following:

104(a) or 104(b) or any regulation under section 105 shall

Page 9, strike out line 23 and insert in lieu thereof the following: "lates section 104(a) or any regulation under section 105 shall be".

Page 10, strike out line 4 and insert in lieu thereof the following:

"SEC. 107. Section 103 of this Act and the amend-".

Page 10, line 6 strike out "105" and insert in lieu thereof "104".

POINT OF ORDER RESERVED

The CHAIRMAN. For what purpose does the gentleman from West Virginia (Mr. STAGGERS) rise?

Mr. STAGGERS. Mr. Chairman, I do not know what this amendment has in it and I cannot tell a thing about it, so I would reserve a point of order against the amendment until I hear an explanation of the amendment.

The CHAIRMAN. The gentleman from West Virginia reserves the point of order against the amendment.

Mr. SPRINGER. Mr. Chairman and my colleagues, this is a simple amendment even though it seems to be somewhat complicated in the fact that there are some 13 alterations in the bill in order to arrive at this amendment. This amendment was to be introduced by Mr. NELSEN, of Minnesota, who could not be here today because of a family emergency. It does three things: First, it eliminates the section which covers the entire question of rates for political broadcasting. Also it eliminates the "comparable" test for newspapers. Finally, it eliminates that portion which compels newspapers to give equal access to all candidates.

I want to consider first the newspaper situation, if I can. Most of you probably received this brief which was made up by the School of Journalism of the University of Missouri, Columbia, Mo., in September of 1967, the Freedom Information Center Report No. 187, advertising the right to refuse. There is a serious constitutional question involved.

Under the amendment to the Constitution which provides freedom of the press it has been repeatedly held in any number of court decisions, which I will not attempt to point out for lack of time, which state that newspapers may deny any advertising it sees fit to deny. There is a serious question about whether this section of the bill is constitutional or not.

That is the first point.

The second, having to do with newspaper rates, which forces the newspaper to give a comparable rate to a Member of Congress that it would give to any other comparable person who seeks advertising, to me is unconstitutional, because it seems to me that a newspaper has the right to set any rates it wishes to, and you are forcing them to set rates which I think the Supreme Court would say in essence is a rate which would put a newspaper out of business, if they are forced to give rates low enough to deny the newspapers to pay their own costs it is wrong even if constitutional. That is the second one.

The third one has to do with TV giving you the lowest unit rate. It seems to me that in this area we must remember that we have made the media a free

enterprise. We have made it a free enterprise in essence because we have given them the right to charge what they believe to be reasonable rates to make a profit.

What in essence we are doing in this section of the Macdonald bill is to force the TV to give you the lowest unit rate. In the second place we have said that newspapers must give you a comparable rate. In the third place we have said the newspapers must give you equal access. I think the first thing you are going to get—and I think the newspaper association has said that this is going up to the Supreme Court to determine whether or not Congress has the power to impose a regulation of this kind upon newspapers. Personally I have not been overcharged in my own area either by a newspaper or by a TV station, in my opinion. I have tried to compare those rates in view of what appears in the Macdonald bill with newspapers of similar size all over the country, and I find that in our area they are charging approximately the same rate. Some are a little lower; some are a little higher. I can understand that because of the question of size of circulation and amount of advertising that each individual newspaper has. But on the whole it is comparable.

As to TV rates, TV rates in my area are lower than they are in other parts of the country. So I do not say that we are being overcharged. Some of you might be interested in determining for yourselves in your own areas whether or not you are being overcharged or undercharged. But I think TV would be willing to listen to anybody who wants to talk about this thing as to what a fair charge should be for TV time.

It seems to me in the first place when you are in the newspaper field you are clearly on serious constitutional grounds.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent, Mr. SPRINGER was allowed to proceed for 3 additional minutes.)

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my colleague, the gentleman from Illinois (Mr. COLLIER).

Mr. COLLIER. Mr. Chairman, just one question. I do not think the problem that has developed with respect to rates has been directed to rates that are not comparable in different geographical areas. It was my understanding that this was directed to comparable rates for advertising within a given publication. In other words, are we suggesting it is wrong to say that a political candidate should not be permitted, for example, to buy two columns by 4 inches of advertising at a rate higher than what the local businessman pays in the same newspaper in the same issue?

Mr. SPRINGER. What I have said to this date was in trying to compare rates in different parts of the country.

I think the gentleman strictly speaking is more nearly right as to what the intent of the Macdonald section is, which is to do what the gentleman is talking about, but I think the gentleman is right that there is a serious question of whether we have the right to do it.

Mr. COLLIER. It is not an uncommon practice in many parts of the country to charge a political candidate a rate which is generally a premium rate over what is charged for other advertising.

Mr. SPRINGER. That is right. I do not argue that question with the gentleman at all. I merely say we are on constitutional grounds as to whether that can be done—not as to whether they can charge higher or lower rates, but whether it can be done at all.

I do think it is a question of whether we ought to say that the TV station must charge us the lowest unit rate, because when we come to politics, I think all of us realize this is a temporary thing, and this is the reason—I have had explained to me by some newspapermen—that it is a limited thing, and in some cases it is limited to 2 or 3 weeks over the year.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I am a little uncertain as to where the gentleman does stand on the newspaper thing. My experience on television in my district is that they will give me the same rate as anybody else is given for the time I use. If I want 50 spot announcements, I get the 50-spot rate.

At least one newspaper out there I know charges for political advertising exactly 50 percent more than it does for other casual ads paid in advance. Is that constitutional?

Mr. SPRINGER. I think it is.

Mr. HAYS. In other words, there is no discrimination?

Mr. SPRINGER. The gentleman is talking about newspapers?

Mr. HAYS. Yes.

Mr. SPRINGER. The newspapers, I think, are bound by the Constitution. In other words, they have a freedom, and this brief which has been made up by the University of Missouri School of Journalism is accurate.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent, Mr. SPRINGER was allowed to proceed for 2 additional minutes.)

Mr. SPRINGER. Mr. Chairman, I think the list of decisions is very conclusive on the question of whether or not they can refuse.

Mr. HAYS. As I understood the testimony of the man who spoke for the newspaper association, it was that they did not object to an equal payment by political candidates. The thing they did not want was for political candidate to get preferential treatment as though they were advertising over 365 days of the year. I am sure I heard the gentleman right, and I was there, that he had no objection to an equal treatment for political candidates, and he purportedly spoke for the whole association.

Mr. SPRINGER. If I understand the gentleman correctly, I think it is true on the question of discrimination there is no question that I think that would be objectionable. But I think the point being raised by the gentleman from Massachusetts (Mr. MACDONALD) in his amendment is we would have to charge a comparable rate for the same kind of service. That is in the Macdonald bill, which I understand the gentleman from Ohio says is a different kind of problem.

Mr. HAYS. I am saying newspapers should charge the political candidate the same thing they would charge a fellow who advertises only twice a year, but in some instances they charge the political candidate a 50-percent premium.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from California.

Mr. SISK. Mr. Chairman, in view of the fact that the gentleman raised the question of constitutionality of setting newspaper rates, or the fear that there would be a constitutional question; in the letter the newspaper association put out on this, they, as a part of that package, at least in the letter I received, they cited the fact they do not endorse this business of gouging political candidates and they have indicated the desire to eliminate that.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(On request of Mr. SISK, and by unanimous consent, Mr. SPRINGER was allowed to proceed for 2 additional minutes.)

Mr. SISK. They further cite that some six States in the United States at present do set, by State law, a limitation.

The thing which raises its head immediately with me is the question why, on the one hand, were they making a big argument it would be unconstitutional for us to enter into the so-called rate-setting area and yet at the same time use as an argument, for a lack of need, the fact that some six, seven, or eight States already have a ceiling in connection with political advertising in newspapers.

For example, the State of Maryland right out here, I understand, has a law in regard to newspaper rates for political advertising. I believe the State of Hawaii has such a law. I believe the State of Arizona does. I do not have those in front of me.

Mr. SPRINGER. May I say to my colleague, that has never been tried out in any of those States. It has never gone to the supreme court of the State, and never to the Supreme Court. On the basis of the cases that have gone up at the present time, it is my opinion it is unconstitutional.

Mr. TIERNAN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Rhode Island.

Mr. TIERNAN. I thank the gentleman for yielding.

As the gentleman knows, the hearings clearly indicate we had the representatives of newspaper associations before the subcommittee. At that time, there was never a question about the constitutionality of this provision raised before the committee.

Second, it was at their suggestion that the present language in the proposal before us, the Macdonald of Massachusetts proposal, was included. That is the language they suggested to the committee.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

(By unanimous consent, Mr. SPRINGER was allowed to proceed for 1 additional minute.)

Mr. SPRINGER. Mr. Chairman, may I read this so that there will be no misunderstanding:

The attachment from the Freedom of Information Center traces a long line of cases which hold that the publishing of a newspaper is a private business, and that publishers are under no obligation to accept advertising from all who apply for it. There is little doubt that Section 4(b)(2) of the Macdonald bill would violate the holdings of these cases.

The attached story from Publishers' Auxiliary indicates that there is very little need for a federal law regulating the rates which newspapers charge for political ads. Yet this is exactly what Section 4(b)(1) of the Macdonald bill and 103(b) of the Frenzel-Brown bill would do.

I am reading from a letter signed by William G. Mullen, general counsel of the National Newspaper Association.

Mr. TIERNAN. What was the date of that letter?

Mr. SPRINGER. November 24, 1971.

Mr. TIERNAN. Then he has changed his mind since he came before the subcommittee.

I would suggest, as the gentleman from California has already suggested, that we had testimony before the subcommittee that this type of language is in State statutes now and has not been challenged by any of the respective associations in the various States as to constitutionality.

Mr. SPRINGER. I have just this brief. That is all I have to go by.

The CHAIRMAN. Does the gentleman from West Virginia (Mr. STAGGERS) insist on his point of order?

Mr. STAGGERS. No, Mr. Chairman. I withdraw my point of order. I believe the subject is germane to the bill.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment is a very sweeping one and goes to the very heart of the bill.

In the first place, I could not follow everything that was contained in the memorandum of the gentleman from Illinois from the Missouri School of Journalism, but I believe we ought to take in order not the newspapers first but the broadcasters first.

It is perfectly clear that the Congress has jurisdiction over communications, and it is perfectly clear that the question of constitutionality never has been raised before, either at the time the gentleman voted for a similar bill last year or in our committee. Therefore, I am rather surprised it is raised at this late date.

However, I have a copy of the Constitution with me, and there are two places in which we get jurisdiction not just over communications so far as the broadcast media are concerned but also so far as the newspapers are concerned.

First I would like to go to the subject of broadcasters.

The point has been raised that we have no right to set rates for the broadcasters. I point out to the gentleman something that I think I do not need to point out to him, because I am sure he knows it; namely, they set their own rates and they set their own lowest unit rates. I also point out to the gentleman, which I know he knows very well indeed, that the Federal Government gives them the right to operate on public property. When they are issued a license by the Federal Communications Commission they are not using their own property; they are using the public airwaves. As such, it seems to me, if they are going to live up to the promise that they make when they get that license to serve the public convenience, necessity, and need and to serve in the public interest, certainly they should have and, as far as I am concerned—and I deal with them almost daily if not weekly—I have had no protest about this section of the bill from any broadcaster.

As a matter of fact, the three presidential broadcasters have indicated they have no objection to this personally, and I have not heard from a single broadcaster because they understand that they do get a license to serve in the public interest.

So obviously the lowest unit rate is a fare matter. Is it fair for them to sell soap at a low unit rate? What good does that do the community? They have a license to serve the community, and if they do not live up to that license, the only argument that makes any sense to me is, when their license comes up for renewal, as it does every 3 years, you can take that matter up then.

In any event, it seems perfectly clear to me that the broadcasters are and should be and must be included unless we are going to let spending once again take over the political processes of this country.

It was President Nixon himself who asked in his veto message that we also include newspapers.

As the gentleman well knows, in the bill he voted for last year it included television and radio. We sent this down to the President by an overwhelming margin both out of the House and the Senate, and the conference report was equally well received. The President said he wanted to veto it because in his judgment it only plugged one hole in the sieve, and the newspapers, the magazines, and the other forms of advertising should also be included.

We did that in order to avoid another veto. We are just doing in this title I bill what the President indicated to us he wanted.

Second, as is very clear to me, in many sections of the country, including my own section, it is unfair for the newspapers to raise rates just because you are a candidate for political office, so it seems to me they, too, should serve somewhat in the public interest, although I agree with the gentleman from Illinois that that section is not as clear and raises some problems, to me at least, with regard to that section.

However, inasmuch as the President asked for it and inasmuch as he said he would send up a bill that you could take and inasmuch as the President did not send up a bill which contained newspapers and magazines, our subcommittee and the full committee saw fit to do it for him.

So it strikes me rather peculiarly that the gentleman, who I know is a loyal follower of the President, should be going against the message that the President sent up to us and told us to put into an acceptable bill.

Therefore, I urge as strongly as I possibly can the defeat of this amendment, because it goes to the very heart and soul of the money spent.

In my judgment—and this was seriously suggested years ago—the broadcasters using the public airwaves in the public interest should give time.

Mr. HARVEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I will in just a moment.

First, Mr. Chairman, I want to say that I rise in wholehearted support of the amendment which has been offered by the gentleman from Illinois. I do not believe that this section ought to be in the bill. I believe this amendment to strike this section is well taken.

Mr. SPRINGER. Now, Mr. Chairman, will the gentleman yield?

Mr. HARVEY. Yes, I yield to the gentleman from Illinois.

Mr. SPRINGER. There have been questions raised here by my distinguished colleague, a member of the committee from Rhode Island; also a question by the chairman of the committee, and at least one other member with reference to what was said at the time this bill was heard.

I read from page 207 from a statement of Mr. John Howell, publisher, Warwick Beacon, Warwick, R.I., wherein he said:

Mr. Chairman, my name is John Howell. I am the publisher of the Warwick Beacon, Warwick, Rhode Island. I am here today testifying on behalf of the National Newspaper Association.

Then on page 208 after the seventh paragraph, I quote:

The bill's lowest unit rate requirement would wreak havoc on newspaper publishers. Typically, rates for newspaper advertising space take into consideration such factors as the frequency of publication, size of the advertisement, the complexity and hazard of the copy, and the amount of service required to prepare the copy for publication. Of course, there are other factors which enter into figuring rates in specific instances.

Now, another paragraph, the third paragraph below that which I just quoted which reads as follows:

In addition, we are of the opinion that section 4(b)(2) clearly infringes on the free press guarantees of the Constitution. This section requires newspapers and magazines to make advertising space available to all candidates for an office once they sell such space to any candidate for that office.

XUM

Mr. Chairman, I wanted to be sure that the RECORD showed that when this testimony was delivered, Mr. Howell speaking for the National Newspaper Association, exactly what was said.

Mr. TIERNAN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Rhode Island.

Mr. TIERNAN. I agree with the gentleman. It is in the RECORD and that is why the gentleman from Rhode Island remembered it so well and inasmuch as he represents the area from which Mr. Howell comes. That is when we changed the lowest unit rate for newspapers to a comparable transient rate and agreed with that. He suggested that very language. They said that a newspaper should charge the comparable transient rate for people running for public office.

Mr. SPRINGER. Mr. Chairman, if the gentleman will yield further, may I say that is not what is now said by the National Newspaper Association. I read it to the gentleman and there is no question about their position.

Mr. TIERNAN. I do not question what the gentleman read and I hope the gentleman does not question what I said that Mr. Howell said before our committee. So, you can take your choice as to which time he meant it. His language is in the bill.

Mr. HARVEY. I want to say, Mr. Chairman, I do not think we have any business getting into whether we provide equivalent space in newspapers and, therefore, I hope the amendment passes.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. Yes; I yield to the gentleman from Ohio.

Mr. HAYS. I want to say to the gentleman from Illinois that I was talking about the hearings before the House Administration Committee in which another different person representing the newspapers spoke, and I sent for a copy of what he said. I believe I am right in the fact that he said that they had no objection to a comparable rate for transient advertisers, which is what I understand the Macdonald amendment now proposes; is that correct?

Mr. MACDONALD of Massachusetts. Mr. Chairman, if the gentleman will yield, yes.

Mr. HAYS. And, I believe further in answer to a question I asked he stated he did not believe it was proper to charge a political candidate 50 percent more than you would a fellow who came in who wanted to run an ad for a photography shop or something like that.

Mr. THOMPSON of Georgia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have nothing but the highest regard for our ranking minority member, the gentleman from Illinois.

I do, however, take exception with his views in this matter.

I, personally, feel that a good lawyer, given 15 legal-sized sheets of paper and a typewriter, could make a convincing argument either way as to the constitutionality of this matter. For my part, I, personally, believe the provision to require that a comparable rate be charged is constitutional.

What we are trying to do in this bill is to come up with a measure that is equitable not only for incumbents, but for challengers as well. We are trying to provide a means by which the American public can look at two candidates or more and try to determine in their own opinion which one of these is going to serve them best.

I personally believe that we are not interfering with the freedom of the press when we tell the newspapers that if they are going to charge one advertiser a certain rate for so many insertions and for a certain place in the paper, and a certain size, that they shall not charge a political advertiser more money. We are not trying to set the rates for them. All we are trying to do is to require that equity be accomplished.

Personally, I am opposed to the section in the bill which requires the broadcaster or a TV station to charge the lowest rate to a political candidate. If we want to make as a requirement relating to the obtaining of a license for the use of the public airways that one of the required public services is free time or reduced time, so that each station knows that this is the payment he has to make for use of public airways then that is a different matter. But we have not done this and should not do this after the fact—that is after a license is granted. Since we have not done it I personally hope that we will support the amendment to be offered by the gentleman from Texas (Mr. PICKLE). I believe it will provide for equity. I believe equity in this particular instance, insofar as the newspapers are concerned, is to require a comparable rate be charged just as it should be for radio and TV.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Georgia. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I would like to associate myself with the remarks being made by the gentleman from Georgia (Mr. THOMPSON).

I also want to say that I commend the gentleman for the statement that he has been making in the well.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Georgia. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, it is my intention to offer an amendment just as soon as it is possible that would make the rates for advertising with broadcasters or newspapers the same. I am glad the gentleman has mentioned the amendment that I will offer.

Mr. THOMPSON of Georgia. Mr. Chairman, I would just like to conclude by stating this: That everyone in this body should look on this matter as you would upon any issue based on equity. In my view, equity provides that newspapers in dealing with advertisers, whether they be the local hardware store or drygoods merchants or political advertisers, should be charged with the same amount for the same space. A political candidate should not be charged a premium nor should the newspaper publisher be required to give him a discount.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not know who really speaks for the National Newspaper Association, but I want to read you some quotations from our hearings—and the gentleman from Michigan (Mr. HARVEY) was involved in this, and I will start there:

Mr. HARVEY. I have a question. Mr. Mackey, I can see why the newspapers would be opposed to the lowest unit cost for a candidate's advertising which you mentioned in your statement, but I have considerable difficulty understanding why the newspapers feel they should be able to charge a greater rate for political advertising than they would for any other type of advertising.

Mr. MACKEY. Our rates are based on local advertisers and national advertisers and we charge the same rate for political ads as we do for our national advertisers.

Now, Mr. Mackey happens to be from the local paper in my home county, and I can verify his statement about the same rate for political ads as for others.

So we go on down a little further, and I point out that Mr. Mackey is claiming that that is exactly what they do, and then I say that we should have something in the legislation that they should not be able to single out, and I am quoting: "political candidates for an exceptionally high charge."

Then Mr. HARVEY said:

I certainly agree with Chairman HAYS in this regard. I think such a provision is badly needed.

Then a fellow by the name of Mr. Serrill gets into the act. He was sitting out there. The record reads:

Mr. SERRILL. May I comment on that, Mr. Chairman.

Mr. ABBITT. Mr. Serrill.

It turns out that Mr. Serrill is the executive vice president of the National Newspaper Association and listen to what he says.

I said:

If the gentleman will yield—

He was going along talking about what Mr. HARVEY said and saying that they did not do that.

I said:

If the gentleman will yield, do you have any objection to having a section in the bill that says that they can't charge a higher rate?

Meaning what they would charge anyone else—

Mr. SERRILL. Than the established card rate?

Mr. HAYS. Yes.

Mr. SERRILL. That is all right. We would not object to that.

Then he goes on to say:

In fact as I say, over the many years—and I have been in newspaper management association work since 1944—

That they have been doing that in most instances, but he thought it was bad public relations to have a surcharge for political advertising.

I do not know whether they had a man testifying to a different thing in front of the other committee but this is exactly what they said in the hearings Mr. ABBITT conducted for the Committee on House Administration.

Mr. TIERNAN. Mr. Chairman, I move to strike out the last word.

Mr. MACDONALD of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TIERNAN. I am happy to yield to the gentleman.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I would like to have the attention of the gentleman from Illinois inasmuch as he raised the question of the constitutionality of this measure. I do not know what the gentleman quoted, but I will quote two things that might clear up his problem.

In the first place, the Associate Deputy Attorney General Wallace Johnson of the Department of Justice accompanied by William Nichols, the legislative counsel, who testified before our committee and in this testimony which the gentleman can find at the bottom of page 186 and continuing over to the top of page 187 reads as follows and he is talking about our bill. He says:

Some proposals would require broadcasters to charge candidates the lowest unit rates charged others for similar time blocks. At least one of the bills before you would extend the lowest unit rate provision to purchasers of nonbroadcast media.

And then he said:

The department—meaning the Department of Justice—favor such a provision and strongly feels it should be made applicable to both broadcast and nonbroadcasting communications media.

That was the Assistant Deputy of the Department of Justice.

Then going on farther to a higher, perhaps, plane—a letter was forwarded to me by Richard Kleindienst, Deputy Attorney General. On page 3 of that letter which is dated, June 23, 1971, Mr. Kleindienst said:

H.R. 8628 is a far better bill than H.R. 8627. It would extend the lowest unit rate provision to newspapers and magazines as well as to the broadcast media. We favor that provision.

So, if the gentleman can top that, for constitutionality, I will be surprised.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. TIERNAN. If the gentleman will get me some additional time, I will yield to the gentleman at this time if he wants to respond to that.

Mr. SPRINGER. I just want to read this now so that there can be no misunderstanding about how the National Newspaper Association stands. There is the brief accompanying it, which I would be happy to insert in the RECORD but I understand I cannot ask permission to do so now because we are in Committee of the Whole, but I will get permission to put it in the RECORD when we are in the House.

But they do say here:

NATIONAL NEWSPAPER ASSOCIATION,
Washington, D.C., November 24, 1971.

Hon. WILLIAM L. SPRINGER,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPRINGER: I am enclosing some material which may be helpful to you when the House again takes up Federal Election Reform. The principal bill, H.R. 11060, and two related bills are now scheduled for floor action on Monday, November 29, at noon.

The attachment from the Freedom of Information Center traces a long line of cases which hold that the publishing of a newspaper is a private business, and that publishers are under no obligation to accept advertising from all who apply for it. There is little doubt that Section 4(b)(2) of the Macdonald bill would violate the holdings of these cases.

The attached story from Publishers' Auxiliary indicates that there is very little need for a federal law regulating the rates which newspapers charge for political ads. Yet this is exactly what Section 4(b)(1) of the Macdonald bill and 103(b) of the Frenzel-Brown bill would do. We realize that some individual members of the Congress have problems with political advertising rates of certain newspapers. All I can say is that this association is pledged to eliminating these inequities as rapidly as possible. Great improvements have been made in this area within the last ten eyars.

Once again, on behalf of the more than 6,600 community publishers represented by NNA, we ask that you support amendments to delete the newspaper provisions of Section 4 of the Macdonald bill and Section 103(b) of the Frenzel-Brown bill.

Since floor action on these bills is set for a Monday, there is a great deal of importance attached to your presence on the House floor during the consideration of these amendments if they are to be successful.

Your consideration of the views of weekly and small city daily newspaper publishers is deeply appreciated. Please call upon me if you have any questions or need additional information on this matter.

Sincerely yours,

WILLIAM G. MULLEN,
General Counsel.

[From Freedom of Information Center Report No. 187]

ADVERTISING: THE RIGHT TO REFUSE

(NOTE.—This paper, which surveys the legal bases for the right of newspapers to refuse advertising, was prepared by David C. Hamilton, a graduate student in the School of Journalism.)

When, in December 1964, Fred G. Bloss complained before Michigan courts that advertisements for his Eastown Theatre had been refused publication in Battle Creek's *Inquirer* and *News*, the defendant, Federated Publications Inc., was in a position to show the court ample evidence that it was within its rights in choosing to turn down the advertising. This case, which was decided November 9, 1966, in Division Three of the Court of Appeals of Michigan, is the latest in more than half a century of legal debate over the question of a newspaper's right to refuse advertising.

Like many manifestations of this complex society, advertising was not anticipated as a problem in either constitutional or common law. When questions as to the nature of newspapers and newspaper advertising first arose, they naturally became wards of the courts—and subject to the relative vagaries of judicial reasoning. After nearly fifty years of deliberations the courts have ruled overwhelmingly—with only one decision to the contrary—in favor of the newspaper's right as a private business to contract with whom it pleases. That right has been questioned in terms of unfair business practices, in terms of monopoly, and in terms of the so-called "public interest" nature of American newspapers.

Bloss reported to the Michigan court that the defendant had accepted his advertisements for about 30 days prior to November 3, 1964, when it notified Eastown Theatre by mail that it would not accept Eastown advertisements effective November 4, 1964. Bloss sought court agreement that the newspaper was "clothed with a public interest" and that therefore it should be forced to accept his advertising. Federated exhibited a copy of the plaintiff's advertising, and, in the language of the record, "did not wish to accept advertising for theaters containing suggestive or prurient material, and plaintiff's advertising required extensive editorial effort by defendant's employees to meet defendant's published standards."

In *Eastown Theatre v. Federated Publications, Inc.*, the court said: [1]

"The First Amendment to the Federal Constitution declares and safeguards the sanctity of freedom of the press. Our founding fathers recognized that well-informed citizens are essential for the preservation of democratic institutions, and toward this end, an independent press is indispensable. The public interest, therefore, insofar as it affects the operation of a newspaper, demands that the press shall remain independent, unfettered by governmental regulations regardless of whether that regulation stems from legislative enactments or judicial decisions. . . . We subscribe to and are bound by the prevailing authority, that a newspaper is strictly a private enterprise."

ONE LANDMARK: SHUCK V. CARROLL DAILY HERALD

In arriving at this decision, the court, noting the absence of action on this question in Michigan, turned to the landmark case in this area, *Shuck v. Carroll Daily Herald* and an annotation on it in the *American Law Review*.

In this 1933 case in the Iowa Supreme Court, a clothes cleaner and repairer in the city of Carroll named Shuck sought to reverse a lower court decision refusing to grant his request for an injunction forcing the Carroll *Daily Herald* to print his advertising. Shuck claimed the *Herald* "orally agreed to publish" his advertisement, then did not. Further, he said, the *Herald* published advertising from "both residents and nonresidents" and from "others in the same business class." He asked $400 in damages, "for failure to publish advertising tendered," and an injunction forcing the *Herald* to halt what Shuck considered discriminatory practice. The defendant newspaper countered that "only the legislature can legislate a control to advertising which does not now exist," and claimed "the private right of the defendant to contract."

In deciding the case, the court reduced the question to whether a newspaper is required to accept advertising or not, and produced a capsule history of legal thought on the matter:

"The first English newspaper is believed to be the weekly *News*, issued in London in 1622. In the United States, *Publick Occurrences* was started in Boston in 1690; the *Boston News Letter* followed in 1704; but the oldest existing newspaper in the United Staes is the New Hampshire *Gazette*, founded in 1756.

"Our common law is generally dated at about the time of the Declaration of Independence, or perhaps at the time of the Revolution. Newspapers had then existed in England for one hundred and fifty years and in America for almost a hundred years. During that period they operated side by side with carriers and inns. The rules forbidding the latter to discriminate between customers were established, yet nobody goes so far as to even claim that there is any holding at common law under which a newspaper was bound by the same rules."

Turning to court decisions, the Iowa justices cited *Friedenberg* v. *Times, in re Louis Wohl, Mack* v. *Costello, Commonwealth* v. *Boston Transcript Co.*, and *Wooster* v. *Mahaska County*. The holdings of these cases, in abbreviated statements, are as follows:

Footnotes at end of article.

CASE SUMMARIES

Friedenberg v. Times. The Louisiana court, ruling in 1930, said:

"The weight of authority is that the publishing of a newspaper is a strictly private enterprise, and the publishers thereof are free to contract and deal or refuse to contract and deal with whom they please. And at any rate, it is for the Legislature, and not for the courts, to declare that a business has become impressed with a public use."

Mack v. Costello. In this 1913 decision, a South Dakota court declared:

". . . it may be that the publishing of a newspaper is a quasi-public business; but if so, it is only because, from long existence, it is regarded as a public necessity. But as much might be said of the hardware or grocery business, and yet no one would contend that a grocer or hardware dealer could be compelled by mandamus to sell his wares if he preferred to keep them on the shelves."

The question arose when Georgia Costello, published of the Cavour *Clarion*, lone Cavour newspaper, refused to publish a petition rendered to her by Mack and others in order to fulfill a South Dakota statute requiring the publishing of legal petitions. The court further stated:

"It is true, the statute defines a legal newspaper and requires that legal notices be published in newspapers so designated . . . but it nowhere attempts to impose any obligation to publishing any and all notices. . . . neither can the publication of a newspaper be held to be an office, trust or station (and) because appellant's course may impose a hardship upon respondents does not authorize the court to exercise a jurisdiction not conferred by statute."

Commonwealth v. Boston Transcript Co. In 1914, a Massachusetts court ruled that "the legislature has no power to require any newspaper, at any time, to publish anything whatever against its will," and declared unconstitutional a statute which forced papers to publish labor commission findings.

Wooster v. Mahaska Co. Also an Iowa court ruling, this 1904 decision said: ". . . neither the legislature, nor the board, could compel any paper to publish the proceedings, no matter what compensation might be fixed therefor." Publisher Wooster and others had sought to collect a higher rate for publishing county board of supervisor announcements than had been paid them for a year's publication. "He was under no obligation to do the work," the court concluded.

In re Louis Wohl. In 1931 a federal district court discussed the Michigan case in which Wohl, principal stockholder in a bankrupt company, had reorganized his business and sought to advertise with the Detroit *News* and Detroit *Times*, both of which had lost money to Wohl's bankrupted enterprise. The newspapers required Wohl to make good their previous losses before dealing with him again; he did, but subsequently sued to regain his money on the basis of restraint of trade.

Wohl asked an injunction directing the newspapers to deal with him on the basis that "a newspaper must print advertising offered to it. The court ruled that the restraint of trade accusation was based upon the second half of Wohl's complaint, and therefore limited its decision to the question of whether newspapers should be required to accept advertising.

Wohl sought to prove that "the newspaper business has become of such great public importance . . . that the owners have granted the public an interest in the property" (using the landmark railroad decision *Munn v. Illinois* as the basis for this "public utility" claim); "and further, that . . . the Detroit *News* and the Detroit *Times* exercise what is virtually a monopoly in the evening newspaper field." On this point, the court reminded Wohl that monopoly as a test of public interest had been rejected in *Brass v. North Dakota* and applied itself to the question of whether public interest in personal contracts as defined by *German Alliance Insurance Co. v. Lewis* could be applied to the newspaper industry. In support of his claims, Wohl cited *Tyson v. Banton*, in which theater ticket brokers had been declared clothed with a public interest, and *Ribnik v. McBride*, in which an employment agency had been declared the same.

The court noted itself cognizant of the precepts of *Inter-American Publishing Co. v. Associated Press*, in which the AP "was held to be a business upon which a public interest was engrafted"; of the holdings of *Uhlman v. Sherman*, the lone decision requiring a newspaper to accept advertising (to be discussed at greater length); and of the decision in *Wolf Packing v. Industrial Court*, which said that a business, if found clothed with a public interest, "is bound by the common law to serve without discrimination." It nevertheless ruled:

". . . while it may be true that legislation declaring businesses affected with a public interest as a ground for regulating such businesses may be merely declaratory of the common law . . . it has not been pointed out that any state has ever attempted to regulate the business of a newspaper on the ground that such business is one clothed with a public interest.

"I find from the foregoing that there is no such trend of decision as the trustee urges. A newspaper is not at common law a business clothed with a public interest."

The court cited a number of cases as influential to its decision, including *Commonwealth v. Boston Transcript Co.* and *Wooster v. Mahaska Co.*, discussed above. Also of interest are *Lake County v. Lake County Publishing and Printing Co.*, and *Belleville Advocate Printing Co. v. St. Clair County*, two Illinois decisions. In the former, read in 1917, the court said: ". . . . a printer is at liberty to publish or not." The case was similar to *Wooster v. Mahaska Co.* in that the printer had sued to collect a higher rate for printing delinquent tax lists than the country would allow.

In the *Belleville* decision (1929), the court made the same ruling against a printer who sought higher rates for printing tax assessment lists, saying that the newspaper "was at liberty to print or not."

THE SHUCK UMBRELLA

The area of protection thus seen to be encompassed in the *Shuck v. Carroll Daily Herald* decision is great: no recourse to common law is possible; the right to refuse advertising is protected from both court-made and legislative law; hardship to the potential advertiser is rejected as a cause for complaint; the condition of monopoly is specifically denied as a basis for denial of the right. The newspaper is defined as a private enterprise, completely free to deal or to refuse to deal with whomever it may choose.

To this landmark decision, the *American Law Review* appended an annotation which concludes:

"With the exception of one case, *Uhlman v. Sherman*, it has been uniformly held in the few cases which have considered the question that the business of publishing a newspaper is a strictly private enterprise, as distinguished from a business affected with a public interest, and that its publisher is under no legal obligation to sell advertising to all who may apply for it."

In addition to the *Lake County* and *Belleville* decisions, discussed above, ALR cites *State ex rel Baraboo v. Page*, *Journal of Commerce Publishing Co. v. Tribune Co.*, and *Clegg v. New York Newspaper Union* in support of its commentary. Pertaining matter in these decision includes:

State ex rel Baraboo v. Page. This 1930 Wisconsin decision concerned publisher H. K. Page, who accepted the title of "official newspaper" for his Baraboo *News-Republic* from the town's council and then refused to print council minutes. The council sued, but the court said:

"Those statutes (which require publication of council activities) . . . do not constitute, or authorize the city to constitute, the proprietor, publisher or editor of the official newspaper a public officer; . . . they are not required to take an oath, and they exercise none of the functions of sovereignty, which are some of the usual characteristics of public office."

The court said, further, that the city should have sued Page for breach of contract for his failure to print the council minutes, rather than having attempted to vest the newspaper with public character.

Journal of Commerce Publishing Co. v. Tribune Co. In this case, in which the Tribune Company sought to establish its right to maintain a fleet of carriers separate from that maintained by the Journal of Commerce Publishing Company, a 1922 Illinois judgment said: "The publication of a newspaper is a private business."

Clegg v. New York Newspaper Union. This 1887 New York case—one of the earliest citations—was decided in favor of appellant Clegg. From the ALR conclusions concerning the *Journal* and *Clegg* cases, it is assumed that this decision, like *Journal*, is useful in transferring the fact of "private business" from cases involving distributorship to cases contending advertising rights.

Thus, to the mandates of decisions covered by *Shuck v. Carroll Daily Herald*, the ALR appended two affirmations of the non-public character of newspaper publishing. The Michigan court, in deciding *Eastown Theatre v. Federated Publications Inc.*, could have little doubt, in view of *Shuck* and the *American Law Review* statement, of its decision. A little doubt, however, did exist.

A MINORITY VIEW: UHLMAN V. SHERMAN

It may be symbolic, and it is at least ironic, that the lone case standing against the tide of decisions favoring the newspaper's right to refuse advertising occurred in the Common Pleas Court of Defiance County, Ohio. There, in 1919, gathered Sherman and others of the Crescent Publishing Company to oppose the efforts of Uhlman, a mercantile trader, to have them forced to accept his advertisements. Sherman testified to disliking Uhlman's business practices, but filed no answer to the plaintiff's brief.

Judge J. Hay, in what was to become *Uhlman v. Sherman*, allowed that, "Ordinarily, persons cannot be forced into contracts." But, citing Elliott on Contracts (Sections 570–571), he noted that railroads, street railways, canals, turnpikes, gas and water, telephone and telegraph, heating and the like were not exempted. Public wharves, grain warehouses, grist mills, stockyards, fire insurance, grain elevators, hack lines, theaters and "other public places of amusement," he said, had been remanded to public control.

Citing *Munn v. Illinois* to the effect that "when private property is affected with a public interest, it ceases to be *juris privati* only," the judge prepared his statement on newspaper rights:

"Newspapers in this country have become universal. They are now practically in every home. . . . They publish . . . the one and the hundred other things which people desire to read and know. . . . They are favored by the law in the matter of printing public notices.

"These all add to the interests of the public in the business and serve to make it a success, and cause the public to depend upon newspapers not only for knowledge of current events both local and foreign, but also for a knowledge of these matters of public concern which virtually affect every citizen and taxpayer.

"We believe that the growth and extent of the newspaper business, the public favors and general patronage received by the publishers from the public, and the general dependence, interest, and concern of the public in their home papers, has clothed this particular business with a public interest and rendered them amenable to reasonable regulations and demands of the public."

Judge Hay was quick to point out in his concluding remarks that a newspaper should have control over its news space, and that if it did not allow advertising to others of the same class, it could not be required to accept advertising. Also, the justice noted, no decision similar to his could be found in court records.

Although the *Uhlman* decision has found its way into most of the cases tried in this area since 1920, it has not found a supporter. The Iowa court upholding the Carroll *Daily Herald* said, "The Uhlman case has been before two respectable courts since it was given forth. . . . Both have refused to follow it." The Michigan court preparing *in re Wohl*, after studying the majority of precedents, including *Uhlman*, concluded: "I find from the foregoing that there is no such trend of decision as the trustee urges. A newspaper is not at the common law a business clothed with a public interest." The most recent Michigan decision, involving Eastown Theatre, said of *Uhlman*:

"That the Uhlman case was not followed by another Ohio court is evidenced by the case of *Sky High Theatre, Inc. v. Gaumer Publishing Co.* (Unreported, No. 22820) in the Common Pleas Court of Champaign County. The court therein stated:

"'Under the circumstances, is the court bound by the decision in the Uhlman case? The judgment of the circuit court of one district is not conclusive authority upon the judges of another district though the view obtains that the decisions by one court should be followed in other circuits unless it clearly appears to the latter circuits that the decision is wrong. . . . It should be followed unless it clearly appears to this court that the decision is wrong—which is the case.'"

Although the Uhlman decision will remain as a temptation to those who would test the newspaper industry's right to refuse advertising, it would seem that the growing weight of decisions to the contrary will render it useless.

ANOTHER LEG: APPROVED PERSONNEL, ET AL.

Although sufficient bases for defense in a case involving refusal of advertising are provided by the umbrella cited in *Eastown Theatre v. Federated Publications, Inc.*, and above, there exists another branch of legal thinking which was cited as recently as 1965 in a Florida case, *Approved Personnel, Inc., et al. v. The Tribune Co.* The conclusions struck three familiar chords:

". . . the law seems to be uniformly settled by the great weight of authority throughout the United States that the newspaper publishing business is a private enterprise and is neither a public utility nor affected with the public interest. The decisions appear to hold that even though a particular newspaper may enjoy virtual monopoly in the area of its publication, this fact is neither unusual nor of important significance. The courts have consistently held that in the absence of statutory regulation on the subject, a newspaper may publish or reject commercial advertising tendered to it as its judgment best dictates without incurring liability for advertisements rejected by it."

The case involved the Tampa *Tribune* and Tampa *Times* which, without giving a reason, refused to accept advertising from three private employment agencies. The appellors sought to prosecute on grounds of breach of contract and monopoly. The "breach" suit was dismissed at the appeal level, since no contract, as such, existed. Supporting its conclusions on the other half of the suit, the court cited especially *Shuck v. Carroll Daily Herald, J. J. Gordon Co. v. Worcester Telegram Publishing Co.*, and *Poughkeepsie Buying Services v. Poughkeepsie Newspapers, Inc.*

The conclusions of the last-named are included in the *Gordon* decision. In it the plaintiff, a real estate dealer, complained to a Massachusetts court in 1961 that the *Daily Telegram, Evening Gazette* and *Sunday Telegram*, after accepting his advertisements for "about a year," on March 15 "cancelled an advertisement after one publication thereof and (has) since without just cause, maliciously refused and continues to refuse to accept for publication in (its) newspapers further advertising by the plaintiff corporation." Gordon alleged that the newspaper was a public utility, but the Telegram Publishing Co. filed a demurrer and was sustained, the court holding that "we judicially know that under our law a newspaper is not a public utility."

In its concluding statement, the court said:

"Although the precise question here has not often been before the courts, the prevailing view in the few cases that have considered the question—and in our opinion the correct one—is that the publisher of a newspaper is under no obligation to accept advertising from all who may apply for it."

Supporting Cases

Integral to the court's decision, in addition to cases already discussed,[2] were *Lepler v. Palmer, Poughkeepsie Buying Services v. Poughkeepse Newspapers, Inc., Philadelphia Record Co. v. Curtis-Martin Newspapers, Inc., Lorain Journal v. United States*, and *Times-Picayune Publishing Co. v. United States.* Short abstracts follow.

Lepler v. Palmer. A New York court, ruling in 1934 in a case involving the right of a newspaper to determine who its retailers should be, said: "The publication and distribution of newspapers is a private business, and the publishers have the right to determine for themselves by whom the papers should be sold." Lepler had been turned down by the New York Publishers' Association (represented by Palmer) in his bid to obtain a newsstand franchise, and the court upheld the Association's decision. "Unless done pursuant to a combination with other publishers to injure him," the court said, the newspaper was free to deal or to refuse to deal.[3]

Poughkeepsie Buying Services v. Poughkeepsie Newspapers, Inc. This 1954 New York ruling dismissed the Buying Service's attempt to obtain an injunction to force the Poughkeepsie *New Yorker*, a monopoly paper, to accept its advertisements, confirming that:

". . . in New York, the newspaper business is in the nature of a private enterprise, and in the absence of valid statutory regulation to the contrary, publishers of newspapers have the general right either to publish or reject commercial advertisement tendered to them; their reasons for rejecting them being immaterial, unless they are connected with fraudulent conspiracy or with furthering an unlawful monopoly.

"Refusal to maintain trade relations with any individual is an inherent right which every person may exercise lawfully for reasons he deems sufficient or for no reason whatsoever; and it is immaterial whether such refusal is based upon reason or is the result of mere caprice, prejudice or malice, it being part of the liberty of action which constitutions, state and federal, guarantee to citizens."

The court limited its own jurisdiction in the matter, saying:

"The fact that the legislature has not seen fit to reasonably regulate the newspaper advertising business does not confer power upon the courts to impose rules for conduct of such business."

The court rejected the *Uhlman* theory, concluding:

". . . it is contrary to general and fundamental doctrine laid down in our decisional law. For instance, we find decisions here, though not in point, in which it has been generally held that the publication and distribution of newspapers is a private business and that newspaper publishers lawfully conducting their business have the right to determine the policy they will pursue therein and the persons with whom they will deal."

Philadelphia Record Co. v. Curtis-Martin Newspapers, Inc. Pennsylvania courts ruled in 1931 that Curtis-Martin could not force Philadelphia Record Company to use the same distributors for its "bulldog" (night) editions, saying, "The publication and sale of newspapers is a private enterprise, . . . not in any sense (a) public service corporation."

Lorain Journal v. United States. "The publisher claims a right as a private business concern to select its customers and to refuse to accept advertisements from whomever it pleases," the U.S. Supreme Court summarized in this 1951 case which arose when the publisher of the Lorain (Ohio) *Journal* refused to sell advertising to those Lorain merchants who purchased advertising with Lorain radio station WEOL, which was owned by the publisher of the close-by Elyria *Chronicle-Telegram*. The court said:

"We do not dispute that general right . . . Most rights are qualified . . . The right claimed by the publisher is neither absolute nor exempt from regulation. Its exercise as a purposeful means of monopolizing interstate commerce is prohibited by the Sherman Act . . . In the absence of any purpose to create or maintain a monopoly the act does not restrict the long recognized right of the trader or manufacturer engaged in an entirely private business, freely to exercise his own independent discretion as to parties with whom he will deal."

Times-Picayune Publishing Co. v. United States. A second U.S. Supreme Court opinion was delivered in 1953, following proceedings instigated against *Times-Pisayune* by the U.S. Attorney General's office to test the company's policy of selling "combination ads" which required that purchasers of space in the morning *Times-Picayune* also buy lineage in the afternoon *Daily States*. The court reiterated its statements in *Lorain Journal v. United States* in ruling that "combination ads" were not a form of monopoly.

The strands of judicial thought gathered together by *Approved Personnel, Inc., et al. v. The Tribune Co.* are as diverse as those covered by the *Shuck* umbrella, and, in conjunction with that line of defense, form an airtight case for the publisher—provided he does not overstep the boundary of monopoly legislation. Claims of "public utility" are rejected; license is expanded to the point of not requiring a reason for refusal of advertisement; and the right to publish is plugged into the well-developed current of judicial decision on the right to control distribution outlets. In addition, affirmation of the right of the publisher to refuse advertising has been gained from the highest tribunal, the U.S. Supreme Court.

Footnotes at end of article.

Any test of the right to refuse advertisements could most probably stand upon the legs drawn above; however, along the twisted trail of jurisprudence lie a few more decisions worthy of mention.

A recent Texas case, *Mid-West Electric Cooperative, Inc., et al.* v. *West Texas Chamber of Commerce* (1963) was decided very strongly in favor of the Chamber of Commerce, publisher of a magazine. The Electric Cooperative, having been refused publication of a politically oriented advertisement, hoped to prove that the Chamber had discriminated against it. Leaning heavily upon *Shuck* v. *Carroll Daily Herald* and the *American Law Review* annotation to it, the court ruled:

"Publishers of newspapers or magazines are generally under no obligation to accept advertising from any and all who may apply for its publication but are free to deal and decline to contract with whom they please."

Sharon Herald Co. v. *Mercer County*, a 1938 Pennsylvania case, stands as a firm statement of the non-public character of newspapers. In it, the court was asked if the Sharon *Herald* were within its rights in raising the rate for legal advertising done by Mercer County officials, who sought to establish a ceiling on such rates or to advertise at a rate lower than that announced by the paper. "Newspapers are not public utilities subject to governmental control and supervision as to the reasonableness of their advertising rates," the court concluded.

Amalgamated Furniture Factories v. *Rochester Times-Union Co.* (1927, New York) contributes to the body of law in this area the ruling that a newspaper not only has the *right* to refuse *untrue* advertising, but, in fact, is charged with the duty to refuse to give publicity to statements known to be untrue." The furniture company was known to the newspaper to be only a distributor and not a manufacturer, and the publication refused to print Amalgamated advertisements after printing only 4,045 lines of a 15,000-line contract. The court affirmed the right of the newspaper to break the contract under the given circumstances.

CONCLUSIONS

The right of a newspaper to refuse advertising seemingly admits of no loopholes—except where purposeful restraint of trade can be proven. However, it may prove worthwhile to recall the nature of the law.

The "right" is totally dependent upon judicial opinion, and the possibility of a second *Uhlman* v. *Sherman* decision surfacing (though in light of the weight of opinion to the contrary, the possibility is admittedly slim) must forever be admitted.

FOOTNOTES

[1] Law library citations for all decisions noted in the paper are as follows:

Amalgimated Furniture Factories v. Rochester Times-Union Co., (219 N.Y.S. 705, 128 Misc. 673)

Approved Personnel, Inc., et al. v. The Tribune Co. (177 So. 2d 704)

Belleville Advocate Printing Co. I. St. Clair County (168 N.E. 312)

Brass v. North Dakota (153 U.S. 391, 14 S. Ct. 857, 38L.Ed. 757)

Clegg v. New York Newspaper Union (44 Hun 630, 9 N.Y.S.R. 235)

Collins v. American News Co. (34 Misc. 260, 69 N.Y.S. 641)

Commonwealth v. Boston Transcript Co. (35 A.L.R. 1, 144 N. E. 400, 249 Mass. 477)

Eastown Theatre v. Federated Publications, Inc. (145 N.W. 800)

Friedenberg v. Times Publishing Co. (127 So. 445, 170 La. 3)

German Alliance Insurance Co. v. Lewis (233 U.S. 389, 34 S.Ct. 612, 58 L.Ed. 1011)

In re Louis Wohl (50 F. 2d 254)

Inter-American Publishing Co. v. Associated Press (184 Ill. 448, 56 N.E. 882)

J. J. Gordon Co. v. Worcester Telegram Publishing Co. (343 Mass. 142, 177 N.E. 2d 586)

Journal of Commerce Publishing Co. v. Tribune Co. (286 Fed. Ill)

Lake County v. Lake County Publishing and Printing Co. (280 Ill. 243, 117 N.E. 452)

Lepler v. Palmer (270 N.Y.S. 440, 150 Misc. 546)

Locker v. American Tobacco Co. (121 App. Div. 443, 106 N.Y.S. 115)

Lorain Journal v. United States (342 U.S. 143, 72 S.Ct. 181, 96 L.Ed. 162)

Lucomsky v. L. B. Palmer (141 Misc. 278, 252 N.Y.S. 529)

Mack v. Costello (32 S.D. 511, 143 N.W. 950, An. Cas. 1916A 384)

Midwest Electric Cooperative, Inc., et al. v. *West Texas Chamber of Commerce* (369 S.W. 2d 842)

Munn v. *Illinois* (94 U.S. 113, 24 L.Ed. 77)

People ex rel Burnham v. *Flynn* (49 Misc. 328, 9d N.Y.S. 198)

Philadelphia Record Co. v. *Curtis-Martin Newspapers, Inc.* (157 A. 796, 305 Pa. 372)

Poughkeepsie Buying Services v. *Poughkeepsie Newspapers, Inc.* (131 N.Y.S. 2d 515, 205 Misc. 982)

Ribnik v. *McBride* (227 U.S. 350, 48 S.Ct. 545, 72 L.Ed. 913, 56 A.L.R. 1327)

Sharon Herald Co. v. *Mercer County* (200 A. 880, 132 Pa. Super. 245)

Shuck v. *Carroll Daily Herald* (215 Iowa 1276, 247 N.W. 813, 87 A.L.R. 975)

Shuck v. *Carroll Daily Herald Annotation* (87 A.L.R. 979)

Sky High Theatre, Inc. v. *Gaumer Publishing Co.* (Unreported No. 22820, Court of Common Pleas, Champaign County, Ohio)

State ex rel Baraboo v. *Page* (229 N.W. 40)

Times-Picayune Publishing Co. v. *United States* (345 U.S. 594, 624–25, 73 S.Ct. 872, 97 L.Ed. 1277)

Tyson v. *Banton* (273 U.S. 418, 47 S.Ct. 426, 71 L.Ed. 718 58 A.L.R. 1327)

Uhlman v. *Sherman* (22 Ohio N.P., N.S. 225, 31 Ohio Dc. N.P. 54, 46 C.J.)

Wolff Packing v. *Industrial Court* (262 U.S. 522, 53 S.Ct. 690, 67 L.Ed. 1103, 27 A.L.R. 1280)

Wooster v. *Mohaska County* (98 N.W. 103)

[2] *Journal of Commerce* v. *Tribune Co., in re Wohl, Shuck* v. *Carroll Daily Herald, Friedenberg* v. *Times Publishing Co., Mack* v. *Costello, and Commonwealth* v. *Boston Transcript Co.*

[3] In reaching this conclusion, the court cited *Collins* v. *American News Co., Lucomsky* v. *L. B. Palmer, Locker* v. *American Tobacco Co., People ex rel Burnham* v. *Flynn, and Journal of Commerce Publishing Co.* v. *Tribune Co.*, each of which outlines the right of a private business to control its retailers. The importance of the Lepler decision is, of course, that the court's statement included "publication" as well as "distribution" as a private right of newspaper publishers.

[From the Publishers' Auxiliary, October 2, 1971]

SURVEY

(By Sharon Mikutowicz)

WASHINGTON.—In a National Newspaper Assn. survey of newspapers on political advertising rates, the overwhelming majority of the respondents said they charge the same rates for political advertising as they do for local and national advertising.

The survey was conducted through state newspaper associations. The survey was made in regard to the "Fair Election Campaign Act of 1971," the Senate version of which would require newspapers to offer candidates for national offices their "very best advertising rate" or the same rate a newspaper offers its biggest contract advertiser.

The survey showed that state association member papers generally receive anywhere from at least $16,000 in political advertising in election years to $400,000, on a state-wide basis.

The survey asked state association managers how many member newspapers in the state charge higher rates for political advertising than for any other type of advertising.

Newspapers were asked whether their local and national political ad rates are higher or lower than local or national advertising rates.

Most newspapers get their advertising through agencies or through their state newspaper association, the survey indicated. It also showed that agencies supplied more of the advertising than associations.

Robert E. Miller, manager for the Montana Press Assn. pointed out that some papers in his state, as in other states, have two rates—one for advertising submitted by local people, and one for advertising submitted by an agency or by the Montana Advertising Service on which a commission is paid.

"But in each case the political advertising is not segregated and it is charged the same as for other advertising within that category," he said.

According to the response received by NNA, few, if any Montana newspapers charge higher rates for political advertising than for other advertising.

Stewart W. Gainan, retail advertising manager for the Billings (Mont.) Gazette explained that his paper offers political candidates its retail rates on contract. "If they desire to use the same amount of space, they will receive the lowest rate as our largest advertiser," he said.

Herb Patridge, advertising director for the Medford (Ore.) Mail Tribune, said that local political advertisers qualify for the same earned rates or contract rates that any other advertiser has available. ". . . The political advertiser would pay local open rate or a lesser rate, depending on his volume and frequency," he said. But there are no earned rates nor contract rates offered to any national advertisers, including political.

"National political advertisers qualify, as do all national advertisers, for our 18-cent per line rate," Partridge said.

He estimated that his paper received $4,000 in revenue in the last statewide election and approximately the same amount in the last presidential election.

Reports from 114 newspapers in Pennsylvania, mostly dailies, reveal that four charge higher prices for political advertising, 10 charge more than local rates, but less than national for political advertising, while 100 charge the same local rates for political ads.

The Arizona Newspapers Assn. said that 19 of its newspapers charge higher rates for political advertising than any other advertising while four charge less.

The association estimates that it handles $32,000 in political advertising for newspapers in election years and that metropolitan dailies received at least twice as much for political ads.

Some papers are governed by state laws as to what they can charge politicians for their advertising.

Allied Daily Newspapers of Washington said that statutes in this state limit charges to no more than the national advertising rate.

It is also illegal to charge higher rates for political advertising in the state of Maryland, the Maryland-Delaware-D.C. Press Assn. said. The association said that 20 percent of its Delaware papers do charge more and in the District of Columbia, some newspapers charge the same as the national rates while others charge less than the local open rate for local political advertising.

Ronald Hicks, manager for the Louisiana Press Assn. told NNA that Louisiana law also prevents charging candidates a rate higher than the highest local open or national rate.

The vast majority of Ohio daily newspapers have the same political and national line rates. Among the exceptions are the two Columbus metropolitan papers and the Cleveland metropolitan papers.

At least two papers, the Ohio Newspaper Assn. said, offer lower votes to political candidates.

"As far as weeklies are concerned," said John J. Ahern, assistant director of the association, "we simply don't permit them to charge any more on anything going through our ad service." He estimated that their ad service handles just about all the non-local political advertising the newspapers get.

Ahern said that last year this association handled about $30,000 in political advertising for the weeklies for the primary campaign of ex-governor Rhodes.

Arthur E. Strang, manager of the Illinois Press Assn., said that less than five percent of the newspapers in his state are charging higher rates for political advertising.

Executive vice president of the North Dakota Newspaper Assn., Paul C. Schmidt, said he knew of no paper in his state that had a rate for political advertising that was more than the local or national rates.

In Georgia, only one paper charges more for political ads. The Rome News-Tribune, a daily, charges 25 percent more for political advertising. Most of the advertising for the paper comes from an agency or the state association. Glenn McCullough, executive manager of the Georgia Press Assn. said. The papers stand to gain $250,000 in election years, he said.

Likewise there is only one known paper in Michigan that charges more for political ads, said Elmer E. White, executive secretary of the Michigan Press Assn. He said a Detroit weekly, the Michigan Chronicle, has higher rates for political-advertising than for other advertising. White said a "hot campaign" year could bring as much as $350,000 in advertising to Michigan newspapers.

"In Texas we have 56 newspapers (out of 602) that charge higher rates for political advertising than display advertising (national rate)," reported Bill Boykin, general manager of the Texas Press Assn.

"Our rough estimate for statewide or national political advertising for our newspapers last year was somewhere between $200,000 and $300,000," he added. "We handled $86,000 through this office," he said, "and we know a lot more was placed locally."

Only two dailies, and no weeklies, have higher political ad rates in Oklahoma, reported Ben Blackstock, secretary-manager of the Oklahoma Press Assn. He noted that some papers charge less for political ads.

"The overall rate is less than combined open national rate," Blackstock said. "We refuse to sell ads higher than regular open national line rate."

The manager also said that most statewide or national political advertisements come through an agency or the association and the advertising is commissionable.

On the average, Blackstock said, newspapers in Oklahoma stand to make $400,000 in a political year.

A spokesman for the Utah State Press Assn. Inc. said, "no Utah weekly paper charges more for political advertising than any other kind. This office placed $16,000 in political advertising in our member papers during 1970.

"Most of our papers, the spokesman said, have a one-rate system but local advertisers can earn a lower rate based on large amounts of space used. Political advertising is treated the same as national and any placed locally can earn the same discount as any other advertiser.

Most of the political advertising placed through an advertising agency or the Utah State Press Assn. is commissionable at a national rate, according to the association.

Mr. MACDONALD of Massachusetts. I am happy to have it in the RECORD.

Mr. Chairman, will the gentleman yield further?

Mr. TIERNAN. I yield to the gentleman from Massachusetts.

Mr. MACDONALD of Massachusetts. I would just like to clear this up at this point. Does the gentleman from Illinois take the word of a trade association about constitutionality or the word of Richard G. Kleindienst, Deputy Attorney General, as to the constitutionality of the bill?

Mr. SPRINGER. As I have said, I am going to put this brief, which I believe to be accurate, in the RECORD, and I think it speaks for itself. I believe it.

Mr. MACDONALD of Massachusetts. I recommend that the gentleman send it down to the Department of Justice, whose witnesses testified before our committee as well as wrote us letters about this very subject.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

(On request of Mr. MACDONALD of Massachusetts, and by unanimous consent, Mr. TIERNAN was allowed to proceed for 5 additional minutes.)

Mr. TIERNAN. Mr. Chairman, most of what I was going to say has been covered by the ranking member of the committee, Mr. SPRINGER and Mr. MACDONALD of Massachusetts, the chairman of the subcommittee, but I would like to make reference at this time to a book written by Herbert E. Alexander, the title of which is "Financing of the 1968 Election." On page 113 of that book, after quite a disseration about the additional cost of campaigning in 1968 over previous years, there is this quote, and I would like to read it to the distinguished ranking member of the committee, Mr. SPRINGER.

It states—

Newspapers frequently specify rates usually higher for political advertising. For instance, the New York Post political rate, according to standard rate data is 30 cents a line more than the open rate.

We had before our committee the testimony of the representatives of the newspaper association, and as Mr. HAYS has pointed out and as the chairman of the subcommittee pointed out, at that time their objection was to the language in the Senate bill and also in the Brown bill that was introduced here in the House. That language, I would point out to the gentleman again, requires that the rate that would be charged not exceed the lowest unit rate charged to others by the person furnishing such media.

As a result of the testimony of those witnesses, the subcommittee changed the language from the lowest-unit rate to read that the charge made would be for comparable use of such space in the newspaper.

Gentlemen, I do not think we could have gone any further in trying to accommodate the newspaper publishers of this country than to provide that the newspaper publishers charge the same amount that they charge anyone using their newspapers for advertising. I do not believe that people who aspire for public office should be charged a higher rate than what would be charged any other person using that media for advertising.

To get back to Mr. SPRINGER's citing the association, naturally they do not want to have something that will cut into their ability to charge a rate that will mean additional profits to them, but the statement of the witnesses of the U.S. Department of Justice before our committee was—

Some proposals would require broadcasters to charge candidates at the lowest unit rates charged others for similar time blocs, and at least one of the bills before you would extend the lowest-unit-rate provision to space purchased in nonbroadcast media.

This is using the words "lowest unit rates," which was even more severe than what we put in this bill. Continuing—

The department favors such a provision and strongly feels it should be made applicable to both broadcasters and nonbroadcast communication media.

So, gentlemen, I hope, and I am sure the House will vote down the amendment of the gentleman from Illinois (Mr. SPRINGER), because you know that the veto message of the President clearly spelled out to Congress that he would not sign into law any bill that provided for regulation of broadcasters only. Therefore, we had to include the press and other media in this most urgent reform bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TIERNAN. I yield to the gentleman from Iowa.

Mr. GROSS. Is the gentleman talking about a card rate which takes into account several factors including the number of insertions and so on?

There is quite a difference as to whether a card rate is used which takes into account the frequency of advertising insertions or frequency of broadcasters. When we speak of class A or prime time on television or radio, the lowest per unit cost might be class C time. It seems to me that we ought to have a clarification of what the gentleman is talking about.

Mr. TIERNAN. If the gentleman will refer to page 3, it clearly states that it will not exceed the charge made for a comparable use for such space for other purposes. That language is acceptable. It was the language suggested in the hearings before the committee by representatives of the National Newspaper Association, in fact, by the publisher of the paper in my hometown.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there is no constitutional question here serious enough to deserve long consideration, but since the question has been raised and since the school of journalism's report has been cited, I have taken the opportunity to

look at it, and it does not deal with the question here at all. What it deals with is the question of whether or not a private advertiser in competition with other advertisers may demand that his advertisement be taken by a newspaper where there is no statutory provision that demands that it do so. The courts have obviously held that the refusal to accept the other advertiser's advertisement is in no wise prohibited by law.

The other kind of case cited in the school of journalism's survey was that which involved a State law which required a newspaper to print public notices, and in that instance the court said that it would not be so required, being a private enterprise.

But these cases do not involve the question of Congress exercising its authority under the commerce clause or under the specific provisions of the Constitution authorizing Congress to regulate Federal elections. It is perfectly clear that the commerce clause gives Congress the power to regulate in areas affecting interstate commerce, and, of course, the commerce clause has been most broadly construed.

Furthermore, there is a specific authority contained in the Constitution in article I, section 4:

The Times, Places and Manner of holding Elections for Senators and Representatives, shall be prescribed in each State by the Legislature thereof; but the Congress may at any time by Law make or alter such Regulations, except as to the places of choosing Senators.

The bill and the section which is sought to be amended does not require newspapers to print any political advertising. All it says is if any person sells space in any newspaper or magazine to any legally qualified candidate for Federal elective office or nomination thereto in connection with such candidate's campaign, they have to sell to all. They do not have to sell to any, but if they sell to any, they must sell to all.

There is no question but what Congress can enter this field of Federal elections, and this title is wholly limited to Federal elections. Congress has regulated Federal elections with respect to contributions by corporations and with respect to contributions by labor unions. It has dealt with all manner of questions regarding Federal elections, and clearly this is justified under the Constitution.

Now then, some would attempt to stretch in some peculiar way the first amendment to some kind of protection to the newspapers to do precisely what they want to do with respect to using space. What the first amendment protects is the people's right not to have their right of free speech abridged. It is in plain terms. It says that Congress shall make no law abridging the right of free speech.

Do we abridge free speech by requiring that if a newspaper prints one political advertisement it must likewise print another political advertisement by the opponent of that person running for office? Obviously the first amendment is not involved in any sense of the word.

The only question that could possibly have been raised was the question of the power of Congress. That has so long been resolved that it seems futile and ridiculous to raise the point here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. SPRINGER) to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

TELLER VOTE WITH CLERKS

Mr. SPRINGER. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. SPRINGER. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. SPRINGER, MACDONALD of Massachusetts, HAYS, and THOMPSON of Georgia.

The Committee divided, and the tellers reported that there were—ayes 145, noes 219, not voting 67, as follows:

[Roll No. 412]

[Recorded Teller Vote]

AYES—145

Abernethy	Fuqua	Price, Tex.
Anderson, Ill.	Goldwater	Quie
Andrews, N. Dak.	Goodling	Quillen
Archer	Grover	Randall
Arends	Gude	Rarick
Baker	Hall	Roberts
Belcher	Hammer-schmidt	Robinson, Va.
Betts	Hansen, Idaho	Robison, N.Y.
Biester	Harsha	Rogers
Blackburn	Harvey	Rousselot
Bow	Hastings	Runnels
Bray	Heckler, Mass.	Ruppe
Brinkley	Helnz	Satterfield
Broomfield	Hicks, Wash.	Schmitz
Brotzman	Hosmer	Schwengel
Brown, Ohio	Hungate	Scott
Broyhill, N.C.	Hunt	Sebelius
Broyhill, Va.	Jarman	Shoup
Buchanan	Johnson, Pa.	Shriver
Burke, Fla.	Keating	Skubitz
Byrnes, Wis.	Kemp	Smith, Calif.
Byron	King	Smith, N.Y.
Caffery	Kuykendall	Spence
Carter	Kyl	Springer
Chamberlain	Landgrebe	Stanton, J. William
Clancy	Latta	Steed
Clausen, Don H.	Lent	Steele
Clawson, Del	Long, La.	Steiger, Ariz.
Cleveland	McClure	Steiger, Wis.
Collier	McCollister	Stubblefield
Collins, Tex.	McCulloch	Talcott
Coughlin	McDade	Thomson, Wis.
Crane	McDonald, Mich.	Thone
Daniel, Va.	McEwen	Veysey
Davis, Wis.	McKinney	Waggonner
de la Garza	Mahon	Wampler
Dennis	Martin	Ware
Devine	Mathias, Calif.	Whalen
Duncan	Mathis, Ga.	Whalley
Dwyer	Mayne	Widnall
Edwards, Ala.	Melcher	Wiggins
Esch	Minshall	Wilson, Bob
Fascell	Mizell	Winn
Findley	Montgomery	Wyatt
Fish	Morse	Wylie
Ford, Gerald R.	Mosher	Young, Fla.
Frenzel	O'Konski	Zion
Frey	Powell	Zwach

NOES—219

Abbitt	Bennett	Carey, N.Y.
Abourezk	Bergland	Carney
Abzug	Biaggi	Casey, Tex.
Adams	Bingham	Celler
Addabbo	Blanton	Collins, Ill.
Albert	Boggs	Conable
Alexander	Boland	Conte
Anderson, Tenn.	Brademas	Conyers
Annunzio	Brasco	Corman
Ashbrook	Brooks	Culver
Ashley	Brown, Mich.	Daniels, N.J.
Aspin	Burke, Mass.	Danielson
Baring	Burleson, Tex.	Davis, Ga.
Begich	Burlison, Mo.	Delaney
	Cabell	Dellenback
Dellums	Jones, Tenn.	Price, Ill.
Denholm	Karth	Pucinski
Dent	Kastenmeier	Purcell
Dingell	Kazen	Rangel
Donohue	Keith	Rees
Dorn	Kluczynski	Reid, N.Y.
Dow	Koch	Riegle
Downing	Kyros	Roe
Drinan	Lennon	Roncalio
Dulski	Link	Rooney, N.Y.
du Pont	Lloyd	Rooney, Pa.
Eckhardt	Long, Md.	Rosenthal
Edmondson	Lujan	Rostenkowski
Edwards, Calif.	McCormack	Roush
Evans, Colo.	McFall	Roy
Fisher	McKay	Ryan
Flood	McMillan	St Germain
Flynt	Macdonald, Mass.	Sandman
Foley	Madden	Sarbanes
Forsythe	Mailliard	Scherle
Fountain	Mann	Scheuer
Fraser	Matsunaga	Schneebeli
Frelinghuysen	Mazzoli	Selberling
Fulton, Tenn.	Meeds	Shipley
Gallfianakis	Metcalfe	Sisk
Garmatz	Mikva	Smith, Iowa
Gaydos	Miller, Calif.	Snyder
Gettys	Miller, Ohio	Staggers
Giaimo	Mills, Ark.	Stanton, James V.
Gibbons	Mills, Md.	Stephens
Gonzalez	Minish	Stokes
Grasso	Mink	Stratton
Green, Oreg.	Monagan	Sullivan
Green, Pa.	Moorhead	Symington
Griffin	Morgan	Taylor
Griffiths	Moss	Teague, Calif.
Gross	Murphy, Ill.	Teague, Tex.
Hagan	Murphy, N.Y.	Terry
Haley	Myers	Thompson, Ga.
Hamilton	Natcher	Thompson, N.J.
Hanley	Nedzi	Tiernan
Hansen, Wash.	Nix	Udall
Harrington	Obey	Ullman
Hathaway	O'Hara	Van Deerlin
Hawkins	O'Neill	Vander Jagt
Hays	Passman	Vanik
Hechler, W. Va.	Patman	Vigorito
Helstoski	Patten	Waldie
Henderson	Pelly	White
Hicks, Mass.	Pepper	Williams
Holifield	Perkins	Wolff
Horton	Pettis	Wright
Howard	Peyser	Wydler
Hull	Pickle	Wyman
Hutchinson	Pike	Yates
Ichord	Podell	Yatron
Jacobs	Poff	Young, Tex.
Johnson, Calif.	Preyer, N.C.	Zablocki
Jonas		

NOT VOTING—67

Anderson, Calif.	Dowdy	McKevitt
Andrews, Ala.	Edwards, La.	Michel
Aspinall	Eilberg	Mitchell
Badillo	Erlenborn	Mollohan
Barrett	Eshleman	Nelsen
Bell	Evins, Tenn.	Nichols
Bevill	Flowers	Pirnie
Blatnik	Ford, William D.	Poage
Bolling	Gallagher	Pryor, Ark.
Burton	Gray	Railsback
Byrne, Pa.	Gubser	Reuss
Camp	Halpern	Rhodes
Cederberg	Hanna	Rodino
Chappell	Hébert	Roybal
Chisholm	Hillis	Saylor
Clark	Hogan	Sikes
Clay	Jones, Ala.	Slack
Colmer	Jones, N.C.	Stuckey
Cotter	Kee	Whitehurst
Davis, S.C.	Landrum	Whitten
Derwinski	Leggett	Wilson, Charles H.
Dickinson	McClory	
Diggs	McCloskey	

So the amendment to the amendment was rejected.

AMENDMENT OFFERED BY MR. PICKLE TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS

Mr. PICKLE. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

The Clerk read as follows:

Amendment offered by Mr. PICKLE to the amendment offered by Mr. MACDONALD of Massachusetts: On page 3 of H.R. 11231 strike out line 9 and all that is following through line 13 and insert in lieu thereof the following:

"(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office shall not exceed the actual charges made by such station for any comparable use of such station for other purposes."

Mr. PICKLE. Mr. Chairman, the amendment which I have offered will place broadcasters, newspapers, and magazines under the same rule, that is, under the earned or under the comparable rate. The Macdonald bill provides that newspapers will be able to charge the comparable or earned rate.

The same bill, though, provides that broadcasters would be required to charge the lowest unit rate.

It seems to me that we ought to make both media the same. If it is fair for one then logically it ought to be fair for the other.

I think the committee would be interested in knowing that this amendment was adopted in our committee.

As a bit of background, our committee had an amendment offered at one time to take newspapers out of the bill entirely. It was pointed out that the bill a year ago was vetoed by the President primarily on the ground that it was not fair to put limitations or restrictions solely on broadcasters and not on newspapers, and for that reason, among others, he vetoed it.

The committee felt then, that we were on solid ground in including newspapers into this bill, and therefore the committee voted down the amendment offered that would take newspapers entirely out of this bill.

I pointed out that the votes ought to be the same. Then the gentleman from Massachusetts (Mr. MACDONALD), offered an amendment that would make newspapers be allowed to charge this comparable rate. I pointed out that that ought to apply also for the broadcasters. Therefore, I offered this amendment which is before us now, and it was adopted in the committee by a vote of 19 to 4.

At the very end of the debate, however, as we passed out the bill, a substitute was offered, and this particular amendment was swallowed up and lost, but it had been approved by the committee.

Now, the intent of my amendment is simply to say that a man buying time, whether he goes to the newspaper office, or to the radio station, in effect ought to be charged an earned rate on the local card. We do not use the term "local card," because that term, legally speaking, varies so much over the country that it was very difficult to say what was or what was not a "local card."

My intent is to say that a man buying time whether in broadcasting or for newspapers would be able to get an earned rate, that is the discount rate based on the number of inches he buys or based on the number of times he runs a spot.

It is not my intent to say that he can charge the one time national rate.

You will notice the language says that he is allowed the actual charges. This means if in the broadcasting business you give a rate to any person, you have to give everybody else in effect that same rate. The same would apply to newspapers. You cannot discriminate one as against the other.

I think it is eminently fair and this would simply make these two units and the charges the same.

In view of the fact that we have just voted down the amendment offered by the gentleman from Illinois (Mr. SPRINGER), I would assume and I would hope that he and his side would now support this particular amendment.

So we say to both these medias, broadcasting and newspapers, you would actually be charging the same unit of rate, and that would mean the earned rate.

I cannot expand on the technicalities of it any more fully than to say simply that they should charge the same rate. I think it is fair.

Mr. ABBITT. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Virginia.

Mr. ABBITT. Mr. Chairman, I commend the gentleman from Texas on offering this amendment. I think it will be a great improvement. As the gentleman has so ably pointed out, it simply puts television and newspapers and other media in the same category. I think it is unfair for candidates to expect to get the lowest rate. The only thing they should ask for is equal treatment and that is what your amendment does and I hope the amendment will be adopted.

Mr. PICKLE. I thank the gentleman.

Mr. ABOUREZK. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman.

Mr. ABOUREZK. Mr. Chairman, I do not want to burden Members with another lengthy exposition of the need for reform of campaign finances. Many Members have spoken far more eloquently than I could about the effect of unlimited spending on the quality of public life in this Nation. Many have worked hard to insure that the legislation we are writing here today is truly effective. It is my understanding that Congressmen UDALL and ANDERSON will also be proposing a series of perfecting changes. I hope that the House will see fit to accept their recommendations.

I do, however, want to express my concern about the provision we are examining here. It seems to me that asking broadcasters or newspapermen to sell advertising to political candidates at artificially low rates is nothing more than asking them to subsidize political campaigns. Passage of this provision would mean that the lower total amounts that can be spent will be nullified by a lower per unit cost with the net result that the average citizen will still face a blizzard of 30-second spots every Halloween.

If a used car salesman were asked to sell cars to political candidates at a reduced rate it would be a scandal. Yet we think nothing of requiring broadcasters to do the very same thing. If a campaign subsidy is to be provided at all, and there are good arguments to suggest that it should be, then the Government, not the media, should provide that subsidy.

I know there are many here who find it hard to work up much sympathy for large television outlets or major newspapers. But in States like South Dakota, our newspapers and radio and television stations are considerably smaller. They have much less income, and they usually operate with a very small profit margin. Reducing income to these people by forcing them to sell at below their normal local advertising rates, could be a financial blow to an already marginal operation.

Please keep in mind, Mr. Chairman, that these are small operations run locally in small towns often as a "Ma and Pa" family business. Certainly, I want campaign spending reform, but I also want these small newspapers and broadcasters to survive. For this reason, I intend to support strong spending reform legislation, but I would hope we could do it without forcing the lowest unit rate provision on these small-town operations.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman.

Mr. WRIGHT. Is it not true that the President vetoed the bill last year on the ground that it discriminated against the broadcasting media and did not treat the broadcasting media the same as the newspapers? Would this amendment not correct that situation?

Mr. PICKLE. That is correct. It would make them the same.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is with some reluctance that I come to the well to oppose this amendment. However, I think the idea behind the amendment goes to the very heart of the bill.

With all due respect to Mr. PICKLE and his statement which was absolutely correct, that this amendment did pass the committee, the gentleman recalls that it passed with no debate and it was tacked on under a time limitation and not everyone was quite sure what it meant. Could I ask the gentleman from Texas if he feels that the position of newspapers and broadcasters is the same so far as the media is concerned?

Mr. PICKLE. I think the unit charge should be the same. The argument can be made and has been made that broadcasters should give the lowest unit rate, because they have a license and, therefore, they must protect and operate in the public interest.

If I may expand on that and if I take up too much of the gentleman's time, I will ask for additional time for the gentleman—that is an argument that I know many of us here in the House envisioned at the time—that broadcasters ought to give special consideration, or a special rate.

Years ago, right after the war, I had an interest in a radio station—I have not had for 20 years, but I did then—and

XUM

I can say to you that a radio station gives a great deal of time in the public interest. We carried an endless amount of time in the public service. If the gentleman would want to differentiate between the two and say the only test for public service is the unit rate he charges for advertisements, then I think he is taking a very limited and narrow view.

Mr. MACDONALD of Massachusetts. I appreciate the gentleman's remarks. I would like to point out to the gentleman that the Congress will not be setting rates to be charged by broadcasters. The broadcasters will be setting their own rates, and as the gentleman wisely said—and I hope he agrees with what he did say—they get a license to operate in the public interest, and not only do they get a license to operate in the public interest, but they get a monopoly to operate in the public interest. If you lived in Austin, Tex., and a broadcast station there—I think there is one, and I do not know how many newspapers——

Mr. PICKLE. There are three television stations.

Mr. MACDONALD of Massachusetts. Three—but my point is that if you feel you want to serve the public and also want to make some money by starting a newspaper, you can do it. But you do it with your own money. You do not come to the FCC or any other arm of the Government and say, "Give me a license to operate in the public interest," and then refuse to serve the public interest by bringing to the public qualified candidates who are running for office who just do not have as much money as their opponent. As a matter of fact, I think that this amendment has some merit, but I think it should be defeated for the reasons I have advanced, the main reason being that the broadcasters and the newspapers are not the same. They are not treated the same and should not be treated the same. Newspapers are not licensed, never will be, and never should be. Broadcasters are and will continue to be, despite what has been said by certain officials downtown who have urged that virtually all regulations be taken away from broadcasters.

Personally, I have not been contacted by one broadcaster who indicated that he felt this was unfair. I have talked to the presidents of the three networks and they are in favor of giving lowest unit rate.

As you recall, this whole thing started some 2 years ago when a bill was presented to our committee in which it was urged that the broadcasters be forced to give free time in the public interest. We defeated that. We thought that was going too far. But certainly I do not think there is any Member of this House who thinks it is going too far to make somebody who has literally a license to steal, once that license comes out, to, in the public interest, give the lowest unit cost, not just to incumbents, but to anybody who is a legally qualified candidate who is ready to run for a Federal office, and I urge defeat of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PICKLE) to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

The question was taken; and on a division (demanded by Mr. MACDONALD of Massachusetts) there were—ayes 74, noes 52.

TELLER VOTE WITH CLERKS

Mr. JAMES V. STANTON. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. JAMES V. STANTON. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. PICKLE, MACDONALD of Massachusetts, HARVEY, and THOMPSON of New Jersey.

The Committee divided, and the tellers reported that there were—ayes 219, noes 150, not voting 61, as follows:

[Roll No. 413]

[Recorded Teller Vote]

AYES—219

Abbitt	Flood	Mathias, Calif.
Abernethy	Flowers	Mathis, Ga.
Abourezk	Flynt	Mazzoli
Adams	Ford, Gerald R.	Melcher
Anderson, Ill.	Forsythe	Mills, Ark.
Andrews, N. Dak.	Fountain	Mills, Md.
Archer	Frelinghuysen	Mizell
Arends	Frey	Montgomery
Ashbrook	Galifianakis	Mosher
Aspinall	Gettys	Myers
Baker	Giaimo	Natcher
Baring	Goldwater	Nedzi
Begich	Gonzalez	Nichols
Belcher	Goodling	O'Hara
Bennett	Griffin	O'Konski
Betts	Gross	Passman
Bevill	Grover	Pelly
Biester	Gubser	Pettis
Blanton	Gude	Pickle
Boland	Hagan	Poff
Bow	Haley	Powell
Bray	Hall	Preyer, N.C.
Brinkley	Hamilton	Price, Tex.
Broomfield	Hammer-schmidt	Pucinski
Brotzman	Purcell	
Brown, Mich.	Hanley	Quie
Brown, Ohio	Hansen, Idaho	Quillen
Broyhill, N.C.	Harvey	Randall
Broyhill, Va.	Hastings	Rarick
Burke, Fla.	Heinz	Riegle
Burleson, Tex.	Henderson	Roberts
Byron	Hicks, Wash.	Robinson, Va.
Cabell	Horton	Robison, N.Y.
Caffery	Hosmer	Rogers
Carter	Hull	Roush
Casey, Tex.	Hungate	Rousselot
Cederberg	Hunt	Runnels
Chamberlain	Hutchinson	Ruth
Clancy	Jacobs	Sandman
Clausen, Don H.	Jarman	Satterfield
Clawson, Del	Johnson, Pa.	Scherle
Cleveland	Jonas	Schmitz
Collins, Tex.	Jones, Tenn.	Schneebeli
Conable	Kazen	Schwengel
Conte	Keating	Sebelius
Coughlin	Kee	Shoup
Crane	Keith	Shriver
Culver	Kemp	Skubitz
Daniel, Va.	King	Smith, N.Y.
Daniels, N.J.	Kuykendall	Snyder
Davis, Ga.	Landgrebe	Spence
Davis, Wis.	Lennon	Stanton, J. William
de la Garza	Lent	Steed
Dellenback	Lloyd	Steiger, Wis.
Denholm	Long, La.	Stephens
Dennis	Lujan	Stratton
Dorn	McClory	Stubblefield
Downing	McCollister	Symington
Duiski	McCulloch	Taicott
Duncan	McDade	Taylor
du Pont	McDonald, Mich.	Teague, Calif.
Dwyer	McEwen	Terry
Edmondson	McFall	Thompson, Ga.
Esch	McKinney	Thomson, Wis.
Evans, Colo.	McMillan	Vander Jagt
Findley	Mahon	Veysey
Fish	Maillliard	Vigorito
Fisher	Mann	Waggonner
Wampler	Williams	Young, Fla.
Ware	Wilson, Bob	Young, Tex.
Whalley	Wright	Zion
White	Wylie	Zwach
Widnall	Wyman	

NOES—150

Abzug	Hansen, Wash.	Peyser
Addabbo	Harrington	Pike
Alexander	Harsha	Podell
Anderson, Tenn.	Hathaway	Price, Ill.
Annunzio	Hawkins	Rangel
Ashley	Hays	Rees
Aspin	Hechler, W. Va.	Reid, N.Y.
Bergland	Heckler, Mass.	Roe
Biaggi	Helstoski	Roncalio
Bingham	Hicks, Mass.	Rooney, N.Y.
Blackburn	Holifield	Rooney, Pa.
Boggs	Howard	Rosenthal
Brademas	Ichord	Rostenkowski
Brasco	Johnson, Calif.	Roy
Brooks	Karth	Ruppe
Buchanan	Kastenmeier	Ryan
Burke, Mass.	Kluczynski	St Germain
Burlison, Mo.	Koch	Sarbanes
Byrnes, Wis.	Kyl	Scheuer
Carney	Kyros	Scott
Celler	Latta	Selberling
Collier	Leggett	Shipley
Conyers	Link	Sisk
Corman	Long, Md.	Smith, Calif.
Danielson	McCormack	Smith, Iowa
Delaney	McKay	Springer
Dellums	Macdonald, Mass.	Staggers
Dent	Madden	Stanton, James V.
Dingell	Martin	Steele
Donohue	Matsunaga	Steiger, Ariz.
Dow	Mayne	Stokes
Drinan	Meeds	Sullivan
Eckhardt	Metcalfe	Thompson, N.J.
Edwards, Ala.	Mikva	Thone
Edwards, Calif.	Miller, Calif.	Ternan
Fascell	Miller, Ohio	Udall
Foley	Minish	Ullman
Ford, William D.	Mink	Van Deerlin
Fraser	Minshall	Vanik
Fulton, Tenn.	Mollohan	Waldie
Fuqua	Monagan	Whalen
Gallagher	Moorhead	Wiggins
Garmatz	Morgan	Winn
Gaydos	Moss	Wolff
Gibbons	Murphy, Ill.	Wyatt
Grasso	Nix	Wydler
Green, Oreg.	Obey	Yates
Green, Pa.	O'Neill	Yatron
Griffiths	Patten	Zablocki
	Pepper	
	Perkins	

NOT VOTING—61

Anderson, Calif.	Dickinson	Mitchell
Andrews, Ala.	Diggs	Murphy, N.Y.
Badillo	Dowdy	Nelsen
Barrett	Edwards, La.	Patman
Bell	Eilberg	Pirnie
Blatnik	Erlenborn	Poage
Bolling	Eshleman	Pryor, Ark.
Burton	Evins, Tenn.	Railsback
Byrne, Pa.	Gray	Reuss
Camp	Halpern	Rhodes
Carey, N.Y.	Hanna	Rodino
Chappell	Hébert	Roybal
Chisholm	Hillis	Saylor
Clark	Hogan	Sikes
Clay	Jones, Ala.	Slack
Colmer	Jones, N.C.	Stuckey
Cotter	Landrum	Teague, Tex.
Davis, S.C.	McCloskey	Whitehurst
Derwinski	McClure	Whitten
Devine	McKevitt	Wilson, Charles H.
	Michel	

Mr. CULVER changed his vote from "no" to "aye."

So the amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. SYMINGTON TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS

Mr. SYMINGTON. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. SYMINGTON to the amendment offered by Mr. MACDONALD of Massachusetts: Page 8, insert after line 4 the following:

"(7) For purposes of this section and section 315c, any expenditure for the use of any communications medium by or on behalf of the candidacy of a candidate for Federal elective office (or nomination thereto) shall be charged against the expenditure limitation under this subsection applicable to the election in which such medium is used."

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. SYMINGTON. I am glad to yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I have asked the gentleman to yield for the purpose of trying to arrive at a limitation of debate on the Macdonald of Massachusetts amendment. I wonder how many more amendments are pending? Are there any more at the desk?

The CHAIRMAN. There are three at the desk in addition to the one which has been offered by the gentleman from Missouri.

Mr. HAYS. I thank the gentleman for yielding.

Mr. Chairman, in due time I shall ask unanimous consent to close debate on the Macdonald of Massachusetts amendment.

Mr. SYMINGTON. Mr. Chairman, I have a very brief amendment and I shall briefly speak to it.

The purpose of this amendment is simply to protect the intent of this House, the intent of Congress in passing whatever legislation we do pass that achieves the objective of limiting campaign expenses. I do not think that the Reading Clerk's presentation was well heard here and, therefore, I would like to state what is hoped to be achieved as a result of the adoption of this amendment.

Mr. Chairman, we know now that all of these bills provide limits for both the primary election and the general election, and you can spend the upper limit in each of those two elections. What we want to be sure does not happen is that a candidate accrues debts in the primary election campaign and pays them then for communications media purposes which are actually used for the general election, during the time in which the general election campaign is carried on.

The bill is not really sufficiently clear as it stands right now to prevent an imaginative finance chairman and a very necessitous candidate from achieving this subversion of the intent of Congress in this way.

Since I do have the time, I will turn your attention to page 8 of Mr. MACDONALD's bill which would read at the end of line 4 as follows:

For purposes of this section and section 315(c), the use of any communications medium by or on behalf of the candidacy of a candidate for Federal elective office (or nomination thereto) shall be charged against the exepnditure limitation under this subsection applicable to the election in which such medium is used.

That is the language carefully chosen to achieve the result.

Mr. Chairman, I have had the opportunity to speak to various leaders here today who are sponsors of the various bills, and I hope it is no presumption to say that they have given me encouragement to believe that they favor this amendment.

We want to be very sure, for example, should we establish let us say a $50,000 limit for the primary and a $50,000 limit for the general election, that we do not permit a fellow who has no primary opposition or very weak primary opposition to accumulate a lot of debts during his primary for purposes that he intends to use in the general campaign, and charge them to his primary campaign limit and, therefore, go into the general election with, effectively, a $100,000 limit instead of a $50,000 limit.

Mr. HAYS. Mr. Chairman, if the gentleman will yield, the gentleman is saying that you cannot pay for time during the primary, and then not use it, and then carry it over and use it in a general election. Is that the sense of the amendment?

Mr. SYMINGTON. That is correct.

Mr. HAYS. Mr. Chairman, as far as I am concerned, for whatever worth it is, I accept the amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SYMINGTON. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman spoke of time. Does this also apply to newspaper advertising?

Mr. SYMINGTON. It would apply.

Mr. GROSS. To both media?

Mr. SYMINGTON. To all communications media, yes. That is, if you would buy newspaper advertising and magazine advertising, and then find it inconvenient, let us say, to use it for the purpose of your primary election, and save that space and use it in the general election, it would be charged to the general election.

Mr. GERALD R. FORD. Mr. Chairman, if the gentleman would yield, the gentleman from Missouri talked to me about this amendment and, as I recollect, he had one for the Macdonald bill, one to the Senate version, and one to the Hays bill, and the one that the gentleman has offered here is only applicable to the electronics media and the newspaper media?

Mr. SYMINGTON. That is right; the gentleman is correct. This amendment is merely offered to the Macdonald bill, which covers only the communications media.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments to the Macdonald of Massachusetts amendment close at 5:30.

Mr. SPRINGER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. SPRINGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, may I ask the distinguished gentleman from Missouri (Mr. SYMINGTON) some questions, as I may not be opposed to his amendment? However, I am not sure from the reading of the amendment that I understand exactly what the gentleman has in mind.

Now, it is the purpose of your amendment to limit expenditures in the primary to a total of $50,000?

Mr. SYMINGTON. If the gentleman will yield; no, I merely used that as an illustration.

Mr. SPRINGER. What is the purpose of the amendment?

Mr. SYMINGTON. The purpose of the amendment is to insure that whatever limitation applies upon a candidate's primary and general election campaign, that the sums that he spends for communications media will be charged to the limitation applicable to the campaign in which they are actually used.

Mr. SPRINGER. Let me ask the distinguished gentleman this question:

Suppose that the gentleman is a candidate from the State of Missouri, and he has no opposition. I am assuming the gentleman spends $50,000 in the primary, even under his amendment.

Mr. SYMINGTON. That would be possible, yes; if you are going to the $50,000 limitation.

Mr. SPRINGER. If he spends $50,000 that would be legal?

Mr. SYMINGTON. Yes, that would be legal. It is legal, certainly, to charge $50,000 to his primary campaign.

Mr. SPRINGER. Even though he is unopposed?

Mr. SYMINGTON. Yes.

Mr. SPRINGER. He applies this under this amendment solely and alone to cover the TV and radio media?

Mr. SYMINGTON. Well, the thrust of my amendment is merely to those matters covered by the Macdonald amendment which do indeed include the communications media; that is, newspapers, magazines, and broadcasters. He could spend the money on other things that are not included within the definition such as billboards and matchboxes, and this would not be covered under the amendment.

Mr. SPRINGER. In other words, he could spend an extra $50,000 in the primary with no opposition if he did not spend it on TV, radio, magazines, and newspapers; is that correct?

Mr. SYMINGTON. You are addressing your question merely to the Macdonald amendment itself, and the Macdonald amendment itself covers only the communications media. There are other bills before us which cover—and which will be before us—which will cover other forms of advertising; other forms of campaign expense.

Mr. SPRINGER. I would like to get this straightened out and that is the purpose of my taking this time.

I want to repeat—the $50,000 limitation that the gentleman is talking about, which has to do only with these forms of communication in the Macdonald bill would be for radio, television, magazines, and newspapers. Are you agreed on that?

Mr. SYMINGTON. I think it might be helpful at this point, if I were to refer the gentleman to the gentleman from Massachusetts who wishes to speak at this point.

Mr. MACDONALD of Massachusetts. I would like to point out that when the Frey amendment was adopted my bill was expanded to include billboards, so you are right if you are talking about

the Macdonald amendment, as amended.

Mr. SPRINGER. Are you then, may I ask the gentleman from Missouri, including billboards?

Mr. SYMINGTON. My amendment includes only communications media. If billboards are to be included as communications, they would be included under my amendment.

Mr. SPRINGER. All right now, that is the question I am trying to get cleared up. Is this amendment clear enough—and he is trying to make it concise and he is given credit for that in the report—I want to be sure it is—what is involved in this figure that is limited to $50,000?

Mr. HARRINGTON. I would use the $50,000 figure as a hypothetical figure. The 10 cents per eligible voter figure is covered by the Macdonald bill really—the 10 cents per eligible voter figure is in fact the figure we would use.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(Mr. SPRINGER asked and was given permission to proceed for 2 additional minutes.)

Mr. SPRINGER. Mr. Chairman, I have asked for the additional time to get this straightened out. Perhaps I can accept this amendment.

Mr. FREY. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. FREY. I believe the amendment that was passed by the House redefines communication media and in the Macdonald bill, section 2, subparagraph (1) to include broadcasting stations, newspapers, magazines, and outdoor advertising, billboard.

I think my understanding of the gentleman's amendment, the gentleman from Missouri, this would in essence be the definition so it would include it.

Mr. SPRINGER. And you are talking only of those forms of media covered by your amendment within the 10-cent limit; am I right?

Mr. SYMINGTON. That is correct.

The language of my amendment covers any communication media covered by the Macdonald amendment, as adopted.

Mr. SPRINGER. You cannot carry over any part of that after the last date of the primary; is that correct?

Mr. SYMINGTON. I think—as to billboards—let us say you put up your billboards and put up $10,000 worth of billboard advertising for 1 week.

Mr. SPRINGER. And that is before the primary?

Mr. SYMINGTON. That is right—1 week before the elections—and you leave it up for a number of weeks after perhaps all the way through the general election.

I think my amendment is sufficiently clear, given the regulations that we assume to be promulgated by the Attorney General to clarify the details to permit that portion of billboard use which was used during the primary to be allocated to the primary limitation and that portion used during the general election to be allocated to the general.

Mr. SPRINGER. That is what you intend and do you think that is what your amendment does?

Mr. SYMINGTON. That is my intent and that is what I would hope to achieve by this amendment. I believe it does, because it states that it shall be charged against the limitation applicable to the election in which such media was used.

Mr. SPRINGER. Mr. Chairman, I think the legislative history has been made and if that is the gentleman's thought, I have no objection to the amendment.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SPRINGER) has expired.

(Mr. SPRINGER asked and was given permission to proceed for 2 additional minutes.)

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. MINSHALL. I should like to ask the gentleman from Missouri why in reference to news media and communications media; namely, radio and TV you include billboards solely?

Let me ask this question. If you had x number of dollars in so many brochures and if you had x number of dollars in so many match boxes and you did not use all in the primary and only used half; would those be counted or could you use those in the fall campaign—or are they to be charged against your fall campaign?

Mr. SYMINGTON. I think that the portion of materials of that kind now covered under the Macdonald amendment which would be used in the general campaign would be charged against the general campaign and the portion used in the primary would be charged against the primary.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Ohio.

Mr. HAYS. I think the answer to the gentleman from Ohio is that this particular amendment applies only to the Macdonald amendment. The only things covered by the Macdonald amendment are newspaper, radio, television, and billboards. So anything else would have to be covered in another way. If there is a prohibition, a ceiling, say, of $50,000, and it survives, then you would have to offer an amendment to cover that. As it stands now, the amendment applies only to newspapers, radio, television, and billboards.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. SYMINGTON), to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

The amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. FREY TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS

Mr. FREY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FREY to the amendment offered by Mr. MACDONALD of Massachusetts: Page 2, line 19, strike out "PRESIDENT AND VICE PRESIDENT" and insert in lieu thereof "FEDERAL ELECTIVE OFFICE".

Beginning on line 24 of page 2, strike out "legally qualified candidate for the office of President or Vice President of the United States in a general election" and insert in lieu thereof "legally qualified candidate for Federal elective office (or nomination thereto)".

Mr. FREY. Mr. Chairman, I listened with a great deal of interest to the amendment offered by the gentleman from California (Mr. VAN DEERLIN). I supported that amendment and was disappointed that it was not agreed to because I thought it provided an opportunity for compromise, a chance to get something with which we all could live.

I listened also with interest to the debate about protecting the interests of the House and how the amendment could hurt the interests of the House, and what it would do to the Senate and the Presidency.

I am sure that everyone would agree that the important question is, what is best for the country? Is it wrong basically to want more debate? Is it wrong to want more interest in an election? Is it wrong to get more people to vote in an election? Is it wrong to want to keep spending down? Is it wrong to treat all candidates for Federal office equally?

I think the answer in each case is, "No." For this reason I have offered this amendment which repeals 315 for all Federal offices.

We have had section 315 repealed for the Presidency only one time since 1927. That was in 1960. Because of this we do not have a great many facts to go on, certainly not as many as we would like. But we do have some facts. For example, in 1960, when section 315 was suspended for the Presidency, we had 82 hours and 30 minutes of free time given. In 1964 we had only 26 hours, and in 1968 only 27 hours.

We had more interest in 1960. The Roper poll in 1956 asked the question, "How many people were 'very much interested' in the campaign?" Forty-six percent of the people were interested in September and 47 percent were interested in October. In 1960, when section 315 was repealed, the same question was asked. There were 45 percent interested in September, and then it jumped, when we had the debates, to 54 percent in October. Over 115 million people watched the debates.

Let us look at where it really pays off, because what we are talking about is people and votes. We are talking about people becoming involved in our political process. In 1960, we had the best turnout percentagewise in the presidential election and the election for Members of the House that we have had in recent years; 64 percent of the eligible voters participated in the presidential election—59.6 voted in the U.S. House races. That compares to an off-election year of 42 to 46 percent in the House and for instance 61.8 percent for the Presidency in 1968.

Let us look at spending. CBS, for instance, during the 1960 campaign, because of the repeal of 315, gave 32½ hours free time to the President and the Vice President, which they stated was equal to $2 million. If you use that figure as a basis you will see that the networks gave about $6 million of free time in 1960. If we are talking about cutting down costs, here is a chance to provide the opportunity across the board in all Federal elections.

Furthermore, we heard a great deal about how the Presidency is different than the Senate and House—nobody will deny that. But I think also no one will deny that the House and the other body together are equally important.

Certainly one congressional race is not going to attract the attention that the presidential race will or that a Senate race may, but taken together en toto they are equally important. I think the public has a right to have Federal office seekers stand up and debate or discuss the issues whether the person is a candidate for the presidency, the Senate, or the House. I think the public should know what we believe.

We have heard a great deal about not trusting the radio or TV people. I do not distrust the TV and radio as many here do. Furthermore, if I had to choose, I would much rather take a chance on the local people than I would on the networks.

For these reasons, I would like to see section 315 repealed across the board. It should apply to everybody in Federal office equally. Discrimination against the President just does not make sense.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment. This is a very simple decision we have to make. If the Members want every television announcer in the United States to be running for Congress, they should vote for this amendment, because this releases the stations and the networks from any responsibility whatever to treat anybody fairly or to give equal time. We can envision a television announcer in our districts—and I saw it happen in the district next to mine—run for Congress, and if this is repealed, at the beginning of a newscast an announcer can say, "This is Joe Doakes, candidate for Congress, bringing you the news," and at the end of his broadcast he can say, "The news has been presented by Joe Doakes, candidate for Congress."

That is exactly what this amendment will do. I can predict if this passes that in about 250 districts around the country that is exactly what we will find will happen.

Mr. FREY. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Florida.

Mr. FREY. Mr. Chairman, there is a little bit of confusion between 315 and the fairness doctrine. If 315 is repealed, the fairness doctrine would still apply.

Mr. HAYS. I suggest that the gentleman get the 315 fairness applied in time for his campaign if he can, but I am opposed to this amendment, and I think everyone in this House who wants to preserve some ability to have some fairness, whether he is a challenger or an incumbent, should vote against the amendment.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, the gentleman from Ohio has characterized this amendment accurately. It should by all means be defeated. It is so transparent it needs no further explanation than that which the gentleman has given.

Mr. HAYS. I thank the gentleman from New Jersey.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this very dangerous amendment. I think it is terribly dangerous because anybody who tries to pull a rabbit out of the hat and say that the fairness doctrine is going to protect candidates for office just does not understand the fairness doctrine.

In the first place, 315, the equal time provision, is law, and the fairness doctrine is merely a rule. The fairness doctrine does not go to political debates. It covers controversial issues. If somebody is given time on a TV or radio station to present his point of view about a controversial issue—busing or something like that—then the responsible opponent gets, under the fairness doctrine, also such time to be heard. But under the fairness doctrine the opponent does not have to be given the same time level or the same time socket.

I have said before—and I am getting bored with myself saying it—that if we repeal 315, the broadcasters of this country are going to run our political life.

I would like to clear up the matter of debates. Of course, the debates in 1960 were a high point, as has been said several times, in our political life, but obviously there is nothing in our bill that would make it mandatory for anyone to debate anyone he did not want to debate. It merely is a shield against the arrogance and the power—not potential power, but actual power—of the broadcasters to pick candidates for the Senate and to pick candidates for the House in certain areas, and it will not affect all areas.

If it affects two areas, that is two too many. I do not believe we should abrogate our protection.

I do not believe we should turn the political process over to the broadcasters, and especially the TV broadcasters who have such tremendous control already.

I point out, for those Members who were not here before, if we repeal 315 a TV station can give time to your opponent, just give him time, and refuse to sell you time, and there would not be a blessed thing you could do about it.

If you really want to put a dent in our political system, adopt this amendment. I urge you not to.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

I also voted for the Van Deerlin amendment, and I hope the maker of that amendment will keep it around until he has an opportunity to use it again later. Nevertheless, faced with the choice we have before us now, it seems to me elementary we should vote in favor of the Frey amendment. What we are being told by the chairman of the subcommittee, the gentleman from Massachusetts, the chairman of the Committee on House Administration, the gentleman from Ohio, and others, is that what is fair for some of us is not fair for the rest of us, and it is a bad thing for the broadcasters to pick the people who will take charge of one office but not another.

It seems to me what is fair for one should be fair for all. If we are going to have a repeal, it should be a total repeal or no repeal at all. If we are going to have real fairness, it seems to me that the Frey amendment is worthy of our total support.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. FREY) to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

TELLER VOTE WITH CLERKS

Mr. FREY. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. FREY. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. FREY, HAYS, MACDONALD of Massachusetts, and FRENZEL.

The Committee divided, and the tellers reported that there were—ayes 95, noes 277, not voting 59, as follows:

[Roll No. 414]

[Recorded Teller Vote]

AYES—95

Anderson, Ill.	Esch	Powell
Andrews, N. Dak.	Fish	Quie
	Flowers	Quillen
Archer	Ford, Gerald R.	Reid, N.Y.
Arends	Frenzel	Robinson, Va.
Belcher	Frey	Robison, N.Y.
Biester	Goldwater	Ruppe
Bow	Grover	Ruth
Bray	Gubser	Schneebeli
Brinkley	Hansen, Idaho	Schwengel
Broomfield	Harsha	Scott
Brotzman	Harvey	Sebelius
Brown, Mich.	Hastings	Shoup
Brown, Ohio	Heckler, Mass.	Shriver
Broyhill, N.C.	Heinz	Steiger, Wis.
Byrnes, Wis.	Horton	Talcott
Carter	Jarman	Terry
Cederberg	Keating	Thomson, Wis.
Chamberlain	Kemp	Thone
Clausen, Don H.	Kuykendall	Vigorito
	Latta	Waldie
Clawson, Del	McCollister	Wampler
Cleveland	McDade	Ware
Collier	McEwen	Whalen
Collins, Tex.	McKinney	Wiggins
Conable	Mathias, Calif.	Wilson, Bob
Conte	Mathis, Ga.	Wyatt
Coughlin	Mayne	Wydler
Dellenback	Mills, Md.	Wylie
Dennis	Morse	Zion
Devine	Mosher	Zwach
Duncan	O'Konski	
du Pont	Passman	

NOES—277

Abbitt	Boland	Davis, Wis.
Abernethy	Brademas	de la Garza
Abourezk	Brasco	Delaney
Abzug	Brooks	Dellums
Adams	Broyhill, Va.	Denholm
Addabbo	Buchanan	Dent
Albert	Burke, Fla.	Dingell
Alexander	Burke, Mass.	Donohue
Anderson, Tenn.	Burleson, Tex.	Dorn
	Burlison, Mo.	Dow
Annunzio	Byron	Downing
Ashbrook	Cabell	Drinan
Ashley	Caffery	Dulski
Aspin	Carey, N.Y.	Dwyer
Aspinall	Carney	Eckhardt
Badillo	Casey, Tex.	Edmondson
Baring	Celler	Edwards, Ala.
Begich	Clancy	Edwards, Calif.
Bennett	Collins, Ill.	Evans, Colo.
Bergland	Conyers	Fascell
Betts	Corman	Findley
Bevill	Crane	Fisher
Blaggi	Culver	Flood
Bingham	Daniel, Va.	Flynt
Blackburn	Daniels, N.J.	Foley
Blanton	Danielson	Ford, William D.
Boggs	Davis, Ga.	

Forsythe	Lujan	Rogers
Fountain	McClory	Roncalio
Fraser	McCormack	Rooney, N.Y.
Frelinghuysen	McCulloch	Rooney, Pa.
Fulton, Tenn.	McDonald,	Rosenthal
Fuqua	Mich.	Rostenkowski
Galifianakis	McFall	Roush
Gallagher	McKay	Rousselot
Gaydos	McMillan	Roy
Gettys	Macdonald,	Runnels
Giaimo	Mass.	Ryan
Gibbons	Madden	St Germain
Gonzalez	Mahon	Sandman
Goodling	Mailliard	Sarbanes
Grasso	Mann	Satterfield
Gray	Martin	Scherle
Green, Oreg.	Matsunaga	Scheuer
Green, Pa.	Mazzoli	Schmitz
Griffin	Meeds	Seiberling
Griffiths	Meicher	Shipley
Gross	Metcalfe	Sisk
Gude	Mikva	Skubitz
Hagan	Miller, Calif.	Smith, Calif.
Haley	Miller, Ohio	Smith, Iowa
Hall	Mills, Ark.	Smith, N.Y.
Hamilton	Minish	Snyder
Hammer-	Mink	Spence
schmidt	Minshall	Springer
Hanley	Mizell	Staggers
Hansen, Wash.	Mollohan	Stanton,
Harrington	Monagan	J. William
Hathaway	Montgomery	Stanton,
Hays	Moorhead	James V.
Hechler, W. Va.	Morgan	Steele
Heistoski	Moss	Steiger, Ariz.
Henderson	Murphy, Ill.	Stephens
Hicks, Mass.	Murphy, N.Y.	Stokes
Hicks, Wash.	Myers	Stratton
Holifield	Natcher	Stubblefield
Hosmer	Nedzi	Sullivan
Howard	Nichols	Symington
Hull	Nix	Taylor
Hungate	Obey	Teague, Calif.
Hunt	O'Hara	Teague, Tex.
Hutchinson	O'Neill	Thompson, Ga.
Ichord	Patman	Thompson, N.J.
Jacobs	Patten	Tiernan
Johnson, Calif.	Pelly	Udall
Johnson, Pa.	Pepper	Ullman
Jonas	Perkins	Van Deerlin
Jones, Tenn.	Pettis	Vander Jagt
Karth	Peyser	Vanik
Kastenmeier	Pickle	Veysey
Kazen	Pike	Waggonner
Keith	Podell	Whalley
King	Poff	White
Kluczynski	Preyer, N.C.	Widnall
Koch	Price, Ill.	Williams
Kyl	Price, Tex.	Winn
Kyros	Pucinski	Wolff
Landgrebe	Purcell	Wright
Leggett	Randall	Wyman
Lennon	Rangel	Yates
Lent	Rarick	Yatron
Link	Rees	Young, Fla.
Lloyd	Riegle	Young, Tex.
Long, La.	Roberts	Zablocki
Long, Md.	Roe	

NOT VOTING—59

Anderson,	Dowdy	Mitchell
Calif.	Edwards, La.	Nelsen
Andrews, Ala.	Ellberg	Pirnie
Baker	Erlenborn	Poage
Barrett	Eshleman	Pryor, Ark.
Bell	Evins, Tenn.	Railsback
Blatnik	Garmatz	Reuss
Bolling	Halpern	Rhodes
Burton	Hanna	Rodino
Byrne, Pa.	Hawkins	Roybal
Camp	Hébert	Saylor
Chappell	Hillis	Sikes
Chisholm	Hogan	Slack
Clark	Jones, Ala.	Steed
Clay	Jones, N.C.	Stuckey
Colmer	Kee	Whitehurst
Cotter	Landrum	Whitten
Davis, S.C.	McCloskey	Wilson,
Derwinski	McClure	Charles H.
Dickinson	McKevitt	
Diggs	Michel	

So the amendment to the amendment was rejected.

AMENDMENT OFFERED BY MR. HARVEY TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS

Mr. HARVEY. Mr. Chairman, I offer an amendment to the amendment offered by Mr. MACDONALD of Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. HARVEY to the amendment offered by Mr. MACDONALD of Massachusetts: Page 2, line 7, strike out "104" and insert in lieu thereof "103".

Page 2, strike out line 18 and all that follows down through line 5 on page 3.

Page 3, line 7, strike out "SEC. 104" and insert in lieu thereof "SEC. 103".

Page 4, line 8, strike out "SEC. 105" and insert in lieu thereof "SEC. 104".

Page 8, line 24, strike out "105" and insert in lieu thereof "104".

Page 9, line 14, strike out "SEC. 106" and insert in lieu thereof "SEC. 105".

Page 9, strike out line 16 and insert in lieu thereof the following: "out sections 102, 103(b), 104(a), and 104(b) of this Act."

Page 9, line 18, strike out "SEC. 107" and insert in lieu thereof "SEC. 106".

Page 9, strike out line 19 and insert in lieu thereof the following: "103(b), 104(a), or 104(b) or any regulation under section 105 shall".

Page 9, strike out line 23 and insert in lieu thereof the following: "lates section 104(a) or any regulation under section 105 shall be".

Page 10, strike out line 4 and insert in lieu thereof the following:

"SEC. 107. Section 103 of this Act and the amend—".

Page 10, line 6, strike out "105" and insert in lieu thereof "104".

Mr. HARVEY (during the reading). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HARVEY. Mr. Chairman, the reason I made the unanimous-consent request to dispense with further reading of the amendment is because the amendment is lengthy, but what it does is very simply this: This is the all-or-nothing amendment with regard to section 315. It does just the reverse of the previous amendment offered by the gentleman from Florida (Mr. FREY). Instead of completely repealing section 315 as to the President, as to the Senate, and as to the House Members, my amendment does just the reverse. It says section 315 has served us well. Let it alone. Let us not do anything with it with regard to the President, with regard to the Senate, and with regard to the House Members. Let us treat them all equally. Let us leave section 315 of the Communications Act in the law as it is written right now.

Mr. Chairman, once again the basic question for this House on what to do with section 315 is the question whether or not we trust our broadcasters. I gather from the last vote which was 277 to 95 against repealing section 315 that the House resoundingly went on record that they did trust the broadcasters, and they do not want to repeal section 315. I hope the same number of people are now going to march down the aisle and say just exactly that, that we do not want to repeal section 315; that we should leave section 315 in the law as it is, and as it applies to the President, to the Senate, and the House Members as well.

Let me just say this. This Communications Act goes all the way back to 1934. It is not a new law we are talking of. The equal time amendment has served us very well. You can make a good argument either way here whether you believe in the equal time section 315 or whether you oppose it.

Back in 1958 there was considered the question before the House at that time whether the equal time amendment was actually preventing some appearances on television. So at that time the Congress saw fit to amend it, and they put in what they called the Lar-Daly amendment, named after the gentleman from Chicago. That specifically exempted from the section 315 statute and I quote:

First. Bona fide newcast.

Second. Bona fide news interviews.

Third. Bona fide news documentaries.

Fourth. On-the-spot coverage of bona fide news events.

These are excluded from section 315 and, therefore, they are not covered. An appearance can be made on a broadcast station that is covered by the equal time law by a candidate for President, Senate, or the House, and providing it fits into these "news" exceptions, it is still not a violation of section 315. I am referring now to such programs as "Face the Nation," "Issues and Answers," Huntley and Brinkley, Walter Cronkite, and the other news programs that the Lar-Daly amendment to section 315 was intended and does exclude. My point is that we can adopt my amendment, thereby leaving section 315 as it is, and candidates for Federal office can still appear as they have been appearing in the past on these programs.

Let me point out one other advantage of leaving it the way it is. Section 315 now providing equal time is written into the law. I think that is important. There has been a case history of this law. Lawyers understand it and candidates can be advised.

If you do not believe me, I might refer you back to the several very eloquent statements made over on the other side of the aisle with regard to why we should not repeal section 315 just a few moments ago.

I hope you heed this statement now and do not repeal it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman.

Mr. GROSS. Do I understand that this reinstates section 315 into the law? Precisely what does the gentleman's amendment do?

Mr. HARVEY. What the amendment does is to strike from the Macdonald amendment all references to the repeal of section 315, as they apply only to the President and it leaves in the law section 315 as it applies to the President, the Senate and the House Members at the present time.

Mr. GROSS. Were not there amendments adopted here today that go to section 315?

Mr. HARVEY. No, none have been adopted thus far, I will advise my friend.

The Macdonald amendment goes to section 315 and would affect only the President, but it is pending at this time

and has not been voted upon, I will say to the gentleman.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman.

Mr. ANDERSON of Illinois. Mr. Chairman, I intend to support the amendment offered by the gentleman from Michigan for no repeal of section 315 even though I previously supported what I felt was a viable compromise in an attempt to erect statutory safeguards as well in an across-the-board repeal including the House, the Senate, and the President.

It seems to me that the time has come, as the gentleman has said, in view of all the trouble that this issue seems to be causing for this reform bill, to lay it aside and send it back to the committee with the hope that they will in due time come back to the House with a better provision.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(Mr. HARVEY, at the request of Mr. ANDERSON of Illinois, was granted permission to proceed for 2 additional minutes.)

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield further?

Mr. HARVEY. I yield to the gentleman.

Mr. ANDERSON of Illinois. Mr. Chairman, as I was saying, with the hope that in time the Commerce Committee of the House will come back with an acceptable provision dealing with this very sensitive subject.

I am not sure I can agree that section 315 has served us so well over the years. I am reminded of some figures that were brought in in hearings that were held before your committee.

In 1964 there were 20 States where there were only 2 candidates running as candidates of major parties. In other words, there were no minority party candidates or so-called frivolous fringe candidates.

Yet, despite that fact in the broadcasting industry in those 20 States, only 27 percent of the television stations offered any free time at all to the major party candidates.

So I am afraid that all too often equal time has simply meant no time for political candidates to discuss the issues. Nevertheless, I support the gentleman in his effort because I think it does make sense in view of the action the House has taken earlier this afternoon to try to lay aside this issue and get on with the balance of the bill.

Mr. HARVEY. I thank the gentleman for his support.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Ohio.

Mr. HAYS. I just want to ask the gentleman this question: If his amendment prevails, are you then going to support the substitute, which will turn around and repeal everything again?

Mr. HARVEY. No; I will say to the gentleman at that point that if the amendment prevails, I will support the substitute without the section in it which would repeal section 315.

Mr. HAYS. In other words, you want to go through all this again in the substitute?

Mr. HARVEY. I do not——

Mr. HAYS. Yes or no?

Mr. HARVEY. I intend to offer a substitute, and the substitute will not contain that.

Mr. HAYS. It will not contain that?

Mr. HARVEY. Not if this amendment prevails.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I am constrained to agree with the gentleman from Michigan and the gentleman from Illinois, and think that in effect the gentleman's amendment would let section 315 alone as it is now. Is that correct?

Mr. HARVEY. That is correct.

Mr. THOMPSON of New Jersey. I would hope that your amendment would prevail.

Mr. HARVEY. I thank the gentleman.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Massachusetts is recognized.

Mr. MACDONALD of Massachusetts. Mr. Chairman, the amendment is rather unique. I must say there is some merit in what the gentleman has said but also I have some reservations about the amendment. I might point out to the gentleman that I do not think the vote which was just taken shows we do not trust broadcasters. We just do not like to see them put in the position of great temptation, and I do not think that they would be in a position of great temptation as far as presidential equal time is concerned or even senatorial time. So, I repeat, I think the position I have expressed is consistent.

The amendment came as a surprise to me, although maybe the amendment has been seen by others on the floor. I think it is a terribly serious amendment. I still believe in my opening remarks. I think that the broadcasters do a better job than any other media, the TV people do a better job than anybody in bringing the candidates into the living rooms of the people of the United States. It gives the public a chance, if there are debates, to see what candidates stand for, how they handle themselves, et cetera. I therefore, feel that in the public interest, although I am not convinced that there will be any presidential debates this year no matter what we do here today, I am not convinced that the incumbent President—and I am not sure I blame him for it—I am not sure he wants to debate. However, the general public has a right to see the candidates, to see what they stand for. We have talked about 1960, the great number of people who participated in our govermental process by watching those debates, and while it appears to be a simple answer merely to say "Leave 315 alone," I think 315 has served us well. I think we should not tamper with it. As it stands now, 315 has been suspended in the past, and I think we owe it to the public to give them the right to see their candidates and to make their own judgments.

That is the reason the licensees have their license to serve the public interest. I believe the public interest is best served by repealing 315 for presidential and vice presidential candidates to permit the networks not to be burdened by the choice of no free time for major candidates, or to better serve our country.

Mr. SPRINGER. Mr. Chairman, I move to strike out the requisite number of words.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. SPRINGER. I think there are two things that everyone should know. There is what is called the fairness doctrine, which has nothing to do with equal time, which this amendment goes to the heart of. The fairness doctrine applies in those instances where someone says something over TV or radio on some public or positive position on a question involving the local community, the State or the Nation. The fairness doctrine demands that the people who do that do one of two things: They either report it in balance or, if it is not reported in balance, the person on the other side in all fairness may have a right to answer.

They can do it in either one of those two ways. That is the fairness doctrine.

Let us come now to the equal time, which is an entirely different section, the equal time section, which is section 315. Equal time has to do with public candidates. All the talk that is going on here today would make us think only the President and House and Senate are involved. From all I have heard this afternoon, I know there is a very definite impression in the minds of many Members that 315 is applicable solely to the President and Members of the House and Senate. But 315 applies to any office for which anybody runs, from dogcatcher, through the State legislature, to Congress and the Presidency.

For any office equal time would apply. If a local candidate for mayor is put on, then the other candidate may demand equal time and get it.

When we are talking about repeal of the equal time, we are talking about repeal for everybody. The point I am trying to make here today in the light of the amendment offered by the gentleman from Michigan is that we ought not to tamper with this under any circumstances.

Section 315 was put in this bill in 1934, and if the people who wrote that into the 1934 act on both sides of the aisle knew what we were doing with this in the last few years, they would turn over in their graves.

Section 315 is applicable to us and to the Senate—and that is in essence what we have said, I take it, by the defeat of the amendment offered by the gentleman from California. We have said it is applicable only to the President, but not to us nor to the Senate. If it should be applicable to the President because, as they say, they bring him to more people in their living rooms, why should it not be just as applicable to us in the House or in the Senate?

I think the gentleman from Ohio made

a good statement a few minutes ago that if we just want to see our opponents on and not be able to appear, then we should vote 315 out. Why is not 315 as applicable to us as to the Senate or to the Presidency? It is as applicable to one as to the other. Section 315 ought not be tampered with for any purpose. If we want more people in their living rooms to hear the President of the United States, we ought to be able to bring ourselves and our opponents into the living rooms. This ought to be as applicable to us as to the President, and part of being able to demand equal time.

Let me say that in 1964 I did everything I could with the networks to see if we could get some kind of equal time. Even though 315 was not repealed, I could not get an answer from NBC, CBS, or ABC as to equal time in 1964. In other words, they just said, "We are not going to give anybody any time."

But if anybody has any time in this election, it ought to be within the province of the Republican President or his challenger to say, "I want equal time," and be able to get it. The gentleman from Massachusetts indicated there may not be any debate, but the point I am trying to get over is if the President makes a political statement, his opponent ought to be able to ask for equal time, and if his opponent makes a statement on TV, then the President of the United States, if he wants it, ought to be able to ask for equal time.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent, Mr. SPRINGER was allowed to proceed for 2 additional minutes.)

Mr. SPRINGER. Mr. Chairman, this 315 is, in my estimation, one of the very fundamental things upon which the whole electoral process in this country depends. We just must have 315 available. I am not saying it ought to be used every time. I am saying it ought to be available to any candidate for any office. Where any media such as radio or TV uses it for one candidate, then the other candidate ought to be able to say, "I want equal time," and get it under the law, and not have to ask the TV owner if he will give the time as a matter of grace, but be able to ask it as a matter of right under the law.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I want to say to the gentleman I very reluctantly have come here this afternoon to the same conclusion the gentleman has.

I shall vote for the amendment.

There are two important lessons for us here.

One is that no incumbent President is going to debate. Lyndon Johnson did not want to do it in 1964, and President Nixon does not want to do it in 1972.

If we hang on to this very divisive issue, it may be that we will lose the whole bill in the thought that we somehow can force an incumbent President to debate. We cannot.

The second lesson is that we should not decide important issues like this too close to an election. It was just a year ago that this same provision passed the House by an overwhelming margin. The fact is that in the shadow of an election we cannot resolve it.

Tonight I believe the thing to do is to take 315 out of the debate entirely. It does not amount to a hill of beans. I urge those who want a bill this year, who want to get at the reporting, at the disclosure, and to do something about TV blitzes, to vote for this amendment and take this whole thing out of contention.

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my colleague from Washington, a member of the committee.

Mr. ADAMS. I should like to say that the difference between House races and presidential races is the very reason why we passed the bill which the House passed 2 years ago.

For example, in 1968 there was a suggestion that there be debate, but there were 18 candidates for President, and nobody wanted that, not President Nixon or challenger HUMPHREY.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ADAMS. Mr. Chairman, I move to strike the requisite number of words.

If I might continue my colloquy with my colleague on the committee, we did go through this in 1968. Many of us will remember that we debated it very late at night, and finally passed it, and passed it only with regard to the Presidency, for this reason: NBC, CBS, and others indicated in the 1968 election they would make debate time available for the two major candidates. They were not saying either one would take it, but it would be available. The American people wanted this.

The only basis on which they could do it for the Presidency was in some way to avoid making time available to 18 candidates.

In the election of the gentleman, or in my election, or elections of Members of the House or of the Senate, yes, sometimes we end up with three or four parties, but they still manage to get us all on and allow other parties to participate.

There is a fundamental difference between the Presidency and other offices.

For my colleague from Arizona I would say I, too, would like to see a bill passed, but I believe it is important, with respect to 315, not only for this election facing us but for the next one and the next one after that. The people of America would like to have the candidates offered an opportunity to debate. If they wish to refuse, they can refuse.

The present circumstances are very different from those of 1934. One cannot go to the major networks and say, "We will have a debate with 18 candidates."

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Arizona.

Mr. UDALL. I said that I would support the amendment, and one of my colleagues asked me a question about it, and I should like to ask a question of the gentleman from Illinois.

All the amendment does is to leave 315 exactly where it is today, with no change in the law, and it does not tamper with any other provisions of the bill?

Mr. ADAMS. I yield to the gentleman from Illinois.

Mr. SPRINGER. I believe it would be better for the author of the amendment to answer the question.

Mr. ADAMS. I yield to the gentleman from Michigan.

Mr. HARVEY. The answer is "Yes."

Mr. UDALL. My support is predicated on the understanding that what we are doing is leaving 315 exactly where it is, and that the gentleman makes no other changes in the committee bill.

Mr. ADAMS. Mr. Chairman, I hope the House will adhere to its position of 1968 and defeat the amendment, so that there will be an opportunity, at least, to debate. Then the Members can go home and say to their constituents, "We gave the candidates an opportunity to debate, whether they want to or not."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. HARVEY) to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

The amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. HATHAWAY TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS

Mr. HATHAWAY. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. HATHAWAY to the amendment offered to Mr. MACDONALD of Massachusetts: On page 3, line 22, strike out "sells" and insert "makes available."

The CHAIRMAN. The gentleman from Maine will be recognized for 5 minutes in support of his amendment.

Mr. HATHAWAY. Mr. Chairman and members of the committee, this is a rather simple amendment to cover up what I believe to be a gaping loophole in the section in question.

The section is very brief, and I shall read it. It begins on line 22, page 3, of the Macdonald amendment, and it states:

(2) If a any person sells space in any newspaper or magazine to any legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, such person shall make equivalent space available on the same basis to all legally qualified candidates for the same office, or for nomination to such office, as the case may be.

The loophole I envisage is, in view of the fact that it says if a publisher sells space, he has to make available equivalent space to the opposition candidate at the same rate, it does not cover the situation of the publisher simply giving a candidate the space. That is all my amendment does. It covers both the sale and the gift of advertising space.

Mr. COLLIER. Will the gentleman yield?

Mr. HATHAWAY. Yes. I yield to the gentleman.

Mr. COLLIER. I think, to clarify that, to avoid what could be a very serious

situation, might I suggest you say "advertising space," because as your amendment is written this would apply to making any space available, which, of course, is news space as well as advertising.

Mr. HATHAWAY. I think we can clairfy that by the colloquy we are having on the floor that this is not intended in any way to abridge the rights of the press under the first amendment to the Constitution, that it does not apply to news and it does not apply to editorial comment, but it does apply only to advertising. I think that taken in the context of section 104, "Media Rate Requirements" would be so interpreted.

I yield further to the gentleman.

Mr. COLLIER. I still feel that this could create, as the amendment is proposed, a grave question, and by the insertion of the word "advertising," I think you eliminate any possibility of such confusion.

Mr. HATHAWAY. If the gentleman wants to offer that as an amendment to my amendment, I will accept it.

Mr. COLLIER. Thank you.

Mr. MACDONALD of Massachusetts. Will the gentleman yield for one question?

Mr. HATHAWAY. Yes. I yield to the gentleman.

Mr. MACDONALD of Massachusetts. What does "makes available" actually mean?

Mr. HATHAWAY. Well, it means makes open on any basis whatsoever. The reason I chose the phrase is because the same phrase is used later on in the same section, page 4, line 2, where it says "such person shall make equivalent space available." It would mean, in my opinion, whether they sell or in any way convey to any individual advertising space.

Mr. MACDONALD of Massachusetts. Is it aimed at, let us say, a large labor union or a large corporation giving a candidate space and, if that happens, then the paper has to make available the same amount of space?

Mr. HATHAWAY. No. It means only if the newspaper publisher himself is making available that space.

Mr. MACDONALD of Massachusetts. Right; but make available for free or make available for money?

Mr. HATHAWAY. Make available for either—free or for money.

Mr. VAN DEERLIN. Mr. Chairman, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentleman from California.

Mr. VAN DEERLIN. Is it the gentleman's intention for this amendment to deal exclusively with advertising and not with news and editorial opinion?

Mr. HATHAWAY. Yes; it is the gentleman's intention to deal only with advertising and not with news or editorial comment.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. HATHAWAY. I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. I thank the gentleman for yielding.

May I ask this question: As we all know, corporations are prohibited from making financial contributions to political candidates. I will have to confess that I am not knowledgeable enough to know whether or not a corporation—a newspaper operating under a corporate structure—is prohibited from giving advertising space to a political candidate.

Does the gentleman from Maine know what the answer is to that question?

Mr. HATHAWAY. In my opinion they would be so prohibited, but I shall yield to the chairman of the committee or the subcommittee for the purpose of answering the gentleman's question.

The CHAIRMAN. The time of the gentleman from Maine has expired.

(By unanimous consent (at the request of Mr. THOMPSON of Georgia) Mr. HATHAWAY was allowed to proceed for 3 additional minutes.)

Mr. THOMPSON of Georgia. Mr. Chairman, if the gentleman will yield further, I will repeat the question in order that the chairman of the subcommittee, if the gentleman will yield for that purpose may answer the question.

Mr. HATHAWAY. I yield for that purpose.

Mr. THOMPSON of Georgia. May a newspaper operating under a corporate structure give advertising space to a candidate?

Mr. MACDONALD of Massachusetts. Under the terms of title I, because we close the loophole by saying "money" and this would be a form of money or a contribution which must be okayed by the donee and he must signify in writing the amount of money.

Mr. THOMPSON of Georgia. Mr. Chairman, I could not hear the gentleman's answer.

Mr. MACDONALD of Massachusetts. In section 104, on page 3, we indicate that any money spent by or on behalf of a candidate—and I would think if an opponent raised this question that that would be considered as money even though it was donated in lieu of money, and I think would be included within the prohibitions of this bill.

Mr. THOMPSON of Georgia. If I understand the gentleman's answer, the gentleman is simply stating that that would be in lieu of money and included in the limitations of the bill?

Mr. MACDONALD of Massachusetts. Money spent on behalf of a candidate is covered.

Mr. THOMPSON of Georgia. My question, actually, goes to the law which prohibits a corporation from making a cash contribution to a candidate.

Would the giving of space by a newspaper operating under a corporate structure be prohibited under another law—not this law—in other words, may a newspaper legitimately give space without running afoul of other Federal laws, give space to any one candidate?

Mr. MACDONALD of Massachusetts. That question the gentleman cannot answer, but as the gentleman knows it is not presently included in this bill.

Mr. THOMPSON of Georgia. So, we do not have an answer to that question.

Mr. HATHAWAY. Let me say to the gentleman that I assume the gentleman is correct to the effect that a corporation cannot make a contribution of this kind. Nevertheless there are some newspapers owned by individuals and I suppose they would be free to give space.

The CHAIRMAN. The time of the gentleman from Maine has again expired.

Mr. KAZEN. Mr. Chairman, I move to strike the requisite number of words.

Will the gentleman in the well tell me whether by the adoption of his amendment he intends to make editorial space available?

Mr. HATHAWAY. Mr. Chairman, if the gentleman will yield; no, this applies to advertising only. This in no way is intended to fringe upon the newspaper's right to comment editorially in favor of or against any candidate or to affect news policy. But it does apply to advertising only.

Mr. KAZEN. Newspapers generally endorse candidates, so if a particular newspaper endorsed one candidate, under this amendment they would not be obligated to give equal editorial space to the other candidate?

Mr. HATHAWAY. That is correct.

Mr. KAZEN. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine (Mr. HATHAWAY) to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

The question was taken; and on a division (demanded by Mr. HATHAWAY) there were—ayes 46, noes 32.

So the amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. KEITH TO THE AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS

Mr. KEITH. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD).

The Clerk read as follows:

Amendment offered by Mr. KEITH to the amendment offered by Mr. MACDONALD of Massachusetts, as follows: Insert on page 9 after line 12 a new section, as follows:

"EXTENSION OF CREDIT BY REGULATED INDUSTRIES

"SEC. 401. The Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission shall each promulgate, within ninety days after the date of enactment of this Act, its own regulations with respect to the extension of credit, without security, by any person regulated by such Board or Commission to any candidate for Federal office (as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971), or to any person on behalf of such a candidate, for goods furnished or services rendered in connection with the campaign of such candidate for nomination for election, or election, to such office."

POINT OF ORDER

Mr. STAGGERS. Mr. Chairman, I rise to make a point of order against the amendment in that the amendment is not germane to the amendment.

The CHAIRMAN. Does the gentleman from West Virginia desire to be heard on his point of order?

Mr. STAGGERS. I do, Mr. Chairman, if the Chair would indulge me.

The facts are that we are now considering a bill for the limitation of ex-

penditures by candidates for TV, radio, CATV, newspapers and magazines. The amendment offered by the gentleman from Massachusetts (Mr. KEITH) limits the extension of credit to candidates on an entirely different subject not covered by the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD) in any way. For that reason I say that it is not germane.

The CHAIRMAN. Does the gentleman from Massachusetts desire to be heard on the point of order?

Mr. KEITH. I do, Mr. Chairman.

Mr. Chairman, I offered this amendment in committee. It was discussed and rejected, but a point of order was not made against it at that time.

It is argued by the chairman now that the bill does not deal with the regulation of newspapers, radio and telephone communications.

I think in its present form the bill has been amended and is truly a reform bill that speaks to this point and that certainly this is within the jurisdiction of the committee and within the jurisdiction of the bill.

It is an abuse recognized on the Senate side where candidates for high public office ran up telephone bills and air travel bills and, then having lost the election, were unable to pay those bills.

The Commerce Committee does have jurisdiction over this subject matter. It truly is a reform thing and all my amendment will do is to require agencies to issue regulations to deal with this problem. It certainly is germane to the problem, and I believe it is germane to the bill.

The CHAIRMAN (Mr. BOLLING). The Chair is ready to rule.

The Chair has had an opportunity to examine both the Macdonald amendment and the amendment offered thereto by the gentleman from Massachusetts (Mr. KEITH).

The provisions of the Macdonald amendment deal with a limited area; limitation of expenditures by candidates for radio, TV, newspapers, and billboards. The provisions of the amendment of the gentleman from Massachusetts (Mr. KEITH) go well beyond that area—extension of credit, as well as Civil Aeronautics Board and other regulatory agency rules.

Therefore, the Chair holds the amendment not germane and sustains the point of order.

Mr. KEITH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am disappointed, of course, in the ruling of the Chair. I understand the logic. The Senate bill however does contain my amendment. It seems this is an appropriate time to make the point that I hope in some form this amendment will be before us. In this way we can show our great concern for the abuses that have occurred in recent campaigns.

There is a problem confronting the Congress—particularly those Members whose committee assignments give them specific jurisdiction in regulation of communications and air travel.

Here we find, for example, the case of a candidate, a member of such a committee, running up extensive bills for services rendered in connection with his campaign, then being unable to pay these bills. How does he vote when the question comes as to tightening up, or correcting abuses, on legislation affecting airlines?

To remedy this problem, I intend to offer the amendment which I offered in the executive session of the full Commerce Committee. This amendment would have prohibited federally regulated industries from advancing credit to candidates for Federal elective office unless the debt so created is secured by a bond or by other collateral. It would have required the Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission to promulgate regulations to implement this requirement. But the Parliamentarian has declared that it is not germane.

I shall press for these reforms because I believe it imperative that the Congress act now to bring an end to the practice under which, all too often, money is the prime determining factor in nomination and election to Federal office.

If we are going to go ahead with the kind of reform that we have shown here today that we really want, then the problem of extension of credit by regulated industries is something we must get to later in this debate. We can do so when we take up the Senate substitute.

I hope that the House will at that time agree that it will make this legislation much more effective in coping with this very real abuse.

Mr. PRICE of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on November 18, during the debate on H.R. 11060, I spoke of certain reservations I had about whether the several elements of election finance reform under consideration would, in fact, accomplish any true and lasting reform in this knotty problem area.

I also spoke of several vital elements of any genuine reform plan, which are not now a part of any of the measures we will be considering.

Principal among these missing elements is any focus on how to actively generate, from the proper sources, the moneys legitimately needed for this most essential and basic political communication. Clearly, the answer lies in the creation of a public mechanism to encourage, and properly discipline the flow of numerous small campaign contributions into the fundamental political process.

In my remarks I stated that I would soon offer for the consideration of my colleagues, a program intended to meet not only this primary objective, but one that would also reach to the full spectrum of the campaign finance dilemma.

The program I offer is to supplement whatever we may eventually enact now, but, if it holds to its promise and to the prophecies of quite a number of knowledgeable individuals in this field, it may in a short time prove to be all that we need to dispose of this problem once and for all.

I regret that as yet the program has not been researched in all the minute details that should be examined before it is offered in the form of legislation. Thus I do not intend to officially introduce it at this time. But that research is going on and when it has been satisfied it will be appropriately presented.

My purpose in introducing my colleagues to the plan at this time is so that they will know that there is more to come. More that can be counted on to get to the positive side of the issue, while not interfering with whatever steps in the right direction we can accomplish now. I respectfully ask my colleagues to consider the proposal and offer their most forthright comment and criticism.

The plan can best be set forth in the following excerpt from a paper prepared to explain its function. It first establishes 14 objectives, which are as follows:

That the right solution to the problem should:

Not restrict necessary political dialogue;
Be flexible enough to accommodate to widely varying resources requirements;
Support year around political party machinery;
Take into account minority and dissident party efforts when they have sufficient constituency to be viable;
Not overly insulate incumbents;
Be essentially non-partisan in application;
Cover all elective offices in the U.S.;
Involve contribution increments small enough for the donor to expect nothing in return yet large enough to generate a sense of involvement;
Provide a more direct link between the contributor and his choices;
Eliminate corrupt practices reporting hypocrisy;
Be accountable;
Involve minimum change from existing means of fund raising;
Provide dignity for the contributor and the candidate; and
Above all be constitutional.

More will be said about these later.

Neither the present law nor the proposals so far advanced even come close to filling this bill. What is needed is a wholly different attack, rethought along the lines of finding an internally disciplined laissez faire approach. The rethinking must encompass more than the traditional legislative technique of prohibition and sanction, it must involve disciplines like merchandising, banking and any other that contributes to the attainment of the desired end. Stated another way, a system regulated by natural law has a higher reliability potential than a strictly police method of control.

Having in mind the complexity of the problems involved in financing a modern-day political campaign, let us examine on the basis of certain assumptions, an entirely different approach.

First, assume at the worst Oswald Spengler's contention that "Money organizes elections in the interest of those who possess it." While this is only partially true—for there are numerous campaign resources other than money—it nevertheless does have more versatility than any other. Money being the single best equalizer of other inherent disparities that are natural in any contest, then let us further assume a source of money

in small enough increments to be free of any potential conflict of interest, available in direct proportion to the size of the constituency to which the candidacy is aimed.

Let us next assume that any candidate prefers no-strings contributions—a safe assumption—and that the public will respond to an intelligently marketed self-interest approach to monetary campaign participation.

Within such an assumptive framework, could a program be developed that might well accomplish all the objectives set forth earlier?

Let us explore the possibilities.

For now, let us set up a program and call it operation clean bill.

Operation clean bill involves thinking in terms of three concepts: Clean bill candidates, clean bill organizations, and clean bill certificates. Its operations would be carried out by a federally chartered nonprofit corporation, which we will call for the moment the American campaign fund trust.

A clean bill candidate would be any duly qualified candidate for any elective office in the United States. At the time of filing and certification by the appropriate election authority, the candidate would be provided with a form to identify himself to the trust and the trust would in turn establish an account for the candidate and authorize him to advertise himself as a "clean bill candidate"—something like a seal-of-approval.

A clean bill organization would be any national political party—as defined by law—or any State or local branch of such. The organization would similarly apply to the trust for participation as a clean bill organization and be authorized similar privileges.

The clean bill certificate would be serial numbered, coded for data processing, legally protected against counterfeiting, savings bond like, two-part form. For reasons of simplicity and accountability, it should be in a single denomination—say $20.

The governance of the trust would be by a blue-ribbon board of trustees representing such interests as business, labor, education, political parties, State and local governments, the public and the trust itself. While most of these interests would be expected to have political bias, the balance of the interests should insure ultimate fairness in the trust's operation. It should be financed initially by the sale of Government guaranteed bonds so that no appropriated funds would be involved in the operations. The trust also should be able to accept tax deductible contributions of up to, say $100, from anyone, corporate, union or individual.

Come election time anywhere, and borrowing heavily on Madison Avenue methods, the trust would initiate a highly professional plan of merchandising clean bill certificates and the entire clean bill concept, much in the same manner as the marketing of savings bonds.

Using as its marketing premise, the same that all sound promotions do, the self-interest of the purchaser, the trust would aggressively promote "get out the vote" and the sale of "clean bills" through over 30,000 post offices, 50,000 bank and credit union offices, credit card solicitations, company and government payroll deduction, union checkoffs, income tax refunds and numerous other outlets. The trust's direct promotion would be assisted by tie-ins with commercial advertisers, public service radio and TV, flyers in bank statements, credit card billing, monthly statements, co-advertising with the candidates, and so forth.

With such distribution machinery at work, virtually anyone who is persuaded to buy a clean bill will find the opportunity to do so not only easy but recurring. If he happens not to have the $20 available when he is next in his post office, bank, savings and loan, or credit union office—where of course he would be reminded by point-of-purchase display material—then he may have, when he is canvassed by his local political organization, or at the meeting of his civic club. Or even if not at any of these times then he might make a deferred purchase arrangement by "ordering" one on his credit card, or by signing up for a payroll deduction or union checkoff plan.

The idea here is simply the same that effective mass marketers long ago learned; that, however salable a product, it must have distribution machinery immediately available after a successive number of motivations to buy has stimulated the latent demand.

When the sale of a clean bill certificate has been consummated, the purchaser would detach the receipt portion and retain it. On the other portion he would fill in the name of the candidate or political organization whom he is supporting and hand it over directly. This might be by mail, by handing it to the candidate at a conventional fundraising event, or any way at all.

The clean bill candidate or organization receiving it would then forward this portion singly or in multiples to the Trust for immediate reimbursement according to the method explained below.

The purchaser would attach his retained portion of the "clean bill" to his next Federal income tax filing and claim a tax credit for one-half or $10, or in multiples, a tax deduction for purchases up to $100. This would be per individual, so double these figures would apply to joint returns. Later the two portions of the clean bill certificate would be reconciled by the Trust.

So far the plan involves essentially a matching Federal subsidy, plus a system of merchandising. But its perhaps most unique aspect lies in the method of redemption from the Trust to the candidate or political party organization.

Suppose a candidate for Governor had qualified with the Trust to run as a "clean bill" as well as had his State and county political party units. He then has a fundraising event—barbecue, corn roast, testimonial dinner, a direct mail request to the party faithful, or what have you. From the event he receives a hundred clean bills—$2,000 face value—from his supporters.

Along with a simple cover sheet he forwards these to the Trust and the same day it is received he is mailed a check for 75 percent of the face amount, or $1,500. Simultaneously a check for 20 percent of the face amount, or $400, is mailed to the previously qualified national political party or the State or local branch of one, designated by the person redeeming the certificate. If the party redeeming the clean bill certificates happens to be a political organization it still must designate another. The remaining 5 percent or $100 is retained by the Trust for its cost of operations.

To objections that the original purchaser has no control over where 20 percent of his contribution is going there are two responses. First, that after taxes the purchaser really contributed only half the amount, and the part passed to the political party and the Trust was from the governmental subsidy. Or, the original donor might be assured by the recipient that the clean bill would be redeemed separately and the party portion would be designated to go according to the purchaser's wishes.

The arithmetic involved in the plan is not accidental. An allocation of the subsidy portion is necessary so that candidates for relatively inexpensive offices may not finance their total campaigns from their own tax deductible moneys. This would tend to create too many artificial candidates as publicity seekers or advertisers. But more important, it is a disciplined way of providing public support to party resources not dependent on handouts from higher up, and to provide more initiative to grassroots fundraising efforts.

The possibilities presented by this system of fund flow are numerous. Local political units might expect candidates which they endorse to turn back a part or all of their designated amounts to the unit treasuries or the unit might independently raise funds for the ticket. Funds could flow upward from the locals to State or National levels or downward or laterally as the demands were seen to exist.

A candidate, incumbent or challenger, could, of course, raise funds at any time he chose but actual campaigning time could be somewhat regulated by the trust fixing a specific date before the election, at which time it would commence to make redemption for candidates.

Returning to the objectives of the "right" campaign finance plan mentioned earlier, it is worthwhile to examine the anticipated results of operation clean bill on the individual points:

First. Not restrict necessary political dialog—under the clean bill system there would be no limits on spending except those set by the laws of diminishing returns and marginal productivity. Several political managers have already noted that more was learned in 1970 about what not to do again—especially with TV spots—than what to do in the future. But, more important, we focus too much on the campaign period and not enough on the continuing political education of the voter, thus enabling him to make a more considered choice at election time.

Second. Flexible enough to accommodate to widely varying resources requirements: The realities of politics do not yield to uniform financial demands. The costs of comparable offices in dif-

ferent localities may vary by a factor of 10 or more. Since more persons than just those voting in the more expensive races have a stake in the outcome it is only proper for their moneys to take some part in these contests. Under the clean bill system, assuming the budgeted figure of $400 million were achieved, $80 million or more would be available to be moved within the party structures as the priorities demanded. What such a system does not do, as some other forms of subsidies would, is to channel large sums to a single authority who in turn might reallocate them in a manner which overly obligates the recipient.

Third. Support year-round political party machinery: A large part of the party money generated by operation clean bill presumably would go for "nuts and bolts" purposes. One factor in the high cost of lower level campaigns particularly, is their slap dash organization which comes from hasty and often unprofessional planning. An ongoing party organization obviously can be better prepared for campaigns. In countries like West Germany—where political parties have a statutory organizational basis—direct subsidies can and, in fact, do work for candidates and parties alike. But in a loose knit party organization system like ours, Federal assistance must be channeled by other means if it is to bear a direct relationship to numbers in the constituency and thus be equitable. Given the legitimate role of political parties in our system and responsible functions they can perform, a wherewithal directly proportional to the membership's willingness to financially support the party efforts is vitally important to campaign reform. Of all the proposals so far mentioned none adequately provides for this type of political party assistance.

Fourth. Take into account minority and dissident party efforts when they have sufficient constituency to be viable: Most studies of this problem dwell on how to fairly support reform elements within the parties and third party efforts. Clearly if public financial assistance goes only to the two major parties, no such outside movements could succeed however well supported they may be by the electorate. Under this system one can participate with his dollars and where the numbers are sufficient the effort will be sustained. Keep in mind, the number of dollars per individual are few, so whatever the economic profile of the dissident or third party element, it still is capable of rising to whatever level the members who support it will provide. Though the history of success of such efforts is spare, the effect they have in shaping the political philosophies of the major parties has been quite considerable and such efforts should be permitted and publicly supported proportionately to any other.

Fifth. Not overly insulate incumbents: No system can fully compensate for certain inherent values built into incumbency. And that is not all bad. Public office like any other calling demands a certain know-how that naturally improves with experience. That incumbents succeed themselves more often than not is due not only to the added exposure the office provides, but also to the fact that the incumbent has a record to run on or to defend. This also means sources of campaign funds are available to support or oppose him as his record will justify, and these sources generally are better organized for the incumbent than they are for the challenger. Therefore, any system which automatically restricts both to the same resources is inherently inequitable. A flexible system on the other hand, that favors neither, except to the extent that one has more supporters than the other, should provide a means for either to win fairly and without any strings, implicit or otherwise.

Sixth. Be essentially nonpartisan in character: Historically certain segments of the electorate have been continuingly identified with one or the other political party. Therefore campaign finance reforms that weigh heavier on any one or several of these segments versus others necessarily take on partisan overtones. This adds another dimension of difficulty to an already tough enough problem. Essentially campaign giving is another form of "voting" for a person or a position and it should be regarded with the same seriousness as the Australian ballot. Any move weighted to give partisan imbalance would not only be of doubtful legality but more important would surround the debate with such acrimony as to make observance of the law unwilling at best. Though party complexions change there still remains the great body of labor and minority elements which the Democrats claim and the silent majority which the Republicans claim, both groups equally capable at the proposed contribution level to participate in numbers sufficient to pay the bill.

Seventh. Cover all elective offices in the United States: Many constitutional as well as practical questions of Federal support of State and local races exist in the current proposals for reform. But realistically the question cannot be ignored when about a third of the total budgets of these governmental units derive from Federal funds. While participation in a program such as clean bill would be voluntary, it is difficult to imagine someone refusing it. Thus the same benefits accruing to Federal candidates would flow to these other offices with the resulting reduction of conflict of interest in these offices. If these results obtain, the Federal expenditure can be justified.

Eighth. Small contribution increments: This general proposition—the initial premise of operation clean bill—is universally accepted as the solution to potential conflict of interest stemming from campaign contributions. But that is by no means its only value. Recently a very wealthy officeholder, who for the most part finances his campaigns from a relatively few large contributors, commented that he would much prefer more smaller contributions, even if it cost more to raise the money. His argument was that once large contributors had anted up they felt their participation to be complete. On the other hand, the contributor who put up $20 or $25 felt that he had to support his donation with additional effort, so he often did additional work in the campaign.

Full participation in the elective process involves more than just money, or as another officeholder commented "Give me the guy who will put his mouth where his money is." A system of campaign finance involving more people as well as just the dollars needed should have the effect of reducing some of the needs for which the money is raised in the first place.

Ninth. A more direct link between the contributor and his choices: Small contributors provide most of their support through organizations such as political action groups who in turn place the combined sums according to the decisions of a few at the top. For the most part the individual's participation ultimately gets to candidates or causes sympathetic with his philosophy; but by no means do all such contributors support all the recipients of their funds. With contributors of say $1,000 or more to committees of one sort or another, a different kind of dilution occurs in the transfers between committees as party fund needs vary. Though this is no serious problem, a system providing a more direct connection between the contributor and the translation of his contribution into political action would undoubtedly be more democratic.

Tenth. Eliminate corrupt practices reporting hypocrisy: The present system contains so many reporting loopholes that it can fairly be said to be no reporting system at all. The so far proposed systems indeed strive to remedy this defect, but one simple reality—cash—can render these as useless as the present. In the absence of an auditable reporting system the remaining discipline of limits—except for broadcast expenditures—likewise becomes uncontrollable. The system proposed here also would be open to circumvention by the passing of cash but if the premise that the system can and will generate adequate resources with clean bill certificates, the use of cash would be obviated, and with the tax incentive surely the contributor would prefer to buy a clean bill than to pass the straight cash.

Eleventh. Be accountable: With the clean bill certificate coded for data processing and with the subsequent reconciliation of the two parts after completion of the transaction, the greatest amount of information ever developed on this phase of national expenditure would be at fingertip. We could finally learn what elections cost, where, and the true effect of money on our most basic process. Chances are that there would be revealed much less to rue than the present obfuscated mess insinuates.

Twelfth. Involve minimum charge from existing fund raising techniques: Political campaigns like other human experience tend to habituate into certain provincialisms. A barbecue at one place is a corn roast at another, a black tie dinner at another, a fish fry at another. Not only candidates but supporters have accustomed themselves to these quaint bits of Americana and for more reasons than one they should survive. Even so durable a system as ours cannot survive too much shock, so our proven institutions should continue to be used as they fit the localities and situations where they have arisen. The system proposed here accommodates to every type of existing fundraising effort in addition to opening up many new ones. If big money in small sums is to be realized, the maximum number of opportunities for contribution is vital.

Thirteenth. Provide dignity to contributor and candidate: Something of an elitism has grown up around campaign giving. Society pages carrying pictures and stories of dignitaries at $1,000 per plate dinners naturally tend to suggest to those who cannot afford to attend such affairs that those who do enjoy some preferential treatment, whether true or not. That the pecking order is still apparent at these or even lesser priced affairs, does not abate the generally bad taste that the climate, and too often the food, leave with the guests as well as the public. With a basic contribution increment of $20, after taxes reduced to $10, virtually everyone can participate.

Fourteenth. Be constitutional: Of late, more emphasis has been placed on this problem with respect to limits, and so forth, than heretofore. Of course one cannot predict what the courts might hold on whether limiting one's ability to financially support his position abridges free speech, but prominent constitutional scholars by no means dismiss the implications. A program like clean bill, involving only tax incentives and an initial loan guarantee, certainly is less open to constitutionality hazards than the other proposed means of control.

Would the public respond in the kind of numbers necessary to raise a substantial, if not the total amount of the funds needed? At least two experiences suggest an affirmative answer. Last year a total of over $4.66 billion of new money went into the purchase of savings bonds. True, there were almost as many redemptions, but it still was by no means the most profitable investment available in this period of extremely high interest rates. So, one could conclude that effective marketing based on a public interest appeal was productive.

As of mid-June 1971 the public interest lobby, Common Cause, according to a Wall Street Journal article, had enlisted in a 10-month period over 170,000 members at $15 each and reported new recruitments coming in at the rate of 4,000 to 5,000 per week. This is not savings, in fact the $15 is even a nondeductible expenditure. This too suggests the public's willingness to support public interest undertakings.

It is interesting to note that a reliable research center found, following the 1968 elections, that of a sample of 1,346 adults surveyed, some 8.3 percent had made political contributions. But, only 23 percent of the sample had been asked to contribute. Of that number 38 percent gave. If some less than half that proportion of the voting population bought just one $20 clean bill, it would more than cover the costs of every elective office in the United States in 1972.

Though the funds projections properly should be viewed over a 4-year cycle, even the presidential year campaigns, which would account for half the 4-year totals, present a seemingly, easily attainable goal.

The November 1972 population total is projected to be about 210 million with approximately 140 million of voting age. It would require some less than 15 percent of this total, or 20 million persons buying single clean bills to cover every election cost in the United States. Since many will make multiple purchases, the participation percentage will lower. While the past experience of about 8 percent of the voters contributing may be insufficient, the figure mentioned earlier from the 1968 survey of 38 percent of those asked to make contributions doing so, the goal of some less than 15 percent participation seems by no means ambitious. Even if the fullest desired effects were not attainable from the outset, what was accomplished would be salutary.

Though such a notion may seem incompatible with the seriousness with which this entire issue should be treated, a very sure way to insure the sales of enough clean bills to do the job, would be to add a lottery feature to it. At the outset, at least, the psychological factors involved might tend to obscure the real purposes of the undertaking and thus diminish the sense of participation in the electoral process, which is a main element of the plan.

Perhaps a better question is what happens if the system generates more money than needed and Parkinson's Law sets in. This would mean that the "needs" would rise to the available level of funds thus reversing the main objective of the plan.

Initially, this could be managed by the trust drawing off a larger share than 5 percent and using the extra funds to provide research and other services on a strictly public and nonpartisan basis. Or if this proved insufficient or practically unmanageable, the trust could petition Congress to reduce the tax incentives thus shrinking the sales to at or near the appropriate levels.

There is undoubtedly a growing scrutiny into how we pay for our politics. That certain long standing customs may in fact be less innocuous and devoid of any effective political venality than they have been represented to be will not quiet the movement to bring the whole matter out into the open. Inertia to change is natural but so is change itself. The options are not change versus status quo but which form the changes will take. The issue is no longer one of politics, it is one of government. The chances for success of an undertaking like clean bill are only as good as the soundness of the hypotheses on which it is based, but given the known defects in the alternatives, and given the fact that any results it does produce would be a step in the right direction, it is surely worthy of being examined more closely.

Regrettably the plan sounds complicated. So would any marketing plan for the simplest 5-cent item used by every housewife in America, if viewed in its total context. The plan is not complicated if seen only from the critical viewpoint of where the dollars change hands. There is a true value to the purchaser, sufficient communication—advertising—for him to comprehend this value, recurring motivation for him to act and a distribution machinery readily available to consummate the transaction.

There will be gaps between what is conceived in the hypothetical and what will occur is practice. Between these points there should be a more detailed pro forma complete with budgets, projections, tests, comments, and so forth. If such an operation as proposed here did withstand this extra scrutiny, it would well be worth the investment even if for no other reason than better understanding of this truly knotty problem.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD), as amended.

The amendment, as amended, was agreed to.

Mr. HAYS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11060), to limit campaign expenditures by or on behalf of candidates for Federal elective office; to provide for more stringent reporting requirements; and for other purposes, had come to no resolution thereon.

THE POLITICS OF CANCER

(Mr. SYMINGTON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SYMINGTON. Mr. Speaker, I would like to call the attention of my colleagues and the public to an informative article, "The Politics of Cancer," written by Cristine Russell. The item appeared in the Washington Post on Sunday, November 28, 1971.

The article is an excellent summary of congressional action against cancer. Moreover, it is a vivid account of the vital role Representative PAUL G. ROGERS has played in this legislation. As a member of Mr. ROGERS' Subcommittee on Public Health and Environment, I heartily agree with the author's assessment that "the Rogers bill represents a significantly enhanced commitment to cancer research."

Whatever the outcome of the conference on this matter, Representative ROGERS well deserves the praise given him in this article.

Mr. Speaker, I insert in the RECORD at this point the article entitled "Politics of Cancer":

THE POLITICS OF CANCER

(By Cristine Russell)

Congress is not noted for rejecting programs with deep mass appeal for quieter approaches that have a greater chance of success. Quiet successes do not win elections. But in the case of cancer research, the law-

makers, with President Nixon following behind, appear headed for the quieter attack. This approach, recently adopted by the House, provides considerably increased funding for cancer research, but it does not suggest that swift cures for cancer can be found in a crash program.

It has taken a considerable battle for this view to come to the fore—including fighting the powerful health lobby of Mary Lasker, persuading the President to change his mind for a second time, battling grassroots emotions stirred by syndicated columnist Ann Landers, and opposing one cancer-stricken lobbyist who made last-ditch telephone appeals from his hospital bed.

The first major thrust for new cancer legislation came early last December, in a report to the Senate by a group called the Panel of Consultants on the Conquest of Cancer. Calling for a national crusade to conquer cancer, the panel suggested a bold approach involving creation of an independent agency whose sole mission would be to coordinate and expand cancer research.

The stimulus behind this group: Mary Lasker, philanthropist, widow of advertising executive Albert Lasker (who died of cancer in 1942), head of the foundation bearing the Lasker name, and a major influence on much of the nation's health legislation. Mrs. Lasker, who has stressed the areas of mental health and cancer, is credited with a considerable role in persuading Congress to increase appropriations for the National Institutes of Health (NIH) from $2.5 million in 1965 to more than $1.6 billion last fiscal year.

MRS. LASKER'S IMPATIENCE

As a member of the Advisory Council for NIH's National Cancer Institute, Mrs. Lasker and her informal health lobby became increasingly frustrated with both the bureaucratic inertia which slowed down the research pace and the stagnant cancer budget. While her doctor allies indicated that research leads were increasingly promising, the cancer budget only moved from $175 million in 1967 to $190 million in 1970, not even keeping pace with inflation.

The Panel of Consultants' report reflected Mrs. Lasker's impatience with the existing structure. The cochairmen—Dr. Sidney Farber, director of the Boston Childrens Cancer Research Foundation, and Benno Schmidt, a New York investment banker—both have close ties with her. Many of the 26 panel members have also been leaders of the American Cancer Society, of which she is an honorary chairman.

Legislation to implement the panel's recommendations was introduced by then-Sen. Ralph Yarborough of Texas, another Lasker ally who was chairman of the Labor and Public Welfare subcommittee on health. Yarborough also had introduced the Senate resolution creating the panel in the first place, and Mrs. Lasker contributed $5,000 to his losing bid for reelection in 1970.

Last January, Sen. Edward M. Kennedy (D-Mass.) stepped into Yarborough's subcommittee chairmanship, and he soon reintroduced the bill to create an independent cancer agency.

Kennedy, Lasker, the American Cancer Society and such cancer specialists as Dr. Farber were convinced that a concentrated agency effort such as NASA's moon-shot program was needed to push cancer research into significant breakthroughs. "The NIH cathedral doesn't want this type of targeted, practical research," complained Mike Gorman, a longtime promoter of the Lasker health lobby.

NIH, the Laskerites charge, concentrates far too much on supporting basic research—that is, the study of fundamental life processes—and how it relates to diseases. Like many political leaders, the Laskerites don't see enough practical results—the cure of human beings—resulting from the tax dollars invested in research.

THE NIXON SWITCH

The political potency of cancer research soon made it a bipartisan issue. Elmer Bobst, an 85-year-old pharmaceutical millionaire who also served on the Panel of Consultants, prodded his close friend Richard Nixon into joining the cancer battle. Sometimes called the President's "honorary father," Bobst is a life member of the American Cancer Society as well as a $63,000 contributor to the 1968 Republican campaign.

In his January State of the Union address, President Nixon proposed an additional $100 million for cancer research this fiscal year. But he initially resisted Kennedy's tactic of moving cancer research out of the NIH. In a speech last February, his science adviser, Edward E. David Jr., said: "It is the President's belief that having honed and sharpened our biomedical research mechanism, the National Institutes of Health, we should now use it and call upon it . . . Indeed, we do not believe in an AEC or NASA for cancer."

Support for Kennedy's proposal, however, continued to snowball, particularly after Ann Landers, a friend of Mary Lasker's used her nationally syndicated column last April to endorse it.

"Who among us," she wrote, "has not lost a loved one to cancer? Is there a single person in my reading audience so incredibly lucky that his life has not been changed in some way by this dread disease? More Americans died of cancer in 1969 than were killed in the four years of World War II. Of the 200-million Americans alive today, 50 million will develop cancer. Approximately 34 million will die of it. Cancer claims the lives of more children under 15 years of age than any other illness."

Her appeal prompted hundreds of thousands of letters to Senate offices. California Sen. Alan Cranston's office alone received more than 50,000 messages.

In a May 11 announcement President Nixon reversed his position on the Kennedy bill, just as it was about to be reported out of committee. Ann Landers claimed credit for changing Mr. Nixon's mind: "When he figured he couldn't beat us, he joined us." Bobst, during visits to the White House, is also said to have influenced the President.

Mr. Nixon said he would "ask Congress to give the cancer-cure program independent budgetary status and make its director directly responsible to the President."

But the Lasker forces and their Senate friends did not feel that an administration bill, introduced the day of the President's announcement, moved far enough toward independent status. Weeks of negotiations ensued between Kennedy subcommittee aides and the administration. Changes they made in the bill were cleared, via telephone to New York, with Panel of Consultants' cochairman Benno Schmidt. Finally there emerged a compromise bill, which proposed to keep the cancer agency nominally within NIH but essentially with independent status.

"We breathed life into the President's bill, using scissors and scotch tape," remarks subcommittee staff counsel Leroy Goldman.

Only Sen. Gaylord Nelson (D-Wis.), a member of the Kennedy subcommittee, dismissed the compromise measure as a "face-saving political compromise, without scientific merit." When the bill reached the Senate floor, he was the 1 in the 79–1 vote by which it passed.

UNITING THE OPPOSITION

While the Senate vote represented an overwhelming victory for the Lasker-Kennedy forces, it also produced an effect they had not anticipated: It galvanized most major organizations of scientists into opposing the independent agency concept and favoring instead a continued effort within NIH.

This unusual mobilization was spearheaded by three Washington-based scientists—Dr. John A. D. Cooper, president of the Association of American Medical Colleges, Dr. Philip Handler, president of the National Academy of Sciences, and Dr. John Hogness, president of the Academy's newly created Institute of Medicine.

The scientific opposition hit fertile ground when the legislation reached the House. It was assigned to the Public Health and Environment Subcommittee, whose chairman, Rep. Paul G. Rogers (D-Fla.), had long disagreed with the Kennedy idea of separating cancer research from NIH. While Rogers was a newcomer to the health field, he had beaten the administration once before in the area: By parading scientific witnesses at subcommittee hearings, he had forced the Nixon administration to keep control of narcotics legislation in the Department of Health, Education and Welfare, instead of giving it to the police-minded Justice Department.

Rogers followed the same tactic after he introduced a "cancer-attack" bill in September. Rejecting the Senate bill as "a cosmetic approach to a complex problem," he held four weeks of hearings in which 51 witnesses built their case for attacking cancer through the NIH system.

Scientist after scientist testified that breakthroughs on the cancer front would depend upon long-term advances in fundamental science—virology, immunology, genetics and cell biology. Since basic research of this type is funded under several institutes at NIH, advances in the cancer area could conceivably come from any of them.

Dr. David Baltimore, a Massachusetts Institute of Technology scientist, for example, made a discovery 18 months ago about virus enzymes which has important implications for cancer causation. His work was funded by the National Institute of Allergy and Infectious Diseases. Baltimore feels that "cancers are still a mystery . . . To maintain progress, we need a strong, broadly based research effort, not a channeled, directed attack. Only when the problem is better understood will a crash program be justified."

Since no one knows exactly why a cell becomes malignant, "an all-out effort at this time would be like trying to land a man on the moon without knowing Newton's laws of motion," remarked Dr. Sol Spiegelman, a cancer specialist at Columbia University.

Moreover, cancer is not one but hundreds of diseases, and "it is likely that progress will be made in different forms of cancer at different rates. Most scientists do not believe that we are likely to have anything like a penicillin for all forms of cancer," stated Dr. Carl Baker, current director of the National Cancer Institute.

Many scientists also feared that a sepsrate agency would be a giant step toward dismantling NIH because other institutea would press for independence. Indeed, the American Heart Association has already served notice that if cancer is put into a separate agency it will seek similar status for heart diseases, which kill twice as many Americans annually as cancer.

"OILING" THE MACHINERY

Based on the testimony, Rogers and his subcommittee found no major scientific case for separatism. The most judicious balance between fundamental and applied research seemed to be offered by intensifying the cancer effort through the NIH machinery. "Let us oil it and refuel it and shift into high gear to win the race against cancer," said Dr. Phillip Lee, former assistant secretary of health and scientific affairs at HEW.

The Rogers bill provides the "oil" by streamlining the lengthy administrative process that bothered the Panel of Consultants. The cancer institute is accorded special status, allowing the director to speed up the procedure for approving research grants and to send his budget directly to the President; officials at NIH and its parent department, HEW, could make comments but not changes. Because of the President's desire to oversee the program, a three-man watchdog panel would monitor the cancer institute and report to him.

The House bill authorizes $1.5 billion over the next three years (the Senate bill left funding opened), adds 15 more clinical research centers and reinstates the cancer control programs that were financially phased out a year ago (these include Pap tests for cervical cancer, breast cancer detection, and personnel training). Without making false promises that a speedy cure is in the offing, the Rogers bill represents a significantly enhanced commitment to cancer research.

The Rogers subcommittee, including the three Republican members, stood firmly behind their position, despite last-minute lobbying for the Senate approach. A Citizens Committee for the Conquest of Cancer, cochaired by Dr. Farber, and backers of the American Cancer Society sponsored a $56,000 advertising campaign in three major city newspapers and 21 home papers in subcommittee members' districts. In addition, the Cancer Society's Washington lobbyist, Col. Luke C. Quinn Jr., himself stricken with cancer, made phone calls from his hospital bed to try and get subcommittee members to reverse their stand. But the Rogers bill moved easily from committee to House, where it passed two weeks ago, 350–5.

A House-Senate conference on the two bills is scheduled for this week, but the final collision of the measures is more likely to produce a dull thud than a hard-hitting clash. Through his health adviser, Dr. James Cavanaugh, who helped engineer both the Senate compromises and the final House bill, and through Rep. William Springer (R-Ill.), ranking Republican on the Commerce Committee, which cleared the Rogers bill, President Nixon is now giving tacit approval to the House version. American Cancer Society sources privately indicate that they, too, find the Rogers bill acceptable, though they formally favor the Senate version. All this should help the Rogers position prevail in conference.

Whatever the final language of the measure, the congressional battle itself has been of considerable benefit. It should make clear to the public, on the one hand, that it cannot expect instant cures to cancer—and that Congress, anyway, cannot legislate the remedies. On the other hand, it should serve as ample reminder to scientists that the public has a deep stake in their research, and that it will not tolerate for too long the ivory tower attitudes that sometimes do creep into their work. The scientists will have to give a convincing performance that they are, indeed, progressing toward practical payoffs.

HOW OUR NAVY "SHOWS THE FLAG" IN ECUADORIAN WATERS

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, our fishermen continue to play a losing game in Latin American waters, thanks to the megalomanic claims to territorial limits of some of these alleged good neighbors.

As is well known, our own Government has been sluggish in its response to the high-handed acts of piracy so regularly perpetrated against U.S.-flag fishing boats with the temerity to exercise their right to operate in these waters.

So far this year, 50 of these vessels have been seized by Ecuador alone, 23 of them in the past 3 weeks. All these boats operating beyond the 12-mile limit recognized by the United States and most other seafaring nations, but all apparently were within the 200-mile reaches claimed so extravagantly by Ecuador and six other of the minipowers to the south.

Our fishermen are used to this sort of treatment, but even so they have always tried to cooperate with our Government in its efforts, thus far unavailing, to negotiate a settlement in the fishing rights dispute.

In return, one would think, Mr. Speaker, that the fishermen should be able to expect at least a consistently decent show of concern for their plight from our State and Defense Departments, and any agencies with a piece of the diplomatic action in those troubled waters.

The fishermen, after all, are pawns of the policies—such as adherence to the concept of a 12-mile limit—which we are trying to promote down there, and on that basis alone they deserve special consideration.

So the news, last week, that one of our U.S. submarines, the *Blackfin*, was paying a "good will" visit to Ecuador at a time when U.S. tunaboats were being held in another Ecuadorean port came as a particular shock.

One group of U.S. sailors partied with the Ecuadoreans, while other groups—those who sail for a living—sweated out the release of their ships.

This seemed a bit much, even for the namby-pamby world of statecraft.

Imagine, if you can, the chagrin felt by crews of these vessels when they spotted the submarine on her way out to sea from the friendly visit. For years the fishermen have been seeking the protection of our Navy, but here all they got was contempt—or at least total indifference—to their problems.

Who in our Government would authorize such a courtesy call, by a U.S. Navy warship, in the face of the repeated and criminal indignities heaped upon our fishermen? And could we expect a repeat of this type of visit?

The answers, naturally, have been slow in coming.

But today I receive word from the State Department that future proposals for courtesy calls to Ecuador and Peru, another nation with a penchant for piracy, will be subject to higher level review in the State Department than has been the case in the past.

I assume and hope this new caution reflects increased sensitivity on the part of our officials to the distress of our fishermen. In the past, such visits by U.S. Navy ships could be authorized by our Ambassador to the country to be visited. But under the new arrangement for Peru and Ecuador, such calls will ultimately have to be approved by State Department headquarters in Washington before they can be carried out. The same precautions have been taken for some time in the case of visits to Chile, because of the political situation in that country.

While I am pleased by this slight action, I must repeat my demand for the recall of nine Navy ships now on loan to Ecuador. To permit the Ecuadoreans to retain these ships, some of which have actually been used in making seizures, seems the height of absurdity, and a gratuitous insult to the fishermen.

At this point I shall include a pertinent editorial published November 22 in the San Diego Union, and an article from yesterday's New York Times:

PIRACY CALLS FOR STERN ACTION

By now it should be apparent that the issues in the so-called "tunaboat war" in international waters off Ecuador go deeper than money, sovereignty or fishing rights.

No nation could have been more patient and understanding than the United States of America about the outright maritime robberies that have been pursued along the South American coast since 1952 by nations that claim a 200-mile maritime limit.

We have tried to discuss the matter bilaterally and in the international arena. We have pleaded, threatened, paid ransom, even withheld a little military aid as a persuader. These steps have served only to embolden the brigandage, as the seizure of more than 40 American tuna vessels by Ecuador this year alone exhibits. Now the tempo is increasing, and our inaction has encouraged other South American nations to participate in the lucrative "piracy."

Apologists remind us that the United States is a large, rich and powerful nation, one that can turn the other cheek to gnat stings, or write the ransom off as a sort of international welfare program.

It is becoming plain, however, that while we may at times turn the other cheek, we simply cannot continue to expose our heart.

In this case international law, equity and tradition are all on the side of the United States. Pure reason supports us, too. If, for example, we established a 200-mile maritime sovereignty on our own part, we could claim that Cuba lies in our territorial waters—and vice versa. If every nation did the same, there would be a chaotic effect on commerce—not to speak of peace—throughout the world.

It is plain that we must act—now—to put an end to this behavior that hurts us more with each passing day. We can begin by enforcing federal laws which require withholding of aid and military equipment from nations that illegally seize our ships. Additionally, we can escort our tuna fishermen with armed Navy vessels, leaving no doubt but that we mean business—just as the British meant business when they furnished naval protection for their fishermen off Iceland, and as the French did when they protected their shrimp fleets in the Gulf of Mexico.

Undoubtedly our action would generate a great outcry from the Communists. So be it. The United Nations might pass a resolution condemning the United States. So be it. The Latin American nations affected might threaten to expropriate private U.S. properties. Whom would that hurt most in the end?

These reactions are all unimportant—outweighed, in any event, by our obligation to protect American citizens on the high seas. Beyond this, however, our resolute conduct might well regenerate a few great qualities that have been lacking in the United States in recent years—pride, courage and a real sense of national purpose. There is a reward that exceeds all valuation.

"TUNA WAR" STAND OF NAVY ASSAILED

(By EVERETT R. HOLLES)

SAN DIEGO, November 27.—The Navy was criticized here this week because the officers and men of a United States submarine were entertained for three days as the "goodwill" guests of the Ecuadorian Navy at a time when the latter's gunboats were seizing American tuna boats off that country's coast.

Capt. James Varlay of Submarine Flotilla One here said it was "sort of an accident" that the submarine Blackfin was visiting Guayaquil last weekend while several American tuna seiners were under guard in the nearby port of Salinas after being seized 60 to 120 miles off shore.

In the last 18 days 23 American tuna boats—most of them out of San Diego—have been seized by the Ecuadorian Navy to enforce that country's claim to territorial sovereignty up to 200 miles at sea.

Many of the seizures have been carried out by naval craft acquired by Ecuador from the United States, either on loan or as outright gifts.

The Blackfin's friendship visit to Guayaquil with State Department blessing came as owners of the California-based fishing fleet were renewing demands that the Navy provide them with armed escorts.

VISIT CALLED COWARDICE

An official of the American Tuna Boat Association described the Blackfin's visit as "an act of timidity and cowardice in the face of this escalating high seas piracy."

Representative Lionel Van Deerlin, Democrat of California who lives in San Diego, said he was "flabbergasted" by the visit. Mr. Van Deerlin has proposed that nine United States Navy vessels on loan to Ecuador and reported to have been involved in the seizures be recalled by this country.

Captain Varlay said the Blackfin's call at Guayaquil following similar stops at Nicaragua and Colombia, had been scheduled long before the new outbreak of the "tuna war" and had no connection with the seizures.

Last Tuesday, immediately following the submarine's departure from Guayaquil for a visit to Peru, the 600-ton tuna seiner Vivian Ann was fired upon and seized 60 miles from shore. Two other American ships were seized later that afternoon.

Just before the Blackfin's visit, Robert H. Finch, Counselor to President Nixon, was in Quito for two days at a meeting of the Pan American Highway Conference and talked for eight hours with Ecuador's President, José María Velasco Ibarra, and other officials about the ship seizures. No understandings appeared to have been reached. Ecuadoran officials have insisted that their position is "not open to negotiation."

There were seizures of American tuna boats the day before Mr. Finch's arrival in Quito and others after his departure but none during his stay there.

$2 MILLION IN FINES

The recent seizures brought to 50 the number of American tuna boats seized by Ecuador this year and released only after payment of fines and penalties aggregating some $2-million.

Ecuador's Navy is reported to receive 76 per cent of the fines. They are levied at five times the normal $20-per-ton fee that Ecuador requires for a license to fish within 200 miles of its coast.

The fine is doubled for a second seizure and the American skippers have been threatened with confiscation of their ships for a third violation.

The American tuna fishermen say they refuse to purchase Ecuador's fishing licenses on advice of the State Department lest recognition be given to Ecuador's territorial claims.

Short of armed convoys, the tuna fleet owners are pressing for new and stronger economic sanctions against Ecuador. The State Department earlier this year was authorized to deduct the amount of the tuna boat fines and penalties from United States foreign aid allocations to Ecuador.

The Senate Commerce Committee this week held hearings on a House-approved bill that would make such recovery of the fines mandatory. The fines are guaranteed and paid by the United States Government by arrangement with the tuna fleet.

FRAUD PERPETRATED BY PRICE COMMISSION ON TENANTS IN NEW YORK CITY

(Mr. RYAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYAN. Mr. Speaker, while the House was in recess, the Price Commission blew a large hole in the so-called economic stabilization policy by exempting from the freeze rents in New York City apartments which had been subject to the freeze up to that point but now face rent increases of 7.5 percent as of January. This was an outrageous fraud perpetrated upon the tenants in New York City.

One of the most outrageous aspects of the Price Commission's decision of November 22 is the fact that it violated its own previously announced procedures. On November 12 the Price Commission announced that guidelines for rents would be developed after consultations with the rent board, which was to be appointed. In the interim the freeze on rents was to continue.

Then, last Monday, after a series of meetings with New York City real estate interests, the Price Commission announced that private, rent-controlled apartments would no longer be subject to the Federal freeze when there were local rent control laws. This decision was made before the rent board had been appointed. To attempt to cover this discrepancy, the appointment of the members of the rent board was announced the next day. So the rent board was appointed the day after the rent policy was announced. This is a most reprehensible charade, played out at the expense of the tenants in New York City's 1.3 million rent-controlled apartments. For they will now be subject to rent increases of 7.5 percent per year, under a local New York City law which was passed before the administration's economic stabilization program was initiated. This is, of course, exactly what the New York City real estate interests wanted.

During this entire period of economic stabilization I have attempted to forestall such a grossly unfair circumstance from arising.

On September 28, I introduced H.R. 10945, with cosponsors, which would freeze rentals and carrying charges by statute.

On October 28, I urged the Chairman of the Cost of Living Council to continue the freeze on rents by administrative action throughout phase II of Economic Stabilization.

On November 3, I again wrote Secretary Connally urging that there be adequate tenant representation on the rent board, so that decisions rendered would be fair to tenants.

And on November 22, I telegraphed Dr. Jackson Grayson, Chairman of the Price Commission, urging that no decision on rents be reached prior to appointment of the rent board, and urging further that no decision on rents be rendered without consultation with tenant groups and other concerned parties.

And yet the Price Commission has acted in arrogant disregard of tenant interest and in flagrant violation of the Commission's own procedures. This decision should be rescinded forthwith. The rent board must be consulted on rent policy, and representatives of tenants' organizations as well as concerned public officials should be allowed to present their views before a final rent policy is formulated.

APPLAUSE FOR DR. BUTZ

The SPEAKER pro tempore (Mr. BROOKS). Under the previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, since President Nixon nominated Earl Butz to be Secretary of Agriculture, much has been said about why he should not be confirmed for that Cabinet seat. I disagree with those who oppose Dr. Butz. On the contrary, I feel President Nixon could search the country wide and not find a man better qualified for the position.

I have written Senator TALMADGE expressing my total support for confirmation of Dr. Butz. Attached as part of these remarks is a copy of that letter.

Also attached is a statement by Richard B. Ogilvie, Governor of Illinois, and editorials from several publications which, likewise, support Dr. Butz. The statement by Governor Ogilvie expresses the views of the Nation's Republican Governors adopted at their recent conference.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 22, 1971.

Hon. HERMAN E. TALMADGE,
Chairman, Senate Committee on Agriculture and Forestry, Washington, D.C.

DEAR MR. CHAIRMAN: As a Member of the House Committee on Agriculture I am, of course, very hopeful that the U.S. Department of Agriculture will have high quality leadership in the future. Therefore, I have followed very closely what is transpiring in the Senate concerning the nomination of Dr. Earl Butz as Secretary.

In my view, Dr. Butz is exceptionally well qualified and will fill the position with distinction. I base this assessment on what I have learned of his education, experience, talents, and commitment.

Few persons could equal his broad formal education and experience in agri-business. When to this is added his exceptional administrative experience in this same field, both in education and government, his credentials are impressive indeed. Dr. Butz's involvement in corporate agri-business adds a new desirable dimension to his experience and therefore to his understanding of farm problems.

Qualities of a more personal nature are also obvious. Integrity, candor, determination, eloquence—these will serve him well in what must be one of the most challenging assignments in public life.

It does not surprise me, and it should surprise no one, that he is not universally applauded. Indeed, it would seem to me unnatural for presidential aspirants of either party who wish to woo the farm vote to miss the chance to find fault with any nominee.

Beyond the question of presidential ambitions, farm legislative policy provokes controversy that inevitably touches the office of Secretary. Everything revealed, so far, in the course of hearings, strengthens my conviction that the nomination deserves prompt consent of the Senate. I am sure that Dr. Butz will fill the position with great honor, devotion, skill, and success, advancing the interests of all Americans and especially farmers.

I hope you will find it possible to make this a part of the hearings.

Best wishes.

Sincerely,

PAUL FINDLEY,
Representative in Congress.

[From the Wall Street Journal]

CLINGING TO THE PAST

Earl L. Butz, President Nixon's choice for Secretary of Agriculture, knows a great deal about the subject. Aside from previous duty in Washington's farm bureaucracy, Mr. Butz has spent a lifetime studying and teaching agricultural economics.

The only objection voiced by some Senators is that Mr. Butz has had ties to corporate farming, through directorships of companies with large agricultural interests. In their view, in other words, he isn't likely to show great enough dedication to saving the small family farms.

Well, saving the family farms has been a pet project of Washington politicians for about four decades now. All sorts of control mechanisms have been built, and they all wind up benefiting chiefly the bigger farmers.

What has been happening, of course, is that farms, like the rest of the economy, have been changing. New and much more efficient machines and methods have been developed, so that even a modest-size farm now requires much more than a modest investment.

In case the politicians haven't noticed, the average farm has steadily gotten bigger, whatever ideas happened to prevail in Washington. Corporations haven't been the only participants in this trend, either; the more efficient family-owned farms have expanded too.

Unlike most of the politicians, Mr. Butz has been a long-time student of this trend. Just conceivably he might be able to help devise federal policies that would not only permit the farm economy to continue to become more efficient but provide help for those farmers who really need it.

[From the Chicago Tribune]

PHONY ISSUE

The holier-than-thou attitude on the part of some politicians is seldom illustrated better than in the ruckus over Senate confirmation of Dr. Earl L. Butz, a Purdue University dean and agricultural economist, as secretary of agriculture. The Senate Agriculture Committee approved Butz's confirmation by a close 8 to 6 vote, and his critics hope his nomination can be defeated by the full Senate.

The critics include Sen. McGovern, the Democratic Presidential hopeful from South Dakota. He sets himself up as defender of the family farmer, while accusing Dr. Butz, who has been associated with agriculture all his life, as an agent for giant agri-business firms which threaten to destroy the family farm. One of the companies Sen. McGovern seems to find so objectionable is International Minerals & Chemicals Corp., of which Butz has been a director and stockholder.

McGovern and other Democratic foes of Dr. Butz, including Sen. Humphrey of Minnesota and Sen. Talmadge of Georgia, chairman of the Senate committee, overlook the obvious fact that International Minerals and other agri-business firms depend on the solvency and success of family farms to stay in business. Family farms, which comprise more than 95 per cent of all farming units in the United States, are their customers or sources of raw materials. The companies can hardly be accused of wanting to destroy what is essential to their businesses.

Aside from that, however, Sen. McGovern has admitted to THE TRIBUNE that he accepted free airplane transportation on two occasions on a jetliner owned by International Minerals. One flight took the senator and his wife to the Virgin Islands, and another took him to Washington from Memphis. The flights occurred in 1969 and 1970 when McGovern was working with International Minerals to promote the Food for Freedom campaign, which benefited family farmers by sending surplus food abroad.

To serve his own purposes, McGovern had no qualms about accepting free plane rides and working closely with one of those giant agri-business firms he finds so obnoxious in Dr. Butz's associations. The senator's own actions point up the hypocrisy of his words.

[From the Chicago Tribune, Nov. 22, 1971]

ANOTHER CONFIRMATION SQUABBLE

While the Senate Judiciary Committee argues over Supreme Court justices, the Agriculture Committee is concluding an equally pointless debate on the confirmation of Dr. Earl L. Butz as secretary of agriculture. Critics accuse Dr. Butz, a Purdue University dean and agricultural economist, of being an agent of "giant corporations that are destroying family farms and driving farmers off the land."

Not surprisingly, efforts to smear Dr. Butz, a Republican, are led by two Democratic Presidential hopefuls, Sen. McGovern of South Dakota and Sen. Humphrey of Minnesota, along with Sen. Harris of Oklahoma, who also had his eye on the White House until recently. Also adding their 2 cents' worth against Dr. Butz are Sen. Kennedy of Massachusetts, who spends much of his time running about the country declaring he is not running for the Presidency, and Sen. Stevenson of Illinois, whom nobody has yet accused of being Presidential timber.

This coterie apparently regards Butz's nomination as a good sounding board on which to further their political aspirations by playing upon the frustration and unrest among farmers over low farm prices and incomes. Their accusations are based largely on Dr. Butz's connections as a director and stockholder in three companies which either produce farm supplies or process food. They refuse to be mollified by his resignations from the directorships, his offer to sell his stock, and his repeated pledges that he would be a vigorous spokesman for agriculture.

Fortunately for the accusers, the nature of congressional hearings precludes their being cross-examined on their charges. The fact is that more than 95 per cent of the nation's farms are family owned and operated, and there is little evidence that they are endangered by a corporate takeover. Indeed, in recent years there have been several spectacular failures among corporate conglomerates that have tried their hand at farming.

Department of Agriculture studies clearly show an increase in the number of family farms with sufficient capital and volume of business to engage successfully in modern agriculture. On the other hand, since World War II there has been a sharp decline in the number of smaller, inefficient farms with not enough acreage, capital, or management skill to compete in an industry undergoing rapidly changing technology.

This decline was at the rate of about 100,000 farms a year during the eight years of the Johnson and Kennedy administrations when Sen. Humphrey's former Minnesota political pal, Orville Freeman, was secretary of agriculture. We didn't hear a single squawk in those days from the Humphreys, McGoverns, et al., about corporations running farmers off the land. Nor did we hear very many complaints from the Democrats in Congress when they helped the Nixon administration put over the Agriculture Act of 1970, under which Dr. Butz will have to operate as secretary.

Both political parties must share the blame for the farmer's plight. As we said the other day on this page, Dr. Butz is a good choice for secretary of agriculture and should be confirmed. But it doesn't make much difference who has the job as long as the politicians in Congress and in whatever administration occupies the White House continue to place politics over economics in trying to solve the farmer's problems.

[From the Journal & Courier (Lafayette, Ind.), Nov. 15, 1971]

RIGHT MAN FOR THE JOB

It is with great pride that the Lafayette community and Purdue University share Dr. Earl L. Butz with the nation.

For more than 30 years, Dr. Butz has been one of our first citizens and now, as the new U.S. Secretary of Agriculture he receives that recognition from the nation.

Dr. Butz is regarded as one of the founders of modern agricultural economics, and he quickly built the Purdue department into a major fount of such knowledge for the world. Students and teachers who studied under him carried his work and ideas afar.

Then, as dean of Purdue's School of Agriculture, he did much to modernize and strengthen this Purdue powerhouse of prestige, research, teaching and service.

And most recently as Purdue vice president for continuing education, Purdue Research Foundation vice president for development, and director of the multi-million Purdue Centennial Fund Appeal, he helped even more to improve the university's prospects.

In the meantime he served during the Eisenhower Administration as assistant Secretary of Agriculture, administering the department's surplus commodities programs; ran for the Republican nomination for governor of Indiana; and headed the state Republican Campaign Finance Committee, raising the amounts needed for the conduct of the 1970 Indiana campaign.

While all of this was going on, Dr. Butz was helping as always with civic and organizational worthy causes, contributing more of his talent and leadership.

So it is a most able, experienced and talented man of rare humor and perspective that President Richard M. Nixon obtains for the nation to handle and solve the pressing and vexing problems of agriculture. That it is a tough job, George Doup, Indiana Farm Bureau president, emphasized when he declared that, "If anybody can do the job, Earl is the man."

Dr. Butz is a trailblazer who for some years has been itching to have a part in taking off the patches and weaving a new fabric of agricultural service and policy. He now has the office. It remains for the Administration, the Congress and the farmers to give him the chance.

His ultimate goal, he says, is a reduction of government involvement in agriculture and a better position for the farmer in the free marketplace.

It is a fitting recognition for a distinguished man and a wise choice for solving difficult problems to place the 61-year-old Dr. Earl L. Butz in this Cabinet position.

One friend, Dr. John Hicks of the Purdue president's staff, said the appointment was "a marvelous climax" for a great career.

But we believe there will be still more deserved recognition for, and distinguished service from, this great fellow townsman. And we look forward to it.

[From the Daily Pantagraph, Bloomington, Ill.]

NO OFFICIALDOM CAN REVERSE FARM TREND OF HALF-CENTURY

The best farm policy for the United States is one which insures that agriculture shares in over-all economic growth and provides job opportunities for low-income rural families.

The naming of Dr. Earl Butz to the post of agriculture secretary (or anyone else, for that matter) will have little impact on the broad

problem posed by loss of income and loss of people in rural America. In the recent past, at least, the occupant of the office of secretary of agriculture had relatively little to do with the establishment of farm policy.

The farm policies of the United States are written by the members of Congress who serve on the agriculture committees. The secretary outlines Administration goals. No president since Harry Truman has had an easily understood farm program, one which was translated into new law.

American agriculture will not be reborn, change the course of the last 50 years or die on the vine because Mr. Butz is involved in agricultural industries and the academic community.

Rather, he or anyone else in the job can best represent the producers of food and fibre by playing it straight with the farmer and the rest of us. Playing it straight will require that the Department of Agriculture distinguish between farms and producing farmers. The difference is critical for judging farm programs.

The revolution in American farming—tilling of larger and more productive holdings by fewer and fewer individuals—occurred in spite of, not because of, federal farm policy. Nothing Mr. Butz does can turn things around. Little that he or the government can do can halt continuation of the march to bigness.

Already two out of three American farmers receive more than half their annual earnings from off-farm sources. Off-farm income has increased at a far more rapid pace than farm income.

Even among the commercial farmers, nonfarm income is growingly important. There are about 1.1 million farmers with over $10,000 in annual farm product sales. Together they account for 90 per cent of all cash receipts from farming. Nearly all reported some off-farm income. The lower half, with average total income of $9,660, counted a third of that income as off-farm.

In McLean County in 1969, 24 per cent of farmers worked off the farm 100 days or more, according to the agricultural census. No doubt farm operators and their wives felt the need to supplement incomes, which grew much slower than the incomes of non-farm population in the last decade. But the key to the trend can also be found in the technological breakthroughs that cut deeply into the time required to operate a farm efficiently.

This is the picture of today's farming. The farm industry is not made up of bucolic folk trading farm produce for non-farm necessities. Rural life needs rescuing, certainly. But the effort to preserve rural life, and even turn back the flow to urban areas, requires different programs than do farm matters.

The boosting of farm income through subsidy will not benefit the 1.5 to 2 million small farmers. The bigs will benefit most as they have in the past.

STATEMENT OF RICHARD B. OGILVIE, GOVERNOR OF THE STATE OF ILLINOIS

President Nixon has nominated Dr. Earl Butz to become secretary of Agriculture. Dr. Butz, born and raised on an Indiana farm, has established himself as a distinguished scholar, a tireless public servant, and an articulate spokesman for American agriculture. He has been recognized both here and abroad for his perception and his knowledge of agricultural problems.

In the confirmation hearings now being conducted by the Senate, witnesses are appearing to subject Dr. Butz to the rankest form of character assassination to serve the political motives of the assassins. Most of those who have accused Dr. Butz of being captive of big business interests have failed to recognize that agriculture IS the nation's biggest business. The problems of agriculture are complex. The solution to those problems requires a broad background, training and experience with all segments of agriculture.

Dr. Butz is a strong advocate of the competitive enterprise system. He has said repeatedly that America's commercial farmers are best equipped to manage agriculture and has opposed government management of the nation's farms. Most of those who now criticize him would prefer to turn over the management of American agriculture to the federal government.

Few men have worked harder to improve farm income, and yet Dr. Butz is now being accused of opposing the small farmer. President Nixon has outlined a broad program of rural development which recognizes the complex problems of farmers and farming. He could choose no better man to help solve those problems than Earl Butz.

If farmers want a secretary of agriculture who understands them and can work effectively to solve the farm income problem, they should support the nomination of Earl Butz, and I feel confident most of them do. If the Senate is really interested in American agriculture and its future which has a profound effect on the entire American economy, it will confirm his nomination without delay.

[From the Republican Congressional Committee Newsletter]

VANISHING U.S. FARMS—THE RECORD

"It is a difficult job. I have no illusions about the difficulty of the job. I know you can't possibly please everyone. Even the farm organizations don't agree on most issues."

As a realist, the new Secretary of Agriculture-designate, Earl L. Butz, holds no illusions about a "magic" answer to the farm problem, as he stated to the Senate Agriculture and Forestry Committee at hearings on his confirmation.

Democrats immediately jumped to the offensive. They attempted to exhume rural class warfare—to divide agriculture into the "little man" versus the "giant corporations" and to claim that Butz was "against" the small farmer.

Harkening back to the days when Butz was an assistant to Secretary of Agriculture Ezra Taft Benson, the Democrats claimed that Butz was the architect of a program that has reduced the number of U.S. farms. But the Democrats' charges have been labeled as a smokescreen to hide some embarrassing figures on their party's record on "saving the family-sized farm."

The Democrats had complete control of Congress and the Executive Branch during the decade of the 1960s. During this period, 26 percent, or one in four U.S. farms, disappeared. This was under Democrat-appointed Secretaries of Agriculture and under farm programs enacted by Democratic-controlled Congresses. From 3,962,000 farms in 1960, the figure dropped to 2,924,999 in 1970. Many of these were "family-sized farms" that the Democrats "plowed under," to use their own descriptive terms.

Butz, realistically, has noted that the trend is to fewer and larger farms. Despite the Democrats' attempts to pin the blame on the GOP, the drop in the number of farms has actually come about at a steady pace since World War II. From 6,003,400 farms in 1944 to 2,876,000 farms today, the drop has been steady, regardless of Administrations.

TAX DEDUCTION FOR ADOPTION COSTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 15 minutes.

Mr. ASPIN. Mr. Speaker, I am today introducing a bill which is desperately needed by thousands of families wishing to adopt children. This bill allows a deduction of up to $1,500 for the expenses incurred in adopting a child.

The sad facts are that many Americans would like to adopt children, many children are available for adoption; yet the expense is often prohibitive. We should do all we can to encourage adoption, and yet the current tax laws make it difficult for many people who simply cannot afford these expenses.

Under current law a taxpayer is allowed to deduct all of his own and his family's medical costs—including maternity expenses—over 3 percent of his adjusted gross income. But taxpayers cannot deduct expenses involved in the adoption of a child, such as legal fees, which can go as high as $750; medical costs, which may reach $600; and correspondingly steep agency fees. My bill would permit deduction of actual adoption costs, as well as these agency fees and other costs, up to a total of $1,500.

Mr. Speaker, the present system is all wrong. We should be providing real incentives for families to adopt children, not keep costs so high that many people are discouraged from adoption. Today, the number of adoptions lags behind the number of children available. For example, while the number of people trying to adopt a child nearly doubled from 1958 to 1967, the number of children eligible for adoption tripled during the same period. By increasing the number of adoptions, we can also relieve city and State adoption agencies of the high costs of raising a child in foster homes or institutions.

Mr. Speaker, I hope that this legislation will receive full and prompt attention, so that we can begin to provide the type of incentive we need to encourage adoption.

LOUIE WADSWORTH TYPIFIED CONTRIBUTION OF WEEKLY PAPERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 10 minutes.

Mr. FUQUA. Mr. Speaker, an era in American journalism has ended.

Louie C. Wadsworth has retired as publisher of the Suwannee Democrat in Live Oak, Fla., and thus closes a distinguished career of service by an outstanding gentleman.

The weekly newspaper, typified by the Suwannee Democrat, is very much a part of life in these United States. Their impact far exceeds their circulation and their influence is felt far and wide when a paper is in the hands of a dynamic and dedicated newspaperman—men like Louie C. Wadsworth.

His has been a great career of service, leaving a mark of excellence in the world of journalism and in the military.

The one thing that each of his friends has denoted about General Wadsworth is his courage. Many of the things for

which he fought for his community have borne fruit and much of the progress of this fine agricultural section came from his innovative approaches to problems and tireless efforts to see his plans become a reality—often in the face of overwhelming odds.

On a more personal note, Louie Wadsworth has been my friend and adviser. He counseled me nearly a decade ago when a very inexperienced young State legislator asked for the opportunity to serve in the Congress.

I could never forget his insight and his predictions that we would win made some of the darkest moments in that stimulating race brighter.

What he did then is typical of what so many others have told me about this fine gentleman.

He was one of those who first supported a young man for Governor before World War II, when most people knew very little about that candidate. That man won the governorship and went on to become the greatest statesman our State has produced—the late U.S. Senator Spessard L. Holland.

Florida's commissioner of agriculture, Doyle Conner, had his support in a race when only a few papers supported him. Now my friend and colleague, LAWTON CHILES, has been the recipient of his support—again and again Louie Wadsworth has taken those candidates he believed in, and time and time again he has been proved to be correct in his analysis.

In 1966, I had the opportunity to join in paying tribute to General Wadsworth as he retired as a major general in Florida's National Guard. He established a record of service in the military that will serve as an example for years to come for members of that Guard.

Perhaps the most fitting tribute of his life came when the National Guard named its handsome new armory in Live Oak in his honor.

A man of integrity, vision, courage, and ability. What tribute can we pay a friend? It is this—he has been my friend and my life has been richer because of his friendship.

A dedicated newspaperman, he spent most of his adult life in the service of the Suwannee Democrat. A strong belief in public service and love of his country have permeated his years as head of one of Florida's oldest and most recognized weekly newspapers.

A firm believer in publishing a weekly newspaper that the people it serves will respect, support, and have confidence in has been his philosophy as a journalist.

In response to an inquiry regarding the publication of a weekly paper sometime ago he noted:

> I believe the community does not owe its newspaper its support, but rather prefer to believe that a newspaper owes a responsibility to the community it serves. The more successful the newspaper, the greater this responsibility becomes . . . I believe that a newspaper should have a strong editorial policy that deals with issues and not personalities. A newspaperman should use his influence to see that policies of his newspaper are adopted and should never dodge his community service responsibility. Properly handled, a newspaper can be a powerful force in a small community and a publisher should strive to see that his newspaper is just that.

Under his leadership, the Suwannee Democrat has been cited with most of Florida's major weekly newspaper awards, but more important has been in the forefront of activities which lead to the progress of the county and its people. A review of issues over the past years will reveal a strong and fervent interest in the development of this county and the providing of progressive movements for its people.

Born on May 30, 1906, in Mayo, he moved to Live Oak at the age of six and has made his home here since that time with the exception of the time spent in college and in the armed services.

The son of Mrs. Nellie Wadsworth, of Live Oak, and the late Charles Randell Wadsworth, Sr., he attended Suwannee High School and graduated with the class of 1924.

Following graduation, he entered Davidson College in North Carolina and was graduated in 1929.

While in college he received the Gold Quill Award for outstanding work on the college newspaper, which foreshadowed the profession he was to enter in later years. He gained his degree in political science and was a member of Theta Upsilon Omega social fraternity and served as manager of the basketball team.

Following graduation, he worked for the Addressograph Co. for 1 year as a salesman and returned to Live Oak in 1930.

In January of 1931 he became editor of the Suwannee Democrat and has been connected with this paper since, with the exception of the years spent in active service during World War II.

He began his military service in 1923 when he joined the Live Oak National Guard and rose to the rank of second lieutenant when he was called into active Federal service in November 1940. He was promoted five times through the ranks and was separated with the rank of colonel on April 26, 1946, the same day he purchased the Democrat from C. P. Helfenstein.

He served as president of the National Guard Officers Association in Florida in 1950. As I noted at the outset, he retired as a major general after a brilliant career of leadership and service.

The Suwannee County Chamber of Commerce is another organization which claimed much of his time and energies. He served two terms as president in 1954–55 and 1955–56. During this time he saw the chamber grow to a record membership with an unprecedented number of projects undertaken.

For his service in this position, in addition to long years of community service, he was named the "Man of the Year" for Suwannee County for 1955.

One of the organizers of the chamber in 1946, he served as a director for 11 years.

Another primary interest in his civic life was his membership on the board of trustees of the Suwannee County Hospital, a position he has held for many years beginning in 1953. In those years he saw much progress made in adding new facilities for the care of the people of the area, and delighted in an expansion program that kept the hospital second to none in the country among small county hospitals.

He is a member of the Kiwanis Club and has been active in various other civic groups. He served as lieutenant governor of the Florida District of Kiwanis Clubs.

He served as president of the Rotary Club in 1938, and was president of the Junior Chamber of Commerce in 1940. He served as commander of the Suwannee Post 107, American Legion, in 1951.

One of his continuing interests has been the Suwannee County Fair, having served twice as president. He was one of the founders of the fair.

He served as postmaster in Live Oak from July of 1947 to September of 1948.

In 1956, he served as chairman of a county commission-appointed committee to construct the coliseum for large public gatherings and events.

The publication of the Suwannee Democrat and the operation of its plant, however, was his primary interest and concern through the years. Active in the Florida Press Association, he served as president in 1948–49, and served for 11 years as a director of the association.

As publisher of the paper, he directed the Suwannee Democrat to a position of high regard among the press of Florida.

He also published the Dixie County Advocate in Cross City, the Mayo Free Press in Mayo, and the Branford Herald for Branford, for a number of years.

The Wadsworths make their home on the corner of 11th Street and Pine Avenue in Like Oak. He is married to the former Miss Clara Staley of Live Oak, and they have two married daughters, Mrs. Gayle McCrimon of Live Oak and Mrs. Charlotte Casey of Lake City.

Perhaps the greatest source of pride are five grandsons—all active and inquisitive youngsters who continue to make life exciting.

This month, Louie Wadsworth turned the reins of the Suwannee Democrat over to Danny McCrimon, his son-in-law, and Walter Lee Olive.

Now he can enjoy the rest which he so richly deserves.

Might I say that I feel I am speaking here not only for myself, but for so many others who know of the inner man, who have benefited by his counsel, who have been inspired by his example.

Those of us who have been privileged to know him count it as a rare privilege, and for them and for myself, might I make this sincere tribute to him for a life well spent in service to others.

The world is richer because of what Louie Wadsworth was able to accomplish.

WHEN IS A PROMISE NOT A PROMISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 30 minutes.

Mr. PODELL. Mr. Speaker, the recent disclosure that the United States would

refuse Israel's request for additional supersonic Phantom jet planes on the basis of a State Department finding that the balance of power has not changed in the Middle East is a serious disappointment to all of us who are concerned about Israel's national security.

If, as Clemenceau said, war is too important to be left to the generals, then pursuit of a lasting peace in the Middle East is too vital to be left to the Arabists who occupy positions of power in our State Department. One wonders how evenhanded these specialists can be after spending their foreign service careers almost exclusively in Arab countries. It may also be questioned how evenhanded the State Department as a whole can be in view of the influence exerted upon the Department continuously, over the past half century, by the silver-tongued lobbyists of the oil industry—an industry which quivers when any official in the Arab world raises his voice.

I too favor the use of quiet diplomacy to achieve a solution to the Middle East crisis. Certainly, diplomacy is preferable to a contest of arms. But quiet diplomacy is not doing its job when it is used to quiet the truth and to endanger Israel, America's only true friend in that troubled part of the world.

For 23 years, the Israelis have defended themselves from Arab aggressors who seek their destruction. Throughout her existence, by contrast, Israel has sought as her first priority a lasting peace with her Arab neighbors. This remains Israel's goal today.

But the issue is no longer an insulated Arab-Israeli conflict, as it was 4 years ago during the unforgettable 6-day war. Israel today faces the most up-to-date Soviet jet aircraft, flown by Russian pilots and serviced by Russian technicians. All of Egypt bristles with the latest Soviet missiles manned by Soviet personnel.

Three times during the last 23 years, Israel has shown how well she can fight to defend herself. Unlike the South Vietnamese, Israel does not need American combat soldiers to assist her, nor does she want them. What Israel does need is the right to purchase American military equipment with which to defend herself against her enemies.

In 1968, during his campaign for the Presidency, Mr. Nixon declared his firm and unqualified support for Israel's position in the Middle East. He stated:

Israel must possess sufficient power to deter an attack. As long as the threat of an Arab attack remains imminent, sufficient power means the balance must be tipped in Israel's favor.

Then he continued:

We support Israel because we oppose aggression in every form. We support Israel because it is threatened by Soviet imperialism, and we support Israel because it offers hope in the Middle East. . . . Israel cannot afford to lose even once.

Unfortunately, although Mr. Nixon asserted that his administration would support Israel in the hour of her need, the past 3 years have been marked by postponements and other delaying games in response to urgent Israeli requests for military assistance.

During this period, the military balance of power in the Middle East, without a shadow of doubt, has tilted precariously in favor of Israel's opponents as the leaders of the Soviet Union have embarked on a major program of rebuilding and modernizing the shattered Arab military machine. The Soviets have supplied Egypt with some of the most sophisticated weapons in Moscow's arsenal, including self-propelled SA–4 and SA–6 missiles, Sukhoi 11's, Mig–23 and Badger bombers and other offensive instruments of mass destruction.

The Israelis are especially concerned about the recent supply to Egypt of nine Soviet long-range bombers of the Tupolev–16 type. With this latest consignment, Egypt now is believed to have some 25 such bombers. These Tupolev–16 planes are fitted with air-to-ground rockets with a range exceeding 60 miles.

They are a low-flying aircraft which can come close to an opponent's lines without being detected by conventional radar. These rockets which the Soviets have so far supplied are of the type code-named "Kennel" by NATO. They have nonatomic warheads weighing about a half-ton each. The mere presence of this potent weapon in the Egyptian arsenal increases the burden of the Israeli Air Force, regardless of whether fighting is in progress.

In addition, the Soviets have supplied the Egyptians with a number of Russian-made 203-millimeter long-range guns with high destructive power which are part of the Egyptian arsenal on the Suez Canal front. At present, the strength of Egyptian troops on the Suez Canal front is estimated by Israeli sources at six or seven troop divisions of 11,000 men each. They are believed to be equipped with 1,000 pieces of artillery and slightly less than 1,000 tanks.

Soviet leaders Brezhnev and Kosygin are not pursuing an "even-handed" policy in the Middle East, Unlike the United States, which seeks an accommodation between the warring parties, the Soviets are eager to "keep the pot boiling" in order to make possible the continued expansion of Soviet influence in the Eastern Mediterranean. The presence in Egypt of some 20,000 Soviet personnel along with sophisticated Russian military hardware is an unmistakable indication of Communist intentions in this corner of the world.

As a result of the combination of repeated American delays and steady Soviet shipments, Egypt today possesses more than twice as many aircraft as Israel and more than three times as many supersonic planes. Clearly, contrary to State Department utterances, the balance of power in the Middle East which previous administrations have labored to preserve has obviously shifted in the direction of Egyptian superiority.

Elated by extensive Soviet military assistance, Egyptian President Sadat recently told his people that war with Israel was inevitable. His statement followed closely on the heels of his return from a visit to Moscow, where, upon his departure, the Russians and Egyptians issued a joint communique stating bluntly that the two nations had agreed on "measures aimed at strengthening the military might of Egypt."

Israel is a Western-oriented multi-party democracy, a nation that has had a close and lasting friendship with the United States. In contrast, the Arab nations are controlled by anti-American dictators who, despite their abundant natural oil resources and the military assistance received from the Soviet Union, have failed to shatter the glass of antiquity and enter the 20th century in such vital areas as education, industry, health care and even agriculture.

Israel's current conflict with Egypt and the Soviet Union, combined with Israel's proven readiness to sacrifice her own blood and treasure, calls for the extension of the Nixon Doctrine to the Middle East. First enunciated at Guam and explained in the President's State of the World message a year ago, this doctrine states:

We shall provide a shield if a nuclear power threatens the freedom of a nation allied with us, or of a nation whose survival we consider vital to our security and the security of the region as a whole.

In cases involving other types of aggression, we shall furnish military and economic assistance when requested and as appropriate. But we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense.

Israel qualifies, under that doctrine, for American help and support—not only against her Arab foes, but against the Soviet Union as well. For the sake of preserving the balance of power in the Middle East, the United States should supply Israel with Phantom planes and whatever other military assistance this valiant little nation needs to defend herself against the array of forces that have sworn to end her national existence.

THE BUSINESS OF GIVING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 10 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, retarded children will have it a little better next year thanks to Cheri Marek and the Mentally Retarded Olympian Program, Inc. Cheri is studying at MacMurray College in Jacksonville, Ill., on a scholarship provided her by the Olympian program. Out of 300 applicants from a dozen colleges and universities throughout the State of Illinois, Cheri was selected as one of three award recipients to be granted a full-year scholarship to study special education.

When she entered MacMurray College, Cheri wanted to teach.

I had always enjoyed working with children and teaching seemed like an acceptable thing to do.

But, not long into her freshman year, Cheri began volunteer work at the Pathway School for the mentally retarded in Jacksonville.

It was a mere three hours a week, which quickly became a focal point in my life.

Cheri has a realistic view of her approaching career—she calls it "educational equality."

A disadvantaged child cannot be placed in a class with the so-called normal children. They cannot achieve at the same levels. To pressure the disadvantaged child beyond his physical or mental capabilities is emotionally detrimental . . . If you expect too much from a handicapped child, then you are defeating the expressed purpose of Special Education. And, if you expect too little, the child may fail to progress to the point of becoming self-dependent and a useful member of society.

Behind this new scholarship program is the Mentally Retarded Olympian Program Inc., and its president John McHugh.

Since 1968, the Olympian program has entered 3,500 retarded athletes in national competition and countless numbers in local and State competition. From the 50-yard dash, to exhibition diving contests, these children are given the unique opportunity to exhibit their talents and skills in rewarding competitive games. In mid 1972 the Olympian calender will expand into the arts, sponsoring competitions in music and crafts.

Mr. McHugh and his program have, with the aid of the Joseph P. Kennedy, Jr. Foundation, opened doors wide for mentally retarded children and special education. These children who "love without hate and share their joy and pride unselfishly," are a valuable resource in this country and, as yet, a shamefully untapped resource.

I am proud that Chicago is the home of the Mentally Retarded Olympian Program, Inc. I am proud to be associated with Jack McHugh and his fine work.

Mr. Speaker, it is good to note, on occasion, that the business of giving, thrives.

CONGRATULATIONS TO DR. ROBERT R. MARTIN

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, on November 9, the American Association of State Colleges and Universities inaugurated as its president a distinguished educator from my home State of Kentucky.

Dr. Robert R. Martin is president of Eastern Kentucky State University in Richmond, Ky.

For nearly 40 years, he has worked in the service of education in our State, having served as a teacher, a school administrator, as the elected State Superintendent of Public Instruction, and as Commissioner of Finance in the administration of former Kentucky Governor Bert T. Combs.

Dr. Martin is no ivory-tower educator, but a man dedicated to his profession and accustomed to the hard, nuts-and-bolts, knuckle-skinning task of making theories work in the classroom and in the laboratories—and more importantly, in the practical, workaday world of men.

I would like to share with the House some of the press comment from Kentucky newspapers on Dr. Martin's latest recognition as president of the American Association of State Colleges and Universities:

[From the Richmond (Ky.) Daily Register, Nov. 5, 1971]

EKU PRESIDENT TO HEAD NATIONAL ASSOCIATION

Dr. Robert R. Martin, president of Eastern Kentucky University, will become president Tuesday of the American Association of State Colleges and Universities during its annual meeting at Denver.

Dr. Martin, who has served one year as president-elect of the association, succeeds Dr. Darrell Holmes, president of East Stroudsburg (Pa.) State College.

The incoming president has also served as a director of the association and as chairman of its Committee on Federal Relations. The association has a membership of 275 colleges and universities representing a total enrollment of more than 1.7 million students.

The membership spans the U.S. and reaches to Guam and the Virgin Islands. Representing about 25 per cent of college and university students, the Association is made up of state supported institutions, most of them former teachers' colleges.

[From the Lexington (Ky.) Herald, Nov. 8, 1971]

HONOR FOR DR. MARTIN

Nearly 40 years ago Dr. Robert Martin began an educational career as a high school history teacher in Mason County.

On Tuesday he will become president of the American Association of State Colleges and Universities—an organization of 275 colleges and universities.

For Dr. Martin it will be the high point of a long and distinguished career which has seen him rise from teacher to state superintendent of public instruction to president of Eastern Kentucky University.

Dr. Martin's leadership and drive, as well as his business and financial management skill, have turned Eastern into a large, sprawling university of which all Kentuckians can be proud.

We congratulate him on his new lofty position. May his tenure be as successful.

[From the Sunday Herald-Leader, Sunday, Nov. 14, 1971]

THE RISE OF DR. MARTIN

Our congratulations to Dr. Robert R. Martin, Eastern Kentucky University president who has become president of the American Association of Colleges and Universities.

Dr. Martin is a brilliant man—one whose imprint as an educator and leader lies heavily on the teeming and orderly campus of Eastern.

By intelligence and good judgment he has risen to university president from a high school teacher's job in Mason County during the depression years.

He long has been an education leader in Kentucky and through his important job his influence can become more widespread and more widely beneficial.

[From the Courier-Journal, Louisville, Ky., Nov. 10, 1971]

MARTIN TAKES HELM OF NATIONAL GROUP

(By Richard Wilson)

Eastern Kentucky University President Robert R. Martin, 60, who began his career in education nearly 40 years ago as a high-school history teacher, last night became the national president of the association whose member institutions produce nearly half of the nation's public-school teachers.

He was installed for a one-year term as head of the American Association of State Colleges and Universities at the group's annual meeting in Denver.

He assumes the presidency at a time when the association's 262 member schools, enrolling 1.8 million students, are striving for a new identity.

The association's schools—located in 46 states, Guam, the Virgin Islands and the District of Columbia—have evolved from state teachers' colleges into regional universities and state colleges.

Now they are trying to find an expanded role amid the nation's rapidly growing community colleges, private colleges and the more prestigious and larger multi-purpose state universities.

DISAGREES WITH CRITICS

"We think of ourselves as institutions that can have increased roles in public service," said Martin in a recent interview. He said the association's institutions vary in size from still-small teacher-oriented colleges to large urban universities.

Goals will differ according to each school, but Martin said the association will continue to be concerned primarily "with improving the quality of teaching and research and public service focused on this mission."

He scoffed at critics who contend the state colleges and regional universities are headed toward becoming carbon copies of the larger state universities.

"The larger universities are going to have a tremendous component of research, but if we restrict ourselves to the improvement of teaching, related research and public service, that may be enough distinction for us," he said.

He stressed that this does not mean the schools will not be adding or expanding programs. He explained that colleges in the association undoubtedly will continue producing a large number of teachers, but that they will also be graduating students in such newer areas as urban affairs, law enforcement, environmental science and allied health.

In addition, he said, he hopes they also will offer expanded opportunities in fields which require less than four years of college training.

Martin, a former state superintendent of public instruction and Kentucky finance commissioner, is optimistic about the future of the association's member schools, but he also concedes that they must contend with numerous problems.

Top priority, he said, must go to finding adequate funds to meet escalating educational costs.

The association and other national higher-educating groups are hoping for new federal legislation providing general aid to the nation's colleges and universities.

IMPROVED CURRICULA WANTED

Although the government already provides large sums to colleges in research grants and other special aid, it has never before provided operating funds for institutions to use at their own discretion.

Martin said colleges also must focus more attention on improved curricula and career advising programs for students, adding: "We've got to deal with students in an effective way so they can make the best use of their time and find their best career choice."

His association post will not require Martin to relinquish any of his presidential duties at Eastern. He says the post will only require "nominal leadership," primarily because the association has a full-time Washington staff and a permanent executive director.

But the post will thrust the Eastern chief into the national spotlight as head of the agency that presently educates about 25 per cent of the nation's college and university students.

FREQUENT EFFORTS TO WEAKEN GUN CONTROL LAWS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, efforts to weaken the Federal gun control laws have been frequent since the Congress passed the Gun Control Act of 1968. In 1969, ammunition used only in long guns was exempted from provisions of the law

which require records to be kept of all ammunition sales. In 1970, and again this year, the Ways and Means Committee has reported legislation (H.R. 3599) to further exempt .22 caliber rimfire ammunition, which is used in both long guns and handguns, from these important recordkeeping requirements.

I strongly opposed the .22 rimfire exemption bill in 1970, and have informed all Members of the House that I intend to oppose it again this year. House consideration of H.R. 3599 was scheduled for November 15, but the bill was unexpectedly removed from the agenda without explanation.

Anticipating that this legislation will be rescheduled and will yet be acted upon in the remaining days of the current session of the Congress, I want to outline my case against the bill in some detail so that all Members will have ample opportunity to reflect on it.

Proponents of H.R. 3599 say it is justified because the information required to be recorded on .22 rimfire ammunition sales has "never led to a successful investigation and prosecution of a crime." The committee report quotes an unnamed Justice Department official to that effect, and also refers to a Treasury Department statement indicating that in no instance had ammunition sales records "been helpful in law enforcement."

Such a claim, of course, infers that Federal and other law enforcement agencies have made a real effort to make use of the records of ammunition sales for criminal investigations and prosecutions. I have information from the Treasury Department indicating that such is not the case. In response to a letter from me dated January 12, 1971, inquiring to what extent the Treasury Department has attempted to use the data on .22 caliber ammunition purchases in the investigation and/or prosecution of suspected criminal activity, I received a letter dated February 8, 1971, signed by Samuel R. Pierce, Jr., general counsel. In that letter Mr. Pierce indicates that all but three of the 22 branch offices of the Alcohol, Tobacco, and Firearms Division of the Internal Revenue Service indicated that they have made no such attempt. Furthermore, in response to another letter from me on this matter, Deputy Attorney General Richard G. Kleindienst replied on February 5, 1971, that: "No facilities have been developed, or are planned, to permit ammunition records to be stored and retrieved so that they may be used for the investigation and/or prosecution of suspected criminal activity," and the Treasury Department confirms that.

The Treasury letter says:

> There have been no facilities developed and none are planned by the Internal Revenue Service concerning the storage and retrieval of ammunition transactions. The recording of information concerning ammunition transactions in the records of the licensed dealer does not become the property of the Federal Government but remains the property of the dealer. The records are not collected at any location or locations nor is there any intention to accumulate them at any central location.

How does the Federal Government know that .22 caliber ammunition records are worthless for law enforcement if they have made virtually no attempt at all to make use of those records? It seems to me that what has happened here is that certain policy makers in the executive branch have seen fit to assume that these records are useless, and have proceeded to make that a self-fulfilling prophesy by making no effort to utilize the records systematically in law enforcement.

Indeed, Mr. Speaker, there is evidence that when efforts have been made to make use of .22 ammunition sales records, such information has been helpful. The same Treasury letter to which I have already referred, for example, reports the following:

> The Dallas Branch Office reported three instances where special investigators obtained .22 caliber ammunition record information for local officers which was used in the investigation and trial of three criminal cases. The Cincinnatti Branch Office reported two instances where .22 caliber ammunition records were used by State Police in the investigation of homicides. In one instance .22 caliber ammunition purchased at a local store was used in the killing of a moonshiner. The branch office reported that the ammunition transaction was verified by sales records. In the other instance, State Police arrested a juvenile for the murder of his father. The day preceding the crime, the juvenile purchased .22 caliber ammunition at a local store which was verified by disposition records of the dealer.
>
> The Los Angeles Branch Office reported that the Phoenix Police Department requested assistance in checking records concerning ammunition transactions in an investigation involving the murder of a policeman with a .22 caliber weapon.

This information seems to me directly to contradict the Treasury's contention that .22 caliber ammunition sales information is useless for law enforcement.

That contention is further contradicted by a spot check of ammunition sales records made last year by a U.S. Senate Judiciary Subcommittee. That spot check revealed that a number of known felons and others with criminal arrest records had purchased ammunition—an act which, in itself, is a violation of the law. In fact, 21 percent of the out-of-State sales checked were made by individuals with criminal records. This suggests that a systematic police check of all .22 caliber ammunition sales could provide grounds to rearrest large numbers of convicted felons, or at least make it much more difficult for them to obtain ammunition. But that has not been done, and one of the reasons it has not been done is that Federal officials charged with enforcing the laws have chosen to look upon ammunition sales records as useless.

Another argument made by proponents of H.R. 3599 is that the recordkeeping requirements on ammunition are onerous—that they impose "unreasonable burdens" on sportsmen and gun dealers. The facts are, however, that the information required to be recorded is no more extensive or complex than the information recorded whenever any consumer makes any purchase by check or credit card, and is only slightly more detailed than the information most merchants record on the ordinary sales slip or receipt for any merchandise.

I had hoped and planned, Mr. Speaker, to bring out the evidence I have obtained on this matter, and my views on it, in public hearings on this legislation. However, no such hearings have been held despite the fact that I, for one, requested an opportunity to be heard. At least one national organization representing many citizens concerned about gun control, the National Council for a Responsible Firearms Policy, also filed a written request to testify.

Mr. Speaker, it seems to me that, if anything, the evidence suggests that we should be expanding our efforts to utilize ammunition sales data in law enforcement, rather than throwing up our hands and abandoning recordkeeping altogether. It seems to me there is considerable evidence that the executive branch has chosen to ignore the intent of Congress in its treatment of .22 caliber ammunition sales records. Surely the Congress did not require these records to be kept in order then to be ignored. Yet that is exactly what is happening.

In any case, the executive branch has certainly not made a convincing case for terminating .22 caliber rimfire sales recordkeeping. If such a case can be made, let the executive branch come before the Congress in public hearings and present that case. If a case can be made that this recordkeeping is burdensome and too voluminous to be useable in law enforcement, let the Treasury Department document that argument for all the Members of this Congress and the public. But this legislation is too important to be acted upon only on the basis of the assertions of the executive branch—assertions which have little to support them and plenty that contradicts them.

In recent months an increasing number of Members of the Congress have come to realize the need to ban the manufacture and possession of cheap handguns, commonly called Saturday night specials, in view of the fact that these weapons have no sporting value and are useful only as weapons of crime. A great many of these so-called Saturday night specials use .22 caliber rimfire ammunition. Does it then make sense to terminate recordkeeping on .22 rimfire ammunition sales? I certainly think it does not.

Lest anyone suppose that .22 rimfire ammunition is harmless or is used only by sportsmen, let me remind the Members of this Congress that it was a .22 rimfire shot that killed Senator Robert Kennedy.

I urge the Members of the House to join me in opposing H.R. 3599 and any similar weakening of our gun control laws at least until these issues have been fully aired and examined in public hearings before the relevant committee of the House.

CONSTITUTIONALITY OF INDIVIDUAL CAMPAIGN SPENDING LIMITS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, as I have previously advised my colleagues in the House, I intend at the appropriate time to offer an amendment to the substitute to be offered by the gentleman from Michigan (Mr. HARVEY) which would incorporate in the substitute the same limitations on individual campaign contributions which are now contained in section 4 of H.R. 11060.

Since some question has been raised as to the constitutionality of such limitations, I have previously inserted in the RECORD—at page 41921—a letter to my friend and colleague, the gentleman from New Jersey (Mr. THOMPSON) from Professor Albert J. Rosenthal of the Columbia Law School sustaining the constitutionality of such a provision.

Mr. THOMPSON has now made available to me copies of telegrams he has received from two other distinguished professors of constitutional law, expressing the same point of view. I include these telegrams herewith:

NEW HAVEN, CONN.

Hon. FRANK THOMPSON, Jr.,
House of Representatives, Washington, D.C.

In my judgment a $5,000 or higher limitation on campaign contributions is a reasonable measure to insure the integrity of the Federal political process and therefore constitutional.

ALEXANDER BICKEL, *Yale Law School.*

BOSTON, MASS.

Hon. FRANK THOMPSON, Jr.
House of Representatives, Washington, D.C.

In my judgment it is entirely consistent with the first amendment to place a limit of $5,000 or more on individual political contributions. If the bill does not apply to direct expenditures by individuals the constitutional question virtually dissolves. Even if such expenditures are covered the limit is a fair accommodation between political activity and the need to curb the dominating power and influence of large contributions. Personal participation and expression are the central first amendment values and these are left free. The Hatch Act precedent is more than adequate for the bill.

PAUL A. FREUND, *Harvard Law School.*

MAURICE J. O'ROURKE

(Mr. RYAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RYAN. Mr. Speaker, it is with a deep sense of personal sadness that I bring to the attention of the House the fact that Maurice J. O'Rourke, President of the New York City Board of Elections, died Saturday night.

A man's memory is sustained by the legacy he leaves behind him. Marcy O'Rourke has left us a legacy of public dedication and personal friendship that will not be forgotten.

Understanding that citizen participation is the very foundation of our democracy, Maurice O'Rourke's dedication to making the electoral process work was unwavering. And he was untiring in his commitment to afford the opportunity of involvement in the political process to all of our citizens.

Under his innovative leadership, the New York City Board of Elections set up various programs which brought registration officials into the community through the use of mobile votemobiles and by stationing registration officials in the city's firehouses. And as a result of his efforts, the opportunity to register to vote was made available where before it had all too often been denied.

Marcy O'Rourke's keen sense of justice and fair play was reflected in the fact that during his tenure the board of elections applied the election law in a nonpartisan way, treating regular and insurgent alike regardless of personality or party faction.

He himself summed it up best when he stated that:

> Our job is to make the election system work. It's the greatest thing we Americans have.

Perhaps there can be no greater tribute that we can pay to him than rededicating ourselves to the task to which he devoted his life.

Maurice O'Rourke will be missed not only by those of us who had the opportunity to know him as a warm and close friend, but by all those who had come to look upon him as a meaningful force for change for the betterment of our society.

I extend my deepest sympathy to his widow, the former Alice Russell, and to his brothers and sisters.

I include in the RECORD a tribute to Maurice J. O'Rourke which appeared in the New York Times of November 29, 1971:

[From the New York Times, Nov. 29, 1971]

MAURICE J. O'ROURKE, 58, DEAD; HEADED CITY'S ELECTION BOARD

Maurice J. O'Rourke, president of New York City's Board of Elections, died Saturday night of a heart attack at Good Samaritan Hospital in Suffern, N.Y. He was 58 years old and lived at 215 East 60th Street.

A vigorous, often ebullient advocate of election reform, Mr. O'Rourke pursued his $17,500-a-year job full time in his effort to register voters and run elections smoothly. The public knew him from his trips around the city in a police car each Election Day to look in on all kinds of troubles, from machine breakdowns to reports of voter harassment.

Mayor Lindsay, who is in Honolulu attending the 48th annual congress of the National League of Cities, issued a statement calling Mr. O'Rourke "a fine and devoted public servant, a man of gentle humor and unlimited kindness and a firm friend."

"We will all miss him very much," he said.

Known most of all in Democratic circles as an enormously friendly man and an enthusiastic story-teller, Mr. O'Rourke served as president of the National Democratic Club of New York and was a fiercely local ally of the late Senator Robert F. Kennedy.

BECAME A MAVERICK

Mr. O'Rourke, known as Marcy to his friends, joined the four-man, bipartisan Board of Elections in 1963 as a Democratic party regular from Manhattan. Within a few years, he had become something of a political maverick by turning against the board's reliance on party patronage for its own staff members and election inspectors.

He was eventually hailed by civic groups and Reform Democrats for his advocacy of change. Last year, as a member of Mayor Lindsay's election reform task force, he proposed replacement of the bipartisan board with a single commissioner and a civil service staff.

"I have no enemies," Mr. O'Rourke once said. "I just like everybody. I know that sounds corny, but I really enjoy participating with people in anything I think progressive and good."

The major changes advocated by Mr. O'Rourke required approval by the State Legislature, which, in 1970, approved instead a measure that would have created a 10-member bipartisan board and raised the members' salaries. The bill was vetoed by Governor Rockefeller on the ground that it only increased political patronage.

Mr. O'Rourke was elected president of the board this year by the members. But even when he was a commissioner, he virtually ran the elections because his fellow members were beyond retirement age and did not take a full-time interest in the job.

Although his major proposals for reform were not put through Mr. O'Rourke did accomplish some changes. Last year, for instance, he eliminated 16,000 election inspector jobs that had traditionally gone to housewives and elderly citizens as a form of political patronage. He implemented the cut by assigning the inspectors to each of the city's 1,500 polling places, rather than to each of the 5,300 election districts.

Never shrinking from publicity to push for voter registration, Mr. O'Rourke used roving "votemobiles" and the city's fire stations to get more citizens particularly blacks and Puerto Ricans, on the rolls. More recently, he pushed for more time to register the country's newest voters, those under the age of 21.

"Our job is to make the election system work," he once said, and then added with pride: "It's the greatest thing we Americans have."

Some of Mr. O'Rourke's efforts met with hostility among the regular, and when civic groups and liberals criticized the Board of Elections for sluggishness and red tape, they often singled out Mr. O'Rourke for praise for his efforts to improve things. He thus earned his reputation as a maverick.

Asked once how he got started on this course, he replied: "I don't want to be a maverick, but when I first went to the board I let it be known that I was going to do a job. I feel obligated, as a Catholic gentleman, to fulfill that pledge."

Nevertheless, Mr. O'Rourke did on occasion find his job, as he termed it, a "frustrating adventure," and in 1969 he resigned briefly to work for Howard J. Samuels, who was then seeking the Democratic nomination for Governor. The next year, however, Mr. O'Rourke was reappointed to run the 1970 elections.

Maurice Joseph O'Rourke was born into a Roman Catholic family and educated in Roman Catholic schools. He went to Cathedral College with the idea of becoming a priest, but eventually went to work for the city's Department of Hospitals.

During World War II, he served in the Marine Corps in the Pacific. Afterwards, he worked for the Internal Revenue Service and the Civil Court, where he had a lifetime appointment as assistant general clerk.

He got his political start in Democratic clubs on Manhattan's East Side, and was secretary to the Manhattan organization when he was appointed to the Board of Elections.

Surviving are his widow, the former Alice Russell; two brothers, Thomas and Brian, and three sisters, Mrs. Nora May O'Leary, Mrs. Margaret Martin and Mrs. Cathleen Woestman.

A funeral is to be held at St. Patrick's Cathedral Wednesday at 10 A.M.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation.

In Western Europe, approximately 25 percent of the worker's income goes for groceries. In Russia, the take is 50 percent, and in the Far East it is as much as 75 percent. In the United States—though we are the healthiest people on earth—only 16½ percent of the family's income goes for food products.

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LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. BURTON (at the request of Mr. VAN DEERLIN), for week of November 29, 1971, on account of official business.

Mr. EILBERG (at the request of Mr. BOGGS), for today and remainder of week, on account of official business.

Mr. ROYBAL (at the request of Mr. BOGGS), for today, on account of official business.

Mr. COTTER (at the request of Mr. BOGGS), for today, on account of illness.

Mr. DAVIS of South Carolina (at the request of Mr. BOGGS), for today, on account of official business.

Mr. BLATNIK (at the request of Mr. BOLLING), for Wednesday, November 17, Thursday, November 18, Friday, November 19, and for the week of November 29, 1971, on account of illness.

Mr. MCCLORY (at the request of Mr. GERALD R. FORD), for November 29 through December 1, on account of official business.

Mr. MCKEVITT (at the request of Mr. ARENDS), for Monday, Tuesday, and Wednesday (November 29, 30, and December 1), on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SCHMITZ), to revise and extend their remarks, and to include extraneous matter:)

Mr. FINDLEY, today, for 5 minutes.

(The following Members (at the request of Mr. DENHOLM), to revise and extend their remarks and to include extraneous matter:)

Mr. ASPIN, today, for 15 minutes.

Mr. GONZALEZ, today, for 10 minutes.

Mr. FUQUA, today, for 10 minutes.

Mr. PODELL, today, for 30 minutes.

Mr. ROSTENKOWSKI, today, for 10 minutes.

Mr. CONYERS, on December 1, for 60 minutes.

Mr. FOUNTAIN, on December 9, for 60 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SPRINGER, to include extraneous material with his remarks today during debate in the Committee of the Whole.

The following Members (at the request of Mr. SCHMITZ) and to include extraneous matter:)

Mr. SPRINGER.

Mr. SCHERLE in 10 instances.

Mr. FINDLEY in two instances.

Mr. CONABLE.

Mr. CONTE.

Mr. GERALD R. FORD.

Mr. GROSS.

Mr. WYMAN in two instances.

Mr. DU PONT.

Mr. LLOYD.

Mr. DERWINSKI.

Mr. ESCH in two instances.

Mr. GUBSER.

Mr. STEIGER of Arizona in three instances.

Mr. MICHEL.

Mr. RIEGLE.

Mr. SCHWENGEL.

Mr. MCDONALD of Michigan.

Mr. ASHBROOK in two instances.

Mr. KEMP in two instances.

Mr. SCHMITZ in two instances.

(The following Members (at the request of Mr. DENHOLM) and to include extraneous matter:)

Mr. CORMAN.

Mr. PUCINSKI in six instances.

Mr. FLOOD.

Mr. DRINAN in two instances.

Mr. FISHER in six instances.

Mr. HAMILTON in eight instances.

Mr. MITCHELL.

Mr. GONZALEZ in two instances.

Mr. HAGAN in three instances.

Mr. ROGERS in five instances.

Mr. KLUCZYNSKI in six instances.

Mr. FOUNTAIN in three instances.

Mr. ANDREWS of Alabama in two instances.

Mr. WALDIE in six instances.

Mr. MURPHY of New York.

Mr. RANGEL in four instances.

Mr. HUNGATE in three instances.

Mr. JONES of Tennessee in five instances.

Mr. PATTEN.

Mr. TEAGUE of Texas in eight instances.

Mr. PERKINS.

Mr. RARICK in three instances.

Mr. BEGICH in five instances.

Mr. ROONEY of Pennsylvania in four instances.

Mr. RODINO.

Mr. VANIK in two instances.

Mr. BOLAND.

Mr. BRINKLEY.

Mr. MAZZOLI.

Mr. HARRINGTON.

Mr. DAVIS of Georgia in five instances.

Mr. PICKLE in five instances.

Mr. EDWARDS of California in two instances.

Mr. ALEXANDER.

Mr. WILLIAM D. FORD in two instances.

Mr. EDMONDSON in two instances.

Mr. DENHOLM.

SENATE BILLS JOINT AND CONCURRENT RESOLUTIONS REFERRED

Bills joint and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 247. An act for the relief of Albert G. Feller and Flora Feller; to the Committee on the Judiciary.

S. 641. An act for the relief of Luis Guerrero-Chavez, Guadalupe Guerrero-Chavez, and Alfredo Guerrero-Chavez; to the Committee on the Judiciary.

S. 749. An act to authorize United States contributions to the Special Funds of the Asian Development Bank, to the Committee on Banking and Currency.

S. 888. An act for the relief of David J. Crumb; to the Committee on the Judiciary.

S. 1089. An act for the relief of Robert Rexroat; to the Committee on the Judiciary.

S. 1299. An act for the relief of Dr. Biman K. Khastagir; to the Committee on the Judiciary.

S. 1436. An act for the relief of Dr. Alfredo Soliva; to the Committee on the Judiciary.

S. 1466. An act to authorize the Secretary of the Army to grant certain rights-of-way for road improvement and location of public utility lines over a portion of Fort DeRussy, Hawaii; to the Committee on Armed Services.

S. 1481. An act for the relief of Jose Amaral de Souza; to the Committee on the Judiciary.

S. 1675. An act for the relief of Antonio Plameras; to the Committee on the Judiciary.

S. 1893. An act to restore the golden eagle program to the Land and Water Conservation Fund Act, provide for an annual camping permit, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1923. An act for the relief of Harold Donald Koza; to the Committee on the Judiciary.

S. 2010. An act to provide for increased participation by the United States in the International Development Association; to the Committee on Banking and Currency.

S. 2048. An act for the relief of Mrs. Jun Kuen Chiu Yee (Jun Kuen McNeely Yee); to the Committee on the Judiciary.

S. 2601. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the national park system, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2678. An act to amend the District of Columbia Election Act, and for other purposes; to the Committee on the District of Columbia.

S. 2887. An act authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and other purposes; to the Committee on Public Works.

S.J. Res. 149. Joint resolution to authorize and request the President to proclaim the year 1972 as "International Book Year"; to the Committee on the Judiciary.

S. Con. Res. 50. Concurrent resolution authorizing the printing of the handbook entitled "Guide to Federal Programs for Rural Development" as a Senate document; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1836. An act for the relief of Ruth V. Hawley, Marvin E. Krell, Alaine E. Benic, and Gerald L. Thayer;

H.R. 1867. An act for the relief of Bernadette Han Brundage;

H.R. 1899. An act for the relief of Mrs. Maria G. Orsini (nee Mari);

H.R. 1931. An act for the relief of Jesus Manuel Cabral;

H.R. 1962. An act for the relief of Dah Mi Kim;

H.R. 1970. An act for the relief of Mrs. Andree Simone Van Moppes and her son, Alain Van Moppes;

H.R. 2087. An act for the relief of Park Ok Soo and Noh Mi Ok;

H.R. 2107. An act for the relief of Jose Bettencourt de Simas;

H.R. 2108. An act for the relief of Nemesio Gomez-Sanchez;

H.R. 2408. An act for the relief of Louis A. Gerbert;

H.R. 2706. An act for the relief of Miguelito Ybut Benedicto;

H.R. 2803. An act for the relief of In Kyong Yi;

H.R. 2814. An act for the relief of Rea Republica Ramos;

H.R. 3041. An act for the relief of Mary James Kates, owner of the Gladewater Daily Mirror;

H.R. 3082. An act for the relief of Ronnie B. (Malit) Morris and Henry B. (Malit) Morris;

H.R. 3383. An act for the relief of Mrs. Mauricia A. Buensalido and her minor children, Raymond A. Buensalido and Jacqueline A. Buensalido;

H.R. 3425. An act for the relief of Helen Tziminadis;

H.R. 3475. An act for the relief of Paul Anthony Kelly;

H.R. 5422. An act for the relief of the American Journal of Nursing;

H.R. 7085. An act for the relief of Eugene M. Sims, Sr.;

H.R. 8356. An act to make permanent the authority to pay special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation, and

H.R. 10203. An act to amend the Water Resources Research Act of 1964, to increase the authorization for water resources research institutes, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1810. An act for the relief of Dorothy G. McCarty.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On November 19, 1971:

H.J. Res. 946. Joint resolution making further continuing appropriations for the fiscal year 1972, and for other purposes.

On November 23, 1971:

H.R. 1836. A bill for the relief of Ruth V. Hawley, Marvin E. Krell, Alaine E. Benic, and Gerald L. Thayer;

H.R. 1867. A bill for the relief of Bernadette Han Brundage;

H.R. 1899. A bill for the relief of Mrs. Maria G. Orsini (nee Mari);

H.R. 1931. A bill for the relief of Jesus Manuel Cabral;

H.R. 1962. A bill for the relief of Dah Mi Kim;

H.R. 1970. A bill for the relief of Mrs. Andree Simone Van Moppes and her son, Alain Van Moppes;

H.R. 2087. A bill for the relief of Park Ok Soo and Noh Mi Ok;

H.R. 2107. A bill for the relief of Jose Bettencourt de Simas;

H.R. 2108. A bill for the relief of Nemesio Gomez-Sanchez;

H.R. 2408. A bill for the relief of Louis A. Gerbert;

H.R. 2706. A bill for the relief of Miguelito Ybut Benedicto;

H.R. 2803. A bill for the relief of In Kyong Yi;

H.R. 2814. A bill for the relief of Rea Republica Ramos;

H.R. 3041. A bill for the relief of Mary James Kates, owner of the Gladewater Daily Mirror;

H.R. 3082. A bill for the relief of Ronnie B. (Malit) Morris and Henry B. (Malit) Morris;

H.R. 3383. A bill for the relief of Mrs. Mauricia A. Buensalido and her minor children, Raymond A. Buensalido and Jacqueline A. Buensalido;

H.R. 3425. A bill for the relief of Helen Tziminadis;

H.R. 3475. A bill for the relief of Paul Anthony Kelly;

H.R. 5422. A bill for the relief of the American Journal of Nursing;

H.R. 7085. A bill for the relief of Eugene M. Sims, Sr.;

H.R. 8356. A bill to make permanent the authority to pay special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation; and

H.R. 10203. A bill to amend the Water Resources Research Act of 1964, to increase the authorization for water resources research institutes, and for other purposes.

ADJOURNMENT

Mr. DENHOLM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 39 minutes p.m.), the House adjourned until tomorrow, Tuesday, November 30, 1971, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1304. A letter from the Secretary of State, transmitting a report on the implementation of section 620(u) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

1305. A letter from the Director, Office of Legislative Affairs, Agency for International Development, Department of State, transmitting a copy of a determination of the Secretary of State No. 72–1, made pursuant to section 620(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

1308. A communication from the President of the United States, reporting his determination that it is in the national interest for the Export-Import Bank of the United States to guarantee, insure, extend credit, and participate in the extension of credit in connection with the purchase or lease of any product or service by, for use in, or for sale or lease to the Socialist Republic of Rumania, pursuant to section 2(b)(2) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking and Currency.

1309. A letter from the Director of Science and Education, Department of Agriculture, transmitting a report on the disbursement of funds during fiscal year 1971 to States to provide additional facilities for research at the State agricultural experiment stations; to the Committee on Agriculture.

1310. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Occupational Safety and Health Review Commission for the fiscal year 1972, has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 665; to the Committee on Appropriations.

1311. A letter from the Secretary of the Army, transmitting a draft of proposed legislation to authorize the transportation of dependents of certain military personnel to and from rest and recuperation centers, and for the payment of per diem allowances for such dependents, and for other purposes; to the Committee on Armed Services.

1312. A letter from the Secretary of the Air Force, transmitting a report showing the number of Air Force officers above the grade of major receiving flight pay as of October 31, 1971, and the average monthly flight pay authorized by law to be paid to such officers during the year ended on the date, pursuant to 37 U.S.C. 301(g); to the Committee on Armed Services.

1313. A letter from the Assistant Secretary of Transportation for Administration, transmitting during the period April 16 through October 31, 1971, a list of the purchases and contracts made/by the U.S. Coast Guard under 10 U.S.C. 2304(a) (11) and (16), pursuant to section 2304(e); to the Committee on Armed Services.

1314. A letter from the Secretary of the Interior, transmitting an annual report for calendar year 1970 on progress made in achieving the purposes of the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

1315. A letter from the Assistant Administrator of General Services, transmitting a draft of proposed legislation to establish a fund for activating authorized agencies, and for other purposes; to the Committee on Government Operations.

1316. A letter from the Chairman, Federal Power Commission, transmitting a copy of a map entitled, "Major Natural Gas Pipelines, June 30, 1971," and of the publication entitled, "Sales of Firm Electric Power for Resale, 1965–1969"; to the Committee on Interstate and Foreign Commerce.

1317. A letter from the national adjutant-paymaster, Marine Corps League, transmitting the minutes of the league's 48th annual convention and the audit report for the 1970–71 fiscal year, together with similar reports for the Marine Corps League Auxiliary, pursuant to 50 Stat. 559 and 36 U.S.C. 58; to the Committee on the Judiciary.

1318. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 24, 1971, submitting a report, together with accompanying papers and illustrations, on Escambia River, Fla. and Ala., requested by a resolution of the Committee on Public Works, House of Representatives, adopted July 31, 1957; to the Committee on Public Works.

1319. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes; to the Committee on Veterans' Affairs.

RECEIVED FROM THE COMPTROLLER GENERAL

1306. A letter from the Comptroller General of the United States, transmitting a report on U.S. programs in Afghanistan; to the Committee on Government Operations.

1307. A letter from the Comptroller General of the United States, transmitting a report of the audit of the financial statements of the St. Lawrence Seaway Development Corporation, Department of Transportation, for the calendar year 1970 (H. Doc. No. 92–177); to the Committee on Government Operations and ordered to be printed.

1320. A letter from the Comptroller General of the United States, transmitting a report on fees allowed nonsponsored not-for-profit organizations by various Government agencies; to the Committee on Government Operations.

1321. A letter from the Comptroller General of the United States, transmitting a report on savings available by consolidating certain reserve fleet activities of the Depart-

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ments of Commerce and Defense; to the Committee on Government Operations.

1372. A letter from the Comptroller General of the United States, transmitting a report on progress and problems of urban and transportation planning, Department of Housing and Urban Development and Department of Transportation; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BARING: Committee of conference. Conference report on S. 1116 (Rept. No. 92–681). Ordered to be printed.

Mr. PERKINS: Committee of conference. Conference report on S. 2007 (Rept. No. 92–682). Ordered to be printed.

Mr. EVINS of Tennessee: Select Committee on Small Business. Report on third party prepaid prescription programs (Rept. No. 92–683). Referred to the Committee of the Whole House on the State of the Union.

Mr. NATCHER: Committee on Appropriations. H.R. 11932. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1972, and for other purposes (Rept. No. 92–684). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN:

H.R. 11915. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for adoption fees and related costs incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. BARING:

H.R. 11916. A bill to convey Federal land to the Fort McDermitt Paiute and Shoshone Tribe; to the Committee on Interior and Insular Affairs.

H.R. 11917. A bill to permit the Secretary of the Treasury to purchase mined silver at such prices as he may deem appropriate; to the Committee on Banking and Currency.

By Mr. BUCHANAN:

H.R. 11918. A bill to amend section 151 of the Internal Revenue Code of 1954 to make a personal exemption available to certain taxpayers who support dependents who are under age 19 or are students but who are not the children of the taxpayer; to the Committee on Ways and Means.

By Mr. BURTON:

H.R. 11919. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLANCY:

H.R. 11920. A bill to amend the Internal Revenue Code of 1954 to permit the amortization, over a 60-month period, of certain solid waste treatment facilities; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 11921. A bill to provide for the designation of law schools as depository libraries; to the Committee on House Administration.

H.R. 11922. A bill to provide special advisory and counseling assistance to veterans at institutions of higher education and to authorize, on a trial basis, a special program to aid veterans with academic deficiencies to gain entrance to institutions of higher education; to the Committee on Veteran's Affairs.

By Mr. GUDE:

H.R. 11923. A bill to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEATING:

H.R. 11924. A bill to provide for the prevention of sickle cell anemia; to the Committee on Interstate and Foreign Commerce.

By Mr. KEATING (for himself, Mr. DANIELSON, and Mr. SARBANES):

H.R. 11925. A bill to strengthen interstate reporting and interstate services for parents of runaway children, to provide for the development of a comprehensive program for the transient youth population for the establishment, maintenance, and operation of temporary housing and psychiatric, medical, and other counseling services for transient youth, and for other purposes; to the Committee on the Judiciary.

By Mr. LLOYD:

H.R. 11926. A bill to amend the Internal Revenue Code of 1954 with respect to the limitation on the deduction of certain amounts for business gifts; to the Committee on Ways and Means.

By Mr. PEPPER (for himself, Mr. WALDIE, Mr. BRASCO, Mr. MANN, Mr. MURPHY of Illinois, Mr. RANGEL, Mr. WIGGINS, Mr. STEIGER of Arizona, Mr. WINN, Mr. SANDMAN, and Mr. KEATING):

H.R. 11927. A bill to promote research and development of drugs or chemical compounds for use in the cure, prevention, or treatment of heroin addiction; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE:

H.R. 11928. A bill to amend title II of the Social Security Act to eliminate the reduction in disability benefits which is presently required in the case of an individual receiving workmen's compensation benefits; to the Committee on Ways and Means.

By Mr. SPRINGER:

H.R. 11929. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of California:

H.R. 11930. A bill to amend the Tariff Schedules of the United States with respect to the rates of duty on sets of tuned bells; to the Committee on Ways and Means.

By Mr. THOMPSON of Georgia (for himself, Mr. EILBERG, Mr. GAYDOS, Mrs. GRASSO, Mr. HARRINGTON, Mrs. HICKS of Massachusetts, Mr. CÓRDOVA, Mr. KEMP, and Mr. RANGEL):

H.R. 11931. A bill to amend title 39, United States Code, to authorize the transmission, without cost to the sender, of letter mail to the President or Vice President of the United States or to Members of Congress, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NATCHER:

H.R. 11932. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1972, and for other purposes.

By Mr. BURKE of Florida:

H.R. 11933. A bill to provide for the issuance of a commemorative stamp in honor of the first enlisted women in the U.S. Armed Forces; to the Committee on Post Office and Civil Service.

By Mr. HANNA:

H.R. 11934. A bill to amend section 408(d)(4) of the National Housing Act (relating to certain prohibited transactions on the part of savings and loan holding companies); to the Committee on Banking and Currency.

By Mr. HARSHA (for himself and Mr. BAOYHILL of Virginia):

H.R. 11935. A bill to provide for the development of certain real estate in the District of Columbia; to the Committee on the District of Columbia.

By Mr. HÉBERT (for himself and Mr. ARENDS) (by request):

H.R. 11936. A bill to authorize the transportation of dependents of certain military personnel to and from rest and recuperation centers, and for the payment of per diem allowances for such dependents, and for other purposes; to the Committee on Armed Services.

By Mr. LONG of Maryland:

H.R. 11937. A bill to provide for the application of the prohibitions contained in the Sherman Act to the business of organized professional team sports; to the Committee on the Judiciary.

By Mr. VANDER JAGT:

H.R. 11938. A bill to amend section 6 of the United Nations Participation Act of 1945 to require approval by the Congress of the use of Armed Forces of the United States under article 42 of the Charter of the United Nations; to the Committee on Foreign Affairs.

By Mr. ASPIN:

H. Con. Res. 468. Concurrent resolution expressing the sense of the Congress with respect to speedy trials; to the Committee on the Judiciary.

By Mr. ECKHARDT:

H. Con. Res. 469. Concurrent resolution to provide for the printing as a House document a compilation of the eulogies on the late Justice Hugo L. Black; to the Committee on House Administration.

By Mr. QUIE:

H. Res. 716. Resolution calling for the shipment of Phantom F–4 aircraft to Israel in order to maintain the arms balance in the Middle East; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

286. By the SPEAKER: Memorial of the Legislature of the territory of Guam, relative to acquisition by the U.S. Navy of Sella Bay; to the Committee on Interior and Insular Affairs.

287. Also, memorial of the Legislature of the State of California, relative to motor vehicle damages; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H.R. 11939. A bill for the relief of the Farmers Chemical Association, Inc.; to the Committee on the Judiciary.

By Mr. EDMONDSON:

H.R. 11940. A bill to provide for the striking of medals in commemoration of Jim Thorpe; to the Committee on Banking and Currency.

By Mr. HELSTOSKI:

H.R. 11941. A bill for the relief of Miss Stanislawa Mazur; to the Committee on the Judiciary.

H.R. 11942. A bill for the relief of Mr. and Mrs. Salvatore Ilardi; to the Committee on the Judiciary.

By Mr. PELLY:

H.R. 11943. A bill for the relief of Kiichi Tomiyama; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 11944. A bill for the relief of Sixto M. Pagaran; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H.R. 11945. A bill for the relief of Hyun Ki Hong; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

162. By the SPEAKER: Petition of the Puerto Rico Free Federation of Labor, Santurce, relative to exempting Puerto Rico from the wage-price freeze; to the Committee on Banking and Currency.

163. Also, petition of the Puerto Rico Free Federation of Labor, Santurce, relative to extending the National Labor Standards Act of 1938 to Puerto Rico; to the Committee on Education and Labor.

164. Also, petition of the Puerto Rico Free Federation of Labor, Santurce, relative to ending the war in Vietnam; to the Committee on Foreign Affairs.

165. Also, petition of the City Council, New York, N.Y., relative to the international traffic in illegal narcotics; to the Committee on Foreign Affairs.

166. Also, petition of the Puerto Rico Free Federation of Labor, Santurce, requesting that Puerto Rico be considered on an equal footing with the States with regard to social and economic rehabilitation measures; to the Committee on Interior and Insular Affairs.

167. Also, petition of Louise Steadtler Hoff, South Norwalk, Conn., relative to redress of grievances; to the Committee on the Judiciary.

168. Also, petition of Daniel Leveque, Sheboygan, Wis., relative to redress of grievances; to the Committee on the Judiciary.

169. Also, petition of James T. Moore, Springfield, Mo., relative to renunciation of citizenship; to the Committee on the Judiciary.

SENATE—*Monday, November 29, 1971*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, who has watched over us and brought us to this time and place, we thank Thee for hours of memory and thanksgiving, for rest to frayed and fevered spirits, and for renewal of mind and body. We thank Thee for this reverential pause before demanding hours lay their firm grip upon us. Empty us of all ugly prejudices and unworthy motives which would obstruct us from being the healing channel Thou dost desire for our common humanity. Grant us this day light to guide us, courage to support us, and the boundless compassion of love to unite us.

We lift our prayer in the name of the Great Redeemer. Amen.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of November 24, 1971, Mr. HUGHES, from the Committee on Labor and Public Welfare, reported favorably, with additional amendments, on November 24, 1971, the bill (S. 2097) to establish a Special Action Office for Drug Abuse Prevention to concentrate the resources of the Nation in a crusade against drug abuse, and submitted a report (No. 92–509) thereon, which was printed.

THE JOURNAL

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, November 24, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rules VII and VIII, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. SCOTT. Mr. President, I ask unanimous consent that my staff assistants Hannah McCornack and Ken Davis be granted the privilege of the floor for the remainder of this week.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, I yield back the remainder of my time.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Iowa (Mr. HUGHES) is now recognized for not to exceed 15 minutes.

Mr. BYRD of West Virginia. Mr. President, having received word from the able Senator from Iowa (Mr. HUGHES) that he would like to have the order vacated, I ask unanimous consent that the order be vacated and that I be recognized in his stead.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE U.N. ROLE IN THE MIDDLE EAST

Mr. BYRD of West Virginia. Mr. President, according to recent reports, the situation in the Middle East has come to a point where Egypt and Israel are practically poised for battle. It would appear that the diplomatic efforts of the United States and other interested countries have failed to produce a climate other than distrust and hostility between the rival states. The distinct impression is given that the differences are irreconcilable. If this is, indeed, true, the consequences for the world could be disastrous.

In this connection, it would seem that the United Nations, to which the United States contributes 32.52 percent of the total annual general budget, should be more effective than has been the case during the years of tension. I am fully aware that member nations always put their major national interests ahead of the U.N. and that reality is one which renders agreed solutions to international problems extremely difficult, if not impossible. Nevertheless, it disturbs me that the prestige and efficacy of the world body is so lightly regarded that it has so far been unable to inject its presence to fill the gap between the Egyptian demand for full Israeli withdrawal from territory formerly held by Egypt and the Israeli position of partial cession.

A case in point is the Sinai Peninsula, which, until the 6-day war, had been Egyptian territory since 1906. No general agreement between Israel and Egypt is possible without disposition of the Sinai satisfactory to both sides. Israel has indicated a willingness to surrender the bulk of the Sinai, provided that its forces remain in Sharm el Sheikh to insure free passage of ships bound for Elath and provided these forces are connected to Israel by the coastal road Israel has built. However reasonable this may seem, it has the serious flaw that no Egyptian Government can accept a cession of territory that was Egyptian for more than half a century as a bargaining condition without incurring the fierce enmity of its own people. So we have an impasse, that lacking resolution, makes general agreement between the parties out of the question.

Nevertheless, if the saber rattling being heard on both sides of the Suez is to be stilled, a workable formula has to be found. Unilateral, bilateral, and multilateral diplomacy appears to have made no impression—the antipathies are as strong today as they were 17 years ago. It troubles me that the United Nations seems unable to make any practical contribution other than to have had that admittedly able diplomat, Dr. Gunnar Jarring, as its special representative on the scene for 4 years. I would not advo-

cate the United Nations should wield a big stick—even if it had one. I am fully aware of the organization's limitations when it is faced by recalcitrant member nations whose interests are diametrically opposed. But it seems to me, Mr. President, that the vast amounts of money contributed to the U.N. by the American taxpayer over the past quarter century give these taxpayers the right to ask whether they can reasonably expect a return on their investment in terms of an effective peacekeeping instrument.

This statement should not be interpreted as an attack on the United Nations or as a conclusion that it has outlived its usefulness. I am just as convinced as is any Member of this distinguished body that some kind of an international forum is a necessity in this heterogenous world of sharply conflicting interests and ideologies. If, however, Israel and Egypt will not settle the Middle East crisis between themselves and multilateral diplomacy by other nations is ineffective, what else do we have? The claims of Israel and Egypt both have some historical and legal tenability; it seems to me most unfortunate that what we might reasonably expect to be the best diplomatic brains in the world at the United Nations are unable to reconcile these claims and come up with a peaceful solution acceptable to both sides.

It is sad to contemplate, but perhaps we should resign ourselves to the conclusion that a political solution of the problem is unrealistic and fall back on the frequently effective method of deterrence. Though words and actions on both sides have frequently been provocative, the most recent bellicosity came from Egyptian Premier Anwar Sadat when he told the Egyptian forces that a negotiated settlement was now impossible and they would have to fight to restore our land, honor, and dignity."

It is more probable than possible that the Premier's speech was strictly for home consumption, but in case it had some substance, this might be an opportune time to consider sending to Israel the Phantom jets she has long wanted from the United States. Unless emotion and indiscretion totally overcome prudence, it is unlikely that Premier Sadat's bellicosity would be translated into action if Israel's deterrent power were increasingly obvious.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, a period of 30 minutes has been set aside for the transaction of routine morning business, with statements therein limited to 3 minutes.

Is there morning business?

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. BYRD of West Virginia. Mr. President, pursuant to paragraph 1, rule V of the Standing Rules of the Senate, I ask unanimous consent that the distinguished majority leader (Mr. MANSFIELD) be granted a leave of absence from the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following the recognition of the two leaders tomorrow there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENSON, from the Committee on the District of Columbia, without amendment:

S. 1362. A bill to authorize the Commissioner of the District of Columbia to enter into contracts for the payment of the District's equitable portions of the cost of reservoirs on the Potomac River and its tributaries, and for other purposes (Rept. No. 92–510);

S. 1367. A bill to authorize the Commissioner of the District of Columbia to lease airspace above and below freeway rights-of-way within the District of Columbia, and for other purposes (Rept. No. 92–511);

H.R. 10383. An act to enable professional individuals and firms in the District of Columbia to obtain the benefits of corporate organization, and to make corresponding changes in the District of Columbia Income and Franchise Tax Act (Rept. No. 92–512); and

H.R. 11489. An act to facilitate the amendment of the governing instruments of certain charitable trusts and corporations subject to the jurisdiction of the District of Columbia, in order to conform to the requirements of section 508 and section 664 of the Internal Revenue Code of 1954, as added by the Tax Reform Act of 1969 (Rept. No. 92–513).

By Mr. STEVENSON, from the Committee on the District of Columbia, with amendments:

S. 2204. A bill to provide for improvements in the administration of the government of the District of Columbia, and for other purposes (Rept. No. 92–514).

By Mr. EAGLETON, from the Committee on Labor and Public Welfare, with amendments:

S. 1163. A bill to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal programs, nutrition training and education programs, opportunity for social contacts, and for other purposes (Rept. No. 92–515), together with supplemental views.

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, with an amendment:

S.J. Res. 75. Joint resolution to provide for a study and evaluation of the ethical, social, and legal implications of advances in biomedical research and technology (Rept. No. 92–517).

By Mr. BURDICK, from the Committee on the Judiciary, with an amendment:

S. 1975. A bill to change the minimum age qualification for serving as a juror in Federal courts from 21 years of age to 18 years of age (Rept. No. 92–516).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SCHWEIKER:

S. 2906. A bill to amend section 401 of title 37, United States Code, to include, under certain circumstances, grandchildren of members of the uniformed services within the definition of the term "dependent" for purposes of travel and quarters allowances of such members. Referred to the Committee on Armed Services.

By Mr. HUMPHREY:

S. 2907. A bill for the relief of Roy D. Martin, major, U.S. Army (Reserve). Referred to the Committee on Armed Services.

By Mr. FONG (for himself and Mr. INOUYE):

S. 2908. A bill to authorize a study of the feasibility and desirability of establishing a unit of the national park system in order to preserve and interpret the site of Honokohau national historical landmark in the State of Hawaii, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HARTKE (for himself and Mr. PERCY):

S. 2909. A bill to establish a Federal program to encourage voluntary donation of pure and safe blood, to require licensing and inspection of all blood banks, and to establish a national registry of blood donors. Referred to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARTKE (for himself and Mr. PERCY):

S. 2909. A bill to establish a Federal program to encourage voluntary donation of pure and safe blood, to require licensing and inspection of all blood banks, and to establish a national registry of blood donors. Referred to the Committee on Labor and Public Welfare.

NATIONAL BLOOD BANK ACT

Mr. HARTKE. Mr. President, there will be more than 2 million blood transfusions performed in the United States this year. One out of every 150 of these will cause a death from serum hepatitis in the over 40 age group. Many more transfusions will cause sickness in younger people.

Hepatitis is a growing menace to our Nation's health. Dr. J. Garrot Allen, of Stanford Medical Center, has estimated that at least 455,000 hospital bed-days are devoted to this disease every year. Effective measures, however, can go far to wiping out this disease. The bill I am introducing today is designed to provide the means necessary to accomplish that goal.

In many communities throughout the Nation, there is a critical shortage of blood. To meet this need, blood banks have been established. Most of these blood banks are highly reputable and have performed invaluable service to those in need; but there are far too many unscrupulous blood banks which have failed to screen properly those who donate their blood.

Much of the serum hepatitis in this country comes from the paid blood donor. He may be an alcoholic or a drug addict seeking money for his habit, and some commercial blood banks are all too willing to give him the few dollars he seeks without checking into his background.

Profitmaking blood banks have been established because—regrettably—the voluntary donor system has not been able to meet the demand for blood. Hospitals have no choice but to turn to the commercial blood bank for their supply, yet reliable studies have shown that the risk of contracting hepatitis from the blood of paid donors is from 11 to 70 times greater than the risk from voluntarily donated blood.

Today I introduce on behalf of myself and the Senator from Illinois (Mr. PERCY) the National Blood Bank Act. This legislation is identical to a bill recently introduced in the House by Congressman VICTOR VEYSEY of California. In essence, this bill requires all blood banks to live up to reasonable standards.

Although the Federal Government is already involved in the regulation of blood banks, the National Institutes of Health license only 166 of the 7,000 blood banks in this country. They do not license or inspect the companies that import massive quantities of human blood from foreign countries, nor do they require that blood be tested for the presence of hepatitis. Even the practices of those 166 licensed blood banks have been clouded with doubt.

To meet the problems of regulation, my bill would establish a new office in the Department of Health, Education, and Welfare, to license, inspect, and regulate all blood banks in this country. The poor track record of NIH's Division of Biological Standards is proof enough that this responsibility must be placed elsewhere.

Because the lack of voluntary blood is the only justification for using paid donors, my bill provides for a national effort to recruit voluntary donors. It also requires that the source of each pint of blood be clearly stated on its label.

Under my proposal, the Director of the National Blood Bank is to inspect, license, and regulate all blood blanks. It authorizes $9 million for a national program to recruit voluntary donors, include efforts to develop new procedures and techniques to inform the public of the need to donate blood voluntarily.

The Director will be assisted by an advisory council made up of representatives of blood banks, consumers, and the public relations industry. The council will advise in the development of long range policy for the blood bank program and provide expert advice on proposed regulations and voluntary recruitment efforts.

Recognizing that the National Blood Bank Systems of the American Red Cross and the American Association of Blood Banks deserve special attention, the bill authorizes the Director to accept their inspection and accreditation program in lieu of Federal inspections.

Among its other provisions, it would establish two classes of accredited blood banks. Class A blood banks are those having a maximum percentage of voluntary donors. Class B blood banks are all others. The Director is required to update annually the percentage to qualify for Class A status to the highest level consistent with an adequate national blood supply. Federal agencies are prohibited from purchasing blood from other than Class A blood banks.

Mr. President, 17 States have no laws governing blood blanks. Another 21 have laws which prevent patients infected by contaminated blood from collecting monetary damages. It is time that the Federal Government acted to protect the health of the American public.

A serious illness or accident is tragedy enough without the danger of receiving contaminated blood. The quality of blood available to hospitals is nothing short of disgraceful. The legislation I introduce today will make it possible for us to eradicate this disgrace without further delay.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2909

A bill to establish a Federal program to encourage voluntary donation of pure and safe blood, to require licensing and inspection of all blood banks, and to establish a national registry of blood donors

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Blood Bank Act of 1972".

FINDINGS

SEC. 2. The Congress finds that human blood is necessary for medical treatment and that an adequate supply of pure and safe blood throughout the United States is essential to the welfare of the Nation. Congress further finds that interstate shipment of pure and safe whole blood and blood components is necessary for the welfare of the United States; that since human blood is a living tissue which cannot be manufactured, an adequate interstate supply of blood depends upon the willingness of individuals to donate their blood; that since the virus hepatitis is transmitted in human blood and is found significantly more often in the blood of persons who donate for monetary compensation than in the blood of voluntary donors, the purity and safety of the national blood supply is seriously threatened by the inadequate level of voluntary donation and by monetary compensation of blood donors. The Congress therefore finds that the welfare of the United States will be promoted by development of a 100 per centum voluntary blood supply as soon as feasible, that voluntary donation should therefore be encouraged and promoted, and that certain procedures and standards should be established with respect to the operation of all blood banks in the United States.

ESTABLISHMENT OF PROGRAM; DIRECTOR

SEC. 3. There is established in the Department of Health, Education, and Welfare a National Blood Bank Program to be under the supervision of a Director appointed by the Secretary of Health, Education, and Welfare. The Director of the National Blood Bank Program (hereinafter in this Act referred to as the "Director") shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

FUNCTIONS AND DUTIES OF DIRECTOR

SEC. 4. (a) NATIONAL BLOOD BANK SYSTEMS.—Upon the application of any group or organization of blood banks, the Director shall designate such group or organization as a national blood bank system under this Act if the group or organization—

(1) includes member blood banks in not less than ten States, which member banks have drawn an aggregate of not less than two million units of blood in the year preceding application;

(2) requires by written contract member blood banks, which are not maintained and operated directly by the group or organization, to adhere and be bound by the rules and regulations of the group or organization;

(3) requires all member blood banks to maintain a program for the recruitment of voluntary blood donors;

(4) adopts rules and regulations for the operation of member blood banks which rules and regulations are approved by the Director and certified to be equal to or more stringent than the standards for blood banks and transfusion services of the American Association of Blood Banks and the applicable standards of the American Red Cross;

(5) provides for—

(A) accreditation of member blood banks which operate in conformity with the rules and regulations referred to in paragraph (4);

(B) a program approved by the Director of annual, unannounced inspection of accredited member blood banks to determine adherence to such standards; and

(C) recommend the fining, suspension, or termination of accreditation of member blood banks which fail to adhere to such standards;

(6) requires that accredited member blood banks—

(A) designate named individuals in such accredited member blood banks to have express responsibility for recruitment of voluntary blood donors;

(B) be open for business on days and at hours most convenient for voluntary blood donors;

(C) cooperate with other blood banks in the recruitment of voluntary blood donors and in other functions; and

(D) label clearly each unit of blood collected as "low risk" when it is from a voluntary blood donor or "high risk" when it is from a paid blood donor.

(b) PROMOTION OF VOLUNTARY BLOOD DONATION.—In order to assure an adequate supply of pure and safe blood throughout the Nation, the Director shall—

(1) develop, by grant or contract, new procedures, materials, and techniques to inform the public of the need to voluntarily donate blood;

(2) provide direct assistance to establish an adequate supply of voluntary blood in those parts of the country where it is presently unavailable;

(3) develop a national program to honor and recognize all voluntary donors;

(4) establish yearly goals of voluntary donors for each blood bank;

(5) conduct evaluations of the effectiveness of various recruitment techniques and inform the licensed blood banks of the most effective techniques;

(6) classify blood banks which collect no

more than a specified percentage of their blood from paid donors as "Class A Blood Banks" and classify all other blood banks as "Class B Blood Banks";

(7) annually increase the allowable percentage of paid donors to qualify as a "Class A Blood Bank" to the highest level consistent with an adequate national blood supply.

(d) DONOR REGISTRY.—The Director shall maintain a registry of all persons who give blood after July 1, 1972, to a licensed blood bank and shall identify individuals on such registry who may have been implicated in the transmission of hepatitis or who should otherwise be disqualified as blood donors. The Director shall notify all blood banks of such disqualifying information.

LICENSE TO OPERATE AS A BLOOD BANK

SEC. 5. (a) LICENSE REQUIRED.—No person may operate as a blood bank unless such person is licensed under this section.

(b) REQUIREMENTS OF LICENSE.—Upon application therefor the Director shall issue a license to operate as a blood bank to any person if—

(1) such person agrees to require identification of each blood donor and such other information relating to each blood donor as the Director may prescribe; and

(2) such person agrees to transmit to the Director such information (including information indicating that the donor may be infected with hepatitis) as the Director may require; and

(3) the application therefor contains or is accompanied by such information as the Director finds necessary and the applicant agrees and the Director determines that the blood bank will be operated in accordance with standards the Director issues to carry out the purposes of this Act, including standards for purity, potency, and safety of blood, donor selection, allowable percentage of paid donors, regulations covering the management of blood inventories; and a requirement that all blood be tested by the best practical test for the presence of hepatitis; and

(4) such person agrees to clearly label each unit of blood collected as "low risk" when it is from a voluntary donor and "high risk" when it is from a paid donor.

(c) PERIOD OF VALIDITY.—A license issued under this section shall be valid for a period of three years, or such shorter period as the Director may establish for any blood bank or class or classes thereof.

(d) FEES.—The Director may require payment of fees for the issuance and renewal of licenses, but the amount of any such fee shall not exceed $125 per annum.

(e) The Director or his designee shall conduct an annual inspection of each blood bank licensed under this section to determine compliance with standards issued under this Act. The time of such inspections shall not be announced prior to the inspection.

(f) The Director may designate a national blood bank system as his inspecting agent for purposes of this section. He may accept accreditation by a national blood bank system in lieu of this inspection requirement.

(g) REVOCATION, SUSPENSION, OR LIMITATION; NOTICE AND HEARINGS; GROUNDS.—A blood bank license may be revoked, suspended, or limited if the Director finds, after reasonable notice and opoprtunity for hearing to the licensee blood bank, that such licensee or any employee of the blood bank—

(1) has been guilty of misrepresentation in obtaining the license;

(2) has engaged or attempted to engage or represented himself as entitled to perform any procedure or category of procedures not authorized in the license;

(3) has failed to comply with reasonable requests of the Director for any information or materials or work on materials, he deems necessary to determine the blood bank's continued eligibility for its license hereunder or continued compliance with the Director's standards hereunder;

(4) has refused a request of the Director or any Federal officer or employee duly designated by him for permission to inspect the blood bank and its operations and pertinent records at any reasonable time; or

(5) has violated or aided and abetted in the violation of any provisions of this section or of any rule or regulation promulgated thereunder.

(h) LEGAL PROCEDURE; IMMINENT HAZARD TO PUBLIC HEALTH; JURISDICTION OF DISTRICT COURT; TEMPORARY INJUNCTIONS OR RESTRAINING ORDERS; BOND; FINAL ORDERS.—Whenever the Director has reason to believe that continuation of any activity by a blood bank licensed under this section would constitute an imminent hazard to the public health, he may bring suit in the district court for the district in which such blood bank is situated to enjoin continuation of such activity and, upon proper showing, a temporary injunction or restraining order against continuation of such activity pending issuance of a final order under this section shall be granted without bond by such court.

(i) APPEALS; PETITIONS; RECORD; ADDITIONAL EVIDENCE; MODIFIED OR NEW FINDINGS; JURISDICTION OF COURT OF APPEALS; CONCLUSIVENESS OF FINDINGS; REVIEW BY SUPREME COURT.—

(1) Any party aggrieved by any final action taken under subsection (e) of this section may at any time within sixty days after the date of such action file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for judicial review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director or other officer designated by him for that purpose. The Director thereupon shall file in the court the record on which the action of the Director is based, as provided in section 2112 of title 28.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Director, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Director, and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper. The Director may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendations, if any, for the modification or setting aside of his original action, with the return of such additional evidence.

(3) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to affirm the action, or to set it aside in whole or in part, temporarily or permanently. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive.

(4) The judgment of the court affirming or setting aside, in whole or in part, any such action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(j) VIOLATIONS AND PENALTIES.—Any person who willfully violates any provision of this section or any rule or regulation promulgated thereunder shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both such imprisonment and fine.

ADVISORY COUNCIL

SEC. 6. (a) ESTABLISHMENT.—There is established an Advisory Council to be composed of the following nine members appointed by the President:

(1) two representatives from each national blood bank system, one of whom shall be a person with not less than five years' recent experience in blood bank administration;

(2) three representatives of blood consumer groups including:

(A) one hospital administrator,

(B) one representative of organized labor,

(C) one representative of business management; and

(3) two persons experienced in advertising and public relations neither of whom may be employed or retained during their service on the Council by any firm or other organization which is engaged in operating a blood bank.

(b) DUTIES OF COUNCIL.—The Advisory Council shall—

(1) make recommendations to the Director with respect to long-term policy goals for the National Blood Banks Program established under section 3 of this Act;

(2) make recommendations to the Director with respect to the encouragement of blood donation and the motivation, recruitment, and recognition of blood donors; and

(3) make recommendations to the Director relating to reciprocal transactions between national blood bank systems to the extent that no agreement relating to such transaction exists between such systems.

(c) TRAVEL EXPENSES; PER DIEM.—While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

ANTITRUST EXEMPTION

SEC. 7. Notwithstanding any antitrust law, as defined in section 2(a) of the Antitrust Civil Process Act (76 Stat. 548; 15 U.S.C. 1311(a)), a national blood bank system may exclude or reject from membership in such system any blood bank which does not qualify for tax-exempt status under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1954.

BLOOD ASSURANCE PROGRAMS

SEC. 8. No person other than a blood bank which is classified as a "Class A Blood Bank" may maintain any program in which individuals deposit blood in advance of their need for blood or pledge to give blood upon request.

ADMINISTRATION OF PROGRAM

SEC. 9. No provision of this Act and no part of any program established under this Act shall be administered by or under the supervision of the National Institutes of Health.

PURCHASE OF BLOOD BY FEDERAL GOVERNMENT

SEC. 10. No agency, department, or other instrumentality of the Government of the United States shall contract for or pay for the provision of blood from any person other than a "Class A Blood Bank" and such agency, department, or other instrumentality shall take such measures as may be necessary to insure that such blood has been tested according to the best available test for hepatitis.

DEFINITIONS

SEC. 11. For the purposes of this Act, the term—

(a) "Blood" means human whole blood, or any component thereof.

(b) "Blood bank" means any person or other entity engaged in the bleeding of individuals and performing two or more of the following functions—

(1) recruitment of blood donors;

(2) processing of blood for transfusions;

(3) storage of blood;

(4) crossmatching of blood;

(5) administration of blood to individuals; or

(6) preparation of blood components for transfusion.

(c) "Blood donor" means a paid blood donor or a voluntary blood donor.

(d) "Paid blood donor" means an individual who receives monetary compensation or an adjustment in his scheduled period of prison confinement for his donation of blood or any component thereof.

(e) "Voluntary blood donor" means any individual donating his blood other than a paid donor.

(f) "Accredited blood bank" means a blood bank accredited by a national blood bank system.

AUTHORIZATION

SEC. 13. There is authorized to be appropriated $10,000,000 for the fiscal year 1973, $10,000,000 for the fiscal year 1974, and $10,000,000 for the fiscal year 1975 to carry out the purposes of this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1975

At the request of Mr. TUNNEY, the Senator from Michigan (Mr. GRIFFIN) was added as a cosponsor of S. 1975, to lower the minimum age for service on Federal juries from 21 to 18 years of age.

S. 2052

At the request of Mr. HARTKE, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of S. 2052, a bill to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes.

S. 2676

At the request of Mr. TUNNEY, the Senator from Maryland (Mr. BEALL), and the Senator from Wisconsin (Mr. NELSON) were added as cosponsors of S. 2676, the National Sickle Cell Anemia Prevention Act.

S. 2870

At the request of Mr. HARTKE, the Senator from Utah (Mr. Moss) was added as a cosponsor of S. 2870, a bill to provide for regulation of franchises.

S. 2898

At the request of Mr. HARTKE, the Senator from West Virginia (Mr. RANDOLPH), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Utah (Mr. Moss), the Senator from Alaska (Mr. STEVENS), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from New Mexico (Mr. MONTOYA) were added as cosponsors of S. 2898, a bill to provide college tutors for the homebound handicapped.

S. 2900

At the request of Mr. PERCY, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 2900, to amend the John F. Kennedy Center Act to authorize funds for operation and maintenance of the nonperforming arts function of that center.

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 203

At the request of Mr. HATFIELD, the Senator from Virginia (Mr. BYRD), the Senator from Mississippi (Mr. EASTLAND), and the Senator from Massachusetts (Mr. BROOKE) were added as cosponsors of Senate Resolution 203, to express the sense of the Senate that United States fishing industry representatives be included in the U.S. delegation to the 1973 United Nations Law of the Sea Conference.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971

AMENDMENT NO. 763

(Ordered to be printed and to lie on the table.)

Mr. HARRIS submitted an amendment, intended to be proposed by him, to the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

AMENDMENT NO. 764

(Ordered to be printed and to lie on the table.)

Mr. BENTSEN (for himself, Mr. HUMPHREY and Mr. NELSON) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 2891, supra.

AMENDMENT NO. 765

(Ordered to be printed and to lie on the table.)

Mr. TAFT submitted an amendment, intended to be proposed by him, to Senate bill 2891, supra.

AMENDMENT NO. 766

(Ordered to be printed and to lie on the table.)

Mr. PERCY (for himself, Mr. JAVITS, Mr. RIBICOFF, and Mr. PROXMIRE) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 2891, supra.

AMENDMENT NO. 767

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself, Mr. DOLE, Mr. ERVIN, Mr. ALLOTT, Mr. COOK, Mr. JORDAN of North Carolina, Mr. GRAVEL, Mr. EAGLETON, Mr. TUNNEY, Mr. MCGEE, Mr. MONDALE, Mr. MCINTYRE, Mr. MCGOVERN, Mr. GOLDWATER, Mr. HUMPHREY, Mr. STEVENS, Mr. HUGHES, Mr. THURMOND, Mr. HARTKE, Mr. INOUYE, and Mr. NELSON) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 2891, supra.

AMENDMENT NO. 768

(Ordered to be printed and to lie on the table.)

Mr. HARTKE submitted an amendment, intended to be proposed by him, to Senate bill 2891, supra.

AMENDMENT NO. 769

(Ordered to be printed and to lie on the table.)

Mr. JAVITS (for himself and Mr. PERCY) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 2891, supra.

AMENDMENTS NOS. 770 THROUGH 772

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE (for himself and Mr. HARRIS) submitted three amendments, intended to be proposed by them, jointly, to Senate bill 2891, supra.

AMENDMENT NO. 773

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE (for himself, Mr. HARRIS, and Mr. STEVENSON) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 2891, supra.

NOTICE OF HEARINGS ON S. 2362, S. 2841 AND 2842

Mr. MAGNUSON. Mr. President, I announce that the Surface Transportation Subcommittee of the Committee on Commerce will conduct hearings on S. 2362, the Surface Transportation Act of 1971, relevant portions of S. 2841, the Transportation Assistance Act of 1971, and on S. 2842, Transportation Regulatory Modernization Act of 1971, on December 7 and 8, 1971. Hearings will commence at 10 a.m. in room 5110, New Senate Office Building. Any person who wishes to testify should notify the committee staff, 225–9325 or 225–9351.

NOTICE OF CANCELLATION OF HEARING BY THE SUBCOMMITTEE ON HANDICAPPED WORKERS

Mr. BYRD of West Virginia. Mr. President, at the request of my distinguished senior colleague (Mr. RANDOLPH), I ask unanimous consent to have printed in the RECORD a notice of cancellation of a hearing by the Subcommittee on Handicapped Workers.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RANDOLPH

Mr. RANDOLPH. Mr. President, on behalf of the Subcommittee on Handicapped Workers, I desire to give notice that the hearing scheduled for Thursday, December 2, 1971, at 10 a.m. in room 4200, New Senate Office Building, has been cancelled. The hearing to receive further testimony on proposed amendments to the Randolph-Sheppard Act has been rescheduled for Thursday, December 9, 1971, at 10 a.m. in room 4200, New Senate Office Building.

ADDITIONAL STATEMENTS

THE MEANING OF THE WHITE HOUSE CONFERENCE ON THE AGING

Mr. PERCY. Mr. President, the long-awaited and widely-heralded White House Conference on the Aging opened yesterday here in Washington. For this conference, over 3,000 experts in the field of the aging have come to the Nation's Capital to discuss the various problems confronting today's 20 million elderly citizens. The delegates will be meeting throughout this week in an effort to determine how best the Government, and citizens in general, can help senior citizens in the areas of health, income maintenance, housing, employment, education, nutrition, transportation, and long-term care.

Perhaps the greatest, and most basic, problem confronting today's senior citizens is their lack of status in our society. In earlier days—and even today in other societies—growing old was accompanied by an increase in prestige, and by growing respect from younger generations. Old people were better cared for, and even

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sought after for their wisdom gained from decades of experience with life and contact with several generations.

Today, being old too often means loneliness and great hardship. Just at the time in his life when the older American could benefit most from a higher income, he often suffers a drastic drop in income. Just as he discovers that he is less nimble and therefore less mobile, he sees that transportation costs are rising, while service is deteriorating—if not disappearing altogether. As he begins to find it necessary to buy more medication and visit the doctor more often, he sees hospital and medical costs rapidly increasing beyond his means, suggesting that the cards in the game he must play with life and death are stacked in favor of the latter. And just at the age when—because of his decreased mobility, inadequate income, and declining health—he feels the greatest need to live in comfortable, familiar surroundings close to the people he knows and loves, he frequently is forced to give up his home or move to another environment.

In an article in yesterday's Washington Post, Colman McCarthy eloquently described the plight of today's elderly citizens. So that my colleagues might have the benefit of Mr. McCarthy's perceptive analysis of their situation and the reasons for it, I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY ARE THE OLD PUT ON SHELVES?

(By Colman McCarthy)

Everyone wants to live a long life, but there is one trouble—you have to grow old to do it. For many of America's 20 million citizens who make it past 65, the trouble is hardly worth it. Unless you are rich or have especially devoted children, chances are that old age may be a time of anguish, loneliness and sadness, worse for some than others. Perhaps the greatest torture of being old is that one must go about it surrounded by products and services that are ever new and ever fresh. Last year's model, last year's fashion, last year's wardrobe—this feverish custom of discarding what in many cases is only slightly old leads naturally to a throwaway mentality. Thus, easily put out of sight and out of mind are last year's people, the old.

The White House Conference on Aging, beginning today and running through the week, will likely have much to say on the cruel ways in which old people are neglected by the government and by institutions. But this running tragedy is not so much a planned horror as it is a reflection of a deep-set attitude. Along with racism and sexism, there is now "oldism," an intolerance of people too slow, too wrinkled and too tired for the American pace. Dr. Robert Butler, a Washington psychiatrist and one of the few in the country who practices "life-cycle therapy," believes a strong feeling exists "of not wanting to have all these ugly old people around."

How has this happened? Since abandoning another human being is not a natural instinct, the reason may be cultural. It is regularly pointed out, to the point of fatigue, that America is obsessed with the young, a fudge of idolatrous concern that thickens with each new fad. But saying the country is over-fascinated with a youth cult is only part of it, and even then it is inaccurate; if we care so much about kids, why must educators constantly beg for money, why are school lunch programs left unfunded, why are atores allowed to sell flammable sleepwear for children? The deeper cultural reality that allows the old to be the nation's resident castoffs is that American values have been largely shaped by both the Calvinist mystique of achievement and the American frontier notion of self-reliant individualism. These two creeds naturally exclude the elderly because old men and old women are seen as no longer achieving and no longer self-reliant. They are non-producers who should be stripped of their "we try harder" buttons; after that, what else can be done but stash them on a shelf? As Dr. Robert Butler has noted, "Our society serves the productive. We view ourselves as an organism that can all too easily dispense with its parts, which are subject to facile replacement. Most of our national policy decisions are economic and technological rather than moral. The Office of Management and Budget decides. There is a Gross National Product, however important, that is closely watched but there is no Human Value Index."

If putting away old people—removing them from budget priorities, from family circles—fits in well with the American way, it is also true that this wasn't always the case or style with all Americans. One can visit ethnic families in the Northeast industrial towns—Italians, Poles, Slovaks, Greeks and others—and inevitably an old person is found to be an honored and wanted member of the family. Unlike others, many ethnics insist on keeping the parents and grandparents in the main path of travel if only because the young know that one day they must go that way, too. If you are kind to your parents, Irish children are told, you will have a long life. But keeping to this tradition of respecting the old is not easy for ethnic Americans. Professor Michael Novak, soon to publish a book on ethnics ("The Rise of the Great Unwasped" from Macmillan), has written: "One of the more poignant prices ethnics had to pay to become Americanized was to learn not to care for one's parents or grandparents, to learn that life belongs most to those between the ages of 15 and 50. In the public schools, the ethnic child was taught to make fun of one's parents and grandparents—their accents, their gestures, their values. 'Old fashioned' became a word used not for the respect due to wisdom but for contempt due to inferiority or being different from Wasp America. It was silly to care for one's aging parents, to put up with their complaints, customs and needs. 'The American way' was to ship off the old folks to some sanitized rest home; but most ethnic people couldn't quite bring themselves to do that. For cattle maybe, but not for one's parents. The solution often was to find some small apartment, a separate room, in which the old folks could live in some compromised way, not quite in the center of the family as *their* parents had been, but assuredly not institutionalized as 'the Americans' were."

A word and concept now in heavy use is "community." Real estate men no longer build developments, they create communities, the young go off to found communes. But this talk of community is strange; how can you have a common unity when no place is given to the elders of the tribe. "Traditionally," Nathan W. Shock, head of NIH's Gerontology Branch, has said, "the older person in the community had a role in that he had lived longer, he therefore had more experience, he was wiser . . . he knew where the tigers were in the jungle."

The sources of this tradition are easily found, even without going to the East where the old have always been revered. In the 6th century Rule of St. Benedict, for example, one of the earliest charters for community living, the fathers and brothers of the monastery are told in chapter 37 that the old are worthy of special treatment. "Although human nature inclines us to show pity and consideration to the old . . . still it is proper that the authority of the Rule should provide for them. Let their weakness be always taken into account, and let the full rigour of the Rule as regards food be in no wise maintained in their regard. There is to be a kind consideration for them, and permission is to be given them to anticipate the regular hours." Even today, in the many European and American Benedictine monasteries and convents, old members of the community are cherished and honored for their wisdom.

These are rare enclaves of charity, however, and the spirit of compassion has not spread. But it persists at least. In the end, the main impact of this week's White House Conference on Aging must be less on American politicians or programs than on American values—the principal source of many of the elderly's sufferings. Some of these are inevitable, the results of sickness or family scattering. But many are not; they are caused by a value system that plays down filial respect while playing up much that is passing and cheap. In a recent book on the elderly, French writer Simone de Beauvoir asked, "What should a society be like that in his old age a man can remain a man?" The answer: "He must always be treated like a man."

This is not an easy goal, neither for wide-open conferences nor for closed-up minds. But if it is true that every country is entitled to a few mistakes, then perhaps we are now coming around to recognizing one. America, compared with other countries, is still young—exactly the time to see that the realities of aging do not become the horrors of aging.

THE TRAGIC CONFLICT BETWEEN INDIA AND PAKISTAN

Mr. ALLEN. Mr. President, the human tragedy that is taking place in Asia, where India and Pakistan have renewed their border fighting and threaten all-out war, must not engulf the United States. This is not the first time that these giant countries have squared off against one another, but unless the leaders of those two countries come to their senses, the skirmishes now taking place may well be the forerunner of a bloodbath egged on by increasing enmities between Communist China and Communist Russia.

Red China is backing Pakistan in this fight, while Russia and India just last April signed a treaty of cooperation.

Americans cannot be accused of being callous to the human suffering that is taking place in this subcontinent occupied by Pakistan and India.

During the past 25 years the United States has given India more than $8 billion in aid, more than any other country in the world has received except for South Korea and South Vietnam where we still have military forces. During this same period, we have provided aid to Pakistan totaling almost $4.5 billion. These figures do not include the $414 million earmarked for India and $220 million for Pakistan under the 1972 foreign economic assistance package which was passed in the Senate last month. Nor do they include the millions of dollars in private donations by Americans for relief in last year's tragic typhoon and to the almost 10 million refugees in India from Pakistan.

Despite these humanitarian efforts by the United States to help the 550 million people of India and 110 million people of Pakistan, we now find that those countries have alined themselves with

Communist Russia and Red China. That is the kind of appreciation we have received from our assistance programs.

The tragic insistence of India and Pakistan to go to war simply adds further proof of the bankruptcy of the United Nations which was supposedly formed to maintain international peace and security. The Security Council has complete authority to use its influence and the power of the United Nations whenever there is a threat to peace.

But the record clearly and unmistakably portrays the failure of the U.N. as a world peacekeeping organization. Since 1947, just 1 year after the U.N. was created, there have been 73 wars or civil conflicts throughout the world. But on only 10 occasions has the Security Council provided peacekeeping forces or observer teams, and the United States provided the bulk of the support in most of those. Even those few actions are marred by failures, such as the abrupt withdrawal of U.N. forces along the Suez Canal in 1967 resulting in the so-called 6-day war between Israel and the Arab States, a war that threatens to resume at any time. And the U.N. now stands on the sidelines watching this new India-Pakistan war.

The United States continues to place unjustified faith in the U.N., but no other country in the world is so willing to settle its international disputes by peaceful means. While millions of their people live constantly on the edge of starvation the Governments of India and Pakistan are more interested in spending money for war than they are in developing their agricultural economies to feed their teeming millions or in helping develop an economy that would provide jobs and a decent living for their people.

We have absolutely nothing to gain and everything to lose if we try once again to intervene and take sides in foreign conflicts. Recently, under pressure from Congress, the President very properly cut off deliveries of military supplies for Pakistan, and I hope that he will exert every other precaution to keep the United States out of this unsolvable mess.

While I am saddened at human suffering wherever it may be, I am unalterably opposed to the United States getting involved in the growing conflict between India and Pakistan.

LAND CLAIMS OF ALASKAN NATIVES

Mr. BUCKLEY. Mr. President, the Senate and House conferees have begun to meet in executive session to resolve the differences between their respective versions of H.R. 10367, to provide for the settlement of certain land claims of Alaskan Natives. I would like to reiterate at this time, my support of the approval to the allocation of lands which was compiled in the bill adopted by the Senate (S. 35).

In assessing the fairness of the Senate formula for the settlement of the Alaskan Natives' claims, it is important to keep in mind some very simple but compelling historical facts. Beneath the complexities and contemporary ramifications of settling these land claims there lies the indisputable reality of Native use and occupation of virtually all of Alaska from time immemorial; literally for thousands of years. In a historical and anthropological sense, there is no question but that until very recently Alaska has been "their" land; and even now relatively little of it has been preempted by newcomers.

It is instructive to recall the situation as it existed in 1867 when the United States purchased sovereignty of the Alaskan Territory from Russia. At that time, with the exception of a few trading posts, there had been virtually no penetration of Russian settlement beyond the southern coastal areas, and it had always been clear to the Russians that the aboriginal inhabitants had exclusive rights to the interior landmass. Indeed, the 1867 Treaty did not purport to extinguish Native title to the Alaskan land, but rather left the matter to be resolved by U.S. law, and in 1864 Congress explicitly protected Native land rights against interference by third parties.

The historical reality of Native dominion over Alaskan land continued unabated, with very few exceptions—chiefly along the southeastern coastal panhandle—well into the 20th century; and until the 1940's, when Alaska's strategic military importance brought a wave of change, the Natives remained a majority of the Alaskan population. Even today, 13 years after statehood and a decade of impressive development, the Native people remain the bulk of the population outside of a few major cities and the southeastern coastal strip.

It is significant, Mr. President, that the Natives of Alaska have never been conquered in war; they have never lost their property rights through treaty or act of Congress; and until now they have never relinquished their claim to most of Alaskan land. Indeed, claims filed with the Department of the Interior assert Native title to roughly 80 percent of contemporary Alaska. It is also very significant, and of particular relevance in reaching a resolution on the bill now before the conferees, that Congress specifically provided in the 1958 Statehood Act that—

The state and its people do agree and declare that they forever disclaim all right and title . . . to any lands or other property (including fishing rights) the right or title to which may be held by any Indians, Eskimos, or Aleuts.

The courts have reaffirmed the integrity of the Natives' titles. For example, in 1962, the Supreme Court held that the 1958 Statehood Act preserved the status quo with respect to lands claimed under Indian title, Metlakatla against Egan, Kake against Egan; and in 1969, in a decision which the Supreme Court declined to review, the ninth circuit court of appeals refused to hold that lands held under Native title could be selected by the State in fulfillment of the Statehood Act land grants, Alaska against Udall.

These are the legal arguments in support of the Natives' claims, Mr. President. I prefer to rest my position, however, on the very compelling moral rights which, in my judgment, the historical facts support. Whatever legal obligations the United States may have to deal fairly with the Natives of Alaska, it seems to me that any reasonable reading of the historical record indicates a clear moral obligation to strike generous and honorable bargain with the Native people as we extinguish their claims.

The central thrust of the land section of the Senate bill is that the Natives are given the option either to select 40 million acres of traditional village land, or to select half that many acres of village lands plus an additional 10 million acres of commercially valuable land in areas away from the villages. Mr. Donald Wright, president of the Alaska Federation of Natives, has stated that the Native villages will overwhelmingly opt for 40 million acres of their ancestral lands. I regard the retention of the option to choose 40 million acres in fee simple title as essential to the achievement of a just settlement of this long-outstanding dispute.

Mr. President, everything I know about this issue indicates that the allocation of 40 million acres, which will provide the 200 Native villages with a viable land base for their cultures and economies, constitutes—in combination with the monetary compensation which is provided—an eminently fair and honorable basis for settling the Native claims. I very much hope that this provision will be adopted by the conference.

KEYNOTE SPEECH ON BEHALF OF RURAL AMERICA

Mr. HUMPHREY. Mr. President, as chairman of the Senate Subcommittee on Rural Development of the Committee on Agriculture and Forestry, I have heard many eloquent words spoken this year about the problems and promise of the American countryside.

However, there is a new organization in this city, whose leaders seem to have an even better than usual insight into what must be done to promote a reasonable economic and social balance between urban and rural America.

That organization is the Coalition for Rural America, led by former Governors Edward Breathitt of Kentucky and Norbert Tiemann of Nebraska.

On November 4, Governor Breathitt made the keynote address at the annual meeting of the National Association of State Departments of Agriculture. I ask unanimous consent that this speech be printed into the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

GOVERNOR BREATHITT'S KEYNOTE SPEECH

A popular songwriter once asked this Nation facetiously, "How Ya Gonna Keep 'Em Down on the Farm, After They've Seen Paree?"

That was a funny song for the revelers in Broadway speakeasies following World War I. But in a way, the song proved to be prophetic, and we in the new Coalition for Rural America don't think it's funny anymore.

You and I have too quietly witnessed the greatest migration of human beings in the history of mankind. Thirty million Americans have left the countryside in th past thirty years for the major cities. Ou farm population has dwindled to the point where 800,000 farms produce 90 percent of all our food and fiber. 95 percent of our

people live on 10 percent of the U.S. land area, and 14 million people have been left behind in rural America—many of them in terrible poverty.

The President's National Advisory Committee on Rural Poverty concluded in 1967:

"Rural poverty is so widespread, and so acute, as to be a national disgrace, and its consequences have swept into our cities violently. The urban riots during 1967 had their roots in considerable part in rural poverty. A high proportion of the people crowded into city slums today came there from rural slums."

No, we of the Coalition for Rural America don't think it's funny any longer, and I suspect that Mayor Lindsay and many others along old Broadway no longer see its humor either.

The Coalition is newly formed and has come into existence to deal with a problem of long standing in our country.

Through a complete lack of any governmental policy we have permitted rural America to deteriorate like a rusting hand plow languishing in a fallen down barn while the social and economic problems once scattered across the thousands of square miles of our great land have become compacted into urban ghettos where they have become both more evident and more volatile.

As former Secretary of Agriculture Freeman says, this process couldn't have occurred in a more insidiously efficient way if we had planned it in our national policy councils.

Governor Tiemann and I have been chosen to lead the Coalition for Rural America. In directing the activities of the Coalition, we will be guided by these principles:

We are strongly in support of a structure of agriculture that includes prosperous family farms and an economically viable marketing and processing system based in rural areas.

In building rural America, our aim is to see that development is consistent with the preservation and enhancement of a quality environment.

We are concerned, not just with the aggregate development of the rural economy, but with eliminating the causes and ameliorating the effects of rural poverty, through such measures as welfare reform and public service employment.

We are committed to the priciple of equal concern for, and equal involvement of, all the people of rural America, without discrimination on any basis.

One thing is certain. The Great American Dream resides uneasily in the suburbs of our great cities, while the news media and the policy makers have all but forgotten the hardworking people in Rural America.

It is not only the rural poor who have been forgotten. Since the Depression we have paid great lip service to the family farm while generally pursuing farm policies designed to promote corporate and conglomerate farming.

The farmer spends over $40 billion a year for goods and services to produce crops and livestock; and another $16 billion to buy the things which city people buy like appliances, clothing, drugs and furniture. Three out of every ten jobs in this country exists because they are related, in some way, to agriculture.

Our food is inexpensive because one hour of farm labor produces nearly seven times as much food and other crops as it did in 1919. Crop production per acre has doubled.

That's the kind of friend we all have in the American farmer. Yet what do we give him in return.

The President doesn't even bother to send a farm message to the Congress. Last year's farm bill was rammed down the throat of Congress with the threat of "either this or nothing". A proposal has been made to abolish the U.S. Department of Agriculture, combining it into an omnibus agency that would clearly favor urban areas.

And what is happening in the countryside? The farmer is getting 17 cents a pound for hogs; 90 cents a bushel for corn; and as little as $1.10 a bushel for wheat. His net profit margin hovers around two or three percent.

Parity is at 68 percent, the lowest level since the Depression.

Something is seriously wrong, and I suggest that it's simply a matter of fact that there aren't enough people in Washington who any longer give a hoot about rural America.

Well I care. And I know that you do too. But we have to get the message to the people who count.

Now let me ask you to do me a favor right here and now. Stand with me here and let's show *our* appreciation to the hardworking men and women who have the courage to stick it out in American agriculture today. Let's stand here and give them an ovation:

Since the depression we have heard talk about rural development, but something seems wrong. Somehow there has been only talk and not much action.

In the past ten years we have heard a lot of talk about balanced national growth—a balance between rural and urban America. Again, we have just heard talk. There are about 200 federal assistance programs designed in whole or in part to help rural America, and somehow they are not having an economic impact that would promote balanced growth.

Balanced growth for the United States is hardly a controversial objective. It is accepted on both sides of the aisle as something that is desirable and which should be encouraged. But what does it really mean and how can it be accomplished? These are questions that have never really been adequately answered, by either government or the private sector, and the search for these answers is one of the principal reasons the Coalition has been formed. Clearly some new approaches are needed.

Some of our rural programs—especially some of the farm programs—are relics of an earlier time when things were different than they are now. These programs were developed without realization of what farm mechanization, three wars and vast urban industrial expansion would do.

As a matter of fact, there is considerable evidence that much of the continuing research and human development efforts of the Federal Government do not promote balanced national growth, but merely speed up the migration process from rural to urban society.

The U.S. Department of Agriculture, for instance, is still sponsoring research into the development of more efficient machinery which will take more and more people off the farm.

It's easy to understand the motivation for these efforts. They are part of a desire to increase production and decrease operating costs. But when is someone going to take cognizance of the social costs of continued migration out?

Take a long look at the age of our farm population. It's old.

Obviously certain factors will take hold to prevent this from happening, but at the present rates of farm family outmigration, in 20 years there will be no one left in America who knows how to operate a farm. Then no amount of fancy new machines will be enough to restore our proud claim as the best fed nation in the world at the lowest cost in terms of take home pay.

This dire prediction is not going to take place. But who are our farmers likely to be if the trend continues? They will be employees of large corporations.

There are some who will give reasons why this will not come to pass, either, but few can contest the fact that a young man today who is not born into the ownership of farm land will find it all but impossible to get a start in agriculture.

These new approaches must also recognize that the solutions to our rural problems must be arrived at in a far different manner than has historically been the case.

Our problems are totally inter-related and equally complex, and they cannot be resolved in isolation. As the President said in his 1970 State of the Union message:

"What rural America needs most is a new kind of assistance. It needs to be dealt with not as a separate nation but as part of an overall growth policy for America."

With this in mind, the Coalition has developed certain legislative objectives described by Governor Tiemann as:

"The direct infusion of dollars into the rural economic system—the investment or job tax credit, non-agricultural credit, and the regional approach toward public works assistance.

"Our reasoning is simple enough. Our organization is composed of former governors. Through sometimes brutal experience, they have learned what works to stimulate economic development."

Both Governor Tiemann and myself testified on behalf of S. 2223. This bill provides for a rural development credit and incentives. Introduced by Senator Hubert H. Humphrey and Senator Herman E. Talmadge to promote rural economic development, this legislation has been cosponsored by fifty members of the U.S. Senate. It is important, because it would reverse a serious trend and begin to infuse new money into the development and growth of Countryside U.S.A.

This is a big and complicated bill. It may not pass without the aggressive support of groups like yours.

Again I say we must stop talking about balanced national growth and begin to do something about it. Take a look at what has been done in the past to stimulate economic development in rural areas, such as waterway development and reclamation projects. They worked. They stimulated development where there was none before. They were among the few Federal actions planned and executed on the basis of a cost-benefit ratio.

The Humphrey-Talmadge rural development credit bill would expand the activities of the Secretary of Agriculture to encompass all Federal rural development projects—a total approach, rather than one based solely on farming.

This is something I believe is sorely needed. We have rural development programs scattered among so many government departments that President Nixon's Task Force on Rural Development couldn't even locate all of them.

The Federal Government is a large employer of hundreds of thousands of people who take home millions and millions of dollars worth of paychecks. But where are the federal facilities located?

Now this is a good example of how they care about balanced growth:

At one time, those federal offices were in the central cities. But now the government doesn't even have the courage to leave the jobs in the central cities. It's moving them out to the suburbs, following the trend of private business.

Where is the Department of Agriculture located? Is it in a rural area? How long has it been since the assistant secretary for rural development has spent a protracted period of time out there with the people whom he presumes to help?

Is the Bureau of Indian Affairs located where the Indians are? Is the small communities section of the Department of Housing and Urban Development located anywhere near a small community that is not directly affected by some metropolis?

Even the regional offices of the departments which are totally concerned with rural development are smack dab in the middle of hundreds of thousands of people who have forgotten the rural people left behind.

Obviously much could be done to stimulate economic development in existing rural growth centers if the government would adjust its policy of locating federal facilities so that they are closer to the people they serve. Title IX of last year's farm bill is an excellent beginning in this regard, but it must be implemented.

Each year, the Federal Government spends millions for many kinds of research and development. But where does that money go?

It goes to the Harvards and the M.I.T.'s and the Berkleys. It might be argued that those institutions have the Nobel prize winners. But I ask simply if the Nobel prize winners aren't there because the Federal R&D dollars are there? And I also wonder how many of these men would have become Nobel prize winners without the R&D money.

If we really want balanced national growth, why don't we spend some of these dollars at places like the University of Kentucky or the University of South Dakota? I submit that this is partly because no one has ever questioned the system before.

And what about credit?

There simply isn't enough of it available in rural America to stimulate local growth and a real trend toward balanced development.

Small town banks either don't have the resources to lend great amounts of money for venture and enterprise capital, or they tend to hoard assets. There are small towns in this country where the banks don't even give auto loans.

I believe that the President's call for an investment tax credit will do much to stimulate economic development in rural areas. In fact, the Coalition feels sufficiently strong about the use of tax incentives to spur economic development that we are vigorously supporting an amendment by Senator Pearson of Kansas to provide a differential in favor of enterprises that locate in rural areas.

An investment tax credit of the type proposed by Senator Pearson of Kansas to provide a differential in favor of enterprises that locate in rural areas.

An investment tax credit of the type proposed by Senator Pearson is a powerful economic tool. It can be used quickly and is relatively simple to administer. Since it relies on the initiative to the private sector, it has the potential to be more effective than direct Federal spending. The leverage gained from such an incentive can be tremendous. For example, under Senator Pearson's Amendment, if new rural investment is stimulated and takes advantage of the investment tax credit, every dollar lost to, or in effect spent by, the Federal Treasury will be matched by seven dollars invested by the private sector in rural America. It also has the advantage of encouraging rural industrial development without destroying the tax base of rural communities—when tax incentives are left to the state or local communities alone, those who can least afford the loss of revenues are often those who have to make the biggest concessions to attract industry.

Now I want you to notice something. I began this speech talking about family farmers, and now I am talking about drill press operators.

The reason for this is quite simple. Rural America is no longer made up of predominantly farm population. It is as complex a society as urban America and must be viewed accordingly. The Coalition clearly recognizes the need to tie together these diverse interests in order to mutually reinforce all segments of rural America. Unless this happens the future of Rural America will continue to be marked by continued outmigration and a further loss of our youth to the cities. This need not happen. This will not happen if strong and vigorous leadership is able to define and fight for the real Rural America in all its complexities. This is your challenge.

Your challenge because you have successfully in the past represented that key figure in our population—the farmer. We must now expand our horizons and develop a Rural America that can successfully bring together all of the different economics so that all can together create a strong and dynamic Rural America.

TRAFFIC JAMS

Mr. COOK. Mr. President, a noteworthy article entitled "Traffic Jams: What To Do?" appeared in the Washington Evening Star last evening which I feel all my colleagues should avail themselves to read.

It is a wonder in itself that our dedicated commuter force musters enough courage every morning and evening to face bumper to bumper traffic, screeching tires, tooting horns, and discourteous verbal assaults.

Even with the accomplishment of this truly outstanding task, the victory falls short, even though great skill is involved. Having bested the opponent, the commuter is still faced with the perilous task of outmaneuvering his mortal enemy for a place to park. Even with this done, the financial woe ensues.

Fred Barnes' article is enlightening in that it presents several alternatives to the massive commuter congestion problem. Particularly, he notes that steps are underway that may all but alleviate the problem. The relief that is coming is in the form of a 4-day workweek which transportation officials are considering introducing as a way to ease rush hour traffic snarls.

As you know, Mr. President, I am the author of S. 2463, the 4-day workweek bill. I have contended that the time is right for the country to evolve to such an innovative work schedule, and Mr. Barnes' article certainly sheds some favorable light on its necessity. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FREEWAY ALTERNATES—TRAFFIC JAMS: WHAT TO DO?

(By Fred Barnes)

Transportation officials are considering a series of schemes, including the four-day work week, designed to ease rush-hour traffic anarls in the Washington area without building new freeways.

These plans, known as "non-facility solutions" to the transportation problem were presented today to the Transportation Planning Board of the Metropolitan Washington Council of Governments. The council took them under consideration.

Besides the four-day work week, the proposals call for an increased program of staggered work hours for government and private employes and a plan called "Gleitzeit," which has been used successfully in Germany.

Gleitzeit would allow employes to work an eight-hour period of their choice between 7 a.m. and 7 p.m. For instance, some might choose to work from 7 a.m. until 3 p.m., while others might prefer to work from 11 a.m. until 7 p.m.

"If everyone were happy with the current schedule, there would be no change," said a report from the COG staff. "On the other hand, if people were really bothered by peak hour congestion, there could be major changes in current traffic patterns," it added.

The report said the four-day week has been tried in Los Angeles and a study there concluded that it "could have a major impact on relieving congestion at traffic bottlenecks."

The federal government already staggers the work hours of many of its agencies, but the COG report noted that this practice "is less common for private firms." The report suggested that much more staggering would be helpful in the private sector.

"A change in work schedules could have a major impact on the amount of peak hour traffic which must be accommodated," the report said. Each of the schemes "has the advantage of providing a relatively immediate reduction in peak hour congestion especially in the downtown area," it added.

"Because of the growing social and environmental concerns over building transportation facilities for peak travel demands, it is essential to explore all non-facility alternatives that might reduce such demands," the report said.

"The social and economic benefits of these plans might even outweigh the transportation implications," it said. "Both improved utilization of company equipment as well as more flexible scheduling of individuals' daily activities could result."

But the report said there are possible drawbacks in the schemes, including a possible "reduction in car pooling" that might see more commuters drive their own cars alone.

At today's board meeting, Thomas F. Airis, director of the D.C. Department of Highways and Traffic, said officials found it easy to stagger work arrival times, but encountered problems in getting people to go home over a staggered period.

Airis said most people want to leave around 5 p.m. "We wind up with really heavy congestion on the city streets at that time," he said.

ELGIN BAYLOR

Mr. TUNNEY. Mr. President, this month Elgin Baylor, one of the great legends of basketball, retired from the Los Angeles Lakers basketball team.

Those of you who have been here in Washington and follow sports know of his great playing days here as a prep star. He went on to a remarkable college career and excelled through 13 years with the Lakers.

Earlier this month the Los Angeles Times Staff Writer Mal Florence had this to say about Mr. Baylor:

No man contributed more to the success and popularity of the Lakers since they moved to Los Angeles in 1969 than Baylor.

As an athlete, the graceful 6-foot, 5-inch forward had no peer. He was a man of a thousand offensive moves and his hang-in-the-air acrobatics are part of the legend and lore of pro basketball.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BAYLOR ENDS FABULOUS CAREER AFTER 13 YEARS—LAKERS' CAPTAIN SAYS HE QUIT IN FAIRNESS TO FANS, TEAM, SELF

(By Mal Florence)

Elgin Baylor, one of the greatest basketball players in the history of the game, has retired.

The famed Laker captain came to this decision Thursday afternoon after a remarkable 13-year career in the NBA.

The 37-year-old Baylor will remain with the Lakers in a public relations and scouting capacity. He also will be a TV analyst on the college basketball game of the week.

No man has contributed more to the success and popularity of the Lakers since they moved to Los Angeles in 1960 than Baylor.

As an athlete, the graceful, 6-5 forward had no peer. He was a man of a thousand offensive moves and his hang-in-the-air acrobatics are part of the legend and lore of pro basketball.

"I hoped to end my career after one last, successful season," said Baylor. "Out of fairness to the fans, to the Lakers and to myself, I've always wanted to perform on the court up to the level and up to the standards I have established throughout my career.

MAINTAIN STANDARDS

"I do not want to prolong my career to the time when I can't maintain those standards."

Baylor has made several comebacks from injuries during his career. But none was more serious than the severed Achilles tendon that enabled him to play in only two games last season.

Yet, when the present season started there was old double-deuce performing at his familiar starting cornerman position. Still, he wasn't at his physical best and this knowledge contributed to his retirement announcement.

JERSEY RETIRED

Baylor, who carried himself with dignity both on and off the court, will never see his No. 22 jersey worn by another Laker.

Laker owner Jack Kent Cooke has seen to that, saying, "that is as it should be."

"One of the privileges I've enjoyed as owner of the Lakers is being associated with the man who deserved the description superstar as much as any athlete who has ever lived," said Cooke.

Sharman, who used to play against Baylor when he was a star Boston Celtic guard, expressed his admiration for the man who is probably the all-time NBA forward.

"I've always admired Elgin Baylor and knew him to be a super star," said Bill. "Now, after coaching and working with him I've also found him to be a super person.

"I felt that Elgin made a tremendous effort considering his many injuries including the serious Achilles tendon injury. His attitude and cooperation never diminished and he always put out with a 100% effort."

Schaus echoed Sharman's sentiments when he said:

". . . This is a sad day for me because of the wonderful 11 seasons we had Angels with the Lakers. But I'm happy and pleased with the realization that Elgin will be an important member of our staff for the next three years. I say without reservation that Elgin Baylor is the greatest cornerman who ever played pro basketball."

NO. 3 SCORER

Baylor retires as the third greatest scorer (23,149 points) in NBA history behind Wilt Chamberlain and Oscar Robertson.

More amazing is the fact he's reached this lifetime total while missing 170 games in 13 seasons.

He was also the greatest rebounder for his size in the league. In a domain that belongs to the giants of the game, Baylor was fifth on the all-time rebounding list (11,463). Elgin earned other statistical credits—second ranked in the NBA in field goals attempted and made and No. 5 in free throws converted.

And, it was almost 11 years ago today that Baylor scored 71 points against the New York Knicks at Madison Square Garden—the highest figure ever recorded by an NBA forward.

Of the 20 all-time high point games in the NBA, 17 belong to Chamberlain and three to Baylor.

Elgin was almost a perennial all-league selection since his rookie season with the Minneapolis Lakers in 1958–59. He was also a member of the NBA All-Star team on 10 occasions.

About the only honor to accrue to Baylor was playing on an NBA championship team. But he and Jerry West fought the good fight, battling the Boston Celtic dynasty in some historic title series—many going to the seventh and deciding game.

Elgin still has the distinction of scoring a record high 61 points in a playoff game against Boston in 1962.

Body control was, perhaps, the key to his offensive proficiency—shots that defied description.

Only two years ago, Knick forward Dave DeBusschere was saying, "I've thought I've seen all of the old man's moves, but he showed me a few tonight I had never seen. He's a marvel of the ages."

SELECT GROUP

Baylor also has long, strong fingers and once he clamped his hands on the ball, it was his.

Baylor leaves the NBA with a lifetime scoring average of 27.5 points and the legacy that he was a member of a select group—the Russells, Wests, Chamberlains, Robertsons, Cuseys—that promoted pro basketball from a barnstorming; second-rate sport to the high level of popularity it now commands.

Elg came to the Lakers as an exciting All-American from the University of Seattle. Bob Short, then the Minneapolis owner, recently reflected on Baylor's worth to the franchise.

"If he had turned me down then, I would have been out of business. The club would have gone bankrupt."

Formal retirement ceremonies are planned by the Lakers in the near future. They'll be honoring a class player and a class person.

THE FRENCH CONNECTION

Mr. HARTKE. Mr. President, on March 2 of this year, I introduced Senate Resolution 64 which called upon the President to take effective diplomatic and economic measures designed to curb the international traffic in heroin. That resolution was based upon the obvious fact that there is a significant international network of heroin traffickers; and, until they are eliminated, we will not be able to eradicate the scourge of heroin addiction in the United States.

A few months ago, the Government of Turkey announced that opium production would be illegal in all of that nation's provinces by next year. This was welcome news, but no source of comfort. First, the 1-year grace period gave Turkish opium producers a chance to stockpile. Second, the Turkish program in and of itself does not guarantee that illegal production will be eliminated. Third, there is an ample source of supply from other nations, particularly those in Southeast Asia. We will be spending $35 million to assist the Turkish Government embark upon its program, but I very much doubt if that effort will make more than a minor dent in the source of the world's supply of heroin.

There is a contemporary motion picture making the rounds these days called The French Connection. It is a dramatized version of a well-planned effort to smuggle heroin from Marseilles, France to New York City. One need not, however, go to his neighborhood movie theater to learn the details of this escapade, for it is being played on the front pages of every newspaper in this country.

Recently, we have learned that there may be truth in the allegation that government officials in France are involved, either directly or indirectly, in the international heroin traffic. I have often wondered why Marseilles could be a major center for refining opium into heroin without risking government crackdown. If the current case ever goes to trial, either in the United States or in France, we may know whether the suspicions of some are based on facts.

In the immediate aftermath of the revelations of this case, it has come to my attention that John Cusack, the representative of the Bureau of Narcotics in Europe, has been transferred to another post. Some weeks ago, I entered into the RECORD two interviews with Mr. Cusack which were printed in French newspapers. I also entered a third article which recounted the official displeasure which Mr. Cusack's remarks evoked. He raised the possibility of involvement on the part of government officials in narcotics, and he pledged a hard fight to stamp out international drug traffickers in Europe. If Mr. Cusack is being punished for taking a hard line on the peddlers in drugs and destruction, this administration has truly reached the height of hypocrisy.

Mr. President, I ask unanimous consent that newspaper and magazine articles related to this subject be printed in the RECORD.

There being no objection, the article were ordered to be printed in the RECORD, as follows:

HEROIN SMUGGLER'S STORY—PROBING THE ANATOMY OF A "FRENCH CONNECTION"

(By Morton Mintz)

Last Dec. 15, according to the U.S. government, Col. Paul Fournier, a supervisory agent in the French counterpart of the CIA, recruited Roger X. L. DeLouette, 48, who holds the Croix de Guerre for his service in World War II, for an unusual mission: to smuggle heroin into the United States.

DeLouette, who had been dismissed some months earlier by another French government agency believed to be an espionage front, the Bureau for Agricultural Development, and who is the father of four sons and two daughters, agreed.

Here is the sequence of events that followed, according to U.S. government sources and DeLouette:

Fournier, whose agency is known as SDECE (Service de Documentation Exterioure et de Contre-Espionage), and who has an office in Paris in Les Invalides, arranged for DeLouette to meet someone the government calls "John Doe."

Meeting, as instructed, the next day at the Paris Cafe in Paris, DeLouette made an agreement to smuggle 96 pounds of pure heroin, with an estimated "street corner" value of $12 million, into the United States. For his services, "John Doe" told him, he would get $1,200 per kilogram, or $50,000.

At the same meeting, the unidentified man instructed DeLouette to obtain a visa for entry into the United States, to buy a Volkswagen camper, in which the heroin would be hidden, and to arrange for shipping the camper to this country.

A secondary preliminary meeting, also set up by Fournier, was held at the King Cafe in Paris in mid-February. This time, "John Doe" gave DeLouette the equivalent of $5,500 in French currency for the purchase of the VW and other expenses associated with his mission.

DeLouette bought the camper from the Garage Michel-Ange, V.W., in Paris on Feb. 25. To avoid the French sales tax, he paid for it with a check for 14,079 Swiss francs drawn on the Credit Suisse in Geneva, where he has account No. 195-715.

The next day, DeLouette went to Geneva to deposit enough to cover it.

On March 15, Fournier got in touch once more with DeLouette. He told him to drive the VW to Pontchartrain, about 25 miles from Paris, and there, the next day, meet another unidentified man—"Robert Roe"—who would be driving a green Simca and who would give him the 96 pounds of heroin.

DeLouette did this, and he and "Robert Roe" hid the narcotic in wall panels and under the floorboards of the VW.

The day after, DeLouette drove the VW to LeHavre, where he consigned the camper to Pacific Intermountain Express for shipment to Port Elizabeth, N.J. On March 18, he told Fournier the details of the shipment, including the date of arrival in this country and the name of the hotel in New York City in which he planned to stay, the Park-Sheraton.

On April 3, Fournier told DeLouette to fly to New York. He did so the following day, on TWA Flight 803, and went to the Sheraton.

At Port Elizabeth, meanwhile, a Bureau of Customs inspector, Lynn Pelletier, 21, who had been on the job only a couple of months, was spot-checking imported vehicles. She discovered the heroin in the VW.

When DeLouette went to Port Elizabeth on April 5 to claim the VW, he was arrested.

By then a major investigation was underway—by the Bureau of Narcotics and Dangerous Drugs of the Justice Department, the Bureau of Customs and the U.S. attorney in Newark, Herbert J. Stern.

Almost at once, DeLouette was questioned by American authorities together with a French policeman, Commissaire Daniel Hartwig.

DeLouette's final instruction from Fournier, which was aborted by the arrest, had been to drive the VW to the Park-Sheraton and await an unidentified contact, who would take the heroin and pay him the $50,000 delivery fee.

In Paris on April 6, the day after the arrest, the Central Office for the Suppression of Illicit Drug Trafficking entrusted an official inquiry to Investigating Magistrate Gabriel Roussel.

A week later, in a letter to prosecutor Stern, Roussel said that under French law he could not proceed against Fournier without a statement from DeLouette.

Later, Stern obtained permission from District Judge Lawrence Whipple to appoint an official of the Bureau of Narcotics to ask the questions of DeLouette that Roussel wanted asked—and to ask them in the presence of a French narcotics policeman, Claude Shaminadas, who is assigned to the French consulate in New York.

DeLouette's court-appointed attorney, Donald A. Robinson of Newark, balked. He wanted assurances that DeLouette's answers (and testimony he gave in the meantime to the grand jury) would not be used against him in France.

Without such protection from self-incrimination, which in the United States is guaranteed by the Fifth Amendment to the Constitution, he would not let DeLouette answer Roussel's questions.

To resolve the dilemma, Stern said, Honare Gevaudan, assistant director of the Police Judiciare in Paris, suggested that Stern request Roussel to immunize DeLouette from prosecution in France.

Stern made the request in a letter in which he said that immunizing DeLouette would enable the French "to proceed against the 'high-ups' in a criminal organization which is operating between our two countries."

Roussel has never told Stern whether he will grant immunity. As late as Friday, however, French government spokesmen were insisting that Roussel lacked power to immunize DeLouette. The prosecutor's office disputes this, not only because the idea had a French source, Gevaudan, but also because of special provisions in a French-American agreement on fighting narcotics trafficking.

Another effort to mesh the legal systems of the two countries was made in Washington on Sept. 14, at a meeting attended by Stern and assistant; Donald W. Merkelbach; Bureau of Narcotics officials; Gevaudan and Michel Nocquet, also of the Police Judiciare, and Shaminades, the consulate narcotics policeman.

Recounting the meeting in letters to Roussel and Max Fernet of the French Criminal Police in Paris, Stern said the French participants made it clear they believed DeLouette was lying about Fournier.

Accordingly, Stern said he proposed a lie detector test, with the understanding that if DeLouette should refuse to take it or should fail, he would prosecute him and recommend the maximum sentence for conspiring to import narcotics, 20 years.

On the other hand, Stern said in the letters, the French agreed that if DeLouette took the test and passed, they would "proceed with an appropriate prosecution" of Fournier.

Privately, Shaminadas bet Stern a meal in a French restaurant that DeLourette wouldn't take the test—but he did, on Sept. 21, with the Justice Department administering it. "The results of the test were positive indicating that DeLouette was telling the truth," Stern told Fernet.

One of the questions was, "Did Fournier give you a contact in the French consulate in New York?" DeLouette's answer was yes. The person he named—not Shaminadas—is a middle-level official. Stern has submitted written questions to this official that are supposed to be answered Monday.

(Later, on October 4, DeLouette took a second polygraph test to answer questions submitted by Shaminadas, who was present. The machine indicated that DeLouette was untruthful only when he denied he had told a certain friend of the heroin smuggling.

Nine days later, Stern sent Fernet, the police official in Paris, a copy of the polygraph examination, which, he said, "indicates to me beyond any doubt that Mr. DeLouette is telling the truth concerning the involvement of Col. Fournier." Stern has never had a reply from Fernet.

The same day, although French police had interviewed DeLouette as far back as April 5. Magistrate Roussel wrote Stern to ask for additional information in order to "identify" DeLouette.

Stern, who by then had turned over all of the evidence in his possession to the French, sent along photos and fingerprints.

But, obviously seeing stalling tactics in all of this, the prosecutor told Roussel—in a letter hand-delivered in Paris on Nov. 5—that his "primary emphasis" seems to be on arresting and extraditing and prosecuting Fournier. And, he said, if Roussel did not act, the grand jury would.

Last Monday, the grand jury indicted Fournier and DeLouette. The next morning DeLouette pleaded guilty.

For two hours, Judge Frederick B. Lacey reviewed with DeLouette every detail of the conspiracy charge, as given earlier in this article.

Judge Lacey ended by saying he was satisfied that the guilty plea was factually based, uncoerced and made in awareness that it carried a mandatory sentence of at least five years. DeLouette, unable to put up $500,000 bond, is in custody awaiting sentencing.

In France, official sources issued a series of denunciations of DeLouette and Stern and defenses—echoed by the American embassy—of the vigor with which the two countries fight the narcotics traffic.

There was no sign at all of a possible prosecution of Fournier, who, Stern told police official Max Fernet, had been cleared by a four-day "investigation."

Instead, in a statement authorized by Defense Minister Michel Debre, Fournier challenged Stern to prove him guilty. Stern replied that Fournier, if innocent, should be willing to come here to stand trial.

In the midst of all of this, it became known that the European chief for the Bureau of Narcotics, John Cusack, who had publicly hinted in August that official complicity underlies France's role as the source of the vast majority of heroin reaching the United States, was being transferred to the United States. The bureau said this was a normal rotation.

On Friday, Roger Barberot, head of the Bureau for Agricultural Development, where DeLouette once worked, said in an interview, on Radio Luxemborg in Paris, that agents of Fournier's SDECE had organized illegal traffic in narcotics, currencies and jewels. The true name of Fournier, a former master sergeant in the French Air Force, was Paul Ferrer, he said. Magistrate Roussel ordered the tape of the interview seized.

[From Drugs & Society, November 1971]

FRANCE: BUSINESS AS USUAL

August 26, 1971 . . . Mr. John Cusack of the US Bureau of Narcotics accuses the French authorities of failing to deal with their own drug problem.

August 26, 1971 . . . M. Pompidou writes to all members and prospective members of the EEC calling for a joint initiative against drug trafficking in Europe.

For many years it has been known that unprocessed opium from the Middle East was being manufactured into heroin and shipped to the United States from the Marseilles region of France. Yet nothing effective has ever been done about this problem, largely it would appear because the arrangement suited the French since it kept the drug from circulating in their less profitable market; and the Americans were happy to keep the production of the drug away from their shores. Occasional consignments of opium and heroin were seized, but never of much consequence and none of the illegal heroin laboratories supposed to exist in southern France were ever located. Some change in the situation may be expected following President Nixon's current drive against drugs.

M. Marcellin, the French Minister of the Interior, visited Washington in July 1970, and this resulted in the Franco-American Protocol on Narcotics Control. The protocol agreed to 'the setting up of a close cooperation between the specialised services engaged in the fight against the illicit traffic in narcotics of the two countries.'

It was after this that France began to recognise the extent of its drug problem. In March, *Paris-Jour* headlined a story, 'Un Cri d'Alarme: 37% Des Drogues Est Moins De 21 Ans'; and M. Marcellin himself, in July this year, called for the introduction of the death penalty for those caught trafficking in narcotics. External pressures were also mounting. Two visiting US Congressmen suggested that France was not doing everything in her power to combat the illegal production of heroin on French soil, an allegation that was echoed by John Ingersoll, head of the Federal Bureau of Narcotics.

However, the real bombshell came at the end of August when John Cusack, Director of the Paris-based European division of the Federal Bureau, launched an all-out attack on the failure of the Marseilles police to tackle their illegal manufacturing problems. In an interview with the southern newspaper *Le Méridionale-la* France, he said, "Right now there are in Marseilles three or four big shots of the drug racket who feel secure, fortified with their bank accounts, their connections and the respect that surrounds them." He cited as evidence the fact that in five years not a single illegal heroin laboratory had been located.

French reaction was swift. The following day M. Joseph Comiti, Minister for Youth and Sport, said, "The impotence of the American police should not seek an alibi in accusing the French police." The Marseilles police leapt to their own defence by demand-

ing to know why the finger of guilt was always being pointed at them. "Why no arrests in Lebanon, Turkey or Germany?" they demanded.

But perhaps the most effective countermove of all coincided with the date of the interview's publication. For on the very day that Cusack's accusations were made public, the French President, responding to both internal and external pressure, announced that he was inviting his European partners to join with him in combating the European drug problem. Pompidou's initiative was successful (intentionally or otherwise) in diverting attention away from the American accusations. The Marseilles police at a special conference were able to remind Cusack that it was their problem not his—and after all if they choose not to solve it that is their prerogative.

The Council of Europe, in session at the time, discussed the drugs question and welcomed the President's initiative. They ignored the American accusations and with suitable regard for the urgency of the problem announced that they were to hold an international symposium on drugs in March 1972.

Meanwhile the illegal manufacture of hercin continutes unabated.

IVOR GABOR.

TURKEY: NIXON'S NEW VIETNAM?

President Nixon's escalation of his war on drugs already looks very much like another Vietnam. It may well be as equally interminable and unsuccessful as the Asian enterprise. The name of the game surely is not to combat addiction: that should take care of itself. The real issue is the elimination of those social and economic problems which permit large-scale drug abuse to take root in the first place. But the annual 'financial costs' of the addiction problem—whatever that means—now approaching $2000 million, simply can not be ignored; nor can the 'human costs', rightly reckoned to be far higher. Hence the decision to crack down on this menace in the pre-Election year.

As a result of direct pressure from the American government, the Turks have decided to ban outright the cultivation of opium from mid-1972. 'The United States' drive to police the world is bad enough,' one Turkish official told me, 'but seeking to be its narcotics agent as well is just too much'. Yet the arguments in favour of the action taken do seem to have a certain logic. According to Washington, Turkey is the largest single supplier of opium to the American black market, accounting for between 70 and 80 per cent of total annual consumption. Eliminating this source would certainly be a useful step in the right direction.

Seen from Ankara, cooperation with the US has its manifest benefits. Of the $750 million or so annual investment expenditure required by the Turkish government, about one-third comes in the form of direct and indirect aid or other subsidies granted by the United States.

But the real question is, will it all work? In Turkey, the government's opium control law of 30 June 1971 appears to call into question not only the livelihood of some 70,000 families in central Anatolia, but also to raise the highly-emotive matter of Turkey's national sovereignty. Given the delicateness of Turkey's internal political balance in the first place, the introduction of this issue could be critical.

Even if the political hurdle is overcome, there remains the question of enforcement of the new law. As one Turkish government publication points out, illegal trafficking in opium made 'great progress' in 1970 owing to the operations of an 'internationally organised band of smugglers'. As a result, the official opium crop declined to about half the 1969 harvest—a fact which suggests that some 200 tons of raw opium has already been stockpiled for sale on the black market. A similar disposition of the 1971 harvest would double this stockpile. In terms of the United States market, this means that there would already be available opium sufficient to meet the anticipated demands for heroin for the next six years or so.

And Turkey is, of course, not the only source of opium to the United States, but only the most accessible and competitive in a chain of more than half a dozen supplier-countries stretching eastward to the south-east Asian peninsula. Eliminating Turkey as a source of supply will most likely mean that cultivation of opium will increase somewhere else along the 'opium crescent'.

What would President Nixon do then? The text of a recent message to Congress, with its reference to 'worldwide escalation of existing (anti-narcotics) programmes', provides some clue. If the analogy with Vietnam is accurate, Nixon's war on drugs will soon have to move into another Laos or Cambodia.

WILLIAM DORSEY,
Editor of "Arab Report & Record."

[From the New York Times, Nov. 21, 1971]

FRENCH SECRET SERVICE SCANDAL SPREADS IN WAKE OF DRUG CASE

(By John L. Hess)

PARIS, November 20.—A narcotics case in New Jersey was leading today to a spreading scandal in the French secret service.

Col. Roger Barberot, director of a Government foreign aid agency, declared in radio and newspaper interviews that a former operating chief of the Service de Documentation Extérieure et de Conte-Espionnage has been dismissed last year on suspicion of high treason.

The accused official was Col. René Bertrand, whose cover name is Col. Jean Beaumont. This evening, he announced that he had engaged the country's most prominent trial lawyer, Jean-Louis Tixier-Vignancourt, to sue Colonel Barberot for libel. He said he would ask one million francs ($180,000) in damages.

Colonel Barberot was closeted for an hour and a half today with Gabriel Roussel, the examining magistrate, who is investigating the charges made by Roger Delouette, a former agent indicted in Newark on a charge of conspiracy to smuggle 96 pounds of heroin into the United States.

On emerging, Colonel Barberot said he had shed no new light on smuggling but called for a thorough investigation and housecleaning of the agency. In radio and newspaper interviews, he had expressed the belief that some agents were involved in the drug traffic and that the arrest of Delouette might have been arranged as revenge by other agents.

There was no immediate comment by Col. Paul Fournier, accused by Delouette as having organized the heroin shipment interception at New York and identified by Colonel Barberot as Paul Ferrer. It was reported without confirmation today that Colonel Fournier is the director of research, or operating chief—of all agencies—having succeeded Colonel Bertrand in that post.

At Strasbourg, where the ruling Gaullist party is holding its congress, Defense Minister Michel Debré declared today that the Government had full confidence in the intelligence agency and that its high quality made it inevitable that it be subjected to hostile campaigns.

"A former occasional employe of the service seems to me to have fallen into deplorable operations in recent months," Mr. Debré said. "To lighten the sentence that awaits him, the accused has hurled grave charges. That's in the nature of things, just as it's in the nature of things that imaginations quickly build up fictional serials."

However, the sparks thrown by Delouette's testimony, continued to set off explosions.

It is generally believed that the discord within the agency is at least partly a reflection of the shifts in French foreign policy since the war. Agents who were in the Free French forces, then active in the cold war, in Indochina and in the Algerian repression, were suddenly ordered to reverse themselves and engage in intelligence activity sometimes directed against former allies.

"OLD COMRADES" COMPLAIN

Successive scandals, quickly quenched, and successive purges left bitterness among present and former agents of The Swimming Pool, as the agency's bleak headquarters in eastern Paris is called. Colonel Barberot, who indicated that he was not himself an agent, said a number of his "old comrades" had come to him with complaints about the agency and he had been conducting "a little personal investigation for three days."

Colonel Barberot, 56 years old, was a naval ensign when he deserted the Vichy regime in June, 1940, joined the British Eighth Army in North Africa, then fought in a Marine command under General de Gaulle, ending the war as a decorated captain. He returned to service with a colonel's rank in Algeria in 1956, but resigned two years later to denounce Army abuses, including torture.

After serving as Ambassador to the Central African Republic and to Uruguay, the colonel became director of the bureau for Development of Agricultural Production, a foreign aid agency.

He said he hired Delouette, an experienced farm manager, in 1968 and sent him on a long mission to Cuba, which he handled satisfactorily.

Delouette's next mission was to Sierra Leone, unaccountably, Colonel Barberot said, he disappeared and was finally dismissed. The colonel indicated that it was at about the time that Delouette was recruited by the intelligence agency.

It was widely noted here that Colonel Barberot is a leading figure in that faction of left-wing Gaullists that continues to support the Pompidou Government. Coincidentally, the lawyer who will handle the libel suit against him in behalf of Colonel Beaumont, Mr. Tixier-Vignamcourt, is the leader of the far right that also supports the Government.

As for Colonel Fournier, or Ferrer, newspapers here described him as a man of 52 who had joined General de Gaulle's secret service in 1940.

Colonel Fournier was credited with having bugged Arab embassies in Berne during the Algerian war, and, according to the right-wing newspaper L'Aurore, with thwarting American efforts to spy on the Concorde supersonic airliner.

According to L'Aurore, the colonel "did not hesitate to use information amiably communicated to him by certain services of eastern countries," and, "talked of drug routes, of the collusion of C.I.A. members in these rackets, etc."

Newspaper accounts here said that at least three men arrested on drug charges in recent years had worked for the intelligence agency.

Colonel Barberot said he was convinced that the Delouette affair had been "mounted in Paris," that the heroin smuggling was an amateur job and that the tipoff came from other intelligence agents, possibly American.

[From the New York Times, Nov. 19, 1971]

CONSULAR OFFICIAL QUERIED ON HEROIN SMUGGLING PLOT

(By Ronald Sullivan)

NEWARK.—United States officials delivered a series of questions to an unidentified official in the French Consulate in New York City today, asking him what he knew about an alleged international criminal conspiracy that had smuggled $12-million in heroin into this country.

The questions were posed by Herbert J. Stern, the United States Attorney for New Jersey, who issued demand that the questions be answered within 24 hours. French authorities at the consulate, at 934 Fifth Avenue, informed Mr. Stern that the official's answers would be delivered tomorrow.

The consular official was identified as a "contact" in illegal narcotics smuggling conspiracy allegedly masterminded by Col. Paul Fourier, a high official in the French Service of Exterior Documentation and Counter-espionage.

Colonel Fournier was indicted by a Federal grand jury here Monday. The same indictment also named Roger Delouette, a former counterespionage agent who worked for Colonel Fournier and who testified that the colonel recruited him into the conspiracy last year.

GUILTY PLEA ON TUESDAY

Delouette pleaded guilty here Tuesday after testifying that Colonel Fournier directed him to smuggle 96 pounds of heroin into Port Elizabeth last April concealed in a Volkswagen camper.

In a lie-detector test, Delouette also said that Colonel Fournier had given him the name of a "contact" at the French Consulate in Manhattan. According to authoritative sources, the consular official has refused to appear before the grand jury here, contending he was protected by diplomatic immunity.

However, the official who—French and United States officials refused to identify because he has not been charged officially with any crime—did agree to respond to written questions put to him today by Mr. Stern.

In Paris, meanwhile, Colonel Fournier issued a statement, approved by French authorities, in which he denied any part in the conspiracy. He also issued the following challenge to Mr. Stern.

"If I am guilty, Mr. Stern, prove it and justice will follow its course."

FOURNIER CHALLENGED

In turn, Mr. Stern issued the following bitter response here tonight in what Federal officials described as a highly unusual trans-Atlantic confrontation between an American and French official:

"If you are innocent, Colonel Fournier, come to this country and stand trial. If you are innocent, you have nothing to fear. You are assured of a fair and impartial trial by our system of justice. Don't hide behind an anonymous service and an international order."

Mr. Stern also made public several new letters to French authorities in which he repeated his earlier request for their cooperation in prosecuting Colonel Fournier.

Mr. Stern re-emphasized in the letters an agreement he had reached with the French police that "once Delouette had taken and passed a lie-detector test, the French police would immediately proceed against Colonel Fournier."

In fact, Mr. Stern said, one French policeman, Michel Noquet, had bet him an expensive dinner in a good French restaurant that Delouette would never voluntarily submit to a lie-detector test.

Actually, Delouette volunteered to take two tests—the first administered by French officials, the second at the request of French officials here who posed the questions put to him.

In a letter to Max Fernet of the French criminal police in Paris, dated Oct. 13, Mr. Stern said that Delouette's responses indicated "beyond any doubt" that he was "telling the truth concerning the involvement of Colonel Fournier."

In contrast, the French had steadfastly portrayed Delouette as a liar who was attempting to save himself from a long prison term by implicating Colonel Fournier.

In his letters, Mr. Stern emphasized that he still had not received any word of whether the French authorities would grant Delouette immunity in France, since he now faces at least five years' imprisonment here on his guilty plea. Mr. Stern said Delouette's testimony was vital "to aid the French authorities in their investigation against the 'higher ups' in this criminal conspiracy."

[From the New York Times, Nov. 19, 1971]

U.S. TRANSFERS AGENT

PARIS, November 18.—John Cusack, the chief American narcotics agent in Europe, who has been embroiled in controversy with his French colleagues, is being transferred to another post at a time when controversy between France and the United States over narcotics trafficking is hotter than ever.

The United States Embassy confirmed the transfer of Mr. Cusack without saying where he was going or why he was being removed. The tough, 48-year-old agent, who has waged a five-year fight in Italy, Turkey and France against the smuggling of narcotics to the United States, was said tonight to be out of Paris and unavailable for comment.

The move was immediately connected by French observers with the case of Col. Paul Fournier, the French counter-espionage agent who is under indictment by a Federal grand jury in New Jersey on narcotics smuggling charges.

French-American cooperation in controlling the flow of narcotics to the United States developed while Mr. Cusack was European director here. It has reached a low point with the Fournier affair.

NO PROSECUTION PLANNED

The secret agent, who is a veteran of the French counteresponage services, has received full backing from his Government, which made it known last night that it would not take action against him on the narcotics charge.

According to the authoritative Le Monde today, Mr. Fournier is 52 years old and has been a secret agent since 1941, when he joined the Free French under Charles de Gaulle. The paper said Fournier was not his real name.

It was widely suggested here that Mr. Cusack was being removed in an effort to improve the climate of cooperation that both governments seek. Although he has maintained good relations with the French police working on narcotics, Mr. Cusack also has on occasion been a thorn in their side.

U.S. INTERNATIONAL ECONOMIC MEASURES

Mr. STEVENSON. Mr. President, President Nixons' announcement on August 15 that a new U.S. posture on international trade was forthcoming touched off a worldwide reaction. To some for whom the U.S. dollar has been the foundation of economic reconstruction and growth since World War II, the announcement signified a renunciation of responsibility with far-reaching political and economic repercussions as the result. Others commended the President for recognizing that the United States no longer could, nor should, bear the burden of maintaining the stability of world markets while our trading partners prosper at our expense.

In an article from World Events published by the Chicago Council on Foreign Relations, Mr. Bruce A. Blomstrom sets forth the political as well as the economic aspects of this controversy by explaining the rationale behind the positions taken by the United States and its principal trading partners. His succinct presentation of the problems facing each of those nations makes this article an important contribution to our knowledge of the current international economic situation.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. INTERNATIONAL ECONOMIC MEASURES—OVERKILL OR ECONOMIC STATESMANSHIP?

(By Bruce A. Blomstrom)

(EDITOR'S NOTE.—Mr. Blomstrom, a Vice President of the Council, is a graduate of MIT's Alfred P. Sloan School of Management and the Director of International Product Management for the worldwide operations of Libby, McNeill & Libby. Widely experienced in international trade in Canada, Japan, Europe, the Middle East and Africa, he has participated in GATT negotiations involving European and African countries, among others, and has contributed significant articles to Harvard Business Review and the Journal of Marketing. His following article is a penetrating analysis of President Nixon's new international trade policies.)

On August 15, 1971, President Nixon announced to the world that the United States was prepared to take drastic measures to improve its international economic position. On this day, in addition to wage and price controls, he announced:

a 10% surcharge on all imports for 90 days.

suspension of the convertibility of dollars into gold.

a 10% cut in foreign economic aid.

He also requested Congress to enact:

a tax incentive to encourage exports.

a 10% investment tax credit with a "buy American clause" in it to exclude foreign competition.

In explaining these actions to our principal trading partners, Treasury Under-Secretary Charles Walker indicated that nations with major surpluses must:

revalue their currencies vis a vis the dollar (perhaps 10% for Europe and 15% for Japan).

carry a greater share of the free world's defense and foreign aid burden.

To many, this was a welcome program. It served notice to all that we would no longer be pushed around in international matters and that we would now exert the necessary force to correct the wrongs of the past. It has given courage to protectionists that perhaps the liberal trade policy of the past forty years is now dead. It clearly demonstrated that we have a President who is prepared to act at the highest political level on such matters.

Others felt that the U.S. used about as much skill and diplomacy as a bull in a china shop. Did we really need to bludgeon our trading partners with a 10% import surtax when severing the gold backing of the dollar (with some vigorous behind the scenes activity) will have roughly the same effect? Could we not have achieved more lasting solutions through joint international action? Have we really attacked the fundamental reason for our balance of payments deficit?

THE U.S. SITUATION

When considering these problems, it helps to put the U.S. position in international trade and monetary matters in perspective.

The U.S. dollar has become the principal reserve currency of the world. Other countries hold it, alongside gold, as a major part of their international reserves. Many countries define the value of their currency in terms of the dollar rather than gold. The U.S. action suspending dollar convertibility is now causing governments to reevaluate their dollar holdings. In all likelihood, some sort of international mechanism will be devised to replace the dollar as the world's principal reserve currency.

The U.S. accounts for almost one-fifth of all free world exports. These have increased

from $10 billion in 1950 to $42 billion in 1970. While our share of world exports has declined slightly since 1950, from 22% in 1950 to 18% in 1970, we still remain the single largest factor in world trade.

Our foreign trade is not a significant part of our economy. It only accounts for 4% of our gross national product.

In contrast, our major trading partners are more heavily dependent on international trade for their economic well being. In Canada, international trade is five times more important than for the U.S. It accounts for 20% of their GNP. The table below compares the U.S. situation to the principal countries of the world.

Foreign Trade as a Percent of GNP

Canada	20
West Germany	19
Italy	15
United Kingdom	15
France	10
Japan	10
United States	4

In Western Europe and Japan, foreign economic matters are vitally important. They are given vigorous attention by legislators. In the U.S., we are far more concerned about domestic economic policy. International trade and monetary questions have normally taken a back seat. This is why Dr. George Schultz, one of the President's principal economic advisors, could say, only three months prior to the President's August 15 action, that international monetary matters were not "at the top of the (economic) priorities list."

THE U.S. BALANCE OF PAYMENTS

Our balance of payments has been in chronic deficit for the past 20 years. Taking the most recent 10 year period as an example, and making some gross simplifications, the deficit has totaled $16 billion. Table 1 highlights the major elements of our balance of payments (current account and long term capital only). Of concern now is the fact that 1971 is expected to show a larger deficit than in any of the preceding 10 years.

TABLE 1.—U.S. BALANCE OF PAYMENTS

[In billions of dollars]

	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	Total
U.S. Government expenditures	−5.6	−5.3	−5.4	−5.4	−5.4	−6.3	−7.3	−6.9	−6.8	−7.1	−61.5
Travel and transportation	−1.0	−1.2	−1.3	−1.1	−1.3	−1.4	−1.8	−1.6	−1.8	−2.0	−14.5
Net private investment surplus	1.4	1.5	.7	.4	.7	2.7	3.0	7.4	5.9	4.7	28.4
Trade surplus	5.6	4.6	5.2	6.8	4.9	3.9	3.9	.6	.7	2.1	38.3
Other	−.7	−.6	−.6	−.7	−.7	−.7	−.9	−.9	−.8	−.8	−7.4
Rounding errors correction	.3		.1			.2	−.1	.1	−.1	.1	.6
Balance of payments deficit	0	−1.0	−1.3	0	−1.8	−1.6	−3.2	−1.3	−2.9	−3.0	−16.1

Source: Survey of Current Business, U.S. Department of Commerce, June 1971, p. 30.

The largest drain, some $60 billion over the past 10 years, has been expenditures by the U.S. government for military bases overseas and aid, mainly of a military or security nature, to foreign governments. The President has attacked this problem by asking Western Europe and Japan to bear a greater share of these expenditures. Troop cutbacks in Viet Nam will help alleviate this situation provided that our economic aid does not amount to more than the savings resulting from bringing the troops home. There appears to be a gradual shrinking of our worldwide military network of bases but unless it is augmented by a substantial reduction of our European troop commitments, the balance of payments effect will probably be inconsequential.

The second major use of dollars abroad is for travel and transportation. American travelers have managed to spend $15 billion abroad over the last 10 years. President Johnson toyed with the possibility of an international transportation tax in 1967 but quickly dropped the idea. Traditionally, governments that have a balance of payments problem adopt some form of exchange control. This limits the amount of money that an individual can take abroad. Those who have friends in England may recall that, during their payments crisis, each traveler was allowed to take only a few hundred dollars when he left the country. There do not appear to be any plans by the current administration to adopt such controls.

The funds for financing our international expenditures have come traditionally from the trade surplus. We have always exported more than we have imported. At least that was the situation from 1898 to 1970. We are now faced with a trade deficit in 1971, not because our exports have fallen off, but because imports have soared dramatically. During the ten year period, 1961 to 1970, our trade surplus amounted to $38 billion. Comparing the two most recent 5 year periods, our surplus dropped by 60%. It was $27 billion in 1961–65 and only $11 billion in 1966–70. In the period from 1961 to 1965 it ranged as high as from $5 to $7 billion per year. But those days appear to be receding swiftly into the past. At least they were until Mr. Nixon's dramatic announcement.

COULD RESTORE TRADE SURPLUS

A 10–15% revaluation of Western Europe and Japanese currencies, combined with the 10% import surcharge and government measures to encourage exports, should do much to boost our exports while keeping import growth at a minimum. This could restore our trade surplus to what it was in the early sixties.

In recent years much attention has been given to U.S. private investment abroad. Direct investment expenditures by U.S. companies, using American dollars, have gradually increased from $1.6 billion annually in the early sixties to about $4.4 billion in 1970. At the same time, income from direct U.S. investments abroad has consistently exceeded this outflow. Since 1968, income on our investments abroad has surpassed that from trade. This excess amounted to $25 billion between 1961 and 1970. This suggests that a complete shut-off of investment abroad will eventually eliminate the income that it produces. In an early effort to improve our balance of payments, the U.S. government established the Office of Foreign Direct Investments (OFDI) in the mid-sixties, its purposes was to set limits on the amount of dollars that could be exported for investment purposes and to regulate the flow of dividends, royalties and profits from these investments. Although this has helped increase our net investment income in recent years, there is a danger that it could, over the long term, seriously limit returns from the private sector.

From a balance of payments standpoint, the principal problem areas are Japan, Canada, and Asia/Africa. See Table 2. Our largest deficit was with Canada ($1.7 billion). Japan was next at $1.6 billion. Viet Nam is probably the main cause of the Asia/Africa deficit of $1.5 billion.

TABLE 2.—U.S. BALANCE OF PAYMENTS BY AREA

[In billions of dollars]

	1968	1969	1970
United Kingdom	−0.1	−1.1	0.3
EEC	.9	1.7	.5
Other Western Europe	1.0	.5	.2
Eastern Europe		.1	.1
Australia, New Zealand, South Africa	.7	.8	.8
Latin America	.1	.5	.2
Canada	−.5	−1.4	−1.7
Japan	−1.2	−2.1	−1.6
Other countries of Africa and Asia	−1.7	−1.7	−1.5
International organizations and unallocated	−.7	−.1	−.5
Balance	−1.3	−2.9	−3.0

TRADE IMBALANCES

Except for Canada and Japan, we have trade surpluses with every other area of the world. See Table 3. The largest is with Western Europe and amounted to $3 billion in 1970. While Western Europe is not our major problem now, there are signs of a protectionist attitude and various restrictive measures which could lead to a trade imbalance in the future.

TABLE 3.—U.S. TRADE SURPLUS BY AREA

[In billions of dollars]

	1968	1969	1970
United Kingdom	−0.1	−0.1	0.3
EEC	.2	1.0	1.7
Other Western Europe	.3	.5	.9
Eastern Europe		.1	.1
Australia, New Zealand, South Africa	.5	.3	.5
Latin America	.1	.3	.6
Canada	−.4	−.8	−1.7
Japan	−1.1	−1.4	−1.2
Other countries of Africa and Asia	1.3	.7	.9
International organizations and unallocated	.1		
Balance	.6	.7	2.1

JAPAN

As far as trade and investment are concerned, the worst offender is Japan. It still operates as if it had a severe balance of payments problem. The Japanese have, by and large, kept U.S. investors out. Where we have been allowed in, investment has normally been limited to less than a 50% share.

While Japanese exports have risen sharply, imports have been limited by quotas, licensing fees and other nontariff barriers to trade. The result is that Japan today holds reserves of $11 billion, the third largest in the world.

Japan has been liberalizing over the past few years, but most U.S. businessmen consider it to be an overly cautious, very slow process. The automobile industry is an example. Sales of Japanese cars to the U.S. have multiplied 6–7 times, from 64,000 vehicles in 1966 to 415,000 in 1970, in part due to the fact that the U.S. has only a 3.5% duty and a 5% excise tax (plus sales taxes in some states). The Japanese counter with a 10% tariff, a commodity tax which increases the price 30–40%, and annual road taxes 5 times higher on U.S. autos than for Japanese cars. It was only this year that the Japanese allowed 3 major U.S. automobile manufacturers to purchase a maximum of 35% of the shares of counterpart Japanese firms. In most other parts of the world, U.S. companies own 100% of their overseas partners.

The problems with Japan that have received the most attention in the U.S. have been their exports of textiles and steel. These have increased so rapidly that U.S. manufacturers have been screaming for help.

As a result of the U.S. action, the Japanese have reluctantly allowed the Yen to float and anticipate an export decline of about $1–2 billion. Coming so soon after the U.S.'s China initiative, and with Prime Minister Sato having tied his administration to U.S. policy, it is reported that these two U.S. moves, both coming as a surprise and with an adverse impact on Japan, could lead to the fall of the Sato government.

CANADA

Canada is our largest single export market. It also accounted for our largest trade deficit ($1.7 billion) in 1970. This is quite a change from the early sixities when we had a small surplus. The main reason is an agreement which encouraged the manufacturing of automobiles for shipment to the U.S. We had a surplus of $700 million with Canada on automobiles alone in 1965. By 1970 this had turned into a deficit of $900 million.

Because 70% of its trade and half of its trade surplus are with the U.S., anything we do is of vital importance to Canada. Canada has estimated that 25% of its trade is in danger as a result of the U.S. import surcharge. Exports to America are so important that Canada is considering setting up a special fund to assist their businessmen in recovering from any damages caused by the surcharge.

Despite increasing signs of nationalism, our businessmen have been able to freely trade and invest in Canada. Our traditionally friendly relations and the lack of border restrictions make it hard for Canada to understand why the 10% surcharge must be applied to it. Except for the size of our trade imbalance, Canada is clearly quite a different situation than either Japan or the EEC. It is one which deserves special attention.

EEC POSITION

The EEC has taken the U.S. measures in stride. Currencies have been allowed to float in all major countries. Overall there is a creep toward the 10% revaluation goal of the U.S. There are some internal disagreements between France and Germany about the common monetary position they should adopt, but these may be more a problem of communications than substance. What seems to worry Europeans most is the possibility that Japan will now direct its competitive energies toward them.

Western Europe is an important trading partner of the U.S. and one with whom we have a sizeable trade surplus. However, developments in agriculture, preferential trading arrangements, and non-tariff barriers suggest that this surplus is in danger of diminishing.

The EEC has by far the highest level of agricultural protection of any major country. Post Kennedy round import protection for agriculture amounted to the following:

Percent ad valorem equivalent

EEC	33
Japan	9
United Kingdom	7
United States	4

On individual items the EEC Common Agricultural Policy (CAP) has resulted in substantial increases in protection:

PERCENT AD VALOREM PROTECTION LEVELS

	Pre-CAP	Post-CAP
Butter	30	35
Meat	19	52
Cereals	14	72
Dairy produce	19	137

In addition, imports subject to the variable levy system, which increases import prices to an agreed-upon protective price level, have declined in value from $642 million in 1966 to $340 million in 1969. Non-tariff barriers like this have caused exporters of American products a great deal of grief. Excessive licensing costs and quotas are examples of other restrictive devices.

The expansion of the Common Market to include most of the countries of Europe and Africa has worried many Americans. It was not hard to accept the inclusion of the 18 African countries who were former colonies of France, Belgium, and Italy. But the list now includes special reciprocal trading relations with Israel, Greece, Turkey, Tunisia, Morocco, Egypt, Libya, Lebanon, Malta, Cyprus, Yugoslavia, Algeria, Austria, Kenya, Uganda, Tanzania, and Spain. About half of these are still in the negotiating stage.

Combine this with the probable entry of the UK into the EEC and the subsequent inclusion of Denmark, Norway, and Ireland, plus special trading deals with members of the British Commonwealth, and you have covered over 250 million people and 40% of the world's trade. While the extent of potential U.S. trade losses has not yet been identified, they could be substantial.

U.S. TRADE RESTRAINTS

Lest one think that the U.S. is a perfect trading partner and the only real free trade nation in the world, we should consider the following:

18% of all imports into the U.S. are covered by quotas or voluntary restraints.

The list of non-tariff barrier complaints against the U.S. is lengthy and compares in magnitude to those we have against our European partners.

Other countries do not consider the U.S. to be an open market on many items.

According to Harold Malmgren, the major erection of non-tariff barriers since the Kennedy Round has taken place in the United States.[1] These include voluntary restraints on:

steel from Japan and the EEC
canned mushrooms from Taiwan
ceramic tiles from Japan

They call for limits by the supplier on the amount exported to the U.S. Furthermore, the U.S. is pressing hard for a textile agreement on products from Japan. Other countries have used similar schemes in recent years, but none have been so broad or had the same impact as the ones enacted by the U.S.

These agreements are outside the framework of the GATT, the international organization created after World War II to solve multilateral trade problems. As such, they encourage other nations to violate GATT principles.

CONCLUSIONS

1. The measures enacted by President Nixon can stem the deterioration in our trade surplus and make our exports more competitive in the short term. This could restore our trade balance to what it was in the sixties. Failure to stem inflation or increase productivity can quickly erase these gains.

2. The timing is ripe to hold an international conference, similar to "Bretton Woods," to create a new international trade, investment and monetary system. The GATT agreement needs to be discarded or brought up to date to cover changed world conditions. At this time, negotiations could be held to eliminate non-tariff barriers and reduce duty levels, but only if the U.S. is willing to reciprocate. It cannot be a one-way street.

3. Our balance of payments will continue to run a deficit unless we are able to stem the flow of government expenditures for military and economic support abroad. Correction can come through increased support by our allies for free world defense and aid burdens now carried by the U.S. Alternatively, cuts in our troop and aid commitments abroad or limits on tourist expenditures are the only major alternatives left to improve our balance of payments. The trade surplus alone will not do it, even after the application of measures to encourage exports and discourage imports.

4. Failure to come to grips with these fundamental economic problems in the near future and provide the leadership necessary to work out international solutions on a fair, equitable, and negotiable basis will tilt the scale toward the possibility of economic warfare. While no early solutions can be expected, the process of solving the major problems we have with other nations of the world should lead to a system with a minimum of artificial restraints which will set the basis for a renewed expansion of international trade.

5. In the process of doing all this the U.S. must solve to the satisfaction of all its major allies the problem of European security. It must deal with Japan's fear that they have been sold out on the China and trade issues and reassure our friends in the Pacific that they are an important and vital ally. Canada must be dealt with in a way which recognizes its special relationship with the U.S., without bringing forth a burst of nationalistic sentiment which could lead to a closing of the border. The developing world must be heard and their problems dealt with fairly. By starting at the highest political level, the President has increased the chances that we can arrive at a mutually satisfactory solution to these problems, provided they are treated as a whole and not on a case by case approach.

6. If the August 15 statement is used to develop solutions on the above lines, the President has begun a course of action that could demonstrate economic statesmanship of the highest order. If the August 15 actions are used only as clubs on our allies, for short term gains in our balance of payments and to rectify imagined wrongs of the past few years, the political losses are likely to far outweigh the economic gains.

[1] *Trade Wars or Trade Negotiations*, Harold B. Malmgren, The Atlantic Council, p. 17. 1970.

THE NIXON ADMINISTRATION AND FREE SPEECH

Mr. HARTKE. Mr. President, few acts by the administration have been more deplorable than its attempts to stifle the first amendment's freedom of the press. The White House, in conjunction with the FBI and the Justice Department, after similar incidents involving New York Times reporter Neil Sheehan, is now attempting to scare CBS news correspondent Daniel Schorr.

After voicing some strong criticsm of Mr. Nixon and his administration, Mr. Schorr was the recipient of a call from the White House expressing the administration's dissatisfaction with his reporting of the news. The next word from the White House was that they were considering Mr. Schorr for an important Government job. Under this flimsy guise, the

FBI is investigating him and questioning his neighbors and colleagues about his personal life and professional qualifications. Whatever may be the result of the controversy involving Mr. Schorr, it is clear that the object of this governmental snooping is not to find any skeletons in his closet, but rather to implant the fear of Government retribution in his mind.

The job of a reporter is to gather and report all the news as he sees it. Naturally, every administration will find reporters favoring its point of view and reporters who oppose it. The President is not the only person or group to experience such treatment. Senators, Representatives, mayors, city councilmen, and hundreds more who are involved in public or political life experience the same thing. All prior adminstrations have coped with the bad reports and reveled in the good. Surely this administration must be extremely paranoid if it feels compelled to harass those reporters who it does not like.

There is little a reporter fears more than a Government spy leaning over his shoulder and digging into his private life. When a reporter fears such a reprisal, the result is poor press coverage. The loser, in the long run, is the American public. Nothing is more important to the functioning of a free and open democracy than a free and open exchange of ideas on all issues of importance to the people of the United States.

The present administration has a poor track record when it comes to the protection of individual rights. No freedom is more important to the existence of the American experiment—none more dear to democracy—than that of freedom of speech and of the press.

We cannot tolerate the existence of a climate of fear in which reporters and others fear to tread upon the toes of bureaucrats and politicians. Today it is Mr. Schorr; tomorrow it could well be any one of us. Truly, this administration suffers from an arrogance of power. The authority it possesses is awesome. It is also a public trust. Should the administration continue to misuse that power, it will prove itself to be unworthy of that trust.

ACTION TO PREVENT GENOCIDE

Mr. PROXMIRE. Mr. President, there are two actions which the United States can take to prevent the recurrence of the crime of genocide. First, the Senate can give its consent to the ratification of the International Convention on the Prevention and Punishment of the Crime of Genocide. By this action we will be showing the world our abhorrence of this crime.

Second, the Congress can pass the necessary enabling legislation to put the provisions of the Genocide Convention into effect. This legislation may recognize a concurrent jurisdiction among the Congress and the several States in this area. It will provide for the arrest, trial, and punishment within the United States for Americans accused and convicted of acts of genocide that occurred in the United States. And, of course, the accused will be accorded all the rights and protections of the Constitution.

Just as the United States has many extradition treaties covering such crimes as murder and robbery, so the United States may at some future time enter into treaties that provide for extradition for genocide. Genocide will become one of the many crimes for which the United States will grant extradition. Like all extradition treaties that the United States is a party to, it will provide adequate protection for American citizens.

Mr. President, the first step is the ratification of the Genocide Convention. I call upon the Senate to give its consent to that ratification.

NEW YORK STATE WELFARE

Mr. RIBICOFF. Mr. President, in recent weeks much publicity has been generated about a change in New York State welfare law which requires recipients to come to State employment offices in person to claim their public assistance checks. Under the old system, checks were mailed out.

Early reports, which received nationwide attention, indicated that 20 percent of the checks remained unclaimed, leading many people to believe that this figure indicated an ineligibility rate of 20 percent.

Unfortunately, the facts of rebuttal never caught up with the original beliefs.

A detailed followup study indicates that 40 percent of those not reporting to claim their checks had valid reasons for not doing so. The majority of the remaining recipients not collecting their checks failed to appear for reasons which regularly occur in the administration of the welfare system and are unrelated to eligibility.

Analysis of this data reveals that less than 4 percent of 30,000 recipients covered by the New York law had their cases closed for failure to qualify for welfare.

Jule Sugarman, human resources administrator for New York City, has provided me with the results of the followup study. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HUMAN RESOURCES ADMINISTRATION,
New York, N.Y., October 20, 1971.

Hon. ABRAHAM A. RIBICOFF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR RIBICOFF: Several weeks ago the New York State Department of Social Services released a preliminary study to report the activity of local welfare districts in complying with the new state law which requires employable public assistance recipients to pick up their checks at the local office of the New York State Employment Service and to make themselves available for work.

The report, which received widespread national publicity, showed that twenty percent (20%) of the public assistance checks remained unclaimed at New York State Employment offices in New York. The study, and subsequent remarks by State officials, created a widespread public impression that the 20% unclaimed checks indicated 20% ineligibility. Such a conclusion is totally unfounded and does a great disservice to all reasonable attempts at significant welfare reform.

Enclosed is a detailed analysis of the activity in New York City in compliance with the new state law which I am pleased to share with you. This study indicates that more than 40% of those not reporting had valid reasons for not doing so. Of the remainder, the greatest proportion were for reasons which regularly occur in the administration of public welfare. The study also reveals that less than four percent (4%) of the thirty thousand (30,000) public assistance recipients affected by the law failed to comply and thereby had their cases closed.

If I can be of additional help in interpreting the attached information, please let me know.

Sincerely,

JULE SUGARMAN,
Administrator.

ANALYSIS

Less than 4% of the approximately 30,000 New York City welfare clients required to participate in the state's new employment program in August failed to comply with the regulations and had their cases closed, the Department of Social Services reported to the state yesterday.

In announcing the figures today, Human Resources Administrator/Social Services Commissioner Jule M. Sugarman said:

"The combined results of two special studies of clients referred to the New York State Employment Service in August begins to shed the first bit of light on the situation underlying the failure to report or comply at NYSES.

"The most significant conclusion drawn from the study is that less than 4% of the total cases referred to NYSES actually failed to comply with the law and were terminated. The balance of the closings were for reasons unrelated to the work relief program and the recent amendment to the Social Service Law.

"This is a highly important insight because it begins to provide additional perspective on the reaction of the employable unemployed welfare population to the recent amendments.

"Contrary to outside initial reaction based on partial and undifferentiated information—the widely quoted 20% no-show rate—this information suggests that most of the employable welfare population is actually complying with the law."

Commissioner Sugarman's report to the state shows that during the month of August 1,152 welfare clients had their cases closed or were removed from a case budget because they failed to report to NYSES to pick up their welfare check, or failed to comply with a requirement to seek or accept employment.

The 1,152 figure is 3.9% of the 29,389 clients who were required to participate in the program in August. The figure was determined on the basis of a detailed investigation of more than half the 2,483 employable cases closed during the month.

It found that 54% of the cases that were closed were attributable to situations unrelated to compliance with the employment program: death, increased earnings or resources, moved or whereabouts unknown.

"The size of the sample more than justifies extending the percentages to all the closed cases," Mr. Sugarman said.

During August, the report concludes, 5,911 persons failed to report or comply with the program. Of these, 2,402 or 40% had legitimate reasons for not doing so and have either been reclassified as unemployable or subsequently complied with the regulations; 875 have asked for a department review or have such requests pending; 151 are still under investigation; 2,483 or 42% have had their cases closed, more than half of them for reasons unrelated to the employment program.

Commissioner Sugarman's letter and report to the state are attached.

DEPARTMENT OF SOCIAL SERVICES,
HUMAN RESOURCES ADMINISTRATION,
New York, N.Y., October 1, 1971.

Hon. BERNARD SHAPIRO,
Commissioner, New York State Department of Social Services, New York, N.Y.

DEAR COMMISSIONER SHAPIRO: I am enclosing the final results on the study, which we agreed to perform, on the individuals who failed to report to or comply at the New York State Employment Service (NYSES) offices during the month of August.

The results of the completed study reflect the correction of some earlier figures, based on a detailed review of the cases previously reported and additional information collected on 1,174 cases not covered by our first report.

As you can see from the statistical summary, the impact of the new procedures and Central Office monitoring is being realized in all centers:

Follow-up on individuals who either failed to report or failed to comply at NYSES is being properly performed in all centers;

2,379 cases were closed and 104 individuals were removed from the case budgets as required by law;

875 are still awaiting decision, largely because of delays mandated by law, and will reach disposition during the next two weeks.

Also included for your information are the results of an analysis of the reason for the closing of 1,366 of the 2,379 cases reported above (see Attachment II of report). The combined results of the two studies, viewed in the perspective of the total numbers of persons referred to NYSES begins to shed the first bit of light on the situation underlying the failure to report or comply at NYSES.

The most significant conclusion drawn from the study is that less than 4% of the total cases referred to NYSES actually failed to comply with the law and were terminated. The balance of the closings were for reasons unrelated to the work relief program and the recent amendment to the Social Service Law.

This is a highly important insight because it begins to provide additional perspective on the reaction of the employable unemployed welfare population to the recent amendments to the Social Service Law.

Contrary to outside initial reaction based on partial and undifferentiated information—the widely quoted 20% no-show rate—this information suggests that most of the employable welfare population is actually complying with the law.

While this information is encouraging, it is not conclusive, and furthermore, in no way lessens the need for the continuation of efforts to tighten up the administration of the program in the fashion evidenced in the first part of this letter. As mentioned in my earlier letter, we will be ready shortly to review with you a detailed work plan that will include a schedule for the systematic review and improvement of all elements of the program. At the same time, work is proceeding on the development of improved reporting forms and information systems, as well as the planned training of new employment specialists by NYSES which is scheduled to begin next Friday.

Sincerely,

JULE SUGARMAN,
Commissioner,
Department of Social Services.

OCTOBER 1, 1971.

To: Jule Sugarman, Commissioner, Department of Social Services.
From: Paul J. Elston, Director, Employment Programs.
Subject: Final report on State request for detailed information on individuals who failed to report or comply at NYSES during August.

I hereby submit the final results of the State-requested study concerning the status and disposition of those persons referred to New York State Employment Service (NYSES) offices in August who either failed to report thereto or comply with the requirements of the recently amended Social Services Law pertaining to employable unemployed individuals receiving public assistance.

SUMMARY AND EXPLANATION OF THE RESULTS

The following is a summary and explanation of the results as presented in the attached chart:

1. The total number of individuals from the 43 centers who failed to report or comply at NYSES during August was *5,911*.

2. We were not able to complete the collection of information on *151* cases and they are not included in the totals.

3. Of the *5,760* FTR's and FTC's, M3C forms (Notices of closing if review is not requested within seven days) were sent to *3,358* individuals to whom M3C's were sent:

A. The cases of *2,379* individuals were closed.

B. *104* individuals were removed from the budgets.

C. *809* cases are awaiting the elapse of the 7-day period allowed to request a review.

D. *66* individuals have requested reviews which have been scheduled, but not yet held.

5. Of the *2,402* individuals to whom M3C's were not sent:

A. *643* were reclassified to another category of assistance.

B. *895* were determined not available for employment and recoded appropriately.

C. *37* are awaiting verification of a medical or other problem which may result in a reclassification or recoding as not available for employment.

D. *564* were determined to have a valid reason for failing to report and were instructed to report to NYSES during the following cycle.

E. *48* individuals were determined to have a valid reason for failing to report, and were subsequently assigned to a Public Works Project (PWP).

F. *215* individuals had actually reported to NYSES during the cycle, but were reported as FTR's because their checks were sent to the wrong NYSES center.

While completing this effort we were in a position to collect firm information on the actual reasons behind the closing of those cases involving persons failing to report to or comply at NYSES offices in August. Our sample of 1,366 of those 2,379 closings reported on (see Attachment II), illustrates that in fact 54% of the eventual closings were not related to the Work Relief Program on the requirements of the recently amended Social Services Law pertaining to the employable unemployed receiving public assistance.

An additional analysis of our data, pertaining to the composition of the population of 29,384 individuals referred to NYSES in August, is also particularly pertinent here. This analysis demonstrates the following:

a. 5,911, or 20%, of the 29,389 individuals referred to NYSES in August failed to report to or comply thereat.

b. 2,402, or 40%, of the 5,911 persons failing to report to or comply at NYSES in August, were determined to have so failed for *legitimate reasons* (see items 3–8 on Attachment I).

c. No conclusion can be drawn at this time on the 912 FTR and FTC cases still involved in the M3C review and verification stages.

d. Public assistance was discontinued for 2,483 of the 29,389 individuals referred to NYSES in August, or 8%.

e. The sample results projected against the total of 2,483 persons removed from public assistance indicate only 1,152 individuals were removed for reasons related to their willingness to work. This population represents less than 4% of the total number of persons referred to NYSES in August.

On the basis of the above analyses, therefore, the data appears to indicate at this time that in fact a minor segment of the NYSES referral population can be categorized as truly delinquent in so far as the requirements of the Work Relief Program are concerned. This initial conclusion is in contrast to the widely held impression that a very substantial portion of the employable HR population is seriously violating the requirements of the Work Relief Program.

PAUL J. ELSTON,
Director,
Employment Programs.

ATTACHMENT I

STATISTICAL SUMMARY—REPORT ON NYSES FTR's AND FTC's

OSS Center 43	Number for August
1. Total number NYSES FTR and FTC	5,760
2. M3C forms sent	3,358
A. Case closings	2,379
(1) Closings in August	1,420
(2) Closings in September	959
B. Budget removals	104
(1) Removals in August	67
(2) Removals in September	37
C. Cases where M3C sent but response period not yet lapsed	809
O. Reviews scheduled but not yet held	66
3. Person reclassified	643
4. Persons recoded	895
5. Medical or other verification pending	37
6. Valid failure to report to NYSES	564
7. Assigned to public works project	48
8. Clerical errors	215
9. Not reported on	[1] 151

[1] Not included in total.

ATTACHMENT II

ANALYSIS OF REASONS FOR CLOSINGS—SAMPLE OF 1,366 CASES

Reported reasons for closing	Number of cases	Percent of total
Reasons related to work relief program:		
Refused to register for or seek employment	229	17
Refused employment at NYSES	139	10
Refused other employment offer	15	1
Refused training or education	5	.5
Refused to comply	240	17
Total	628	45.5
Reason not related to work relief program:		
Death	12	1
Increased earnings	192	14
Obtained employment	31	2.5
Client's request	148	11
Admitted to private or public institution	15	1
Moved, whereabouts unknown	296	22
Miscellaneous	44	3
Total	738	54.5
Total	1,366	100

TAX BENEFITS FOR POLITICAL CONTRIBUTIONS, AND OF THE ELECTIONS REFORM ACT OF 1971

Mr. CANNON. Mr. President, last week the Senate passed the revenue bill of 1971 including provisions for a tax credit or an alternative tax deduction for contributions to candidates for Federal, State, and local elective office in any kind of election, primary, special, or general. Additionally, the Senate approved an amendment to the bill to permit all taxpayers to indicate that $1 of their tax money should be diverted by the Treasury for

support of candidates for the offices of President and Vice President.

This approach to Federal support of candidates and political parties is not new, Mr. President; it has been proposed for many years. In 1961 President John F. Kennedy created a Commission on Campaign Costs to make recommendations with respect to improved ways of financing expenditures required of nominees for the offices of President and Vice President. In April of 1962 the Commission, comprised of members from both major political parties and from various sections of the country, filed its report. Among the several recommendations contained in the report is one endorsing the principle of granting tax incentives for political contributions. The Commission recommended a credit against tax due, not to exceed $10 per individual, or a deduction from taxable income, not to exceed $1,000.

In its report the Commission stated that:

The bulk of presidential campaign funds available to both parties is now supplied by a relatively small group of contributors giving sums ranging from a few hundred to several thousands of dollars. . . . We hope that this incentive to medium-sized gifts, coupled with the incentive to small gifts, will atimulate the massive giving needed by the parties.

Former Presidents Eisenhower and Truman and former Vice President Nixon endorsed the recommendations of the Commission. Richard M. Nixon, while campaigning for Governor of California in 1962, called the report a significant contribution to the strengthening of our two-party system and commended it to the attention of every citizen.

What was said about the recommendations of the President's Commission in 1962 is of even greater importance and significance today. Costs of campaigning continue to rise during every election year. Candidates and parties are even more heavily obligated to the special interest or pressure groups and rely ever more necessarily upon the wealthy for financial support.

Witnesses appearing before Senate and House Committees, outside groups studying the problem of political financing, newspapermen, and other commentators, and other specialists all agree that something must be done to end the tremendous pressures brought upon candidates and political parties to raise funds for the presentation of issues and programs.

Mr. President, the Senate has provided two major pieces of legislation designed to remedy this situation. On August 5, 1971, S. 382, the Election Reform Act of 1971 was passed in the Senate by a vote of 88 to 2. That bill will require the detailed, frequent public disclosure of campaign contributions and expenditures by every candidate for Federal office and by every political committee which receives or spends $1,000 or more during a calendar year. It will insure that the citizens of the United States will be informed as the source of campaign money and the manner in which it is spent.

The amendments which were passed here in the Senate offering tax credits or tax deductions for political gifts and the $1 checkoff for the benefit of presidential and vice presidential elections should, if approved by the House of Representatives, provide a measure of sanity and control to our runaway campaigns. I urge the House of Representatives to support and approve both the Election Reform Act, S. 382, and the Pastore amendments which were added to the revenue bill.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks two articles which appeared in the Washington Post this morning. One is an editorial entitled, "The Campaign Spending Legislation," and the other is a commentary by Rowland Evans and Nobert Novak, entitled, "Matter of Money and Politics."

These articles point out the need for reform and the efforts being considered to nullify reforms.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

THE CAMPAIGN SPENDING LEGISLATION

It is extremely unfortunate that the issue of campaign spending has suddenly been enveloped in a fog of partisan politics. With that fog hanging over Capitol Hill as Congress attempts to finish up its business this week, the objectives of the campaign legislation which has passed the Senate are likely to be hard to discern. But their importance is not diminished. Both bills—the spending limitations bill which is before the House and the financing bill which is tacked onto the President's tax proposals—are aimed at breaking an unhealthy connection between big money and elective office.

The legislation limiting spending is, perhaps, the more crucial of the two. If the House does what it ought to do—pass the Senate bill and the MacDonald Bill—the first major step toward getting campaign spending under control will have been taken. Indeed, the votes cast in the House this week will provide a record of which members really want to make American politics more democratic and which want to continue a system that requires candidates for many federal offices either to be wealthy or to become obligated to wealthy persons or organizations. Those votes will also provide a record of who does and who does not want the people back home to know where the money for political campaigns comes from. The issues in that bill, concerning both its spending limitations and its disclosure provisions, are just that simple.

The issues involved in the financing provision attached by the Senate to the tax bill are almost, but not quite, as simple. This proposal is a small first, imperfect step toward public financing of campaigns. The first half of it would let individuals deduct on their federal income tax bills small contributions to candidates or parties of their choice. The other half would let each taxpayer earmark $1 of his tax for the presidential candidate of the party of his choice or for a fund from which presidential candidates could draw. The presidential candidate who chooses to finance his campaign this way would be limited to about $20 million in total spending and barred from raising money from private sources. With a presidential election less than a year off, and with the Republicans floating in cash and the Democrats floundering near bankruptcy, the political aspects of this proposal are obvious.

The debate in the Senate over this funding mechanism served only to enmesh the whole campaign spending question further in party line politics. So eager are the Republicans to capitalize on their current financial dominance that many of them spoke as if it were dishonest for a politician not to want to sell out to big contributors. The Democrats, on the other hand, are so eager to find some way out of their financial hole that many of them spoke as if it were dishonest for a politician to accept any contributions. That kind of overstated and occasionally nasty debate did nothing to improve the proposal offered by the Democrats although they did accept an important amendment by Senator Mathias, giving the taxpayer more choice about where his dollar goes.

The financing proposal, too, now faces a test in the House. When it comes to a vote there, members ought to regard it in terms of what it means for the future—not just for what it means for 1972. Undoubtedly, it will help the Democrats in the 1972 presidential campaign. But just as certainly it will be followed in subsequent years, if it works, by an expansion of a public financing system until it includes all federal offices. That, we submit, is a goal to be pursued vigorously. It is the best known way to get rid of the corrupting influence of money in elections.

MATTER OF MONEY AND POLITICS

(By Rowland Evans and Robert Novak)

Shrinking from the horrible consequences of vetoing the Democratic scheme for government financing of presidential campaigns, the White House is now fashioning an ingenious scheme of its own to prevent the bill from affecting the 1972 election.

No final decision has been made, but under serious consideration by President Nixon's inner circle is this counterploy: Sign the tax bill containing the checkoff of tax funds to finance presidential campaigns, then order the Internal Revenue Service (IRS) to completely ignore the checkoff provision on grounds of constitutionality.

That would propel an outraged Democratic National Committee into federal court to force the IRS to distribute the money. With constitutional issues raised, the lawsuit might remain in the courts long enough to prevent the checkoff from being used in the 1972 campaign.

A less audacious scenario, keeping the President above the battle, is also being thought through at the White House. The Republican National Committee, at the President's private urging, would bring a "citizen's suit" against the checkoff. That, too, might prevent the plan's operation for 1972.

Such war-gaming reflects the gravity with which the White House regards the checkoff, which would have each taxpayer choose whether or not the government could use $1 of his tax payment to fund presidential campaigns. That would yield up to $20.4 million each for the Republican and Democratic nominees in 1972.

The political explosiveness of the checkoff is appreciated at the White House. In tandem with a separate reform bill (up in the House this week) limiting campaign contributions and spending for congressional candidates, it revolutionizes financial aspects of American politics. Specifically, Mr. Nixon's huge money advantage for 1972 would be nullified and the cloud of bankruptcy hovering over the Democratic Party since 1968 would evaporate.

Hence, the immediate White House reaction after Senate passage of the checkoff a week ago was to veto the entire tax bill even though it includes the tax cuts Mr. Nixon regards as essential for economic recovery. The tax cuts would then be quickly passed in a new bill before Congress adjourned for 1971.

But this veto sentiment subsided within 48 hours after the Senate vote. High economic officials brought reality home to the White House inner circle. A veto of the tax bill would grievously add to the present economic uncertainty, which even now is depressing the stock market and impeding strong economic recovery. A veto, they warned, would be catastrophic.

What's more, it quickly became clear that the increasingly truculent Democratic leadership on Capitol Hill would not permit a new bill containing the tax cuts to pass without the political checkoff. To Democrats, the checkoff has become a matter of life and death.

Accordingly, by the middle of last week, a new consensus had developed at the White House: if the massive revenue loss of the senate-passed tax bill were reduced in conference, as expected, the bill should not be vetoed merely because of the political checkoff.

That triggered an eleventh-hour White House effort to generate Southern Democratic opposition to the checkoff in the House that would influence the final version drafted in the Senate-House conference. Would not the checkoff push both parties leftward, since neither would depend upon business contributions? Would it not splinter the left wing of the Democratic Party into ideological factions, each wanting to take advantage of the federal bononza by running its own presidential candidate?

Administration officials rejoice that Rep. Joe D. Waggonner, Jr., of Louisiana, an increasingly influential conservative Democrat, actively opposes the checkoff. But the even more influential Rep. Wilbur D. Mills of Arkansas is all for the checkoff. Thus, odds for its final adoption are overwhelming.

That leaves the courts as the last resort for the Republicans, who would challenge the checkoff as a violation of the 14th amendment's equal protection provisions.

The most dramatic route to a court test would be for Mr. Nixon to instruct the IRS not to obey the new law. Even more turbulent relations between the Democratic Congress and Republican President would be exacerbated by such a ploy. But considering the political stakes, Mr. Nixon may well take the risk.

NEW APPROACHES TO FINANCING PUBLIC SCHOOL EDUCATION

Mr. HARTKE. Mr. President, recently a great deal of attention has been focused on the need to find new approaches to finance public school education. Nevertheless, this is not a new problem for millions of propertyowners throughout the Nation. They have known for years that rising real estate taxes were forcing both businesses and private citizens to leave communities in which they had been established for some time. At the same time, the increased local taxes were unable to keep pace with the rising costs of elementary and secondary education.

It has been fashionable for politicians to decry spiraling real property taxes and to call for cuts in spending. This type of political irresponsibility ignores the fact that the citizen must pay at one time or another. For instance, if there is inadequate money to finance a good public school system, the result will be students who are ill equipped to serve as productive and aware members of their community. The dollar cost of this deficiency cannot be measured. It is reflected in decreased human productivity, higher welfare costs, higher crime rates, and the like. Surely, the cost of this frugality is far higher than the cost of a good education.

None of us has the ultimate solution to the financing problem, but there are several good suggestions which must be pursued. Excellent articles on this subject appeared in the November 20, 1971, edition of the Saturday Review. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

EDUCATION IN AMERICA

PRESSURES FOR CHANGE

In recent months American higher education has been subjected to an avalanche of reports, critiques, analyses, and proposals for change. They range from the reports of the prestigious Carnegie Commission on Higher Education, headed by Clark Kerr, and HEW Secretary Elliott Richardson's influential task force, headed by Frank Newman, to the writings and recommendations of individual scholars and critics. But nearly all, and especially the more eminent critics, call for radical rethinking of the entire higher education enterprise.

One may well wonder why, after a decade or more of unprecedented growth, affluence, and apparent success, our colleges and universities should suddenly be faced by so many demands for fundamental reform. There are, of course, a number of obvious reasons: the upgrading of the high schools during the 1950s and 1960s that made many freshman-year programs obsolete, the earlier maturing of young people and their greater sophistication as a result of exposure to so many sources of knowledge and experience outside the classroom, and the growing insistence on more schooling in preparation for the world of work—not to mention the more overt pressures for change exerted by the civil rights movement, the student rebellion, and, more recently, Women's Lib.

But these factors and forces, relevant as they are, fail to explain the widespread demands for radical change. Rather, it appears that these demands aim much more deeply than mere accommodation to surface, and sometimes transient, pressures—that they challenge the very assumptions on which higher education is founded. Two examples will illustrate the point.

The first concerns the assumptions we have made about who is capable of "college level work." In the past higher education has always been designed primarily to serve an elite—whether social or intellectual. But the pressures of recent years have forced open the door of the Academy to admit a far wider range of individuals than ever before, and the results have been revealing. Many questions remain, but analysis of the experience of many institutions with "high risk" students has called into serious question our assumptions about who is college material, and who is not. Late last month, for instance, Oberlin College reported that entering black students have test scores that average 100 points lower than white students, but that both groups graduate with point averages that are nearly identical.

The second assumption that is being challeged concerns the kinds of studies that should comprise higher education. Our colleges and universities have proved beyond doubt their capacity for developing the kinds of knowledge and skills demanded by a technological society. But, in the process, they have often ignored almost all the rest of the wide spectrum of human talents. We have, for example, been called a nation of visual illiterates—not least because we have rarely placed the same value on the ability to communicate in the visual and performing arts that we have placed on the ability to communicate in the languages of mathematics or physics. The point was well made recently by Dr. John Ziman, professor of physics at the University of Bristol. Writing about the highly trained specialists who dominate so much of our society, he observed: "We must somehow sensitize these earnest, owlish experts early to think of people, of pain, of freedom, and of beauty."

The contemporary critiques of higher education demand not the destruction of our colleges and universities, but a fundamental rethinking of their role in the modern world. Their message is that superficial tinkering and accommodation to transient pressures are not enough.

THE CALIFORNIA DOCTRINE

(By Arthur E. Wise)

On August 30, 1971, the Supreme Court of California announced what may become as historic a decision as *Brown vs. Board of Education*. In *Serrano vs. Priest*, the court tentatively concluded that the state's public school financing system denies children equal protection guaranteed under the Fourteenth Amendment, because it produces substantial disparities among school districts in the amount of revenue available for education. The problem to which the case was addressed can be simply stated by an example. The Baldwin Park school district expended only $577.49 to educate each of its pupils in 1968–69, while the Beverly Hills school district, in the same county, expended $1,231.72 per pupil. The principal source of this inequity was the difference in local assessed property valuation per child: In Baldwin Park the figure was $3,706 per child, while in Beverly Hills it was $50,885—a ratio of 1 to 13. Furthermore, Baldwin Park citizens paid a school tax of $5.48 per $100 of assessed valuation, while Beverly Hills residents paid only $2.38 per $100—a ratio of more than 2 to 1.

The idea that the unequal allocation of educational resources within a state might be unconstitutional was first suggested only during the mid-1960s. It was not that the allocation of educational resources among school districts within a state suddenly became unequal in the mid-1960s, nor were these inequities suddenly discovered. Rather, the inequities in school finance were, for the first time, viewed in the light of the then prevailing egalitarian thrust of the U.S. Supreme Court.

The Court, under Chief Justice Earl Warren, had been embarked on a campaign of guaranteeing fundamental rights to dispossessed minorities and had precipitated broad social change. In 1954, the Supreme Court declared that, at least as far as race is concerned, public education is a right that must be made available equally. Beginning in 1956, the Court began to attack discrimination based on wealth in a series of cases concerned with rights of defendants in criminal cases. In 1962, the Court moved to eliminate geographic discrimination by requiring legislative reapportionment. By 1966, the wealth discrimination argument had been extended to voting rights in a case that eliminated the poll tax.

In the context of this historic trend a Constitutional attack on inequities in educational finance seemed eminently feasible. Many parallels among the rights at stake were possible. More important, perhaps, was the fact that the Warren Court had demonstrated a willingness to guarantee individual rights when legislatures failed to act. State legislatures had been struggling with miserly state school finance equalization formulas for at least as long as they had failed to reapportion themselves.

The California equalization suit was not the first such suit to be prosecuted. Earlier there had been unsuccessful efforts in Illinois and Virginia to challenge the Constitutionality of school finance legislation. The California court took pains to distinguish between the case before it and the earlier ones. The earlier complaints had contended that "only a financing system which apportions public funds according to the educational needs of the students satisfied the Fourteenth Amendment." The lower courts had found the notion of "educational needs" too nebulous a concept with which to deal, and

the U.S. Supreme Court had affirmed their decisions that held that the equal protection clause did not apply to school financing. However, the U.S. Supreme Court was obliged to render a judgment when these cases were appealed to it from the lower courts because of a technicality. According to the California court, the U.S. Supreme Court's affirmance of these decisions was substantially the equivalent of a decision not to become involved in the issue at that time. Furthermore, the California court thought that its case was different in that it involved the simpler principle of discrimination on the basis of wealth. It should be pointed out, however, that the earlier cases had perhaps erred because they contained a remedy in the complaint. The California complaint simply attempted to have the present system of finance declared unconstitutional.

There were three steps in the reasoning of the California court as it reached its decision. First, it noted that "the U.S. Supreme Court has demonstrated a marked antipathy toward legislative classifications which discriminate on the basis of certain 'suspect' personal characteristics. One factor which has repeatedly come under the close scrutiny of the High Court is wealth." The California court reviewed precedents in which the High Court had invalidated wealth classifications that infringed on the rights of defendants in criminal and voting rights cases. It appeared to the court that California's school financing system does discriminate on the basis of the wealth of a district and its residents.

While the court had substantial judicial precedent for finding wealth a suspect classification, it did not have judicial precedent for finding education a "fundamental interest." Such a finding was an important second step for the theory that the court was attempting to develop. The court relied upon a number of decisions that "while not *legally* controlling" are "persuasive in the factual description of the significance of learning." The classic expression of this position came in *Brown vs. Board of Education:*

> Today, education is perhaps the most important function of state and local governments. Compulsory school attendance laws and the great expenditures for education both demonstrate our recognition of the importance of education to our democratic society. It is required in the performance of our most basic public responsibilities, even service in the armed forces. It is the very foundation of good citizenship. Today it is a principal instrument in awakening the child to cultural values, in preparing him for later professional training, and in helping him to adjust normally to his environment. In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity, where the state has undertaken to provide it, is a right which must be made available to all on equal terms.

These cases, together with the court's own analysis of the importance of education, compelled it to treat education as a "fundamental interest." "Education," the court stated, "is the lifeline of both the individual and society."

The final step was a determination of whether the California school financing scheme, as presently structured, constituted a "compelling state interest." Finding that education is a "fundamental interest" and that the present method of school financing interferes with no "compelling state interest," the court declared:

> The California public school financing system, as presented to us by plaintiffs' complaint supplemented by matters judicially noticed, since it deals intimately with education, obviously touches upon a fundamental interest. For the reasons we have explained in detail, this system conditions the full entitlement to such interest on wealth, classifies its recipients on the basis of their collective affluence and makes the quality of a child's education depend upon the resources of his school district and ultimately upon the pocketbook of his parents. We find that such financing system as presently constituted is not necessary to the attainment of any compelling state interest. Since it does not withstand the requisite "strict scrutiny," it denies to the plaintiffs and others similarly situated the equal protection of the laws.

To this point the court was supporting the proposition that the quality of public education may not be a function of wealth other than the wealth of the state as a whole. [See *SR*, April 17, 1971, p. 76.] This proposition would permit educational quality to vary from school district to school district so long as each district had an equal capacity to raise funds for education. Thus, for example, a community that chose to tax itself at the rate of 1 per cent might have available $400 per student, irrespective of the wealth of that community. A community that chose to tax itself at the rate of 2 per cent might have available $800 per student, again irrespective of the wealth of that community. The state in this scheme commits itself to the specified level of expenditure per student regardless of what it raises by the local tax. The state gives aid in exactly the amount that local resources are insufficient to reach the specified expenditure. This scheme, known as "district power equalizing," is apparently, however, inconsistent with the principle of territorial uniformity.

The court took some pains to argue that territorial uniformity in school finance is constitutionally required. "Where fundamental rights or suspect classifications are at stake," said the court, "a state's general freedom to discriminate on a geographical basis will be significantly curtailed by the equal protection clause." In support of this interpretation, the court first relied upon the school closing cases in which the U.S. Supreme Court invalidated efforts to shut schools in one part of a state while schools in other areas continued to operate. Secondly, the court relied upon the reapportionment cases in which the U.S. Supreme Court held that accidents of geography and arbitrary boundary lines of local government can afford no ground for discrimination among a state's citizens. "If a voter's address may not determine the weight to which his ballot is entitled, surely it should not determine the quality of his child's education."

This analysis is consistent with the more egalitarian proposition that the quality of a child's education may not be a function of local wealth or of how highly his neighbors value education. In other words, it would prohibit variations in the number of dollars spent on any child by virtue of his place of residence. It would apparently permit variations based on educationally relevant characteristics of the child. One point that remains unclear in the opinion is whether the equal protection clause applies to children or to school districts. If it is children who are entitled to equal protection, then the quality of a child's education could not be subject to a vote of his neighbors.

It should be clear that the California court simply declared the present system of school finance unconstitutional. It (fortunately) did not prescribe solutions, but apparently left these to be developed by the California legislature. However, because the opinion is somewhat hazy, it is unclear what new plans will be acceptable to the courts. The next steps are in the hands of the defendants and the trial court to which the case was remanded.

(On October 21, the California Supreme Court issued a clarification of its earlier ruling, pointing out that it had not yet actually struck down the school finance system, but had merely ordered the case returned to the trial court. Apparently, however, the trial court, if it determines that the facts are as alleged, must find the system unconstitutional.)

In the weeks since the California equalization decision was announced, perhaps as many as twenty or thirty challenges to school finance legislation have been made throughout the nation. In the first of these to be decided, a federal district court in Minnesota has ruled, on grounds similar to those in the California case, that Minnesota's school financing system is unconstitutional. The court retained jurisdiction of the case but deferred further action until after the current Minnesota legislative session.

One of the most important outcomes of these lawsuits is their effect upon legislative bodies. To be sure, the California and Minnesota decisions explicitly call for responses from the state legislatures. However, the years since the legal theories were developed have seen an unprecedented level of school finance activity on the part of political bodies. While other factors have undoubtedly played a part, the threat of impending lawsuits may have served as an impetus to action in an area that has been characterized by legislative intransigence.

The concept of "full state funding" has entered the vocabulary of education. President Nixon has appointed a Commission on School Finance and is reported to be "deeply conscious of the inequities and the inadequacies of the property tax as the principal source of support at the local level for the cost of education." The Advisory Commission on Intergovernmental Relations has recommended that the states assume "substantially all" of the responsibility for financing local schools in order to grant property tax relief and ensure equal educational opportunity. Governor William Milliken of Michigan has been endeavoring to achieve broad reform in educational finance in that state for the last two years. Reportedly, the Fleischmann Commission in New York State will recommend, before the end of the year, full state assumption of the costs of education, imposition of a statewide property tax, stabilization of spending in wealthy school districts, and ultimately greater spending in districts with poor, disadvantaged youth.

It is quite conceivable that *Serrano*, or a similar case, will be appealed to the U.S. Supreme Court in the near future. If it should refuse to review the decision, the effect would be to leave the judgment standing in California. The California legislature, under the supervision of the trial court, would have to develop a new school finance system, and the pace of filing suits in other states might be quickened. The California Supreme Court, a prestigious state court, would have established a precedent that, though certainly not binding on other courts, would carry some weight. One would expect decisions on both sides of the question. At that point, the U.S. Supreme Court would probably feel compelled to hear a case in order to establish a single interpretation of the equal protection clause in this area. By that time one or more states would have grappled with the implementation of a *Serrano*-type decision and have demonstrated whether or not school finance systems can be operated along lines consistent with *Serrano*.

On the other hand, it is possible that the U.S. Supreme Court would agree to hear an appeal on a *Serrano*-type decision immediately. The Court may be anxious to dispose of this potentially troublesome affair. Indeed, under certain circumstances, the Supreme Court is obliged to accept an appeal and render a judgment. Under present circumstances most observers would not predict that the decision would be upheld, and a negative judgment would spell the end of judicially induced school finance reform for some time. For this reason many legal experts believe that an appeal to the U.S. Supreme Court should be postponed for as long as possible.

The next months, indeed years, will be a time of substantial confusion in the history of American public school finance. A principal outcome of *Serrano* will be to free legislatures from the strictures of the past to experiment with new models of school finance. Efforts at reform will be aided by a growing discontent with the local property tax.

In sum, *Serrano*-type lawsuits are designed to attack our school finance systems that effectively deliver more educational resources to children in wealthy communities and less to children in poor communities. The suits have as their objective squaring the reality of school finance schemes with the rhetoric of equality of educational opportunity.

Anatomy of a Revolution

(By Harold Howe II)

It is an article of faith in America that every citizen should have an equal chance. We pride ourselves on a system of government and an open society designed to turn this principle into a fact of life. Any informed American knows, however, that all people do not have an equal chance in the United States. Wealth still gives special privilege; race confers abiding handicaps; inappropriate distinctions are made on the basis of sex. Our society is not wide open to people who are different, who speak another language, who are somehow out of the mainstream of the middle-class culture.

And nowhere are our ideals of equality further from reality than in the way we finance our schools. But it is possible that revolutionary change may be just over the horizon. It may be that the early 1970s will turn out to be the time in which these inequalities become a major issue in every legislature in the land. On August 30, 1971, the Supreme Court of the State of California decided by a majority of 6 to 1 that the system of financing schools in California through local property taxes violates the equal protection clause of the Fourteenth Amendment to the U.S. Constitution.

The court declared:

> "We have determined that this funding scheme invidiously discriminates against the poor because it makes the quality of a child's education a function of the wealth of his parents and neighbors. Recognizing as we must that the right to an education is a fundamental interest which cannot be conditioned on wealth, we can discern no compelling state purpose necessitating the present method of financing."

As an educator rather than a legal specialist, I read the decision as a powerful argument indeed. It casts a shadow over the legality of the entire system of financing public education and clearly documents the inequalities that characterize present practice. It finds that the efforts of the state at equalization are "inadequate to offset the inequalities inherent in a financing system based on widely varying local tax bases." It sets aside—as unrealistic for poor school districts—the argument that a district that wants to can have good education by taxing itself adequately: " . . . affluent districts can have their cake and eat it too; they can provide a high-quality education for their children while paying lower taxes. Poor districts, by contrast, have no cake at all." It argues that fortuitous location of highly assessed commercial properties in a school district creates imbalances that ought to be irrelevant in planning educational financing.

Up to World War II, we were trying to get every youngster into school. Since then, we have become more concerned with whether the school he enters gives the pupil a fair chance. Numerous studies have documented the failure of the schools to serve poor children adequately, particularly blacks, the Spanish-speaking, and American Indians.

The federal government has financed special add-on programs on behalf of those groups of young people who seem to be especially ill-served by the schools. The landmark Elementary and Secondary Education Act of 1965 recognizes the inequalities in American education and provides special funds to schools where there are concentrations of poor people. The Headstart, Upward Bound, and Follow Through programs have similar objectives. But federally financed programs, which have attracted so much attention in recent years, pay for only a very small part of U.S. education. At present, only about 7 per cent of all school funds come from the federal government. The bulk comes from state authority—about 40 per cent directly, and some 55 per cent from local property taxes levied by localities that are creatures of the state. While there are differences among the states, in general they leave it to local boards to raise through property taxes the money needed to run their schools.

This local system means that a youngster's chance for a quality education depends in a very large measure on the accident of where he lives and attends school. Disparities among states have attracted some notice in recent years as wealthier states have received migrations of poorly educated children from poorer states. (A child who happens to be born in Mississippi receives an elementary school education that costs annually about $521. If he lives in New York State, his citizenship brings him, on the average, the advantages of what $1,370 can buy in the way of good educational service.) Less well known is the equally glaring gap between have and have-not areas within states, even comparatively wealthy states.

A wealthy school district with a high assessed property valuation per child spends more for each child's education than a poor district with a low assessed valuation per child. Within New York State, for example, are school districts with an annual expenditure per child of $2,000 per year, and other districts that spend only $700 per year. Similar disparities can be documented in almost every state in the country. (A notable exception is Hawaii, whose schools are supported 100 per cent by the state.) If the quality of staff, size of class, and provision of special services have any meaning at all, this inequality of expenditure produces an inequality of educational opportunity.

Paradoxically, this system also results in the poor paying more heavily for inadequate education than the rich do for the higher-quality variety. Some states employ "equalization formulas" designed to ensure that money from state tax resources will flow to local school districts in a way that helps to equalize expenditure on education among the districts. But these efforts, compromised by political horse trading in state legislatures and departments of education, rarely come close to equalizing the actual resources devoted to each child's education.

We have become so deeply immersed in the sanctity of local control of the public schools that until recently there was very little criticism of the inequalities it perpetuates. The California decision has exposed these inequities to the full glare of national publicity and, in effect, has redefined the rules of the game in the annual legislative battles over educational appropriations.

But the California decision leaves unanswered the question of how schools are to be financed. It simply says that the present system is not legally acceptable. The California legislature has the job of designing a new system that will give children the equal protection of the laws. There are several ways California (or any other State where it may apply) can reespond to this decision.

It might seem that the easiest thing would be to remove the taxing authority of local school districts. Under such a system the state could presumably abandon the property tax and seek other forms of taxation, or devise a system of property evaluation that is comprehensive and fair throughout the state. The state would provide funds to each district on the basis of a statewide formula involving numbers of students at different levels. Such an approach immediately confronts problems. Educational costs vary considerably within a state. The cost of living in upstate New York is about 10 per cent less than in New York City, so that teachers' salaries, a major component of any system's expenses, must be higher in the city in order to be fair. Janitorial services, repair services, construction, and the like vary from place to place. Vocational education, because of the high cost of equipment, and the teaching of handicapped children are exceptionally expensive. Spending exactly the same amount on each child in a state, therefore, does not provide equality of services.

The politics of enacting real equalization programs are bound to be tough.

Realistically it will be difficult to equalize expenditures at today's average level because such an approach would reduce teacher salaries, or educational services, or both, in high-expenditure districts. On the other hand, equalizing expenditures at or near the level in very high-expenditure districts would require substantial additional state revenues. A state might, however, set a basic per pupil expenditure at the level now being spent in, say, the eightieth percentile district—one with high expenditures but not the highest. Districts previously spending more or less than this one could gradually adjust to the new expenditure norm, phasing into different salary and expenditure arrangements over a period of a few years.

Other suggestions have been advanced. One involves defining the educational needs of students in different categories (handicapped, disadvantaged, vocational, etc.) and setting up a level of expenditure for each across the state. A school district would receive funds from the state in accordance with the number of pupils in each category.

Another suggestion, proposed by John Coons, *et al.*, in *Private Wealth and Public Education*, seeks a "power equalizing" relationship among districts. The amount of annual revenue per pupil any district received would be tied to the *rate* at which it chose to tax itself. A rich district would presumably want a high pupil expenditure, so it would tend to vote a high property tax rate. The excess it raised over the amount it was allowed to keep would go to the state for equalizing distribution to poor districts (which would be unable to raise through local property taxes all the schooling money they needed). For example, suppose the legislature provided that all districts might tax real property at rates from 1 to 3 per cent. If a district taxing itself at 2 per cent raised $800 and the level of support per student at that rate were $1,000, it would be subsidized $200. Alternately, if a district were wealthier and raised $1,200 per student at 2 per cent, $200 would be redistributed to poorer districts. The key feature here is not the wealth of the district, but how hard it chose to tax itself.

Income, sales, and other taxes could replace property taxation in part or in full. Thus the California decision opens up for re-examination the whole structure of state taxation and raises the possibility, admittedly remote, that some states may seek a fundamental reform.

A major effect of implementing the California decision should be to provide, finally, sufficient resources for improving schooling among the children of the have-nots of our society. Compared with the present volume of federal funds to assist the disadvantaged, the reallocation of state and local resources—as noted, more than 90 per cent of the funding of schools—would be a vastly more significant influence. In addition, more equal distribution of state and local funds would help the federal programs to accomplish their "compensatory" objectives. The theory of compensatory education is that it should provide school services for children with special needs over and above those normally provided. In fact, these programs are only

able to help the poor catch up a little with the school services that the rich already have. Recently, the federal government has been telling the states that they must make their districts financially comparable before they can receive compensatory funds, but it is doubtful whether political leverage alone can make the states act. If the California doctrine can force districts to be more equally financed, the federal programs can assume their proper compensatory function.

Not only would the poor, the disadvantaged, and the victims of racial discrimination be helped by the doctrine of the California decision, however. Middle America has much to gain also. Many of the school districts in the deepest fiscal difficulties are those of the new middle-income and blue-collar suburbs that must raise almost all their school funds from taxes on housing. These districts often have more children per residence and little or no industrial and commercial tax base. The result is a lower assessed valuation per child than in wealthier suburbs and some urban areas. While incomes are well above the poverty level in blue-collar suburbs, property taxes are high, school costs are mounting, school expenditures are frequently inadequate, and taxpayer revolts against spending more on schools are increasing. Such communities would gain significantly from an effective equalization plan supported by state funds.

But even if means for equalizing expenditures are found, an even more difficult issue remains. Underlying the California Supreme Court decision is the assumption that increasing expenditures in low-cost schools will enhance educational opportunity—an assumption that is not universally held. Those trying to hold down school costs point out that some 75 per cent or more of all money for schools goes into salaries. They argue that if you pay teachers, administrators, and janitors more, you end up with the same people doing the same job at greater expense—"Maybe the teachers will drink Scotch instead of beer, but the schools won't change. Why not find out what's wrong with what the schools are doing and explore different practices?"

This general argument finds some support in *Equality of Educational Opportunity*, the massive study of U.S. education directed by James Coleman and Ernest Campbell in 1965 and 1966. Comparative data from a very large sample of schools and students suggested that the differences among American public schools in class size, buildings, equipment, teacher skills, library services, and other inputs that can be easily changed by spending more or less money seemed to have relatively less effect on success in school than social class, as indicated by family income. The Coleman Report conclusions were disturbing to American educators who had long assumed that the way to get more out of education was to put more into it. (Previous studies of higher education had indicated that high-cost colleges produce no measurable educational improvement over low-cost colleges, but none of these has attracted any serious attention. The Coleman study was large-scale, national in scope, and visible. Commissioned by the Congress in the Civil Rights Act of 1964, it could not be ignored.)

The Coleman conclusions are not universally accepted, however. In particular, the type of averaging of school data in the Coleman analysis is thought by certain scholars to minimize the effect of better school financing on the learning of students. Also a recent study by James Guthrie and his colleagues in Michigan indicates that poor children who received high-quality school services did significantly better on mathematics and reading tests than other poor children who received a lower quality of school services. The state of California also determined in 1969 that, while added funds do make a difference in performance of disadvantaged children, there is a certain "critical mass" of additional services necessary if the difference is to be meaningful. California found that adding about $300 per child per year in compensatory education funding can produce significant results. A Connecticut analysis arrives at about the same conclusion. The differential expenditure between have and have-not school districts in the same state is frequently more than $300 per child per year. In any case, we can expect that the last word on this subject won't be said for a long time.

It seems to me that, without significant changes in educational practice, simply providing modest amounts of additional money has a low payoff. I do believe, however, that the kinds of *gross differences* in funding, on which the California decision is based, do affect children's opportunities. Having worked in the public schools of Newton, Massachusetts, and Scarsdale, New York—both high-expenditure districts—and having worked also in North Carolina in a position that took me into many low-expenditure schools, I would assert that the well-run, high-expenditure district provides its pupils with many opportunities that would benefit the child from the lower-expenditure district.

Even before the California ruling, the system of school financing through local school districts had ceased to make sense in many respects. A common, statewide property tax or some other system for state financing should mean more rational administration and planning in many areas. The sad story of local bond issue defeats across the country, for example, raises questions about the common sense of a system that leaves a child at the mercy of the local voters for adequate school housing. Double sessions and ancient, unsafe buildings on the one hand and ill-conceived monuments to local pride and the local athletic boosters on the other demonstrate the extremes of abuse by local school boards. The simple lack of information, or loyalty to local contractors and architects, frequently prevents school buildings from being as inexpensive or serviceable as they might be. In a state that centralizes these activities, planning for new school buildings and financing their construction should be done more efficiently. Although state education departments have a long way to go in modernizing their building regulations to allow the advanced systems of construction, they are more likely than local boards to promote change.

Local school boards also have something to gain, despite the fact that they can be expected to face the implications of the California decision reluctantly. As an ex-superintendent of schools, I can recall the endless hours spent haggling over fiscal and tax issues by a board genuinely interested in educational values. Imagine a school board that could say to its constituents, "Here are the funds we have from the state to run our schools next year. Let's talk about the most advantageous way to use them for the children." Boards now give so much attention to the *means* of education that they frequently neglect the important subject of the *ends*. Taxpayers' groups, along with the self-appointed saviors who profess to have the interests of children at heart, but somehow always want to cut the budget, could still grind their axes, but they would have to do it at the state capitol. Back in the school district the conversation could turn on education. The problem of slicing the pie would still be there for the local school board, as well it should be, but the size of the pie would be fixed by the state, equitably.

A major question is who will decide on teachers' salaries, the state or the school district. Statewide collective bargaining has an obvious appeal to the organized teaching profession. Teachers' organizations have opposed decentralization of city schools because of the potential loss in leverage in dealing with multiple education authorities over a variety of issues, and they may welcome centralization of fiscal authority at the state level for corresponding reasons. In *The New York Times* of September 12, Albert Shanker, the president of New York City's United Federation of Teachers, supports the California decision, saying, "It opens the way for a new era of school financing—the kind of state and federal support for education that the labor movement and teacher unionists have been advocating for years."

Finally, the California decision, raises questions of diversity and control. It is an axiom of American politics that control and power follow money. As school finance is monopolized by the state, what would states be likely to do that they are not doing now in controlling the education options of school boards? They might move to complete standardization of education, decreeing what is to be studied, for how long, and in what manner, thereby adding to the already extensive requirements for teacher certification and similar matters. While there are abuses in any system, I believe strongly that we need less, rather than more, participation by the state in the day-to-day affairs of the schools.

Without becoming oppressive, however, the state can provide important services to the schools and stimulate them to consider improvements. States might consider two models. One consists of the relations between state universities and colleges and state educational authorities in the U.S. While these differ from state to state, most state authorities trust campus professionals to run their own affairs. State universities, for example, can hire their own teachers without an elaborate licensing or certification system, and they can plan their own curricular offerings and methods of teaching. State approval is required only when a totally new activity or department is involved. On the other hand, the state does the planning to avoid duplication, control costs, and guarantee services. This spirit could apply in a revised state system of schooling with fewer and larger school districts.

The second model is Britain's system of publicly supported schools. Local schools get most of their funds from the central Ministry of Education, yet they are fiercely independent and operate individual programs. The ministry maintains an "Inspectorate," but inspectors typically play a role that belies their title. They are not authority figures whose business is to check on the minutiae of administrative practice. They are stimulators of change and improvement, communication agents who disseminate good practice by persuasion, and experienced educators and teachers—rather than officious bureaucrats.

The question of diversity is, in some ways, a more troublesome one. Some diversity within the system may make for gains in the education of all. If we look at higher education, it is possible to argue that the development of a large number of strong universities in this country has been greatly assisted by the example of "lighthouse" institutions, the major private universities and a few state-supported institutions. Real quality and standards in higher education are to a degree preserved and maintained because there is a hierarchy of excellence. But the picture is less clear in elementary and secondary schools. Will leveling and homogenization of schools and schooling snuff out the lights? Not necessarily, by any means. School districts composed largely of the children of the poor never had the wherewithal to be lighthouses. In rethinking school finance, perhaps ways can be devised to put the lighthouses in Watts and Harlem instead of Beverly Hills and Scarsdale.

American public education has been given a significant chance for progress by the doctrine of the California Supreme Court. Governor William Milliken of Michigan had worked hard even before the California decision for legislation to move all school costs to the state budget. The governors of Minnesota and Ohio appear to have similar interests, and Governor Ronald Reagan of California has publicly urged statewide property tax reform. Perhaps the call from the California court will delay state legislative action until the U.S. Supreme Court *finally* resolves the Constitutional issues. Even then, there would be a long period of adjustment and difficulty. Seventeen years have passed since the Supreme Court handed down the *Brown* decision, and the schools are still in the process of desegregation.

Educators and laymen concerned about the schools should get to work now to ensure that no such anguished chasm develops between the promise of the California doctrine and its fulfillment.

NEW BRUNSWICK EXPERIENCE

(By Sheila Canning)

In January 1967, the Canadian province of New Brunswick instituted the kind of school financing program that many critics of the American system would like to see implemented here. Under the plan the province assumed the full cost of financing education with the goal of providing a single standard of education to all communities. As part of a total reorganization, it abolished the local county governments and reduced the number of districts from 422 to 33. Each district works out its budgetary details in consultation with the central department of education and regional advisers. The budget requests are then submitted to the treasury and ultimately to the legislature for approval. In addition, local boards may undertake supplementary programs following voter approval.

To finance the equal opportunity program, which more than doubled education costs, New Brunswick restructured its tax system by eliminating property and nuisance-type taxes and enacted a uniform real estate tax of 1.5 per cent of market value as determined by provincial, rather than local, assessors. Sales taxes increased from 6 to 8 per cent, and a 10 per cent surtax on income was levied.

New Brunswick pays it teachers a uniform salary scale for various levels of competence. Nevertheless, within the budget and a suggested teacher-pupil ratio of 1:23, each district is free to hire as many of the best-qualified people as it can attract. To ensure teacher support at the outset, the province wisely agreed to pay the salary schedule of the highest paying district. Today salaries are determined through collective bargaining between the province and the teachers' union.

Reaction to the New Brunswick program is generally favorable. State take-over of school costs has resulted in a more equal provision of services and has fixed political responsibility for school support. Particularly in the French-speaking areas, there has been a noticeable upgrading of the educational program. Critics still point to the high dropout rate and the sense of frustration with the limited degree of autonomy afforded local school boards. Nevertheless, present discussions focus more on refining the program than on abolishing it.

THE PROBLEM OF CHEESE IMPORTS

Mr. HUGHES. Mr. President, nearly 4 months have passed since the U.S. Tariff Commission recommended relief for American cheese producers. In spite of rising domestic production and increased exports, the President has not yet acted.

Since Iowa is the fourth ranking State in cheese production, my constituents have been troubled by these developments. But all American taxpayers are affected because these imports displace domestic dairy products, which then must be purchased under the Federal price support programs.

For nearly two decades there have been quotas on imports of dairy products. Despite several efforts to prevent evasions of these quotas, the amount of imports has increased. In January 1969, several cheeses were put under quotas, but those costing 47 cents or more per pound were exempted. The goal was to permit imports of the specialty cheeses which are not normally produced here.

By last year, however, such cheeses accounted for nearly one-fourth of all dairy imports. At the direction of the President, the Tariff Commission held hearings on this "over 47 cents cheese."

On July 28 the Commission recommended abolition of this price distinction and substitution of increased quotas for the three categories of cheese. During the months of delay, imports have continued to increase. Imports of Swiss-Emmenthaler cheeses are up 13 percent over last year, those of Gruyere process cheeses are up 10 percent, and other cheeses are up 15 percent—as of September 30.

Presidential action is now needed to put these quotas into effect. Otherwise, the squeeze on domestic producers will continue and U.S. taxpayers will have to foot the bill.

DEPARTMENT OF DEFENSE APPROPRIATION—ANNOUNCEMENT OF POSITION ON VOTE

Mr. STEVENSON. Mr. President, I was necessarily absent when the votes on final passage of the Department of Defense Appropriations bill, H.R. 11731, and the ocean dumping bill, H.R. 9727, were conducted. If I had been present and voting, I would have voted "yea" on both bills.

THE GENEVA PROTOCOL—II

Mr. HUMPHREY. Mr. President, on July 23 I introduced Senate Resolution 154 calling for Senate ratification of the Geneva Protocol without reservation or qualification. I urged that our Government reverse its present position in expressing an acceptance of a broad interpretation of the protocol to include not only the prohibition for use in war of biological weapons, but also of all toxic chemical weapons, whether directed against man, animals, or plants. Unlike the administration, I felt that how we ratified the protocol was the crucial question. My position has been that the United States should indeed ratify, but without reservation. The administration's position has been that ratification with the qualification that the protocol does not apply to the use in war of riot gases and herbicides. This position is directly linked to our military practices in Vietnam. For many years we have used far too freely herbicides and riot gases there for strategic purposes. Undoubtedly, it is this fact which has caused our Government to take its present position with respect to these weapons.

In my last statement, I talked about the diminishing use of riot gases (CS1, CS2) in U.S. military operations in Indochina. Today, I want to bring to the attention of my colleagues an article in the New York Times of October 10, which indicates that the United States is phasing out its own use of chemical herbicides. The catch here is that it seems that part of our Vietnamization program involves leaving stocks of white, blue, and orange gases, now in storage in Vietnam, for use by the Army of South Vietnam.

Mr. President, I ask unanimous consent that this article be printed in the RECORD along with a detailed description of the effect of chemical herbicides in Vietnam from a well-documented report by the Center for International Studies, Cornell University on the "Air War in Indochina."

There being no objection, the article and statement were ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 10, 1971]

DEFOLIATION: A DYING LAND—CASUALTY OF WAR

(By Herbert Mitgang)

In the next twelve-months of twilight war in Indochina, the United States will have to make hard decisions about some of the engines of destruction being placed in the hands of South Vietnam's military regime. Each new troop withdrawal will be announced with the usual fanfare, but nothing is likely to be said about the made-in-America equipment that deals out horror to the people and the land.

The unmentioned "land court" in South Vietnam is not as dramatic as the body count that once characterized the military meaning of victory over Communism. But the devastation of crops, foliage and vegetation in a country of agricultural villages also causes casualties: Uprooted trees, uprooted, peasants,herbicide assaults led to possible sterility, bulldozing plants harvests field of hunger.

This kind of warfare is not likely to wind down as the Americans depart; it is being Vietnamized. And in coming weeks, the American scientific community will be studying reports in this whole area by Arthur H. Westing, a botanist from Windham College in Vermont, and E. W. Pfeiffer, a zoologist at the University of Montana, who have just returned from a survey tour of South Vietnam. They are warning fellow members of a private group, the Scientists' Institute for Public Information, that stockpiles of anti-plant chemicals could cause great damage to the land and people of South Vietnam.

The defoliation program, conceived by the Pentagon's Advanced Research Projects Agency, is as old as the American involvement in the war. All these years it has been most difficult distinguishing between friendly and unfriendly crops.

Early this year, an American Association for the Advancement of Science study team headed by Matthew S. Meselson, a Harvard biologist, reported that 15 per cent of South Vietnam had been sprayed to a saturation level; one-fifth to one-half of the mangrove forests had been totally destroyed; perhaps half the trees in the mature hardwood forests north and west of Saigon were dead; the Army's crop destruction program, aimed at denying food to enemy soldiers, had actually destroyed food that would have been consumed by civilian populations.

The Pentagon said it would phase out its herbicide program and did indeed slow it down. But even this spring, rice was the target for destruction in the last official Ameri-

can operation just as it was the "enemy" in the first such known mission 10 years ago. And now the chemical sprays and other anti-land equipment are in the hands of the South Vietnamese, who have evinced no hesitation about using them.

The aim of defoliation has been to expose the hideouts and possible ambush sites of the enemy, to create landing strips for helicopters and open up fields of fire, and to deprive the Vietcong of cultivated areas. These anti-crop missions to cut off food supplies to guerrillas are carried out by the South Vietnamese.

The North Vietnamese and Vietcong, while causing ecological damage in conventional ways by artillery and mortar fire, do not have a herbicide capability to carry on chemical warfare. Professors Westing and Pfeiffer, whose reports will appear in Environment magazine this autumn, heard no accusations against the V.C. as rice-burners.

Although the Americans have stopped using chemical agents, the South Vietnamese are using agents "White" (2,4,-D+picloram) and "Blue" (dimethyl arsenic acid), destroying standing crops and rendering land useless until at least the next growth season. But the big unanswered question concerns agent "Orange" (2,4,-D+2,4,5-T) because of conflicting views over the legal jurisdiction of this deadly chemical.

There are 1.5 million gallons of "Orange" in storage in South Vietnam. An official spokesman for the United States Military Assistance Command (MACV) informed Professors Westing and Pfeiffer that the "Orange" was the property of the Vietnamese Government, that it was their country, and that they could use this American material wherever and however they wished.

Agent "Orange" was used in enormous quantities until its suspension last year. It contains a highly toxic and teratogenic (fetus-deforming) impurity known as dioxin. There has been a significant increased incidence of birth defects among Vietnamese infants in the wartime years but a paucity of medical records prevents absolute verification.

The introduction of dioxin into the environment—and thus the food chain—could have grave consequences. That is why Professors Westing and Pfeiffer, and other scientists, want the United States to regain possession of this material so that it can be destroyed or shipped home.

Although direct American participation in the military herbicide program has been concluded, the South Vietnamese landscape is still being subjected to environmental assaults by United States air and ground forces.

One machine of destruction is the Daisy Cutter, a 15,000-pound concussion bomb that is designed to create instant clearings in dense jungle. Also sometimes called the Cheeseburger by the 7th Air Force, which delivers this superbomb by cargo planes, it uproots and blasts away all trees and everything else (including "any luckless humans," says Professor Westing) in its path to create a landing or attack zone the size of a football field. One or two of these are dropped every week.

Another instrument of ecological devastation is the Rome Plow, a Herculean tractor that is systematically bulldozing forests in land-clearing operations designed to deprive the other side of hideouts. These 32-ton armored tractors, run by American engineers, leave a wake of bare and lifeless soil. Dikes, ricefields and houses that might or might not conceal bunkers are leveled. Clearing continues at a rate of more than 1,000 acres a day; and official military sources say that Rome Plowing has flattened out more than 750,000 acres. The ecological and sociological consequences are profound.

Experienced Army engineers are now outfitting and training two South Vietnamese land-clearing companies for Rome Plow operations. But it is difficult to conceive that Daisy Cutters will be turned over to the South Vietnamese. They require too complex an aerial delivery system. Moreover, conceivably they could be employed to destroy not only the jungles and wildlife but—possibly in political desperation—towns and people as well.

CHAPTER VIII: THE ECOLOGICAL IMPACT OF THE AIR WAR

A. SPRAYING: THE DATA, DEFOLIANTS AND HERBICIDES

"Only We Can Prevent Forests"—Motto over the door to headquarters, operation Ranch Hand, Tan Son Nhut Airbase, Saigon.

Use of defoliants in South Vietnam began on an experimental basis in 1961 and became fully operational the following year.[1] This program had two major objectives. The first was *defoliation* (operation Ranch Hand), in which forests, roadsides, base perimeters, etc., were sprayed in order to remove the foliage cover which had afforded concealment to the enemy. At low concentrations these chemicals do indeed act merely as defoliants; at the concentrations used in Vietnam, however, they normally act also as herbicides, killing the plants in addition to defoliating them. The second major objective was the destruction of crops, mostly rice, carried out in the hope of denying food to the enemy.[2] Crop destruction was largely confined to the mountainous areas of northern and western South Vietnam, where the impact was felt most severely by the small population of about one million, mostly Montagnards. Crop destruction may also have had the objective of driving South Vietnamese civilians into the "strategic hamlets" set up for them by the South Vietnamese Government.[3]

Though some spraying in Vietnam has been done with helicopters or ground equipment, the principal means of application has been the twin-engine C–123 cargo plane. In the years 1962 through 1968 these aircraft made more than 19,000 individual spray flights. Each plane is fitted with a 950-gallon tank from which the herbicide is pumped to spray booms under each wing and at the tail. When the herbicide hits the airstream it is dispersed into fine droplets. One aircraft flying at about 150 feet above the tree tops produces a swath of affected vegetation about 300 feet wide and ten miles long.[4] Precautions must be taken that the sprayed chemical does not drift into adjacent, non-target areas. Occasional incidents occur in which an aircraft is forced to dump its herbicide quickly; it can pump out the entire 950 gallons in about 30 seconds.[4]

Three formulations account for almost all the herbicides used in Indochina: agents Orange, White, and Blue. The composition and mode of action of these agents are discussed in greater detail in Appendix 5, which also contains a listing of appropriate references; a summary of the main facts is given below.

Orange: Composition, 2,4–D and 2,4,5–T; an oily liquid insoluble in water. Mainly used against broad-leaved and woody vegetation. One application defoliates hardwoods but does not necessarily kill; two applications produce a heavy kill; the resulting invasion by bamboo and grasses may arrest forest regeneration indefinitely. On mangrove forests and rubber plantations, Orange kills almost all trees in a single application; mangrove area sprayed in 1961 have still shown no significant signs of regeneration. The chemical itself persists for only a few weeks, except in stagnant water or poorly aerated ground, where high concentrations could conceivably accumulate. 2,4,5–T is thought to be a teratogen (causing serious birth deformities, like thalidomide); its use in the U.S. has been restricted since late 1969. Orange accounts for about 60 per cent of the herbicide used in Vietnam; it was being sprayed at least until August 1970.

White: Composition, compounds of 2,4–D and picloram; a solution in water. Used much like Orange, but less volatile and therefore less subject to wind drift; it is preferred near populated areas. Picloram is one of the most potent herbicides known; it is remarkably persistent, like the insecticide DDT; its use on agricultural land in the U.S. is prohibited. Since White is water soluble, it can easily be washed by rainfall into adjacent areas.

Blue: Composition, organic arsenates including cacodylic acid; a solution in water. Its prime use is for crop destruction, especially rice. It is more effective against grasses than Orange or White, and acts more rapidly (within a few days). Refoliation may occur in about a month, but Blue is extremely persistent in the soil.

Herbicides are sprayed at a rate of about three gallons per acre, the stock solution of each agent being formulated to obtain the desired coverage. In the case of Orange, the rate of application is about 26 pounds per acre, almost ten times the rate recommended for use in the U.S.[5] It is estimated that more than 100 million pounds of herbicides have by now been sprayed on Vietnam, covering a total of almost six million acres;[6] details are illustrated in Figures 8–1 (not reproduced). The greatest impact has been on mature tropical hardwood forests. About 35 per cent of South Vietnam's 14 million acres of dense forest have been sprayed one or more times, resulting in the destruction of enough merchantable timber (six billion board feet) to supply the country's domestic needs for about 30 years; this also represents a loss of about $500 million in taxes that would otherwise have accrued to the South Vietnamese Government. Of the three-quarter million acres of mangrove forests, mostly in the Delta area, about one-half have been totally destroyed.

B. BOMBING AND SPRAYING: THE POTENTIAL CONSEQUENCES

Forests are first to go. Then the animals—some, like the elephant, are killed deliberately since they could be used to transport supplies; others just happen to be in the wrong place at the wrong time. Finally, the land itself is destroyed: farms, rice paddies, and village sites are bomb-pocked and barren.

In the brief discussion that follows, only the most obvious environmental effects of the air war will be mentioned, but even such a superficial enumeration conveys an idea of the pervasiveness of the damage. The very fact that data on the present extent of this damage is scant, combined with the virtual impossibility of predicting future consequences, is in itself one of the most ominous signs of danger.[7]

The air war has been a severe shock to all the natural ecosystems of Indochina. Such damage would be of concern wherever it occurred since it affects an intricate web of relationships; but Indochina is especially sensitive because tropical ecosystems are less resilient than those of temperature regions. Tropical systems are characterized by many more species per unit area; each is finely adapted and food webs are complex and intricate. In a northern forest a major calamity has relatively short-term consequences, since most of the species are already adapted to surviving frequent and unpredictable natural disasters such as severe winters, late frosts, and unseasonal floods. The rates of reproduction and recolonization are usually high. In tropical regions, where the climatic conditions are much more predictable and favorable, species tend to be less well adapted to rapid change.

Flora. The direct attack on the flora by defoliation and the use of herbicides has been described above in section VIII.A. In addition to the very extensive damage done by this chemical warfare, fires—many undoubtedly caused by bombing and napalm—have consumed or defoliated large areas of forest, including over 40 per cent of South Vietnam's pine plantations.

The mangrove forests, about half of which have been totally destroyed, play an important part in the natural process of delta formation, stabilizing the coastline and river banks. They also provide essential cover and food during the life cycles of many fish and animals.

Fauna. The weapons of air warfare affect animals directly by killing them, and indirectly by changing the environment, with the result that populations are changed and the diversity of species is reduced. Natural checks and balances to pests and disease vectors may be upset, particularly as predatory fauna are killed. The invasion of destroyed areas by other plant groups may result in larger populations of undesired animals favoring this new habitat—rats, for example, often thrive in bamboo, which is a predominant regrowth species in defoliated forest areas. The population of the tiger has apparently increased as its natural food supply has been augmented by battlefield casualties. Effects of this increase, particularly on the other prey animals of the tiger, are as yet unknown.

There are contradictory claims about the toxicity of herbicides to animals. Though some authorities claim there is little danger, evidence indicates that 2,4–D may be toxic to fish, that plants treated with 2,4–D may accumulate toxic quantities of nitrates (which could affect domestic stock as well as wild fauna), and that dioxin, a contaminant of some 2,4,5–T solutions used, is toxic and concentrates in the food chain since it does not break down with time.

Finally, domestic livestock are affected by herbicides, both directly and indirectly, as they eat plants that have been contaminated.

Agriculture. Indochina is primarily agricultural, and a single crop—rice—predominates. Rice is also the crop most affected by the war: formerly South Vietnam's main export, it is currently being imported in large quantities:

South Vietnam: Rice exports (1,000 metric tons)[8]

1958	112.7
1959	245.7
1960	340.0
1961	154.5
1962	83.9
1963	322.6
1964	48.7
1965	00.0
1966–68	-----

Spraying for crop destruction, and damage from accidental spraying, must certainly be included among the factors responsible for this decline.[9] Other crops, too, including fruits and vegetables, are susceptible to herbicides and have been affected to an unknown extent.

The production of rubber, presently South Vietnam's largest single export, has been particularly hard hit by herbicide use. Trees have been killed and the yield from those that survive has declined. The rubber tree (Hevea brasiliensis) is particularly susceptible to herbicides, especially 2,4,5–T. Defoliation can force suspension of tapping of latex for up to a year, and it may reduce yields by up to 30 per cent. Rubber yields per acre in South Vietnam dropped by about 20 per cent between 1960 and 1967; overall production had dropped by about 56 per cent by 1968. Herbicides have also affected rubber trees in Cambodia, the only other rubber-producing country in Indochina.

Agriculture, and land utilization in general, are affected not only by chemical warfare but also directly by the bombing. About 3,500,000 bomb craters were created in 1967 and 1968 in Vietnam alone, covering a total area of as much as 100,000 acres and excavating up to 2.5 billion cubic yards of soil: some areas of Indochina have been likened to moonscapes. The long-term effects of this cratering are hard to assess, but the fact that craters do not naturally fill in is evidenced by craters from World War II which are still found throughout the jungles of New Guinea. A bomb crater destroys the surface humus layer and throws up deeper, acid soil; it creates severe local relief and erosion in the soil and may disrupt drainage patterns; usually it fills with water and becomes very difficult to drain, making heavily bombed areas virtually unsuitabe for cultivation. The soil mixing due to bombing may also result in laterization, a process which converts certain soil types into a hard, cement-like crust.

Flooding. The control of water flow is a vital problem in many areas of Indochina. Defoliation and laterization lead to more rapid runoff of rain water; the destruction of many man-made control structures compounds the problem. The destructiveness of the floods in central South Vietnam in November 1970 was blamed in part on defoliation and bomb damage. People were driven by the floods out of refugee camps to which they had come, in the first place, because of crop destruction or bombing in their native highlands.

Malnutrition. It is generally recognized that crop destruction has had its chief impact on the civilian population rather than on enemy soldiers, who are in the best position to obtain food in times of scarcity. The Herbicide Assessment Commission[10] has concluded that the food destroyed would have been enough to feed 600,000 persons for a year, and that nearly all of it would have been consumed by civilians. Although the amount destroyed is less than two per cent of the national crop of South Vietnam in any one year, the most extensive crop destruction has been carried out in the central highlands, a food-scarce area with a population of about one million, mainly Montagnards. It is among these people that problems of malnutrition and starvation are most severe.

Birth Abnormalities. According to a report released by the National Institutes of Health in the fall of 1969, 2,4,5-T was shown to produce significant increases in the incidence of fetus malformation in animals as early as 1965. Moreover, the Herbicide Assessment Commission team in Vietnam has found a suggestive correlation between years of peak defoliation in Tay Ninh province and an increase in stillbirths and birth deformities.

Malaria. Of the endemic diseases in Indochina, malaria is probably the most widespread; in the past it has been far more common in the upland regions than in the lowlands. Now, large numbers of bomb craters have filled with water. This stagnant water, present throughout Vietnam and parts of Laos and Cambodia, is an ideal breeding habitat for various species of mosquito, including those which are malaria vectors. Thus it seems likely that the incidence and range of malaria will increase as a result of the air war.

Americans have begun to become aware of the vast complexity of their environment, and of the unpredictable consequences that go with disturbing it. In Indochina, the environment has not merely been disturbed—there has been a deliberate and unprecedented onslaught on it, with chemicals, with explosives, and with fire. The short listing just given, incomplete and inconclusive as it is, by its very open-endedness points up the ominous results which may have been, and which continue to be, provoked in Indochina.

FOOTNOTES

[1] Herbicide Assessment Commission for the American Association for the Advancement of Science, *Background Material Relevant to Presentations at the 1970 Annual Meeting of the AAAS*, Chicago, Ill., December 29, 1970, p. 14.

[2] Stanford Biology Study Group, 1971, "The Destruction of Indochina," *Bulletin of the Atomic Scientists*, 27 (1971), pp. 36–40.

[3] Ngo Vinh Long, "Leaf Abscission?", *Bulletin of Concerned Asian Scholars*, 2 (October, 1969), p. 54.

[4] Orians and Pfeiffer, "Ecological Effects of the War in Vietnam," *Science*, 168 (1970), pp. 544–554.

[5] Statement of A. W. Galston before the Subcommittee on National Security Policy and Scientific Developments, U.S. House of Representatives, December 1969; reprinted in T. Whiteside, *Defoliation* (Ballantine, 1970), p. 107.

[6] "Impact of the Vietnam War," a report prepared for the Committee on Foreign Relations, U.S. Senate, by the Congressional Research Service of the Library of Congress, June 30, 1971 (USGPO, 1971). The figures which follow are abstracted from the excellent summary presented in this report, pp. 10ff.

[7] A more detailed discussion of many of the effects enumerated in this section appears in Appendix 5. Sources are also discussed there.

[8] *Statistical Yearbook for Asia and the Far East*, United Nations Economic Commission for Asia and the Far East, Bangkok, Thailand; 1969 edition, p. 366.

[9] Officially, no herbicides have been used on rice in the delta area, but herbicidal damage is nevertheless extensive there.

[10] See footnote 1, above.

Footnotes at end of article.

Mr. HUMPHREY. The Environmental Protection Agency says there appears to be a link between the use of orange gas and birth defects and has supported the position of the Army that its use in Vietnam be terminated. In recent studies the Army, as I already noted in my previous remarks on this subject, has determined that the use of riot gases in Vietnam afford little strategic advantage. It is, therefore, my understanding that these programs are being phased out as far as the United States is concerned. Whether the same is true for the Vietnamese Army is another question, one which concerns us all and which underlines the necessity for the United States to reach agreements at the Geneva Conference on Disarmament, as well as to ratify the protocol without exception.

This position has been urged upon the United States by several countries. I find this fact strange and disturbing when in the past it has always been the United States who was in the forefront of arms control. History is filled with ironies and this one is more disturbing than others.

Just 10 days ago, the Canadian Ambassador to the Conference of the Committee on Disarmament at Geneva, Mr. Ignatieff, issued a statement expressing the position of his government with respect to the protocol as it applies to chemical and biological weapons. Until November 15, the Canadian Government had maintained a reservation with regard to tear gas and other riot and crowd control agents in its adherence to the Geneva Protocol. Ambassador Ignatieff has now announced Canada's decision to waive this reservation. Mr. President, I

ask unanimous consent that the text of the Ambassador's remarks on this question be read into the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

In the meantime, negotiations continue on a treaty to ban the development, production and stockpiling of chemical weapons. Article IX of the draft treaty (biological weapons) binds each party "to conduct negotiations in good faith on effective measures for prohibiting the development, production and stockpiling of chemical weapons and for their destruction." Canada takes this commitment very seriously and we propose to co-operate fully with other members of the CCD in attempting to resolve the issues which have delayed completion of such a treaty.

In negotiating the draft treaty before us now, the Canadian delegation provided the CCD on March 24, 1970, with a declaration of Canadian policy and intentions with respect to chemical and biological warfare. This we did in the belief, not that it could in any effective way substitute for a binding international convention, but that it could assist in the development of a consensus upon which further negotiations might be based. In that statement on the Canadian position tear gas and other riot and crowd control agents were excluded from Canada's commitment not to develop, produce, acquire, stockpile or use any chemical weapons in warfare. This matter has in the meantime been given the most careful study by the Canadian authorities, and they have concluded that, as a contribution to further progress towards international agreement on the elimination of chemical warfare, Canada's reservation with regard to the use of these agents in war should be waived. Accordingly, Mr. Chairman, I would like to read the following statement of Canada's position.

"The Government of Canada intends to contribute fully to the efforts of the UN and of the Conference of the Committee on Disarmament to reduce and, if possible, eliminate the possibility of chemical and biological warfare. Canada intends to participate actively in negotiations towards agreements which would supplement and strengthen the Geneva Protocol of 1925 by prohibiting the development, production and stockpiling of chemical and biological weapons. Practical progress need not wait until the conclusion of these negotiations. The Protocol can be strengthened significantly through unilateral declarations of policy and intentions on the issues involved. For this purpose, the Government of Canada wishes to make known its attitude toward chemical and biological warfare.

1. Canada never has had and does not now possess any biological weapons (or toxins) and does not intend to develop, produce, acquire, stockpile or use such weapons at any time in the future.

2. Canada does not possess any chemical weapons other than devices of the type used for crowd and riot control purposes in many countries. Canada does not intend at any time in the future to use chemical weapons in war, or to develop, produce, acquire or stockpile such weapons for use in warfare unless these weapons should be used against the military forces or the civil population of Canada or its allies. The latter condition is in accordance with the reservations Canada entered at the time of our ratification of the Geneva Protocol of 1925. We would consider formally withdrawing our reservations if effective and verifiable agreements to destroy all stockpiles and prevent the development, production and acquisition of chemical weapons can be concluded."

I believe it is quite clear, Mr. Chairman, that this statement applies to all chemical and biological agents whether intended for use against persons, animals, or plants.

Mr. HUMPHREY. I am certain that our own Government has taken note of this important decision, although as yet there has not been to my knowledge an official response. I am not saying, Mr. President, that Canada should dictate American policy.

What I am saying is that there is strong support for the inclusion of riot gases and herbicides in our interpretation of the Geneva Protocol. I am urging that the administration support our ratification of the Geneva Protocol with this understanding.

AMERICAN RAILROADS AND BANKRUPTCY

Mr. TAFT. Mr. President, on November 23 the Reading Co., parent corporation of the Reading Railroad, filed a petition for reorganization in Federal court. This is the fifth major railroad to go into bankruptcy since 1967.

On March 3, I addressed the Senate and suggested that we must begin to deal with the fundamental problems that are crippling the railway industry. I spoke of the need to permit railroads to abandon unproductive branch lines, the need to develop simplified and more rational rate structures, and the need to eliminate unproductive work rules.

Regrettably, Congress has not acted in this area despite the growing public awareness of the need for prompt action.

My question today is, How many more of America's railroads must go into bankruptcy before the Congress will act?

How long must railroads be forced to operate unproductive branch lines that hold forth no possibility of ever generating a profit?

How long must shippers continue to subsidize inefficient work practices?

How long must America's consumers pay an estimated $7 billion in excess rates by virtue of overregulation and archaic rate structure in surface transportation?

The collapse of the Reading, like the collapse of the Central Railroad of New Jersey, the Boston and Maine, the Penn Central, and the Lehigh Valley, is only a prelude to other bankruptcies which are sure to follow if we do not come to grips with these fundamental problems.

Rather than nationalize America's railroads or put them on a permanent Federal subsidy, I believe that we should enact meaningful reforms so that the railway industry can turn itself around and offer better service to the American public.

We all know the names of several other railroads which are approaching bankruptcy, but railroad transportation is vital to American industry. For that reason we cannot permit essential railroad service to end. As a consequence there are only two answers—subsidy or reform. Already hundreds of communities are being hurt through the loss of property taxes by virtue of these bankruptcies. If this economic plight is not to sweep like a prairie fire across America and if the American taxpayer is to be spared from subsidizing the railroads, it is essential that we undertake meaningful reform and do it now.

I ask unanimous consent that an article entitled, "Reading Company Files Bankruptcy Petition" appearing in the New York Times of November 24, 1971, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

READING CO. FILES BANKRUPTCY PETITION—RAILROAD, IN REQUEST FOR REORGANIZATION, SAYS IT CAN'T PAY BILLS

(By Alexander R. Hammer)

The Reading Company, corporate parent of the Reading Railroad, yesterday filed a petition for reorganization under Section 77 of the Federal Bankruptcy Act with the United States District Court in Philadelphia.

Section 77 provides for appointment by the court of trustees to operate the railroad while attempts are made to reorganize the company.

Reading said in its petition that the move was caused by its inability to pay debts and taxes of about $11-million coming due soon.

The Reading, a successor to a railroad formed in 1833, operates about 1,200 miles of track in Pennsylvania, New Jersey and Delaware. There was no immediate indication yesterday of what effect the reorganization action might have on freight or passenger service.

The railroad carries about 25,000 passengers a day on eight lines that connect Philadelphia with Lansdale, Doylestown, Bethlehem, Hatboro and Norristown, Pa., and West Trenton, N.J.

The Reading's petition for reorganization is the fifth such move made in the last five years by Eastern railroads. Petitions were filed on March 22, 1967, by the Central Railroad of New Jersey; on March 12, 1970, by the Boston & Maine Railroad; on June 21, 1970, by the Penn Central Transportation Company, the nation's largest carrier, and on July 24, 1970, by the Lehigh Valley Railroad.

Federal Judge John P. Fullam, who has been presiding over the reorganization of the Penn Central, has agreed to handle the reorganization of the Reading Company "for the present."

Judge Fullam has set Dec. 6 as the date for appointing a trustee or trustees for the Reading. He also issued an injunction against anyone enforcing any judgments, liens or suits outstanding that would disturb the Reading's assets.

He ordered the Reading to file a complete list of its assets and liabilities with the court by Jan. 31 and to file similar monthly reports thereafter.

The New York Stock Exchange did not allow any trading in Reading stock yesterday. On Monday, Reading's common shares closed at 5⅜, off ⅛. The high this year was 9⅞, and the low was 5.

Earlier this month, the Reading Company reported that it had a loss of $1.8-million in October from its railroad operations, in contrast to earnings of $100,000 in the year-earlier month. The company blamed the recently ended coal miners' strike and sluggish industrial activity. About 30 per cent of the Reading's revenues are derived from coal traffic. The railroad employs about 6,300 persons.

In 1970 the company had a loss of $12.2-million, including a special charge of $8.3-million from writing off certain rail facilities and other expenses.

OBLIGATIONS CITED

The Reading said yesterday it has these substantial obligations:

Interline freight settlements (due other railroads) between Nov. 20 and Nov. 30 of $5.1-million.

A payroll of $1.68-million due Nov. 24.

State and local taxes of $2.55-million.

Service, material and supply debts of $1.5-million.

New Jersey property taxes of $200,000 due Dec. 1.

The Reading said this total of $11.03-million of obligations compares with its cash on hand Nov. 19 of about $4-million and its anticipated cash receipts through Nov. 30 of about $5.5-million.

The Chesapeake & Ohio and Baltimore & Ohio railroads control about 45 per cent of the Reading Company's voting stock. The C.&O. and B.&O. trains reach New York over the tracks of the Reading Railroad and of the Jersey Central, which was a Reading affiliate until it filed under the bankruptcy laws.

PENN CENTRAL SUIT

In an unrelated development yesterday, two shareholders of the Penn Central Company, parent of the railroad-operating Penn Central Transportation Company, filed a class action in the Federal District Court in Philadelphia against the Penn Central Company and its directors in an effort to block the company's annual meeting scheduled for next Monday.

The plaintiffs are Richard S. Robinson and his wife, Florence, of Merton, Pa. They stated that they own more than 10,000 shares of the Penn Central Company.

The Robinsons objected, among other things, to a proposal in the company's proxy statement calling for a refinancing plan covering a $51-million Swiss note of a Netherlands West Indies subsidiary, guaranteed by the Penn Central Company.

THE NOMINATION OF DR. EARL BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. HUMPHREY. Mr. President, the Senate Committee on Agriculture and Forestry filed its report concerning the nomination of Dr. Butz as Secretary of Agriculture yesterday with the Senate. That report, Executive Report No. 92–13, was printed and made available today. I urge every Member of the Senate to study its contents very carefully. Although the Committee on Agriculture and Forestry voted 8 to 6 in favor of confirming Dr. Butz' nomination, I voted against his confirmation and will do so again when the matter comes up for a vote on the Senate floor.

In addition to the majority's views in support of confirming Dr. Butz' nomination, the committee report also contains my individual views opposing his nomination.

Mr. President, I ask unanimous consent to have my individual views as contained in that report printed in the RECORD.

There being no objection, the individual views were ordered to be printed in the RECORD, as follows:

INDIVIDUAL VIEWS OF SENATOR HUBERT H. HUMPHREY IN OPPOSITION TO THE CONFIRMATION OF DR. EARL L. BUTZ AS SECRETARY OF AGRICULTURE

(As Reported in Senate Executive Report No. 92–13)

I have reviewed Dr. Butz' record of service to agriculture, both during and since the years he served as Assistant Secretary of Agriculture and I oppose his confirmation as Secretary of Agriculture,

Because of his past and recent statements and speeches regarding agricultural policy.

Because of his belief that government should play only a minimum and ineffective role in trying to help farmers to stabilize and strengthen their prices and income;

Because of testimony and statements made during his confirmation hearings regarding what he considered to be an adequate price for feed grains.

Because of his failure to commit himself (or the Administration) to changes in current farm policy needed to immediately strengthen prices for wheat and feed grains and to adjust programs for these commodities in 1972 to insure that production is brought in line with utilization demands;

Because of his life-long orientation and belief that economic efficiency alone should be the sole measurement or yardstick in determining how and by whom agricultural commodities are produced;

Because of his long association with the non-farm, agribusiness elements of American agriculture which more often than not support and promote an increase in the integration of the production, marketing and distribution functions of agricultural commodities. Such integration permits complete control over the product from seed to sale by usually only a very few people; and

Because his entire record shows weaknesses with respect to:

Sustaining adequate levels of farm income;

A lack of concern for the economic survival and viability of family-farm agriculture;

Vigorously combating hunger and malnutrition both in this country and in other parts of the world;

Protection for consumers against food product contamination; and

Revitalization and development of our rural countryside and smaller communities.

Further elaboration of my views concerning my opposition to Dr. Butz's confirmation as Secretary of Agriculture is stated below under four general headings: Farm Policy Views; Rural Development Views; Views on Child Feeding Programs; and Views on Consumer and Environmental Protection.

FARM POLICY VIEWS

The nomination of Dr. Earl Butz as Secretary of Agriculture comes at a time when American agriculture finds itself experiencing falling income and below-cost of production prices for many of our basic food and feed grain commodities. The huge carryovers of wheat and feed grains created this year as a result of favorable growing conditions and the failure of the Administration's set-aside programs demand immediate attention and call for major changes in policy. This year's wheat crop, planted last year with the encouragement of the "set-aside" program provided in the Agricultural Act of 1970, is now estimated to be 1,627,575,000 bushels. This brings total carryover of wheat to almost 1.9 bil. bushels. The U.S. Department of Agriculture, on November 11, 1971, estimated this year's feed grains harvest to be 206 million tons which will result in a total carryover of these grains of 50.6 million tons at the end of the current marketing year. The result is an on-farm price drop for corn in the heart of the producing areas from $1.42 in June of this year to below 90 cents a bushel today—or well below the estimated cost of production. The price of wheat has fallen from an average on-farm price of $1.33 per bushel in the heart of the wheat producing areas in October of 1970 to below $1.20 per bushel in October of 1971.

The surpluses of these basic grains were created as a result of a combination of circumstances; excellent weather conditions; a desire on the part of the Administration to avert a shortage following last year's corn blight; the Administration's request for too small a set-aside acreage; and the looseness of the regulations of the set-aside programs which permitted producers to increase their production of these grains on their non-set-aside acreage. The overproduction of wheat and feed grains which was created by this situation, combined with the Administration's announced intention to continue to rely upon these same set-aside programs in 1972, will surely spell further economic trouble for the farm producers of these commodities unless immediate and major changes in farm policy are forthcoming before Congress adjourns this year.

Throughout the Committee's hearings, Dr. Butz refused to commit either himself or the Administration to any changes in the policies or programs now being pursued by the Department of Agriculture. Although Dr. Butz did admit that corn prices were too low, his response to questioning regarding current prices being paid for corn offers farmers little hope for restoration of corn prices to levels affording them a fair return on their investments and labor.

The following excerpt from the hearing transcript reflects Dr. Butz's position regarding current corn price levels:

"Senator HUMPHREY. What do you consider a fair price for corn in light of the fact that it costs around $1.00 per bushel to produce on the average? let's say.

"Mr. BUTZ. I should think now a fair price—I would like to see another dime on the price of corn—let's put it that way. And that is still not as high as it should be for many farmers, but I would like to see a higher price for corn on the farm some way or other, if it can be done."

Dr. Butz also expressed basic confidence in the 1972 set-aside programs announced for wheat and feed grains. Although he did allow that his current confidence in these programs might be subject to change next year in the event that acreage sign-up should fall below USDA expectations, he failed to show any appreciation for the 55 to 60 million additional acres of cropland available to go into future increased set-aside programs.

When one considers the inherent looseness of the set-aside regulations and the lack of an upper limit on the planting of grains on cropland not set-aside, it is very difficult to share Dr. Butz's (and the Administration's) confidence in the adequacy of the announced 1972 set-aside programs for wheat and feed grains.

Legislation now pending before Congress to establish a national reserve inventory for these commodities and to adjust the 1972 programs to insure that supply will be brought in line with demand next year, is being opposed by the Administration.

I had hoped that Dr. Butz, if confirmed by the Senate as Secretary of Agriculture, would change the Administration position regarding these matters. Unfortunately, however, we were given no encouragement by Dr. Butz in this regard in the course of our hearings on his nomination. Dr. Butz refused to commit himself or the Administration regarding making any changes in current policies or programs.

Given this refusal, and Dr. Butz' traditional opposition to Federal supply-management farm programs, which is well documented in speeches and statements he made both during his tenure as Assistant Secretary of Agriculture under former Secretary Ezra Taft Benson in the 1950's and since that time while serving as the Dean of Continuing Education at Purdue University, I must oppose his nomination as Secretary of Agriculture and will vote against his confirmation.

It also should be noted that Dr. Butz can hardly be considered as a champion of America's small family farmers. Again, based upon his previous speeches, statements, and actions, Dr. Butz is clearly more aligned and sympathetic with the forces within agriculture which are pushing it toward big integrated agribusiness. The trend toward factory farming, and corporate agriculture by non-farm interests already has taken its toll. A prime example is the poultry industry, where poultry and egg production in this country has been transformed from a farmer-owned and operated industry into an industry which is totally dominated today by non-farm corporate interests such as Ralston Purina (of which Dr. Butz was a former Director), Gates Rubber Company and other similar corporate giants. Other agricultural industries such as the swine and cattle industries are now being threatened and endangered by these same trends. If such trends are allowed to continue, family farm agricul-

ture in this country will soon be turned into a system of huge agribusiness corporations with law income wage-earners. Although Dr. Butz, in statements he made both before our Committee and in statements he made prior to that over the years, recognized the existence of the millions of small family farmers in this nation, he seldom, if ever, addressed himself specifically to what should be done to help these families achieve their income goals. His basic philosophy regarding the difficulties these families face in securing a decent income from agriculture is summarized most clearly in speeches and statements he made during the 1950s'. Excerpts taken from these speeches follow:

Speech made before the National Farm and Ranch Congress in Denver, Colorado, March 7, 1955—

"Adapt or die, resist and perish . . . too many people are trying to stay in agriculture that would be better off someplace else.

"It is gratifying that in this setting for potential progress in agriculture, the 83rd Congress gave us a new farm bill (Benson Farm Program) that will point American agriculture toward better balance, greater freedom for individual farmers, and a more stable and prosperous economy.

"The new law establishes the sound economic principle of flexible price supports which will help gear our farm production to the needs of the Nation and will, at the same time, minimize the need for such stringent controls over farm production and marketing as we experience today. The new bill becomes operative with the 1955 crops.

"When many of us were youngsters it was often said, 'if you can't do anything else, you can farm.' Today the situation is reversed. If you can't farm, you'd better do something else. Successful operation of the modern typical family commercial farm calls for a higher level of managerial capacity than does most of the family operated business concerns in your county seat town."

Speech made by Earl Butz before the Annual Meeting of the Texas Agricultural Workers Association—

"But for better or for worse, the trends toward fewer farms, larger farms, more heavily capitalized farms, more urban oriented farm living, more industrialization of rural areas, and a greater intrusion of non-farm residents into farming areas are going to be with us for many years to come."

Newspaper account by Charles Bailey (Minneapolis Sunday Tribune) of a speech made by Dr. Butz to a group in Washington 1958—

"Butz sees the possibility that ownership of some family farms will pass into the form of family shares of ownership, with professional farm-management outfits moving in between the owners and the operator of a farm.

"Commercial farms will come to look more and more like manufacturing establishments, with farm managers giving more attention to assembling custom-built packages of technology in the farming operation, with a bigger share of receipts going back to production costs, gross margins shrinking, and profits depending increasingly on growing sales volumes.

"Farmers," he said, "ultimately will lose their vocational identity as members of the community. At this point farming no longer will be a way of life, but will be a way of making a living, just the same as other business enterprises."

While I do not believe that Dr. Butz adheres to this position with any malice or deliberate disinterest in the problems of small farmers, it does reflect his dedication to the idea or concept that any development which leads to or offers so-called "improved efficiency" in agriculture, must be accommodated no matter what the cost in human adjustment. And I have to fault and oppose him on that basic assumption. American agriculture is twice as productive today as the non-farm sector of our nation's economy. And while this productivity has given this country an age of abundance, the price we have paid for much of that progress has been immense, especially in terms of human adjustment and displacement within American agriculture. Almost 30 million people have left or been forced to leave our nation's farms over the last 30 years alone, largely due to the changes that have taken place within agriculture—changes which mainly have been stimulated by what our economists call "the desired goal for improved efficiency". Of course, what our economists haven't been telling us all these years as we have been creating this "efficient" agriculture, is that the "hidden costs" for this progress has been accumulating for us in our nation's welfare and poverty rolls—both rural and urban; and in the destruction and disruption of the family living patterns for millions of people.

We must not continue to make or repeat these mistakes in the future. We must temper our desires for "economic efficiency" with compassion for human and social values which admittedly may be difficult to calculate on the economists slide-rule or fit into his latest economic model, but nonetheless, are far more important than whether the productivity index has gone up or down a point.

RURAL DEVELOPMENT VIEWS

The Chairman questioned Dr. Butz about rural development. He indicated that he favored rural development. So far; so good. But what concerned me is that Dr. Butz answered the questions about rural development by referring to that part of the Governmental reorganization plan that would dismantle and abolish the Department of Agriculture. We realize that it has been announced that if Dr. Butz becomes Secretary of Agriculture, the reorganization plan will be revised to continue a Department of Agriculture in existence, but on a "skeletonized basis". Dr. Butz agreed that rural development work ought to be unified and placed in a single Department—but which Department? Dr. Butz wants to unify rural development in the proposed new Department of Community Development—not in the Department of Agriculture where it belongs.

VIEWS ON CHILD FEEDING PROGRAMS

In nomination hearings, Dr. Butz indicated that he was supportive of the school lunch, school breakfast and food stamp programs. However, at a farm marketing seminar held April 26, 1971 in Minneapolis, Minnesota, Dr. Butz chided the efforts of Senators McGovern and Kennedy to dramatize hunger in America. He opposed the food stamp program openly. He opposed President Nixon's welfare reform proposal as "Far out".

These statements raise serious doubt as to the policies and programs Dr. Butz will pursue and advocate to eliminate want and hunger in America. We have reason to ask—will a man who only a few short months ago derided what he termed the nation's "hunger and malnutrition binge" pursue vigorously programs to feed the poor.

VIEWS ON CONSUMER AND ENVIRONMENTAL PROTECTION

Much of the work of the Department of Agriculture is involved with protecting consumers. Yet again, in the same speech, Dr. Butz referred to the new efforts on behalf of consumers this way:

"But I'm going to talk about something this morning that I think is a real threat to American agriculture. It involves our future. Something you can help with. And that's the threat that comes from the environmentalists, from the do-gooders or from consumerism, or from whatever you want to call it."

These remarks raise serious questions about the willingness of Dr. Butz to carry out effective consumer protection and environmental programs.

In his testimony before the Committee on Agriculture and Forestry, none of these questions were answered with any specifics.

TRAGEDY IN ULSTER—X—INTERNMENT AND THE OATH

Mr. KENNEDY. Mr. President, one of the arguments the Government of Northern Ireland cites in its attempts to justify the repressive internment policy it initiated last August is the operation of the internment advisory committee to review internment orders. A recent article by Mr. Lewis Chester in the London Sunday Times for November 14, 1971, describes the arbitrary and ineffective procedures of the committee. He also notes the view that internees are boycotting the committee because they feel, it is simply an extension of the interrogation to which they are subjected under the internment policy.

One of the most objectionable aspects of the procedures is the oath that internees who came before the committee are requested to take. Part of the oath requires a pledge not to assist any "illegal organization." Yet, as Mr. Chester points out, in the current Ulster crisis, the Government can ban any organization, however peaceful. As a result, as the article suggests, many innocent internees are refusing to seek the assistance of the committee, because its procedures violate the basic traditions of British justice.

Mr. President, I ask unanimous consent that Mr. Chester's article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the London Sunday Times, Nov. 14, 1971]

OBSTACLE OF THE OATH

The vast majority of 400 people held under the Special Powers Act in Northern Ireland have still not been given any official reason for their detention without trial.

Although the Act provides for a quasi-judicial review of internment orders, it is now clear that this procedure is not judicial in any real sense.

So far less than 10 percent of those interned have voluntarily gone before Internment Advisory Committee, which makes recommendations to Stormont on possible release. There is little sign of this proportion getting any higher.

Mr. Christopher Napier, a Belfast solicitor who represents several internees at the Long Kesh camp, said: "There is now what amounts to a boycott of the Advisory Committee among most internees. They regard it not as a judicial body but as an extension of the interrogation procedure."

The Stormont regime, as part of its justification for internment, has laid great emphasis on the impartiality of this committee. And its personnel is distinguished enough. The chairman judge James Brown, is an experienced County Court judge, and his two assistants Philip Dalton, an English Roman Catholic with a long record of judicial work in the colonies, and R. N. Berkeley, a Belfast businessman, are both men of moderate persuasion.

It is not, however, the men that are complained of so much as the procedure.

1. The committee is not obliged to set out the allegations against the accused or to tell him of the evidence against him. The burden is on the internee not only to establish his innocence but also to imagine what he might be guilty of. According to those who have gone before him, Judge Brown's conventional opening remark is: "Why do you think you are here?"

2. The hearing is private and the internee is not allowed any legal representation when he meets the committee.

3. The internee is given no clue as to the identity of his accusers though Judge Brown may refer from time to time to security dossiers on his desk.

4. The committee cannot implement release, it can make only recommendations to the Ministry of Home Affairs. It therefore lacks the independence of a judicial tribunal.

Interviews with internees usually last 15 to 30 minutes and the committee is empowered to call witnesses on the official side, though not in the presence of the internee.

There can be no complaint about the committee's willingness to hear cases. Its office is now situated just outside Long Kesh internment camp and specific appeals are heard "within a few days." But because of the paucity of appeals the committee has taken to reviewing cases without being asked. They have actually seen 80 internees who did not ask for an audience.

Quite apart from the process involved there is what many internees consider the insuperable obstacle of the Oath. Taking an Oath is not apparently a condition of release, but all those who come before the committee are asked if they are prepared to make it. The ten internees who have been released all took the Oath which reads:

"I swear by Almighty God that for the remainder of my life I will not join nor assist any illegal organisation nor engage in any violence nor counsel nor encourage others so to do."

The Oath is considerably more onerous than it looks. Under the Special Powers Act there are no less than 15 illegal organisations listed, only one of which, the Ulster Volunteer Force, is Protestant. It includes, for example, the Republican Clubs which have long been regarded as non-violent Catholic pressure groups. Before internment the Clubs published their officers regularly and entered into open and formal negotiations with the public authorities on local issues.

But the real sticking point is the undertaking "for life" not to assist an illegal organisation. The Special Powers Act gives the Minister of Home Affairs power to proscribe any organisation by regulation. In a rapidly polarising situation, politically active Catholics are naturally alarmed by the prospect that any body favouring a United Ireland policy, however non-violent, could be banned.

It is probably, of course, that among the 90 per cent of internees who have not sought the assistance of the Brown Committee that there are those with something to hide. But the evidence is accumulating that there may be many others who refuse its help on other grounds.

Mr. Paschal O'Hare, another Belfast solicitor with internee clients, said yesterday: "To get out of Long Kesh an innocent man has to accept a procedure that runs counter to all the traditions of British justice. Many, to their credit, are just not prepared to do that."

LEWIS CHESTER.

MINNESOTA GOVERNOR OPPOSES CONFIRMATION OF DR. EARL BUTZ AS SECRETARY OF AGRICULTURE

Mr. HUMPHREY. Mr. President, many of us who have been back to our home States over the Thanksgiving holiday have had an opportunity to see firsthand the tremendous opposition that has developed across this country against Dr. Earl Butz being named as Secretary of Agriculture. The mail that we have been receiving on this matter also has been voluminous. More and more organizations, farm and nonfarm alike, have been expressing themselves in opposition to Dr. Butz' confirmation. Republicans and Democrats, farmers and city people, young and old, conservatives and liberals are voicing opposition to this appointment.

In fact, I think the opposition has become so strong that the President would be well advised to withdraw Dr. Butz' name from consideration. Even if there should be enough votes in the Senate to confirm him, there is little likelihood that he will be able to command the confidence and respect that he will need as Secretary to perform the duties that will be required of him. The farmers and other people of rural America need a Secretary of Agriculture who will command the respect and admiration of the people of this country. At this point it cannot be said that Dr. Butz has any real chance for obtaining that regard in view of the many alienating and disparaging remarks he has made over the years about the fate of small farmers, people interested in alleviating hunger, and those who want to protect our natural environment or consumers against contamination of their food.

Mr. President, as I said before, an increasing number of people are speaking out against Dr. Butz' being confirmed Secretary; Governors, farm organizations, religious groups, consumer and environmental groups, and independent businessmen. One of the many communications I have received recently in opposition to Dr. Butz was from my own Governor, the Honorable Wendell R. Anderson of Minnesota.

Mr. President, I ask unanimous consent to have Governor Anderson's telegram to me printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN.

Senator HUBERT HUMPHREY,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: As Governor of Minnesota, I commend you for the leadership you have exhibited in the fight against the confirmation of Dr. Earl Butz as Secretary of Agriculture.

With the action of the Senate Agriculture Committee Monday in recommending approval of the nomination, the struggle now shifts to the Senate floor. I am certain I speak for thousands of Minnesotans when I urge you to continue the fight against confirmation with renewed vigor.

The philosophy espoused by Dr. Butz leaves little room for the survival of rural America, as we now know it. He has said the family farmers must "adapt or die." Yet the President has made it perfectly clear his administration would never dream of applying that mechanistic, law-of-the-jungle approach to financially troubled corporate giants such as Lockheed Aircraft.

He has said this Nation will need no more than 1.9 million family farmers by 1980, as compared with 2.9 million today. If such a reduction is applied to Minnesota, this would deplete the number of farm families by more than 40,000—from the present 122,000 to fewer than 80,000. Their departure from the land would spell the end of many small rural communities. He has said $1 is a fair price for a bushel of corn, at a time when the cost of producing that bushel is $1 or more, and when low prices will bring Minnesota farmers approximately $100 million less for their crops than they received last year.

The food stamp program, a program that has benefitted millions of poor Americans and helped ease our commodities surplus problem, is "ridiculous" in Dr. Butz' eyes.

Dr. Butz is a poor choice to succeed Cliff Hardin. He does not and cannot properly represent the farmers of Minnesota. His record under Ezra Taft Benson, his known orientation toward agribusiness, and his declarations before the Senate Agriculture Committee provide adequate proof of that.

WENDELL R. ANDERSON,
Governor, State of Minnesota.

MARINE SANCTUARIES

Mr. NELSON. Mr. President, during the Senate debate Wednesday on H.R. 9727, the Marine Research and Protection Act, I withdrew my amendment for marine sanctuaries and a 2-year prohibition on Federal mineral leasing off the east coast after a colloquy during which there were agreements announced for joint hearings by the Senate Committees on Interior, Commerce, and Public Works on this proposal.

Inasmuch as there will be this further consideration of this measure, I ask unanimous consent that an explanation of the amendment as I submitted it in modified form and my statement on the proposal be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MEMO OF EXPLANATION OF MARINE SANCTUARIES AMENDMENT BY SENATOR NELSON AND OTHERS TO MARINE RESEARCH AND PROTECTION ACT

On November 9, Senator Nelson introduced Amendment No. 630, which would add a marine sanctuaries title to the Marine Protection and Research Act, HR 9727. The bill is expected up for Senate Floor action shortly. At that time, Senator Nelson will call up his amendment, with minor modifications.

The amendment would create a program of marine sanctuaries in the ocean waters off our coasts, and would prohibit Federal leases for oil drilling in the Atlantic off the U.S. East Coast for two years until the initial designations of sanctuaries in that area.

The purpose of the sanctuaries would be to protect or restore vital ocean and coastal environment values such as ecology, esthetics, recreation and resources, and to provide special areas for scientific baseline studies.

While the sanctuaries would not necessarily exclude development and commercial activities, to the extent that such steps were permitted in these areas, they would be under tight regulations to assure protection consistent with the sanctuary's particular purposes.

The provision on East Coast oil drilling would assure that environmental values would be fully taken into account, including setting aside sea areas if necessary, before irrevocable steps are taken to exploit the huge oil deposits that are indicated in the Atlantic.

In recent public statements, the Secretary of the Interior has made it clear the Department does not intend to issue any oil leases off the East Coast for at least two years. Thus, the provision of this amendment for the two year prohibition on the East Coast oil leases would not conflict with U.S. energy development plans in any way, but would merely assure that we obtain adequate

knowledge to anticipate and resolve potential conflicts between environmental and energy goals.

Because existing Federal authorities in the marine environment are divided among a number of departments, and are inadequate for comprehensive ocean environment protection even in U.S. waters, and because international matters are involved too, the President would establish the sanctuaries.

In so doing, the President would have public hearings held and assure coordination by obtaining the views of the Secretaries of Commerce, Defense, Interior, State, Transportation and the Administrator of the Environmental Protection Agency.

For any sanctuaries proposed in waters above state-controlled portions of the seabed (within the territorial sea) it would be necessary to have the approval of the Governor of the state involved.

Finally, language in the amendment specifically requires that the sanctuaries be regulated in accordance with the principles of international law, including treaties, conventions, and other agreements to which the United States is signatory.

In view of the fact that the Federal government has already permitted the drilling of more than 6,600 oil wells off our coasts in the Gulf of Mexico and the Pacific, and is considering the Atlantic Ocean leasing now, it would be ludicrous to argue on international or any other grounds that we should not at this time establish sanctuaries in the same areas.

This amendment's bipartisan cosponsorship thus far includes Senators Ribicoff, Case, Mondale, Williams, Brooke, Kennedy, McGovern, Harris, Beall, Tunney, Metcalf, and Hart.

The proposal is also strongly supported by the national environmental organizations including the Sierra Club, Izaak Walton League, Friends of the Earth, Environmental Action, National Wildlife Federation, Wildlife Management Institute and the National Audubon Society.

The House version of the Marine Protection and Research Act included a marine sanctuaries title and was passed by an overwhelming 304 to 3 votes. The title was deleted in Senate committee.

STATEMENT BY SENATOR GAYLORD NELSON ON CALLING UP MARINE SANCTUARIES AMENDMENT TO MARINE PROTECTION AND RESEARCH ACT

Mr. NELSON. Mr. President, I call up my amendment, No. 630, to the Marine Protection and Research Act. And I ask that this amendment be modified in the form that I now send to the desk.

The modified amendment which I propose would add provisions inadvertently omitted on the introduction of the first amendment and would clarify provisions of that first amendment, including responsibility for implementation.

Briefly, this amendment as modified would establish a program for marine sanctuaries in the ocean waters off our coasts.

If we are to avoid making the same mess of the sea as we have of the land, such a program must be instituted immediately, while we still have the opportunity to do so.

Famed underwater explorer and scientist Jacques Cousteau bluntly cites the compelling justification for action: "The sea is threatened. We are facing the destruction of the ocean by pollution and by other causes."

Distinguished marine biologists are already predicting that at the present accelerating damage rate, significant productive life in the sea will be eliminated in 50 years or less.

The purpose of the sanctuaries this amendment proposes would be to protect or restore vital ocean and coastal environment values such as ecology, esthetics, recreation and resources, and to provide special areas for scientific baseline studies.

While the sanctuaries would not necessarily exclude development and commercial activities, to the extent that such steps were permitted in these areas, they would be under tight regulations to assure protection consistent with the sanctuary's particular purposes.

In addition to the sanctuaries portion, this amendment would prohibit Federal leases for oil drilling and other mineral development in the Atlantic of the U.S. East Coast for two years until the initial designations of sanctuaries in that area.

This would assure that environmental values be fully taken into account, including setting aside sea areas if necessary, before irrevocable steps are taken to exploit the huge oil deposits that are indicated in the Atlantic, steps that without proper protection would risk a Santa Barbara-scale disaster on the beaches of our populous East Coast.

In recent public statements, the Secretary of the Interior has made it clear the Department does not intend to issue any oil leases off the East Coast for at least two years. This means my amendment's provision for the two year prohibition on the East Coast oil leases would not conflict with current U.S. energy development plans in any way.

This is not a question of environment versus energy, but merely one of assuring that we obtain the necessary knowledge to anticipate and resolve potential conflicts.

Because existing Federal authorities in the marine environment are divided among a number of departments, and are inadequate for comprehensive ocean environment protection even in U.S. waters, and because international matters are involved too, the President would establish the sanctuaries.

In so doing, the President would have public hearings held and assure coordination by obtaining the views of the Secretaries of Commerce, Defense, Interior, State, Transportation and the Administrator of the Environmental Protection Agency.

For any sanctuaries proposed in waters above state-controlled portions of the seabed (within the territorial sea), it would be necessary to have the approval of the Governor of the state involved.

Finally, language in the amendment specifically requires that the sanctuaries be regulated in accordance with the principles of international law, including treaties, conventions, and other agreements to which the United States is signatory.

In view of the fact that the Federal government has already permitted the drilling of more than 6,600 oil wells off our coasts in the Gulf of Mexico and the Pacific, and is considering the Atlantic Ocean leasing now, it would be ludicrous to argue on international or any other grounds that we should not at this time establish sanctuaries in the same areas.

This amendment bipartisan cosponsorship includes Senators Ribicoff, Case, Mondale, Williams, Brooke, Kennedy, McGovern, Harris, Beall, Tunney, and Metcalf.

The proposal is also strongly supported by the national environmental organizations, including the Sierra Club, Izaak Walton League, Friends of the Earth, Environmental Action, National Wildlife Federation, Wildlife Management Institute and the National Audubon Society. I ask unanimous consent that a letter of support signed by these groups in response to my inquiry be printed in the Congressional Record at the end of these remarks.

And in the House, the marine protection bill now before us, but including a marine sanctuaries title, was passed by an overwhelming 304 to 3 vote after proposals to delete the sanctuaries provision were rejected. The title was deleted in Senate committee.

Some questions have been raised about this amendment's effect on international marine issues. I think because of the complicated situation we have today regarding control of the sea.

I believe these concerns can be laid to rest, and would comment as follows:

One, this proposal does not conflict with international law or attempt in any way to extend this country's oceans authorities beyond present limits. In fact, it contains a specific provision to avoid such a conflict: In Section 301(f), the amendment says any regulations established for the marine sanctuaries "shall be applied in accordance with recognized principles of international law, including treaties, conventions, and other agreements to which the United States is signatory";

Further, in Subsection 301(c), the amendment provides that when any portion of a sanctuary involves ocean waters more than 3 miles from our coast, the Secretary of State must seek international agreements whereby other countries would voluntarily forego activities inconsistent with the purposes of the sanctuary.

Until such agreements were achieved, the only controls exercised in the sanctuary would be those based primarily on existing United States authority to regulate the activities of our own citizens anywhere at sea.

While this would be only partial control, it would be far better than none at all. And in part, it parallels the authority being used in Title I of this bill to control the dumping of wastes at sea transported from ports of the United States.

And as I noted earlier, in view of the fact that we are drilling oil wells all over the U. S. continental shelf in the Gulf of Mexico and the Pacific and considering them for the Atlantic, it would seem difficult to argue against establishing protected areas in these waters as well: In effect, we would be saying that while we can exploit, we cannot protect.

Two, the amendment is not in any way intended to disadvantage this country with regard to the development of its resources.

To the contrary, the leadership we would be showing by establishing sanctuaries within our existing controls would most likely encourage other countries to take similar steps within their jurisdictions and stimulate international agreements for more comprehensive sanctuaries, a conservation benefit for all mankind.

The International Convention on the Continental Shelf recognizes the sovereign right of each country to explore and develop the natural resources on its continental shelf.

As a result, as just one example, the protection established by this convention means that another country could not come in and drill the oil now being considered for leasing off our Atlantic coast, even if we decided not to drill all or part of it.

And Section 301(a) of my proposal limits the sanctuary designations to waters inside the edge of our Continental Shelf as defined in the International Convention on the Continental Shelf.

Furthermore, the sanctuaries would not necessarily ban any given activity. The degree of control exercised over U. S. activities or, if there were international agreements, over citizens of other countries in a particular sanctuary, would depend on the purposes of the sanctuary, on the values it was designed to protect.

As pointed out earlier in this statement, the provisions of my amendment prohibiting leasing for oil beyond the territorial sea off our East Coast for two years would not interfere with current energy development plans in any way.

In recent public statements, the Secretary of the Interior has made it clear the Department does not intend to issue any oil leases off the East Coast during this period.

In a November 4 department news release, the Secretary was quoted as saying "it is now quite obvious that we could not possibly take any action on exploratory drilling for a couple of years."

Thus, my amendment would merely require that off the East Coast, we would use this two year period to assure that environmental values will be reviewed and protected, including actually setting aside areas where necessary, before they are lost forever in a gigantic oil rush which would not only result in a plethora of platforms around the ocean, but with the development of associated industries inshore, would pose irreversible pressures on other critical shoreline uses.

The stakes are immense. The natural resources of the East Coast provide an outdoors experience ranging from surfing to sports fishing for tens of millions of people a year.

From Florida to Maine 18 national parks, seashore and monuments are actually on or close to the coast.

Among these priceless areas are Everglades National Park in Florida, Cape Lookout and Cape Hatteras National Seashore off North Carolina, Assateague National Seashore off Maryland and Virginia, Fire Island National Seashore in New York, Cape Cod National Seashore off Massachusetts, and Acadia National Park off Maine.

The 14 states of the East Coast harbor more than 63 million people, 31.9 percent of the population of the entire country.

In addition to the recreation values, the East Coast and its offshore waters are a key national resource for fishing and shipping, and the pressures are on from the crowded metropolitan complexes to use these waters for the whole range of urban activities, from nuclear power plants to offshore jetports.

It is dramatically clear that we can no longer take a step in the ocean off the East Coast in any one of these areas without the most careful consideration of the impact on these other values.

And because of potential conflicts in use and the danger of massive environment disasters such as we saw in Santa Barbara, we simply may have to say hands off in some of these areas to this use or that one, or tightly limit some or all uses in special areas—establishing the sanctuaries this amendment proposes.

The pressures to drill and fully exploit the East Coast oil wherever it is found regardless of whatever environmental dangers may be posed will be intense.

Just recently, a Canadian subsidiary of Mobil Oil Corp. announced the flow of oil and natural gas in a well near Sable Island in the Atlantic off Nova Scotia.

The Journal article said: "The announcement had a tremendous impact. For it marked the first time that oil and natural gas have been discovered off the East Coast of North America."

Already, oil companies have gotten licenses on more than 400 million acres off Canada's East Coast.

And earlier this month, news stories widely announced Interior Department consideration of oil drilling in vast areas off the U.S. East Coast.

According to the reports, preliminary oil explorations have indicated a potentially oil rich area off the coast from the southern part of New Jersey down through the Middle Atlantic states and Virginia perhaps as far south as Cape Hatteras, North Carolina.

Previously, the Interior Department confirmed another potentially major oil and natural gas area off New England on the Georges Bank between Cape Cod and Long Island.

Already, 34 wells have been drilled in the Atlantic off Canada as close as 40 miles offshore, and a Humble Oil Company spokesman was quoted in September as saying that "we're sure the deposits off the coast of Canada and those off the coast of the United States are comparable."

And while we have assurances from the Department of the Interior, as I have noted, that they do not expect to issue East Coast oil leases for at least two years, the department is moving at top speed to evaluate the East Coast oil deposits and their implications.

As reported in a recent issue of the Oil Daily, the daily newspaper of the petroleum industry, an Interior Department task force was established November 4 to evaluate the East Coast oil.

According to a Bureau of Land Management memo on the task force job, "Since the environmental, economic and regional conditions in these new areas may be significantly different from those related to oil and gas developments in the Gulf of Mexico, BLM must move aggressively to obtain the information necessary to plan effectively for possible OCS developments in these areas and to evaluate impacts which will result from such developments."

Indicating the high priority of the East Coast oil task force, the memo said the task force members would be expected to work 15 consecutive days in Washington, followed by 2 to 3 weeks in their home offices, with the sequence being repeated through December 31.

Mr. President, I ask unanimous consent that a copy of the memorandum from the Associate Director of Interior's Bureau of Land Management with the task force instructions be printed in the Congressional Record at the end of these remarks.

In the modification of my amendment, the President would establish the sanctuaries because of the numerous and overlapping Federal jurisdictions involved, as well as the international responsibilities.

To meet the key need of coordination in marine affairs, prior to designating the area, the President would have to obtain the views of the Secretaries of Commerce, Defense, Interior, State and Transportation and the Administrator of the Environmental Protection Agency.

Despite the numerous interests involved, no one department's activities are adequate to effectively establish and implement any comprehensive marine protection plan.

The fact is our coastal areas and the sea are faced with the same kind of chaotic development that has already scarred and polluted the face of the land, and we are not in a much better position to control it than we were to protect the forests and soil and waters of this nation in Frontier Days.

In place of the glut of the automobile, we find the giant oil tanker plying the seas, with the constant risk of accidents that could cause another marine ecodisaster; in place of the strip miner, we find the oil operation with the risk of massive spills that could lay siege to whole coastlines with coats of black goo; instead of junk heaps on the land and filth pouring into our air and lakes and rivers, we find sewage and waste chemical dumping grounds offshore already creating dead sea areas; instead of sprawling urbanization, we find poised an industrial seascape of floating airports, nuclear power generating plants, offshore shipping terminals, and possibly even ocean cities; in place of the destruction of our wildlife on land, we see birds of prey being wiped out all over the earth by the DDT that has moved through the food chain even at sea, the whales, one of the most remarkable creatures on earth, being pushed to extinction, once massive fishery stocks being depleted by overuse and pollution.

The conclusion is unavoidable: Without the comprehensive environmental management which this amendment represents as a beginning step, we will ultimately make as much a wreckage of the oceans as we have of the land. There will be constant conflicts between users and more reckless exploitation, and once more, the environment will take second place until it is too late to reverse the tragic devastation.

Existing authorities will not do the job. Each department has a small slice of the pie, and no one agency has the jurisdiction necessary to establish overall policy and coordinate its implementation.

The Department of the Interior has authority to regulate the mineral resources of the seabed and the subsoil on our continental shelf beyond the territorial sea, and as part of this, may withhold areas of the shelf from leasing.

But the future of the marine environment hinges on many other questions than just what happens to these resources. As pointed out, all the activities, from tanker traffic to offshore jetports to fishing, will make their mark.

Furthermore, while the Department has permitted the drilling of more than six thousand six hundred oil wells on the continental shelf portions under its jurisdiction in the Gulf of Mexico and the Pacific, and is considering oil well leasing in the Atlantic, to the best of our knowledge, only two protected areas have been established to date under Interior authority in these same waters.

Thus, the authority the Department of Interior does have has barely been utilized.

And in any case, Interior's authority falls short of that necessary to review the wide range of activities and values involved in the ocean environment and established protected areas—the marine sanctuaries—with comprehensive regulations to reconcile conflicts in use and preserve vital ocean values.

The situation of fragmented jurisdiction and limited authorities is reflected in every other department concerned with marine affairs.

The Department of Defense has authority to set aside areas of the continental shelf for security purposes.

The National Oceanographic and Atmospheric Administration in the Department of Commerce has authority over conservation of the living resources of the sea generally, within the first 12 miles of ocean waters, and the living resources on the continental shelf, and over the activities of U.S. citizens on the high seas.

The Corps of Engineers in the Department of Defense has responsibilities for the protection of navigation offshore similar to those it exercises for inland waters.

Meanwhile, the Department of Transportation and the Coast Guard are concerned with activities involved in establishing sea lanes for ship traffic to our ports.

For construction of an offshore platform—whether for oil drilling or in the future for floating airports, etc.—the Corps would issue permits that it did not interfere with navigation, but the Coast Guard would be involved too, to regulate platform safety.

The Environmental Protection Agency and the states now administer pollution controls within the territorial sea and if this and other pending legislation is passed, EPA's authority will be extended outside the territorial waters based on existing U.S. authorities.

Outside our territorial waters, activities involving foreign relations come within the interests of the Department of State, and the department has been involved in negotiating international agreements on marine matters.

Mr. President, in conclusion, I would just reiterate that we have the opportunity now to take sound steps to protect the marine environment. If we delay further, for instance until after the East Coast oil is drilled and another tragic offshore accident has occurred, the costs to all society will be far greater than preventive steps today.

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ADM. EMORY S. LAND

Mr. HANSEN. Mr. President, the United States has lost a distinguished citizen in the death of Adm. Emory S. Land.

The admiral is perhaps best known nationally for his outstandingly competent performance as head of the Maritime Commission during World War II, and was one of the original "can-do" men of that era in that he saw to it that ships were built regardless of obstacles.

Admiral Land, I am proud to note, was a graduate of the University of Wyoming, and in later life endowed a chair at the university. The Admiral Land Award at the University of Wyoming is presented annually at the halftime ceremonies of homecoming to the nonsports figure in the student body who has done most for the athletic program at the university.

Mr. President, the Washington Post, in an obituary Sunday, briefly outlined some of the many accomplishments of this great man.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ADM. E. S. LAND, DIES, HEADED MARITIME UNIT

(By Martin Weil)

Retired Vice Adm. Emory S. (Jerry) Land, 92, an Annapolis football hero in 1900, hard-driving head of the Maritime Commission during World War II, and a peppery and pleasant Washington legend for years, died yesterday.

The admiral died at 11:40 a.m. at Bethesda Naval Hospital, where he had been admitted Tuesday. Only last Sunday, he had been well enough to attend the Redskins game here. The Army-Navy game yesterday was the first he had missed since 1900.

Upon his retirement in 1953 after eight years as head of the Air Transport Association, he joined General Dynamics Corp. as a consultant, a post he held until his death.

Until entering the hospital this week, friends recalled, he walked the four miles from his home at the Sheraton-Park Hotel to his downtown office and back each day, bristling with indignation when offered a ride.

As head of the Maritime Commission during World War II, he directed history's biggest shipbuilding program, which launched 6,000 merchant vessels between 1941 and 1945. President Truman called the accomplishment "colossal."

As a 140-pound Navy halfback in 1900, he snatched up a blocked kick in the closing minutes of that year's Army-Navy game, eluded a raft of tacklers and raced for a touchdown to win the game for Navy, 11–7.

During his subsequent 37 years of Navy service, he became a skilled naval architect, specializing in submarine construction—for which he won the Navy Cross—but still found time to officiate at many top-college football games.

He won a master's degree from the Massachusetts Institute of Technology, earned his pilot's license at the age of 49, and took part in the effort to track down the kidnaper of the son of Charles A. Lindbergh, a cousin by marriage.

The future admiral was born far from the sea, in Canon City, Colo., on Jan. 9, 1879. After working as a cowboy, he graduated at the age of 19 from the University of Wyoming and was appointed to Annapolis, he said years later, "because I had luck."

In addition to starring in football at the Naval Academy, he distinguished himself in baseball, track, crew and swimming, winning the academy's Athletic Sword upon graduation. He also finished sixth in his class academically.

After supervising submarine construction and design work here during the early part of World War I, he held a staff post in the war zone, served briefly with the Naval Armistice Commission and became naval attaché at the U.S. Embassy in London.

In 1926, he became assistant chief of the Navy's Bureau of Aeronautics and in 1932 was named to head its Bureau of Construction and Repair. In March, 1937, he retired as a rear admiral, but within a month was appointed to the newly created Maritime Commission, charged with rehabilitating the nation's rapidly declining merchant fleet.

In 1938, when the commission's first chairman, the late Joseph P. Kennedy, resigned to become Ambassador to Britain, Mr. Kennedy proposed Adm. Land as his successor, and President Roosevelt made the nomination.

As war threatened and the demand for shipping rose, Adm. Land, pugnacious and plain-spoken when necessary on the job, won a reputation for slashing through government red tape.

At one point, he began awarding construction contracts without funds on hand. Once when this practice was questioned, he told his intelocutor with a chuckle: "See you in jail."

Adm. Land did not go to jail, but he did build ships, despite occasional friction with unions and Congress. Over all, he supervised the construction of more than 50 million deadweight tons of shipping.

Occasionally the admiral sought brief diversion. In 1943, he desperately desired to see the Army-Navy game at West Point, despite a Presidential order forbidding servicemen to travel more than 10 miles to attend.

After somehow arranging to get a job assisting the head linesman with his measuring duties on the sidelines, Adm. Land sent the President a written request for permission.

"If he wants to go that bad," Mr. Roosevelt scrawled along the bottom of the request, "let the damn fool go."

In 1946, with achievements behind him that Mr. Roosevelt had called "unbelievable," and that President Truman called "without parallel in maritime history," Adm. Land resigned from the Maritime Commission.

His letter of resignation showed characteristic aversion to the involutions of bureaucratic prose. He gave five reasons for leaving, listing them alphabetically.

They began with "A) I have done my bit," continued with "B) New blood is desirable," and concluded with "E) I am war weary."

Later he explained that he had resigned because, "I couldn't stand to see what I had built up knocked down like building blocks. I got over my destructive impulses when I was a kid."

Admiral Land was named a vice admiral in 1944. In addition to his Maritime Commission post, he also served during the war as administrator of the War Shipping Administration.

He was president from 1940 to 1942 of the Society of Naval Architects and Marine Engineers, and held a variety of decorations, honorary degrees and memberships in professional societies.

His wife, the former Elizabeth C. Stiles, whom he married in 1909, died in 1956.

He is survived by a nephew. Rear Adm. G. C. DeKay, of Washington.

THE NOMINATION OF EARL L. BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. BURDICK. Mr. President, very soon the nomination of Dr. Earl L. Butz to be Secretary of Agriculture will be before the U.S. Senate for confirmation or rejection. I represent a State where agriculture is the single most important income-producing enterprise. In addition, the storage, handling, transportation, processing, and marketing of the products of our farms and ranches is a major source of employment of non-farm people. North Dakota is about 1,500 miles from Washington, D.C., but no one should make the mistake of thinking that the people are unaware or uncaring about events that occur here.

The nomination of Dr. Butz to the Cabinet post that should represent the voice of farmers in the concerns of government has brought to my desk a flood of telegrams and letters. All of these messages express opposition to the appointment of Dr. Butz, based primarily on his past close association with giant agribusiness corporations. No single person or organization in North Dakota has asked me to support Dr. Butz' appointment. I know of no other recent issue on which my constituents have been so unanimous.

An editorial published recently in the Record Herald of Cando, N. Dak., sums up in a concise manner the reactions that North Dakota farmers and nonfarmers have expressed to me.

I share the opinion that the background and philosophy of Dr. Butz do not qualify him for the post of Secretary of Agriculture. I shall vote against his confirmation.

Mr. President, I ask unanimous consent that the full text of the Record Herald editorial be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOX IN THE CHICKENHOUSE?

We have just returned from a five-day flying trip to the National Newspaper Association Convention at New Orleans. A vignette of sights and sounds and ideas spin before us and it will take many weeks before they fall into perspective so we can pass them on.

One of the most thrilling was the flight beginning in the Red River Valley through the heart of rural America on a lovely sunshiny day. The checkerboard of millions of acres of Minnesota, Iowa, Kansas, Missouri and Texas, all neatly plotted and dotted with farmyards in every square and towns of various sizes, all serving this great food producing area, was overwhelming. Truly the Food Basket of the world.

Its vastness, breathes power and stability, and anyone who downgrades the importance of Agriculture should be forced to fly this route. Especially would we recommend the trip to any President of the United States, especially Mr. Nixon, who toyed with the idea that he was going to dissolve the cabinet post. His nomination on Friday of Dr. Earl L. Butz, a Purdue University professor, as Secretary of Agriculture does not show understanding of the problem.

Dr. Butz was on the policy making team of the Benson era in the Eisenhower administration which triggered the emptying of the farms and towns. Even worse is his directorship in Ralston Purina, Stokely Food Company and a huge fertilizer corporation, all of which have everything to gain from cheap farm prices at the wholesale level.

This has all the earmarks of locking the fox in the chickenhouse. He has been fostering the interest of huge corporations in their fight to control American Agriculture for 20 years and Senator Young has had many a confrontation with him. Along with Senator Young, Senator Burdick and Representatives Andrews and Link are more than a little alarmed.

Even more frightening to us is the fact that a President of this nation would have so little knowledge of the rural problem, which employs three out of every 10 Americans, that he would honestly feel this man's philosophy is the direction he wants to take. That he would want Dr. Butz, unless he has undergone a miraculous conversion to the cause of Agriculture, showa either a lack of knowledge or lack of respect for the industry.

Both Republican and Democratic presidents have studiously avoided consulting farm state congressmen about this post. The dismay may be universal, for on a New Orleans newscast we saw a southern Senator groan at the announcement "Heaven help us—another college professor."

It is getting tiresome for farm groups and farm state Congressman to have to begin again to educate and try and convert Secretaries of Agriculture to the cause of the people they are supposed to represent. Just as things begin to look up a little, like Secretary Hardin's 1972 farm program, some big wholesale Food Corporation lures them with so tempting an offer that the work is all in vain.

Seems odd that this opportunity should come to Secretary Hardin from Ralston Corporation at this time and that his replacement should be a director of the same corporation.

THE NOMINATION OF EARL L. BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. METCALF. Mr. President, last Wednesday I announced my decision to oppose the confirmation of Earl L. Butz as Secretary of Agriculture, and discussed the nominee's record when he was an Assistant Secretary serving Ezra Taft Benson in the Eisenhower administration.

Mr. President, an editorial which appeared on November 26 in the St. Louis Post-Dispatch has come to my attention.

The editorial concludes that there are many questions "to be asked before the Senate acts on Mr. Butz's nomination." Some of the questions were answered in the same edition of the St. Louis Post-Dispatch in a newsstory by Lawrence E. Taylor covering the item I explored last week. I ask unanimous consent that Mr. Taylor's article be printed in the RECORD together with the editorial.

The regulatory responsibilities Mr. Butz would assume as Secretary are considerable. He would have jurisdiction over enforcement of the Packers and Stockyards Act, administration of our national forests, enforcement of meat and poultry inspection, agricultural uses of pesticides, administration of the school lunch program.

Mr. President, Mr. Butz admitted in 1957 that he had made the decision to stifle an investigation of price fixing by Safeway Stores. He said, moreover, that he would do the same thing again. If he is as casual about meat and poultry inspection or pesticides or school lunches as he was about the Packers and Stockyards Act, we know precisely what to expect. I think we can do better.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch, Nov. 26, 1971]

A NEED FOR QUESTIONS

The 8-to-6 vote in the Senate Agriculture Committee to approve President Nixon's nomination of Earl L. Butz for Secretary of Agriculture can only be described as the most tepid sort of endorsement, especially since two of the dissenters were farm belt Republicans. Because of his past pronouncements in favor of big farming and of his stockholdings in agricultural corporations, doubts have been raised as to whether Mr. Butz would not function as an advocate or agent of agribusiness. His disparaging remarks about environmentalists have been unsettling, inasmuch as the Department controls the use of agricultural pesticides and administers the National Forests. And his scornful remarks about Mr. Nixon's welfare proposal lead us to wonder how sympathetic Mr. Butz would be to the plight of the rural poor, particularly migrant workers. There are, in short, plenty of questions to be asked before the Senate acts on Mr. Butz's nomination.

[From the St. Louis Post-Dispatch, Nov. 26, 1971]

BUTZ HALTED PRICE STUDY

(By Lawrence E. Taylor)

WASHINGTON, November 26.—Earl L. Butz, nominated as Secretary of Agriculture, squelched an investigation into alleged price-fixing by a major grocery chain in 1956 when he was an assistant Secretary of Agriculture, records showed today.

Butz acknowledged halting an inquiry into Safeway Stores, Inc., in testimony before a Senate subcommittee in 1957. A subordinate testifying before the same subcommittee said that there was evidence of federal law violations by Safeway in its meat-buying operations in California.

Butz, who left the department in 1958 to join the faculty at Purdue University, has been criticized for his close ties to big businesses with agricultural interest.

At the time of his nomination to the top agriculture job by President Richard M. Nixon, Butz was on the boards of several agriculture business firms, including Ralston Purina Co. of St. Louis. He said he had resigned from those positions.

Sources interviewed today recalled the Safeway inquiry and said that Butz stopped the investigation after it had uncovered specific information about methods allegedly used by Safeway to control beef prices.

The sources told the Post-Dispatch evidence indicated that each week Safeway buyers allegedly set a top price that the company would pay for beef.

This price allegedly was passed along to buyers for other California retailers and commercial outlets and allegedly resulted in a ceiling on beef throughout the state, the sources said.

Such tactics would have been in violation of the federal Packers and Stockyards Act of 1921. It requires that meat prices be * * * sources said.

One source, close to the investigation, recalled that the inquiry was begun after California cattlemen and beef producers had complained to the Department of Agriculture.

The source said that the inquiry, conducted by the department's packers and stockyards division, had been under way for two or three months when Butz, in a handwritten directive, ordered it halted.

"The next step, (in the investigation) would have been to question them (Safeway executives) and get documents, and to question some of those alleged to be in the conspiracy," the source said.

The source asked not to be identified but said that he would testify about the matter before a Senate committee if asked. He said that documents locked up in the Department of Agriculture would confirm his contention.

In addition to price-fixing, the investigation had sought to determine whether Safeway's ownership of livestock feed lots had enabled it to unfairly influence meat prices, the source said.

Butz, testifying before the Senate Judiciary subcommittee on antitrust and monopoly in May 1957, discussed only the feedlot aspects of the investigation.

His initial answers to questions by subcommittee members about the Safeway matter were vague. His memory improved, however, when Lee D. Sinclair, director of the section making the investigation, appeared before the subcommittee.

Sinclair testified that at the time Butz halted the inquiry, "we felt . . . there was sufficient evidence to warrant a full-scale investigation; that the facts indicated a violation (of the law)."

Butz had testified earlier that the investigation was stopped "because we had no conclusive evidence, as far as I know, and as of this date we have no conclusive evidence that this practice does in fact depress prices."

He said that the matter was "much broader than Safeway" and dealt with questions of whether retail chains could own feedlots and meat packing plants.

For that reason, the investigation was ended and the matter was turned over to an agricultural economist for study, Butz said.

Sources interviewed today, said, however, that the normal pattern in such cases would have been for the department to order an economic study while the price-fixing inquiry was continued.

If sufficient evidence of any violations had been uncovered, the matter would have been referred to an Agriculture Department hearing examiner, the source said. If the examiner had found Safeway guilty, a cease-and-desist order could have been issued.

Publicity resulting from the hearing would have been embarrassing to the company, which at the time was one of the largest retail grocery chains in California.

Safeway, in a letter filed with the antitrust and monopoly subcommittee in 1957, denied any wrongdoing. The company did not discuss its meat-buying practices, however, and the matter was not raised at the hearing.

The sources said, however, that word of the departmental investigation and the resulting economic study apparently leaked back to Safeway and the alleged price-fixing was stopped.

The investigation was begun and halted when Ezra Taft Benson was Secretary of Agriculture. Sources said that there was no indication that Benson had been involved directly in the decision to terminate the inquiry.

Butz has been challenged because of his close identification to Benson's policies. Opponents of his confirmation to the Agriculture post have said that 36 Senators probably would vote against him when the nomination reached the Senate floor. Butz was approved by the Senate Agriculture Committee, 8 to 6.

SPECIAL CIRCULATION MAGAZINES

Mr. METCALF. Mr. President, recent mail included a letter from the Magazine Publishers Association. Vice President Norman S. Halliday stated the case for magazines of general circulation, which on the one hand have a responsibility to inform the public and on the other are

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confronted with a substantial reduction in public subsidy. This comes at a time when rising costs are threatening the existence of magazines, as evidenced by the recently announced demise of Look.

Recent mail also included a variety of what, I would call for want of better words, a special type of magazine, a special interest pleader, a glossy house organ. It is apparent that these magazines are flourishing as those of general interest wither. Some of the best writing, the most striking photography, the most attractive layout, are in these special interest publications, which are doubly subsidized by the taxpayers. They not only go through the mail for less than the cost of handling, but their publication costs are charged to the taxpayer as public relations or public information.

Recent issues of these publications have included excellent articles, beautifully illustrated, on such a variety of subjects as Guatemalan fabrics, the Intracoastal Canal, dog-sled racing, oil and our environment, corporate social responsibility, the special people who serve the public, the jumbo jet, building esthetics, to name a few.

A thread of bias and understandable industry prejudice run through these special circulation magazines, for which the taxpayer is paying.

I hope that, as our public officials scrutinize the partial public subsidy of general magazines, they also take a look at the total public subsidy of special publications. We taxpayers subsidize both. We may be interested in a balance of subsidy and a reappraisal may be justified.

Mr. President, I ask unanimous consent to include in the RECORD the letter from Mr. Halliday and the enclosures.

There being no objection, the letter and enclosures were ordered to be printed in the RECORD, as follows:

MAGAZINE PUBLISHERS ASSOCIATION, INC.,
New York, N.Y., September 15, 1971.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: On August 20, 1971 Life magazine published the enclosed editorial entitled "A Serious Threat to Magazines". Postmaster General Blount replied to that editorial and his letter to the editors appeared in the September 10 issue of Life magazine, along with further comment by the editors. A copy of that material also is enclosed.

In addition, so that you can appreciate that this threat is not merely to Time Inc. but to the entire magazine industry, I have enclosed the summary statement from testimony submited to the Postal Rate Commission by Dr. Edward Shafer of Foster Associates, Inc. on behalf of MPA. It clearly conveys the adverse impact the proposed postal rate increase will have on our industry. A summary of MPA's entire case before the Postal Rate Commission is also included.

We make no apologies for informing the American public and its elected representatives of what we have substantial reason to believe is a very real threat to the magazine press. On the other hand, General Blount's characterization of our responsibility to inform the public as "unfortunate" is indeed unfortunate. The Postmaster General and other officials of the Postal Service have attempted through pronouncements, speeches, memos and press releases to nationally publicize their case in support of their proposed postal rate increases.

If, after reading the attached material, you wish any clarification or additional material, I shall be happy to come to your office at your convenience or supply you with any additional information we have available.

Sincerely yours,

NORMAN S. HALLIDAY.

Enclosures (4).

AUGUST 27, 1971.

Memo to: Chief Executives
MPA Member-Organizations
From: Stephen E. Kelly

Attached is a condensation of the MPA Postal Rate Case testimony which was submitted in unabridged form on August 13th.

The complete MPA testimony consisted of some 360 pages of text and exhibits. Marvin Gropp, MPA's Research Director, has done a fine job in capturing the principal issues of our case in this 10-page condensation.

The Rate Case hearings are continuing as of this date, August 27th, and all testimony by all parties is available to the public. We want you to be familiar with the testimony filed by MPA and feel that this form is most practical and efficient. Extra copies are available to you for your staff, suppliers and any other interested parties.

We are circulating the condensation in the "right places," including plans to distribute it among members of the House and the Senate Postal Committees, upon their return to Washington.

For extra copies, please contact Marvin Gropp's office in New York.

SOCIAL VALUE OF AMERICAN MAGAZINES

DR. THEODORE PETERSON, DEAN OF COLLEGE OF COMMUNICATIONS AT THE UNIVERSITY OF ILLINOIS

Although the various media of communications compete among themselves for the advertiser's dollar and the audience's time and attention, they are complementary in their attempts to meet society's needs. Not only do some media seem to be better than others in carrying out certain functions, but some media seem to be better than others for certain individuals in carrying out even the same function.

The differences between the electronic and print media extend to the composition of their audiences and the ways people use them. Broadcast media can be used with little effort and, unlike print media, they seem to appeal more to the emotions than to the intellect. Television seems to have displaced print as a source of entertainment and escape but not as a source of serious, useful information. TV tends to cater more to the lower income, poorer educated segments of the population whereas study after study links the print media with increased education and income.

Ben Bagdikian, in his study for the Rand Corporation, reports that for every minute spent at information activities, reading is almost double the "efficiency" of the nearest competitor, films, and 3½ times more efficient that its most famous competitor, television. It is also five times as "efficient" as radio, he says, and 7½ times as "efficient" as lecture and discussion.

Setting magazines apart from the other print media are several characteristics that equip them for important tasks in a democratic society. Unlike the typical newspaper, magazines are not restricted to a narrow geographical area. Therefore, they can give highly specialized treatment to highly specialized subjects to a widely scattered audience; or can provide a national perspective to even local issues and concerns. They are put together with less haste and less pressure than the newspaper, and their life span is much longer. Because of reader habits and expectations, and because of their available space, magazines can give carefully researched, thoughtful and extended treatment to the subjects they cover.

Magazines are more timely than books—timely enough to deal with the flow of events. They have a continuity that a book lacks. As a continuing channel they can sustain campaigns over long periods, with feedback from their readers, and work for cumulative effect rather than single impact.

The role of magazines in our society rests squarely on the assumptions that underlie the democratic form of government—faith in the essential rationality and perfectability of man and in his ability to discern truth if afforded an unfettered marketplace of information and ideas.

Magazines have at least six main functions. One is *public enlightenment*—they are inexpensive, pervasive educators that provide man with the information he needs to form his own ideas, that stimulate him with the ideas of others. Since new ideas rarely originate with the majority, print—and especially magazines—seem an ideal vehicle for disseminating the fresh ideas and viewpoints that ward off stagnation in a democratic society. They have been an agency for needed social reform. Over the years, historians have credited them with helping to bring about Congressional investigations, pure food laws, a tariff commission, child labor laws, wage and hour laws, workmen's compensation, old age pensions and social security, women's suffrage and many other reforms.

As public enlighteners, magazines have instructed readers in their cultural heritage. In addition, magazines have been the developers of literary talent.

A second function is *servicing the political system*. Democratic government needs an electorate well-informed about issues, problems and their possible solutions. Magazines help to provide the information and ideas that steer public opinion towards consensus.

A third function is *safeguarding personal liberties*—a watchdog that warns the public when personal liberties are in danger.

A fourth function is to be *profit-making*—to be free of obligations to government and special interests.

Closely allied is a fifth function, *servicing the economic system*—not only the supplying of economic news and views, but the rise of mass production and mass distribution has given increasing importance to informative advertising.

A sixth function is *providing entertainment*. Magazines can inform and educate even while they entertain.

Not the least accomplishment of magazines has been as an inexpensive *instructor in daily living*. They teach their readers how to prepare food nutritiously, inexpensively; how to plan, build, remodel, landscape, furnish and decorate their homes; how to rear their families; how to protect their health, mental and physical; how to plan for and enjoy retirement; and so many other important subjects too extensive to enumerate.

Magazine publishing has remained an open-ended, fluid, high-risk business. It is knowingly estimated that only about one new magazine in 200 or 300 ever achieved financial success. Neither age, advertising leadership nor reader acceptance is necessarily a guarantor of permanent success. Of the top twenty magazines leading in advertising revenues in 1927, half had died twenty years later. And, of the forty magazines with circulations of a million or more just twenty years ago in 1951, exactly one-fourth are dead today.

I fear the proposed postal increases imperil the present and future health of magazines—a medium that has been closely attuned to the needs and care of the American people and that provides the diversity in information and viewpoint they expect and need.

ECONOMIC CRITERIA FOR COSTING AND RATE-MAKING

Dr. Stephen F. Sherwin, Vice President of Foster Associates, Inc., and economist specializing in finance, cost and price analysis, with particular emphasis on methodology of costing and cost allocation in connection with the determination of revenue requirements for rate-making purposes, consultant to both industry and government.

Dr. Sherwin's testimony focuses on and thoroughly explores the following issues of Postal Service costing:

1. The extent to which the Postal Service's costing process reflects the identifiable factors and functions which influence the cost incurrence.

2. The correctness of the classification of costs as "variable" (directly attributable), "specific fixed" (fixed or restricted institutional costs that can be soundly attributed to certain specific classes of mail), and "institutional" (fixed costs not directly attributable to any particular class of mail).

3. The propriety of distributing *all* institutional costs to *all* classes of mail.

4. The reliability of the various costing systems for developing estimates of costs of different classes and subclasses of mail.

Dr. Sherwin states, "No matter how great my disagreement may be with respect to the measurement of cost, the Postal Service's case rests on the proper foundation that a rational rate structure *cannot* be based on a *fully* distributed cost system, and that those elements of cost which are judged to be fixed must be distributed on the basis of economic criteria, including elasticity of demand, value of service, and effect on the users." And he further agreed with the Postal Service's basic costing premise that postal operations are characterized by declining unit costs with increasing scale of operations.

It appears that the in-office random sampling system used by the Postal Service to ascertain attributable costs yields reasonably reliable measures of the variable costs attributable to *major* classes of mail, but wholly unreliable costs by subclasses. To test the accuracy of the observations made under the in-office sampling system, the Department conducted a single audit at the 15 largest post offices in the two-week period November 8–21, 1969. The audit revealed that the observations with respect to the identification of a number of subclasses of mail were inaccurate. The record does not indicate whether the audit confirmed the accuracy of the observations for the major classes of mail.

Among the areas of disagreement, one of the principal criticisms of the Postal Service's measurement of costs leveled by Dr. Sherwin is the failure to isolate and measure the capacity cost element. The Postal Service measures the variability of cost only by reference to a single yardstick—the volume of mail. And it does so over what constitutes essentially a short run. The incremental costing system is thus deficient on two counts insofar as it fails to measure the *capacity* cost element, particularly the impact of peak loads. The existence of peak loads and different load factors for different classes of mail is not denied by the Postal Service. Account must therefore be taken of the degree of coincidence of peak loads for the several classes with the peak for the entire system and the responsibility of those several classes for that peak load.

As a general rule, peak loads are created by those classes of mail which require priority dispatch; those classes which receive deferred service can be used to fill in the valleys. The failure to measure the peak capacity elements of costs thus tends to result in an understatement of the costs of preferential mail and an overstatement of the costs of deferred service mail.

The Report of the Cost System Task Force, dated May 21, 1970, recommended that the effect of peak loads on incremental costs be studied. Yet, to this date, the Postal Service has been unable to supply any data on peak loads of different classes of mail.

"Another area of disagreement with the Postal Service's costing system relates to the classification of some cost components as variable (directly attributable)," states Dr. Sherwin, "principally the costs of delivery carriers after they leave the confines of the Post Office. In my opinion, the carrier costs, apart from the costs incurred within the post office (primarily for casing the mail) should be classified as institutional costs. Some other costs classified as variable should also be reclassified as institutional with respect to stop time of city delivery and heavy duty rural route carriers and the related supervisory costs." Such a reclassification reduces the Postal Service's total Fiscal Year 1972 attributable costs by $141.4 million. The most significant impact of these reclassifications is on the cost of second class mail, for which the Postal Service overstates costs by 16 percent. *Directly attributable costs for second class mail would be thereby reduced by $54.6 million.*

A third area of disagreement relates to the distribution of institutional costs, specifically the failure to distinguish among different types of institutional costs and to recognize that not all institutional costs can be distributed among all classes of mail. Some institutional costs reflect costs incurred for performance of functions which do not benefit all classes of mail. These costs could more properly be called "restricted" institutional costs. To illustrate, second-class and third-class bulk mail is not handled by personnel concerned with window services. These mail classes should therefore not be charged with any part of costs associated with window services. Other "restricted" institutional costs include supervision and technical personnel, city delivery carriers (stopping and street time costs), vehicle service drivers and motor vehicle service, contract stations (miscellaneous operating costs (air taxi and mobile post offices (in transportation costs). Due to lack of adequate data on all these cost segments, it is not possible to quantify the impact of a proper identification of "restricted" institutional costs on a lowering of the costs assignable to second-class. But to spread institutional costs among all classes of mail violates not only the costing principle that costs should be identified with those classes of service that receive the benefit from cost incurrence, but also violates the rate-making principle that no class of users should subsidize another class.

Additional reclassifications of costs from variable to fixed or institutional were found appropriate for supervision of mail processing and local services, clerks in third class post offices and mobile units, in-office costs of city delivery carriers, and star route transportation costs. These, too, cannot be accurately quantified at this time but reclassification could ease the rate burden on some mail classes.

THE IMPACT OF PROPOSED POSTAL RATES ON MAGAZINE PUBLISHERS

Edward Shafer, Vice President of Foster Associates, Inc.; Senior Consultant specializing in market research studies, forecasting demand for services, economic feasibility studies and questions relating to economic impact in the communications industry.

The real-world climate for magazine advertising and for magazine subscriptions is of vital importance to any consideration of the ability of magazine publishers to pass on proposed postal rate increases to the advertiser and to the subscriber.

From 1950 to 1970 total national advertising expenditures increased from approximately $3.3 billion to $11.5 billion annually, an increase of more than 250 percent. However, the various media have not shared equally in the growth. During this period, magazine advertising revenues increased from approximately $500 million to $1.3 billion, an increase of *160 percent*. By contrast, television's national advertising revenues increased from $116 million to almost $3 billion, an increase of *more than 2,400 percent*.

Of the four major media totals—magazines, newspapers, radio and tv—television grew in share from 8 percent in 1950 to 52 percent in 1970; while the magazine share dropped from over 34 percent to about 23 percent.

The intensity of the competition for advertising faced by magazines is also indicated by the decline in the *rate of growth* in advertising revenues. Such revenues increased by approximately *29* percent from 1955 to 1960. During the next five-year period, 1960 to 1965, magazine advertising revenues increased by *27* percent. And, in the most recent five-year period, 1965 to 1970, the industry's revenues increased by only *10 percent*—the lowest *growth rate* among all major media. In contrast, television grew *41* percent during the past five years, radio is up *26* percent, and newspapers are up about *20* percent.

As for the climate for magazine subscriptions, since World War II the percentage of subscription copy sales to total circulation has increased from *52* percent in 1946 to *68* percent in 1960. During the last decade it has varied only slightly within a range of 68–70 percent. In 1970, *68.3* percent of the more than 5.5 billion magazine copies sold were sold through subscriptions.

Price increases can only be applied to new subscriptions, and subscription commitments usually cover a period of at least one year and sometimes extend as long as five years.

On the basis of an examination of several regression equations (statistically evaluates the relationship between the *dependent variable, magazine advertising page sales*, and the independent variables such as price of magazine advertising (C per M), price of television advertising, Gross National Product, and ratio of national advertising expenditures to Gross National Product) the demand for magazine advertising was estimated at −1.0.

The demand for magazine subscriptions was also found to have a co-efficient of elasticity equal to −1.0. At an elasticity of −1.0 a given change in price will produce a corresponding (*but opposite in direction*) change in demand. Under this condition of unit elasticity, higher prices for advertising and subscriptions would initially offset dollar volume losses. Since total revenues at this point would be the same as before the price increases, there would be a net loss of revenue to publishers reflecting the exact amount of the increased postage costs. However, there would also be a corresponding percentage loss in advertising pages and in subscription circulation.

In addition, the resulting loss in subscription circulation would increase the advertising cost per thousand. And, in due course, this increase in C per M would produce losses in both advertising pages *and revenue* which would *not be offset* by the higher advertising prices.

Financial data for a group of 42 magazines, gathered by Ernst & Ernst and furnished to Foster Associates, Inc. in summary form, indicates that the group's operating profit in 1970 was equal to $32 million on total revenues of $1,016 million.

On the basis of unit elasticity (—1.0) and considering only the *first step* postal increase, it is estimated that the operating profit would have been reduced from $32 million to

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less than $17 million if the magazines would have attempted to shift the higher costs to advertisers and subscribers. This would have represented a 48% decline in operating profits.

On the basis of the *full* postal increase, attempts to *pass on* the higher cost would have resulted in an *operating loss of more than $7 million.*

The impact would be substantially greater if magazines attempted to *absorb* the higher postal costs. Under this alternative, the *first step* increase would have *reduced operating profits from $32 million to $7.5 million—a 76% drop.*

If magazines would have attempted to *absorb* the *full* postal increase, they would have experienced an *operating loss of more than $59 million.*

TESTIMONY OF STEPHEN E. KELLY

Magazine Publishers Association consists of more than 130 member companies, publishing nearly 400 magazines, which includes almost all of the nation's major consumer publications. The advertising revenues of member publishers annually exceed $1.0 billion. These revenues, in 1970, accounted for approximately 85% of the total reported magazine advertising revenues for that year. Based on an average issue circulation for the second six months of 1970, MPA member magazines account for about 60% of total magazine circulation.

About 112 million adults, or 90% of all men and women 18 years of age and older, are magazine readers. Stated another way, nine out of ten adults read magazines and they each read an average of seven different issues of magazines a month.

Not only do magazines inform and educate the general reading public, but magazines are also used widely in the nation's schools in the formal educational process. A special research study conducted in 1969 for MPA by Scholastic Research Center found teachers use magazines as teaching aids or that about 70% of all secondary school supplements to update textbooks or to enrich the curricula. This compares with the following use of other media by the teachers: supplementary books 67%; record/tapes 57%; newspapers 56%; and about one-third of the teachers use filmstrips, professional graphics and movies. Radio and television are used by about a tenth or less of the teachers.

In April 1969, a study was conducted by Gilbert Youth Research for MPA, among young people 14 through 25 years of age. Emphasizing the different roles that the broadcast and magazine media play in the lives of young people, the survey found that they look to magazines to provide information that contributes to knowledge and self-improvement. Sixty-two percent voluntarily characterized magazines as "informative."

This then is a brief overview of MPA, the magazine publishing industry of which the Association is representative, and the composition of the American magazine reading public.

The readers of magazines have always enjoyed the benefits of preferential rates which have not returned all costs reasonably attributed to the service provided. This preferential consideration of magazine is a means of encouraging and expanding their dissemination, and has been consistent and informed Congressional policy in recognition of the social, cultural and educational value of this unique communications medium since the earliest beginnings of postal service in the United States. Enactment of the Postal Reorganization Act significantly changed the structure of the Post Office Department but it was not intended substantially to destroy the historic postal policy of service to the public which Congress has followed since the Department's inception.

In the light of the increased costs of rendering the postal services, we are willing and—we hope—financially able, as an industry to pay more than we have in the past. Such added burden, however, must be measured by the reasonably expected standards of efficiency in operating the Postal Service and in consonance with the intent of Congress.

Other expert testimony in the record (i.e. Dr. Sherwin) deals in detail with the defects in the Postal Service presentation of the fundamental components of its rates proposal case. But, we have certain concerns that bear mentioning here. We are distubed by the facile disposition by the Postal Service witnesses of the "non-cost" factors in their determination of the assignment of "institutional" costs to the different classes of service. The Postal Service makes not even the pretense of guiding its judgement in assigning these costs with any studies or hard information of any kind. And, in accordance with Sec. 3622(b)(6), which requires the Commission to consider "the degree of preparation of mail for delivery into the postal system performed by the mailer and its effect upon reducing costs", we believe that the degree of preparation of mail by mailers is an incentive factor which must be given consideration in the exercising of judgement on the portion of *"institutional"* costs that class of mail should bear.

Most significant of the factors to which the Postal Service has given inadequate attention is "the effect of rate increases upon the general public (and) business mail users."

I agree with a conclusion by Mr. Hargrove and Mr. Eden, elsewhere in the testimony, that prospectively second class mail "ranks highest among all major classes" in price sensitivity. At the same time, Mr. Eden, at Tr. 3A/426, acknowledges that the Postal Service cannot make a "precise judgment" of the impact of the proposed rate increases on the magazine publishers because they do not have privileged financial information. Unencumbered by any such knowledge, the witness goes right ahead and informs us that" . . . accommodation by publishers—though difficult—is feasible," and that subscribers and advertisers can share the additional cost equally. Mr. Shafer's testimony, based upon an exhaustive study of the industry effectively destroys this assumption.

Further, Mr. Eden testifies that publishers may be able to absorb the rate increases. However, Mr. Shafer's study of the industry financial picture develops an average operating ratio of only 3.1%. Obviously, the absorption of even 50% of the proposed increase for second class would essentially eliminate all net income on an average industry basis.

The testimony of Mr. Keylor, for Time Inc., dramatically demonstrates the impact of such an increase upon one major magazine publisher furnishing many millions of Americans with a wide spectrum of business, financial, cultural, sports and current events information.

Thus, it must be concluded that elasticity of demand for magazines and for magazine advertising is of such a magnitude that neither advertisers nor subscribers will accommodate the proposed increase and the industry is not financially capable of absorbing it.

The Magazine Publishers Association believes that the question of rate design cannot be decided properly on data now available or within the probable time limits of the current proceeding. Therefore, it urges that the historical second-class rate pattern be retained in any determination of this proceeding. A future rate case, built upon knowledge to be gained and with more time for deliberations will permit a better-informed structuring of rates.

I believe that the industry would be willing to attempt, over a period of five years, to absorb an increase of 10% per year above the rate that existed when subchapter II went into effect. I use the word "attempt" advisedly because, as Mr. Shafer's study shows, the industry's profits could be wiped out and turned into a loss before the rates proposed become fully effective. My hope is that by the time such a crunch occurs, the Postal Service will, as the Postal Reorganization Act contemplates, have increased its productivity and efficiency to the point where it could reduce rates and that we would share in such reductions.

At the end of five years, with the 10% increase per year I described, second-class users would be paying an amount equal to the costs which our experts believe should properly be attributed to second-class mail and would, in addition be making a contribution to institutional costs. In other words, we would be paying our way and the Postal Service, on an incremental basis, would be profiting from the business we give it.

REPORT OF THE U.S. COMMISSION ON CIVIL RIGHTS—"ONE YEAR LATER"

Mr. KENNEDY. Mr. President, a year ago the U.S. Commission on Civil Rights issued a massive study on the "Federal Civil Rights Enforcement Effort." That report detailed inadequacies in civil rights enforcement throughout the Federal bureaucracy and concluded, "strong remedial measures are needed if all departments and agencies are to carry out their civil rights responsibilities with maximum effectiveness." This past May, following up its study, the Commission issued an interim report which summed up its finding of some improvement coupled with persisting gross inadequacies in the colorful expression, "The dinosaur has finally opened one eye."

The Commission has just issued "The Federal Civil Rights Enforcement Effort: One Year Later," continuing the work of the previous two studies. The conclusion is familiar and disappointing. "Progress clearly is being made. But judged by the more objective standard of civil rights performance, the Federal Government continues to get low marks."

More striking than the verbal conclusion is a chart of civil rights performance by agency and program. The dismal fact is that of the many agencies and programs rated on a scale of good, adequate, marginal, poor, not one ranked as even adequate. Some time ago, this administration told us, "Don't watch what we say—watch what we do." We have been watching what they have been doing for almost 3 years now, and our impression that they are doing pathetically little has been confirmed three times by thorough looks from the Civil Rights Commission.

Mr. President, I ask unanimous consent that the Commission's eloquent introduction to "One Year Later" and its performance chart be printed in the RECORD; along with an editorial on the report from today's New York Times.

There being no objection, the material

was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE U.S. COMMISSION ON CIVIL RIGHTS ON "THE FEDERAL CIVIL RIGHTS ENFORCEMENT EFFORT—ONE YEAR LATER"

The report the Commission is issuing today is a progress report on the status of civil rights enforcement by the Federal Government.

In October 1970 the Commission published a massive study of "The Federal Civil Rights Enforcement Effort." Based on an evaluation of more than 40 departments and agencies with significant civil rights responsibilities, the Commission found that enforcement was characterized largely by inaction, lack of coordination, and indifference. The deficiencies we found were so extensive as virtually to nullify the impact of the important civil rights laws enacted over the last decade and to make a mockery of the efforts of the many men and women who have fought for equal rights.

Last May, the Commission issued a follow-up report to determine what progress, if any, had been made in the seven months since its October 1970 study. Our basic conclusion was that some advances had been made, in the form of tentative first steps combined with promises to do better in the future. As we put it then: "The dinosaur has finally opened one eye."

More than a year has passed since the Commission first spelled out the numerous inadequacies that pervaded the Federal civil rights enforcement effort. Where do we stand today? There is no simple answer to that question. For one thing, the answer depends on the frame of reference used in evaluating the Federal civil rights effort. Thus, when compared to the situation that existed a year ago, the structure of the Government's effort has been improved in a number of important respects.

For example, the President's Council on Domestic Affairs, the key coordinator of executive policy in the domestic area, has established a Civil Rights Committee to focus specifically on civil rights issues of national importance. The Chairman of this Committee is George Shultz, Director of the Office of Management and Budget. A year ago, the Domestic Council had no plans for including the full spectrum of civil rights within the scope of its responsibility. By the same token, the Office of Management and Budget, which plays a central role in assuring effective implementation of national policy, has made a significant start in incorporating civil rights considerations into its entire operation. It was only a year ago that OMB even officially acknowledged that it had any civil rights function.

Nor is the advance limited only to these two agencies, important as they may be. Other agencies—those with more specific civil rights responsibilities—also have moved ahead. Agencies such as the Department of Housing and Urban Development and several of those which have responsibilities under Title VI of the Civil Rights Act of 1964, have improved their civil rights structure and mechanism substantially. Progress clearly is being made.

But judged by the more objective standard of civil rights performance, the Federal Government continues to get low marks. And in the Commission's view, actual performance in the resolution of problems, not progress in the development of mechanisms alone, is the realistic yardstick by which the Government's civil rights effort should be measured.

It is no consolation to the black farmer who continues to receive assistance from the Extension Service on a racially separate and unequal basis that the Department of Agriculture is making progress. It is no source of satisfaction to the Mexican American or Puerto Rican job seeker turned down by a Government contractor that the OFCC is gradually improving. The rights these people are being denied are rights to which they are entitled *now* and the fact that these denials continue cannot be justified on grounds that the Government is gradually gearing up to eliminate them.

Another reason for the difficulty in assessing the current status of Federal civil rights enforcement is the existence of wide disparities in the performance of the many departments and agencies with civil rights responsibilities. Some are taking actions necessary to perform effectively. Others still barely recognize that they have any responsibility at all. This is true even of agencies with the same civil rights responsibilities.

Thus the Federal Home Loan Bank Board, which regulates savings and loan associations, the Nation's major mortgage lending institutions, recently committed itself to an ambitious, and we believe potentially effective, program to assure against discrimination in mortgage lending, which is prohibited by Title VIII of the Civil Rights Act of 1968. But the Board's sister agencies, which regulate commercial and mutual savings banks, also major mortgage lending institutions, have so far declined to adopt similar measures. The Small Business Administration and the Economic Development Administration have been steadily improving their Title VI operation, but the Department of the Interior and the Law Enforcement Assistance Administration still have barely begun to implement compliance programs.

The bar charts we have prepared indicate the progress over the last six months. They also show the disparities in the level of performance of agencies, particularly those with similar or even identical civil rights responsibilities. Above all, the charts reflect the plain fact that the overall level of performance remains low. As you can see, no agency is performing adequately.

While these charts may be thought to carry the flavor of examination scores divorced from the world of reality, that is not the case. Civil rights law enforcement is not an academic exercise and the charts reflect a very harsh reality. The low grades we have assigned to so many agencies are indicators of lack of effective action on their part in dealing with continuing discrimination in areas where the law clearly prohibits it. And the fact that many agencies still are not organized to carry out the law has increasingly tragic and real implications for the future well-being of this country.

Over the past two years, since the Commission began this extensive study of Federal civil rights enforcement, we have learned a good deal about the impediments that underlie strong civil rights enforcement and about what is necessary to stimulate more vigorous action. Perhaps the principal impediment the Commission has found is inertia on the part of the Federal bureaucracy—in some cases, a blind, unthinking, fidelity to the status quo; in others, a calculated determination to do nothing to advance the cause of civil rights.

For example, last February, the Commission sent out questionnaires to a number of agencies in an effort to find out what changes they had made following the Commission's first report on civil rights enforcement. What we learned was that almost no changes had been made, that agencies, instead of responding affirmatively to the Commission's findings and recommendations, had been sitting tight in an effort to weather the storm. It is unfortunate that only when the Commission decided to announce its findings publicly, a few changes began to be made and a few promises extended. By comparison with the previous period, March was a busy month for civil rights throughout the Federal bureaucracy.

By the same token, when the Commission again questioned agencies in September to find out what additional progress had been made, and particularly, whether those agencies that had made promises were delivering on them, we found that only a handful had done anything of significance during the preceding months. Again, the actions that were taken followed our announcement that we would report publicly to the Nation on the status of their civil rights enforcement programs. In few cases could the actions taken be ascribed to the self-initiation of the agency. For the most part, they appeared to be taken out of a desire to avoid public embarrassment. In other cases, the possibility of public embarrassment has failed to bring about even the slightest change.

We also have learned that appearances can be deceiving—that the mere establishment of a potentially effective civil rights mechanism does not necessarily mean that stringent civil rights enforcement will follow. For example, last June the General Services Administration and the Department of Housing and Urban Development announced a new cooperative agreement to assure availability of housing for lower-income families, open without discrimination, in any community in which a Federal installation was to be located. It took nearly five months before any regulations were issued, and internal operating instructions still have not been developed. Federal installations still are being located on a business-as-usual basis.

This example is not unique. In response to Commission inquiries, agencies are quick to announce structural changes that they plan to make, or that they have just made. But rarely do they report full implementation of these changes, and more rarely still, can they point to measurable improvements in minority living conditions as a result of them.

In short, most agencies seem determined to avoid upsetting the status quo for the sake of assuring equal rights and, if change must be made, they often will be changes in form, but not in substance.

The lessons we have learned, however, have not all been negative. We have learned that difficult as it may be to stimulate needed change, it can be done. Not all agencies are resistant to the idea of strict civil rights enforcement. There are agencies, including some that occupy key positions in the Federal hierarchy, that have responded affirmatively.

We also have learned that the instruments of continual monitoring of Federal civil rights activities and public reporting of their inadequacies, which are the principal weapons at the Commission's command, can achieve significant results. What this experience suggests is that a greatly expanded monitoring effort, involving resources much greater than those available to the Commission alone, must be undertaken—an effort in which the civil rights activities of Federal agencies will be subjected to close and continuing scrutiny, and agency heads held publicly accountable.

Here, recent developments are encouraging. Of special importance is the fact that Congress, itself, through a Civil Rights Oversight Committee of the House of Representatives, is now engaged in a review of civil rights enforcement to determine how agency performance should be improved. Private groups as well are recognizing the fact that the area in which the struggle for equal rights is being fought has changed, from that of legislation to the more difficult one of administrative enforcement.

There are some, embittered by the frustrations of dealing with bureaucracy, who may think the Commission is tilting at windmills, that its effort to move the Federal Government to firm enforcement of civil rights laws is futile. The bureaucracy, they

contend, responds only to the usual pressures from traditional sources. These pressures are exerted by special interest groups that successfully manipulate Federal programs and Federal officials. They also are exerted by long-time chairmen of key congressional committees and subcommittees—almost always selected by seniority from safe districts—whose power often is used to serve narrow interests, rather than the larger public good. Against these pressures, they are convinced that civil rights advocates can do little.

There are others who see the bureaucracy in a more optimistic light, but nonetheless despair of any progress. From their standpoint, it is all the fault of this Administration. The President's civil rights statements and actions, they contend, have demoralized the bureaucracy and rendered it incapable of positive civil rights action.

The Commission takes a different view. First, we reject the notion that inaction by the Federal bureaucracy is inevitable and we find totally unacceptable the explanation that political pressures in favor of the status quo are irresistable. The fact that salutary changes already have occurred demonstrates that efforts to stimulate them are not useless, that counsels of despair are not warranted.

Second, we cannot agree with those who claim that the problem lies solely with this Administration or with the President personally. As we have noted previously, problems of inadequate civil rights enforcement did not originate in this Administration, nor was there any substantial period in the past when civil rights laws were enforced effectively. In fact, measured by the structures and mechanisms that have been developed over recent months, we now are much better equipped for civil rights enforcement than we were in the past.

Further, those who keep pinning the blame entirely on the President tend to forget the wide discretion that Federal officials have in performing their duties. Always to point accusingly at the President permits many of these career and political appointed officials a false excuse for inaction.

This is not to say that the President has no role to play in civil rights enforcement. He represents the ultimate source of policy direction to which the Federal establishment looks for guidance. An expression of firm and unswerving dedication to civil rights law enforcement on his part can do much to steel the Executive Branch to vigorous action. And he is, in the last analysis, responsible for the success or failure of his Administration's civil rights program. Above all, it is to the President that the Nation looks, not merely for efficient administration of the law, but, more important, for leadership in helping to resolve the difficult problems facing it.

The Administration has addressed itself to a number of important civil rights issues. The Commission has agreed with some of the policies the Administration has announced and disagreed with others. Thus the Commission has fully supported the Administration's call for increased staff for civil rights enforcement and the establishment of numerical goals and timetables to expand minority employment opportunities. But the Commission also has taken strong exception to some Administration policies, particularly those concerning techniques to facilitate school integration. Nor is the Commission entirely satisfied with the policy on open housing.

Many of these issues are complex and controversial, and have been the subject of deep concern to the Nation. The President has spoken out on them and this, we think, is important in itself. The President cannot lead the Nation by remaining silent on the important issues troubling its people. Further, such public expressions on the part of the Nation's leader can have the effect of sparking a public dialogue, which is a necessary element in the proper functioning of a democratic society.

Equally important, however, is that the policies adopted by the Administration be of the kind that will unify the country and serve the cause of equal justice. Thus it is imperative that the President's Statements on such subjects as school integration and open housing represent, not the last word, but only the beginning of a continuing public dialogue which will lead the American people to achieving a society in which all can share in the Nation's abundance. That goal is not yet in sight.

The Commission is aware of the strength of the forces that serve to impede progress in civil rights. We also are aware that the American people have grown somewhat weary, that the national sense of injustice, which was the foundation on which the legislative victories of the 1960's were built, has dimmed. We are convinced, however, that it can be rekindled and that through governmental leadership and vigorous action by public and private groups, the Nation's pledge of equality, reflected so brightly in the legislative enactments of the last decade, can be redeemed.

Let us be clear on the basic issue to which the Commission's reports have been addressed. The issue is simply law enforcement. Let us also be clear on what the Commission is asking government to do. We are asking nothing more than that Federal officials fulfill the obligation which our Constitution has imposed upon them—that of faithfully executing the law. This is the touchstone by which they can and must be held accountable. It is the standard by which the Commission will continue to evaluate the Government's performance.

Low Marks on Civil Rights

The United States Commission on Civil Rights has hit on the useful device of rating the performance of a wide variety of Government agencies in the battle against discrimination and social injustice. Unfortunately, the initial report card is far from encouraging. Few of the agencies have risen above a failing mark.

When governmental mechanisms are revised without noticeable improvement in the field, as this report indicates they have been, one must suspect that the organizational reforms are merely a facade to make conditions appear better instead of actually making them so.

The most useful aspect of the report is that it will enable the commission to pinpoint progress, if any, in the future and to hold those agencies accountable which are now on record as having created the enforcement machinery to do the job. It is not easy to be optimistic about the Government's dedication to the civil rights issue so long as such major agencies as the Veterans Administration and the Justice Department's Law Enforcement Assistance Administration continue to receive the dismal rating of "lowest" in progress. It is particularly disheartening that the Internal Revenue Service, in direct violation of the law, was found still to be allowing tax-exempt status to those all-white academies which have been set up in the South to circumvent school desegregation.

The President's most forceful statements on the subject have been not in support of civil rights but in opposition to school busing. There is room for legitimate doubts about busing as a primary desegregation device; but the fact is that Mr. Nixon has, as the commission emphasized, repeatedly put the prestige of his office behind the antibusing movement without suggesting any alternatives or providing persuasive leadership to the cause of integration. So long as the White House remains the symbol of foot-dragging, the governmental machinery will stay in low gear on the difficult road to equal rights.

THE NATIONAL FORESTS ARE IN TROUBLE

Mr. METCALF. Mr. President—

The national forests, the country's biggest single reservoir of material and recreational resources, are in trouble.

Mr. President, this is the lead sentence of an excellent report in the Sunday, November 14, New York Times on the situation facing us on the 187 million acres of national forest lands. Gladwin Hill, the writer, quotes my colleague from Wyoming, Senator McGee, to the effect that many of the management policies of the agency responsible for this vast reservoir of forest land are themselves "wreaking havoc with the environment."

My colleague and I would scarcely be in greater agreement. Both of us have been critical of many Forest Service practices, particularly of the Service's adoption of clearcutting as its primary method of harvesting timber from the Nation's forest preserves. This practice of stripping vegetation from tracts of productive harvest land is both unsightly and in many cases ecologically disruptive, as the Times article notes. It amounts to "mining" timber, not managing it as the Bolle Report on the Bitterroot National Forest in my own State concluded.

Mr. President, the conclusion is inescapable that action must be forthcoming to protect the national forests and insure their continued availability to the American people. Senator McGee has one bill pending to authorize an interdisciplinary study of clearcutting. I have pending the proposed Forest Lands Restoration and Protection Act, which envisions a rational approach to a long-term national policy aimed at restoring the grandeur of America's forests.

Time is wasting. The forests are indeed in trouble. So that Senators may familiarize themselves with the background of this statement, I ask unanimous consent that the New York Times article headlined "National Forests: Physical Abuse and Policy Conflicts," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

National Forests: Physical Abuse and Policy Conflicts

(By Gladwin Hill)

The national forests, the country's biggest single reservoir of material and recreational resources, are in trouble.

Covering nearly one-tenth of the nation's area and worth untold billions of dollars, these preserves have long been considered limitless. But their integrity is now being threatened by both physical abuse and imponderables of national policy.

With increasingly bitter charges and countercharges being sounded over the management of the national forests, a six-month inquiry into the complexities of the controversy has shown that:

Bulldozers and tractors are boring into some of the nation's last remnants of pristine wilderness.

"Clear-cutting" of timber has left thousands of square miles of bald patches in the forests, some of which may never regrow.

Archaic laws and regulations are allowing choice expanses of the forests to be gouged and scarred by mining operations.

Nearly half the national forests' forage areas have been overgrazed or otherwise rendered substandard.

Preoccupation with the forests' commercial roles has severely retarded their development for public uses.

Pressures for increased timber production have led to extensive violations of the spirit, if not the letter, of laws intended to preserve the forests in perpetuity.

Propelled by the force of the "environmental revolution," the situation appears headed toward early showdowns within the Nixon Administration, in Congress and in litigation reaching all the way up to the Supreme Court.

The outcome as a whole could profoundly affect both the face of the nation and the quality of life of its citizens. At stake are 154 national forests, averaging 2,000 square miles each in area and spanning 40 states from Florida to Alaska.

They cover 187 million acres—nearly an acre for every man, woman and child in the country. The nation spends over $500-million a year to maintain and operate the forests—$1.5-million a day. They yield about $300-million in revenues, mostly from the sale of timber.

The public's recreational use of the national forests is officially reckoned at double the use of the national parks, and is fast approaching the numerical equivalent of every citizen's spending a day in the forests each year.

Unlike the smaller national parks system, which is run by the Department of the Interior, which comprises only 28 million acres and which is dedicated entirely to recreation the national forest system is run by the Department of Agriculture and is dedicated to "multiple use."

The forests by law are supposed to fulfill six functions: recreation, watershed maintenance, wildlife preservation, timber production, grazing and mining.

In one degree or another, the six-month investigation indicates these activities are being impaired or compromised under the national forests' present administration.

"The Forest Service's management policies are wreaking havoc with the environment, Senator Gale McGee, a Wyoming Democrat, said recently. "Soil is eroding, reforestation is neglected if not ignored, streams are silting, and clearcutting remains a basic practice."

Mismanagement Charged

He is in the forefront of a growing body of critics of the national forest administration. Their ranks include members of Congress, conservationists, citizen groups, scientists, economists and even, to an extent, the timber industry.

The gist of their complaints is that the national forests are being mismanaged—that over-emphasis on the forests' commercial functions has led to excessive logging and long-term impairment of their noncommercial functions.

The Forest Service has acknowledged that many of the charges are true in some measure but it contends that such lapses are the exception rather than the rule.

Although generalizations about 154 separate national forests can be tenuous, evidence supporting the critics' principal allegations can be found from coast to coast.

In Montana's Bitterroot National Forest, there are whole mountainsides so skinned of centuries' growth of pondersoa pine and Douglas fir that they look more like manmade pyramids for a weird science-fiction film.

In West Virginia's Monongahela National Forest, clear-cuts up to a mile wide have defaced the landscape, disrupted drainage and routed wild game from ancient haunts.

Wyoming's Bridger National Forest, like many others, is scarred by remains of badly built logging roads.

In the national forests of the Northwest are countless instances of erosion and siltation that even Federal water experts have been moved to deplore publicly.

Federal auditors over the last decade have found repeated instances of maladministration of the forests costing taxpayers millions in cash, recreational opportunities, watershed values and wildlife preservation.

Reconciling the national forests' "multiple uses" has always been inherently a problem. But during a half century of the nation's "economy of abundance" the 66-year-old United States Forest Service managed to juggle its conflicting responsibilities in relative obscurity and serenity.

Now, suddenly, the forests have been caught up in the "environmental crunch"—the post-World War II population explosion, the recreation explosion, soaring demands for all the forests' varied resources, and a sudden ascendance of esthetic values.

These converging currents have precipitated many collisions among the diverse functions of the forest, collisions that have been compounded into an unpublicized but palpable administrative crisis. Its major aspects include:

The Forest Service's traditional autonony has run headon into new laws making all Federal agencies publicly accountable for the environmental impact of everything they do.

Forest Service decisions, rulings and actions are being challenged in courts at all levels throughout the country.

Public criticism has engendered a crossfire of conflicting legislative proposals affecting the forests.

From Congress and other quarters is coming a swelling stream of demands for a large-scale investigation of the whole national forest administration.

The Nixon Administration, in the executive reorganization plan it has placed before Congress, has acknowledged that the management of the national forests is less than optimal and needs revamping.

Imbalance Aggravated

A 10-year national forest development program outlined by President Kennedy to Congress in 1961 sought to right an admitted imbalance between commercial and noncommercial functions. Instead the imbalance has been aggravated.

Year after year, commercial functions of the forests have been receiving close to 100 per cent of projected financing, the noncommercial functions closer to 50 per cent or less.

The national forests are presumed to contain about 35 per cent of the nation's "inventory" of standing marketable timber, and have been providing about 18 per cent of the national timber supply.

Nominally, the Forest Service is cutting only 1.1 per cent of its timber annually, well within the rate calculated to maintain the forests indefinitely. But it admittedly achieves this ratio only by balancing excessive cutting in prime timber and prime locations against low levels elsewhere.

Under prolonged pressure to produce more timber, the Forest Service in 1964 adopted clear-cutting—the unsightly and ecologically disruptive practice of completely stripping forest tracts—as its primary "harvest" method in place of selective cutting.

Subsidiary of Industry

Sixty per cent of the national forest timber harvest recently has been performed by clear-cutting—more than double the proportion, according to the timber industry, on private and public lands generally.

"The Forest Service," Representative John Dingell, Democrat of Michigan, remarked recently, "is a wholly owned subsidiary of the timber industry."

A panel of specialists from the University of Montana investigated national forest management last year and reached a similar if less blunt conclusion.

"The de facto basis of Forest Service appropriations," the panel reported, "is the dollar income from national forests. . . . The director of the Forest Service thus becomes primarily one of supplying building materials. . . ."

Another witness on the point is Dr. Edward C. Crafts, formerly second in command of the Forest Service.

"The Forest Service," he told a Congressional hearing in 1969, "is close to the brink with respect to timber management. Right now it is cutting about twice as much softwood sawtimber [the principal type of construction lumber] as it is growing. This situation cannot last."

Such criticism circulates also within the Forest Service. In a confidential intraservice memorandum, a high-ranking official of the agency last year lamented: "Our attention has largely been centered on industry problems related to contracts and valuation . . . Our measuring stick for the quality of timber sales is whether or not a forest has met its sell-and-cut goals."

Mining and Grazing

Other complaints, of long standing, have concerned mining and grazing.

Under public-land mining laws going back for a century, 140 million of the national forests' 187 million acres are open to anyone who wants to stake out a mining claim for specified minerals. Eventually, by complying with some simple regulations, a claimant can get a permanent title to the land involved.

The Forest Service shares jurisdiction with the Department of the Interior over such operations, and there is a lot of buck-passing. But conservation lawyers have been accusing the Forest Service of not exercising regulatory powers it plainly has.

The Monongahela National Forest is riddled with coal mining operations. A choice expanse of the Challis Nation Forest in Idaho currently is threatened by a molybdenum mining project. A phosphate mining project is threatening a portion of the Los Padres National Forest that is one of the last refuges of the rare California condor. Many other national forests are subject to similar disruptions and actual alienation of their land.

Over half of the 187 million acres of national forest land nominally is open to grazing, but only half of that—50 million acres—is considered suitable for use. Of this, 18 million acres is officially classified as in "poor" condition—the result, experienced Forest Service officials have said, of systematic over-grazing.

Another alleged victim of the Forest Service's solicitude for commercial activities has been the movement to preserve a small portion of the nation's wilderness in its pristine status in pursuance of a law enacted by Congress in 1964.

On many tracts proposed by conservationists for preservation, the Forest Service has moved conversely for the early introduction of logging and road building. The agency's seeming partiality to preserving timber-barren uplands has led to jokes about a policy of "wilderness-on-the-rocks."

Complaints of Industry

Amid all the allegations of excessive logging in the national forests, the timber industry itself—base of the $36-billion-a-year business that provides the nation with most of its wood and paper products—has also been bitterly unhappy.

Dependent in part on the national forests for its raw material, the industry contends the Federal preserves are not producing enough. It blames this on "inefficient" operation and on efforts of "preservationists" to restrict logging.

In 1969 the industry was instrumental in formulating the national timber supply bill. It called for national forest timber revenues, which now go into the United States Treasury, to be systematically plowed back into augmentation of national forest wood production.

A major argument advanced was that without more timber from the national forests, lumber prices would soar and crimp the Administration's housing program. The bill was energetically supported by both the White House and the Forest Service.

Conservationists called the measure a license to "raid" the national forests, and in February, 1970 persuaded the House of Representatives not to consider the bill.

Nevertheless, President Nixon thereupon passed on to the Forest Service a White House task force recommendation that the national forest timber harvest be increased 50 per cent by 1978—primarily to help meet projected needs for housing lumber.

Some experts question these purported needs and the national forest's responsibility for meeting them. In any case, conservationists say, they could largely be met simply by stopping timber exports, which now are running about 5 billion board-feet a year. But stopping the lucrative exports is a move that the timber industry, the White House and the State Department alike oppose.

Conservationists' resentment intensified when the Congressionally appointed Public Land Law Review Commission, after five years' study, recommended last year that up to half of the national forests' timber land be dedicated to the "dominant use" of timber production, with other uses subordinated.

SELF-CRITICISM BY OFFICIALS

For two years the Forest Service has been engaged in an extended exercise in self-reproach.

"Our programs are seriously out of balance," the agency's graying 62-year-old chief, Edward P. Cliff, has acknowledged repeatedly, both in anguished Congressional testimony and in intra service communications exhorting his 20,000 personnel to change the service's direction and emphasis.

The essence of his defense is that the national forests like other governmental and non-governmental entities, were caught short by the recent radical shift of public opinion about environmental values; that defects in the management of the national forests are the exception rather than the rule, and that there is nothing that cannot be rectified eventually either by the stream of administrative orders emanating from Forest Service headquarters in Washington or by bigger and better-balanced Congressional appropriations.

These explanations and reassurances Forest Service critics reject out of hand. They contend the agency's troubles stem from a long-standing bureaucratic detachment from public sentiment that needs to be rectified by law.

Unquestionably, there are recurrent instances of at least a pronounced gap in rapport between the Forest Service and the public.

This spring some irate residents of the Shasta-Trinity National Forest area in California shot a Forest Service ranger who was simply carrying out his duties inspecting a mine.

Residents of Balsam Grove, N.C., were outraged when a ranger, in a land title dispute, bulldozed a large crater and buried a trailer that was a mountaineer's home.

Before the United States Supreme Court is a conservationists' suit to block a projected ski development in the Mineral King Valley in California's Sequoia National Forest.

Among other things, the plaintiffs complained that the project was initiated and inflated from a $3-million plan over an eight-year period without a single public hearing on its acceptability.

The first confrontation on national forest management came this spring at hearings on clear-cutting conducted by the Senate Interior Subcommittee on Public Lands.

Over a period of weeks, more than 100 witnesses from conservation and citizen groups, the Forest Service and the timber industry, along with forestry scientists, debated clear-cutting, without arriving at any consensus on whether it was good or bad.

However, bills were introduced in Congress calling for a moratorium on clear-cutting as well as for other rigorous regulation of both public and private forest lands.

And the indications are that this was only the opening skirmish of a long battle over the national forests.

LEGISLATIVE PROGRAM OF THE PRESIDENT

Mr. SCOTT. Mr. President, from time to time throughout the year the Senate Republican Policy Committee staff has produced a tabulation of what the President has asked Congress to do in the way of legislation—and what Congress actually has done. Such a tabulation entitled "Legislative Program of the President—Part VI" was published November 18.

Because of the widespread interest in this matter of just how much Congress has or has not done that the President requested, I ask unanimous consent that this document be printed in the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

LEGISLATIVE PROGRAM OF THE PRESIDENT
PART VI

NOVEMBER 18, 1971.

"All government,—indeed, every human benefit and enjoyment, every virtue and every prudent act,—is founded on compromise and barter."—EDMUND BURKE.

STATUS OF BILLS TO IMPLEMENT MAJOR LEGISLATIVE MESSAGES OF THE PRESIDENT—92D CONG., 1ST SESS.

Message, title and date; bill No.	Senate		House		Conference report agreed to—		Date approved	Public Law No
	Reported	Passed	Reported	Passed	Senate	House		
State of the Union, Jan. 22, 1971 (Memo No. 71-5):								
Welfare Reform: H.R. 1	Hearings		May 26	June 22				
Career Conquest—new agency:								
S. 1828 (as amended)	June 29	July 7	Nov. 10	Nov. 15				
H.R. 8343								
Career Conquest—$100,000,000: H.R. 8190 (second supplemental).	May 13	May 19	May 6	May 12	May 24	May 20	May 25	92-18.
Unfinished Business, Jan. 26, 1971 (Memo No. 71-5):								
Small Business amendments:								
S. 544	No hearings							
H.R. 7692			No hearings					
Longshoremen's disability compensation:								
S. 525	No hearings							
H.R. 3505			No hearings					
Alaska Native Claims:								
S. 1571	Hearings							
H.R. 10347 (S. 35) passed in lieu	Sept. 15	Nov. 1	Sept. 28	Oct. 20	Senate asks			
Indian control over certain Federal programs:								
S. 1573	No hearings							
H.R. 2376			No hearings					
Indian amendments:								
S. 2033	No hearings							
H.R. 8064			No hearings					
Assistant Secretary of Interior for Indian and Territorial Affairs:								
S. 291	July 26	August 5						
H.R. 8062			No hearings					
Indian Trust Council Authority:								
S. 2035	Hearings scheduled							
H.R. 2380			No hearings					
Financing Indian Organization Development:								
S. 2036	No hearings							
H.R. 2378			No hearings					
Indian Business Development Act:								
S. 2237	No hearings							
H.R. 8340			No hearings					
Micronesia claims and compensation: H.J. Res. 671	July 10	July 17	June 25	July 9			July 1	92-39.
Wholesome Fish and Fishery Products Act:								
S. 700 (included in S. 2824)	Nov. 8							
H.R. 3666			No hearings					

Message, title and date; bill No.	Senate		House		Conference report agreed to—		Date approved	Public Law No.
	Reported	Passed	Reported	Passed	Senate	House		
Drug Identification Act:								
S. 788	No hearings							
H.R. 3667			No hearings					
Salacious Advertising:								
S. 428	No hearings							
H.R. 2331			No hearings					
Obscene materials to minors:								
S. 429	No hearings							
H.R. 2330			No hearings					
Nontestimonial identification:								
S. 430	No hearings							
H.R. 2329			No hearings					
Wagering Tax:								
S. 431	No hearings							
H.R. 1010			Oct. 12					
Protection of public buildings by GSA:								
S. (not yet introduced)								
H.R. (not yet introduced)								
National Institute of Education: S. 659 (part of H.R. 7248)	Aug. 3	Aug. 6				Nov. 5	House asks	
mergency School Aid Act (Desegregation):								
S. 1557 (clean bill)	Apr. 15	Apr. 26						
H.R. 2266			Oct. 19	Failed to pass Nov. 1.				
H.R. 2266 subsequently added to H.R. 7248 by amendment on Nov. 4.								
H.R. 7248 passed House on Nov. 5. (Proceedings vacated and S. 659, with language of H.R. 7248, passed in lieu).								
Federal City Bicentennial Corporation:								
S. 715	No hearings							
H.R. (not yet introduced)								
D.C. Capital Program Financing Act:								
S. 1339	No hearings							
H.R. (not yet introduced)								
Ports and Waterways Safety Act:								
S. 698 and H.R. 867	Hearings							
H.R. 8140 (committee bill with administration support passed in lieu)			Oct. 12	Oct. 18				
Vessel-to-vessel radiotelephones: H. Res. 549	Apr. 26	May 4	July 12	July 21			Aug. 4	92-63.
Rural telephone bank:								
S. 70	Feb. 25	Mar. 1						
S. 70 (as amended)			Feb. 22	Mar. 24	Apr. 29	May 4	May 7	92-12.
Authorize Secretary of Agriculture to insure FHA operating loans:								
S. 1806	May 7	May 11						
H.R. 10538			Oct. 1	Sept. 13	Sept. 30		Oct. 5	92-133.
Grant Consolidation:								
S. (not yet introduced)								
H.R. 30			No hearings					
Joint Funding Simplification:								
S. (not yet introduced)								
H.R. 6532			No hearings					
AEC amendments:								
S. 957	Hearings—Joint Committee on Atomic Energy.							
H.R. 5523								
President's authority to designate FPC chairman:								
S. 982	No hearings							
H.R. 6312			No hearings					
Natural Gas Act amendments:								
S. 701	No hearings							
H.R. 3668			No hearings					
Transfer of cost accounting standards board:								
S. 1901	No hearings							
H.R. (not yet introduced)								
Defense Production Act Extension with amendments (act expires June 30, 1972): S. 669								
Stockpile Disposals: S. 751-778	June 17	June 21	July 28				August 11	92-83 through 92-116.
Silver certificates:								
S. 670	February 11	February 18						
H.R. (retains Senate number)								
VA Burial Allowance:								
S. (not yet introduced)								
H.R. 3348			No hearings					
Eliminate TB Disability:								
S. (not yet introduced)								
H.R. 3347			No hearings					
Reimbursement for VA care:								
S. 2807	No hearings							
H.R. 3350			Hearings					
Sale VA Direct Loans: H.R. 3344	July 22	July 23	June 24	July 6			Aug. 5	92-66.
Airline User Tax:								
S. (not yet introduced)								
H.R. (not yet introduced)								
Highway User Tax:								
S. (not yet introduced)								
H.R. (not yet introduced)								
Immigration and Nationality Act amendments of 1971:								
S. 1899	No hearings							
H.R. 2328			Hearings					
Asian Development Bank—$100 million:								
S. 749	Oct. 14	Oct. 20						
H.R. 5013			Hearings					
Inter-American Development—$900,000,000:								
S. 748	Oct. 14	Oct. 19						
H.R. 5014			Hearings					
Draft Reform, Jan. 28, 1971. (memo No. 71-5): Military Selective Service Act:								
S. 427								
H.R. 6531 (clean bill without enlistment bonus)	May 5	June 24	Mar. 25	Apr. 1	Sept. 21	Aug. 4	Sept. 28	92-129.
Federal Executive Service, Feb. 2, 1971 (memo No. 71-5):								
S. 1682	Hearings							
H.R. 3807			No hearings					

STATUS OF BILLS TO IMPLEMENT MAJOR LEGISLATIVE MESSAGES OF THE PRESIDENT—92D CONG., IST SESS—Continued

Message, title and date; bill No.	Senate Reported	Senate Passed	House Reported	House Passed	Conference report agreed to— Senate	Conference report agreed to— House	Date approved	Public Law No.
Transportation Labor Disputes, Feb. 3, 1971 (memo No. 71-5): Emergency Public Interest Protection Act.								
S. 560	Hearings							
H.R. 3596			Hearings					
General Revenue Sharing, Feb. 4, 1971 (Memo No. 71-5):								
S. 580	No hearings							
H.R. 4187			Hearings					
Environment, Feb. 8, 1971 (Memo No. 71-6):								
$5,000,000,000 to build municipal waste treatment facilities:								
S. 1013 and H.R. 5962	Hearings							
S. 2770 passed in lieu of S. 1013, S. 1014, and S. 1012	Oct. 28	Nov. 2	Executive session					
Environmental Financing Authority:								
S. 1015	Nov. 3							
H.R. 5970			Hearings					
Improve, enforce water quality standards:								
S. 1014	Hearings							
H.R. 5966			Hearings					
Increased Federal aid to State water pollution control programs:								
S. 1012	Hearings							
H.R. 5958			Hearings					
International conventions on oil spills: Executive G.	Aug. 8	Ratified Sept. 20.						
Federal Environmental Pesticide Control Act:								
S. 745 and H.R. 4512	Hearings		Hearings					
H.R. 10729 passed in lieu with administration support.			Sept. 25	Nov. 9				
Toxic substances:								
S. 1478	Hearings							
H.R. 5276		No hearings						
Regulation of ocean dumping:								
S. 1238 and H.R. 4247	Hearings							
H.R. 9727 passed in lieu	do		July 17	September 9				
Noise Control:								
S. 1016	do							
H.R. 5275			Hearings					
National land use policy:								
S. 992	Hearings							
H.R. 4332			Hearings					
Land and Water Conservation Fund Formula adjustments:								
S. 990	No hearings							
H.R. 4705			No hearings					
Power Plant Siting Act of 1971:								
S. 1684	No hearings							
H.R. 5277			Hearings					
Mined Area Protection Act of 1971:								
S. 993	Hearings							
H.R. 4704			Field inspection					
Tax measures for historic buildings:								
S. (not yet introduced)								
H.R. (not yet introduced)								
Federal insurance for historic buildings:								
S. (not yet introduced)								
H.R. (not yet introduced)								
Environmental Institute:								
S. (not yet introduced)								
H.R. (not yet introduced)								
National Resource Land Management Act of 1971:								
S. 2401	Hearings							
H.R. 10049			Hearings					
Health, Feb. 18, 1971 (Memo No. 71-6):								
Health Maintenance Organizations:								
S. 1182	Hearings							
H.R. 5615			No hearings					
Health Manpower:								
S. 1183 and H.R. 5614								
H.R. 8629 and H.R. 8630 passed in lieu with administration support.	July 14		June 9	July 1	Oct. 19	Nov. 9		
National Health Insurance Partnership Act of 1971:								
S. 1623	Hearings							
H.R. 7741			Hearings					
Higher Education, Feb. 22, 1971 (Memo No. 71-6):								
National Student Loan Association scholarships:								
(S. 1123) in S. 659	Aug. 3	Aug. 6		Nov. 5	House asks			
H.R. 5191			Hearings					
National Foundation for Higher Education:								
S. 1062—Title III of S. 659	Aug. 3	Aug. 6		Nov. 5	House asks			
H.R. 5192			Hearings					
Consumer Affairs, Feb. 24, 1971 (Memo No. 71-8):								
Drug Identification:								
S. 788	No hearings							
H.R. 3667			No hearings					
Consumer Product Safety Act:								
S. 1797	No hearings							
H.R. 8110			Hearings					
Consumer Fraud Prevention:								
S. 1222	Hearings							
H.R. 6315			No hearings					
Federal Trade Commission Act amendments:								
S. 1219	Hearings							
H.R. 6313			Hearings					
Fair Warranty Disclosure Act of 1971:								
S. 1221	Hearings							
S. 986 passed in lieu	July 16	November 8						
Consumer Products Test Methods Act:								
S. 1692	Hearings							
H.R. 6891			No hearings					
Consumer Protection Act—to create agency in Executive Office of the President: H.R. 10835			September 30	October 14				

Message, title and date; bill No.	Senate Reported	Senate Passed	House Reported	House Passed	Conference report agreed to— Senate	Conference report agreed to— House	Date approved	Public Law No.
Law Enforcement Revenue Sharing, Mar. 2, 1971 (Memo No. 71-8):								
S. 1087	No hearings							
H.R. 5408			No hearings					
Manpower Revenue Sharing, Mar. 4, 1971 (Memo No. 71-8):								
S. 1243	No hearings							
H.R. 6181			Hearings					
Urban Community Development Revenue Sharing, Mar. 5, 1971 (Memo No. 71-8):								
S. 1618	Hearings							
H.R. 8853			Hearings					
Rural Community Development Revenue Sharing, Mar. 10, 1971 (Memo No. 71-8):								
S. 1612	Hearings							
H.R. 7993			No hearings					
Transportation Revenue Sharing, Mar. 18, 1971 (Memo No. 71-8):								
S. 1344	No hearings							
H.R. (not yet introduced)								
Action, Mar. 24, 1971 (Memo No. 71-12): Reorganization Plan No. 1 (became law after S. Res. 108 (of disapproval) failed to pass Senate on June 3 and H. Res. 411 (of disapproval failed to pass House on May 25).								
Government Reorganization, Mar. 25, 1971 (Memo No. 71-12):								
Department of Community Development:								
S. 1430	Specific hearings							
H. R. 6964			Specific hearings					
Department of Natural Resources:								
S. 1431	Specific hearings							
H.R. 6963			Overview hearings					
Department of Human Resources:								
S. 1432	Overview hearings							
H.R. 6966			Overview hearings					
Department of Economic Affairs:								
S. 1433	Overview hearings							
H.R. 6965			Overview hearings					
Education Revenue Sharing, Apr. 6, 1971 (Memo No. 71-12):								
S. 1669	Hearings							
H.R. 7796			No hearings					
District of Columbia, Apr. 7, 1971 (Memo No. 71-12):								
D.C. Representation: H.J. Res. 46			Hearings					
National Capital Transportation Act:								
S. 2297	No hearings							
H.R. (not yet introduced)								
D.C. Development Bank:								
S. 2196	No hearings							
H.R. 11313			Hearings					
Foreign Assistance Reform, Apr. 21, 1971 (Memo No. 71-12):								
Proposed to separate International Security Assistance Act; and								
S. 1657	Hearings							
S. 2819 passed in lieu	Nov. 8	Nov. 11						
Humanitarian Assistance Act:								
S. 1656	Hearings							
S. 2820 passed in lieu	Nov. 8	Nov. 10						
(H.R. 9910, Foreign Assistance Act amendments combining military and humanitarian aid reported first)	Oct. 21	Failed Oct. 29	July 26	Aug. 3				
Wilderness Preservation, Apr. 28, 1971 (Memo No. 71-23):								
S. 2453	No hearings							
H.R. 10752			Hearings					
Legal Services Corporation, May 5, 1971 (Memo No. 71-23):								
S. 1769 and H.R. 8163			Hearings					
S. 2007 passed in lieu	July 30	Sept. 9			Oct. 1	House asks		
Energy Program, June 4, 1971 (Memo No. 71-23):								
Power Plant Siting Act:								
S. 1684	No hearings							
H.R. 5277			Hearings					
Department of Natural Resources:								
S. 1431	Specific hearings							
H.R. 6963			Overview hearings					
Sulfur oxide emissions charge:								
S. (not yet introduced)								
H.R. (not yet introduced)								
Drug Control, June 17, 1971 (Memo No. 71-23): Special Action Office for Drug Abuse Prevention:								
S. 2097	Nov. 17							
H.R. 9264			Hearings					
New Economic Policy Address (Taxes), Aug. 15, 1971 (Memo No. 71-25): Revenue Act of 1971: H.R. 10947.	Nov. 9				Aug. 29	Oct. 6		
Minority Business Enterprise, Oct. 13, 1971 (Memo No. 71-26):								
Assistant Secretary of Commerce for Minority Enterprise:								
S. (not yet introduced)								
H.R. (not yet introduced)								
Small Business amendments:								
S. 544	No hearings							
H.R. 7692			No hearings					
Indian Business Development Act:								
S. 2237	No hearings							
H.R. 8340			No hearings					
Indian Financing Act:								
S. 2036	No hearings							
H.R. 2378			No hearings					
D.C. Development Bank:								
S. 2196	No hearings							
H.R. 11313			Hearings					

MESSAGE ON MINORITY BUSINESS ENTERPRISE

OCTOBER 13, 1971.

Repeats request for additional $40 million for Office of Minority Business Enterprise.

Would help Minority Enterprise Small Business Investment Companies (MESBICs) by legislation to:

Cut qualifying figure for Federal "three for one" assistance in half;

Allow Small Business Administration (SBA) to purchase preferred stock of MESBICs; and

Lower interest rate on SBA loans to MESBICs. Renews recommendations for:

New Assistant Secretary of Commerce for Minority Enterprise;

Passage of S. 544 and S. 2237 proposed in *Unfinished Business Message* of January 26, 1971 (See *Memo* No. 71-5, pp. 3-4); and

Passage of D.C. Development Bank Act of 1971 (S. 2196) proposed in *District of Columbia Message* of April 7, 1971 (See *Memo* No. 71-12).

TRIBUTE TO THURMAN SENSING

Mr. THURMOND. Mr. President, the recent death of my good friend, Thurman Sensing, marks the end of a career which was dedicated to the education of young people and to the sound principles upon which our country was built.

Mr. Sensing, who lived in Nashville, Tenn., was president of Southern States Industrial Council Educational Foundation. A middle Tennessean by birth, he held degrees from Vanderbilt University and George Peabody College. He served for many years as business manager for George Peabody College and was one of the organizers of the Southern Association of College and University Business Officers. He was a former president of that organization and served for several years as its secretary-treasurer.

Mr. Sensing was noted as a keen analyst of the political and economic scene. He was a stanch advocate of individual freedom and a free competitive economy. His firsthand study of the situation in Great Britain, where he made an intensive 3 months' study in 1949 finding out what happens to a people's freedom and a people's economy under a Socialist government, received wide attention. He was also there in the fall of 1964, observing their general election, when the Socialists were returned to power.

He spent 2 months in Rhodesia, Southwest Africa, South Africa, and Liberia in the fall of 1966, observing the interesting and vital situation in that part of the world. He made a tour of the continent of South America in the winter of 1968, and then in the winter of 1969 toured New Zealand and Australia, thus completing his trips to the Southern Hemisphere.

Mr. Sensing was in great demand as a speaker, and several of his speeches were printed in the magazine, Vital Speeches of the Day.

For 25 years, Mr. Sensing was author of the weekly column, "Sensing the News," which appeared in many newspapers throughout the country, and was widely reprinted in other publications. At one time his column appeared in as many as 150 daily and 600 weekly newspapers in all 50 States of the Union.

During his quarter century with the council, Mr. Sensing made more than 1,000 addresses in most of the States of the Union, in the District of Columbia, Canada, and England. He received five awards from the Freedoms Foundation of Valley Forge for his writings and speeches.

Mr. Sensing's keen insight into what is good for America is reflected in three essays written by him entitled, "The Republic," "What is Free Enterprise?," and "The Beginnings of the American Free Enterprise System." I ask unanimous consent that these essays be printed in the RECORD.

There being no objection, the essays were ordered to be printed in the RECORD, as follows:

THE REPUBLIC

(By Thurman Sensing)

Our Constitutional fathers, familiar with the strength and weakness of both autocracy and democracy, with fixed principles definitely in mind, established a representative republican form of government. They "made a very marked distinction between a republic and a democracy . . . and said repeatedly and emphatically that they had founded a republic." They knew full well the dangers of a democracy, and never intended that we should have a democracy. Our pledge of allegiance refers to the flag "and to the Republic for which it stands."

Professor Alexander Fraser Tytler, writing nearly two centuries ago, about the decline and fall of the Athenian Republic, while our thirteen original states were still colonies of Great Britain, said this:

"A Democracy cannot exist as a permanent form of Government. It can only exist until the voters discover they can vote themselves largess out of the public treasury. From that moment on the majority always votes for the candidate promising the most benefits from the public treasury with the result that Democracy always collapses over a loose fiscal policy, always to be followed by a Dictatorship."

Are we being misled by this age-old fallacy in government, and allowing ourselves to deteriorate into a democracy with the inevitable doom that that form of government envisages? Our record in recent years, and the writing and speaking of many people these days, indicate that we are.

When the New Deal came into power, it withdrew from Army posts and the Government Printing Office a "Citizenship" training manual which had been in use. This manual, which has never been restored, defined clearly and concisely the difference between a democracy and a republic. Here's what it said:

DEMOCRACY

A government of the masses.

Authority derived through mass meeting or any other form of "direct" expression.

Results in mobocracy.

Attitude toward property is communistic—negating property rights.

Attitude toward law is that the will of the majority shall regulate, whether it be based upon deliberation or governed by passion, prejudice, and impulse, without restraint or regard to consequences.

Results in demagogism, license, agitation, discontent, anarchy.

REPUBLIC

Authority is derived through the election by the people of public officials best fitted to represent them.

Attitude toward property is respect for laws and individual rights, and a sensible economic procedure.

Attitude toward law is the administration of justice in accord with fixed principles and established evidence, with a strict regard to consequences.

A great number of citizens and extent of territory may be brought within its compass.

Avoids the dangerous extreme of either tyranny or mobocracy.

Results in statesmanship, liberty, reason, justice, contentment, and progress.

Why was this citizenship training manual withdrawn from use? Why are our present day political leaders so often referring to our government as a democracy? Are they conditioning the minds of the people? Is it because that only under a democracy, and not under a republic, they can gain control of the affairs of the people?

When Benjamin Franklin came out of the Constitutional Convention on September 17, 1787, he was asked, "Well, Mr. Franklin, what have we got? "His answer was, "You have a Republic, if you can keep it." Have we now reached the point where we must make this decision? It would seem that we have.

As citizens of the Republic of the United States of America, we could set ourselves no better task these days than to take a refresher course in the founding of our nation and the establishment of its government.

WHAT IS FREE ENTERPRISE?

(By Thurman Sensing)

It is generally understood by all thoughtful people that it is the free enterprise system here in America that has brought our nation from a few struggling colonies along the Atlantic seaboard to a position of preeminence among the nations of the world in the comparatively short period of one hundred ninety-four years.

The free enterprise system is the secret—if it can be called a secret—of our success. It has produced for the American people the greatest productive capacity and the highest standard of living the world has ever known.

Even so, there is considerable question as to whether the average person knows what the free enterprise system actually is or could clearly define it. We are great salesmen of our material goods, but we have trouble talking intelligently about, much less selling, our greatest product—free enterprise. We must preserve our free enterprise system if we are to remain a great nation—yet how can we preserve it if we do not understand what it is we are trying to preserve?

It would be well, therefore, for every citizen of this country to have a clear understanding of the meaning of free enterprise.

Basically, the free enterprise system means freedom of the individual. Under the free enterprise system, the individual is free to make something of himself if he has the enterprise to do it. Too many people put too much emphasis on "free" and too little emphasis on "enterprise".

There are undoubtedly many false notions concerning free enterprise. The free enterprise system is not manna from Heaven". It doesn't mean that the world owes you a living. It doesn't mean "something for nothing". It doesn't mean acceptance of the "government'll-take-care-of-you" philosophy. It doesn't mean license, either. It doesn't mean that a manufacturer can operate sweatshops or that a merchant can gouge his customers.

The free enterprise system does mean that the individual is responsible for his own welfare and his own salvation, that he has the right to carve out his own destiny and chart his own future. It means that his government guarantees him opportunity—and nothing more. That is the whole philosophy of freedom; that is the concept of liberty under which this nation was founded.

Under the free enterprise system, the individual has the incentive to work and save and invest and profit thereby so long as he harms no one else in the process. His future depends upon his own ambition.

The choice is always before us. It is a choice between free enterprise and state control. It is a choice between a constitutional republican form of government and a totalitarian form of government, whether it be socialism or communism or dictatorship.

The difference between a free nation and a slave nation can be very simply stated. In a free nation, the people accept the responsibility for their own welfare; while in a slav- nation that responsibility is turned over to the government. Or, to put it another way, meaning the same thing, in a free nation the state gets its rights from the people; while in a slave nation, the people get their rights, if any, from the state.

As long as people live, there will undoubtedly be those who will shirk from accepting freedom as their own responsibility. They will want their government to provide their security, guarantee them minimum wages, guarantee them full employment, guarantee them good prices for their products, guarantee them good housing, guarantee the solvency of their loans, guarantee them medical care, and many other things.

Such people are thereby choosing slavery rather than freedom. For this is the security of the penitentiary. This is the freedom of totalitarianism. This is the rejection of individual responsibility. So far as the United States of America is concerned, such choice would be a betrayal of our whole heritage and an abandonment of the philosophy under which we have grown and prospered.

THE BEGINNINGS OF THE AMERICAN FREE ENTERPRISE SYSTEM

(By Thurman Sensing)

INTRODUCTION

The following is a reprint of a former pamphlet issued under the title, "A Thanksgiving Story." It could also be called "A Christmas Story," or just "A Plain Common Sense Story." Above and beyond all this, though, it could be called, and is called, "An American Free Enterprise Story." It contains, or at least implies, the two basic elements of free enterprise—incentive, and the profit system.

Socialism did not work in this instance at Plymouth, and it has not worked in the many instances it has been tried since in the United States of America and elsewhere in the world. The reason it has not worked is because socialism violates certain fundamental economic and moral laws that make it impossible to work.

After these glaring failures, one wonders why people continue to apply socialistic principles and to accept socialist forms of government. All of which probably illustrates the truth of Santayana's statement that "Those who refuse to learn from the lessons of history are doomed to repeat its mistakes."

The sad part about those who refuse to learn from the lessons of history is that they are thereby consigned to a life of hardship and deprivation, just as were the Pilgrims at Plymouth during their first three years.

These are facts which the people of this country should learn and heed in the days ahead.

A THANKSGIVING STORY

The coming of the Pilgrims to the New England coast in 1620 forms a glamorous chapter in American history. The fact that is generally ignored, overlooked and unknown about this landing at Massachusetts Bay 350 years ago is that it marked the first Socialist settlement in America. The main lesson about this settlement that is generally ignored, overlooked and unknown is that this experiment in socialism failed within three years' time, and—for their very survival—the Pilgrims had to turn to what we now know as the American free enterprise system.

Through the years, it would have been—and it still would be—a valuable lesson to the pupils in the classrooms studying American history if this lesson in the failure of socialism (the dictionary gives the same definition for communism) were emphasized.

Before landing, the Pilgrims entered into what is known as the Mayflower Compact. Under this Compact, Plymouth was set up as a share-the-wealth community. Nobody owned anything. Whatever was produced belonged to the community as a whole. They called this system "the commone course and condition." They lived under this system from the desperate, disease-ridden first winter of 1620-21 until the hungry spring of 1623. Then they changed to private enterprise. Why? We find the answer in a book written by William Bradford, one of the leading original Pilgrims and second governor of Plymouth Colony, entitled "Of Plimoth Plantation."

The Pilgrims weren't long under this "commone course and condition," writes Bradford, until it "was found to breed much confusion & discontent, & ritard imployment that would have been to their benefite and comforte. For the young men that were most able and fitte for labor and service did repine that they should spend their time & strength to worke for other mens wives and children, without any recompense. The strong . . . had no more in devision of victails & cloaths than he that was weake. . . .

"Upon the poynte all being to have alike, and all to doe alike, they thought themselves in the like condition, and one as good as another. And so, if it did not cut off those relations that God hath set amongst men, yet it did at least much diminish and take of the mutuall respects that should be preserved amongst them."

Instead of a Thanksgiving feast in the fall of 1622, there was literal starvation and hopelessly low morale. "So they began to thinke how they might raise as much corne as they could . . . . that they might not still thus languish in misere. At last, after much debate of things, the governor" (Bradford himself) "gave way that they should set corne every man for his own particular. . . . And so assigned to every family a parcell of land. . . . This had very good success for it made all hands very industrious, so as much more corne was planted than other waise would have bene."

The Pilgrims offered thanks for deliverance from socialism with a great Thanksgiving feast in the fall of 1623.

Then Bradford philosophizes somewhat, "The experience that was had in this commone course and condition, tried sundrie years, and that amongst Godly and sober men, may well evince the Vanitie of that conceite of Plato's and other ancients, applauded by some of later times;—that the taking away of propertie, and bringing in communitie into a commone wealth would make them happy and flourishing; as if they were wiser than God!"

This is the story about the Pilgrims that should be taught in our schools—because "that conceite of Plato's and other ancients" is still "applauded by some of later times." Men still have the idea "that the taking away of propertie, and bringing in communitie into a commone wealth would make them happy and florishing." Socialism had been tried many times before Plymouth Colony; it has been tried many times since. It has always failed. It is always destined to fail, because it violates certain fundamental economic and moral laws that simply will not be violated.

"As if they were wiser than God!"

MRS. NELLIE TAYLOE ROSS

Mr. McGEE. Mr. President, I would like to take this opportunity to pay tribute to a distinguished Wyoming citizen who is celebrating her 95th birthday today. She is Mrs. Nellie Tayloe Ross, the first women ever elected Governor of a State in this Nation. Mrs. Ross achieved that distinction by winning the November 24, 1924, general election.

It is also very fitting that Wyoming—"The Equality State"—can boast of electing the first woman Governor. And Mrs. Ross soon proved to be an outstanding Governor utilizing her intelligence, tact, and graciousness to the maximum degree, enabling her to become a highly competent administrator and effective public speaker.

Although Mrs. Ross, after receiving her party's nomination for another term as Governor, failed to win the 1926 general election, she remained very active in a life of public service. Her service to the Democratic National Committee was extremely notable. And for 20 years, from 1933 until 1953, she served as Director of the U.S. Mint.

Mrs. Ross still resides in Washington, D.C., exhibiting the same vivacity and charm which has always been her trademark. She still exhibits the same high degree of intelligence which enabled her to be a very effective administrator during her years of public service to Wyoming and this Nation.

So, it is with a great degree of respect and admiration that I pay tribute to an outstanding woman and citizen of this great Nation. She has served us with great distinction. I wish Mrs. Nellie Tayloe Ross many happy returns.

PRESENT VETERANS' PENSION PROGRAMS

Mr. THURMOND. Mr. President, S. 2866 and S. 2867, now in the Veterans' Affairs Committee, will be reported to the Senate on or about November 30, 1971.

As of March 16, 1971, social security increases were granted to approximately 60 percent of veterans drawing VA pensions. Thus, S. 2866 was submitted to prevent a loss of payments to these individuals.

S. 2866 will provide an average cost-of-living increase of 6 to 6½ percent in non-service-connected pension rates. This will be payable to 1.6 million widows and veterans, and is necessary to prevent many of them from losing their entire pension.

Mr. President, this insurance against pension loss is only in connection with the increased social security payments received by the veteran or veteran's widow. This bill will increase the maximum annual income limitation for non-service-connected pension programs by $300. It will provide a limitation of $2,600 for a single veteran and $3,800 for pensioners with dependents. A new formula for payments of pensions will be established which will be more responsive to the needs of veterans' widows so long as their income does not exceed maximum limitations.

This bill will preclude the loss of aggregate income in the future whenever a pensioner might receive an increase in income from some other source. S. 2866 also provides a cost-of-living increase from $16 to $17 which will be payable to eligible children receiving death benefits.

If a veteran's dependent is lost during any calendar year by reason of mar-

riage, divorce, or death, S. 2866 will permit the VA to continue paying benefits to the end of the calendar year, as if there had been no such loss. Finally, S. 2866 will increase the annual income limitation for veterans and widows who come under the old pension program prior to July 1, 1960, as well as the Mexican border veteran. This annual income limitation will be increased by $300.

Mr. President, the next bill, S. 2867, has also been introduced to respond to needed changes within the veterans' pension system. S. 2867 pertains to dependency and indemnity compensation. It provides a general cost-of-living increase for payments to survivors of veterans who died as a result of service-incurred disabilities. S. 2867 will amount to about a 10-percent increase in these veterans' monthly payments. Because of this bill 46,000 children will receive a 5-percent increase.

Mr. President, under S. 2867 the annual income limitation for dependent parents will be increased by $300. Such an increase will provide a 6½-percent increase for 68,000 parents. This increase will prevent these parents from incurring a loss of aggregate income because of social security increases. S. 2867 will also allow for the first time aiding dependents in the amount of $55 a month for the dependent parent.

These bills were unanimously passed by the House and provide needed cost-of-living increases for nearly 2 million veterans, widows, and dependent children. A new and more equitable formula must be established in regard to our veterans' pension program.

Mr. President, time is an essential factor and in order to prevent these veterans' widows and dependent children from having their pension payments reduced or entirely cut off as of January 1, 1972, prompt action must be taken by the Senate before adjournment. These needed bills deserve the consideration of Congress and I urge the Senate to act quickly after the Veterans' Affairs Committee has reported these bills.

THE MILLER-COLVIN APPRECIATION NIGHT

Mr. THURMOND. Mr. President, on November 18, the Merchants Association of Holly Hill, S.C., paid tribute to two families whose lifetime contributions have been chiefly responsible for much of the employment in that community. They are the W. J. Colvin, Sr., family, and the L. E. Miller, Sr. family.

The occasion was an appreciation dinner held in the Holly Hill High School gymnasium. I was invited to deliver the address at this dinner, and I looked forward to it with great anticipation since I have long been aware of the outstanding record of these two families.

Due to some important votes which came before the Senate on that date, I found it impossible to attend this dinner and honor my friends. My assistant, Mr. Wayne Robbins, went to the appreciation dinner as my representative and he delivered the address before approximately 500 citizens who came from far and near to show their gratitude for these two families.

While I regret deeply that I was unable to attend, I have been told that the night was a high success and that the Millers and Colvins received their well-deserved tribute for their long and untiring service.

Mr. President, I ask unanimous consent that Mr. Robbins' address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY WAYNE ROBBINS

Mr. Folk, members of the Miller and Covin families, ladies and gentlemen: The man who wanted so much to be standing here tonight is unable to do so because of some very important votes which are likely to come up this evening in the United States Senate. The highly significant tax bill which affects all of us is before the Senate, and I understand that 79 amendments have been offered. All of these amendments must be acted upon before the vote on the final bill can come up. Any one of them can have a dramatic effect on the final form of the legislation, and Senator Thurmond feels he should be right there to vote on as many of these amendments as possible.

Before I left Washington, Senator Thurmond called me into his office and said, "Wayne, I want you to go down to Holly Hill and help me honor two of the most outstanding families in our whole State of South Carolina." He said, "You don't know the Colvin and Miller families as well as I do, so sit down there and let me tell you some things that you ought to know about them."

Senator Thurmond began to talk, and before he had finished, I realized fully why this occasion is taking place tonight. I also realized that I had missed something by not being more personally acquainted with the Millers and the Colvins. It is no exaggeration or over-dramatization to say that America, the greatest country in the history of the world, was built and sustained by men and families such as these two we honor tonight.

The Senator's latest weekly newsletter which comes out next week deals with a subject that is closely related to what we are doing here tonight. It is so close that I am going to "scoop" him and tell you about parts of it. I hope he won't mind.

The newsletter is entitled, "The System Works." Senator Thurmond calls attention to the fact that we live in an era when the American establishment is undergoing unprecedented challenge from within. He says that it is refreshing to him to note that our system still produces champions and success stories while there are those that would destroy our basic values and traditions. America, despite the revolutionaries, continues to be a country where a man can start modestly and rise to the top of his profession. This is not true in many countries in our world, and those who profess to be political revolutionaries or militant critics ought to bear that in mind when they advocate the overthrow and revision of the American way of life.

Perhaps there is no better example of what makes our country great anywhere than the example we see here in the Miller and the Colvin families. Their roots run deep in this area and they have applied their energies to progress and well-being for their community and their state. Jobs have been created as a result of their enterprise and the quality of life has been raised. They have invested their time, their treasure, and their lives in the society and the system which nurtured them. Both they and their society are better off today because of it.

Two men began this success story back in 1927. That was a good year for success. Some of you may remember that was the year Charles Lindbergh made his famous flight across the Atlantic in "The Spirit of St. Louis," marking man's first non-stop oceanic flight. That was the year Babe Ruth hit sixty home runs for the New York Yankees, setting a record that still stands today. It is true that Roger Maris hit sixty-one homers a decade ago, but he had the benefit of a 162 game schedule and the Babe played when the season was only 154 games long. 1927 was also the year that W. J. Colvin and L. E. Miller bought the old R. L. Moore Lumber Company in Boyer. That was the beginning.

Each man put up ten thousand dollars to buy the company. It became known as the Holly Hill Lumber Company. Tragedy struck in 1935 when the mill burned. The character of Miller and Colvin was shown when the company was not only rebuilt, but almost immediately launched into a period of growth and expansion. In 1936, these two friends bought the Chapman-Storm Lumber Company at Four Holes. They changed the name to Holly Hills Cypress Company, and that name stuck until 1948 when it merged with Holly Hill Lumber Company. They kept growing. They bought mills and timber lands at Denmark, Kingville, Ridgeville, and Black Branch—all operating under the name of Holly Hill Lumber Company.

Today, the Holly Hill Lumber Company has grown to a prominent three-pronged operation. In 1964, the Santee Portland Cement Corporation was chartered, and, shortly afterward, began the production and sale of cement. It appeared logical that duties be divided between the two families, so the Millers operated the cement company and the Colvins directed the lumber company.

Just a few weeks ago, construction began on the third operation of this unusual and outstanding two-family enterprise. This one is the Southern Pine Plywood Plant. Senator Thurmond was pleased and happy to have been able to help get federal assistance for this construction. The Economic Development Administration provided a loan of something like three and a quarter million dollars, and they were happy to do it, because Senator Thurmond told them about the record of these two families and what they meant to this community in terms of employment and economic growth.

The growth of these operations has been steady over the past ten years. Their financial house has been in good order with no judgments or claims against them. Dun and Bradstreet has given them their highest ranking in both financial strength and credit reliability. Their reputation in the business and trade communities for fair dealings and quality products is far above average.

And this all started in that record setting year of 1927, by two men—L. E. Miller, Sr., and Jerome Colvin.

One of these two men cannot be with us tonight—except in spirit. Jerome Colvin passed away in 1965, after nearly eighty years of full and effective life. I think it only fitting on this occasion that we take a brief look at his life.

William Jerome Colvin was born in 1886, in Feasterville, in Fairfield County. He grew up there and entered Erskine College, graduating in 1909. After graduation, he taught mathematics and was principal of the high school in Mullins for two years. While there he met another teacher named Lillian Sipple. He was to know her better in later years. In 1911, Jerome Colvin moved to Badham where he began a long lifetime in the lumber business, working for the Dorchester Lumber Company. Two years later, he married Lillian Sipple, and they became the parents of two sons and two daughters. The daughters are Mrs. James L. Wells, of Orangeburg; and Mrs. Julius Eldridge of Sumter. We'll tell you about the sons in a moment.

The Colvin family moved to Holly Hill in 1927 when the first lumber company was bought. A few years later they built their beautiful brick, two story home across from the Holly Hill Elementary and High School. Friends still talk about their beautiful yard where rare varieties of camellias were added to the lovely azaleas and evergreens.

Jerome Colvin became the first president of the newly formed Lions Club of Holly Hill. He was a trustee of Holly Hill schools for twenty years, and served as chairman of the board of trustees for many years. He was a director of the First National Bank in Holly Hill and took an active interest in its affairs. When Erskine College created a board of counselors in 1962 composed of outstanding alumni, Jerome Colvin was one of the first men to merit this honor, and he served on this advisory group for the rest of his life.

Lillian Colvin died in 1954; eleven years later, Jerome died. Friends and family will always remember his stately carriage. He walked erect with great dignity and was viewed with affection and respect by all who knew him. He had served as a Colonel on the staff of Governor Strom Thurmond, and that public servant still cherishes the memory. He told me so.

Jerome Colvin's partner in those early years was Lawrence E. Miller, Senior. I feel that I know him well already, because he picked cotton in his early years as I did, and I can tell you that is an experience that breeds kindredship. L. E. Miller grew up in the said hill country of Lexington County, the son of a farmer and timber harvester. They tell me the cotton was sparse in that country, but he picked it anyway. As a young boy, he trapped rabbits to sell at the Farmer's Market on Assembly Street in Columbia. He fished in the creeks for catfish, and, generally, kept himself busy with the necessities of sustaining life in those bare hills.

His schooling in the Lexington County schools was basic, and at an early age he enrolled in Draughans Business School in Columbia. Driving a mule and wagon, he made the trip daily some sixteen miles to school where he completed the two-year curriculum in one year. Upon graduation, the president of the school called him into his office and gave him some advice. He said, "Lawrence, congratulations! Now, I would suggest that you go out and buy yourself some long pants before you look for a job." And that's how L. E. Miller got his first pair of long pants.

From that day to this one, he has devoted his total life to his family, community and business. His devotion and pride of accomplishment is second only to his genuine interest in the well-being of his fellow man. He is not a man who indulges in personal pleasures. His every effort is to make life better for those who follow. I am told that Santee Portland Cement would never have been, except for his dogged determination.

L. E. Miller served at General Pershing's headquarters in France during World War I. He is married to the former Elizabeth Copeland, and they have four children, two sons and two daughters. The daughters are Mrs. R. F. Boyd of Norfolk, Virginia; and Mrs. E. S. Gregg, Jr., of Ridgefield, Connecticut. And they tell me that Mr. and Mrs. Miller are looking forward to their golden wedding anniversary next month.

These two sketches probably give you a good idea why Holly Hill Lumber Company and Santee Portland Cement are such solid enterprises today. They were built by solid men.

But they would not stay solid long if they were not directed under the outstanding leadership of men like the current administrators—and I am talking about the Miller and Colvin sons.

The Vice President for Sales at Santee Portland Cement Company is Larry Miller, Jr. He was born in that magic year of 1927, when the records were set, and when Holly Hill Lumber Company was born. A business administration graduate from Presbyterian College, he spent most of his earlier years in preparation for the leadership he is bringing his company today. Larry Miller is married to the former Anna Breeden of Bennettsville, and they have four sons who, no doubt, will have much to say about what happens to Santee Portland Cement Company in the Twenty-first Century.

Larry served with the U.S. Air Force on Okinawa during the last part of World War II. He is a Mason, an Elk, a Rotarian, a member of VFW, and he was the first president of Porter Military Academy Alumni Association. He has been active as a Cub and Boy Scout Master during the past several years. He is president of the Orangeburg-Wilkerson High School Band Boosters Club. He is area chairman of Ducks Unlimited. I don't know what that is, but I have an idea I'd like him to take me duck hunting.

Larry's brother, Harold, serves Santee Portland as vice president and treasurer. He is a graduate of Presbyterian College and Duke University, holding a graduate degree in forestry. He served for thirteen years as head of the Forestry Department at Holly Hill Lumber Company, holding the position of vice president and secretary.

Harold is married to the former Jo Ann Tucker, and they have two sons and a daughter. He is a past president of the Holly Hill Lions Club. He was a Jaycee and is a Mason and a member of the Orangeburg Elks Club. Like Larry, he has demonstrated a keen interest in the activities of young people, serving in a leadership capacity with the Boy Scouts of America.

The family tradition has continued also in the Holly Hill Lumber Company. W. J. Colvin, Jr., known as Billy, spent most of his younger years participating in and directing the growth of the company his father was to head. He went into the business immediately upon graduation from Wofford College, serving apprenticeships in all office procedures, including payroll, accounting, invoicing, and government reports. He had 37 months of combat in the Pacific during World War II, emerging with the rank of Captain.

After the war he returned to the Holly Hill office as Vice President of Production. In this position he was responsible for the over-all operation of the plant.

Billy has continued the family tradition for service and leadership in civic affairs. He, too, is a past president of the Lions Club. He has been a trustee of the local school board for the past eight years, and is chairman of the board of trustees of Columbia College. He has served four terms on the town council, and six years on the board of directors for the Southern Pine Association. He is married to the former Elise Allen of Allendale, and they have four children.

The president and chief executive officer of Holly Hill Lumber Company is Cal Colvin, also born in that record year, 1927. He graduated with honors from The Citadel as a distinguished military student after having graduated as a first-honor student in high school. He is married to the former Mildred Jones of Thomaston, Georgia, and they, too, have four children.

Except for college and military service, Cal has spent his entire life in the Holly Hill community. Like his father and brother, he has devoted most of his life to the family business.

This young man has not limited himself to South Carolina in contributing to the advancement of his business and in his cooperation with related interests across our nation. He is a member of Lumbermen's Underwriting Alliance Advisory Board, Kansas City, Missouri; Southern Regional Export Expansion Council of Depatment of Commerce, Washington, D.C.; and Forestry Council of the Federal Land Bank, Columbia, South Carolina. He serves on the Orangeburg County Forestry Board of the South Carolina State Commission of Forestry.

His membership on policy-making bodies reads like a "Who's Who In America." It includes: past president and chairman of the board of the Southern Forest Products Association; 1969 chairman of the Economic Council of the Forest Products Industry; a member and past chairman of the Committee of Past Chairmen, Economic Council of the Forest Products Industry; trustee of the American Forest Institute; director and member of the Executive Committee, National Forest Products Association; South Carolina Representative to the Forest Products Political Education Committee; past governor (representing South Carolina) of the Southern Pine Inspection Bureau; a past member of the board of the Southern Cypress Manufacturers Association; a member of the "Wood and Wood Products" Editorial Advisory Board; "Man-of-the-Month" Award (February, 1969) from the "American Building Supplies" magazine; a recipient of the "Wood Salutes" award (March 1968) from the "Wood and Wood Products" magazine; and he appeared in Washington on behalf of the industry at Senate and House hearings during 1968–69 at the "Lumber Crisis" hearings. He was also a member of various Task Forces presenting industry problems to Cabinet Members and the White House.

Those long years of experience are paying off now as he and his brother lead the company today.

These are only a few of the reasons why it is fitting and proper for us to honor these two outstanding families here tonight. If it is true that you get out of life what you put into it, the Colvins and the Millers are rich indeed. No doubt, the richest treasure they have is the high esteem and respect in which they are held by their neighbors.

Now, what are we talking about tonight? We are talking about the American dream. These two families represent the American dream in two of its most dramatic examples. They have known the meaning of hardship, of hard labor and toil; but they possessed a trait that set them apart from lesser men. They had a burning desire to succeed. This intense desire was coupled with a willingness to pay the price, and the price was for them what it has always been for all of us—hard work, self-discipline, and a well-balanced sense of values.

They paid that price, and they stand as living evidence today that the American dream, nurtured in the American system of freedom and individual initiative, can come true for us too. For that we are forever grateful to the Millers and the Colvins.

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

ECONOMIC STABILIZATION ACT OF 1971

The PRESIDENT pro tempore. Pursuant to the previous order, the Chair lays before the Senate the unfinished business, which the clerk will state.

The second assistant legislative clerk read as follows:

S. 2891, to extend and amend the Economic Stabilization Act of 1970.

The Senate resumed the consideration of the bill.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I believe the pending business has been laid before the Senate. Is that correct?

The PRESIDENT pro tempore. Yes; it has.

PRIVILEGE OF THE FLOOR

Mr. SPARKMAN. First, Mr. President, I ask unanimous consent that other members of the staff of the Committee on Banking, Housing and Urban Affairs be allowed the privilege of the floor. Our staff director, Dudley O'Neal, is here, and our minority counsel, Mike Burns, is already here. Under the rules, how many in addition would we be entitled to?

Mr. BYRD of West Virginia. Under the rules, there would be four committee staff people, including the two now on the floor. If the Senator wants additional ones, he can ask unanimous consent.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. TOWER. That is to say, I am entitled to have two, is that correct?

Mr. BYRD of West Virginia. That is correct.

Mr. TOWER. That is, committee staff members?

Mr. BYRD of West Virginia. Yes.

Mr. TOWER. Am I entitled to additional personal staff members?

Mr. BYRD of West Virginia. One, as the manager of the bill on the Republican side.

Mr. TOWER. I thank the Senator.

Mr. SPARKMAN. Mr. President, there are many phases to this rather complex bill, and, as Senator Tower knows, different staff members worked on different parts of it, and I ask unanimous consent that, in addition to the number regularly allowed, we have the privilege of having as many as four additional staff members on both sides.

The PRESIDENT pro tempore. All together?

Mr. SPARKMAN. In addition to those that are automatically allowed.

Mr. BYRD of West Virginia. This would make a total of eight?

Mr. SPARKMAN. Yes.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, before we commence debate on S. 2891, I should like to take just one second of the Senate's time to compliment the members of the Banking, Housing and Urban Affairs Committee for their long and arduous work and their cooperation which was evident in the development of the legislation that is pending before us.

This has been a most difficult measure, and we were on it quite a long time. I do not know just how many days we did spend on it. We had excellent attendance throughout the whole time. The entire membership worked hard and conscientiously to develop this legislation, and when it finally came out, I believe that most, and I think perhaps all of us, thought that as a whole, it was a good bill.

Of course, there may be things in it that a Member may not agree with it. There are provisions in here that I do not particularly like. But it represents a consensus of the committee, and when the committee reported it out, I believe the vote was 14 to 0. I am not sure—maybe 14 to 1.

Mr. TOWER. I believe it was 14 to 1.

Mr. SPARKMAN. I believe that is correct. But it does represent very much the consensus of the committee.

Mr. President, I also want to commend the staff of the committee for the splendid job they did for us in connection with this legislation. We have had wonderful staff assistance throughout the consideration of this measure by the committee.

S. 2891 is a good bill. Like any piece of legislation that comes before the Senate, there are provisions in it that I may not particularly like, and I am sure that is true of every other committee member. I think that is usual. However, I do believe it is an improvement over some of the proposals which were sent to the committee, and I support the bill.

On the desk of every Senator is a copy of the committee report—Senate Report No. 92-507—which accompanies S. 2891. I believe that every Senator will find this an excellent report and it was one which our staff was required to put together in a minimum of time. They worked hard and did an excellent job, and I compliment them upon it.

Mr. President, on August 15, 1971, the President announced his new economic program. This program provided for a 90-day freeze on all wages, salaries, rents, and prices. The President acted under the authority of the Economic Stabilization Act of 1970, as amended. This act authorizes the President to:

Issue such orders and regulations as he may deem appropriate to stabilize prices, rents, wages and salaries.

This 90-day period was called phase I in the President's economic stabilization program.

On October 7, 1971, the President announced his postfreeze economic stabilization program. This phase II program went into effect on November 14, 1971. Phase II entails flexible controls on certain exemptions and authority for adjustments to bring about equity rather than across-the-board freezes on wages, salaries, rents, and prices.

The authority granted to the President under the Economic Stabilization Act of 1970, as amended, expires on April 30, 1972. On October 19, 1971, the President sent to the Congress a message containing a proposed bill to extend and amend the Economic Stabilization Act of 1970. On the same day the senior Senator from Texas (Mr. TOWER) and I introduced S. 2712 in the form requested by the President. The President requested in this legislation a 1-year extension to this authority. In addition, the President requested authority to stabilize interest rates and dividends. He also requested amendments which would strengthen the enforcement of phase II by providing subpena powers, civil penalties, and court authority to order restitution. His request also included special arrangement for administrative and judicial review and provisions relating to personnel and funding.

The Committee on Banking, Housing and Urban Affairs held very thorough hearings on the President's proposals. The committee held a number of executive sessions to consider these matters in detail. As a matter of fact, we held six executive sessions to consider this legislation. We met on November 9, 10, 11, 16, 17 and 18, 1971. We voted to report a clean bill (S. 2891) to the Senate on November 18. I think that we have reported a much better bill to the Senate than the President sent to us.

The bill as reported by the committee contains:

First. Presidential authority to control prices, rents, wages, salaries, dividends and interest,

Second. Standards to be observed in applying controls,

Third. Enforcement procedures and provisions for administrative and judicial review,

Fourth. Necessary administrative authority for the effective operation of the program,

Fifth. Certain limitations on wage, salary and price controls, and

Sixth. An extension of authority to carry on the program for one additional year.

Section 2 of the committee bill—that is S. 2891—amends the Economic Stabilization Act of 1970 in its entirety. The various sections of the act as amended by this bill are as follows:

Section 201 provides that the short title of the act is the Economic Stabilization Act of 1970.

Section 202 states the findings of Congress that a stabilization program is necessary and the President is given the authority to establish and operate such a program.

Section 203 specifies the authority given to the President to stabilize prices, rents, wages and salaries, interest and dividends. It also prescribes standards to guide the use of this authority. It exempts from the exercise of the authority substandard earnings and other wage increases prescribed by laws such as the Fair Labor Standards Act.

Section 204 permits the delegation by the President of the authority granted to him to agencies of the Government and to other boards and commissions that he may establish for the purpose.

Section 205 preserves the confidentiality of certain business information submitted to Government agencies performing functions under the act.

Section 206 gives a nationwide subpoena power to the agencies exercising authority for any purpose related to the act.

Section 207 specifies certain characteristics of the administrative review procedures to be used by these agencies. It exempts these agencies from the full operation of the Administrative Procedure Act.

Section 208 provides for a $5,000 criminal fine for each violation and a $2,500 penalty for each violation.

Section 209 authorizes the Attorney General to bring injunctive actions. He may also seek a court order for restitution of overcharges.

Section 210 authorizes treble damage suits to be brought by private persons against violators of regulations or orders.

Section 211 specifies the form of judicial review for cases and controversies arising under the act. It also creates a Temporary Emergency Court of Appeals for handling appeals and passing upon constitutional questions.

Section 212 gives authority for hiring and compensating personnel necessary to perform functions authorized by the act.

Section 213 authorizes the hiring of experts and consultants needed for the program.

Section 214 expresses the concern of Congress for the special needs of small business enterprises and directs that, to the extent possible, they be given full and expeditious assistance in their dealings with the agencies operating under the program.

Section 215 authorizes the appropriation of funds necessary to carry out the functions authorized.

Section 216 extends the authority given in the act for 1 year to April 30, 1973.

Section 217 ratifies the actions previously taken under the act with respect to personnel and expenditure of funds.

Section 218 provides that invalidation of one part of the program will not ratify the whole.

Mr. President, this is a section-by-section description, quite briefly, of what the bill seeks to do.

Mr. TOWER. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Alabama, who has presided so ably and so well over the formulation of a very complex and very important piece of legislation. I think we must consider this bill an extremely important element in the current war against inflation.

We are all aware of the consistent problem that inflation has posed for this country in the 1960's and 1970's, and of the problems it has posed for maintaining a stable price structure, for making informed business and personal decisions, and for the meeting of expenses of persons living on fixed incomes, principally our elderly population. The deleterious effects of inflation on Americans and the American economy are very pervasive and very difficult to measure in quantitative terms, but it is quite evident that we would be substantially economically better off without a high rate of inflation, and that we should take appropriate governmental actions to reduce the level of inflation.

The President's actions on August 15 marked a significant change in policy in this regard; until that time, since the dismantling of the Korean war economic controls, the only policy weapons that were used or thought to be needed were fiscal and monetary actions designed to keep the supply of credit tailored to production-demand conditions and to stimulate economic expansion when unemployment increased. However, inflationary expectations that have been built up over the last decade were not affected by mere financial policies of the Government; witness the increases in such prices as labor costs and interest rates over the 1960's in the face of more than an adequate supply of these respective factors, and in spite of monetary and fiscal policy to the contrary.

Consequently the President determined that wage and price controls had to be invoked temporarily in order to attack the problem of inflationary expectations directly. Although no one is particularly anxious to see this type of economic control imposed, the country has generally accepted the temporary necessity of this action and I believe will continue to support the President in this program to knock out inflationary expectations. Monetary and fiscal policy can again serve to keep inflation under control, when the extraordinary inflationary expectations our economy has experienced in recent years have been flattened out by the present controls program.

In the bill before the Senate, the wage and price control authority granted to the President in the Economic Stabilization Act is extended from its present expiration date of April 30, 1972, to April 30, 1973. This extension is called for now because the country needs to know whether Congress means to stand by this grant of authority over the period of time controls will be needed. Even though some decontrol has already occurred and will continue to occur before April 30, 1972, some controls will almost certainly need to be continued beyond that time.

If business firms and other organizations are to know how to plan and budget for the future, and, to a certain extent, if individuals are to know how to plan and budget their own finances, they need to have some firm idea now of whether controls will continue past April 30, rather than to face extremely uncertain economic ground rules after that date.

It is imperative that Congress give the Nation a firm basis for economic planning now by enacting this bill and putting to rest any doubts about the intent of Congress to see this program through to a successful conclusion.

Mr. President, again let me express my thanks to the distinguished Senator from Alabama, the chairman of the Committee on Banking, Housing and Urban Affairs, for the way in which he handled this measure; for the objective way in which he went about trying to accept and accommodate ideas designed to improve the bill; for his nonpolitical, bipartisan spirit. I think we have come out with a very good bill, one that we can all repair to, one that does not create any kind of partisan advantage or disadvantage for anybody, one that objectively addresses itself to the resolution of the very grave economic ills that confront our country.

I am hopeful that this bill will be enacted without any substantial or significant amendment that will alter the substance of it.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared for delivery by the distinguished Senator from Utah.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR BENNETT

Mr. President, I hope that the Senate will approve S. 2891, the Economic Stabilization Act of 1971 as reported by the Committee. The Committee has considered all of the important issues involved in the proposal and has made reasonable decisions. The final bill reported is a good bill. It is unfortunate that it has been found necessary to have governmental controls over wage and price decisions, but the impatience with the results of the classical monetary and fiscal measures which the Administration and the Federal Reserve have used, and the fact that wages and prices seemed to either be unaffected by these measures or reacted insufficiently to these general economic stabilization tools over a period of almost three years was an indication that the inflation psychology which has built up over the latter half of the sixties would not yield to such measures without unacceptable unemployment levels.

Because of its deep conviction that a free economy functions in a far superior manner to one that is controlled by the government, this Administration refrained from using wage and price controls as long as possible but wage and price increases combined with a major deficit in our balance of trade with other nations made drastic action necessary in August of this year.

Now, the primary criticism of the President is that he should have established controls over the economy at an earlier time. While I give my support to the president in this difficult task of slowing inflation, I do not believe that economic controls will serve us well for any extended period of time. It is therefore important that the measures that are taken be effective and that they bring about the desired slow down in wage and price increases quickly so that they can be removed and that the dislocations in economic activity that always occur under any system in which supply and demand are not the prime determinants of price will also soon be removed.

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I believe that the President took the only course he could take at this time to make it clear that continual large increases in wages and prices will not be permitted as an accepted fact in our economy. I believe that the system which has been established is a reasonable one in which representatives of the patries at interest and the public will be making the major decisions within the general goal of wage and price stability, established by the President. The Program does not contemplate a massive bureaucracy but instead is heavily dependent on the voluntary compliance of business, labor, and all segments involved. It can be successful and accomplish its ends only if it receives the support of the American people, the business community, and the representatives of organized labor. Public confidence must be maintained that the program is equitable and that all are required to comply with similar requirements.

The bill which our Committee has reported and which is now being considered by the Senate provides authority for the President to continue the program of stabilization that is now in operation. The Committee bill is the result of extensive hearings and full consideration by both the Committee and the Administration of all of the recommendations made in those hearings. I frankly believe that the Committee bill is an improvement over the bill recommended by the Administration. I do not say this to be critical of the Administration, but in some respects, the Administration's proposal was not as explicit as it could have been. This is understandable, of course, when one realizes that the Administration proposal was patterned closely after the language presently contained in the Defense Production Act authorizing the President to impose wage and price controls as he deems appropriate with no specific guidelines other than that the controls be generally equitable and that wages and prices could not be less than those in existence on May 25, 1970. This authority was not requested by the Administration but was enacted by Congress over Administration opposition in 1970. It was extended earlier this year and to expect the Administration to propose major changes in the legislation would have been unreasonable. The changes that were included in the Administration proposal were primarily for the purpose of clarifying the authority and the procedures that would be followed in using that authority.

Beginning with the basic Administration proposal, our Committee worked with the Administration and other parties and expanded certain sections of the bill so that it now contains even more detail with respect to the procedures which will be followed and the rights of individuals under the legislation.

Let me say that there is no difference of opinion between the Committee and the Administration on the major provisions of the Committee bill. There were some differences, but in most cases, these differences were minor or were on provisions which are not of major importance. An example of such a difference is that the Administration bill recommended the exclusion of wage and price control functions from the operation of most of the Administrative Procedure Act. This provision was criticized by several of our witnesses and members of the Committee.

The Committee carefully considered the arguments involved and decided to include certain sections of the Administrative Procedures Act in the bill. Both Assistant Attorney General L. Patrick Gray and the Chairman of the Administrative Conference of the United States, Roger C. Crampton, stated that there would be little if any difference in the operation or administration of the Economic Stabilization Act or the rights of persons affected by the Act whether the Administrative Procedure Act was applicable or not. In other words, a major difference was not involved. I ask unanimous consent that the final paragraph of a letter from Mr. Crampton be included at this point in the record explaining his position on the matter.

Mr. President, I notice that there are many amendments which members of the Senate apparently intend to offer to the Committee bill. We considered similar proposals in the Committee and they were all rejected.

The Committee determined that while there may be sentiment for certain segments of our economy to be exempt from some controls or from the burden of complying with certain reporting or record keeping requirements either on the basis of their size, the number of employees, or the type of activity involved, it was agreed that outright exemptions from the authority contained in the Act could lead to abuses which could not then be controlled without additional Congressional action repealing the exemption. Such exemptions could also make it impossible to meet the criteria of the bill requiring generally comparable sacrifices by all segments of the economy. The Committee bill, on the other hand, grants broad exemptive authority to the President. This authority can be exercised by the Pay Board and the Price Commission consistent with the purposes of the Act. This approach to exemptions leaves sufficient authority to take care of any abuses that may develop as a result of an exemption.

Mr. President, let me conclude by saying that the Committee bill is a reasonable bill. I believe that it retains most of the authority needed by the President to carry out a program which is intended to slow inflation and which has received the support of an overwhelming majority of the people of this nation. The Committee was able to defeat attempts to destroy the authority needed for such a program and has essentially preserved the integrity and the autonomy of the Pay Board and the Price Commission.

Despite my general objection to government authority and control over decisions that can better be made by natural market forces, I realize that there are powerful factions in our economy that have thwarted the normal operation of market forces which would otherwise have resulted in more moderate wage demands and lower prices than we have experienced in the last few years. I support this short run attempt to control inflationary forces and make American goods and services more competitive in the world market with the assurance that it will be retained only so long as it is necessary and only to the extent that it is necessary to temper forces which have not responded in sufficient degree to fiscal and monetary policy efforts to restrain inflationary wages and prices.

I recommend that the Senate approve the Committee Bill without undue delay.

The PRESIDING OFFICER (Mr. BYRD of West Virginia). What is the pleasure of the Senate?

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BENTSEN). Without objection, it is so ordered.

Mr. TOWER. Mr. President, will the Senator from Wisconsin yield for a question?

Mr. PROXMIRE. I yield.

Mr. TOWER. I think it would be helpful if the distinguished Senator from Wisconsin could enlighten the Senate as to his intentions. The Washington Post this morning reports that the Senator intends to filibuster. The Senator assured me that he had no such intention, so that I believe, perhaps, the record should be set straight as to what is in store for us during the day, in terms of time frames, and when we are likely to have votes on amendments.

Mr. PROXMIRE. Mr. President, I thank the Senator from Texas. It is very difficult to define a filibuster. I certainly do not intend to delay the bill. I expect to be voting on the bill within the next few days on final passage—by the middle of the week or so, but I think it would be a real shame if we acted on the bill today.

The bill will have a profound effect on every American because all of us are consumers. It will have an even more significant effect on the 85 percent of our work force covered by the bill. It will also have an immense and complicating influence on literally millions of businessmen—some 10 million firms or individuals—who will have to function under the price controls which are enormously complicated. I think that under these circumstances the Senate certainly should discuss the pending bill at considerable length.

It is my understanding that there is at least a discussion in the House to the effect that this bill, after it passes the Senate, may be kept at the desk without going to committee and be debated under limited time on the floor, for perhaps a day or less than a day, and then passed.

When we have a bill that is this complex and ramified and that gives such a tremendous amount of power to the President of the United States, it seems to me that it should be discussed at great length. By great length I mean that I intend to speak at least 2 or 3 hours on it, and I would hope that other Members of the Senate would question the bill in some detail. I would hope that there would be some substantial amendments offered.

Mr. President, I am compelled to vote against S. 2891. I do so after long, hard deliberation. Senators will forgive me, I trust, for pointing out that I have probably spent more hours analyzing the issue of wage-price regulation than any other Member of this body.

For 5 weeks the Joint Economic Committee, which I have the honor to chair, held extensive hearings on the new economic policies of President Nixon. The committee went into great detail hearing from outstanding economists from various sections of the country, from Government officials, from business and labor leaders, and, above all, from several men who headed previous wartime efforts to control wages and prices.

Even before the President's speech of August 15, the Joint Economic Committee had held extensive hearings on the state of the economy. These ran during June and July, and covered every major aspect of public economic policymaking. As many of us know, the committee, at the conclusion of those hearings, issued a report setting forth its own views on the wage-price issue, as well as on tax and expenditure policy, and other related questions. That report, ironically, was issued to the press for publication on the morning of August 16, within a very few hours after the President made his speech in which he proposed the freeze and started us on the path we have followed since. There are some members of the press who believe its publication date may have provided a stimulus for the President's pronouncements on Sunday night, August 15. In any case, I think that the Joint Economic Committee can justifiably take great pride in the thoroughness and soundness of its inquiry, and I believe that it provided an invaluable service to the public.

In addition to these Joint Economic Committee hearings, I participated fully in the hearings of the Committee on Banking, Housing, and Urban Affairs on the legislation now before us, and I attended each of the several executive sessions thereafter.

Mr. President, I believe firmly that there is need for a program of wage-price regulation, as I will explain in a few moments, but I am equally convinced that S. 2891 definitely will not do the job. I believe that it fails on several major counts.

It will do far more harm than good. As I have said on this floor previously, the Economic Stabilization Act of 1971 needs a major overhaul before it will serve the public good. In its present form it is unacceptable. I have reluctantly concluded that unless the bill is greatly modified and the phase II program vastly changed, that the damage to the American economy will far outweigh any short-term good that it can bring.

I intend to discuss in some detail the shortcomings of the administration's proposed extension of its unprecedented wage and price control powers. Let me summarize briefly at this point why I think that the program as presently constructed is badly conceived, unworkable in practice, and dangerous to our constitutional form of government.

First. The program endeavors to cover far too much of the economy. The jurisdiction which it has assumed extends from steel mills to babysitters, from automobiles to fountain pens and mom and pop grocery stores. It is not necessary to cover most of the economic activities. I think what is important is to see that we are not in the same kind of situation we were in World War II and Korea, because there are generally no shortages in the economy. Certainly we have an excess of supply. We have 5 million people who want to work. We have 25 percent of our production facilities idle. Under these circumstances, the opinion of the overwhelming number of economists who appeared before the Joint Economic Committee is that it is unnecessary to cover everyone as the regulations would and as the bill would permit. The program should concentrate on those sectors of the economy that are characterized by massive power—the huge corporations and the large unions. These are the pacesetters and by reason of their size, their vast power, and their relatively limited number, they are amenable to public regulation. But the hundreds of thousands, even millions, of individual economic decisions cannot, by their very nature, be subjected to Government regulation, and attempts to control them will prove chaotic. Indeed, this is already occurring.

It is unnecessary. The reason that the small firms are not raising their prices and the reason that they have not done so in the past is that they are competitive. It is properly a competitive environment. If they do not raise their prices, they should not be subject to controls. It seems to me that it would be logical therefore to subject the big firms and the firms in the construction industry to the controls—because they have a peculiar union-management situation—and the health services in which we do have a shortage of resources.

Second. The program as drawn is based on principles that are unworkable. The productivity standard as the President would apply it to prices is unworkable. Two days ago I received a book which was based on very learned and meticulous treatises by some of the top economists in the world on trying to evaluate productivity in the service industries. This is what Mr. Grayson is requiring the service industries to do, to come up with some estimates of our production activity. These economists had great difficulty in defining what productivity is and in having standards that can be applied at this stage of our economic development with respect to the service industries.

Productivity at best is an elusive notion which gives Ph. D. economists great difficulties and confounds them. To inject it into the day-to-day operations of the average business will result in confusion, disillusion, and even probably paralysis. Moreover, as I have said before, the proposal to limit profit margins throughout the whole range of American enterprise will prove unworkable and will have a stifling effect on business initiative. The profit formula gives an incentive to the fat, lazy firm, as I have said before. Cost increases can be passed on, but the efficient, cost conscious, enterprising firm is penalized. It has no profit incentive to be efficient. The formula strikes at the heart of the free enterprise system at a time when we desperately need increased productivity, efficiency, and jobs.

In one of its first decisions on prices, the commission turned down the request of the Bassett Furniture Co., in Virginia for an increase of 1.8 percent in prices. They did so because the Bassett Furniture Co. did not submit any productivity data. Bassett said that there is not any productivity data in their industry.

The commission said, "Go back and try to get it."

Consider the kind of reaction this would have on the minds of the corporate executives. They would say, "All right. We will try. We will estimate our productivity. And we will do our best to see that the estimate comes out all right. We want to maintain higher prices and not have them rolled back." So corporate executives can simply underestimate what their actual productivity will be to any extent necessary to justify the price increases they want. When industry does this, it will enable them to get the price they asked.

One can say, "Yes, but the price commission can then come back next year and say that since they were able to widen their profit margin, they are going to roll their prices back."

Here is why this discipline will not work:

One of the easiest things to do in business management is simply to let productivity deteriorate. It takes tremendous effort, attention, diligence, and ability on the part of a business manager to get increased productivity. It is easy to relax and let productivity go. One way is to hire people whose use is marginal: Another: modify the way the assembly line is operated if it is a manufacturing operation, or the way the sales force is handled—there are any number of ways productivity can be allowed to deteriorate. There would be a tremendous temptation on the part of Bassett or any other corporation to permit this. And this is exactly the wrong kind of incentive but this is what the requirement on the part of the Price Commission will develop and why it is so insidious, unfortunate, and unnecessary.

I can see why we should work hard to restrain the price increases proposed by a corporation which is in a position of monopoly power. To require the vast majority of companies in our country to come in with this kind of a showing, or a concept, which is this hard to determine, is simply asking for a violation.

Third. The program cannot possibly be enforced. It leaves to the Internal Revenue Service, an already overburdened, specialized agency, the massive task of policing a nationwide comprehensive wage and price control program.

This is not the kind of program we had in World War II, where we had a freeze, or during the Korean war. This is a program of variable prices, where one man's wages can be increased 5, 10, 15 percent, and the wages of another man held at zero or cut, with exceptions. I submit that is a complicated guideline to enforce. It is going to be extraordinary difficult to enforce and with the 3,000 Internal Revenue Service agents, when millions of firms are affected, it is ridiculous.

Fourth. The program will lead to widespread inequities. Moreover, its timing is most unfortunate. It comes at a time when inflationary pressures are abating, with plant and equipment operating at a mere three-fourths of capacity, and 5 million people out of work. I believe that the continuation of phase II in its present form will only confound the uncertainties that face American business and inject a paralysis into the economy.

Fifth. An entirely different point, but a point of great relevance in view of what has been happening to our waning legislative powers and the vastly increased power of the Presidency over the last few

years, is that the bill would extend for another 12 months this vast power to the President and it gives unprecedented powers to the President without any effective congressional standards or safeguards. It is true that I proposed some mild, general standards in committee and those standards were accepted by the committee, but those standards are general and a small but slight improvement on the bill that came from the Treasury. In my view, the standards are virtually nonexistent. I believe this kind of legislation provides an easy road to dictatorship. There are already signs of the capriciousness that always characterizes excessive executive power. The two Boards, operating side by side, have adopted completely different modes of operating. Chairman Grayson, of the Price Board has stated publicly that it is he and he alone who will make the decisions.

He will not make all of them, but he will decide whether or not any price decision is important enough to call on other members of the Board. He also indicated to Lee Cohen of the Washington Star which of his Board members he will consult in determining whether or not to proceed with a particular price request. It is also a matter of record, according to the article by Mr. Cohen, that the first decision on American Motors—the first decision which affected one of the big automobile companies—was arrived at by Mr. Grayson with the advice only of one other member, Mr. Lanzilotti. The other five members were not consulted. So Mr. Grayson seems to be running the price operation as a one-man operation. On the other hand, Judge Boldt, Chairman of the Wage Board, declines to vote except in case of a tie. Congress has not even prescribed a pattern for regulating the exercise of the vast powers inherent in these Boards.

None of the Board members who wield this vast power are required to be confirmed. It is true if new members are appointed to the Boards, this legislation would require their being confirmed, but we all expect the Boards to be in existence a short time. We are extending legislation for a year. The administration indicated several times they are hopeful the whole control program can be ended in that period. It is likely the present members—none of whom would be confirmed—are going to be the principal people appointed to the Board. They will exercise the principal power.

Sixth. This bill lends itself to political manipulation. It would serve any President well in an election year. Consider that the bill gives the President the power to vary the elaborate control mechanism at will. He can selectively decontrol the economy with an eye on the 1972 elections. Does any Member of this body honestly think that these possibilities would not incur to any incumbent of the White House? By the same token, there are inevitable temptations to temper the severity of price adjudications to the contributors of large corporate entities. The program is obviously amenable to political manipulation and corruption.

Seventh. In addition to all these vast inherent defects, the program is already being so poorly administered as to become a charade. The Wall Street Journal of November 24 contains a lead article entitled "Phantom Phase II: Number of Exceptions to Wage-Price Guides Spurs Doubts of Plan." Citing the fact that the guideline on wage increases is 5.5 percent, the article cites the 15-percent to 17-percent increase given to coal miners. It cites also the 7-percent increase granted to tin plate products in the face of an alleged 2.5 percent limitation on price increases. Moreover, in speaking of violations, it asks the rhetorical question: "Who's ever going to know?"

I will elaborate on that later.

On Thanksgiving Day, the Washington Post contained a report of a speech by Henry Kaufman, a prominent New York economist who on many occasions in the past has impressed the Joint Economic Committee with his acumen. Mr. Kaufman severely criticized the compromises with inflation that characterize decisions under phase II of President Nixon's new economic policy. And he went on to say that current weakness in the stock market reflects an awareness that the Government is not actually being tough enough on inflation. I would like to elaborate on that later and place that article in the RECORD, but I will do that later on.

WHAT SHOULD WE DO

Mr. President, I believe there is a case for a properly conceived program to restrain wage and price inflation. The problem did not suddenly spring into being to confront the President on August 15th of this year. The Joint Economic Committee has spent many hours over the last 5 years in trying to cope with the issue of inflation. The Joint Economic Committee has repeatedly set forth the outlines of a voluntary, workable program which would be structured to deal with the wage-price problem in a realistic and workable fashion.

For several years the Joint Economic Committee has taken the position that the great bulk of inflationary pressures, particularly that part characterized as cost-push, comes from that sector of the economy dominated by large corporate units and large unions.

Certain industries are characterized by the domination of few units. Automobiles are a case in point. Steel is another. It is widely recognized that these powerful units are not affected by supply and demand and the laws of the marketplace in the same way that small firms are. They can administer their prices.

For many months now, many people, many businessmen, and many economists have been unable to understand how we can have continuing inflation at the current high level of unemployment. Unemployment has been about 6 percent every month for a year, and we still have prices rising. It does not seem possible. It violates all the laws we were told about in economics in college. How can this be? The answer certainly is not because small businessmen who are competing are pushing up prices. The answer is not because businessmen are bidding for a shortage of general labor because there are plenty of people who want to work who cannot find it. The answer is that large unions which have extraordinary power, are determined to have wage increases to permit their members to catch up with losses they think they lost in real income in the 1960's.

That process of big unions negotiating successfully with very large companies for wage increases which are then passed on in cost increases has been the very heart of the inflationary problem for the last year or 18 months. This is what we have to deal with. This is the essence of the problem. And in order to do that, to have a program that would cover literally tens of millions of people and millions and millions of firms is a very grave and serious mistake. It will slow down the economy; it will create inefficiency; it will engender hostility; and it is unnecessary; but the big firms are the ones that can raise their prices.

Time and time again the steel industry has been able to raise its prices in the face of falling demand and declining utilization. One firm will set its price and then, on the basing point system, within a matter of 24 hours, all the other firms will get their prices within a decimal point of the same price.

While a small competitive firm would go broke doing this, large units can exercise substantial control over their prices. There are probably no more than 500 of these major corporations in the country, yet it is they who are substantially accountable for the cost-push inflation that exists. By that I mean they are less amenable to the normal operation of supply and demand which can be affected by broad monetary and fiscal policies. The Joint Economic Committee and, I might add, most competent economists, have made the point time and time again that it is these large units which should be the subject of any wage-price program.

These same observations apply to the large unions. It is they, the very large unions, that dominate wage movements. Smaller unions and the unorganized worker merely follow in the path of the big boys. They are the pace setters. Unless wage-price policy is tailored to concentrate on the increases brought about through the activities of the large union, it cannot do the job.

Mr. President, I intend to discuss these grave weaknesses in more detail, but first, I would like to dispense with an argument that one sometimes hears. It is claimed by some that we are caught up in the administration's program now and have to make the best of it. My answer to that is that we can be forced to endure phase II for a much shorter time and on a far more limited basis than is apparently envisioned in the proposed legislation.

The original grant of power to the President contained an expiration date of April 30, 1972.

Why is not that enough time? It is interesting that yesterday, on "Issues and Answers," the Director of the Office of Management and Budget, Mr. George Shultz, when asked whether we should go to a voluntary program, said, "We can wait and see." So, Mr. President, I think that is not a bad answer. Maybe we ought to wait and see. Why should the Congress now pass legislation providing for a 1-year extension, when the law does not expire until April 30? Why not in George Schultz' terms wait and see whether or not the kind of limited program which I am suggesting, which zeroes on the problem in the economy—the inflationary problem in the economy—is the kind of thing we need? For that reason, I believe April 30, 1972, still provides the administration adequate time. It provides 5 months during which the administration can learn more of the shortcomings and hazards of phase II, and I hope undertake to phase out a substantial part of it. We will have plenty of time during the winter to reconsider our situation and decide what course to adopt.

The President and the Congress should set May 1, 1972, the date on which the present law expires, as a goal for ending the legally compulsory system of control and moving into a voluntary wage-price guideline system along the lines that the Government had in effect in the early 1960's.

Mr. President, I discussed in the committee an amendment to simply cancel the section of the bill that provides for an extension and to permit the rest of the bill to pass without the extension. I discussed that in committee and I received substantial support, but it was clear I was not in the majority, so I did not offer the amendment in committee.

I have since then discussed this matter with some of the Senate Democratic leaders, and I think I know the disposition of the Republican Senators. Under the circumstances, I think there is very little prospect that deleting the expiration date would get a majority vote in the Senate, so I do not intend to offer that amendment, but I would like to discuss with the Senate now why I think that amendment is significant, why I think that action would be useful, because I think a view of the bill and the unfortunate consequences of extending the law for a year at this time, 5 months in advance of its expiration date, is very important in deciding whether or not to vote to pass the bill.

After all, if the bill does not pass, the President still has all the authority he needs until April 30, 1972. In fact, he has more authority than is provided in the bill we propose. We would limit his authority insignificantly, but we would limit it a little. So one could make a case—and I will try to make the case now—that for this reason there is not much justification for the Congress' acting at this time to pass the bill that is now before us.

In my view, Congress would be making a disastrous and irreversible error if it extends the law for 17 months to April 30, 1973, as the administration is requesting. We would be giving the President a virtual blank check to control the economy with little effective control by the Congress.

I think I can document the fact that it gives the President a blank check authority. The witnesses who appeared before us are very impressive in their credentials and their judgments that this is what we would do, but I will document that a little later.

Those who are concerned about Congress losing its power have an opportunity to demonstrate that concern by voting against the bill in its present form.

There are three principal arguments for keeping the expiration date at April 30, 1972.

First, there are many serious problems with the President's phase II program, and more will undoubtedly arise over the next few months. We simply do not have the experience or knowledge to deal with these problems in an intelligent fashion, and until we do, we should not extend the Stabilization Act by its current expiration date.

Let me call to the Senate's attention just one incident which developed at the end of last week. On Friday, the day after Thanksgiving, when things were rather quiet in the Capitol, Donald Rumsfeld, who is the chief of staff on the Cost of Living Council, called a press conference in which he discussed the price increases which were pending before the Price Commission and the price increases that the commission has granted. He argued that the price increases were not really inflationary. He said the size of the price increases had been exaggerated, and he documented that to some extent. After he had made that statement Price Commission authorities strongly but anonymously controverted Rumsfeld's findings. They argued that his conclusions, which seemed to be based on the assumption that the Price Commission would grant the applied-for price increases, were wrong.

Now, Mr. President, we are acting on this legislation. We are expected to act today or tomorrow or Wednesday. We have two of the top agencies of the Government, the Cost of Living Council and the Price Commission, unable to agree on the impact of their decisions so far on prices, and of course they are just beginning. Would we not be far better off, and would we not be acting with far greater wisdom and understanding, if we waited until somewhat closer to the expiration date, until we have some kind of experience under this law, until we have more than just a few weeks of conflicting decisions, and until some kind of settled pattern emerges?

In fact, I think if Congress waited, we would get better action out of both the Pay Board and the Price Commission. But we would at least be in a far better position to know what we were doing.

The fact is that a basic decision will have to be made about the direction of the phase II program in the next few months. It could evolve into a much tougher phase III program, or the controls could be selectively withdrawn. Congress should participate in the decision to escalate or deescalate. By giving the President a 17-month extension, the decision is left entirely up to him.

In the third place, a 17-month extension will set a bad precedent affecting the ability of Congress to assert its constitutional prerogatives in other areas. Those concerned about the institutional inferiority assumed by Congress in our Federal system should have very serious reservations about voting for this measure.

Let me expand upon these arguments in a little more detail. But before I do, I believe it would be useful to examine the reasons for the unprecedented 17-month extension demanded by the administration. In my opinion, the administration's case for a 17-month extension is totally unconvincing.

About the only respectable argument the administration could muster in favor of an extension to the stabilization act is that it is needed to promote public confidence and reduce uncertainty about the duration of the program. There is no doubt that the public lacks confidence in phase II and is uncertain about the program. But this uncertainty is not over whether the Congress will renew the act next April. The uncertainty is over what the Pay Board and Price Commission will do and whether the program will work. No one doubts that Congress will extend the act next spring if inflation has not been halted. Indeed, it was Congress itself which took the initiative by passing the original Stabilization Act over the vehement objections of the President and his economic advisers. Congress has already demonstrated its readiness to act when necessary to control inflation. It is the administration and not the Congress which has a confidence problem.

There has been no great speculation on the part of the press as to whether Congress would extend the Stabilization Act next April. I have not read any, or heard any. I have yet to see my first column or article stating that maybe Congress will not extend it.

The administration could cite no polls or other studies showing the public was anxious to have the act extended for 17 months. There is not one shred of evidence to show the average businessman or consumer is worried that Congress will not extend the act next year. The uncertainty cited by the administration simply does not exist. It is a figment of someone's overly vivid imagination.

If anything, the public will have more confidence in the phase II program if it knows that Congress plans to play an active part. The public will know it will get a fair hearing in Congress if any inequities develop. Those who are concerned about the fairness or effectiveness of the program will be more concerned if Congress surrenders control to the President for 17 months. We will not enhance the public's confidence by giving the President a blank check. And yet, this is exactly what we will do if we extend the Stabilization Act for another 17 months.

Suppose the Pay Board or the Price Commission are completely ineffective in stopping inflation. Will the President reverse himself once more? Will he admit he made a mistake? Will he take decisive action? Or will he procrastinate and try to make do in an effort to cover up his original error? Congress would suffer none of these restraints if a complete overhaul of the phase II program were

necessary. The business community will have more confidence if it knows the mistakes of the President are subject to correction by the Congress. Businessmen will have more confidence if they know we will be reviewing the program next spring prior to its expiration date. They will have less confidence if we give the President a 17-month blank check to perpetuate the errors of the Pay Board and Price Commission.

Or let us take another example. How much confidence will labor unions have in the program if it is tough on wages and weak on prices? The success of the program depends on voluntary labor cooperation. Labor will have much more confidence if it feels it can come to Congress with its grievances next year and have a fair hearing on those grievances. Labor strongly supports my position that we should not extend this act at this time.

On the other hand, if we give the President complete control for 17 months, labor will be less inclined to cooperate. Rightly or wrongly, many labor leaders feel the phase II program is antiunion and antiworker in its philosophy. The position taken by the Pay Board on retroactive pay gives some credence to this view. Fortunately, the Congress has had an opportunity to correct the Pay Board's decision, but we will not have that opportunity again if we give the President the 17-month extension he is seeking. Knowing that its right of appeal to the Congress has been cut off, labor might stiffen its back and become overly obstructionist. Such a result would be most unfortunate although understandable. However, we can prevent this from happening by providing for an expiration date next spring, when labor would have an opportunity to ask the Congress for a redress of its grievances.

Mr. President, another argument raised by the administration is that Congress really surrenders nothing by extending the Stabilization Act for another 17 months—that we can still maintain control over the program by holding hearings and amending the act if necessary.

That was brought up again and again in our hearings and in our executive sessions. In theory, we can even repeal the act and start all over if we do not like how it is working.

We know this argument does not have the ring of truth, and I suspect it is made with tongue in cheek. Unless we have the pressure of an expiration date, we are most unlikely to act to modify the program. Next year will be an election year, and the Congress will be faced with many pressures. It is doubtful we would take the time to review the phase II program unless required to by an early expiration date. This is why all administrations, Republican and Democratic alike, are always asking for a lengthy extension of their authority. They know that Congress is not likely to take the initiative unless forced to do so by the discipline of having to renew authority delegated to the executive.

As a matter of fact, any review by Congress of the act next year would take considerable initiative on the part of Congress. The bill could be opposed in committee by administration supporters. It could be delayed, perhaps, until it died on the floor. It could be vetoed by the President. Congress just plain must be in control when we extend this bill for 17 months, and of course to do so 5 months in advance of its expiration is really most difficult to understand.

Congress can always hold hearings on the phase II program, and as chairman and vice-chairman of the Joint Economic Committee I would hope to do so. But the Joint Economic Committee has held hearings for 2½ years on the President's disastrous economic game plan. We repeatedly recommended some kind of incomes policy to restrain inflation while administration spokesman steadfastly insisted the old game plan was working. The President did not really change signals until his political advisors pointed out he was slipping in the polls because of the economy. If phase II does not work, can we afford to wait another year or two before the program is changed?

Even if Congress were to try to modify the phase II program next spring, the administration could probably prevent any meaningful change. There are many procedural roadblocks in the legislative process which enable a minority to delay action. Moreover, the President could always veto any legislation which did get through if it were not to his liking. The only meaningful leverage Congress has to exercise control is the expiration date. If we give up this leverage, we are giving the whole ball game to the President.

There is a third argument which has been made in favor of a 17-month extension. This is that it would be politically unwise if Congress were to consider such a controversial subject in an election year.

It is a funny thing. When I talk with many of my colleagues on the Democratic side of the aisle on this, they say, "Well, you are right, Bill. You are right in terms of logic. The trouble with you is that you are reasonable about this in terms of the substance, but politically, you are wrong. The Democratic Congress simply cannot afford not to give the President everything he asks in this connection, give it to him promptly, give it to him at once."

I think my colleagues are unwise politically as well as wrong on the substance.

There are some Republicans who fear the Democrats in Congress would use the early renewal of the program as a pretext for criticizing the administration. Likewise, there are some Democrats in Congress who feel it would be smart politics to give the President everything he wants so that he can be blamed for whatever goes wrong. Clearly, both views cannot be correct. The disagreement over what is smart politics demonstrates once again that it is unwise to approach important questions from a narrow partisan political viewpoint. The American people want results, and they are not about to be fooled by the political maneuvers of either party.

I believe it is bad policy and bad politics for Congress to give the President a 17-month blank check. If the program fails, the wrath of the voters will not be directed at the President alone; it will fall on all incumbents, Republican and Democratic alike. When things go wrong, there is a natural tendency to vote against those in office and bring in new people. Congress cannot insulate itself from its constituents by turning itself into a rubber stamp. Congress has a constitutional responsibility to exercise its legislative power in the public interest. It cannot delegate that power unduly to the executive branch without losing its position in our constitutional system and the respect of the voters.

Mr. President, the Economic Stabilization Act gives the President sweeping control over our free economy. He is given the power to regulate everyone from the giant corporation to the corner drugstore. If a Democratic President had requested those powers, the business and financial community would be marching down Pennsylvania Avenue in protest. It is amazing that so little attention has been focused on the extraordinary grant of power being given the President.

We have no way of knowing whether the phase II program will work. The country is confused about the program. No one can really understand the complicated and confusing guidelines published by the Pay Board and Price Commission. There is widespread uneasiness that the Pay Board and Price Commission will be too lenient. The recent approval of a 16.8 percent increase for coal miners is a case in point. The stock market is jittery. In the face of all these uncertainties, we are being asked to give the President complete authority for 17 months before we really know what we are doing. There is considerable question as to whether we should give the President as much authority as we are giving him if we knew, if we had had substantial experience under the act, if we had some idea where the Price Commission and the Pay Board were going. But when we do not know and we give him that kind of authority, to extend the act 5 months in advance is just irresponsibility. We are being asked to buy a pig in a poke. For an administration addicted to football analogies, we are being asked to send in an untried and inexperienced quarterback against the Baltimore Colts without being able to send in plays from the bench.

What is the great rush for an extension? What is the hurry? Why must the act be extended before we have a chance to see how it operates? Why can we not give the President the additional tools he needs, such as subpena power, civil enforcement remedies, control over dividends and interest, and the like, without extending the legislation beyond next April 30? By that time, we will have a much better idea of how the program is operating. We will be in a much better position to enact appropriate modifications in the program if needed.

We have already received enough advance warnings that the phase II program might have to be substantially changed. Serious problems have already developed. Some of them may be corrected but we have no guarantee—we have no assurance that the program will

right itself. Why not wait and see what develops before we give the President the 12-month extension he is seeking?

I would remind the Senate that one of the ablest Presidential economic advisers, George Shultz—he is also one of the closest to the President—when asked yesterday whether we should go to a voluntary program, said:

"What?" He did not say "No." He did not say it would not work. He did not say that we had to go ahead and extend this program now. He said, "Let's wait and see." That is precisely what I propose that the Senate should do with respect to this legislation.

There will be plenty of time next spring to extend the act after we have had several months of actual operating experience.

One of the problems about the program which troubles me the most is its scope. The price and wage controls cover most of the economy from General Motors to the mom-and-pop grocery store. However, inflation is caused primarily by big companies and big unions. Small companies and small unions do not initiate inflation. They react to the pressures created by the larger firms and unions. Why can we not concentrate on the real source of the inflationary pressure and let the forces of the market control prices and wages for the smaller firms and labor unions? Why must the entire economy be put in an economic straight jacket?

Unfortunately, bureaucratic controls have a life of their own. Once they are established, they are very difficult to remove. Not only is that the experience in this country; it is also the common experience abroad. Controls are being established now not in a wartime situation when there is usually an actual termination when the war is over; they are being established in a period when the war is already wound down and we expect to be out of Vietnam in a few months.

Few argue that the Vietnam war has any really big economic significance at the present time. It is not a factor now. It was a factor—certainly a big factor—in inflation before. It is not now. Under these circumstances, to establish a control system and expect that that system is just going to dry up and disappear is the height of optimism.

Enforcement becomes an end in itself rather than a means to an end. How do we know that the controls on small business will be lifted as soon as possible? The administration has no timetable for withdrawing the controls on the millions of small business enterprises which are subjected to them now. Why should not have Congress make its own judgment on lifting the controls from small business instead of leaving it entirely up to the President?

How do we know the President will not be tempted next year to start decontrolling the economy in a manner best suited to his political advantage? A series of exemptions from price and wage controls could prove highly popular during an election campaign. By giving the President a free hand for 17 months, we would also be giving him the opportunity to insure his own reelection. No President, regardless of party, should be given that kind of power. If there is to be a selective decontrolling of the economy, Congress should set the timetable.

Next spring we will be in a much better position to determine the proper scope of the wage and price control program. We will see how it operates. We will be in a much better position to judge whether or not it is necessary for smaller firms or whether it is necessary for State and local workers. We still have to have control over the salaries of teachers, policemen, and sanitation workers, and others, in the cities.

Another problem with the phase II program is that it appears to be uneven in its application. A much greater burden of price restraint is likely to fall on small business rather than big business. This is because of the complex data needed to justify a price increase. According to the regulations of the Price Commission, a firm must know its costs and its productivity before it can raise its prices. Even for a big firm, that is not easy. I asked Mr. Jackson Grayson, when he appeared before our Joint Economic Committee a few days ago, the extent to which the big firms, that is, those with sales of $100 million a year, knew their productivity and Mr. Grayson's response was that 50 to 75 percent had some knowledge of their productivity, but only some knowledge of it. This meant that 50 to 75 percent of the really gigantic firms in this country have made an effort to judge what their productivity is, but it does not mean that they could comply. They might be able to begin to comply. Now consider the full implications of that statement. It means that 25 to 50 percent of the big firms with all the advantages they have in having economists, statisticians, accountants, and cost accounting systems, and so forth, do not even have a basis for evaluating their productivity.

So what chance would the little operator, the small firm, have to develop its productivity when the big firm with its statisticians, its lawyers, accountants, and so forth cannot do so. A big firm can always hire a battery of accountants, statisticians, lawyers, and lobbyists needed to justify a price increase. But how is the average small businessman going to measure his productivity when Ph. D. economists cannot even agree on what the term means? As a practical matter, most small firms will be scared into freezing their prices, because they do not understand the regulations and do not have the information needed to justify an increase.

Perhaps the Price Commission can correct some of these inequities. But how do we know? If we surrender our prower now, we lose our ability to influence the situation. This is another reason for not extending the act beyond April 30 until we see how the program is working.

I am also concerned about the Price Commission regulations which seem to regulate profit margins. Unless carefully administered, these regulations can simply reward the fat and lazy firms and penalize the efficiently managed firms. It means that if we apply this profit margin, and a firm applies for a price increase, it has to justify that price increase on the basis that its profit margin—its margin for each dollar of sales—will not exceed the average of the best 2 years out of the last 3 years. That means there is a fixed profit margin which cannot be exceeded without the firm's violating the law, once it has made a proposal for a price increase and that increase has been granted.

What does that mean? It means that the firm will do its best to hold down the profit margin to its estimate. And that is easy. The motivation without controls is to increase profit margin. By becoming more efficient, by reducing costs, by finding more effective ways to do the job. This is the genius of the American free enterprise system, the reason why the American system has proved superior to a system that does not have the profit incentive.

Now what does the profit margin restraint do to this motivation? First it provides a penalty for widening the profit margin. You hold down cost, you lose your price increase. This is bound to undermine our business efficiency, our productivity, and that is the essence of getting inflation under control.

So that the requirement that the profit margin cannot be widened by more efficient operation by a firm without a violation of the law and suffering a penalty through the violation is bound to reduce national productivity. It will certainly have an adverse effect on the efficiency of operations of American firms.

A firm should be able to increase its profit margins through increased efficiency as long as it passes on all of the benefits of wage restraints to its customers. Arbitrary ceilings on profits tend to have the same effect of an excess profits tax. A firm in danger of exceeding its ceiling on profit margins can simply raise its costs to bring its profits below the ceiling. The end result is to promote waste, and inefficiency, and higher prices.

Perhaps these cumbersome and heavy-handed controls over profits can be modified by the Price Commission. They should be. They will be protested vigorously. But we have no way of knowing how or when.

Yesterday, the New York Times published an article in which former Secretary of Commerce, John Connor, was interviewed. He is now chairman of the board of Allied Chemical Corp., and he argued very strongly against the profit margin, restraints promulgated by the Price Commission, pointing out the adverse effect this will have on the operations of his corporation. He contended this ruling will slow down Allied Chemical's investment program, the company will be less aggressive in its business operations, and less expansive in providing employment. He gave some examples of how it would result in less employment.

This is something we should take to heart, at a time when the critical question facing the economy is not only that of inflation but also of unemployment. We have had nagging unemployment at a 6-percent rate for more than a year now.

Profit controls strike at the very heart of the free enterprise system and it is

surprising that the financial press has not focused their attention on this little understood aspect of the phase II program. All the more reason to avoid a premature extension of the Stabilization Act. If profit controls do have an adverse affect, we should know about it before we give the President authority to continue their misapplication.

Still another serious problem is the apparent inability of the Pay Board to come to grips with inflation. On the one hand, it has no trouble in denying retroactive pay increases to workers even when the increase was well within the wage guidelines.

How can the public have confidence in the program when it is producing decisions such as these?

When Mr. Boldt appeared before the Joint Economic Committee, he argued, and argued convincingly, that there was no catch-up justification for the 16.8-percent increase the first year. According to Chairman Boldt, the economists analyzed that very carefully and said it could be argued that the coal miners should get more, because they were behind others in similar industries, and Mr. Boldt said that the 16.8 percent was justified on that basis.

We can imagine the attitude of other unions when they see the coal miners able to get a 16.8-percent increase, saying, "What is the matter with us not getting the same? Why should we not get that, too?"

That 16.8-percent increase was the first decision of the Board. That was the patternmaker. That is what is setting the pace. That is the most visible sign, the one that will be the most talked about.

If the Pay Board continues in the same vein, there is no doubt but that the program will have to be thoroughly overhauled. Perhaps a whole new structure is needed. Maybe new people are the answer. Possibly the procedures for coordinating the actions of the Pay Board, the Price Commission and the Cost of Living Council need to be tightened. But whatever, the answer, we should not give the President a 17-month blank check until we are reasonably sure the Pay Board and Price Commission are able to function properly. If a drastic overhaul is needed, Congress is more likely to make it, because it does not have a vested interest in perpetuating the existing structure. It does not have to save face by preserving an unviable system.

Another element of the program which may need to be substantially overhauled is the one dealing with consumer remedies. Since the program is relying on only 3,000 IRS personnel for enforcement, it is obvious that consumers must be given an enforcement role. Otherwise the controls on prices would be a farce.

The head of the Price Commission testified to the fact that they were counting on consumers to be helpful in monitoring and in disciplining the operations of prices and holding them down. It is beyond me how this can operate with the complex justifications made for price increases. A freeze is one thing. That is enforceable, with the help of consumers. but this is something else.

In theory, consumers can bring civil actions against price violators and recover three times the amount of any overcharge. In practice, the consumer remedy provisions are likely to be a cruel joke. In order to determine whether a price exceeds the legal ceiling, it is necessary to have information on a company's costs—try and get it—its productivity, and its profit margins. Even the biggest firms in this country have only a limited knowledge of their productivity and many do not know what their productivity is at all, so how can the consumers find out what the productivity of General Motors, Chrysler, or the mom-and-pop grocery store is? How in the world is the average consumer going to acquire this complex information?

Is the average car buyer going to examine the books of General Motors to see if it is complying with the price guidelines? I wonder how far he would get?

For years the UAW has been trying to find out what the costs of General Motors are. When auto prices were increased 2 years ago we requested the head of the Council of Economic Advisers to secure from General Motors the cost justification for the price increase, and the Council of Economic Advisers said they could not do it, they were not available. Under these circumstances, how is the consumer who is buying a car going to challenge any increase made in prices?

As a matter of fact, the bill, S. 2891, actually forbids the disclosure of price and cost information by the Price Commission or Pay Board if the company considers it to be confidential. My colleague, Senator NELSON, will have an amendment, which I enthusiastically support, to provide for more disclosure. However, under the provisions of the bill, anyone disclosing such information is subject to a criminal penalty. Thus the consumer cannot turn to the Government for assistance and it is unlikely that General Motors will be of much help.

We should not let the President run the phase II program for 17 months until we are sure these consumer remedy provisions are working. If they are not working and if they are not enforceable and are ineffective, they can be strengthened next spring, provided we are not stampeded into giving the President a 17-month trouble-free extension.

Mr. President, thus far, I have talked about the phase II program and some of its problems. I have suggested that phase II may have to be overhauled next spring and that we should provide for this possibility by not extending the stabilization act at this time. But there is another and important reason for withholding our extension of the act. No one knows what phase III will look like once phase II has run its course. If the phase II program does not work, it could be replaced by a much tougher and repressive phase III. If we give the President a 17-month extension, we also give him the authority to make all the decisions about phase III without coming back to Congress.

For example, the President has the legal authority to abolish the Pay Board and Price Commission and use the IRS or even the FBI to police the economy. He could abolish the 5.5-percent pay guidelines and freeze all wages at their present levels. He could require all 10 million firms to obtain advance approval before raising prices and not just the 1,300 firms with sales in excess of $100 million. He could create a new Pay Board with all public members and no labor members. Congress is not simply ratifying the existing phase II program if it extends the Stabilization Act for 17 months. It is giving the President a far broader range of powers to deal with inflation.

As long as we are giving the President such sweeping power to go way beyond phase II, we should maintain our control by providing for an early expiration date. Arthur Burns, the Chairman of the Federal Reserve Board, termed these powers "dictatorial" last spring and urged that they be given only for a short period of time, preferably 2 months, but certainly not longer than 6 months. Now that the President has committed his prestige to a 17-month extension, Chairman Burns has receeded from his early advice. We all know that Mr. Burns is a warm supporter of President Nixon. It seems to me that his earlier testimony last spring still stands as an eloquent warning to the Congress of an unlimited delegation of legislative power to the President.

If the President wants to impose a phase III on the economy, he should come back to Congress for the authority. The only way we can be sure this happens is to exercise close control over the expiration date or drastically rewrite the pending bill to confine its authorities only to the existing phase II program. Since the latter seems impracticable at this time, we would be well advised to adopt the former.

Mr. President, a third reason for going slow in the expiration date is to preserve the role of Congress in our constitutional system. Many of us have complained from time to time about the erosion of our powers. Now is the time to halt this erosion. If we hand everything to the President on a silver platter we will be creating a dangerous precedent. We will make it all the harder to assert our initiative in other areas of domestic and foreign policy.

I can understand how Congress can surrender a great amount of authority to the President with respect to the military and our foreign policy. Some of us have disagreed with this. Most of the Senate obviously disagrees when we have such measures as the Cooper-Church amendment or the Mansfield amendment up for consideration. The argument is always made that the President needs considerable discretion and a free hand with respect to foreign policy because he is the Commander in Chief. With respect to foreign policy, we can make a strong case that the President deserves a considerable amount of discretion. But how can we make that kind of argument with respect to our economic policy? If there was ever a problem concerning which Congress has every reason and obligation to have authority, it is with respect to price and wage control policy that is so far-reaching throughout our economy.

We are not dealing with a complicated or esoteric subject which only the executive branch can understand. As a matter of fact, Congress has a much better record in the economic policy area than does the executive branch. Time after time, Congress has been proved right and the executive branch wrong. Many people in Congress, from both parties, pointed out the old economic game plan was not working. It was Congress which took the initiative in passing the Economic Stabilization Act in the first place over the vehement objections of the administration. I would much rather trust the judgment of the Congress on the big issues of economic policy. We obviously do not have the capacity for involving ourselves in the detailed administration of economic affairs. But on the larger policy issues, we have a better track record than the executive branch. Why should we surrender our judgment simply because the President asks us to do so?

Mr. President, I have listed the arguments for keeping the expiration date at April 30, 1972. Let me summarize briefly again the reasons why we make a mistake in this bill in providing an extension of the expiration date to August 30, 1973.

First, we do not know enough about phase II and we should maintain the option of making changes next spring if changes are needed;

Second, we are giving the President authority to impose a much tougher phase III on the economy. An early expiration date requires congressional approval of any decision to escalate the controls;

Third, we will create an undesirable precedent which could lead to the erosion of our powers in other areas if we approve the 17-month extension.

Mr. President, I said earlier that the responsible and reasonable thing for Congress to do was to limit this legislation to the monopolistic areas of our economy.

One of the ablest economists that has served our Government is Gardner Ackley. He is a former Chairman of the President's Council of Economic Advisers. He also served as Ambassador to Italy. He is a man who is recognized by economists generally as one of the top economic experts in our country.

This morning I received the latest issue of Dunn's Review. I would like to quote a short statement by Mr. Ackley.

Mr. Ackley says:

> Many of the earlier questions about Phase Two have now been answered. But new ones have emerged. One of these is whether and how the Price Commission will be able to deal with the myriad inequities that were the inevitable by-product of the price freeze.

Certainly, Mr. Ackley had a considerable experience during World War II with respect to price controls. So he does not speak as a man who is simply a theorist, but he speaks from the standpoint of actual practice.

He goes on to say:

> Both the World War II and Korean war price controls also began with a general freeze. But an immediate effort was made to replace the freeze with hundreds of "tailored regulations," one for each major trade or industry.
>
> Their purposes were both to repair the inequities of the freeze and to make the controls more clear and effective.
>
> The Price Commission apparently plans no tailored regulations. This means, of course, that the price controls for many industries and trades will remain confusing and ineffective. A freeze is particularly inappropriate where sellers deal in a constantly changing assortment of goods or services, and it has essentially no meaning where each sale of product or service is almost unique—as of buildings, TV repairs or doctor's services.
>
> Instead, the Price Commission presumably plans to deal with most inequities by permitting individual adjustments of price ceilings. OPA and OPS regulations contained hundreds of separate provisions under which sellers could seek individual adjustment of ceilings. Under these provisions, tens of thousands of adjustment applications were processed and approved, disapproved or modified. However, had adjustment of inequities not been primarily accomplished through the issuance of tailored regulations, and by the amendment of these regulations to grant industry-wide or regional adjustments, the number and complexity of individual adjustments would have overwhelmed even the substantial staffs of these agencies.
>
> We have been told that this time the great majority of sellers and landlords—by number if not by volume of sales—will not require advance approval before putting individually adjusted ceilings into effect. Most of them will not even need to report their adjustments. OPA and OPS experience supports the conclusion that however carefully drawn are the adjustment standards and provisions, most sellers who do not need advance approval will be able to assemble enough selected data (or make enough mistakes of interpretation or calculation) to justify whatever ceilings they want to set. And because of the unavoidable ambiguities of even the best-drawn adjustment provisions, most of them will not even have to feel guilty about it.

What Gardner Ackley is saying is that under the present regulations it would be possible on the basis of the experience of OPA and OPS, because now regulations are different and they do not have to get advance approval, for most businessmen to set whatever ceilings they wish and because it is so hard to check on these matters, they will be able to get away with it and they will not even feel guilty about it.

Mr. Ackley goes on to say:

> But since no one expected the Phase Two controls to be very meaningful for smaller firms or on rents, what is the harm?
>
> The problem is that the minuscule staff of the Price Commission will be quickly overwhelmed by controversy, confusion and the constant amendment of regulations and procedures to deal with problems that no one anticipated or possibly could have. Thousands of sellers who really need adjustment of their ceilings will be unable to figure out what is required; others will refuse to use new ceilings until they (or their lawyers) are certain that they are legally correct; customers, tenants or "professional consumers" will challenge many of the price and rent increases; and a host of sellers will argue—often with justice—that their particular circumstances require a different method or standard of adjustment. The whole stabilization enterprise could become thoroughly discredited—and for no purpose.

Before I get into the statement about "for no purpose" there could be a situation in which the overwhelming majority of business people would be able to raise prices and where those who are doing their conscientious best to abide by the law, what they think to be the law, will be penalized and others will be able to operate outside the law because they will be able to get away with it. He goes on to say:

> Sooner or later—and better sooner—I believe that the Price Commission must decontrol all or the vast majority of rents and retail prices, and the prices of a good many of the smaller and less important manufacturing and processing industries, and substitute a voluntary program.

That is right on the button. That is what I think we should do with this bill and not depend on the board. He continues:

> Some will fear that this would wreck the entire system. Instead, it would greatly enhance its chances for success.
>
> The mistake is to believe that through the pretense of legal controls we thereby get appreciably lower prices in the retail-service-rent area than we would through a clear and well-publicized voluntary program. Effective price control is possible in these areas, and it was achieved by OPA. But it requires completely different techniques of control, and a vast bureaucracy to design, administer and police the controls.

He does not mention the fact that in our two previous experiences with price control we had the win-the-war psychology; that we wanted to win the war in World War II and in the Korean war and we do not have that now. He continues:

> These were vitally necessary in wartime periods of excess demand; but now the source of the inflation is quite different. If the Pay Board can effectively slow down the rate of wage increase for the powerful unions, and the Price Commission can reasonably stabilize the prices of basic products and powerful industries, prices in these consumer sectors will not be an *independent* source of trouble.
>
> To be sure, retail prices of consumer services, food and clothing, along with rents, are likely to account for most of the hoped-for 2% to 3% increase in the entire price level. But this will be true whether or not we pretend to control these prices.
>
> It is difficult to be optimistic about the survival of the Phase Two system. It could bog down in a morass of confusion, or it could break down through the walkout of the labor or the business members of the Pay Board. Yet I am reasonably confident that if the system can somehow hang together for even as long as nine months, it may well succeed in achieving a substantial slowing down in the rate of inflation.

But to do that we should provide an exemption for small business, small unions, the firms and the workers that have not played a part in inflation and we know are not going to.

Mr. President, I ask unanimous consent that I may yield briefly to the Senator from Oklahoma without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRIS. Mr. President, I rise to compliment the distinguished Senator from Wisconsin for his valiant, necessary, and highly informed opposition to the bill that is before us and to President Nixon's economic management plan in general.

Mr. President, there are two fundamental flaws in the legislation before us

to extend the provisions of the Economic Stabilization Act.

First, the time of the extension is much too long. At the very most, the act should not be extended past July 1, 1972.

Second, there is no requirement that the President try to make the free enterprise system work through greater competition in American business and industry.

The President wants his power to control wages and prices extended into 1973. Otherwise, it is argued, the whole matter of economic management will get mixed up with the 1972 campaigns. Why should it not? President Nixon has launched us upon a radical change in our economic system. Yet, there is little discussion of the underlying long-range policy questions. Is this the kind of economic management system we want? What are the alternatives? Up to now, there seems to be a general feeling that the President is doing what has to be done, though there is disagreement about details.

I am in fundamental disagreement with the President, as I take it is the Senator from Wisconsin. While the Government must intervene in wage and price and related decisions when the market does not work, I believe we must make the market work better and hold intervention to a minimum.

I do not believe that we should abandon the free enterprise market system. It has not been given a proper trial. I do not want to go back to the free enterprise system; I want to go forward to the free enterprise system. I would like to see it tried. I do not believe that the President's economic management system is going to work to bring down inflation and unemployment low enough and rapidly enough.

The market is a better planning mechanism than what the President has decided to use. Even Communist countries are trying to change their systems to rely more upon the market. Hungary, in particular, a country I visited last spring, has launched upon what is called the new economic mechanism for greater reliance upon the market for what is produced, the prices that are charged, and where men work.

The best minds in Hungary are involved in discussing and deciding how that can be done without intolerable inflation or intolerable unemployment. These discussions are going on despite the restriction of Marxist dogma and Soviet dominance.

We, here in the United States, on the other hand, do not have to invent a market system. We have one. We are not restricted by Marxist dogma or foreign pressures. Yet, we are involving very few people in fundamental discussion about the direction we want to go in economic management in this country.

The President should not have the unprecedented power granted in this act for very long. That is the main reason why this act should be extended only to July 1, 1972.

Another good reason is to make sure that the kind of economic management system we want is a prime issue in the 1972 elections. Only by that method will we insure full discussion and full consideration of the alternatives—and make the best decisions.

The reason why the Nixon economic management program will not work is that it covers too much ground, is too all-inclusive. We ought to have a much neater, simpler mechanism—without all these various and overlapping boards and commissions. It ought primarily to rely upon voluntary guidelines, backed up by appeals to public opinion. It ought to provide for selective freezes for up to 6 months, appealable to the President and Congress, where the market pressures do not work.

Most important, market pressures ought to be made to work better. There are no real efforts to enforce antitrust laws. Mergers continued to go largely unchallenged. The 200 largest corporations now control 60 percent of manufacturing. Thirty-five percent of American industries are dominated by "shared monopolies," four or fewer firms which have 70 percent or more of sales. These industries include automobiles, steel, tires, containers, farm machinery, soup, cereals, and soap.

Prices would come down by more than 20 percent if these shared monopolies were broken up. Unless they are broken up and competition is made to work, there is no way to have permanent price stability and full employment without some system of permanent wage and price controls.

I intend to offer an amendment to this bill which will correct its two fundamental flaws. The amendment will extend the terms of the act only until July 1, 1972, and will require the President to launch antitrust actions against those firms which, because of lack of competition, have contributed significantly to the inflationary cycle.

I believe that this is a preferable approach to the radically different economic management system which President Nixon has begun and which he recommends to us for continuation into the future on what I think is probably an unlimited basis.

Mr. President, I ask unanimous consent that the amendment be printed in the RECORD and that it be printed as a proposed amendment to this bill and lie at the desk.

AMENDMENT NO. 753

The PRESIDING OFFICER. The amendment will be received and printed and will lie at the desk; and, without objection, will be printed in the RECORD, as requested.

The amendment is as follows:

On page 22, line 1, strike all of lines 1 through 7 inclusive and insert in lieu thereof the following:

"216. Expiration and anti-trust actions

"(a) The authority to issue and enforce orders and regulations under this title expires at midnight June 30, 1972, but such expiration shall not affect any action or pending proceeding, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to July 1, 1972.

"(b) The President shall, pursuant to Section 6d of the Federal Trade Commission's Act 15 US Code 46d direct the Commission to undertake immediately for submission to the President and the Congress prior to June 1, 1972, an investigation of oligopoly industries, that is, those manufacturing industries in which the national or regional market share held by the 4 largest firms is 50% or more as determined by the Census Bureau in its study for the Senate Anti-trust Subcommittee; this investigation shall have as its purpose: (1) determining whether those industries are non-competitive in character and have, therefore, contributed significantly to the inflationary spiral since 1966, and (2) recommending specific measures to the Congress and to the President for decentralizing those industries in a manner involving minimum cost for the firms in question and for the nation's economy and leading to the restoration of effective price competition.

"The President, upon submission of the FTC report on oligopolistic industries, shall direct the Federal Trade Commission and the Anti-trust Division of the Justice Department immediately to undertake anti-trust suits against oligopolistic industries which are found to have contributed significantly to the inflationary spiral since 1966 in order to restore effective price competition in these industries.

Mr. HARRIS. Mr. President, I may offer that amendment in its two parts separately rather than as one amendment, depending upon what seems best at the time when the amendment is called up.

I want to say again what a great service I think the distinguished Senator from Wisconsin is performing here by calling these fundamental issues to the attention of the country and the Senate, as he is doing by this extended discussion.

I think there has been a whole generation of people in this country who have been miseducated on economic philosophy and economic management. There are too many people who think bigness is inevitable, too many people who do not think the free enterprise system or the market system can be made to work, and that therefore we are going to have to have more and more government intervention and more and more government control. I think that is wrong, and I think it would be terribly wrong in the Senate to let those issues go undiscussed and let those assumptions go unchallenged, which we will do if we vote for this bill unamended. I do not propose to do that.

The distinguished Senator from Wisconsin, I think, is reeducating the Senate and the public as to the false assumptions which underlie the President's program. I want to commend him again and thank him for yielding to me.

Mr. PROXMIRE. I thank the distinguished Senator from Oklahoma for his remarks, and wish to tell him how impressed I am with the way he has analyzed and grasped this very complicated subject. It is typical of the tremendous drive, intelligence, and concern which the Senator from Oklahoma has exhibited throughout his career in public life, and especially here in the Senate. I am most grateful to him for his remarks.

His amendment sounds very interesting indeed. Would the Senator clarify for the Senator from Wisconsin precisely what his amendment does?

Mr. HARRIS. It is actually in two parts. I may call it up separately as two amendments, but it does two things. First of all, I think the time of extension of the act as proposed is much too long. I agree with the Senator from Wisconsin that it ought not to be extended beyond its present expiration date, which is April 30, 1972. I take it, from what he has said and from what I have learned generally in the Senate, that there does not seem to be a majority for that view.

I would extend it then only until the end of June 1972 by one part of my amendment. I believe that is long enough. I believe that the Senate ought not to go out of session in this Congress without having reexamined how this whole mess is working. I think it is an awful mess.

People already feel powerless. They know decisions are being made that affect their lives—whether they have jobs, what they are paid, what they have to pay for goods. Already they cannot get in touch with those who make the decisions. Now the President passes those questions on to boards on prices, a pay board, a price commission, a health advisory council, an interest and dividends council, and over all that a cost of living council and the Office of Emergency—whatever it is called—has something to do with it, or has had, and the Office of Management and Budget has something to do with it. By and large, the President has pitched these issues and questions to all those boards and said, "Well, you work them out the best you can."

At the very least, I do not think we ought to go out of this session of the Congress and leave all that power in the hands of the President and all of those semiautonomous boards and commissions. I think we ought to have another look at this question at the end of the fiscal year and decide what to do at that time. That is one part of the amendment.

In the meantime, I want to see us try to make the market system work. We are not doing it. I think most of our inflationary problems arise where there is economic power that is bigger than the market pressures. Steel is a good example. When steel sales went down during the last 2½ or 3 years, Adam Smith would have expected that prices would go down. Not at all. The steel companies were so powerful as to be able to pretty much ignore the market pressures and make up on unit prices what they lost in volume. The steel industry is just one of those industries which has not had to stay modern, which has not had to compete in prices, which has been far too inefficient, and which has spent too much money in operations and luxuries like corporate jets. Therefore, we have seen imports of Italian and Japanese steel, and we have seen Toyotas, Datsuns, and Volkswagens come in and the export of our jobs, and we have seen this resulting overwhelming wave of protectionism.

My amendment would extend these powers for a short period only to give us an opportunity to look at the question again at the end of the fiscal year, and require moves to make the market—rather than broad controls—govern.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. HARRIS. I yield.

Mr. PROXMIRE. The law which is on the books will expire, as the Senator knows, on April 30. So we have until the 1st of May—a little over 5 months—before the present law expires. That law gives the President all he needs, and then some. It gives him plenty.

The position that this Senator has taken is that we have not had sufficient experience under phase II. We have had some initial decisions, some of which have been very disturbing. The decisions of the Pay Board with respect to the coal miners, in my view, and the decision of the Price Commission with respect to increasing steel prices by 7 percent, may or may not be justified, and may or may not be the basis of a pattern. We do not know; we are operating completely in the dark. We do not know what is coming in the next few months with respect to decontrol. We may have decontrol in some of the areas the Senator from Oklahoma is calling for. We do not know.

Why act now, until we have a clear picture of what is actually happening? The Senate is so contradictory; we have still not acted on the Foreign Aid authorization, which expired July 1st. We have not acted on the $70 billion Defense appropriation measure. Yet, 5 months in advance of the expiration date, with a program that is brand new, that is unique in our experience, that has never been tried before, we are asked, "Keep your mouth shut and vote to extend it."

This is almost insulting to Members of the Senate. We are supposed to know what kind of policies our Government operates under, and have some effect on those policies. We are not supposed simply to give a blank check to the President, close our eyes, and say, "Do whatever you want to do." I think a very strong case could be made if this were the 25th of April instead of the 30th of November. It could then be said, "You had better get this passed, because it is going to expire in a few days."

But we have 5 months. We certainly ought to wait until after the recess, until January or February, at least, and I think probably a little later than that. Then we would have some idea. Then we would know what the Pay Board is likely to do. Are they going to have more of these 15 percent increases? If so, how many more? Is it going to set a pattern? What is going to happen with respect to prices? Are the 7- and 8-percent price increases in the steel industry going to set a pattern? What is going to be the reaction of small business? What is going to be the reaction of the millions of people whose wages are regulated? Why not wait to see what it is, and then act on a basis of knowledge and not on a basis of ignorance, which is what we would be doing by passing this measure now?

Mr. HARRIS. Mr. President, if the Senator will yield, I could not agree more. I think the best and first thing to do would be to try to stop the extension altogether, if there is any way to do it. I understand that the Senator from Wisconsin opposes extending the act altogether, and so do I. I intend to vote against it, unless we can do something to change it. I think it ought not to be extended past April, but if that cannot be done, I hope we will not extend it past June.

I do think it is important to try to write into this legislation the requirement that the President, the Federal Trade Commission, and the Justice Department try to make the free enterprise system work. The Senator from Wisconsin is exactly the person who ought to be standing here on this floor in opposition to this legislation, as he is, because he has opposed socialism from the right in so many other instances. Socialists today have a hard time trying to determine what is meant by socialism any more, because so many have come not to believe in government ownership of industries. Yet we now seem to be getting a kind of socialism from the right.

Mr. PROXMIRE. The Lockheed bailout, for instance?

Mr. HARRIS. Precisely. And with the Nixon economic policies also, socialism from the right is seen again, from conservatives coming in here and saying, "The Government knows enough and is smart enough that it ought to be able to set prices and wages and all these other things in a kind of across-the-board, permanent way."

I think that is wrong. And I think it was wrong when we would not let free enterprise work in respect to Lockheed. I think it was wrong to have a socialized SST—which fortunately the Senator from Wisconsin mustered enough votes to defeat. We are, indeed, getting in many respects a kind of socialism from the right, and the President's program for economic management is exactly that.

Mr. President, I want to make the free enterprise system work. I think the Senator from Wisconsin is doing exactly what ought to be done when he says, "Stop. Take a look at what is happening here; this is madness."

A lot of the old time Socialists have abandoned this kind of program as unworkable. Many of the Marxists, as I said a while ago, in countries like Hungary, are trying to figure out how to free some of their prices, and what is produced, and where people work, to more market pressures.

We have a market system. We ought to try to make it work.

Mr. PROXMIRE. I think it is very important, however, that our position not be misunderstood. I said at the beginning of my speech what the Senator from Oklahoma has said, but I want to be sure that it will not be misunderstood.

We both recognize that we should have some system or program for stopping inflation, but it ought to be a program that recognizes the economic facts of life, that we do not operate now in the kind of shortage, wartime rationing situation we had during World War II and the Korean war. We do not have that kind of situation now. And now we have a situation resulting from a combination of very large and powerful labor unions and very large and power-

ful corporations, and we should zero in on that situation, and not involve everyone and his brother in a complex maze of controls.

Mr. HARRIS. I certainly agree with that.

Mr. PROXMIRE. We both recognize that we must stop inflation.

Mr. HARRIS. The Government should intervene where the market does not work, but it ought to try to limit the instances where that intervention is necessary, by trying to make the market work wherever we can.

Mr. PROXMIRE. Let me give an example of how ridiculous the situation is becoming with respect to small business. We had Price Commission Chairman Grayson before the Joint Economic Committee, and he argued about how productivity is the key to control of prices. Many economists recognize that we can pay higher wages provided productivity increases. He also recognized that productivity must be the key in determining price levels for large as well as small business. He says it should even apply to babysitters. As a matter of fact, the administration recognizes that. They turned down one Virginia manufacturer the other day because it did not give productivity figures.

Determining productivity is very difficult, but let me point out that the Federal Government has begun to recognize the importance of productivity by creating a Productivity Commission.

I think we can gage the seriousness with which the administration uses productivity as a factor in the field of wage and price determination by reviewing the kind of resources they have given the Productivity Commission. Does the Senator have any idea how large the Productivity Commission is?

Mr. HARRIS. No, I do not.

Mr. PROXMIRE. Exactly two. There is the head of the Commission, and he has a secretary. That is the whole productivity effort by the administration; and with that, they are supposed to establish the ratio of productivity to costs of all of our small businesses, including gasoline stations, and of every manufacturer in the country, and provide evaluation standards. The administration knows it just cannot be done, and they are not even trying to do it.

It is a joke; and that fact is going to become visible to American businessmen and consumers very soon.

The businessman, in establishing his prices, has to consider productivity to determine how much of a price increase he is allowed. In most cases, he will not receive any direct surveillance. As Gardner Ackley pointed out in the article I just read into the RECORD, the expectation is that most businessmen will just do whatever they want to do with respect to productivity. But this is a very evil and unfortunate kind of situation. What the administration is saying is that businessmen may be violating the law, but they are not going to be prosecuted.

The overwhelming majority of our business people are honest and want to abide by the law, but they do not know what it is. There is no question but that this measure will engender tremendous hostility and a feeling on the part of business people that they are guilty when they are doing the best they can.

We have dozens of distinguished economists who cannot tell us about productivity in the service sector. I received 2 days ago a book recently published by, I think, some of the finest economists in the world, commenting upon developing a measurement for productivity in service industries. But they are just developing it. There is a big debate on whether the concept at present can be reduced to accurate measurement in the service industries.

Yet the administration is acting to seek to apply it to every little businessman, every little operator in the country. Of course it is just a fiction. What we have is a phony system that is not going to work, and I think the simplest amount of analysis shows it is a facade. Instead of that, we should proceed to a system of wage and price controls zeroing in in the area where you really have the problem.

I thank the Senator from Oklahoma very much.

Mr. President, one of the matters of the greatest concern in this program is the fact that when decisions are made with respect to pay and prices, the consumers should have an opportunity and the American people should have an opportunity and the businessmen generally should have an opportunity of knowing what is going on. The hearings conducted by the Pay Board, for example, on pay increases should be publicized, should be known. When Judge Boldt appeared before our committee, I asked him whether reporters were admitted to the hearings before the Pay Board. He said, "No."

I said, "Do you have a policy on it?"

He said, "No."

I said, "If a reporter came in, if a television crew came in with a camera, would you permit them in?"

He said, "No, we would not permit a reporter or a television camera."

I said, "Did you take a transcript of the hearing?"

He said, "No."

I said, "Will you do that?"

He said they did not have any intention of doing that.

I said, "Did you take minutes?"

He said they did take them and that they will be made available at our request.

Mr. President, if this program is going to have any chance of success, there certainly ought to be complete and full public knowledge of what is going on. When decisions are made of the kind that was made the other day, providing a 16.8 percent increase in wages for the coal miners—an obvious inflationary decision that may blow up the stabilization program, and certainly endangered it—we would be far better served if there were a public record, if the justification for this increase had been made publicly, preferably before television crews, so that the greatest number of people could see it, and be in on it, and understand it; and we could have some credibility and belief in it. That was not provided.

It would seem to me most important that we provide in this bill—and I intend to offer an amendment if the amendment by my colleague from Wisconsin, Mr. NELSON, is not successful—that we make much of this material available to the public. It would provide that transcripts be kept; that they be made available; that these hearings are public; that, of course, where you have confidential information—and there is confidential information with respect to trade secrets, and so forth—that be safeguarded and received only in executive session. But procedures would be available that would make most of the material open to the public and permit a far greater degree of credibility.

Mr. PERCY. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I yield.

Mr. PERCY. I think it would be very helpful to all of us and to the country if we could have a better understanding of what happened with respect to the coal miners' pay increase. I was surprised by the Board's early approval.

The Joint Economic Committee has had the Committee of the Pay Board before it. Unfortunately, I was not able to stay during the entire hearing. But to the best extent that the distinguished Senator from Wisconsin can give an explanation, What explanation did the Chairman of the Pay Board offer? I read the statement that was issued. It seemed to say that because circumstances within the coal industry were somewhat different and because of patterns that had been established, and many other things which were very generalized statements which could have been applied to the steel industry, the automobile industry, the electronics industry, and every other industry I could name—but they seemed to try to make it look as though there was some different reason and different pattern for this particular increase.

Is there any better explanation than has been offered publicly to date that can be given as to why an increase of this size was given as the first major decision of the pay board?

Mr. PROXMIRE. One difficulty is that Judge Boldt was against the pay increase and said he was and said he would have voted against it. He did not vote, because he only votes in the case of a tie.

It is interesting that the public members said that instead of a 15- to 17-percent increase, they wanted a 12.5-percent increase. That, by itself, is pretty shocking. Apparently, the ingredients were a 5.5-percent increase based on the guidelines, then about a 4- or 4.5-percent increase for a pension fund which had been rifled, or at least had been decimated by questionable practices on the part of those in charge of the pension fund. I suppose that is an exceptional circumstance. But it is very questionable as to whether a wage increase of this kind or a cost increase related to wages can be justified to replenish a pilfered pension fund.

Mr. PERCY. Would that open up the situation for industries that do not have pension funds?

Mr. PROXMIRE. Certainly.

Mr. PERCY. Could we then provide for them an exception if they do not have a pension fund as good as the coal industry? Would they automatically have an exception for anything that needs to be added to make up whatever deficiency there may be in pension funds?

Mr. PROXMIRE. A very strong argument could be made in that regard.

In addition, they said that coal mining is an unattractive, difficult, onerous kind of job—and it is a very unpleasant kind of work—and for that reason they provided an additional percentage. That added up to approximately 12½ percent.

The difference between their position and the position of industry and labor members who went whole hog—the 16.8 percent—was that the industry and labor members felt that there should be a catchup. But according to Judge Boldt, there is no justification for a catchup here. The coal miners were making about $35 a day, which is typical in that industry or that kind of extractive industry.

As a matter of fact, by giving this kind of increase, you can argue on the other side, that when these other industries come in, they will want to catch up with coal.

But it is typical of a procedure in which you do not have a transcript of what went on, in which you do not have reporters allowed to be present, in which what happens is that the witnesses come out and are interviewed. Some are interviewed and some are not, and they give a different view. The Senator knows how he replies to an interview. I know how I do. I have often been a witness before committees. It is very difficult for a reporter to get, under these circumstances, a balanced, fair account of reasons and justifications.

Furthermore, the justification by the Pay Board was never clearly enunciated, that I know of.

I think the Senator from Illinois raises a very helpful point, and I think it could be clarified by permitting the proceedings to be covered publicly.

Mr. PERCY. I am not a disinterested observer in the coal case. Illinois has the third largest coal reserves in the United States, and we have a very fine coal mining industry. I am always happy to see workers in my State benefited, but I also need to know what the price is going to be. I am thinking about the number of coal consumers we have and what the price increase is going to be per ton of coal, and then what that is going to do to the relationship between coal and oil and gas and atomic energy prices. Coal is not an uncompetitive product. As coal prices go up, the incentive to convert to oil or gas is very high; so coal may start pricing itself out of markets, which in the end can cost jobs to the coal industry.

Certainly, if it were to become any sort of a pattern, it was a very unfortunate first case. We have been assured that it was not a precedent to be established for other cases. Donald Rumsfeld has indicated, I believe, that another pattern has been developed. Taking cases that have been handled so far, an overall average price increase, I think, of 3.3 percent has been allowed which is within shooting range of the 2½-percent overall goal that has been established by the President.

Mr. PROXMIRE. There is great confusion about the Rumsfeld statement. For one thing, Rumsfeld's assertions were questioned by the Price Commission itself, and that is a matter of confusion. For another, the Price Commission, by and large, because of the area in which it deals, does not deal with the service industries so much. It will deal with the big industries, where wholesale prices and durables are involved. These are industries in which prices have been more stable. If you are going to get a 2.5 to 3 percent overall national price increase, you will have to do considerably better than that in the Price Commission's decisions.

Furthermore, we do not know as yet—and we will not know for at least a couple of months—what the pattern of price increases is going to be. That is why it is important for us to wait. What is the hurry? Wait before we pass this measure, until we have a record established by the administration of what kind of wage and price control program they have.

Mr. PERCY. When we have time, I will pick up that question.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the distinguished Senator from Wisconsin may be recognized upon the Senate's return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS of Arkansas, Mr. ULLMAN of Massachusetts, Mrs. GRIFFITHS, Mr. BYRNES of Wisconsin, Mr. BETTS, and Mr. SCHNEEBELI were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. SIKES, Mr. WHITTEN, Mr. ANDREWS of Alabama, Mr. FLOOD, Mr. ADDABBO, Mr. MCFALL, Mr. MINSHALL, Mr. RHODES, Mr. DAVIS of Wisconsin, Mr. WYMAN, and Mr. BOW were appointed managers on the part of the House at the conference.

THE MEXICAN BOUNDARY TREATY

Mr. TOWER. Mr. President, we are considering today a most comprehensive treaty between the United States and Mexico which resolves longstanding border problems that have been a cause for concern between the two nations. I believe, however, that it is to the credit of both nations that most cordial relations have continued to exist between them in spite of the fact of this outstanding dispute. Through this cordiality, both nations have now concluded this treaty that resolves all of the boundary disputes and establishes a mechanism for solving any such disputes in the future, so that, when necessary, adjustments will come in a very short time and will not be for long a cause of concern between the two sister republics.

Mr. President, this treaty is in the tradition of other boundary and friendship treaties that have recently been concluded with the Republic of Mexico. Our good relations with our neighbors to the south have been bolstered, and I believe that they will be even further enhanced by this treaty that we are considering today. My State of Texas, where all the land affected by this treaty lies, shares a long, proud heritage with Mexico. The entire State has been influenced to one degree or another by the ideas, the architecture, and the native language of the Republic to the south. It is certainly my hope that with the overwhelming adoption of this treaty, our relations will be even better and will continue to grow through mutual expressions of good will.

Mr. President, in conclusion, this treaty will be for the long-range benefit of both nations. All parties on both sides of the border will be certain that the title to land that they will have after the effective date of this treaty will be good and that should for any reason the boundary change in the future, that they will be fully and quickly compensated for their loss. Both nations will share equally in the cost of implementing this treaty and another bond of "amistad" will be formed. I urge my colleagues to give United States-Mexican relations an overwhelming vote of confidence.

EXECUTIVE SESSION

The PRESIDING OFFICER. Without objection, the Senate will go into executive session.

TREATY WITH MEXICO RESOLVING BOUNDARY DIFFERENCES

The PRESIDING OFFICER. Pursuant to the order of November 24, 1971, and the hour of 1 o'clock having arrived, the Senate will now proceed in executive session to vote on Executive B (92d Cong., 1st session), the Treaty To Resolve Pending Boundary Differences and Maintain the Rio Grande and Colorado River as the International Boundary Between the United States of America and the United Mexican States, signed at Mexico City on November 23, 1970.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Georgia

(Mr. GAMBRELL), the Senator from Washington (Mr. JACKSON), the Senator from Maine (Mr. MUSKIE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH), the Senator from Montana (Mr. MANSFIELD), the Senator from Minnesota (Mr. MONDALE), and the Senator from Utah (Mr. Moss) are absent on official business.

I further announce that, if present and voting, the Senator from Florida (Mr. CHILES), the Senator from Washington (Mr. JACKSON), the Senator from Alaska (Mr. GRAVEL), the Senator from Georgia (Mr. GAMBRELL), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

Mr. SCOTT. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from New Hampshire (Mr. COTTON), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

The Senator from Florida (Mr. GURNEY) is necessarily absent attending the funeral of a friend.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

If present and voting, the Senator from Florida (Mr. GURNEY) would vote "yea."

The yeas and nays resulted—yeas 79, nays 0 as follows:

[No. 400 Ex.]

YEAS—79

Aiken	Fong	Pastore
Allen	Fulbright	Pearson
Allott	Goldwater	Pell
Anderson	Hansen	Percy
Beall	Harris	Proxmire
Bellmon	Hart	Ribicoff
Bentsen	Hatfield	Roth
Bible	Hollings	Schweiker
Boggs	Hruska	Scott
Brock	Hughes	Smith
Brooke	Humphrey	Sparkman
Buckley	Inouye	Spong
Burdick	Javits	Stafford
Byrd, Va.	Jordan, N.C.	Stennis
Byrd, W. Va.	Jordan, Idaho	Stevens
Cannon	Kennedy	Stevenson
Case	Magnuson	Symington
Cook	Mathias	Taft
Cooper	McClellan	Talmadge
Cranston	McGee	Thurmond
Curtis	McGovern	Tower
Dole	McIntyre	Tunney
Dominick	Metcalf	Weicker
Eagleton	Miller	Williams
Ellender	Montoya	Young
Ervin	Nelson	
Fannin	Packwood	

NAYS—0

NOT VOTING—21

Baker	Gambrell	Mansfield
Bayh	Gravel	Mondale
Bennett	Griffin	Moss
Chiles	Gurney	Mundt
Church	Hartke	Muskie
Cotton	Jackson	Randolph
Eastland	Long	Saxbe

The PRESIDING OFFICER (Mr. STEVENSON). On this vote, the yeas are 79, the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

TAX CONVENTION WITH JAPAN

The PRESIDING OFFICER (Mr. STEVENSON). Under a further provision of the unanimous-consent agreement, the Senate will now proceed to vote on Executive E (92d Cong., 1st sess.), the Convention between the United States of America and Japan for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Tokyo on March 8, 1971. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Georgia (Mr. GAMBRELL), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Louisiana (Mr. LONG), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH), the Senator from Montana (Mr. MANSFIELD), the Senator from Minnesota (Mr. MONDALE), and the Senator from Utah (Mr. Moss) are absent on official business.

I further announce that, if present and voting, the Senator from Florida (Mr. CHILES), the Senator from Washington (Mr. JACKSON), the Senator from Georgia (Mr. GAMBRELL), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

Mr. SCOTT. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from New Hampshire (Mr. COTTON), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

The Senator from Florida (Mr. GURNEY) is necessarily absent attending the funeral of a friend.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

If present and voting, the Senator from Florida (Mr. GURNEY) would vote "yea."

The yeas and nays resulted—yeas 79, nays 0, as follows:

[No. 401 Ex.]

YEAS—79

Aiken	Dole	Kennedy
Allen	Dominick	Magnuson
Allott	Eagleton	Mathias
Anderson	Ellender	McClellan
Beall	Ervin	McGee
Bellmon	Fannin	McGovern
Bentsen	Fong	McIntyre
Bible	Fulbright	Metcalf
Boggs	Goldwater	Miller
Brock	Hansen	Montoya
Brooke	Harris	Nelson
Buckley	Hart	Packwood
Burdick	Hatfield	Pastore
Byrd, Va.	Hollings	Pearson
Byrd, W. Va.	Hruska	Pell
Cannon	Hughes	Percy
Case	Humphrey	Proxmire
Cook	Inouye	Ribicoff
Cooper	Javits	Roth
Cranston	Jordan, N.C.	Schweiker
Curtis	Jordan, Idaho	Scott
Smith	Stevenson	Tunney
Sparkman	Symington	Weicker
Spong	Taft	Williams
Stafford	Talmadge	Young
Stennis	Thurmond	
Stevens	Tower	

NAYS—0

NOT VOTING—21

Baker	Gambrell	Mansfield
Bayh	Gravel	Mondale
Bennett	Griffin	Moss
Chiles	Gurney	Mundt
Church	Hartke	Muskie
Cotton	Jackson	Randolph
Eastland	Long	Saxbe

The PRESIDING OFFICER. On this vote, the yeas are 79, the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

TAX PROTOCOL WITH FRANCE

The PRESIDING OFFICER. Under a further provision of the unanimous-consent agreement, the Senate will now proceed to vote on Executive O (91st Cong., 2d sess.), the protocol, signed at Washington on October 12, 1970, to the convention between the United States of America and the French Republic with respect to taxes on income and property as of July 28, 1967. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Georgia (Mr. GAMBRELL), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Louisiana (Mr. LONG), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH), the Senator from Montana (Mr. MANSFIELD), the Senator from Minnesota (Mr. MONDALE), and the Senator from Utah (Mr. Moss) are absent on official business.

I further announce that, if present and voting, the Senator from Florida (Mr. CHILES), the Senator from Washington (Mr. JACKSON), the Senator from Georgia (Mr. GAMBRELL), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

Mr. SCOTT. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from New Hampshire (Mr. COTTON), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

The Senator from Florida (Mr. GURNEY) is necessarily absent attending the funeral of a friend.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

If present and voting, the Senator from Florida (Mr. GURNEY) would vote "yea."

The yeas and nays resulted—yeas 79, nays 0, as follows:

[No. 402 Ex.]

YEAS—79

Aiken	Fong	Pastore
Allen	Fulbright	Pearson
Allott	Goldwater	Pell
Anderson	Hansen	Percy
Beall	Harris	Proxmire
Bellmon	Hart	Ribicoff
Bentsen	Hatfield	Roth
Bible	Hollings	Schweiker
Boggs	Hruska	Scott
Brock	Hughes	Smith
Brooke	Humphrey	Sparkman
Buckley	Inouye	Spong
Burdick	Javits	Stafford
Byrd, Va.	Jordan, N.C.	Stennis
Byrd, W. Va.	Jordan, Idaho	Stevens
Cannon	Kennedy	Stevenson
Case	Magnuson	Symington
Cook	Mathias	Taft
Cooper	McClellan	Talmadge
Cranston	McGee	Thurmond
Curtis	McGovern	Tower
Dole	McIntyre	Tunney
Dominick	Metcalf	Weicker
Eagleton	Miller	Williams
Ellender	Montoya	Young
Ervin	Nelson	
Fannin	Packwood	

NAYS—0

NOT VOTING—21

Baker	Gambrell	Mansfield
Bayh	Gravel	Mondale
Bennett	Griffin	Moss
Chiles	Gurney	Mundt
Church	Hartke	Muskie
Cotton	Jackson	Randolph
Eastland	Long	Saxbe

The PRESIDING OFFICER. On this vote the yeas are 79, the nays are 0. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

LEGISLATIVE SESSION

The PRESIDING OFFICER (Mr. STEVENSON). Without objection, the Senate will now return to legislative session.

The Senate resumed the consideration of legislative business.

ECONOMIC STABILIZATION ACT OF 1971

The PRESIDING OFFICER. The clerk will state the unfinished business.

The legislative clerk read as follows:

The bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Wisconsin.

Mr. McGEE. Mr. President, will the Senator from Wisconsin yield to me for an amendment?

Mr. PROXMIRE. Mr. President, I yield to the Senator from Wyoming, with the understanding that I do not lose my right to the floor.

Mr. TOWER. Mr. President, reserving the right to object, for what purpose does the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Wyoming for the purpose of his obtaining unanimous consent to be recognized after I speak.

Mr. McGEE. I am seeking permission to offer an amendment to the bill as soon as the Senator from Wisconsin finishes speaking, and I ask unanimous consent for such permission.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, in the course of my earlier remarks, I discussed the great complexity of this program compared to former price control efforts, the great difficulty in enforcing a program and making it effective, and the obvious fact that it is going to be extraordinarily hard for businessmen to know what they are doing within their enterprises, and for consumers to be able to follow.

I think one of the most dramatic demonstrations of this fact was what happened to processed food prices in New York City. They were under controls. There is no question about that. They were under the freeze. In general, I think the freeze worked well. All indications are that it did. However, there were widespread violations even of the freeze, and they were documented in this case by an interesting article in the New York Times of November 22, and I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 22, 1971]

STUDY SHOWS 40 PERCENT OF FOODS HERE INCREASED IN PRICE IN SEPTEMBER DESPITE FREEZE

(By Will Lissner)

Federal Government price reports for the New York area show that 40 per cent of a representative sample of average retail food prices were increased in September, soon after President Nixon instituted the 90-day price freeze.

The average increases were generally less than 1 per cent, but 17 percent of the increases represented rises of from 1 to 4 per cent. All of the rises were for foods for which the prices were theoretically frozen. Analysis by The New York Times of the United States Bureau of Labor Statistics' "Estimated Retail Food Prices by Cities" report for September also indicates that the prices rises were offset by an equal proportion of foods with price declines. Twenty per cent of the foods studied were unchanged in price.

The greatest increase was in the average price for canned ham. It sold for $1.14 a pound through the base period, July 16 through Aug. 14. But in the first two weeks of September, the average price went up to $1.18 a pound an increase of 4 cents.

SURCHARGE ANTICIPATED

Much of the canned ham sold here is imported from Poland, Denmark, England, Eire and other countries, but the ham being sold in the study period had been imported before Aug. 15 and the 10 per cent import surcharge could not be added to the prices. The retailers involved knew that the prices could go up to pass along the surcharge and apparently they anticipated it, at the expense of the consumer.

The analysis covers 71 items affected by the freeze, ranging from cereals, meat and dairy products, canned goods, sweets and beverages to prepared foods.

It shows that for 12 items the average price increases were from 1 to 4 per cent. On 17, the average increases were fractions of 1 per cent.

On 13 items, the average price declined 1 to 3 percent and on 16, the average prices declined fractionally. On 13 items, the prices were unchanged.

Rib roast went up an average of 2 cents a pound, porterhouse steak 1.3 cents and chuck roast, 1.1 cents. Among pork items, sausage increased an average of 1.5 cents, pork loin roast 1 cent. Liver sausage rose an average of 1.3 cents a pound. Other rises average fractions of a cent.

The Bureau of Labor Statistics does most of its retail food pricing in the first two weeks of the month, according to the agency's regional director, Herbert Bienstock. So, in a few cases, it is possible that for a short period between pricings, higher prices were charged during the base period that did not enter into the base period average.

The data backed findings from analysis of State Department of Agriculture and Markets price reports that some over-ceiling prices had been charged by some retailers. This supports the claim of A.F.L.–C.I.O. officials, challenged by the administration, that with wages frozen, labor's purchasing power had been eroded by price-freeze violations.

The data also supplied New Yorkers with their first look at what happened in the retail food markets during the third, fourth and fifth weeks of the freeze, for the figures come from the only statistically valid sampling available.

New York State government price reports, considered invaluable by consumer groups, are limited by the funds available to leading retailers. And organized labor's price watch, still in its beginnings, has not yet produced statistical data for analysis.

The B.L.S. sampling cannot be used by consumers because the price reports are obtained in confidence. But its sample covers several hundred stores, visited monthly by trained price analysts.

The retail food prices, which include 19 fresh fruits and vegetables exempt from the freeze, are the only prices published as such. Other B.L.S. pricings, for clothing and other goods and services, are reported as indexes, which have limited usefulness as indicators of compliance with price stabilization.

With the Internal Revenue Service refusing to give the public a detailed account of its enforcement operations, the B.L.S. series gives the public the only available check on the effectiveness of the administration's efforts to stabilize the price level.

NEW YORK AREA RETAIL FOOD PRICES IN SEPTEMBER

[Prices in cents per pound except as specified]

	Average base prices		Average price in September	Increase or decrease in cents	Percent increase or decrease
CEREALS AND BAKERY PRODUCTS					
Flour, white, all purpose, 5 lbs	59.3	59.1	59.9	0.6	1.00
Cracker meal, 9½ oz	34.4	34.3	34.5	.1	.29
Corn flakes, 12 oz	34.5	33.4	33.1	−.4	−.12
Rice, long grain, 1 lb	23.9	23.8	23.8	0	0
Bread, white, 1 lb	30.2	30.1	30.4	.2	.66
Bread, whole wheat, 1 lb	42.3	41.6	42.4	0.1	0.24
Cookies, cream filled, 1 lb	55.5	55.6	55.1	−.5	−.89
MEATS, POULTRY, AND FISH					
Beef and veal:					
Steak, round, U.S. Choice, 1 lb	164.5	169.3	165.9	−3.4	−2.00
Steak, sirloin, U.S. Choice, 1 lb	148.5	150.2	149.7	−.5	−.33

NEW YORK AREA RETAIL FOOD PRICES IN SEPTEMBER—Continued

[Prices in cents per pound except as specified]

	Average base prices	Average price in September	Increase or decrease in cents	Percent increase or decrease
MEATS, POULTRY, AND FISH—Continued				
Beef and veal—Continued				
Steak, porterhouse, U.S. Choice, 1 lb.	173.5	175.6	176.9	1.3	0.74
Rump roast, boneless, U.S. Choice, 1 lb.	141.5	150.8	147.7	−3.1	−2.30
Rib roast, U.S. Choice, 1 lb.	109.4	111.0	113.0	2.0	1.80
Chuck roast, U.S. Choice, 1 lb.	80.0	79.8	81.1	1.1	1.38
Hamburger, ground chuck, 1 lb.	92.9	91.6	92.6	−.3	−.32
Beef liver, 1 lb.	69.5	69.3	68.6	−.9	−1.29
Veal cutlets, U.S. Choice, 1 lb.	291.1	293.5	294.1	.6	.22
Pork:					
Chops, 1 lb.	128.3	130.7	128.8	−1.4	−1.07
Loin roast, 1 lb.	84.9	86.5	87.5	1.0	1.16
Pork sausage, fresh, bag or roll, 1 lb.	88.9	88.8	90.4	1.5	1.67
Ham, whole, smoked, 1 lb.	79.9	80.0	80.2	.2	.25
Ham, picnics, smoked, 1 lb.	57.4	55.3	57.0	−.4	−.69
Bacon, 1 lb.	91.6	92.0	92.5	.5	.54
Other meats:					
Lamb chops, loin, U.S. Choice, 1 lb.	195.9	198.9	197.9	−1.0	−.50
Frankfurters, 1 lb.	86.2	88.3	88.5	.2	.22
Ham, canned, 1 lb.	114.0	114.0	118.3	4.3	3.77
Bologna sausage, 8 oz.	58.9	59.6	60.0	.4	.67
Salami sausage, 8 oz.	67.1	66.8	67.1	0	0
Liver sausage, 8 oz.	96.2	94.9	97.5	1.3	1.35
Poultry:					
Frying chicken, whole or cut up, 1 lb.	49.0	46.7	47.6	−1.4	−2.86
Chicken breasts, 1 lb.	79.5	82.6	81.7	−.9	−1.08
Turkey, medium size, 1 lb.	59.9	60.6	60.8	.2	.33
Fish:					
Shrimp, frozen, breaded, 10 oz.	109.2	111.7	109.4	−2.3	−1.96
Ocean perch fillet, frozen, 1 lb.	79.0	81.0	80.4	−.6	−.74
Haddock, fillet, frozen, 1 lb.	99.3	99.3	99.3	0	0
Tuna fish, 6½ oz. can	46.1	45.7	45.6	−.5	−1.08
Sardines, 4 oz. can	17.5	17.3	17.5	0	0
DAIRY PRODUCTS					
Milk, fresh, vitamin D, grocery, ½ gal.	62.0	61.9	61.9	−.1	−.16
Milk, fresh, vitamin D, delivered, ½ gal.	73.5	73.5	73.5	0	0
Milk, evaporated, 14½ oz. can	20.6	20.8	20.8	0	0
Ice cream, prepacked, ½ gal.	96.7	97.1	96.9	−.2	−.20
Cheese, American, process, 8 oz.	51.8	51.8	51.4	−.4	−.77
Butter, 1 lb.	89.9	89.9	90.3	.4	.45
PROCESSED FRUITS AND VEGETABLES					
Fruit cocktail, No. 303 can	32.1	31.9	31.9	−0.2	−0.62
Pears, No. 2½ can	52.8	54.2	54.3	.1	.18
Pineapple-grapefruit drink, 46 oz. can	34.2	34.7	34.8	.1	.29
Orange juice concentrate, 6 oz. can	23.7	24.4	24.9	.5	2.05
Lemonade concentrate, 6 oz. can	14.3	14.5	14.8	.3	2.08
Beets, No. 303 can	20.0	20.1	20.1	0	0
Peas, green, No. 303 can	26.5	26.9	26.4	−.5	−1.85
Tomatoes, No. 303 can	24.2	23.8	23.7	−.5	−2.06
Dried beans, 1 lb.	22.4	23.1	23.4	.3	1.30
Broccoli, frozen, 10 oz.	30.6	30.6	30.6	0	0
OTHER FOODS					
Fats and oils:					
Margarine, 1 lb.	37.9	38.3	38.1	−.2	−.52
Salad dressing, Italian, 8 oz.	41.3	42.0	41.8	−.2	−.48
Salad or cooking oil, 24 oz.	65.8	67.7	67.7	0	0
SUGAR AND SWEETS					
Sugar, white, 5 lbs.	68.9	70.1	70.3	.2	.28
Grape jelly, 10 oz.	31.0	31.6	31.2	−.3	−.95
Chocolate bar, 1 oz.	6.8	6.8	6.8	0	0
NONALCOHOLIC BEVERAGES					
Coffee, 1 lb. can	92.8	92.3	92.4	−.4	−.43
Coffee, instant, 6 oz.	109.0	107.0	109.3	.3	.28
Tea bags, 48	63.5	63.1	63.1	−.4	−.63
Cola drink, carton, 72 oz.	72.0	72.0	72.0	0	0
Carbonate fruit drink, carton, 72 oz.	65.9	66.2	66.3	.1	.15
PREPARED FOODS					
Bean soup, 11½ oz. can	17.5	18.1	17.8	−.3	−1.66
Chicken soup, 10½ oz. can	18.2	18.2	18.4	.2	1.10
Spaghetti, 15½ oz. can	19.9	20.0	20.2	.2	1.00
Potatoes, instant mashed, 7 oz.	38.9	38.4	38.0	−.9	−2.31
Potatoes, fried, frozen, 9 oz.	17.2	17.2	16.7	−.5	−2.92
Baby foods, 4½ oz.	11.8	11.8	11.8	0	0
Sweet pickle relish, 12 oz.	36.4	36.8	36.6	0	0
Pretzels	45.3	45.1	45.1	−.2	−.44

Source: Compiled and computed from price reports of the U.S. Bureau of Labor Statistics.

Mr. PROXMIRE. This article shows that 40 percent of the food in New York City that was subject to the freeze increased in price during the month of September. During the entire month of September the freeze was in effect as we know. This was in clear, conspicuous violation of the Federal freeze order. The specific foods are listed, and they include increases which, while very small on a monthly rate, on an annual rate the increases in price were as much as 12 percent, and in one case 48 percent.

In spite of this, it is very likely that the freeze in general did work well. But the ability of merchants to increase prices when they were operating on such a clear and simple basis as the freeze makes it obvious that the freedom in phase II to increase prices without permission will certainly confuse the overwhelming majority of retailers. Providing for keeping records and staying within complicated cost and profit guidelines just will not do the job. It will make it unlikely that phase II is going to be able to get along without widespread confusion and without violations that are likely to grow. As I pointed out in quoting from Gardner Ackley, in most cases the merchants are not even going to feel guilty about it, because it is so easy to interpret the regulations of the Price Commission to warrant almost any kind of price increase.

Mr. HARRIS. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I yield.

Mr. HARRIS. Is it not true that, basically, what is going to be on the mind of a businessman is what his competitors are going to do? Is he not going to be fearful that, with not anywhere near the number of enforcement personnel there were in other times of price controls, his competitors will not comply, and the tendency may be not to comply himself? How does the number of employees compare with other times when we had controls?

Mr. PROXMIRE. We had testimony from the top people who administered controls in both World War II and the Korean war; and they, without exception, testified that the proposed legislation was absolutely unworkable without far more people enforcing the law than are provided for. Three thousand people cannot come close to enforcing it. In World War II—I am not sure of the numbers—I think there was something like 12,000, perhaps more than that, not including those who were working in rationing. In the Korean war, they had even more people.

I do not have the precise figures. I will be happy to put them in the RECORD. They were far more than we have now, and now we have far more complicated provisions. We do not have the discipline and the motivation we had in the previous war periods. It is predictable that there will be violation of the law under these circumstances. That is why it is important that we follow the advice the Senator from Oklahoma gave us earlier and recognize that the great majority of business people would operate better under a free system and that they are not the inflationary problem. The inflationary problem we should crack down on is where you have big corporations and big unions. Where you do not have that, you do not need this.

I think that many of these merchants will reduce their prices because of the force of competition.

It is interesting that, although during the freeze in New York City you had the violation of the law with 40 percent of the food prices going up, you also had other food prices going down; and the result was that, overall, there was no change in the price of food in New York City.

That was not because of the regulation. That was because of the obvious effect of competition, because the freeze should have prevented prices from going up but it did not.

Mr. HARRIS. What about the need for some industries to pass along the benefits of increased productivity to the consumer in the form of price decreases? We tend to think only in terms of holding increases in prices within some limits. But is it not true that if we had greater competition, we might be able to get some actual price decreases, rather than just worrying about what the increases are going to be, and that that really does not figure in this present system of broad wage and price controls?

Mr. PROXMIRE. The Senator raises

an excellent point that has been badly overlooked by the Price Commission and the Wage Board—the fact that this kind of wage restraint, if it is a forceful restraint, if you are going to hold down wages to a 5.5-percent guideline, many industries have a far greater productivity increase in the course of a year than 5.5 percent. Some have 10 percent, some have 20 percent, in a high technology industry. Under those circumstances, they will be able to ride along with this kind of restraint on wages. If they do not reduce their prices, it means that wage controls will result in windfall profits, and there is nothing in the regulation or the proposed legislation to correct that.

Mr. President, one of the ablest commentators on the economy is Henry Kaufman, who is a partner and economist in one of the outstanding firms in Wall Street, Salomon Bros. He recently delivered a talk before the Municipal Finance Forum in Washington, on November 24, in which he analyzed the program and its effect on the market and on the economy. This was such an extraordinarily able and perceptive speech that I should like to read a small part of it and then place the entire speech in the RECORD. Mr. Kaufman said:

The President's New Economic Program haa introduced not only new but also baffling dimensions to our economy and credit markets. Instead of providing a sense of assurance, as it did initially, it is now contributing to uneasiness and uncertainty. Thus, both stocks and bonds rallied immediately following the inception of the N.E.P. but now stock prices are falling and bond prices are rising, albeit irregularly, an unusual event for the start of the second year of an economic expansion. What accounts for this atypical behavior? I feel that the answer lies largely with expectations now emerging concerning end results of the New Economic Program.

Actually, there was only one basic strategy decision which our Government had to make, either implicitly or explicitly, concerning the N.E.P. and on this decision hinged all consequences of the program. The critical decision was whether the N.E.P. was to be temporary or permanent as a policy instrument. Each course required different tactics and was bound to elicit different responses from the marketplace and from the public generally. A strategy designed to be temporary had to stamp out inflation quickly and decisively. It would have required a program that was hard hitting, uncompromising, and unyielding regardless of the claims of the different economic participants. Any rate of inflation would have been unacceptable. No targets of a 2% to 3% inflation goal would have been established. Initiatives would have been undertaken to achieve competitive business and labor markets. Thus, in this way an aura would have been created of a New Economic Program that would be temporary, successful quickly, and would free the economy quickly from governmental intervention.

As a tactical proposition, the chances for a successful withdrawal soon of Governmental economic intervention are far better in the early stages of an economic expansion than following several years of economic advance. By that time, there is usually at best a very sensitive balance between economic forces which requires close monitoring by Government.

I feel that a few weeks ago there was substantial popular support for a hard-hitting uncompromising brief program. To a large measure, this was reflected in the popularity of the wage-price freeze when it was first announced.

We were longing for decisive action in the destructive and impoverishing struggle against inflation. There was a yearning in America for a return to economic discipline. We responded favorably to the initial domestic actions in mid-August not as businessmen, workers, investors or borrowers but as individual citizens who wanted a return to stability soon and not compromises and a long Federal involvement in the private economy.

The expectation that these comprehensive aspirations would be fulfilled were behind the dramatic rally in bonds and stocks immediately following the announcement of the New Economic Program in mid-August. At the first glimpse of Phase II in early September when the President announced the termination of the freeze at the end of ninety days, both markets retreated.

Mr. President, what Mr. Kaufman is saying is very important and I ask unanimous consent that his full statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE BOND AND STOCK MARKETS IN PHASE II

(By Henry Kaufman)

Powerful new economic and financial forces have been unleashed in recent months. They are reverberating within our own country and around the world, setting in motion novel political, economic and financial trends with both high risks and opportunities. The old international monetary system has been shattered, and we seem to be at a dangerous impasse in achieving a new arrangement. Now we are also embarked on a new approach to achieving economic stability at home through a series of direct interventions in the economy.

It is a time when we can no longer take refuge in conventional economic wisdoms which, in more normal times, provide us with judgmental comforts and handy crutches for simple decision making. Conventional wisdoms are being uprooted and defoliated at an accelerating pace. How unsettling to the economic theorist to find a persistence of a high rate of inflation with rising unemployment and to see consumers saving more and spending less just when the purchasing power of their savings is being rapidly eroded. How distracting and indeed costly it must have been to many to find that stocks are not really an inflation hedge, that lower bond prices are only rarely accompanied by higher stock prices, and that we can have rising bond prices and declining stock prices at a time of business recovery. Of course, the uprooting of conventional wisdom is not singular to economics and finance. It is occurring everywhere. Children state openly now that father does not always know best. Yesterday's health foods are today's carriers of poisons. Exercise instead of rest is now frequently prescribed for heart patients. Alas, where are the lasting truths? Perhaps only, "I doubt, therefore, I am."

It is time to clearly differentiate in forecasting between what "ought-to-be" and what actually will be. "Ought-to-be" economic forecasting is the mechanical technique of seeing the future by looking back. It leans heavily on cyclical equations and on the assumption that past relationships will be maintained in the future. "Ought-to-be" economic forecasts, therefore, really assume no fundamental structural changes but merely project the past. Think back for a moment and consider what "ought-to-have-been" in recent years as compared with what actually materialized and how many econometric models have been junked by the structural deviations.

It is a time for us to begin to understand the uniqueness of the current economic and financial situation while tradition may lead us to grave mistakes as a nation and as individual decision makers. Thus, in speaking to you today about the bond and stock markets, I unfortunately cannot give you answers in terms of sweeping generalities. The intricacy and complexity of the New Economic forces will not allow it.

THE NEW ECONOMIC PROGRAM

The President's New Economic Program has introduced not only new but also baffling dimensions to our economy and credit markets. Instead of providing a sense of assurance, as it did initially, it is now contributing to uneasiness and uncertainty. Thus, both stocks and bonds rallied immediately following the inception of the N.E.P. but now stock prices are falling and bond prices are rising, albeit irregularly, an unusual event for the start of the second year of an economic expansion. What accounts for this atypical behavior? I feel that the answer lies largely with expectations now emerging concerning end results of the New Economic Program.

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I feel that a few weeks ago there was substantial popular support for a hard-hitting uncompromising brief program. To a large measure, this was reflected in the popularity of the wage-price freeze when it was first announced.

We were longing for decisive action in the destructive and impoverishing struggle against inflation. There was a yearning in America for a return to economic discipline. We responded favorably to the initial domestic actions in mid August not as businessmen, workers, investors or borrowers but as individual citizens who wanted a return to stability soon and not compromises and a long Federal involvement in the private economy.

The expectation that these comprehensive aspirations would be fulfilled were behind the dramatic rally in bonds and stocks immediately following the announcement of the New Economic Program in mid August. At the first glimpse of Phase II in early September when the President announced the termination of the freeze at the end of ninety days, both markets retreated. Bonds retreated until the close of September and improved in price again thereafter, while the selloff in stocks continued unabated.

Both the international and domestic aspects of the N.E.P. contributed to these diver-

gent market movements. For the bond market, the international financial impasse meant the continuation of large purchases of U.S. Governments by foreign official institutions in order to check the appreciation of their currency and the depreciation of the dollar. Thus, during the first four months of the new fiscal year, from July through October, foreign accounts increased their holdings of U.S. Governments by an estimated $11.2 billion, accounting for 98% of the net increases in publicly held Treasury debt during this period. These foreign purchases more than offset for the bond market the unfavorable compromising aspects in the N.E.P. contained in the strategy of Phase II. I feel that both the stock and bond markets have started to sense that these compromising aspects are not really economic stimulants but rather deterrents.

For the stock market itself, Phase II as revealed does not offer the two ingredients essential for a favorable equity environment. These are a quick end to inflation and a quick end to Governmental intervention in the economy. The two are interlocked in their significance for equities and the elimination of one without the other will accomplish little. In contrast, these two aspects differ in their significance for bonds. This is because a long direct involvement by our Government may either slow down the pace of the economic recovery or bring along direct controls over our credit markets, or both, with either development tending to be a depressing influence on interest rates.

In a fundamental sense, the most ominous cloud overhanging the equity market is the continued stalemate in reaching a new international financial arrangement. Some claim that the international financial situation is unimportant to the equity market as long as the domestic economy continues to recover. This conclusion is based largely on the statistics which show that international trade is only about 4% of our gross national product as compared with much higher percentages for the other industrialized nations. Thus, time is supposed to be on our side. This is a look at the world through statistical economics and a failure to recognize other significant interconnections and aspects. For example, since we live in a world today of nearly instant communication, the international financial negotiations and economic prospects abroad receive wide attention and failure to reach an agreement is bound to continue to affect unfavorably investment sentiment here as well as abroad. Moreover, continued stalemate in the monetary negotiations is going to increase the risk of hardening the bargaining positions, retaliation, and economic, social and political shifts abroad which may not be in the best interests of the U.S.

There are also some very direct ties between the stock market here and developments abroad. For example, according to a Business Week survey, in 80 of the 200 largest U.S. corporations foreign operations account for at least 25% of their employees, sales, or profits. A recent report showed that 200 of the 1,000 largest U.S. corporations have more than half their assets outside the U.S. It has also been estimated that American companies directly produced about $160 billion abroad in 1970 in goods and services, which is about four times as large as our exports.

It is difficult to expect a lasting realignment of international currencies soon. If the risks of a European recession are increasing, this is bound to harden the unwillingness of several key European countries to revalue upward substantially. Indeed, a recession may intensify their drive to export at prices that recoup marginal costs or overhead and thereby intensify the international trade confrontation. It should also be recognized that the setting today is far different from that which prevailed immediately after World War II when the Bretton Woods agreement was reached. We played a dominant and powerful role at Bretton Woods because we were economically and financially strong and the rest of the free world was weak. While we are still a great power today, our international financial position has weakened, the role of the British has contracted, and the rest of the industrialized free world has strengthened itself. I am not trying to criticize this development but rather to indicate that these shifts complicate the current bargaining process.

There is also another striking difference between the time of Bretton Woods and now. By the time the Bretton Woods agreement was reached, the international financial turmoil of the 1930's had long passed, and a great war had been fought reuniting the free world in a spirit of fellowship and trust. In contrast, now an international financial agreement—a contract among nations—was broken several times by several powers only a short time ago and there is no rallying cry that is binding us together. A new environment will have to be forged and some time may have to elapse before participants in the international financial community will have sufficient confidence that agreements will be adhered to and that nations will defend their currencies instead of trying to depreciate them.

I should now like to turn to specific prospective developments in the bond and stock markets and relate them where possible to the broader aspects of the various events I have just mentioned.

BONDS

For 1972 we will probably not be able to generalize about the direction of interest rates as we have been able to do thus far in 1971 unless we conclude that the N.E.P. will fail to achieve its objectives and will be terminated. There have been several periods this year in which both short and long-term rates have moved in the same direction, i.e., either up together or down together. For example, between March and mid summer, both short and long-term rates rose and since then have declined.

Now let us look at the interest rate alternatives next year. There are four directional combinations for short and long-term rates. These are: (1) short rates down and long rates down; (2) short rates up and long rates up; (3) short rates down and long rates up; and (4) short rates up and long rates down. What would each of these combinations suggest and signify for next year?

Both short rates down and long rates down next year would mean the failure of the New Economic Program to stimulate the economy. It can only come about through a sharp falloff in credit demands from the private sector which often accompany a recession. This would be bullish for bonds and bearish for stocks.

Both short and long-term rates up next year would suggest renewed inflationary pressures and virile inflationary expectations. It would bring the re-emergence of disintermediation and domestic economic strains. If you conclude that this is the likely direction in interest rates, you also are concluding that the New Economic Program will fail to bring down inflation but that the Government will allow free movements in interest rates, a decision on which I will have more to say later on. In any event, this kind of a financial market would be bearish for both stocks and bonds.

The third alternative, short-term rates down and long rates up, would suggest an unsustainable course. It can come about through two different developments. One is a liquidity preference whereby investors do not want to commit long and borrowers seek to finance mostly long, whereby the preference for liquidity becomes a priority over the financing of business activity, resulting eventually in a slowdown in the economy. The other is a revival of economic activity which is also accompanied by a revival of inflation and attempts by the monetary authorities to hold down interest rates by large injections of new funds into the banking system. It would be somewhat similar to a replay of 1967. Therefore, the combination of short-term rates down and long-term rates up would be bearish for both stocks and bonds.

In the fourth and final combination, short-term rates up and long-term rates down, lies the favorable opportunity for 1972 if the N.E.P. succeeds. This would be a logical development for a non-inflationary second year of an economic expansion. It would be bullish for stocks and bonds. What are the ingredients that suggest such a favorable trend for 1972 is possible and what are the obstacles?

First, in the second year of economic expansion, short-term credit demands tend to accelerate. Business working capital requirements of both a permanent and temporary kind increase. Assuming that 1972 will be a second year of economic recovery, these requirements would be financed partly through enlarged internal cash flow and partly through more short-term borrowings and less bond financing.

Second, the short-term demand for credit will also increase from enlarged demands from consumers to finance installment and other credits.

Third, the emerging U.S. budgetary picture for calendar 1972 suggests that regardless of the size of the deficit, the amount to be financed domestically will be much larger than this year unless the unprecedented large buying of U.S. Government's by foreigners continues for another, which I consider unlikely.

Fourth, the total volume of long-term credit demands would probably fall from the record 1971 volume and short credit financing would increase from the small increases of 1970 and 1971.

Now what are the obstacles to this favorable prospect? The most important obstacle will probably be the uncertainty concerning the effectiveness of the New Economic Program. It may very well pervert the financing patterns next year. Compromises in the fight against inflation may, for example, slow down the economic recovery and therefore moderate credit demands. It may also change the composition of business financing from the typical pattern of more short-term financing and less long-term financing which prevails in the second year of an economic recovery. Increasing fears of a compromise with the fight against inflation will influence business to continue to finance mostly at long term. An inflationary resurgence itself would lead business to conclude that long-term interest rates would be higher later on. In addition, it would arouse expectations that business will not have ready access to long-term funds because our Government, if yields rise, may move to allocate credit in the next stage of the New Economic Program. This is why Phase II must demonstrate quickly its ability to be decisive and hard hitting if these expectations are to be prevented from crystallizing. Unfortunately, this is not coming through in the early rulings and regulations.

Let me illustrate this challenge of achieving stable or declining long-term rates in the second year of an economic expansion with some historical perspective. The only time that long-term rates were stable or lower during longer periods of rising short-term rates was in the period of 1961 to 1964. In all other periods since the early 1950's, cyclical upward movements in short-term rates were accompanied by increases in long-term rates. As shown in Chart 1, this occurred in 1954 to 1957, in 1958 to 1960, and

earlier this year. The unique feature of the 1961–64 period was the absence of inflation.

Even if the New Economic Program is highly successful in bringing down inflation in the early days of Phase II, I feel that we still cannot generalize that all major long-term rates will either remain stable or decline next year. Corporate bonds should benefit most because of the shift in emphasis from long-term to short-term financing by business corporations. In addition, the support for the corporate bond market from institutional investors should continue to be good. Fixed income mutual funds are gaining in popularity. In addition, life insurance companies will most likely have an ample supply of new funds for investment in corporate bonds. This is because of the marked slowdown in the financing of commercial construction, in which the life insurance companies played a very important role, and because of the continued withdrawal by the insurance companies from private home financing. During the first nine months of this year net new investment in mortgages by life insurance companies totalled only $500 million as compared with $2.3 billion in calendar 1970.

In contrast, mortgages, intermediate and long Governments, and municipal bonds may not enjoy the same technical strength as corporate bonds next year. The inflow of savings to mortgage financing institutions will moderate from the record-breaking pace of 1971. With an appreciable pickup in short-term credit demands, the funds available at commercial banks for investment in Governments and tax-exempts will diminish. Furthermore, the volume of long-term financing by municipal borrowers should continue to be sizeable as a substantial volume of short-term municipal debt still has to be funded.

It is this mix of the prospective trend in long-term rates, together with the compromising aspects with inflation of Phase II plans to date, which leads me to conclude that the Federal Reserve or the Commission of Interest and Dividends may intervene and stabilize long-term rates at some time in 1972. Thus bond values will be protected next year either through the effectiveness of the New Economic Program in breaking the back of inflation or through the selective allocation of funds, which is a likely complement to an unsuccessful Phase II.

Stocks

Just as in the case of bonds, the challenges confronting the stock market are multidimensional, encompassing not only the aspects of the N.E.P. that apply directly to stocks but also structural developments within the stock market. These are: (1) what are stocks worth if the New Economic Program is prolonged and becomes increasingly restrictive? (2) what will be the new supply and demand dimensions in the stock market? and (3) how will the strategy dilemma of the institutional portfolio manager of stocks be resolved?

Besides what I have already said about the significance of the New Economic Program for stocks generally, the question of what are stocks worth in a prolonged intervention by Government in the economy is very specific and involves mainly the extent of Governmental control over corporate profits. That corporate profits are the basis underpinnings for stock prices is unquestionable. The evidence supporting this relationship is quite clear. I merely refer you to Table 1 which shows that stock prices have generally improved during periods of rising profits and have declined during periods of falling profits.

Now Phase II of the N.E.P. has ruled that manufacturing corporations may not increase their pre-tax profit margins as a per cent of sales above that established in the base period which is defined as the average of any two of the last three fiscal years ended before August 15, 1971. The Department of Commerce data show that the aggregate profit margins for manufacturing firms were as high as 8% in 1965 and as low as 4.6% in 1970. Taking 1968 and 1969 as a base year, the average profit margin for all corporations was 6.4%. Thus, even with the new ceiling, profit margins have some room to rise, but will have to remain well below their mid-1960's peak for corporations that seek to increase prices.

Concerning the supply and demand dimensions in the stock market, drastic changes have occurred in the last few years and they are of profound importance. As many of you here know, I analyzed them in detail in a presentation several years ago but some additional developments have transpired recently. Therefore, let me summarize for you the salient features of the new supply and demand dimensions of the stock market. These are as follows:

First, the stock market is no longer a scarcity market. The scarcity of new equity offerings was a powerful force propelling equities higher during most of the 1960's when the volume of new share emissions was small and the demand for stocks from institutional investors was accelerating. From 1960 through 1968, a period in which stock prices advanced net 80%, the net volume of new stocks averaged only $1.0 million annually, while net institutional purchases rose from $3.5 billion in 1960 to $12.6 billion in 1968. During this period net new corporate issues accounted on average for a declining per cent of the institutional purchases. As shown in Table 2, this ratio of net new issues to net institutional purchases rose to 33% in 1969, 61% in 1970, and an estimated 75% this year, consisting of net new issues of $11.5 billion and institutional purchases of $15.3 billion. Moreover, there has also been an enlarged volume of new convertible bond offerings which has provided an investment alternative to equity buyers. The combined net new issues of stocks and convertible bonds will total an estimated $14.6 billion this year, as compared with $8.7 billion in 1970, and an annual average of $1.9 billion from 1961 through 1965.

The volume of new equity financing should continue to be large in the year ahead. While in the aggregate corporate liquidity has been improved, only moderate progress has been made in improving the quality of credit. The pressure to improve and maintain credit ratings remains substantial. There are also still a considerable number of borrowers in the banking system who are unable to finance long in the open bond market because of their low quality rating.

Second, while the support of institutional investors for the stock market remains good, there are significant shifts in this sector worth noting. Broadly, the institutional support for the equity market comes from contractual savings-type institutions. Their inflow of funds from year to year does not drastically increase or decrease. In fact, private pension funds, the largest institutional group purchasing equities, are experiencing some topping out in their annual increase in financial assets. This annual total net inflow jumped from $2.3 billion in 1955, to $4 billion in 1960, to $5.6 billion in 1965, to $6.7 billion in 1967, and has remained annually at around $6.5 billion per year since then. Moreover, as you can see from Table 3, the sharp acceleration in stock purchases by pension funds may be over because they have already committed an increasing percentage of their total net annual inflow of funds to equities as the 1960's progressed.

As you can also see from Table 3, the stock purchases of state and local retirement funds have increased from a few hundred million dollars in the early 1960's to an estimated $2.7 billion this year. The public retirement funds' net new stock purchases this year are still only 35% of the net new funds available for investment by these institutions. It seems reasonable to conclude that the stock demands of public retirement funds will continue to increase but not in the galloping fashion which was so evident at the corporate pension funds in the 1960's. The liberalization of the investment policies of the public retirement funds is proceeding at a gradual pace. The actuarial income requirement of these funds is quite high.

A significant increase recently has occurred in the stock purchases by life insurance companies. Their net purchases were $400 million in 1960 and will be an estimated $3.5 billion this year. It should be noted that this pickup probably largely reflects purchases by insured pension plans administered by life companies and not those of the life insurance sector of these companies.

In contrast, in the past few years there has been a marked slowdown in the purchases of common stock by mutual funds. They are experiencing redemptions. Moreover, the new popularity of fixed income mutual funds is attracting new funds and is providing a vehicle for holders of shares in equity funds to switch into the fixed income funds. The problems of mutual fund distribution and performance are also significantly reducing the participation of this industry as an institutional buyer of stocks.

Third, there is also a current phenomenon which is at least temporarily adverse in terms of the supply and demand aspects in the equity market. This is the extraordinarily large volume of equity purchases by institutions during the twelve months ended September 30, 1971 which probably total an estimated $18.5 billion, thereby substantially reducing for the time being the liquidity positions of institutional buyers.

Finally, foreign investors have not been significant buyers of U.S. equities since 1969. It is unlikely that they will return as net buyers until there is good evidence of a reconciliation of the international financial situation.

Perhaps the thorniest aspect in today's stock market is the strategy dilemma of the institutional portfolio manager. Here, too, the problem is multidimensional. There is some evidence that suggests that professional equity portfolio decisions are importantly influenced by the economic and financial trends of the immediate past. For example, the good economic and stock advance in the first half of the 1960's was probably a powerful influence in fueling the stock speculation of 1967 and 1968. Now there is looking back again but on a different sort of scene. This is on the penalizing stock experience of the last few years which by itself is probably having a sobering impact on portfolio strategy.

There is also the fact that the yield on bonds has moved into close alignment with the long-term rate of return on equities. The contrast between the performance of bonds and stocks in the last few years must have been a shattering experience for stock portfolio managers. For example, since the start of 1968 through October 1971, the simple rate of return on newly offered high-grade corporate bonds measured by the annual price change plus interest payments, was 19% as compared with 12% for stocks, measured by the annual price change of the S&P 500 plus the dividend payments. Since the start of 1970 to October 1971, the rate of return on bonds has been 33% versus 9% for stocks.

Another related unfavorable development for the professional portfolio manager has been evidence based on broadly based data suggesting that individual investors may have outperformed institutional investors in stock. An analysis of the flow-of-funds data of the Federal Reserve shows that from 1961 to 1965 individual investors ranked first on average, achieving average annual gains of 12.5%, just slightly ahead of the mutual funds but well ahead of other institutional

groups. From 1966 to 1970, a period including three years in which equity prices fell, individual investors showed annual average price appreciations of 4.4%, which was well ahead of institutional investors.

This kind of a backdrop is bound to have a defensive influence on institutional portfolio managers. The memory of the disastrous performance of the recent past is all too vivid. The warnings from trustees and other superiors of portfolio managers are all too clear in their implications for the job security of the manager. The pressure to include bonds in portfolios is strong, especially in those instances where actuarial requirements are high.

In summary, there is a common thread that links the economy and the credit markets. This common threat is the fact that both are in a period of transition. The economy is trying to break the shackles of inflation and to begin an era of sustainable economic growth. The financial markets are trying to redress the imbalances caused by inflation and the disorderly economic growth of the past. They are bound to be affected by the effectiveness of the policies which have been initiated to achieve this economic transition, either quickly or gradually.

The current transition has been underway for quite awhile, for nearly three years, reflecting the difficulties of our problems in terms of the dimensions of the problems within the economy and the financial markets and the policies which have been initiated to resolve them. Transitions can be speeded up or slowed down by the force and decisiveness of Governmental actions. This is because at the heart of the transitional problem is the need to overcome an important behavioral characteristic of human beings. This is because at the heart of the transitional problem is the need to overcome an important behavioral characteristic of human beings. This is the influence of our immediate past on our current thinking and actions. In a period of transition, this is critical because by definition we are moving from one period to another. This is why tough and uncompromising Governmental policies shorten transitions and compromising policies will prolong them.

Effective Governmental measures are also of prime importance in reducing the time frame for financial transitions as we move from boom to recession to economic recovery. This is because through vigorous stabilization policies the Government is demonstrating that there is no need for large permanent liquidity preferences and thus only current financial imbalances have to be rectified.

Typically, transitions from recession to recovery are periods in which investment opportunities tend to blossom. For the reasons I have already mentioned, I feel the bond market offers reasonably attractive opportunities today. In contrast, however, opportunities in the equity market are hinged very importantly to the strategy of the New Economic program. A strategy designed to achieve a quick transition to a new sustainable setting would suggest that opportunities abound today in the equity market. The equity market, however, is now voicing its suspicion that a prolonged economic intervention may be in the offing, suggesting that there is ample time to commit funds. Only meaningful and hard-hitting actions will quiet these suspicions.

Mr. PROXMIRE. Mr. President, Mr. Kaufman points out that this program should be a temporary program, that there is no justification for a program of comprehensive control over the entire economy when the overwhelming proportion of businesses and workers do not constitute an inflationary factor in the economy, that under circumstances where the controls are likely to be self-perpetuating we should act fast, we should act decisively, and we should end it. That is one reason why I propose a 6-month freeze and certainly one course which would offer more promise for the economy than the course we are proceeding under now, where we have complex and puzzling regulations affecting 85 percent of the economy, and the open-ended situation whereby Congress is extending the law for 17 months until after the election, until the situation develops which Mr. Kaufman points out we may have economic expansion and a far more difficult time getting rid of controls.

The Joint Economic Committee has followed this matter very closely for many years. In a report that was completed and finished and written a couple of weeks before the President made his statement on August 15, we made several observations on the program. The report, incidentally, came out the day after the President made his August 15 statement—that is, on August 16—so it had been written before August 15. Here is what the Joint Economic Committee had to say. I want to read briefly from it, as it indicates some of the weaknesses and disadvantages of the bill before us.

II. AN EFFECTIVE POLICY TO CONTROL INFLATION

PERSISTENT LACK OF PROGRESS AGAINST INFLATION

The inflationary problem that has persisted during the past 3 years has proved much more stubborn than had generally been anticipated. When the present Administration took office the unemployment rate was 3.4 percent, and the inflation rate measured by the GNP deflator was 4.5 percent. At the time it was believed that excess demand could be eliminated and inflation checked without causing unemployment to rise much above 4 percent.

We all tend to forget that this administration took office when we had a much lower rate of inflation and a far lesser rate of unemployment. Unemployment is now at almost 6 percent when then it was only 3.4 percent.

Continuing to read:

Experience has demonstrated that this estimate was far too optimistic. Unemployment has exceeded 4 percent for the past 18 months, and it has averaged about 6 percent for the past 8 months, yet the rate of inflation is not noticeably less today than it was in the first quarter of 1969. After 2½ years of a conscious effort to fight inflation by holding economic activity below the full employment level, the Chairman of the Council of Economic Advisers made the following progress report to this Committee at our midyear hearings:

First, at a minimum the rate of price increase, which had been rising, has stopped rising.

Second, some important measures indicate that there has been a significant decrease in the rate of inflation.

Third, although the evidence is less clear on this, the rate of wage increase has probably also stopped rising.

We agree that during the first half of this year the rate of inflation was somewhat less than the peak rate reached in early 1970. We hope this improvement will continue. Unfortunately, examination of the major price indexes does not offer any evidence of a continued slowing of the rate of inflation. Table 2 shows, for each of the latest 8 months available, the percent increase in three principal price indexes compared to the same month one year earlier. It can be seen that the Consumer Price Index improved through April, but the sharp increases in May and June have reversed this trend: The Wholesale Price Index worsened steadily through June, then improved in July due to a sharp drop in farm prices. The important industrial component of the Wholesale Price Index showed no change in its rate of increase through June but accelerated sharply in July. From February through July wholesale industrial prices showed the sharpest 6-month rise since 1957.

Mr. President, I ask unanimous consent to have printed in the RECORD the table showing the change in prices.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—SELECTED PRICE INDEXES

Percent increase during 12 months ending—	Consumer Price Index	Wholesale price index	Wholesale industrials
December 1970	5.5	2.3	3.6
January 1971	5.2	2.3	3.6
February	4.8	2.8	3.5
March	4.6	2.8	3.6
April	4.3	3.1	3.7
May	4.1	3.4	3.6
June	4.5	3.6	3.7
July	(1)	3.3	4.1

[1] Not available.

Mr. PROXMIRE. Mr. President, to continue reading:

It is clear that the Council of Economic Advisers still regards inflation as a serious danger, for the Chairman also stated in his testimony:

The Administration's rejection of a policy of further economic stimulation reflects the belief that we cannot temporize with the inflation problem • • •.

The Chairman of the Federal Reserve Board was even more pessimistic about the price outlook. He summarized the situation this way:

I wish I could report that we are making substantial progress in dampening the inflationary spiral. I cannot do so. Neither the behavior of prices nor the pattern of wage increases as yet provides evidence of any significant moderation in the advance of costs and prices.

Many of the private witnesses who testified at our recent hearings expected that the rate of inflation will still be between 4 and 5 percent in mid-1972. Thus, despite the enormous costs we have paid in terms of output and employment, the rate of inflation is just about where it was 2½ years ago, and only modest improvement, at best, is anticipated during the next year.

This was written before the President made his dramatic speech on August 15.

Continuing reading:

THE NEED FOR A NEW APPROACH

Since a policy of reducing inflation by increasing unemployment has now been attempted for more than 2½ years—at such enormous cost and with such meager results—we are puzzled that the Administration continues to advocate more of the same. The Administration recommends no further action to increase employment because to take such action would, in the Administration's view, interfere with progress against inflation. The Joint Economic Committee emphatically rejects this "do nothing" approach. Other policies to control inflation are available. They should be tried.

So, Mr. President, when the President announced his dramatic turnabout, the change—we certainly applauded the idea behind it and warmly supported the freeze which again as I say there is plenty of room for criticism of the phase II policy.

Then we say this:

The effort of the past 2½ years to control inflation by increasing unemployment has been a failure. Such an approach, by itself, offers no hope of success in a modern economy characterized by large areas of monopoly and imperfect competition. Monetary and fiscal policy should be conducted in a way that quickly restores and then consistently maintains a full employment level of economic activity. Simultaneously, inflationary psychology must be broken and price increases brought under control by the immediate adoption of a vigorous and comprehensive incomes policy.

AN INCOMES POLICY IS ESSENTIAL

The Administration has candidly admitted their concern over the danger of continued inflation. Both official and private witnesses have especially stressed the role of inflationary expectations in driving up interest rates, discouraging business investment, and weakening consumer confidence. Yet the Administration continues adamant in its refusal to adopt the one policy approach which, in our judgment, would dampen inflationary expectations and create an atmosphere in which full employment could be restored without creating new inflationary pressures.

In a modern full employment economy reasonable price stability can be consistently maintained only if the Government assumes responsibility for specifying the rates of price and wage increase that are in the public interest and for insuring that these rates are not exceeded. We do not believe that compliance with such a policy will necessarily require legal compulsion. That is, price controls are necessary. If price and income guideposts are applied fairly and on a comprehensive basis, labor and management will cooperate. An informed public opinion will exert a powerful influence to help achieve compliance. In addition, the Government, through its important role in the economy as a regulator and as a purchaser of goods and services, has a great deal of existing power to encourage compliance.

We do not mean to imply that there will be no difficulties in establishing a comprehensive incomes policy or that results will always be perfect. Of course there will be mistakes and setbacks. It may be many years before we fully succeed in combining price stability and full employment. But the Nation will be much better off with an incomes policy than without one. Such a policy can make an immediate, significant contribution.

My point is that the administration went from a position of opposing anything but monetary and fiscal policy attempts to break inflation by following policies that would increase unemployment and slow down the economy. It went from that to the most drastic and comprehensive kind of compulsory controls of everybody's wages and prices. We submit that there is a middle road, a road that makes sense, an incomes policy road that has been advocated by the overwhelming majority of economists who have appeared before our committee, a road that has been tried with some success and with some failure, but at least we have the benefit of some experience with it in other countries. Instead, the President has selected the most extreme kind of route.

The committee goes on to say:

We are fully aware that one can easily find historical cases where incomes policy has not worked. The historical record in this country and abroad is valuable. We should study it carefully and attempt to learn from past mistakes. We stress that one can find successes as well as failures. Guideposts served this country well in the early 1960's.

From 1962 to 1966 we had the kind of income policy that I am talking about. We had a voluntary wage guideline of 3.2 percent. It succeeded in holding inflation between 1 and 2 percent for that 5-year period. We had, as a matter of fact, stable wage costs for manufacturing. Ours was the only major country in the industrial world that had 5 years of stable wage costs. I think that is a record of real success. It was not a comprehensive, across-the-board wage-and-price control on everything and everybody, but it hit where it was needed and enabled the President to focus his attention on the monopolistic areas of the economy, both with respect to labor and with respect to industry, and to do it in a way which worked, and worked effectively. I continue to read:

They should not have been abandoned in 1967. The country has paid dearly for their abandonment and for the failure of two successive administrations to reinstate them.

In short, we reject the Administration's contention that incomes policies "won't work." It is the policies presently being followed which are a failure. Monetary and fiscal policy, unaided by incomes policy, cannot come to grips with inflation. Effective incomes policies can and must be established. The alternative is to abandon our goal of combining full employment with reasonable price stability. Obviously that alternative is not acceptable.

As we have repeatedly recommended, specific quantitative price and income guideposts should be established, and a board should be created to collect and publicize price and income data and to administer the guideposts. This should be done without further delay.

If, in the President's judgment, a temporary price-wage freeze would facilitate the introduction of a comprehensive guidepost policy, Congress has given the President clear authority to impose such a freeze.

This is what we propose. As I said, this report was written two weeks before the President spoke on August 15. Actually the printing date was August 16. We proposed the freeze that the President adopted. We did not propose, however, the kind of comprehensive phase II which is going to be a source of great unhappiness and difficulty for businessmen and confusion among consumers. My view, it is likely to slow the economy very seriously. The report went on to say:

Much valuable time has already been lost. As the Chairman of the Federal Reserve Board told this Committee:

I think a wage and price review board, had it been instituted a year or two ago, would have been more effective than it is likely to be today • • • but I will still try it. I think the effort is worth making. Then, we know where we stand.

As a result of this delay in establishing an effective incomes policy, an important lesson has been learned. There is now widespread recognition that incomes policy must be a regular part of overall economic policy. Business, labor and the public are ready to support such a policy because they recognize its necessity. There should be no further delay.

As I say, there are defects and shortcomings, undoubtedly, in this kind of incomes policy, and I am not proposing that an entirely voluntary program be put into effect in the economy, but to zero in on those areas of the economy where there is monopoly power, and where we have a record of prices being increased regardless of the competitive or the demand and supply situation. That would apply to both labor and management; it would also apply in the construction industry; it would apply in the health services area; it would apply in other areas where there is a shortage of resources.

The confusion and weaknesses of the present program, I think, were very well demonstrated in an article published late last month in the Wall Street Journal. The article, written by Albert Hunt, said this about phase II:

The Phase II guideline on wage increases is 5.5%, but coal miners have been granted increases of 15%. The Phase 2 guideline on price increases is 2.5%, but two steelmakers yesterday were granted increases of over 7% on tinplate products.

All of which raises a question: Is there a Phase 2?

On paper, there certainly is a governmental effort to control wages and prices. And the men who have been designated to effect these controls insist they will hold down pay and prices. So far, however—and admittedly the evidence is still slim—there has been a conspicuous gap between promise and performance.

The wage and price regulators concede that they have allowed some, and may allow more increases far in excess of the guidelines that President Nixon laid down when the 90-day freeze on pay and prices ended in mid-month. But they insist there are legitimate reasons for granting each of these "exceptions." And they acknowledge that to outsiders it may look as if there is no Phase 2 at the moment. But, they say, wait till next year.

Let me just interrupt the reading of the article to comment that the administrators themselves say, "Wait until next year." That is exactly what I am asking the Senate to do. The present law does not expire until April 30; yet we are being asked to pass the bill in the next couple of days, send it over to the House, where it will sit on the table, be called up without going to committee, and be passed by Congress this week.

I submit that when the regulators themselves say we have not seen anything yet; that we are going to have an entirely different pattern of enforcement; and that when they have not yet revealed what the program is, Congress ought to wait. What is the hurry? The President will have the power in December. He will have it in January, February, March, and April. The time to act upon this proposal is next year, when most of the people who are administering the program itself say we will have a far clearer picture of how it is operating.

I continue to read from Mr. Hunt's article:

The regulators' reasoning: The current big pay increases are being allowed to unions whose wages had been lagging, for one reason or another. The current big price increases are being allowed to corporations that had been hit with big cost increases. These "exceptions" will help get everything back in line. And when everything is in line, then the

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government can enforce the wage and price guidelines across the board.

But officials admit there could be problems next year, too. For instance, although the ceiling for new contracts is supposed to be 5.5%, the regulations include what one Pay Board member calls an escape clause. In it, the Pay Board promises to consider "ongoing collective bargaining and pay practices, and the equitable position of the employes involved." Interpretation of this could lead to wrangles far into the future. One insider predicts that many union negotiators will claim a historical relationship to other contracts signed by rival unions before the freeze and thus will continue to seek much more than 5.5% to retain parity.

What's more, the Pay Board has allowed wage increases above 5.5% that were negotiated prior to the freeze but that were scheduled to take effect later. And one member of the Pay Board says he believes most of these so-called deferred raises will continue to be allowed next year, as long as they don't top 8%.

In addition, many merit increases larger than 5.5% apparently will be allowed at firms that have given them in the past.

The Price Commission might prove to be tougher than the Pay Board, insiders say, but so far the price regulators are tougher only in words. Besides allowing the tinplate price increases yesterday, the commission has authorized some rent increases of up to 7.5% and has indirectly condoned some sharp increases in utility rates. In New York, for instance, 1.3 million customers of the Consolidated Edison Co. yesterday were hit with increases of 12% to 12.5% in the price of gas.

So far, in fact, neither the Price Commission nor the Pay Board has turned down or nullified any future increases in wages or prices. Administration officials emphasize, however, that so far they have acted on only a handful of cases, and they insist tougher stances are ahead.

Incidentally, since that was written there was a turndown. The Bassett Co. asked for a 1.8-percent price increase. They did not submit productivity data. They are going to come in with something.

The article goes on, but I wish to say that one of the most disturbing aspects of this operation is the tremendous authority that this bill gives the executive branch. I believe this is something all Senators should be sensitive to and aware of.

We have had a great deal of testimony before the Committee on Banking, Housing and Urban Affairs and the Joint Economic Committee with respect to this great power. One of the unfortunate erosions and shifts of power in our governmental system in the past few years has been to the executive and away from the legislative branch. Certainly, this is understandable when we have a military situation or a foreign policy situation, but where we have the economy as the issue it seems to me the legislative should be particularly careful about giving power to the President, power he does not have to have. One witness said that in this bill we do not just give him the ball game but we give him the whole ball park.

In this case a great deal of power is given to the 22 men on the Pay Board. There has been a great deal of testimony that these are private people. Only the Chairman of each board is a public employee. None of the others are public employees. They only work on a per diem basis. They receive $149 each day they work. However, Mr. Grayson said he expected them to be in session over 1 or 2 days a week. They can go about their business and work when they wish.

George Meany, in my opinion an able and competent man, is the head of the AFL–CIO. He is a private person. He is one of the 15 people with principal power on the Pay Board. This is true of all industry employees. They are full-time executives for some of the biggest corporations in the country. The public members, except for Judge Boldt, are private citizens, yet they are given a tremendous amount of public power.

EXCESSIVE POWER TO THE EXECUTIVE BRANCH

The bill should be modified or scrapped because it gives far too much power for far too long to a group of 22 men who were neither elected to any office or confirmed by the Congress.

I agree entirely with the earlier testimony of Chairman Arthur Burns of the Federal Reserve Board that the powers are "dictatorial" and should be reviewed at short intervals. We should wait to see how the program works before extending it 17 months.

The coverage of the program is excessive. The Government is regulating everything from General Motors to your babysitter. Coverage must be limited either to the big companies and big unions who are able to raise their prices and wages because of their economic power, or a vast army of enforcement officers must be hired. The latter is both impossible and undesirable in peacetime. Instead, we have universal coverage with little enforcement. This is the worst of all worlds.

Under our constitutional system of checks and balances, Congress has a historic responsibility to guard against an unlimited assumption of power by the executive branch. The original economic stabilization legislation submitted by the President demonstrates the ingrained tendency of the executive branch to centralize power unto itself with a minimum of restraints by the Congress or the judiciary. For example, the administration bill enabled the President to issue orders controlling prices and wages "as he deems appropriate" with virtually no statutory definition as to what was "appropriate." An exemption from most of the provisions of the Administrative Procedures Act was requested, and the power of a Federal district court to provide injunctive relief was abridged. Consumers were not given explicit authority to bring civil actions. The President was authorized to abrogate wage contracts. The administration bill was clearly overreaching in its request for unlimited Executive power and the committee quite properly modified those powers so that they are more in accord with our traditional constitutional and legal system.

But the bill still gives the President dictatorial powers to decide whom he will control, how much to control them, and what groups are to be exempt. There are neither standards nor constraints in the legislation.

Neither the executive branch nor the Congress are immune to error. However, under our system of checks and balances, the errors of one branch can be corrected by the other. During recent years, Congress has shown a better track record on economic policy compared to the executive branch. For example:

For nearly 2½ years, the administration clung to its increasingly unviable economic game plan despite repeated criticism in the Congress from both parties that some kind of incomes policy was needed. Congress was right.

The administration insisted that the price and wage control authority enacted last year at the initiative of the Congress would never be used despite congressional arguments that a temporary freeze might be necessary. Congress was right.

Once the administration reversed its position on a wage-price freeze, it submitted a revised Economic Stabilization Act which contained virtually no standards or meaningful safeguards despite congressional criticism that a more carefully drawn statute was needed. Congress was right.

If the executive branch has been so wrong before on economic matters, is there any reason to assume it will suddenly change and operate the phase II program without any mistakes which will need correction by the Congress? On the basis of the past record, it is highly unlikely that phase II will operate trouble free. It is, therefore, most unfortunate that the committee chose to extend the Economic Stabilization Act for an additional 12 months beyond the current expiration date of April 30, 1972. In so doing, the committee in effect, gave up the possibility of reviewing the program next spring at a time when congressional participation is likely to be an urgent necessity.

The phase II economic program is a profound departure from our free enterprise system. For the first time in our history we have authorized price and wage controls in peacetime. We have given sweeping powers to the President to control all segments of economy—from General Motors to babysitters. He has chosen to delegate much of those powers to men who have not even been confirmed by the Senate and many of whom represent private rather than public interests. The country is confused and uncertain about the phase II program. No one fully understands the initial guidelines published by the Pay Board and Price Commission. The financial community is skeptical about the program as evidenced by the drop in the stock market. In the face of all these uncertainties, it is wrong to give the President such broad powers for 17 months without the need for an earlier congressional renewal.

Last spring, when Congress was considering an extension of the Economic Stabilization Act, Arthur Burns, Chairman of the Federal Reserve Board, termed the wage and price control powers as "dictatorial." He recommended the act be renewed for only very short periods of time—preferably for 2 months, but certainly not longer than 6 months. Chairman Burns was right then and his advice of last spring is even more right today. It is unfortunate, but perhaps understandable, that Chairman Burns has backed away from his earlier position

now that the President has committed his prestige to a 12-month extension of the Stabilization Act. But whatever his reasons today, Chairman Burns' testimony of last spring stands as an eloquent warning of the dangers involved in an unlimited delegation of power to the President.

In supporting a 12-month extension, administration spokesmen have argued that Congress can always conduct hearings and receive reports on the program and amend the act if necessary and thereby discharge its oversight responsibilities. Such an argument must surely have been made with tongue in cheek. It demonstrates the patronizing and somewhat arrogant attitude which administration officials seem to have with respect to Congress. The only meaningful power Congress has is its power to renew the Stabilization Act. Once we surrender this power, we have very little control left.

Repeated congressional hearings did not change the administration's disastrous economic game plan—the President appears to have reversed himself only when his political advisers discovered he was slipping in the polls. Congress could always amend the Stabilization Act but this is unlikely for a number of reasons—the press of other business including the pressures of an election year are likely to divert attention; any modifications strongly opposed by the administration can be delayed by a willful minority; any legislation which does survive can be vetoed by the President. Congress will retain the leverage to effect meaningful changes in the phase II program only if it is faced with the necessity for renewing the Stabilization Act next spring.

There are some who feel that Congress should give the President everything he wants so he can be saddled with the entire blame if the phase II program does not work. Rubberstamping the President's program is poor policy and bad politics. The Congress should not abdicate its constitutional responsibility on the most important piece of economic legislation in the last 10 years. Moreover, if the program fails, the public's wrath is likely to be directed not just against the President but against all incumbents and especially those who uncritically accepted the President's phase II program.

About the only argument which the administration could muster in favor of a 12-month extension is that it is needed to prevent public uncertainty about the duration of the program. The public is, indeed, uncertain. But the uncertainty is not about the expiration date but about what the Pay Board and Price Commission will do. The public knows the Congress will extend the Stabilization Act next April if inflation has not been checked. Congress itself took the initiative by passing the original Stabilization Act over the President's objections and it is inconceivable that Congress would refuse to extend the act if it were needed to fight inflation.

The real reason for requesting an extension of the Stabilization Act 6 months ahead of schedule is apparently to avoid criticism of the President's program during an election year. While one can sympathize with this desire, it hardly qualifies as a legitimate reason for excluding congressional participation on a subject as important as the phase II economic program.

The phase II economic program extends sweeping and unprecedented controls over a free economy without the pressures of a large-scale war. No one knows if the program will work. If it fails to stop inflation, it is entirely possible that far more repressive controls will be imposed by Presidential edict—a phase III much tougher than phase II. Given a 12-month extension, any decision about phase III is left entirely up to the President. He does not have to come back to the Congress if he decides more drastic measures are warranted.

There are a number of serious questions about the fairness and workability of the phase II program. It is too early to obtain definitive answers to them. However, by next spring we should have enough information to decide whether modifications to the program are needed. We should not give the President a blank check for 12 more months beyond the April 30, 1972, expiration date until we know what we are doing.

One of the major controversies is over the scope of the phase II program. There seems to be an imbalance between the numbers of enforcement personnel and the territory covered by the program. The phase II controls extend to over 10 million business firms from the giant corporation to the corner grocery store. How can 3,000 agents from the Internal Revenue Service police 10 million business firms? Either a much bigger bureaucracy will be required or vast sectors of the economy will have to be decontrolled. Whichever direction the program takes has important consequences for the economy and Congress should certainly participate in making the decision. However, by extending the Stabilization Act for another year, the power to decide is given to the President.

Mr. President, I wish to spend a minute or two on the testimony of Dr. Arthur Burns, because he is very highly respected by all Members of the Senate and throughout the country as an extraordinarily able economist and a very wise public servant. He testified both ways on this matter. He testified first that we should not extend legislation of this kind and later he testified that we should. I submit that when he testified the first time, the President's position was not known, and it was not known if the President would favor extension of this type power or not. The second time he testified the President's position was known. Dr. Burns at that time complied with what the President requested.

In testimony before the Joint Economic Committee in January of this year, Dr. Arthur Burns, Chairman of the Board of Governors of the Federal Reserve, told the Congress that it was granting the President dictatorial powers in the Economic Stabilization Act. He cautioned the Congress against extending this authority for a long period of time:

> Let's put it a little differently: You are giving too much power to the President under this legislation. You are giving the President virtually dictatorial power. Do you really want to give any man that much power? That worries me. I can see some advantages, and you have pointed them out. I have considered them, and I do not dismiss them lightly.
>
> But let me say this: If you do give this power to the President, if you do extend this authority beyond March 31, I hope you will do so only for a very brief period, because you will be giving dictatorial powers to the President, and you ought to do that with the greatest of caution.

As I say, it is hard to imagine powers with respect to our domestic economy that would be greater than the powers we are giving the President. It cannot be argued he needs them to combat a foreign foe or in connection with delicate international relations or diplomacy. This is an area where Congress should insist on granting power very carefully and the distinguished Chairman of the Federal Reserve Board testified it is best we give that power for a short period of time, certainly not for the 17 months we would provide here.

One of the most fascinating and controversial figures on the public scene today is the head of the AFL–CIO, George Meany. He testified before the Committee on Banking, Housing and Urban Affairs.

I should say his testimony which was read to the Committee on Banking, Housing, and Urban Affairs. The testimony was delivered by Mr. Andrew Biemiller, legislative representative of the AFL–CIO. I should like to read briefly from that testimony because it pertains to the very point I am making. Mr. Meany said:

> We do not agree with the Administration or some editorialists who contend Congress should "rubber stamp" this legislation. . . .
>
> Congress would abdicate its role if it agreed to Section 12 of the Administration's proposal which would amend the present law to provide that the Act shall expire on April 30, 1973, rather than May 1, 1972.
>
> This so-called "Phase II" should be tested by actual operation. Until that test, it would be a serious mistake for the Congress to extend the President's authority for one day much less one year.

This is exactly what I have been pleading for ever since I started speaking today—that we should find out how it is going to operate. There is no hurry for renewal of the act. The act does not expire until April 30, and we have no idea how the policies of the Pay Board or of the Price Commission are going to operate. To date they seem soft. They may be entirely different next year. If they proceed along the present lines, perhaps we should change the makeup of the two boards. If they become tougher, it may be that the Congress should take other considerations. At any rate, for us to abdicate our authority and walk out on it makes no sense.

Mr. Meany goes on to say:

> Congress must preserve the requirement that the Administration return to the Congress for further authority after the new program has been in effect for a reasonable length of time. This would emphasize Congress' determination to provide continuing legislative oversight.

He goes on to say:

> But in one fell swoop, Congress is asked to approve, ratify, and confirm these decisions as they relate to teachers, as well as the hundreds of other decisions the Cost of

Living Council has made. To do this without studying and approving or rejecting each one individually would be improper.

This is another example of the unfortunate elements of the legislation. As it came from the Treasury, it provided that we would ratify, by passing this legislation, all of the acts of the administration during the freeze; that we would find them lawful and proper. Fortunately, the committee deleted that provision. Certainly it was wise in doing that. This is another reason why the proposals of the administration should be subject to careful scrutiny, and it takes time to provide that kind of scrutiny.

The chairman of the AFL–CIO proposed:

1. The Congress should establish the procedural framework for a program of price control.

If there is to be a price control program, then Congress must provide an effective system for setting price standards, detecting price changes and for apprehending and punishing those who violate the law.

I say, if anything is obvious, it is the fact that the present policies being set by the Price Commission are absolutely unenforceable. Gardner Ackley's observations on this makes a great deal of sense.

Mr. Meany says further:

Section 3 of the Administration's proposal provides that all members of the Pay Board and Price Commission shall be designated by the President acting alone. We feel this is unwise and potentially dangerous.

In 1952, when Congress amended the Defense Production Act of 1950, it provided that all members of the tripartite Wage Stabilization Board be appointed by the President by and with the advice and consent of the Senate.

It is commonly recognized now, as it was in 1952, that the provisions in the U.S. Code designed to protect against conflicts of interest are not, and could not apply to the non-full-time members of the Pay Board and Price Commission.

Moreover, it should be pointed out, that there is a potential for Presidential action to stack these agencies against particular groups. It is manifest, therefore, that at least the public members be subject to the Senate's approval. Senate confirmation would permit disqualification of a nominee encumbered with potential conflicts and assure that these agencies are staffed by a representative cross-section of informed and truly neutral public servants.

The legislation that is now before the Senate does not provide for confirmation of the members now on the board. It provides for confirmation of new members, but, as I pointed out, it is hoped that there would not be such a long period in the life of the board that we would have to have many new members. Those on it at the present time should be the ones we are concerned with. They have not been subject to public debate and consideration, and they probably have greater power than Cabinet officers, far more than that of second lieutenants, for whom Senate confirmation is required.

Mr. Meany concludes:

We do not believe the Congress should be stampeded into hurried, ill-considered action. The Pay Board and Price Commission have already begun their preliminary work and would not be delayed by careful congressional consideration of the many pitfalls and failings of this legislation.

We do not believe the Act should be extended until the stabilization program has proven it is working.

Mr. President, one of the most impressive witnesses which the committee heard was former counsel for OPA, an extraordinarily able man, Mr. David Ginsburg, who is an attorney here in Washington. As I have said, he has had great experience in economic stabilization and is a very able lawyer. I think all of the committee members who were present when he testified both before the Joint Economic Committee and the Banking, Housing and Urban Affairs Committee, felt he was one of the most valuable and useful witnesses we had. Here is what he had to say about the bill:

The Economic Stabilization Act of 1970 and the proposed amendments in S. 2712 call for more comprehensive restraints and offer fewer safeguards than any comparable legislation that I have seen come before the Congress.

The CHAIRMAN. Without objection the opinion will be printed in the record (see p. 132).

Mr. GINSBURG. The court concluded, and I am quoting, "that the rule of law has been beleaguered, but not breached."

My point, and I hope this committee will agree, is that the rule of law should be observed and safeguarded.

I have certain specific suggestions to make.

The uncertainty that oppresses the country today is uncertainty as to what the Pay Board and what the Price Commission will do. This is central; this is critical—not the provisions of this legislation, or whether the act will be extended.

In these circumstances, I should have thought that the wiser course for this committee would be to defer consideration of the bill until such time as the Price Commission and the Pay Board have acted. At that time you would have before you a concrete set of actions and standards which the committee and the Congress could consider, and determine then whether they should be incorporated into the law.

Does not that make sense? What is wrong with knowing what these agencies are going to do? The only reason I can imagine for passing this bill now is that we want to get out of here and next year we do not want to be bothered with it. We do not want to have to work on it in January, February, March, and April. I have not heard a single argument with respect to the public interest except the contention that it would cause uncertainty if we acted on it next year. It is perfectly apparent the uncertainty we are faced with is the uncertainty as to what the pay board is going to do and what the Price Commission is going to do. I have not obtained a single letter or received a single telephone call from a businessman or consumer arguing that we have to have the law now. The uncertainty arises from what is going to happen with respect to wages and prices. Mr. Ginsburg makes all the sense in the world when he says:

I should have thought that the wiser course for this committee would be to defer consideration of the bill until such time as the Price Commission and the Pay Board have acted. At that time you would have before you a concrete set of actions and standards which the committee and the Congress could consider, and determine then whether they should be incorporated into the law.

Obviously, their actions, as they themselves said—and it was said over and again—should not be judged on what they did with respect to the coal wages. That was an exception, they said. They were going to adopt an entirely different policy for the future. Why not wait until next year to see what they do. As Mr. Ginsburg says:

The question I'm raising is whether, 6 months before the law expires, and before this committee knows what standards and regulations these various boards and commissions will adopt—whether at this stage the committee should act.

The Senator from California (Mr. CRANSTON) asked Mr. Ginsburg this question:

Is it your feeling that the President has all of the authority he needs to do what he desires to do now without any action by the Congress?

Mr. Ginsburg said:

The operative word, Senator, in your question is "now", and the answer, unquestionably, is yes. He has full authority to proceed at the present time under existing law.

This is not just the opinion of the Senator from Wisconsin or the Senator from California; it is the opinion of the man who served as counsel for the OPA. I think he has the respect and the admiration of many Members of Congress, and many others. He is a real expert in this very difficult area.

Then he goes on to say:

Legal authority is vested in one man, the board chairman.

This is the point that I have tried to make before the Senate. It is vested in Mr. Jackson Grayson in this case.

Mr. Ginsburg says:

Yet prices, for example, are set by seven men. Do the other six not exercise legal power? Aren't their votes required to fix prices and price policies? On the Pay Board the Chairman is one member out of 15.

The question I am raising is fundamental. You spoke, Senator Sparkman, a moment ago, of possible questions of legality. I see a major question of legality here, where legislative power is proposed to be delegated to a private group. This brings to mind visions of corporate statism and a syndicalist philosophy.

Mr. President, one of the arguments that have been made here is that we have to extend this legislation beyond April 30, or there will be great uncertainty as to whether we are going to have controls past that time, and it will be hard for businessmen, consumers, and others to make plans. The distinguished senior Senator from Texas, the ranking minority member of our committee (Mr. TOWER), made a statement to that effect earlier in the day, in speaking in behalf of the legislation.

Mr. President, it appears that the administration feels differently about this. Apparently they feel that they may well begin to phase out a part of the program.

It seems to me that such uncertainty could lead to considerable confusion. For example, the Wall Street Journal reports, in an editorial within the last couple of days:

It is comforting to know that administration officials are at least beginning to think of phasing out Phase 2. According to Treasury Secretary John Connally, "we should be able within a year to cast off many, if not all, the stabilization controls."

That means less than a year, and it is proposed that we extend this program for 17 months.

The editorial continues:

Controls at the most produce only a superficial sort of stability. Underneath the disruptive forces persist, and curbing them will require something other than governmental economic restrictions.

So it is clear that the administration at least feels that it will phase out these controls, as indeed I think it should. But if it is a matter of uncertainty, why are not the consumer and the businessman in exactly the same situation whether Congress acts this year or not, especially when the administration itself says it expects during the course of the year to schedule phase outs?

I can imagine in February the President will perhaps phase out the State and local workers, and all the teachers in the country will come out from under the control system. About May or June, maybe earlier, the administration will phase out small businessmen. In September or October, a few weeks before the election, practically all workers and maybe 90 percent of the economy will be out from under controls.

I think that may be a wise course of action. What I am saying is that under these circumstances, it seems to me Congress ought to seriously consider whether it is wise or necessary for us to include many of these groups in this program, when there has been no case at all made that they contribute to inflation, and when the case has been overwhelmingly documented that we can pinpoint the sources of inflation to the big unions, the big companies, a few areas of limited resources such as the health area, and, in the area of construction particularly, where we have such an imbalance between union power and management power.

Mr. President, the Wall Street Journal also reported on decisions that have recently been made by the Price Commission that seemed to be away out of keeping with any kind of effective stabilization program.

For instance, on November 26, it reported as follows:

. . . . top executives of U.S. Steel will meet separately with one of the commissioners, presumably to discuss prospective price boosts for the industry's key sheet products.

These sessions, insiders concede, are the most important in the commission's short life. "We're dealing with the price leaders and that's where we'll have to be tough," says one commission official.

The commission on Wednesday approved a 4.5% increase for Chrysler Corp., which the company later trimmed to about 3% for "competitive" reasons.

Indicating that the regulation, of course, was either too high or that it was unnecessary because in that case the competitive forces were what was by far more effective.

Mr. President, one of the most competent economists in this area is George Perry, of Brookings Institution. He recently wrote a very interesting monograph entitled "After the Freeze." It is one of the Brookings Papers on Economic Activity.

This is a very brief article by Mr. Perry, and I should like to read from it because it indicates some of the very great difficulties that are involved in the present course. Perry says:

I don't think anyone in the administration is contemplating a permanent, comprehensive set of controls. And it is certainly not the program that I am prepared to defend or that most economists who favor an incomes policy of some sort have in mind. What is relevant is a middle-of-the-road program that can be adopted after the ninety-day freeze. Whether the middle road on incomes policy can work depends on the environment it has to work in. My view of the environment is different from Poole's. In the sand, the egg stands on its head very easily.

Recently I wrote about structural changes that have led to a deterioration of the trade-off between inflation and unemployment.[1] There I developed measures of labor market tightness that took account of these changes and showed that labor markets had been extremely tight during the 1966–69 period. An inflation model based on these measures explained the rapid increase of wages and prices over this interval and through the first half of 1970. But even the structural changes identified there do not account for the rate of inflation the United States has been suffering recently. Labor markets are not tighter now than they were in 1965, even by my measures. Operating rates are not higher now than in the early 1960s. There is no way today's inflation can be seen as a result of tight labor markets or excess demand in product markets; these conditions exist in only a few isolated sectors of the economy. Nor can today's inflation be explained by the weight in the wage index of long-term wage settlements that are still catching up for past inflation, although these headline makers may have important indirect, demonstration effects.

Although the concept lacks theoretical elegance, I am persuaded that inflation is now perpetuated to an important degree because of high "habitual" rates of wage and price increase. Although we conceal a lot of our ignorance about the inflation process when we employ past changes in wages or prices to help explain the present, we have to attribute a large impact to recent experience in order to explain today's situation. But the present rapid wage increases need not imply that shifts have occurred in some well-defined labor supply curve that would lead to a model of accelerating inflation. I see no evidence for this interpretation and choose the description "habitual" to emphasize this. If this habitual situation in wages setting is interrupted, there need be no consequences for real output and employment. I am offering a treadmill explanation of the present situation. A middle-road incomes policy is designed to get us off the treadmill, down to a lower habitual average rate of wage and price increase.

If the nation can emerge from the ninety-day freeze with a deescalation policy aimed at wages and prices broadly but, in practice, enforceable only in labor and product markets where market power is considerable, I would expect favorable results and only small costs.

This is precisely what I have been arguing. We ought to recognize where the inflation problem is and zero in on it.

To opt for this kind of program is not to imply that oligopolistic industries and powerful unions are the main cause of the inflation. But they are a good place to concentrate an incomes policy for several reasons.

If we are to slow down the treadmill, highly visible price and wage situations are the one place in which the government can call attention to the new rules and show it means business. This kind of demonstration should help reduce the present "habitual" rate of price and wage increases in other sectors as well. I would expect weak markets over a long enough period to do it too. But that seems to be a long and costly process.

Furthermore, while these concentrated sectors did not give birth to the inflation, they have been an important factor in keeping it so healthy. Having been late to get started and having finally caught up, they are unlikely, of their own accord, to lead the way down toward price stability. That is not what union members pay their dues for. I find it somewhat contradictory that the same observers who doubt that such a limited incomes policy could work frequently stress structural changes to diminish market power among concentrated industries and unions as a longer-run inflation cure.

Finally, I want limited and flexible controls because I do not want more. A price-wage board can hope to exercise control in these visible sectors and do so in a fairly flexible way. They can consider ten appeals a month with some care. They cannot sensibly monitor prices and wages everywhere. I am against comprehensive controls just as Poole is and for the same reasons. The initial ninety-day freeze is short enough—and voluntary enough—to pose no serious problems of efficiency. It may have been the best way to start off. But I want to emerge from it with a limited and flexible system.

Mr. President, I ask unanimous consent to have the article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Brookings Papers on Economic Activity, 2: 1971]

AFTER THE FREEZE

(By George L. Perry)

William Poole has offered a model of incomes policy that is like balancing an egg. The policy can be far too oppressive—the egg falls left; or it can be totally ineffectual—the egg falls right. Finding a middle approach for policy that works is like trying to stand the egg on its head: It's clearly unstable and can't be done.

I don't think anyone in the administration is contemplating a permanent, comprehensive set of controls. And it is certainly not the program that I am prepared to defend or that most economists who favor an incomes policy of some sort have in mind. What is relevant is a middle-of-the-road program that can be adopted after the ninety-day freeze. Whether the middle road on incomes policy can work depends on the environment it has to work in. My view of the environment is different from Poole's. In the sand, the egg stands on its head very easily.

Recently I wrote about structural changes that have led to a deterioration of the trade-off between inflation and unemployment. There I developed measures of labor market tightness that took account of these changes and showed that labor markets had been extremely tight during the 1966–69 period. An inflation model based on these measures explained the rapid increase of wages and prices over this interval and through the first half of 1970. But even the structural changes identified there do not account for the rate

[1] George L. Perry, "Changing Labor Markets and Inflation," *Brookings Paper on Economic Activity* (3:1970), pp. 411–41.

of inflation the United States has been suffering recently. Labor markets are not tighter now than they were in 1965, even by my measures. Operating rates are not higher now than in the early 1960s. There is no way today's inflation can be seen as a result of tight labor markets or excess demand in product markets; those conditions exist in only a few isolated sectors of the economy. Nor can today's inflation be explained by the weight in the wage index of long-term wage settlements that are still catching up for past inflation, although these headline makers may have important indirect, demonstration effects.

Although the concept lacks theoretical elegance, I am persuaded that inflation is now perpetuated to an important degree because of high "habitual" rates of wage and price increase. Although we conceal a lot of our ignorance about the inflation process when we employ past changes in wages or prices to help explain the present, we have to attribute a large impact to recent experience in order to explain today's situation. But the present rapid wage increases need not imply that shifts have occurred in some well-defined labor supply curve that would lead to a model of accelerating inflation. I see no evidence for this interpretation and choose the description "habitual" to emphasize this. If this habitual situation in wage setting is interrupted, there need be no consequences for real output and employment. I am offering a treadmill explanation of the present situation. A middle-road incomes policy is designed to get us off the treadmill, down to a lower habitual average rate of wage and price increase.

In this environment, I cannot share Poole's misgiving about a middle-road incomes policy. He fears that a policy is enforceable only against large firms and unions would find controlled firms unable to meet the demand for some of its products. In this situation, he sees customers forced to switch their purchases to uncontrolled firms, and this development leading either to broader controls or their complete abandonment. In today's economy, would this really be a problem? Not only are markets not tight enough, but controls need not be so rigid.

I am not dissuaded by Poole's finding that, for nineteen out of ninety-eight product categories, wholesale prices rose more than 7 percent during the past year while average wholesale prices rose only 3.6 percent. Some of the nineteen were agriculture products, raw materials whose prices are set in world markets, or products fabricated from them. Some may have been industrial products whose price increases resulted from increased labor costs. We do know that the first-year cost of many wage increases was more than 3.4 percent above the average rate of wage increase. And we know that long-run productivity experience varies substantially among individual industries, so that any given change in hourly wage costs is translated into widely differing changes in standard unit labor costs. Thus Poole's reported dispersion in price behavior makes a good case for flexible controls and intelligent price guidelines. But it does not persuade me that suppressed excess demand would be a problem. We could, of course, create that problem for ourselves—say, by trying to hold the price of lumber in the midst of the current housing boom. But that straw man should not be the subject of discussion.

If the nation can emerge from the ninety-day freeze with a deescalation policy aimed at wages and prices broadly but, in practice, enforceable only in labor and product markets where market power is considerable, I would expect favorable results and only small costs. To opt for this kind of program is not to imply that oligopolistic industries and powerful unions are the main cause of the inflation. But they are a good place to concentrate an incomes policy for several reasons.

If we are to slow down the treadmill, highly visible price and wage situations are the one place in which the government can call attention to the new rules and show it means business. This kind of demonstration should help reduce the present "habitual" rate of price and wage increases in other sectors as well. I would expect weak markets over a long enough period to do it too. But that seems to be a long and costly process.

Furthermore, while these concentrated sectors did not give birth to the inflation, they have been an important factor in keeping it so healthy. Having been late to get started and having finally caught up, they are unlikely, of their own accord, to lead the way down toward price stability. That is not what union members pay their dues for. I find it somewhat contradictory that the same observers who doubt that such a limited incomes policy could work frequently stress structural changes to diminish market power among concentrated industries and unions as a longer-run inflation cure.

Finally, I want limited and flexible controls because I do not want more. A price-wage board can hope to exercise control in these visible sectors and do so in a fairly flexible way. They can consider ten appeals a month with some care. They cannot sensibly monitor prices and wages everywhere. I am against comprehensive controls just as Poole is and for the same reasons. The initial ninety-day freeze is short enough—and voluntary enough—to pose no serious problems of efficiency. It may have been the best way to start off. But I want to emerge from it with a limited and flexible system.

The circumstances behind the present inflation makes this a particularly favorable time for such a limited program. With excess demands virtually absent, it is hard to visualize significant misallocations arising from a wage standard that deescalated average wage increases to, say, a 5 percent annual rate. Why should we expect to see the steel companies, who are under scrutiny, lose workers to small, competitive firms who are not? Firms have been granting large wage increases because they have become the general pattern. If the treadmill slows, so does the wage increase that an individual firm must grant to meet its labor requirements. To raise wages faster than this, firms would have to behave irrationally just because they are not under the scrutiny of controls.

Of course, there will be some reallocations through changing relative wages, but they do not require today's average inflation rate. Resources were reallocated in the early 1960s with no loss of efficiency and with a stable price level. Nor need the resource transfer be a flow governed by wage movements in the uncontrolled sector alone. A flexible control system would permit promotions, competition for particular skills in short supply, and similar departures from any general rule.

Under a new incomes policy, I expect prices generally to be governed by costs and so to present no special problem. For the areas where market power is great, a price-wage board would monitor price movements. While excessive price increases in oligopolistic sectors are not the main cause of the recent inflation, there are reasons to guard against them: First, it is important to demonstrate an evenhanded treatment of wages and prices under the incomes policy; second, we want to ensure a prompt pass-through of cost moderation into prices; third, we want to avoid the occasional instance in which administered pricing might contribute independently to inflation. The biggest problems would come from a few sectors in which classical market power is not the issue but in which prices have been rising inordinately for special reasons. If allowed to continue, these increases would make cooperation under the incomes policy in other sectors more difficult. For example, medical costs have been rising rapidly. Here the government could slow price increases by using its control over the medicare and medicaid programs.

A more difficult problem for incomes policies arises when the economy expands more and markets begin to tighten. Even here, an incomes policy should be helpful, just as I believe the guideposts were helpful in their day despite their almost totally voluntary nature. What we see as a fairly gradual trade-off curve between inflation and aggregate market tightness arises, I believe, as an increasing fraction of only loosely connected individual markets grows tighter. Adjustments among the markets takes place continuously through changing relative wages and prices. As the fraction of tight markets grows, the price changes average out to be more inflationary. On this highly simplified view, an incomes policy that modified the absolute price increases in the tighter sectors could still permit the needed adjustments, but with less net price increase than now occurs. An incomes policy need not break down until a substantial part of the economy experienced excess demand and certainly not before markets grew much tighter than they are today.

If over the next year the price deflator for the private sector could be slowed to a 2½ percent rate of increase while real output grew at a rate that noticeably reduced unemployment, the policy would have been a clear success. Before the new initiatives, there was virtually no sign of slowdown in the inflation rate, and policy makers seemed inhibited from stimulating the economy to speed up real growth by the fear of worsening the inflation. Over the last four quarters, real gross national product grew only 2.2 percent. Even a doubling of that rate of expansion would merely have held unemployment rates near recent levels, and there was little sign that the expansion would be faster than that.

Since there are other papers in this volume dealing with whether a continued high rate of inflation is tolerable, I will not address the question of living with what we have versus trying to correct it. An incomes policy imposes some costs, so if inflation is really costless, we should not have one. But I take it for granted that policy will fight against a rate of inflation like the current one. This means the choice we face is between an incomes policy and letting our concern over inflation take the unemployment rate where it will. Poole's optimism that a "do nothing" policy will achieve a good result is hard to accept, not only because the result is not assured, but because the price of waiting for something good to happen is so high. I am not a sailor, and Poole is an expert, so it might be wiser to forgo his sailing analogy. Nevertheless, I always thought that on a serious voyage, sailors carried a small motor on board precisely so that they would not be at the mercy of the winds. The economic winds have not been blowing favorably, and a firm incomes policy seems a good way to stop our drifting for now.

Mr. PROXMIRE. Mr. President, one of the ablest economists, a man who testified before the Banking Committee on this matter, is Mr. James Duesenberry, who is a professor at Princeton University and a former member of the Council of Economic Advisers. Mr. Duesenberry noted that the rise in nonunion wages did not reflect labor shortages. It occurs because, with prices rising rapidly and big increases in the visible settlements, employers believe that the wages they pay must keep pace if they are to maintain their positions as good employers. He called attention to the system of wage surveys used to establish nonunion wages. Banks, insurance companies, department stores, and even the Federal Government are granting wage increases on the basis of comparability, as determined by wage surveys. These wage increases would not have accelerated without tight labor markets. But after the market pressure evaporated, there was nothing to stop the process from continuing. In this situation, a standard for the visible, well-organized sector would result in a wage slowdown elsewhere in the economy as well.

That is another reason for holding down the program to those sectors where it is needed and where it can be effective.

Mr. President, I have not finished my remarks. I do have some additional remarks, but I will make them at a later time.

I understand that the Senator from Wyoming would like to call up an amendment and that he has unanimous consent to be recognized when I am through. With that in mind, I will yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 9727) to regulate the dumping of material in the oceans, coastal, and other waters, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GARMATZ, Mr. DINGELL, Mr. LENNON, Mr. PELLY, and Mr. MOSHER were appointed managers on the part of the House at the conference.

ECONOMIC STABILIZATION ACT OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming.

Mr. TOWER. Mr. President, will the Senator yield for the purpose of a quorum call?

Mr. McGEE. I yield, with the understanding that I do not lose my right to the floor.

Mr. TOWER. Yes.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BUCKLEY). Without objection, it is so ordered.

AMENDMENT NO. 757

Mr. McGEE. Mr. President, I call up my amendment No. 757.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. McGEE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

At the end of the bill, add the following new section:

FEDERAL EMPLOYEE COMPENSATION

SEC. 3. Notwithstanding any provision of section 3(c) of the Federal Pay Comparability Act of 1970 (Public Law 91-656), or of section 5305 of title 5, United States Code, as added by section 3(a) of Public Law 91-656, and the provisions of the alternative plan submitted by the President to the Congress pursuant thereto on August 31, 1971, such comparability adjustments in the rates of pay of each Federal statutory pay system as may be required under such sections 5305 and 3(c), based on the 1971 Bureau of Labor Statistics survey—

(1) shall not be greater than the guidelines established for the wage and salary adjustments for the private sector that may be authorized under authority of any statute of the United States, including the Economic Stabilization Act of 1970 (Public Law 91-379; 84 Stat. 799), as amended, and as may be in effect on December 31, 1971; and

(2) shall be placed into effect on the first day of the first pay period that begins on or after January 1, 1972.

Nothing in this section shall be construed to provide any adjustments in rates of pay of any Federal statutory pay system which are greater than the adjustments based on the 1971 Bureau of Labor Statistics survey.

Mr. BYRD of West Virginia. Mr. President, would the Senator from Wyoming like to ask for the yeas and nays on his amendment?

Mr. McGEE. Yes. I thank the Senator.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

UNANIMOUS-CONSENT AGREEMENTS

Mr. BYRD of West Virginia. Mr. President, will the Senator from Wyoming yield to me temporarily, without losing his right to the floor?

Mr. McGEE. I yield.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that time on the pending amendment No. 757 by the Senator from Wyoming (Mr. McGEE) be limited to 1 hour, to be equally divided between the able mover of the amendment and the distinguished Senator from Texas (Mr. TOWER); that time on any amendment to the amendment, motion, or appeal, or point of order, with the exception of nondebatable motions, be limited to 30 minutes, to be equally divided between the mover of such and the manager of the bill, the Senator from Alabama (Mr. SPARKMAN).

The PRESIDING OFFICER (Mr. BUCKLEY). Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, will the Senator from Wyoming again yield to me, with the same understanding?

Mr. McGEE. I yield.

Mr. BYRD of West Virginia. Mr. President, I have discussed the following various requests with the authors of the amendments involved, the distinguished manager of the bill, and the distinguished ranking Republican member of the Committee, the Senator from Texas (Mr. TOWER), and I therefore ask unanimous consent that at the close of business today, an amendment by the Senator from Oklahoma (Mr. HARRIS), No. 763, be laid before the Senate and made the pending business, without time running thereon today; that at the close of morning business tomorrow, the Senate proceed to consider amendment No. 763, with a time limitation thereon of 2 hours, to be equally divided between the able mover of the amendment (Mr. HARRIS) and the distinguished manager of the bill (Mr. SPARKMAN); that when that amendment is disposed of, the distinguished Senator from Montana (Mr. METCALF) be recognized to call up four amendments in succession, Nos. 752, 753, 754, and 755—I would presume he would first call amendment No. 752, but that will be left to him to determine, with the understanding that on the first amendment called up by him there be a time limitation of 1 hour, to be equally divided between the able mover of the amendment (Mr. METCALF) and the distinguished manager of the bill (Mr. SPARKMAN); that on each of the three succeeding amendments, there be a time limitation of 20 minutes on each amendment, to be equally divided between the able mover of the amendment (Mr. METCALF) and the distinguished manager of the bill (Mr. SPARKMAN); that upon disposition of the amendments by Mr. METCALF, the distinguished Senator from Wisconsin (Mr. NELSON) then be recognized to call up his amendment No. 758, with time thereon to be limited to 2 hours, to be equally divided between the able mover of the amendment (Mr. NELSON) and the distinguished manager of the bill (Mr. SPARKMAN); that upon disposition of that amendment, the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized to call up his amendment No. 764 with a time limitation thereon of 1 hour, to be equally divided between the able mover of the amendment (Mr. PROXMIRE) and the distinguished manager of the bill (Mr. SPARKMAN).

Mr. PROXMIRE. Mr. President, will the Senator from West Virginia yield at that point?

Mr. BYRD of West Virginia. I yield.

Mr. PROXMIRE. I understood that the amendment I intend to call up has not yet been printed. I have it ready to offer.

Mr. BYRD of West Virginia. The Senator is correct. I beg his pardon. His amendment has to do with reporting to committees of the House and Senate. I further ask unanimous consent that upon disposition of that amendment, Mr. President, by Mr. PROXMIRE, the distinguished Senator from Texas (Mr. BENTSEN) be recognized, with 1 hour on his amendment, No. 764, to be equally divided between the able mover of the amendment (Mr. BENTSEN) and the distinguished manager of the bill (Mr. SPARKMAN); that time on any amendment in the second degree, motion, or appeal, or point of order to any of the foregoing amendments, with the exception of nondebatable motions, be limited to 20 min-

utes, to be equally divided between the mover of such and the distinguished manager of the bill (Mr. SPARKMAN).

The PRESIDING OFFICER (Mr. BUCKLEY). Is there objection to the further request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. I thank the distinguished Senator from Wyoming for his indulgence and his usual courtesy.

Mr. McGEE. Mr. President, I want to address myself for just a few moments to the pending amendment (No. 757) as it relates to the phase II legislation. This particular amendment would require, on January 1, 1972, that the President of the United States place into effect salary adjustments for classified Federal employees equal to the wage guideposts established by the Pay Council for the private sector of the economy.

The background here is short but to the point. Under the provisions of the Federal Employees Salary Comparability Act of 1971, enacted last January, the President is directed to make annual adjustments in all classified salary systems of the Federal Government equal to the comparability surveys conducted by the Bureau of Labor Statistics. Also under that act, the President is permitted, in cases of national emergency, to make an alternate proposal which, if not specifically disapproved by either House, it becomes effective.

The alternate proposal was advanced by President Nixon last August 31. That proposal was that Federal employees would get nothing at all next January. Neither House of Congress voted to override the Presidential proposal and, thus, the administration's plan, which would deny any pay adjustments for Federal employees until fiscal year 1973 went into effect. It is the opinion of members of the Senate Post Office and Civil Service Committee that action is required.

In light of events which have transpired these past few weeks, I might recount of my own views on the President's efforts to come to grips with the economic situation.

Beginning August 15, I strongly supported the President in his efforts to put clamps on inflation in this country.

I said then and I repeat now that my hope was that the President would freeze all wages, all profits, and all prices, and be tough with the American people in the difficult times that lie ahead. I specified at that time that there could not, in equity, be a special exception made for any group. That question is now moot.

At the insistence of the administration, we advanced increases for the military, with all that that connoted, even though many of us raised questions as to why that was not inflationary, since the President said that to increase civilian salaries would be inflationary.

Where we find ourselves here this afternoon is that the military have now been granted substantial pay increases in very large proportions in terms of the total cost, as it would have an impact on the Nation's economic levels. The President's Pay Board—the group assigned the responsibility for reviewing the situation and making recommendations — has ruled that the emergency in the land would still permit roughly a 5.5-percent pay increase for employees in the private sector.

So here is what we have at this moment as far as the Federal employees are concerned. On one side are the several millions of military personnel being granted very substantial pay increases, even in the emergency. And on the other side the private sector is being granted pay increases that follow a 5.5-percent guideline with exceptions up to 15 percent. And yet, the President's decree that Federal civilian employees will be denied comparability adjustment until fiscal year 1973 remains effective.

In the light of this fact, it seems to me equitable now for the Senate of the United States to say to the President and to the Pay Board that it is only fair that we level off the whole pay increase formula to include the Federal civilian employees. That is precisely what amendment 757 seeks to do. It will insure the same increase for Federal employees that the Wage Board has laid out as a guideline for the private areas.

The language of this amendment is essentially the language of a separate piece of legislation that the Senate Committee on Post Office and Civil Service reported to the Senate a few weeks ago. That is S. 2722, sponsored by Senator FONG. It was the Senator from Hawaii, the ranking Republican member of the Senate Post Office and Civil Service Committee, who initiated that piece of legislation.

The purpose of S. 2722 was to restore equity to the Federal employees. That measure was reported unanimously, and it was placed on the calendar. However, for reasons that remain unclear, it was not released from the Consent Calendar by the minority leadership of the Senate. Therefore, we have only one recourse left, and that is to proceed through this amending procedure to do right for the only substantial group in this country left unattended; in fact, deliberately excluded from equity by the President last August.

Mr. President, in the light of this, we urge the Members of the Senate to favorably respond to this amendment. Naturally, the 1.5 million classified employees and the several hundred thousand blue-collar employees whose wages have been involved follow with keen interest what this amendment proposes and what the President said when he froze their pay last August 31, and what the Wage Board laid out as its guidelines for the private sector. These same Federal employees are willing to bear their fair share of the burden of fighting inflation, of stabilizing the Nation's economy. However, they ask us again and again, "Why except us from all other groups? Why are we singled out to be discriminated against?"

I would like to think they say to each of us in turn, "We would like to be first-class citizens, along with the military and with the employees in the private sector."

So in behalf of those Federal employees, we have called up this amendment that was reported out of the Senate committee and sponsored jointly by the ranking minority member of that committee, the Senator from Hawaii (Mr. FONG) and by the chairman of the committee.

In the light of these elementary, substantive attributes of the legislation, Mr. President, I urge the Senate to agree to the amendment.

Mr. FONG. Mr. President, will the Senator yield to me?

Mr. McGEE. Mr. President, I yield to the Senator from Hawaii, the ranking minority member.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. FONG. Mr. President, as a cosponsor of the amendment, I rise to support it. Amendment 757 is S. 2722 in amendment form. S. 2722 was introduced by me on October 19, 1971, to give to Federal employees salary increases equal to those given non-Federal employees during phase II of the Economic Stabilization Act. S. 2722 was reported out of the Senate Post Office and Civil Service Committee unanimously on November 8 and is awaiting Senate floor action.

However, because of the pressure of time and the urgency of obtaining enactment of the provisions of S. 2722, the distinguished chairman of the Post Office and Civil Service Committee, the Senator from Wyoming (Mr. McGEE), and I, as ranking minority member of that committee, have decided to move to incorporate the provisions of S. 2722 by this amendment to S. 2891.

A similar amendment was adopted on October 6, 1971, as an amendment to S. 8687, the military procurement authorization bill. I strongly supported that amendment and was a cosponsor of it. The Senate adopted that amendment by a vote of 60 to 27. However, it was stricken from the military procurement authorization bill in the House-Senate conference.

Amendment 757 would make it mandatory that Federal civilian employees, whose January 1, 1972, pay increases have been deferred by Presidential order to July 1, 1972, be given pay increases not exceeding the guidelines set by the President's Pay Board for non-Federal employees effective January 1, 1972.

Under Public Law 91–565, Federal pay increases were scheduled for January 1, 1971, January 1, 1972, October 1, 1972, and every October 1 following 1972. These increases were to be based on Bureau of Labor Statistics Surveys on the comparability of Federal to non-Federal pay throughout the country. A Federal pay increase of 6 percent was effected on January 1, 1971.

In that same law Public Law 91–565, the President was given authority to submit an alternative pay plan to the Congress, if in his judgment economic conditions affecting the general welfare required it. The Congress did uphold the President's alternative plan. I fought hard on the floor of the Senate to uphold the President's action.

By the alternative plan, President Nixon deferred the scheduled January 1, 1972, increase to July 1, 1972.

The Senate will recall that the deferral was done at the same time that President Nixon established his general wage-price freeze.

The President's Federal pay delay order was in line with phase I freeze on non-Federal pay increases. At that time when the President deferred the January 1, 1972 pay increase to July 1, 1972, he had not yet decided as to how phase II would be implemented.

Now that phase II has been implemented providing non-Federal employees general pay increases of 5.5 percent, this amendment is needed to put Federal employees on the same basis as non-Federal employees. The President's Pay Board has not taken jurisdiction over Federal employees salary increases and the President has no authority under the law to rescind his Federal pay delay order.

Enactment of this amendment would mean that Federal employees would receive the pay increases justified by the Bureau of Labor Statistics survey figures but no higher than 5.5 percent effective January 1, 1972.

The amendment is justified on the basis of equity—treating Federal and non-Federal employees alike under phase II—and on the basis of comparability since the Bureau of Labor Statistics survey shows that there is a definite lag of Federal pay of at least 5.5 percent behind non-Federal pay.

The total national work force is approximately 88 million. The Federal employment rolls number approximately 1.3 million civilians and 2.7 million military personnel. It is highly unfair to grant approximately 85 million people in the non-Federal sector of our economy pay increases while denying the approximately 4 million Federal employees pay increases to which they are entitled under law.

It is essential that the Congress approve this amendment and it become law this year. To wait until next year would be imposing a grossly unfair and inequitable delay in Federal pay increases on all Federal employees and their families.

Under the comparability statute we enacted in 1962 we set forth the principle that all Federal employees would receive comparable salaries to employees in the private sector. We have been very, very derelict in not passing legislation reducing the lag time between the salaries paid to non-Federal employees and that paid to Federal employees.

The statistics on which we are basing this 5.5-percent increase were gathered in February 1970, so we are more than a year and a half behind in granting Federal employees comparable increases. This amendment will at least bring the Federal employees up to a comparability status so that they will not suffer as much, although they are still lagging behind their counterparts in private industry.

I urge the Senate to approve this amendment, as it is fair and equitable.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, I yield to my distinguished colleague, the Senator from Alabama (Mr. SPARKMAN), in order that he may ask a question.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. McGEE. Mr. President, will the Senator yield to me to ask how much time we have consumed on this matter?

Mr. SPARKMAN. Mr. President, how much time does each side have remaining?

The PRESIDING OFFICER. The Senator from Wyoming has 10 minutes remaining and the Senator from Texas has 15 minutes remaining.

Mr. SPARKMAN. Mr. President, the Senator from Texas yielded to me. I am not speaking on the time of the Senator from Wyoming. I simply wish to ask a couple of questions.

As a matter of fact, does not the language of our bill do the same thing? Perhaps it is not in the best form since the Senator's is done by the legislative committee and I am sure it complies with all the technicalities, but we were trying to do that. Does not the Senator feel we did accomplish that?

Mr. McGEE. We explored that very carefully and we would have preferred to conclude on our part that that, indeed, had been the case; but we reached the conclusion that because of the action of the President last August under Public Law 91–656, it may not be covered in the language of the distinguished chairman's pending bill. For that reason we felt the circumstances required this specified legislative effort from the committee. We feel that this amendment is called for to leave no ambiguous area where there might be an escape.

Mr. SPARKMAN. I assure the Senator it was our intention to be covered and it was brought out in our explanation in the report. I am not saying that in opposition to the amendment. I think the committee has done a very fine job in getting up language that the Senate feels will be airtight on this matter. I wish to ask the Senator this question. This does not have any effect on any of the future so-called automatic rises.

Mr. McGEE. No.

Mr. SPARKMAN. Each one of them came up by reason of the expiration of the law already in effect.

Mr. McGEE. Then the law on the books would operate automatically in the future, unless the President declared an emergency again.

Mr. SPARKMAN. As I understand the law, if the trigger works then the President can provide against it and then it is up to Congress whether or not it will support——

Mr. McGEE. That is right. The President can submit an alternative.

Mr. SPARKMAN. Yes. But Congress has the power to make the determination.

Mr. McGEE. The ultimate determination.

Mr. SPARKMAN. And this language does not affect that in the least.

Mr. McGEE. Not in the least.

Mr. SPARKMAN. Would the Senator tell us now what happens to the so-called blue-collar workers under the amendment proposed here?

Mr. McGEE. What happens to the blue-collar workers is essentially that which is proclaimed in the 1971 law that we passed; namely, that once this action is taken in regard to the Federal employees, it automatically goes into effect with respect to the blue-collar workers. However, they operate under a different wage system, as the Senator knows, in contrast to classified Federal employees. They have local calculations which are arrived at through a different formula.

Mr. TOWER. So they would not be covered by the amendment?

Mr. McGEE. I do not mean that. They are covered because the language of the President's order freezing their wage surveys was tied to the white-collar freeze. They are covered. If this amendment is adopted by the Congress, it would assume the good faith of the President in following through. It is the intent of the committee that he would follow through.

Mr. SPARKMAN. But it is not an automatic operation; it would depend upon the President's taking further action. Is that correct?

Mr. McGEE. Yes. The blue-collars' pay was frozen when the President froze the white-collars' pay on August 15, 1971.

Mr. SPARKMAN. That is what I understood.

Mr. McGEE. Therefore, once we restore the white collar to schedule in January, it is our interpretation, based on advice from the Civil Service Commission, that the blue collar automatically follows, because it follows along with the same sequence when the President imposed a freeze in August. When the freeze thaws for white collar and military, it thaws for blue collar.

Mr. SPARKMAN. We come back to my first question regarding the blue-collar worker. It is not automatically automatic. He had those wages, in effect, frozen at the same time. If he released one, it would carry the other with it.

Mr. McGEE. Yes; that is the judgment of the committee. We think it does, too. The intent of the committee is that it follows automatically.

Mr. TOWER. I think it is important, as long as we get the intention down and make legislative history, to make sure we have the intent of the committee.

Mr. McGEE. That is the committee's intent.

Mr. SPARKMAN. And that was the intent of the committee when it reported the bill. We made it clear that what we had as an amendment was the same as a bill reported out of that committee and which is on the calendar at the present time.

Mr. McGEE. Yes. It is on the calendar.

Mr. SPARKMAN. And that intent was the intent not only of the Senator from Wyoming; it was the intent of the entire committee. I understand the bill was reported unanimously.

Mr. McGEE. Yes, and I will ask to have that fact confirmed by the Senator from Hawaii (Mr. FONG).

Mr. FONG. Mr. President, it was reported unanimously.

Mr. SPARKMAN. And the intent was that the blue-collar workers as well as other Federal workers are taken care of under this proposal.

Mr. TOWER. This applies only to one pay increment. Is that correct?

Mr. McGEE. That is correct.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. McGEE. I shall be pleased to yield the floor. We are running a little short on time.

Mr. TOWER. I yield 3 minutes to the Senator from Maryland from my time.

Mr. MATHIAS. First of all, I should like to express my appreciation to the Senator from Wyoming and the Senator from Hawaii for the interest they are showing in this problem. As both the Senator from Wyoming and the Senator from Hawaii know, this has been a subject of great concern not only to me but to my colleague from Maryland (Mr. BEALL) and many others of us who have sought to bring the Federal employees in under the same rules that apply to every other American.

We do not believe, in a time of economic danger—and certainly we have been passing through such a time—that any one group in our society or economy should be privileged or advantaged over other people, but at the same time we do not feel anyone should be prejudiced or should suffer a particular disadvantage in his economic position.

I believe the Senator from Wyoming is really trying to correct an imbalance which would exist as to Federal employees as a group or as a class, if they were denied any flexibility at all in rates of compensation until the 1st of July next, which would be some 8 months after employees in the private sector were allowed some adjustment or flexibility in their rates of pay.

My colleague, Mr. BEALL, and I have submitted an amendment which would also accomplish this purpose.

I should like to ask the Senator from Wyoming whether he believes there is a substantial difference in the approaches we have used. Our amendment contemplated that the increase would not be automatic, but would be subject to the action of the Review Board, which has already set national guidelines at 5.5 percent.

Mr. McGEE. Yes, I would say the Senator has put his finger on the basic difference between the amendment I understand he is contemplating, and the amendment that the legislative committee has already reported and placed on the calendar, and that is the role of the Pay Board. Its decision was not to include Federal employees, presumably because of the President's Executive action last August, it abandoned the problem as not being in its jurisdiction. Therefore, it seemed to the committee that it was important that, legislatively, we restore that omission, that is, put it back on the books as a way of balancing the equity that we think belongs to them. That is for the difference.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TOWER. I yield 3 minutes to the Senator from Maryland.

Mr. MATHIAS. Is it not true, conceding what the Senator has said, that the Pay Board has acted without reference to the Federal employees, that by directing it to act in behalf of Federal employees and then giving it discretion as to the area or percentage of increase or flexibility, we then bring them more truly in the same category as those in private employment or in the private sector?

Mr. BEALL. Mr. President, will the Senator from Wyoming yield?

Mr. McGEE. I yield.

Mr. BEALL. If we could call the Senator's attention specifically to page 2 of the amendment submitted by my colleague and myself, we say that it shall be subject to review by the Pay Board. Does not this, in effect, go a step further than the Senator's proposal and say that "you, the Pay Board, shall take authority over this particular situation and treat these people just the same as any other group of employees operating in America today"?

Mr. McGEE. The thought of the committee is there is a chance to ignore the responsibility if we proceed in that manner and give them the path they can take under the Executive order. There is nothing in any order this body may lay down that would guarantee the Pay Board to review it in the way we want to prevent such a slip-up. We believe we have specified a direct route, which is an order of the Congress of the United States to institute pay adjustments beginning January 1, and in the context already laid down.

Mr. BEALL. I do not want to be argumentative with the distinguished Senator from Wyoming, because we are both trying to accomplish the same purpose; but I might point out that the Pay Board as it now exists never took action on the question of pay for Federal employees, because the Pay Board was not in existence at the time the President made his decision. It was the old Cost of Living Council that made the decision to which the Senator alludes.

I am suggesting, though, that in the language of the amendment of the senior Senator from Maryland and myself, we are anxious that the Federal employees do get the advantage of being treated the same as any other group that works today in our society, and I am suggesting that it might be made more clearly definitive.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. TOWER. I yield 3 additional minutes.

Mr. McGEE. Mr. President, I shall be glad to respond to the Senator's point.

I think the thing that called it into question in terms of measuring it as against this alternative of going directly to the root of the problem is that the adjustment for Federal employees has been established by law as under the particular responsibility of Congress. That is the Comparability Act of 1971, which is the law of the land.

I would rather put the Federal civilian employees in the same category that we found the military employees during the early part of the emergency, and that was that this Congress decreed a military adjustment with the approval of the administration. We are simply saying that, by action of Congress, the adjustment shall be made.

Mr. FONG. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. FONG. Is it true that the——

Mr. TOWER. Mr. President, will the Senator yield on his own time?

Mr. MATHIAS. We would like to reserve the remainder of the time on this side.

Mr. McGEE. I yield to the Senator from Hawaii on my time.

Mr. FONG. Is it not true that the President deferred the increases from January to July under the Federal Salary Act of 1970, and not under the wage stabilization freeze?

Mr. McGEE. Yes; under the Salary Act of January 1971.

Mr. FONG. So, therefore, the pay freeze order had nothing to do with it.

Mr. McGEE. That is true. So therefore this amendment addresses itself to that action under the Salary Act.

Mr. FONG. Therefore, from our standpoint, our amendment attacks it very directly, without referring it back to the Pay Board?

Mr. McGEE. The Senator is absolutely correct.

Mr. SPARKMAN. Mr. President, will the Senator yield very briefly?

Mr. McGEE. I am glad to yield to the Senator from Alabama.

Mr. SPARKMAN. I want to say that I have read both amendments quite carefully, and I see no material difference so far as the effect it will have on these employees is concerned. The amendment proposed by the Senator from Wyoming does not require a review by the Board, but it puts them within the guidelines that have already been laid down.

Mr. McGEE. That is right.

Mr. SPARKMAN. With reference to other employees, as does the amendment of the two Senators from Maryland; but they require that it be reviewed by the new Board. Is that not the only practical difference between the two?

Mr. McGEE. Well, except that the Senator is referring it back to a board that did not consider the matter, and we have addressed it to the place that led to this trouble in the first place.

Mr. SPARKMAN. Yes. You do not have the Review Board, and that is the only big difference.

Mr. McGEE. Yes. This is correct.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. BUCKLEY). The Senator has 9 minutes remaining.

Mr. McGEE. I reserve the remainder of my time, unless Senators have some more questions.

Mr. MATHIAS. Mr. President, I would like to pursue the colloquy that the Senator from Wyoming has just concluded with the Senator from Alabama.

It seems to me that it is not fair to say that the procedure we have proposed in our amendment is merely going back through the same procedure that got us into this problem in the first place. What we are suggesting is more or less in the nature of an order from an appellate court, which sends a case back to the lower court with instructions as to how to handle it and instructions to make certain findings.

What we are saying to them is: "Your instructions are to treat Federal employees just the same way you are going to treat everybody else in our economy, and you should make the same judgments with reference to them that you are making as to other people in the economy. We want to see Federal employees treated fairly, neither more advantageously nor less advantageously."

If we bring in the Pay Board apparatus as a reviewing system, I think then we insure that that is exactly what will happen. I do not think there is any question that there will be any lack of faith on their part; they will act in good faith if Congress tells them they are to include Federal employees.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. McGEE. I am glad to yield the Senator 2 minutes on my time.

Mr. MATHIAS. I appreciate that. I think the colloquy is useful, because we are moving in exactly the same direction. We want to get to the same goal. It is just a discussion as to the means of getting there.

Of course, the pay bill is really in default of Congress. We passed exactly what we are talking about here several months ago, and the Senate passed it handsomely, in principle: the concept that Federal employee should get the same treatment as private sector employees.

That was at a time before the Pay Board had acted. Had we been able to prevail in conference, and had the provision which the Senate had approved by an overwhelming vote become law, the Pay Board would have had clear instructions.

As it is, they acted in default of congressional instructions. They acted only on a very broad brush outline painted in the executive branch, and they really had no option but to do what they did.

If we turn it around, and give them the option, I think it would have some desirable features.

Mr. McGEE. I say that the Senator from Maryland took advantage of the pending amendment, so that it has evolved in the context of comparability legislation that goes back nearly 10 years in this body. The action of the President in deferring it was under the legislation——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. McGEE. I yield 2 minutes—comparability legislation. That is how the President froze Federal salaries and deferred them until next July. We believe that in that legislative context, it is important that we now reestablish the balance this way.

We held off on that in the committee, because of the economic crisis and out of respect for the President's judgment. But after he froze Federal salaries until next July, the military got a very substantial adjustment at some levels; and in the light of that and the decree for the private sector by the Board, we believe we must carry out the history of legislative comparability and, therefore, it carries a little sharper specification than that which the Senators from Maryland are recommending, plus one other advantage: It removes uncertainty about whether the Federal employees are going to get it.

This specifies it, gives the date and levels, with no other options, and is still within the context of the legislation on the books.

I am ready to yield back the remainder of my time, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. I yield 1 minute to the Senator from Maryland.

Mr. BEALL. Mr. President, I say to the Senator from Wyoming it seems to me that if we really are anxious to be comparable, then the language suggested by the senior Senator from Maryland and myself in our amendment is more in line with comparability than the amendment under consideration now, because we are really, by agreeing that it be subject to review by the Pay Board, be placed in effect on the 1st day of January, saying that Federal employees shall in fact be comparable with all other employees in our economy today.

I think that is what we are striving to get to. As my senior colleague said, this is more or less in the nature of a court of appeals action, because we have had word from the President and word from Congress that conflict, and here is what I consider to be, in effect, a compromise.

Mr. MATHIAS. Mr. President, let me say a final word, if there is still any of that 1 minute remaining: I salute the Senator from Wyoming for his championship of the principle of comparability. That is a fight in which, over the whole of the last 10 years, I have been working with him, because I think comparability is one of the key features if we are to keep an efficient and effective Federal employment system. This is really the heart of a professional and an efficient Government service. So I am in no doubt as to my support of this principle of comparability in this context.

I am prepared, if that is the result of our discussion, to support the Senator's amendment, because I think, as I said earlier, it gets us to the place where we all want to be. The question of which road we travel is of less importance than that we arrive at a point where there is real economic justice for all Americans. That is what we are working for, and I am glad to work with the Senator toward that goal.

Mr. McGEE. I yield myself 2 minutes.

I want to say to both Senators from Maryland that they long have been stalwarts in seeking fair adjustments for all Federal employees. Their initiatives have been very helpful in this matter.

But I point out the difference in the language in the two amendments to suggest this one area of uncertainty I think should concern us, and that is what really happens if we go the route of the amendment of Senators McGEE and FONG or the the route of the amendment of Senators MATHIAS and BEALL.

On page 2 of the amendment of the Senators from Maryland, they describe two steps—first, that it shall be the subject of review by the Pay Board and shall not be greater than the general guidelines, and so forth; second, that it shall, if approved by the Pay Board, "be placed into effect on the first day of the first pay period that begins on or after January 1, 1972." However, the amendment now pending does not leave that open to the uncertainty of "if approved by the Pay Board." For that reason, I would hope that the Senators from Maryland would take the direct route to this fixed date and this fixed percentage within the lines that have been laid out.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. MATHIAS. I should like to respond briefly.

Mr. TOWER. I yield 2 minutes to the Senator from Maryland.

Mr. MATHIAS. I think the Senator has pointed out a difference, perhaps, without too great a distinction. We do call for review by the Pay Board. I think this would be desirable in putting the same kind of umbrella over the whole of the American economy.

There is not much doubt about what is going to happen. There is no uncertainty. If I thought there were, I would not be talking now. The Pay Board has already approved for private sector employees increases of 5.5 percent. If we sent them a legislative mandate that they were to consider Federal employees in the same category, I think that is where it would come out, which is, interestingly enough, just half a point off the comparability that Congress itself determined a long time ago—and with great credit to the Senator from Wyoming.

So even while I say that I think we are discussing a situation in which there is a difference without a distinction, again I say that I am happy to join the Senator in walking toward the high ground of justice for all our people in the area of their return for their labor.

Mr. McGEE. Mr. President, I am ready to yield back the remainder of my time.

Mr. TOWER. I yield myself 1 minute.

Mr. President, now that the legislative intent has been clarified and legislative history has been made here, and my question has been answered, I will not oppose the amendment of the Senator from Wyoming. Indeed, I will support it.

Mr. SPARKMAN. Mr. President, the same applies to me. As I brought out earlier, we were trying to do that thing in the bill and thought we had done it. But I am glad that the legislative committee having jurisdiction over it has taken action. Not only do I not oppose the amendment, but also, I am willing to accept it, and I hope it will be adopted.

Mr. KENNEDY. Mr. President, I am pleased to support the pending amendment to give fair treatment to Federal employees under phase II of the President's economic program. Last month, the Senate overwhelmingly approved a similar amendment as a rider to the military procurement bill. That amendment was dropped in conference, in large part because a more appropriate vehicle—the phase II legislation—was already on the

horizon. I hope, therefore, that the present amendment will be approved by the wide margin it deserves, and that it will be enacted into law as part of the phase II legislation.

One of the most distressing aspects of the President's economic program is the unconscionable demand that Federal employees were to be singled out to bear a heavier burden than other American workers in the fight against inflation. The President's policy, announced last August, is an arbitrary and unfair attempt to freeze the pay of Federal employees until July 1972, whereas all other workers in the Nation already are eligible for pay increases, as determined by the Pay Board and the procedures now being developed under phase II. By its action, the administration is attempting to relegate Federal employees to the status of second-class citizens, and it is up to Congress to remedy the gross inequity that is about to be perpetrated against millions of dedicated public servants.

The present amendment seeks no special advantage for Federal employees, no special treatment, no special favors, no special dispensation. All that it does is to provide that Federal employees shall be treated on an equal basis with all other employees under phase II.

The terms of the amendment are clear. The comparability pay raise for Federal employees originally scheduled to go into effect in January 1972, will take effect on January 1, 1972, precisely as scheduled, subject only to the clear condition that the increase may not exceed the general pay guidelines established by the Board for employees in the private sector.

In this way, Federal employees will have their day in the sun under phase II, like all other employees in the American economy, and a grave injustice will be averted. The freeze is over, and there is no valid reason why Federal employees should not now share in the thaw.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. McGEE. I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Wyoming. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Georgia (Mr. GAMBRELL), the Senator from Washington (Mr. JACKSON), the Senator from Maine (Mr. MUSKIE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Alaska (Mr. GRAVEL), the Senator from New Hampshire (Mr. McINTYRE), and the Senator from Rhode Island (Mr. PELL) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH), the Senator from Montana (Mr. MANSFIELD), the Senator from Minnesota (Mr. MONDALE), and the Senator from Utah (Mr. Moss) are absent on official business.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH), the Senator from Washington (Mr. JACKSON), and the Senator from New Hampshire (Mr. McINTYRE) would each vote "yea."

Mr. COTTON. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

The Senator from Florida (Mr. GURNEY) is necessarily absent attending the funeral of a friend.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) and the Senator from Pennsylvania (Mr. SCOTT) are detained on official business.

If present and voting, the Senator from Pennsylvania (Mr. SCOTT) would vote "yea."

The result was announced—yeas 75, nays 3, as follows:

[No. 403 Leg.]

YEAS—75

Aiken	Fannin	Montoya
Allen	Fong	Nelson
Allott	Fulbright	Packwood
Anderson	Hansen	Pastore
Beall	Harris	Pearson
Bellmon	Hart	Percy
Bentsen	Hartke	Proxmire
Bible	Hatfield	Ribicoff
Boggs	Hollings	Roth
Brock	Hruska	Schweiker
Brooke	Hughes	Smith
Buckley	Humphrey	Sparkman
Burdick	Inouye	Spong
Byrd, Va.	Javits	Stafford
Byrd, W. Va.	Jordan, N.C.	Stevens
Cannon	Jordan, Idaho	Stevenson
Case	Kennedy	Symington
Cook	Long	Taft
Cotton	Magnuson	Talmadge
Cranston	Mathias	Thurmond
Curtis	McClellan	Tower
Dole	McGee	Tunney
Dominick	McGovern	Weicker
Eagleton	Metcalf	Williams
Ervin	Miller	Young

NAYS—3

Cooper	Ellender	Stennis

NOT VOTING—22

Baker	Gravel	Mundt
Bayh	Griffin	Muskie
Bennett	Gurney	Pell
Chiles	Jackson	Randolph
Church	Mansfield	Saxbe
Eastland	McIntyre	Scott
Gambrell	Mondale	
Goldwater	Moss	

So Mr. McGEE's amendment (No. 757) was agreed to.

Mr. FONG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McGEE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COOPER. Mr. President, I say for the RECORD that I regret that I had to vote against the amendment which would have provided an increase in salary to our Federal employees.

I cast my vote because I believe all workers in the country should be treated the same way. That means that within the law and the guidelines established, increases by the Pay Board to industry employees, and increases regarding our Federal employees, should be such that all employees in the United States are treated in the same way.

Mr. COOPER subsequently said: Mr. President, as I said after the vote on the amendment offered by Senators McGEE and FONG. I regret, for the reasons that I shall outline, that I felt compelled to vote against the amendment.

The Congress has by law relinquished its long-time practice of establishing Federal pay raises. By law enacted by the Congress, last year, it was provided that from time to time an independent authority should establish salaries upon a basis, among others, of comparability with nongovernmental employees.

It was also provided that the President, if he thought proper, could recommend to the Congress, for its rejection or acceptance, alternatives to the decisions of the independent authority.

A raise of 5 to 6 percent was established to take effect on January 1, 1972. The President, following the authority given him by law, by the Congress a year ago, recommended to the Congress that the pay raise of January 1, 1972, be postponed until July 1, 1972. Both Houses of Congress approved the President's recommendation just a short time ago.

Now, the Senate is reversing that decision, and at a critical time.

The Pay Board is engaged in serious decisions concerning the wages and salaries of nongovernmental employees in an effort to curb inflation and to achieve a secure and stable prosperity for everyone. I do not think it best to single out one group of employees for special treatment.

I have voted many times to support our able and valued Federal employees. I have no doubt that raises will be accorded them. But, as I have said, I believe it fair to treat all employees, governmental and nongovernmental, equally at this critical time.

Mr. SCOTT subsequently said: Mr. President, on the last vote I was not 20 feet away from the Senate floor. I was in the President's Room. I was not notified by anyone that a vote was in progress. Something seems to have gone wrong with the service around here. If it happens again, I am going to ask that those who are responsible be called to account. I regret very much having missed this vote. I was never at any point more than 20 feet away from the Chamber. Not having been notified, and that room not having any bell or signal system, I missed the vote. I should like to make it very clear that if that happens again, there will be a further inquiry into this matter.

Mr. ROTH. Mr. President, the bill we are considering today empowers the President to continue his economic stabilization program for another 17 months. I think this is a wise and equitable time period for two principal reasons.

First, our business leaders have indicated that many important investment decisions have been postponed during phase I due to the uncertain impacts of actions during phase II. Confirming Presidential authority for a workable

time period will undoubtedly help resolve many of business' unanswered questions.

Second, if this important control is extended only through April 1972, we in Congress will certainly be faced with the problem of further modifications, extensions, or cancellations in the middle of a national election year. The Nation's economic well being should, I believe, take precedence over any partisan political issues.

Yet I think it safe to say that none of us here wants to see this program of wage and price controls continue 1 day longer than is absolutely necessary. America was built on the principle of freely competitive enterprise, and stringent controls should last only as long as the emergency for which they were created. I would hope conditions would permit the termination of controls long before April 1973.

If this country is going to regain a strong and healthy economy—we in Congress must emphasize with passage of this bill the need for voluntary cooperation among all Americans. The Banking Committee has attempted to win this voluntary support by stressing that:

> The control of inflation must be handled in a balanced and equitable manner. Any automatic granting of all these deferred (or retroactive) wage increases could not be undertaken without a severe strain being placed upon the price side of the program.

I must say I find it hard to understand some recent decisions by the Pay Board, particularly in light of the 5.5 percent guidelines established under phase II. Our committee, in permitting certain deferred pay increases be honored, has reported a bill which "establishes a test for pay increases consistent with the Board's standards." It was my understanding that a small variance would not ordinarily be "unreasonably inconsistent" but that a 15-percent increase would be, unless highly unusual circumstances prevailed. I believe it to be equitable that those portions of employment contracts which conform to the administration's guidelines should be honored, regardless of the date on which the new contract was destined to take effect.

Yet we in Congress must recognize that the millions of American workers not covered by employment contracts do not have recourse to this protection. This sacrifice makes it all the more imperative for us to lead in the vigorous effort to make the President's program work. The harness of economic controls will remain with us until wage earners and price setters develop the confidence that each others actions are not based on an acceptance of de facto inflation.

Our prompt passage of this bill, in its existing form, will help demonstrate our faith in Americans' willingness to accept a sometimes bitter pill as the only medicine which will revive our ailing economy.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate. The Senator from West Virginia is recognized.

Mr. BYRD of West Virginia. Mr. President, I take this time to inquire whether any Senator has an amendment which he would be willing to call up now or later this afternoon.

I see no indication of such. Therefore, I announce that there will be no more rollcall votes today. The Senate will come in at 9 o'clock in the morning. The first amendment to be called up on tomorrow will be the Harris amendment on which there will be a time limitation of 2 hours. Therefore, Senators can expect the first vote by 11 or 11:30 tomorrow morning.

Agreements have already been reached with respect to time limitations on several amendments. So, there will be several rollcall votes tomorrow.

Mr. TOWER. Mr. President, would the Senator from West Virginia be good enough to inquire whether other Senators have amendments other than those that have been assigned time?

Mr. BYRD of West Virginia. Very well. I think that is a good suggestion. I ask whether or not there are Senators who have amendments other than the following: The Senator from Oklahoma (Mr. HARRIS), the Senator from Montana (Mr. METCALF), the Senator from Wisconsin (Mr. NELSON), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Texas (Mr. BENTSEN), the Senator from Ohio (Mr. TAFT), the Senator from California (Mr. CRANSTON), and the Senator from New York (Mr. JAVITS).

Mr. SPARKMAN. Mr. President, would the Senator yield briefly for a question?

Mr. BYRD of West Virginia. I yield.

Mr. SPARKMAN. Is the Senator willing to state that he hopes we finish the bill on tomorrow?

Mr. BYRD of West Virginia. Mr. President, I would not want to assure the Senator of that. I am not sure that we even have a 50–50 chance.

May I now state for the benefit of the Senate the amendments already scheduled for action tomorrow?

Mr. SPARKMAN. Before doing that, may I ask if the Senator would be willing for the Senate to run into the night if there is a chance that we might finish the bill tomorrow?

Mr. BYRD of West Virginia. Mr. President, I think there is a very good prospect that the Senate will run into the night tomorrow in an effort to finish. In any event, there will be an ample number of amendments scheduled for action on tomorrow which will take us into the evening.

There is first the Harris amendment, with a 2-hour time limitation, the time to be equally divided.

There are four amendments by the Senator from Montana (Mr. METCALF), on the first of which is a 1-hour time limitation, the time to be equally divided, and on each of the remaining three, there is 20 minutes, the time to be equally divided.

These four amendments will be followed by an amendment offered by the Senator from Wisconsin (Mr. NELSON), on which there is a 2-hour limitation, the time to be equally divided.

Following the Nelson amendment, there is a Proxmire amendment on which there is a 1-hour limitation, the time to be equally divided.

There will next be a Bentsen amendment on which there is a 1-hour limitation, the time to be equally divided.

We hope then to get an agreement on a Taft amendment for a limitation of 2 hours.

After that, we will try to get a time limitation on a Cranston amendment of 1½ hours, the time to be equally divided.

That would take us well into the evening tomorrow, with at least one amendment to be offered by the Senator from New York (Mr. JAVITS).

Mr. PROXMIRE. Mr. President, I have three or four other amendments which I think will probably take us until Wednesday.

Mr. BYRD of West Virginia. Mr. President, I think the Senator has the answer to his question. There will be a number of rollcall votes tomorrow. There will be no more rollcall votes today.

There is every indication the Senate will complete its action on the pending bill on Wednesday.

ECONOMIC STABILIZATION ACT OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

Mr. TAFT. Mr. President, the United States has suffered a number of nationwide strikes recently with crippling economic consequences, thus presenting an overall national crisis that we are attempting to face in part of this legislation. Recently these strikes have affected the railway industry, the Nation's docks, and the coal industry.

Mr. BYRD of West Virginia. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. TAFT. Mr. President, because of their nationwide impact, they have particularly critical consequences for the American economy in these difficult times. Such strikes result not merely in economic pressure against the employer, but also lead to drastic economic consequences in other sections as well.

In particular, I invite attention to the situation on our Nation's docks. The 80-day injunction under the National Labor Relations Act dealing with the west coast strike will expire on Christmas Day. For all we can see at present, it seems extremely likely that the workers again will go off the docks on the west coast and the problems there will be aggravated. I, for one, do not look forward to coming back to a specially called session of the Congress to take on this problem. Additionally, negotiations have broken down on the Eastern and gulf coast ports and back-to-work orders varying from 10 to 80 days have been issued. Prospects for an early settlement also seems very unlikely.

Such strikes as these can no longer be considered entirely within the context of economic leverage between employers and the unions. On the contrary these strikes necessarily involve questions of the national interest which we in the Congress are obligated to consider, which affect the public very adversely.

In response to this situation a number

of bills have been introduced in the Senate this year and in preceding years.

This year, bills have been introduced by the Senator from Michigan (Mr. GRIFFIN), S. 560; the Senator from New York (Mr. JAVITS), S. 594; the Senator from New Jersey (Mr. WILLIAMS), S. 832; the Senator from Tennessee (Mr. BROCK), S. 1934; the Senator from Colorado (Mr. DOMINICK), S. 2060; and others, including one introduced by me. Earlier in the year I introduced a bill, S. 1093, which dealt with the problem of the railroad industry, principally in the area of work rules.

It is interesting to note that although extensive hearings have been held in the committee dealing with this subject, it seems very unlikely that there will be forthcoming a measure from that committee to deal with this very important problem.

It is for that reason, when I introduced my bill a few weeks ago, that I gave notice that when appropriate legislation came before the Senate to which an amendment of the type I propose to offer today relating to national emergency strikes would be germane, that I would offer the amendment.

The bills to which I have referred differ widely as to their coverage, as to their procedures, and as to their remedies. I have given considerable attention to the various alternatives which have been proposed, and today I intend to offer an amendment which is frankly an amalgamation of what I considered the best provisions in these measures.

The amendment I submit today adopts the approach of the Senator from New York (Mr. JAVITS), in that it covers all industries affecting interstate commerce. After giving this matter additional study, I concluded that my earlier approach in limiting the legislation to railroads would be in error.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. JAVITS. Mr. President, I am very flattered and very pleased that the Senator has done what he has done.

I shall look forward to studying his amendment with the greatest attention, whether or not it goes on this bill—and certainly, in my judgment, there are, very properly, compelling reasons for attaching it to this bill, as it has a very great impact upon price stabilization. The ultimate resort which enables the people to operate as a government is critical as an underlying basis for stabilization.

I might tell the Senator I thought of bringing it up myself, but I felt the subject was so great and that the interests in it were so divergent that perhaps there would be the objection that many people would desire to be heard, study the proposal, look into it, et cetera; but as to its pertinence or germaneness, I have not the remotest doubt that whatever may happen, I will tell the Senator that he is rendering a signal service to the country and to us all by raising this highly critical issue which is almost the embodiment of whether a democratic society can operate in the face of probably the gravest emergency which can affect it in peacetime.

I thank the Senator from Ohio.

Mr. TAFT. I thank the Senator from New York for his very fine remarks. I commend him for the tremendous leadership that he has shown as the ranking member of the Committee on Labor and Public Welfare in bringing this matter up for committee hearings, and the leadership that he has shown through the years in trying to bring about improvements in the way of handling national emergency strike situations.

There can be no doubt, I think, that the very strict requirements in the present law and the very narrow approach which the President and the Attorney General must follow under the present law need to be changed. They need to be broadened. We need to be far more realistic in looking at the situation. All too frequently we are dealing in an international competitive area where we are dealing with economists, whether they be democratic or totalitarian. We are dealing with an economy in which there is the integration of the action of government, of business, and of labor, all working together. Unless we are able to solve our national emergency strike situation in the international field, a field in which the Senator from New York is tremendously interested, we are going to remain at a tremendous disadvantage.

Mr. JAVITS. I thank the Senator from Ohio.

Mr. TAFT. Mr. President, the amendment which I have offered today, as I said, adopts the approach of the Senator from New York (Mr. JAVITS), in that it covers all of the industries affecting interstate commerce.

After giving the matter additional study, I concluded that railroads alone should not be covered by this proposal, but that railroads ought to be included in the overall legislation. I see no reason why emergency strike legislation should not be applicable to industries covered by the National Labor Relations Act, as well as to industries covered by the Railway Labor Act. In the context of national strikes, I see no valid reason for retaining this delineation in approach that we have had in the law in the past.

The Labor Management Relations Act is also amended by this proposed amendment to expand coverage to those situations where a labor dispute perils the health or safety of a substantial part of the Nation's territory or population. I believe this approach is crucial, as currently no mechanism is available for regional emergencies, and can frequently be just as damaging in its overall impact to our national economy as a national emergency situation.

Farmers expecting to export their farm commodities can certainly attest to the fact that they faced a regional emergency long before the Nation's dock strike caused a "national emergency." Further, the recent coal strike was considered a matter of "national" concern by high Labor Department officials, but did not adversely affect enough of the Nation to become a "national" emergency in the opinion of the administration and of the Attorney General. It certainly makes no sense to the farmers who cannot export their crops, or to the hospitals and schools in certain regions of the country that have no coal for heat, that no remedy is available because their situations do not constitute a national emergency in the sense of affecting the entire Nation directly as a result of the labor dispute.

With respect to the settlement of these strikes, the amendment which I propose to offer adopts the three alternative procedures contained in S. 560, introduced by the Senator from Michigan (Mr. GRIFFIN): First, a 30-day injunction; second, partial operation of the industry in question; and third, a final offer selection by a panel of independent arbitrators who would choose between the last offers made by the parties. To these I have added a fourth alternative, namely, an 80-day injunction provision similar to the current provision of Taft-Hartley.

In addition, I have included in this amendment what I consider to be a vitally important provision drawn from S. 1093, which I have introduced earlier. This provision relates to the question of unproductive work rules.

It may seem interesting to observe why we should submit an amendment relating to work rules at the same time we are talking about national emergency strikes. The fact is that the great preponderance of national emergency strikes have been related far more to work rules disputes than they have been related to economic disputes.

If we examine the recent national strikes to which our attention has been directed, we will discover that it was the question of work rules which was at the base of the railway strike. It was the question of work rules which also has been paramount in the crippling dock strike. In my opinion, we simply cannot expect to deal meaningfully with such national strikes unless we have some mechanism for coming to grips with the question of unproductive work rules.

American industry must be able to eliminate unproductive work rules, unless those work rules are solely related to the health and safety of employees. This is important because we must undertake a great national effort to increase the productivity of American industry. American workers are fighting for their jobs in competition with workers in Germany, Japan, and other nations. Just as American industry requires modern machinery and tools of production, American industry must also be able to free itself of unproductive work rules which put a damper on productivity and thereby threaten both profits and jobs.

At the same time American labor has a vital interest in the way in which these work rules are changed. American working men and women should not have to suffer uncertainty as to whether or not they will be replaced by a machine. When a man has worked in a job for a number of years he has a legitimate interest in retaining his employment and not being told at the age of 55 that he must suddenly go out and sweep streets for a living.

When American industry is modernized and made more efficient, America's working men and women should have a share in the increased productivity of our Nation's industries.

For that reason I believe it is imperative that we incorporate language into our emergency strike legislation using the approach that work rules remain primarily a matter for collective bargaining. However, if an employer does not wish to utilize collective bargaining to eliminate an unproductive work rule that is not directly related to the health or safety of employees, he could eliminate it from bargaining on the following conditions:

First, the employer could eliminate jobs only by attrition. This provision means that no employees could lose jobs as a result of the new work rules.

Second, this amendment provides that the nonsupervisory and nonprofessional employees would have their pay increased by an amount equal to 50 percent of the productivity gains attributable to the elimination of the work rule. This amendment also provides a mechanism for having a disinterested third party determine the cost savings through such elimination of work rules.

I believe that we are only kidding ourselves if we think that we can deal with these national strikes without coming to grips with the question of unproductive work rules. Let me emphasize that labor has as much of a stake in this as does management. Unproductive work rules require that work be spread out more widely and that the buying power generated from that work must be paid into more pockets. If a given quantum of work must support eight workers instead of six, those eight workers will not have as high a standard of living as the six otherwise would have enjoyed.

Labor does have a proper interest in seeing that employees are not eliminated and that the buying power of the remaining employees is increased. This measure would protect that interest.

Sooner or later American business and labor must recognize that they can no longer look upon each other as opponents, but that they are both sharing the fruits of our national productivity. In short, they are both drinking out of the same wellspring. This legislation attempts to establish a legal framework within which they may both fairly share the increased benefits of American productivity.

I believe that it is most pertinent that this amendment be considered as a part of the economic stabilization legislation. Section 202 of the Economic Stabilization Act relates to America's competitive position in world trade. In my judgment nothing is more important to the protection of our competitive position and the productivity of our industry than the resolution of major labor disputes. This is particularly true in light of the provisions of this amendment to curb unproductive work rules.

If we are to protect American jobs and enable American industry to recapture foreign and domestic markets we must not only revalue the dollar and curb inflation, it is equally important that we modernize our factories through the investment tax credit and modernize our work practices by striking down work rules which preclude more productive work practices. The efficiencies to be derived from more modern machinery will be lost if we tolerate unproductive work rules. Similarly, wage and price stabilization will not spur the export of American products if our avenues of commerce are choked off through crippling labor disputes.

We cannot treat our Nation's economic problems piecemeal. If we are to protect American jobs and increase the buying power of America's working men and women we must recognize that there is an interrelationship between the value of the dollar, prices, wages, and the productivity of our great industries. For that reason I believe that this amendment should be adopted and made a part of S. 2891.

Mr. President, I send this amendment to the desk, and I ask unanimous consent that it be printed in the RECORD.

AMENDMENT NO. 765

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the desk; and, without objection, will be printed in the RECORD, as requested.

The amendment is as follows:

AMENDMENT NO. 765

At the beginning of the bill, insert a new title as follows:

TITLE I—ECONOMIC STABILIZATION

On page 22, add immediately after line 19, the following new title:

TITLE II—EMERGENCY LABOR DISPUTES

SEC. 201. That this title may be cited as the "Emergency Labor Disputes Act of 1971".

SEC. 202. (a) Congress hereby finds—

(1) that the present procedures established by sections 206–10 of the Labor-Management Relations Act, 1947, and section 10 of the Railway Labor Act for dealing with labor disputes which threaten the health and safety of the American people or tend to deprive any section of the country of essential transportation services need to be amended to provide greater flexibility in preventing national or regional emergencies created by labor disputes;

(2) present procedures for resolving such labor disputes need to be amended to prevent serious disruptions in operations and services essential to the health and safety of the Nation or a substantial part of its population or territory; and

(3) additional procedures need to be made available to permit prompt action to deal with national or regional emergencies created by labor disputes is necessary to prevent imperiling the health and safety of the Nation or a substantial part of its population or territory by such disputes and to encourage and maintain free collective bargaining.

(b) It is the purpose of this Act to make available a range of flexible procedures to be utilized in taking emergency action, to prevent the interruption of operations or services essential to the health and safety of the Nation or a substantial part of its population or territory because of actual or threatened strikes or lockouts.

SEC. 203. Sections 206–209 of the Labor-Management Relations Act, 1947, are amended to read as follows:

"SEC. 206. (a) Whenever in the opinion of the President of the United States a threatened or actual strike or lockout or other labor dispute in an industry affecting commerce may, if permitted to occur or to continue, imperil the health or safety of the Nation or a substantial part of its population or territory, he may appoint a board of inquiry to inquire into the issues involved in the dispute and to make a written report to him within such time as he shall prescribe. Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its own position, and, if the President so directs at any time, there shall be included in such report or in a supplemental report the recommendations of the board of inquiry for the settlement of some or all of the issues in dispute. The President shall file a copy of such report with the Secretary of Labor and shall make its contents available to the public.

"(b) Upon receiving a report or a supplemental report from a board of inquiry, the Secretary may initiate one or more of the following actions:

(1) He may direct for a specified period not to exceed 30 days that work shall resume or continue, but otherwise no change in the conditions out of which the dispute arose shall be made except by agreement. During such period the parties to the dispute shall be under a duty to bargain collectively, but neither party shall be under a duty to accept in whole or in part any recommendations of the board of inquiry.

"(2) (A) He may issue an order for partial operation specifying the extent and condition of partial operation that must be maintained: *Provided*, That in no event, shall his order place a greater economic burden on any party than that which a total cessation of operations would impose.

"(B) The parties shall not interfere by resort to strike or lockout with the partial operation ordered by the Secretary. The Secretary's order shall be effective for a period determined by the Secretary, but not to exceed one hundred and eighty days.

"(C) The Secretary's order or any modification thereof shall be conclusive unless found arbitrary or capricious by the district court which granted the injunction pursuant to section 208 of this Act.

"(D) (i) The Secretary shall issue his order no later than thirty days from the receipt of the report from the President, unless the parties, including the Government, agree to an extension of time but such extension shall reduce pro tanto the maximum effective period of the board's order.

"(ii) On notice to the parties, the Secretary may at any time during the period of partial operation modify its order as it deems necessary to effectuate the purposes of this section.

"(E) Until the Secretary makes his determination and during any period of partial operation order by the Secretary, no change, except by agreement, shall be made in the terms and conditions of employment. If the Secretary determines that the implementation of any particular term of the existing terms and conditions of employment is inconsistent with the conditions of partial operation, he may order the suspension or modification of that term but only to the extent necessary to make it consistent with the conditions of partial operation.

"(3) (A) He may direct each party to submit to him a final offer within three days. Each party may at the same time submit one alternative final offer. The Secretary shall transmit the offers to the other parties simultaneously.

"(B) Any offer submitted by a party pursuant to this section must constitute a complete collective-bargaining agreement and resolve all the issues involved in the dispute. If a party or parties refuse to submit a final offer, the last complete contract proposal made by such party or parties shall be deemed that party's or parties' final offer.

"(C) The parties shall continue to bargain collectively for a period of five days after they receive the other parties' offers. The Secretary may act as mediator during the period of the final offer selection proceedings.

"(D) If no settlement has been reached before the end of the period prescribed in subparagraph (C) of this paragraph, the parties may within two days select a three-member panel to act as the final offer selector. If the parties are unable to agree on the composi-

tion of the panel, the President shall appoint the panel.

"(E) No person who has a pecuniary or other interest in any organization of employees or employers or employers' organizations which are involved in the dispute shall be appointed to such panel.

"(F) The provisions of sections 207(b) and 207(c) of this Act shall apply to the panel.

"(G) The panel shall conduct an informal hearing in accordance with section 207(c) of this Act insofar as practicable, except that—

"(i) the Government shall have no right to participate; and

"(ii) the thirty-day period in which the panel shall complete its hearings and reach its determination shall run from the time that the Secretary directed the parties to submit final offers.

"(H) The panel shall at no time engage in an effort to mediate or otherwise settle the dispute in any manner other than that prescribed by this section.

"(I) From the time of selection of the panel until such time as the panel makes its selection, there shall be no communication by the members of the panel with third parties concerning recommendations for settlement of the dispute.

"(J) Beginning with the direction of the Secretary to submit final offers and until the panel makes its selection, there shall be no change, except by agreement of the parties, in the terms and conditions of employment. In no instance shall such period exceed thirty days.

"(K) The panel shall not compromise or alter the final offer that it selects. Selection of a final offer shall be based on the content of the final offer and no consideration shall be given to, nor shall any evidence be received concerning, the collective bargaining in this dispute including offers of settlement not contained in the final offers.

"(L) The panel shall select the most reasonable, in its judgment, of the final offers submitted by the parties. The panel may take into account the public interest, and any other factors normally considered in the determination of wages, hours, and conditions of employment.

"(M) The final offer selected by the panel shall be deemed to represent the contract between the parties.

"(N) The determination of the panel shall be conclusive unless found arbitrary and capricious by a United States district court.

"(5) (A) He may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lockout or the continuing thereof, for a period not to exceed 80 days, and if the court finds that such threatened or actual strike or lockout—

"(i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of good for commerce; and

"(ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lockout, or the continuing thereof, and to make such other orders as may be appropriate.

"(B) In any case, the provisions of the Act of March 23, 1932, entitled 'An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes', shall not be applicable.

"(C) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon writ of certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U.S.C., title 28, sec. 1254).

"Sec. 207. (a) The board of inquiry shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

"(b) Members of the board of inquiry or panel appointed under section 206(b)(3) shall receive compensation, at the daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each working day on the board or panel, together with necessary travel and subsistence expenses.

"(c) For the purpose of any hearing or inquiry conducted by any board or panel appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U.S.C. 19, title 15, sections 49 and 50, as amended), are hereby made applicable to the powers and duties of the board and panel.

"(d) Any board or panel established under this Act shall act by majority vote.

"(e) A vacancy on any such board or panel shall not impair the right of the remaining members to exercise all of the powers of such board or panel. Such vacancy shall be filled by the same procedure as provided for initial appointment outlined in this Act.

"Sec. 208. (a) The provisions of this title and orders or determinations issued thereunder shall be enforceable upon suit by the Attorney General, through such orders as may be appropriate by any court having jurisdiction of any of the parties.

"(b) Any action brought under this section shall be heard and determined by a three-judge district court in accordance with section 2284 of title 28, United States Code. The order or orders of the court shall be subject to review by the Supreme Court in accordance with section 1253 of title 28, U.S.C.

"Sec. 209. (a) Notwithstanding any other provisions of this Act, whenever any employer proposes a change in work rules affecting employees as contained in any labor agreement, unless such work rules relate principally to the health or safety of employees, the employer may make such change effective as proposed, if (1) any cost savings realized as a result of such change affecting rules will be shared 50 per centum each by the employer implementing such a change and the nonprofessional and nonsupervisoral employees, as defined in title I of the Labor Management Relations Act of 1947, and (2) any reduction in the number of operating employees of such employer contemplated by the proposed change affecting rules will be accomplished by attrition.

"(b) Nothing in this subsection shall be construed to prevent carriers and representatives of the employees from entering into an agreement affecting work rules.

"(c) For the purposes of clause (1) of subsection (a) of this section, payments to employees shall be on a per capita basis and shall be made not later than four months following the end of each fiscal year. In the event that any employee was not employed by an employer for the entire fiscal year preceding the payment date, the payment to such employee hereunder shall be prorated to cover the period of employment.

"(d) In the even that any representative of affected employees contests the amount of cost savings as determined by the employer under clause (1), subsection (a) of this section, said representative and the employer shall mutually designate and compensate a certified public accountant, whether an individual, partnership, or corporation, which accountant shall make a determination of the cost savings, which determination shall thereupon be final and binding."

Sec. 204. Section 210 of the Labor-Management Relations Act, 1947, is repealed.

Sec. 205. Section 212 of the Labor-Management Relations Act, 1947, is amended to read as follows:

"REPEAL OF SECTION 10 OF THE RAILWAY LABOR ACT

"Sec. 212. Section 10 of the Railway Labor Act is hereby repealed: *Provided*, That such section shall continue in effect with respect to any emergency board in existence on the effective date of this Act. Disputes heretofore subject to section 10 of the Railway Labor Act shall be subject to provisions of this title."

Sec. 206. Title II of the Labor-Management Relations Act, 1947, is amended by adding at the end thereof the following new section:

"RIGHTS OF EMPLOYEES

"Sec. 213. Nothing in this title shall be construed to limit the right of any employee to resign from his position of employment."

Sec. 207. Inapplicability of the Norris-La Guardia Act.—The provisions of the Act of March 23, 1932, entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes, shall not be applicable to any judicial proceeding brought under or to enforce the provisions of this Act.

Mr. TAFT. Mr. President, I yield the floor.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PROXMIRE. Mr. President, I have a few more remarks to make this evening, but I do think the Senate would be well served if it considered the experience that other countries have had. This kind of program is new for us, but not new for other countries, particularly in incomes policies which do not require mandatory legal restraints of prices and wages, but do provide guidelines for wages and prices. A great deal of excellent work has been done by experts in this area. I think it has been badly neglected in the press. As we are going to consider an incomes program, I think we certainly should have in the record the experience other countries have had.

Earlier this year Lloyd Ulman and Robert J. Flanagan published a study financed by the Council of Economic Advisers under Mr. McCracken on incomes policies in Western Europe. The single over-riding conclusion that emerges from this study is that incomes policies have been of limited effectiveness and require a great deal of constructive evolution if they are to function smoothly.

At the introduction of their concluding chapter, the authors of this study state:

Incomes policy, to generalize from the experience of the countries studied in this account, has not been very successful. The gravity of the problem to which incomes policy is addressed and the lack of satisfactory alternative solutions have combined to give the policy a good run for its money—and may well ensure return engagements. Yet the accumulation of experience in the countries studied in this account suggest that in none of the variations so far turned up has incomes policy succeeded in its fundamental objective, as stated, of making full employment consistent with a reasonable degree of price stability.

I think the lesson we can learn from the conclusion of Ulman and Flanagan is that once started, once these programs have begun, it is very, very tempting to continue them. There are some benefits from such a program. It is hard to stop it. It is hard to get off controls.

That is another reason why we would consider limiting this program as much as possible, and not having an open-ended 17-month extension, which is provided for in the bill.

In contrast to the Ulman-Flanagan study, the OECD studies on income policies provide some very, very interesting material, and I ask unanimous consent that, at the conclusion of these remarks, the study be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROXMIRE. Mr. President, I would like to call attention to some of the conclusions, for example, with respect to Austria, and I call attention to it because I think some of the programs have been remarkably successful in combating inflation or in reducing unemployment, rarely in both. In at least one case I am going to point out there was a very, very high price to pay although both virtually full employment and price stability were achieved.

Now with respect to Austria:

In the autumn of 1951, the Federal Chamber of Trade and Industry and the Federation of Austrian Industry appealed to entrepreneurs not only to desist from price increase but, where possible, to reduce prices. At the same time, the Trades Union Federation declared itself ready to postpone wage demands for a period. The result was striking. Even without severely restrictive fiscal and monetary measures, many important prices were reduced by some 5 per cent, and there was a wage pause until the end of 1953.

. . . . . .

For the last decade or so, during which time incomes policy has been operating in something close to its present form, the annual rate of real GNP growth per head in Austria has been roughly the same as in Germany; i.e. about 4 per cent. This has been achieved, moreover, in conditions of full employment and relative price stability.

Incidentally, that is a considerably better record of economic growth than we have had in this country in the last few years.

As far as cyclical fluctuations are concerned, it is clear that, on various occasions, decisions of the Parity Commission have produced a significant smoothing of cyclical fluctuations.

With respect to Finland:

Prices are frozen at the levels existing on some particular date, as are profit margins and retailers' margins. Any customer can complain to the price inspectorate that prices have been improperly increased.

There is little doubt that Finland has been successful in restraining the increase in money wages in the last two years. The policy was introduced in a period of economic emergency that was recognized as such by the general public. This meant that there was a tremendous fund of goodwill towards the policies and a great willingness to co-operate and exercise restraint. The economy is now booming and there have been considerable improvements in real income, some 5–6 per cent per annum in 1969 and 1970 and it cannot be excluded that the fund of goodwill may now be diminishing.

Norway has also had a very interesting experience.

The merits of the Norwegian incomes policy, besides being an instrument in income distribution, lies in the fact that it has enabled the Government to keep the use of productive resources on a very high level throughout postwar years. While the average increase in prices and production costs does not differ much from developments in most other countries, unemployment has been lower than the European average, and economic growth has been rapid and steady. With persistently strong pressures on resources, uncoordinated wage and incomes policies could easily have led to larger wage and price increases.

I believe the Australian experience is one of the most interesting of all of these to which I shall refer.

For many years, the Australians managed an extraordinarily successful incomes policy—maintaining virtually full employment while enjoying one of the lowest rates of inflation in the world. The cost in this case—here is what I think the Senate should pay particular attention to—appears to have been a low rate of economic growth, low rates of increase in worker productivity, a lack of flexibility within the economy, and high costs imposed explicitly or implicitly on some sectors within the economy.

In other words, Australia has succeeded in solving what to us are the two big problems of inflation and unemployment, but in doing that, they are stagnating their economy. There has not been the kind of growth and there has not been the kind of worker productivity increase which is essential if you are to have an improvement in the standard of living.

I think this has been a most useful example, and I ask unanimous consent that the article entitled "The Australian Economy Today," written by W. A. Eltis, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE AUSTRALIAN ECONOMY TODAY

(By W. A. Eltis)

(NOTE.—The author is a Fellow of Exeter College, Oxford. Mr. Eltis has just completed a sabbatical year in the University of Western Australia. He is grateful to Professor I. Bowen, Dr. W. M. Corden, Dr. R. Johnston and Dr. A. Kerr for very helpful comments on an earlier draft of this article.)

There is at present great interest in the Australian economy. In spite of this, Australia is rarely included in the economic "league tables" which abound, so that few in Britain know even the basic facts about recent developments in that country. For instance, it is not widely known that Australia's rate of growth of productivity has been among the world's slowest. The full implications of the current scale of foreign investment in Australia have received little attention. More surprisingly, in view of the current interest in incomes policies, few are aware that Australia has achieved lower unemployment and less price inflation than Britain (and most other countries) with the help of something very like an effective incomes policy.

Most Australians take this latter achievement so much for granted that they are unaware of its uniqueness, but they have evolved a combination of policies—not falling neatly into the categories of "left" and "right"—which has produced one of the world's slowest rates of inflation and full employment over a vast geographical area, in the face of declining markets for a number of basic products. These policies will form the starting point of this article. They may appear to be irrelevant to what must be foremost in most people's minds, namely, the prospects for Australian industrial expansion and for the balance of payments, and the part that minerals will play in these. It will turn out that the peculiarly Australian policies to control inflation and employment have a pervasive influence; they are bound to affect the rate of growth, and Australia's trading position in the world. And there is a further point. An account of incomes policies that work must obviously be of immediate interest elsewhere.

CONTROL OF INFLATION

The full extent of Australia's achievement is illustrated in the table overleaf.

UNEMPLOYMENT AND INFLATION, 1969-70

[In percent]

	Annual rise in consumer prices		Average rate of unemployment 1960–69
	1960–69	1969–70	
Australia	2.3	3.3	1.5
United States	2.4	6.0	4.8
West Germany	2.4	3.9	1.0
Canada	2.7	3.6	5.1
France	3.4	5.6	1.5
United Kingdom	3.7	5.9	2.0
Italy	3.7	4.8	3.0
Sweden	3.8	8.9	1.3
Japan	5.5	8.1	1.1

Source: ILO Year Book, National Institute Economic Review and the Commonwealth of Australia's annual Labour Report

Australia heads the table so far as controlling inflation is concerned, and its unemployment is only a little higher than that in West Germany, Sweden and Japan, which have far less difficult regional problems to deal with. The countries with comparable regional problems to Australia's, the USA and Canada, have each averaged about 5 per cent unemployment, with social consequences that are only too well known.

A number of institutions have evolved over the past sixty years to control Australian incomes. The most important of these is the Commonwealth Conciliation and Arbitration Commission, which has a judge as chairman and further judges and lay members who have, up to now, included only one part-time economist. There are similarly-constituted State Arbitration Commissions and a number of wage boards and tribunals which are responsible for setting wages in particular industries and occupations. About 45 per cent of the Australian labour force is covered by legally-binding Commonwealth awards and a further 45 per cent is covered by State awards, so only about 10 per cent of the labour force is independent of the system of State and Commonwealth arbitration.

The key award is the "national wage" award which the Commonwealth Arbitration Commission makes each year, and this is an automatic wage increase that goes to all workers who are directly subject to the commission's jurisdiction. The State arbitration commissions tend to follow the Commonwealth's awards. The Arbitration Commission also sets standard hours of work and it makes a minimum wage award each year.

This system of wage fixing is now more than sixty years old (though the proportion of the labour force that is covered by it has certainly grown in that period) and a number of examples can be given to illustrate its power to control incomes.

Perhaps the strongest is the award of 1931 when, at a time of industrial anarchy in the rest of the world, the *Commonwealth Arbitration Court* (a predecessor of the Commission) *reduced* the basic wage by 10 per cent on the grounds that Australian industry did not have the capacity to pay the old and higher wage. The States followed, and a wide range of Australian money incomes was reduced by 10 per cent, thus achieving approximately the effects of a 10 per cent devaluation.

More recently, after 1953, award wages were

increased at the following percentage rates in successive years: 3.1, 2.2, 3.8, 4.9, 2.1, 2.0, 5.6, 3.6, 2.9 and 0.6, averaging only 3.1 per cent per annum from 1953 to 1963. The significance of 1953 as a starting point for this series is that until then the "basic wage" automatically rose with the cost of living index, with the result that it rose 60 percent in five years from 1948–53. Inflation was brought under control in 1953 when this link was broken.

One surely does not need to look further than this to discover why Australian prices since 1953 have increased so little compared with prices in other countries. Actual earnings have certainly increased faster than award wage rates, for there has been "wage drift" in Australia as in other countries as a result of over-award payments by particular employers, overtime and so on but, when this is allowed for, it still appears that actual earnings have increased at 4.5 to 5 percent per annum until the present world-wide acceleration of inflation. The 1970 award of 6 per cent has seemed surprisingly high to many Australians, but it is still very low in relation to what is happening in the rest of the world.

The question that this raises is why Australian workers apparently accept a system which gives them much smaller increases in money earnings than those that are received by workers in other countries. This is a large question, and there are a number of factors in the answer.

Strikes

In the first place, Australian workers do not entirely acquiesce in these small increases. Days lost per worker per year through strikes in mining, manufacturing, construction and transport in Australia, the UK and the USA have been as follows:

TIME LOST THROUGH STRIKES

[Days lost per worker per year]

	1930–39	1946–54	1955–60	1961–69
Australia	0.62	1.03	0.47	0.41
United Kingdom	.33	.15	.33	.27
United States	.94	1.38	1.32	1.00

Source: A table published by O. W. Oxnam, and the Employment and Productivity Gazette.

This suggests that time lost through strikes has been rather greater in Australia than in the United Kingdom (at least until 1969—it will be rather surprising if the United Kingdom did not overtake Australia in 1970), but not nearly as great as in the USA. Moreover, it turns out that over two-thirds of Australian strikes are settled by the workers returning to work at the former wage. In other words, where strikes are about wages, workers generally come out for a few days to express their general discontent and return to work after a token stoppage. Thus, it appears that they may demonstrate that they find awards inadequate, but they do not push their protests to the point where the economy is critically disrupted. By limiting such action, Australian trade unions (whose principal function appears to be the statement of their members' cases before the relevant arbitration commission or board) effectively acquiesce in the system of compulsory arbitration. That they should do so must be puzzling to people elsewhere, for it is not difficult to imagine what the reactions to an award of 0.6 per cent (let alone *minus* 10 per cent) would be in some countries.

MINIMUM WAGE

There are several explanations for this acquiescence of the workers. In the first place, they are perhaps as much concerned with relative wages between different groups as with the absolute level of wages as a whole. With a system of nationwide arbitration, relativities are automatically taken into account in every award to every group of workers. Inequality always has to be justified. There may be no justifiable inequality at all if one argues at a high philosophical level but, at a mundane level, less inequality can be justified to lawyers than the price mechanism will produce if it is left to itself. This has meant that Australia has achieved a more egalitarian distribution of *earned* incomes than many other countries.

The minimum wage (formerly the "basic wage") is supposed to provide for "the normal needs of an average employee regarded as a human being living in a civilized community", and this automatically eliminates the low wages for "sweated labour" in certain occupations that exist in other countries. The minimum wage provides a basic standard of living for those capable of working, but *The Institute of Applied Economic and Social Research* at Melbourne has recently estimated that about 7 per cent of "income units" in Melbourne might nevertheless live in poverty, principally because of the inadequacy of pensions and of state help for the sick and widows with families to support. The Institute estimated that over 30 per cent of fatherless families lived in poverty. However, those at work are all at or above the Commonwealth's minimum, and the arbitration system makes it harder than in other countries to obtain earned incomes which are much above the average. There is, naturally, no control over the incomes of managers, consultants, entertainers and so on; and there is no control over income from property (where there is no capital gains taxation, and a maximum marginal rate of income tax of 68.4 per cent). Nevertheless, the degree of control over incomes is still very great in comparison with other countries and this (together with the steep progression of the income tax schedule until the maximum rate is reached) has produced rather smaller income differences within the labour force than are generally to be found. Australians claim to be egalitarian, and their arbitration system is one means by which a more equal distribution of earned incomes is achieved.

A further explanation of the acquiescence of the workers in the arbitration system is that its success in moderating cost inflation has enabled the government to maintain a rather higher level of demand in relation to productive capacity than is possible, for example, in the United Kingdom. A consequence of this is that workers can work very long hours if they wish to. Individual incomes are thus much more within a worker's direct control. The majority work little more than the standard forty-hour week, but about 145,000 workers "moonlight" by taking a second job, and there are others who work sixty to seventy hours a week in a single job to obtain the income that they wish for. This is a safety valve, and it means that a frustrated desire for more consumer durables than a worker can afford on the income from an ordinary working week is more likely to result in individuals working a seventy-hour week than in militant union action. Obviously, if markets were as tight in Australia as they have been in Britain in recent years, these conditions would not prevail, for workers could not get second jobs, overtime would be rationed if it could be obtained at all, and a worker's principal method of obtaining more money would be through militant union action, as in Britain.

These are some of the reasons for the surprisingly quiet reactions of Australian workers to money wage awards which are so small by overseas standards. The workers' general acceptance of the system means that Australia has, what amounts to, an effective incomes policy. It is not an incomes policy as this is normally understood, for the government plays no part in it except for the appointment of suitable commissioners. The trade unions and the employers do not sit together to negotiate nation-wide increases, as in Sweden. Instead, movements in the general level of money wages are placed under the control of legally-trained commissioners who hear evidence and make recommendations without the direct employment of economists.

The failure to employ economists has naturally aroused controversy, but the head of the economics department at Adelaide, Professor E A Russell, has suggested one reason why this may be wise. A number of economists in Australia, as elsewhere, have pointed out that money wages *should* increase at the same rate as productivity. Professor E. A. Russell argued that this is appropriate only in an economy which has no trading relationships with the rest of the world, and if the Commission were unwise enough to act on the advice that wages should increase at the same rate as productivity "... the cumulative consequences for income distribution would become intolerable, and the effect on the balance of payments inappropriate."[1] Professor Russell suggests that the lawyer-dominated Commission's performance in the post-war period has been "quite impressive."

If the exclusion of professional economists from the Arbitration Commission is arguably right, the exclusion of the government from any control over the rate of increase of money wages (and its similar exclusion from the bodies which determine relative wages) looks extremely odd in the general political climate of the second half of the twentieth century but, here again, it may be that Australia has got this right. In a sense, Australia has implemented Ricardo's proposals of 1824 to control the value of the currency. Ricardo argued that the note issue should on no account be left in the hands of governments, who would inevitably be tempted to inflate under financial and political pressures, or in the hands of bank directors, who would inflate out of self-interest. Indeed, it should be placed in the hands of independent commissioners appointed for fixed terms, who alone could be relied upon to maintain the value of the currency. If Sir John Hicks's view that we have moved over to a "wages standard" is accepted, and it generally is, then Australia's *Commonwealth Conciliation and Arbitration Commission* is the precise equivalent of Ricardo's commissioners who are guardians of the value of the currency. They fix the wage, which is what determines prices in the twentieth century, and they are appointed in exactly the way that Ricardo contemplated. He, at any rate, would not be surprised that Australia's rate of inflation is one of the world's slowest.

PRICES AND MARKETING BOARDS

But Australia has not merely achieved one of the world's slowest rates of inflation. It has also maintained near to full employment in the face of fluctuating world prices for its basic export products and a degree of regional disparity which makes it unlikely that the whole Australian economy can be prosperous at the same time.

About 70 per cent of Australia's exports still consist of primary products, and something like one-half of primary production is exported, so rural producers face particular problems. When primary product prices fall on world markets, domestic producers can be expected to experience economic distress, as they will be squeezed between falling prices and rising domestic costs of labour, farm machinery, raw materials and so on. Conversely, primary producers will be exceptionally prosperous where world prices rise relatively to domestic prices.

This means that part of the Australian community will enjoy alternating periods of bonanza and distress if the incomes of primary producers are allowed to bear the full pressures of the price mechanism. This would run against any attempt to influence the distribution of incomes, and it would make it very difficult to maintain general full employment. High priority is attached to the maintenance of full employment, and Australia apparently considers it intolerable that market vicissitudes should create distressed areas of the kind that are to be found in certain parts of the USA, and now in Britain as a result of the decline of the coal industry. Hence, policies have had to be devised which will keep the adverse internal effects of world market forces within bounds.

[1] "Wages Policy in Australia", *Australian Economic Papers*, June–December 1965.

The universal use of marketing boards is the principal device to reduce the degree of fluctuation of primary producer incomes. Farmers are obliged to sell most products through Commonwealth or State statutory marketing boards, and these sell the bulk of Australia's primary production. They aim to exploit such international market power as Australia has through the size of its output, and they sell at home at prices which are more stable than export prices. Hence, the incomes of primary producers fluctuate less than they would if overseas prices were allowed to dictate home prices. Naturally, considerable fluctuation is still inevitable, in spite of the marketing boards, for it is difficult to control price and quantity at the same time. From 1959 to 1969, farm incomes increased 27 per cent (or 2.4 per cent per annum), but the year to year fluctuations (plus or minus) averaged 21 per cent.

It should not be assumed that the marketing boards always sell at higher prices in the protected home market. From 1948 to 1953, when world prices were high, Australians bought wheat at less than the world price, though they have paid more than the world price since 1954, and the position with dairy products (where New Zealand produce is excluded from the Australian market) is similar. The various marketing boards are expected to break even over a period of years, or to limit their losses to specific sums, but the adverse terms of trade for primary producers in the past fifteen years have made this difficult. With persistently unsatisfactory export prices which show no signs of improving, the alternatives have been lower prices to producers, higher domestic prices of food, or increasing support for farming from the Australian taxpayer in the form of Commonwealth subsidies to the marketing boards. The cost of support has been divided between the taxpayer and the consumer. Direct Commonwealth support has now risen to an estimated $A290 millions in 1970–71, or about 1 per cent of the gross national product. The cost to the community is, however, much more than this, for Australian food prices are higher than world prices, so consumers pay what is, in effect, a further tax that is then passed on to primary producers. There is an additional cost to the consumer, because compulsory marketing through boards must obviously reduce the freshness and quality of certain foodstuffs by the time they reach the shops.

The price support policy will also have obvious adverse effects on the allocation of productive resources where it leads to domestic prices which average more than the world price over a period of years. Producers will then have incentives to supply food which costs more to grow than the world price at which it will be sold, which must lead to an over-supply of primary produce. The latter can be corrected only by quota and licensing systems for producers, and these proliferate but this may be a small price to pay for the simultaneous achievement of full employment and one of the world's slowest rates of inflation.

TARIFF LEVELS

The policy of protecting employment and stabilizing incomes is by no means confined to agriculture. Australian goldminers receive $A8 an ounce more than the world price from their government, and a further manifestation of the policy of *producer* protection is the extraordinary level of Australian tariffs. The *Commonwealth Tariff Board* has estimated that the average level of *effective* protection to Australian secondary industry is 46 per cent. Motor vehicles and parts are protected at 68 per cent, clothing at an average rate of 74 per cent, metal manufacturers at an average rate of 80 per cent, furniture at 55 per cent and machinery at 50 per cent.[2] The Tariff Board estimated that effective protection may amount to $A2 700 millions per annum, so it dwarfs the cost of support for primary industry. The board itself (which is, in certain respects, critical of the approach to tariff policy of the Ministry of Trade and Industry) has expressed its disquiet at the very high level of Australian tariffs in its report of 1969–70. For instance:

"Some of the duties imposed between 1929 and 1932 have been reduced. But sectors of the tariff have not been reviewed, and the industries concerned still have today essentially the same tariffs as those imposed for emergency reasons in the early 1930s. (para. 39.)

"When it is administered against a background of protective duties which are out of date, either in terms of tariff policy or because of developments in the complexity and international competitiveness of Australian industry, there are serious off-sets to the advantages which the system provides. (para. 61.)"

There are, of course, two lines of defence for the current level of Australian tariffs. First, they specifically protect the employment of workers in manufacturing industry, and this appears to have been why they were increased to present levels in the 1930s. Second, they have the function of protecting small-scale industry in a world where Australia's industrial competitors include Japan. If Australia is to remain an industrial producer as well as a supplier of food and raw materials to the world (with all the risks that this entails from fluctuating world prices), industry clearly needs heavy tariff protection, for the Australian labour force of about 4 millions is scarcely sufficient for the exploitation of much in the way of economies of large-scale production. Critics of the present tariff structure maintain that over-all industrial efficiency is reduced by the *indiscriminate* protection of secondary industry. If protection could be withdrawn from relatively inefficient industries, extra resources would become available to the efficient, which would allow Australia's scale handicap to be partially overcome, for it could have a few firms of international size by concentrating on a limited range of industrial products. The Tariff Board could decide which industries were relatively efficient. This line of policy would obviously produce unemployment and bankruptcies in any transitional period, and this means that the Ministry of Trade and Industry is likely to continue to resist it. Australia has fairly consistently adopted policies which give priority to the protection of employment over the achievement of increased efficiency.

OUTPUT AND PRODUCTIVITY

It will be clear that Australia's simultaneous achievement of low unemployment and inflation by international standards is no accident. However, as the various policies have been adopted to achieve these ends are, in narrow technological ways, inefficient, it should come as no surprise that Australia's rate of growth of labour productivity is one of the world's slowest. This is illustrated in the following table.

[2] *Effective* protection is the rate of protection on the "value added" by an industry, which will come out higher than the rate on its gross sales revenue.

RATES OF GROWTH, 1953–68

[In percent]

	Output	Average per year employment	Productivity
Japan	10.6	1.8	8.6
Italy	5.6	−.2	5.8
West Germany	5.7	.9	4.8
France	5.2	1.2	4.0
United States	3.8	1.4	2.4
United Kingdom	2.7	.4	2.3
Canada	4.6	2.6	2.0
Australia	4.5	2.5	2.0
New Zealand	3.9	2.0	1.9

Source: U.N. Monthly Bulletin of Statistics for growth in output, and ILO Year Book for growth in employment.

It is surely significant that Australia ranks with the countries where productivity advances comparatively slowly, in spite of the very great advantages that it enjoys. None of the customary arguments that are put forward to explain Britain's comparatively slow rate of growth apply to Australia. It is often said that Britain's share of investment is too low. Australia's share of gross investment in the gross national product is 27 per cent. It is often said that Britain's slow rate of growth is partly due to periodic balance-of-payments difficulties which oblige British governments to pursue a stop-go policy, thus depriving industry of the opportunity to plan ahead. The Australian government has been able to maintain a high level of demand in relation to capacity, apart from 1960–62. It has been argued that Britain's comparatively slow rate of growth of productivity is due to the slow rate of growth of the labour force available to manufacturing industry. The Australian labour force has increased at 2.5 per cent per annum, and employment in manufacturing has increased almost as quickly as this. There must, therefore, be other explanations, and the earlier argument of this article suggests several.

Australia has suffered from severe shortages of several kinds of skilled labour, and this is what is to be expected from the method of wage fixing that has been described. It will be a coincidence if the "just" differentials for skill that are fixed by the Industrial Commission equal those that equate supply and demand. The general scarcity of skilled labour suggests that the commission may have fairly persistently set differentials for skill which are lower than the differentials the market would produce, with the result that skilled labour is scarce and misallocated. This must obviously have adverse effects on over-all efficiency.[3] Again, the protection of employment in regions where productivity advances comparatively slowly must reduce Australia's average rate of growth of productivity. This will also be reduced where inefficient rural producers receive quotas which allow them to sell at high prices, while efficient producers cannot expand because they cannot get larger quotas. Productivity will suffer similarly from high tariff protection which relieves manufacturing industry of the need to be efficient.

[3] The general shortage of those with skills may also be partly due to Australia's low rate of public expenditure on education: 3.9 per cent of GNP in 1968–9, against Britain's 5.9 per cent. A rather higher proportion of the Australian population is under 22 (41 per cent against Britain's 33 per cent) so the 3.9 per cent of GNP must educate a higher proportion of the population than Britain's 5.9 per cent. As a result of this, Australians start school later than in Britain, and staff-student ratios are less favourable throughout the educational system.

Australia has chosen security of employment, and the reverse side of that coin says "the inefficient shall not make losses".

There is, of course, much more to it than that. The Vernon committee [4] took the view that the high rate of immigration might be unfavourable to productivity because this means that a high proportion of capital investment is needed to provide housing and capital equipment for immigrants. The immense geographical size of Australia means that the cost of an adequate transport system and of other overheads (such as the cost of seven governments with seven separate bureaucracies) is a great burden for an economy with only four million workers. When this is taken into account, the 27 per cent share of gross investment in the gross national product may be less than is needed. Finally, Australia may still be in a period of transition from a basically agricultural to a basically industrial economy. Once this transition is completed, industry may be able to survive with much less protection, and then the inefficient firms will go. This is certainly a possibility. It must also be remembered that growth is an index of the rate of improvement. As the Vernon committee has pointed out, to give prizes to those with the fastest rates of growth is like giving school prizes to the children who are improving fastest, instead of to those at the top of the class. The USA, Canada and Australia do not take low places in the international league table which shows income per head.

THE MINERAL DISCOVERIES

What has emerged so far is an account of an economy with substantial achievements in the control of employment and inflation, and a rather mediocre growth performance, and everything that has been said would apply equally if there were no minerals in Australia. The immense mineral discoveries of the past three years will obviously produce results that have no parallel in the past. Their scale is not generally appreciated. In all likelihood, only a small fraction of the mineral wealth of the continent has been found—a geographer, M. J. Webb, has remarked that the mineral map of Australia looks like the road map of Australia. At first sight, it would appear that these discoveries must produce immense wealth which will gradually allow Australia to move into a position where minerals pay for a high proportion of imports. The *Australian Economic Review* lists the export contracts for Australian minerals as these are announced, quarter by quarter, and from 1 January 1969 to 30 June 1970 they totalled about $A14 000 millions, and this took no account of Poseidon, or the new prospects for uranium. Contracted delivery dates stretch forward to 1997, while options and extensions entitle customers to further purchases up to 2041. Minerals paid for 22 percent of Australia's imports in 1968–69 and they are expected to pay for 36 per cent in 1970–71. This may be only the beginning. As mineral exports rise further, the Australian dollar may well become a very strong currency, with the result that Australians will be able to buy cheaply from the rest of the world, provided that tariffs are reduced, provided, that is, that Australia is prepared to *gain* from trade. This prospect for the Australian dollar is reinforced by the success of policies to limit domestic inflation. If these are as successful in the future as they have been in the past, Australian prices can be expected to fall relatively to those of other countries, with favourable foreign trade effects.

CAPITAL INFLOW

It would be good if things were as simple as this, but they are not. The table opposite shows the effect of the vast capital inflows into Australia. These are partly associated with the mineral discoveries, but they have a much longer history than that.

It is evident that overseas investment in Australia is now taking place on a massive scale. The total net capital inflow shown for the five years 1965–1970 is $A4 664 millions, the annual rate averaging something like 4 percent of Australia's gross national product. This foreign-owned capital earns a return for those who own it, shown in the third row of the table. The cost to Australia of meeting the interest, dividends, undistributed profits, etc., that are earned by foreign-owned capital rose from $A432 millions in 1965 to $A861 millions in 1970, and this is to be expected. If an extra $A4 000 millions is invested in Australia by foreign-owned firms and others, and this then earns 8 per cent, net of Australian taxes, investors will receive a further $A320 millions a year, approximately the amount by which the cost of servicing foreign capital has risen when the effect of inflation is also allowed for. If foreign investment in Australia continues at a rate of about $A900 millions a year, the cost to the current account of servicing this investment (with 3 per cent inflation) is likely to rise by something like $A100 millions each year.

OVERSEAS INVESTMENT IN AUSTRALIA

[In millions of Australian dollars]

	1965–66	1966–67	1967–68	1968–69	1969–70
Net apparent capital inflow	941	527	1,202	1,154	840
Undistributed profits of foreign-owned companies in Australia	125	115	227	284	370
Net property income paid by Australia to owners of foreign capital	432	465	601	713	861
Current account of balance of payments	−884	−651	−1,123	−1,006	−803

Source: "Balance of Payments," Commonwealth Bureau of Census and Statistics, Canberra.

Australia's current balance-of-payments account was in substantial deficit in 1965–70, largely as a result of the interest and dividends that have had to be paid on earlier foreign investment. These deficits have not reduced Australia's reserves because they have been financed by further borrowing. It is as if foreign firms agreed to pay the interest and dividends on Australia's existing foreign-owned capital by buying a further $A900 millions of Australia each year. As this continues, the cost of interest and dividends on foreign-owned capital will inevitably continue to rise, with the result that the amount which will need to be borrowed to avoid immediate balance-of-payments difficulties will continually grow. The Vernon committee was fully aware of the problem in 1965:

"We can think of no better way of describing this situation than to say that, once an economy has a substantial body of overseas investment, it is in a sense 'on the tiger's back' unless the trade balance is improving sufficiently to meet the additional income payable overseas. The continuation of capital inflow becomes seemingly more and more desirable as a means of offsetting the increasing payments on the latter account. As the annual amounts become larger, the immediate consequences for the economy of an interruption of the capital inflow, either contrived, or occurring by reason of external circumstances, become more and more serious. (Vol. 1, pp. 283–4.)"

[4] *Report of the Committee of Economic Enquiry* (Vernon Report) May 1965.

The Vernon committee estimated that about $A300 millions a year (in 1959–60 prices) over and above the reinvestment of undistributed profits by foreign-owned companies was about the maximum sustainable rate of capital inflow *in the absence of net favourable effects on exports*. The rate of capital inflow in 1967–9 much exceeded this, but the rate in 1969–70 is quite close to the Vernon committee's upper limit and, indeed, the situation will in any case be viable if the extra exports that result from this investment prove to be sufficient. The exports of minerals that will follow from this investment are likely to be vast. It is very likely that all will be well, but it is very much to be hoped that the Australian authorities have undertaken a thorough study of the situation, to ensure that the capital inflow that they are encouraging will produce sufficient extra exports to service it.

And there is a further problem. The Vernon committee estimated that if the net rate of capital inflow was $A300 millions per annum in excess of undistributed profits, overseas ownership of Australian companies would reach nearly one-half by 1975. As the net rate of capital inflow has exceeded $A300 millions, it is to be expected that foreign ownership of Australian companies will go beyond this level. Clearly, even if this large capital inflow increases exports sufficiently to finance the growing interest and dividend streams paid overseas, Australians face the further problem of who will own their country in 1997, let alone 2041.

Many Australians do not see the problem in these narrow terms. They see a continent with immense potential for development, and they are aware that 13 million people cannot exploit this on their own.

Mr. PROXMIRE. I think also the Canadian experience is of considerable interest and relevance. The fact is that Canada is probably more similiar to the United States than any of these other economies. It is different in many respects; it is a far smaller country in population and industry, and in production. But of course it is a neighboring country, which has many of the same wage and price problems that we have, and it is a sister country; and I think we can learn something from its incomes policy.

In Canada, some of the basic conditions are fairly similar to those in the United States—a large country with great regional diversities, governmental power divided between national and more local authority, and a decentralized labor market. With respect to the question of incomes policy, Canada is also akin to the United States in that it has had to struggle with the same paradox: inflation combined with recession—both at times more intensive than in the United States—and strong union pressure for substantial wage increases in the face of a relatively high rate of unemployment. A difference lies in the fact that Canada hesitated to try an incomes policy until this paradoxical situation had fully developed, whereas the United States first tried its policy at a time—1962—when there was little unemployment and the pressure for higher wages was nevertheless milder.

I ask unanimous consent to have printed in the RECORD a monograph written by Eric Schiff for the American Enterprises Institute entitled "Incomes Policies Abroad."

There being no objection, the monograph was ordered to be printed in the RECORD, as follows:

INCOMES POLICIES ABROAD

(By Eric Schiff)

INTRODUCTION

In the last few decades, many Western countries have attempted to affect the development of near-term money incomes or prices through *guidelines* designed to influence the behavior of those making the decisions on wages, non-wage incomes, or prices. Normally, these guidelines (or guideposts) are intended to be weapons in the fight against inflationary pressures. By announcing the guidelines, the government—or some government-appointed body of experts—tells the decision makers what, in its view, are the maximum rates of increase in money incomes or prices consistent with a noninflationary development of the economy.

This approach, commonly known as "incomes policy" in Europe, has given rise to lively controversies here and abroad, and these controversies are by no means settled. In fact, in the United States, "incomes policy" may well remain a live issue for quite some time. Since this is a field where one country can learn from the experience of others, it seems useful to report on how foreign countries have fared with this type of policy.

Four foreign countries have been selected for a brief review here: the United Kingdom, the Netherlands, Sweden, and Canada. Needless to say, there is one big fact that sets the United States off from all four and limits the comparability of their economies with that of the U.S.: none of the four is in the fifth year of a war that, at its peak, devoured $30 billion (3.5 percent of gross national product) per year. Even so, there is enough in the recent economic history of these countries, and specifically in their experiences with incomes policy, that is relevant to the search of the United States for means of combating inflation.

The history of incomes policy in the United Kingdom and in the Netherlands goes back to the years immediately after World War II. In the British case, the story is very largely one of ever-recurrent, and sometimes rather suddenly recurrent, balance-of-payments difficulties. Herein lies a certain similarity with this country. While the United States' balance-of-payments problem is not, of course, a life-and-death matter to the same degree as is the British, the two problems have one important thing in common: both the United States and Great Britain are administering key currencies.

In the case of the Netherlands, the story is strongly colored by the high esteem that long-term economic planning has enjoyed there since 1945. Of all the free economies in the West, the Dutch economy has probably been the object of more intensive and more comprehensive long-term "planning ahead" than any of the others. For the rest, the Netherlands is a small country with a fairly centralized government, a population more homogeneous than the population of North America and a labor market more centralized than North America's.

Sweden stands apart from the three others—and, in a sense, it may be asked whether it has a rightful place in this survey. Sweden has an incomes policy of sorts but, to include it here, one must stretch the meaning of the concept a little beyond what is usually meant. While for a brief time there have been some governmental guidelines in Sweden, the job of conducting wage negotiations in the spirit usually aimed at by a governmental incomes policy has been entrusted, as it were, to the negotiating parties themselves. The system is under mounting strain at present, but so far it has not been formally abandoned. The fact that it could be tried at all, is connected with the socio-psychological conditions in which the Swedish economy is operating: a population even more homogeneous and a labor market even more centralized than is the case in the Netherlands. So the Swedish experiment with incomes policy has an interest of its own.

In Canada, some of the basic conditions are fairly similar to those in the United States—a large country with great regional diversities, governmental power divided between national and more local authority, and a decentralized labor market. With respect to the question of incomes policy, Canada is also akin to the United States in that it has had to struggle with the same paradox: inflation combined with recession (both at times more intensive than in the United States), and strong union pressure for substantial wage increases in the face of a relatively high rate of unemployment. A difference lies in the fact that Canada hesitated to try an incomes policy until this paradoxical situation had fully developed, whereas the United States first tried its policy at a time (1962) when there was little unemployment and the pressure for higher wages was nevertheless milder.

No attempt at any penetrating analytical research has been made in this report. The presentation is, by and large, purely factual and descriptive. Essentially, it proceeds along historical and chronological lines, with a few generalizations and some figures rounding out the discussion.

UNITED KINGDOM

I

Attempts by British governments to influence the development of incomes and prices by "incomes policy" of some type or other started shortly after the Labor government took power in 1945. In various forms, and with minor interruptions, the attempts have continued until today. During all this time, the aim was to check the rise in the general price level. However, and in this respect the British story differs from that of some other countries that have tried incomes policy, the primary motive was not concern about the distortions, inequities, and wastes that inflation produces in the domestic economy. Rather, it was concern about Britain's international economic position—the balance-of-payments difficulties that for a long time were recurring at short intervals.[1] Nearly every time the government decided to try some new approach in its incomes policy, the decision was prompted by some new threat to the balance of payments.

Up to 1964, British incomes policy tried to curb price inflation predominantly by braking the rise in wages. This approach rested on the assumption that the inflationary tendencies that had plagued the British economy since World War II were caused, at least in part, by an upward pressure on wages not fully explained by the demand-supply situation. If a rise in prices (and wages) is entirely "demand-pull," incomes policy cannot help to stop it or to slow it down. The question of how to interpret the persistent inflationary trend was long debated in Britain, and it took some time before the conviction that a "cost-push" factor was involved became definitely accepted.

For quite some time, the British government was reluctant to announce its opinions and recommendations regarding permissible wage increasea in the form of percentage figures. When (in 1962) it decided to take this step, it was necessary to decide also what magnitude was suitable as a criterion. Productivity of labor in the economy as a whole suggested itself as the basic yardstick—in accordance with the fundamental thesis that wage increases that were in step with the rise in labor productivity would not, or at least need not, be passed on in higher prices, whereas wage increases that outran productivity would be bound to have an inflationary effect. Directly or implicitly, this insight lies at the bottom of incomes policy wherever such a policy has been tried. As a matter of principle, it has been acknowledged repeatedly by leading spokesmen of the labor movement.[2] But everywhere, and in Britain perhaps more than elsewhere, it was found difficult to carry an incomes policy based on this insight to practical success.

In a mixed economy, cooperation of both employers and employees with the government's incomes policy is the prime prerequisite if this policy is to have *some* measure of success. With respect to wage guidelines, which usually set maxima or "maximum averages" for wage increases, it is naturally more difficult to obtain cooperation from the trade unions than from the employer associations. The willingess of unions to keep governmental guidelines in mind when bargaining about wage contracts appears to depend in some measure on the political complexion of the government in power. Nowhere has this been more evident than in the United Kingdom. For all the middle-class support the Labor party was able to gain in the course of the decades, the intimate connection of its early growth with the trade union movement is still having its effects. In fact, in matters of incomes policy, the difference in the attitude of union leadership under the two postwar Labor governments (1945–51 and 1964–70), as compared with its attitude when the Conservatives were in power (1951–64), is quite striking.

At the same time, the British story shows with particular clarity that even when the union leadership is willing to cooperate, much depends on whether the rank and file is willing, or can be induced, to go along. Here the organizational structure of a nation's trade union movement is a factor. In Britain, as in the United States, unionism is far less centralized than it is, say, in the Netherlands or in Sweden. The authority of the Trades Union Congress (TUC) over its affiliated unions rests on "moral suasion" rather than on any constitutional rule. This has repeatedly been an obstacle to the implementation of incomes policy.

In the opinion of some observers, certain special features of the British institutional setup tend to make it an even less suitable framework for national incomes policy than the American setup. Wage negotiations are usually conducted for branches of industry. But only on the employer side are the negotiating associations organized along branch-of-industry lines. On the employee side the organization is along occupation lines, with the result that in the conclusion of a wage contract that is to cover all employees in a given branch, several unions must usually participate. This often makes it more difficult to reach a settlement.[3]

II

Soon after the Labor government came into power in 1945, it declared that government interference in the traditional process of determining wage incomes by free negotiation was undesirable as a matter of principle. But the desire to do something about steadily rising prices prompted the government, in 1948, to issue a policy statement that contained some guidelines—in general, nonquantitative terms—as to the conditions un-

Footnotes at end of article.

der which, and the extent to which, wage increases would be in the national interest. The Trades Union Congress was basically in agreement with these principles, and for two years they were observed "with a remarkable fidelity."[4] The result was a voluntary wage freeze for two years—which was actually what the government had been attempting to bring about. The employer organizations cooperated by agreeing to freeze dividend disbursements temporarily at existing levels. In 1950, with living costs steadily rising, discontent began to build up among the rank and file union membership. Wage restraint broke down at various local levels and, under the impact of mounting pressure from below, in September 1950 the TUC formally decided not to support it any longer. So the first British experiment with guidelines was not without initial success, but the success was short-lived.

What happened in the first few years after the Conservatives returned to office in 1951 could almost be called a retreat from the whole idea of incomes policy. A Council on Prices, Productivity and Incomes was set up in 1957,[5] but its assigned task was confined to reviewing economic developments of the recent past (including changes in productivity, wages, salaries, profits, and prices) and to reporting its findings from time to time. The inflation theory of the council, as expressed in its first three reports, gave it little incentive to set any clear and fixed targets for prospective wage or price changes. These reports showed that the council was holding inflation to be essentially a demand-pull phenomenon. Only in its final report (1961) did the council emphasize that some "cost push" was also operating and that some positive incomes policy was therefore advisable.

The reports of the Council on Prices, Productivity and Incomes had very little effect on wage negotiations going on at the time. In part, this may have been caused by the fact that neither of the two sides of the labor market had any representative on the council. The government organized the council as a three-man body of impartial experts. Moreover the trade unions bitterly resented a remark in the council's first report (1958) to the effect that "in our opinion it is impossible that a free and flexible economic system can work efficiently without a perceptible (though emphatically not catastrophic) margin of unemployment."[6]

Under the pressure of a new balance-of-payments crisis in 1961, efforts to achieve restraint in income increases were resumed. The government first tried an unusual experiment in moral suasion. It ordered a complete "pay pause" (no raise in wages or salaries) in the civil service for several months. The measure did not have the desired effect. It irritated employees in the public sector without producing the hoped-for morale impact on the private sector. The Trades Union Congress rejected the government's appeal to follow its example in restraining pay raises, but it cooperated in the establishment of a National Economic Development Council (NEDC). This council, which was to prepare the ground for some long-term planning and forecasting, included representatives from trade unions as well as employer organizations. The door seemed to be open for tripartite discussions and (possibly) agreements on policy decisions on the basis of the council's findings. This encouraged the government to make a new start in incomes policy.

III

In Britain, as in the United States, the year 1962 was a milestone in the government's efforts to influence the growth of money incomes. In Britain, it marked the beginning of an incomes policy with long-term aims—to be enunciated periodically in a statement setting a numerical ceiling for the desirable average growth rate of wage and salary incomes in the near future, and specifying the criteria that wage settlements exceeding the ceiling would have to meet to be acceptable. In a White Paper, "Incomes Policy: The Next Step" (1962), the government proposed a target of 2 to 2½ percent for annual increases in wages and salaries. This target was based on the long-term trend in labor productivity. Bigger increases were to be regarded as justifiable only in two cases: (1) when the employee agreed to make a special contribution to productivity by accepting more exacting work or more onerous conditions, or by renouncing restrictive practices, and (2) when it was "plainly necessary" to build up manpower in one industry relative to others.[7]

It is interesting that increases in the cost of living were explicitly rejected as justifications for pay raises above the 2½ percent ceiling. The exclusion was obviously designed to prevent the onset of an upward price-wage spiral. But in a country as dependent on imports as Britain, where many living costs often may rise independently of the internal wage level, strict rejection of cost-of-living increases as justification for pay rises exceeding the low long-term norm presupposed a good deal of willingness on the part of consumers to accept "austerity." Also rejected were arguments for special wage increases based on profit increases in a particular industry, or on shortages of labor (except for the above-mentioned case of "plainly necessary" shifts of manpower from one industry to another). The rejection of "labor shortages" as an argument for pay raises above a norm based on long-term productivity is interesting, too. It implied that the government felt strong enough to defy the verdict of the market even under extreme conditions. The history of British incomes policy during the mid-1960s, and even more of Dutch incomes policy, shows that in really extreme situations the forces of the market are stronger than government efforts to control them.

A special body, the five-man National Incomes Commission, was set up to watch over the observance of the guidelines proposed by the government. However, as in the case of the former Council on Prices, Productivity and Incomes, the commission included no representatives of either employers or employees, and its terms of reference were narrow. It was designed to analyze past experience and to publish reports, but had no right to invalidate past agreements or to enforce observance of the government's norms in concluding new contracts. Because of these facts, its influence on actual developments was no greater than that of the former council which it had replaced. The Trades Union Congress repudiated the commission's authority to pass judgment on wage contracts, and even refused to appear before it.

It soon turned out that the government's 2½ percent guideline ceiling was academic. In part, this reflected a special feature of British economic development since World War II, namely, the coexistence of a low degree and slow increase of labor productivity[8] and a relatively high rate of employment.[9] In combination, these two factors have made it particularly difficult in Britain to keep wage increases within a norm based on the (slow) long-term growth of productivity.[10] In fact in 1962 the average hourly wage rate rose by about 4½ percent—way above the ceiling set by the government.[11]

The next year (1963) the NEDC proposed a medium-term 4 percent target for the annual growth of the British economy. In a report published with the approval of all council members, including the trade union representatives—a first hopeful sign that a tripartite "dialogue" on these questions might be feasible—the necessity was recognized to adopt "policies to ensure that money incomes . . . as a whole rise less rapidly than in the past."[12] This recommendation was in line with the government's incomes policy. At the same time, the government now shifted its position slightly by assuming that it was safe to base the general guideline for income rises on *prospective* (long-range) productivity trends rather than on those observed in the past. So the rate of wage and salary increase believed to be consistent with the projected growth of the economy was set at 3 to 3½ percent annually.

IV

The rise in the official ceiling from 2½ to 3½ percent did not do much to bring wage and salary increases into line with the incomes policy of the government. From 1963 to 1964, average hourly earnings rose by 8.2 tained.[38] However, for quite some time, in fact the fact that the government had so far been unable to convince the leading employer and employee organizations, especially the Trades Union Congress, of the need for an incomes policy based on long-term considerations. In this respect the return of a Labor government to power in October 1964 seemed to pave the way for a new start.

In fact, the new government succeeded in a relatively short time in bringing about an agreement on incomes policy signed by representatives of the government, the Trades Union Congress, and several employer organizations. In a Joint Statement of Intent,[14] employer and employee representatives formally accepted the government's basic principle that the rise in money incomes should keep in line with that of productivity.[15] Moreover, they pledged themselves to cooperate with the government in setting up effective machinery to keep the movement of incomes and prices under review,[16] the aim being to make sure that income and price movements were in the national interest as defined by the government *"after consultation with management and unions."* (Emphasis added.) The national interest, to be defined by continuous "tripartite" consultations, was thus recognized by the representatives of sectoral interests as the supreme guide. For the moment, this looked like a hopeful sign.

As for the new machinery, the National Income Commission was replaced by a National Board for Prices and Incomes (PIB). Unlike the NIC, the new board had representatives from both management and labor on its staff. Moreover, it was equipped with a research team, and its task, when a case was referred to it, was not merely to review and to pass judgment but to enter into discussions with the parties involved and to try to pass judgment but to enter into discussions with the parties involved and to try to influence them in the direction of the established guidelines. As far as wage and salary increases were concerned, these guidelines were the same as before (general ceiling of 3½ percent annually), except that the two special criteria for higher pay raises (productivity agreements and the need to transfer manpower from one industry to the other) were augmented by two "social" criteria (existing wage levels either too low to maintain a "reasonable" standard of living or seriously out of line with remuneration for similar work elsewhere). It was emphasized, however, that deviations from the general guideline ceiling should be kept at a minimum.[17]

As for price guidelines (the new feature), enterprises were expected to raise prices only if this were the only means to make possible those wage and salary increases consistent with guideline norms; or if there were unavoidable increases in non-labor costs (current or capital) that could not be offset in any other way; or if it proved impossible, despite all efforts to reduce costs, to secure the capital required to meet home or overseas demands.[18] At the same time, enterprises were expected to reduce prices if labor productivity had grown faster than had been assumed in the general ceiling for wage and salary increases and if there were no unavoidable offsetting increases in non-labor costs; or if current non-labor costs (materials, services, et cetera) had decreased without any offsetting and unavoidable increase in labor or capital costs; or if capital costs had declined without any offsetting and unavoidable increase in labor and (current) non-labor cost; or if existing prices were the result of excessive market power.

To give the National Board for Prices and Incomes Times and opportunity to perform its reviewing and advisory functions, an *advance warning system* for wage and price increases was introduced. The system authorized the government to require advance notice of 30 days before a wage settlement or a price change became effective. If within this period the government decided to refer the proposed settlement or change to the PIB for review, it could do so; and, in this event, the effective date of the settlement or change had to be further delayed until the board had reported. This might take two or three months. Observance of all procedures connected with this "early warning system" was compulsory. On the other hand, there was no obligation to follow the board's recommendations, once they were reported. Thus, for final decision making, the principle of voluntary compliance with the government's incomes policy was upheld. The arrangements provided, however, that in outright emergencies the government could order a temporary standstill on wages and prices.

The community of purpose expressed in the 1964 Joint Statement of Intent, and the much broadened public discussion that the new system envisaged, seemed to justify the hope that the government's incomes policy would henceforth be more successful than before in curbing excessive claims for income rises.[19] However, wages continued to rise substantially above the 3½ percent per annum ceiling. This cannot be explained by an increased number of those special productivity arrangements that would have justified higher pay increases. Very few such productivity arrangements came about. It has been estimated that in the first eight months under the Labor government, wages rose by about 8 percent, although productivity was virtually stagnant. The increase in hourly earnings from the Statement of Intent (December 1964) until the autumn of 1966 was estimated to have hit a record annual rate of nearly 10 percent.[20]

Let us document the disappointment about the results of the "new era" of British incomes policy with a statement from the London *Economist:*

"In the first five months of this year (1966), more people in Britain pushed up their earnings more steeply for less work than at any time since 1960. . . . This is what has happened to the incomes policy. . . . The plain fact is that since Labour took office in October 1964, hourly earnings have risen 2¼ times faster than that of output per man-hour."[21]

Why the cooperative system of incomes policy introduced in 1964 did so little to reduce the gap between actual income increases and those the government thought defensible is a question that can be answered only by more intensive research than is possible within the scope of this study. At any rate, the continuing gaps show that the willingness of employer and employee *leadership* to cooperate in implementing an incomes policy is a necessary but not a sufficient condition for securing the successful implementation of such a policy.

V

The necessity of invoking emergency powers came earlier than had been expected. In the face of another serious national crisis (in these decades, "national crisis" in Britain was almost synonymous with "balance-of-payments crisis"), the government soon found that the deflationary measures it had taken were not enough. And since recent experience had shown that long-range and more-or-less voluntary incomes policy could not accomplish much, there was for the moment only one alternative: either replace this type of incomes policy temporarily with a far sterner and more compulsory one or embark upon a monetary and fiscal policy so rigorously restrictive that a sharp rise in unemployment was bound to result.

The government chose the first course. Toward the end of July 1966, it ordered six months of complete standstill in wages, salaries, dividends, and prices, to be followed by six more months of severe restraint (during which the norm of the general income rise would be zero, but some increase would be allowed under very stringent conditions). After July 1967, the former type of incomes policy, based on long-range projections of output and productivity gains, was to be reintroduced. Actually, it was later found advisable to extend the "zero increase" norm, with gradually increased relaxations and exceptions, until July 1968. In view of the seriousness of the crisis that was threatening the country in mid-1966, the Trades Union Congress and the Federation of British Industry approved the freeze as a temporary emergency measure, which in fact it was intended to be.

During the absolute incomes freeze decreed for the first six months after July 1966, the government achieved its short-run objective to the extent that the index of hourly earnings remained virtually stable at 169.8 (January 1956=100). But in the following six months of "severe restraint," the pent-up pressure could no longer be fully restrained. The index of hourly earnings rose to 173.1 in May, for an increase of about 1.9 percent.[22]

As mentioned above, the government extended the "zero guideline" for income increases from July 1967—where, according to the original plan, it should have ended—to July 1968. During the extension, the conditions for increases above the zero norm were somewhat wider than in the period originally contemplated for this norm. But the trade unions were opposed to prolonging the zero guidelines. Perhaps in part as a result of their unwillingness to cooperate, it took only three months before the index of hourly earnings had recorded another sharp rise. Over the full year ending April 1968, according to the Annual Report of the National Board for Prices and Incomes,[23] hourly earnings had risen over 8 percent—hardly what had been expected after a year during which the general official ceiling rate for wage increases was zero.

One main hope in introducing the 1966–67 freeze and the subsequent "severe restraint" might have been that these measures, in combination with moderately restrictive monetary and financial policies, would make it possible to maintain the exchange rate of the currency. This hope was not fulfilled. Despite all efforts, the pound sterling had to be devalued.

VI

After the experience with the freeze and the prolonged period of "severe restraint," there must have been some skepticism as to whether Britain should commit herself once more to an incomes policy based on long-range projections of output and productivity growth. The eventual decision was to try again. A White Paper on "Productivity, Prices, and Incomes for 1968 and 1969," prepared by the National Board for Prices and Incomes and submitted in April 1968, stated: "The economy can not yet afford any automatic increase in personal incomes."[24]

The program outlined for 1968 and 1969 in this paper was, in essentials, a return to the pre-1966 rules. The general ceiling for annual increases in wages, salaries, and dividends was again set at 3½ percent, with the same special criteria for acceptable pay increases beyond the norm. It is noteworthy that, even this time, increases in living costs were not officially recognized as such a criterion. As for prices, the criteria for both justified increases and expected decreases were the same as before the emergency. Again, "profit squeeze" was not in and of itself recognized as justifying price increases.[25]

The system of "advance warning," which gave the government power to delay the implementation of wage agreements and to refer them for review to the National Board for prices and Incomes, was likewise maintained.[26] However, for quite some time, in fact even for some time before the demise of the Labor government in June 1970, not much use was made of this power. Many wage agreements went into effect that involved wage increases substantially above the general guideline ceiling (although the latter was raised from 3½ percent per annum to 4½ percent per annum late in 1969). Starting from the third quarter of 1968, when the country resumed its long-view incomes policy based on a non-zero guideline ceiling, and using the average hourly wage rate as the measure, the annual percentage increases, as well as the excess of each increase over the guideline ceiling show a steady tendency to grow right up to the present. And there is no indication of an impending change in this trend:

From—	To—	Annual increase in hourly wage rate (percent)
3d quarter 1968	3d quarter 1969	5.4
4th quarter 1968	4th quarter 1969	5.5
1st quarter 1969	1st quarter 1970	7.3
2d quarter 1969	2d quarter 1970	9.3
3d quarter 1969	3d quarter 1970	10.7
4th quarter 1969	4th quarter 1970	[1] 15.0

[1] Estimated.

Source: OECD, Economic Survey: United Kingdom, 1970 (Paris: 1970), table 4, p. 43, where hourly wage rates are given in index form (January 1956=100) for quarters. The OECD figures are not seasonally adjusted. To eliminate seasonal influences, we have computed the annual percent changes between identical quarters of succeeding years. For the 4th quarter 1970, the index figure showing the hourly wage rate is not yet available; the 15-percent increase over the 4th quarter of 1969 is a preliminary estimate of the U.S. Department of Commerce.

One gets the impression that British incomes policy began to lose steam not very long after it was reinstated in 1968. The new Conservative government that took power in June 1970 has merely acknowledged the downdrift more explicitly. Statutory powers to interfere (temporarily) with wage contracts are still in effect, but the government has announced its intention to let them lapse. Since June 1970, not a single wage agreement has been referred to the National Board for Prices and Incomes.

The future is uncertain, however. If the uptrend in annual rates of wage increases shown in the above table continues, it may be that any British government, Tory or Labor, will feel compelled to look for methods—perhaps new and untried methods—to check the trend. It has been announced that the National Board for Prices and Incomes will be wound up soon, probably some time this coming spring. But plans for setting up new agencies to replace the board in some of its functions are under discussion. Judging from these discussions, the task of these agencies would be to review wage and price developments in certain key sectors of the economy, and to make recommendations.

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However, as yet, the plans have not taken definite shape.

VII

To be able to judge how much or how little British incomes policy has achieved, we must first ask what criteria should be applied. On this question, only a few observations can be presented in this preliminary survey. They are presented here as concluding observations on Britain, but they apply to all of the countries to be reviewed, and it will not be necessary to repeat them later on.

The fact that British incomes policy—and, for that matter, the incomes policy of any country that has tried one—has been unable to stabilize prices is not a sufficient criterion for judging the effectiveness of such a policy. While the majority of economists now assume that "wage push" by powerful labor organizations has often been a factor in post-World War II inflations, the majority is equally agreed that it has been only one of many factors. To gauge the success or failure of an incomes policy in curbing price inflation, first one would have to try to calculate how much of the inflation is due to wage push and how much to other factors—probably a most unrewarding task in most cases. It might be more promising to try to measure the impact of the incomes policy on the magnitude on which it is supposed to act directly—that is, on wages themselves. The British story, which often tells of wide gaps between guideline ceilings and actual wage increases, seems to indicate that in Britain the impact of incomes policy on wage movements was, on the whole, insignificant. However, examination of such gaps still does not furnish an adequate criterion. For a final judgment as to whether the guidelines were effective, one would have to know how wages would have behaved in the absence of the guidelines.[27]

A number of attempts to answer that question and thus to isolate the impact of the incomes policy have, in fact, been made. With respect to Britain, Geoffrey Bell has reviewed seven such studies [28] and states that all of them conclude that British incomes policy has not, except for very short periods, reduced British money incomes by appreciably more than 1 percent per year from what they otherwise would have been. It is not possible here to discuss these studies critically (Bell merely lists the names of the authors without giving any details). But so close an agreement in the results of seven econometric studies is rare and establishes some presumption in favor of the common finding. Now a differential of 1 percent per annum sounds small enough, but its final significance depends on the period through which it is being sustained.

On the basis of comparisons of the growth rate of British money incomes with the corresponding growth rates in a number of competing countries, the National Board of Prices and Income stated that "a reduction of 1% in the rate of growth in money incomes,[29] translated into a reduction of 1% in the rate of growth of labour costs per unit of output and sustained over 10 to 15 years, would have rendered devaluation unnecessary." [30] Of course, 10 to 15 years is a very long time for any such incomes policy to be effective.

It has been argued that even if an incomes policy does not yield impressive quantitative results, it could have the beneficial effect of giving rise to more frequent and more intensive discussions and consultations about income and price developments. In this way, such a policy could help to arouse public opinion, to clarify the thinking of the interested parties, and to make them more inclined to consider the national interest even when it is (or seems to be) opposed to sectional interests. As far as Britain is concerned, about all one can say in this respect is that the degree to which such effects occurred has varied greatly. There have been short periods (1949–49, 1964–65) when the leading employer and employee associations seemed quite willing to give national interests precedence by keeping growth rates of money incomes within the limits the government thought to be acceptable from the general viewpoint. But it would seem that in the last few years these associations—or at any rate the Trades Union Congress—have drifted farther and farther away from this position. From the content of the TUC Report for 1968, the year in which the Labor government redefined a long-view incomes policy on the statutory basis of the Prices and Incomes Act, it is apparent that a sizable majority of TUC delegates had already rejected this policy.[31] At about the same time, other voices could be heard from these quarters which sharply stressed that the sectoral interests of the laoor movement are, after all, its main concern: "All directors seek maximum profits for their shareholders, all manufacturers seek maximum prices for their goods. So long as this continues, all trade unionists are compelled to seek maximum wage increases for the members they represent." [32]

Without further study, it is difficult to say whether the strictly sectional viewpoint has predominated in British trade unionism during the last few years. If it has, one would have to say that in Britain, for the moment at least, the beneficial psychological side effects of incomes policy have largely evaporated.

FOOTNOTES

[1] Cf. E. H. Phelps Brown, "Guidelines for Growth and for Incomes in the United Kingdom: Some Possible Lessons for the United States," in G. P. Schultz and R. Z. Aliber, eds., *Guidelines, Informal Controls, and the Market Place* (Chicago: University of Chicago Press, 1966), p. 147.

[2] For Britain, cf. Trades Union Congress, *Trade Unionism* (London, 1966), p. 78: "Real income cannot for more than a short time rise faster than overall productivity."

[3] The view that this divergence in organizational arrangement on the two sides of the labor market contributes to the difficulties of British incomes policy has been expressed by the German *Sachverstaendigenrat zur Begutachtung der gesamtwirtschaftlichen Entwicklung* (Council of Economic Advisers) in its *Jahresgutachten* (Annual Survey), 1967/1968, p. 185.

[4] Phelps Brown, *op. cit.*, p. 154.

[5] The chairman of the council was Lord Cohen; Sir Dennis Robertson and Sir Harold Howitt were the other members.

[6] Council on Prices, Productivity and Incomes, *First Report* (London: H. M. Stationery Office, 1958), p. 41.

[7] Phelps Brown, *op. cit.*, p. 156.

[8] Except for the rapid and spectacular productivity increases of 1968–69, the explanation for which is still a matter of debate but which are prevailingly assumed to have been a "once and for all" phenomenon. See Organization for Economic Cooperation and Development (OECD), *Economic Survey: United Kingdom, 1969* (Paris 1969), pp. 12–13.

[9] During 1959–65, the annual rate of unemployment, adjusted to United States definitions, was substantially lower in Britain than in the United States and Canada, although somewhat higher than in Sweden, Germany, and—with a few exceptions—in France. David Smith, *Incomes Policies: Some Foreign Experiences and Their Relevance for Canada* (Ottawa: Queen's Printer for the Economic Council of Canada, 1966), Tables 2–4, p. 18.

[10] The contribution of the high degree of employment was visible on several occasions. Although the British labor market never exhibited the degree of acute labor shortage the Netherlands experienced between 1963 and 1965, the phenomenon of employers taking the initiative in raising wages was occasionally manifested in Britain, too. Cf. Phelps Brown, *op. cit.*, p. 149.

[11] Smith, *op. cit.*, p. 111.

[12] National Economic Development Council (NEDC), *Conditions Favorable for Faster Growth* (1963), quoted in OECD, *Economic Survey: United Kingdom, 1964* (Paris 1964), p. 23.

[13] Smith, *op. cit.*, Table 5–5, p. 123.

[14] Joint Statement of Intent on Productivity, Prices, and Incomes, December 1964.

[15] Phelps Brown, *op. cit.*, p. 157.

[16] For the first time, the government had introduced price movements directly in its guideline policy, alongside the movements of wages, salaries, and dividends. This may have helped to secure the cooperation of union leadership.

[17] Again, increased costs of living were not mentioned among the special criteria that would justify pay raises in excess of the general guideline ceiling. This exclusion would be perfectly logical if rises in living costs were caused *exclusively* by previous wage inflation. Then the trade unions would have only themselves to blame for the higher cost of living. However, as already mentioned, in a country where prices and living costs are affected by so many influences "from outside" (for instance, devaluations of the Pound, or revaluations of the Deutschmark and the Guilder), it proved virtually impossible to insist that in wage negotiations the level of the cost of living should simply be ignored.

On the whole, British developments during the period under review confirmed once more W. H. Beveridge's dictum of a quarter of a century ago that "there is no inherent mechanism in our present system which can with certainty prevent competitive sectoral bargaining for wages from setting up a vicious spiral of rising prices under full employment." See *Full Employment in a Free Society* (New York: W. W. Norton and Company, 1945), p. 199.

[18] Note that "profit squeeze" was not recognized *per se* as an argument justifying price increases. The circumstances that caused the profit squeeze had to meet at least one of the specific criteria listed above.

[19] After the government had announced its plan for a compulsory advance warning system, the Trades Union Congress of 1965 adopted a proposal under which it would operate its own early warning system with respect to wage agreements to be concluded by its affiliated unions, and would keep the government posted on all developments occurring under this arrangement. The passing of this motion represents perhaps the biggest step British union leadership ever took in the direction of cooperation with an official incomes policy. Later on, even while the Labor party was still in power, Trades Union Congresses became more and more lukewarm toward this policy.

[20] *The Economist*, November 6, 1965, p. 580, and November 5, 1966, p. 545.

[21] *The Economist*, July 2, 1966, p. 15.

[22] *The Economist*, "Incomes Now," July 1, 1967, p. 7.

[23] *The Economist*, July 27, 1968, p. 42.

[24] National Board for Prices and Incomes, *Productivity, Prices and Incomes for 1968 and 1969* (London: H. M. Stationery Office), p. 3.

[25] The main provisions for price and incomes policy as reintroduced in July 1968 can be found in OECD, *Economic Survey: United Kingdom, 1968* (Paris, 1968), pp. 39–41.

[26] The Prices and Incomes Act as passed in July 1968 set the total maximum period during which the effective date of a wage agreement could be deferred by government and PIB action at 12 months. Earlier it had been seven months.

[27] On this point, cf., e.g., Arthur F. Burns and Paul A. Samuelson, *Full Employment, Guideposts and Economic Stability* (Washington, American Enterprise Institute, 1967), pp. 57–58; R. M. Solow, "The Case Against the Case Against Guideposts" in G. P. Schultz and R. Z. Aliber, eds., *Guidelines, Informal Controls, and the Market Place* (Chicago: University of Chicago Press, 1966), p. 46.

[28] Geoffrey Bell, *Incomes Policy: The British Experience*, an address to the Annual Convention of the National Association of Business Economists (Boston, Massachusetts, September 15, 1970), p. 12 (mimeographed).

[29] If the finding of the studies mentioned by Bell are accepted, a 1 percent per annum reduction in the growth that actually took place despite the incomes policy would mean a 2 percent reduction in the growth that would have taken place in the absence of the incomes policy.

[30] National Board for Prices and Incomes, *Fourth General Report, July 1968 to July 1969* (Cmnd 4130, July 1969), p. 3. The reference is to the devaluation of the pound in November 1967.

[31] TUC *1968 Report*, pp. 571–72.

[32] The view of one prominent union spokesman, as recorded in TUC *Economic Review 1968*, p. 117.

THE NETHERLANDS

I

The history of Dutch incomes policy begins with the end of the Second World War. In the years since then, a particularly rich variety of wage and price guidelines has been used, ranging from compulsory freezing of wage agreements or price levels to exhortations to keep increases within certain boundaries. The general historical trend has been from strict controls to more liberalized systems, but the trend has been interrupted several times by the reintroduction of sterner measures.

For a long time, the main emphasis in Dutch incomes policy was on guidelines for wage increases. With respect to prices, policy reflected the fact that in a small country heavily dependent on international transactions and therefore on international price levels, incomes policy, even under the most favorable conditions, can only achieve the limited objective of relative price stability.[1] But in terms of this limited objective, confidence in the effectiveness of governmental wage guideposts probably was stronger and lasted longer in the Netherlands than in any other Western country. Repeatedly, after disappointments with such guideposts, the hope that they could be made more effective by reforms (such as setting up new criteria, or trying different institutional arrangements) prevailed over the idea that they had better be dropped altogether. In addition, since 1966, several attempts have been made to supplement wage guidelines with direct price controls.

In part, this confidence was the outgrowth of an unusually widespread belief in economic forecasting and planning. During most of the time since 1945, Dutch economic policymakers have been applying, in the words of one observer, "more sophisticated methods of short-term forecasting and more refined ways of planning policy measures than the methods used in other Western countries." [2] For some time at least, the government's persistence in using incomes policy was supported by the fact that faith in the official forecasts on which the guideposts were based was widely held, even within trade unions. In the last few years, however, some of this faith has waned in these quarters as a result of too pessimistic official forecasts.

It is worth mentioning here that both sides of the labor market in the Netherlands are organized along religious lines. On the labor side, there are three central associations, the Protestant Federation of Labor (CNV), the Catholic Workers' Union (NKV), and the religiously neutral, moderately socialist-oriented Netherlands Federation of Labor (NVV). On the employer side, the division is similar, though less clear-cut. Despite this organizational structure, religious differences have not, in general, impaired the willingness of the associations on either side to cooperate with each other, or to compromise in negotiations between employers and employees, or to cooperate with the government in some years.

II

The Netherlands emerged from the years of war and German occupation with an economy crippled by far-reaching devastation and dislocation. The need to reconstruct the foundations of economic life overshadowed all other considerations and created, during the first postwar years, a feeling of community of purpose among the various economic groups. It was largely because of this feeling that most of the population, including the trade union memberships, backed the system of comprehensive controls and showed a willingness to keep within the limits prescribed by the official guidelines.

In the field of incomes policy, the controls were exercised, at first rather strictly, by the Board of Government Mediators. This board was instituted and endowed with vast powers by a decree of 1945. It had authority to fix general wage levels, to validate collective agreements, to declare them binding, and to define their scope.[3] However, in all matters of general wage policy, the board was required to consult with the Foundation of Labor, a tripartite organization in which representatives of labor, representatives of employers, and independent experts were exchanging their views. The Foundation of Labor, formally a private organization, became very important in implementing the government's wage policy, while the Social and Economic Council, which was added somewhat later, played only a secondary role in this area.

The general tendency in wage fixing during the first years of arduous reconstruction was to keep wages at the "socially tolerable minimum," with some allowance for regional differences in costs of living and for levels of skill (semi-skilled worker receiving 110 percent, and skilled workers 120 percent, of the wage fixed for unskilled workers at the assumed socially necessary minimum). Later, from 1948 to 1950, wages were linked more closely to changes in the cost of living. In 1951, however, a serious balance-of-payments situation led to a rare occurrence. The trade union leadership, which by then had certainly grown accustomed to thinking in terms of real rather than money wages, was prepared to accept what was expected to be a 5 percent cut in real wages for all workers (a 5 percent rise in money wages, in the face of an expected 10 percent rise in prices).[4]

The restoration of full employment in the late 1950s, which ushered in an acute labor shortage in the early 1960s, put an increasing strain on the system of guidelines for wage increases. The strain may have been reinforced by the creation of the European Economic Community (EEC), which facilitated migration of Dutch workers to other EEC countries where the wage levels were higher.[5] However, all during the full employment period of the 1950s, the unions were still sufficiently cooperative to enable the government to avoid an outright wage explosion or the onset of an unmanageable wage-price spiral. In fact, as late as 1957, the willingness of union leaders to cooperate went to the length of repeating the unusual performance of 1951. Motivated by another serious balance-of-payments situation, they acquiesced, consciously and as a matter of agreed policy, in a temporary cut in real wages.[6]

III

Up to 1959, the guidelines for allowable wage increases were based, by and large, on considerations and forecasts relating to the Dutch economy as a whole. Sometimes, limitations were added about how much of a wage increase could be passed on in prices. (General price control had been abolished in 1948.)

In 1959, the whole system was changed by introducing a new guideline criterion. Wage increases allowable in particular industries or branches of industry were made dependent on the rates of productivity increase in these individual industries or branches.[7] The idea of linking wage increases to productivity increases, *sector-wise*, had been discussed in the theoretical literature before and had been rejected. Dutch incomes policy between 1959 and 1963 seems to represent the only systematic attempt ever made to put this idea to a practical test. The Dutch experience with the attempt is therefore of considerable general interest and deserves close examination. In this preliminary survey, however, a few brief remarks must suffice.

The Dutch experience with linking wage increases to sectoral productivity increases confirmed most of the objections that had been raised on theoretical economic grounds. It turned out that physical productivity, by sector, is not a suitable indicator of the economic desirability of attracting new labor by higher wages. Industries having rapid productivity increases are not necessarily those with the highest potential for economically desirable expansion.[8] Besides, the problem of measuring productivity changes at the branch or enterprise level and, in particular, the job of checking the reliability of reported productivity changes at these levels proved to be far more intractable than seems to have been anticipated. There were endless discussions and disputes in this area; productivity estimates were manipulated; selected productivity data were cited by interested parties to justify wage changes that had been agreed upon on other grounds.[9] The task of settling all these questions and disputes placed a heavy additional workload on the Board of Mediators and other government agencies. While it had been hoped that a guideline system based on an "objective" criterion, such as productivity, would liberalize wage control (at least in the sense of making it work more automatically and with less frequent necessity for direct intervention by some government agency), the actual effect was exactly the opposite.

IV

In 1963, the system just described was scrapped and replaced by one that in some respects amounted to a return to the earlier system of predetermined guidelines for changes in the general wage level. Possibilities for overall wage increases were to be examined by the Central Planning Bureau and the Social and Economic Council, which were to prepare intensive analyses of the state, the problems, and the prospects of the Dutch economy. With respect to concluding and approving wage agreements reached by collective bargaining, the central employer and employee organizations were given somewhat more freedom than they had had in the initial phase. But the government retained the power to disallow particular agreements, to declare a short-term wage freeze, and, if necessary, to issue directives about permissible wage increases through the Board of Government Mediators.

The approved wage maxima were binding and violators were liable to prosecution. Normally these maxima were arrived at via a complex route of analyses, reports down the line, negotiations, consultations, reports up the line, and supervisions, the latter involving several government agencies. It is not necessary here to describe this elaborate setup in greater detail.[10] All in all, the system of 1963 amounted to only a moderate liberalization compared with that of the first few postwar years.

When the new system of incomes policy was introduced in 1963, there was every indication that it, too, would soon run into

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great difficulties. The growing tightness of the labor market had already led to wage drifts and "black wages." In fact, by 1963 the labor shortage had reached the point—strikingly reflected in a ratio of about four job vacancies to one unemployed person—where "black wages" were estimated to be 6 or 7 percent of the total wage bill.[10] The psychological foundations on which the government's incomes policy depended began to sag on both sides of the labor market. Union leaders grew more restive and militant—partly out of a fear that they could no longer convince the rank and file of the need to comply with the government's wage maxima and, therefore, were in danger of losing their grip on the membership.

There was a change of attitude on the employer side, too. Under approximately normal labor market conditions, governmental guidelines for wage increases, which usually establish upper limits for such increases, are naturally much less distasteful to employers than to employees. However, this changes in a situation where the employers have to look desparately for ways to keep their work force and to attract new workers. "When the labor market gets very tight," said Samuelson, "the interest of the employer coincides with that of the worker and the union."[12] The Dutch experience of 1963 and the next few years bears this out, at least to the extent that in such a situation employers and workers are about equally annoyed by government-prescribed wage guidelines and about equally inclined to violate them.[13]

Open "wage explosion" was not slow in coming. In the autumn of 1963 the government set a guideline of 6 percent for the average wage increase in the following year. But a number of employers, in open defiance of the guideline, offered higher wages. Attempts by the Board of Government Mediators to use its legal power to intervene were of no avail. The final overall result of the protracted wage bargaining of 1964 was an average wage increase of about 15 percent—an enormous difference from the guideline target of 6 percent. The fact that the general performance of the Dutch economy in 1964 turned out to be much better than the government had forecast provided some *ex post* justification for the higher wage increases. But, at the same time, it did much to make union members suspect that the government had a tendency to be unduly pessimistic in its forecasts and, therefore, unduly conservative in its wage targets.[11]

This suspicion was reinforced by a similar experience in the following year. In mid-1965, it became apparent that, in the words of one observer, "the Planning Board's restrained forecasts had once again fallen considerably short of actual economic performance."[15] Gradual erosion of the earlier faith in the art of economic forecasting may well have been a factor in making the unions less willing than before to cooperate with the government's incomes policy. For the year 1965, the government wished that the wage increase should not exceed 7 percent on the average. The trade union members refused to cooperate in holding wage agreements within this target and, once again, the Board of Government Mediators was unable to stop the upward pressure on wages. So the actual wage increase turned out to be about 11 percent. The overall wage increase during the three years, 1963–65, has been estimated at about 38 percent, which is more than twice the permissible maximum set by the government.[16] Eventually, the government acquiesced to the higher rates of wage increases.

In these years, an incomes policy operating with guideline ceilings based on labor productivity was doomed to failure from the outset, because even the basic labor market situation in which such a policy might *conceivably* succeed was not present in the Netherlands at that time. To recall briefly the situation under which there is a slight chance for success: Labor supply is adequate to satisfy the demand for labor at existing wage levels—and, in fact, slightly more than adequate which means that there is some unemployment. In such a situation, no incomes policy should be necessary to prevent excessive wage demands.

Recent experience has shown, however, that trade unions, notwithstanding an existing (moderate) rate of unemployment, often do press for higher wages because they are confident that a government pledged to full employment (or at least to preventing any deterioration of an existing employment situation) will, by a sufficiently expansionist monetary policy, enable employers to maintain the volume and profitability of their business despite increased unit labor costs.

Hence, unions expect that success in their wage push will not raise unemployment above the existing level. Employers, who share the unions' expectation with respect to the government's policy in case of increased unit labor costs, do not resist wage demands as strongly as they presumably would if a different policy were expected. In such a situation, there is at least a *chance* for the government to restrain the wage push by convincing the union leadership that wage increases in excess of gains in labor productivity are bound to have inflationary effects that will largely or wholly nullify the income gains of the workers in real terms.

But this was not the situation in the Netherlands, 1963–65. There the upward pressure on the wage level was fully accounted for by the unique tightness of the labor market. When employers are "pulling" as vigorously as the Dutch employers did then, employees do not have to do much "pushing" to make the percentage increases in wages exceed—temporarily but also irresistibly—rates that are sustainable in the long run. In such a situation, an incomes policy designed to keep short-run wage increases within the boundaries suggested by long-run productivity considerations can have no chance of success.

V

For 1966, the government urged that wage increases provided for in contract renewals should not exceed 7 percent per annum on the average. Several contracts kept approximately within this limit and were approved But a number of others provided for increases averaging about 10½ percent. This the government considered unacceptable.[17] However, the experience of the two preceding years was repeated. The offers of some employers considerably exceeded the levels negotiated between the central organizations and the government; the rank and file in the trade unions could not understand why these generous offers should not be accepted; and the union leaders, seeing their position vis-a-vis their members weakening, refused to cooperate in fixing wage increases at guideline levels.

This time, however, the government reacted by sharpening the weapons of its incomes policy. A wage freeze of several months' duration was decreed and, for subsequent wage negotiations, an increase of 7 percent was set as a maximum. Moreover, from May 1966 to the end of the year, wage control was strengthened by introducing price control. Under the new program, all price increases had to be reported to the Ministry of Economic Affairs. Wage increases could not be passed on in higher prices; increases in "external costs" (material, freight, repairs, publicity cost, taxes and duties) could be passed on in prices, with the proviso that declines in such costs must likewise be passed on; and price rises were subject to the further constraint that traders should not increase their money profit margins.

In 1967, the correlation between actual wage and price changes and those outlined by the government was closer than the three preceding years. On the wages side, where the stricter controls introduced in 1966 were continued, the government's guidelines were generally observed, despite the fact that they had called for more restraint than those of the previous years. The maximum permissible increase had been fixed at 4 percent as of January 1, 1937, with an additional rise of 1.5 percent as of July 1.

On the prices side, where compulsory controls had expired at the end of 1968, the leading employer organizations promised the government they would observe, throughout 1967, the fairly tight restraints that the control decree of May 1966 had imposed. This rather unusual degree of voluntary compliance reflects an ease in the market forces that had been pressing wages and prices upward. And it suggests that on the side of wages, too, the relatively close correlation between governmental guidelines and actual developments was due to an easier market situation rather than to tighter controls.

VI

In the last three years, the Netherlands has moved some distance, though by no means all the way, from controlled to free wage determination. The first and basic step was an agreement, concluded in December 1967, between the government and the two sides of industry. Provisional though the agreement was, it dominated the Dutch scene for more than two years. To give the new wage policy a legal basis, the government introduced a wage bill into Parliament in September 1968, but it was not until February 1970 that the bill, amended in several important respects, was passed.

Starting January 1, 1968, collective agreements were negotiated outside predetermined guidelines. The Board of Government Mediators and the Foundation of Labour were stripped of their control functions, and were relegated to the role of advisory bodies. The government reserved, however, the right to invalidate collective agreements that threatened to endanger the equilibrium of the economy. The Central Planning Board continued to work out projections about economic development, and these projections yielded assumptions as to what changes in wage levels would be compatible with economic equilibrium. The assumptions, or wage increase targets, were no longer regarded as binding guidelines. Nevertheless, there were times when wage developments seemed to deviate substantially from the assumed targets and when the existence of the targets brought the government to the edge of intervention.

Thus, in 1968, it took strong parliamentary opposition to make the government withdraw an announced plan for a six months' freeze on all wage contracts coming up for renewal in 1969.[18] A few months later, the introduction of a tax on value added, effective January 1, 1969, caused a sharp upturn in wholesale and consumer prices. From then on, all through 1969 and 1970, the government found it increasingly difficult to stave off a wage-price spiral without using its veto powers in wage matters. Contract negotiations in the heavy metal industry beginning early in 1969 provided for wage increases that were definitely out of line with what the government considered to be advisable.[19] While strongly opposing the agreement, the government refrained from intervening, partly because the parliamentary debate on the wage bill was in a delicate phase at that time. Subsequently, in view of the danger that another wage-price spiral would result from the impending wage negotiations for 1970, the Social and Economic Council—which had only advisory powers—recommended that wage increases should be limited to 5 percent in 1970. In combination with the "target" assumed for price increases, this was designed to secure for the workers a 2.5 percent gain in real wages. Since employer organizations, trade unions, and the public were represented on the council, it is noteworthy that the recommendation was unanimous. But if this raised some hope for renewed all-around willingness to cooperate in the task of combating inflation, the hopes were dashed soon after the long-debated Wage Act was finally passed early in 1970.

While the new Wage Act upheld the principle that all wage contracts should first be freely negotiated between employers and employees, it authorized the government to intervene in contracts it considered contrary to the national interest. As mentioned before, this standby authority had existed by agreement since 1968, but now it had become law—over heavy union opposition.[20] The minister of social affairs gave assurances that he would use his right of intervention only in exceptional cases. Yet, the statutory confirmation of the government's veto power antagonized labor to such an extent that, ever since the passage of the act, two of the three union federations have been boycotting wage talks at the national level with both employers' associations and with the government.

In the field of price policy, at first the government continued its efforts to prevent "unjustified" price rises. As already mentioned, the original guideline, proclaimed in 1966 and accepted by business for voluntary observance in 1967, stipulated that wage increases (or, at any rate, wage increases within guideline limits) would not be passed on in the form of higher prices, and that only increases in "external costs" might be passed on. After the relaxation of wage controls in 1968, there were price increases which the government considered partly unjustified (because they exceeded the rise in taxes and other "external costs"). Attempts made early in 1969 to bring prices into line with the "external cost" criterion failed to prevent a sharp rise in prices and living costs.

Thereupon, in April 1969, the government decreed a general price freeze. All prices were to be fixed at the levels of March 14th. Prices remained fairly stable in the ensuing months. In September 1969, the government replaced the rigid price freeze with the rule that such increases in external costs as had occurred after the freeze date (March 14th) could be passed on in higher prices—and, conversely, decreases in such costs were likewise to be passed on. This relaxation amounted to a return to the principles of 1966–67. Enterprises must give the government a 30-day advance notice of planned price increases.

VII

The initial postwar willingness of unions to keep wage demands within noninflationary limits—and, accordingly, the initial success of the government's incomes policy—lasted a few years longer in the Netherlands than in Britain. But, following this initial period, there was hardly any time (with the possible exception of the one year, 1967) when the rates of actual annual increases in wages and salaries were held even to the upper limits the government had set as necessary to achieve (relative) price stability.

This is true both of the time when the boundaries were predetermined and legally binding guidelines, and of the time (1968–70) when wage bargaining was free not only in actual practice but legally as well. Developments in the calendar year 1970 show strikingly that the country is no closer to solving the problem of wage-push inflation now than it was under the earlier system. Last October, it was estimated that the total wage cost increase in 1970 would be about 10 percent.[21] Whenever the final figure, there is no doubt that it will be considerably above the 5 percent ceiling the Social and Economic Council had unanimously recommended.

On September 16, 1970, the government announced plans for several anti-inflationary measures. Among other things, it sought authority to decree a temporary wage freeze contingent upon approval by the Social and Economic Council. In principle, the government's deflationary program found support in Parliament. But it is not certain that the Social and Economic Council will give its consent to a measure so far-reaching as a wage freeze. The withdrawal of two of the three great union associations from all wage talks in the council and in the Foundation of Labour has obviously worsened the psychological conditions for a successful incomes policy.

Based on the forecasts of the Central Planning Board, the official "target" for wage developments up to 1973 is an annual increase of 7.5 to 8 percent. Unlike the British government, which has only a delaying veto power over wage contracts, the Dutch government can veto wage agreements absolutely if it considers them contrary to the national interest. But the history of Dutch incomes policy shows how difficult it is to make use of such statutory authority if certain economic, political, and psychological prerequisites are lacking.

FOOTNOTES

[1] Heavy dependence on international trade has a dual effect on the kind of inflation problem that arises in a country. From the cost side, it helps to dampen the tendency toward wage-push inflation, for it strengthens the consciousness, even in labor quarters, of the necessity of keeping the domestic economy internationally competitive. From the demand side, the effect depends on the trend of prices in the rest of the world. If this trend is markedly upward, then no national incomes policy in a country having a widely "open" economy can prevent the importation of some inflation. Cf. Gottfried Haberler, *Inflation, Its Causes and Cures*, revised edition (Washington, D.C.: American Enterprise Institute, 1966), p. 22.

[2] Erik Lundberg, *Instability and Economic Growth* (New Haven, Conn.: Yale University Press, 1968), p. 264.

[3] B. C. Roberts, *National Wage Policy in War and Peace* (London: Allen & Unwin, 1958), quoted in Smith, *op. cit.*, p. 137.

[4] The expected 10 percent rise in prices did not materialize. This may be due, at least partly, to the wage restraint accepted by labor at that time.

[5] It has been argued, however [OECD, *Economic Survey, Netherlands, July 1966* (Paris, 1966), pp. 8–9] that in the case of the Netherlands, not much use was made of these increased emigration possibilities.

[6] On the benefits which the Dutch economy probably reaped from the cooperative trade union policies of 1951 and 1957, see William Fellner, *et al., The Problem of Rising Prices* (Washington: Organization for European Economic Co-operation, 1961), p. 384.

[7] A formula agreed upon in 1961 between the government and the Foundation of Labor attempted to take account of both sector productivity and overall productivity, but the former was given three times the weight of the latter. The margin available for wage increases (and some other improvements in working conditions) was defined as $(3a+b)/4$, where "a" represents the long-term (annual) productivity increase in the branch in question, and "b" is the anticipated productivity increase for the economy as a whole in the next year. [OECD, *Economic Survey: Netherlands, 1952* (Paris, 1962), p. 12.]

[8] Smith, *op. cit.*, p. 140.

[9] See the *Jahresbericht* (Annual Report) 1967/1968 of the German *Sachverstaéndigenrat zur Begutachtung der gesamwirtschaftlichen Entwicklung* (Council of Economic Advisers), p. 187; also Smith, *op. cit.*, p. 139.

[10] Cf. Smith, *op. cit.*, pp. 134–35.

[11] OECD, *Economic Survey: Netherlands, 1966* (Paris, 1966), pp. 6, 16.

[12] Burns and Samuelson, *op. cit.*, pp. 129–30.

[13] Cf. Oettinger, "Incomes Policy in the Netherlands after 1945," in *Industrial Relations Research Association Papers and Proceedings, 1966*, p. 154.

[14] The view that the Central Planning Board had "a systematic tendency towards underestimation" has also been expressed by Lundberg, *op. cit.*, p. 299.

[15] John P. Windmuller, *Labor Relations in the Netherlands* (Ithaca, N.Y.: Cornell University Press, 1969), p. 375.

[16] Smith, *op. cit.*, pp. 141–42. Cf. Economic Commission for Europe, *Economic Survey of Europe in 1965*, Part I, Chapter 2.

[17] OECD, *Economic Survey: Netherlands, 1967* (Paris, 1967), p. 39.

[18] OECD, *Economic Survey: Netherlands, 1969* (Paris, 1969), p. 37.

[19] The pace-setting contract as finally written in January 1970 included for the first time, semi-annual upward revisions of wages, should price increases exceed expected rates.

[20] The original bill proposed by the government had gone considerably farther. Under it, the government would have had the right to declare a general wage freeze, and—as a last resort—to reintroduce for a maximum period of one year the old system of prior government approval of wage agreements.

[21] U.S. Department of Commerce, *Foreign Economic Trends. The Netherlands*, October 1, 1970, p. 5. By and large, the information given in this survey on the Netherlands for 1968–70 is based on the Department of Commerce's last four semi-annual "Foreign Economic Trends," and on the OECD's *Economic Surveys* (Paris, 1969 and 1970).

SWEDEN

I

In modern industrialized countries with mixed economies, most wage and salary determinations are arrived at through negotiations between well-organized and powerful associations on either side of the labor market. This arrangement has complicated the problem of achieving, at any given time, the triple goals of (a) full employment, (b) free collective bargaining, and (c) relative price stability.[1] Again and again it has been found that, although it is not too difficult to realize any two of these objectives, it is immensely difficult to realize all three of them at once.

For a number of years, Sweden has been trying to solve the problem of this elusive triangle by what may be called a *private yet nationally oriented incomes policy*. The task of setting guidelines for wage and salary negotiations with a view to preventing inflationary increases in money incomes has been delegated, as it were, to the negotiating employer and employee associations, with the government watching and observing, but keeping on the sidelines. It was hoped that, because of certain special features of Swedish tradition and community life, such a system would be more likely to achieve (relative) price stability under full employment than would an official incomes policy.

II

It took the Swedish system some time to develop. In the first few years after the end of World War II, the government made a few attempts to influence wage and price developments by exhortations and even by more or less direct controls. In 1948 the government called for wage restraint but without much success. Earnings rose by about 8 percent during that year. Thereupon, the unions, at the request of the government, agreed to extend existing wage contracts through 1949 and 1950. Although this wage freeze could not be enforced completely, it produced a good deal of resentment among the union rank and file. It ended in 1951 with a wage explosion that sent earnings up at an annual rate of about 20 percent. While the

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Korean war may have contributed to this development, the experience is another indication that incomes policy often merely delays wage increases until a later time, when they occur with a vengeance. As we have seen, the Netherlands had a similar experience. And wage explosions disrupt the process of gradual growth.

In Sweden, dissatisfaction with the results of government incomes policy as it had been practiced in the postwar years did much to change the general approach to wage and price policy. It helped to spread the feeling that it might be advisable to leave the responsibility for exercising the necessary restraint in wage agreements to those who negotiated and concluded them.

III

Success of the experiment with voluntarism would largely depend on whether the Swedish labor movement possessed, or could be expected to develop, a sufficient feeling of responsibility toward the nation as a whole to avoid the militant demands that could result in inflationary wage increases. Certain general historical and sociological conditions seemed favorable for the existence, or the gradual development, of such a spirit. Here was a country that had not been at war since 1815. It had a racially, ethnically, and religiously homogeneous population that was small in size and spread over vast spaces. Moreover, there was an absence of mass poverty. Thanks in part to these general social conditions, Sweden had experienced less bitterness in labor-management relations—and more willingness on the labor side of the bargaining table to weigh national against sectional interests—than had some other industrialized countries.

A few publications from labor quarters, which in the postwar era tried to define (and, if somewhat cautiously, to redefine) the role trade unionism should play in the further development of the Swedish economy, helped to create an intellectual climate conducive to the success of the nongovernmental incomes policy Sweden was about to try. In a book published in 1951 by the Swedish Institute of Economic Research, Rudolf Meidner, long the chief economist of LO (Landsorganisation i Sverige, the leading organization of Swedish trade unions), discussed the topic on a broad front.[2] In the same year, LO itself presented to its annual congress a report which, among other things, outlined the theoretical foundation of the wage policy that Swedish trade unionism was purportedly intending to follow from then on.[3] It is pertinent here to present a few highlights from this report.

The report emphasized the need for a *nationally coordinated wage policy* in which both the government and the LO would be constantly aware that each of them had a part to play in the effort to make full employment compatible with the attainable degree of price stability. It recognized that in the absence of a sufficiently cautious fiscal and monetary policy on the part of the government, there would be inflation, no matter how much restraint trade unions might display in their wage demands. On the other hand, even the most circumspect fiscal and monetary policy was seen as unable to secure price stability under full employment if labor failed to pursue a sound wages policy. As to the ingredients of a sound wages policy, the report insisted that certain distinctions be made. It emphasized that in times of acute labor shortage and keen competition among employers for manpower, it would be senseless and futile for union representatives to come to the bargaining table with a preset philosophy of unconditional wage restraint. But the report also recognized, although not in overly explicit terms, that even when the supply of labor was sufficient (or maybe a little more than sufficient) to satisfy the existing demand for manpower at the current wage levels, there often would be a temptation for powerful unions to press hard for wage increases in excess of productivity gains; that, if the pressure were successful, the resulting rates of increase in money wages would lead to price rises in excess of what might be inevitable for other reasons; and finally, that an enlightened union leadership should avoid driving things that far. The report emphasized explicitly that in extreme, inflation-threatening situations, it might be wise for unions to go so far as to accept a complete wage freeze as a temporary emergency measure.

In a report submitted to the annual LO congress ten years later as "A Trade Union Manifesto," four objectives of Swedish union wage policy were listed, two of them classed as "primary" and two as "secondary":[4]

The primary objectives . . . can briefly be said to be the following:

(a) the creation of a "rational" wage structure, i.e. a structure in which the wage differentials between different groups and individuals are determined by the nature of the input of effort, and

(b) ensuring a reasonable share of the national product to wage earners as a whole.

Two additional but secondary objectives can also be distinguished:

(c) trade union policy ought to be conducted in such a way that it does not prejudice economic equilibrium;

(d) moreover, at least it ought not to obstruct the structural shifts in the economy which are the prerequisites of expansion.

Only the objective listed under (c) comes within the purview of this survey. It is explicitly called a secondary objective, and its formulation is somewhat vague and noncommittal. Yet it may be interpreted as an acknowledgment of the necessity to exercise restraint in wage demands.[5]

Somewhat more straightforward was a statement in another LO publication in 1961, where it was said that the union movement, while it certainly should not be forced to remedy all imbalances in the economy by tempering its wage policy, "cannot avoid taking upon itself part of the responsibility for a policy aiming at maintaining a stable development of prices." [6]

IV

Given these psychological preconditions, the existing institutional framework for representing employer and employee interests could also contribute to the success of a system of "private yet nationally oriented incomes policy." The two central organizations representing those interests are the Swedish Confederation of Employers (SAF, Svenska Arbetgivarefoereningen), and the Swedish Trade Union Association (LO, Landsorganisationen i Sverige). The latter covers about 90 percent of all blue-collar workers. White-collar workers are represented by the Central Organization of Salaried Employees (TCO, Tjenstemaennens Central Organisation), and professional employees (mostly college graduates in the civil service) by the Central Organization of Swedish Professional Workers (SACO, Sveriges Akademikers Central Organisation). Of the three employee associations, LO is the biggest and by far the most powerful.

Ever since 1956, the two principal associations representing the two sides of the labor market, SAF and LO, have periodically conducted negotiations leading to *frame agreements* which outline norms and rules for wage policy (and policy with respect to other labor conditions) to be followed in the immediate future. The frame agreements were first concluded annually. Later the term was extended to two years and, in the agreement of 1966, a three-year term was set. The 1969 agreement, however, could only be worked out for two years, and the one of 1971, for which negotiations have been under way for some time, will probably likewise be for two years.

Of particular importance in the content of the SAF-LO frame agreements are the guidelines for the wage increases to be negotiated during the term of the frame agreement. The actual wage bargaining is the responsibility of the affiliated trade unions, employer suborganizations, and enterprises. The norms or guidelines set in the frame agreements are not binding in this bargaining, but it is expected that the affiliates of the two central associations will conduct the wage negotiations in the spirit and within the boundaries outlined by the frame agreements.

This seems to have been the case for a number of years, thanks to the prestige and the power (de facto, not statutory) that the central federations were able to exercise vis-à-vis their subordinate organizations. LO, in particular, has long been wielding great authority over its affiliated unions. Moreover, to a certain extent, the SAF-LO frame agreements have become pace-setting even for the salary agreements concluded by the two other central employee organizations. In fact, not only have the frame agreement guidelines been more or less incorporated into the collective wage contracts concluded by blue-collar unions affiliated with LO, thus establishing a uniform pattern of wage increases throughout the country, but also these guidelines have tended to set the pattern for the white-collar agreements concluded by the TCO and SACO affiliates. Thus LO has held a key position with respect to annual increases in wages as well as salaries all over the country.[7] Since Sweden is one of the most highly unionized industrial countries of the world,[8] this key position has meant a huge amount of power in the hands of a nationwide trade union leadership. In Sweden, for the socio-psychological reasons indicated, this centralization of union authority has facilitated rather than hampered the development of a pragmatic and responsible labor movement approach to questions of wage policy.

For a number of years after the system of frame agreements had become definitely established, the government confined its role to supplying (1) forecasts on the prospective development of the Swedish economy as a whole, and (2) views on the appropriate development of wages and price in the near future. These forecasts and views, which are not guidelines in any technical sense, seem to have only little influence on the course of wage negotiations.[9]

V

For quite some time the Swedish system, with its absence of government interference in wage negotiations, attracted attention from both inside and outside of Sweden. Within the country, the conviction seems to have been fairly general that no system of governmental guidelines for wage increases would yield better results. As late as 1965, a government spokesman was quite explicit about this:

"The Swedish government has little confidence in the usefulness of a direct incomes policy as an instrument of price stabilization, irrespective of whether this policy be executed by exhortation or by a special machinery set up for the purpose." [10]

In the next year, 1966, the British Trades Union Congress recommended adoption of the Swedish system in the United Kingdom.[11]

Looking backward, however, the Swedish system cannot be called an unqualified success. To fulfill the hopes that had been set for it, two prerequisitea had to be met. First, there had to be sufficient restraint in the wage and salary increases negotiated in the frame agreements and, following these agreements, at the collective-bargaining tables, and second, it had to be possible to satisfy the demand for manpower at these

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negotiated, moderately increased, wage and salary rates. The first prerequisite was met, at least during the years when the Swedish system was fully developed and was more or less unchallenged—which means roughly from 1956 to 1967. But the second prerequisite could not be met. The surprisingly high wage drift that occurred during all this period was a clear indication that the contractual wage and salary rates left ample room for substantial upward pull from the demand side. This demand pull seems to have largely spoiled the beneficial effects of whatever restraint the negotiating unions had been displaying at the frame-agreement or collective-bargaining levels. This is illustrated in Table I.

TABLE I.—FREQUENCY DISTRIBUTIONS OF ANNUAL PERCENTAGE INCREASES IN (a) CONTRACTUAL WAGE RATES AND (b) TOTAL ACTUAL EARNINGS IN SWEDEN, FOR MINING AND MANUFACTURING (1956–67) AND CONSTRUCTION (1957–67)

	Number of years in which increase occurred—			
	Mining and manufacturing		Construction	
Percent increase over previous year	Contractual wage rates	Earnings (contractual rates+wage drift)	Contractual wage rates	Earnings (contractual rates+wage drift)
0.1 to 1			1	
1.1 to 2			3	
2.1 to 3	4		5	
3.1 to 4	3		2	
4.1 to 5	5	2		1
5.1 to 6		1		2
6.1 to 7				2
7.1 to 8		6		4
8.1 to 9		2		2
9.1 to 10		1		
Total	12	12	11	11

[1] In the case of construction, the year 1956 had to be disregarded because the source used does not give any figure for the increase in wage drift or in total earnings for that year. Source: Calculated from data presented by Sten Borg, "Is There a Critical Level of Unemployment?—A Case Study of Sweden" in On Income Policy, Papers and Proceedings of a Conference in Honor of Erik Lundberg (Stockholm: The Industrial Council for Social and Economic Studies, 1969), p. 271.

It was of course to be expected that the frequency distributions in columns 1 and 3 would differ from those in columns 2 and 4. But the width of the differences tells an interesting story. So far as contractual wage rates are concerned, the annual percentage increases over the previous year range from 2.4 percent to 4.5 percent in the case of mining and manufacturing, and from 0.6 percent to 3.5 percent in the case of construction [12]—with the tabulated frequency distributions within these ranges. Now it is true that negotiated wage rates are only part of negotiated total labor compensation—which also includes fringe benefits, pension rights, et cetera. Yet, we can say that the ranges mentioned and the frequency distribution shown convey a definite impression of willingness to exercise restraint in negotiating pay increases.[13] To this extent, the Swedish system seems to have worked. There appears to have been no excessive wage push during the 12 years covered in the figures. However, the annual percentage increases in actual earnings (sums of contractual wage rates and wage drift) range between 4.5 percent and 9.9 percent in mining and manufacturing and between 4.8 percent and 8.9 percent in construction—with the frequency distributions between these ranges shown in columns 2 and 4. The demand pressure on the labor market, reflected in a persistent very high wage drift, was so strong that wage negotiators' willingness to practice incomes policy could not bear its full fruit.[14]

Table II provides a further illustration of the relative importance of wage drift as a disturbing factor in the Swedish experiment. In it, we have computed, for each of the years in the 1956–67 period, the contribution made by increases in contractual wage rates and in wage drift to the increase in total earnings.

TABLE II.—IMPACT OF INCREASE IN CONTRACTUAL EARNINGS AND IN WAGE DRIFT ON TOTAL EARNINGS IN SWEDEN, 1956–67

	Mining and manufacturing		Construction	
	Percent of annual increase in hourly earnings due to—		Percent of annual increase in hourly earnings due to—	
Year	Contractual increases	Wage drift	Contractual increases	Wage drift
1956	53.8	46.2		
1957	44.6	55.4	30.0	70.0
1958	57.8	42.2	57.7	42.3
1959	49.0	51.0	18.8	81.2
1960	48.8	51.2	37.1	62.9
1961	47.4	52.6	43.8	56.2
1962	53.7	46.3	20.3	79.7
1963	43.1	56.9	18.5	81.5
1964	33.8	66.2	7.9	92.1
1965	42.4	57.6	38.2	61.8
1966	51.1	49.9	58.3	41.7
1967	51.9	48.1	49.1	51.9

Source: Borg, op. cit. (See table I above).

In the last three years the Swedish system has been under mounting strain. The steady rise in prices led the government to announce a general price freeze in October 1970. As for incomes, the government has so far refrained from interfering with the negotiations for pay increases to be effected in 1971. These negotiations, which began in November, are reported to be even more arduous than were the difficult talks that led up to the frame agreement of 1969. The degree to which the upward pressure on labor costs has been aggravated since late in 1968 is reflected in Table III.

TABLE III.—ANNUAL PERCENTAGE INCREASES IN THE AVAILABLE QUARTERLY INDICES OF DIRECT WAGES AND TOTAL LABOR COSTS

		Percent increase	
From—	To—	In index of direct wages	In index of total labor costs
February 1967	February 1968	6.3	NA
May 1967	May 1968	5.8	NA
August 1967	August 1968	6.5	NA
November 1967	November 1968	6.7	NA
February 1968	February 1969	6.3	7.6
May 1968	May 1969	6.9	8.4
August 1968	August 1969	6.8	8.0
November 1968	November 1969	11.2	12.2
February 1969	February 1970	13.5	14.6
May 1969	May 1970	16.4	17.3
August 1969	August 1970	13.9	NA

Note: The index numbers underlying the increases shown can be found in the monthly issues of Allmaen Manadsstatistik (Monthly Digest of Swedish Statistics, edited by the Central Bureau of Swedish Statistics). The indices of direct wages are based on February 1947=100, those for total labor costs, on 1967=100. The index of total labor costs includes direct wages, remuneration for time not worked (e.g., public holiday pay, vacation pay), employer contributions fixed by law, and certain other collective fees. It excludes the tax on the labor force.

In the source publication, the index numbers are given for each February, May, August, and November. They are not seasonally adjusted and, as tabulated, they show a clear seasonal rhythm. To eliminate it, we have, as in an analogous case for the United Kingdom, computed annual percent changes between identical months of succeeding years.

Rivalries among the different labor organizations appear to be more in the foreground today than they used to be. According to available reports, TCO and SACO, the two federations representing salaried employees, have recently shown an increased tendency to assert the special interests of their constituents and less willingness to accept the patterns set by LO for collective bargaining and for the distribution of demanded or obtained pay increases among sectors. The question of the most equitable distribution of pay increases among blue-collar workers, white-collar workers, and professional employees seems to be more of an issue now than it was in the early 1960s. Recent attempts to challenge the setup under which LO's leadership extended considerably beyond blue-collar workers are said to be weakening the "integrated" structure of Swedish wage determination.[15] Two sub-associations representing salaried personnel have, in obvious defiance of LO, concluded unprecedented five-year agreements providing for increases of 7 percent per year (less wage drift).[16] In November, Sweden's Economic Research Institute predicted that the actual rise of wages in 1971 would be about 10 percent. According to some reports, employers as well as the minister of finance would regard 10 percent as the tolerable maximum.

So the outlook for the rest of 1971 is clouded. Sweden's minister of finance, while rejecting a wage freeze as unrealistic, has issued strong warnings against inflationary wage settlements. There is even some talk that if, in 1971, management and labor should settle for pay increases which would definitely contribute to accelerated inflation, the government might siphon off by taxation the excess gains it considered intolerable. Such a step would represent a serious dent in the Swedish system of nongovernmental or voluntary incomes policy.[17]

FOOTNOTES

[1] That is, the absence of price rises that are caused by money wage and salary increases in excess of increases in labor productivity. "Reasonable price stability" is another phrase often used to characterize this objective. Here we will avoid the term "reasonable" (that top weasel word of the English language) and speak instead of "relative" or "attainable" price stability.

[2] R. Meidner, *Svensk arbetsmarknad vid full sysselsatettning* (*The Swedish Labor Market at Full Employment*) (Stockholm: The Swedish Institute of Economic Research, 1951.)

[3] Available in English under the title, *Trade Unions and Full Employment* (Stockholm, 1951); see particularly the section on wage policy, pp. 73–102.

[4] "A Trade Union Manifesto" in T. L. Johnston, ed. and trans., *Economic Expansion and Structural Change* (London; Humanities, 1963), p. 150.

[5] The objective listed under (a), while outside our main topic, deserves a word of comment here. It spells out the idea of "wage solidarity," which has long been a speciality of Swedish trade union thinking. In the existing wage structure there are often substantial wage differentials (caused by difference in efficiency and profitability of individual firms) for the same kind and amount of work. Such wage differentials will gradually attract workers away from the low-paying into the better-paying enterprises, and the former will either have to improve their efficiency (and thus their ability to pay wages), or, if this proves impossible, to go out of business. The proponents of "wage solidarity" want to produce the same ultimate effect in a quicker way, viz., by stipulating "equal pay for equal work" regardless of a firm's *current* "ability to pay." The questions raised by this idea are beyond the scope of this survey.

[6] R. Meidner, "A Coordinated Wage Policy," in *Trade Unions in Sweden* (Stockholm, 1961), p. 14.

[7] Since 1969, according to available reports, this hegemony of LO has been increasingly challenged, and this, in combination with other developments has set some question marks on the future of the system (see below).

[8] It has been estimated that in the mid-1960s about 71 percent of all non-agricultural wage earners and salaried employees belonged to unions. Cf. Smith, op. cit. p. 154.

[9] In Sweden, there have long been close ties between the trade unions and the Social Democratic party which, either alone or as partner in a coalition, has been in the government ever since 1932. But all during the era of the frame agreements, the dislike of government interference in wage negotiations seems to have been stronger, even on the employee side, than those ties. The government did, however, provide machinery for mediation and arbitration for use in cases where wage negotiations would come to an impasse.

[10] Swedish Ministry of Finance, Secretariat of Economic Planning, *Inflation and Economic Development* (mimeographed), July 1965, p. 6. (Quoted from Smith, *op. cit.*, p. 151.)

[11] The fact that in Sweden the number of man-hours lost through work stoppages in the 1960s was exceedingly small by comparison with other industrialized countries has been mentioned as indicating that the Swedish system was successful. Now, such a fact certainly indicates success in the effort to preserve labor peace. Whether it indicates success with respect to a rational development of wages and prices is not equally certain. It *may* reflect a tendency to reach agreement "at all costs," that is, even when the agreed wage or salary increases are inflationary. But in Sweden the conviction seems to have been widespread that the paucity of strikes and lockouts need not be so interpreted.

In the light of some recent events, it seems uncertain whether Sweden's record with respect to labor peace will remain quite as good as it was in the 1950s. While the frame agreement of 1969 forfeited the right to strike, there were some wildcat strikes in the winter 1969–70, and the more recent strikes of salaried employees have added another element of uncertainty about the future of Swedish labor relations.

[12] The maximum and minimum values, like the frequency distributions between them, have been taken from the same source indicated in Table I, p. 30.

[13] If we wish to rely on the above table and the source from which it has been adapted, it is noteworthy that the contractual pay raises for construction workers seem to reflect even more restraint than those for workers in mining and manufacturing.

[14] In discussing the developments in the Netherlands 1963–65, we likewise encountered a labor market situation that made all incomes policy illusory in the short run. One difference between Sweden 1956–67 and the Netherlands 1963–65 is that, in the latter, the unions did not even attempt to keep their wage demands within limits consistent with a long-range incomes policy—despite the fact that, in contradistinction to Sweden, the Dutch limits were stated in official and even mandatory guidelines.

[15] All the more so, since LO's own affiliated unions are reported to be no longer unanimous in supporting the system of central pace-setting frame negotiations between SAF and LO.

[16] In the year ending July 1970, hourly earnings of blue-collar workers in mining and manufacturing rose 15.3 percent, of which about 9.5 percent (more than three-fifths) comprised wage drift.

[17] Most of the material presented in this section is based on a 12-page report, dated November 13, 1970, and received by the U.S. Department of Commerce from the U.S. Embassy in Stockholm.

CANADA

I

The history of incomes policy in Canada is relatively short. It was not until 1965 that the government seriously considered the idea of supplementing monetary and fiscal policy by directly influencing decisions about wage and price increases. In that year the Economic Council of Canada, at the request of the federal government, commissioned a study on foreign experience with incomes policies. The study was prepared by Professor David C. Smith of Queen's University and was published in October 1966.[1] It formed the background for the position taken by the Economic Council in its annual review published in the same year.[2]

Smith's survey reached the conclusion that Canada did not have a promising environment for experiments with incomes policy.[3] Compliance by management and labor with governmental guidelines seemed to the author to be too much to expect, given Canada's decentralized system of labor market institutions. Moreover, Smith argued that the division of political power between the federal and provincial governments would constitute an even more serious obstacle to a national incomes policy than does the division between federal and state governments in the United States. Besides, it seemed to him that the "openness" of the Canadian economy toward the economy of her southern neighbor—as reflected, for instance, in the high mobility of labor across the long border and in the strong influence of the United States on Canadian wages and prices—would severely limit the scope for an independent Canadian incomes policy.

The Economic Council of Canada at that time agreed with Smith's evaluation of the chances for an incomes policy in Canada. In its 1966 annual review mentioned above, the council presented an extensive survey of the lessons to be drawn from the foreign experiences covered by Smith's study. In summarizing these lessons, the council concluded that the social and political conditions under which the Canadian economy was operating made success of a Canadian incomes policy too unlikely to justify an attempt in this direction.

II

Under the pressure of worsening economic conditions during the three-year period from mid-1966 to mid-1969, reluctance to try some form of incomes policy gradually weakened. For some time, opponents of incomes policy had been able to point to a rapid growth of the Canadian economy and a low rate of unemployment as indications that inflation had its brighter side. But from 1967 to 1969, economic growth slowed down, unemployment rose steadily while the rise in prices continued unabated and at an accelerating pace. In fact, from 1965 to 1967, inflation was more of a problem in Canada than in the United States, and the same is true of unemployment from 1967 to 1969. Table IV illustrates this point with a few figures.

TABLE IV.—CONSUMER PRICES AND UNEMPLOYMENT RATES IN CANADA AND THE UNITED STATES, 1965-69

	Consumer price index (1963=100)				Unemployment as percent of civilian labor force	
	Canada		United States			
Year	Index	Increase over previous year (per cent)	Index	Increase over previous year (per cent)	Canada	United States
1965	104.3	.....	103.0	.....	3.9	4.5
1966	108.2	+3.73	106.0	+2.91	3.6	3.8
1967	112.0	+3.51	109.0	+2.83	4.1	3.8
1968	116.6	+4.11	113.6	+4.22	4.8	3.6
1969	121.8	+4.46	119.7	+5.37	4.7	3.5

Source: United Nations, Monthly Bulletin of Statistics, February 1971, pp. 17, 20. The CPI index numbers and the unemployment percentages represent annual averages.

Footnotes at end of article.

A White Paper issued by the federal government in December 1968 reflected a definite shift in the official attitude with respect to incomes policy. The decisive step was taken in June 1969, when a four-man Prices and Incomes Commission was established. Its terms of reference were officially stated to be "to inquire into and report upon the causes, processes, and consequences of inflation and to inform those making price and income decisions, the general public and the government on how price stability may best be attained." In other words, it had powers of review and surveillance but not of enforcement.

From June 1969 on, the history of incomes policy in Canada is, by and large, the history of the efforts, successes, and failures of the Prices and Incomes Commission (PIC) in helping to keep the rise of Canadian money incomes and prices within noninflationary limits.[4]

After the commission was set up, the first question it faced was what type of incomes policy it should try. Some advocated the type of policy used on and off in the United States since 1962; publishing guidelines that had been adopted without much prior consultation with interested groups; and subjecting violators to governmental pressure, or exposing them to public criticism by intervening publicly in particular cases and by strongly denouncing behavior the commission disliked. However, in the commission's view, guidelines that were simply announced by an appointed commission in Ottawa would have little chance of being widely accepted in Canada. A better approach would be to conduct exploratory negotiations and consultations with the aim of securing the consensus of all groups about the criteria on which the guidelines should be based.

On August 6, 1969, the PIC announced its plan to enter into negotiations with all groups—business, labor, the professions—relevant to a program of incomes policy in order to seek their voluntary cooperation in attacking the inflation problem the "direct" way. The objective was "to negotiate an across-the-board set of commitments with representatives of all segments of the community." [5] The all-round agreement should define the criteria and limits each group would be prepared to accept in a common effort to scale down income and price increases. It would also set forth the procedures it would be prepared to apply in dealing with violators. From August to October 1969, the commission held almost 100 meetings to explore the possibilities for such an across-the-board agreement.

The first responses from some quarters were not unpromising, but Canadian labor soon raised grave objections to the commission's approach. Some labor leaders said the commission was overstepping its terms of reference, which permitted it to study causes and consequences of inflation but not to propose programs of restraint—even voluntary restraint—or to suggest wage guidelines. In the autumn of 1969 both of the leading labor organizations, the Canadian Labour Congress and the Confederation of National Trade Unions, rejected the idea of a commitment to specified income restraints. Voluntary income guidelines were said to be impracticable. The chairman of the Prices and Incomes Commission declared his willingness to seek other forms, but stressed the commission's conviction that restraint in the rise of money incomes was essential if the rise in prices was to be scaled down in sufficient degree.

On October 17, 1969, this first approach in Canada's incomes policy came to an end when the leaders of the labor organizations formally declared that they would not participate in the PIC's attempts to seek an across-the-board agreement on income and price restraints.[6]

III

The PIC then switched to what it called a more "piecemeal" approach. For a while, it concentrated on the price front, negotiating with representatives of business and the professions in order to enlist their cooperation in a program of price restraint, not necessarily in the form of quantified guidelines.[7] In mid-January 1970, the commission decided that the responses obtained in these new exploratory talks were sufficiently positive to justify calling a National Conference on Price Stability. The conference convened early in February 1970 and was attended by representatives of numerous business and professional groups. In a closing statement dated February 10, 1970, it was said that the attending groups were "prepared to take an initiative as a contribution to a broad program of restraint." The statement then went on to say:

"More specifically, where higher prices are needed to cover higher costs, and market conditions made them feasible, business firms, generally, if called upon to do so, would ensure that price increases were *clearly less* than the amount needed to cover the increase in costs at a normal volume of output and sales." (Emphasis added.)

This amounted to a declaration that the business groups represented at the conference were prepared to forego part of the net profit margins that could otherwise be obtained during 1970. The program was endorsed a few days later at a meeting of federal and provincial government officials. The governments promised to use whatever constitutional means were at their disposal to help PIC implement the program. The commission gradually gathered a staff of experts so that, by the end of 1970, it had several divisions. All during 1970, it conducted periodic studies on price and income developments in particular areas, published reports on these developments and, in the field of pricing, used "moral suasion" whenever it felt that the "clearly less" promise had not been fully kept.

The voluntary adoption of a guideline for price increases by practically all Canadian business could justly be regarded as a promising initial success for this second phase in the commission's efforts.[8] However, the commission was convinced that despite willingness on the part of business to accept profit squeezes (a willingness that had its inevitable limits anyhow), the Canadian price level would continue to rise so long as collective agreements provided (as they did) for pay increases of 8-10 percent per year in the face of an annual rise in labor productivity of only about 2-2½ percent.[9] So the commission continued its efforts to obtain the collaboration of organized labor for the restraint program.

In several addresses delivered at meetings of labor organizations, PIC Chairman Young was outspoken about the dangers threatening if labor continued to stay outside the program. He warned of the habit-forming character of annual pay raises of 8 percent or more. Thus, in February 1970, he said bluntly that "if wage and salary earners continued to regard pay increases of 7 or 8 percent or even higher as a reasonable average increase for everybody," there was no hope of reducing the rate of increase in the price level much below the rate of 4½ percent a year.[10]

The question was, he said, how difficult conditions would have to become in the labor market—and for how long—in order to reconcile wage and salary earners to accepting the substantially smaller pay increases that would be consistent with reasonable price stability. But on March 23, 1970, the two central labor organizations again rejected the principle of guideline-oriented restraint in wage and salary negotiations. And this position was restated forcefully in May at the Conference of the Canadian Labor Congress. In the following weeks and months, pay raises provided by newly-concluded contracts continued to be well above what the Prices and Incomes Commission believed to be consistent with "reasonable" price stability.

If the PIC chairman had hoped that the declared willingness of business to cooperate in a national restrain program would make labor more willing to join—and it seems that for a while he had such hopes—he met disappointment. In an early May address, Mr. Young recognized that many people in the country thought there were only two possibilities left, either compulsory controls or abandonment of all efforts to curb inflation. But he expressed his hope that enough good sense and cooperative spirit could be mobilized "in the minds of ordinary people" to find a third way.[11]

However, in July, he had to summarize the results so far obtained by saying that "the impact of official policy measures and the Commission's restraint program has been entirely on areas such as prices, profits, professional fees, and borrowing costs, and not at all on labor costs." [12] Late in 1970, this failure seemed to him to be all the more disturbing because persistent high unemployment was about to induce the government to switch to a more expansive monetary and fiscal policy. Inherent in such a policy was the danger of adding to inflationary pressures—which, in the recent few months, had shown some signs of abating.

IV

Perhaps the most remarkable feature about wage and salary negotiations in Canada in the second half of 1970 is the fact that they took place under the shadow of, and yet apparently quite uninfluenced by, a guidline announced by the Prices and Incomes Commission on June 9. At that time, the commission obviously decided that something had to be done about excessive pay increases. While it probably still believed that only "agreed" guidelines had any chance of influencing actual wage and salary increases, it seems to have decided that given the impossibility of reaching agreement, a guideline publicly proposed by a body of some authority might be better than nothing. At the least, such a guideline would tell the broad public in a concrete form what the PIC considered to be the maximum acceptable rate of increase. So the commission announced that, in general, it considered an annual rate of increase of 6 percent to be the maximum justifiable for wages and salaries under the existing circumstances.

The guideline was not binding—for the commission had neither an absolute nor a delaying veto over wage or salary contracts. The figure of 6 percent was derived by simply adding two components, 2½ percent for the current annual increase in labor productivity and 3½ percent for the current rate of annual increase in the Consumer Price Index.[13] Pay increases exceeding 6 percent per annum were considered justified in certain special situations (unusually low current earnings in individual cases, the need to attract manpower rapidly into some particular industry, special contributions to productivity by removing from collective agreements specific restrictions on work practices).

As in the case of the guideline for price increases accepted by business, the Prices and Incomes Commission sought to enlist federal and provincial government support for this 6 percent guideline for wage and salary increases. In this case, however, it had only partial success. The federal government welcomed the 6 percent proposal and encouraged efforts to get it accepted. Indeed, it used the figure as a guideline in its own negotiations with the postal workers. But the provincial governments were generally too wary of labor opposition to give the guideline any official endorsement. Labor had, in fact, attacked the guideline almost immediately after its announcement. Actual increases in basic rates of pay at that time were between 6 and 9 percent per year.

December 31, 1970, marked the end of all income and price restraints, insofar as they had been spelled out in guidelines. The Prices and Incomes Commission dropped the 6 percent guideline for wage and salary increases, obviously out of the conviction that the figure was bound to remain academic. Faced with labor's persistent unwillingness to participate in a national restraint program, business, too, decided to discontinue its participation in 1971. The Prices and Incomes Commission will continue to report publicly on the inflationary impact of specific wage and price rises but will not measure them against specific criteria set forth in guidelines, as it did in 1970. The commission will also continue its research into the causes, processes, and consequences of inflation. All this was announced in a year-end review, issued as a press release on January 15, 1971.

V

The fact that incomes policy in Canada was abandoned after a year and a half does not prejudge the question of how much or how little it achieved while in effect. It is important here to distinguish the short-run from the long-run view. Taking the short-run view, it must be said that the events of 1970 have not quite borne out the repeated statements of the Prices and Incomes Commission that, without labor's participation in a national restraint program, it would be impossible to achieve any substantial scale-down in the rate of price increases. As a matter of fact, Canada's price performance in 1970 was much better than it had been in 1969, and it was also better than the 1970 price performance of the United States and most other industrialized Western countries. The Canadian Consumer Price Index rose 4.6 percent during 1969, but only 1.5 percent during 1970. The U.S. Consumer Price Index rose 6.1 percent in 1969, and 5.5 percent in 1970. (The figures represent increases of the December index of the year indicated over the December index of the previous year.)

It is difficult to tell how much of Canada's improved price performance in 1970 was due to changed market conditions making it impossible to raise prices so as to cover the full increase of costs, and how much was due to the restraint program under which business had undertaken not to pass on in higher prices the full increase in costs even when the market would permit it to do so. The PIC chairman has expressed the belief that the program just referred to had some effect. On July 2 he reported that:

". . . in several instances price increases have been rolled back, and in many others firms have decided not to proceed with price increases which they had been considering. We have also had an encouraging degree of cooperation from a number of major professional associations in postponing or limiting increases in their fee schedules." [14]

In its statement of December 1, 1970, the PIC reported that "many firms with opportunities open to them to raise prices during 1970 have deferred, limited, or reduced the size of these increases in order to conform with the price restraint criteria." [15] In its year-end review, published January 15, 1971, the commission reported that during 1970 some 100 firms postponed or modified price increases because of the restraint program.

There was, however, a special factor which must have contributed to making Canadian imports cheaper (especially Canadian imports from the United States), and thus to easing the upward pressure on the Canadian price level. This factor was the appreciation of the Canadian dollar in the months following May 1970. The rate of Canadian dollar per

Footnotes at end of article.

United States dollar developed as follows during the year 1970: [16]

January	1.0725
February	1.0725
March	1.0728
April	1.0728
May	1.0741
June	1.0341
July	1.0259
August	1.0188
September	1.0191
October	1.0206
November	1.0188
December	[1] 1.0174

[1] Preliminary

This amounts to an appreciation of 5.6 percent from May to December.

At any rate, not too much should be read into Canada's improved price performance for 1970. It may turn out to have been only a short-run achievement. The question remains whether, in the longer run, the failure to enlist the cooperation of labor in any restraint program will not aggravate the Canadian inflation problem once more.

FOOTNOTES

[1] Smith, *op. cit.* The study covers developments up to and including 1965.

[2] *Prices, Productivity and Employment*, Third Annual Review of the Economic Council of Canada, November 1966.

[3] Smith, *op. cit.*, pp. 199–207.

[4] From the establishment of the PIC all through 1969 and 1970, Dr. John H. Young, the chairman of the commission, has delivered numerous addresses to business associations, labor organizations, social clubs, and other groups, in an attempt to keep the Canadian public posted on the recent and current activities of the commission, on the problems the commission was facing at the given time, and on the events and circumstances that several times caused it to change its approach to incomes policy. These addresses, which are available in mimeographed form, are the main source of the material presented in the following pages.

[5] This is how Chairman Young characterized the first approach of the commission in an address delivered somewhat later, when the approach had already been abandoned. (Address to the Labor Relations and Workshop Conference, February 25, 1970, p. 5.)

[6] In several other countries where the government had embarked upon incomes policy, there were episodes, although mostly short ones, when labor cooperated in this policy. In Canada there has been no such episode so far.

[7] In reporting on these talks, and on several later occasions, Chairman Young emphasized that one of the benefits to be expected from a successful incomes policy would be that "fiscal and monetary restraint could be made correspondingly less severe and protracted." The observation that restriotive monetary and fiscal policies, because of their effect on business activity and employment, are socially costly ways of combating inflation, and that under an effective incomes policy these traditional weapons against inflation could be applied with less severity, or perhaps could even be replaced by cautiously expansionary measures, has been stressed by Canadian proponents of incomes policy with particular emphasis.

[8] In a retrospective "Concluding Statement" dated December 1, 1970, the commission, obviously referring to the outcome of the National Conference on Price Stability stated that "this was perhaps the first time that business firms representing practically every sector of the Canadian economy had been called upon and agreed to cooperate in a national program of this scope."

[9] That "wage push" was a factor in the Canadian inflation in 1969 was implicity admitted in the 8th Annual Review of the Economic Council of Canada, which had long been against income policy in that country: "It is difficult to maintain that the current inflation is a reflection of excessive demand pressure, for the Canadian economy has been operating with at least a moderate overall margin of slack since 1967." *Sixth Annual Review of the Economic Council of Canada*, 1969, p. 1963.

[10] Address delivered to the Labor Relations and Workshop Conference, *op. cit.*

[11] Address delivered to the Ontario Federation of Printing Trade Unions, May 2, 1970.

[12] Address delivered to the Macdonald Club of Prince George, July 2, 1970, p. 6.

[13] Some interesting theoretical questions attaching to this additive derivation can only be touched upon here. The second additive component should allow, as was explicitly stated, for "something like the *current* rate of increase in consumer prices." (Emphasis added.) Now if that current rate of price increase is assumed to be itself partly the result of excessive past increases in money pay (though only partly; it may also reflect influences over which Canada had no control), does not a future pay increase that fully allows for this price increase involve an element of circularity? Does it not build an upward wage-price spiral directly into the system? But in the case of Canada it may not be worthwhile to ponder much over such questions, for the 6 percent guideline did not survive 1970 anyway.

[14] Address delivered to the Macdonald Club of Prince George, *op. cit.*, p. 5.

[15] "Concluding Statement" of the Prices and Incomes Commission, *op. cit.*, p. 2.

[16] The data are from various issues of the United Nations' *Monthly Bulletin of Statistics* from August 1970 to February 1971. The December estimate was provided by the Canadian Embassy.

Mr. PROXMIRE. Mr. President, I should like, very briefly, to discuss the amendments which I intend to offer tomorrow.

My first amendment relates to requiring reports on this operation. I hope that the chairman can accept it. I would expect that he could.

The fact is that we are kept in the dark on much of the stabilization program. The country knows far less about it than it should know. It is a program in which we are delegating an enormous amount of authority and power to the President of the United States, although it is in the domestic area, where Congress should retain its authority.

As distinguished and conservative an economist as Arthur Burns has argued, at least in his initial testimony, that we should keep the President on a short leash, and not extend this authority for more than a few months.

Under these circumstances, I believe the least we should do is require reports, and that is what this amendment provides.

The amendment is brief. It reads as follows:

In transmitting the Economic Report required under Section 3(a) of the Employment Act of 1946 (15 U.S.C. 1022), the President shall include a section describing the actions taken under this title during the preceeding year and giving his assesement of the progress attained in achieving the purposes of this title. The President shall also transmit quarterly reports to the Congress not later than 30 days after the close of each calandar quarter describing the actions taken under this title during the preceeding quarter and giving his assessment of the progress attained in achieving the purposes of this title.

This is, of course, far too little. It is my view that we should not extend this act at all now, because no justification has been given for extending the act before it expires, and long before it expires. But if we are not going to do that, we should certainly require reports from the President at regular intervals, so we can follow the program and see how it is operated.

One of the most disturbing aspects of the hearings before the Joint Economic Committee and the Banking Committee was the fact that proceedings before these boards are conducted privately. The public is shut out.

The public has a great stake in these programs. No matters of national security are involved. There is concern, certainly, that we should not disclose trade secrets, and I think all of us agree they ought to be protected. But aside from that, there is every reason to encourage coverage of these hearings, to help assure vital public acceptance and credibility. For that reason, I am offering the following amendment:

Any hearing or other proceeding conducted by the President or his delegate for the purpose of hearing arguments or acquiring information bearing on a change or a proposed change in wages, salaries, prices, rents, interest rates, or corporate dividends or similar transfers shall be open to the public except that a private hearing or other proceeding may be conducted to receive information considered confidential under Section 205 of this title.

As I say, the Chairman of the Pay Board testified that reporters were not permitted, the hearing was closed, and no transcript was kept. At our request, they agreed to provide the Joint Economic Committee with minutes of their meetings, but the minutes are likely to be very limited, and obviously censored by the Chairman to disclose whatever information he chooses to disclose. That is no way to conduct this kind of operation.

My third amendment is a very substantial amendment, which I am sure will engender a great deal of controversy, but it is based on what I have been hammering away at over and over again.

It is a fact of life that the vast majority of firms in this country, and I think virtually all firms that are not in tier 1 or tier 2, have no business being under the manadtory restrictions provided in this act. So this amendment would take them out, by saying:

The authority conferred on the President by this section shall not be exercised after June 30, 1972.

That would give another 8 months on covering those firms—

To limit (i) the amount of any increase in prices charge by or wages or salaries paid by a firm with annual sales or revenues of less than $50 million during its most recent preceeding fiscal year; and (ii) the amount of any pay adjustment which applies to or affects less than 1,000 employees, unless the President determines, after notice and opportunity for hearing, that the amount of any such increase or adjustment is grossly disproportionate with the standards published under subsection (b) and would have a significantly adverse affect upon the general cost of living.

"(2) The President may request the Congress to reauthorize, by joint resolution, the authorities to be terminated or terminated by this subsection, and the provisions of sections 910–913 of title 5, United States Code, shall be applicable with respect to the procedure to be followed in the Senate and House of Representatives in considering such resolution and references in such provisions to a "resolution with respect to a reorganization plan" shall be deemed for the purpose of this subsection to refer to the resolution provided for under this subsection."

The purpose, as I say, is to exempt small businesses, the small ones in this country which should be under it.

Let me explain the last paragraph, which is somewhat complicated the way I read it.

The reason the last paragraph is in it is to prevent a filibuster on the part of some Members of the Senate which could be used to make this provision ineffective.

The last amendment I have, which I will offer tonight, goes to the ridiculous situation that we find ourselves in, providing for two boards which have the greatest economic power of any economic agency we have—greater in many respects than Cabinet officials. Yet, we do not require confirmation of any of the members of this board. We have a price czar now. We have a fine man, a very able and affable man, Mr. Grayson, but a man who has indicated he is going to make many of these decisions by himself and other decisions in consultation with members of the Price Commission, with whom he wants to consult; and he is not confirmed by this body. He does not have to come in and testify before a committee which will consider his qualifications and his philosophy and his attitude and be subject to debate in the Senate.

We are going to have a considerable debate over Mr. Butz within a few days, presumably right after we finish this bill. Then we are going to go on with the nominations of two Supreme Court Justices. How shocking it would be if the Senate did not confirm these men. And yet we will not confirm Mr. Grayson unless my amendment is adopted and his power in a very important sense may be even greater than that of the men whose confirmation will be debated so vigorously within a few days.

I submit that it is ridiculous for us not to insist that at least the Chairman be subject to Senate confirmation.

This amendment provides the following:

Members of such boards, commissions, and similar entities shall be appointed by the President by and with the advice and consent of the Senate; except that—

So that we can have a continuity of operation:

(1) the foregoing requirement with respect to Senate confirmation does not apply to any member of any such board, commission, or similar entity (other than the Chairman of the Pay Board, established by section 7 of Executive Order Numbered 11627 of October 15, 1971, and the Chairman of the Price Commission, established by section 8 of such Executive order) who is serving, pursuant to appointment by the President, on such board, commission, or similar entity on the date of enactment of the Economic Stabilization Act Amendments of 1971, and who continues to serve, pursuant to such appointment, on such board, commission, or similar entity after such date; and

(2) any person serving as Chairman of such Pay Board, and any person serving as Chairman of such Price Commission, on the date of enactment of the Economic Stabilization Act Amendments of 1971, may continue to serve in such capacity on an interim basis without regard to the foregoing requirement with respect to Senate confirmation until the expiration of 60 days after the date of enactment of the Economic Stabilization Act Amendments of 1971, and the provisions of sections 910–913 of title 5, United States Code, shall be applicable with respect to the procedure to be followed in the Senate in considering the nomination of such persons for such offices and references in such provisions to a "resolution with respect to a reorganization plan" shall be deemed for the purpose of this section to refer to such nominations.

The last part provides the antifilibuster language which will make it impossible for confirmation to be delayed and for the Chairman to be killed on that basis.

Frankly, Mr. President, I think this is a very limited and very modest amendment. Many Senators have said "Why not confirm all members?" I think a strong case could be made for that, and I would be inclined to offer such an amendment. In view of our lack of success in the committee, however, I think it is unrealistic to press that amendment on the floor. I think the case is overwhelming for at least confirming the members paid by the Government, full-time members, who can, as Mr. Grayson has shown, become virtual czars. I will be interested to see how the Senate votes in this respect, because it seems to me that if the Senate votes not to confirm a chairman with this great power, it is indicating its real lack of interest in maintaining some kind of congressional control and discipline over people who have been given this immense power.

EXHIBIT 1

INFLATION—THE PRESENT PROBLEM: OECD—EXCERPTS

* * * * * *

83. Establishment of realistic non-inflationary price objectives will not, of course, be enough in itself. More important will be to convince public opinion that these objectives are going to be taken seriously. To this end, governments will have to make it clear that they are prepared to pursue restrictive demand management policies until there are signs that better price stability is being restored. A permanent and significant rise in unemployment would not be acceptable; nor would it necessarily be an effective barrier against inflation over the longer run. What is needed, however, is that all segments of the public—and especially employers and trade unions—should be more conscious of the inevitable link between the moderation they exercise in price and wage decisions and the demand management policies followed by the authorities. In the present conjuncture, a major reduction of inflationary expectations during the current cooling-off period is a pre-requisite for the resumption of normal growth rates and the return to higher levels of employment.

84. With regard to the technical aspects of demand management policies,[1] there has, in recent years, been considerable controversy about the relative efficacy of fiscal and monetary policies. The main lesson which seems to emerge from the OECD's own practical experience with stabilization problems is that *both* fiscal and monetary policy have an important role to play; that they need to be closely coordinated; and that excessive reliance on either weapon produces unsatisfactory results.

85. Some other lessons that can be drawn from experience in OECD countries can be summarized briefly. First, there is the need to act promptly when evidence points to a danger of excess demand. Second, more suitable administrative and institutional fiscal policy arrangements and a larger armoury of policy weapons could contribute to a better use of fiscal policy. In particular, there is a general need for better co-operation between central and local authorities in the implementation of fiscal policy. Experience has shown the value of incorporating a margin of flexibility in annual public expenditure programmes, and of having some discretionary power to vary tax rates and social security contributions according to conjunctural circumstances. In some countries tax collection procedures could be improved to increase the automatic forces for stabilization generated by the fiscal system. On the monetary side, there is the question of whether recent experience indicates the need to make use of new policy instruments, particularly with reference to the increasing impact of international capital movements.

86. In general, however, it would seem that in the context of the present Report the most important questions relate not so much to the technical aspects of fiscal and monetary policies, but rather to the more basic question of the appropriate objectives to be pursued.

B. PRICE-INCOMES POLICY

87. The 1960s have witnessed a wide variety of experience with price-incomes policy in many countries, and the growth of a very substantial literature on the subject. In the time available, it has only proved possible to attempt a brief summary of some of the problems that have been encountered. A description of experience with such policies in selected countries will be found in Annex B. (The countries covered are Austria, Canada, Finland, Germany, the Netherlands, the United Kingdom and the United States).

General characteristics and appraisal

88. The definition of a price-incomes policy, and the classification of those countries which have been following such policies, are in themselves a controversial question. It may, nevertheless, be useful to distinguish two broad approaches: the "the national price and income bargain" approach and the "price and incomes guidelines" approach.

89. The Netherlands in the 1950s provides the earliest example of the "national bargain" approach, and the Finnish Stabilization Agreements of 1968 and 1969 the most recent. This normally involves an agreement between the government and all the major

[1] The Economic Policy Committee of the OECD has a continuing concern with the technical aspects of fiscal and monetary policies as used for demand management purposes. The report on *Fiscal Policy for a Balanced Economy* (OECD, Paris 1968) contained 24 recommendations on steps to increase the scope for the use of fiscal policy as a means of promoting steady growth and maintaining the balance of the economy. Committee has commissioned studies on the operation and impact of monetary policy in selected countries.

social partners. The agreement is, typically, quite detailed and is tailored to meet the prevailing circumstances. It often covers not only industrial wages and prices, but also wages and salaries in the public sector, agricultural incomes, rents, distributive margins, dividends, etc.; and the package may include government commitments with regard to taxes, monetary policy, and so on. Implementation usually relies heavily on the discipline of the social partners, but is often backed by statutory powers for referring wage and price increases to some review body, or for compulsory arbitration, or for price and wage controls.

90. The "guidelines" approach is typified by the policy followed between 1962 and 1968 in the United States. The government, with or without the agreement of the social partners, announces the general principles of non-inflationary price and wage behaviour, together with the qualifications necessary to render these principles applicable to specific cases. Implementation generally relies heavily on mobilizing public opinion; it may be supported by bringing informal pressure to bear on important wage and price decisions, and by setting up official or semi-official bodies to which these decisions can be referred.

91. There are, of course, many variants between these extremes, as is illustrated by the chequered history of price-incomes policy in the United Kingdom. It should also be noted that quite a number of countries in Europe, including several of those who have not gone far towards establishing a comprehensive price-incomes policy, have made considerable use of price control of one form or another; and that minimum wage legislation plays an important role in income determination in a number of countries.

92. The record seems to show fairly clearly that price-incomes policy of both the national bargain and guidelines variety has succeeded in restraining price rises for periods of up to one to two years. Recent examples are provided by the United Kingdom in 1966–67 and Finland in 1968–69. To what extent any long-term success has been achieved, is, however, more doubtful and controversial.

93. As far as the major countries are concerned, the question cannot really be asked, since none of them have as yet pursued a coherent price-incomes policy for long enough to permit proper judgement. It could, of course, be argued that the fact that these policies have been modified or abandoned in several of these countries is sufficient proof that they are unworkable. Many would regard this as debatable, since the initial efforts may have been over-ambitious, and the on-and-off record owes much to fluctuating political fortunes.

94. Some other countries—for example, Austria, the Netherlands and Norway—have been pursuing a form of price-incomes policy for a much longer period. Judgment of the results achieved is, however, rendered difficult by the very large extent to which their economies are influenced by external developments. In these circumstances, effectiveness of price-incomes policies must be judged mainly in terms of the contribution they have made to reconciling the maintenance of external equilibrium with high levels of employment, and the promotion of constructive and relatively peaceful industrial relations. Judged against these standards, rather than against the observed rate of price increase, the record of a number of the smaller countries would seem to compare quite favourably with that of the larger countries.

The problems encountered—incomes policy

95. The major problem encountered in trying to build up a price-incomes policy is obviously the heavy burden of responsibility it imposes on the social partners. They are called upon to exercise moderation in the pursuit of their legitimate interests. Viewed from the top, the proposition that if money incomes and profits rise faster than national productivity the consequence will not be higher real incomes and profits but rising prices is impeccable. But it is not true when applied to individual groups or enterprises. It is thus all too easy for leaders on both sides to be pursuaded into accepting over-ambitious commitments on behalf of their members.

96. On the side of labour, these strains have been apparent in black-market wages, wage-drift, break-away unions, unofficial strikes and militancy on the shop floor. They may also have been partly responsible for the tendency observed in some countries for the locus of wage negotiation to shift down from the national to the plant level. In several countries trade union leadership has become increasingly reluctant to participate in the formulation and implementation of price-incomes policy. The strains on the employers' side have been less obvious and have received less attention—partly, perhaps, because in general less emphasis seems to have been given to the employers' role in the inflationary process (on both the wage and the price side).

97. A second problem area concerns the appropriate guidelines where prices are already rising at a significant pace. Difficult judgment is involved in establishing realistic targets: on the one hand, it has to be recognized that a price-wage spiral cannot be halted overnight; on the other, that full compensation for price increases in wages, and cost increases in prices, will perpetuate the spiral. These conflicting considerations also lie at the heart of the controversy concerning wage (and price) indexation. Some form of real income guarantee may be a necessary and desirable part of an overall bargain, but not if it is too rigid or quick-acting. It is interesting in this respect that Finland, and more recently Denmark, have acted to modify or abolish their very widespread and automatic systems of indexation.

98. There is a wider problem of the realism of price-incomes policy objectives. Because of concern that targets may be taken as the minimum basis for price and wage decisions, there has been a natural tendency to play on the safe side. But persistence with unrealistically low targets can, over time, bring the whole policy into disrepute. A recent example is the difficulties that have arisen in Germany because of serious under-estimation of the scope for productivity gains and non-inflationary wage increases in 1968 and 1969 at the time the "concerted action programme" for those years was established.[2]

99. A third set of problems relates to income differentials and the position of lower-paid workers. Here again, it is easy to be over-ambitious, with leaders agreeing to action in favour of the lower paid which is not, it subsequently turns out, acceptable to those higher up in the hierarchy of wages and salaries. Similar difficulties arise when legislative action is taken, for example, to raise legal minimum wage rates or to provide equal pay for women. Experience has continuously illustrated the tenacity with which existing wage differentials are defended. This has been another factor behind the phenomenon of wage-drift in Scandinavia and elsewhere. It is also evident in the rather widespread increase in the organisation and militancy of white collar workers during the 1960s.

100. The evolution of price-incomes policy has also focussed more attention on non-wage incomes. As foreshadowed in an earlier OECD report, countries have adopted rather different approaches to this problem, some putting most emphasis on competition and price policy, others seeking to establish a more direct policy for non-wage incomes.[3] One question about the more direct approach is how far fiscal measures, which may be accepted as a satisfactory *quid pro quo* by union leaders, are recognized and accepted as such by the rank and file lower down.

101. More generally, it is probably true that the search for price-incomes policies has tended to bring into the open issues concerning the distribution of income (and wealth) which until then had been lying dormant because of lack of information, the fragmentation of opinion, and the absence of any national forum in which they could be effectively raised. Where this has happened, policies and guidelines which implicitly take the existing distribution of income and wealth for granted have come under increasing attack from many different directions.

The problems encountered—price policy

102. Experience has tended to confirm the judgment that a comprehensive system of *price control*, in the strict sense, raises almost insuperable administrative difficulties; and over a number of years it would have harmful effects on efficiency. At the same time, however, quite a number of countries have made use of *temporary price and/or wage freezes*. It seems that in particularly difficult inflationary situations action along these lines can help to bring about a break in the price-wage spiral. But there is also a danger that price and wage increases accelerate again sharply as soon as these controls are relaxed or removed. The use of such measures, therefore, requires skillful timing within the framework of a comprehensive overall programme of appropriate fiscal, monetary and other policies.[4] In the last two or three years this has been attempted—with varying degrees of success—in the United Kingdom, France and Finland, and, more recently, in the Netherlands, Sweden, Denmark, Norway and Ireland.

103. With regard to the longer run, a number of countries have been giving increasing emphasis to what is often called an *active price policy*, including the use of various techniques of price supervision. The problems encountered have been relatively familiar and will only be sumarized briefly. Simple rules—such as that only increases in external costs may be passed on in higher prices—have to be qualified and elaborated to take into account factors such as self-financing ratios, rates of return on capital, price trends in export markets, etc. Experience has also shown, however, that more complex and qualified guidelines can provide scope for collusion between employers and employees in seeking to gain approval for both unjustified price increases and above-average wage increases.

104. In the implementation of an active price policy, it has proved difficult to avoid giving undue emphasis to restraining price increases in low productivity growth sectors, rather than to the promotion of price reductions in high productivity sectors. Selective action on politically sensitive prices, or on price decisions most easily susceptible to government influence, may also have led to some distortion in price structures.

105. Despite these difficulties, a number of countries have felt it worthwhile to devote considerable resources to building up the necessary expertise required for effective price supervision over the longer run. It would seem that these efforts should be pursued, and that in some countries there is considerable scope for action along these lines.

Wages and prices in the public sector

106. It is now widely accepted that wages in the public sector should not be allowed to lag seriously behind those paid for similar occupations in the private sector. Experience in the 1960s has tended to confirm an earlier judgment that ". . . time passes and a day of shocked surprise comes when it is found that school teachers, or civil servants, or bus-drivers have been woefully neglected. The result is a wage adjustment of a size that should never happen in the interests of stabilization policy, which is bad in itself and bad as an example".[5] On the other hand, however, there have been a number of cases where a wave of inflationary wage claims appears to have originated in the public sector, which includes a number of strongly unionized occupations. If the government is to ask employers and employees in the private sector to exercise moderation in the face of pressures coming from the market place, it must surely be prepared to resist political pressures in favour of over-generous wage settlements in the public sector.

107. In a number of the smaller Northern European countries arrangements have gradually evolved under which wage and salary negotiations for public employees take place shortly after the main settlements have been reached in the private sector. In France, the recent collective bargain reached for the nationalized gas and electricity supply industry contained interesting arrangements to provide some assurance that wages and salaries would move broadly in line with prices and incomes in the rest of the economy. Other countries should be urged to consider whether they would not benefit from the experience acquired in these countries.

108. It should be noted that the public sector includes many relatively low-paid occupations. Negotiations, therefore, raise in an acute form the problem of the desirability, and at the same time the great difficulty, of giving above-average increases to low-paid workers, already discussed above.

109. With regard to prices charged by public utilities and other nationalized industries, governments are often tempted to intervene in the light of conjunctural or other political or social considerations. But the arguments against policies which eventually lead to abrupt and large increases in the public sector apply just as much to prices as they do to wages. Thus, prices should normally be raised fairly smoothly in line with costs; the latter being calculated on the basis of proper economic criteria, allowing for a wage rise no faster than in the private sector. There may, however, be some scope for limited flexibility in the timing of price increases according to the point reached in the general price/wage spiral.

The future of price-incomes policies

110. It would be unrealistic not to recognize that the difficulties just discussed have proved more serious than was envisaged by advocates of incomes policy a decade ago (including the OECD). Some governments may have pinned too much faith on price-incomes policies and neglected to give sufficient weight to other essential aspects of stabilization policy. In particular, it has been demonstrated only too often that—even where conditions are favourable to the application of price-incomes policy—the emergence of excess demand quickly undermines the basis for such a policy, and may well do long-lasting damage to the institutional arrangements and mutual understanding upon which it has been based. After the experience of the 1960s, there is certainly no justification for any country to regard price-incomes policy in any way as a substitute for proper demand management policies.

111. Critics would, of course, go further and claim that price-incomes policies have been proved to be unworkable, if not positively harmful. They argue that the whole concept of these policies is fundamentally inconsistent with the open and decentralized system of political and economic organisation on which Western societies are founded.

112. An effective price-incomes policy, it is true, implies—almost by definition—that consideration of the common interest has to some degree been injected into individual wage and price decisions. Some find it natural that the social partners should seek to achieve this through their own efforts, and through consultation with each other and the government; others are opposed on ideological grounds. But these differences in value judgments, however strongly held, should not be allowed to obscure the fact that inflation has become an increasingly serious problem. The question that must, therefore, be asked of opponents of price-incomes policies, is whether continuing, and perhaps accelerating, inflation might not engender changes in present economic and political systems far more unacceptable to middle-of-the-road opinion than would be involved in a relatively small shift towards taking more account of the common interest in making price and wage decisions. Such a shift might, of course, only make a relatively small contribution to greater price stability. But this would, nevertheless, be very welcome, since the essential problem is to keep price increases below the threshold at which inflationary expectations acquire a momentum of their own.

CONCLUSIONS

113. To those who accept this proposition, the question remains of how, in practical terms, to make price-incomes policy more effective over the longer run. This, no doubt, depends a great deal on the attitudes, institutions, economic structure and political philosophy of the country concerned. In some countries institutional changes will, no doubt, be required to promote better synchronisation of wage negotiations, and provide a more rational framework of industrial relations with respect to such things as the definition of bargaining units, arbitration and procedures for settling disputes, the legal status of collective agreements, etc.

114. On a wider plane, there may be a question as to whether in the past too much emphasis has been put on the role of unions in moderating wage increases and too little on the role of employers in granting inflationary wage increases and passing them on into prices. The basic aim, after all, is to get better price stability, not just for a few politically sensitive prices, but over the whole range of prices throughout the economy. Employers have a particularly direct concern with the continuation of economic growth and rapidly expanding markets. Perhaps more could and should be done to encourage them to exercise moderation in their price decisions, and to organise themselves better to resist pressures coming from the over-aggressive use of market power on the part of certain unions.

115. Elements of price-incomes policy can make a valuable contribution to breaking a wage/price spiral as part of an overall stabilization programme, although a flexible approach and careful timing are required to avoid a recrudescence of inflationary pressures when the time comes to start relaxing restrictive policies.

116. The extent of the need for price and incomes policies over the longer run no doubt varies from country to country. But wherever they are needed—and whatever they are called—effective price-incomes policies are likely to require wide-spread support; it is unfortunate if they become a plaything to be picked up or dropped by opposing political parties. It is also a mistake to base price-incomes policies too heavily on balance of payments considerations; this has been particularly apparent during the last 18 months of generalized inflation. Further, while institutional arrangements are of considerable importance, the basic requirement is for a better understanding of the issues, and more willingness to give greater weight to common as opposed to sectarian interests. This means also that the social partners have to be closely associated with the formulation of the whole range of policies needed to maintain reasonable price stability.

117. Finally, there is a question of whether the name "price-incomes policy" (and its variants) has not outlived its usefulness. Many of the subjects discussed in the next section of this report can quite legitimately be thought of as forming part of a policy for prices and incomes. The problem is inflation, and what is needed is a positive policy against inflation right through the private and public sector.

C. POSITIVE PRICE POLICY THROUGH THE WHOLE RANGE OF GOVERNMENT ACTIVITIES

118. Firm fiscal and monetary policies, supplemented where possible by some form of price and incomes policy, must be the basic ingredients of successful action against inflation. In many countries, however, there is a growing body of opinion that the operation of demand management and price-incomes policies within politically acceptable limits may not be enough to achieve and maintain reasonable price stability. The remainder of this report therefore considers the scope for anti-inflationary action outside the broad framework of the policies so far considered. The underlying theme is that governments should strengthen their procedures for examining the price implications of each and every one of their activities. The immediate object should be to introduce procedures for taking account more consciously of the price implications of proposals for new governmental initiatives, and to embark on a review of the price implications of those existing policies which seem to provide the most obvious scope for a significant contribution to greater price stability.

119. The main areas for possible action discussed below concern: further trade liberalization, tougher and more extensive competition policies, less protection for uncompetitive sectors and industries, stronger manpower and regional policies to ease structural adaptation, and more efficient public expenditure and social policies.

120. Although it has not been possible to make more than a rapid review of the possibilities, it is hard to escape the conclusion that the scope for anti-inflationary action over both the short and the longer run—for example, in the fields of trade, agricultural and industrial policies—is considerable.

121. The objective in exposing the private sector to more effective domestic and international competition should be not only to attain some once-and-for-all cuts in the price level. Protection, at least in its more harmful forms, makes a dynamic contribution to inflation through weakening resistance to a continuing process of cost and price increases. The larger the protected sectors in relation to the economy as a whole, the greater will be the momentum behind the inflationary process.

122. All instances of industrial or agricultural protection exist for understandable

[2] See note on German experience, Annex 1.

[3] "A direct policy for non-wage incomes might be considered to comprise, first, watching the development of the major categories of non-wage incomes; second, obtaining general agreement as to what should be regarded as the appropriate behaviour of these incomes; and, third, correcting any disproportionate movement by tax changes or other means. This type of approach may not be a substitute for an active price policy: in practice, the two approaches may need to be complementary". *Policies for Prices, Profits and Other Non-Wage Incomes*, OECD, Paris, 1964, para. 118.

[4] In this context the flexible techniques used in France, e.g., through "contrats de stabilité" and contrats de programme", may be of interest to other countries.

[5] *Report on the Problem of Rising Prices*, *op. cit.*, p. 60.

reasons, and to reduce or remove them would be politically painful. The key question, however, is what the alternative course of action is, in circumstances in which inflation is in some countries posing a threat to the continuation of full employment.

123. Taking any of the suggestions made below in isolation, it may be easy to argue that their contribution to the solution of the inflationary problem would hardly be worth the political and other difficulties involved. However, the fact is that all Member countries have to some extent carried over from the 1930s (and earlier) protectionist and interventionist attitudes and institutions which may have been justified under conditions of periodic and inescapable recessions, but are not under conditions of guaranteed high employment.

124. As regards social policies, inefficiencies in expenditure in achieving properly defined social objectives are inflationary to the extent that taxes are, as a result, higher than they need be. In such cases, inefficiencies in the public sector have just as much inflationary potential as when prices in the private sector are higher than they need be to provide a reasonable return to the capital and labour employed. The inflationary potential in public expenditure on social services must, *a priori*, be great.

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INFLATION—THE PRESENT PROBLEM

ANNEXES B: ADDITIONAL MATERIAL RELATING TO PART III B OF THE REPORTS PRICE-INCOMES POLICIES IN SELECTED COUNTRIES

B.1 Austria

Since the late 1920s, the determination of a wide range of prices and wage rates in Austria has been controlled or supervised either officially or by semi-official commissions of various kinds. Present mechanisms for dealing with wage and price questions are, then, a further development of well-established institutions.

After the war, the chambers of trade and industry, agriculture and labour and the trades unions assumed major responsibility in management of the economy and in prices and incomes policy, establishing in 1947 an Economic Commission "to observe the economic situation, and to put recommendations to the Government appropriate to the healthy development of the economy". Shortly after its establishment, an agreement was reached, fixing prices and wage rates for a three-month period. In the conditions of rapid inflation following the disappearance of wartime controls, the success of the agreement was rather limited. Nevertheless, close co-operation and discussion among the chambers continued and further agreements were reached in each of the four years to 1951.

In the autumn of 1951, the Federal Chamber of Trade and Industry and the Federation of Austrian Industry appealed to entrepreneurs not only to desist from price increases but, where possible, to reduce prices. At the same time, the Trades Union Federation declared itself ready to postpone wage demands for a period. The result was striking. Even without severely restrictive fiscal and monetary measures, many important prices were reduced by some 5 per cent, and there was a wage pause until the end of 1953.

Partly as a result of the great success of the 1951 agreements, the 1953–57 period was characterized by somewhat less active incomes policies than those in the preceding and following periods. At the same time, the annual rate of price increase (2.5 per cent for consumer goods) was relatively high. The final two years of the period produced an upswing in the economy which resulted in an acceleration in price and wage increases.

In March 1957 the then existing Economic Commission was replaced by a Parity Commission, composed of four representatives of the Government, two representatives of each of the Chambers (Federal Chambers of Trade and Industry, Labour and Agriculture) and two representatives of the Federation of Trade Unions. Membership was not compulsory and the Commission was given no formal legal basis. Its primary task was to implement voluntary control of price and wage movements in the interest of currency stability.

Problems arising in the first years of operation led to a number of changes in the structure of the Commission. A first major re-organisation took place in 1962 and included:

(*a*) Setting up of a Sub-Committee for Wage Questions alongside the Sub-Committee for Price Questions which had existed since the setting up of the Parity Commission.

(*b*) An extension and improvement of the system of price control.

(*c*) Assignment to the Parity Commission, in addition to its wage and price responsibilities, of the right to discuss and make recommendations on basic economic questions.

This reform was extended in 1963 by an agreement which provides for:

(*a*) Modification of price and wage controls with the aim of improving effectiveness.

(*b*) Formation of a "Council for Economic and Social Questions" within the framework of the Parity Commission.

Membership of the Incomes Sub-Committee is confined to representatives of the employers and employees (two each from the Trade Unions and the Federal Chamber of Trade and Industry, one each from the Chambers of Labour and Agriculture). The Committee meets fortnightly and can make decisions only on the basis of unanimous vote. In cases where no decision can be reached within six weeks, the case must be referred to the Parity Commission which must then reach a decision within five weeks.

The procedure under which wage questions are handled by the Sub-Committee is now well-established. An individual union requests revision of a contract, not directly to the Sub-Committee, but via the Trades Unions Federation. This allows the Federation an opportunity to sift, phase and standardize wage demands before they are presented to the Sub-Committee. The Federation presents the union demands to the Sub-Committee and requests that negotiations be allowed to proceed. The Sub-Committee may then approve immediate negotiations, ask for further information, recommend a postponement of negotiations, or refer the matter to the Commission. It *must* follow the latter course of action if the proposition is of basic significance to the economy, or if it is likely to result in price increases. The negotiated agreement must again be submitted to the Sub-Committee which may again request information, delay implementation or refer the agreement to the Commission, etc.

Smooth operation of the Incomes Sub-Committee presupposes, of course, well-disciplined, centralized trades unions willing to sacrifice part of their sovereignty in favour of the Trades Unions Federation and the Commission. In fact, such conditions do exist in Austria. There are only 16 unions and they are centralized with their membership defined by industry grouping. Wage negotiations may be carried out at regional and plant levels, but wage agreements are the prerogative of the national authorities of the union under powers delegated by the Trades Unions Federation.

On the employers side, too, negotiations are conducted on a well-disciplined, centralized basis. The degree of centralization is reflected in the fact that about one-third of all agreements are national and about two-thirds are regional. The number of plant agreements is small (about 2 per cent of the total).

For the most part, wage agreement involve alteration by a fixed percentage of the basic rate in an existing contract, although changes in working hours and other employment conditions are, of course, included from time to time. Agreements are usually reached without resort to strike action. Especially in recent years, the number of working days lost through strikes has been insignificant. Direct Government interference in wage bargaining has not been of significance since the early post-war years, official influence being confined to that exerted by Government representatives in the Parity Commission (i.e. the main body, *not* the Incomes Sub-Committee).

For the last decade or so, during which time incomes policy has been operating in something close to its present form, the annual rate of real GNP growth *per head* in Austria has been roughly the same as in Germany; i.e. about 4 percent. This has been achieved, moreover, in conditions of full employment and relative price stability. As far as cyclical fluctuations are concerned, it is clear that, on various occasions, decisions of the Parity Commission have produced a significant smoothing of cyclical fluctuations. The fact that at other times fluctuations may have been aggravated was a result of faulty diagnosis of the economic situation rather than of defects in incomes policy as such. In recent years, the contra-cyclical operation of incomes policy has been rather marked. Wage increases were agreed and granted in 1967 in spite of the recession; during the subsequent upswing great restraint was exercised and the balance of payments situation was not endangered. This year, however, with the inflationary tendencies of the late stage of the upswing aggravated by demand and cost pressures emanating from Germany, incomes policy has begun to come under pressure.

B.2 Canada

Aside from wartime controls, Canada has only very recently begun to experiment with a kind of incomes policy. As recently as 1966, the Economic Council of Canada, an independent but semi-official organisation, concluded that an incomes policy would fail to meet effectively the problem of maintaining reasonable price stability at high levels of employment in Canada in view of: [1]

(1) Division of jurisdiction between federal government and the provinces in key legislative areas relating to an incomes policy. The Federal government has no power to institute direct wage-price controls, and could use in large part only purely voluntary methods of inducing wage restraint, since the provinces have the major constitutional responsibility in the area of labour relations.

(2) Large regional differences, making it difficult to establish uniform guidelines all over Canada.

(3) Decentralization and local autonomy of both labour unions and employer organisations, making general agreement difficult. Moreover, only about a third of the labour force is organised.

(4) The strong influence in key production sectors of foreign trade and other external factors (e.g. wage parities with U.S. workers).

But the persistent and accelerating cost/price spiral in a situation of increasing slack which prevailed after 1966, and the resultant erosion of confidence in demand management, led to the establishment in May 1969, of an independent Prices and Incomes Commission "to enquire into and report upon the causes, processes and consequences of inflation and to inform those making current price and income decisions, the general public and the government, on how price stability might best be achieved".

In August 1969 the Commissions requested business, professional groups, labour and Government to co-operate in the creation of a comprehensive package of income restraint.

[1] Economic Council of Canada, *Third Annual Review*, November, 1966.

A national conference was planned for December, in order to secure general support for voluntary price/wage curbs. But labour unions were not convinced that their interests would be safeguarded, especially where non-wage incomes and wages and salaries of non-organised workers were concerned, and in mid-October ruled out agreement on any formula including wage restraint. They had already rejected one specific formula holding wage increases to 5 per cent, if price increases did not exceed 2 per cent annually, and proposing a justification procedure for any price increases above this limit.

The Commission then shifted to a sequential approach in an attempt to enlist the co-operation of other groups before resuming discussions with labour unions. In order to forestall the threat of large price increases before agreement could be reached, the Government, early in January 1970, asked business in some sectors to delay price increases until March.

Early in February, the Prices and Incomes Commission convened a national conference on price stability, with 250 business and professional leaders. The resulting agreement tentatively commits business firms to reduce the number and size of price increases they would normally make in 1970. Specifically, price increases were to be somewhat smaller than needed to generate revenue equal to cost increases. As a supplementary measure, a system of price reviews was agreed upon, providing advance notice, in some cases, for planned price increases. One week later, in a federal provincial conference of government leaders, provinces gave their broad support for the programme of voluntary restraints, and stated their intention to apply to proposals of the Prices and Incomes Commission within their own jurisdiction, as far as their particular circumstances would permit.

Following the conferences the Commission reopened discussion with labour, but with little success. In June 1970 the Commission made a public proposal for a wage yardstick. An upper limit of 6 per cent for first-year wage contracts was proposed, consistent with a long-term-average productivity growth of two and of a half to three per cent a year, plus some three to three and a half per cent increase in the consumer price index during the following 12 months. There were, however, no recommendations for action in cases where this yardstick might be exceeded. The Federal Government supported these guidelines as an indicator for the general public, but most provinces have shown themselves reluctant to exert pressure for compliance.

Labour unions, in a subsequent meeting with the Commission, rejected the guidelines, advocating instead a national conference between government, labour and business, to consider a new approach to present economic problems in terms of a broader incomes policy concept. The Government has indicated some interest, but nothing has been made public so far, as to if, and when, and under what terms of reference, such a meeting might be convened.

With increasing economic slack, prices in Canada have shown a distinct slowing tendency recently, but wage settlements continue to be high, and cost pressures quite strong.

B.3 Finland

Centralized collective settlement, wage indexation, maintenance of farm incomes, and price controls have been characteristic of Finnish incomes determination throughout the post-war period. Following the 1967 devaluation, however, there was widespread acceptance of the view that some urgent and new approach to economic policy was necessary. The Stabilization Agreement of 1968 accordingly provided for abolition of indexation. The general increase in wages in 1969 was to be about the same as the increase in productivity i.e., 3–4 per cent. However, the wage increases were not to be granted in percentage form but by a flat-rate increase of 16 pennies an hour (equal to 3.6 per cent). As part of the general agreement there were to be controls on prices and rents, and the Government was to control agricultural prices and thus incomes. A Prices and Wages Council was established on a tripartite basis. The wages section has not met. The prices section adopted the general principle that wage increases were not to be permitted grounds for price increases although exceptions were made for labour intensive industries and the service sector.

In September 1969, a Second Stabilization Agreement provided for a general flat-rate increase of 18 pennies an hour, or by one per cent should the 18 pennies an hour increase be less than one per cent; a further increase of one per cent to be allocated as the social partners in each sector or branch decided.

Price control was fairly comprehensive under the First Agreement but modified a little under the Second. Seventy per cent of the cost-of-living index is covered by price control. Prices are frozen at the levels existing on some particular date, as are profit margins and retailers' margins. Any customer can complain to the price inspectorate that prices have been improperly increased. If the complaint is found justified, fines are levied in relation to the improper profit made.

A number of semi-finished products are excluded from control, since it was thought that control over the final price would exercise some restraining action as purchasers would refuse to pay higher prices for bought-in components.

In the present circumstances, it has been widely agreed by both social partners that the central wage settlements would not have been possible without the price controls. In principle, therefore, there is agreement on the inter-dependence of wage and price restraint and an acceptance that the controls on prices can, and need to, be more strict than those on wages. During 1968–69, for example, real earnings in industry rose 6.3 per cent while prices advanced only 2.3 per cent. Wage drift has occurred in certain sectors amounting to around 2–3 per cent in 1969.

There is little doubt that Finland has been successful in restraining the increase in money wages in the last two years. The policy was introduced in a period of economic emergency that was recognized as such by the general public. This meant that there was a tremendous fund of goodwill towards the policies and a great willingness to co-operate and exercise restraint. The economy is now booming and there have been considerable improvements in real income, some 5–6 per cent per annum in 1969 and 1970 and it cannot be excluded that the fund of goodwill may now be diminishing.

B.4 Germany

Attempts to formulate an incomes policy in Germany and to establish criteria for wage settlements compatible with full employment growth and monetary stability can be traced back to the mid-1960's. In their Annual Report for 1964, the Council of Economic Advisers argued that "if the cost level is not to rise, nominal wages under certain conditions—especially monetary and external equilibrium—may not rise by more than the (average) percentage increase in productivity per man-hour in the economy. If, however, the share of capital costs in total falls . . ., or if the terms-of-trade improve, additional room is created for wage increases over and above the increase in productivity in the economy, without a rise in the cost level. The converse is, of course, also true". The report goes on to suggest that "it may be appropriate to make optimistic estimates of the productivity increase in the economy, in the hope that a certain wage (cost) pressure will strengthen rationalization efforts by entrepreneurs" but that "care must be exercised in phasing increases in employers' contributions to Social Security since abrupt increases reduce the scope for 'cost-neutral' wage settlements". The Council did not, however, advocate a strict application of these rules. "When an individual sector of the economy has an insufficient supply of labour, wage increases must exceed the norm, if necessary substantially, in order to provide an incentive to mobility into this sector. Conversely, in sectors where a contraction in the labour force is necessary, wage increases must be below the norm".

The principle of a productivity oriented wage policy has been repeatedly reiterated in later reports of the Council where also the concept of "concerted action" has been developed.

The underlying premise that responsibility for overall economic performance rested equally with government, management, and labour was sanctioned by the Growth and Stability Law of 1967 which, among other things, provided for the co-ordination of private decisions and official economic policy as specified in an annual forecast (by means of periodic consultation). Since February 1967 participants (representatives of the employers' associations, the trade unions, the Council of Economic Advisers, the Bundesbank and the Ministries of Economics and Finance) have met several times a year at irregular intervals. It was in no way intended that such coordination should reduce the autonomy of employers or employees in wage bargaining but rather that, through the provision of quantified information, employers and employees should be made aware of the economic implications of their decisions.

The introduction of "Concerted Action", coincided with the introduction of official quantitative forecasts, and the institution enjoyed a certain success in its early stages. Following wage reductions in certain industries during the first half of 1967, the participants agreed "that a policy of reducing wages hinders the recovery required in economic activity and is, therefore, contrary to the interests of all parties". This avoidance of too great a weakening of wages led the participants to conclude in early 1968 that the programme had "in the past year made a significant contribution to an improvement in reciprocal information and resulted in more rational decision making". In 1968 the task of incomes policy was much more complicated. Confronted with indications of a strong recovery in 1968 the Council of Economic Advisers estimated as possible upper limit of real GNP growth of six and a half per cent, but the Government decided on a much more cautious policy envisaging a GNP growth rate of 4 per cent and postulating a norm for increases in wages and salaries of 4–5 per cent. As in the previous year, the participants agreed "to support the Government target for 1968 by their autonomous decisions".

Wage agreements in subsequent negotiations fell within the recommended 4–5 percent, and the trade unions also committed themselves to longer-term contracts with a norm of this order. For example, an important agreement with the 4 million strong Metal Workers' Union in May 1968 had the following provisions: duration 18 months; a wage increase of 4 per cent on the 1st April 1968 and 3 per cent on the 1st January 1969. The agreement also improved protection against redundancy.

Actual growth of real GNP, however, was well above the official target, and even, at 7 per cent, a little above the optimistic variant of the Council of Economic Advires' forecast. The wage-lag rather than being moderated, was even more pronounced than in previous cycles, resulting in a distinct cooling of union enthusiasm for the programme. When the Government presented its target forecast for 1969 of four and a half percent growth of real GNP (actual outturn 8 per cent), and a wage norm of five and a half-six and a half per cent, the participants were able to reach

agreement only on "the necessity of cautious and well-balanced policies in order to protect the overall equilibrium of the economy." Wage rate agreements in the following months resulted in increases of about seven and a half per cent, and the agreement in the Metal Working Industry involved a wage increase of 8 per cent with a contract to run 13 months. This was generally considered to be moderate.

By the autumn, with a situation of excess demand in the labour market, a wave of wildcat strikes forced employers to re-negotiate unexpired contracts with the result that during the fourth quarter wages and salaries showed a twelve and a half per cent increase on one year earlier. This implied that the share of compensation of employees in national income was restored to the 1965 level which the Council of Economic Advisers had considered to be sustainable in the long run.

Following the failure to reach agreement on the general direction of economic policy and on incomes policy in particular, the official 1970 target projections did not explicitly put forward a wage norm, and wage settlements have continued at a level far above productivity growth. The recent government guidelines for 1971 have also been rejected by the unions because of the lack of more specific guidelines for profits and prices.

B.5 The Netherlands

The Dutch experience with incomes policy has been continuous over the post-war period. Until 1959, wage regulation took the form of what was called "Guided Wage Policy". The general principles of the Government's wage policy were worked out and laid down by the Social Economic Council, on the basis of a Royal Decree.[2] Negotiations for collective agreement took place on the basis of directives issued by the National Board of Mediators[3] and were generally collective agreements covering all industry, although the National Board of Mediators could approve extra wage increases for selected industry branches in special cases. Any agreements between employers and employees were subject to the approval of the National Board of Mediators, and labour conditions might be directly affected by regulations issued by the Board on the basis of general directives from the Minister for Social Affairs and Public Health. During this period, wage settlements took the form of general rounds of wage increases so regularly that this has come to be identified with "Guided Wage Policy" as such.

Partly in the hope of introducing more flexibility into the process of wage determination, and partly in the hope that a new system would reduce the extent of government interference in labour relations, important changes were instituted in 1959. Under the revised system, a differentiated wage policy was introduced which would permit wages in each sector to be determined primarily on the basis of productivity advances in that industry itself (although considerations obviously had to be given to the general rate of productivity advance). The new system, it was argued, would provide the foundation for the price policy as well, since wage increases were only permitted when increased labour productivity made them possible. This, in turn, implied price stability except in cases where productivity seriously lagged behind. In such cases, wage increases which exceeded productivity advances (and, hence, implied price rises) were to be counterbalanced by wage increases lagging behind productivity advances in exceptionally efficient industries (the difference to be reflected in compulsory price cuts).

After the first two years, however, the system began to break down. As the highest productivity rates are usually achieved in the same industries over an extended period of time, undue disparities between the income levels in the different industries appeared. Second, the constant need to verify productivity justifications for proposed wage increases led to continual interference by various government bodies, especially the National Board of Mediators. Finally, the system was introduced during an upward phase of the trade cycle so that employers were more and more willing to pay wages higher than those specified by the criterion (1–2 per cent more than productivity growth).

In November 1962, another revision was introduced which had two principal aims:

1. The role of government in labour relations was to be further reduced;

2. Wage increases were to be related to overall economic situations (state of the labour market, productivity, foreign wage cost trends, balance of payments considerations, etc.), rather than simply to productivity in individual industries.

The revision transferred powers to approve wage (and other labour) agreements from the National Board of Mediators to the Foundation of Labour,[4] but with numerous reservations. The Foundation's approval was to be given in the light of norms for the growth of overall wage rates compatible with the half-yearly reports of the overall economic situation prepared by the Social Economic Council and accepted by the Government. If the Foundation approved an agreement which the National Board of Mediators considered not in keeping with the norms, the Board could advise the Minister for Social Affairs and Public Health to declare the agreement non-binding. Should the Foundation be unable to reach a decision about an agreement, the Board was to decide whether to approve or not. If the Government considered that waged developments were threatening overall economic policy aims, it could impose a wage pause of 1–2 months' duration during which time no new agreements would be approved. During the pause, the Government would consider further advice from the Social Economic Council and consult with the industrial organisations. If suitable agreement could be reached, normal procedures would be resumed. If not, the Government could:

1. Impose a wage freeze;

2. Place the entire negotiating process back under the direct authority of the National Board of Mediators;

3. In the latter case, it could issue general directives (including the setting of maximum permissible wage increases) to the Board.

For a variety of reasons (entry into the EEC where real wages were generally higher than in the Netherlands, possible under-valuation of the florin, over-full employment, discontent with the lengthy discussions and intervention involved in wage administration), none apparently closely related to the institutional structure of the 1962 system, wages exploded in the autumn of 1963. Average pay increase per worker in 1964 was 15 per cent and in 1965 another 11 per cent. In late 1965, the Foundation of Labour was unable to agree on a 1966 wage policy and the Government urged that contract renewals should not exceed a basic average increase of 7 per cent. By May 1966, agreements covering almost 600,000 employees and anticipating increases averaging ten and a half per cent were still pending. The Government, therefore, decreed a wage pause (to last until mid-July) and decided to restore full authority to the National Board of Mediators to approve, delay, suspend and freeze wage agreements. The May 1966 measures were accompanied by compulsory price controls according to which:

1. Any proposed price increase would have to be approved by the Ministry of Economic Affairs;

2. Only rises in external costs could be passed on in prices;

3. Any fall in external costs had to be reflected in prices;

4. Traders were not to increase their money profit margins.

The Government fixed maximum wage increases to take effect from January 1st, 1967 at 4 per cent and agreed to further increases of 1.5 per cent as from July 1st, 1967. The price control powers of the Government expired on January 1st, 1967; but the associations of Dutch industrialists, wholesalers and retailers agreed to a programme of voluntary cooperation—in particular, they agreed not to pass money wage increases on in prices. Nevertheless, the Government retained its legal right to reinstate direct price controls should any "unjustified" increases take place.

Perhaps as much because of easing labour market conditions as of effective controls, the wage guidelines were largely observed. As a result of improved wage and price behaviour and of reduced labour market tensions, the requirement for prior Government approval of collective wage agreements was abolished as of January 1st, 1968. In addition to the improved market conditions, a feeling had grown up that, in practice, the guidelines served as a minimum, rather than an average—at least under conditions of "over-full" employment. Besides, it was hoped that restoring freedom to the wage negotiating process would reduce the frictions which had increasingly characterized negotiations within the Foundation of Labour. The Minister of Social Affairs retained the power to invalidate agreements if they threatened the equilibrium of the economy. Otherwise, agreements were to be negotiated on an industry or large company basis independent of Government guidelines.

In an attempt to legalize these provisional arrangements, a draft Wage Law was presented to Parliament in September 1968. The proposed bill recognized the principle of free wage agreements between employers and employees, but retained three lines of defence for the Government. If wage contracts were considered contrary to the national interest, the Ministry of Social Affairs was to have the power:

1. To invalidate wage agreements;

2. To decree a general wage freeze or given limitations to pay increases.

3. As a last resort, to reintroduce, for a maximum period of one year, the earlier system of prior approval of agreements.

The bill immediately met with heavy parliamentary and public opposition, especially from the unions. Even after it had been amended so that the power of the Government to intervene in individual labour agreements was essentially limited to the right to invalidate an agreement if, and only if, it threatened the equilibrium of the economy, the bill was passed only in conjunction with a vote of confidence. In protest against even this retention of power by the Government, several central union organisations withdrew, in early 1970, from further negotiations with the Government and the employers' associations at the national level.

[2] A body, established under the provisions of a 1950 Act on Industrial Organisation, which consists of representatives of employers and employees, in addition to a number of member appointed by the Crown.

[3] A board established to administer far-reaching powers in the field of wages and other labour conditions granted to the Government under a 1945 "Special Conditions of Employment Order".

[4] A cooperative body of workers' and employers' organisations which grew up during the war years as a means of dealing with problems of labour relations (as well as other, more general, matters) outside the official framework imposed by the occupying Power. It continues to exist and has continued to occupy a crucial, and now officially-delineated, role in labour negotiations.

The long delay in securing parliamentary passage of this bill left the nation with a not very effective wage control procedure through 1969. Partly for this reason, and partly because prices were moving sharply upward for several reasons (introduction of the TVA, increased import prices, and wage cost pressure), the Government began to tighten price control early in 1969 and, in early April, imposed a general price freeze. The step was recognized as constituting, at best, a temporary solution to the inflation problem and the Government sought the advice of the Social Economic Council. The Council proposed a comprehensive anti-inflationary programme which was published in its June 1969 report. The programme spelled out a package of fiscal, monetary and other policy recommendations which, in terms of incomes policy, recommended that:

1. The increase in real disposable income of a standard worker's family (including wage drift) should be held within 2.5 to 3 per cent in 1970.

2. Accordingly, the normal wage increase in collective agreements due for renewal in 1970 should be limited to 5 per cent.

3. The extent to which contractual working hours were to be shortened should be moderated.

4. All collective labour agreements should include a provision that non-recurring compensatory extra wage increases should be granted if the cost-of-living index rose for "relevant reasons" by more than 3.5 per cent.

5. Agreements should also include a clause that, if overall productivity rose faster than anticipated (3 per cent) in 1970, representatives of the employers' and workers' associations should discuss in the autumn the possibility of granting a compensating wage increase.

6. There be no increase in the rates of TVA.

7. Increases in housing rent be delayed by 6 months until 1st July 1970.

Wage negotiations took place at the local and industry level. In late August of 1970, an unofficial dock strike broke out in Rotterdam which quickly spread to other industries.

Coupled with the earlier withdrawal of several central union organisations from national-level negotiations, the strikes and the ensuing events, this meant a serious situation for Dutch wages policy. The central labour market organisations appeared on the scene on 1st September. An agreement was reached providing for a maximum 1970 wage increase per worker in enterprises employing "Koppelbazen" labour of Fl. 400 and for the consideration of the possibility of similar increases in other enterprises. The metal industrial, building and transport workers' unions immediately claimed a full and generalized increase of Fl. 400. By mid-September, the strikers had returned to work on the basis of decentralized agreements. It is difficult to know all the terms with clarity.

The Government announced its 1971 budget proposals on 15th September which, in addition to tax increases and expenditure restraints, envisaged possible imposition of a temporary wage pause under the provisions of the existing Wage Law. The central trade unions opposed the pause as "undesirable, not feasible in practice and economically unnecessary," and the central employers' organisations were also not in favour of it. According to the rules and in order to bring the unions back to the conference table, the Government requested an opinion from the Social Economic Council regarding the pause, the Government programme, and the Government's authority to intervene in particular settlements. On the 19th October, the SEC unanimously recommended restriction of Government intervention in global wage/price policies, including global freezes, and favoured periodic tripartite consultations to assess wage and price trends in view of their cost and demand impact and the development of the main economic aggregates.

The Government accepted the SEC recommendations and, in return, the central labour unions are now prepared to resume consultations within the framework of the SEC. The advice of the SEC on the wage pause and the Government's anti-inflationary programme is still in preparation. On 13th November the Government introduced a scheme for the calculation of generally permitted price increases (taking into account in particular increases in external costs and, as an exceptional measure, the 400 guilder wage increases).

B.6 Norway

Since the war, Norway has pursued a comprehensive incomes and prices strategy comprising price controls and subsidies as well as dividend and wage restraints. While the principle of free negotiation of settlements is recognized, in practice all parties subscribe to the co-ordination of income determination for labour, business, agriculture and fishing.

1945–1962

Until 1952, all wage disputes were submitted to a tripartite wage board primarily oriented towards preservation of industrial peace. Thereafter major responsibility for wage settlements on a collective long-term basis was assumed by the National Labour Union and National Federation of Employers. When disputes were considered detrimental to the national interest, the government could propose legislation reconvening the National Arbitration Board. Contracts generally incorporated an escalator clause permitting renegotiation in the event of a cost-of-living increase beyond the specified ceiling. In order to avoid spiralling costs and prices, the government attempted to stabilize the price level by means of a flexible price control and subsidization scheme to the extent which revenues would allow. Until 1960, dividends were similarly subject to approval beyond a designated limit and for some industries profits were regulated as well. Maintenance of the relative income position of farmers and fishermen became, in view of price controls, increasingly a concern of government.

Consultation among the various interest groups and government as an alternative to competition for bigger income shares developed in the late 'fifties. Following the first informal meeting in 1956 at the invitation of the government, wage agreements and price increases tended to conform to the government's recommended guidelines and, given government willingness to subsidize price stability, held largely within the norms for the contract duration. Negotiations in 1958 resulted in a renewal of the prior agreement with some reduction of working hours, revision of ceilings and corresponding index adjustments and reduction of subsidies.

1962–1970

The 6.5 per cent jump in consumer prices subsequent to the 10 per cent increase in incomes provided for by the 1961 settlement favoured the establishment in 1962 of the unofficial Contact Committee, consisting of the Prime Minister, Finance Minister, Wages and Prices Minister with union, employer, farmer, and fisherman representatives, as an ongoing forum for mutual consideration of incomes questions and information exchange. While this innovation probably contributed substantially to the successfully settlement of 1963 (2.5 per cent incomes increase) it failed to avert the following year's breakdown despite mediation in both union/employer and government/farmer negotiations and the resultant reconvening of the Arbitration Board. (The board's decision allowed for a wage rate increase of 3.2 per cent in 1964 and 1.6 per cent in 1965 with a slightly higher improvement in farm incomes.)

In 1965, an independent Expert Committee was formed to furnish an impartial factual basis for Contact Committee discussions. The Committee's first report (1966) reviewed the economic situation and employed an econometric model to estimate the impact of various wage, farm price, productivity, and import price changes on consumer prices, real incomes, and income distribution. Despite the improved factual and analytical input, the parties were unable to conclude an agreement and the Arbitration Board was again convened, authorizing average wage increases of 4.8 per cent in 1966 and 0.3 per cent in 1967 and farm income advances of 10 percent in 1966 and 3 per cent in 1967. Price advances in 1967, however, activated escalator clauses permitting wage advances not significantly different from the preceding year. The 1967 Export Committee was broadened to include analysts from the negotiating parties as well as government and the Central Bureau of Statistics, and in March 1969 the Committee became a permanent agency reporting to the Price and Wage Minister and the Contact group. The 1968 agreement gave a 4.4 per cent increase in wage rates as compensation for the reduction in the contractual working week from July, a 1.8 per cent special adjustment from mid-May, and a general increase of 2 per cent from the 1st January 1969. The 1970 agreement, also covering two years, allowed for an overall average increase in hourly wage rates in the year of 9 per cent (four and a half per cent per annum over the contract period). In both years compromise settlements were arranged through the intercession of the State Mediator.

In recent years labour costs have increased by some 8 per cent annually, twice as much as the overall increase in productivity. While increases in negotiated wage rates in industry have been moderate, wage drift has been large and relatively stable (3–4 per cent annually). Prices have increased at about the same pace as the average for other industrialized European OECD countries as have unit labour costs.

The merits of the Norwegian incomes policy, besides being an instrument in income distribution, lies in the fact that it has enabled the Government to keep the use of productive resources on a very high level throughout post-war years. While the average increase in prices and production costs does not differ much from developments in most other countries, unemployment has been lower than the European average, and economic growth has been rapid and steady. With persistently strong pressures on resources, unco-ordinated wage and incomes policies could easily have led to larger wage and price increases. Thus, the Confederation of Employers has estimated the average annual increase in negotiated wage rates at 6 per cent in the few years of decentralized agreements, against only half that size in years with co-ordinated agreements. Moreover, in years with decentralized agreements 460,000 days' work were lost because of labour disputes, while the number was only about 70,000 in years with centralized agreements.

B.7 United Kingdom

Pre-1961

Attempts in the late 1940s to contain money incomes to a rise comparable with that of output achieved temporary consensus among trade unions, business and government. The withdrawal of union support in 1950 and subsequent union opposition thwarted further government attempts to maintain some sort of incomes policy and threw more weight on demand management. The only major innovation was the establishment, in 1957, of the Council on Prices, Productivity and Incomes to "keep under review changes in prices, productivity and the level of incomes and to report thereon." The Council's initial emphasis on excess demand was superseded in later reports by concern with cost-push and administered pricing and

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recommendations were put forward advocating wage and profit increases consonant with long-term productivity trends, lower import duties, and action against price maintenance.

1961–1963

In 1961, despite trade union opposition, a "pause" or temporary halt to increases in wages, salaries and dividends was called for by the Chancellor as one of a number of short-term measures to meet the balance of payments crisis. Public sector wages were restrained but the effects in the private sector were less apparent. In the following year the government moved towards a more permanent form of incomes policy. A White Paper, "Incomes Policy: the Next Step", set a "guiding light" for average wage increases of two and a half per cent, the target being based on recent productivity trends. The basic approach was that implementation would be voluntary, with agreements in which there was government participation or arbitration more directly affected by the policy, and the government assisting on a wider plane by publishing helpful factual information. In the hope of arousing and influencing public opinion the National Incomes Commission was formed in late 1962. Its task was to report on pay claims submitted to it by both parties, or by the government in a restricted range of public sector cases, or to report retrospectively on selected private sector settlements, but without powers of amendment. But the NIC's impact was limited by its terms of reference, trade union opposition to its work and the lack of a secretariat of sufficient size to allow either research on the speedy publication of reports. Wage rates continued to rise at rates well in excess of the "guiding light", despite an upward revision of the latter to three and a quarter per cent in 1963 following a National Economic Development Council report that this was a more appropriate goal for national productivity increases.

1964–1965

In 1964, against the background of a serious balance of payments position, the new Labour Government initiated a strengthening of incomes policy. In December, government, trade union and employer organisations signed the "Joint Statement of Intent on Productivity, Prices and Incomes", in which all agreed to co-operate on the introduction and implementation of new machinery to review prices and incomes and to examine particular cases to see if behaviour was in the national interest. In February 1965 the NIC was succeeded by the National Board for Prices and Incomes, to which the government could refer cases of wage or price increases it wished to have reviewed.[5] The NBPI included members with trade union and business experience, as well as independents. Its work was more informal and private than the public hearings of the NIC, and it had a sizeable staff. In April the government set out very specific criteria by which wage and price changes should be judged.[6] It reiterated the earlier three to three and a half per cent target for the increase in average earnings, but also listed the circumstances to which exceptional pay increases should be confined. The White Paper also set out guidelines for individual price increases and decreases.

By the end of 1965 it was clear that the new policy was having little effect on wages and prices. As only a small number of cases could be handled by the NBPI, the government proposed a system of advance notification of income (including dividends) and price increases. The implementation of the early warning system was delayed, but it was finally incorporated in the 1966 Prices and Incomes Act. The government could require 30 days' notice of wage or price changes, refer them to the NBPI if it so desired, with a further delay required until the Board reported up to three months later. There was no obligation to follow the Board's recommendations.

1966–1969

In July 1966, faced with another sterling crisis, the government introduced deflationary measures and called for a six-month standstill on prices and incomes (including dividends). There followed a further six-month period of severe restraint in which some increases could be justified by exceptional circumstances. The appeal was for voluntary observance of the standstill, but Part IV of the Prices and Incomes Act allowed the government to reverse for a year any price or pay increases since the 20th July 1966. Part IV was brought into force in early October when some cracks in the freeze began to emerge.

The 1967 Prices and Incomes Act introduced the next policy stage, to be operative from the end of the period of severe restraint in mid-year. The norm for price and income increases remained zero, but slightly different criteria which would allow increases were enumerated.

Part IV of the 1966 Act was allowed to lapse in August 1967 but certain reserve powers were retained by the government through the activation of Part II. Thus the provisions for advance notification and the government's delaying powers remained. In June the Part II period of delay was increased to a maximum of six months from the date of reference to the NBPI, and the government adopted powers to suspend price or pay increases implemented before they could be referred to the Board.

In 1968 a reformulation of policy set a three and a half per cent ceiling on pay settlements. The ceiling was to cover all types of earnings, excluding the effect of increased hours worked, and to be applied at an annual rate since the last adjustment in pay. But any increases in incomes or prices now had to satisfy at least one of a number of criteria similar to those in the 1967 Act. Legislation was introduced increasing the delaying powers on price and pay increases to twelve months, requiring price reduction when recommended by the PIB, to moderate and phase housing rent increases and requiring notification and restraint on dividend increases. The powers were adopted for eighteen months, though they were still to be used only when voluntary arrangements broke down.

Early 1969 saw the first moves towards a much more broadly based reform of industrial relations. The White Paper "In Place of Strife"[7] outlined proposals for an Industrial Relations Act. The bill was an essential part of the 1969 budget strategy and the government felt that its implementation could be accompanied by some loosening of incomes policy. But the consultations with the Trade Unions ran into trouble on the so-called "penal clauses." The TUC, and the threat of a revolt within the Parliamentary Labour Party, persuaded the government to drop both these provisions in exchange for a "solemn and binding" obligation from the TUC to act against unconstitutional strikes and inter-union disputes.

In December, an outline of future prices and incomes policy was presented.[8] A range of two and a half to four and a half per cent annually based on a projected productivity growth of 3 per cent per annum was given as the norm for pay increases. The guidelines for price and income increases did not change greatly, apart from the inclusion of equal pay for women as one of the income criteria and the abolition of the specific three and a half per cent limit on dividend increases. The government's delaying powers under the 1967 and 1968 Acts were not renewed but the powers under Part II of the 1966 Act were renewed for the calendar year 1970.

The effectiveness of prices and incomes policies during the sixties is not readily ascertained. Although wage and price increases were successfully curtailed during the six-month periods of freeze, given the subsequent rebound, it is doubtful whether they were anything more than an exercise in buying time. The medium-term impact seems to have been less marked, although by mid-1969 prices and profit margins were substantially below what would have been expected on the basis of past relationships. Prices and incomes policies may thus have had some mild restraining effect on prices in the medium term.

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The present government considers that the primary objective of economic policy at the present time must be to bring down the present high level of pay settlements, although it recognizes that this may have to be done rather gradually. It considers the major responsibility for achieving results rests on those who negotiate pay increases—employers and unions. Meetings have been held with the Confederation of British Industry, and with the Chairmen of Nationalized Industries, as well as with the Trades Union Congress, and the Government has stressed the urgent need progressively to reduce the current level of wage settlements to more realistic levels. It also regards it as essential that employers should ensure that settlements come at a frequency of no more than one in twelve months, since an acceleration in the frequently of pay settlement is one of the most undesirable features of the current situation. Fair and reasonable offers should be made but, once made, they should not be raised under the threat of strikes. The Government will not make any moves to encourage employers to raise offers to unreasonable levels in order to avert strikes. In its capacity as an employer in the public services the Government intends itself to act in accordance with these principles.

The Government does not intend, however, to re-impose a statutory incomes policy or a wage freeze, nor, indeed, to lay down norms or detailed wages criteria. Nor does the Government intend to make use of the powers available to it under Part II of the Prices and Incomes Act 1966 to impose statutory standstills on particular pay and price increases pending investigation by the National Board for Prices and Incomes, which is being wound up. The Government is setting up co-ordinated machinery for advising it on the remuneration of certain public sector groups for whom no negotiating machinery is, for one reason or another, appropriate. It is intended that three review bodies should be established with a degree or interlocking membership. One will advise on the remuneration of the Boards of nationalized industries, the judiciary, senior civil servants, senior officers of the armed forces and such other groups as might be appropriately considered with them. Another will advise on the pay of the armed forces generally. A third will advise on the remuneration of doctors and dentists in the National Health Service. These three review bodies will have at their disposal a secretariat provided by a new Office of Manpower Economics, which will also be used to service any *ad hoc* enquiries which are necessary from time to time to examine particular pay structures and related problems. The Office will also carry out analytical and educational work on more general matters affecting pay and its relation to productivity. A review is being made of the work of the institutions concerned with competition, and a statement on the government's proposals for strengthening and developing the work of the monopolies commission is expected soon.

Although the Government is not retaining the detailed early warning system for pay and price increases and does not intend to seek to influence the size of increases by direct intervention in each particular case, it considers that it should be kept informed of changes in the prices of certain products, and of important pay settlements. Discussions are taking place with industry about voluntary arrangements for this purpose.

B.8 United States

Aside from direct controls over wages and prices during World War II and the Korean War, the only US experiment with incomes policy has been the "wage-price guideposts" of the 1960s.

The fundamental premise that wage increases, to be non-inflationary, should not exceed the trend of economy-wide productivity gains was officially recognized by the Council of Economic Advisers (CEA) under the Truman Administration as early as 1952. With increasing concern over "cost-push" inflation in the late 1950s, the Eisenhower CEA repeatedly reiterated the concept emphasizing that private as well as government decision-making would have to be responsive to the need for price stability. The thesis that cost-push or administered price inflation becomes a serious problem when the economy is in the vicinity of full employment received substantial support from the series of studies prepared for the Joint Economic Committee of the Congress in 1959.

The Kennedy Administration's first CEA Annual Report (January 1962) elaborated the more explicit formulation that "the general guide for non-inflationary wage behaviour is that the increase in wage rates (including fringe benefits) in each industry is equal to the trend rate of overall productivity increase. The general guide for non-inflationary price behaviour calls for price reductions if the industry's rate of productivity increase exceeds the overall rate . . . it calls for an appropriate increase in prices if the opposite relationship prevails; and it calls for stable prices if the two rates of productivity increase are equal".

The Report allowed for deviations for reasons of efficient resource allocation—i.e., to encourage shifts of labour and capital out of and to industries with a surplus or shortage of these resources—and to correct for inequities as those arising from varying amounts of market or bargaining power. No modification was made in the wage guidepost to take into account increases in the cost of living (presumably since these would not occur if the guide-posts were followed). In the 1964 Report the CEA tightened the guide-posts by noting that the exceptions were "intended to apply to only a relatively few cases".

The 1962 Report hesitated to specify a precise figure for the estimated trend rate of productivity increase, but later reports employed a five year moving average to establish the official long-term trend growth rate of 3.2 per cent, a figure reconfirmed in 1966 when the 3.6 per cent rate yielded by the average was rejected as merely reflecting a cyclical upswing.

The guide-posts were originally conceived to have a purely educative function, government interference in private wage-price decisions being deemed undesirable. However, later statements by officials suggested that the public might need altering to important guide-post violations and that, in certain key situations, the public interest might require government intervention. The CEA became increasingly involved in specific bargaining and pricing situations, applying pressure both through public statements and private consultations with union and industry representatives.

After mid-1965 the emergence of general excess demand began to raise prices more rapidly despite the guide-posts, and the fact of rising prices undermined the case for the productivity criteria for wage increases. Confrontations between the Government and unions or businesses multiplied and these both created resentment at *ad hoc* Government interventions and demonstrated the Government's lack of power. The guideline effort, at least in the form initiated in 1962, was recognized to have come to an end in the summer of 1966 when the airline mechanics refused to accept a wage settlement which substantially exceeded the guidelines but which nevertheless had been approved by the Government. Thereafter the Government did not espouse any definite guidelines, but only offered tentative suggestions from time to time about appropriate price-wage behavior in an inflationary situation. It made no general effort to enforce or apply these standards, although sporadic attempts to persuade individual businesses and unions to exercise restraint continued.

It is not clear whether the guide-posts and associated official intervention had any very significant effect on the rate of increase in prices and wages during the 1960s. While price performance was generally good during the first half of the decade, this was also a period of considerable economic slack. After 1965, wages and prices accelerated far beyond guide-post limits but, as just pointed out, this was a period of excess demand, and the guide-posts were not intended to be a substitute for adequate demand management.

Although in a number of specific instances it appears that official intervention did succeed in avoiding, postponing, or reducing excessive price or wage increases (e.g. the famous confrontation with the steel industry in 1962), the cumulative effect may not have been very substantial or significant, foregone increases merely being shifted to a later period. In many collective bargaining situations, moreover, the 3.2 percent standard probably served as a minimum acceptable gain, rather than as a target, and in these cases may have increased, rather than restrained, the ultimate settlement.

Wage-price determination models developed to test the significance of the guideposts have yielded contradictory conclusions. One study[9] developed a model which consistently under-predicted wage changed in the 1962–66 period until a dummy variable representing the guide-posts was introduced for the period, giving support to the hypothesis that the guide-posts had a significant effect. A related study[10] upheld this conclusion. But these results were disputed in a latter study[11] which found that an alternative specification of the model produced a better fit without the need for the guidepost dummy and a more recent model[12] concluded that guide-post dummies do not significantly contribute to the explanation of price or wage behaviour in the 1962–66 period.

A different approach has been taken by Arthur Okun, Chairman of the CEA during the last year of the Johnson Administration.[13] Taking components of the industrial wholesale price index said to have been responsive to public pressure, he finds that the end of government attempts to influence private decisions accounted for a substantial portion of the acceleration in prices between 1968 and 1969. Unfortunately, this analysis sheds little light on the longer-term effectiveness of direct price policies. It also highlights an important weakness—the uneven impact of such policies—which would tend to cast doubt on whether improvements in price performance from this source could be sustainable.

The question whether "incomes policy" is useful, necessary or desirable, in the American economic situation has been under continuous review by the current US administration since early 1969. The Administration's initial view was that the urgent necessity was for persistence in demand restraining measures, that the breakdown of guide-posts policy was too recent to permit the credible revival of similar measures, and that the appearance of reliance on such a policy would weaken the necessary support for fiscal and monetary restraint. Although the wisdom of this strategy was the subject of consideration throughout 1969 the most serious reappraisal came in the Spring of 1970 with the change in the economic situation. By that time unemployment had risen significantly, there was little sign of abatement in price increases, the inflation no longer seemed to be the result of current excess of demand, and there were questions about how rapidly the inflation would react to slack in the economy. In these circumstances the Administration made certain changes in the stance it had maintained during the excess demand period:

1. It directed the Council of Economic Advisers to publish period "Inflation Alerts" calling attention to significant price and wage developments.

2. It established a Cabinet Board to review government regulations and purchasing policies that may contribute to inflation.

3. It established a National Commission on Productivity, including representatives of business, labor, the general public and government, to study and recommend policies to speed up the growth of productivity and to "achieve a balance between costs and productivity which will lead to more stable prices."

In his speech of June 17, 1970 announcing these steps the President made a more direct appeal for the co-operation of business and labor in restraining inflation than he had previously made. He did not, however, set forth any specific guidelines, explaining that such action would probably be ineffective against inflation in general and divert attention from more fundamental measures.

There has as yet been only limited experience with the three new procedures established in June. They are obviously capable of being operated with greater or less intensity and it remains to be seen how far they will go. Meanwhile Administration officials continue to indicate their receptivity to further steps which may be found promising in the American situation as it actually emerges. Now that the economy is beginning to rise again special attention is being paid to the problem of preventing that revival from re-accelerating the inflation rate.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HARRIS. Will the Senator permit me to cosponsor his amendments? I think they are much needed.

[5] Cmnd. 2577. Machinery of Prices and Incomes Policy.

[6] Cmnd. 2639. Prices and Incomes Policy.

[7] Cmnd. 38.88, January 1969.

[8] Cmnd. 4237, Productivity, Prices and Incomes Policy after 1969.

[9] George L. Perry, "Wages and Guideposts", *American Economic Review*, September, 1967.

[10] Gail Pierson, "The effect of Union Strength on the U.S. Phillip Curve", *American Economic Review*, June, 1968.

[11] N.J. Simler and Alfred Tella, "Labor Reserves and the Phillip Curve", *Review of Economics and Statistics*, February, 1966.

[12] Robert J. Gordon, "The Recent Acceleration of Inflation and its Lessons for the Future", *Brooking Paper on Economic Activity*, N. 1, 1970.

[13] Arthur K. Okun, "The Controlled Experiment of 1969", Appendix to *Inflation, the Problems and Prospects before us*, Charles C. Moskowitz Lecture, 1970.

XUM

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the name of the distinguished Senator from Oklahoma (Mr. HARRIS) be added as a cosponsor of the amendments I have just sent to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I yield the floor.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, if I may have the attention of the distinguished Senator from Wisconsin (Mr. PROXMIRE) and the distinguished Senator from Texas (Mr. TOWER), I ask unanimous consent that following the disposition of the amendment by Mr. BENTSEN (No. 764), concerning which a time limitation has already been agreed to, the distinguished Senator from Ohio (Mr. TAFT) be recognized to call up his amendment; that time on that amendment be limited to 2 hours, to be equally divided between the distinguished mover of the amendment and the distinguished manager of the bill; that upon the disposition of the amendment of Mr. TAFT, the able Senator from California (Mr. CRANSTON) be recognized to call up his amendment—which would exempt the press, broadcast, and other media from wage and price controls—the time on that amendment to be limited to an hour and a half, to be equally divided between the able mover of the amendment (Mr. CRANSTON) and the able manager of the bill, the Senator from Alabama (Mr. SPARKMAN); that upon the disposition of that amendment, the distinguished Senator from New York (Mr. JAVITS) be recognized to call up his amendment, which would add a title as to productivity, the time on that amendment to be limited to 2 hours, to be equally divided between the able mover of the amendment (Mr. JAVITS) and the able manager of the bill (Mr. SPARKMAN); that upon the disposition of the amendment by Mr. JAVITS, the Senator from Illinois (Mr. PERCY) be recognized to call up his amendment dealing with employee productivity, the time on that amendment to be limited to 30 minutes, to be equally divided——

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. PROXMIRE. I just discussed an amendment with the Senator from Illinois. Perhaps the Senator from New York can enlighten me on this. I understood that it was the Javits-Percy amendment.

Mr. BYRD of West Virginia. Those are two different amendments. It is my understanding that Mr. PERCY is cosponsoring the amendment by Mr. JAVITS. But following that amendment, Mr. PERCY will call up an amendment dealing with employee productivity, the time to be limited to 30 minutes, to be equally divided between the able mover of the amendment and the able manager of the bill.

Provided, further, Mr. President, that time on any amendment in the second degree, motion, appeal, or point of order, with the exception of nondebatable motions, to any of the foregoing enumerated amendments be limited to 20 minutes, to be equally divided between the distinguished mover of such and the distinguished manager of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD the text of my amendment and various supporting documents.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 769

At the end of the bill insert the following new section:

NATIONAL PRODUCTIVITY ACT OF 1971

SEC. 3. (a)(1) It is the policy of the United States to promote efficient production, marketing, distribution, and use of goods and services in the private sector; and improve the morale of the American worker, all of which are essential to a prosperous and secure free world, and to achieving the objectives of national economic policy.

(2) The Congress finds that the persistence of inflationary pressures, and of a high rate of unemployment, the underutilization and obsolescene of production facilities, and the inadequacy of productivity are damaging to the effort to stabilize the economy.

(3) The Congress, therefore, finds a national need to increase economic productivity which depends on the effectiveness of management, the investment of capital for research, development, and advanced technology and on the training and motivation of the American worker.

(4) The Congress further finds that at a time when economic stabilization programs require price-wage restraints, management and labor have a strong mutual interest in containing "cost-push" inflation and increasing output per man hour so that real wages may increase without causing increased prices, and that, without in any way infringing on the rights of management or labor, machinery should be provided for translating this mutuality of interest into voluntary action.

(b)(1) There is hereby established in the executive branch an independent agency to be known as the "National Commission on Productivity" (hereinafter referred to as the "Commission"), which shall be composed of twenty-three members as follows:

(A) the Secretary of the Treasury; the Secretary of Commerce; the Secretary of Labor; the Chairman of the Council of Economic Advisers, and the Director of the Office of Management and Budget;

(B) six members who shall be representative of the business community;

(C) six members who shall be representative of labor organizations;

(D) six members who shall be representative of the general public, and who shall be selected without regard to any interest or connection they may have with any of the foregoing areas.

(2) Members of the Commission referred to in paragraphs (A) through (D) of subsection (G)(1) shall be appointed by the President, by and with the advice and consent of the Senate, for terms of six years, except that of the members first appointed, six shall be appointed for terms of two years, six shall be appointed for terms of four years, and six shall be appointed for terms of six years. One of the Commission members shall be designated as Chairman by the President. The initial members of the Commission shall be those persons now appointed as members of the National Commission on Productivity.

A member appointed to fill a vacancy occurring prior to the expiration of the term of his predecessor shall be appointed only for the unexpired portion of such term.

(3) The Commission shall meet at least four times each year at such times as it shall determine or at the call of the President. A quorum shall consist of thirteen members.

(4) Members of the Commission referred to in paragraphs (B) through (D) of subsection (b)(1) shall receive compensation at a rate equal to the daily equivalent paid to a person occupying a position of a GS–18 under the General Schedule while performing services for the Commission and while away from their homes in connection with attendance at meetings of the Commission shall be entitled to transportation expenses and per diem in lieu of subsistence at the rate prescribed under section 5703 of title 5, United States Code.

(5) The President is authorized to appoint, by and with the advice and consent of the Senate, an Executive Director of the Commission. The Executive Director shall be the principle executive officer of the Commission in carrying out the objectives, functions, duties and powers of the Commission described in sections 4 through 6, below, and shall receive compensation at the rate prescribed for level V of the Executive Schedule by section 5315 of title 5 of the United States Code.

(6) The Executive Director of the Commission with the approval of the Chairman of the Commission is authorized to employ, and fix the compensation of, such specialists and other experts as may be necessary for carrying out its functions under this Act, with regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and with regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and is authorized, subject to such provision, to employ such other officers and employees as may be necessary for carrying out its functions under this Act and fix their compensation in accordance with the provisions of such chapter 51 and subchapter III of chapter 53.

(c) It shall be the objective of the Commission—

(1) to enlist the cooperation of labor, management, and State and local governments, in a manner calculated to foster and promote increased productivity through free competitive enterprise toward the implementation of the national policy declared in the Employment Act of 1946 to create and maintain "conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power";

(2) to promote the maintenance and improvement of worker motivation and to enlist community interest in increasing productivity and reducing waste;

(3) to promote the more effective use of labor and management personnel in the interest of increased productivity;

(4) to promote sound wage and price policies in the public interest, and to seek to accomplish that objective within a climate of cooperation and understanding between labor, management, and the public, and within a framework of peaceful labor-management relations and free and responsible collective bargaining;

(5) to promote policies designed to insure that United States products are competitive in domestic and world markets;

(6) to develop programs to deal with the social and economic problems of employees adversely affected by automation or other technological change or the relocation of industries.

(d)(1) It shall be the duty and function of the Commission, in order to achieve the objectives set forth in section 4, to encourage and assist in the organization and the work of labor-management-public committees and similar groups on a plant, community, regional, and industry basis. Such assistance shall include aid:

(A) in the development of apprenticeship, training, retraining, and other programs for employee and management education for development of greater upgraded, and more diversified skills;

(B) in the formulation of programs designed to reduce waste and absenteeism and to improve employee safety and health;

(C) in the revision of building codes and other local ordinances and laws, in order to keep them continuously responsive to current economic conditions;

(D) in planning for provision of adequate transportation for employees;

(E) in the exploration of means to expand exports of the products of United States industry;

(F) in the development, initiation, and expansion of employee incentive compensation, profit-sharing and stockownership systems and other production incentive programs;

(G) in the dissemination of technical information and other material to publicize its work and objectives;

(H) to encourage studies of techniques and programs similar to those in paragraphs (1) to (8) of this subsection, as they are applied to foreign countries; and

(I) in the dissemination of information and analyses concerning the economic opportunities and outlook in various regions and communities, and of information on industrial techniques designed for the increase of productivity.

(2) The Commission shall transmit to the President and to the Congress not later than March 1 of each year an annual report of its previous year's activities under this Act.

(3) The Commission shall perform such other functions, consistent with the foregoing, as it determines to be appropriate and necessary to achieve the objectives set forth in section 4.

SEC. (d)(1) In exercising its duties and functions under this Act—

(A) the Commission may consult with such representatives of industry, labor, agriculture, consumers, State and local governments, and other groups, organizations, and individuals as it deems advisable to insure the participation of such interested parties;

(B) the Commission shall, to the extent possible, use the services, facilities, and information (including statistical information) of other Government agencies as the President may direct as well as of private agencies and professional experts in order that duplication of effort and expense may be avoided;

(C) the Commission shall coordinate such services and facilities referred to in subsection (2) above in order to supply technical and administrative assistance to labor-management-public committees and similar groups referred to in subsection (d)(1);

(D) the Commission shall establish the regional offices and such local offices as it deems necessary;

(E) the Commission shall hold regional and industrywide conferences to formulate ideas and programs for the fulfillment of the objectives set forth in section 4;

(F) the Commission may formulate model programs to ameliorate the effects of unemployment caused by technological progress;

(G) the Commission may furnish assistance to parties in collective bargaining entering into collective bargaining agreements; and

(H) the Commission may review collective bargaining agreements already in effect or those being negotiated to ascertain their effects on productivity; and it may have the power to make recommendations with respect to the agreements made or about to be made in specific industries.

(2) The Commission may accept gifts or bequests, either for carrying out specific programs which it deems desirable or for its general activities.

(c) There are hereby authorized to be appropriated the sum of $10,000,000 to carry out the purposes of this title during the period ending April 30, 1973.

CHAIRMAN OF THE BOARD OF GOVERNORS, FEDERAL RESERVE SYSTEM,
Washington, D.C., February 18, 1971.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR JACK: I'm writing in response to your request for comments on your bill to establish a National Productivity Council. You mentioned that even though you introduced it in 1963 it seems up to date in many respects. I would say the proposal is even more timely now. The need for increasing productivity is more pressing, and the prospects of achieving it through local councils seem better.

Management and labor face a common problem today. Demand for goods is weak. Consumers, concerned over the continued increases in living costs, are cautious about spending. This is a typical reaction to inflation of the kind we have been experiencing. As a result, production has fallen and unemployment has increased. This is not a situation in which aggregate demand must be curbed to stop a demand-pull inflation. We have passed that stage. Now we have to find a way to bring a lingering cost-push inflation under control to clear the way for a resumption in consumer spending, which will bring with it more efficient use of our resources.

Continued wage increases in excess of productivity gains will only mean continued price rises and continued unemployment. Yet workers will not be satisfied for long with paychecks that shrink in buying power. A major part of the solution, of course, is to find ways to increase productivity so that profits and wages both can rise as inflation subsides.

During World War II labor-management committees were established in thousands of war plants as a means of getting maximum production out of resources that were fully utilized. The program worked, because management and labor shared a common interest in solving a problem of paramount importance to the country. In 1944, W. Ellison Chalmers, then Chief of Staff, War Production Drive Headquarters, described the results as follows:

"(1) They are improving production. The files of War Production Drive Headquarters contain thousands of instances of production increases which have resulted from committee recommendations and from workers' suggestions, brought forth in response to the joint labor-management program. This has come in part from the development of individual suggestion systems. Many of these had existed before but took on new life when they were sponsored and directed by the Labor-Management Committees. Several million ideas have come in through these systems and hundreds of thousands of them have been adopted. Nearly 6000 of them, indeed, received national recognition from the War Production Board.

"This industrial teamwork has meant greater production by the collective ideas of the main committee and especially its departmental subcommittees, at work on the bottlenecks in each plant.

"The committees have done more than 'expand' production. They have also improved quality, cut down waste, reduced the use of critical materials, and salvaged scrap. It is particularly important to note these production accomplishments, for they demonstrate that a production committee has a job to do even when schedule changes or material shortages force a downward revision of output."

Today, while the circumstances are different and the challenge is not so dramatic, the problem is real and pressing for the country as a whole and particularly for employers and workers.

I understand that you are exploring with Administration officials various alternative methods of organizing this effort and fitting it in with other Federal activities. Whatever housekeeping arrangements are ultimately decided upon, I enthusiastically support the objective of setting up local committees as a means by which management and labor can join together in increasing productivity, thereby fighting inflation and unemployment at the same time.

Sincerely yours,

ARTHUR F. BURNS.

NATIONAL ASSOCIATION OF MANUFACTURERS,
September 29, 1971.

Hon. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.

DEAR SENATOR JAVITS: You will recall that during my appearance before the Joint Economic Committee on September 22 you asked for additional comments on your suggestion for establishment of productivity councils.

I have provided this information for inclusion in the printed record of the Committee hearings and am enclosing a copy for your personal use.

Sincerely

W. R. GULLANDER, *President.*

STATEMENT OF MR. GULLANDER ON PRODUCTIVITY COUNCILS

The NAM favors the general principle of establishing two-way channels of communication between employers and employees.

Plant-by-plant joint labor-management productivity councils can serve a useful purpose, under appropriate circumstances. Participation should be voluntary by all parties. The councils could help to keep the importance of productivity at the center of attention. They could provide a forum for useful discussion of ways of removing barriers to productivity growth.

[From the Washington Post, Sept. 12, 1971]

PRODUCTIVITY KEY TO ECONOMY

(By Senator JACOB K. JAVITS)

(NOTE.—Joseph R. Slevin is on vacation. His guest columnist today is Sen. Jacob K. Javits of New York, the ranking Republican member of the Congressional Joint Economic Committee.)

President Nixon has just recognized that the inflation and unemployment problems plaguing the nation have not been solved or even effectively curtailed by the use of government's traditional tools of monetary and fiscal policy to regulate the economy.

I applaud his new economic policy, its goal of prosperity without war and the measures he recommends to increase incentives for new technology, to produce more jobs, and to freeze prices, wages and rents.

But no federal government law or policy, no matter how desirable, is a substitute for the real thing. Such a law can only help if it produces the real thing—and the real thing is productivity.

Increasing our national productivity (the sum of the outputs of individual workers) is the key to restoring economic well-being to the United States. The inflation we are now experiencing—so-called cost-push inflation—is a direct result of wage and price increases which are in excess of gains in productivity.

Over the last three years, the prices of goods and services have spurted forward be-

cause output per manhour has not increased as much as compensation per manhour (wages). As a result, the rise in labor costs has pushed prices upward.

At 2.1 per cent, the United States has had the lowest average annual rate of increased productivity since 1965 of all the major industrialized countries. Average increases over the same period are 5.3 per cent in West Germany, 6.6 per cent in France, 7.9 per cent in Sweden and 14.2 per cent in Japan.

Even though hourly wages in Japan have increased 15.1 per cent a year during this same period, labor costs there have risen by only .8 per cent. Compare this with the United States, where labor costs have increased by 3.9 per cent over the same period. Is it any wonder that we cannot compete with Japan in selling our goods on the world markets?

Our primary economic challenge is how to deal with this problem of declining productivity. Fourteen Republican senators recently joined with me in introducing the National Productivity Act of 1971. Because increased productivity benefits the worker as well as the businessman, the thrust of this legislation is to promote mutual understanding and cooperation between labor and management to maximize technical and managerial progress. The vehicle is the establishment of a national productivity commission with local support from regional and industry-wide councils down to the plant level.

Some studies already under way to determine why American productivity is on the decline indicate that the attitude of a worker plays a major role in the amount of his output. But it is still not clear what the factors are that actually determine his moral. This is clearly a subject for intensive study by the commission.

The worker, alone, is not the cause of loss in productivity. We must look, too, at the practices of America's managers.

Have they done as much to promote increased productivity as they might? Managerial practices must be scrutinized by the commission to determine if they can and should be revised toward the goal of improving productivity.

It is, however, the industry-wide committees closest to the plant level which I believe hold the greatest promise for making gains in productivity.

Today our nation's total resources are underutilized, with a gap of 7 per cent between our present gross national product and our potential output. There is a clear need for both labor and management to coordinate in planning for efficient, expanded production as well as for addressing the traditional problems such as absenteeism, waste, technology, training and quality control that were the concerns of the World War II industrial councils.

I know the times are different and that one of our worst productivity problems now is the erosion of morale due to the quagmire of Vietnam—as contrasted to the patriotic feelings which inspired high morale during the world crusade against Hitlerism.

But the time is ripe for a productivity drive because we are just getting out of Vietnam, we are in serious economic trouble and the President has just shown the national determination to halt and reverse an economic course which many feared was leading to disaster.

I urge strongly that labor-management councils be set up with the aid of regional productivity councils as quickly as possible so that they may implement innovative solutions to the productivity problems which plague their particular industries and also share these solutions with other industries where they would be applicable.

I believe that the major aim of the national productivity commission should be to advance the U.S. economy beyond its prior productivity growth rate of 3.1 percent per year to even higher percentage increases. In this way we can meet the challenges of international competition as well as generate the revenues needed—through increased output rather than through increased taxes—for improving the physical, economic and social quality of life in the United States and for assuming our continued role in improving the quality of life throughout the world.

[From the New York Times, Oct. 8, 1971]

GAINS IN PRODUCTIVITY ESSENTIAL TO A STABLE ECONOMY

(By Albert L. Kraus)

Productivity gains are not a certain cure for all the problems afflicting the American economy. But if the United States is to regain reasonable price stability and become more competitive in world trade, rising productivity is essential.

Productivity gains are necessary, also, if the nation is to cover the costs of cleaning up the environment and restoring its cities and if it is to satisfy the income aspirations of its people, particularly blacks and others heretofore deprived.

The unfortunate fact is that productivity gains have been slowing down in recent years. At the same time, the countries of Western Europe and Japan have been making more rapid gains.

What is productivity? It is the amount of goods or services each worker produces in a year, a month, a day or an hour. The usual measure is output per man-hour.

An increase in hours worked or the participation of more people in the labor force may produce gains in productivity. But the greatest increases are thought to result from the investment of additional capital or from breakthroughs in technology.

Leon Greenberg, staff director of the National Commission on Productivity, has estimated that a one-tenth of 1 per cent increase in output per man-hour this year would mean $1-billion more in the gross national product, the total output of goods and services.

By 1980, a similar one-tenth of 1 per cent increase would produce about $15-billion of added G.N.P. in real terms, or after allowance for price increases. For the decade of the nineteen-seventies as a whole, such an increase would provide about $60-billion of G.N.P.

Actually, the growth in productivity has been slower than expected. Using a statistical comparison with the years 1950 to 1966, Mr. Greenberg calculated that output per man-hour in the last four years was at least five-tenths of a percentage point lower than what it should have been.

In every major industry division, there was a falling-off in the productivity growth rate in the last four years, with the worst deterioration occurring in mining, communications, utilities, transportation, finance, insurance and real estate. Trade and miscellaneous services also slowed down, but to a lesser degree.

One reason for this lag in productivity was the slump in total output associated with the recession last year. Productivity tends to fall off sharply in years of economic downturn as output declines more rapidly than man-hours worked. Similarly, it tends to rise rapidly in years of recovery until men and machines become fully employed.

Another reason for the slowing down was the continuing shift of the United States from a manufacturing to a service economy. As a smaller part of the population works at making goods and a larger part works to provide medical, educational, financial and other services, productivity gains become more difficult.

Services, until now at least, have been a low-productivity area. Mr. Greenberg estimates that the shift into low-productivity industries will lower the growth of output per man-hour by two-tenths of a percentage point in the seventies—in contrast to a gain of a like amount over the last 20 years.

It is often said that more productivity is an answer to inflation. This, however, is not necessarily so. G. M. Brannon, associate director of the Treasury's Office of Tax Analysis, noted recently that increases in money wages may still outdistance gains in output per man-hour.

He cited the experience of Japan, which over a fairly long period has been increasing productivity 10 per cent a year. But wages have risan 15 per cent a year, resulting in a 5 per cent rise in prices.

Productivity gains will not necessarily improve the competitive position of American concerns in world trade, either. To do so, they must be translated first into greater wage and price stability. And they must not be offset by an exchange rate structure that gives undue advantage to foreign concerns.

Without gains in productivity, however, the problems of inflation and international competition for American concerns would be much harder to solve.

EXCERPT OF STATEMENT OF SENATOR JAVITS, INTRODUCING S. 2414 (NATIONAL PRODUCTIVITY ACT OF 1971), AUGUST 4, 1971.

Mr. President, the purpose of this particular measure, the National Productivity Act of 1971, is to stimulate the productive effort of the United States through the establishment by law of a National Productivity Council, which the President has already appointed. Indeed, the bill appoints as the first council those members already serving, but it gives the council legislative standing rather than statutory standing, should this bill become law. The bill also provides for adequate funding of the Commission and its local organizations and more clearly specifies the functions this Council should undertake.

Mr. President, this bill goes to the local, regional, and plant level to deal with problems of absenteeism, waste, technology, training, and quality control, all of which are derived from a very rich and successful experience which we had in World War II, with a similar organizational structure.

We feel very strongly, Mr. President, that there has been such an erosion of the motivation of the American worker in recent years and that the productivity of the American worker has been so sharply reduced—a phenomena which is unnatural, uncommon, and unusual for the United States. As a result a patriotic effort of this character calling upon the best in the tradition of the American people is an essential element in restoring the confidence of our people in our national destiny.

Mr. President, the facts are that for the last 6 years, since 1965, the productivity of the United States, figured by the Bureau of Labor Statistics in a most authoritative way, has been the lowest of any industrial country of the world. Talking about bad news, this is just about as bad as news can be for the United States as a power in the world and for the American people individually, in terms of the achievements of our country, of which we are traditionally so proud.

Mr. President, aside from the United States, the countries compared are Belgium, Canada, France, West Germany, Italy, Japan, Netherlands, Sweden, Switzerland and the United Kingdom.

Our productivity increase has averaged in those years 2.1 percent. The next lowest is Canada with a 3.5 percent, and after that the United Kingdom with 3.6 percent, Mr. President, that is compared with Japan of 14.2 percent and with the Netherlands at 8.5 percent and Belgium at 6.8 percent.

Mr. President, I ask unanimous consent that a chart prepared by my office from figures of the Bureau of Labor Statistics may be made a part of my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

AVERAGE PERCENT INCREASES OF PRODUCTIVITY, COUNTRY BY COUNTRY

	1965-66	1966-67	1967-68	1968-69	1969-70	Average 1965-70
United States	1.2	0.1	4.6	2.1	1.5	2.1
Belgium	7.1	7.4	8.1	6.6	3.9	6.8
Canada	2.7	1.8	6.0	3.8	2.1	3.5
France	6.8	5.6	7.4	7.1	5.7	6.6
West Germany	3.6	6.4	5.9	5.5	2.2	5.3
Italy	4.7	4.2	8.0	3.9	4.1	5.1
Japan	10.5	14.5	14.8	15.0	15.0	14.2
Netherlands	5.9	6.6	11.1	8.8	9.1	8.5
Sweden	5.6	7.8	10.9	7.7	5.4	7.9
Switzerland	5.1	5.0	5.3	10.3	4.3	6.2
United Kingdom	3.0	3.0	6.1	2.2	3.1	3.6

Mr. JAVITS. Mr. President, this is a cause for the deepest alarm and concern, and reflects the terrible erosion of motivation and spirit, because that is what it comes down to in the final analysis. Production is not unlike war in that no matter what weapons people are given, it still depends on the morale of those to whom the weapons are given. It is the same in productivity and the morale of workers.

We 14 Senators hope this may be realized as the national crisis that it is and that by establishing self-help organizations with national sponsorship, as we did in World War II—and the crisis no less on the local, regional, and plant level—to evidence our concern.

There is no great amount of money involved. We hope the road back may be tried. This comes at a uniquely important time when we are getting out of the Vietnam war, when the President is going to open the door to new relationships with the Peoples Republic of China, when the SALT talks are going on, and when people are getting frustrated by the twin engines of inflation and unemployment.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on November 24, 1971, the President had approved and signed the following acts and joint resolution:

S. 306, an act for the relief of Eddie Troy Jaynes, Jr., and Rosa Elena Jaynes;

S. 629, an act for the relief of Chen-Pai Miao;

S. 708, an act for the relief of the village of Orleans, Vt.;

S. 1026, an act to amend the Small Reclamation Projects Act of 1956, as amended;

S. 2559, an act to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans; and

S.J. Res. 132. Joint resolution extending the duration of copyright protection in certain cases.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. TUNNEY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

ORDER FOR RECESS TO 9 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 o'clock tomorrow morning.

Mr. TOWER. Mr. President, reserving the right to object, does that mean there will be no morning hour tomorrow?

Mr. BYRD of West Virginia. That means there will be no morning business, but it was my intention to ask that a bill be called up which would consume the first 30 minutes of tomorrow.

Mr. TOWER. Setting this matter aside to take up that bill has been cleared with the leadership on this side?

Mr. BYRD of West Virginia. It has been cleared, through Senator EAGLETON, with the appropriate Senators on the other side. What I would intend to do would be to call up, immediately after recognition of the two leaders on tomorrow, S. 1163, a bill which deals with nutrition for the elderly. The Senator from Vermont (Mr. STAFFORD) and the Senator from Missouri (Mr. EAGLETON) are interested in that bill. Senator STAFFORD would have an amendment to it. It would be my intention to ask unanimous consent that there be a time limitation of 30 minutes on the bill, and that there be a time limit on Mr. STAFFORD's amendment of 20 minutes, to come out of the time on the bill.

Mr. TOWER. I have no objection, but I would like to clear it with the leadership on this side of the aisle.

I am informed that it is all right. I do not object.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

ORDER VACATED FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the previous order that there be a period for the transaction of routine morning business tomorrow be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON S. 1163

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order tomorrow, the Chair lay before the Senate S. 1163, a bill dealing with nutrition for the elderly, the time on that bill to be limited to 30 minutes, to be equally divided between the distinguished Senator from Missouri (Mr. EAGLETON) and the distinguished minority leader or his designee; that time on an amendment by the Senator from Vermont (Mr. STAFFORD) be limited to 20 minutes, to be equally divided between the distinguished mover of such and the distinguished Senator from Missouri (Mr. EAGLETON), with the understanding that the time on the amendment will come out of the 30 minutes allotted to the bill; with the further understanding that any amendment in the second degree be limited to 5 minutes, to be equally divided between the distinguished mover of such and the distinguished Senator from Missouri (Mr. EAGLETON).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, it is my understanding that no rollcall vote will be required on that bill or on the amendment thereto, but I ask unanimous consent that, should a rollcall vote develop in connection with either the amendment or the bill, such rollcall vote not occur until following the rollcall vote or votes disposing of the amendment No. 763 by the distinguished Senator from Oklahoma (Mr. HARRIS) on tomorrow.

The PRESIDING OFFICER (Mr. BUCKLEY). Without objection, it is so ordered.

ECONOMIC STABILIZATION ACT OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

AMENDMENT NO. 763

Mr. HARRIS. Mr. President, I call up my amendment No. 763 and ask that reading of the amendment be dispensed with and that it be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. TUNNEY). Without objection it is so ordered; and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

On page 22, line 1, strike all of lines 1 through 7 inclusive and insert in lieu thereof the following:

"EXPIRATION AND ANTITRUST ACTIONS

"SEC. 216. (a) The authority to issue and enforce orders and regulations under this title expires at midnight June 30, 1972, but such expiration shall not affect any action or pending proceeding, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to July 1, 1972.

"(b) The President shall, pursuant to Section 6d of the Federal Trade Commission's Act, 15 US Code 46d direct the Commission to undertake immediately for submission to the President and the Congress prior to June 1, 1972, an investigation of oligopoly industries, that is, those manufacturing industries in which the national or regional market share held by the 4 largest firms is 50% or more as determined by the Census Bureau in its study for the Senate Anti-

trust Subcommittee; this investigation shall have as its purpose: (1) determining whether those industries are non-competitive in character and have, therefore, contributed significantly to the inflationary spiral since 1966, and (2) recommending specific measures to the Congress and to the President for decentralizing those industries in a manner involving minimum cost for the firms in question and for the nation's economy and leading to the restoration of effective price competition.

"The President, upon submission of the FTC report on oligopolistic industries, shall direct the Federal Trade Commission and the Anti-trust Division of the Justice Department immediately to undertake anti-trust suits against oligopolistic industries which are found to have contributed significantly to the inflationary spiral since 1966 in order to restore effective price competition in these industries.

Mr. HARRIS. Mr. President, this is the amendment I spoke of earlier today. It is divided into two parts. The first part would limit extension of the Economic Stabilization Act to June 30, 1972, rather than April 1973, as the legislation presently provides.

The second part of the amendment would require the President of the United States, acting by and through the Federal Trade Commission and the Department of Justice, to commence anti-trust actions against those industries found to be noncompetitive and, thereby, to have contributed significantly to the inflationary spiral.

Mr. President, it will be my intention to debate both parts of the amendment at the same time, the time being limited to 1 hour to a side; and then, upon my motion, asking for the parts to be divided at the conclusion of the debate and to have separate rollcall votes thereon, one immediately following the other without debate on each of the two parts of the amendment.

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TUNNEY). Without objection, it is so ordered.

AMENDMENT NO. 768

Mr. HARTKE. Mr. President, I call up amendment No. 768 and ask that it be stated.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the pending amendment, the Harris amendment, be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the amendment.

The legislative clerk proceeded to state the amendment.

Mr. HARTKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 6, after line 4, insert the following:

"'(f) Whenever the President exercises his authority under this section to stabilize wages or prices, he shall also exercise his authority to stabilize interest rates. The criteria for determining allowable price increases by business firms shall be generally applicable to financial institutions and for the purpose of applying such criteria, the term "interest rate" shall be considered to be a price.'"

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, if I may have the attention of the distinguished Senator from Wisconsin (Mr. PROXMIRE), and the distinguished ranking minority member of the committee, the Senator from Texas (Mr. TOWER), I ask unanimous consent that on tomorrow the time on the amendment offered by the Senator from Indiana (Mr. HARTKE), be limited to 10 minutes, the time to be equally divided between the distinguished mover of the amendment, the Senator from Indiana (Mr. HARTKE), and the distinguished manager of the bill, the Senator from Alabama (Mr. SPARKMAN); that the time on any amendment to the amendment be limited to 10 minutes, to be equally divided between the mover of the amendment in the second degree and the distinguished manager of the bill; that the time on any motion, appeal, point of order—with the exception of nondebatable motions—be limited to 10 minutes and divided similarly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, will the Senator yield at that point?

Mr. BYRD of West Virginia. I yield.

Mr. PROXMIRE. Mr. President, I think that in fairness to the Senator from Indiana, it should be pointed out that this is a very important amendment. It is quite complicated, and I think that this kind of amendment deserves considerable discussion.

As I understand it, the Senator from Indiana is going to discuss the amendment tonight and he will not be limited as to time tonight, so that his discussion of the amendment on tomorrow can be concise.

I understand that he is going to offer an amendment to limit interest payment so that we will have parity of treatment in the various categories.

Mr. HARTKE. The Senator from Wisconsin is exactly correct.

Mr. TOWER. Mr. President, would the Senator from West Virginia restate his unanimous-consent request?

Mr. BYRD of West Virginia. Mr. President, the Senator from Indiana would be limited to 5 minutes on his amendment tomorrow, and the distinguished manager of the bill would be limited to 5 minutes.

Mr. TOWER. Mr. President, let us make that 15 minutes.

Mr. BYRD of West Virginia. Fifteen minutes, to be equally divided?

Mr. TOWER. Yes. I mean 7½ minutes to the side.

Mr. BYRD of West Virginia. Very well. Mr. President, I revise my unanimous-consent request to provide that the time on the Hartke amendment on tomorrow be limited to 15 minutes, to be equally divided between the mover of the amendment and the distinguished manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, the amendments to be offered by the Senator from Montana (Mr. METCALF), under the previous order, were to be taken up in sequence following the disposition of amendment No. 763 by the Senator from Oklahoma (Mr. HARRIS) on tomorrow.

It is my understanding, however, in discussion with the Senator from Indiana (Mr. HARTKE), that he has cleared with the Senator from Montana the calling up of the Hartke amendment immediately prior to the Metcalf amendments.

Mr. HARTKE. Mr. President, I have discussed this matter with the Senator from Montana (Mr. METCALF). He agreed that that procedure was agreeable and satisfactory to him.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate resume its consideration of the Hartke amendment on tomorrow immediately following disposition of the Harris amendment, No. 763, or in the event a rollcall vote should occur on S. 1163, a bill to provide nutrition for the elderly, concerning which a rollcall vote is not expected—but in the event a rollcall vote does occur on S. 1163—immediately following such rollcall vote on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. The purpose of my amendment is very simple: It requires that any time the President exercises his authority under the pending legislation to stabilize wages or prices, that he also act to control interest rates. That is the essence of the amendment. Additionally, it reads that the criteria used to determine the allowability of price increases shall be applicable to financial institutions, and for the purpose of applying these criteria interest rates shall be considered prices. In their simplest terms interest rates represent the price of money. I believe it appropriate, therefore, that those orders and regulations governing prices should be applied, as far as is practicable, to the stabilization of interest rates.

If accepted, this amendment would go far toward erasing the present, popular view that "the money lenders" have been unjustly exempted from the sacrifices that the general public and other industries have been forced to accept. Clearly, the new economic policy will not succeed unless the public at large is confident of its basic equality and even-handedness. President Nixon recognized this hard fact when he stated during his October 7 phase II address that "holding the line against inflation means holding all of that line" and consequently appointed a Government committee on interests and dividends with standby authority to control interest rates.

The Chairman of this new Committee, Dr. Arthur Burns, believes that this standby authority will never have to be used. As proof he, and other administration spokesmen, point to what they call a consistent downward trend in interest rates since the announcement of the wage and price freeze on August 15. In fact, short-term market rates of interest have declined appreciably, but for two reasons totally unrelated to any impact of the freeze. First, the short-term credit requirements of business have been down through the first 9 months of this year. Borrowing by corporations declined at a rate of almost $1 billion from January to June of this year and, while the credit needs of business have increased somewhat since midyear, the performance through the first three-quarters of 1971 has shown no real growth. This lack of growth in bank loans during the first 9 months of this year follows hard upon a drop of almost $5 billion in the last half of 1970. This decrease in the demand for credit in 1970 and the first three-quarters of 1971 is almost solely attributable to the current recession and largely explains the present drop in some short-term interest rates.

The second circumstance which also has the effect of depressing certain interest rates is explained in the October 1971 economic report of the Manufacturers Hanover Trust Co., wherein Mr. Tilford Gaines, senior vice president and economist, states:

It has been widely anticipated that the Treasury would have to borrow about $20 billion during the last half of 1971 to finance the record peace-time deficit projected for fiscal 1972. In actual fact, the bulk of the Treasury's new money needs has thus far been provided by foreign central banks' purchases of special U.S. Government securities. These funds, in turn, have arisen from the purchases of dollars by foreign central banks in the period prior to the decision to let the dollar float, and the further purchases in the past two months as the central banks have intervened to provide stability in the floating market. In the six months March through September, foreign official accounts added about $17 billion to their holdings of marketable U.S. Government securities and an additional $9 billion was funneled back to the U.S. Treasury for the purchase of special issues. As a consequence, the pressures upon the U.S. money market that most analysts had expected from Treasury borrowing this half year have not materialized.

Gaines believes, however, that the influence of foreign central banks on interest rates will only be temporary.

The dollars purchased by foreign central banks and turned over to the U.S. Treasury have represented money flowing into other national currencies as a hedge against an expected devaluation of the dollar. It is predictable that most of this money will flow out of these other currencies and back into dollars, primarily into the eurodollar market, as soon as the principal countries decide upon a new set of currency parities that the market is willing to believe are reasonable. As this happens, the treasury will find it necessary to redeem the special securities it has recently issued and turn to the U.S. money market to raise the money needed for the redemptions (since there should, at that time, be an availability of funds in the eurodollar market, some part of the money probably will be raised overseas). In the final analysis the recent disturbances in the international monetary system might force the treasury to compress into only one or two months the borrowing that it would otherwise have done in a more orderly fashion over several months.

It is plain, that the present dip in interest rates is due more to the sluggishness of the economy and the related necessity that the country's biggest borrower—the Federal Government—go abroad for its money, than to any positive impact of the new economic policy.

In his testimony before the Committee on Banking, Housing and Urban Affairs, Dr. Burns stated that:

We are moving into a period for which there is little historical precedent, and little basis for gauging exactly how credit markets will adapt to the new circumstances.

I quite agree with Dr. Burns. These are, indeed, new and uncharted areas with which we are trying to deal. But, if we are unsure of how to act in these new circumstances, would it not be better to press for mandatory control of interest rates rather than voluntary restraints?

The voluntary restraints used against price and wage increases in late 1970 and early 1971—the so-called "inflation alerts"—were admitted failures. Yet, Dr. Burns seems to have had something like the discredited "inflation alerts" device in mind when he suggested in his Banking Committee testimony that the Committee on Interest and Dividends:

Would certainly frown upon any premature upward moves of rates that had previously been sluggish in moving down.

Burns went on to state that:

There is every reason to believe that banks and other lenders will cooperate in our program on a voluntary basis.

I am afraid that I cannot share Dr. Burns confidence.

While quite true that some interest rates have declined recently, I believe this is attributable more to the terrible shape of the economy than any positive self-restraint by financial institutions.

And what of future months? Assuming for the purposes of discussion that the new economic policy does work, what will happen to interest rates as demand increases? The answer is obvious: As demand for credit increases, strong upward pressures on interest rates will also increase. And what will occur if Government permits these demand pressures to force interest rates higher? Would such increases be consistent with the efforts to control employees wages and employers prices? I think not. It would be far better in my opinion to put the lenders on notice now that any unreasonable increase in rates will be met promptly with mandatory controls and that the price of money would be determined by standards similar to those used to determine the appropriate price of manufactured products.

The Under Secretary of the Treasury Department, Charles E. Walker, in his statement before the Banking Committee, said that:

In requesting standby authority over interest rates and dividends, we are asking for authority which we do not think we will have to use.

It is my feeling that Secretary Walker is incorrect. Assuming once again that the President's policies have the effect of moving the economy forward, with a predictable increase in the demand for credit, will not the need for curbs in interest rates be inevitable? Unless the Federal Reserve System is prepared to furnish inflationary increases in the supply of money and credit, some sort of controls would appear necessary once a recovery takes hold.

And what if a recovery does not take place in the near future, a possibility which I consider more likely? In that event, it is just as important, perhaps more so, that the public be assured that the sacrifices which they are asked to make are also being made by those who lend money currently, the view appears widespread—whether rightly or wrongly—freeze period. This belief can be met, it seems to me, only by instituting controls over the price of money, more stringent than the voluntary ones now in effect.

Here then is the dilemma: If the economy moves forward, interest rates will surely go up requiring some sort of control; if the economy continues, despite our best efforts, to stagnate, interest rates will no doubt level off but the popular demand to stabilize rates will continue.

My amendment is intended to further assure the public that the economic policies drafted by the Congress, and implemented by the President, do indeed require an equality of sacrifice on the part of all Americans, the affluent as well as the average.

This administration has made it very clear that it does not intend to use mandatory controls to stabilize interest rates. I think this is a mistake. I think it is a mistake because it erodes the confidence of the American public in the even-handedness of these economic policies, and because it makes no provision for the effect that an economic recovery would have on interest rates.

It is for these reasons that I offer this amendment and urge its acceptance.

HARRIS AMENDMENT NO. 763 MADE THE PENDING QUESTION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the amendment by Mr. HARRIS (No. 763), now again be laid before the Senate and that it be made the pending question.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON CERTAIN AMENDMENTS

Mr. BYRD of West Virginia. Mr. President, with respect to the following amendments which have been offered by Mr. PROXMIRE, I propose that there be a time limitation with respect to each as follows:

I ask unanimous consent that on the amendment by Mr. PROXMIRE which would require that board hearings be made public there be a time limitation of 1 hour, to be equally divided between the distinguished mover of the amendment (Mr. PROXMIRE) and the distinguished manager of the bill (Mr. SPARKMAN).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on the amendment by Mr. PROXMIRE which would require confirmation of a chairman of each of the boards there be a time limitation of 1 hour to be equally divided between the able mover of the amendment (Mr. PROXMIRE) and the able manager of the bill (Mr. SPARKMAN).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that

with respect to the amendment by Mr. PROXMIRE which would exempt State and local employees there be a time limitation of 2 hours to be equally divided between the able mover of the amendment and the able manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that with respect to the amendment by Mr. PROXMIRE exempting small business there be a time limitation of 2 hours, to be equally divided between the able mover of the amendment and the able manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, with respect to each of these amendments by Mr. PROXMIRE, on amendments in the second degree, motions, appeals, and points of order, with the exception of nondebatable motions, there be a time limitation of 30 minutes to be equally divided between the mover of such amendments, motions, appeals and points of order, and the distinguished manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Will the Senator yield on that point?

Mr. BYRD of West Virginia. I yield.

Mr. PROXMIRE. I presume that that is the usual form in which a reservation is requested. I just wonder about an amendment to an amendment. If a Senator offering the original amendment objects to having his amendment amended, would he not be given any right at all with respect to time.

Mr. BYRD of West Virginia. I think the usual form leaves the opposition under the control of the manager of the bill.

Mr. PROXMIRE. That is all right.

The PRESIDING OFFICER. That is the usual procedure.

Mr. BYRD of West Virginia. I am sure that if a situation should develop as the able Senator has stated it, the manager of the bill would in all likelihood designate time in opposition thereto to the offerer of the amendment in the first degree.

Mr. President, with respect to the four amendments by Mr. PROXMIRE on which we have just gotten time agreements, I have not indicated or asked for their programing. In other words, I have not asked that they be programed at any particular time. Would the Senator have any objection if I asked that the amendment providing that board hearings being made public follow the amendment by Mr. PERCY?

Mr. PROXMIRE. I should prefer to have that amendment come up as soon as possible. If that is the earliest possible time, I would be happy to have that done, unless it could be taken up earlier than that. Frankly, I think it probably should come up after my first amendment, which comes after Senator NELSON's, but I understand the Senator is already locked into the present agreement, so I would not ask for a modification.

Mr. BYRD of West Virginia. Very well. If it is agreeable to the Senator, I ask unanimous consent that his amendment dealing with board hearings be called up upon the disposition of the amendment by Mr. PERCY dealing with employee productivity, and on which there is a limitation of 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9 o'clock a.m., following a recess. After the two leaders have been recognized under the standing order, the Senate will proceed to consider S. 1163, a bill providing nutrition for the elderly. On that bill there is a limitation of 30 minutes, with the understanding that an amendment by Mr. STAFFORD will be offered. There will be a limitation of 20 minutes on that amendment, the time to come out of the 30 minutes on the bill.

There is a further understanding that there will be no rollcall votes on the amendment or the bill, but that if any such rollcall votes should be ordered, those rollcall votes would be laid over until later in the day.

Upon the disposition of S. 1163, the Senate will resume its consideration of the unfinished business, and the pending question before the Senate will be on amendment No. 763 by Mr. HARRIS, on which there is a 2-hour limitation.

Following the disposition of the amendment by Mr. HARRIS, if a rollcall vote should be ordered on S. 1163, the bill dealing with nutrition for the elderly, that rollcall vote will then occur. In any event, following the disposition of the amendment by Mr. HARRIS or a rollcall vote on S. 1163, the Senate will take up the amendment by Mr. HARTKE dealing with interest rates, under a 15-minute limitation. After the Hartke amendment, the Senate will take up the amendments by Mr. METCALF, amendments Nos. 752, 753, 754, and 755, but not necessarily in that order, with the understanding that on the first of such amendments to be called up by the distinguished Senator from Montana (Mr. METCALF), there will be a 1-hour limitation, and that on each of the succeeding three amendments there will be a 20-minute limitation.

Upon the disposition of the amendments by Mr. METCALF, Mr. NELSON will call up his amendment No. 758, on which there is a 2-hour limitation.

Following that amendment, Mr. PROXMIRE will call up his amendment on reporting, on which there is a 1-hour limitation.

Upon the disposition of that amendment, Mr. BENTSEN will call up his amendment No. 764, on which there is a 1-hour limitation.

Mr. TAFT will then call up his amendment, on which there is a 2-hour limitation.

Mr. CRANSTON will then call up his amendment to exempt press, broadcast, and other media from the wage-price controls, upon which there is a 1½-hour limitation.

Mr. JAVITS will then call up his amendment, adding a title on productivity, on which amendment there is a 2-hour limitation.

Then Mr. PERCY will call up his amendment on employee productivity, on which there is a 30-minute limitation. After that, Mr. PROXMIRE will call up the first of his four amendments which have been submitted just in the last little while. That amendment provides that board hearings be made public, upon which time there is a 1-hour limitation.

Mr. PROXMIRE. Will the Senator yield briefly?

Mr. BYRD of West Virginia. I yield.

Mr. PROXMIRE. I have calculated—and I think the calculations of the Senator from West Virginia are roughly similar—that this arrangement would provide for about 14 or 14½ hours of debate, not counting rollcall votes.

Mr. BYRD of West Virginia. The Senator is correct.

Mr. PROXMIRE. This would go only to the amendment offered by Mr. JAVITS. It does not include amendments offered by Mr. PERCY and Mr. PROXMIRE.

Mr. BYRD of West Virginia. It would include the Percy amendment but not the four amendments by Mr. PROXMIRE.

Mr. PROXMIRE. In view of the fact that the Senate will convene at 9 o'clock tomorrow morning, and in view of the fact that there will be rollcall votes on almost all of these amendments, I would presume, under these circumstances, that we would not expect to conclude action on all of the amendments the Senator has listed for tomorrow. Unless we worked until 8, 9, 10, or 11 o'clock, we could not finish with all of these amendments.

Mr. BYRD of West Virginia. In response to the Senator, may I say that the distinguished majority leader will have returned tomorrow, and that will be up to him and the leadership on the other side of the aisle. But I think that the joint leadership would certainly desire to remain in session late tomorrow. The Senator was eminently correct when he indicated that the amendments which have been enumerated, including his four amendments, will certainly carry us well into the next day—Wednesday.

Mr. PROXMIRE. I thank the Senator.

Mr. BYRD of West Virginia. I thank the able Senator from Wisconsin (Mr. PROXMIRE) and the able Senator from Texas (Mr. TOWER).

RECESS TO 9 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 39 minutes p.m.) the Senate took a recess until tomorrow, Tuesday, November 30, 1971, at 9 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate November 29, 1971:

U.S. DISTRICT COURTS

Charles B. Renfrew, of California, to be a U.S. district judge for the northern district of California, vice Gerald S. Levin, deceased.

Anthony A. Alaimo, of Georgia, to be a U.S. district judge for the southern district of Georgia, vice a new position created by Public Law 91-272, approved June 2, 1970.

Philip W. Tone, of Illinois, to be a U.S. district judge for the northern district of Illinois, vice a new position created by Public Law 91-272, approved June 2, 1970.

U.S. MARINE CORPS

Maj. Gen. Louis Metzger, U.S. Marine Corps, having been designated, in accordance with the provisions of title 10, United States Code, section 5232, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade of lieutenant general while so serving.

EXTENSIONS OF REMARKS

THE JAPANESE ECONOMIC THREAT

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, November 29, 1971

Mr. THURMOND. Mr. President, a timely speech entitled "The Japanese Economic Threat" has recently come to my attention.

In this pamphlet the author, Mr. Anthony Harrigan, points out the encroachment of Japanese industry into the markets of U.S. industry. Imported Japanese textiles have been ruining the U.S. textile industry with such practices as market flooding. Our domestic steel industry can barely compete, and our shipping industry has floundered.

Mr. President, Japan has erected complicated trade barriers to keep U.S. imports from Japan's domestic markets. Further, Japan sells items abroad for much less than they are offered for sale in Japan. As long as U.S. industry is characterized by union control and excessive labor cost, we cannot compete with Japanese industries. Japanese tax laws are set up to favor big business, and cheap Japanese labor and monopolistic trade practices widen this edge.

Mr. Harrigan's speech was delivered prior to the recent Japanese textile agreement. However, this speech points out the definite need for such an agreement.

The United States can no longer afford to be indifferent to the protection of our domestic industries. These comments deserve the consideration of the Congress.

Mr. President, I ask unanimous consent that the speech entitled "The Japanese Economic Threat" by Mr. Anthony Harrigan be printed in the Extensions of Remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE JAPANESE ECONOMIC THREAT

(By Anthony Harrigan)

It is time that the United States recognizes that it faces a formidable challenger on the world economic scene—Japan.

The Hudson Institute recently asserted that Japanese living standards will surpass American levels with 15 years.

We should understand that we are witnessing a fundamental rearrangement of the world's powers, economically and militarily. But the American people apparently don't grasp the extent of the Japanese economic challenge and the peril it poses to our national economy and standard of living.

Today, 26 years after the United States defeated Japan, the Japanese can boast of having the third-strongest industrial system in the world. Let me briefly review some of their achievements. They are the world's principal shipbuilders, while our shipyards are no longer able to compete and, in many cases, are kept alive by naval contracts. The Japanese have a tremendous hold on the electronics business and are rapidly eating into our domestic and foreign markets. The ambition of untold thousands of American teenagers is to own a Japanese-built Honda motorcycle. Half a dozen Japanese makes are sold in this country, whereas the U.S. has only one major motorcycle maker these days. In the last few years, American highways have become crowded with Japanese automobiles. Japan's automakers are squeezing Detroit, costing thousands of American jobs. The Japanese have begun to sell transport aircraft in the United States. Piedmont Airlines is the first U.S. line to use Japanese planes. Japanese copying machines are in widespread use in offices and factories. Japanese textile imports are pushing the U.S. textile industry to the wall, threatening the very existence of an industry that employs 2½ million people. In the last year, textiles from the Far East resulted in the loss of 100,000 jobs in the U.S. textile industry.

The overall impact of Japanese products on our people's buying habits is colossal and, in my opinion, ruinous. There is no evidence whatever that Japanese imports are leveling off. Consider the textile situation. The Japanese have refused to negotiate meaningful voluntary quotas on textile imports. Instead, the Japanese textile industry unilaterally announced certain limited restraints. But the import statistics indicate that these voluntary restraints are meaningless. Imports from Japan and other Far Eastern countries are soaring. The Commerce Department reported August 5 that textile imports are up 10 per cent from May and 47 per cent from June last year. The value of these imports was $1.7 billion. That means $1.7 billion in lost business for American manufacturers.

The import situation is equally serious for the steel industry. U.S. steel imports totaled a record 9 million tons in the first half of 1971. Incidentally, Japanese steel sells for $40 a ton less than American-made steel.

Some Americans don't find danger in the Japanese trade campaign directed at the United States. They ignore the fact that Japan erects complicated trade barriers to keep U.S.-made products out of Japanese markets. Indeed some Americans apparently aren't even dismayed at the idea of the U.S. becoming a service-oriented importer economy. I don't understand where they think the money is going to come from for the U.S. to live well in the future.

The wealth of nations is created by producing goods and by transporting them to buyers. This is the way Great Britain became rich in the 19th century. Each year, we are losing our lead as a producer nation. Japan is the country that's really turning out the ships and other heavy equipment. Moreover, Japan's large, modern merchant marine carries Japanese goods to market. Our merchant marine languishes because of high construction costs and equally high operating costs, resulting from enormously expensive union labor. The majority of American-owned ships has to operate under flags of convenience, the flags of Honduras, Panama and Liberia, for example, so as to be able to hire crews at a cost-effective rate.

The economic challenge posed by Japan—and I suggest that you think of Japan as a single, giant company under centralized direction—is the gravest economic challenge this country has ever faced.

Here in Atlanta, I am reminded of Henry Grady's famous speech about the Georgia man who died and was buried in a Northern-made suit, in a grave dug by a Northern-made shovel and laid to rest under a piece of stone from the North. Georgia's only contribution was the corpse and the hole in the ground. Well, it is not an exaggeration to say that our entire country is likely to approach that situation by the end of the 1970's, with Japan in the role of the North, unless there is a change in national policy. I can envision a grave dug by a Japanese-made power shovel, a body clad in Japanese textiles, and a hearse made by a Japanese auto-maker.

Those of you who are in service industries may not feel the Japanese economic pressure. But talk to Southern manufacturers—textile, steel or whatever—and you will discover the profound alarm they feel. In South Carolina, which is absolutely dependent on the textile industry for state revenues, plants are shutting down or hours and days of operation are being curtailed because of the flood of Asian imports. In Birmingham, the steel mills are under similar pressure because of Japanese-made steel. In 20 years, Japanese steel production has jumped from five million to 100 million tons and is likely to exceed American production in two years.

Despite the threat to our country's economic well being, there is considerable indifference or open opposition to protection for threatened U.S. industries. Many of our national leaders and opinion-makers are the captives of "free trade" slogans. But as long as we have union monopolies and excessive labor costs which are non-competitive, we cannot live under a one-way free trade system.

To be sure, free trade has an ancient and honorable tradition. Here in the South, we were eager subscribers to the concept when our principal product was cotton. But truly free trade is possible only where free economic conditions exist on all sides. That is to say, the trading partners must subscribe to the same system and permit the same degree of access to their markets. But that's not the situation today. The United States has cut tariffs and otherwise made it easy for Japan and other countries to do business in the United States. The Japanese, however, make it difficult for American products to be sold in Japan. A Cadillac in Tokyo sells for $25,000 because of import barriers. In addition, Japanese industry operates as a huge cartel, with the government aiding business at every opportunity. As Jenkin Loyd Jones recently pointed out, "while American anti-trust laws would jail executives of any competing American firms who dared join together in fixing prices or otherwise trying to cartelize foreign trade, in Japan the government is in the thick of the conspiracy."

Finally, the Japanese and American wage structures are completely different. Japanese wages are extremely low, whereas U.S. companies must pay high scales.

The free trade enthusiasts say that the answer lies with automation. But that isn't an answer for America. The Japanese can automate their plants as rapidly or more rapidly than American manufacturers. For one thing, the cost of automation is lower in Japan—again because of low labor costs.

We often forget how central to competition are labor costs. In general, employee compensation represents almost 80 per cent of the cost of production. In 1968, corporate

business in the United States received an income of $403 billion. Of this amount, $318 billion represented wages, or 79 per cent.

It is impossible to envision any wage reductions in the United States. So the U.S. hasn't any maneuvering room in that area in trying to compete. In addition, American industry is subjected to a multitude of controls, the latest being environmental pollution requirements. Japanese industry isn't faced with these controls or associated costs. Indeed Japanese heavy industry hasn't been faced with anything like the requirements for pollution abatement that have hit American heavy industry in the last three years. And now the productive sectors of American life—industry and the middle class—are being subjected to new demands for vastly expanded welfare as the mammoth food stamp handouts which cost more than $2 billion a year. The Nixon-Mills Family Assistance legislation, now before the Senate, would double the number of Americans on welfare—a development that will hardly help the productive elements in our country compete successfully with people in other countries.

The seriousness of the situation is reflected in the fact that, with the exception of a small range of specialized products, we now import more than we export. This special range is composed of computers, aircraft, etc. But even our surplus in advanced machinery is declining. You will have noted that the Japanese are interested in producing a special version of the Boeing 747 under license in Japan. It is only common sense to realize that a few years hence the Japanese will be in aircraft production in a big way and deprive us of a vastly profitable business.

Ironically, we made possible the economic growth in Japan and elsewhere. We re-equipped Japanese plants after World War II. We still carry the defense burden for Japan—at immense cost—while Japan spends only a small amount on national defense. Our naval forces guarantee the safety of Japan's oil supplies which are obtained in the Middle East. In other words, the Japanese have shirked their defense obligation, leaving it to the overburdened American taxpayers.

As a result, the United States is profoundly disadvantaged in the fierce trade war being waged by Japan—and I use the words "trade war" advisedly.

In America, we need a keen realization of the new conditions we face. The good life we enjoyed in this country in the past was derived from our economic supremacy—from our success in producing and marketing goods. The wealth our system generated was spread to progressively lower levels of income. We created a huge domestic market for our goods. The Japanese haven't sought to expand their domestic market as we expanded ours. Instead, they aim to achieve enormous gains by monopolizing our domestic market. I see this as an act of economic warfare, for, to the degree that the Japanese are successful, they restrict employment and investment opportunities. They narrow our industrial base. Socially, the flood of Japanese imports compounds our human problems, for a smaller industrial base is less able to absorb the army of new workers entering the labor market annually.

We may well ask: "To what purpose are our states spending millions of dollars on technical and vocational training if such jobs are being lost as a result of Japanese competition?"

O. R. Strackbein, president of the Nationwide Committee on Import-Export Policy, has rightly said: "We are headed off at the pass by foreign products made under the same patent or process but saturated with low-cost labor." In any contest to reach new low or medium income markets, imports from Japan and other Asian countries can get there first and spoil the market for our own manufacturers who must reckon with minimum wage laws, not to speak of union pressures.

There are some people in our government and international banking institutions who apparently regard certain of our industries as expendable—the textile industry, for example. But I ask you, given the wage structure in Japan and the country's cartel approach, how can any American industry survive a massive Japanese trade assault? I don't believe that we can survive without mandatory trade quotas in a number of areas, without rigid limits on foreign penetration of domestic markets. The new surcharge on foreign goods is temporary and inadequate. If we continue an open market policy in our dealings with countries having protected industries, we will reverse the process that brought this country to industrial and commercial leadership and which gave America the highest standard of living in the world. Recognition of this is not our only need. We must struggle against the creation of a huge new drone class dependent on welfare or a guaranteed annual wage provided by productive Americans. And we must make every effort to dismantle the monopoly unionism which imposes unreasonable wage demands on industry and which fuels the fires of inflation. We must expose to critical analysis the notions of income redistribution that would deprive energetic Americans of incentives and reduce this nation to an economic backwater in less than a generation.

But as important as all of this is a new trade policy and attitude that will prevent monopolistic Japanese industry—backed by the Japanese government—from taking over our domestic markets and making our people captive consumers for the producers of Japan. This kind of economic subjection to Japan would consign Americans to a far lower level of affluence than we enjoy today and have enjoyed for generations. Here in Atlanta, where businessmen are so mindful of the economic requirements of the future, I hope for clear comprehension of the need for a new, tougher American policy in foreign imports.

IMMEDIATE AID FOR BELEAGURED SCHOOLS IN 410 CONGRESSIONAL DISTRICTS

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. PUCINSKI. Mr. Speaker, when the House of Representatives considers the supplemental appropriations bill this week, it is my hope that an amendment will be offered to fund category "c"—public housing children—of the impact aid law. If accepted, this amendment will provide $100 million in additional funds to beleagured schools in more than 410 congressional districts.

The basic principle of the impact aid law is that the Federal Government has an obligation to pay school districts for burdens placed upon them by activities of the Federal Government. We are all aware of the burdens placed upon school districts by the presence of military and other Federal facilities and by the resulting numbers of "a" and "b" children, but the same principle applies as forcefully regarding the presence of large numbers of federally financed low-income public housing units and the resulting concentrations of poor children. By Federal law these units must be exempt from all State and local taxation. And this tax exemption coupled with the concentrations of large numbers of disadvantaged students has caused enormous strains upon many school systems, and in several cases has contributed to the near breakdown of school systems.

The amendment which I hope will be offered next week will be a start in the direction of the Federal Government's assuming its rightful share of the cost of educating these children. This amendment will probably only appropriate one-third of the authorization for this category, far less than the percentage which is funded under the authorizations for "a" and "b" children, but it will at least be a start. I want to emphasize, however, that by funding category "c" we shall in no way be affecting categories "a" and "b". Funding for public housing children is entirely separate and will not detract at all from funding for "a" and "b" children.

I am inserting in the RECORD today a breakdown by congressional districts of the money which will be made available to school districts following the adoption of this amendment to fund category "c" at $100 million. As with all of impact aid, these are funds which will go directly into the operating budgets of school districts and will not be bogged down in any way in redtape or bureaucratic fumbling. Therefore, I would urge all Members to carefully consider this amendment and to look upon it as a way for the Federal Government to both assume its proper share of the cost of educating children from public housing and also as a way to provide direct, unencumbered aid to school districts which are desperately in need of such aid.

I am inserting in the RECORD at this point the breakdown of the $100 million by congressional districts.

The table follows:

ESTIMATED GRANTS TO SCHOOL DISTRICTS BASED ON $100,000,000 APPROPRIATION UNDER PUBLIC LAW 81-874 FOR CHILDREN IN PUBLIC HOUSING

State and Congressional district [1]	Number of [2] children	Estimated [3] grant
Alabama:		
1	5,789	$356,023
2	6,438	395,637
3	6,217	382,346
4	3,868	377,382
5	5,012	308,238
6	7,914	486,711
7	6,503	399,935
8	5,860	360,390
Alaska	1,229	543,611
Arizona:		
1	2,323	162,997
2	1,275	89,463
3	2,180	152,963
Arkansas:		
1	3,892	239,358
2	3,834	235,791
3	3,114	191,511
4	2,357	144,956
California:		
1	2,236	164,719
2	645	47,515
3	4,245	312,715
4	2,441	179,820
5	8,587	632,576
6	1,760	129,653
7	3,171	233,597
8	2,566	189,029
9	1,633	120,298
11	731	53,850
12	1,463	107,774
13	2,973	219,011
14	4,727	614,389
15	3,832	282,291
16	3,873	285,311
17	4,263	314,041
18	1,603	$118,088
21	4,194	308,958
22	582	42,887
26	781	57,534
29	1,557	114,699
30	2,939	216,506
32	926	68,115
33	1,470	108,290
35	10	737
38	2,103	154,921
999 [4]	5,884	433,455
Colorado:		
1	5,004	420,336
2	60	5,040
3	1,177	98,868
4	355	29,820
Connecticut:		
1	4,668	476,914
2	1,216	124,235
3	4,282	437,478
4	5,829	595,530
5	2,072	211,689
6	1,495	152,739
Delaware	2,852	197,358
District of Columbia	15,163	1,000,758
Florida:		
1	2,639	162,299
2	1,690	103,935
3	2,799	172,139
4	2,291	140,897
5	4,558	280,317
6	7,125	438,188
7	3,028	186,222
8	2,370	145,755
9	2,999	177,772
10	684	42,066
11	6,621	407,192
12	1,716	105,534
999	55	3,383
Georgia:		
1	5,504	338,496
2	4,619	284,068
3	4,598	282,224
4	4,675	287,513
5	13,922	856,203
6	5,251	322,937
7	4,295	264,143
8	4,503	276,935
9	3,115	191,573
10	6,282	386,343
Hawaii	6,026	381,647
Idaho:		
1	753	51,706
2	382	26,231
Illinois:		
1	15,929	1,515,910
2	3,223	306,722
3	3,531	336,034
4	883	84,032
5	1,752	166,732
6	722	68,710
7	13,059	1,242,782
8	1,351	128,570
9	6,482	616,870
10	165	15,703
12	793	75,467
13	121	11,819
14	1,429	135,993
15	1,915	182,244
16	2,882	274,270
17	2,128	202,515
18	3,340	317,857
19	3,182	302,820
20	3,258	310,053
21	5,222	496,960
22	1,637	155,788
23	2,417	230,018
24	5,703	542,736
999	5,321	506,382
Indiana:		
1	3,715	255,097
2	363	24,926
3	2,001	137,402
4	555	38,110
5	260	17,853
6	403	27,673
7	1,024	70,315
8	2,053	140,973
9	1,678	115,223
10	972	66,744
11	3,446	236,625
Iowa:		
1	536	45,024
2	270	22,680
3	182	15,288
4	403	33,852
5	641	53,844
6	239	20,077
7	471	39,564
Kansas:		
1	792	57,420
2	1,429	107,228
3	1,548	112,230
4	1,303	94,468
5	790	57,275
Kentucky:		
1	4,057	249,506
2	2,124	130,626

Footnote at end of table.

State and Congressional district [1]	Number of [2] children	Estimated [3] grant
Kentucky—Continued		
3	7,107	$437,081
4	2,132	131,118
5	2,233	137,330
6	5,083	312,605
7	1,321	81,242
Louisiana:		
1	9,775	601,163
2	8,039	494,399
3	2,609	160,454
4	1,916	117,834
5	1,518	93,357
6	2,452	141,798
7	3,546	218,079
8	2,136	131,364
Maine:		
1	1,014	84,162
2	1,227	101,841
Maryland:		
1	2,213	175,934
3	6,852	544,734
4	2,889	229,676
5	1,153	91,664
6	1,680	149,452
7	4,133	328,574
8	1,021	81,170
999	608	48,336
Massachusetts:		
1	1,730	188,858
2	1,580	172,483
3	1,260	137,550
4	2,461	268,659
5	2,990	326,408
6	1,139	124,341
7	1,755	191,588
8	5,242	572,252
9	13,380	1,460,650
10	3,264	356,320
11	1,739	189,841
12	1,960	213,967
999	1,656	180,780
Michigan:		
1	595	45,418
2	985	75,188
3	715	54,578
4	1,448	110,531
5	504	38,472
6	1,305	99,615
7	1,161	88,623
8	1,843	140,682
9	935	71,372
10	944	72,058
11	2,012	153,583
12	554	59,769
13	5,914	45,435
14	2,366	138,927
15	1,443	87,249
16	1,148	87,631
17	3,011	229,836
18	1,231	93,966
Minnesota:		
1	664	45,340
2	1,053	71,955
3	3,462	236,591
4	5,472	373,920
5	5,028	343,580
6	1,638	111,930
7	1,833	125,255
8	2,462	168,233
999	78	5,330
Mississippi:		
1	1,851	113,833
2	1,544	94,956
3	1,297	79,766
4	1,645	101,168
5	4,519	277,919
Missouri:		
1	8,540	584,990
2	195	13,354
3	2,545	174,333
4	1,009	69,117
5	3,241	222,009
6	766	52,471
7	845	57,883
8	1,203	82,406
9	575	39,388
10	2,504	171,191
999	551	37,744
Montana:		
1	922	75,911
2	865	71,222
Nebraska:		
1	2,967	285,327
2	4,970	477,948
3	2,888	277,729
Nevada	3,059	199,848
New Hampshire:		
1	3,186	307,516
2	862	83,183
New Jersey:		
1	2,991	319,040
2	3,284	343,893
3	2,806	299,520
4	3,778	402,989
5	421	44,928
6	482	51,413
7	1,151	122,773
8	3,871	412,907
9	1,053	112,320
10	8,722	930,346
11	9,810	1,046,400
12	322	$34,347
13	7,714	822,493
14	5,936	633,173
15	2,360	251,733
999	1,378	146,987
New Mexico:		
1	2,608	160,392
2	1,894	116,481
New York:		
2	52	5,997
3	203	23,413
4	369	42,558
5	800	92,267
7	1,864	214,981
8	567	65,394
9	4,094	472,141
10	3,938	454,149
11	9,565	1,103,163
12	9,161	1,056,569
13	1,373	158,507
14	7,357	845,141
16	6,240	719,687
17	347	40,021
18	18,086	2,085,919
19	10,344	1,193,008
20	6,631	764,775
21	7,405	854,043
22	8,499	980,218
24	6,404	735,261
25	3,028	349,229
26	963	111,066
27	257	29,641
28	630	72,660
29	3,671	423,389
30	1,067	123,061
31	1,534	176,921
32	932	107,491
33	865	99,763
34	2,873	351,353
35	599	69,085
36	902	104,031
37	329	37,945
38	342	39,444
39	268	20,909
40	1,737	200,334
41	5,581	643,675
999	1,212	139,784
North Carolina:		
1	3,238	199,134
2	1,911	117,527
3	1,993	122,570
4	4,386	269,772
5	4,025	244,204
6	4,254	261,621
7	2,837	174,476
8	2,235	137,453
9	4,141	254,672
10	1,511	92,927
11	2,062	126,813
North Dakota:		
1	1,327	109,478
2	835	68,888
Ohio:		
1	889	66,823
2	7,788	585,398
3	3,996	300,366
5	1,004	75,467
6	1,503	112,976
7	633	47,581
8	852	64,042
9	2,308	173,485
10	421	31,645
11	293	22,091
12	3,570	268,345
13	2,317	174,161
14	3,506	263,534
15	3,730	280,372
16	659	49,535
18	1,413	106,211
19	3,253	244,517
20	12,620	948,603
21	1,450	108,992
24	693	52,091
Oklahoma:		
1	2,904	194,568
2	788	52,796
3	2,919	195,573
4	1,210	81,070
5	3,279	219,693
6	681	45,627
Oregon:		
1	1,299	137,694
2	512	54,272
3	3,918	415,308
4	1,788	189,528
999	620	65,720
Pennsylvania:		
1	6,026	476,054
2	6,819	546,601
3	10,642	840,718
4	1,414	111,706
5	2,035	160,765
6	2,872	226,888
7	746	58,934
8	286	22,594
9	2,740	216,460
10	2,815	222,385
11	1,170	92,430
12	1,500	118,500
13	510	40,290
14	8,661	684,219

Footnote at end of table.

ESTIMATED GRANTS TO SCHOOL DISTRICTS BASED ON $120,000,000 APPROPRIATION UNDER PUBLIC LAW 81-874 FOR CHILDREN IN PUBLIC HOUSING—Continued

State and Congressional district [1]	Number of [2] children	Estimated [3] grant
Pennsylvania—Continued		
16	3,427	$270,733
17	876	69,204
20	3,138	247,902
22	439	34,681
23	520	41,080
24	7,420	586,180
1	1,115	88,085
2	2,175	171,825
3	464	36,656
4	2,779	219,541
5	3,640	287,560
6	2,605	205,795
7	1,912	151,048
999	1,542	121,818
Rhode Island:		
	6,495	623,520
	4,863	466,848
South Carolina:		
	2,695	165,743
	2,196	101,721
	1,262	77,613
	3,306	203,319
	1,785	109,778
	525	32,288
South Dakota:		
		37,840
		122,960
Tennessee:		
	2,837	174,476
	4,571	342,617
	4,715	289,973
	3,849	236,714
	7,873	484,190
	4,195	257,993
	2,376	146,124
	2,703	166,235
	6,551	402,887
Texas:		
	2,774	175,224
	7,937	122,354
	5,639	356,194
	2,245	141,809
	3,744	236,496
	1,144	72,263
	2,610	164,865
	273	17,245
	3,401	214,830
10	2,397	157,727
11	2,778	175,477
12	1,656	104,604
13	2,131	134,608
14	2,321	146,610
15	3,588	226,642
16	2,766	174,719
17	2,781	179,000
18	491	31,015
19	995	62,851
20	8,068	509,629
21	497	31,361
22	1,136	71,757
23	2,573	162,528
Utah	194	11,913
Vermont	407	33,442
Virginia:		
	3,318	262,122
	7,315	577,885
	5,079	401,241
	753	59,487
	650	51,350
	1,625	128,375
	300	23,700
	625	49,375
10	1,586	125,294
Washington:		
	1,352	89,232
	1,759	116,094
	913	60,258
	359	56,694
	3,297	217,602
	10,739	708,774
999	650	42,900
West Virginia:		
	1,901	116,912
	618	38,007
	1,503	92,435
	1,047	64,391
	492	30,258
Wisconsin:		
	122	10,573
	936	81,120
	867	74,620
	234	15,600
	4,993	432,727
	406	38,653
	1,143	99,060
	852	73,840
10	1,685	146,033
999	342	29,640
Wyoming	333	29,859
Puerto Rico	53,431	4,648,497
Virgin Islands	1,898	165,126
Guam	325	21,558
United States total [4]		98,269,521

[1] Congressional districts having no completed units are omitted.
[2] Number of school age children based on Office of Education estimate of school age children per public housing unit; that is 1.3 per unit.
[3] Estimated grants calculated adding 20 percent to 1970 State "B" rate.
[4] 999 units undistributed by congressional districts.
[5] Difference in U.S. total and appropriation caused by the fact that rates for cities, such as New York and Chicago, are somewhat larger than rate of average school district.

DELAWARE FOOTBALL

HON. J. CALEB BOGGS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Monday, November 29, 1971

Mr. BOGGS. Mr. President, if I may I would like to draw attention to a singular honor my colleague from the State of Delaware and myself share with the two distinguished Senators from Nebraska.

We all have the privilege of representing States with national championship football teams. The University of Nebraska is the No. 1 major college team and the University of Delaware is the No. 1 small college team. Nebraska's honor may be greater, but we are just as proud of our team.

The University of Delaware Blue Hens have completed their regular season with a 9 and 1 record, the only loss coming to major college Temple. The team led all college division teams in rushing, with an average of 371 yards a game and in total offense, with an average of 515 yards.

This all was done in a season which was expected to be a rebuilding year. Coach Tubby Raymond took a team from which 15 of 22 starters had graduated and built it into a winner.

It certainly was not Coach Raymond's first winner. In the last 3 years his teams have won 27 of 32 games. His record since taking over from Coach Dave Nelson in 1966 is 43 victories and only 18 losses.

Dave Nelson also deserves credit for the fine season for the guidance he offered as athletic director for the University.

It is impossible to name all the great football players who contributed to this fine season, but one should mention Gardy Kahoe and Billy Armstrong, who did most of the ball-carrying; Sam Neff, a fine quarterback, and Ralph Borgess, a defensive tackle, the captain and team leader.

On December 11, the University of Delaware will travel to Atlantic City for its fourth consecutive appearance in the Boardwalk Bowl. The Blue Hens will be favored to make C. W. Post their fourth consecutive victim in that bowl game.

As an alumnus of the University of Delaware and a former member of its football team, I am proud of this great record. So are all the citizens of Delaware who have enjoyed following the team this season.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a column about the Delaware football team by Hal Bodley, sports editor of the Wilmington News-Journal, and a news story about the national champion University of Delaware football team.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wilmington (Del.) Evening Journal, Nov. 22, 1971]

THE DREAM CAME TRUE

(By Hal Bodley)

"What did Ralph say?" Tubby Raymond asked, almost sheepishly.

"That the team's goal is to win the national championship."

"He said what?"

"They want to be national champions. It's in the paper with a big headline today."

"Oh no," exclaimed the Delaware football coach. "I can't believe he said that. We have to replace 15 of 22 starters and . . ."

That was a sunny afternoon on Sept. 17, only hours before the untried Blue Hens were going to open their season with a 39-7 conquest of Gettysburg and start their quest for a second national title.

The Ralph is Capt. Ralph Borgess, an emotional, talented defensive tackle, who kept giving Raymond nightmares with his antics before the season started.

Late in August Borgess shaved his head, all but a little tassle of blond hair that looked like a minor-league pony tail. Raymond took one look at Ralph the first day of practice and turned white. People had to comfort the coach when photographers began to snap pictures. Several days later the picture had been used in newspapers all over the country.

Then, the day before the first game, here was Borgess saying an inexperienced team was hoping to win the national championship.

The first thing Raymond could see when he heard that was 10 locker room bulletin boards with the clipping "Hens Want National Title" tacked up in a priority position.

Saturday, when it was 46-0 and the Blue Hens had polished off Bucknell so convincingly it's not necessary to rehash the victory here, a fellow walked up to the surprisingly calm Borgess and asked him about that interview on Sept. 17.

"I wasn't kidding or fooling or anything like that," said Ralph, whose hair has grown back in nicely, thank you. "Sure, we had some holes on the offensive line, but the defense was so good, so wild, in spring practice I felt we could go all the way. I felt then the defense would play an important part in the season.

"We wanted to have the reputation of being mean, not just good. We've been trying to improve our aggressiveness and our pass rush all season. When you look back to other teams, they have had their highs and lows. Look at what happened to us after we beat Temple last year. We lost to Lehigh. This year we feel like we've continued to improve each week. There has been no big letdown."

Raymond was standing a few feet away from his captain in the moldy Lewisburg, Pa., dressing room and was trying to hear every word.

"It's been a great bunch of boys," said Raymond, whose 9-1 season this autumn pushes his record to a remarkable 43-18 since taking over for Dave Nelson after the 1965 campaign. "I still say when you have two or three kids who get together and decide to do something, and they bring four or five along with them, it's contagious. Ralph has been a tremendous captain, but what he has done has been contagious. He has made the whole group a group of leaders and I can't think of a better tribute."

The subject of the Sept. 17 story was brought up and Raymond grimaced again.

"You can set goals," said the coach, "but the national championship? Winning the Lambert Cup and having a big part in deciding who goes to the Boardwalk Bowl seemed much more realistic."

So, the Blue Hens will win the Lambert Cup, will play C. W. Post in the Boardwalk Bowl and will get the national championship, and will probably be recognized as the No. 1 small-college team in America by the prestigious Washington Touchdown Club.

Take nothing away from the champs of 1963, but the thing people will remember this team for is that it won it all. In 1963, the Hens were unbeaten in eight games, but the finale with Bucknell was canceled because of President Kennedy's assassination. They won the United Press International crown, but not the one given by the Associated Press. This time, they will get both.

And then there were all those records.

"I've never seen a better Delaware team," said Bucknell Coach Fred Prender after the Hens had rolled up 364 yards rushing and another 206 passing on the cold afternoon at Memorial Stadium. "This is the best Delaware defense and the best offense. What else can I say?"

Raymond stood on his front lawn last night and tried to think of ways to describe the feeling inside.

"I had a special feeling when Jack Turner played for us. I thought we'd never have a runner like him. Then there was Mike Brown and Tom DiMuzio and others. Somehow kids come along and you wonder how you'll ever replace them. Right now, I feel that way about Gardy Kahoe and Bill Armstrong. Boy, have they given me a thrill watching them run."

Tubby Raymond refuses to rate his teams. He doesn't want to call this one or that one his best. "It wouldn't be fair to the others," he says.

What Raymond will remember about this team, though, is that it was a group of boys who made up their minds what they were going to do, then went out and did it.

The dream came true.

On second thought, maybe it wasn't a dream.

BLUE HENS UPI NATIONAL CHAMPIONS!!!

Delaware, which rolled to a 9-1 season including victories over two major colleges, has been named national small-college football champion by the United Press International board of coaches.

The Blue Hens, whose victims included Villanova and Rutgers—both major colleges—collected 20 first place votes from the 32 coaches participating in the final week of balloting. The only Delaware loss came to Temple—another major college. It was the second time Delaware was named national champion, the other title coming in 1963.

McNeese State of Louisiana (9-0-1), which has been second in the ranking through much of the latter part of the season, finished second behind Delaware with five first place votes and 267 points. The top-ranked Blue Hens' final point total was 306.

Eastern Michigan, which finished its season at 7-0-2, received three first place votes and finished third ahead of Tennessee State and C. W. Post. The fifth-ranked Pioneers will play Delaware Dec. 11 in the Boardwalk Bowl in Atlantic City, N.J.

Competing the top 10 were Arkansas Tech, Samford, Northern Colorado, Louisiana Tech and Howard Payne. Seventh-ranked Samford (8-1) will be hosting the Amos Alonzo Stagg Bowl in Birmingham, Ala., Nov. 25 against unranked Ohio Wesleyan. Ninth-ranked Louisiana Tech's post-season action will be with No. 3 Eastern Michigan in the Pioneer Bowl at Wichita Falls, Texas, Dec. 11.

The second 10 was headed by Chico State, which is bound for the Camelia Bowl against Boise State Dec. 11 at Sacramento, Calif. Following were Western Kentucky, Boise State, Westminster of Pa., and Southwest Texas State. Twice-beaten Alcorn A & M was 16th, Livingston of Ala., 17th and St. John's of Minn., 18th. The top 20 was completed by Pacific Coast Athletic Association champion Long Beach State and Akron.

The Blue Hens also won the Lambert Cup as the top middle-sized college football team in the East for the fourth consecutive year Tuesday.

The Blue Hens, who posted a 9-1 record, were the unanimous choice of the eight-man selection committee. C. W. Post and West Chester tied for second place.

Rounding out the top 10 were Bridgeport, Lehigh, Coast Guard, Williams, Amherst, Middlebury and Central Connecticut.

FINAL UPI SMALL-COLLEGE POLL

1.	Delaware (20) 9-1	306
2.	McNeese State (5) 9-0-1	267
3.	Eastern Michigan (3) 7-0-2	238
4.	Tennessee State (1) 8-1	185
5.	C. W. Post 8-1	130
6.	Arkansas Tech 11-0	95
7.	Samford 8-1	78
8.	Northern Colorado (2) 8-1-1	75
9.	Louisiana Tech 8-2	74
10.	Howard Payne 9-1-1	48
11.	Chico State 9-1	47
12.	Western Kentucky 8-2	42
13.	Boise State 9-2	29
14.	Westminster, Pa. 8-0	25
15.	Southwest Texas State 8-1-1	22
16.	Alcorn A. & M. (1) 6-2	21
17.	Livingston, Ala. 8-1	20
18.	St. John's, Minn., 8-1	18
19.	Long Beach State 8-3	15
20.	Akron 8-2	11

PAT SULLIVAN WINS HEISMAN TROPHY

HON. GEORGE W. ANDREWS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. ANDREWS of Alabama. Mr. Speaker, voters for the Heisman trophy have chosen Pat Sullivan of Auburn University as the outstanding college football player for 1971. They made a wise choice, and no one deserved the award more.

Auburn University and the State of Alabama could not have had a finer representative than this truly outstanding young man from Birmingham.

Pat is simply a super football player and has been since high school. His record at Auburn was not made in 1 year. He is not a senior year wonder alone.

Pat Sullivan was a fantastic passing and running quarterback when he was a sophomore, and he led the Nation in total offense with 285.6 yards when he was a junior.

He was responsible for 26 touchdowns last year and finished sixth in the Heisman trophy balloting. This year, he added 26 more touchdowns and went all the way to place first in the balloting.

Pat compiled his supurb record in the heat of battle in one of the very toughest conferences in the Nation. Football is king in the South, and we play it good, and we play it tough. Pat Sullivan was a winner in a field of winners. It makes a difference.

His worth to the total team effort has been clearly evident throughout a fine career. He has guided Auburn to three highly successful football seasons.

Finally, Mr. Speaker, Pat Sullivan is considerably more than a great football player. He is a fine Christian young man, devoted husband and father, and unfailing friend and leader to his fellow students.

Though gifted as an athlete and praised many times for his athletic accomplishments, Pat Sullivan is humble and appreciative of the contributions of others to his success.

When he won the Heisman Trophy last week, he was certainly a gracious winner, and I am certain that had he not won the award, he would have been an equally gracious loser. He did not say, "Well, it's all so true, you see. I am in fact the greatest football player in the country."

Amazingly, the young man who placed second to Sullivan made just such an admission. At least 1,597 voters would disagree with him and did.

They chose Pat Sullivan, and I am delighted that they did. I am proud to represent Auburn University as Congressman for Alabama's Third Congressional District.

It is an outstanding academic institution, and its athletic program is outstanding as well. Proof of the fact? Why, Pat Sullivan, of course.

SAVING OUR WILD HORSES

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. HUNGATE. Mr. Speaker, in view of the wide interest among the young people of my district in the preservation of our wild horses, I thought others might find this article of interest.

[From the Washington Post, Nov. 25, 1971]

COWBOYS IN COPTERS ACT TO SAVE LAST OF WILD HORSE HERDS

LOVELL, WYO.—Cowboys on horses and in helicopters have stepped in to save one of the nation's last wild horse herds from possible extinction in the rocky, snow-covered Pryor Mountains along the Wyoming-Montana border.

The Bureau of Land Management cowboys last week trimmed the Pryor Mountain wild horse range herd from 157 to about 100, giving the remainder a chance to live off the 32,000-acre range.

The available range feed was not sufficient to support the growing number of horses, descendants of domestic herds belonging to the nearby Crow Indian Reservation and area ranchers. The first proposal to thin the herd was a "quiet, dignified elimination by gun or drugs."

That ignited such an uproar from animal protection groups and other environmentalists that the Bureau of Land Management was forced to come up with another plan. It was decided to try to thin the herd by culling out the colts and loner stallions.

That method eliminated the danger of destroying Spanish mustang bloodlines and also improved the sex ratio, according to Rex Cleary, district manager for the bureau, a branch of the Department of Interior.

Starting about a month ago, five cowboys on horses attempted to drive the animals into what is called Big Coulee, a natural corral, where the herd would be cut to a ratio of 60 per cent mares and 40 per cent stallions.

After only two of the spindly, man-shy colts were captured the snow became too deep to progress any further on horseback and the bureau was forced to switch tactics.

The New West then took over. Helicopters were used to take the cowboys to the back reaches of the wilderness, where the colts were roped, wrapped in styrofoam pads, and put into baskets attached to the helicopter for the long ride to the corrals here.

The culling of the herd became necessary when forage became inadequate to support both deer and the wild horses.

Cleary said the inadequate amount of food did not affect the deer, which simply moved on to greener pastures. But the wild horses like to stay in their home grounds—even if they starve to death.

Cleary said 10 colts were captured, probably all that were left. The rest, perhaps as many as eight, were probably already victims of the winter.

The bachelor stallions—wild mustangs that roamed virtually alone in the wilderness, either too young, too old or too weak to keep a harem of mares—were corraled near the edge of the wild horse range.

An organization known as Wild Horse Organized Assistance, Inc., or WHOA, volunteered to find new homes for the colts.

Velma B. Johnson, Reno, Nev., popularly known as "Wild Horse Annie," and the Crow Indians volunteered to act as an "adoption agency" for colts and stallions taken out of the area.

The colts will be given away, probably by a drawing, while the Crow Indians of southeastern Montana say they will break the stallions, if possible, and either find homes for them or let them live out their lives on the Crow Reservation.

FREEZE ON PROFESSORS' SALARIES

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. ALEXANDER. Mr. Speaker, on October 28, 1971, the attached resolution was introduced in the Fayetteville section of the university faculty senate, University of Arkansas, by Prof. Ernie Deane. The faculty adopted the resolution and I would like to insert it in the RECORD for the benefit of my colleagues:

Professor Deane moved *Whereas*, certain inequities and injustices have been inflicted upon more than 300 faculty members of this University under certain interpretations of the intent of the presidential "freeze" on salaries ordered August 15, 1971, and

Whereas, these affected faculty members had contracted in good faith with the University prior to the presidential order to perform certain duties during the 1971–72 school year in return for specified salaries, and they are faithfully performing those duties, and

Whereas, the University is not presently permitted to honor its contracts with these faculty members in the matter of salaries, and

Whereas, meanwhile, the salaries of more than 300 other University faculty members have not been adversely affected by the presidential "freeze" and the University is fulfilling its contracts with them, now therefore be it

Resolved, that the Faculty Senate of the University of Arkansas at Fayetteville takes note that these conditions constitute unjust and inequitable treatment of certain members of this faculty, these members thus being denied equal rights under the law, and

Be It Further Resolved, that the Faculty Senate herewith protests these inequities and injustices and respectfully petitions agencies and officials concerned to remove same, and

Be It Further Resolved, that this protest and petition be directed to, but not limited to, the President of the United States, the Governor of the State of Arkansas, members of the Arkansas delegation to the United States Senate and House of Representatives, the President of the University of Arkansas, members of the Board of Trustees of the University of Arkansas, and the federal Office of Emergency Preparedness; and the secretary of the Faculty Senate is directed to send copies of the protest and petition to each of these officials and agencies without delay.

THE NEED FOR GREATER FUNDING OF SICKLE CELL ANEMIA RESEARCH

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. GERALD R. FORD. Mr. Speaker, the House has passed legislation which gives us sound reasons to hope that cancer can be conquered in the forseeable future. We should now turn our attention to another dreaded disease, sickle cell anemia, known as SCA. The administration has increased its SCA research and treatment budget fivefold to a new total of $6 million. Meantime, a research team at Blodgett Memorial Hospital in Grand Rapids, Mich., my hometown, has discovered a treatment for the critical stage of SCA. The need for greater funding of SCA research and treatment has been examined in an editorial in the Grand Rapids Press. I commend a reading of this editorial to my colleagues:

PUTTING A SCOURGE IN FOCUS

A Blodgett Memorial Hospital research team headed by Robert N. Nalbandian, M.D., associate pathologist, has received national acclaim for discovering a treatment for the critical stage of sickle cell anemia, along with a method to prevent crises and progression of the disease. Although no cure has yet been found for SCA, which strikes Negroes almost exclusively, the results of the work here and elsewhere have raised hopes that a cure can be developed, and the findings already have resulted in massive efforts locally to uncover the disease and educate the public as to its nature, dangers and ways of keeping the incidence of SCA to a minimum.

The St. Louis Post-Dispatch has called attention to some facts on SCA reported by the American Medical Association. According to the AMA, an estimated 50,000 Americans are dying of the disease. Another 2,000,000 are carrying the SCA gene. When two such persons mate, there is a 25 per cent chance that their offspring will have the fatal disease.

Even more to the point is the AMA's observation that in 1967 there were an estimated 1,155 new cases of SCA reported, as compared with 813 new cases of muscular dystrophy. But volunteers raised $7,900,000 that year for muscular dystrophy and less than $100,000 for SCA.

We don't accept the Post-Dispatch's implication that this disparity is to be accounted for by the fact that only blacks are stricken with SCA. The disease simply hasn't had the publicity that some others have, possibly because its outward effects have been less discernible.

But as the Post-Dispatch also notes, "In belated recognition of this health program, Congress is considering bills to increase funding for research and treatment of SCA." We in Grand Rapids have special reasons to urge Congress to act positively on the proposed legislation, for it is largely because of the efforts of the local research team that hopes of finding a cure have been so greatly strengthened.

THE UNITED NATIONS FACES THE NEXT 25 YEARS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. DRINAN. Mr. Speaker, I attach herewith a very significant article on the United Nations written by Dr. Thomas Patrick Melady, the American Ambassador to Burundi.

Dr. Melady, an expert on Africa and the author of several books on the third world of underdeveloped nations, wrote this article for publication in the July 1971 issue of the Catholic World. It is worthy of the attention of all of us.

The article follows:

THE UNITED NATIONS FACES THE NEXT 25 YEARS

(By Dr. Thomas Patrick Melady)

The twenty-fifth anniversary of the United Nations has come and gone. Forty-five heads of state or government and ninety-one foreign ministers attended the twenty-fifth United Nations General Assembly. It was an unprecedented moment of international diplomacy. All of these high international personalities engaged in multilateral and bilateral talks.

President Nixon gave a major policy address at the United Nations on October 23, 1970. Secretary of State Rogers had bilateral meetings with twenty-one heads of state or government.

President Nixon, after listening to the speech of the world's longest reigning head of state, His Imperial Majesty Haile Selassie I, stressed in his address United States support for the United Nations and its programs. The President gave great emphasis to the ability of the United Nations to work in the field of the family of man's struggle for a better life; in mankind's war on the triple curse of poverty, illiteracy, and disease. He especially suggested that the United Nations concentrate on reducing the gap between the rich and the poor in the family of man; curb the pollution of the world environment, protect the seabed resources for the benefit of all, limit the galloping birth rate, assure the humane treatment of prisoners of war, and take appropriate action against drug abuse and air piracy.

The Silver Anniversary recorded some distinct accomplishments. There were also some clear disappointments. Inspired by the President's address, the United Nations proclaimed that the seabed beyond the area of international jurisdiction was a "common heritage" of the family of man. Many observers believed that this declaration may be recorded as one of the greatest accomplishments of the twenty-fifth anniversary, as it will especially protect for the developing countries their future access to the revenues that will be produced from these international resources. In order to implement this concept, the Assembly called for a conference on seabeds and the Law of the Sea in 1973.

The Assembly also:

1. Established a United Nations Volunteer Corps.
2. Set targets and adopted a comprehensive strategy for the second development decade.
3. Spoke strongly on the humane treatment of prisoners of war, aerial hijacking, and illicit drug abuse.

The clear disappointments included the failure to make any progress on peacekeeping. The Assembly also failed to approve a United States-sponsored proposal to create a committee to examine ways to improve the role of the International Court of Justice. Failure to enact the proposal for a United Nations Commissioner to protect Human Rights caused disappointment in humanitarian circles.

The United Nations is an international forum, and some feel this aspect was exaggerated at the twenty-fifth session which adopted five major declarations. They were:

1. The declaration on friendly relations between states.
2. The strategy for the second development decade.
3. Strengthening international security.
4. The declaration on the twenty-fifth anniversary.
5. The declaration on the tenth anniversary of the colonialism resolution.

While the first three were regarded by most observers as appropriate forward-moving steps for the world body, the last two generated a great deal of controversy. The last one particularly was regarded as being unbalanced, as it gave the United Nations blessing to the use of violence by liberation movements and called for further mandatory sanctions in southern Africa.

There were fifty founding members at San Francisco in 1945. Part way through the twenty-fifth anniversary session in 1970, the Fiji Islands were admitted as the 127th member of the world body.

The admission of the 127th member generated some concern about the advisability of automatically admitting mini-states to the United Nations solely because they become independent.

The anniversary session was the occasion for many to re-evaluate the United Nations. Among these was the President's Commission for the Observance of the twenty-fifth anniversary. The Commission, headed by Ambassador Henry Cabot Lodge, was concerned about the decline in public support for the United Nations among Americans. While around 80% of Americans once believed that the United Nations was the best hope for peace, only around 50% so believed this in 1970. While very few felt that the United Nations was in danger of collapse, there was clear indication that many in the twenty-fifth anniversary year regarded the institution as somewhat irrelevant to the modern world situation.

However, the world at long last has in the United Nations an international institution with worldwide membership which is dedicated to saving succeeding generations from the scourge of war. And furthermore we have a going organization which has as its goals "to reaffirm faith in the fundamental human rights, in the dignity and worth of the human person, and in the equal rights of men and women and of nations large and small . . . To promote social progress and better standards of life . . ."

The United Nations has six principal organs to implement these noble goals. They are the General Assembly, the Security Council, the Economic and Social Council, the Trusteeship Council, the International Court of Justice, and the Secretariat.

They are all well established and functioning mechanisms. For the first time in history such an organization exists.

PRESENCE OF THIRD WORLD

The presence of the Third World at the United Nations is a significant new political development of the past decade. Every September each new General Assembly of the United Nations unfolds another chapter in the postwar rise of the Third World and the significant changes this has brought in international affairs. Today, any observer standing at the top of the escalator used by United Nations delegates at the General Assembly building in New York can read—in microcosm—the story of Afro-Asia emergence in the sight of a turban, a sari, or a boubou. It is like holding up a mirror to the emergence of the Third World.

In 1955, the tenth anniversary of the United Nations, the late Dag Hammarskjold cited in his annual report "the great upheaval in the relationship of nations and peoples that is underway" and pointed out that "the peoples of Asia today, and of Africa tomorrow, are moving toward a new relationship with what history calls the West." By 1957, as the pace of the change quickened, Mr. Hammarskjold reported:

"The United Nations reflects, but is in no sense a cause of, the renaissance of Asia, the awakening of Africa, and the other great changes that are under way in the balance of power and relationships of the peoples are likewise part of the dynamic of history itself. As always, they bring with them many grave problems of adustment."

The mirror threw back a much different image from that of 1945, when the United Nations was mainly a white man's club. The people of color who, in 1945, constituted the majority of the world's population were hardly represented. By the time the United Nations celebrated its twentieth anniversary in 1965, this situation had significantly changed—from eleven Afro-Asian states present in 1945 to sixty-five in 1967. And the four new nations of the Caribbean that are inhabited predominantly by the peoples of color also can be added to the Third World. In 1970, with the admission of Fiji, the majority of the 127 members were Third World states.

The presence of the Third World in the United Nations has turned it into a truly global institution. The point was made dramatically by Pope Paul VI on his visit to the United Nations on October 4, 1965, when he declared:

"Permit us to congratulate you on having had the wisdom to open this Assembly to the young peoples, to the States which have recently attained independence and national freedom. Their presence here is the proof of the universality and magnanimity which inspire the principle of this institution."

Once the impact of the new nations was felt at the United Nations, a significant change in the items under discussion on the annual General Assembly Agenda could be observed. The Third World brought into the halls of the United Nations the poor man and made him a topic of concern for the major powers.

For the Third World nations, the United Nations is a unique opportunity and a special instrument. Through their permanent missions to the United Nations they are able to maintain contact with fellow Third World countries without the heavy commitment of men and money to diplomatic missions in all these countries. Thus most Afro-Asian states assign their leading diplomats to the United Nations post.

More important, the United Nations is the only place in the world where the influence of these countries outweighs their economic and military strength. And it is through the Secretariat and the Secretary-General that their influence is particularly felt. This strength was clearly evident in the arrangements for the visit of Pope Paul VI to the United Nations in October 1965. The Third World nations enthusiastically supported the visit because they felt that the Pope would add the prestige and influence of the Holy See in support of their three central concerns: war, peace and disarmament; efforts to eliminate racism and colonialism; aid programs to reduce poverty, illiteracy and disease. As expected, Pope Paul's visit was significant on all three counts.

The support coming for the Third World nations at the United Nations by the Holy See and other international religious and humanitarian groups has influenced the whole complex of the United Nations—from the offices of the Secretary-General and specialized agencies to the periphery of nongovernmental bodies. All three central concerns of the Third World are now in the forefront of United Nations interest. This is a far cry from the grim prediction that the admission of these "small, poor states" would distract the United Nations from the major problems facing the world in favor of the narrow interests of these countries. The opposite has happened: the Third World has humanized the United Nations and sustained a larger view of a world struggling to achieve the vision of mankind ever evolving toward a better life for all.

The presence of the Third World has almost transformed the United Nations into a fully universal institution. The China question is the one main question to be resolved in this regard. One has the feeling that, as we enter the second twenty-five year period, we are at the eve of an equitable solution to this problem that has been a vexing one for all advocates of universality. Here again, there was no predestined guarantee that the United Nations would solve this problem the moment it appeared on the agenda of the United Nations. Nevertheless the United Nations machinery provided the forum for over ten years of discussion and this dialogue has in it the seeds of eventual solution.

THREE NEW SOURCES OF CRITICISM

Three new schools of criticism for the United Nations have developed in the past few years. First, the advocates of rapid evolution from the United Nations institution to a world government have been disappointed that the United Nations did not evolve to a new super-world sovereignty in its first twenty-five years. In the late 40's and the early 50's there was in Western circles a small but articulate group supporting the United States as a means to a goal that they wanted—world government. As a matter of fact, world government was never envisaged as the end-product of the new institution launched in 1945 at San Francisco. The United Nations is not a supra-state. It does not legislate, though it provides machinery for member states to cooperate in an organization of sovereign states.

The world government enthusiasts in the first few years of the United Nations seized upon it as a means to accomplish their end. Now, twenty-five years later, while the United Nations has facilitated greater conversation and in many ways has implemented Teilhard de Chardin's vision of universal pluralism, it has not resulted in world government. This group of early enthusiasts has, in a way, soured on the United Nations and has joined the original isolationists and others in criticizing it.

Second, Israel always has had an articulate group of supporters. Since the United Nations facilitated, if not sponsored, the birth of the state of Israel in 1947, the pro-Israel enthusiasts enlarged their affection for Israel to include the United Nations. It was a matter of course in the 50's to find that American organizations who were wholeheartedly

supporting Israel were also in the pro-United Nations group.

In the past few years Israel had been witnessing some difficulties in the United Nations. The strengthened nationalism of the Arab states plus their *mariage de convenance* with select Afro-Asian countries has given them a vastly strengthened posture at the United Nations. In the 1970 General Assembly, Israel was defeated on several key matters affecting its interests. This new development has resulted in some of the pro-Israeli supporters cooling their affections towards the United Nations.

Another area of criticism of the United Nations has been the subsidiary role that it has played in any attempts at resolving the Vietnam conflict. These critics hold that "somehow" the United Nations should have been able to resolve this problem. As a matter of fact Vietnam never did emerge as a full-scale world conflict. Nor is the United Nations involved in the present negotiations.

This criticism is based on the assumption that the United Nations should contain properties of greatness—if not magic—that would allow it to resolve—and to everyone's satisfaction—the problems plaguing mankind. It has not been able to do this in the case of Vietnam. Should the United Nations be "written off" for this and other defects and non-accomplishments?

These three developments are unfortunate and, while it is only perhaps natural for groups with overriding primary interests to be disappointed when the United Nations no longer coincidentally supports their interest, one would hope that they would rise above the temptation to do harm to an institution that Pope Paul VI so clearly had hailed as the leading universal secular facility to serve the family of man.

DANGER OF EXTREME POLEMICS

There is another, more serious, danger now present in the United Nations. Some of the new members whose independence came in the wake of what they regarded as oppressive foreign domination and who still see parts—albeit small—of the Third World under foreign control, are highly emotional on some of these very sensitive issues. When the complicated questions of southern Africa—colonialism, human rights, and so forth—emerged on the agenda of either the General Assembly or the Security Council, there has been the tendency in the past few years for certain of the newer nations to seize this opportunity to engage in inflammatory polemics.

This is contrary to the tradition that inspired the founding fathers of the United Nations. Both physical and emotional violence was to be avoided within the walls of the serious global institution of the United Nations. The representatives of the sovereign states were to set forth their thesis arguments in a calm, cool, and collected fashion. Unfortunately, in the past several years this has not been the case. Although not the only one, the Committee of twenty-four—the General Assembly's Special Committee on Decolonization—has been among the offenders. In early 1971 both the United Kingdom and the United States withdrew from membership on this committee. Many committed believers of the United Nations are concerned that, if the tendency to engage in highly emotional polemics continues at the United Nations, its usefulness as an institution of dialogue, as an institution of universal pluralism, will be impaired.

CHALLENGE: TO RENEW

In looking back over the twenty-five years and glancing even further back over the attempts of mankind in the past to facilitate conversation and to reduce the tendency to confrontation, we can, as President Nixon remarked to the United States staff at the United Nations, be thankful that mankind's vision has evolved from a point where an international institution was established and has survived twenty-five years. All of us, regardless of our interests, should avoid the temptation to attack and criticize. We should avoid participating with those who would destroy the United Nations. Our challenge is to engage in reform; to work quietly and patiently to improve the institution.

Teilhard de Chardin, one of mankind's leading prophets of universal pluralism, has said "The task before us now, if we should not perish, is to shake off our ancient prejudices, and to build the earth."

The United Nations has emerged from man's arduous journey. It, like man, is not perfect. But, like man, the United Nations has, in its essence, the seeds of greater perfection.

The task for us now is to seek the greater perfection of an institution that evolved in mankind's nobler moments. Reform has always taken more courage to implement than destruction. But, as Teilhard said, "the future of the earth is in our hands. How shall we decide?"

COMMENCEMENT AND COMMISSIONING EXERCISES, TEXAS A. & M. UNIVERSITY, MAY 8, 1971

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. TEAGUE of Texas. Mr. Speaker, when the graduating class of 1971 of the Texas A. & M. University at College Station assembled for their commencement and commissioning exercises, they were addressed by three great and well known men: Dr. Abner McCall, president of Baylor University; Gen. John D. Ryan, Chief of Staff of the U.S. Air Force and their own president, the Honorable Jack Williams.

I include the words of these three gentlemen in the RECORD.

The addresses of the aforementioned follows:

COMMENCEMENT AND COMMISSIONING EXERCISES, TEXAS A. & M. UNIVERSITY, 1971

(Address by Dr. Abner V. McCall, president, Baylor University)

I regard it as a privilege to participate in the 1971 Commencement Exercises of Texas A&M University. For almost forty years I have been visiting this gymnasium with Baylor basketball teams and hearing the Aggies in the stands demanding that Baylor be stomped, and generally their demands have been satisfied. I am glad for once to be here on this neutral occasion and hope to come away with at least a tie.

Baylor awarded an honorary degree to my good friend, the late Earl Rudder, President of Texas A&M, for his contributions to higher education in Texas. Under President Rudder, Texas A&M made remarkable progress and within a decade became the finest public university in the Southwest. You who graduate today can be proud indeed that you have earned a degree from Texas A&M.

I also have the greatest respect and admiration for your new president, Dr. Jack K. Williams. In my opinion the Board of Directors of Texas A&M has hit another home run in selecting him to lead the university. I am sure that under him the remarkable progress of Texas A&M as an educational institution of excellence will continue without letup.

The student bodies of a few universities seem to believe that ranking first in athletic competition is of highest priority. In the last decade Texas A&M seems to have joined Baylor in emphasizing character building on the football field. Baylor has not won a football championship in forty-six years. From our experience I want to assure you football fans at A&M that the first twenty years are the hardest; and after that, you get somewhat used to not ever being No. 1 in football. Perhaps the Texas A&M students can in answer to the shouts of a neighboring Texas institution start shouting, "We're No. 1 in Education." For the educator utopia will be here when students get so concerned about who's number one in education.

The students of many American colleges and universities seem to believe today that a college or university should rank first and give first priority to being an instrument of social or political action to reform the nation and the world. It is about this current and popular belief of many students and faculty members that I want to speak briefly today. All universities have some of these students and teachers, and many universities have so many of them that they seem to be in control of these universities. These idealistic students and teachers are appalled that previous generations have not solved the ancient problems of war, crime, corruption, poverty, racial prejudice, and religious bigotry. They want to drop everything else, mobilize the campus, and convert it into an instrument of social and political reform, and proceed with the revolution. They want instant peace, honesty, love, contentment, plenty, and all the other characteristics of instant utopia.

Before I became a college president, I occasionally read a book. One field in which I had a peculiar interest was the various Utopian schemes which men have devised for society. Many plans for the perfect society have been written by the world's intellectuals. Some of the better known are:

Plato's *Republic*.
Sir Thomas More's *Utopia*.
Campanella's *City of the Sun*.
Fenelon's *Telemaque*.
Butler's *Erewhon*.
Rabelais' *Abbey of Theleme*.
Bacon's *New Atlantis*.
Andrea's *Christianopolis*.
Cabet's *Icaria*.
Hertzla's *Freeland*.

Most of these, including More's Utopia, were written during the sixteenth and seventeenth centuries. The discovery of America inspired these schemes for the perfect society. Land was the basis of the agricultural economy of Europe. The discovery of apparently unlimited land in the New World inspired the intellectuals of the Old World to dream of new societies in which the limitations of the Old World could be cast off and mankind given a second chance at Eden. The ancient, cumbersome and corrupt institutions of the Old World could be left behind and people could start free all over again without the old limitations. Unlimited fertile land, the means of production of agricultural wealth, could mean the end of hunger, nakedness and poverty, and food, clothing and plenty for all. Unlimited new land could mean the end of serfdom, domestic oppression and strife, and of wars over territory. A brave new world seemed to be a possibility.

About a hundred of these Utopian schemes were actually tried during our early history on this continent. A hundred thousand people were involved in these various schemes for the perfect society. Most of you know that Jamestown started as such a socialist society and that for the first two years the Puritans lived, or rather starved, under a communistic theocracy. Others which were tried during the eighteenth and nineteenth centuries include: Bohemia Manor, the Community of the Contented, Ephrata, the Shaker Community, Jerusalem, Harmony, Economy, Zoar, New Harmony, Hopedale, Skaneateles, Brook Farm, Fruitlands, Utopia, Modern Times, Bethel, Aurora, Bishop Hill, Amana, Oneida, Putney, Icarie, Orderville, and Topolobampo. None worked out as planned. In spite of unlimited freedom, unlimited land, and religious zeal all foundered on the rocks of human imperfection—laziness, greed, selfishness, dishonesty, bigotry, prejudice, hatred, etc.

The typical experience was that of Ephrata started by Johan Beissel in Pennsylvania in 1735—a German Seventh Day Baptist society organized as a communistic, celebate society. They fluorished for a while under the economic guidance of three brothers named Eckerling and the spiritual guidance of Father Beissel. Then the three brothers Eckerling insisted on the right to marry so Father Beissel expelled them from the community, and the material prosperity went with them. Then Father Beissel began to fool around with the "spiritual maidens," as the women were called, and caused dissension and disorder; and the material and spiritual prosperity of Ephrata ended. In all the utopian communities someone always ran off with the money, or fooled around with the spiritual maidens and broke up utopia. The problem with utopia is that one can never find perfect people to live therein.

I mention these historical utopian communities because many university students and teachers today are once again intrigued by the discovery of the possibilities of the new technological world and promises they see of another chance at Eden. The historian Arnold Toynbee has observed that the distinctive achievement of the 20th Century is not the discovery of nuclear power or the conquest of space but that for the first time in the history of mankind it is possible with our modern means of production and distribution to adequately feed, clothe, and house everyone on earth. As Toynbee puts it—The poor need no longer be with us. For the first time man has acquired such mastery over the forces and resources of the earth that he can eliminate poverty on the earth. The modern agriculture and technological revolution has increased the productive power of man a thousand-fold. In agriculture, mining, manufacture, and transportation one man by applying brainpower to controlled energy can often do more than a hundred men could do a decade or two ago.

Many predict this technological revolution will produce more profound changes in society than the Industrial Revolution. All observe that to participate in this cognitive technology will require far more training and education than hitherto required.

We have already found out that there is little place in the new technology for the untrained and uneducated who have nothing to offer but muscle power. This is one reason why we have been expanding and improving our educational program in America. I believe this is the reason also why many have come to believe that more and better education is the answer to all our problems.

In 1876 in his inaugural address President Daniel Coit Gilman of Johns Hopkins University boasted:

"The opening of a university means a wish for less misery among the poor, less ignorance in the schools, less bigotry in the temple, less suffering in the hospital, less fraud in business, less folly in politics, and among other things it means more wisdom in legislation, more intelligence, more happiness, more religion."

I wonder whether President Gilman would make the same boast if he came back now 95 years later and looked at what is happening in Washington a few miles from Johns Hopkins University.

About 10 years ago when Elvis J. Stahr, Jr. was inaugurated as president of Indiana University he orated:

"Postulate what worthy goals you will for man in this modern world: justice, knowledge, human dignity, economic stability, international concord, the conquest of space, government by and for the people, the opportunity of every child, every man and woman to realize the best that God put in him—and ignorance is the bar, education is the gate, to each such goal."

In 1963 President Lyndon Johnson declared it to be national policy that everyone would be afforded all the education he could take regardless of race, color, national origin, or economic condition. Congress also declared this to be national policy. In Texas John Connally was three times elected Governor with the main plank of his platform being to bring excellence to education in Texas. Education was thought by many to be the solution of all our local, state, and national problems; and much was expected of our growing colleges and universities. We asked for and received billions of dollars in additional support and many more of us—students, faculty, and administrators—began to believe that the colleges and universities were leading the way to the brave new world.

Now a decade after Elvis Stahr spoke, we find that after his experience with a university he left the battle to become president of the Audubon Society. It is no doubt easier to watch birds than students today, and there are days when I envy him. And vast disappointment and disillusionment have set in as to the ability of our colleges and universities to solve our major problems or even to make an immediate significant contribution to their solution.

I for one believe that the colleges and universities of America do not have the means to make a substantial immediate contribution to the solutions of the pressing problems of our nation today, and I do not think they should be expected to do so. Their contribution is not immediate but can be seen only from the perspective of decades as better trained and educated graduates slowly have their effect on society.

Furthermore, most of our modern educational effort is not really relevant to the solution of some of our basic problems. Our educational efforts are primarily directed at communicating knowledge and mental skills and techniques. It is not designed to make people good—less selfish and more compassionate, less bigoted and more tolerant. Increased knowledge and mental skills alone will not make people compassionate, tolerant, charitable, or liberty-loving. Our most pressing national and world problems arise out of racial and religious prejudice, bigotry and hatred, out of man's indifference to the suffering of his fellow man, out of all forms of man's inhumanity to man. If the time ever comes when every American holds a Doctor of Philosophy degree, I seriously doubt if we will be any nearer Utopia than today, and I speak with some experience in working with those who hold Ph.D. degrees. I know a good number of mean, crabby holders of Ph.D. degrees.

Our educational institutions are more concerned with making people smart than good, and it is the failure of people to be good enough that caused the utopian scheme of our early history to fail and which causes most of our problems today.

I don't have the road maps to Utopia, but I know that you can't have Utopia with all problems solved unless you have angels for citizens; and converting ordinary citizens into angel-like citizens is a process that colleges and universities have certainly not mastered. If it is ever perfected, it will certainly not be a quick process with instant results as demanded by many of our present day students and teachers.

For the time being, progress toward the solution of our age-old pressing problems, personally and nationally, comes slow, painfully slow; and a Bachelor's degree even from Texas A&M University is at the most only a commencement of effort on these problems. However, I for one welcome you to join the Establishment and join in the slow, uncertain, difficult task of building a better Texas and America. We need your help.

ADDRESS BY GEN. JOHN D. RYAN, CHIEF OF STAFF, U.S. AIR FORCE

Dr. Williams, distinguished guests, members of the staff and faculty, cadets of the Corps, ladies and gentlemen—

It is a distinct pleasure for me to offer congratulations to you Air Force and Army ROTC graduates today. As you enter the military profession, you follow in the great tradition of this country, the state of Texas and this educational institution.

As graduates of Texas A&M, you are starting out to fill the boots of great men who have performed notably in all the services of this nation. In the time available today, I could not begin to tell you about all the outstanding Aggies who became leaders in our military services. But, if you're setting your sights of emulating these men, I ought to mention a couple who will serve as examples of the Aggie officer.

Many of you have probably seen "Patton", the recent World War II movie. The movie did not bring out the key part a Texas A&M graduate played in General Patton's remarkable drive through France. The Aggie was Otto P. Weyland, at that time a Brigadier General commanding Nineteenth Tactical Air Command. Patton was willing to leave an exposed flank as he swept towards Germany. When his drive began, he told General Weyland, "I am going to depend on you to protect my right flank with your airplanes." General Weyland did just that. Some 30,000 Germans, who might have driven into Patton's rear, were frustrated by Weyland's fighters and light bombers. For three weeks, the German commander tried to move his divisions to attack, but he could not. Finally, it became obvious to him that to save his organization, he would have to retreat. But the incessant air attacks broke up his forces and demoralized them. A short time later, the German forces surrendered.

O. P. Weyland went on to command tactical air forces in the Korean conflict and then became Commander, Tactical Air Command. He was the first Texas Aggie to achieve four star rank in the Air Force.

Another Aggie who achieved eminence was General Bernard A. Schriever who, in the late 'fifties and early 'sixties, headed up this country's largest and most important military research and development effort.

In 1957 the Russians launched "Sputnik", the first earth-orbiting satellite, indicating the advanced level of their missile development program. The United States needed a program to keep our technological efforts ahead of theirs, and it was needed fast. General Schriever was given the job of developing the nation's long range missile force. He introduced new development-management concepts that were revolutionary at that time. They were used to produce the Thor, Atlas, Titan and Minuteman missiles. General Schriever took a calculated risk in implementing these procedures, but his courage and foresight paid off. The United States was able to successfully field a timely deterrent capability. This ballistic missile capability is, of course, still a viable one. General Schriever also attained four star rank and capped his career by becoming Commander, Air Force Systems Command.

These are but two of the outstanding graduates of this great institution. I have selected them because they exemplify the military contributions made by Texas A&M graduates, whether on the field of battle or in the technical area. There have been many other Aggies who have carried on the tradition of service to country in all the Services. That isn't surprising to anyone who has visited this impressive campus and felt the "Spirit of Aggieland" that permeates the

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air. It's the kind of spirit and tradition that inspires a man to do his best. Sometimes, however, I think this spirit might drive some men too far. As a West Pointer, I still haven't gotten over the Army-Aggie football game of two years ago.

I think it is highly significant that, while nation-wide participation in ROTC has declined, it has not declined at Texas A&M. This is directly related to the elite reputation of the Corps of Cadets and the caliber of the young men of the Corps.

Just as there is not time to mention all the outstanding Aggie graduates of past years, there is not time to mention all the outstanding men in this Class. Two who are typical of these are your two leaders, Van Taylor and Tommy Bain. As long as Texas A&M continues to turn out men like them, the Corps will retain its elite status.

When you report to your first duty station and say you are an Aggie—say it proudly. I assure you, your qualifications are well known. We need more than ever before the kind of officer A&M produces. As you enter the Service, I hope you feel needed—because you are.

But there are some elements of our society that would have you believe otherwise. They would have you believe, in fact, that military people are not even wanted. The anti-military movement is felt all over the country. As President Nixon noted—"It is Open Season on the Armed Forces. Military programs are ridiculed as needless, if not deliberate waste. The military profession is derided in some of the so-called best circles of America. Patriotism is considered by some to be a backward fetish of the uneducated and unsophisticated. Nationalism is hailed and applauded as a panacea for the ills of every nation—except the United States."

The focal point of this criticism is the war in Vietnam. Its oponents cannot—or will not—understand its relationship to the interests of the United States. But this is not the first time Americans have protested war. History tells us that there has been citizen opposition to every war we have ever fought. In fact, barely half the population supported the Revolution. It is not surprising, therefore to find a measure of anti-war or anti-military sentiment in America today. It is the American tradition. And we must accept this as a test of our ability to give a forthright account of our military goals and achievements. This we have been trying to do. Sometimes though, it seems a most difficult task.

The irony in this situation is that we in the military constitute the most anti-war group of all. Our first job is to try to prevent war. The big difference between us and other anti-war groups is in the method of prevention. We believe that only by maintaining strong military forces can America prevent potential aggressor nations from making war on us and our allies.

You are entering military life at a time that is crucial for the military and for the nation. On the one hand, we are faced with pressures here at home to further reduce military spending and use the money for domestic needs. On the other hand, we have the growing Soviet threat and to a lesser degree, for the immediate future at least, the threat of Red China.

Let me address the money priority problem first. The best experts in government today indicate there would not be a significant drop in defense expenditures if the war in Vietnam ended tomorrow. We would still have the requirement for force modernization which would place demands on money now being spent in Vietnam. But, even with spending on Vietnam, the defense share of the nation's budget has not changed significantly as a result of the war. Since 1969, the Defense Department share of the federal budget has decreased.

For this coming fiscal year—1972—it represents just 32 percent of the federal budget, the lowest since 1950. In fact, in terms of buying power, the fiscal year 1972 defense budget has decreased 24 percent below the 1968 budget peak while other federal programs have increased 19 percent. So there has been a reordering of national priorities.

Now, I'm not saying that increased spending isn't needed in the domestic sector for programs like poverty, urban renewal and pollution control. I'm simply pointing out that we in the defense business are taking most of the cost of the war out of our own hides—that is, out of other military programs, not out of these domestic programs, and we're doing it while trying to maintain an adequate deterrent to world war.

This brings us to the other crucial factor, which is the need for a strong defense. This is directly related, of course, to the threat we face from potential aggressors. Chief among these is Russia. What are Russia's real intentions towards the United States and the Free World? Over thirty years ago, Winston Churchill said, "I cannot forecast to you the action of Russia. It is a riddle wrapped up in a mystery inside an enigma." Those words still ring true when we speak of Russia's internal operations.

But, in my judgment, there can be little doubt about her external operations—her foreign policy. It seems clear to me that Russia is actively expanding her sphere of interest and trying to reduce our own. Even before the end of World War II, Soviet intransigence at the Yalta and Potsdam conferences signaled that a peaceful world, based upon cooperation of the allies, might not be possible.

Since World War II, Russia has followed a policy of aggression against the Free World. The Soviets have modernized their conventional armed forces and developed a worldwide nuclear attack capability equal to our own.

Today, she has over 40 percent more ICBM launchers than we have, and she is still producing them; we have leveled off. Russian missiles can deliver twice as much megatonnage as ours. They have about 200 long range bombers and over 700 medium range bombers, and have been developing and flying a new swing-wing strategic bomber with greater potential than our own FB–111. Russia has a large submarine fleet and is building nuclear submarines rapidly. Her Navy is cruising the Mediterranean in force and recently began operating in the Indian Ocean, where she has never sent military ships before. She has conducted naval maneuvers in the Caribbean, cruising as close to our shores as Cuba.

Overall, the Warsaw Pact nations continue to modernize their ground and air forces without sacrificing numerical superiority. To say Russia is doing all these things to defend herself against the United States is illogical. For many years, the United States had a clear nuclear superiority over the Soviet Union and we could have overpowered her—but that was not our intention. Rather we were preserving the right of self-determination for those people who wished to remain free. No, the real purpose of the Russian build-up, in my judgement, is clear. It is apparent that we must maintain our Realistic Deterrent in order to discourage aggression.

Now, as you know, we are engaged in Strategic Arms Limitation Talks (SALT) with Russia. Our expectations for these can be summed up in the words of Secretary of State Rogers: "These talks could be abortive, they could be highly successful in terms of mankind." He added, "What counts is how successful they are." We in the military support SALT, of course, and we have high hopes for the outcome of the talks.

Don't forget that Russia is not our only potential adversary. The threat to our freedom is going to continue for a long time. As long as we face a threat, we are going to need men who are willing to spend their lives in defense of this country. So if you make the military a career, rest assured you are undertaking an important job.

With your help and the backing of the people of this nation, the Armed Forces of the United States will be able to successfully defend the country. To do this, we are constantly improving the quality of our Armed Forces. At the same time, the size of the military establishment is shrinking—so this improvement in quality is doubly important.

The key to quality is people—people like you new Second Lieutenants. We are doing all we can to make the Services attractive to intelligent, motivated, able young people. Let me describe some of the improvements being made in all the Services to improve the quality of military life. To begin with, we are increasing starting pay to compete with industry. We realize it doesn't do much good to say, "Just stick with us a few years and you'll catch up with your classmates in industry." You want to start out on a par with them.

We are improving housing for both married and single officers, and we hope to increase off-base housing allowances this year. We hope soon that we can permit bachelor officers who want to live off-base to do so. At present, bachelor officers generally are required to live on-base.

We are paying more attention to what the young officer has to say, what he thinks, and what he wants to do. Junior officers today play a larger part than ever in air base management. In addition, most Army and Air Force bases have Junior Officers' Councils which meet with commanders to discuss problems of military life and offer solutions and advice.

Just as everything in life is more challenging these days, the services are increasing the challenge faced by the young officer. We do this by moving him up in the middle management structure faster than we used to. For example, in the fifties an Air Force officer would labor five to six years to make Captain. Now it's only three years of active duty. And so on up the promotion ladder.

By speeding up promotions, we accomplish two things. First, of course, we increase the young man's pay at a faster rate. Second, by promoting him we increase his responsibilities and find out how well he can "cut the mustard". Those who can't cut it are offered the opportunity of pursuing another career while they are still young enough to make the transition easily. Those who can cut it continue to advance in grade. And those who can really cut it—the fast burners—move ahead at an accelerated pace. Under the latest Air Force promotion criteria, it is possible for a man in the last category to be promoted to full Colonel in only 13 to 15 years, compared to the 21 years it normally takes.

Turning to the future, what is ahead for each of you? Will man, as the essential element in war, be eliminated by the advance of technology, as some have predicted? Will there be a place for man in the military a few years hence?

I think so. The U.S. Army is forging ahead with some exciting new concepts of warfare that are light years removed from the old concepts of trench and foxhole warfare. One of these is the so-called "automated battlefield", described a few months ago by General Westmoreland. Utilizing technology proved in Vietnam—sensors, radar, communications, night vision devices and automatic data processing—commanders will be able to run a ground battle with precision never before possible. However, the complex gadgetry must be directed and operated by men.

In the Air Force, we are developing new fighters like this F–15 and A–X and bombers like the B–1. We will soon have a new Airborne Warning and Control System (AWACS), aircraft and new tactical transports to complement the strategic airlift capability of the C–5.

Beyond the seventies, we will enter the hypersonic flight age. Flights at more than 4,000 miles an hour, now attainable only by experimental aircraft, will not be uncommon. We are already looking at space shuttles—aerospace vehicles able to operate in space or in the earth's atmosphere. All of these things will require outstanding performance from outstanding young men, whether they are pilots, research or project engineers, supply officers, or personnel experts. The challenge is there.

Before I close, let me remind you that the reason the United States needs military hardware and employs military people is not to wage war, but to deter it. Your goal as military officers, like mine, is peace. Our country is constantly striving toward this goal. President Nixon expressed this thought in his Inaugural Address. He said, ". . . The greatest honor history can bestow is the title of peacemaker. This honor now beckons America—the chance to help lead the world at last out of the valley of turmoil and on to that high ground of peace that man has dreamed of since the dawn of civilization. If we succeed, generations to come will say of us now living that we mastered our moment, that we helped make the world safe for mankind. This is our summons to greatness."

Thank you and good luck.

ADDRESS BY DR. JACK K. WILLIAMS, PRESIDENT, TEXAS A. & M. UNIVERSITY

At this point in these proceedings, I have the privilege and deep satisfaction of welcoming this class of graduates into the larger body of Texas A&M former students—an ever-increasing group of distinguished ladies and gentlemen which now numbers approximately 50,000. This great group of former students extends you fraternal greetings and wishes you well.

From this day in your life, you are a part of the public embodiment of the aspirations of Texas A&M University. As such, you are charged herewith to do your full share toward the fulfillment of the dreams of those who founded this great university—dreams that would have you encourage the love of truth and stand in unwavering strength against its detractors—dreams that would commit you to use your education as a force directed against ignorance, poverty, and the inhumanity of the unreasoning conscience.

For its part, your alma mater pledges to you that it will protect in every academic and ethical way the full measure of respect and acceptability which your A&M diploma does now and must always carry.

Certainly, you take your diploma into a world faced with problems of depressing magnitude—a world wherein the enemies of human freedom and human dignity are numerous and have great strength. As greatly gifted men and women, you and your colleagues in this nation have in your hands the lamp of freedom. If that lamp is extinguished in our great nation, then humanity will grope in darkness.

I close these remarks with a reminder that knowledge and intellectual grasp are not perfect possessions and may not be expected to flourish unattended. Knowledge must be fed continuously with new knowledge; and intellectual grasp must be considered of the moment, not of the age.

For knowledge is, on the one hand, an awareness of things done and, on the other, an awareness of the things to be done. Intellectual grasp is, on the one hand, a source of pride in what one understands and, on the other, a source of humility in the realization of what one has yet to understand.

These priceless possessions—knowledge and intellectual grasp—are cutting tools with which each of you may shape a life of usefulness, a life worthy of being remembered, a life that will bring you the deep contentment which comes only to the courageous, the faithful, and those who labor in the selfishness of service.

Good fortune and Godspeed to each of you.

IRS OFFICIALS WELL EQUIPPED TO ANSWER QUESTIONS ON PRICES

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. HUNGATE. Mr. Speaker, many small businessmen in my district are concerned as to how to comply with the present regulations of the wage-price freeze regarding costs, wages, price increases, and posting prices without going out of business. The following article highlights some of the confusion:

[From the New York Times, Nov. 21, 1971]

IRS OFFICIALS WELL-EQUIPPED TO ANSWER QUESTIONS ON PRICES

(By David E. Rosenbaum)

WASHINGTON, November 20.—Say you own a hardware store. Can you raise prices and increase profits on hammers and take a loss on screw drivers?

"Yes," said the Internal Revenue Service office in Jamaica, Queens, "as long as you don't increase your usual mark-up for that line of goods and don't increase the profit margin of your whole store."

"No," said the office in Hackensack, N.J. "You can raise the price of any item 2.5 per cent if your costs go up, and that's it."

"We don't know," said a woman in a Chicago office after checking with her boss. "Why don't you call back in a few days when we have better directives."

Thus, at the end of the first week of the Government's economic stabilization program, many of the Federal officials who are charged with answering the public's inquiries about the program are still confused.

CONFUSING NOT SURPRISING

The confusion is not surprising. The Government agents in the field have been given nothing to go on except copies of the official regulations, which are written in legalese, and sketchy questions and answers prepared by the Cost of Living Council, the Pay Board and the Price Commission.

Considering this handicap, the officials, especially in the large cities, are remarkably well informed. At both offices checked in New York City—the one in Jamaica and the one on Church Street in Manhattan—the agents gave the correct answers to all the questions they were asked.

In addition to the one about hammers and screwdrivers, the following questions were posed:

"Can I raise the salary of some of my employes more than 5.5 per cent if, over all, my payroll doesn't go up any more than that percentage?"

"Can I pay Christmas bonuses this year, since we had such a profitable year, even though I didn't pay bonsues last year when we didn't have much profit?"

"One of the fellows who work here lives in a big apartment building. His landlord is claiming he can raise his rent because some of the other apartments in the building were going for the higher rent before the freeze. Is the landlord right?"

A DIFFICULT QUESTION

The hammers and screw drivers questions is a difficult one. The Price Commission's guidelines do not address the question specifically, although the answer can be derived from a careful reading of the regulations.

The rule, according to officials at the Price Commission, is that the over-all mark-up on a category of goods cannot be raised. Within the category, the mark-up may go up or down. Further, the entire profit margin of the store, as a percentage of the store's sales, cannot go up, although the profit margin on any single item could be increased.

Hammers and screw drivers are clearly within the same category of items, so their prices may go up or down as long as the over-all rules are not violated.

The 2.5 per cent figure that was cited by the agent in Hackensack and several other offices as the maximum allowable price increase is, in fact, a national goal set by the Price Commission, not a limitation on any company or individual.

Most officials knew the right answer to the question about raising one employe more than another, stating that this could be done as long as the over-all payroll for the store did not go up by more than 5.5 per cent.

MORE OF A PROBLEM

The rent question posed more of a problem. "New guidelines are coming out, but, as of now, no rents can be raised," said the woman in Chicago.

The correct answer was read by the agent in Duluth, Minn., directly from the Price Commission's questions and answers:

"If at least 10 per cent of similar apartments were being rented for a higher price during the period from July 16 to Aug. 13, the landlord may raise the rent to that level if the lease permits the increase."

The question about Christmas bonsuses also stopped a number of offices.

The correct answer, supplied by about half of the officials, was that the bonus may be paid if it was the past practice of the employer to pay bonuses. If the hardware store owner had paid a bonus in other good years, then he can pay the bonus again this year.

And several of the agents provided additional information with their answers:

"Listen, I'd go ahead and pay the Christmas bonuses," an I.R.S. official in a Rocky Mountain State suggested. "You're not going to complain, and your employees aren't going to. So even if you're paying a little more than what is absolutely allowed, nothing's ever going to happen."

A THANKSGIVING MESSAGE

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. CONABLE. Mr. Speaker, we are constantly assaulted these days with reports of how much is wrong with our country. In the interest of maintaining some perspective on conditions, a radio commentator in my area chose the Thanksgiving season to editorialize on the many advantages and blessings we enjoy. For the consideration of all my colleagues, I submit the commentary of Michael Morgan for station WHAM in Rochester, N.Y.:

WHAM RADIO 1180 EDITORIAL

Thanksgiving is a time for gratitude . . . gratitude for the freedoms and blessings we enjoy.

To put those freedoms and blessings into perspective, we quote from an editorial originally aired on WKRC, Cincinnati:

Suppose you woke up one morning, and overnight, the following things had happened in the United States:

All paychecks slashed seventy-five percent . . . forty million TV sets destroyed . . . fourteen out of every fifteen miles of paved highway torn up . . . sixty million Americans transferred back to the farms . . . sixty percent of our steelmaking capacity abandoned, along with two-thirds of our petroleum industry . . . nineteen out of every twenty cars junked . . . two out of every three miles of railroad track torn up . . . nine out of every ten telephones ripped out, and seven out of ten houses torn down.

By doing all this, the United States would be on a level with Soviet Russia.

Without mentioning the basic freedom that goes into making this country what it is, we have plenty to be thankful for.

VFW RESOLUTION

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. BEGICH. Mr. Speaker, the Veterans of Foreign Wars, Golden Heart Post No. 3629 in Fairbanks, Alaska, recently held a special meeting where they unanimously passed a resolution urging President Nixon and the U.S. Congress to reassess the role of the United States in the United Nations and cease U.S. foreign aid to any U.N. member who opposed the United States on the crucial China question.

Because the issue of the admission of the Peoples Republic of China has caused such great controversy, it is important that concerned citizens be given the opportunity to express their opinions and offer constructive suggestions for the future course of American policy.

The resolution follows:

RESOLUTION

Whereas the United Nations General Assembly has expelled a loyal member of the U.N., the Nationalist Republic of China; and

Whereas Nationalist China has been a peace-loving nation, an ally of the United States, and has faithfully discharged all of its United Nations Charter obligations; and

Whereas this expulsion has been termed "dangerous" by the United States Ambassador to the U.N., and can only be injurious to the nations comprising the free world; and

Whereas the United Nations has admitted Communist China, an avowed foe of the United States and the rest of the free world, to its membership; and

Whereas rule in Communist China is maintained by terror and mass execution, and its Communist government does not legitimately represent the beliefs of most of the people of mainland China; and

Whereas Communist China now has a seat on the U.N. Security Council and can veto any positive action by the United Nations; and

Whereas the United States has been the financial mainstay of the U.N., paying far in excess of its proper share of the cost of U.N. housekeeping activities; and

Whereas U.S. foreign aid has assisted many of the countries which voted against the United States position on the two-China question; and

Whereas this vote, as well as other hostile actions by U.S.-aided countries, clearly demonstrates that our policy of foreign assistance has not worked as intended; and

Whereas the United States is now under unprecedented peacetime wage and price controls and the American people have been asked to make numerous sacrifices to bolster the economy; and

Whereas free nations all over the world will lose confidence in the United States if action is not taken to counter this devastating U.N. vote;

Therefore Be It Resolved by Golden Heart Post No. 3629, Veterans of Foreign Wars, Fairbanks, Alaska, that President Nixon and the United States Congress are urged to carefully reassess the value of United States membership in the United Nations with the possible goal in mind of the U.S. withdrawal from the questionable international organization, and in any event, to cease U.S. foreign aid to any U.N. member which opposed the United States on the crucial China question.

ESTUARINE RESOURCE TECHNOLOGY

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. GUDE. Mr. Speaker, in order for our Nation to meet the environmental challenge, it is imperative that educational institutions begin to offer the basic practical programs which will train individuals to work on the complex, technological problem which threatens our ecosystem.

The biological complexity of the estuary, for example, can only be fully understood by a specialist who devotes his major efforts to this unique marine area.

The Charles County Community College in La Plata, Md., has developed a program on estuarine resource technology which is designed to meet the crying need for highly trained manpower in this field. This is a commendable program and I would like to insert for the information of my colleagues a brief description of the curriculum and its intended results.

The article follows:

ESTUARINE RESOURCE TECHNOLOGY

America's coastlines are fringed by a maze of wetlands, commonly identified as bays, sloughs, inlets, sounds, salt marshes and lagoons. These sprawling areas where salt and fresh water meet are estuarines.

These fertile and productive zones provide habitats, spawning grounds, and nursery areas for a wide variety of fish, shellfish, migratory birds and animals. It is estimated that three quarters of the commercial fish and shellfish are produced or nurtured in estuarine areas.

Today the estuaries are threatened by both man and nature. Man, with his pollution is probably the biggest threat. Estuaries too often receive untreated municipal and industrial waste and heavy silt loads from construction of homes, highways and factories. Biologically, chemically, and physically, estuaries are among the most complex of all environmental systems, and highly specialized training is required to produce personnel familiar with the problems and techniques of estuarine investigation.

The Estuarine Resource Technology program at Charles County Community College is designed to meet this challenge by training in two years, a well rounded research aide, capable to performing a wide variety of field and laboratory functions in the estuarine environment. A manpower requirement study conducted for the college by a consulting firm prior to initiation of the program, revealed a current and increasing need for this type of technician.

The curriculum will include conventional academic course work with an emphasis on math and the sciences, and is unique in its focus on practical field studies conducted in small groups. The student's performance will be constantly evaluated in a manner similar to that he would be subjected to by a future employer.

At the end of two years the student will be a well qualified research aide ready to join a working group. He will, of course, have an option to continue for a four year degree in a related field of biology or chemistry. Elements of the curriculum have therefore been selected to provide for transfer with minimum loss of academic credits.

Beginning with his first semester and continuing throughout the program, the student will work with modern "state-of-the-art" field and laboratory equipment. A 50 foot diesel-powered Navy utility boat and two 19 foot outboards have been equipped to perform all types of estuarine study, an a 25 foot mobile laboratory trailer will be positioned as needed to support field activities.

The curriculum is presented in the tables which follow:

THE SUGGESTED CURRICULUM

Course	Credit hours 1st semester	Credit hours 2d semester
Freshman year:		
Theory and Techniques of Field Sampling (Bio. 100)	2	
Principles of Estuarine Ecology (Bio. 107)		4
Concepts of Biology (Bio. 105)	3	
Technical Mathematics (Math. 150)	4	
Technical Mathematics II (Math. 151)		4
General Chemistry (Chem. 120)	4	
General Chemistry (Chem. 121)		4
Composition and Rhetoric (Eng. 101)	3	
Business and Professional Speaking (SPH 103)		3
Total	16	15
Sophomore year:		
Applied Estuarine Ecology (Ert. 201)	4	
Estuarine Problem Analysis (Ert. 202)		4
Microbiology (Bio. 201)	4	
Report Writing (Eng. 205)	3	
Instrumentation Laboratory (Chem. 105)		3
Industrial Waste Control (Pat. 205)		3
Introduction to Statistics (Math. 230)		3
Wastewater Operations (Pat. 103)		3
Sanitary Chemistry (Chem. 252)	3	
Fishery Biology (Bio. 210)—optional		[1]3
Water Safety and First Aid (Ped. 109)	1	
Total	15	16

[1] Summer only.

Note: Problems in Estuarine Research (Bio. 199) (2 credits)—by arrangement with faculty.

BIOLOGY COURSE OFFERINGS

Principles of Biology.
Concepts of Biology.
Aquatic Ecology and Water Pollution.
Microbiology.
Introduction to Marine Biology.
Human Physiology.
Descriptive Physical Oceanography.
Experimental Ecology.
Marine Instrumentation.
Estuarine Geology.
Human Genetics.
Marine Geology.
Fisheries Biology.
Fishery Management.
Teachers Workshop: 1. Ecology; 2. Environmental Science.
Principles of Estuarine Ecology.
Theory & Techniques of Field Sampling.

NO DIPLOMATIC RECOGNITION FOR RED CHINA—II

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. SCHMITZ. Mr. Speaker, Jules Monnerot, in "Sociologoy and Psychology of Communism," said:

If, in spite of everything, opponents (of the communists) continue to hope against hope, it is a good sign. It then becomes possible to exploit the human tendency to confuse desire—in this case the desire for peace at any price—with reality. The technique consists in keeping the desire supplied with illusions to attach itself to.

My last newsletter pointed out that of the 119 nations having diplomatic relations with either the Republic of China or Red China, not one had diplomatic relations with both. It is apparent that diplomatic relations with one of these two governments excludes diplomatic relations with the other. Even relations at the consular level are with one or the other, but not both. Of the three nations having only consular relations with either Nationalist or Red China, none has relations with both.

The reason for the mutually exclusive nature of relations with these governments is simple. Both governments claim to be the sole legitimate representatives of the Chinese people. The animosity existing between the Nationalists and Communists has, if anything, increased over the years as relatives and friends of those who were forced to flee the mainland have been ruthlessly eliminated by Mao Tse-tung in his continuous purging of the Chinese people—see newsletter 71-33. The Communists also understand that the island of Taiwan is an essential increment in the strategic Western defense perimeter of the United States, that it serves as an important logistical base for opposition to Communist aggression in the Indochina area; that it is the hub of our intelligence-gathering activities directed toward the mainland; that the existence of the Republic of China serves as a rallying point and symbol of hope for the vast influential overseas Chinese community, various anti-Communist groups on the mainland, and for the oppressed Chinese people in general; and that their conquest of the Republic of China would serve to establish absolute Communist dominance over all of Asia.

The Red Chinese have not shifted their position on the matter of the Republic of China 1 inch in 20 years. Two days after the U.N. vote which expelled the Republic of China, Radio Peking reiterated this position. While scornfully characterizing the actions of United States and Japanese representatives at the U.N. as "running hither and thither, just like ants on a hot pan," Radio Peking stated:

Taiwan is an inalienable part of the territory of the People's Republic of China, and all arguments such as "two China," "one China, one Taiwan," "the status of Taiwan remains to be determined" and similar absurdities are illegal, absurd and entirely untenable.

The next day the Communist People's Daily in Peking added this demand:

The United States must withdraw all its armed forces and military installations from Taiwan and the Taiwan Strait. The Chinese people are determined to liberate their sacred territory of Taiwan.

Translated out of the Marxist-Leninist jargon this means that the Chinese Communists plan to conquer the Republic of China and to make this possible we must leave the area. It should be pointed out that the Red China have a standing army five times as large as that of the Republic of China and have deployed 25 to 30 medium range ballistic missiles, some reportedly targeted on the Republic of China.

The conflict between the Republic of China and Red China is insoluble as long as the Communist Party of China continues to engage in its crushing regimentation of the Chinese people living on the mainland and to openly threaten aggression against the Republic of China. Any support for one side correspondingly weakens the other.

Diplomatic recognition of the Communists as the legitimate government of mainland China would not only result in severing relations with the Republic of China, but would immensely strengthen the Chinese Communists internally, increasing their economic and military strength. It is fascinating to observe the glaring inconsistency of those who argue on the one hand that we should sever diplomatic relations with nations such as Greece, with the obvious implication that our extension of diplomatic recognition benefits the government of the "Greek colonels" of which they disapprove, and on the other hand downplay or deny the equally obvious fact that diplomatic recognition of the Chinese Communists by the United States would be an invaluable benefit to Mao.

While the Republic of China can survive without membership in the U.N. as do South Korea, West Germany, and so forth, menaced as it is by Peking it could not long survive should the United States seal it into total isolation by establishing diplomatic relations with Red China. One would think that those who give long speeches denouncing "neo-isolationist" attitudes in the United States would understand this.

There can be no "two-China" policy, especially for the United States. While some might desire that it be otherwise, it is truly a fatal illusion.

FINANCING THE UNITED NATIONS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. WALDIE. Mr. Speaker, this session of Congress has been wrapped up with the developments in the United Nations. The vote to unseat the Government of Nationalist China and admit the government of Peking brought cries of outrage in this body, along with shouts of praise.

Many observers feel our reaction was expressed in debate over the foreign aid bill, and our threats to realine our payments to the world body.

Mr. Speaker, there is increasing doubt as to the wisdom of the United States bearing a disproportionate share of the burdens of keeping the United Nations running in a time when this society is faced with a financial crisis of its own.

An excellent article, written by Dick Davis for the Contra Costa Times on November 11, 1971, deals with this very issue and an idea expressed by my good friend, Senator ALAN CRANSTON.

Mr. Speaker, I submit this article for inclusion in the CONGRESSIONAL RECORD in hopes it may provide food for thought to my colleagues:

U.S. Senator Alan Cranston proposes weighting the voting system in the United Nations so that the present one-nation, one-vote system would be revised.

At about the same time Cranston was making his proposal in Washington, The Times received a letter from Lillian Spicer of 70 Cora Court, Walnut Creek.

"Ordinarily, a large number of people do not enjoy reading a list of statistics," she writes, "One list, though, which may prove of interest to many people today, very well could show just how, financially-wise, the UN stands.

"Why not show the debts, paid and-or owed by each country involved, starting with when the UN first began and totalling the amounts as of today? Such an organization costs a tremendous amount of money to be in existence.

"This could prove to be most enlightening about the countries which have the greatest number of votes and which ones actually pay for the privilege of having the right to vote.

"How about it, Mr. Editor, would you be willing to use some extra space and research time in finding and listing this information for the average and very much concerned citizens of this country?"

We would indeed. However, we understand that NBC's Nightly News Program, originating in New York, just the other night showed how far behind both Russia and the United States are in their payments, with Russia still owing about half its indebtedness.

From the beginning of the UN in 1946 through 1970, total spending by the United Nations and related agencies totalled $9.2 billion. The United States has spent $3.8 billion in support, or carried 41 per cent of the financial load during this quarter-century period.

But let's put Senator Cranston's and Mrs. Spicer's basic arguments together and see what happens.

Suppose, for instance, nations are assessed payments to the United Nations based on their population. Wouldn't this overcome the current arguments against the United States contributing a disproportionately heavy share to keep the UN operating?

Or is this too idealistic since the Soviet Union has always found some reason for being displeased with the UN when it comes time to pay its share of the assessments?

And what of Red China? Does it value UN membership to the extent of agreeing to pay its fair share of an assessment based on population? Or would such a change cause mainland China to refuse to take its seat?

Quite possibly there is some merit in Senator Cranston's proposal since countries currently representing only 4 per cent of the world's population, if his figures are accurate, constitute a majority of the UN voting power.

"One suggestion," Cranston said, "is distributing the vote in accordance wth population, with ceiling and basement limits. There

might be one vote for each country with population up to 5 million and one vote for every 5 million people after that, up to a ceiling limit."

Cranston suggests a maximum of 30 votes, and under his formula this is the number China, India, the United States and Soviet Union each would have. Of course, the Soviet Union would add 10 more votes—nine from the Ukraine and one from Byelorussia.

There would be 462 votes in the 131-nation General Assembly, with 87 nations retaining one vote and 44 having additional votes.

Cranston believes his resolution would be backed by at least 60 Senators. There is no indication of how the Nixon administration would react.

All of this, at this particular time, however, becomes just a bit premature and academic since it couldn't be introduced to the UN General Assembly before September, 1972.

Meanwhile, it should be suggested to our elected representatives in Congress that they look into the possibility of having UN expenses shared—on the basis of population.

It might also be suggested that unless the Soviet Union ponies up with its overdue debt to the UN, the United States can hardly be blamed for trimming its contributions considerably.

Equalizing assessments within the United Nations, based on populations of the countries represented, would be not only reasonable. It would remove the stigma from the United States for having to carry a disproportionate amount of this financial load.

Then all nations could be truly equal in the UN, couldn't they? Provided, of course, they are prepared to pay their dues and past-due bills forthwith.

WILD HORSES OF THE WESTERN PLAINS

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. DENHOLM. Mr. Speaker, I support the proposed legislation to preserve and protect the wild horses of the Western Plains. It is essential legislation. The legislation will impose upon the Secretary of the Interior with the cooperation of the Secretary of Agriculture the duty of conservation and protection of free-roaming horses and burros on specific areas of the ranges in the Western States. The proposed legislation provides for a nine-member Joint Advisory Board which will be obligated to report to the Secretary of the Interior with recommendations of care, custody, and protection of wild horses and burros on the last of the frontiers of the West.

Similar legislation has been passed by the Senate—S. 1116. The matter is now in conference. It is legislation of merit. It provides for protection of a species of wildlife that is historically synonymous with the "Wild West." It provides for reasonable enforcement of penalties for wrongful and willful slaughter of wild horses. The bison and buffalo became the victims of uncontrolled conservation management of the plains and prairies as the West was settled. The native species of the Western Plains is now protected in the national parks of America. I am hopeful that the pending legislation will be promptly enacted to protect the wild horses of the Western Plains. The failure to do so will ultimately result in the inhumane extinction of wildlife that was once so characteristic of the plains of the West. There is no substitute for constructive conservation. I am a cosponsor of the legislation. I urge all of my colleagues to support the legislation. The useless destruction of free-roaming wild horses as a sport is repulsive to reasonable men everywhere. It is an insult to our ancestry. It is a disgrace to the living. It is a loss to our country.

Mr. Speaker, this is the time for action. Wild horses are born free under the big sky of the Western prairies. They have no protection from the natural elements of the habitat and the severity of the changing seasons. But they are entitled to protection from the highly mechanized hunt, abuse, and bullet of the few that are destined to destroy—for pleasure or whatever.

I joined in sponsoring essential legislation to conserve the wildlife of the Western Plains. I am pleased that hundreds of young people from my State have supported my effort for conservation and preservation of wildlife. I have received many, many letters from schoolchildren and recently I received a petition with the signatures of 262 young Americans that have the self-initiative to care about the future of the heritage of this great land. I include the petition at this point in the official RECORD—and I ask in the names of young Americans everywhere that the Members of this House of the people act today in the interest of conservation and preservation of all natural habitat and wildlife in the interest of those that constitute a new generation that will be truly the future custodians and guardians of the heritage of America.

The petition and names follow:

PETITION, JULY 10, 1971

We, the undersigned, do protest the killing of the mustangs:

Lori Hamilton, Doris Hamilton, Ranae Julin, Mrs. Walter Maryinke, Madeline M. Julin, Marcia Julin, Mildred Holland, Marcia Holland, Mr. and Mrs. K. E. Benson.

Vilma L. Hansen, Carol Austin, Jane M. Austin, Charles M. Austin, Lora Austin, Claryce Tschetter.

R. W. Tschetter, Jack D. Hamilton, Jolene Albers, Mrs. C. J. Vanvelzen, Mrs. R. E. Ageton, Leslie Forshe, Jeanne Richter, Janice Richter, Joe Alick.

Arlene Frazier, Linda Frazier, Pan Voels, Debbie VanWyhe, Randy S. Sunby, Marlene Albers, Kathy Briggle, Colleen Fickbohm.

Pam Briggle, Debbie Sunby, Sue Kelm, Nancy Leaders, Pam Parker, Sonja Thoreson.

Peggy Luecders, Dave Cauley, Linda Meyer, Gretchen Frick, Tom Burke, Don Decker, Steven Eujen.

Marian B., Paul D., Kris U., Terry Kelser, Mark Amundson, Tony Nelson, Terry Gunderson.

John Egan, Bill Shields, Russel Gorrell, Crystal Whitely, Marlene Whitely, L. Smith, Scott Thompson, J. Nicolay, Cathy Hansen, Jean Mickelson.

Renita Mobler, Michel Gustafson, Steve Jarman, Ina Erickson, Jan Eisenhauer, Craig Sanford, Jim Helund.

Mrs. R. Ageton, Sam Britts, Roger Brown, Kevin McKenzie, Mary Jo Fisher, Julie Muncie, Jim Devore.

Bobby Leafstedt, Barb Harmon, Dristy Wiese, Dris Stapleton, Sue Egan, Renee Harp, Barb Kautz, Charl Tschetter, Paul Christensen.

Allen Gullickson, Tami Jibben, Steve Nelson, Joyce Smits, Jackie Gregersen, Shirley Motzen, Lois Slack.

Sharon Pike, Kenneth M. Imminger, Craig L. Luecders, Marshall Hoffman, Scott Christensen, John Matthius, Paul Bennet.

Tom Wolles, Jerome Ranek, M. Degen, R. E. DeRoad, Kathy Willis, Debbie Letcher, Kay Waag, Emily Harrington, Charis Kuper.

Katie Jameson, Sue Joyce, Barb Cole, Becky Gappa, Jody Peterson, G. Thompson, Greg Julson.

Tom Torgerson, Rick Stauffacher, Jeff DeSchepper, Mrs. Geo. Graham, Mrs. R. L. Lueders, Gene Rinck, Magnus Jensen, Orlin Berge.

Hollie Jackson, R. H. Craig, Mrs. Avis Loore, Cher Knock, Catie Tobin, Jim Verdoor, Steve Luecders.

Mrs. David Strom, Frank Visch, Mr. and Mrs. Bill Hubbard, C. J. Fishback, Mr. and Mrs. D. K. Jorgensen, Mr. and Mrs. Zach Aberle.

Mr. and Mrs. Dennis Larson, Mr. and Mrs. Lloyd Peterson, Mr. and Mrs. Max Pierce, Mrs. Harold Krueger, Rolland L. Luecders, Sheila Clausen, Michele Bucknell, Carol Collison.

Theresa Garry, Mrs. Roger Poling, Cindy Friessen, Mrs. Phil Miedema, Sharon Moore, Jane Thomas, Karen Smith, Pam Skinner, Ed Wiederstein.

Marilyn Nelson, Karen Arneson, Mike Duncan, I. Kondert, Sue Willinger, Stanly Porter, Beth Oulbe.

Jane Rud, Steve Nelson, Pat Thurmond, Jim Swanson, Marilyn Schumaker, S. Strumm, Vicki Thingelstad, Michal T.

Mary Gullant, Rebecca Richards, D. Olson, George Lee, Jane Meese, Glenda Cummings, Irene Mathews, Candy Bellmann.

Donna J. Rovang, Jackie Wells, Mary Holm, Reid Hanson, Steve Zellman, Lynne Craig, Eudora Stegner.

Lorris Dodge, Marlene Hardick, Karen Hatlestad, Renee' Peterson, Vicki Warner, David Granberg, Lynn Warner.

Mrs. Magnus Jensen, John O., Lucille M. Aukes, Mrs. B. Grontham, Mrs. Michael Batten, Ron Douthet, Lawrence Satterlee, Olive Gillespie, Wendy Covington.

Judi Holte, Joanne Thompson, Becky Sanders, Daniel Kruse, Barbara Pohl, Le Anne Sungreve.

Poppy Lear, Gale Hansen, Laurel Watson, Richard Richards, Michelle Koehn, Jim Rose, Elaine Schumacher, Gretchen Huchtharesen.

C. Skutstad, Judy Wengers, Randy Pittimann, Rick Scott, Jeff McIntyre, Jeff Highstreet, Robert Denny, Greg Anderson, Sam Boone.

David Kuhlmeier, Michele Bucknell, Cindy Mutch, Carol Buhler, Cathy Begey, Bev Peterson, Mary Duffek, Lois Dejong.

Tammy Ford, R. Julin, John Harrington, Mrs. J. L. Miller, Angela Miller, Lloyd Stivers, C. Kapp.

Mrs. Ronald G. Holthe, Mrs. Bill Hayduk, Marsha Stene, Mrs. Don Sundby, Mrs. Eldo Stene, Mrs. Ole Stene, Patty Albers, Myrna Stene.

Wayne Bryan, Vicki Holthe, Mrs. Gary Westling, Jody Grimes, Brad Hues, Tammie Harmon, Connie Jensen, Alan Blyn.

Gloria Gunderson, Sara Thompson, Karen Gaffney, Don Levsen, Karen Majeske, Jan Dodge, Julie Aning, David Kuhlmeier, Royce R. Huber.

POST EXCHANGE, PX SCANDALS

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. GROSS. Mr. Speaker, the Senate Permanent Investigating Subcommittee has recently issued a report strongly critical of the Army in connection with the scandals connected with the operations of post exchanges and service clubs.

The Army has apparently missed the point of the hearings, because it has placed at the head of its investigations unit Col. Henry Tufts, the officer the Senate subcommittee believes presided over a whitewash of the scandals.

Clark Mollenhoff, of the Des Moines Register, has written two articles concerning this report and I insert them in the RECORD at this point:

SENATE REPORT CONDEMNS ARMY STANDARDS IN VIETNAM

(By Clark Mollenhoff)

WASHINGTON, D.C.—A 300-page congressional report on "Fraud on Corruption in the Management of Military Club Systems" stands as a strong condemnation of standards of conduct of the Army in Vietnam when it was commanded by Gen. William C. Westmoreland.

The report is also a condemnation of Army Chief of Staff Westmoreland's lack of cooperation with the Senate Permanent Investigating subcommittee during the more than two years of its investigation.

Associate counsel Lavern J. Duffy has documented his investigation in the face of Army denials and resistance to demands for information.

The report begins with efforts by Duffy and other investigators to obtain copies of Criminal Investigation Division (CID) investigative reports from Augsburg, Germany. The CID material linked Sgt. Maj. William Wooldridge and a little band of sergeants with alleged looting of slot machines in military clubs in Europe.

TRANSFER TO UNITED STATES

After a look at the European operation, the report follows the assignment of the "Khaki Mafia" from Europe to Fort Benning, Ga., where the operation was pretty much as it had been in Europe. The CID in the United States was ineffective primarily because access to reports of the earlier Augsburg probe was banned by the office of Provost Marshal General Carl Turner.

Initially, Turner told his subordinates that the order to hold the Augsburg file came from Gen. Harold K. Johnson, then the Army chief of staff. However, later, under oath before the committee, Turner testified the decision was made by him and not by Johnson.

There were men like Warrant Officer Reis Kash, of the CID, who wanted to push the inquiry but they were handicapped by orders for a "restrictive" interview with Wooldridge and his associates.

The Fort Benning case was closed on Jan. 16, 1968, with out the CID officer having been given access to the reports of the earlier Augsburg investigation. Wooldridge remained in the Army and he was transferred to Vietnam where he was to serve as the command sergeant major for the Military Assistance Command.

Wooldridge's actions in Vietnam finally resulted in a federal grand jury in the central district of California handing down a 21-count indictment against him and a half dozen other sergeants for alleged conspiracy to defraud the United States, false and fraudulent claims against the United States, bribery of public officials and concealment of material facts.

The case took nearly two years to unwind. Some of the delay was attributed to decisions by Army Secretary Stanley Resor and his Army counsel's office to resist the efforts of the Senate subcommittee to obtain access to CID reports. Acting Chairman Abraham Ribicoff (D-Conn) and Counsel Duffy argued that access to the reports was essential because only in the CID reports could they obtain a clear look at the facts as presented at the time some of the crucial decisions were being made regarding the coverup of the sergeant's activities.

MORAL ATMOSPHERE

"At issue in the matter of corruption of military personnel is another consideration one step removed from the simple giving and taking of bribes," the report said. "It is the moral atmosphere this kind of behavior creates within the American military community.

"If laws and ethics can be openly violated with impunity in one part of military life—in the operation of NCO clubs for example—the lawlessness and unethical practices may be initiated elsewhere," the report said.

The report noted that one sergeant extended his tour of duty in Germany to continue to enjoy illicit profits. The extended tours of duty were arranged by paying off assignments clerks in Washington.

"The corruption that began in the club system, therefore, extended to personnel assignments branch of the Department of the Army," the report stated.

The laxity of Westmoreland's office involved the complaints against Brig. Gen. Earl F. Cole, and his assignment to command the Army Exchange System in Europe. The assignment was approved by Westmoreland, who was a personal friend, despite evidence in the CID files that later resulted in Duffy closing in on Cole.

In July, 1970, Cole was demoted to colonel, stripped of his Distinguished Service Medal and retired from the Army. The committee report went through the chronology of events to demonstrate that the Army had notified the Senate committee that all charges against Cole had been dropped in February 1970.

VIETNAM IGNORED

However, as soon as the Army discovered that Duffy had new information dealing with Cole's activity in Vietnam and in Europe, there was renewed aggressivenes within the military service on the Cole case and he was ushered out.

The specific charge against Cole was that he "failed to maintain a high degree of personal and professional integrity" when he commanded the European post exchange system during 1969.

By focusing on Cole's European activities, the Army downplayed Cole's Vietnam tour when he was directly under the command of Westmoreland in Vietnam.

Although Cole was reduced in rank and stripped of his medal for his conduct in Europe, there was no Army judgment against him in connection with his activities during his tour in Vietnam.

Certainly, there were strong questions concerning Cole's handling of complaints by Maj. Clement St. Martin regarding allegations about the favoritism accorded to William Crum, multi-million dollar-a-year vendor of slot machines, beer and liquor in the Far East.

Also, there was strong evidence questioning actions by Cole to aid Crum on illegal importation of automobiles through use of the club purchase orders and club storage facilities.

The United States Army has made a point that corruption is a normal part of dealing with the Vietnamese government. Reading the 300-page congressional report raises the same questions concerning the U.S. Army activities in Vietnam.

CID HEAD CRITICIZED IN ALLEGED PX COVERUP

(By Clark Mollenhoff)

WASHINGTON.—In March, 1971, the Senate Permanent Investigating Subcommittee criticized Col. Henry H. Tufts for what members considered a whitewash of Brig. Earl F. Cole.

Yet six months later the Army chief of staff Gen. William C. Westmoreland approved Col. Tufts to head a revamped and expanded investigation unit with central authority for all Army investigations worldwide.

Tufts previously was the top professional soldier in the old Army Criminal Investigation Division, which was reorganized after congressional criticism of laxity in pursuing investigations of personnel.

However, a 300-page report issued Nov. 1, 1971, makes it clear that the reorganization did not placate the Senate subcommittee, primarily Senators Abraham Ribicoff (D-Conn.), the acting chairman, and Edward J. Gurney (R-Fla.).

TUFTS HELD RESPONSIBLE

The report pin points the responsibility of Tufts in the enforcement laxity, which led to a "pattern of corruption and criminality within the military system."

"Too often, dishonest practices were considered the normal and customary means of operation," the report said. "Testimony and documentary evidence showed the military services failed to properly administer and police the operations of the nonappropriated funds which are used to finance military clubs and the PX systems throughout the world."

Ribicoff and Gurney questioned Westmoreland's efforts to keep Tufts in a command position in the CID Agency in light of the report.

"A significant amount of the blame for the spread of corruption must be shared by the several investigative agencies of the military services which frequently failed to enforce existing regulations, and sometimes did not even make an attempt to do so," the report said. The document outlined many examples of laxity within the Army CID during the time Col. Tufts was the top military man.

BARRIERS WERE CREATED

The report was especially critical of "senior officers . . . (who) took actions that prevented the (lower echelon) CID agents from doing their work."

"For example, in Korea, Augsburg, (Germany), Fort Benning, (Georgia), and Vietnam, CID agents uncovered information that should have led to stepped up investigative effort and ultimately to prosecution." But "on several occasions, the barriers were created by the senior military police officer in the Army."

CRUM'S MONOPOLY TOLD

The report was critical particularly of Tufts' actions with regard to the alleged months long cover-up in the case against Gen. Cole. Cole was deeply involved in favoritism for William Crum and his Sarl Electronics firm, the Tom brothers and others in Vietnam and later in Europe when Cole headed the European PX system.

"Crum established and maintained a virtual monopoly over competing firms in the selling and leasing of nonappropriated fund activities of slot machines, amusement machines and other equipment," the report said. "Crum's success in monopolizing the business is attributable to the assistance and protection he received from Gen. Cole, deputy chief of staff for personnel and administration in Vietnam.

"Cole, who had administrative control over the service club system and the Army CID in Vietnam," the report continued, "was aware of the customs violations and other improper activities of William Crum. In spite of his knowledge of Crum's improprieties, Cole intimidated certain Army CID units and their personnel and deterred them from further investigations of the activities of Crum and Sarl Electronics."

The report blamed the "failure of his (Cole's) superiors in Vietnam" that "enabled Cole to continue his improper activities in Europe where he favored certain vendors,

among them the Tom brothers (two brothers of Chinese background), who had been in Vietnam."

ARMY WHITEWASH IS CHARGED

While the subcommittee was investigating Cole, "the Department of the Army continued to cover up and 'whitewash' its investigations of Gen. Cole."

"The Army, in fact, prematurely closed its case on Gen. Cole on Feb. 9, 1970," the report said. This had the approval of Col. Tufts, the congressional investigators said.

However, when the Army learned the subcommittee was proceeding with its investigation and had uncovered evidence indicating improprieties in Cole's activities in Europe, the Army reopened its case on March 11, 1970.

"The evidence in question was in the hands of the Army long before the Cole case was closed in February, 1970, although the (Washington office of) CID had not pursued the matter," the report said.

LEADS REJECTED BY TUFTS, WESTMORELAND

Brig. Gen. Harley Moore, formerly the Army's top CID officer in Europe, had requested that Tuft's office run down more than 25 leads, but this was rejected by Tuft's office in Washington after some consultation with Westmoreland and the Army general counsel, Robert E. Jordan III.

At the hearings in March, Gen. Moore, a man with more than 25 years experience in Army police work, was asked his professional view of the premature closing of the Cole case.

"He (Moore) called the Army's action 'abysmally negligent,'" the report noted. "The attempt by the Army to cover up the Cole matter was a calculated plan to ease Cole out of the service with the least possible embarrassment to the Army," Moore told the congressmen.

GIFTS TO WESTMORELAND FROM CRUM

Two gifts to Westmoreland, one a silver cigaret case and the other a jade figurine for his wife, were among the items that could embarrass high military circles, the report said. It said the cigaret case was supposed to be a gift from officers under Westmoreland's command. It actually came from William Crum through Gen. Cole, the report said. The jade figurine came from the Tom brothers.

Westmoreland sent the cigaret box and the jade figurine back to Cole in April, 1970, two months after the premature closing of the Cole case by Tufts and three months before the much criticized decision to permit Cole to resign after being reduced in rank. That action against Cole on July 30, 1970, was taken on grounds that Cole used "executive influence" on behalf of the Tom brothers when he headed the European PX system.

RAN INTO CID ROADBLOCKS

Gen. Moore told that he "ran into roadblocks from the CID in Washington" that were "completely unusual."

"In December, 1970, I received a document from the CID agency stating they would not pursue certain investigative leads in the United States. This letter was signed by Col. Henry Tufts, the commander of the CID agency," Moore testified.

When the Army reopened the Cole investigation, "investigators in the field were not encouraged to pursue the inquiry." CID Investigator James R. Johnson traveled to Washington "to brief Army General Counsel Jordan and his deputy, Kenly R. Webster, and Col. Tufts and his assistant, Colonel (Thomas) Zane.

"According to Moore," the report continued, "Johnson returned to Germany with the impression 'in essence that the people he briefed weren't too anxious to have us continue the case.'"

UNION MONOPOLY POWER FUELS INFLATION

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. STEIGER of Arizona. Mr. Speaker, a most interesting nationwide poll was conducted recently by the Opinion Research Corp. of Princeton, N.J.

One of the questions read:

Do you think union demands for higher wages and benefits will cause higher prices and more inflation, or can companies meet union demands without raising prices?

Mr. Speaker, 63 percent of the union families in the country say that these demands do indeed cause higher prices and more inflation.

These families instinctively know, as does the general public, that unrestrained union power is a key factor in bringing our Nation to the brink of economic disaster.

Most respected economists agree on this point. As Henry Hazlitt notes, the Government has been turned "into a union-organizing agency and virtually compels employers to make substantial concessions to union demands no matter how unreasonable."

This resulted in the wage-price freeze that is now melding into phase II of the new economic policy. Unfortunately, the new economic policy treats the symptoms of the problem rather than the disease, which is compulsory unionism. And that is one of the reasons why I am sponsoring this National Right to Work legislation.

Writer John Davenport recently noted:

What ails the economy is not the free price and profit system as such, but the fact that it is afflicted in a single sector by a powerful and pervasive monopoly element.

I refer, of course, to the power of labor unions to force up wages and costs year after year without regard to general productivity advance. The effective and courageous way to deal with union monopoly power is large-scale revision of our present permissive labor laws and their administration. This is the missing ingredient from the President's program and had it been undertaken in good time we might never have arrived at our present impasse.

Mr. Davenport, the former editor of Barron's and member of the board of Fortune, also noted:

The wage-price freeze in itself does nothing to get at the tap roots of union power and, indeed, controls if perpetuated may in the longer run enhance that power. It should not be forgotten that during a regime of controls in World War II and during the Korean War that organized labor gained some of its most costly victories—notably the spread of the union shop contracts which force workers to pay union dues as the price of holding their jobs and which automatically swell union treasuries with funds that can then be used for political purposes.

Mr. Davenport's prescription for giving the American people what they want and deserve; namely, price stability and expanding job opportunities for all Americans, is essential labor reform. Here is how he describes it:

The objective of sound labor reform is not to smash all unions, but to bring them back under the sweep of the law as it applies to other private associations and to individuals.

Unions should be what they set out to be; namely purely *voluntary* organizations, purged of their present coercive and often violent practices. The scope of collective bargaining needs sharp limitation to the end of preventing unions from closing down whole industries, not to mention vital state and municipal services.

The legal means for effecting these reforms are various, but in general we need to apply to unions the spirit, if not the letter, of our anti-monopoly laws to the end of freeing up the labor market, protecting the rights of working men themselves, and meeting the needs of the long-suffering public which is the chief loser under present arrangements.

Americans everywhere are keenly aware that the Nation's economy has entered a vital period. Action taken by us in the next few months will have a profound influence on the future of the country.

Clearly, excessive union power has steered the American ship of state to the brink of disaster. It thus makes sound economic sense to eliminate the root cause of this unhealthy concentration of power: compulsory union membership.

Anything else, to paraphrase a comment made by a nationally syndicated columnist during one of the recurring railroad crises a few years ago, would amount to putting a band-aid on a compound fracture. "At the bottom of this whole thing," he noted, "is the vice of compulsory unionism."

Nearly 1 year ago, Jenkin Lloyd Jones wrote a most perceptive column.

Part of what he said deserves reiteration.

Where are we going? It's pretty plain. Unions, having priced more and more American goods out of the international trade and having made foreign imports even more alluring, are beginning to demand high protective tariffs which could trigger international retaliation and perhaps a world-wide depression. Outraged consumers are beginning to demand wage-price controls which would mean the end of the free market and free wage negotiations.

The cure?

It won't be simple. But the right of unions to cut off the water was not handed down among the Ten Commandments, and the compelling of a worker to join and obey a union in order to hold a job is probably going to have to go.

Indeed, compulsory unionism must go. Let us set in motion the machinery to reach this goal. Let us adopt this national right to work law.

The articles by Mr. Davenport and Mr. Jones follows:

[From Human Events, Sept. 11, 1971]

WAGE-PRICE CONTROLS UNNEEDED—CONGRESS MUST CURB LABOR UNION MONOPOLY

(By John A. Davenport)

Despite widespread acclaim in many quarters, and an initial favorable reaction from the stock market, President Nixon's so-called new economic program is neither entirely new nor internally consistent.

In its international aspects the program deserves praise and support, since it has been clear for some time that the dollar is overvalued in terms of other currencies and that a readjustment of exchange rates is a prime necessity. But in coupling dollar devaluation abroad with a general price and wage freeze at home the President has embarked on a dangerous expedient where possible short-term gains must be measured against long-term losses both for the economy and for the principles of the free market which the President says he is seeking to uphold.

With respect to short-term gains the wage-price freeze may temporarily dampen inflationary expectations which usually follow monetary devaluation and in this case cutting loose from the fiction of $35 gold, and one must charitably suppose that this was the determining factor in the President's decision.

Moreover, if the freeze momentarily slows the upward pressure on wages and costs, which is the chief cause of our difficulties, it may allow production, productivity and employment to expand and the economy may well work its way onto higher ground. But when these possibilities are conceded, the fact stands the President has not come to grips with the fundamental causes of inflation and unemployment, and with every day that passes the program will face new administrative difficulties.

As to that, Mr. Nixon now finds himself playing the role of King Canute bidding the tides of inflation to recede and even the little waves to be quiet. In their hearts both he and his advisers know that this cannot really be effected by government ukase and the frenetic activity of the pitifully unprepared Office of Emergency Preparedness and the new Cost of Living Council.

Already the price freeze has left the steel industry in the curious position of having raised prices on structural steel but now being denied contemplated raises in the price of tin-plate products and other items. Similar distortions are appearing in textiles and other industries and applications for exceptions are bound to multiply both as regards prices and wages.

If these exceptions are granted, then price stabilization becomes just another name for unbridled governmental discretion by officials who cannot possibly know what a fair price or fair wage for any particular class of workers really is. If exceptions are not granted, then we may confidently expect the emergence of grey and black markets.

Large producers in the public eye may officially adhere to ceiling prices, or as in the case of automobiles, patriotically announce a roll-back. But especially among smaller firms this semblance of stabilization will be accompanied by covert but perfectly legal readjustments in trade discounts and extras that nullify official orders and guidelines.

The truth is that an enterprise economy can no more function without continuous price and profit adjustments than a gasoline engine can perform without its vital timing and distributor mechanism.

But the difficulties of enforcing controls, and the harm done if they are enforced, is not the crucial point. The crucial point is that the freeze is at best an indirect and one might almost say surreptitious way of dealing with what ails the economy.

What ails the economy is not the free price and profit system as such but the fact that it is afflicted in a single sector by a powerful and pervasive monopoly element. I refer of course to the power of labor unions to force up wages and costs year after year without regard to general productivity advance.

For while organized labor constitutes something less than 25 percent of the U.S. working force, its grip on our basic industries is wholly critical. It is this monopoly power which forces producers to raise prices if they can, and if they can't to cut back production with resulting unemployment. And it is this monopoly power (aided by unwise minimum wage laws) which has thus far defeated all attempts to achieve stabilization and high employment levels by traditional fiscal and monetary means.

The wage-price freeze in itself does nothing to get at the tap roots of union power and, indeed, controls if perpetuated may in the longer run enhance that power. It should not be forgotten that it was during a regime of controls in World War II and during the Korean War that organized labor gained some of its most costly victories—notably the spread of union shop contracts which force workers to pay union dues as the price of holding their jobs and which automatically swell union treasuries with funds that can then be used for political purposes. The explanation of this is not far to seek.

Faced by a government control board, unions will accompany exorbitant wage demands with "sweeteners" such as demand for the union shop, or the closed shop, or changes in work rules. In an effort to chip off a few cents from the wage package, the government agency will swiftly capitulate in other matters, the more so because such boards are always politically motivated. Union muscle will thus be increased rather than diminished for the years ahead by throwing wage settlements into the arena of politics.

The effective and courageous way to deal with union monopoly power is large-scale revision of our present permissive labor laws and their administration. This is the missing ingredient from the President's program and had it been undertaken in good time we might never have arrived at the present impasse.

The objective of sound labor reform is not to smash all unions, but to bring them back under the sweep of the law as it applies to other private associations and to individuals Unions should be what they set out to be; namely purely *voluntary* organizations, purged of their present coercive and often violent practices. The scope of collective bargaining needs sharp limitation to the end of preventing unions from closing down whole industries, not to mention vital state and municipal services.

The legal means for effecting these reforms are various, but in general we need to apply to unions the spirit, if not the letter of our anti-monopoly laws to the end of freeing up the labor market, protecting the rights of working men themselves, and meeting the needs of the long-suffering public which is the chief loser under present arrangements.

Combined with prudent fiscal and credit policies, such legislative reform would give the American people what they want and deserve: namely, price stability and expanding job opportunities for all able and willing to work. Good for the economy at home, such a program would also yield high dividends abroad.

In seeking a realignment of world exchange rates and in temporarily cutting the dollar loose from $35 gold, the President has made a first step in reconstructing a more rational international order. But it is only that. If the effort is to succeed, whether under a "floating" or fixed exchange rate system, it is essential that the U.S. permanently conquer both inflation and unemployment; and on the evidence the wage-price freeze and controls will not turn the trick.

Foreign nations like Canada that have tried controls and so-called "incomes policy" have had to abandon these palliatives as wholly ineffective. Indeed, "incomes policy" is really only another name for evading the tough realities that now confront us.

Beyond all this, controls pose a symbolic issue for the American people. The U.S. has grown great by combining a philosophy of limited government with a free market economy which allocates goods and services through free choice and tends to disperse power and decision. Such a system requires that government lay down the rules of the road and provide among other things an adequate monetary framework. It is directly threatened, however, by bureaucratic controls which in the end must lead to the socialization of the economy and the endangering of our higher liberties. Free men need free markets.

The President instinctively knows this. It is time he translated principles into practice by redeeming his pledge to lift the wage-price freeze promptly at the end of 90 days, by resisting pressure to set up permanent stabilization machinery and by setting in motion now the reform of labor legislation which would make conrtols wholly superfluous. The result could be the strengthening both of the U.S. economy and the world economy. It could be the beginning of a truly *new* economic policy—a policy worthy of our traditions and legitimate expectations.

[From a column syndicated nationally by General Features Corp., Dec. 5, 1970]

UNION DEMANDS COULD SIGNAL END TO FREE MARKET

(By Jenkin Lloyd Jones)

Is labor union power in America leading us all into an economic strait-jacket? Could be. And if it could be, the fault lies not with union labor or even the most ambitious labor leaders, but with an imbalance of the law that makes the abuse of union power inevitable, and the suppression of that abuse by government inevitable, as well.

The greatest unresolved problem in human economy is how to make the laborer worthy of his hire and the hire worthy of his labor.

When the 19th-century factory system destroyed cottage industry, it succeeded also in breaking rural serfdom by offering employment opportunities other than scratching and harvesting the land. But as the cities burgeoned and increasing thousands depended for their daily bread upon the opening of the factory gates, the power of the factory-owner grew enormously. As his machines improved and production increased, he was reluctant to pass on a fair share of the benefits to his hired hands.

Instead, the threat of the lockout became ever more devastating and the lightly taxed profits to the few plus the spread of wage-slavery to the many led Karl Marx to assume the coming collapse of the whole system.

Three things made Marx a bad prophet. First were the anti-trust laws, most stringently enforced in America, which made it unlawful for industrialists to band together in order to diminish competition, rig prices and depress wages. Second was the income tax, putting the largest burden of taxation upon those with the highest ability to pay. Third was the rise of union labor.

The union turned the feeble power of the individual worker into the collective clout of the work-force. The power of the boss met its match in collective bargaining.

The mistake was made, however, in not foreseeing that union power, if subjected to no regulation, could develop the same evils that had been demonstrated by unregulated industrial power.

Whereas, once combinations of employers could say to workers, "Take what we offer you or you will not eat," now union power can say to employers, "Give what we demand or you will not produce," and to the general public, "Unless we win, what you need you will not have!"

It is unfair to curse union leadership for unrealistic wage demands. Indeed, the most moderate wage demands are likely to come from Mafia-controlled unions where a corrupt leadership is willing to write "sweetheart" contracts for a price. Honest union leaders are under pressure from the rank-and-file to equal the highest percentage

raise obtained by any other union. The result, quite naturally, is mad escalation.

And this feeds inflation. Unions understand this and in the recent General Motors settlement an unlimited "cost-of-living" wage increase was achieved. It will be impossible for the self-employed, the farmers, the retirees or most of the people in the service industries to obtain for themselves similar protection from rises in the cost of living.

Thus the UAW becomes the beneficiary of special privilege—exemption from a condition which its own action will help produce.

The auto worker whose wage increases outrun his productivity can be paid only by lower profits or increased prices. The UAW settlement will be a tax upon all auto users. It may kill the much-hoped-for American minicar in its cradle.

The $18,000-a-year plumber imposes a tax on all home buyers. The $17,000-a-year bricklayer shows up in super-market prices. One railway union, having made wage demands that even it concedes the railroads cannot pay, is now suggesting federal subsidies, which means its intention to charge part of its wages to the taxpayers, who are everybody.

Where are we going? It's pretty plain. Unions, having priced more and more American goods out of the international trade and having made foreign imports even more alluring, are beginning to demand high protective tariffs which could trigger international retaliation and perhaps a worldwide depression. Outraged consumers are beginning to demand wage-price controls which would mean the end of the free market and free wage negotiations.

The cure?

It won't be simple. But the right of unions to cut off the water was not handed down among the Ten Commandments, and the compelling of a worker to join and obey a union in order to hold a job is probably going to have to go.

CHEESE IMPORT QUOTAS SHOULD BE EXTENDED AS TARIFF COMMISSION HAS RECOMMENDED

HON. MARK ANDREWS

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 19, 1971

Mr. ANDREWS of North Dakota. Mr. Speaker, President Nixon should act promptly to implement the recommendation of the Tariff Commission and establish quotas for quota-type cheeses costing over 47 cents a pound.

In 1970 a milk use basis, about one-fourth of all dairy imports were these types of cheeses. As a result President Nixon asked the Tariff Commission to investigate these imports and report to him. The President is to be commended for his concern and action in this respect.

After the proper hearings the Tariff Commission, on July 28, recommended to the President that this tariff loophole be closed and that cheese costing over 47 cents a pound be placed under quota the same as cheese costing under 47 cents a pound. In other words the 47-cent price break should be eliminated. At that same time the Commission made recommendations as to what this quota level should be.

Four months have elapsed since then and the President has not acted.

Unfortunately, during this period the import total of these cheeses—costing over 47 cents—has increased by 10 to 15 percent over the same period last year, based on totals reported by the U.S. Department of Agriculture through September 30. It is unfortunate that these imports continue without limitation at a time when our own U.S. dairy production is increasing. The longer the President delays the longer the period in which the importers can take advantage of this nonquota status and continue to increase their imports.

All of the evidence is in as a result of the public hearings which the Tariff Commission held. The President should act on this basis and impose the necessary quotas.

ALBANIA'S SHORT-LIVED FREEDOM

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. DERWINSKI. Mr. Speaker, Sunday will be the 59th anniversary of the independence of Albania, a tiny Balkan country that has never enjoyed more than a brief taste of freedom. Before November 28, 1912, when the National Assembly declared Albania's independence from the Ottoman Empire, it had been ruled through the centuries by Romans, Bulgarians, Serbs, and Normans, as well as Turks.

Since obtaining its freedom as a result of the First Balkan War, Albania has experienced numerous kinds of government. These have included, in bewildering succession, monarchy with William of Wied as King; a period of anarchy; occupation by Austria-Hungary, Italy, Serbia, Greece, France, and Bulgaria during World War I; a republic with Ahmed Bey Zog as President; a return to monarchy with the President proclaiming himself King Zog I; conquest by the Fascists, with Italy's King Vittorio Emanuele III becoming also King of Albania; occupation by the German National Socialists; and finally, since World War II, a Communist dictatorship. Even the last has had its variations, Albania being dominated first by the Soviet Union and since 1961 by Red China.

Ordinarily the anniversary of independence would be a day of rejoicing, an occasion for celebrating the birthday of one's nation. It would be a day of observance, a time for recognizing the contributions of patriotic ancestors to the cause of freedom. It would be a day of dedication and inspiration, on which every loyal citizen resolved to preserve inviolate his country's independence and the liberties of its citizens. Last, but not least, the anniversary of independence would be a day of thanksgiving, a time for expressing gratitude to the Ruler of all nations for the precious gift of freedom.

Mr. Speaker, November 28, 1971, will not be a day of rejoicing, observance, dedication, or thanksgiving for the people of Albania. Instead it will be just another day of incarceration in a Communist concentration camp. May God speed the day when Albania will once again live in freedom and have good reason to celebrate the anniversary of its independence.

H.R. 351 FOR A POSITIVE SOLUTION TO THE U.S. FINANCIAL CRISIS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. RARICK. Mr. Speaker, as the U.S. Government announces an $821 million deficit in foreign trade for the month of October following a $107 million deficit in September, New York, our second most populated State, announces that it faces "social bankruptcy" as a result of squandering its taxpayers' money to pay for political promises. And, as usual, the political leaders in dodging the cause of the financial plight ignore the fact that they helped create the crisis in large measure by their role in appeasing the proletarian masses. They seek to solve the problem by calling for higher taxes and devaluation of the dollar. Reportedly, the international banking interests and their financially elite fellow travelers in the United States have aided and abetted in the collapse of the U.S. dollar. French and Swiss banks are reportedly loaded with newly transferred American bank accounts with their owners awaiting the revaluation of their country's dollar so that by a mere bookkeeping transaction they can profit by the crisis they assisted in creating.

The American people will have to understand that share-the-wealth domestic programs are not free and world redistribution of U.S. gold and jobs to emerging nations only prove to be a gimmick whereby the international financial barons enrich themselves and become so powerful that by the mere transferring of their holdings they can bring a nation to its knees without a shot being fired.

What will be the proposed policy of our country in solving our money crisis? The same policy as in the past? The policies of the monarch are always those of his creditors. Those who own the gold and control the wealth will continue to dictate U.S. money policies.

The gold and other wealth of this Nation have been earned and paid for by the U.S. taxpayers who will shortly be told, in compliance with a so-called goal of world equalization of the wealth, that their money is not worth what it used to be. Yet no one will tell the American people who got the gold, and business will go on as usual.

That is why I introduced H.R. 351, a bill to buy back the Federal Reserve bank stock and reinstate control over the people's money with the Congress as is provided in the U.S. Constitution. The people may not approve of everything Congress does, but at least they know who Congressmen are, and if they disapprove of their actions, they can defeat them at the polls. International bankers and other world manipulators of wealth are for the most part unknown to the public and leave the people no recourse to protect their earnings and investments.

I include in the RECORD the related newsclippings and H.R. 351:

[From the Washington Post, Nov. 27, 1971]

TRADE DEFICIT $821 MILLION FOR OCTOBER

(By James L. Rowe, Jr.)

The United States suffered a severe trade deficit in October, the government announced yesterday, but the domestic economy showed an encouraging upsurge as the Commerce Department's composite index of leading indicators of business activity rose 1.2 per cent.

The trade imbalance—the excess of what the country imported over what it exported—reached $821.4 million last month, virtually assuring that the U.S. will run its first trade deficit since 1893.

Government officials said that the sharp "deterioration" in the nation's trade in October (after a surplus of $265 million in September) reflected to a strong degree the East and Gulf Coast dock strikes that began Oct. 1. The government moved in court yesterday to send 45,100 striking dock workers back to work.

In other news on the economy yesterday, the stock market showed a post-Thanksgiving rally with the Dow Jones Industrial Average rising 17.96 points. The Price Commission, meanwhile, received a request for a 23.9 increase in third class mail rates from the U.S. Postal Service. The commission turned down the request of a large Virginia furniture manufacturer, Basset Furniture Industries, Inc., for a 1.8 per cent increase [Details on Page D6].

Harold C. Passer, assistant secretary of commerce for economic affairs, said the East and Gulf Coast dock strikes hampered "analysis of the import surcharge and the upward float of other currencies relative to the dollar." On Aug. 15, President Nixon imposed a 10 per cent surcharge on all imports subject to tariffs, with certain exceptions.

Mr. Nixon said the surcharge was an attempt to offset the nation's declining position in world trade. Since Aug. 15, when the United States also stopped cashing in dollars for gold, a number of currencies have been appreciating in value in terms of the dollar—making U.S. exports cheaper and imports into the United States more expensive.

But October's decline in imports—about $714 million below September's import level—was not nearly as steep as the export dip. Exports in October were $1.8 billion below September, which was the first month since March that the nation sold more goods abroad than foreign countries sold here.

Passer said the steeper decline in exports resulted from several factors:

In anticipation of the dock strike, shipments were accelerated in September "and consequently shipments declined in October; this affected exports more than imports."

The end of the West Coast dock strike, in which the government got a back-to-work order early in October, "produced a greater surge of imports than of exports" because waiting ships had to be unloaded "before such vessels can be reloaded with exports."

More of the nation's waterborne imports than exports go through West Coast ports.

More U.S. imports are "bulk" items such as oil, natural gas and iron ore, which do not need the service of dockworkers.

A spokesman for the Council of Economic Advisers called the October trade showing "bizarre."

"The thing is that the dock strike really so distorts the figures that it just isn't possible to draw any firm conclusions," he said.

So far this year, the nation has run a deficit of nearly $1.5 billion in its trade account with the world. After three surplus months—January, February, and March—the nation has run deficits in every month but September, when it had a $265.4 million surplus.

Government officials, who had been talking in terms of a $1 billion trade deficit a few months ago, now privately expect the deficit will end up closer to $2 billion. In 1970, the nation had a trade surplus of about $2.1 billion.

Since the dock strikes on the East and Gulf coasts continued through November, "we can expect a very distorted showing in November, too," the CEA spokesman said.

The deficit might not be as great, however, one economist noted, since some of the distortions which affected October—such as unloading imports before exports could be shipped out—will be gone. Nevertheless, most observers expect a sizeable deficit for November.

For the first 10 months of 1971, Passer noted, "the merchandise trade balance has recorded an adverse swing of $4 billion from the same period a year ago—from a surplus of $2.6 billion in 1970 to a deficit of $1.5 billion in 1971. Exports have advanced by $937 million, or less than 3 per cent, while imports have increased by $5 billion, or more than 15 per cent."

Despite the surcharge, the volume of imports has increased each month since August. Passer said October collections of $112 million "indicate that perhaps two-thirds of that month's dutiable imports were covered by the surcharge."

Not only are the trade figures difficult to interpret because of the dock strike distortion, the President's "sweeping change in government economic policy on Aug. 15" make the advances in the leading indicator index difficult to assess, Passer said.

"The indicators are still on a decisive uptrend, however," Passer said, "and this is consistent with private forecasts of a vigorous expansion of the economy in 1972."

The preliminary "leading indicators" report includes eight of the 12 components of the index. The index often tends to foreshadow developments in the economy at large.

When the preliminary September figures came out, the index recorded a 0.3 per cent decline, but when the full index was compiled, it showed an increase of 0.2 per cent.

In October, the preliminary index advanced from 127.1 per cent of the 1967 base to 128.6 per cent. Four of the eight indicators increased, one remained constant, while three declined.

The components which showed an "improved" rate over September included building permits, which increased from an annual rate of 1.9 million in the previous month to 2.22 million in October, and new orders for durable goods, which rose to an annual rate of $31.06 billion in October compared with $31.03 in September.

New claims for unemployment insurance fell to 310,000 in October compared with 324,000 in September (a decrease in this figure is treated as "improved") while the average workweek expanded to 39.7 hours from 39.6 hours in September.

The price-labor cost ratio was unchanged at 96.6. Industrial materials prices declined, as did stock prices, and contracts and orders for plant and equipment.

Since the low point of the automobile strike in late 1970, the leading indicators index has advanced 13 per cent.

[From the New York Times, Nov. 24, 1971]

STATE ON BRINK OF BANKRUPTCY, SAYS GOVERNOR ROCKEFELLER

(By Owen Fitzgerald and Thomas Poster)

The state and local governments are on the brink of "bankruptcy" and face massive budget cuts, Gov. Rockefeller said yesterday in an extraordinary pre-Thanksgiving Day announcement. He also warned of higher taxes.

After conferring for two hours with top state, legislative and county executives, Rockefeller said the state is in a "state of emergency" and that new demands would be made on the Nixon administration and Congress for revenue sharing and a federal takeover of welfare and medicaid costs.

SEES "SOCIAL BANKRUPTCY"

The governor said his administration is facing "social bankruptcy" rather than legal bankruptcy and might not be able to deliver services or pay its bills.

Senate Majority Leader Earl W. Brydges (R-Niagara) went even further. Complaining that the state is being short-changed by getting only 11 cents on each dollar Washington collects in taxes, Brydges said: "Either we assert the rights of the states to participate in the federal income tax and insist that the feds take over medicare and welfare costs or the alternative would be bankruptcy and the inability of the state to pay enough to keep the localities alive."

LEGAL BANKRUPTCY, TOO

Asked if he believes the state's fiscal crisis is bad enough to "legally" drive the state and local governments into bankruptcy, Brydges shot back: "I do. Yes, for both the state and localities."

The 11 county executives who met with Rockefeller, all Republicans, represent the biggest governments in New York outside New York City. Later they met with Mayor Lindsay and the other Big Six mayors at City Hall.

All of the City Hall conferees said they would favor increased state taxes rather than see cuts in state aid to their localities.

Asked earlier what taxes are possible, Rockefeller said, "I don't rule out any increases on any taxes."

[From the Washington Post, Nov. 27, 1971]

SHIFT ON IMPORT TAX HINTED

(By Hobart Rowen)

The Nixon administration now appears more willing than it was just a few weeks ago to lift the controversial 10-per cent import surcharge it put into effect Aug. 15.

Concern at home and abroad that the surcharge—designed to help cure an American trade and balance of payments deficit—would trigger a worldwide recession has modified the administration's position.

Until now, Treasury Secretary John B. Connally and other spokesmen said that the surcharge would be maintained as a bargaining device to force America's trading partners to do three things:

Raise the value of their currencies so that the new relationship of the dollar to other monies would favor the United States. (A cheaper dollar makes American exports more attractive, tends to make imports more expensive.)

Abandon many discriminatory trading practices—quotas and other devices—that affect American exports.

Share in the "burden" of Free World defense by paying more of the direct costs.

Now, borrowing from the semantics of the wage-price program, the administration is ready to modify these demands by removing the surcharge in a "Phase I" that would see a shift in currency relationships averaging about a 10- to 12-per cent depreciation of the dollar.

It would leave most of the other demands on the trade and defense matters to a "Phase II," lasting perhaps one to two years. During Phase II, an effort also would get under way on a complete overhaul of the international monetary system, which in effect was discarded on August 15.

In statements by officials earlier this week—notably, one by Federal Reserve Chairman Arthur F. Burns—the administration tried to

hoist a signal that it was anxious to get at least an interim settlement on these important monetary and trade questions.

After a meeting with the President and Connally on Wednesday, Burns pointedly said that "the President expects definite progress" to be made at a meeting of the Group of Ten Finance Ministers in Rome, Nov. 30 and Dec. 1.

But the key to any deal—and this so far is unresolved—is a European proposal for a 5-per cent increase in the price of gold, which would accomplish a direct devaluation of the dollar by that amount. This will be discussed not only in Rome, but at the summit meeting of President Nixon and President Pompidou of France in the Azores Dec. 13.

Authoritative sources said yesterday that President Nixon has not changed his earlier stance against an increase in the price of gold. But the fear of world-wide recession has triggered a new willingness to seek a compromise.

Some of the pressure within the administration to adjust Connally's hitherto hardline stand has come from State Department officials and presidential aide Henry Kissinger, who are concerned about the impact of U.S. foreign economic policy on American political and military alliances.

Burns also has pressed Connally publicly for greater speed in reaching an agreement.

An additional source of pressure has been the recent weakness of the U.S. stock market, reflecting fears that the surcharge, if kept in place, would be followed by retaliation—then contracting world trade and depression.

As Connally and Burns prepare to leave for Rome Sunday for next week's meeting of the Group of Ten Finance Ministers, much attention will focus on the official price of gold, now $35 an ounce.

Since the initiation of President Nixon's New Economic Policy on August 15, the U.S. government no longer cashes in foreign-held dollars for gold. But European governments nonetheless have pressed for an increase in the price for both political and trade reasons.

The political rationale in Europe is that an increase in the dollar price of gold thus devaluing the dollar, would appear to be a U.S. "contribution" to a realignment of exchange rates, and help convince voters in Europe that their governments were not saddled with the whole responsibility for changing currency rates.

This is important because some European economies are in a recession, and rightly or wrongly, the recent upward revaluations of currency have taken some of the blame.

An equally important consideration is that trade is affected not only by the relationship of the dollar to other currencies—say to the Deutschemark and the French franc—but by the relationship of these currencies to each other.

Germany and France, for example, are important trading competitors and, while Germany is willing to revalue its currency substantially to meet U.S. demands, it does not want to move so far out of line with the franc that it gives France a big trading edge.

But the French so far have refused to revalue their currency upward by any amount, which means that the Germans will not, allow the D-mark to go up as much as they might otherwise.

The way out, it appears, is to increase the price of gold by about 5 per cent. The dollar would be devalued by 5 per cent, and a revaluation of the mark by 7 per cent would provide a "swing" of 12 per cent in favor of the dollar.

A debate on the gold issue has raged within the administration, which all along has argued that the issue is only political, and not economic. But a hard posture against a price increase appears to be weakening, and the clue to this may be the separation, in American officials' minds, of the gold price question and the gold convertibility question.

On convertibility, it is learned, there is no American "give" for Phase I. If a gold price increase is to be considered favorably, it is reported, dollars will remain non-convertible, even at the higher price. Any convertibility would be a separate issue, waiting on the Phase II negotiations for the basic reform of the international monetary system.

In recent weeks, the administration has been pressed hard at home as well as abroad on the gold price issue. Sen. ——— and Rep. ——— have introduced a bill which would permit an increase of as much as 10 per cent in the price of gold.

But Nixon's men have been reluctant to go along. First of all, they do not want to give away a big bargaining chip for the Rome and later meetings. Beyond that, they fear that Democratic candidates next year will make political capital of such a decision by accusing President Nixon of devaluating the dollar.

A 10- to 12-per cent average devaluation of the dollar would not be too far from what already has been achieved in world currency markets since the dollar was allowed to float on August 15. Private estimates are that appreciation of other currencies has provided an average devaluation of the dollar by 7 per cent.

According to officials here and abroad, each average "point" in dollar devaluation, make American exports cheaper and hence more attractive, is worth about $800 million in trade. The 10- to 12-per cent goal would create a favorable annual swing of some $8 billion to $10 billion. This is well under the $13 billion originally demanded by Connally, but later trade and defense burden-sharing arrangements conceivably could contribute more.

[From the Washington Evening Star, Nov. 29, 1971]

MONEY DEBATE PRELIMINARIES START IN ROME

ROME.—European Common Market treasury ministers today discussed ways of forming a united front against the dollar. American money men led by Treasury Secretary John B. Connally polished their own sales pitch.

Treasury and finance ministers and bankers from the world's 10 wealthiest non-Communist nations gathered in Rome for a two-day meeting argument over who should revalue their currencies.

Although the formal meeting does not open until tomorrow, the ministers met in a series of bilateral chats today to clear the air in the world monetary crisis.

FIVE ARE COMMABT MEMBERS

Five Common Market members who also belong to the Group of 10—West Germany, France, Italy, The Netherlands and Belgium—scheduled a formal meeting tomorrow morning to forge some kind of united policy on the monetary crisis.

The other five members of the Group of 10 are Britain, Sweden, Canada, Japan and the United States. Switzerland will attend as an observer.

Britain will make its views known when Chancellor of the Exchequer Anthony Barber talks with Italy's Treasury Minister Mario Ferrari Aggradi today.

WANT HIGHER GOLD PRICE

America's nine colleagues have insisted that the United States devalue the dollar by increasing the official price of gold. Connally has refused to consider this, suggesting instead that all the other countries simply increase the value of their currencies.

European sources said they expect Connally to present some sort of compromise at the Rome meeting which would call for a slight devaluation of the dollar, perhaps 5 percent, in exchange for a revaluation upward of some other currencies, notably the West German mark and the Japanese yen.

American sources do not tell it that way. Although Connally recently told business leaders in New York the United States must be 'flexible' in the current world money crisis, he remained firm against devaluation.

SURCHARGE ALSO ISSUE

The Europeans also want abolition of the 10 percent surcharge that President Nixon imposed on most imports Aug. 15 when he launched his new economic policy.

Both sides agree that no final decision on a monetary deal is likely to come at the Rome meeting. Nixon is meeting with President Georges Pompidou of France and Prime Minister Edward Heath of Britain within weeks and any devaluation decision would come only after those meetings.

[From the Washington Post, Nov. 26, 1971]

THE PAYMENTS DEFICIT—AND WHAT TO DO ABOUT IT

Secretary Connally keeps talking as though trade were the same thing as the balance of payments. It is not. From July to September of this year, the net outflow of *merchandise* trade—the excess of imports over exports. In other words—was no more than one-tenth of the deficit in the balance of payments.

The other nine-tenths of the deficit is nothing but money—capital on its way to new investment, profits, interest, gifts and so forth. In his speech in New York this week, Mr. Connally was using the recent and very severe payments deficit as proof of the immediate need for trade reform. But that is hardly the whole message.

The largest single item in the United States' current international accounts is entitled "Errors and Omissions." Wisdom in these matters begins with the truth that the basic figures are not very accurate. There are huge gaps and discrepancies, resulting from a data collection system that has a great many holes in it. Unlike sugar and automobiles, money does not have to go through customs. One of the curiosities of our international accounts in recent years is the enormous increase in the Errors and Omissions accounts. Last year it was over a billion dollars. This year in the second quarter alone it was $2.3 billion. In the third quarter, it was in the range of $5 billion. Since the total deficit in the balance of payments that quarter was about $10 billion, half of it was the surge of unreported and untraceable money accounted under Errors and Omissions.

There is nothing very mysterious about this money. It is, in large and rising proportion, capital going abroad to speculate against the value of the dollar, which is falling steadily. If one had converted $100 into yen last August 15, when Mr. Nixon announced his intention of forcing down the dollar exchange rates, one could convert it back into something like $109.50 today. People who jumped into the German mark last spring would have made even more. As a way to make a living it is said to be hard on the ulcers, but there are those who love it.

Among the various perils confronting this republic, the tides of outbound speculative capital are not a very serious matter. It all has to come back, after all, to make a profit. A currency speculator may find Frankfurt a nice place to spend a few months, but he doesn't necessarily want to live there.

The relatively small trade deficit has a relationship, of course, to the dramatic outflow of gamblers' money that has swollen recent balance of payments totals. When a country with a long pattern of trade surpluses suddenly begins to sell less than it buys, the event attracts the attention of dealers who smell the possibility of devaluation. That is the point at which this country arrived last summer, and which is now being reported in the payments statistics.

There is a kernel of real danger in this situation, but it is not strictly a matter of the international accounts. An over-valued dollar means a very sharp rise in imports, which undersell domestic industry on a large scale with predictable political results. Foreign governments, particularly the western Europeans and the Japanese, would be wise to take very seriously those pages of Mr. Connally's New York speech in which he discusses this effect. Mr. Connally and Mr. Nixon have been accused of protectionism in their current economic policy. Mr. Connally is, unfortunately, correct when he says that the alternative to this policy would be a bitter wave of the crudest and most discriminatory protectionist legislation here. The immediate concern here is less the abstractions of the balance of payments than the hard figures of employment, the rate at which imports rise, and labor's stake in exports.

The question is still whether the present American tactics are going to take Mr. Connally where he wants to go. He is giving a very persuasive impression that he will settle no single item until he can get a huge comprehensive solution to the whole range of issues that are summed up in the balance of payments. But when half of that deficit is anonymously represented by the Errors and Omissions account, and when there are some grave doubts as to the precise accuracy of other accounts, a careful man would not choose to be dogmatic about the precise solution required.

Mr. Connally graphically described in New York some of the restraints that the Japanese have put on international competition in their own markets. And he quite correctly chided the Europeans for discriminating against Japan. But to reform these traditions will be the work of many months, if not years. In any event, no one can say with any degree of assurance what effect the new exchange rates will have on the great worldwide movements of goods and investments. New rates may make some of the trade disputes less difficult to solve.

The best rule now is to take one thing at a time, beginning with the new exchange rates for the dollar. As long as the ultimate exchange rates are in doubt, the heavy flows of speculative funds will continue. Our customers abroad will continue to have reason to postpone buying goods that might be cheaper in a few weeks. The current uncertainty over parities only aggravates the weaknesses in our position. The finance ministers of the major trading nations are now scheduled to meet at the end of this month in Rome. That is Mr. Connally's opportunity to set aside temporarily his other concerns—trade restrictions and defense-burden sharing—and pursue prompt agreement on the dollar exchange rates.

H.R. 351

A Bill To Vest in the Government of the United States the Full, Absolute, Complete, and Unconditional Ownership of the Twelve Federal Reserve Banks

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury of the United States is hereby authorized and directed forthwith to purchase the capital stock of the twelve Federal Reserve banks and branches, and agencies thereof, and to pay to the owners thereof, the par value of such stock at the date of purchase.

(b) All member banks of the Federal Reserve System are hereby required and directed to deliver forthwith to the Treasurer of the United States, by the execution and delivery of such documents as may be prescribed by the Secretary of the Treasury, all the stock of said Federal Reserve banks owned or controlled by them, together with all claims of any kind or nature in and to the capital assets of the said Federal Reserve banks, it being the intention of this Act to vest in the Government of the United States the absolute, complete, and unconditional ownership of the said Federal Reserve banks.

(c) There is hereby authorized to be appropriated, out of any funds not otherwise appropriated, such sums as may be necessary to carry out the purposes of this Act.

UNEMPLOYMENT OF SCIENTISTS AND ENGINEERS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. WALDIE. Mr. Speaker, we are faced with growing unemployment in this country—a situation that threatens the livelihood of every American today. But, one of the hardest hit by this economic decline is the area to which we gave top priority in the fifties and sixties.

Mr. Speaker, I remember well the days when then President John F. Kennedy set this Nation's sights toward a landing on the moon. We were a Nation struck with fear that the Soviet Union was exceeding us in the scientific and technological fields.

This Nation responded to the need as it always has, producing thousands of engineers and technicians to bring about the spectacular scientific exploits that reassured us as to our technological supremacy.

Now, Mr. Speaker, we are faced with thousands of these professionals drawing unemployment compensation, because our thirst for knowledge has been replaced by a greater concern for thrift.

The distinguished Senator from Massachusetts (Mr. KENNEDY) wrote about the problem in an excellent article for the September 1971 issue of Chem Tech. A response to that letter, from Alan C. Nixon, the employment chairman of the American Chemical Society, notes the gratitude of many scientists for the remarks made by Senator KENNEDY. This response also includes the text of a measure authored by Assemblyman Ken Meade of the California State Legislature that is designed to head off the problem of unemployment in the scientific community.

Mr. Speaker, I submit both that response and the drafted legislation to the RECORD in hopes that my colleagues will recognize the need for similar protection from the Congress:

CALIFORNIA LEGISLATURE—ASSEMBLY BILL No. 2967

An act to add Article 5 (commencing with Section 9900) to Chapter 2 of Part 1 of Division 3 of the Unemployment Insurance Code, relating to employment, and making an appropriation therefor

LEGISLATIVE COUNSEL'S DIGEST

AB 2967, as amended, Meade (Ed.). Scientific manpower.

Adds Art. 5 (commencing with Sec. 9900), Ch. 2, Pt. 1, Div. 3, U.I.C.

Creates Office of Scientific Manpower within Division of Job Training, Development and Placement of Human Resources Development in charge of a director. Declares functions of office to provide grants to unemployed scientists, as defined, under which such persons may be assigned unused laboratory space and facilities to conduct investigation and research in the field of their specialties. Limits grants to 36 months, and provides stipends for grantees of up to $700 per month, and other benefits.

Creates advisory committee appointed by Governor and composed of scientists meeting certain qualifications. Specifies requirements applicants for grants shall meet, disposition of patents granted for research projects, and other related matters.

Appropriates unspecified amount from General Fund to the Office of Scientific Manpower for purposes of this act.

Vote—⅔: Appropriation—Yes; Fiscal Committee—Yes.

The people of the State of California do enact as follows:

SECTION 1. Article 5 (commencing with Section 9900) is added to Chapter 2 of Part 1 of Division 3 of the Unemployment Insurance Code, to read:

Article 5. Office of Scientific Manpower

9900. The Legislature hereby finds and declares that economic conditions in this state have had great impact upon the scientific and technological community in California, resulting in a large number of unemployed scientists; that these persons constitute a great resource of this state which should not be wasted; that economic changes have disrupted the pursuits of a great number of these scientists to an unprecedented degree; and that temporary assistance to these persons during this period of readjustment will help retain in this state for its future benefit these scientifically trained persons of unique and diversified skills and experiences.

9901. There is in the Division of Job Training, Development and Placement the Office of Scientific Manpower. The office shall be in the charge of a director, who shall be appointed by the Chief of the Division of Job Training, Development and Placement.

9902. The director shall appoint two assistants who shall be scientists trained in scientific administration.

9903. The director shall create an advisory committee of 20 scientists appointed by the Governor from nominations furnished by any professional society of scientists with a membership greater than 50. At least one member of the advisory committee shall be from one of the five professional societies with the largest membership in this state. Members of the advisory committee shall serve without pay, but shall receive their traveling and other expenses.

9904. The Office of Scientific Manpower shall maintain a file of all laboratory space under the control of every state university, college, department, and agency which may be made available for use by scientists under the provisions of this article. Within 30 days of the effective date of this article, every person in charge of laboratory facilities under the control of every state university, college, department, or agency shall survey the facilities under his direction and report the number of laboratory spaces unfilled and available for use pursuant to this article.

9905. The director shall develop a program for the assignment of qualified, unemployed scientists to laboratories having available space.

9906. Any scientist desiring assignment to such space shall submit his application in a form and with such information as the director shall prescribe. In addition, the applicant shall meet all of the following requirements:

(a) He shall have been a resident of this state for one year prior to his application.

(b) He shall be unemployed or under notice of termination of employment.

(c) His most recent employment shall have been in this state.

(d) He shall be a professional scientist meeting all the membership requirements for

the professional society representing his scientific specialty.

9007. A person in involuntary early retirement with a pension reduced in amount from the pension payable in the event of normal retirement is eligible under this article if he otherwise meets all the requirements of Section 9006. For such person, however, the amount of any stipend payable under this article shall be reduced by the amount of such pension.

9008. An applicant may submit, in addition to such information as the director shall require, relevant biographical data and information on experience and education. The applicant may present a specific research proposal or indicate a preference for work at a specific laboratory.

9009. An applicant selected will be assigned space available in a participating laboratory in accordance with his field of study and the facilities available. The applicant's proposed program of research shall be subject to acceptance by the agency; in charge of the laboratory. The applicant shall have the full use of the entire facilities of the laboratory to which he is assigned to the extent that the regular program and mission of the particular laboratory permit. With respect to matters of laboratory procedure and safety, the applicant shall be subject to the agency in charge of the laboratory. It is the intent of the Legislature that research programs under this article shall be flexible and that individual applicants shall work on research projects of their own choosing to the maximum extent possible.

9010. An applicant who is accepted for participation under the provisions of this article shall receive a grant to conduct a program of research at a designated laboratory extending in duration no longer than 36 months. The grantee shall receive a stipend of not more than seven hundred dollars ($700) per month as determined by the director on the basis of the grantee's need, experience, and background, and subject to the availability of funds. The provisions of the grant shall in addition contain an allowance for laboratory expenses and supplies, and all such expenses and supplies used by a grantee, including any increase in insurance against loss incurred by the laboratory as a direct result of the activities of the grantee, shall be accounted for and compensated under the provisions of the grant, within such limitations as are imposed by the director in each case.

9011. A grantee may accept employment at any time, and in such case his grant shall terminate. A grantee shall be allowed up to five days per month to seek employment without reduction in stipend. Other absence because of illness or emergency will be allowed up to 15 days per year without reduction in stipend. The monthly stipend shall be reduced proportionately for additional absence.

9012. A grantee may publish the results of his research under a grant awarded pursuant to this article in any recognized scientific journal.

9013. A grantee may apply for a United States patent as a result of any research or investigation carried out under a grant pursuant to this article, through the agency in charge of the laboratory. The grantee shall assign any patent granted by the United States as a result of such research or investigation to the state, but he shall be entitled to one-half of any royalties as a result of such patent. Any foreign patents granted shall be the property of the grantee. If the agency in charge of the laboratory declines to process an application for a United States patent, the grantee may do so himself, and in such event any patent issued need not be assigned to the state.

9014. A grantee shall be encouraged to enroll in courses of instruction offered at any community college, state college, or the University of California in the field of his specialty or a related field. Tuition fees for such courses shall be payable from funds available for the purposes of this article.

SEC. 2. There is hereby appropriated the sum of ——— dollars ($———) from the General Fund to the Office of Scientific Manpower for the purpose of carrying out the provisions of Article 5 (commencing with Section 9900) of Chapter 2 of Part 1 of Division 3 of the Unemployment Insurance Code.

CALIFORNIA SECTION,
AMERICAN CHEMICAL SOCIETY,
Berkeley, Calif., November 12, 1971.

Hon. EDWARD M. KENNEDY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: This letter is inspired by your article in the Magazine, Chem Tech, for September, 1971. I want to commend you for your efforts on behalf of the country to save the scientific resources being squandered by the present unemployment of scientists and engineers.

While I commend your efforts, I am appalled with the misery that is occurring because the reaction of the Federal government is so slow. I am afraid that a great deal of the money which is being spent is being wasted by disbursing it to too many levels of government. In addition, I feel that in some of the conversion efforts that are being made people are being trained for non-existent jobs.

Speaking for scientists, which I am better equipped to do (I am Chairman of the Employment Committee of the California Section of the American Chemical Society) I feel the important thing is to keep scientists doing science. In this way they will have an opportunity to keep their skills sharp and to make useful contributions to scientific research and will probably develop information or products which would pay for the outlay in the long run. In most cases, scientists are perfectly capable of re-training themselves on a job if they can get it and the diversity in the practice of science is so wide that this actually is what usually happens when a person gets a new job.

Acting on the philosophy outlined above, we in the California Section, have worked with Senator Meade in the California Legislature to develop the attached AB 2967 which is designed to withdraw California scientists from the ranks of the unemployed and let them work with subsistence type support in labs owned by the people of California. This not only has the advantages outlined above, but it would also introduce into the predominantly academic community in which these labs are located, thousands of skilled, sophisticated, industrially oriented persons who would give a tremendous shot in the arm to the academic community in terms of their awareness of industrial and environmental needs and practices.

Again, let me say that I greatly appreciate your interest in the problems of scientists and engineers and your attempts to do something about them.

Very truly yours,

ALAN C. NIXON,
Employment Chairman.

A YOUNG MAN'S PRAYER

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. GUBSER. Mr. Speaker, recently at a political gathering in my congressional district a young student at San Jose State College, Mr. Paul W. Haddon, was invited to deliver the invocation.

Mr. Haddon's prayer was well delivered, but its true power lay in the words and thoughts which it contained. It was truly a young man's prayer, but it applied equally to every human being, regardless of age.

I believe Mr. Haddon's prayer should be made available to all readers of the CONGRESSIONAL RECORD:

A YOUNG MAN'S PRAYER

(By Paul W. Haddon)

Heavenly Father, we ask your blessing on our assembly here this evening.

Draw us together, in unity of purpose and vision, and help us to transcend all barriers of age, temperament, background, and all else that threatens to divide us.

Grant us, a spirit of unity and youth, in our enthusiasm, our courage, our Faith and our optimism.

Father, teach us, that youth means the predominance of courage over timidity, of adventure over love of ease.

This often exists in a man of sixty, more than in a boy of sixteen.

Nobody grows old, merely by a number of years, we grow old by deserting our ideals.

We know Father, that years may wrinkle the soul.

Worry, doubt, self distrust, fear and despair, these bow the heart and turn the spirit back to dust.

Father, whether sixty or sixteen, there is in every human being's heart, the love of wonder, the sweet amazement at the stars and star-like things, the undaunted challenge of events, the unfailing child-like appetite for what-next, and joy at the game of living.

Father, make us ever mindful, that we are as old as our doubt, as young as our faith; as old as our fear, as young as our self-confidence, as old as our despair and as young as our hope.

THE TRUE AMERICAN RECORD IN VIETNAM

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. WYMAN. Mr. Speaker, one of the most despicable and ill-deserved charges against our men in Vietnam has been that of indifference to human misery. They are real Americans, and like most Americans, they seek to help alleviate suffering by young and old, as well as to maintain the freedom of choice that is the essence of the American way.

Sp5c. Jay S. Marion of Manchester, N.H., and his work for Vietnamese orphans is a good case in point. We are proud of Jay Marion and in the same sense of accomplishment for America that Jay feels for his wards, I include in the RECORD at this point the recent account in the Manchester, N.H., Union-Leader, of Jay's splendid work:

QUEEN CITYAN SEEKS HELP FOR VIETNAMESE ORPHANS

A Manchester Vietnam Army veteran, still stationed there, is calling upon his fellow Granite Staters to help him help ease the troubles of children in an orphanage in Phu Bai.

Specialist Five Jay S. Marion, son of Mr. and Mrs. O. M. Marion of RFD 1, Manchester, has taken a considerable amount of interest in an orphanage run by two Catholic nuns, and is seeking help to aid the children in the war-torn country.

The orphanage, An-Khali, cares for 70 children ages two to seven and is located near the 101st Airborne Division's base camp in Phu Bai.

According to SP5 Marion, clothing is the No. 1 problem, especially with the winter months fast approaching. "Toys aren't a necessity," he writes, "but any sent would be better than the bottle caps, sticks, stones and rubbish piles that they play in now."

Deeply touched with their problems, SP5 Marion confessed he would like to take all the youngsters home with him but realizes it would be an impossibility.

In an effort to help a little, SP5 Marion has taken it upon himself to act as a clearinghouse for any articles Granite Staters are able to send for the children.

Items may be sent to SP5 Marion at his address: C Troop, 2/17 Cav., 101st Airborne Div. (Ambl), APO San Francisco, 96383.

THE 197TH INFANTRY BRIGADE

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. BRINKLEY. Mr. Speaker, I share with my colleagues the following letter which the Honorable Howard H. "Bo" Callaway, a former Member of this body and now a civilian aide to the Secretary of the Army, has called to my attention concerning the 197th Infantry Brigade at Fort Benning, Ga. This brigade is, indeed, outstanding and is well on its way to becoming an all volunteer unit. It is commanded by Col. Willard Latham and his leadership is best shown by his recent selection to become chief of staff at Fort Benning in January of 1972.

The letter follows:

ARLINGTON, VA.,
November 16, 1971.

Col. WILLARD LATHAM,
Commander, 197th Infantry Brigade,
Fort Benning, Ga.

DEAR WILL: It has been an honor for me to revisit your Brigade just before you relinquish Command after 22 months of a very high order of commandership. Your Brigade was one of the seven initial units given permission to do "Unit of Choice" recruiting. You and your Brigade went into this program promptly, wholeheartedly and with great energy and imagination. Your Brigade has enlisted about 1550 men for your unit. The first group of these men has returned to your Brigade for Advanced Individual Training. They will be a credit to you and your Brigade. Your record adds great credibility to your statement that your Brigade can be an all-volunteer unit by the Summer of 1972.

Not only have you set the stage for a great accomplishment in the effective command and training of a very large Brigade during this transition period, but you have had a great and beneficial effect on raising the Public Image of the Army in the area in which you have recruited. Your efforts in the field of community relations have paid off handsomely.

I am sure the Army is proud of your accomplishments as Commanding Officer of the 197th Infantry Brigade. I am proud of you and your unit. I shall watch your progress to higher responsibilities with a great deal of interest. Best wishes to you and yours.

Sincerely,

BRUCE C. CLARKE,
General, U.S. Army, Retired.

THE DUFF'S OF QUICKSAND CREEK

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. MAZZOLI. Mr. Speaker, I would like to direct the attention of my colleagues of the achievements of a remarkable Kentucky couple, Lionel and Frankie Duff, who for 28 years kept bright the lamp of learning in a remote Appalachian hollow in Knott County.

In a three-room brown schoolhouse, hard by the banks of the Middle Fork of Quicksand Creek, these dedicated teachers, graduates of the University of Kentucky, have spent not only their time but money from their own pockets to keep the school at Decoy going.

Their efforts have not been without reward, and Lionel Duff's words best describe that reward:

I wanted to show people it could be done, to show people that kids from the hills and hollows could go to school and learn and then go into the world and take their places in society . . . It's been proven.

Reporter Leah Larkin has written an interesting story about the Duffs, which appeared in the Louisville Courier-Journal on November 11, 1971. I include this story in the RECORD.

THE DUFF'S: THEY NURTURE LEARNING IN THE MOUNTAINS

(By Leah Larkin)

Back up in the mountains of Knott County, many miles of crumbling dirt and gravel road away from the cities, past a few blackened mining companies, a couple of burning slag heaps and acres and acres of hills and valleys covered with trees, is a three-room brown, wooden schoolhouse.

It's on the Middle Fork of Quicksand Creek in Eastern Kentucky in a place called Decoy. Along with a post office, a church, a community center and two country stores, the school serves 28 families, about 165 people, who live higher up in the mountains above Quicksand's Middle Fork.

The school, and those who run it, make Decoy a bit different from other Appalachian communities.

Twenty-eight years ago Lionel and Frankie Duff began teaching at the little school in Decoy. Together they have taught the eight grades in the old wooden structure. They have done more than just teach. Through the years, they have spent nearly $12,000 of their own money to improve the school. They have helped get a community center for Decoy and contributed about $15,000 to the cost of the building. The Duffs don't boast about their contributions. They have to be pressed to reveal actual figures. Their efforts have brought national, even international, recognition to this remote area in Kentucky's mountains. And their devotion and concern have probably changed the future for some of Decoy's children.

"I grew up here. I realized the problems of the kids. I wanted the kids to be able to go on to high school. I knew they needed us. We got involved and couldn't quit," said Mrs. Duff who was born in Decoy 57 years ago.

Her father worked for the logging company which built the school in 1927. She remembers going to school in the building just after it was built. And she feels a kinship with the people of Decoy.

"Almost all of these children are my relatives," she says as she looks around at some of the 45 children who attend the school. She talks about them, their parents, whom their parents married, and how that makes them distant cousins of hers.

Her husband, too, is intrigued with genealogy and he shows the chart he made, a genealogy tree of Decoy families. "Some of the children here are eighth generation," Duff said. "We've traced most of them back to the Revolution." The chart hangs in one of the classrooms surrounded by old school pictures. Children can look at it, trace their family branch, and see how they are related to one another.

Duff, a native of Hazard, retired last year after teaching in Decoy for 28 years. He is now executive director of the Hindman Settlement School, an hour's drive from Decoy, and he continues to share his wife's dedication to education and Appalachian children.

"I wanted to show people it could be done, to show people that kids from the hills and hollows could go to school and learn and then go into the world and take their places in society," Duff said. He's proud of their success. "It's been proven. We have kids from here who have been successful all over the country." He mentioned some of them: The boy working in Los Angeles as a geologist; the boy in Florida working with an electronics company; the two girls teaching in California; the boy with an aircraft company in Minnesota.

Now there are 14 children from Decoy attending high school—some at the Hindman Settlement School and some at Breathitt County High in Jackson. Five from Decoy are now in college. That's an impressive record for a community isolated in Appalachia with a total population of 165. What the Duffs have done with the school in Decoy is equally impressive.

Because the Decoy school is so small compared to most, "We usually just got the bare necessities from the board of education," Mrs. Duff said. "Erasers, chalk, water buckets, dippers, brooms and coal."

It takes more than that to run a school. So the Duffs, both of whom have teacher's certificates from the University of Kentucky, used their money to buy library books, encyclopedias, art supplies, etc. They spent both time and money improving the school building. In the early '60s they put in bathrooms and a kitchen. They bought a stove and refrigerator for the school. When they realized that many of the children were coming to school on empty stomachs, they started buying food and preparing breakfast for them. Now they receive government funds for both school lunches and breakfasts.

They helped buy a new furnace for the school, paint the building, put up wall boards and build a basement. Members of the community have helped out with the labor. And in recent years they have been blessed with outside assistance. Various church and college groups from all over the country now come to Decoy for summer work camps. Many of the groups have acted as sponsors and provided funds to help the Duffs with their projects.

The Duffs credit the outside interest and attention on Decoy to folk dancing. According to Doug, the Duffs' son who is recreation director at the Hindman Settlement School, it all started one summer back in the '50s. His parents went to summer school and took a course in folk dancing. They liked it so much they made it part of the curriculum at Decoy.

"They (Mr. and Mrs. Duff) used the dancing to get the students out of the community," Doug said. Financing the trips themselves, the Duffs would take a group of students to dance festivals at Berea College and other area schools. Through the years their dancing improved. They were asked to perform at other festivals, and even on television. Decoy folk dancers have been on television in Lexington, Toledo and Huntington, Duff said. They have traveled in every direction, as far as Boston, Florida and Denver.

"It's important to get the kids out. It gives them confidence in themselves, getting out of this small community and meeting others," Duff said.

Not long after Decoy became known for folk dancing, the Duffs, who also have a daughter, Carol (Mrs. James Maynard), of Lexington, started receiving requests from groups who wanted to visit their school. The first group to come was the American Friends Service Committee from Philadelphia in 1968. They stayed eight weeks and helped put a new floor in the school, build the basement and construct the bridge across Middle Fork to the school.

That was just the beginning. Ever since, Decoy has been host to summer work camps. People from all over the country and 16 foreign countries have lent a hand—from putting a new roof on the building to teaching summer school. Next summer the Appalachian folklore class from the University of Buffalo will live and study at Decoy. In March a group from Williams College will come.

Perhaps the biggest contribution, both in money and labor, made by the work camps is Decoy's new community center. It's a large, modern, yet rustic building where the people of the community gather for dances and meetings. Work camp groups can live there. The Duffs are now living in a small apartment area in the building which was designed by an architecture student from the University of Kentucky.

While dancing brought recognition to Decoy and continues to do so, the children's art work will also receive wide attention. Drawings by Decoy students will be on exhibit in New York's Metropolitan Museum this January, in a contest and exhibit sponsored by Save the Children's Foundation, work by Decoy students was selected to represent children's art of Appalachia.

Neither Mr. nor Mrs. Duff has formal art training, yet the walls of the three schoolrooms are decorated with colorful, expressive drawings by the children.

And Mrs. Duff works with the girls, especially during the summers, teaching them to weave. They use the three looms in the community center and make beautiful skirts, some of which are used as dancing costumes, and rugs.

Since Mr. Duff is no longer teaching at the school, Mrs. Mary Combs, Mrs. Duff's first cousin, began teaching grades 5 through 8 at Decoy this year. Last year she taught eight children up on Laurel Fork at Elmrock. Now her husband drives her and the children from Elmrock down to Decoy every day.

And then he makes two more trips into the mountains, picking up other school children and driving them to Decoy. Until two years ago, all the children walked to school. For some the walk was several miles.

Mrs. Duff is a bit worried about the school during the winter months ahead. The road between Decoy and Elmrock isn't finished yet. She's afraid Mrs. Combs won't be able to make it to Decoy on bad days. They'll need another teacher.

Mrs. Duff herself intends to retire within the next year or two. She wants to move to Hindman where her husband and son are working.

Other teachers will come to the three-room, brown, wooden schoolhouse. But the people who live around Middle Fork of Quicksand Creek won't forget Lionel and Frankie Duff.

HAROLD WILSON'S PROPOSAL FOR PEACE IN ULSTER

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. BOLAND. Mr. Speaker, Harold Wilson, former Prime Minister of Great Britain, has suggested what appears to be the only solution to the civil tumult in Northern Ireland—unification of all Ireland under a single constitutional government.

It is hardly a unique proposal. Indeed, it has been made many times before by spokesmen of virtually every political stripe. But Mr. Wilson, after a trip throughout Ireland, is now convinced that this solution is the last dim hope for ending the bloodshed. He proposed that a convention of delegates from Eire, Ulster, and Westminster begin framing plans now for a United Ireland—plans that would take effect 15 years hence under a new constitution.

Mr. Wilson's speech was greeted soberly in Parliament. Even England's Tories, traditional foes of a united Ireland, did not protest.

Mr. Speaker, Alfred Friendly, distinguished correspondent for the Washington Post and now based in London, discuss Mr. Wilson's proposal and its implications in his column of November 27, 1971. Mr. Friendly has written perceptively and objectively on several occasions on the agonizing atmosphere of Northern Ireland. I include his article in the RECORD:

UNITED IRELAND A SOLUTION

(By Alfred Friendly)

LONDON.—Winston Churchill was more than usually grumpy. It was not so much that an ungrateful electorate had voted him out of office two years before, but that his doctors had forbidden him cigars. He was complaining to a luncheon guest:

"This island is beset by a tribe of neurotic philosophers"—he meant the Labor government whose ministers he termed, invariably and with bitter contempt, "those socialists"—"who wake up each day thinking what there is that is England's to give away and each day by regretting what they have done."

Churchill missed the point, a point more easily appreciated today, with almost 25 years of hindsight. Britain did not "give away" India, and later almost every other possession, as a charitable gesture, but because it could not hold them any longer. Whatever they might have been in the beginning, in the end not even the white colonies were "England's" to be given away.

It was just that once Britain could no longer support a massive, locally invincible world-wide military force, they could not be kept.

The point was clear enough to see this week with Rhodesia. Britain has concurred in its independence not because Ian Smith came to Britain's terms but because Britain came to terms with its own capabilities. Rhodesia could be held, as "England's" only by military force, if it ever came to the crunch. Britain has no clout for such a crunch, and the end was inevitable.

All of which is prelude to the speculation that probably also Ulster is not any more "England's" either to give away as a gift or to hold on to. The reason is not exactly a lack of bare military strength, but the futility of expending that military strength forever to keep a sort of peace in an area where one side is determined to fight on and on, sometimes passively, sometimes actively, until its goal is won.

However ridiculously anachronistic today, when transportation and communications render foolish the old ideas about where borders must be, there remains an overpowering nationalist mystique about islands. It holds that they must in their entirety have a single government. There is no good reason for this but it is so (Hispaniola being an exception). Try telling his Beatitude Archbishop Makarios to give a chunk of Cyprus to the Turks, or Generalissimo Chiang Kai Shek to split Formosa between the Chinese and Taiwanese.

There is no good reason why a million Protestants, largely of Scottish descent and British loyalty, should become part of the Republic of Ireland because 3 million Catholics there, plus the half-million in Ulster of different tribal ancestry, want the six counties of the North united with the 26 of the South.

Yet, as the Ulster crisis wears on, it is beginning to look as if that is the only possible final outcome. A measure of just how far that not very equitable conclusion has come to be recognized was former Prime Minister Harold Wilson's speech to Parliament Thursday, on his return from an intensive inquiry in both the North and South of Ireland.

His proposal, startling yet sober, ingenious yet careful, was for a commission of representatives from the Parliaments of Ulster, Eire and Westminster to draw up plans for a unification of the North with the South to take place 15 years hence, under a new constitution.

There was no outraged scream from the Conservative side of the house, no waving of the bloody shirt, when Wilson concluded. On the contrary, even the Tories, beginning with the minister of state for defense, seemed to take the proposition not only seriously but also approvingly.

The prime minister of Eire saw "problems" (meaning Wilson's proposal that the unified country should then return to the Commonwealth and pledge loyalty to the Queen), and the prime minister of Ulster declared, whether ritually or substantively, that there could be no unification "as far as the political eye can see."

Yet the consensus here is that Wilson may have made the most fruitful and statesmanlike proposal since he lost office 18 months ago. His speech may be the takeoff point of a policy that will end a decade or two from now with Britain "giving away" another province.

For it looks, more and more, that a united Ireland may be the only solution for permanent peace in bloody Ulster. It will be unfair, but so many peace settlements are and have been. It will be a victory of emotional, passionate, romantic nationalism over the principle of rational and equitable sharing of democratic power. It will be a validation of the unreasonable notion that even for those who don't like harp music, there can be no partitions in Tara's halls.

HEROIN: THE FRENCH CONNECTION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. RANGEL. Mr. Speaker, revelation has followed revelation on the degree of French governmental complicity in the heroin traffic that begins in Turkey, moves to France and ends up in the United States.

Roger Barberot, a former French ambassador, has admitted that French counterespionage agents have been smuggling narcotics into our country, narcotics that find their way into the bloodstream of our young people and our servicemen.

Herbert J. Stern, the U.S. attorney in Newark, has charged the French Government with an unwillingness to prosecute Paul Fournier, also known as Paul Ferrer, of the French secret service—SDECE. Fournier was named as a key man in the dope ring linked to the unsuccessful attempt to smuggle $12 million worth of pure heroin into this country in April. Confessed heroin smuggler Roger De Louette has stated that he was given the name of a French consular officer to contact in case he ran into any difficulties while trafficking in heroin.

Mr. Speaker, we have not heard the last of this matter. The people of the United States are tired of protocol taking precedence over the health and well-being of our citizens. They are sick of reading how Bureau of Narcotics and Dangerous Drugs agents are being silenced for speaking the truth.

We in Congress, with the support of the American people, must tell France that we have had enough flimflammery and deception. We demand action.

Mr. Speaker, I include the following material:

[From the New York Daily News, Nov. 17, 1971]

ADMITS DOPE PLOT AND TELLS OF HIS FRENCH CONNECTION

(By Alex Michelini)

Swearing repeatedly that he was confessing "without force, threats or promises," former French intelligence agent Roger DeLouette pleaded guilty in Newark yesterday to charges of conspiring with a high-ranking French Government counterspy to smuggle $12 million worth of pure heroin into the United States.

In the process, the tall, dark-haired defendant branded a member of the French Consulate in New York City as his alleged "contact" in the plot and implied that French police who questioned him here following his arrest scolded him for spilling the secrets of the alleged dope conspiracy.

And in a series of letters to French authorities revealed in court for the first time, U.S. Attorney Herbert J. Stern hinted that the French government was attempting to cover up the conspiracy by throwing legal roadblocks into the way of a French investigation of the case.

APPEARS IN COURT

Accompanied by an attractive, blonde French interpreter in Newark Federal Court, DeLouette 48, a college-educated former agent for the Service of Extended Documentation and Counter Espionage, the French equivalent of the Central Intelligence Agency, swore that he plotted with his former spy boss, Col. Paul Fournier, a supervisor of the counter-espionage agency, to smuggle the heroin into Port Elizabeth, N. J., last April 5.

"Do you understand that you have been charged in count one with conspiring with Paul Fournier and others to import and bring into the U.S. 96 pounds of heroin?" Judge Frederick B. Lacey asked.

"Oui," Delouette replied softly.

"And are you, in fact, guilty of this charge?"

Again, Delouette said, "Oui."

DENIES GUN THREATS

DeLouette, a father of six, and a former agriculture engineer, answered, "no" when asked if his plea resulted from any force, threats, or promises of freedom. And he replied "no," when Lacey asked, "Has there been an understanding with you or an understanding as to the sentence that I or some other judge might impose?"

He stood with his hands folded in front of him as Lacey told him he could receive a term of five to 20 years in prison and a $20,000 fine on the guilty plea to the one count of the three count indictment. The defendant said repeatedly he understood the consequences.

At one point, Lacey read off the questions put to de Louette during the first of two lie detector tests last Sept. 21 in which de Louette talked about his "New York contact."

"Did Fournier give you a contact in the French Consulate in New York?" one question asked.

"Yes," he replied, the report of a lie test said.

ASKED ABOUT BOGUS MONEY

Another question asked, "Were you directed by Fournier to receive $17,000 in counterfeit U.S. currency," and again, the report said de Louette replied, "yes."

De Louette's attorney said he would move at some future date for the dismissal of the two remaining counts of the indictment against de Louette. In the meantime, Lacey deferred sentencing of de Louette pending a mandatory probation report, and sent him back to the Somerset County Jail in Somerville. Bail of $500,000 was continued.

[From the New York Daily News, Nov. 17, 1971]

DOPE SMUGGLING ROLE DENIED BY PARIS AGENT

(By Bernard Valery)

PARIS, November 16.—Col. Paul Fournier, the French secret service agent indicted by a New Jersey grand jury on heroin-smuggling charges, was questioned for five hours by a judge here today. He denied later that he had anything to do with the affair.

Fournier, a stocky, crewcut man of about 50, was spotted at the door of investigating magistrate Gabriel Roussel.

"I don't know what you are talking about," he told reporters. No details of the long hearing were released.

But several hours later, he told a newsman: "I have nothing to do with this affair. . . . This affair would be very serious if I were indicted by the French and not the American justice."

The grand jury charged yesterday that Fournier solicited Roger de Louette, a former subordinate, to smuggle $12 million worth of heroin into the United States. De Louette was arrested in April and implicated Fournier.

Most of the French press claims not to believe that Fournier is guilty. Most have accepted the official version that De Louette was employed for a short time by Fournier before being fired. When he was caught with heroin, the version goes, De Louette implicated Fournier out of spite.

[From the New York Daily News, Nov. 17, 1971]

STATE DEPARTMENT "SATISFIED" WITH FRENCH HELP

(By Frank Jackman)

WASHINGTON, November 16 (News Bureau).—The State Department said today that the United States was "satisfied" with the cooperation of French authorities in efforts to smash illegal drug traffic. Rep. Charles B. Rangel (D-N.Y.), however, blasted the French for doing little to crack down on heroin manufacturing and trafficking.

State Department spokesman Charles Bray was questioned about U.S. attitudes toward the French antinarcotics effort in light of the indictment by a federal grand jury in Newark, N.J., yesterday of a high-ranking French intelligence officer and one of his former agents. The two were accused of conspiring to smuggle $12 million worth of heroin into the U.S.

Bray said that the "close and continuing cooperation between . . . the two governments has been of great value to both." He said that U.S. Attorney Herbert Stern of Newark, went to Paris at one point during the investigation and received "invaluable assistance" from French officials.

But Rangel, in a letter sent to all members of the House, said that France "has a very long way to go before it can pat itself on the back for its fight against illicit trafficking in narcotics."

CALL IT PROPAGANDA

Rangel, a member of the House Crime Committee, claimed that the French Embassy here was conducting a propaganda campaign to try to convince the American people that France is successfully fighting the processing and smuggling of heroin.

"It is imperative that the American people not be lulled into a false sense of security," he said. "France is definitely not exerting itself to prevent the merchandising of heroin and its illicit transportation into the United States."

[From the New York Daily News, Nov. 19, 1971]

HE MISSED FRENCH CONNECTION

(By Alex Michelini)

Confessed heroin smuggler Roger De Louette said yesterday through his attorney that the name of a contact in the New York French consulate was given to him by high-ranking French counterspy Paul Fournier, an alleged kingpin of the dope ring, to use "if I ran into any problems."

But De Louette who conferred with his lawyer, Donald Robinson, in his New Jersey jail cell, said he never met nor got in touch with the contact because he was arrested before he could make a move.

CLAIMS DIPLOMATIC IMMUNITY

According to Robinson, De Louette said he was not told what role, if any, the consulate official actually played in the alleged conspiracy, only that he was to contact him if he got into trouble.

The consulate official, who twice refused to appear before a federal grand jury in Newark investigating the case, agreed to answer written questions submitted by U.S. Attorney Herbert J. Stern. The official had refused to answer the grand jury subpenas on the grounds of diplomatic immunity.

The written answers were turned over to Stern's office late yesterday.

The first mention of a consulate figure in the case came last Tuesday when De Louette pleaded guilty to charges of plotting to smuggle $12 million worth of pure heroin into Port Elizabeth, N.J., along with Fournier, a supervisor for the French Service of Extended Documentation and Counter Espionage.

TOOK LIE DETECTOR TEST

At the time, a report on a lie detector test administered to De Louette, which he passed, showed that he answered "yes" to a question about whether Fournier had given him a contact in the New York French consulate.

De Louette, a former intelligence agent working under Fournier, is being held in $500,000 bail in the Somerset County jail in Somerville.

[From the Washington Post, Nov. 20, 1971]

EX-FRENCH AIDE BACKS DOPE CASE

(By Morton Mintz)

A former French ambassador said yesterday that American charges that French counter-espionage agents smuggled narcotics into the United States were justified.

Roger Barberot, former French ambassa-

dor to Uruguay, made the charge in an interview on Radio Luxembourg that was reported by Reuter, the British-based news agency.

Barberot spoke four days after a federal grand jury in Newark, N.J., indicted Col. Paul Fournier, an official of the French counter-espionage agency known as SDECE, and Roger X. L. DeLouette, his former subordinate and accuser, for conspiring to smuggle heroin valued at $12 million into this country.

Without dealing specifically with Fournier, whose true name was given by Barberot as Paul Ferrer, the former diplomat said, "I am convinced—you will be told officially later—that the operation was organized by a number of SDECE agents in Paris."

Barberot is now director of an agricultural development office in Paris in which, he said, DeLouette worked from 1968 until he was dismissed in 1970.

"I think that he was recruited by the SDECE in 1970," Barberot said.

On Tuesday, pleading guilty in District Court in Newark, DeLouette said Fournier solicited him in the same year for the heroin smuggling conspiracy, which was frustrated last April by a customs inspector at Port Elizabeth, N.J. She found the heroin—96 pounds of the pure form—concealed in a Volkswagen camper.

DeLouette, arrested when he came to pick up the VW, told Judge Frederick B. Lacey—and had said earlier in polygraph tests which his own attorney and U.S. Attorney Herbert J. Stern said he passed—that Fournier masterminded the operation.

Fournier, on Thursday, challenged Stern to prove him guilty; Stern responded that, if innocent, he should be willing to come to the United States to stand trial.

Stern has protested that Paris authorities have shown much less interest in prosecuting Fournier, than in extraditing and prosecuting DeLouette, who now faces a mandatory prison sentence of five to 20 years here.

The prosecutor has said, however, that he may seek to have Fournier extradited if he will not stand trial here, or if the French do not prosecute him.

In the interview with Radio Luxembourg, Barberot suggested that DeLouette's arrest resulted from a "major purge" in the SDECE, which wanted "to do away with a murky past."

He also said that Fournier is a former sergeant in the French Air Force.

Reuter said the Investigating Magistrate Gabriel Roussel in Paris ordered seizure of the interview tape.

[From the Washington Post, Nov. 21, 1971]

HEROIN SMUGGLER'S STORY—PROBING THE ANATOMY OF A "FRENCH CONNECTION"

(By Morton Mintz)

Last Dec. 15, according to the U.S. government, Col. Paul Fournier, a supervisory agent in the French counterpart of the CIA, recruited Roger X. L. DeLouette, 48, who holds the Croix de Guerre for his service in World War II, for an unusual mission: to smuggle heroin into the United States.

DeLouette, who had been dismissed some months earlier by another French government agency believed to be an espionage front, the Bureau for Agricultural Development, and who is the father of four sons and two daughters, agreed.

Here is the sequence of events that followed, according to U.S. government sources and DeLouette:

Fournier, whose agency is known as SDECE (Service de Documentation Exterioure et de Contre-Espionage), and who has an office in Paris in Les Invalides, arranged for DeLouette to meet someone the government calls "John Doe."

Meeting, as instructed, the next day at the Paris Cafe in Paris, DeLouette made an agreement to smuggle 96 pounds of pure heroin, with an estimated "street corner" value of $12 million, into the United States. For his services, "John Doe" told him, he would get $1,200 per kilogram, or $50,000.

At the same meeting, the unidentified man instructed DeLouette to obtain a visa for entry into the United States, to buy a Volkswagen camper, in which the heroin would be hidden, and to arrange for shipping the camper to this country.

A secondary preliminary meeting, also set up by Fournier, was held at the King Cafe in Paris in mid-February. This time, "John Doe" gave DeLouette the equivalent of $5,500 in French currency for the purchase of the VW and other expenses associated with his mission.

DeLouette bought the camper from the Garage Michel-Ange, V.W., in Paris on Feb. 25. To avoid the French sales tax, he paid for it with a check for 14,079 Swiss francs drawn on the Credit Suisse in Geneva, where he has account No. 195–715.

The next day, DeLouette went to Geneva to deposit enough to cover it.

On March 15, Fournier got in touch once more with DeLouette. He told him to drive the VW to Pontchartrain, about 25 miles from Paris, and there, the next day, meet another unidentified man—"Robert Roe" to the U.S. government—who would be driving a green Simca and who would give him the 96 pounds of heroin.

DeLouette did this, and he and "Robert Roe" hid the narcotic in wall panels and under the floorboards of the VW.

The day after, DeLouette drove the VW to LeHavre, where he consigned the camper to Pacific Intermountain Express for shipment to Port Elizabeth, N.J. On March 18, he told Fournier the details of the shipment, including the date of arrival in this country and the name of the hotel in New York City in which he planned to stay, the Park-Sheraton.

On April 3, Fourier told DeLouette to fly to New York. He did so the following day, on TWA Flight 803, and went to the Sheraton.

At Port Elizabeth, meanwhile, a Bureau of Customs inspector, Lynn Pelletier, 21, who had been on the job only a couple of months, was spot-checking imported vehicles. She discovered the heroin in the VW.

When DeLouette went to Port Elizabeth on April 5 to claim the VW, he was arrested.

By then a major investigation was underway—by the Bureau of Narcotics and Dangerous Drugs of the Justice Department, the Bureau of Customs and the U.S. attorney in Newark, Herbert J. Stern.

Almost at once, DeLouette was questioned by American authorities together with a French policeman, Commissaire Daniel Hartwig.

DeLouette's final instruction from Fournier, which was aborted by the arrest, had been to drive the VW to the Park-Sheraton and await an unidentified contact, who would take the heroin and pay him the $50,000 delivery fee.

In Paris on April 6, the day after the arrest, the Central Office for the Suppression of Illicit Drug Trafficking entrusted an official inquiry to Investigating Magistrate Gabriel Roussel.

A week later, in a letter to prosecutor Stern, Roussel said that under French law he could not proceed against Fournier without a statement from DeLouette.

Later Stern obtained permission from District Judge Lawrence Whipple to appoint an official of the Bureau of Narcotics to ask the questions of DeLouette that Roussel wanted asked—and to ask them in the presence of a French narcotics policeman, Claude Shaminadas, who is assigned to the French consulate in New York.

DeLouette's court-appointed attorney, Donald A. Robinson of Newark, balked. He wanted assurances that DeLouette's answers (and testimony he gave in the meantime to the grand jury) would not be used against him in France.

Without such protection from self-incrimination, which in the United States is guaranteed by the Fifth Amendment to the Constitution, he would not let DeLouette answer Roussel's questions.

To resolve the dilemma, Stern said, Honare Gevaudan, assistant director of the Police Judiciare in Paris, suggested that Stern request Roussel to immunize DeLouette from prosecution in France.

Stern made the request in a letter in which he said that immunizing DeLouette would enable the French "to proceed against the 'high-ups' in a criminal organization which is operating between our two countries."

Roussel has never told Stern whether he will grant immunity. As late as Friday, however, French government spokesmen were insisting that Roussel lacked power to immunize DeLouette. The prosecutor's office disputes this, not only because the idea had a French source, Gevaudan, but also because of special provisions in a French-American agreement on fighting narcotics trafficking.

Another effort to mesh the legal systems of the two countries was made in Washington on Sept. 14, at a meeting attended by Stern and assistant; Donald W. Merkelbach; Bureau of Narcotics officials; Gevaudan and Michel Nocquet, also of the Police Judiciare, and Shaminadas, the consulate narcotics policeman.

Recounting the meeting in letters to Roussel and Max Fernet of the French Criminal Police in Paris, Stern said the French participants made it clear they believe DeLouette was lying about Fournier.

Accordingly, Stern said he proposed a lie detector test, with the understanding that if DeLouette should refuse to take it or should fail, he would prosecute him and recommend the maximum sentence for conspiring to import narcotics, 20 years.

On the other hand, Stern said in the letters, the French agreed that if DeLouette took the test and passed, they would "proceed with an appropriate prosecution" of Fournier.

Privately, Shaminadas bet Stern a meal in a French restaurant that DeLouette wouldn't take the test—but he did, on Sept. 21, with the Justice Department administering it. "The results of the test were positive indicating that DeLouette was telling the truth," Stern told Fernet.

One of the questions was, "Did Fournier give you a contact in the French consulate in New York?" DeLouette's answer was yes. The person he named—not Shaminadas—is a middle-level official. Stern has submitted written questions to this official that are supposed to be answered Monday.

Later, on Oct. 4, DeLouette took a second polygraph test to answer questions submitted by Shaminadas, who was present. The machine indicated that DeLouette was untruthful only when he denied he had told a certain friend of the heroin smuggling.

Nine days later, Stern sent Fernet, the police official in Paris, a copy of the polygraph examination, which, he said, "indicates to me beyond any doubt that Mr. DeLouette is telling the truth concerning the involvement of Col. Fournier." Stern has never had a reply from Fernet.

The same day, although French police had interviewed DeLouette as far back as April 5, Magistrate Roussel wrote Stern to ask for additional information in order to "identify" DeLouette.

Stern, who by then had turned over all of the evidence in his possession to the French, sent along photos and fingerprints.

But, obviously seeing stalling tactics in all of this, the prosecutor told Roussel—in a letter hand-delivered in Paris on Nov. 5—that his "primary emphasis" seems to be on arresting and extraditing and prosecuting Fournier. And, he said, if Roussel did not act, the grand jury would.

Last Monday, the grand jury indicted Fournier and DeLouette. The next morning DeLouette pleaded guilty.

For two hours, Judge Frederick B. Lacey reviewed with DeLouette every detail of the conspiracy charge, as given earlier in this article.

Judge Lacey ended by saying he was satisfied that the guilty plea was factually based, uncoerced and made in awareness that it carried a mandatory sentence of at least five years. DeLouette, unable to put up $500,000 bond, is in custody awaiting sentencing.

In France, official sources issued a series of denunciations of DeLouette and Stern and defenses—echoed by the American embassy—of the vigor with which the two countries fight the narcotics traffic.

There was no sign at all of a possible prosecution of Fournier, who, Stern told police official Max Fernet, had been cleared by a four-day "investigation."

Instead, in a statement authorized by Defense Minister Michel Debre, Fournier challenged Stern to prove him guilty. Stern replied that Fournier, if innocent, should be willing to come here to stand trial.

In the midst of all of this, it became known that the European chief for the Bureau of Narcotics, John Cusack, who had publicly hinted in August that official complicity underlies France's role as the source of the vast majority of heroin reaching the United States, was being transferred to the United States. The bureau said this was a normal rotation.

On Friday, Roger Barberot, head of the Bureau for Agricultural Development, where DeLouette once worked, said in an interview, on Radio Luxembourg in Paris, that agents of Fournier's SDECE had organized illegal traffic in narcotics, currencies and jewels. The true name of Fournier, a former master sergeant in the French Air Force, was Paul Ferrer, he said. Magistrate Roussel ordered the tape of the interview seized.

[From the New York Sunday News, Nov. 21, 1971]

DEBRE: HEROIN STORY SEEMS A PIPE DREAM

PARIS, November 20.—Defense Minister Michel Debre said today that Roger de Louette, who is facing sentencing in Newark, N.J., on drug-smuggling charges, made "grave accusations" against a French secret service agent in order to get his sentence reduced.

Debre, who oversees the secret service agency, said the charges that the agent. Col. Paul Fournier, conspired with deLouette in the smuggling operation came from a man with an imagination like a "serialized novel."

Without naming de Louette, Debre said in a statement to the government radio network, "The occasion of which people currently speak was provided by the arrest of a former and occasional employe of the service, who seems to have sunk in recent months into deplorable operations.

"To diminish the sentence which awaits him, the accused made grave accusations. His imagination quickly constructed a serialized novel. The guilty one will be judged and his accomplices brought to justice."

De Louette, who admitted trying to smuggle 96 pounds of heroin, worth $12 million street value, into the U.S. at Port Elizabeth, N.J., earlier this year, told New Jersey authorities that Fournier had masterminded the plan. Fournier was in New York at the time of de Louette's arrest last April.

De Louette pleaded guilty to the charges last Tuesday. He faces a prison term of five to 20 years. Fournier, who is now in Paris, has denied any part in the conspiracy.

[From the Washington Post, Nov. 22, 1971]

FRENCH ASK DRUG CASE STATEMENT

PARIS, November 21.—The judge investigating the French side of a French-American heroin smuggling scandal involving members of the French secret service reportedly wrote to U.S. attorney Herbert Stern today offering to exchange statements by the accused men.

Authoritative French sources said judge Gabriel Roussel told Stern that he would send him the declarations of Col. Paul Fournier, alias Paul Ferrer, of the French Secret Service (SDECE) in exchange for those made to American authorities by alleged former agent Roger DeLouette, arrested last April and indicted last Tuesday by a Newark, N.J. grand jury on heroin smuggling charges.

Both Stern and DeLouette's lawyer have refused to let French police question Ds Louette unless he were granted immunity from prosecution.

The grand jury also indicted Fournier, in his absence, on the smuggling charges after DeLouette had told U.S. police that Fournier had masterminded the operation, involving heroin worth $12 million.

Judge Roussel questioned Fournier for five hours last Tuesday, and the secret service official maintained afterward that DeLouette's charges were false.

Defense Minister Michel Debre, whose ministry has jurisdiction over the SDECE, said Saturday that the government supported the service.

[From the Washington Post, Nov. 23, 1971]

EX-AGENT ATTACKS FRENCH SPYING UNIT

(By James Goldsborough)

PARIS, Nov. 22.—The French counter-espionage service (SDECE), already under fire for its possible involvement in a $12 million Franco-American drug scandal, was attacked today by one of its former ranking officials.

Col. Pierre Beaumont, who was recently dismissed as head of the service's investigations section, asserted that the intelligence organization was infested with clans conniving against one another.

"So long as this situation exists," Beaumont told a news conference, "the service will be worthless."

Today's charge coincided with the publication in the newspaper France-Soir of an interview with Herbert J. Stern, U.S. attorney in New Jersey, who urged French authorities to cooperate in the current drug investigation.

Stern reaffirmed his contention that certain SDECE officials were behind the attempt by a former French intelligence agent to smuggle 96 pounds of heroin into the United States last April. The former agent, Roger DeLouette, is currently held in a New Jersey jail.

Col. Roger Barberot, former French ambassador to Uruguay, last week charged the intelligence organization with complicity in the drug case. He also accused Beaumont of "high treason."

Beaumont, who was fired along with several other French intelligence officials on suspicion of being double agents, said today he plans to sue Barberot for 1 million francs.

Both Beaumont and Barberot, however, agreed that the service's troubles stem from a massive housecleaning of the agency carried out under its new chief, Alexander de Marenches, who was handpicked for the job by President Georges Pompidou.

Charges by former officials as well as the drug scandal are getting increased public attention here. The intelligence organization has denied any connection with the drug case.

But Stern said in his interview today he had proof that Col. Paul Fournier, who took over Beaumont's job, was connected with the drug smuggling case. Stern said Fournier's real name is Paul Ferrer and said he would ask for his extradition.

Stern suggested that other SDECE agents may be involved but that Delouette has refused to cooperate with the investigation in an effort to protect them.

Barberot speculated that the drug scandal was engineered by disgruntled French intelligence officers who "clumsily" planted heroin in a Volkswagen camper in the belief that Delouette would be caught.

PARIS PRESSED TO ACT ON ALLEGED DRUG PLOT

A federal prosecutor yesterday pressed Paris authorities to proceed against Col. Paul Fournier, the French counter-espionage official accused by a former subordinate of masterminding a conspiracy to smuggle $12 million worth of heroin into the United States in a Volkswagen camper.

In a letter to Investigating Magistrate Gabriel Roussel in Paris, U.S. Attorney Herbert J. Stern in Newark, N.J., said that he was forwarding the transcript of the extraordinary arraignment proceedings in which a guilty plea was entered by Roger X. L. DeLouette, Fournier's accuser and former agent in the counter-espionage service known as SDECE.

At the two-hour proceedings, Judge Frederick B. Lacey questioned DeLouette for almost two hours to establish to his satisfaction that, among other things, DeLouette's charges against Fournier were valid.

The arraignment was last Tuesday, a day after a grand jury indicted DeLouette and Fournier.

As of the close of business Friday, when Stern mailed the letter to Roussel, no French official had come to the courthouse to get a copy of the transcript. The transcript included details of a polygraph (lie detector) test the Justice Department gave DeLouette Sept. 21 and documentary evidence supplied by Stern's top aide, Jonathan L. Goldstein.

DeLouette, who is held in $500,000 bond, is awaiting sentencing. He faces a mandatory prison term of 5 to 10 years.

Stern sent the magistrate, who has been in charge of the case in Paris since April, another key document: the statement DeLouette made to a French policeman, Commaissaire Daniel Hartwig, after a Customs inspector spotted the heroin in the VW, leading to DeLouette's arrest at Port Elizabeth, N.J., April 5.

The transcript and the arrest record together "surely set forth sufficient details to proceed forthwith with the prosecution of Col. Fournier," Stern told Roussel.

JAILED AGENT'S WIFE QUESTIONED BY JUDGE

PARIS, November 22.—Christian DeLouette, wife of a former French secret service agent indicted in the United States on charges of drug trafficking, was questioned for more than an hour today by a French judge.

But no details were disclosed of the 80-minute interrogation by Judge Gabriel Roussel who is handling the French end of investigations about American accusations that a French espionage services chief led a multi-million dollar conspiracy to smuggle heroin into the United States.

Roger DeLouette, 48, was arrested in Newark, N.J. in April after a woman customs officer found 96 pounds of heroin in a car on a ship at Port Elizabeth, N.J. Mrs. DeLouette made no comment today. She has been separated from her husband for five years but met him regularly when he visited France, court sources said.

The sources said Roussel was also expected to question DeLouette's former mistress, 22-year-old Marie-Jose Robert, arrested earlier this year after police found $17,400 in counterfeit currency in her Paris home.

XUM

BLUE RIDGE FLUSHPOT

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. MIZELL. Mr. Speaker, my colleagues know that I have spoken many times on the impending threat to the economic and environmental well-being of thousands of my constituents—the threat posed by the scheduled construction of the massive Blue Ridge power project.

I have cited articles from the Winston-Salem Journal, the New York Times and other newspapers dealing with this critical situation; I have played a part in insuring the independent participation of the Environmental Protection Agency in this case; I have filed a formal statement of my own views in this matter with the Federal Power Commission.

Today I am urging my colleagues to pay particular attention to an editorial on this subject which appeared in the November 15 issue of the Greensboro, N.C., Daily News. My colleagues would be well advised to heed the warning proposed in the last two paragraphs of that editorial, which state:

"The Department of Interior appears to be saying that for the time being at least pollution dilution shall be a substitute for adequate treatment at the source, whether it is industrial or municipal or whatever. Environmentalists, however, insist that much of the technology for at-the-scene treatment is now available and the technology to treat the most resistant pollutants will be available before the Blue Ridge project is completed.

We are unqualified to judge the dispute over the availability of the necessary treatment processes. But if the FPC gives Blue Ridge the go-ahead for the expanded project it will be setting a precedent with implications that polluters can easily grasp. The long-range effect will be a slowdown of pollution abatement in the United States."

This is a timely and reasonable warning, and one which I hope my colleagues will give serious and immediate consideration.

At this time, I include the full text of the editorial in the RECORD:

BLUE RIDGE FLUSHPOT

The Federal Power Commission concluded hearings on the Appalachian Power Company's proposed Blue Ridge power project November 11. The agency's decision, when it comes, should provide some clues as to how serious the federal government is about controlling water pollution.

More immediately, the decision could affect the lives of several thousand people in northwestern North Carolina, not to mention the ecology of the region. The project would dispossess 5,000 in Alleghany and Ashe counties and in Grayson County, Virginia. It would also flood the best valley land in those counties—about 40,000 acres altogether. At periods of maximum draw-down, the shoreline would fluctuate widely. Opponents of the project claim that would expose such vast expanses of unsightly, foul-smelling mudflats as to make the lake unfit for boating and fishing and would drive tourists away. (The people supporting the project have emphasized its potential as a tourist attraction.)

At issue here is whether the government should control pollution at the source or allow industrial polluters to use relatively clean waterways to flush dirty water hundreds of miles downstream to be diluted in huge reservoirs. Appalachian Power is asking for licenses to build two reservoirs on the New River. But the reservoir on the North Carolina-Virginia border would be the main flushpot for the chemical industry complex at Charleston, W. Va., 250 miles upstream.

In the beginning, the power company's proposal was a modest one that might have benefitted the three counties economically. The original plan, submitted in 1965, involved flooding only 19,000 acres and no storage for flushing pollution. There was no demand or need for the power locally and it was to be fed into the company's distant grid system which ties American Electric Power Company of New York. But residents of the three counties concerned did not oppose the original plan.

Former Secretary of the Interior Stewart Udall, a Democrat, pressured the company into changing that plan. He argued it was necessary to double the size of the project and impound more water for flushing purposes. Mr. Udall has since recanted; he testified the other day that he was "misguided" and that "pollution dilution is crazy any way you look at it." But Interior under the Nixon administration still backs the flushpot idea on the ground that technology to clean up Charleston's industrial pollution at the source is not available and won't be "in the foreseeable future."

The power company, likewise, has changed its position and now favors the additional water storage. And the FPC's presiding examiner, William C. Levy, has approved a license for the enlarged project.

But there is opposition to the plan. Various state and national conservation groups, the North Carolina Farm Bureau, the Appalachian Regional Commission and the governments of the three counties concerned are against it. Mr. Udall himself is now opposed and so are the attorney generals of Virginia and West Virginia. Governor Robert Scott and Attorney General Robert Morgan are not opposing it for reasons best known to themselves.

Opponents of the project are basing their legal fight on a provision of the federal Water Pollution Control Act which says that while water quality storage may be considered in planning, any project requiring a federal license, "such storage and water releases shall not be provided as a substitute for adequate treatment or other methods of controlling waste and the source."

The Department of Interior appears to be saying that for the time being at least pollution dilution shall be a substitute for adequate treatment at the source, whether it is industrial or municipal or whatever. Environmentalists, however, insist, that much of the technology for at-the-source treatment is now available and the technology to treat the most resistant pollutants will be available before the Blue Ridge project is completed.

We are unqualified to judge the dispute over the availability of the necessary treatment processes. But if the FPC gives Blue Ridge the go-ahead for the expanded project it will be setting a precedent with implications that polluters can easily grasp. The long-range effect will be a slowdown of pollution abatement in the United States.

NOODLE PRIEST

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. CONTE. Mr. Speaker, it has been my privilege to have as my good friend for many years Msgr. John Romaniello. Until recently this remarkable man ministered to the needs of Chinese refugees in Hong Kong by feeding them high-protein noodles.

Now working for the Catholic Relief Service in New York, the famed and beloved "noodle priest" has recently become involved in the work of a black-run farm cooperative in the delta country of Mississippi. Having sent the project a noodle machine from Asia to help it provide high-quality nutrition for the area's children, he traveled to Mississippi this month to assist in setting up the machine for production.

A recent article in the Boston Sunday Globe focuses attention on this dedicated servant of God and on the OEO project in Mississippi. With much pride and respect for Father John, I commend the article to my colleagues:

TROUBLED FARM CO-OP PINS FUTURE ON NOODLE MACHINE

(By Herbert Black)

MOUND BAYOU, MISS.—A noodle machine that traveled from Hong Kong to Boston to here became a symbol of hope this weekend for a farm cooperative, run by black people, which is faced with losing Federal support.

The noodle machine was sent from Asia by Hong Kong's famed "noodle priest," Msgr. John Romaniello who fed high-protein noodles to thousands of refugees from China for 14 years.

Fr. Romaniello bustled into Mound Bayou last week to put the noodle machine back into operation and he stirred up more interest and activity than is usually experienced in a year.

The monsignor served as a catalyst to draw together people from the Far East, New York, Boston, Washington and elsewhere to locate a noodle machine in this tiny, dusty town in the Mississippi Delta.

The story begins with the Delta Health Center, established here by Tufts University School of Medicine five years ago. The doctors soon found they were prescribing food as medicine for black children of the area.

This led to establishment of a farm cooperative for blacks, run by blacks and supported by the U.S. Office of Economic Opportunity. The Ford Foundation helped provide land for growing vegetables. Tufts sponsored the cooperative and served as grant agent. The foundation holds title to 305 or 345 acres the farm uses.

Fr. Romaniello's work in Hong Kong was coming to an end when he learned of the farm cooperative from a friend, Davis Taylor, publisher of The Boston Globe. Taylor suggested protein-fortified noodles might help solve nutritional problems in the United States and recommended Mound Bayou as a place to start.

Fr. Romaniello, who works for the Catholic Relief Service in New York, sent a reconditioned noodle-making machine to Boston. It was shipped 18 months ago to Mound Bayou.

Even though the machine measures only six feet by two feet, considerable space is needed to store flour and other ingredients and to dry the noodles.

With the help of OEO a $20,000 noodle plant building was built of brick and metal. The machine was set up in the building last week and a test run was successful.

Now the OEO is phasing out the cooperative's Federal funds as of Dec. 31, after three years of helping to get it going.

Eric Taylor, director of the North Bolivar County Farm Cooperative, doesn't see how the program can continue without Federal support. He says capital is needed for another year or two until the co-op can become self-sustaining.

The noodle machine has become a symbol of hope for continuing the farm program. Fr. Romaniello's presence in the Delta has stirred up a lot of interest in the farm project.

There is hope the machine, while it won't make money for the project, might stimulate aid from outside.

Already, for example, F. Robert Melina, special projects director of the Lauhoff Grain Co. of Danville, Ill., has promised to donate the high-protein concentrate CSM for at least six months of noodle production. CSM is a mixture of cornmeal, soybeans, nonfat dry milk powder, vitamins and minerals to be added to the noodle flour.

Melina also is asking the Millers National Federation and other flour-producers sources for donations of flour.

Others are volunteering, too. Hubert A. Davis, business manager of Tufts Medical School, is trying to find funds for use after the OEO grant runs out. He has run the business side of the co-op under the grant.

G. Brenton Creelman, a Boston accountant who has been auditor for the program, came to Mound Bayou for the dedication of the noodle machine and to see what he could do to help.

Fr. Romaniello is asking his superiors at the Catholic Relief Services to let him make periodic visits to help keep the machine going. He already raised $2100 from Boston donors to buy flour.

Miss Patricia Bennett, a consultant for OEO, said she would report on the machine and the enthusiasm it has generated to Washington officials.

Despite all these offers, the 647 Mound Bayou families who belong to the co-op feel they are being abandoned.

They don't understand how the government can let them develop a farm helping to feed 3,235 people and then cut off the funds. The OEO explanation is that its Emergency Fund and Medical Program is ending nationally.

Fr. Ramaniello, who got free flour and CSM to feed refugees from China, has tried to get these supplies from the Federal government for Mound Bayou. He is concerned that the government doesn't appear to allot food for a project in this country.

Because the high-protein noodles would first be provided primarily to children, there is some hope that a project might be funded to study their effects on the health of children who ordinarily lack protein in their diet.

Protein deficiency is a serious problem in the Delta, despite the rich soil. Most of the land is devoted to cotton. The farm co-op's fresh vegetables are an effort to overcome this deficiency.

The noodle machine, it was emphasized by all connected with it, won't compete with local stores.

At least in the beginning, the noodles would be distributed to needy families with many children. Fr. Romaniello believes protein deficiency is related to slow mental development in small children.

CHOU EN-LAI HAS ADMITTED DELIBERATE SCHEME FOR OPIUM TRAFFIC AMONG U.S. TROOPS

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. FISHER. Mr. Speaker, in its issue of October 24 London's Sunday Telegraph reported that according to the biography of Egyptian President Nasser by Mohammed Heikel, Chou En-lai in his conversation with Nasser in 1965 told Egypt's late President that:

The Chinese Communist regime planted high-grade opium in Vietnam to demoralize American soldiers with drugs.

And that:

The effect which this demoralization is going to have on the U.S. will be far greater than anyone realizes.

From what actually transpired in Vietnam in subsequent years, it would appear this despicable scheme was employed as the Communists had planned, though not as successfully as they had hoped.

The article, "How Chou Fights America With Drugs," as it appeared in the Sunday Telegraph, will be included as a part of my remarks.

This serves to confirm the modus operandi of the infamous Peking regime which was recently admitted and embraced by the United Nations—an organization that is supposed to be fighting international drug traffic.

This serves to remind us of a warning issued by Gen. Ho Ying-chin, president of the UN Association of the Republic of China, in which he said that according to data collected by the Weekly Review of London, the peasants on the Chinese mainland have been ordered to plant poppies on a massive scale with the total acreage reaching 5,830,000 hectares.

It was found there are 30 "special products processing factories" in the mainland of China engaged in the processing of narcotics for dumping overseas, and that in 1970 alone the Peking regime exported $800 million worth of narcotics, including opium, morphine, and heroin.

It is thus made clear that the Peking regime is at the root of most of the troubles in Asia and the whole world by the deliberate massive production of and traffic in narcotics. It constitutes a weapon in their arsenal of diabolical schemes to demoralize any people who may become casualties in their disgraceful drug war. They thus establish themselves as a world leader in an enterprise to promote human debauchery and depravity.

Under leave to extend my remarks I include the revealing article which appeared in the Sunday Telegraph. It follows:

HOW CHOU FIGHTS AMERICA WITH DRUGS—A LEAK TO HARRIMAN

One of the remarkable things Chou said that night when talking about the demoralisation of the American soldiers was that "some of them are trying opium, and we are helping them. We are planting the best kinds of opium especially for the American soldiers in Vietnam."

President Nasser looked at him in some disquiet, but Chou went on: "Do you remember when the West imposed opium on us? They fought us with opium. And we are going to fight them with their own weapons. We are going to use their own methods against them. We want them to have a big army in Vietnam which will be hostage to us and we want to demoralise them. The effect which this demoralisation is going to have on the United States will be far greater than anyone realises."

Nasser felt that possibly Chou was exaggerating a little. But Chou had his plan absolutely clear in his mind. There was no doubt that he intended to do exactly as he said.

When Johnson called his bombers off North Vietnam at the end of 1965, he sent a number of emissaries round the world telling the leaders of other countries what he hoped to gain by the pause. Averell Harriman came to Egypt on this mission and saw Nasser on January 4, 1966.

The bombing pause had been accompanied by a great propaganda campaign from the Americans and so, when Harriman arrived, Nasser expected to hear something important. But the meeting lasted for two hours with nothing positive emerging from it. Harriman had come with nothing new. He had no suggestions. And there were silences during the talks which lasted for several minutes at a time.

Eventually Nasser said to Harriman: "Do you really think you are going to defeat them? If you increase your troops in Vietnam, you are only going to play into your enemy's hands. Strangely enough, I've heard something from Chou En-lai, and you are carrying out the Chinese plan precisely." And he went on to tell Harriman what Chou had told him about wanting more and more American soldiers to be sent to Vietnam. But he did not tell Harriman about Chou's plan to fight the American Army with opium.

TRADE CRISIS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. FINDLEY. Mr. Speaker, the Atlantic Union resolution has now been favorably reported by the Foreign Affairs Subcommittee on International Organizations and Movements. Hopefully, in the near future it will be considered by the full committee and passed.

The bill is timely, indeed. The world monetary and trade crisis is still critical. The United States has just reported the worst balance-of-payments deficit in its history. Trade barriers with Common Market nations have suddenly sprung up. Nations with which we have a net balance of trade surplus complain that the 10-percent surcharge is unfair. Canada, a nation for which we profess the greatest friendship, suffers under worse economic conditions than our own—conditions which have been greatly aggravated by the surcharge.

The North Atlantic Alliance is being subjected to new divisive pressures. A Senate committee has again called for a cutback of U.S. troops in Europe, and the move was only narrowly beaten on the floor. Many think that a reduction in troop strength is inevitable.

It is time for the United States to assume the leadership role which its size, economic, and military power give it. It can do so if the Congress will pass the Atlantic Union resolution.

The following are recent editorial comments which outline the immense international problems we face and point the way to their solution:

[From the Wall Street Journal, Oct. 28, 1971]

A WORLD-WIDE DEPRESSION

That's a scare headline, of course, one that does not apply to the conditions of the moment. Unless nations begin pursuing wiser economic policies, however, before long the words may be only too appropriate.

Economic nationalism has become the order of the day. Underdeveloped countries, desperately in need of foreign capital and

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technology, frighten it away by seizing foreign assets with little or no compensation. "Chile for the Chileans" makes a ringing slogan, but it's a poor way to build up a poor country.

The problems of the poorer lands are aggravated by a similar chauvinism in the industrial nations, countries that ought to know better. In a revival of old mercantilist notions, exports are eagerly sought but imports are something to hold down as much as possible.

If the underdeveloped nations are ever to develop—and thus to provide expanding markets for the industrial countires—they have to begin somewhere, and a logical way to start is with labor-intensive industries such as textiles. But these industries need markets, too, and increasingly they find the markets of richer countries more or less closed to them.

Nearly all countries, rich and poor alike, appear to think they can purchase lasting prosperity with expansive monetary and fiscal policies. In the backward lands the result has often been nearly ruinous inflation. The sophisticated industrial nations think they can control the price pressures with "incomes" policies, but the results in the past have differed only in degree from those in underdeveloped nations.

Inflation helps to lead organized labor everywhere to press for ever-higher wages, even though in the process the unions are often pricing their members' products out of the market. The upshot of all of this is the present period of economic weakness and uncertainty, conditions that are by no means unique to the U.S.

As Neil Ulman reported in this newspaper recently, unemployment is creeping upward almost everywhere in Europe. On a seasonally adjusted basis, joblessness in Britain is the highest in 30 years. Swedish unemployment, on a similar basis, is the highest since the nation began keeping such statistics in 1956.

In few countries does anyone seem to see that a prime cause of present problems is excessive governmental meddling in the economy. Most countries, in fact, appear to think that the way out is for the government to meddle quite a lot more.

The U.S., for its part, is trying to check inflation by freezing prices and wages; next month the freeze will begin to thaw in a manner that is anything but settled. With a 10% import surcharge, America is also trying to coerce other countries into opening their markets wider to U.S. goods; so far, the more noteworthy results have been Japanese agreement to "voluntary" quotas on textile sales to the U.S.—and threats by other countries of retaliation against American goods.

U.S. officials firmly deny that they're trying to build a sort of "fortress America," but actually nearly every nation seems to be trying to build a little fortress of its own. Many countries evidently accept the idea that, in the future, there will be fewer economic gains to share and they want to make sure of theirs while they can.

"The world economy is entering a stage of lessened growth in which, within a few months, problems of activity and unemployment will raise universal concern," Valery Giscard d'Estaing, the French minister of economy and finance, said recently. In some areas the concern is already here.

There is no easy solution. It should be apparent, though, that the post-World War II world prospered through growing cooperation, not through growing chauvinism. It should be obvious too that inflationary finance buys only inflation, not perpetual prosperity. Sound growth must be based on relatively stable prices and the freest possible markets, in labor as well as in business.

If every nation insists on trying to enrich itself at the expense of its neighbors, the result will be that world-wide depression. In the interdependent world we inhabit now, that's even truer than it was in Adam Smith's day.

[From the St. Louis Globe Democrat, Sept. 10, 1971]

URGES NEW TRY FOR ATLANTIC UNION

(By Roscoe Drummond)

WASHINGTON.—One of the causes of today's problems is that while physical scientists are living in the future, political scientists are living in the past.

The physical scientists are readying vast changes but the political scientists—and the politicians—are doing little to prepare for the changes in government needed to cope with what is coming.

What we are experiencing is the lethargy of political thinking and the dynamism of breathtaking scientific inventiveness.

Herman Kahn and Anthony Winer in their book, "The Year 2000," cite a hundred staggering technical innovations, most of which will be with us in the next 30 years. The spinoff from these will lead to hundreds of other innovations.

Alvin Toffler in what may be recognized as the most important book in the 1970s, "Future Shock," notes that "in every conceivable field and some that are almost inconceivable, we face an inundation of innovation."

But in the field of governing ourselves to meet this onrushing future, we face a dearth of innovation.

The need is to fashion instruments of government equal to the size of the problems we must deal with.

We haven't done so.

Crucial problems sweep over national boundaries. They are global in magnitude and can only be handled on a global basis.

There is need to establish new and stable worldwide trading relations.

Mounting pollution is worldwide and can be handled successfully only on a worldwide basis.

There is need to create a better international monetary system as today's floating currencies reveal.

War is cruel and stupid but peace is in constant peril.

All of this is simply to say that no nation, neither the United States nor the Soviet Union nor any other great power, can keep the peace by itself, can right its monetary system and its trading relations with the rest of the world or rescue its own environment from suffocating degradation.

The physical scientists alone cannot lead the way into the future. Political inventiveness must soon catch up with technical inventiveness or we are in serious trouble.

What can be done? The prospect of getting some kind of world government is slim because the nations are so divided ideologically.

But why not start? A tangible, practical first step would be for the United States to convoke a NATO-wide convention to explore ways to transform the alliance into an eventual federal union. This action is supported by 116 members of the House from 30 states. When President Nixon was a senator he advocated it in these words:

"The Atlantic union resolution is a forward-looking proposal which acknowledges the depth and breadth of incredible change going on in the world around us. I urge its adoption."

Clarence Streit, its originator, and its other advocates like Sens. Hubert Humphrey and Barry Goldwater, Eugene McCarthy and Gov. Nelson Rockefeller, former President Eisenhower and Sen. Robert Kennedy were not ahead of their time; it is those who have too long resisted it who are behind the times.

President Nixon has already taken two bold initiatives in economics and diplomacy. Why not another?

A THIRD REVERSAL THAT WOULD SAVE LIBERTY, PEACE, AND NIXON FROM PERILS IN HIS FIRST TWO

(By Clarence K. Streit)

The July House hearing on the Atlantic Union resolution began with a strong reminder of the powerful plea for its approval that Richard Nixon made at the 1966 hearing. The hearing ended with no break in the silence President Nixon has maintained on this subject since his election. The only clue to its meaning indicated, however, that this was the kind of silence that proverbially expresses consent.

The Silencer Silenced. Ever since the resolution entered Congress in 1949 (with Senator Nixon among its early cosponsors), the State Department has expressed opposition to exploration of the federal way to unite Atlantica. Its influence silenced even such favorably inclined Presidents as Truman and Eisenhower. This year for the first time the Department declined the routine Congressional invitation to express its views before and at the hearing. Only President Nixon could have thus silenced the Department's bureaucracy, experienced State watchers believe. The bill's backers took the passive help to be part of the "cautious nature" the media attributed to the President.

"Mr. Cautious" Becomes "Mr. Audacious." Only a few hours after the hearing ended July 15, they, and the media, and all the world, got the shock of the year: The laconic Nixon announcement that he would visit Peking. Just one month later, on August 15, "Mr. Cautious" received a second image-shattering blow: The President announced that the U.S. had ceased to uphold the gold commitment which made the dollar the key currency for world trade and foreign Central Bank reserves, and was adding 10 per cent to all import duties and also freezing wages and prices for 90 days. Both moves were abrupt reversals of longstanding Nixon as well as U.S. policies.

A good press for any Nixon move is rare in the U.S., but he had one on both these moves. So remarkably good a press, indeed, that it should encourage him to think that his best way to overcome his many foes in the media and elsewhere is to be bold, and bold once more, and bold again.

The 3d Bold Move Nixon Needs to Make. Despite their good points, I fear the two astounders will end by bringing worse dangers than those he saw required drastic policy changes. I earnestly hope that while he still rides the wave's crest, he will make a third bold move—the one that can save us all, and him, from the reefs he is heading for. That move would be to throw his helm toward the Atlantic federal channel through those reefs. I find it hard to believe that so old an Atlantic hand has forgotten the federal way to safety.

The Hidden Reefs. What are these reefs, hidden to so many now? My August editorial gave the two dangers I saw in the Peking visit. Neither was in its aim (which I have long favored). Both lay in Russia's interpretation of it, and response: the likelihood that Moscow would see it as the classic "leapfrog" move in diplomacy's balance-of-power game, and respond (1) by renewing the Mideast nuclear confrontation threat that led the President to visit the Sixth Fleet only a year ago, and/or (2) by the riskless course of speeding its efforts to drive the dollar off gold, and so doom Atlantica to dissension, depression.

Events showed Russia needed do nothing to gain the latter aim; the dollar proved even nearer the brink than I warned, at the House hearing, U.S. policies had brought it. Moscow now needs only exploit the loss we have caused our allies and all the non-Red world, and the glum view—reflected on our cover by normally poker-faced diplomats—they take of this. Possibly the prospects this offers may lead Russia to defer the Mideast challenge; even if only a time-gainer, as I fear, this could be a godsend . . . if used for the third bold Nixon coup.

The greatest dangers in the second Nixon surprise are international. My testimony at the hearing tells why depression follows when the key world currency leaves gold; the Geneva report on page 2 tells of the one that came when the pound did this in 1931. But neither makes clear what proved to be the worst reef—the one that nearly wrecked Freedom then.

What Price Trade—Gained by Freedom's Loss? To me, the worst reef ahead, now that the U.S. has taken the 1931 way to "better" foreign trade, is not the economic disaster I fear will again follow, but its consequences. In 1931 the major loser was Germany; exports sank, unemployment soared. Result: It voted out the free republic it began in 1919. For 12 years it resisted Hitler nobly; when Wall Street crashed he had only 12 deputies; 10 months after Britain left gold, the voters gave him 230. Six months more of depression, and they reverted to autocracy—the worst in their long history. True Britain won in the resulting war, but the price was more than blood, sweat, tears: Loss of long preeminence in finance, trade, industry, empire, sea power—with Russia replacing it as superpower. It has paid cruelly for ephemeral gains in trade.

Young Democracy is Now Hit Hardest Again—and Doubly. London's tragic blunder in 1931 was to let hope of trade gains blind it to the longterm dangers when the main loser is a people of outstanding industrial and war potentials, little rooted in freedom, deeply habituated to autocracy.

The U.S. has now hurt most two such nations—Germany and Japan. This reversed a policy paying big dividends, which encouraged West Germany to try democratic federation again; it did even more to give Japan its first free government. The former has survived nearly twice longer than the Republic that died in 1933—but it is only 23; the latter is but 24. Yet both nations have thus risen, phoenix-like, from ruin. Both have passed Britain industrially—a feat indicating how fast each could be a nuclear power. Both show how much more people can do by free government and free enterprise than by Marxism and dictatorship—and each show-window strategically faces Communist Russia, Japan's also faces Red China. Is it not folly to run any risk of causing such loss in Germany and Japan that they revert to dictatorship, Red variety?

The Atlantic Union Liberty-and-Life Saver. If you doubt that it could save us from such danger, read "Why Atlantic Union would Prevent another Crash." George Washington feared that even the ties binding Americans west of the mountains to the seaboard states could not keep that area of vast potential from breaking away, or falling in hostile hands. It must be bound to the 13 by "hoops of iron," he said—and led in doing this by replacing alliance with federation. May Nixonian Washington turn soon from repeating 1931 to repeating 1787.

HON. JAMES A. FARLEY

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. MURPHY of New York. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

The American Heritage has printed a most interesting interview with the Honorable James A. Farley in its August issue, and I include it here for the benefit of my colleagues. Mr. Farley is a blue-ribbon Democrat, and a blue-ribbon American, and his thoughts and views are of interest to all of us.

BEFORE THE COLORS FADE—THE TRUE-BLUE DEMOCRAT

(By Virginia Van Der Veer Hamilton)

(Note.—Once upon a time—some eighty-three years ago—a likable lad named James Aloysius Farley was born in the village of Grassy Point, New York, on the west bank of the lower Hudson River, to "poor but honest" parents, Irish to the core. When he was nine, his father was killed in an accident. "Jimmy" promised his mother he would help her run the grocery store and saloon, go faithfully to Mass, and neither smoke nor drink. He has kept every one of those promises. When he grew to manhood—six feet two inches—he wed Elizabeth Finnegan, whom he had known all his life, and lived happily with her until her death in 1955. He also commenced another lifelong and still warm affair, common to young Irishmen of his generation—this one with politics, inside the hospitable embrace of the Democratic Party. And it was this that brought him to a place in life where he spoke as a friend to Presidents, prime ministers, and popes, and even heard his own name placed in nomination for the Presidency.

On the opposite bank of the Hudson, Franklin Delano Roosevelt, a scion of the Knickerbocker aristocracy, grew up in a mansion, in an aura of ease and privilege. He and Jim Farley made each other's acquaintance in Democratic politics. Twice Farley helped elect Roosevelt governor. When F.D.R. became President in 1932, he said that Louis McHenry Howe, his faithful adviser, and Jim Farley were the men most responsible for his victory.

During Roosevelt's first two terms, "Big Jim" was chairman of the Democratic National Committee and of the New York State Democratic Committee, Postmaster General, and number-one glad-hander for the New Deal. Raymond Moley, an adviser to the President, said Farley possessed "inexhaustible geniality." It was reputed that Farley could call by their first names fifty thousand faithful Democrats all over the country. When he and the President were alone, Farley called F.D.R. "Boss and Roosevelt called Farley "Shamus," which is Irish for James.

After his famous split with Roosevelt over the third term, Farley resigned as "three-job Jim." He became chairman of the board of the Coca-Cola Export Corporation. As a soft-drink supersalesman for three decades, he has averaged each year some 120 banquets, one hundred luncheons, and visits to thirty countries. He is still hale and vigorous. Since his wife's death he has lived alone. His three children telephone nearly every day, and his four grandchildren in college call every Sunday ("Collect!"). Usually Farley takes one or two of his ten grandchildren on his trips abroad. Unless it's raining, he walks to his Madison Avenue office every weekday and Saturday morning. Football and baseball are his big sports enthusiasms, but he also enjoys harness racing and occasionally a boxing match. During the baseball season, Farley, who used to play first base for the Grassy Point Alphas, can be found in his box at Yankee Stadium almost every Saturday and Sunday and many evenings.

Farley spends a couple of hours every Friday afternoon in the Biltmore turkish baths, perspiring and relaxing. This helps him keep tabs on his weight. If the scales go too high, he eases up on two of his favorite dishes, ice cream and rice pudding. Every Sunday morning, rain or shine, Jim Farley passes the collection plate at nine o'clock Mass at St. Patrick's Cathedral. He regrets that he seldom sees a familiar face there, because the congregation is mostly from out of town.

It is an active life. James A. Farley does not, like some old warriors, live entirely among his memories. He is still a worker, still an involved Democrat. But he relishes the recollected days of his political peak. In answer to an interviewer's questions, he recalls the thunder and the shouting of New Deal days, in fluent, soft-spoken sentences, stippled with a wealth of detail drawn from a memory that was once legendary, and is still remarkable.

How did you come to know Franklin D. Roosevelt?

I first met Franklin Roosevelt in 1920, when he ran for Vice President with Governor [James M.] Cox. There was a reception for them at the National Democratic Club of New York, which was on Fifth Avenue where Saks [a New York department store] is now. I had been married only a short while, and I brought Mrs. Farley. It was a long reception, and, in a facetious way, Bess said that if she'd known she had to go through things like that, she wondered if she would have married me. "Well," I said, "in the days ahead, you may run into many like this."

I went to Mr. Roosevelt's office—he was attorney for an insurance company—many times to seek his services as a speaker. I remember I asked him to speak at Flag Day services of the Benevolent and Protective Order of Elks when I was active in the Haverstraw, New York, Lodge No. 877.

I'll never forget once I met Mr. Roosevelt at the Biltmore Hotel. Every time I go to the Biltmore that scene flashes before my mind's eyes. The hotel has about sixteen steps, and I stood at the top and watched Mr. Roosevelt bound up those steps, two at a time. That's the last time I saw him before he was stricken [with polio].

Did you think that his becoming crippled would be a handicap to him politically?

No, I thought it would be a help to him. I thought it would evoke sympathy. I think it did. In fact I'm sure it did. Only on one or two occasions did I ever hear him refer to his infirmity. We were playing poker one Saturday night at the White House. As the game broke up, he looked at a fellow named Stephen Gibbons, who was an Assistant Secretary of the Treasury in charge of the U. S. Customs and who had been stricken with paralysis, and walked with a cane. Mr. Roosevelt said: "I'll tell you, Steve, there's one thing about you and me. We'll never have to worry about getting blood-pressure running up stairs!"

He hated to go into a building if there was danger of getting out in case of fire. He might say to me: "Will there be any difficulty getting in the building?" I remember one time he spoke in Yorkville, and they brought Roosevelt in a side entrance, through windows, rather than the front door because he'd have difficulty getting on the stage.

When did you think of him seriously as a Presidential possibility?

I didn't produce Mr. Roosevelt, although I was given a lot of credit for his nomination and election. He was the logical candidate. Governor [Alfred E.] Smith had persuaded him to run for governor of New York in 1928, although Mr. Roosevelt didn't want to run and his wife didn't want him to run. But he was persuaded on the theory that, if he won, it would help Governor Smith carry New York [in the Presidential campaign]. Well, Governor Smith lost the state by over one hundred thousand, and Mr. Roosevelt carried the state by approximately twenty-five thousand, if I remember the figures correctly.

Being elected governor in a year when there was a Republican landslide made Mr. Roosevelt appear a miraculous candidate. When he was re-elected in '30, he carried the state by approximately 725,000. Next day after that

election, I prepared a statement in which I said, whether Mr. Roosevelt wanted to or not, in my judgment he would become the Democratic candidate for the Presidency in 1932. Of course I had consulted with his secretary, Louis Howe. I called Mr. Roosevelt up and read him the statement, and in substance he said: "Whatever you want to do, Jim, is all right with me."

After the first of the year I had a tabulation made showing how New York governors in past years had run. I listed the counties from 1912 on, and showed in heavy type the upstate counties Mr. Roosevelt had carried that no other Democratic candidate for governor in the history of New York had ever carried. That was sent out to all Democratic governors, senators, members of Congress, members of the Democratic National Committee, country chairmen, and members of state committees—about seven thousand people all over the United States—with my card attached: "James A. Farley, Chairman, New York State Democratic Committee." Well, that really started a flood of correspondence. It's amazing the number of people who said they were for him and were glad they had that information.

The last Democratic convention in which two-thirds vote was required for nomination was in 1932. Can you explain how and why that rule was abolished?

Well, Mr. Roosevelt was in favor of doing away with it. I did more to bring that about [in 1936] that anybody else. And [in 1932] Mr. Garner told Sam Rayburn when he went to Chicago that if, as, and when Mr. Roosevelt had the majority of the votes, he was entitled to be nominated. He didn't want to see a duplication of the Baltimore convention [of 1912] or the Madison Square Garden convention in '24 [when a deadlocked convention took 104 weary ballots to name John W. Davis].

It's been said that the change began a reduction of southern influence in American life that accounts for some regional bitterness. Do you agree?

Well, they have their influence in the Senate and in the House. They may not have had it with a nomination for President or Vice President, but there's no section of the country had more influence in the Congress and especially in the Senate than in the South, because those men get re-elected, and get on the committees, and they become chairmen. A lot of the complaint now is that the South holds too many chairmanships, and they're not, the southern states, are not supporting the Democratic nominees for President.

Let me say that I travelled all over the United States during the years I served as national chairman, and never once did I see the slightest sign of intolerance or discourtesy. So I have great affection for people in all sections of the country. No place was more generous in support of me than the South. I had a fine relationship with southern leaders and southern people. As a matter of fact, in the polls of those days, outside of Mr. Roosevelt and Cordell Hull I ran better in the South than any other man.

A big change in 1932 was the swing in the vote of Negroes to the Democrats, after a long era of Republicanism among them. Did you try to win over that vote?

No, no, no. I think they felt that Mr. Roosevelt would be more helpful in helping their position, in helping their way of life, than the Republicans would be.

It has been claimed that Hoover asked Roosevelt for help in the period when Hoover was a lame-duck President, but that Roosevelt refused, because he didn't want to take any steps until he had full responsibility. Is that true, and did you so advise him?

I've forgotten. I doubt very much whether I advised him one way or another. That was a policy matter of his own, which of course he discussed with friends in and out of the incoming administration. I don't think he wanted to participate and be helpful, as you indicate, until he had to assume responsibility, and I don't think he wanted any prior act of his that would embarrass him in any way when he finally took over. You see he was—this has appeared in print and it isn't private—he was very much annoyed with Mr. Hoover when he called on him to pay his respects, which is the usual thing, a day or two before the transition, and when Mr. Roosevelt got there Ogden Mills [Hoover's Secretary of the Treasury] was there, and I think [Undersecretary Arthur A.] Ballantine was, too. And I know Mr. Roosevelt resented it very much. Now he and Mr. Mills were close personal, social, society friends—they lived close to one another—but they were as far apart as the poles, politically speaking, Right or wrong, I think he resented that the President had Mr. Mills there and he was going to try to get him involved, get him interested, get him to participate in some of the programs that Mr. Hoover wanted to carry out. That caused the break. And frankly all it was supposed to be was a social call. They should have asked previously if he had any objection to the presence of Mr. Mills. Now, if they had done that it might have eradicated the problem that developed.

I think Herbert Hoover was one of the most dedicated Americans I ever knew. I worked with him on the Hoover Commission. There isn't any doubt of his regard and affection for his country. Now I might disagree about his policies, but you can't take away from Mr. Hoover his dedication to his country. He ran at a bad time and inherited a bad situation, and he wouldn't do anything to end Prohibition or use the RFC [Reconstruction Finance Corporation] the way Mr. Roosevelt later did.

I asked him one time after I got to know him fairly well, when he first thought that he would be defeated in '32. He said that he had read my prediction [of Roosevelt's victory] and thought I was crazy. He couldn't believe that he was going to be defeated.

I used to see Mr. Hoover often at the Waldorf. He'd send for me to talk politics. My wife, Lord have mercy on her, she's dead fifteen years now, but during her lifetime he'd invite the two of us to dinner. He said ten was too many for a dinner party; six or eight could all engage in one conversation.

I'll never forget one time when I was being talked for governor of New York. Mr. Hoover said: "If you'd run, I'd come out and support you. I don't know if it would do you any good, but I'd be glad to do it." I thought this was one of the finest tributes ever paid me.

After he took office, Roosevelt quickly brought in a number of academic and intellectual leaders to advise him—the so-called brain trust. Could you say how you, as a working politician, got along with them?

I've always said that Professor Moley's advice and wise counsel was most helpful to the President—the President-elect and after he was elected. And I was sorry when they broke because I felt that Mr. Roosevelt in losing Moley—he lost a very fine associate, who was very loyal of course, but above anything else, he was *frank*. He was not in any sense a yes man. I had a lot of respect for Professor Moley and for the services he rendered to the President. [Rexford G.] Tugwell and I never hit it off too well. Now I could talk to Moley and I was very friendly with [Adolf A.] Berle, *very* friendly with Berle. But with Tugwell I was more or less at cross purposes. It wasn't personal. We just couldn't reconcile our points of view, I guess that's the way to put it. I was a political animal, you know, and everything I was doing was what I felt was in the best interests of Mr. Roosevelt and his administration and, incidentally, the Democratic Party. The rest of them I had no difficulty with at all.

Do you think that creating the brain trust was a good idea?

I think any President has the right to have around him, in the first place, men who are intelligent and in whom he has confidence. But I think it's important that he have men on both sides of the question. I think he is entitled to have both sides rather than just one side. Mr. Roosevelt saw a lot of people, and he got their views whether they agreed with him or he agreed with them. He got the views on both sides.

How were you able to predict F.D.R.'s 1936 landslide so accurately?

I made that prediction based entirely on my conversations with state chairmen, national committeemen, newspapermen, from Maine, for instance, and different parts of the country. I was on pretty good terms with all of the newspapermen regardless of the papers they wrote for; I told them the truth as I saw it. And I got letters and all kinds of information. Mr. Roosevelt didn't want me to go that far. As I recall it, we had a pool, and I don't know whether he was in the pool, but I think he said 346 electoral votes, or something, I don't know whether I'm right on the figure. But I'll never forget, when I decided I was going to predict, that I called up the Democrats in the state of Maine and told them about it and also called up Frank Duffy, who was the Democratic leader in Vermont, about what I was going to predict. But Frank always called me James, talked like all Vermonters, very stiff. He said, "James, I wish you wouldn't do that. We have a chance to elect a Democratic governor and if you predict Vermont is going Republican it will hurt us." And I said "Frank, it's my job to make a prediction on what I think is going to happen nationally, and I don't think it's going to hurt your state at all insofar as the election of a governor is concerned if the same trend is going along in your state—I've just got to make the prediction that I'm going to." He was very much annoyed with me, but I made it nevertheless.

There's a story that you sent personal notes of thanks to thousands of party workers afterward, and signed them in green ink. Why green?

The editor of my home town newspaper used to use green ink, so I started to use it when I was a boy, and I still do except that I sign obituary and official letters in black ink. Once in a while a regular letter will get signed in black ink, and the person will write back to know if I've given up green ink. But I had a funny experience—it wasn't funny, it was tragic—when I was in the Post Office. I used to sign all the commissions in green ink. The President's signature was a facsimile, but the Postmaster General's was an actual signature. Well, that green ink faded in the sunlight, so I asked the inspectors, as they made the rounds of post offices, to pick up commissions where my signature had faded. They picked up over ten thousand, and I had to retrace every signature! From that time on, I signed all the commissions in black ink.

It's generally conceded that Roosevelt made two political mistakes in 1937 and 1938. One was the attempt to enlarge the membership of the Supreme Court; the other, intervention in the 1938 primaries to "purge" anti-New Deal Democrats. Did you advise him against these steps?

Well, frankly, I didn't know anything about the Court fight, the Court bill, until I read it in the New York *World Telegram*. He had a press conference that morning where he brought in the legislative leaders and the chairmen of the Judiciary committees of both the House and the Senate—[Senator] Joe T. Robinson [of Arkansas], the Republican leaders, the House and Senate Democratic and Republican leaders, and the chairmen, I think, of the committes to which that bill would go for consideration and for hearings before it went up to the House. And it wasn't until I picked up the *World Telegram* that

I saw about it. And the next day when I went down the street, I dropped in and I said, "Why the hell did you do that without telling me?" He just called them that morning you know, and anybody that wasn't there [didn't get asked]. You see, he made it very secretive. Now if I'd been in Washington, I'd have been there. But they knew I was in New York and they didn't call me.

Well, he had a mind of his own. Of course, I urged him not to participate in the purge at all. And I didn't participate, as the records show. I took a rather strong stand, you know. Here I was his Postmaster General and the state and national chairman and I refused to participate in the purge.

You broke with him when he went after a third term. In fact, you had your name put in nomination in the 1940 convention and received seventy-two votes. Did you try to discourage the third term beforehand? And how do you feel, looking back?

I still think I was right. I didn't think any man should have done that because it was against our tradition. I argued with Mr. Roosevelt about his health. I said: "You've been four years governor and eight years President, and it's bound to have weakened you physically. There's no way of knowing what's going to happen in the days ahead, and you ought not to do it."

Do you think he could have won the third term if the war in Europe had not been going on?

I don't know. I'm never quite sure on that. He took an awful chance on the third term, but, of course, [Wendell] Willkie just wasn't the fellow to beat him. I don't know who could have beaten him. Willkie wasn't accepted by the country, and he happened to be the nominee. They deluged the Republican convention in Philadelphia, you remember, with million of wires. That really was a deluge. The third term, of course, brought on the fourth term, and by the fourth term Mr. Roosevelt was a very sick man.

As a loyal party man, of course, you had moved to make his nomination unanimous at the convention. Did you actively support him at any time in the campaign itself?

I didn't see Mr. Roosevelt during the campaign, but it was customary for me to ride with him to Madison Square Garden for the big political meeting we always had a few nights before election. I had ridden with him and Mrs. Roosevelt in '32 and again in '36. I was up in Rockland County one Sunday in '40 when there was a telephone call from the White House. Steve Early, the President's press secretary, said that the President wanted to know if I'd meet him at Mott Haven railroad yards [in the Bronx] and ride to the Garden with him and Mrs. Roosevelt and appear on the platform. I said of course I would, and I went up there and we rode down in the car together. Mr. Roosevelt was a superstitious fellow.

I was in the Democratic state committee office [Farley had resigned as Democratic National Committee chairman but remained chairman of the New York State Democratic Committee] from early morning till late at night because I didn't want New York State to go Republican and they'd say Farley was to blame. On the Sunday before election I sent a wire to every member of the Democratic county committees in New York State, about eleven thousand more or less, urging them to get every voter to the polls, Democrat, independent, or Republican, who they felt would support President Roosevelt, because I wanted him to carry New York. And he did. So everybody in the United States knew where I stood.

How do you rate Roosevelt as a President now?

I think Mr. Roosevelt is bound to go down in the history of this country, when they get away from hatred and bitterness, among the first six American Presidents, Washington, Jefferson, Lincoln, and I would think Jackson and Truman. I'm a devotee of Jackson because he was such a Democrat.

Mr. Roosevelt's entitled to that because he saved the capitalistic system of this country. God knows we might have had a civil war if he hadn't moved as quickly as he did. People were threatening law and order. Out in Iowa they were burning corn and threatening judges who were honoring mortgage foreclosures. People just rebelled.

In the first hundred days the Congress put through many pieces of legislation, PWA [Public Works Administration], AAA [Agricultural Adjustment Administration], CCC [Civilian Conservation Corps]. The CCC took boys off the streets and put them in gainful employment in camps, and part of their pay had to go home to their families. It was great training for them. They were off welfare, well fed, disciplined, in proper housing.

The HOLC [Home Owners Loan Corporation] that President Roosevelt passed saved the banks, the insurance companies, and loan associations. They were proceeding to foreclose mortgages on thousands and thousands of homes in the United States. The HOLC stepped in and took over those mortgages and guaranteed them, you know, and when that organization went out of business after it had served its purpose, it turned a profit back to the government.

Mr. Roosevelt was never given credit for that. The Republican leaders and the bankers, whose businesses he saved, and the businessmen, whose businesses he saved, they were his biggest critics.

It's an outrage that Mr. Roosevelt's been dead twenty-five years now and he hasn't any monument in Washington. Of course George Washington was dead a long time before they did anything for him, and Lincoln, too. Jefferson didn't get his until Mr. Roosevelt was in office. I worked on that. It wasn't easy to get an appropriation even for Jefferson, with people needing money for more important things. But I'll never forget that Mr. Roosevelt said to me: "Jim, if we don't get this through now, we'll never get it for Jefferson." He was just insistent about it.

What was the secret of his political success?

Well, he was an extremely charming man, very easy to know. He was born and raised in the country, so Mr. Roosevelt was really a country fellow, if I may use the term. He was friendly with all the folks around Hyde Park where he grew up, and they called him Frank or Franklin. So it wasn't difficult for him to meet people around the country the same way. He was down to earth, a neighborly sort of fellow. When he was in Warm Springs, they all looked on him as a citizen of Georgia. When he'd greet them, he'd make them feel very much at home, that by God they were an old friend of his. He could do it without any difficulty. Now some people are born with that. It's like a smile. Mr. Roosevelt could smile readily.

I think he could win today. He was probably the greatest campaigner of his day and generation, you know. And on TV he would have been marvellous. On radio . . . his fireside chats, you know. He wasn't, I would say, a good extemporaneous speaker, but he *read* beautifully, and the intonation of his voice and everything else went over. Made him, I think, one of the outstanding campaigners of all time. He wasn't an orator in the way Stevenson was, and he didn't have the type of oratory that Smith had or any of the other men of his time, but he read a speech well and got it over, and he did it with a great deal of sincerity, and it got across.

You say "sincerity," but a great many people charged him with being insincere and deceitful. What about that?

I can truthfully say that Mr. Roosevelt—a lot of people accuse him of lying or being careless with the truth—that he never lied to me except about the third term. In my situation, and may I say this very modestly, there wasn't any reason why he should have lied to me. I was doing everything I could for him and the party and the country, and whatever strength I had I got from my association with him. I wouldn't be doing anything publicly that would be contrary to his wishes. So there was little reason why we wouldn't always agree. Whatever little differences we had would be resolved his way or the way I suggested.

How do you feel about him as a human being now?

All I can say is this: the entire time I spent with Mr. Roosevelt, from the time I first met him in '20 down through the years, it was always a delightful relationship and a fine experience. I have, of course, regretted the fact that my disagreement with him on the third term broke a friendship that had existed for all those years, and I saw him only three or four times after I retired, and I felt very badly about that.

Did he ever forgive you?

I don't think so. I don't think so.

Are you still a good Democrat?

I have a deep sense of loyalty to the Democratic Party. I started in politics in a small town with a population of about three thousand at the time. The town was 75 or 80 per cent Protestant, and at least 65 or 70 per cent Republican. I was an Irish Catholic, but I was elected to office eight times on the Democratic ticket. [Farley was elected town clerk of Stony Point, New York, four times, a supervisor twice. He won election to the state assembly once, and lost once, but carried the town both times.] So I have a sense of appreciation.

There is talk of the need for one or more new national parties. Do you think the two-party system will be with us for a while yet?

I hope it's always with us.

Do you have any plans for retirement?

No notion of it.

Looking back on it all—the people you've met, the offices you've held, the fights you've fought—do you have any comment?

It's been an interesting life.

AUTOMOBILE SAFETY

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. ESCH. Mr. Speaker, since 1966, Congress has taken an active role in investigating the prospects for improved automobile safety. The need for this type of investigation is well established. The automobile has become an important part of our everyday life. Last year our citizens drove 1,100 billion miles. We have come to depend on the automobile as one of our basic transportation units; however, with more automobiles in use the problem of passenger safety has become acute. American drivers were involved in 47,000 fatal accidents and 2 million disabling accidents. These statistics cost the Nation over $13 billion, without counting the lost man-hours and the untold amount of pain and suffering which always goes along with such occurrences.

It is for this reason that it is especially gratifying to see one of our leading auto manufacturers providing the real public service of offering meaningful auto safety experiments at no cost to the taxpayer. General Motors Corp. is building an experimental safety vehicle to U.S. Department of Transportation specifica-

tions for the contract cost of $1. The experimental safety vehicle will help to test some safety concepts which could eventually be included in our passenger sedans. Two of these vehicles will be delivered to the Department of Transportation next October.

Before the ESV models are delivered to the Federal Government they will be crash tested a dozen times. The goal of General Motors engineers is to meet or exceed all Department of Transportation safety standards. Ernest V. Starkman, vice president in charge of environmental activities, described the role of the ESV as a "test bed for new safety concepts."

To introduce the program to the public, William B. Larson, director of the project, presented a film of a high-speed barrier crash test with the ESV. The film revealed that the test vehicle withstood the impact of a 50-mile-per-hour barrier crash test to a remarkable degree.

The experimental safety vehicle will be a five passenger, four-door family sedan with a 125-inch wheelbase, 219-inch overall length. The powertrain consists of a 362-cubic-inch displacement V-8 engine, three-speed torque converter, a drive shaft with two universal joints, and a coil spring rear suspension.

The goal for the ESV in occupant protection is for a 30/50 standard. This would mean that an occupant could be expected to survive as a passenger riding without safety belts at 30 miles per hour. In a 50-mile-per-hour barrier crash, the air cushion approach is used, so that the unbelted passenger is protected.

I am hopeful that these test vehicles will provide the basic information concepts which can be used in designing a safer vehicle for the American motorist and I applaud the efforts of General Motors Corp. to provide this real public service.

VITAL CANCER CRUSADE MUST BECOME REALITY THIS YEAR

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. KEMP. Mr. Speaker, on Tuesday, November 30, a House-Senate conference committee is scheduled to begin deliberations on legislation which could well lead to an historic breakthrough in finding the causes and a cure for cancer.

Practically all of us have been touched in some way by the terror of this disease which ranks as the Nation's No. 2 killer.

Little is known of its origin and the sinister way it strikes casts a grim shadow on everyone. Thus no legislation in recent times has more support in both Houses than that to be considered by the House-Senate conference committee.

A major stumbling block however appears to be the role of the National Cancer Institute in this battle against cancer.

Under the Senate proposal adopted by a vote of 79 to 1, a separate cancer agency would be created. The House version approved 350 to 5, expands NCI but keeps it within the National Institutes of Health.

My distinguished and able colleague from western New York, Congressman JAMES F. HASTINGS, who, as a member of the House Commerce Subcommittee on Public Health, helped write the House bill, has rightly said:

There is no argument about the need for a speeded-up, all-out offensive against cancer but rather it is a question of which route to take to guarantee the best chance of success.

An editorial in the Jamestown, N.Y., Post-Journal of November 20, strongly underscores this point and I would sincerely urge the conference committee to strive diligently to work out their differences permitting the bill to be presented to the President before the end of this year so, as the editorial so succinctly states:

This vital crusade, the strongest effort yet by the Federal Government to combat a single disease, becomes a reality.

The editorial follows:

HOUSE CANCER DEBATE TO HAVE VITAL IMPACT

A debate has been raging in Washington over how best to organize a government program to conquer cancer. The Administration, Congress, doctors and cancer research specialists agree on the need to find a cure for the disease but disagree on how to organize and administer a national cancer research program. The money for the new cancer program, $100 million, cleared Congress last May and is ready and waiting for the debate to be resolved.

Rep. James F. Hastings, who with Rep. Paul Rogers (D-Florida) helped write the House Commerce Committee bill expected to go to the floor of the House for debate last month is confident it will pass without major amendments with the final provisions of a national cancer bill to be decided by a House and Senate conference committee.

Mr. Hastings was one of the six original co-sponsors and was instrumental in bringing a Congressional hearing to Roswell Park's Memorial Institute in Buffalo. This hearing resulted in the bill's considerable emphasis on training cancer researchers, cresting 15 new cancer centers, similar to Roswell, throughout the United States, and increased funding for the operation of these and existing centers.

Mr. Hastings has announced that more than $1.6 billion would be unleashed during the next three years to speed up the search for a cure and the causes of cencer under terms of the bill approved by the House Commerce Committee.

A senate measure adopted earlier this year established a separate cancer attack agency. The difference has provoked a controversy within the medical and scientific community with the American Cancer Society and the White House favoring the Senate bill.

"However," Rep. Hastings said, "it should be pointed out that not a single scientific organization supports the concept of a separate cancer institute."

More than 11 such organizations, including the American Medical Association, the American Hospital Association and the American Society of Biological Chemists oppose an independent cancer agency, he said.

"In addition," he declared, "the American Medical Colleges Association, representing 103 medical schools and 401 teaching hospitals, has testified before both Houses against a separate cancer institute."

Rep. Hastings said the House bill gives cancer "top priority in funding and establishes the best machinery for carrying out an effective and accelerated attack on cancer."

Besides the $1.6 billion, the legislation also contains authorization for $90 million during the next three years for programs to provide for early detection of breast and cervical cancer.

It is to be hoped that differences are settled and that this vital crusade, the strongest effort yet by the federal government to combat a single disease, becomes an immediate reality.

THE FIRST TEAM FROM THE FIRST STATE

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. DU PONT. Mr. Speaker, the House schedule permitting, tomorrow evening it will be my pleasure to be present at the 1971 annual banquet of the Newark Touchdown Club. This banquet is an outstanding affair each and every year, but this year is something special for everyone in Delaware. The University of Delaware's football team has been voted the No. 1 small college football team in the United States by both the Associated Press and the United Press International. The first State has the first team.

There has not really been a drought in football honors for our great State university over the recent years. Indeed, to many they have become almost routine. In 1968 the Blue Hens won the Lambert Cup, symbol of small college football supremacy in the east. In 1969 they again won the Lambert Cup; and again in 1970. Needless to say, with the No. 1 small college football team in the country in 1971, they won the Lambert Cup unanimously.

In 1968, Delaware participated in the First Annual Boardwalk Bowl for the small college championship of the east. They won. In 1969 and 1970, Delaware was again in the Boardwalk Bowl and again they won. And Delaware is going to the Boardwalk Bowl again this year. What other football team in the country—small college or major college—has compiled a record of that stature? Few, if any. In one popular poll which ranks all football teams together, regardless of size or status as small college or major college, Delaware was the No. 2 team in the east—all colleges and universities included. They were ranked ahead of such perennial powers in the east as Syracuse, West Virginia, Boston College, Villanova, and Army.

But I think that the most important aspect of the success of the University of Delaware's football program is that it has been accomplished without surrendering to many of the evils associated with bigtime football. The University of Delaware does not give scholarships for football, only grants-in-aid based upon the need of the applicant. On the 1971 Blue Hen football team, there are nine starters not receiving any aid. Football is only a part of the University of Delaware—a small part, not its lifeblood.

The history of Delaware football is more than outstanding records. It is a

story of outstanding people. Of recent memory are Bill Murray, who coached until 1950 when he left to become one of the outstanding coaches in the Nation at Duke University; Dave Nelson, who stepped in to take the reins in 1950, became chairman of the NCAA Rules Committee, and led Delaware to a national championship in 1963; and Harold "Tubby" Raymond, who has compiled an awesome record since 1966. And the players, too. Jimmy Flynn, Mickey Heineken, and Ted Kempski have returned to the university after outstanding careers as players to become assistant coaches. Mark Hurmm, the captain of an outstanding Blue Hen team in the late 1950's, is now a doctor in the Newark area. Dr. Robert Moneymaker, a vital backfield cog in the late 1950's, is now a Ph. D. research chemist in Delaware. Jim Garvin is an attorney. John Wallace is an attorney. John Boresson, from the early 1950's, is now vice president of Clairol. The list goes on and on. Community leaders, civil leaders, and leaders in government—all began on the gridiron playing for the University of Delaware.

Nineteen hundred and seventy-one is no exception to the record of success of the Blue Hen football team. With a record of 9–1, the Hens averaged 42.2 points a game. Their great defense allowed only 9.8 points a game. Records were shattered in numbers of categories: rushing, scoring, offense, and defense. Individual standouts were everywhere. Gardy Kahoe shattered the single season rushing record. Sam Neff broke some of the last remaining passing records of the legendary Don Miller, Delaware's Little All-America quarterback of the mid-1950's. And Capt. Ralph Borgess who not only anchored the center of the defensive line, but perhaps more than anyone else provided the team with the leadership and the courage it takes to be No. 1.

Captain Borgess knew that this team was No. 1 from spring practice to Bucknell, and he never let the players forget what it takes to stay on top. And if there were any doubts among the spectators at large that Delaware was destined to be No. 1, they vanished on the first series of plays against Delaware's old nemesis, major college power Villanova. Anyone who saw John Bush at 5 feet 10 inches, 180 pounds, line up against Villanova's All-American flanker, "a man who just can't be covered one on one" and knock him down time after time, knew that this team had what it takes to be No. 1.

So, Mr. Speaker, I wish to congratulate Tubby Raymond, Capt. Ralph Borgess, the Delaware coaching staff, the players, and the entire student body for a job well done in 1971. The "First State" now has the first team.

TRIBUTE TO MRS. GLADYS BRYSON

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. JONES of Tennessee. Mr. Speaker, on October 22, one of the outstanding missionaries of the Cumberland Presbyterian Church, Mrs. Gladys Bryson, passed away in San Francisco. Mrs. Bryson, who was a native of Gibson County, Tenn., was a personal friend of mine and had been for many years the object of my admiration. She and her husband, Dr. Davis Bryson, once spent a year in my home community of Yorkville, Tenn., while he was pastor of my home church.

Last week, the Milan Mirror ran Mrs. Bryson's obituary which I include at this point in the RECORD:

FORMER MILAN CITIZEN, MISSIONARY DIES IN SAN FRANCISCO

Funeral services were held Sunday, October 24 for Mrs. Gladys Bryson, a missionary in San Francisco and abroad for 40 years. She died October 22 at the age of 62. Mrs. Bryson was born in Milan and studied at Bethel College and Southern Methodist University in Dallas.

She then went to Colombia where she did much pioneering missionary work. She concentrated on helping international students.

Ill health forced her to leave her work in Colombia after 15 years and she moved to San Francisco. For the last 25 years she worked with the Cumberland Presbyterian Chinese Church and also taught in the adult education program since 1956, and again working extensively with international students.

Mrs. Bryson is survived by her husband, Dr. David O. Bryson of San Francisco; son James of Sunnyvale and two grandchildren.

Funeral services were held at Cumberland Presbyterian Church. Dr. Fred Bryson, her nephew, a dean at Southern Methodist University and Dr. Carl Ramsey officiated.

The family has requested that memorial contributions be sent to the Bryson Scholarship Fund, P.O. Box 4149, Memphis, Tenn. 38104.

The news of the death of Gladys Bryson brought into focus the realization of the broad dimension of a life splendid in every area of work, in the activities of Christian living dedicated to the service of her church and her Lord. The spirit of good will and service had been evident in the early years of her life. A native of Milan, the daughter of the late Lonnie M. Holt and Myrtle Hassell Holt, Gladys Holt had received her elementary and high school education in the Milan City Schools. She was an active honor student in the graduating class of 1927. She entered Bethel College the following year and graduated again with recognition in 1931. She was married to David Bryson, a ministerial student of Midlothian, Texas in 1929.

Following graduation, the Byrsons accepted work at Rose City Church, Little Rock, Ark. Having continued their education in graduate work at Southern Methodist University, they volunteered for a foreign missionary assignment from the Board of Foreign Missions of the Cumberland Presbyterian Church. They were then sent to Coli, Colombia, South America, where they worked in building and expanding the church in the entire area for fifteen years. For a year following their return to the states, Davis Byrson served as pastor of the Yorkville Cumberland Presbyterian Church and Gladys was a teacher in the Yorkville Elementary School.

The need for trained missionary personnel in the San Francisco area was apparent and the Byrsons were called by the Board of National (Home) Missions, for this challenge to work with international and especially oriental students. As pastor and education director the Byrsons had been the leaders in the entire area. For twenty-five years the Chinese Cumberland Presbyterian Church had been fortunate in the growth and spiritual inspiration given to all members and friends of the church because their dedication was founded on the lasting values of Christian living and sacrificial love. The twenty-five years of this service was emblazoned on the hearts of the people with who they labored. Because of a serious heart condition of Davis Byrson the resignation of the Brysons from the Cumberland Chinese Cumberland Presbyterian Church was given special attention at the 1971 General Assembly at Jackson, Tenn., when the Assembly, through the Board of Missions presented to Davis and Gladys Bryson, a memorial plaque engraved with a notation of very special honor for the forty years of dedicated service to the church and to their great missionary cause. The life and contribution for building better lives in places of sorrow and want, in places of the greatest need have been given with sacrifice and love by Gladys Holt Bryson. This evaluation can be made only by the omnipotent power of the Master of all men for the eternal ages.

The survivors of Gladys Holt Bryson in this vicinity are one brother, Ralph Holt, and two sisters Mrs. Mildred Alexander, Humboldt, and Miss Edith Holt, Milan.

THE POCKET VETO

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. ROONEY of Pennsylvania. Mr. Speaker, during a brief congressional recess last Christmas, President Nixon elected to "pocket veto" two bills which had been passed by the 91st Congress. One of these was the family doctor bill—a measure I had introduced in the House—to focus Federal resources on the critical need for family physicians in the Nation's health care delivery system.

Although the bill had encountered the dissenting votes of only three Members of Congress en route to the White House, it died by the President's pocket veto and Congress was deprived of an opportunity to override the Chief Executive's decision.

The President's use of the pocket veto in this instance, during a period when Congress stood adjourned for a brief holiday period, has produced considerable debate in the interim about the Constitutional foundation for his action.

Writing in the October issue of the American Bar Association Journal, Attorney Benny L. Kass of the Washington law firm of Boasberg, Granat & Kass, has explored "The Pocket Veto: An Elusive Bone of Contention." Many of my colleagues will recall Mr. Kass as a former member of the legal staffs of two congressional committees.

I include his article in the RECORD and I invite the attention of my colleagues on the subject—an issue rooted in the separation of legislative and executive powers and still unresolved today:

THE POCKET VETO: AN ELUSIVE BONE OF CONTENTION

Every student of the Constitution knows that when a bill passes both houses of Congress, the President of the United States has but ten days to act upon it. He may sign the bill, in which case it becomes law. He may veto the bill and return it to the house in which it originated, giving Congress an opportunity to override the veto by a two-thirds vote of both houses. Or he may do nothing, in which case Paragraph 2, Section VII, Article I, of the Constitution provides:

XUM

. . . If any Bill shall not be returned by the President within ten Days (Sunday excepted) after it shall have been presented to him, the Same shall be a Law, in like Manner as if he had signed it, unless the Congress by their Adjournment prevent its Return, in which Case it shall not be a Law.

When this last event happens, it is commonly called a "pocket veto", and in recent months a considerable controversy has been stirred up between Congress and President Nixon as to whether two bills suffered a pocket veto.

President Nixon received two bills from Congress on December 14, 1970. One was the Family Practice of Medicine Act, which had passed the Senate by a 64–1 vote and the House by 346 to 2, and which authorized the appropriation of $225 million over three years to help train family-practice physicians. The other was a private bill granting the Foreign Claims Settlement Commission jurisdiction to consider a dispute.

Both bills were sent to the President on December 14; thus the ten-day period expired on December 25. But the Senate, in which the bills had originated, recessed for the Christmas holiday from the close of business Tuesday, December 22, until the following Monday, December 28. Since the Senate was not in session on December 25, President Nixon announced that the bills had been pocket vetoed. No formal veto message was sent to Congress.

A legislative confrontation came quickly. When Congress reconvened, Senator Edward Kennedy, Democrat of Massachusetts, accused the President of introducing "an arbitrary element into the legislative process—an element never contemplated when the pocket veto provision was written into the Constitution by the Founding Fathers". According to Senator Kennedy: "The promiscuous use of the pocket veto in this situation was obviously designed to avoid an embarrassing vote in Congress on a veto that would surely have been overriden. The President's action raises the possibility of similar arbitrary vetoes every time Congress takes a brief recess."

But the Justice Department, in defense of the President's action, responded that the use of the pocket veto not only conformed to the two judicial precedents in the area but also "to the consistent practice of other Presidents during the last quarter century". Assistant Attorney General William H. Rehnquist wrote to Senator Kennedy that, "while I believe that the President was on very firm legal ground in taking the action he did, there is no doubt that the use of the pocket veto power has been a bone of contention between the President and the Congress throughout the years".

Indeed, it is a bone of contention, going back a long way in history. By 1928, for example, the first definitive survey into the use of the pocket veto cited more than 400 bills and resolutions that were neither signed nor returned by Presidents. And in recent years almost every President has used the pocket veto as a means of stopping unwanted legislation.

IS AN "ADJOURNMENT" AS SIMPLE AS IT SOUNDS?

In the words of the Constitution, a bill held by the President for more than ten days becomes law "unless the Congress by their adjournment prevent its return, in which case it shall not be a law". Sounds simple, but what is an "adjournment"? Clearly when Congress adjourns *sine die*, at the end of a Congress, the President has the constitutional right to exercise the pocket veto. In effect, he has no choice, for there is no Congress in session to which he may return his veto message.

There are, however, many other periods when one or both houses are in adjournment. In *The Pocket Veto Case*, 279 U.S. 655 (1929), the Supreme Court held that the word "adjournment" was not limited to a final adjournment. The Court, through Justice Sanford, concluded:

We think that under the constitutional provision the determinative question in reference to an "adjournment" is not whether it is final adjournment of Congress or an interim adjournment, such as an adjournment of the first session, but whether it is one that "prevents" the President from returning the bill to the House in which it originated within the time allowed. It is clear, and, as we understand, is not questioned, that since the President may return a bill at any time within the allotted period, he is prevented from returning it, within the meaning of the constitutional provision, if by reason of the adjournment it is impossible for him to return it to the House in which it originated on the last day of that period.

The Court ruled that an interim adjournment of Congress at the end of a session prevented the return of a bill by President Coolidge, and it upheld his pocket veto. It is significant to note that while the Court drew no distinction between the types of adjournments—whether at the end of a Congress *sine die*, at the end of a session or within a session—the issue at hand was, in fact, adjournment at the end of a session.

An interesting collateral issue was then raised as to whether the bill must be returned to the house itself while it is in session or whether it may be returned to the house, although not in session, by delivering it to an officer or agent of the house. The Court decided "that the 'House' to which the bill is to be returned, is the House in session". According to Justice Sanford:

. . . Aside from the fact that Congress has never enacted any statute authorizing any officer or agent of either House to receive for it bills returned by the President during its adjournment, and that there is no rule to that effect in either House, the delivery of the bill to such officer or agent, even if authorized by Congress itself, would not comply with the constitutional mandate.

Nine years later the Court again had occasion to consider the pocket veto question. In *Wright* v. *United States*, 302 U.S. 583 (1938), a majority of the Court held that when only the Senate had adjourned, and the adjournment was for a period of three days, "Congress", as the term is used in the constitutional provision, had not adjourned. Therefore, a pocket veto was not available to the President.

In the *Wright* case, a bill that had originated in the Senate was vetoed by President Roosevelt and returned with his objections to the Senate during a three-day adjournment of that body. The House of Representatives was in session. The bill with the President's message was received by the Secretary of the Senate and submitted by him to the Senate when it reconvened two days later. The issue was whether the veto was effective since the President's objections had not been received within the ten-day period by the originating house while in session. In a majority opinion written by Chief Justice Hughes, the Court held that as the Senate alone had adjourned, the constitutional provision did not apply, and the veto was effective.

Wright considerably limited the opinion and dictum of the *Pocket Veto Case*. In the latter case the Court said (in a statement that does not appear to have been necessary to its holding) that even though one or both houses of Congress were to authorize an agent to receive messages from the President, "the delivery of the bill to such officer or agent . . . would not comply with the constitutional mandate". The Court in the *Pocket Veto Case* was concerned with the impropriety of delivering a bill during a period of adjournment to:

Some individual officer or agent not authorized to make any legislative record of its delivery, who should hold it in his own hands for days, weeks or perhaps months. . . . In short, it was plainly the object of the constitutional provision that there should be a timely return of the bill, which should not only be a matter of official record definitely shown by the journal of the House itself . . . but should enable Congress to proceed immediately with its reconsideration. . . .

The Court in *Wright* responded to these concerns. Chief Justice Hughes wrote: "However real these dangers may be when Congress has adjourned and the members of its Houses have dispersed at the end of a session—the situation with which the Court was dealing [in *Pocket Veto*]—they appear to be illusory when there is a mere temporary recess."

While it is true that the recess time in the *Wright* case was for only three days, it is hard to imagine the Court ruling differently for temporary or interim adjournments when only a few more days are involved. Indeed, in his letter to Senator Kennedy, even Mr. Rehnquist recognized this when he wrote: "There is undoubtedly a legal 'gray area' with respect to the question reserved in the *Wright* case—whether a pocket veto is appropriate during an adjournment for more than three days by one house of Congress. Advice from this office in the past has been to the effect that in this situation, without controlling judicial decision to guide him, the President ought to disapprove a bill by the *normal veto message and return*, rather than by the pocket veto" (emphasis added).

WHY WAS THE POCKET VETO USED FOR THESE BILLS?

Returning, then, to the two bills which were the subject of President Nixon's pocket veto, there is a real question why the President apparently ignored advice to disapprove the bills by the normal veto message. Fred B. Rooney, Democrat of Pennsylvania, the principal House sponsor of the Family Practice of Medicine Act, believes that the President, faced with a 346-2 vote in the House and a 64-1 vote in the Senate, took advantage of the pocket veto "because he knew if he did send a veto message back to the Congress, the Congress would override his veto unanimously".

During a roundtable discussion at a meeting of the Subcommittee on Separation of Powers of the Senate Judiciary Committee, Senator Kennedy asked Mr. Rehnquist why the President took the "rather extraordinary procedure of the pocket veto" instead of returning the bill with a veto message. Mr. Rehnquist responded that by the time the President determined to veto the measures, Congress had adjourned: "I felt at this point he had no choice after Congress had adjourned. If it is an adjournment which under the constitutional language prevents the return of the bill, if he wishes to veto it, he must pocket-veto it."

No matter what the legal merits of the question are, the fact remains that President Nixon's pocket veto thus far has been effective. But Congressman Rooney, Senator Kennedy and Senator Sam Ervin, Democrat of North Carolina, have indicated their intention to test the constitutionality and legality of the vetoes, and recently there have been a number of developments.

HOW CAN THE POCKET VETO BE TESTED?

One method of bringing the issue to court is for Congress to treat the Family Practice of Medicine Act as a valid public law and appropriate funds for its implementation. If the Nixon Administration were unwilling to spend the appropriated monies, then a legal action could be brought to test the validity of the purported pocket veto.

Following this approach, on May 11 Congressman Rooney introduced an amendment to an appropriation bill that would have appropriated $25 million to implement the provisions of the act. Responding to a point of order that there can be no appropriation for something that is not authorized, Speaker of the House Carl Albert ruled the amendment invalid, stating:

The Chair is not oblivious to the fact that certain questions have been raised about the legal propriety of this veto. However, the Chair cannot rule on this constitutional question. The Chair may only refer to the statutes at large or the United States Code to find the authorization required to support this appropriation. Since no such statute can be cited, the Chair must sustain the point of order.

And the Senate similarly refused to make the appropriation.

Another method of testing the pocket vetoes might be to proceed on the private claim. One of the vetoed bills would have conferred jurisdiction on the Foreign Claims Settlement Commission to pass upon a $215,200 claim of the estate of Miloye Sokitch, a refugee from Yugoslavia. After the Germans had occupied Yugoslavia in World War II, they handed over a manganese mine owned by the Sokitch family to the Italians, and the family's loss of ore from the mine is the basis of their claim.

In April of this year the Sokitch family filed their claim with the commission, alleging jurisdiction on the basis that the private bill is now law. If the commission rejects that view and holds the pocket veto authority validly used, this may open the door for an ultimate Supreme Court ruling. Although commission rulings on claims usually are final and not subject to court review (22 U.S.C. § 1623(h)), because of the constitutional issue involved, a federal district court might be willing to accept the case for review.

CONGRESS MOVES TO DEFINE "ADJOURNMENT"

Only time and a possible judicial decision will determine the ultimate legality of the Family Practice of Medicine Act and the private claim statute. Many members of Congress believe, however, that Congress should act to prevent what they regard as the possibility of future abuse of the pocket veto power by defining what "adjournment" means. For example, Congress probably will have recessed at least seven times during 1971, and presumably the President would be able to exercise the pocket veto during at least some of these recesses.

Senator Ervin, along with Representatives Emanuel Celler, Democrat of New York, and William M. McCulloch, Republican of Ohio, have introduced bills that would define the scope of the pocket veto (S. 1642 and H.R. 6225). Specifically, the word "adjournment" in the Constitution would be defined as an adjournment *sine die* by either the Senate or the House of Representatives. The bills also would make it clear that if the respective house were not in session when a President wants to return a bill, then presentation to an officer designated and authorized by that house to receive bills under those circumstances would constitute a valid return of the bill. Both bills have been referred to the respective committees on the judiciary, where they are under active consideration.

In June of 1833, James Madison wrote Henry Clay on the President's duty to return bills to Congress, stating:

It is obvious that the Constitution meant to allow the President an adequate time to consider the bills . . . presented to him, and to make his objections to them; and on the other hand that Congress should have time to consider and overrule the objections. A disregard on either side of what it owes to the other, must be an abuse, for which it would be responsible under the forms of the Constitution.

The legislative bone of contention has been hauled out again. Perhaps this time, Congress—and the courts—will have an opportunity to bury it completely.

CONTRASTING COURT DECISIONS STRESS NEED FOR NEW LABOR POLICY

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. STEIGER of Arizona. Mr. Speaker, I would like to emphasize the pressing need for a Federal prohibition on involuntary unionism by relating the contrasting results of two recent court cases involving workers who incurred the wrath of dictatorial union officials.

The employee plaintiffs in these cases were an Idaho busdriver, Wilson Lockridge, and a veteran Western Electric Co. employee, Dale Richardson of Nebraska.

Each of these men was fired from his job as a consequence of conflicts with union officials. In September, a Federal district court jury in Omaha awarded Richardson damages totaling $342,000. Last month Lockridge irretrievably lost an appeal to the U.S. Supreme Court, whose members acknowledged that existing labor laws sanction the unfair treatment to which he was subjected.

In his work as a busdriver, Lockridge was exposed to the provisions of the National Labor Relations Act which sanction compulsory "union shop" clauses in collective bargaining agreements. His employer and the certified union negotiated such a contract, and he was obligated to pay union dues in order to retain his job.

At the outset Lockridge authorized his employer to deduct monthly dues from his wages and transmit them to the union treasurer. Subsequently, he revoked that authorization and elected to remit the dues himself. His revocation of the dues checkoff authorization displeased officials of this local union, and they made their displeasure known to him.

Ultimately, the union officials alleged that Lockridge was in arrears in his dues payments, and they demanded his removal from the company's payroll. His employer complied with that demand, thereby triggering court proceedings which were to extend over a period of 12 years.

This litigation reached a dead end when the Nation's highest court ruled against Lockridge. Last month it denied his petition for a rehearing. The Court held there is no remedy in the acts of Congress for workers who find themselves in Lockridge's circumstances.

Dale Richardson, the Western Electric Co. worker in Nebraska, was for 9 years a voluntary member of the AFL–CIO affiliate known as the Communications Workers of America. He held the highest grade for which an hourly-rated employee was eligible, and he was second in seniority among 164 shop and warehouse employees in the Western Electric facility in Omaha.

In early 1965, Richardson became concerned about the possible misuse of union funds. After being stymied in his efforts to see the pertinent financial records, he protested by resigning from the union in January 1966. He was aware that the Nebraska right to work law promised him the right to withdraw from the union without jeopardizing his employment.

His resignation triggered a vicious campaign of abuse, discrimination, and harassment by union hotheads—a campaign which company officials did not suppress. Several months after his withdrawal from the union, Western Electric acceded to the demands of union officials for Richardson's discharge. Company officials later acknowledged that his work record was without blemish previous to his resignation from the union.

Richardson filed suit for damages against both the union and his former employer, charging a flagrant violation of his freedom to join or not to join a union as protected by Nebraska's right to work law. A Federal district court jury heard the evidence and awarded the plaintiff $20,000. The presiding judge promptly reduced the award to $1,500, and his decision was then appealed to the U.S. Court of Appeals for the Eighth Circuit. The latter court upheld Richardson's appeal and said in its opinion:

An employee wrongfully discharged under a collective bargaining agreement, as exists here, suffers more than just the loss of a job itself. His damage must be appraised in terms of not only his wages, but the loss of seniority and the benefits which flow from it; he has thus lost his reasonable expectancy to his continued employment . . . When an employee's expectancy of employment is challenged by invidious discrimination of the company or the union arising from his nonunion membership, the law should not react niggardly as to realization of his whole damage . . .

The court of appeals also described in some detail the "malicious treatment" to which Richardson was subject. The following is an excerpt from the court's decision:

The evidence is that plaintiff was subject to malicious treatment for over six months before his discharge . . . While at work Richardson was constantly pelted by a rain of nuts, bolts, and screws thrown at him by other employees. Other methods of harassment included constant pushing and shoving, challenges to fight and threats of violence, burning Richardson with a lighted cigarette down his back, calling his wife vulgar names and attributing to her unnatural sex acts, deflating his automobile tires, placing a beer bottle behind his tires, squeezing a tube of grease in his tool drawer, and padlocking his locker. Not long after he resigned from the union, the tires of his car were slashed while it was parked at his home . . . Union officials took part in many of the intended harassments . . . During the nearly seven months of his non-union employment, union men involved Richardson in three separate fights. In May an employee by the name of Reber . . . called Richardson's wife a whore, then asked him to sign a statement that he (Richardson) had challenged Reber to fight. Richardson struck Reber three times. Both were suspended by the company, Richardson for three weeks, Reber for two weeks . . . On September 1, a union member named Korytowski tried to provoke Richardson in the parking lot. He kicked Richardson, who returned the blow and called the offender a bastard. Later that day the company discharged Richardson . . .

In accordance with the higher court's ruling, the Richardson case was retried

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in September before a second Federal district court jury in Omaha. That jury awarded the plaintiff $250,000 from the union for mental anguish and $92,000 in compensatory damages. It assessed the defendant union for 70 percent of the smaller sum and the company the remaining 30 percent.

It is clear, of course, that Richardson was successful in his fight because the Nebraska Legislature exercised its authority to outlaw compulsory unionism. It might be said that Lockridge was unsuccessful, because of the Idaho Legislature's failure to exercise that same authority. However, we cannot obscure the fact that Lockridge was victimized by a weapon placed in the hands of his employer and his union by the Congress.

If it had not been for legislation enacted here, Lockridge could not have been placed under the obligation to pay union dues. Therefore, the Congress—and not the Idaho Legislature—is primarily responsible for the injustice he suffered.

Some of us in the Congress may prefer to absolve ourselves of guilt by saying we affirmed the authority of the States to legislate against compulsory unionism by incorporating section 14(b) in the National Labor Relations Act. But, in effect, we said to the States: We'll allow you to ameliorate any problems arising from our authorizing the forced unionization of workers. That is akin to blaming the homeowner for his failure to prevent the destruction of his property by a Government-licensed arsonist.

Mr. Speaker, it is imperative that we remove the weapon of compulsory unionism from the hands of employers and union officials. We can attain that objective by enacting into law the national right to work bill that I introduced November 17.

UKRAINE—THE LARGEST CAPTIVE NON-RUSSIAN NATION IN THE U.S.S.R. AND EASTERN EUROPE

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. FLOOD. Mr. Speaker, it is not generally known and sufficiently appreciated that the largest captive non-Russian nation in the U.S.S.R. and Eastern Europe is Ukraine.

With a population of over 45 million, Ukraine is one of the most resourceful nations in Europe, and if it were not under the domination of Russian Moscow, it would surely again become "the granary of Europe" in an advanced economic framework of industry and agriculture. Also, the country's geographic location, extending from the Carpathian mountains toward the Caucasus and above the Black Sea, is a most strategic one as concern developments in Europe, Asia and the Middle East.

Because we shall hear more and more about this largest captive nation in Europe, I submit for our popular edification the illuminating section on "Ucrainica In American and Foreign Periodicals" in the world-respected journal of East European and Asian Affairs, The Ukrainian Quarterly. The section, prepared by Dr. Lev E. Dobriansky of Georgetown University, regularly shows the growing interest in this captive nation and, above all, the prominent myths and misconceptions that many in the West still cling to when analyzing or commenting upon the Soviet Union, Russia or Ukraine. It is high time these myths were dissipated, and a Select House Committee on the Captive Nations would be the most effective way of doing it. The Ukrainian Quarterly, Vol. XXVII No. 3, autumn 1971:

UCRAINICA IN AMERICAN AND FOREIGN PERIODICALS

"U.S. Facing the Inevitable on U.N. China Seat," an article by Crosby S. Noyes. *The Evening Star*, Washington, D.C., May 14, 1971.

Many arguments pro and con have been advanced on the so-called China issue in the United Nations. But about the most ridiculous one in favor of seating Red China is the analogy drawn with the presence of the puppet representatives of Ukraine and Byelorussia in the U.N. There has recently been a whole rash of articles and commentaries putting forward this false analogical argument.

This article cites the suggestion made by Harvard's China expert John Fairbank to recognize Taiwan as an "autonomous province" of mainland China. It then goes on to say "It even might eventually provide a basis for Nationalist representation in the UN on the same ground that Byelorussia and the Ukraine are represented along with the Soviet Union."

It is indeed startling how thinking processes seem to be detoured when the non-Russian nations in the USSR become involved in world issues. There is obviously no parallel between the two distinct non-Russian nations in relation to the Russian within the multinational state of the USSR and that between the Republic of China and mainland China. Plainly, on all counts the former are distinct and separate national entities. Both Taiwan and mainland China are integral and inseparable parts of the Chinese nation. To draw an analogy between the two different categories is like mixing pickles and ice cream. But the nonsense continues to be repeated ad nauseam.

"Soviet Union Accused of Genocide," a report. *Freedom's Facts*, The All-American Conference to Combat Communism, Washington, D.C., February 1971.

Two lectures in honor of the late Dr. Roman Smal-Stocki are commented on in this report. Both lectures were delivered at St. Josaphat's Ukrainian Catholic Seminary in Washington, D.C. The first lecture by Archbishop Ambrose Senyshyn, head of the Ukrainian Catholic Church in this country, dealt with Soviet Russia genocide of both the Ukrainian Catholic and Orthodox Churches in the USSR. The second, given by Dr. Lev E. Dobriansky of Georgetown University, dwelled on the strategic importance of Ukraine in the world struggle.

Sweeping in its coverage, the Senyshyn lecture registered twenty-one charges of genocide and crimes against imperialist Moscow. These included the destruction of churches, the dispatch of hoodlums into churches to disrupt services, the incarceration of clergy and a host of other barbarous activities. The Archbishop stressed the genocide of the Ukrainian Catholic Church.

The Dobriansky lecture at the Ukrainian Catholic Studies Foundation pointed out the strategic importance of Ukraine in any consideration of world affairs. He stated his prime point in these words: "From every viewpoint—political, economic, geographic—Ukraine is so high in strategic importance that one can formulate it into the equation, U.S.S.R. minus Ukraine equals zero." The equation was elaborated at length.

"The Vindication of Barry Goldwater," remarks by Hon. Philip M. Crane. *Congressional Record*, Washington, D.C., June 28, 1971.

The so-called disclosures made in the Pentagon Papers and the role of the *New York Times* are dealt with in the remarks of Congressman Crane regarding an introduced article by Allan C. Brownfeld. As both conclude, "Only Barry Goldwater emerges from these Pentagon papers as an honest man. It is indeed ironic to see the newspapers which once sought to destroy him now admit that in a cynical age he was a man who told the truth."

In the course of the columnist's analysis striking reference is made to the man-made famine in Ukraine. "For many years," Brownfeld writes, "Walter Duranty was the *Times* correspondent in Moscow. He was there during Stalin's purge trials, during the famine in the Ukraine. Yet, he reported none of these things accurately to *Times* readers. Instead, he became an apologist for Stalin."

With the memorable year 1964 at issue here, many can recall similar newspaper distortions of truth concerning the erection of the Shevchenko statue in the nation's capital. *The Washington Post* led in this and similarly played up to Moscow and the puppet Ukrainian representation in the U.S. In this case, it was mauled.

"No U.S. Trip for Ukraine Cardinal," a report, *New York Post*, New York, May 28, 1971.

Appearing also in other papers as an *AP* release, this report covers the cancellation of an intended visit by Josef Cardinal Slipyj to Canada and the United States. According to the account, "A Vatican press office spokesman said . . . that the visit was canceled in the wake of threatened agitation at the consecration of two auxiliary bishops in Philadelphia." The disturbances that actually did ensue, reached desecratory proportions.

The Ukrainian prelate's secretary, Msgr. Ivan Choma, is quoted as having said with reference to the canceled trip, "He was a prisoner in the Soviet Union and seems to end up being one in the Vatican, too." If this quote is correct, the analogy cannot but raise many an eyebrow.

"And a Wishful Reality," a commentary. *News From Ukraine*, Kiev, Ukrainian S.S.R., April 1971.

This is a curiously written commentary on the Ukrainian Congress Committee of America and also its president, Dr. Lev E. Dobriansky of Georgetown University. The disturbed commentary is studded with emotional adjectives and, as for empirical facts, its hallmark is dearth. Its views of UCCA bear no relation to reality. Primarily, the commentator doesn't seem to understand that UCCA is an American organization of Ukrainian background and not some sort of government-in-exile or a parliament in the diaspora.

What appears to sting the writer is Dr. Dobriansky's involvements in Asia. As he puts it, "But nevertheless in Saigon, Mr. Dobriansky defends all human ideals and virtues! And how he defends them!" Of course the writer knows the broad, integrated discussions that go on not only in Saigon but also Taipei, Tokyo and Seoul. Plainly, if Peking can take a keen interest in Ukraine and the other captive non-Russian nations in the USSR, why can't these? It has been known for years that Kiev, as well as Moscow, has been keenly interested in these Asian sojourns, and for good reason. Current developments, such as the President's trip to Peking, indicate it in part.

"Ukraine Leader Urges Soviet to Get Rid of Hippies," a report. *The New York Times*, New York, June 30, 1971.

"Khippism" seems to trouble Pyotr Y. Shelest, the Ukrainian Communist leader and a Politburo member. It was the same Shelest who three years ago was troubled by events in Czecho-Slovakia and strongly urged Moscow's invasion of the neighboring Red state. Now he would have action taken against the latest Western scourge—"khippies."

Apparently this is the first time a public official in the USSR used the term "hippies" in the open. According to Shelest, "Under the influence of bourgeois propaganda and morals, part of the youth for this or that reason has slipped from under our influence." His admonition?—"All Communists and all public opinion must join in the fight against them."

The trend in the USSR is for growing hippy looks in the major cities. Youth there seems to keep abreast of developments in the West. Ironically enough, television and movies in the USSR concentrate on anti-war movements in the West, showing thereby the current look of youthful participants. The youth there simply imitate, ostensibly as comrades-in-arms, practically as comrades-in-looks.

"Who Is the Imperialist?," a tabulation. *AFL–CIO Free Trade Union News*, Washington, D.C., June 1971.

In the book review section of this journal an incisive analysis is made of the booklet released by the AFL–CIO on *Who Is the Imperialist?* The basic deficiencies of the work are described in detail. The tabulation reproduced here shows the new independent nations since World War II, one that appeared in a number of sources several years ago but is up-dated here. The one on "the Soviet and Communist Chinese Record as of 1970" begins only as of 1939 and thus incurs a grave omission of the numerous non-Russian nations in the USSR.

The Captive Nations List that has official sanction in Public Law 88–90, based on the Captive Nations Week Resolution which Congress passed in July 1959, is a far more accurate account of Soviet Russian imperialism. Also the annual National Captive Nations Committee's list "Who's Next?" is complete and generally accepted. Though the AFL–CIO list and the comparative table on new nations are informative and of value as far as they go, the Soviet Russian record it presents is most misleading. Some of the problems involved in this were fought publicly in the 50's when some attempted to conceal Soviet Russian imperialism but talked glibly about Red Chinese imperialism. Half of the USSR itself is imperialized by Moscow.

"The Dilemma of Russification," an article by John P. Roche. Syndicated column, June 1971.

In treating of the Jewish problem in the USSR, Professor Roche contends the Muscovite bureaucracy is in a dilemma because, as he puts it, "in demographic terms, Russia is running short of Russians." According to him, projections show that in ten or twenty years the Russians, who now ostensibly constitute 53.4% of the total population, will be a minority. By the next century "the Slavs (Russians, Ukrainians, and smaller ethnic groups) will be outnumbered."

What then is the dilemma? Simply, Russify or not Russify. The writer concludes that "the regime obviously hopes to behead Soviet Jewry, to leave it an inchoate mass of leaderless individuals who will passively succumb to Russification. This applies to other non-Russian groups, for otherwise the Russians will be "a minority in 'their' country."

Parts of this interesting article indicate the writer's relative lack of familiarity with the USSR. Although he concentrates soundly on Russification, his conception of "Soviet national minorities," the Ukrainians as simply one of the "individual ethnic groups" and so forth leaves much to be desired. It may surprise the professor that by a re-defining process the trumped-up statistics furnished by Moscow support the minority status of the Russians now.

"John Theodorovich, Ukrainian Prelate," an obituary. *The Washington Post*, Washington, D.C., May 5, 1971.

Admired by his own Orthodox, Catholics and others, the Most Reverend Metropolitan John Theodorovich, head of the Ukrainian Orthodox Church of the U.S.A., passed away at the age of 83. His career was an eventful one, and its highlights are well portrayed in this account. His cathedral church was St. Volodymyr's in Philadelphia.

Ordained into the priesthood in 1912, Metropolitan John "served as chaplain with the army of the Ukrainian National Republic in the war against Russia in 1919–20." In 1921, he was elevated to the episcopal office of archbishop of Vinnitsa, Ukraine. As the account describes it, he was persecuted by Moscow for his anti-communist activities and "later was released through the intercession of Jews he had defended against pogroms." He came to the U.S. in 1924, and in 1950 became metropolitan.

"A New Detente Shaping Up in Asia?," an article by David Lawrence. *The Evening Star*, Washington, D.C., August 16, 1971.

This columnist believes that the Nixon gesture toward Peking is a response to the latter's deep fear of Japan's power. This power can be easily translated into militarism and the domination of South Korea and Taiwan. As pointed out by the columnist, the Japanese ambassador in Washington has denounced as nonsense any idea that Japan has "ambitions of aggression" toward Korea and Taiwan.

A deeper analysis of the situation in the Far East would show that the threat is not Japan but the Soviet Union. When dealing with the latter and the question of how to accommodate Taiwan in the U.N., the writer uncritically mentions the so-called Byelorussian/Ukrainian analogy. He writes, "One argument is that the Soviet Union, for example, has two of its 'provinces' in the international organization." As shown earlier, this argument is without foundation and any that employ it reveal their own misconception of the USSR.

"Brezhnev Lauds 'Brezhnev Doctrine' and Husak," an article by James Feron. *New York Times News Service*, Prague, Czecho-Slovakia, May 27, 1971.

The final nail was driven into the Czecho-Slovakian coffin of captivity with the appearance of Leonid I. Brezhnev at the fourteenth Czech Party Congress in May. In effect reaffirming what has come to be known as the Brezhnev Doctrine, he received a standing ovation by the puppet audience when he declared, "Nobody will ever be successful in breaking our friendship and fraternity."

Stated in true terms, Brezhnev simply reminded the Czechs and others that Russian imperialism won't tolerate any drift toward independent will by satellite communists or others. He brazenly justified the invasion of Czecho-Slovakia and in Aesopian language held it to be "the duty of Socialist states to intervene to protect their system against revisionism." It's singificant that the Red Chinese, themselves threatened by the Brezhnev Doctrine, accuse Moscow of revisionism. In this medley of intraempire conflict the seeds of freedom's opportunity are sown with great promise.

"Ukranian Find Yields Clues to Nomad Ways," a release. *United Press International*, Moscow, USSR, May 30, 1971.

A burial mound has been discovered by Ukrainian archeologists near the Ukrainian city of Dnipropetrovsk. The site contained two bodies that reveal new information about nomads who roamed Ukraine before the birth of Christ, spilling blood but encouraging culture. The bodies, a queen and a small boy, are believed to be members of a royal family.

The report states that an "alabaster-lined sarcophagus contained the gold bedecked remains of the queen and the body of a small boy, apparently an heir to the throne." This was a part of Scythian civilization in the fourth century B.C. Ritual silver vessels for wine and a gold bracelet were placed near the boy, and the child's attire was also richly embroidered with gold disks. It is known that the Scythians were barbarous, but apparently they also had a taste for fine art.

"National and Religious Dissent Worries Soviet Leadership," a commentary. *Religion In Communist Dominated Areas*, The National Council of Churches, New York, April 1971.

This semi-monthly publication of the National Council of Churches contains much worthwhile material on religious conditions in the Red Empire. The comments, too, on reproduced pieces are refreshing and incisive. For example, as RCDA comments, "Repeated attacks in the Soviet press against 'Ukrainian bourgeois nationalism and chauvinism,' 'excessive and unjustified glorification of the national peculiarities, traditions and customs of the native population,' and their 'religious masking' by the Uniate clergy indicate that Soviet leadership is worried about the growing and religious dissent in the Ukraine and throughout the USSR."

An extract from *Man and World*, published in Kiev, and with the title "In Single Harness—Clericalism and Ukrainian Bourgeois Nationalism" vilifies past and present clerics who have hitched religious beliefs to nationalist aspirations. For instance, it's stated, "this alliance manifested its anti-people nature especially glaringly in the struggle of the nationalists and the clergy against Soviet order, which they conducted under the false slogans of 'an independent, united Ukraine. . .'"

Religious beliefs and forces are indomitable and thus are a constant threat to totalitarian Soviet Russian imperialism. In time, properly channeled, they will overcome the latter. Their unity in the Free World as well as behind the Iron Curtain is therefore a necessary prerequisite for this inevitable outcome.

"A Look Inside Russia," a personal report from a White House aide. *U.S. News and World Report*, Washington, D.C., August 2, 1971.

This interview of Thomas Pauken, who is deputy director of the White House Fellows, is really based on a diary Pauken kept during his recent visit to Moscow and "the two biggest cities of the Ukraine—Kharkov and Kiev." Some fifteen fellows or one-year White House interns went on the trip.

Among the many interesting items recorded is this impression: "In Kharkov, I was struck by the contrast with Moscow. The majority of people in Kharkov are ethnic Ukrainian and very different in personality and style from the ethnic Russians who predominate in Moscow. In Moscow, the face of the average Russian was virtually expressionless, and the drabness of life hung like a cloud over everything. In Kharkov, the people are outgoing, more colorful in their dress, and appeared to have great zest for life."

It's evident that our fellow has no appreciation of the multinational nature of the USSR. The term ethnic Ukrainian makes sense for a Ukrainian residing in Moscow, and ethnic Russian for one living in Kiev. However, his general impressions are substantially correct. Before leaving the USSR, Pauken met with two young Ukrainians who were fluent in English. "They hoped some day to go to America themselves," he writes.

"What Has Been Done by the U.S. To Contain Russian Imperialism," an article by Austin J. App. *ABN Correspondence*, Munich, Federal Republic of Germany, March-April 1971.

Striking a positive note on America's successful containment of communism, the writer argues that the whole concept of na-

tional self-determination and freedom is American. "It was America that proposed to usher in the new era of self-determination of peoples." He cites in detail the costs sustained by the U.S. in upholding this since World War I.

THE LACK OF ADEQUATE LEGISLATIVE MACHINERY TO REPRESENT THE PUBLIC INTEREST IN THE CASE OF NATIONWIDE STRIKES

HON. SHERMAN P. LLOYD

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. LLOYD. Mr. Speaker, significant observations are being made concerning the lack of adequate legislative machinery to properly represent the public interest in labor-management disputes having national impact.

Responsibility of the Congress is to appropriately represent the public interest rather than the specific personal interests of either labor or management. The New York Times published the following editorial in its November 27 issue:

REOPENING THE DOCKS

President Nixon's move for national emergency injunctions to reopen the strikebound ports on the Atlantic and Gulf coasts represents the collapse of an Administration attempt to revive the atrophied processes of collective bargaining on the waterfront.

Ever since passage of the Taft-Hartley Act in 1947, a court order to end strikes has been an almost automatic accompaniment of the expiration of agreements between the International Longshoremen's Association and the dock employers. And, with only slightly less regularity, the strike resumed as soon as the eighty-day cooling-off period ran out.

In hope or abolishing this charade, the White House let the current strike run for nearly two months before deciding that its impact on the economy necessitated injunctive action. Even then the Administration stayed out of court until an all-out effort to conclude a negotiated settlement had failed—for reasons that remain a mystery. Earlier this week an agreement seemed near, under which some of the worst abuses of the guaranteed annual wage in the pattern-setting port of New York would have been moderated in exchange for basic wage increases far in excess of the Pay Board's anti-inflation guideposts. An overnight evaporation in union receptivity to the whole arrangement made it unnecessary for the country to judge how much, if any, real benefits such a pact would have brought.

Now fascinating reversal has taken place in the normal line-up of employers and union on the President's invocation of Taft-Hartley, once the most hated of all laws in labor's lexicon. The industry, which always in the past has welcomed such a move, is trying hard to block a permanent injunction by insisting on fragmented treatment of each port. It is also seeking to knock out the standard requirement in all prior injunctions that the workers return to their jobs under terms of the old contract. That requirement would mean reinstating the enormously expensive guaranteed wage without any of the safeguards the industry says it needs.

The union, in contrast, is putting up only the most nominal objections to an injunction that would cover all ports. Its real concern is that the wage guarantee go back into full effect in New York in line with invariable past practice, a practice Federal Judge Bonsal sustained in the ten-day temporary back-to-work mandate he issued here yesterday.

This weird miscarriage of the Administration's original design indicates anew the need for fundamental overhaul of the nation's statutory curbs on crisis strikes. On the West Coast, where a similar Taft-Hartley injunction is already in effect, two-thirds of the cooling-off period has gone by and no glimmering of a settlement is reported. Some form of binding arbitration is needed to bring final resolution of such disputes, in which the public eventually and inevitably becomes the prime victim.

"AMERICA, THE BEAUTIFUL, OF THEE WE SING"

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. PATTEN. Mr. Speaker, I have read and heard hundreds of Thanksgiving prayers in my life, but the most beautiful one I ever read is the one written by Rabbi Haim Kemelman, of East Brunswick, N.J., called, "America, the Beautiful, of Thee We Sing."

It is full of gratitude, faith, and inspiration because its gifted author has these rare qualities deep in his heart and soul. While many others disparage and condemn America, Rabbi Kemelman is proud to praise and honor our country because he loves it and because he believes in its promise.

Mr. Speaker, I am thankful for many blessings in this land of freedom, and one of them is that Rabbi Kemelman is one of my constituents and that he is my friend.

The text of his beautiful and moving Thanksgiving prayer, which was published in the Sunday Home News, of New Brunswick, N.J., on Sunday, November 21, 1971, follows:

AMERICA, THE BEAUTIFUL, OF THEE WE SING

When some say, "Why?" we sing, "Why not?"
When some cry havoc, we sing and work,
When some see stumbling stones, we see stepping stones;
When some curse the darkness, we blaze the path.
America the beautiful for Thee we pray.

We pray that God give us men: strong men, brave men,
honest men—men who yield not conscience to power
and wisdom to wealth; men who dare to do the right
even in face of adversity and evil.
America the beautiful for Thee we are grateful.

We are grateful that thy heritage has given us men—
men who are noble and true, men who are just, men who
inspire loyalty and truth to the end that the just
shall be strong and the strong shall be just.
America the beautiful of thee we sing, for thee we are
grateful and in behalf of thee we pray.
Amen.

—Thanksgiving Prayer, by Rabbi Haim Kemelman.

IMPENDING GIVEAWAY OF PANAMA CANAL MUST BE PREVENTED BY THE CONGRESS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. RARICK. Mr. Speaker, as a Member of the Congress from Louisiana, I have watched with deep concern the current treaty negotiations between the United States and Panama. One of the admitted objectives of our negotiators is to cede U.S. sovereignty over the U.S. owned Canal Zone territory to Panama, a small, weak country, notorious for its political instability.

This may explain the administration's denial of recent statements or implications attributed to Assistant Secretary of State Charles A. Meyer that the U.S. Government would take no action to intervene in order to protect the Panama Canal should the Soviet Union decide to invade and conquer Panama.

One highly redeeming feature of the present situation is that the sovereign people of our country are far ahead of their Government in Washington in evaluating the true significance of the canal problem in spite of the failure of most of the mass news media to make objective reports on it. This development is explained by the able leadership over many years of my distinguished and most scholarly colleague from Pennsylvania (Mr. FLOOD) and resulting pamphleteering in various parts of the Nation.

A recent example of this effort is an ably prepared pamphlet on "The Impending Giveaway of the Panama Canal," by Dr. William S. McBirnie, Glendale, Calif. In this, he stresses that the main canal question is a power struggle between the United States of America and the U.S.S.R. and not one between the United States of America and Panama and that it is a contest that the United States dare not lose. Its loss would give Soviet power control of the round-the-world canal route, Suez and Panama, and bring closer the day of encirclement of the United States.

Mr. Speaker, one of the most glorious chapters in American history is the successful construction and subsequent operation in both peace and war of the Panama Canal, which has yielded great benefits to the Republic of Panama. Yet the position of its revolutionary government is that our Nation's entire course in dealing with the canal question has been one of oppression and infamy and that Panama has suffered greatly thereby.

As to such contentions there could be no greater falsehood. Unfortunately, these mendacious Panamanian pronouncements are never denied or answered by the highest officials of our Government with the resulting impairment of our country's image in world opinion.

Russian agents are already in the Panamanian Revolutionary Government and

at the University of Panama. Certainly they are making their adverse influence manifest in the formulation of Panamian policies, all without the slightest opposition by our responsible officials.

The weakest spot in recent national administrations over a period of years has been their policy in dealing with the Panama Canal. The people of our country are dead set against the surrender of any of our treaty-based sovereignty at Panama, either over the zone or the canal. Our citizens have contributed too much in the way of treasure and sacrifice to have all that they have done in this connection thrown down the drain in complete disregard of our Federal Constitution—article IV, section 3, clause 2.

Mr. Speaker, on November 29, 1971, there were started before the House Subcommittee on the Panama Canal of the Committee on Merchant Marine and Fisheries under the chairmanship of my distinguished and able colleague from New York (Mr. MURPHY) the first comprehensive congressional hearings on the interoceanic canal problem since 1906. This inquiry should go far in clearing away the fog of confusion that has for so long obscured the canal subject in the public mind and in laying the basis for an Isthmian policy based upon realities and not shabby sentimentalism of appeasers, demagogs, and weaklings.

There are two steps that should be taken: First, the reaffirmation by House resolutions now pending before the Committee on Foreign Affairs of our undiluted sovereignty over the Canal Zone; and second, the enactment of pending legislation for the major modernization of the existing Panama Canal.

Because of the timeliness of Dr. McBirnie's recent pamphlet, I quote it as part of my remarks along with the texts of a related letter and of House Resolution 540 and H.R. 1518 that I cosponsored and introduced, respectively:

THE IMPENDING GIVEAWAY OF THE PANAMA CANAL

(By W. S. McBirnie)

THE PANAMA CANAL

Treaty basis of the U.S. canal rights

There are three treaties, one with Great Britain, one with Panama and one with Colombia which constitute the legal basis for U.S. Sovereignty over the Panama Canal. The first of theee with Great Britain, known as the Hay-Pauncefote Treaty of 1901, recognizes the exclusive right of the U.S. to construct and deepen the canal.

The second of these treaties, known as the Hay-Bunau-Varilla Treaty, and ratified in 1904, granted to the United States "in perpetuity":

"The use occupation and control of the canal zone for the construction of the Panama Canal, and its perpetual maintenance, operation, sanitation and protection, as if the United States were "the sovereign of the territory" and to the "entire exclusion of the exercise of the Republic of Panama of any such sovereign rights, power or authority". Quoted in *The Isthmian Canal Policy Questions*, Rep. Daniel Flood, D. Penn., House Document 474, 89th Congress, 2nd Session, P. 136."

The United States, in turn, guaranteed the independence of the Republic of Panama which had just seceded from Colombia, and whose very existence depended upon the protection of the United States.

By the terms of the third treaty, the Thomson-Urrutia Treaty, proclaimed March 30, 1922, Colombia recognized the title to the Panama Canal as "now vested entirely and absolutely in the United States of America". Special rights and privileges were guaranteed to Colombia, and the United States paid Colombia 25 million dollars. (*Ibid*)

The negotiations of these three treaties were the work of some of the ablest men of their time. They knew, from their own observations, that Panama was a land of endemic revolution and political instability. These treaties were meant to solve permanently the problem of sovereignty over the Canal Zone. Bunau-Varilla, Panama's minister to the United States, and one of the authors of the treaty, stated, "After mature thought . . . I decided to grant concession of sovereignty en bloc." The Canal Zone was not sold, ceded nor leased but granted to the United States in *perpetuity* for the operation of the Panama Canal. The treaty also granted the control of the Canal Zone, an area five miles wide on each side of the canal itself.

The sanitation problems were enormous, but the treaty of 1903 gave the United States the right to enforce sanitary measures throughout the entire canal area. Army doctors and scientists conquered yellow fever and malaria which for years had caused great loss of life in Panama. The story of their heroism and achievement has been recounted in many books. The building of the Canal was one of the great engineering feats of the world. It was opened to traffic on August 15, 1914.

The importance of the canal

The Panama Canal is one of the greatest transportation facilities in the world, and has been characterized as the backbone of ocean commerce, especially in the Americas. Cargo tonnage on the Panama Canal in fiscal 1969 amounted to 108,793,069 tons which was an increase over 1968. Toll collections in 1969 were $95,914,608 which was almost 2 million dollars more than in 1968. Within the last several years improvements on the Canal have totaled some 68 million dollars. (*World Almanac*, 1971, p. 110)

All of the nations in this hemisphere have a vital interest in a well run canal, open to the commerce of all nations. The canal occupies a strategic place in the defense of the western hemisphere, and has been extremely useful in moving military cargo bound for Vietnam.

The canal has growing importance to our [defense] effort because of the diminishing supplies of raw materials in this country . . . Our aluminum industry is dependent on bauxite coming from Guiana and Venezuela. (*Between the Lines*, Edith Kermit Roosevelt, published in *The Wanderer*, August 24, 1967.)

The United States has fully discharged its obligation to maintain a free and open waterway between the Atlantic and Pacific Oceans. Tolls have remained at a reasonable level and ship transit is accomplished expeditiously.

The Canal occupies a highly strategic place in the defense of the western hemisphere. Representative Daniel Flood of Pennsylvania, and probably the best informed man in the Congress on all the ramifications of the Panama question, has stated:

"The Panama Canal is a military key of the first order in world strategy and the chief feature required for the protection of all Latin America. Yet an attempt is being made on our part, motivated by shabby sentimentalism and complete disregard of the consequences involved, to give away this great economic and military agency." (CONGRESSIONAL RECORD, vol. 113, part 10, p. 13111.)

The canal is a control point of indispensable use in barring deep Soviet penetration of Latin America. With Russia in control of Cuba, and able to use that island as a naval and military base, the United States' sovereignty over the canal becomes vitally important.

The canal: A key Communist target

Wresting ownership and control of the Panama Canal from the United States has been a communist goal that dates back to critical days of the Russian revolution in November, 1917. John Reed, a notorious American communist reporter who covered the Russian revolution in a highly sympathetic manner, discussed the internationalization of the canal with the leaders of the Russian revolution. Lenin realized the importance of the canal, and was determined to force the United States to give up unilateral control of the waterway. (John Reed, *Ten Days That Shook the World*, p. 238) The strategic nature of the canal will continue to make it a prime target for Soviet subversion.

The Soviet Union has been increasing its naval power at an unprecedented rate as a prelude to securing control of the world's waterways. Following the seizure of the Suez Canal by Egypt, Russia began to dominate the Mediterranean Sea, and her ships are prowling the Indian Ocean unchallenged. The communists desire to make the Caribbean Sea a Russian lake, and it is well on its way to becoming just that. Cuba, as has been pointed out, is already a Russian bastion and Panama and the canal are the next logical steps leading to communist domination of Central and South America.

Many experts in naval strategy, including men in Europe as well as the United States, believe that Russian naval planning has placed a high priority on the objective of depriving the United States of the ownership of the Panama Canal. Russian strategic planning related to the Panama Canal, according to the experts, should give the United States great csuse for alarm. Russia has constantly supported the efforts of Panama to gain control of the canal. In the late summer of 1970, R. Doria Souza, General Secretary of the People's Party (communist) of Panama, visited Moscow. As a result of his visit, the Russian government strongly supported Panama's military dictator, General Omar Torrijos, in his demands upon the United States for control of the canal. Souza stated that the principal task of the communists in Panama is "to strengthen the unity of all anti-imperialists forces and together counter the machinations of Yankee imperialism". (CONGRESSIONAL RECORD, May 5, 1971, pp. 13641–13643.)

Piecemeal surrender

For twenty five years the United States has been surrendering the rights given to it by the treaty of 1903, but the Panamanians have not been satisfied. The surrender has merely served to increase their appetites for more concessions.

After prolonged, secret negotiations extending over a period of two years, the Eisenhower-Remon Treaty was proclaimed on August 26, 1955. This treaty increased the annual annuity to Panama and surrendered valuable Panama railroad property in the terminal cities of Panama and Colon. Another important provision was the abrogation of the right of the United States to enforce sanitary ordinances in Panama City and Colon. Since 1955, when sanitation enforcement was turned over to the officials of these two cities, the garbage collection has been totally inadequate. (Flood, op. cit., p. 203)

From 1959 on, there were increasing demands by the Panamanians that their flag be flown on the zone beside the American Flag. President Eisenhower, fearing violence from unruly mobs, agreed that this should be done, thus providing "visual evidence that Panama does have titular sovereignty over the region". (*Interoceanic Canal Problems in the Americas*, Dr. Donald Dozer, quoted in

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CONGRESSIONAL RECORD, vol. 113, part 17, p. 23891.) The House of Representatives objected strongly to this policy by a vote of 381 to 12. The President completely disregarded this sentiment expressed by the House, and by executive order on September 17, 1960, ordered the Panamanian flag to be flown on the zone. Following this order the governor of the zone, Robert J. Fleming, in 1963 forbade the American flag to be flown over the U.S. court house or American schools on the zone. The bloody riots of January, 1964, followed an attempt of Balboa High School students to raise an American flag on campus. When peace was finally restored twenty ons persons were dead, many injured and property damage was widespread.

Bowing to mob threats of further violence, President Johnson announced on September 25, 1965 that the United States and Panama would begin negotiations for the adoption of a new treaty. Three treaties were written, surrendering more control of the zone and the canal to Panama, but they failed of ratification by the U.S. Senate and also by Panama. The terms of these treaties were merely an appeasement of the radical elements in Panama. Robert B. Anderson, former Secretary of the Treasury, and chief negotiator for the American team had had no experience with the military matters that make the canal so vitally important to the United States. For the sake of appeasement, Mr. Anderson was willing to surrender the control of the canal to Panama.

The United States still seems determined to surrender the canal to Panama, which of course, means that Russia will rapidly gain control of this most vital waterway. At the time of the proposed treaties of 1967, public indignation at the huge give-away ran very high, but now, four years later, the Nixon administration is again negotiating a new treaty with Panama. One June 29, 1971 negotiations were begun, and the United States was represented by the same Robert B. Anderson, who helped negotiate the aborted proposed 1967 treaties. It becomes imperative that the Congress and the American people express their conviction that the United States must retain control of the Panama Canal. In this case time is of the essence, and the members of Congress, especially Rep. Daniel Flood, need the support from the people as they fight to retain control of the canal by the United States.

There is no need for U.S. negotiators to be in Panama for the Panama Canal should be regarded as non-negotiable. It is not a question of the United States vs. Panama in the present discussions, for Panama cannot maintain her independence without the protection of the United States. The whole canal question is a power struggle between Russia and the United States, a conflict which dare not be lost by the United States

The treaties of 1967 would have removed the canal entirely from the control of the Congress and would have placed it in the hands of a nine-man governing board. The five Americans on the board were to be appointed by the President with no confirmation of either House necessary. These treaties called for the construction of a new sea level canal in Panama to cost approximately three (3) billion dollars. Expert testimony in the House of Representatives has stated that the improvement program provided for will make the present canal adequate to handle all traffic problems to the end of the century. (CONGRESSIONAL RECORD, July 15, 1971, p. 25493.)

The United States has lived up to all its treaty obligations. It has managed the canal with "show case" efficiency, bringing untold benefits to world commerce and to the people of Panama. On several occasions, as has been pointed out, the United States has liberalized its side of the bargain. Panama is now enriched by some 160 million dollars annually from the canal over and above the annual annuity. In addition, Panama retains its independence "through United States protection."

Senator Thurmond put the whole Panama question in its proper perspective when he said:

"It is clear that the Panamanians are seeking to seize upon their geographic positions as a means of extorting enormous revenues, not only from the United States, but from every user of the canal." (CONGRESSIONAL RECORD, July 15, 1971, p. 25494.)

If the canal ever becomes totally owned and controlled by Panama, it will be a victim of Russian takeover, for Panama will be unable to resist the pressure of Russian advance. This is a fact, which the United States in its eagerness to placate Panama, must not overlook. If the United States does not retain its sovereignty over the canal, the world will be one step nearer Russian communist domination.

THE WHITE HOUSE,
Washington, D.C., November 15, 1971.

Hon. JOHN R. RARICK,
House of Representatives,
Washington, D.C.

DEAR MR. RARICK: This is a follow-up to Bill Timmons' reply to your letter of September 28 requesting clarification of a statement attributed to Assistant Secretary of State, Charles A. Meyer.

I have looked into the matter and have been informed that Mr. Meyer did have an interview with the press early last summer (apparently the basis of the Panamanian news article). Mr. Meyer did not state or imply that the United States Government would take no action to intervene in order to protect the Panama Canal should the Soviet Union decide to invade and conquer Panama. Apparently such a question was never asked. However, when asked about the possibility of US military intervention in Latin America, Mr. Meyer replied that he could foresee no situation that would require the unilateral use of US military force. I am assured that in no way or at no time did Assistant Secretary Meyer suggest that the United States had abandoned its sovereign right to take whatever measures it deems appropriate to protect its national security interests.

I hope this information is helpful to you.

Sincerely,

RICHARD K. COOK,
Deputy Assistant to the President.

H. RES. 540

Whereas it is the policy of the House of Representatives and the desire of the people of the United States that the United States maintain its indispensable sovereignty and jurisdiction over the Canal Zone and Panama Canal; and

Whereas under the Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, the United States adopted the principles of the Convention of Constantinople of 1888 as the rules for the operation, regulation, and management of said canal; and

Whereas by the terms of the Hay-Bunau-Varilla Treaty of 1903 between the Republic of Panama and the United States, the Republic of Panama granted full sovereign rights, power, and authority in perpetuity to the United States over the Canal Zone for the construction, maintenance, operation, sanitation, and protection of the Panama Canal and to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority; and

Whereas under the Thomson-Urrutia Treaty of April 6, 1914, proclaimed March 30, 1922, between Republic of Colombia and the United States, Republic of Colombia recognized that the title to the Panama Canal and Panama Railroad is vested "entirely and absolutely" in the United States and the United States granted important rights in the use of the Panama Canal and Railroad to Colombia; and

Whereas from 1904 through June 30, 1968, the United States has made an aggregate net investment in said canal, including defense, of over $5,000,000,000; and

Whereas said investment or any part thereof could never be recovered in the event of Panamanian seizure, United States abandonment of the canal enterprise, or under any other circumstances; and

Whereas, under article IV, section 3, clause 2 of the United States Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress; and

Whereas 70 per centum of Panama Canal traffic either originates or terminates in United States ports; and

Whereas said canal is of vital strategic importance and imperative to the hemispheric defense and to the security of the United States as well as of Panama itself; and

Whereas, during the preceding administration, the United States conducted negotiations with the Republic of Panama which resulted in proposed treaties under the terms of which the United States would relinquish its control over the Canal Zone and Panama Canal with the gift of both to Panama; and

Whereas the present revolutionary Government of Panama seeks to renew negotiations with the United States looking toward a similar treaty or treaties; and

Whereas the December 1, 1970, report by the Atlantic-Pacific Interocean Canal Study Commission revives the entire canal situation, including surrender of the Canal Zone to Panama and operation of the Panama Canal by an international organization not subject to laws of the United States.

Whereas the recommendations of said commission would place the United States in a position of heavy responsibility without requisite authority and invite a takeover by Soviet power of the isthmus as occurred in Cuba, other Latin American countries, and at the Suez Canal: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the Government of the United States should maintain and protect its sovereign rights and jurisdiction over said Canal Zone and Panama Canal and that the United States Government should in no way forfeit, cede, negotiate, or transfer any of these sovereign rights, jurisdiction, territory, or property to any other sovereign nation or to any international organization, which rights, sovereignty, and jurisdiction are indispensably necessary for the protection and security of the entire Western Hemisphere including the canal and Panama.

H.R. 1518

A bill to provide for the increase of capacity and the improvement of operations of the Panama Canal, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Panama Canal Modernization Act."

SEC. 2. (a) The Governor of the Canal Zone, under the supervision of the Secretary of the Army, is authorized and directed to prosecute the work necessary to increase the capacity and improve the operations of the Panama Canal through the adaptation of the Third Locks project set forth in the report of the Governor of the Panama Canal, dated February 24, 1939 (House Document Numbered 210, Seventy-sixth Congress), and authorized to be undertaken by the Act of August 11, 1939 (53 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), with usable lock dimensions of not less than one hundred and forty feet by not less than one thousand two hundred feet by not less than

forty-five feet, and including the following: elimination of the Pedro Miguel Locks, and consolidation of all Pacific locks near Miraflores in new lock structures to correspond with the locks capacity at Gatun, raise the summit water level to its optimum height of approximately ninety-two feet, and provide a summit-level lake anchorage at the Pacific end of the canal, together with such appurtenant structures, works, and facilities, and enlargements or improvements of existing channels, structures, works, and facilities, as may be deemed necessary, at an estimated total cost not to exceed $850,000,000, which is hereby authorized to be appropriated for this purpose.

(b) The provisions of the second sentence and the second paragraph of the Act of August 11, 1939 (53 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), shall apply with respect to the work authorized by subsection (a) of this section. As used in such Act, the terms "Governor of the Panama Canal", "Secretary of War", and "Panama Railroad Company" shall be held and considered to refer to the "Governor of the Canal Zone," "Secretary of the Army, and "Panama Canal Company," respectively, for the purposes of this Act.

(c) In carrying out the purposes of this Act, the Governor of the Canal Zone may act and exercise his authority as President of the Panama Canal Company and may utilize the services and facilities of that company.

SEC. 3. (a) There is hereby established a board, to be known as the "Panama Canal Advisory and Inspection Board" (hereinafter referred to as the "Board").

(b) The Board shall be composed of five members who are citizens of the United States of America. Members of the Board shall be appointed by the President, by and with the advice and consent of the Senate, as follows.

(1) one member from private life, experienced and skilled in private business (including engineering);

(2) two members from private life, experienced and skilled in the science of engineering;

(3) one member who is a commissioned officer of the Corps of Engineers, United States Army (retired); and

(4) one member who is a commissioned officer of the line, United States Navy (retired).

(c) The President shall designate as Chairman of the Board one of the members experienced and skilled in the science of engineering.

(d) The President shall fill each vacancy on the Board in the same manner as the original appointment.

(e) The Board shall cease to exist on that date designated by the President as the date on which its work under this Act is completed.

(f) The Chairman of the Board shall be paid basic pay at the rate provided for level II of the Executive Schedule in section 5313 of title 5, United States Code. The other members of the Board appointed from private life shall be paid basic pay at a per annum rate which is $500 less than the rate of basic pay of the Chairman. The members of the Board who are retired officers of the United States Army and the United States Navy each shall be paid at a rate of basic pay which, when added to his pay as a retired officer, will establish his total rate of pay from the United States at a per annum rate which is $500 less than the rate of basic pay of the Chairman.

(g) The Board shall appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, a Secretary, and such other personnel as may be necessary to carry out its functions and activities and shall fix their rates of basic pay in accordance with chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates. The Secretary and other personnel of the Board shall serve at the pleasure of the Board.

SEC. 4. (a) The Board is authorized and directed to study and review all plans and designs for the Third Locks project referred to in section 2(a) of this Act, to make on-the-site studies and inspections of the Third Locks project, and to obtain current information on all phases of planning and construction with respect to such project. The Governor of the Canal Zone shall furnish and make available to the Board at all times current information with respect to such plans, designs, and construction. No construction work shall be commenced at any stage of the Third Locks project unless the plans and designs for such work, and all changes and modifications of such plans and designs, have been submitted by the Governor of the Canal Zone to, and have had the prior approval of, the Board. The Board shall report promptly to the Governor of the Canal Zone the results of its studies and reviews of all plans and designs, including changes and modifications thereof, which have been submitted to the Board by the Governor of the Canal Zone, together with its approval or disapproval thereof, or its recommendations for changes or modifications thereof, and its reasons therefor.

(b) The Board shall submit to the President and to the Congress an annual report covering its activities and functions under this Act and the progress of the work on the Third Locks project and may submit, in its discretion, interim reports to the President and to the Congress with respect to these matters.

SEC. 5. For the purpose of conducting all studies, reviews, inquiries, and investigations deemed necessary by the Board in carrying out its functions and activities under this Act, the Board is authorized to utilize any official reports, documents, data, and papers in the possession of the United States Government and its officials; and the Board is given power to designate and authorize any member, or other personnel, of the Board, to administer oaths and affirmations, subpena witnesses, take evidence, procure information and data, and require the production of any books, papers, or other documents and records which the Board may deem relevant or material to the performance of the functions and activities of the Board. Such attendance of witnesses, and the production of documentary evidence, may be required from any place in the United States, or any territory, or any other area under the control or jurisdiction of the United States, including the Canal Zone.

SEC. 6. In carrying out its functions and activities under this Act, the Board is authorized to obtain the services of experts and consultants or organizations thereof in accordance with section 3109 of title 5, United States Code, at rates not in excess of $200 per diem.

SEC. 7. Upon request of the Board, the head of any department, agency, or establishment in the executive branch of the Federal Government is authorized to detail, on a reimbursable or nonreimbursable basis, for such period or periods as may be agreed upon by the Board and the head of the department, agency, or establishment concerned, any of the personnel of such department, agency, or establishment to assist the Board in carrying out its functions and activities under this Act.

SEC. 8. The Board may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

SEC. 9. The Administrator of General Services or the President of the Panama Canal Company, or both, shall provide, on a reimbursable basis, such administrative support services for the Board as the Board may request.

SEC. 10. The Board may make expenditures for travel and subsistence expenses of members and personnel of the Board in accordance with chapter 57 of title 5, United States Code, for rent of quarters at the seat of government and in the Canal Zone, and for such printing and binding as the Board deems necessary to carry out effectively its functions and activities uder this Act.

SEC. 11. All expenses of the Board shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the Chairman of the Board or by such other member or employee of the Board as the Chairman may designate.

SEC. 12. There are hereby authorized to be appropriated to the Board each fiscal year such sums as may be necessary to carry out its functions and activities under this Act.

SEC. 13. Any provision of the Act of August 11, 1939 (54 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), or of any other statute, inconsistent with any provision of this Act is superseded, for the purposes of this Act, to the extent of such inconsistency.

CAPTAIN COOK RECREATION AREA

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. BEGICH. Mr. Speaker, on November 2, 1971, Gov. William A. Egan of Alaska issued a proclamation designating a 2,000-acre land tract between Anchorage and Kenai as the Captain Cook Recreation Area.

As a result of the action taken by the Governor, the area may now receive aid from the Bureau of Outdoor Recreation. The value of the land being $851,000 automatically makes it eligible to receive an equal amount of Federal funds.

The proclamation reserves this land area for use as public recreation land and waters. The Governor's action is in keeping with Alaska's policy of providing the people of the State with ample recreation areas.

This new area includes the 400-acre Stormy Lake and will hopefully provide fishing, boating, beach activities, hiking, camping, cross-country skiing, and canoeing. It is Alaska's goal to continually develop its park and recreation sites.

The proclamation follows:

PROCLAMATION

Article VIII, Section 7 of the Constitution of Alaska and AS 41.20.140 empower the Governor of Alaska to designate the Captain Cook State Recreation Area by proclamation.

The proposal for the Captain Cook State Recreation Area has been reviewed by the appropriate government agencies.

Therefore, I, William A. Egan, as Governor of Alaska, hereby designate as the Captain Cook State Recreation Area all the State-owned lands and waters and all those acquired in the future by the State of Alaska lying within Section 3; Section 9; NW 1/4, NE 1/4, SW 1/4 and W 1/2 of SE 1/4 Section 10; W 1/2 of W 1/2 Section 15; Section 16; Section 17; all tidelands abutting the above and all of Stormy Lake, all in Township 8N Range 10W Seward Meridian.

The areas included in the Captain Cook

State Recreation Area are reserved from all uses incompatible with their primary function as public recreation land and waters.

The areas included in the Captain Cook State Recreation Area are assigned to the Department of Natural Resources for control, development, and maintenance.

Dated this 2nd day of November, 1971.

NIXON AT THE AFL–CIO

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. SPRINGER. Mr. Speaker, the President did speak before the AFL–CIO in Miami last week. I attach herewith an editorial from the Washington Evening Star, Monday, November 22, and two articles, one by Richard Wilson and one by David Lawrence on the President's speech. President Meany has since said he intended no slight and all of us hope this is true. When the President of the United States appears before any public gathering, he should have the respect due that office which he represents.

The articles follow:

[From the Washington Star, Nov. 22, 1971]

NIXON AT THE AFL–CIO

In a way, it was a small matter, the deliberate coolness of AFL–CIO officials toward President Nixon when he addressed them the other day. The calculated discourtesies were picayune—the failure to have the resident musicians play "Hail to the Chief," the refusal to announce the President's entrance or to permit live television coverage.

The Republic can survive such slights to the President and the office he holds. The men who draw their paychecks and/or expenses from union dues decided to treat Mr. Nixon like a political and economic adversary, which in some respects he is. The fact that he represents America in a larger sense may have been a dim presence in some unionists' consciousnesses. At least they didn't boo.

A long and loud Bronx cheer, the sound of which George Meany might remember, still is in order for organized labor's performance so far in Phase 2 of the President's price-wage stabilization program. Even granting the need of union leaders to appear as ferocious defenders of their constituents' rights and aspirations, Meany's abusive outburst against the President, administration officials and non-labor members of the Pay Board was superfluous. Big labor is doing well—perhaps too well—in the flexing of Phase 2's elastic wage boundaries. The AFL–CIO's vow of partial non-cooperation in Pay Board decisions just bears out the hypocrisy of Meany's earlier offers of willing participation in the stabilization effort. The board, in union leaders' eyes, is a huge collective bargaining table at which their role is to use every threat, including the ultimate strike, to get their way.

The effort to put strong downward pressure on the wage-price spiral must go on with or without the cooperation of AFL–CIO officialdom, as President Nixon emphasized in his off-the-cuff speech in Miami after throwing aside his "laundry-list" of labor-serving accomplishments. This message should get through to the tens of millions of working people who weren't conventioneering in the warm South, or tittering or following instructions to act coolly when Mr. Nixon came by.

[From the Washington Star, Nov. 22, 1971]

MEANY'S RUDENESS TO NIXON COULD HURT LABOR

(By Richard Wilson)

In every small and mean way that occurred to him, short of sticking out his tongue, George Meany treated the President of the United States with studied rudeness at the annual convention of the AFL–CIO.

The night before President Nixon spoke at the convention in Miami Meany sought to persuade the executive board not to sit on the platform while the President was there. He was overruled.

The 77-year-old labor leader made sure that the band usually in attendance vacated the hall so it would not have to play "Hail to the Chief" when the President entered.

Nixon was assigned in advance to sit in the second row of dignitaries on the platform. There was no announcement of his arrival. He was treated as an unwelcome interloper to be listened to in cold disrespect, as Meany had planned it.

Of course, the old man was afraid that the convention he dominates might slip from his grasp. He refused to approve live television coverage, which would have been OK with the White House.

When, after his speech, the President moved out to shake hands with some of the delegates, Meany bellowed: "Will the delegates and our guests please be seated!" When the President left, Meany topped off his insultingly rude attitude by announcing: "We'll now proceed with Act 2."

Meany is placing organized labor in an uncompromisingly bad position by his incredible pretense that Nixon is opening up relations with China and Russia as a "stunt," that his appeal for cooperation on economic controls was an "act" and that all Nixon does is a manuever for re-election.

Meany's behavior is reminiscent of John L. Lewis in his declining days of breathing fire in the face of presidents of the United States, and it seems endemic among aging labor czars who are losing their grasp. Lewis, as head of the United Mine Workers, began to slip when delusions of grandeur elevated him above the presidency and projected him beyond the public interest.

"The public be damned," was the attitude of industrial barons of an earlier time, and it is ironic that the labor leaders of the present should be saying the same thing.

For that is what Meany is in effect saying. "The public be damned and phooey on the President. Labor will have its way." Therefore labor will not cooperate with the economic control machinery and will try to paralyze it so that if the President desires action he will be forced to remove the Pay Board's labor membership, including Meany. If Meany can't force Nixon to do that, he reserves for himself a decision on when to walk out.

Meany is moving on the path of destroying Nixon's major domestic policy, deriding his initiatives in foreign affairs and defeating him for relection in 1972. John L. Lewis tried that in his time and it did not work, but it made Lewis look ludicrous and contributed to the general erosion of labor's public support, leading to the adoption of restrictive legislation.

The way is made harder today by a labor-oriented, Democrat-controlled Congress where the Senate Banking Committee has voted to make retroactive the payment of wage increases scheduled before the price freeze. This is Meany's immediate issue with Nixon but it is only the beginning. And if it is finally resolved in Meany's favor it can only result in further pressure tactics to prevent any significant hold-down on wages.

Meany's behavior is puzzling to White House staff members immediately concerned. They cannot understand what alternative he has to effective economic control which will halt inflation. They believe, however, that he desires Nixon's replacement by a more manageable President and will do everything he can to that end from now on.

The President has accepted this challenge with his declaration in Miami that he knows what he can do, regardless of labor's opposition, and he will do it with the public's support.

Under these circumstances, there would seem little prospect of reconciling Meany. Organized labor will have to decide if it will follow the Meany leadership and risk the loss of public support which Nixon is confident he holds on this issue.

NIXON'S AFL–CIO SPEECH FORTHRIGHT

(By David Lawrence)

President Nixon produced one of the most significant and interesting pieces of news in a long time when he made an impromptu speech before the AFL–CIO convention at Miami Beach.

But the full text of it was not transmitted by radio or television. In fact, the labor leaders prohibited any TV cameras from being brought to the convention hall, and Nixon was given a seat in the second row on the platform and treated as a routine visitor.

The television broadcasters could probably persuade the President to read it to the American people during an evening hour. For the speech not only covers labor-management relations and the problems in Phase 2 of wage-price controls but also discusses the Vietnam War.

Nixon was not given a very cordial welcome. An editorial in the Miami Herald said: "Never in our memory has a President of the United States received such loutish treatment from a domestic audience, even in the roughhouse of an election campaign. The AFL–CIO delegates jeered and snickered at his remarks. The customary respect due the office, whatever the man, was abandoned for a kind of badgering which bespoke the arrogance of a great wealth and great power, both of which organized labor musters in the aggregates. For shame!

"The rude fact, however, is that Mr. Nixon cannot 'go it alone' as he threatens in view of labor's intransigence. No voluntary program anywhere has succeeded without the cooperation of the interested parties. Labor turned its back on Canadian anti-inflation efforts, and they suffered."

Nixon showed no bitterness in his speech. He declared frankly he was going to talk about the differences between labor and the administration. But he remarked that, while some of the members of labor unions are against him, he knows from experience that, "when the chips are down, organized labor is for America, and that is why I am here before this convention today."

The President added that, whenever there has been an issue for the defense of America, organized labor has stood firmly behind the Commander-in-Chief for a strong defense. The President spoke approvingly of labor's support when the Cambodian incursion occurred and made a point of it as follows:

"I want all of you to know that in that critical decision you have been proved to be right. I said at the time that I ordered those strikes that it would reduce America's casualties. Before we went into Cambodia the number of Americans being killed each week in Vietnam sometimes reached 300, was averaging 200. This week the figures announced just yesterday: five. And over the past five to six weeks, less than 10. So we did what was right. You supported it, and I am most grateful for that support.

"Now, having spoken of the support that you have given in time of war, I am here today to ask for your support for another

cause. It is the cause of building a lasting peace, and it is the cause of a new prosperity."

The President emphasized that in recent years there has been full employment only in wartime, but the cost was 300 American dead every week. He declared that his effort is to get prosperity without inflation and to win a lasting peace in Vietnam. He added:

"Oh, not the easy way: Just get out and let the Communists take over the country. That would only plant the seeds for another war and more aggression, because it would encourage it in the future; but the right way, the honorable way in which the people of South Vietnam have a chance to determine what shall be the future, at some time in the future, without having that imposed upon them by the Communists from the North. Now, as a result of the success of our programs in Vietnam, we have had some aggravation of the problem of unemployment."

The President, in discussing his forthcoming trip to Peking, pointed out that China within 15 years could with its nuclear power make a significant threat to the peace of the world. He said he did not want to wait to do something about it. He declared that the President has an obligation to future generations and "has no choice but to talk about those differences."

He added: "That is why I am going. We are going to try."

Despite the President's forthright speech to labor, it was obvious that George Meany, head of the AFL–CIO, was not too happy about the whole affair, and he pounded for order just as a number of delegates wanted to shake hands with Nixon as he walked out of the hall.

ILLEGAL IMMIGRATION GROWS

HON. JACK H. McDONALD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. McDONALD of Michigan. Mr. Speaker, the problem of illegal immigration grows more critical with each passing day.

No one knows exactly how many illegal aliens are in the United States. I have seen estimates ranging from 1 to 5 million.

But everyone in government directly concerned with the problem seems in agreement that our borders and ports of entry are veritable sieves through which tens of thousands of illegal aliens annually pour into our cities, where they either create new ghettos or go on welfare—when they are not taking jobs from needy citizens and driving them on welfare.

It is estimated that between 1 and 1.5 million illegal aliens are holding jobs that could be filled by unemployed Americans.

These people send back to their homelands between $1 billion and $1.5 billion each year, a huge chunk of earnings which only magnifies the balance-of-payments crisis.

They not only take jobs that Americans could hold, they also take advantage of our overcrowded housing, hospitals, and schools.

This is an extremely serious situation. It would be bad enough in relatively normal times; but these times are far from normal where our economy and the welfare of our citizens are concerned.

The pores in the sieve through which illegal aliens enter our country will only be closed when the risks outweigh the prospective monetary gains; when penalties against employers become a financial drain; when the men charged with protecting our borders have the manpower and laws to do the job; when the courts interpret the laws more strictly.

With millions of Americans unemployed and living in substandard housing, the flow of illegal aliens must be stopped—and stopped quickly.

DANGEROUS TOYS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. HARRINGTON. Mr. Speaker, as a concerned parent I would like to bring to your attention the following facts concerning dangerous children's toys:

The Food and Drug Administration has banned 144 toys from the market. Many of these toys have been redesigned and are again on the dealers' shelves, but there is insufficient manpower to check every dealer to see whether the banned toys have been removed. Therefore, I particularly urge gift givers to check the list closely and examine each toy closely to make sure that it is not on the banned list or, if it is, that the version in the store is the redesigned product.

Before purchasing each toy, carefully check to see whether it has sharp edges or glass or plastic which might shatter. Look for gears and springs that can catch onto clothing or little fingers. Check the thermal properties of the toys—it should not use any flammable materials or have surfaces which attain high temperatures. Try to assess its breakability; small broken off pieces can be easily swallowed.

Building blocks should be well finished and smooth. Metal toys should have rolled edges to protect against cuts. Arrows and darts should have rubber cups securely fastened. Guns which shoot projectiles are meant only for older children and should be used under supervision.

With electric toys, check to see how the service cords attach to the appliance. Examine the potential heat hazards on the surfaces. Some of the toy ovens now on the market have locks which keep them from opening until the temperature has gone down. Still, be wary of all thermal toys—they may not open until the temperature goes down, but a child can still get a severe burn from the surface temperatures. Some experts have advised that play appliances using electrical current might best be set aside. For younger children nonoperational toys sufficiently stimulate the imagination. And for older children, the real household appliance operated under the supervision of an adult serves a more educational function.

All of us must act together to protect our children. Therefore I would like to present the following reports which I believe will be helpful to all of us in our Christmas shopping.

First is a list of helpful hints in choosing safe toys. Second, is a list of injuries associated with hazardous toys. Third is a list of banned toys dated September 16, 1971, and fourth is a list of banned toys dated November 15, 1971. All have been supplied to me by the Product Safety Division of the U.S. Food and Drug Administration.

Finally, Mr. Speaker, I have contacted the Food and Drug Administration and been informed that if anyone in the Boston area has questions about any toy, they should feel free to call or write Mr. Robert W. Kilpatrick, Product Safety Control, U.S. Food and Drug Administration, 585 Commercial Street, Boston, Mass. 02109. Area Code 617: 223–3171.

The material referred to follows:

HELPFUL HINTS IN CHOOSING SAFE TOYS FOR CHILDREN

1. Choose a toy appropriate for the child's age and development (Many toys have age group labels on the package.)

2. Remember that younger brothers and sisters may have access to toys bought for older children.

3. Check fabric labels for "non-flammable", "flame-retardant" or "flame resistant" notices.

4. Check instructions. They should be easy to read and understand. Instruct the child in the proper use of any toy that might cause injury through misuse.

5. Avoid toys that produce excessive noise. (Even toy cap pistols fired too close to a child's ear can cause damage).

6. Avoid shooting games, especially those involving darts and arrows, unless the games are played under parental supervision.

7. When choosing a toy for small children, make sure it:

Is too large to be swallowed;

Does not have detachable parts that can lodge in the windpipe, ears or nostrils;

Is not apt to break easily into small pieces or leave jagged edges;

Does not have sharp edges or points;

Has not been put together with easily exposed straight pins, sharp wires, nails, etc.;

Is not made of glass or brittle plastic;

Is not poisonous or toxic;

Does not have exposed flames or build up heat to dangerous levels;

Does not have flimsy electrical wiring; and

Does not have parts which can pinch fingers or catch hair, and for children under two (2) avoid long cords and thin plastic bag materials.

8. Choose carefully. Any toy if misused can be dangerous. There can be no substitute for parental interest and supervision.

INJURIES ASSOCIATED WITH TOYS, NATIONAL ELECTRONIC INJURY SURVEILLANCE SYSTEM, NEISS, JULY 1, 1971–SEPTEMBER 30, 1971

Products involved in injuries which were treated in hospital emergency room. (These toy injury figures have been extracted from N.E.I.S.S. data with 32 hospitals reporting. The figures do not represent or constitute a statistically valid sampling. Some of the 32 hospitals were not reporting for the entire 3-month period.)

Product Description:	*Frequency*
Skates, Roller	54
Toy Balls and Balloons	45
Toys Unspecified	44
Wagons	29
Tricycles	22
Skateboards	20
Toy Cars and Trucks and Non-Flying Airplanes, Boats	18
Fireworks and Caps	15
Toy Guns and other Toy Weapons without projectiles	10
Other Toys Unspecified, Carrying the Child, *not* Bicycles	10

Product Description—Con.	Frequency
Blocks, Pull Toys and Similar Items	9
Pogo Sticks and Stilts	7
Rocking Horses, Hobby Horses and similar Child Carrying Toys, not Wheeled	7
Toy Guns and Other Toy Weapons with projectiles	6
Games, Other than Electric	6
Toy Tools	6
Flying Devices, not Gasoline or Rocket Powered	5
Other Toys, Powered, Carrying the Child, not Bicycles	5
Non-Mechanical Dolls and Toy Animals	4
Other Windup and Battery Operated Toys	4
Other Toy Home Equipment, including Stoves, Sinks, Sewing Machines and non-heating Ovens and Irons	4
Scooters	4
Chemistry Sets	3
Toy Musical Instruments and Whistles	3
Juvenile Sports Equipment	2
Rocketry Sets	1
Other Science Kits and Toys	1
Children Play Tents, Play Tunnels and other Enclosures	1
Toy Medical Equipment	1
Doll Carriages, Strollers, Cribs etc	1
Costumes (Halloween, etc.)	1
Total	348

LIST OF BANNED TOYS, REASON FOR BANNING, AND DATE OF NOTIFICATION

SEPTEMBER 16, 1971

(NOTE.—Most of the toys on this list have been redesigned or their production ended since the date of notification.)

Champion Ring Darts—Lawn Darts: Haecker Industries, Philadelphia, Pa.; December 21, 1970; Inadequate Labeling.

King Model 1700—Lawn Dart: Change Athletic, 2615 Hunting Park, Philadelphia, Pa.; December 21, 1970; Inadequate Labeling.

Jarts—R. B. Jarts, Inc., Glen Falls, N.Y.; December 21, 1970; Inadequate Labeling.

Javelin Darts—Lawn Darts: Hasbro Industries, Pawtucket, R.I.; December 21, 1970; Inadequate Labeling.

Lawn Darts—Lawn Dart: Regent Sports Co., 2400 Ranick Road, Hauppauge, N.Y.; December 21, 1970; Inadequate Labeling.

Rocket Lawn Darts—Lawn Dart: Towne & Country Games, Ltd., Yonkers, N.Y.; December 21, 1970; Inadequate Labeling.

Squeeze "Zoo-Zee": Stahlwood Manufacturing Co., 601 West 50th Street, New York, N.Y.; December 21, 1970; Squeaker Removes.

"Dizzy Doodle" Doll—Squeeze toy: Park Smith Corp.; New York, N.Y.; December 21, 1970; Squeaker Removes.

Rubber Squeeze toy football player: Leisure Group, 100 Tubb Avenue, West Point, Miss.; December 21, 1970; Squeaker Removes.

Kooky Eyes—Squeaker toy: Azrak Hemway Corp., New York, N.Y.; December 21, 1970; Squeaker Removes.

Toy Rolling pin squeeze toy: Plaki Co., Youngstown, Ohio; December 21, 1970; Squeaker Removes.

Squeeze Toy Pig: J. L. Prescott Co., Arrow Molded Products Div., 493 Boulevard E., Paterson, N.J.; December 21, 1970; Squeaker Removes.

Little Angel play ball: Childhood Interest, Roselle Park, N.J.; December 21, 1970; Squeaker Removes.

"Toys for Fun" squeeze doll: J. L. Prescott Co., Paterson, N.J.; December 21, 1970; Squeaker Removes.

Toy poodle rubber squeeze toy: J. L. Prescott Co., Paterson, N.J.; December 21, 1970; Squeaker Removes.

Blue Fox Model Youngster Archery Set: Bear Archery Company, Grayling, Mich.; December 21, 1970; Inadequate Labeling.

Fleetwood Archery Cub Archery Set; Fleetwood Archery, Superior, Mich.; December 21, 1970; Inadequate Labeling.

Jerry Pets Stuffed Poodle: Jerry Elsner Co., New York, N.Y.; December 21, 1970; Sharp eyes.

Stuffed toy cat: Georg Jensen, Inc., 601 Madison Avenue, New York, N.Y.; December 21, 1970; Sharp eyes.

"Kooky-Eyes" Squeeze Doll: Uneeda Doll Co., Inc., Brooklyn, N.Y.; December 21, 1970; Removable eyes—possible ingestion.

Star Musical Rattle: Star Manufacturing Co., 100 Water Street, Leominster, Mass.; December 21, 1970; Sharp prongs.

Tumbler ball toy: Stahlwood Manufacturing Co., 601 West 50th Street, New York, N.Y.; December 21, 1970; Small pieces.

"Honey Baby" Doll: P & M Doll Co., Inc., New York, N.Y.; December 21, 1970; Pins holding hair ribbons.

"Baby Beth" Doll: Allied Doll & Toy Corp., Brooklyn, N.Y.; December 21, 1970; Straight pin holding hair ribbon.

Little Sophisticate Doll Model No. 79000: Uneeda Doll Corporation, Brooklyn, N.Y.; December 21, 1970; Sharp hairpins and straight pin holding ribbon. [Exemption granted; collector's item]

"I Cry Mama" Doll: Goldberger Doll Co., Inc., 538 Johnson Avenue, Brooklyn, N.Y.; December 21, 1970; Sharp wires.

"Candy at Play" Doll: Fun World, Inc., 200 Fifth Avenue, New York, N.Y.; December 21, 1970; Pin.

"Your Dream Bride" Doll No. 2080: Eugene Doll Co., Inc., 4012 2d Avenue, Brooklyn, N.Y.; December 21, 1970; Pin in head band.

"Mini-Bend-A-Family" Doll: Pensick & Gordon Co., 6501 Flotilla Avenue, Los Angeles, Calif.; December 21, 1970; Sharp Wires.

Toy Basket: Fun World, Inc., 200 Fifth Avenue, New York, N.Y.; December 21, 1970; Plastic spike.

"Jiggly" Rattle: Bomar Company, Division of Kitty Products, Inc., 542 East Squantim Street, Squantum, Mass.; December 21, 1970; Sharp metal and protrusions when handle breaks.

"Magic Action Hammer": Childhood Interests, Roselle Park, N.J.; December 21, 1970; Sharp edges when broken.

Jackie Twisting-Waist Doll: Fun World, Inc., 200 Fifth Avenue, New York, N.Y.; December 21, 1970; Sharp pin in hat and dress.

"Moody" Doll: Holiday Fair, Inc., 48 West 37th Street, New York, N.Y.; December 21, 1970; Pins and long wire spike in neck.

Stuffed Head: Georg Jensen, Inc., 601 Madison Avenue, New York, N.Y.; December 21, 1970; Sharp eyes.

Stuffed Toy Dog or Doll: LaMar Toy Company (2 Toys), 148 39th Street, Brooklyn, N.Y., December 21, 1970; Sharp eyes.

"New Born Baby" T. 80: Goldberger Doll Mfg. Co., 538 Johnson Avenue, Brooklyn, N.Y., December 21, 1970; Sharp wires in arms and legs.

Toy Telephone Rattle: Childhood Interests, Roselle Park, N.J., December 21, 1970; Small pieces.

Musical Merry-G-Round Canelon, F. W. Woolworth & Co., New York, N.Y.; December 21, 1970; Sharp spike.

"Squeaking" Toy Donkey: A. Ponnock, Inc., East State St. and River Road, Camden, N.J.; December 21, 1970; Squeaker removes.

Musical Hour Glass: Tico Toys, Pawtucket, R.I.; Before January 6, 1971; Squeaker removes.

Soft Baby Stuffed Dolls: Collette Toy Novelty Co., Inc., Long Island City N.Y.; May 26, 1971; Sharp wires.

Mascon Squeeze Toy Cheerleader: Leisure Group, Inc., West Point, Miss. Before January 22, 1971: Squeaker Removes.

Bend-A-Family: Miner Industries, New York, N.Y. Before April 19, 1971; Laceration/puncture hazard.

Plastic Squeeze Toy No. 20892, No. 1030/70 (2 Toys): Tidy Ties Corp. Importer, Monroe, La. About April 22, 1971; Squeaker Removes.

Talkie Tiger: Sanitoy, Inc., New York, N.Y. April 1, 1971; Speaker Removes.

Protecto Squeeze Me Toy No. 838: Reliance Products Corp., Woonsocket, R.I. Before May 20, 1971; Speaker Removes.

Stuffed Donkey No. 1422: Herman Pecker & Co. (dealer), New York, N.Y. March 29, 1971; Sharp wire in ear.

Leatherette Grandpa Dog No. 386: Herman Pecker & Co., Inc., New York, N.Y. March 29, 1971; Sharp Wires of Glasses.

Stuffed Easter Bunny No. 3502: Easter Unlimited, New York, N.Y. April 21, 1971; Sharp wires.

Toy Squeeze Doll No. 64034, No. 64039, No. 63542 (3 Toys): Tidy Ties Corp., Monroe, La., April 28, 1971; Speaker Removes.

Baby Gift Set No. Y7452: Childhood Interests, Roselle Park, N.J. April 22, 1971: Speaker removes, small objects, small parts.

Pata Cake Baby Rattler: W. W. Woolworth & Co., New York, N.Y., April 23, 1971; Sharp prongs.

Musical Rattle No. 37-T4037: New York Merchandise Co., Dallas, Tex., April 22, 1971; Sharp Prongs.

Squeeze Toy Giraffe No. 125: Sanitoy, Inc., New York, N.Y. May 4, 1971; Speaker Removes.

Musical Carousel No. 320: Plastic Toy & Novelty Corp., Brooklyn, N.Y., May 4, 1971; Sharp prongs.

Hedgehog Squeaker Teethers: F. A. O. Schwartz, New York, N.Y. June 18, 1971; Squeaker Removes.

Squeeze Me Toy No. 835; Reliance Products Corp., Woonsocket, R.I. May 6, 1971; Squeaker Removes.

Stuffed Dolls No. 127B: Collette Toy Novelty Co., Long Island City, N.Y., May 11, 1971; Sharp wires.

Squeaker Toys Nos. 6565, 6576, 6590 (3 Toys): Tidy Ties Corp., Monroe, La.; May 5, 1971; Squeaker Removes.

Stuffed Toy Bunny No. 3450 (Mr. or Mrs. Cuddly Bunny): Eastern Unlimited, Inc., New York, N.Y.; June 7, 1971: Sharp wire in ears.

Rattle No. 521: Electro Plastics, Inc., Newark, N.J.; June 19, 1971; Small pieces and sharp edges

Rattle No. 538: Toy Plastic Hammer, Electro Plastics, Inc., Newark, N.J.; May 19, 1971; Small pieces.

Rattle No. 522: Happy Mates Happy Toys, Electro Plastics, Inc., Newark, N.J.; May 20, 1971; Sharp pieces.

Rattle No. 540: Happy Mates Action Rattle, Electro Plastics, Inc., Newark, N.J.; May 19, 1971; Small pieces and sharp edges.

Rattle No. 530: Happy Mates Rattle Balls, Electro Plastics, Inc., Newark, N.J.; May 19, 1971; Small pieces and sharp edges.

Toy Green Cat, Squeeze Toy No. 679, Happy Toy No. 661 (2 Toys): Electro Plastics, Inc. (dist.), Newark, N.J.; June 7, 1971; Squeaker Removes.

Stuffed Dolls No. 131 c/1: Collette Toy & Novelty Co., Long Island City, N.Y.; May 26, 1971; Sharp wires.

Squeeze Toys No. 314: Stahlwood Toy Mfg. Co., New York, N.Y.; June 8, 1971; Squeaker removes.

Dolly Rattle No. 632: Stahlwood Toy Mfg. Co., New York, N.Y.; June 9, 1971; Small objects.

Whirle Suction Toy No. 660: Stahlwood Toy Mfg. Co., New York, N.Y.; June 8, 1971; Sharp edges and small objects.

Toddler Set Containing Suction Cup, Flipn' Roll No. 822: Stahlwood Toy Mfg. Co., New York, N.Y.; June 9, 1971; Small objects.

Horseshoe Rattle No. 200: Stahlwood Toy Mfg. Co., New York, N.Y.; June 8, 1971; Sharp edges and small objects.

Pretzel, Rocking Horse & Wishbone Toy No. 924: Stahlwood Toy Mfg. Co., New York, N.Y.; June 8, 1971; Squeaker Removes.

Squeaker Toy No. 63542 with Special Squeaker: Tidy Ties Corp., Monroe, La.; May 12, 1971; Squeaker removes.

Debbie Teen No. 1360 1/10: Thor Import, Inc., Dallas, Tex.; May 27, 1971; Sharp wires.

Musical Bells No. 105: Binky Baby Products Co., New York, N.Y.; June 22, 1971; Small objects.

Stuffed Myrtle Turtle: Len Art Mfg. Co., Petaluma, Calif.; June 14, 1971; Sharp wire and "I Love You" sharp pin.

Toddly Toy (cat) No. 3/186: Star Mfg. Co., Leominster, Mass.; June 14, 1971; Small objects.

Shake Me Rattle No. 818: Reliance Products Corp., Woonsocket, R.I.; June 14, 1971; Sharp edges & small objects.

Klatter Balls No. 2915052: Sears, Roebuck & Co., Chicago, Ill.; Binky Baby Products (importer), New York, N.Y.; June 22, 1971; Small objects.

Baby Toys No. 6257 and 6258 (2 Toys): Baby World Co., Inc., Great Neck, N.Y.; June 14, 1971; Sharp wire.

Reggie Rabbit (packaged with *Whitman's* Sampler): Imported by R. Dakin & Co., Inc., Brisbane, Calif.; May 14, 1971; Sharp wires.

"Poly-Fluff Animals: Consolidated Productions, Ft. Lauderdale, Fla.; June 21, 1971; Sharp nose.

Baby Rattler Nos. 831, 832, 833 and 834 (4 Toys): Childhood Interests, Inc., Roselle Park, N.J.; June 22, 1971; Small objects.

Hour Glass: Mego Corp., New York, N.Y.; July 7, 1971; Small objects and sharp edges.

Stuffed Yellow Teddy Bear: Fun World, Inc., New York, N.Y.; July 13, 1971; Sharp wires in ear.

Musical Chime Rattle No. 587: Binky Baby Products, Inc., New York, N.Y.; Around July 13, 1971; Small objects.

Toy Rattle No. 289: Binky Baby Products Co., Inc., New York, N.Y.; July 13, 1971; Small objects.

Rolling Fun Ball No. 377: Binky Baby Products Co., Inc., New York, N.Y., July 13, 1971; Small objects.

Teething Rattle No. 39/70: Binky Baby Products Co., Inc., New York, N.Y., July 13, 1971; Small objects.

Happy Hassock: Kasta Corporation, Bellevue, Iowa; July 13, 1971; Squeaker removes.

Toy Clown No. 265345: W. T. Grant Co., New York, N.Y.; July 13, 1971; Small objects.

Stuffed Bunny: Dollcraft Novelty Co., Inc., New York, N.Y.; July 14, 1971; Laceration/puncture hazard.

Squeeze Toys No. 690: J. L. Prescott Co., Arrow Molded Products Division, Passaic, N.J.; July 13, 1971; Squeaker removes.

Squeeze Toys, boys and girls likeness: Dreamland Creations, Bronx, N.Y.; July 12, 1971; Squeaker removes.

Rooster Pull Toy with Rattle Eggs No. 205: Mego Corporation, New York, N.Y.; July 12, 1971; Small objects.

Miss Fashion Doll: Blatt Distributing Co., La Mirada, Calif.; July 14, 1971; Sharp wire.

Musical Nursery Bells No. 640: Stahlwood Toy Mfg. Co., Inc., New York, N.Y.; July 13, 1971; Small objects.

Squeeze Toys No. 131: Binky Baby Products, Inc., New York, N.Y.; July 12, 1971; Squeaker removes.

Klatter Balls No. 793: Binky Baby Products, Inc., New York, N.Y.; July 12, 1971; Small objects.

Jingle Bells No. 764: Sanitoy, Inc., Palisades Park, N.J.: July 13, 1971; Small objects.

Happy-Mates Rattle No. 522 (improved design): Electro Plastics, Inc., Newark, N.J.; July 12, 1971; Small pieces.

"Squeeze N' Hammer Rattle" No. 538 (improved design): Electro Plastics, Inc., Newark, N.J.; July 12, 1971; Small pieces.

Dog Squeeze Toy No. 780/1: Louis A. Boettinger Co., Inc., Hewlitt, N.Y.; July 28 1971; Squeaker removes.

Bear with Dark Glasses Squeeze Toy BV-5: Louis A. Boettinger Co., Inc., Hewlitt, N.Y.; July 28, 1971; Squeaker removes.

Cat and Duck Shape Squeeze Toy BV-8: Louis A. Boettinger Co., Inc., Hewlitt, New York; July 28, 1971; Squeaker removes.

Colorscope Rattle No. 561: Louis A. Boettinger Co., Hewlitt, N.Y.; July 27, 1971; Small objects.

Assorted Rattles No. 5619P: Baby World Co., Inc., Grafton, W. Va. or Great Neck, N.Y.; July 23, 1971; Small objects.

Telephone Shaped Rattle No. 6623: Baby World Co., Inc., Grafton, W. Va. or Great Neck, N.Y.; July 23, 1971; Small objects and sharp edges.

Assorted Squeeze Toys No. 6500: Baby World Co., Inc., Grafton, W. Va. or Great Neck, N.Y.; July 22, 1971; Squeaker removes.

Klatter Balls No. 238; Baby World Company, Grafton, W. Va. or Great Neck, N.Y.; July 23, 1971; Small objects.

Klatter Ring No. 5868; Baby World Company, Inc.; Grafton, W. Va. or Great Neck, N.Y.; July 23, 1971; Small objects.

Plastic Doll Squeeze Toy No. 297: Binky Baby Products Co., Inc., New York, N.Y.; July 22, 1971; Squeaker removes.

Duck Squeaker Toy No. 3-680: Star Mfg. Company, Inc., Leominster, Mass.; July 23, 1971; Squeaker removes.

Monkey Squeaker Toy No. 3-160: Star Manufacturing Company, Leominster, Mass.; July 23, 1971; Squeaker removes.

Tutti-Fruitee Squeeze Toys No. 140; Stahlwood Toy Mfg. Company, Inc., New York, N.Y.; July 21, 1971; Squeaker removes.

Indian Drums No. 3715: Sally Distributors, 119 North Fourth Street, Minneapolis, Minn.; July 26, 1971; Sharp nail and small objects.

Toy Stuffed Porpoise: S. Dakin & Company, San Francisco, Calif.; July 28, 1971; Sharp wires in flippers.

Rattle Balls No. 907: Stahlwood Toy Mfg. Co., Inc., New York, N.Y.; July 26, 1971; Small objects.

Cuddle Rabbit No. 9406: Knickerbocker Toy Co., Middlesex, N.J.; August 18, 1971; Sharp wire in ear.

Animal Squeeze Toys No. 275: Stahlwood Toy Mfg. Co., New York, N.Y.; August 8, 1971; Squeaker removes.

Pata Cake Baby Rattler (new design): F. W. Woolworth & Co., New York, N.Y.; August 18, 1971; Sharp wire & small object.

Party Favors: Carousel Party Favors, Inc.: Los Angeles, Calif.; August 19, 1971; Noisemaker removes.

Klatter Balls No. 4530: Formulette Company, Inc., Long Island City, N.Y.; August 18, 1971; Small objects.

Jumbo Fun Ball No. 440: Formulette Company, Inc., Long Island City, N.Y.; August 18, 1971; Small objects.

Whiskers Toy Squeeze Lion: Ashland Rubber Products Corp., Ashland, Ohio; August 23, 1971; Squeaker removes.

Shake N' Rattle No. 921: Stahlwood Toy Mfg. Co., New York, N.Y.; August 23, 1971; Small objects.

Whistle Packaged in "Cracker Jacks": Cracker Jacks Co., Chicago, Ill.; August 23, 1971; Small object.

Squeeze Lion No. 3/187: Star Mfg. Co., Leominster, Mass.; July 23, 1971; Squeaker removes.

Xylophone Player No. 9151: Larami Corp., August 25, 1971; (Phila., Pa.); Sharp edges.

Suction Toy Rattle No. 674: Electro Plastics, Inc., Newark, N.J.; August 31, 1971; Small objects.

Toy Truck Kit No. 5044: Nadel & Sons Toy Corp., New York, N.Y.; September 2, 1971; Small objects.

Baby Toy Kit No. 5088: Nadel & Sons Toy Corp., New York, N.Y.; September 2, 1971; Small objects.

"I Squeak for a Squeeze" Stuffed Mouse: Rushton Co., Atlanta, Ga.; September 8, 1971; Sharp wires in ear & eyes.

Musical Ball: The Playhouse Co., Minneapolis, Minn.; September 8, 1971; Sharp prongs.

Patty Happy Landings Doll: Lovee Doll & Toy Company, Inc., New York, N.Y.; September 15, 1971; Straight pin in tam.

Squeeze Toys Nos. 2521 and 2548 (2 Toys): West Bros. of De Ridder, De Ridder, La.; September 15, 1971; Squeaker removes.

Toy Whistle No. 662: Ralph Pressner, Metairie, La.; September 15, 1971; Small object.

Vinyl Bendy Dogs: Paul E. Sernau, Inc., New York, N.Y.; August 18, 1971; Sharp wires. Exemption granted. [Item used only as a part of an adult novelty ash tray.]

NOVEMBER 15, 1971

Squeeze Toys Nos. 4000 and 4400: Aim Plastics, New Rochelle, N.Y.; September 29, 1971; Squeaker removes.

Suction Rattle Toys No. 660P (Birds and Train Styles); Stahlwood Toy Mfg. Co., Inc., New York, N.Y.; September 27, 1971; Small objects.

Musical Ball (Pink and White): Mego Corp., New York, N.Y.; September 22, 1971; Sharp prongs.

Party Balloons No. A24: Atlantic Stationery Corp., Jamaica, N.Y.; September 27, 1971; Noisemaker removes.

Chime Roly Toy No. 8200: F. W. Woolworth Co., New York, N.Y.; September 22, 1971; Sharp prongs.

Mouse No. I-508: Cut Rate Linoleum Store, New Orleans, La.; October 7, 1971; Sharp wires in hands or feet.

Stuffed Donkey No. 6303: Cut Rate Linoleum Store, New Orleans, La.; October 7, 1971; Sharp wires in ears.

Lady Bug No. T-215: Cut Rate Linoleum Store, New Orleans, La.; October 7, 1971; Sharp wires in ears.

Squeeze Telephones No. 2544; West Bros. of De Ridder, De Ridder, La.; October 5, 1971; Squeaker in base removes.

Clown No. S-209: Ralph Pressner Carnival Mart, Metairie, La.; October 7, 1971; Sharp wires in legs.

Musical Fashion Doll No. 5337: Ralph Pressner Carnival Mart, Metairie, La.; October 7, 1971; Straight pins.

Music Mate Pull Toy and Musical Playmate Pull Toy: Sankyo Seiki, Inc., New York, N.Y.; October 12, 1971; Small objects.

Soft Toys with music box and squeaker No. 00910 842, 00911 766, and 00916 785/938: Eden Toys, Inc., Jersey City, N.J.; October 12, 1971; Squeaker removes.

Spinning Top, red & blue color: Gamble's Import Corp., Burbank, Calif. About October 19, 1971. Sharp spike in base.

Melody Xylophone: Gamble's Import Corp., Burbank, Calif. About October 19, 1971. Keys have sharp edges.

Pop Pop Iron No. F-102: Plymouth Wholesale Corp., New York, N.Y. About October 19, 1971. Small objects.

Clothes Pin Squeeze Toy No. 183 and Squeeze Me Toy No. 2602. Childhood Interests, Roselle Park, N.J. About October 19, 1971. Squeaker removes.

Flocked Bull No. 39/412: Oriental Trading Co., Metairie, La. About October 19, 1971. Straight pin.

Candy Flutes No. 7335: Nodel & Sons, New York, N.Y. About October 19, 1971. Tone modulator shaft is sharp.

Toy Mouse No. 6/26 K: Oriental Trading Co., Metairie, La. About October 19, 1971. Sharp wires in ears & sharp eyes.

Merry-Go-Round Musical Ball: S & M Co., Minneapolis, Minn. About October 19, 1971. Sharp edges of plastic & sharp prongs.

Doll With Speaker in Mouth No. 1770: Distributors Imports Co., New Orleans, La. About October 19, 1971. Squeaker removes.

Squeaker Toy No. 435 (cow figure): Stahlwood Toy Mfg. Co., New York, N.Y. About October 19, 1971. Squeaker removes.

Elephant Squeeze Toys (old design): Eastern Molded Products, Clearfield, Pa. About October 19, 1971. Squeaker removes.

Stuffed White Dogs: R & R Toy Mfg. Co., Inc., Pen Argyl, Pa. About October 19, 1971. Sharp eyes.

Balloon-Squawkers Blowouts: Cardel Mfg.

Co., Brooklyn, N.Y. About October 19, 1971. Noisemaker removes.

Mechanical Merry-Go-Round: I. B. Wolfset & Co., New York, N.Y. About October 19, 1971. Sharp metal rod & small objects.

Toy Top (made in Germany): Frankonia Products, New York, N. Y.; About October 19, 1971. Small objects and sharp edges and rod.

Grandpa's Car No. 31519: Lord & Taylor, New York, N. Y.; September 12, 1971; Sharp and small objects.

Squeeky Lollipops: Altray Co., Inc., Bronx, N. Y.; October 18, 1971; Squeaker removes.

Stuffed Grey Mouse: Famiss Corporation, Brooklyn, N. Y.; About October 19, 1971; Sharp wire in tail.

Suarez Squeeze Toys: Suarez Toy House, Rio Peidras, Puerto Rico; About October 21, 1971; Squeaker removes.

Stuffed Swan with Flowers: Arrow Fur Co., Inc., New York, N. Y.; About October 19, 1971; Sharp wires in flowers.

Doll No. 8080 (old design): Jolly Toy, Inc., New York, N. Y.; October 18, 1971; Sharp wires in neck.

THE POLITICAL TAX: A WINDFALL FOR US

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. MICHEL. Mr. Speaker, now that the Democratic majority in the Senate has managed to attach the "Democratic Relief Act of 1972" to the tax bill, we must urge the House conferees to do everything possible to have it deleted from the tax package.

I am referring, of course, to the presidential checkoff fund amendment by which taxpayers will be able to check on their income tax returns as to which political party should receive $1 of the tax paid.

An editorial appearing in the November 16, 1971, edition of the Peoria Journal Star summarizes the thrust of this amendment about as effectively as anything I have read on the issue and I ask that it be placed in the RECORD at this point.

THE POLITICAL TAX: A WINDFALL FOR US

The Senate's neat little trick of tacking on a deal to the tax cut law that would filter out of the taxpayers some 50 million dollars for the politicians' campaigns might make some sense if it had been accompanied by meaningful restrictions on fund raising.

But it wasn't.

That means a multi-million dollar windfall—and where do you think the money would end up? Who do you think would get it?

We would!

That is not an editorial "we." By "we", I mean the media that disseminates advertising. Most of those "new" tens of millions would be handed over to TV, radio and newspapers.

Therefore, with such a windfall in sight, a good many "media" may look kindly at the proposal. In this instance, it represents a "conflict of interest"—especially for the large TV networks for whom such a bonanza would come at a time when they seem to be scratching for cash, anyway.

And what would this gigantic hunk of tax money be used for, in fact? Why for carefully-crafted, professional political "ads" of the kind that "create an image" for a candidate rather than inform of the public honestly.

The simple truth is that for presidential and senatorial candidates, alike, the Congress wouldn't need to provide vast sums of money for new gimmick campaigns if they would just let go of the nonsensical controls currently imposed on electronic media en masse.

When you set up tight rules by law, it really means that anybody who can finagle a way to technically qualify is entitled to the full benefits of such a law. In major elections, this means that there are always a number of people who are technically candidates, but who are not such in the practical or bona fide sense.

(The present proposal would vastly encourage people to manipulate themselves into the technical-legal position of candidate and thereby enjoy a publicly financed campaign of national publicity and advertising! For example, the promise of over six million bucks in public moneys to advertise would likely persuade George Wallace to run again—even if he had not intended to and had no real expectations in doing so! Thus a "political tilt" is created at taxpayers expense.)

If the so-called "fairness" controls were taken off the radio and television, the absolutely inevitable and natural result would be the presentation of all really bona fide candidates, extensively, in all media without cost. More importantly they would be presented in unrehearsed and impromptu settings far more true and realistic than the carefully tailored and artificial ad "spots."

That simply cannot be done under present rules because to do so opens up a no-ceiling set of obligations to burn time, money, and viewer-patience on the TV fulfilling technical requirements for every trick make-believe candidate in the land.

We would be a darn-sight better off with the kind of natural exposure candidates could get and would get with an unfettered TV-Radio industry than with all those candidates provided large sums of public moneys with which to hire specialists to concoct rigged "commercials."

That is especially true when we realize that in the meantime Congress has not even bothered to touch the real evils of political fund-raising.

The tens of millions extracted from taxes would be a plus—and little more than a windfall for all the media from taxes.

That is a dangerous road to travel, indeed.

We don't need the press and electronic media involved in that kind of temptation or corruptive influence.

We must recognize that it is the Congress of the United States that has made natural exposure of candidates unworkable, and that the Senate has now attempted further to perpetuate the "gimmick" style campaigning by doing it at taxpayer's expense.

What we really need, instead, is a "new birth of freedom" for the TV industry—not a windfall of income for political campaigns.

And if they prove willing to "sell out," we're in real trouble.

C. L. DANCEY.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

RECOLLECTIONS OF J. F. K.

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. RIEGLE. Mr. Speaker, last week on the editorial page of the Washington Post, David Broder had an excellent editorial marking the 8th anniversary of the death of President John F. Kennedy. I insert this editorial, "Recollections of J. F. K." into the CONGRESSIONAL RECORD at this point.

The editorial follows:

RECOLLECTIONS OF J.F.K.

(By David S. Broder)

Washington went about its business yesterday with little to indicate that it was a notable anniversary. It was eight years ago yesterday that John F. Kennedy was murdered in Dallas, eight years since the gunshots at the underpass by the grassy knoll cut a brutal gash through the history of our era.

Eight years is the equivalent of two presidential terms. The eight years since John Kennedy's death have been dominated by two men who were his great rivals in life—Lyndon Johnson, who fought him for the nomination, and Richard Nixon, who opposed him in the election of 1960.

Johnson held the presidency for more than five of those years, and Richard Nixon yesterday afternoon had occupied the White House precisely as long as Kennedy was allowed.

The verdict of history is still some time distant for Kennedy's successors, and yet it seems fair to say that as of today, there is little reason to think that either the Democratic delegates or the nation's voters made any mistake in 1960 in judging that Kennedy was the best man of the three.

This is so, despite the fact that Johnson as President passed a massive liberal domestic program likely to be felt and remembered far longer than Kennedy's few bits of New Frontier law.

And it is the case, despite the fact that Nixon's accomplishments in foreign policy—given time and good luck in liquidating the Vietnam war and pursuing the negotiations with the Russians and Chinese—may dwarf Kennedy's handling of the Cuban missile crisis, the passage of the trade expansion act and the negotiation of the nuclear test ban treaty.

Kennedy's standing rests not on the specific accomplishments of his brief tenure, but on the qualities of national leadership he embodied. They are qualities which, if anything, are better understood today, after eight years of absence, than they were in his lifetime.

John Kennedy was a man of reason, a man with a love of public debate, a man who saw politics quite literally as the arena for public testing and public determination of national policy.

As a candidate, Kennedy turned instinctively to the public forum and to open debate—with Johnson, with Nixon, and with anyone else who cared to test his political worth. Confronting prejudice—the fear of his Catholic faith—he did not shrink or hide, but boldly faced the purveyors of that prejudice and disarmed them with cool reason.

As President, in times of crisis, whether economic, political or military, his instinct was to invoke the public wisdom. It may be foolish to ask what he would have done had he been confronted with Johnson's choices in Vietnam in 1965, but it is not foolish to ask how he would have done it.

He would not have led the country into massive war by stealth and indirection, as Johnson did, for he would have known, as he had always known, that a policy that cannot be enunciated openly and defended in public debate is almost certainly bad policy.

But if Kennedy was a man of reason, he was also a man of passion, who felt injustice and was not ashamed of making moral distinctions between the strong and the weak, the oppressors and the afflicted, in America and the world.

One remembers him quoting, on so many nights in that campaign against Richard Nixon, the words he loved from Franklin Roosevelt's 1936 acceptance speech: "Governments can err, Presidents can make mistakes, but the immortal Dante tells us that divine justice weighs the sins of the cold-blooded and the sins of the warmhearted in a different scale. Better the occasional faults of a government living in the spirit of charity than the consistent omissions of a government frozen in the ice of its own indifference."

Those words have more force now—in this city of frozen-faced men—than they had then. As Lyndon Johnson feared the free play of reasoned debate, so Richard Nixon seems to fear the consequences of concern, compassion and a generous spirit. His is government by the grim; Johnson's was government by the sly.

Because Kennedy was neither grim nor sly, neither dour nor devious; because reason and passion coexisted so comfortably in his person; and because he made us all believe, at least for a short time, that politics could be a rich adventure, an exercise of the best that we possessed in mind and spirit; because of this, and much more, he is mourned today, eight years and two Presidents after he was struck down.

UNION CITY YOUNGSTERS HELP SAVE ENVIRONMENT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. EDWARDS of California. Mr. Speaker, I would like to draw the attention of all the Members of Congress to the activities of a group of young people in Union City, Calif. Children at Searles School, the students of Mrs. Marion Davies, planned and followed through on a program to help our environment that could be a model for youngsters all around the country. These students cleaned up their schoolyard and the territory they covered while walking to school. They convinced their mothers to save all glass—clear and green—all aluminum cans and all bimetal cans. The glass and aluminum are to be sold and the bimetal containers are taken to a recycling center. This project had two goals, the first to clean up the litter spoiling their world and the second to earn money to buy trees to help clean up the air. As a result of 6 weeks of work, the children had $20 for the purchase of trees for the Searles School playground. In addition, they helped in the effort to remove trash from the environment, to make this a more pleasant world to live in. I know that Mrs. Davies must be very proud of her students and I have no doubt that the parents and entire Union City community share that pride in these young and conscientious citizens. The world would perhaps be a better place if we grownups approached our pollution problems with the same vigor that these fine youngsters have shown.

HARRY CAUDILL'S TESTIMONY

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. PERKINS. Mr. Speaker, Harry M. Caudill, a distinguished Kentucky lawyer and former legislator has achieved a global reputation as an authority on the effects of surface mining on the environment. His major work in this field, "Night Comes to the Cumberlands," is known throughout the country.

A few weeks ago, Mr. Caudill came to Washington to present his views on strip mining before the Subcommittee on Mines and Minerals, chaired by our colleague, Representative ED EDMONDSON, of Oklahoma.

I think the Members of the entire House will find his remarks interesting, and I insert them in the Extension of Remarks of the RECORD.

The remarks follow:

A PLEA FOR A NATIONAL POLICY ON SURFACE MINING

(Testimony of Harry M. Caudill)

Gentlemen, my name is Harry M. Caudill. I reside at Whitesburg, Kentucky and am an attorney-at-law. I appear before you as a private citizen and not as a spokesman for any organization. I am grateful that at long last there is some small evidence that the Congress may begin to meet its responsibility to the American land and people and develop a comprehensive, tightly-enforced national policy regulating surface mining in the United States. Unless this is done soon I am convinced that as a nation and a people we are headed into unmitigable calamity.

I was born in 1922 in the very heart of the Appalachian mountains and have been surrounded all my life by coal mines, coal miners and coal companies. For as long as I can remember I have been profoundly distressed by the ruinous impact of the coal industry on the people who depend upon it and the land from which its product is wrested. As a member of the Kentucky Legislature in 1952 I voted for Kentucky's first strip mining law. That law was "improved and tightened" in 1956 and I supported the changes. In 1960 I sponsored the Reclamation Act that, as amended, went on the books that year. I have maintained a constant interest in my state's laws and regulations in the sincere hope that they would protect its western plains and its beautiful, timber-covered eastern hills. It is with sadness that I tell you Kentucky's seventeen year struggle has been a failure and that the ruin of its land continues unabated.

These experiences led me long ago to conclude that only federal legislation of the sternest character can be effective. A number of circumstances now coincide to make national action in the near future an absolute imperative.

In the first place, the American land is richly endowed with solid fuels and other minerals. The ancient Appalachian range is one of the richest natural resource regions in the world and the dozen states across which it runs contain vast deposits of bituminous coal, thick ledges of limestone and silica-rich sandstone, huge deposits of marble, talc and granite, some copper and lead, and important quantities of gibbsite, grahamite, gneiss and other important but little known substances.

Across our western plains in Kentucky, Illinois, Indiana, Ohio, Iowa and Kansas lie tremendous deposits of coal, and huge veins of it lie in Arkansas, Oklahoma, Texas, Arizona, Utah, Colorado, Oregon, Washington, Alaska and small areas in California. The Dakota wheat-fields grow above extensive tracts of lignite. Texas is underlain with great beds of iron ore, as are Minnesota and Alabama. In Florida there are valuable deposits of phosphate rock and in Georgia kaolin and other commercial clays. Arizona, Utah, Nevada and California contain copper, silver and gold. Sand and gravel are practically ubiquitous, and are always in demand. There are literally dozens of other minerals in our soil, all of which will some day be sought by miners.

The second factor is a vastly accelerated demand. The nation's population now is about 210,000,000 and its appetite for minerals is insatiable and fast growing. Its consumption of electricity increases at nearly 10% annually and most of it is generated in coal fired furnaces. Americans alone may be expected eventually to consume all the resources within their landscape as a colony of bacteria will consume the apple that harbors them. But Americans are not alone in exerting pressures against the American land. The Japanese industrial colossus is almost without mineral reserves in its homeland and must extend its tentacles throughout the world in search of raw materials. The Common Market and other industrially advanced states must reach out by ship and pipeline for the fuels and ores that keep them going. Our disastrous national economic policies have piled up billions of dollars in Japan and Europe and they are now coming home in exchange for our minerals and wood. If my sources of information are accurate foreign countries are now getting more timber out of our national forests than do Americans—and this at a time when nearly a third of the nation is still poorly housed.

The third factor in the new threat is modern earth-moving technology. From the Sumerians down to about 1950 the almost universally accepted way of recovering solid-state minerals from the earth was by tunnel and pillar mining. Entries were driven into a hillside or a deep shaft was sunk into a plain and men dug their way to the deposit of coal or lode of metal. Then they bored into it by alternating tunnels and pillars. Enough of the deposit was left in place to hold up the top until the miners could work their way to the outer limits of their territory. Sometimes as they mined back toward the portal they would remove the pillars and take out nearly all of the mineral. Obviously, this method of mining is very costly. It requires large numbers of workmen. It is dangerous and men are killed and others are injured in cave-ins and explosions. Dead men, crippled men, widows and orphans accumulate around every mine mouth and this has been true for thousands of years. Only surface mining can do more harm to men, women and children than traditional subterranean operations.

With roaring speed this has all changed. The diesel engine has given us the bulldozer and it has grown to gigantic size. We have developed the highlift, surely one of the

most remarkable tools to come from the human mind. Our scientists and technicians have assembled immense shovels that tower above hills and plains like iron Titans. The biggest of these machines is as tall as a twenty-two story building. With these machines have come a host of complementary, though lesser ones, including drilling devices and numerous rubber-tired and very agile carriers of overburden. A huge auger with a crew of three or four can drill directly into the exposed face of a coal seam and drag out the fuel at a rate which could not have been equalled by a hundred miners working in a similar vein in 1940. Of equal importance is the development of a cheap new explosive. Petroleum and fertilizer are mixed and the soupy paste can blast a mountain apart with all the violence and a third of the cost of dynamite.

In a mere instant of historic time these technological developments have rendered the old tunnel and pillar mining obsolete. Industrialists naturally want to take advantage of new efficiencies and, consequently, half of all our coal is now recovered by stripping, and half of all our strip mining is done for coal. Company by company they discharge the miners on their pay-rolls, lock the doors of company towns and disassemble the industrial structures on which the nation has relied for a century. Then a few men with the new machines take mountains apart layer by layer for the coveted coal, copper or iron ore. Or they go to the prairies of the Dakotas, peel back the earth and lift out the lignite to power Los Angeles. The hills and plains of Ohio, the plains of Indiana and Illinois, the phosphate fields of Florida—every place where commercially valuable minerals lie in the earth—have been or will be assaulted in this manner. No such place is sacrosanct; none is likely to escape. A mining company can now tear a mountain apart for its minerals almost as easily as a child can rip up a pile of sand. The whole earth has become the plaything of industrial man. Unless governments decree otherwise the 1970s may see the end of old-style tunnel and pillar mining.

I lament the utter ruination of the hills of my own homeland and the assault surface mining has made on people of my blood and name. I have seen once clear streams choked with mud, and lawns and gardens layered with foul sediments from the spoil heaps. And I have seen wells that once brimmed with crystalline water filled to the top with yellow mud flecked with coal. I have visited the homes of widows and work-worn old men whose basements and cellars reeked of sulphurous slime from the spoil banks. I have seen the shattered roofs, the broken gravestones and the fences that tell of the blasting that "cast the over-burden" from coal seams. I saw the sad, disbelieving face of one-armed Herman Ritchie of Clear Creek in Knott County, Kentucky after he came home from a federally sponsored vocational school and found his house knocked from its foundations by a massive land slide. I was attorney for Roosevelt Bentley of Jenkins, Kentucky, a paraplegic ex-coal miner whose house was severely damaged by washouts from a mine operated by Bethlehem Steel Corporation.

And I sat by the desk of Governor Edward Breathitt when eighty year old Mrs. Bige Ritchie—a neighbor of Congressman Carl D. Perkins—told the Governor how she stood on the front porch of her home and saw the bulldozers come to her family cemetery after coal for the Tennessee Valley Authority. She shouted to them that the graves of her children lay in front of them, but they ignored the pleas of an old, impoverished and helpless woman. "I thought my heart would bust in my breast," she told the Governor, "when I saw the coffins of my children come out of the ground and go over the hill." Neither the TVA nor the mining company ever apologized for this enormity. All of these things happened in America and under the protection of the American flag. The Congress, swathed in the bland unconcern that has caused millions of U.S. citizens to despise their own government, took no note of these events. There were, instead, murmurs that the lights must not be allowed to go out.

Experience in the ancient societies of China and India indicates that in the long generations that lie before us all our land will have to be used by growing hordes of people. If we allow strip mining to continue as at present those who carry our genes in the after time will inhabit grim, gray spoil banks, and they will curse us for what we will have done to them.

Our heedless assaults upon the land have already made changes that will endure through a long geologic era. In Appalachia the wind and the rain long ago leached out the minerals and when rain falls upon undisturbed hillsides the runoff is fresh and sweet. The blade of the bulldozer brings up unleached soil and the mineral content of surface water rises at an awesome rate. The Kentucky River just above the town of Hazard is illustrative. In 1963 a study by the U.S. Public Health Service measured its iron content at 0.02 parts per million and manganese at 0.00 parts per million. Just three years later after extensive strip mining had occurred on the upper reaches of the watershed iron rose to 2.1 parts per million and manganese to 0.8 parts per million. The U.S. Public Health Service has set the maximum tolerance levels of these substances at 0.3 parts per million and 0.05 parts per million respectively. On other watersheds ravaged by stripping iron has been measured at 88.8 ppm and manganese at 74.7 ppm! And this water is consumed daily by hundreds of thousands of people. The new, costly and very dead Corps of Engineers reservoir at Pound, Virginia testifies to the impact of strip-mine poisons on living things.

Silt, too, is a deadly and inevitable by-product of stripping, as was determined by a joint federal and state research project conducted on two adjacent neighboring valleys between 1955 and the end of 1963. One of them, Cane Branch, was extensively strip-mined for coal while Helton's Branch was left in its undisturbed stand of second growth timber. Silt traps were installed to catch soil washing down from the hills. The stripped land was reclaimed by an agency of the industry, the Kentucky Reclamation Association, in conformity with state law. The undisturbed valley yielded 27 tons of silt per square mile, while the stripped territory across the ridge gave up mud at the rate of 30,000 tons per square mile "affected."

As global energy and raw material needs climb and more and bigger ore and coal ships are built to carry out minerals to other shores, mining surges westward. All states having deposits of coal and other minerals are certain to have strip mines in their future. The Interior Department report, *Surface Mining and Our Environment*, issued in 1967 showed that some form of stripping had already occurred in all states. Only Congress can fix the limits within which such mining can be tolerated and protect American citizens in their homes, lawns, gardens, fields and pastures—to assure their right to safe drinking water and to sleep at night without fear of floods boiling up from choked waterways.

I urge the Congress to adopt a three-pronged legislative solution to this problem.

(1) The legislation should forthrightly outlaw strip mining in such areas as southern and central Appalachia and the somewhat gentler hills of Ohio where the slopes are so steep and the rain fall so great that restoration of the land to its former and natural utility, contour, and best natural purpose, is impractical or impossible. Unless this is done, and done speedily, there will be no Appalachian heartland. It will have been reduced to a ruined jumble. The people will have to move to the already overgrown and mutinous cities and the desolate mountains will plague the nation with gigantic flows of mud for generations to come. The stake of the taxpayers in this proposal is tremendous. And since natural beauty is beyond price and stripping and beauty are incompatible, such mining ought to be banned in areas of significant scenic loveliness and in important wildlife habitats. Nor should it be authorized in towns and other heavily populated territories where important human values will be disrupted, nor where any highwall will be created. And, of first priority, no stripping should ever be authorized in those situations where legal title to the minerals has been severed from the title to the land generally, and the owner of the surface estate does not consent.

(2) It should authorize strip mining only where total restoration of the land can be carried out promptly and effectively. It should require that the top-soil be scraped off and saved with the subsoil and the rock strata being similarly lifted out of the pits and segregated. When the minerals have been removed the rock should be restored to the pits first with the subsoil following in its natural order. The subsoil should be compacted and coated with the original top-soil and, where there is enough rainfall to sustain vegetation, the surface should be treated with fertilizer and limestone, planted with trees and sowed to suitable grass or leguminous cover. These things are done now routinely in Germany, England and Czechoslovakia.

It must be noted, however, that even under the careful, systematic and costly procedures I have outlined a severe difficulty remains: subterranean water flows are permanently disrupted and charged with minerals. Sometimes stripping goes 800 feet into the earth and on such areas no wells can ever produce water for farms and villages. This factor may, in fact, justify the prohibition of such deep stripping, or even all stripping.

(3) The federal government should commence a massive program to purchase and restore lands already stripped. The inventory of ravaged earth is growing daily. It already greatly exceeds the whole land area of the state of Connecticut. In 1967 the New York Times editorialized that there was then enough to make a swath a mile wide extending from the Statue of Liberty to the Golden Gate. In ten years an area the size of West Virginia will have been ruined. In the name of all that is just and sensible let us use some of the money we are now devoting to the destruction of Vietnam to reconstruct stricken portions of our own country.

The task of repairing our mutilated lands will prove to be difficult and frustrating as well as expensive. The healing of dismembered mountains should be assigned to teams of engineers and conservationists. In many areas if acceptable results are to be achieved enormous quantities of dirt will have to be dragged back up the hillsides, perhaps by machines which have yet to be invented. Vast tonnages of stone may have to be crushed to release their nutrients for new crops of timber and grain. Other stone will have to be buried. Lavish quantities of fertilizer, and compost, as well as limestone will have to be applied, perhaps by giant helicopters designed and built for the purpose. Historic experience has indicated that the Bureau of Reclamation in the Department of the Interior is best suited to accomplish this gigantic undertaking. As an Appalachian mountaineer, I hope the task of reclaiming my shattered homeland will be assigned to the Bureau. I know that an objection will be raised that the Bureau does not operate in eastern America, that its mission has traditionally been restricted to the West. But this is no argument at all. Its experience and orientation have lain in bringing life to barren land. It has successfully handled giant projects over broad regions, as countless verdant acres now attest.

In the millions of acres in our orphan banks the Bureau of Reclamation can find a new challenge worthy of its best men and greatest traditions. It is the logical organization in the Federal Government to combine the expertise of the Fish and Wildlife Service, the Bureau of Outdoor Recreation, the National Park Service, Bureau of Mines, Southeastern Power Administration, and the Federal Water Pollution Control Administration, all within the Department of the Interior, as well as other Federal agencies whose skills and talents would be needed for this historic undertaking.

Some day the taxpayers of the Republic will have to assume the cost of restoring, insofar as possible, the lands we have already plundered. We cannot undo history, but we can undo some of the harm history has done. The British are now spending on land restoration about $1.15 per ton of coal mined, and we must face up to the inevitability of similar heavy outlays. It will cost billions of dollars. The $750,000,000 indicated by Secretary Udall's report is certain to fall woefully short of the mark. No true patriot could object to the financing of this essential undertaking and I hope Congress will not hesitate to appropriate the funds to get the work started.

But the general taxpayer should not be called upon to bear the whole burden of rehabilitating our industrially maimed land. The industries that rip up our soil and their customers who share directly in the benefits of such mining should carry most of the load. Otherwise we will have capitalized the profits while socializing the losses—an increasingly popular arrangement with Congress and a large part of the nation's industry.

Let me suggest that the Congress finance such reclamation out of a trust fund supported by a special levy on extractive industries. Senator Lee Metcalf has introduced a bill to impose a federal severance tax on all minerals taken from the American earth. It is sensible legislation and the states will benefit enormously from its enactment. Each state in which large-scale extraction occurs suffers from a lack of funds caused in part by the importation of people to work in the extractive industries which simultaneously lower the tax base by damaging the land. Senator Metcalf's bill would compel huge and thriving corporations to leave behind for schools, libraries and hospitals some of the money they now take out in such astonishing amounts.

In my opinion the levy proposed by Senator Metcalf is too small insofar as it pertains to surface miners as distinguished from subterranean miners. Five percent is not enough. It should be 10% and a half of the amount should go into a restoration trust fund. The trust fund should pay for the fitting together of shattered mountains, the smoothing and seeding of ravaged prairies and plains, the cleaning of polluted air and silted streams and for research on how best to accomplish these desirable ends.

My proposals aim at *restoration* rather than reclamation. As I have already noted this is, to a large degree, being achieved routinely in Czechoslovakia, Germany and England and it can be done here. I urge the sub-committee to go to those countries and see for yourselves how it is possible in some terrains and under some conditions to remove minerals without apparent lasting damage to the land and its living things.

Some of you may be thinking along that silly old line, "Well, your proposals will lessen coal production and turn off the lights." If so you are pathetically ignorant of the American scene. Deep mines are closing as strip mines take their market. Deep miners are out of work and at this hour hundreds of them are lined up to apply for unemployment insurance benefits. Before you go to Europe to see how land can be restored when a government wants it done, you might make a side trip to Whitesburg, Kentucky and talk to men who have lost their jobs to bulldozers and you might even ask them how they expect to feed their families in the bleak winter that lies ahead. From there you could fly to Iowa, the nation's breadbasket, 45% of which can be stripped for coal. There you might ponder that if your descendents are to enjoy the glories of corn-bread, bacon and beefsteak you must make certain that Iowa survives undisturbed.

If you worry about our lights going out consider slowing coal exports to Japan. It is ironic that during World War II we ravaged our land for fuel to put out the lights in the Japanese empire: now we tear up our land for coal to keep those same lights burning!

Finally and most important, I urge you to hold field hearings in eastern Kentucky and in other parts of our nation where strip-mining has taken place. Hear the opinions of local people who have seen mountains come tumbling down and whole counties subjected to the threat of dissolution. Then go look for yourselves and there amid the whirling dust and the roaring machines, by the dead streams, jumbled plains and murdered mountains, make up your minds as to the dimensions and urgency of the problem, and whether we can afford to waste another day in coming to grips with it.

NATIONAL BIBLE WEEK

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 18, 1971

Mr. THOMSON of Wisconsin. Mr. Speaker, November 21–28 is the 31st annual interfaith observance of National Bible Week. We all sense that the Bible, its precepts and its cultural heritage form the basis of American society today. But even more, Historically, the Bible provided that firm rock of faith upon which the Founding Fathers built this country. The inspiration found in its pages helped strengthen the courage of pioneers as they stretched the frontiers of this Nation westward to the Pacific Ocean.

The Bible offers each of us a sure respite from the frustrations and pressures of modern living. Its principles offer continuing guidance for personal living. With all the forces that seek to divide our peoples in these trying times, the Bible offers the unifying hope that good men will live together in peace and with charity.

The Bible, though written centuries ago, continues to brighten our lives, whatever our religious affiliations or beliefs. The principles of faith contained therein are universal. The Bible tells us the simple formula for peace for every person and for every nation:

And what doth the Lord require of thee but to do justly and to love mercy and to walk humbly with thy God. (Micah 6:8)

Let these words be with us during this observation of National Bible Week.

UNIVERSITY OF CALIFORNIA'S HILDERBRAND—AGELESS SCHOLAR

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. WALDIE. Mr. Speaker, I would like to include an article from the San Francisco Chronicle in today's RECORD, as a tribute to a fine mind at the University of California at Berkeley.

Now 90 years old, professor emeritus Joel Hilderbrand is still working hard in his career. He is considered one of the best by his colleagues, and stands today as a tribute to the generation of Americans who are legally too old to serve, but serve anyway.

It is with pleasure, Mr. Speaker, to include this excellent article by William Moore for inclusion in the RECORD:

[From the San Francisco Chronicle, Oct. 26, 1971]

UC'S HILDERBRAND—AGELESS SCHOLAR

(By William Moore)

It was a slightly incongruous scene, there on the fourth floor of Latimer Hall, a concrete-and-glass high rise in the midst of many on the University of California's Berkeley campus.

Students and professors scurried through the labyrinthian hallways—in and out of laboratories, classrooms, offices and elevators.

"Dr. Hilderbrand," said a young lab technician, pronouncing the name with reverence, "he's right over there in room 437."

The door to the office was wide open, revealing chemistry professor emeritus Joel Hilderbrand—who'll be 90 years old on November 16—working alone, curiously aloof from the academic choreography outside.

FIGURES

Flanked by shelves, bulging with books and test tubes, he sat crouched over his desk, furiously scrawling down figures on a stack of graph sheets.

This was Hilderbrand. The man they call the dean of American chemistry, a member of the Berkeley faculty since 1913, teacher of more than 40,000 students, winner of practically every major chemistry award, college administrator, educational philosopher, prolific author, mountaineer, one-time Sierra Club president, manager of the 1936 U.S. Olympic Ski Team.

Now he was working on the research that has consumed much of his life—the nature of solubility and the structure of liquids. In a week his latest research will be published in the Journal of Science.

Hilderbrand sprang from his chair and strode briskly across his office to greet his visitors.

RULES

"Remember now, it's Professor Emeritus Hilderbrand," he said, his eye mischievous behind his wire-rimmed glasses. "The rules said I had to stop teaching in 1952 because theoretically I was supposed to be senile. I have been pseudo retired ever since."

He laughed uproariously, and it was a beguiling sight. Here was a man—a handsome, white-maned gentleman, with a sturdy, trim physique—who could have passed for some 25 years younger. Only when he laughed did the few wrinkles on his massive brow become noticeable.

SUPPORT

"Actually," he said, "the Atomic Energy Commission and the National Science Foundation have been supporting much of my research since 1952."

He pulled out a sheaf of papers to explain his current work.

"I'm concentrating on the viscosity of liquids and the diffusion of dissolved substances," he said. "No progress had been made in this for a long time, but I think I have reduced it to simple terms that enable us to calculate and predict viscosity and diffusion."

GRAPHS

He pointed to some graphs that, to the layman's eye offered impressive and convincing proof that there was indeed a predictable pattern to the logarithms (the exponents of those powers of fixed numbers which equal given numbers) of certain types of solubility.

"People used to assume there were two kinds of molecules: solid and liquid," Hilderbrand said. "Well, there aren't. There is juet one kind."

The applications of this and Hilderbrand's earlier research are rife.

Hilderbrand, for instance, was the first to prove in 1925, it would be safer for deep-sea divers to inhale a combination of helium and oxygen, rather than air, because helium is much less soluble than the nitrogen in the air.

EFFECT

If a diver surfaces rapidly, Hilderbrand showed, nitrogen bubbles from air can be formed within him, causing enormous pain and even death from the bends. The phenomena doesn't occur with the less soluble helium.

But as Hilderbrand himself made clear, he does not conduct his research with such immediate practical applications in mind.

Indeed, Hilderbrand shyly admitted "the fire of poets burns within any real scientist."

To bolster the point, he grabbed a book off his sheif and turned to a quotation from Henry Poincaire: "The scientist doesn't study nature because it is useful; he studies it because he delights in it and he delights in it because it is beautiful."

ORDER

Hilderbrand, speaking excitedly now, explained: "I am trying to discern order from chaos. That's what all scientists are trying to do. When you get on the right track, you know it. Things start falling into place. Scientists don't shatter into fragments any unity. On the contrary, they collect, sort and build into structures—some of which became great cathedrals."

The professor began to pace about his office. "The scientist, if he is any good, is born curious—like a child," he continued enthusiastically. "He remains a scientist as long as hasn't become old and uninterested."

Hilderbrand said he arrives at his office at 9 a.m. each weekday and spends at least six hours a day conducting his research, with the aid of one or two graduate assistants.

"It's too exciting around here not to come to work," he said. "I don't want to miss anything, especially when I see the possibilities of explaining the next area beyond where I have been."

SUBSTITUTE

On occasion he fills in as a substitute lecturer in under-graduate chemistry classes and invariably receives thunderous applause after his lectures.

Before he retired, he prided himself in teaching the introductory chemistry course for 35 years. A dramatic speaker—he describes himself as a "ham"—his courses were among the most popular on campus.

"In freshman chemistry," he said, "I had all the properties an actor needed."

His most famous act occurred during each Stanford-Cal. Big Game week when he would bring out a giant test tube and fill it with red fluid (Stanford's colors) to an inevitably booing audience.

"I would then explain to them that chemists can change things and that it is not what happens in the first half of an experiment that counts but the last quarter," Hilderbrand related.

Thanks to an alkaline miracle. Hilderbrand's test-tube fluid would suddenly turn blue and gold (Berkeley's colors), usually bringing an ovation.

DEAN

Hilderbrand spoke proudly, too, of the College of Chemistry, which he once served as dean, a college that for years has been considered the leader in the field. (One of its four buildings was named after him when it was built five years ago.)

Hilderbrand then turned to his great love: the mountains. In addition to his many chemistry books, including an introductory text book still widely used today, he has written several works on hiking and skiing.

Until a few years ago, he was still an active backpacker. "I used to ski a lot, but I had to give it up reluctantly at age 75 on the orders of my family," he said.

Hilderbrand has four children, 12 grandchildren and four great grandchildren.

HOME

His wife Emily—they were married in 1908—and he have lived at 500 Coventry road in Kensington since 1924.

"I still get a lot of exercise from tending a big garden there, and I walk everywhere—never take the elevator," Hilderbrand said. "My secret is to stay energetic.

"I also try to stay in contact with young people. You'd be amazed at how many freshman come up to talk with me. They want to see what Hilderbrand looks like."

The professor emeritus put on a sporty racing cap, grabbed a cane and strode briskly out of his office, passed the laboratories, the lecture halls and the swirl of younger humanity.

He was off—as he is off most days at noon—to the faculty club for lunch with his colleagues.

THE BIG BUDDY BATTLE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. PICKLE. Mr. Speaker, in this age the word "gap"—generation gap, credibility gap, economic gap—is as common as toothpaste. It is a popular term these days.

But when the gap you are talking about is that between normal society and mental retardation, the popularity of the phrase dwindles considerably. We tend to want to turn away and forget that this gap exists at all.

Down in Austin, Tex., however, some folks are spanning the chasm of mental retardation. The tool they are using—ordinary people.

Nanette Wiese of the Austin Citizen describes a new program—sponsored by the Austin-Travis County Mental Retardation Counseling Services, funded by the generosity of local residents, and relying on people willing to give up at least 2 hours a week to be a "Big Buddy" to a mildly retarded child.

It helps to span a lot of other gaps on the sideline, too, for it is a government agency with citizen support—and a lot of university students for volunteers.

It shows a kind of spirit we could use a lot more of.

Miss Wiese's article follows:

THE BIG BUDDY BATTLE

A "soft revolution" is in the making.

The battleground: mental retardation.

The army: Big Buddies.

Volunteers in a special "Big Buddy" program sponsored by the Austin-Travis County Mental Retardation Counseling Service are conducting what project director Allen Danzinger calls a "soft revolution" because "they're trying to make the weak strong."

The mainly college-age Big Buddies are all inclusive and the ranks include males and females, anyone interested in extending an open hand to help pull a youngster across the chasm of mental retardation.

The program, which is now a year old, is a concerted effort to align on a one to one basis volunteers to work with mildly retarded youngsters or those known as the "six hour" retarded children to keep them in society and out of institutions.

"Many of the youngsters come from one parent homes," Danzinger said, "and are often classified as mentally retarded due to a low IQ score without regard to his adaptive behavior which may be exceptionally adaptive to the situation and community in which he lives."

Although the 110 children who now have Big Buddies span the race spectrum, Danzinger admits most are "black and chicano because these are the ones most often classified as mentally retarded when they don't do well in school."

Although most of the volunteers come from the university communities, Danzinger has plans to incorporate all citizens in some phase of the program.

The main participant is the Big Buddy who is assigned a Little Buddy for a minimum of two hours a week for six months. The Big Buddy volunteer has the choice of following planned activities ranging from recreation to crafts or can write his own script and take his Little Buddy on excursions into libraries, parks, stores or even his own home.

"We can't reach everybody and we can't reverse a lot of what's happened, but we can take a child with a frown and turn it into a smile," the program director explained.

One of the most successful methods of finding out how to get rid of the frowns has been outdoor camping, according to the center's recreation and physical education director Bill Griebel.

Griebel said it is a lot easier to get a child interested in outdoor recreation and then find out what the problem is than to approach his parents with offers of psychological testing.

"So many youngsters have been tagged retarded due to behavior, and if we can modify the kid's environment, the experience can prove very therapeutic," he said.

Griebel said the camping program has proved invaluable since "one day at camp can tell more about a youngster than records kept over 10 years.

"You've just got to have first-hand experience, or what we consider the meat, to understand these kids," he said.

Last weekend, the Big Buddies and Little Buddies participated in a Halloween campout at the state maintained Leander Rehabilitation Center 17 miles from Austin.

Griebel said the more capable youngsters pitched their own tents and "slept under the stars" while the more restricted ones bunked in the dormitories provided at the center.

"We hope this will be the first of four or five campouts, because we have seen the results, but we need new resources," Griebel said.

"New resources," of course, means new places to find money. Danzinger said the volunteers are already giving their time and burdening them with the entire expense is impossible.

"When you look at how much it is to keep a youngster in an institution and how little that goes into facilities for the mentally retarded, it's embarrassing," Danzinger added.

"People don't want to see these kids, they want to build a big, fancy institution and stick them away out of sight," Danzinger continued, "but we see this program as a prevocational step that helps provide them with what they will need to get and maintain jobs."

Griebel said the whole focus of the program is that "we hope this will be a powerful enough an influence to keep them in society."

The program director said individuals and organizations can help in other ways than by becoming Big Buddies—by sponsoring one child to the special summer camp for seven weeks that Griebel supervises.

"We also need people who can give time to administrative and telephone duties since there's so much involved in keeping this thing going."

The efforts of University of Texas students provided the center with "the green bus" because transportation was a particular problem in carrying out the program.

But it's going to take more efforts by many more people, both Danzinger and Griebel agreed.

A Big Buddy button is also available for $1 to anyone who would like to contribute monetarily to the project and Danzinger said anyone interested in becoming a Big Buddy or finding out what else can be done can contact him or Griebel at the Mental Retardation Counseling Service at 474–1581 . . . there are now 40 children waiting for Big Buddies.

THE CHILD WELFARE LEAGUE OF AMERICA COMMENTS ON THE COMPREHENSIVE CHILD DEVELOPMENT TITLE OF S. 2007

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. CORMAN. Mr. Speaker, the Child Welfare League of America, I am certain, needs no lengthy introduction to the Members of this House. As a privately supported organization, it has, since its establishment in 1920, devoted its efforts completely to the improvement of care and services for children. Some 374 child welfare agencies are affiliated with the league. Represented in this group are voluntary agencies of all religious groups as well as nonsectarian public and private nonprofit agencies.

The league's primary concern has always been the welfare of all children regardless of their race, creed or economic circumstances.

One of the league's primary functions is to set standards for child welfare services. Particularly pertinent to the Congress, as we consider the conference report to S. 2007, the 1971 Economic Opportunity Act amendments, and the very important title V of that bill, The comprehensive child development program, is the league's work over the past 10 years on standards for day care services.

The league supports the child development program based on its understanding of what is contained in the conference report. In a recent discussion with a member of the leagues staff, I was told that the child development program is in accord with most of the leagues' principles and standards for day care services.

Since we are shortly to consider the conference report, I asked to have the league's comments sent to me for I believe they are important in evaluating the need for this legislation. I am placing the text of the league's letter of November 24 to me at this point in the RECORD and hope that my colleagues will take a few minutes to read it.

The letter follows:

CHILD WELFARE LEAGUE OF AMERICA COMMENTS ON THE COMPREHENSIVE CHILD DEVELOPMENT TITLE OF S. 2007

The League supports the concept of federally financed, universally available comprehensive day care and other early childhood programs. More specifically we believe that there are certain basic principles which should be incorporated in any child care legislation and which can be used as criteria for judging the merits of various child care proposals. These principles include the following:

(1) The welfare of the child should be the prime consideration in child care programs.

(2) *a.* Child care should be available to all children in need of such care regardless of the socio-economic circumstance or employment status of the family. (Initially, there would be priorities in providing service for the economically disadvantaged.)

b. Cost for care to a family should range from free to full payment, depending upon the family's financial resources.

c. Programs should provide for continuity of care for children irrespective of changes in the economic or employment status of parents.

d. Programs should be available to children on a part-time or full time basis according to the needs of the child and his family.

e. The same programs should be available to all socio-economic groups. Children should not be separated into different programs on the basis of the socio-economic or employment status of the family. The establishment of a two-class child care system should be avoided.

(3) Child care programs should be of a comprehensive nature—that is, in addition to providing care and protection, they should make available a variety of services, such as nutritional, health, psychological, social work and educational services. Programs should not be limited solely to physical safekeeping or so called "custodial care."

(4) Standards to insure a sound quality of child care should be established with particular reference to the ratio of staff to children, and to the quality and training of staff. There should be provision and adequate funding for enforcement of standards. Government funds should not be permitted to finance child care which does not meet proper standards.

(5) There should be provisions for parental involvement in all child care programs.

(6) There should be flexibility of administration to permit adaptation of programs to meet local needs.

(7) Funding should be adequate to support the needed quality and quantity of child care.

Our comments on S. 2007 are based on the texts of the bills passed by the House and Senate, and on our current understanding about decisions made by the Conference Committee on certain key issues, although the Conference Report has not been available to us.

We believe this bill is worthy of your support because it sets a pattern for sound child care programs in the future. It is in accord with most of the League's principles. Among its merits are a primary concern for the welfare of children; sound federal standards for services which would protect and help children; child care programs of a comprehensive nature; services which would be provided free to families with incomes under $4320 and at low cost to those families with incomes between that amount and the BLS Lower Living Standard of $6900. (Fees for families above this income level would be set by the Secretary of Health, Education and Welfare.)

Although we would have preferred a higher income eligibility level for free service, we believe this compromise will achieve at least some of the desired socio-economic mix and will provide care at a low cost for non-welfare low-income families struggling to make ends meet.

Claims that the state will take over child rearing under S. 2007 are clearly not based on the facts. Such opposition reveals a lack of knowledge about the legislative provisions since parents may voluntarily choose whether or not to make use of child development or child care services, and parents help determine how the services should be run.

Although we are aware that even if S. 2007 becomes law the Administration may not fund the child care programs up to the authorized level, we believe that this bill establishes a more satisfactory basis for quality child care programs in the future. We are hopeful that budget priorities will change over the next few years and that there will be increased recognition of the importance of services to help children.

There is a need for quality child care to help all children achieve their maximum potential so that they may emerge from childhood as healthy, secure and productive adults. We believe this legislation would be a step in that direction.

WEEKLY REPORT TO NINTH DISTRICT CONSTITUENTS, NOVEMBER 29, 1971

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the text of my last Weekly Report, November 29, on the pay and price guidelines set out in phase II of President Nixon's economic policy:

WASHINGTON REPORT—CONGRESSMAN LEE HAMILTON

By and large, the pay and price guidelines set out in Phase II of the President's economic policy have been well received. Most Americans apparently feel that they can contribute substantially to bringing the rate of inflation down to 2 to 3 percent by the end of next year. My general impression is that the guidelines represent a major step toward price stability.

In the abstract, the price policies seem to be fair enough. In principle, the long range annual productivity increase of 3 percent, deducted from the 5½ percent average wage increase, will produce the average 2½ percent price increase. On paper, it looks fine. In practice, of course, it may not work out that way at all.

We should remember that controls do not end with abstractions. There are thousands of specific disputes and hardships which await these Boards in enormous numbers and variety, and everything will depend upon the good sense and equity of the critical early decisions.

On the whole, the guidelines are tougher than I had anticipated. These tough rules are bound to evoke complaints from businessmen, most of whom already think their profits are too low, and from labor, which already feels that the guidelines are uneven, applying to wages but not to profits.

The sternness of the guidelines is modi-

fied by their flexibility and by the number of items exempted from controls. All of the standards set by the Commission may be modified by consideration of equity. Although a basic ceiling of 5½ percent was established for wages, the guidelines leave the door open for adjustments to allow for inequities. The long list of goods and services exempted from price control represent about one-fifth of the average family budget.

The major question and the biggest weakness of Phase II is the lack of adequate enforcement machinery. Without strict and fair enforcement, equity is not possible, and without equity, the system will lose the support of the people, and the whole effort will collapse. Voluntary compliance is relied upon heavily, while surveillance is going to focus on the big firms.

There have been suggestions within the ranks of organized labor that it should pull out of the Pay Board and begin an open battle with the President over the New Economic Policy. I hope this course of action is not followed, and I don't believe it will be. Labor's two biggest gripes have been (1.) the disallowance of pay increases during the freeze, and (2.) the way in which the White House has manipulated the Pay Board.

The whole question of retroactive pay may be overblown. The differences are not all that great. Back pay increases cover 13 weeks of the freeze and amount to something like one-half of 1 percent of the Nation's total wage bill. In many cases, there is a willingness on the part of the Pay Board to make exceptions and to permit the deferred increases, except possibly for a few outsized increases.

I must confess a disturbing feeling that the Price and Pay Boards were hurriedly assembled in an atmosphere of crisis and without sufficient consideration of the long-term implications, especially philosophical underpinnings of the controls. Concern also arises from the confusion of the initial days of Phase II, and from a recognition that many difficult problems are ahead. There is concern about what will happen if Phase II doesn't work, and whether we will ever be able to get away from controls, and if we do, will we go back to them again each time we have an economic crisis. Others, I believe, share these doubts and questions and it may help explain why the business community has held back its approval of Phase II, as evidenced by the sluggish stock market.

Finally, the goal is just not controlling inflation, but also to stimulate the economy with increasing production, expanding trade and more jobs. My chief concern is that the employment side hasn't been pursued with the same vigor as the control side.

No one envies the Boards' tough task of writing the specifics of their standards. The Pay and Price Commissions are going to need the firm backing of the President and the Congress if they are going to find genuine price stability.

DISTINGUISHED HISTORY OF COMPANY A, 1ST BATTALION, 115TH INFANTRY, FREDERICK, MD.

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. BYRON. Mr. Speaker, I visited recently with the officers and men of Company A, 1st Battalion, 115th Infantry of the Maryland National Guard at the State armory in Frederick, Md. I was impressed by the outstanding quality of this unit, its excellent training and readiness and want to congratulate Capt. James F. Walsh and his men for the job they are doing. I was also briefed on the unit's distinguished history which I feel indicates the continuity of pride in this National Guard unit. I would like to share that history with my colleagues:

DISTINGUISHED HISTORY OF COMPANY A, 1ST BATTALION, 115TH INFANTRY, FREDERICK, MD.

In the early history of Frederick County, the name of Cresap was a synonym for heroism. It was linked with so many deeds of military bravery and daring that people naturally turned to Cresap for leadership whenever an emergency arose. It was for this reason that the committee of Frederick County in June 1775 selected Michael Cresap to be Captain of the first company of riflemen that Frederick was sending to the Revolutionary War. The message of appointment found Michael Cresap in the midst of a pioneering project in the west and in failing health. True to the spirit of his ancestors, he accepted the appointment knowing that it was the same as a warrant for his death (Ironically, Colonel Thomas Cresap, the father of Michael Cresap, lived to be 106).

When word of the appointment of Michael Cresap, to command Company A was disseminated men who knew the Cresap family from afar hastily went to Old Toune, the Maryland home of Michael Cresap, to join his ranks. Twenty-two volunteers were at his home awaiting for him when he arrived home after accepting his appointment in Kentucky. Soon the Company numbered one-hundred thirty, and by the time the men had marched through Maryland the ranks had grown so fast that enlistments had to be halted.

The Company left Frederick on August 5th, 1775 to begin the 551 mile trek to Massachusetts. As they passed through communities, the men of Company A amazed the citizens with their marksmanship. They astonished spectators as later they astonished the British by picking off targets at seemingly impossible distances for the muskets of that day.

The manner in which Captain Cresap handled his men elicited much praise from those who saw the Company. They accepted his with absolute obedience and, from the accounts of spectators, seemed to be as devoted to him as he was to them. One observers says he had the ability to be "friendly without loss of self respect".

The long march was finished about midsummer. Captain Cresap's company was the first to reach Cambridge from the south. On August 13th, 1775, order was received to join General Washington's forces. By that time Michael Cresap was a very ill man. Soon he was forced to retire because of illness. He left for home, but to late to make the full journey. He died on October 18th in New York City where he was buried with full military honors in Trinity churchyard. His grave remains there today.

This was the spirit of company A; the spirit that lived in the men who later served with the unit whenever the nation issued a call.

During the Civil War, Company A served as part of the First Maryland Infantry (Federal) under Colonel John R. Kenly and at Front Royal, Virginia on May 23rd, 1862 when the famous motto "Rally Round The Flag" was born.

On September 29, 1881, Company A was one of the existing units incorporated into the newly organized First Battalion of Infantry, Maryland Army National Guard. This Battalion being a direct ancestor of the First Maryland Infantry (Federal) during the Civil War contained Companies A, B, C and D. It was expanded into the First Regiment of Infantry on May 7th, 1886 by the incorporation of Companies from Elkton (E), Catonsville (F) Annapolis (G), Waverly (H), Towson (I), and Company K from Baltimore.

Company A was mustered into Federal service along with the remainder of the Maryland First Infantry Regiment on May 11th, 1898 and was assigned to the Second Army Corps during the Spanish-American War. The unit was mustered out of Federal service on March 15th, 1899.

The Company was later called into Federal service again on June 28th, 1916 and saw duty with the Regiment at Eagle Pass, Texas during the Mexican Border incident. During this campaign the company was commanded by Captain Elmer F. Munshower. (Captain Munshower also commanded the company when it was called to duty during World War I and was Battalion Executive Officer when the 115th Infantry was again called to duty in World War II. He later served as Division I.G., and later was assigned as Post Commander at Camp A. P. Hill, Virginia. He retired a full Colonel in 1945). The unit was mustered out of Federal service from the Mexican Border on November 4th, 1916.

The Company was again mustered into Federal service on August 5th, 1917 and was combined with other units of Maryland's First and Fifth Regiments to form the 115th Infantry Regiment, 29th Infantry Division. The unit trained extensively at Camp McClellan, went overseas and served with typical distinction, mainly in the Meuse-Argonne offensive. The unit was demobilized at Camp Dix, New Jersey on May 30th, 1919.

Company A along with the other units of the old regiment was reorganized on July 31st, 1923. The 115th Infantry was redesignated the First Infantry Regiment, Maryland Army National Guard.

On January 1st, 1941 the regiment was again redesignated as the 115th Infantry Regiment and was inducted into Federal service February 3rd, 1941. Company A left Frederick under the command of Captain Guy Anders, a man who had served as a platoon sergeant during the World War I Meuse-Argonne Offensive. (Later Sheriff of Frederick County). A total compliment of more than 180 men left the city to once again answer the call to colors. Company A, along with the other units of the Regiment served with distinction at such places as Normandy (Omaha Beach), St Lo., Villeboudin, Viro, Brest, Bethendorf, Kirchbery, and other enemy held locations. Many of Fredericks' Sons and fathers left their blood in Europe during these campaigns. The unit was mustered out of Federal service on January 17th, 1946 at Camp Kilmer, New Jersey.

The unit was reorganized with Federal recognition in February 1947 under the command of Captain Alfred Cutsail, who commanded until November 1953. Between 1953 and March 1963 successions of command in Company A went to Captain Willard Horine, Captain Paul L. Crum Jr, Captain Robert L. Strine, and Captain Kenneth L. May. In March 1963, the unit was separated from the 115th Infantry and assigned to the 2nd Battalion 175th Infantry with Headquarters in Dundalk. Along with this change the command of the unit fell to the responsibility of Captain James F. Walsh. It was also in this period of time that Company A became involved in Civil Disturbances. On three occasion the unit was sent to Cambridge, Maryland to quell the riots there. It was also during this period that the strength of Company A diminished to less than 60 officers and men. In spite of this Company A came out as the "best" company during summer camp, over other units of the 2nd Battalion 175th Infantry. Captain James F. Walsh and 2nd Lieutenant Ernest M. Snyder were the only officers in the unit at the time and the enlisted strength was a mere 53 men. In spite of the fact that other Companies in the Battalion contained nearly twice the manpower. Company A excelled in almost all phases of training.

In November 1965, another reorganization saw Company A once again as part of the 115th Infantry. This was the inception of the "Selected Reserve Force", and for the first time in history, the unit was split between two cities, Hagerstown and Frederick. Captain Boyd M. Cook, a former Army Company Commander was selected to command the unit. This proved to be a worthy challenge since the following months saw training in all weather and drills were extended to 72 per year. (Some selected officers and enlisted men performed as many as 96 drills).

In January 1968, another reorganization combined the Hagerstown and Frederick elements together in the Frederick Armory. The troop authorized strength of 176 made it the largest post-war company ever in Frederick.

Company A saw civil disturbance action again in April 1968 following the assassination of Martin Luther King Jr. The unit spent eight days in Baltimore coming home on Easter Sunday. It can be said that the actions of Company A and other elements of the 115th Infantry Regiment during this duty helped once again to prove their worthiness for any occasion. Within 2 weeks after the riot duty, the unit was called out on a voluntary basis to help search for a three-year old boy lost in the Catoctin Mountains. After twenty hours, the men of Company A were successful in their search and brought the youth out of the mountains in good spirits. (Less than 1-year before the men of Company A located another lost 3-year old boy west of Frederick).

In October 1968, 1st Lieutenant Ernest M. Snyder, a sixteen year veteran of the Company gained command of the Company as Captain Cook moved on to the Battalion Staff as Motor Officer. Authorized troop strength for the unit had been reduced to 160 enlisted men and 6 officers early in 1968, and the unit no longer assigned the role of "Selected Reserve Force", was once again training on a 48 drill a year basis. Things seemed quiet now, but training has a new depth. Greater emphasis is placed in individual proficiency and a tone of seriousness is seen in all training sessions due to the far east conflict. True to form, changes are imminent.

The personality of Michael Cresap still lives in the men of Company A. This is the spirit which has, and always will typify those men of Company A, who stand ready to answer the call to colors. This is the spirit that has built the nation, protected it, and somehow becomes enlivened whenever the nation needs the citizen soldier.

The times change; the years change; the complexities of politics and modern warfare become overwhelming and the citizen soldier like the regular becomes a professional in his own right.

In four years, Company A will be two hundred years old. It is obvious to us who have served the unit that the spirit of Cresap's Rifles has remained undaunted through those many years.

POST WAR COMPANY COMMANDERS

Capt. Alfred Cutsail, Capt. Willard M. Horine, Capt. Paul L. Crum, Jr., Capt. Robert L. Strine, Capt. Kenneth L. May, Capt. James F. Walsh, Capt. Boyd M. Cook, Capt. Ernest M. Snyder, Capt. Robert B. Houser, Jr., Capt. Kenneth W. Lamont.

FOUR BILLS ASSIST THE AGED

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. FAUNTROY. Mr. Speaker, during the past several months, I have begun to intensely study the unique problems of our elderly citizens with a view toward developing a comprehensive legislative program designed to assist them in maintaining a meaningful and productive existence in a society whose orientation seems to be the search for a fountain of perpetual youth. As we are all aware, no one has found the magic fountain, and no one has solved the problems of our aged. Among these unsolved problems is that of mobility, socializing, nutrition, and rehabilitation after a chronic illness.

I am today introducing four bills that promise some hope in meeting these unsolved problems. The first bill is designed to assist the elderly in obtaining access and use of public transportation, the second would provide funds to construct senior citizen community centers, the third would provide funds for a nutrition and meals program, while the last would initiate research in the problems of chronic care.

NEW TRANSPORTATION SERVICES FOR THE ELDERLY

The first of these four problems is perhaps the least difficult to solve. For the elderly, public transportation is often the only means by which they can visit one another, shop, and obtain medical care. Public transportation, too, is the only means by which they are able to move their domiciliary, since the availability of and the cost of transportation may preclude their moving, if it should be beyond their physical or financial means. We may not now be able to do very much about the amount of physical access; we can definitely do something about the costs very quickly. Let me indicate what this means.

In the first place, lower costs would allow the elderly to simply be able to visit their friends and take much better advantage of the many activities that are free in any city. This means that they are better able to maximize their limited incomes; and, their mobility becomes a stabilizing influence in the community of which they are a part because they can now become more active in the cultural and social life of the city.

In the second place, since all forms of transportation would be affected by my bill, long-distance travel would now become much more possible for the elderly. Many of them would be able to visit the places, the shrines, and the parks which they are not now able to visit or visit only rarely. It seems to me that providing this ability is the very minimum that we can do for those who have given the best years of their life to making this the Nation with the greatest capacity for offering a dignity to life inherent in the democratic ideal.

Specifically, this bill, the Senior Citizens Transportation Services Act, provides that applications under the provisions of the Mass Transportation Act must contain provisions for a reduced fare program for those 66 and older. The bill also provides provisions for a reduced fare on common carriers in interstate commerce. Other provisions of the bill provide that motor vehicle insurance must be made available to the elderly and that all facilities for transportation must be equipped to insure access for both the elderly and the handicapped.

SENIOR CITIZENS COMMUNITY CENTERS

It is not enough, however, to just provide transportation. We must offer our senior citizens the opportunity to formulate their own programs, to obtain at an accessible site special services, and to meet with one another in the setting of a community service center. The second bill would provide that the States shall construct, from funds provided by HEW, multipurpose centers for the senior citizen under such standards as HEW shall find acceptable in consultation with the State(s). A very important aspect of this bill is that senior citizens must be consulted in the planning stages, as well as be hired in operating the program, to the extent most possible.

LOW COST MEALS AND NUTRITION TRAINING

One of the major problems of our elderly is the lack of proper nutritional planning. This results from the loneliness and despair that often accompanies one who lives alone as well as one who lacks the resources for purchasing the proper foods. My third bill goes to the heart of this problem in two ways. It offers to the elderly low cost nutritionally sound meals served in community centers or elsewhere which allows, thereby, that the individuals receive, first, adequate nutrition, and second, the benefits of social contacts.

REHABILITATION FOR CHRONIC CARE PATIENTS

My fourth bill authorizes appropriations of $5 million for the fiscal year ending June 30, 1972, and $10 million for each of the next 3 fiscal years to enable HEW to make grants to any public or nonprofit private agency, institution, or organization to cover all or any part of the costs of projects for the development of demonstration programs designed to rehabilitate aged inpatients or to assist such patients of long-term health care facilities to attain self-support or self-care. This bill does not offer as an immediate impact as do my other three; it does, however, provide the opportunity for the initiation and continuation of programs designed to enable the chronically ill to be able to become self-sustaining or at least become better able to live with their ailment. The implications of this bill are far greater than the others because it is the first step of a definitive recognition of the problems of aging qua aging.

We have yet to understand the aging process; but, we do know and understand that people of certain age groups are prone to suffer from a variety of ailments that confine them to institutional care. It is important that we strive to cure them; it is equally important that we provide these persons with a will and a means to physically and mentally cope with what, if not a terminal illness, is a debilitating illness. If we recognize and do this, we will have done more to make treatment effective than any other single thing.

I know, Mr. Speaker, that many of my colleagues are equally concerned about the aged population. I am pleased to know that so many people are becoming interested in this problem because as one who has served as a pastor and community leader in one of our largest urban communities, I know what it means to people—particularly poor people—who reach those years that really ought to be the golden years. Too often these years are only bleak with a grayness that signals only death. We have the capacity to end this plight and I do hope that we act rapidly to do so.

HOUSE OF REPRESENTATIVES—*Tuesday, November 30, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The Lord will give grace and glory: No good thing will He withhold from them that walk uprightly.—Psalm 84: 11.

Most merciful and gracious God, cleanse our hearts, clarify our minds, and give courage to our souls as we face the duties and responsibilities of this day.

Reveal to us the means whereby our spirits may be strengthened, our freedoms fortified, and the integrity of our country increased. Give us to realize anew that Thy favor toward us is found in obeying Thy laws, in doing Thy will, and in living with love in our hearts.

Keep alive within us the dawning of the day when people and nations will be united in the bonds of brotherhood singing the song that shatters the spear and the sword and telling the story of truth and mercy which shall usher in a period of peace and prosperity for all.

In the spirit of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

PERMISSION FOR THE COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON A SUPPLEMENTAL APPROPRIATION BILL

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making supplemental appropriations for the fiscal year ending June 30, 1972, and for other purposes.

Mr. BOW reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THREATENED VETO OF TAX BILL

(Mr. BOGGS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BOGGS. Mr. Speaker, I take this time to express concern at the statement on yesterday that was attributed to the congressional liaison director of the White House, Mr. Clark MacGregor, threatening a veto of the tax bill now in conference between the House and the Senate.

In the almost quarter of a century that I served on the Committee on Ways and Means, I can never remember any President threatening that committee or the Congress, either the House of Representatives or the Senate separately or jointly on a measure as important as the tax bill.

The President has said this tax bill is a vital part of his economic program and yet, while the conference is still meeting and is still attempting to work out the differences between the two bodies, the President of the United States threatens the Congress with a veto. I hope he is not serious about this, because I am sure that it has dawned on him that at this late hour in this session it is extremely remote that the Committee on Ways and Means will go back to the tax bill, report out a new bill and bring it here to the floor and send it over to the other body for consideration.

If this is simply a political ploy, which most people seem to think it is, then I say it is quite regrettable that the President would use this type of tactic.

Finally, if it is a political ploy, it is certainly not going to have any desirable effect in helping the economic conditions of this country. If the people get the idea that all the President is doing is playing politics, then there certainly will be no economic revival which is so desperately needed in this country.

PROPOSED TAX BILL

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, I have not had an opportunity to check the historical record, but I suspect that other Presidents have indicated on other measures in advance of the conclusion of the conference report that certain provisions in a bill, if included, would result in a veto.

Let me say on this tax bill specifically, I commend the House Committee on Ways and Means and I commend the House of Representatives for passing a constructive tax reduction bill not identical with the provisions recommended by President Nixon, but a good bill with some responsible variations.

The 120 some amendments added to that tax bill in the other body, making it a typical Senate "Christmas tree," does raise many, many valid objections to what might come out of that conference.

The President is not playing politics with the tax reduction proposal he initiated. The tax bill as reported by the Senate is so different from the House bill and President Nixon's tax cut proposal that I do not think the House could swallow that bill. Therefore, it is incumbent upon the conferees to get rid of all or most of those extraneous amendments so that we can have a good tax bill, so that the country will know we are going to eliminate the 7-percent excise tax, we are going to increase the standard deduction, we are going to increase the personal exemptions, and we are going to have a job investment tax credit proposal. Those are the things the President recommended. That is what the House approved. I believe that is what we ought to come out with so far as the conference is concerned. To load it up with a Senate "Christmas tree" operation, in my opinion, would be bad for the country.

APPOINTMENT OF CONFEREES ON H.R. 9961, FEDERAL CREDIT UNION ACT EXTENSION

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9961) to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes, with the Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. PATMAN and BARRETT, Mrs. SULLIVAN, Messrs. REUSS, MOORHEAD, ST GERMAIN, and WIDNALL, Mrs. DWYER, and Messrs. JOHNSON of Pennsylvania and J. WILLIAM STANTON.

CONFERENCE REPORT ON S. 29, CAPITOL REEF NATIONAL PARK, UTAH

Mr. TAYLOR, on behalf of Mr. ASPINALL, filed the following conference report and statement on the bill (S. 29) to establish the Capitol Reef National Park in the State of Utah:

CONFERENCE REPORT (H. REPT. NO. 92–685)

The Committee of Conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 29) to establish the Capitol Reef National Park in the State of Utah, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill, and agree to the same with an amendment as follows: In lieu of the matter inserted by the House amendment insert the following:

That (a) subject to valid existing rights, the lands, waters, and interests therein within the boundary generally depicted on the map entitled "Boundary Map, Proposed Capitol Reef National Park, Utah," numbered 158–91,002, and dated January 1971, are hereby established as the Capitol Reef National Park (hereinafter referred to as the "park"). Such map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

(b) The Capitol Reef National Monument is hereby abolished, and any funds available for purposes of the monument shall be available for purposes of the park. Federal lands, waters, and interests therein excluded from the monument by this Act shall be administered by the Secretary of the Interior (hereinafter referred to as the "Secretary") in accordance with the laws applicable to the public lands of the United States.

SEC. 2. The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, transfer from any Federal agency, exchange, or otherwise, the lands and interests in lands described in the first section of this Act, except that lands or interests therein owned by the State of Utah, or any political subdivision thereof, may be acquired only with the approval of such State or political subdivision.

SEC. 3. Where any Federal lands included within the park are legally occupied or utilized on the date of approval of this Act for grazing purposes, pursuant to a lease, permit, or license for a fixed term of years issued or authorized by any department, establishment, or agency of the United States, the Secretary of the Interior shall permit the persons holding such grazing privileges or their heirs to continue in the exercise thereof during the term of the lease, permit, or license, and one period of renewal thereafter.

SEC. 4. Nothing in this Act shall be construed as affecting in any way rights of owners and operators of cattle and sheep herds, existing on the date immediately prior to the enactment of this Act, to trail their herds on traditional courses used by them prior to such date of enactment, and to water their stock, notwithstanding the fact that the lands involving such trails and watering are situated within the park: *Provided*, That the Secretary may promulgate reasonable regulations providing for the use of such driveways.

SEC. 5. (a) The National Park Service, under the direction of the Secretary, shall administer, protect, and develop the park, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535) as amended and supplemented (16 U.S.C. 1–4).

(b) The Secretary shall grant easements and rights-of-way on a nondiscriminatory basis upon, over, under, across, or along any component of the park area unless he finds that the route of such easements and rights-of-way would have significant adverse effects on the administration of the park.

(c) Within three years from the date of enactment of this Act, the Secretary of the Interior shall report to the President, in accordance with subsections 3(c) and 3(d) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132 (c) and (d)), his recommendations as to the suitability or nonsuitability of any area within the park for preservation as wilderness, and any designation of any such area as a wilderness shall be in accordance with said Wilderness Act.

SEC. 6. (a) The Secretary, in consultation with appropriate Federal departments and appropriate agencies of the State and its political subdivisions shall conduct a study of proposed road alinements within and adjacent to the park. Such study shall consider what roads are appropriate and necessary for full utilization of the area for the purposes of this Act as well as to connect with roads of ingress and egress to the area.

(b) A report of the findings and conclusions of the Secretary shall be submitted to the Congress within two years of the date of enactment of this Act, including recommendations for such further legislation as may be necessary to implement the findings and conclusions developed from the study.

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act; not to exceed, however, $423,000 for the acquisition of lands and interests in lands and not to exceed $1,052,700 (April 1970 prices) for development, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein. The sums authorized in this section shall be available for acquisition and development undertaken subsequent to the approval of this Act.

And the House agree to the same.

WAYNE N. ASPINALL,
ROY A. TAYLOR,
MORRIS K. UDALL,
SHERMAN P. LLOYD,
Managers on the Part of the House.
ALAN BIBLE,
FRANK E. MOSS,
CLIFFORD P. HANSEN,
Managers on the Part of the Senate.

JOINT STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the Conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 29) to establish the Capitol Reef National Park in the State of Utah submit this joint statement in explanation of the effect of the language agreed upon by the managers and recommended in the accompanying Conference Report.

The language agreed upon by the managers is the language of the House amendment with two amendments. There were seven points of difference between the Senate version and the House Amendment which were the subject of discussion and action by the Committee of Conference. These differences and the disposition of them are as follows:

(1) Both the House and Senate versions of the bill provided for the gradual phase-out of grazing privileges within the park; however, the House amendment limited such privileges to the existing term and one period of renewal thereafter, while the Senate language permitted them to continue for a period of 25 years or longer subject to terms and conditions established by the Secretary of the Interior. The Committee of Conference agreed to accept the House language on the basis that it provides an adequate, reasonable, and equitable period of time to phase-out the grazing privileges within the park.

(2) The House amendment included a provision comparable to the Senate language providing for the trailing of cattle and sheep along traditional courses across the park area, but the House language, in addition, permitted the Secretary to designate the location of the trailways and to establish reasonable regulations for their use. The Committee of Conference agreed to accept the House language with an amendment to assure the recognition of traditional trailways across the park by the Secretary, but, at the same time, to allow him to establish reasonable regulations for their use.

(3) The Committee of Conference agreed to accept a House amendment deleting a provision in the Senate version of the bill which specifically authorized the Secretary to provide for the proper development of the park. While the Committee of Conference agreed that this provision was not essential to the legislation—since there is ample authority in this regard—its deletion from the bill should not be construed as limiting the customary authority to develop park areas. On the contrary, the reason for including the language initially was to emphasize the importance of pursuing a development program which would assure the availability of the facilities needed for the public use and enjoyment of this park.

(4) Both the Senate language and the House amendment required the Secretary to grant easements and rights-of-way through the park. As distinguished from the Senate language, which provided that the Secretary must grant such easements if he found that they would not have significant adverse effects on the administration of the park, the House amendment required him to grant them only if he found that they would be compatible with the purposes of the park, as well. The Committee of Conference recognized the necessity of allowing utility crossings through this elongated park, but it also recognized the importance of locating these easements and rights-of-way where they would have the least impact. The Committee of Conference agreed upon substitute language which requires the Secretary to grant such easements and rights-of-way unless he finds that "the route of such easements and rights-of-way would have significant adverse effects on the administration of the park."

(5) Although the House amendment modified the Senate language with respect to studies of the area for consideration for wilderness designation, the thrust of both provisions is the same. The Committee of Conference agreed to accept the language of the House amendment because it was standard language used in other comparable measures.

(6) It was agreed by the Committee of Conference that the transportation study of this area—which would be a comprehensive study co-ordinated with similar studies to be made at other national park units in the same region—should be made by the Secretary of the Interior in consultation with other Federal, State, and local agencies as provided in the House amendment. Because of its importance to the future of the communities involved, the report and recommendations are required to be completed and transmitted to the Congress within two years after the date of enactment of S. 29. While the objective of both the House and Senate language was the same, the Senate version made the transportation study a joint responsibility of the Secretary of the Interior and the Secretary of Transportation. The conferees agreed that, while consultation with the Department of Transportation would be desirable, the responsibility for making the study should rest exclusively with the Secretary of the Interior.

(7) The last difference between the House amendment and the Senate version of the bill involves the limitation on appropriations for acquisition in, and development of, the park. The House amendment limited the amounts authorized for future appropriations to not more than $423,000 for the acquisition of lands and not more than $1,052,700 for development. The Senate version contained no comparable limitation. The Committee of Conference agreed to accept the House language.

The conferees wish to point out that there was no difference of opinion between the two Houses of the Congress with respect to giving national park status to about 242,000 acres of land in the State of Utah. Only the several differences involving collateral issues had to be resolved. In resolving these differences, the Committee of Conference has agreed that the most uniform possible approach should be taken with respect to the various national park areas located in the southwestern region of the State of Utah.

National park designation is the highest recognition of natural beauty given to any area in the country. Only the most outstanding natural and scenic outdoor areas are granted this distinction.

WAYNE N. ASPINALL,
ROY A. TAYLOR,
MORRIS K. UDALL,
SHERMAN P. LLOYD,
Managers on the Part of the House.
ALAN BIBLE,
FRANK E. MOSS,
CLIFFORD P. HANSEN,
Managers on the Part of the Senate.

PERMISSION FOR THE COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. SISK. Mr. Speaker, I ask unanimous consent that the Committee on

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Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

INTERGOVERNMENTAL FISCAL COORDINATION ACT OF 1971

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, today, the distinguished chairman, along with several other members of the Ways and Means Committee, including myself, has introduced the Intergovernmental Fiscal Coordination Act of 1971. This bill will provide up to $3½ billion for local governments and up to $1.8 billion for State governments annually for a period of up to 5 years.

I personally believe that this bill embodies many of the principles of previous revenue-sharing plans, but at the same time, has eliminated many of the problems which made the previous plans so unworkable.

This bill would provide grants of specific amounts for activities which are certainly of the highest priority: Public safety, environmental protection, public transportation, and youth recreation programs.

This legislation is the end result of months of deliberation and diligent research by the excellent staff of our committee. It is a measure which is aimed directly at the problems of our cities, problems which cannot afford to wait much longer. I am happy to be able to say that this legislation has broad support in our committee. In addition to our chairman, the bill is cosponsored by committee members representing almost all of our major cities.

Mr. Speaker, at no time in our history have our urban areas been in more of a need for Federal assistance than they are now. They are suffocating from the fumes of progress. Their schools are overcrowded and underfinanced. Their law-enforcement agencies are overburdened and their tax bases are certainly overworked. The bill that we have introduced today should not be looked upon as a panacea for all the diverse ills that presently beset our troubled cities—it does, however, represent a very necessary first step—it is a beginning.

Tom Wicker, writing in Sunday's New York Times, very eloquently describes the plight of the American city when he says:

> The real point is that there is, in fact, no place to hide from the kind of society we have created, or allowed to develop. The blacks and the poor didn't make that society; it put them in their present places. The city doesn't make modern life unpleasant; modern life is rendering the city intolerable. The suburb, the weekend house, the island in the sea or the woods can't be walled off against change and turmoil growing out of the kind of people we are and the kinds of lives we lead; they can only delude the hopeful.

Mr. Speaker, this legislation is not another attempt to "delude the hopeful," but rather, it is a concrete approach to attach some of the most basic problems which plague our cities.

AWARD OF HEISMAN TROPHY TO PAT SULLIVAN OF AUBURN

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, on Thanksgiving night, the New York Downtown Athletic Club selected Auburn University's great quarterback, Pat Sullivan, as this year's winner of the Heisman Trophy. This award is given annually to the Nation's most outstanding college player.

Pat Sullivan set a number of records during his 3 years of varsity play at Auburn. This year alone, he threw for 20 touchdowns and over 2,000 yards. In addition, he has the top scholastic standing among all seniors on the Auburn team; is a member of the Society of Christian Athletes; and is a devoted husband and father.

Champions are made of many things and when I listened to the telephone call placed to Pat Sullivan in Auburn last Thursday after the announcement was made and heard the humility of this great athlete in expressing appreciation to his fellow teammates and his coaches, then I knew that Auburn's Pat Sullivan was a real champion.

Mr. BUCHANAN. Will the gentleman yield?

Mr. NICHOLS. I will be pleased to yield to my colleague from Birmingham.

BIRMINGHAM'S PAT SULLIVAN, HEISMAN TROPHY WINNER

Mr. BUCHANAN. Mr. Speaker, the people of the city of Birmingham, which it is my privilege to represent in the Congress, have yet another reason to be proud this week. A Birmingham native, Pat Sullivan of Auburn University is this year's Heisman Trophy winner. I join my colleague in saluting him this day.

Upon notification of his receipt of this award, Sullivan said it was "the biggest surprise I've ever had," but for the thousands of Atlabamians who have watched Pat perform for the Auburn Tigers, his selection for this award is far from surprising.

He has led his team to 26 victories in 32 games over his 3-year period as a varsity player.

Pat is the son of Mr. and Mrs. Jerry Sullivan of Birmingham where he grew up playing not only football, but baseball and basketball as well. Even as a youngster, he was a star of the Toy Bowl games, annual benefit football games, leading the Birmingham team to victory every time he played.

At John Carroll High School in Birmingham, his record was the same.

From there it was on to Auburn University. During his junior year he ranked sixth in the Heisman Trophy balloting and led the Nation in total offense, gaining an average of 285.6 yards per game and racking up 26 touchdowns. While in college he married and he and his wife Jean have a 2-year-old daughter, Kim, who I understand broke the still, tense moments prior to the announcement of the Heisman Trophy winner yelling "touchdown."

This year Pat ranks third in passing and has chalked up 20 touchdown passes, ranking fourth on the NCAA total offense list with an average of 219.7 yards per game.

It is typical of Pat's character and a sign of his leadership ability that he gives much of the credit for his success to his teammates, the fine young men who defend him and who have received his many passes. It is most fitting that Pat Sullivan of Auburn University should win the trophy named after a former Auburn coach, John W. Heisman, and be the first Auburn player to be so honored.

All Birmingham shares the pride of his family in Pat Sullivan's outstanding achievement.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I am happy to yield to the majority leader.

Mr. BOGGS. Mr. Speaker, I want to join in the gentleman's statement. I suggest that the gentleman invite our colleagues down to my hometown of New Orleans to watch the Sugar Bowl game between Auburn and Oklahoma where they will have the opportunity to watch Pat Sullivan play on January 1.

Mr. NICHOLS. We expect to do that.

PHASE II FORMULA

(Mr. CONABLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CONABLE. Mr. Speaker, the distinguished majority leader, responding to a statement by the minority leader about the economy yesterday, deplored the uncertainties of phase II and what he apparently felt was an unwarranted optimism about the course of the economy. No one is ever satisfied with the economy—and that is true regardless of the side of the aisle you sit on. There are always trade-offs, even in a completely controlled economy which I am sure the majority leader would not enjoy any more than the rest of us. The only way to get certainty in an effort to regulate wages and prices is to have complete control—the kind of straitjacket no American wants. The flexible controls of the Nixon phase II formula provide the kind of balanced restraint which permits movement within acceptable limits so that confidence can grow.

Mr. Speaker, confidence is what our economy needs. Lack of consumer and business confidence, rooted at least in part in inflationary expectations, have been working to frustrate the normal dynamics of the incentive system. There is nothing wrong with our system that positive leadership cannot overcome. The President is doing his part, and I hope the Congress will respond, not with roadblocks and negativism, but with the boost that will help a psychologically oriented economy to soar. Gloom and doom can be self-fulfilling prophesies at worst—even at best they are counterproductive, both economically and politically.

THE DISTRICT OF COLUMBIA APPROPRIATIONS BILL AND ITS IMPACT UPON ACTIVITIES IN THE DISTRICT

(Mr. GUDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUDE. Mr. Speaker, on Thursday we shall decide whether the great Kennedy Center for the Performing Arts will be a select gathering place for the rich—or shall be available to all.

On Thursday, we shall decide whether this Capital City shall have a vital downtown or a vacant, darkened wasteland of crime and danger.

On Thursday, we shall decide whether Connecticut Avenue has been ripped apart for a purpose, or as an expensive exercise.

On Thursday, we shall decide whether the Federal Government shall be accessible to the people.

On Thursday, we shall decide whether we mean what we say about creating greater accessibility to jobs, rather than adding to our welfare rolls.

On Thursday, we shall be deciding all these things because we shall be deciding whether to fund the Washington-area Metro subway system.

Thursday will be the crucial time of decision. If we do not vote then to permit the District of Columbia to pay the debts it owes the public corporation that is building the subway, then that corporation's construction work will halt. I was advised this morning at a meeting with Montgomery County Executive James Gleason that the county cannot continue to pay for subway construction when there is no sign that Congress will release the District of Columbia funds due. If Congress does not release these funds the County will make no further payments after this coming month, the county executive said. In all likelihood, the other suburban jurisdictions will take similar action. Then, the great tunnels that have already been dug under Washington will become a bitter reminder to all that congressional authorizations and long-standing commitments are without substance.

STRATEGIC RESERVE BILL FOR THE PURCHASE OF WHEAT AND FEED GRAINS

(Mr. MAYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAYNE. Mr. Speaker, the House Rules Committee heard testimony this morning on H.R. 8290, a bill to establish a strategic reserve of wheat and feed grains. This is one of the vehicles being suggested to raise the price of corn, which is now below production cost and definitely requires drastic improvement. It will cost from $1¼ to $1½ billion to acquire the reserve provided for in the bill and an additional $210 million annually to store it.

Mr. Speaker, it is extremely important that if a rule is granted on this bill it be sufficiently liberal to waive points of order for the offering of an amendment by the gentleman from Illinois (Mr. FINDLEY) to limit payments received under the program to $20,000 a year.

We certainly do not want this bill to be used as a vehicle for further enriching vertically integrated conglomerates, other large agricultural combines and individual large operators. The subterfuges through which they continue to draw huge combined payments in excess of the present $55,000 limit have been exposed and very properly denounced.

Members genuinely interested in the survival of the family farmer will want to make sure these agri-giants do not exploit the reserve as a further means of widening the unfair competitive advantage they already enjoy enabling them to gobble up more and more small and medium sized farms.

Mr. Speaker, I hope our colleagues will join me and Mr. FINDLEY in urging the Rules Committee before final action is taken on this rule to open it up sufficiently to permit consideration of a $20,000 limitation amendment. If the committee does not waive points of order to such an amendment, it is our present intention to ask the House to vote down the previous question on the rule in order to make the amendment in order.

CALL OF THE HOUSE

Mr. SCHMITZ. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 415]

Andrews, Ala.	Diggs	Moorhead
Ashley	Dowdy	Morgan
Baring	Edwards, La.	Morse
Belcher	Eilberg	Murphy, N.Y.
Bell	Evins, Tenn.	Pepper
Blanton	Fraser	Pryor, Ark.
Blatnik	Gallagher	Puciński
Burton	Gray	Railsback
Byrne, Pa.	Gubser	Rangel
Cabell	Halpern	Rees
Celler	Hanna	Rhodes
Chamberlain	Haraha	Riegle
Chisholm	Hébert	Rodino
Clark	Heckler, Mass.	Roybal
Clay	Hogan	Satterfield
Collins, Ill.	Landrum	Scheuer
Colmer	McClory	Sikes
Conyers	McCulloch	Teague, Tex.
Davis, Ga.	McKevitt	Wilson, Bob
Davis, S.C.	McMillan	Wilson,
Derwinski	Miller, Calif.	Charles H.

The SPEAKER. On this rollcall 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FEDERAL ELECTION REFORM

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11060) to limit campaign expenditures by, or on behalf of, candidates for Federal elective office; to provide for more stringent reporting requirements; and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 11060, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Macdonald of Massachusetts amendment, as amended, had been agreed to.

House Resolution 694 provides that at this point it shall be in order for the Chair to recognize Members for the purpose of offering, without the intervention of any point of order, the text of the bill H.R. 11280 as an amendment in the nature of a substitute for the bill.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. HARVEY

Mr. HARVEY. Mr. Chairman, I offer an amendment in the nature of a substitute for the text of the bill H.R. 11060.

The CHAIRMAN. Does the Chair understand that the offering of the text of H.R. 11280 by the gentleman is not objected to by the authors of H.R. 11280?

Mr. HARVEY. That is my understanding, Mr. Chairman.

POINT OF ORDER RESERVED

Mr. HAYS. Mr. Chairman, I reserve a point of order against the amendment in order to ask the gentleman a question.

Is this the exact text of the bill which the rule makes in order, or has it been changed?

Mr. HARVEY. No; I would state to my chairman that this is the exact text of H.R. 11280, which contradicts what I said to my chairman yesterday. However, I wanted to get into this first because the rule does require that I introduce the exact text of H.R. 11280.

It is my understanding, however, that the gentleman from Massachusetts (Mr. MACDONALD), chairman of the subcommittee, is going to offer an amendment to the substitute which will make it conform exactly to what the House expressed yesterday on the several votes that were taken. This amendment will go to title I.

Further, I want to say to my chairman and the rest of my colleagues that I intend to wholeheartedly support that amendment, which will mean we will not have to plow over that old ground again but, rather, if we accept the Macdonald amendment to the substitute, what we did on yesterday would be embodied in title I.

Mr. HAYS. The reason I made this reservation of a point of order was to inquire of the gentleman as to that particular point. I agree with the gentleman. I will also support the Macdonald amendment when it comes up. I withdraw my reservation of a point of order.

The CHAIRMAN. The Clerk will report the amendment which has been offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. HARVEY: Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Federal Election Campaign Act of 1971".

TITLE I—AMENDMENTS TO COMMUNICATIONS ACT OF 1934; LIMITATIONS ON CAMPAIGN EXPENDITURES FOR NONBROADCAST COMMUNICATIONS MEDIA

EXCEPTION TO EQUAL TIME REQUIREMENTS AND CHARGE LIMITATIONS

SEC. 101. (a)(1) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315 (a)) is amended by inserting after "public office" in the first sentence thereof a comma and the following: "other than Federal elective office (as defined in subsection (c) of this section),".

(2) Section 315(a) of such Act is amended by inserting after the first sentence thereof the following: "When a licensee permits a legally qualified candidate for Federal elective office to use his broadcasting station in connection with such candidate's campaign for nomination for election, or election to such office, the licensee shall afford such candidate maximum flexibility in choosing his program format."

(b) Section 315(b) of such Act is amended to read as follows:

"(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office in connection with his campaign for nomination for election, or election, to such office shall not exceed—

"(1) during the forty-five days preceding the date of a primary election and during the sixty days preceding the date of a general or special election in which such person is a candidate, the lowest unit charge of the station for the same class and amount of time for the same period; and

"(2) at any other time, the charges made for comparable use of such station by other users thereof."

(c) Section 312(a) of such Act is amended by striking "or" at the end of clause (5), striking the period at the end of clause (6) and inserting in lieu thereof a semicolon and "or", and adding at the end of such section 312(a) the following new clause—

"(7) for wilful or repeated failure to allow reasonable access to or to permit purchase of reasonable amounts of time for the use of a broadcasting station by a legally qualified candidate on behalf of his candidacy.".

EXPENDITURE LIMITATIONS FOR CANDIDATES FOR MAJOR ELECTIVE OFFICES

SEC. 102. Section 315 of the Communications Act of 1934 is further amended by redesignating subsection (c) as subsection (f) and by inserting immediately before such subsection the following new subsections:

"(c)(1) For purposes of this subsection and subjection (d), the term—

"(A) 'Federal elective office' means the office of President, Vice President, United States Senator or Representative, or Delegate or Resident Commissioner to the Congress;

"(B) 'use of broadcasting stations by or on behalf of any candidate' includes not only broadcasts advocating such candidate's election, but also broadcasts urging the defeat of his opponent or derogating his opponent's stand on campaign issues;

"(C) 'legally qualified candidate' means any person who (1) meets the qualifications prescribed by the applicable laws to hold the Federal elective office for which he is a candidate and (2) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors; and

"(D) 'broadcasting station' includes a community antenna television system, and the terms 'licensee' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.

"(2) Except as provided in section 104 of the Federal Election Campaign Act of 1971, no legally qualified candidate in any primary, runoff, general, or special election for a Federal elective office may spend for the use of broadcasting stations on behalf of his candidacy in such election a total amount in excess of—

"(A) 5 cents multiplied by the estimate of resident population of voting age for such office, as determined by the Bureau of Census in June of the year preceding the year in which the election is to be held; or

"(B) $30,000, if greater than the amount determined under subparagraph (A).

For the purposes of computing the limitation provided by the first sentence of this paragraph in connection with a Presidential primary election, the resident population of voting age for the office of President shall be held and considered to be the entire population of voting age for such office within the State in which such primary election is conducted. Amounts spent by or on behalf of any candidate for nomination for election to such office in connection with his primary campaign in any State shall not exceed such limitation for that State.

"(3) Amounts spent for the use of broadcasting stations on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this subsection, be deemed to have been spent by such candidate. Amounts spent for the use of broadcasting stations by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this subsection, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

"(4) No station licensee may make any charge for the use of such station by or on behalf of any candidate for Federal elective office (or for nomination to such office) unless such candidate, or a person specifically authorized by such candidate in writing to do so, certifies to such licensee in writing that the payment of such charge will not violate paragraph (2).

"(5) Broadcasting stations and candidates shall file with the Commission such reports at such times and containing such information as the Commission shall prescribe for the purpose of this subsection and, in the case of broadcasting stations, subsection (d).

"(d) If a State by law and expressly—

"(1) has provided that a primary or other election for any office of such State or of a political subdivision thereof is subject to this subsection, and

"(2) has specified a limitation upon total expenditures for the use of broadcasting stations on behalf of the candidacy of each legally qualified candidate in such election, and

"(3) has provided in any such law an unequivocal expression of intent to be bound by the provisions of this section, and

"(4) has stipulated that the amount of such limitation shall not exceed the amount which would be determined for such election under subsection (c) had such election been an election for a Federal elective office or nomination thereto;

then no station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate in such election unless such candidate, or a person specifically authorized by such candidate in writing to do so, certifies to such licensee in writing that the payment of such charge will not violate such limitation.

"(e) One who willfully and knowingly violates the provisions of subsection (c) or (d) of this section shall be punished by a fine not to exceed $5,000 or imprisonment for a period not to exceed five years, or both. The provisions of sections 501 through 503 of this Act shall not apply to violations of such subsection."

LIMITATIONS ON CAMPAIGN EXPENDITURES FOR NONBROADCAST COMMUNICATIONS MEDIA

SEC. 103. (a) For purposes of this section, the term—

(1) "Federal elective office" means the office of President, Vice President, United States Senator or Representative, or Delegate of Resident Commissioner to the Congress;

(2) "nonbroadcast communications medium" means newspapers, magazines, and other periodical publications, and billboard facilities;

(3) "legally qualified candidate" means any person who (A) meets the qualifications prescribed by the applicable laws to hold the Federal elective office for which he is a candidate and (B) is eligible under applicable State law to be voted for by the electorate directly or by means of delegates or electors; and

(4) "use of any nonbroadcast communications media by or on behalf of any candidate" includes not only amounts spent for advocating a candidate's election, but also amounts spent for urging the defeat of his opponent or derogating his opponent's stand on campaign issues.

(b) During the forty-five days preceding the date of any primary election, and during the sixty days preceding the date of any general or special election, the charges made for the use of any nonbroadcast communications medium by an individual who is a legally qualified candidate for Federal elective office shall not exceed the lowest unit rate charged others by the person furnishing such medium for the same amount and class of space.

(c) Except as provided in section 104 of this Act, no legally qualified candidate in any primary, runoff, general, or special election for a Federal elective office may spend for the use of nonbroadcast communications media on behalf of his candidacy in such election a total amount in excess of—

(1) 5 cents multiplied by the estimate of resident population of voting age for such office, as determined by the Bureau of Census in June of the year preceding the year in which the election is to be held; or

(2) $30,000, if greater than the amount determined under clause (1).

For the purposes of computing the limitation provided by the first sentence of this paragraph in connection with a Presidential primary election, the resident population of voting age for the office of President shall be held and considered to be the entire resident population of voting age for such office within the State in which such primary election is conducted. Amounts spent by or on behalf of any candidate for nomination for election to such office in connection with his primary campaign in any State shall not exceed such limitation for that State.

(d) Amounts spent for the use of nonbroadcast communications media on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this section, be deemed to have been spent by such candidate. Amounts spent for the use of nonbroadcast communications media by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this section, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

(e) No person may make any charge for the use of any nonbroadcast communications medium by or on behalf of any candidate for Federal elective office (or for nomination to such office) unless such candidate, or an individual specifically authorized by such candidate in writing to do so, certifies, to such person that the payment of such charge will not violate subsection (c). Any person who furnishes the use of any nonbroadcast communications medium to or for the benefit of any such candidate without charge therefor shall be deemed to have made a contribution to such candidate in an amount equal to the amount normally charged for such person for such use. Any person who furnishes the use of any nonbroadcast communications medium to or for the benefit of any such candidate at a rate which is less than the rate normally charged by such person for such use shall be deemed to have made a contribution to such candidate in an amount equal to the excess of the rate normally charged over the rate charged such candidate.

(f) One who willfully and knowingly violates the provisions of this section shall be punished by a fine not to exceed $5,000 or imprisonment of not more than five years, or both.

LIMITED INTERCHANGEABILITY BETWEEN EXPENDITURES LIMITATIONS

SEC. 104. (a) A legally qualified candidate in any primary, runoff, general, or special election for Federal elective office may, at his option, transfer not to exceed 20 per centum of the expenditure limitation under section 315(c) of the Communications Act of 1934 as amended or section 103(c) of this Act between one or the other to be spent on either the broadcast or nonbroadcast media on behalf of his candidacy in such election. Any amount so transferred from the one expenditure limitation to the other shall be deducted from the expenditure limitation upon the media from which such transfer is made.

(b) Any such legally qualified candidate exercising this option shall promptly notify the Federal Elections Commission in writing of the amount so transferred and spent, and shall provide such Commission with such information as the Commission, in its judgment, deems necessary and proper in the exercise of this option.

(c) The Federal Elections Commission is authorized to develop and promulgate appropriate rules and regulations to carry out the purposes of this section.

(d) The definitions contained in section 315(c) of the Communications Act of 1934 and in section 103(a) of this Act are applicable to this section.

COST-OF-LIVING INCREASE IN LIMITATION FORMULA

SEC. 105. (a) For purposes of this section, the term—

(1) "price index" means the annual average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

(2) "base period" means the calendar year 1970.

(b) Commencing immediately after the end of 1971, and after the end of each calendar year thereafter, as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall determine the difference between the price index for the immediately preceding calendar year and the price index for the base period. The amount computed under section 315(c)(2)(A) of the Communications Act of 1934 (as added by section 102 of this Act) and under section 103(c)(1) of this Act shall be increased by such per centum difference (excluding any fraction of a per centum) and rounded to the next highest cent. Each amount so increased shall be the amount in effect for the twelve months following the end of such calendar year.

TITLE II—CRIMINAL CODE AMENDMENTS

SEC. 201. Section 591 of title 18, United States Code, is amended to read as follows:

"§ 591. Definitions

"When used in sections 597, 599, 600, 602, 610, 611, and 614 of this title—

"(a) 'election' means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(b) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, to Federal office, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

"(c) 'Federal office' means the office of President or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

"(d) 'political committee' means any individual committee, association, or organization which accepts contributions or make expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(e) 'contribution' means—

"(1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) a transfer of funds between political committees;

"(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; and

"(5) notwithstanding the foregoing meanings of 'contribution', the word shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;

"(f) 'expenditure' means—

"(1) a purchase, payment, distribution, loan advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and

"(3) a transfer of funds between political committees;

"(g) 'person' and 'whoever' mean an individual, partnership, committee, association, corporation, or any other organization or group of persons; and

"(h) 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States."

SEC. 202. Section 600 of title 18, United States Code, is amended to read as follows:

"§ 600. Promise of employment or other benefit for political activity

"Whoever, directly or indirectly, promises any employment, position, compensation, contract, appointment, or other benefit, provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, shall be fined not more than $1,000 or imprisoned not more than one year, or both."

SEC. 202. Section 608 of title 18, United States Code, is amended to read as follows:

"§ 608. Limitations on contributions and expenditures

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of—

"(A) $50,000, in the case of a candidate for the Office of President or Vice President;

"(B) $35,000, in the case of a candidate for the Office of Senator; or

"(C) $25,000, in the case of a candidate for the Office of Representative, or Delegate or Resident Commissioner to the Congress.

"(2) For purposes of this subsection, 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

"(b) No candidate or political committee shall knowingly accept any contribution or authorize any expenditure in violation of the provisions of this section.

"(c) Violation of the provisions of this section is punishable by a fine not to exceed $1,000, imprisonment for not to exceed one year, or both.".

SEC. 204. Section 609 of title 18, United States Code, is repealed.

SEC. 205. Section 611 of title 18, United States Code, is amended to read as follows:

"§ 611. Contributions by Government contractors

"Whoever—

"(a) entering into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (1) the completion of performance under, or (2) the termination for negotiations for, such contract or furnishing of material, supplies, equipment, land or buildings, directly or indirectly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public

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office or to any person for any political purpose or use; or

"(b) knowingly solicits any such contribution from any such person for any such purpose during any such period;

shall be fined not more than $5,000 or imprisoned not more than five years, or both."

SEC. 206. The table of sections for chapter 29 of title 18, United States Code, is amended by—

(1) striking out the item relating to section 608 and inserting in lieu thereof the following:

"608. Limitations on contributions and expenditures.";

(2) striking out the item relating to section 609 and inserting in lieu thereof the following:

"609. Repealed.";

(3) striking out the item relating to section 611 and inserting in lieu thereof the following:

"611. Contributions by Government contractors.".

TITLE III—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

DEFINITIONS

SEC. 301. When used in this title—

(a) "election" means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) "Federal office" means the office of President or Vice President of the United States; or of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

(d) "political committee" means any committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

(e) "contribution" means—

(1) a gift, subscription, loan, advance, or deposit of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office or as a presidential or vice-presidential elector, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

(3) a transfer of funds between political committees;

(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose; and

(5) notwithstanding the foregoing meanings of "contribution", the word shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;

(f) "expenditure" means—

(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or as a presidential and vice-presidential elector, or for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement whether or not legally enforceable, to make an expenditure, and

(3) a transfer of funds between political committees;

(g) "Commission" means the Federal Elections Commission;

(h) "person" means an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons; and

(i) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 302. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of chairman or treasurer thereof. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) Every person who receives a contribution in excess of $10 for a political committee shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the name and address (occupation and the principal place of business, if any) of the person making such contribution, and the date on which received. All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

(c) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

(1) all contributions made to or for such committee;

(2) the full name and mailing address (occupation and the principal place of business, if any) of every person making a contribution in excess of $10, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee; and

(4) the full name and mailing address (occupation and the principal place of business, if any) of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee in excess of $100 in amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditures to the same person during a calendar year exceeds $100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the Commission.

(e) Any political committee which solicits or receives contributions or makes expenditures on behalf of any candidate that is not authorized in writing by such candidate to do so shall include a notice on the face or front page of all literature and advertisements published in connection with such candidate's campaign by such committee or on its behalf stating that the committee is not authorized by such candidate and that such candidate is not responsible for the activities of such committee.

(f) (1) Any political committee shall include on the face or front page of all literature and advertisements soliciting funds the following notice:

"A copy of our report filed with the Federal Elections Commission is (or will be) available for purchase from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402."

(2) (A) The Commission shall compile and furnish to the Public Printer, not later than the last day of March of each year, an annual report for each political committee which has filed a report with him under this title during the period from March 10 of the preceding calendar year through January 31 of the year in which such annual report is made available to the Public Printer. Each such annual report shall contain—

(i) a copy of the statement of organization of the political committee required under section 303, together with any amendments thereto; and

(ii) a copy of each report filed by such committee under section 304 from March 10 of the preceding year through January 31 of the year in which the annual report is so furnished to the Public Printer.

(B) The Public Printer shall make copies of such annual reports available for sale to the public by the Superintendent of Documents as soon as practicable after they are received from the Commission.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 303. (a) Each political committee which anticipates receiving contributions or making expenditures during the calendar year in an aggregate amount exceeding $1,000 shall file with the Commission a statement of organization, within ten days after its organization or, if later, ten days after the date on which it has information which causes the committee to anticipate it will receive contributions or make expenditures in excess of $1,000. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the Commission at such time as it prescribes.

(b) The statement of organization shall include—

(1) the name and address of the committee;

(2) the names, addresses, and relationships of affiliated or connected organizations;

(3) the area, scope, or jurisdiction of the committee;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, address, office sought, and party affiliation of (A) each candidate whom the committee is supporting, and (B) any other individual, if any, whom the committee is supporting for nomination for election, or election, to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;

(7) a statement whether the committee is a continuing one;

(8) the disposition of residual funds which will be made in the event of dissolution;

(9) a listing of all banks, safety deposit boxes, or other depositories used;

(10) a statement of the reports required to be filed by the committee with State or local officers, and, if so, the names, addresses, and positions of such persons; and

(11) such other information as shall be required by the Commission.

(c) Any change in information previously submitted in a statement of organization shall be reported to the Commission within a ten-day period following the change.

(d) Any committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year in an aggregate amount exceeding $1,000 shall so notify the Commission.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 304. (a) Each treasurer of a political committee supporting a candidate or candidates for election to Federal office and each candidate for election to such office, shall file with the Commission reports of receipts and expenditures on forms to be prescribed or approved by it. Such reports shall be filed on the tenth day of March, June, and September, in each year, and on the fifteenth and fifth days next preceding the date on which an election is held, and also by the thirty-first day of January. Such reports shall be complete as of such date as the Commission may prescribe, which shall not be less than five days before the date of filing except that any contribution of $5,000 or more received after the last report is filed prior to the election, shall be reported within forty-eight hours after its receipt.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount or value of $100 or more, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all transfers;

(5) each loan to or from any person within the calendar year in an aggregate amount or value in excess of $100, together with the full names and mailing addresses (occupations and the principal places of business, if any) of the lender and endorsers, if any, and the date and amount of such loans;

(6) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising event; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt in excess of $100 not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period;

(9) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom an expenditure or expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an aggregate amount or value in excess of $100, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made;

(10) the full name and mailing address business, if any, of each person to whom an expenditure for personal services, salaries, and reimbursed expenses in excess of $100 has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(11) the total sum of expenditures made by such committee or candidate during the calendar year;

(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the Commission may prescribe and a continuous reporting of their debts and obligations after the election at such periods as the Commission may require until such debts and obligations are extinguished; and

(13) such other information as shall be required by the Commission.

(c) The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to that effect.

REPORTS BY OTHERS THAN POLITICAL COMMITTEES

SEC. 305. Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by section 304. Statements required by this section shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 306. (a) A report or statement required by this title to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing such report or statement, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period of time to be designated by the Commission in a published regulation.

(c) The Commission may, by published regulation of general applicability, relieve any category of political committees of the obligation to comply with section 304 if such committee (1) primarily supports persons seeking State or local office, and does not substantially support candidates, and (2) does not operate in more than one State or on a statewide basis.

(d) The Commission shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

REPORTS ON CONVENTION FINANCING

SEC. 307. Each committee or other organization which—

(1) represents a State, or a political subdivision thereof, or any group of persons, in dealing with officials of a national political party with respect to matters involving a convention held in such State or political subdivision to nominate a candidate for the office of President or Vice President, or

(2) represents a national political party in making arrangements for the convention of such party held to nominate a candidate for the office of President or Vice President, shall, within sixty days following the end of the convention (but not later than twenty days prior to the date on which presidential and vice-presidential electors are chosen), file with the Commission a full and complete financial statement, in such form and detail as it may prescribe, of the sources from which it derived its funds, and the purposes for which such funds were expended.

DUTIES OF THE COMMISSION

SEC. 308. (a) It shall be the duty of the Commission—

(1) to develop and furnish to the person required by the provisions of this Act prescribed forms for the making of the reports and statements required to be filed with it under this title;

(2) to prepare, publish, and furnish to the person required to file such reports and statements a manual setting forth recommended uniform methods of bookkeeping and reporting;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this title;

(4) to make the reports and statements filed with it available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person: *Provided*, That any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(5) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(6) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate;

(7) to prepare and publish an annual report including compilations of (A) total reported contributions and expenditures for all candidates, political committees, and other persons during the year; (B) total amounts expended according to such categories as it shall determine and broken down into candidate, party, and non-party expenditures on the National, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as it shall determine and broken down into contributions on the National, State, and local levels for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed in excess of $100;

(8) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respect to preceding elections;

(9) to prepare and publish such other reports as it may deem appropriate;

(10) to assure wide dissemination of statistics, summaries, and reports prepared under this title;

(11) to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of this title, and with respect to alleged failures

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to file any report or statement required under the provisions of this title;

(12) to report apparent violations of law to the appropriate law enforcement authorities; and

(13) to prescribe suitable rules and regulations to carry out the provisions of this title.

(b) (1) Any person who believes a violation of this title has occurred may file a complaint with the Commission. If the Commission determines there is substantial reason to believe such a violation has occurred, it shall expeditiously make an investigation, which shall also include an investigation of reports and statements filed by the complainant if he is a candidate, of the matter complained of. Whenever in the judgment of the Commission, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title or any regulation or order issued thereunder, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

(2) In any action brought under paragraph (1) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

(3) Any party aggrieved by an order granted under paragraph (1) of this subsection may, at any time within sixty days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such person is found, resides, or transacts business, for judicial review of such order.

(4) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

(5) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection).

STATEMENTS FILED WITH CLERK OF UNITED STATES COURT

SEC. 309. (a) A copy of each statement required to be filed with the Commission by this title shall be filed with the clerk of the United States district court for the judicial district in which is located the principal office of the political committee or, in the case of a statement filed by a candidate or other person, in which is located such person's residence. The Commission may require the filing of reports and statements required by this title with the clerks of other United States district courts where it determines the public interest will be served thereby.

(b) It shall be the duty of the clerk of a United States district court under subsection (a)—

(1) to receive and maintain in an orderly manner all reports and statements required by this title to be filed with such clerks;

(2) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(3) to make the reports and statements filed with him available for public inspection and copying during regular office hours, commencing as soon as practicable but not later than the end of the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, requested by any person, at the expense of such person; and

(4) to compile and minimum a current list of all statements or parts of statements pertaining to each candidate.

FEDERAL ELECTIONS COMMISSION

SEC. 310. (a) There is hereby created a Commission to be known as the Federal Elections Commission, which shall be composed of six members, not more than three of whom shall be members of the same political party, who shall be chosen from among persons who, by reason of maturity, experience, and public service have attained a nationwide reputation for integrity, impartiality, and good judgment, are qualified to carry out the functions of the Commission and shall be appointed by the President, by and with the advice and consent of the Senate. One of the original members shall be appointed for a term of two years, one for a term of four years, one for a term of six years, one for a term of eight years, one for a term of ten years, and one for a term of twelve years, beginning from the date of enactment of this Act, but their successors shall be appointed for terms of twelve years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall designate one member to serve as Chairman of the Commission and one member to serve as Vice Chairman. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office.

(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and four members thereof shall constitute a quorum.

(c) The Commission shall have an official seal which shall be judicially noticed.

(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

(e) Members of the Commission shall, while serving on the business of the Commission, be entitled to receive compensation at a rate fixed by the Director of the Office of Management and Budget but not in excess of $100 per day, including traveltime; and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

(f) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers at any other place.

(g) All officers, agents, attorneys, and employees of the Commission shall be subject to the provisions of section 9 of the Act of August 2, 1939, as amended (the Hatch Act), notwithstanding any exemption contained in such section.

(h) The Commission shall appoint an Executive Director without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, to serve at the pleasure of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. However, the Commission shall not delegate the making of regulations regarding elections to the Executive Director.

(i) The Chairman of the Commission shall appoint and fix the compensation of such personnel as it is deemed necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

(j) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(k) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(131) Executive Director, Federal Elections Commission."

(l) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

PROHIBITION OF CONTRIBUTIONS IN NAME OF ANOTHER

SEC. 311. No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

PENALTY FOR VIOLATIONS

SEC. 312. Any person who violates any of the provisions of this title shall be fined not more than $1,000 or imprisoned not more than one year, or both.

STATE LAWS NOT AFFECTED

SEC. 313. (a) Nothing in this title shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of this title.

(b) The Commission shall encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements.

PARTIAL INVALIDITY

SEC. 314. If any provision of this title, or the application thereof, to any person or circumstance is held invalid, the validity of the remainder of the title and the application of such provision to other persons and circumstances shall not be affected thereby.

REPEALING CLAUSE

SEC. 315. (a) The Federal Corrupt Practices Act, 1925 (2 U.S.C. 241-256), is repealed.

(b) In case of any conviction under this title, where the punishment inflicted does not include imprisonment, such conviction shall be deemed a misdemeanor conviction only.

TITLE IV—MISCELLANEOUS

EXTENSION OF CREDIT BY REGULATED INDUSTRIES

SEC. 401. The Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission shall each promulgate, within ninety days after the date of enactment of this Act, its own regulations with respect to the extension of credit, without security, by any person regulated by such Board or Commission to any candidate for Federal office (as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971), or to any person on behalf of such a candidate, for goods furnished or services rendered in connection with the campaign of such candidate for nomination for election, or election, to such office.

EFFECTIVE DATE

SEC. 402. Except as provided for in section 401 of this Act, the provisions of this Act shall become effective on December 31, 1971, or sixty days after the date of enactment of this Act, whichever is later.

Mr. HARVEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HARVEY. Mr. Chairman, As I mentioned earlier this is the full text of H.R. 11280, that I am introducing as a substitute. It is the Senate bill. It was first introduced in the House by the gentleman from Ohio (Mr. BROWN) and the gentleman from Minnesota (Mr. FRENZEL). If adopted with the amendment of Mr. MACDONALD of Massachusetts, it will indeed serve as a good vehicle for campaign spending reform.

Mr. Chairman, the amendments which the House adopted yesterday actually bring the combination Hays-Macdonald bill that we are working on much closer to the Senate substitute that I am offering. Certainly, the Frey amendment, which broadened the nonbroadcast media to be limited as far as spending is concerned, and the 20 percent flexible feature that he added made the House bills spending limitations very close to those in the Senate substitute. The only major difference is that the substitute provides for an overall limit as high as $60,000, or $30,000 each for broadcasting and nonbroadcasting, whereas the limit of the House bill is a total of $50,000.

There are, however, several other major areas of difference between the Senate substitute that I am offering and the combination Hays-Macdonald bill now before us. The fact that these areas of difference do still exist in itself should be enough to persuade those Members who truly want reform that there is considerable merit in supporting the substitute, as it will be amended by Mr. MACDONALD of Massachusetts. Let me take a minute to point out some of these areas of difference between the two bills:

First. Disclosure and reporting. The Senate substitute requires full reports from candidates, from committees and from individuals, and provides for filing these reports 15 and 5 days before an election, as well as for quartely reports throughout the year. These reports would be due on the 10th of March, June and September each year and the January 31st following an election. Further, a copy of the report would have to be filed with an Elections Commission, to be appointed by the President, with the advice and consent of the Senate, and also with the U.S. District Court for the district in which the committee is located or the candidate resides, and where they would be available for inspection.

The Hays-Macdonald bill, on the contrary, simply requires two reports, one between 15 and 10 days before the election and one 45 days after the election. It simply requires that these reports be filed with the Secretary of the Senate, the Clerk of the House, or the Comptroller General—insofar as the President-Vice President is concerned.

Second. Limits on contributions. In this area of difference, I would point out that testimony before our committee from Deputy Attorney General Kleindienst clearly indicated his belief that such limits would be unconstitutional. In addition, I would point out the very clear and convincing testimony of Prof. Ralph Winter, of Yale University Law School, in this regard. This matter was considered in the Senate and because of this fact and because the White House was so strongly opposed to such limits, the Senate substitute contains no provisions in this regard.

The Hays-Macdonald bill, which we are now considering, however, does contain such limits and would prevent any individual and member of his immediate family from contributing more than $35,000 to any Presidential candidate, $5,000 to any Senate candidate, and $5,000 to any House candidate.

Three. Limits on the amount a candidate may spend in his own behalf. Again, if you read the testimony of Professor Winter, there is considerable question about the constitutionality of such a provision, but it is clear from the sentiment expressed in both the Senate and House that the Members feel there should be such limits.

The Senate substitute provides that no candidate from his funds or those of his personal family may spend more than $50,000 as a candidate for President or Vice President, nor more than $35,000 as a candidate for the Senate, nor more than $25,000 as a candidate for the House.

The Hays-Macdonald bill before us even further limits the amount that can be spent and would prohibit a presidential candidate from spending more than $35,000, a Senate candidate more than $20,000, and a House candidate more than $15,000.

Four. The agency regulations with regard to extending credit. The Senate substitute clearly requires the CAB, the FCC, and the ICC to issue regulations concerning the extension of credit to candidates.

The Hays-Macdonald bill has no such provision, and you will recall yesterday that this was ruled nongermane by the Parliamentarian.

Five. Penalties. The Senate substitute in each case provides for a fine of up to $5,000, or as much as 5 years in prison, for violations thereof.

The Hays-Macdonald bill provides for a fine of up to $25,000 in the case of a candidate for President or Vice President, but no fine in the case of Senators or Representatives. It does, however, have a very severe restriction which would disqualify any person from assuming such office; in the case of a candidate for Congress, 5 years, and in the case of a candidate for the Senate, 7 years, until he had complied with the act.

Although it is my understanding such a provision is in existence in the State of Ohio, I think again there is considerable doubt about the constitutionality of this provision insofar as Members of Congress are concerned.

For all of these reasons, I believe the Senate substitute, with the amendment to title I of the gentleman from Massachusetts (Mr. MACDONALD), will make a stronger bill. I said at the outset that as far as I was concerned, the real key was a strong disclosure provision. In addition, the absence of a limit on contributions in the Senate substitute is more realistic, and the agency regulations for extension of credit to candidates is essential. I would, therefore, urge you to support this Senate substitute which I have introduced so that we may have true reform.

AMENDMENT OFFERED BY MR. MACDONALD OF MASSACHUSETTS TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. MACDONALD of Massachusetts. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The Clerk read as follows:

Amendment offered by Mr. MACDONALD of Massachusetts to the amendment in the nature of a substitute offered by Mr. HARVEY: Page 2, strike out line 1 and all that follows down through line 2 on page 13 and insert in lieu thereof the following:

TITLE I—CAMPAIGN COMMUNICATIONS

SHORT TITLE

SECTION 101. This title may be cited as the "Campaign Communications Reform Act".

DEFINITIONS

SEC. 102. For purposes of this title:

(1) The term "communications media" means broadcasting stations, newspapers, and outdoor advertising facilities.

(2) The term "broadcasting station" has the same meaning as such term has under section 315(d) of the Communications Act of 1934.

(3) The term "Federal elective office" means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States (and for purposes of section 103(b) such term includes the office of Vice President).

(4) The term "legally qualified candidate" with respect to Federal elective office, or nomination for election to such office, has the same meaning as such term has when used in section 315 of the Communications Act of 1934.

(5) The term "voting age population" means resident civilian population, eighteen years of age and older.

(6) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

MEDIA RATE REQUIREMENTS

SEC. 103. (a) Section 315(b) of such Act is amended to read as follows:

"(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office shall not exceed the actual charges made by such station for any comparable use of such station for other purposes."

(b) (1) To the extent that any person sells space in any newspaper or magazine to a legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of such space for other purposes.

(2) If any person makes available space in any newspaper or magazine to any legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, such person shall make equivalent space available on the same basis to all legally qualified candidates

for the same office, or for nomination to such office, as the case may be.

LIMITATIONS OF EXPENDITURES FOR USE OF COMMUNICATIONS MEDIA

SEC. 104. (a) (1) No legally qualified candidate in an election (other than a primary or primary runoff election) for a Federal elective office may—

(A) spend for the use of communications media on behalf of his candidacy in such election a total amount in excess of the greater of—

(i) 10 cents (or such greater amount as may be certified under paragraph (4) (A) (i)) multiplied by the voting age population (as certified under paragraph (4) (B)) of the geographical area in which the election for such office is held, or

(ii) $50,000 (or such greater amount as may be certified under paragraph (4) (B) (ii)), or

(B) spend for the use of broadcast stations on behalf of his candidacy in such election a total amount in excess of 60 per centum of the amount determined under subparagraph (A) with respect to such election.

(2) No legally qualified candidate in a primary election for nomination to a Federal elective office, other than President, may spend—

(A) for the use of communications media, or

(B) for the use of broadcast stations, on behalf of his candidacy in such election a total amount in excess of the amounts determined under paragraph (1) (A) or (B), respectively, with respect to the general election for such office. For purposes of this subsection a primary runoff election shall be treated as a separate primary election.

(3) (A) No person who is a candidate for presidential nomination may spend—

(i) for the use in a State of communications media, or

(ii) for the use in a State of broadcast stations, on behalf of his candidacy for presidential nomination a total amount in excess of the amounts which would have been determined under paragraph (1) (A) or (B), respectively, had he been a candidate for an election for the office of Senator from such State (or for the office of Delegate or Resident Commissioner in the case of the District of Columbia or the Commonwealth of Puerto Rico).

(B) For purposes of this paragraph, a person is a candidate for presidential nomination if he makes (or any other person makes on his behalf) an expenditure for the use of any communications medium on behalf of his candidacy for any political party's nomination in an election to the office of President. He shall be considered to be such a candidate during the period—

(i) beginning on the date on which he (or such other person) first makes such an expenditure (or, if later, January 1 of the year in which the election for the office of President is held), and

(ii) ending on the date on which such political party nominates a candidate for the office of President.

For purposes of this title and of section 315 of the Communication Act of 1934, a candidate for presidential nomination shall be considered a legally qualified candidate for public office.

(C) The Attorney General shall prescribe regulations under which any expenditure by a candidate for presidential nomination for the use in two or more States of communications media shall be attributed to such candidate's expenditure limitation in each such State, based on the number of persons in such State who can reasonably be expected to be reached by such communications media.

(4) (A) During the first week of January 1974, and during such week in every second subsequent year, the Secretary of Commerce shall certify to the Attorney General and publish in the Federal Register—

(i) an amount which bears the same ratio to 10 cents, and

(ii) an amount which bears the same ratio to $50,000,

as the value of the communications price index for the last calendar year ending before the date of certification bears to the value of such index for 1972. The communications price index shall be a price index, using 1972 as a base year, measuring changes in the charges to candidates for the use of communications media. Such index shall be established and maintained by the Secretary of Commerce.

(B) During the first week of January 1972, and during such week in every second subsequent year, the Secretary of Commerce shall certify to the Attorney General and publish in the Federal Register an estimate of the voting age population of each State and congressional district for the last calendar year ending before the date of certification.

(5) Amounts spent for the use of communications media on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this subsection, be deemed to have been spent by such candidate. Amounts spent for the use of communications media by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this section, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

(6) For purposes of this section and section 315(c) of the Communications Act of 1934, spending and charges for the use of communications media include not only the direct charges of the media but also agents' commissions allowed the agent by the media.

(7) For purposes of this section and section 315(c) of the Communications Act of 1934, any expenditure for the use of any communications medium by or on behalf of the candidacy of a candidate for Federal elective office (or nomination thereto) shall be charged against the expenditure limitation under this subsection applicable to the election in which such medium is used.

(b) No person may make any charge for the use by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) of any newspaper, magazine, or outdoor advertising facility, unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such person in writing that the payment of such charge will not violate paragraph (1), (2), or (3) of subsection (a), whichever is applicable.

(c) Section 315 of the Communications Act of 1934 is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsections:

"(c) No station license may make any charge for the use of such station by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate any limitation specified in paragraph (1), (2), or (3) of section 104(a) of the Campaign Communications Reform Act, whichever paragraph is applicable.

"(d) For the purposes of this section:

"(1) The term 'broadcasting station' includes a community antenna television system.

"(2) The terms 'license' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.

"(3) The term 'Federal elective office' means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States."

REGULATIONS

SEC. 105. The Attorney General shall prescribe such regulations as may be necessary or appropriate to carry out sections 102, 103 (b), 104(a), and 104(b) of this Act.

PENALTIES

SEC. 106. (a) Whoever violates any provision of section 103(b), 104(a), or 104(b) or any regulation under section 105 shall be assessed a civil penalty of not more than $1,000 for each violation.

(b) Any legally qualified candidate who willfully violates section 104(a) or any regulation under section 105 shall be punished by a fine of not more than $10,000 or by imprisonment of not more than one year, or both.

EFFECTIVE DATES

SEC. 107. Section 103 of this Act and the amendments made thereby shall take effect on January 1, 1972. Section 104 and the amendments made thereby shall apply only to expenditures for the use on or after such date of communications media.

Mr. MACDONALD of Massachusetts (during the reading). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts (Mr. MACDONALD) is recognized for 5 minutes in support of his amendment.

Mr. MACDONALD of Massachusetts. Mr. Chairman, the amendment which I just now offered is the amendment which was adopted yesterday by the Committee of the Whole. Stated in another way, it is the amendment which I offered under the rule as an amendment yesterday. I think just for those who do not follow parliamentary procedure any better than I do, I ought to spell out what is included in the amendment which is now pending.

In the first place, it includes the Frey amendment which added billboards and established a floor on expenditure limitations of $50,000; and it provides not more than 60 percent of the candidates expenditure limitation could be spent on broadcasting.

Second, it includes the Pickle amendment.

Third, the Symington amendment, which provides that area expenditures count against the limitations in the elections in which they are used.

It includes the Harvey amendment, which would leave the provisions of section 315(a) of the Communications Act, known as the equal time provision, in the bill exactly as they are in existing law.

It includes also the Hathaway amendment, which relates to advertising space made available in magazines and newspapers.

In adopting this amendment, the House will be only reconfirming how and in what way it worked its will on my original so-called Macdonald amendment which is title I.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Illinois.

Mr. SPRINGER. I should like to ask my distinguished chairman of the subcommittee this question. What you are in effect doing, to reduce it to the irreducible, is to take the Harvey substitute, which is in effect the Senate bill; am I correct in that?

Mr. MACDONALD of Massachusetts. That is correct.

Mr. SPRINGER. Now, by what you are proposing, you are amending title I of the Harvey substitute in such a way as to put this bill in the exact form which we put it yesterday by the amendments that were offered yesterday to the Macdonald bill; am I correct?

Mr. MACDONALD of Massachusetts. Absolutely correct.

Mr. SPRINGER. And that includes all the amendments which were offered yesterday?

Mr. MACDONALD of Massachusetts. I point out to the gentleman from Illinois that I just enumerated for the record the amendments which were offered and accepted by the House on yesterday.

Mr. SPRINGER. And may I ask the distinguished gentleman whether those were all the amendments that were offered yesterday and there is nothing in addition?

Mr. MACDONALD of Massachusetts. Nothing more, no. This goes to title I. It includes the so-called Macdonald amendment as amended by the various Members: Mr. FREY, Mr. PICKLE, Mr. SYMINGTON, Mr. HARVEY, and Mr. HATHAWAY. They are all included and nothing else is included.

Mr. SPRINGER. I thank the gentleman.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Ohio.

Mr. HAYS. I think we ought to clear up one thing. The gentleman from Illinois, I am sure inadvertently, kept saying, "It includes all the amendments offered yesterday." It does not. It includes all the amendments that were adopted yesterday.

Mr. SPRINGER. I thank the gentleman. That clarifies it even better.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the distinguished Minority Leader.

Mr. GERALD R. FORD. I think the gentleman has adequately clarified the situation, but let me put it in another way. The amendment that you have offered are amendments approved yesterday to the Macdonald bill that relate to comparable provisions in the Harvey substitute as far as substance is concerned?

Mr. MACDONALD of Massachusetts. Actually, I offered only one amendment. My amendment was then amended by five other amendments which this House in its wisdom saw fit yesterday to adopt.

Mr. GERALD R. FORD. Let me phrase it in another way. The amendment which you have offered today to the Harvey substitute does not strike out something in the Harvey amendment and add something, in effect eliminating parts of the Harvey substitute that we might like to keep in there?

Mr. MACDONALD of Massachusetts. I point out to the distinguished minority leader that I do not think Mr. HARVEY would support that, and he has already supported it in his speech in the well this afternoon.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. The gentleman has incorporated in the amendment he is now offering both Republican-sponsored and Democratic-sponsored amendments that were offered and adopted in the Committee of the Whole yesterday, and thus is giving to us a bipartisan product that is a House product and a substitute for the Senate language?

Mr. MACDONALD of Massachusetts. That is exactly correct.

Mr. EDMONDSON. I think it should have bipartisan support. I commend the gentleman for what he has done.

Mr. MACDONALD of Massachusetts. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

PARLIAMENTARY INQUIRY

Mr. ANDERSON of Illinois. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ANDERSON of Illinois. The gentleman from Massachusetts has just offered an amendment to the amendment in the nature of a substitute offered a few minutes ago by the gentleman from Michigan (Mr. HARVEY). My parliamentary inquiry is, Would it be in order at this time to submit further amendments to the amendment just offered by the gentleman from Massachusetts, Mr. MACDONALD?

The CHAIRMAN. The answer is that it would not.

Mr. ANDERSON of Illinois. I thank the Chair.

(By unanimous consent, Mr. MACDONALD of Massachusetts was allowed to proceed for 1 additional minute.)

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I am pleased to see that the gentleman has incorporated in his amendment the action of the House yesterday.

But am I to assume then that my subcommittee chairman, the gentleman from Massachusetts, intends to support the Brown-Frenzel substitute with the Macdonald bill if the Macdonald bill is adopted as amended by the Frenzel substitute?

Mr. MACDONALD of Massachusetts. I do not completely understand the gentleman's question.

Mr. BROWN of Ohio. If the Macdonald bill is adopted as an amendment to the Brown-Frenzel substitute, the Senate bill, then is the gentleman from Massachusetts planning to support the substitute?

Mr. MACDONALD of Massachusetts. I support the bill as amended. Although I do not, as I indicated yesterday, agree with many of the amendments, I will support the action of this House and will support it fully.

Mr. BROWN of Ohio. I thank the gentleman.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first I would certainly like to add my commendation to those that have already been received by the gentleman from Michigan (Mr. HARVEY) for offering the Senate substitute as I think it is the best chance that this House has today to adopt a really comprehensive limitation on media spending as well as to enact effective reporting and disclosure provisions.

I previously addressed a question to the Chair as to whether or not at this point in the debate further amendments to the Macdonald amendment would be in order, and the members of the committee will recall that the Chair answered that question in the negative. I still must confess, and I would ask members of the committee to indulge me for several minutes, while I discuss what I would like to have offered in the form of an additional amendment to the communications section of this bill.

As Members may know, there is a controversy raging in the country at the present time on the question of a campaign check off, and there are those in the other body who are insisting that in order to fund the expensive television campaigns that have become necessary in recent years, the taxpayers of this country should be asked to indicate on their tax returns a contribution to the party of their choice. I think a far superior proposal to that would be one which I offered in the form of legislation earlier this year and last year, cosponsored by the distinguished gentleman from Arizona (Mr. UDALL), and as I recall almost 85 Members of this House on both sides of the aisle, a proposal calling for voters' time, where the Federal Government would pay for it, would pay for blocks of time in half an hour each, six blocks of 30 minutes each for the major party candidates.

I would add in that original proposal we also provided for voters' time for the candidates for the Senate and for the House as well.

But I think in the interest of trying to meet the problem of financing the expensive television campaigns that have been encountered in recent presidential elections, it would make sense to realize that public financing of a portion of the presidential campaign is in order. My fundamental opposition to the campaign checkoff is that it represents just an indiscriminate use of Federal funds. I think if we were to rifleshot the problem, if we were to enact into law a provision for voter time that would say to the presidential candidates of the major parties, yes, you can go out and buy, you can go out and contract for six 30-minute time segments on network television during prime time, and the Treasury of the United States will pay for that television time, then I think we would accomplish the kind of intelligent reasoned discussion of the issues that the voters of this country are entitled to, and at the same time, I think we would avoid

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some of the vices of the campaign check-off where funds would be indiscriminately applied through a national committee for any purpose whatsoever relating to a presidential campaign.

I regret very much that at this point in our consideration of this bill, it is not possible to offer that kind of amendment as it would pertain to a presidential race. I would express, however, in closing, the hope that in this Congress, perhaps not in this session of Congress, but early in the next session of Congress we could get on with the job of still further reform as far as this whole campaign process is concerned.

It is an evolutionary process. None of us is going to accomplish all of the things we would like to see accomplished today in the way of campaign financing reform, but given the importance of the office and given the importance of the issue, I would hope we would not think our job was done today with the enactment of this bill, even though it does represent a very significant advance.

I hope particularly in this area of making available to Presidential candidates the necessary television time, that will be paid for out of the U.S. Treasury for a discussion of national issues, this will be something that will be discussed and talked about, and I hope ultimately will receive approval of this body.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first I want to say that I will, of course, support the Macdonald of Massachusetts amendment, and I compliment the gentleman and the chairman and members of his committee for the work they did, which was realized on the floor yesterday.

I rise to explain an amendment I had hoped to offer to the Senate bill, which I now find, because of the procedure being followed, cannot be offered, at least at this time. I will seek to find a way to offer it at a later point in the bill.

What I had wished to do was to offer something that would be a compromise between the limited coverage of the limitations in the Senate bill—namely, TV and radio, newspapers and periodicals, and billboards—on the one hand, and on the other hand the total coverage of the Hays bill, a ceiling covering all expenditures in all campaigns.

The purpose of my compromise would be to introduce and add two additional categories to those contained in the Senate bill; namely, organized telephone campaigns and organized mail campaigns. I would have done that by inserting the following language after the words "outdoor advertising facilities":

Telephones, including the cost of paid telephonists and automated equipment, when used in banks of five or more instruments to communicate with potential voters, and postage for computerized or identical mailings in quantities of 200 or more.

Let me point out what this would do. It would include two major categories of expenditures in many congressional districts.

In my campaigns I have never used TV and radio. I do not believe anyone in the New York metropolitan district does. It is too expensive. I rarely use any newspaper or periodical advertising. Thus the Senate bill in its present form substantially has no effect in my district or in other metropolitan New York districts, as pointed out very eloquently by my colleague from New York (Mr. PODELL), the other day.

What I had proposed to do would cover the major items in such districts. It would not cover individual mailings. It would not cover you asking your friend to make some telephone calls for you. It would not cover some letters casually written. But it would cover what we customarily use in New York, banks of telephones operated either by automated equipment or by paid telephonists, sometimes voluntary telephonists, if one is fortunate enough to be able to procure them.

It would also cover postage—and I am not proposing to try to cover the printing problem, because that is complicated, or even the labeling problem but just the postage—which is an identifiable, clearly measured item of expense which comes to large sums in any general mailing. That would be both bulk rate and first class, for, as I put it, computerized or identical mailings in quantities of 200 or more. Why 200? Because that is the minimum number specified in the bulk mail regulations to the post office.

I hope at some stage in the consideration of this bill—either later on in the consideration of the substitute or perhaps at the stage when we are considering the Hays bill, if the substitute is voted down, or perhaps in conference—it will be possible to introduce this concept. It seems to me to offer a reasonable compromise between the very limited coverage of the Senate bill, which does not have any effect in many districts, and the total coverage of the Hays bill.

Mr. GERALD R. FORD. Will the gentleman yield?

Mr. BINGHAM. I will be glad to yield to the distinguished minority leader.

Mr. GERALD R. FORD. I can understand the gentleman's position, and I am sure others in other districts have a comparable problem, but is not an answer to your problem to accept the Senate version or the Harvey version which has no limitation on expenditures? Does that not take care of your problem?

Mr. BINGHAM. I would say to the distinguished minority leader that my purpose is to include limitations on these items. I think if we pass legislation that, in effect, sets no limitation for expenditures in many Congressional districts because it does not cover the type of expenditures that are made in those Congressional districts, then we have left a major gap.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. BINGHAM was allowed to proceed for 3 additional minutes.)

Mr. PODELL. Will the gentleman yield?

Mr. BINGHAM. I will be glad to yield to the gentleman from New York.

Mr. PODELL. In the event that the Hays bill is approved, is not your objection covered by that part of the bill?

Mr. BINGHAM. Well, in a general way, yes, because the Hays bill provides comprehensive coverage for all expenditures, but as has been pointed out, one of the objections to that bill is that it raises a number of questions about what is included and what is not included, which is met by limiting the coverage to major categories which are readily identifiable.

Mr. PODELL. Does not the Hays bill itself provide for expenditures and accounting for the expenditures on postage, on printing, on telemeters and all phases of campaign spending? Is it not presently included in the Hays bill?

Mr. BINGHAM. Yes, it is. But what I am saying is what I am offering will be in the nature of a compromise between the Senate limited coverage and the total coverage of the Hays bill.

Mr. HAYS. Well, since the Macdonald of Massachusetts bill was debated for a whole day yesterday and this is the pending thing, I was wondering if we can get an agreement on limitation of time on the Macdonald of Massachusetts amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman.

Mr. BROWN of Ohio. I wonder if it would be possible for the two of us who put in the Frenzel-Brown bill, now introduced by Mr. HARVEY, to speak on that amendment prior to limitation of time on the Macdonald of Massachusetts amendment.

Mr. HAYS. Are you against the Macdonald of Massachusetts amendment?

Mr. BROWN of Ohio. I am not against the Macdonald of Massachusetts amendment, but I would like to have the opportunity to speak.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that all debate on the Macdonald of Massachusetts amendment—and there will be no amendments to it under the rule—cease in 10 minutes.

Mr. KEITH. Mr. Chairman, reserving the right to object, yesterday under similar circumstances there were only one or two people who apparently wanted to talk, and by the time the question was asked there were 25 who stood on their feet, so that each one got a minute or at the most a minute and a quarter and I hope, really, prior to adopting the 10-minute limitation a better estimate could be made as to the number of people who want to talk. I would hope that those of us who want to comment on, or contribute to, the debate would get at least 2 or 3 minutes in which to express their views.

Mr. HAYS. When I made the unanimous-consent request, if the gentleman will yield, I will say to the gentleman that there were three people standing and I meant the request to be for 15 minutes, 5 minutes to Mr. FRENZEL, 5 minutes to Mr. BROWN of Ohio and 5 minutes to Mr. MONAGAN, and then the gentleman from Iowa (Mr. GROSS) got up, and I do not know whether he wants to speak on the Macdonald of Massachusetts amendment or what.

Mr. GROSS. Mr. Chairman, if the gentleman will yield, I have not made up my mind as yet. It will take a little time to find out.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that all debate on the Macdonald of Massachusetts amendment cease in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. GROSS. Mr. Chairman, I have now made up my mind. I ask that my name be stricken from the list of those standing.

The CHAIRMAN. The name of the gentleman from Iowa will be stricken.

The Chair recognizes the gentleman from Connecticut (Mr. MONAGAN).

Mr. MONAGAN. Mr. Chairman, I support the Macdonald amendment.

I rise simply because I find myself in the position of gradually being prevented, as several of the other Members who have spoken have been, from presenting an amendment which I had hoped to present and which I had told the membership I would present. That is an amendment which would have limited the time for presidential campaigns to 60 days.

Mr. Chairman, it is my belief and has been for a long time that the time for these campaigns in this country of ours is ridiculously long. There are only two other nations in the world about which I know—the Philippines and Chile—which have campaigns that compare with ours in length. The average democratic country in the world, whether it be Israel or India, Canada or the United Kingdom, conducts a national campaign of about 30 days and they present the issues adequately. So, because of the phenomenal cost, because of area of diminishing returns from expenditures and physical exercise which comes in every campaign and the resulting lack of communication between the candidates and the electorate, the circus flapdoodle quality detracts from the importance and seriousness of the campaign.

Mr. Chairman, this is not a matter of restriction, it is not a matter of control; it is not a matter of censorship, but a matter of bringing some proportion into the campaign for the Presidency. I believe it could ultimately be extended, of course, it would seem to them that as an opening to Senatorial and House campaigns this would be an appropriate place at which to start.

I have filed a bill to accomplish this result and it is my hope that it will be reported favorably and that we may be able to do directly what we would be doing immediately by amendment here.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman and members of the Committee, the Macdonald amendment in my opinion does drastic things to the bill which the gentlemen from Ohio (Mr. BROWN) and I introduced in the nature of a substitute. Nevertheless, because of the bipartisan spirit in which the House worked yesterday in attempting to develop a true compromise, an amendment that the Members on both sides of the aisle and all interested parties, including the people of this country, could all live with and support, was adopted.

I intend to vote for the Macdonald amendment. It is my hope that we can continue in this same spirit to develop a piece of legislation of which we can all be proud and that can, in fact, become law.

The gentleman from Ohio (Mr. BROWN) and I introduced our bill to which he refers as the Brown-Frenzel bill, but which is correctly identified as the Frenzel-Brown bill, and now, lamentably—perhaps fortuitously for the country, has become the Harvey substitute. We did not do this because we were against election reform, but, rather because we judged that this was the best we could do in order to get election reform.

We already have congratulated the two chairmen and the two subcommittee chairmen of the two committees which produced these bills. We have sought to clarify the situation and to produce the best vehicle, the best coordinated, the best integrated vehicle that would give us honest reform for our Nation's elections. Our substitute amendment, the Harvey substitute, is one which we think closes all the loopholes and produces the best law. We did not think that the amalgamation of the Macdonald-Hays bills produced a usable, coordinated reform instrument.

Again, Mr. Chairman, I am willing to surrender my first choices, as has the gentleman from Massachusetts (Mr. MACDONALD), in our joint effort to achieve reform. I urge that the Macdonald amendment be promptly adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, I support the efforts in the House of Representatives today to bring about reform and modernization of our campaign finance laws. I congratulate the committees for bringing this legislation to the floor and I am hopeful a strong bill will be passed by the House of Representatives.

This debate is highly important because what is involved in the costs of getting elected strikes at the base of democratic government. People who run for public office, especially for the highest offices in our land, should be required to disclose what and where they get funds and resources and how they expend them in running for office. The public has a right to know this if we are to maintain the integrity of our system.

I have long been an advocate of strict reporting of campaign finances, and introduced a bill, H.R. 1213, to establish the Federal Campaign Disclosure Act to limit and control spending by Federal candidates, on January 22, 1971. I testified before the House Administration Committee on this bill.

This legislation follows the model Florida elections law, known to Floridians as the "who gave it—who got it" law. The Federal Government should have such a law on the books for full disclosure, repealing the antique Federal Corrupt Practices Act of 1925.

Will Rogers said years ago:

Politics has got so expensive it takes a lot of money even to get beat with.

In the 1968 presidential election the three contending parties spent a reported total of $100 million, up 67 percent over 1964. This does not include contests for 435 seats in the House of Representatives, 34 senatorial seats, 21 governorships, or local races. The total on all political spending in 1968, according to the Citizens Research Foundation, was $300 million, up 50 percent over 1964.

The problem of campaign financing is not a new one. At the beginning of this century, Theodore Roosevelt, seeking to find a solution to high campaign costs, recommended that Congress provide "an appropriation for the proper and legitimate expenses of each of the great national parties." During the 1920 presidential campaign, the Democratic candidate, William Gibbs McAdoo, said:

If the national government paid the expenses of the national campaigns and specified the legitimate objects which expenditures might be made, politics would be purified enormously.

Today, the public is demanding that political spending and contributions be disclosed. A recent Gallup poll reported that 73 percent of the public favored a limit on campaign spending.

The legislation before the House today is an avenue to bring our Federal elections laws up to date so the public will have a better understanding of campaign financing, thus a better understanding of representative democracy. I am hopeful that strengthening amendments will make the bill even more responsive to the great needs for reform.

It is my feeling that there should be full disclosure in the bill we pass, and that there be limits on contributions and expenditures by candidates and by individuals who contribute.

Mr. Chairman, it is my belief that political broadcast advertising should ultimately be free to the qualified candidate; and that local broadcasting stations should be required to provide free time either as part of the license procedure or recompensed by Government funds. My bill, H.R. 4086, the Political Broadcasting Spending Reform Act, which I testified for in the House Interstate and Foreign Commerce Committee would make fairer the use of the all important radio and television media for all candidates. It is this media advertising cost that has put political spending out of the realm of commonsense. The airwaves are owned by the public. It is in the public interest that political advertising be free to candidates. Also, there should be minimum times placed on all political broadcasting advertising. Candidates should be allocated time in segments not less than 5 minutes in length.

Money is the moral issue we are talking about. Knowledge of the expenditure and use of dollars to influence legislation and decisions and to elect individuals to Federal office must be made open and available to the public and the news media. As President Eisenhower wrote in 1967:

If better laws, vigorously enforced with pitiless publicity are needed—and they surely are—we must still remember the wise old axiom that government can be no better than the men who govern. As citizens with the priceless right of franchise, we must insist upon the highest code of honor in public life.

Mr. Chairman, the House can make a significant contribution to American democracy by passing a strong bill, with teeth, to modernize our Federal campaign finance law.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I rise in somewhat reluctant support of the Macdonald amendment to the Harvey substitute, once known as the Frenzel-Brown and Brown-Frenzel bill. I say "reluctant" because I am not particularly happy with the action taken in regard to section 315(a) of the Communications Act nor with the Hathaway amendment to section 103(b)(2) of the Macdonald bill. But as has been indicated here, we are in the process of working out a compromise, and compromise is the only method by which we are going to get legislation in this relatively touchy but very significant area.

The gentleman from Minnesota (Mr. FRENZEL) and I introduced our bill—the Senate bill—in the hope that we could have a better and more substantial vehicle than the two bills which sprang from the Committee on Interstate and Foreign Commerce and the Committee on House Administration.

The Senate bill—our bill—passed the Senate by a bipartisan vote of 88 to 2. It has the tacit support of the White House, and the vocal support of the minority leader of the House, Mr. GERALD R. FORD. We felt that it also encompassed most of the aspects of the bipartisan bill introduced earlier in the session by the gentleman from Illinois (Mr. ANDERSON) and the gentleman from Arizona (Mr. UDALL). The Senate bill had come to the House but had not been referred because the Committee on Interstate and Foreign Commerce and the Committee on House Administration were in the process of developing bills of their own. So we introduced the Senate bill as our own, got it referred, and that made it possible for the Committee on Rules to make it in order as a substitute for the two bills that sprang from the two House committees. We think it is a better vehicle as we introduced it, however, in the interest of trying to get a bill we are happy to support the Macdonald amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. KEITH).

Mr. KEITH. Mr. Chairman, I rise in support of the Macdonald bill, and of the Brown-Frenzel bill. But I would like to point out, as the gentleman from Ohio has recently mentioned, that really this bill has been debated at length on the Senate side. It is not the Brown-Frenzel bill, it is the Senate bill and it has great merit. It broadens the base of our reform. It has enlarged the scope of our approach and we are better able to reach the abuses that need reform.

The procedure the House has followed has been most responsive to the public and the political needs of the situation that confronts us. I particularly hope that the amendment which Senator SCOTT won on the Senate side will remain in the House version. It provides, as I mentioned in debate yesterday, that the regulatory agencies shall issue regulations that will catch up with those candidates who run up large bills and then fail to pay them. The regulatory agencies, the ICC, the FCC and the CAB, will stop the practice which has left some Members of Congress, in effect, in debt to the airline and telephone companies who oftentime have legislation before committees on which they serve.

The point of order that lay against my amendment yesterday will, I believe, no longer stand in the way of our effort to establish true reform in this respect.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SPRINGER. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. HAYS TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. HAYS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The Clerk read as folllows:

Amendment offered by Mr. HAYS to the amendment in the nature of a substitute offered by Mr. HARVEY. On page 23, strike out lines 19 and 20 and insert in lieu thereof the following:

"(g) 'supervisory officer' means the Secretary of the Senate with respect to candidates for Senator; and the Clerk of the House of Representatives with respect to candidates for Representative in, or Delegate or Resident Commissioner to, the Congress of the United States; and the Comptroller General of the United States in any other case;"

Page 25, line 21, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 26, beginning in line 9, strike out "Federal Elections Commission" and insert in lieu thereof "appropriate supervisory officer".

Page 26, line 13, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 27, line 6, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 27, line 11, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 27, line 17, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 27, line 18, strike out "it" and insert in lieu thereof "he".

Page 28, line 23, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 29, beginning in line 1, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 29, line 7, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 29, line 12, strike out "Commission" and insert in lieu thereof "appropriate supervisory officer".

Page 29, line 13, strike out "it" and insert in lieu thereof "him".

Page 29, line 18, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 32, line 7, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 32, line 9, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 32, line 12, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 33, line 1, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 33, line 15, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 33, line 16, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 33, line 23, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 34, line 23, strike out "Commission" and insert in lieu thereof "Comptroller General of the United States".

Page 34, line 24, strike out "it" and insert in lieu thereof "he".

Page 35, line 4, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 35, line 8, strike out "it" and insert in lieu thereof "him".

Page 35, line 16, strike out "it" and insert in lieu thereof "him".

Page 36, line 15, strike out "it" and insert in lieu thereof "he".

Page 36, line 21, strike out "it" and insert in lieu thereof "he".

Page 37, line 5, strike out "it" and insert in lieu thereof "he".

Page 37, line 19, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 37, line 20, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 37, line 21, strike out "it" and insert in lieu thereof "he".

Page 37, line 25, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 39, line 11, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 39, line 16, strike out "Commission" and insert in lieu thereof "supervisory officer".

Page 39, line 18, strike out "it" and insert in lieu thereof "he".

Page 40, strike out line 15 and all that follows down through page 43, line 20.

Page 44, line 10, strike out "Commission" and insert in lieu thereof "supervisory officer".

Mr. HAYS. Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with and that it be printed in the RECORD at this point. I will explain the balance of the amendment—the main thrust of the amendment has already been read.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The gentleman from Ohio (Mr. HAYS) is recognized.

Mr. HAYS. Mr. Chairman, I am delighted to hear Mr. FRENZEL say now he wants a bill and that he is willing to work to get a bill, and compromise—because my understanding is that in committee he did not want any bill.

However, I am willing to work to get a good bill. I think probably what we are going to come out with is less than I had hoped for in the way of overall coverage.

But I am a realist and this particular amendment goes to the commission set up in the Senate bill which it has been estimated to cost $10 million—and which you can bet will cost at least $20 million.

Now this thing is going to be enforced—if there is any reporting at all—it is going to be enforced by the press—and by dissemination by other media. It is going to be enforced by them. You make a report and have it accessible—and you can do that, the Clerk of the House tells me that he can handle all of these reports with two people additional and make it available to the press as they come in. They can broadcast any way they like exactly what was in your report—who contributed and who did not contribute; how much you spent, and for what—within the limits of the so-called Senate bill.

I have a fixation, you might call it, against unnecessary commissions, and I think this is another unnecessary commission at which you are doing two things. I think you ought to listen to this because it affects every one of you perhaps more than any other piece of legislation you will have. Under the Senate bill you are transferring to the executive branch a part of the control over your election and to the courts the rest of it. If there is any validity in the separation of powers, it is just as valid today as it was when the Constitution was written, and for the life of me I can see no reason why we have to have a commission appointed to be run by the executive branch, which certainly is going to be subservient to the executive branch, to handle the presidential campaign and the Congress, and then in addition you have to report to the Federal court in your district.

If that is not breaking down the separation of powers, then I do not know.

I would like to make another point. I do not know since when around this Chamber just what the other body does has become so sacred. I hear a lot of criticism of it. But I have heard over and over on this bill, "Well, the Senate passed it 88 to 2." Well, so what does that prove? They passed the Tonkin Gulf resolution 92 to 2 and now they are repudiating it all over the place. So that does not prove anything to me except that they can be wrong, and sometimes are. And I think we ought to write our own bill on the floor of this House and then we will go to conference with the Senate, and if there are good things in their bill, we will take them, and if they are not so good, we will reject them and come back here and let you approve or disapprove what we do. But I strongly suggest that this commission and Federal court approach is certainly the wrong way to go about it.

I hope this amendment will be adopted in case the substitute is approved.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from New Jersey is recognized.

Mr. THOMPSON of New Jersey. Mr. Chairman, my feelings with respect to this amendment are, I must confess, somewhat ambivalent. I agree entirely and thoroughly, however, with the fundamental purpose of the distinguished gentleman from Ohio, my chairman, in his assertion that the House should not accept the version set forth in the other body, which you will find beginning on page 23 of the Senate-passed legislation.

In the bill of the other body the commission is appointed by the President with the advice and consent of the Senate. I have proposed and have served notice in the RECORD that I would offer an amendment subsequently to put the reporting in the GAO in circumstances under which the President of the Senate would name two members, the Speaker of the House would name two members, and the President would name two members; the seventh member would be the Comptroller General. It occurs to me that the amendment offered by the gentleman from Ohio is at least—and I have no pride of authorship in mind—is at least a step in the right direction, and it is imperative that it either be accepted or, in the alternative, my amendment be adopted.

In other words, the amendment offered by the gentleman from Ohio (Mr. HAYS) is in the nature of a compromise, and although in all candor I do not think it is as good as the GAO amendment, it is indeed, and I am certain in fact, better than that which is embodied in the bill passed by the other body.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Ohio.

Mr. HAYS. I will say to the gentleman that I would favor the GAO approach, and the gentleman knows that we discussed it in the committee. But the head of the General Accounting Office has sent a letter to the Speaker and others saying that he does not want to be charged with supervising the election of Members of the Congress. So my amendment places the reporting of the House on the Clerk of the House, that of the Senate on the Secretary of the Senate, and for the President, on the Comptroller General, which is a compromise of sorts, I suppose.

But it seems to me the way to do it. And, of course, all of these reports would be public property. Certainly I just do not think we ought to have the Federal court and a Presidentially appointed commission handling the reports by Members of the House. If this amendment fails, I would certainly be in favor of something like the gentleman's amendment.

Mr. THOMPSON of New Jersey. I understand this. The chairman and I have discussed this matter. It is a fact that the Comptroller General who is, in fact, an employee of the House, has expressed an unwillingness to undertake this additional responsibility. That does not necessarily persuade me, however, since he is an employee of ours and would, in fact, if given his duty, carry it out.

My attitude at the moment is that although the amendment by the gentleman from Ohio is not adequate, certainly it should be accepted, and I intend to support it, and if it is not adopted, I intend to offer an alternative.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I would like to read a portion of the Constitution, and the gentleman referred to it just a moment ago, which says:

Each House shall be the Sole Judge of the Elections, Returns and Qualifications of its own Members,

It says, "elections, returns and qualifications" and that to me covers the election of and all the things pertaining to the election, so I do not see how we can give away authority to any other body or any other group to judge what our qualifications for office shall be and how me run our campaigns. We are the judges of that under the Constitution.

Mr. THOMPSON of New Jersey. The Senate-passed language is, in fact, of questionable constitutionality, because of the charge made in the Constitution which the gentleman just read.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose the amendment. Mr. Chairman, what the distinguished chairman of the House Committee on Administration is doing here is to reinstate his supervisory agent into the Harvey substitute, the late lamented Frenzel-Brown bill. What he does then is to put this law in charge of the supervision employees of the House and the Senate instead of an independent supervisory agency as provided in the Harvey substitute.

Mr. Chairman, this is tantamount to putting the fox in charge of the chicken coop. These people under the powers that remain as supervisory agents—and I refer the Members to page 38—can go in and seek injunctions and restraining orders and so on. The employees of the House and the Senate are good and honest and upright people.

Nevertheless, they are inappropriate people to be judging how this bill—I hope this law—is going to operate. I think they will not be credible in the eyes of the public as simply judging how the Members, you and I, each of us, is going to be campaigning under this law.

I think it is absolutely essential that we have an independent agency, and I would agree with those who said that the substitute, the GAO compromise, which I hope will be offered, would be offered in the spirit of compromise.

Mr. Chairman, as to the cost of this and as to the constitutionality, I think these questions can always be raised. In the area of elections and campaigns, everything we do has an element in it that may be violating some constitutional right. I think there are many things in both these bills that may be of doubtful constitutionality. All we can do is go ahead in the best way we know how. However, there is nothing in the Harvey substitute, in the Frenzel-Brown bill, that gives away the right or authority of the House to be the judge of its own Members. There is a provision in the Hays bill, through which a State elected official can withhold certification of an

election if in his judgment the law has been violated. But, we do not give away this right in our substitute.

Mr. Chairman, I would urge this amendment be defeated. If necessary, a substitute could be supported in the form suggested by the gentleman from New Jersey (Mr. THOMPSON).

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, in the first place, the gentleman said this commission could go into court and seek injunctions, and so on. I would suspect if this became law, we would have practically every election in the country tied up in the courts before and during and after the elections. I believe that is very dangerous.

The point I wanted to make is that the gentleman and the gentleman from Ohio keep talking about the Frenzel-Brown bill. I have not attached any title to any bill. Some people call one of them the Hays bill.

I would say to the gentleman, if he has pride of authorship in this and wants to go down in history as author of the bill, if he will accept a few amendments to this bill and not try to get the Senate bill in toto, I might get around to the point where I would say, "All right, let us accept the substitute and get this thing over with."

Mr. FRENZEL. I thank the gentleman.

Mr. HAYS. I cannot agree to the Senate bill in toto, and I do not believe the House would agree to it.

Mr. FRENZEL. I agree with the gentleman, and have no interest in telling the House the Senate is the sole fount of wisdom. The chairman's interest in achieving a compromise is supported by me. I just do not support this one.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Arizona.

Mr. UDALL. I want to say the gentleman from Ohio has been very accommodating and very reasonable, and I am impressed by his desire to reach a compromise. I have the same misgivings the gentleman from New Jersey expressed about this amendment. I should like to clarify one part of it.

One thing I liked about the proposal of the gentleman from Minnesota was, instead of having 900 reports in the basement of the Longworth Building 10 days before the election, with the press and everybody else falling over each other, in addition one would be required to file a copy in the district court of the district involved.

I am not sure whether the gentleman's amendment deletes that provision.

Mr. HAYS. The gentleman's amendment does not delete that provision, but the gentleman is aware of another amendment which will be offered to delete it, and the gentleman from Ohio intends to support it.

Mr. UDALL. I appreciate the information. I personally am torn by this. It is a step in the right direction.

Mr. DANIELSON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, gentlemen and ladies, I rise to support the amendment offered by the gentleman from Ohio. I believe that in our effort to cultivate the favor perhaps of the media or probably common cause—I do not know just who it is—in that effort to cultivate that favor we are on the verge here of doing something which would wreak irremedial damage to the status of the Congress of the United States.

Section 5 of article I of the Constitution provides that each House shall be the sole judge of the elections, returns and qualifications of its Members.

I submit, Mr. Chairman, in the light of that language, this House has neither the moral nor the legal right to delegate that responsibility to someone else. Most certainly it does not have the right, and I submit it does not have the constitutional power, to delegate even a portion of that responsibility to the executive or to the judiciary.

My colleagues, this is our problem. It is a problem of the House of Representatives. It is our duty and our privilege to rise to meet this problem, to provide an answer which is suitable under the circumstances; and we can do it.

The existing law may be faulty. It is faulty perhaps in the manner in which it requires reporting of contributions. Perhaps it does not require enough detail. But that can be remedied by the legislation we are drafting here today. We need a workable law.

We need a workable law; we need one that meets the requirements of the 1970's; but I have never heard any valid, serious criticism of the manner in which the Clerk of the House of Representatives has exercised his legal duties under the existing law. True, he has not been reporting alleged violations. Why should he? The law does not say that he must do so. But he is the custodian of all of these records under existing law and, so far as I know, no one has ever criticized the manner in which he has taken custody. He has made them available to anyone who might wish to see them, whether it be the press or the Attorney General, and I submit that we should not remove this responsibility from our own shoulders.

Mr. HAYS. Will the gentleman yield?

Mr. DANIELSON. Yes, I yield to the gentleman.

Mr. HAYS. I point out that prosecution for violation would not be initiated, presumably, by a commission or the Clerk or anybody else except the Justice Department.

Mr. DANIELSON. That is correct.

Mr. HAYS. You can bet your bottom dollar whoever is the recipient of the reports, if it is the press or the person's opponent, who thinks he has violated the law, will go to the Justice Department. I have said time and time again any election reporting law that is worth its salt is self-enforcing. We have a much tougher law than anything like this in Ohio, and I can testify that the people in Ohio scrupulously abide by the law. I do not know of a single one who does not file a complete and total report listing every expenditure with an amount of over $10 that he has received. I have lived with that, and I can tell you if I ever violated it, I would have heard about it a long-time ago.

Mr. DANIELSON. I thank the gentleman.

I submit to my colleagues that the President neither has any business in the affairs of this Congress, either directly or by appointment, nor should he even want to involve himself in our internal affairs. And that goes for both parties, because there is a way of changing the incumbent at 1600 Pennsylvania Avenue. I submit that this is our job, ladies and gentlemen. We should not avoid it. We ought to meet it ourselves.

I support the amendment offered by the gentleman from Ohio (Mr. HAYS).

Mr. STAGGERS. Will the gentleman yield to me?

Mr. DANIELSON. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I would like to agree and associate myself with the remarks of the gentleman from California and say to this House that if we ever come to the position of saying that we are so dishonest that we cannot decide whether an election is fair or not then we have seen the end of democratic government. If we do not have a majority of the 435 Members who can and will stand up and say that this is right or wrong, then God help America, and we have gone too far down the road.

I agree with the gentleman in his statement.

Mr. DANIELSON. Amen.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. BROWN of Michigan, Mr. DANIELSON was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Michigan. Will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman.

Mr. BROWN of Michigan. I have listened to the gentleman's constitutional arguments with great interest, and I think he states the law very clearly and correctly. However, I do not see the relevance of his arguments to the bill in question. I do not believe he has tied the provisions in the substitute to his constitutional arguments, because under the provisions of the substitute there is no authority to preclude one from running for office nor does it provide for enjoining the candidacy or election of anyone under any circumstances; it only provides for the enjoining of violations or further violations of campaign expenditure limitations or other related acts covered by the bill. Would the gentleman try to make his constitutional arguments more relevant to the bill?

Mr. DANIELSON. Surely. I will answer the gentleman.

First of all, I do not accept the assumption that my argument is not relevant. However, I will answer the question of the gentleman.

I would submit that neither the Congress nor the executive nor the judiciary, none of the three separate branches of Government, has the right to do indirectly that which it may not do directly. To the extent that you allow the President to appoint this commission you are having his representative exercising some form of supervision over the internal affairs of the Congress of the United States and that, sir, is most relevant in my opinion.

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. DANIELSON. Yes. I yield to the gentleman.

Mr. BROWN of Ohio. The Comptroller General is an officer of this body. Is that not the reverse of the case of the President having the power to exercise some control over this body—when you give the Comptroller authority to monitor presidential elections?

Mr. DANIELSON. It is my understanding that the Comptroller General is an employee of this Congress, but he is appointed by the President of the United States.

Mr. BROWN of Ohio. Why would he not make a good person or location to assess propriety of elections of all Federal offices, then?

Mr. DANIELSON. The function of the Comptroller General is to run the General Accounting Office. If we are going to keep him apolitical, nonpolitical, and keep him on the job of running the audits himself, we are going to have to proceed scrupulously in our affairs in order to try to keep him out of the thickets of politics.

Mr. BROWN of Ohio. Are you referring to the Clerk of the House and the Secretary of the Senate as political offices?

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and members of the Committee, I certainly accept the injunction of the distinguished chairman of the House Administration Committee that there is no need to accept in every single detail in haec verba the language of the Senate bill. But out of due respect to the chairman I would hope that his amendment to that bill would be defeated so we would have an opportunity under the procedures that prevail here this afternoon to pass upon an amendment which in my opinion will answer his fears that the House is being shut out completely of the monitoring process through the establishment of a completely independent and presidentially appointed Commission. I refer to an amendment which has been drafted which would provide for the appointment of a seven-man Commission, two to be appointed by the Speaker of the House of Representatives—one from each party—giving the House the representation that it rightfully should have in this process; two members appointed by the President of the Senate to represent that body; two members appointed by the President because after all it is his election that is going to be watched over as well; and, finally, the Comptroller General as the seventh member of that Commission.

Mr. Chairman, some mention has been made of the fact that the Comptroller General has written some letters in which he has stated that he does not want this responsibility.

I want to make this absolutely clear. Those letters were written in response to an earlier proposal that would have lodged all the supervisory authority and responsibility in the Comptroller General.

Mr. Chairman, I spoke to Elmer Staats on the telephone at 11 o'clock this morning and described the kind of compromise proposal that I have just outlined which would retain unto this House and the other body their rightful decisions which they would have to make with respect to the naming of members.

Mr. Chairman, I want to assure the Members of the House that Mr. Staats told me and gave me authority to quote him on the floor this afternoon that he would have no objection to that kind of procedure and that he thinks to the extent it would become a wholly separate division of GAO, but an independent Commission which would give him the right and authority to delegate the necessary operational forces that would be required to take over the monitoring of the various reports of the 435 different congressional districts, that this would be an acceptable compromise.

Therefore, Mr. Chairman, I would urge the House to turn down the amendment which has been offered by the gentleman from Ohio so that we will have an opportunity to work our will on this proposal.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. Yes; I yield to the gentleman from Ohio.

Mr. HAYS. When I talked about it to the Comptroller General, he certainly said he did not want the reports of Congress which would overburden him.

The second point is that the gentleman has all of these wonderful amendments in the name of reform but he has not done the courtesy to show them to the chairman of the committee. Had he done so, it is possible that we might have worked out something of a compromise, but since he did not, I am standing by my amendment.

Mr. ANDERSON of Illinois. In answer to the gentleman from Ohio, I would like to yield to the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. The amendment to which my distinguished colleague has referred is the amendment proposed by me and put in the Record of November 17, 1971; is that correct?

Mr. ANDERSON of Illinois. That is precisely the amendment I have in mind and the one on which I hope we will have an opportunity to vote this afternoon.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Arizona.

Mr. UDALL. I would like to say to the gentleman from Illinois that I was pleased to help him develop the compromise amendment to which the gentleman has referred and which was further refined by the gentleman from New Jersey (Mr. THOMPSON). In our opinion we thought it was a pretty good compromise. I still believe it is just that.

Mr. Chairman, I am impressed with the gentleman from Ohio in his efforts to get a bill this year and the spirit of compromise which he has demonstrated. I am personally in complete agreement with my friend from Illinois and shall vote against the amendment in the hope that we will be able to get to the counter-proposal which will be offered by the gentleman from New Jersey (Mr. THOMPSON). However, the willingness of the gentleman from Ohio to yield a little on this point leads me to have some hope that in the conference, and undoubtedly the gentleman from Ohio will be one of the most important conferees, that, perhaps, with the Senate having a far tougher version, we can have something worked out on which the gentleman from Illinois and I can agree.

I do agree that our proposal is far superior. I am going to stand with my friend, the gentleman from Illinois, but all is not lost even if the amendment is adopted.

Mr. ANDERSON of Illinois. Let me say in conclusion, Mr. Chairman——

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(On request of Mr. EVANS of Colorado, and by unanimous consent, Mr. ANDERSON of Illinois was allowed to proceed for 1 additional minute.)

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I will be happy to yield to the gentleman from Colorado.

PARLIAMENTARY INQUIRY

Mr. EVANS of Colorado. Mr. Chairman, I have asked the gentleman from Illinois to yield to me for the purpose of posing a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. EVANS of Colorado. In the event the amendment offered by the distinguished gentleman from Ohio (Mr. HAYS) is defeated, will we then be in a position to entertain an amendment as described by the gentleman from Illinois (Mr. ANDERSON)?

The CHAIRMAN (Mr. BOLLING). The Chair will reply to the gentleman from Colorado that the Chair cannot anticipate events precisely. If the amendment offered by the gentleman from Ohio (Mr. HAYS) to this particular section is voted down, then another germane amendment to the particular area could be offered.

Mr. EVANS of Colorado. I thank the Chairman.

Mr. ANDERSON of Illinois. Mr. Chairman, if I have any time remaining let me say to the gentleman from Ohio that I regret any feeling that the gentleman has that there was any discourtesy toward him. I had certainly no intention to keep this matter a secret from the gentleman. I had assumed that since the matter had been in the CONGRESSIONAL RECORD that the matter had been called to the gentleman's attention. I am truly sorry if it was not, because I think the gentleman from Ohio throughout this debate has exhibited a reasonable willingness to compromise on these issues, and I certainly salute the gentleman for it.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this matter was discussed extensively in the Committee on House Administration, and several alternatives were discussed.

It is unfortunate that we are operating

here under a procedure which does not allow the consideration of an amendment to the amendment offered by the gentleman from Ohio (Mr. HAYS) or substitutes to the Hays amendment, and that our only recourse, if we want to change what is in this amendment, is to vote it down and then consider something else.

The compromise proposal that the gentleman from New Jersey (Mr. THOMPSON) is prepared to offer I thought had been widely discussed. I thought it had been discussed with the Chairman. It has been in the RECORD, and it does seem to me that it offers——

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I will yield to the gentleman from Ohio if I may proceed for just another minute.

It does offer a compromise which goes to a problem that the amendment offered by the chairman, the gentleman from Ohio (Mr. HAYS) does not meet, and that is the problem of public confidence.

I believe that, if we adopt the idea of leaving the responsibility for oversight with the Clerk of the House and the Secretary of the Senate, the American public are going to say, "There they go again, no matter what is in the bill it is not going to do any good, they will take care of themselves, and this whole thing is a farce."

So I would hope, and I say this reluctantly, because I have the greatest admiration for the way the chairman, the gentleman from Ohio (Mr. HAYS) has managed this bill in committee and here on the floor, I would hope that this amendment would be voted down, so that we can then proceed to consider the adoption of the compromise amendment to be offered by the gentleman from New Jersey (Mr. THOMPSON).

Now I will yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, there is one point that I would like to make, and that is the assumption that I read the CONGRESSIONAL RECORD in its entirety each day, please, nobody assume that any more, because I am sure that no one else in this body does. I would have to be thought the only one who spends his time this way.

The second thing is that I have discussed this with the gentleman, and between us there is nothing personal in what I am about to say. When the gentleman talks about the American public saying, "There they go again," I think that he may be confusing the Washington Post and the New York Times for the American public, because what they say we have to do and what the American public says we have to do, as far as my interpretation of it goes, are two entirely different things.

Mr. BINGHAM. My chairman is entitled to his view of the matter. I just do not agree with it.

May I just say in conclusion that I would like to address myself to the question whether the Congress is in some way passing on a responsibility which is its responsibility under the Constitution and that it has no right to do this, as was suggested by the gentleman from California (Mr. DANIELSON).

Surely the Congress can delegate its responsibilities in this regard to any officer. It can delegate them to a commission or to the Comptroller General.

One proposal that was made in the committee, and I believe I made it, was that these supervisory responsibilities should all be given to the Comptroller General.

A major difficulty with the tripartite approach contained in the Hays amendment is that we may have different interpretations of the same provisions coming from the Secretary of the Senate, the Clerk of the House, and the Comptroller General. Surely it would be better to have a uniform procedure that would give the whole job of supervision to one office, whether it be the Comptroller General himself—or as I understood was going to be proposed by the gentleman from New Jersey—a commission, including representatives of the Senate and of the House.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Texas.

Mr. ECKHARDT. Does the gentleman agree with me that in none of these proposals, neither in the Senate bill nor in the proposal of Mr. THOMPSON, nor in the proposal of Mr. HAYS, is there any provision by which we give authority to any agency to determine who shall be seated? It seems to me all we do in all of those provisions is simply to give a certain authority to persons to keep records and to keep books and to receive information and report information.

Ultimately, that information may result in a law suit. But the agency itself has no right to seat or not to seat anyone, as I understand it.

Mr. BINGHAM. The gentleman is correct.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman.

Mr. BROWN of Ohio. I understand the Hays bill provides that a certificate of election can be withheld by State Secretaries of State in certain cases. Would not that be a denial of a seat by someone outside the House of Representatives?

Mr. BINGHAM. We are talking now about an amendment to the Harvey substitute and the Harvey substitute contains no such provision.

Mr. BROWN of Ohio. That is correct.

Mr. BINGHAM. So what the gentleman from Texas (Mr. ECKHARDT) said is quite correct, that there is no power in any officer to bar the seating of a Member of the House or a Member of the Senate.

Mr. PODELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, perhaps I, for one, am confused because I find that we are discussing a proposal by the gentleman from Illinois that is not before us at this moment, relating to the supervisory capacity of the GAO and to the selection of members of a board between the Senate and the House of Representatives. That is not the issue before us at the moment.

The issue before us is either first, that which is outlined in the Senate bill; or, second, that which is outlined by the gentleman from Ohio (Mr. HAYS) in his amendment.

If we defeat the amendment by the gentleman from Ohio, we are presented with a commission. Now I think there is one thing to be said about Commissions and that is this.

What this country does not need is one more Commission. A study by the gentleman from Connecticut (Mr. MONAGAN) indicates there are some 3,200 Commissions in the country today which cost the taxpayers some $75 million a year.

There is a Commission which was created in 1947 to create a Marine Memorial in Chicago. That Commission is still in existence and nothing was ever done.

One of the worst things we can possibly do is to relegate the activities of the Members of this House to an independent Commission appointed by a political individual—the President of the United States.

Had the amendment—or had the suggestion as recommended by the gentleman from Illinois (Mr. ANDERSON) been before us, I would take a different position—but it is not and we face the possibility, by defeating the amendment suggested by the gentleman from Ohio of relegating our activity into the hands of a Presidentially appointed Commission.

Let me tell you—it would be one big mistake.

I would only submit one additional thought to the Members of the House—for 2 days I have been hearing a lot about the Senate bill and it makes sense to me, that the Senate passed a bill that was good for the Senate. We have to pass a bill which is equally as good for the House of Representatives.

Mr. ALBERT. Mr. Chairman, will the gentleman yield for a question?

Mr. PODELL. I yield to the distinguished Speaker.

Mr. ALBERT. Which of the amendments, the amendment already offered by the gentleman from Ohio or the amendment that is proposed to be offered if his amendment is defeated, would give the conferees the greatest latitude in working this thing out?

Mr. PODELL. I think the amendment introduced by the gentleman from Ohio (Mr. HAYS) would.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. PODELL. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I merely wanted to point out that in the language of the bill H.R. 11280, which is the Frenzel-Brown bill, at page 35, there is in four or five paragraphs a specific list of the duties that would be required of this Commission. They are as follows:

(1) to develop and furnish to the person required by the provisions of this Act prescribed forms for the making of the reports and statements required to be filed with it under this title;

(2) to prepare, publish, and furnish to the person required to file such reports and statements a manual setting forth recommended uniform methods of bookkeeping and reporting;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this title;

And so on.

It is unfair to suggest to this House that we would have another Marine Commission that would sometimes sit and vegetate somewhere without duties. The language of the bill makes it clear that this will be an active, hard-working commission during the period that the reports are coming in and are being monitored. An investigation may be called for. I disapprove of the type of commissions to which the gentleman has referred as much as does the gentleman from New York, commissions that sit around and do not do anything. But the proposed Commission simply is not that kind of commission we are talking about under the language of the bill.

Mr. PODELL. Will the gentleman from Illinois advise the House who, under the existing Senate bill, would appoint the members of the Commission?

Mr. ANDERSON of Illinois. I quite agree I do not like——

Mr. PODELL. Will the gentleman answer the question?

Mr. ANDERSON of Illinois. The President would appoint the Commission. I am proposing that we vote down the amendment so that we get a chance to work on another amendment which will give the House an opportunity to provide two members of the Commission.

Mr. PODELL. Suppose that amendment is not adopted? Then you are back to the Commission. That is the problem.

The CHAIRMAN. The time of the gentleman from New York has expired.

(On request of Mr. LATTA, and by unanimous consent, Mr. PODELL was allowed to proceed for 1 additional minute.)

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. PODELL. I yield to the gentleman from Ohio.

Mr. LATTA. I rise in support of the amendment offered by the gentleman from Ohio. I do not think Congress should shirk its constitutional responsibility to be the judge of its own elections. Under the Constitution, Congress is to be the judge of its own elections not some commission as proposed in this bill. The Hays amendment is necessary if we are to carry out this proper constitutional function. Had the drafters of the Constitution meant that we should not police and judge our own elections, they would have given this responsibility to some other branch of the Government. Since they specifically gave it to the Congress, we should not pass it on to a commission or to some other agency.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. HAYS) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The question was taken; and on a division (demanded by Mr. ANDERSON of Illinois) there were—ayes 79, noes 52.

So the amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. HANSEN OF IDAHO TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. HANSEN of Idaho. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. HANSEN of Idaho to the amendment in the nature of a Substitute offered by Mr. HARVEY: Page 18, line 20, renumber section 205 as section 206 and insert in lieu thereof a new section 205, to read as follows:

Section 610 of Title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations, is amended by adding at the end thereof the following paragraph:

"As used in this section, the phrase 'contribution or expenditure' shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section; but shall not include communications by a corporation to its stockholders and their families or by a labor organization to its members and their families on any subject; non-partisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families, or by a labor orgnization aimed at its members and their families; the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization; provided, that it shall be unlawful for such a fund to make a 'contribution or expenditure' by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination or financial reprisal; or by dues, fees or other monies required as a condition of membership 'in a labor organization or as a condition of employment, or by monies obtained in any commercial transaction.'"

Mr. HANSEN of Idaho. Mr. Chairman, the purpose of my amendment is to codify the court decisions interpreting section 610 of title 18 of the United States Code, and to spell out in more detail what a labor union or corporation can or cannot do in connection with a Federal election.

The text of the amendment may be found in the CONGRESSIONAL RECORD for Wednesday, November 17, 1971, at page 41869.

Section 610 of title 18, United States Code, prohibits the making of a contribution or expenditure in connection with certain elections by a corporation or a labor union. The first part of my amendment reinforces that prohibition and defines the phrase "contribution or expenditure" to include "any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section."

The effect of this language is to carry out the basic intent of section 610, which is to prohibit the use of union or corporate funds for active electioneering directed at the general public on behalf of a candidate in a Federal election. This part of my amendment is identical to the first part of section 8 of H.R. 11060.

Next, the amendment, in further defining the phrase "contribution or expenditure," draws a distinction between activities directed at the general public, which are prohibited, and communications by a corporation to its stockholders and their families, and by a labor organization to its members and their families, on any subject, which the courts have held is permitted.

The amendment sets forth the limited circumstances where such communications are permitted in connection with an election. These include:

(1) non-partisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families, or by a labor organization aimed at its members and their families.

(2) the establishment, administration and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization.

This fund must be separate from any union or corporate funds, and contributions must be voluntary. To insure that contributions are voluntary, the amendment prohibits the use by the separate political fund of any money or anything of value obtained by the use or threat of force, job discrimination, or financial reprisal, or by dues or fees, or other moneys required as a condition of employment or membership in a labor organization, or by moneys obtained in any commercial transaction.

The net effect of the amendment, therefore, is to tighten and clarify the provisions of section 610 of title 18, United States Code, and to codify the case law. It spells out more clearly the rules governing election activities that apply equally to labor unions and corporations. While prohibiting abuses that involve activities directed at the general public, the amendment recognizes that the constitutional guarantee of free speech protects the right of labor organizations and corporations to communicate with their own members or stockholders.

Section 610 of title 18 of the United States Code makes it a criminal offense for a corporation or labor union to make a contribution or expenditure in connection with any Federal election. The legislative history of section 610 demonstrates that it was not Congress' intent in passing this provision to completely exclude these organizations from the political arena. That history, as the Justice Department, which has the responsibility for enforcing the statute, has stated, shows instead that the purpose of section 610 is simply to insure that—

When a union [or corporation] undertakes active electioneering on behalf of particular federal candidates and designed to reach the public at large, [the organization's] general funds . . . may not be used (Brief for the United States in U.S. v. UAW, 352 U.S. 567).

Corporate and labor political communications directed at members and stockholders, nonpartisan registration and get out the vote activities, and partisan electioneering directed at the general public financed by voluntary contributions, are all lawful.

While these rules are well known to students of this area of the law the exact scope of section 610 is a matter of some mystery to the uninitated. This stems from the fact that the cryptic statutory language is of little help and a full understanding of the provision's meaning requires a diligent study of the court cases and the legislative history. The result has been an undesirable confusion as to what section 610 actually provides. And this has led to numerous charges that the

law is defective, or that it is not being observed. Many of these charges stem from a lack of appreciation of what section 610 actually provides. Others indicate that there may well be instances in which corporations and unions seek to utilize the complex interrelationship between the statutory language and the gloss which had been put on that language as a cover to obscure the fact that they are acting unlawfully. In either event the public confidence in the regulation of Federal election financing suffers.

Despite this lingering confusion it has been 24 years since Congress last legislated in this field. Section 8 of H.R. 11060, the so-called Crane amendment to the Hays' bill, attempts to break this legislative logjam by adding a new final paragraph to section 610 defining the critical phrase "contribution and expenditure" as used therein.

Unfortunately, as often happens in dealing with a complex subject, the Crane amendment's definition tends to make the problem worse rather than solving it. For section 8 of H.R. 11060 can either be read as prohibiting all union or corporate activity financed by treasury money that touches Federal elections in any way, or as continuing the limited permissions the 1947 Congress extended to corporations and unions with one exception—"get out the vote activities" which are presently permissible but which would be prohibited. In the name of providing legislative clarification it creates new confusion. The result is certain to be fresh uncertainty and a new round of litigation.

While its execution is faulty the idea behind section 8 of H.R. 11060 is sound. Congress should set out in a clear statutory form precisely what corporations and unions can and cannot do in the election area. And it is plainly proper to do so during the consideration of this overall attempt to modernize campaign regulation. But since section 8 does not in fact accomplish that goal I hereby offer my amendment, the aim of which is to perfect section 8, and by so doing to clarify the exact scope of section 610.

Section 610 strikes a balance between organizational rights and the rights of those who wish to retain their shareholding interest or membership status but who disagree with the majority's political views. The balance presently obtaining provides, in my judgment, an optimum solution to the complex problem of accommodating these conflicting interests. This solution is sound in theory as I shall show, has proved workable in practice, and has generated a broad bipartisan consensus in favor of continuation of the present rules. For this reason my amendment, with one exception, follows the present law.

Analytically the proposal I offer has three component parts. Before turning to them, two preliminary points should be noted for the sake of completeness. At present section 610 does not, and under either this amendment or section 8 of H.R. 11060 it would not, cover corporate or union legislative activities. Lobbying is a separate field which has traditionally been, and should continue to be, regulated separately. Indeed, while section 610 discourages corporate political action, the Internal Revenue Code, through the deductions allowed, encourages lobbying. In addition, at present section 610 does not, and under either this amendment or section 8 of H.R. 11060 would not, regulate corporate or union political activity in connection with State elections even though such activity, by reason of such factors as the party system and the simultaneous running of Federal and State elections, may have some residual overlapping effect. For the power of the States to regulate their own elections is essential to a healthy Federal system.

With these preliminaries to the side the first section of my amendment spells out in detail the point that corporations and unions may not use their treasury money—that is, the money a corporation secures from commercial transactions or a union secures from dues, initiation fees and similar exactions—either directly or indirectly to make any type of "contribution or expenditure in connection with any federal election." This prohibitory language follows that of section 8 of H.R. 11060 word for word and it is plainly all-encompassing. That is as it should be. For as I noted at the outset the basic purpose of section 610 is to prohibit active electioneering by corporations and unions for Federal candidates directed at the public at large. There can be no doubt that this language accomplishes that end.

Before going further, and to insure that the accepted not be confused with the necessary, it should be noted that this prohibition is the most far-reaching in the entire election law. While the regulation of corporate and union political contributions is based on a fear of the effects of aggregated wealth on politics these organizations are not the sole repositories of funds adequate to finance big money contributions. Yet Congress has never regulated the activities of legal, medical, or farm organizations, for example, nor has it placed comparable stringent limitations on wealthy individuals. Indeed, if any of the proposals presently under consideration by this body become law, only corporations, unions and political candidates will be limited in the making of political contributions and expenditures.

Thus, section 610 as it stands, and under my proposal, represents a complete victory for those who believe that corporations and unions have no moral right to utilize their organizations' general funds for active public partisan politicking. It totally subordinates organizational interests to individual interests.

Recognizing that group interests must be given some play and that the interest of the minority is weakest when corporations and unions confine their activities to their own stockholders and members, the beneficial owners of these organizations, the second subdivision of the amendment sets out three precisely defined and limited permissions for corporate and union activity related to the political process.

The courts, as well as other independent students of section 610 and its legislative history, have concluded that the 1947 Congress did not intend to prohibit corporations or unions from communicating freely with their members and stockholders—see *U.S.* v. *CIO*, 335 U.S. 106—from conducting nonpartisan registration and get out the vote campaigns, or from securing voluntary contributions made directly to the support of a labor—or management — political organization—93 CONGRESSIONAL RECORD 6440, remarks of Senator Taft.

Today, as 24 years ago, there is a broad consensus that these limited permissions are proper. For example, Senator DOMINICK speaking on the floor of the other body on behalf of an amendment to section 610 he had proposed, stated:

> If a member wishes to pay money voluntarily to a candidate or to a labor organization fund for a candidate or even to a fund which the union will determine how it is to be spent, I have no objections . . . A labor organization should be able to expend its funds on behalf of . . . nonpartisan political activity such as voter registration or voter education on campaign issues . . . (and) endorsing a particular candidate in its normal union publications. This, I believe, is a legitimate exercise of free speech, 117 Cong. Rec. page 29329 (Aug. 4, 1971).

The compelling policy considerations supporting this consensus can be very succinctly stated.

First, every organization should be allowed to take the steps necessary for its growth and survival. There is, of course, no need to belabor the point that Government policies profoundly affect both business and labor. One need turn no further than the present economic stabilization program for a compelling illustration of the extent to which Federal policy is the critical detriment of corporate and union health. If an organization, whether it be the NAM, the AMA or the AFL–CIO, believes that certain candidates pose a threat to its well-being or the well-being of its members or stockholders, it should be able to get its views to those members or stockholders. As fiduciaries for their members and stockholders the officers of these institutions have a duty to share their informed insights on all issues affecting their institution with their constituents. Both union members and stockholders have the right to expect this expert guidance. In determining where their self-interest lies they have no other comparable source of information. Indeed, as the Supreme Court stated in the CIO case, if Congress were to prohibit communications between an organization and its members concerning "danger or advantage to their interests from the adoption of measures or the election to office of men, espousing such measures, the gravest doubt would arise in our minds as to its constitutionality."

Second, it has also been recognized that it is proper to allow corporations and unions to conduct nonpartisan registration and get out the vote campaigns. Indeed, any other conclusion would have been contrary to the basic precept that the exercise of the franchise is not merely a political right but a civic duty. The health of our representative form of government requires that every possible step be taken to maximize the number of eligible voters who go to the polls. Attempts to restrict the number who vote are inimical to the democratic precepts upon which the political process rests.

Of course, such campaigns must be nonpartisan. Within the constraints set by an organization's resources which may require it to concentrate on particular areas where its members are most numerous or where a race of particular importance is to be held, it must make an effort to reach all those in the area and not merely those who will vote in a certain way. A failure to respect this limitation would, of course, be a violation of section 610.

It is not entirely clear to me, even after substantial study, as to whether the present law requires such campaigns to be limited to members and stockholders. It is my judgment that they should be, and the amendment I propose insures that such a limitation would have to be observed. The dividing line established by section 610 is between political activity directed at the general public in connection with Federal elections which must be financed out of political donations and activities directed at members or stockholders which may be financed by general funds. As a matter of principle this line of demarcation supports the proposed limitation and there is no consideration of which I am aware that requires an exception to the basic guiding theory of this provision.

Finally, there can be no doubt that union members or stockholders should have the right to set up special political action funds supported by voluntary donations from which political "contributions and expenditures" can lawfully be made. As Senator Taft stated in his floor explanation of section 610:

> If [union members or stockholders] are asked to contribute directly . . . to the support of a labor [or management] political organization, they know what their money is to be used for and presumably approve it. From such contribution the organization can spend all the money it wants to with respect to such matters. But the prohibition is against labor unions using their members' dues for political purposes, which is exactly the same as the prohibition against a corporation using its stockholders' money for political purposes, and perhaps in violation of the wishes of many of its stockholders. 93 Cong. Rec. 6440

For the underlying theory of section 610 is that substantial general purpose treasuries should not be diverted to political purposes, both because of the effect on the political process of such aggregated wealth and out of concern for the dissenting member or stockholder. Obviously, neither of these considerations cuts against allowing voluntary political funds. For no one who objects to the organization's politics has to lend his support, and the money collected is that intended by those who contribute to be used for political purposes and not money diverted from another source.

The essential prerequisite for the validity of such political funds is that the contributions to them be voluntary. For that reason the final section of this amendment makes it a violation of section 610 to use physical force, job discrimination, financial reprisals or the threat thereof, in seeking contributions. This is intended to insure that a solicitor for COPE or BIPAC cannot abuse his organizational authority in seeking political contributions. Of course, nothing can completely erase some residual effects on this score, any more than the law can control the mental reaction of a businessman asked for a contribution by an individual who happens to be his banker, or of a farmer approached by the head of his local farm organization. The proper approach, and the one adopted here, is to provide the strong assurance that a refusal to contribute will not lead to reprisals and to leave the rest to the independence and good sense of each individual.

As a further safeguard the proviso also makes it a violation for such a fund to make a contribution or expenditure from money collected as dues or other fees required as a condition of membership or employment or obtained through commercial transactions. This insures that any money, service, or tangible item—such as a typewriter, Xerox machine, and so forth—provided to a candidate by such a fund must be financed by the voluntary political donations it has collected.

At the present time there is broad agreement as to the essence of the proper balance in regulating corporate and union political activity required by sound policy and the Constitution. It consists of a strong prohibition on the use of corporate and union treasury funds to reach the general public in support of, or opposition to, Federal candidates and a limited permission to corporations and unions, allowing them to communicate freely with members and stockholders on any subject, to attempt to convince members and stockholders to register and vote, and to make political contributions and expenditures financed by voluntary donations which have been kept in a separate segregated fund. This amendment writes that balance into clear and unequivocal statutory language.

The CHAIRMAN pro tempore (Mr. HOLIFIELD). The time of the gentleman from Idaho has expired.

(On request of Mr. HAYS, and by unanimous consent, Mr. HANSEN of Idaho was allowed to proceed for 5 additional minutes.)

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. HANSEN of Idaho. I am happy to yield to my chairman.

Mr. HAYS. I want to say to the gentleman I commend him for offering this amendment. I intend to support it.

The gentleman has made a very clear and concise statement on the amendment, but for the purpose of legislative history I should like to ask a couple of questions, if I may, to see if I understand it as he does.

The amendment would allow unions to conduct get-out-the-vote drives and registration drives from union funds?

Mr. HANSEN of Idaho. Directed at the union members and their families only.

Mr. HAYS. And the same for corporations and stockholders?

Mr. HANSEN of Idaho. That is correct.

Mr. HAYS. Corporations only directed at stockholders?

Mr. HANSEN of Idaho. Directed toward stockholders and their families.

Mr. HAYS. From voluntary funds unions could spend the money any way they saw fit, within the law?

Mr. HANSEN of Idaho. That is correct, so long as the funds came in a truly voluntary manner and without the employment of the kinds of threats or reprisals or other methods that are prohibited by this amendment.

Mr. HAYS. I have one other question. As to corporations, would the gentleman's amendment prohibit voluntary contributions by members of corporations if they were reimbursed sub rosa? Does the gentleman understand? In other words, we will say that John Doe is vice president of X corporation, and that he gave $500 to a fund, and the corporation then reimbursed him, say, with some kind of cover saying it was expenses or something. That would be prohibited if it were found out?

Mr. HANSEN of Idaho. That in my judgment would constitute a violation of law; in fact, a violation of law as it exists now, as an indirect payment.

Mr. HAYS. I appreciate the gentleman's answer. I thought that was the way it was. It is done sometimes, I am sure, as I have heard.

In other words, the money that is truly voluntarily contributed either by stockholders or officers of a corporation or by members of a union they can spend by contributing or any other way that is legal; is that correct?

Mr. HANSEN of Idaho. That is correct.

Mr. HAYS. I thank the gentleman. Again I say I appreciate the gentleman's offering this amendment. It is substantially what is in the law now. Everybody has lived with it for a long time. I intend to support the amendment.

Mr. GERALD R. FORD. Will the gentleman yield?

Mr. HANSEN of Idaho. I am happy to yield to the distinguished minority leader.

Mr. GERALD R. FORD. A moment ago the gentleman from Ohio (Mr. HAYS) asked this question, and I think this is the way he phrased it: If a corporate executive gave $500 to an individual candidate and then he was subsequently reimbursed by the corporation, was that illegal, and the gentleman from Idaho said it was.

Now, if a union official gives a donation to an individual candidate and then he was subsequently reimbursed by the union, is that illegal?

Mr. HANSEN of Idaho. I would interpret that as also being clearly illegal.

Mr. HAYS. Will the gentleman yield?

Mr. HANSEN of Idaho. Yes. I yield to the gentleman.

Mr. HAYS. I agree, except I would say to the distinguished minority leader I do not think I said if the union reimbursed him, and that is what we are talking about—either the union reimbursing him sub rosa or the corporation reimbursing him sub rosa. Both would be illegal in my opinion and I believe in the opinion of the gentleman. I understood the gentleman to mean that.

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Mr. GERALD R. FORD. I did mean to imply that. I will correct it in the RECORD, because I meant to place them on an equal basis.

Mr. HAYS. I thought that was what the gentleman meant, and I asked the gentleman to yield to make it clear that that was what we all meant.

Mr. ANDERSON of Illinois. Will the gentleman yield?

Mr. HANSEN of Idaho. I will be glad to yield to the gentleman.

Mr. ANDERSON of Illinois. I want to join in commending the gentleman from Idaho (Mr. HANSEN) for submitting his amendment. I think he is trying to reach a problem area where there have been some serious abuses, and I think his amendment helps to meet the problem.

Recently I read a statement from Mr. Lane Kirkland, the AFL–CIO treasurer, where he said:

> We have to carry our message to every American eligible to vote . . . and we have to make sure that every voter we can reach is registered and that they go to the polls.

Under the gentleman's amendment that would not be possible, would it? They could not use union funds to go out and indiscriminately try to register the general public or engage in vote-getting activities with the general public but they are restricted to pursuing their activities among their own union members and their families, which was stated in the case of the United States against UAW and United States against CIO, where the court gets into the first amendment considerations that have to be taken into account in considering the kind of limitations that can be placed on both unions and corporations.

Does the gentleman feel that that is substantially the matter at issue?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. DELLENBACK, Mr. HANSEN of Idaho was allowed to proceed for 3 additional minutes.)

Mr. DELLENBACK. Will the gentleman yield?

Mr. HANSEN of Idaho. I will be happy to yield to the gentleman, but may I first respond to the gentleman from Illinois (Mr. ANDERSON) and his question.

The gentleman interpreted my amendment exactly as it is intended. As a matter of fact, the indication of plans to direct get-out-the-vote drives and registration drives in the general public further prompted my bringing this amendment to the floor. To make it absolutely clear that the activities directed at the public are prohibited and activities directed at the membership are now protected.

Mr. ANDERSON of Illinois. In the case of *United States* v. *CIO*, 335 U.S. 106, the court did say that if Congress were to prohibit communications between an organization and its members concerning "dangers or advantages to their interests from the adoption of measures or the election to office of men espousing such measures, the gravest doubts would arise in our minds as to its constitutionality."

The gentleman's proposal does not seek to cross that constitutional line and prohibit communications from the union to their own membership. Is that correct?

Mr. HANSEN of Idaho. That is correct.

I now yield to the gentleman from Oregon.

Mr. DELLENBACK. I join in the commendation of the gentleman in the well and also of the chairman of the committee, the gentleman from Ohio, for joining in the support of this amendment.

May I ask as a general question, Mr. HANSEN, is it your intention by the way you have drafted the amendment to propose that corporations and unions be treated absolutely equally?

Mr. HANSEN of Idaho. That is correct.

Mr. DELLENBACK. And, further, if a situation is proper for a corporation, it is also proper for a union and if it is proper for a union, then it is also proper for a corporation.

I think it is extremely important that what you have here proposed is an amendment that seeks to bring about equity. I think it is important that a union be able to communicate with its members and do what the law already permits it to do, and likewise I feel it is important that a corporation be able to do that same thing with its stockholders.

Mr. Chairman, I join in support of this particular amendment. It seems to me that it does work equity in what has been a very troublesome situation in the past.

Mr. CRANE. Mr. Chairman, will the gentleman yield?

Mr. HANSEN of Idaho. I yield to the gentleman from Illinois.

Mr. CRANE. The concern I have with the gentleman's amendment deals with what I think is the nub of the issue under consideration, and that is the question of voluntarism versus compulsion.

The CHAIRMAN. The time of the gentleman from Idaho has again expired.

(By unanimous consent (at the request of Mr. CRANE) Mr. HANSEN of Idaho was allowed to proceed for 2 additional minutes.)

Mr. CRANE. Mr. Chairman, if the gentleman will yield further, as I understand the gentleman's amendment, when he talks about permitting the unions or corporations for that matter or national banks to be allowed to engage in not just "communications" but "nonpartisan" registration and get-out-the-vote campaigns, in effect, this is negating the efforts that I am sure the gentleman is trying to make; namely, to prohibit involuntarily raised moneys from being used to support a candidate opposed by the individuals whose moneys may be involuntarily raised.

I think tighter language is required to achieve that objective. Moreover, this position has been upheld by the courts in the past.

In the case of Seay against McDonnell Douglas which happened in California, the courts took the position that:

> . . . The diversion of the employees' money from use for the purposes for which it was exacted damages them doubly. Its utilization to support candidates and causes the plaintiffs oppose renders them captive to the ideas, associations and causes espoused by others. At the same time it depletes their own funds and resources to the extent of the exproporiation and renders them unable by these amounts to express their own convictions, their own ideas, and support their own causes.

This amendment does nothing to prohibit that kind of abuse but, in fact, by its present language puts a specific stamp of approval on this continued abuse which has gone on for many years as we all well know.

Mr. HANSEN of Idaho. I would not agree that that is the effect and purpose of the language of the amendment.

Mr. CRANE. It might not be the purpose of the amendment, but in my judgment it is the effect of it.

Mr. HANSEN of Idaho. The gentleman is entitled to his own opinion.

The CHAIRMAN. The time of the gentleman from Idaho has again expired.

(By unanimous consent (at the request of Mr. HAYS), Mr. HANSEN of Idaho was allowed to proceed for 3 additional minutes.)

Mr. HANSEN of Idaho. I believe the effect and the purpose of the amendment is to circumscribe the kinds of activities that must of necessity be protected under the first amendment and which recognize the right of the union or the corporation to communicate with the members or its stockholders for get-out-the-vote drives or voter registration and also to establish, administer, and solicit funds for a separate voluntary, political fund.

Mr. CRANE. Mr. Chairman, would the gentleman yield for a question for a point of information?

Mr. HANSEN of Idaho. Very briefly.

Mr. CRANE. If I am a member of a union and I am forced to pay dues as a condition for employment, and these moneys go into treasury funds under the check-off system, would your amendment permit them to be spent for voter registration and get-out-the-vote activities? If, as in the case of 1968, I was one of the 44 percent of union members who the polls indicated were opposed to the Democrat candidate for the Presidency, would not my union dues nevertheless be spent contrary to my interest and in a system where I am denied any redress of that grievance in the courts under the phasing of this particular amendment?

Mr. HANSEN of Idaho. The amendment is designed to recognize the fact that a stockholder or a union member exists in two capacities: In his individual capacity with his own individual views and his capacity as a member of an organization that has interests as an organization.

The intent and the purpose of the amendment is to strike a balance between those interests.

The political activities that are designed to elect specific candidates must be financed out of a separate political fund.

The funds administered by COPE are an example of such a separate political fund that is recognized both in my amendment and the so-called Crane amendment which is part of H.R. 11060, the Hays bill.

The question of whether the expenses of an organization like COPE be paid for through voluntary money is often asked. Many of COPE's activities, such as the preparation of voting records and statements of the AFL–CIO's political position, are directed at union members. These activities may be paid for by treasury money. However, to the extent that COPE incurs expenses by providing personnel to a candidate, or performing a service for a candidate, such as a mailing for him, or by giving a candidate tangible items for use in his campaign, such as typewriter, leaflets, and paper. Those items must be paid for by voluntary money.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. HANSEN of Idaho. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, as I understand it, this only covers whatever transpires between the corporation and its stockholders and families and the union leaders and the union members. However, the union member himself is not restricted in his solicitation of registrations or for voting, getting out the vote, is that right?

Mr. HANSEN of Idaho. No. The prohibition is against the use of union funds.

Mr. DENT. Right.

Mr. HANSEN of Idaho. For anything other than communications directly dealing with the members and their families for these specific purposes.

Mr. DENT. There will be a question asked later on by the chairman of the committee, so I will not ask the question, except I will ask this: What about other organizations such as Chambers of Commerce, who are very active in this situation, they solicit beyond their leadership—I mean, beyond their membership. They raise funds through dues and they are in many instances very active in their efforts, especially in my district.

Mr. HANSEN of Idaho. Of course, section 610 never did cover these kinds of organizations, farm organizations, medical organizations, and various other organizations that do become very active in political affairs.

The CHAIRMAN. The time of the gentleman from Idaho has again expired.

(On request of Mr. CRANE, and by unanimous consent, Mr. HANSEN of Idaho was allowed to proceed for 3 additional minutes.)

Mr. CRANE. Mr. Chairman, will the gentleman yield?

Mr. HANSEN of Idaho. I yield to the gentleman from Illinois.

Mr. CRANE. Mr. Chairman, may I also have the attention of the gentleman from Pennsylvania so that he might also be drawn into the colloquy?

He made the suggestion that there is a parallel between what is under discussion here and the activities of chambers of commerce. I submit that there is no parallel that can be drawn because we are talking about individuals who are in a situation where, as a condition of employment, they are compelled to join an organization. In addition to that they are compelled to pay dues to that organization. Their dues, in turn, have been used to support specific political candidates. As indicated earlier in the case of the 1968 election, at the national level; at least, these moneys were spent for a candidate who was not supported by 44 percent of the people who were locked into this kind of a situation.

Mr. DENT. You fail to recognize you do not have to become a stockholder by any pressure, and yet you have corporations and medical societies who have spent money on particular issues along a particular line.

Mr. CRANE. That is not an involuntary association. I am saying that in those cases where a man must join and pay these assessments as a condition of employment, and that is 85 percent of the members of organized labor today, who have to join a union as a condition of employment, and pay union dues, this seems to me to be an outrageous situation, a violation of the constitutional rights of these individuals, and a denial of their freedom of choice.

Mr. DENT. That is against the law now.

Mr. HANSEN of Idaho. May I say in response to the gentleman this does not reach organizations such as the chambers of commerce, and it does prohibit the use of funds of a union or a corporation to support a specific political candidate. That is now prohibited, and that prohibition is reinforced under the language of this amendment.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. HANSEN of Idaho. I yield to the gentleman from New York.

Mr. FISH. The gentleman has used the term, the general term "corporation" in this section, and is the gentleman referring to a business or stock corporation, and in no sense a foundation which may be incorporated under the laws of the State, and engaged in voter registration activities?

Mr. HANSEN of Idaho. The term "corporation," as used in the amendment, is the same corporation as used in the original law enacted back in 1947, so that there is no change with respect to the category of corporations that come within the scope of the provision.

Mr. FISH. This is a business corporation——

The CHAIRMAN. The time of the gentleman from Idaho has again expired.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, first of all I would like to commend the distinguished gentleman from Idaho for the development and for the offering of this amendment.

Some of the colloquies we have heard exhibit rather dramatically, I think, the lack of specific knowledge of the effect of section 610, title XVIII, United States Code which this would clarify, which makes it a criminal offense for a corporation or a labor union to make contributions and expenditures in connection with a Federal election.

Section 610 of title XVIII of the United States Code makes it a criminal offense for a corporation or labor union "to make a contribution or expenditure in connection with any—Federal—election." The legislative history of section 610 demonstrates that it was not Congress intent in passing this provision to completely exclude these organizations from the political arena. That history as the Justice Department, which has the responsibility for enforcing the statute, has stated, shows instead that the purpose of section 610 is simply to insure that "when a union—or corporation—undertakes active electioneering on behalf of particular Federal candidates and designed to reach the public as large—the organization's—general funds—may not be used"—brief for the *United States* v. *UAW*, 352 U.S. 567. Corporate and labor political communications directed at members and stockholders, nonpartisan registration and get out the vote activities, and partisan electioneering directed at the general public financed by voluntary contributions, are all lawful.

While these rules are well known to students of this area of the law the exact scope of section 610 is a matter of some mystery to the uninitiated. This stems from the fact that the cryptic statutory language is of little help and a full understanding of the provision's meaning requires a diligent study of the court cases and the legislative history. The result has been an undesirable confusion as to what section 610 actually provides. And this has led to numerous charges that the law is defective, or that it is not being observed. Many of these charges stem from a lack of appreciation of what section 610 actually provides. Others indicate that there may well be instances in which corporations and unions seek to utilize the complex interrelationship between the statutory language and the gloss which has been put on that language as a cover to obscure the fact that they are acting unlawfully. In either event the public confidence in the regulation of Federal election financing suffers.

Despite this lingering confusion it has been 24 years since Congress last legislated in this field. Section 8 of H.R. 11060, the so-called Crane amendment to the Hays bill, attempts to break this legislative logjam by adding a new final paragraph to section 610, defining the critical phrase "contribution and expenditure" as used therein.

Unfortunately, as often happens in dealing with a complex subject, the Crane amendment's definition tends to make the problem worse rather than solving it. For section 8 of H.R. 11060 can either be read as prohibiting all union or corporate activity financed by Treasury money that touches Federal elections in any way, or as continuing the limited permissions the 1947 Congress extended to corporations and unions with one exception—"get out the vote activities" which are presently permissible but which would be prohibited. In the name of providing legislative clarification it creates new confusion. The result is certain to be fresh uncertainty and a new round of litigation.

While its execution is faulty the idea behind section 8 of H.R. 11060 is sound. Congress should set out in a clear statutory form precisely what corporations and unions can and cannot do in the election area. And it is plainly proper to do so during the consideration of this overall attempt to modernize campaign regulation. But since section 8 does not in fact accomplish that goal Mr. HANSEN offers his amendment, the aim of which is to perfect section 8, and by so doing to clarify the exact scope of section 610.

Section 610 strikes a balance between organizational rights and the rights of those who wish to retain their share-

holding interest or membership status but who disagree with the majority's political views. The balance presently obtaining provides, in my judgment, an optimum solution to the complex problem of accommodating these conflicting interests. This solution is sound in theory as I shall show, has proved workable in practice, and has generated a broad bipartisan consensus in favor of continuation of the present rules. For this reason Mr. HANSEN's amendment, with one exception, follows the present law.

Analytically the proposal has three component parts. First, it spells out in detail the point that corporations and unions may not use their treasury money—that is, the money a corporation secures from commercial transactions or a union secures from dues, initiation fees, and similar exactions—either directly or indirectly, to make any type of "contribution or expenditure in connection with any Federal election." This prohibitory language follows that of section 8 of H.R. 11060 word for word and it is plainly all-encompassing. That is as it should be. For as I noted at the outset the basic purpose of section 610 to prohibit active electioneering by corporations and unions for Federal candidates directed at the public at large. There can be no doubt that this language accomplishes that end.

Before going further, and to insure that the accepted not be confused with the necessary, it should be noted that this prohibition is the most far reaching in the entire election law. While the regulation of corporate and union political contributions is based on a fear of the effects of aggregated wealth on politics these organizations are not the sole repositories of funds adequate to finance "big money" contributions. Yet Congress has never regulated the activities of legal, medical, or farm organizations, for example, nor has it placed comparable stringent limitations on wealthy individuals. Indeed, if any of the proposals presently under consideration by this body become law, only corporations, unions, and political candidates will be limited in the making of political contributions and expenditures. Thus section 610 as it stands, and under the Hansen proposal, represents a complete victory for those who believe that corporations and unions have no moral right to utilize their organizations' general funds for active public partisan politicking. It totally subordinates organizational interests to individual interests.

The second subdivision of the amendment sets out three precisely defined and limited permissions for corporate and union activity related to the political process.

The courts, as well as other independent students of section 610 and its legislative history, have concluded that the 1947 Congress did not intend to prohibit corporations or unions from communicating freely with their members and stockholders—see *United States* v. *CIO*, 335 U.S. 106—from conducting nonpartisan registration and get out the vote campaigns, or from securing voluntary contributions "made directly to the support of a labor—or management—political organization"—93 CONGRESSIONAL RECORD 6440, Remarks of Senator TAFT.

Today, as 24 years ago, there is a broad consensus that these limited permissions are proper. For example, Senator DOMINICK speaking on the floor of the other body on behalf of an amendment to section 610 he had proposed, stated:

> If a member wishes to pay money voluntarily to a candidate or to a labor organization fund for a candidate or even to a fund which the union will determine how it is to be spent, I have no objections . . . A labor organization should be able to expend its funds on behalf of . . . nonpartisan political activity such as voter registration or voter education on campaign issues . . . (and) endorsing a particular candidate in its normal union publications. This, I believe, is a legitimate exercise of free speech.

The compelling policy considerations supporting this consensus can be very succinctly stated.

First, every organization should be allowed to take the steps necessary for its growth and survival. There is, of course, no need to belabor the point that Government policies profoundly affect both business and labor. One need turn no further than the present economic stabilization program for a compelling illustration of the extent to which Federal policy is the critical detriment of corporate and union health. If an organization, whether it be the NAM, the AMA or the AFL–CIO, believes that certain candidates pose a threat to its well-being or the well-being of its members or stock holders it should be able to get its views to those members or stockholders. As fiduciaries for their members and stockholders the officers of these institutions have a duty to share their informed insights on all issues affecting their institution with their constituents. Both union members and stockholders have the right to expect this expert guidance. In determining where their self-interest lies they have no other comparable source of information. Indeed, as the Supreme Court stated in the CIO case, if Congress were to prohibit communications between an organization and its members concerning "danger or advantage to their interests from the adoption of measures or the election to office of men, espousing such measures, the gravest doubt would arise in our minds as to its constitutionality."

Second, it has also been recognized that it is proper to allow corporations and unions to conduct nonpartisan registration and get out the vote campaigns. Indeed, any other conclusion would have been contrary to the basic precept that the exercise of the franchise is not merely a political right but a civic duty. The health of our representative form of government requires that every possible step be taken to maximize the number of eligible voters who go to the polls. Attempts to restrict the number who vote are inimical to the democratic precepts upon which the political process rests.

Of course, such campaigns must be nonpartisan. Within the constraints set by an organization's resources which may require it to concentrate on particular areas where its members are most numerous or where a race of particular importance is to be held, it must make an effort to reach all those in the area and not merely those who will vote in a certain way. A failure to respect this limitation would, of course, be a violation of section 610.

It is not entirely clear to me, even after substantial study, as to whether the present law requires such campaigns to be limited to members and stockholders. It is my judgment that they should be, and the amendment Mr. HANSEN proposes insures that such a limitation would have to be observed. The dividing line established by section 610 is between political activity directed at the general public in connection with Federal elections which must be financed out of political donations and activities directed at members or stockholders which may be financed by general funds. As a matter of principle this line of demarcation supports the proposed limitation and there is no consideration of which I am aware that requires an exception to the basic guiding theory of this provision.

Finally, there can be no doubt that union members or stockholders should have the right to set up special political action funds supported by voluntary donations from which political "contributions and expenditures" can lawfully be made. As Senator TAFT stated in his floor explanation of section 610:

> If [union members or stockholders] are asked to contribute directly * * * to the support of a labor [or management] political organization, they know what their money is to be used for and presumably approve it. From such contribution the organization can spend all the money it wants to with respect to such matters. But the prohibition is against labor unions using their members' dues for political purposes, which is exactly the same as the prohibition against a corporation using its stockholders' money for political purposes, and perhaps in violation of the wishes of many of its stockholders. 93 Cong. Rec. 6440.

For the underlying theory of section 610 is that substantial general purpose treasuries should not be diverted to political purposes, both because of the effect on the political process of such aggregated wealth and out of concern for the dissenting member or stockholder. Obviously, neither of these considerations cuts against allowing voluntary political funds. For no one who objects to the organization's politics has to lend his support, and the money collected is that intended by those who contribute to be used for political purposes and not money diverted from another source.

The essential prerequisite for the validity of such political funds is that the contributions to them be voluntary. For that reason the final section of this amendment makes it a violation of section 610 to use physical force, job discrimination, or the threat thereof, in seeking contributions. This is intended to insure that a solicitor for COPE or BIPAC cannot abuse his organizational authority in seeking political contributions. Of course, nothing can completely erase some residual effects on this score, any more than the law can control the mental reaction of a businessman asked for a contribution by an individual who happens to be his banker, or of a farmer approached by the head of his local farm organization. The proper approach, and the one adopted here, is to provide the strong assurance that a refusal to contribute will not lead to reprisals and to leave the rest to the independence and good sense of each individual.

As a further safeguard the proviso also makes it a violation to transfer to such a fund money collected as dues or other fees required as a condition of membership or employment or obtained through commercial transactions. This insures that only moneys specifically intended by the donor to be utilized for political purposes will be available for union or corporate political "contributions and expenditures."

At the present time there is broad agreement as to the essence of the proper balance in regulating corporate and union political activity required by sound policy and the Constitution. It consists of a strong prohibition on the use of corporate and union treasury funds to reach the general public in support of, or opposition to, Federal candidates and a limited permission to corporations and unions, allowing them to communicate freely with members and stockholders on any subject, to attempt to convince members and stockholders to register and vote, and to make political "contributions and expenditures" financed by voluntary donations which have been kept in a separate segregated fund. This amednment writes that balance into clear and unequivocal statutory language.

What the gentleman's amendment will do is simple. It, in effect, incorporates the case law into existing statutory law and would allow within a very limited area already existing in the law the expenditure of certain treasury moneys or corporate moneys for the sole purpose of reaching either union members or stockholders in the corporations—and no one else outside of that very specific purpose of reaching the voters or drives for getting out the votes.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman.

Mr. UDALL. Mr. Chairman, I want to commend the gentleman from New Jersey for his statement and the gentleman from Idaho for his amendment.

I like the spirit that I see here this afternoon and I am beginning to believe that we can get a strong, workable, and sensible bill.

We have had a bipartisan spirit evidenced on this amendment and the gentleman from Ohio says that he will accept it. A number of distinguished Republicans in this House have said they can live with this and that they agree with the spirit and the purpose of this amendment.

I hope that we shall not here today try to load this bill down with all kinds of peripheral, emotional, and divisive elements that are not really essential to campaign finance reform. This is a bipartisan amendment. The amendment would merely clear up confusion in existing law. The trouble with existing law is not the way it is written but the way it has been observed. We would make clear in the history here that we will have a new day, that labor unions and corporations——

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(On request of Mr. UDALL, and by unanimous consent, Mr. THOMPSON of New Jersey was allowed to proceed for 1 additional minute.)

Mr. THOMPSON of New Jersey. I yield to the gentleman from Arizona.

Mr. UDALL. We have made it very clear that labor unions and corporations are no longer going to be able to play unfair games, but that there is a limited role for labor unions and corporations in the political process, and that such roles, however, are limited to their stockholders, limited to their members. We need the kinds of registration and get-out-the-vote activities that are authorized under the amendment. I hope that the gentleman's amendment will be supported in a bipartisan fashion.

Mr. THOMPSON of New Jersey. I might say to the gentleman from Arizona that the purport of the amendment is limited to corporations and to labor unions and not to other organizations, which obviously operate under their first amendment rights, which exist anyway.

Mr. HAYS. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. CABELL. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Texas for the purpose of asking a question.

Mr. CABELL. I thank the gentleman for yielding. I would like to direct this question to the gentleman from Idaho, the author of the amendment. In the case of corporations and with relation to registration drives, nonpartisan, get-out-the-vote drives, if a bank president should authorize, for the purpose of such registration, one of its clerks or deputies to set up a desk in the lobby of a bank to encourage such a drive on strictly a nonpartisan basis, would that be in violation of the law under the terms of your amendment? They have done that quite often, as I am sure the gentleman knows.

Mr. HANSEN of Idaho. If the gentleman will yield, I would not interpret that activity, which I understand the gentleman's question to be directed toward——

Mr. CABELL. This is for the benefit of the general public. It does not necessarily go to the stockholders or the employees of the bank.

Mr. HANSEN of Idaho. Then it would not be permitted under the language of the amendment.

Mr. CABELL. That was the observation that I made. I raise this question because those are very valuable adjuncts in all walks of business life in encouraging registration and where no other effort is made, merely to impress upon those contacted their obligation to register and exercise their vote.

Mr. HAYS. I am afraid I disagree with my friend from Idaho about this because it seems to me under the scope of his amendment if the bank, which is a corporation, is using its place of business and its employees to register voters, then I think under the gentleman's amendment it would be prohibited as much as a labor union would be prohibited from using its place of business and its employees to register the general public. Do you agree?

Mr. HANSEN of Idaho. The gentleman has not disagreed with me. That is the view I expressed.

Mr. HAYS. Then it would be prohibited.

Mr. HANSEN of Idaho. It would be prohibited.

Mr. CABELL. If the gentleman will yield further, does the gentleman in the well believe that is consistent with good citizenship, to make it impossible for labor unions or corporate entities, as far as that goes, to exercise their duties and responsibilities of citizenship in registering voters and encouraging them to vote?

Mr. HAYS. The gentleman from Ohio can only say in reply that if I were writing the amendment, I would make it broader than it is. But the gentleman from Ohio is also a realist and he believes that this is probably as broad an amendment as we can get through. Therefore he is supporting the amendment offered by the gentleman from Idaho.

Mr. CABELL. I thank the gentleman for yielding. I hope the amendment is defeated.

Mr. HAYS. Mr. Chairman, I had a question I wanted to ask the authors of the bill. I do not see either one of them present in the Chamber at the moment. Perhaps I can defer the question to a later point in the debate. But since we are talking about corporations, I would call your attention to the language on page 14 of the so-called Senate substitute, line 15, which says—

> "(e) 'contribution' means—
>
> "(1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business),

I wish to speak to this section, because this was in the bill that was reported out of the House Administration Committee, and it was an amendment I offered in the committee because of a fracas we had in Ohio last year, in which an attempt was made to prosecute the Republican candidate for Governor because he obtained a loan for $10,000 from a national bank. It just so happens that if the gentleman in question, the Republican nominee, had come to the bank of which I am chairman and asked for a $10,000 loan on his financial statement, we would have granted it to him, because he certainly was a good risk.

I do not think that it was very smart of my party or anybody else to raise this as an issue. But at the time the law was completely unclear and seemed to and probably did prohibit such a loan. I do not think a candidate for office who has a net worth of $100,000 or $200,000, who might not want to sell some equity he has to pay, perhaps, for his hotel bills and gasoline for the campaign, should be prohibited from borrowing the money, and I am delighted to see this particular section is in the bill.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. HAYS was allowed to proceed for 2 additional minutes.)

Mr. HAYS. Mr. Chairman, I thought I would call this to the attention of the membership and try to make a little legislative history here. The gentleman from Ohio (Mr. DEVINE), the ranking minority member, is aware of the controversy we had in Ohio. I would like to ask the gentleman if he thinks, in his opinion, this language would clarify that to the point where this would not happen under similar circumstances.

Mr. DEVINE. Mr. Chairman, if the gentleman will yield, I agree with the gentleman from Ohio it does clarify and it would avoid such a situation as did develop in our State during the last campaign.

Mr. HAYS. I thank the gentleman from Ohio.

Mr. CRANE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment that has been offered, because I think it has some egregious deficiencies. The proposed amendment would, in my judgment, allow labor unions and corporations to make expenditures for political activities which under a strict reading of the language of title 18 United States Code, section 610 are now prohibited.

Expenditures by corporations in connection with Federal elections have been flatly prohibited since the original Corrupt Practices Act was adopted in 1925. This prohibition was extended to labor unions in 1947 for the purpose: first, of reducing the undue and disproportionate influence of unions on Federal elections; second, preserving the integrity of such elections for the use of aggregated wealth by union as well as corporate entities; and third, to protect union members holding political views contrary to those supported by the union from use of their membership dues to promote acceptance of those opposing views.

The amendment proposed by the gentleman from Idaho (Mr. HANSEN) would create a large and very significant loophole which would legalize broad-scale union political action—which is now prohibited—and undermine whatever protection the law now seeks to give rank and file union members against political use of their dues money.

The Hansen amendment would redefine the phrase "contribution or expenditure" as used in section 610 as not including expenditures for voter registration and get-out-the-vote campaigns aimed at either a corporation's stockholders and their families or a union's members and their families. Its net effect would be to put the stamp of approval on partisan political action by unions with money obtained through compelled union membership dues and fees which rank and file union members are required to pay under compulsory union shop contracts.

Although the amendment purports to allow corporate expenditures on the same basis as union expenditures it would not work this way. Corporate expenditures for voter registration or get-out-the-vote activities would run head on into the existing laws of practically all States which prohibit corporate expenditures for any political purpose. In addition corporate expenditures for political purposes are considered ultra vires under prevailing case law, and could also be disallowed as not meeting the test of ordinary and necessary business expenses under section 162 of the Internal Revenue Code.

The Hansen amendment on the other hand would validate union voter registration functions which are conducted on a highly partisan basis. The director of AFL–CIO COPE, Alexander Barkan, has candidly described how organized labor has taken over the precinct voter registration activities for political candidates, and how these activities reach out to large segments of the population beyond the ranks of union members. In describing labor's activities in the 1968 elections Mr. Barkan says:

> In many States labor did the registration job for Humphrey singlehandedly, the Democratic party had abandoned the field . . . We were the major national organization working at registering black voters and getting out their vote . . . The labor movement mobilized Mexican-American farm workers; and the AFL–CIO funded an operation which included a million leaflets, radio spots, and hundreds of election day workers in California alone. . . . In many States, a house-to-house canvass was conducted as part of our get-out-the-vote effort, particularly in selected labor areas and in minority-group areas where there are relatively few telephones. The number of persons involved in this operation was 72,225.

The source for this is Barkan, Issues in Industrial Society, volume 1, No. 2, Cornell University School of Industrial Relations.

The AFL–CIO Executive Council meeting at Miami Beach, Fla., on November 16, 1971, announced a major union-financed effort to register newly enfranchised voters between 18 to 21 years old, and that political action will be "a primary activity of the entire labor movement from now to election day 1972."

The use of union money for these partisan political activities clearly violates the existing prohibition in title 18, section 610 against union expenditures in connection with Federal elections. The gentleman's amendment would legalize these illegal expenditures, in my judgment.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. CRANE. I am happy to yield to the gentleman from Indiana.

Mr. DENNIS. As the gentleman from Illinois has pointed out, the Hansen of Idaho amendment specifically and in so many words makes legal and authorizes the use of union funds, paid in as dues by voluntary and involuntary union members, for financing get-out-the-vote drives.

Is it not true that the gentleman in the well has an amendment which he will offer, if this Hansen of Idaho amendment is defeated, which specifically states that union funds of this kind cannot be used for financing a get-out-the-vote drive—nor can corporate funds—be so spent, but that either a corporation or a union can set up a separate voluntary fund to which voluntary contributions only are made and which can be used for financing get-out-the-vote drives?

Mr. CRANE. I thank the gentleman from Indiana for raising this question. I do indeed, in the event the amendment offered by the gentleman from Idaho fails, intend to offer an amendment to the amendment under consideration. As a matter of fact, this is already a part of the campaign spending bill that came out of the Committee on House Administration, and it received bipartisan support to come out of that committee.

I believe the essential difference between this amendment I intend to offer and that offered by the gentleman from Idaho is this language:

> Nothing in this section shall preclude an organization—
>
> I am referring here to corporations, national banks or unions—
>
> from establishing and administering a separate contributory fund for any political purpose, including voter registration or get-out-the-vote drives, if all contributions, gifts, or payments to such fund are made freely and voluntarily, and are unrelated to dues, fees, or other moneys required as a condition of membership in such organization or as a condition of employment.

Mr. DENNIS. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Indiana is recognized for 5 minutes.

Mr. HAYS. Mr. Chairman, will the gentleman yield to me for an observation?

Mr. DENNIS. I yield to the gentleman from Ohio.

Mr. HAYS. I should like to say to the gentleman I have had long experience in getting-out-the-vote drives and there is just one thing I can tell him. You can get them out, but once they get behind that curtain there is no way for you to know how they vote. I could give an experience we had in Ohio, where a sitting Governor was defeated in a primary.

Mr. DENNIS. I could give the gentleman some experiences, too, but I would rather get along with my remarks, if I may.

Mr. Chairman, I believe this is one place we ought to be very clear about what we are doing. We can do what we please, but let us not kid ourselves.

We have before us an amendment offered by the gentleman from Idaho (Mr. HANSEN) which specifically legalizes the use of union dues money, which is extracted from everybody who has to join the union to work in a union shop, for the purpose of voter registration and get-out-the-vote drives. Now, that is of very doubtful validity under the present law, but it is not going to be doubtful at all if you adopt the Hansen amendment, because the Hansen amendment just states that that is legal.

Mr. HANSEN of Idaho. Will the gentleman yield?

Mr. DENNIS. I yield briefly to the gentleman. Yes.

Mr. HANSEN of Idaho. Is it not true that the language in the present Hays bill adopted by the Committee on House Administration would also permit union funds or corporate funds to be used to register voters? I believe the gentleman referred to registration of voters.

Mr. DENNIS. No. I talked about getting-out-the-vote drives. That is what I am talking about. I am perfectly well aware that the registration of voters clause was stricken out of the Crane amendment in your committee although the exact effect of that action may be debatable, but getting out the vote was not so stricken. Spending union treasury money for get-out-the-vote drives is not permitted under the Hays bill and it is permitted under your amendment, and that is exactly what you are trying to do.

Mr. HANSEN of Idaho. Except that the gentleman specifically referred to voter registration.

Mr. DENNIS. I am talking about getting-out-the-vote drives. That is what I am referring to now. If I referred to it erroneously before, I want to make that clear now.

However, what my friend from Idaho is doing is legalizing the use of union dues to finance get-out-the-vote drives. He cannot deny that. That is what he is doing.

Now, what Mr. CRANE's amendment will do, if he gets a chance to introduce it, which he will not unless we defeat the Hansen amendment, is to specifically outlaw the use of union dues money for the purpose of financing get-out-the-vote drives or corporate money or stockholders' money, but Mr. CRANE's proposed amendment specifically says that either a corporation or a union can establish and administer a separate contributory fund for any political purpose, including voter registration or get-out-the-vote drives, if all of the contributions are made freely and voluntarily.

So the issue is perfectly plain. If you are in favor of restricting the financing of get-out-the-vote drives to voluntary money contributed by a union member voluntarily, or by a stockholder voluntarily—if you want to limit it to that, then you ought to defeat Mr. HANSEN's amendment and give Mr. CRANE a chance to introduce his. If you think it is all right and fine to take involuntary money that is paid in as dues or for some other purpose and use it to finance get-out-the-vote drives, then you ought to support the Hansen amendment.

What we are doing if we put this Hansen amendment in the law is that we are making positively legal a practice which is now illegal, although it is evaded every day. I have had experience with these things, too. Let us not kid ourselves about what we are doing. I am not against unions or corporations but I am for holding down political activity to voluntary money on the part of anybody.

Mr. HANSEN of Idaho. Will the gentleman yield?

Mr. DENNIS. Yes. I yield to the gentleman.

Mr. HANSEN of Idaho. I think it is important to point out that the permitted activity, that is, the get-out-the-vote drive, which is now permitted under existing law, is limited to the members of the union. I think every time reference is made to it it should be made clear.

Mr. DENNIS. Well, all right.

Mr. HANSEN of Idaho. It would be members of the union to whom this is directed.

Mr. DENNIS. I do not quarrel with that. I am talking about the member of the union who maybe does not want to use his money in that way.

Mr. STEIGER of Wisconsin. Will the gentleman yield?

Mr. DENNIS. I yield to the gentleman.

Mr. STEIGER of Wisconsin. One of the advantages of the Hansen amendment is that the present law is somewhat unclear about whether it is limited to unions.

Mr. DENNIS. But I want to make it clear that you cannot use any of this involuntary money in that way.

Mr. STEIGER of Wisconsin. May I say to my friend I think such a construction would pose serious constitutional problems.

Mr. ASHBROOK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the unique and privileged role of labor organizations in our election processes was recently underscored by delegates to the 1971 convention of the Nation's largest and wealthiest union.

Delegates to the Teamsters Union convention adopted what is generally regarded as an ominous amendment to their constitution. It authorizes the union's general president to "make expenditures from the general fund in amounts to be determined by him in his sole discretion for lobbying and other political purposes, including contributions to candidates for State, provincial or local office."

Without question, this amendment to the Teamsters' constitution will encourage the continued wholesale flouting of restraints imposed by the Congress on union political activities in 1947 when it amended section 610, title 18, of the United States Code.

It is common knowledge that dues payments collected from involuntary members, as well as from voluntary members, are deposited in a union's general fund. Obviously, President Fitzsimmons will not be under any internal restraints when he contemplates contributions to certain political candidates from the union's general fund.

Admittedly, the union's amended constitution does not authorize the use of money from the general fund in connection with Federal elections. Let us not be deceived, however.

The widely respected and authoritative Congressional Quarterly has stated flatly that union officials conceal contributions to Federal candidates by "simply reporting transfers of gross sums to State committees . . . The State committees, in turn, transfer the money to individual candidates, but the names of the recipients never appear on the nationally filed reports."

This in only one example of methods now being used to circumvent the existing law.

Mr. Chairman, I submit that the convention delegates who handed Mr. Fitzsimmons this blank check are not typical of the Nation's union members. All available evidence indicates that dues-paying unionists take a dim view of the use of union resources in political campaigns. Partisan politicking is strongly resented by those wage earners who are compelled by collective bargaining agreements to pay for unwanted union representation.

Inclusion of the Crane amendment in the pending legislation would close a gaping loophole in our present law. It will put unions on the same footing in the political arena with corporations, banks, and all other associations.

The amendment of the gentleman from Idaho (Mr. HANSEN) would not. In fact, it would open the door to a use of union general fund moneys not now available for political purposes. The Crane amendment would prohibit such use while the Hansen amendment would allow this use. Both amendments would properly distinguish between voluntary contributions and these which are extracted by union dues which are involuntary since in almost all instances there is a closed shop arrangement and union membership is a condition of employment.

Mr. Chairman, I particularly want to ask a question in relation to the preceding colloquy, and I direct this question to the sponsor of the amendment (Mr. HANSEN).

I think it is patently clear what we would get into. In the Hansen amendment, we are talking about getting out the union vote. Are we to assume that if your amendment were to pass and the Teamsters Union, for example, were to spend money to get out the vote that they could come to the door of the union member and his family and say "We will take you to the polls," but they could not take anyone else in the household to the polls? How can you possibly limit it, I would say to the gentleman from Idaho, just to members of the union and their families? Are you talking about families and friends? Or just family? How do you intend to limit it just to members of the union and their families?

Mr. HANSEN of Idaho. I would say in response to my friend that the language of the amendment includes the members of their families and the stockholders of a corporation and their families.

Mr. ASHBROOK. The gentleman said a few minutes ago that he wanted to make his amendment perfectly clear. It is not being directed just to unions and members of unions but also their families? How far does this go? Do you go to cousins—first, second, and third? What would be the interpretation of "families?"

Mr. HANSEN of Idaho. I would interpret it as immediate family.

Mr. ASHBROOK. In other words, the mother, father, sons, and daughters? That would be as far as you would go and not cousins and nephews?

Mr. HANSEN of Idaho. No, I would not include anything other than immediate family.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to my colleague from Ohio.

Mr. HAYS. I think in applying this you would have to use the rule of commonsense. I suppose if they went up to the door that anyone who lived in that house would be included.

Mr. ASHBROOK. That is the point I

was going to make. Consider this example. I am a union get-out-the-vote organizer. I come to the door of your home. There are people in the home such as the union member and his family but also people who are not members of the family.

Are you saying it would be legal to get out the vote for families of the union member but under the rule of reasonableness I would be allowed as a part of get-out-the-vote campaign to get out other people in the same household who would not be members of the family? Would it be legal, illegal or would the rule of reason cover it all?

Mr. HANSEN of Idaho. I can only give you my own opinion which is perhaps of no greater value than yours, or the opinion of the gentleman from Ohio. However, I would still limit it to immediate families, those who are in the home and are a part of what may be determined to be a family unit. As has been previously stated there may be some cases on the borderline that may be difficult to determine. But I would say to the gentleman that also under the existing law there is no limitation on how far you can extend the get-out-the-vote activities. There are indications of plans in the making for rather broad get-out-the-vote drives directed toward the public at large, but if some kind of language such as this strikes a reasonable compromise is not adopted, I think we will begin to see this activity undertaken.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Ohio.

Mr. HAYS. I would like to call the gentleman's attention to the language in the House Administration bill which, of course, we are not considering now. We are considering the substitute bill. However, we spelled it out as follows:

> For the purposes of this section, the term "immediate family" means a spouse, and any child, parent, grandparent, brother, or sister and the spouse of any of them.

I think, if the gentleman will yield further, that probably there will be some borderline cases. I think if you pulled up to a union member's house and asked the wife to go to the polls and her next door neighbor was sitting there and asked may she go too, I do not think they would turn her down. I do not think they should be prosecuted under those circumstances.

The gentleman will recall what I said earlier—it goes back to the old story that you can take a horse to water, but you cannot make him drink. You can haul people to the polls, but you cannot control how they vote once they get in there.

I do not know whether the gentleman remembers the case of Governor Davey when he was defeated in the primary.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

What we did, the late Governor Davey had all the money that you could imagine available to get people to the polls, and in my home county they advertised that they would have 300 cars, which was three cars to a precinct, available for this purpose.

I was managing the other campaign, we had no money for cars, we did have a little money for handbills, so we had 100,000 handbills printed that said at the top, "You paid funds to get people to get a ride." We said, "These are funds from State money that is hiring these cars, so just get in a car and take a ride with them and go to the polls and vote." And Sawyer carried the county by 10,000 votes.

So I am saying, I do not get too excited about who hauls the people to the polls, but I am excited about who they vote for when they get to the polls.

Mr. ASHBROOK. I would generally agree with the gentleman from Ohio in what he has said, but I do get excited about one particular aspect, and that is this. If you look at the Teamsters Union convention this very year, and the authority that they gave to their international president you can get excited. I will quote you that authority that they gave him. It was the absolute authority "to make expenditures from the general fund in amounts to be determined by him, in his sole discretion, for lobbying and other political purposes including contributions to candidates for State, provincial, or local offices."

So if we go on down the line on the Hansen amendment I do get excited. I will say to the gentleman from Ohio, my good friend and colleague, I do get excited about the absolute potential for abuse that you could have if we legalize this type of activity. When the Teamsters Union gives blanket authority to their international president to use his sole discretion to distribute any amount of money, for any legitimate purpose, I happen to think when we are talking about reform that we ought to be narrowing the area where unions can expend money rather than opening it up, which seems to be the thrust of this amendment.

Mr. CRANE. Mr. Chairman, if the gentleman will yield on the question of who is influenced by the unions. In their own literature they acknowledge operating on the assumption that for every member of the union you are reaching with labor publications, that you are simultaneously reaching their spouse at home, and two friends, neighbors, or relatives. So if we start with 15 million union members, you will be reaching, in addition to the 15 million members, the spouse of the member, and two relatives or friends, and we are then talking about somewhere in the neighborhood of 60 million voters.

I would also like to comment in response to the gentleman from Ohio on knowing where your voters are with a quotation by Mr. Meany himself:

> When you spend your money to get people registered, and then spend a lesser proportion to get them out to vote, you know you got a vote in the ballot box. Of course, we are a little bit choosy when we choose the districts in which we want to better these votes in the ballot box, so that when they go in we have a pretty good idea how they are going to vote.

I can assure the gentleman from Ohio that in my home State of Illinois I could on this "choosy" basis make some estimate as to how people would vote, and I think I would be good enough to know how the outcome would be by being selective in the areas, where if I wanted to conduct a massive voter registration drive I could either turn out a large number of Democrats or a large number of Republicans. To be sure, there will always be gray areas in these things, and as Mr. Meany himself said, the unions exercise selectivity in spending union moneys to get out the vote.

Mr. ASHBROOK. My concern comes more from a national scope than from a local scope, and in my district, if they want to get out the vote for the purpose of voting against me, it probably will end up helping me more than hurting me, but at the national level it is a different situation. I would respectfully oppose the amendment offered by the gentleman from Idaho.

Mr. ZION. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Indiana.

Mr. ZION. Mr. Chairman, under the terms of the Hansen amendment, regarding the involuntary dues, would the union be permitted to pay people to use the dues to haul friends and associates to the polls?

Mr. ASHBROOK. I would assume that would be a legitimate purpose. The gentleman from Idaho said a while ago, that my opinion was as good as his, but I think you will find that, as the author of the amendment, his opinion would be followed more closely than mine. So if the gentleman wishes to respond, I will be glad to yield to the gentleman.

Mr. HANSEN of Idaho. Mr. Chairman, I believe any communications ordered by a labor union to its members which is designed to get out the vote, to get people to the polls to exercise their obligations as citizens, would be permitted. It would also be true of support for the same purpose directed at its stockholders by a corporation.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike out the last word and rise in support of the Hansen amendment.

Mr. Chairman, I support the amendment offered by the gentleman from Idaho. I have listened to the comments of my colleagues on both the Republican and Democratic side and I must say, in all honesty, it is apparent that there are some who believe that if you are for the Hansen amendment that somehow you are granting power to organized labor which now they do not have.

I am one of those who has been rather vigorously opposed on a number of occasions by the AFL–CIO, the United Automobile Workers, and others in this field. Thus, I do not believe it ought to be construed as being pro or antilabor on corporations when one talks about what is available or legitimate for corporations and labor unions reporting under title 18, section 610. What the Hansen amendment does is to codify in the statutes what section 610 of title 18 has been interpreted to mean.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman.

Mr. GUDE. Mr. Chairman, I rise in support of the Hansen amendment

which is intended to clarify section 610 of title 18 of the United States Code making it a criminal offense for a corporation or labor union "to make a contribution in connection with any Federal election."

I think it is appropriate that we address ourselves to this problem while we are considering Federal election reform and I believe that the Hansen amendment is the best guarantee that the intent of section 610 will be understood and followed.

The original language of section 610 was so ambiguous that its full meaning only becomes clear when it is read along with the numerous court cases which interpreted the legislation. The Hansen amendment would codify these interpretations so that the original purpose of the section—to insure that the general funds of a corporation or union cannot be used for election activities geared to the general public on behalf of specific Federal candidates—will prevail.

Corporate and labor union political communications directed at their stockholders and members should be allowed. Likewise, nonpartisan registration and get-out-the-vote activities were not the target of the original section 610. And, of course, partisan electioneering directed at the general public financed by voluntary contributions are acceptable.

I believe that the Hansen amendment will be very helpful in clarifying the provisions of section 610 without imposing limitations on corporations and labor unions which either violate the Constitution or fly in the face of our American traditions.

I strongly favor the passage of a strict campaign reform measure, and I think that by accepting the Hansen amendment we will significantly improve our final product.

Mr. STEIGER of Wisconsin. I thank the gentleman for his contribution.

Mr. Chairman, I think it ought to be clear at the outset that what the Supreme Court said effects the rights of both labor and management to engage in a narrow range of educational and nonpartisan activities which are allowed and protected at the present time under the so-called CIO case.

The Supreme Court in that said, and I quote:

> If [18 USC § 610] were construed to prohibit the publication, by corporations and unions in the regular course of conducting their affairs, of periodically advising their members, stockholders or customers of danger or advantage to their interests from the adoption of measures or the election to office of men, espousing such measures, the gravest doubt would arise in our minds as to its constitutionality.

The Court then went on to say that "the evil" which Congress may constitutionally regulate is "the use of union funds to influence the public at large to vote for a particular candidate or a particular party."

One of the reasons the Hansen amendment makes sense is it does provide a limitation which presently is not found in the language of 18 U.S.C. 610. That limitation is that the funds that are to be used by the union or by a corporation—and I must admit to being somewhat amazed at my friends like the gentleman from Illinois and others who keep talking about unions and forgetting the dual nature of this problem and the fact that the amendment goes to both unions and corporations and that the Hansen amendment would make it possible for the first time to insure that the funds that are constitutionally protected—union and corporate funds under section 610 of title 18, United States Code can only be used in terms of carrying on campaigns for voter registration and drives to get out the vote and campaigns aimed at members on the family or stockholders of both labor organizations and corporations.

It is for that reason I think this amendment makes a lot of sense.

Mr. CRANE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Illinois.

Mr. CRANE. Mr. Chairman, let me simply remind the gentleman from Wisconsin that I quoted from my amendment which is contained in the House administration bill and refers equally to corporations, national banks, and labor organizations.

To me the issue still comes back to that of voluntarism versus compulsion. I do not care whether it is a corporation or a national bank or a labor organization—we are talking about compulsion. It seems to me in the interest of fairness and justice to all—whether you are talking of stockholders of a bank or a corporation or whether you are talking of members of a union—I think it is unjust, unfair, and inequitable to take money involuntarily from them and to use that money to promote ideals that are contrary to their own.

Mr. STEIGER of Wisconsin. I refuse to yield further. I might say this is on my time, though I am delighted to have the gentleman's contribution. I simply disagree with him. I think you are imposing what I would judge to be a very questionable concept on organizations, be it a labor union or a corporation, that somehow that organization does not have the right and should not be allowed to carry on a campaign of education among its stockholders or its members, and to try to deny that right on the basis of the ancillary issue of compulsorism versus voluntarism is beside the point.

It seems to me that what the Hansen amendment does is to assure that we restrict these funds to being used solely for the purpose of carrying on campaigns among their members and their families.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(By unanimous consent, Mr. STEIGER of Wisconsin was allowed to proceed for 2 additional minutes.)

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Michigan.

Mr. HARVEY. I thank the gentleman for yielding. My question is really one of clarification. I am not satisfied in my own mind that we are correct in lumping corporations and unions together in the manner in which we are doing it. I know they are lumped that way in the corrupt practices bill and the present bill. But as I see this, we are talking about corporations which, at least in the State of Michigan from which I come, do not have registration and get-out-the-vote drives, for that matter. However, there has been tremendous union activity.

As I look at what could be contemplated, I am bothered by this. My criticism is sincere, so I ask this question. Corporations are diverse, their stockholders scattered all over the country, and their efforts are perhaps limited to a letter campaign of some kind. But that is not what the unions are doing. The unions are actually registering people, sending out cars, delivering them to the polls. They have computers and other sophisticated equipment to aid them in the process.

I wonder if it is fair to say that corporations are in the same category with unions in this respect?

Mr. STEIGER of Wisconsin. I am sorry I do not have time to yield further. No, corporations are not in the same category. But within my remaining time let me discuss a further reason I support the Hansen amendment. The other body is now considering a national voter registration program through use of the mails. We ought not to turn around and somehow make it impossible or more difficult for voluntary drives of the kind we have discussed to register voters and get out the vote. The United States stands proud in its reliance on volunteer efforts by private organizations—and the fact that we are not like France, Britain, or Canada where they have municipal systems or federal drives—in encouraging voluntary drives. I want the voluntary drive to be maintained and I do not want to move in the direction of our neighbors. Thus, I support the Hansen amendment and urge its adoption.

Mr. Chairman, I rise in opposition to the Hansen amendment primarily because, if adopted, it will preclude consideration of the Crane amendment. Those of you who have a copy of the House Administration bill, the Hays bill, before you, H.R. 11060, look at page 18, section 8. That is the Crane amendment. That is the one that was adopted in the House Administration Committee, because we think it addresses itself properly to the problem. It was inserted in the bill because the members of the committee recognize that section 610, title 18, has failed in the purpose for which Congress originally intended it—to inhibit the activities of labor unions in the political arena. Thus, the Crane amendment does nothing beyond that which Congress set out to do in 1947 when the law was amended to cover political contributions by labor organizations.

Although the Crane amendment, which we hope to reach if the Hansen amendment is defeated, is aimed at corporations and banks in addition to labor organizations, it is now being denounced as antilabor by union spokesmen. So I think it is reasonable to presume that the amendment offered by the gentle-

man from Idaho would be considered an AFL–CIO amendment.

Whereas these spokesmen formerly insisted that union political activities are funded exclusively by voluntary contributions from members, union officials now complain that Mr. CRANE's proposal "would prohibit all union activity financed by Treasury money, connected in any way with Federal elections." Their complaint represents an admission of noncompliance with section 610.

Another complaint by union spokesmen, namely, that "union funds could not be used for nonpartisan, 'get-out-the-vote' activities aimed at union members and their families," is altogether misleading.

In the first place, the Crane amendment includes this notable safeguard:

Nothing in this section shall preclude an organization from establishing and administering a separate contributory fund for any political purpose, including voter registration or get-out-the-vote drives, if all contributions, gifts or payments to such fund are made freely and voluntarily, and are unrelated to dues, fees or other moneys required as a condition of membership in such organization or as a condition of employment.

Second, there is an abundance of evidence proving that union sponsored "get-out-the-vote" campaigns are not nonpartisan. George Meany himself has acknowledged, when he said:

When you spend your money to get people registered, and then spend a lesser proportion to get them out to vote, you know you got a vote in the ballot box. Of course, we are a little bit choosy when we choose districts in which we want to better these votes in the ballot box, so that when they go in we have a pretty good idea how they are going to vote.

Furthermore, AFL–CIO Secretary-Treasurer Lane Kirkland, while addressing the Amalgamated Transit Union convention in Las Vegas, Nev., last September, exploded the myth that union political activities are merely "aimed at union members and their families." While vigorously attacking President Nixon, he said:

Over the next 13 months labor and its political arm—COPE—has a great deal of work to do. We have to carry our message to every American eligible to vote, and we have to make sure that they understand what America's choices really are. And we have to make sure that every voter we can reach is registered, and that they go to the polls.

Clearly, the leaders of organized labor are attempting to influence union members and all other voters in the Nation. And they are using union dues money provided mostly on a compulsory basis from members.

We must protect America's working men and women from this abuse.

I suggest we vote down the Hansen amendment, in order to give us an opportunity to consider the Crane amendment.

Mr. CRANE. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from Illinois.

Mr. CRANE. Mr. Chairman, I thank the gentleman for yielding and for his support for my amendment which I hope I will have a chance to introduce.

I want to comment on some of the remarks made earlier. Frankly, I find it somewhat surprising that the gentleman from Wisconsin should describe the issue of freedom of choice and freedom to dispose of one's property according to the dictates of one's own conscience as an "ancilliary red herring." Clearly in my judgment that is the problem involved.

I would also like to pass on a quotation of Justice Black on the subject.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(On request of Mr. CRANE, and by unanimous consent, Mr. DEVINE was allowed to proceed for 2 additional minutes.)

Mr. CRANE. Mr. Chairman, if the gentleman will yield, I would like to give the quotation by Justice Hugo Black:

There can be no doubt that the federally sanctioned union shop contract here, as it actually works, takes a part of the earnings of some men and turns it over to others, who spend a substantial part of the funds so received in efforts to thwart the political economic and ideological hopes of those whose money has been forced from them under authority of law.

There was a classic battle by Thomas Jefferson on behalf of freedom of religion in the State of Virginia. At that time he stated that to force a man to contribute his money to support the propagation of views that are contrary to his own is sinful and tyrannical. The principle involved today is exactly the same as that involved in Jefferson's day.

Mr. DEVINE. Mr. Chairman, I would ask the gentleman from Illinois if the proposed Hansen amendment does violence to the proposed Crane amendment?

Mr. CRANE. It does, because it ignores this question of involuntarily raised moneys and, in fact, puts the stamp of approval on the use of involuntarily raised moneys for registration drives and get-out-the-vote drives.

Mr. DEVINE. Is it the opinion of the gentleman from Illinois that if the Hansen amendment is adopted, the union activity would be broadened or confined?

Mr. CRANE. It would be significantly broadened and in my judgment it would be to the detriment of most Americans.

Mr. HARVEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am rather confused about this amendment. I should like to ask the author of it, the gentleman from Idaho, a couple of questions.

I would say to the gentleman, to preface my questions, that, believe it or not, I have great admiration for the efficiency of the unions in their activity in getting out the vote and in registration drives as well. These have both been conducted in Michigan, although in a highly partisan manner, nevertheless in an extremely efficient manner. I believe that can be truly said also around the country.

But in Michigan, I would point out, both the registration drives and the get-out-the-vote drives have been, at least in my best judgment, directed not only at union members but also conducted, No. 1, on a door-to-door basis and, No. 2, conducted among minority groups.

I say to my friend from Idaho, am I correct that his amendment would preclude any such activity in the future? In other words, am I correct that any union activity or corporation activity would be precluded on either a door-to-door basis or among minority groups?

Mr. HANSEN of Idaho. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Idaho.

Mr. HANSEN of Idaho. That activity would be precluded to the extent that it was aimed at persons other than members of the union and their families, or for corporations stockholders and their families.

I believe the gentleman raises an excellent point. There is now no effective or practical limitation in the law as to the extent to which these get-out-the-vote activities can go. They may very well be directed, to the general public or to certain segments of the general public, who are obviously more likely to vote in the same way as the sponsors of the campaign.

This amendment would have the effect of restricting the persons who would be the object of a get-out-the-vote campaign.

Mr. HARVEY. Mr. Chairman, in the September 1970, National Journal there was featured a 10-page article on the Committee on Political Education. It stressed, among other things, COPE's involvement in voter registration and campaign work. According to the Journal, and I quote:

In 1968 its nuts and bolts registration and get-out-the-vote effort helped elect 185 House Members and 15 of the 34 Senators chosen by America's voters.

What bothers me, Mr. Chairman, is, as I say, in Michigan, at least, this is not a bipartisan effort, but this is strictly a partisan effort. It points up to me that certainly this whole area is undoubtedly the biggest loophole in either the substitute we are considering or in the Hays-Macdonald bill that we are considering. While we are talking about placing limits on what a candidate can spend in his own behalf, and making that candidate account for all expenditures on his own behalf, we are saying either the union or the corporation, can go out and do it in behalf of a particular candidate and yet that is not accounted for at all.

Mr. HANSEN of Idaho. Mr. Chairman, will the gentleman yield further?

Mr. HARVEY. I yield further.

Mr. HANSEN of Idaho. The gentleman makes an excellent point, and I should like to underscore it.

The gentleman refers to the activities of COPE. I would point out COPE is not touched by this amendment or by the present law or by the language of the Hays bill. As a matter of fact, the Hays bill with the so-called Crane amendment specifically recognizes the right to establish a voluntary political fund, and that is what COPE is.

This amendment does not reach COPE. COPE is excluded from its coverage and from the terms of the Crane amendment as it was adopted in the Hays bill.

Mr. HARVEY. I thank the gentleman for his contribution.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I think it is important that we understand neither the Crane amendment nor the Hansen amendment is directed toward voluntary or COPE moneys. What we are talking about is Treasury money. The principal distinction is that the Hansen amendment would allow its use to get-out-the-vote drives for union members while the Crane amendment would not.

I cheerfully supported the Crane amendment in committee in its unexpurgated version, which is stronger than the version now in the Hays bill. There is a time, I think, when it is appropriate to retreat just a little bit. If we vote down the Hansen amendment in our efforts to get to the Crane amendment, we may well lose both of them and go into conference with nothing on the subject.

On the other hand, the Hansen amendment is a step forward in clarifying what has been judicial precedents in the field. Therefore I urge an affirmative vote on the Hansen amendment.

I yield to the gentleman from Illinois (Mr. CRANE).

Mr. CRANE. I would like to comment on the point the gentleman from Minnesota made.

I disagree. The Hansen amendment in effect guts the amendment I introduced before in the Committee on House Administration. I still argue it is a vital issue. I am fully cognizant of the nature of labor's influence in our legislative councils, and very frankly I do not anticipate, if my amendment were to stay in any bill that came out of this House, it would survive the conference committee.

I think we are engaged in an exercise in semantics, but let us not be hypocritical as to what is contained in the bill. That is the importance, in my judgment, of defeating the Hansen amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS) to close debate.

Mr. HAYS. I would like to say to the Members who are here that there is a lot of sound and fury here about how much money labor spent. In 1968 the Ohio Medical Association contributed more money to my opponent than COPE did to the whole slate of congressional candidates in the State of Ohio.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho (Mr. HANSEN) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The question was taken; and the chairman announced that the ayes appeared to have it.

TELLER VOTE WITH CLERKS

Mr. CRANE. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. CRANE. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. HANSEN of Idaho, CRANE, HAYS, and DENNIS.

The Committee divided, and the tellers reported that there were—ayes 233, noes 147, not voting 51, as follows:

[Roll No. 416]

[Recorded Teller Vote]

AYES—233

Abourezk	Garmatz	Murphy, N.Y.
Abzug	Gaydos	Natcher
Adams	Giaimo	Nedzi
Addabbo	Gibbons	Nix
Albert	Gonzalez	Obey
Anderson, Calif.	Grasso	O'Hara
	Gray	O'Konski
Anderson, Ill.	Green, Oreg.	O'Neill
Anderson, Tenn.	Green, Pa.	Patman
	Griffiths	Patten
Andrews, N. Dak.	Gude	Pepper
	Hamilton	Perkins
Annunzio	Hanley	Peyser
Ashley	Hansen, Idaho	Pickle
Aspin	Hansen, Wash.	Pike
Badillo	Harrington	Podell
Begich	Hathaway	Preyer, N.C.
Bennett	Hawkins	Pryor, Ark.
Bergland	Hays	Purcell
Bevill	Hechler, W. Va.	Quie
Biaggi	Heckler, Mass.	Randall
Blester	Heinz	Rangel
Bingham	Helstoski	Rees
Boggs	Hicks, Mass.	Reid, N.Y.
Boland	Hicks, Wash.	Reuss
Brademas	Hillis	Robison, N.Y.
Brasco	Holifield	Roe
Brooks	Howard	Rogers
Burke, Mass.	Hull	Roncallo
Burlison, Mo.	Hungate	Rooney, N.Y.
Byron	Ichord	Rooney, Pa.
Carey, N.Y.	Jacobs	Rosenthal
Carney	Johnson, Calif.	Roush
Celler	Jones, Tenn.	Roy
Chappell	Karth	Runnels
Chisholm	Kastenmeier	Ryan
Clark	Kazen	St Germain
Clay	Keating	Sarbanes
Collins, Ill.	Kluczynski	Scheuer
Conable	Koch	Schwengel
Conte	Kyros	Seiberling
Conyers	Leggett	Shipley
Corman	Link	Shriver
Cotter	Lloyd	Slack
Coughlin	Long, Md.	Smith, Iowa
Culver	Lujan	Smith, N.Y.
Daniels, N.J.	McCloskey	Staggers
Danielson	McCormack	Stanton, J. William
Davis, Ga.	McCulloch	
de la Garza	McDade	Stanton, James V.
Delaney	McDonald, Mich.	
Dellenback		Steele
Dellums	McEwen	Steiger, Wis.
Denholm	McFall	Stokes
Dent	McKay	Stratton
Dingell	McKinney	Stubblefield
Donohue	Macdonald, Mass.	Sullivan
Dow		Symington
Drinan	Madden	Teague, Tex.
Dulski	Mailliard	Terry
Dwyer	Martin	Thompson, N.J.
Eckhardt	Matsunaga	Thomson, Wis.
Edmondson	Mayne	Tiernan
Edwards, Calif.	Mazzoli	Udall
Esch	Meeds	Ullman
Eshleman	Melcher	Van Deerlin
Evans, Colo.	Metcalfe	Vanik
Fascell	Mikva	Vigorito
Findley	Miller, Calif.	Waldie
Fish	Mills, Ark.	Whalen
Flood	Minish	Widnall
Flowers	Mink	Williams
Foley	Mitchell	Wolff
Ford, William D.	Mollohan	Wydler
	Monagan	Yates
Forsythe	Moorhead	Yatron
Fraser	Morgan	Young, Tex.
Frenzel	Morse	Zablocki
Fulton, Tenn.	Mosher	Zwach
Fuqua	Moss	
Galifianakis	Murphy, Ill.	

NOES—147

Abbitt	Bray	Burleson, Tex.
Abernethy	Brinkley	Byrnes, Wis.
Archer	Broomfield	Cabell
Ashbrook	Brotzman	Caffery
Aspinall	Brown, Mich.	Camp
Baker	Brown, Ohio	Carter
Betts	Broyhill, N.C.	Casey, Tex.
Blackburn	Buchanan	Cederberg
Bow	Burke, Fla.	Chamberlain
Clancy	Hunt	Rousselot
Clausen, Don H.	Hutchinson	Ruppe
	Jarman	Ruth
Clawson, Del	Johnson, Pa.	Sandman
Cleveland	Jonas	Satterfield
Collier	Keith	Saylor
Collins, Tex.	Kemp	Scherle
Colmer	King	Schmitz
Crane	Kuykendall	Schneebeli
Daniel, Va.	Kyl	Scott
Davis, Wis.	Landgrebe	Sebelius
Dennis	Latta	Shoup
Devine	Lennon	Skubitz
Dickinson	Lent	Smith, Calif.
Dorn	Long, La.	Snyder
Downing	McClory	Spence
Duncan	McCollister	Springer
du Pont	Mahon	Steiger, Ariz.
Edwards, Ala.	Mann	Stephens
Erlenborn	Mathias, Calif.	Talcott
Fisher	Mathis, Ga.	Taylor
Flynt	Miller, Ohio	Teague, Calif.
Ford, Gerald R.	Mills, Md.	Thompson, Ga.
Fountain	Minshall	Thone
Frelinghuysen	Mizell	Vander Jagt
Frey	Montgomery	Veysey
Gettys	Myers	Waggonner
Goldwater	Nelsen	Wampler
Goodling	Nichols	Ware
Griffin	Passman	Whalley
Gross	Pelly	White
Grover	Pettis	Whitehurst
Hagan	Pirnie	Whitten
Haley	Poage	Wiggins
Hall	Poff	Winn
Hammer-schmidt	Powell	Wyatt
	Price, Tex.	Wylie
Harvey	Quillen	Wyman
Hastings	Rarick	Young, Fla.
Henderson	Roberts	Zion
Hosmer	Robinson, Va.	

NOT VOTING—51

Alexander	Ellberg	Price, Ill.
Andrews, Ala.	Evins, Tenn.	Pucinski
Arends	Gallagher	Railsback
Baring	Gubser	Rhodes
Barrett	Halpern	Riegle
Belcher	Hanna	Rodino
Bell	Harsha	Rostenkowski
Blanton	Hébert	Roybal
Blatnik	Hogan	Sikes
Bolling	Horton	Sisk
Broyhill, Va.	Jones, Ala.	Steed
Burton	Jones, N.C.	Stuckey
Byrne, Pa.	Kee	Wilson, Bob
Davis, S.C.	Landrum	Wilson, Charles H.
Derwinski	McClure	
Diggs	McKevitt	Wright
Dowdy	McMillan	
Edwards, La.	Michel	

So the amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. DEVINE TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. DEVINE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. DEVINE to the amendment in the nature of a substitute offered by Mr. HARVEY: Page 21, line 21, after the word "value" and add "(except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business)".

The CHAIRMAN. The gentleman from Ohio (Mr. DEVINE) is recognized for 5 minutes in support of his amendment.

Mr. DEVINE. Mr. Chairman, this is a corrective and clarifying amendment.

The committee will recall that when the chairman of the committee, Mr. HAYS, was discussing the situation that occurred during the Ohio elections last year having to do with candidates borrowing funds for campaign purposes, that we adopted an amendment in committee and we approved an amendment here but it confined itself only to the

Criminal Code Amendments when it related to a definition of "contribution." That appeared on page 14, line 16, of the bill.

If we move to the subject matter and address ourselves to the amendment in question, it has to do with page 21 of the bill under the disclosure features. It merely makes the definition of "contribution" at that point conform with the same definition under the criminal section. I believe the gentleman from Ohio is aware of the amendment.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from Ohio.

Mr. HAYS. I agree with everything the gentleman has said. This is in the nature of a corrective amendment to make the bill the same in both areas, and I think that everybody in the House would probably be in favor of it. I certainly support it.

Mr. DEVINE. Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. DEVINE), to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. KEATING TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. KEATING. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. KEATING to the amendment in the nature of a Substitute offered by Mr. HARVEY: Page 37, immediately after line 17, insert the following:

(b) It shall be the further duty of the Comptroller General to serve as a national clearing house for information in respect to the administration of elections. In carrying out its duties under this subsection, the Comptroller General shall enter into contracts for the purpose of conducting independent studies of the administration of elections. Such studies shall include, but shall not be limited to, studies of—

(1) the method of selection of, and the type of duties assigned to, officials and personnel working on boards of elections;

(2) practices relating to the registration of voters; and

(3) voting and counting methods.

Studies made under this subsection shall be published by the Comptroller General and copies thereof shall be made available to the general public upon the payment of the cost thereof. Nothing in this subsection shall be construed to authorize the Commission to require the inclusion of any comment or recommendation of the Comptroller General in any such study.

And redesignate the following subsection accordingly.

Mr. KEATING. Mr. Chairman, my amendment is designed to broaden the jurisdiction of the Comptroller General which is established in the hopes amendment to the substitute bill.

My amendment will give the Comptroller General the responsibiilty to contract independent studies on the problems of election administration and shall serve as a clearinghouse for this information. The Comptroller General is restricted from making any recommendations and is to provide information only when requested. He will not interfere with local and State governments.

Election day is the most important day in any democratic nation. When the Government fails to function efficiently on this day, a tremendous credibility gap occurs between the Government and the people. All of the sections of the bill are meaningless if we are unable to properly execute the election itself.

In Cincinnati this past election the citizens woke up the morning after the election to read in the paper:

There are no election returns to report. There won't be for three days.

A day later the papers reported:

The Hamilton County Board of Elections has tentatively agreed to start the count of all ballots of last Tuesday's election Sunday evening.

Research into this problem shows there have been numerous difficulties in election administration across the Nation.

In Detroit during the primary election the newspaper headline was: "Computers Foul Vote Count." Later when the general election occurred the paper in Detroit reported:

For the second time in a row the counting of Detroit's new punch card ballots turned into a colossal foul-up Tuesday night. Some computers broke down.

Similar stories have appeared in San Francisco, Atlanta, Los Angeles, and indeed in other cities across the Nation.

The magazine Computerworld reported a case in Philadelphia where:

James Martin, a candidate for judge in the recent primary election was almost "elected" by errors in keypunching.

This amendment will allow for State and local officials to turn to a national center or clearinghouse for information on good and bad ideas on voting systems. The center also will collect information on the responsibilities and duties of board of elections officials and personnel, plus the maintaining of registration list and any other problems that plague the effective administration of elections. Hopefully with information officials will be able to carry out their responsibilities on election day in the most efficient manner possible.

It is my understanding that the gentleman from Minnesota (Mr. FRENZEL) and the gentleman from Ohio (Mr. BROWN) and the gentleman from Ohio (Mr. HAYS), the Chairman, are in agreement with this amendment.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, this amendment was proposed to us a long time ago. It seems to us it is a reasonable inclusion for the duties of the supervisory authority without giving them authority in local elections, but it does provide for them a central marketplace for ideas.

Mr. KEATING. Mr. Chairman, I thank the gentleman for his comments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KEATING) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. BINGHAM TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. HARVEY

Mr. BINGHAM. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. BINGHAM to the amendment in the nature of a substitute offered by Mr. HARVEY:

Page 13, after line 2, insert a new title as follows:

"TITLE II

"SEC. 201. No candidate for federal elective office may expend, in a primary, primary runoff, or general election, an amount in excess of the limitations imposed by Section 104 of Title I (for the use of communications media) for the following purposes: (a) telephone campaigns, including the cost of telephones, paid telephonists and automated equipment, when telephones are used in banks of five or more instruments to communicate with potential voters, (b) postage for computerized or identical mailings in quantities of 200 or more. Amounts expended for the use of communications media as provided in Section 104 of Title I will be charged against the limitations imposed by this section."

And renumber the following Titles and sections accordingly.

Mr. BINGHAM. Mr. Chairman, earlier I spoke of the amendment that I had intended to offer to the substance of the Macdonald bill, which we have already adopted. This amendment, which I have worked out with the assistance of some of the experts in this House—and I am indebted to them—provides for the same kind of compromise I was talking about before.

What the amendment does is to add two categories to those categories which are the subject of the limitations of title I, and the two categories are organized telephone campaigns and organized mailings using computerized or identical mailings in the quantities of 200 or more. As far as the mailings are concerned, only the postage is covered, and as far as the telephones are concerned, the cost of the telephones or paid telephonists or of automated equipment would be covered. These items are readily identifiable, they constitute a major share of the cost of congressional campaigns in many districts, and if we do not include something of this kind, and if we then adopt the Senate substitute, we will have left a major gap in the coverage intended by this bill.

This does not go as far as the Hays bill, which I personally supported. It does not call for a ceiling across the board covering all expenditures. I myself felt that that effort should be made, but an argument has been raised against that, that all kinds of expenditures would be subject to argument. Do we include this and do we not include that under the ceiling?

If this amendment is adopted we will have five clearly defined, identifiable categories of expenses which cover the major expenditures in the various campaigns we are trying to provide for. I would submit to the committee that this

offers a compromise position between the limited coverage in the Senate bill, the Harvey substitute, and the complete coverage in the Hays bill as it emerged from the Committee on House Administration.

I would hope very much that this amendment would be acceptable to the chairman of the committee and to others who heretofore have supported the complete provisions in the Hays bill, and that it would also be acceptable or at least not objectionable to those who have favored the Senate bill as it emerged from the Senate.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Ohio.

Mr. HAYS. I had hoped, of course, we could get a bill that would set a top ceiling on expenditures for Congress, for the Senate and for the President. The original bill which came out of the Committee on House Administration set a limit of $50,000 for congressional races, 6 cents times the population of a State or $50,000 whichever was larger for senatorial races, and 6 cents times the population of the United States for the presidential races. That would be the ideal I should like to shoot for, but, as I said earlier, I am a practical man. I sense that the House does not want to go along with that type of complete limitation, so as a compromise I certainly support the position of the gentleman from New York, because with this amendment and the categories already covered in the Macdonald of Massachusetts amendment we would have the five principal categories of expenditures placed under limitation; namely, telephone, direct mail, radio and television, and newspapers and outdoor advertising.

I could say to the Members, while this does not meet my ideal, some of the press which has been howling for reform and wanting much less than this, apparently, saying that the Senate bill was a great bill—I did not think the Senate bill went far enough—should be informed that I think, with a couple of other minor amendments, I might be in a position to say, "Yes, I will buy the substitute and we can finish up this evening and have a bill perhaps not as complete as some of us might like but one certainly better than what we have now."

Mr. BINGHAM. I thank the chairman very much.

Mr. MACDONALD of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Massachusetts.

Mr. MACDONALD of Massachusetts. I sympathize very much with the gentleman's position. As I said earlier today, candidates from large cities and congressional districts cannot use TV and radio very effectively. But I would ask the gentleman, is this not sort of a backdoor way of amending title I, which has already been adopted?

Mr. BINGHAM. I would say to the gentleman, no. This adds a new title. It is not in any way a violation of the rules under which we are proceeding. I have discussed it with the parliamentarian.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. BINGHAM was allowed to proceed for 1 additional minute.)

Mr. BINGHAM. I should like to say I am sure that this is perhaps not the most artful way to accomplish the purpose, but I would also assume in conference the conferees would be able to work it out so that the gist of these provisions could be added in an orderly way.

I yield to the gentleman from Michigan (Mr. HARVEY).

Mr. HARVEY. I thank the gentleman for yielding.

I very reluctantly have to oppose the gentleman's amendment. I know that he is sincere in seeking a compromise here, but I would say to the gentleman that what the Senate is trying to do and what the Macdonald bill is trying to do is to establish certain categories that could be very easily enforced.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. HARVEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, what the Senate in their deliberations in the other body finally agreed upon is very similiar to what the deliberations of the Interstate and Foreign Commerce Committee were and what they finally agreed upon. What both were trying to do was, somehow to find some criteria that could be enforced. This is awfully important. It is one thing to set an absolute limit on what any person can spend in his campaign. It is another thing for anyone to have to prove that person has spent more than that particular limit. It is very difficult to prove that more than that limit has been spent. But if you do limit it to certain readily identifiable and readily provable categories, this can be done. That was the whole intent, I might say, of limiting it to broadcasting, to newspapers, to magazines and then yesterday, by the Frey amendment, enlarging it, as we did, to include outdoor advertising as well.

Certainly the cost of telephones and the cost of the people to man the telephones are a bona fide election expense for any particular candidate. I would guess that the cost of the telephones themselves could probably be proved very easily, but when we get into the telephonists themselves and how much the candidate is paying that particular person, we are getting into a category which is very, very difficult to prove.

Mr. Chairman, as I say, I know the amendment is offered in good faith and the gentleman wants us to enlarge these categories, but for these reasons I must oppose it.

Mr. HAYS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, in my opinion, this amendment plugs up the most serious loophole in the Senate bill.

I do not know whether some Members are aware of it or not, but it is possible to go to certain computer firms and for a tremendous amount of money buy an address, an inside address, a "Dear Mr. Jones" letter to everybody in your district in different categories if you want to compose different letters. Now, that would run in the normal district about $100,000 or more. This is not covered in any way, shape, or form in the so-called substitute, and all Mr. BINGHAM is trying to do is to bring this kind of expenditure under the limitation.

For those of you who depend on radio and television, that is fine, but there are a number of districts where the Members do not use it much, and this subjects them to the same kind of a blitz that everybody here has been deploring with regard to television and radio. This is easily proved, because if you buy computerized mail, you have to report it, and if you do not report the correct amount, they can go to the firm and, if necessary, subpena the records and find out how much you did spend.

The same thing with computerized telephones. That is what this is directed to. Nobody is going to say very much or do very much if you have volunteers.

As a matter of fact, they are specifically exempted. This is banks of computerized telephones which again run into tremendous sums of money, and if this amendment is adopted, then the substitute becomes a real campaign limitation bill and I think it is one that all of us should support and one with which we can live.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I would like to associates myself with the gentleman's remarks.

In our committee in talking over these things we were trying to figure every possible loophole we could within the jurisdiction of our committee. However, some of these are outside the jurisdiction of our committee. I think in order to have an effective bill this would very much improve it.

Mr. HAYS. I thank the gentleman.

Mr. Chairman, I would say that there has been a lot of talk about compromise. I have attempted and endeavored to compromise. As I said earlier, if we can get a real limitation here in the form of this amendment—perhaps, the language will have to be changed a little in conference and be made more specific with reference to telephones; I do not know—but this will be a bill with which we can live.

Further, if two other minor amendments are accepted to the substitute and if the House adopts the substitute, then we can call it a day.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Would the gentleman give me some kind of description of "postage for computerized or identical mailings in quantities of 200 or more"?

The gentleman is chairman of the House Administration Committee and as such that committee makes available to Members of Congress reproduction machinery which can reproduce letters from a tape system as well as other kinds of equipment which can produce what I would call "computerized mailings" and "computerized letters."

XUM

Is it my understanding that postage for computerized identical mailings in quantities of 200 or more would cover any mailing made by a Member of Congress that would exceed 200?

Mr. HAYS. No, it would not. The gentleman lives under an identical provision as this in the Ohio law. The gentleman mails out campaign literature asking "Vote for Mr. Brown" and if he does so he must put a stamp on it and he must include the cost of the printing, the cost of the stuffing, and the cost of the postage.

This requires that if you send out something that you cannot send out under a frank in quantities of 200, you have to report how much it costs.

Mr. BROWN of Ohio. Mr. Chairman, if the gentleman will yield further, suppose I send out a letter telling what a wonderful job I did in voting on a particular bill of interest to farmers or businessmen in my district and it is a computerized letter?

Mr. HAYS. Are you going to send it out under your frank or not?

Mr. BROWN of Ohio. Suppose it is sent either way?

Mr. HAYS. If you send it under your frank it does not count; otherwise, it does. Your conscience has to be the guide as to whether or not it is campaign literature.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent (at the request of Mr. BROWN of Ohio) Mr. HAYS was allowed to proceed for 1 additional minute.)

Mr. BROWN of Ohio. Suppose I send it out with a stamp.

Mr. HAYS. Then, you have to report it.

Mr. BROWN of Ohio. Because it has a stamp it becomes a campaign expense?

Mr. HAYS. If in your judgment it has become a campaign document. If you send it out this year under a stamp this year or under a frank and say, "I voted for the election reform bill" as a matter of information, I would assume you would send it out under your frank and it would not be covered. However, to send it out 2 weeks before the election in my opinion it would be a campaign document and would be covered.

Mr. BROWN of Ohio. What would be the limit in terms of time under this provision with reference to mailings? Would the gentleman tell me when it becomes all right? If it is not all right 2 weeks before the election, is it all right 2 months before the election?

Mr. HAYS. I cannot set a specific limit of time. As the gentleman knows, some Members send out what purports to be a newsletter 2 weeks before the election, and it has been ruled to be a newsletter, if it is not blatantly political. So it would have to be a bona fide newsletter or a campaign document.

Mr. BROWN of Ohio. So, this becomes a kind of a guessing game?

Mr. MACDONALD of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to clarify in my own mind, and I suppose other Members have the same question in their mind—I would like to ask the gentleman from New York (Mr. BINGHAM) if there is some definition of the word "banks" as far as telephones are concerned?

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman.

Mr. BINGHAM. Bank is described as five or more telephones in the same place. I think the word is commonly understood. I do not believe it is a technical term.

Mr. MACDONALD of Massachusetts. I would just like to point out to the gentleman what troubles me, and the gentleman from Ohio (Mr. HAYS) indicated that perhaps this will be cleared up in conference, but I would like to have the gentleman clear up what he has in mind because in my area, in my particular district, we have people who volunteer to come in and use a telephone, and they call their friends, or they call throughout a ward, or call an area, would that be included in this bill within this amendment?

Mr. BINGHAM. Where you have——

Mr. MACDONALD of Massachusetts. If I had, for example seven telephones that were used for calling at once, would they be precluded from the jurisdiction of your amendment?

Mr. BINGHAM. If you had seven telephones being used for calls for the purpose of contacting the potential voters, I would say they would be included, yes. People you know who may work on their own time, on their own phones, they would not be included.

Mr. MACDONALD of Massachusetts. Would you think that there would be some sort of difficulty with the first amendment about this, people who want to call their friends, who are we to say they cannot call their friends?

Mr. BINGHAM. No. I do not say that. That is precisely why it is worded this way. It would not prevent or interfere with someone who wants to call his own friend from his own telephone. What we are talking about are telephones installed in banks, and I have done this in campaigns myself, 20 or 30 telephones, and you attempt to get volunteers to do it. And we have gotten volunteers to do it, but the expense is certainly quite substantial, particularly in the city of New York where you pay for each individual telephone call. But this was particularly drawn to exclude the individual who on his own time and on his own phone calls up his friend.

Mr. HAYS. Mr. Chairman, would the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Ohio.

Mr. HAYS. Even if you have banks of telephones manned by volunteers, the only expense you have to report is the telephone expense, you do not report any costs for the volunteers.

Mr. MACDONALD of Massachusetts. That is right, obviously not. But, say you have very generous friends, and they are willing to put in different phones that you do not pay for, and they are doing it on their own, they are paying for the phone, and they are giving you volunteered service, would they be covered by this?

Mr. BINGHAM. If the gentleman will yield, I think the answer there would be the same as the case under the gentleman's bill for a friend who takes a newspaper advertisement on his own and whether this would be covered. I do not believe there is any substantial difference in that, and the organized phone campaign. If it is conducted for the benefit of the candidate, then I think it would come within the limitation provided there are five or more in one place.

Mr. HAYS. Mr. Chairman, would the gentleman yield further?

Mr. MACDONALD of Massachusetts. I yield further to the gentleman from Ohio.

Mr. HAYS. If you have 100 friends who said, "I am going to put on a telephone campaign," and they divide the phone book up into 100 different sections, and they do it on their own time and on their own phone, that would be all right. It is only if you pay for it.

Mr. MACDONALD of Massachusetts. I thank the gentleman.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, it seems to me that we are going far afield for the purpose of this bill that we have before us. We have already established limitations on the five main categories that we have a reason primarily to put limitations on, the radio, television, newspapers, billboards, and printed material. If we carry this into all other categories you are going to put yourselves—or your opponent—out of business. How far do you go in this?

You add the telephone business, you add the other category—the computerized mail—that he has listed in this particular amendment, I say to you you could put 50 more items in. Are you going to charge for just any kind of telephone in the headquarters? Or are you going to charge for putting furniture in the headquarters?

Are you going to charge for transportation of all kinds? Are you going to have to account for bringing any speaker into your district? Are you going to have to account for all kinds of recreation, food, drinks, including, perhaps, some beer or Coke parties or other entertainment?

Where do we stop? I say that we have already adopted the five categories. We have jurisdictional rights to make limitations in these categories. Our State laws will govern other costs. You keep on and you could put yourself out of business. Some of you pure in heart want to write a bill that the Post and the Star would like. I want to write a bill that I think would be fair to the people in office and the people who would be running against them.

I think you have stretched this so far that you take it clear out of the realm of practicality. I hope you use some judgment here and do not get carried away with the emotion of the moment by saying we are going to account for every conceivable cost in addition to the five categories. I just do not think that is feasible and I think it is going too far.

We have already have these five categories in the bill. I say that that is enough unless there is a bigger and overpowering reason, but I do not think that there is any such overpowering reason that we should try to detail 50 other categories. I just think we ought to close this thing off and vote down this amendment and I say this without any sense of derogation at all at the gentleman from New York.

I just think we ought to stay with this and stop there and quit trying to find trouble areas for individuals who want to try to run for office.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman.

Mr. HAYS. Mr. Chairman, I want to thank the gentleman for yielding and to say to the gentleman from Texas that we are not trying to kill anybody.

If $50,000 is not enough to get elected in Texas—we are only limiting radio and television and billboards and newspapers and if this amendment is adopted, banks of telephones and computerized mail.

We are not putting in anything about your beer parties—I do not know how many votes you can get with them, but as many as you can—go ahead. We are not putting in anything about spending money for banquets or about buying balloons to pass out at fairs or nail files or matches and all of those categories. There is nothing like that.

There are plenty of States where you have to report everything. Of course, there are not very many States where you can raise as much money as you can in Texas, but there are plenty of States where you have to report every dime that you spend. We are not trying to do anything to you Texans. We are just saying that in these five categories, you cannot spend over $50,000 and on all the rest the sky is the limit—let the money come from where it may, presumably.

Mr. PICKLE. Mr. Chairman, will the gentleman from Virginia yield?

Mr. ABBITT. I yield to the gentleman.

Mr. PICKLE. We have five categories now under title I, and you have added two more categories. Why don't you put in fingernail filers and pencils and all of those things?

Mr. ABBITT. And beer parties.

Mr. PICKLE. All of those things go for many who have been elected.

I am just saying as a practical matter—try to be reasonable about it. I just say we have gone far enough.

Mr. ABBITT. In Virginia we have to report all expenditures and we do not have any trouble. I think this is a very mild and a very reasonable amendment. I hope very much it will be accepted.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman.

Mr. HAYS. This amendment only plugs up the biggest loophole of all—computerized mail can be the most expensive thing and can put a candidate of modest means out of business.

Mr. McKINNEY. Mr. Chairman, I would just like to rise and support your remarks on this amendment.

For those of us who live in large urban areas and cannot afford the TV market and cannot afford newspaper ads, the boilerroom and computerized mail operations have become one of the most vicious unreported campaign tactics going. I will support this amendment to bring that under control.

Mr. ABBITT. As a matter of fact it is a very modest amendment and only applies to mailings and telephone banks and would not apply to any volunteer workers.

Mr. Chairman, I hope the amendment will be adopted.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and Members of the Committee, this was one of the very important features which was not in the Senate bill and is in the House bill. Of course, the House bill is much stronger. Nevertheless, in working this out on the floor of the Senate, a very delicate compromise was reached between the majority and the minority and, we are told, concurred in by the White House.

To go beyond that delicate balance may imperil this bill and will certainly make it less of a reform measure.

In the second place, Mr. Chairman, these expenditures are really not auditable. You can disperse your mailing of letters in such a way that nobody in the world can possibly audit you.

You can break down your campaign telephones into fours or fives any way you want to to subvert the definition of the gentleman from New York as to what a bank of telephones is.

Mr. Chairman, these expenses are not verifiable.

In the third place, this particular provision extends the advantage of the incumbent over the challenger, which is delightful for all of us who are incumbents, but there are very few people who speak in the name of the challenger. If a challenger is to do a boilerroom or computer mailing under the limitations imposed here, he could do but three such mailings. In the meantime, there is nothing to prevent any of us from rolling out the same kind of mailing on a weekly basis under our frank, using any kind of mailing or newsletter we would choose to employ.

Mr. Chairman, we have staff. We have telephone privileges. We have access to the media. We have a vast arsenal of weapons with which we can campaign in a legitimate way, and we are not subject to the limitations that a challenger would have. This provision unfairly loads this bill toward the incumbent and against the challenger.

Finally, Mr. Chairman, it broaches the limits of the Macdonald amendment and threatens the expenditure limits that the House has voted upon in the last 2 days. By putting these two items in our expense limitations, we would limit that which we thought would be desirable under the Macdonald amendment.

The gentleman from Texas has correctly stated the problem. This amendment is not meritorious. We have made two decisions in the last 2 days in this House in favor of a 10-cent limitation for media expense. To go beyond that would imperil the passage of this bill. It would be very unwise to give ourselves such additional advantages as to make our vote hardly credible to the public today.

I yield back the balance of my time.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment cease in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. PODELL).

Mr. PODELL. Mr. Chairman, I support the amendment offered by the gentleman from New York. But I would like to point out to the House that it does not do the trick, nor does it answer the problem that many of us have.

I was involved in a campaign in which my opponent opened up 11 offices, 11 store fronts, each with large billboards, distributing millions of pieces of literature. And there is nothing that prevents an opponent of yours from doing the very same thing, even with the Bingham amendment. I think what we have got to do is to provide an overall limitation on campaign expenditures. If you do not do that, then the bill you are passing today is not worth the paper it is printed on. If any man can go into a district and spend a million dollars to beat you in your seat, let me tell you that for a million dollars he is going to beat you. If that is the kind of thing you want, that is what you are going to get, unless you limit the total amount that a candidate can spend.

One gets to wonder at times whether or not the office held by a public official has that much value, where people spend millions of dollars to try to win it. I ran against a multimillionaire the last time I ran in 1968. Believe me, I know what it means to fight that kind of money. The man organized his own party. He had no major endorsement at all. He had no party affiliation. He organized a brand new party. And I barely beat him by a few thousand votes. That is what could happen in a campaign where money is the major commodity.

I think the people of this country need public officials who are dedicated, who are interested and committed to public life, not people who are millionaires and have nothing else to do but run for public office.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The question was taken; and on a division (demanded by Mr. HARVEY) there were—ayes 80, noes 48.

So the amendment to the amendment in the nature of a substitute was agreed to.

Mr. DEVINE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, last night the Evening Star contained a story about the financ-

ing of the GOP National Convention in San Diego. The story raises a matter which I feel we must clarify as we address ourselves to the issues of reforming the Federal election campaign laws.

Every 4 years major cities throughout our Nation bid for political conventions. These conventions bring business to the cities that far exceed the moneys proffered by them to attract the convention. Not only do they bring business, but they focus national attention on that city as a convention city and this in turn brings more conventions and more business. The convention business is, indeed, a vital part of the financial life blood of our cities.

It has been noted, however, that the Federal law is "gray" or "fuzzy" regarding the necessary activities of the cities in raising bidding money, goods, and services to attract political conventions. I agree that the law is gray and fuzzy in that it is silent, but I think that the legislative history of the Corrupt Practices Act of 1925 and the years of practice under that law are very clear. For example, I note that the Internal Revenue Service has ruled that a corporation may take a deductible business expense for contributions to a committee organized to bring a national political convention to the locality in which the taxpayer is engaged in a trade or business, provided such contributions are made with a reasonable expectation of a commensurate financial return, Revised Ruling 55–265, 1955–1, CB22. Also it is a deductible business expense for any amount paid or incurred for advertising in a convention program of a political party distributed in connection with a convention held for the purpose of nominating candidates for the offices of President and Vice President, provided, first, the proceeds from the program are actually used solely to defray the costs of conducting the convention, or a subsequent convention held for the same purpose; and, second, the amount paid is reasonable in light of the business the taxpayer may expect to receive directly as a result of such advertising, or as a result of the convention being held in an area in which the taxpayer has a place of business. See IRC 276(c).

Since most of these goods, services, and funds must come from local merchants, hotels, and the like, and most of these businesses are corporations, I do not believe that it was ever the intent of the Congress nor has it been the intent of this reform legislation, to place restrictions on corporations contributing to cities to enable them to bid for political conventions. Of course, I am referring to corporations that do business in that city and corporations that would properly anticipate a return on their expenditure in the form of more business.

Mr. Chairman, I had considered offering an amendment addressing itself to this problem, but after reviewing the legislative history of the 1925 act, the many years of practice under that act, the extensive hearings that have been held regarding the needed reforms under the old law and discovering that this problem has never been deemed to be an improper practice, and discussing this matter with a number of my colleagues, I do not feel that it is necessary. The old law is very clear that it does not prohibit such corporate contributions and the amended language of the new law referring to "contributions" and "expenditures" makes it even clearer that such corporate contributions are not within the proscriptions of the Federal law.

I am raising this matter to make it very clear in the legislative history of this reform legislation that such contributions by corporations are not improper expenditures or contributions. To the contrary they are very healthy expenditures in that they benefit not only the city, but also the corporation, and help defray the increasing cost of the convention phase of our campaign process. I hope that by raising this matter at this time there will no longer be a "gray" or "fuzzy" problem in interpreting the Federal law.

AMENDMENT OFFERED BY MR. UDALL TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. UDALL. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment Offered by Mr. Udall to the Amendment in the Nature of a Substitute Offered by Mr. Harvey: Page 44, line 16, strike out "title" and insert in lieu thereof "Act".

Page 44, line 18, strike out "title" and insert in lieu thereof "Act".

Mr. UDALL. Mr. Chairman, before we finish marking up the Senate bill I have two clarifying amendments, and I do not believe there is much opposition to them, and I hope they will be accepted.

The first one deals with the severability clause in the Harvey amendment, which is the Senate bill. On at least half of the amendments which have been before us in this debate someone has raised a question whether a particular provision or a particular amendment is constitutional or unconstitutional.

The Senate language has a very limited severability clause, limited just to title III of that bill. All this amendment will do is to strike out "title" and insert in lieu thereof "Act" so that we will have a workable severability clause applying to the entire bill, and if any one of these clauses should be held to be unconstitutional we will make sure it does not affect the balance of the act.

I hope the amendment will be accepted, and then I can offer the next amendment, which I hope will not be any more controversial.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. Udall) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. Harvey).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. UDALL TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. UDALL. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Udall to the amendment in the nature of a substitute offered by Mr. Harvey: Page 44, strike out lines 5 through 9 and insert in lieu thereof the following:

"EFFECT ON STATE LAW

"Sec. 313. (a) (1) Nothing in this Act shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of this Act.

"(2) Notwithstanding paragraph (1), no provision of State law shall be construed to prohibit any person from taking any action authorized by this Act or from making any expenditure which he could lawfully make under this Act."

Mr. UDALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Chairman, I have offered this amendment at the request of several of my colleagues. It deals with the conflict between the new Federal law we are going to have and the 50 State laws. Some of the State laws are very ancient and have unrealistic and unworkable spending limitations and all the rest.

This amendment comes in two parts.

The first deals with the dilemma one might have, where, by complying with the reporting provision in the Federal law one would violate the State law, or, by complying with the State law, would violate the Federal law. So the first half of the amendment says:

Nothing in this Act shall be deemd to invalidate or make inapplicable any provision of any State law, except where compliance was such provision of law would result in a violation of a provision of this Act.

That simply says that one does not violate a State law when one complies with this Federal law.

The second half of the amendment deals in a more affirmative fashion with this conflict of State and Federal law problem, and it says that:

No provision of State law shall be construed to prohibit any person from taking any action authorized by this Act or from making any expenditure which he could lawfully make under this Act.

Let me give you an example. One Member here tells me in his State there is a very rigid provision which limits him to about $5,000. The new Act will have a $50,000 limitation in it. All this amendment says is you can spend up to the amount authorized by the Federal Act without regard to a lot of old, obsolete State Acts. I do not know of any controversy. I hope it will be adopted.

Mr. STRATTON. Will the gentleman yield?

Mr. UDALL. I yield to the gentleman from New York.

Mr. STRATTON. I wonder if you can explain that last point again. Which provision of your amendment deals specifically with it? It is my understanding you are using the same language as appears in the Frenzel substitute, which refers to cases where "compliance with such provision of State law would result in a violation of the provisions of this

title." If you have a State law that limits you to an unrealistic total of $5,000 and the only way you can conduct a campaign is to set up separate committees, then if you are going to report properly under this new Federal bill, you would have to report amounts greater than the state limit of $5,000.

Mr. UDALL. This says you can do that without violating State law.

Mr. STRATTON. I want to make sure that the gentleman's wording actually does take care of that situation.

Mr. UDALL. Let me assure the gentleman from New York that it does. I checked this with staff counsel and with the Legislative Reference Service and double-checked it and submitted it to two or three Members who are very concerned about being prosecuted under State law, and everyone agrees that it does the job.

Mr. STRATTON. I thank the gentleman. I think it is a very necessary amendment.

Mr. GROSS. Will the gentleman yield?

Mr. UDALL. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. In both instances the gentleman changes "title" to "Act," does he not? In both amendments.

Mr. UDALL. Well, I did change the word to "Act" so it applies clear across the board. That is right.

Mr. GROSS. In both instances and in both amendments—

Mr. UDALL. Yes.

Mr. GROSS. The gentleman referred to title.

Mr. UDALL. I thank the gentleman for his clarification.

Mr. McKAY. Will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. McKAY. With your amendment, for example, in my State there is a total limitation on all campaigns, primary and general, of $50,000. Would this then have the effect of doubling the opportunity for spending, in my State considering the two, both primary and general?

Mr. UDALL. No, it would not. The Federal law would apply in that case, and you have to comply with the Federal law. Under the Symington amendment of yesterday you cannot use money from your primary $50,000, in effect, for the general election.

Mr. McKAY. But is not the present law we are working on granting $50,000 as a maximum for each election, primary and general, totaling $100,000?

Mr. UDALL. $50,000 for the primary and $50,000 for the general.

Mr. McKAY. Which is $100,000.

Mr. UDALL. Yes.

Mr. McKAY. But in my State there is a total for those two elections of $50,000 for both.

Mr. UDALL. And a candidate would be able to spend up to $100,000, $50,000 in each election, by my amendment.

Mr. McKAY. My State is one of those that have been a little more progressive in working on this issue. Therefore, I feel bound to oppose the amendment, because it doubles the potential expenditure in my State.

Mr. PODELL. Will the gentleman yield?

Mr. UDALL. I yield to the gentleman from New York.

Mr. PODELL. I thought you mentioned a moment ago that there was a limitation of $50,000 on expenditures. That is not the case here. There is no limitation here.

Mr. UDALL. On some expenditures. Under the Bingham amendment, which we just adopted, it is $50,000 on these five categories.

Mr. PODELL. Yes. But it is possible to spend at least $100,000 in other categories and still be under the provisions of this bill.

Mr. UDALL. In that event, if you had a State law which prescribed a limitation on the other expenditures, the State law would apply.

Mr. PODELL. But if there is no State law, there is no limitation in the bill.

Mr. UDALL. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. Udall) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. Harvey).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PODELL TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. PODELL. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

Mr. Chairman, I ask unanimous consent that the reading thereof be waived and the amendment be printed in the Record, and I will explain the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. GERALD R. FORD. Mr. Chairman, reserving the right to object, is the gentleman from New York asking that we waive the reading of the amendment?

Mr. PODELL. Mr. Chairman, if the gentleman will yield, only for the purposes of clarification.

Mr. GERALD R. FORD. How long is the amendment?

Mr. PODELL. It is a very brief amendment, but a number of pages had to be reordered in order to get to the meat of the amendment. If I could have the opportunity to explain it—if the gentleman will reserve his objection——

Mr. GERALD R. FORD. Has the gentleman from New York provided us with copies of the amendment?

Mr. PODELL. No, I have not.

Mr. GERALD R. FORD. Then, Mr. Chairman, I object.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Podell to the amendment in the nature of a substitute offered by Mr. Harvey: Page 45, insert after line 14 the following:

OVERALL EXPENDITURE LIMITATIONS

Sec. 402. (a) For purposes of this section:

(1) The term "election" means (A) any general, special, primary, or runoff election or (B) a convention or caucus of a political party held to nominate a candidate.

(2) The term "candidate" means an individual who seeks nomination for election, or election, to the office of Representative, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (A) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to such office, or (B) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office.

(3) The term "Representative" means the office of Representative, or Delegate or Resident Commissioner to the Congress.

(4) The term "political committee" includes any committee, association, or organization which accepts contributions or makes expenditures for the purpose of influencing or attempting to influence the election of one or more candidates for Federal elective office.

(5) The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift, of money, or property or services of significant value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

(6) (A) For purposes of paragraph (5), the term "money, or property or services of significant value" includes money in any amount and services or property (other than money) the value of which exceeds $25.

(2) Notwithstanding paragraph (5) and subparagraph (A) of this paragraph, the term "expenditure" when used in this section shall not include (i) the rendition of personal services for which no compensation is paid to the individual rendering the services, or (ii) an individual permitting a candidate or political committee to use the individual's nonbusiness property or his nonbusiness telephone (but not including toll calls) or similar service.

(b) Notwithstanding any other provision of this Act, the aggregate amount of expenditures made by any candidate for Representative or on behalf of his candidacy—

(1) may not exceed the limitation determined under subsection (c) in any general election,

(2) (i) may not exceed the limitation determined under subsection (c) in each primary, or primary runoff, in which he is a candidate and which is held to select candidates for Representative for any general election.

(b) The limitation applicable to any election for Federal elective office is $50,000.

(d) For purposes of this section, an expenditure shall be regarded as having been made on behalf of a candidate if it is made at the direction, request, or with the consent of the candidate or of any political committee supporting his election or agent thereof.

(e) Any person who violates this section shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(f) This section shall apply with respect to elections occurring after December 31, 1971.

Mr. GERALD R. FORD (during the reading). Mr. Chairman, I will withdraw my objection, but reserve the right to object until the explanation by the gentleman from New York.

The CHAIRMAN. Does the gentleman from New York (Mr. Podell) desire to make a unanimous-consent request?

Mr. PODELL. Yes; I do, Mr. Chairman, so as to explain the amendment.

I ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the Record.

The CHAIRMAN. And the gentleman from Michigan (Mr. Gerald R. Ford) reserves the right to object to that request?

Mr. TIERNAN. Mr. Chairman, I also object.

The CHAIRMAN. Does the gentleman from Rhode Island object?

Mr. TIERNAN. Yes, Mr. Chairman, I object, because we are halfway through the amendment, or more, at this stage, and it should be read, since we do not have a copy of it.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk concluded the reading of the amendment.

Mr. PODELL. Mr. Chairman, that long amendment that was just read by the Clerk does but only one thing: It provides that notwithstanding the provisions of title I, and notwithstanding any other provisions of the bill before us, the total amount that can be expended by any candidate in a primary election or in a general election is $50,000 for each election.

In other words, if you have a primary you can spend up to $50,000. If you have a general election you can spend an additional $50,000, subject, of course, to the provisions passed by the gentleman from Missouri (Mr. SYMINGTON) in that the moneys cannot be carried over from one election to the other.

I bring this amendment to the attention of the House because I believe that there comes a point in time when more than enough money is spent on elections for public office—particularly to elections in the House. This does not include elections in the Senate, obviously, nor does it include elections for the President.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. PODELL. I yield to the gentleman from Texas.

Mr. KAZEN. What about runoff elections after the primary?

Mr. PODELL. You would have the right to spend $50,000 in each election that you are compelled to be in.

Mr. KAZEN. Mr. Chairman, if the gentleman will yield further, if I understand the gentleman correctly, a runoff election, is a separate election, and $50,000 would be the limit for the runoff election itself?

Mr. PODELL. For each election. A runoff election is obviously a separate election.

Mr. KAZEN. But it is in the primary system.

Mr. PODELL. But it is a separate election.

Mr. KAZEN. Therefore, the gentleman is talking about $150,000 if a candidate has a primary, a runoff, and a general election; am I correct?

Mr. PODELL. That is right, if you have three campaigns, yes.

Mr. KAZEN. I thank the gentleman.

Mr. PODELL. There is one additional thought that I would like to commend to the attention of this body, and I have mentioned this before. While we are sitting here there are people who are running against us, campaigning against us and taking advantage of the fact that they are at home, talking to our constituents, while we are here trying to pass legislation for the benefit of the country.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I understand what the gentleman from New York is trying to do, and I sympathize with the gentleman, but I would point out to the gentleman that in title I we have already covered that subject, and have put in a cost-of-communications escalator in which, as the cost of communications grow, then the amount of money that can be spent in that area can also grow. It seems to me that if the amendment offered by the gentleman from New York (Mr. PODELL) is adopted that this would put an artificial ceiling on what the House has already adopted. Therefore I urge the defeat of the amendment.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not at all sure that I understand this amendment. In the first place, none of us over here have seen the amendment at all. We have heard it read and it is impossible to understand from the way it was read.

Mr. PODELL. Mr. Chairman, will the gentleman yield to me to explain the amendment to him?

Mr. HARVEY. I do not yield to the gentleman at this time, but I will ask the gentleman some questions in just a minute.

I do want to protest what you are going to do here. Yesterday we adopted what I thought were some amendments in title I and today we adopted the Macdonald amendment where we affirmed what we said today and we agreed we were not going to plow up old ground.

Now it seems we are doing just exactly that. You seem to be putting in another limitation now on what a candidate can spend here.

This, as I understand it, is a complete overall limitation disregarding completely the number of people of voting age in a district over 17 years of age as spelled out in the Senate bill and as spelled out in the Macdonald bill.

There is no difference at all. It is a flat amount—any candidate for Congress can spend, as I understand it, $50,000; is that correct?

Mr. PODELL. That is correct.

Mr. HARVEY. Well, I will say to my friend that I seriously object to that. I think it discriminates very sharply against any district that happens to be a large district and that happens to have over 500,000 people—and it is bound to happen in the next period of the census. I do not think that was intended at all.

Mr. PODELL. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman.

Mr. PODELL. Under the one-man one-vote—I think we can agree that most of the districts in the country will eventually at that time be uniform. So, therefore, we will all be operating at the same advantage or disadvantage from the population point of view.

Second, as to the question of the amount of limitation in the Macdonald amendment, it simply means if it is limited to one who spends $50,000 on television, he can do it. But if he is going to spend $50,000 on television, he just cannot go out and buy bumper stickers and placards—that is it—it is the limit. You might call it a poor man's limitation.

But there are certain Members—perhaps millionaires who want to enter into campaigns and spend hundreds of thousands of dollars—and they campaign for Congress. I think it is wrong.

Mr. HARVEY. May I ask my friend another question.

Does this do away completely with categories of expenditures that were set up—the broadcasting media, newspapers, magazines, and outdoor advertising and just recently postage and telephones?

Mr. PODELL. It does not. It says, "Notwithstanding any of the categories aforementioned, no candidate can in any event expend more than $50,000."

That is all the amendment does.

Mr. HARVEY. I still say to my friend, I am beginning to understand this better now, but I still do not see any reason why you should discriminate here against the person who has a really large district and this seems to me exactly what you are going to do.

Mr. PODELL. I discriminate only against a person who has a real large amount of money.

Mr. HARVEY. Under the Macdonald amendment that we agreed to here, we are talking about 10 cents a vote. Now that 10 cents a vote can conceivably before 1980 when the next census is taken mean a very great deal to some candidate or to some challenger in a district that suddenly mushrooms into the suburbs, of 800,000, and it takes place over and over again.

Mr. Chairman, I do not see any reason at all why you should set up a limitation on this. It seems to me we have acted with a great deal of wisdom so far and I fail to see why you should try to set an upper limit on what is spent at all and change what the Macdonald substitute contains.

Mr. KEITH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I spent about $30,000 in each of last year's campaigns—the primary and the election. One of my opponents spent $184,000 in the primary and lost, and the other reported spending a total of $171,000 in his primary and the runoff.

And so, I do not believe that $50,000 is at all realistic. If one runs against an incumbent, even though it would have assured my election the last time, $50,000 or any figure approximating that is unrealistic. Accordingly I cannot support this amendment.

Mr. O'HARA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I represent one of those mushrooming suburban districts that my good friend, Mr. HARVEY, of Michigan, has suggested would be discriminated against under this amendment. My district has a population of 630,000 as of the 1970 census. However, that is not 630,000 of voting age, and the Macdonald amendment speaks in terms of voting age. I cannot imagine a district growing so rapidly that it would, by the end of a decennial census period, have a voting-age population in excess of 500,000 people.

And as a Representative of a large district, let me say that I support Mr. PODELL's amendment. We do need a good, tight, overall limit.

I do not think that any of us really think that a congressional candidate ought to have to raise that kind of money. None of us really feels comfortable with backers who have contributed very large sums. Certainly the public is not served by having its representatives beholden to large contributors. I ask that the Podell amendment be agreed to.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Arizona is recognized.

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment. We are getting a pretty good bill here. I now am encouraged to think that we will have a workable, defensible bill. I hope we do not go too far. I am sympathetic with my friend from Michigan. I am sympathetic with the problem of my friend from New York (Mr. PODELL). A millionaire could not beat him and I do not believe I could have withstood that kind of campaign. I suspect that he will either die in office or retire voluntarily because he cannot be defeated.

I associate myself with the remarks that the gentleman from Ohio (Mr. HAYS) made on this subject awhile ago in talking about the Bingham amendment. I associate myself also with what Mr. MACDONALD said earlier on this subject.

The philosophy of the bill we have developed so far is twofold. There are certain expenditures in a campaign which can be checked, monitored and controlled. There are certain kinds of expenditures that cannot be effectively monitored or controlled, and you breed hypocrisy or evasion when you try to do so.

The things we can control are such things as billboards, television rates, newspapers, magazines, postage and telephones. But as to the cost of matchbox and fingernail-files and beer busts, and workers, and so forth, we have a different situation. Who can tell whether a person is being paid by an employer to work for a candidate? Who can say what the values are? To try to control that kind of thing merely breeds hypocrisy and evasion. You cannot control that kind of thing.

As to the things we can control, we will handle them by tight limits. We can monitor them. You and your opponent can be checked out on those things.

But as to the things you cannot control, the remedy—and it is not a perfect remedy in an imperfect world—is disclosure. We will have a new, tight disclosure system.

So while I am sympathetic with and originally favored the kind of approach proposed, I think we have a good middle ground that we should not depart from.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Ohio.

Mr. HAYS. One thing bothers me. You say there are certain things you cannot control and we never know what is spent. In the next breath you say we will have complete disclosure where the candidate is required to disclose. If we cannot control it on the one hand, how can we control it on the other? If the gentleman will yield further, I would like to point out that in Ohio we have to disclose everything we spend over $10, and to be frank with you, I am afraid not to disclose everything. Therefore, I report everything. If we have a $50,000 limitation, when I get to $49,500, I quit spending.

Mr. UDALL. You have a good law in Ohio. It works. We want a workable system. We do not want to breed hypocrisy and evasion by trying to limit some things that we cannot effectively limit.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I thank the gentleman from Arizona for yielding.

I think the gentleman is talking practical commonsense when he takes the position that he takes in opposition to the amendment of my good friend, the gentleman from New York (Mr. PODELL). We have had experiments in my own State with overall limitations that did not specify categories and give provable limitations, provable standards for those various categories. To my way of thinking, this bill as it stands right now is a practical, workable, and sensible method of controlling the areas in which the abuses have been most severe. I hope it will not be complicated by the additional amendment that has been offered.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I echo what the gentleman from Arizona has said in the very cogent arguments he has made against this particular amendment. We do not want to make this a completely proincumbent bill, and that charge has already been made, but when we take into consideration the staff allowances and the mail allowances and the travel allowances we have as Members of Congress, to impose that kind of ceiling on the challenger is to truly, I think, make this a proincumbent bill, where it will not be really a reform bill at all.

I earnestly hope the Members of this House heed the advice of the gentleman from Arizona, the advice that he has given us that we proceed with what we have worked out today and yesterday, which I think is a very workable bill, wherein we limit the spending ceiling to those items clearly identifiable as listed in the bill.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment cease in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DENT. Mr. Chairman, is that limitation to apply after my 5 minutes are up?

The CHAIRMAN. The Chair observed standing when the unanimous-consent request was agreed to the gentleman from Ohio (Mr. HAYS), the gentleman from Pennsylvania (Mr. DENT), the gentleman from Ohio (Mr. BROWN), and the gentleman from Minnesota (Mr. FRENZEL).

Mr. DENT. Mr. Chairman, I was on my feet and asking recognition before the time limit was asked. Normally the person on his feet is given his time before the limitation of time is begun.

The CHAIRMAN. The Chair asked if there was objection, and heard none.

Mr. DENT. Mr. Chairman, I asked for my 5 minutes before the gentleman did, and when he made his request, I asked whether my time would come out first. I think, in fairness, I have not taken the floor yet, and this came out of our committee and I do have a few words to say.

Mr. HAYS. Mr. Chairman, I wish to amend the unanimous-consent request. I do not want any time myself. I do know the gentleman from Pennsylvania was on his feet.

Mr. Chairman, I ask unanimous consent that all debate end in 10 minutes on this amendment and that 5 minutes be given to the gentleman from Pennsylvania and the other 5 be given to the named gentlemen.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. DENT) for 5 minutes.

Mr. DENT. Mr. Chairman, I know all of us are interested in elections and in being elected, or we would not be here. I suppose there are great differences in many of the districts, but I find if one goes out to spend money in an election, he triggers spending on the part of his opponent.

It has been said this is all in favor of the incumbent. I do not know how some Members run their elections, but I was amazed when I heard the reports of a million dollars or $300,000 being spent. I wonder how any normal person can really have faith in the membership of the Congress of the United States when we are quibbling about a limitation on only a restricted type of spending of almost two and a half times our total gross salary in this body.

Now it is well known that the person who pays the fiddler usually calls the tune. We do not have to spend that kind of money. I do not know whether I am something special. I do not believe I am. But I ran for the U.S. Senate against an incumbent who was entrenched with 12 years of service and a reputation of invincibility at the polls.

I ran for the Congress at the same time. My total expenditure, for both offices, was $67,000, and I came within 2½ percent of winning the Senate and would have won that if I had not gotten a little "double deal" in Philadelphia.

I say to you, if you want to bring some faith and trust back to the elected offices in the Congress of the United States, let us not tell the people that we cannot win unless we spend the enormous sums some of us are talking about.

Look over the last list of the last immediate elections to this Congress, and look at the amounts that were spent. They may be good Members, certainly.

I do not think it is wrong for a man to be a millionaire, but he should not have to spend a million to be elected.

I should like to know what chance a person like myself has, who is celebrating his 40th year as a member of a legislative body, never having spent at any election during my lifetime more than $17,000 for a primary and general election, and most of that spent to help carry my colleagues running for the legislature.

Perhaps the time has come when we should do a little peddling of ourselves among our people. What truth is there in an election when one spends the money to hire a John Wayne or somebody to represent him on the air? I am sure if I had to go on TV I would have to hire somebody, because I would never be elected on my looks.

I say to you, it is wrong and completely wrong, and the amendment offered by the gentleman from New York at least tries to make it a little reasonable. Every item should count toward the total limitation of spending per election.

In my case, if I were a big spender, it would be good for me to defeat his amendment, because all my campaigning is done with little items. There is a matchbook now and then, and maybe a little pen or a pencil, little insignificant thing; and I keep it up 24 months every 2 years. I try to go to every wedding, every christening and every funeral. I see people in my office from dawn till dusk when I am not here in the District of Columbia.

I cannot walk down the street without someone saying "Hello," and everybody saying "Hello," and even little kids calling me "Johnny."

I remember when the Governor came to town, they let me ride in the car with him, and everybody was hollering "Johnny," and he said, "Don't they know my name is 'George'?"

If you are going to represent your people, do not represent them through a shadow man or an inbetween runner. Represent them yourself, and you will not need these enormous sums of money, and I do not care what they spend against you. You are talking about things of value.

The most valuable political asset is yourself, see your people, know your district. Stand up to be counted for your people.

This is the formula, not the canned heat campaign of money, money, money.

This is everybody's democracy. Do not put up barriers of gold against the honest but not rich candidate.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I am sure my 2½ minutes are not going to be worth the gentleman's time, but I believe the gentleman from Arizona (Mr. UDALL), as is so frequently the case, spoke common sense on this subject in opposing the overall limitation on spending.

As we consider this bill we walk a narrow line between trying to determine what controllable expenditures can really be controlled versus unduly limiting the spending by non-incumbents who are trying to unhorse an incumbent Member of Congress.

I suppose if we set a limit of $50,000 on what our opponent can spend to try to get our job this year, a couple of years from now we could reduce that to $25,000, and then perhaps to $10,000, and then to $5,000, and then to $2,000, and in a few years hence just make it illegal for anybody to run against us while at the same time we increase our staff allowances and our travel allowances and the various privileges we have as incumbent Members of Congress. At that rate, I think we will probably be able to increase the percentage of incumbents who are reelected from about 93 percent to about 99 percent or even 102 percent.

Mr. LONG of Maryland. Will the gentleman yield?

Mr. BROWN of Ohio. I do not have too much time, so I will yield in a moment when I have completed my thought.

We must have some confidence in the ability of the people to make a judgment on when their vote and their support is being purchased with the challenger's money and when incumbents are trying to purchase voter support with the voting taxpayers' own money. By limiting what we can spend and what we let the challenger spend on the one hand and by increasing what we make available to ourselves in taxpayer financial congressional allowances to spend in holding and trying to maintain ourselves in office.

All of us in this body do run continually for 2 years. We all make those trips home, as the gentleman from Pennsylvania (Mr. DENT), indicated, to go to public functions and baptisms and funerals and all that, but Members of Congress do some of that on the taxpayers' money. If we put an overall limit of the nature of the gentleman from New York's amendment, we will have done a disservice to the voters.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman and members of the committee, I think we should go back to the first point that the gentleman from New York made, which is that this imposes no limitation on the Senate and the President. We are only talking about ourselves. The only people that need special kinds of protection from all challenges are those of us in this body.

Why do we have to have special protection? I submit every man here is good enough to stand on his own two feet against a reasonable challenge from a challenger.

Mr. Chairman, this imposes an additional unreasonable limitation on those already imposed by the Macdonald amendment, and renders the Macdonald amendment limitation redundant. You will be simply restricted to total spending in such a way that it does not make any difference what limitations are applied by the Macdonald amendment.

This does not do anything to protect you or any challenger, from the celebrity candidate. You have protected yourself from a challenger, because he cannot spend enough to gain recognition, but how are you going to spend enough to defend yourself from John Wayne or Henry Fonda or Lenny Dawson or some other movie star or sports celebrity?

Mr. Chairman, this is an unreasonable restriction which falls more heavily on the minority than on the majority. This amendment ought to be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PODELL) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The amendment was rejected.

AMENDMENT OFFERED BY MR. DANIELSON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. HARVEY

Mr. DANIELSON. Mr Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. DANIELSON to the amendment in the nature of a substitute offered by Mr. HARVEY: Page 30, lines 9 and 10, after the word "value" in line 9, strike out "of $100 or more," and insert "in excess of $100,".

Mr. DANIELSON. Mr. Chairman and members of the committee, this is simply a perfecting or conforming or clarifying amendment.

In the major portion of the amendment offered by the gentleman from Michigan (Mr. HARVEY), the frame of reference is to receipts in excess of $100. I do not wish to delineate them all, but they appear on page 31, line 8, page 31, line 17, page 31, line 24, and so on.

Mr. Chairman, my amendment would conform the language on page 30, line 9, so that we are talking about contributions having a value in excess of $100. It would conform to the rest of the bill, and I urge that the amendment be adopted.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I am hard pressed to understand the purpose of the amendment.

Mr. DANIELSON. It is very simple to understand, if I may say so.

Mr. BROWN of Ohio. You are changing it from $100.01 down to $99.99?

Mr. DANIELSON. No; just the opposite. It is just the opposite. It is so that throughout the bill we have a uniform standard; we must report contributions which exceed $100 but we need not report contributions which do not exceed $100.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DANIELSON) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. DANIELSON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. HARVEY

Mr. DANIELSON. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. DANIELSON to the amendment in the nature of a substitute offered by Mr. HARVEY: Page 39, line 9, after line 8, strike out lines 9 through 25 of page 39 and lines 1 through 14 of page 40.

Mr. DANIELSON. Mr. Chairman and Members, the effect of this amendment is to strike out all of that portion of the amendment which requires the filing of campaign statements and the like with the clerk of the U.S. district court.

My purpose in submitting this amendment is, first of all, in line with my belief that we must and should continue to maintain a complete separation of powers between the executive, the judicial, and the legislative branches.

Second, I do not know how the law reads in the other 49 States, but I assume that there are some which are similar to my own State of California in which all candidates, including congressional candidates, are required to file a sworn campaign statement with the secretary of state and with the registrar of voters of the county in which the race is being run.

This provides ample local access to your campaign statement, and I would say to do more is redundant.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I fail completely to understand the constitutional argument that the gentleman has raised against the filing of such statements with the clerk of the U.S. district court. You have said that this somehow violates the doctrine of the separation of powers when you file in the district court when the clerk merely accepts the filing of the statement by candidates. This is merely a ministerial function.

It seems to me it is important to the public's right to know that your statements be on file in the Federal district court in the constituency where a man is running

I fail to understand either the constitutional argument or why the gentleman should be adverse to having this additional resource made available to the public.

Mr. DANIELSON. Mr. Chairman, I decline to yield further. I desire to answer the gentleman's implied question. I do not say that the proposed procedure is unconstitutional. I said that we should maintain an absolute, complete, separation of powers. I do not want the Judiciary participating even to this extent in our elections. It is much like Caesar's wife, she must avoid even the suspicion of evil.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield further?

Mr. DANIELSON. Yes; I yield further to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Would the gentleman in his concern for the doctrine of separation of powers go so far as he would not want a Federal judge to administer the oath of office to a member of the executive branch?

Mr. DANIELSON. I think we can carry that a little too far. In other words, in our search for virtue, we should not render ourselves sterile.

I would like to point out one other thing. We have here the fourth estate. We have the press. Is there any need to go further than to make a public record here in Washington of these campaign statements?

I wager that the press will report your declaration and mine. They will report every peccadillo, every infraction of law, that any of us make by any chance. That is their mission. They have a public service to perform and I am sure they will do it.

Take the Pentagon papers, there they published something that might not even have been legal. I am certain they would publish anything illegal that appears in our campaign statements.

To further relieve the mind of the gentleman from Illinois, I would like to point out that if this provision of the bill is to do what it claims to do it is ineffective. I would wager that within this body about one-half of the Member do not have a U.S. District Court within their district, therefore it would not pertain, quite obviously.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I am hard pressed to know how you are going to get information back to your newspapers, and television and radio stations in some of the smaller districts, say, as far away as California. Are they to send for this information, or are they to send a reporter to Washington to the Clerk of the House, or the Secretary of the Senate, or the Comptroller General, to get the information?

Mr. DANIELSON. Under the existing law we must file them with the Clerk of the House and the Secretary of the Senate. Frankly, I do not believe we should change that present system, and by passing this amendment we are going to reinstate the present system.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Iowa.

Mr. GROSS. They do have newspaper services, and press services.

Mr. DANIELSON. I certainly agree.

Mr. BROWN of Ohio. Mr. Chairman, if the gentleman will yield further, I think that the press services would be kept filled for several days, nay, for week, getting reports on a line-by-line basis as to what may have been contributed and spent in each campaign.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HAYS. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California (Mr. DANIELSON).

Mr. Chairman, I would not want to use the word "phony" about some of these arguments about the Federal court, but I will use the word "specious." The gentleman from Illinois says that they want it in the local district court so your local people can have access to it. Do you know where my local district court is? It is in Dayton, Ohio, which is 50 miles farther than Columbus, where I have to report to the secretary of state, and nobody in my district would ever know what is filed there. And that applies to many of the other Members.

This is a ridiculous requirement. Under this bill now if it becomes law you have to report six times a year, six times a year, to the Clerk of the House, presumably once or twice to the local official in your State, and then they want you to report six more times a year to the Federal court. I say it is ridiculous. I say it is unnecessary. I say let us keep the courts out of the Congress.

I hope the amendment passes, and quickly.

Mr. UDALL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will not take the full 5 minutes, but I believe that this amendment is very unwise. For 47 years we have had a system that has been unworkable, and that has caused a great erosion in the public confidence in our whole electoral system. We hope today, and I believe we are going to do it, to start a new system that will start a whole new era, and make politics the honorable profession it ought to be, and which it has been. But the engine that will make that new system work is disclosure. Now either you believe that the public and your local newspapers and your opponents have the right to know what you are spending in your preelection reports, or you do not. If we believe in disclosure then let us make it effective.

The bill now has a provision in it which says—and the opponents of the Senate bill have already won the point—that the Clerk of the House, is going to be the instrument for the filing of all this. They have won that main point. It is not going to be the Comptroller General. All it says, you send the Clerk your report, you make a carbon copy of it to send to your local U.S. district court.

Now, I have heard great fears here about incumbents. We are all worried about what is going to happen to us as incumbents. Well, let us take a look at that. Say you have a millionaire opponent that the gentleman from New York (Mr. PODELL), was talking about, and he is trying to buy the election. We already have him controlled on television and on billboards, and the only way he can buy the election is through paid workers, store fronts, match boxes, beer busts entertainment, and all the rest. What is needed is disclosure, so that you can charge him—and prove it—with buying the election. And what the simple provision now in the bill does, and this amendment would take it out, is to permit the local press, if we ever find ourselves in that kind of situation, not to have to come to Washington. My local press does not have anyone here in Washington. Can you imagine the scene in the basement of the Longworth Building 9 days before the election, in the heat of all that is going on, with reporters and staffers, of people that you have phoned desperately in Washington, to get over there and find your opponent's report? This would put the information locally where it ought to be. And if disclosure is going to work, then disclosure ought to be effective, and ought to be practicable, and ought to be complete.

XUM

It is not going to help much if the Washington Post knows how much your opponent is going to spend for the election, if they have enough interest to send reporters to find out.

I want the local papers to know where and how my opponent is spending $200,000, and where he got it.

Mr. DANIELSON. Does the gentleman realize that there are some 98 or 99 U.S. district courts and there are 435 Members of Congress? Each district court is located in somebody's district. What are you going to do with the other 336 Members of Congress who do not have a district court?

Mr. UDALL. This is an imperfect situation. The solution is not perfect. What the bill provides is that every congressional district is in some judicial district. There is not a town in America or a congressional district in America that is not in a U.S. court judicial district. You file and your report is sent to the clerk of the court who is closest to the hometown of that candidate. The place from which he files his report.

In three districts out of four there will be no serious problems of administration. I would venture in 80 percent of the cases and in my own case at least, in the district court where it is filed, it is very obvious one can send a law student or volunteer or a college kid over there every morning to find out what your opponent is up to and what he filed.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. STEIGER of Wisconsin. You are right. The whole basis for making this system work is discrimination. I think it is intolerable if this amendment is adopted and it would seriously impair the public and the press' right to know what is being spent by whom and for what.

I commend the gentleman for his statement and I want to join with him and urge the defeat of the amendment.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is a very simple amendment. It takes out the requirement that we file with the clerk's office in the district court in our district.

This is a useless matter. We already file in our State and file in the clerk's office.

I hope very much the amendment will be approved. It seems to me we have ample filing requirements now. This is just another requirement to file with the Federal judiciary. I do not want to express my opinion of some members of the Federal judicial courts at this time.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman.

Mr. HAYS. I have listened to the most ridiculous arguments that I have ever heard—that the local papers will not know what you file.

In the first place, the UPI and the AP have a whole bunch of reporters here and they send it out on the wire the minute your return is filed back here to your local paper exactly what you filed, from the office of the Clerk of the House.

In addition, nearly every State requires you to file with the secretary of the State in the State capital and they also send it out.

So this is a red herring about the public's right to know.

You know I have tried to cooperate with the gentleman from Arizona and with the gentleman from Illinois. Sometimes I wonder who on the committee is handling the bill and who is writing it. I hesitate to bring this up, but the last time we had a big bipartisan move like this, we got the postal reform bill. God forbid that we get another one like that.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman.

Mr. GROSS. I am surprised that the gentleman from Arizona (Mr. UDALL) did not suggest making two copies in order to send one each to the Associated Press and the United Press. That would take care of the situation by providing full and immediate disclosure and I am for that. There is no good reason for filing with the Federal district courts which only means these courts will demand more employees to handle the filings.

The press services supply the television and radio stations with their news and it would simplify the dissemination of information to send each a copy of the statement.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Ohio.

Mr. HAYS. I would say that that would make a lot of them happy because they would not then have to go to the bother of doing any work to get it out to their newspapers. They would merely put it on the wire.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Arizona.

Mr. UDALL. I thank the gentleman. The gentleman said that the UPI and the AP would pick up the information and they will, but they'll only give the totals. But if I want to get a handle on my opponent, I want to know who his contributors are and exactly what and where he has spent, the UPI or AP will not carry a detailed story on my opponent's spending.

Mr. HAYS. Let me say to my good friend from Arizona that if you want to get a handle on what your opponent has reported, you have 15 employees in Washington. Have one of them walk over to the clerk's office and copy down the details for you.

Mr. ABBITT. Mr. Chairman, this is a simple amendment and I hope it will be adopted.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I wish to associate myself with the remarks of the gentleman from Virginia and the originator of the amendment. Every Member of this body has to report to the proper authorities in his own State as well as to the Clerk of the House of Representatives and those reports are open to the press and to everybody else in the country—I believe this part of the bill is just whittling away some of the strength of the House of Representatives. The first thing you know it would be perhaps to the Department of Justice or to the Supreme Court or to the President of the United States to whom we would have to report? How do we know?

I say that we should stick by the Constitution in the way it was written. If you want to whittle away the powers given to us, this is the way to do it. I say we should report here, and anybody can get any facts they want to get and report them. Why require them to go to a district court? I would have to go 100 miles to a district court if I wanted to be sure that things were right there or if I had some question about the report. Someone might live in a place where a district court is located. But on many others this is an extra burden.

As I have said, the next step will be a requirement to report to the Attorney General, the President, or somebody else.

Mr. Chairman, we have belittled this Congress enough now. Instead of providing that some other officer of the Government is going to supervise what we have to do, we ought to be our own masters.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Minnesota is recognized.

Mr. FRENZEL. When our committee held hearings on the subject of election reform, the only idea that every witness agreed to with full and vigorous enthusiasm was the concept of disclosure of election expenses—complete and timely disclosure. The amendment that you have before you is an anti-disclosure amendment.

It is a limited-disclosure amendment. In fact, we might call it "what the people do not know would not hurt them" amendment. Sure, it is fine if you are a big newspaper, a big radio station, or a large television station. You can send a representative to Washington. It is also possible, if you are so minded, for you to subscribe to the AP or the UPI. But in my district I have a lot of weeklies and small radio stations that do not subscribe to those services. Nevertheless, the people they serve should be fully informed, and as fully informed as the readers of the Washington Post and the subscribers of the Associated Press.

Mr. Chairman, the proposal is not perfect, because there are not enough of these district locations. Nevertheless, it is a hundred times better than jamming the reports into one office in Washington and letting people pick out the evidence. If we really support the people's right to know, we will defeat this amendment.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from New York.

Mr. CONABLE. I am at a loss to understand the vehemence of the opposition to disclosure. I subscribe completely to the statements the gentleman has made. I urge opposition to the amendment. It may be a simple thing, but it is very basic to any idea of reform of election laws. I think we must leave the disclosure provision in the bill.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I would like to say that I am certainly not one who does not wish to disclose what he spends, and I do not think there is a Member on this side of the aisle or on the other side of the aisle who does not want to do that either. I do not believe the gentleman meant to say what he did about antidisclosure. Why was the district court picked out? Why did not you pick somebody else out? Why did you not pick out the Secretary of State or someone else? We have to disclose in our States to our State officials.

Mr. FRENZEL. Mr. Chairman, the answer is that this is the best we could determine in attempting to assemble evidence in a place where it would be readily obtainable by the public. State capitals would have given us half as many locations. That would be a better solution than merely striking this provision.

I thank the gentleman for his comments.

Mr. STAGGERS. If the gentleman will yield further, there are 364 districts that do not have district courts. Yet there is a desire to submit it to the district courts. I would say why do we not find somebody in our own districts, if we are going to do that, or why not give it to the press right there? I think we should have it here, because we have access to it when it is mailed in. It should be in our State capital and here, but the gentleman wants to give it to a district court, and there are nearly 364 districts that do not have district courts. That does not mean to me good commonsense.

Mr. FRENZEL. Mr. Chairman, I did not mean that any Member was antidisclosure. I mean that the amendment is antidisclosure.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. We would believe, from listening to the discussions here on this particular amendment, that no disclosure would be required if the amendment offered by the gentleman from California (Mr. DANIELSON) prevails. We are required by his amendment to report to the Clerk of the House. His records are open for any who are curious enough to inquire. I have just talked with the Clerk of the House, and he tells me that the media does inquire.

For those Members who do not believe that reporting to the Clerk is sufficient, I would say there is no prohibition that prohibits a Member from doing more. I would suggest to the Members that any who believe they should do more have Xerox machines in their offices, paid for by the Government, by the taxpayers of this country, and they can duplicate and mail to everyone they choose to, perhaps to every citizen, to every newspaper, radio station, television station, or to every Federal judge and to the U.S. Supreme Court, if the Member feels there is something somebody ought to know without being curious enough to inquire.

I would suggest we support this amendment, because there is no basis for believing that a Member of this House is dishonest because he simply wants to limit required reports to the Clerk of the House. The U.S. attorney can inquire if he believes any Member has done something fraudulent in reporting what he has received and how he has expended it.

I say this is a matter for the Congress and not a matter for the courts until someone charges formally there has been fraud. One of our problems today and maybe our most serious is too much intervention by the Federal courts.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, another thing under the present law is that we do not have to report contributions of certain sizes, and we do not have to report on the committees. This bill expands it from what we have had, yet the morning paper attacked me and said it was full of loopholes and came out for the Senate bill.

The radio station owned by this same newspaper has some slimy little character who in an editorial said I did not file any report for the last time. The truth is they had a copy of the report which was filed with the Secretary of State and it listed every single contribution over 10 cents, if there was one that low, and every single expenditure of over $10, with a receipt. But they ignored those facts and in their editorial said exactly what it suited them to say. I do not really care, because WTOP does not reach my district. They even went so far, with this slimy little jerk, as to mail a copy of his editorial to papers in my district, and none of them used it. So far as I am concerned, this bill gives WTOP the chance to come to the Clerk's office and see. If they want it mailed down to them, that I am not going to do.

Mr. WAGGONNER. The gentleman is exactly right. This is a matter for the Congress and not the courts until someone has done something fraudulent which would then involve the courts.

Mr. Chairman, I urge support of the amendment.

Mr. DENNIS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it seems to me there are two things really, basically, that we can talk about in this bill. One of them is some kind of expenditure limitation, which is what we have done most of the talking about up until now, and the other is the matter of disclosure.

Now, an expenditure limitation sounds good, but as a matter of fact we have a lot of problems with limitation if we want to look at it, some of them constitutional. If we are not careful we will get ourselves into a position where we have an unrealistic limitation, as we do in the law now, which leads to evasion, as the gentleman from Arizona said awhile ago. We have to watch that, so far as limitations are concerned.

When it comes to disclosure, I really cannot see why we should not have the very fullest disclosure. So far as I am concerned, file them in any number of places. I do not understand the excitement about this particular amendment. File it with the Clerk of the House. File it with the U.S. district court.

In my State we file with the circuit court already. Nobody has ever considered that was a violation of the separation of powers or anything else. We have been doing it for years.

I will file it with the district court. Why not? File it anywhere. Let us disclose it.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. DENNIS. I yield to the gentleman from Minnesota.

Mr. FRASER. As I understand the provision now in the bill, that would be stricken, and what we are asked to do is to file with the court as a repository. It does not really involve the court in any respect; it is just simply a place to have the report within the State so that it is available for the press and others who are interested.

Mr. DENNIS. I think the gentleman is right. I suppose for a Federal office one would, under this bill, file it with the clerk of a Federal court, just as I file mine now with the clerk of the State court.

Mr. FRASER. I agree with the gentleman. I do not think it is a wise amendment. I think the disclosure part of this bill is very important.

Originally I was going to support the amendment, but I have listened to the debate, and I think the amendment would be a sad mistake.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. DENNIS. I yield to the distinguished chairman.

Mr. HAYS. I have no objection to disclosure. I had hoped we could write in something where we would do it in our own districts, with the election board of the largest county in the State, or something of that kind. But if this amendment is defeated, and then we go to conference, there will be no leeway.

There are 300 or 216, or whatever number it is, that have no district court.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DENNIS. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The gentleman from Ohio makes a good statement. On the basis of what he said we ought to defeat this amendment and, if the gentleman would like, put in an amendment to provide that we file with the Board of Elections of the largest county, which is the Ohio law, or at the State capital, which is the Ohio law.

I would be happy to accept that, but I do think the public has a right to know what is spent, and this is the reason for this provision in the law.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. DENNIS. I yield to the gentleman from Arizona.

Mr. UDALL. I have been bothered by this point all day. I have been carrying around an amendment which says to file it with the postmaster. There seems to be objection to the district court. The gentleman from Ohio mentioned that.

We could file it with a U.S. postmaster in the congressional district, and that may be the answer.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. DENNIS. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I just want to make a suggestion, and I thank the gentleman for yielding.

If we really want to be fair, why do we not defeat the amendment? I will say at the moment I am for the amendment, because this part of the bill is just a lot of folderol, where we would be demeaning Members of Congress, taking away a little all the time, saying we are not capable, that we are just a bunch of crooks and thieves.

I would say to defeat it, and there ought to be an amendment that would compel every Member to file in every county court, in every county, and in the district, and then everybody would know. I would not mind filing it that way.

Mr. PATTEN. Mr. Chairman, I rise in support of the amendment.

I was the secretary of state in New Jersey for 8 years, and some of you are talking as if you do not know what you are talking about.

In the first place, I have heard no testimony as to how many millions the Federal courts will want if they are willing to take this responsibility.

Let me give you a little of the physical setup in my office the Friday before election where the candidates must file their reports. I have 72 daily papers in the State. I will tell you how it shapes up. Every candidate who is interested in it will have his friends in the area. When you have the 12 or 15 Congressmen and you have a couple of Senators that have to file, it is not uncommon to have 400 people waiting around. You have all of these important friends of the opposing candidates and you have one sheet of paper in connection with the report that is filed the Friday before election. You have a problem there. You will be behind a desk trying to satisfy everybody. Will you read it aloud, or how are you going to do it?

I can tell you that we stayed in our office until 12 o'clock on Friday night to serve the press and everybody else. Most of the reports come in by mail on Saturday. We would be open on Saturday to satisfy the press and other interested people, but you do not think the Federal court clerk will make himself available after 4 p.m., do you?

He will not do it alone, either. You will have five clerks doing it. This takes a little doing. And if he is going to work on Saturday morning, that is another deal.

That is only on the preelection report. Now, on the postelection report where you are supposed to get the whole story, if you think it does not take a little clerical work and activity with four or five people setting up things and security I want to tell you you are wrong. It is a big job.

And I will predict that the clerks of the Federal courts will not even pay any attention if you pass the law. They do not want this task. Otherwise they will be back here next year seeking about $1 million in order to make it operate.

Mr. HAYS. Will the gentleman yield?

Mr. PATTEN. I yield to the gentleman from Ohio.

Mr. HAYS. I hope we can vote on this amendment shortly.

I would say to the House that if this amendment passes and we go to conference and have the whole subject up in conference, the conferees can write out a better system.

Mr. PATTEN. And on telephoning, most of your friends around the State call you on the telephone. It is just a beehive of activity. And it is not just a mere filing.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DANIELSON) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The question was taken; and on a division (demanded by Mr. HAYS) there were—ayes 69, noes 56.

TELLER VOTE WITH CLERKS

Mr. BROWN of Ohio. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. BROWN of Ohio. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Mr. DANIELSON, Mr. BROWN of Ohio, Mr. ABBITT, and Mr. DEVINE.

The Committee divided, and the tellers reported that there were—ayes 230, noes 154, not voting 46, as follows:

[Roll No. 417]

[Recorded Teller Vote]

AYES—230

Abbitt	Dickinson	Jones, N.C.
Abernethy	Dingell	Jones, Tenn.
Addabbo	Donohue	Karth
Alexander	Dorn	Kazen
Annunzio	Dow	Kee
Ashbrook	Downing	King
Aspinall	Drinan	Kluczynski
Baker	Duiski	Kyros
Barrett	Edmondson	Landgrebe
Betts	Edwards, Ala.	Latta
Bevill	Edwards, Calif.	Leggett
Biaggi	Fisher	Lennon
Blackburn	Flood	Long, La.
Boggs	Flynt	Long, Md.
Bow	Frelinghuysen	McCulloch
Brasco	Fulton, Tenn.	McKay
Bray	Fuqua	McMillan
Brinkley	Gallagher	Madden
Brooks	Gaydos	Mahon
Broomfield	Gettys	Martin
Buchanan	Giaimo	Mathias, Calif.
Burke, Fla.	Goldwater	Mathis, Ga.
Burke, Mass.	Gonzalez	Matsunaga
Burleson, Tex.	Goodling	Meicher
Burlison, Mo.	Gray	Metcalfe
Cabell	Green, Pa.	Mills, Md.
Caffery	Griffin	Minish
Carey, N.Y.	Griffiths	Mizell
Carney	Gross	Mollohan
Casey, Tex.	Grover	Monagan
Cederberg	Hagan	Montgomery
Celler	Haley	Moorhead
Chappell	Hall	Morgan
Clark	Hammer-schmidt	Murphy, Ill.
Clausen, Don H.	Hanley	Murphy, N.Y.
Clawson, Del	Hansen, Wash.	Myers
Clay	Harrington	Natcher
Cleveland	Harsha	Nedzi
Collins, Ill.	Hathaway	Nelsen
Collins, Tex.	Hawkins	Nichols
Colmer	Hays	Nix
Conyers	Helstoski	O'Konski
Corman	Henderson	O'Neill
Crane	Hicks, Wash.	Passman
Daniel, Va.	Howard	Patman
Daniels, N.J.	Hull	Patten
Danielson	Hungate	Pelly
Davis, Ga.	Hunt	Pepper
de la Garza	Hutchinson	Perkins
Delaney	Ichord	Pettis
Denholm	Johnson, Calif.	Peyser
Dent	Johnson, Pa.	Pickle
Devine	Jonas	Pike
Poff	Schmitz	Sullivan
Powell	Scott	Symington
Price, Tex.	Sebelius	Teague, Calif.
Purcell	Selberling	Thompson, Ga.
Quillen	Shipley	Thompson, N.J.
Randall	Shoup	Thomson, Wis.
Rarick	Shriver	Tiernan
Roberts	Skubitz	Ullman
Robinson, Va.	Slack	Vanik
Roe	Smith, Calif.	Vigorito
Rogers	Smith, Iowa	Waggonner
Roncalio	Snyder	Wampler
Rooney, N.Y.	Spence	Whalley
Rooney, Pa.	Springer	White
Rostenkowski	Staggers	Whitehurst
Rousselot	Stanton, J. William	Whitten
Runnels	Stanton, James V.	Williams
Ruth	Stephens	Wolff
Ryan	Stokes	Wydler
St Germain	Stratton	Yates
Sandman	Stubblefield	Yatron
Satterfield	Stuckey	Young, Tex.
Saylor		Zablocki
Scherle		Zion

NOES—154

Abourezk	Ford, Gerald R.	Mills, Ark.
Abzug	Forsythe	Mink
Anderson, Calif.	Fountain	Minshall
Anderson, Ill.	Fraser	Mitchell
Anderson, Tenn.	Frenzel	Morse
Andrews, N. Dak.	Frey	Mosher
Archer	Galifianakis	Moss
Aspin	Gibbons	Obey
Badillo	Grasso	O'Hara
Begich	Green, Oreg.	Pirnie
Bennett	Gude	Podell
Bergland	Hamilton	Preyer, N.C.
Blester	Hansen, Idaho	Pryor, Ark.
Bingham	Harvey	Quie
Boland	Hastings	Rangel
Brademas	Hechler, W. Va.	Rees
Brotzman	Heckler, Mass.	Reid, N.Y.
Brown, Mich.	Heinz	Reuss
Brown, Ohio	Hicks, Mass.	Riegle
Broyhill, N.C.	Hillis	Robison, N.Y.
Byrnes, Wis.	Hosmer	Rosenthal
Byron	Jacobs	Roush
Camp	Jarman	Roy
Carter	Kastenmeier	Ruppe
Chamberlain	Keating	Sarbanes
Chisholm	Keith	Scheuer
Clancy	Kemp	Schneebeli
Collier	Koch	Schwengel
Conable	Kuykendall	Smith, N.Y.
Conte	Kyl	Steed
Cotter	Link	Steele
Coughlin	Lloyd	Steiger, Ariz.
Culver	Lujan	Steiger, Wis.
Davis, Wis.	McCloskey	Talcott
Dellenback	McClure	Taylor
Dellums	McCollister	Terry
Dennis	McCormack	Thone
Duncan	McDade	Udall
du Pont	McDonald, Mich.	Van Deerlin
Dwyer	McEwen	Vander Jagt
Eckhardt	McKevitt	Veysey
Erlenborn	McKinney	Waldie
Esch	Macdonald, Mass.	Ware
Eshleman	Maillliard	Whalen
Evans, Colo.	Mann	Widnall
Fascell	Mayne	Wiggins
Findley	Mazzoli	Wilson, Bob
Fish	Meeds	Winn
Flowers	Mikva	Wyatt
Foley	Miller, Ohio	Wylie
		Wyman
		Young, Fla.
		Zwach

NOT VOTING—46

Adams	Dowdy	McClory
Andrews, Ala.	Edwards, La.	McFall
Arends	Ellberg	Michel
Ashley	Evins, Tenn.	Miller, Calif.
Baring	Ford, William D.	Price, Ill.
Belcher	Garmatz	Pucinski
Bell	Gubser	Railsback
Blanton	Halpern	Rhodes
Blatnik	Hanna	Rodino
Bolling	Hébert	Roybal
Broyhill, Va.	Hogan	Sikes
Burton	Hollfield	Sisk
Byrne, Pa.	Horton	Teague, Tex.
Davis, S.C.	Jones, Ala.	Wilson, Charles H.
Derwinski	Landrum	Wright
Diggs		

Mr. VIGORITO changed his vote from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. HAYS TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. HAYS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. HAYS to the amendment in the nature of a substitute offered by Mr. HARVEY: Page 23, line 2, immediately after "value" insert the following: "(except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business)".

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. HAYS. Mr. Chairman, this provision has already been written into the bill in two places. The amendment would put it in a third place to make the language conform. The amendment was agreed to on the other occasions it was offered unanimously. I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. HAYS) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. HAYS TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. HAYS. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. HAYS to the amendment in the nature of a substitute offered by Mr. HARVEY: Page 45, immediately after line 14, insert the following:

"PROHIBITION AGAINST USE OF CERTAIN FEDERAL FUNDS FOR ELECTION ACTIVITIES

SEC. 402. No part of any funds appropriated to carry out the Economic Opportunity Act of 1964 shall be used to finance, directly or indirectly, any activity designed to influence the outcome of any election to Federal office, or any voter registration activity, or to pay the salary of any officer or employee of the Office of Economic Opportunity who, in his official capacity as such an officer or employee, engages in any such activity. As used in this section, the term 'election' has the same meaning given such term by section 301(a) of this Act, and the term 'Federal office' has the same meaning given such term by section 301(c) of this Act."

And renumber the following section accordingly.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. HAYS. Mr. Chairman, the amendment would merely prohibit the OEO and any of its adjuncts in setting up political organizations in any community to influence the vote in any primary or general election. I think it is fair that we do not allow them to use the taxpayers' money for as against any candidate in a Federal election. There have been many instances in which this has been alleged. In a couple of cases I know they were an adjunct of a local election. I do not think that should be, but because I wanted to keep the thing germane, I did not take in local elections but only Federal elections.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Washington.

Mr. McCORMACK. I do not have a copy of the amendment before me, so I am not certain of the language of the amendment. Would the amendment prevent a person who is employed in an administrative capacity in the OEO from becoming involved in a voter registration program on his own time?

Mr. HAYS. Not on his own time, but it sure does on the Government time if any of them work.

Mr. McCORMACK. I thank the gentleman.

Mr. JACOBS. Mr. Chairman, if the gentleman will yield, would this cover the so-called Model Cities program?

Mr. HAYS. It does. In my district in one instance there were some tenants in a low-cost housing project that were literally tearing the place down. The manager of the project sought to evict them. Somehow or other it got to the Federal court, and, talking about the Federal court judges, the Federal judge appointed an attorney at $40 an hour to defend these people from eviction.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Michigan.

Mr. HARVEY. Mr. Chairman, I have no objection to the amendment. In fact, I intend to support it, but this question does come to my mind, which is: How is it that the officers and employees of the Office of Economic Opportunity are presently able to do this under the Hatch Act—at the present time?

Mr. HAYS. They set up these community activities programs, and they take in some people who are so-called volunteers, and pay their way into the meetings, and get them under the thumb, and tell them what they ought to do, and they do it. I cannot tell the gentleman how it happens, but it happens.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. HAYS) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. BINGHAM TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. HARVEY

Mr. BINGHAM. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

Amendment offered by Mr. BINGHAM to the amendment in the nature of a substitute offered by Mr. HARVEY: Page 17, line 22, after the word "family" insert "under his control". Page 18, strike out lines 8 through 11 and insert in lieu thereof the following:

"(b) No individual may, in any calendar year, make contributions from his personal funds (including contributions from the personal funds of his immediate family under his control) on behalf of the candidacy of any one candidate for nomination for election, or election, to Federal elective office in excess of—

"(1) $35,000 in the case of a candidate for the office of President;

"(2) $5,000 in the case of a candidate for the office of Senator; or

"(3) $5,000 in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.

"For the purposes of this subsection, a candidate for Vice President in a general election shall not be treated as a candidate for Federal elective office, but contributions made on behalf of his candidacy shall, for the purposes of such subsection, be deemed to be contributions on behalf of the candidacy of the candidate for the office of President with whom he is running.

"(c) For the purposes of this section, 'immediate family' means a spouse, and any child, parent, grandparent, brother or sister and the spouses of such persons.

and redesignate the following subsections accordingly.

Mr. BINGHAM. Mr. Chairman, what this amendment does is to incorporate into the Harvey substitute the provisions of the Hays bill as it was reported out of the House Administration Committee with regard to limitations on individual contributions to campaigns.

The Senate bill, the Harvey substitute, provides limitations on candidates of $50,000 for a candidate for President or Vice President $35,000 on the candidate for Senator, and $25,000 on the candidate for the House. Those limitations include the members of his family, which are defined quite broadly to include not only the spouse but also the child and parent, grandparent, brother, or sister.

What my amendment does is to set some limitations, I believe they are quite generous limitations, on contributions to candidacies.

Those limitations would be $35,000 per calendar year in the case of a presidential campaign and $5,000 in the case of a campaign for the Senate or for the House.

In one way this is a restrictive amendment, and in another way it is a liberalizing amendment.

It is restrictive in the sense that it would extend a limit to individual contributions to campaigns, which is not now in the Senate bill. But it would also liberalize to some extent the limitations on the candidates which are now in the Senate bill, by putting in the term that a contribution from a member of the family is included only if that is a member of the family under the control of the candidate.

As it now stands, a contribution from a candidate's brother is in a different category from a contribution from a candidate's friend or a candidate's nephew.

It seems to me that there is no logic in saying that we are going to limit what the candidate can spend and what the candidate's sister can spend, or his brother in his behalf, but we are not going to limit what the candidate's friend can contribute to the campaign.

A candidate for the House is limited to $25,000, and that includes everything from any member of his immediate family, but if he has a friend willing to put up $100,000 or $50,000, that is perfectly OK as it now stands.

That is what this amendment does. It would provide relatively generous limitations on individual campaign contributions, and this is what was recom-

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mended by the Committee on House Administration by an 18 to 4 vote.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. There is one part of the amendment which troubles me, which is the portion of it which uses the words "under his control." I believe those were the words.

This intrigues me, because I do not know what those words mean. I know that a sister might be under control and a wife not. A 16-year-old boy might be under control, yet a grandmother might not.

What does the gentleman mean by the words "under his control?"

Mr. BINGHAM. That is a fair question. This was discussed in the committee.

What is intended to be covered is the case, let us say, of a minor child who has money of his own, or the case of a spouse, where the funds are actually under the control of the candidate.

Mind you, what we are setting up is a limitation on any contribution, so if the contribution is made by the candidate's brother and it is not under his control, that brother is free to contribute up to $5,000 to the congressional campaign.

In the present bill, as it now stands, the limit is $25,000 for the candidate and includes brothers, sisters, parents, grandparents, and so on.

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from New York.

Mr. PIKE. Specifically, is the candidate's wife deemed to be under his control?

Mr. BINGHAM. I think there could be no certain answer to that.

Mr. PIKE. So that although there might be a limit on the candidate the wife could go ahead and spend anything she wanted in his behalf?

Mr. BINGHAM. No. If she had funds of her own under her control she would be limited to the proper contribution.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. BINGHAM was allowed to proceed for 2 additional minutes.)

Mr. BINGHAM. She would be limited to the contribution limit of $5,000 in a congressional campaign.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the chairman of the committee.

Mr. HAYS. I think it is perfectly clear that when they say "under his control" that means, for example, if he gave his wife $5,000 to turn around and give, in addition to what she had already given of her own, that would be under his control.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Do these words apply to the control by the candidate of the money because of legal reasons or do they apply to the relation because of the relationship?

Mr. BINGHAM. No. It is in the funds. If it is held in trust or if it is held, as I said, by minors under control of the parent. In one case there was a matter publicized where a 15-year-old child made a large contribution to a parent's campaign. Now, that would be considered to be under the control of the parent. But if you have brothers and sisters living 5,000 miles away, it does not seem to be logical to put them under greater restraint as far as contributions are concerned than you put your friend.

Mr. EVANS of Colorado. How about loans of money?

Mr. BINGHAM. Loans are considered as contributions, but that is under a different section of the bill.

Mr. VANIK. Will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I would like to ask what the gentleman's amendment will do with respect to family foundations. They have been a factor in several elections.

Mr. BINGHAM. I do not know.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BINGHAM. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute in order to respond to the gentleman from Ohio's question.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. ROUSSELOT. Mr. Chairman, I object.

Mr. HAYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments to the substitute end at 7 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. HARVEY. Mr. Chairman, reserving the right to object, I was on my feet trying to get recognition before the chairman made that request. Is my time included in that figure, also?

Mr. HAYS. I would think your time and my time and everybody's time would have to be included.

Mr. HARVEY. Then, I object, Mr. Chairman, because I think the minority ought to have an opportunity to answer this very serious amendment.

MOTION OFFERED BY MR. HAYS

Mr. HAYS. Mr. Chairman, I move that all debate on this amendment and all amendments to the substitute end at 7 o'clock.

May I propound a parliamentary inquiry?

The CHAIRMAN. The gentleman will state it.

Mr. HAYS. Is it in order to reserve, let us say, 3 minutes to each side?

The CHAIRMAN. Not on a motion.

The question is on the motion offered by the gentleman from Ohio.

The motion was agreed to.

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROWN of Ohio. If there is a teller vote on the Bingham amendment or any subsequent amendment, would those teller votes come out of the time limitation at 7 o'clock?

The CHAIRMAN. The Chair will state in response to the parliamentary inquiry of the gentleman from Ohio that the time limitation has been fixed at 7 o'clock and all time used comes out of that time limitation.

(By unanimous consent, Mr. GERALD R. FORD, Mr. COLLIER, and Mr. ABBITT yielded their time to Mr. HARVEY.)

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

Mr. HARVEY. Mr. Chairman, the hour is late and we are all impatient to go about our business. However, let me say, Mr. Chairman, that this amendment was discussed in our committee. But more importantly it was discussed over in the other body when that body passed their particular bill. They very carefully considered whether there should be a limitation on contributions.

Mr. Chairman, two things stand out from their consideration of this matter. No. 1, the evidence that it was unconstitutional to place a limitation upon what a person could contribute to a candidate or to a committee was overwhelming, but more important, was the fact that the White House was violently opposed to such an amendment. I say that because thus far this body has pretty well worked its will. I believe we have come up with a bill, although not perfect, nevertheless, is a bill with which we can live. It will go a long way toward campaign spending reform in this country.

But, I say to any of you who truly want to scuttle the bill and end it, adopt this amendment and write in some unconstitutional provisions to the amount which can be contributed.

Let me read a couple of lines by Prof. Ralph Winter of Yale University Law School wherein he says as follows:

> No matter what else the rights of free speech and association do, they protect explicit peaceful political activity from regulation by the Government. But the legislation under consideration openly sets a maximum on the political activity in which persons may engage.
>
> Such a law is indistinguishable from laws forbidding people from engaging in other kinds of activity. A law forbidding someone from spending more than a certain amount cannot be distinguished from a law forbidding speeches of over 10 minutes in public parks.

I would point out also that the Attorney General, Mr. Kleindienst, testified it was unconstitutional, but more than that such a requirement, such a limit on contributions, also discriminates. It discriminates against a person who chooses to exercise his political activity by making a contribution. It discriminates against him and in favor of, for example, a labor union which makes its contribution by registrations and by getting-out-the-vote drives such as we have had. It discriminates in favor of universities. As I stated earlier, universities or colleges will declare a recess during which to provide that 2 weeks before an election their students can disband and go to work for whomever they please. Apparently, that is the way they choose to exercise their political activity. They are in favor, rather, of the students who say they are not able to contribute so many thousands of dollars, we will contribute so many hours in time.

Mr. Chairman, it is clearly discriminatory and for all of these reasons I urge you to oppose the amendment.

But most of all, Mr. Chairman, I urge you to oppose it because it can make the difference as to whether we have an election reform bill or whether we do not have one.

This is really the guts of the reform bill that you have in front of you right now. So I say to you that under all of the circumstances it should be opposed.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. THOMPSON).

Mr. THOMPSON of Georgia. Mr. Chairman, I wonder if the gentleman from New York (Mr. BINGHAM) would respond to a question?

In the amendment I understand that the limits apply to a calendar year. What if a candidate announces 2 or 3 years in advance for an office? Would he be entitled to $35,000 per year for each year he has announced?

Mr. BINGHAM. He would be, that is correct.

Mr. THOMPSON of Georgia. That would discriminate, would it not, against the major parties whose candidates probably would not be determined or may not be announced candidates until the election year, and they would have a $35,000 limitation. But if a person wanted to announce 4 years in advance then he would have $140,000.

Mr. BINGHAM. Mr. Chairman, if the gentleman will yield further, presumably the limitation would apply——

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, there has been so much talk about constitutionality on every issue that has come here that I find myself constantly saying, "I see no constitutional questions about this."

Now, there must be some very sharp constitutional lawyers here to find a constitutional issue on almost every amendment.

There is a constitutional right for a person to express himself by buying his own time on a specific issue, but I know of no constitutional right that anyone can exercise to expend an unlimited amount of money on a campaign of another.

We regulate the right of various organizations to contribute at all, and therefore we cut off the right of expression in some areas with respect to a campaign, but we cut off no one's right to express his own views on his own time, and on issues which he desires to express himself. Certainly there can be no constitutional issue in this particular case.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I think this is a senseless amendment in that it discriminates against somebody from a large family which has four generations covered, as this amendment does, because that means each generation can contribute $1,330. If you are married, that makes it $670.

It seems to me that if you are a single person with no siblings, no parents living, or children, then you can contribute the whole $5,000. Now, if that is not some kind of a constitutional impingement on a person's right to express himself on a campaign, I never heard of it.

Further than that I would like to ask if it is not a constitutional question, because we set $5,000, then obviously we could set $1 as a limit on an individual. And, frankly speaking, I think as free citizens we ought to be able to express our opinions with respect to campaigns as long as we are doing it out of our own resources.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. PIKE).

Mr. PIKE. Mr. Chairman, now that I think I understand this amendment, I would like to say a couple of words in its behalf:

I cannot accept the concept that it is not unconstitutional to limit the speech of a candidate by limiting his expenditures, but it is unconstitutional to limit the speech of somebody else by limiting their contribution.

I agree with the gentleman from Texas (Mr. ECKHARDT) that there is no constitutional question here. This amendment is directed toward individuals. We are talking about discriminating against individuals. Well, who are the individuals we are talking about? Those who contribute more than $35,000 to a presidential campaign, more than $5,000 to a senatorial or a congressional campaign.

I am perfectly willing to put a few limitations on the power brokers of our land, because that is what we are talking about in this situation.

Mr. Chairman, I would like to see the amendment adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. GRAY).

(By unanimous consent, Mr. GRAY yielded his time to Mr. HAYS.)

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman and members of the committee, there is no reason whatever to adopt under these circumstances a figure which places a limitation on contributions which can be made by anyone including especially a member of a candidate's family. There is nothing sacrosanct about $35,000 for the Office of the Presidency or about $5,000 for a U.S. Representative. The figures are just magically drawn out of a hat—they are arbitrary, they are meaningless and are unneeded. This amendment should be rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Chairman, this amendment is constitutional. I have made speeches for limitations and written articles for limitations. I am going to vote against it. I want to tell you very quickly why.

We have Democrats on this side who had better decide right now whether you want a bill or an issue. We have a cracker jack bill here today. It will stop millionaires from buying Senate seats. No one will be able to buy the presidency under this bill. The Macdonald bill got this television monster under control.

I think the President was wrong to indicate that he did not want a contribution limitation. He said he would veto the bill and is also looking for an excuse to veto the bill and this is going to give him that excuse if this is adopted.

I am going to introduce legislation to put contributions in once we get out of the woods here.

I want to make two or three other points.

I have a letter from organized labor that says they want the Senate bill.

The Senate bill—Senator MANSFIELD and other people put it in over there.

This is a bill which the Democratic National Committee wanted. You have a letter from Larry O'Brien on this. The Democrats got more large contributions, oddly enough, over $5,000, than the Republicans. So on the very practical ground tonight of determining whether or not you want a bill, I urge you very reluctantly, and forcefully appeal to you to please vote down this amendment and we will have a bill and have something meaningful, and something we can be proud of.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I just want to make two points very quickly.

The constitutional point has been well made. I previously put in the RECORD comments by Professor Bickel of the Yale Law School and Professor Freund of Harvard Law School and Professor Rosenthal of Columbia Law School sustaining the constitutionality.

The second point I want to make is that this is not antifamily. It is the Senate provision that is antifamily because if the gentleman from Ohio will look at his own bill, he will find he is limiting contributions that a candidate can get from members of his family to $25,000 for a contest of the House—brothers, sisters, parents, and so forth.

My provision would increase that amount by $25,000 for a candidate and those under his control plus $5,000 from each of his relatives. I would say this is less antifamily than the existing bill.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, the provision to establish limitations on personal contributions is probably unconstitutional; it is certainly unfair; and it is obviously discriminatory since it is many times more restrictive on presidential candidates than on other candidates.

First. Constitutionality: Personal campaign limitations may violate not only the first amendment but also the fifth. The Supreme Court has not reviewed specifically, but dissenting Justices in United States against CIO—1948—and United States against UAW—1957—raised first amendment questions.

In CIO, Justice Rutledge referred to the "presumptive" weight against intrusions or encroachments upon the—first amendment—reserves against legislative annexation.

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Justice Douglas in United States against Auto Workers—1956—said:

When the exercise of First Amendment rights is tangled with conduct government may regulate, we refuse to allow First Amendment rights to be sacrificed merely because some evil may result.

The equal protection guaranteed by the Constitution may be especially significant to protect the rights of minor party or independent candidates to participate in election processes.

In William against Rhodes—1968—the Supreme Court struck down as unconstitutional a part of the Ohio law. The law imposed more burdensome restrictions on minor candidates to get on the Ohio ballot than for regular party candidates.

Second. Unfairness: Money is the only way that some people can participate in political campaigns. It is one valuable commodity. Other valuable commodities are a celebrity status, name recognition, personal services, use of nonbusiness cars and telephones and nonmoney gifts. Of these, obviously personal services are the most usual campaign contribution. We have already given anonymity to those who contribute personal or noncash services. We have already given them unlimited ability to contribute those services. We have already stripped anonymity from the cash participant. Now we seek to place a limit on that which we can contribute. This is obviously an unreasonable and unfair provision. It strikes most violently at the aged and infirm who have no other way to participate in politics.

Third. The provision has been written in such a way that it obviously discriminates against presidential candidates. Whether it intends to discriminate against one obvious presidential candidate or not is a moot question, but the suspicion will arise, and I raise it specifically here, that it may have been aimed at President Nixon. Based on the number of people in the constituency which all of the bills have accepted as a basis for other limitations, the limitation on contributions for a presidential campaign should be 435 times that allowed for a congressional campaign. That ratio would allow contributions in excess of $2 million. Instead, the proponent of this provision seems to be pretending that it only costs seven times as much to run a presidential campaign as it does to run a House campaign. The Senate limits are equally inappropriate, particularly in the large States. This kind of bias has no place in any election law reform and makes use of the term "reform" ridiculous on its face.

There was no showing of evil in the subcommittee or committee hearings.

Second, this is unfair as well as unconstitutional. Money is the only way some people can participate. It is one valuable commodity. Some other commodities are celebrity standing—voter recognition—your own personal contacts—personal telephones of whatever.

This provision strikes most violently at the aged and the infirm who have no other way of participating.

Third, it is discriminatory against the President. If we have a $5,000 limitation for Congress, it should be 435 times $5,000, but you have made it seven times. Therefore, it looks like somebody is trying to put a little "stuff" in the game. I do not know which President it happens to be aimed at. It looks like it is aimed at the incumbent.

Mr. Chairman, obviously it is unfair. The amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. MACDONALD).

(By unanimous consent, Mr. MACDONALD of Massachusetts yielded his time to Mr. HAYS).

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, at this late hour we have accomplished, it seems to me, the almost miraculous task of melding together two House committee bills and a Senate bill, and in the process I think we have come up with a pretty acceptable piece of legislation. It seems to me absolutely incredible that my friends on the other side of the aisle, many of whom I know are sincerely dedicated to the cause of campaign finance reform, would put that entire tortuous effort in jeopardy at this late hour by the adoption of this amendment. I tried myself on one occasion to draft a contributions-limitation amendment. I know from my study of the problem that the Bingham amendment is full of loopholes. It does not apply to the Special Interest Committee. It does not apply to groups like COPE.

Why is it wrong for an individual to make a $25,000 contribution, or for one of these huge national committees to go ahead and make a contribution of that kind? There are loopholes in this law, and I would submit we already have had enough of that under the Corrupt Practices Act of 1925.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, a moment ago I said that what we do here with the district courts should also cover the circuit courts. I meant the county courts and all the courts of the United States.

First, I would like to say this: After all the debate—and a lot of it has been emotional—I think we are coming up with a very good bill. I am for this amendment, and I would not let the threat of a veto deter me from voting the way I think I should vote. I do not believe the gentleman really meant it when he said that we should let that stop us from voting for what we think is in the best interests of the Nation. I think when we come out with a bill, it will be a bill that has been melted down and has come together. It has not been partisan. There has been a great deal of bipartisanship here, and I want to congratulate every Member of the House for the part he or she has taken in it. I think we have come up with a good bill, and the amendment should be adopted.

Mr. BADILLO. Mr. Chairman, for the first time in nearly half a century, the Congress is about to enact a comprehensive election reform bill and it is my most sincere hope that the final product will represent a major step toward restoring public confidence in the electoral process and in elected officials.

There is no more serious problem in the American political process today than the financing of campaigns. The skyrocketing cost of campaigning has produced a situation in which practically all but the wealthy—or their friends—are prohibited from running for office.

In recent years it has become apparent that the potential candidate of modest means is being driven from the field. Without a source of outside wealth, he is faced with the choice either of running a shoestring campaign or relying on a few major contributors. If he chooses the former course, he faces staggering odds. If he seeks out large contributors, he creates a serious potential conflict-of-interest situation.

It seems clear that at a time when the demand for reform grows strong on many fronts, the area of election law must not be ignored. Current Federal election laws are more loophole than law. Their limits do not limit and their penalties are empty threats.

The Federal Corrupt Practices Act purports to require disclosure of campaign contributions and expenditures, but because the law does not apply to primaries nor to campaign committees operating solely within one State, it is gravely defective.

Another unfortunate omission is our failure to enact legislation either to broaden the base of campaign finance by encouraging contributions from small donors through tax incentives or to achieve perhaps the ultimate campaign reform which eliminates private contributions altogether.

Proposals to replace private campaign contributions with public funds are not new. Such proposals were suggested by President Theodore Roosevelt many years ago and they were recommended to Congress by President Johnson in 1967. As we debate this bill today, the Senate already has passed an amendment to the revenue bill which would create public funding of presidential campaigns through a $1 tax checkoff fund administered by the Comptroller General.

While such an amendment would not be germane to the legislation before the House today, I am hopeful that the House conferees on the revenue bill will accept it.

With regard to the legislation now before us, it is my hope that we will combine the bill H.R. 11231 reported by the Committee on Interstate and Foreign Commerce with H.R. 11280, which is identical to the bill passed by the Senate, and strengthen both with amendments. I think we must keep in mind the overwhelming likelihood that whatever form the election reform bill ultimately takes, it will represent at best a first step and that further reforms clearly will be called for on the basis of our experience under the new law.

The House Commerce Committee bill has several key features which deserve our support. Among these are repeal of section 315, the equal-time provision, of the Federal Communications Act, for presidential and vice presidential candidates. This is essential for the broadcasters to provide free air time for debates between the major party presidential candidates but I supported the amendment of the gentleman from California (Mr. VAN DEERLIN) extending this provision to U.S. Senate candidates while authorizing a study of the desirability of including House candidates, as well.

Another key feature of H.R. 8628 is the 10-cent-per-voter ceiling on broadcast media spending. This feature, coupled with the requirement that broadcasters charge candidates the lowest unit rate for media time represents a major step toward curbing the excessive costs of campaigns.

It will be argued that a media spending limitation is only a partial cure for the high cost of campaigns, and that an overall spending limit should be enacted. In this regard, it must be pointed out that whatever law we write here is only as good as the means by which it can be enforced. I am convinced that a media limitation is far more enforceable than an overall limitation and that it really gets at the root of excessive campaign costs.

The key features of the Senate bill I feel should be incorporated are:

First, effective requirements for public reports of campaign contributions and expenditures. The Senate bill requires five reports at regular intervals before an election and on the following January first. The preelection reports will provide the public with the kind of campaign financing information to which it is entitled.

Second, the Senate bill establishes a bipartisan Federal Elections Commission to enforce the legislation, to receive all required reports and to make public the information it receives. This mechanism is clearly preferable to H.R. 11060, which gives this authority to the Clerk of the House and the Secretary of the Senate. If we are to increase public confidence in the electoral process and in elected officials, the task of policing the election reform law must be assigned to an independent agency with no conflicts of interest.

S. 382 has one glaring defect, however, and it must be corrected here. As the bill now stands, limits are set on what a candidate and his immediate family can spend on a campaign, but no limits are set for other contributors. In this regard, the bill actually is regressive for present law contains limits for all contributors. At the very least, the existing limits should be incorporated in this measure, or as an alternative, the limits contained in the House Administration Committee bill, H.R. 11060, should be adopted. These latter limits are $5,000 from individuals for House and Senate candidates, and $35,000 per year for presidential and vice-presidential candidates, while use of a candidate's personal funds would be limited to $15,000 for House races, $20,000 for Senate races, and $35,000 for presidential and vice-presidential races.

Adoption of these provisions will represent a major effort by Congress to make the electoral process more responsive and more responsible. It will represent a true response to a public demand which has been growing for years and which, if not met, would result in an even greater credibility gap between the American people and their Government. A strong election reform bill will stand as one of the major achievements of this Congress. We dare not ignore the challenge.

Mr. DONOHUE. Mr. Chairman, our overriding and lasting objective, with respect to these Federal election reform bills before us, must be, in my opinion, to restore and strengthen public faith and confidence in the National Government.

Our more immediate purpose is to try to insure that our Federal elective offices are, in fact, equally open to any qualified candidate and are not the exclusive preserve of individuals who possess great personal wealth or those who have access to extraordinarily large amounts of campaign spending subsidies.

To accomplish both of these urgently needed objectives, the majority of this House must, and I hope they will, approve the strongest possible compromise bill that will effectively limit campaign spending to a reasonable level and will require a contributor revelation procedure that will serve to remove any public doubt about unwholesome influences in our National Government election campaigns.

In my opinion, the acceptance of the substance of the Senate and Macdonald bills, with other improving amendments, would be a substantial forward step toward the accomplishment of the objectives we desire to reach in this legislative area. I would also hope that the provision in the tax bill, very recently adopted in the Senate, as a beginning toward ultimate public financing of all election campaigns, by permitting individual tax deductions on small political contributions and by allowing each taxpayer to earmark $1 of his tax for the presidential candidate of the party of his choice or for a fund from which presidential candidates could draw, will be accepted by the House when that measure comes before us in the near future. It seems to me that, in the finality, the establishment of a public financing system that will include all Federal offices might well be the best method of insuring the elimination of the plague of special interest influence by donors of private money in election campaigns and also reassure the public of the integrity of our election processes.

Mr. Chairman, I want to emphasize my belief that neither the executive nor legislative branch of our Federal Government can effectively operate in the national interest without the confidence and the backing of the majority of the American people. The retention and expansion of that public confidence is truly at stake in our action on this campaign spending reform legislation. The particular challenge to the Congress, in this question, is to demonstrate to the American people that, irrespective of personal or party concerns or loyalties, we can patriotically legislate in the lasting national interest by restoring public confidence in our national election campaign procedures and insuring that every qualified citizen has an equal opportunity to run for any Federal office in this country. I, therefore, urge and hope that the House will overwhelmingly accept the challenge and fully discharge the legislative responsibility that is facing us today.

Mr. CONTE. Mr. Chairman, I support the amendment offered by the distinguished gentleman from Idaho.

The purpose of the amendment is quite simple: To codify recent Supreme Court decisions regarding the use of union treasury funds during political campaigns by amending title 18 of the United States Code.

Let us be perfectly clear. This amendment would not prohibit the use of union treasury funds to explain union positions to union members. Nor would this amendment prohibit nonpartisan "get-out-the-vote" activities aimed at union members and their families.

But this amendment would quite properly safeguard the interests of shareholders in their corporations and workingmen in their unions by insuring that their funds are not diverted to broad-scale political activities. Without the explicit permission of the donors, the use of such funds would have to be confined to the shareholders and workingmen themselves. This is as it should be.

It is imperative that our deliberations on campaign spending reform produce results which will encourage the free and untrammeled functioning of our electoral process. Shareholders and union members have the right to determine whether or not to contribute to particular candidates. And they have the right to make this decision without fear of reprisal. Passage of this amendment would affirm their right to give full vent to their political beliefs without the threat of losing their livelihood.

As a clarification of Supreme Court rulings in this area and as a ringing affirmation of the right to unfettered participation in American political life, this amendment deserves our unqualified support.

Thank you, Mr. Chairman.

Mr. BRASCO. Mr. Chairman, the ever-growing cost of political campaigning is lowering the quality of American political life. As television increasingly dominates most candidates' considerations, he or she must come to grips with the realities of what it costs to run significant numbers of television advertisements. In no way can this be avoided.

Television is the surest way to reach a mass audience up to the moment of the actual poll. The growth of cable television is bringing this harsh reality to the farthest corners of the Nation. A wired society is in the immediate offing, and political candidates are being whipsawed by the political costs. The few special interests who can deliver massive amount of campaign money are too often in a commanding position as far as eventual influence upon an elected candidate's voting positions. This is as true of the Federal as it is of the State legislative area. In sum, the quality of political life

is lowered and the people are less well served in the process.

Campaign spending reform is the only answer and sole hope for a reversal of this ominous trend. We have before us exactly such an opportunity, the first of its kind in 45 years.

It is also a fact that the Republican Party has a virtual lock on major campaign contributions from large vested interests. Most major corporations have persistently poured significant contributions into the coffers of this party, with more than usual success in terms of a quid pro quo.

We must strike some sort of balance which will hold down rising campaign costs and reveal more of the sources of political money. Only in this way can we make public servants less vulnerable to a big, single checkbook. Only in this manner can we insure that the public will know far more of what its public servants are doing in their name. Sunshine is the best disinfectant, and especially in the national legislature its exposure is required.

We have already made significant progress. But more must be made if the measure is to emerge as a full scale reform.

It is my fervent hope that we will understand how unlimited special interest money and the rising cost of campaigning are corrupting the national political process. Understanding these factors, the next step is the obvious one of acting to wrap up the reform package.

Mr. FISHER. Mr. Chairman, the pending bill has my support. I would hope the controls and limitations on campaign spending are made enforceable.

The vast amounts of money expended by and on behalf of candidates for office in recent years has become a national scandal. By sheer influence of unlimited spending, making maximum use of radio and television, and in other ways, wealthy candidates and those who have access to wealth, strive to literally buy public offices. Is the Congress to become eventually a rich man's club?

This spending craze has created a crisis which affects the American system of government. Efforts to control the evil has been feeble and nonproductive. An intolerable situation has been created. It begets corruption, unethical tactics, deceit, and deliberate distortion of facts and issues. That is inherent in "win-at-any-price" campaigns. The public is fed up with it and demands relief. A recent Gallup poll showed 78 percent of the public favors a meaningful limitation on campaign spending.

I am sorry the bill does not contain a restriction on campaign contributions by labor unions. The Corrupt Practices Act now prohibits contributions by corporations and banks. Why should it not apply to union funding, much of which is derived from union dues—and contributed without, in many instances, the consent of those who pay the dues. Whether done indirectly, by evasion or otherwise, the public interest would be better served if such contributions were prohibited. Then let individual union members and their officers provide financial assistance to their favored candidates, within the limitations applied to all others.

It is interesting to note that labor unions spent $1,097,000 on 24 successful Senate candidates last year—up to as much as $151,000 for one candidate.

In addition, unions contributed $669,000 to 17 unsuccessful Senate candidates.

On the House side, 32 successful union-backed candidates got more than $10,000 each; with $140,000 going to unsuccessful candidates.

But that is not all. There were 58 additional successful candidates for House seats who received $5,000 or more each from unions.

These contributions were legal. But it would seem that in the public interest such financial help should come from individuals and not from organizations which obviously and admittedly have selfish interests to be served. Although I am not aware of any individual Member being influenced unduly by such contributions, I think the system which permits it is bad.

Mr. Chairman, on February 4 of this year I introduced H.R. 3620, which contains the chief objectives of the legislation now being considered. I am pleased that progress is being made in advancing legislation on this subject. If the final version, as worked out by the House-Senate conference committee, is in accord with what is being attempted here, and if meaningful enforcement provisions are included, the result will be widely acclaimed by the American public.

Mrs. ABZUG. Mr. Chairman, as we debate H.R. 11060, the Hays bill and the two substitute bills—H.R. 11231 and 11280—we face one of the most serious questions in American politics. We must find a way to reduce the influence of money in the electoral politics of this country if one man, one vote is ever again to have meaning.

The need for reform in the laws governing the financing of Federal elections is urgent. The present laws are inadequate, ignored, and unenforced. As the costs of campaigns increased over the past several years, parties and candidates alike have continued to rely extensively on a few big givers to meet their expanded needs. At the present time, the best estimates have it that 90 percent of the money raised for political campaigns comes from 1 percent of the contributors. There is no way to accurately assess the influence that this secondary constituency of big givers has on public policy.

While the present law provides a ceiling on individual gifts, it is easily and routinely circumvented. First, the limit is excessive—$5,000 per donor, per committee. Since there is no limit on the number of committees that each candidate may establish, big contributors—and their sons, daughters, and wives—merely contribute whatever total amount they choose to a myriad of special committees. I do not propose to go through the litany of these particular abuses at this time. The Members of this body know them well. None of the bills before us alleviate this problem.

Perhaps the best single example of the unreality of the present law is its failure to cover primary elections. All of us know that as much and perhaps more money is actually raised and spent in primaries. What possible lapse in legislative intent can explain our failure to provide for reasonable limits and effective disclosure in the nominating process? In this respect, the legislation before the House is a step toward realistic reform.

Even where ceilings on cash contributions are reasonably protected by State reporting laws, Federal statutes have not prohibited corporations and the wealthy from evading those laws by lending airplanes, executives, and other company resources to favored candidates.

Moreover, and most importantly, there has simply been no enforcement of our present laws. Attorneys General in every administration of both political parties have shrugged off their obligations—and candidates for Federal office have routinely engaged in the most transparent hypocracies without fear of prosecution.

I intend to vote for the modified Senate bill (H.R. 11280) legislation we have before us today. But I want to say that I will do so most reluctantly. I will vote for it because it represents a step away from the past, but, at best, it is only a tentative step into the future. By no means does this bill represent a serious effort to reform campaign spending in this country. Moreover, my vote for this bill is cast reluctantly because I am concerned that our present requirements have remained on the books as the law of the land for the past 46 years. If by passing this bill, we are lulling ourselves into the belief that the necessary reforms have been accomplished, then this legislation is more dangerous than no legislation at all.

But, as I have said, I will vote for this bill as a needed, but temporary, measure. In so doing, I believe I assume an obligation to continue to examine this problem and to establish a dialog in the country about the problem and some proper solutions. And I think that we undertake an obligation also to formulate legislation in the next session, and each session thereafter, until we achieve a system of political finance in this country that will restore to voters and dollars the relative influence that they properly deserve.

I do not know all the attributes of such a system, but there are certain characteristics that are fundamental.

There must be effective limits on the size and number of political contributions. The present $5,000 limit is perhaps 10 times too large; $50 would be more appropriate if we genuinely seek to limit the influence of money in politics.

At the same time, we should provide tax incentives to encourage small giving. Parties and candidates have been equally lax in developing programs to stimulate average citizens to participate in politics with their dollars as well as with their votes. It is a small enough investment in democracy to permit a citizen a reasonable deduction from his income taxes in return for his support for the candidate of his choice.

There must be effective disclosure provisions to insure that the public is aware of whose money is supporting the political campaigns of its elected representatives. Reporting provisions must be timely so that abuses are not turned up 45 days after the election, but in time for them to be made public before election day. The penalties for violations must be severe enough to make candidates resist the temptation to evade the law and realistic enough that our law enforcement authorities take them seriously.

Primary elections must be subject to the same regulations as general elections. This is fundamental and cannot be compromised. to purify the influence of money at the final stage of the process and ignore it at earlier stages is either self-deluding or contemptuous of the public intelligence.

Finally, we must begin to reassess the entire premise of our present system of total reliance on private gifts. In this era of rising campaign costs, we have attempted only to regulate the size of private gifts and the total amount of dollars spent. We have been transfixed by ceilings, when the more fundamental problem has to do with floors. We must seriously address the question of how many Americans can no longer afford to participate in politics as active candidates for public office. How many people today find the price tag of public office prohibitive? When a citizen must risk personal bankruptcy or go into political hock to special interests in order to be able to make the initial decision to run for public office, we have created a situation that corrodes the foundation stones of our democracy. We must begin to seriously examine the need for public subsidies for political campaigns. We must equalize access to our political system for all citizens. The costs are not high, especially when measured against the eroding confidence and growing cynicism bred by the present law.

Mr. BLACKBURN. Mr. Chairman, during the debate today, many Members have discussed the need for full disclosure of all campaign finances. I believe there are arguments in opposition to this proposition which have not adequately been presented to this body.

The arguments have been developed that: First, the cost of political campaigns has become so high that America can no longer afford unregulated democracy in action; second, "fat cat" contributors demand commitments from candidates before making contributions and, thus, candidates are controlled by big contributors; and third, a candidate's purity of motive would be insured by complete disclosure by the candidate of every contributor and the amount of his contribution.

These arguments have received such wide publicity that, by reason of repetition, they are rapidly approaching the status of divine revelation, not to be challenged. Let me take this opportunity to challenge these arguments, recognizing the political risk involved in standing alone when political security could best be served by following the herd instinct.

I am firmly convinced that no small motivation of those proposing such legislation is the preservation of office for those who enjoy the status of being an incumbent. Anyone proposing to defeat an incumbent must carry the fight to the incumbent. This entails the use of a lot of money, the amount varying from one congressional district to another. Thus, arbitrary limitation will restrict the ability of nonincumbents to carry the fight, and, thus, help to insure the safety of incumbent officeholders.

But, let me address myself to the three arguments that I have heard most frequently given in favor of rigid campaign limitation laws and rigid reporting laws.

First, I challenge the statement that America cannot afford a free exercise of the democratic process. The right to participate in political campaigns, not only as voters, but as contributors or campaign workers, is too valuable a right to be limited by law. Suppose you, as a citizen, desire to contribute to my opponent in next year's campaign but your contribution is returned because my opponent was limited in his spending and had already accepted the total amount allowable under law. It would be your right as a citizen that would be curtailed, and not merely the candidate who is being inconvenienced.

When I see the material comforts of life which we enjoy, I am somewhat skeptical when someone argues that we cannot afford the most precious right a citizen in a democracy can ever enjoy: that is, in giving direction to his government through full participation in political campaigns.

The second argument, that big contributors exercise an inordinate influence over officeholders probably has some merit. But the campaign limitation laws would only improve their control because a few big contributors could soon fill the financial limitations and thus exclude the smaller contributors from having any impact on a candidate's campaign.

In the final analysis, a politician's personal character will determine the degree to which he can be a "bought" man. If a man is for sale for one price, he is probably equally for sale at a lesser price, depending on his needs of the moment. It is a politician's conduct in office which answers the question of his personal character and integrity. It is these qualities which are reexamined periodically when he offers for reelection. If his conduct in office shows a pattern of undue responsiveness to a particular segment of his constituency to the disadvantage of the great majority of his constituency, then this is a matter to be considered by the voters in choosing between one candidate and the other.

The demands for a disclosure of contributors and the amount of contributions is probably the most questionable argument being advanced. In the first place, a dishonest candidate and a dishonest contributor are not going to report their financial transactions. It would be an impossibility to adequately enforce such a provision of law. The honest candidate and the honest contributor would be the most disadvantaged.

The implementation of full reporting laws would do more to discourage contributions to nonincumbents than any other one law. My campaign treasurers can attest to the differences and difficulties in raising funds for an incumbent and a nonincumbent. People have a right to remain anonymous in casting their ballot.

I think to some degree, there is a parallel between the sanctity of secrecy of the ballot and the right to remain anonymous in making political campaign contributions.

Many people, by reason of their business connection, or professional connections, may wish to support a candidate who espouses a political ideology for which they hold a sympathy. At the same time, they might fear retaliation against their business interests of their professional association by persons holding positions of authority who do not agree with their thinking.

Ironically, it is the small businessman, seeking to hold government-related business, the union member, seeking to support a candidate his union leadership opposes, or the college professor seeking to establish tenure with a college having a leadership of strong political philosophy contrary to his, who would be the least able to afford public disclosure of their financial support for political candidates. The result would be a greater polarization of our country into contests involving big business, big money, and big union bosses to an ever greater exclusion of participation by the "little man" that these laws ostensibly are seeking to serve.

Mr. GUDE. Mr. Chairman, it is a credit to the House that the issue of Federal election reform is up for consideration, and that there is a bipartisan effort to forge a meaningful reform measure. Many of the critics of Congress predicted that a reform bill would never reach the floor. Instead we stand on the verge of passing a strong reform bill which would meet the requirements of those of us who wish to see the undue influence of money in politics reduced and the integrity of the democratic electoral process shored up.

Any campaign reform legislation must, in my view, have as its base a strong reporting and disclosure provision. Private wealth has become a corrupting force in American politics today, not because of the nature of the democratic system or the character of the men in politics, but because of the soaring costs of campaigning. Federal offices must not be allowed to become the exclusive property of millionaires or those whose politics attracts the support of the wealthy. This is not an ideological or party matter. Individuals of both leftwing and rightwing persuasions have been substantial contributors to political campaigns.

I also feel that it is important to keep the system open to challengers. A bill favoring incumbents would be a mockery and would in all likelihood be vetoed. People are well aware of the many advantages enjoyed by incumbent office holders. Well qualified individuals will hesitate to spend their time and money on a campaign if the odds are further stacked against them. As Representatives

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we should recognize that our personal self-interest and the national interest separate at this point.

Campaign financing reform must, of course, eventually set some limits on spending. This limit must be high enough to allow a challenger to make himself known and yet low enough to be a meaningful limit and not an enticement to media saturation.

In my view, the Senate passed campaign reform bill, H.R. 11280, is a noteworthy and acceptable measure. The Senate bill would limit broadcast spending to 5 cents per eligible voter and spending for newspapers, magazines and billboards to 5 cents as well. Twenty percent of unspent funds in one category may be transferred to another thus allowing 6 cents per voter for broadcasting and 4 cents per voter for nonbroadcasting media.

H.R. 11280 also puts a limit on spending from the personal funds of candidates in campaigns for nomination or election. These limits would be $50,000 in a Presidential race, $35,000 in a Senate race and $25,000 in a House race. No limit was placed, however, on contributions.

Finally, the Senate bill has quite adequate disclosure provisions. Candidates, individuals and committees would have to file periodic, detailed reports and the bill would extend the report requirements to all primary elections, the presidential nominating process, and State and District of Columbia committees not now covered.

I believe that the time is at hand to control the power of private wealth in Federal elections and we have before us, in H.R. 11280, the means with which to do this.

Mr. CRANE. Mr. Chairman, on the floor of the House of Representatives, we again witness a display of the awesome muscle that organized labor wields in this body.

After an intensive campaign, the labor union bosses have finally succeeded in getting their language into a campaign reform bill, rather than the language that would have provided the only true campaign reform.

My amendment, which was included in H.R. 11060, would have prohibited the use of involuntarily raised funds for political purposes by the unions. It would have restored to millions of union members the right to determine whether they wanted their hard-earned money to be used to support political causes of their own choosing, or to support the causes dictated by the union bosses.

The bill which has now been passed by the House of Representatives is a mockery of campaign reform. It opens wide the floodgates to union, bank and corporate activity in an area where it has never been legal before.

Therefore, I had no alternative but to oppose the bill.

HISTORY

My first contact with this problem came during my academic career in 1963 and 1964 when I was writing a book entitled "The Democrat's Dilemma." The central theme of this book deals with the power and control which organized labor has over the U.S. Congress.

When I was writing that book I did not realize that I would one day feel the effects of that power first hand. Following my election in 1969, after a bipartisan agreement, I was to be appointed to the House Committee on Education and Labor along with my colleague from New York (Mrs. CHISHOLM). But the unanimous-consent request, mutually agreed upon by the Democrat and Republican leadership, was denied, and I was subsequently assigned to the Banking and Currency Committee. The events of that day have been detailed in an article by the noted columnist, Willard Edwards, which appeared in the Chicago Tribune. At this time I insert the Edwards column:

CRANE FINDS WHO IS BOSS IN HOUSE

(By Willard Edwards)

WASHINGTON, December 26.—On his 22d day in office, Rep. Philip M. Crane, Illinois' newest Republican congressman, was given a dismaying lesson in the harsh political realities of life on Capitol hill.

Crane learned who really controls the Democratic majority in the House and, thus, Congress itself, even in such a minor matter as a freshman's committee assignment.

It is not, he discovered, Speaker John W. McCormack [D., Mass.] or Rep. Carl Albert [D., Okla.], the majority leader, or the Democratic chairmen of House committees.

These Democratic leaders can be overruled, he found, when organized labor, in the person of Andy Biemiller, chief lobbyist for the AFL–CIO, chooses to exercise his influence.

As a result, Crane was deprived of a position on the House education and labor committee, for which he is eminently qualified as a former history professor at Bradley university and as an author and expert on the problems with which the committee deals.

Instead, he was shunted to a spot on the banking and currency committee. Its legislative jurisdiction, while important, is remote from the field in which his talents would be most useful.

After Crane was sworn into office Dec. 1 he sought out Rep. Gerald Ford [Mich.], the Republican minority leader, and asked to be assigned to the education and labor committee.

Ford consulted Speaker McCormack and Albert, majority leader, as well as the committee chairman, Carl Perkins [D., Ky], and Rep. William H. Ayres [R., O.], the ranking minority member.

All agreed that Crane was a "natural" for the committee. The Democrat leaders were also seeking a place for Rep. Shirley Chisholm [D., N. Y.], the first Negro woman to serve in Congress. They decided to enlarge the committee to 37 members from 35, putting Crane and Mrs. Chisholm in the two places created.

But when labor lobbyist Biemiller learned of this plan, according to bipartisan sources, he put his foot down. He regards the committee, with considerable reason, as his domain. He made it clear that his opposition was based on an aversion for Crane, a conservative who in his book, "The Democrats' Dilemma," denounced control of Congress by a labor hierarchy, mentioning Biemiller by name.

Protests against the Democratic leadership proposal were led by Representatives Roman C. Pucinski [D., Ill.] and Augustus F. Hawkins [D., Cal.].

In vain, McCormack, much disturbed, pleaded with these objecters that he had reached a firm agreement with Ford. Such bipartisan arrangements are always respected.

But he was rebuffed. The fact that Mrs. Chisholm would also go down the drain was disregarded by Biemiller, who was incensed by his loss of a fight against President Nixon's Philadelphia plan, a formula for encouraging Negro employment in the construction trades. Mrs. Chisholm voted against him. Ford engineered the defeat.

A last-minute attempt was made on the House floor to secure unanimous consent for the committee enlargement. Both Pucinski and Rep. Joe D. Waggoner [D., La.] jumped up to object. Waggoner, whose objection was presumably aimed at Mrs. Chisholm, won.

"It was disappointing and disillusioning," Crane said of the experience. "It certainly proves my contention that Congress is dominated by labor chiefs who pay little attention to the wishes of the rank and file."

Mr. CRANE. We witness another example of the blatant power of the labor unions. While decrying the Crane amendment, they manage to foist on this House a substitute which would legalize their past illegal actions, while simultaneously stating that this was merely "codifying section 610" of title 18 of the United States Code, the Corrupt Practices Act.

CORRUPT PRACTICES ACT

The intent of title 18, United States Code, section 610, is to prohibit contributions or expenditures by banks, corporations and labor unions in connection with Federal election campaigns. Although section 610 appears on its face to be clear and unambiguous, it has not effectively prevented large scale political expenditures by labor unions as Congress intended. When section 610 was amended in 1947 to cover labor union political expenditures, its stated purpose was:

First, to reduce the undue and disproportionate influence of labor unions upon Federal elections;

Second, to preserve the purity of such elections against the use of aggregated wealth by union as well as corporate entities; and

Third, to protect union members holding political views contrary to those supported by the union from the use of funds contributed by them to promote acceptance of those opposing views. See *U.S. v. CIO, 335 U.S. 106.*

Unfortunately, these objectives of the law have not been met. Today the influence of organized labor on Federal elections is greater than ever before, and a very large part of the time, energy and wealth of major labor unions is devoted to political action in Federal election campaigns.

By becoming deeply involved in political campaign activities, American labor unions have departed from their primary functions as collective bargaining agents and have become, in practical effect, political organizations. In the process they are rapidly transforming one of the two major political parties into a labor party, a result which will most certainly have an adverse effect upon the traditional two-party system in this country.

If membership in labor organizations were entirely voluntary, objections to partisan political activities by unions would perhaps have not so strong a base. But Bureau of Labor Statistics figures show that approximately 85 percent of all union contracts now contain clauses which compel continued union membership or payment of union dues and fees as a condition of employment. The rank-and-file worker is thus compelled to provide financial support for the union even though the union uses a substantial portion of his compulsory dues dollar to support candidates and political causes which he either opposes or would not willingly support if he were given a free choice. Public opinion surveys immediately following the 1968 election showed that 44 percent of union members and their families opposed the presidential candidate endorsed and financially supported by their unions. It was precisely this sort of situation that title 18, section 610 was intended to reach.

THE CRANE AMENDMENT

My amendment, which is identical to section 8 of H.R. 11060 except for a technical change, would have clarified and broadened the definition of the terms "contribution" and "expenditure" as used in title 18, section 610. Under this new definition it would be perfectly clear that labor organizations, as well as banks and corporations, could not have made any direct or indirect payments or provide any services or any other thing of value to any candidate, campaign committee or political party or organization, or to make any expenditure related to get-out-the-vote activities in connection with Federal election campaigns, if involuntarily raised.

At the same time, it also made clear that this section would not prohibit a union from organizing and administering a separate contributary fund for political purposes if all contributions, gifts or payments to such fund are made freely and voluntarily, and not related to dues or fees required as a condition of employment. Enactment of this provision would have clarified the intent of Congress to distinguish between voluntary contributions and the use of compulsory union dues for political purposes.

UNION POLITICAL ACTIVITIES

It is no secret that labor organizations provide cash contributions to political candidates. But more important is the furnishing of a large volume of union-paid manpower to perform partisan precinct level functions of getting-out-the-vote and moving voters to the polls. During election campaign periods, and even between elections, thousands of union salaried staff personnel are assigned full time to the job of registering voters, keeping voter lists up to date and all of the other functions related to traditional partisan political activity. The massive scale of this type of union political activity is described by Alexander Barkan, director of AFL–CIO COPE, in an article appearing in Issues in Industrial Society, vol. 1, no. 2, published by the New York School of Industrial Relations at Cornell University.

Evidence of the intensity of labor's political activity in 1968 was the 55 million pieces of printed matter distributed by National COPE to union members and an additional 60 million plus distributed by state AFL–CIO bodies and international unions. It is unlikely that any organization—including the two major parties—ever produced so much political literature in any one campaign.

Labor's nationwide registration drive put 4.6 million voters on the registration rolls. Most were Humphrey supporters. The figure not only represents trade union members and members of their families but reflects the results of labor's registration drives in the Negro, Puerto Rican, and Mexican-American communities. *In many states, labor did the registration job for Humphrey singlehandedly; the Democratic party had abandoned the field.*

Negro trade unionists were mobilized at a series of conferences in the spring of 1968 which led to the formation of units in 31 big cities to increase the vote in the black community. Three and a half million pieces of literature, especially prepared for the Negro community, were distributed. We were the major national organization working at registering black voters and getting their vote. The Negro vote for Humphrey exceeded 80%.

The labor movement mobilized Mexican-American farm workers; and the AFL-CIO funded an operation which included a million leaflets, radio spots, and hundreds of election day workers in California alone. Farm workers' ballot boxes in the state also exceeded 80% for Humphrey.

In many states, a house-to-house canvass was conducted as part of our get-out-the-vote effort, particularly in selected labor areas and in minority-group areas where there are relatively few telephones. The number of persons involved in this operation was 72,225.

There have been other cases. Twice during the past decade the U.S. Supreme Court acknowledged that union officials are spending compulsory dues money for partisan political purposes. Associate Justice Hugo Black wrote 10 years ago.

There can be no doubt that the federally sanctioned union shop contract here, as it actually works, takes a part of the earnings of some men and turns it over to others, who spend a substantial part of the funds so received in efforts to thwart the political, economic and ideological hopes of those whose money has been forced from them under authority of law.

RECENT CASES

Mr. Speaker, the interests of union members who oppose the political views of union officials are not being protected under existing law. Because the members are obligated to pay union dues in order to retain their employment, they are powerless to forestall the diversion of their dues into partisan political channels. Only the avenue of costly litigation is open to them, but because of their limited means, it is beyond their reach in most instances.

Just a few months ago a group of McDonnell-Douglas Corp. employees in California achieved a notable legal victory. In 1967 they filed a lawsuit challenging the use of their compulsory "agency shop" fees for political purposes. Their complaint was dismissed by the trial court, but last year their appeal was upheld by the U.S. Court of Appeals for the Ninth Circuit. In a commonsense opinion reversing the trial court, the court of appeals held as follows:

The diversion of the employees' money from use for the purposes for which it was exacted damages them doubly. Its utilization to support candidates and causes the plaintiffs oppose renders them captive to the ideas, associations and causes espoused by others. At the same time it depletes their own funds and resources to the extent of the expropriation and renders them unable by these amounts to express their own convictions, their own ideas, and support their own causes. (*Seay v. McDonnell Douglas* 427 F.2. 996, CA 9 [1970])

If additional proof is needed to confirm labor unions' involvement in partisan politics, listen to this. In January 1968 the national AFL–CIO's official organ, in an article dealing with the federation's annual convention during the preceding month, reported, and I quote:

The Convention called for top priority for political action . . . All unions are urged to assign as many full-time staff members as possible for full-time political education work as early as possible in 1968.

Here is another example. This past June, national director Al Barkan of the AFL–CIO's Committee on Political Education was a principal speaker during the annual convention of the Hotel and Restaurant Employees and Bartenders Union in Chicago. Both he and a Member of the House of Representatives talked principally about the 1972 presidential election, according to reporter Thomas Power of the Chicago Tribune.

Mr. Barkman cautioned his audience not to become confused about its priorities of 1972. According to the Tribune's account, he shouted to the delegates:

Don't tell me about your contract negotiations next year. The important thing you have to do next year is to organize your members and win the election.

Mr. Speaker, thousands and thousands of hours of union staff time are required to carry out the various activities I have just described—staff time that is paid for with the dues collected from union members. By defeating the Crane amendment, we have said to the victims of compulsory unionism:

We will not lift a finger to restore either your freedom of association or your political freedom. You will be required to continue paying union dues against your will in order to earn your livelihood, and we do not object to the use of your tribute to elect candidates you will not voluntarily support.

Mr. Speaker, I, for one, am appalled that we would transmit such a message to our country's union members.

PARLIAMENTARY BACKGROUND

In the House Administration Committee, of which I am privileged to be a member, my bill—H.R. 1259—was accepted in a modified form as section 8 of the bill under consideration, H.R. 11060. My bill thus became title 8 of the bill which we are presently discussing.

When the Frenzel-Brown measure was considered as a substitute for the original House administration text, I realized that my section 8, the so-called "Crane amendment" would have to be added as a new section to this measure.

As you know, Mr. Speaker, I attempted to obtain recognition to introduce my amendment, but the Chairman of the Committee of the Whole House instead recognized the gentleman from Idaho (Mr. HANSEN).

There followed a succession of speakers on the new Hansen amendment which included Republicans and Democrats, Liberals, and Conservatives. Regrettably, the Hansen amendment passed by a vote of 233 to 147, which precluded consideration of the Crane amendment.

I say "regrettably" Mr. Speaker, because the Hansen amendment in no way

gets to the problem which we face in this area. In fact, it puts the imprimatur of this body on a situation which has existed for a number of years and which is clearly outside the law. Here I am referring specifically to the use of mandatory union dues for political purposes.

THE HANSEN AMENDMENT

Let me explain what the Hansen amendment does.

The Hansen amendment will, in my judgment, allow labor unions and corporations to make expenditures for political activities which under a strict reading of the language of title 18 United States Code, section 610 are now prohibited.

Expenditures by corporations in connection with Federal elections have been flatly prohibited since the original Corrupt Practices Act was adopted in 1925. This prohibition was extended to labor unions in 1947 for the purpose: first, of reducing the undue and disproportionate influence of unions on Federal elections; second, preserving the integrity of such elections for the use of aggregated wealth by union as well as corporate entities; and third, to protect union members holding political views contrary to those supported by the union from use of their membership dues to promote acceptance of those opposing views.

The amendment by the gentleman from Idaho (Mr. HANSEN) will create a large and very significant loophole which will legalize broad scale union political action—which is now prohibited—and undermine whatever protection the law now seeks to give rank and file union members against political use of their dues money.

The Hansen amendment will redefine the phrase "contribution or expenditure" as used in section 610 as not including expenditures for voter registration and get-out-the-vote campaigns aimed at either a corporation's stockholders and their families or a union's members and their families. Its net effect will be to put the stamp of approval on partisan political action by unions with money obtained through compelled union membership dues and fees which rank and file union members are required to pay under compulsory union shop contracts.

Although the amendment purports to allow corporate expenditures on the same basis as union expenditures it will not work this way. Corporate expenditures for voter registration or get-out-the-vote activities will run head on into the existing laws of practically all States which prohibit corporate expenditures for any political purpose. In addition corporate expenditures for political purposes are considered ultra vires under prevailing case law, and could also be disallowed as not meeting the test of ordinary and necessary business expenses under section 162 of the Internal Revenue Code.

The Hansen amendment on the other hand will validate union voter registration functions which are conducted on a highly partisan basis.

NONPARTISAN?

There is an abundance of evidence proving that union-sponsored get-out-the-vote campaigns are not nonpartisan. George Meany himself has acknowledged:

When you spend your money to get people registered, and then spend a lesser proportion to get them out to vote, you know you got a vote in the ballot box. Of course, we are a little bit choosy when we choose districts in which we want to better these votes in the ballot box, so that when they go in we have a pretty good idea how they are going to vote.

Furthermore, AFL–CIO Secretary-Treasurer Lane Kirkland, while addressing the Amalgamated Transit Union convention in Las Vegas, Nev., on September 28, 1971, exploded the myth that union political activities are merely "aimed at union members and their families." While vigorously attacking President Nixon, he said:

Over the next 13 months labor and its political arm—COPE—has a great deal of work to do. We have to carry our message to every American eligible to vote, and we have to make sure that they understand what America's choices really are. And we have to make sure that every voter we can reach is registered, and that they go to the polls.

Clearly, the leaders of organized labor are attempting to influence union members and all other voters in the Nation. And they are using union dues money provided mostly on a compulsory basis from members.

In this regard, I have received a copy of a letter to the editor of the Washington Post—which has not yet been published—and which clearly sets out organized labor's role in the 1968 elections. I include the letter at this point:

LETTER TO THE EDITOR

DEAR SIR: Mr. Califano's plea for public subsidy of campaigns (November 16, 1971) on the basis that some elected officials are too indebted to an elite group of wealthy individuals obfuscates the real problem of campaign reform. The less than $3 million which he cites as having been spent by these individuals on the Republican candidate in the 1968 Presidential election is a pittance when compared with the more than $50 million spent by the various unions on the Democrat candidates in the same elections. Beyond the quantitative differences, however, the real difference is that the money given by wealthy individuals to either party is given on a free will basis, while contributions extracted from union members are seldom obtained in that manner.

An example is the recent disclosure of the nefarious activities of the Marine Engineers Beneficial Association, AFL–CIO, pension fund. Here union officials virtually extort $10 a month from retired members and widows of former members of the union which are put into a political kitty for distribution to a few favored individuals. It is clear to me, and I think to the vast majority of Americans, that while neither they nor I are completely pleased with large donations from wealthy individuals, nonetheless this does much less violence to the conscience and free will of the individual citizen than does an automatic $10 rake-off from a $300 a month pensioner.

A second area of campaign reform which Mr. Califano conveniently ignored is the manner in which the Democratic party particularly is in the process of obtaining taxpayer funding for a good portion of its 1968 campaign debts. The maneuver is quite simple: Charge as much as possible during the campaign period for such items as air fares, telephone, printing, etc., thus overextending yourself far beyond your anticipated income and, then, when the campaign is over, you are unable to pay the bills. This happened to the Democrats in 1968 to the tune of a reported $9 million. Indications are that the Democrats have no intention of paying this money. Therefore it will be written off as a bad debt by those corporations to whom it is owed, their net profit will decrease accordingly, and the government's tax (usually 48% of the net profit for these corporations) will also decrease proportionately. Thus, the $9 million debt of the Democrat National Committee and its allied groups will end up costing the taxpayer more than $4 million lost in revenue to the Treasury.

In summary, Mr. Califano and his friends in the Congress seem unwilling or unable to distinguish between voluntary contributions (of any magnitude) and those which are compulsorally obtained. Beyond this, they also have a very strong proclivity toward spending beyond their means and then saddling the taxpayer with their debts. The latter trait, I might parenthetically add, is certainly not limited to their campaign activities but is very much in evidence daily in the Congress.

Cordially,

EDWIN J. FEULNER, JR.

The Wall Street Journal, in an article by Jerry Landauer on November 15, 1971, describes in more detail the corruption and coercion involved in the Marine Engineers Benefit Association's pension fund. The MEBA is a constituent unit of the AFL–CIO. They finance their political activities by compulsory assessments of $10 a month from retired members and widows of members and, according to Mr. Landauer's article, virtually extort this money from these members before providing them with the remainder of their pensions.

I inserted the full text of Mr. Landauer's article in the CONGRESSIONAL RECORD on November 17, 1971. It appears on page 41903.

UNION ACTIONS

Mr. Speaker, The unique and privileged role of labor organizations in our election processes was recently underscored by delegates to the 1971 convention of the Nation's largest and wealthiest union.

Delegates to the Teamsters Union convention adopted what is generally regarded as an ominous amendment to their constitution. It authorizes the union's general president to "make expenditures from the general fund in amounts to be determined by him in his sole discretion for lobbying and other political purposes, including contributions to candidates for State, provincial or local office."

Without question, this amendment to the Teamsters constitution will encourage the continued wholesale flouting of restraints imposed by the Congress on union political activities in 1947 when it amended section 610, title 18, U.S.C.

It is common knowledge that dues payments collected from involuntary members, as well as from voluntary members, are deposited in a union's general fund. Obviously, President Fitzsimmons will not be under any internal restraints when he contemplates contributions to certain political candidates from the union's general fund.

Admittedly, the union's amended constitution does not authorize the use of money from the general fund in connection with Federal elections. Let us not be deceived, however.

The widely respected and authoritative Congressional Quarterly has stated flatly that union officials conceal contributions to Federal candidates by "simply reporting transfer of gross sums to State committees. The State committees, in turn, transfer the money to individual candidates, but the names of the recipients never appear on the nationally filed reports."

This is only one example of methods now being used to circumvent the existing law.

Mr. Speaker, I submit that the convention delegates who handed Mr. Fitzsimmons this blank check are not typical of the Nation's union members. All available evidence indicates that dues-paying unionists take a dim view of the use of union resources in political campaigns. Partisan politicking is strongly resented by those wage earners who are compelled by collective bargaining agreements to pay for unwanted union representation.

Inclusion of my amendment in the legislation adopted Tuesday would have closed a gaping loophole in our present law. It would have put unions on the same footing in the political arena with corporations, banks and all other associations.

THIRTEENTH DISTRICT OPINION

Within the past few months, I conducted my annual constituent survey and one of the questions asked was "Do you favor the use of mandatory union dues for political purposes?"

Almost 40,000 questionnaires have been returned to my office and better than 93 percent of them, representing more than 36,000 of my constituents, indicated they oppose such use of involuntarily raised funds.

I submit that this not only represents the overwhelming majority in my district but that one would find similar views throughout the Nation. Further, I insist that it is hypocrisy to speak of meaningful campaign reform so long as any involuntarily raised funds are used for any political purposes. Mr. Speaker, we have failed in this most elemental regard, and therefore, the bill which is before us is a mockery of campaign reform. Worse still will be the disillusionment suffered by those who are gulled into believing significant reforms have been introduced when belatedly they discover the truth.

I, for one, will not be a party to this deceit. It was for this reason that I voted against the bill when it came before the House.

UNION OPPOSITION TO THE CRANE AMENDMENT

My amendment was inserted in H.R. 11060—the Hays bill—by the House Administration Committee because its members recognized that section 610, title 18, has failed in the purpose for which Congress had intended it—to inhibit the activities of labor unions in the political arena. Thus, my amendment would have done nothing beyond that which Congress set out to do in 1947 when the law was amended to cover political contributions by labor organizations.

Although my amendment was aimed at corporations and banks, in addition to labor organizations, it was denounced as antilabor by union spokesmen. I include excerpts from letters I have received from Mr. Biemiller, the legislative director of the AFL–CIO and from Mr. Fitzsimmons, president of the Teamsters Union:

One provision, the Crane amendment, is patently anti-labor. If broadly interpreted, this amendment would prohibit *all* union activity financed by treasury money, connected in *any* way with federal elections. This interpretation would include prohibitions against using union treasury funds to explain union positions to union members. In addition to prohibiting this educational activity, union funds could not be used for non-partisan "get out the vote" activities aimed at union members and their families.

If narrowly interpreted, the Crane amendment would continue present permission for educational and registration activities, but would prohibit any "get out the vote" activities.

The Crane amendment clearly is aimed at depriving union members of the informed views of their leaders on political matters—views that the members have every right to consider. Further, the amendment's attempt to deny unions the right to get their members to the polls is contrary to the basic precept that exercise of the franchise is a civic duty.

If the Crane amendment is offered to the substitute (H.R. 11280), the AFL–CIO urges you to vote against its adoption. If the substitute bill fails and the House is amending the Hays bill (H.R. 11060), the AFL–CIO urges you to support the effort to strike this unfair provision.

Sincerely,

ANDREW J. BIEMILLER, *Director.*

We call your special attention to the "Crane" Amendment introduced by Congressman Philip Crane (R.-Ill.) which is directed toward labor unions. This amendment, if made the law would seriously impair efforts to extend the exercise of the right to vote to thousands, if not millions of Americans who would otherwise fail, through ignorance, fear or apathy, to express their political opinion. We, you and our institution, cannot allow those few who fear the will of the American people to narrow the possibility of the exercise of the right to vote.

We cannot express too strongly that the "Crane" Amendment must be defeated in order that the American political base will not be narrowed.

Sincerely,

FRANK E. FITZSIMMONS,
General President.

CRANE REPLY

Mr. Speaker, in reply to the Biemiller letter, I sent my own detailed letter to all of my colleagues, and I include the full text of it in the RECORD at this point:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C. November 29, 1971.

DEAR COLLEAGUE: Section 8 of H.R. 11060, the Election Reform Bill, contains a provision which would strengthen that portion of existing law (Section 610, Title 18, USC) which prohibits contributions and expenditures by banks, corporations and labor unions in connection with Federal elections.

In 1947 the Congress amended Section 610 to cover political contributions and expenditures by labor unions. Its purposes were summarized as follows in 1948 by the U.S. Supreme Court in *U.S. v. CIO*, 335 US 106:

". . . (1) to reduce what has become regarded in the light of recent experience as the undue and disproportionate influence of labor unions upon federal elections; (2) to preserve the purity of such elections . . . against the use of aggregated wealth by union as well as corporate entities; and (3) to protect union members holding political views contrary to those supported by the union from use of funds contributed by them to promote acceptance of those opposing views. . ."

Section 8, which does nothing beyond that which Congress set out to do in 1947, was inserted in H.R. 11060 at my request by the House Administration Committee because its members recognize that the 1947 amendment to Section 610 has failed in the purpose for which Congress had intended it—to inhibit the activities of labor unions in the political arena.

Although Section 8 is aimed at corporations and banks, in addition to labor organizations, it is now being denounced as "anti-labor" by union spokesmen.

Whereas these spokesmen formerly insisted that union political activities are funded exclusively by voluntary contributions from members, union officials now complain that Section 8 of H.R. 11060 "would prohibit *all* union activity financed by treasury money, connected in any way with federal elections." *Their complaint represents an admission of non-compliance with Section 610.*

Another complaint by union spokesmen, namely, that "union funds could not be used for non-partisan, 'get-out-the-vote' activities aimed at union members and their families," is altogether misleading.

In the first place, Section 8 includes this notable safeguard:

"Nothing in this section shall preclude an organization from establishing and administering a separate contributory fund for any political purpose, including voter registration or get-out-the-vote drives, if all contributions, gifts or payments to such fund are made freely and voluntarily, and are unrelated to dues, fees or other moneys required as a condition of membership in such organization or as a condition of employment."

Secondly, there is an abundance of evidence proving that union sponsored "get-out-the-vote" campaigns are not non-partisan. George Meany himself has acknowledged:

". . . when you spend your money to get people registered, and then spend a lesser proportion to get them out to vote, you know you got a vote in the ballot box. Of course, we are a little bit choosy when we choose districts in which we want to better these votes in the ballot box, so that when they go in we have a pretty good idea how they are going to vote."

Further, AFL–CIO Secretary-Treasurer Lane Kirkland, while addressing the Amalgamated Transit Union convention in Las Vegas, Nevada, on September 28, 1971, exploded the myth that union political activities are merely "aimed at union members and their families." While vigorously attacking President Nixon, he said:

"Over the next 13 months *labor and its political arm*—COPE—has a great deal of work to do. We have to carry our message to *every American eligible to vote*, and we have to make sure that they understand what America's choices really are. And we have to make sure that *every voter we can reach* is registered, and that they go to the polls." (Emphasis added)

Clearly, the leaders of organized labor are attempting to influence union members *and* all other voters in the nation. And they are using union dues money provided mostly on a *compulsory* basis from members.

The interests of union members who oppose the political views of union officials are *not* being protected under existing law. Because the members are obligated to pay union dues in order to retain their employment, they are powerless to forestall the diversion of their dues into partisan political channels.

Only the avenue of costly litigation is open to them (the only such cases on record required more than ten years in court), and because of their limited means it is beyond their reach.

I solicit your support for the Crane Amendment.

PHILIP M. CRANE.

SMALL BUSINESS SUPPORT FOR CRANE AMENDMENT

It is clear that the bill which passed the House will work to the advantage of the big unions and the big corporations, but what of the backbone of America, the small, independent businessman?

These individuals wield no big stick in Washington, but they do know what has happened in the past under the Corrupt Practices Act and, therefore, they overwhelmingly support my position.

I include a letter which I have received from the legislative director of the National Federation of Independent Business at this point:

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, D.C., November 26, 1971.

Hon. PHILIP M. CRANE,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. CRANE: On Monday, November 29th, the House will begin consideration of the Election Reform Bill (H.R. 11060). Attached to this legislation is the Crane Amendment—a proviso to strengthen the existing law prohibiting contributions and expenditures by corporations, business organizations and labor unions during Federal elections.

On a recent Mandate Ballot, the 294,000 member firms of the National Federation of Independent Business voted 91% in favor of this position.

The reason for this overwhelming endorsement is clear. Small independent businessmen view recent trends in political financing as alarming and dangerous. The spectacle of big business and labor using their almost unlimited economic power and resources to vie for political favor has had a sobering effect. And our member firms strongly believe that the time has come for Congress to take action to eliminate these sources of potential political abuse.

The Federation, therefore, respectfully urges that you give every serious consideration to the merits of the proposed Crane Amendment.

Sincerely,

JAMES A. GAVIN,
Legislative Director.

CONCLUSION

In conclusion, Mr. Speaker, I would only say that the Nation is again going to receive legislation which will be hailed as a true reform, but which will not be such.

The small man will be the one to suffer, because the large union and the large corporation can participate in their own political activities.

I will not be a party to this charge, and commend my colleagues who endeavored to help me achieve meaningful campaign reform.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS) to close the debate.

Mr. HAYS. Mr. Chairman, I am in favor of this amendment. I do not want to belabor it. I will support the bill whether the amendment is in it or whether it is not. But I think it would be a good addition.

Perhaps the funniest statement I have heard today is that if this amendment passes Mr. FRENZEL said it would take away from the aged and infirm their right to participate. If you know any aged or infirm person who wants to contribute $5,000 to a crackerjack candidate for Congress, I will be glad to send him my card.

Mr. Chairman, there has been a great deal written in the local press about this issue. There has not been much in the press back home about election reform. I have not been able to impress them with its importance. I believe that if I had sponsored the Senate bill, the editorial writers for the Post—I am not talking about the reporters—would have said it was a bad bill. They start out with the premise that I would not be for anything good, and anything I might propose, in their eyes, is bad. Now that we have the Senate bill with some amendments, I would very much like to confound them, but I know I will not. I know they will find some way to weasel out of it. I would like to confound them by being for the Senate bill with the amendments that have been adopted. We could make a partisan effort to defeat the substitute and go back through all this process with the committee bill. I feel this is not a perfect bill. It does not do everything we desire or would like to see done. But I think it is a start in the right direction and I am going to support the substitute whether you call the substitute the Frenzel-Brown substitute, the Harvey-Brown substitute, the Harvey-Hays substitute, or whatever you call it. I have no pride in authorship. I am not trying particularly to get my name on the bill. I suspect the bill ultimately will be called the elections reporting bill of 1971.

So I intend to support the bill. I do support this amendment. I hope it passes. If it does not, then the vote will come on the substitute and I will vote yes, and if the substitute prevails, the committee can then rise, and the House can vote on the substitute.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM) to the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY).

The question was taken; and on a division (demanded by Mr. BINGHAM) there were—ayes 38, noes 122.

So the amendment to the amendment in the nature of a substitute was rejected.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Michigan (Mr. HARVEY) as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11060) to limit campaign expenditures by or on behalf of candidates for Federal elective office; to provide for more stringent reporting requirements; and for other purposes, pursuant to House Resolution 694, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole?

Mr. SPRINGER. Mr. Speaker, I demand a separate vote on the so-called Macdonald of Massachusetts amendment to the Harvey amendment in the nature of a substitute.

The SPEAKER. The question is on the amendment on which a separate vote has been demanded.

Mr. SPRINGER. Mr. Speaker, on that I demand tellers.

Tellers were refused.

PARLIAMENTARY INQUIRY

Mr. SPRINGER. Mr. Speaker, a parliamentary inquiry. May I ask at this time for a division?

The SPEAKER. The gentleman from Illinois requests that this vote be taken by division.

The question was taken; and on a division (demanded by Mr. SPRINGER) there were—ayes 257, noes 1.

So the amendment was agreed to.

The SPEAKER. The question is on the amendment adopted by the Committee of the Whole.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 373, nays 23, not voting 35, as follows:

[Roll No. 418]

YEAS—373

Abbitt	Burleson, Tex.	Dingell
Abourezk	Burlison, Mo.	Donohue
Abzug	Byrnes, Wis.	Dorn
Adams	Byron	Dow
Addabbo	Cabell	Downing
Alexander	Caffery	Drinan
Anderson, Calif.	Camp	Dulski
Anderson, Ill.	Carey, N.Y.	Duncan
Anderson, Tenn.	Carney	du Pont
Andrews, N. Dak.	Carter	Dwyer
Annunzio	Casey, Tex.	Eckhardt
Archer	Cederberg	Edmondson
Aspin	Chamberlain	Edwards, Ala.
Aspinall	Chappell	Edwards, Calif.
Badillo	Chisholm	Erlenborn
Baker	Clancy	Esch
Barrett	Clark	Eshleman
Begich	Clausen, Don H.	Evans, Colo.
Bennett	Clawson, Del	Fascell
Bergland	Clay	Findley
Betts	Cleveland	Fish
Bevill	Collier	Fisher
Biaggi	Collins, Ill.	Flood
Biester	Colmer	Flowers
Bingham	Conable	Foley
Blanton	Conte	Ford, Gerald R.
Boggs	Conyers	Ford, William D.
Boland	Corman	Forsythe
Bolling	Cotter	Fountain
Bow	Coughlin	Fraser
Brademas	Culver	Frelinghuysen
Brasco	Daniel, Va.	Frenzel
Bray	Daniels, N.J.	Frey
Brinkley	Danielson	Fulton, Tenn.
Brooks	Davis, Ga.	Fuqua
Broomfield	Davis, Wis.	Gallifanakis
Brotzman	de la Garza	Gallagher
Brown, Mich.	Delaney	Gaydos
Brown, Ohio	Dellenback	Gettys
Broyhill, N.C.	Dellums	Giaimo
Buchanan	Denholm	Gibbons
Burke, Fla.	Dennis	Gonzalez
Burke, Mass.	Dent	Goodling
Burton	Devine	Grasso
Byrne, Pa.	Dickinson	Gray
Cahill	Diggs	Green, Oreg.
Carey, N.Y.	Dingell	Green, Pa.
Carney	Donohue	Griffin
Carter	Dorn	Griffiths
Casey, Tex.	Dow	Grover
Cederberg	Downing	Gude
Chamberlain	Drinan	Hagan
Chappell	Dulski	Hamilton
Chisholm	Duncan	Hammer-schmidt
Clancy	du Pont	Hanley
Clark	Dwyer	Hansen, Idaho
Clausen, Don H.	Eckhardt	Hansen, Wash.
Clawson, Del	Edmondson	Harrington
Clay	Edwards, Ala.	Harsha
Cleveland	Edwards, Calif.	Harvey
Collier	Erlenborn	Hastings
Collins, Ill.	Esch	Hathaway
Colmer	Eshleman	Hawkins
Conable	Evans, Colo.	Hays
Conte	Fascell	Hechler, W. Va.
Conyers	Findley	Heckler, Mass.
Corman	Fish	Heinz
Cotter	Fisher	Helstoski
Coughlin	Flood	Henderson
Culver	Flowers	Hicks, Mass.
Daniel, Va.	Foley	Hicks, Wash.
Daniels, N.J.	Ford, Gerald R.	Hillis
Danielson	Ford, William D.	Holifield
Davis, Ga.	Forsythe	Hosmer
Davis, Wis.	Fountain	Howard
de la Garza	Fraser	Hull
Delaney	Frelinghuysen	Hungate
Dellenback	Frenzel	Hunt
Dellums	Frey	Hutchinson
Denholm	Fulton, Tenn.	Ichord
Dennis	Fuqua	Jacobs
Dent	Gallifanakis	Jarman
Devine	Gallagher	Johnson, Calif.
Dickinson	Gaydos	Johnson, Pa.
Diggs	Gettys	Jonas
Dingell	Giaimo	Jones, Ala.
Donohue	Gibbons	Jones, N.C.
Dorn	Gonzalez	Jones, Tenn.
Dow	Goodling	Karth
Downing	Grasso	Kastenmeier
Drinan	Gray	Kazen
Dulski	Green, Oreg.	Keating
Duncan	Green, Pa.	Kee
du Pont	Griffin	Keith
Dwyer	Griffiths	Kemp
Eckhardt	Grover	King
Edmondson	Gude	Kluczynski
Edwards, Ala.	Hagan	Koch
Edwards, Calif.	Hamilton	Kuykendall
Erlenborn	Hammer-schmidt	Kyros
Esch	Hanley	Latta
Eshleman	Hansen, Idaho	Leggett
Evans, Colo.	Hansen, Wash.	Lennon
Fascell	Harrington	Lent
Findley	Harsha	Link
Fish	Harvey	Lloyd
Fisher	Hastings	Long, La.
Flood	Hathaway	Long, Md.
Flowers	Hawkins	Lujan
Foley	Hays	McCloskey
Ford, Gerald R.	Hechler, W. Va.	McClure
Ford, William D.	Heckler, Mass.	McCollister
Forsythe	Heinz	McCormack
Fountain	Helstoski	McCulloch
Fraser	Henderson	McDade
Frelinghuysen	Hicks, Mass.	McDonald, Mich.
Frenzel	Hicks, Wash.	McEwen
Frey	Hillis	McFall
Fulton, Tenn.	Holifield	McKay
Fuqua	Hosmer	McKevitt
Gallifanakis	Howard	McKinney
Gallagher	Hull	Macdonald, Mass.
Gaydos	Hungate	Madden
Gettys	Hunt	Mahon
Giaimo	Hutchinson	Mailliard
Gibbons	Ichord	Mann
Gonzalez	Jacobs	Martin
Goodling	Jarman	Mathias, Calif.
Grasso	Johnson, Calif.	Mathis, Ga.
Gray	Johnson, Pa.	Matsunaga
Green, Oreg.	Jonas	Mayne
Green, Pa.	Jones, Ala.	Mazzoli
Griffin	Jones, N.C.	Meeds
Griffiths	Jones, Tenn.	Melcher
Grover	Karth	Metcalfe
Gude	Kastenmeier	Michel
Hagan	Kazen	Mikva
Hamilton	Keating	Miller, Calif.
Hammer-schmidt	Kee	Miller, Ohio
Hanley	Keith	Mills, Ark.
Hansen, Idaho	Kemp	Mills, Md.
Hansen, Wash.	King	Minish
Harrington	Kluczynski	Mink
Harsha	Koch	Minshall
Harvey	Kuykendall	Mitchell
Hastings	Kyros	Mizell
Hathaway	Latta	Moffett
Hawkins	Leggett	Monagan
Hays	Lennon	Moorhead
Hechler, W. Va.	Lent	Morgan
Heckler, Mass.	Link	Morse
Heinz	Lloyd	Mosher
Helstoski	Long, La.	Moss
Henderson	Long, Md.	Murphy, Ill.
Hicks, Mass.	Lujan	Murphy, N.Y.
Hicks, Wash.	McCloskey	Myers
Hillis	McClure	Natcher
Holifield	McCollister	Nedzi
Hosmer	McCormack	Nelsen
Howard	McCulloch	Nichols
Hull	McDade	Nix
Hungate	McDonald, Mich.	Obey
Hunt	McEwen	O'Hara
Hutchinson	McFall	O'Konski
Ichord	McKay	O'Neill
Jacobs	McKevitt	Patman
Jarman	McKinney	Patten
Johnson, Calif.	Macdonald, Mass.	Pelly
Johnson, Pa.	Madden	Pepper
Jonas	Mahon	Perkins
Jones, Ala.	Mailliard	Pettis
Jones, N.C.	Mann	Peyser
Jones, Tenn.	Martin	Pickle
Karth	Mathias, Calif.	Pike
Kastenmeier	Mathis, Ga.	Pirnie
Kazen	Matsunaga	Poage
Keating	Mayne	Podell
Kee	Mazzoli	Poff
Keith	Meeds	Powell
Kemp	Melcher	Preyer, N.C.
King	Metcalfe	Price, Tex.
Kluczynski	Michel	Pryor, Ark.
Koch	Mikva	Purcell
Kuykendall	Miller, Calif.	Quie
Kyros	Miller, Ohio	Quillen
Latta	Mills, Ark.	Randall
Leggett	Mills, Md.	Rangel
Lennon	Minish	Rees
Lent	Mink	Reid, N.Y.
Link	Minshall	Reuss
Lloyd	Mitchell	Riegle
Long, La.	Mizell	Roberts
Long, Md.	Moffett	Robinson, Va.
Lujan	Monagan	Robison, N.Y.
McCloskey	Moorhead	Roe
McClure	Morgan	Rogers
McCollister	Morse	Roncalio
McCormack	Mosher	Rooney, N.Y.
McCulloch	Moss	Rooney, Pa.
McDade	Murphy, Ill.	Rosenthal
McDonald, Mich.	Murphy, N.Y.	Rostenkowski
McEwen	Myers	Roush
McFall	Natcher	Rousselot
McKay	Nedzi	Roy
McKevitt	Nelsen	Runnels
McKinney	Nichols	Ruppe
Macdonald, Mass.	Nix	Ruth
Madden	Obey	Ryan
Mahon	O'Hara	St Germain
Mailliard	O'Konski	Sandman
Mann	O'Neill	Sarbanes
Martin	Patman	Satterfield
Mathias, Calif.	Patten	Saylor
Mathis, Ga.	Pelly	Scheuer
Matsunaga	Pepper	Schneebeli
Mayne	Perkins	Schwengel
Mazzoli	Pettis	Scott
Meeds	Peyser	Sebelius
Melcher	Pickle	Selberling
Metcalfe	Pike	Shipley
Michel	Pirnie	Shoup
Mikva	Poage	Shriver
Miller, Calif.	Podell	Skubitz
Miller, Ohio	Poff	Slack
Mills, Ark.	Powell	Smith, Calif.
Mills, Md.	Preyer, N.C.	Smith, Iowa
Minish	Price, Tex.	Smith, N.Y.
Mink	Pryor, Ark.	Snyder
Minshall	Purcell	Springer
Mitchell	Quie	Staggers
Mizell	Quillen	Stanton, J. William
Moffett	Randall	Stanton, James V.
Monagan	Rangel	Steed
Moorhead	Rees	Steele
Morgan	Reid, N.Y.	Steiger, Ariz.
Morse	Reuss	Steiger, Wis.
Mosher	Riegle	Stephens
Moss	Roberts	Stokes
Murphy, Ill.	Robinson, Va.	Stratton
Murphy, N.Y.	Robison, N.Y.	Stubblefield
Myers	Roe	Stuckey
Natcher	Rogers	Sullivan
Nedzi	Roncalio	Symington
Nelsen	Rooney, N.Y.	Talcott
Nichols	Rooney, Pa.	Taylor
Nix	Rosenthal	Teague, Calif.
Obey	Rostenkowski	Teague, Tex.
O'Hara	Roush	Terry
O'Konski	Rousselot	Thompson, Ga.
O'Neill	Roy	Thompson, N.J.
Patman	Runnels	Thomson, Wis.
Patten	Ruppe	Thone
Pelly	Ruth	Tiernan
Pepper	Ryan	Udall
Perkins	St Germain	Ullman
Pettis	Sandman	Vander Jagt
Peyser	Sarbanes	Vanik
Pickle	Satterfield	Veysey
Pike	Saylor	Vigorito
Pirnie	Scheuer	Waldie
Poage	Schneebeli	Wampler
Podell	Schwengel	Ware
Poff	Scott	Whalen
Powell	Sebelius	Whalley
Preyer, N.C.	Selberling	White
Price, Tex.	Shipley	Whitehurst
Pryor, Ark.	Shoup	Widnall
Purcell	Shriver	Wiggins
Quie	Skubitz	Williams
Quillen	Slack	Wilson, Bob
Randall	Smith, Calif.	Winn
Rangel	Smith, Iowa	Wolff
Rees	Smith, N.Y.	Wyatt
Reid, N.Y.	Snyder	Wydler
Reuss	Springer	Wylie
Riegle	Staggers	Wyman
Roberts	Stanton, J. William	Yates
Robinson, Va.	Stanton, James V.	Yatron
Robison, N.Y.	Steed	Young, Fla.
Roe	Steele	Young, Tex.
Rogers	Steiger, Ariz.	Zablocki
Roncalio	Steiger, Wis.	Zion
Rooney, N.Y.	Stephens	Zwach
Rooney, Pa.	Stokes	
Rosenthal	Stratton	
Rostenkowski	Stubblefield	
Roush	Stuckey	
Rousselot	Sullivan	
Roy	Symington	
Runnels	Talcott	
Ruppe	Taylor	
Ruth	Teague, Calif.	
Ryan	Teague, Tex.	
St Germain	Terry	
Sandman	Thompson, Ga.	
Sarbanes	Thompson, N.J.	
Satterfield	Thomson, Wis.	
Saylor	Thone	
Scheuer	Tiernan	
Schneebeli	Udall	
Schwengel	Ullman	
Scott	Vander Jagt	
Sebelius	Vanik	
Selberling	Veysey	
Shipley	Vigorito	
Shoup	Waldie	
Shriver	Wampler	
Skubitz	Ware	
Slack	Whalen	
Smith, Calif.	Whalley	
Smith, Iowa	White	
Smith, N.Y.	Whitehurst	
Snyder	Widnall	
Springer	Wiggins	
Staggers	Williams	
Stanton, J. William	Wilson, Bob	
Stanton, James V.	Winn	
Steed	Wolff	
Steele	Wyatt	
Steiger, Ariz.	Wydler	
Steiger, Wis.	Wylie	
Stephens	Wyman	
Stokes	Yates	
Stratton	Yatron	
Stubblefield	Young, Fla.	
Stuckey	Young, Tex.	
Sullivan	Zablocki	
Symington	Zion	
Talcott	Zwach	
Taylor		
Teague, Calif.		
Teague, Tex.		
Terry		
Thompson, Ga.		
Thompson, N.J.		
Thomson, Wis.		
Thone		
Tiernan		
Udall		
Ullman		
Vander Jagt		
Vanik		
Veysey		
Vigorito		
Waldie		
Wampler		
Ware		
Whalen		
Whalley		
White		
Whitehurst		
Widnall		
Wiggins		
Williams		
Wilson, Bob		
Winn		
Wolff		
Wyatt		
Wydler		
Wylie		
Wyman		
Yates		
Yatron		
Young, Fla.		
Young, Tex.		
Zablocki		
Zion		
Zwach		

NAYS—23

Abernethy	Goldwater	Passman
Ashbrook	Gross	Rarick
Baring	Haley	Scherle
Blackburn	Hall	Schmitz
Collins, Tex.	Kyl	Spence
Crane	Landgrebe	Waggonner
Dickinson	McMillan	Whitten
Flynt	Montgomery	

NOT VOTING—35

Andrews, Ala.	Dowdy	McClory
Arends	Edwards, La.	Price, Ill.
Ashley	Ellberg	Pucinski
Belcher	Evins, Tenn.	Railsback
Bell	Garmatz	Rhodes
Blatnik	Gubser	Rodino
Broyhill, Va.	Halpern	Roybal
Burton	Hanna	Sikes
Byrne, Pa.	Hébert	Slack
Davis, S.C.	Hogan	Wilson, Charles H.
Derwinski	Horton	
Diggs	Landrum	Wright

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Burton for, with Mr. Hébert against.

Until further notice:

Mr. Garmatz with Mr. Broyhill of Virginia.
Mr. Price of Illinois with Mr. Arends.
Mr. Evins of Tennessee with Mr. Belcher.
Mr. Blatnik with Mr. Halpern.
Mr. Ashley with Mr. Derwinski.
Mr. Sikes with Mr. Bell.
Mr. Sisk with Mr. Hogan.
Mr. Charles H. Wilson with Mr. Gubser.
Mr. Davis of South Carolina with Mr. McClory.
Mr. Byrne of Pennsylvania with Mr. Railsback.
Mr. Rodino with Mr. Horton.
Mr. Ellberg with Mr. Diggs.
Mr. Wright with Mr Dowdy.
Mr. Andrews of Alabama with Mr. Rhodes.
Mr. Hanna with Mr. Landrum.
Mr. Pucinski with Mr. Roybal.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes."

Mr. HAYS. Mr. Speaker, pursuant to House Resolution 694, I call up from the Speaker's table for immediate consideration the bill (S. 382) to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. HAYS

Mr. HAYS. Mr. Speaker. I offer a motion.

The Clerk read as follows:

Mr. HAYS moves to strike out all after the enacting clause of S. 382 and insert in lieu thereof the provisions of H.R. 11060, as passed, as follows:

That this Act may be cited as the "Federal Election Campaign Act of 1971".

TITLE I—CAMPAIGN COMMUNICATIONS

SHORT TITLE

SECTION 101. This title may be cited as the "Campaign Communications Reform Act".

DEFINITIONS

SEC. 102. For purposes of this title:

(1) The term "communications media" means broadcasting stations, newspapers, magazines, and outdoor advertising facilities.

(2) The term "broadcasting station" has the same meaning as such term has under section 315(d) of the Communications Act of 1934.

(3) The term "Federal elective office" means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States (and for purposes of section 103(b) such term includes the office of Vice President).

(4) The term "legally qualified candidate" with respect to Federal elective office, or nomination for election to such office, has the same meaning as such term has when used in section 315 of the Communications Act of 1934.

(5) The term "voting age population" means resident civilian population, eighteen years of age and older.

(6) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

MEDIA RATE REQUIREMENTS

SEC. 103. (a) Section 315(b) of such Act is amended to read as follows:

"(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office shall not exceed the actual charges made by such station for any comparable use of such station for other purposes."

(b)(1) To the extent that any person sells space in any newspaper or magazine to a legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of space for other purposes.

(2) If any person makes available space in any newspaper or magazine to any legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, such person shall make equivalent space available on the same basis to all legally qualified candidates for the same office, or for nomination to such office, as the case may be.

LIMITATIONS OF EXPENDITURES FOR USE OF COMMUNICATIONS MEDIA

SEC. 104. (a)(1) No legally qualified candidate in an election (other than a primary or primary runoff election) for a Federal elective office may—

(A) spend for the use of communications media on behalf of his candidacy in such election a total amount in excess of the greater of—

(i) 10 cents (or such greater amount as may be certified under paragraph (4)(A)(i)) multiplied by the voting age population (as certified under paragraph (4)(B)) of the geographical area in which the election for such office is held, or

(ii) $50,000 (or such greater amount as may be certified under paragraph (4)(B)(ii)), or

(B) spend for the use of broadcast stations on behalf of his candidacy in such election a total amount in excess of 60 per centum of the amount determined under subparagraph (A) with respect to such election.

(2) No legally qualified candidate in a primary election for nomination to a Federal elective office, other than President, may spend—

(A) for the use of communications media, or

(B) for the use of broadcast stations,

on behalf of his candidacy in such election a total amount in excess of the amounts determined under paragraph (1) (A) or (B), respectively, with respect to the general election for such office. For purposes of this subsection a primary runoff election shall be treated as a separate primary election.

(3)(A) No person who is a candidate for presidential nomination may spend—

(i) for the use in a State of communications media, or

(ii) for the use in a State of broadcast stations,

on behalf of his candidacy for presidential nomination a total amount in excess of the amounts which would have been determined under paragraph (1) (A) or (B), respectively, had he been a candidate for an election for the office of Senator from such State (or for the office of Delegate or Resident Commissioner in the case of the District of Columbia or the Commonwealth of Puerto Rico).

(B) For purposes of this paragraph, a person is a candidate for presidential nomination if he makes (or any other person makes on his behalf) an expenditure for the use of any communications medium on behalf of his candidacy for any political party's nomination in an election to the office of Pres-

dent. He shall be considered to be such a candidate during the period—

(1) beginning on the date on which he (or such other person) first makes such an expenditure (or, if later, January 1 of the year in which the election for the office of President is held), and

(II) ending on the date on which such political party nominates a candidate for the office of President.

For purposes of this title and of section 315 of the Communication Act of 1934, a candidate for presidential nomination shall be considered a legally qualified candidate for public office.

(C) The Attorney General shall prescribe regulations under which any expenditure by a candidate for presidential nomination for the use in two or more States of communications media shall be attributed to such candidate's expenditure limitation in each such State, based on the number of persons in such State who can reasonably be expected to be reached by such communications media.

(4) (A) During the first week of January 1974, and during such week in every second subsequent year, the Secretary of Commerce shall certify to the Attorney General and publish in the Federal Register—

(i) an amount which bears the same ratio to 10 cents, and

(ii) an amount which bears the same ratio to $50,000,

as the value of the communications price index for the last calendar year ending before the date of certification bears to the value of such index for 1972. The communications price index shall be a price index, using 1972 as a base year, measuring changes in the charges to candidates for the use of communications media. Such index shall be established and maintained by the Secretary of Commerce.

(B) During the first week of January 1972 and during such week in every second subsequent year, the Secretary of Commerce shall certify to the Attorney General and publish in the Federal Register an estimate of the voting age population of each State and congressional district for the last calendar year ending before the date of certification.

(5) Amounts spent for the use of communications media on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this subsection, be deemed to have been spent by such candidate. Amounts spent for the use of communications media by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this section, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

(6) For purposes of this section and section 315(c) of the Communications Act of 1934, spending and charges for the use of communications media include not only the direct charges of the media but also agents' commissions allowed the agent by the media.

(7) For purposes of this section and section 315(c) of the Communications Act of 1934, any expenditure for the use of any communications medium by or on behalf of the candidacy of a candidate for Federal elective office (or nomination thereto) shall be charged against the expenditure limitation under this subsection applicable to the election in which such medium is used.

(b) No person may make any charge for the use by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) of any newspaper, magazine, or outdoor advertising facility unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such person in writing that the payment of such charge will not violate paragraph (1), (2), or (3) of subsection (a), whichever is applicable.

(c) Section 315 of the Communications Act of 1934 is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsections:

"(c) No station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate any limitation specified in paragraph (1), (2), or (3) of section 104(a) of the Campaign Communications Reform Act, whichever paragraph is applicable.

"(d) For the purposes of this section:

"(1) The term 'broadcasting station' includes a community antenna television system.

"(2) The terms 'license' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.

"(3) The term 'Federal elective office' means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States."

REGULATIONS

SEC. 105. The Attorney General shall prescribe such regulations as may be necessary or appropriate to carry out sections 102, 103 (b), 104(a), and 104(b) of this Act.

PENALTIES

SEC. 106. (a) Whoever violates any provision of section 103(b), 104(a), or 104(b) or any regulation under section 105 shall be assessed a civil penalty of not more than $1,000 for each violation.

(b) Any legally qualified candidate who willfully violates section 104(a) or any regulation under section 105 shall be punished by a fine of not more than $10,000 or by imprisonment of not more than one year, or both.

EFFECTIVE DATE

SEC. 107. Section 103 of this Act and the amendments made thereby shall take effect on January 1, 1972. Section 104 and the amendments made thereby shall apply only to expenditures for the use on or after such date of communications media.

TITLE II

SEC. 201. No candidate for Federal elective office may expend, in a primary, primary runoff, or general election, an amount in excess of the limitations imposed by section 104 of title I (for the use of communications media) for the following purposes: (a) telephone campaigns, including the cost of telephones, paid telephonists and automated equipment, when telephones are used in banks of five or more instruments to communicate with potential voters, (b) postage for computerized or identical mailings in quantities of 200 or more. Amounts expended for the use of communications media as provided in section 104 of title I will be charged against the limitations imposed by this section.

TITLE III—CRIMINAL CODE AMENDMENTS

SEC. 301. Section 591 of title 18, United States Code, is amended to read as follows:

"§ 591. Definitions

"When used in sections 597, 599, 600, 602, 610, 611, and 614 of this title—

"(a) 'election' means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(b) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, to Federal office, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

"(c) 'Federal office' means the office of President or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

"(d) 'political committee' means any individual committee, association, or organization which accepts contributions or make expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(e) 'contribution' means—

"(1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) a transfer of funds between political committees;

"(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; and

"(5) notwithstanding the foregoing meanings of 'contribution', the word shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;

"(f) 'expenditure' means—

"(1) a purchase, payment, distribution, loan advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and

"(3) a transfer of funds between political committees;

"(g) 'person' and 'whoever' mean an individual, partnership, committee, association, corporation, or any other organization or groups of persons; and

"(h) 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States."

SEC. 302. Section 600 of title 18, United States Code, is amended to read as follows:

"§ 600. Promise of employment or other benefit for political activity

"Whoever, directly or indirectly, promises any employment, position, compensation, contract, appointment, or other benefit, provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, shall be fined not more than $1,000 or imprisoned not more than one year, or both."

SEC. 103. Section 608 of title 18, United States Code, is amended to read as follows:

"§ 608. Limitations on contributions and expenditures

"(a) (1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of—

"(A) $50,000, in the case of a candidate for the office of President or Vice President;

"(B) $35,000, in the case of a candidate for the office of Senator; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.

"(2) For purposes of this subsection, 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

"(b) No candidate or political committee shall knowingly accept any contribution or authorize any expenditure in violation of the provisions of this section.

"(c) Violation of the provisions of this section is punishable by a fine not to exceed $1,000, imprisonment for not to exceed one year, or both.".

SEC. 304. Section 609 of title 18, United States Code, is repealed.

SEC. 305. Section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations, is amended by adding at the end thereof the following paragraph:

"As used in this section, the phrase 'contribution or expenditure' shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value to any candidate, campaign committee, or political party or organization, in connection with an election to any of the offices referred to in this section; but shall not include communications by a corporation to its stockholders and their families or by a labor organization to its members and their families on any subject; nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families, or by a labor organization aimed at its members and their families; the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization: *Provided*, That it shall be unlawful for such a fund to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination or financial reprisal; or by dues, fees or other moneys required as a condition of membership in a labor organization or as a condition of employment, or by moneys obtained in any commercial transaction."

SEC. 306. Section 611 of title 18, United States Code, is amended to read as follows:

"§ 611. Contributions by Government contractors

"Whoever—

"(a) entering into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (1) the completion of performance under, or (2) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land or buildings, directly or indirectly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"(b) knowingly solicits any such contribution from any such person for any such purpose during any such period;

shall be fined not more than $5,000 or imprisoned not more than five years, or both."

SEC. 307. The table of sections for chapter 29 of title 18, United States Code, is amended by—

(1) striking out the item relating to section 608 and inserting in lieu thereof the following:

"608. Limitations on contributions and expenditures.";

(2) striking out the item relating to section 609 and inserting in lieu thereof the following:

"609. Repealed.";

(3) striking out the item relating to section 611 and inserting in lieu thereof the following:

"611. Contributions by Government contractors.".

TITLE IV—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

DEFINITIONS

SEC. 401. When used in this title—

(a) "election" means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (1) taken the action necessary under law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) "Federal office" means the office of President or Vice President of the United States; or of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

(d) "political committee" means any committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

(e) "contribution" means—

(1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a National or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or as a presidential or vice-presidential elector, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement whether or not legally enforceable, to make a contribution for any such purpose;

(3) a transfer of funds between political committees;

(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose; and

(5) notwithstanding the foregoing meanings of "contribution", the word shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;

(f) "expenditure" means—

(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or as a presidential and vice-presidential elector, or for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement whether or not legally enforceable, to make an expenditure, and

(3) a transfer of funds between political committees;

(g) "supervisory officer" means the Secretary of the Senate with respect to candidates for Senator; and the Clerk of the House of Representatives with respect to candidates for Representative in, or Delegate or Resident Commissioner to, the Congress of the United States; and the Comptroller General of the United States in any other case;

(h) "person" means an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons; and

(i) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 402. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a

vacancy in the office of chairman or treasurer thereof. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) Every person who receives a contribution in excess of $10 for a political committee shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the name and address (occupation and the principal place of business, if any) of the person making such contribution, and the date on which received. All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

(c) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

(1) all contributions made to or for such committee;

(2) the full name and mailing address (occupation and the principal place of business, if any) of every person making a contribution in excess of $10, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee; and

(4) the full name and mailing address (occupation and the principal place of business, if any) of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee in excess of $100 in amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditures to the same person during a calendar year exceeds $100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the supervisory officer.

(e) Any political committee which solicits or receives contributions or makes expenditures on behalf of any candidate that is not authorized in writing by such candidate to do so shall include a notice on the face or front page of all literature and advertisements published in connection with such candidate's campaign by such committee or on its behalf stating that the committee is not authorized by such candidate is not responsible for the activities of such committee.

(f) (1) Any political committee shall include on the face or front page of all literature and advertisements soliciting funds the following notice:

"A copy of our report filed with the appropriate supervisory officer is (or will be) available for purchase from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402."

(2) (A) The supervisory officer shall compile and furnish to the Public Printer, not later than the last day of March of each year, an annual report for each political committee which has filed a report with him under this title during the period from March 10 of the preceding calendar year through January 31 of the year in which such annual report is made available to the Public Printer. Each such annual report shall contain—

(i) a copy of the statement of organization of the political committee required under section 403, together with any amendments thereto; and

(ii) a copy of each report filed by such committee under section 404 from March 10 of the preceding year through January 31 of the year in which the annual report is so furnished to the Public Printer.

(B) The Public Printer shall make copies of such annual reports available for sale to the public by the Superintendent of Documents as soon as practicable after they are received from the supervisory officer.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 403. (a) Each political committee which anticipates receiving contributions or making expenditures during the calendar year in an aggregate amount exceeding $1,000 shall file with the supervisory officer a statement of organization, within ten days after its organization or, if later, ten days after the date on which it has information which causes the committee to anticipate it will receive contributions or make expenditures in excess of $1,000. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the supervisory officer at such time as be prescribes.

(b) The statement of organization shall include—

(1) the name and address of the committee;

(2) the names, addresses, and relationships of affiliated or connected organizations;

(3) the area, scope, or jurisdiction of the committee;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, address, office sought, and party affiliation of (A) each candidate whom the committee is supporting, and (B) any other individual, if any, whom the committee is supporting for nomination for election, or election, to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;

(7) a statement whether the committee is a continuing one;

(8) the disposition of residual funds which will be made in the event of dissolution;

(9) a listing of all banks, safety deposit boxes, or other repositories used;

(10) a statement of the reports required to be filed by the committee with State or local officers, and, if so, the names, addresses, and positions of such persons; and

(11) Such other information as shall be required by the supvisory officer.

(c) Any change in information previously submitted in a statement of organization shall be reported to the supervisory officer within a ten-day period following the change.

(d) Any committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year in an aggregate amount exceeding $1,000 shall so notify the supervisory officer.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 404. (a) Each treasurer of a political committee supporting a candidate or candidates for election to Federal office and each candidate for election to such office, shall file with the supervisory officer reports of receipts and expenditures on forms to be prescribed or approved by him. Such reports shall be filed on the tenth day of March, June, and September, in each year, and on the fifteenth and fifth days next preceding the date on which an election is held, and also by the thirty-first day of January. Such reports shall be complete as of such date as the supervisory officer may prescribe, which shall not be less than five days before the date of filing except that any contribution of $5,000 or more received after the last report is filed prior to the election, shall be reported within forty-eight hours after its receipt.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount or value in excess of $100, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds together with the amounts and dates of all transfers;

(5) each loan to or from any person within the calendar year in an aggregate amount or value in excess of $100, together with the full names and mailing addresses (occupations and the principal places of business, if any) of the lender and endorsers, if any, and the date and amount of such loans;

(6) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising event; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt in excess of $100 not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period;

(9) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom an expenditure or expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an aggregate amount or value in excess of $100, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made;

(10) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom an expenditure for personal services, salaries, and reimbursed expenses in excess of $100 has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(11) the total sum of expenditures made by such committee or candidate during the calendar year;

(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the supervisory officer may prescribe and a continuous reporting of their debts and obligations after the election at such periods as the supervisory officer may require until such debts and obligations are extinguished; and

(13) such other information as shall be required by the supervisory officer.

(c) The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to that effect.

REPORTS BY OTHERS THAN POLITICAL COMMITTEES

SEC. 405. Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the supervisory officer a statement containing the information required by section 404. Statements required by this section shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 406. (a) A report or statement required by this title to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing such report a statement, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period of time to be designated by the supervisory officer in a published regulation.

(c) The supervisory officer may, by published regulation of general applicability, relieve any category of political committees of the obligation to comply with section 404 if such committee (1) primarily supports persons seeking State or local office, and does not substantially support candidates, and (2) does not operate in more than one State or on a statewide basis.

(d) The supervisory officer shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

REPORTS ON CONVENTION FINANCING

SEC. 407. Each committee or other organization which—

(1) represents a State, or a political subdivision thereof, or any group of persons, in dealing with officials of a national political party with respect to matters involving a convention held in such State or political subdivision to nominate a candidate for the office of President or Vice President, or

(2) represents a national political party in making arrangements for the convention of such party held to nominate a candidate for the office of President or Vice President,

shall, within sixty days following the end of the convention (but not later than twenty days prior to the date on which presidential and vice-presidential electors are chosen), file with the Comptroller General of the United States a full and complete financial statement, in such form and detail as he may prescribe, of the sources from which it derived its funds, and the purposes for which such funds were expended.

DUTIES OF THE COMMISSION

SEC. 408. (a) It shall be the duty of the supervisory officer—

(1) to develop and furnish to the person required by the provisions of this Act prescribed forms for the making of the reports and statements required to be filed with him under this title;

(2) to prepare, publish, and furnish to the person required to file such reports and statements a manual setting forth recommended uniform methods of bookkeeping and reporting;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this title;

(4) to make the reports and statements filed with him available for public inspection and copying, commencing as soon as practical but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person: *Provided*, That any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(5) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(6) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate;

(7) to prepare and publish an annual report including compilations of (A) total reported contributions and expenditures for all candidates, political committees, and other persons during the year; (B) total amounts expended according to such categories as he shall determine and broken down into candidate, party, and nonparty expenditures on the National, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as he shall determine and broken down into contributions on the National, State, and local levels for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed in excess of $100;

(8) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respect to preceding elections;

(9) to prepare and publish such other reports as he may deem appropriate;

(10) to assure wide dissemination of statistics, summaries, and reports prepared under this title;

(11) to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of this title, and with respect to alleged failures to file any report or statement required under the provisions of this title;

(12) to report apparent violations of law to the appropriate law enforcement authorities; and

(13) to prescribe suitable rules and regulations to carry out the provisions of this title.

(b) It shall be the further duty of the Comptroller General to serve as a national clearing house for information in respect to the administration of elections. In carrying out his duties under this subsection, the Comptroller General shall enter into contracts for the purpose of conducting independent studies of the administration of elections. Such studies shall include, but shall not be limited to, studies of—

(1) the method of selection of, and the type of duties assigned to, officials and personnel working on boards of elections;

(2) practices relating to the registration of voters; and

(3) voting and counting methods.

Studies made under this subsection shall be published by the Comptroller General and copies thereof shall be made available to the general public upon the payment of the cost thereof. Nothing in this subsection shall be construed to authorize the Comptroller General to require the inclusion of any comment or recommendation of the Comptroller General in any such study.

(c) (1) Any person who believes a violation of this title has occurred may file a complaint with the supervisory officer. If the supervisory officer determines there is substantial reason to believe such a violation has occurred, he shall expeditiously make an investigation, which shall also include an investigation of reports and statements filed by the complainant if he is a candidate, of the matter complained of. Whenever in the judgment of the supervisory officer, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title or any regulation or order issued thereunder, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

(2) In an action brought under paragraph (1) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

(3) Any party aggrieved by an order granted under paragraph (1) of this subsection may, at any time within sixty days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such person is found, resides, or transacts business, for judicial review of such order.

(4) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

(5) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection).

PROHIBITION OF CONTRIBUTIONS IN NAME OF ANOTHER

SEC. 409. No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

PENALTY FOR VIOLATIONS

SEC. 410. Any person who violates any of the provisions of this title shall be fined not more than $1,000 or imprisoned not more than one year, or both.

EFFECT ON STATE LAW

SEC. 411. (a) (1) Nothing in this Act shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of this Act.

(2) Notwithstanding paragraph (1), no provision of State law shall be construed to prohibit any person from taking any action authorized by this Act or from making any expenditure which he could lawfully make under this Act.

(b) The supervisory officer shall encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements.

PARTIAL INVALIDITY

SEC. 412. If any provision of this Act, or the application thereof, to any person or circumstance is held invalid, the validity of the remainder of the Act and the application of

such provision to other persons and circumstances shall not be affected thereby.

REPEALING CLAUSE

SEC. 413. (a) The Federal Corrupt Practices Act, 1925 (2 U.S.C. 241–256), is repealed.

(b) In case of any conviction under this title, where the punishment inflicted does not include imprisonment, such conviction shall be deemed a misdemeanor conviction only.

TITLE V—MISCELLANEOUS

EXTENSION OF CREDIT BY REGULATED INDUSTRIES

SEC. 501. The Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission shall each promulgate, within ninety days after the date of enactment of this Act, its own regulations with respect to the extension of credit, without security, by any person regulated by such Board or Commission to any candidate for Federal office (as such term is defined in section 401(c) of the Federal Election Campaign Act of 1971), or to any person on behalf of such a candidate, for goods furnished or services rendered in connection with the campaign of such candidate for nomination for election, or election, to such office.

PROHIBITION AGAINST USE OF CERTAIN FEDERAL FUNDS FOR ELECTION ACTIVITIES

SEC. 502. No part of any funds appropriated to carry out the Economic Opportunity Act of 1964 shall be used to finance, directly or indirectly, any activity designed to influence the outcome of any election to Federal office, or any voter registration activity, or to pay the salary of any officer or employee of the Office of Economic Opportunity who, in his official capacity as such an officer or employee, engages in any such activity. As used in this section, the term "election" has the same meaning given such term by section 301(a) of this Act, and the term "Federal office" has the same meaning given such term by section 301(c) of this Act.

EFFECTIVE DATE

SEC. 503. Except as provided for in section 501 of this Act, the provisions of this Act shall become effective on December 31, 1971, or sixty days after the date of enactment of this Act, whichever is later.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio.

The motion was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 11060) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. HAYS. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill (S. 382) to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

The Chair hears none and appoints the following conferees on all titles of the foregoing amendment except for titles I and II:

Messrs. HAYS, ABBITT, GRAY, HARVEY and DICKINSON.

And appointed the following Members as managers on the part of the House on titles I and II:

Messrs. STAGGERS, MACDONALD of Massachusetts, VAN DEERLIN, SPRINGER and DEVINE.

AUTHORIZATION FOR CLERK TO MAKE TECHNICAL AND CONFORMING CHANGES IN ENGROSSMENT OF H.R. 11060

Mr. HAYS. Mr. Speaker, I ask unanimous consent that the Clerk, in the engrossment of the bill H.R. 11060, be authorized and directed to make such changes in section numbers, cross references, and other technical and conforming corrections as may be required to reflect the actions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GENERAL LEAVE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE SCHOOL PRAYER AMENDMENT CONTROVERSY

(Mr. BURLISON of Missouri asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURLISON of Missouri. Mr. Speaker, we all know of the great emotion that has been stirred by the school prayer amendment controversy. Many have threatened revenge and retribution to those who have taken the unpopular side on this issue involving the very personal matter of prayer.

A leading newspaper in my district, "The Southeast Missourian" of Cape Girardeau, Mo., has put the entire affair in proper perspective and I am pleased to bring its editorial of Friday, November 26, 1971, to the attention of my colleagues. It is reprinted below.

THE HONEST "NO"

It is ironic that those congressmen who voted against the school prayer amendment are now to be the objects of a campaign to defeat them for reelection in 1972.

That, at any rate, is the strategy announced by Mrs. Ben Ruhlin, the lady from Cuyahoga Falls, Ohio, who has been the moving force behind the amendment.

Funds will be raised to buy billboard space in the districts of all 162 members who, she says, "(a) voted against the civil right of free school prayer and (b) ignored the proven will of the vast majority of the nation."

It is ironic because there can be little doubt that, in this instance at least, 162 politicians acted with honesty and integrity, which is the way religious people are supposed to act. There is no way of telling how many of the 240 others who voted for the amendment did so from conscience and how many because it was the safe and popular thing to do.

There has been so much misunderstanding about this issue that some of it can only be laid to willful ignorance.

The Supreme Court did not kick God out of the public schools; it kicked the state out of religion.

The Supreme Court never banned voluntary prayer and meditation in the public schools; it forbade state-written prayer and held that even though children could be excused from participation this still amounted to an "establishment of religion."

Perhaps most important, the Supreme Court did not outlaw the teaching of religion in the public schools; it opened the door to it. But this oportunity has been almost wholly ignored.

The prayer amendment may yet be passed by a future Congress and be ratified by the states. Yet what would be accomplished?

Students would be subjected to one more rote exercise so watered down that even many church leaders say it would be meaningless. The piety of a few people would be satisfied, but schoolchildren would still be learning nothing about religion.

In the meantime, we are asked to punish 162 congressmen for demonstrating the very kind of character prayer is supposed to build.

CIVIL RIGHTS STILL DENIED LARGE GROUP OF AMERICANS

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BIAGGI. Mr. Speaker, this body has always shown great concern for civil and humanitarian rights. However, there is still one group of citizens that is consistently denied their civil rights. That group is the law enforcement officers of this Nation, the men we call on to assure the rights of others.

Two recent Federal court cases clearly show that a police officer today does not enjoy the rights of due process afforded all other citizens. I inserted fuller commentary on the cases under extensions of remarks yesterday.

However, briefly, in the first case, the judge ruled that a police officer was not entitled to legal counsel at a departmental hearing—a hearing, mind you, that could result in a loss of one's job or in being charged with a crime. The judge stated that—and I quote—

If every omcer wno appeared before the panel were to invoke the full panoply of judicial process, serious impairment of the disciplinary processes of the Chicago police department could occur."

Is this equal justice?

When a mob threatens to tear up the city of Washington, the courts require full due process for those arrested—regardless of the consequences to the city and its citizens.

In the second case, the court ruled that a lieutenant was not entitled to reinstatement on the force because he sued the police chief. This was a challenge to the authority of the chief and could result in—quote—"internal dissention."

What policeman will resort to the courts for settlement of grievances if he knows the courts will automatically rule against him on the grounds he is challenging the authority of his chief?

The policeman today is truly a second-class citizen. He is frustrated by the contradiction of his position—enforce the law, but the law is not for you. To correct this shameful situation, I have introduced legislation to guarantee civil rights to all law enforcement officers. Over 100 of my colleagues have cosponsored this measure.

I will again reintroduce the measure and I hope that more of those who serve in this Chamber will see the urgent necessity of extending civil rights to law enforcement officers.

CONSTITUTIONAL RIGHTS OF WOMEN

(Mr. WIGGINS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WIGGINS. Mr. Speaker, on November 22, 1971, the U.S. Supreme Court in *Reed* v. *Reed* (404 U.S. ——, docket No. 70–4), rendered a unanimous decision protecting the constitutional rights of women. This decision is of particular importance to this House since it recently passed a resolution, House Joint Resolution 208, proposing an amendment to the U.S. Constitution, which its sponsors claim is necessary to guarantee equality of rights for women. During that floor debate there were many Members who indicated their belief that women are entitled to equal rights under our present Constitution. *Reed* v. *Reed* is substantial support for that assertion. The facts of the case are as follows:

A child died intestate—without a will—in Ada County, Idaho, in March of 1967. His adoptive parents had separated prior to his death and are the parties involved in the action. The mother of the decedent was the first to file in probate court seeking appointment as administratrix of her son's estate. Prior to the date set for the mother's hearing, the father of the decedent filed to have himself appointed administrator of his son's estate.

The probate court decided in favor of the father based on an Idaho statute that stated when persons are equally entitled to administer an estate, males must be preferred to females. The mother appealed to the district court of the Fourth Judicial District of Idaho. The district court held that the challenged section violated the equal protection clause of the 14th amendment. The father took a further appeal to the Idaho Supreme Court, which reversed the district court. The judgment of the Idaho Supreme Court was reversed by the U.S. Supreme Court and the case remanded for further proceedings. The issue was whether an arbitrary preference established in favor of males violates the equal protection clause of the 14th amendment. The court held that:

The arbitrary preference established in favor of males . . . cannot stand in the face of the Fourteenth Amendment's command that no State deny the equal protection of the laws to any person within its jurisdiction.

The Idaho statute listed the order of intestate succession—section 15–312, Idaho Code—which stated that the administration of the estate of a child dying without a will must be granted to the father or mother, and of several persons claiming and equally entitled to administer, males must be preferred to females. The reason given by the State for the latter part of this statute is:

To eliminate one area of controversy when two or more persons, equally entitled under the statute seek letters of administration and thereby present the probate court with the issue of which one should be named.

To this the U.S. Supreme Court responded that:

Clearly the objective of reducing the workload on probate courts by eliminating one class of contests is not without some legitimacy. The crucial question, however, is whether the probate statute advances that objective in a manner consistent with the command of the Equal Protection Clause. We hold that it does not. To give a mandatory preference to members of either sex over members of the other, merely to accomplish the elimination of hearings on the merits, is to make the very kind of arbitrary legislative choice forbidden by the Equal Protection Clause of the Fourteenth Amendment; and whatever may be said as to the positive values of avoiding intrafamily controversy, the choice in this context may not lawfully be mandated solely on the basis of sex.

The court pointed out that the intestate statute in question sets up a class—parents—and provides that different treatment be accorded to persons within that class solely on the basis of their sex.

Mr. Speaker, the court has long held that persons similarly situated may be classified for different treatment under the law so long as the classification has a reasonable basis in fact and the classification is necessary to achieve a proper legislative objective. Otherwise, the equal protection clause requires that laws be of like application to all persons similarly situated. Obviously, a father and a mother as parents are similarly situated with regard to their child. To favor one over the other without a legitimate factual basis therefor is arbitrary and unreasonable and thus is a violation of equal protection of the laws. This proposition is the very least that this decision can be cited for.

In my opinion, Mr. Speaker, this decision can properly withstand a broader application. Traditionally, when the U.S. Supreme Court is interpreting our Federal Constitution, it does so very narrowly and this is done for good reason. So to give broader application to a particular decision is a risky exercise. However, since the Congress is seriously considering amending the Constitution with regard to equality of rights for women, it is relevant, in this instance, to try and derive a direction toward which the Supreme Court is headed.

Mr. Speaker, you will recall that when the House Judiciary Committee reported House Joint Resolution 208, amended, it stated that the:

Discriminatory features of our legal system could be eliminated without amending our Constitution if the Supreme Court were eventually to accord women the full benefit of the equal protection clause of the 14th Amendment. However, to date the case law in this area has not been thoroughly developed.

The Reed decision is, of course, a narrow one, but its rationale is broad enough to be cited as authority for the proposition that women are entitled to the full benefit of the equal protection clause. This decision holds that when there is a classification which is inclusive of both sexes, different treatment of persons based solely on sex may not lawfully be mandated by a State.

Mr. Speaker, the Reed against Reed decision is a significant development in favor of equality of rights for women. In applying traditional equal protection principles, it does not go as far as the proposed constitutional amendment, which demands an identity of treatment between persons without regard to the rationality of different treatment. For me, this decision signifies two very important victories in the battle to secure equality of rights of all people: First, the equal protection clause of the 14th amendment does embrace women on a legal parity with men; and, second, our judiciary is the proper forum by which to secure these 14th amendment guarantees.

WAR IN INDIA MAY BE A REALITY

(Mr. FRELINGHUYSEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FRELINGHUYSEN. Mr. Speaker, it is becoming increasingly apparent that full-scale war on the Indian subcontinent is more than a possibility. It already may be a reality.

The latest in a series of alarming press reports indicates that there has been another major intrusion into East Pakistan by Indian troops. As many as 40,000 men are said to be involved in heavy fighting, supported by tanks and heavy artillery—reported to be Soviet made.

While it is impossible to gain an accurate picture of what is occurring from press accounts, several things are clear. In the first place, the Indians themselves have admitted they have made at least three crossings into Pakistan territory. Unquestionably a serious escalation has taken place. What has up until quite recently been a serious, but manageable problem threatens to explode into all-out war. Under such circumstances, the world community must make every effort to avert catastrophe.

It is clear also that India's role is changing from one of relative passivity to activities which appear increasingly aggressive. Until recently India has been engaging in exerting heavy psychological pressure on Pakistan, presumably to precipitate movement toward a political accommodation in that country. During the past week, however, India appears to have decided to press for a military solution to her own difficulties. By exploiting her military superiority over Pakistan and sending large numbers of Indian troops into East Pakistan to engage Pakistan forces there, India seems to be inviting a military showdown.

India's apparent decision to disregard international counseis of restraint in a cause for serious concern. It is a problem which should be faced squarely, and promptly, by the United Nations. Furthermore, in my opinion, it calls also for a reevaluation by the United States of continuing any further aid to India, whether military or economic. The United States shares with the international community the responsibility of

seeking to preserve the peace. An all-out war would be a totally unacceptable "solution" to the present crisis. Even at this stage every effort must be made to encourage a pullback from the brink of war.

THE COMPREHENSIVE CHILD DEVELOPMENT PROGRAM

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, this week the House of Representatives is scheduled to vote on S. 2007, the conference report which extends the Office of Economic Opportunity for 2 more years and establishes a comprehensive child development program.

As chairman of the Select Subcommittee on Education of the House Committee on Education and Labor, the subcommittee which considered the comprehensive child development legislation, I take this opportunity to call to the attention of my colleagues a number of letters, articles, and statements in support of the child development program.

Mr. Speaker, I believe that the child development program represents the results of much hard work and effort, on the part of both Democrats and Republicans in both the House and the Senate, to shape a measure that will make good the commitment which President Nixon voiced on August 11, 1969, when he said:

> This Administration is committed to a new emphasis on child development in the first five years of life. The day care that would be part of this plan would be of a quality that will help in the development of the child and provide for his health and safety, and would break the poverty cycle for this new generation.

AFL–CIO ENDORSES COMPREHENSIVE CHILD DEVELOPMENT BILL

For example, Mr. Speaker, here is a copy of the November 29, 1971, letter from Andrew J. Biemiller, director, Department of Legislation, AFL–CIO, endorsing the comprehensive child development bill:

> AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
> *Washington, D.C., November 29, 1971.*
>
> The AFL–CIO strongly supports the House-Senate conference report on S. 2007, legislation extending the Office of Economic Opportunity for two more years.
>
> Included within S. 2007 is creation of an historic comprehensive child development program and establishment of an independent National Legal Services Corporation.
>
> The AFL–CIO has, since its inception, supported OEO. We continue to do so. We also are convinced that the new legal services corporation, as resolved in conference, is beneficial legislation.
>
> The new comprehensive child development program meets a long-recognized national need. The Conference report calls for education, health, and nutrition services to children. Once implemented, working parents—as well as welfare recipients—will have decent day care available for their children.
>
> President Nixon declared, August 11, 1969, that: "This Administration is committed to a new emphasis on child development in the first five years of life. The day care that would be part of this plan would be of a quality that will help in the development of the child and provide for his health and safety, and would break the poverty cycle for this new generation."
>
> The President's 1969 plan only covered the children of welfare recipients. The S. 2007 conference report provides free services for these children and similar services for the children of working parents willing to pay fees established on a graduated scale according to family income.
>
> Despite a rash of recent "scare" propaganda, the conference report's day care program is not mandatory. Instead, for the first time, comprehensive day care will be available for the children of parents who want something better than all custodial care—or no care at all—for their children.
>
> Such a comprehensive child development program has long been a goal of the AFL–CIO and the millions of America's working parents with young children.
>
> The AFL–CIO urges you to approve the conference report on S. 2007, including this important new program.
>
> Sincerely yours,
> ANDREW J. BIEMILLER,
> *Director, Department of Legislation.*

NEW YORK CITY HUMAN RESOURCES ADMINISTRATOR ENDORSES PROGRAM

Mr. Speaker, the former Director of Headstart, Jule M. Sugarman, now administrator of Human Resources Administration, city of New York, has written the following letter to the Secretary of Health, Education, and Welfare, Elliot Richardson, in support of the comprehensive child development bill and has appended an excellent analysis of the bill:

> NOVEMBER 29, 1971.
>
> Hon. ELLIOT L. RICHARDSON,
> *Secretary of Health, Education, and Welfare, Washington, D.C.*
>
> DEAR MR. SECRETARY: This week the Congress will act upon the Conference Committee's report on the child development bill. I must urge you to fully support that bill in the Congress and to recommend to the President in the strongest possible terms that he approve it.
>
> This bill follows nearly three years of bipartisan effort involving extensive hearings and committee work. The vital need for child development services has been thoroughly documented. Studies financed by your Department, and soon to be released, make it clear that child development programs can have substantial long-term impact. The programs authorized in this bill are wholly consistent with the specific research findings and recommendations of those studies. There is great public understanding and support for the legislation involving a wide spectrum of American society. Now, as soon as the Congress completes its action, the President must act favorably.
>
> Recent newspaper reports have speculated that the bill might be vetoed by the President. However, no White House or Department spokesman has confirmed or denied those reports and the public record is one of a firm President commitment to "providing all American children an opportunity for a healthy and stimulating development during the first five years of life."
>
> Now is the time for the President to make clear that his Administration intends to honor that promise. Unfortunately, reports of lobbying by White House staff indicate that the President may not intend to honor his commitment.
>
> Among the reasons suggested for White House opposition is the cost of the bill. I think that the record needs to be much clearer on that point. The requirement that a child development council be created and a comprehensive child development plan prepared for each community means that it will certainly be 12 to 18 months before any significant number of communities can qualify for operating funds. Thus, neither the current nor the fiscal year 1973 budget is likely to be heavily affected. The first substantial effect will not take place until fiscal year 1974. Even then, I doubt that communities will be prepared to spend more than $2 to $3 hundred million above present levels. Surely that level of funding, or even twice that level, is not a great problem when compared to the amounts spent on other public programs.
>
> Another reason advanced for possible opposition is a political response by the White House to mail from conservative and right wing leaders arguing that this is part of a Communist plot. That is not only poppycock, but a slander upon the Members of Congress who have worked so hard to bring the bill to fruition. It is an attack on the very thing that the President and you have urged in connection with H.R. 1; namely, the provision of quality child care. This kind of attack should be promptly answered by the White House and HEW.
>
> Finally, there are those who say that the bill is being opposed because it does not provide a significant role for the states. No one who has read the bill thoroughly can make that charge. The language is specific requiring state involvement at every stage; creation of prime sponsors, formation of comprehensive child development plans and project operation. Up to 5% of operating funds will be available to states to carry out their functions. HEW may use states to provide technical assistance and program coordination. In other words, there is every opportunity for the states to identify problems, to help in solving them, and to point out to HEW that programs are not meeting the requirements of the Act or HEW standards. The state which fails to influence programs positively in this situation will do so because of its own ineptitude rather than any deficiency in the law.
>
> Mr. Secretary, there is nothing in this bill which should stand in the way of approval. The choice for the President and yourself is whether to yield to reactionary and unsupportable arguments against the bill, or to make a monumental contribution to the real needs of children which were so eloquently recognized by the President in the past.
>
> Sincerely,
> JULE M. SUGARMAN,
> *Administrator, Human Resources Administration, City of New York.*

FACTS ON THE COMPREHENSIVE CHILD DEVELOPMENT BILL*

A. RIGHTS OF PARENTS

Parental authority in relation to the child as well as the child development program in which he or she participates is assured in the compromise bill.

The Statement of Findings and Purpose states that comprehensive child development programs should be available to children whose parents or legal guardians shall request them regardless of economic, social and family backgrounds (Sec. 501(a)(2) page 5). To ensure that services are voluntary, each Comprehensive Child Development Plan submitted must include a proviso that services shall be provided only for children whose parents or legal guardians have requested them (Sec. 515(a)(24) page 16).

Section 581(a) (page 33) requires that no part of the bill shall be applied or construed to infringe upon or usurp the moral or legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional or physical development of their children. Nor can invasion of privacy or abridgment of legal remedies for such legally protected invasion be accomplished.

Specific protection provided against testing without informing the parent and giving him an opportunity to except his child. (Sec. 580 page 2) And if a parent objects in writing on religious grounds to medical or psychological exams or immunization (except to protect public from epidemics) or treatment, his child is excepted from such treatment. (Sec. 574(f) page 31)

A child development plan must provide for regular and frequent dissemination of relevant information to parents and the community in their functional language. (Sec. 515(a)(15) page 16). The plan must also coordinate, insofar as possible, its programs with other social programs so as to keep family units intact or in close proximity during the day. (Sec. 515(a)(10) page 15).

The bill's Statement of Findings and Purpose concludes that decisions on the nature and funding of child development programs are to be made at the community level with the full involvement of parents and others in the community interested in child development (Sec. 501(b) page 6).

Parent involvement in their children's programs is required at various decision making levels such as:

1. In the project: At least one half of the project policy committee must be parents and the other members, except for the specialist, must be representative of the community and approved by the parent members, (Sec. 516(a)(2) pages 17–18). The committee must directly participate in the development and preparation of the project application. Training, administrative expenses and necessary out-of-pocket for low-income members are required. Members of committees are appointed by the project applicant but existing Head Start agencies can continue their method of election, presumably.

Functions of the project committee include approving goals, policies, actions and procedures for the project applicant.

The project application must also provide for the regular and frequent dissemination of information about the project to parents and interested persons in the functional language. Projects must also employ paraprofessional aides and volunteers, especially parents and others (Sec. 516(a)(10) page 19). Staff must be adequate to meet specialized needs of each child. (Sec. 516(a)(12) page 19).

2. In the Prime Sponsor through its Child Development Council: The Prime Sponsor's Plan must provide for direct parent participation in the conduct, overall direction and evaluation of programs (Sec. 515(a)(11) page 15). The membership of the Child Development Council must be at least ½ parents of children in programs selected by Head Start and project policy committees. At least one-third of the total membership must be parents who are economically disadvantaged. (Sec. 514 (a and b) pages 13–14). The Council's functions are similar to policy committees but it may also conduct public hearings. (Sec. 514(b)(3) page 14).

3. At the national level:

Not less than one-half of the membership of the Special Committee on Federal Standards for Child Development Services to develop program standards and of the Special Committee to develop Uniform Minimum Code For Facilities must be parents of children in child development programs, Head Start, and day care under Title IV programs. Both committee memberships are to be appointed by the Secretary and report to him. (Sec. 534, 535, pages 23–24).

B. RIGHTS AND ROLE OF THE STATES

The Statement of Findings and Purpose states that it is essential that the planning and operation of child development programs be a partnership of parents, community and state and local governments with appropriate assistance from the Federal Government (Section 501(a)(6), page 6).

The participation of the states is encouraged by Section 517 that provides for special grants to states to carry out activities such as identifying the state's goals and needs, assisting child development councils, encouraging the participation of related state agencies, etc. (see pages 19 and 20). Up to 5% of the funds allocated for use in a state are reserved for the state upon its application (Sec. 503 (c), page 8).

The Governor must have 30 to 60 days to review applications for designation, to offer recommendations to applicants and to submit comments to the Secretary (Sec. 513(g), page 12). In addition, no plan or modification of a prime sponsor shall be approved unless the Secretary determines that the Governor of the State has had an opportunity to submit comments to the prime sponsor and the Secretary (Sec. 515(b)(3), page 17).

No locality or state may reduce its expenditure for day care or child development because of assistance under the bill (Sec. 520 (e), page 22).

* Analysis prepared by the Human Resources Administration, City of New York.

Here, Mr. Speaker, is a memorandum from Mrs. Audrey O. Blackwell, coordinator for early childhood training programs in Metro Denver:

> OCTOBER 29, 1971.
>
> To: Mr. Burton, Member of Conference Committee on Comprehensive Child Development Act of 1971.
>
> From: Mrs. Audrey O. Blackwell, Coordinator for Early Childhood Training Programs in Metro Denver.
>
> Subject: Provisions for training, title III Training of Child Development Personnel in H.R. 6748 (Brademas) and S. 1512 (Mondale) bills.
>
> I have discussed this legislation with regional and state training specialists, and with members of the coordinative advisory committee with whom I work. (See attached list) The following opinions have been expressed:
>
> 1. The national contracting system used for Head Start training has been wasteful and ineffectual in this region because local needs are slighted, and travel and layered administration is expensive. Therefore it is hoped that the legislation will specify that *planning* for training and *training* be done on a *decentralized basis*, that persons presently working in child development programs help with the planning, and that training be tied to a *career development plan*.
>
> 2. Training funds *should not be earmarked*, as they are in the Brademas bill, without strong justification. However, the legislation should include the following kinds of training: basic, pre-service, inservice based on individual need, and technical assistance. All persons in child development centers should receive training, including administrators.
>
> 3. If earmarking is justified, "professional," "non-professional," "inservice," and "technical assistance" should be defined. Also, the committee should take into consideration, if earmarking, that many more non-degreed persons will be working in child development centers than will those with degrees, and that the former will have greater need for assistance with stipends, baby-sitting, and transportation. Earmarking inservice training monies may hamper efforts now being made to incorporate on-the-job training into credit programs.
>
> We hope that these opinions will be of value in finalizing this very important piece of legislation.

Here is a letter to Secretary Richardson from the National Organization for Women:

> NOVEMBER 1, 1971.
>
> OPEN LETTER TO MR. ELLIOT RICHARDSON, SECRETARY OF HEALTH, EDUCATION, AND WELFARE
>
> The National Organization for Women (N.O.W.) is very concerned with recent developments involving child care legislation currently in House/Senate Conference. We understand that there is a move to reduce the income ceiling for free child care from $6,900 to $4,300 or, in the least to a compromise at $5,200. We also understand that even the pitifully small proposed funding of $2 billion in Senator Mondale's bill is possibly in jeopardy.
>
> We strongly urge that the $6,900 income level be adhered to as more realistic than any below that. To a family with a combined income of $6,900, the normal cost of day care (around $2,000 per year) is still an overwhelming financial burden. We see any lowering of this level as seriously jeopardizing the needs of the working and single parent who is above the currently defined poverty level.
>
> NOW has supported an original funding level of $5, $8 and $10 billion as proposed by Congresswomen Abzug and Chisholm. Although still not approaching the goal of providing child care for all those who need it, this level was seen by NOW as a more humane and realistic, albeit interim, step. More humane, because it would not force middle income and poor to grovel over an amount of money inadequate for either of their needs. Realistic, because somewhere between $8 to $10 billion is needed to supply child care to preschoolers of parents already working. In addition, $7 billion alone is needed to provide services to all disadvantaged children.
>
> NOW and other groups have had great hopes that the Mondale/Brademas bills were the beginning of a new era for child care—that they were not merely expansions of the existing Head Start program, as stated by you in recent testimony before the Senate Finance Committee.
>
> In the future, we hope that child development services will be separated from public welfare programs, that they will not be developed in order to lessen public assistance roles, but rather as a basic right. The child welfare concept of day care—as a service only to poor and problem families—has contributed to the resistance to enlarging services to cover broader segments of the population and, concurrently, has prevented ethnic and socioeconomic integration of preschools. We cannot support programs that further separate the poor from the rest of the population.
>
> In closing, we would like to reiterate that we have not completely supported any of the current child care legislation, even in its originally introduced form, because none approaches our goal of universally available child care. The rationale for our position is contained in the attached NOW statement, "Why Feminists Want Child Care."
>
> Please make this communication and attached statement a part of your deliberations and respond to us with some statement of your decision and intent. If you have any questions, may I refer you to our Washington, D.C., Legislative Liaison for Child Care, Vicki Lathom, 18–X Ridge Rd., Greenbelt, Md. 20770, telephone (301) 345–1039 or 345–5443.
>
> Your very truly,
> WILMA SCOTT HEIDE,
> *President.*
> MARY ANN STUART,
> *Child Care Task Force, National Organization for Women.*

I insert at this point a letter from Jay M. Arena, M.D., president, American Academy of Pediatrics, Evanston, Ill.:

NOVEMBER 24, 1971.

DEAR MR. BRADEMAS: The American Academy of Pediatrics, the national organization of board certified physicians providing care to children, heartily supports the adoption of the conference report on the Economic Opportunity Amendments, S. 2007. We are particularly enthusiastic about the comprehensive child development title of this legislation which provides for the establishment of a national, federally assisted child development program. The Academy supports the concept of child care as a composite of comprehensive and coordinated services designed to offer a sound basis for growth and development of the child while supporting and encouraging the parents in their effort to care for their children. We are of the opinion S. 2007 would provide a sound legislative basis for the establishment of such a program.

The Academy endorses the section of the child development title which provides for local administration of child care programs. We recommended in testimony before Senate and House committees that the major responsibility for planning and delivery of child development programs is most appropriately placed at the community level. We believe the conference report is equitable, and will allow for possible funding of most jurisdictions which apply for prime sponsorship responsibility. Jurisdictions which are able to plan and operate a quality child care program should be given this opportunity.

We are in complete agreement with the concept of funding priority to ongoing Headstart programs. The provision further assuring local review of Headstart programs is an additional strength of the conference report. The extension of the excellent programs like Headstart to all low income families desirous of child development services will be facilitated by the enactment of this legislation.

The level for eligibility for free child care services decided upon by the conferees is reasonable, and will not place an undue financial hardship on poor and near poor families who wish to utilize the child care programs.

In summary, we believe the child development title of the Economic Opportunity Amendments provides a realistic framework in which child development programs can operate that are responsive to the needs of individual children and communities. We sincerely urge your support for the adoption of the conference report on the Economic Opportunity Amendments of 1971.

Sincerely yours,

JAY M. ARENA, M.D.,
President, American Academy of Pediatrics, Evanston, Ill.

I here insert a resolution of the California Council of Parent Participation Nursery Schools, Inc.:

CALIFORNIA COUNCIL OF PARENT PARTICIPATION NURSERY SCHOOLS, INC.
October 28, 1971.

Whereas, we of the California Council of Parent Participation Nursery Schools are a statewide group of parents who recognize the necessity for parent involvement in the education of young children; and

Whereas, for the greatest benefit to all children, the following must become a reality: (1) a sound ecological balance (2) good mental health care and (3) good physical health care; therefore, be it

Resolved, That CCPPNS support passage of legislation providing for a sound ecological balance and good mental and physical health care.

Whereas, we agree with many authorities that most of a child's learning patterns are set in the first five years; and

Whereas, recognizing this, we feel that all preschool children need enriching experiences outside as well as inside the home; and

Whereas, these experiences should include a group of peers, a variety of media and play equipment, and an opportunity to relate comfortably to adults; and

Whereas, all parents must have adequate, safe care for their children, whether it be part-day, all-day or night-time care; therefore, be it

Resolved, That a variety of preschool programs and facilities providing enriching experiences and adequate safe care, which meet the highest standards, be made available to all families throughout the state of California.

Resolved, That CCPPNS support the passage of legislation providing these services until all the children who need them are served.

Whereas, recognizing that the parent is the primary influence during the first five years of life; and

Whereas, parent involvement provides continuity between the enrichment program and the home; therefore, be it

Resolved, That parent involvement in the organization and educational aspects must be built into all pre-school programs.

Resolved, That teachers must be trained to work with both parents and children.

NEWSPAPER EDITORIALS

Mr. Speaker, a number of newspaper editors in a number of papers have endorsed the comprehensive child development bill and I insert a number of these editorials at this point in the RECORD:

[From the New York Times, July 18, 1971]

A NEW DEAL FOR CHILDREN

A bipartisan group of Congressmen, led by John Brademas, Indiana Democrat, and Ogden Reid, New York Republican, has sponsored an important bill which would offer pre-school care and education to all children at least from the age of two.

The Comprehensive Child Development Act, which has been approved unanimously by a subcommittee of the House Committee on Education and Labor, could usher in a new era in American child care. By helping to close the gap between the children of the rich and the poor, it may hold the key to prevention of the massive retardation for which the existing school systems have found no remedy.

The advantage of this measure over an Administration proposal to extend similar day care privileges to children of welfare families is that it does not limit the benefits of early pre-school physical, educational and psychological development only to the deprived. Although disadvantaged children would be given absolute priority, middle-class youngsters could, in return for modest fees adjusted to their parents' income, share in the natural extension of American education. The children of the more affluent already enjoy many of these advantages, either in expensive nursery schools or in the home.

The proposal includes Federal funding for public and private nonprofit agencies other than the schools, thereby promising greater diversity of ideas and action in a field that has already given rise to much promising experimentation outside the traditional education system.

With its concern for all children, the act reduces the danger of creating another educational ghetto for the underprivileged. This is important because pre-school programs can so easily be turned into cheap, unimaginative and stultifying babysitting arrangements merely to get children temporarily out of their parents' way. Giving all mothers, including those with educational sophistication and political influence, a stake in truly imaginative child development centers is a way of creating an instant support force to fight for high quality and expert staffing. The act properly extends the American education commitment to those early years of growth in which the seeds of success or failure, and of frustration or happiness, are so often sown.

[From the Washington Post, Aug. 4, 1971]

A NEW CHANCE FOR CHILDREN

There is no way of figuring the United States Congress. Sometimes they take their own sweet time over major social legislation. The passage of Medicare took a whole generation of pressure, debate and publicity. At other times the wheels of change turn quickly and almost silently. We may witness this second phenomenon in the current session if—as now seems at least possible—Congress passes a Comprehensive Child Development Act. This piece of legislation could be as important a breakthrough for the young as Medicare was for the old.

The Senate Committee on Labor and Public Welfare has reported, as a new title of the Economic Opportunity Act, a Comprehensive Child Development Bill, sponsored by Senator Mondale and 29 of his colleagues from both sides of the aisle. A somewhat similar bill is being shepherded along on the House side by Congressmen Brademas and Reid.

The Mondale Bill would provide federal funds for locally administered child development programs of an extremely comprehensive sort. The emphasis would be on child development centers for pre-school children, which would be much more than day care centers. They would aim to provide a stimulating educational experience, as well as health services and attention to nutrition. Funds could also be used for infant care, after-school activities for older children, parent education programs and a variety of other activities. Parents would have a strong voice in the decision-making process through a series of local child development councils. Priority would be given to low income groups, but this is not just a program for welfare families. Services would be extended to all children, with special emphasis on children of working mothers and single parents. Families with incomes above a certain level would pay part of the cost.

Although some details might be improved, it is our view that the Mondale Bill embodies a highly constructive new approach to the well-being of children. It gets away from the dismal question of whether mothers should be *forced* to work—of course not, participation would be voluntary—and recognizes the fact that millions of mothers *do* work and more would like to if they could only make satisfactory arrangements for their children.

As every working mother knows, unless she is lucky enough to have a trusted relative down the street, it is almost impossible to find a good child care setup in most communities at any price. All-day programs for preschool children, even where available, are usually dreary, under-staffed, custodial arrangements that promise little more than to keep the child from physical harm, if that. Good nursery schools provide intellectual stimulation and creative play programs, but the private ones are expensive, the public ones are usually restricted to the very poor, and hardly any are geared to the needs of working mothers. Most nursery schools operate three to six hours a day, send the child home if he has a sniffle and close down for the whole summer. Even when the child reaches school age the average working mother is constantly worrying over makeshift arrangements for coping with after-school hours, illness and the long vacations. Those nice pictures of children learning and playing happily and safely while their mothers work always seem to be taken in Scandinavia or Israel or Eastern Europe.

The Comprehensive Child Development Bill is a recognition that good child-care arrangements are not just a concern of the poor, but of vast numbers of middle-income families. Indeed, the main reason why "day care" has such a dismal image and such inadequate support may be that it has mistakenly been regarded as just "something for the poor." A law giving the non-poor a stake in good public programs may be needed to break out of the current mold. It could also provide an opportunity for mixing children from different economic and racial groups and for genuine cooperation among diverse groups of parents. Bringing in the non-poor does not have to mean that services are free to everybody. One can have a sliding scale of fees for those who can afford them.

But the most important thing about this bill is that it is not a day-care bill; it is a child-development bill. It is not primarily intended to free mothers to work, but to provide comprehensive development services for children, whether their mothers work or not. This shift of emphasis to the child and his well-being may be the bill's most important feature. Day care of the custodial variety is probably not a good national investment even in the strict economic sense. But there is accumulating evidence that the early years of life are crucial—that stimulating the natural curiosity of children and developing their creativity and self-confidence can make a vital difference. This bill just might provide a vehicle for a new national effort to make childhood livable.

[From the Courier-Journal, Sept. 13, 1971]

MAKING DAY CARE FAR MORE THAN JUST FREEDOM FOR MOM

Not the least intriguing aspect of the Senate's approval four days ago of a national child development plan is that so few Americans have been aware of just how monumental a piece of legislation this is. The day-care movement, which had been picking up steam as a way to emancipate women and help families earn their way off welfare, would now become a program aimed largely at increasing the ability of this nation's children to get more out of life.

As one of the bill's sponsors, Senator Mondale of Minnesota, said three months ago: "This is social legislation in a class with Medicare. Yet it is happening without any initiatives from the executive branch and without much public notice. It's like spontaneous combustion."

Head Start set the pattern of federal financing for something more than day nurseries where working mothers could leave their offspring. But fewer than 100,000 children—all of poverty-level families—were enrolled last year in this comprehensive program of health, educational and social services. And fewer than 700,000 children attend licensed day care centers, while 800,000 more are dropped off daily at nursery "schools" that seldom offer more than an adult supervisor or two, toys, playground equipment and a spartan lunch.

OPEN TO ALL FAMILIES

Yet 3.7 million mothers with children under 5 now work, and by 1980 the number is expected to reach 5.3 million. So within this decade we'll need to at least triple the nation's day-care capacity.

This need would be met in part by the Senate bill, with its anticipated spending of $13 billion over the first three years of the program. But almost more important is its emphasis both on comprehensive care like Head Start's, going far beyond the custodial role of most pre-school nurseries, and on its extension to all families, not just the poor.

As part of his welfare reform program, President Nixon has urged an expansion of day-care services to welfare families, as an essential part of enabling these people to take job-training and then go to work. But this still would be basically manpower-oriented, a device to free working mothers.

The importance of the Senate bill is that it goes beyond this concept to become child-oriented as well, and to extend these services to families above the poverty line. Poor people would pay nothing; families that could afford to pay something would do so on a sliding scale.

The point of this, as *The New York Times* observed editorially in July, is that "by helping to close the gap between the children of the rich and the poor, it may hold the key to prevention of the massive retardation for which the existing school systems have found no remedy . . . Although disadvantaged children would be given absolute priority, middle-class youngsters could, in return for modest fees . . . share in the natural extension of American education."

That's an important start on removing the stigma of social pathology from federal support of day care, and on extending to more American children the kind of superior nursery-school advantages that hitherto have been available only to the affluent.

The men and women in Congress who have led the bipartisan struggle for this epic legislation can't rest yet. Indiana's Representative John Brademas and others still must persuade the House to follow the Senate's lead. But 117 years after opening of the first day nursery in this country, we now seem ready at last to think of this care not simply as organized baby-sitting (except for the affluent few) but as something *all* parents will want for their children.

[From the New York Times, Sept. 14, 1971]

FOR MOTHER AND CHILD

The child development bill, passed by the Senate 49 to 12, offers to all American mothers the kind of daily care for their children that used to be available only to the very rich, and more recently some of the very poor. The measure would underwrite the establishment of professionally staffed day-care centers for preschool children, free of charge for the poor and on a pay-as-you-can basis for middle-class families.

Day care, with its combined physical, psychological and educational emphasis on child development, has long been routine in many other countries. Its belated acceptance in the United States comes as a special ray of hope for the children of urban and rural slums; but it also is clearly an essential ingredient in any effort to bring greater equality of opportunities to women who want to work while raising their families. This is particularly true when trained and reliable domestic help is in short supply and not considered a tax-deductible business expense, even to the extent that such help is available.

The only danger in a massive day-care program is that its rapid expansion, plus shortages of suitable personnel, may turn it into a vast baby-sitting venture designed simply to get children out of the way. As a safeguard against such a perversion of the program, the bill's provision for training high-quality staff and planning effective programs will require top priority.

A bipartisan companion bill in the House has been sponsored by John Brademas, Democrat of Indiana, and Ogden Reid, Republican of New York. It deserves speedy enactment.

[From the Christian Science Monitor, Sept. 29, 1970]

"LATCH-KEY" OR DAY CARE?

We shall undoubtedly be hearing more and more of day-care centers for working mothers, whether the mothers be on welfare or financially independent. The Nixon administration sees the day-care idea as popular with blue-collar workers, whom it wishes to woo. Women's Lib people see the centers as one more step in "liberating" women.

And there's the fact that a number of day-care franchise operators are setting up centers in Florida, Rhode Island, Missouri and elsewhere.

A mother's presence in the home is an invaluable factor in the wise and moral upbringing of her children. But what of situations where the mother is obliged to work to make ends meet? Or where she is determined to work to broaden her life? It is estimated that four million American children under six years of age have working mothers. In 1965 a report to Congress said that nearly one million "latch-key" children looked after themselves while their mothers worked. This was hardly good child care.

Many better-off families have had day-care centers functioning for years—but they are called nursery schools. Their existence spotlights the point that a good day-care center is more than a baby-sitting service. It must also be a place where the early educational, social, and cultural development of the child begins, under qualified personnel.

At present high costs and sparse facilities have meant that American day-care centers cater to only 640,000 children, according to Editorial Research Reports. During the 1969 fiscal year, $35 million was appropriated for day care for preschool children of welfare mothers who took jobs or training. An extension of the antipoverty program would provide $50 million in fiscal 1971. The Nixon administration's welfare reform plan, when finally enacted, would provide $386 million, to reach 150,000 more preschool and 300,000 school-age children.

This program would be limited to welfare mothers being trained for jobs. However a task force under Assistant Labor Secretary Rosow recommends child-care services for the working wives of any and all blue-collar workers.

The heart of the problem is that the number of working mothers with young children doubled from 1960 to 1969. Faced with this situation, officials have to decide whether to have enough day-care centers or to have children roaming the streets, a prey to every wrong influence.

[From the La Porte Herald-Argus, Oct. 13, 1971]

DAY CARE CENTERS

Congress has adopted an Economic Opportunity Act which includes a far-reaching day care center funding program.

The Federal government, by this act of Congress, is getting into the business of raising children almost as deeply as some mothers.

That's not to say day care center financial assistance is not needed. It is needed. Today's working mother faces the necessity of leaving small children in competent hands during the working day.

The day care center business is expanding in the private seotor. But a critical shortage of adequately staffed and reliable centers exists in the metropolitan areas. And in many rural regions of the country, a day care center is unheard-of.

Will the Congress really finance the program it has adopted? House members appeared to raise that question. The Senate earlier had approved a day care center measure which provided free services to families with incomes under $6,690 a year.

The House cut that figure. The House-passed bill sets the family income at $4,320 a year, and several experts still insist Congress will be wise to appropriate $2 billion the first year to meet the day care center obligation.

Apparently that substantial figure is evidence of how badly daytime care centers—good ones, reliable agencies—are needed.

A Chicago survey taken recently revealed that about 12,500 children are enrolled daily in day care centers there. Surveyors said an estimated 300,000 children are eligible for a day care program, mostly from welfare families. That would explain why the Congress needs to appropriate nearly $2 billion for the first year of the program.

Last year's White House Conference on Children provided sad accounts of the inadequacies of day care centers in the nation's big cities.

From the sound of the reports, some centers were more like warehouses for storing children than well-staffed agencies trained and skilled in the art of caring for the youngsters.

Perhaps not much news will be made by Congress as it goes about funding its new day care center creation, but many of the nation's women will be vitally interested.

Chances are that women from several liberation groups will keep their eyes peeled on Congress' action in this area.

These "liberated women," incidentally, have been known to make congressmen step lively. Figure them as the day care center "watchdogs."

[From the New York Times, Nov. 29, 1971]

CHILD DEVELOPMENT IN DANGER

Two major education bills that enjoy bipartisan support in Congress are threatened by the Administration's fiscal meatgrinder. The Child Development Act is on the brink of obliteration; higher education aid faces either postponement or fiscal anemia.

The child-care measure is in danger of a Presidential veto unless its supporters surrender to the White House demand that its benefits be limited to children of welfare families. Even so, the bill may be stalled to help push welfare reform legislation through the Congress later.

Backers of the measure who had originally envisioned a dramatic new approach to child development—free of charge for the children both of welfare families and of the working poor, and available at a fee to middle-class youngsters—have already reluctantly scaled down the scope of their plan. In a compromise which seemed to have the approval of Health, Education, and Welfare Secretary Elliot Richardson, they agreed to limit free services to families below the $4,320-income level, with a graduated fee structure for all others.

It now appears that Mr. Richardson underestimated the power of the Administration's budget-cutters and political manipulators. It is questionable whether anything better than a baby-sitting service for the poorest children—or indeed anything at all—will emerge.

OTHER ARTICLES

Mr. Speaker, at this point I insert other articles and statements concerning the comprehensive child development bill:

[From the Washington Post, Dec. 20, 1970]

CHILD CARE PROGRAM URGED

(By George Lardner Jr.)

The White House Conference on Children called yesterday for federal funding of comprehensive child care programs, a guaranteed family income and immediate steps to root out racism in America.

Delegates to the six-day meeting put these measures at the top of their "overriding concerns" for children in the current decade, the Conference's national chairman, Stephen Hess, reported at a news conference.

Most delegates gave No. 1 importance to a "reordering of national priorities beginning with a guaranteed basic family income adequate for the needs of children."

As further steps, they recommended a doubling of federal spending devoted to children in the decade ahead and an increase of at least 50 per cent in the proportion of the gross national product now allocated to public expenditures for children and youth.

Some of the conferees who had submitted the proposition for a vote had wanted it to include calls for an end to the war in Vietnam and abandonment of such programs as the supersonic transport, but these were left out. The explanation given yesterday was that the sponsors wanted to avoid any suggestion that heavier spending on social welfare programs could wait until the war was over or the SST scuttled.

The balloting was held Friday, the final day of the conference, but officials said the results were held up by the complex method used to tally the votes.

Hess voiced enthusiasm about the results, although only 1,912 delegates took part in the voting. Many others left early to go home, Hess said, and others refrained from voting because they wanted equal importance attached to all the Conference proposals.

Conference officials had estimated that 4,000 delegates were at the sessions, held each decade since 1909, but yesterday Hess put the attendance at less than 3,700.

The recommendation for federal funding of comprehensive child care programs is expected to give impetus to legislation along these lines already proposed in Congress. The delegates emphasized that the programs should include health care, early childhood education and social services, and not be limited to custodial day care.

They also said that enough federal funds should be supplied immediately to provide for 500,000 children and then increased to encompass another 250,000 children each year until all families in need are reached.

The child care proposal won No. 1 ranking among the 16 "overriding concerns" under the weighted method of counting ballots recommended to Conference officials by the American Arbitration Association. It came out No. 3 when only first-place votes were counted.

The call for a reordering of priorities beginning with a guaranteed family income ranked No. 3 under the weighted method, although it was No. 1 in first-place votes.

Ranking second, no matter how the votes were counted, was the Conference call for "the development of programs to eliminate the racism which cripples all children."

Hess said he considered the Conference "an unqualified success."

The chairman of the black caucus at the Conference, Dr. Charles G. Hurst, president of Malcolm X College in Chicago, said he, too, was "very pleased" with the sessions.

The delegates also voted on a list of 25 recommendations for remedial action, with each voter listing the six he considered most important.

The most popular was a call to "provide opportunities for every child to learn, grow, and live creatively by reordering national priorities."

The next five, in order, were recommendations to:

"Redesign education to achieve individualized, humanized, child-centered learning," including establishment of a National Institute of Education.

Establish "citizen community action groups" to implement the conference's recommendations.

Reform the system of justice for children, including steps to "emphasize prevention and protection" and to "replace large institutions with small, homelike facilities."

Underscore the "rights of children, including basic needs and education, and require legal and other accountability of individuals and agencies responsible for providing them."

Establish "a Child Advocacy Agency financed by the federal government and other sources, with full ethnic, cultural, racial and sexual representation."

Conference officials indicated it will take at least several months to put together a final Conference report, including all the explanatory materials and voluminous background papers, for submission to President Nixon. Much of it has yet to be written.

[From the South Bend (Ind.) Tribune Mar. 7, 1971]

CHILD CARE CENTERS WIN SUPPORT

(By Susan K. Singer, Ph. D.)

As a citizen, a mother, and a clinical psychologist I feel that I must respond to your article Feb. 24, "Psychiatrist Raps Day Care Centers." Dr. Eades' assertions that day care centers would destroy the family and serve as tools for the political indoctrination of children are blatant appeals to fear and unreason.

Research on the effects of pre-school attendance has shown that it is generally beneficial to social and intellectual development in children. Dr. Eades' statement that British orphans in WW II suffered in institutions has no relevance to the question of day care here and now. That was a situation involving complete separation from the family during a period of extreme stress.

We are talking about places where children can stay while their parents are working. Many mothers must work in order to sustain their families. And there are families in which mothers have died or are absent, and fathers need a place to leave children while they work.

Well-staffed, well-equipped day care centers provide an excellent service to such families, much better than haphazard baby-sitting arrangements or leaving children with older brothers and sisters.

I agree with Dr. Eades that children need love and emotional security within their families. But there is no reason to fear that a child will be harmed by spending part of his day in a well-run day care center. Instead of condemning day care centers and those who would use them our efforts should be directed to seeing that they are well-staffed, well-equipped, and set up so as to best meet the needs of children.

THE DAY-CARE TRAP

(By Kevin P. Phillips)

WASHINGTON.—As more and more U.S. mothers take jobs outside the home, they are creating a tremendous demand for day-care facilities where they can leave their pre-school-age children from, say, 8 A.M. to 6 P.M.

Now that Congress is finally about to act on proposals for Federal assistance to beef up inadequate day care, Republicans are concerned that a little-known functionary in the Federal Office of Management and Budget is blocking the Nixon Administration's indorsement of enlarged day care, and in the process perhaps maneuvering the President into a dangerous political trap.

Next Friday, May 21, Health, Education and Welfare Secretary Elliot Richardson will present the Administration's day-care views to the House Select Subcommittee on Education. Then on May 27 he will repeat them to a joint meeting of two Senate subcommittees. As the first date approaches, what Richardson will say remains conjectural, although his personal sentiments are clear.

Like most House Republicans, Richardson favors legislation to expand day-care facilities under the guidance of state governments, and with an eye towards insuring the effective participation of middle-income families. Indeed, the HEW Secretary has actively helped Congressional Republicans to develop this approach. Many Democrats, on the other hand, favor a new, multi-billion dollar day-care program under the control of neighborhood action-type groups that would orient services towards low-income and welfare mothers even though others would be technically eligible. The GOP will support this approach, but would prefer the former.

So far, however, the Federal Office of Management and Budget has successfully thwarted HEW support of any additional day care, and Congressional Republicans are concerned that OMB may succeed in blocking (or watering down) Secretary Richardson's pro-day-care testimony.

The chief mover and shaker of OMB's hostility to expanded day care is Richard P. Nathan, one of the office's twelve assistant directors. Nathan's logic is simple: He has been trying to safeguard the Administration's Family Assistance Plan, which includes a small day-care provision, from the detrimental competition of a separate, larger day-care bill. (Nathan's personal concern reflects the fact that he headed the 1968-69 Presidential task force that blue-printed FAP.) But this worry no longer seems valid inasmuch as the House Ways and Means Committee just last week cleared FAP as part of a much larger Christmas tree package with enough goodies to probably assure its passage.

Republicans on the House Education and Labor Committee believe that if the Administration will support a reasonable day-care program oriented towards effective middle-income participation, then such a popular program might win Congressional enactment. They are also worried about the result if the Administration follows OMB advice. In this case, they say, Congress is likely to go its own way and pass a multi-billion dollar, "neighborhood action" type of day care aimed at low-income groups. Some Democrats, they add, are trying to trap the President with a budget-busting day-care bill he cannot veto without "being against the little children."

The statistical case for day care is overwhelming. At present, there are roughly 14 million working women, mostly housewives, with children under 6. Day-care facilities are few and far between.

The toughest circumstances confront women who are heads of households and who must also work. Female-headed households have a median income of $4,000 per year as opposed to the $11,000 median income of families headed by men. Many divorcees and widows able to earn only a marginal living find their circumstances particularly pressing because of the difficulty of first finding day-care facilities and then paying their high rates.

Politically, President Nixon should be leaping for this issue. Welfare mothers are hardly likely to vote for him, but working mothers, a huge slice of the electorate, are extremely reachable on the subject of day care—especially young women, aged 18–35, among whom the President is weak, according to the polls.

Under these circumstances, if HEW Secretary Richardson fails to testify on behalf of a major expansion of day-care facilities, it will be vivid testimony to the extraordinary behind-the-scenes influence of the capital's budget bureaucrats.

[From the Washington Star, May 24, 1971]

CHILD CARE PLAN CONSIDERED FOR HIGHER INCOME FAMILIES

(By James Welsh)

The Nixon administration, caught in a political squeeze, is considering a plan that would provide free child-care services not only for welfare mothers but for a higher-income group of the working class.

Secretary of Health, Education and Welfare Elliot L. Richardson, who was to have testified Friday before a House subcommittee on the controversial issue of day care, abruptly cancelled his appearance the evening before. He is now scheduled to testify this week.

"We haven't quite got it together yet," said one of his top aides in explaining the postponement.

At issue, in part, is whether the White House is willing to extend its day-care commitment to millions of families in the lower-middle income range, families in which many wives work.

LIMIT ON COMMITMENT

So far it has not done so, preferring to limit the commitment to its efforts, contained in the Family Assistance Plan, to get welfare recipients to work.

But it is faced with Democratic alternatives in both the House and Senate that would go far beyond that, offering free day care to a family of four with an income of $6,900 and partial subsidies to families above that income mark.

In the meantime, the White House has embraced a principle in day care financing that will surprise many liberals.

It has decided, where possible, that mothers should be able to use a "voucher payment method" in spending federal day care assistance to purchase day care services.

This would extend a maximum of consumer control, giving mothers hundreds or thousands of dollars each of purchasing power in the day care field. With vouchers, they could shop in the open market for the day care program they believe would best suit their children.

The day care issue has political significance that is readily recognized by administration officials.

$1,600 PER CHILD

Government programs in recent years generally have failed to reach the working class in the $4,000-to-$10,000 income range. Most observers believe a massive day-care program would be highly attractive to this group.

But such a program would be enormously expensive. HEW now is using the figure of $1,600 as the cost of all-day, year-round care of one child, and the cost of a large, national program would run into the billions of dollars.

Administration insiders say Richardson may well get the go-ahead to offer a new, expanded proposal. Said one:

"It's up in the air at this point. Do we go further, and how much further? And that's not the only question. Another is one of nuts-and-bolts administration. What's the best way to run a program that could involve thousands of day-care centers and agencies running programs for millions of pre-school and school-age children?'

"The Democrats have come up with what looks like a sexy system. But we're not sure. A program like this, if it's not established right, could turn into an administrative nightmare."

The administration's position on vouchers for day care was stated in a largely ignored part of President Nixon's response last week to a series of demands by the Black Caucus in the House. It said:

"The administration presently favors the voucher system because it will give the consumer control of the funds and thus of the programs."

At another point, the document said:

"Too many federal programs targeted on the disadvantaged have resulted in excessive administrative costs and reduced benefits for the intended recipients. By using vouchers, the full amount of the individual's grant will be available for the purchase of services."

An HEW official today confirmed the administration's decision to go with the voucher system.

This is not, however, at the heart of the dilemma facing the White House in taking a position on legislation House and Senate Democrats have introduced.

DEMANDS FOR REFORM

Both Republicans and Democrats have hurried into the issue because of the demands of welfare reform that the White House and Congress are pressing. Everyone concerned agrees that one of the great barriers to putting welfare mothers to work is the difficulty of their finding day-care services they can afford.

The Family Assistance Plan, now going to the House floor after its approval by the Ways and Means Committee, provides $386 million in federal funds to help establish a day-care system.

Measures introduced by both Sen. Walter Mondale, D-Minn., and Rep. John Brademas, D. Ind., would offer free day care for children where the income for a family of four is less than $6,900, far above the cutoff point for subsidies under the Family Assistance Plan.

The Mondale bill would provide $13 billion over four years for day care, while the Brademas bill contains no fixed spending authorization. The Mondale bill also contains strong provisions for parent control of what kinds of day care programs are established, along with greater opportunities for cities to complete with states as prime sponsors of day-care facilities.

Of the two bills, the White House favors the Brademas legislation. But it would rather have its own proposals, and that is what is at stake in the debate taking place within the administration.

LETTERS AND TELEGRAMS FROM INDIVIDUALS

Mr. Speaker, I have had many letter and telegrams from individuals across the country and I have inserted several of them:

NOVEMBER 6, 1971.

DEAR HONORABLE SIR: I must admire your courage to put such a benefit before our children—perhaps you are aware that too many of our children suffer in steel cages on a worse than animal level of existence—I for one do not consider this red but rather a moment of truth which will lead to other truths. I would hope that the present Republican administration would stop branding social progress and due progress of social events on a communist level but that is the old speak of principle and meaning of self satisfaction of 99 out of every 100 Republicans I ever met—an old iron fist in the velvet glove at any price—you have justified democracy as an instrument that our children must share in be it by law, due progress of social events or a course of greater social events leading to a higher state of equality among our children.

As an advocate of the founding of a national institute of philosophy NIP—I would ask your opinion and possible support as I believe that such a course of action would bind the people together in unity of purpose that being a more equal state of being for all our people. Unity of purpose and a sharing in of other men's ideals with mutual respect borne out of one's own something beyond the self should bring a greater time of social progress of social events. I do believe we must bring this into being before the sick sick philosophy of punish the poor and minority—punish the innocent child becomes more of a policy than a philosophy.

Men must come together to reason together to see that all that is pink in the Republican opinion is more social justice than the red they would make of it to avoid a time of truth, peace and equality among all people—we must give our children new hope—as one that was raised in a steel cage much in an animal level of existence I say give greater hope that lesser children will to endure such things from the past in their

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future which is the only hope that our American children know.

How I would like to work against the present administration to set the record straight that we can forgive when we see children on an animal level of existence but we can never forget until this type of plight is ended for all children for all time—it is a rather bitter experience to be raised in such matters and see society the tools of it lead children into times of crime and the time of prison and death because of what society would make of children innocent yet guilty by nature of birth such as color or being in real poverty—we serve to alter the course of such past events refusing to forget even though we serve to preserve the good things of so great a nation and people.

Sincerely,

FRANK J. SCHEMMEL.

SALEM, OREG.

NOVEMBER 8, 1971.

THE PRESIDENT,
The White House,
Washington, D.C.

MR. PRESIDENT: During a Family Day Care Orientation meeting at M.I.T., the people who signed their names on the attached list indicated support for the OEO extension bill, particularly the child care provisions which Senator Mondale and Congressman Brademas introduced.

These people hope you will sign the OEO extension bill and support it so that the necessary monies will be appropriated.

Respectfully yours,

DANIEL JAFFE.

CAMBRIDGE, MASS.

NOVEMBER 17, 1971.

DEAR CONGRESSMAN BRADEMAS: I want to thank you for championing the Comprehensive Child Care Development Bill H.R. 6748.

I realize it is being held up over the allocation of money.

Please hang in there & don't compromise. I'd like to write Senator Walter Mondale & ask the same of him on S. 2007, but I don't have another air mail stamp!

Thank you again for your concern.

Very truly yours,

JOYCE SULLIVAN.

LODI, CALIF.

NOVEMBER 22, 1971.

DEAR MR. BRADEMAS: As a concerned specialist in early childhood education, I would like to commend you for your efforts in development and support of the comprehensive child care bill (H.R. 6748).

I realize that the new bill emerging from the House-Senate Conference Committee has a new face but hope that you will continue support—some "face-lifted" bill is better than nothing at all.

The parts that greatly concern me is 1.) the fact that a family of four whose income is approximately $7,000 will, in all probability, not enroll a preschool child in day care services that cost approximately $300 a year. That family will probably have other priority for that amount of money. These people should be beneficiaries of free child care services. 2.) Also it troubles me that parents really have sole control of the governing board of the child care facility. I do not deemphasize their importance, but by all means a professional child care specialist should be a *Must* on each board.

Can you suggest to whom I might write a letter or letters to voice concern and support of the child care bill? I have already sent one to President Nixon.

Sincerely,

VICKI ARNOLT,
Doctoral Fellow,
Indiana State University.

NOVEMBER 23, 1971.

DEAR REPRESENTATIVE BRADEMAS: The provisions for child care reported out by the Senate-House conference committee on the OEO bill, although not as good as they might have been, do represent progress. The services, funds, and administration that would be made available would be a worthwhile advance toward beginning to meet a substantial part of the need for comprehensive child care in this country.

Therefore, I respectfully urge your support for this legislation when it is considered by the House.

Sincerely yours,

LOUIS P. DOLBEARE,
Manager,
Subcontracted Day Care Services.

PHILADELPHIA, PA.

NOVEMBER 23, 1971.

DEAR SIR: Since the Bills: H.R. 6748 and S. 2007 have been passed for "Child Care Development", we, members of Beverly Womens' Club (the local chapter of the National Emma Lazarus Federation of Jewish Women), ask you to use your official power to obtain the allocated sum of 2 billion dollars for this most necessary project.

We also hope you will prevail upon your colleagues to help appropriate this necessary fund.

Thank you,

Respectfully yours,

Mrs. DORA H. SHAPIRO.

LOS ANGELES, CALIF.

NOVEMBER 29, 1971.

Hon. JOHN BRADEMAS: Please see that the Bill 2-W-007 goes through so we get Child Care Centers which is so urgent in the now society.

Thanking you we remain,

The EMMA LAZARUS.

LOS ANGELES, CALIF.

BENTON HARBOR, MICH.,
November 20, 1971.

Representative JOHN BRADEMAS:

Commend you for your efforts on the comprehensive child development bill (S. 23007). We are urging its support by writing and wiring numerous Members of the House and Senate.

DON RANUM,
President, Twin Cities Area
Child Care Centers, Inc.

ENCINO, CALIF.,
November 15, 1971.

Representative JOHN BRADEMAS:

Urge you successfully conclude fight for signing uncompromised version S. 2007 and H.R. 6748 into law.

FLORENCE TEMKIN.

LOS ANGELES, CALIF.,
November 11, 1971.

Representative JOHN BRADEMAS:

Urge you maintain funding level in comprehensive child development bills. Challenge Nixon veto.

RUTH EHRLICK.

TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation.

The rate of production output-per-man-hour is determined by dividing the total hours of employment into the annual gross national product. The output-per-man-hour increases with better and more productive facilities. The output-per-man-hour, according to the Handbook of Labor Statistics, has increased since 1959 at rates indicated on the scale:

HOW OUTPUT PER MAN-HOUR INCREASED YEAR BY YEAR

Percentage of increase over previous year:

1959	5.71
1960	1.74
1961	2.27
1962	5.93
1963	4.02
1964	4.88
1965	4.09
1966	1.39
1967	.68
1968	5.28

A DISGRACEFUL DISPLAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BLACKBURN) is recognized for 5 minutes.

Mr. BLACKBURN. Mr. Speaker, Richard Nixon, not George Meany or any other AFL–CIO official, is the President of the United States. Elected by the people, he is creating a sound economy for the people. Yet, the President cannot restore the economy without the cooperation of the people. I call to the attention of my colleagues an editorial from the Columbus, Ga., Ledger which condemns those officials at the AFL–CIO convention whose inexcusable treatment of President Nixon disgraced the offices they hold. Commending President Nixon for his efforts, the editorial continues:

We admire the President for his firmness. We admire him for seeing his responsibility and making it known in no uncertain terms.

The entire editorial follows:

TOWARD THE NATION'S PRESIDENT—A DISGRACEFUL DISPLAY

The hierarchy of the AFL–CIO is blatantly attempting to place itself above the government of the United States and a majority of the people of this country.

This has manifested itself in many ways in recent days.

Every American should feel the sting of the back-handed slap applied to President Nixon by AFL–CIO officials when he went to Miami last Friday to address the convention on his wage-price control program.

First, these officials did not accord the office of President of the United States those courtesies usually reserved for the Chief Executive of this country.

These labor leaders, particularly AFL–CIO President George Meany, showed disrespect not only for President Nixon, but for the office.

For instance, when President Nixon left the speaker's platform, Meany said to the delegates: "We will now proceed with Act 2." How impolite. How crude and coarse.

Further, the labor leaders would not approve the playing of the traditional "Hail to the Chief" as the President of the United States entered the hall. Additionally, AFL–CIO officials overruled White House aides who had wanted Nixon's appearance announced over the loud-speaker as he entered.

These people acted in a manner wholely unacceptable to most Americans.

They have come to the point of such power that they believe they are more powerful than the country, the government and the President of the United States all put together.

They have come to the point they won't hesitate to put their selfish interest above the welfare and good of the country as a whole.

They have come to the point they won't hesitate to attempt to black-jack the President of the United States into doing their bidding, into giving in to their attempts, at the risk of doing great harm to the entire nation.

But even in the face of the humiliating experience accorded the Chief Executive, President Nixon stood firm, stood his ground.

"We want the participation of labor," President Nixon told the delegates who voted to refuse cooperation with his Pay Board's wage controls.

"But whether we get that participation or not, it is my obligation as President of the United States to make this program of stopping the rise in the cost of living succeed, and to the extent that my powers allow it, I shall do exactly that," the President added.

We admire the President for his firmness.

We admire him for seeing his responsibility and making it known in no uncertain terms.

Labor is more to blame than anyone else for the economic mess in which we find ourselves. Yet it is labor which would send this country down a road of more chaos, more inflation. It is a selfish, unthinking action, bordering on anti-Americanism.

At any rate, the whole shabby display at Miami Beach last Friday not only was an affront to President Nixon personally, but to the office of Chief Executive of the United States.

The American people will see this lack of common courtesy for what it is—an attempt to embarrass the President into giving in to labor at a time when he is trying to bring the economy under control.

COMMISSION FOR THE PRESERVATION OF FOREIGN LANGUAGE RESOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, I am reintroducing today a bill to establish a National Commission for the Preservation of Foreign Language Resources, and urge your consideration and support.

Because of the need we have for more effective communication among various peoples with diverse linguistic, and cultural heritages, I feel it is immensely important that we preserve and study foreign languages. Consequently, I have proposed in the past, and propose again a Presidential commission which would provide a systematic approach to identifying and compiling our foreign language resources—thus, fortifying the link between our peoples now, and in the future.

Our knowledge of such languages as Czechoslovak, Bulgarian, Rumanian, Russian, Arabic, Swedish, Norwegian, Finnish, Japanese, Mandarin, Cantonese, and Hindi is in woefully short supply, and yet we do not utilize our citizens who might know these critical languages. The knowledge which our non-English-speaking or bilingual citizens possess of their languages and cultures should be considered as a priceless national resource. In effect, this commission would help cultivate this resource by:

First. Developing national policy for the identification, preservation and improvement of national foreign language resources.

Second. Evolving an active program for the conservation of the foreign language resources of the United States.

Third. Serving as consultant and coordinator to National and State professional educational associations for the development and implementation of programs and activities designed to preserve and identify national foreign language resources.

Fourth. Identifying information needed to inventory foreign language resources, and coordinate the development of this data with the various executive departments.

Fifth. Providing data on national foreign language resources to Federal, State, and local government agencies; educational systems, colleges, universities, and private businesses, in accordance with demonstrated needs and the national interest.

The commission would provide a report to the Congress and the President annually, on the results of its program.

I first became interested in this proposal a few years ago when I conferred with Dr. Jacques M. P. Wilson, then chairman of the foreign languages department of Our Lady of the Lake College in San Antonio. Dr. Wilson is now with the modern languages department at the University of Miami. Dr. Wilson's statement of support was most enlightening and informative, and relates the paradox which exists in our "nonutilization" of non-English language skills which our citizens have.

I appreciated Dr. Wilson's assistance in shaping the legislation I have introduced, and suggest that you take time to read his statement:

STATEMENT IN SUPPORT OF A BILL TO ESTABLISH THE NATIONAL COMMISSION FOR THE PRESERVATION OF FOREIGN LANGUAGE RESOURCES

(By Dr. Jacques M. P. Wilson)

Never before in this nation's history has there been such a pressing demand for individuals qualified to communicate with the world community in their native tongues. Man's destiny—indeed his absolute survival—is to an unprecedented degree dependent upon his ability to develop effective intercommunication in the family of nations. The vital questions of our time cannot be safely resolved by military force. Survival in this thermonuclear age depends as it never has before upon the ability to communicate effectively with other peoples in their languages and on discussing the issues and problems which beset us without filtering them through the admittedly imperfect tools of translation and interpretation.

Our national interest forced us to develop and utilize our non-English resources to meet World War II military commitments. Thousands of speakers of non-English languages were pressed into service to accomplish tasks such as teaching languages, preparing radio and press releases, intercepting radio transmissions, censoring mail, and hundreds of other duties too numerous to mention. The nation suddenly realized the value of this hidden resource possessed by our non-English speakers.

Concomitant with the utilization of the non-English language skills of these citizens, our nation's educators began to question the effectiveness of foreign language instruction at all levels of the educational structure. It became immediately apparent that the reading and translating objectives of foreign language instruction in high schools and colleges did not produce the skills and aptitudes needed by our nation. A rarity indeed was the foreign language student who developed the proficiency approximating that of a native speaker. Few were the college or high school students able to understand the foreign language they studied when spoken by a native speaker. Fewer yet were those able to converse intelligently in a foreign language. The number was pitifully small who could write acceptably in a foreign language.

While we needed non-English resources in such languages as: Czechoslovakian, Bulgarian, Rumanian, Russian, Arabic, Portuguese, Swedish, Norwegian, Finnish, Italian, Tagalog, Japanese, Mandarin, Cantonese and Hindi to name but a few, we discovered that most secondary school and college curricula offered: French, German and Spanish. Very few school systems or institutions of higher education helped those who spoke non-English languages to preserve the linguistic and cultural heritage of the ethnic group to which they belonged. Our twentieth century educational philosophy was a reflection of an 18th and 19th century ideal that the United States is a melting pot; that we embrace all who come to our shores as equals—but that they must forget their past: their culture, their traditions, their heritage and become homogenized copies of Mr. Babbit on Main Street, U.S.A. Our 19th century culture developed what amounted to an ethic that the individual who spoke with a "foreign" accent hadn't become quite completely Americanized. Those who spoke a non-English language at home were looked upon with suspicion and as somehow slightly un-American.

Teachers and educators reflected the prevailing opinion by systematically discouraging pupils and students from using or preserving the language and culture of the ethnic group to which they belonged. The schools' rejection of the home language, of those who spoke languages other than English, subconsciously denigrated their culture. Our local and state educational policies were monolingual and monocultural. We were a safe, secure continental island, separated from the rest of the world by broad oceans. In our dealings with those from other shores, we used English, and in many cases still do. Yet, as Joshua A. Fishman, in his study *Language Loyalty in the United States*, points out, at the national level, America has rarely implemented policies to "hasten the linguistic and cultural enfeeblement of its immigrant groups. . . . Immigrant minorities were never forbidden to organize and maintain their own communities, organizations, schools or publications."

After the end of World War II, the momentary recognition given those who possessed non-English language resources subsided. Some forward-looking educators and linguists, capitalizing on the advances in foreign language teaching technology pioneered by the Army Language School and other such projects, began conducting research in the development of foreign language teaching materials, the training of foreign language teachers, and the updating of our school and college curricula. In general, foreign language teaching returned to the

pre-World War II rut from which it had given promise to emerge. With the exception of a few cosmopolitan urban centers in the nation, our value systems still reflected a degree of mistrust of those who spoke another language than English. If not quite un-American, they certainly were not as "full" American as those of white, Anglo-Saxon, English-speaking, Protestant, ethnic origin.

The advent of the first Russian Sputnik jarred the nation's leaders from their complacency. Since then, this country has made significant strides in expanding its reservoir of foreign language skills. Under the authorization contained in the National Defense Education Act, basic research in the field of foreign language teaching was subsidized. Thousands of teachers received crash training in hundreds of NDEA Institutes designed to improve their own qualifications in the languages they taught, as well as to receive training in the most up-to-date and scientific methodology of teaching foreign languages. Thousands of scholars were given opportunities to pursue advanced study in hundreds of languages classified as "critical" or "exotic" in terms of our national need.

As a result of the leadership of Congress, and the U.S. Office of Education, an aroused foreign language teaching profession has striven to expand our non-English language resources. Millions have been spent supporting programs which have been generally well-designed and carefully implemented. The entire national academic structure reflects the new value placed on acquisition of foreign language skills. Yet, at this time we have only attempted to do half the job.

In this nation, there are millions of individuals who speak other languages. Some are completely bi-lingual; others have yet to learn English. Each year many migrate to our shores and bring with them additional non-English language skills, language resources which are desperately needed. The nation's attitudes to these resources have changed but little since the 19th Century. Non-English speaking, non-Anglo-Saxon ethnic groups are still pressured to forget the past, to forget their cultural heritage, to forget their language. No systematic program exists to identify and inventory these resources. No agency or branch of government is charged with the responsibility of encouraging social, educational and political associations, educational institutions and educational systems at the state and local level to develop programs to preserve these priceless resources in our national interest.

In a democratic society such as ours, educational policy, whether at the national, state, or local level, should be based on the needs and well-being of the individual as well as the needs of the state. The failure to dignify the home language and home culture of the pupils has damaged the self-concept of speakers of other languages. Eventually, this attitude forced children to reject their home language. It has been repeatedly demonstrated that those who went through such an experience reach adulthood without acquiring literacy in their mother tongue. In such cases, their home language is practically useless for any professional or technical utilization where language proficiency is important. A valuable resource is thus wasted; but more importantly, an individual has been psychologically damaged in the process. Instead of bi-cultural, bi-lingual children, it has produced generations of citizens who are linguistic cripples, who are neither functional in their home culture, nor the dominant culture of this nation.

It is my strong conviction that Congress should take the initiative and establish a Presidential Commission for the preservation of the non-English language resources of this nation. This Commission should be a panel of leading educators, scholars who have made notable contributions in the field of bi-cultural and bi-lingual education. Through the Commission's statement, policies, and programs it can insure not only the preservation of an important strategic national resource, but a valuable counterpart to existing programs for the development of foreign language skills in this country. Truly, it can be said—It makes little sense to spend countless millions to teach people language skills in one segment of the population, while the same system unwittingly works systematically to stamp out these same, as well as other non-English language skills, in other ethnic groups. I respectfully urge the 90th Congress to support this greatly needed and long over-due legislation.

RAIL PASSENGER SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut (Mrs. GRASSO) is recognized for 10 minutes.

Mrs. GRASSO. Mr. Speaker, the National Railroad Passenger Corporation—Amtrak—was created, we are told to upgrade America's deteriorating rail passenger service. By making the Nation's train service more efficient, effective, and convenient, Amtrak's goal is to again make popular a mode of transportation which has been long neglected.

This program of improving rail passenger service is certainly a sound and needed one. To be sure, some train runs around the country were superfluous and wasteful. Good management—with a national perspective—is essential in order to determine the demand for rail passenger service, to trim waste, and to provide service dependability. However, from its inception Amtrak has employed a seeming arbitrary, capricious, and piecemeal procedure of reaching decisions on when and where to provide passenger service—most often at the expense of its customers.

During July, I called for a full congressional investigation into Amtrak's arbitrary manner of adding routes to the basic national railroad passenger service system. When the Amtrak system was created, some States were left totally without rail passenger service. However, passenger service was reinstated in Montana, as well as between Washington, D.C., and West Virginia.

Efforts to reinstate other vital passenger service routes proved unsuccessful—such as the discontinued rail passenger service by two pairs of Penn Central trains which run through portions of my Sixth Congressional District between Pittsfield, Mass., and New York City. Unless Amtrak deals fairly with all parts of the Nation in the selection of routes, it cannot become a success.

More recently, I have been appalled and distressed by the needless lack of consideration shown to many of my constituents—in the towns of Enfield, Windsor Locks, and elsewhere—who commute to Hartford on Amtrak-operated Springfield to Hartford passenger trains. New train timetables which went into effect on November 14 place great hardships on these commuters.

Under previous timetables, residents of Enfield and Windsor Locks could take a commuter train to Hartford at 7:04 a.m. and 7:13 a.m. respectively, arriving in Hartford at 7:36 a.m. Coming home from work, Enfield and Windsor Locks commuters could leave Hartford at 4:55 p.m. and arrive in their home towns at 5:24 p.m. and 5:36 p.m. respectively.

However, new train schedules penalize many commuters in this area by forcing them to arrive in Hartford a full hour earlier than previously, often before their offices open. On the return trip, many commuters must wait in Hartford until 7 p.m.—after most people have eaten dinner—before a train is available to take them home. Efforts of the State department of transportation have helped to restore reasonable commuter service to one town, similar to that provided under the old timetables. But residents of Windsor Locks and other communities must subject themselves to a grueling and idiotic commuter schedule. By scheduling its commuter trains earlier in the morning and later in the evening, and by adding a new train both morning and evening which stops at only one point, Amtrak has succeeded in making its commuter service both inadequate and inefficient.

Distorted and inadequate Amtrak commuter service is not restricted to the communities of northern Connecticut. Many complaints are heard on train runs south of Hartford and throughout Connecticut, as well as across the country. One detailed letter to the editor in Sunday's edition of the Washington Post complains that schedules for overnight runs betwen Chicago and each of the following cities—New York, Washington, New Orleans, and Denver—are "inconvenient" to most who utilize the service. In addition to formulating attractive service schedules to lure the business trade, the writer suggests that Amtrak institute competitive prices to appeal to potential customers. Presently, the one-way coach fare by rail between Chicago and New York is $51, while the air coach fare is $59. A one-way roomette costs $98, while a first-class air ticket costs $76.

Amtrak, which is in severe financial disarray, is presently seeking $170 million from Congress to continue operations. Amtrak has already received a $40 million Federal grant—and one wonders how this money has been used to benefit rail passengers. In recent House Transportation Subcommittee hearings, Amtrak officials were asked for a detailed accounting of such items as a $3.8 million payment for consultant fees and a $500 a month expense for limousine service.

Amtrak's reason for existence is to make rail travel "a good thing again," as the saying goes. Thus far, Amtrak is a long way from fulfilling its purpose—and in some cases is providing poorer service than was the case in the pre-Amtrak era. I have called on the vice president for operations of the National Railroad Passenger Corp. to reinstate the train service which has proven itself to be most satisfactory to Connecticut commuters. In addition, it is my hope that Amtrak will draw together an enlightened management team willing and eager to institute innovation ideas to attract rail passenger transportation business.

If Amtrak is unwilling or unable to perform this service for the American people as we seek to upgrade our Nation's transportation systems generally, then the future of rail passenger service and the future of Amtrak is precarious indeed.

MISS JEAN MANNING OF NASHVILLE'S NEIGHBORHOOD YOUTH CORPS

The SPEAKER. Under a previous order of the House, the gentleman from Tennessee (Mr. FULTON) is recognized for 10 minutes.

Mr. FULTON of Tennessee. Mr. Speaker, of the many federally supported programs which operate in my district the Neighborhood Youth Corps of Nashville's Metropolitan Action Commission is one of the most successful and outstanding.

For the current fiscal year the metropolitan NYC program has 331 in-school slots wherein students are assigned to work, usually in school libraries and cafeterias, while being paid for 9 hours work a week at a rate of $1.60 an hour.

The out-of-school program for 16- and 17-year-old dropouts offers a combination of remedial education, skill training, and work experience plus a weekly stipend while training. In the past month five enrollees have completed their training and are, today, gainfully employed.

The Neighborhood Youth Corps does not dwell entirely on the development of skills for the training and encouragement of enrollees. Many facets of an individual's ability and talents are touched and encouraged.

An outstanding example of this recently was demonstrated by enrollee Miss Jean Manning who produced two very meaningful pieces of poetry, "I Am Black" and "This House" which I ask unanimous consent to include in the RECORD at this point and commend to the attention of my colleagues:

I AM BLACK

(By Jean Manning)

Just because one's hair is straight, and his skin a little lighter than others,
Then we call him white
Just because one's hair is of a different nature and his skin a little darker than others,
Then we call him black
No man is actually black or white because his skin is dark or light.
My skin is dark, so I am classified as black,
But I believe that if every man would come together;
Open their eyes, and take a good look at each other,
They would soon realize we are all sisters and brothers.
No matter the color of our skin or the nature of our hair;
And if every man would join in brotherhood, blacks and whites would be sisters and brothers—everywhere.

THIS HOUSE

(By Jean Manning)

They always say there's no place like home;
No matter how far we travel and roam,
But the condition it's in is really a sin;
When my father comes home, I can't give him a hug,
Because I can't get through for all of the bugs;
When it rains, through the walls water seeps,
And the whole darn ceilings, are nothing but leaks.
When you go to rub your feet on the mat, you just can't rub for stepping on rats;
There are holes in the floor and cracks in the door,
The walls need painting where the curtains are hanging;
Still I love this house with the holes in the floor,
But the day it falls down, it won't be a home anymore.

WORSENING TRADE PICTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 15 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, this weekend the newspapers reported what I feel to be probably the most ominous news on the economic scene since the 1930's. Figures released this weekend indicate that in October our Nation's foreign trade deficit reached the staggering figure for 1 month of $821,400,000. This trading deficit, the imbalance between out imports and our exports, is the worst without any question since the end of World War II and probably has not been rivaled since the depression of the 1930's.

When in September the trade surplus registered a $265,400,000 surplus, I felt that the press and the administration were being very hasty in their optimistic reactions. I felt at the time that the figure was a fluke and probably had more to do with the dock strike than the administration's wage-price freeze or anything else. After all, the annual rate of deficit for the first 3 months of the year was already considerably in the red.

Imports in 1971 have increased at the unbelievable rate of 14 percent, while exports have only managed to increase 3 percent from the 1970 total. This increased reliance on imports has become a trend which almost approaches an inbuilt import bias in recent months. Many of us have been warning on the floor of this House that this was the trend for years now, but our warnings have gone unheard.

Maybe now that this country has a 10-month trading deficit of $1,492,100,000 so far this year, this will do more to jog the national consciousness into action than any speeches by a Congressman could ever do. When compared to the trading surplus of $2,553,800,000 that was chalked up in 1970 I think the magnitude of this Nation's dismal trade performance is understandable.

We can no longer afford to stand idly by and allow the flooding of our domestic markets with cheap foreign imports month after month. We no longer can take comfort in the income earned in overseas investments by American firms. We must, in fact, substitute orderly growth for wholesale flooding of our domestic market. The unemployment figures require it, the balance-of-trade figures require it, and the balance-of-payment figures for the third quarter require it.

Those who take false comfort and proclaim that the cause of last month's exceedingly bad performance is solely the dock strike and its effects are grabbing at straws and expecting to be redeemed in the process. The underlying problems of this Nation's balance-of-trade performance are much more deep rooted than a temporary dock strike.

This deficit is much more than a temporary aberration in the figures. I do not know who has searched the ships waiting in our harbors filled with foreign goods waiting to come into this country, and determined that they possess less dollar value than the goods sitting on our docks waiting to leave the country.

Such figures are not available and any estimates are based more on guesswork than hard facts. What I am saying, though, is based on past experience. I am willing to wager that there are many more imports waiting to come into this country once the striking dockworkers go back to work than exports waiting to leave. This is clearly the message I see in this Nation's trade performance prior to the dock strike.

My feeling is that an anticipation of the dock strike shipments were accelerated in September producing the first favorable trade balance since March and the furthest I will go is to admit that this probably explains some of the marked decline in exports evidenced in October.

Government spokesmen who were going so far as to admit the possibility of a $1 billion trade deficit a few months ago are now admitting that it might well end up closer to $2 billion. Information on the effect of the imports surcharge in all of this is understandably sketchy at this point, but the fact that collections under the surcharge seem to be mounting, while imports continue to grow apace seems to me to give a preliminary confirmation of the opinion expressed by many of us that the 10 percent surcharge was not going to do the trick. I think the time has come for Congress to put first things first and get down to a complete review of this Nation's foreign trade policies before we experience another year like this.

I think it is time everyone in Congress started reading the financial pages very carefully because buried here and there in the corners of those pages are news releases which I feel go a good distance to explaining some of the causes of our trading problems. A few days before the release of the October trade figures was an announcement that Genesco, formerly the General Shoe Co., and one of this Nation's largest producers of shoes, has entered into a joint venture with a Tokyo firm to obtain Japanese textiles even more inexpensively than at the moment. The article I am including in the RECORD makes two interesting points: First, that Genesco is a substantial user of Japanese textiles and, second, that Genesco owns 2,500 retail stores in the United States.

Let me add to this that it is clear from other sources that Genesco is a major importer of foreign shoes, with manufacturing subsidiaries of its own overseas. With this kind of increasing dependence

upon foreign textiles and shoes, as is documented here in the case of but one major American company, is it any wonder that we have rising unemployment in America's shoe and textile industry? The 10-percent import surcharge is clearly not helping either these unemployed workers or preventing increases in imports. At the price they are importing shoes into this country, a 10-percent import surcharge is not going to have any noticeable effect.

I feel that to some extent the free trade lobby is not going to take my word on this about the need for a serious review for foreign trade and something approaching the Foreign Trade and Investment Act of 1972 which I introduced a few weeks ago and will shortly refile with additional cosponsors. Perhaps they will pay more attention to a recent speech by the chairman of the board of General Electric Co., one of their own multinational corporations, a speech which was reprinted in Forbes magazine November 15, 1971.

While the chairman of the board of General Electric doubtless is not in agreement with me on my solution to the problem, I feel that his analysis of the problem of poor export performance and the relative ease with which foreign imports find their way into our markets, is one of the best I have seen in any publication. These are not the musings of an academic but rather the conclusions of an experienced businessman of the world. His documentation of the extent to which other countries have been very careful to protect their domestic industries from disruptive imports and the difficulty American exporters have in bidding and quoting competitively in foreign markets should be required reading for anyone who has doubts about just how much of a one way street our present trade policies are. The referred to articles follow:

[From Forbes magazine, Nov. 15, 1971]

GENERAL ELECTRIC CHAIRMAN FRED BOSCH LAYS IT ON THE LINE

One must approach a subject of such seriousness as the United States' foreign economic posture with a certain amount of disclaimer. I should say at the outset that I do not claim expertise on extractive materials or agriculture; rather, I speak to you from the viewpoint of a manufacturer with operations in most of the major countries of the world, and with several hundred millions of exports to those countries. Events in international trade have been particularly disappointing to one who represents a company that has consistently favored commerce between countries with a minimum of restrictive barriers and protectionist measures. We probably coined the expression, "free, fair trade," many years ago, though I am not sure of that. But we still believe in that objective for the U.S. and its trading partners, and are disturbed to note how far the trading nations of the world have drifted from trade that is both free and fair.

I must apologize for the fact that I am going to use a lot of numbers in this talk, but I see no alternative when I find that intelligent men on both sides of both oceans have been discussing the United States' trade situation with more emotion than facts.

One of the numbers that has been flashing a red alert for some time now is the U.S. trade balance with other countries. Obviously, if the United States is going to have any kind of equilibrium in our balance of payments we've got to have a trade and investment balance sufficient to cover all the other imbalances that spring from military expenditures abroad, U.S. tourists abroad, foreign economic aid, and so on. An obviously unacceptable alternative would be to resign ourselves to the fact that our favorable trade balance can never be restored, and then restrict foreign travel, foreign investment, imports and foreign aid accordingly.

So, let us look at our trade balance. As you know, the U.S. trade surplus declined from some $7 billion in 1964 to approximately $2 billion last year. As of August 1971 our cumulative current trade balance was in *deficit* for the fifth consecutive month, and totalled almost $1 billion in the red. If we wind up with a negative balance for the year, it will be the first time since 1893.

Now, let's cover the subject of our private investments balance offshore. We have all heard that American investments offshore are having a dire effect on the U.S. balance of payments—let's take a look. In 1964 the direct private investment by U.S. companies offshore reached a cumulative total of $47 billion; investment during the year was $2.3 billion, while income returned from this investment was $4.7 billion—or about twice the annual capital outflow. In 1970 the cumulative total reached $69 billion; the outflow for the year of our direct investments abroad was $4.4 billion while the return on this investment to the U.S. was $7.9 billion!

Now, if we take the overall commercial picture—the combination of trade and return on investment—we find that, in 1964, the return on investment comfortably supplemented a substantial trade balance in holding down claims against the dollar; today return from investments is our *last remaining positive item of significance.*

Labor officials, and others, who wax rhetorical about the dire effects of U.S. foreign investments on the U.S. balance of payments and U.S. jobs should look at these figures, which show that as our trade balance deterlorated rapidly, the return from our foreign investments accelerated—and a good thing it did, otherwise the dollar would be in a lot worse shape than it is today. And then they should go behind the numbers to find out why it was necessary to make these investments in the first place.

So in spite of the rhetoric on both sides of both oceans having to do with the dire effects of U.S. private investments offshore on our balance of payments, the figures show that much of this is "hogwash"—or in more polite terms, let us tag it as "False Rhetoric No. 1." We are thus drawn to the conclusion that the real problem with the dollar and the U.S. balance of payments is the drastic slippage in our trade, and that's what we should be discussing.

Which brings us to our second point: Why the drastic change in our trade balance? Again, we are told on both sides of both oceans that it's because of U.S. inflation, that we should get our own house in order. Let's take a look.

This is what happened to domestic consumer price levels in major industrial countries between 1964 and 1970. In the U.S. the domestic consumer price index rose 25% from 1964 to 1970. Let's admit that's bad. But let's take a look at what happened to each of our major trading partners: Japan, 40%; France, 27%; Germany, 17%; Italy, 21%; U.K., 31%—a range of from 17% to 40%, with only Germany appreciably below our 25%. And none of these countries had their Vietnams, and its inflationary impact.

From which the conclusion can reasonably be drawn that inflation is not the main cause in the reversal of the U.S. trade balance. Everyone had inflation, but not everyone had *trade balance* problems to the same degree. Let's tag this one as "False Rhetoric No. 2."

So then what is the cause of the massive change in our trade balance? Well, of course, then it must be, according to our concerned friends on both sides of the oceans, U.S. productivity, or the lack thereof, that is the culprit. And, we must admit, at first glance they could be right. In the U.S., productivity—in terms of output per man-hour—increased 14% between 1964 and 1970. Among our major trading countries the increase ranged from 22% in the U.K. to 99% in Japan.

So, it is certainly true that output per man-hour in other countries has grown much more rapidly than in the U.S. in recent years. It should! All other industrial countries have much greater incentives to modernize their manufacturing facilities to increase productivity—via their tax structures, such as our pre-1969 investment tax credit of 7%, much more rapid depreciation for tax purposes, and so forth. The disadvantage under which our manufacturing industries have operated since 1968 in this respect is clearly illustrated by the fact that the U.S. rules, until very recently, allowed an average tax cost recovery of under 8% in the first year, as compared with an average of 32% for the five countries mentioned; 34% for us *vs.* 63% for them at the end of three years; and 66% for us compared to 93% for them at the end of seven years.

These tax cost recovery allowances are typical of the incentives offered in other countries for the purpose of increasing productive investment. So, in view of our national interest, it is pertinent to ask why other industrial countries have done these things: Certainly not to give a "bonanza to business," as critics of President Nixon's proposals have contended, but to improve productivity, strengthen and grow their economies, and thereby maintain a fuller level of employment.

And it is appropriate to note that the pending investment tax credit of 7%, if passed by Congress together with a cutback in ADR, as seems most likely at the moment, will still leave us well short of equality with other countries in this regard.

So on this subject, we can now say, well we probably have the answer then; productivity has gone much faster for them than it has for us. But before we accept that, let's take a further look at what really counts, namely, *unit labor costs* in manufacturing, which are a combined measure of output and total employment costs.

It will come as no surprise that our wage and salary costs have been going up at a rate that exceeds productivity—between 1964 and 1970 unit labor costs in the U.S. rose by nearly 20%, much of the rise occurring during 1969–70.

Surely the other industrialized countries haven't experienced this sort of situation—or have they? Well, it comes down to this: Italy is very close to our 20% increase in these costs; France is marginally lower at about 16% and Japan—a circumstance I'll get to in a moment—is recognizably lower at a 12% unit labor cost increase. But [look at] two of our biggest trading partners: Germany, 26%; and Britain, almost 33%—all markedly higher than the U.S.

I should emphasize that these costs are stated in terms of national currencies rather than U.S. dollars, thus eliminating the distortions of revaluations both up and down that have occurred in these countries.

Now, a word on Japan. The big divergence really occurs in 1969 and 1970, when our own unit labor costs shot up. Before that, Japanese unit labor cost rises paralleled ours. Despite this generally comparable unit labor cost picture for the Japanese, they nevertheless turned around our two-way trade to their advantage by 1965.

Thus, the differences in unit labor cost trends do not seem to account for the massive change in our U.S. trade balance, and to tag U.S. productivity, or the lack thereof, as the chief culprit would seem to qualify as "False Rhetoric No. 3." At this point, we can then suggest that as bad as inflation is, as bad as our productivity fall-off is—both for our domestic economy and for all of our citizens—neither is the main cause for our trade imbalance.

So then we come down to the core of the problem: What is the real reason for the serious U.S. trade situation? It is my thesis, as a manufacturer, that it boils down to the fact that other countries have placed international trade as a top national priority and have adopted structural policies to promote their trade balances and their balance of payments. The success of these policies is reflected in the degree to which they have been able to shield their export prices from the inflation in their domestic economies.

Thus, in the U.S., the export price index has almost kept pace with the domestic price index from 1964 to 1970—namely a 25% rise domestic and 20% rise export—for a spread of 5 points. But the rise in export indices of all but one of the other countries doesn't begin to approach the rise in their domestic indices during this period. In Italy, for example, the domestic price index rose 21% while the export price index rose only 9%—a spread of 12 points. In Japan the spread is 32 points. In France and England (both devalued their currencies—thus lowering the price of their exports) we see spreads of 19 and 21. And only Germany (as a result of upvaluation) kept her spread to 3 points. So, we have the U.S. at 5 points, and the five others ranging from 3 to 32.

How could they thus insulate their export pricing from their domestic economies? Let me suggest at least three reasons.

First, they had the freedom to devalue their currencies when their trade and their balance of payments got in trouble. Both England and France took advantage of this ability to devalue over the last several years with the result that their export prices were reduced and their import prices increased. Meanwhile, for good technical reasons under the International Monetary Fund, the U.S. was unable to institute similar compensatory competitive steps. So here we have one major reason some of the other countries have been able to offset their inflation and increased unit labor costs whereas we have not been able to.

By the same token, a number of other countries with consistently favorable balances have not done the reverse to the degree they should have; namely, revalued upwards, notably Japan. With this picture, I would give high marks to the Administration for its current emphasis on upvaluing other currencies and cutting loose from gold.

The second structural reason they could maintain the differential between their export prices and their domestic prices—in favor of their exports—is that they have been very careful to protect those domestic industries that they consider important to their economy, or to their employment, from what they consider might be disruptive imports. Let me give two examples, among many, of how this is done.

The first example is the allocation of the available business by their government procuring agencies to their domestic manufacturers at prices that guarantee an acceptable return on investment. The result is high prices for such equipment in the home country. This enables the manufacturer to adopt pricing practices which result in quotes in third markets and the U.S. significantly lower (10% to 50%) than the prices paid by their own government customers.

In my opinion, the attempt to keep other countries' government procurement practices more in line with those of the United States, if the U.S. market is to remain open to them, is long overdue, since the modest 6% Buy American penalty is an inadequate remedy. If, for example, we were free to bid, to go in there and seriously quote our own domestic prices, which we are not, we would be very competitive. And, at the least, it would bring out into the open, for the attention of their own taxpayer-consumers, the differentials they pay for this two-price system.

If our trading partners would follow the same kind of open bidding that our TVA [Tennessee Valley Authority] does, as required by law, resulting in purchasing tens of millions of dollars worth of electrical equipment offshore each year. I, for one, would gladly give up the Buy American 6% for the open bidding and the salutary effect it would have on this form of dual pricing. Until agreement is reached on open procurement, country by country, our government should no longer entertain bids from those who insist on closed procurement in their own country.

The second example of how foreign governments protect their own domestic industries is by moving in, in one form or another, when their own private enterprises can't cut it. We have seen this happen in steel, airlines, nuclear reactors, computers, commercial aircraft, jet engines. When the government steps in, the competitive rules change.

Of course, under this government umbrella, there is little need to be responsible for earnings, and there is no requirement that dividends be paid to nonexistent stockholders. Financing can be obtained from the country's treasury or nationalized financial institutions at concessionary rates or even without costs. Pricing, especially for export, can be jiggered for political purposes rather than economic realities, but such management nevertheless escapes the shadow of bankruptcy.

Privately owned companies find it extremely hard—not to say impossible—to stand up against such competition. It is sobering to note that some of those state-owned industries are now selling half of their production into export. And in the years immediately ahead, such competition is going to grow, and with it so will the size of the problem. These state-owned industries don't meet the economic criteria as we understand them, can insulate themselves from the disciplines of the marketplace, and by virtue of their semi-sovereign nature possess advantages not enjoyed by private concerns.

How we, in this country, are going to be able to handle such competition—domestically and internationally—poses some difficult and sticky choices for ourselves and our own government. Probably we shall have to depend on the almost continuous efforts of our commercial diplomats to persuade the governments behind such state-owned businesses that their industries must behave according to the usual rules of economics. But, as we know, the art of diplomacy doesn't always work. So I suspect we will have to revitalize the use of our countervailing duty laws and, perhaps through new legislation, see to it that the President possesses fast-acting retaliatory powers.

So much for some of the ways that countries protect those domestic industries that they consider important to their economies. Let us turn now to the third, and to me the most significant of all the reasons why the U.S. will remain at a growing and permanent disadvantage as these structural differences exist and proliferate—the different tax policies of our major trading partners.

If we look at the tax structures of many of these countries, we find a wide variety of incentives designed to promote exports. The extent to which such foreign countries have lowered their net income taxes on export income has recently been documented in hearings before the Congress. American businessmen should read these documents to get some idea of how serious this matter has become. While our tax officials undertook a massive effort beginning in 1962 to make sure that export income of U.S. corporations was taxed here in full, foreign countries have continued to permit the shifting of export income to a tax haven subsidiary, for example, or given extra deductions for costs tied to exports, such as extraordinary depreciation deductions for export related assets. In our country, the Administration has proposed to counter this practice by favoring export income on a tightly controlled basis under the DISC [Domestic International Sales Corps] proposal, but the proposal is not well understood in Congress and the direction has been to try to water it down, far below the effective level of an export incentive, and then to kill it.

Now let's turn to border taxes and export rebates.

Let me say that I smile ruefully at much of the hue and cry on both sides of both oceans at the imposition of what some call the "trade wall" of the 10% surcharge. Today's sound and fury absolutely fascinates me as a manufacturer who has spent many years trying to scale the import tax walls of other countries, where the rates of their border taxes range from 11% in Germany to 23% in France, and where the peaks for electrical appliance and TV imports reach 20% in Japan clear up to 36¾% in England. You, here in Detroit, have the same problem with automobiles where the border tax rate rises to 33⅓% in France, 36¾% in the U.K., 40% in Japan. And now we are in the process of repealing our relatively modest 7% automotive excise tax.

If I seem to have strong opinions on the equity of these situations, it is because I believe that the most important of the trade-affecting measures built into the structure by our trading partners is the heavy reliance on indirect taxes that are not reflected in the price of their exports and are imposed at the border on imports.

When the GATT [General Agreement on Tariffs & Trade] rules were written some 25 years ago, they provided that the member countries could exempt their exports from indirect taxes—which, then, were understood to be mainly sales and excise taxes—and charge an appropriate compensating border tax on imports. Simultaneously, the GATT rules forbade both export rebates and border levies for direct taxes—that is, those imposed on personal and corporate income, and for social security contributions.

What we did not foresee was the full impact of the difference in tax structures in Europe and Japan relying heavily on high rate indirect taxes, with a simultaneous shift in this country away from indirect taxes toward almost total reliance on the income tax as a source of national revenue. Excluding social security contributions, some 85% of Federal revenues come from the income tax, which cannot be rebated at the border under the GATT rules.

As a result of these opposing tax structures, we face the following situation. On products sold in his own country, the European manufacturer charges his domestic customer on a basis which reflects his tax burden, whether this burden is made up of income taxes, social security taxes, value added taxes, and whatever else. The mix, as these taxes are paid and collected, happens to be what each country determines for itself. In the U.S., the manufacturer's domestic price also reflects the mix of all taxes imposed by all our levels of government.

But there the similarity ends. For when the European manufacturer exports to the U.S. or elsewhere, his government rebates or waives the actual total amount of his indirect taxes that are included in his domestic price. His product then reaches the United States where it crosses the border free of U.S. taxes—or did, before Aug. 15. Thus, his export product price reflects domestic price, less the big domestic rebate, and no U.S. tax.

Now, let's turn the coin over. When the United States manufacturer exports to Europe, his price reflects the burden of all U.S.

taxes that can be ascribed to production and sale and there is no rebate from the U.S. Treasury for any of these. But at the European border the goods become subject to a tax equal to the local indirect tax rates—which I just mentioned as ranging from 11% to 30⅔%. And, as if that were not enough, the border tax is usually imposed on the landed cost, including the European customs duty. There is no corresponding burden on domestic sales. This is just a bit of additional salt rubbed into the wound.

This combination of the U.S. and foreign tax burdens clearly imposes a trade disadvantage on our exports. I am fully aware from the testimony before the Williams Commission and studies made elsewhere that economists are not agreed on the measure of this disadvantage; nor can they agree on just how to measure the extent to which European export tax rebates inflate imports to this country. But they do agree that the system has this table-tilting effect, and the higher the rate of the foreign TVA [added value tax], the more decisive the effect will be. I am convinced that it is high time to recognize this tax structure tilting as a major cause of our trade balance troubles.

Let us then go forward in time to 1972–73, and let us assume the major European industrial countries will all have harmonized their value-added tax at a rate of 15% or more. A European manufacturer exporting to the U.S. will therefore reflect in his export price only a small portion of his national tax burden and social costs—and none of the U.S. federal tax burden. The American exporter to Europe, however, will—just as before—find that his landed price covers his full share of U.S. taxes and, at the border, a contribution to Europe's tax take of something around 15%.

For these reasons—and in spite of the hue and cry on both sides of the waters about "economic overkill"—I believe that all three measures as proposed by the President were necessary. Revaluation without the investment tax credit; the investment tax credit without the 10% surcharge; the surcharge without the tax investment credit or revaluation—would have failed to face up to at least one or the other of the structural differences that currently disadvantage us.

Much of the controversy about "economic overkill" is centered on the 10% surcharge. How long should it remain? I propose that major industrial nations of the world should agree on a basic principle of overriding importance; namely, that there will no longer be any import surtaxes or export subsidies on goods crossing their borders. If a country feels the need for protection, let's call it protection and approach it by the tariff route which is open for all to see and where the legitimate threat of retaliation is enough to cause any country to pause. Until this principle is agreed upon, I would not want to see us as completely disadvantaged as we have been in the past, by having the 10% surcharge removed.

It is particularly unfortunate that Canada, which has a tax structure similar to ours, was caught in a line of fire that was essentially aimed at the trade-distorting practices of others. They, our Latin American neighbors and perhaps other developing countries should be exempt.

But without an agreement from our major trading partners to work toward the equitable removal of structural disadvantages of whatever name, I regretfully come to the conclusion that even with the currency revaluations now being discussed, the United States may still find itself in a position where its trade balance will be inadequate to cope with the overall balance-of-payments problems.

I have come to this conclusion with great concern, as one who has long maintained that international trade, on the broadest possible basis, and with the fewest possible restrictions, was the real economic hope for the world. I still believe this with a deep personal conviction and I will continue to fight for the removal of trade distorting and restricting practices wherever we find them, including right here at home.

But, as we have seen, the old economic rules of the game no longer seem to apply. It was never envisioned that "the invisible hand" of classic economic theory would contain a wide variety of table-tilting practices. Until relative equilibrium and stability can be restored, until the unhappy results of border tax walls are swept away by the two-way flow of goods over as small and low an obstacle course as nations can agree on, it may be necessary to adopt a whole new approach to negotiating—substituting "deeds" for "theories and words."

Thank you for hearing me out. I have spoken today as one who has his own serious responsibilities to General Electric employees and shareowners, and who feels very strongly about the very formidable barriers to free, fair trade being raised in the world today, and who believes that trade cannot long remain "free" unless it is also fair.

[From the Washington Star, Nov. 23, 1971]

GENESCO, TOKYO FIRM STUDY JOINT VENTURE

NEW YORK.—Genesco, Inc., one of the biggest apparel producers and retailers, and C. Itoh & Co., a Japanese trading firm which is also among the world's biggest textile companies, are considering joint business activities.

The project, which could lead to creation of a jointly owned textile company in the United States, was disclosed in a New York Times interview with Franklin M. Jarman, chairman and chief executive officer of Genesco.

The project would enable Genesco, formerly the General Shoe Co., to obtain Itoh fabrics without higher costs already brought about by the floating of the Japanese yen. The project is subject to a definitive plan to be worked out by next July.

Genesco owns 2,500 retail stores in the United States, including Bonwit Teller, Henri Bendel, S. H. Kress, I. Miller and the Hardy, Flagg and Jarman shoe stores.

Itoh produces and markets a variety of consumer goods with curernt annual sales of about $8 billion, including about $4 billion in textiles.

"We've established joint task forces to study our planned arrangement to work on a project in the United States market," Jarman said. He said Genesco and Itoh had started talks on mutual projects last March.

Genesco is a substantial user of Itoh's textiles and is now paying 9 percent more in costs for such goods because of the floating yen. It expects another proposed revaluation could add as much as 20 percent more to such expenses, Jarman said.

Jarman said the two task forces are studying the feasibility of Genesco's entry, with Itoh, into the Asian and European markets, the latter venture aimed at selling textiles and apparel to East European countries.

APPROPRIATIONS DENIAL, ONLY ROUTE TO END WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, I would like to explain my vote against the 1971 military appropriations bill.

While I have at times voted for amendments to defense spending, I have not voted against the whole defense budget. But the courts have declared the war in Vietnam as constitutional because the Congress has appropriated the necessary funds. The Court has shifted full responsibility for the war upon the Congress and the Executive.

If it takes the defeat of an entire military appropriation bill to end the war, then I vote "no." I cannot in good conscience vote for legislation that continues this immoral and unnecessary conflict in Vietnam.

In Orlando against Laird, the U.S. court of appeals declared on April 20, 1971, that:

Congress has ratified the executive's initiatives by appropriating billions of dollars to carry out military operations in Southeast Asia.—Both branches collaborated in the endeavor and neither could long maintain such a war without the concurrence and cooperation of the other.

I, for one, will no longer ratify or collaborate in what I believe is a senseless war that should never have started. I refuse to concur or to cooperate in our continued interference in Southeast Asia.

In Orlando against Laird, which was denied a writ of certiorari by the Supreme Court on October 12, 1971, the mandate of the Court is clear. It is only by cutting off the funds that we can have this war declared illegal and ended.

This House had an opportunity while considering this defense budget to cut off funds for the war in Southeast Asia. The Boland amendment, which I supported, would have cut off funds for "military combat or military support operations in or over South Vietnam, North Vietnam, Laos, or Cambodia after June 1, 1972" provided that prisoners of war were returned and an accounting made of all Americans missing in action. Unfortunately, that amendment was defeated by a vote of 238 to 163. The defeat of the Boland amendment and the court's decision in Orlando against Laird, leave me no other choice as a responsible public official but to vote against this military appropriations bill.

The American people have spoken out against the war in Southeast Asia. The Harris survey that was published in the Washington Post on November 8, revealed that "by nearly 3 to 1 the American people favor 'getting completely out' of Vietnam by next May." Of those surveyed, 62 percent supported complete withdrawal of all American forces—combat and support troops—by next May. Only 21 percent of those questioned were opposed to total withdrawal. Even if a Communist takeover would result from our withdrawal, 55 percent of the American people were opposed to leaving a residual force of 50,000 noncombat troops. Continued use of U.S. bombers and helicopters to support the South Vietnamese army was opposed by 57 percent. The giving of $1 billion military assistance to South Vietnam annually was opposed by 70 percent of the respondents.

It is a sad day when the Members of this House are so obviously out of step with the sentiments of the overwhelming majority of the American people who oppose the war.

The courts and the American people have spoken. If the only way to end the war is to cut off the appropriation for the entire defense budget, then I join with the majority of the American people who oppose this war and vote "no" on the 1971 military appropriations.

EULOGIES TO THE LATE J. HOWARD EDMONDSON, FORMER GOVERNOR OF OKLAHOMA

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, as I am sure all the Members know, the youngest man ever to be elected Governor of Oklahoma at the age of 33, J. Howard Edmondson, the brother of our colleague ED EDMONDSON, died recently of a heart attack at the age of 46. His funeral eulogies were delivered by his son, James Howard Edmondson, Jr., and his brother ED. They have described their father and brother more accurately than any of the many great men and women who praised him or journalists who wrote of his brilliant, sometimes stormy, career. I have no power to add to the portrait they have drawn; I include their remarks for the information of those who did not know the late Governor and Senator, and the concurrence, I am sure, of those who did.

The eulogies follow:

EULOGY

(By Ed Edmondson)

My brother and I, and many others in this house of God today, have been inspired by the moving words of Theodore Roosevelt who said many years ago, "It is not the critic who counts, not the man who points out how the strong man stumbled, or where the doer of deeds could have done them better. The credit belongs to the man who is actively in the arena, whose face is marred by dust and sweat and blood, who strives valiantly, who errs and comes short again and again, who knows the great enthusiasm, the great devotions, and spends himself in a worthy cause—who, at the best, knows in the end the triumph of high achievement, and who, at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither defeat nor victory."

I believe my brother and Teddy Roosevelt, had they lived at the same time and place, would have been great friends. There was nothing cold nor timid about James Howard Edmondson. He was a man who knew the joy of daring greatly, and who spent himself in more than one worthy cause. He was a man who knew both defeat and victory, and in my belief, stood even taller in defeat than he did in victory.

Someone has said that a man who is loved is usually a man with a nickname. Our dad had a nickname for my brother when he was only a toddler. He called him "Man," and I believe he was a man in the best sense of the word, throughout his life. Others called him "Nugget," not only because he was known to be hardheaded on occasion, but more because he was pure gold as a human being who cared for other human beings and did what he could as a man and as a public servant to make this world of ours a better place for man. To some, who worked closely with him, of course, Howard was always known as "Gov."

Howard Edmondson loved his home, his family, his friends, his state and his country. He gave generously of himself to all of these loves. He loved the political arena, and all the storm and strife and struggle of that arena, and he stood tall and spoke his mind and defended his loyalties in the strongest winds of that arena.

But he did not see politics as a game or a hobby. For him it was *the* place where the action is, in the center of the struggle where the destinies of men and of nations are decided, and he cheerfully and tirelessly and inspiringly met the responsibilities of leadership and of citizenship in that struggle.

He loved young people, and he loved to join them and be with them, to encourage them to enter the political arena. One election which he relished above many was the one in which his own young daughter was elected precinct chairman in an affectionate family contest with her daddy.

The example which he set as our Governor in fighting hard and well to carry out his public campaign commitments in their entirety was, and is, an inspiration to all in public service.

The monuments to his public service are many—as County Attorney, Governor and Senator, but I will leave their enumeration to others.

As his brother, I am convinced he was the finest brother a man ever had. I know that his loving wife, and children, mother, sisters, and all members of our entire family share the sense of irreparable loss that is in my heart today. His two-year-old grandson is just as lost and just as sad at heart as we.

As for his friends, I can only say this—I have never seen more friends grieve, and share with the family their sorrow and their love than I have seen the last three days in November. In love of friends our cup runneth over.

The Father of us all who often moves in mysterious and awesome ways has taken from us at 46 one of the finest and most loved of men. The memory and the joy of his brave spirit and his love for family and his fellow man remain to warm and inspire all of us for all time to come.

EULOGY

(By James Howard Edmondson, Jr., Nov. 19, 1971)

In behalf of my mother, my wife, my sisters, my father's mother, his brother and sisters, and family, I want to express what we feel as we honor my dad today.

We loved him as a husband, father, son, and a brother. He was my closest friend. We have been deeply shocked, and it seems unbearably saddened, yet we are privileged to have been a great part of his life, to have touched him, and to have been touched by him.

His capacity to love and to give was without equal. Dad and I had the same birthdate. On our last birthday, we shared this thought—that to enlarge or illustrate this power and effect of love is to set a candle in the sun.

Not so long ago, in the Congress of the United States, my father said these words about his President and his friend, and they express our feelinge about Dad:

"I marveled at his grace, his dignity, his wit.

"I trusted his words.

"His deeds projected the devotion of a man endowed with rare understanding—of himself, of his family, of his nation, of his world, which is a better place because of him.

"The silence his passing leaves is more deafening than all the applause his presence brought."

As he lived, we adored him. He will always be with us.

PRESIDENT NIXON'S THREAT TO VETO TAX BILL

(Mr. ALBERT, at the request of Mr. MCFALL, was granted permission to extend his remarks at this point in the RECORD.)

Mr. ALBERT. Mr. Speaker, the President's veto threat of the tax bill comes with ill grace. When measured against the dismal record of economic performance which has been inflicted upon this Nation since January 1969, the President's pronouncement borders on intellectual arrogance. That the President and his economic advisers would still at this late hour endeavor to place upon this administration the mantle of economic infallibility is incredible.

President Nixon's administration for 2½ years in the face of a deepening recession, growing unemployment, and galloping inflation, did little other than issue Madison Avenue versions of Mr. Hoover's "Prosperity is just around the corner." Only on August 15 did a combination of ghastly economic news and political reality force the President to move. He has submitted legislative recommendations to the Congress aimed at reviving the economy. Congress has moved with dispatch and cooperation on those recommendations. Yet we have been subject to a continuous barrage of carping and nagging criticism by administration spokesmen because of our refusal in the case of either the tax bill or phase II to accept administration-drafted legislation without so much as dotting an "I" or crossing a "T." The President's veto threat of yesterday was but the culmination of these "the President knows best" pronouncements. I would respectfully remind the Chief Executive that the Congress is a coequal branch of government. And it certainly does not need any more lectures from the executive branch as to what this Nation needs in the way of economic stimulation legislation. The record of the Democratic 92d Congress in the economic field as against that of this administration stands as Gulliver to the Lilliputians.

GUN CONTROL—REVERSED PRIORITIES

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, despite the wave of violent crime that is now sweeping America's cities, proponents of strict gun control—or gun confiscation—continue to ignore the fact that what is really needed is tough treatment of criminals who use guns in crime.

I have long supported strict, mandatory prison sentences for all who use guns in committing crimes. An essential part of this policy is the need for judges who are willing to strictly enforce these strict laws. Law-abiding Americans are simply fed up with judges who are lenient to the point that they are undermining respect for our laws.

In fact, as we recently pointed out in excellent editorials in two newspapers in my district, the Nashua Telegraph and the Claremont Daily Eagle, law-abiding American sportsmen deeply resent efforts to place controls on the ownership and use of guns at the same time that they see criminals being treated with velvet gloves and excessive leniency.

These two editorials make the very valid point that the priorities of gun control advocates are backward. The first thing that should be done is to crack down hard on abusers of guns. Unless and until that is done, gun owners feel it is ridiculous to pass laws and regulations which serve only to hamper the activities of respectable citizens who own and use guns with responsibility.

It is because I believe so strongly in mandatory, nonsuspendable sentences for persons committing crimes involving the use of a gun that I voted for the Gun Control Act of 1968 when it first passed the House. It came to the House floor containing these mandatory, nonsuspendable sentences, so I voted for the Gun Control Act in order to get the stricter treatment of abusers of guns. However, the Senate deleted the nonsuspendable, mandatory sentence provisions. So, when the Gun Control Act of 1968 returned to the House I voted against it.

The two fine editorials, from the Nashua Telegraph and the Claremont Daily Eagle follow:

[From the Nashua (N.H.) Telegraph, Oct. 19, 1971]

FUTILE GUN CONTROL LAWS

Judging by recent figures concerning the killing of policemen, sweeping gun control laws aimed at depriving the law abiding of the right of gun ownership, would be about as effective as outlawing the rising of the sun. These figures show that of the arrested killers of policemen, 71 per cent had been arrested previously and 57 per cent had been convicted, mostly of crimes of violence. This means that it was already illegal for most of them to have guns under federal law and many state or local laws.

Between 15 and 20 per cent of the policemen murdered with handguns were killed with their own handguns, which their assailants snatched away from them. This could be the consequence of "Don't Shoot" orders given police in some cities. In the past three years, Black Panthers have murdered nine law officers and wounded 56 more with gunshots. Most of the guns traced to them were found to have been acquired by theft.

The simple fact, as pointed out in "The American Rifleman", is that, "Most police killings are committed by criminals with illegal guns. Rather than passing another law for them to ignore and break, the solution is to put them in jail. There are enough laws now under which that can be done without bedevilling the millions of honest citizens who own guns."

The right of gun ownership is one of the most fundamental and traditional of American freedoms. A gun is a companion of ranchers, farmers, trappers, woodsmen and sportsmen. Those who would strike down the right of gun ownership for these millions of responsible citizens in the name of curbing crime are committing the greatest disservice to the basic principles of our American philosophy of individual freedom.

[From the Claremont (N.H.) Daily Eagle, Nov. 2, 1971]

JUSTIFIED RESENTMENT

Advocates of measures to deprive law-abiding private citizens of the right of gun ownership have a problem.

They find themselves confronted with a growing body of irate Americans who are sick and tired of seeing criminals riding roughshod over the sanctity of person and property while those who uphold the law are castigated by the politicians as if they were criminals simply because they oppose abridgement of firearm ownership.

Typical of the reaction of gun-owning sportsmen and concerned citizens to sweeping antigun measures was apparent in the state of Connecticut when several gun control bills were being considered by the state's General Assembly.

Some 4,000 hunters, target shooters, gun collectors and ordinary freedom-loving individuals packed the state capitol to make known their views.

Typical of these views was the comment of one opponent of the anti-gun proposals, who happened to be a woman.

She said:

"Sportsmen resent being told they must have an ID card, permits and licenses to enjoy their sport.

"They are tired of seeing persons who use firearms in crime go free, while law-abiding citizens are harassed."

The gun control legislation already on the books has not been effective in curbing crime, and there is little reason to believe further legislation would help the situation.

That is why gun control advocates that tar the law-abiding and the criminal with the same brush are finding growing public resentment toward:

(a) Lenient treatment of criminals.

(b) Proposals to disarm the law-abiding citizen.

MR. GORDON K. BROWN POINTS OUT JAPANESE GOVERNMENT AID TO TEXTILE INDUSTRY AS UNFAIR TRADE

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, recently, a constituent and good friend, Mr. Gordon K. Brown of West Swanzey, N.H., sent me an extract from the Daily News Record, dated October 18, 1971, which is printed in New York City.

This article again points out the unfair trade advantage gained when foreign competitors are subsidized and otherwise assisted by their respective governments. In marked contrast, when proposals are put forth to assist domestic industries against unfair competition from imports, bureaucratic proponents of "free trade" rally in opposition.

The article strongly reinforces my position as recorded on August 5, 1971, CONGRESSIONAL RECORD, 29829 and 29830.

The item demonstrates the degree of assistance, in one instance, extended by a government to help its textile industry. I would like to see "fair trade" become our objective, since "free trade" as presently practiced is not fair.

The article follows:

JAPAN TO AID INDUSTRY

TOKYO.—The Japanese Government said it would take positive measures to aid the textile industry following the settlement of the longstanding United States-Japan textile dispute.

The Government plans:

Purchase surplus textile machinery;

Extend low-interest loans to industry to finance inventories;

Defer or rebate corporate taxes;

Extend loans for change of business; and

Buy up surplus stocks from the market.

Despite these measures, the textile agreement is certain to draw fire from the textile industry, which is determined to fight back. It is viewed as almost certain that the Textile Federation would file administrative suits against the Government.

The industry also has threatened not to cooperate with the Government in implementing the agreement. This raises the problem of how the quota allocations and other administrative steps will be handled for 3,150 trading companies and 130,000 manufacturers involved.

SECRETARY LAIRD REFUTES SENATOR HARTKE

(Mr. MINSHALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MINSHALL. Mr. Speaker, such wide publicity has been given to reckless and politically motivated charges by a Member of the other body regarding President Nixon's promise to end our participation in the Vietnam war, that I feel it essential and in the best interests of our Nation to include in the RECORD the following exchange of correspondence:

THE SECRETARY OF DEFENSE,
Washington, D.C., September 30, 1971.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR VANCE: I have been concerned by news reports which quote you as making the following statement: "But never has an American President lied so blatantly for so long as has Richard Nixon on the war in Vietnam." I realize, of course, that the quotation may not have been correctly reported; the news reports indicate the remark was made in California on Saturday, September 25, 1971.

I feel certain that as a member of the Senate you are fully aware that a charge that the President has lied to the American people about his steps to terminate U. S. participation in Vietnam fighting simply is not supportable by the facts. The record shows clearly and conclusively that President Nixon has kept every single promise he has made to our people regarding Vietnam and that in the process has successfully reversed the escalation policies he inherited and drastically reduced the level of U. S. forces in Southeast Asia.

When the President took office there was an authorized troop level of 549,500 American servicemen and women in Vietnam; casualty rates were averaging around 300 Americans killed per week; and there was no comprehensive plan to end the United States involvement in the war.

At the present time, more than 300,000 troops have been withdrawn from Vietnam, and U. S. casualties have been averaging less than 20 per week in recent months. In addition, at the President's direction we are continuing to withdraw Americans at an average rate of more than 14,000 per month. Most importantly, the United States has helped train and equip the South Vietnamese, through Vietnamization, so they can carry almost the entire burden of the defense of their country against Communist aggression. In a word, this country has done everything President Nixon has said we would do.

In June of 1969, the President announced a reduction in the troop ceiling of 25,000 men from Vietnam. These withdrawals were completed as scheduled by the end of August, 1969.

In September of 1969, the President announced an additional redeployment of 40,000 troops. These withdrawals were completed by December 15 of that year.

In December of 1969, the President announced an additional 50,000 troop reduction. These withdrawals were completed as scheduled by April 15, 1970.

In April of 1970, the President announced a 150,000 troop reduction. These withdrawals were completed by April of this year.

On April 7 of this year, the President announced an increase in the rate of American withdrawals which will result in at least 100,000 more American troops being brought home from Vietnam by December 1. That schedule is presently being met and by all indications will exceed the President's expectations.

The President has promised another announcement of further withdrawals in November and as with all of his other announcements, we in the Department of Defense will meet or beat the commitment our Commander-in-Chief makes.

On the negotiating front, President Nixon has gone to exhaustive lengths to reach a settlement of the war at the Paris Peace Talks and in other channels. He has stated publicly on many occasions that the United States never will give up hope or stop trying to achieve a solution to the war through peaceful negotiations. In pursuance of that goal the President has offered the most comprehensive proposals for the settlement of differences in Indochina. His position has been restated on countless occasions—at Presidential news conferences, in newspaper interviews and in public speeches.

It is very clear from the record that this Administration has never raised false hopes about Vietnam nor made promises it couldn't deliver.

As Secretary of Defense, I am proud of the record and proud of promises kept. I would hope all federal officials could share that satisfaction and stand by our President as we continue his plan to end U.S. involvement in this war.

But, as I said, perhaps you were misquoted.

Sincerely,

MELVIN LAIRD.

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C., October 2, 1971.

Hon. MELVIN LAIRD,
Secretary of Defense,
Washington, D.C.

DEAR MEL: I have your letter concerning the news report that I said President Nixon has lied blatantly about the war in Vietnam. You indicate your disagreement. Let me give you some instances of deliberate deception by the President about the war.

Your letter speaks of his reversal of "the escalation policies he inherited"; President Nixon himself has repeatedly spoken of the war as something started by somebody else and merely "inherited" by him. Yet the facts are the opposite. You know he worked with Secretary Dulles in 1954 to get us to help the French in Vietnam, even if this meant sending U.S. troops. I remind you of his April 16, 1954, speech to the Society of Newspaper Editors in which he said we could not afford further retreat in Asia and "If this government cannot avoid it, the Administration must face up to the situation and *dispatch forces.*" And you know of the Dulles-Nixon rejection of the July 1954 Geneva agreements and their injection of U.S. forces into South Vietnam in violation of those agreements. Mr. Nixon was one of the leaders who started the war—not an inheritor.

Furthermore, President Nixon was not the one who reversed our unfortunate escalation of the war. It was Lyndon Johnson who reversed it when he stopped our bombing of North Vietnam and developed an understanding that led to the Paris peace talks.

President Nixon merely followed President Johnson's de-escalation. Of course, Mr. Nixon is now apparently reversing the reversal by resuming the bombings on a large scale and thus escalating our military attacks, to the tune of 200 sorties in one day.

Let me remind you of Mr. Nixon's statements during his 1968 campaign that he had "a plan to end the war". As intended, this was interpreted by the public as a promise to end the war rather soon.

Suppose, instead, that Candidate Nixon had said throughout the 1968 campaign that he had a plan to end American ground forces combat in the war *after four more years and 20,000 American lives.* Do you think for a moment that he would have been elected President?

Could he have kept his promise to end the war? As early as May 14, 1969, President Nixon told the American people that he *could* have ended the war immediately after his inauguration. "This," he said, "would have been the easy thing to do . . ."

But he chose not to do so. He chose to continue the killing for what is now almost three more years. And although American combat infantrymen may all be out by this time next year, to the war itself, as you well know, there is no end in sight. American air and naval forces will continue to devastate the lands of Indochina, killing and making homeless tens of thousands of innocent civilians in the process. And a conscript army of South Vietnamese, supplied and paid for one hundred percent by American tax dollars, will continue to kill and be killed in a merciless civil war between rival dictatorships in Saigon and Hanoi.

The futile raids to release U.S. POWs, in North Vietnam and Cambodia, reflected terrible misinformation—unless the purpose was to deceive the American public. Since there is evidence that you and Mr. Nixon knew the POWs had already been moved, I am inclined to accept "calculated deception" as the purpose. Likewise with the Cambodian invasion. The President ballyhooed that as a great expedition to capture the enemy headquarters, the planning centers, and troops about to invade Vietnam. He found no headquarters, no planning centers, and no troops of significance. Was that an operation of stupidity or an attempt to mislead the American people into believing that progress was being made?

The Laos invasion illustrates a central theme of Nixon on the war. You remember that an Act of Congress prohibited American troops being on the ground in Laos. And so our newspapers carried stories of American forces stopping at the boundary line and thereafter doing their shooting and bombing from the air, keeping their feet above the ground except for occasional forays. Perhaps you obeyed the law, but if you did, it was pretty tricky, was it not? We were there, egging on the South Vietnamese and shooting from planes, but still we were not there. Incidentally, 46% of our citizens said at that time in a public opinion poll that they did not believe you. Trickiness is eventually self-defeating.

The President's repeated remarks about his solicitude for American POWs is another attempt to deceive. He raised this issue a year ago to justify continuing the war. But I know from my visits to Paris last spring that the North Vietnamese and Vietcong were willing to release our POWs if we agreed to get out of Vietnam. The Senate called for this type of arrangement in the Mansfield amendment last June and again on September 30. If the President had been willing to accept this policy, the war would be over, and the POWs enroute home in a matter of weeks. Despite his remarks, he is the one who is keeping them in prison.

This past week the President appeared before the relatives of our POWs in a cruel act of deception. In an emotional voice, he told of his alleged concern and efforts and hinted that he was doing more to obtain their release than he could reveal publicly. I frankly do not believe this. I think that the junior Senator from Kansas and Chairman of the Republican National Committee, Bob Dole, honestly reflected the Administration's policy when he told the meeting that he would not advocate the release of U.S. POWs at the expense of the Saigon government.

This is the crux of the matter. President Nixon's main purpose is to keep in power the dictatorship now propped up by our arms in South Vietnam. To put it another way, his main purpose is to carry out the Nixon-Dulles objectives in 1954 to impose a French or American colonial government on the people of Vietnam. That is why he turned down the policy offered by the Senate. That is why he rejected the Paris proposals—and, incidentally, timed that rejection so that it would be swallowed up in larger news stories, and the public would not realize that he had rejected an offer for peace and release of POWs. That is manipulating public information.

Mel, I am sorry to be so blunt about this, but I want you to know that there is ample evidence concerning the deception practiced by the President on Vietnam.

Sincerely yours,

VANCE HARTKE,
U.S. Senator.

THE SECRETARY OF DEFENSE,
Washington, D.C., November 29, 1971.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR VANCE: Thank you for your letter of October 2, 1971. I had hoped that my previous letter would have clarified for you the basic plan of this Administration in winding down and terminating U.S. involvement in the war in Vietnam.

Apparently, you remain confused. More important to me as Secretary of Defense, you are confusing some sincere Americans around the country by giving wide circulation to the totally unfounded and unwarranted allegation that President Nixon has blatantly lied to the American people concerning Vietnam.

I am therefore responding at this time to your letter so that, in any further dissemination, you will be able to include my specific comments on the additional erroneous allegations contained in your letter of October 2nd.

My first impulse was to reply immediately to your letter. However, I felt it would serve no useful purpose to perpetuate a "dialogue" when it is clear you will continue to insist that policies with which you may honestly disagree must have arisen from devious and base motives on the part of those who undertake those policies. On an issue as grave and serious as war and peace, I hoped—apparently mistakenly—that responsible men could restrain their impulses to engage in "ad hominem" attacks in favor of a search and constructive debate not on the past but on what policies can most likely lead to peace in the future.

We will not resolve in an exchange of correspondence which men or what specific policies or policy utterances were historically responsible for leading America into a land war on the Asian Continent. Since becoming Secretary of Defense, I have sought to sift the debate in America from "Why Vietnam" to the more pertinent question of "Why Vietnamization." I think we have largely been successful in doing that. As the end of all American involvement in the fighting draws near, we are able more and more to focus our attention on the difficult questions of national security beyond Vietnam. In my view, that is what the debate in America should be about today.

I was frankly surprised to see you refer to the President's statement in 1968 in New Hampshire that he had a "plan" to end the war as further documentation of your charge.

He did indeed have a plan and we have been proceeding according to that plan not only in Vietnam but in all aspects of our foreign policy.

I frankly find it incomprehensible that you

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as a public servant would malign another public official for conceiving a plan for peace and then proceeding to carry it out.

Basically, there are two concepts involved which are not difficult to understand unless one deliberately chooses to misunderstand them. One involves the Nixon Administration's plan to terminate American combat involvement—ground, air and sea—in the war in Vietnam. The other involves our Commander-in-Chief's plan to bring about lasting pesce.

With regard to terminating U.S. involvement in the war in Vietnam, I spelled out in part how far we have come along that road in my letter of September 30th. Since that letter additional thousands of American troops have come home and the President set a new troop ceiling of 139,000 for next February 1, a total reduction of more than 409,000 from the troop ceiling of 549,500 that existed when we assumed office.

The de-escalation, or winding down of the war, has most emphatically included the level of air attack sorties. They are now down to about a third of what they averaged in 1968, and have been trending downward rather steadily since our start of Vietnamization in 1969. And it has included other actions which I did not mention, such as turning over naval responsibilities—actions which also are being accomplished on or ahead of schedule.

With regard to who is responsible for the de-escalation policies we have been pursuing since 1969, I would remind you that we were moving in the opposite direction from bringing troops home when President Nixon assumed office. In crediting the previous Administration with starting an inexorable de-escalation process with its announcement of a bombing halt on November 1, 1968, you seem to have forgotten that the then Secretary of Defense, Clark Clifford, 36 days before and 40 days after the bombing halt—to cite two examples—emphatically asserted that there were no plans to withdraw any American troops, that in fact, we were still building toward the authorized ceiling of 549,500 American troops in Vietnam, and that there was no prospect in the foreseeable future of bringing any American troops home. To quote from his December 10, 1968 press conference, Secretary Clifford said, "Let me reiterate that at the present time there is no plan for any net reduction in our troop level in Vietnam."

You may recall that I disagreed with the inflexible policy of ever-increasing troop levels at the time. I publicly predicted in September, 1968, that thousands of American troops could be withdrawn in 1969. The prediction was made on President Nixon's aircraft to representatives of the news media between Boise, Idaho, and Bismarck, North Dakota. It was made after lengthy discussions with Mr. Nixon, in the preceding days and weeks, on the details of the plan—which he referred to in New Hampshire and which later, after he became President, came to be known as Vietnamization and the Nixon Doctrine.

You may feel it is wrong to put first priority on terminating U.S. involvement in the war while simultaneously trying to achieve peace in Vietnam through negotiations. Apparently you do and you are certainly entitled to that view.

I happen to disagree and I believe the American people do too.

The other concept which I mentioned is the Nixon Administration's plan to end the war, as contrasted to simply ending American involvement in the war—or to state it positively and fully, to bring about lasting peace. In fact, the New York Times account of Mr. Nixon's pledge to end the war of March 5, 1968, quotes Mr. Nixon as follows:

"I pledge . . . new leadership will end the war and win the peace. . . ."

The New York Times further quoted Mr. Nixon as saying he had "no push button techniques," but that the war can be ended if "we mobilize our economic and political and diplomatic leadership."

The complementary twin tracks of Vietnamization and negotiations comprise and have comprised major elements of President Nixon's plan to end the war and win the peace. But that plan goes far beyond considerations of Vietnam alone. Both the President and other major spokesmen of his Administration have been pointing this out rather frequently and emphatically since 1969. I will offer just two quotes to illustrate. The first was taken from my first Defense Report to Congress early in 1970:

"Vietnamization is both a means to an end and a beginning: a means to end the American involvement in Vietnam and to make a credible beginning on our new policy for peace and increased self-reliance in Asia. This first step in implementing the Nixon Doctrine is of critical importance in ending the war. Moreover, success of the Nixon Doctrine can help remove the need for similar American ground combat involvement in future Asian wars, an important objective of our new strategy."

After restating that in my second Defense Report to Congress this past March, I went on to say:

"Our single objective in South Vietnam has been and remains to help that country insure self-determination and become capable of maintaining security and insuring its own future. At the same time, we seek methodically to terminate American combat involvement in Indochina *in such a way* that the prospects for effective self-defense—and, more hopefuly, the prospects for lasting peace in the area—will be enhanced by the orderly way in which we leave."

To put this in as straightforward a manner as I can, the Nixon plan to end the war is bound up in the entire fabric of the President's Foreign Policy and the complementary National Security Strategy of Realistic Deterrence. These new approaches have been conceived and implemented with the purpose of moving from an era of confrontation to negotiations and in order to foster conditions for what our Commander-in-Chief so often has referred to as a "full generation of peace."

Of course, no one can guarantee the future course of world events or ensure absolute success. But the probability of success would be greatly reduced if we lack understanding and support from Congress and the American people. Enhancing the prospects for success can also entail such controversial decisions as the Cambodia and Laotian operations and a willingness sometimes to take extra risks for peace. It can also involve other risks such as the bold attempt to free our prisoners of war in the Son Tay raid, even if the chance is only 50–50 that prisoners will be there.

One final point, Vance. You seem preoccupied with holding the President to absolute consistency in every word he has uttered over a period that spans more than 17 years. This prompts me to raise a question of consistency between two paragraphs in your letter of October 2nd.

On the one hand, you say (paragraph 4, page 2) that "there is no end in sight" to the war even if all American combat infantrymen are out by next year. You predict the fighting will continue between North and South into the indefinite future.

But, on the other hand, you say *"the war would* (already) *be over"* (paragraph 2, page 3) if the President had accepted the Mansfield troop withdrawal amendment.

And although those two contradictory statements appear in the same short letter, I find it hard to assign devious motives to you or to believe that you were seeking deliberately to deceive me or the American people.

I do feel compelled, however, because you are spreading erroneous information by distributing my personal letter to you and your misleading reply, to make this correspondence available to the public.

Vance, I am sorry to be so blunt about this, but I believe deeply that the best interests of the American people and of lasting peace would better be served if all of us tried to confine our dialogue to the substantive issues and to the facts, instead of resorting to what we used to call in our college debating classes "ad heminem" attacks.

Sincerely,

MELVIN LAIRD.

REPRESENTATIVE CAREY OF NEW YORK JOINS WITH CHAIRMAN OF WAYS AND MEANS COMMITTEE IN INTRODUCING INTERGOVERNMENTAL FISCAL COORDINATION ACT OF 1971

(Mr. CAREY of New York asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CAREY of New York. Mr. Speaker, I am pleased to join today with the distinguished chairman of the Ways and Means Committee in introducing the Intergovernmental Fiscal Coordination Act of 1971.

This is a timely and responsive bill. It addresses itself to the needs of the cities. It recognizes the realities of the severe fiscal crisis existing in all too many of our local governments, which are carrying excessive burdens in meeting problems which are truly national in scope.

The Mills bill also involves the States as copartners with the Federal Government in undergirding the interests of the localities. Payments are made to States to provide an incentive for States making use of the individual income tax. To fail to take into consideration this key factor of State revenue-raising effort would mean that States which now are not utilizing their tax resources would share equally well with States that are taxing themselves up to the hilt and, indeed, beyond their means.

This legislation is of a size which is manageable in terms of Federal obligations, and, although I wish it were more generous, it obviously bears in mind the prospect of a record deficit in the national budget. In other words, this bill provides as much assistance as the Federal Government can afford, yet it brings into local hands far more than State and local governments can afford to raise themselves. It is at least a stop gap in response to the defeats that have been suffered by State and local bond issues.

I am particularly pleased that the form of the bill setting forth grants directed to specified programs is much in accord with the legislation I introduced with 13 Members of the New York delegation in May of this year, the General Grant Revenue Return Act. Our bill also provided for grants within specific areas which both local governments and the National Government consider to be "high priority activities: public safety, environmental protection, public transportation, youth recreation programs, health financial administration, and related capital programs."

Some will argue that the Mills bill imitates the Nixon revenue-sharing program. On the contrary I maintain that this bill reflects the sound judgment of the Ways and Means Committee and its distinguished chairman, arrived after weeks of testimony and careful consideration of the various plans generally referred to as revenue sharing, revenue shifting, tax credits, and so forth.

The Intergovernmental Fiscal Coordination Act avoids the unworkable and badly contrived mechanisms of the Nixon revenue-sharing bill. For example, the Nixon plan would discharge money in so many different directions that its impact would not be measurable. Miniscule provisions for scores of small and unrelated programs would have little impact on solving the pressing problems of the cities; taxpayers would have the right to feel that their dollars were being utilized in a frivolous way.

Most importantly, the Mills bill aims and direct funds to specific areas according to need—as did my own bill. In addition to the distribution of money on a per capita basis, the bill provides for a need formula which takes into account the number of low-income families. This stress formula follows the important principle of "distributive justice," that is, to gather from all according to their means and distribute to each in accordance with his needs.

The final title of the Mills bill provides for a system of Federal collection of State individual income taxes. There are many redundancies in tax collections now since almost all jurisdictions throughout the country are imposing identical or similar taxes—income, sales, estates, and so forth. There is no reason why we could not cut down the paper work and excessive bureaucracy brought upon the Government and the individual taxpayer. This multiplication of tax collection systems may be about to destroy our principal tax resource—the taxpayer himself—since he must financially support the inefficiencies of our present tax collection system. I am pleased that this sorely needed coordination of the collection of Federal, State, and local income taxes was also included in the General Revenue Return Act. Section 6 of that bill provided for the creation of a Federal-State-Local Income Tax Commission.

Mr. Speaker, I would like to commend Chairman Mills for his sound judgment in drafting such an ingenious and workable piece of legislation. I strongly urge my colleagues to give this bill the careful consideration and support which it deserves.

MAURICE J. O'ROURKE

(Mr. RYAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RYAN. Mr. Speaker, yesterday I brought to the attention of the House the fact that Maurice J. O'Rourke, a devoted public official and longtime friend, died of a heart attack on November 27.

As president of the New York City Board of Elections, Marcy O'Rourke opened the political process to many who had previously been denied a full share in American life. His dedication to making our electoral system work was unwavering. And as a result of his leadership, we have moved closer to the dream of America that we all share.

The mark Marcy O'Rourke has had on the political process was the subject of an editorial published in this morning's New York Times. I commend it to the attention of my colleagues:

[From the New York Times, Nov. 30, 1971]

A MEMORIAL FOR MR. O'ROURKE

Affable, ebullient, energetic, Maurice J. O'Rourke was more than merely president of the New York City Board of Elections; for many years he *was* the board, working full-time at what some considered a part-time job. He could be found from early dawn to late at night during every election period, trying personally to make certain that the local machinery of democracy functioned fairly and smoothly.

Yet no one knew better than he—or expressed the view more forcefully—that the Board of Elections itself stands as a political anachronism desperately in need of overhaul. Since the turn of the century, when Manhattan and Brooklyn dominated the new five-borough city, the Board of Elections has been composed of four members, one from each of the major political parties and one from each of these two boroughs. A recent court decision has held that the board as now composed unconstitutionally discriminates against the voters in the city's three other boroughs.

It remains our view, as it was Mr. O'Rourke's, that simply to expand the board's membership without making other fundamental changes would only make bad matters worse. It would increase the opportunity for political patronage which already undermines the board's effectiveness.

Only Mr. O'Rourke's fierce dedication to the integrity of the electoral process enabled the board to function as well as it has in recent years when, by Federal law and Constitutional Amendment, the number of eligible voters has been vastly expanded. Both a capital "D" Democrat and a small "d" democrat, Mr. O'Rourke could have no more fitting memorial than legislative approval of the electoral reforms he so stoutly advocated during many years of service to his fellow citizens.

WILLARD EDWARDS' 50TH ANNIVERSARY

(Mr. CRANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CRANE. Mr. Speaker, Members of Congress have been fortunate through the years to have the wisdom and guidance of many fine newspaper reporters at their fingertips through the various newspapers delivered daily on Capitol Hill and through the many reprints of newspaper articles included in the CONGRESSIONAL RECORD.

One such reporter, whose byline is almost as familiar in the RECORD as it is in the Chicago Tribune, is Willard Edwards, the very distinguished columnist whose comments appear regularly on the editorial pages of the Chicago Tribune.

Today is Mr. Edwards' 50th anniversary as a reporter and I am sure my colleagues join me in extending congratulations to him on this occasion, as well as best wishes for many years to come.

We should be grateful for his many wise comments in the past and I hope we will continue to reap the benefits of his experience and talents.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DAVIS of South Carolina, for today (at the request of Mr. BOGGS), on account of official business.

Mr. ROYBAL (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. GUBSER (at the request of Mr. GERALD R. FORD), on account of death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GIBBONS, for 1 hour, on December 8, 1971, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. MCKINNEY) to revise and extend their remarks and include extraneous material:)

Mr. MILLER of Ohio, for 5 minutes, today.

Mr. BLACKBURN, for 5 minutes, today.

Mr. CRANE, for 30 minutes, December 1, 1971.

(The following Members (at the request of Mr. MONTGOMERY) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 10 minutes, today.

Mrs. GRASSO, for 10 minutes, today.

Mr. FULTON of Tennessee, for 10 minutes, today.

Mr. BURKE of Massachusetts, for 15 minutes, today.

Mr. ASPIN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MADDEN and to include a speech.

Mr. FUQUA and to include extraneous matter.

Mr. MITCHELL and to include extraneous matter.

Mr. GROSS.

(The following Members (at the request of Mr. MCKINNEY) and to include extraneous matter:)

Mr. MINSHALL in two instances.

Mr. SCHWENGEL in three instances.

Mr. STEIGER of Wisconsin.

Mr. SPRINGER in three instances.

Mr. ANDERSON of Illinois in four instances.

Mr. WYMAN in two instances.

Mr. MCDONALD of Michigan.

Mr. HOSMER in two instances.

Mr. DERWINSKI.

Mr. SCHERLE.

Mr. KEMP in two instances.

Mr. ZWACH.

Mr. STEELE in 10 instances.

Mr. STEIGER of Arizona.

Mr. VANDER JAGT in two instances.

Mr. MCKINNEY.

Mr. BRAY in two instances.

Mr. TERRY.

Mr. REID of New York.

Mr. VEYSEY.

Mr. ASHBROOK in two instances.

Mr. ARCHER.

Mr. LUJAN.

Mr. BOB WILSON.

(The following Members (at the request of Mr. MONTGOMERY) and to include extraneous matter:)

Mr. RARICK in three instances.

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Mr. KYROS in four instances.
Mr. MITCHELL.
Mr. DINGELL in two instances.
Mr. GONZALEZ in three instances.
Mr. ROGERS in three instances.
Mr. KLUCZYNSKI in three instances.
Mr. FOUNTAIN in three instances.
Mr. HAGAN in three instances.
Mr. SCHEUER in four instances.
Mr. BEGICH in five instances.
Mr. BINGHAM in two instances.
Mrs. SULLIVAN in two instances.
Mr. FLOOD in two instances.
Mr. CASEY of Texas in two instances.
Mr. BIAGGI in five instances.
Mr. HARRINGTON.
Mr. DANIEL of Virginia in two instances.
Mr. PRYOR of Arkansas.
Mr. JAMES V. STANTON in two instances.
Mr. KOCH in three instances.
Mr. ROYBAL in four instances.
Mr. PATTEN.
Mr. WILLIAM D. FORD.
Mr. WALDIE in six instances.
Mr. YATES in two instances.
Mr. NICHOLS in two instances.
Mr. MURPHY of New York.
Mr. MOORHEAD in five instances.
Mr. RYAN in three instances.
Mr. REUSS in six instances.
Mr. YOUNG of Texas.

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 41 minutes p.m.) the House adjourned until tomorrow, Wednesday, December 1, 1971, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1323. A letter from the Secretary of Commerce, transmiting the 97th quarterly report on export control, covering the third quarter of 1971, pursuant to the Export Administration Act of 1969; to the Committee on Banking and Currency.

1324. A letter from the Acting Secretary of the Interior, transmitting a copy of a proposed grant agreemnt with Montana College of Mineral Science and Technology Foundation, Butte, Mont., for a survey of underground mine heat sources and control methods, pursuant to Public Law 89–672; to the Committee on Interior and Insular Affairs.

1325. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend title 18 of the United States Code to provide for an appeal from certain orders by a defendant who has pleaded guilty, and for other purposes; to the Committee on the Judiciary.

1326. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend chapter 313 of title 18 of the United States Code; to the Committee on the Judiciary.

1327. A letter from the Secretary of Health, Education, and Welfare, transmitting a report of grants approved by his office during the quarter ended September 30, 1971, which are financed wholly with Federal funds and subject to the reporting requirements of section 1130(b) of the Social Security Act; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPINALL: Committee of Conference. Conference report on S. 29. (Rept. No. 92–685). Ordered to be printed.

Mr. SISK: Committee on Rules. House Resolution 717. Resolution waiving points of order against consideration of H.R. 11932. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1972, and for other purposes (Rept. No. 92–686). Referred to the House Calendar.

Mr. BLATNIK: Committee on Public Works. H.R. 9886. A bill to amend the act of July 24, 1956, to authorize the Secretary of the Army to contract with the city of Arlington, Tex., for the use of water supply storage in the Benbrook Reservoir (Rept. No. 92–687). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 9756. A bill to amend the Merchant Marine Act, 1936, as amended; with amendments (Rept. No. 92–688). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations: H.R. 11955. A bill making supplemental appropriations for the fiscal year ending June 30, 1972, and for other purposes. (Rept. No. 92–689). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works S. 1237. An act to provide financial assistance for the reconstruction or repair of private nonprofit medical care facilities which are damaged or destroyed by a major disaster; with an amendment (Rept. No. 92–690). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. S. 2887. A bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes; with an amendment (Rept. No. 92–691). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. House Joint Resolution 893. Joint resolution to amend the Disaster Relief Act of 1970 to authorize disaster loans with respect to certain losses, arising as the result of recent natural disasters, and for other purposes; with an amendment (Rept. 92–692). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL (for himself, Mr. SAYLOR, Mr. TAYLOR, Mr. SKUBITZ, Mr. RYAN, Mr. RUPPE, Mr. MELCHER, Mr. RONCALIO, Mr. BEGICH, Mr. ABOUREZK, and Mr. MILLS of Maryland):

H.R. 11946. A bill to provide for increases in appropriation ceilings and boundary changes in certain units of the national park system, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CLARK:

H.R. 11947. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. FRASER:

H.R. 11948. A bill to amend the joint resolution authorizing appropriations for participation by the United States in the Hague Conference on Private International Law and the International (Rome) Institute for the Unification of Private Law; to the Committee on Foreign Affairs.

By Mr. GONZALEZ:

H.R. 11949. A bill to establish the National Commission for the Preservation of Foreign Language Resources; to the Committee on Education and Labor.

By Mr. MILLS of Arkansas (for himself, Mr. ULLMAN, Mr. BURKE of Massachusetts, Mr. ROSTENKOWSKI, Mr. VANIK, Mr. FULTON of Tennessee, Mr. CORMAN, Mr. GREEN of Pennsylvania, Mr. CAREY of New York, and Mr. KARTH):

H.R. 11950. A bill to provide for Federal collection of State individual income taxes, to provide funds to localities for Federal high-priority purposes, and to provide funds to States to encourage more efficient use of revenue sources; to the Committee on Ways and Means.

By Mr. LATTA:

H.R. 11951. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. RUPPE:

H.R. 11952. A bill to amend chapter 55 of title 10, United States Code, to provide maternity benefits for certain former members of the Armed Forces and certain dependents; to the Committee on Armed Services.

By Mrs. SULLIVAN:

H.R. 11953. A bill to protect the public health by providing authority to regulate or prohibit the transportation, sale, or other distribution in interstate commerce of live creatures intended to be offered as household pets, if determined to be infected with serious disease injurious to human beings; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas (by request) (for himself, Mr. TEAGUE of California, Mr. HELSTOSKI, and Mr. SCOTT):

H.R. 11954. A bill to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MAHON:

H.R. 11955. A bill making supplemental appropriations for the fiscal year ending June 30, 1972, and for other purposes.

By Mr. BENNETT (for himself, Mr. WRIGHT, and Mr. WILLIAMS):

H.R. 11956. A bill to provide Federal grants to assist elementary and secondary schools to carry on programs to teach moral and ethical principles; to the Committee on Education and Labor.

By Mr. BLACKBURN (for himself, Mr. STEPHENS, Mr. THOMPSON of Georgia, Mr. DONOHUE, Mr. THONE, Mr. WARE, Mr. GARMATZ, Mr. FOUNTAIN, Mr. VEYSEY, Mr. HAWKINS, Mr. BIAGGI, Mr. WHITEHURST, Mr. DENHOLM, Mr. MAYNE, Mr. PODELL, Mr. FRET, Mr. BUCHANAN, Mr. HOGAN, Mr. ROBINSON of Virginia, Mr. BURKE of Florida, Mr. GUDE, Mr. ROONEY of Pennsylvania, Mr. MCDONALD of Michigan, Mr. PICKLE, and Mr. LENT):

H.R. 11957. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. FAUNTROY:

H.R. 11958. A bill to amend title 10 of the United States Code to establish procedures providing members of the Armed Forces redress of grievances arising from acts of brutality or other cruelties, and acts which abridge or deny rights guaranteed to them by the Constitution of the United States, suffered by them while serving in the Armed Forces, and for other purposes; to the Committee on Armed Services.

H.R. 11959. A bill to provide certain new transportation services to elderly persons, to authorize studies and demonstration projects for the improvement of transportation services to the elderly, and for other purposes; to the Committee on Banking and Currency.

H.R. 11960. A bill to provide financial assistance for the construction and operation of senior citizens' community centers, and for other purposes; to the Committee on Education and Labor.

H.R. 11961. A bill to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal programs, nutrition training and education programs, opportunity for social contacts, and for other purposes; to the Committee on Education and Labor.

H.R. 11962. A bill to amend title III of the Public Health Service Act to authorize grants for projects to develop or demonstrate programs designed to rehabilitate elderly patients of long-term-health-care facilities or to assist such patients in attaining self-care; to the Committee on Interstate and Foreign Commerce.

By Mr. HALPERN:

H.R. 11963. A bill to amend the Controlled Substances Act to move amphetamines and certain other stimulant substances from schedule III of such act to schedule II; to the Committee on Interstate and Foreign Commerce.

H.R. 11964. A bill to require community mental health centers and hospitals and other medical facilities of the Public Health Service to provide needed treatment and rehabilitation programs for drug addicts and other persons with drug abuse and other drug dependence problems, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 11965. A bill to establish a Special Action Office for Drug Abuse Prevention to concentrate the resources of the Nation in a crusade against drug abuse; to the Committee on Interstate and Foreign Commerce.

By Mrs. HICKS of Massachusetts:

H.R. 11966. A bill to amend the Social Security Act to provide full Federal reimbursement to the States for any costs incurred in providing public assistance (including both assistance under the categorical Federal-State programs and assistance under State general assistance programs) to individuals and families with less than 1 year's State residence; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. CONYERS, Mr. CÓRDOVA, Mr. FAUNTROY, Mrs. GRASSO, Mr. HICKS of Washington, Mrs. HICKS of Massachusetts, Mr. LINK, Mr. MOORHEAD, Mr. RANGEL, Mr. REES, Mr. SARBANES, Mr. SCHEUER, Mr. STOKES, and Mr. WALDIE):

H.R. 11967. A bill to establish a transportation trust fund, to encourage urban mass transportation, and for other purposes; to the Committee on Ways and Means.

By Mr. KUYKENDALL (for himself, Mr. BLANTON, and Mr. JONES of Tennessee):

H.R. 11968. A bill to name the bridge being constructed across the Mississippi River linking the States of Tennessee and Arkansas in honor of Hernando DeSoto; to the Committee on Public Works.

By Mr. PRYOR of Arkansas:

H.R. 11969. A bill to provide for a highway bridge across the Norfork Reservoir in Arkansas; to the Committee on Public Works.

By Mr. ROE:

H.R. 11970. A bill to amend the Flood Insurance of 1968 to expand flood insurance coverage; provide broader flood disaster relief; authorize the acquisition of certain properties; reduce interest rates on SBA disaster loans; provide public information program on flood insurance; and extend Federal-State cooperation on flood control, forecasting, and damage prevention; to the Committee on Banking and Currency.

By Mr. SATTERFIELD (for himself and Mr. TEAGUE of Texas):

H.R. 11971. A bill to amend title 38, United States Code, relating to veterans' benefits, to provide for the screening, counseling, and medical treatment of sickle cell anemia; to the Committee on Veterans' Affairs.

By Mr. STAGGERS:

H.R. 11972. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. WALDIE:

H.R. 11973. A bill to provide for orderly trade in iron and steel products; to the Committee on Ways and Means.

By Mr. CHAMBERLAIN:

H.J. Res. 983. Joint resolution proposing an amendment to the Constitution of the United States relating to the assignment and transportation of pupils to public schools; to the Committee on the Judiciary.

By Mr. FRASER:

H.J. Res. 984. Joint resolution to amend the joint resolution providing for U.S. participation in the International Bureau for the Protection of Industrial Property; to the Committee on Foreign Affairs.

By Mr. FRELINGHUYSEN:

H.J. Res. 985. Joint resolution authorizing the President to proclaim the third week of June as "National Drum and Bugle Corps Week"; to the Committee on the Judiciary.

By Mrs. HICKS of Massachusetts:

H.J. Res. 986. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as "Veterans Day"; to the Committee on the Judiciary.

By Mr. HOWARD:

H.J. Res. 987. Joint resolution to authorize the President to proclaim the last Friday of April of each year "National Arbor Day"; to the Committee on the Judiciary.

By Mr. STRATTON:

H.J. Res. 988. Joint resolution authorizing the President to designate the 29th day of May of each year as "John Fitzgerald Kennedy Memorial Day"; to the Committee on the Judiciary.

By Mr. MITCHELL (for himself, Mrs. ABZUG, Mr. BURTON, Mrs. CHISHOLM, Mr. CLAY, Mr. DIGGS, Mr. EDWARDS of California, Mr. HAWKINS, Mr. HELSTOSKI, Mr. ST GERMAIN, Mr. RYAN, and Mr. RANGEL):

H. Res. 718. Resolution: Health Bill of Rights; to the Committee on Interstate and Foreign Commerce.

SENATE—*Tuesday, November 30, 1971*

(Legislative day of Monday, November 29, 1971)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty and eternal Father, with quiet heart and waiting spirit we pause and lift our minds to Thy holiness and perfection. Move us to a deeper commitment to Thee. Empty us of all that is ugly, or mean, or false. May we yield ourselves more fully to Thee—our thoughts, our words, our wills. Teach us the daily lesson that we may serve Thee as truly here as at the altar or in the pulpit of Thy house. Keep ever before us the vision of a better Nation and a better world and what we may do to bring it to pass. Anoint us and all the people of this Nation with a new awareness of Thy grace and love and power—

To serve the present age,
Our calling to fulfill
O may it all our powers engage
To do the Master's will.

Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, November 29, 1971, be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEATH OF HON. MANUEL TELLO, FORMER MEXICAN AMBASSADOR TO THE UNITED STATES

Mr. MANSFIELD. Mr. President, it is with sadness that I call the attention of the Senate to the death of Manuel Tello, who served with distinction and integrity as the Ambassador from the United Mexican States to this country

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and who also served his country well as its Foreign Minister after leaving the ambassadorship in Washington.

In late years, Manuel Tello was a Senator from the State of Zacatecas and as such he was a prominent member of Mexican-United States interparliamentary gatherings held over the past several years. His advice was both valued and noteworthy. His integrity was outstanding. He was a man who believed in Mexico first, last, and all the time, but he also had a deep understanding of his country's relations with others—especially with our own country. We will all miss Don Manuel.

I ask unanimous consent that an article published in yesterday's Washington Post, detailing the life and public service of Manuel Tello be printed in the RECORD. Before the Chair rules, I wish to take this means to extend to his wife, Guadalupe, and her children the deepest regret and sorrow of Mrs. Mansfield and myself and, I am sure, of the whole Senate who join me in this feeling of condolence.

May his soul rest in peace.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MANUEL TELLO DIES, EX-MEXICAN ENVOY

(By Paul Hodge)

Manuel Tello, former Mexican ambassador to the United States and Mexico's foreign minister from 1958 until he won a seat in his country's senate in 1964, died Saturday at his home in central Mexico. He was 73.

Considered one of Mexico's most distinguished diplomats, Mr. Tello is perhaps best remembered for his lone defense of Cuba before the Organization of American States in 1960, following Fidel Castro's coming to power. Mexico was the only country in the OAS to refuse to break relations with Cuba at the time.

Then foreign minister, Mr. Tello argued that "a revolution necessarily implies transistory disturbances and a profound transformation" and said it was up to the "Cuban people to design their own destiny."

Also during his term as foreign minister he was credited with formulating the initial agreement between the United States and Mexico for the return of the Chamizal strip along the Texas-Mexican border.

Considered one of the most complex peaceful boundary settlements in history, the 1967 agreement called for the return to Mexico of 630 acres of El Paso in return for 193 acres of Ciudad Juarez—a net loss of 437 acres to the United States—in order to compensate for the meandering course of the Rio Grande River over the past 100 years.

A native of the central Mexican mining state of Zacatecas, which he represented in the Mexican senate until retiring from public life last fall, Mr. Tello graduated from the Free School of Law in Mexico City and began his diplomatic career in 1924 as Mexican vice consul in Brownsville, Tex.

During his 40 years in the foreign service he served in consulates in Holland, Germany and Japan and was first secretary of the Mexican delegation to the League of Nations between 1934 and 1940. He represented his country in the International Trade Organization for many years and was acting secretary of state for two years before becoming ambassador here in 1952.

He left Washington in 1958 when newly inaugurated Mexican President Adolfo Lopez Mateos appointed him foreign minister.

During his six years here as ambassador, his five children attended American schools, with one son, Carlos, now an officer in the Mexican treasury department, receiving both his bachelor's and master's degrees from Georgetown University.

Besides his children, Mr. Tello is survived by his wife, Guadalupe.

ORDER OF BUSINESS

Mr. SCOTT. Mr. President, I yield back my time.

NUTRITION PROGRAM FOR THE ELDERLY UNDER THE OLDER AMERICANS ACT OF 1965, AS AMENDED

The PRESIDENT pro tempore. Under the previous order, the Chair now lays before the Senate S. 1163, which the clerk will report.

The legislative clerk read as follows:

A bill, S. 1163, to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal programs, nutrition training and education programs, opportunity for social contacts, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment, to strike out all after the enacting clause and insert:

SECTION 1. Title VII of the Older Americans Act of 1965 is redesignated as title VIII and sections 701 through 705 of that Act are respectively redesignated as sections 801 through 805.

SEC. 2. The Older Americans Act of 1965 is amended by inserting the following new title immediately after title VI thereof:

"TITLE VII—NUTRITION PROGRAM FOR THE ELDERLY

"FINDINGS AND PURPOSE

"SEC. 701. (a) The Congress finds that the research and development nutrition projects for the elderly conducted under title IV of the Older Americans Act have demonstrated the effectiveness of, and the need for, permanent nationwide projects to assist in meeting the nutritional and social needs of millions of persons aged sixty or older. Many elderly persons do not eat adequately because (1) they cannot afford to do so; (2) they lack the skills to select and prepare nourishing and well-balanced meals; (3) they have limited mobility which may impair their capacity to shop and cook for themselves; and (4) they have feelings of rejection and loneliness which obliterate the incentive necessary to prepare and eat a meal alone. These and other physiological, psychological, social, and economic changes that occur with aging result in a pattern of living, which causes malnutrition and further physical and mental deterioration.

"(b) In addition to the food stamp program, commodity distribution systems and old-age income benefits, there is an acute need for a national policy which provides older Americans, particularly those with low incomes and members of minority, Indian, and limited English-speaking groups, with low cost, nutritionally sound meals served in strategically located centers such as community centers, senior citizen centers, schools, and other public or private nonprofit institutions where they can obtain other social and rehabilitative services. Besides promoting better health among the older segment of our population through improved nutrition, such a program would reduce the isolation of old age, offering older Americans an opportunity to live their remaining years in dignity.

"ADMINISTRATION

"SEC. 702. (a) In order to effectively carry out the purposes of this title, the Secretary shall—

"(1) administer the program through the Administration on Aging; and

"(2) consult with the Secretary of Agriculture and make full utilization of the Food and Nutrition Service, and other existing services of the Department of Agriculture.

"(b) In carrying out the provisions of this title, the Secretary is authorized to request the technical assistance and cooperation of the Department of Labor, the Office of Economic Opportunity, the Department of Housing and Urban Development, the Department of Transportation, and such other departments and agencies of the Federal Government as may be appropriate.

"(c) The Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, personnel, and facilities.

"(d) In carrying out the purposes of this title, the Secretary is authorized to provide consultative services and technical assistance to any public or private nonprofit institution or organization, agency, or political subdivision of a State; to provide short-term training and technical instruction; and to collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this title.

"ALLOTMENT OF FUNDS

"SEC. 703. (a)(1) From the sums appropriated for any fiscal year under section 708, each State shall be allotted an amount which bears the same ratio to such sum as the population aged 60 or over in such State bears to the population aged 60 or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made. For the purpose of the exception contained in this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) The number of persons aged 60 or over in any State and for all States shall be determined by the Secretary on the basis of the most satisfactory data available to him.

"(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Such reallotments shall be made on the basis of the State plan so approved, after taking into consideration the population aged sixty or over. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

"(c) The allotment of any State under subsection (a) for any fiscal year shall be available for grants to pay up to 90 per centum of the costs of projects in such State described in section 705 and approved by such State in accordance with its State plan approved under section 705, but only to the extent that such costs are both reasonable and necessary for the conduct of such projects, as determined by the Secretary in accordance with criteria prescribed by him in regulations. Such allotment to any State in any fiscal year shall be made upon the condition that the Federal allotment will be matched during each fiscal year by 10 per centum, or more, as the case may be, from funds or in kind resources from non-Federal sources.

"(d) If the Secretary finds that any State has failed to qualify under the State plan requirements of section 705, the Secretary shall withhold the allotment of funds to such State referred to in subsection (a). The Secretary shall disburse the funds so withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of such State submitting an approved plan in accordance with the provisions of section 705, including the requirement that any such payment or payments shall be matched in the proportion specified in subsection (c) for such State, by funds or in kind resources from non-Federal sources.

"(e) The State agency may, upon the request of one or more recipients of a grant or contract, purchase agricultural commodities and other foods to be provided to such nutrition projects assisted under this part. The Secretary may require reports from State agencies, in such form and detail as he may prescribe, concerning requests by recipients of grants or contracts for the purchase of such agricultural commodities and other foods, and action taken thereon.

"PAYMENT OF GRANTS

"SEC. 704. Payments pursuant to grants or contracts under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

"STATE PLANS

"SEC. 705. (a) Any State which desires to receive allotments under this title shall submit to the Secretary for approval a State plan for purposes of this title which, in the case of a State agency designated pursuant to section 303 of this Act, shall be in the form of an amendment to the State plan provided in section 303. Such plan shall—

"(1) establish or designate a single State agency as the sole agency for administering or supervising the administration of the plan and coordinating operations under the plan with other agencies providing services to the elderly, which agency shall be the agency designated pursuant to section 303(a)(1) of this Act, unless the Governor of such State shall, with the approval of the Secretary, designate another agency;

"(2) sets forth such policies and procedures as will provide satisfactory assurance that allotments paid to the State under the provisions of this title will be expended—

"(A) to make grants in cash or in kind to any public or private nonprofit institution or organization, agency, or political subdivision of a State (referred to herein as 'recipient of a grant or contract')—

"(i) to carry out the program as described in section 706.

"(ii) to provide up to 90 per centum of the costs of the purchase and preparation of the food; delivery of the meals; and such other reasonable expenses as may be incurred in providing nutrition services to persons aged sixty or over. Recipients of grants or contracts may charge participating individuals for meals furnished but such charge shall not exceed a per meal limit to be established by each State agency, taking into consideration the income ranges of eligible individuals in local communities and other sources of income of the recipients of a grant or a contract.

"(iii) to provide up to 90 per centum of the costs of such supporting services as may be necessary in each instance, such as the costs of related social services and, where appropriate, the costs of transportation between the project site and the residences of eligible individuals who could not participate in the project in the absence of such transportation, to the extent such costs are not met through other Federal, State, or local programs.

"(B) to provide for the proper and efficient administration of the State plan at the least possible administrative cost, not to exceed an amount equal to 10 per centum of the amount allotted to the State unless a greater amount in any fiscal year is approved by the Secretary. In administering the State plan, the State agency shall—

"(1) make reports, in such form and containing such information, as the Secretary may require to carry out his functions under this title, including reports of participation by the groups specified in subsection (4) of this section; and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this title, and

"(ii) provide satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this title to the State, including any such funds paid by the State to the recipient of a grant or contract.

"(3) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are necessary for the proper and efficient operation of the plan.

"(4) provide that preference shall be given in awarding grants to carry out the purposes of this title to projects serving primarily low-income individuals and provide assurances that, to the extent feasible, grants will be awarded to projects operated by and serving the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State.

"(b) The Secretary shall approve any State plan which he determines meets the requirements and purposes of this section.

"(c) Whenever the Secretary, subject to reasonable notice and opportunity for hearing to such State agency, finds (1) that the State plan has been so changed that it no longer complies with the provisions of this title, or (2) that in the administration of the plan there is a failure to comply substantially with any such provisions or with any requirements set forth in the application of a recipient of a grant or contract approved pursuant to such plan, the Secretary shall notify such State agency that further payments will not be made to the State under the provisions of this title (or in his discretion, that further payments to the State will be limited to programs or projects under the State plan, or portions thereof, not affected by the failure, or that the State agency shall not make further payments under this part to specified local agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, the Secretary shall make no further payments to the State under this title, or shall limit payments to recipients of grants or contracts under, or parts of, the State plan not affected by the failure or payments to the State agency under this part shall be limited to recipients of grants or contracts not affected by the failure, as the case may be.

"(d)(1) If any State is dissatisfied with the Secretary's final action with respect to the approval of its State plan submitted under subsection (a), or with respect to termination of payments in whole or in part under subsection (c), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the Court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"NUTRITION AND OTHER PROGRAM REQUIREMENTS

"SEC. 706. (a) Funds allotted to any State during any fiscal year pursuant to section 703 shall be disbursed by the State agency to recipients of grants or contracts who agree—

"(1) to establish a project (referred to herein as a 'nutrition project') which, five or more days per week, provides at least one hot meal per day and any additional meals, hot or cold, which the recipient of a grant or contract may elect to provide, each of which assures a minimum of one-third of the daily recommended dietary allowances as established by the Food and Nutrition Board of the National Academy of Sciences-National Research Council;

"(2) to provide such nutrition project for individuals aged sixty or over and their spouses (referred to herein as 'eligible individuals');

"(3) to furnish a site for such nutrition project in as close proximity to the majority of eligible individuals' residences as feasible, and, preferably within walking distance where possible and, where appropriate, to furnish home-delivered meals to eligible individuals who are home-bound;

"(4) to utilize methods of administration, including outreach, which will assure that the maximum number of eligible individuals may have an opportunity to participate in such nutrition project;

"(5) to provide special menus, where feasible and appropriate, to meet the particular dietary needs arising from the health requirements, religious requirements or ethnic backgrounds of eligible individuals;

"(6) to provide a setting conducive to expanding the nutrition project to include recreational activities, informational, health

and welfare counseling and referral services, where such services are not otherwise available.

"(7) to include such training as may be necessary to enable the personnel to carry out the provisions of this title;

"(8) to establish and administer the nutrition project with the advice of persons competent in the field of service in which the nutrition program is being provided, and of persons who are knowledgeable with regard to the needs of elderly persons;

"(9) to provide an opportunity to evaluate the effectiveness, feasibility, and cost of each particular type of such project;

(10) to give preference to persons aged sixty or over for any staff positions, full- or part-time, for which such persons qualify; and

"(11) to comply with such other standards as the Secretary may by regulation prescribe in order to assure the high quality of the nutrition project and its general effectiveness in attaining the objectives of this title.

"(b) The Secretary and the Comptroller General of the United States or any of their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to a grant or contract received under this title.

"SURPLUS COMMODITIES

"SEC. 707. (a) Each recipient of a grant or contract shall, insofar as practicable, utilize in its nutrition project commodities designated from time to time by the Secretary of Agriculture as being in abundance, either nationally or in the local area, or commodities donated by the Secretary of Agriculture. Commodities purchased under the authority of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary of Agriculture to the recipient of a grant or contract, in accordance with the needs as determined by the recipient of a grant or contract, for utilization in the nutritional program under this title. The Secretary of Agriculture is authorized to prescribe terms and conditions respecting the use of commodities donated under section 32, as will maximize the nutritional and financial contributions of such donated commodities in such public or private nonprofit institutions or organizations, agencies, or political subdivisions of a State.

"(b) The Secretary of Agriculture may utilize the projects authorized under this title in carrying out the provisions of clause (2) of section 32 of the Act approved August 24, 1935, as amended (49 Stat. 774, 7 U.S.C. 612c).

"APPROPRIATIONS AUTHORIZED

"SEC. 708. For the purpose of carrying out the provisions of this title there are hereby authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1973, and $150,000,000 for the fiscal year ending June 30, 1974. In addition, there are hereby authorized to be appropriated for such fiscal years, as part of the appropriations for salaries and expenses for the Administration on Aging, such sums as Congress may determine to be necessary to carry out the provisions of this title. Sums appropriated pursuant to this section which are not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure during such succeeding fiscal year.

"RELATIONSHIP TO OTHER LAWS

"SEC. 709. No part of the cost of any project under this title may be treated as income or benefits to any eligible individual for the purpose of any other program or provision of State or Federal law.

"MISCELLANEOUS

"SEC. 710. None of the provisions of this title shall be construed to prevent a recipient of a grant or a contract from entering into an agreement, subject to the approval of the State agency, with a profitmaking organization to carry out the provisions of this title and of the appropriate State plan."

Mr. EAGLETON. Mr. President, I move that the committee substitute amendment be agreed to and that the bill as thus amended be considered as original text for purposes of further amendment.

Mr. GRIFFIN. Mr. President, has this request been cleared with the ranking minority member of the committee?

Mr. EAGLETON. It has, yes, and also with the minority leader.

Mr. GRIFFIN. I thank the Senator.

The PRESIDENT pro tempore. Is the Chair informed that an amendment will be proposed?

Mr. EAGLETON. No, Mr. President, it is my understanding that no amendment will be offered.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Missouri.

The motion was agreed to.

Mr. EAGLETON. Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE BILL

This legislation amends the Older Americans Act of 1965 by creating a new title to authorize grants to the states for the purpose of paying up to ninety percent of the cost of establishing and operating nutrition projects to provide low cost, nutritionally sound meals to individuals sixty years of age or older and their spouses ("eligible individuals").

The bill authorizes $100 million in fiscal year 1973 and $150 million in fiscal year 1974 for grants to states submitting an acceptable State plan and provides for administration of the program by the Secretary of Health, Education, and Welfare through the Administration on Aging. Funds so appropriated are allotted to the States on the basis of each State's proportionate share of the Nation's population aged sixty and older, except that each State (defined to include Puerto Rico and the District of Columbia) shall receive at least one-half of one percent of the sums appropriated and Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific shall receive at least one-fourth of one percent of the sums appropriated.

Participating States must designate a single State agency having responsibility for administering the nutrition program within the State and for coordinating the program with other agencies providing services to the elderly. The State agency shall be the agency primarily responsible for administering other provisions of the Older Americans Act unless the Governor, with the approval of the Secretary, designates some other agency. States may utilize up to ten percent of their allotment for administrative costs, which amount is subject to the matching requirements of the bill.

Funds allotted to States are to be dispersed, by grant or contract, to public or private nonprofit institutions, organizations, agencies, or political subdivisions of the State which agree to establish a nutrition project. In making grants or awarding contracts, States must give preference to projects serving primarily low income individuals and the State plan must assure that, to the extent feasible, grants will be awarded to projects operated by and serving the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State. Recipients of a grant or contract must agree to—

Establish a nutrition project with the advice of persons competent in the fields of nutrition and services to the elderly. Each such project must provide at least one hot meal per day, five or more days per week, and each meal must assure a minimum of one-third of the daily recommended dietary allowances as established by the Food and Nutrition Board of the National Academy of Sciences, National Research Council.

Furnish a site for the nutrition project to be located, where feasible, in areas having a concentration of eligible individuals and preferably within walking distance.

Where appropriate, provide home-delivered meals to eligible individuals who are homebound and supply transportation between the project site and the residences of eligible individuals who would otherwise be unable to participate.

Provide participants with supportive services such as recreational activities, health and welfare counselling, and informational and referral services, where they are not otherwise available.

Utilize methods of outreach that will insaure the maximum number of eligible individuals will have an opportunity to participate.

Provide special menus, where feasible and appropriate, to meet particular dietary needs arising from the health requirements, religious requirements, or ethnic backgrounds of eligible individuals.

Comply with such other standards as the Secretary may prescribe and make available to the Secretary and the Comptroller General or their representatives all books, records, etc., for audit and examination.

Nutrition projects operated under this title are eligible to receive surplus commodities donated by the Secretary of Agriculture and shall use such commodities in the nutrition program insofar as practicable. At the request of one or more nutrition projects, the State agency may purchase and distribute agricultural commodities and other foods, in lieu of money, to such projects in order to achieve economies through large volume purchases. Projects are also authorized to contract with profit making organizations, subject to the approval of the state agency, to purchase meals or other services.

Mr. EAGLETON. Mr. President, it is ironic in a day when obesity is a major health problem, when the newest food diet is a prime topic of conversation, that we should be here talking about hunger and malnutrition. Yet even in America—envied by the world for its wealth, productive agricultural resources, and sophisticated food distribution system—the 1969 White House Conference on Food, Nutrition, and Health found that:

Hunger and poverty exist on a disgraceful scale in the United States. The Nation's conscience will no longer stand for the toleration of these conditions. Funds must be provided to get food to needy people on an emergency basis. The President and the Congress must supply the leadership in closing the hunger gap.

The bill before the Senate today represents an effort to meet our responsibility with respect to a particular group—the aged. Hunger and malnutrition know no age limits. But the very young and the very old are especially susceptible.

We have programs designed to meet the nutritional needs of children—they are not enough—we must do more. But largely because of congressional pressures, a reluctant administration has been persuaded to withdraw proposed cutbacks in the school lunch program.

Now it is time to turn to the needs of our elderly citizens—again in the face of administration opposition.

The bill before us, S. 1163, would authorize grants to the States to pay up to 90 percent of the costs of establishing nutrition projects for those aged 60 and over and their spouses. Funds granted to the States would be awarded by them to political subdivisions or private nonprofit organizations, through grant or contract, for the establishment and operation of such projects within the State.

Nutrition projects may provide meals in a group setting at a site located near a concentration of elderly persons' residences—preferably within walking distance—and in addition, may deliver meals to those who are homebound. The bill is based upon the experience of the Administration on Aging, which has conducted some 32 research and demonstration nutrition projects for the aged over the last 3 years. The overwhelming success of these pilot projects has demonstrated the potential value of, and need for, a national program of this kind.

For the most part, the pilot projects concentrated on group meals at a single site. This emphasis reflects a recognition of the particular needs of the elderly. Low income is an important cause of inadequate diet among this group—from 25 to 30 percent have incomes below the poverty level—but added to this are problems of lack of physical mobility or transportation, making shopping difficult, and isolation from friends and family, resulting in loneliness and lack of incentive to prepare nourishing meals for themselves. By providing meals in a group setting, the pilot projects drew many participants out of their social isolation and, while furnishing them with nourishing meals, put them into contact with a host of other needed services such as health, counseling, welfare, social security advisers, and so forth.

For those who are unable to leave their homes, meals delivered to the home are often the key to remaining at home as a much preferable alternative to the cost and trauma of confinement to the institution.

In this connection, a recent national survey disclosed the existence of only 349 "Meals on Wheels" projects, operated mainly by private groups, serving only 10,000 to 12,000 older persons.

Mr. President, the appropriations authorized under this bill are not large in terms of the need—$100,000,000 in fiscal year 1973 and $150,000,000 in fiscal year 1974. But it is instructive to note that the Federal Government spent approximately $500 million on nursing home care under medicare in 1970 and about $1.3 billion on such care under medicaid. Total medicare outlays are approaching $8 billion a year. Geriatric authorities emphasize the important role of nutrition in maintaining good health for elderly persons, and in enabling them to retain a substantial degree of self-sufficiency. To the extent that the nutrition program authorized by S. 1163 will achieve those ends, it will represent substantial savings in one of the fastest growing elements of the Federal budget.

No funds were provided for the current fiscal year since the bill has yet to pass the House and it seems unlikely that a program could be begun in fiscal year 1972.

It is fitting, Mr. President, that this bill which is based upon the recommendations of the 1969 White House Conference on Food, Nutrition, and Health and the 1970 report of President Nixon's Task Force on Aging should come to the floor in the midst of the White House Conference on Aging. I would hope that in the next session of Congress, we will be able to respond affirmatively to the policies and recommendations developed by the current conference. As chairman of the Senate Subcommittee on Aging, I intend to do everything in my power to see that proposals emanating from the White House Conference on Aging are translated into legislation for consideration by the Congress.

Mr. President, I can think of no better endorsement of this bill than the words of one of the directors of the pilot project in Roxbury, Mass., Mrs. Ella Reason, who said:

This country is too rich to let its elderly starve to death. Yet this is what we are doing when we don't provide means for adequate nutrition for them. We have spent moneys for medical research to find ways of combating illnesses and prolonging life; yet we will not provide money for a nationwide nutrition project.

The seniors ask is it worth having a longer life in order to slowly starve to death. They ask why prolong our life, why keep us alive to slowly die of starvation?

Mr. President, before yielding at this time, I want to pay singular tribute to the principal sponsor of the pending bill, the senior Senator from Massachusetts (Mr. KENNEDY), as well as to Representative PEPPER in the House who introduced a similar measure in that body. Last year's hearings on the measure produced valuable information for our subcommittee.

In the Senate, the principal sponsor, the distinguished senior Senator from Massachusetts (Mr. KENNEDY) has long been known for his devotion to the needs of older Americans. The intelligence and commitment he brings to this bill are characteristic of his concerns in this area.

Without the support of the Senator from Massachusetts the bill would not now be near a reality, as it now is, but would still be a topic for discussion and not a reality.

At this time, Mr. President, I am pleased to yield to the Senator from Massachusetts the principal author of the pending measure.

The PRESIDENT pro tempore. Who yields time?

Mr. EAGLETON. I yield such time as the Senator may need from my remaining time.

Mr. KENNEDY. Mr. President, first of all, I express my warm sense of appreciation to the chairman of the Subcommittee on Aging, the Senator from Missouri (Mr. EAGLETON), who assumed the chairmanship of this committee this year. Since that time, that committee has been extremely active not only in the development of S. 1163, the nutrition program for the elderly bill, which I introduced with some 21 cosponsors, but also in a wide variety of legislation affecting the elderly of this Nation.

I personally thank him for the work he has done in the development of the hearings before the Aging Subcommittee. He has demonstrated in this legislation his typical concern for human welfare and human dignity.

Mr. President, the thrust of this legislation has been outlined here this morning in the splendid presentation of the chairman of the Subcommittee on the Aging. Particularly at this time of the year, I think all of us in the Senate are conscious that we are appropriating and authorizing hundreds of millions of dollars and even billions of dollars in many instances when we are unsure as to exactly how that money will benefit the people of this great Nation. However, here we have one program that we can be absolutely assured will benefit a very significant group in our Nation, the senior citizens.

There is an extraordinary need for the development of this program. That need has been documented time and time again by every kind of study made on the problems facing our senior citizens and on the nutritional needs of those citizens.

As the chairman of the subcommittee pointed out, the White House Conference on Nutrition in 1969, the President's own Task Force on the Aged in 1970, the National Council of Senior Citizens, the American Association of Retired Persons, and the National Retired Teachers Association have all documented the need for this legislation.

I think we are also fortunate in being able to recommend this legislation to the Senate this morning, because it is the kind of program that has been tried. There have been numerous pilot programs, and they have been accepted with uniform success. Every evaluation on the nutrition pilot programs has come back with an overwhelming endorsement.

Again as the chairman of the subcommittee pointed out, some 32 programs started in 1968, 10 expired a year and a half ago. It was only through the efforts of the distinguished senior Senator from Illinois (Mr. PERCY) and his good offices at the White House and within the administration that we were able to get $1,700,000 to continue the remaining 18 programs until June of next year.

What we do have is an eminently successful program that has been living from hand to mouth and one which will expire next June if no further action is taken.

What we are attempting to do here is

to institutionalize this program to provide for hundreds of thousands, and hopefully even millions, of senior citizens the kind of quality nutrition necessary to sustain life itself.

The figures that we recommend here, $100 million the first year and $150 million the second year, although they are large figures, will only permit us to scratch the surface when compared to the worker or elderly who need and would benefit from a group-based nutrition program.

The hearings emphasized the need for a permanent nationwide nutrition program for the elderly, a program that provides not only nutritious meals, but meals in a group setting where the elderly can come together in social activities and in locations where they have access to other social services.

Older Americans in the United States are truly among the nation's most oppressed minorities. One of every four older American lives in poverty. Ten years ago, the elderly comprised 15 percent of the Nation's poor. Today, they comprise 20 percent of our citizens who exist on incomes below the poverty line. For the elderly Americans, this decade has been one where the gap between their living standards and the living standards of the rest of the Nation has grown wider.

Of the 20 million elderly Americans, 5.2 million live alone or with nonrelatives and their median income is a meager $1,850. For these elderly citizens, the final chapter of their lives is a bitter struggle for survival, a struggle that is virtually ignored by the vast majority of their fellow citizens.

When the economic straitjacket of the elderly is understood, then it is also apparent why many elderly Americans suffer from hunger and malnutrition. But more than inadequate incomes plagues the Nation's aged. For they are victimized by other pressures as well, pressures which combine to produce malnutrition and failing health.

The elderly, particularly the single elderly, lack physical mobility to shop for food. Many of those who live in rented rooms have inadequate kitchen facilities and most have little nutritional education to enable them to prepare an adequate diet. They are unaware of the foods they ought to purchase, and they are unable to prepare those foods, even if they could obtain them.

In addition, the loneliness and sense of alienation of single elderly persons removes the incentive to plan and prepare nutritious meals. These factors combine to produce a way of life which perpetuates malnutrition and subsequent physical and mental deterioration.

For all of these reasons, it is necessary now for the Federal Government to assume its obligations to provide decent nutrition for every elderly person.

Thus, the President's Task Force on Aging recommended last year that the Administration on Aging "Develop a program of technical assistance, and when necessary, financial assistance, to local groups so that such groups can provide daily meals to ambulatory older persons in group settings and to shutins at home." The 1969 White House Conference on Food, Nutrition, and Health underscored that obligation in its final report last year.

The first recommendation of the panel on aging was:

The U.S. Government, having acknowledged the right of every resident to adequate health and nutrition, must now accept its obligation to provide the opportunity for adequate nutrition to every aged resident.

To implement this goal, the panel urged that the Government:

Undertake permanent funding programs of daily meal delivery service, initially consisting of at least one meal for all the aged needing this service and desiring it, in both urban and rural locations, emphasizing the importance of the values of eating in group settings where possible.

The bill now before the Senate, S. 1163, seeks to do exactly that. Hopefully, the administration will end its opposition to this bill.

As reported by the Senate Labor and Public Welfare Committee, the bill establishes a new title VII in the Older American Act of 1965 and authorizes $250 million over a 2-year period for allocations to State offices of aging which then will make grants to local public or private nonprofit organizations. The Administration on Aging will administer the program. Allocations to the States will be on a 90-to-10 Federal-State-matching basis.

States will submit a plan to assure that the purposes of the program are met and there will be a preference in seeking to reach those most in need—the poor, the minority, the Indian, and the elderly who have limited English-speaking abilities.

The bill also provides that:

First. Each program must provide at least one hot meal a day, 5 days a week. Each meal also must contain a minimum of one-third the recommended daily dietary needs for elderly persons.

Second. The meals will be served in sites accessible to the majority of elderly within the community. Schools, senior citizen centers, churches, and other public and nonprofit locations can be used.

Third. Outreach services to locate the isolated elderly will be part of each program so that those who most need the program will be aware of it.

Fourth. The sponsor will provide a setting conducive to the inclusion of other social services as a corollary to the meal itself.

Fifth. Preference for staffing will go to the elderly. The talents of elderly are often wasted as a youth-oriented society forces able men and women into early retirement and the frustration of feeling useless.

Let me repeat that it is important to recognize that this measure is based on the experience, the successful experience, we have had in carrying out the research and demonstration nutrition program under title IV of the Older Americans Act.

The pilot projects compiled an immensely favorable record, affirming an urgent need for group-based meals for the elderly. More than that, these projects have provided the basic model that we have incorporated in the bill now before the Senate.

In testimony before the Senate Aging Subcommittee by the Administration on Aging's own evaluator, the following myths were dispelled:

Fallacy: The aged aren't interested in nutrition programs.

Fact: Not only are the aged interested, they come to programs in rain, snow and summer heat. They wait patiently for hours to ensure themselves a place at mealtime.

Fallacy: The aged will not or cannot learn about nutrition.

The fact: The food and nutrition information and education aspects of the projects are regarded as successful in terms of providing the aged with a better understanding of nutrition, food preparation, budgeting and efficient shopping, and providing a better orientation toward beneficial eating patterns.

Fallacy: Nutrition education programs need deal only with nutrition education, per se.

The fact. The most successful nutrition education programs deal with a variety of problems, not only those relating to food, but also to health care, social security benefits, medicare, medicaid, housing, transportation, etc.

Fallacy: Feeding the aged will not make any difference in their lives.

The fact: Many of the aged in the programs are receiving adequate food for the first time in many years. But in addition to the nutritional aspects of the program virtually all program directors report a startling change in the elderly participants. After a time they begin to dress better, develop friendships, become more conscious of health care, and take a livelier interest in social activities.

These were the findings of the Administration on Aging's evaluation of some 23 projects and its conclusion was:

Experience to date demonstrates that the most effective program to combat the food and nutrition problems of the aged needs to be a comprehensive program designed to meet all these related needs. The provision of meals in a group setting is a highly desirable approach because it fosters social interaction, facilitates the delivery of other services, and meet emotional needs of the aged while improving their nutrition.

Mr. President, I just want to make one additional comment on the evaluation of the program, because during the course of the markup there were those who argued that the Senate will be considering the income maintenance program next year, and will make other social services unnecessary. I want to emphasize full, complete social service will continue to be needed in addition to an adequate income maintenance program.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield 2 minutes to the Senator out of our time.

The PRESIDENT pro tempore. The Senator is recognized for 2 additional minutes.

Mr. KENNEDY. I thank the Senator.

Mr. President, as the conclusion of the evaluation states:

Certainly many of the aged cannot afford to buy those foods which are essential to meeting nutritional needs. At the same time, it has become apparent that the mere provision of an income subsidy would not produce solutions for all the social, psychological and health-related factors that contribute to malnutrition and undernutrition of the aged. Raising the income level would not motivate the aged person to cook for himself alone; it would not help the invalid to shop; it would not alleviate the feelings of loneliness, rejection and apathy; it would not help the aged person to understand the need for a nutritionally adequate diet, or how to achieve it. Nor would it produce solutions to such everyday problems as housing and transportation which are inseparable from the problem of nutrition.

Experience to date demonstrates that the most effective program to combat the food and nutrition problems of the aged needs to be a comprehensive program designed to meet all these related needs. The provision of meals in a group setting is a highly desirabye approach because it fosters social interaction, facilitates the delivery of other services, and meets emotional needs of the aged while improving their nutrition.

It was this impressive conclusion following a detailed evaluation of the pilot programs that confirmed the desirability of making this nutrition program available to as many elderly Americans as possible.

It is a first step in breaking the circle of isolation, mainutrition, deteriorating health, institutionalization and death.

And it also is a first step toward restoring to old age the dignity envisioned by the Roman philosopher Cicero, who wrote:

For herein is old age honest and honorable, in defending and maintaining itself, in saving itself free from bondage and servitude . . . even until the last hours of death.

Mr. President, I think we have a great responsibility to our senior citizens in insuring in this great land of plenty that they are going to receive an adqeuate nutritional program.

I thank the Senator and urge approval of this legislation.

Mr. JAVITS. Mr. President, I yield 5 minutes to the Senator from Illinois.

The PRESIDENT pro tempore. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I deeply appreciate the opportunity to speak on behalf of this bill, of which I am very proud to be a cosponsor.

I became interested in the feeding programs for the elderly when it was brought to my attention many months ago that a nutrition demonstration program that was being carried on by HEW was about to lapse and that there was no indication it would be continued.

After visiting with a dozen or more of the regional directors of this program and after visiting some of the feeding centers myself, I became convinced that the only problem with this program was that it was so successful no one felt a demonstration was any longer needed. It had absolutely proven its great value. Yet there was no program to follow the demonstration program.

We had demonstrated that there was a need for the programs, that it fulfilled a service, and that it was worth the investment of Federal funds. We conclusively showed those things, but there was no program to follow that was ready for enactment. So it seemed necessary to take emergency steps at that time. I am grateful, indeed, for the assistance and help of a number of my fellow members of the Committee on Appropriations, including the chairman, the Senator from Louisiana (Mr. ELLENDER), and the distinguished Senators from Washington (Mr. MAGNUSON) and New Hampshire (Mr. COTTON).

In a short period of time we were able to work out a procedure whereby this emergency feeding program could continue. The cost was very modest, indeed, only $1.7 million a year. Yet the entire program would have been lost if we had not acted with great dispatch in a few days.

I had the pleasure of taking Dr. Arthur Flemming through some of these feeding centers in the Nation's Capital one day. Only a few blocks from the Capitol, in the basement of a church, 20 or 25 elderly people arrive every day, pay a quarter—because everyone pays something—and they sit down and have a hot meal delivered at a cost of $1.68, if I recall correctly. It is not just the hot food they get, although for many of the people there it was the only hot meal they would have during the day. It was the fact that they had someplace to go, an occasion for which to dress up, and they had other people to meet and visit with.

One lady, Mrs. Green, said:

You know, when Nellie wasn't here one day we wondered why, and we contacted her. She was back up in her room, and was not feeling well. We said, "Nellie, come downstairs now. We are going to have our meal together. You need to get dressed up and come down and you will feel better." If we did not have that program we would not know that she was not feeling well. She did come down and by two or three o'clock that afternoon she was feeling as good as ever.

It is this spirit that sometimes gets crushed as well as the physical problem someone may have in later life. This program, which HEW carried out, and I am deeply appreciative that Secretary Richardson favored continuing the program for another year, has given us the necessary pilot run to demonstrate and prove that this present bill and the provisions of S. 1163 are not theoretical; they are not anything we need to wonder whether it is going to work because we know the provisions of this bill are going to work and that it is going to be one of the finest investments we can make.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. JAVITS. I yield the Senator 1 additional minute.

The PRESIDENT pro tempore. The Senator from Illinois is recognized for 1 additional minute.

Mr. PERCY. We will have a program that will fill a tremendous need. I ask that my comments before the Subcommittee on the Aging be inserted in the RECORD at this point.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR CHARLES H. PERCY

(S. 1163. A bill to establish a nutrition program for the elderly.)

"To our Nation's shame, they are often hidden in the slums of urban centers, barely surviving. Eventually they face placement in a substandard nursing home, or a state mental hospital. Or they die alone, unnoticed."—Louis M. Henry, in an article entitled, "Caring for Our Aged Poor". The New Republic, May 22, 1971.

Mr. Chairman: In 1970, the Federal Government spent approximately $500 million on nursing home care for the elderly under the Medicare program. It spent about $1.3 billion for such care under Medicaid. And total Medicare outlays are fast approaching $8 billion a year.

We are asking a great deal of the American taxpayer, and he is unhappy about it. He is unhappy not so much because he minds paying taxes to help the sick, the poor, and the aged, but because he sees little or no return on his tax dollar. With the figures cited above in mind, the taxpayer becomes upset—and understandably so—when he picks up a newspaper and reads that Medicare covers less than one-half of the health-related expenses of the elderly, or that large numbers of federally funded nursing homes are so squalid and depressing that they are known as "pre-funeral homes".

To those who have delved into the problem of expensive but inadequate health care, it is clear that the taxpayer is paying not only for widespread abuse and waste in the Medicare and Medicaid programs, but also for our inefficient and inadequate use of appropriate, but less expensive alternatives to these programs.

In my opinion, S. 1163, which I am pleased to cosponsor, offers us a less expensive, but appropriate alternative to some of the more expensive federal programs.

S. 1163 builds upon and expands a highly successful research and demonstration program funded since 1968 under Title IV of the Older Americans Act. Under this program, hot, nutritious meals are served to elderly citizens in communal dining facilities—generally located in a school, church, or other public and nonprofit setting. The elderly participants pay for their meals, and even though the amount paid may only be nominal, it allows the participants to maintain a sense of dignity and independence. Nutrition education is offered, as many elderly people have only a limited knowledge of what foods are best for their health and how to prepare them. Several of the ongoing demonstration projects deliver hot meals to homebound, isolated senior citizens, and most of the projects also offer help or advice with such matters as transportation, employment, Social Security and Medicare.

The basic premise underlying this program is that nutritious meals provided in a social setting lead not only to improved health, but also to better spirits and a more positive outlook on life.

Arthritis and other chronic ailments combine with inadequate public transportation to force many elderly people to subsist on foods most easily procured and prepared, rather than on those foods that are best for them. As a result, their health suffers.

Immobility, vulnerability to crime and unscrupulous entrepreneurs, poor health and a deteriorating physical appearance, loss of family and friends who have either moved or passed away, loss of one's role in society and the accompanying sense of uselessness—all of these factors can add up to an overwhelmingly depressing existence for the isolated elderly individual. These factors aggravate one's sense of loneliness and isolation, and lead to poorer appetites, which in turn lead to poorer health.

The need for a program like that envisioned in S. 1163 is best illustrated by quoting directly from some of the elderly people now participating in the demonstration projects: One participant says:

"It is hard for us as Seniors to put into

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words just how we feel about our Senior Citizens program. It has enriched our lives to the extent that we now have a real zest for living. The meals program has been a tremendous tool to get us together around a table twice a week. Besides the good we get from the nutritious meals, we also have such a grand time socially."

Another participant comments:

"I have become a different person altogether. This program is my best medicine. If it were not for this program, I'd be in the hospital. Now I save on doctor bills".

A project director writes me:

"The true measure of the program is extremely difficult to define. We can only tell you that we have observed attitude changes in our Seniors toward themselves and toward others. Feelings of dignity and self-worth and a friendly rapport with other members of the group are now evident. Their interest in community affairs is renewed. They eagerly seek information on shopping trips, menu planning and consumer news".

There is an immediate and crying need for a broad scale, nationwide nutrition program for the elderly. A full one quarter of the 20 million older Americans live at or near the poverty level, and these people comprise the most uniformly malnourished segment of our population.

S. 1163 is the natural culmination of the current nutrition demonstration project which has proved so successful. It is, in a sense, a "known quantity", as opposed to an intriguing, but untested government program which we sometimes pursue.

As a cosponsor of S. 1163, I urge its enactment on the grounds that it offers us an alternative to expensive, institutionalized care for many senior citizens. It is a good bill. In addition to the fact that it is moral and right that we act to alleviate the problem of malnutrition among the elderly, this measure may very well save the taxpayers money.

Mr. JAVITS. Mr. President, I yield myself 4 minutes.

The PRESIDENT pro tempore. The Senator from New York is recognized for 4 minutes.

Mr. JAVITS. Mr. President, it should be noted that four members of the minority—I as ranking minority member and Senators PACKWOOD, TAFT, and BEALL—filed supplemental views in respect of this bill. The reason for our filing supplemental views was our agreement with the bill, but within the limitation of the 2-year period which we desired for it. The reason for that limitation is the statement of the administration that it intends to submit more comprehensive legislation, which will include this and other measures of critical importance to the well-being of our older citizens.

It is a fact that this has been discussed before in comprehensive legislation and, therefore, we are very much for this bill which is sponsored by the Senator from Massachusetts (Mr. KENNEDY) and his associates. But still we felt the administration should have the chance to make good on its representation, and we also felt the pilot program, which has been discussed, now coming into maturity under this bill, should have 2 years to operate to demonstrate its practicality and effectiveness on a broader basis.

We agree with the Senator from Missouri (Mr. EAGLETON), who did such a fine job on the committee dealing with the aging, and the Senator from Massachusetts (Mr. KENNEDY), on the need to go ahead with this.

There are two other points I wish to call to the attention of the Senate which commend this bill highly to the Senate. First, aside from the social and mutual support which the aged give each other in these highly desirable programs, there is the self-respect engendered by the fact there is authorized the charging of a fee under each State plan, which takes into consideration the income ranges of individuals eligible to participate.

It is a fact that the charge would generally run about 50 cents to 65 cents per meal. That seems to be in the general competence of most of the aging and it gives them a sense of paying their way and it adds to the effect of the program and its effect on them.

The other aspect of the program deserving of comment is the very grave problem which affects many of these programs. We have it now in connection with the poverty bill in the Child Development title. I refer to how a State shall be permitted to run these programs. I think this bill has a very admirable formula. It is a formula I have worked out with my colleagues to establish in committee.

The bill states a fine criteria for a State plan and gives the State the first opportunity to develop a plan and operate it satisfactorily. But if the State does not develop a plan or does not operate it satisfactorily then the administrator is left free to use other means, other levels of government, even private agencies, for the purpose of seeing that a meaningful plan is developed and administered.

It seems to me that that is really the right way in which to realize the best of federalism and not to incur the worst. I call that particularly to the attention of the Senate because I hope it will be a model for other bills—there are many of them—in which we can solve this particularly serious question.

For all these reasons, I commend the bill strongly to the Senate and hope that it will now pass.

I yield 3 minutes to the Senator from Ohio (Mr. TAFT).

INTRODUCTION OF S. 2910, A BILL TO PROVIDE GRANTS TO STATES FOR THE ESTABLISHMENT, MAINTENANCE, AND OPERATION OF LOW-COST MEAL PROGRAMS FOR DISABLED AMERICANS, AND FOR OTHER PURPOSES. REFERRED TO THE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. TAFT. Mr. President, I think that it is particularly tragic that there is a lessened sense of community spirit in many of our cities and neighborhoods. I think that this is particularly true with respect to older Americans who are often shut in their homes and unable to visit with their friends. S. 1163 not only gives these older Americans the essential nutrition they require, but, equally important, it will bring them together at least once a day when they can eat together and associate with their friends and neighbors. This measure opens their world and enriches their lives both nutritionally and socially.

As vital as this program is, I think that it is equally important to provide the same type of nutritional program and social contact for our disabled.

In committee when this matter came up, I suggested adding the disabled to this particular program. Some technical questions arose, and it was felt that perhaps some further consideration should be given to the matter before putting it into this particular bill. As a result, I have drafted, and am introducing today, my bill largely paralleling S. 1163, providing this program for all Americans irrespective of their age.

I ask unanimous consent that the text of the bill be printed at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. TAFT. Mr. President, under my bill the food program for the disabled will also be administered through the Administration on the Aging. I have written the bill in this way for two reasons.

First, it saves administrative overhead to have the same agency undertake both programs, and second, because I believe that we should bring a wider spectrum of people together in a neighborhood as a means of revitalizing social contacts in our various communities.

We often build community centers that are in effect nothing more than large empty rooms with juke boxes in the corner. If a community center is to really serve its purpose, it must bring together people of various ages and walks of life and have a vibrant and on-going program. For that reason I hope that we can greatly expand the community center concept within the context of existing and proposed programs.

For example, I think it would be very desirable to have the Health Maintenance Organizations proposed by the President located at the same place as our nutritional programs for the aged and the disabled. These HMO's can provide preventive care for a broad cross-section of the community. Such community centers consequently would be the focus of health care, special nutritional programs, and social life for people who otherwise might have very limited social contacts.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. JAVITS. Mr. President, do I have any time left?

The ACTING PRESIDENT pro tempore. The Senator has 1 minute remaining.

Mr. JAVITS. I yield that 1 minute to the Senator from Ohio.

Mr. TAFT. Mr. President, I believe that older Americans and disabled Americans want to have an opportunity to associate with a broad cross section of their community. By expanding the community center concept in this way, we not only will provide critically important health care and nutritional programs but open the windows to a much brighter life for hundreds of thousands of Americans who now feel isolated and neglected.

EXHIBIT 1

S. 2910

A bill to provide grants to States for the establishment, maintenance, and operation of low-cost meal programs for disabled Americans, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disabled Americans Nutritional Support Act of 1971."

SEC. 2. The Congress finds that there is the need for permanent nationwide programs to assist in meeting the nutritional needs of disabled Americans. Many of these disabled Americans do not eat adequately because (1) they cannot afford to do so; (2) they lack the skills to select and prepare nourishing and well-balanced meals; and (3) they have limited mobility which may impair their capacity to shop and cook for themselves. These and other physiological factors result in a pattern of living which causes malnutrition and other physical deterioration.

SEC. 3. (a) In order to effectively carry out the purposes of this title, the Secretary shall—

(1) administer the program through the Administration on Aging; and

(2) consult with the Secretary of Agriculture and make full utilization of the Food and Nutrition Service, and other existing services of the Department of Agriculture.

(b) In carrying out the provisions of this title, the Secretary is authorized to request the technical assistance and cooperation of the Department of Labor, the Office of Economic Opportunity, the Department of Housing and Urban Development, the Department of Transportation, the Social Security Administration, and such other departments and agencies of the Federal Government as may be appropriate.

(c) The Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, personnel, and facilities.

(d) In carrying out the purposes of this title, the Secretary is authorized to provide consultative services and technical assistance to any public or private nonprofit institution or organization, agency, or political subdivision of a State; to provide short-term training and technical instruction; and to collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this title.

SEC. 4. (a) From the sums appropriated for any fiscal year under section 9, each State shall be allotted an amount which bears the same ratio to such sum as the number of disabled in such State bears to the number of disabled in all States, except that (A) no State or the Commonwealth of Puerto Rico shall be allotted less than one-half of one per centum of the sum appropriated for the fiscal year for which the determination is made; and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of one per centum of the sum appropriated for the fiscal year for which the determination is made.

SEC. 4. (b) The amount of any State's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Such reallotments shall be made on the basis of the State plan so approved, after taking into consideration the number of disabled. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

"(c) The allotment of any State under subsection (a) for any fiscal year shall be available for grants to pay up to 70 per centum of the costs of projects in such State described in section 6 and approved by such State in accordance with its State plan approved under section 6, but only to the extent that such costs are both reasonable and necessary for the conduct of such projects, as determined by the Secretary in accordance with criteria prescribed by him in regulations. Such allotment to any State in any fiscal year shall be made upon the condition that the Federal allotment will be matched during each fiscal year by 30 per centum, or more, as the case may be, from funds or in kind resources from non-Federal sources.

"(d) If the Secretary finds that any State has failed to qualify under the State plan requirements of section 6, the Secretary shall withhold the allotment of funds to such State referred to in subsection (a). The Secretary shall disburse the funds so withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of such State submitting an approved plan in accordance with the provisions of section 6, including the requirement that any such payment or payments shall be matched in the proportion specified in subsection (c) for such State, by funds or in kind resources from non-Federal sources.

"(c) The State agency may, upon the request of one or more recipients of a grant or contract, purchase agricultural commodities and other foods to be provided to such nutrition projects assisted under this part.

"PAYMENT OF GRANTS

"SEC. 5. Payments pursuant to grants or contracts under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

"SEC. 6. (a) Any State which desires to receive allotments under this title shall submit to the Secretary for approval a State plan.

"(1) establish or designate a single State agency as the sole agency for administering or supervising the administration of the plan, and coordinating operations under the plan with other agencies providing services to the disabled;

"(2) set forth such policies and procedures as will provide satisfactory assurance that allotments paid to the State under the provisions of this title will be expended—

"(A) to make grants in cash or in kind to any public or private nonprofit institution or organization, agency, or political subdivision of a State (referred to herein as 'recipient of a grant or contract')—

"(i) to carry out the program as described in section 7.

"(ii) to provide up to 70 per centum of the costs of the purchase and preparation of the food; and such other reasonable expenses as may be incurred in providing nutrition services to disabled persons. Recipients of grants or contracts may charge participating individuals for meals furnished but such charge shall not exceed a per meal limit to be established by each State agency, taking into consideration the income ranges of eligible individuals in local communities and other sources of income of the recipients of a grant or a contract.

"(iii) to provide up to 70 per centum of the costs of such supporting services as may be necessary in each instance, such as the costs of related social services and the costs of transportation between the project site and the residences of eligible individuals who could not participate in the project in the absence of such transportation to the extent such costs are not met through other Federal, State, or local programs.

"(B) to provide for the proper and efficient administration of the State plan at the least possible administrative cost, not to exceed an amount equal to 30 per centum of the amount allotted to the State unless a greater amount in any fiscal year is approved by the Secretary. In administering the State plan, the State agency shall—

"(i) make reports, in such form and containing such information, as the Secretary may require to carry out his functions under this title, and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this title, and

"(ii) provide satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this title to the State, including any such funds paid by the State to the recipient of a grant or contract.

"(3) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are necessary for the proper and efficient operation of the plan.

"(b) The Secretary shall approve any State plan which he determines meets the requirements and purposes of this section.

"(c) Whenever the Secretary, subject to reasonable notice and opportunity for hearing to such State agency, finds (1) that the State plan has been so changed that it no longer complies with the provisions of this title, or (2) that in the administraiton of the plan there is a failure to comply substantially with any such provision or with any requirements set forth in the application of a recipient of a grant or contract approved pursuant to such plan, the Secretary shall notify such State agency that further payments will not be made to the State under the provisions of this title (or in his discretion, that further payments to the State will be limited to programs or projects under the State plan, or portions thereof, not affected by the failure, or that the State agency shall not make further payments under this part to specified local agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, the Secretary shall make no further payments to the State under this title, or shall limit payments to recipients of grants or contracts under, or parts of, the State plan not affected by the failure or payments to the State agency under this part shall be limited to recipients of grants or contracts not affected by the failure, as the case may be.

"(d)(1) If any State is dissatisfied with the Secretary's final action with respect to the approval of its State plan submitted under subsection (c), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a

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petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"SEC. 7. (a) Funds allotted to any State during any fiscal year pursuant to section 4 shall be disbursed by the State agency to recipients of grants or contracts who agree—

"(1) to establish a project (hereinafter referred to herein as a 'nutrition project') which, five or more days per week, provides one hot meal per day which assures a minimum of one-third of the daily recommended dietary allowances as established by the Food and Nutrition Board of the National Academy of Sciences-National Research Council.

"(2) to provide such nutrition project for disabled individuals;

"(3) to furnish a site for such nutrition project in as close proximity to the majority of disabled individuals' residences as feasible, and, preferably within walking distance where possible and, where necesary, to furnish home-delivered meals to eligible individuals who are home-bound.

"(4) to utilize methods of administration, which will assure that the maximum number of eligible individuals may have an opportunity to participate in such nutrition project;

"(5) to provide special menus, where feasible and appropriate to meet the particular dietary needs arising from the health requirements, religious requirements or ethnic backgrounds of eligible individuals;

"(6) to provide a setting conducive to expanding the nutrition project to include recreational activities, informational, health and welfare counseling and referral services, where such services are not otherwise available,

"(7) to include such training as may be necessary to enable the personnel to carry out the provisions of this title;

"(8) to give preference to disabled persons for any staff positions, full- or part-time, for which such persons qualify; and

"(9) to comply with such other standards as the Secretary may by regulation prescribe in order to assure the high quality of the nutrition project and its general effectiveness in attaining the objectives of this title.

"(b) The Secretary and the Comptroller General of the United States or any of their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to a grant or contract received under this title.

"SEC. 8. Each recipient of a grant or contract shall, insofar as practicable, utilize in its nutrition project commodities designated from time to time by the Secretary of Agriculture as being in abundance, either nationally or in the local area, or commodities donated by the Secretary of Agriculture. Commodities purchased under the authority of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary of Agriculture to the recipient of a grant or contract, in accordance with the needs as determined by the recipient of a grant or contract, for utilization in the nutritional program under this title. The Secretary of Agriculture is authorized to prescribe terms and conditions respecting the use of commodities donated under section 32, as will maximize the nutritional and financial contributions of such donated commodities in such public or private nonprofit institutions or organizations, agencies, or political subdivisions of a State.

"SEC. 9. For the purpose of carrying out the provisions of this title there are hereby authorized to be appropriated $6,000,000 for the fiscal year ending June 30, 1973, and $9,000,000 for the fiscal year ending June 30, 1974. In addition, there are hereby authorized to be appropriated for such fiscal years, as part of the appropriations for salaries and expenses for the Administration on Aging, such sums as Congress may determine to be necessary to carry out the provisions of this title. Sums appropriated pursuant to this section which are not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure during such succeeding fiscal year.

SEC. 10. For the purpose of this Act "disabled person" and "disabled individual" mean any person who suffers from blindness as defined in 42 U.S.C. 416(i) (1) in both eyes, has lost the use of both arms, lost the use of one leg, or who by reason of any medically determinable physical or mental impairment, is unable to prepare meals or leave his or her place of residence. The Secretary shall be authorized to establish rules and regulations for the determination of those persons who shall be deemed disabled within the meaning of this section.

SEC. 11. No part of the benefits of any project or program under this title shall be treated as income or benefits to any disabled individual for the purpose of any other program or provision of State or Federal law.

Mr. BEALL. Mr. President, as the ranking Republican on the Senate Labor and Public Welfare Subcommittee on Aging, I strongly support S. 1163, a bill which authorizes a 2-year program of grants to the States for needed nutritional programs for senior Americans.

Mr. President, the overriding problem of senior Americans is inadequate income with the result that the income of nearly 5 million persons 65 and older is below the poverty level. Inadequate income is undoubtedly the reason why the nutritional food intake of senior Americans is often below the level deemed adequate. Food is a major expenditure for senior citizens, ranking second only to housing expenses and comprising about 27 percent of their limited budget.

S. 1163 builds on the successful experience under title IV which is the research and demonstration section of the "Older Americans Act." The nutritional projects funded under title IV have been most successful in responding to the nutritional needs of senior citizens. I am pleased that Maryland, in nearby Prince Georges County, had a demonstration project under title IV known as "Project Compas" which is being funded for its third year at the $62,918 level.

In addition, these nutritional projects have been successful in responding to other needs of senior citizens. For example, studies have indicated that the serving of meals in a group setting can overcome isolation, which is often a serious problem of senior citizens. The group meals also serve as a focal point for the delivery of other services to the aged.

Under this program $100 million is authorized in fiscal 1973 and $150 million in fiscal 1974 for grants to the States. Maryland, with 443,561 senior citizens over 60, would receive approximately $1.5 million in fiscal 1973 and $2.2 million in fiscal 1974. These funds would be used to underwrite the costs incurred by local projects for equipment, labor, management, supporting services, and food. To be eligible for Federal funds, a State would submit a plan to HEW which would guarantee that any nutritional project funded would provide at least one hot meal per day providing a minimum of one-third the recommended daily dietary allowance for an elderly citizen. The hot meal would be provided at least 5 days a week.

Mr. President, it is most appropriate that the Senate take action at this time, for at this very moment the White House Conference on the Aging is underway. This Conference will explore the full spectrum of senior citizens problems—income, housing, nutrition, transportation, education, and health, and property taxes—it is hopeu that the Conference will provide the Nation, administration, and the Congress with the guidance and requirements necessary to meet the problems of aging. The ultimate test of the White House Conference will be the action taken to improve the living conditions of senior citizens. Senior citizens make up approximately 10 percent of the Nation's population and they are perhaps the most forgotten minority in the country. This is particularly tragic, for these senior Americans have worked hard to earn their retirement and are responsible in no small part for the high standard of living that the Nation enjoys today. The bill being considered by the Senate today, I hope, is indicative of the action that will follow the White House Conference. I, for one, intend to study carefully the recommendations and do all I can to make certain that senior Americans will be able to live their retirement years with the independence and dignity they deserve.

Mr. BENTSEN. Mr. President, I am pleased to join as a cosponsor of S. 1163, an amendment to the Older Americans Act to provide low-cost nutrition programs for the elderly. It is fitting that this bill is being voted on while the White House Conference on the Aging is in progress.

In 1969, the White House Conference on Nutrition pointed to the need for more adequate nutrition programs for older Americans.

The problem of providing an adequate diet for the elderly has a number of root causes. Some of the problems are caused by inadequate income; others may be caused by the older citizen's absence of skills to choose and prepare well-balanced meals; still others by his limited mobility or his absence of incentive to eat properly because of feelings of loneliness and rejection.

But whatever the cause, the effects are frequently an accelerating feebleness, a sense of despair, and an old age devoid of joy and dignity. I can think of no more worthy cause than the one to which this bill is addressed. I urge its passage by the Senate.

Mr. DOMINICK. Mr. President, I will reluctantly vote for this bill in spite of what I feel is an almost fatal provision, in hope that the House will remedy it.

Section 705(a) provides that the recipients of grants to establish nutrition programs can, in setting a minimum charge for meals, take into account the income range of the aging population to be served. But, it has to be a flat charge paid by everyone who qualifies. To qualify, a person merely needs to be age 60 or over.

This means that a person over age 60 can receive meals at the minimum rate regardless of their economic means. Millionaires can go to the "nutrition center" for their meals along with welfare and old age pension recipients. I do not think this makes sense. I think the taxpayers' funds could be more wisely spent. Limited funds—and contrary to what seems to be the popular belief these days, tax funds are limited—go a lot further if they are targeted to the people who need them. I see no reason why people of substantial means—for example, Lester Maddox, who owns a restaurant business, Nelson Rockefeller and many members of this body—should qualify to receive meals at the same charge as welfare recipients merely because they happen to be over age 60.

Mr. WILLIAMS. Mr. President, with the White House Conference on Aging now underway, I believe it most appropriate that the Senate give consideration at this time to S. 1163, the Nutrition Program for the Elderly Act. As a sponsor of this measure, I am pleased to state my strong support for its passage.

For the elderly in this Nation, 25 to 30 percent of whom live in poverty, adequate nutrition is clearly a major concern. In many cases, a poor diet intensifies the severity of other problems besetting the aged. For example, improper nutrition can be identified as a main cause of both chronic disease and mental illness.

For many of the elderly, inadequate nutrition finds its source in their poverty or in lack of information about a proper diet. But other aspects of their lives play an important role as well. For instance, lack of transportation facilities or physical inability to move about may restrict the opportunities of the elderly to shop for food. Elderly people who live alone, or who live in rented rooms without cooking or refrigeration facilities, may lack the motivation or ability to prepare adequate meals for themselves.

It is considerations such as these which led the Panel on Aging of the White House Conference on Food, Nutrition and Health, in 1969, to declare the Federal Government's responsibility to assure adequate nutrition for all our elderly citizens. As the Panel concluded:

The U.S. Government, having acknowledged the right of every resident to adequate health and nutrition, must now accept its obligation to provide the opportunity for adequate nutrition for every aged resident. Immediate attention must be given to developing a new system of food delivery based on modern technical capability by which meals supplying a substantial proportion of nutrient requirements can be distributed to the aged through restaurants, institutions and private homes when this is necessary. Regional, urban and cultural differences in the United States will require that a variety of systems may be necessary to accomplish this goal.

Similarly, the President's Task Force on Aging, in April 1970, recommended a Federal program of financial and technical assistance, to enable local groups to provide daily meals to ambulatory older persons in group settings, and to shut-ins at home.

The bill now before us represents a major step toward fulfilling these recommendations. This measure would authorize Federal funding, in the amount of $100 million for fiscal year 1973 and $150 million for fiscal year 1974, to be expended—primarily through State plans—to provide persons 60 years of age and older with at least one hot meal per day. Such meals, which must meet certain minimum nutrition requirements, would be provided at convenient locations, such as senior citizen centers, schools, or other suitably located sites. Appropriate provision would be made for home-delivery of meals to those who are homebound, and for transportation to the serving center for those who would otherwise be unable to participate.

In addition, this bill would help to provide a comprehensive approach to the related problems of the elderly. Outreach services would be available to assure maximum participation by eligible individuals, and such supportive services as health and welfare counseling, recreational activities, and informational and referral assistance would also be furnished.

Equally important, eating in a group setting would provide a new opportunity to meet others. For lonely persons, this could be an effective means for counteracting isolation. Several pilot projects under the Older Americans Act have demonstrated that a meal in a group setting is oftentimes an effective means for bringing lonesome and frustrated individuals into a whole range of community activities.

Today, the White House Conference on Aging is serving to underscore the urgent and far-reaching needs of the elderly, and the problems of adequate nutrition are surely among the most compelling of these. Immediate and special attention is clearly required, and I strongly believe that the measure now before us provides a sound and realistic approach for meeting this challenge.

Mr. SPONG. Mr. President, I am pleased to support S. 1163, which would establish a nationwide nutrition program, operated through the States, for citizens 60 years of age and older.

We know from studies and I know from personal conversations that many of our elderly do not eat properly for a variety of reasons. The person living alone may simply find it too much trouble to prepare a nutritional meal. He or she may be unable to get to a store. There may be an income problem. Or there may be a lack of knowledge about proper nutrition needs.

This legislation seeks to meet such problems. It authorizes funds for a variety of projects, including ones which provide group meals, ones which prepare meals for homebound persons, and ones which seek to provide nutrition education. Furthermore, the legislation encourages the provision of supportive services such as recreational activities, health and welfare counseling and informational and referral services. It also specifies that outreach programs be included as part of the projects which serve meals so that as many people as possible may be brought into the projects and it requires that programs be established in areas where there are concentrations of elderly.

In my State of Virginia, as many as 500,000 elderly citizens might benefit from projects which could be initiated under this legislation. The extent to which services will be available will, of course, depend on State and local effort, but the pending legislation should provide a strong impetus to the extension of nutritional services to additional needs of our elderly citizens.

There are more than 28 million Americans 60 years of age and over. We know that these citizens are facing increasing difficulties in their later years. There are some basic needs of life. Food is certainly one of these. In a land as wealthy as ours, there is no reason why these persons should not be provided for; why these citizens who have worked long and hard years should not have the sustenance which they need.

Again, I am pleased to support this legislation. I hope it will result in numerous effective and beneficial programs to assist our elderly citizens.

Mr. HUMPHREY. Mr. President, there are 1.5 million individuals in this country today over 65 years of age who live on less than $600 a year. Millions of others live in poverty as couples. In 1900, there were fewer than 4 million Americans over 65 whereas today there are more than 20 million. In 1920 more than 30 percent of the aged were working whereas today only 20 percent are employed. While science is helping to extend longevity it also is helping to reduce the number of jobs, thus making it near impossible for many of the elderly to find gainful employment.

Arnold Toynbee once remarked that the quality and vigor of a society can best be judged "by the respect and care

given its elderly citizens." Today, the United States would have to be judged very harshly based upon that particular criterion. Although the largest minority group in this country, they rank among the most neglected. One out of every four people over 65 lives in poverty today. The war on poverty conducted over the past decade had little impact on our Nation's elderly. In 1959, the proportion of Americans 65 and older living below the poverty line was 15.1 percent. In 1969 that figure moved up to 20 percent. And when one understands the severity of their economic condition, it becomes easier to understand why so many of the elderly suffer from malnutrition or are forced to live on grossly inadequate diets.

S. 1163, which I have cosponsored with Senator KENNEDY and other Senators is a major step in the direction of helping our elderly meet their food and nutritional needs. It provides a national nutrition program for our elderly, a program which is essential to maintaining decent health standards. Their dietary needs are special. And given the meager financial resources of most of them and the lack of incentive and many of them having to plan and prepare nutritious meals for themselves, the need for this program speaks for itself.

Funds provided to States under this bill will be utilized to provide the elderly with low-cost nutritionally sound meals served in strategically located centers such as community centers, schools, senior citizen centers, and other public and private nonprofit institutions suited to such use. Individuals 60 years of age or over and their spouses are eligible to benefit under the program and for those elderly who are confined to their homes, home-delivered meals are authorized. In addition special dietary needs may be accommodated whether for medical, religious, or ethnic reasons.

It is very timely that this historic piece of legislation should be before the Senate at the very time that the President's White House Conference on Aging is being held here in Washington. I know that the question of the elderly's nutritional needs will be getting a great deal of attention at the Conference. A group of elderly citizens from Minnesota, who are here to attend the Conference, met with the Minnesota congressional delegation this morning—and their principal concern centered around the food and nutritional requirements of the elderly and recent changes initiated by the U.S. Department of Agriculture pertaining to the food stamp program which will adversely affect many of the elderly of this country.

The Department, as part of its new food stamp program regulations this year, established national uniform income and resource eligibility standards for the program. While these new standards increased the allowable maximum income that individuals or couples can earn each month in most States, the new standard lowered the maximum income allowed in 12 States, including the State of Minnesota. Unless prompt action is taken, 50 percent of the elderly now participating in this program in Hennepin County alone will be declared ineligible and will be forced out of the program. In addition, many thousands of younger individuals and families living on low incomes also will be adversely affected by this action.

The Department also took action under these new regulations to increase the minimum purchase requirements for individuals and couples and to reduce the amount or value of the bonus stamps individuals and couples can receive under the program. Under last year's food stamp program an elderly couple earning between $150 and $245 was required to spend $36 of their money in order to receive an additional $20 worth of food stamps as a bonus. Under the new regulations issued by USDA couples earning between $210 and $222 will be required to spend $54 and will get only $6 in bonus stamps. And it should be noted again here that the maximum monthly income allowed for participation in this case has dropped from $245 down to $220.

These changes initiated by USDA and the administration are appalling and constitute an insult to the elderly of this Nation who have spent their entire lives working and contributing to the welfare of this Nation as law-abiding, taxpaying citizens. And now that many of them are required to live on low, fixed incomes—and during a time when inflationary pressures are driving the cost of almost everything upward—the Federal Government is reducing what meager benefits they have been receiving under this program.

In view of this development I have prepared legislation to correct these changes which will require the restoration of last year's maximum income standards in Minnesota—and in the other 12 States similarly affected—and which will require a return to last year's requirements for minimum stamp purchases and bonuses.

I tried to offer this legislation as an amendment to S. 1163, the elderly nutrition bill, which the Senate is about to vote on but due to a parliamentary technicality I was unable to do so.

Therefore, I shall introduce separate legislation to correct this situation. I also will be urging the members of the Minnesota delegation in the House to offer my amendments to S. 1163 or other appropriate legislation when such legislation is considered by that body.

Mr. CHURCH. Mr. President, I wish to express my strong support for the Nutrition Program for the Elderly Act, a bill which I have cosponsored with the Senator from Massachusetts (Mr. KENNEDY), now reported out by Senator EAGLETON'S subcommittee.

Today the price of food is the second most costly item for the aged, ranking only behind expenses for housing. Older Americans now spend approximately 27 percent of their income for nutrition, compared with 16 percent for the total population.

Because of their limited budgets, hunger and malnutrition affect the elderly to a much greater degree than any other age group in our society. In fact, it is estimated that perhaps 8 million older Americans have diets insufficient for optimum health.

Quite frequently, inadequate nutrition may intensify other problems confronting the aged. In far too many cases, a poor diet may lead to chronic physical conditions, or even mental illness. In a recent study of elderly patients admitted at two psychiatric hospitals in Philadelphia, for example, it was revealed that about 60 to 70 percent were reported to have serious nutritional problems.

During the past 3 years, approximately 30 nutrition demonstration programs have been initiated under title IV of the Older Americans Act. Now there are about 21 title IV projects in existence. These programs were continued in this fiscal year because of joint hearings conducted last spring by the Subcommittee on Aging of the Senate Labor and Public Welfare Committee and the Committee on Aging, of which I am chairman.

These projects, it seems to me, have clearly shown the wisdom of providing meals in a group setting—particularly for aged single persons who otherwise would have very little incentive to cook for themselves. And they have also amply demonstrated the urgent need for establishing a permanent nutrition program on a nationwide basis to meet the special needs of the elderly. And the Nutrition Program for the Elderly Act, S. 1163, would be a major step forward in making this goal a reality.

First, this measure would provide nutritious meals and at prices that the aged can afford. Moreover, these meals would be located at conveniently located centers, such as senior citizens centers, schools, and other nonprofit settings. Equally important, this bill would offer a wide range of other supportive services to assure maximum participation by eligible individuals. And it would also provide new employment opportunities for older workers.

A few days ago this proposal was unanimously approved by the Labor and Public Welfare Committee. Moreover, the need for this type of legislation has been strongly endorsed by the White House Conference on Food, Nutrition, and Health; every major senior citizen organization; and the elderly themselves.

Enactment of this measure could help provide nutritious meals for nearly 600,000 elderly persons throughout this Nation. And in my own State of Idaho, about 3,000 aged individuals would be benefited by this legislation.

But there are also many other advantages to be derived from the adoption of this proposal. Meals in a group setting, for example, can provide a new opportunity to meet others. This, in itself, can be of important therapeutic value for lonely persons living alone. For these individuals, this can also provide a new and effective means to counteract isolation. And, a meal in a group setting can provide a drawing card for making lonely older Americans aware of a whole range of community services and activities.

For these reasons, I urge the adoption of the Nutrition Program for the Elderly Act.

FIGHTING HUNGER AND MALNUTRITION AMONG THE NATION'S ELDERLY

Mr. CRANSTON. Mr. President, it is most fitting that we have the opportunity to move S. 1163, a bill providing nutrition programs for the elderly, before this week's adjournment. During this special week of the White House Conference on Aging, we in the Senate could offer no greater assurance of our commitment to initiate programs in the interest of America's 20 million older citizens than to unanimously support this vitally important measure.

The April 1970 report of the President's Task Force on Aging, "Toward a Brighter Future for the Elderly," in discussing nutrition and older persons, stated:

> Only recently has the Nation perceived inadequate nutrition throughout society as a major problem. Because its cause is not exclusively economic, the extent of poor nutrition among the elderly has not been clearly recognized. Evidence is accumulating that the incidence of some type of nutritional deficiency among the elderly is substantial.
>
> The malnutrition of older persons causes concern because it not only impairs physical health but also damages mental health—if the full potential of older persons to contribute to society is to be realized, then the threat which inadequate nutrition poses to their health must be eliminated.
>
> The task force believes that programs can be designed which not only provide adequate nutrition to older persons, but equally important, combat their loneliness, channel them into the community, educate them about proper nutrition, and afford some of them an opportunity for paid community service.

Mr. President, it is to these ends that S. 1163 is directed.

S. 1163 authorizes appropriation of $100 million in fiscal year 1973 and $150 million in fiscal year 1974 for grants to States to pay up to 90 percent of the cost of establishing nutrition programs which would provide at least one hot meal a day, 5 days a week, for persons aged 60 and over and their spouses. Participants themselves would also contribute toward the cost of each meal. The programs may also provide home delivered meals, where appropriate, to those eligible individuals who are homebound. The programs would be carried out in sites easily accessible to the majority of elderly residents within the community, such as senior citizens centers, community centers, churches, or other public and nonprofit private settings. Such settings would be conducive to the expansion of the nutrition programs to include opportunity for educational and training programs, and additional social activities and contacts.

The bill provides for administration of the program by the Secretary of Health, Education, and Welfare through the Administration on Aging. Responsibility for administration of the programs in each State will be placed in a single State agency as designated by the participating State, and no more than 10 percent of the State allotment may be used for administrative costs. Preference for filling staff positions in the programs, both full and part time, will be given to persons aged 60 and above.

I was pleased to be one of the original cosponsors of this legislation when it was introduced last March by the distinguished Senator from Massachusetts (Mr. KENNEDY), and the distinguished chairman of the Subcommittee on Aging of the Labor and Public Welfare Committee (Mr. EAGLETON). As ranking majority member of that subcommittee, I was privileged to contribute to the further development and refinement of the bill in committee, and am gratified that my colleagues agreed to amendments which I offered in full committee.

In this regard, I wish to congratulate my colleague, Chairman EAGLETON, for his thorough and expeditious handling of this bill. Were it not for his efforts, and the cooperation of the chairman of the full Labor and Public Welfare Committee, the Senator from New Jersey (Mr. WILLIAMS), in scheduling prompt subcommittee and full committee consideration of S. 1163, we would have been unable to consider this important legislation before the conclusion of the first session of the 92d Congress.

I also wish to extend my thanks to Jim Murphy, counsel to the Subcommittee on Aging, and Mark Schneider of Senator KENNEDY'S staff, for their cooperation to me and my staff in developing my amendments.

One of my amendments provided for a more equitable State allocation formula than was provided in the bill as originally introduced. Under the original State allocation formula in the bill, each State and the District of Columbia and Puerto Rico was entitled to one-half of 1 percent of the sums appropriated—$500,000 at full finding—$100 million first year—plus an add-on of a proportional portion of the additional moneys appropriated, based on the State's share of the national elderly population. Thus, with a $100 million appropriation, a small State such as Delaware, for instance, would have received about $660,000—sixty-one one-hundredths of 1 percent of the total funds at full appropriation, even though it has only twenty-two one-hundredths of 1 percent of the elderly 60 and over. On the other hand, a large State such as California, with 8.51 percent of the 60 and over population, would have received only $6,990,000—just 7 percent of the total appropriation. Thus, though California has 40 times more elderly people 60 and over, it would have received only slightly less than 11 times more of the total dollars. Compared to Delaware, California's share would have been almost 400 percent too low, or, in more compelling terms, the older persons in Delaware would receive almost $4 for every $1 received by the older persons in California. This would work a startling inequity in availability of services to fully 8.5 percent of all elderly persons in the Nation.

Similar comparisons apply to New York and to a somewhat lesser extent to 11 other States with high proportions of older persons among their populations—Florida, Illinois, Indiana, Massachusetts, Michigan, Missouri, New Jersey, Ohio, Pennsylvania, Texas, and Wisconsin. These 13 States, with 63 percent of the persons 60 and older, would thus have received only 52 percent of the total appropriation.

I strongly felt and I am pleased that my colleagues in committee agreed, that the original allocation language of S. 1163, while appropriately providing for a smaller State minimum guaranteed allocation, did so at the expense of almost two-thirds of the total U.S. elderly population.

The amendment which I proposed provided for a more equitable allocation formula for the older population, while at the same time insuring a fair minimum for small States.

Under my amendment, basic distribution of funds would be made on a proportion of the elderly population, but each State and the District of Columbia and Puerto Rico would receive at least one-half of 1 percent of the total appropriation—$500,000 at full funding—and each territory, at least one-fourth of 1 percent of the total; that is, at least $250,000 at full funding. However, the 13 States as well as Guam, Puerto Rico, the trust territory, and the Virgin Islands whose populations fell below the appropriate proportion of the national population—144,684 or one-half of 1 percent of 28,936,791—77,342, or one-fourth percent for the territories—would not receive a population allocation in addition to their guaranteed minimum. This would mean that only about $8 million—for 14 States, the District of Columbia, and the four territories—rather than $27 million, as in the original language, would be allocated without regard to population, and the rest would be allocated among the remaining 36 States and Puerto Rico according to elderly population. In sum, this means a more proportionate and equitable allocation of $19 million—almost one-fifth of the total authorization—more than would have been so allocated under the original formula.

Another amendment which I introduced in committee and which was included in the bill as reported, authorizes the State agency administering the nutrition program, where feasible and appropriate, to provide for the preparation of meals meeting the "health requirements" of eligible individuals, such as heart patients or diabetics on salt-free, low-cholesterol, or carbohydrate diets, as well as meals meeting the religious needs of these older persons, as was authorized in the bill reported to the full committee from subcommittee.

According to the Administration on Aging in HEW, this addition to the bill will not entail any significant additional overall cost to the program. Indeed, the authority of the Secretary to administer the program is sufficiently broad to keep any extra costs of this provision to a minimum. Pre-prepared, frozen meals could be kept on hand for such purposes, or the center could meet the special diet requests from the physician of the par-

ticipant by purchasing meals at a local hospital which has a trained dietitian to supervise food service, as has been the recommendation of the meals on wheels program.

Illness strikes the elderly far more frequently than it does younger age groups. Approximately 80 percent of the elderly—as compared with 40 percent of the nonelderly—suffer from one or more chronic diseases or conditions, many of which require special diets. Heart disease and other cardiovascular disease, for instance, ailments which require salt free and low cholesterol diets, afflict one in four elderly persons. I was pleased that my colleagues agreed to providing this mechanism in the nutrition bill for addressing this critical problem.

Mr. President, in 1969 the Panel on Aging of the White House Conference on Food, Nutrition, and Health, spelled out the Federal responsibility to assure adequate nutrition to every older person in America, a responsibility that this Nation has the resources to meet. The panel recommended that—

The U.S. Government . . . now accept its obligation to provide the opportunity for adequate nutrition to every aged resident.

And that—

The Administration on Aging . . . and the Department of Agriculture undertake permanent funding programs of daily meal service, initially consisting of at least one meal for all the aged needing this service and desiring it, in both urban and rural locations emphasizing the importance of the values of eating in group settings where possible.

On May 28, 1970, Congressman CLAUDE PEPPER introduced H.R. 17763, a nutrition program for the elderly. Because the Congress failed to act upon this measure during the 91st Congress, Mr. PEPPER reintroduced his bill as H.R. 5017 on February 25 of this year. Senator KENNEDY introduced his similar legislation, S. 1163, on March 10. We in the Senate now have the opportunity to take the first initiative in moving this important legislation. I urge my colleagues to support S. 1163 and send it to the House with an overwhelming approval.

SOLVING THE ELDERLY'S SPECIAL PROBLEMS

Mr. BYRD of West Virginia. Mr. President, through the miracles of modern medicine, the life expectancy of the average American has been increased greatly—to the point where, today, one out of every 10 Americans is 65 years of age or older, and another 20 million of our citizens are between the ages of 60 and 64.

In fact, the fastest growing segment of our population is not the young, but rather, the over-60 generation; and the time has come for us to pay greater attention to solving the special problems that come with aging. S. 1163 is a step toward solving some of those problems.

Under provisions of the bill, $100 million—designed to pay 90 percent of the cost—would be authorized in fiscal year 1973 for grants to States to provide low cost, nutritionally sound meals to persons 60 years of age or older and their spouses. That 90-percent Federal contribution would be increased to $150 million in fiscal year 1974. The States would disperse the funds through public or private nonprofit organizations which agree to establish nutritional projects.

The funds would be appropriated on the basis of each State's proportionate share of the over-60 population. My home State of West Virginia, for instance, has 278,969 persons in that age bracket and would receive $919,406 in fiscal year 1973 and $1.379 million in fiscal year 1974.

This bill recognizes many of the special needs of the aged. Primarily, of course, it recognizes that between 25 and 30 percent of elderly Americans are living below the poverty level—and, for these persons, hunger, and malnutrition are very real problems. Thus, the bill calls for each nutritional project to provide at least one hot meal a day, 5 or more days a week, and states that—

Each such meal must assure a minimum of one-third of the daily recommended dietary allowances as established by the Food and Nutrition Board of the National Academy of Sciences, National Research Council.

S. 1163 also recognizes that immobility is all too often a companion of old age, and, therefore, requires that the nutrition project site be located, wherever feasible, in an area with a heavy concentration of eligible persons, preferably within walking distance. Further, it calls for transportation to be provided for those persons who would otherwise be unable to participate, and provides for home-delivered meals to persons who are unable to leave their residences.

There would be a number of additional services provided under the bill, Mr. President. Wherever feasible, special menus to meet particular health requirements or religious tenets would be offered, as would supportive services such as recreational activities, counseling, and referral services.

All these services combine to make S. 1163 a worthwhile measure, one that is deserving of Senate approval. It is legislation designed to provide necessary services to our Nation's elderly, who all too often have seen inflation make their retirement benefits inadequate and strip them of whatever savings they have been able to accumulate after a lifetime of work. I urge its passage.

The ACTING PRESIDENT pro tempore. All time on the bill has expired.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. JAVITS. Mr. President, with the consent of the Senator from Missouri (Mr. EAGLETON), I ask unanimous consent to be made a cosponsor of the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I ask unanimous consent that, notwithstanding rule XII, the vote on this bill occur immediately after the vote on the Harris amendment to S. 2891.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. EAGLETON. At that time I will ask for the yeas and nays.

ECONOMIC STABILIZATION ACT OF 1971

The ACTING PRESIDENT pro tempore. The Chair now lays before the Senate the unfinished business, which the clerk will read by title.

The second assistant legislative clerk read the bill, as follows:

A bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

Mr. TOWER. Mr. President, I suggest the absence of a quorum—

The ACTING PRESIDENT pro tempore. If the Senator will withhold his request for a moment, the Chair will lay before the Senate the pending question, which is the amendment of the Senator from Oklahoma (Mr. HARRIS). The clerk will report that amendment.

The ASSISTANT LEGISLATIVE CLERK. The Senator from Oklahoma (Mr. HARRIS) proposes amendment No. 763.

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be equally charged to both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRIS. Mr. President, I yield myself 20 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is recognized for 20 minutes.

AMENDMENT NO. 763

Mr. HARRIS. Mr. President, I rise in support of my amendment to: First, shorten the expiration date of this act to June 30, 1972; and second, require antitrust actions to be brought against the noncompetitive industrial giants responsible for most of the inflationary spiral.

If I may have the attention of the distinguished managers of the bill, it is my intention to ask, and I do now ask, for a division of my amendment into its two parts; and if there is no objection to that, I ask unanimous consent that following the expiration of the total time allotted on the entire amendment there be separate votes without intervening debate, one immediately following the other, on the two parts of the amendment.

Mr. SPARKMAN. Mr. President, reserving the right to object, and of course I shall not object, let me be sure I understand. The Senator intends to retain the limitation of debate on both amendments?

Mr. HARRIS. That is right.

Mr. SPARKMAN. And then have the rollcalls consecutively, without further debate?

Mr. HARRIS. That is right, after the expiration of time on the amendment and any amendments to it.

Mr. SPARKMAN. Yes.

Mr. HARRIS. To have immediate votes, two separate votes on the two parts of the amendment, without any intervening debate.

Mr. SPARKMAN. I have no objection.

The ACTING PRESIDENT pro tempore. Unanimous consent is not required for that request. If the Senator desires that the amendment be divided it will be divided, and the vote will occur just as the Senator has indicated.

Mr. BYRD of West Virginia. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from Oklahoma yield?

Mr. HARRIS. Yes.

Mr. BYRD of West Virginia. Of course, I do not rise to object. But I want to be sure as to what the Chair just stated.

Is it the Chair's statement that unanimous consent is not required to assure that the vote on the second part of the division occur immediately following the vote on the first part of the division, without intervening votes on amendments in the second degree which may be offered to the second part?

The ACTING PRESIDENT pro tempore. If all time has expired. The Senator has asked that there be no intervening debate. Other amendments would be in order, and, under the unanimous consent agreement or other agreements, would be taken up. But the Senator has the right to have his amendment divided.

Mr. BYRD of West Virginia. Yes; I understand that.

The ACTING PRESIDENT pro tempore. And second, he has a right to have a vote on each amendment without intervening debate on the second part of the amendment.

Mr. BYRD of West Virginia. Yes, I understand. But what about votes on intervening amendments to the second part?

The ACTING PRESIDENT pro tempport. They would have the same time as any other amendments in the second degree.

Mr. HARRIS. Mr. President, I ask unanimous consent that after the time has expired on this amendment and any amendments to this amendment——

Mr. BYRD of West Virginia. To either part of it.

Mr. HARRIS. To either part of the amendment, that thereafter there be two votes, one immediately succeeding the other, on the two parts of the amendment, without intervening debate.

Mr. BYRD of West Virginia. And without any intervening votes on amendments to the second part?

Mr. HARRIS. I so request, Mr. President.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD of West Virginia. So is it the understanding, may I ask the Chair, that any amendments to the second part must be offered and votes be conducted thereon before the vote on the first part of the amendment?

The ACTING PRESIDENT pro tempore. That is the Chair's understanding of the unanimous-consent agreement.

Mr. BYRD of West Virginia. I thank the Chair, and I thank the Senator from Oklahoma.

Mr. HARRIS. Mr. President, we are entering a new economic era. Various experts predict it and I believe it. Price and wage controls in peacetime, or at the tail end of a war, are unprecedented in American history. In imposing them, President Nixon acknowledged that something was drastically wrong with the American economy, that our economy had changed in ways which most Americans did not understand, and that the time for urgent reform had arrived.

As Prof. James Tobin, former member of the Council of Economic Advisers, has written:

In imposing wage and price controls, the Nixon administration is taking an enormous and reckless gamble with the American economy. Never before in peacetime has an American Government subjected virtually every price and wage in the country to legally enforceable ceilings. How will a private enterprise economy perform under such sweeping regulations? Economists do not know, and neither does the administration.

At such a moment I believe Congress must give the most searching examination possible of alternatives open to us. It is my strong conviction that the President is offering us only one alternative, controls now in the vain hope that they will prove unnecessary later, but that he has done nothing to deal with the true root of the problem, the ability of giant firms in highly concentrated industries to "administer" prices upward in the face of lagging demand. I believe this failure to grapple with the root cause of great economic concentrations in our country carries a danger not only for the success of the President's own program but for the longer run future of the American economy.

I invite the attention of Senators to the charts in the rear of the Chamber. First, there is a chart which has to do with mergers. Senators will note that this chart has three major peaks on it representing the number of mergers which have occurred in the recent business and economic history of the United States. One peak is like Pikes Peak—mergers which occurred just before President Theodore Roosevelt came into office—and then the number of mergers goes down. Then there is another peak in the number of mergers—like Mount Everest—just before Franklin Roosevelt came into office, and then the number goes down. Then, in the late 1960's and into 1970, there is a peak in mergers which almost goes off the top of the chart. The number of mergers, obviously, indicates the number of firms that have gone out of business, that have combined with other firms, lessening the competition in our system.

Mr. President, despite the fact that many of the President's own advisers have said, both publicly and privately, that we cannot deal effectively with the twin problems of inflation and unemployment unless we have some lessening of the rising concentration of private economic power in this country, the Nixon administration has moved directly in the opposite direction.

For example, while the original phase I of the wage-price freeze was in effect, there was an attempted merger in the steel industry of National Steel, the fourth largest steel company, and Granite City Steel Co., the 11th largest steel company. They wanted to combine in an industry where there is already administering of prices because of lack of competition, an industry in which they were able, because they were powerful enough to avoid market pressures, to raise unit prices to make up for lost sales volume. Those two companies wanted to merge to provide less competition and to become the third largest steel company. The President's own antitrust division in the Justice Department came out against that merger, but they were overruled by the President and by the Attorney General. That merger did occur, and there is today less competition in an already uncompetitive industry, the steel industry, than there otherwise would have been.

The problem of bringing down inflation and unemployment in the steel industry, of competing with Italian and Japanese steel, staying up to date on modern technology so that that competition can occur, is much greater.

The other two charts have to do with the major American industrial markets with substantial market power in a very few firms. Shared monopolies are defined by industrial organization economists as industries where four or fewer firms have 70 percent or more of sales. That definition includes 35 percent of all the industries in America—automobiles, steel, tires, cereals, soup. All these are those kinds of industries.

For example, I invite attention to one chart which shows that in the tire and tube industry in America, three companies—Goodyear, Firestone, and Uniroyal—have between 70 and 80 percent of the market in the United States.

In cereals, for example, two firms—General Mills and Kellogg—have between 60 and 70 percent of all sales in the United States.

Mr. President, we know that many things happen when you get above the 50 percent level, where four or fewer firms have 50 percent or more of sales—what the industrial organization economists call the collusion index. There begins to be a tendency, through either explicit or implicit agreement, to set prices artificially high. Prices in America would come down by 20 percent if we could break up these shared monopolies and restore real competition in the American supposedly free enterprise system.

Another thing happens when there is this kind of concentrated economic power. Companies, such as cereal companies, are able to pour untold millions into advertising and get us to buy cereals, despite the fact that they have little nutritional value, as has been revealed recently about many of the products of these two big companies that dominate the cereal industry—General Mills and Kellogg.

Take the soup industry. The Campbell Soup Co. has 90 percent of the soup sales in the United States. That is some kind

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of system, but it is not the free enterprise system.

Look at motor vehicles: General Motors, Ford, and Chrysler—three firms—have between 90 percent and 100 percent of automobile sales in America. The result has been that they have set the prices much too high. They have not been able to compete with Toyota and Datsun and Volkswagen. They hardly tried for a long time. They resisted for a long, long time the obvious desire on the part of the American buying public for smaller, more compact cars. So we have all these imports coming in. We have prices much too high, and we have jobs being performed by other than American workmen, and an almost overwhelming pressure for protectionism in this country.

Look at soaps: Three companies—Procter & Gamble, Colgate, and Lever—have between 60 and 70 percent of all the soap sales in the United States.

A couple of other things happen in addition to the result I described earlier of much too high prices and not staying up with technology—one, often not real bargaining. If you can pass along, as many of these firms can, any wage increase that is agreed to, there often is not real resistance to inflationary wage demands, not commensurate with rises in productivity.

Another thing that happens is that this economic power often translates into inordinate political power, so that Standard Oil of New Jersey, for example, is able to continue to pollute the waters of the oceans and of our streams and to rise above any political action against them; and too often that is true in other fields and with other firms as well.

Mr. President, in an historic message to Congress in 1938, President Roosevelt warned that big business collectivism in industry compels an ultimate collectivism in government. He predicted that the power of a few to manage the economic life of the Nation must either be diffused or ultimately it would be controlled.

Today we see the truth of his warning. In recent weeks our economy has passed from the stage which the late Senator Estes Kefauver used to label "private socialism" into a form of public socialism. The latter became necessary because the giant corporations running our economy failed in their task.

Who would ever have thought that a conservative Republican President, President Nixon, would be the man to come before Congress and recommend more outright socialistic programs than we have been advocated by public officials in this country in possibly its entire history—socialized SST's, a bailout of the Lockheed firm, and now seemingly permanent wage and price controls on a broad scale, as the distinguished Senator from Wisconsin said yesterday, reaching from automobiles to babysitters, trying to control prices and wages in that kind of broad fashion.

Senator Kefauver called the role of giant corporations in our economy "private socialism" because these firms did exercise a degree of control and planning in our economic life which we normally associate with "socialism." They divided up markets, drove up prices, gobbled up small business offering price competition, and forced the Government to impose quotas so as to choke off foreign competition.

The most striking proof that the market did not control these giant firms but these firms control the market came in the last 3 years. The Federal Government, alarmed by inflationary pressures in the economy, through fiscal and monetary policy attempted to reduce overall demand and to slow the inflationary spiral. But the industrial giants in our economy did not respond as expected. Theory told us they would hold employment levels steady while holding prices firm or actually lowering them. Instead they proceeded to reduce output, fire workers, and raise prices even in the face of slack demand.

Then in August 1971 President Nixon decided to substitute public socialism for the private variety. No longer would private individuals control and administer the economy, disregarding the dictates of the marketplace. By the President's action the pricing power was moved from the corporate executive suites into one of the White House wings. Further price hikes were blocked and wage contracts legally in force canceled.

And today the President and a handful of officials are attempting to rule the American economy. They are deciding that one industry can raise prices and another cannot. They are determining that one group of workers deserves wage increases and the rest do not. They are ruling that teachers should not get raises but that insurance companies should be allowed to raise their premiums.

Perhaps no single peacetime act in American history has moved as much potential power into the White House as the President's August 1971 decision. For with time, no power over a nation's life is as total as the power over its economy. The lesson all totalitarian states have learned is that economic power soon translates into political power.

Many will contend that with our democratic tradition such dangers cannot exist in the United States. But we all know that we do court serious risks by concentrating such enormous power in the Federal Government. Let us only answer the following questions honestly to see this. If an industry's fate depends on the decision of poorly informed government officials, will it hesitate to attempt to influence that decision through campaign contributions or otherwise? If an administration is anxious for money to wage the next electoral campaign, may it be tempted to show less consideration for an industry or union which has not contributed its share?

These are basic questions striking at the root of our political process. They suggest why the Government must always be discouraged from entering the marketplace unless alternatives have been exhausted. And it is precisely on this score that I am alarmed by the President's failure to include in phase II, measures which over time will make Government controls unnecessary or much less necessary.

With this failure in mind, my amendment to the Emergency Stabilization Act of 1971 would enable the country to impose price and wage controls in the short run but at the same time would provide it with a longrun alternative to further recourse to such controls.

Under this amendment the Federal Trade Commission would be directed to report to the President and to the Congress by June 30, 1972, on the relationship between oligopolistic industries and our inflationary difficulties. The Commission would also recommend specific measures for decentralizing such industries at a minimum cost to the companies in question and to the country with a view to reestablishing effective price competition throughout our economy.

At the same time, my amendment would grant the Congress an early opportunity to review the economy's progress under phase II. And by setting a June 30, 1972, expiration date for the Economic Stablization Act which would coincide with the date for submission of the FTC report, my amendment would put the Congress in a position to discuss rationally the advantages and disadvantages of controls against reform. The Congress would then have some basis, which it now does not, for deciding that it was preferable to press ahead with controls and that it would be better to attempt fundamental reforms designed to reduce the unlimited pricing power of all larger corporations.

The PRESIDING OFFICER (Mr. GAMBRELL). The time of the Senator from Oklahoma has expired.

Mr. HARRIS. Mr. President, I yield myself 15 additional minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 15 minutes.

Mr. HARRIS. Mr. President, the distinguished Senator from Wisconsin and I discussed on the floor of the Senate yesterday the lack of wisdom involved in extending unprecedented powers over the economy to the President for 17 months. There is no need to do so. It is said that unless we extend those powers past 1972, the whole question of economic management will become involved in the 1972 campaigns. I think those questions should become involved in the 1972 campaigns. President Nixon has launched us on a radically changed economic system. There is little discussion of the underlying questions involved. There are better alternatives and I am trying to discuss some of them now.

The amendment of the distinguished Senator from Wisconsin, of which I am a cosponsor, if it is adopted by the Senate, would exempt small unions and exempt smaller businesses from the provisions of this act altogether after June 30, 1972.

It is the inordinate concentration of economic power, whether it be in unions or in business and industry, which has been responsible for inflation in the economy. The great bulk of working people and the great bulk of industry in this country should not have to suffer from these unworkable and unenforceable controls because of that.

Mr. President, at the heart of my amendment lies one principal premise. The root of our economic difficulties is structural, not temporary. For that reason we must take steps not only to control our economy but also to reform it.

The President's own economic advisers best explained the distinction I am trying to make. In their February 1971 report to the Congress, they pointed out that there are two explanations usually given for the stubborn nature of inflation in the United States:

> One relates the persistence of the inflation, after corrective measures have been taken, to the duration and magnitude of the preceding inflationary boom. The other traces the cause to structural changes in the economic system, especially but not exclusively connected with the concentration of economic power.

In drawing this distinction, the Council did not attempt to rule on which explanation was more relevant to the condition of the American economy. But it is clear that until recently the White House operated on the premise that the first was more valid. It was this mistake which cost the country so dearly in the past two and a half years.

For so long as the White House adhered to the first explanation, it was obliged to press ahead with its policy of demand restraint. It was compelled to tighten the fiscal and monetary grip on the economy, deliberately drive up unemployment rates and then wait for some slowdown in the spin of the inflationary spiral. It never came as expected; and as Walter Heller pointed out, White House experts were primarily successful in this sense: They succeeded in engineering the "first synthetic and purposely created recession in our history."

It was only with extreme reluctance that the administration decided that the second explanation was correct after all. Arthur Burns, Chairman of the Federal Reserve Board, conceded:

> The rules of economics are not working quite the way they used to . . . the traditional monetary and fiscal remedies cannot solve the problems of inflation and unemployment as quickly as national interest demands.

The reason was clear. Not demand restraint, but measures to deal with the structural problem were required.

And so on August 14, 1971, the President made his dramatic reversal and imposed controls over our economy.

What lies ahead? On this the President remains alarmingly silent. The administration is pushing the economy in a new direction amidst a fog of speeches, good wishes, and appeals to patriotism. But the President has no way of knowing whether controls today will lead to controls tomorrow. He fervently hopes the answer is no. But because it is so clear now that the true cause of inflation is the structural nature of the American economy, a growing number of the most eminent economists in America believe his hopes are totally misplaced. They are predicting that the controls will remain permanent because they can see nothing in the administration's program that will prevent this.

And they have good reason for their views. The most effective way to cope with the top-heavy structure of the American economy would be vigorous antitrust actions against those firms which are able to administer prices upward even in the face of lagging demand and thus to cause most of our inflationary difficulties.

Yet just as a man is known by the company he keeps, so an administration is known by the pressure it responds to. And this pro-business administration is not about to undertake any vigorous reform measures against the corporate giants. Secretary Connally in his October 8 press conference was quite emphatic on this. Asked whether vigorous antitrust activity would play a role in phase II or whether the new controls made that less necessary, he replied:

> I think it would make it less necessary and, very frankly, the matter has not been discussed at all.

This admission I regard as nothing short of astounding. Virtually every commentator in the country, at both ends of the political spectrum, has contended that the American economy is now at a major watershed. We should expect at such a moment the Government would give careful thought to every possible course of action. Certainly, we should expect, we should demand, from our Government that it not totally ignore, as it so clearly has, one major anti-inflationary tool. Yet this is precisely what has happened.

The seriousness of the administration's admission will, I believe, be even clearer if we consider the conclusions reached by the January 1969 study of the Cabinet Committee on Price Stability. This report, available to the administration, summarized the problem which has troubled President Nixon since he entered the White House, namely: Why is inflation in the United States so stubborn? The Committee, after surveying the existing literature on the causes of inflation, finally identified a "critical link" between concentrated market power and the inflation problem.

In drawing this conclusion, the Committee cited the past performance of the highly concentrated steel industry as a case in point:

> Between 1953 and 1959 steel was *primarily responsible* for the increase in the wholesale price index. Finished steel prices rose by 36% during the period, whereas all wholesale prices rose an average of 8.5%. Wholesale prices, exclusive of all metals and metals manufacturers, rose only 1.5% in the period.

Today many economists believe that as much as 90 percent of the Nation's inflation over the past 10 years has been caused by our shared monopoly industries.

Also relevant to our discussion are the committee's conclusions about the close relationship between the high profits in highly concentrated industries and pressure there for wage hikes. The committee found:

> Recent research studies . . . show that wage rate increases are related to the level of profits and to increases in profits. Moreover, incomes of non-union employees, particularly the salaries and bonuses of management personnel, are likely to be higher in such firms than in those earning lower profits.

Though profits converted into high wages for management of necessity do not show up in accounting statements of profit, the committee also discovered that the profit rates, even so, tend to be 50 percent higher—or more—in highly concentrated industries than in moderately concentrated ones.

These are facts that the Senate cannot ignore in passing on the President's proposals for phase II. These are facts that demonstrated that we need fundamental reform in our economy.

Concerning the role of giant corporations in our inflation problem, I should like to make one additional and final point often lost in discussions of our inflationary difficulties. It is that giant firms cause inflation not only because they systematically raise prices but also because they fail to lower them.

This is a point which the distinguished Senator from Wisconsin (Mr. PROXMIRE) and I discussed on the Senate floor yesterday.

In a properly functioning economy those industries with increasing productivity would not eat up all productivity gains in higher profits and salary levels. Some of the increase, perhaps most of it, they would pass on to the consumer in the form of lower prices.

This, however, does not happen in the modern American economy. Today the giant firms hold all productivity gains, or most of them, to themselves. And other groups in the economy inevitably, and in fairness, begin to clamor for their own wage increase so that they may share in the growth of the Nation's wealth. If they did not, they would become the underpaid servants of those fortunate enough to control or work in a concentrated industry.

In short, one general conclusion emerges from the facts I have related. It is that the fight against inflation must be waged at the commanding heights of our economy. It would be totally unfair and unnecessarily burdensome to harness the entire economy in unpopular controls when a small handful of companies are responsible for most of the problems we face.

Yet despite these realities too many in the country are accepting the prospect of widespread government controls without real protest. They remain calm because they do not understand what the future may bring.

Consider what happened in World War II. Our GNP then was only slightly more than $200 billion, whereas today it is five times as large. Then our labor force, though swollen by the war effort, was less than 60 million, whereas today it is 85 million. Yet in World War II it took 60,000 paid employees, 250,000 full-time volunteers, nine regional offices, 105

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district offices, and 5,400 local price and rationing boards to control prices and wages in the United States.

Mr. PROXMIRE. Mr. President, will the Senator repeat those figures? I think they are very impressive.

Mr. HARRIS. At a time when the gross national product was only about one-fifth of what it is now and our labor force was less than 60 million, there were 60,000 paid employees, 250,000 full-time volunteers, nine regional offices, 105 district offices, and 5,400 local price and rationing board to control prices and wages in the United States during World War II.

Mr. PROXMIRE. It is true that some of this personnel was necessary for rationing, which is not necessary now. On the other hand, it is also very true that a substantial portion of them were required to enforce wage and price controls. It is also true, as I understand it, that the number of personnel now available for enforcement is 3,000.

Mr. HARRIS. The Senator is correct.

Mr. PROXMIRE. There is no question that with a much simpler purpose and a much simpler act from 1942 to 1946, far more people were enforcing the act then.

The motivation for compliance was very strong. We were in an allout war, and the enforcement machinery was many, many times greater on any basis than it is at present.

Mr. HARRIS. The Senator is quite correct. I think the series of amendments which he intends to offer go hand-in-glove with the amendments which I am now offering.

First, I quite agree with the Senator that we ought not to extend these unprecedented powers, these unworkable mechanisms, for 17 months, as this bill would do. Instead, at the very most we ought not to go past the end of this fiscal year, June 30, 1972; then Congress can take another look at this question, as I certainly think we ought to do. I think many people are going to be angry with us one of these days, when this whole mess begins to get worse and becomes more and more cumbersome and burdensome, and obviously more unworkable, if we extend the program for 17 months, not knowing what might be done, whether or not we are going to have another coal wage settlement or another tinplate price increase, both of which look inflationary to me.

We are asked to say, "Go ahead and do whatever you please and we will take another look 17 months from now." I think we will have a hard time justifying that.

Mr. PROXMIRE. When it is wholly unnecessary. All we would do would be to give this authority without Congress knowing what the situation is. We have not had an opportunity to see what the wage board and the price commission are going to do, except on a limited, scattered basis. Only this morning there was an article in the newspapers concerning the Ford Motor Co. price increase and there will be more significant changes in the next 2 or 3 weeks.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRIS. I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HARRIS. That is why I think it is so important that, first of all, we keep some rein on this matter, with a shorter expiration date. I think the Senate and the country will be sick and tired of this measure before June 30, 1972.

Second, as the Senator suggested, I think we should make sure these decisions are openly arrived at. I think this will have considerable restraint on the boards and commissions if the public knows what they are doing. The Senator's amendment would do that.

Third, we should intervene in wage and price related decisions only where the market is not working and primarily it is not working where there is much power in large labor unions and large companies. The Senator from Wisconsin has an amendment, of which I am a cosponsor, that would limit this board's power, if it is to be extended beyond June 1972, to those concentrations of economic power.

By the second part of my amendment, I would try to limit those instances where the Government would have to intervene.

I do not think it has been recognized generally how much, more and more, industry in America is becoming bigger and bigger and more concentrated. General Motors is not a human-size institution. It has more revenue than all but nine countries in the world. It is not the free enterprise system as we know it. We are either going to move toward the Zaibatsu system that they had in Japan during World War II, or decide to try to make free enterprise work, enforcing antitrust laws, bringing about competition and reducing instances in which the Government would have to intervene. That is what the second part of my amendment would do.

If controls, as many now predict, become a permanent feature of the American economy, we shall require an even larger bureaucracy to run our economy. The Government will acquire enormous powers to interfere in our daily lives.

Those who believe it will be possible to avoid a large bureaucracy simply do not understand the nature of controls. When they are imposed, the fear is always that they fail to hit one's competitor who may be able to take advantage. The demand therefore is always for more stringent controls.

This has now started. A survey in the New York Times on October 24 found that small businessmen, afraid that some sectors of the economy will not be covered, are already calling for more stringent controls so that everyone will be treated fairly.

Besides the bureaucratic snarl, we must also recognize the severe social disadvantages in running an economy with permanent controls. It is an unwelcome obligation in wartime to report on others in violation of wage-price regulations. Nevertheless, the decline in the tone of public life may not be too great so long as the sense of common sacrifice remains firm, as it does in wartime. But this is too much to expect in peacetime. One only has to visit any Socialist country, as I have, and as many Senators have, to understand how such controls may coarsen the whole tone of public life.

These, then, are the reasons for my amendment today, which attempts to provide the Congress with the data it should have before it rules with finality on decisions that may alter the nature of the U.S. economy forever.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRIS. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. HARRIS. Mr. President, during the Civil War Abraham Lincoln proclaimed that our Nation could not endure half-slave and half-free. Today the question is whether our economy can continue half-controlled and half-competitive. I contend that it cannot.

Either we take steps now to establish competition as the distinguishing feature of our economic system or we shall continue to move toward final, irreversible government controls with all that will mean for our democratic system of government. For if a handful of officials are to have the power to control our economy, which this bill provides, then I agree with Franklin Delano Roosevelt that ultimately the public will demand that those officials be government employees not corporate executives.

Increasingly prominent economists are predicting that we will accept such controls. They believe the Congress will not have the courage or the will to reform the economy and that the process of growing economic concentration will soon pass the point of no return.

Experts like Willard Mueller, former chief economist of the Federal Trade Commission and currently professor of economics at the University of Wisconsin, now warn that because of the fantastic merger movement which has swept over the U.S. economy in recent years, we are in danger of creating an American Zaibatsu system—that is, a closed economic system as in prewar Japan, where price and other business decisions were made by giant conglomerate firms operating largely outside the disciplining influence of the competitive market system.

Let us therefore understand that we are at a turning point of our national life. We should not agree to broad temporary controls likely to become permanent as this bill represents. We should examine the real nature of our problems and take steps toward true real reform.

Our goal should be an end to undue concentration of economic power in any form. Concentration of such power in the hands of government bureaucrats is no more desirable than its concentration in various corporate executive suites.

In both cases the effect over time will be to reduce the control each of us has over his or her own life. Democratic institutions over time cannot flourish, and indeed, will be undermined if enormous power is held in the hands of an unresponsive few.

So I today urge the adoption of my amendment. Otherwise I fear that future historians will say: The turning point was there but the Congress either did not have the firmness of purpose or the clearness of vision to understand its importance.

Mr. PROXMIRE. Mr. President, will the Senator yield briefly?

Mr. HARRIS. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I commend the Senator warmly on his excellent speech and for a most imaginative and constructive amendment.

I am particularly impressed by the second part of the amendment because I think it goes to something that neither the Joint Economic Committee, with all the hearings we had, nor the Committee on Banking, Housing, and Urban Affairs, had a chance to go into in detail.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRIS. Mr. President, I yield myself 1 additional minute.

Mr. PROXMIRE. The Senator has a lot of interesting information here, showing a great concentration of industrial power in the hands of a very few companies.

I understand the Senator is asking for two things: one, a report, so we know what the effect of this concentration is; and second, antitrust action to provide the kind of decentralization action which will give us competition.

I cannot understand what is wrong with that. It makes sense to me as the kind of thing we should have. All economists say we should have something like this but that it is unrealistic. What is unrealistic about it? First, the Senator is asking for information. I do not know how the Senate can say no to that. I understand how there may be some hesitancy on providing antitrust action on whatever the basis might be. But I think the Senator's information is helpful and goes to something that every economist says is a problem in creating inflation from which so many Americans suffer.

Mr. HARRIS. I thank the Senator very much. He is quite correct in understanding that what I am trying to do is make the free enterprise system work. It may be a little old fashioned, but I think it is far better to plan with the market as the planning mechanism than to entrust it to untrammeled, inordinate power in the hands of corporate executives or inordinate power in the hands of Government bureaucrats.

Mr. TOWER. Mr. President, I yield myself 5 minutes.

Relating to the first part of the amendment proposed by the Senator from Oklahoma, I think the same argument could be raised as was raised against the proposition that the authority should be terminated on the 30th of April 1972. The Senator from Oklahoma would propose to extend that for only 2 months, or 60 days. I think this would still raise the problems of uncertainty that would be extant in business with its necessity for planning for business and budget.

I might point out that phase II is designed to achieve decontrol. Actually, the ultimate goal is to again have the marketplace function as a more true regulation of the economy. There are some problems attendant on the economy being regulated by the marketplace, and one of those has not been mentioned, and that is the great power of organized labor, a power that can ask for and get wage raises that are not tied to increased demand and productivity. There is no adherence to the law of supply and demand. In other words, the employer today buys labor in a highly protected market. Whatever those who preside over the labor movement say, the employer must pay for that labor. No attempt is made to deal with that problem in the legislation proposed by the Senator from Oklahoma.

I am not one of those who believe bigness is bad because it is big. I think the fact that we have giant corporations is a logical outgrowth of the industrial revolution. We do not want monopoly in this country, and should not have monopoly, because that would, of course, result in abuse of economic power almost inevitably. We recognized that fact when we enacted laws many years ago to proscribe antitrust arrangements and monopolies through pooling arrangements, et cetera. These laws have been good and have served to make the market regulated economy function. Unfortunately, the same stricture and proscriptions do not apply to big labor, so we do not have a truly market regulated economy.

Big business is not in itself bad. The fact that we have big companies may result in Americans buying goods more cheaply rather than more dearly. Some of these large corporations with great resources can function more efficiently to bring goods and services to the market place at lower prices than would be possible if these businesses were fragmented and made into smaller corporations operating less efficiently and more of their money going into overhead and perhaps going into the costs of distribution, et cetera, to the extent that goods and services would be more expensive than if we fragmented the great corporations.

Too, we might find ourselves less able to compete in world markets. We are facing tremendous competition at the present time from Germany, Japan, and other countries of the world, and to fragment our great corporations and to establish smaller ones would be to put us into a less competitive position in the world markets.

It is my understanding that the matter dealt with by the Senator from Oklahoma in his amendment is presently under study by the Antitrust Subcommittee of the Senate Judiciary Committee. To my knowledge, that subcommittee has not made recommendations, and it seems to me appropriate that that committee should go into that matter before we take it up on the floor. It is my belief that the whole amendment or both parts of the amendment should be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, I yield myself 3 minutes. I do not know that I could particularly add to what the distinguished Senator from Texas has said. I do want to emphasize what the Senator has said with reference to this being a matter that is not within the jurisdiction of this committee. It clearly belongs to the Judiciary Committee, and that committee has a longstanding Subcommittee on Antitrust, headed by one of the most able Senators in this body, Senator HART of Michigan.

Mr. TOWER. Mr. President, will the Senator yield at that point?

Mr. SPARKMAN. I yield.

Mr. TOWER. And the Senator from Michigan (Mr. HART) would hardly be considered as a guardian of the big corporate interests.

Mr. SPARKMAN. I will put it the other way: He is a very conscientious Senator and he really goes into problems relating to antitrust, monopoly, and questions of that kind. I surely agree with the Senator.

I wish very much that the Senator from Michigan might have had notice of this and been able to be on the floor at this time. I would be pleased to hear what he had to say. But I know, and we all know, that that subcommittee has been working along the line—somewhat the same line, at least—that the Senator from Oklahoma has suggested in his amendment, trying to find the facts. In fact, in the amendment itself, reference is made to a study made by the Census Bureau and sent to the Antitrust Subcommittee. It clearly belongs there, and I believe we ought not to be in the position of trying to take it away from that committee, which is doing an able and conscientious job, and writing it into this bill, which relates to controlling prices, wages, interest, dividends, rents—things of that kind—and not dealing with subjects of combinations, trusts, and matters of that kind.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. Would the manager of the bill support the part of the amendment to be voted on second in the event the Senator from Michigan (Mr. HART) supported that amendment?

Mr. SPARKMAN. I did not say that.

Mr. PROXMIRE. I know the Senator did not. I asked him if he would.

Mr. SPARKMAN. I do not think I have to commit myself. No, I would not, because I think it clearly belongs to that committee, the Judiciary Committee, and I am not in favor of invading its jurisdiction. I believe in respecting the jurisdiction of committees as laid down in the rules of the Senate, and this subject clearly belongs to the Judiciary Committee, and that is where it should go.

I reserve the remainder of my time.

Mr. PACKWOOD. Mr. President, will the Senator yield me 5 minutes?

Mr. TOWER. I yield 5 minutes to the Senator from Oregon.

Mr. PACKWOOD. I wonder if the Senator from Oklahoma will yield to me for a question?

Mr. HARRIS. Yes.

Mr. PACKWOOD. I am curious about the charge I believe the Senator has made. If we go to the industrial-chemi-

cal part and the drug part, I think that is portrayed on the chart. The Senator has listed, under "Industrial-Chemical" the assets of the four largest companies; namely, Du Pont, Union Carbide, Dow, and Monsanto, as coming to $10.5 billion, and the Senator indicates that those four companies have 60 to 70 percent of the market. Do I follow that correctly so far?

Mr. HARRIS. Yes.

Mr. PACKWOOD. Is it fair to assume further, whether the figures prove that or not, that the percentage of the market controlled by each of the four companies bears some rough proportion to their total assets?

Mr. HARRIS. That is not necessary to know in order to support the amendment I am offering, and I do not have before me the information as to what proportion of the drug or chemical market each of those firms have.

Mr. PACKWOOD. I am going to go on the assumption—and it may be invalid—that, roughly, their proportion of the market might bear some resemblance to their size, although I think there are probably situations where, in the drug and chemical industry, one chemical company has a patent and may have a dominating role in one small segment of the industry, but not be dominating in other parts. Assuming that those are proportionate, Du Pont being the leader in the chemical field, with roughly 20 percent, the other companies controlling less, and then with a fewer proportion of the companies beyond the 70 percent, some of which again may have a dominating effect in some small area, what I am curious about is whether the Senator from Oklahoma believes Du Pont, with 20 percent, give 1 or 2 percent, of the market is the price leader and the rest simply follow, or whether he is suggesting that the four companies that have 60 to 70 percent of the total market get together to determine collectively what the prices might be.

Mr. HARRIS. Mr. President, if I may respond, the present Economic Assistant in the Antitrust Division in President Nixon's present Justice Department believes—and I concur—that when we get to the place where four or fewer firms have more than 50 percent of the market, there results what is called the collusion index, and this is something concurred in by the overwhelming majority of the industrial and organizational economists today. There is either implicit or explicit price fixing. Ralph Nader believes that prices would come down by 20 percent, and Senator HART's subcommittee has found they would come down by 25 percent, if we could break up these oligopolistic industries.

Mr. PACKWOOD. How does the price fixing by the oligopolistic industries work?

Mr. HARRIS. To use an example, General Motors has what is called target pricing. It decides what profit it intends to make, and sets its output and unit price on that basis, and other automobile companies follow suit. I do not think anyone seriously questions that.

Mr. PACKWOOD. And the Senator is suggesting, therefore, in this situation, that Du Pont, the leader in industrial chemicals with 20 percent of the market, does the same thing, and the other companies follow suit?

Mr. HARRIS. If the Senator will read my amendment, he will find that if that is not the case, then they will suffer no action against them under this amendment. It has to be found by the Federal Trade Commission that an industry is not competitive by reason of violation of the antitrust laws, and that that noncompetitiveness has contributed significantly to the inflationary spiral since 1966. If that is not true of a particular industry or company or a particular line of products of a particular company, then it will suffer not at all. This amendment does not add to the antitrust laws; it just says "enforce them."

Mr. PACKWOOD. Let me ask the Senator about a company like Xerox. I am sure that the Senator, as I did, practiced law for a number of years, and can recall running our copies through a wet copier and hanging them up with clothespins to dry. I do not think 15 years ago Xerox was on the market, but yet, as the Senator indicates, today Xerox dominates the market, because of a superior product. Is it the Senator's intention that even if a company comes along with a better product, it shall not be allowed to dominate the market or have any superior competitive position, but that size alone will be enough to insure that they no longer shall have that superior portion of the market?

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. PACKWOOD. May I have 5 minutes more?

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 42 minutes.

Mr. SPARKMAN. I yield the Senator from Oregon 5 minutes.

Mr. HARRIS. Mr. President, I call the Senator's attention to the amendment again, to say that if there is a finding, as the amendment indicates, that there would not be greater economies and efficiencies as a result of the breaking up of these monopolies, or their divestiture of some of their plants, then, of course, antitrust action would not be involved.

Mr. PACKWOOD. I note that there is nothing at all in the Senator's amendment relating to collective bargaining contracts, and the effect they might have on inflation.

Mr. HARRIS. It has this impact, which I think is very important, with regard to collective bargaining: If an industry is able to set prices and, therefore, pass along pretty much whatever wage increases it may agree to, there will be a tendency toward less resistance to inflationary wage demands. Industrial competition will tend, therefore, against inflationary wage increases.

Second, as the President's Cabinet Committee on Price Stability has found, in industries which have high profits, there are tendencies toward inflationary wage and salary increases as well, and I think that that is only reasonable.

The other aspect of what I would do with the powers of labor is covered by amendment of the Senator from Wisconsin, which I hope the Senator from Oregon will support, as do I, which would exempt the smaller unions and the smaller firms from any impact of this act at all after June 30, 1972, but continue the power to intervene in wage and price decisions in the larger concentrations of industrial or labor power.

Mr. PACKWOOD. Well, now, Mr. President, let us take, for example, the over-the-road trucking industry, certainly not an industry dominated by giants. If there is any still locally owned, small business industry, it is the trucking industry, with the exception of one thing: The National Teamsters Union bargains for every trucking company in this country; and to stand here on this floor and say that that cannot have any inflationary effect, I think, begs the question.

Mr. HARRIS. Mr. President——

Mr. PACKWOOD. Mr. President, I am not yielding for questions at this point.

Mr. HARRIS. But the Senator is misstating my position. I have said that if he will support the amendment of the Senator from Wisconsin, we will be able to intervene in that kind of inflationary wage increase. But what the Senator from Oregon is doing is supporting the philosophy of a President whose own committees have just allowed what appears to be an inflationary wage increase in the coal industry. What about that?

Mr. PACKWOOD. Mr. President, I am simply looking at the amendment we are going to be voting upon, and not on some future amendment that we may vote on later today if it is offered.

I see nothing in this amendment that has anything to do with the President's philosophy; and it has nothing to do with the President's philosophy; and it has nothing to do with collective bargaining contracts, whether or not they are colluded in by business and labor.

I cannot support this kind of amendment, which is obviously aimed, not at any objective study, but at the President's personal philosophy.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, I yield 10 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, I thank the Senator from Alabama. It was with interest, Mr. President, that I received information a short time ago of the substance and the tenor of this amendment. As I understand it, under the bill—

The President shall, pursuant to section 6d of the Federal Trade Commission's Act (15 U.S.C. 46d) direct the Commission to undertake immediately for submission to the President and the Congress prior to June 1, 1972, an investigation of oligopoly industries, that is, those manufacturing industries in which the national or regional market share held by the four largest firms is 50 per centum or more as determined by the Census Bureau in its study for the Senate Antitrust Subcommittee; this investigation shall have as its purpose: (1) determining whether those industries are noncompetitive in character and have, therefore, contributed significantly to the inflationary spiral since 1966, and (2) recommending specific measures to the Congress and to the President for decentralizing those industries in a manner involving minimum cost for the firms in question and for the Nation's economy and leading to the restoration of effective price competition.

Then we get to the final part of the amendment, which says:

The President, upon submission of the Federal Trade Commission report on oligopolistic industries, shall direct the Federal Trade Commission and the Antitrust Division of the Justice Department immediately to undertake antitrust suits against oligopolistic industries which are found to have contributed significantly to the inflationary spiral since 1966 in order to restore effective price competition in these industries.

Mr. President, I rise in opposition to the amendment, not because it does not have laudatory and very fine objectives. I think all of us should be concerned with oligopoly and monopoly, and fixed prices and restraints of trade. That is what we have antitrust laws for.

Mr. President, I am against the amendment because it smacks of an instant remedy for something that is deep-rooted and fundamental, and which has a history of some 75 years by way of national policy and of legislation, starting away back in 1890 with the Sherman Antitrust Act.

This Congress has been blessed by many things, and it has been plagued by many things, but one thing it has been blessed with has been the continuing effort of an overview and a study of the antitrust laws, with efforts from time to time to bring them up to date and to adjust the country's economy and its strength to the new technology which we have witnessed, the wonders of everything from the computers on up and down, the assembly lines, and all that goes to make up the very, very intricate system of economics and industry in this country.

In 1964, there was started a series of hearings in the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary in a study in the field of economic concentration.

We went into the matter of conglomerates since that time, of mergers, and of invention and innovation—the impact those subjects had upon the control of prices and the concentration of economic power; divisional reporting by subsidiaries of big companies; the new technology concentration outside the United States; and a staff report of the Federal Trade Commission on Corporate Mergers. We have had all those hearings, and from time to time they have had spinoffs in the legislation that Congress—the other body as well as this body—has created by way of new laws and new legislation and regulations as well.

Part 8(a) of these hearings consists of a 1969 staff report of the Federal Trade Commission—the economic report on corporate mergers—and of course that is the heart of the amendment we have here.

Mr. President, there has been no scarcity of studies in this field.

Mr. HARRIS. Mr. President, will the Senator yield so that I may ask for the yeas and nays?

Mr. HRUSKA. I yield.

Mr. HARRIS. Mr. President, I ask for the yeas and nays on part 1 of the amendment.

The yeas and nays were ordered.

Mr. HARRIS. Mr. President, I ask for the yeas and nays on part 2 of the amendment.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that it may be in order to ask for the yeas and nays on part 2 of the Senator's amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HRUSKA. Mr. President, in 1968, President Johnson's Commission on the Study of the Antitrust Commission was published. It had a very indepth study of the situation, and it came out with some recommendations.

In 1969, President Nixon's Commission, submitted its study. The President also urged the American Bar Association study, headed by the present Chairman of the Federal Trade Commission, which came out with a very splendid analysis and recommendations on the Federal Trade Commission.

Then there is the book by Joseph W. Burns, which was published in 1969, entitled "Antitrust Dilemma: Why Congress Should Modernize the Antitrust Laws."

We also have a resolution here, introduced by the senior Senator from New York, for the creation of a Commission to review the Federal antitrust laws. The Senator from Nebraska has been one of the sponsors of that resolution, I think, for three Congresses.

I mention these things because we cannot expect to make any intelligent, any substantial, and any effective impact upon the whole picture of antitrust laws and the resulting actions of antitrust laws on inflation and prices unless we get it on a solid basis. That has to be done. We cannot approach it from the standpoint of a flash in the pan and say that we direct the President and we direct the Antitrust Division of the Department of Justice to bring suits. It takes more than that, because in the meantime the corporate structure and the functioning of business—marketing and imports and all these things—have arisen and make of it a very complicated picture.

So I would bespeak the idea in the mind of the Senator from Oklahoma, but I would also speak for the idea of putting it into its proper context. And the proper context is in the hands of the Judiciary Committee and in the hands of its Antitrust Subcommittee that has acquired some expertise, that has acquired a good library of literature and statistics, that has acquired some competence in the litigation that has been experienced already, and have that committee work out something that will be on a solid and on a constructive basis.

Mr. President, on this short a notice, I do not have a collection of statistics on Department of Justice litigation in the area of antitrust. However, they are very substantial both in number and in rate of increase.

For example, I do recall that the number of antitrust cases rose 17 percent in 1970 over 1969.

I also recall that the percentage of Federal court loads accounted for by antitrust cases is vastly greater than any other type or class of litigation. The weight assigned to Government antitrust cases is 8 compared to 1.2 for tax cases and 1.7 for condemnation cases.

This gives some indication of the action now in progress.

Mr. President, the progress made in the Antitrust Division of the Department of Justice and the Federal Trade Commission has been good, and they have gone at things which are vital. There is a need for some modernizing of the legislation, and we hope that it will make progress as we go along.

But this, as I say, is a flash in the pan. It seeks an instant remedy for something that is deep rooted and fundamental. This amendment should be rejected, and the matter should be pursued in the proper channels—in those areas where we can give it the proper attention, not by way of the relatively superficial attention it can possibly get here, notwithstanding the good faith and conscientious effort of Members of this body to try to do the right thing.

This amendment is not the way in which to achieve it. I hope the amendment is rejected.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, I am ready to yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield back the remainder of his time?

Mr. HARRIS. I yield myself 5 minutes.

Mr. SPARKMAN. Mr. President, may I inquire as to the time that now remains?

The PRESIDING OFFICER. The Senator from Oklahoma has 10 minutes, and the Senator from Alabama has 29 minutes.

Mr. HARRIS. Mr. President, I ask unanimous consent, for technical purposes—as I am informed by the Parliamentarian we need to do in order to vote on these two parts separately—to insert between lines 9 and 10, on page 1 of the amendment, the words "on page 22, after line 7, insert the following:". That is simply a technical amendment to make each part stand separately on its own for the vote.

The PRESIDING OFFICER. Is there objection to the modification offered by the Senator from Oklahoma? The Chair hears none, and it is so ordered.

The division will come on the amendment as indicated by the Senator.

Mr. HARRIS. Mr. President, I invite the attention of Senators again to the fact that there are two separate parts to this amendment and that those two parts are going to be voted on separately.

Very little has been said about the first vote, which is a vote on whether or not we want to give the President

these unprecedented powers for 17 months or whether Congress is going to retain some control or overview of this matter, with the right to review it at its expiration date under my amendment, which would be at the end of this fiscal year, June 30, 1972. Very little has been said about that, Mr. President. I think that is a highly important point. I invite attention to the fact that it will be the first vote, and it will be on that subject alone, untrammeled or unmixed with the question of antitrust enforcement, which I think is even more important. But the first vote will simply be on that date.

I invite attention to the question and answer in the hearings before the Committee on Banking, Housing and Urban Affairs, page 131, the question being put by Senator PROXMIRE, and the answer being given by Mr. David Ginsburg, who is probably as well informed on the whole matter of wage and price controls as any other man in America, having been involved with their enforcement in World War II:

Senator PROXMIRE. The one objection we have gotten to that, from both Mr. Walker and Chairman Burns, is this would engender increase uncertainty on the part of the business community and the public and it would inhibit the operation of phase 2, if we don't give the President all of this authority promptly, in the next month or so.

Mr. GINSBURG. Yes, I have heard the testimony, and I have great respect for Chairman Burns and his views. My own feeling is that the uncertainty which exists now is not uncertainty about Presidential power, but uncertainty as to what the Pay Board and what the Price Commission are going to do. And the fundamental uncertainty is whether prices will be more effectively controlled than wages. This, I think, is the critical issue.

I don't think that issue is affected by the requested extension of authority under this law. The stock market uncertainty derives, I think, not from any action of the Congress, but from the anticipated actions of these boards and commissions.

Mr. President, 7 months is what is involved here—7 or 17 months. Seven months is too long. We actually should not extend this act past its present expiration date which is April 1972 if we could hold it to that. My amendment would give a little more time. There is plenty of time in 7 months, to the end of June 30, 1972. Congress can then take another look at this matter. It can take another look at what President Nixon is doing, which is radically to alter the economic management system of the country. I do not intend for that to be done without protest. I think, as I said a while ago, people will be sick of this whole bureaucratic mess before too long and, I think, long before June 30, 1972. I think that many people will be asking us where we were when this extension was granted.

So, Mr. President, first, I urge that we change the expiration date from April 1973 to June 30, 1972.

Now, to address myself to the other matter——

The PRESIDING OFFICER (Mr. BENTSEN). The 5 minutes of the Senator from Oklahoma have expired.

Mr. HARRIS. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. HARRIS. Mr. President, I want to address myself to the second part of the amendment.

The distinguished Senator from Nebraska called attention to the fact that the Senate and Congress have overview and study responsibilities in regard to antitrust matters. He called attention to the fact that there has been a detailed study and report made by a group appointed by President Johnson. He called attention to the fact that there has been a detailed study and report made by a group appointed by President Nixon. Then he called attention to the fact that there is an excellent book, which he cited, with recommendations as to what should be done about antitrust matters.

The fact is, this matter has been studied to death. The distinguished Senator from Alabama mentioned that the Antitrust Subcommittee was getting ready to go into this matter again. It should. It is well led, and intelligently led by the Senator from Michigan (Mr. HART). But there is also a study going on in a subcommittee of a committee on which I serve, the Select Committee on Small Business, headed by the distinguished Senator from Wisconsin (Mr. NELSON).

The late Senator Estes Kefauver studied all we need to study about this matter in the Select Committee on Small Business in the House of Representatives. He pointed out in great detail how this country was moving down the road to something far different from the free enterprise system through concentrated private economic power.

Mr. President, do you know what has happened since the Kefauver study, or since the Johnson study, or since the Nixon study? I will tell you what has happened. Things have gotten worse. The problem that they decried is worse today that it was when they reported on it. It will be worse tomorrow. It will be worse next year. It will be worse 3 years from now. But, now, we are at a pivotal point. I am afraid we may already have moved so far toward concentrated economic power in this country that there may be no turning back.

This is the time for action.

My amendment does not change the antitrust laws. It merely requires corporations to obey the present law. That is all the amendment does.

The distinguished Senator from Texas said that he thought bigness was inevitable after the industrial revolution. I do not know whether he would be surprised to know this or not, but the distinguished Senator from Texas is exactly on the same side as Prof. John Kenneth Galbraith. I do not know whether the Senator knows that. I debated this matter with Mr. Galbraith before the Nader conference on corporate responsibility recently and Mr. Galbraith has taken the same position the distinguished Senator from Texas has taken; namely, that bigness is inevitable and bigness is probably good, he says. And then he goes one step further, which I think is the inevitable step, that is if we are going to give this much economic power to people, there will be strong pressures for them to elect officials. So, Mr. Galbraith favors public ownership, with bigness. But he is quite right in saying that today's corporate giants are not free enterprise, because they do not respond to the markets the way free enterprise institutions are supposed to respond.

What has happened since all the studies is that things have gotten worse. The top 200 firms now have 60 percent of manufacturing in America. At the end of World War II they had only 46 percent. Thirty-five percent of the industries in America are dominated by shared monopolies.

The truth is that the distinguished Senator from Texas is wrong and the distinguished Prof. John Kenneth Galbraith is wrong.

New developments in regard to steel, for example, show that the industry can be fully efficient with smaller plants, that big steel has not kept up to date with modern technology precisely because there is no competition, because they have not felt they had to. Thirteen of the last major inventions in the steel industry did not come, as Professor Galbraith would have thought they would have come, from bigness. They resulted from the work of independent inventors and European firms.

The PRESIDING OFFICER (Mr. BENTSEN). The time of the Senator from Oklahoma has expired.

Mr. HARRIS. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator has no more time available. Who yields time?

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Georgia (Mr. GAMBRELL).

The PRESIDING OFFICER. The Senator from Georgia is recognized for 5 minutes.

Mr. GAMBRELL. Mr. President, I have had the opportunity here this morning to listen to the debate on the amendment of the Senator from Oklahoma (Mr. HARRIS). I have listened to it with much interest. I should like to associate myself with the remarks made by the Senator from Oregon with reference to this matter. It concerns me that we should be asked here, at this juncture, in dealing with the economic crisis with which we are faced today, to leap into the problem of antitrust enforcement. I do not believe that the people of this country actually believe the reason we have inflation today, and the reason we have the pending bill before us, is due to the problem the Senator from Oklahoma refers to. I do not mean to minimize the effect and the impact of the problem he points out, or the need for this Congress to deal with that problem, but I think he is diverting our attention from the primary problem we have, and that is inflation that results from many, many causes and not just from the one the Senator from Oklahoma has put his finger on.

Mr. President, one of the causes is lack of responsibility on the part of the Federal Government. Congress and administrations past and present have insisted on spending more than we take in. That is the major reason we have inflation in this country today. Something should be done about it. I believe that all Senators should stand on the floor of this Senate and be just as emphatic and just as insistent as the Senator from Oklahoma has been about the point he makes, that Congress get the Federal budget back under control.

The problem we have today is the Senator's approach, that if he had a solution for gangrene, and he had a patient with gangrene, he would say, "Well, this time, instead of amputating, we will let the gangrene take its course and we will see if we cannot cure it by a new system."

Here we have got to the point in the gangrene of this particular case where we have to amputate, although it may not be what we really would like to do——

Mr. HARRIS. If the Senator will yield right there, is he equating gangrene with the free enterprise system?

Mr. GAMBRELL. I am saying that the free enterprise system has gangrene, but right now, in today's circumstances, we cannot cure it by some solution that the Senator has dreamed up here in a matter of 2 or 3 days. We have to apply the remedy we know of and that is by giving, unfortunately and unhappily, the executive department the power to regulate the economy and bring it under control.

The fact that the law is extended for 18 months does not mean it is necessarily going to be put into effect for 18 months. But I think Congress is far beyond demonstrating its ability, on its own, to decide when we need or do not need controls. I think they should be applied—again unhappily—in the situation we face, by giving the power to the executive department, and if the President cannot do it, then we are in the worst trouble we have ever been in. We will be in worse trouble than we were in during World War II when we had to put these controls on.

Mr. President, I suggest to the Senator from Oklahoma that if he and if the Senator from Wisconsin want to change this situation, they should propose such a change in a bill to which such an amendment would be germane. The subject of Lockheed was mentioned. It is no different than this subject. It is a disaster to have to pass the bill. It was a disaster that things should get in the shape that they were in, so that we had to pass the Lockheed bill.

However, the Senator cannot say that because things are in the shape that they are in we should pass a Lockheed bill.

I suggest to the Senator from Oklahoma and the Senator from Wisconsin, who fought the Lockheed bill and are so concerned about this bill, that if they can get a bill, which they can call the national populist reform bill if they want to, they can offer such an amendment. However, they should not offer such an amendment to the pending bill. They should offer it to broad-based legislation that deals with the problem the Senator from Oklahoma is talking about and deals with the concentration of power in the labor unions.

The PRESIDING OFFICER (Mr. BENTSEN). The time of the Senator has expired.

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 2 additional minutes.

Mr. GAMBRELL. Mr. President, we have had a merger of two of the principal labor unions in the country, and I have not heard the Senator denounce that. We have had a concentration of power in the national news media in the face of freedom of the press and information. I have not heard the Senator denounce that.

I think that there are a great many concentrations of power that ought to be attacked. And the way that I think we ought to attack that problem is not by an amendment to the pending bill, but by an amendment to a bill that deals with the matter on a broad basis.

The credibility of those who raise these questions is undermined, I think, by bringing them up in this way.

I am very much concerned about the things the Senator mentions. However, I cannot support an amendment that, as I see it, cripples and holds back the progress sought to be accomplished in the pending bill.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the first part of amendment No. 763 of the Senator from Oklahoma, as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana, (Mr. BAYH), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) and the Senator from Idaho (Mr. CHURCH) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) and the Senator from West Virginia (Mr. RANDOLPH) would vote "nay."

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 14, nays 74, as follows:

[No. 404 Leg.]

YEAS—14

Cranston	Hughes	Moss
Eagleton	Kennedy	Nelson
Fulbright	Mansfield	Proxmire
Harris	Metcalf	Symington
Hartke	Mondale	

NAYS—74

Aiken	Ellender	Packwood
Allen	Ervin	Pastore
Allott	Fannin	Pearson
Anderson	Fong	Pell
Baker	Gambrell	Percy
Beall	Griffin	Ribicoff
Bellmon	Gurney	Roth
Bentsen	Hansen	Schweiker
Bible	Hart	Scott
Boggs	Hatfield	Smith
Brock	Hollings	Sparkman
Brooke	Hruska	Spong
Buckley	Humphrey	Stafford
Burdick	Inouye	Stennis
Byrd, Va.	Javits	Stevens
Byrd, W. Va.	Jordan, N.C.	Stevenson
Cannon	Jordan, Idsho	Taft
Case	Long	Talmadge
Cook	Magnuson	Thurmond
Cooper	Mathias	Tower
Cotton	McClellan	Tunney
Curtis	McGee	Weicker
Dole	McIntyre	Williams
Dominick	Miller	Young
Eastland	Montoya	

NOT VOTING—12

Bayh	Goldwater	Mundt
Bennett	Gravel	Muskie
Chiles	Jackson	Randolph
Church	McGovern	Saxbe

So the first part of Mr. HARRIS' amendment (No. 763), as modified, was rejected.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the first part of the amendment was rejected.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to proceed for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, it is hoped that Senators will not go very far from the Chamber, because two more rollcall votes are about to occur consecutively—back to back.

The PRESIDING OFFICER. The question now comes on agreeing to the second part of the Harris amendment (No. 763). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) and the Senator from Idaho (Mr. CHURCH) are absent on official business.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN) would vote "yea."

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) and the Senator from

West Virginia (Mr. RANDOLPH) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 15, nays 74, as follows:

[No. 405 Leg.]

YEAS—15

Burdick	Hughes	Moss
Fulbright	McGee	Nelson
Gravel	McIntyre	Pell
Harris	Metcalf	Proxmire
Hartke	Mondale	Stafford

NAYS—74

Aiken	Eastland	Montoya
Allen	Ellender	Packwood
Allott	Ervin	Pastore
Anderson	Fannin	Pearson
Baker	Fong	Percy
Beall	Gambrell	Ribicoff
Bellmon	Griffin	Roth
Bentsen	Gurney	Schweiker
Bible	Hansen	Scott
Boggs	Hart	Smith
Brock	Hatfield	Sparkman
Brooke	Hollings	Spong
Buckley	Hruska	Stennis
Byrd, Va.	Humphrey	Stevens
Byrd, W. Va.	Inouye	Stevenson
Cannon	Javits	Symington
Case	Jordan, N.C.	Taft
Cook	Jordan, Idaho	Talmadge
Cooper	Kennedy	Thurmond
Cotton	Long	Tower
Cranston	Magnuson	Tunney
Curtis	Mansfield	Weicker
Dole	Mathias	Williams
Dominick	McClellan	Young
Eagleton	Miller	

NOT VOTING—11

Bayh	Goldwater	Muskie
Bennett	Jackson	Randolph
Chiles	McGovern	Saxbe
Church	Mundt	

So the second part of Mr. HARRIS' amendment was rejected.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SCOTT. Mr. President, I ask unanimous consent that the distinguished Senator from Arizona (Mr. GOLDWATER) be granted leave to be absent to attend the funeral of Mr. J. Howard Pew in Pennsylvania this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, notwithstanding the previous order, I ask unanimous consent to proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, Senators should be on notice that following the announcement of the result on the rollcall which is to occur immediately on S. 1163—the bill to provide nutrition for the elderly—within 15 minutes after the announcement of that vote there will be another rollcall vote.

Mr. SCOTT. Mr. President, will the Senator yield for an inquiry as to what the rollcall vote will be, following the vote on the Eagleton bill?

Mr. BYRD of West Virginia. On the amendment of the Senator from Indiana (Mr. HARTKE).

Mr. HARTKE. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. The amendment of the Senator from Indiana is not before the Senate.

Mr. BYRD of West Virginia. I ask unanimous consent that it may be in order to order the yeas and nays on the amendment of the able Senator from Indiana.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I ask for the yeas and nays.

The yeas and nays were ordered.

NUTRITION PROGRAM FOR THE ELDERLY UNDER THE OLDER AMERICANS ACT OF 1965, AS AMENDED

Mr. EAGLETON. Mr. President, I have two unanimous-consent requests on the nutrition bill which is before the Senate.

First, I ask for the yeas and nays.

The yeas and nays were ordered.

I ask unanimous consent that the name of the senior Senator from Iowa (Mr. MILLER) be added as a cosponsor of the nutrition bill, on which we are now about to vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

In accordance with the previous order, the question is, Shall the bill (S. 1163) pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) and the Senator from Idaho (Mr. CHURCH) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 89, nays 0, as follows:

[No. 406 Leg.]

YEAS—89

Aiken	Fong	Montoya
Allen	Fulbright	Moss
Allott	Gambrell	Nelson
Anderson	Gravel	Packwood
Baker	Griffin	Pastore
Beall	Gurney	Pearson
Bellmon	Hansen	Pell
Bentsen	Harris	Percy
Bible	Hart	Proxmire
Boggs	Hartke	Ribicoff
Brock	Hatfield	Roth
Brooke	Hollings	Schweiker
Buckley	Hruska	Scott
Burdick	Hughes	Smith
Byrd, Va.	Humphrey	Sparkman
Byrd, W. Va.	Inouye	Spong
Cannon	Javits	Stafford
Case	Jordan, N.C.	Stennis
Cook	Jordan, Idaho	Stevens
Cooper	Kennedy	Stevenson
Cotton	Long	Symington
Cranston	Magnuson	Taft
Curtis	Mansfield	Talmadge
Dole	Mathias	Thurmond
Dominick	McClellan	Tower
Eagleton	McGee	Tunney
Eastland	McIntyre	Weicker
Ellender	Metcalf	Williams
Ervin	Miller	Young
Fannin	Mondale	

NAYS—0

NOT VOTING—11

Bayh	Goldwater	Muskie
Bennett	Jackson	Randolph
Chiles	McGovern	Saxbe
Church	Mundt	

So the bill (S. 1163) was passed, as follows:

S. 1163

An act to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal projects, nutrition training and education projects, opportunity for social contacts, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Title VII of the Older Americans Act of 1965 is redesignated as title VIII, and sections 701 through 705 of that Act are respectively redesignated as sections 801 through 805.

SEC. 2. The Older Americans Act of 1965 is amended by inserting the following new title immediately after title VI thereof:

"TITLE VII—NUTRITION PROGRAM FOR THE ELDERLY

"FINDINGS AND PURPOSE

"SEC. 701. (a) The Congress finds that the research and development nutrition projects for the elderly conducted under title IV of the Older Americans Act have demonstrated the effectiveness of, and the need for, permanent nationwide projects to assist in meeting the nutritional and social needs of millions of persons aged sixty or older. Many elderly persons do not eat adequately because (1) they cannot afford to do so; (2) they lack the skills to select and prepare nourishing and well-balanced meals; (3) they have limited mobility which may impair their capacity to shop and cook for themselves; and (4) they have feelings of rejection and loneliness which obliterate the incentive necessary to prepare and eat a meal alone. These and other physiological, psychological, social, and economic changes that occur with aging result in a pattern of living, which causes malnutrition and further physical and mental deterioration.

"(b) In addition to the food stamp program, commodity distribution systems and old-age income benefits, there is an acute need for a national policy which provides older Americans, particularly those with low incomes and members of minority, Indian, and limited English-speaking groups, with low cost, nutritionally sound meals served in strategically located centers such as community centers, senior citizen centers, schools, and other public or private nonprofit institutions where they can obtain other social and rehabilitative services. Besides promoting better health among the older segment of our population through improved nutrition, such a program would reduce the isolation of old age, offering older Americans an opportunity to live their remaining years in dignity.

"ADMINISTRATION

"SEC. 702. (a) In order to effectively carry out the purposes of this title, the Secretary shall—

"(1) administer the program through the Administration on Aging; and

"(2) consult with the Secretary of Agriculture and make full utilization of the Food and Nutrition Service, and other existing services of the Department of Agriculture.

"(b) In carrying out the provisions of this title, the Secretary is authorized to request the technical assistance and cooperation of the Department of Labor, the Office of Economic Opportunity, the Department of Housing and Urban Development, the Department of Transportation, and such other departments and agencies of the Federal Government as may be appropriate.

"(c) The Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, personnel, and facilities.

"(d) In carrying out the purposes of this title, the Secretary is authorized to provide consultative services and technical assistance to any public or private nonprofit institution or organization, agency, or political subdivision of a State; to provide short-term training and technical instruction; and to collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this title.

"ALLOTMENT OF FUNDS

"SEC. 703. (a)(1) From the sums appropriated for any fiscal year under section 706, each State shall be allotted an amount which bears the same ratio to such sum as the population aged 60 or over in such State bears to the population aged 60 or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made. For the purpose of the exception contained in this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) The number of persons aged 60 or over in any State and for all States shall be determined by the Secretary on the basis of the most satisfactory data available to him.

"(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Such reallotments shall be made on the basis of the State plan so approved, after taking into consideration the population aged sixty or over. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

"(c) The allotment of any State under subsection (a) for any fiscal year shall be available for grants to pay up to 90 per centum of the costs of projects in such State described in section 705 and approved by such State in accordance with its State plan approved under section 705, but only to the extent that such costs are both reasonable and necessary for the conduct of such projects, as determined by the Secretary in accordance with criteria prescribed by him in regulations. Such allotment to any State in any fiscal year shall be made upon the condition that the Federal allotment will be matched during each fiscal year by 10 per centum, or more, as the case may be, from funds or in kind resources from non-Federal sources.

"(d) If the Secretary finds that any State has failed to qualify under the State plan requirements of section 705, the Secretary shall withhold the allotment of funds to such State referred to in subsection (a). The Secretary shall disburse the funds so withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of such State submitting an approved plan in accordance with the provisions of section 705, including the requirement that any such payment or payments shall be matched in the proportion specified in subsection (c) for such State, by funds or in kind resources from non-Federal sources.

"(e) The State agency may, upon the request of one or more recipients of a grant or contract, purchase agricultural commodities and other foods to be provided to such nutrition projects assisted under this part. The Secretary may require reports from State agencies, in such form and detail as he may prescribe, concerning requests by recipients of grants or contracts for the purchase of such agricultural commodities and other foods, and action taken thereon.

"PAYMENT OF GRANTS

"SEC. 704. Payments pursuant to grants or contracts under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

"STATE PLANS

"SEC. 705. (a) Any State which desires to receive allotments under this title shall submit to the Secretary for approval a State plan for purposes of this title which, in the case of a State agency designated pursuant to section 303 of this Act, shall be in the form of an amendment to the State plan provided in section 303. Such plan shall—

"(1) establish or designate a single State agency as the sole agency for administering or supervising the administration of the plan and coordinating operations under the plan with other agencies providing services to the elderly, which agency shall be the agency designated pursuant to section 303(a)(1) of this Act, unless the Governor of such State shall, with the approval of the Secretary, designate another agency;

"(2) sets forth such policies and procedures as will provide satisfactory assurance that allotments paid to the State under the provisions of this title will be expended—

"(A) to make grants in cash or in kind to any public or private nonprofit institution or organization, agency, or political subdivision of a State (referral to herein as 'recipient of a grant or contract')—

"(i) to carry out the program as described in section 706 to defray the costs of the purchase and preparation of the food; delivery of the meals; and such other reasonable expenses as may be incurred in providing nutrition services to persons aged sixty or over. Recipients of grants or contracts may charge participating individuals for meals furnished but such charge shall not exceed a per meal limit to be established by each State agency, taking into consideration the income ranges of eligible individuals in local communities and other sources of income of the recipients of a grant or a contract.

"(ii) to provide up to 90 per centum of the costs of such supporting services as may be necessary in each instance, such as the costs of related social services and, where appropriate, the costs of transportation between the project site and the residences of eligible individuals who could not participate in the project in the absence of such transportation, to the extent such costs are not met through other Federal, State, or local programs.

"(B) to provide for the proper and efficient administration of the State plan at the least possible administrative cost, not to exceed an amount equal to 10 per centum of the amount allotted to the State unless a greater amount in any fiscal year is approved by the Secretary. In administering the State plan, the State agency shall—

"(i) make reports, in such form and containing such information, as the Secretary may require to carry out his functions under this title, including reports of participation by the groups specified in subsection (4) of this section; and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this title, and

"(ii) provide satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this title to the State, including any such funds paid by the State to the recipient of a grant or contract.

"(3) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) are necessary for the proper and efficient operation of the plan.

"(4) provide that preference shall be given in awarding grants to carry out the purposes of this title to projects serving primarily low-income individuals and provide assurances that, to the extent feasible, grants will be awarded to projects operated by and serving the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State.

"(b) The Secretary shall approve any State plan which he determines meets the requirements and purposes of this section.

"(c) Whenever the Secretary, subject to reasonable notice and opportunity for hearing to such State agency, finds (1) that the State plan has been so changed that it no longer complies with the provisions of this title, or (2) that in the administration of the plan there is a failure to comply substantially with any such provision or with any requirements set forth in the application of a recipient of a grant or contract approved pursuant to such plan, the Secretary shall notify such State agency that further payments will not be made to the State under the provisions of this title (or in his discretion, that further payments to the State will be limited to programs or projects under the State plan, or portions thereof, not affected by the failure, or that the State agency shall not make further payments under this part to specified

local agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, the Secretary shall make no further payments to the State under this title, or shall limit payments to recipients of grants or contracts under, or parts of, the State plan not affected by the failure or payments to the State agency under this part shall be limited to recipients of grants or contracts not affected by the failure, as the case may be.

"(d)(1) If any State is dissatisfied with the Secretary's final action with respect to the approval of its State plan submitted under subsection (a), or with respect to termination of payments in whole or in part under subsection (c), such State may, within sixty days after notice of such action file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the Court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"NUTRITION AND OTHER PROGRAM REQUIREMENTS

"SEC. 706. (a) Funds allotted to any State during any fiscal year pursuant to section 703 shall be disbursed by the State agency to recipients of grants or contracts who agree—

"(1) to establish a project (referred to herein as a 'nutrition project') which, five or more days per week, provides at least one hot meal per day and any additional meals, hot or cold, which the recipient of a grant or contract may elect to provide, each of which assures a minimum of one-third of the daily recommended dietary allowances as established by the Food and Nutrition Board of the National Academy of Sciences-National Research Council;

"(2) to provide such nutrition project for individuals aged sixty or over and their spouses (referred to herein as 'eligible individuals');

"(3) to furnish a site for such nutrition project in as close proximity to the majority of eligible individuals' residences as feasible, and, preferably within walking distance where possible and, where appropriate, to furnish home-delivered meals to eligible individuals who are home-bound;

"(4) to utilize methods of administration, including outreach, which will assure that the maximum number of eligible individuals may have an opportunity to participate in such nutrition project;

"(5) to provide special menus, where feasible and appropriate, to meet the particular dietary needs arising from the health requirements, religious requirements or ethnic backgrounds of eligible individuals;

"(6) to provide a setting conducive to expanding the nutrition project to include recreational activities, informational, health and welfare counseling and referral services, where such services are not otherwise available;

"(7) to include such training as may be necessary to enable the personnel to carry out the provisions of this title;

"(8) to establish and administer the nutrition project with the advice of persons competent in the field of service in which the nutrition program is being provided, and of persons who are knowledgeable with regard to the needs of elderly persons;

"(9) to provide an opportunity to evaluate the effectiveness, feasibility, and cost of each particular type of such project;

"(10) to give preference to persons aged sixty or over for any staff positions full or part time, for which such persons qualify; and

"(11) to comply with such other standards as the Secretary may by regulation prescribe in order to assure the high quality of the nutrition project and its general effectiveness in attaining the objectives of this title.

"(b) The Secretary and the Comptroller General of the United States or any of their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to a grant or contract received under this title.

"SURPLUS COMMODITIES

"SEC. 707. (a) Each recipient of a grant or contract shall, insofar as practicable, utilize in its nutrition project commodities designated from time to time by the Secretary of Agriculture as being in abundance, either nationally or in the local area, or commodities donated by the Secretary of Agriculture. Commodities purchased under the authority of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary of Agriculture to the recipient of a grant or contract, in accordance with the needs as determined by the recipient of a grant or contract, for utilization in the nutritional program under this title. The Secretary of Agriculture is authorized to prescribe terms and conditions respecting the use of commodities donated under section 32, as will maximize the nutritional and financial contributions of such donated commodities in such public or private nonprofit institutions or organizations, agencies, or political subdivision of a State.

"(b) The Secretary of Agriculture may utilize the projects authorized under this title in carrying out the provisions of clause (2) of section 32 of the Act approved August 24, 1935, as amended (49 Stat. 774, 7 U.S.C. 612c).

"APPROPRIATIONS AUTHORIZED

"SEC. 708. For the purpose of carrying out the provisions of this title, there are hereby authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1973, and $150,000,000 for the fiscal year ending June 30, 1974. In addition, there are hereby authorized to be appropriated for such fiscal years, as part of the appropriations for salaries and expenses for the Administration on Aging, such sums as Congress may determine to be necessary to carry out the provisions of this title. Sums appropriated pursuant to this section which are not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure during such succeeding fiscal year.

"RELATIONSHIP TO OTHER LAWS

"SEC. 709. No part of the cost of any project under this title may be treated as income or benefits to any eligible individual for the purpose of any other program or provision of State or Federal law.

"MISCELLANEOUS

"SEC. 710. None of the provisions of this title shall be construed to prevent a recipient of a grant or a contract from entering into an agreement, subject to the approval of the State agency, with a profitmaking organization to carry out the provisions of this title and of the appropriate State plan."

The title was amended so as to read:

A bill to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal projects, nutrition training and education projects, opportunity for social contacts, and for other purposes.

MARINE PROTECTION AND RESEARCH ACT OF 1971

Mr. HOLLINGS. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 9727.

The PRESIDING OFFICER (Mr. McGEE) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 9727) to regulate the dumping of material in the oceans, coastal, and other waters, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HOLLINGS. I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. HOLLINGS, Mr. HART, Mr. BAKER, and Mr. STEVENS conferees on the part of the Senate.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. GAMBRELL) laid before the Senate a message from the President of the United States submitting the nomination of Shiro Kashiwa, of Hawaii, to be an Associate Judge of the U.S. Court of Claims, which was referred to the Committee on the Judiciary.

ECONOMIC STABILIZATION ACT OF 1971

The Senate resumed the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

The PRESIDING OFFICER (Mr. McGEE). The question now before the Senate is on agreeing to amendment No. 768 of the Senator from Indiana (Mr. HARTKE), which the clerk will state.

The assistant legislative clerk read as follows:

On page 6, after line 4, insert the following:

"(f) Whenever the President exercises his authority under this section to stabilize wages or prices, he shall also exercise his authority to stabilize interest rates. The criteria for determining allowable price increases by business firms shall be generally applicable to financial institutions and for the purpose of applying such criteria, the term "interest rate" shall be considered to be a price."

Mr. HARTKE. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 4 minutes.

Mr. HARTKE. Mr. President, the amendment I offer requires that any time the President exercises his authority under the pending legislation to stabilize wages or prices, that he should also move to control interest rates.

Interest rates represent nothing more than the price of money. For this reason my amendment further provides that the criteria used to determine the appropriateness of price increases should also be applied to financial institutions, and for the purposes of this act, interest rates shall be considered prices.

There is general agreement that the ultimate success or failure of the new economic policies is in large part dependent on the confidence which the American public has in the basic equity and evenhandedness of these remedies.

It is for this reason that a recent public opinion survey conducted by Louis Harris is disturbing. Released on October 11, it sampled a cross section of 1,638 households around the country and asked if they would favor or oppose the Federal Government placing a freeze on interest rates. The results showed that fully 70 percent of these households would favor such a move with only 16 percent opposed and 14 percent undecided. Thus, more than two-thirds of those sampled believed that additional action should be taken to control interest rates as well as wages and prices. This overwhelming support for increased stabilization of interest rates, is a striking vote of no confidence for the present policy of voluntary controls.

It is indeed, an indication of public sentiment which the Congress and the President can ignore only at their own risk.

Under Secretary of the Treasury, Charls Walker, and other administration spokesmen, have argued recently the controls are not needed because "interest rates are coming down." But the question then is, what rates are coming down? It is quite true that the prime rate, which banks give to their best and most well-to-do customers have decreased. It is likewise the case that there have been improvements in the bond market and in short-term Treasury notes. But that does not help the average consumer who has to pay 18 and sometimes 24 percent interest on revolving retail credit accounts. Nor does a decline in the prime rate help the middle-class home-owner who must still pay almost 8 percent for a mortgage.

The amendment I am offering is designed to give relief where relief is needed, to the average lower- and middle-class consumer who finds his wage controlled and his interest rates climbing.

I am sure that during the coming weeks we will see further fluctuations in the money market rates. There very well may be a reduction in the Federal Reserve discount rate—the rate which banks pay when they borrow from the Federal Reserve. There no doubt will be further changes in the short-term rates. But I stress that we cannot—and should not—base long-term inflation fighting policies on what certainly are temporary changes in market rates. The important thing it seems to me in any inflation fighting scheme is how the consumer fares and with regard to interest rates the consumer is getting the short end of the stick.

With respect to mortgage interest rates it should be noted that the effective rates for new homes, as reported by the Federal Home Loan Bank Board indicates that there was a steady increase in the cost of home mortgages from May to September of this year from 7.47 to 7.82 percent with no change in the rates for October.

Mr. President, as long as interest rates continue to stay at this unacceptably high level it is the average consumer and not the big borrower who will feel the full weight of the wage and price control system.

Couple these facts with evidence that bank profits are continuing to rise and the full inequity of the present situation becomes clear. A Standard and Poor's industry surveys report for the banking industry published on November 11, 1971, indicates that both the estimated earnings per share and the price-earnings ratio for 1971 for bank shares will rise over 1969 and 1971 levels. Specifically the earnings per share of banks outside New York City area rose from 6.96 in 1969 to 7.62 in 1970 and an estimated 7.91 in 1971. Obviously the banks have not been hurt by the current recession nearly as much as other segments of the economy, yet the administration remains unwilling to impose the same type of controls on their operation as have been imposed on other types of businesses.

In his testimony before the Senate Banking Committee on this legislation, Dr. Arthur Burns, stated that there was "every reason to believe that banks and other lenders would cooperate in a voluntary program of interest rate restraint." I have the greatest respect for Dr. Burn's ability but I cannot share his view on this subject. The plain facts are that the interest rates which affect the average person the most, are not coming down and will not come down until controls are imposed.

Under Secretary Walker and Dr. Burns have made it clear that the administration has no intention of using the standby authority found in S. 2891. They believe that "gentle persuasion" will work in bringing consumer rates down. Well, "gentle persuasion" and talk did nothing to control wages and prices in the late 1970 and early 1971 and it will not bring interest rates down in 1972. What is needed is firm notice to financial institutions that hereafter they will have to play by the same rules that every other segment of the economy has been forced to accept.

None of us like the present controls. But if they are to have any validity whatsoever they have to be fair; they have to be equitable; they have to be evenhanded.

This amendment is designed to assure the public that the economic policies drafted by the Congress, and implemented by the President, do indeed require an equality of sacrifice on the part of all Americans, the affluent as well as the average.

Fully 70 percent of the American people believe that interest rates should not enjoy a privileged position. They believe that the price of money should be subject to the same type of controls that control the price of commodities. And I agree. It is for these reasons that I offer this amendment and urge its acceptance.

Mr. President, I ask unanimous consent that the Louis Harris poll to which I referred, the Standard and Poor's survey report on banking, and the Federal Home Loan Bank Board figures for June through October be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE HARRIS SURVEY—PHASE II CONTROLS SUIT PUBLIC

(By Louis Harris)

President Nixon's Phase II assurances that the administration wants to hold the line on price and wage increase were squarely in accord with the underlying attitudes of American public opinion. The people believe that a policy of controls is needed and that the battle against inflation and to get the economy rolling is on the way to being won, but has not yet been achieved. The only exception to Mr. Nixon's announced program is that a substantial majority of 70% would have liked to have direct controls imposed on interest rates.

A reading of public opinion well over a month after President Nixon announced his dramatic new economic program indicates that the initial positive reactions of the people have held up remarkably well.

Between Sept. 20 and 25, a cross-section of 1,638 households across the country was asked to rate the President on the same key aspects of his economic program tested a month before. People were asked:

"How would you rate President Nixon on the following—excellent, pretty good, only fair, or poor?"

RATINGS OF NIXON ECONOMIC PROGRAM

[In percent]

	Positive	Negative	Not sure
Repeal $200 auto excise tax:			
September	72	20	8
August	78	16	6
90-day price-wage freeze:			
September	66	27	7
August	64	29	7
$50 tax exemption a year early:			
September	65	21	14
August	71	21	8

XUM

	Positive	Negative	Not sure
10 percent tax on imports:			
September	64	24	12
August	72	19	9
Cutting spending by $4,700,000,000:			
September	60	25	15
August	61	28	11
10 percent corporate investment credit:			
September	48	34	18
August	45	37	18
Letting value of dollar drop abroad:[1] September	38	50	32

[1] Not asked in August.

Solid majorities or pluralities back the principal components of the program the President spelled out on Aug. 14. To check out the most sweeping part of the new economic policy, the wage-price freeze, the cross-section was asked:

Do you favor or oppose the President's action in freezing all wages, prices, and rents?

WAGE-PRICE-RENT FREEZE

[In percent]

	September	August
Favor	75	73
Oppose	16	15
Not sure	9	12

Clearly an overwhelming majority backs the freeze.

The prevailing public view is that the new program will keep inflation under control and will stabilize the value of the dollar abroad. The public was asked:

"Do you feel President Nixon's new economic policies will do these things, or not?"

IMPACT OF NIXON ECONOMIC POLICIES

[In percent]

	Will	Will not	Not sure
Keep inflation in check	46	29	25
Stabilize dollar abroad	41	22	37

The attacks which have been made on the President's new economic policy have been along the lines that it is weighted in favor of big business and does not help working people enough. The cross-section was asked about these criticisms:

"Do you feel President Nixon's new economic policies will do these things, or not?"

IMPACT OF NIXON POLICIES ON BUSINESS AND LABOR

[In percent]

	Will	Will not	Not sure
Help big business	63	13	24
Help working people	44	35	21

Finally, the cross-section of households was asked about some proposals which have been discussed for inclusion in Phase II of the President's economic program, after the first 90 days have expired:

"Would you favor or oppose the federal government doing these things, or not?"

NEW ECONOMIC MEASURES

[In percent]

	Favor	Oppose	Not Sure
Continuing wage-price beyond 90 days	49	30	21
Putting a freeze on interest rates	70	16	14
Putting a freeze on corporate profits	59	20	21

[From Standard & Poor's Industry Surveys, Nov. 11, 1971

COMPOSITE PER SHARE DATA BASED ON S & P GROUP STOCK PRICE INDEXES

[1941–43=10]

Earnings per share[1]	1969	1970	1971[2]
425 industrials	6.13	5.39	6.16
Banks—NYC	3.29	3.86	3.97
Outside NYC	6.96	7.62	7.91
Savings and loan	1.42	.93	1.78
Electric companies	3.38	3.40	3.57

	1970[3]		1971[3]
Price-earnings ratios[1]	High	Low	recent
425 industrials	19.09	14.02	16.98
Banks—NYC	12.68	9.63	11.61
Outside NYC	11.18	8.52	10.54
Savings and loan	25.32	15.76	16.62
Electric companies	13.36	10.45	11.77

[1] Net operating earnings for banks.
[2] Estimated.
[3] Based on 1970 or estimated 1971 earnings of the companies included in these indexes.

FEDERAL HOME LOAN BANK BOARD—INTEREST RATES AND OTHER CHARACTERISTICS OF CONVENTIONAL FIRST MORTGAGE LOANS ORIGINATED BY MAJOR TYPES OF LENDER ON SINGLE-FAMILY HOMES, SEPTEMBER 1971

[Combined averages for United States and by lender]

	Loans made for purchase of—											
	New homes						Existing homes					
Type of lender and characteristic	Contract interest rate	Initial fees and charges (percent)	Effective rate (percent)	Term to maturity (years)	Loan to price ratio (percent)	Purchase price (000 omitted)	Contract interest rate	Initial fees and charges (percent)	Effective rate (percent)	Term to maturity (years)	Loan to price ratio (percent)	Purchase price (000 omitted)
Combined lenders:												
1970:												
September	8.31	1.03	8.48	25.2	72.7	35.3	8.27	0.88	8.42	22.8	71.7	29.7
October	8.33	1.05	8.51	25.1	72.4	34.6	8.20	.88	8.35	22.8	71.5	29.0
November	8.26	.99	8.43	25.3	72.1	35.8	8.18	.85	8.32	22.8	71.5	29.9
December	8.20	1.07	8.38	25.8	73.8	35.3	8.12	.85	8.26	23.3	71.9	30.7
1971:												
January	8.03	.92	8.18	25.8	73.3	36.2	7.94	.82	8.08	23.5	72.5	30.7
February	7.74	1.00	7.91	26.2	73.9	37.0	7.67	.79	7.80	24.0	73.1	31.1
March	7.52	.83	7.66	25.9	73.7	35.9	7.47	.77	7.60	24.1	73.5	31.7
April	7.37	.73	7.49	26.3	73.6	36.0	7.34	.75	7.47	24.2	73.6	31.8
May	7.36	.71	7.47	26.1	74.0	36.7	7.33	.71	7.45	24.0	73.2	32.3
June	7.38	.74	7.50	26.3	73.7	37.5	7.38	.74	7.50	24.3	73.9	32.9
July	7.51	.90	7.66	26.3	74.5	36.8	7.50	.75	7.63	24.2	74.5	31.6
August	7.60	.84	7.74	26.2	73.9	36.5	7.58	.76	7.71	24.5	74.2	31.9
September	7.66	.97	7.82	25.9	75.1	35.3	7.63	.78	7.76	24.2	74.5	30.8
Life insurance companies:												
1970:												
September	8.66	.68	8.78	27.2	69.2	51.6	8.54	.47	8.62	25.0	74.2	54.3
October	8.63	.90	8.78	29.4	70.8	44.8	8.55	.59	8.65	26.7	69.5	57.7
November	8.59	1.41	8.83	27.4	67.5	56.1	8.38	.56	8.47	27.2	73.0	65.2
December	8.32	1.55	8.57	28.6	74.7	43.2	8.45	.62	8.56	27.1	72.9	51.7
1971:												
January	8.44	.95	8.60	28.4	74.0	51.1	8.18	.64	8.28	26.4	68.7	57.3
February	7.96	.64	8.07	26.4	65.4	61.6	7.85	.74	7.97	26.0	73.5	45.5
March	7.67	1.00	7.83	27.9	75.0	50.6	7.61	.76	7.73	27.4	72.0	56.8
April	7.50	.65	7.60	28.9	72.6	47.2	7.58	.45	7.66	26.8	71.8	52.0
May	7.52	.36	7.58	27.3	80.6	44.2	7.39	.68	7.50	25.9	72.1	55.2
June	7.35	.50	7.43	27.5	73.1	51.2	7.23	.18	7.26	26.3	71.2	46.7
July	7.59	.86	7.74	26.5	74.8	49.5	7.54	.62	7.64	25.8	76.9	50.4
August	7.80	.10	7.82	28.0	70.0	61.4	7.65	.21	7.69	26.0	80.7	45.1
September	8.13	2.10	8.47	26.9	77.1	45.7	7.72	.56	7.81	27.2	85.7	35.7
Mortgage companies:												
1970:												
September	8.58	1.12	8.77	26.3	74.4	34.6	(1)	(1)	(1)	(1)	(1)	(1)
October	8.93	1.33	9.16	24.4	75.8	37.8	(1)	(1)	(1)	(1)	(1)	(1)
November	8.71	.62	8.82	24.4	71.8	27.6	(1)	(1)	(1)	(1)	(1)	(1)
December	8.77	1.07	8.95	25.6	72.4	36.3	(1)	(1)	(1)	(1)	(1)	(1)
1971:												
January	8.30	.77	8.43	23.9	66.4	35.2	(1)	(1)	(1)	(1)	(1)	(1)
February	8.23	2.37	8.62	28.9	84.2	36.1	(1)	(1)	(1)	(1)	(1)	(1)
March	7.83	.77	7.96	25.8	77.4	26.7	(1)	(1)	(1)	(1)	(1)	(1)
April	7.58	.52	7.66	27.0	76.9	38.0	(1)	(1)	(1)	(1)	(1)	(1)
May	7.49	.55	7.58	26.9	73.4	36.7	(1)	(1)	(1)	(1)	(1)	(1)
June	7.47	.49	7.55	26.4	72.7	35.4	(1)	(1)	(1)	(1)	(1)	(1)
July	7.82	.97	7.98	27.6	79.2	37.0	(1)	(1)	(1)	(1)	(1)	(1)
August	7.75	.93	7.90	26.2	73.0	38.0	(1)	(1)	(1)	(1)	(1)	(1)
September	7.85	.51	7.94	25.9	71.7	34.7	(1)	(1)	(1)	(1)	(1)	(1)

[1] Lending volume inadequate to provide representative averages.

Mr. PROXMIRE. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. How much time does the Senator from Indiana yield?

Mr. PROXMIRE. Mr. President, I ask the Senator to yield for a question.

The PRESIDING OFFICER. We are operating on controlled time.

Mr. PROXMIRE. Mr. President, I am not asking him to yield time. I am asking him to yield for a question.

The PRESIDING OFFICER. The Senator cannot yield for a question except on his time, and the Chair rules that the Senator from Indiana has 2½ minutes remaining.

Mr. HARTKE. Mr. President, I yield to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, is it not true that the principal argument made against an amendment of this kind, and the practical argument, is that interest rates in fact have been going down?

Mr. HARTKE. The Senator is correct.

Mr. PROXMIRE. Mr. President, is it not also true that we have just decided on the basis of the action upon the Harris amendment that this authority will be extended for an additional 17 months?

Mr. HARTKE. The Senator is correct.

Mr. PROXMIRE. And is it not correct that during any 17-month period, the interest rates will fluctuate in a period of crisis and they are likely to fluctuate rather sharply over a 17-month period?

Mr. HARTKE. The Senator is correct.

Mr. PROXMIRE. Therefore, does it not follow that if we do not agree to the amendment of the Senator from Indiana we will very likely be in a position over the next 17 months of finding interest rates rising sharply with no effective control of this serious cost increase?

The PRESIDING OFFICER. All time of the Senator from Indiana has expired.

Mr. SPARKMAN. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Alabama has 7½ minutes.

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 minutes.

Mr. TOWER. Mr. President, the amendment should be rejected. Prior to the freeze there was an inflationary premium figure on interest rates. It was predicted that during the wage-price freeze the rates would go down. And they have. In every major money category the interest rates in that period of time have been declining from one-half of 1 percent to 1 percent.

Since last summer it has come down from 6.5 percent to 5.25 percent.

The strongest argument to be made in this matter is that ceilings have a way of establishing a floor, and we could find ourselves fixing the rates at an artificially high level. We have found that where interest rates have been fixed in other countries, the money lenders and bankers have become money brokers.

As Dr. Burns testified, we can very easily fix ceilings on interest rates that will be artificial, and we cannot force financial corporations to lend the money. If we fix them at a certain level, they will not lend the money. That is the reason that they have expressed very strong opposition to the amendment of the Senator from Indiana.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Mr. President, I yield the Senator an additional minute.

The PRESIDING OFFICER. The Senator from Texas is recognized for an additional minute.

Mr. TOWER. The answer of course is that standby authority is provided in the bill on interest rates.

I am confident in what Dr. Burns has said. He is the Chairman of that Commission that will see that interest rates are regulated if it does become necessary. The standby authority is available in the bill.

The amendment of the Senator from Indiana is very unwise. It should be rejected.

Mr. SPARKMAN. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 2 minutes.

Mr. SPARKMAN. Mr. President, I want to back up the things said by the distinguished Senator from Texas. Furthermore, I want to call attention to the fact that one of the first things the President did in connection with the control program was to set up a committee, board, or commission on interest rates, dividends, and such things as windfall profits. He made Dr. Burns the Chairman of that Commission. In my opinion, there is no man in the Government that is more able and more to be depended upon than Dr. Arthur Burns. He has on that board the Secretary of Housing and Urban Development, the Chairman of the Home Loan Bank Board, the Secretary of the Treasury and, if I remember correctly, the Comptroller of the Currency.

I am not sure that I have mentioned all of them. However, these are the people concerned with interest rates. Furthermore, we know that interest rates in this country can be controlled through the operation of the Federal Reserve Board. Dr. Burns has stated that he is going to watch the interest rate situation very carefully.

He pointed out to us that they were going to come down, and they have done what he said they were going to do. They have come down.

The thing proposed by the Hartke amendment is simply not a practical thing to do. I hope the amendment will be rejected.

The PRESIDING OFFICER. The Senator from Alabama has 2 minutes remaining.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. HARTKE. Mr. President, would the Senator from Alabama yield to me for a question?

The PRESIDING OFFICER. All time has been expired or yielded back.

Mr. HARTKE. Mr. President, I ask unanimous consent that I be given the additional 2 minutes of the time of the Senator from Alabama.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HARTKE. Mr. President, is it not true that standby authority for interest rate control is in the bill?

Mr. SPARKMAN. The Senator is correct.

Mr. HARTKE. There is no question that it is not impracticable or impossible to put interest rate control into effect. Otherwise, there would be no sense in asking for it in the pending legislation. It can be done and it will be done. We simply say that if we can control the wages of the wage earners, we should also be able to control interest rates, not on a standby basis, but whenever controls are exercised over wages and prices.

Mr. SPARKMAN. There is standby authority in the bill. I approved that as being the kind of authority that should be exercised when the President appointed the board headed by Dr. Burns.

Of course we do not want the interest rates to run wild. I was at the White House, and so was the Senator from Texas (Mr. TOWER), when they told us about this body that they were going to set up. I specifically told him that there ought to be some setup to watch the interest rates, including any discounts or points that we often run into in connection with mortgages.

We already have this board headed by Dr. Burns. I say that is really the only way in which we can get supervision of the interest rates to see that they do not rise. I think we can say that they will continue to go down even below the rate they are now.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. SPARKMAN. I yield.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Indiana. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES), and the Senator from Idaho (Mr. CHURCH) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "nay."

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLD-

XUM

WATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 19, nays 70, as follows:

[No. 407 Leg.]

YEAS—19

Burdick	Humphrey	Pastore
Byrd, W. Va.	Long	Proxmire
Fulbright	McGee	Stafford
Gravel	Metcalf	Stevens
Harris	Mondale	Talmadge
Hartke	Moss	
Hughes	Nelson	

NAYS—70

Aiken	Eastland	Montoya
Allen	Ellender	Packwood
Allott	Ervin	Pearson
Anderson	Fannin	Pell
Baker	Fong	Percy
Bellmon	Gambrell	Ribicoff
Bentsen	Griffin	Roth
Boggs	Gurney	Schweiker
Brock	Hansen	Scott
Brooke	Hart	Smith
Buckley	Hatfield	Sparkman
Byrd, Va.	Hollings	Spong
Cannon	Hruska	Stennis
Case	Inouye	Stevenson
Cook	Javits	Symington
Cooper	Jordan, N.C.	Taft
Cotton	Jordan, Idaho	Thurmond
Cranston	Kennedy	Tower
Curtis	Magnuson	Tunney
Dole	Mansfield	Weicker
Dominick	Mathias	Williams
Eagleton	McClellan	Young
	McIntyre	
	Miller	

NOT VOTING—11

Bayh	Goldwater	Muskie
Bennett	Jackson	Randolph
Chiles	McGovern	Saxbe
Church	Mundt	

So Mr. HARTKE's amendment (No. 768) was rejected.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. HUMPHREY). The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. TOWER. Mr. President, I ask unanimous consent that I may proceed for 1 minute for the purpose of offering a technical amendment, which I send to the desk.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TOWER. Mr. President, I send the amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Texas will be read.

The assistant legislative clerk proceeded to read the amendment.

Mr. TOWER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, strike out lines 6 through 16 and insert the following:

"'(c) (1) The authority conferred on the President by this section shall not be exercised to limit the level of any wage or salary (including any insurance or other fringe benefit offered in connection with an employment contract) scheduled to take effect after November 13, 1971, to a level below that which has been agreed to in a contract which (A) related to such wage or salary, and (B) was executed prior to August 15, 1971, unless the President determines that the increase provided in such contract is unreasonably inconsistent with the standards for wage and salary increases published under subsection (b)."

Mr. TOWER. Mr. President, this amendment actually does not change the substance of the bill. It is precisely the same thing, but couched in slightly different language, to conform with legislative requirements.

The chairman of the committee is prepared to accept it.

Mr. SPARKMAN. Yes, Mr. President. It is a purely technical amendment. We need it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

Mr. CRANSTON. Mr. President, this bill contains grants of additional powers which the President has requested to carry out his wage and price control program. If the Senate grants him these powers by passing this bill, our action should not necessarily be construed as wholehearted endorsement of the President's phase II program. For me, as for many other Senators, such a vote would simply represent our willingness to afford the President an opportunity to pursue a program which he hopes—and we hope—will reduce the recession his earlier economic policies did so much to produce.

The Economic Stabilization Act of 1970 had been law for more than a year prior to the President's August 15 announcement yet the administration had formulated no plans to use the law prior to that announcement. The President apparently announced this major program, and then set out afterwards to determine how it was really going to be put together in both its broad and specific characteristics.

The Banking Committee did not attempt to restructure the President's program. During the committee's hearings, the administration described the program in vague, general terms.

Though the President's program has taken clearer shape since the hearings, major components are still undefined.

The Congress has given the President broad authority to structure the wage-price program. Executive action is needed to integrate all the components. Once the program is structured and operating, we should exercise congressional oversight to amend and perfect it. So for the present I will limit my discussion to procedures I think the President should consider adopting to make wage and price controls fair and equitable.

Trust and cooperation are essential for a successful wage-price control program. The administration's program does not seem structured to engender either trust or cooperation.

In order to stop an inflationary spiral, certain businesses and laborers must accept smaller wage and price increases than their counterparts received in the period before controls were instituted. These businesses and workers must sacrifice short-run income for long-run stability. They will be unwilling to make such a sacrifice unless they believe that in the long run the stabilization program will be fair and equitable.

This Nation has never before embarked on a wage and price control program in a period like the present. During World War II and the Korean war we were a Nation united, and the spirit of cooperation and sacrifice helped make the stabilization programs a success. Achieving such cooperation during peacetime during the current stage of the disastrous, divisive Vietnam war will be more difficult. This program cannot, as some have suggested, be imposed from above. Control cannot replace cooperation.

Wage earners justifiably oppose increases in profits which outstrip increases in wages during stabilization periods.

Profit margins are an important basis for wage demands during union negotiations. A control program should not redistribute income between business and labor.

Price Board and administration officials have stated that they will require businesses to roll back their prices to compensate for any "windfall" profits resulting from wage controls. Labor officials have expressed doubt that the President will in fact force much more than a token number of businesses to roll back prices. I share their skepticism.

More important, I reject the price control program's premise that even legitimate profit margins should not be permitted to increase. I believe that under appropriate circumstances, they should be.

The prospect for increased profits margins is a major incentive for greater efficiency and productivity. If that incentive is impaired, this control program could sacrifice much-needed increases in productivity.

I suggest that the administration should permit increases in profits where justified by increased demand or productivity. But the administration should require business to pass on a portion of these profits in the form of higher wages for their workers. Such a system would maintain the profit incentive without redistributing the receipt of income. It would foster cooperation by creating incentives for labor and business to work together for higher profits. President Nixon has stated that higher profits benefit all sectors of the economy. His program does not reflect that fact.

Both consumer advocates and labor leaders have alleged that the President's program will not provide adequate protection to consumers against unwarranted price and rent increases. I share their concern. The President's program in its present form does not contain sufficient safeguards and checks to protect the consumer.

This bill contains a provision which allows consumers to sue for triple damages to prevent violations of rent and price controls. The AFL-CIO has announced that they intend to establish watchdog committees composed of thousands of workers to guard against illegal price and rent increases. Both these steps are commendable. They could provide valuable protection for consumers, but they will be ineffective if consumers are unable to determine when violations have taken place. The price-rent guidelines system established by the Price Board makes it difficult, if not impossible, for consumers to determine when violations have occurred.

The general price guideline provides that a merchant, corporation, landlord, and so forth, may raise his prices to cover any increase in costs plus a markup on those costs no greater than the markup taken during a base period. The base period for all concerned would be the average return during any 2 of the last 3 fiscal years. At the retail level, the system would basically operate this way: a merchant purchased widgets at $1 apiece during the base period and sold them for $1.50—a 50-percent increase over his costs. Suppose the costs to the merchant rose to $1.10 after the freeze: he could then charge $1.65—still a 50-percent increase over cost.

The problem with the proposed system is that while a merchant, producer or landlord knows his increased per unit costs, the consumer does not and has no easy way of finding out the program requires that price increases be based only on increased costs. But consumers, having no way of knowing what those increased costs are, have no way of knowing if the price increase is justified, and hence legal.

The Price Board has required merchants to post the retail prices of the top 40 selling items in each merchandising department. But for the most part, the posting requirement is a sham which will provide buyers with very little assistance. Consumers still won't know the merchant's markup. They also don't know the quantities which the merchant buys at wholesale, nor the prices he pays.

The administration has acknowledged that it will be difficult for consumers to know if violations have occurred. They argue however that sufficient remedies exist if the consumer "feels" a violation has occurred. The administration points to three possible remedies: First and preferably, he can appeal to the Internal Revenue Service to resolve the dispute; second, he can sue in Federal court for declaratory relief; third, if he is a purchaser or tenant he can refuse to pay his bills and defend a court action on the ground that the price charged is illegal.

Both court alternatives are unsatisfactory. Filing a declaratory relief action in Federal court is a complex and expensive process. If a tenant refuses to pay his rent, and defends a State court action on the ground that the rent increase is illegal, he risks the loss of his apartment. A buyer who refused to pay a bill risks liability for breach of contract and court costs. These risks must be taken just to determine whether a violation has taken place.

The administration argues, however, that the most important vehicle for resolving consumer complaints will be the Price Board and the Internal Revenue Service. But Internal Revenue decisions will not be open to public review. The consumer will remain uninformed about actual cost figures. Even if the consumer somehow obtains cost figures, he will have no way to appeal administratively an adverse ruling of the IRS. The Revenue Service could, in fact, simply refuse to investigate a complaint.

The consumer is being told that he must remain in the dark and trust the Price Board. John Kenneth Galbraith, testifying before the Subcommittee on Monopolies of the Senate Select Committee on Small Business described the likely result:

> The inequities of the situation will be evident to everyone. The wage claims, the fringe adjustments, anything of that sort, is all in the public domain. That is all disciplined. If then, the counterpart price increases that a corporation asks for on the basis of wage increases, if it is based on a secret calculation of profits, it is going to look like a sweetheart deal between the administration and the corporation. The administration is sooner or later going to find it embarrassing and the unions are not going to stand for it.

The inequities of the situation are already evident. They are a source of union claims that this system is unfair and onesided. Unless some new methods are developed to provide better consumer remedies, the trust necessary to make this system work will not be forthcoming.

Even if the problems described by Professor Galbraith are eliminated, it would take a very large staff to process complaints. The administration, however, argues that few personnel will be needed to process such applications because there will be very few illegal price and rent increases.

I hope they are right, but I doubt that they are.

It seems to me unrealistic to assume that the type of safeguards needed to assure Federal tax collection will not be needed to enforce phase II.

I sympathize with the administration's desire to avoid the creation of a large bureaucracy to administer the wage and price program. Those put to work by the wage and price authorities during World War I and the Korean war were both costly and cumbersome. In all ways possible, we should avoid the creation of an ever larger Federal structure.

Early reports indicated that the administration did not intend to enforce wage and price restraints at the local retail or rental level. The administration had reportedly concluded that price competition at that level will be sufficient to avoid cost push inflation. If that is the administration's answer to this problem then they should say so. They should subject their theory to the criticism of economists and public officials. If they fail to provide such an explanation they will do both themselves and this Nation a disservice. They will create expectations that they do not intend to honor. The result will be disillusionment with this program. Public confidence necessary to reduce inflation will be undermined.

The problems I have outlined above could be remedied by a restructuring of the President's program. Now procedures could be developed to provide both consumers and the general public a check over unlawful price increases. Where rent increases are made, for instance, tenants could be allowed to demand information about property tax or maintenance cost increases attributable to their unit. Since landlords would have to make these calculations prior to demanding a rent increase, such a regulation would not impose an unreasonable burden on them. To assure that cost data supplied by businesses is accurate, the General Accounting Office could conduct intensive spot checks of price applications. This procedure has been used successfully to assure needed oversight of defense contracts, without, of course, solving all problems related to defense contracts. To help uncover the veil of secrecy and distrust, unions seeking wage increases might be allowed to review price request applications. Sanctions would have to be developed to protect cost data; that is, trade secrets, in these applications from disclosure by reviewing agents.

These suggestions are merely examples of the kinds of innovative procedures which could be adopted to improve this program. Some of those suggestions would require congressional action. If it does indeed prove necessary, I trust that this Congress will enact needed legislation to assure that this program is fair and equitable. This administration should carefully review the system it has established with an eye toward establishing mechanisms for cooperation and public trust. Modification of the current program is needed to achieve those ends.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HUMPHREY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

ECONOMIC STABILIZATION ACT OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

AMENDMENT NO. 752

The PRESIDING OFFICER. Under the previous order, the Senator from Montana (Mr. METCALF) is recognized.

Mr. METCALF. Mr. President, I call up my amendment No. 752.

The PRESIDING OFFICER. The clerk will read the amendment.

The second assistant legislative clerk read the amendment (No. 752) as follows:

On page 4, immediately below line 5, insert the following new subsection:

(f) (1) No public utility which had gross operating revenues of $10,000,000 or more during its most recent fiscal year may charge a price, rate, or tariff greater than that charged by it on August 15, 1971, without first obtaining approval from the President or his delegate, and such approval must be consistent with the standards for price increases published under subsection (b) and not in excess of the level of price increases permitted for business organizations generally under standards and guidelines promulgated by the President under this title.

(2) For purposes of this subsection, the term "public utility" means a person which is a regulated public utility as defined in section 7701(a)(33) of the Internal Revenue Code of 1954 (26 U.S.C. 7701(a)(33)).

The PRESIDING OFFICER. Under the order, there is 1 hour on the amendment, to be equally divided between the mover of the amendment and the manager of the bill.

Mr. METCALF. Mr. President, I yield myself 5 minutes.

PRIVILEGE OF THE FLOOR

Mr. METCALF. Mr. President, I ask unanimous consent that Mr. Winslow Turner, of the staff of the Subcommittee on Intergovernmental Relations of the Government Operations Committee, and Mr. Vic Reinemer, of my own staff, be permitted the privilege of the floor during the consideration of this amendment and also the next three amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, the purpose of this amendment is to make clear as a matter of law that all rates and charges of major public utilities shall remain frozen during the stabilization period, subject only to special exceptions approved by the President, consistent with the standards under the act and not in excess of the level of price increases permitted for business generally. The objectives here are threefold.

First, rate hikes for public utilities and services—particularly those with respect to electricity, gas, telephone, and transportation—not only impose a multibillion-dollar inflationary burden on the Nation, but they hit the consumer especially hard because he has virtually no way to avoid these charges. This morning a Price Commission source stated that utility costs make up 5 percent of the cost of living index. Thus, it is reasonable for Congress to attach a priority to this area of the economy and create at least the rebuttable presumption that such rate increases shall remain stabilized.

Second, the President, or his delegate at the Federal level, should be the Office to grant exceptions to the general rule against rate increases. He is in the best position to measure the particular inflationary impact on a regional and national basis, and to assess the relationship of public utilities in the entire economic process. At the conclusion of phase I regulations were promulgated by the Federal Price Commission generally permitting regulated public utilities to charge increases if they have been approved by a regulatory agency. Utilities with annual gross receipts of $50 million or more were required to notify the Price Commission of any regulatory agency order granting an increase. Utilities with annual receipts of $100 million or more were required to notify the Commission of any requests for rate increases. I addressed a letter to the Chairman of the Council of Economic Advisors—in his role as ranking member to the Cost of Living Council—asking him what role the Price Commission would play in investigating and making final decisions with respect to these utility rate increases. He answered by saying that the Price Commission is retaining the right to review individual increases, and "may take steps to implement more stringent standards than are applied by regulatory authorities," but that "in the absence of such action no approval by the Price Commission is required."

These letters were placed in the CONGRESSIONAL RECORD, page 42328, on the 19th of November. The Price Commission, of course, today has announced regulations that are somewhat different from the letters that were sent to me by the members of the Price Commission.

The Price Commission regulations and the answers to my letter provided a confusing picture, but I believe that there is little doubt that the Price Commission under the original regulation intended to let the regulatory agencies at Federal State and local levels make individual judgments as to the propriety of granting rate increases under the broad guidelines of the Economic Stabilization Act. This, in my opinion would be chaotic. As I said recently on the Senate floor, there are a great many of these agencies. In my experience, they have neither the resources, the staffing, nor the inclination to generate an aggressive testing of the evidence produced by the utility companies. In addition, they tend to be biased in favor of the business they regulate. To rest with them, the additional role of enforcing a coordinated national anti-inflationary policy may make the inevitable results all the more inflationary.

Third, any rate increases approved by the President or his delegate, should be in accord with the standards set forth under the legislation, but in addition, and most importantly, be not in excess of the price increase levels permitted for other industries and businesses. Utilities should be held at least to the general line with other industries. This does not mean that they should be restricted with respect to individual company increases, or should be inconsistent with the standards established under (b) of S. 2891. It does mean, however, that the Price Commission shall establish guidelines for public utilities that will hold these companies to a definitive anti-inflationary norm. Some increases may be permitted, others may not be, but the net effect will be to provide a sense of goals which must be met, and which if achieved will not result in excesses beyond that permitted for businesses generally.

Thus, what we have here is really a very simple charge to the executive branch. Because of the special impact of regulated public utilities on our economy, and because of the inability of Federal and State regulation agencies to coordinate a national anti-inflationary policy, we say put the responsibility for permitting utility rate increases where it belongs—where it can best be administered—at the Presidential level. And in order to assist the Chief Executive in managing the increases in a rational way, put back the freeze, so that he may start with a clear slate, with the reins in his hands. Only in this way can we avert a tidal wave of public utility rate increases, those already approved and waiting to be put into effect, and those to be launched by the regulatory agencies. The cost of such a tidal wave I estimate to be close to $4 billion in the coming months. That will be a sledgehammer blow to our economy.

Mr. President, the news this morning carries the report that the Price Commission has come forth with a new set of guidelines with respect to public utilities. I have not had a chance to study these new regulations, but the news stories would indicate that the Commission has come around in substantial part to my point of view; that is, that all major utilities must obtain approval of rate increases from the Commission as well as from the regulatory agencies, and that increases should be reduced if inconsistent with phase II guidelines. However, it is still a very large question as to how much the Price Commission intends to rely on the certification by regulatory agencies that such agencies have met the Federal guidelines in granting increases, rather than taking a fresh look at the inflationary impact.

I am sure it is no coincidence that these new regulations came out yesterday afternoon, on the eve of my calling up my amendment. For over a month, I have warned of the danger of lifting the price freeze on public utilities, and made my views known to the Price Commission as well as to the Senate. I commend the Commission for apparently seeing the light. I hope they are on the way to developing a sensible and effective procedure for holding the line on utility rates.

But these new regulations should in no way deter action on my amendment. In fact, the Presidential action would seem to give the amendment all the more support. Regulations are not legislation. They can be changed, rescinded interpreted, and permitted to lapse into administrative obscurity. It is a challenge for Congress to apply the force of law to the President in dealing with utility rates.

It is because of this that I urge the approval of my amendment.

Mr. President, it is my intention, as expressed in amendment No. 752, to provide more effective control of rates of only the large utilities, those with annual gross operating revenue exceeding $10 million, and to exclude the small companies. It is the intent of this amendment to exclude small- and moderate-size businesses, so that the limited resources of Government can focus on about a thousand huge utility corporations, including electric power, gas pipeline, gas distribution, telephone, airline, rail, motor, and water carrier companies. Many of these corporations hold awesome political and economic power. The $10 million limitation would also lessen the burden of small utility businesses. I want to emphasize that point, Mr. President.

I am advised by the Federal Communications Commission that there are 62 telephone utilities which exceeded $10 million in operating revenue last year. Twenty-four of those companies are part of the Bell system and 38 are independent.

There are 55 gas pipeline companies and 163 electric utilities in the $10 million and above annual revenue category.

Additionally, there are some combination gas-electric utilities whose revenue from both gas and electric operations would raise their total operating revenue to more than $10 million a year. I was unable to obtain the number of combination companies that would be thus affected but would guess that they would number no more than a dozen or so. It is especially difficult to obtain information on gas distribution companies, because, I might add, of the failure of Congress to pass the Gas Information Act, which has been sought by the four most recent chairmen of the Federal Power Commission. There is no agency of Government, including the Price Commission, which can provide you, Mr. President, or me, or anyone else, with basic information on profits of the various gas distribution companies. Nor can that information be obtained from the American Gas Association. I have elicited from AGA the fact that last year 57 gas distribution companies collected in excess of $50 million in revenue from their gas operations, and that 300 gas distribution companies took in $1 million or more. AGA has advised my office that it has energized some central computer in a distant city and possibly before we conclude action on this bill we shall know how many gas distribution utilities would be affected by this amendment.

There are 30 air carriers with revenue exceeding $10 million annually and 393 rail, motor, and water carriers, according to statistics provided my office by the congressional liaison offices of the Civil Aeronautics Board and the Interstate Commerce Commission.

Mr. President, these approximately 1,000 corporations constitute a major segment of our economy. The electric utilities comprise our Nation's largest industry. The 163 power companies which grossed more than $10 million last year took in, altogether, almost $20 billion. The 55 gas pipeline companies took in almost $8 billion, according to the FPC.

The telephone companies had revenues of more than $18 billion, rail carriers approximately $12 billion, class 1 motor carriers more than $6 billion. The most recent figures which the Library of Congress was able to obtain on gas distribution companies, on short notice, were for 1968, when they totaled $8,781,000,000.

Thus, in total, these approximately 1,000 corporations take in more than $73 billion a year. Many of them are doing far better financially than are risk corporations which do not have the State-like privileges of utilities. Yet, they seek huge and in many cases, completely unjustified rate increases.

In summary, Mr. President, this amendment would require the President or his delegate to require these huge public service corporations to hold the line.

Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Washington Post this morning, telling the story of the Price Board's new regulation to oversee utility rates.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 30, 1971]

PRICE BOARD TO OVERSEE UTILITY RATES

(By James L. Rowe Jr.)

The Price Commission said last night that large regulated utilities will need its permission as well as that of state or federal regulatory agencies to raise rates.

The commission said all utilities with revenues over $50 million—which includes nearly all major utilities—must file rate increase requests with the commission as well as the agency. The commission said it would reduce the increases if they were inconsistent with Phase II guidelines.

The commission also set down four guidelines that regulatory agencies must follow in granting rate increases, to insure that the increases are "consistent" with Price Commission regulations.

Price Commission sources said the new rules, which will probably have an effective date of Nov. 29 when they are published in the Federal Register, would toughen the standards under which regulated utilities such as telephone, gas, and electric companies can obtain rate increases.

One source, however, said he expected increases granted over the past two weeks would probably be looked at by regulatory agencies to insure that they conformed to the new guidelines.

Under the new Price Commission policy, any utility with more than $50 million in annual sales must report to the commission when it requests a rate increase, when the increase is allowed to go into effect pending further hearings, and when the agency gives final approval for the rate increase.

Under the original rules put forth by the Price Commission, utilities had to have their rate increases certified by state or federal regulatory agencies as consistent with Phase II guidelines.

"We've now given the regulatory agencies firm guidelines on what being 'consistent' with the stabilization criteria means," one Price Commission source said late last night.

Those criteria, which the agency must certify with documentation as having been met, include:

The increase does not contribute to inflationary expectations.

The increase is reduced to reflect productivity gains.

The increase is the minimum rate which is necessary to assure continued and adequate service.

Any increase in the rate of return on investment that is allowed must be required either by an increase in the cost of money or is necessary to assure continued adequate service.

After a regulatory agency approves the request, Price Commission sources said, and sends the approval and the certification that the rate increase is consistent with the four guidelines, the company must file the approval and certification documents with the Price Commission.

The commission will then have 10 days to decide whether the rate increases are justified. In "some cases, we might decide there is insufficient justification for the increase and we might hold them up," one commission source said.

He said companies with under $50 million in total annual revenues will still follow the certification procedures, but will not have to file simultaneously with the Price Commission when a rate increase is filed.

In previous stabilization efforts such as World War II and the Korean War, utilities were exempted from price controls.

"Today, however, utility costs make up 5 per cent of the cost of living index," a Price Commission source said, and "we do not feel that we could leave them uncontrolled."

He said all major utilities have revenues over $50 million—including all major local utilities.

Virginia's State Corporation Commission approved a $33.3 million rate increase for the Chesapeake and Potomac Telephone Co. effective Dec. 1.

Other pending requests by Washington-area utilities include:

An Aug. 31 request by C&P for a $20.9 million increase on basic service in the District of Columbia.

A request by the Potomac Electric Power Co. for District increases that would cost customers $24.7 million the first year.

A Pepco request for about an $18 million increase in Maryland.

Mr. TOWER. I yield myself 4 minutes.

Mr. President, the Metcalf amendment would impose an unnecessary burden upon the operation of the Price Commission and require that public utilities be subjected to regulation which goes far beyond that imposed on general business under phase II of the economic stabilization program.

As I understand the new regulations adopted yesterday by the Price Commission, public utilities must now follow the same basic procedures for a price increase as general business. That is, those over $100 million in sales must prenotify the commission of an intended increase; those between $50 and $100 million must report to the commission; and those below $50 million, while not required to report, must certify that their increases are consistent with the phase II guidelines. In all cases, the Price Commission will have the power to rollback, modify or rescind increases which are determined to be in excess of the guidelines.

Also, under the new guidelines, public utilities will be subjected to three levels of review: State and Federal regulatory agencies; the Price Commission; and the courts.

It seems that this action is eminently fair and reasonable and produces a quality of regulation for public utilities that is in accord with that of general business.

By contrast, the Metcalf amendment would have some severe effects. By requiring utilities below $50 million in sales

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to obtain prior approval from the commission, this would impose a huge additional workload on the Price Commission requiring more staff and more paper work. The President has stated that he does not want phase II to turn into a huge bureaucracy, and that is a sentiment with which we can all agree. And yet the Metcalf amendment moves in exactly the opposite direction by requiring more regulation of utilities than that imposed upon general business.

Second, the Metcalf amendment poses a further severe problem in that it specifies that no increase for a utility will be higher than the guidelines for general business. It may well be possible that a utility may request a price increase much higher than the increases granted to general business and that this increase would be perfectly justified to continue adequate service. Yet it appears that the Metcalf amendment would prohibit either the State regulatory body or the Price Commission from granting this justified increase. In other words, the Price Commission would be denied the flexibility which is absolutely essential to the fair and effective operation of phase II.

The American consumer may deplore an increase in utilities prices, but when that increase is justified, I am sure that he would prefer the extra rate to a brown out, blackout, or complete stoppage of service.

Mr. President, I urge the rejection of the amendment of the Senator from Montana.

Mr. METCALF. I yield myself such time as I may require.

Mr. President, this amendment has to be read in the context of the bill. On page 3 of the bill, subsection (b), the standards that are established for orderly economic growth are provided in part 1 on line 13, in part 2 on line 14, in part 3 on line 20, in part 4 on line 23, and in part 5 on page 4, line 3. It would be under these standards that the decision of the President or his delegate would be made.

So we would provide for general exceptions and variations as necessary to foster orderly economic growth, to prevent inequities, to prevent hardship, to prevent serious market disruptions, to prevent domestic shortages of raw materials or local shortages of labor, or windfall profits—to read one of the standards provided. That gives a great deal of flexibility under this proposal, so that the regulatory agency—and subsequently the committee—could make a decision.

If a utility company were losing money or were not earning at the proper rate in accordance with the rates of other businesses, certainly there is enough flexibility in the standards set up by the bill itself—which must be read in the context of the amendment—to provide that the commission could give the necessary increase in utility rates.

As to the complexity of what is being done, in today's morning paper, the Price Commission, of its own motion, said they are going to take a look at the utilities; and all utilities with a revenue of more than $50 million will have to do exactly what my amendment provides. They will have to go to the Price Commission, and they will be subject to review. There will have to be a certification. They are doing exactly what we want.

I have provided that the gross revenue cutoff would be $10 million. Many utilities in the country that have an impact especially on the consumers in small areas earn less than $50 million.

For example, in Maryland, the Potomac Edison—that is not PEPCO—earns less than $50 million. Public Service Co. of New Mexico had a return on its common stock of 12.7 percent in 1970. It earns less than $50 million. El Paso Electric, in the State of the Senator from Texas—a State without any State regulatory commissions—earned 17 percent on its common stock last year, and it had an income of less than $50 million.

So I felt, when we drew the amendment, that the small business cutoff should be around $10 million. Except for that, the regulation that was announced this morning is substantially the regulation that is provided by my amendment. The only difference is that it is only a regulation, as we have pointed out, that is subject to recision at any time. It is subject to administration failures to carry it out.

The way to nail this down, here and now, is for the Senate to pass a law that does substantially the same thing that the Price Commission announced this morning that it was going to do. That is the only purpose here—that we should treat the utilities exactly the same as we are treating the other businesses and allow ourselves to be aware of the fact that in many areas of the United States there are State regulatory commissions that are understaffed, that do not have the capacity or the ability or even the incentive to carry out the provisions of this act.

When we are dealing with the most essential products that people buy—electricity, heat, and communications—we are dealing with something that is different from buying tires or automobiles or some other things. You do not have to buy some of those things sometimes, but you have to have electricity to make your home operate.

As was pointed out this morning by the man who announced the Price Commission's change, the electric utilities comprise 5 percent of our cost-of-living index, and I see no reason why we should exempt them from the operation of this act.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. I yield myself 3 minutes.

Mr. President, I do not think anybody would make an argument that utilities should not get the same treatment as general business, that they should be singled out for preferential treatment. Indeed, they should not be singled out for preferential treatment.

But, by the same token, they should not be singled out to be discriminated against. The guidelines set forth by the Price Commission provide that utilities will be treated the same as general business. The cutoff point is $50 million and so it is for the utilities. The fact is, if we discriminate against utilities by going down to the $10 million volume, what in effect we will do will be to impose a tremendous additional burden on the Price Commission, requiring far more bureaucratic redtape. The provisions in here set forth that pricing in utilities not go above that for general business, otherwise we deny a flexibility which is really essential to fair operation of the wage and price system. We also run the risk of perhaps bringing some kind of utilities into short supply if we refuse to allow appropriate price increases to take care of the situation.

As an example, take a shortage of gas. We could get gas in Alaska for 85 cents, perhaps. That is far more than anyone pays for it now, but the problem is if we run out of gas, to get more gas which is a low pollutant fuel, and which of course is cheap by virtue of the fact that the price has been highly regulated, the fact is we are out of gas and we will have to pay more for the high-demand low-pollutant fuel, which might result in an increase in prices on the part of the utility concerned. If the price cannot go above what is set for general business, what we will be doing is to shut off the gas and the result could be brownouts and blackouts, or stoppages of service.

I see no reason why the utilities should be singled out for this discriminatory treatment.

I note that Texas does not have a public utilities commission. Texas is the only State that does not have such a commission, so the utility companies of the other 49 States come under the regulatory powers of the State utility commissions. So I do not think that argument is fair.

Mr. METCALF. Mr. President, will the Senator from Texas yield?

Mr. TOWER. I yield to the Senator on his time.

Mr. METCALF. I am delighted to yield on my time.

Mr. President, Texas is not the only State that does not have a State regulatory commission. Texas has a local commission that Sam Rayburn once said was worse than no commission at all.

South Dakota regulates only the telephone utility. The State of Minnesota regulates only the telephone utility. The Great Northern State Power is not regulated but the Northern State Power does business at the $50 million level.

Under my amendment, which provides for local regulation, Texas would be included. The discriminatory point is the one that interests me. The bill as presently written is discriminatory. It says that the utility shall have privileges that all other businesses do not have. We are just doing by this amendment what the Price Commission today has announced it will do, except we will do it to eight utilities with a business of $10 million or over instead of gross revenue of $50 million or over. The Price Commission has not seen any overwhelming burden there, in saying to us today that they will do substantially what this amendment will do. The only thing the amendment does now, after the general announcement this morning by the Price Commission, is to nail down in the statute the administration's decision that has been handed down by the Price Commission.

The Price Commission in its news release this morning said it would release the policy for regulating public utility increases in the future and that the policy will be printed in a few days in the Federal Register; but, unfortunately, I have no way of guessing, or any crystal ball, as to what the policy will be. But the particular proposition that we have stated here is exactly the proposal that the Price Commission has made in its declaration this morning, except that we have included $10 million instead of $50 million.

I would certainly be amenable, if the Senator would vote for my amendment, to go to $50 million.

It would release a few utilities that are not covered that have had a substantial rate of return. It would provide that in South Dakota and in Minnesota, and perhaps in some utilities that would not be regulated—for instance, the West Texas Utilities which earned 16.4 percent on its common stock last year. But I see no magic in the words and figures of $10 million, $20 million, $30 million, or $50 million.

Ten million dollars seemed to be a cutoff point for small business. If that is the only thing that is stopping us, I would be amenable to ask unanimous consent to modify my amendment, if the Senator and the manager of the bill would find that acceptable, and I will yield to the Senator from Texas on my time.

Mr. TOWER. Mr. President, I am afraid that I would still have to oppose the amendment even though the Senator has offered to modify his amendment to $50 million. There are other provisions in it that would deny the flexibility required in dealing with utilities and general business. Therefore, I am constrained still to oppose the amendment.

Mr. President, I am prepared to yield back the remainder of my time, if the Senator from Montana is prepared to yield back his.

Mr. METCALF. Mr. President, I ask for the yeas and nays.

There was not a sufficient second.

Mr. TOWER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time consumed by the quorum be charged equally to both sides.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. METCALF. Mr. President, I ask unanimous consent to modify my amendment, on line 2 to insert $50 million instead of $10 million, and also ask unanimous consent to make a technical correction in the amendment where it says "on page 4, immediately below line 5," insert instead "on page 6, immediately below line 4."

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment as modified reads as follows:

On page 4, immediately below line 4, insert the following new subsection:

(f) (1) No public utility which had gross operating revenues of $50,000,000 or more during its most recent fiscal year may charge a price, rate, or tariff greater than that charged by it on August 15, 1971, without first obtaining approval from the President or his delegate, and such approval must be consistent with the standards for price increases published under subsection (b) and not in excess of the level of price increases permitted for business organizations generally under standards and guidelines promulgated by the President under this title.

(2) For purposes of this subsection, the term "public utility" means a person which is a regulated public utility as defined in section 7701(a)(33) of the Internal Revenue Code of 1954 (28 U.S.C. 7701(a)(33)).

Mr. METCALF. Mr. President, I yield back the remainder of my time.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has now been yielded back.

The question is on agreeing to the amendment, as modified, of the Senator from Montana (Mr. METCALF) No. 752.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Oklahoma (Mr. HARRIS), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) and the Senator from Idaho (Mr. CHURCH) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "nay."

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN) and the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 18, nays 70, as follows:

[No. 408 Leg.]

YEAS—18

Burdick	Humphrey	Mondale
Byrd, W. Va.	Inouye	Moss
Fulbright	Kennedy	Nelson
Hart	Mansfield	Pell
Hartke	McGee	Proxmire
Hughes	Metcalf	Ribicoff

NAYS—70

Aiken	Eastland	Pastore
Allen	Ellender	Pearson
Allott	Ervin	Percy
Anderson	Fannin	Roth
Baker	Fong	Schweiker
Beall	Gambrell	Scott
Bellmon	Gravel	Smith
Bentsen	Griffin	Sparkman
Bible	Gurney	Spong
Boggs	Hansen	Stafford
Brock	Hatfield	Stennis
Brooke	Hollings	Stevens
Buckley	Hruska	Stevenson
Byrd, Va.	Javits	Symington
Cannon	Jordan, N.C.	Taft
Case	Jordan, Idaho	Talmadge
Cook	Long	Thurmond
Cooper	Magnuson	Tower
Cotton	Mathias	Tunney
Cranston	McClellan	Weicker
Curtis	McIntyre	Williams
Dole	Miller	Young
Dominick	Montoya	
Eagleton	Packwood	

NOT VOTING—12

Bayh	Goldwater	Mundt
Bennett	Harris	Muskie
Chiles	Jackson	Randolph
Church	McGovern	Saxbe

So Mr. METCALF's amendment (No. 752) was rejected.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. STEVENSON). Under the previous order, the Senator from Montana is recognized.

AMENDMENT NO. 754

Mr. METCALF. Mr. President, I call up my amendment No. 754.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. METCALF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 9, line 4, beginning with "interpretation", strike out all through "interpretation" in line 7, and insert the following: "interpretation, modification, or rescission of, or seeking an exception or exemption from, such rules, regulations, and orders".

On page 9, line 8, beginning with "exception", strike out all through "exemption," in line 9, and insert the following: "action under the preceding sentence,".

On page 9, line 12, beginning with "exceptions", strike out all through "exemptions" in line 13, and insert the following: "action under this section".

The PRESIDING OFFICER. On this amendment there is a time limitation of 20 minutes to be divided equally.

Mr. METCALF. Mr. President, this amendment seeks to clarify and to augment the administrative remedies and procedures contained in section 207 of S. 2891, by requiring the President to invoke procedures available to any person for seeking an interpretation, modification or rescission of, or an exception or

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exemption from, any rules, regulations or orders issued under the title.

This may be what the committee had in mind, but it is far from clear. The wording in the report carries the implication that administrative review is to be of a restricted nature. In particular, the suspension of the Administrative Procedure Act—except for sections relating to public information, rulemaking, and agency adjudications concerning an individual—expresses an intent that at best the opportunity to challenge administrative rulings—particularly orders—is quite limited. Indeed, there is the very real question as to who is entitled to administrative review: the parties directly affected by the administrative action, or any interested person, such as a consumer for himself, or on behalf of a class of consumers. My amendment would make certain that such a third party would have all the rights to participate in the administrative process, albeit a watered-down version of the Administrative Procedure Act.

Mr. President, this is only fair. As I say with respect to my amendment on judicial remedies the next amendment I shall offer the administration and enforcement of the stabilization program is not a two-party contract. The public is very much involved. Where there is a legitimate interest, it should be allowed into the decisionmaking process. The administration has created in the Price Commission an advisory committee with extraordinary power. Its members are people from private life not accountable to the electorate. Its decisions appear to be secretly arrived at, and in some cases secretly negotiated with industry. The public has a right to know what is going on at the administrative level, how regulations and orders are justified, what facts and parties were consulted, and last but not least, the opportunity to seek a halt to those administrative actions which are inconsistent with the stabilization program before they get out into the enforcement process.

Mr. President, the legislation before us is as wide as a barn door when it comes to granting substantive authority to the President. As I said recently on the Senate floor, I share the fear of many Members of this body that we may be creating an economic czar in the presidency with life and death control over our economic lives. But I fear more the inequities that may develop when the big companies apply their political, legal and economic pressures to get out from under the umbrella of control. Already the country's largest utilities have been in to see the Price Commission and have wangled out of them a set of regulations, initially at least, which were a virtual green light to rate increases and an abject abdication of Federal administrative control.

However wide the substantive authority, the procedural standards are clearly lacking to provide a challenge to that authority. The bill, as written, limits procedures to the seeking of an "interpretation" of rules, regulations and orders, and the only remedy for an aggrieved person is to be granted an exception or an exemption from the agency's interpretations. Consumer and other public interests should be entitled to more than the interpretation of a rule, and exceptions and exemptions have no relevance to the relief they seek. This is why section 207, in subsection (c) should be broadened to allow full public intervention and full administrative relief. My amendment would do this, and I urge that it be approved.

Mr. President, as I understand it, this amendment would do what the report and the committee attempted to do, and this is merely a clarifying amendment.

Mr. SPARKMAN. Mr. President, we have checked the amendment and we are willing to accept it.

Mr. TOWER. Mr. President, I am willing to accept the amendment.

Mr. METCALF. I yield back the remainder of my time.

Mr. SPARKMAN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Montana.

The amendment (No. 754) was agreed to.

AMENDMENT NO. 753

Mr. METCALF. Mr. President, I call up my amendment No. 753.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. METCALF. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with. I will explain it.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 10, lines 19 and 20, strike out "(subject to the limitations in section 211)".

On page 12, line 23, beginning with "Except" strike out all through "the court" in line 3, on page 13, and insert the following: "The court".

On page 14, strike out lines 5 through 25, and redesignate succeeding subsections and cross references thereto accordingly.

On page 15, strike out lines 1 through 6 and insert the following:

"(d)(1) A district court of the United States shall have jurisdiction to declare".

On page 15, line 14, after the period insert the following: "The court may, in its discretion, issue an interlocutory or permanent injunction restraining the enforcement, operation, or execution of any such regulation or order."

On page 15, line 20, beginning with "In", strike out all through the period in line 5, on page 16, and insert the following: "An appeal from an order granting an interlocutory or permanent injunction restraining the enforcement, operation, or execution of any regulation or order issued under this title shall be advanced on the docket of the Temporary Emergency Court of Appeals for the earliest possible disposition. Following consideration of any appeal taken under this paragraph, the Temporary Emergency Court of Appeals shall enter a final judgment affirming, reversing, or modifying the decision of the district court and may grant such further relief as it deems appropriate.".

On page 16, line 9, strike out "shall" and insert "may in the discretion of the court".

On page 16, line 13, strike out "shall" and insert "may in the discretion of the court".

On page 16, line 24, beginning with "The", strike out all through line 11, on page 17.

The PRESIDING OFFICER. On this amendment there is a limitation of 20 minutes, to be divided equally.

Mr. METCALF. Mr. President, the purpose of this amendment is to provide all persons suffering a legal wrong because of any act, practice, order, or regulation arising under the act the right to obtain an injunction holding up such action by the Government or by a company, or both, in the district court from the outset of the litigation. In short, it would provide what exists today—those legal rights that are presently operating under the Economic Stabilization Act of 1970.

The purpose of the previous amendment which was agreed to was to clarify the administrative procedures under the act. This amendment is directed to judicial review under the act.

At first glance, one might think that such rights have been preserved, but this was apparently not the intention of the administration, or of the committee when it reported the bill.

Sections 210—Suits for Relief—and 211—Judicial Relief—according to the committee, were written with three principles in mind: speed and consistency; avoidance of any breaks or stops in the operation of the stabilization program; and relief only for particular persons aggrieved by the program, the person against whom the wage or price action is directed. It was written with the interests of the Government and the recipients of governmental action in mind. With respect to price regulations, which is my special concern, the committee bill creates the implication, if not the congressional presumption, that the regulatory process is a bilaterial relationship between the regulator and the regulated. They have ignored the fact that there is a very important third party to this contract—the consumer, the taxpayer, the public, and he should be entitled to equitable relief.

My amendment would, among other changes, strike the restrictive language in section 211 (d) and (e) on pages 14 and 15 of the bill. That language in effect states that no district court or a temporary court of appeals can issue any interlocutory decree staying or restraining any provision of the act before us, or any regulation or order thereunder, until a final judgment is rendered, except that these courts may enjoin the application of a particular regulation or order to a person to a party to the litigation.

That means, as I understand it, that no interlocutory decree could be issued until the matter went all the way to the Supreme Court. It might be years before the consumer would have the right to test these provisions or regulations that are established.

My amendment also strikes out that part of section 211(g) which says that the Supreme Court and the Temporary Court of Appeals shall have exclusive jurisdiction to determine the constitutional validity of any provision of the

legislation or any regulation or order issued under it, and that no court shall have the power to stay such action on constitutional grounds except as permitted above.

Of course, my amendment retains the power in the district court to do just exactly what a district court can do now under present law.

In addition, it makes specific that a district court may, in its discretion, issue either an interlocutory or permanent injunction restraining the enforcement, operation, or execution of any regulation or order. Furthermore, the amendment provides for an expediting procedure with respect to appeals from such equitable relief. This is in keeping with the committee's intention to speed up the judicial review.

These changes—which have been prepared with the assistance of the Senate's legislative counsel office—will have the direct effect of providing any person legally wronged with the right to challenge any action under this title, and seek a stay, until a judicial determination is made.

There is a basic philosophical issue at stake here. The committee bill grants an incredible degree of power to the President of the United States to do what he wishes with our wages and our prices. If we are indeed in a state of economic emergency, that may be necessary. But when at the same time we are asked to forego our basic rights to challenge and enjoin that extraordinary power of the Presidency—when the consumer and the taxpayer and the small businessman and the general public are told to wait while big government, big business, and big labor work out their compromises—then we have lost a very large chunk of democracy in this Nation.

I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Texas (Mr. TOWER).

Mr. TOWER. Mr. President, the prime objectives of the carefully composed judicial review section are these:

Only a final judgment by the Temporary Emergency Court of Appeals or the Supreme Court shall enjoin or set aside all or part of any regulation or order of any of the agencies exercising functions under the act.

Second, a district court may issue a temporary injunction with respect to the applicability of a particular regulation or order to a particular plaintiff pending further judicial proceedings.

Third, a district court shall not have authority to enjoin or set aside all or part of any regulation or order of any of the agencies except as permitted as I have already noted.

In a temporary program of this kind, one that hopefully will be of short duration, in which prices and wages must be kept in alinement and under control, there can be no breaks or gaps unless following a final judicial action. The amendment offered by the distinguished Senator from Montana would pose a serious threat to the program and should be rejected. The parties in court proceedings are given injunctive protection in the bill, and this procedure seems to present a far more prudent approach.

If we adopt the amendment of the Senator from Montana, we can completely hobble the program, and it could result in aspects of it perhaps going beyond the point in time in which they otherwise conceivably could have been terminated. There is adequate protection here for an aggrieved person, and I do not think we should adopt the amendment of the Senator from Montana, which I think would have the effect of hamstringing the whole implementation of the program.

Mr. SPARKMAN. Mr. President, I yield myself 5 minutes.

I certainly agree with all the distinguished Senator from Texas has said. I call attention to this fact, which is something that the present occupant of the chair is well aware of, because he was there and participated in it: It may well be remembered that we worked about 2 days on this particular part of the bill. We were not satisfied with the form in which it was sent up here. We felt additional safeguards ought to be made, and we worked them out, and I think we arrived at a very good arrangement, recognizing the fact that the person going into court will want early action and the Government will want early action. That is what we have tried to find a way of achieving, without having long, drawn-out cases or having cases that just drag through the months, and even through the years, waiting for a final settlement. We have provisions that will make it possible to get expeditious action, and we believe that the individual is amply protected.

I hope the amendment will not be agreed to, because I think it would break up entirely something that we worked long and hard to achieve. I believe we have worked out a very good solution, which I hope will be allowed to remain a part of the bill.

I am willing to yield back the remainder of my time, if the Senator from Montana is.

Mr. METCALF. Mr. President, may I respond to the Senator from Alabama and to the Senator from Texas? If I were convinced that all the parties were protected, if I were as convinced as both the distinguished Senator from Alabama and the distinguished Senator from Texas are, I would not offer this amendment. But as I read the bill—and I know a great deal of work has been done on it—the third party, the person with real interest, is not protected at all. The consumer is not protected. The old people who will be affected by increases in rates and prices are not protected. Consumer organizations have no right to come in and appear as parties in interest. It is that third party that we are representing. It is that consumer, that taxpayer, that man in the street who should have his opportunity to have his right protected.

I do not want to throw a lot of procedural obstacles in the way of carrying out this legislation. I agree we are in an economic crisis and something has to be done, and I applaud the fact that attempts are being made in this bill and by other regulatory agencies and appointive commissions to try to take care of the economic crisis that faces America today; but I still think we should observe basic American judicial rights and, in my opinion, as I read the bill, we are not protecting those rights, especially the rights of the consumer, the rights of the taxpayer, the rights of the ordinary citizen.

Hence the need, as I see it, to go into district court. That is the court we have established. That is the court we are used to. That is the court which is able to handle all the other economic, political, and criminal situations that arise in the various districts. We go into that court and before that district judge. Give priority to the handling of these cases and try them in the regular judicial procedure.

I say again, if I were convinced that the assurances that are being given by the managers of the bill are carried out in the protections that are contained in the bill, I would not have offered the amendment.

The PRESIDING OFFICER. Who yields back?

Mr. SPARKMAN. Mr. President, I am willing to yield back my time, if the Senator from Montana is.

Mr. METCALF. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Montana (putting the question).

The PRESIDING OFFICER. The noes appear to have it. The noes have it, and the amendment is rejected.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 755

The PRESIDING OFFICER. Under the previous order, the Senator from Montana is recognized.

Mr. METCALF. Mr. President, I call up my amendment No. 755.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment (No. 755) as follows:

On page 10, line 24, strike "may in its discretion," and insert "shall".

Mr. METCALF. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. On this amendment there are 20 minutes, to be equally divided between the opposing sides.

Mr. METCALF. Mr. President, I yield myself such time as I may require.

Mr. President, this is a very simple amendment, and yet it can be so important to the individual who wins his lawsuit against a company who overcharges him by exceeding the ceiling established under the price regulations and orders.

The committee bill permits the court to grant this person attorney fees and costs at its discretion. My amendment would guarantee these costs to him automatically, if he wins his suit. I am pleased

XUM

to say that the senior Senator from Minnesota (Mr. MONDALE) has a special interest in this amendment, and I ask unanimous consent that his name be recorded as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, for the average citizen or the small businessman going to court can be a very costly experience—particularly when your opponent is a corporate giant. The other day, a man testifying on behalf of Common Cause told us that he went into court in Colorado and, even before he can appeal or have a motion for a rehearing before a public service commission, he has to raise $1,500 for a printed transcript. That is only one example; all of us know how costly it is to go into court. The fact that section 210 of S. 2891 provides for treble damages for an intentional overcharge may not be enough to encourage a person to seek the full rights he is entitled to under the law. The fact that he may not be encouraged to seek those rights is a serious impediment to the total enforcement process of the price control system.

The Government cannot be everywhere, like the local policeman, keeping the companies honest. It is critical that we must rely on private suits to do a good share of this job. If a party knows from the outset that he will receive both attorney fees and court costs if he succeeds in proving an overcharge, he will likely be much more persuaded to take on the burden of litigation. And the fact that this possibility for court action exists may be a very effective "sword of Damocles" over the potential price gouger.

I do not agree with some, that giving court costs and attorneys fees may encourage spurious suits. The actions to be brought under this section are in the Federal district court. Such a court is quite capable of disposing of litigation which has no merit. A person without a meritorious claim is generally reluctant to risk time and money at the Federal court level.

Rather, I see my amendment as an extra incentive toward private enforcement of the law and a reasonable and fair addition to the relief available for any violations of that law. "Overcharge" has been an unpunished business crime for years in the public utility sector, and in other areas of commerce. Certainly in this instance, where we are all trying to cooperate toward rebuilding a healthy economy and reducing inflation, those who do not cooperate—who try to sneak out from under the controls in order to make a fast buck—are business criminals in every sense of the word. They should be brought to justice. Indeed, there are criminal sanctions, but the possibilities of these being enforced, except in the most extreme cases, are not great. This section, with guaranteed attorneys fees, and court costs, adds a special dimension to the enforcement process. It could be one of the most effective sections of the bill. I hope the amendment will be adopted.

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, I am not a lawyer, and I am a little bit hesitant to get into these matters, but the Department of Justice takes the view that an award of attorneys' fees to the prevailing plaintiff is not the practice in American litigation. There are only a few statutes authorizing such awards and they are invariably discretionary in the court. Situations that will arise in this type litigation are not so predictable that we should make mandatory what may be a heavy burden, especially may this be so in a borderline case involving the intention to violate or some such problem of proof.

The award of court costs is also discretionary in Federal statutes, and for similar reasons the Justice Department opposes making this award to the prevailing plaintiff a mandatory matter. I am informed that such mandatory awards are not a precedent. There is no precedent for such mandatory awards in our legal system. I would, therefore, urge the Senate to reject the amendment.

Mr. DOMINICK. Would the Senator yield for 1 minute on this?

Mr. SPARKMAN. Yes, I yield.

Mr. DOMINICK. It just strikes me, looking at this, that not only is this an award of attorneys' fees but it also requires the court to put in whichever is the greater of the two extra amounts referred to on page 11. No matter how you slice it, this is an incentive for everybody to go ahead and bring suit. On an individual basis around this country you could flood the courts in nothing flat, because here is a payment they are going to receive if they should be successful. I do not think this is proper legal practice, and it does not seem to me it is proper judicial practice.

Mr. SPARKMAN. Mr. President, I will yield back the remainder of my time.

Mr. METCALF. I am prepared to yield back all of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Montana. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Oklahoma (Mr. HARRIS), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) and the Senator from Idaho (Mr. CHURCH) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Indiana (Mr. BAYH) would each vote "yea."

I further announce that, if present and voting the Senator from West Virginia (Mr. RANDOLPH) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 23, nays 65, as follows:

[No. 409 Leg.]

YEAS—23

Bellmon	Hughes	Mondale
Burdick	Humphrey	Moss
Byrd, W. Va.	Inouye	Pastore
Cooper	Kennedy	Pell
Fulbright	Magnuson	Proxmire
Gravel	Mansfield	Ribicoff
Hart	McGee	Stevenson
Hartke	Metcalf	

NAYS—65

Aiken	Eastland	Packwood
Allen	Ellender	Pearson
Allott	Ervin	Percy
Anderson	Fannin	Roth
Baker	Fong	Schweiker
Beall	Gambrell	Scott
Bentsen	Griffin	Smith
Bible	Gurney	Sparkman
Boggs	Hansen	Spong
Brock	Hatfield	Stafford
Brooke	Hollings	Stennis
Buckley	Hruska	Stevens
Byrd, Va.	Javits	Symington
Cannon	Jordan, N.C.	Taft
Case	Jordan, Idaho	Talmadge
Cook	Long	Thurmond
Cotton	Mathias	Tower
Cranston	McClellan	Tunney
Curtis	McIntyre	Welcker
Dole	Miller	Williams
Dominick	Montoya	Young
Eagleton	Nelson	

NOT VOTING—12

Bayh	Goldwater	Mundt
Bennett	Harris	Muskie
Chiles	Jackson	Randolph
Church	McGovern	Saxbe

So Mr. METCALF's amendment (No. 755) was rejected.

Mr. GAMBRELL. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 758

The PRESIDING OFFICER (Mr. STEVENSON). Under the previous order, the Chair now lays before the Senate amendment No. 758 of the Senator from Wisconsin (Mr. NELSON) which the clerk will state.

The assistant legislative clerk read as follows:

On page 7, strike out all of lines 7 through 15, inclusive, and insert in lieu thereof the following:

All information reported to or otherwise obtained by any person exercising authority under this title which contains a trade secret or process shall be considered confidential, except that such information may be disclosed to other officers, agencies, boards, commissions, or similar entities empowered to carry out this title solely for the purpose of carrying out this title or when relevant in any proceeding under this title. All other information received in justification of wage or price increases shall be made available to the public.

The PRESIDING OFFICER. On this amendment there is a time limitation of 2 hours to be equally divided between the opposing sides.

Who yields time?

Mr. NELSON. Mr. President, how much time is allocated to the amendment?

The PRESIDING OFFICER. Two hours.

Mr. NELSON. I thank the Chair. I do not anticipate that it will be necessary to use up the total time allocated.

Mr. President, this amendment is sponsored by myself and Senators HARRIS, HART, METCALF, and PROXMIRE.

The main purpose of this amendment, in a nutshell, is to require the country's most important corporations—those with annual sales of $50 million or more—to justify their price increases and to make that justification public. The amendment will do no more, in effect, than require the very large corporations in the Price Commission's price categories I and II to submit to the same kind of public scrutiny of the profits involved in their price increases that virtually all of the publicly held, category III corporations have always experienced.

The amendment will assure that the public will have as much information about the product profits of diversified, multiple-product corporations as it has or routinely can get about the product profits of all small corporations that file public reports with the Securities and Exchange Commission. Another purpose of the amendment is to give the public access to approximately the same kind of information concerning price increases—whether of single-product or multiple-product corporations—as it already has about wage increases. In short, the purpose of this amendment is to assure fairness and equality of treatment for the consuming public, the giant diversified companies, the single-line and smaller companies, and the labor unions.

There is nothing complicated about the amendment and in fact nothing new about the concept. Everyone that has talked about the phase II program of economic controls, from the President on down, has made the point that the program will not work unless it wins general acceptance, support and cooperation from businessmen, labor, farmers, consumers, and the public at large.

And everyone, from the President on down, has made the point that phase II will get that kind of acceptance and support only if it is basically fair and equitable in the way it allocates benefits and hardships among different groups in the economy.

This amendment is intended to help the program win that wide acceptance and support by assuring fairness and equity in one vital area: The allocation of information and knowledge.

At the present time, when labor wins a wage increase, all the essential information is in the public domain. Anyone interested can find out exactly what the workers got before the wage increase and what they will get after the wage increase. The public has what it needs to form an intelligent, independent judgment on whether the Pay Board acted wisely or unwisely.

It is terribly important that the public be able to perform this function of Monday-morning-quarterbacking the decisions of the Pay Board. The sense of fairness and equity depends on it.

It is just as important for the public to be able to evaluate the decisions of the Price Commission. But here the situation is very different. The public cannot carry out its vital function of Monday-morning-quarterbacking the Commission's decisions. That is because the TV screen goes blank during the winning plays, and there is no live audience admitted to the "game."

Mr. President, these "games"—the proceedings and reasoning of the Price Commission—result in immense taxation of the American consumer, in the form of approved price increases. Yet they are played with no spectators. There is no one there but the players: The corporation that wants the price increase, and the Price Commission that approves it.

This can truly be described as a kind of taxation without representation. It is unfair and unreasonable, and it will, if it persists, cost the whole phase II program the public confidence that it needs to succeed. This amendment will admit the public, as spectators, to the "game."

DISCRIMINATORY TREATMENT

Under the bill that is before the Senate, there would be added to the Economic Stabilization Act of 1970 a new section called "Section 205. Confidentiality of Information." It is that section that we propose to amend.

I shall explain how the Pay Board and the Price Commission will function, given the present regulations and the bill as reported. Then, in contrast, I shall explain how they will function if our amendment is adopted.

If section 205 becomes law in the form reported, as a practical matter, the public will have extremely different rights of access to information about the benefits that different groups in the economy obtain under Pay Board and Price Commission decisions. These differences in public access will be seen as gross discrimination by the groups whose benefits are involved.

Consider first the benefits obtained by labor in the form of wage increases approved by the Pay Board. As I have already noted, those will be fully in the public domain. The hourly rates and fringe benefits obtained before and after the approved increase will be known to everyone interested.

Consider next the benefits obtained by a single-line corporation in the form of a price increase approved by the Price Commission. In the case of corporations, it is of course not enough simply to know the before-and-after prices. For the public to be able to appraise benefits, in meaningful terms, it must know before-and-after profits. In the case of the single-line corporation which is a public company—that is, one whose securities are registered with the Securities and Exchange Commission, so it is subject to SEC rules—product profits can be estimated with considerable accuracy. Publicly held corporations send quarterly and annual reports to their stockholders, and those reports are in the public domain. They also file somewhat more detailed quarterly and annual reports with the SEC, and those, too, are available to the public. The financial statements that are included in the reports to stockholders, in the reports to the SEC, or both, normally show net sales, major items of investment and cost, depreciation and amortization of plant and equipment, net income or loss before and after taxes, and earnings or loss per share. When the corporation makes only a single product or only a single, narrow line of products, an astute competitor or consumer watchdog can make fairly close estimates of the effect on profits of a particular price increase. That is so even though the Price Commission withholds the exact information the corporation submitted to it.

We have a quite different situation when the corporation obtaining the Price Commission's approval for a price increase on a single product is a giant, multiple-line company. Such a corporation, if publicly held, also sends annual and quarterly reports to stockholders and files annual and quarterly reports with the SEC. But it is required by the SEC to present full profit and loss data only on a consolidated basis. Insofar as particular lines of business are concerned, the corporation needs report only the respective contributions to sales and income—or loss—without any of the other ordinary financial-statement data. Worse, the term "line of business" is left undefined by the SEC, with the result that the information a conglomerate files on any "line of business" can hardly ever be compared with a product line, usually much narrower, on which a price increase has been approved.

Finally, and worst of all from a public information standpoint, consider the case of the large, multiple-line corporation that is closely held. If a company has never registered an issue of securities with the SEC for sale to the public, there is probably no information at all available to the public with which to evaluate the effect on its profits of a particular price increase approved by the Price Commission.

We see here four different levels of real, meaningful disclosure to the public of the benefits obtained through decisions of the Pay Board and Price Commission. In such a system as this, it may be said that everyone is equal—but some are more equal than others.

Approval of this amendment would, for the purposes and duration of the wage and price control program only, bring this discrimination to an end. It would bring into the public domain all information offered in justification of wage and price increases by the category I, prenotification firms and the category II, reporting firms, as defined in the phase II regulations.

Closely held corporations and multiple-line corporations would be disclosing more to the public than they do now, but not any more than their publicly held and single-line competitors have been disclosing all along. That alone would bring a long needed measure of competitive equity to the information disclosure requirements of the different types of

corporations. However, the amendment would also result in equalizing the treatment of information about price increases with the information about wage increases. In both cases, the public would be able to evaluate real economic benefits and real economic impact.

The great winner under this amendment will, in fact, be the inflation-weary public. The information that will come into the public domain, if the amendment is adopted, will combat inflation in two ways. First, it will subject the Price Commission to a more meaningful type of public surveillance of its decisions. Perhaps even more important, in the long run, such information will make competition function more effectively as a check on inflation.

CRISIS LEGISLATION

Mr. President, the bill before the Senate is crisis legislation. The country is in an inflation crisis. Nothing short of crisis could induce us to put our market system on ice, for a major part of the economy, and substitute a system of wage and price controls.

The bill before us is also temporary legislation. The authorization it would give the President to continue his phase II economic stabilization program will expire April 30, 1973, under the bill as reported—and even sooner under some of the amendments that have been offered, if they are adopted.

Surely, in a crisis, and for a temporary program, our large corporations should not object to sharing with the public the same types of information about product-line profits and losses that that their single-line competitors are routinely disclosing and have disclosed for years.

From the viewpoint of either the single-line publicly held corporation or the regulated-industry corporations, there will be difficulty in accepting an assertion made by Chairman Grayson of the Price Commission when he appeared before the Joint Economic Committee on November 18. Dr. Grayson said that disclosing the major corporations' financial data to the general public would amount to—

Opening up the corporate records of most of the major concerns of the nation, and I think this opening up completely would be a change in our total systems thus far of the free enterprise system.

I wonder if Chairman Grayson has discussed that view with such single-line giants as American Motors or Maytag, or with such regulated giants as Pan American Airways or Consolidated Edison. I wonder if he has discussed it with any of the small businesses in this country. All that this amendment would do is make the conglomerates tell as much, or perhaps only almost as much, product by product and industry by industry, as the single-line and regulated companies have been telling everyone for decades.

TRADE SECRETS

Incidentally, adoption of this amendment will in no way force disclosure of legitimate trade secrets. Actually, the amendment even strengthens the reported bill in that regard. It does so by adding after the words "trade secret" the words "or process," to indicate that proprietary technical data, including manufacturing and other secret business processes, that come into the hands of the Price Commission or any of the other phase II agencies will be held strictly confidential. But our amendment deletes the reference to section 1905 of the Criminal Code, to avoid incorporating by reference into the Economic Stabilization Act a sweeping prohibition against the disclosure or publication of corporate economic data offered in justification for a price increase or, for that matter, a wage increase. That kind of information belongs in the public domain.

ONLY A VERY FEW FIRMS ARE AFFECTED

Another point to remember is the extremely limited percentage of all American companies that will be affected by the phase II program's full sweep—and by this amendment.

For all practical purposes, the Price Commission is going to be concerned only with price increases of some 2,500 corporations. There are few if any sole proprietorships or partnerships in the country doing $50 million or more a year in sales.

In the corporate sector, companies with over $100 million a year in business receipts—the category I, prenotification firms—in the last year for which full statistics have been compiled, 1968, numbered exactly 1,314, or less than one-tenth of 1 percent of the corporate population. However, they accounted for 44.7 percent of all business receipts of corporations and 59 percent of all corporate net income—less deficit—that year.

Corporations with annual business receipts of $50 to $100 million—those that Price Commission regulations would designate as category II, reporting firms—numbered 1,065, or 0.07 percent of the corporate population in 1968; but they accounted for 4.8 percent of the corporate business receipts total and 5.8 percent of the total corporate net income—less deficit.

All other corporations—those that would now be put in category III, or firms with annual business receipts under $50 million, which are not subject either to prenotification or reporting of price increases but are subject to monitoring and spot checks—represented 99.8 percent of the corporate population in 1968, but accounted for only 50.4 percent of total corporate business receipts and only 35.2 percent of corporate net income—less deficit.

Mr. President, I ask unanimous consent to have a table showing the relative positions of price category I, II, and III firms in the corporate population of 1968, and showing the dollar and percentage shares of each in business receipts and net income—less deficit—printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1968 CORPORATION INCOME TAX RETURNS[1]

Size class (in business receipts)	Number of returns		Business receipts		Net income (less deficit)	
	Number	Percent	Millions	Percent	Millions	Percent
All active corporations	1,541,670	100	$1,403,499.6	100	$85,962.0	100
Category I, prenotification firms: Corporations with business receipts of $100,000,000 to $1,000,000,000	1,191	0.08—	314,358.6	22.4—	23,538.6	27.4—
Corporations with business receipts of $1,000,000,000 or more	123	(2)	313,050.7	22.3	27,159.9	31.6—
Category II, reporting firms: Corporations with business receipts of $50,000,000 to $100,000,000	1,065	.07—	67,660.7	4.8+	4,985.8	5.8
Category III, all other firms: Corporations with business receipts under $10,000,000	1,529,425	99.2	536,591.7	38.2+	19,732.3	22.9+
Corporations with business receipts of $10,000,000 to under $50,000,000	9,833	.6+	171,837.8	12.2+	10,545.3	12.3—

[1] Detail may not add to totals due to rounding.
[2] Less than 0.01 percent.

Source: U.S. Internal Revenue Service, Statistics of Income—1968, Corporation Income Tax Returns.

Mr. NELSON. No amount of familiarity with these figures can overcome my feeling of concern over the immense share of business receipts and business income accounted for by the firms in price categories I and II. Furthermore, if the trends since 1968 have been the same as the trends from 1958–68, the giant corporations will show even greater percentage shares of receipts and income in 1969, 1970, and 1971 than in 1968, when all the statistics are compiled.

THE LARGEST CORPORATIONS ARE THE MOST SECRET

No one can quarrel—and I have not heard that anyone is quarreling—with the administration's decision that phase II must concentrate on the firms with over $50 million a year in sales; the program will rightly focus on that less than 0.2 percent of the corporate business population that enjoys 65 percent of the corporate net income. But there is a good bit of dissension developing about what increasingly seems to be the rule that, if you are a corporation, the bigger you are the more secret you can be, even in phase II. There is a good bit of resistance growing to the proposition the giants have so long been making, and have been permitted to make into national policy, that they would be irreparably damaged, competitively, by disclosing their product-line profits and losses, investment and costs.

We are asked to believe, for example, that General Motors, with total 1970 sales of $18.7 billion, dares not, for competitive reasons, tell the public how it is doing, in profit terms, in even so broadly defined a line of business as passenger automobiles, light trucks and equipment. Yet anyone can read the 1970 annual report of GM's comparatively tiny—though still very large—competitor, American Motors, with annual sales that year of under $1.1 billion, and tell how it is doing in the passenger cars, light trucks, and equipment line, because that was its only line.

We are asked to believe, similarly, that General Electric, General Motors, or Westinghouse dare not, for competitive reasons, tell the public how they are doing in even so broadly defined a line of business as "laundry equipment, dishwashers, food disposers, and repair parts and services." To do so, it is suggested, would competitively imperil GE, which was No. 4 on the Fortune 500 list for 1970; GM, which was No. 1 and Westinghouse, which was No. 13. Yet Maytag Co.'s 1970 annual reports to stockholders and the SEC tell us exactly how it was doing in that line of business, for that was its only line. And somehow Maytag, which was No. 486 on the 1970 Fortune 500 list, with sales of only $173.7 million, manages to stay alive in the hard, competitive world of that business line. Can it really be that GM, with its $18.7 billion total sales, cannot tell the world as much as Maytag, with its sales of under $0.2 billion, tells the world about the line of business in which GM and Maytag are competitors? Can it really be that GM could not make such disclosures even for purposes of a temporary, crisis, inflation-fighting program?

Mr. President, I do not believe it, and I earnestly hope the Senate will not accept that argument. If it does, it will have gravely endangered the credibility and thereby the success of phase II.

All that this amendment would ask the giant—category I and category II—corporations to do is to justify their price increases, product by product, in cost and profit terms comparable to the disclosures routinely made by their publicly owned category III competitors in their annual reports, and to make that justification public. The bill (S. 2891) as reported would keep the justification a corporate-Government secret, and that is simply not good policy.

VIEWS OF FOUR EMINENT ECONOMISTS

The Senate Small Business Subcommittee on Monopoly, which it is my privilege to chair, began hearings on corporate secrecy on November 9. The fourth session of those hearings will be tomorrow—December 1—and it is anticipated that they will continue for some time.

At the second session of the hearings, on November 12, I asked a distinguished panel of economists to evaluate the impact of corporate secrecy on phase II. These men—Profs. Walter Adams, John Kenneth Galbraith, Willard F. Mueller, and Donald F. Turner—have some very important differences on many points of economic theory and policy; but on the subject of corporate secrecy in phase II they were unanimous in their opinion. Here are some highlights from their testimony:

First, Prof. Walter Adams, distinguished university professor, professor of economics, and recently the interim president of Michigan State University:

Prof. Adams. How can you regulate something you don't understand? How can a doctor make a rational diagnosis of the ills of his patient without subjecting the patient to a complete and thorough physical examination and taking his medical history? That is the position we are in.

Next, here is the observation of Prof. Donald F. Turner of the Harvard Law School, a lawyer who is also the holder of a doctorate in economics, and the former head of the Antitrust Division of the U.S. Department of Justice:

Prof. Turner. That brings us back to Senator Nelson's question. Given the wage and price controls, particularly price controls, is it possible to carry these out in a rational fashion without the kind of disclosure we have all been talking about? It seems to me the answer is perfectly obvious. You can't.

Prof. John Kenneth Galbraith, of all the panelists, most supports wage and price controls in principle, and has had the most direct experience with them. This is what he said:

Prof. Galbraith. I was in charge of this operation [wage and price control] in World War II. At that time, although talent was scarce and money was scarce, we had to invest an enormous sum of money. We subcontracted it out to the Bureau of Labor Statistics.

That was to get a full-scale system of financial reporting. When we were faced with the question of pleas for increase in price, we had an independent check of the corporation from our own sources on the legitimacy of their claim. I don't think a price administration can be worked on any other basis. At that time those figures were all kept confidential and not released. I can't imagine that this could ever be possible again. It is astonishing in retrospect that we got away with it at that time. The inequities of the situation, I think, will be evident to anyone. The wage claims, the fringe adjustments, anything of that sort, is all in the public domain. This is all disciplined. If, then, the counterpart price increases that a corporation asks for on the basis of the wage increase, if it is based on a secret calculation of profits, it is going to look like a sweetheart deal between the Administration and the corporation. The Administration is sooner or later going to find it embarrassing and the unions are not going to stand for it. I would conclude that the only possible way, at least for this large group of corporations, where the Administration is more or less for real, that you would have to give the same publicity to the cost and profit calculations as is implicit in the trade union situation.

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Senator Nelson. You spoke about the great difficulty of the wage and price control situation in the Second World War and the vast machinery that it took. What would be so difficult in this current situation, for whatever the temporary period is, to at least take the top 1000 or 1500 corporations and require a total disclosure of all the information that you gentlemen think ought to be disclosed, and publicly, too, so that there is confidence in the public and among the working people who, whatever they get, have it right out there in the open?

Prof. Galbraith. I think that it would be essential and that the Administration will find this is a very desirable procedure.

Prof. Willlad F. Mueller of the University of Wisconsin, like Dr. Galbraith, has had some personal experience in highly relevant Government posts. He is the former chief economist of the Federal Trade Commission and, during the Johnson administration, was executive director of the Cabinet Committee on Price Stability. This was his comment on the situation as it appeared on November 12—the day after the phase II regulations were announced:

Prof. Mueller. • • • •

As the program was reported this morning, the companies of over $100 million are to report price increases, and unless the commission advises otherwise within 30 days after notification is received the price change will take effect. I predict that the bulk of the prices will simply go into effect because something has to be done and the people involved just don't have the facts.

The whole thing is going to be extremely inequitable. As pointed out by Professor Galbraith, we know all the facts when it comes to wage increases so it is very easy to come up with a 5.5 percent guideline there. But this program, as it was announced, which is going to set a profit margin on sales as the standard, is so grossly inequitable.

Senator Nelson. • • • • My question was, if you are going to have integrity and believability in what we are doing, don't you have to have disclosure? My question is, is it mechanically that difficult?

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Prof. Mueller. It is not at all impossible and extremely desirable.

PHASE II REQUIRES EQUITY, AND EQUITY REQUIRES DISCLOSURE

If S. 2891 passes the Senate with section 205 in the form reported, I predict hard times and failure for phase II. There will be at least two important reasons that would not augur well for the success of the program.

The first is that the program will seem, as Professor Mueller put it, "so grossly inequitable" to a segment of the population that may represent a good bit less than half the wealth but a good deal more than half the electorate.

The second is that, by embracing and protecting corporate secrecy, the program will hinder the operation of competition, a once honored force in America and one that still has a much better chance than all kind and manner of regulation to really bring prices down and promote prosperity and employment. But information about where the profits and losses are is both the fuel and the lubricant of competition, and it is information that is being monopolized and which this bill would keep monopolized, unless it is amended. Cutting off the flow of information gravely damages competition. Disclosure of corporate profits, by industrial and product lines, will crank into the economy the kind of business knowledge on which competition breeds and thrives.

Mr. President, it was Louis Brandeis who said that sunlight is the best disinfectant and electric light the most efficient policeman. By adopting the proposed amendment, the Senate will opt for sunlight and openness, for open profits openly arrived at, for an open society. By rejecting this amendment, the Senate will opt for a continuation of the competition-stifling, mistrust-breeding

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policy of corporate secrecy aided and abetted by Government secrecy.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. NELSON. I yield.

Mr. PROXMIRE. Mr. President, I congratulate my colleague on his amendment. I think that the Senator put it very well when he pointed out that this program cannot fully work unless it has public confidence. And that public confidence should be based on the broadest and the deepest possible knowledge and justification.

I call to the attention of my colleague that when the Wage Board made the decision the other day on increasing the wages of the coal miners by 16.8 percent, I think it was a shock to many, many people throughout the country.

In my view it would have been far better if those hearings had been covered publicly by the press. Short of that, I think it would have been better if a transcript of the hearings had been made and made public so that we would have known the justification for this apparent, prima facie violation.

This was not made available. What my colleague is doing is proposing that the information used by a firm to justify an increase in wages or an increase in prices be made available to the public. But as I understand it, he is safeguarding the trade secrets or processes which obviously should be safeguarded.

Mr. NELSON. The Senator is correct.

Mr. PROXMIRE. I would like to point out to the Senator the provisions in the law to which this provision in the bill refers. It is stated on page 7 at line 7:

"All information reported to or otherwise obtained by any person exercising authority under this title which contains or relates to a trade secret or other matter referred to . . . shall be considered confidential for the purposes of that section,".

The law referred to provides for:

Trade secrets, processes, operations, style of work, or apparatus, or to the identity, confidential statistical data, amount or source of any income, profits, losses, or expenditures of any person, firm, partnership, corporation, or association; or permits any income return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law.

This means, in effect, because of this provision the public is going to be kept in the dark. They are not going to have any real basis for understanding whether the decision of the Price Commission and the Wage Board is justified or is not justified.

Mr NELSON. The distinguished senior Senator from Wisconsin is absolutely correct.

We have a situation here in which wage guidelines are established and, in effect, are wage controls. That information is the basis for a wage increase, for a fringe benefit, which is public information from the beginning. It is printed on the front page of the newspapers. Whatever discussion there is, is open to debate and opinion. Whatever their last raise was is open to discussion. The cost of living is well known to everyone. And everything that happens to wage earners under guidelines established earlier by the President under the provisions of this bill are public information.

Now, suddenly we have the question of price controls applicable to all corporations in the prenotification class, those corporations with sales of over $100 million. Under the law their prices are under control of the Price Commission and they cannot increase their prices without prenotification to the Commission. If the Commission denies it, based on whatever information these huge corporations furnish, that is the end, and it is denied.

However, if they are granted a price increase which, in effect, is a tax on all the people in this country, the Price Commission, under this bill, cannot give the justification for the price increase. So the huge corporation, whether it be General Motors or any one of the top 1,000 corporations, can come in and offer a justification that is held secret. This is corporate secrecy at its worst.

As for those in the second tier, corporations in the $50 million to $100 million class, they are not in the prenotification class. They are in the reporting class. That group of corporations would have to file a quarterly report. They can increase prices with the consent of the Price Commission, but they have to file a quarterly report. Presumably in the report, they will demonstrate the justification for the price increase. Again, it is a matter of secrecy. No one in the public knows what goes on.

The question of the integrity of the system and the confidence of the public are at stake here, and the real question is, Why should not these huge corporations, the big conglomerates which have 25, 50, 100, 200 or more different businesses and different companies, be required to make public the same kind of information that all of the single-line producing companies in America make public today, reporting what is their profit?

If they say they need a price increase, what is the justification for the price increase? There is no rationale for the information distinction between Maytag, which is one of the top 500 industrials in this country, but a limited or single-line producing company, on the one hand, and the conglomerates, on the other. The factors which go into Maytag's pricing structure and profit are public. There is no reason why the same factors should not be available for General Motors or Tenneco. They should all report on the same basis, and under this bill they will not do this.

Mr. PROXMIRE. Is it not true, with respect to the recent approval by the Price Commission of certain steel prices that were permitted to be increased more than 7 percent, that this could be a very critical decision? It could have very severe inflationary consequences.

As I understand it, there are other pending increases for steel that might be 6 or 8 percent. But, as the Senator pointed out, the big corporations—United States Steel, Bethlehem, and so on—are diversified in the steel industry.

It is impossible for any Member of Congress or for any consumer, to be in a position to determine whether or not any price increase was justified. It just cannot be done. There is a specific prohibition in the bill for making the data public on which an evaluation can be made.

Mr. NELSON. The Senator is correct.

Mr. PROXMIRE. I understand the purpose of the amendment of my colleague is to remove that prohibition and to protect trade secrets and processes which should be protected, but to remove the inhibition against concealing the other data which is essential to a fair evaluation.

Mr. NELSON. That is correct. We have before us a proposed statute which is going to regulate wages and prices. It is a matter of grave public concern. That is why the President initiated the controls in the first place, based on a statute passed by Congress some time back. That is why this legislation is here. The matter of inflation in our economy is a critical, crucial, important matter of public concern. Therefore, the bill is before us which authorizes the President, until the middle of 1973, under the provisions of the bill, to establish guidelines for wage increases and for price increases because the interest of the Nation is at stake here.

Why should not the great corporations of this country, if they come in and say to the Price Commission, "We are entitled under the law passed by Congress to a price increase and here are the reasons justifying the claim for a price increase," make that information available to Congress and everyone else, the justification for the claim for the price increase? How can there be any integrity, any confidence at all in the system if they come in in secret and indicate the reasons for price increases and the increases are granted in secret? How can the public, or anybody else, have confidence in the integrity of the system?

Mr. PROXMIRE. Let me ask the Senator, in anticipating objection to this amendment, if he recalls the fact that when he and I served in the Wisconsin State Legislature we had in effect a State statute that provided that all State income tax returns of every individual, of every corporation, in the State would be open to public inspection. That was in effect for 30 years, and, to the best of my knowledge—and I ask my colleague, because he served in the State Senate and I served in the State Assembly—there was no abuse, discrimination, or damage to corporations or others. It worked very well. The amendment my colleague proposes is not that far reaching at all. All he is saying is that when a firm comes in and asks for a price increase and justifies the price increase, then the justification should be made public except, of course, that trade secrets or processes should be protected.

Mr. NELSON. The Senator is absolutely right.

Mr. PROXMIRE. I cannot understand why in the world they should not be made available. I cannot think of any justifiable reason in light of the experience in the State of Wisconsin, where we had a far more far-reaching law on the books. If any damage was done, I do not know of any.

Mr. NELSON. I do not, either. It started under Governor Blaine in 1923, and was closed almost totally in 1955. So that was, in fact, 32 years. All we are saying here is that in this crisis situation, under this crisis legislation, which is temporary, when a motor company or a manufacturer of machine tools or any other equipment says, "We need a price increase, and here is our justification," the public is entitled to know what the justification is. I cannot see any reason whatsoever why it should not have to prove its case.

Mr. PROXMIRE. One other point: What is difficult about this whole process is that without the Nelson amendment it is going to be extraordinarily hard for consumers to police this program. It is going to be a sad joke if one tries to go out and find out why there was an increase of 5 or 10 percent, which legally was permitted. But try to get the justification for it. One has to find out what the costs are, what the productivity is, what the profit margins are. If that information could be made public by the large corporations, so we could have competent economists get on top of these big decisions and have the data evaluate them, then there would be more confidence on the part of the consumer. Under the present system as proposed, they will feel bewildered, overwhelmed, and there will be no real basis for understanding whether the decision was wise or not. As the Senator knows, the reaction of the consumer will be that the system is rigged against him and that it is deeply unfair when wages are kept down and prices are going up and nobody can find out why because the law prohibits him from getting that information.

Mr. NELSON. That is right. I think of the big conglomerates, some of which may own 50 or 100 companies and may make 50 or 100 different products. When one of those conglomerates comes before the Price Commission and says, "We need to raise the price that we are charging for our lawnmowers," the Price Commission itself may not even have the information as to whether it is a justifiable increase for the lawnmower. The public definitely will not, because that conglomerate does not even report to its stockholders that way, and it does not report to the Securities and Exchange Commission that way. It reports on a consolidated basis.

So we are here saying to all the workers of the country, "You are under the guidelines. Any claims you make for an increase is open to the public and open to discussion on the floor of the Congress the House and the Senate, in newspapers across the country, but when big corporations come in and ask for a price increase, that is all secret."

That is corporate secrecy at its worst, and, in my judgment, it will collapse the whole system, because it will ruin the confidence of the consumers of this country.

Mr. HART. Mr. President, will the Senator yield?

Mr. NELSON. I yield.

Mr. HART. Mr President, the amendment of the Senator from Wisconsin (Mr NELSON) should, I think, have the strongest support not only of this body but of the President himself.

President Nixon has made it perfectly clear that if the control program has any hope of abating inflation it must have public support. I could not agree more. Government controls of wages and prices—at their best—are not the greatest. But if the public treats them with suspicion—if corporations and investors think they will fail or are merely window dressing—the economy will roll on under controls much as it did without them. This means more inflation and more unemployment.

If we reject this amendment—and thereby ask the public to accept with a childlike faith that "big daddy" government in the person of the Chairman of the Price Commission knows best—we are seriously denying any chance of success the control program could have.

Indeed, the early decisions of the Price Commisison do little to instill that public confidence. Maybe they were good decisions. Maybe the price hikes were justified—despite the fact they seem to violate the Price Commission's own 2½-percent average increase goal.

But the public does not know. They do not have the information upon which the decisions were made. They have only the facts reported in the papers. And what kind of facts are these?

Let us look at the price increase approved for the steel industry. Thus far, price increases of 7 percent have been granted to two steelmakers for tin mill products. Bethlehem is reported to have asked for increases of 7.6 percent for its output; Republic Steel is reported to have asked for an 8-percent across-the-board increase. These requests look suspiciously like the 8-percent price increases announced last August but withdrawn by various producers because of the freeze.

How then have we benefited from the unprecedented implementation of peacetime price controls? In this industry not even any significant moderation in price escalation has occurred. The new economic policy cannot even claim to have delayed price increases, since the announcements in August, for Bethlehem in particular, were not supposed to take effect until next February.

Is it any wonder if the public looks at price increases such as that granted the steel industry and wonders if the question of price increases depends not on what is being asked—but who is asking.

No doubt many other cases with similar facts will develop as the control program continues. Why paint ourselves into a corner where we are begging the public to be suspicious? Why not make these decisions as public as possible in order to reassure consumers that their interests are being protected?

One of the great advantages of a truly free enterprise system is that the people can rely on the "invisible hand" of competition to protect the public interest in economic affairs. Concentration of economic power in few hands takes away that protection. From time immemorial, societies with the English common law system have turned to public control of prices charged by "businesses affected with a public interest."

Traditionally, American policy has been to foster competition where competition is technically feasible and to regulate prices of natural monopolies. Price regulation by Government is generally viewed as less desirable than competition; but, absent competition, Government control rather than private price control is thought more likely to protect the public interest. But the efficiency of public price control in peacetime must surely depend on something more than blind faith in the Government regulators. This is especially so when price decisions are made by one man in Government—regardless of whether the other members of the Commission agree.

The public must be given the facts used to justify price increases if the economic stabilization program is to work.

That secrecy existed during the OPA and OPS days of wartime is no justification for secrecy in this program for two reasons. For one thing, the wartime controls were part of a general mobilization effort in which the public participated with enthusiasm for a limited period of time. Second, the wartime controls did not really work very well—particularly toward the end of each period of controls.

The question presented by section 205 of the bill and by Senator NELSON'S amendment is whether public oversight of private pricing power requires disclosure of the data on which price decisions are made and justified. From time immemorial public utility regulation has been carried on under the full light of public disclosure of all information used by the regulators to make judgments about the public interest. Indeed, not only do commissions require and disclose detailed financial data, they even specify accounting procedures to assure against obfuscation. Furthermore, it is quite common for intervenors representing the public interest to request commissions to obtain and disclose additional information. Precedent is clearly on the side of disclosure.

The bill to extend and amend the Economic Stabilization Act of 1970 would allow virtually all information filed by corporations in justification of price increases or requests for increases to be examined in total secrecy. Public scrutiny of the evidence used by the Price Commission to authorize price increases could never occur. In other words, a built-in credibility gap is guaranteed just because the public will be asked to accept 2- 3- 4- and in some cases 10-percent price increases on blind faith. Yet the President himself has stated that the program cannot work without public support.

The amendment before us would protect legitimate interest of business in trade secrets and process while protecting the legitimate interests of the public, including other businesses, in knowing the factual basis of decisions of the Price Commission. For without public confidence in Price Board decisions, there shall soon be no effective program.

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I urge we adopt the amendment.

Mr. NELSON. Mr. President, I reserve the remainder of my time.

Mr. TOWER. Mr. President, I yield myself 5 minutes.

The Freedom of Information Act, now codified in title 5, United States Code, section 552, basically states what information must be made available as a matter of public information. Exceptions to that requirement of availability are set forth in subsection (b), paragraph (4) of which lists:

> Trade secrets and commercial or financial information obtained from a person and privileged or confidential.

Essentially, that section does not preclude the release of information not required thereby to be released—for example, interagency memorandums containing recommendations—unless otherwise prohibited from disclosure as by statute.

Title 18—crimes and criminal procedure—section 1905, specifically forbids the disclosure of among other things, "confidential statistical data." S. 2891 would specifically amend section 205 of the Economic Stabilization Act of 1970 to prohibit the disclosure by the Price Commission of a trade secret "or other matter referred to in section 1905 of title 18, United States Code."

The amendment dated November 29, 1971 proposed by Senator NELSON—for himself and others—would amend that provision by limiting the confidentiality requirement to "a trade secret or process," which is a type of information that would ordinarily not be pertinent to a submission to the Price Commission. It would specifically provide that:

> All other information received in justification of wage or price increases shall be made available to the public.

The effect of that amendment would be to supersede the mandatory provisions of 18 U.S.C. 1905 insofar as confidential statistical data, for example, are concerned and also 5 U.S.C. 552 (b)(4), the Freedom of Information Act, and affirmatively require that, except for trade secrets and processes, all commercial or financial information which is customarily regarded as privileged or confidential and is so treated at the present time, be made a matter of public information.

This amendment would represent a radical reversal of previous law and national policy, and would severely inhibit the effective operation of the economic stabilization program.

The amendment, dated November 29, which has been proposed by the distinguished Senator from Wisconsin, would compel disclosure of virtually all information submitted to the Price Commission by firms seeking a price increase. This would include much information traditionally held confidential by business firms, such as first, their precise costs, both labor and material, by product line and for the firm as a whole; second, their calculations of productivity; third, for retailers and wholesalers, their customary initial markup, and fourth, past and estimated revenues for products covered by the request.

The thrust of the Freedom of Information Act and laws dealing with confidentiality is that persons and firms should be encouraged to deal with their disclosure to any person of information which a firm protects in the course of normal competition should be allowed only under the most compelling circumstances.

The ready disclosure of confidential cost and productivity data would inhibit frank disclosure of such data to the Price Commission, and could encourage the withholding or even falsification of relevant data. Its availability could facilitate collusion among competing firms. It may threaten confidences between suppliers and their customers. It is not the purpose of the economic stabilization program to inhibit the normal competitive process in our economy.

In addition, the amendment would unnecessarily interfere with the already burdensome administrative load of the Price Commission. Disruption would undoubtedly ensue if even the most casually interested party, not to mention representatives of competitors and the entire financial community, were given access to business data previously held in confidence. Under existing Price Commission practice, interested parties who have relevant data are already given the opportunity to make submissions with respect to pending requests for price increases, and notice of filings for price increases are regularly made public—without disclosure of confidential data. Thus the advantage of public disclosure—opportunity for increased citizen participation—is already being gained without the interference with traditional competitive practices represented by the Nelson amendment, in that the workability of this economic stabilization program, in the President's own view and the view, I think, of anyone else associated with it, is dependent largely on public cooperation.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TOWER. I think that we should do as little as possible to inhibit that public cooperation. Certainly, anything which would result in the disclosure of traditionally regarded confidential information on the part of business firms would hardly be an inspiration to them to cooperate.

I therefore suggest that we should inhibit them as little as possible, and follow the existing statutes on the matter, and that the amendment of the Senator from Wisconsin be defeated.

Mr. NELSON. Mr. President, I do not have any additional comments to make on the amendment.

Mr. HARRIS. Mr. President, will the Senator yield me about 2 minutes?

Mr. NELSON. I yield 3 minutes to the Senator from Oklahoma.

Mr. HARRIS. Mr. President, I rise, as a cosponsor of this amendment, to compliment the distinguished Senator from Wisconsin (Mr. NELSON), his colleague (Mr. PROXMIRE), and others for this amendment, and on their other efforts to try to make this whole bureaucratic mess of across-the-board wage and price controls that we are faced with here somewhat more workable, if that is possible.

I particularly think this is a very important amendment. I believe that people have a right to govern themselves, and I think they are smart enough to govern themselves. They are, if they have the information. Our system of government based upon the consent of the governed depends upon the governed knowing what it is they are consenting to, and that is exactly what is missing in regard to these basic wage, price, and other decisions under this program as it is presently being administered.

The late Walter Reuther some years ago had the idea that there ought to be a wage-price board of some kind which could hold hearings in regard to price, wage, and related decisions that had impact on the national economy, and it was his view that public opinion could be brought to bear upon those decisions so that, if there was a wage increase demand which was not matched by a rise in productivity, or was not otherwise justified, the board, with public hearings, could announce what was justified. The same would be true with regard to suggested price increases, under the procedure that the late Walter Reuther suggested. Public opinion would be brought to bear upon those decisions, which are not decisions that are or ought to be purely private, when the lives of a great percentage of the public are involved.

I believe it is in furtherance of that principle that this amendment is presented and ought to be approved.

In 1964, Mr. Reuther suggested that if the automobile companies were willing to roll back price increases, to give to the consumer the benefit of rising productivity in the automobile industry, the United Auto Workers would be willing to hold down wages.

After considerable consideration of that proposal, the automobile companies rejected it and decided instead to take unto themselves and their stockholders the benefits of rising productivity, instead of cutting back on prices.

As I have said here earlier today and yesterday, if we are going to have a workable wage-price policy of any kind—and I think we must; where the market does not work, I think the Government must intervene in these decisions, though I think we ought to lessen the instances where we should intervene—if we are going to have a workable policy, it not only means that we ought to hold increases in wages and prices within certain limits, but I think it means that in many instances rising productivity ought to be translated into decreased prices.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NELSON. I yield the Senator whatever additional time he may require.

Mr. HARRIS. We are never going to get around to anything like that unless public opinion is brought to bear on the decisions that are made by these various boards and commissions. They are a bureaucratic maze and a labyrinth, all of these boards and commissions that have been set up. I think they are terribly confusing. They are going to get worse and worse in that regard, and the very least we can do is open up their proceedings to public view, to give the information that is necessary for public decision about these matters to the public.

Therefore, I am pleased to be a cosponsor and supporter of this amendment.

Mr. NELSON. Mr. President, I thank the Senator from Oklahoma. I agree that under the circumstances, when the so-called classical market economy is in fact not working, and we have an inflationary situation such as we have been witnessing here for particularly the last 4 years, it does require Government intervention. I think the real tragedy is that the intervention is so late. Three and a half years ago, in a speech on the floor of the Senate, I suggested that at that time we had better go to wage and price controls, but we waited so long that prices have risen unnecessarily and dramatically during that period of time, and it is necessary now to have some kind of intervention. The tragedy of it all is that we are intervening in such a milquetoast fashion as is proposed here, with all the major corporations being able to maintain total secrecy from the public, along with the Price Commission, over the issue of justification for the price increase. I do not think that is sound public policy. I do not think there is any political justification for it, and I do not see how the public and Congress can support a measure that does not require the kind of public disclosure that is necessary under the circumstances with which we are involved, particularly since this kind of public disclosure has been made by all the single product line public corporations filing with the Securities and Exchange Commission for years and years, and by all the single line public corporations reporting to their stockholders for many, many years. If they can do it, so can the major corporations of this country.

Mr. HARRIS. Mr. President, will the Senator yield further?

Mr. NELSON. I yield.

Mr. HARRIS. I would just like to comment on that. Take Ford Motor Co., for example. The headline of a news item yesterday and today reads, "Ford Motor Co.'s Request for 4.4 Percent Price Increase Rejected."

That sounds great. It sounds as if they are really protecting us. But then you read further, and the article says that, instead, they have been granted a 2.9 percent price increase.

How do we know that is justified? We do not have the slightest idea. My feeling is that prices ought to come down, and they should have no increase at all. Automobiles are overpriced with respect to foreign competition. But all we know is, they did not get the 4.4 percent they wanted, but they did get 2.9 percent, and we do not have the slightest idea, not having the facts, as to whether any of that was justified, and I do not think it was justified.

Mr. NELSON. I might say that is a marvelous ploy, so often used in my State. I remember for years the insurance companies would come in and say, "We need an 8 percent increase in the premiums," and then the commissioner would look real hard at it and say, "Make it 4." They were entitled to 2 percent, but both the commissioner and the insurance companies thought they looked very good.

Mr. PROXMIRE. Will the Senator yield in support of the position he has taken.

Mr. NELSON. I yield to the Senator whatever time he may desire.

Mr. PROXMIRE. I have found that the economists and other experts of the UAW are extraordinarily able and intelligent people. They have argued that the productivity in the automobile industry is very, very high, and that it is very difficult to justify at the present time any kind of price increase. In this particular industry the productivity is very great.

The Senator stated the figure, I recall, as a 2.5 percent increase for Ford Motor Co. It was 2.9 percent. As the Senator from Oklahoma points out, that could be much too high. It could be unjustified, but there is no way he can know, that I can know, or that the economists who would like to analyze and criticize and give us some help on this could know either, because the data is all kept secret.

Mr. HARRIS. Mr. President, will the Senator yield for just a second?

Mr. NELSON. I yield.

Mr. HARRIS. The automobile industry is faring rather well under the economic and tax proposals of President Nixon. They have the benefit of the excise tax cut; they have the 10-percent surcharge against competitive imports; they have the move toward devaluation which will help them with exports; and now we come along with a 2.9-percent increase for Ford Motor Co., and similar percentage increases for the other companies. They may be justified. I do not think they are, but the main point is the point the Senator has just made again, and that his colleague has made: no one knows whether that is so or not.

Here they are going to get what looks to me like too much of an increase on top of rather favored treatment anyway.

Mr. PROXMIRE. May I ask the Senator from Texas, my good friend, the ranking Republican member of the committee, if I heard him correctly when he said that he felt that because the workability of this legislation depends upon public confidence, the amendment by the Senator from Wisconsin (Mr. NELSON) should be rejected in that the amendment, which would require disclosure, would somehow undermine public confidence? Was that the position taken by the Senator from Texas?

Mr. TOWER. I think that if business is required to disclose to the public, or if there is required to be a public disclosure of information that business has too readily held to be confidential, to be necessary to maintain a competitive posture in business, it would certainly, I would say, have a tendency to undermine business confidence in the program. I do not think that is an unfair statement. I do not think it reflects on business.

Mr. PROXMIRE. Well, what kind of information? After all, the Senator would safeguard trade secrets and processes. What kind of information would in any way be damaging to business that was made public in justification of the price increase?

Mr. TOWER. Well, not being in business myself, I am not a businessman by profession, just as I am not a lawyer by profession. I am a political science teacher, and everybody knows that a political science teacher does not know anything about anything.

I can, however, conceive of various kinds of information relative to costs, production, and other matters that business holds in confidence that for various reasons perhaps they do not care to have their competitors know, that they could be required to disclose. I am not prepared to say specifically what it would be, but certainly I think that business has a right to keep this information to itself. Certainly this information is going to be available to the board, and I cannot conceive of the board, on the basis of this information, acting in any way contrary to the public interests, when the idea is to hold prices down. Therefore, I do not think it is necessary that there be this disclosure.

Mr. PROXMIRE. In this bill we give to the board extraordinary power. We give them the power to permit price increases, to permit wage increases—literally a life or death power over business. If we cannot know the basis, if we are prohibited from knowing the facts on which they made their decision, there is no way we can evaluate it. Talk about arbitrary power, talk about Congress giving up to a board which we do not even confirm extraordinary power—this seems to me to be something that is very hard to justify when the one kind of discipline we are asking for—certainly a very limited discipline—is that we have a disclosure.

I think my colleague from Wisconsin would agree to any modification of his amendment which the Senator from Texas would propose to safeguard legitimate secrets which business would like to retain.

Mr. TOWER. I do not know of any particular modification that has been offered by the Senator from Wisconsin.

Mr. PROXMIRE. Well, I do not mean to speak for my colleague, but what I am saying is that I think my colleague has taken the position that he certainly does not desire to offer an amendment to do any damage to either business confidence or to business operations or business competitors. I think the Senator probably would be willing to modify his amendment if that were necessary to provide whatever assurance the opponents of the amendment might feel would be desirable, provided there can be added additional disclosures which we do not now permit under the bill.

Mr. NELSON. I think the amendment is very carefully drawn so as to be sure that the Price Commission is prohibited from disclosing any trade secrets whatsoever, or processes developed by the company that affect its competitive position. All we are saying is that they should make public the information that they claim justifies the price increase, which is the kind of information made available to the public now by all of the single product line corporations in the United States.

We are not asking that the conglomerates or the large corporations with

more than one product line disclose any more than the small and large corporations that produce only one product disclose now. That is all the amendment would guarantee.

Mr. President, is the distinguished Senator from Texas prepared to yield back the remainder of his time?

Mr. TOWER. I am prepared to yield back the remainder of my time if the Senator from Wisconsin is prepared to yield back his time.

Mr. NELSON. Mr. President, I yield back the remainder of my time.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. NELSON. Mr. President, I call attention to the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. On my amendment, Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin (Mr. NELSON). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Washington (Mr. JACKSON), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES), and the Senator from Idaho (Mr. CHURCH) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Indiana (Mr. BAYH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 35, nays 53, as follows:

[No. 410 Leg.]

YEAS—35

Bentsen	Eagleton	Inouye
Burdick	Fulbright	Kennedy
Byrd, W. Va.	Gravel	Long
Cannon	Harris	Magnuson
Case	Hart	Mansfield
Cook	Hartke	McIntyre
Cooper	Hughes	Metcalf
Cranston	Humphrey	Mondale
Montoya	Ribicoff	Symington
Moss	Spong	Tunney
Nelson	Stafford	Weicker
Proxmire	Stevenson	

NAYS—53

Aiken	Ellender	Pastore
Allen	Ervin	Pearson
Allott	Fannin	Pell
Anderson	Fong	Percy
Baker	Gambrell	Roth
Beall	Griffin	Schweiker
Bellmon	Gurney	Scott
Bible	Hansen	Smith
Boggs	Hatfield	Sparkman
Brock	Hollings	Stennis
Brooke	Hruska	Stevens
Buckley	Javits	Taft
Byrd, Va.	Jordan, N.C.	Talmadge
Cotton	Jordan, Idaho	Thurmond
Curtis	Mathias	Tower
Dole	McClellan	Williams
Dominick	Miller	Young
Eastland	Packwood	

NOT VOTING—12

Bayh	Goldwater	Mundt
Bennett	Jackson	Muskie
Chiles	McGee	Randolph
Church	McGovern	Saxbe

So Mr. NELSON's amendment (No. 758) was rejected.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 770

The PRESIDING OFFICER. Pursuant to the previous agreement, amendment No. 770 is now laid before the Senate. The time limitation is 1 hour. The clerk will report the amendment.

The legislative clerk read as follows:

§ 219. Reports

In transmitting the Economic Report required under section 3(a) of the Employment Act of 1946 (15 U.S.C. 1022), the President shall include a section describing the actions taken under this title during the preceding year and giving his assessment of the progress attained in achieving the purposes of this title. The President shall also transmit quarterly reports to the Congress not later than thirty days after the close of each calendar quarter describing the actions taken under this title during the preceding quarter and giving his assessment of the progress attained in achieving the purposes of this title.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, this amendment is simple, and, if anything, it is much too modest.

First of all, it requires that the President include a section on the stabilization program in his annual Economic Report to Congress. He would be required to report on the action taken during the preceding year and whether substantial progress has been achieved in curbing inflation. Second, he would be required to submit quarterly reports to Congress on the action taken during the preceding quarter under the Stabilization Act and the progress achieved.

It is expected that he would delegate much of the responsibility for preparing the reports on the Pay Board and the Price Commission.

Mr. President, I say this is a modest amendment because it in no way restricts the President's authority under the act. As I made it clear on yesterday and today, I think this legislation gives the President far too much power for far too long a period of time. Nonetheless, if we are to give the President this authority we should at least require periodic reports. Otherwise Congress has no systematic way to exercise its oversight responsibility over the program.

The Pay Board and the Price Commission have just begun. Within the next few weeks they will make some extremely important decisions. It is possible that the Pay Board may go the way they went on the coal decision. There is some speculation they might very well do that. It is possible that with regard to prices they may follow up on the very generous decision they made with respect to steel prices with respect to the prices established in other industries.

I think that Congress ought to follow this very closely. Unless we get quarterly reports, we will not be able to do that. The Joint Economic Committee depends very heavily on basic information in the documents and the President's report.

I am not criticizing President Nixon in this respect, because in many ways his record has been good. But all Presidents have tended to neglect some phases of our economy when it had seemed to their interest to do so. For example, under previous Presidents we have not had information in the economic report on the agricultural economy. We all recognize that this is a serious oversight because it is so important to us. We worked very hard for years to try to get some Presidential observations on the progress toward securing a better income for farmers and a more orderly situation in agriculture. But it was very hard to get. It was like pulling teeth. I think that over the past years we have been able at best to get just two pages on agriculture in the 150-page economic report of the President.

In the amendment we require that the President shall in the economic report, report to us on the progress on this important program—the most important program Congress has passed, in my view, in the last 10 years. If we are able to get this information, we will be able to act responsibly.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. PERCY. Mr. President, I have read the amendment. There is no requirement as to how lengthy and detailed the report should be. It does not seem to be an onerous requirement on the President.

When the President's annual Economic Report is made, it is examined by the Joint Economic Committee. Under the provisions of the pending amendment, could the distinguished Senator tell me to what committees the quarterly report required by the amendment would be referred?

Mr. PROXMIRE. That would be up to the Parliamentarian. We do not specify where it should be referred. My off-the-cuff view is that they would probably go to the Banking Committees of the House and Senate which have jurisdiction. We would hope that the Joint Economic Committee would also have access to them. However, they would properly go to the House and Senate Banking Committees.

Mr. PERCY. I would hope certainly it would be appropriate for the Committee on Banking, Housing, and Urban Affairs to examine these reports. It is very germane and pertinent to their work. I hope also it might be logical to send the report to the Joint Economic Committee and its members so that they might have an opportunity to review such matters as important as wages, prices, and the cost of living for the country, and to do so on a regular quarterly basis. I have no doubt that the President would include this as a major section of his economic report anyway.

I trust that economic controls will be a very temporary part of our economic life. I detest economic controls of this type, and I think we will find them more and more unworkable and we will find that they are subject to increasing abuse.

I hope we can get rid of them at the earliest possible time. I hope the President would include a target date as to when he hopes we can get rid of the controls and get back to a free economy and free market which we know to be the best and fairest and most effective and efficient regulator of our economic life.

I think the Senator's amendment is worthwhile and I intend to vote for it.

Mr. PROXMIRE. I appreciate the Senator's statement very much. Again and again we had objections in the committee and on the floor of the Senate. We had the overwhelming vote on the Harris amendment which would have provided a limitation on the extension. People argue we do not need that because Congress can enact legislation to change the law any time, but I cannot accept that because I think we need the discipline of termination. This amendment would provide some regularized information that the Executive must give the Joint Economic Committee annually and the Committee on Banking, Housing and Urban Affairs on a quarterly basis. The Senator from Alabama (Mr. SPARKMAN) is a member of the Joint Economic Committee. As the Senator from Illinois knows, WRIGHT PATMAN is the chairman of both committees in the House, so I think there will be no difficulty in getting this information, if this is agreed to, to the Joint Economic Committee. Then, Congress would be in a better position to consider taking the action that the Senator from Illinois infers in his comments that Congress is likely to be requested to take.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. Mr. President, first of all, I wish to state to the Senator from Wisconsin that I assure him of my support, but I would like to indicate to the Senate why I think this amendment is important.

The great unresolved problem of the economic stabilization program is the role of Members of Congress to participate in what is one of the most far-reaching governmental endeavors undertaken in the history of this country. We have experienced wartime controls, but never controls of this type in peacetime.

I think the Senator's amendment permits us to be a Congress which has a share in monitoring the program, to be informed on a periodic basis as to the decisions made, the consequences of those decisions and why they are made.

And, I want to be clear. I want the legislative history to emphasize not merely a pro forma report, but an in-depth, detailed reporting—why decisions were made, the factors involved, the immediate impact of those decisions on the country, the economy, and the future of this Nation.

Mr. PROXMIRE. I must say that I am glad the Senator is making this statement because, as the Senator from Illinois pointed out, the amendment, as drafted, is very free and easy. The President can do pretty much what he wants to do. It does not tie him in to any specific kind of report that he has to make.

I expect the Wage Board and the Price Commission would summarize their activities for the previous reporting period, they would identify the parties involved, they would indicate the decisions made and the basis for their decisions. This should give us a fairly accurate picture of the pattern which is beginning to emerge, whether the program is working or whether modifications need to be considered.

Mr. HUMPHREY. I think it is important that Congress not abdicate its responsibility. The Senator from Wisconsin's amendment ties in congressional responsibility. I think it is critical that Congress not give complete delegation of power. Third, Congress must retain a key role in passing not only this legislation but also future legislation and any other action which may be required to reduce unemployment and stem inflation. What we do here now is a blank check to the Executive. I am against a blank check. I am not against stemming inflation. I am not against giving the President the authority he needs. But I am against doing so without any role for Congress. I believe we must retain in Congress an explicit oversight function. Otherwise we have given to the executive branch more power than any other executive in the world, and that includes countries we do not commonly classify as free countries.

Let me illustrate what I mean.

I could not help but note an article in the Washington Evening Star of Thursday, November 18, concerning the authority of C. Jackson Grayson, Jr., Chairman of the Price Commission, wherein he is reported to have stated:

I will make most of the decisions on whether to allow or prohibit price increases. I am the only official authorized to sign for the Commission as the Commission is advisory to me.

I read this article with the statement by the Chairman of the Price Commission and if ever there was a czar over the economy it is the Chairman of the Price Commission. He said frankly that he will determine what the price of goods will be. This is not only wrong, it runs counter to all our national democratic principles.

Mr. PROXMIRE. We do not even confirm this man.

Mr. HUMPHREY. Here is a man with more control over this economy than all the monopolies put together, than the Federal Reserve Board, more power over the economy than the Secretary of the Treasury, and we do not know anything about him. I venture to say that there is no one in this body who knows where this man was born, how old he is, where he was educated, or his background.

Yet that man—according to his words—said he will make all the decisions. We have not had him here to talk to him. The Congress has not had the opportunity to be acquainted with the details of his appointment.

We are going to have a big battle about the Secretary of Agriculture. The powers of the Secretary of Agriculture compared with the Chairman of the Price Commission are like a child compared to a superstar on a professional football team. We give this Chairman absolute authority; he said he has it and that he will use it. He said his associates advise him, but he will make decisions.

Now, I am going to cast my vote to let the President see what he will do about the economy because otherwise he will say we stood in his way.

So, Mr. President of the United States, I for one will give you the authority you are asking, but I want to make it clear we want to monitor that authority. I think the Senator's request for a yearly report from the Council of Economic Advisers is not adequate. I think we should have one every 6 months, or every 3 months.

Mr. PROXMIRE. Mr. President, I have provided two things: No. 1, the President must make a report to the Joint Economic Committee when he makes his regular economic report, and he shall include in that a report of the conduct of the stabilization program. In addition, I provide for quarterly reports to be made available to the Banking Committees of the Senate and the House on the conduct of the Pay Board and Price Commission, and I specify the particular explanation which will be required on the decisions they have made so we can make an evaluation of their progress or lack of it.

Mr. HUMPHREY. Does the Senator have any additional time?

Mr. PROXMIRE. Yes. I yield to the Senator.

Mr. HUMPHREY. I want to engage in a colloquy. I have been privileged to serve on the Joint Economic Committee under the chairmanship of the Senator from Wisconsin. I think the country owes the Senator from Wisconsin a debt of gratitude for his alertness and awareness of the great economic problems that beset us, as well as his understanding of what we are trying to do to overcome those problems. I do not know of any Member of this body who has done a better job, and I want to compliment him, but when I read the report of the Price Commission, listen to this language:

If a business man disagrees with a ruling by the chairman, he said—

Meaning Mr. Grayson—

a hearing before the full Commission can be "requested" but not "demanded."

He went on to say:

With advice from the staff, Grayson will determine which cases he will decide and which he will refer to the full commission or a panel of three or four members.

I pause and gasp when I think of an administration that has been condemning my party for years for interference with free enterprise. We on this side of the aisle have been called Socialists. We have been called do-gooders. We have been told time after time that we have sought throughout the years under Democratic Presidents to impose all kinds of rules and regulations upon the free enterprise economy.

I want us to know what we are doing. The President asks for carte blanche authority. I submit that never in the history of this country, in wartime or peacetime, has more authority been granted to fewer men, who have not been brought before this body for confirmation, than today—in 1971. I really think the Senate is abdicating its responsibility. I see no reason why the Chairman of the Wage Board and the Chairman of the Price Commission should not be required to have confirmation. The fact that they are on those bodies now does not influence me a bit. As far as I am concerned, they are acting and temporary.

Mr. PROXMIRE. May I say I have submitted an amendment requiring confirmation, as the Senator knows. That amendment will be up either later today or tomorrow morning. It would require that the Chairman of the Pay Board and of the Wage Commission be confirmed. It provides that he may serve for 60 days while the confirmation is pending. It also provides that there can be no delay. We have drafted the legislation in such a way that it is insulated from any kind of filibuster, and a vote for or against confirmation must come within 60 days. But I think the Senator raises a fundamental point. To permit men to exercise this enormous power without confirmation, without knowing what their philosophy is, without justification of what they are doing and letting us know how they are operating, is difficult to justify.

I must say that the chairman of the committee (Mr. SPARKMAN) has, by what he has put in the majority report, greatly helped us in requiring the Chairman of the Price Commission to act in the way I think all of us think he should when he said:

It is expected that the decisions of the Wage Board and the Price Commission will be reached by majority vote.

That is a departure from the Grayson procedure which was outlined in a column in the Star which was carried some weeks ago.

Mr. HUMPHREY. I submit a report is very helpful. That is why I think the House and the Senate—the Congress—should be endeavoring to monitor these proceedings, because the Chairman of the Price Commission does not feel that way. He does not feel the way the majority report says. He says in effect, "I will make the decisions and I will refer the cases."

Mr. PROXMIRE. As a matter of fact, he expected the other members of the Price Commission who are private members would operate on a per diem basis. They are to be paid when they are in Washington. He said they will be here in town only 1 or 2 days a week.

When one thinks of the tremendous size of our economy and the number of cases likely to be before the Board, to think they would be handling this amount of work in 1 or 2 days a week is ridiculous. We cannot have information on the price program when we have a six or seven man Commission paying this little attention to it and coming in town once or twice a week.

Mr. HUMPHREY. I understand the bill does require that there will be confirmation of the new members of the Commission.

Mr. PROXMIRE. The Senator is correct.

Mr. HUMPHREY. The Senator from Wisconsin likewise knows I have submitted an amendment, amendment No. 550, to require confirmation of all public members, but I think most important is a requirement for confirmation of the chairmanship, because of the unique role which the Price Commission and Wage Board occupy.

I have strong feelings about this, because we are, in a sense, setting a precedent here that will come back to haunt us in days ahead. I predict that unless we pin down these economic and legal responsibilities, we are going to face a great public outcry in the near future.

The Senate has been spending a lot of time on the question of what is called powers of the Executive in matters of peace and war. We have spent a great deal of time in hearings on the powers of the President in national security matters. If there is one area of the Constitution that gives the President a unique position as Commander in Chief, it is in his role as Commander in Chief, even though I must say we have gone too far in recent years in placing almost unlimited authority and power in the Presidency when it comes to matters of foreign policy and national security and defense.

However, when we refer to the economy, when we get down to the enterprise system of this country, I submit the Constitution outlined pretty carefully the role of the Congress with reference to commerce. It is Congress which has the authority over interstate commerce. It is Congress which has authority over fiscal matters. It is Congress which ultimately imposes taxes and appropriates money. The Congress has the same kind of unique authority in the field of the domestic economy which the President has under the Constitution in terms of international affairs and foreign policy.

What we are doing here—and we ought to know what we are doing—is that we are giving to the President powers outlined for Congress in the Constitution. We are saying to the President, "You, Mr. President, will regulate interstate commerce. You, through your authority, will regulate prices and wages."

This may be required for our economy. All I am saying is I am gratified that there are Members of this body who are concerned about this aggrandizement of Executive authority, because I really believe we are going to look back on this period and say, "How did we do that?" We have looked back on the Gulf of Tonkin resolution with hindsight, and there has been great emotion and great argument in the Senate over what we did or did not want to do. I do not want any argument about what we are doing now. We ought to know what we are doing—with our eyes wide open.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PROXMIRE. Just this morning I read in the newspapers that two or three prominent Senators have gotten together about limiting the President's power with respect to his military role. It was a very constructive proposal, one which I think I would be interested in supporting. But I do have some feeling about the matter of the President of the United States, as the Senator from Minnesota has pointed out, as the Commander in Chief, and about limiting his power in this area. However, with respect to the economy, there just is not anything like it. Witness after witness said we are not just giving the President the ball game; we are giving him the whole ball park in this legislation. We are. He can do anything he wants. The restraints are very limited. In fact—and I have great respect for my friends on the other side of the aisle—I honestly think that if this were a Democratic President who was asking for this power, there would not be one Republican vote for this legislation.

I really think that, although I think they want information just as much as I do, or more. But this is most important. We have a situation here where Republican Members are supporting their President and showing their loyalty, and deserve admiration for it. Democrats are saying, as the Senator from Minnesota said in his earlier remarks, "We do not want to be in a position of not giving the President everything he needs to fight inflation."

The result is that we are giving away far too much power to the executive, in an area where we have no right or reason, under the Constitution, to do it. So at the very least, we should require the President to report. At the very least, we should require confirmation of the people the President appoints.

Mr. HUMPHREY. And at the very least, we should require as much public information as possible without invading privacy, trade secrets, or special trade research that would violate what we call the principles of contract and free enterprise.

But I do believe that the Senator from Wisconsin has alerted us. I have told the Senator that I could not vote for just a 2-month extension. I remember that the Chairman of the Federal Reserve Board, the distinguished Arthur Burns, in testifying before the Joint Committee on the Economic Report, said we should not extend the authority more than 6 months.

Mr. PROXMIRE. At one time he said not more than 2 weeks. Then he went to 2 months. Then he received the Presidential appointment; but his judgment before he was inhibited by his relationship with the President was that the President should be kept on a very, very short leash.

Mr. HUMPHREY. I feel that if we do not extend it, we are going to hear from the propaganda mills of the administration that some of us stood in the way of making this program effective. I am not going to stand in the way of making the program effective, but I am going to insist that those who have this dictatorial power at least get confirmation.

I think we need confirmation. I thank the Senator for pressing this point, and I hope the Senate will back him in seeking that responsibility of confirmation by the Senate of these appointees.

I also want monitoring. I hope the Joint Economic Committee will properly staff itself so that we can monitor these proceedings. I think we owe that to the business community and the laboring people of this country. I think we owe it to the economy. We are giving authority here to two or three people in this Government that no man in the Soviet Union has, that nobody in any country has, and that it is all being done in the name of stabilizing the economy.

One of the things that bothers me is that there is not to much stability, that there is a great deal of confusion, and I hope that after we pass this legislation, or work our will upon it, we will at least try to bring some order out of what appears to be a good deal of economic confusion. I hope that business leaders will understand the guidelines. Today they do not. Look at the way the market has been jumping up and down. One week ago it was bearish; today it is bullish. It goes up 10 points or 17 points, and then it drops. What kind of an economy is this?

I happen to believe that until we get to the point where there is some understanding internationally as to the value of the dollar, until there is some international monetary agreement, and until understanding what the guidelines are in this country, we are not going to get any new prosperity and we are not going to get out of our troubles. I happen to believe that our troubles are not just domestic. I believe that until there is some adjustment of the currencies of the world, and until there is some new international monetary understanding, there is not going to be much progress here in terms of healthful economic growth and stability.

I ask unanimous consent to have printed in the RECORD at this point the article entitled "Grayson To Use His Power," written by Lee M. Cohn and published in the Washington Evening Star of November 18, 1971, unless it has already been placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GRAYSON TO USE HIS POWER

(By Lee M. Cohn)

C. Jackson Grayson Jr., the self-styled "country boy" who heads the Price Commission, knows he possesses tremendous power and he intends to use it.

"I will make most of the decisions" on whether to allow or prohibit price increases, Grayson said in an interview.

Despite his personal modesty and mild manner, "Jack" Grayson believes it is his job to hold the reins of power in controlling prices, with the six other members of his commission playing a supportive role.

"I want to use the commission to the maximum," he said, pledging to keep his colleagues informed and consult them in pattern-setting cases.

But as chairman of the panel, he said, "I am the only official authorized to sign for the commission, so the commission is advisory to me."

Carrying out this take-charge theory, Grayson acted for the commission yesterday in issuing the first decision on a proposal to raise prices. American Motors Corp. was granted its request for permission to raise prices on 1972 model autos by an average 2.5 percent.

Grayson made the ruling in the name of the commission but decided it on his own, after consulting one other member, Robert F. Lanzillotti.

With advice from the staff, Grayson will determine which cases he will decide and which he will refer to the full commission or a panel of three or four members.

Only a relatively few cases involving substantial departures from basic price guidelines or industries with particularly great effects on the economy will be referred to the commission, he said.

The great majority of cases must be decided by the chairman, he said, because the full commission probably will meet only once or twice weekly after the control program is well launched. With that sort of schedule, the full panel could not keep up with the hundreds of requests for rulings expected weekly, he said.

Grayson said he will keep the commission informed of important cases, to give his colleagues an opportunity to express their views, and will log minor rulings for their inspection.

"I doubt that I would ever go against a majority," he said, expressing willingness to listen to arguments that might change his mind about a ruling.

"It would be unwise for me to ignore them," se said.

But at least theoretically, he said, the chairman has the right to make a final decision even if the other commission members want to participate.

If a businessman disagrees with a ruling by the chairman, he said, a hearing before the full commission can be "requested" but not "demanded."

As the $40,000-a-year chairman, Grayson is the commission's only full-time member and the only federal employee on the panel. The other members, paid only for the days they work, serve part-time and continue on their regular jobs outside the government.

The commission's main task is to establish basic policies, standards and guidelines on prices, Grayson said. It is the chairman's job to apply those principles to specific cases, with the advice of the commission, he said.

PAY BOARD DIFFERS

By contrast, the Pay Board appears to be operating with the full participation of all 15 members. Some of the members seem to have more clout than Chairman George H. Boldt.

Grayson, 48, was dean of the Business School at Southern Methodist University, Dallas, when President Nixon chose him to head the Price Commission.

An affable, soft-spoken man, Grayson is not ashamed of confiding that he is impressed at being thrust into high echelons of government.

After meeting with Nixon at the White House on Monday, he told an aide that he still is "enough of a country boy" to be thrilled by the experience of talking to a President.

CHOW IS GOOD

Grayson received an invitation to dinner at Blair House, and had to ask an aide what and where it is. He was assured that "the chow is pretty good" at the President's guest house.

Grayson said the toughest decisions probably will involve productivity, rents and the service industries.

Productivity—usually defined as output per man-hour—is a factor because a company seeking a price increase must allow for productivity gains in calculating its net cost increases. It is difficult to measure productivity in many instances.

More broadly, Grayson said the commission must take care to minimize any adverse impact on the economy from price controls.

A policy development section will gather and analyze "feedback" data on the economy, he said, to help determine whether commission policies are hurting the economy or failing to achieve the goal of cutting the inflation rate in half.

On the basis of this continuing economic analysis, he said, the commission will decide whether to tighten or loosen controls.

One problem the commission will have to watch is the risk that price controls may deter shifts of economic resources to meet changing needs. Pricing is considered the main signal or device for allocating resources, and controls could dull the sensitivity of this process.

COMPETITION LIVES

Another potential worry is that the limit on profit margins for companies requesting price increases could blunt incentives for cutting costs. A firm using efficient methods to lower costs could widen profit margins and thus lose the right to raise prices, while an inefficient firm with rising costs could be allowed price increases.

Grayson admitted this could be a problem, but said he doubts it will be.

"Competition is not dead," he said.

If a company lets its costs rise faster than those of its rivals, he said, it will fall behind its competitors—after price controls end, if not sooner.

The commission is operating from the seventh floor of an unfinished new office building at 2000 M st. NW, sandwiched between the Pay Board on the eighth floor and the Cost of Living Council on the sixth.

SPIRIT IS UNUSUAL

All three offices of the sister agencies are engulfed in mild—and sometimes not so mild—chaos, with telephones ringing constantly, staff members scurrying and everyone trying frantically to clear and disseminate announcements.

But there is a zestful spirit of pioneering—in sharp contrast to the routine of old-line agencies—as top officials and lower-level employes struggle to launch the control program.

"We're getting organized," Grayson said, maintaining that his operation is "shaping up very well."

The commission's staff had grown rapidly from zero to 177 by Tuesday, he said, and 40 or 50 more were expected to join yesterday. The tentative plan is to operate with a staff of about 400, he said, but this is subject to change on the basis of experience.

Enforcement of controls will be mainly in the hands of the Internal Revenue Service.

The commission's staff, drawn mainly from federal agencies, will work on analysis to back up policy decisions and rulings in specific cases.

XUM

"Prompt and thorough" are the key words, Grayson said.

At the start, he said, the staff has been supplemented with voluntary help from outsiders, including those with special expertise. As the program evolves, he said, the commission will contract with outside consultants.

WARY OF INFLUENCES

Grayson said he is conscious of the problem presented by seeking expert advice from outside consultants, without falling prey to undue influence by industry interest groups.

While consulting such industry groups as the American Iron and Steel Institute, he said, the commission also will check with such neutral sources as the Commerce Department and the Bureau of Labor Statistics.

The commission will use computers to analyze data, he said, but also will rely on subjective judgment in reaching decisions.

Grayson said the biggest staff section, with about 120 or 130 members will deal with analysis of data submitted to justify price increases. This staff will consist of accountants, economists and specialists in various industries.

Views of business, labor and consumer groups will be considered, he said, but the commission will not get bogged down in long hearings like those often typical of regulatory agencies.

SEEKS EXECUTIVE

Grayson said he still is searching for an executive director, and is handling much of that function himself temporarily.

The chairman and the executive director will decide whether the case is important enough or represents a sufficient departure from guidelines to warrant its submission to the full commission or a panel of three or four members.

At whatever level a decision is reached, a company that is dissatisfied can appeal to a staff appeals section. Grayson will review the staff decision on the appeal.

Further appeals can be taken to federal district courts and then to a new special court and to the Supreme Court.

The process of ruling on a proposed price increase by big companies—those with $100 million or more of annual sales—generally will take up to 30 days. A special rule requiring a decision within three days will apply to certain types of requests during the balance of 1971.

Grayson said the commission basically will rely on data submitted by companies requesting price increases. The company's chief executive officer must sign the submission.

In case of doubt about the data, the commission can request or subpoena a company's records.

Mr. HUMPHREY. I also ask unanimous consent that a statement I have prepared on retroactivity as it has been covered in the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETROACTIVE PAY

(Statement by Senator HUMPHREY)

On November 12, 1971, I introduced Senate Resolution 191, calling upon the Cost of Living Council and the Pay Board to permit any teachers salary increases contained in contracts for the school year which began in the fall of 1971 to become effective. I am pleased that the principle embodied in this resolution has been accepted by the Senate Committee on Banking, Housing and Urban Affairs in the legislation presently before the Senate—the Economic Stabilization Act of 1971. I urge the Senate to vote for this section of the legislation.

When I originally introduced my resolution, I pointed out that many teachers have suffered unjustly under the Nixon Administration freeze. The Senate Committee has clearly recognized this unfairness not only for teachers but for those workers who lost salary and wage increases as a result of rulings made by the Cost of Living Council.

The wording of section 203(c) makes clear that wage and salary increases deferred on account of the freeze are to be paid unless "the President determines that the increase provided in such a contract is unreasonably inconsistent with the standards for wage and salary increases published under subsection (b)"—the standards and guidelines promulgated for determining wage and salary and price levels.

The intent of this legislation is unmistakably evident: retroactive increases to teachers and other employees are to be paid; the sanctity of negotiated, legally binding contracts is to remain intact; and the wage inequities created by the Administration's initial rulings are to be rectified.

I support this move. Retroactive pay is not inflationary. This is income that is due the workers and should be paid—or else once again the working man will be singled out to bear the burden of inflation control.

Mr. HUMPHREY. I thank the Senator from Wisconsin for his kindness and consideration.

The PRESIDING OFFICER. All time of the Senator from Wisconsin has expired. Who yields time?

Mr. SPARKMAN. Mr. President, I have greatly enjoyed this discussion by the Senator from Minnesota and the Senator from Wisconsin. However, as we advised the Senator from Wisconsin earlier, we are willing to accept this amendment. Therefore, I am willing to yield back all of our time.

Mr. TOWER. Mr. President, speaking for the minority, I think it is a very good amendment, and one I can gladly support.

Mr. SPARKMAN. I yield back all of our time.

The PRESIDING OFFICER. Does the Senator from Wisconsin still wish the yeas and nays?

Mr. PROXMIRE. Yes, indeed.

The PRESIDING OFFICER (Mr. ROTH). All time having been yielded back, the question is on agreeing to the amendment of the Senator from Wisconsin (Mr. PROXMIRE). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES), and the Senator from Idaho (Mr. CHURCH) are absent on official business.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Washington (Mr. JACKSON), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Indiana (Mr. BAYH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 88, nays 1, as follows:

[No. 411 Leg.]

YEAS—88

Allen	Fulbright	Moss
Allott	Gambrell	Nelson
Anderson	Gravel	Packwood
Baker	Griffin	Pastore
Beall	Gurney	Pearson
Bellmon	Hansen	Pell
Bentsen	Harris	Percy
Bible	Hart	Proxmire
Boggs	Hartke	Ribicoff
Brock	Hatfield	Roth
Brooke	Hollings	Schweiker
Buckley	Hruska	Scott
Burdick	Hughes	Smith
Byrd, Va.	Humphrey	Sparkman
Byrd, W. Va.	Inouye	Spong
Cannon	Javits	Stafford
Case	Jordan, N.C.	Stennis
Cook	Jordan, Idaho	Stevens
Cooper	Kennedy	Stevenson
Cotton	Long	Symington
Cranston	Magnuson	Taft
Curtis	Mansfield	Talmadge
Dole	Mathias	Thurmond
Dominick	McClellan	Tower
Eagleton	McGee	Tunney
Eastland	McIntyre	Weicker
Ellender	Metcalf	Williams
Ervin	Miller	Young
Fannin	Mondale	
Fong	Montoya	

NAYS—1

Aiken

NOT VOTING—11

Bayh	Goldwater	Muskie
Bennett	Jackson	Randolph
Chiles	McGovern	Saxbe
Church	Mundt	

So Mr. PROXMIRE's amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 764

Mr. BENTSEN. Mr. President, I call up my amendment No. 764 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

On page 6, after line 4, insert a new subsection as follows:

(f) For the purposes of this section, the term "wages" and "salaries" do not include contributions by any employer having less than one thousand employees for—

(1) any pension, profit sharing, or annuity and savings plan;

(2) any insurance plan; or

(3) any disability and health plan;

unless the President determines that the contributions made by any such employer are unreasonably inconsistent with the standards for wage and salary increases published under subsection (b).

The PRESIDING OFFICER. How much time does the Senator from Texas yield himself?

Mr. BENTSEN. Fifteen minutes, Mr. President.

The PRESIDING OFFICER. The Senator from Texas is recognized for 15 minutes.

PRIVILEGE OF THE FLOOR

Mr. BENTSEN. Mr. President, I ask unanimous consent that two of my aides, Mr. Ron Katz and Mike Crutcher, be permitted the privilege of the floor during discussion of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the following Senators be added as cosponsors of the amendment: Messrs. BAKER, CURTIS, EASTLAND, HOLLINGS, HUMPHREY, NELSON, HATFIELD, SPONG, HANSEN, INOUYE, PASTORE, and MONDALE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, this amendment would exempt from the definition of "wages and salaries" and therefore from the guidelines pertaining to wage and salary increases certain vitally important fringe benefit plans provided by employers who have less than 1,000 employees. These plans include pension, profit sharing, annuity, savings, insurance, disability, and health plans, which would have to be considered on their own and not as a part of any wage and salary package in determining the total compensation a small business employee can receive.

Mr. President, my amendment is directed specifically at the small employer as defined by the Pay Board, those having less than 1,000 employees, those who do not have to notify the Pay Board in advance of salary increases and do not have to report at regular intervals.

I have structured my amendment this way, Mr. President, because this is where the real deficiency in insurance and pension plans can be found. By the Pay Board's own determination, this includes some 10 million firms with 50 percent of the U.S. total sales and 83 percent of the total number of U.S. employees.

And we know that the employees in this category generally do not receive adequate insurance and pension plans. A recent report on the pension aspects of the economics of aging prepared by the Senate Special Committee on Aging makes this abundantly clear. The report says:

The lack of pension coverage is obviously concentrated among small employee groups.

In addition to inadequate pension plans, small businesses have been found to be seriously deficient in providing adequate insurance or profit-sharing plans for their employees. Often the employees are not vocal in requesting retirement coverage. They prefer to take the cash and let the insurance or pension benefits go.

In my view, Mr. President, the economic security represented by the kinds of fringe benefits covered in my amendment is a desirable social goal, and it is unwise to place these benefits in direct competition with cash wages. Yet that is precisely the situation we are facing if the guidelines of November 13 are followed, for they lump insurance plans, pension, profit sharing, and annuity funds in the same category with cash wages.

Mr. President, the larger companies offer a wide range of fringe benefits that lure the most talented people into their organizations. My amendment is an attempt to redress the balance, to offer small business a break in its efforts to compete for talent by allowing them to increase their generally inadaquate retirement and insurance benefit plans without being subject to the rigid guidelines for cash wages set out by the Pay Board.

This amendment specifically provides that the exemption will not apply in those cases where the President determines that the employer contributions for these plans would be "unreasonably inconsistent" with the standards for wages and salary increases required to be published under section 203(b). This approach is the same as the Senate Banking Committee has taken with respect to the problems of deferred wage increases and retroactive pay increases.

The approach of this amendment is consistent with the approach adopted by my distinguished colleagues on the Senate Banking, Housing and Urban Affairs Committee. Section 214 of the Senate bill provides that the executive branch, in administering the stabilization laws, should grant the maximum feasible exemptions from this program for small business. The intent of the committee, with which I wholeheartedly concur, is clearly stated on page 5 of its report as follows:

The Committee expects the administrative authorities responsible for the operation of the program to provide appropriate exemptions, particularly for smaller firms, to simplify the operation of the program and minimize the burden of compliance to the maximum extent possible and as expeditiously as possible, consistent with the purposes of the Act.

I wish to make it clear that I am in support of the efforts of this administration and the Congress to control the inflation which confronts our country today. This is one of our most pressing problems, and it deserves the high priority we have given it.

On the other hand, I am also deeply concerned that our efforts to stabilize our economy do not seriously harm another of our great national goals. This goal is to do all we can to encourage employers to provide adequate insurance and retirement benefit programs for their employees. It is essential that our citizens have adequate pension coverage, adequate health insurance protection, and adequate life insurance protection. Today, this protection is provided by individual personal savings, various Government programs—social security, medicare and medicaid, welfare programs—and private employer plans. I do not want to see our efforts under the stabilization program have any adverse effects on employers establishing and improving these fringe benefit plans.

There is considerable precedent under prior stabilization acts for my amendment. Under the Stabilization Act of 1942, wages and salaries were defined, in part to include:

Additional compensation, on an annual or other basis, paid to employees by their employers for personal services (excluding insurance and pension benefits in a reasonable amount to be determined by the President).

This statute was implemented by the executive branch during World War II in such a manner as to, for all practical purposes, exempt these fringe benefits.

Thus, during World War II, we were able to accommodate or balance the dual objectives of containing inflation and promoting the growth of pensions and other fringe benefit programs.

Our second effort at a wage stabilization program was during the Korean conflict. In brief, pension, health, and welfare plans were, in general, subject to a minimum of restrictions during this period. The basic test soon became one of whether such plans were unstabilizing. I should point out that this test is essentially the one I have incorporated into my amendment.

Again, I would like to quote from the report of the Special Committee on Aging. Pages 7 and 8 of the report include the following statement:

The surge in introduction of plans covering large numbers of workers after 1940 resulted from a number of interrelated influences. A major one was wage stabilization policies during the Korean conflict, as well as continued favorable tax treatment, provided incentives to establish qualified plans.

I would also like to point out the current regulations of the Pay Board, section 201.3 in defining wages and salaries, specifically exclude employer contributions for public insurance plans but not private plans. Thus, employer contributions involving "public plans—old-age survivors, health, and disability insurance under the Social Security System, Railroad Retirement Acts, Federal Insurance Contributions Acts, Federal Unemployment Tax Acts, and Civil Service Retirement Acts"—are exempt from wage and salary stabilization controls. I find it strange that the Federal Government would exclude its own employer contributions under the Civil Service Retirement Act from wage and salary controls, but it would not permit equal treatment for private employees. In my opinion, equity requires all employees to be treated the same, regardless of whether a person is working for the Federal Government or a private employer. My amendment achieves this end.

I should like to point out that that in effect is what we are doing here. We have put a caveat on it to say that it is not unreasonable in its application to the guidelines. One of the other things that is interesting to note is that the Pay Board in section 201.3 has excluded—remember this—employer contributions for public insurance plans, but not private plans. Thus, employer contributions involving public plans are exempt from the wage and salary stabilization controls.

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I submit that if it is fair for the public employees, it is certainly just as fair for the private employees to have it excluded on their pension benefits from being considered along with wages under the guidelines.

Some persons have told me that this amendment might be what is weakening our efforts to control inflation. I do not believe that is the case, and I believe that the Policy Board has already shown that they do not think that is the case when they exclude a public employer from having his contribution to these kinds of fringe benefits considered in the wage guidelines. As I understand it, this argument is to the effect that our current inflation is of the "cost-push" type. Therefore, the removal of controls on fringe benefits would tend to stimulate these plans, with an attendant increase in employer costs. This increase in costs would then push prices up and contribute to the inflationary spiral.

Yet exemptions for these fringe benefits during prior stabilization periods were not viewed as creating any serious problems. In 1951, Mr. Eric Johnson, then Economic Stabilization Administrator said:

Health, welfare and pension benefits in general do not constitute payments which in fact compensate for increases in the cost of living. Nor do they add to the purchasing power of workers and thus to inflationary pressures.

These benefits are a form of saving and to that degree are noninflationary. Furthermore, it is difficult to evaluate the cost of these plans accurately in terms of dollars and cents. Such an attempt would only result in confusion.

My amendment should not be viewed as contributing in any material way to inflation. This is supported by the current exclusion the Pay Board has granted for employer contributions to public plans.

Moreover, the costs for these benefit plans—health and welfare benefits, retirement income, income for the dependents of deceased persons—will be paid for by this Nation. These costs can come from only two sources, the private sector and the public sector. If we clamp down too severely on the private sector under our stabilization program, we will only force these costs into the public sector. This would mean increased Federal, State, and local government expenditures, and increased taxes for all. Viewed in this manner, I cannot see how my amendment would be inflationary.

I would like to emphasize that pension, health, and life insurance benefits have high social and economic value to employees. The Congress, for many years, has encouraged continued growth of these benefit plans through the provisions of the Internal Revenue Code. We must take care not to inhibit the installation and improvement of these plans.

Mr. BAKER. Mr. President, will the Senator from Texas yield 1 minute so that I may speak in support of his amendment?

Mr. BENTSEN. I would be delighted to yield to the Senator from Tennessee.

Mr. BAKER. Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. I thank our colleague from Texas for yielding so that I may speak in support of this amendment. I also thank him for asking unanimous consent that I might be made a cosponsor of the amendment.

It seems to me that one of the hallmarks of a successful program to stabilize the economy is that we preserve the basic inherent right of small business to compete with big business. It also seems to me that in that particular concern one of the most patently apparent difficulties is the possibility that small business may have the opportunity to offer fringe benefits: Insurance, retirement annuities, and the like, only through commercial operations rather than through commitments and dedication of their own resources. Large companies have a far greater range of flexibility and opportunity to provide this sort of inducement or additional compensation to their employees than do small companies.

It seems to me, Mr. President, that the amendment by the Senator from Texas is particularly useful in seeing that we do continue to have healthy competition in all sectors of the economy and thus aid in stabilization.

Mr. BENTSEN. I thank the distinguished Senator from Tennessee.

Mr. President, the plans I have been discussing protect the American worker against the uncertainties of the economy and the vicissitudes of illness, old age, or death. In addition, they enable him to plan a more even distribution of his income over his lifetime. These are critically important national goals. I do not believe that pensions and insurance should be forced to compete in a closed system with direct cash wages, for there is little doubt that direct cash wages would receive the maximum funding.

And in that instance, Mr. President, our efforts over the years to encourage private employers to provide adequate retirement and insurance plans for their employees would be seriously undermined.

Why, Mr. President, should the employer or employee be compelled to choose between cash and other benefits, particularly when the other benefits are largely noninflationary and particularly when the public employee does not have to? In my view, it is unsound public policy to lump the two categories together. We must continue our efforts to encourage economic security for the workingman, while we protect the dollar from the ravages of inflation.

And we can do both.

Now let me very briefly summarize my amendment: It would exempt certain essential fringe benefit plans for small employers from the current stabilization program. These benefit plans have been proved to be in the interests of sound public policy. The Congress has for many years encouraged their formation and growth under our tax laws. Prior stabilization programs have, for all practical purposes, exempted these benefit plans from controls. I propose to do the same under our current stabilization program. My amendment also incorporates a safety device which the Senate Banking Committee has adopted in several provisions contained in S. 2891. This device is that the President can restrict the exemption if he finds it to be unreasonably inconsistent with the standards for wage and salary increases under the program.

I urge support for this amendment.

Mr. COOK. Mr. President, will the Senator yield?

Mr. BENTSEN. I am glad to yield to the distinguished Senator from Kentucky.

Mr. COOK. I wonder, unless there are some other amendments to the amendment, whether this suggestion would clear up the problem that I have. If the yeas and nays have not been ordered, would the Senator consider modifying his amendment at the top of page 2, "Standards for Wage and Salary Increases published under subsection B"—so that it would read, "Standards for wage, salary, and price increases published under subsection B," so that under no circumstances could a major amount of funds, if they were authorized—or at least would find their way into a pension program—could not be used as a means by which one could make an application, let us say, for a price increase as a result of contending that there was a wage increase because a substantial sum of money would go into a pension fund that would not constitute an increase in wages.

Mr. BENTSEN. The distinguished Senator from Kentucky and I are both striving for the same objective. We are trying to curb inflation, at the same time serving this long-term national goal of security for employees. I would like to see it funded on the part of the private sector, if that can be done. Before answering, I would like to ask the distinguished Senator from Michigan how he feels about that as a clarifying amendment.

Mr. GRIFFIN. I believe the modification suggested by the Senator from Kentucky would be useful and helpful in clarifying what is intended by the amendment.

Mr. BENTSEN. I would be pleased to accept the modification of my amendment.

The PRESIDING OFFICER. Is there objection to the modification? The Chair hears none; the modification is accepted.

Mr. GRIFFIN. Will the Senator from Texas yield to me?

Mr. BENTSEN. I am speaking on limited time.

Mr. SPARKMAN. I yield 3 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. GRIFFIN. I desire to indicate to the Senator from Texas that I support his effort to amend the bill so as to encourage small companies, to the extent that it would not be inflationary, to put pension programs and deferred compensation programs into effect.

There is one further modification that I should like to suggest which, in my opinion would not change the purpose of the Senator's amendment. Would the Senator be willing to consider this: On page 1, line 3, strike the word "having" and insert in lieu thereof the words "pursuant to a compensation adjustment affecting." This modification would make clear that no exemption is intended in those situations where employers, each with fewer than a thousand employees, band together for the purpose of collective bargaining and reach an agreement with a union representing thousands of employees.

Mr. BENTSEN. Mr. President, will the Senator restate the original language?

Mr. GRIFFIN. On line 3, strike the word "having" and insert in lieu thereof "pursuant to a compensation adjustment affecting".

Mr. BENTSEN. I would be willing to accept that modification to the amendment.

Mr. President, may we have a unanimous consent with respect to the modification?

The PRESIDING OFFICER. Is there objection to the modification? The Chair hears no objection, and the amendment is so modified.

Mr. GRIFFIN. Mr. President, I thank the Senator from Texas and I commend him for his leadership in this effort.

Mr. EAGLETON. Mr. President, I rise in support of the amendment offered by the junior Senator from Texas. In effect, this amendment would grant a conditional exemption for certain fringe benefits to employers who employ less than 100,000 persons. By giving the President the power to exempt from the wage and price guidelines pension, profit sharing, annuity, savings, insurance, disability and health plans for these small employers, I believe that the Congress will be taking a giant step toward insuring the continued viability of private methods of financing such programs instead of placing sole reliance on Federal financing.

This amendment would also give an incentive to many small employers who have not regularly included such fringe benefits in their wage plans for emulating the benefits which large employers have given to their workers. It would also not put employees or their representatives in the difficult quandary of choosing between cash in hand and benefits which they may receive sometime in the future. It is in my view poor public policy to allow these types of fringe benefits to compete in a closed system with direct cash wages, and historically we have never done so, since under both World War II and the Korean war system of controls such fringe benefits were exempt.

Mr. SPARKMAN. Mr. President, I yield to the Senator from Texas such time as he may require.

Mr. TOWER. Mr. President, I think with the clarifying language added that this is a very constructive amendment and, speaking for the minority on the committee, I am certainly prepared to support it.

Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. I am glad to accept the amendment. I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Texas yield back his time?

Mr. BENTSEN. I yield back the remainder of my time. I thank the distinguished chairman of the committee and the ranking minority member, the distinguished Senator from Texas, and the assistant minority leader.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Texas, as modified.

The amendment was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 9961) to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PATMAN, Mr. BARRETT, Mrs. SULLIVAN, Mr. REUSS, Mr. MOORHEAD, Mr. ST GERMAIN, Mr. WIDNALL, Mrs. DWYER, Mr. JOHNSON of Pennsylvania, and Mr. J. WILLIAM STANTON were appointed managers on the part of the House at the conference.

ECONOMIC STABILIZATION ACT OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

AMENDMENT NO. 765

Mr. TAFT. Mr. President, I call up my amendment No. 765 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. TAFT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I send to the desk a modification of the amendment and I ask unanimous consent that the amendment may be considered as so modified.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is so modified.

The amendment as modified is as follows:

At the beginning of the bill, insert a new title as follows:

"TITLE I—ECONOMIC STABILIZATION"

On page 22, add immediately after line 19, the following new title:

"TITLE II—EMERGENCY LABOR DISPUTES

"SEC. 201. That this title may be cited as the 'Emergency Labor Disputes Act of 1971'.

"SEC. 202. (a) Congress hereby finds—

"(1) that the present procedures established by sections 208–210 of the Labor-Management Relations Act, 1947, and section 10 of the Railway Labor Act for dealing with labor disputes which threaten the health and safety of the American people or tend to deprive any section of the country of essential transportation services need to be amended to provide greater flexibility in preventing national or regional emergencies created by labor disputes;

"(2) present procedures for resolving such labor disputes need to be amended to prevent serious disruptions in operations and services essential to the health and safety of the Nation or a substantial part of its population or territory; and

"(3) additional procedures need to be made available to permit prompt action to deal with national or regional emergencies created by labor disputes is necessary to prevent imperiling the health and safety of the Nation or a substantial part of its population or territory by such disputes and to encourage and maintain free collective bargaining.

"(b) It is the purpose of this Act to make available a range of flexible procedures to be utilized in taking emergency action, to prevent the interruption of operations or services essential to the health and safety of the Nation or a substantial part of its population or territory because of actual or threatened strikes or lockouts.

"SEC. 203. Sections 206–209 of the Labor-Management Relations Act, 1947, are amended to read as follows:

"'SEC. 206. (a) Whenever in the opinion of the President of the United States a threatened or actual strike or lockout or other labor dispute in an industry affecting commerce may, if permitted to occur or to continue, imperil the health or safety of the Nation or a substantial part of its population or territory, he may appoint a board of inquiry to inquire into the issues involved in the dispute and to make a written report to him within such time as he shall prescribe. Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its own position, and, if the President so directs at any time, there shall be included in such report or in a supplemental report the recommendations of the board of inquiry for the settlement of some or all of the issues in dispute. The President shall file a copy of such report with the Secretary of Labor and shall make its contents available to the public.

"'(b) Upon receiving a report or a supplemental report from a board of inquiry, the Secretary may initiate one or more of the following actions:

"'(1) He may direct for a specified period not to exceed thirty days that work shall resume or continue, but otherwise no change in the conditions out of which the dispute arose shall be made except by agreement. During such period the parties to the dispute shall be under a duty to bargain collectively, but neither party shall be under a duty to accept in whole or in part any recommendations of the board of inquiry.

"'(2)(A) He may issue an order for partial operation specifying the extent and condition of partial operation that must be maintained: *Provided*, That in no event shall his order place a greater economic burden on any party than that which a total cessation of operations would impose.

"'(B) The parties shall not interfere by resort to strike or lockout with the partial operation ordered by the Secretary. The Secretary's order shall be effective for a period determined by the Secretary, but not to exceed one hundred and eighty days.

"'(C) The Secretary's order or any modi-

fication thereof shall be conclusive unless found arbitrary or capricious by the district court which granted the injunction pursuant to section 208 of this Act.

"'(D) (1) The Secretary shall issue his order no later than thirty days from the receipt of the report from the President, unless the parties, including the Government, agree to an extension of time but such extension shall reduce pro tanto the maximum effective period of the board's order.

"'(ii) On notice to the parties, the Secretary may at any time during the period of partial operation modify its order as it deems necessary to effectuate the purposes of this section.

"'(E) Until the Secretary makes his determination and during any period of partial operation ordered by the Secretary, no change, except by agreement, shall be made in the terms and conditions of employment. If the Secretary determines that the implementation of any particular term of the existing terms and conditions of employment is inconsistent with the conditions of partial operation, he may order the suspension or modification of that term but only to the extent necessary to make it consistent with the conditions of partial operation.

"'(2) (A) He may direct each party to submit to him a final offer within three days. Each party may at the same time submit one alternative final offer. The Secretary shall transmit the offers to the other parties simultaneously.

"'(B) Any offer submitted by a party pursuant to this section must constitute a complete collective-bargaining agreement and resolve all the issues involved in the dispute. If a party or parties refuse to submit a final offer, the last complete contract proposal made by such party or parties shall be deemed that party's or parties' final offer.

"'(C) The parties shall continue to bargain collectively for a period of five days after they receive the other parties' offers. The Secretary may act as mediator during the period of the final offer selection proceedings.

"'(D) If no settlement has been reached before the end of the period prescribed in subparagraph (C) of this paragraph, the parties may within two days select a three-member panel to act as the final offer selector. If the parties are unable to agree on the composition of the panel, the President shall appoint the panel.

"'(E) No person who has a pecuniary or other interest in any organization of employees or employers or employers' organizations which are involved in the dispute shall be appointed to such panel.

"'(F) The provisions of sections 207(b) and 207(c) of this Act shall apply to the panel.

"'(G) The panel shall conduct an informal hearing in accordance with section 207 (c) of this Act insofar as practicable, except that—

"'(i) the Government shall have no right to participate; and

"'(ii) the thirty-day period in which the panel shall complete its hearings and reach its determination shall run from the time that the Secretary directed the parties to submit final offers.

"'(H) The panel shall at no time engage in an effort to mediate or otherwise settle the dispute in any manner other than that prescribed by this section.

"'(I) From the time of selection of the panel until such time as the panel makes its selection, there shall be no communication by the members of the panel with third parties concerning recommendations for settlement of the dispute.

"'(J) Beginning with the direction of the Secretary to submit final offers and until the panel makes its selection, there shall be no change, except by agreement of the parties, in the terms and conditions of employment. In no instance shall such period exceed thirty days.

"'(K) The panel shall not compromise or alter the final offer that it selects. Selection of a final offer shall be based on the content of the final offer and no consideration shall be given to, nor shall any evidence be received concerning, the collective bargaining in this dispute including offers of settlement not contained in the final offers.

"'(L) The panel shall select the most reasonable, in its judgment, of the final offers submitted by the parties. The panel may take into account the public interest, and any other factors normally considered in the determination of wages, hours, and conditions of employment.

"'(M) The final offer selected by the panel shall be deemed to represent the contract between the parties.

"'(N) The determination of the panel shall be conclusive unless found arbitrary and capricious by a United States district court.

"'(4) (A) He may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lockout or the continuing thereof, for a period not to exceed eighty days, and if the court finds that such threatened or actual strike or lockout—

"'(i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce; and

"'(ii) if permitted to occur or to continue, will imperil the national health or safety, or a substantial part of its population or territory it shall have jurisdiction to enjoin any such strike or lockout, or the continuing thereof, and to make such other orders as may be appropriate.

"'(B) In any case, the provisions of the Act of March 23, 1932, entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", shall not be applicable.

"'(C) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon writ of certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U.S.C., title 28, sec. 1254).

"'SEC. 207. (a) The board of inquiry shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

"'(b) Members of the board of inquiry or panel appointed under section 206(b)(3) shall receive compensation, at the daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each working day on the board or panel, together with necessary travel and subsistence expenses.

"'(c) For the purpose of any hearing or inquiry conducted by any board or panel appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U.S.C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of the board and panel.

"'(d) Any board or panel established under this Act shall act by majority vote.

"'(e) A vacancy on any such board or panel shall not impair the right of the remaining members to exercise all of the powers of such board or panel. Such vacancy shall be filled by the same procedure as provided for initial appointment outlined in this Act.

"'SEC. 208. (a) The provisions of this title and orders or determinations issued thereunder shall be enforceable upon suit by the Attorney General, through such orders as may be appropriate by any court having jurisdiction of any of the parties.

"'(b) Any action brought under this section shall be heard and determined by a three-judge district court in accordance with section 2284 of title 28, United States Code. The order or orders of the court shall be subject to review by the Supreme Court in accordance with section 1253 of title 28, United States Code.

"'SEC. 209. (a) Notwithstanding any other provisions of this Act, whenever any employer proposes a change in work rules affecting employees as contained in any labor agreement, unless such work rules relate principally to the health or safety of employees, the employer may make such change effective as proposed, if (1) any cost savings realized as a result of such change affecting rules will be shared 50 per centum each by the employer implementing such a change and the nonprofessional and nonsupervisorial employees, as defined in title I of the Labor Management Relations Act of 1947, and (2) any reduction in the number of operating employees of such employer contemplated by the proposed change affecting rules will be accomplished by attrition.

"'(b) Nothing in this subsection shall be construed to prevent carriers and representatives of the employees from entering into an agreement affecting work rules.

"'(c) For the purposes of clause (1) of subsection (a) of this section, payments to employees shall be on a per capita basis and shall be made not later than four months following the end of each fiscal year. In the event that any employee was not employed by an employer for the entire fiscal year preceding the payment date, the payment to such employee hereunder shall be prorated to cover the period of employment.

"'(d) In the event that any representative of affected employees contests the amount of cost savings as determined by the employer under clause (1), subsection (a) of this section, said representative and the employer shall mutually designate and compensate a certified public accountant, whether an individual, partnership, or corporation, which accountant shall make a determination of the cost savings, which determination shall thereupon be final and binding.'".

"SEC. 204. Section 210 of the Labor-Management Relations Act, 1947, is repealed.

"SEC. 205. Section 212 of the Labor-Management Relations Act, 1947, is amended to read as follows:

"'REPEAL OF SECTION 10 OF THE RAILWAY LABOR ACT

"'SEC. 212. Section 10 of the Railway Labor Act is hereby repealed: *Provided*, That such section shall continue in effect with respect to any emergency board in existence on the effective date of this Act. Disputes heretofore subject to section 10 of the Railway Labor Act shall be subject to provisions of this title.'

"SEC. 206. Title II of the Labor-Management Relations Act, 1947, is amended by adding at the end thereof the following new section:

"'RIGHTS OF EMPLOYEES

"'SEC. 213. Nothing in this title shall be construed to limit the right of any employee to resign from his position of employment.'

"SEC. 207. INAPPLICABILITY OF THE NORRIS-LA GUARDIA ACT.—The provisions of the Act of March 23, 1932, entitled 'An Act to amend the Judicial Code and to define and limit the jurisdictions of courts sitting in equity, and for other purposes', shall not be applicable to any judicial proceeding brought under or to enforce the provisions of this Act."

The PRESIDING OFFICER. How much time does the Senator yield to himself?

Mr. TAFT. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, for the information of the Senate, the modification just sent to the desk changed in only a very minor degree the provisions of the amendment as reported in the RECORD this morning, as I introduced it yesterday. The modification relates only to a couple of items. The only item of significance is the 60-day injunction provision presently in the National Labor Relations Act, which was not expanded by the version I placed in the RECORD yesterday.

It was included as one of the four alternatives the President has, but it was not expanded to cover substantial territories in the United States. I felt, as with the three other alternatives remedies provided the Secretary of Labor in case of a national regional emergency strike, this should be included also. That change has been made.

Mr. President, I might call to the attention of the Senate that yesterday I made extensive remarks with regard to the measure presently before us as a proposed amendment to the bill. The RECORD sets out those remarks and sets out the amendment of the bill as presently before us. Yesterday I discussed the need for this particular measure in some degree.

I want to bring home to the Senate again today why I believe this is an entirely appropriate amendment to the bill before us today. It relates to the economic circumstances in which we find ourselves. I do not think anything could be more pertinent than the effect the national emergency strike threat has had on our economy during this crucial period. I bring this matter up at this time for that reason and also because as a member of the Committee on Labor and Public Welfare I have become reasonably satisfied that we are extremely unlikely to act on this measure or any other measure similar to it in this first session of Congress. Extensive hearings have been held and there does not seem to be a particular proclivity to bring the measure to the floor of the Senate, despite the fact that during the period when we hope to adjourn this session and start the next session there will be an expiration of the 80-day injunction order insofar as the west coast dock strike is concerned, and I do not relish coming back here on December 26, the day after the expiration of that order on the west coast to act on legislation of this sort.

I think Congress should face up to the situation at this time, and the only appropriate vehicle that offered itself for consideration was this bill. So the amendment has been offered with all of these considerations in mind.

Let me recite the economic impact on a few of the industries and businesses in the United States of emergency strikes.

During the coal and dock strike, losses averaged between $280 million and $300 million a week. The source of that information is the Office of Emergency Planning. Second, during the coal strike our balance of payments was adversely affected by $20 million a week. Again, the source of that information is the Office of Emergency Planning.

With regard to farms, the Department of Agriculture informs us that the loss in connection with tobacco will be $1 million just to recondition the tobacco for export if the dock strike resumes.

There will be a similar loss in fruits and vegetables and perishables. It is difficult to estimate the loss, but for July and August approximately $215 million in export was lost through west coast ports. About $40 million in fresh fruit and vegetables was totally spoiled.

In wheat, in the Pacific Northwest more than $55 million in export sales were lost. As to Nebraska, Kansas, Oklahoma, and Texas, wheat shipments were off because of uncertainty as to whether the strike would affect Texas ports. Shipments decreased 664,000 tons worth or almost $40 million. In corn and soybeans the loss is placed at $75 million this year.

In Ohio 1.5 million bushels of corn had to be dumped on the ground without proper storage because of the dock strike. In Illinois this figure was three and a half to 4 million bushels of corn dumped on the ground. In Oregon wood products industry lost shipments of $5 million a week from the Northwest dock strike.

These are just a few of the ways in which the national emergency strike situation has affected the economy of this country and I think contributed very materially to the unfavorable economic circumstances in which we find ourselves, to some extent, in the world today.

I am going to review just briefly for the Members of the Senate what the proposals in this bill would do if they were passed.

First of all, I think we should all recognize that under the present law, basically, where an 80-day injunction provision is contained, it has done a remarkably good job, and if one looks over the record, many national emergency situations have been resolved; but, nevertheless, some need for additional legislation is apparent today. It is extremely apparent with regard to the territorial problem, which is not handled by the present legislation today.

In that regard, by way of example, an injunction request recently was rejected by the court largely on grounds that its effects were serious on a regional rather than a national level, in the case of the Chicago grain elevator strike—injunction rejected November 3, 1971. Estimates of the strike's regional effects varied. The most comprehensive affidavit was filed by Assistant Secretary of Agriculture Clarence Palmby, but was not accepted by the court. He estimated that in October and November 1971, 35 million bushels of corn and soybeans which would have been exported will not be, and 34 million bushels which would have been stored will not be, because of the strike. The price of both corn and soybeans fell about 8 cents per bushel in the region because of the strike. The percentage price decrease was 6.5 percent for corn and 2.5 percent for soybeans. This especially affected the 10 percent of the area's annual corn crop and 15 percent of the soybean crop which was harvested in late September—Palmby did not estimate how much more of the corn and soybean crops were affected at least somewhat.

The strike, which began September 1, still continues and may do so until the Great Lakes freeze.

I think there can be no doubt, on the basis of this information, that there is a need here and that the Congress ought to act to provide a range of flexible procedures, and those flexible procedures would be incorporated in the National Labor Relations Act and leave various alternatives, with substantially the same procedures the President has under the current National Labor Relations Act to require that a board of inquiry make a determination as to the circumstances and that they then report back to the President. The President then turns over that report to the Secretary of Labor, who may initiate proceedings in any one of four different ways. Today the only alternative is to go ahead under the present provisions of the law for an 80-day injunction.

The first of the alternatives we have provided is what we call a 30-day delay. The Secretary may direct for a specified period not to exceed 30 days that work shall resume or continue, but otherwise no change in the conditions out of which the dispute rules shall be made except by agreement. During such period, the parties to the dispute shall be under a duty to bargain collectively, trying to work out the differences between them voluntarily.

The second option is that the Secretary under this provision may issue an order for partial operation of the particular industry involved. Under those circumstances the Secretary may issue an order calling for partial operation, specifying the extent and condition of the partial operation that must be maintained. However, it is provided specifically in the legislation that the order must place no greater economic burden on any party than that which a total cessation of operations would impose. There is a provision for a 180-day period for such a partial operation at the most. There is a provision that the Secretary's order or any modification thereof shall be conclusive unless found arbitrary or capricous by the district court which granted the injunction.

The Secretary, under this provision, is required to issue an order within 30 days of the original reference of the matter to him, and he may modify it with regard to partial operation if it becomes necessary.

The third alternative the Secretary has under these circumstances is what might be called the final offer proposal. Under this provision, the Secretary may direct each party to submit to him a final offer within 3 days. That final offer may include one alternative final offer. Any offer submitted by a party pur-

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suant to this section must constitute a complete collective bargaining agreement between them. After it is submitted, the parties can bargain with each other collectively for a period of 5 days to see if any resolution of the matter may be made on the basis of the final offer. After that period, if no agreement has been reached, the parties may select a three-member panel. If they are unable to agree on the selection of the panel, the President shall appoint the panel.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TAFT. I yield myself 5 additional minutes.

There is a provision that no member of the panel shall have any pecuniary interest in the organization of either side.

The panel is required to have an informal hearing in accordance with section 207(c) of the act, in which the Government has no right to participate, and after this hearing the panel is given 30 days in which to reach a determination as to whether it is going to recommend or direct the course that the parties take.

The panel specifically is enjoined from at any time engaging in an effort to mediate or otherwise settle the dispute. In other words, its job is to select one over the other and say, "This is it."

No third parties are permitted to communicate with the panel during this period.

During the period that the panel is considering the matter, there is to be no change in the offers, except by agreement of the parties, in the terms and conditions of employment. In no instance, however, is there to be a standstill during these hearings or is the period to exceed 30 days.

The panel is specifically enjoined from compromising or altering in any way the final offer of the parties that it selects, and is required to select the most reasonable of the final offers submitted by the parties. This offer becomes the final contract between the parties.

The determination of the panel is to be conclusive unless it is found to be arbitrary and capricious by a U.S. district court.

This is the final alternative, the fourth one, which is very familiar to us. The fourth is merely that the Secretary may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lockout or the continuing thereof for a period not to exceed 80 days, as is presently provided in the law.

As I have indicated, we have modified our amendment submitted yesterday to make it apply to territorial areas as well as to national health or safety. In other words, if a portion of the United States were threatened, it would apply the same as if the United States were to be threatened under the present provisions of the law. Under those circumstances, the court has authority to go ahead with the 80-day injunction.

These are the four alternatives the Secretary has: A 30-day delay provision; a partial operation provision; the final offer provision; and the 80-day injunction provided. This sheaf of arrows in the hands of the Secretary will do much to try to resolve fairly and in the national interest, national emergency disputes.

One other approach that the bill takes, which I think is equally important, with this alternative method of procedure that is offered to the Secretary, relates also to national emergency strikes. That is the whole area of work rules.

Unfortunately, work rule disputes have tended, in most instances, to be the major factor in connection with national emergency strikes, and what is provided in this measure with regard to work rules is that changes in work rules which do not affect principally the health or safety of the employees may be made by the employer on two conditions.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TAFT. I yield myself 5 additional minutes.

In other words, if the rules relate principally to the health or safety of the employees, they would not come under this amendment. If they are otherwise related, the employer may make a change in the work rules on two conditions: First, that any cost savings realized as a result of such change affecting rules will be shared 50 percent each by the employer implementing such a change and the nonprofessional and nonsupervisory employees as defined in the act; and, second, that any reduction in the number of operating employees of such employer contemplated by the proposed change affecting rules will be accomplished by attrition.

Obviously, the fact that the employment security provision is included in the amendment will limit to some extent the extent to which savings may be made by the abandonment of unproductive work rules. With regard to this point, I would particularly like to point out that while it may be said by some that this is an attack upon employment in this country, and that it is going to result in cutting down the number of jobs, I believe just the opposite, with this provision against reducing the number of employees except by attrition, is true.

Today, there is nothing to prevent nonproductive work rules from being bargained out by the employers; and, indeed, this has often been the cause of national emergency strikes, trying to keep the employer in business by taking out expensive work rules that are not necessary and consistent with efficient operation. So, by putting in this provision against reduction except by attrition, and by providing for a reasonable and orderly way of phasing out nonproductive work rules, we will actually, I think, be saving thousands of jobs now threatened by automation and by efficiency, in economies required by today's rather rigid business climate.

This, I think, gives labor and management a rather common financial incentive to get rid of the problem of featherbedding that has put this country at a competitive disadvantage in competing with foreign industry and foreign production in certain areas, and even where that has not been true has resulted in a far higher service and production cost which has ultimately been paid by the American consumer.

These, then, are the provisions of this particular amendment. As I indicated at the outset, I feel it is entirely appropriate to this measure, and I submit it to the Senate for its consideration.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged against my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Reserving the right to object, for what purpose?

Mr. BYRD of West Virginia. Mr. President, there can be no reservation of the right to object.

Mr. NELSON. For the purpose of submitting a conference report.

The PRESIDING OFFICER. Who yields time?

Mr. WILLIAMS. I yield time for that purpose.

Mr. TOWER. I yield time.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1971

Mr. NELSON. Mr. President, I submit a conference report on the bill, S. 2007—the Economic Opportunity Amendments of 1971—to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes.

Mr. President, I ask unanimous consent that the joint explanatory statement of the managers on the bill (S. 2007) be printed in the RECORD.

There being no objection, the joint explanatory statement was ordered to be printed in the RECORD, as follows:

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two houses on the amendment of the House to the Senate bill (S. 2007) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The points in disagreement and the conference resolution of them are as follows:

The Senate bill authorized the appropriation of $3,031,000,000 for fiscal year 1972 for all programs under the Act. For fiscal year 1973 $3,121,000,000 was authorized for all programs other than those operated under the authority of title I, parts A, B, and E (manpower). For these latter programs the bill authorized such sums as Congress may determine to be necessary.

The Senate bill in fiscal year 1972 authorized the appropriation of $900,000,000 for programs relating to work and training under title I and an additional $500,000,000 for Neighborhood Youth Corps programs to be

distributed among the States so that no State would receive less than $3,000,000 or .6 of 1 centum of the sums appropriated.

There was authorized to be appropriated for fiscal year 1972 the sum of $500,000,000 for Head Start and Follow Through plus an additional $100 million for technical assistance and training in preparation for the expansion of the Child Development program.

The Senate bill further authorized the appropriation of $950,000,000 for titles II, III, VI, VII, VIII, and IX for fiscal year 1972 and for fiscal 1973 the sum of $950,000,000. Of these sums the following reservations were made:

$328,900,000 for local initiative programs under section 221 and sections 226 and 227; and

$61,000,000 for programs under section 222(a)(3) and title IX (Legal Services).

The House amendment authorized the appropriation of $2,194,066,000 for fiscal year 1972 and $2,750,000,000 for fiscal year 1973 and reserved from the appropriation $350,000,000 to be spent on local initiative programs each fiscal year.

The House amendment contained no earmarking but the House report suggested recommended levels of funding corresponding to Senate earmarks.

The House receded with an amendment earmarking $5 million for Environmental Action and $10 million for Rural Housing Development and Rehabilitation, and authorizing $70 million for Follow Through in fiscal 1973.

Both the Senate bill and the House amendment extended all existing authorities under the Economic Opportunity Act for two years. The Senate bill in light of the adoption of the Child Development provisions did not extend the authority under Sec. 523, the day care provisions of Title V–B. In view of House adoption of similar day care amendments striking Title V–B, the extension of Sec. 523 in the House amendment was unnecessary and the House receded.

The House amendment, but not the Senate bill, established a general eligibility requirement of $4,500 for a family of four below which payment may not be required for Head Start services. Eligibility requirements could be varied to reflect family, geographic, and special program variations. The House receded.

The House amendment, but not the Senate bill, permitted the Director of the Office of Economic Opportunity to require payment for medical services provided the near or non-poor under the Comprehensive Health Services program. The Senate receded. By permitting the extension of medical services to the near or non-poor the Conferees most emphatically do not mean that the poor are to be suppisanted. The authority to require part or whole payment for such medical services might tempt some administrators to favor participants who can make a contribution to their medical expenses. This is not to be condoned. The poor are intended by the Conferees to continue to have preference and there is to be no reduction in service to the poor in any Comprehensive Health facility in order to accommodate those who can make payment.

The House amendment deleted two sentences in the Economic Opportunity Act which required dollar reservations for fiscal years 1970 and 1971 for the Alcoholic Counseling and Recovery program and the Drug Rehabilitation program—these reservations having, by their terms, become inoperative. The House amendment, but not the Senate bill, further amended Sec. 222(a)(9) of the Act relating to the Drug Rehabilitation program and encouraged the Director to undertake special programs promoting employment opportunities for drug dependent individuals. Priority was required for programs serving veterans and employers of significant numbers of veterans. The House amendment, in addition, permitted completion of the course of rehabilitation even though the drug dependent individual has ceased to be "low-income" by virtue of his participation in an employment program. The Senate receded.

The conference substitute adopts the provisions of the House bill with the modification that "employment opportunities for rehabilitated addicts" was modified to include addicts enrolled and actively participating in methadone maintenance treatment programs. The conferees were concerned that the term "rehabilitated addicts" could be defined to mean only those former addicts who have become "drug free" whereas a rehabilitated addict can be one who is participating in methadone maintenance treatment and other therapeutic programs.

The Office of Health Affairs of OEO has reported that approximately 1,000 drug addicts were enrolled in methadone maintenance treatment programs, and an additional 2,615 were enrolled in a variety of other drug treatment programs as of September 1, 1971.

The conference substitute further includes, along with rehabilitated addicts, other drug abusers who are enrolled and participating in other drug treatment and rehabilitation programs. The conferees believe that it is important that employment opportunities be provided for the addict/patient as soon as possible, rather than await completion of a treatment program.

The conference substitute further provides that, in undertaking employment opportunity special programs with special priority to veterans and employers of significant numbers of veterans, there be an additional priority to those areas in the States having the highest percentage of addicts.

The House amendment added a new national emphasis program known as Environmental Action to provide payment for low-income persons working on projects combating pollution and improving the environment. There was no comparable provision in the Senate bill. The Senate receded.

The House amendemnt authorized an additional new national emphasis program known as Rural Housing Development and Rehabilitation to assist in the alleviation of housing problems of low-income families in rural areas. There was no comparable provision in the Senate bill. For this program there was authorized to be appropriated $10 million for fiscal year 1972 and $15 million for fiscal year 1973. The Senate receded.

The Senate bill required the Director to reserve not more than 4% of the sums appropriated or allocated for sections 221 and 222(a) of the Act in fiscal year 1972 for Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands. After June 30, 1972, Puerto Rico was to be treated as a State for purposes of the allocation formula. The House amendment treated Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands each as States for purposes of the entire Economic Opportunity Act. The House receded.

The House amendment, but not the Senate bill, forbade the Director of OEO to require non-federal contributions of more than 20% of the program cost. The Senate receded.

The House amendment established a procedure under which a Community Action board member might require the Director to investigate allegations that a State Economic Opportunity office was not observing the requirements of the Act or regulations promulgated under it. Where reasonable cause is found the Director was required to hold hearings and was authorized to cut off SEOO funds until satisfactory assurances were provided that such violations would be prevented. There was no comparable Senate provision. The Senate receded.

The House amendment required the Director to assure that Community Action funds are distributed on an equitable basis in any community so that all segments of the low-income population are being served. There was no comparable Senate provision. The Senate receded.

By recognizing in Sec. 312(b)(3) the existence of "employment" as well as "training" programs in the Federal manpower arsenal, the House amendment encouraged the Director to conduct programs to enable farm workers to take advantage of the opportunities available to them in "work" as well as "training" programs. There was no comparable Senate provision. The Senate receded.

The Senate bill amended Sec. 616 to increase the portion of an allocation that may be transferred from one program or activity to another from the current 15% to 25% in fiscal years 1972 and 1973. The Senate bill also deleted the limitation which places a ceiling on the amount that may be transferred into a program. Existing law provides that such transfers may not result in increasing by more than 100% any program for which there is available $10 million or less or by increasing by more than 35% any program for which amounts available are in excess of $10 million. The House amendment reduced the authority of the Director to transfer earmarked funds to 10% of the amount appropriated or allocated. The House amendment further limited the degree to which the program or activity might be increased to 10%. The House receded.

The House amendment provided that the 5-year national poverty plan, required to be presented on an annual basis to the Congress by Sec. 622, must be presented by December 31 of each calendar year beginning in 1971. There was no comparable Senate provision. The Senate receded with an amendment requiring the presentation of a report on March 1 in 1972 and on Jaunary 31 in 1973 and in each succeeding year.

The House amendment required all rules, regulations, guidelines, etc., promulgated under the Economic Opportunity Act, to be provided to the House and Senate Committees no less than 30 days prior to their effective date. There was no comparable Senate provision.

The Senate receded with an amendment requiring that all rules, regulations, guidelines, instructions, application forms, etc., promulgated pursuant to this Act be published in the Federal Register thirty days prior to their effective date. The conferees intend that all such documents promulgated pursuant to the Act by OEO, the Department of Labor or HEW be published and that any new category of document not specifically listed but fulfilling the same purpose be included.

The House amendment consolidated into a new title all existing authorities for conducting evaluation activities. The Director was required to develop and publish standards for evaluation of program effectiveness and to measure programs against those standards when considering extension or supplementation of a grant or contract. Independent evaluations might be required of CAAs. Federal agencies administering related programs were required to cooperate with the Director and to provide statistical data and reports consistent with their collection process. The poor were to be consulted in the evaluation process, as were the State agencies. Evaluation results had to be published within 60 days of completion. All such studies and evaluations were to be the property of the United States. The Senate bill had no comparable provision. The Senate receded with a number of amendments. The Director continues to be required to provide for evaluations that describe and measure the impact of programs and their effectiveness and their impact on related programs, but he is only required to do so "with appropriate

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means and to the extent possible". Similarly, the requirement that the Director shall develop and publish standards for evaluation of program effectiveness in achieving the objectives of this Act is similarly modified by the prepositional phrase "to the extent feasible". The mandatory requirement that the Director consider the extent to which published standards have been met in deciding on grant renewals and supplements was stricken. This, and other amendments to the House provision, were in recognition by the conferees of the inexact nature of the evaluation process and the desire not to cause damage to programs. Similarly, the requirement that the Director consult with State agencies to provide for jointly sponsored evaluation studies was modified to permit such consultation, but not to require it. The publication requirement for results of evaluative research and evaluations of programs and of other activities carried out under this title are modified so that the Director is only required to publish summaries of such materials.

The House amendment corrected an oversight that occurred when the Foster Grandparents Program was transferred out of the Economic Opportunity Act. It gave the Director of ACTION authority to approve assistance in excess of 90% of costs where he determines such action is required. There was no comparable Senate provision. The Senate receded.

The Senate bill extended the length of time a person might serve on a community action board from three to six consecutive years and increased the total number of years a person might serve to twelve years. There was no comparable House provision. The House receded.

The Senate bill combined the existing title I-D Special Impact Program and title III-A Rural Loan Program into a new unified Community Economic Development Program (title VII). This new title provided expanded authorization for grants as well as loans to rural cooperatives and authorized the appropriation of $60 million in fiscal year 1972 and $120 million in fiscal year 1973. The House receded.

The Senate bill established a new program in title II—Design and Planning Assistance Grants—that would authorize the Director to make grants to community-based design and planning organizations to provide technical assistance and professional services to community organizations. There was no comparable House provision. The House receded.

The Senate bill established a Youth Recreation and Sports Program to provide disadvantaged youth with recreation and physical fitness instruction. The House had no comparable provision. The House receded. The conferees intend that maximum use of volunteers to be encouraged in the Youth Recreation and Sports Program. It is hoped that the college administrators, instructors and athletes engaged will give freely of their time to provide disadvantaged youth with recreation, physical fitness instruction, and other services authorized. To insure that payment to such persons shall be reasonable, where payment must be made, the Director is expected to establish and promulgate standards as to what constitutes a reasonable rate of compensation. Those standards should not, of course, be inconsistent with sec. 610–1(a) of the Economic Opportunity Act of 1964, as amended.

The Senate bill prohibited further transfers or delegations of programs administered by the Director under titles II, III, VI and VII of the Economic Opportunity Act of 1964, as amended. There was no comparable House provision. The House receded.

The Senate bill permitted the Director to waive the allotment and Federal share provisions of title II to relieve any hardship resulting from the failure to continue Head Start under section 222(a)(1) when the new title V takes effect. There was no comparable House provision. The House receded.

Both the Senate bill and the House Amendment amend title V of the Economic Opportunity Act to establish a new comprehensive child development program.

The House amendment provided that comprehensive child development programs should be available to "children regardless of economic, social, and family backgrounds" whereas the Senate bill provided they should be available "as a matter of right to all children whose parents or legal guardian shall request them regardless of economic, social, and family backgrounds".

The conference agreement provides that programs "should be available to children whose parents or legal guardians shall request them regardless of economic, social, and family backgrounds."

The Senate bill included in the Statement of Findings and Purpose the goal of furnishing meaningful employment opportunities in carrying out child development programs for older persons, parents, young persons, and volunteers. The House amendment did not contain this language.

The House recedes.

The House amendment included the purpose of making services available to all children "who need them" whereas the Senate bill in this respect referred to furnishing service to "those children who need them most."

The House recedes.

With respect to parents, the Senate bill called for their "direct participation . . . in the development, conduct, and overall direction of programs at the community level" whereas the House called for their "full involvement."

The Senate recedes.

For the purpose of carrying out this child development title, the Senate bill authorized appropriations of $2,000,000,000 for fiscal year 1973, while the House amendment authorized the appropriation of such sums as may be necessary for fiscal year 1973 and each succeeding fiscal year.

The House recedes.

The Senate bill authorized the appropriation of $100,000,000 for fiscal year 1972 for planning and technical assistance to prepare for implementing this title. The House amendment authorized the Secretary to provide financial assistance to prime sponsors for planning and development expenses in the current and succeeding fiscal years.

The conference agreement contains the Senate authorization with respect to planning and technical assistance.

The Senate bill provided that $500,000,000 of the amount appropriated shall be used first to provide services for children from low-income families, giving priority to Headstart projects. The House amendment did not contain this reservation.

The House recedes.

The Senate bill provided that up to 10% of the remainder (after allocation of $500,000,000 to Headstart-type programs) could be set aside by the Secretary for the parts of this title authorizing training and technical assistance, for programs for children of Federal employees, for research and evaluation, and for child advocacy projects.

The House amendment contained annual authorizations of $45,000,000 for training, $5,000,000 for programs for children of Federal employees, and such sums as may be necessary for evaluation, and for research and demonstration.

The conference agreement contains the Senate authorization in this respect, except that the authorization for child advocacy projects is dropped since the conference agreement does not contain that part of the Senate bill.

In conformity with the Senate bill, the conference agreement provides that the remainder of the appropriation (after the Headstart reservation and the 10% available to the Secretary as described in the preceding paragraphs) is to be used for carrying out comprehensive child development programs under part A.

With respect to funds for comprehensive child development programs, the conference agreement contains provisions, which were similar in both the Senate bill and the House amendment, requiring the Secretary to reserve funds for progams for children of migrant agricultural workers and Indian children in the ratio which the number of such children bears to the total number of economically disadvantaged children in the United States.

The Senate bill also provided for reserving not less than 10 percent of the funds available for the title for special activities for handicapped children. The House amendment reserved not less than 7 percent of such funds for such purpose.

The House recedes.

The Senate bill provided for making available not to exceed 5 percent of the funds available for comprehensive child development programs to be used for model programs. The House amendment provided that not to exceed 5 percent of funds could be used in the Secretary's discretion.

The conference report contains the Senate provision in this respect.

Both the House amendment and the Senate bill allocated funds among and within States on the same basis, but the House amendment provided for reallotment or reapportionment of unused funds according to the basic formula, whereas the Senate bill made no specific provision for reallotment or reapportionment.

The Senate recedes.

The Senate bill provided that up to 5 percent of funds allocated for use in a State could be made available by the Secretary for grants to the State for technical assistance (section 517 in both the Senate bill and the conference agreement).

The House recedes.

The Senate bill unlike the House amendment required apportionments to be published in the Federal Register.

The House recedes.

Both bills set forth a number of eligible uses of funds for child development programs. The Senate bill specifically included among the permitted uses of funds programs to meet the needs of all children to understand the history and cultural backgrounds of minority groups; the House amendment did not include this language.

The House recedes.

The Senate bill specifically authorized prenatal and other medical services to expectant mothers who cannot afford such services in order to reduce malnutrition, maternal aid, infant mortality, mental retardation and other handicaps. The House amendment did not contain such a provision.

The House recedes.

With respect to the dissemination of program information in the language spoken by the parents, the Senate bill referred to the purpose of enabling them to "participate in such programs," whereas the House amendment referred to the purpose of enabling them to "become directly involved in such programs."

The Senate recedes.

The Senate bill specifically authorized programs designed to extend prekindergarten early childhood education techniques and gains (particularly parent participation) into kindergarten through third grade. The House amendment contained no such provision.

The House recedes. It is the expectation of the conferees that no significant amount of funds under this title will be used for such programs, and that local educational agencies should be urged to use funds under titles I and III of the Elementary and Secondary Education Act for teachers' salaries in order to extend Headstart gains into the primary school grades.

Both the Senate bill and the House amendment provided for States, units of general local government (counties and cities), combinations thereof, Indian tribes, and other public and private non-profit agencies to be eligible to be prime sponsors.

The House amendment, unlike the Senate bill, did not allow a unit of general local government with a population of less than 10,000 to be a prime sponsor.

The conference agreement provides that units of general local government are eligible to be prime sponsors and that localities having a population of 5,000 or more persons shall be designated prime sponsors if they meet the requirements of the statute and submit plans which include adequate provisions for carrying out comprehensive child development programs in the area to be covered.

Unlike the Senate bill, the House amendment required as a condition for prime sponsorship designation that a State, city, county, or combination thereof, provide for operating programs by contract with public or private nonprofit agencies.

The Senate recedes.

Unlike the House amendment, the Senate bill in defining what agency may be designated by the Secretary as a prime sponsor stressed the capacity of the applicant for prime sponsorship to provide for, or arrange for the provision of, the comprehensive social, health, educational, rehabilitative and other services as well as carry out the coordinative and administrative functions.

The conference agreement requires the applicant for prime sponsorship to provide assurances that the Child Development Council will provide such services, where available, either directly, or by contract or other arrangement with State, local, or other public or private nonprofit agencies or organizations.

The Senate bill, unlike, the House amendment, made it a condition for prime sponsorship designation that an applicant provide adequate assurances that administrative costs for Child Development Councils not exceed 5% of the total cost of the comprehensive child development program except in the first operational year or in response to special needs defined by regulation.

Instead of making such provision a condition to be pre-judged prior to designation of a prime sponsor, the conference agreement sets forth in the payments provision (section 520) that the Secretary shall include in the costs on which the Federal share is based, in making payments to prime sponsors in any fiscal year, an amount for staff and other administrative expenses for the Child Development Council not to exceed an amount which is reasonable when compared with such costs for other comparable child development programs.

The Senate bill provided for the Secretary to encourage the combination of a number of units of local government for prime sponsorship where one unit's application for such sponsorship was not approvable for the reason that it failed to meet the administrative expenses limitation or that it lacked the capacity to provide or enter into arrangements for child-related services.

The conference agreement provides that, if the Secretary determines that a locality fails to meet any requirement set forth in the section, he shall encourage the submission of a prime sponsorship plan by a combination of localities.

The House amendment made any "Indian tribal organization" eligible to be a prime sponsor, whereas under the Senate bill any "Indian tribe on a Federal or State reservation" was eligible.

The Senate recedes.

Both the Senate bill and the House amendment provided for the designation of public or private nonprofit agencies as prime sponsors in the absence of a governmental prime sponsor or where a designated prime sponsor was not satisfactorily implementing a child development program or where such sponsorship was for the purpose of providing programs for migrants. The House amendment, unlike the Senate bill, provided waiting periods before the Secretary could make such a designation of a public or private nonprofit agency. First, a unit of general local government or a State would have 120 days after the implementation of the section by the promulgation of regulations to submit an application. In the initial year under the House amendment a local governmental unit would have 240 days from such implementation to file a plan before the Secretary could designate another agency and such unit of government would have 90 days prior to the start of each succeeding fiscal year to file its annual plan. Both bills permitted the Secretary to designate a public or private nonprofit agency as a prime sponsor designed to meet the needs of economically disadvantaged children, preschool aged children, or children of working mothers or single parents even though residing in an area served by another prime sponsor designated by the Secretary and the Senate bill also authorized such action by the Secretary to carry out model programs "especially designated to be responsive to the needs of economically disadvantaged and minority groups or bilingual preschool children."

The conference agreement contains the Senate provisions in these respects.

Both in the Senate bill and the House amendments the application of an Indian tribal organization or an eligible city for prime sponsorship designation had priority over the application of a State. However, the House amendment, unlike the Senate bill, gave the Secretary the discretion to designate the State in preference to an otherwise approvable application of a county or a combination of units of local government.

The House recedes.

The House amendment provided that the Governor may have sixty days within which to review and comment on applications for prime sponsorship. The Senate bill provided a reasonable opportunity for such review, in accordance with regulations.

The conference agreement gives not less than thirty nor more than sixty days for such review and comment.

The House amendment provided an applicant for prime sponsorship designation 60 days to submit corrective amendments where Secretary disapproves application or proposes to withdraw designation. The Senate bill required a "reasonable time" for such amendments or other corrective action.

The House recedes.

The House amendment made clear that, in judicial review of Secretary's action with regard to prime sponsorship designation, the findings of fact by the Secretary shall be conclusive if supported by substantial evidence. The Senate bill contained no such provision.

The Senate recedes.

The House amendment, unlike the Senate bill, required the Secretary to give preference to an alternate unit of Government or to a public or nonprofit agency or organization in the area representing the interests of minority and economically disadvantaged persons where a unit of general local government has a practice of excluding minorities.

The conference agreement makes such requirement applicable where any unit of government is maintaining a pattern and practice of exclusion of minorities.

The House amendment, but not the Senate bill, contained a provision that the Secretary may directly fund programs, including those in rural areas without regard to population, where he deems it necessary, in the event that a State, or unit or combination of units of general local government, or Indian tribal organization has not submitted a comprehensive child development plan or in the Secretary has not approved a plan so submitted, or where a prime sponsorship designation is not in effect, or where the needs of migrants, preschoolage children, or the children of working mothers or single parents, rainority groups, or the economically disadvantaged are not being served.

The Senate recedes.

The Senate bill and the House amendment both required all prime sponsors to establish Child Development Councils except that, under the House amendment, a public or private nonprofit organization was not so required.

The conference agreement follows the Senate provisions in this respect.

The Senate bill, unlike the House amendment, provided for a minimum Child Development Council membership of ten. The House amendment set forth no minimum.

The House recedes.

The Senate bill required that at least one-half of the members of Child Development Councils be parents of the children served with parental representation on Child Development Councils initially chosen by existing Headstart policy committees and subsequently by project policy committees. The House amendment required that one-half of the members of the Child Development Council be elected representatives from Local Policy Councils (comparable to project policy committees in the Senate bill). The House amendment required that at least one person from each Local Policy Council be a member of the Child Development Council.

The conference agreement contains the Senate provisions in these respects.

The Senate bill required that half of the non-parental representatives on the Council be child development specialists except where they are not available. The House amendment required at least one child development specialist.

The House recedes.

The Senate bill required that, with the exception of the child development specialists, all non-parental members of the Child Development Council must be approved by the parent members.

The Senate recedes.

The House amendment provided that at least one-third of the membership of Child Development Councils be parents who are economically disadvantaged; the Senate bill in this respect required that one-fourth of Child Development Council members be "persons broadly representative of the economically disadvantaged."

The Senate recedes.

With respect to child development plans submitted by prime sponsors, the House amendment required priority for preschool children of working mothers and single parents, whereas the Senate bill simply required priority for preschool-age children.

The House recedes.

The House amendment required that funds be reserved for economically disadvantaged children from Federal funds allocated in any fiscal year in an amount at least equal to the aggregate funds in the prime sponsorship areas for Headstart programs in fiscal year 1972. The House amendment further provided that 65 percent of the remainder of such funds be for children of families having an annual income below the lower budget for an urban family of four persons; the Senate bill provided that not less than 65 percent of the total cost of programs receiving financial assistance shall be for child development programs and services for such children.

The conference agreement contains provi-

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sions in this respect which are substantially the same as the House amendment.

The Senate bill, but not the House amendment, required comprehensive services to meet the need of all children to understand the history and cultural background of minority groups.

The House recedes.

The House amendment required equitable services for each minority group in the community to be served; the Senate bill contained the same requirement but also referred to significant segments of the economically disadvantaged.

The House recedes.

The House amendment required coordination of child development programs with other social programs, including employment and manpower programs, to keep members of the family as close together as possible. The Senate bill contained a similar provision which made no reference to other social programs or to manpower programs.

The Senate recedes.

The House amendment required that the comprehensive plan provide for direct parent participation in the conduct, overall direction, and evaluation of programs; the Senate bill did not set forth this specific provision.

The Senate recedes.

The House provision contained provisions, not contained in the Senate bill, for employment as professionals and paraprofessionals of neighborhood residents and for career development for such persons.

The Senate recedes.

The Senate bill provided that preference for program jobs be given insofar as possible to unemployed or low-income persons residing in the project area; the House amendment provided that preference be given to any person residing in the project area.

The conference agreement provides that, insofar as possible, persons residing in the community served will receive jobs, with special consideration for career opportunities for low-income persons.

The House amendment provided that the comprehensive plan assure that local educational agencies and private educational agencies have developed "linkage and coordination mechanisms" to provide continuity between preschool and school programs and between child development programs and EOA programs and ESEA programs. The Senate bill had comparable language but required the prime sponsor to develop these procedures in cooperation with public and private schools.

The conference agreement contains the Senate language.

Both the Senate bill and the House amendment required the comprehensive plan to include requirements for arrangements in the project area with business, industry, labor, and other community groups. However, the Senate bill also include a reference to "financial institutions".

The conference agreement includes the Senate language.

Both the Senate bill and the House amendment authorized delegation of arrangements for delivery of services to public or private agencies, under the supervision of the Child Development Council; but the Senate bill, unlike the House amendment, did not authorize delegation of administrative responsibility for development of the comprehensive child development plan.

The conference agreement contains the Senate provision in this respect.

The House amendment, but not the Senate bill, required comprehensive plan to provide for cooperative arrangements to be entered into under which public agencies, at both the State and local levels, responsible for handicapped children programs will make such services available to programs when appropriate.

The conference agreement requires the comprehensive plan to provide that services for handicapped children, at both the State and local levels, will be used wherever available in programs approved under the plan.

The House amendment, unlike the Senate bill, required the comprehensive plan to assure coordination of child development programs for which financial assistance is provided under the authority of other laws.

The House recedes.

The House amendment, but not the Senate bill, required that comprehensive plans provide that consideration be given to applications by public and private profitmaking and nonprofit organizations "with emphasis to on-going programs" and that comparative costs of providing services will be a factor in deciding among applications.

The conference agreement contains this provision with the modification that the comparative cost be considered in relation to the quality of services.

The House amendment contained provision in comprehensive plan requirements that services be provided only for children whose parents or legal guardians have requested them. The Senate bill did not set forth this provision, which was set forth in the Statement of Purpose, in the comprehensive plan requirements.

The Senate recedes.

The House amendment, but not the Senate bill, contained a provision requiring consideration for "excellence of architecture and design" and "inclusion of works of art" in plans for construction.

The Senate recedes.

Both the Senate bill and the House amendment contained the requirement that each community action agency, single purpose Headstart agency, and local educational agency operating Headstart programs be afforded an opportunity to submit comments on a proposed comprehensive plan. They differ only in that the House amendment provided for local educational agency comments only if that agency had operated a Follow Through or Headstart program.

The conference agreement contains the Senate provisions in this respect.

The Senate bill, unlike the House amendment, contained a provision requiring the Secretary to establish procedures to permit prime sponsors to submit jointly a comprehensive child development plan for the areas they serve.

The House recedes.

The House amendment provided for local policy councils selected by parents in each neighborhood or sub-area possessing a commonality of interest, or for a nongeographic grouping of appropriate size. The Senate bill provided for project policy committees to be established by each project applicant, composed of the following: (i) not less than one-half parents of children served; (ii) persons representative of the community approved by the parent members and (iii) persons between one-third and one-half of members appointed as community members who have skills in child development.

The conference agreement contains the Senate provisions in these respects except that only one child development specialist (where available) is required on the project policy committee.

The Senate bill provided that project policy committees develop and prepare project applications, whereas local policy councils under the House amendment determine needs and priorities, make recommendations with respect thereto and encourage project applications to meet those needs.

The House recedes.

The Senate bill provided for the project policy committees to approve project policy committees' basic goals, policies, actions, and procedures for the project applicant including policies, planning, personnel, budget, facilities and evaluation. The House amendment did not contain such specific provisions.

The House recedes.

The House amendment required that charges be made for participation of children according to ability of family to pay; the Senate bill provided that no fee be charged to economically disadvantaged children but that children from families not so disadvantaged pay a fee according to schedule established by the Secretary based on the ability of the family to pay.

The conference agreement provides that no charges be made to families with an annual income equal to or less than $4,320, with adjustments in the case of families with more than two children. Charges for other families may be made in accordance with a fee schedule established by the Secretary based on ability to pay. However, such fees may not exceed 10 percent of the difference between the free services level and 85 percent of the lower living standard budget, and then 15 percent of any income between that level of 85 percent of the lower living standard budget and 100 percent of the lower living standard budget.

The House amendment provided that no person shall be denied employment solely on the ground that he fails to meet State teacher certification standards; the Senate bill contained same provision but added "or local" teacher certification standards.

The House recedes.

The House amendment provided that project application provide for the utilization of personnel, including paraprofessional and volunteer personnel, adequate to meet the specialized needs of each participating child; the Senate bill did not contain this specific language.

The Senate recedes.

The House amendment set forth provision that project application otherwise further the objectives and satisfy the requirements of the comprehensive child development plan. The Senate bill did not specifically so provide.

The conference agreement contains this requirement.

The House amendment, but not the Senate bill, contained a provision for a public or private nonprofit agency which is a prime sponsor to submit a project application directly to the Secretary.

The conference agreement includes such a provision.

The Senate bill provided that a project application submitted to the Secretary by a public or private agency may be approved upon the Secretary's determination that it meets the statutory requirements.

The conference agreement contains this provision.

The Senate bill contained authority, not included in the House amendment, for the Secretary to provide funds to States to enable them to provide special technical assistance to Child Development Councils and for encouraging State agencies to cooperate in the development and implementation of the comprehensive child development plans of prime sponsors which request such help. (The allocation formula provides that 5 percent of funds under the title may be used for these special grants to States.)

The House recedes.

Both bills provided that applications for financial assistance may be approved if rental, renovation, remodeling, or leasing of adequate facilities is not practicable. The Senate bill, unlike the House amendment, provided for the Secretary to make this determination.

The House recedes in this respect.

It is the understanding of the conferees that lease-purchase arrangements where payment schedules are comparable to rental or leasing arrangements shall be considered within the meaning of the term "leasing".

The House amendment did not authorize the Secretary to recover the value of a facility from grantee after 20 years from its completion if the facility ceases to be used for the purpose for which it was constructed; the Senate bill permitted such recovery at any time the facilities cease to be so used.

The House recedes.

The House amendment authorized loans and grants for construction; the Senate bill permitted grants only.

The Senate recedes.

The House amendment provided that no more than 15 percent of total financial assistance to a prime sponsor could be for construction and only 7½ percent could be for grants for construction. The Senate bill limited grants for construction to 15 percent of total assistance.

The conference agreement contains the House provisions in this respect.

The House amendment, unlike the Senate bill, amended the Education Professions Development Act to authorize the Office of Education to provide assistance for training or retraining professional and nonprofessional personnel for child development programs. In addition, the Senate bill and the House amendment contained similar provisions authorizing the Secretary of Health, Education, and Welfare to support the training of personnel employed, preparing for employment, or volunteering for work in a child development program.

The conference agreement contains the Senate provisions in these respects.

Both the Senate bill and the House amendment required the Secretary to make an evaluation of Federal involvement in child development activities. The bills differed in the following respects:

(a) The House amendment, but not the Senate bill, specified that the evaluation shall be made through the Office of Child Development. The conference agreement provides for such evaluation through the Office of Child Development unless the Secretary determines otherwise.

(b) The Senate bill, but not the House amendment, required the evaluation to include the extent to which preschool, minority groups, and economically disadvantaged children and their parents have participated in programs. The House recedes.

(c) The Senate bill required the evaluation results to be reported to Congress not later than two years after enactment, the House amendment no later than 18 months after enactment. The Senate recedes.

(d) Both the Senate bill and the House amendment required Federal agencies to provide such information as the Secretary determines necessary for the evaluation. The Senate bill, unlike the House amendment, also imposed this requirement upon prime sponsors and project applicants. The House recedes.

(e) The Senate bill, but not the House amendment, provided that the Secretary shall reserve between 1 and 2 percent of funds for this evaluation section. The House recedes.

The House amendment provided that the Secretary establish Federal standards for child development services after approval of a Special Committee. The Senate bill provided that the Secretary consult with such Committee and other Federal agencies and that he give his reasons if he disapproved the Committee's recommendations.

The House recedes.

The Senate bill, but not the House amendment provided that Child Development Standards shall be no less comprehensive than the Federal Interagency Day Care Requirements as approved by HEW, OEO and the Department of Labor on Sept. 23, 1968.

The House recedes.

The House amendment provided that parents of Title IV Social Security Act programs must be represented along with Headstart parents on the Special Committee to develop standards. The Senate bill did not so provide.

The Senate recedes.

The House amendment provided that on the committee to develop uniform minimum code for facilities standards one-half shall be parents, including Title IV Social Security Act parents; the Senate bill provided one-third shall be parents and did not refer to Title IV.

The Senate recedes.

The House amendment gave the uniform facilities code committee 6 months to report; the Senate bill gave it a year.

The House recedes.

The House amendment provided that promulgation of facilities code required concurrence of the committee. The Senate bill required the Secretary to consider recommendations of the committee.

The House recedes.

The House amendment, unlike the Senate bill, contained provisions authorizing mortgage insurance for child development facilities.

The Senate recedes.

The Senate bill and the House amendment each authorized support for child development programs for the children of Federal employees, except as follows:

(a) The Senate bill limited such assistance to children of civilian employees (not military personnel), whereas the House amendment was not so limited. The Senate recedes.

(b) The Senate bill, but not the House amendment, characterized the programs as "model" programs. The Senate recedes.

(c) The Senate bill and the House amendment provided that no more than 80 percent share shall be paid from funds under this part. The House amendment, unlike the Senate bill, provided that after the first two years of a program's operation, no more than 40 percent of program costs shall be paid from Federal funds. The House recedes.

(d) The House amendment, but not the Senate bill, provided that funds for Federal employee programs shall be distributed among the States, insofar as feasible, in proportion to the number of Federal employees. The Senate recedes.

The Senate bill authorized the Secretary to carry out a research and development program. The House amendment was similar but established a National Center for Child Development within the Office of Child Development for research purposes.

The conference agreement generally follows the Senate title except that it does not establish a National Center for Child Development.

The Senate bill, but not the House amendment, provided for research to test alternative child development methods.

The House recedes.

The House amendment, but not the Senate bill, included among research activities the following purposes:

(a) production of information systems to support Center activities;

(b) integration of national child development research efforts into a focused national research program.

The Senate recedes.

The Senate bill, but not the House amendment, provided that the Secretary shall give priority in assisting research and demonstration projects to programs carried out by multicounty local development districts under the Appalachian Regional Development Act and the Public Works and Economic Development Act.

The Senate recedes.

Although specific mention of research and demonstration funding for child development programs of multicounty local development districts established under the Appalachian Regional Development Act of 1965 and the Public Works and Economic Development Act of 1965 has been deleted in the conference agreement, this action is in no way to be construed as a rejection of such agencies as being eligible or to preclude the funding of any research and demonstration programs presently conducted by the Appalachian Regional Commission. Such agencies are eligible for research and demonstration grants as are individuals, public or private nonprofit organizations, universities, colleges, and community service type organizations.

The House amendment required an annual report on research activities to Congress, a provision not contained in the Senate bill.

The Senate recedes.

The Senate bill, but not the House amendment, authorized a program of national child advocacy projects in various regions of the United States.

The Senate recedes.

Both the Senate bill and the House amendment provided for an Office of Child Development in the Department of Health, Education, and Welfare, to be the principal agency for administering and coordinating child development programs. The Senate bill, unlike the House amendment, contained a statutory provision for Director of the Office of Child Development.

The House recedes.

The House amendment, unlike the Senate bill, required the President to take appropriate steps to establish mechanisms for coordination at the State and local level of child development programs.

The House recedes.

The Senate bill, but not the House amendment, required the Secretary of Health, Education, and Welfare to establish procedures to assure adequate nutrition services in child development programs, making use of the Special Food Service Programs for Children and the Child Nutrition Act.

The House recedes.

The Senate bill, unlike the House amendment, authorized the Secretary to withhold funds in order to recover amounts expended in the current or immediately prior fiscal year in violation of any term or condition under this legislation.

The House recedes.

The Senate bill, but not the House amendment, required the Secretary to prescribe regulations to assure that programs have adequate internal administrative controls and policies to promote the effective use of funds.

The House recedes.

Both the Senate bill and the House amendment had provision for payments of minimum and prevailing wages which were comparable. They differed in two respects: (1) The Senate bill imposed the duty of compliance directly on the Secretary whereas the House amendment made it a part of the project application and (2) the House amendment would have exempted volunteers from the requirements.

The conference agreement follows the Senate provision, except that persons who serve without compensation would be exempt from such provisions.

The Senate bill prohibited the Secretary from providing financial assistance for any program involving political activities or where funds or personnel are in any way engaged in the conduct of political activities in contravention of section 603 of the Economic Opportunity Act. The House bill did not contain this provision.

The House recedes.

The Senate bill contained language, not in the House amendment, prohibiting use of funds for construction, operation, or maintenance of so much of any facility as is for use for sectarian instruction or as a place for religious worship.

The House recedes.

The Senate bill, but not the House amendment, contained the standard provisions for withholding funds after reasonable notice and opportunity for a hearing.

The House recedes.

The House amendment contained advance funding authority, not set forth in the Senate bill.

The Senate recedes.

The House amendment contained the usual provision that Federal control of education

is not authorized. The Senate bill did not contain the provision in this title.

The Senate recedes.

The Senate bill, unlike the House amendment, contained a specific provision prohibiting the Secretary from providing financial assistance unless the recipient provides nondiscrimination assurances.

The House recedes.

The House amendment, unlike the Senate bill, provided that no person should be discriminated against on the ground of sex in any program under this legislation, to be enforced under title VI of the Civil Rights Act.

The Senate recedes.

The House amendment, unlike the Senate bill, called for the Secretary to promulgate regulations "to guarantee" that other Federal funded child development programs including Title I of the Elementary and Secondary Education Act and Follow Through be coordinated with this act. The House provision also called for joint technical assistance efforts which result in coordinated efforts between the Office of Child Development and the Office of Education.

The conference agreement follows the House provisions, but states that regulations shall "assure" such coordination.

The House amendment, unlike the Senate bill, amended the Federal Property and Administrative Services Act to allow child development programs the benefits of surplus property disposals.

The Senate recedes.

The House amendment, but not the Senate bill, provided NDEA student loan forgiveness of 15 percent a year for service as a teacher in a child development program.

The Senate recedes.

The Senate bill defined "economically disadvantaged children" to mean any children of a family having an annual income below the lower living standard budget determined by the Bureau of Labor Statistics. The House amendment defined "economically disadvantaged child" to mean a child of a family whose annual income is at a rate inadequate to permit the purchase of child development services for him, as determined by the Secretary in accordance with criteria in regulations, considering factors taken into account in determining fee charges in other federally assisted child development programs.

The House recedes.

Both the Senate bill and the House amendment repealed provisions in other titles of the Economic Opportunity Act authorizing day care and provided that day care services shall be purchased under the new title V.

The conferees, in providing separate new authority for child development programs direct that there be no reduction in the child development services available for work and training programs conducted under Title I of the Economic Opportunity Act. Rather, it is anticipated that in developing programs for services under the new Title V authority, the Secretary of Health, Education and Welfare shall ensure that full consideration is given to those which serve work and training program enrollees. However, if no such services are available under Title V authority, it is expected that work and training program sponsors shall purchase into suitable existing child development programs provided by other public or private non-profit agencies.

Both the Senate bill and the House amendment added a new title to the Economic Opportunity Act creating a National Legal Services Corporation. The following differences in the provisions were resolved as follows:

In the declaration of policy relating to the Legal Services Corporation the Senate bill stated it is in the public interest "to provide greater access to attorneys and appropriate institutions" while the House amendment said it is in the public interest "to promote and encourage resort to attorneys and appropriate institutions." The House receded.

The Senate bill contained a more detailed and precise definition of the Corporation as a tax exempt organization than did the House amendment. The House receded.

The Senate bill and the House amendment were identical in substance, providing for the establishment of an incorporating trusteeship. The House amendment, in addition, required the trusteeship to establish procedures for lists of nominees by the national professional associations of attorneys in the nominations to the permanent board. The House receded.

The Senate bill provided for two separate initial Advisory Councils—one for clients and one for project attorneys—composed of eleven members each. The House amendment provided for a single Advisory Council to be composed of sixteen members selected from among legal services attorneys and the client community of whom no more than eight were to be individuals eligible for legal assistance. The Senate bill provided for separate meetings of the Clients Advisory Council and the Project Attorneys Advisory Council for submission of lists of nominees to the permanent board. The House amendment provided that the client members of the Council and the project attorney members should each submit recommendations—in substance, the same effect. The House receded.

The Senate bill provided for a board of directors of fifteen members selected in the following manner:

1 appointed by the Chief Justice of the United States after consultation with the Judicial Conference of the U.S.;

9 appointed by the President with the advice and consent of the Senate as follows: four from the general public; three eligible for legal services assistance chosen from a list submitted by the Clients Advisory Council; two chosen from a list submitted by the Project Attorneys Advisory Council;

5 shall be members by virtue of holding the following offices: President of American Bar Association or his designee; president of National Legal Aid and Defender Association or his designee; president of American Trial Lawyers Association or his designee; president of National Bar Association or his designee.

The House amendment provided for a board of directors consisting of 17 members appointed by the President and with the advice and consent of the Senate in the following manner:

1 member from lists of nominees submitted by the Judicial Conference of the United States;

7 members from individuals in the general public, three of whom must be attorneys admitted to practice before the highest court in their jurisdiction;

2 members from persons eligible for assistance under this Title, after having given due consideration to the recommendation of client members of the Advisory Council;

2 members from among former legal services project attorneys after giving due consideration to the recommendations of the attorney members of the Advisory Council;

1 member from lists of nominees submitted by the Association of American Law Schools;

4 members from lists of nominees submitted by the American Bar Association, National Bar Association, National Legal Aid and Defender Association, and the American Trial Lawyers Association, in accordance with procedures established by the incorporating trusteeship.

The conference agreement provides for a seventeen member board, all appointed by the President with the advice and consent of the Senate selected in the following manner:

6 members from the general public, three of whom must be admitted to practice before the highest court in their jurisdiction;

2 members from lists submitted by the Judicial Conference of the United States;

2 members who are former legal services project attorneys from lists submitted by the Project Attorneys Advisory Council;

2 members from among persons eligible for legal services assistance from lists submitted by the Clients Advisory Council;

5 members one each from lists submitted individually by the American Bar Association, National Bar Association, National Legal Aid and Defender Association, American Trial Lawyers Association and the Association of American Law Schools.

Regarding the constitution of the initial board of directors of the corporation, it is the intention of the conferees that all groups submitting lists to the President of prospective nominees should do so at the earliest possible time in order that the President may submit to the Senate all of his nominees to constitute the board of directors as quickly as possible, thereby permitting all directors to be duly appointed and the board authorized to begin to function no later than 90 days after enactment of the bill and well in advance of the date—six months from the date of the bill's enactment—when the corporation is fully empowered as a successor to the OEO legal services program.

Both the House amendment and the Senate bill provided for three year terms for board members with staggered terms to insure continuity. The differences between the House amendment and the Senate bill generally reflected the different make-up and means of selection of the board of directors in the respective bills.

The conference agreement provides that the terms of six of the initial board members shall expire after one year: one of the members appointed from lists submitted by the Judicial Conference; two of the members from the general public appointed by the President; one of the members from lists submitted by the Clients' Advisory Council; and the member appointed from lists provided by the National Legal Aid and Defended Association; and the member appointed from lists submitted by the American Trial Lawyers Association.

The following six board members are appointed for an initial three-year term: two of the members from the general public appointed by the President; one of the members appointed from lists submitted by the Clients' Advisory Council; one of the members appointed from lists submitted by the Project Attorneys Advisory Council; and the member appointed from lists submitted by the National Bar Association.

The following six members are appointed for an initial three-year term: two of the members from the general public appointed by the President; one of the members appointed from lists submitted by the Clients' Advisory Council; one of the members appointed from lists submitted by the Project Attorneys' Advisory Council; the member appointed from lists submitted by the American Bar Association; and the member appointed from lists submitted by the American Association of Law Schools.

The Senate bill authorized the establishment of an executive committee of not less than 5 nor more than 7 members which was to consist of the chairman of the board, the executive director of the Corporation, and one member each representing the general public, the eligible clients or the project attorneys, and the various professional legal associations. There was no comparable House provision. The House receded with an amendment authorizing the establishment of a similar executive committee which was to include the chairman of the board, at least one member representing the public, at least one member representing either the eligible clients or the project attorneys, and at least one member representing the various legal professional associations. The mandatory inclusion of the executive director on the executive committee was deleted. In so doing

the conferees do not intend that the executive director necessarily must be excluded from membership on the executive committee. Membership of the executive director on the executive committee is thus left to the members of the board of the Corporation to decide.

The House amendment assured that attorneys are to be bound by the same canons and codes of behavior as other attorneys in their jurisdiction. There was no similar Senate provision. The Senate receded with an amendment providing that the Corporation shall assure that the project attorneys adhere to the American Bar Association's Code of Professional Responsibility and Canons of Professional Ethics.

Both the Senate bill and the House amendment authorized the Corporation to establish standards of client eligibility. The House amendment, however, required the standards to be "consistent with those established by the Office of Economic Opportunity for the provision of legal services". The Senate bill contained no such limitation. The House receded.

On a related matter, the Senate receded from a provision in the Senate bill which directed the board of the Corporation to establish graduated fee schedules to allow the near-poor to pay all or part of the cost of legal services provided them. There was no similar House provision. It is the intention of the conferees that the Corporation should not provide funds to afford free legal assistance to individuals or corporations who can afford to employ private counsel. The decision not to include a specific requirement that the standards of eligibility be consistent with those established for legal services programs by the Office of Economic Opportunity should not be understood to imply any dissatisfaction on the part of the conferees with those standards. Rather, the conferees intend that the Corporation should give serious consideration to the guidelines heretofore established by the Office of Economic Opportunity for the Legal Services program. However, the conferees thought it wise to provide authority to the Corporation to make such adjustments as time and experience may require.

The House amendment required that approval of grants be based on economical comprehensive delivery of services in both urban and rural areas. There was no Senate reference to urban and rural concentration. The Senate receded.

The Senate bill authorized the Corporation to be reimbursed for the cost of services rendered to other Federal agencies. There was no comparable House provision.

The House receded with an amendment to make clear that reimbursement would take place only where arrangements for such services were "otherwise authorized".

The House amendment prohibited attorneys or other persons employed by the Corporation, or engaged in programs funded by the Corporation, from solicitation of clients except that the Corporation was to be allowed a "mere announcement or advertisement" of its existence in the community. The Senate receded with an amendment which made clear that the prohibition against solicitation was not intended to include any conduct or activity permissible under the provisions of the Code of Professional Responsibility of the American Bar Association governing solicitation and advertising.

The Senate bill directed the board to establish graduated fee schedules to allow near-poor to pay all or part of the cost of services. There was no comparable House provision. The Senate receded.

The House amendment required the Corporation to notify the Bar Association of the State of grant approvals within that State thirty days prior to their actual approval. There was no comparable Senate provision. The Senate receded with an amendment requiring notification "within a reasonable time prior" to approval of a grant instead of "thirty days prior" to the approval of a grant.

The Senate bill prohibited the use of funds for criminal proceedings or extraordinary writs, such as habeas corpus or coram nobis, except pursuant to guidelines established by the Corporation. The House amendment contained a flat prohibition against the use of funds or personnel provided by the Corporation to provide legal services in any criminal proceedings. The Senate receded. The conferees want to make clear that this prohibition does not in any way relieve any attorney from specific or general responsibilities imposed on him as an officer of the court by the courts before which he practices.

The House amendment made the Corporation liable to any prevailing defendant for the payment of legal fees or court costs awarded in connection with any proceeding brought by attorneys employed by the Corporation. There was no comparable Senate provision. The House receded.

The Senate bill required all employees of legal services programs, while engaged in activities connected with those programs, to refrain from any partisan political activity associated with a candidate for public or party office and from any voter registration activity or from providing transportation to the polls. The House amendment applied the provisions of the Hatch Act to all full-time employees of the Corporation and of programs funded by the Corporation and, in addition, prohibited non-partisan political activity.

The conference agreement provides that such full time employees while engaged in activities carried on by the Corporation refrain from partisan or nonpartisan political activity including voter registration or transportation. Full time employees must also refrain from identifying the Corporation with any candidate for political or party office. The Corporation is directed to establish appropriate guidelines dealing with free time political activities of the full-time employees of the Corporation or its grantees.

The Senate bill provided that the financial transactions of the Corporation, its grantees and contractors, were to be subject to annual audit by the General Accounting Office. The House amendment expanded the authority of the General Accounting Office and, in addition to financial audits, authorized the General Accounting Office to examine the accounts, operations, reports of evaluations, and inspections of the Corporation, its grantees and contractors. The Senate receded.

The Senate bill included in the definition of "legal services" the provision of bilingual legal services to residents of communities when the predominant language is other than English. There was no comparable House provision. The House receded.

The Senate bill provided that rights to capital equipment of legal services programs were to be transferred to the Corporation on the date of enactment. The House amendment prescribed that all such rights should transfer at a time prescribed by the Director of the Office of Management and Budget or six months after enactment, whichever is earlier. The House provision insured the existence of responsible persons and organizational structure to take responsibility for such capital equipment. The Senate receded.

Both the Senate bill and the House amendment provided for the transfer to the Corporation of all personnel, assets, liabilities, property, and records used in connection with the Office of Economic Opportunity Legal Services program. Non-lawyer personnel transferred were protected by the Senate bill in that transfers were to be effected in accordance with applicable laws and regulations (including the continuation of benefits provided under civil service laws relating to seniority, classification of positions, retirement benefits, compensation for work injuries, health insurance, group life insurance, and similar matters) and "without reduction" in classification or compensation for one year following the transfer. The Director of the Office of Economic Opportunity was further required to take the necessary and reasonable actions to "find" suitable employment for such persons who did not wish to transfer. The House receded with clarifying language to the effect that non-lawyer personnel shall be transferred in accordance with applicable laws and regulations and "shall not be reduced" in classification or compensation for one year. Further amendment required that the Director take such action as was necessary and reasonable to "seek" suitable employment for all those persons who did not wish to be transferred.

The Senate bill protected existing collective bargaining agreements covering personnel transferred to the Corporation. There was no comparable House provision. The House receded.

CARL D. PERKINS,
AUGUSTUS F. HAWKINS,
WILLIAM D. FORD,
PHILLIP BURTON,
JOSEPH M. GAYDOS,
WILLIAM L. CLAY,
SHIRLEY CHISHOLM,
MARIO BIAGGI,
ELLA GRASSO,
OGDEN REID,
Managers on the Part of the House.

GAYLORD NELSON,
EDWARD KENNEDY,
WALTER MONDALE,
ALAN CRANSTON,
HAROLD E. HUGHES,
ADLAI STEVENSON III,
JENNINGS RANDOLPH,
JACOB JAVITS,
RICHARD SCHWEIKER,
Managers on the Part of the Senate.

Mr. NELSON. Mr. President, I ask unanimous consent that the requirement for printing the conference report on S. 2007 and the accompanying joint explanatory statement as a separate Senate report be waived, in view of the fact that there will be a House report for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON subsequently said: Mr. President, earlier today I filed a conference report on S. 2007. At that time I asked that the rule governing printing of the report be waived.

I have since learned that the report has not been printed in the House and therefore I ask unanimous consent that my earlier request be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC STABILIZATION ACT OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, it im-

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presses me that the amendment of the Senator from Ohio can perhaps be described as legislative lightning of a very destructive type.

This amendment deals with emergency disputes in the labor-management relationship. It is a subject matter that, of course, is processed in an orderly way by the Committee on Labor and Public Welfare in the Senate. This proposal, however, now comes to us as an amendment to the economic stabilization program presented to the Senate by the Committee on Banking, Housing and Urban Affairs.

I do not intend to talk very long on this matter, and I advise the Senate that after some discussion—which I hope will be brief—it is my intention to move to table this amendment, for what I think are compelling reasons.

The distinguished Senator from Ohio has shown a deep concern about the disruptions of life in this country that arise through labor disputes that are not settled and result in strikes. He has previously introduced proposed legislation to deal with disputes in the railway industry. On March 3, a bill was introduced by the Senator from Ohio to amend the Railway Labor Act, and this bill, S. 1093, was referred to the Committee on Labor and Public Welfare. That bill is now before our committee.

On November 12, 1971, the Senator introduced S. 2850, a bill to amend the Labor-Management Relations Act of 1947 and the Railway Labor Act to provide for the settlement of certain emergency labor disputes. That bill was referred to the Committee on Labor and Public Welfare. That was slightly more than 2 weeks ago. That bill, under orderly Senate procedures, will come on for hearings by those who want to be heard and those who would be affected by such legislation.

This present amendment, as I read it, is the same as the bill that the Senator from Ohio introduced 2 weeks ago and which is now before the Committee on Labor and Public Welfare. Obviously, it has not been heard, and it is a sweeping proposal. We have other bills before the Labor Committee dealing with emergency situations in labor disputes. One is the administration proposed legislation, which was introduced by the junior Senator from Michigan, the assistant minority leader. This deals with those labor disputes in the transportation industry which present national emergencies.

Senator JAVITS has introduced a bill which is also before the Committee on Labor and Public Welfare. This Senator has a bill dealing with this subject. The Senator from Tennessee (Mr. BROCK), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. FANNIN), the Senator from Iowa (Mr. MALLER), and the Senator from Vermont (Mr. STAFFORD) have all introduced bills, and the committee is in the process of hearing them.

We started our hearings in June, when we appropriately heard from the Secretary of Labor. We then moved on to hear from the Secretary of Transportation, because most of the poposed legislation dealt with disputes of an emergency nature in the transportation industry. We have hearl from Senator BROCK, the National Association of Manufacturers, the Assistant Secretary of Agriculture, the Association of American Railroads, the National Railway Labor Conference, Senator MILLER, Representative HARVEY, the Air Transport Association, and the Brotherhood of Railway Clerks.

It can be seen that the orientation of the hearings has been around disputes in transportation, and that is the area to which the administraiton's bill is limited.

The Taft bill before the Committee on Labor and Public Welfare, introduced on November 12, and now offered as an amendment, sweeps across all segments of our economy. It deals not only with transportation but with all other industries as well. It seems to me that my first phrase, that this is legislative lightning of a destructive type, is appropriate, when we consider that this broad and sweeping legislative proposal, offered as an amendment to an unrelated bill, has not been heard at all and would repeal, in one fell swoop, substantial parts of established law in the Taft-Hartley Act and the Railway Labor Act.

For these reasons, I am convinced that the Senate would want us to deal with the Taft bill that is before the Committee on Labor and Public Welfare as we deal with all major legislation, through hearings that bring on the people whose economic life will be so basically affected.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. I yield myself 3 minutes.

Mr. President, I will support the motion to table, but I will do so reluctantly.

While perhaps not agreeing in every detail with what the Senator from Ohio has proposed here, I certainly do agree in substance. I applaud him for bring ing this matter to our attention. I have long felt that our business of reacting to crises as they occur wih some kind of jerry-built, makeshift arrangement has come to an end and that we have to devise legislation which is designed to build on a permanent basis and have permanent applicability to emergency labor disputes that have the effect of tying up the economy or adversely influencing the economy and inconveniencing a number of our national citizenry, if ot all of them.

In substance, I support what the Senator from Ohio is doing. I do not believe that it is consonant with the orderly legislative process to bring it up as an amendment to this bill at this time.

I might make the further point that if we did accept this amendment and took it to conference, on the basis of the probability of the raising of a point of order, the House conerees would refuse t consider it, and it would be lost in conference; or, even if they did consider it, it would be taken back to the House and a point of order would be raised on it in the House. But it would not become legislation, so that this would be a fruitless exercise just to include it in this bill at this time, which is not an appropriate vehicle for the proposition of the Senator from Ohio. At such time as he thought, however, if he chose a vehicle, even though this bill has not been reported out of the committee, if he chose such an appropriate vehicle, I feel it would then be in the order of the legislative process, and I would support it.

Mr. PACKWOOD. Mr. President, will the Senator from Texas yield me 4 minutes?

Mr. TOWER. I yield 4 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 4 minutes.

Mr. PACKWOOD. Mr. President, I, too, am going to support the motion to table, although I do so with some reluctance, but a different reluctance from that of the Senator from Texas. I do so, first, because I do not like lumping the transportation industry generally with all the industries in this Nation. There is a substantial difference between a nationwide auto strike and a nationwide railroad strike. I think this country could stand a nationwide auto strike, and by that I do not mean to say that such a strike would be desirable, of course, but we could stand it for 3 or 4 months and there would be perhaps a slight economic downturn, but the country would go on. But if we were faced with a nationwide railroad strike for 3 or 4 weeks, this country comes to a screeching halt.

In my State of Oregon, I saw the tremendous ill effects of a selective railway strike last summer, where two or three of the principal railroads were shutdown for a substantial period of time. I w ould like to see that situation remedied so that Oregon consumers, businessmen, and labor, could count on a continuity of transportation. I saw for almost 3½ months the effects of the west coast dock strike on the State of Oregon. I am afraid that we are likely to see those effects start all over again on Christmas Day, when the 80-day Taft-Hartley injunction period runs out and the west coast longshoremen are free to go back on strike for as long as they want, and with no legal remedies to put them back to work.

I would implore the chairman of the Committee on Labor and Public Welfare, the distinguished Senator from New Jersey (Mr. WILLIAMS), to move expeditiously with hearings. As he will recall, I asked last week that we continue with the hearings and get some kind of bill out——

Mr. WILLIAMS. Let me tell the Senator from Oregon right now that the next scheduled hearing date is December 7, 1971.

Mr. PACKWOOD. December 7. I thank the Senator. I think it is imperative that we get some kind of bill out. We have differences in committee. We will have differences on the floor of the Senate, but we must get——

Mr. WILLIAMS. I would suggest, even though we might be in recess then, that we still maintain that hearing date of December 7.

Mr. PACKWOOD. I can assure the Senator that I shall——

Mr. WILLIAMS. I know that the Senator will be in attendance.

Mr. PACKWOOD. I will be at the hearing, yes, because it is imperative.

Mr. President. I do differentiate the transportation industry, where a relatively small number of people can economically strangle this Nation, as being apart from general industrial strikes in the steel or auto industries as to their economic effect on the Nation. Such general industrial strikes do not have so severe an economic effect on the Nation as one in the transportation industry.

Mr. President, I yield back the remainder of my time.

Mr. TAFT. Mr. President, I yield myself such time as I may need.

Mr. President, the handwriting on the wall is relatively clear at this point. It is not surprising, because there has been a notable reluctance to bring out a bill or even an amendment of this kind to the floor of the Senate, or indeed on the floor of the House, for many years.

I served on the Labor and Education Committee in the House in 1963 and 1964. We had proposals at that time which we were studying and talking about. I also served on the Republican Platform Committee in 1960. I have worked with and on Republican platforms at every convention since that time. Every one of those platforms has had a plank calling for a revision of the emergency strike laws.

I believe that I could be subject to correction, but I believe quite a few of the Democratic planks in their platforms may have had similar provisions. This is something on which we have not made good. If that were not true, I would be inclined to pull back from that decision, possibly. However, I feel that the background and the circumstances call for bringing this matter to issue in this way, even though we may be defeated and we may get only a few votes—perhaps only my own, as I have not gone about seeking votes for this particular proposition. But it is important that we bring this matter to the floor of the Senate.

There is only one circumstance on which I would be inclined to pull back from that decision, and that is if we could get a firm commitment from the Senator from New Jersey, the chairman of the Labor Committee, as to when he feels the committee might be wanting to report a national emergency strike bill which would bring out the issue presented by this amendment.

If the Senator from New Jersey has any comments to make in that regard, I would be glad to hear them at this time.

Mr. WILLIAMS. As chairman of the Committee on Labor and Public Welfare, I know that the Senator from Ohio is a very helpful member of that committee. But for me to stand here and give that particular assurance to the Senator, of a date certain to report this kind of legislation, would be the height of folly.

All I can promise is what I have stated before and do state now, that we will continue in the accepted and effective way of holding hearings to consider legislation, including the Senator from Ohio's bill which I mentioned earlier, I do not know whether the Senator heard me when I acknowledged the fact that we have before the committee the amendment that the Senator has here offered, but in bill form. It was introduced on November 12 just 2 weeks plus a few days ago. I mentioned that, with the schedule of the committee, with so many major bills before us now for consideration, there has not been time to have hearings since November 12.

We are hearing this subject matter on December 7, as I indicated to the Senator from Oregon (Mr. PACKWOOD) a few moments ago, whether we are in recess, or whether we are not, and I will ask my committee to cooperate and continue with that hearing on that date, or other dates, if need be, until we reconvene in January.

Mr. TAFT. I might say that I commend the chairman for having the hearings at all, as they have not occurred over a period of time. I am assured that the chairman expects to continue with the hearings but that, in itself, offers little or no promise that there will be any action on the matter.

The chairman has complained that my bill was introduced only in November. Indeed, that is true, but the bill was introduced, because I felt the situation of the national economy posed a threat of a national emergency strike which had become so serious that we should have bills before the Senate as some kind of vehicle for handling this problem if it should arise.

It is the emergency nature of the situation as it affects the national economy that I am referring to. That is what the bill before us pertains to.

I find it a little ironic that the Senator from Texas raises the question of a point of order with regard to this amendment for I thought I had explained that I felt it deeply involved the whole question of the economy.

It is also ironic to bring it up after we have been here these late hours on the floor of the Senate debating the Pastore amendment which came up on a bill to which it was completely unrelated.

Mr. TOWER. I opposed the Pastore amendment.

Mr. TAFT. So did I.

Mr. TOWER. I am saying that this Senator is not raising the point of order but the House conferees will certainly raise it.

Mr. TAFT. The Senator may be correct that it would be raised, but I think it would be straining parliamentary procedures to say that a point of order would be well taken with regard to it.

But getting back to what the committee has had before it, and what is in the bill, there is nothing new in the bill which has not been before the Committee on Labor. Let me recite some of the bills which the chairman has already referred to—the Griffin bill, S. 560, introduced on February 3, 1971, the bill by the Senator from New York (Mr. JAVITS) to incorporate some of the provisions incorporated, as I indicated openly yesterday, very openly, in my bill introduced on February 4, 1971.

A bill by the chairman of the committee himself dealing with this subject was introduced on February 17, 1971. That is S. 352. A bill dealing with the work rules provisions insofar as the transportation industries are concerned was introduced by me on March 3, 1971, S. 1093. A bill was introduced by the Senator from Tennessee (Mr. BROCK), on March 24, 1971, dealing with this area. That was bill S. 1934.

In June 1971, the Senator from Colorado (Mr. DOMINICK) introduced a bill dealing with the transportation aspects of this very problem. That was S. 2060.

The Senator from Iowa (Mr. MILLER) introduced a bill in September dealing with the subject.

The chairman indicated that another Senator has introduced a bill dealing with the same subject. So, these are no new propositions. There is nothing new in this.

I am reminded of the story of a man who was lost and stumbling through the forest, as we seem to be when dealing with national strike legislation. Suddenly he found himself on his knees and decided that he would implore his maker. He looked toward heaven and said, "Lord, let us have a little less thunder and a little more light."

I think that is what we need today, and I am endeavoring to have a little more light by offering this amendment.

The Senator from Oregon indicated that he felt transportation strikes were in a special category and were more serious than other strikes. He may be right. They certainly have a damaging effect on the national economy. However, there are many other industries with respect to which this is also true.

It is not true with respect to consumers as far as automobiles are concerned. We may have too many automobiles in the country already. Although from the standpoint of the national economy, I hope that we continue to produce more.

The coal industry recently offered a real challenge concerning the shutting down of electric power in this country until we saw a recent settlement of the strike.

I had experience while in the State legislature with a telephone strike. No one can imagine until he has experienced a telephone strike the effect that a telephone strike can have on the health of the population and on the other public utilities in the same area.

The purpose of the bill is not really to fit everyone into the same category. It offers alternatives that they do not have under general legal procedures.

I think we ought to have a means of bringing about a peaceful settlement of the strike that will satisfy not only the interests of labor and management—which are important—but also the interests of the public and the entire country in this respect.

These are areas that I think we ought to be considering in talking about the legislation today.

Mr. President, I yield 5 minutes to the Senator from Hawaii.

The PRESIDING OFFICER (Mr. HUGHES). The Senator from Hawaii is recognized for 5 minutes.

Mr. FONG. Mr. President, I rise in support of the pending amendment to the Economic Stabilization Act of 1970 offered by my distinguished colleague Senator TAFT, which I have cosponsored.

It addresses itself to the problem of emergency labor disputes.

Mr. President, my State of Hawaii was grievously affected by the west coast dock strike for 100 days before the provisions of the Taft-Hartley Act were applied. The injunction that was issued has now been in effect for 53 days. The 80-day cooling-off period under the act will run out on December 26. We are not hopeful that any agreement will be reached before then. We expect we will again be faced with a disastrous dock strike.

I have received hundreds of letters from my constituents in Hawaii who have already suffered greatly, because of the west coast dock strike.

The pending amendment would offer relief for Hawaii and all other States affected by such labor disputes.

This amendment would significantly broaden the alternatives available to the executive branch for dealing with labor disputes which threaten the health or safety of this Nation or a substantial part of its population or territory, or which deprive any section of this country of essential transportation services.

It is therefore most appropriately denominated the Emergency Labor Disputes Act of 1971, and as such has enormous relevance and importance to the problem of our economic stabilization and recovery.

It has been evident for some time that the existing procedures available under Taft-Hartley are inadequate to the task of promoting and facilitating the resolution of labor-management disputes of the order now facing us and with which we will be confronted in the future.

The success of employment contract negotiations has been rendered increasingly difficult by the sweep of technological change, the rising challenge of foreign competition, the decrease of defense spending and many other factors.

Taft-Hartley has proved particularly unable to facilitate settlement in disputes affecting the longshore and maritime industries. Of the 29 national emergency disputes now concluded which have occurred since the enactment of Taft-Hartley in 1947, seven were in the stevedoring industry and three were maritime. Only one of the seven stevedoring strikes and two of the three maritime strikes were settled during the 80-day cooling-off period provided by a Taft-Hartley injunction. Taking the two categories together, a 3 out of 10, or 30-percent success record is not, in my judgment, good enough.

Now we are witnessing the use of Taft-Hartley injunctions in two more longshore disputes, one on the west coast and one on the east and gulf coasts. Predictions are already being heard on every hand that at the expiration of the injunction periods, the stevedores will go back out and the strikes will resume. The economic dislocation and distress which this will ultimately bring to my State of Hawaii and the Nation will be very grave.

The ILWU west coast strike originally began on July 1, and in the hundred days which followed, before Taft-Hartley brought relief, unemployment in Hawaii rose to 6 percent of the labor force, the highest level since June 1955. Shortages developed in everything from medical supplies to school textbooks, and the momentum of development in my State suffered a setback whose effects will be felt for years to come.

The shortage of supplies was so acute that the Governor of the State of Hawaii chartered a ship to go to Vancouver to get supplies for the State of Hawaii. These supplies were rerouted from many cities to Vancouver, which entailed added expenses. When the Governor of the State of Hawaii asked the Cost of Living Council to allow merchants to pass on the added costs of rerouted ocean freight and air cargo so that the flow of essential goods could be maintained, his application was denied. Small business in Hawaii, lacking unlimited financial resources have failed, putting hundreds of people off payrolls. Other businesses have gone on sharply reduced workweeks.

The people of my State became innocent victims of this strike, and they rightfully demand legislation which will give them better protection in the future.

I cannot see any protection for the State of Hawaii and the States along the west coast under the existing provisions of the Taft-Hartley Act after the injunction runs out on December 26. We do not believe that any settlement will be achieved by then.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TAFT. Mr. President, I yield 3 additional minutes to the Senator from Hawaii.

Mr. FONG. Mr. President, I believe that the Taft amendment would protect our people. It sets forth four alternatives for use by the Secretary of Labor in labor disputes, any one or more of which may be utilized. These may come into play after the President finds there is an imperilment of the health or safety of the Nation, or that of a substantial part of its population or territory, or if a labor dispute deprives any section of the country of essential transportation services.

The first alternative would be a simple 30-day back-to-work directive by the Secretary to give the parties additional time to pursue collective bargaining.

The second alternative would permit the Secretary to issue an order for partial operation of the affected industry. Such an order, for instance, might provide a lifeline to my island State in the event of a west coast dock or maritime strike.

The third alternative would be the final offer selection process originally embodied in S. 560, whereby a neutral panel would, after hearings, select the most reasonable, in its judgment, of the final offers submitted by the parties to the dispute. The final offer selected shall be deemed to represent the contract between the parties, unless found arbitrary and capricious by a Federal court. I believe that this procedure may well be a great impetus to settlement of labor disputes by negotiation, reducing the bitterness and economic injury which follow in the wake of so many prolonged strikes.

I would venture that labor would welcome this, because the workingman need not go on strike and lose his wages while this procedure is followed.

The fourth alternative offered by the Taft amendment would be the familiar Taft-Hartley 80-day injunction, expressly modified to allow its use in disputes in any section of the country where strikes deprive the public of essential transportation services. Taft-Hartley is presently applicable only to imperilment of the national health or safety.

I believe this amendment is particularly urgent at this time for my State of Hawaii and States along the Pacific Coast. Under the Taft-Hartley law, we have no alternative except to accept the strike after the injunction expires on December 26, and face the future without any remedy at all. This amendment would safeguard Hawaii.

We are an insular State. We depend heavily on surface transportation to provide the necessities of life in Hawaii.

I think this amendment would serve well to protect my State and other insular territories from the disastrous results of a transportation industry strike. Therefore, I strongly urge my colleagues to vote for the amendment.

Mr. TAFT. Mr. President, I yield myself such time as I may need.

The PRESIDING OFFICER (Mr. HUGHES). The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, I wish to thank the Senator from Hawaii for his very carefully thought out and well-presented statement on the effect of the bill and for referring to a specific instance, a particular problem with regard to the State of Hawaii that needs attention and not further consideration, study, and delay in the handling of this problem. There has been plenty of that over the last 10 years, if not longer. There have been proposals from the very outset. From 1946 on many proposals have been made.

This amendment today is merely an attempt to bring this issue before the Senate—something that has not happened in recent years and which inevitably is going to have to happen and it is going to have to be faced up to by the Senate in the near future.

There is nothing in this bill that was not before the committee on March 3 of this year, and nothing has transpired or come out of the committee since that time. There have been hearings and there have been good hearings, and I commend the chairman of the committee for having the hearings. But it is time to decide now. We know the alternatives. I have studied this area for years and I know that many other Senators have done so also. We know the alternatives and we know what the provisions in this bill would provide. Let us face up to the situation now and vote up or down as to whether we will face up to the problem. If we do not face up to it now the ultimate verdict will force us to do so in the near future.

Mr. President, I am ready to yield back my time, unless there is another request for time.

Mr. WILLIAMS. Mr. President, I am ready to yield back my time, but I want to make one observation and suggest that the Secretary of Labor testified before our committee on June 15. Many of the bills introduced in this area were before the committee at that time. Other bills were not. Certainly, the last bill by the Senator from Ohio was not.

I would make this suggestion to the distinguished Senator from Ohio, my friend, that on December 7, when we are scheduled to hear from representatives of the American Association of Port Authorities, the Airline Pilots Association, and the American Retail Federation, that the Senator from Ohio join me in inviting the Secretary of Labor to appear on that day and specifically invite his comments on the Senator's proposal.

Mr. TAFT. I thank the Senator and we would be glad to join with him in inviting the Secretary of Labor or anyone else who might want to come and comment on the bill.

Mr. WILLIAMS. We cannot do it on the basis of anybody else. This legislation is very new and sweeping authority to the Secretary of Labor, authority that now, to the extent it exists at all, runs from the President to the Attorney General. Under this legislation it would run from the President to the Secretary of Labor.

Mr. TAFT. I think that would have been true under the bill of the Senator from Michigan. So we have had it since last February, the Attorney General still does under the 80-day injunction period.

Mr. WILLIAMS. Without going into detail, the Senator's bill sweeps well beyond transportation, and into all other industries as well.

Would the Senator join me in inviting the Secretary of Labor to testify?

Mr. TAFT. I would be delighted to join in issuing such an invitation.

Mr. WILLIAMS. Mr. President, I yield back the remainder of my time.

If the Senator from Ohio will permit me, I move to table this amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER. Debate is not in order.

Mr. TAFT. Mr. President, I have not yielded back my time.

Mr. WILLIAMS. I thought the Senator had yielded back his time.

The PRESIDING OFFICER. The Chair understood the time had been yielded back.

Mr. WILLIAMS. I thought so, too.

Mr. TAFT. I believe I indicated to the Senator from New Jersey I was ready to yield back my time, but I have not yet done so.

Mr. WILLIAMS. I misunderstood. I thought the Senator had.

Mr. TAFT. Mr. President, I have asked for a deferral on this out of courtesy to the Senator from Hawaii so I might ask unanimous consent that his name be added as a cosponsor of the measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I now yield back the remainder of my time.

Mr. WILLIAMS. I now move to table.

The PRESIDING OFFICER. The question is on the motion to table.

Mr. TAFT. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Jersey (Mr. WILLIAMS) to table the amendment of the Senator from Ohio (Mr. TAFT) as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Indiana (Mr. HARTKE), and the Senator from Minnesota (Mr. MONDALE) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) is absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Indiana (Mr. BAYH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New York (Mr. JAVITS) is necessarily absent.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 58, nays 29, as follows:

[No. 412 Leg.]

YEAS—58

Allen	Gravel	Pastore
Anderson	Harris	Pell
Baker	Hart	Proxmire
Beall	Hollings	Ribicoff
Bentsen	Hughes	Schweiker
Bible	Humphrey	Scott
Boggs	Inouye	Smith
Brooke	Jordan, N.C.	Sparkman
Burdick	Kennedy	Spong
Byrd, W. Va.	Long	Stafford
Cannon	Magnuson	Stennis
Case	Mansfield	Stevens
Church	Mathias	Stevenson
Cranston	McClellan	Symington
Eagleton	McGee	Talmadge
Eastland	McIntyre	Tower
Ellender	Montoya	Tunney
Ervin	Moss	Williams
Fulbright	Nelson	
Gambrell	Packwood	

NAYS—29

Aiken	Dole	Metcalf
Allott	Dominick	Miller
Bellmon	Fannin	Pearson
Brock	Fong	Percy
Buckley	Griffin	Roth
Byrd, Va.	Gurney	Taft
Cook	Hansen	Thurmond
Cooper	Hatfield	Weicker
Cotton	Hruska	Young
Curtis	Jordan, Idaho	

NOT VOTING—13

Bayh	Jackson	Muskie
Bennett	Javits	Randolph
Chiles	McGovern	Saxbe
Goldwater	Mondale	
Hartke	Mundt	

So Mr. WILLIAMS' motion to lay on the table Mr. TAFT's amendment was agreed to.

Mr. MANSFIELD. Mr. President, after discussing the proposal I am about to make with the manager of the bill, the Senator from Alabama (Mr. SPARKMAN), and the ranking Republican member of the committee, the Senator from Texas (Mr. TOWER), and also with the Senator from California (Mr. CRANSTON), I ask unanimous consent that before the Cranston amendment, which is ordered to be the next item of business, is taken up, the Senate proceed to the consideration of an amendment to be offered by the Senator from New Mexico (Mr. MONTOYA), with a time limitation of 6 minutes, the time to be equally divided between the sponsor of the amendment and the manager of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA's amendment is as follows:

On page 21, delete lines 17–21, and on line 22, delete "(c)" and insert "(b)".

The PRESIDING OFFICER. The Senator from New Mexico is recognized. The Senate will be in order so that the Senator may be heard.

Mr. MONTOYA. Mr. President, the amendment which I am offering is being offered because section 215(a), which authorizes appropriations in such sums as may be necessary to carry out the provisions of title II, accomplishes what is intended to be accomplished by subsection (b), which is proposed to be stricken and is superfluous.

Furthermore, pending supplementals before the Appropriations Committee, which will be considered by the subcommittee tomorrow, provide the same language as proposed by subsection (b), which we hope is deleted from the bill.

After having called this matter to the attention of the floor managers of the bill, it was agreed that this amendment would be proposed, and that the committee would enter its approval of the amendment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, the Senator from New Mexico has correctly stated the situation. I am ready to accept the amendment. I think it is a good one.

Mr. SCOTT. Mr. President, has the Senator from California been recognized?

Mr. MANSFIELD. No.

The PRESIDING OFFICER. Is time yielded back?

Mr. SCOTT. Will the Senator yield, with the understanding that no time will be taken from the amendment?

Mr. SPARKMAN. We have finished with the amendment—this is the Montoya amendment—if the Senator from Texas will join in accepting the amendment.

Mr. TOWER. I am willing to accept the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MONTOYA. I yield back the remainder of my time.

Mr. SPARKMAN. Wait; does the Senator from Pennsylvania wish to be heard?

Mr. SCOTT. Not on this.

Mr. SPARKMAN. I yield back my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

AMENDMENT NO. 767

The PRESIDING OFFICER. Under the previous order, the Senator from California (Mr. CRANSTON) is recognized to offer Amendment No. 767.

The amendment will be stated.

The legislative clerk read as follows:

On page 6, after line 2, insert a new subsection "(f)" as follows:

"The authority conferred on the President by this section shall not be exercised with respect to—

"(i) prices or rentals for materials furnished for publication by any press association or feature service,

"(ii) prices or rentals for books, magazines, motion pictures, periodicals, or newspapers, other than waste or scrap, or rates charged by any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting or television station or network, a motion picture or other threater enterprise, or

"(iii) wages, salaries, or commissions of an employee of any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting or television station or network, a motion picture or other theater enterprise, or of any press association or feature service or of any person engaged in the production or publication of books or motion picture."

The PRESIDING OFFICER. The time on the amendment is 1 hour and a half, to be equally divided. Who yields time?

PROGRAM

Mr. SCOTT. Mr. President, with the understanding that the time is not to be taken out of the time allotted for the amendment, I ask unanimous consent that 3 minutes be yielded to me.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SCOTT. I rise to ask the distinguished majority leader, what is the program for tonight and what is the likelihood of finally passing this measure either tonight or tomorrow?

Mr. MANSFIELD. Mr. President, in response to the questions raised by the distinguished minority leader, following the disposition of the Cranston amendment, an amendment will be offered by the Senator from Illinois (Mr. PERCY), and then I understand there will be an amendment by the Senator from Wisconsin (Mr. PROXMIRE). That will conclude the business for tonight, which ought to take us up to somewhere between 8 and 9 o'clock, probably close to 9.

The Senate will recess tonight and start immediately on the remaining three Proxmire amendments and the one Javits amendment tomorrow, which are all I know of at the present time. We should be able, with a little luck, to finish this bill hopefully as early as 2 o'clock on tomorrow afternoon, and when this bill is disposed of, it is anticipated that the Senate will take up the nomination of Mr. Butz.

In the meantime and following the Butz nomination, conference reports will be called up, appropriation bills which become eligible will be brought up, along with other items of major concern which when disposed of would bring us finally to consideration of the nominations to the Supreme Court and the adjournment sine die.

Included are a number of bills on the calendar—fish inspection and others—on which time limitations have been agreed upon, and they, among others, will be taken up in the interim.

So, the Senate will complete its business about 9 o'clock tonight. There will be no morning business tomorrow. Following three 15-minute speeches by Members which the Senate has already granted, we will return to the pending business.

Mr. SCOTT. And the Senate will convene at 9 o'clock tomorrow morning?

Mr. MANSFIELD. 8:30, I understand. It has been changed.

Mr. SCOTT. I will not ask any more. It is getting worse all the time. [Laughter.]

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. CRANSTON. I yield.

Mr. HANSEN. I should like to ask the distinguished majority leader if it might be possible sometime this evening, after the other business has been taken care of, for me to have a short colloquy with the distinguished Senator from Indiana (Mr. HARTKE).

Mr. MANSFIELD. Yes, indeed—for as long as the Senator desires.

Mr. HANSEN. I thank the Senator.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

The PRESIDING OFFICER. How much time does the Senator from California yield?

Mr. CRANSTON. I yield myself such time as I may require.

PRIVILEGE OF THE FLOOR

Mr. President, I ask unanimous consent that a member of my staff, Peter Rogers, may have the privilege of the floor, in addition to other staff members.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, will the distinguished Senator yield?

Mr. CRANSTON. I yield.

Mr. BYRD of West Virginia. Mr. President, I favor the pending amendment. I have a question, however, concerning cable TV. Some of my people have five-channel systems, and they find it is necessary that they go to a broad-band system. If the wage and price controls apply to them, they will find it economically unfeasible to expand. Those CATV stations—I am talking about them—which originate local programs and influence public opinion, as do other media, should, in my judgment, be included in this exemption.

My question to the distinguished Senator is as to whether or not the language of his amendment would also exempt the CATV companies; and if his interpretation is in the negative, I wish to ask him whether or not he would be willing to modify his amendment so as to exempt the CATV companies.

Mr. CRANSTON. The pending amendment was patterned after previous amendments adopted by Congress both during the World War II wage and price controls and during the Korean conflict in order to assure exemption of all media. Congress went through the same process twice before. The original wage and price control legislation did not cover the media. Amendments were offered and adopted to insure that they were protected.

This amendment was patterned after those amendments; and because cable television did not exist in those days, through inadvertence it was not included in this amendment. It was intended to cover them, but I think it would be wise to be explicit and insert cable television, so that there will be no doubt about that fact.

I, therefore, thank the Senator for raising this important question, and I ask unanimous consent that I may modify my amendment in a way in which it will cover cable television. I have that language here. The modified amendment would read as follows:

On page 6, after line 2, insert a new subsection "(f)" as follows:

"The authority conferred on the President by this section shall not be exercised with respect to—

"(i) prices or rentals for materials furnished for publication by any press association or feature service,

"(ii) prices or rentals for books, magazines, motion pictures, periodicals, or newspapers, other than waste or scrap, or rates charged by any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting or television station, network, or cable television system, a motion picture or other theater enterprise, or

"(iii) wages, salaries, or commissions of an employee of any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting or television station, network, or cable television system, a motion picture or other theater enterprise, or of any press association or feature service or of any person engaged in the production or publication of books or motion picture."

The PRESIDING OFFICER. Without objection, it is modified accordingly.

Mr. CRANSTON. I thank the Senator.

Mr. BYRD of West Virginia. I thank the Senator.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the names of the following Senators be added to the list of 20 Senators who have already joined as cosponsors of this amendment: Senators BENTSEN, HANSEN, MAGNUSON, MATHIAS, MONTOYA, and MOSS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, Senators generally are quite familiar with this amendment. Therefore, I will not take very much time to explain it and make the case for it. Other Senators wish to speak, also.

I do want to say, first, that the bill now before the Senate ignores both constitutional precedent laid down by the Supreme Court and a long congressional history of protecting our press and the media generally from Government regulation. The bill, instead, delegates to the President's Pay Board and Price Commission the enormous power of granting or denying rate or wage increases in the press and other media. It thus opens the door to what could amount, either intentionally or quite possibly unintentionally, to economic censorship. Such discretionary power exercised by even the most evenhanded and benevolent administration endangers one of our most fundamental freedoms and the basis of so many of our freedoms, the free press. A characteristic that sets our Nation apart from many other nations is the fact that we do have a free press, unfettered by Government control. Four-fifths of the human race now live in nations where all the information available to them is controlled by their government. It comes to them spoon fed.

Rather plainly, under the circumstances, they cannot know what is going on. They do not have access to the facts. They cannot make judgments which—of course, are denied to them through the loss of other freedoms in those lands—about the conduct of affairs that affect their lives.

For us to risk this priceless foundation of freedom in our land carelessly, for the dubious purpose of conforming to an uncertain, unproven plan to curb inflation and combat the recession, would, I think, be utter folly.

I repeat: Earlier bills submitted to Congress in World War II and during the Korean conflict contained the same omission, but Congress chose otherwise and amended those measures to assure that these freedoms were protected by exempting the press and other media from wage and price controls.

In an unprecedented action that threatens the free expression of ideas in our democratic society, S. 2891, as reported by the Senate Banking, Housing and Urban Affairs Committee, denies the press, broadcast, and other media traditional exemption from wage and price controls.

The bill ignores both constitutional precedent laid down by the Supreme Court, and a long congressional history of protecting our press from governmental regulation.

Instead, the bill delegates to the President's Pay Board and Price Commission the enormous power of granting or denying price, rate, or wage increases in the press and other media. It thus opens the door to what could amount to economic censorship. Such discretionary power, exercised by even the most evenhanded and benevolent administration, endangers one of our most fundamental liberties, a free press.

A characteristic that sets our Nation apart from many others is that we have a free press, protected from Government interference by the first amendment. Four-fifths of the people of this earth have access only to information controlled by their governments. For us to risk this priceless foundation of our freedom for the dubious purpose of conforming to an uncertain, unproven plan to curb inflation and combat the recession would be an act of utter folly.

My amendment restores the exemption that was granted to press and other media during all previous periods of wage and price controls. It frees from phase II wage and price controls the book, newspaper, and magazine publishers; radio and television operators, cable television systems, motion picture producers and theater operators, along with their employees.

I call upon the Senate to join with me and the many cosponsors of this amendment in refusing to sacrifice the principles of the first amendment for the sake of well-intended but as yet unproven inflationary control.

The potential power of economic censorship which the bill delegates to the Pay Board and Price Commission is a threat to our free press which Congress should not tolerate. The Pay Board and the Price Commission will act on an individual, case-by-case basis. They will thus be in position to favor administration's supporters with competitive price and wage advantages and to punish an administration's critics with adverse decisions. I do not suggest that they intend to do this. But Congress will be derelict if it grants them the power. Why tempt them? Why set this dangerous precedent? It could harm us—it could endanger our most fundamental freedoms in some future time of stress.

No administrative board should be given such enormous power over the press. Even an implied threat of economic censorship may have a chilling effect on the thorough and objective pursuit of information and the dynamic criticism that are so vital to the democratic process.

The ill effects of this type of power have already been demonstrated in cases bearing no direct relationship to any willful desire to exercise censorship. In a proceeding before the Cost of Living Council last month, for example, the Delaware State News in Dover was denied a price increase which it felt was economically necessary to publish a Sunday edition profitably. The Council took this action despite the almost invariable rule in the newspaper industry that Sunday editions cost more to produce than weekday editions. As a result, Delaware may have no Sunday newspaper published in the State.

Congress has been unwilling, in the past, to abdicate its own responsibilities and simply rely upon the Executive to preserve fundamental first amendment rights. During both World War II and the Korean conflict, Congress wrote into the legislation authorizing control of the economy explicit, unequivocal price control exemption of the media.

This exemption caused no increase in inflationary pressure during either of those periods. Because of the competitive structure of these industries, there is no reason to believe the result would be any different today.

This is not the first time that an administration has asked for economic controls over the media. President Roosevelt requested this power during World War II. But even during the Nation's most critical moments the House and the Senate refused to impose price controls upon the media. Congress properly recognized that constitutional principle and sound policy require that the press be free of regulation, no matter how indirect.

During the Korean conflict, Congress corrected an omission in the original price control legislation and amended it to explicit exemption for the press and other media. The Defense Production Act of that era contained substantially the same language that I propose today. It was described by one of its sponsors during House debate as vitally needed to "protect sources of information of the American people so that under no stretch of circumstances can any one interfere with the furnishing of information to the American people."

The Congress has recognized the importance of economic freedom for the press in other ways. The Senate has repeatedly ratified international treaties banning tariffs on books and other published materials. The most notable of these is the agreement on importation of educational, scientific, and cultural materials signed by some 60 countries in 1966. Just this session, the House resoundingly defeated a move to tax newspaper advertising in the District of Columbia.

I am not asking for the only exemption to phase 2 controls. The Nixon administration has already granted a substantial number of across-the-board wage and price control exemptions: Raw agricultural and seafood products; custom products such as wigs, furs and jewelry, and services such as tailoring, framing and taxidermy; exports, imports, shipping rates; damaged and used products; government property; real estate up for sale or rent; securities and financial instruments; royalties; dues to nonprofit organizations; life insurance premiums on new policies; antiques; art objects, and others.

But not the press. Why wigs but not newspapers? Why furs but not books? Why taxidermy but not magazines? Why antiques but not radio and television? Why art objects but not motion pictures?

I must admit I am at a loss to understand the yardstick the administration used in granting exemption to nearly a dozen industries but deliberately withholding it from the only industry deemed so essential to the Republic that our Founding Fathers gave it special constitutional protection.

In protecting the press from Government regulation, the Congress has recognized that, as the Supreme Court stated in Bridges against California:

The First Amendment does not speak equivocally. It prohibits any law abridging freedom of speech, or of the press. It must be taken as a command of the broadest scope that explicit language, read in the context of liberty-loving society will allow.

The Court, in long-standing precedent, has pointed out time and again that the press is to be protected from any kind of regulation that will tend to inhibit the expression of ideas or the free flow of information. The protection of the first amendment is not limited to direct regulation or censorship. The Court warned in Craig against Harney:

Freedoms such as these are protected [by the Constitution] not only against heavy-handed frontal attack, but also from being stifled by more subtle governmental influence.

Already our experience with the 90-day freeze shows that price control can have the effect of cutting free expression and unfettered publication. Price control prevented the republication of a number of older editions and selective reprints in the book publishing industry. Thomas Curtis, of the American Book Publishers, told the Banking Committee that other volumes also will be abandoned if the publishers are forced to adhere to a 2½-percent guideline.

In the magazine industry, many smaller periodicals will be forced to cut back on their operations and some may even be forced out of business if they cannot pass on increased costs by raising their advertising rates. Contracts for magazine advertising normally call for a 6-month notice period before rates can be raised. Thus a publisher could not raise his rates even to take into account last year's 20-percent increase in postal rates.

The Nation's newspapers also will feel the bite of across-the-board price control. The freeze fell during a period when newspaper advertising rates normally are adjusted. Unless newspapers can now be released from this freeze they will be compelled to retain a price schedule that already may be economically unsound.

In broadcasting, a price freeze or across-the-board guideline could seriously effect programing. The broadcast industry pays its way mainly by selling advertising, usually in 1-minute or 30-second segments, with the price of a segment varying widely according to the time of day and the type of program it accompanies. Spot rates are determined by bargaining and a single set of guidelines will eliminate this bargaining. Thus, as costs rise, programing will be cut back because extra profit margins will not be available. The National Broadcasters report that time devoted to news and public affairs programing shows advertising losses. Serious coverage and public affairs programs will be the first to be cut back if the broadcast media is subjected to wage and price control.

In the motion picture industry and in the live theater, cost increases that cannot be reflected in rental rates and admission prices may restrict outlets for creative expression. Creative films with social commentary usually play to limited audiences. They may be limited in production or not be produced at all if the producer and theater operator cannot charge more for a quality product. During World War II and the Korean war, we were careful to encourage full expression by motion pictures and the legitimate theater. There is no compelling reason to break precedent and regulate them for the first time.

Price regulation of the press and other media makes little or no economic sense. These are highly competitive industries which follow rather than lead the inflationary trend.

There are more than 1,000 firms engaged in book publishing, and the industry accounts for only a small part of the GNP. Competition is vigorous and profit margins are low. Book prices have increased far less than the consumer price index over the past 3 years. In fact, the prices of elementary and high school textbooks actually fell last year while the CPI soared almost 6 percent.

There are over 9,000 daily and weekly newspapers with a readership of 180 million people. There are also 6,500 commercial radio stations nationwide and 700 television stations.

The press and broadcast industries compete intensely with one another for advertising. Thus, in any given location the market demand, not an inflationary push, will determine advertising rates. In Los Angeles, for example, there are 13 television stations, 92 radio stations, 48 daily newspapers and 208 weekly newspapers. An inflationary price increase that does not reflect market demand could never survive such competitive pressure.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. CRANSTON. I yield.

Mr. PASTORE. I quite agree with the Senator that we must not do anything to shackle freedom of speech, and I do not think we ought in any way to interfere with the freedom of the press. We ought to be careful about that, because that is a very sensitive area that needs to be protected. As the Senator has brought out, we are unique of all the nations of the world in that protection.

The question I ask is this: Does this now mean that a newspaper could raise its advertising rates for commercial purposes without any restrictions at all?

Mr. CRANSTON. Yes, it does.

Mr. PASTORE. How does the freedom of the press come into that?

Mr. CRANSTON. It comes into that because a newspaper or a radio station or a television station is dependent not solely upon sales. Radio and TV, rather obviously, are not at all dependent upon sales of the product to consumers. They are dependent upon advertising for their ability to produce the newspaper, the television show, the radio show, and much else.

Mr. PASTORE. I do not question the Senator at all, and I do not criticize him in the least. As a matter of fact, I do not look askance upon his amendment. I must say that I am quite amendable to the protection of the press. But does this mean, too, that the people who work for the newspapers—for example, the distributors, the truck drivers, the printers, and the people who take the commercial ads—are all exempt, also?

Mr. CRANSTON. Those who are employed by the newspaper publisher.

Mr. PASTORE. That goes for magazines?

Mr. CRANSTON. That is right. Books.

Mr. PASTORE. Books, radio stations, television stations?

Mr. CRANSTON. That is right.

Mr. PASTORE. And the Senator says there is a precedent for this?

Mr. CRANSTON. There most certainly is. In World War II and in the Korean war.

Mr. PASTORE. Do we have any history at all as to how it worked out? Was it abused in any way?

Mr. CRANSTON. We have had no evidence of abuse called to our attention as we have explored the background and prepared this amendment.

Mr. PASTORE. Does the Senator feel that this might be resented by other people—for example, the school teachers? They serve the public interest. The policemen and the firemen—they also serve the public interest. Does the Senator think they are going to be resentful if we do this?

Mr. CRANSTON. I think that those who understand the importance of a free press to all our other freedoms will not resent this. I would like to point out that this is by no means the only exemption in the bill. In past times of wage and price controls, exemptions were granted several segments of the economic society. This bill already grants a number of across-the-board wage and price control exemptions. The administration has proceeded to grant exemptions to raw agricultural and seafood products, to wigs, furs, jewelry, to services such as tailoring, framing, taxidermy, exports and imports, and shipping rates, to damaged and used products, to government property, to real estate, to securities, to royalties, to nonprofit agencies, to life insurance premiums on new policies, and to antique art objects—quite a few other commodities or groupings where there does seem to be some reason, although I think, in a few cases as valid a reason affecting as many people—in fact all the people who would be exempt by the proposed amendment in the media.

Mr. PASTORE. Take the CATV—could they raise their rates? In other words, this is quite all inclusive?

Mr. CRANSTON. It is quite all inclusive for the very reason if they are not free to do so, they could be ground out of existence under controls, either purposefully or willy-nilly. They will be put out of business in curtailing their ability to express their points of view.

Mr. PASTORE. Do I correctly understand, then, that the Senator predicates his amendment more or less on philosophical grounds?

Mr. CRANSTON. Yes; on philosophical grounds, on constitutional grounds, and on precedent.

Mr. PASTORE. On constitutional grounds as well?

Mr. CRANSTON. Absolutely. The distinguished Senator from North Carolina (Mr. ERVIN) will explain the constitutional grounds——

Mr. PASTORE. I am waiting anxiously for that dissertation by the Senator from North Carolina, our great jurist.

Mr. CRANSTON. The Senator from North Carolina was seeking the floor to express himself on the constitutional grounds——

Mr. CANNON. Mr. President, will the Senator from California yield?

Mr. CRANSTON. I am delighted to yield to the Senator from Nevada.

Mr. CANNON. To carry this one step further, as to what the distinguished Senator from Rhode Island has said, does this mean that the price of television sets could be raised or the price of radio sets raised because this is a means of using information that is being disseminated?

Mr. CRANSTON. No; it does not affect television sets. It affects actions under the control of persons or companies or corporations expressing their views, or providing information, or entertainment.

Mr. ERVIN. Mr. President, will the Senator from California yield for a question?

Mr. CRANSTON. I am delighted to yield to the Senator from North Carolina.

Mr. ERVIN. Is not the purpose of this amendment to exempt from the freeze the media of communications insofar as the printed, or the spoken, or the broadcast word is concerned, and that is the limit of the exemption?

Mr. CRANSTON. That is the exact intention.

Mr. STENNIS. Mr. President, will the Senator from California yield?

Mr. CRANSTON. I yield.

Mr. STENNIS. Would the Senator repeat that, please?

Mr. ERVIN. My question was, Is not the purpose of the amendment, the scope and the limit of the amendment, that it would exempt from the freeze, from phase II, the use of the printed word, the use of the spoken word, and the use of the broadcast word to communicate information or ideas?

Mr. CRANSTON. That is the exact and restricted purpose of the amendment.

Mr. PASTORE. Does not a teacher speak? She speaks to her class in order to cultivate their minds. I believe that we will be getting ourselves in deep trouble. A teacher stands up and she teaches a class. She speaks. She communicates freedom of speech in order to educate a child. Why should she be treated with less consideration?

Mr. CRANSTON. The teacher speaks, but she has not, until this moment, been looked upon as a member of the free press.

Mr. COTTON. Mr. President, would the Senator kindly be willing to use the microphone because we over here cannot hear one word of this colloquy and we would like to hear it?

Mr. CRANSTON. The Senator's suggestion is well taken.

Mr. CANNON. If the Senator will yield further, would this, then, include people in the entertainment business? Would they be included because they convey their message by the spoken word, by singing, by making records, or by performing visually? Would they all be included under this provision, or would they——

Mr. CRANSTON. Yes; they would be included because many of them engage in political satire, on the stage, or elsewhere, or at public meetings or gatherings.

This relates expressly to political views, whether left, right, or middle, or whatever. This goes with the processes of democracy, the sorting out of ideas, either new or old, good or bad, ideas.

Mr. CANNON. It would certainly seem to me that if a performer would be exempt, then what about the record companies who would record those things? Would the records be exempt from the freeze?

Mr. CRANSTON. We do not cover everything in the amendment that anyone can think of. It does not exclude those.

Mr. CANNON. The Senator is saying that every entertainer, who entertains either visually or verbally, would be exempt?

Mr. CRANSTON. That is right; otherwise we start writing definitions of an expression or a thought. This is simply entertainment. We cannot do that and we do not want to delegate that authority to the Board.

Mr. CANNON. Perhaps we would be better off to list the groups that would be covered by the freeze rather than the——

Mr. PASTORE. Do I understand correctly that this includes motion pictures?

Mr. CRANSTON. That is correct.

Mr. PASTORE. In other words, an actor already making a quarter of a million dollars can ask for half a million dollars more and there is nothing here that could stop it; is that correct?

Mr. CRANSTON. That is correct. Let me say that the reason for that is that movies, too, are used to express social thoughts, economic thoughts, political thoughts, philosophical thoughts——

Mr. PASTORE. Then why not the classroom?

Mr. CRANSTON. Because they are used to inform the general public. It is difficult to imagine an administration moving in on a schoolteacher. I think that the principles we have worked out in this country, on education being handled locally, so far as that goes is one that will not be transgressed, but it is easy to imagine an administration—and I do not suggest that this one would—not granting the opportunity for an increase to a newspaper, a magazine, or a book publishing firm, which otherwise would go out of business without the increase, to continue expressing ideas that may be annoying to someone in high places.

Mr. PASTORE. May I express this thought, could we express the spirit of the Senator's intention by saying that "nothing herein shall in any way interfere with the freedom of the press," and let it go at that? The minute we begin to talk about motion pictures, CATV, radio stations, entertainment on television, I am afraid we are really getting ourselves into a position where it could become a can of worms.

Mr. CRANSTON. Let me yield to the Senator from North Carolina (Mr. ERVIN), whom I have been relying upon to speak to the constitutional question involved in my amendment.

Mr. ERVIN. Does not the first amendment to the Constitution say that Congress shall make no law abridging freedom of speech and freedom of the press?

Mr. CRANSTON. It certainly does.

Mr. ERVIN. When we deny them the resources which enable them to keep operating, we are abridging those freedoms, are we not?

Mr. CRANSTON. We most certainly are.

Mr. ERVIN. In other words, this amendment is designed to make effective the first amendment which says that freedom of the press and freedom of speech shall not be abridged by the Government and it is designed to cover those and only those who are engaged in the dissemination of information and ideas, is that not correct?

Mr. CRANSTON. The Senator, as usual, is correct.

Mr. President, the Senator from Rhode Island suggested a moment ago that we restate the first amendment. However, we have found that those simple declarations are not always enough, that we need further language to spell out exactly what they mean, and that is the purpose of this amendment.

Mr. CANNON. If the Senator will yield further, are we not going here far beyond constitutional provisions when we talk about the limits that are being imposed? In other words, there is no attempt here in the bill, as I see it, to impose restrictions or limits that would prohibit——

Mr. ERVIN. Oh, yes, this is——

Mr. CANNON. We are saying that we are not going to change prices for it. We are saying, "You cannot raise your prices or your wages." That seems to be a limitless restriction on what the press can or cannot do.

Getting back to the entertainers, we are talking about some of the highest paid people in the industry. My State happens to be the entertainment capital of the world, so they say, and for entertainers to be exempt from this, when they talk in terms of $100,000 or $200,000 a week have a performance, and the Senator is going to exempt them under the guise of the first amendment. I do not see how we can do it.

Mr. ERVIN. Mr. President, the difference is that the first amendment protects people against the Government interferring with them in the dissemination of information or ideas. It does not protect people against the abridgement of rights such as manufacturing automobiles or cooking bread. It is just a circumstance that one principle is enforced with respect to some that is not enforced with respect to other people.

Mr. CANNON. But by saying that they

cannot raise the price, is that not an abridgement of their freedom?

Mr. ERVIN. Yes. When we go to regulating prices, we abridge their freedom to disseminate information. I do not know of any better way to abridge a man's freedom than to put a limit on what he can charge for his services.

Mr. CANNON. The Senator is saying that he cannot charge more than he did before. We are not saying that he has to roll the price back to 10 years ago.

Mr. ERVIN. But the Senator from Nevada does not take the position that we are going to regulate the amount we can pay an editor for writing an editorial or to a newspaper for carrying advertisements.

Mr. CANNON. I am inclined to agree with the Senator from Rhode Island that if we can tell a schoolteacher who is disseminating information every day of the week that she cannot get a raise in pay, I find it hard to follow the rationale that if an employee of a newspaper can get a raise, a schoolteacher cannot get a raise.

Mr. ERVIN. I think the distinction may appear not to be very wide. However, the distinction between a schoolteacher instructing youths and those employed in the broadcast media or the publication of newspapers for the enlightenment of the public does exist. The reason that freedom of the press exists is that those who drew the first amendment recognized that it is necessary to have an informed public for the institutions of the Government to operate. Schoolchildren do not operate the Government. The information is given to them for the development of their minds, and not to enable them immediately to perform functions as citizens.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. PASTORE. Mr. President, will the Senator admit that at the time the first amendment was written we did not have any moving pictures or CATV or radio or television. I do not want to put them in the same category.

Mr. ERVIN. When the interstate commerce clause was put into the Constitution, we did not have any railroads, airplanes, telephones, wireless, radio, or television. However, the genius of the Constitution is that when any new discoveries fall within the scope of the words of the Constitution, they are governed by the Constitution, even those new discoveries were never envisioned by the men who wrote those words. The powers granted and the rights protected by the Constitution extend into the unlimited future and all new discoveries which fall within the scope of their words are covered by them.

Mr. PASTORE. Does the Senator put moving pictures in the same category?

Mr. ERVIN. Yes. They would be covered by the first amendment.

Mr. PASTORE. We have these X pictures and the topless girl pictures. We are going to exempt them. However, a schoolteacher who is teaching the children is under control. In other words, if an actress is going to act, they say that they will double her salary if she goes topless. They can do that. But, we cannot increase the salary of a schoolteacher. That does not make sense to me.

Mr. ERVIN. But the first amendment makes sense to me and it always has made sense to this country. It protects the dissemination of ideas and information. And when we regulate the price a man can charge for writing an editorial, we are abridging the freedom of speech and freedom of the press.

I might state that we have been conducting an investigation in the Subcommittee on Constitutional Rights since September on the freedom of speech and of the press. We have had a very fine statement from Eugene S. Duffield, the president of the Popular Science Publishing Co.

In the statement he says:

Does the First Amendment protect a free press from being starved into impotence by direct or indirect government interference with its sources of revenue?

That is exactly what putting the free press under a freeze does.

Mr. HART. Mr. President, will the Senator yield?

Mr. ERVIN. Mr. President, I believe the Senator from California still has the floor.

Mr. CRANSTON. I am delighted to yield to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. HART. Mr. President, I have made no committment on the amendment. I do not know how I will vote on it. I would like to suggest to the author of the amendment that he is asking us to strain considerably to think that this has so serious a first amendment problem. Historically we have restrained the press, and now do the same with the newer media: television, CATV, and radio. As examples, we control their revenue through the tax system. We tell them by way of zoning where they may or may not locate a publishing plant or a television studio. We do not permit them to work children 12 hours a day. The Fair Labor Standards Act has application. Their delivery trucks are required to observe speed laws, although this delays the distribution of ideas.

Indeed, in the electronic media we have moved to a degree into the nature of their programing.

Mr. CRANSTON. Mr. President, the Senator from North Carolina has picked up a book which I think contains some information.

Mr. HART. Mr. President, I would like to hear something on the policy wisdom of including or excluding, to the degree this amendment would reach, the several categories of activities. How are we to conclude that a wage limitation on a coloratura soprano would raise first amendment problems? The guide-lecturer in a TV studio should be exempted, because of the first amendment, but not the schoolteacher? Let us hear why on policy this temporary wage-price control is something that should not apply to the delivery driver of the newspaper company, but should to the delivery driver of the hospital or drug firm; the first amendment does not give much help on this.

Mr. ERVIN. Mr. President, the first amendment involves communications. The Supreme Court held in the case of Grosjean against American Press Company back in 1935 that the tax which interferes with the right of newspapers to publish is unconstitutional. I think this is different from the schoolteacher.

In this case, the Court opinion reads:

The newspapers, magazines and other journals of the country, it is safe to say, have shed and continue to shed, more light on the public and business affairs of the nation than any other instrumentality of publicity; and since informed public opinion is the most potent of all restraints upon misgovernment, the suppression or abridgement of the publicity afforded by a free press cannot be regarded otherwise than with grave concern. The tax here involved is bad not because it takes money from the pockets of the appellees. If that were all, a wholly different question would be presented. It is bad because, in the light of its history and of its present setting, it is seen to be a deliberate and calculated device in the guise of a tax to limit the circulation of information to which the public is entitled in virtue of the constitutional guaranties. A free press stands as one of the great interpreters between the governments and the people. To allow it to be fettered is to fetter ourselves.

As the distinguished Senator from California has so well pointed out, when this question came up on the price and wage controls of the Second World War, Congress exempted the press and the communications media from control. It did the same thing in the Korean conflict. The first amendment forbids Government to "abridge the freedom of the press." I do not know of any way in which the freedom of the press can be abridged by regulation more readily by saying that the press cannot pay editors more than a certain amount of money, that the press cannot charge for an advertisement more than a certain amount of money. Some magazines have recently gone out of business by virtue of the financial limitations the market imposed on them. Look magazine, a magazine of great national circulation, has gone out of business entirely, for economic reasons. The Government can put magazines and newspapers out of business by restricting their revenues.

We have had testimony before the Senate Subcommittee on Constitutional Rights that by reason of the Federal control of advertisements, and by reason of the increase in the postage rates by the Postal Corporation, many magazines are now threatened with extinction. If they are frozen at the present rate by this price freeze, we can look for some of the communications media to go out of existence; therefore, the purpose of the first amendment will be thwarted.

Mr. CRANSTON. Mr. President, the Supreme Court, as the Senator from North Carolina knows so very well, has pointed out time and again that we must be most careful in providing protections against any kind of regulation that will tend to inhibit the expression of ideas or the free flow of information. Here we are talking about seven unconfirmed men on a board and placing in their hands total discretion in this matter relating to the freedom of expression of ideas. The Supreme Court warns in the case of Craig against Harney:

Freedoms such as these are protected by the Constitution not only against heavy handed frontal attack, but also from being stifled by more subtle governmental influence.

In the case of movies that have been brought up by those who question the purpose of this amendment or its validity, the Supreme Court has decided in over 40 cases that there is a freedom of expression, a free press issue involved, in the production and distribution of motion pictures. The TV and radio industry in America is the regulated industry in the field of information and news. They are the ones that have been most exercised by the failure of the bill to exempt the media from control, because they have experienced control and understand what it means. They have felt the inhibition, and they have made compromises because of their fear of the regulators.

If we once expand this power of regulation elsewhere, we will see it hitting other industries.

We have seen this administration make a few little efforts in a rather mild way to suggest that some of the media had better be careful about what they are saying—for example, in the instance of "The Selling of the Pentagon," that was produced over one of the networks. There was quite an uproar over that, but there was no power to do very much about it. The power would exist in a subtle way if we did not get this exemption into the law.

Suppose one were a newspaper editor and had in his hands the Pentagon Papers, and were considering publishing it. Suppose also that he had a case before the Board that might go to the very survival of his publication if the right to raise prices on that publication were not granted. Probably he would not publish the Pentagon Papers under those circumstances. It is into that kind of situation that we do not wish to place those who are in the media field in our land. We do not desire to tempt Government with this regulatory power because there could be abuse—abuse in a way that could be disastrous for all of us.

Mr. ERVIN. The Senator from California has made a much more careful investigation of the economics of this situation than I have, but I have received information from schoolbook publishing companies to the effect that if they are put under this regulation they will not be able to manufacture, print, and put on the market at the present price schoolbooks for the education of schoolchildren.

I do not know whether the Senator from California has information to that effect or not.

Mr. CRANSTON. I understand that that is the case. I understand that at present, older editions and selected prints that the book publishing industry desires to publish, some of which would be used in education, cannot be published if the book publishers are forced to adhere to the 2½ percent guideline. There are specific problems relating to the publising business; also the time when the television and broadcast media determine their rates; and the time when they make changes that are affected by the current indecision and doubt. Thus we are without question impinging upon the freedom of expression if we do not grant this exemption.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. CRANSTON. I would be delighted to yield, but I would rather yield on the other side's time.

Mr. FULBRIGHT. Mr. President, will the Senator yield to me, then? I would like to support his view.

Mr. CANNON. Mr. President, if there is an opposition, I am wondering if the opposition will yield to me on that point. I should like to ask just a few more questions.

Mr. TOWER. I yield 2 minutes to the Senator from Nevada.

Mr. CANNON. The Senator says that the publishers of books may have to go out of the business of publishing books for use in schools. Does the Senator find that to be any more logical than saying that schoolteachers may have a problem because they cannot get enough to live on so as to teach out of the books in the schools? What is the rational difference between a schoolteacher teaching in the schools from the same textbooks that are exempted from the act and the teacher not getting his raise in pay?

Mr. CRANSTON. Teachers will never have to come before this Board to seek an exemption or to seek an adjustment.

Rather plainly, we cannot write a provision that governs all segments of society. One can pick a way and find other examples which he feels perhaps should be covered.

We do cover what are deemed and believed to be the media—and there are Supreme Court decisions on which this is based—the media which express ideas, the people who express them through the press, the broadcast industry, through the films, on public platforms, entertainment, and in such ways.

Mr. CANNON. The Senator has already stated that this amendment covers the entertainment media. It has been suggested to me that entertainers are really a form of communication by which we are wondering how, if they were not restricted, they might express displeasure. For example, suppose he were a trumpet player and played a sour note. Would the communication be impinged upon should this amendment take effect?

Mr. CRANSTON. Well, if the President were there, and if the trombone player felt the President were responsible, perhaps a sour note would be played.

I am happy to yield to the distinguished Senator from Arkansas.

Mr. FULBRIGHT. I should like to associate myself with the views of the Senator from North Carolina about the restriction of the press.

Of course, in all these cases one gets extreme examples, such as the example of the entertainers, that may appear to fall within the concept of the first amendment. That is possible. However, what I think the Senator from North Carolina makes very clear is that to allow the Government to infringe upon the first amendment by this rather indirect—or it could be a direct—way would be a very serious undermining of rights. I would not be in favor of that.

As he has already pointed out—I do not know whether I can add anything more—we have recognized this exemption in World War I, in World War II, and the Korean war. But I certainly would support the Senator.

One could say, of course, that a newspaper may not be publishing the truth. We all have our different views as to how accurate the reports are, but there is the argument that publishers still must be allowed that freedom. We proceed on the theory that the more freedom there is, the more discussion there is, and that the people can discern from the various views what they believe is the truth. One could make the argument that only those news papers that print the truth should be allowed to benefit by the first amendment, but that obviously would reduce the first amendment to an absurdity.

Mr. CRANSTON. Let the Board decide who tells the truth.

Mr. FULBRIGHT. Yes, let the Board decide. But if we exempt only those who tell the truth, the Board could say, Well, what is the truth? Then we could get into all kinds of complications. The basis for exempting the freedom of the press is quite clear to me.

It is true it is difficult to reconcile some aspects of the entertainment world, but since it uses the media, then I think it is touched within the exemption, as the Senator from North Carolina says. In the same way, I suppose one could say that if a newspaper ad promoted some of the unworthy habits of our people, the moral would be that it could not publish in any of those cases if it was against the public interest.

Nevertheless, you cannot interfere with it because you destroy a basic freedom.

I agree completely with the Senator from California's view, and I shall support the amendment.

Mr. CRANSTON. I thank the Senator for his support, and I yield the floor.

Mr. HART. Mr. President, will the Senator yield me 1 minute so I can get a clearer understanding of what is being described as an activity which is entitled to first amendment protection? The projectionist in the moviehouse, the cashier, the truckdriver, the fellow who saws down the trees which are used to make the pulp—how many people are included in this amendment?

Mr. TOWER. Mr. President, I yield 10 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 10 minutes.

Mr. PACKWOOD. Mr. President, before getting into the main text of what I want to say, let me make it clear that a major problem bothering broadcasters was to make sure that it was not the intent of the Banking Committee to say that if one owned a radio station, and if in 6 months or a year, through efficient management, listenership was increased 50 percent or 60 percent, he could not come to the Price Commission and ask for an increase in advertising rates. I want the record to indicate that the committee intended to allow an increase in such a situation.

There were many people who appeared before the committee, representing all kinds of industry, that wanted exemptions from this act. They all had reasons why they wanted exemptions, most of them strictly economic reasons. People from the shoe industry wanted to exempt cowhides, because if they were not exempt, the hides would be sold overseas for prices higher than domestic prices and American industry could not therefore make shoes. Witnesses representing the publishing industry, came in and wanted an exemption, although, I am frank to say, their principal argument for an exemption was economic, and not constitutional. They used the constitutional argument, but their principal desire was economic, as was everybody else's. They did not want to be under this act.

When the precedent is cited that the media were not included in World War II and the Korean war, that is correct, but in addition we exempted rates for common carriers and public utilities and fees of doctors, lawyers, dentists, and insurer premiums. We might as well follow that same precedent and exempt similar categories now. I do not think the fact that we exempted the news media in World War II or the Korean war is good reason for exempting the media now, because the argument of constitutionality was not even faced at that time.

Let me take the very same case that the Senator from North Carolina referred to, the Grosjean case. This was a case in which the Supreme Court decided that a State tax was unconstitutional. Here are the words that the Senator from North Carolina used:

> The tax here involved is not bad because it takes money from the pockets of the appellees. If that were all, a wholly different question would be presented. It is bad because in the light of its history and of its present setting, it is seen to be a deliberate and calculated device in the guise of a tax to limit the circulation of information to which the public is entitled in virtue of the constitutional guarantees.

What were the facts in that case? The facts in that case were that this was a tax, not on the news media, not on all newspapers, not on radio stations, not on weekly newspapers; it was a tax only on certain dailies above a certain circulation, and it just happened to be a tax on certain papers which just happened to be attacking the policies of the State and some of the policies of the legislature. So the legislature passed a law saying,

> If you have a circulation above a certain number, you will be taxed.

The court held that to be unconstitutional because it was a blatant effort to single out certain newspapers, not all news media, not even all newspapers, and tax them. Fortunately, the court found that to be unconstitutional.

But the court later on, in another case—and that was the case of Maybee against White Plains Publishing Co.—distinguished the Grosjean case as gross discrimination, violating the first amendment.

The key is not that we regulate the media. We regulate them. We tax them. They are subject to the National Labor Relations Act. We tell them where they can put their TV and radio antennas. The point is that we treat them uniformly and equally. There is nothing in this act that discriminates against the news media.

I am reasonably certain that if the Price Commission or the Pay Board were in any way to try to single out any newspaper, or single out newspapers generally, or single out particular media and try to discriminate against them, the Supreme Court would correctly reach the same decision that it reached in the Grosjean case.

I quote from what the Supreme Court said in Associated Press against Labor Board when the Associated Press was contending that the National Labor Relation Act did not apply to it. The Supreme Court said in that case:

> The business of the Associated Press is not immune from regulation because it is an agency of the press. The publisher of a newspaper has no special immunity from the application of general laws. . . . He is subject to the anti-trust laws. Like others he must pay equitable and nondiscriminatory taxes on his business.

Again the key is equality versus discrimination. If we discriminate against the media it is unconstitutional. If they are treated equally with every other business, then it is not unconstitutional. I think it would be grossly unfair, that because a number of newspapers have their own trees and make their own newsprint to exempt lumberjacks working in forests owned by a newspaper. That is, I think, carrying to a ridiculous extreme the first amendment guarantee to the press.

The Senator from North Carolina, and I think every other Member of this body, would jump to the defense of the news media if they were discriminated against, but I do not think they are discriminated against when all we are asking is that they be treated like every other business in this country.

Mr. CRANSTON. Mr. President, I yield 2 minutes to the Senator from North Carolina.

Mr. ERVIN. Mr. President, the Senator from Oregon misses the whole point which is involved here. He says that newspapers are being treated like any other business. The Constitution says Congress cannot treat newspapers like other industries. The Constitution says the Federal Government cannot abridge the freedom of the press, and when a public board acting for the Government undertakes to say what a newspaper can pay an editor, the freedom of the press is being abridged. It is not a matter of discrimination indeed, the Constitution discriminates in favor of the press. It gives the press a special right that no other business has. Congress cannot abridge that right. Congress can abridge the rights of all other businesses because they have no first amendment protecting them. So it is not a question of discrimination. The press is given a special constitutional protection for the benefit of the country, and that is what the Grosjean case rests on. It says the tax is bad because it limits "the circulation of information to which the public is entitled in virtue of the constitutional guarantees."

Mr. PACKWOOD. Will the distinguished Senator from North Carolina yield?

Mr. ERVIN. I will yield on the Senator's time. I do not believe I have any time left.

Mr. PACKWOOD. Does the Senator maintain that any tax, including the 47-percent corporation tax, is unconstitutional if it affects some publishers to such an extent that they are sufficiently unprofitable and therefore must cease publishing?

Mr. ERVIN. The court held that this tax was bad because it was based on circulation, and would place a limit on circulation——

Mr. PACKWOOD. That is right.

Mr. ERVIN. Of information that the public was entitled to have.

Mr. PACKWOOD. There they tried to levy a tax on newspapers above a certain size, and say it would not apply to any other business, any other newspaper, radio station, or motion picture theater—just newspapers above a certain size.

Mr. ERVIN. And they said it was unconstitutional because it limited information to which the public was entitled by virtue of the first amendment.

Mr. PACKWOOD. Then let me come back to my question again: If, by levying a general 47 percent corporation tax, that inhibits the circulation of some newspapers because they are not profitable, is that tax unconstitutional?

Mr. ERVIN. No, not necessarily. The court here intimated that Louisiana could put a tax on the volume of advertisements, but not on the circulation. The dissemination of information is the point.

Mr. PACKWOOD. But are we not saying this kind of tax can inhibit the circulation if they cannot pay it? The difference is, is the tax equally applied? In the Grosjean case, it was not equally applied. Certain segments of the newspaper business were singled out and discriminated against because of certain views they held, which were contrary to the views of the State legislators.

Mr. ERVIN. But the court said it was not necessary for them to consider the equal protection clause.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield 6 minutes to the Senator from Connecticut.

Mr. WEICKER. Mr. President, this is not an easy amendment for a public official to oppose. The temptation to curry favor with the condult of what we do and those who elect us to do it is very real.

But because I do believe in the integrity and fairness of the American news media I do not hesitate to label this amendment "ill conceived" by its proposers and "ill befitting" its intended beneficiaries.

Let me say at the outset that, to the credit of the news media, there have been no attempts to pressure this Senator into voting for the Cranston amendment. In fact many have advocated its defeat.

Second, as a matter of historical belief and public expression I have never been on the side of those who attempt to portray the press as something other than fair, competent, patriotic, and human. So this vote is not the manifestation of a long nurtured grudge.

I am against this amendment because it plays favorites and is therefore not fair. Nobody likes freezes or controls. Everybody is making sacrifices while they operate. It seems to me that the time of the Senate is more excellently spent on making sure that everybody means everybody rather than issuing "freebies" in the name of constitutional or historical precedent.

Yes; I feel sorry for the working press, the owners, publishers, compositors, pressmen, engravers, and flyboys. But I also feel sorry for the laborers, craftsmen, white-collar workers, and executives of the other industries in my State. Every part of the free enterprise system is in this unfortunately necessary exercise together, and they are coming out together.

The news media are not a collection of charitable entities. They are competitive, for-profit corporations owned by shareholders with their stock listed on stock exchanges—such as, Du Pont, Gannett, Cowles Communications, RCA, NBC, American Broadcasting, Metromedia, CBS, Knight Newspapers, New York Times, Washington Post, Time, Inc., Times-Mirror, Dun & Bradstreet, Gross Telecasting, Reeves Telecom, Sonderling Broadcasting, Lee Enterprises, and Travelers Corp., in my State.

Now that cable television has been added, we can add a whole list of additional corporations. Now that movies have been added to the list, MGM, 20th Century Fox, and Trans-America can be added. They are all part of American industry, not American Government or philanthropy.

Their survival depends on excellence and creativity. Freedom from Government control applies to acquisition and dissemination of the news. It was not meant to excuse them from antitrust laws, or criminal laws, or tax laws, health statutes, social security, or labor laws, et cetera. The matter before the Senate is such as those.

Why, for example, should the workers of Scovill Manufacturing in Waterbury, Conn., sacrifice while the employees in the news media and of Gannett and Travelers Corp. in Hartford are exempted? I want to make clear that the employees of the latter two corporations have not asked to be excepted, but I use this local hypothetical should the amendment of the Senator from California pass.

I do not know about the rest of my colleagues, but there are enough inequities to explain to the people of my State now, without creating more.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. I yield myself 3 minutes.

Mr. President, one thing that occurs to me is that the exemption of the information media industries would allow them to pay higher prices that would, in turn, make it possible for them to hire personnel from such related type industries as advertising, public relations, and so forth. It would give them a distinct advantage in hiring, and I think that kind of discrimination could result in serious damage to related industries that do come under the scope of the provisions. That is a factor that has not been mentioned. I shall not get into the constitutional aspects, which I think have been ably dealt with by my colleague from Oregon, but I think this is one thing that should be considered.

I, too, was tremendously impressed with what the able Senator from Nevada said, noting that cootch dancers would get an exemption here, but schoolteachers would not.

I think if we are going to start this, we will have to start exempting any number of classes of people and industries in production of goods and services that are very meritorious, that are a very constructive part of our society, and yet are not exempted. Once we open the floodgates of exemption, we might as well say, "Let us have no program," because we undermine the program completely.

Mr. WEICKER. Mr. President, will the Senator from Texas yield for several questions?

Mr. TOWER. I yield to the Senator from Connecticut.

Mr. WEICKER. Does not the Senator from Texas believe, that the sooner we are in and out of this whole operation, the better. That it is not natural to our whole free enterprise system, and that the only way we are going to get out of it early is if everybody puts his shoulder to the wheel.

Mr. TOWER. Of course, the whole objective is to go from a period of wage freezes into a period of decontrols gradually, relaxing the controls on our economy in such a way that wage inflation is not arrested slowly and the economy is stimulated; and it occurs to me that that day will come earlier if we bring everyone within the scope of the operation of the program, rather than exempting certain industries, certain people, and certain classes of endeavor, to the extent that it takes us longer to do it if the controls are hanging around longer.

I think if everyone is involved, it means controls will come to an end at an earlier time.

Mr. WEICKER. I know that in my own State, as has already been mentioned, there is no question but that our teachers have suffered inequities under this program, and we are trying to get them ironed out.

But coming before this body to get exceptions in the entertainment field, while there are personnel such as our teachers and many other industries that are making a sacrifice, is not fair.

If we do not set the example here, certainly the program is not going to work.

Mr. TOWER. I agree with the Senator from Connecticut.

Mr. President, I yield 3 minutes to the Senator from Illinois.

Mr. PERCY. Mr. President, I shall oppose the Cranston amendment, and it is always with regret that I oppose the Senator from California. In fairness to him, I ask unanimous consent to have printed in the RECORD a series of telegrams I have received in support of the Cranston amendment, some of them from outstanding people in Illinois.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

HON. CHARLES H. PERCY,
U.S. Senator, New Senate Office Building, Washington, D.C.:

We urge your support of Cranston amendment to exempt publishing and broadcast industries from wage and price controls as was done during World War II and Korean war to avoid conflict with first amendment's guarantee of fullest possible public access to news and opinions. The industries are unusual in that even if revenues go down, publishers and broadcasters can cut costs almost at will by reducing the public-service portion of their product. They can cut back the proportion of total newspaper space devoted to news instead of advertising, for example, or the amount of expense devoted to documentaries or news shows. Thus the recent freeze has already had direct effect of causing one Washington newspaper to run only excerpts of President Nixon's recent news conference and AFL–CIO speech, instead of full texts, which would have required adding pages to the press run and thus costs to production.

Our union represents some two thousand workers in newspapers and related fields in Maryland, the District of Columbia, and Virginia. But our contracts at the major newspapers do not expire until 1973 so we are not urging you to support the Cranston amendment out of selfish motives.

Our sister locals represent an additional 30,000 members on major daily newspapers in key population centers in the United States and in Canada. It would be a disaster if the peoples' right to know was affected, by accident or intention by the price and wage program.

BRIAN L. FLORES,
Administrative Officer, Washington-Baltimore Newspaper Guild.

CHAMPAIGN, ILL.

Senator CHARLES PERCY,
Senate Office Building,
Washington, D.C.:

Will appreciate your support of Cranston media exemption amendment to S. 2712.

ARTHUR STRANG,
Illinois Press Association.

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.:

We understand Senator Cranston of California may offer amendment to extension of Economic Stabilization Act S. 2712, exempting magazines and other media from price control. Such exemptions existed in World War II and Korean price programs based on First Amendment. Magazine publishing is under severe economic pressure and current controls offer further obstacles to our efforts to continued profitable publishing of Ladies' Home Journal and American Home. Certain segments of our operation are particularly important in your State. Would hope you would express to Senator Cranston your interest in his amendment.

JOHN MACK CARTER,
President, H. Downe Publishing, Inc.

Senator CHARLES PERCY,
Senate Office Building,
Washington, D.C.:

Would appreciate your support of Senator Cranston's amendment to bill S. 2712 for exemption of print media on price freeze.

T. GRENEY,
Vice President.

XUM

Mr. PERCY. Mr. President, as I see it, the Constitution—particularly the first amendment—is directed toward preserving the substantive freedom of the press, not the economic life and viability of the press. Newspapers are not exempt from labor laws, from taxation, from antitrust laws generally—though the Newspaper Preservation Act eroded this position to some extent—or from the Securities and Exchange Act.

If the Government were responsible under the first amendment for the economic life of the press, it would have an obligation to save failing newspapers and perhaps to lift to some minimum standard those newspapers whose operations are extremely marginal.

The first amendment requires that "Congress shall make no law, abridging the freedom of the press." It does not require exceptional or favored treatment under otherwise nationally applied economic sanctions.

No one could convince me that once the benevolent hand of Government got in and started saving and taking care of newspapers in one fashion or another, newspapers—in some fashion or other—would not be beholden to the same Government, and the freedom of the press might start to be eroded.

Mr. President, I ask unanimous consent to have printed in the RECORD two editorials, one published in the Chicago Sun-Times of November 12, entitled, "Price Controls for the Media," and the other published in the Chicago Daily News of November 12, entitled, "No Special Favors, Please."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Chicago Sun-Times, Nov. 12, 1971]

PRICE CONTROLS FOR THE MEDIA

Exemption of news media—newspapers, magazines and broadcasters—from Phase II price controls is under study by the government. It is the position of the Field Newspapers—publishers of The Chicago Sun-Times and The Chicago Daily News—that there should be no such exemption; circulation and advertising rates should be subject to whatever government controls and regulations are adopted for all businesses.

Our position is contrary to that taken by some media spokesmen. They believe that the exemptions of the World War II and the Korean War for the communications media should be allowed.

We do not believe the present conditions or the state of the communications industry warrant such exemptions. The wartime exemptions were granted by Congress which listened to arguments that any power to regulate the news media would collide with the First Amendment of the Constitution which forbids passage of any law that would abridge freedom of the press. Congress wished to avoid any challenge that controls might be used to affect editorial judgment.

We yield to no one in our zeal to protect freedom of the press which is a fundamental right of the people to an uninhibited and untrammeled flow of news and opinion. We have, for example, stood firm against proposals for licensing or other state or federal special legislation intended to put government in a position to interfere with a newspaper's right to be the sole judge of its editorial content or its right to access of information. We most recently argued against the right of the government to prohibit publication of the Pentagon Papers, a position upheld by the U.S. Supreme Court.

We do not, however, believe that a general price regulation, applied with uniformity to business and industry generally, falls in the category of the restrictions described here. During the present freeze, we have been prevented from putting into effect an increase in advertising rates that was announced before Aug. 15 presidential proclamation and which was to take effect Sept. 1. The increase was deemed necessary because of increases in our own expenses, particularly new and more costly labor contracts already in effect. If the Price Commission should authorize an increase under such particular circumstances, as the Pay Board has authorized non-inflationary wage boosts, we surely will accept it. But this would be under rules adopted for all businesses and not because of an exemption for the media. During the freeze and the economic burden it has put on us, we have no complaint that our rights under the First Amendment have been imperiled.

Price controls will not inhibit our freedom of expression or our responsibility to criticize the government itself or the operations of the controls themselves. Publishers should not feel that they must be exempt from the law so as to preserve their duty to act as a check on government. To the contrary we believe the press and other communications media would be more credible in the eyes of the public if they operate under the same laws written for other businesses.

[From the Chicago Daily News, Nov. 12, 1971]

NO SPECIAL FAVORS, PLEASE

In the discussion of Phase II wage and price controls, the possibility of exempting newspapers and other news media has been advanced by various media representatives. Some publisher spokesmen favor such an exemption on grounds that applying controls to the media would collide with the First Amendment's guarantee of freedom of the press. We do not agree.

We believe that in matters pertaining to their commercial operations, newspapers and other media should be treated like other private businesses. We consider ourself subject to the same rules, regulations and laws that apply generally to our readers and advertisers. As we see it, the special protection of the First Amendment was intended to protect our right to print what we consider fit in our news and editorial columns.

We would of course oppose any efforts by government officials to use their regulatory or lawmaking powers to gag the media so as to cover up corruption or suppress embarrassing news, or attempt to stifle the free expression of editorial opinions. But Phase II economic controls are not intended to intimidate the media or compromise the integrity of news reporting or editorial views.

In World War II and the Korean War the media were exempted from price controls. This was done by Congress to avoid any possible contention that such controls were invoked unconstitutionally to influence the editorial content of newspapers and other media. Such exemptions were unnecessary then, and are now.

It so happens that as a business the Field Newspapers—The Daily News and The Sun-Times—did suffer financially from President Nixon's wage-price freeze in August. Increases in advertising rates that we had scheduled for Sept. 1 were postponed by the freeze, resulting in a substantial loss of revenue. Because a newspaper cannot recoup losses in the way a manufacturer of less perishable products sometimes can, this is a permanent loss. Our losses (other media were more fortunate in their timing) were our bad luck; we accept them as such.

We are prepared to continue to cooperate down the line with the President's Phase II. We expect to be subjected to the same regulations as any other business operating under the free enterprise system. We expect and will insist that the controls be fair and uniform, but we want no special privileges on questionable constitutional grounds. We will stand on our constitutional rights only when doing so coincides with the public interest—specifically, the people's right to know. The main thrust of the wage-price controls is to try to contain the inflation that long threatened to make beggars of us all. The public interest will be best served if the controls work. So far as we are concerned, making them apply to the media is one way of helping to ensure success.

Mr. PERCY. I am very proud, indeed, that two newspapers in Chicago have seen fit to take a position in opposition to this particular amendment, feeling that it would not be good for the press of the United States to have this special exemption. How could they then not find reason to provide exemption for others who can make a special case out of their own particular situation? They do not want to be a special case. They ask for no favors. I commend the Field Enterprises newspapers for the position they have taken, a position that I wholeheartedly support.

Mr. TOWER. Mr. President, it is my understanding that the distinguished Senator from California is prepared to yield back the remainder of his time. If he is, I am prepared to yield back mine.

Mr. CRANSTON. I want to take about 30 seconds.

Mr. TOWER. I reserve the remainder of my time until the Senator concludes.

Mr. CRANSTON. Mr. President, I should like to say that on the matter of schoolteachers and their right to express an opinion, if one schoolteacher expresses an unpopular opinion, plainly, all the teachers are not going to be denied a pay raise. It is going to be determined by other factors. If one publication expresses an unpopular idea, there is the power to deal unilaterally with that one publishing force, whatever it may be. The situations are not compatible.

The Senator from Connecticut said, "Why should we make this particular exception for this particular part of American life?" It happens that there are many other exemptions in this bill.

The point I should like to make is that the only part of American society, the only segment of our economic society, that is given a special protection in the Constitution is the free press, for the purpose of keeping them free. It is for that reason that an exemption is in order for the press and for other media in this bill.

I yield back the remainder of my time.

UNANIMOUS-CONSENT AGREEMENTS

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order, providing that the amendment by the Senator from New York (Mr. JAVITS) be taken up following the disposition of the amendment by Senator CRANSTON, be vacated, without affecting the time limitation thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon disposition of amendment No. 766 by Mr. PERCY, the Senate then proceed to consideration of the amendment by Mr. PROXMIRE, No. 772, instead of No. 771.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business today, amendment No. 771, by Mr. PROXMIRE, be laid before the Senate and made the pending question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask for the yeas and the nays on the amendment.

The yeas and nays were ordered.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from California. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Georgia (Mr. GAMBRELL), and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) is absent on official business.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Washington (Mr. JACKSON), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New York (Mr. JAVITS) and the Senator from Ohio (Mr. TAFT) are necessarily absent.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 45, nays 40, as follows:

[No. 413 Leg.]

YEAS—45

Allen	Gravel	Montoya
Allott	Hansen	Moss
Anderson	Harris	Nelson
Baker	Hughes	Pearson
Bentsen	Humphrey	Proxmire
Burdick	Inouye	Ribicoff
Byrd, W. Va.	Jordan, N.C.	Sparkman
Church	Long	Spong
Cook	Magnuson	Stevens
Cranston	Mansfield	Symington
Dole	Mathias	Talmadge
Eagleton	McGee	Tower
Ellender	McIntyre	Tunney
Ervin	Miller	Williams
Fulbright	Mondale	Young

NAYS—40

Aiken	Dominick	Pastore
Beall	Eastland	Pell
Bellmon	Fannin	Percy
Bible	Fong	Roth
Boggs	Griffin	Schweiker
Brock	Gurney	Scott
Brooke	Hart	Smith
Buckley	Hatfield	Stafford
Byrd, Va.	Hollings	Stennis
Cannon	Hruska	Stevenson
Case	Jordan, Idaho	Thurmond
Cooper	McClellan	Weicker
Cotton	Metcalf	
Curtis	Packwood	

NOT VOTING—15

Bayh	Hartke	Mundt
Bennett	Jackson	Muskie
Chiles	Javits	Randolph
Gambrell	Kennedy	Saxbe
Goldwater	McGovern	Taft

So Mr. CRANSTON's amendment (No. 767) was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ERVIN. Mr. President, I move to lay that motion on the table.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. SPONG). The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the Cranston amendment was agreed to. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Louisiana (Mr. LONG), the Senator from Maine (Mr. MUSKIE) and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) is absent on official business.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Washington (Mr. JACKSON) and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

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The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New York (Mr. JAVITS) and the Senator from Ohio (Mr. TAFT) are necessarily absent.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 44, nays 40, as follows:

[No. 414 Leg.]

YEAS—44

Allen	Hansen	Nelson
Allott	Harris	Pearson
Anderson	Hughes	Proxmire
Baker	Humphrey	Ribicoff
Bentsen	Inouye	Sparkman
Burdick	Jordan, N.C.	Spong
Byrd, W. Va.	Magnuson	Stevens
Church	Mansfield	Symington
Cranston	Mathias	Talmadge
Eagleton	McGee	Tunney
Ellender	McIntyre	Williams
Ervin	Mondale	Young
Fulbright	Montoya	
Gravel	Moss	

NAYS—44

Aiken	Dole	Packwood
Beall	Dominick	Pastore
Bellmon	Eastland	Pell
Bible	Fannin	Percy
Boggs	Fong	Roth
Brock	Griffin	Schweiker
Brooke	Gurney	Scott
Buckley	Hart	Smith
Byrd, Va.	Hatfield	Stafford
Cannon	Hollings	Stennis
Case	Hruska	Stevenson
Cook	Jordan, Idaho	Thurmond
Cooper	McClellan	Tower
Cotton	Metcalf	Weicker
Curtis	Miller	

NOT VOTING—16

Bayh	Jackson	Muskie
Bennett	Javits	Randolph
Chiles	Kennedy	Saxbe
Gambrell	Long	Taft
Goldwater	McGovern	
Hartke	Mundt	

So Mr. TOWER's motion to lay on the table the motion to reconsider the vote by which Mr. CRANSTON's amendment was agreed to, was rejected.

The PRESIDING OFFICER. The question now recurs on the motion to reconsider the vote by which the amendment was agreed to.

Mr. TOWER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which Mr. CRANSTON's amendment was agreed to. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE) and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) is absent on official business.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Washington (Mr. JACKSON) and the Senator from West Virginia (Mr. RANDOLPH) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLD-

XUM

WATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New York (Mr. JAVITS) and the Senator from Ohio (Mr. TAFT) are necessarily absent.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 48, nays 38, as follows:

[No. 415 Leg.]

YEAS—48

Aiken	Cotton	Miller
Allott	Curtis	Packwood
Anderson	Dole	Pastore
Baker	Dominick	Pearson
Beall	Eastland	Pell
Bellmon	Fannin	Percy
Bible	Fong	Roth
Boggs	Gambrell	Schweiker
Brock	Griffin	Scott
Brooke	Gurney	Smith
Buckley	Hart	Stafford
Byrd, Va.	Hatfield	Stennis
Cannon	Hollings	Stevenson
Case	Hruska	Thurmond
Cook	Jordan, Idaho	Tower
Cooper	McClellan	Weicker

NAYS—38

Allen	Hughes	Moss
Bentsen	Humphrey	Nelson
Burdick	Inouye	Proxmire
Byrd, W. Va.	Jordan, N.C.	Ribicoff
Church	Long	Sparkman
Cranston	Magnuson	Spong
Eagleton	Mansfield	Stevens
Ellender	Mathias	Symington
Ervin	McGee	Talmadge
Fulbright	McIntyre	Tunney
Gravel	Metcalf	Williams
Hansen	Mondale	Young
Harris	Montoya	

NOT VOTING—14

Bayh	Jackson	Muskie
Bennett	Javits	Randolph
Chiles	Kennedy	Saxbe
Goldwater	McGovern	Taft
Hartke	Mundt	

So the motion to reconsider was agreed to.

The PRESIDING OFFICER. The question now——

Mr. TOWER. Mr. President, I move to lay the Cranston amendment on the table.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. I did not understand the proposal of the Senator from Texas.

The PRESIDING OFFICER. He moved to table the Cranston amendment.

Mr. ERVIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ERVIN. Is a motion to lay on the table an amendment that has been agreed to in order?

The PRESIDING OFFICER. When the amendment is back before the Senate, it is up for disposition as the Senate sees fit. The amendment would also be open to further amendment if the motion to table should fail.

Mr. ERVIN. Is the amendment open to further amendment?

The PRESIDING OFFICER. Not now that the motion to table has been made.

Mr. ERVIN. If the motion to table fails, would it then be in order to offer an amendment to the amendment?

The PRESIDING OFFICER. The Senator from North Carolina is correct.

Mr. CRANSTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CRANSTON. Has the motion to lay on the table been submitted in writing?

The PRESIDING OFFICER. The motion has not been submitted in writing. If the Senator from California wishes to insist upon that, I am sure that the Senator from Texas will oblige.

Mr. TOWER. I shall be glad to write it, but it is still the pending motion before the Senate.

The PRESIDING OFFICER. It is a privileged matter, and not debatable.

Mr. ERVIN. Is a motion to amend now in order?

The PRESIDING OFFICER. Just a moment. If the Senator from North Carolina has a further parliamentary inquiry, he will state it.

Mr. ERVIN. Is an amendment to the amendment now in order?

The PRESIDING OFFICER. No, because a motion to table——

Mr. CRANSTON. Mr. President, it is not before the body. There is not a tabling motion in writing before the body. The Senator from North Carolina has the floor.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will state the motion which is at the desk in writing.

The legislative clerk read as follows:

The Senator from Texas (Mr. TOWER) moves to lay the Cranston amendment on the table.

The PRESIDING OFFICER (Mr. SPONG). The question is on agreeing to the motion to lay on the table the amendment of the Senator from California (Mr. CRANSTON). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) is absent on official business.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Washington (Mr. JACKSON), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New York (Mr. JAVITS) and the Senator from Ohio (Mr. TAFT) are necessarily absent.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 44, nays 42, as follows:

[No. 416 Leg.]

YEAS—44

Aiken	Cotton	Miller
Allott	Curtis	Packwood
Anderson	Dominick	Pastore
Beall	Eastland	Percy
Bellmon	Fannin	Roth
Bible	Fong	Schweiker
Boggs	Gambrell	Scott
Brock	Griffin	Smith
Brooke	Gurney	Stafford
Buckley	Hart	Stennis
Byrd, Va.	Hatfield	Stevenson
Cannon	Hollings	Thurmond
Case	Hruska	Tower
Cook	Jordan, Idaho	Weicker
Cooper	McClellan	

NAYS—42

Allen	Harris	Moss
Baker	Hughes	Nelson
Bentsen	Humphrey	Pearson
Burdick	Inouye	Pell
Byrd, W. Va.	Jordan, N.C.	Proxmire
Church	Long	Ribicoff
Cranston	Magnuson	Sparkman
Dole	Mansfield	Spong
Eagleton	Mathias	Stevens
Ellender	McGee	Symington
Ervin	McIntyre	Talmadge
Fulbright	Metcalf	Tunney
Gravel	Mondale	Williams
Hansen	Montoya	Young

NOT VOTING—14

Bayh	Jackson	Muskie
Bennett	Javits	Randolph
Chiles	Kennedy	Saxbe
Goldwater	McGovern	Taft
Hartke	Mundt	

So the motion to table the Cranston amendment was agreed to.

The PRESIDING OFFICER (Mr. MONDALE). The Chair recognizes the Senator from Illinois (Mr. PERCY).

AMENDMENT NO. 766

Mr. PERCY. Mr. President, I call up my amendment No. 766 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 6, line 5, insert the following: "(3) which are paid in conjunction with existing or newly established employee incentive programs which are designed to reflect directly increases in employee productivity."

On page 9, line 13, after "exemptions.", insert the following: "Rules, regulations, and orders promulgated under this title shall insofar as practicable also be designed to encourage labor-management cooperation for the purpose of achieving increased productivity, and the Executive Director of the National Commission on Productivity shall when appropriate be consulted in the formulation of policies, rules, regulations, orders, and amendments."

ORDER FOR RECESS UNTIL 8:30 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business this evening, it stand in recess until 8:30 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS BYRD OF WEST VIRGINIA, BUCKLEY, AND PERCY TOMORROW MORNING

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that tomorrow morning, immediately following the recognition of the two leaders under the standing order, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. BYRD of West Virginia, Mr. BUCKLEY, and Mr. PERCY.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

Mr. PERCY. Mr. President, I call up my amendment No. 766 on behalf of myself and cosponsors Senators JAVITS, PROXMIRE, and RIBICOFF. I ask unanimous consent that the Senator from Delaware (Mr. ROTH) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I ask unanimous consent that an explanation of the amendment which has been given to each Senator be printed in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

Amendment No: 766 to S. 2891, on behalf of myself as sponsor and Senators Javits, Proxmire, Ribicoff, and Roth, the Economic Stabilization Act Amendments of 1971. It will:

1. Amend Section 203(e) of the bill by adding a new paragraph (3) to exempt from Wage Board controls pay increases that are tied directly to productivity increases.

2. Amend Section 207(c) to require that the Pay and Price Boards where possible draft their rules and regulations so as to encourage labor-management efforts to increase productivity, and that the Wage and Price Boards when appropriate consult with the National Commission on Productivity.

These changes are needed to build the vitally important objective of increasing national productivity growth into the economic stabilization effort. Senator Javits, Senator Proxmire and Senator Ribicoff are cosponsors of this amendment.

The changes we propose are the result of extensive consultation with experts in the field of productivity. These experts have been deeply concerned that Phase I and II programs have not taken productivity incentive programs adequately into account. They argue correctly that a major objective of Phase II is to increase productivity, yet the pay guideline of 5.5 percent could actually operate to prevent existing employee productivity incentive programs from operating, or new ones from being created.

This amendment will not create a loophole for wage payments in excess of the pay guideline.

It is drafted so that increased pay under employee incentive programs *must directly reflect increased productivity*. This wording will allow the Pay Board to reject pay schemes that are not truly linked with productivity growth.

The need to increase American productivity has been nationally recognized. In his Labor Day address the President called increased productivity the key "to a better life for the American workingman and his family."

The National Commission on Productivity, of which OMB Director George Schultz is Chairman, said in its interim report on September 7 that a major objective must be to devise new ways of rewarding productivity through incentive pay plans.

Noted economists and leading businessmen have stressed the need to increase productivity as the U.S. rate of productivity growth has in the last several years dropped to one of the lowest among industrialized countries.

Labor has a new understanding of the importance of increasing productivity as the best way to obtain real wage increases that are not immediately eaten up by price increases.

Increased productivity will increase real income and real GNP, and will improve U.S. competitiveness in world markets. By helping to bring inflation under control it will cut short the need for price and wage controls, Senator Javits, Senator Proxmire, Senator Ribicoff and I urge your consideration and support of this amendment, which will directly promote these objectives.

Mr. PERCY. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. PERCY. Mr. President, this amendment has been cleared by the Pay Board and has also just received the approval of the Treasury Department on behalf of the administration.

I wish to draw particular attention of my colleagues to an interpretation of the amendment, for purposes of legislative history:

The intent of this amendment is that the increased pay that is exempt from pay limitations under this title must be paid pursuant to existing or new employee incentive programs that directly reflect increased productivity. It is understood that the Pay Board may issue policy guidelines to limit the applicability of this amendment to bona fide employee compensation programs that are directly related to productivity increases, and that in formulating such policy guidelines the Pay Board will consult with recognized experts in the employee incentive compensation field, and with the National Commission on Productivity or its designees.

Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt explaining the types of employee compensation plans that would be covered by the amendment.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

TYPES OF EMPLOYEE COMPENSATION PLANS COVERED BY THE AMENDMENT

The types of employee incentive plans covered by Amendment No. 766 are mainly what is known as "productivity sharing" plans.

Under productivity sharing plans companies can, for example, institute a program of "productivity bonuses" on a plant-wide basis to reward workers for achieving established productivity goals.

Such plans are not an incentive to piecework pay systems. Productivity sharing plans are plant-wide plans, they do not reward an individual worker for individual output increases.

The productivity bonuses are not like wages. They do not become a fixed part of the compensation of the worker. They are not paid out when plant productivity falls.

Such plans are not designed to "exploit" workers by driving them harder. Productivity in a plant can often increase because of the introduction of new systems and new machines that actually make work easier.

Amendment No. 766 could also apply to added employee compensation resulting from "suggestion systems", when such employee suggestions actually result in increased productivity.

Though I am a great believer in profit-sharing plans, the amendment would not apply automatically to profit-sharing plans. Profits can increase for many other reasons besides increased productivity. When a profit-sharing plan can be shown to increase productivity directly, however, the Pay Board should consider applying this amendment to such profit-sharing plans.

Mr. PERCY. Mr. President, I ask unanimous consent that a telegram received from Howell and Sisler of Chicago, a management consultant firm specializing in employee compensation programs that is well-known throughout the country, be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CHICAGO, ILL.

Senator CHARLES H. PERCY of Illinois,
New Senate Office Building,
Washington, D.C.

Very strongly urge provisions in economic stabilization bill S-2891 to encourage increased productivity in order to strengthen our economy and help hasten the end of the need for phase 2.

Congressional authorization against precluding any payments under incentive plans designed to directly increase productivity, together with exemption of such payments, from the Pay Boards Wage and Benefit percent ceiling will assure that we get at the root causes of inflation insofar as they lie in our places of work. Plans designed to directly increase productivity should call for setting up production councils, task forces and suggestion systems in each business unit involving as many employees as practical. I urge approval of both cash and deferred payouts, especially the deferred type plan which meets the IRS requirements against discrimination in favor of higher paid employees. Management should join labor in encouraging noninflationary incentive pay such as profit-sharing and production sharing in partial substitution at least of demands for noninflationary wage increases. Senator, allowing for incentive pay in S-2891 will also help us compete better abroad by increasing both the efficiency and quality of our national production.

HOWELL AND SISLER of Chicago,
WILLIAM J. HOWELL, Partner.

Mr. PERCY. Mr. President, I should like to point out to my colleagues that the Senator from New York (Mr. JAVITS), with myself as cosponsor, will bring up tomorrow amendment No. 769. These two amendments are clearly related. Both are intended to increase productivity; both deal with one of the most important subjects Congress can deal with at this particular, crucial time in our history.

GENERAL ECONOMIC GROWTH THROUGH PRODUCTIVITY INCREASE: THE NEED FOR A NATIONAL PRODUCTIVITY IMPROVEMENT DRIVE

Mr. President, during World War II, the Nation organized a productivity effort whose purpose was to help America win the war for freedom. And, though

thorough empirical studies of that effort have not been made, we remember it as a time when the entire Nation mobilized behind an effort and gave it remarkable success.

Today we face another crisis, not of the same magnitude as the one that faced us then, but one whose outcome is nonetheless exceptionally important for the future of our economy.

This is not a war in the traditional sense. It is an economic battle that has the dollar losing value, American productivity lagging, and our payments deficit growing. Our ability to carry out the kinds of programs we need to build America is being threatened.

How much longer can we continue to vote for social and humanitarian programs, worthwhile as they are, if we have a $34-billion deficit, which is likely at the close of this fiscal year? Our products simply will not hold up in world markets because of the inflationary effect on the cost structure of American industry.

For these reasons, I hope that, together with the cosponsors of this particular amendment, and together with the Senator from New York (Mr. JAVITS), we will tomorrow direct the attention of the Senate to what we can do now about stimulating worker productivity. We certainly should not try to freeze wages if, by so doing, we remove the incentive for increasing productivity.

The administration's response to our economic problems has been strong and to a very significant extent has been successful in achieving short-term stabilization goals. It will, I believe, be successful in achieving its longer term objectives. The Economic Stabilization Act of 1971 which we are now debating gives the President the authority to continue the economic control program. And, though the tax legislation we passed last week now contains provisions that are both unnecessary and undesirable, it also contains provisions that will help generate sound economic growth and increased employment, based on stimulation of business investment and encouragement of consumer spending. I can only hope that most of the undesirable provisions of that bill will be eliminated in conference, and that the President is able to sign the legislation.

Missing from Senate debate and discussion both about the provisions of the Economic Stabilization Act of 1971 and the tax bill, H.R. 10947, however, has been the subject of productivity.

Increased productivity is the key to many of our present problems. Increased rates of productivity growth can permit labor to achieve wage increases without increasing costs and thus without price increases. Wage increases based on productivity gains are by definition noninflationary. They do permit workers to take home more pay while insuring that that added pay is not immediately eroded by increased prices.

Obtaining increased productivity growth during the phase II economic stabilization effort is particularly important both to business and labor. Profits will improve without price increases to the extent that productivity improves. Wage increases can be granted that are not inflationary. Thus increased productivity can materially diminish the inflationary forces that created the need for the economic stabilization program, and can hasten the end of these programs which, while necessary now, must be ended as soon as possible.

In the regulations issued by the Pay Board on November 13—Federal Register, chapter II, subpart B—the importance of productivity improvement is made very clear. On and after November 14, 1971:

Permissible annual aggregate increases will be those normally considered supportable by productivity improvement and cost of living trends. Initially, the general wage and salary standard is established as 5.5 percent. The appropriateness of this figure will be reviewed periodically by the Pay Board, *taking into account such factors as the long-term productivity of 3 percent,* cost of living trends, and the objective of reducing inflation. (Emphasis added.)

Thus the interrelationship of wage increases, productivity, and inflation is clearly indicated in the Pay Board's phase II regulations.

Increasing national productivity growth rates is important too in order to approve America's ability to compete equally and fairly in international trade without special measures of economic isolation from world markets. American productivity has traditionally been the highest in the world. Experts in productivity analysis claim the American worker is still the most productive. But annual rates of productivity growth in this country have recently slowed markedly while growth rates in other countries have speeded up. We may well have lost our productivity lead. The measures in the administration's tax bill, mainly the investment tax credit and the improved depreciation rules will do much to increase productivity by combining our skilled labor with the most up-to-date equipment.

Mr. President, I am including a table prepared by the Office of Tax Analysis of the Treasury which compares capital costs of manufacturing machinery and equipment, as influenced by income tax policies, in 10 major industrial countries. This table shows that, in 1970, the United States, without accelerated depreciation and the investment tax credit, gave far less favorable treatment to recovery costs of manufacturing equipment than these major competitors. With the accelerated depreciation allowance as implemented by the Treasury in June this year and the 10-percent credit, U.S. practice becomes much more comparable. With accelerated depreciation as modified by the Ways and Means Committee, and a 7-percent investment tax credit, U.S. practice becomes somewhat more comparable with other countries, but not as favorable as, for example, Japan. I am pleased that these two provisions remain intact in the bill as passed by the Senate.

COMPARATIVE CAPITAL COSTS OF MANUFACTURING MACHINERY AND EQUIPMENT AS INFLUENCED BY INCOME TAX POLICIES: CORPORATION INCOME TAX RATES, DEPRECIATION ALLOWANCES, AND INVESTMENT ALLOWANCES AND CREDITS; MAJOR INDUSTRIAL COUNTRIES, 1971

[Country, comparative cost of capital, and United States, 1970=100]

United Kingdom	79.1
Japan	81.1
Italy	81.9
West Germany	82.8
Sweden	83.0
Belgium	84.7
France	89.7
The Netherlands	94.1
Canada	97.2
United States (1970)	100.0
United States with ADR	95.6
Plus 5 percent investment credit [1]	88.9
Plus 7 percent investment credit [1]	86.2
Plus 10 percent investment credit [1]	82.1
United States with ADR, less modified first-year convention	96.6
Plus 5 percent investment credit	89.8
Plus 7 percent investment credit	87.1
Plus 10 percent investment credit	83.0

[1] Effective credit assumed to be unaffected by income limitation for purposes of international comparisons.

Office of the Secretary of the Treasury, Office of Tax Analysis, September 21, 1971.

LAGGING U.S. PRODUCTIVITY RATES

The U.S. productivity rates have been very poor compared to those of our major world competitors, and one reason is no doubt the relatively high cost of capital in the United States in relation to other countries, and relatively low rates of U.S. GNP spent during the 1960's for new plant and equipment. Output per man-hour in the United States grew by an average of only 2.1 percent in the period from 1965 to 1970, while hourly compensation increased by 6 percent and unit labor costs increased by 3.9 percent. By contrast, output per man-hour increased 14.2 percent in Japan, and though hourly compensation rose 15.1 percent, unit labor cost increased only 0.8 percent.

On the other hand, during the period 1960 to 1965, U.S. output per man-hour grew on the average of 4.3 percent a year, hourly compensation grew 3.7 percent and unit labor costs actually decreased 0.7 percent—one reason for our export success in those years.

Mr. President, I ask unanimous consent to insert in the RECORD at the conclusion of my remarks an article by Arthur Neef from the August 1971 Monthly Labor Review, a publication of the Bureau of Labor Statistics of the Department of Labor, titled "Unit Labor Costs in Eleven Countries." This excellent article has served as the basis for much recent discussion about productivity, and I think it would be useful were it available in its entirety. These are sobering statistics and they demonstrate to us more clearly than ever, I believe, one major reason for the competitive problems of the American economy today. There is no question in my mind that the two most important causes of the seeming uncompetitiveness of U.S. producers has been, first, an unrealistic

structure of world exchange rates, and second, at least 6 years of very high rates of inflation. Next in importance, however, has been lagging U.S. productivity. The need to launch a major national effort to increase productivity is clearly demonstrated.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, a particularly interesting account of the kind of effort that has made Japan the world's leader in productivity growth is provided in the October 4, 1971, issue of U.S. News & World Report. The essence of this article is that Japanese management and labor constantly work together to achieve the common goal of increased efficiency and production.

At one Japanese company, in-plant productivity councils are extensively employed. There is a production consultative council of labor and management representatives that meets monthly. Seven or eight times a year management and labor representatives attend management consultative council meetings to explore ways of improving productivity. Management reports to workers each year on profits and performance. All of these efforts represent a distinctive approach to labor-management relations in which labor is conceived of as a partner to be consulted with constantly on how to do the job better. I ask unanimous consent that the article referred to be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

PRODUCTIVITY AND NATIONAL GOALS

Mr. PERCY. Mr. President, still another reason for planning now for higher productivity growth rates is that the increased gross national product that would result from higher productivity and higher output will help us meet national social and economic objectives that we increasingly need and yet find ourselves hard-pressed to afford.

As Dr. Leon Greenburg, staff director of the National Commission on Productivity said in a speech to the National Association of Business Economists on September 27:

It is likely that the costs of these activities will have to be borne by the community at large. These costs could be paid for out of increased taxes, but the tax burden can be avoided by higher productivity . . .

You're probably familiar with how that might work . . . A 0.1 percent increase in the rate of growth of output per man-hour translates to about $1 billion of GNP in 1971. . . . For the decade as a whole, a 0.1 percent difference in the annual growth rate could provide about $60.0 billion of GNP.

A NATIONAL PRODUCTIVITY DRIVE

These then are the stakes. By making a concentrated, determined, well-planned drive to bring about a consciousness of the need to improve productivity both in labor and management, by offering Government encouragement and assistance to what is necessarily a private effort, we can strengthen our national economic base, guarantee increased wages with stable prices, generate ample profits, greater innovation, and strong international competitiveness.

I have asked a group of businessmen in Illinois to begin a productivity effort voluntarily. In a letter on November 8 to certain business leaders I suggested that working men and women are increasingly aware that inflation erodes the buying power of their paychecks. Now is the time, in my view, for business to take advantage of labor's new concern for the need to improve productivity. It is my hope that Illinois business can immediately launch a productivity effort based on individual initiative and creativity.

I said that in my view the best way to implement a national productivity drive is on a plant-by-plant basis. Establishing in-plant productivity councils, representing top management, and workers, to take a fresh look at the way things are done, and the ways they can be changed and improved, could be an effective device for instilling an awareness of the constant need to increase efficiency and output.

Mr. President, I ask unanimous consent that the full text of my letter, two editorials, and one newspaper article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., November 8, 1971.

DEAR ILLINOIS BUSINESSMAN: Because is seems likely that controls on prices will be in effect for the foreseeable future, the moment seems right to take major steps to improve productivity on our own initiative. My recent experience indicates that labor now seems willing to take a new look at the problem of productivity.

Our state's major labor organization has responded to my call for department-by-department, plant-by-plant productivity councils—much like those that proved their usefulness during World War II. When I expressed this need at the State Convention of the Illinois Federation of Labor, AFL–CIO, last month, I had a surprisingly positive reaction, which is reflected in the enclosed news story and editorials.

Moreover, the Business Council, which met on October 15–16, emphasized the need for productivity improvement and new ways to achieve it. Bob Ingersoll of Borg-Warner stressed at this meeting the need for a productivity drive on a national scale. If you would like to have a copy of his talk as well as others given on the same subject, I would be pleased to send you copies.

We have no reason to be proud of recent national productivity performance. From 1965 to 1970 average annual productivity growth fell to 2.1%, compared with an average growth of 3% from 1950 to 1965.

Working men and women are increasingly aware that inflation erodes the buying power of their paychecks. Now is the time, in my view, for business to take advantage of labor's new concern for the need to improve productivity. It is my hope that Illinois business can immediately launch a productivity effort based on individual initiative and creativity.

You know better than I what specific steps you can take. But here are some areas for consideration.

First, of course, is to make the most efficient use of capital. Federal policy must allow industry to generate and keep enough profit to install the most modern capital equipment and to afford substantial research and development. For this reason, I have supported the reinstatement of the investment tax credit and liberalized depreciation and amortization rules. I feel sure business will respond to these measures with increased investment.

Second, I hope that in Illinois we can make special efforts in another area—the work place itself. Together with labor we should take a fresh look at work rules and at in-plant programs for upgrading workers' skills. What kinds of incentives, other than wages, are being offered? Can new programs or special bonuses for groups or teams of workers who are especially productive or inventive be introduced? Have we asked the men and women who run our processes how they can be improved—for their own ideas on speeding the system and eliminating waste? Would the introduction or strengthening of profit-sharing schemes help?

Third, can we take a new look at the human side of enterprise? We may be so absorbed in increasing productivity through technical innovation that we forget that human initiative is the key to substantial future productivity growth in an increasingly service-oriented economy. A concentrated effort to make people feel that their energies are being well used and that they are important as individuals may be a major productivity spur in a work force increasingly oriented toward "knowledge workers."

The best way to implement a national productivity drive is on a plant-by-plant basis. Establishing in-plant productivity councils, representing top management and workers, to take a fresh look at the way things are done, and the ways they can be changed and improved, could be an effective device for instilling an awareness of the constant need to increase efficiency and output.

A supplementary way to organize a productivity effort, concurrent with a plant-level productivity drive, would be through productivity councils established on an industry-by-industry basis. Associations of manufacturers in Illinois could establish productivity councils, that would identify productivity bottlenecks that are common to each industry, and seek to remove them through individual action and consultation with labor.

We are entering a period characterized by some as one of lasting Federal controls on economic activity. I do not agree. I think we can—and must—return to a revitalized free enterprise economy as soon as inflation has been brought under control.

I have suggested ideas for you to consider. As a former businessman, I know that Federal Government policy can impede effective business operations. I would like to have your suggestions for actions that my colleagues and I might take in Washington, and I would like to know of your experiences with productivity efforts. Your ideas, together with those of your fellow Illinois business leaders, will help us establish a common ground of understanding to improve productivity now, during Phase II, when it is most important. I would appreciate hearing from you.

Sincerely yours,

CHARLES H. PERCY,
U.S. Senator.

[From the Chicago Tribune, Oct. 5, 1971]

PERCY ASKS STATE LABOR CHIEFS TO BOOST OUTPUT

(By James Strong)

SPRINGFIELD, Ill., Oct. 4—Sen. Percy [R., Ill.] today appealed to Illinois labor leaders to join with business and government to break down barriers to increase productivity as the key to restoring the nation's economy.

Percy urged a voluntary plan in Illinois as the forerunner to a national productivity drive administered under the Cost of Living Council aimed at eliminating absenteeism, poor work quality, and poor work practices which have stifled American competitiveness in the world market.

In a speech before more than 2,000 delegates to the Illinois AFL–CIO Convention here, Percy proposed voluntary restraints

under productivity councils to oversee to wages and prices in relation to productivity. The purposes would be to determine possible wage-price guidelines and to recommend changes in eliminating obstacles to increased productivity.

SHARE IN PROFITS

Percy called for vast profit-sharing plans from "the executive suite to the assembly line."

"My experience in business suggests that employes will become very strongly motivated if they have a financial stake in the efficiency and profitability in their company," Percy said.

Before speaking to the state convention in the state armory, Percy, who last year was the first Republican senator invited to a state AFL–CIO convention in nearly three decades, held private sessions with Stanley L. Johnson, state AFL–CIO president, and the 19-member executive board.

PLANS OTHER PARLEYS

During the meeting with the labor leaders, Percy explained that he will also confer with top state businessmen and government officials.

It was learned that Percy plans to outline in detail his views on the productivity drive, labor's opposition to current wage-price freeze policies, the import surcharge, dollar devaluation, and trade issues in a Senate speech tomorrow.

Percy, who received an ovation at last year's convention from the representatives of 1.1-million AFL–CIO members in Illinois, again was warmly received. He boasted of his pro-labor record, saying, "I will match my record of five years in the Senate and 25 years in private industry with anyone."

REMINDERS FOR DELEGATES

He reminded the delegates of his stand in favor of national health insurance and welfare reform, consumer protection legislation, and other labor backed issues.

Shortly before Percy arrived at the armory, Gov. Ogilvie, who at first accepted, then declined, an invitation to speak at the Monday session, came under attack by several delegates for vetoing an antistrikebreaking bill and his failure to sign workmen's and unemployment compensation bills.

Neal A. Bratcher, a delegate from Chicago Local 93, American Federation of State, County and Municipal Employes, demanded that all the convention programs bearing a full-page advertisement with Ogilvie's picture welcoming delegates to the convention be collected by the sergeant of arms and "thrown in the trash can."

Johnson appealed to the delegates not to take the action saying, "total record is not in on any official, including the governor, and we don't want to condemn anyone until the whole program is in."

The convention then voted to tear out the page bearing Ogilvie's picture. Among other Republicans in the program booklet prepared by the Springfield Building and Trades Council were Atty. Gen. William J. Scott, and Rep. Paul Findley [R., Ill.].

Earlier, Johnson in his opening convention speech, urged the federal government to assume the burden of mounting welfare costs and leveled criticism at Ogilvie and state legislators for failing to provide at least 10 per cent pay increases for state employes after they voted themselves 45 per cent pay hikes.

[From the Illinois State Journal, Oct. 8, 1971]

AT LABOR CONVENTION: GOOD ADVICE FROM PERCY

It is encouraging to note that U.S. Sen. Charles H. Percy received a standing ovation when he proposed a system of plant-by-plant "productivity councils" during his address before the state convention of the Illinois Federation of Labor, AFL–CIO.

Percy is a co-sponsor of the National Productivity Act now pending in the Senate which would attempt to "eliminate excessive absenteeism, scrap and reworked, poor quality work and work practices that contribute to cost and make American products less competitive in domestic and foreign markets."

It is an alarming decline in American productivity that has contributed as much as anything to the nation's economic troubles including high unemployment. Economists have consistently pointed out that in too many instances American goods are no longer competitive in world markets.

A first step in correcting the current imbalance in foreign trade, they say, is a return to the traditional American quality of workmanship of the past.

If this is to be accomplished the support of organized labor must be forthcoming. The response which Percy received from the more than 2000 Illinois convention delegates that the rank and file leadership of labor not only recognizes the problem but is eager to help do something about it.

The Illinois AFL–CIO could take the lead in this effort by following a Percy suggestion that the delegates not wait for passage of the pending bill, but to act now on their own to set up going councils with management to work out plant by plant programs to improve productivity.

[From the Chicago Daily News, Oct. 6, 1971]

STRAIGHT TALK TO LABOR

Sen. Charles H. Percy went to the heart of the whole economic problem with his proposal to the Illinois AFL–CIO convention for a system of plant-by-plant "productivity councils." The fact that the 2,300 delegates gave him a standing ovation is immensely encouraging. Perhaps the vital lesson about productivity and its relation to everybody's prosperity is getting through.

Percy urged labor-management councils to work toward eliminating "excessive absenteeism, scrap and rework, poor quality work and work practices that contribute to cost and make American products less competitive in domestic and foreign markets."

He also proposed that workers share in the results through profit-sharing plans. That would not only be an equitable way of rewarding more effective efforts—it would also serve to remind the workers of the connection between efficiency and their own well-being.

Percy's proposal coincides with the National Productivity Act now before the Senate, and with the administration's nationwide effort to use greater productivity as a weapon against inflation and the economic threats from abroad.

The efforts are timely; lagging productivity has been steadily draining the worth of the dollar at home while putting the United States at a growing disadvantage in competition with more productive nations.

U.S. News & World Report pointed out in a recent article that the United States trails all other major free world nations in productivity gains. It reported that average annual increases in manufacturers' output per man-hour in the United States, 1965–70, was 1.9 per cent per year. West Germany's was 5.3 per cent, France's 6.6 per cent, Sweden's 7.9 per cent, and Japan's a whopping 14.2 per cent.

How did Japan, so roundly trounced in World War II, manage to come roaring to the top of the postwar list in productivity and therefore prosperity? In part by labor and management coming together in much the same way Percy is suggesting.

"We are not hostile toward management," U.S. News quotes a Japanese worker. "Managers are employes, too. We're all on the same team and must co-operate for the good of our company." If that strikes the U.S. union member as a bit starry-eyed, we suggest another look at that 14.2 per cent productivity increase rate, and at the real gains in prosperity of the Japanese workers, measured alongside the meager gains of U.S. workers as inflation eats away at their dollars.

The warm response of Illinois labor to Percy's proposal was not the first manifestation of an awakening awareness among U.S. labor to its stake in raising productivity.

We noted here last Aug. 4 that the Steelworkers' president, I. W. Abel, urged his people to increase their man-hour output both to boost falling profits and to compete with farm producers. The three-year 31-per cent wage increase won by the steelworkers substantially widened the gap that must be closed, but at least Abel noted the need, and that is more than labor leadership has done in the past.

We hope that labor leaders generally will have the courage and good sense to take up the theme voiced by Abel, Percy, and others and preach the gospel to their constituents. For what is needed first of all is a change in worker attitude adjusted to the change in the nation's economic situation. Somehow, in the otherwise commendable growth in labor's dignity and economic muscle, there has developed a widespread attitude that doing a job as well and efficiently as possible no longer counts for anything. What it means, the nation is now learning, is the margin of profit not only to maintain its strength and its leadership but to improve the environment and the quality of life itself.

Mr. PERCY. Mr. President, the theory behind the productivity council system I have proposed, is that joint management-labor efforts to isolate the problems and expedite solutions is badly needed. In a speech in the Senate on October 5 I said that action on several fronts is needed to promote productivity. First and most important is the need to recognize it as a national problem of top significance. The phase II economic stabilization period should be used to give special emphasis to the problem by administratively creating productivity advisory councils that would study productivity in each industry. These councils would do three things; they would help phase II wage and price control groups such as the Pay Board and the Price Commission determine guidelines for industry wage and price performance. They would identify the obstacles to increased goals to productivity in each major industry, and they would recommend changes to remove productivity bottlenecks.

The temporary councils could be established now by Executive order under the direction of the Secretary of Commerce, using the resources of the Bureau of Domestic Commerce, which has direct competence in specific industrial sectors, and the Office of Business Economics.

I am pleased to say that the Secretary of Commerce, Maurice Stans, responded enthusiastically to my proposal in a letter of October 23. He said:

I particularly endorse your emphasis on productivity and on the possibility of creating Productivity Advisory Councils on an industry basis . . . The Department of Commerce stands ready to use its resources and to cooperate fully in any productivity effort mounted by the Productivity Commission or the Cost of Living Council.

I ask unanimous consent that the text of this letter be printed in the RECORD.

There being no objection, the letter

was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., October 23, 1971.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: Many thanks for sending me a copy of your October 5 Senate speech on "Revitalizing the American Economy."

Your comprehensive and clear analysis of the economic problems that we face is very useful as we move forward with the New Economic Policy.

I particularly endorse your emphasis on productivity and on the possibility of creating Productivity Advisory Councils on an industry basis. As you know, President Nixon has asked the Productivity Commission to advise the Cost of Living Council during Phase II. The Department of Commerce stands ready to use its resources and to cooperate fully in any productivity effort mounted by the Productivity Commission or the Cost of Living Council.

Sincerely,

MAURY,
Secretary of Commerce.

Mr. PERCY. Mr. President, response from labor groups I have talked with has been positive and encouraging. When I spoke of the need to set up plant-by-plant, department-by-department productivity councils at the State Convention of the Illinois Federation of Labor, AFL–CIO, in October, my remarks received a strong, positive reaction. This was reflected in a news story in the Chicago Tribune and editorials in the Chicago Daily News and the Illinois State Journal which are included in the RECORD as attachments to my letter to Illinois businessmen to which I have referred. At Joint Economic Committee hearings on September 20, United Auto Workers President Leonard Woodcock agreed that his union would cooperate in such in-plant productivity councils if they were fairly representative of labor. And an editorial in the Decatur Review of November 1 strongly endorsed the idea of productivity councils. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Decatur Review, Nov. 1, 1971]

PERCY ASKS INNOVATIVE SOLUTIONS

U.S. Sen. Charles H. Percy is to be applauded for his proposal that temporary productivity advisory councils be created.

In a recent address, Sen. Percy emphasized the seriousness of the productivity problem.

Output in each man-hour grew an average of only 2.1 per cent from 1965 to 1970, he said, while hourly compensation rose 6 per cent. This contributed to an increase of 3.9 per cent in unit labor costs.

Sen. Percy hopes the councils, which could be brought into existence by executive order of the President, would help create a national awareness of the productivity problem.

More specifically they would:

Help the Pay Board and the Price Commission determine guidelines for wages and prices in various industries.

Identify obstacles to increased productivity in each major industry.

Recommend changes to remove productivity bottlenecks.

A major goal would be to spark a national productivity effort.

The slowing down of productivity growth in the United States is a complex problem. This newspaper has pointed out that it must be given more attention.

A presidential commission recently identified three basic reasons for the slowing of productivity growth: Obsolete work rules, worker dissatisfaction with assembly-line or nonrewarding jobs, and manufacturers' failure to adopt new techniques.

Innovative solutions are needed. Sen. Percy's proposal could help develop them and to tie wages and prices to productivity.

POSITIVE BUSINESS RESPONSES

Mr. PERCY. Mr. President, that the idea of increasing productivity through a systematic effort by management to set goals and work with labor in in-plant productivity programs is workable is represented by some positive responses to my letter to Illinois businessmen.

Mr. Walter B. Scott, vice president and assistant to the president of Motorola, Inc., has written an excellent description of his corporation's productivity program and the really excellent results it has had. Motorola is an example of a corporation that has reaped substantial tangible rewards from adopting productivity programs of the kinds I have suggested. I will excerpt pertinent portions of Mr. Scott's letter here:

One of the keystones to the success of the program was a movie entitled "Competition." Mr. Galvin, Chairman of the Board of our company, went on camera and explained our . . . program, . . . what we had to do to remain competitive world wide.

Every employee, before the program was instituted in a facility, was shown this film. The General Manager also spoke to reveal the program within a particular division or facility. This is how we communicated to our employees. Our program has been very successful.

Senator Percy, committees are very fine but when you get people together on committees to talk about productivity, you have to have a way to set the target or the benchmark. I am convinced that that individual in production and the individual in an office will respond to improve his efforts, if the manager, and I mean top managers and the middle managers do their job.

Too often managers complain about employees not wanting to produce. This is not true. If you provide good leadership and communicate what is expected and is reasonable, they will respond.

I will quote briefly other responses to demonstrate the point that businesses will be responsive to new ideas for concentrated efforts to increase productivity in conjunction with labor. At a later time I will enter these responses in the RECORD more fully.

Joseph B. Lanterman, chairman of Amsted Industries, said:

. . . in a time when business is plagued by the doubly crushing effects of inflation and growing foreign competition, a major national program to improve productivity, supported by all segments of our society, seems imperative.

George B. Howell, executive vice president and chief executive officer of Golconda Corp., wrote:

I wholeheartedly agree that a massive effort should be made to increase the productivity of America and to make all citizens aware that this is the only route not only to improve our own standards of living, but to regain the respect for America around the world.

. . . we are constantly examining ways of improving productivity by capital expenditures. . . . As a corollary to this program, we have appealed to the people on a plant-wide basis to help eliminate non-productive time, . . . Additionally, we are considering a monetary award system for productivity improvement suggestions that result in tangible cost reductions.

William B. Johnson, chairman and president of IC Industries, said:

Your suggestions and questions concerning plant-by-plant and industry-by-industry councils, with particular attention to work rules and incentives, will be promptly considered by our various operating companies in the manufacturing, transportation and consumer product areas. This will require a little time and we will then provide you a detailed report.

Support for concentrated efforts to improve productivity comes from many thoughtful sources. At its meeting on October 15–16 the business council sponsored a special panel to discuss productivity. Among the discussants were some of the most knowledgeable and distinguished businessmen in the United States. Mr. H. I. Romnes, chairman of A.T. & T., spoke with particular authority about approaches to productivity in the labor-intensive services element of his industry, and about the special problems associated with increasing productivity among knowledge workers. Particularly exceptional and demonstrative of the kinds of productivity advances that can be made simply by rethinking a standard practice that has become a tradition is the idea of the "snip and take" telephone. Mr. Romnes said:

"If this concept works—it is being tried in a number of our companies—no longer will an installer have to climb into his truck to go out and remove the telephones of a customer who is moving. (How frequently we must do this you may judge from the fact that in the course of a year—to gain 4 million telephones—we may have to install 25 million, remove 21 million.) Instead, when the customer moves, he snips the cords himself with a pair of scissors and takes his instruments to his new location and the company gives a credit on his bill."

But perhaps the most important message Mr. Romnes conveyed was his company's new emphasis on the importance of the individual. A.T. & T. has discovered that the process of job fragmentation and specialization has gone too far and that in many instances splintered jobs should be reassembled to create tasks meaningful enough for people to do with a sense of pride and accomplishment. At A.T. & T. the post of executive vice president for human affairs has been created. His job is to see that human considerations receive as much weight in the highest councils of management as financial and technical questions have been given—to stress the "human side of enterprise."

Mr. President, I ask unanimous consent that the full text of Mr. Romnes' remarkable and enlightening speech be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 3.)

Mr. PERCY. Mr. President, another remarkable address at the business council was that of the chairman of the Chase Manhattan Bank, David Rockefeller,

widely regarded as one of the world's most intelligent and progressive business leaders. In a definitive speech that challenges the assumption that "not much can be done" about poor productivity in the services sector, Mr. Rockefeller said that:

Such increases are vitally important now because we have reached a point where the service industries, including government, employ about 90 billion manhours a year which is roughly 50 percent more than the manhours employed in goods production. Yet, surprisingly, the service share of the Gross National Product has remained pretty much the same over the past twenty years.

Mr. Rockefeller points out how service industries, including Government agencies and the banking industry, are becoming "productivity conscious" and are now taking major steps to increase productivity. He points out that:

Many segments of the service sector are turning their attention to the development of proper budgeting, to the establishment of priorities, and to the improvement of financial techniques and procedures.

Describing the results of the Chase Manhattan bank's productivity improvement programs, Mr. Rockefeller noted that the bank's combination of productivity improving efforts:

. . . has succeeded in raising productivity quite markedly in our bank operations area. Comparing the first six months of this year with a similar period in 1970, we estimate that productivity is up as much as 10½ percent. Despite an increased volume of in check-processing, money transfers and other such activities, we have been able to reduce our staff through normal attrition by about 1,000 persons in the past eighteen months. As our people become increasingly familiar with the techniques, we anticipate that from now on both our staff and our costs will grow at a much slower pace. We are projecting an increase in our controllable expenses through 1975 at a rate of 9 percent annually as compared with 19 percent in the past five years.

This experience demonstrates the importance of the need to make the effort to increase productivity in the service area and the proven fact that such productivity increases can be made regardless of the common assumption that productivity increases in services cannot occur. This is the area in which an aggressive productivity campaign spearheaded by a well-staffed and adequately funded productivity commission could help bring remarkable changes.

Mr. President, I ask unanimous consent that Mr. Rockefeller's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

PRODUCTIVITY IN THE SERVICES SECTOR OF THE ECONOMY

(Remarks by David Rockefeller)

My assignment is to discuss productivity in the fastest growing sector of the U.S. economy—the service industries. This is an area where, unhappily, there are still more questions than answers.

In reflecting upon the services sector, the average businessman usually proceeds on two assumptions. The first is that productivity in the services has lagged behind growth in output per worker in the real goods area—and this is basically true. The second assumption is that not much can be done about the situation—and this, in my judgment at least, is highly questionable.

The argument is made that it is pretty hard to increase the productivity of a good barber, a good baseball player, or—as I am informed on reliable authority—a good bartender!

Be that as it may, there is certainly room for improvement in the rate of productivity in many other services. And it is vitally important that we turn our attention as a nation in these directions, particularly in view of recent trends in the competitiveness of the U.S. economy.

One of the most significant economic developments of the past two decades has been the dramatic transition of our economy from one dominated by the production of goods to one dominated largely by services. We have reached a point where the service industries, including government, employ about 90 billion manhours a year which is roughly 50% more than the manhours employed in goods production.

Yet, surprisingly, the service share of the Gross National Product has remained pretty much the same over the past twenty years. The chief reason services keep absorbing an ever larger share of total manhours is precisely that productivity has increased less rapidly in the services than in the rest of the economy. For example, during the decade of the Sixties, productivity in services advanced 2.3% annually as against a 3% rise in the productivity of goods—a rate 30% slower.

This is a trend that should properly concern us, as businessmen and as citizens, because it raises a disturbing question. If national output is increasingly dominated by services with small productivity gains, won't this eventually drag down the productivity growth of the economy as a whole?

The obvious answer is: Yes, it will do so unless we take steps to reverse the productivity trend in the service area.

In examining this point more thoroughly, I'd like to talk first about the *problems* involved in measuring productivity in the service sector, then assess the *progress* that has been made in certain areas, and finally touch briefly on the *prospects* for the future.

Although the United States is now largely a service economy, our statistical reporting system is still geared to the conditions and needs of a predominantly agricultural and industrial nation. In his pioneering book on "The Service Economy," Dr. Victor Fuchs of the National Bureau of Economic Research points out that there are notable gaps in our information about service output, employment, prices, wages, investment and profits.

Of course, we can get a fairly good picture of what is included in the service area. We know, for instance, that about 47 million persons work in this area—two out of every three men and women employed in nonfarm jobs. Of this total, about one-third work in the retail and wholesale trades. The next largest group—perhaps one-quarter—are employed by federal, state and local governments. Transportation and public utilities employ 9%, and finance, insurance and real estate combined about the same. The rest—roughly one-quarter of the total—are scattered across the whole range of private service activities such as recreation, repair and maintenance, and personal care.

But identifying the composition of the service work force is far simpler than charting its productivity. As you know, productivity is a measure of real output per unit of input. It is relatively easy to measure tons of steel turned out per manhour, or per unit of labor and capital. But in many of the service industries, there is no satisfactory measure of output.

Lacking such a gauge, the national income accounts measure the contribution of most services by the wages and salaries paid—a procedure which makes no allowance whatever for increases in productivity.

Some cynics may argue that, in the case of Government, this zero-productivity-increase is a wholly valid assumption!

On the other hand, I get the impression in talking with some of my colleagues on the Business Council that they feel we are getting almost all the Government we are paying for!

At any rate, the point is that we need a substantial improvement in our measurements if we are going to get a proper fix on the relative gains in productivity in goods-producing and service-producing areas of the economy.

On this score, I believe there has been encouraging progress in recent years in a number of areas. Certainly there is a growing public awareness that rising costs of medical care, education, transportation and other services provide a major obstacle to higher real standards of living. And with this recognition has come political pressure for greater efficiency which after all is the essence of improved productivity.

In many segments of the service sector, more and more managements are being forced to realize that cost-cutting and efficient operations are an integral part of their jobs. Increasingly, they are turning their attention to the development of proper budgeting, to the establishment of priorities, and to the improvement of financial techniques and procedures.

We see this process at work in our hospitals, in municipal government, and in our colleges and universities. Some of you recall Pat Haggerty's incisive presentation here last year in which he stressed the critical need to relate costs-per-student-hour and costs-per-teaching-hour to improvements in the quality of education. A start is being made in this direction, although there is still a long way to go.

While it is true that many services do not have the whiplash of competition or the measuring rod of profit to spur them on, they do operate under fiscal constraints and these constraints are becoming ever more pressing.

In New York City, for example, severe fiscal pressures have forced the municipal government to introduce radical new budgetary procedures, and retain management consultants to study additional ways in which efficiency can be enhanced. The Rand Corporation has set up a subsidiary in New York to conduct continuing research for the city on a contractural basis.

Not only are government units reaching out for new management techniques but they are also applying new technology and new equipment to their problem-solving efforts. One illustration is the Technology Application Program—TAP, for short—under which municipal officials have enlisted the help of NASA's space scientists and engineers. The NASA specialists have come up with a half-dozen projects—four to improve the productivity of Fire Departments, and two others to enhance the effectiveness of street maintenance crews.

A few years ago, you may recall, great hopes were held out for sharply increasing governmental productivity through the Planning-Programming-Budgeting approach. These hopes have yet to be realized. The enormous difficulties of applying such techniques to an area where objectives, costs and benefits are frequently far more complex than in business were vastly underestimated. More importantly, there were simply not enough trained technicians to do the job. Nevertheless, I believe we must revive this P-P-B approach, develop the necessary technicians and devise new ways of applying these techniques to government. I see this as an integral part of any effort to increase efficiency in government, and I am convinced that business should provide all possible support for it.

Professor John Kendrick of George Washington University, one of the country's foremost authorities on the subject, argues plausibly that improving government productivity offers the U.S. its greatest single opportunity for expanding its growth and wealth.

My own industry—commercial banking—has been pushed, in the past few years, into an intensive search for ways to improve its productivity. The experience of our bank demonstrates some of the steps that can be taken, and I believe what we have learned applies at least in part to government and non-profit organizations as well

Our first step was a recognition of the fact that we faced a problem—in our case, costs that were excessive and steadily rising. We found that to bring our costs under more effective control, it was necessary to revamp our whole system of budgeting, and even to change our system of accounting in significant respects. Budgeting has now been pushed down to the lowest operating level, and in the process a new philosophy of management has emerged. Our officers up and down the line have become cost-conscious as well as revenue-conscious, and it is fascinating the amount of savings that have been realized just through the familiar "belt-tightening" process.

The largest number of our employees are engaged in back-office work—in the processing of checks, money transfers, the handling of securities and the like. Supervisors in these areas had never really thought of cost-cutting as a significant part of their jobs. Now they have a keen awareness of its significance, and as an incentive to improve because they know that this is a primary factor in judging their performance as managers.

Moreover, we have found that it is possible to apply some of the principles of industrial engineering to this back-office work—to schedule work flows and shift employees between functions so as to maximize productivity. Indeed, we have used industrial engineers and operations research analysts to help in planning and implementing this program.

Nor have we neglected the increased use of modern office equipment. The computer, of course, is in the vanguard here, although the major opportunities for savings from computers were realized by most banks in the first half of the Sixties. But there are many other kinds of recently developed special-purpose equipment that are applicable to sorting, cataloging and handling paperwork. Altogether, we have found that they can help bring about savings which are very meaningful.

Finally, we have spent a lot of time with our employees themselves, providing them with additional training that can make them more quickly productive. In New York City, there has been a swift evolution of the work force over the past decade, with an ever increasing proportion of blacks and Spanish Americans. These minority groups now make up about 30% of our total employment at Chase Manhattan.

Unfortunately, many of these individuals have lacked job skills and have suffered from inadequate education. Our response has been to develop new programs of training in which we identify the precise skills that are needed in specific operations and impart these to a new employee. We also give our employees opportunities to continue their general education at night if they so desire, with the bank paying the full cost of tuition.

The combination of these techniques has succeeded in raising productivity quite markedly in our bank operations area. Comparing the first six months of this year with a similar period in 1970, we estimate that productivity is up as much as 10½%. Despite an increased volume in check-processing, money transfers and other such activities, we have been able to reduce our staff through normal attrition by about 1,000 persons in the past eighteen months. As our people become increasingly familiar with the techniques, we anticipate that from now on both our staff and our costs will grow at a much slower pace. We are projecting an increase in our controllable expenses through 1975 at a rate of 9% annually as compared with 19% in the past five years.

I have taken some time to describe the changes in our own bank because I believe they underscore principles that are also applicable to many other service industries.

They demonstrate conclusively, I think, that we *can* do something about increasing productivity. Surely, it will be more difficult in services than in, say, the heavy goods industries. Surely, there will be many problems as we move ahead. One of these is the lack of incentive to come to grips with the real issues, especially in non-profit areas. Another is the lack of an adequate yardstick to apply to productivity in certain service areas.

I don't pretend to have an answer to the question of what the right yardstick is. I suspect there is not one but that there are many, each to be applied to a different function. But I am confident that it is possible to develop yardsticks which are satisfactory, and we should convince the specialists in academic life and in the research institutes that they should give this matter high priority. Professor Kendrick notes that research-and-development funds in the service sector are minuscule, and proposes that the Federal Government might well consider channeling more money in this direction to support worthwhile endeavors.

At the same time, we as businessmen need to exert our influence to persuade the leaders in government of the pressing need for greaer efficiency, and to do what we can to help them achieve it. The history of reform in the Post Office Department is a heartening example. The business community pressed for this for many years and was instrumental in helping to bring about the new Postal Corporation. We are all indebted to fellow Council member Fred Kappel for his work in this regard. There may be other activities in government which can be split off and put into responsible quasi-private corporations. But much of government is concerned with more limited functions at the municipal level—police and fire protection, trash collection, and the operation of parks and other recreational facilities. Even here we can help with improved management practices and innovation, and I would urge that we make every effort to do so.

As I have suggested, all the service industries have cogent *economic* reasons for stepping up their productivity in the years ahead.

Beyond these purely economic considerations, though, it seems to me they have equally compelling social reasons for doing the most efficient job they can.

Our national policies call for bringing the disadvantaged minorities into the main current of our economic life. A decent job has become an indispensable prerequisite for individual fulfillment, and jobs depend decisively on the continued productivity growth of the economy.

While union wage pressures and minimum wage laws have encouraged heavy industry to reduce its dependence on unskilled labor, the services have moved in the opposite direction. They have tried to substitute unskilled workers for the skilled people who are often so hard to find. This tendency has helped pull the underprivileged into work as para-professional assistants in hospitals, schools and offices.

To keep its promises of a better life for the disadvantaged, and to meet its other commitments at home and abroad, the United States must produce goods and services a great deal faster than it increases its population. In the final analysis, the only way it can accomplish this is to increase its productivity, the prime determinant of any nation's economic vitality.

So to the question: "Can we as a nation get the service sector growing in step with the rest of the economy?" my own response would be that we *can* do it—and we *must!*

Mr. PERCY. Mr. President, I hope I have marshaled adequate evidence to demonstrate the need for a national productivity effort, the strength and depth of the support among economists, businessmen, and Government officials for improving it, labor's new willingness to accept productivity improvement. I hope that this evidence further demonstrates the need to move now to create a strong unit of Government to work to improve national productivity rates over a sustained period of time, and moreover, the need to amend the bill before us, S. 2891, to allow for productivity-related pay increases during phase II.

With regard to this amendment, I am pleased to say that support for relating pay increases to productivity improvement comes from the Chairman of the Pay Board, Judge Boldt. In hearings of the Joint Economic Committee on November 20, Judge Boldt and I had the following colloquy, which I quote from the verbatim transcript:

PERCY. Would it be an important factor in considering pay increases . . . if we could really get productivity up over the three percent level we achieved in 1950 through the early 60's? . . . Would it help companies and industries justify better pay and keep markets for themselves and make it unnecessary to raise prices if they can demonstrate to you that they have really made an all-out effort to increase productivity?

Judge BOLDT. I would say without hesitation, of course they would. I point out, however, that there is a Productivity Commission which is studying this precise problem. And beyond affirming my agreement, I can only say that and no more.

Mr. President, I suggest Judge Boldt's response demonstrates the need both for special Government assistance in encouraging industry productivity, and it demonstrates the particular need for the Pay Board to take special consideration of employee compensation programs that are specifically designed to reward increased employee productivity. This is the purpose of my amendment, No. 766, to the Economic Stabilization Act amendments (S. 2891) now before this body. My amendment, which I am pleased to say is cosponsored by three Senators known in the Senate for their excellent grasp of economics—Senator JAVITS, Senator PROXMIRE, and Senator RIBICOFF—would simply provide that increased pay that is the result of carefully engineered incentive programs would be exempt from the Pay Board's regulations.

The National Commission on Productivity as it is now structured and staffed is not in my opinion able to do the job that must be done. The Commission consists of 33 men of exceptionally high caliber representing labor, business, the public, and Government. The possibility that a group of this importance can ever meet together often enough to make an impact on national productivity growth rates without exceptionally thorough staff preparation is very slight. And in fact the Commission has not been adequately staffed. Until October this year the staff director, Dr. Greenburg, a very able pub-

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lic servant has served on a part-time basis. Only now does he serve full time and have a projected professional staff of three.

The present structure is simply not adequate to do all the things—plan and manage conferences, conduct special industry studies, direct special investigations into difficult theoretical problem areas, prepare legislation recommendations, establish specific statistical measures to help us understand productivity—that need to be done.

With all respect to my esteemed friend, Dr. George Shultz, the very able Director of the Office of Management and Budget and the Chairman of the National Commission on Productivity, the Commission as now constituted cannot begin to do the job that so badly needs to be done. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a list of the members of the National Commission on Productivity. I think we owe it to these men to provide them with the structure and backup necessary to carry out the mandate they were selected to implement. By amending S. 2891 to provide for a statutory National Commission on Productivity, I think we can achieve these objectives. As the President said in his 1971 Labor Day address, increased productivity is "the key to a better life for the American working man and his family."

There being no objection, the list was ordered to be printed in the RECORD, as follows:

NATIONAL COMMISSION ON PRODUCTIVITY

BUSINESS

Stephen D. Bechtel, Jr., President, Bechtel Corporation, 50 Beale Street, San Francisco, California 94119.

Harllee Branch, Jr., Chairman of the Board, The Southern Company, Post Office Box 720071, Atlanta, Georgia 30346.

Berkeley Burrell, President National Business League, 4324 Georgia Avenue, N.W., Washington, D.C.

Edward William Carter, President, Broadway-Hale Stores, Inc., 600 South Spring Street, Los Angeles, California 90014.

Archie K. Davis, President, Chamber of Commerce of U.S., Wachovia Bank and Trust Company, 3rd and Main Streets, Winston Salem, North Carolina 27101.

Edward J. Dwyer, Chairman of the Board, National Association of Manufacturers, ESB Incorporated, 5 Penn Center Plaza, Philadelphia, Pennsylvania 19103.

R. Heath Larry, Vice Chairman of the Board, United States Steel Corporation, 525 William Penn Place, Pittsburgh, Pennsylvania 15230.

James M. Roche, Chairman of the Board, General Motors Corporation, 14–130 General Motors Building, Detroit, Michigan 48202.

Walter B. Wriston, Chairman, First National City Bank, 399 Park Avenue, New York, New York 10022.

LABOR

I. W. Abel, President, United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pennsylvania 15222.

Joseph A. Beirne, President, Communications Workers of America, 1925 K Street, NW., Washington, D.C. 20006.

Frank Fitzsimmons, President, International Brotherhood of Teamsters, 25 Louisiana Avenue, N.W., Washington, D.C. 20001.

Lane Kirkland, Secretary-Treasurer, American Federation of Labor and Congress of Industrial Organizations, 815 16th Street, N.W., Washington, D.C. 20006.

John H. Lyons, President, International Association of Bridge, Structural and Ornamental Iron Workers, 3615 Olive Street, St. Louis, Missouri 63108.

George Meany, President, American Federation of Labor and Congress of Industrial Organizations, 815 16th Street, N.W., Washington, D.C. 20006.

Floyd E. Smith, President, International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue, N.W., Washington, D.C. 20026.

Leonard Woodcock, President, International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Michigan 48214.

PUBLIC

Honorable Beverly Briley, Mayor Nashville, (City and County), Nashville, Tennessee.

William T. Coleman, Jr., Dilworth, Paxson, Kalish, Levy & Coleman, 2600 The Fidelity Building, Philadelphia, Pennsylvania 19109.

John T. Dunlop, Professor of Political Economy and Dean of the Faculty of Arts and Sciences, Harvard University, 226 Littauer Center, Cambridge, Massachusetts.

Howard W. Johnson, President Massachusetts Institute of Technology, Cambridge, Massachusetts 02139.

William Kuhfuss, President, American Farm Bureau, Merchandise Mart, Chicago, Illinois.

Edward H. Levi, President, University of Chicago, Chicago, Illinois 60637.

Arjay Miller, Dean, Graduate School of Business, Stanford, University, Stanford, California 94305.

Honorable Arch A. Moore, Governor of West Virginia, Charleston, West Virginia.

John Scott, Master of the National Grange, 1616 H Street, NW., Washington, D.C.

W. Allen Wallis, Chancellor, University of Rochester, Rochester, New York 14627.

GOVERNMENT

Honorable John B. Connally, Secretary of the Treasury, Washington, D.C.

Honorable Maurice Stans, Secretary of Commerce, Washington, D.C.

Honorable James D. Hodgson, Secretary of Labor, Washington, D.C.

Honorable Herbert Stein, Chairman, Council of Economic Advisers, Washington, D.C.

Honorable Virginia Knauer, Special Assistant to the President for Consumer Affairs, The White House, Washington, D.C.

Honorable George P. Shultz, Director, Office of Management and Budget, Executive Office of the President, Washington, D.C. 20503.

EXHIBIT 1

UNIT LABOR COSTS IN 11 COUNTRIES

(By Arthur Neff)

Unit labor costs in manufacturing—virtually stable in the United States during the first half of the 1960's—increased rapidly between 1965 and 1970. This trend contrasts sharply with the experience of most industrial nations.

In the United States, unit labor costs in manufacturing declined between 1960 and 1965, but rose 21 percent between 1965 and 1970. In Canada, Japan, and eight European countries—taken as a group—unit labor costs in manufacturing rose 20 percent in the first half of the decade, but increased only 15 percent between 1965 and 1970. For the decade as a whole, unit labor costs rose roughly 20 percent for U.S. manufacturers, compared with nearly 40 percent, on the average, for manufacturers in the other countries.

Between 1969 and 1970, unit labor costs for U.S. manufacturers continued to rise rapidly. The increase, 5.3 percent, was greater than for any other year of the decade. However, with Japan as a major exception, costs accelerated in most of the other countries to annual rates that exceeded even the high U.S. rate.

The analysis presented here deals only with percent changes in unit labor costs, not with differences in cost levels between countries. The analysis also deals with trends in labor compensation and productivity, each of which have a direct influence on unit labor costs.

The calculations on which the article is based update and, in many cases, revise previous estimates published by the Bureau of Labor Statistics.[1] All 1970 figures and in some instances those for earlier years are preliminary estimates derived from preliminary or partial year data or from current statistical series other than those used for the longer term trends. The underlying data, concepts, and data limitations are briefly described in the appendix.

BACKGROUND

The cost of producing goods in the United States relative to other countries is an important element in determining the flow of trade. Labor costs, in turn, account for a major portion of total costs. In the United States, for example, employee compensation amounted to 68 percent of "gross product originating in manufacturing in 1969. In other industrial countries, the proportion ranges from about 50 to 70 percent.

The 10 foreign countries whose cost experience is compared with the U.S. account for about three-fifths of U.S. imports of manufactured goods, and about four-fifths of U.S. imports of manufactured goods. They are also our major competitors in world markets. It should be kept in mind, however, that cost is not the only factor affecting international trade flows and that unit labor cost trends for all manufacturing industries combined do not necessarily reflect the trends for specific industries or products. Cost trends for products that are heavily exported may differ substantially from the average for all manufacturing industries combined. The relative importance of individual industries within the manufacturing sector also differs from country to country and this has bearing on the trends.

Unit labor cost indexes are presented on both a national currency basis and a U.S. dollar basis for those countries which revalued their currencies within the 1960–70 period. A currency devaluation normally has the effect of lowering a country's costs relative to costs in other countries, since the devalued currency becomes obtainable to foreign purchasers at more attractive exchange rates, and goods priced in the devalued currency are thereby lowered in price for the foreign purchaser. On the other hand, it takes more of the devaluing country's currency to purchase the goods of other countries.[2] Conversely, an upward currency revaluation has the effect of raising a country's relative costs.

Upward revaluations in Germany and the Netherlands in 1961 and in Germany in 1969 increased their unit labor costs relative to those of other countries, while devaluations in the United Kingdom in 1967 and in France in 1969 lowered theirs. The value of the Canadian dollar was allowed to fluctuate freely from late 1950 to May 1962 so that exchange transactions with Canada were not based on a par value. In May 1962, Canada established a par value for the Canadian dollar below the fluctuating rate. The effect of this de facto devaluation was to lower Canadian unit labor costs relative to those in other countries. On June 1, 1970, Canada returned to a freely fluctuating exchange system and the value of the Canadian dollar rose.

COMPARATIVE TRENDS

Data for the past decade have been divided into two periods, 1960–65 and 1965–70. From the American standpoint, the early period was marked by rising costs abroad and stable costs at home. The later period was marked by rising costs at home and moderate increases abroad, but with sharply accelerated increases occurring abroad in the last year. For annual indexes of unit labor cost, output per man-hour, and compensation per man-hour, see table 5 preceding the appendix, and chart 1. Average annual rates of change over the full 1960 to 1970 period are shown in table 1.[3]

Footnotes at end of article.

TABLE 1.—RATES OF CHANGE IN OUTPUT PER MAN-HOUR, HOURLY COMPENSATION, AND UNIT LABOR COSTS, 1960–70

[Average annual percent change]

Country	Output per man-hour	Hourly compensation	Unit labor costs: National currency	Unit labor costs: U.S. dollar basis
United States	3.1	4.6	1.5	1.5
Belgium	6.2	9.0	2.7	2.7
Canada	3.9	6.1	2.2	1.5
France	5.8	8.8	2.8	2.1
Germany	5.9	8.9	2.7	3.5
Italy	6.4	10.3	3.7	3.7
Japan	10.8	13.4	2.3	2.3
Netherlands	6.7	11.4	4.4	4.7
Sweden	7.6	9.9	2.2	2.2
Switzerland	4.5	7.0	2.5	2.5
United Kingdom	3.7	7.0	3.2	1.4

Note: Percent changes computed from the least squares trend of the logarithms of the index numbers. Data relate to all employees in manufacturing (wage earners only in Switzerland).

1960 to 1965. During the first half of the 1960's, the position of U.S. manufacturers improved relative to all of their major industrial competitors except Canada. U.S. unit labor costs remained virtually stable while costs in Japan and Europe rose at rates of 2 to 6 percent last year. (See table 2.) The contrasting experience in Japan and Europe was primarily the result of sharp increases in hourly compensation in these countries, since, except for Switzerland and the United Kingdom, their productivity gains relative to the United States were also higher.

Unit labor costs increased slightly from 1960 to 1961 in the United States, but declined in each of the following 4 years. Increases in hourly compensation were moderate—ranging from about 3 to 4 percent each year—while productivity (as measured by output per man-hour) increased at an average annual rate of over 4 percent.

The Canadian experience was similar to that of the United States during the first 4 years of the period. Hourly compensation increased moderately less than productivity, and unit labor costs fell. In 1965, the trend was reversed. Hourly compensation increased over 5 percent, the rate of productivity growth slowed, and unit labor costs increased. For the period as a whole, Canadian unit labor costs declined at about the same rate as U.S. costs, when measured in Canadian dollars. As noted earlier, however, Canada established a par value for the Canadian dollar in May 1962 that was below the previous freely fluctuating rate. The effect on unit labor costs over the 1960–65 period was to convert an 0.9 percent annual rate of decline calculated on the basis of Canadian currency to a 3.0 percent annual rate of decline calculated on the basis of the U.S. dollar.

TABLE 2.—RATES OF CHANGE IN OUTPUT PER MAN-HOUR, HOURLY COMPENSATION, AND UNIT LABOR COSTS, 1960–65

[Average annual percent change]

Country	Output per man-hour	Hourly compensation	Unit labor costs: National currency	Unit labor costs: U.S. dollar basis
United States	4.3	3.7	−0.7	−0.7
Belgium	5.4	9.0	3.4	3.4
Canada	4.7	3.8	−.9	−3.0
France	5.0	9.0	3.8	3.8
Germany	6.5	9.7	3.0	3.9
Italy	6.8	13.6	6.3	6.3
Japan	8.5	13.1	4.3	4.3
Netherlands	5.1	11.0	5.6	6.4
Sweden	7.3	9.5	2.0	2.0
Switzerland	2.3	7.6	5.2	5.2
United Kingdom	3.7	6.2	2.4	2.4

Note: Percent changes computed from the least squares trend of the logarithms of the index numbers. Data relate to all employees in manufacturing (wage earners only in Switzerland).

With few exceptions, Japan and the European countries experienced rising unit labor costs in each year of this period. Switzerland and the United Kingdom had slower rates of productivity growth than the United States and Canada, but all of the other countries had higher rates of productivity growth, led by Japan's 8.5 percent annual rate of increase. However, increases in hourly compensation outpaced the growth in productivity in each country. As a result, unit labor costs measured in national currencies increased at average annual rates of from 2 to 6 percent. Adjusted to a U.S. dollar basis, the rates of increase for Germany and the Netherlands are raised by one percentage point as a result of upward revaluations of their currencies in 1961.

1965 to 1970. The favorable U.S. trend of the first half of the decade was reversed in the second half, when U.S. unit labor costs increased at an annual average rate of 3.9 percent. In contrast, the annual rates of increase in all of the other countries except Canada were lowered during the first 4 years of the period to well below the U.S. rate. This general reversal of trends is shown in chart 2. In 1970, however, unit labor costs in most of the European countries accelerated sharply, with the rates of increase in Belgium, Germany, Italy, Sweden, and the United Kingdom surpassing the U.S. rate of increase.

The U.S. rate of increase in hourly compensation from 1965 to 1970 was high compared with the first 5 years of the decade, but it was below the rates of increase in any of the other 10 countries. However, productivity increases in the other countries ranged from almost double the U.S. rate of increase in Canada and the United Kingdom to nearly 7 times the U.S. rate in Japan. (See table 3.)

The rise in Canadian unit labor costs, which began in 1965, closely paralleled the U.S. rise, but the underlying factors were somewhat different. Canada experienced less slowdown in the rate of productivity growth and sharper increases in hourly compensation.

Productivity in the United Kingdom advanced at the same rate from 1965 to 1970 as in the first half of the decade. Hourly compensation also continued to advance at about the same rate through 1969. Consequently, the 1965–69 average annual rate of increase in unit labor costs, as measured in pounds, was about the same as in the first half of the decade. In November 1967, however, the United Kingdom devalued the pound by 14.3 percent. The effect of the devaluation was to convert the United Kingdom's 1965 to 1969 rate of change in unit labor costs from an increase of 2.5 percent per year when measured in pounds to a decline of 0.2 percent per year measured in U.S. dollars. In 1970, hourly compensation and unit labor costs accelerated sharply.

Japan and the continental European countries all had large 1965–70 average annual rates of increase in hourly compensation that, for most of the countries, accelerated in 1970. Despite these large gains, however, and in contrast to the first half of the decade, unit labor costs remained stable in Switzerland and increased only moderately in Japan, Belgium, France, and the Netherlands. In these five countries, improved productivity growth rates were primarily responsible for keeping unit labor costs down. Germany, Italy, and Sweden also had moderate rates of increase through 1969, but in 1970, both hourly compensation and unit labor costs rose sharply. In Germany and Italy, unit labor costs rose less than 2 percent a year through 1969 as productivity growth remained strong and the very high rates of gain in hourly compensation of the early 1960's were lowered. In Sweden, hourly compensation rose more sharply in the second than in the first half of the decade, but unit labor costs increased by less than 2 percent a year through 1969 because of large gains in productivity.

TABLE 3.—RATES OF CHANGE IN OUTPUT PER MAN-HOUR, HOURLY COMPENSATION, AND UNIT LABOR COSTS, 1965–70

[Average annual percent change]

Country	Output per man-hour	Hourly compensation	Unit labor costs: National currency	Unit labor costs: U.S. dollar basis
United States	2.1	6.0	3.9	3.9
Belgium	6.9	8.4	1.4	1.4
Canada	3.5	8.3	4.6	5.1
France	6.6	9.5	2.7	6
Germany	5.3	8.7	3.2	4.7
Italy	5.1	9.1	3.8	3.8
Japan	14.2	15.1	.8	.6
Netherlands	8.5	11.1	2.5	2.5
Sweden	7.9	10.6	2.5	2.5
Switzerland	6.2	6.2	0	0
United Kingdom	3.6	7.6	3.8	−.2

Note: Percent changes computed from the least squares trend of the logarithms of the index numbers. Data relate to all employees in manufacturing (wage earners only in Switzerland).

In August 1969, the French franc was devalued by 11.1 percent and in October the German mark was revalued upward by 9.3 percent. The effects of these changes were to lower the 1965–70 average rate of change in French unit labor costs from 2.7 percent per year on a national currency basis to 0.6 percent on a U.S. dollar basis and to raise the average rate of change in German unit labor costs from 3.2 to 4.7 percent per year.

French unit labor costs in 1968–69 were also affected by a reduction of the 5 percent payroll tax on November 1, 1968 and full abolition of the tax on December 1, 1968. The full tax reduction is estimated at about 3.8 percent of unit labor costs, but the effect on average 1968 costs is less than one-half of 1 percent. For the 1965–70 period as a whole, the tax reduction resulted in lowering the annual rate of increase in unit labor costs from 3.6 percent a year to 2.7 percent a year. Swedish labor costs were increased by the imposition of a 1 percent payroll tax at the beginning of 1969.

1969–70. U.S. unit labor costs increased by 5.3 percent from 1969 to 1970—the highest yearly increase in over 10 years. Based on preliminary 1970 estimates, this was a substantially larger increase than occurred in France, after taking into account the devaluation of the franc, or in Japan, the Netherlands or Switzerland; somewhat less than the increases in Belgium and Sweden; but considerably below the very large increases in Canada, Germany, Italy, and the United Kingdom. (See table 4.)

TABLE 4.—RATES OF CHANGE IN OUTPUT PER MAN-HOUR, HOURLY COMPENSATION AND UNIT LABOR COSTS, 1969–70

[Average annual percent change]

Country	Output per man-hour	Hourly compensation	Unit labor costs: National currency	Unit labor costs: U.S. dollar basis
United States	1.5	6.8	5.3	5.3
Belgium	3.9	11.7	7.6	7.6
Canada	2.1	8.4	6.2	9.8
France	5.7	10.5	4.5	−2.5
Germany	2.2	17.0	14.5	23.2
Italy	4.1	18.8	14.0	14.0
Japan	15.0	17.0	1.7	1.7
Netherlands	9.1	10.4	1.3	1.3
Sweden	5.4	12.7	6.9	6.9
Switzerland	4.3	6.6	2.2	2.2
United Kingdom	3.1	14.2	10.7	10.8

Note: Data relate to all employees in manufacturing (wage earners only in Switzerland)

Footnotes at end of article.

TABLE 5.—INDEXES OF OUTPUT PER MAN-HOUR, HOURLY COMPENSATION, AND UNIT LABOR COSTS FOR ALL EMPLOYEES IN MANUFACTURING, SELECTED COUNTRIES, 1960–70

[1967=100]

Item and country	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
Output per man-hour:											
United States	80.5	82.4	87.0	90.6	94.9	98.7	99.9	100.0	104.6	106.8	108.4
Belgium	67.8	69.3	74.5	78.0	83.5	86.9	93.1	100.0	108.1	[1]115.2	119.7
Canada	76.1	79.5	85.3	88.5	92.2	95.6	98.2	[1]100.0	[1]106.0	[1]110.0	112.3
France	69.4	72.7	76.1	79.8	83.9	88.7	94.7	100.0	107.4	115.0	121.6
Germany	66.2	70.0	74.5	78.5	84.5	90.7	94.0	100.0	106.9	112.8	115.3
Italy	65.1	67.5	74.1	76.5	81.6	91.7	96.0	100.0	108.0	112.2	116.8
Japan	52.6	59.6	62.1	67.2	76.1	79.0	87.3	100.0	114.8	[1]132.0	151.8
Netherlands	69.0	72.4	74.5	77.5	84.6	88.6	93.8	100.0	111.1	120.9	131.9
Sweden [2]	62.5	65.0	69.4	74.0	82.0	87.9	92.8	100.0	110.9	[1]119.4	125.8
United Kingdom	79.8	80.7	82.2	86.1	91.5	94.3	97.1	100.0	106.1	108.4	111.8
Switzerland (wage earners only)	80.5	80.5	80.0	82.1	85.8	90.6	95.2	100.0	105.3	116.1	121.1
Hourly compensation in national currency:											
United States	76.6	79.0	82.2	85.0	88.9	91.3	95.3	100.0	107.1	113.9	121.7
Belgium	54.7	57.6	61.6	67.7	75.5	83.2	90.9	100.0	105.5	[1]113.4	126.7
Canada	71.1	72.3	75.2	78.1	81.2	85.5	92.2	[1]100.0	[1]107.9	[1]117.2	127.1
France	56.3	62.0	68.2	74.7	80.3	86.5	[1]92.0	[1]100.0	[1]113.0	[1]121.6	134.4
Germany	54.1	60.6	68.6	73.3	78.9	87.0	94.6	100.0	106.0	[1]116.3	136.1
Italy	49.6	52.6	61.5	73.2	82.4	89.1	91.4	100.0	106.9	117.4	139.5
Japan	43.3	50.4	57.6	64.3	72.3	81.0	88.9	100.0	116.5	[1]137.8	161.2
Netherlands	47.1	53.6	56.7	62.1	71.9	80.7	90.1	100.0	[1]110.7	[1]123.8	136.7
Sweden [2]	52.7	57.0	63.3	68.9	74.9	82.8	90.5	100.0	109.1	122.1	137.6
United Kingdom	65.7	71.0	74.2	77.1	82.7	90.5	99.6	100.0	109.3	117.6	134.3
Switzerland (wage earners only)	60.9	64.8	69.6	75.2	81.3	87.4	94.3	100.0	105.2	111.7	119.1
Unit labor cost in national currency:											
United States	95.2	95.9	94.4	93.8	93.6	92.4	95.4	100.0	102.3	106.6	112.2
Belgium	80.7	83.2	82.7	86.7	90.4	95.8	97.6	100.0	97.6	[1]98.4	105.9
Canada	93.4	90.9	88.1	88.2	88.1	89.5	93.9	100.0	101.8	106.6	113.2
France	81.1	85.3	89.7	93.6	95.8	97.5	[1]97.1	[1]100.0	[1]105.2	[1]105.8	110.6
Germany	81.7	86.4	92.1	93.4	93.3	95.9	100.6	100.0	99.2	[1]103.1	118.0
Italy	76.1	78.0	82.9	95.7	101.0	97.2	95.2	100.0	99.0	104.7	119.4
Japan	82.3	84.7	92.7	95.8	94.9	102.5	101.9	100.0	101.5	[1]104.4	106.2
Netherlands	68.3	73.9	76.2	80.3	85.1	90.9	96.0	100.0	[1]99.7	[1]102.4	103.7
Sweden [2]	84.3	87.6	91.2	93.1	91.4	94.1	97.5	100.0	98.4	[1]102.2	109.3
United Kingdom	82.3	88.0	90.3	89.6	90.4	96.0	102.6	100.0	103.0	108.5	120.1
Switzerland (wage earners only)	75.6	80.5	86.9	91.6	94.8	96.5	99.1	100.0	99.9	96.3	98.4
Unit labor cost in U.S. dollars: [3]											
Canada	104.1	97.0	89.1	88.2	88.1	89.5	93.9	100.0	101.8	106.6	117.0
France	81.1	85.3	89.7	93.6	95.8	97.5	[1]97.1	[1]100.0	[1]105.2	[1]100.8	98.3
Germany	77.8	85.3	92.1	93.4	93.3	95.9	100.6	100.0	99.2	[1]104.7	129.0
Netherlands	65 0	73.3	76.2	80.3	85.1	90.9	96.0	100.0	[1]99.7	[1]102.4	103.7
United Kingdom	84.0	89.8	92.1	91.4	92.2	98.0	104.7	100.0	90.0	94.8	105.0

[1] Preliminary estimates derived from preliminary or partial year data or current data from other series.

[2] Mining and manufacturing.

[3] Indexes in national currency adjusted for changes in par value or prevailing exchange rates.

The rate of increase in hourly compensation in the United States in 1970 was only fractionally higher than in 1969. Unit labor costs rose more, however, because of slower productivity growth. The rate of increase in hourly compensation slowed in the fourth quarter of 1970, but this was counterbalanced by a reduction in productivity that was largely attributable to the auto strike.

Unit labor cost increases in the other 10 countries were the result of very large gains in hourly compensation combined with generally lower rates of increase in productivity growth. The 1969–70 rates of change in unit labor costs for Canada, France, and Germany were also affected by changes in their currency exchange rates.

Increases in hourly compensation in Japan, Belgium, Germany, Italy, Sweden, and the United Kingdom appear to have been as large or larger than in any year of the 1960's. Most of the Japanese hourly cost increase was offset by an estimated 15 percent increase in productivity. By contrast, productivity increases of only 2 to 3 percent in Germany and the United Kingdom and about 4 to 5 percent in Belgium, Italy, and Sweden were far below the rates of increase in hourly compensation. Consequently, unit labor costs in these countries rose more, and in most cases much more, than in any year of the 1960's. Measured in U.S. dollars, Germany had the largest yearly increase in unit labor costs of any of the 11 countries during the past 10 years. Nearly 9 of the estimated 23 percentage-point rise in German unit labor cost is attributable to the upward revaluation of the mark.

Calculated in U.S. dollars, Canada had a 9 percent increase in unit labor costs from 1969 to 1970. About two-thirds of the increase resulted from an 8 percent rise in hourly compensation coupled with low productivity growth and about one-third from the rise in the value of the Canadian dollar as of mid-1970.

France also had a large 1970 increase in hourly compensation, but it was offset to a considerable extent by a nearly 6 percent increase in productivity. More important, however, the late 1969 devaluation of the French franc converted a 4.5 percent increase in unit labor costs measured in francs to a 2.5 percent decline measured in U.S. dollars. Hourly compensation increases in the Netherlands and Switzerland, while large, were somewhat less than their average 1960 to 1970 rates of increase and nearly matched by large productivity increases.

FOOTNOTES

[1] *Unit Labor Cost in Manufacturing: Trends in Nine Countries, 1950–65* (BLS Bulletin 1518, 1966); and *Handbook of Labor Statistics*, published annually by BLS beginning in 1967. Indexes of hourly compensation and output per man-hour have not been published since Bulletin 1518 was issued.

[2] When a country devalues, the cost of its exports to foreign purchasers falls by the amount of the devaluation, if the exports are priced in the devalued currency and domestic prices remain unchanged. However, since it now costs more for the devaluing country to import goods, the domestic prices of its manufacturers using imported materials must rise. In addition, the higher domestic prices for goods that are wholly or partially imported may stimulate counteracting wage demands. Therefore, part of the immediate cost advantage gained in international trade through a currency devaluation tends to be lost in the longer term.

[3] All rates of changes were computed from the least squares trend of the logarithms of the index numbers. Use of the least squares method reduces the influence—on the average annual rate of change—of year-to-year changes that deviate from the more "normal" trend. As a result, some of the rates of change presented in the article may appear inconsistent with the indexes in table 5. For example, unit labor costs in the United Kingdom increased by 7 percent (measured in U.S. dollars) from 1965 to 1970, but the rate of change computed by the least squares method is a minus 0.2 percent per year. This apparent inconsistency is most likely to occur with the unit labor cost data, as year-to-year changes in unit labor costs often vary in both magnitude and sign. This is particularly true when computed on a U.S. dollar basis during periods that include changes in currency valuations. Calculations for Italy and Japan in the charts are based on data prior to certain revisions obtained shortly before publication.

APPENDIX: DEFINITIONS OF MEASUREMENTS

The reliability of unit labor cost, productivity (as measured by output per man-hour), and hourly compensation estimates depends on the comparability and reliability of the basic output, man-hours, and compensation data.[1] The indexes presented in this article are believed to be sufficiently reliable for intercountry comparisons of trends, but little importance should be attributed to small differences between countries. The unit labor cost estimates are probably more reliable in most cases than the estimates of output per man-hour and hourly compensation.

Unit labor cost is defined as the ratio of total labor cost to total output or, alternatively, as the ratio of hourly labor cost to output per man-hour. Under the first formulation, unit labor cost indexes can be developed from data on aggregate output and aggregate labor expenditures, whereas the second formulation requires data on aggregate hours worked to develop the output per man-hour indexes and comprehensive data on hourly labor costs. Most of the unit labor cost estimates presented here have been derived, at least in part, from aggregate estimates of output and labor expenditures compiled by governments for their national economic accounts. These calculations probably offer a more uniform and accurate approach to the measurement of unit labor cost than can be achieved through the use of output per man-hour and hourly labor costs indexes, since most countries have moved toward standard methods of preparing their national accounts. The available data on employment and average hours worked used to develop the output per man-hour estimates are believed to be less comparable among countries than the aggregate labor expenditure data derived from the national economic accounts. In addition, while all of the countries have statistical series on average hourly wage rates or average hourly earnings, they usually cover wage earners only and are far less inclusive in their coverage of total labor costs than the aggregates in the national accounts.

Labor cost is defined as all payments made by employers directly to their employees, before deductions of any type, plus employer contributions to legally required insurance programs and private welfare plans for the benefit of employees; employer expenditures for such items as training and recruitment; the cost of canteens, medical services, and various other plant welfare facilities and services; and payroll and employment taxes. Labor cost thus comprises all employer production costs which can be allocated to labor. Unfortunately, annual data are not available on total labor costs. Labor cost as used in this article, therefore, approximates more closely the concept of compensation, which consists of all payments made directly to employees plus employer contributions to legally required and voluntary welfare plans for the benefit of employees.

Employer contributions to social security programs are covered by the labor cost data for all countries except Japan and Switzerland. Employer social security contributions amount to about 5 percent of total labor costs in Japan, and do not appear to have changed significantly as a percentage of direct wage and salary expenditures over the period covered. Employer social security contributions probably represent a larger proportion of total labor costs in Switzerland, but also do not appear to have changed significantly as a percentage of direct payments to workers. Employer contributions to voluntary insurance plans are excluded from the labor cost data for Japan, Belgium, Sweden, and Switzerland, and may be partially excluded from the data for some of the other countries. Such expenditures account for a substantial part of total labor costs in only the United States and Canada, however, and the labor cost data for these countries include such expenditures. In Japan and Belgium, they account for only about 1 percent of total labor costs. The nonwage and salary costs of recruitment, training, and various welfare services and facilities are excluded from the data for all countries, but they represent at most only about 4 percent of total labor costs in any country.

Data on taxes, other than social security taxes, that are regarded as labor costs are significant only for France, Sweden, and the United Kingdom, and the labor cost data have been adjusted for the effects of these taxes.[2] France had a 5-percent payroll tax that was reduced in November and abolished in December of 1968. Sweden introduced a 1-percent payroll tax at the beginning of 1969. France also has an apprenticeship tax of 0.4 percent of payroll and Italy a tax of 1.15 percent of payroll to finance a public housing fund, but no adjustments have been made for these taxes because the rates have remained constant over the period.

The labor cost data for the United Kingdom have been adjusted for two employment-related taxes that were introduced during the 1960's: in 1965, a surcharge to finance a central Redundancy Fund (to provide severance payments to workers), and in late 1966, a Selective Employment tax aimed at directing manpower into export industries by assessing a tax on employers and subsequently partially refunding the tax or refunding the tax with a premium to certain industries. In 1967 and the first quarter of 1968, employers in manufacturing received a refund plus a premium, thereby actually lowering their labor costs. Beginning April 1, 1968, only manufacturing establishments in development areas have been eligible for the premium.

Output per man-hour is defined as total output divided by the number of man-hours worked by all employees. For the United States, Canada, and Switzerland, it has been necessary to use data on average paid hours rather than average hours worked. This has little effect on the output per man-hour estimates for the United States, as there was little increase in the proportion of hours paid for but not worked to total paid hours. This is probably also true of Canada and Switzerland. While there are definitional differences in the measurement of hours in the other countries, the data relate basically to hours worked. Statistical series on hours worked by salaried workers are not available for most countries. Estimates have been developed for some of the countries, but for many countries it has been necessary to assume that average working hours for salaried workers are the same as for wage workers. The latter assumption is believed to be more valid than an assumption of constant hours average hours for salaried workers over time, such as 40 hours, as average working hours declined significantly during the 1960's in many of the countries covered. The employment estimates that underlie the aggregate hours data are believed to be the best estimates available, but there are substantial country-to-country differences in methods of measuring or estimating average employment.

Hourly labor cost is total labor cost divided by total hours worked. The data on labor cost closely approximate compensation and the more common term, hourly compensation, is used in this article rather than hourly labor cost.

[1] For a fuller discussion of unit labor cost indexes, see William C. Shelton and John H. Chandler, "The Role of Labor Cost in Foreign Trade" and "International Comparisons of Unit Labor Cost: Concepts and Methods," *Monthly Labor Review*, May 1963, pp. 485–490 and 538–547.

[2] According to *Statistics of Labor Cost, Report* prepared for the Eleventh International Conference of Labor Statisticians (Geneva, International Labor Office, October 1966), "the question of the inclusion or exclusion of taxes is one of the most complicated problems of labor cost definition." The solution recommended in the ILO Report and followed here is that labor cost includes payroll, employment, and any other taxes which are clearly a cost of employing labor from the management viewpoint and excludes taxes which are not allocated to a single factor of production, regardless of the use of the tax receipts. In most countries, social security programs are financed primarily from payroll taxes. Most countries also have social programs that benefit workers as well as others that are financed through profit, personal income, and other types of taxes which cannot be regarded as labor costs. The level of labor cost to an establishment or industry, therefore, is partly dependent on the methods of financing welfare and other government programs. Of the countries covered here, the United Kingdom is probably the outstanding example of a country that relies heavily on general taxation to finance large social welfare programs benefiting workers.

EXHIBIT 2

MANAGEMENT AND LABOR: "SAME TEAM"—BEHIND JAPAN'S HUGE BOOSTS IN OUTPUT

TOKYO.—The Japanese see nothing miraculous about everyone pitching in and doing a good job. To them, this is merely simple common sense.

"We are not hostile toward management," explains one worker. "Managers are employes, too. We're not selling our labor to them. We're all on the same team and must cooperate for the good of our company."

At the Yokohama shipyard of Ishikawajima-Harima Heavy Industries (IHI), the biggest Japanese shipbuilder, co-operation takes several typical forms.

Labor representatives are briefed by management at monthly meetings of the Production Consultative Council on production plans and goals. Opinions are solicited, complaints aired and problems discussed.

HELPING EACH OTHER

Seven or eight times a year management and labor representatives attend Management Consultative Council meetings to explore ways of improving operations and increasing productivity.

Every 12 months, managers fill in the workers on the year's profits, performance and problems.

The problems normally do not include strike threats. In Japan, strikes are considered costly and counterproductive. And they are rare. To stress labor demands, token work stoppages of a few hours usually are the worst that happens.

A welder says, "Strikes jeopardize my company's business and hurt workers."

Go-slow tactics, make-work and absenteeism seem to bear the same stigma.

The work force in a typical factory is organized into small, interdependent groups of 10 to 15 persons.

A group leader was asked how he handled a lazy worker. He replied:

"I would consult with him, try to determine why he is lazy, urge him to work harder and maybe even have to threaten a pay cut. But this has never happened in my 13 years here. Such a man quits."

A steelworker explained what happened to idlers in his group:

"At discussion meetings, their shortcomings were pointed out to them by coworkers. It was emphasized that they were causing trouble to others and that they were obliged to play their part. They did."

CRIME OF "GOOFING OFF"

Absenteeism is rarely a problem, an assistant foreman said, because "there is a traditional Japanese feeling that it is a crime to absent yourself from your work place."

One result of the team system: no overspecialization.

A visitor at the IHI shipyard watched several welders at work on a ship part. When necessary, one or another took the controls of a small crane to bring in new materials.

At IHI shipyards, workers generate some 300 suggestions each month for doing their work better and roughly 60 percent are adopted.

At the Tokai mill of Nippon Steel, the biggest steelmaker, worker groups are urged to zero in on a problem area. Each group meets two or three times a week to discuss possible solutions. Sessions run up to two hours, sometimes on the workers' own time.

PRIDE IN IMPROVEMENT

A young operator in a cold-rolling mill at Nippon explains: "What's most important is that we workers have initiated the improvement and are proud of it, whereas there might be resistance if management tried to impose new methods on us."

The small groups often voluntarily set goals for themselves in such things as production or cost cutting.

The Tokai mill offers an example of how effective the teamwork can be.

This year Japanese steelmakers cut production more than 15 per cent when exports softened. It became essential to cut costs. Management at Tokai, accepting that wages and raw-material costs could not be lowered, concentrated on such things as raising ingot yields and decreasing the coking ratio. Goal

XUM

for the first half of 1971: a $4.17 reduction in the cost of making a ton of steel.

The target was met by joint labor-management efforts.

Now a second campaign is under way to reduce costs another $4.17 a ton by March 31, 1972.

A visitor to Fairchild Corporation's small Okinawa plant at lunch time found a lone girl still at work, assembling semi-conductors.

The resident American manager had this explanation:

"She's a new girl and has not yet built her speed up to the production standard. Performance below the level of her group bugs her, so she is practicing on her own time to catch up . . . and to develop the skill to keep up."

EXHIBIT 1

LABOR PRODUCTIVITY

When Don Burnham first outlined what was expected of me this morning he was kind enough to say that I could be most useful to this occasion simply by sharing what he called the "fine things" the telephone business has done to advance labor productivity. This I am glad to do, observing only that if we have lessons to impart, they derive not so much from our accomplishments as from our hopes, not so much from what we've done but what we're trying to do.

I shall be talking about "labor" in the broad sense—including professional and management people and "knowledge workers" as well as union-represented and other nonmanagement people. Also, I shall be concentrating on ways to improve labor productivity in ways other than the application of capital since Bob Ingersoll has covered that subject very well.

The classic index of productivity in the telephone business is the number of employees per 10,000 telephones. It is not a very sophisticated index but it provides a sufficient measurement of gross trends. In 1950, it took 148 employees to serve 10,000 telephones; in 1960, 96. Today it takes 80. Over the past five years, however, the downward sweep of this curve has begun to flatten out—partly because of a slowdown in our growth rate. In short, our experience has not been unlike that of the economy at large.

Looking back over the years, there is no doubt that the telephone industry owes the dramatic increases in productivity it has accomplished to the very large capital investments it has made to embody advanced technology in its plant. But there is no doubt either that new increments of productivity improvement by this route are harder and harder to come by. The mechanization of switching is to all intents and purposes complete. Direct distance dialing is available virtually everywhere. Microwave radio and coaxial cable carry great bundles of communications channels back and forth across the nation at a cost per circuit mile that is one-third of what it was 20 years ago.

What remains stubbornly resistant to dramatic improvements of this kind are the labor-intensive segments of our business—connecting and disconnecting telephones, installing outside plant and a variety of clerical functions. We by no means despair of accomplishing further advances in productivity—including some dramatic ones—through technology. Electronic switching and the wave guide cable are just two examples of current opportunities. But in the stubborn areas I have been talking about we are seeking productivity improvement, not alone through technology, but through the patient and concerted application of our energies to achieving small increments of improvement that cumulatively over time may match the accomplishments of capital-supported science and technology. Our aim in these efforts is not to supplant people but to enlarge their capabilities, not to diminish man but enhance him.

In this connection I cannot help but wonder whether we in business may not become so bemused by the demonstrated power of technology in advancing productivity that we have come to neglect opportunities for improvement on "the human side of enterprise."

How serious we in the Bell System are about these opportunities you may judge from the fact that early last year AT&T undertook a restructuring of its top management that explicitly recognized the crucial importance of the human element to the success of our business. In the course of this restructuring, we appointed an executive vice president-human affairs. It is his responsibility, complementing the responsibility of the executive vice president-operations and engineering, to see that human considerations are given as much weight in the highest counsels of management as we have conventionally given to technical and economic considerations.

Without for a moment minimizing the magnitude of its task or the time it will take to accomplish it, let me say that among the hopes we have for this new organization is that it will help find ways to structure jobs in ways that recognize the need of employees to feel that how well they as individuals perform does in fact make a difference.

What progress we can make along these lines and how soon remains to be seen. There are some, I know, who will argue that these hopes are not very realistic. There are some who will remind me that amid the diversions and distractions of today's society, jobs aren't as important to people as they were when most of us went to work. And there will be some who will say that work for its own sake, for the personal satisfactions it provides, simply doesn't "send" people anymore.

Regrettably, there is more than a little validity in these observations. What we have been asking ourselves, however, is—assuming these things to be true, do they *need* to be true? Perhaps there are limits to the progress in productivity that can be accomplished by the traditional methods of work simplification and work fragmentation. Perhaps in this day and age, instead of routinizing jobs, we should be making them more complicated. Perhaps—by making it our explicit aim to structure jobs that are big enough so that employees feel them worth doing and worth doing well—we will discover that the pride in workmanship whose loss we lament has not been lost at all but has merely been submerged.

The concept of *job enrichment* has been around for some time and it has had its failures as well as its successes, inside our business as well as outside. Admittedly there are jobs—and perhaps a great many—that are not susceptible to enrichment, that are necessarily routine. But I think we are a long way from having fully exploited the improvements in productivity that the so-called "work itself" concept can accomplish.

For example, two Bell companies recently introduced new procedures for the compilation and editing of telephone directories. Previously, the job of putting together directories for smaller-sized communities involved nearly two dozen separate tasks performed by about 16 girls working on a number of different directories. One girl would handle the typing; another would check her work; a third would deal only with routing copies to people for further review; still another would verify the accuracy of advertisements in the Yellow Pages; and so on. Turnover among the girls was high and consequently the error level—as well as overtime—was going up instead of down.

Both locations were considered good places to test the "work itself" concept. New methods were instituted that provided each of the girls with increased responsibility and more opportunity to exercise initiative and creativity. Instead of 16 girls working on each directory, each girl became responsible for an entire small city directory of her own. In just over a year, they had shared ideas, revised steps needed in the preparation of phone books, and vastly reduced their backlog. In both companies, attendance improved noticeably, turnover dropped, excessive overtime became a thing of the past, and errors were reduced to one-eighth of what they had been.

What is notable about this case history—and dozens of others I could mention—is that no large inputs of capital were required to get at the roots of problems that were retarding productivity. All that was required was a healthy respect for the human use of human beings—and for their ability to calculate their own needs and chart their own course.

The rest of what I have to contribute on the topic of labor productivity falls under the heading of just plain good management. I hesitate to offer it to an audience comprised—virtually by definition—of good managers. It goes without saying that the clarity with which management defines its goals, the incentives it provides for meeting them and the indices it uses to measure progress—all have a direct, if not readily quantifiable, influence on productivity. These are fundamentals and I shall not expand on them.

Everybody recognizes the relationship between training and labor productivity. I wonder, however, whether we have sufficiently recognized the impact on productivity of corporate organization structure and the degree to which it facilitates—or, conversely hampers—the coordination that effective output requires.

In 1976 our business will be 100 years old. Not many of you in this room represent businesses quite so advanced in years. But in these times of change a business doesn't have to be 100 years old or 50 or even 10 to discover that an organization structure that once made sense no longer does so and may upon examination prove to be a barrier to productivity rather than a means of enhancing it. Here is an example:

Traditionally, the Operations Department of the Bell telephone companies have been divided into three parts—Traffic, Plant and Commercial—with the three parts conjoined under common supervision only at the sixth level of management. This tripartite structure had—still has—enormous strengths—in building expertise, men and women who really knew their jobs. What has led some of the Bell companies to contemplate changing this classic structure is that interdepartmental coordination, once safely assumed on the basis of long experience with standardized routines consistently pursued and in their time a major contributor to productivity, can no longer be taken for granted in the face of the volume and variety of customer service needs we confront today. It is this consideration that led the companies to establish—experimentally at least—what they call customer service units encompassing all three of our traditional operating disciplines and erasing the departmental boundaries among them. The aim: to establish total responsibility for all aspects of customer service as close to the community as possible. What effect this development will have on the number of employees it takes to serve 10,000 telephones remains to be seen. But I for one believe that we shall be neglecting one of the major factors affecting labor productivity if we fail to take account, not only of job structure, but organization structure as well.

Brought up in the Bell System, I was brought up in the "systems concept." In all our arsenal, I suppose, there is no more powerful agent or productivity improvement than this.

Lately, however, as I have contemplated those aspects of our business that at the outset of this talk I described as stubbornly resistant to productivity improvements, I have begun to wonder whether our application of the system concept has been sufficiently comprehensive. In short, I have begun to look for ways to structure our organization so that we may apply systems analysis not only to the technological aspects of our business but to the entire process—costs, prices, products, people—by which our service is created and delivered.

This is the approach we are taking to the development of our Business Information System—BIS for short—a project aimed at equipping the telephone companies to collect, store and recover on demand the massive amounts of information their operations will require in the future. When it is complete, this system—or system of systems—will represent the largest single application of computer technology outside of government.

Viewed narrowly, BIS—except for the scale on which it is being undertaken—is just another example of how capital-supported technology contributes to improved productivity. But BIS is not an end in itself. It is being developed, not so much for what it will accomplish, but what it is going to permit our people to accomplish. By assigning to computers the jobs they can do best, we hope to free our people for the job they can do best—the jobs that require judgment and initiative and personal consideration.

Implementing BIS is going to require more capital than I care to contemplate. At the other end of the scale is a development that requires none at all. It's so simple that I hesitate to mention it before so sophisticated an audience. It is called "Snip-and-Take." If this concept works—it's being tried in a number of our companies—no longer will an installer have to climb into his truck to go out and remove the telephones of a customer who is moving. (How frequently we must do this you may judge from the fact that in the course of a year—to gain 4 million telephones—we may have to install 25 million, remove 21 million.) Instead, when the customer moves, he snips the cords himself with a pair of scissors and takes his instruments to his new location and the company gives him a credit on his bill. I can't help but wonder how many more ideas like this might emerge—and what their combined effect on our employees-per-10,000-telephones index might be—were we to apply the same disciplined and systematic approach to operations analysis that we have traditionally applied to technology.

Surely a step in this direction would be an explicit recognition that enhancing labor productivity is a responsibility of *all* of management, not of line management alone. I am sure all of us recognize that marketing people for example have a special responsibility not simply for selling more things but for optimizing the utilization of people and plant. In our own business, rate plans that encourage our customers to call at off-peak hours and dial their own calls, represent quite as direct a contribution to productivity improvement as any piece of labor-saving technology or employee-incentive system.

What is wanted, then, is ideas—and ideas are the stock in trade of the so-called "knowledge worker" who is coming to exercise a more and more important role in modern management. We do not have adequate tools to measure the productivity of knowledge workers and probably we never shall. But I submit that the knowledge worker's great and growing influence on the operations of business—on the productivity of others—makes a consideration of *his* productivity a necessary ingredient of any realistic discussion of the topic assigned to me today. It is no coincidence, for example, that as the number of employees for each 10,000 telephones has been going down, the number of engineers we employ for each 10,000 telephones has been going up.

I have no prescription to offer that will assure the productivity of the knowledge worker. I offer only my own observation—and that is that the knowledge worker's creativity and the relevance of his initiatives depends on the degree to which we can engage him in the realistic problems of the business, short-term and long-term. Too often our organization charts cast the knowledge worker—indeed the knowledge worker is all too prone to cast himself—as an isolated specialist to be consulted only within a narrow if highly rarified area of expertise. In my observation a candid sharing of business prospects and problems with this new breed of management people affords an opportunity we cannot afford to neglect—the opportunity to advance not only the knowledge workers' productivity but—through their insights—the productivity of others as well.

I have reserved the topic of labor relations till last. The effects of strikes on the productivity of the U.S. economy—and on our individual businesses—are immediate and calculable. During the first eight months of this year U.S. industry has lost some 29 million man days because of strikes—with strikes in the Bell System representing a not insignificant part of that total. Less readily calculable is the impairment of our productivity potential imposed by outmoded or artificial work rules and by barriers to free entry to the job market. In this area Roger Blough's Construction Users' Roundtable has performed yeoman service in pointing up the need to redress the balance of bargaining power in an industry where the wage settlements of recent years have far exceeded advances in productivity, thereby fueling a cost-push inflation we now recognize only the most stringent measures can stem. The Roundtable has performed yeoman service, too, in pointing up the degree to which the urgency of our own demands on the construction industry increases not only the bills we pay for building but our own labor costs as well. Not the least of the insights that the Roundtable has developed is the effect on productivity of extended scheduled overtime. The Roundtable's studies show that after the first two or three weeks of scheduled overtime, output per man hour steadily declines and that after seven to nine weeks work output for the extended week is actually less than it would be on a 40-hour week.

With respect to labor relations and its effect on the economy, I can only echo what I hear said with increasing fervor on both sides of the bargaining table: There must be a better way. There is a growing recognition it seems to me, of the barrenness of the biennial or triennial struggle for advantage—in most cases illusory advantage—that collective bargaining in all too many instances has become. Let me conclude with the hope that somehow out of the government-industry-labor cooperation that the New Economic Policy requires if it is to succeed will come a recognition that, whatever differences divide us, the goals we hold in common—the remedying of our social ills, a better life for all Americans—depend in the final analysis on our ability to sustain a steady improvement in the productivity of our economy.

CXVII——2739—Part 33

Mr. BEALL. Mr. President, I would like to congratulate the Senator from Illinois for bringing this amendment up at this time. The matter I wish now to discuss bears directly on his amendment which I would like to bring to the attention of the Members of this body.

This afternoon, I had occasion to meet with some executives of the Black & Decker Co. I am sure that anyone who has done any work around his house is familiar with this company which is based in Maryland and makes power tools for the homeworker.

We were meeting on another matter, but Mr. Decker in the course of our conversation, brought to my attention some correspondence he had with Mr. Grayson, the Chairman of the Price Commission, and in response to a request from Mr. Grayson, indicating what his firm could do about prices, wrote this letter which I am not going to read in full but states in part:

During the first 6 months of fiscal 1972 which began September 27, 1971, we do not plan to increase prices on any product sold in the United States. During this same period, we will decrease prices by a total of almost 2%.

He then goes on and gives some examples. He concludes by saying.

Obviously, we could not hold or reduce prices in these inflationary times if we were not able to offset inflation with cost reductions. Our employees are aware of this basic economic fact and have worked hard at controlling and reducing our costs each year. Because they have succeeded in meeting our rigorous annual cost reduction goals, Black & Decker products fall within the reach of more budgets and more people become power tool users for the first time.

I think that proves the point of the Senator from Illinois, that with proper incentives to increase productivity, we can both increase wages and reduce the prices and hopefully make American products more competitive in this country and in the world market.

Mr. President, I ask unanimous consent to have the letter printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE BLACK & DECKER MFG. CO.,
Towson, Md., November 30, 1971.

Mr. C. JACKSON GRAYSON,
Chairman Price Commission,
Washington, D.C.

DEAR MR. GRAYSON: A reply to your wire of November 27 has been teletyped to you today, but I would like to give you more detailed information on our company's pricing plans.

We have consistently held or reduced prices on power tools for a good many years. Our original ½" drill was priced $100 in 1916. This would be equivalent to $369.73 in today's dollars. The current version of this drill is safer and more efficient, yet sells for less than $20.00. The same is true of the first do-it-yourself ¼" drill introduced by Black & Decker in 1946. At that time, this drill was priced at $16.95 or $35.00 in today's dollars. The more powerful, safer counterpart of the ¼" drill sells now for $8.88 and will be reduced to $7.99 in January.

It is our firm intention to continue to hold or reduce prices whenever possible.

During the first six months of fiscal 1972 which began September 27, 1971, we do not plan to increase prices on any product sold in the United States. During this same period, we will decrease prices by a total of almost 2%. Following are some specific examples of these planned decreases.

(1) ¼" home drill—From $8.88 to $7.99 a 10% reduction.

(2) home jig saw—From $12.99 to $9.99 at 23% reduction.

(3) professional air impact wrench—From $109 to $99 a 10% reduction.

(4) professional vacuum cleaner — From $149 to $125 a 16% reduction.

In addition, we are holding prices on home sanders imported from our Canadian com-

party despite a 10% import surcharge we must absorb and are holding the same price on our most popular circular saw which recently was reduced by 20%.

Because of unusual cost increases on professional products which have been more vulnerable to the economic slowdown, we had planned to increase prices on these products on October 1, 1971. The price freeze prevented us from taking this action and, in compliance with President Nixon's request, we have delayed these increases indefinitely.

Obviously, we could not hold or reduce prices in these inflationary times if we were not able to offset inflation with cost reductions. Our employees are aware of this basic economic fact and have worked hard at controlling and reducing our costs each year. Because they have succeeded in meeting our rigorous annual cost reduction goals, Black & Decker products fall within the reach of more budgets and more people become power tool users for the first time.

We are convinced that our policy of holding and reducing prices whenever possible is an effective one. The best proof we can offer that it works is our record of having increased sales and earnings for the thirteenth consecutive year.

Sincerely,

ALONZO G. DECKER, Jr.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. STENNIS. Mr. President, as I understand the amendment of the Senator from Illinois, it certainly is a worthy amendment and has merit. There will be a more extended amendment along the same lines on tomorrow. I certainly like the philosophy of the Senator's amendment.

Mr. PERCY. It is for that reason, Mr. President, that I am incorporating all of this material in the RECORD this evening. I very much value the statement of the Senator from Mississippi.

Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. Mr. President, we had said to the Senator from Illinois that we would accept his amendment. I think it is a good amendment, and I am glad to accept it.

Mr. TOWER. Mr. President, I join with the distinguished chairman of the committee in expressing my support for the amendment. We have been talking about increased per man activity for a long time around here. I think that we should do something about it. I have never thought that wages tied to a man's activity are the least bit inflationary.

I am happy to support the amendment.

Mr. PERCY. Mr. President, I addressed a convention of the Illinois State AFL–CIO early in October. I said to them that the time has come when some groups in our society must stop demanding more and giving less—whether management or labor—if we are going to keep this country on the right track.

Rather than being jeered, I was cheered. I was astounded. They recognized that we have to buckle down and start turning out better products at lower costs and high quality and provide more service because the only way we can get revenue in a free economy is to tax the profits. And we have to keep our markets.

I think that what we are doing is fundamental. I deeply appreciate the comments made by the Senator from Texas and the Senator from Alabama.

Mr. SPARKMAN. Mr. President, if the Senator from Illinois yields back his time, I yield back my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Illinois. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MANSFIELD), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) is absent on official business.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Washington (Mr. JACKSON) would each vote "yea."

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New York (Mr. JAVITS) and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from Arizona (Mr. FANNIN) is detained on official business.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "yea."

The result was announced—yeas 82, nays 0, as follows:

[No. 417 Leg.]

YEAS—82

Aiken	Ellender	Nelson
Allen	Ervin	Packwood
Allott	Fong	Pastore
Anderson	Fulbright	Pearson
Baker	Gambrell	Pell
Beall	Gravel	Percy
Bellmon	Griffin	Proxmire
Bentsen	Gurney	Ribicoff
Bible	Hansen	Roth
Boggs	Harris	Schweiker
Brock	Hart	Scott
Brooke	Hatfield	Smith
Buckley	Hollings	Sparkman
Burdick	Hruska	Spong
Byrd, Va.	Hughes	Stafford
Byrd, W. Va.	Humphrey	Stennis
Cannon	Inouye	Stevens
Case	Jordan, N.C.	Stevenson
Church	Jordan, Idaho	Symington
Cook	Magnuson	Talmadge
Cooper	Mathias	Thurmond
Cotton	McClellan	Tower
Cranston	McGee	Tunney
Curtis	McIntyre	Weicker
Dole	Metcalf	Williams
Dominick	Miller	Young
Eagleton	Mondale	
Eastland	Moss	

NAYS—0

NOT VOTING—18

Bayh	Jackson	Montoya
Bennett	Javits	Mundt
Chiles	Kennedy	Muskie
Fannin	Long	Randolph
Goldwater	Mansfield	Saxbe
Hartke	McGovern	Taft

So Mr. PERCY's amendment was agreed to.

AMENDMENT NO. 772

The PRESIDING OFFICER. The Senator from Wisconsin is recognized to call up his amendment No. 772, which the clerk will state.

The assistant legislative clerk read the amendment offered by Mr. PROXMIRE (for himself and Mr. HARRIS) as follows:

On page 6, line 11, beginning with "Members" strike out all through the period in line 21 and insert the following: "Members of such boards, commissions, and similar entities shall be appointed by the President by and with the advice and consent of the Senate; except that—

"(1) the foregoing requirement with respect to Senate confirmation does not apply to any member of any such board, commission, or similar entity (other than the Chairman of the Pay Board, established by section 7 of Executive Order Numbered 11627 of October 15, 1971, and the Chairman of the Price Commission, established by section 8 of such Executive order) who is serving pursuant to appointment by the President, on such board, commission, or similar entity on the date of enactment of the Economic Stabilization Act Amendments of 1971, and who continues to serve, pursuant to such appointment, on such board, commission, or similar entity after such date; and

"(2) any person serving as Chairman of such Pay Board, and any person serving as Chairman of such Price Commission, on the date of enactment of the Economic Stabilization Act Amendments of 1971, may continue to serve in such capacity on an interim basis without regard to the foregoing requirement with respect to Senate confirmation until the expiration of sixty days after the date of enactment of the Economic Stabilization Act Amendments of 1971, and the provisions of sections 910–913 of title 5, United States Code, shall be applicable with respect to the procedure to be followed in the Senate in considering the nomination of such persons for such offices and references in such provisions to a 'resolution with respect to a reorganization plan' shall be deemed for the purpose of this section to refer to such nominations."

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I think I can be very brief on this amendment. I realize it is late. I hope we can have an informative but brief debate.

This amendment provides for Senate confirmation of the Chairman of the Price Commission and the Pay Board. We all recognize the enormous power that we have given to the executive branch in this bill, and that we have extended it now for 17 more months. The standards in the bill limiting the President are very general and very slight. Power can be exercised in an arbitrary way.

I am not asking for this, but a strong case could be made for confirming all the members of the Price Commission and the Pay Board. They do exercise enormous power over our economy—a power much greater than that of many Cabinet officers. But my amendment does not go that far. It requires only for the confirmation of the incumbent Chairman of the Pay Board, Mr. Grayson, and the Price Commission, Mr. Boldt. Surely, these men should be subject to Senate confirmation, considering the vast amount of power they exercise. President Nixon has made it clear that there will be no appeals from the individual decisions of the Pay Board or Price Commission. Thus these men have life or death control over a company or labor union.

Mr. President, in order to avoid disrupting the continuity of the stabilization program, my amendment contains two safeguards. First, the incumbent chairmen are permitted to serve on an interim basis for 60 days until a permanent chairman has been confirmed by the Senate. Second, the expediting provisions of the Executive Branch Reorganization Act apply to any nomination, thus insuring a prompt vote, up or down, on the two nominations.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. PASTORE. I am very much in support of this amendment, and I compliment my colleague from Wisconsin for proposing it. After all, the power that the President is exercising was given by the Congress, and it is extraordinary power. Now all we are saying is that we want to assume this great responsibility for the revival and stabilization of our economy on the basis of a partnership. That is all this amounts to. We want to be a part of the action. That is the phrase of the President. We want to be a part of the action. We want a part of the responsibility because we are accountable to the people. I think that men who have this vast power ought to be confirmed by the Senate as a compliment to the executive branch.

Mr. PROXMIRE. I thank the Senator from Rhode Island. As I have pointed out, these provisions provide that the committee considering the nomination can be discharged of the nomination in 10 days if it has taken no action; a nondebatable action can be made to proceed to the consideration of the nomination by the full Senate; and debate on the nomination itself is limited to 10 hours under the Executive Branch Reorganization Act.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SYMINGTON. Does the Senator know why Senators in charge of this bill will not accept the amendment? I ask that question because it seems extremely logical.

Mr. PROXMIRE. I think there is some sentiment on the part of the committee to accept the amendment. As I understand it, the committee had taken a position against the original proposal to confirm all 22 members. I am not asking for that, but only for the confirmation of the two chairmen of the two boards.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SYMINGTON. I doubt if this amendment will be adopted, because it has become a practice in the Senate to be pretty careful not to interfere in any way with the prerogatives of the executive branch, so I think this amendment will be able to be defeated just like so many amendments in recent weeks have been defeated where the Congress would be exercising its constitutional prerogative; but I wanted the Senator to know that the amendment is logical and right, and I look forward to seeing it adopted.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. SPARKMAN. I want to say to the Senator from Missouri that what he said certainly does not apply while this bill has been under discussion. The Senator may not know it, but a number of amendments that were adopted and were accepted were not endorsed by the administration. They were not wholly acceptable to the administration.

Here is the distinguished Senator from Texas (Mr. TOWER) who is the ranking minority member of the committee. He knows that as amendments have been presented and studied here on the floor, we have accepted several that were not endorsed by the administration. I just want to make it clear that this has not been an administration-run matter either in the committee or here. I do not believe I ever saw the committee—and I think every member of the committee would bear me out on this—work more earnestly trying to, shall I say, reach a consensus, or at least a decision in the writing of the bill. I think the Senator from Wisconsin will bear me out.

Mr. PROXMIRE. I certainly agree. I would like to point out that since the committee made its decision on not confirming, there have been some developments that do relate to the wisdom of our deciding to go along with confirmation. On the same day completed its deliberations, Mr. Grayson was quoted in the Washington Star as saying "I will make most of the decisions" on whether to allow or prohibit price increases. The news article went on as follows:

Despite his personal modesty and mild manner "Jack" Grayson believes it is his job to hold the reins of power in controlling prices with the six other members of his commission playing a supportive role.

"I want to use the commission to the maximum" he said, pledging to keep his colleagues informed and consult them in pattern-setting cases.

But as chairman of the panel he said, "I am the only official authorized to sign for the commission, so the commission is advisory to me."

This information was not available to me at the time that we acted. We did not realize the Commission Chairman was going to act this way. A statement has been placed in the committee report, put in at the suggestion of the Senator from Alabama, that it is expected that the decisions of the board will be reached by majority vote. Nevertheless, Mr. Grayson has made that interpretation, and I think it is important that Mr. Grayson and Mr. Boldt be subject to confirmation.

Furthermore, Mr. Grayson's interpretation is at considerable variance with the understanding of the Committee on Banking, Housing and Urban Affairs.

Let me also point out to the Senate that since the action of the committee with respect to this bill, the position of Judge Boldt on his responsibility has been made clear. Judge Boldt appears to be heading in an opposite direction from Mr. Grayson. Judge Boldt does not believe it is proper for him to take part in the arguments presented to the Board except for occasional comments or to exercise his vote unless necessary to break a tie.

While this approach may be appropriate for a Federal judge, I think we certainly should have both Judge Boldt and Mr. Grayson appear before committees of the Senate before they are confirmed and I think we certainly ought to have an opportunity to debate their confirmation before we give them this enormous power.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. May I say to the Senator from Wisconsin that earlier in the day we engaged in a colloquy in which I expressed my point of view with reference to the Senator's amendment, as well as certain aspects of the legislation before us. I am not one who believes that the bill before us is the handiwork of the administration. I think it is the handiwork of the committee. I do believe, however, that the suggestion which has been made by the Senator from Wisconsin not only has merit but is absolutely essential. I cannot imagine the Senate of the United States not asking for confirmation responsibility over nominees of the President of the United States—nominees whose decisions can affect this economy more than can any Cabinet officer, more than can any appointee of the President. There is no one who can so basically affect the economy by word or deed as the Chairman of the Price Commission or the Chairman of the Wage Board. I think it is important that there be at least a confirmation hearing and confirmation proceedings.

We do not know whether there is any conflict of interest. I do not believe there is, but we have an opportunity to grill a man like Mr. Butz and have a hearing on his nomination to be Secretary of Agriculture, a man whose decisions may affect prices of agricultural commodities and the market for those commodities, but it is in a limited segment of our economy.

Here are the Chairmen of the Pay Board and the Price Commission who can, by order or edict, determine what the price of an automobile is going to be, what the price of clothing will be, or what the price of many commodities that we use will be. Their word and their decision will determine what wages are going to be paid, and likewise whether the economic package is going to be considered proper or inflationary between management and labor.

For the life of me I cannot understand why we would not want to at least have some responsibilities here in terms of

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either agreeing to or dissenting from a particular nomination. I have no views on these men. I do not know them. I venture to say that very few members of the Senate do know Judge Boldt or Mr Grayson. They were names that came to our attention and gained fame and notoriety after the President appointed them.

Ordinarily, an appointment of this quality and this importance would have days and days of hearings before the appropriate Senate committee. I remind the distinguished Senator from Mississippi, the chairman of the Armed Services Committee, who is here, that an assistant secretary of the Department of the Navy or the Air Force or the Department of Defense or the Department of the Army has to have Senate confirmation. What do they do in terms of the economy, as compared to these appointees?

Mr. PROXMIRE. If the Senator will yield, we confirm second lieutenants.

Mr. HUMPHREY. Yes, indeed we do. We have a list of them here. We confirm U.S. Public Health Service officers. But here we have a list of major appointees, greatly affecting our economy, and they go by without as much as a Senate notice.

Mr. PROXMIRE. I appreciate the Senator's remarks. My time is short, and I have promised to yield further. I wish to make one further comment before I yield to the Senator from Illinois, and that is that in this particular case, we are not dealing with foreign policy or with military policy, where the President's prerogatives must be particularly preserved. We are dealing with the domestic economy, where, if there is any area where the Senate should insist on safeguarding its authority and power, it should be here. So asking for confirmation is a very mild and modest request for at least some reservation of authority on the part of Congress.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Washington, and then to the Senator from Illinois.

Mr. MAGNUSON. I would not like to see confirmation in the sense that the nominations could be held up for weeks and months, so that we would not be giving the President a chance to see whether this was going to work or not work. He ought to have that. But I understand there is a time limitation by which the Senate must vote the nomination of Judge Boldt, whom I happen to know, up or down.

Mr. PROXMIRE. The Senator is correct. It is provided that the confirmation would take place within 60 days, and further, that the confirmation will be brought out of the committee within 10 days, and the debate in the Senate will be limited to 10 hours. It is the same provision we have in the Reorganization Act, so that we cannot filibuster to prevent confirmation.

Mr. MAGNUSON. Plus the fact that if the Board does not work, we get the onus upon us that we delayed these nominations.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. I yield to the Senator from Illinois very briefly, and then I shall yield the floor.

Mr. STEVENSON. Is it not true that Senate confirmation is required in the case of all members of the Pay Board and the Price Commission, except for members serving prior to the enactment of this legislation?

Mr. PROXMIRE. The Senator is correct.

Mr. STEVENSON. For some reason, we did in committee choose to exempt the present members of the Board and of the Commission from this traditional requirement of Senate confirmation.

I would ask the Senator from Wisconsin whether failure to require Senate confirmation in the cases of the Chairman of the Pay Board and the Price Commission might not very well give those gentlemen the opportunity to invoke the so-called doctrine of Presidential immunity and exercise their tremendous powers under this legislation behind the cloak of that doctrine, beyond the reach of the people and of their elected representatives in Congress?

Mr. PROXMIRE. An excellent point. It had not occurred to me. I think it reinforces the necessity for this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, I yield 3 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, I should like to make a parliamentary inquiry, if this can be answered by the Chair.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. Reference is made on page 2, line 17 of the amendment proposed by the Senator from Wisconsin to sections 910 and 913 of title 5 of the United States Code. I ask the Chair if he can inform me what the status of that particular reorganization provision is. Is it currently the law?

The PRESIDING OFFICER. The Chair advises the Senator that that would be an interpretation of the law, and is beyond the reach of the Chair.

Mr. TOWER. The point I am trying to make is, Is this currently the law?

Mr. PROXMIRE. May I say to the Senator, this amendment was drafted by legislative counsel. I understand there is some question as to whether this is currently the law. It was drafted by legislative counsel and I understand it is.

I will be very happy to modify the amendment to make sure that this provision is covered by specific language in the amendment, so that it will not require reference, as the Senator points out, to a section of the statute that may not currently be the law.

Mr. TOWER. That would satisfy me. I just wanted to make sure we were proceeding in a manner consonant with good legislative procedure here.

I might note that the Senator from Wisconsin suggested in the committee that we follow the procedure of confirming the head of the Pay Board and the Price Commission. There was some insistence on the part of others that everyone should stand for confirmation, and that seemed to be impractical. I offered this provision originally as a compromise. It was discussed, and I do not know how it got lost in the shuffle. But inasmuch as I originally suggested this proposal, I could not oppose it now and be consistent. Therefore, I support the amendment of the Senator from Wisconsin.

Mr. PROXMIRE. I thank the Senator for his support.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, I yield myself 2 minutes.

I simply want to say that we discussed this provision in the committee, and there it was decided that the two Chairmen would be confirmed, but those appointed on a part-time basis would not require confirmation.

However, it was suggested, perhaps by the Senator from Wisconsin, I am not sure, but I am sure he agreed to it, that those who had already been named and had been appointed would not be—at least it was agreed to by the committee as a whole—would not be required to come up.

I agree with what the Senator from Wisconsin said with reference to one man exercising full authority and full jurisdiction. In fact, I had a colloquy with the Senator on the floor of the Senate not many days ago, when we discussed that very thing, and the Senator will remember—in fact he mentioned it a few minutes ago—that there is a requirement in this bill that it should be by majority vote, and that is the way it ought to be.

I do not mind; I think we could have both of these gentlemen before the committee on the same morning and finish it in one day. I have no hesitancy about it coming up there. I would not want it to be, and I certainly would not expect it to be, a kind of raking over the coals. After all, Dr. Grayson, to whom the Senator from Wisconsin referred as having made that statement, is a very distinguished and learned gentleman, former dean of the School of Business Administration of Southern Methodist University, in Texas.

Mr. TOWER. To my knowledge, Mr. President, he still is the dean on leave of absence, of the School of Business of Southern Methodist University, of which I have the privilege of serving as a trustee.

Mr. SPARKMAN. Well, that reinforces his position, then, and I believe we found out that actually it was the Executive order issued by the President, or the directive, that gave him that power, directing him to act for the whole Board. As I understand, that is not true in the case of Judge Boldt.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. SPARKMAN. I yield myself 1 additional minute.

He was designated to serve and to have the vote only in the case of a tie. If I recall correctly, that was his testimony before the Joint Economic Committee—that he was to have the vote only in the case of a tie, and that he had carried it out that way. He did tell us that on one decision that was made, while he did not vote, he made his position known, that he was opposed to the majority.

I told the Senator from Wisconsin before we started this that if he would just wait a little while, it might be possible for us to work out an agreement, and that we have done. The Senator from Texas was not in the Chamber at the time. I am very glad to accept the amendment.

Mr. TOWER. Mr. President, following action on this amendment, I ask unanimous consent that the amendment still be open to technical amendment, addressed specifically to the reference in sections 9, 10, and 13 of title 5 of the United States Code.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, will the Senator yield me a half minute?

Mr. SPARKMAN. I yield.

Mr. MAGNUSON. Inasmuch as all the sterling qualities of Dr. Grayson have been mentioned tonight——

Mr. SPARKMAN. Oh, yes; Judge Boldt is from the State of Washington.

Mr. MAGNUSON. I want the record to show that I have known Judge Boldt for many years. He and I are of opposite political faiths. We have had some political differences. But I want the record to show that he is a very able, conscientious judge, and one of the fine members of the judiciary in the United States.

Mr. SPARKMAN. I understand that he has an excellent record and that he made a fine impression in his appearance before the Joint Economic Committee.

Mr. METCALF. Mr. President, will the Senator from Alabama yield to me for 1 minute?

Mr. SPARKMAN. I yield.

Mr. METCALF. Judge Boldt and I grew up across the street from each other, in Stevensville, Mont. Judge Boldt and I have known each other all our lives. Judges Boldt was a member of the track team in Stevensville—population 650—and won in a State track meet.

I am not saying to Senators that because he was a pole-vaulter or a relay runner, he is a fine member of the Price Commission. What I am saying is that I recall when I went over to have his nomination confirmed in the Eisenhower administration. He has been a fine district judge, one of the outstanding district judges in America. He was selected to try cases for the electronic commissions, and so forth.

Nevertheless, I think there should be some confirmation of the nomination of even as outstanding a person as Judge Boldt. If his confirmation came before the Senate, I would vehemently say that this man is an outstanding and superior public servant.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Georgia (Mr. GAMBRELL), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MANSFIELD), the Senator from South Dakota (Mr. McGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Florida (Mr. CHILES) is absent on official business.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH), the Senator from Washington (Mr. JACKSON), and the Senator from South Dakota (Mr. McGOVERN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Arizona (Mr. GOLDWATER) is necessarily absent to attend the funeral of a friend.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New York (Mr. JAVITS) and the Senator from Ohio (Mr. TAFT) are necessarily absent.

Also, the Senator from Kentucky (Mr. COOPER), the Senator from Colorado (Mr. DOMINICK), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from Alaska (Mr. STEVENS) would each vote "yea."

The result was announced—yeas 72, nays 6, as follows:

[No. 418 Leg.]

YEAS—72

Aiken	Ervin	Montoya
Allen	Fannin	Moss
Anderson	Fong	Nelson
Baker	Fulbright	Pastore
Beall	Gravel	Pearson
Bellmon	Griffin	Pell
Bentsen	Hansen	Proxmire
Bible	Harris	Ribicoff
Boggs	Hatfield	Roth
Brock	Hollings	Schweiker
Brooke	Hruska	Smith
Buckley	Hughes	Sparkman
Burdick	Humphrey	Spong
Byrd, Va.	Inouye	Stafford
Byrd, W. Va.	Jordan, N.C.	Stennis
Cannon	Jordan, Idaho	Stevenson
Case	Magnuson	Symington
Church	Mathias	Talmadge
Cranston	McClellan	Thurmond
Curtis	McGee	Tower
Dole	McIntyre	Tunney
Eagleton	Metcalf	Weicker
Eastland	Miller	Williams
Ellender	Mondale	Young

NAYS—6

Allott	Cotton	Packwood
Cook	Gurney	Scott

NOT VOTING—22

Bayh	Hartke	Muskie
Bennett	Jackson	Percy
Chiles	Javits	Randolph
Cooper	Kennedy	Saxbe
Dominick	Long	Stevens
Gambrell	Mansfield	Taft
Goldwater	McGovern	
Hart	Mundt	

So the Proxmire-Harris amendment (No. 772) was agreed to.

ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, prior to the laying before the Senate of amendment No. 771 by the Senator from Wisconsin (Mr. PROXMIRE), there now be a period for the transaction of routine morning business with statements therein limited to 3 minutes.

The PRESIDING OFFICER (Mr. GRAVEL). Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PURCHASE OR LEASE OF PRODUCTS AND SERVICES TO THE SOCIALIST REPUBLIC OF ROMANIA

A communication from the President of the United States, reporting, pursuant to law, his determination that it is in the national interest for the Export-Import Bank to guarantee, insure, extend credit, and participate in the extension of credit in connection with the purchase or lease of any product or service by, for use in, or for sale or lease to the Socialist Republic of Romania; to the Committee on Banking, Housing and Urban Affairs.

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Occupational Safety and Health Review Commission for the fiscal year 1972 had been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Health, Education, and Welfare for "Special benefits for disabled coal miners," for the fiscal year 1972, had been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

REPORT ON FLYING PAY

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report on flying pay, for the period November 1, 1970, through October 31, 1971 (with an accompanying report); to the Committee on Armed Services.

REPORT ON EXPORT CONTROL

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on Export Control, for the third quarter of 1971

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(with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Fees Allowed Non-sponsored Not-For-Profit Organizations By Various Government Agencies", dated November 26, 1971 (with an accompanying report); to the Committee on Government Operations.

PROPOSED ESTABLISHMENT OF FUND FOR ACTIVATING AUTHORIZED AGENCIES

A letter from the Assistant Administrator, General Services Administration, transmitting a draft of proposed legislation to establish a fund for activating authorized agencies, and for other purposes (with an accompanying paper); to the Committee on Government Operations.

PROPOSED GRANT AGREEMENT WITH MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY FOUNDATION

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a proposed grant agreement with Montana College of Mineral Science and Technology Foundation, Butte, Montana (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED AMENDMENT OF TITLE 18, UNITED STATES CODE

A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to amend Title 18 of the United States Code to provide for an appeal from certain orders by a defendant who has pleaded guilty, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

PROPOSED AMENDMENT OF CHAPTER 313 OF TITLE 18, UNITED STATES CODE

A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to amend Chapter 313 of Title 18 of the United States Code (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON PROGRESS MADE IN ACHIEVING THE PURPOSES OF FEDERAL COAL MINE HEALTH AND SAFETY ACT

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report, for the calendar year 1970, dealing with the progress made in achieving the purposes of the Federal Coal Mine Health and Safety Act of 1969 (with an accompanying report); to the Committee on Labor and Public Welfare.

PROPOSED VETERANS' EDUCATION AND TRAINING AMENDMENTS OF 1971

A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation entitled "Veterans' Education and Training Amendments of 1971" (with acompanying papers); to the Committee on Veterans' Affairs.

PETITIONS

A petition was laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A letter from James Rosendahl, of San Diego, Calif., requesting a review of certain litigation; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BAKER, from the Committee on Public Works, with amendments:

S. 1113. A bill to establish a structure that will provide integrated knowledge and understanding of the ecological, social, and technological problems associated with air pollution, water pollution, solid waste disposal, general pollution, and degradation of the environment, and other related problems (Rept. No. 92–518).

By Mr. HARTKE, from the Committee on Veterans' Affairs, without amendment:

S. 2866. A bill to amend title 38, of the United States Code, to liberalize the provisions relating to payment of disability and death pension, and for other purposes (Rept. No. 92–519);

S. 2867. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of dependency and indemnity compensation (Rept. No. 92–520);

H.R. 11851. An act to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and for other purposes (Rept. No. 92–521); and

H.R. 11652. An act to amend title 38 of the United States Code to liberalize the provisions relating to payment of dependency and indemnity compensation (Rept. No. 92–522).

ORDER FOR STAR PRINT OF A REPORT

Mr. HUGHES. Mr. President, on November 24, 1971, I filed a report on S. 2097, the Drug Abuse Office and Treatment Act. There were some inadvertent errors in the report, and I ask unanimous consent that a star print of that report, report No. 92–509, be made in order to correct those errors.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without reservation:

Executive M, Ninety-first Congress, second session, and Executive I, Ninety-second Congress, first session, the Nice Agreement Concerning the International Classification of Goods and Services to Which Trademarks Are Applied and the Locarno Agreement Establishing an International Classification for Industrial Designs (Executive Rept. No. 92–14); and

Executive K, Ninety-second Congress, first session, a Protocol dated at New York, March 12, 1971, relating to an amendment to the Convention on International Civil Aviation (Executive Rept. No. 92–15).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as indicated:

By Mr. TAFT:

S. 2910. A bill to provide grants to States for the establishment, maintenance, and operation of low-cost meal programs for disabled Americans, and for other purposes. Referred to the Comimttee on Labor and Public Welfare.

By Mr. EAGLETON:

S. 2911. A bill to amend the Controlled Substances Act. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 2912. A bill for the relief of Roy P. Pillen; and

S. 2913. A bill for the relief of Chung Pyo Suh. Referred to the Committee on the Judiciary.

By Mr. STEVENSON:

S. 2914. A bill for the relief of Agostino Longo. Referred to the Committee on the Judiciary.

By Mr. ERVIN:

S.J. Res. 178. Joint resolution to authorize and request the President to issue a proclamation designating the period from April 23, 1972, through April 29, 1972, as "National Textile Week". Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S.J. Res. 179. A joint resolution to assure continued eligibility of recipients of Food Stamp benefits and to maintain present levels of bonuses for these recipients. Referred to the Committee on Agriculture and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. EAGLETON:

S. 2911. A bill to amend the Controlled Substances Act. Referred to the Committee on the Judiciary.

A LOOPHOLE IN OUR DRUG CONTROL LAWS

Mr. EAGLETON. Mr. President, today I introduce a bill which would close a serious loophole in the Controlled Substances Act enacted last year.

Several weeks ago I learned of an incident that demonstrates the need for this legislation. A surgical supply company, registered under the Controlled Substance Act to distribute drugs, sold its warehouse to the city of Rochester, N.Y., for an urban renewal project. When it removed its inventory from the warehouse, the company left behind large quantities of amphetamines, barbiturates, and assorted paraphernalia. Within a short time these drugs and supplies were on the streets of Rochester in the hands of drug abusers.

The U.S. attorney for the western district of New York, after conversations with Justice Department officials, determined that no violation of Federal law had occurred. In fact, there was apparently no ground even for the revocation of the company's Federal registration, under which it was authorized to distribute controlled substances.

The bill I am introducing today would correct this deficiency in the law in two ways. First, it would allow the Attorney General to revoke or suspend a Federal registration where a registrant "has abandoned or otherwise failed to maintain effective controls against the diversion of any controlled substance," or where he "failed to provide a standard of control consistent with the public health and safety." These provisions reiterate the standards which the Attorney General is directed to apply in determining whether to register an applicant to manufacture or distribute these substances. Surely these applicants should be held to the same standards after they have received their registrations and are in fact dealing with these dangerous drugs.

The primary purpose of the registration system is to insure that dangerous drugs move only in authorized channels. Yet, under the current law, registrations may be revoked only in the most limited circumstances—where a registrant has falsified his application, where he has been convicted of a drug-related felony, or where he is no longer authorized under State law to deal with controlled drugs.

Second, my bill provides for criminal penalties where, as in the case cited above, registrants simply abandon controlled substances rather than taking responsibility for the destriuction or sealing of these drugs. It is my belief that they should be subject to the same penalties as those who manufacture, distribute, or dispense controlled substances in a manner inconsistent with the law.

I ask unanimous consent that the letter from Mr. George Finnegan of the Middle Earth Youth Project in Rochester, and the letter from the U.S. attorney to Mr. Finnegan be printed in the RECORD at the conclusion of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MIDDLE EARTH YOUTH PROJECT,
Rochester, N.Y., November 5, 1971.

Hon. THOMAS F. EAGLETON,
Senate Office Building,
Washington, D.C.

DEAR SIR: Your bill to prevent abandonment of dangerous drugs can save lives.

It is, I feel, a small step in a long march toward drug abuse control but if this bill can prevent another situation like the one which happened in Rochester, this summer, the bill is justified.

In July of this year, a local distributor of "ethical drugs" sold to the city a warehouse which was scheduled for demolition under urban renewal. They left in the building an estimated 500,000 doses of dextro-amphetamine in capsule form. They left hypodermic syringes, needles, barbituates and several cases of lethal procaine which if injected into the bloodstreams would have caused instant death.

Two fourteen-year-old runaways who were looking for a place to sleep found the drugs. Both of them were drug-oriented and they immediately began to transfer the drugs to safe hiding places. They readily shared their supply with their friends and by August we were seeing in a predominantly white middle class area of the city, increasing signs of amphetamine abuse.

By this time, older people interested in the commercial possibility of the drugs had taken control of a large amount. Thru personal contact with local street dealers and users, I was able to circulate the fact that these drugs were chemically unstable and dangerous. As a result, 30,000 hits of amphetamine, a case of procaine, a small quantity of barbituates some hypodermic syringes and needles were turned over to me by various people, with the understanding that I would destroy them.

My possession of these drugs was illegal and I made an appointment with the Assistant U.S. Attorney, Mr. John Sullivan. I turned over samples of the drugs. Enclosed please find photographs taken by the local office of the F.B.I. of some the syringes.

Mr. Sullivan is a joy to work with. He is concerned, perceptive and outside of working hours even took the time to become informed of the youth project, where I serve as a volunteer. He offered to store the evidence we had obtained and to consider bringing a criminal action.

The enclosed letter from him states the problem more clearly than I can.

Respectfully,

GEORGE W. FINEGAN.

U.S. DEPARTMENT OF JUSTICE,
U.S. ATTORNEY,
Rochester, N.Y., October 20, 1971.

Mr. GEORGE FINNEGAN,
Middle Earth Youth Project,
Rochester, N.Y.

Re: Complaint Against Local Drug Wholesale Supply Company

DEAR MR. FINNEGAN: This letter is in regard to your complaint against the Monroe Surgical Supply Company. I have, in the vault at the United States Attorney's Office, Rochester, New York, the material that you caused to be turned over. That material being various needles, syringes, vials of narcotic drugs and sundry pills.

Under the facts alleged in this complaint, there appears to be no violation of a federal criminal statute. Aside from the evidentary problems that would be inherent in the direct proof of this case in relationship to Monroe Surgical Supply Company's original ownership and abandonment of these articles, there is no statute under which this office can proceed. The mere fact of abandonment of control substance narcotics does not give rise to a criminal violation. This opinion is based on my research and consideration of the statutes and on the advice of the regional office of the Bureau of Narcotics and Dangerous Drugs in Buffalo and New York City. An investigation of this matter has been conducted by the Bureau of Narcotics and Dangerous Drugs.

In this type of situation, there is a possibility that a wholesale drug supplier in abandoning this type of material may violate State registration and record keeping requirements and in that manner, their application for a renewal of license might be denied for failure to comply with State requirements.

In this instance case, Monroe Surgical Supply Company has now voluntarily withdrawn from the narcotic drug wholesale supply business.

I wish to thank you for your continued cooperation and concern in drug related matters with this office.

Very truly yours,

H. KENNETH SCHROEDER, JR.,
U.S. Attorney.

By JOHN T. SULLIVAN, JR.,
Assistant U.S. Attorney.

By Mr. ERVIN:

S.J. Res. 178. Joint resolution to authorize and request the President to issue a proclamation designating the period from April 23, 1972, through April 29, 1972, as "National Textile Week". Referred to the Committee on the Judiciary.

Mr. ERVIN. Mr. President, from the earliest days of recorded history, man has twisted plant and animal fibers into yarns for baskets, nets, and fabrics which have given him the clothing and shelter necessary for survival.

The making of yarn, fabric, and clothing has been an integral part of all cultures as far back as anyone can determine. We know, for example, that in ancient India, people spun yarn from cotton they called "vegetable lamb" and wove cloth from it even before the time of the ancient Egyptians. For thousands of years, flax was cultivated in Mesopotamia, Assyria, and Egypt and its fibers were spun into yarn. In China, silk manufacture began sometime around 2640 B.C. when the people experimented with the culture of silkworms and tested the practicability of using the thread from the cocoon for yarn which could be woven into fabric.

Here in the United States, an infant textile industry was spawned during the Industrial Revolution, and ever since then, it has served us well both as a provider of jobs and the clothing and shelter which has contributed to our high standard of living.

Today, textile manufacturing is one of our most basic and essential industries, providing employment for nearly 1 million people, directly, and another 2.4 million in apparel and related industries. Textile and apparel manufacturing today account for one of every eight manufacturing jobs in this country and provide an annual payroll of $10 billion.

The textile industry is the major customer for our 675,000 cotton farms and the sole customer for 200,000 wool growers. In addition, 112,000 jobs in the man-made fiber industry depend on textiles.

The textile industry has helped make our Armed Forces the best clothed, housed, and protected in the world. The industry has been called second only to steel in military importance.

While many of our textile mills are concentrated in the Southeast and New England States, textiles is, in a very real sense, a national industry. There are some 7,000 textile manufacturing plants in 42 States turning out annually some 17 billion square yards of fabric for use by industry and consumers.

While the textile manufacture is steeped in tradition, it is one of the most modern of our American industries, contributing significantly to our exploration of outer space and a higher standard of living throughout the world.

It is, therefore, most appropriate that our Nation should recognize this industry and the contribution to a better way of life it is making day in and day out.

I am, therefore, introducing a joint resolution authorizing and requesting the President to issue a proclamation designating the period from April 23, 1972 through April 29, 1972 as "National Textile Week."

All Americans should join in paying tribute to an industry which has throughout our history contributed so much to the betterment of mankind and his comfort, convenience, and prosperity.

Mr. President, I ask unanimous consent that the text of the joint resolution which I am introducing today on National Textile Week be printed at this point in the RECORD together with a copy of an article entitled "A World Without Textiles," which appeared in the fall 1971 issue of the Phi Psi Quarterly.

There being no objection, the material

was ordered to be printed in the RECORD, as follows:

S.J. RES. 178

Joint resolution to authorize and request the President to issue a proclamation designating the period from April 23, 1972, through April 29, 1972, as "National Textile Week"

Whereas several million workers in the United States are employed directly or indirectly in the textile industry; and

Whereas textile manufacturing historically has been one of the basic industries of the United States and has for decades contributed substantially to the economic strength of the Nation; and

Whereas the continued strength and growth of the textile industry in the United States is vital to the economic stability of this country: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the period from April 23, 1972, through April 29, 1972, as "National Textile Week", and calling upon the people of the United States and interested groups and organizations to observe that week with appropriate ceremonies and activities.

A WORLD WITHOUT TEXTILES

(By Donald F. Flathman)

We live in a world of textiles. You don't believe it? Then think for a minute what life would be like in a world *without* textiles.

We'd all be naked! No clothes. No underwear. No stockings or socks. Not even shoes!

Animal skins would be no substitute. We'd soon kill off all the animals for their fur and hides and even then only a few people would be clothed . . . probably no one you know.

Of course, there's always the trees and bushes. We could strip all the foliage bare to make grass skirts, and fig leaf shorts . . . but what would we do when winter comes?

No, skins and leaves are no substitutes. We'd all have to move South just to survive. Think what tremendous over-crowding that would produce! I think a world without textiles would be a world without so many people on it . . . maybe without *you!*

In a world without textiles or homes would be bare too. No rugs on the floor, or drapes on the windows. No window shades! Or even venetian blinds! Our chairs would all be hard wood. Our beds would be boards, cushioned only by straw or leaves. We'd have no blankets. No sheets. No pillows! We'd have to wash with our bare hands and shake ourselves dry.

In a world without textiles we'd ride to work on a horse, or in a wooden-wheeled wagon pulled by a horse. There'd be no automobiles because there'd be no air-filled tires; no water hoses to cool the engine; no wires to carry the spark to the piston! No upholstered bucket seats. No rugs on the floor boards. No convertible tops. No padded dash or even, in some cars, air scoops, bumpers, or fenders!

In a world without textiles baseball wouldn't be played . . . not even on real grass! There'd be no football, no soccer, no basketball. No tennis, no volleyball, no badminton. Croquet would be the game . . . a wooden ball struck by a wooden mallet!

In a world without textiles there'd be no space program. No astronaut could survive without his space suit. Nor could he return without the heat shield on his rocket, or even the parachute to slow his descent! Once in the water, how would he stay afloat without the flotation collar or, in an emergency, the life raft or even his own life jacket! The fact is, he'd never leave on a space flight without hoses for fueling; wires and cables for control; seat belts to hold himself in; even the seats themselves!

In a world without textiles many people would die without bandages; sutures; sterilized gowns and masks. Damaged or diseased arteries and wind pipes would stay damaged or diseased and the patient might die because there'd be no Dacron replacement. The "iron lung" wouldn't have saved so many polio victims. The kidney machine wouldn't be keeping so many others alive today. And the artificial heart would probably be impossible!

In a world without textiles there'd be few libraries, because there'd be few books . . . because there'd be only hand-made paper. Without hundreds of thousands of tons of cheap, ready paper there'd be no newspapers, no computers, no banks, no stocks, *no business!* . . . except that which could be done directly, like trading a bushel of potatoes for a sack of wheat . . . except there'd be no *sack* in a world without textiles.

In a world without textiles we wouldn't have progressed very far beyond the caveman, even after hundreds of thousands of years. Man's discovery of iron may have been important, but without the even earlier more important discovery of textiles and the simple textile process of weaving reeds or twisted grasses into mats and cloth, we'd all be wearing iron underwear, and that doesn't sound like much fun.

Just what is a textile? Anything woven or knitted or made with a fiber. Not just from cotton or wool or silk or man-mades, like nylon or rayon or polyester. But fireproof suits made with asbestos fiber! Supersonic airplane parts made with carbon fiber. Space suits made with glass fiber. Artificial tendons made with stainless steel fibers. And even more fantastic things yet to come!

Yes, we live in a world of textiles . . . and the world we live in, we live in *because of* textiles!

By Mr. HUMPHREY:

S.J. Res. 179. A joint resolution to assure continued eligibility of recipients of Food Stamp benefits and to maintain present levels of bonuses for these recipients. Referred to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. Mr. President, earlier today, during the debate on the national nutritional program for the elderly, I stated my intention to introduce a joint resolution to accomplish certain objectives.

Mr. President, I introduce that joint resolution now, and I ask unanimous consent that the text of the joint resolution be printed at this point in the RECORD.

There being no objection, the text of the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 179

Whereas, rapidly escalating costs of living have made it increasingly difficult for low income families to pay for the basic necessities of life; and

Whereas, it appears that higher charges established by the Department of Agriculture for certain coupon allotments will create added strain on the limited financial resources of many thousands of needy families now receiving benefits under the Food Stamp Act of 1964; and

Whereas, it appears that many thousands of citizens will no longer be eligible for benefits under the Food Stamp Act of 1964 because of new eligibility standards established by the Department of Agriculture: Therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(b) of the Food Stamp Act of 1964 is amended by inserting after the first sentence thereof, the following: "Notwithstanding the foregoing, the standards of eligibility under any State plan of operation shall not make ineligible any household which would have been eligible under the standards of eligibility provided for by the State plan of operation in effect just prior to enactment of Public Law 91–671 which was approved January 11, 1971."

SEC. 2. The first sentence of section 7(b) of the Food Stamp Act of 1964 (which deals with the charge to be made for food stamps) is amended by inserting before the colon preceding the first proviso the following: "or more than would have been charged for a coupon allotment of similar face value prior to the enactment of Public Law 91–671 which was enacted on January 11, 1971."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 582

At the request of Mr. HOLLINGS, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 582, a bill to establish a national policy and develop a national program for the management, beneficial use, protection, and development of the land and water resources of the Nation's coastal and estuarine zones.

S. 669

At the request of Mr. RIBICOFF, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 869, to equalize the treatment of individual taxpayers.

S. 1163

At the request of Mr. BENTSEN, his name was added as a cosponsor of S. 1163, to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal programs, nutrition training and education programs, opportunity for social contacts, and for other purposes.

S. 1615

At the request of Mr. BIBLE, the Senator from Georgia (Mr. GAMBRELL) was added as a cosponsor of S. 1615, to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business.

S. 1975

At his own request, Mr. GRIFFIN was added as a cosponsor of S. 1975, a bill to change the minimum age qualifications for serving as a juror in Federal courts from 21 years of age to 18 years of age.

S. 2764

At the request of Mr. Moss, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2764, the Fish Disease Control Act.

S. 2813

At the request of Mr. TOWER, the Senator from Maryland (Mr. BEALL), the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. FANNIN), the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Utah (Mr. Moss), the Senator from Rhode Island (Mr. PASTORE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. TAFT) were added as cosponsors of S. 2813, amendments to the Vocational Rehabilitation Act.

S. 2897

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at the request of the Senator from South Dakota (Mr. MCGOVERN) that the names of the Senator from Montana (Mr. METCALF) and the Senator from West Virginia (Mr. RANDOLPH) be added as cosponsors of S. 2897, a bill to provide housing for persons in rural areas of the United States on an emergency basis.

The PRESIDING OFFICER (Mr. GAMBRELL). Without objection, it is so ordered.

S. 2898

At the request of Mr. HARTKE, the Senator from Montana (Mr. METCALF) and the Senator from Missouri (Mr. EAGLETON), were added as cosponsors of S. 2898, a bill to provide college tutors for the homebound handicapped.

S. 2899

At the request of Mr. EAGLETON, the Senator from California (Mr. CRANSTON) and the Senator from New Mexico (Mr. MONTOYA) were added as cosponsors of S. 2899, the District of Columbia Medical Facilities Construction Act of 1972.

S. 2900

At the request of Mr. PERCY, the Senator from Montana (Mr. MANSFIELD), the Senator from North Dakota (Mr. YOUNG), and the Senator from Kentucky (Mr. COOPER) were added as cosponsors of S. 2900, to amend the John F. Kennedy Center Act to authorize funds for operation and maintenance of the nonperforming arts function of that center.

S. 2909

At the request of Mr. HARTKE, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2909, a bill to provide for the regulation of blood banks.

EDUCATION AMENDMENTS OF 1971—AMENDMENTS

AMENDMENTS NOS. 774, 775, AND 776

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.)

Mr. GAMBRELL. Mr. President, I am offering herewith several amendments to S. 659, the higher education and related amendments which are now pending before the Senate Labor and Public Welfare Committee. The legislation which is now in committee is the education package as passed by the House of Representatives several weeks ago, and includes the House version of the Emergency School Aid Act of 1971, and the House amendments suspending forced schoolbusing, and Federal agency practices connected therewith.

In many respects, the House-passed antibusing amendments are similar to legislation on the same subject which I introduced in the Senate on October 28 of this year. Since the various education bills had already passed the Senate at that time, my previous amendments were offered to the Equal Employment Opportunities Enforcement Act of 1971.

A full statement of my views on the subject of forced schoolbusing, along with an explanation of my October 28 amendments will be found in the CONGRESSIONAL RECORD for Wednesday, November 3, 1971.

It was only a short time after my amendments were introduced that the House took favorable action on the antibusing provisions which are now found in the education bills which are pending before the Senate Labor and Public Welfare Committee.

As I now understand it, the committee will review this package of education bills, and may undertake to revise or elliminate some of the House-passed antibusing provisions.

Therefore, in order that the committee have before it the proposals which I have previously offered, I am introducing today, my own proposals, as amendments to the education package.

Companion amendments have been introduced by Senator ERVIN, with myself and others as cosponsors, and by Senator CHILES, with myself and others as cosponsors, which seek as a group to bring some commonsense and uniformity into the Federal Government's desegregation program. The hit or miss application of forced schoolbusing, and the arbitrary and discriminatory practices of the Department of Health, Education, and Welfare in the handling of Federal education funds, have come close to destroying the educational process in many school systems North and South.

The amendments which I have offered would suspend the power of Federal courts to require schoolbusing for racial balance, would restrict the authority of the Department of Health, Education, and Welfare to force busing plans by withholding Federal funds, and at the same time would require HEW to finance court approved desegregation plans without the imposition of conditions not provided for in the court orders. In addition, one of my amendments would require the Departments of Justice and HEW to report to the Congress within 120 days on the status of school desegregation throughout the country, and to announce their plans for uniform desegregation enforcement practices throughout the country.

ECONOMIC STABILIZATION ACT OF 1971—AMENDMENTS

AMENDMENT NO. 777

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself, Mr. ERVIN, Mr. HANSEN, Mr. MAGNUSON, and Mr. MILLER) submitted an amendment intended to be proposed by them jointly to the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970, as amended, and for other purposes.

AMENDMENTS NOS. 778, 779

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE (for himself, Mr. HARRIS, and Mr. STEVENSON) submitted two amendments intended to be proposed by them jointly to the bill (S. 2891), supra.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 611

At the request of Mr. DOMINICK, the Senator from Kansas (Mr. DOLE) and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of amendment No. 611, intended to be proposed to the bill S. 2515, the Equal Employment Opportunity Enforcement Act of 1971.

ADDITIONAL STATEMENTS

WATER POLLUTION CONTROL

Mr. MONDALE. Mr. President, early in November the Senate took a historic step in passing a major new water pollution control bill.

A tough water pollution law is, of course, badly needed along with more Federal help for municipalities to construct waste treatment works. But, I believe the Senate made an equally important decision in approving for the first time, a provision in the water pollution bill to save America's fresh water community lakes.

The statistics regarding the condition of fresh water lakes in the United States show that thousands are now dying and many thousands more are rapidly deteriorating. Many of these lakes are located in the State of Minnesota and that is why I became aware of this problem and introduced legislation to help restore our lakes 6 years ago.

I am very pleased by the Senate's action to include a clean lakes provision in the 1971 Federal Water Pollution Control Amendments.

The reaction of communities throughout the Nation toward a new clean lakes program has been tremendously favorable. Particularly in Minnesota, they are encouraged by the Senate's action and hopeful that this important new program will soon be approved by the House.

As evidence of the continuing concern of these communities, I submit for the consideration of my colleagues, an article which recently appeared in the Walker Independent, of Walker, Minn.

Mr. President, I ask unanimous consent that the article be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CLEAN LAKES BILL

Minnesota Senator Walter Mondale's Clean Lakes Bill has recently taken a major step toward final approval by the U.S. Senate.

The full Senate Public Works Committee voted October 18 to include the bill as part of the 1971 Federal Water Pollution Control Amendments. With the Committee's endorsement and with 32 Senators on record in favor of it, the outlook for Senate passage is very encouraging.

The bill would offer Federal assistance to states and communities to preserve and restore thousands of fresh water lakes that are now in grave danger. Studies show we can save many of our lakes with currently available technology, but communities and states such as ours simply cannot afford to do the job alone.

Many of the more than 100,000 fresh water community lakes in the nation are being destroyed by municipal and industrial pollutants, agricultural run-off and accelerated sedimentation. Importantly, one out of every eight of these lakes is located in Minnesota.

Minnesota is more fortunate than most states. It has an abundance of fresh water lakes. But we cannot afford to neglect or squander these priceless natural gifts.

Specifically, Mondale's bill would provide Federal grants for up to 70 percent of the cost of restoring the quality of publicly owned fresh water lakes. The money under this provision would be used to clean up lakes that are already polluted.

The bill also would increase (up to 70 percent) the Federal share of constructing sewage treatment plants to prevent pollution before it starts.

So far our lake resources have been terribly neglected in the national effort to fight pollution.

The recent approval by the Senate Public Works Committee marks a very significant step toward helping communities in Minnesota (and throughout the nation) to safeguard our treasured lakes, and it seems there will be approval by the full Senate before too long.

THE HEISMAN TROPHY AWARDED TO PAT SULLIVAN

Mr. ALLEN. Mr. President, the 1971 Heisman Trophy has been awarded to Pat Sullivan, quarterback of the Auburn University Tigers. A more deserving player could not have been chosen. All of the people of the State of Alabama are proud to have this outstanding student-athlete representing them.

Pat Sullivan has made a fantastic record at Auburn University, both on and off the field. His performance in the classroom is typical of the stature of this young man. He is a business major, with a 2.8 average out of a possible 3 in the past quarter.

Mr. President, I am indeed proud of Pat Sullivan, and want to extend my congratulations to him, his family, his teammates, his coaches, and to Auburn University.

In August 1971, the monthly publication of the Birmingham Area Chamber of Commerce published an article by David Housel entitled "Pat Sullivan: King of Quarterbacks." I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PAT SULLIVAN: KING OF QUARTERBACKS

(By David Housel)

Pat Sullivan, at home, is very unheroic. He lounges around in shorts, faded tee shirt, barefooted. His apartment has a noticeable absence of football momentos, only one small statuette on the edge of a table. Notebooks and textbooks lay at strategic points.

He sweeps the floor, sets the table, washes dishes, occasionally changes the baby, and helps his beautiful wife Jean with all the household chores except one, taking out the garbage. He hates to do that.

Thus, the life of Pat Sullivan, husband, father, student, is not a great deal unlike any other married student husband—unless you consider those golden autumn Saturday afternoons collectively known as "football season." This softspoken resident of Willow Street in Auburn, then becomes Pat Sullivan, quarterback par excellence, and leading contender for 1971's coveted Heisman trophy. Thousands of football fans jam stadia across the Southland for a first hand view of Sullivan and football history in the making. Hundreds of thousands more search the airways for radio or television word of Pat Sullivan, billed by all as the greatest quarterback in Auburn history, and by many as perhaps the greatest in the annals of Southern football.

No Auburn player has captured the confidence of Auburn men and women, the imagination and fancy of Southern football followers as has this young man from Birmingham who led Auburn to 17 victories in the last two years, and rewrote the Tigers' record book in the process.

By the time Pat finishes his regular season Auburn career against Alabama November 27, the Tiger record book could easily be by-lined "By Pat Sullivan." Already he has gained 4747 yards, almost 1000 yards more than Travis Tidwell's record, and Sullivan's yardage has come in two years, just half the time it took Tidwell to make his mark.

In 1970 alone, Sullivan led not only the SEC, but the nation in touchdown responsibility (26), passing percentage of completions (.590), yards gained per play (8.57, a new NCAA record) and total offense (285.6 yards per game).

In addition to making every All-SEC team, Sullivan made numerous All-America teams. He was named the Outstanding Player of the Gator Bowl's 35-28 Auburn victory over Archie Manning and Ole Miss. Perhaps Pat's highest honor came from the Southeastern Conference coaches who picked him as the SEC's Outstanding Player for 1970.

His own coach, Ralph "Shug" Jordan says "Pat is the most complete quarterback I've ever seen. When he's in the game there's not one thing your offense is not capable of doing."

Alabama's Paul Bryant echoes Jordan's praise of Sullivan: "He does more things to beat you than any quarterback I've ever seen."

The most important records and accolades for any quarterback, however, are team records, and Auburn's offense, rolling over and through opponents like Patton's Third Army rolling through France, has averaged 35 points and almost 500 yards total offense a game under Sullivan's field generalship. Needless to say, Auburn is no longer considered primarily "a defensive football team." The Tigers are offensive juggernauts, and last year's team was the most explosive in the history of the SEC.

Impressive credentials are but an outward sign of greatness. What quality or qualities distinguish Sullivan from all other quarterbacks? What makes Pat Sullivan great? Was he ordained by some mystical spirit, or did his magnificence come from human attributes?

Those who know Sullivan, the quarterback, best, those who play with him and coach him, believe Sullivan's greatness comes from his unyielding confidence in himself and his teammates. This confidence, they say, is contagious, and more than once it has been Sullivan who has sparked Auburn on the comeback road.

Dick Schmalz, a receiver who played with Sullivan at Birmingham's John Carroll High School and now at Auburn gives one example:

"We were behind 10-0 early against Tennessee last year. It was my first game to start and I was all nervous and jerky. Pat came into the huddle. He looked at each of us and said, 'Men, it looks like we're going to have to score some points today, so let's block, run our routes, and get to it.' His calm confidence erased all of my anxieties, and after that, we all felt like it was just a matter of time until we went ahead if we all did our jobs."

Go ahead, Auburn did. The Tigers beat the Vols 38-23, handing them their only loss of the 1970 campaign. And it was Sullivan, who, late in the game with Auburn leading by only six points, 29-23, ran a quarterback draw more than 40 yards to get field position and insure the win for the Tigers. He has confidence and he has ability.

Wallace Clark, Auburn's fullback for the past two seasons, adds to Schmalz's observations:

"I've never seen Pat worried, not even when we're behind. Concerned, yes; Worried no. He knows how to win; how to come back when he gets behind, and he always keeps the pressure on the other team when we get the upperhand. Being behind only makes Pat watch himself more."

Pat's contagious confidence was manifesting itself even before he played his first game for Auburn. This boy was supposed to be pretty good. Would he be the redeemer of Auburn's offensive fortunes? Would he be able to make the crucial play, to pick up a crucial yard here, the crucial foot there that would win the big games and turn 6-4 seasons into 8-2, 9-1, maybe 10-0 seasons?

A rumble stirred. Auburn people thought so.

The early part of Sullivan's freshman career indicated he was good, but to see just how good, Auburn fans had to wait until the final game against the Alabama freshman in Tuscaloosa.

Down 27-0 in the second quarter, Auburn fans were already looking for excuses. They could find none. After five years of Alabama victories, their bag of excuses was about empty. But Sullivan wasn't thinking about excuses. He lofted a long bomb to speed demon Terry Beasley, even then his favorite target, and the Tiger Cub offense was off to the races, races they finally won by a 36-27 score. It was Auburn's first football victory over their cross-state rival in five years, and if Auburn fans were happy that day, perhaps it's a good thing they didn't know what was to happen on a cold November day two years later in 1970. They couldn't have stood it.

A record crowd attended the Auburn A-Day game the next spring. Sullivan's team won 26-0, but it wasn't impressive and questions began to mount again. What about Sullivan? Sullivan didn't wait long to answer the question.

His first outing as Auburn's varsity quarterback brought a 57-0 win over Wake Forest. The score was important, but the most indicative part of the "new look Auburn," the "Sullivan-look," came on the first play of the game.

Sullivar dropped straight back, looked long, and lofted a pass far downfield to Terry Beasley, the other part of Auburn's dynamic duo, who was running free behind the Deacon secondary. The pass was incomplete, but the fans stood up and cheered, cheered loud and long. It was that instant that the "bomb" became more of a weapon than a threat in the Auburn offensive arsenal.

The next week against Tennessee, Auburn lost late 45-19. In the fourth quarter it was 24-19, but the key pass interceptions led to the Vol's embarrassingly wide margin of victory. Sullivan, in his first big game, had five passes intercepted on the Vol's Tar-tan turf which has a reputation for causing passes to go awry. It would have been enough to shake the confidence of most youngsters, but Sullivan was not typical of "most youngsters."

Coach Jordan had decided to have a man-to-man talk with his young quarterback before practice Monday, just in case Sullivan needed to have someone restore his confidence. Before Jordan could speak to him, Pat walked up and said, "Don't worry about me, Coach. I'm okay," and trotted on to practice.

Auburn defeated Kentucky 44-3 and Clemson 54-0 the next two outings, and finished with an 8-2 season. In a nose-to-nose confrontation with John Reaves, Florida's sensational sophomore quarterback, Sullivan came out on top 38-12. A Bluebonnet bowl trip followed the 49-26 win over Alabama.

1970 brought another 8-2 record and another bowl bid, but Auburn fans will best remember this particular year for what happened in the waning shadows of November 28 at Legion Field. Auburn, with an injury-mauled defense, was playing Alabama and Bear Bryant's Crimson Tide jumped to an embarrassing 17-0 lead in the first quarter. Beasley was hurt and out of action. Surely a comeback was too much to expect from anyone, even Sullivan. Auburn fans reached for their bag of excuses, but Sullivan wouldn't let them have it. He had reserved it for Alabama again. Sullivan's confidence was a key factor and it was evident on the sidelines. As Beasley sat on the bench, trying to regain his bearings, Sullivan walked up to him, flicked his red hair, and said, "Hurry up and get ready Beas, we're going to beat them just like we did when we were freshmen."

It was 17-7 when Beasley returned, and when the scoreboard beeped the game's conclusion, Auburn had beaten Alabama 33-28, in what must surely be one of the greatest, if not the greatest game in Auburn football lore.

Pat called most of the plays in the victory over Alabama as he does in most Auburn games. "We just decide on the game plan and present it to him," says chief offensive coach Gene Lorendo. "Pat is always prepared for any eventuality. He spends a lot of extra time watching films, studying the defense and asking questions."

While Beasley is his favorite receiver—he caught 52 for 1051 yards and 11 touchdowns in 1970—Pat has confidence in his other receivers and does not hesitate to call on them. "I knew he'd throw to me if I was open," says Alvin Bresler, a 1970 receiver, "and so does everyone else. This helps morale."

The running backs know too that Sullivan will give each man ample opportunity to run the ball and taste a share of the glory during the season.

As Schmalz puts it: "Whatever Pat does, you know it's for the good of the team. He's the most selfless person I've ever known."

Schmalz has touched another aspect of Sullivan's greatness: a hat size that refuses to increase no matter how profuse or great the accolades. No matter what honor he accepts, Sullivan accepts it "not for myself, but for the Auburn football team."

When he went to Nashville to accept the 1970 SEC Player of the Year Award, Sullivan had to miss a day of Gator Bowl preparations. On returning, with Coach Jordan's permission, he called the team together, and said, "I want to apologize for missing practice yesterday. You all read the papers and you know where I was. I'm sorry I had to go during practice, but I want you to know that I didn't accept that award for me. I accepted it for you. Any praise or credit I get, doesn't belong to me. It belongs to you, and I thank you for letting me be your representative."

The Auburn Tigers responded with a rousing cheer, and in the spring elected him captain for the coming year, an honor which Sullivan treasures more than all the others that have come his way. This, he says, "shows that the team has put their utmost confidence in me. I have to maintain their confidence and trust."

Their trust in him and his confidence in them is one reason Sullivan was dropped behind the line of scrimmage only three times last year.

The Sullivan mystique is not reserved only for the football field. He has been tapped for many campus leadership honoraries, and scholastically, Pat, a business major who hopes to run his own firm someday, made a 2.8 out of a possible 3.0 spring quarter.

Rod Carlson, who had Pat in his economics class, has his own idea on what makes Sullivan great not only in the classroom, but also on the field.

"He has a tremendous belief in himself and a respect for other people. Not too many people of his ability maintain this sense of respect for others, but I've never heard Pat say a derogatory word about anyone. He's almost 'boyish' about it," says Carlson.

Confidence, ability, humility, respect. Those according to those who know him best, are what makes Pat Sullivan a great quarterback. But how did he develop those qualities? How did he happen to choose the Blue of Auburn rather than Alabama's Red or Notre Dame's Gold? And what about the coming season? And the Heisman? Does Pat think he will win it?

The Pat Sullivan football story began many years ago, when Pat was in the sixth grade, and it began very inauspiciously—he quit.

His first coach, Brother Christopher ST., had put him at center, and Pat just didn't like playing center. Also, he happened to be younger than all the other boys out for the team.

A year later, and a year older, Pat came back. This time, Bro. Christopher, having noticed Pat's speed and ability to throw a ball during baseball season, decided to try Mr. and Mrs. Jerry Sullivan's son at quarterback. He's been there ever since.

"It was obvious from the start," recalls Bro. Christopher, director of the Magic City's Toy Bowl Program, "that Pat was an athlete of college calibre. He had the right mental attitude and success never went to his head. It was somewhat embarrassing at times. I'd be on the sidelines trying to figure out what should be done, but Pat had already figured it out himself. He was real smart."

Mr. and Mrs. Sullivan never forced their son to participate in sports. They only "encouraged him when he wanted to go out for the teams," and, in Pat's case, that meant a lot of encouragement. He loved almost every sport, football and baseball taking the upper hand, and he wanted to excel in whatever he did.

"We always congratulated him on his success," recalls his father, "but we always cautioned him that he, like everyone, was subject to a bad game. We just took him as he was and were thankful for all of the good things that came his way.

"It's still that way."

At age 12, Pat Sullivan, who "always liked Auburn," saw his first Tiger football game. The young athlete sold Cokes to get in the 1962 Auburn-Georgia Tech game, which Auburn won 17-14.

"That was a great game," Sullivan smiles. "I'll never forget Jimmy Burson (Auburn fullback) scoring on the first play from scrimmage. I almost stopped selling Cokes right then."

It was early in his senior year that Auburn and Sullivan had their first important contact. "Coach Lorendo had come to see John Carroll play," says Pat, smiling, "and I was walking off the field when this big man came up and said he was Coach Lorendo from Auburn and congratulated me on what he said was a fine game. I was flattered. That was the first time I knew Auburn knew who I was and was really interested in me."

Pat met his wife Jean shortly after graduation when John Carroll and Auburn teammate David Shelby got the two together on a blind date.

"I didn't really know who Pat was," laughs Jean. "I'd read a little about him in the paper. I knew he played football, but I didn't know how good he was. It wouldn't have made any difference anyway."

Pat and Jean were married in the summer of 1969 and Jean soon found that being married to a hero has its drawbacks as well as benefits. There's a tremendous demand for a hero's time, and Jean readily admits, "I don't always look forward to it, but when I go with him, I have a great time. I enjoy meeting different people like Pat does."

The shapely brunette especially enjoys one part of being a hero's wife. "Every boy should have a someone to look up to, and when that someone is your husband, you get a great thrill down deep inside just seeing those big admiring eyes gazing up at your husband."

"Those admiring eyes," as Jean calls them, place an added responsibility on Pat. "You have to think about those people looking up to you," observes Pat. "What's right for most people my age, may not be right for an athlete, especially when there are youngsters looking to you to set an example."

And so it is with Pat Sullivan, Auburn's quarterback par excellence. Because he doesn't wear a white hat, you wouldn't know he's a hero. To his classmates, Sullivan is just another student. To his neighbors, he is the fellow down the street who loves to grille hamburgers. To his brothers, Joe, 11, and Bill, 6, he's a big brother, not a hero, even though they both wear No. 7 Auburn jerseys. To baby daughter Kim, he's a father.

Sullivan is very much the unheroic type at home and in classroom, but on the football field it's a different story.

And it's not a bad story for a lad who once quit football, but came back out and may carry a Heisman Trophy home.

And what about the Heisman. Will you win it, Pat?

"I'm very honored to be considered for such an award, but winning the Southeastern Conference Championship is more important to me. That's our team's ultimate goal. If our team wins, everything else will take care of itself."

THE SUPREME COURT NOMINATIONS

Mr. TOWER. Mr. President, very soon, perhaps later this week, the Senate will proceed to consider the nominations of Mr. William Rehnquist and Mr. Lewis Powell to be Associate Justices of the Supreme Court. The Senate Judiciary Committee overwhelmingly approved Mr. Rehnquist by a vote of 12 to 4 at the same time as they approved the nomination of Mr. Powell. When the debate of these two nominations begins, I will make a detailed statement on the qualifications of both men, who I believe deserve the unqualified support of this body.

There have been raised, however, some questions about Mr. Rehnquist's capabilities and sensitivities, I might add almost entirely by innuendo, that I believe should not be allowed to go unrefuted. The Senator from Indiana (Mr. BAYH) has charged that William Rehnquist "approaches the great questions of human liberty in a way which reveals a dangerous hostility to the great principles of equal justice for all people and individual freedom under the Bill of Rights." In order to support this allegation, he cites three instances in which "Mr. Rehnquist plainly demonstrated a persistent unwillingness to allow law to be used to promote racial equality in America."

It has in no way been substantiated that Mr. Rehnquist shows hostility to the principles of equal justice. In order to demonstrate this, let me point out some of the facts connected with the three instances cited by Senator BAYH which the Senator failed to point out.

First, there was Mr. Rehnquist's opposition to the Phoenix, Ariz., public accommodations ordinance. There were many people in the Congress in 1964, and a presidential candidate who felt that such legislation was unworkable and unwise, that it would create more problems than it would solve. Mr. Rehnquist's position was shared by many throughout the Nation. The fact that he can support such a law after the legislative battle is over shows his devotion to the principle of the rule of law. He has stated that he now believes in this law and has no reservations about it.

The second incident Mr. BAYH cites is Mr. Rehnquist's opposition to two sections of the Model State Antidiscrimination Act in 1966 at the meeting of the Commissioners on Uniform State Laws. Mr. BAYH fails to mention, however, that the Arizona delegation voted to support the adoption of the final Model Act in spite of the fact that it still contained the provisions he had opposed. He also fails to mention that one of the provisions in the Model Act which Mr. Rehnquist did not oppose was a public accommodations provision, which demonstrates that Mr. Rehnquist had changed his mind about such legislation long before the recent confirmation hearings.

The third incident cited by Mr. BAYH is the letter to the editor concerning the Phoenix school system from which Mr. BAYH quotes a sentence stating that "we are no more dedicated to an 'integrated' society than to a 'segregated' society."

I wish Mr. BAYH had seen fit to quote the rest of the sentence which I believe is far more indicative of Bill Rehnquist's philosophy than is the first part of the sentence pulled out of context. The rest of the sentence reads:

> That we are instead dedicated to a free society, in which each man is equal before the law, but in which each man is accorded a maximum amount of freedom of choice in his individual activities.

I must say that does not sound to me like the words of a man with a "dangerous hostility to the great principles of equal justice." I note that the letter was written in 1967 in opposition to a plan which Mr. Rehnquist felt would endanger the neighborhood school concept, an issue which is being hotly debated today, 4 years after Mr. Rehnquist's letter was written.

I believe that this examination of the incidents cited by Mr. BAYH calls for a conclusion exactly opposite of Mr. BAYH's. Here is a man who has learned the value of law in protecting our rights. He is concerned that we continue to make orderly progress in these areas. Nothing has been introduced into the record, or could it be, to show that Mr. Rehnquist is not deeply concerned about the problems today.

I heartily endorse the nomination of Bill Rehnquist and urge my colleagues to vote to confirm him.

SUMNER, MO., WINS TOP COMMUNITY BETTERMENT HONOR

Mr. FULBRIGHT. Mr. President, the St. Louis Post Dispatch on November 12, 1971, carried an article entitled "Town Once Called Sleepy Was Aroused To Win Top Community Betterment Honor."

It is an interesting and encouraging account of what public-spirited citizens can accomplish by working together for their own improvement.

Sumner, Mo., the town in question, I am proud to say is my birthplace. Under the leadership of a dynamic and imaginative woman, Mrs. Roland Epperson, the people of Sumner have demonstrated once again that the strength of our Nation lies primarily in the spirit and energy of self-reliant people motivated by a desire to improve themselves and their community.

In spite of the many troubles which now afflict our Nation, with people like those in Sumner I am confident we will find solutions to our problems.

I ask unanimous consent to insert the article in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TOWN ONCE CALLED SLEEPY WAS AROUSED TO WIN TOP COMMUNITY BETTERMENT HONOR

SUMNER, Mo., November 11.—Several years ago, a newspaper in Jefferson City referred to "the sleepy little town of Sumner."

"That got us a little mad," said Mrs. Roland Epperson in giving her explanation on how the community of 178 persons got into total involvement to capture five Missouri Community Betterment (MCB) awards since 1964.

This year, Sumner hit the top. Of nearly 300 communities in the state active in the program administered by the Missouri Division of Commerce and Industrial Development, Sumner was the grand-prize winner.

Three times Sumner was cited in the National Cleanup Contest among cities of fewer than 25,000 residents. Mrs. Epperson, Sumner MCB chairman for four years, has received the governor's leadership award three times.

When Sumner first became involved in the state program in 1964, the town "had no place to go but up," said Walter DeWeese, a pensioner who was the first MCB chairman.

A year earlier the school was closed down and the children were bused to a consolidated district at Menden, about 10 miles to the southeast.

Sumner has no industry. Most of the men work in Brookfield, 18 miles northward, if they don't farm. The nearest major artery, U.S. Highway 36, bypasses the town about 15 miles to the north.

The only real attractions that have drawn travelers are the Swan Lake National Wildlife Refuge and the state-administered Fountain Grove Wildlife Area.

The waterfowl hunting season, preceded by Sumner's Wild Goose Fall Festival, is the busiest time of the year.

DeWeese said the town was faced with extinction when the school was closed and the old Methodist church was in advanced disrepair.

"Any community centers around ite church and school," he said. "A good many country people come into town for church. Lose the country people, and we'd begin to fall apart."

Sumner's first MCB project was to build the $40,000 Methodist Church, which was paid off in less than two years.

Mrs. Epperson recalled that "we were surprised at the number of people who wanted a new church." The effort was a catalyst, and once the church was completed, she said, "we had to have a town clean enough to go with it."

The next phase of MCB involved trash and brush cleanup and the demolition of old buildings.

The demolition project continued each Sunday, "young and old alike pitched in and we used to make it a day with picnic lunches and everything" while the old buildings burned, she said.

"There wasn't much left to Sumner when we got finished," she said, " but we got most of the old buildings down."

An MCB project is always under way in Sumner. The board meets on the last Monday of every month, when new ideas are introduced.

One year the wintertime project was building elaborate bird houses for martins. Seventy were constructed, enough for virtually every residence in the area.

This year wooden silhouettes of the Canadian Goose are being cut. More than 175 have been ordered from throughout the county and the entranceway to almost every home in the town displays the residents' name on the black silhouette—a token of gratitude, in a way, to the bird that brings hundreds of hunters to the area each autumn.

Sumner is, by its own labeling, "The Wild Goose Capital of the World." This year, for example, 125,000 Canadian geese settled on the federal reserve, along with thousands of other geese and ducks.

"In Missouri Betterment we've been working on the tourist angle," said Mrs. Epperson. "Each year it was a case of looking only to the next fall. So in 1968, to try to change that, our MCB project was the Fulbright Museum."

Sumner's most illustrious native son, Senator J. W. Fulbright (Dem.), Arkansas, attended the dedication of the museum in 1968. Memorabilia from Sumner's past includes a dress his grandmother wore.

Tourists who happen onto Sumner on Sundays during the fall are treated to the delicious homemade products of The Pioneer Kitchen, another MCB project.

While women volunteers cook and serve a smorgasbord, including homemade breads and jellies, the men distribute tickets for seating, serve as ushers and even wash the dishes.

Both the museum and The Pioneer Kitchen were among the factors considered when state judges made their on-site inspection of Sumner. The museum figured prominently in the town's Missouri Sesquicentennial festivities last April.

The state citation applauded the town for "presenting the picture of total civic involvement, long-range plans and successful observance of Missouri's Sesquicentennial."

Proceeds from such MCB projects as the museum and kitchen go into community betterment—like the Sumner Community Park, on the western edge of town. Until two years ago, it was a corn field.

The grassy stretch now is broken by a concrete basketball court and a community center, which from the outside could be mistaken for a modern ranch-style house.

Inside the center, which includes tables and a huge brick fireplace for anyone's use, retired farmer Frank Kanamaker was repairing a broken window. "When something's gotta be done, everyone's gotta pitch in," he said.

Russell Smart, a retired grocer, rides around town in late afternoon hauling a wagon with his tractor and picking up trash and brush.

Mayor Ernest Bloss, 76, does not want to run for the office again in April "because my duties as street commissioner are getting to be too much."

When DeWeese was selected as chairman of MCB six years ago, he had retired as manager of a grain company that was sold to a co-operative.

"After that," he recalled, "there was very little to do. But before I knew it, they had me as chairman of MCB."

Although almost everyone in the community helps in the program, it is not always easy to get things done.

"The trouble in a small town is you know everyone and you're afraid of hurting people," Mrs. Epperson said.

"You got to make sure everybody gets credit. And if MCB is working on one end of town, we better not forget the other end."

WELCOME OREGON DELEGATION TO WHITE HOUSE CONFERENCE ON AGING

Mr. PACKWOOD. Mr. President, as the 1971 White House Conference on Aging begins, my mind turns to Oregon's 227,000 senior citizens, and millions of other senior citizens around the country, who have given so much of themselves to this great Nation, and who now ask so little of us today in return. Our senior citizens wish only what each of us wishes—good health, economic security, and the ability to contribute their talents, pursue their interests, and participate meaningfully in community life.

Today's senior citizens readily remember events of the past six or seven decades which have led to our highly mechanized, very urbanized and extremely productive society. A wave of immigrants settling down in various locales during the early 1900's led to a numerous variety of small enterprises and joint business ventures. Some of the newcomers joined other Americans already settled here in taking advantage of the remaining open frontier and our predominately agricultural society. Some of these newcomers also participated in new industries just beginning to utilize our plentiful natural resources. Through the initiative of all these Americans, we are credited with advances and inventions that have altered scientific and industrial development and the ways of the entire world. The automobile, the airplane, and mass production techniques can each be attributed to the accomplishments and hard work of today's older Americans. In a very real sense, the dedication and energies of our senior citizens brought our modern industrial society into being.

Today's citizens lived through some of the most difficult economic times this Nation has ever known—the depression years. As they grew older, however, they witnessed changes which, I think it would be fair to say, were at least tantamount to the economic disruptions experienced during the depression. For example, families found they could depend less on one another for financial means and also for compassion and love. The interdependence of relatives valued so greatly in rural communities and small towns began to disintegrate and disappear in the urban setting.

The impact of today's youth culture is certainly felt more acutely by our senior citizens than by other segments of society. Entering their golden years in a culture that cherishes the young and labels the aged as old fashioned, they often lack—or, equally important, feel that they lack—the status once enjoyed by their predecessors.

Senior citizens notice still another difficult change. They are now living in an era of technological revolution which renders skills learned over a lifetime obsolete. As a result, millions of active and able persons find themselves out of work long before they desire to retire. The burden here is first felt when financial resources begin to dwindle. But the lack of means to use ones skills leads to many new problems, and compounds others.

Elderly people have usually identified their greatest problem as the absence of an adequate income to live independently and with dignity. Before the depression, a large number of elderly were dependent on others fully, or in part, for their livelihood, an accurate reflection of this Nation's views of family responsibility. When the depression hit during the early 1930's, elderly people were hit doubly. Widespread unemployment gave older persons little hope of finding jobs, and fewer opportunities to initiate ways to overcome their impoverishment. At the same time, however, the hard-put younger families could not render the help they had been giving in the past. The elderly could not turn to the relatively weak assistance programs developed in earlier years by State governments, private industry, or private charities, for these, too, could no longer meet the growing demands for emergency financial assistance.

The burden on the elderly had to be eased. Beginning in 1932, the Federal Government first made loans, followed by grants to States so direct financial relief could be made available to needy persons. Later special Federal emergency relief and public works programs were started. By 1935, Congress had under consideration long-range economic security legislation which eventually led to the enactment of the Social Security Act. This legislation had two social insurance programs on a national scale. One was a system for providing social security cash benefits to retired workers who had been employed in industry and commerce. This program, now known as the old-age, survivors, disability, and insurance program—OASDI—has since been expanded to cover nine of every 10 workers in this country.

After its initiation the financial stress felt by many older people was at least partially alleviated, but the program still needs to be continually reexamined and strengthened.

We have come a long way from the dark days of the 1930's but we must now meet the needs of the 1970's. For example, economic security for our senior citizens has continually been threatened by periods of inflation which virtually eat up their scarce resources and savings. As a result, the income level of many elderly people, even with social security, has been too low to sustain a standard of living free from the threat of poverty. Inflation affects all of us, but those who are on fixed incomes based on past wages instead of economic fluctuations are particularly vulnerable. I have long supported automatic increases in benefits as the annual cost of living rises. This would give elderly people greater assurance in their struggle to cope with inflation. Periodic increases in monthly social security benefits to keep pace with rising prices should be high on our priority list.

Liberalizing the retirement earnings test to increase the ceiling on the amount a recipient may earn before losing benefits would also provide better financial latitude for the elderly who wish to work. At this time, the law allows persons between the ages of 65 and 72 to earn $1,680 a year in gainful employment. Those who earn more than this amount, receive reduced social security benefits.

Older women are sometimes considered the poorest of the poor, yet the widow does not receive as much in benefits as her husband alone did when he was alive. A widow's independence would be significantly enhanced if she were allowed to receive all of her husband's benefits instead of the 82½ percent now in the law.

These and other changes are included in H.R. 1, the Social Security Amendments of 1971, which has passed the House and is pending before the Senate. Sadly, this legislation has been stalled here in the Senate, much to the dismay of many concerned citizens. These social security amendments have been held hostage for the welfare reform also contained in H.R. 1. In an effort to circumvent that roadblock, I have cosponsored S. 2512 with my colleague, Senator GURNEY, of Florida. S. 2512 contains the social security provisions of H.R. 1, and I am sincerely hopeful that it can be considered by the Senate at the earliest possible time.

When we study the economic facts and social forces in our society, it follows that we in Congress have the responsibility to maintain and update our income maintenance systems. We must not allow individuals who have worked hard through their years to live at an unacceptable standard of living. In the area of economic security, let me also cite another vitally important area which Congress must examine at the earliest possible date. I refer here to the need for an upgraded and strengthened system of retirement pensions. Too often we have seen pension rights lost as retirement draws near. Too often we have seen the rug pulled out from under senior workers just as their need for retirement security approaches. We in Congress have an important role to play in making sure that pension plans in business, labor, and industry are carefully protected from mishandling and abuse. We also owe it to our retirees to insure that funds which have been deposited for their retirement years are available to them at retirement. I am gratified that the Senate Labor Committee, on which I serve has already begun hearings on comprehensive pension legislation, and it is my sincere hope that we move forcefully in this area.

Along with income maintenance concerns, today's elderly find health care problems most severe. They are in more need of medical care than any other age group, yet are least able to pay burgeoning health care costs. Expensive illnesses can exhaust the savings of those whose income is minimal and fixed. Even senior citizens of considerable financial means can witness the depletion of their eco-

nomic resources due to a prolonged illness. Most older Americans only hope they will not be left poor when stricken with chronic ailments. It seems as though ill health and poverty pursue one another in a never-ending cycle.

Although medicare goes a long way in providing financial assistance to older persons, it does not meet their total needs. Last year it covered less than half of the total personal medical expenditures of the aged. Furthermore, with the cost of medical care continuing to skyrocket, the proportional expense to the elderly is ever increasing. Again we find this group of Americans most vulnerable to a problem we are all facing, but also least able to deal effectively with it. A variety of factors, not the least of which is the rapid but expensive advance of bioscience and technology, has led us into this quandary, and somehow we must find a way out. All Americans are entitled to quality health care, but quality care at prices all can afford. I am optimistic that we are now working toward a more efficient use of our medical resources, with the dual objectives of availability of care and lower cost. Our senior citizens have a keen interest in seeing us succeed, and deserve our maximum efforts in this direction.

One of the potentially most effective means of cost control is too frequently overlooked. It is preventive health. It speaks not only to the utilization of physicians, hospitals, equipment and drugs, but also to the overall physical and mental well-being of the individual. For example, sound nutrition has long been known to be a key element in maintaining good health. Yet many senior citizens lack the resources, know-how, transportation or possibly motivation to prepare sound meals, and consequently are malnourished or undernourished, paving the way for illness and disease. As of now, however, most communities lack the means to provide nutriticnal foods to those who, for one reason or another, are unable to prepare their own. Again, I am optimistic that Congress has recognized this need and has moved to remedy it. I am gratified that the Senate has, for example, just approved legislation to finance nutrition programs for the elderly. This will give new initiative to States and localities to assist in assuring good nutrition for our senior citizens.

Another important element in keeping overall costs down is through ancillary services which may mean the difference between a senior citizen being hospitalized—at a huge cost—and being assisted at home—at minimal cost. The latter alternative also offers immense psychological benefits, by permitting senior citizens to stay in friendly and familiar surroundings, with the emphasis on what they can do for themselves. The need for various types of home services and home health care is self-evident here.

Related to this is the need for more nursing homes offering quality care. The severe shortage of competent licensed nursing homes has resulted in dual problems. Some needing nursing home care are forced, as a result of the shortage, into expensive and unneeded hospitalization. Others, equally needy, get no care at all.

We in Congress have an obligation to all Americans to examine our total health care delivery system, see where it might be strengthened, see how financing mechanisms can be improved. We also have the responsibility for assuring that quality services will be delivered in an efficient and economical manner. As a member of the Health Subcommittee, I have been very interested to learn more about the potential of health-maintenance organizations, organizations which provide comprehensive medical services to subscribers on a fixed fee paid in advance. This type of delivery system has a potential for holding down costs and at the same time providing incentives for subscribers and doctors alike to practice preventive medicine and catch illness in its early stages. It is essential that we continue studying various approaches that best offer comprehensive but efficient coverage.

Congress has already passed and sent to the President comprehensive health manpower legislation. As we have seen since the passage of medicare, an increase in demand for medical services without a simultaneous increase in supply leads directly to spiraling costs, not to mention the psychological damage inflicted by promises not kept.

Problems with medicare aside, I think we are just beginning to concentrate on the psychological and social needs of our senior citizens. Like people of all ages, the older person desires satisfying relationships with members of his family, the option to retain and make friends, and the opportunity to develop a productive and worthwhile role in his community. These simple factors often make the difference between a life of satisfaction and one of despair. Too often, however, one or all of these elements are lacking for the senior citizen.

Oregon's statewide aging program under the 1965 Older American Act has provided a sound and flexible framework for the establishment of a series of local projects designed to meet these needs. It is funded partially by Federal dollars. Oregon's projects show, I believe, the range of services which are needed by our senior citizens, and the way these services can be provided at the local level. Because our aging program has been such a successful one, I ask unanimous consent to include in the RECORD at the end of my remarks a listing of Oregon's projects. This is just a start, but it shows what can be done if we just apply the effort and dedicate the necessary resources.

During the past decade with the help of service projects like these, more alternatives for senior citizens have been developing. Places where people can participate in activities of their choice and at the same time be part of social interaction are slowly being established. They are often known as senior citizens community centers, golden age clubs, or retirement clubs. They are often limited, however, in that the activities available in most appeal to only certain groups. Those interested in handicrafts, book clubs, discussion groups, and dances are well served. But a large percentage of elderly people require additional activities. Centers offering comprehensive services such as meal programs, employment, recreation, education classes, and information referral services would help to meet the needs of more senior citizens.

Part-time work or volunteer activities should also be encouraged. Most communities in this country are in great need of social services and the many and varied talents of our senior citizens should not be bypassed or ignored. I am proud to say that in Oregon alone during 1970 we had 3,040 senior volunteers, whose contributions in terms of time, effort, and dedication are simply immeasurable.

The elderly have already demonstrated their capacity to work with children in day-care centers, hospitals, and schools. Senior citizens are the perfect answer to the need for "night care" for children, or child care at unusual hours for working parents. They could also excel in other jobs such as managing special projects in retirement housing, or administering and supervising senior center programs, assisting in social welfare agencies, or in numerous other places crying for qualified help. We are not making best use of our valuable human resources when we do not enable older persons to contribute their skills and energies.

As we examine the needs of our elderly we cannot overlook the basics which make other activities possible, such as convenient transportation. Since a large number of people over 65 either do not drive automobiles or prefer not using them, they are forced to rely on friends or relatives for mobility. Public transportation is generally inadequate, but even when available it is often expensive or not in walking distance for aged individuals. And taxicabs are too costly for most of our senior citizens.

As a result, too many of our aged are forced to stay in their own homes, bringing isolation from friends, social activities and social services. In order to meet the unique needs of the elderly, many cities are offering reduced bus fares. Others have established volunteer services to drive senior citizens. These instances, however, are atypical, and point up why much more remains to be done in meeting the transportation needs of our elderly.

It has also become clear that older people should have informational and, where necessary, legal services accessible at all times. Keeping pace with the complicated and changing regulations of Government programs such as social security, civil service retirement, medicare, the old-age assistance program or the food stamp program can be an extremely difficult task. Frequently, many persons eligible for these benefits go without merely because they do not have the proper information or counsel. With the aid of social workers or those trained in legal matters, elderly people could cut through the redtape that often keeps them from benefits which are rightfully theirs. Legal information and counsel would also help in protecting elderly people from theft and fraud, again a particular problem because of their vulnerability. Some jurisdictions have established information centers, retirement planning courses, health-care classes, and home-help programs. This is a trend we should definitely encourage.

The few problems and services which I have mentioned are just highlights of our needs and efforts. Some are unique to this age group but it should be remembered that the elderly share in common the simple desires of all people. They wish to enjoy good health and economic security and play meaningful roles in their community. We as a nation have the responsibility of helping our senior citizens achieve these ends.

May I take this opportunity to welcome Oregon's delegation and delegates from all over the United States to Washington and the White House Conference on Aging. I am eager to discuss the questions raised today, and a host of others, and am looking forward to the breakfast meeting I have scheduled with Oregon's distinguished delegation tomorrow morning. If Congress is to be fully responsive to the needs and desires of our senior citizens, we must maintain a continuing dialog. It is with great interest and anticipation that I await the articulation of problems, and recommendations for solutions which I have confidence will emanate from this historic Conference.

I ask unanimous consent that a table entitled "Title III Project Profiles" be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TITLE III PROJECT PROFILES

ALBANY SENIOR CENTER

Grantee—City of Albany.
Project Period—7-1-69 to 6-30-72.
Goals: Establish senior center for leisure time activities; information and referral services; provide community service opportunities.
Goal attainment: Center established; leisure time activities available and well organized; other services minimal but program expansion anticipated under new coordinator.

Federal share (2nd year)	$4,800
Local support (in-kind)	1,150
Local support (cash) ($750 donations, $1,300 city)	2,050
Total budget	8,000

HELP ELDERLY LOCATE POSITIONS, EUGENE

Grantee—Emerald Empire Council on Aging.
Project Period—7-1-68 to 6-30-71.
Goals: Locate full- or part-time, temporary or permanent employment for those over 55 in Lane County by developing job opportunities and matching them with applicants. Volunteer opportunities to serve project. Service is free.
Goal attainment: Publicity excellent; approximately 450 placements to date; recently gained support of Chamber of Commerce to assist in finding job opportunities and to work toward total community funding.

Federal share (3rd year)	$4,000
Local support (in-kind)	4,000
Total budget	8,000

VOLUNTEER PLACEMENT SERVICE AND INFORMATION PROJECT, EUGENE

Grantee—Lane County Volunteers Service Council, Inc.
Project Period—10-1-67 to 9-30-71.
Goals: Resource for agencies needing volunteers; screen, train volunteers over 55; hold seminars to train users of volunteers; develop services for older Americans through existing agencies (Friendly Visitors, Transportation, etc).
Goal attainment: In the first three years the project has become extremely effective and performed its proposed function well; over 4,000 persons have served as volunteers or have been served directly by the project.

Federal share (3rd year*)	$7,150
Local support (in-kind)	7,150
Total budget	14,300

* Presently operating on 4th year with $900 federal funds unearned in 3rd year and equal local matching money.

EAST MULTNOMAH COUNTY MULTI-PURPOSE CENTER, GRESHAM

Grantee—East Multnomah County Council on Aging.
Project Period—7-1-68 to 6-30-71.
Goals: To develop a drop-in center for seniors with space for leisure time activities, information and referral.
Goal attainment: Much larger quarters were needed and acquired in the second year. Over 1,400 seniors are members and many others use the center for leisure time activities, preventive clinics (flu shots, glaucoma, hearing, etc.); space is furnished for food stamp distribution which acquaints many poor with the services of the center. Use of referral and counseling services are increasing.

Federal share (3rd year)	$8,000
Local support (in-kind)	8,000
Total budget	16,000

KLAMATH BASIN SENIOR CITIZENS COUNCIL, KLAMATH FALLS

Grantee—(same).
Project Period—7-1-69 to 6-30-72.
Goals: To establish a central office staffed with a coordinator to direct the activities of the area's senior organizations and with the aid of a strong board and committee to work to assist the elderly in the areas of legal aid, housing health, employment and recreation.
Goal attainment: The council was instrumental in establishing a county housing authority which is planning low income housing for the seniors; influenced the local Bar Association to institute a Legal Aid society. Travel recreation is much enjoyed by many.

Federal share (2nd year)	$6,720
Local support (in-kind)	2,600
Local support (cash donations)	1,880
Total budget	11,200

SENIOR CITIZENS COUNCIL—BAKER UNION AND WALLOWA COUNTIES—LA GRANDE

Grantee—(same).
Project Period—10-1-70 to 9-30-71.
Goals: To strengthen the three county Senior Council by making it possible for the Council members to attend meetings to study the needs of the elderly and to make plans to meet the needs.
Goal attainment: A new project. This funding follows a three-year grant to Eastern Oregon Community Development Council out of which came the above Council. It is a large, sparsely populated area with a large percentage of poor and near poor. Without the transportation assistance the Council's continuing would have experienced great difficulty.

Federal share	$2,130
Local support (cash donations)	710
Total budget	2,840

LEBANON SENIOR CITIZENS HELPING HANDS CENTER, LEBANON

Grantee—Senior Citizens Center.
Project Period—10-1-70 to 9-30-73.
Goals: To increase the activity of an established center, employ a coordinator and to increase recreational activities, develop referral service, car pools, transportation, visitation and telephone reassurance.
Goal attainment: new poject.

Federal share	$6,492
Local support (in-kind)	2,164
Total budget	8,656

MOSIER ELDERS SELF-HELP PROGRAM, MOSIER

Grantee—Elders of Mosier Valley.
Project Period—7-1-67 to 6-30-71.
Goals: To provide a bus and its maintenance to make necessary transportation available to a rural area. Regular and emergency trips are made.
Goal attainment: The project has performed an excellent service, been economically operated. The fourth year is operating on savings made in the third year.

Federal share (no new funds)	$2,776.84
Local support (in-kind)	1,776.84
Local support (cash) (donations and fund fraising)	1,000.00
Total budget	5,553.68

MOUNT ANGEL SENIOR CENTER, MOUNT ANGEL

Grantee—Mt. Angel Parks and Recreation Department.
Project Period—7-1-69 to 6-30-72.
Goals: To supply the need for an activity center for seniors. Leisure time activities, health and nutrition assistance, information and referral, visitation and emergency services are major objectives.
Goal atainment: Most of objectives are carried out in some measure, emphasis is on leisure time activities. Project Director, a City Commissioner, is well known and fills many needs on an emergency basis.

Federal share	$3,600
Local support (in-kind)	1,500
Local support (cash) (Oktoberfest, Inc.)	900
Total budget	6,000

COMMUNITY SELF-HELP PROGRAM WITH OLDER CITIZENS, NEWPORT

Grantee—Lincoln County Council on Aging.
Project Period—10-1-69 to 9-30-72.
Goals: After an area needs study a transportation project was deemed the greatest need.
Goal attainment: A passenger bus is operating carrying an average of 9 elderly passengers a day. A need is being well filled. Good support from the county from the beginning assures continuation. A second bus is now planned.

Federal share (2nd year)	$3,200
Local support (in-kind) (county)	533
Local support (cash) (county)	1,600
Total budget	5,333

ONTARIO MULTI-PURPOSE CENTER, ONTARIO

Grantee—(same).
Project Period—7-1-68 to 6-30-71.
Goals: To provide a rest spot and social center for the area seniors and to involve seniors in community activities.
Goal attainment: The project has accomplished its major goal. Seniors are also participating in other community activities such as Gray Ladies, assisting Red Cross blood bank and others. A part-time director is working towards additional involvement.

Federal share (3rd year)	$4,500
Local support (in-kind)	4,500
Total budget	9,000

INFORMATION, REFERRAL AND SHORT-TERM COUNSELING SERVICE, PORTLAND

Grantee—City-County Council on Aging.
Project Period—1-1-68 to 12-31-70.
Goals: To establish a centrally located facility, readily accessible to the elderly to

make available information, referral and counseling service.

Goal attainment: The center is well established and well used. Community awareness has been achieved.

Federal share (3rd year)	$25,000
Local support (in-kind)	5,261
Local support (cash) (half-city, half-county)	19,739
Total budget	50,000

PROTECTIVE SERVICES PROJECT, PORTLAND

Grantee—Tri-County Community Council.

Project Period—10–1–70 to 9–30–73.

Goals: To collaborate the efforts of existing agencies to increase those services comprising protective services.

Goal attainment: New project.

Federal share	$19,400
Local support (in-kind)	6,470
Total budget	25,870

TOTAL CARE OF THE AGING, PORTLAND

Grantee—City of Portland (Delegate agency City County Council on Aging).

Project Period—7–1–69 to 9–30–72.

Goals: A planning project to bring together the elderly in the Portland Model Cities area for assessing their needs and developing services to fulfill those needs.

Goal attainment: After an unavoidable late start the project made good progress in the planning phase in the past eight months.

Federal share (2nd year)	$16,509
Local share (cash) (model cities)	11,349
Total budget	27,858

DENTAL HEALTH OF OREGON'S AGING PEOPLE, PORTLAND

Grantee—University of Oregon Dental School.

Project Period—7–1–67 to 6–30–71.

Goals: Project is based on the need for specific information on the dental health status, the dental needs and the dental health desires of the aging people in Oregon.

Goal attainment: Using supervised dental students and institutionalized patients; much of value has been learned about dental health problems of the elderly, i.e., the need for dental care to the mouths of patients approaches 90%. The need for further information and service was sufficiently apparent to fund a fourth year.

Federal share (4th year)	$3,300
Local support (cash and in-kind)	3,300
Total budget	6,600

NORTHWEST PILOT PROGRAM, PORTLAND

Grantee—Friendly House, Inc.

Project Period—10–1–69 to 9–30–72.

Goals: To provide in an area of Portland having a high concentration of those 65 or older:

1. Trained volunteers as home aides.
2. Trained volunteers for nursing homes.
3. Employable elderly as aides.
4. Trained volunteers for other agencies.
5. Establish a pattern of volunteer services as a model for other communities.
6. Make the elderly aware of services to which they are entitled.
7. Help the elderly find purpose and usefulness.
8. Make visible the needs of the elderly.

Goals attainment: Through excellent publicity, agency support and support from several churches the goals have been reached and actually surpassed as far as numbers of volunteers trained and used is concerned. A model project that will produce very useful material for others in the volunteer field.

Federal share (2nd year)	$10,000
Local share (in-kind)	2,100
Local share (cash) (UGN, Foundations and churches)	11,575
Total budget	23,675

A STUDY OF THE WILLINGNESS OF ELDERLY PEOPLE TO LIVE WITH EACH OTHER

Grantee—Portland State University, School of Social Work.

Project Period—7–1–70 to 6–30–71.

Goals: To learn the feasibility of the project title and its impact on future housing developments. To examine loneliness and independence indepth.

Goals attainment: new project.

Federal share	$7,810
Local support (in-kind)	7,604
Total budget	10,414

ORGANIZATION AND DEVELOPMENT OF SENIOR CITIZENS AND PLANNED PROJECTS, ROSEBURG

Grantee—Senior Citizens, Inc.

Project Period—7–1–69 to 6–30–72.

Goals: To study needs and ultimately establish a senior center.

Goals attainment: A center is established and city government has recognized the need to assist financially. Activities other than recreation have not yet been well developed; the second year should increase other activities and services.

Federal share	$5,400
Local support (in-kind) (city pays rent)	1,200
Local support (cash) (donations)	2,400
Total budget	9,000

FAIRVIEW HOSPITAL AND TRAINING CENTER, SALEM

Grantee—(same)—Foster Grandparent Program.

Project Period—7–1–70 to 6–30–71.

Goal: To complete the filming and production of a 30-minute documentary of the Foster Grandparent Program at Fairview Hospital and Training Center.

Goal attainment: Not yet finished but a five-minute pilot film won a National Award for Newsweek Magazine.

Federal Share	$5,000
Local support (in-kind)	1,667
Total budget	6,667

OREGON STATE COUNCIL FOR SENIOR CITIZENS, SALEM

Grantee—(same).

Project Period—7–1–70 to 6–30–72.

Goal: To furnish part-time staffing assistance for the Oregon State Council for Senior Citizens along with travel and supply funds to assist the State Council to better serve the elderly and to develop their visibility and ability to speak for the state's older citizens.

Goal attainment: A part-time secretary is employed and better communications with the statewide membership is resulting.

Federal share	$4,635
Local support (in-kind)	1,545
Total budget	6,180

SALEM AREA SENIOR CENTER

Grantee—Salem Public Schools.

Project Period—7–1–69 to 6–30–72.

Goal: To develop a center for leisure time activities and to provide counseling and referral, emergency transportation, newsletter, friendly visiting, etc.

Goal attainment: An adequate center has been established. Attempts to provide services other than recreation are growing. A full-time Director has now been employed and she is expanding other services and developing new service projects.

Federal share (2nd year)	$8,000
Local support (in-kind)	5,334
Total budget	13,334

YAMHILL COUNTY COUNCIL ON AGING, SHERIDAN

Grantee—(same).

Project Period—7–1–68 to 6–30–71.

Goals: To survey the needs of the elderly of the county, develop programs, increase the public knowledge of the needs and usefulness of the older citizens.

Goal attainment: Activities have been developed in four communities including drop-in centers in two and arts and crafts activities in one. The Council was instrumental in developing county and city housing authorities. Several low income housing projects are completed or in progress. The best telephone reassurance effort in the state is in Sheridan. Newspaper coverage of aging needs and programs in these small towns is excellent.

Federal share (3rd year)	$7,500
Local support (in-kind)	7,500
Total budget	15,000

SENIOR CITIZENS TRANSPORTATION, INC., THE DALLES

Grantee—(same).

Project Period—7–1–68 to 6–30–71.

Goals: To establish a small bus transportation facility for The Dalles and Wasco County.

Goal attainment: Political conservatism has hampered the program within the city of The Dalles but service has been extended to Sherman County. A needed and valuable service is being performed in spite of the local difficulties.

Federal share (3rd year)	$6,000
Local support (in-kind)	6,000
Total budget	12,000

FAA: SECRECY VERSUS SAFETY

Mr. HARTKE. Mr. President, a democratic society depends upon a free discussion of ideas and opinions for its existence. It is, therefore, cause for profound concern when we learn of an example of the suppression of free dialog.

In a statement several weeks ago, I cited one such instance in which the Federal Aviation Agency has refused to release to the public a report which was prepared by a top level group of its own employees at the direction of the FAA. This report covered a significant number of areas pertaining to aviation safety and the role of the FAA in promoting safety. It was highly critical of the Agency and, for that reason, it has been suppressed.

History has taught us that those who hinder the free expression of ideas are those who stand to lose the most from the objective judgment of the public. Apparently, the FAA is afraid to subject itself to the judgment of the people. It has circulated other "internal" documents which were not as critical as this one. Quite apart from the merits of the report, the FAA deserves to be condemned for its policy of secrecy on an issue as important as aviation safety.

Recently, I had the opportunity to question Secretary Volpe on this matter. My concern was based on the belief that the Department of Transportation has not been performing its duties properly. The failure of the FAA to respond with decisiveness and alacrity in meeting contemporary aviation problems is one example of DOT's deficiencies.

Mr. President, a portion of the exchange between Secretary Volpe and myself reads as follows:

Senator HARTKE. . . . the Ryther Report recommendations were made to you in your own Department, were they not, prior to the Wichita crash?

Secretary VOLPE. The Ryther recommendations were a report of one individual, sir. That was not concurred in by the Administrator of the FAA.

Senator HARTKE. And he subsequently was for whatever reason pushed out of government, isn't that true?

Secretary VOLPE. I don't know what you would call it, Mr. Chairman. All I know he is no longer working for us.

Senator HARTKE. Although if his recommendations had been followed, you couldn't have had the situation on the Wichita charter airline crash.

Secretary VOLPE. I couldn't agree that that is entirely correct, Mr. Chairman. It might be partially correct.

The Secretary's final words during that exchange are profoundly important. "It might be partially correct," he said. How are we to know? How is the public to know whether the 32 lives lost in the Wichita State crash could have been saved had the recommendations of the Ryther report been followed? How is the public to know whether any of the more than 2,000 lives which have been lost in the 20 months since the Ryther report was completed might have been saved if the recommendations of that report had been implemented? The public cannot know because the public does not have access to the Ryther report.

Mr. President, a recent article appearing in the Daily Star in Niles, Mich., gives an excellent survey of the background surrounding the Ryther report. It is a story of a bureaucracy's fight to preserve its own public image of the expense of a man's job, the agency's integrity, and the public safety. I ask unanimous consent that the text of that article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Daily Star (Niles, Mich.)
Nov. 5, 1971]

FAA MAN'S WARNING COST HIM HIS JOB

(By Ed Zuckerman)

WASHINGTON.—When Phillip Ryther wrote a report last year for the Federal Aviation Agency (FAA), he knew his conclusions would serve as a prophetic warning. What he didn't know was that it would eventually cost his job.

If a few of his recommendations had been implemented, he claimed, last year's airplane crashes which snuffed out 106 lives and two college football teams—Wichita State University and Marshall University—wouldn't have happened.

Months before those crashes, Ryther was already breaking the rules of bureaucratic gamesmanship in a fruitless effort to unlock the shackles of secrecy which bound his report. Losing his $32,000 a year job as an FAA evaluations expert in the process, he has since learned that the task of reform can best be guided from a position outside the establishment.

Ryther's complaints against the FAA, where he spent a dozen of his 26 years in the civil service, first emerged last July in a letter to President Nixon. He revealed the existence of his report and he urged the replacement of "seven men in the FAA and the Department of Transportation where the key aviation safety responsibility is vested."

When Ryther enlisted the aid last month of Sen. Vance Hartke, D-Ind., his campaign broadened. Hartke, the chairman of the Senate Subcommittee on Surface Transportation succeeded in obtaining a copy of the secret report under federal Freedom of Information statutes.

In what promises to become the biggest embarrassment yet to President Nixon and the FAA, Ryther has co-authored a book entitled "The Politics of Airline Disasters" which will soon be published.

Ryther's internal probe of the FAA discloses several generally unknown aspects of the aviation industry and its regulatory agency.

Of major importance, it reveals that charter flight operators, the kind hired to transport the ill-fated football teams, are not subject to the same stringent rules which govern commercial airlines.

It further discloses that some regulations are so loosely defined that interpretations may vary from one regional FAA administrator to another.

"Suppose a plane operator wanted to modify his airplane to carry more passengers and his plans were turned down by one regional administrator. He could relocate his plane in another part of the country and possibly get his plans approved in that region," Ryther told The Daily Star's Washington bureau during an interview at his home in McLean, Va.

His recommendations followed a basic formula of equalization: charter operators should obey the same requirements as commercial airlines, regulations should be tightly drawn to escape interpretation.

The FAA, commenting on Ryther's recommendations after the report was finally released, said it was proposing tighter rules for charter operators despite its contention that "if existing regulations had been complied with, none of the illegal charters such as the one involving the Wichita State football team would have occurred."

The agency said it has been plagued with illegal operators "who seek to evade or avoid the more stringent requirements . . . these people use devious schemes and subterfuges such as dummy corporations and phony leases which makes it extremely difficult to prove who was the legal operator and if the flight was operated for hire."

The proposed rule-making, which the agency described in its comments as an "affirmative action," was withdrawn Oct. 27.

Reconstructing the conditions that shadowed the two football excursions, Ryther emphasized that not a single FAA rule was violated by the charter operators.

With 31 passengers including many members of the Wichita team, a charter plane crashed in a Colorado canyon in October, 1970. Six weeks later, 75 passengers including most of the Marshall team perished when their plane slammed into a mountainside while approaching the municipal airport at Huntington, W. Va.

A mechanic was piloting the Wichita team plane and the charter company's vice president was the co-pilot. Ryther said the mechanic was told by his boss to fly into the canyon for sightseeing.

"If a genuinely capable pilot were in charge, he would've risked his job rather than going into the canyon. He would've known the plane was incapable of climbing 11,000 feet with a heavy load. They were beyond the point of no return when they realized they couldn't get out and they were banking into a sharp turn when they swiped the side of the mountain," Ryther said.

The Marshall flight pilot was qualified, he continued, but he had never before landed at Huntington. If it was a regularly scheduled flight, he wouldn't have been permitted to land in the first place because he hadn't landed at that particular field during the previous year—a rule which does not pertain to charters.

"It was an airport located on the top of a mountain, a rainy night, a full load of equipment, an unfamiliar pilot and only part of the FAA ground control equipment was operating. He undershot the field by a half mile and hit the side of the mountain . . . and he didn't commit a damn violation," Ryther said.

The Ryther report lists 30 recommendations on its 29 pages which has "For Official Use Only" boldly stamped on the top and bottom of every page. It is the result of 210 interviews with groups representing every segment of the air industry—pilots, mechanics, traffic controllers, federal inspectors, manufacturers, charter operators and airline executives.

The examination was conducted in accordance with a "carte blanche" assignment by former FAA deputy administrator David Thomas to determine how the agency was fulfilling its role as the airway's guardian of safety.

When the report was delivered on March 30, 1970, Thomas, a Johnson administration holdover, had been replaced by Kenneth Smith, a vice president and general manager of Aero Commander, Inc., an Oklahoma firm that manufactures small airplanes.

When FAA assistant administrator Archie League refused for six weeks to relay the report to Smith, Ryther sought an interview with the new deputy administrator.

"That was very bad form," Ryther explained "But 35 to 40 people were being killed each week because of the very things we were talking about. I figured 200 dead people were more important than good form."

When Smith declined to meet with him, Ryther then sought, without success, to discuss the report with FAA administrator John Shaffer. A few days later Smith summoned his subordinate to his office.

"All the FAA safety men were there and we spent 14 hours in what I would call a court martial proceeding," Ryther recounted. "They didn't deal with the report . . . but they did tear me all to hell."

In subsequent weeks, the evaluation expert came under increasing pressure from his superiors. He was assigned to make an eight-week inspection tour of remote FAA outposts and then was transferred to a new job which he said "was created for me." Later, when he shrugged off a suggestion that he consider retirement, his superior produced a letter from his briefcase outlining 11 charges against him as reasons for his dismissal. When he agreed to retire last December, the charges were withdrawn, he said.

The events leading to his retirement fit a well-known pattern. He was well versed in bureaucratic tradition and said his actions were done "very deliberately."

In retirement, he was now preparing to undertake a new role—that of a full-time gadfly looking for a good place to sting the vulnerable agency.

He thought he had his prey in his sights last March when he was invited to be the lead-off witness at hearings before the Senate Subcommittee on Aviation. He said he was requested by the panel's professional staff members to suggest other witnesses and to write down questions for its chairman, Sen. Howard Cannon, D-Nev., to pose.

"But I was never called," he said. "I later learned that the FAA met in executive session with the subcommittee and it was decided not to let me bring my charges into the open. The subcommittee will not print a report on those meetings."

In July, he decided to bring the matter to Nixon's attention. He delivered his letter to the White House and sent copies to several newspapers and 10 carefully selected senators. Of the senators, only Hartke took an interest. The Indiana Democrat is keenly aware of safety problems and refuses to fly on the same plane with his wife, Martha.

In mid-October, Hartke sent a letter to Cannon urging a full-scale investigation of the FAA.

XUM

"For almost two years, the FAA has known that its procedures for determining pilot competency and for regulating aircraft safety are totally inadequate," Hartke charged. "The tombstones of those (Wichita and Marshall) students stand as mute testimony to government irresponsibility."

Ryther claimed the FAA administrator could invoke new safety standards "in five minutes with the stroke of a pen by exercising his emergency powers" and he wonders why he has resisted doing so.

"Putting aside safety and the fatalities and addressing this to a political standpoint, what kind of a man would permit this to fester and smoulder . . . it is beyond me how this can enhance the confidence of the American people at how their affairs are run.

"I'm bewildered by it. I can't understand why the palace guard around Nixon doesn't flush this subject to the top of the table in the interests of the public and the administration . . . why they've concluded a proper purpose is to keep this covered up when its ventilation would better serve their interests in the long run," he said.

TRIBUTE TO JOHN FIFE SYMINGTON, JR.

Mr. BEALL. Mr. President, a most distinguished Marylander is returning to our shores after having spent 2 years as Ambassador to Trinidad and Tobago.

Mr. John Fife Symington has been a friend and counselor to many of us in our State for a number of years and we have learned to respect and admire his energy, judgment, and ability.

I feel that the most meaningful tributes that can come to a person are those received from the people among whom he serves. I ask unanimous consent to have printed in the RECORD editorials from the Trinidad Guardian and the Express complimenting the Ambassador on his fine work as the representative of our country.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Trinidad Guardian, Nov. 11, 1971]

OUR BEST WISHES

After serving for two years as United States Ambassador, Mr. John Symington leaves Trinidad and Tobago next week to return to his country.

Mr. Symington has our best wishes in whatever his plans may be because we are certain he can look back on his stay here with pleasure and some measure of satisfaction.

Mr. Symington has won many friends in our country and is regarded by many as being the ideal diplomat, having involved himself and his country closely in several directions, while, at the same time, succeeding in not getting involved in embarrassing situations.

We appreciate it is a very difficult task to achieve this, so we admire Mr. Symington for avoiding the various pitfalls sometimes awaiting those engaged in the delicate task of diplomacy.

On the other hand, Mr. Symington must have come to regard his two years in Trinidad as an education in itself, which should stand him in good stead in the years ahead.

We say "Farewell."

[From the Express (Trinidad), Nov. 10, 1971]

HALLMARK OF A GOOD DIPLOMAT

Mr. Donald Granado, the former Trinidad and Tobago High Commissioner in the United Kingdom, once had the idea of taking the name and image of the country he represented out to the British people.

He would have mounted exhibitions all over the United Kingdom, sent his staff to talk to schools, clubs, organizations, shown Trinidad and Tobago films widely. This grand plan for projection never came to pass because of a lack of money. The Ministry of External Affairs in Port-of-Spain could not see its way to subsidise the High Commissioner's ambitious ideas about communication.

This is a perennial problem facing small countries accredited to large ones. It is not a problem peculiar to Trinidad: it bedevils all small and/or poor countries in the world, all of whom have come to independence within the last 20 years and who now seek to catch up on a backlog of ignorance about themselves in the outside world.

Mr. Granado was rightly appalled by the lack of knowledge about Trinidad and Tobago he found throughout Britain and, being proud of his native land, was anxious to rectify a situation he regarded as unacceptable.

CASE IN POINT

In reverse, the position is rather different. Developed countries accredited to developing ones have no problems about money, or manpower or backing from the sponsoring department of state at home. They can go all out to explain themselves and their policies and philosophies to a public that is already captive to their message by virtue of the power of propaganda the developed countries held over the developing ones for so many decades.

Mr. Granado would have envied the facility, for example, with which the foreign embassies in Trinidad are able to promote the countries they represent here.

The German Embassy is a case in point. There must hardly be a journalist left in Trinidad these days who has not been the beneficiary of a visit to Germany, arranged and underwritten by the German Government. The objective is to educate those whose business is information-transmittal about the German nation and its economic and ideological ways, so these can be presented effectively to the Trinidad and Tobago public.

DEGREE OF SYMPATHY

Mr. Granado, or any Trinidad ambassador abroad, could not invite a foreign journalist to make a similar journey to this country, for the simple reason that his budget and that of his ministry, would not allow it.

The Americans in Trinidad have been as active as the Germans. Mr. John Fife Symington, who returns to Washington on Sunday after two years as American Ambassador here, has been very active in the business of winning friends and influencing communicators in Trinidad.

He has been able to operate in a way that Trinidad representatives abroad would give their eye teeth to emulate. It so happens that for Mr. Symington it has been more than a case of being able to spend money freely: he has done it with some conviction and with a degree of sympathy for Trinidad and Tobago's own problems.

If genuine involvement in a host country's aspirations and hopes is the hallmark of a good diplomat, then Mr. Symington can consider himself to have been a success in his two years in Trinidad and Tobago.

GREECE

Mr. ALLEN. Mr. President, during recent debates on foreign assistance programs, this Chamber heard accusations of the existence of frightful police state conditions in Greece.

Mr. James Burnham, respected editor of the National Review, recently visited Greece and the Tuesday, November 30, 1971, issue of the New York Times has published Mr. Burnham's reflections of conditions as he found them in that nation. I commend the reading of this article to all Members of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 30, 1971]

THE GREEK COLONELS AS BOGEYMEN

(By James Burnham)

I spent a month in Greece this autumn—at least I think it was Greece, though it bore little resemblance to the fear-ridden fascist police-state I have been reading about under that name for the past couple of years. The country I went to seemed cheerful, inefficient, impulsive, casual, talkative, and rather anarchic.

I saw a good deal of it, with sixteen days wandering among the Aegean islands, many of them off the tourist routes, and the rest divided between Athens and the small towns, villages and wonders of the mainland. I talked to a good many people, ranging from members of the Government and our own Ambassador through businessmen and professors to village elders.

And as for the Greeks working abroad, they must be something of a puzzle to the portraitists of the police-state. With more than a quarter of a million Greek citizens working in Western Europe, plus tens of thousands in the United States and Canada, a fascist police-state (with a total population of nine million) must have a remarkable security apparatus to keep all those chaps from picking up dangerous thoughts in foreign parts.

Or take those islands, for that matter. There are 20,000 of them in Greek waters. On the hundreds that are inhabited, there are tens of thousands of boats, mostly solid fishing-boats of all sizes, easily capable of reaching foreign shores—which are often only a few miles distant in any case. You can't envy those fascist colonels for the chore it must be to maintain an adequate control system over those descendants of wily Odysseus. Especially when the colonels do not have at their disposal any mass party or movement such as has always heretofore been an essential element of every fascist and near-fascist regime.

Certainly I do not mean to hint that the present Greek Government is a political democracy. Political parties are not free to operate, and there have been no free elections. Though critical opinion is not altogether ruled out—it was vigorous enough last summer to force the Government to withdraw its proposed press law—the press in Greece is considerably more restricted than our conception of freedom of speech admits. (It is perhaps worth noting that the Greek press has never been free in our sense.)

There have been political arrests and detentions, some without trial, though not as many as you might expect in what was after all a political revolution. There are at present only a few dozen detainees remaining, a small fraction of the number under any preceding Greek Government, or in Northern Ireland at the moment. There has undoubtedly been police brutality, some of it probably going far enough to deserve the term torture, but it is surely extraordinary, almost without parallel, that the overthrow of a regime should have been carried out, as the colonels have in fact done, without any killings or even any shots.

There are three reasons, I think, for the fascist police-state version of Greece that so often appears in our press. First is the fact that the principal source of information and opinion is the old crowd that the colonels deprived of the offices, power and privilege to which it was accustomed. The old crowd and the journalists and intellectuals associated with it were precisely the Greeks whom foreigners were and still are most likely to know. Unlike the colonels and their colleagues, many of whom are provincial or village in background, they are cosmopolitan in outlook, have traveled abroad, and speak Western languages. They have lost a lot under the present regime; some have gone into jail or exile. Naturally enough their account is negative and often bitter.

And, second, I believe many of us have so lofty an image of Greece that a performance that is flawed but not really so terrible, all things considered, upsets us like a child seeing a parent do something vulgar. In the image Greece is the cradle of Western civilization, fountain of Beauty and Truth, mother of Democracy. The image is a Platonic Form we do well to cherish in our souls, but we should also recognize the humbler truth of our world of shadows. Non-Platonic Greece is a small, poor, underdeveloped, Balkan, Near Eastern nation. Look at your map and mark Greece's neighbors: Albania, Yugoslavia, Bulgaria, Rumania, Turkey. Get out your U.N. handbook and check off the other small, poor, underdeveloped nations among the members—about three-fourths of the total. Judged in these appropriate contexts, the present Greek Government doesn't come off badly even if the worst said about it is true.

As a bonus, third, the fascist police-state image provides, in "the colonels," a set of safe bad guys on whom we can take out our frustration with our inability to deal more effectively with the really grave and baffling troubles that plague us.

But it does seem rather silly to strain at the colonels while swallowing a Mao.

NEWSWEEK PROFILES OLD FARMER'S ALMANAC

Mr. McINTYRE. Mr. President, I would like to call my colleagues' attention to the media section of the December 6 issue of Newsweek magazine.

The editors of Newsweek have chosen to profile a publication in which we of the Granite State take particular pride—the venerable and beloved Old Farmer's Almanac, published by Yankee, Inc., of Dublin, N.H.

This is the oldest continuing publication in the United States, next year celebrating its 180th anniversary, and the fact that this uniquely Yankee product is now enjoyed by 1.8 million readers—scattered across the Nation and around the world—attests to the universal appeal of its homespun charm and wisdom.

Those of us who grew up in the State where this unique publication is prepared are forever grateful to the late Robb Sagendorf for restoring the original format to the magazine when he bought it in 1939 and to current publisher C. Robertson Trowbridge and editor Judson Hale for preserving it. The popularity of this format is evidenced by the soaring circulation gains made since the restoration.

In citing the Newsweek profile of the Old Farmer's Almanac, and asking unanimous consent to insert it in the RECORD, I would like to call my colleagues' attention to two other outstanding products of Yankee, Inc., Yankee magazine, which now boasts a million and a half readers, and the Cape Cod Compass.

I ask unanimous consent that the Newsweek article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WEATHER-WISE

The current issue of the Old Farmer's Almanac predicted two-tenths of an inch of rain for nothern New England on Thanksgiving Day 1971. Then weren't the folks in Dublin, N.H., where the Almanac is published, a little surprised by that 2 feet of snow? "Well," one native allowed laconically as he dug out his driveway, "it *was* an understatement."

The Old Farmer's Almanac may have blown that call, but, even so, the folksy little annual has compiled a remarkable record for accuracy. During the past ten years, the Almanac's weather predictions for the entire U.S. prepared eighteen months in advance, have been right 80 per cent of the time. Last year, the Almanac hit the date of New England's first major snowstorm right on the nose. And it projected a total winter snowfall for the area of 58 inches and an average temperature of 32 degrees; the actual figures came to 58.4 inches and 32.6 degrees.

So reliable is the Almanac's day-to-day forecasting that many snow-removal agencies around the country keep the small, yellow-covered book close at hand. Even New York City, whose snow crews have been caught flat-footed before with politically painful results, now consults the Almanac, and thus it was well prepared for a sneak storm that jolted the city last March. The Almanac's weather watch has become so popular, in fact, that the sunspot analyses on which it is largely based are now being marketed separately from the Almanac itself. And one of the first clients of the new service was said to be the Central Intelligence Agency.

HEART

The nation actually has several Farmer's Almanacs (a generic term that cannot be copyrighted), but none has appeared without interruption for as long as the *Old* Farmer's Almanac. Celebrating its 180th anniversary with the 1972 edition, the ancient magazine claims to be the country's oldest continuing publication. And, judging by recent trends, it may be one of the most successful; last year, it sold 1.8 million copies, up 500,000 since 1965.

The Almanac's weather, astronomical and tide charts are the heart of the operation; the rest of the 160 pages, jam-packed with down-home aphorisms and ads for burial insurance, appear to have been written and designed during a time out at a quilting bee. In fact, they are the product of artful New England ingenuity. When a shrewd Dubliner named Robb Sagendorph bought the floundering Almanac from Litle, Brown, Inc., in 1939, it had been modernized out of all recognition. Sagendorph promptly restored all of the Almanac's familiar hayseed features and applied the same nostalgia-laden formula to the other publications (Yankee Magazine, Cape Cod Compass, calendars and books) in his rapidly growing empire.

Sagendorph died last year, and the bucolic operation is now run by two relatives: publisher C. Robertson Trowbridge, 39, a Princeton-educated state legislator, and editor Judson Hale, 39, a Dartmouth alumnus. In addition to their other chores, Trowbridge and Hale produce the weather forecasts under the collective pen name. "Abe Weatherwise." They refuse to reveal the tricks of their trade, except to explain that the forecasts are based on a cyclical theory using old Weather Bureau observations and the sunspot studies. "Part of it is witchcraft," Trowbridge acknowledges, "and that part will remain our secret. But the wonderful thing is that when we're correct, everyone tells us how accurate we were. When we're wrong, they say no one can forecast the weather, anyway."

A CLOSED DOOR POLICY IN THE AIR

Mr. HARTKE. Mr. President, in recent years, airplane hijackings have become a subject of grave concern for the American people. An increasing number of these crimes have resulted in serious injuries to passengers and airline employees.

One of the measures which the FAA undertook to combat hijackings was to require the locking of cockpit doors. This rule prevents the would-be hijacker from making a direct cockpit entry. In practice, however, the effectiveness of the requirement is open to question. The hijacker need only threaten bodily injury to a passenger or a stewardess to gain entry.

Hijackers have also discovered that they may be at an advantage because of the FAA's closed door policy. By threatening bodily injury to one or more persons in the plane's cabin, they can coerce the pilot to divert the plane from its scheduled path. It is not necessary for them to threaten the pilot directly. This latter method of hijacking also prevents the flight crew from undertaking any plan to overcome the hijacker.

An article published recently in the Naples, Fla., Daily News gives one pilot's view of the locked-door requirement. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Naples Daily News, Oct. 31, 1971]

NAPLES PILOT CRITICAL OF FAA RULES: SAYS LOCKED-DOOR POLICY MAY CONTRIBUTE TO HIJACKING

(By Nancy Wilstach)

John DeBaun's "open door policy" has become the focal point of a seven-year running feud between him and the Federal Aviation Agency (FAA).

DeBaun, a commercial airlines pilot for 20 years with one of the nation's four major airlines, claims an FAA ruling requiring pilots to lock their cockpit doors closed not only doesn't prevent hijackings, it may even contribute to their success.

Because of his strong stand against the ruling, DeBaun refuses to obey it, and, in fact, he locks his cockpit door open on his jet airliner flights. Furthermore, he is in the process of writing a book which takes the FAA to task for its rules and regulations which he claims, through "poor knowledge and poor diplomacy in aviation safety and welfare" have caused "slaughter in the skies."

The hijacking this week of a jumbo jet (Boeing 747) to Cuba inspired DeBaun to bring his data on the FAA to the Daily News. He pointed out the 747 was flying according to FAA rules—the cockpit door was locked closed. Two sky marshals and an FBI agent were aboard the plane and yet the hijacker accomplished his goal with no more potent weapon than a ballpoint pen.

DeBaun cited an example of lives lost because of the FAA ruling: "On Nov. 11, 1965 at Salt Lake City, a 727 crashed on landing. The pilot and co-pilot were locked in the cockpit, and, on impact, the fuselage twisted so the door was jammed and could not be opened. The pilot and co-pilot were able to go out through the cockpit windows, but they couldn't help the passengers. Forty-three persons died of smoke inhalation and burns who might have been saved if the cockpit door had not been locked shut."

DeBaun said the pilot in the accident was forced to resign and was not permitted

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to call any witnesses in his own behalf at a FAA hearing.

"Why, if the ICC (Interstate Commerce Commission) decided to lock all truck and bus drivers in, their unions would have them all off the road in no time. The captain is the boss of the whole flight. He has the responsibility for the lives of the whole planeload of passengers right at his fingertips. He needs to be able to know what is going on in his plane," DeBaun said.

He said he believes the very fact of a locked door may be a contributing factor to hijackings: "Most hijackers are mentally deranged persons. Most psychiatrists agree a locked door makes such a person react more violently. Anyway, all he has to do is put a gun in a flight attendant's back, and she has to open the door with her key. If the door is open, there's a good chance the pilot may see something is wrong and be able to head it off."

DeBaun approves of sky marshals on the flights, but he thinks pilots should be their own sky marshals, too. He also believes that pilots ought to be armed.

"If it is generally known that pilots are armed, I think it would cut down on the danger of hijack attempts. Also, we know where we can put a hole in the airplane without causing any damage."

DeBaun has withdrawn from membership in the Airline Pilots Association, and he is using the money which would have gone to pay his dues for financing his battle against the FAA—a battle he wages with administrative hearings when he can get them, letters to the President, the attorney general (and "I even wrote to Martha Mitchell because she talks more than he does.") and work on his book.

He recounted how two FAA inspectors backed off when he got into a dispute with them over locking the cockpit doors. The FAA men were giving him one of seven "line checks" in 14 months of flying out of Miami. When he was told he could be cited for violation for having the cockpit door open, DeBaun said he told the FAA man "I'll see you in court." No violation was filed for the open door.

In his book, DeBaun lists examples of why the cockpit door should be left open:

"I had 55 male passengers with three young female flight attendants serving liquor. It seems the co-pilot and I were the only sober men in the airplane. The atmosphere was becoming gay and risque. Once I opened the door and left it open, the passengers settled down and behaved."

Comfort in the cockpit is another factor, he said, because pressurization and air conditioning sometimes doesn't function as well with the cockpit door locked closed.

On two occasions at Kennedy Airport, DeBaun said, what might have been fatal crashes were avoided by a flight attendant's spotting flight spoilers stuck in an "up" position. "He was able to get to the captain in time so the captain could abort the takeoff."

He concludes: "commercial aviation hauls approximately 72 million passengers annually. This (locked door) rule has been in effect since 1964, so that, as of August 1968—288 million lives had been jeopardized because of this misguided ruling."

His criticism of the FAA goes even farther than the locked-door rule. DeBaun pointed out that the head of FAA during the Johnson administration "didn't even have a pilot's license."

He is extremely critical of the communications systems and the stringent regulations placed on air traffic controllers. His book points to examples of airports being forced by the FAA to use weather reports for an airport several miles away.

DeBaun tells in his book of standing in the tower at Glen Falls, N.Y., and timing the take-off of another airplane. Using the rate-time-distance formula, he could calculate visibility at three miles. The controller was giving out information that visibility was a mile-and-a-half because his weather information comes from Albany—60 miles away.

Red tape inhibits progress in airplane manufacture, according to DeBaun, and most of that red tape is emitted via FAA rules and regulations, he contends. In his book, he used this example:

"To replace a simple door latch on an older model airplane would involve $1,500 in FAA paperwork."

Another example, he cites is installation of a new type brake, which, when installed according to FAA regulations causes blowouts when the landing is particularly rough. DeBaun said he studied the installation and showed the aircraft mechanic the brakes should be installed on the other side of the axle.

"He agreed 100 per cent with me, but he had to put it back the same way because the FAA would have pulled his license if they found him installing the brakes contrary to FAA procedures."

U.S. INVOLVEMENT IN VIETNAM

Mr. McGEE. Mr. President, we have critics in many quarters claiming that this administration has deluded the American people into believing that the war in Vietnam is winding down, particularly as to U.S. involvement in that conflict.

Many of my own colleagues accuse the President of performing some sort of charade in this respect. However, many of these accusations are not based on a factual analysis of the situation in Indochina as was pointed out this morning in an article for the Washington Post written by R. W. Komer. Mr. Komer, who was chief pacification adviser in Vietnam from 1967 through 1968, has separated the emotion and irrationality which still surrounds our involvement in Vietnam.

Relying on facts to support his contentions, Mr. Komer has presented a different picture than the war critics would have us believe to be a true assessment of the situation in Vietnam. It would behoove us all to rationally assess what Mr. Komer has more than adequately presented in this article.

Therefore, I ask unanimous consent that Mr. Komer's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WINDING DOWN OF THE WAR IN SOUTH VIETNAM

(By R. W. Komer)

It is depressing but unsurprising that our Vietnam trauma should still cause controversy even over such largely factual issues as to whether that tragic war is declining in intensity, with Saigon at least temporarily out ahead. On the one hand Secretary Laird affirms after his latest visit to Saigon that with the war winding down the Nixon administration has achieved its goal of giving South Vietnam a reasonable chance to survive. On the other hand Sanford Gottlieb of SANE tells a war protest rally that contrary to common belief the war "is not winding down." Is the tempo of conflict actually declining, or, as Herbert Mitgang told us in The New York Times a few months ago, is it merely the "biggest public relations triumph of the administration thus far?"

Who is right? What are the facts, insofar as they are discernible? Whatever the rights or wrongs of our Vietnam intervention, or whether the Thieu regime even deserves to survive, the question of whether its prospects have improved seems of more than passing moment.

As a one-time participant I may be a biased witness. And what has passed for fact on Vietnam has often proved irrelevant if not illusory. But surely it should be possible to shed more light on whether the shooting war is as intense as ever, and whether the Saigon government's position is stronger than it was three years ago. Much open evidence is available to anyone who asks for it, though few seem interested enough to inquire any more. Such is the still enormous credibility gap.

The fact is that by almost every conceivable measure the intensity of conflict has dropped sharply from 1968–69 levels, and even 1970. Of course, it has dropped off more in some respects than in others, leading some to say that all that's really happened is that the Americans are turning the war over to the Vietnamese.

But let's take the most obvious measure of conflict intensity—the grim casualty toll. The Pentagon says U.S. casualties are down about 90 per cent from early 1969. If this was attributable only to U.S. troop withdrawal, then presumably South Vietnamese casualties would rise.

Instead of rising, however, these are down modestly over the same period too, despite the fact that the Vietnamese have taken over much of the burden and have been fighting in Cambodia since mid-1970. Their casualties were quite high in the first quarter of this year because of the major raid into Laos and heavy fighting in Cambodia. But during the most recent five-month period for which figures are available, April-August 1971, Vietnamese casualties are down 11 percent from the same period in 1970.

Indeed regular ARVN troops, who are most comparable to the departing U.S. forces, took 26 per cent fewer casualties during April-August 1971. As has been the case since mid-1969, the bulk of Vietnamese losses has been taken by the neglected South Vietnamese militiamen.

What's happened to the war? The news media naturally focus all the more on what fighting remains, which distorts the picture Actually, the level of enemy attacks, shellings, harassments, and terror incidents has been declining since 1968. In the last few months they seem to be running less than half of what they were in the peak war months during 1968.

Almost all the remaining large-scale combat is taking place in remote northern frontier areas or in Laos and Cambodia, not in most populated areas of South Vietnam. So by the only available count Vietnamese civilian casualties have fallen greatly too.

One obvious retort is that the war has simply been exported to Cambodia and Laos, with undiminished intensity. This too falls down in face of the facts. Even Southeast Asia-wide the shooting, the killing, and the destruction are sharply down during 1971. To date the 1971 level of casualties and bombing sorties in Cambodia seem to be lower than in 1970 (Laos may be an exception but only because of the ill-fated ARVN incursion of last April which seems unlikely to be repeated on any such scale).

What about the argument that though ground combat has declined, the slack has been taken up by intensified air war? This too hardly squares with available facts. By whatever measure—sorties flown, bombs dropped, number of aircraft involved—the allied air effort in Southeast Asia as a whole has dropped substantially since 1968–69.

While recent press stories cite a new Cornell University study as saying that more bombs have been dropped in the three Nixon years 1969–71 than in the last three Johnson years 1966–68, this obscures the fact that bomb tonnage actually peaked in 1968 and has been going down every year since.

And to those who equate bombs dropped with genocidal tendencies, it's only fair to note that the great bulk of the current air effort is in practically unpopulated areas like the Ho Chi Minh Trail, another notable change from earlier years.

It stands to reason that U.S. war costs, which go mostly for U.S. forces with their immense firepower, have been dropping rapidly too. They are already less than half the 1968 spending peak, and are now dropping more rapidly than before. We may even be shipping a larger volume of military material out of Vietnam these days than we are shipping in.

As for the current picture in the Vietnamese countryside, let me eschew any comparison based on "computerized" statistics, since even using a computer as an adding machine seems to bother the press. We have plenty of eyewitness accounts from those who have visited Vietnam both before and after Tet 1968, two recent examples being Secretary Laird and columnist Joseph Kraft—the latter hardly a raging hawk on Vietnam. While neither seemed willing to stick his neck out as to their permanence, both seemed struck by the at least short-term gains made by the Saigon regime. And these are not exclusively military by any means.

For a program declared "dead" in an article in The Washington Post right after Tet 1968, the U.S.-backed South Vietnamese pacification effort has proved a lively corpse. One result of improved security is that, while the ghastly refugee burden is still far too high, far more refugees have returned to their villages over the last few years than new ones have emerged.

While some critics still talk of "ecocide," South Vietnam also recently brought in the largest rice crop in its history.

Or take land reform, lack of which was a favorite U.S. complaint before the GVN finally passed a radical law in 1970 but which has hardly been mentioned in our media since. From the figures available, some 750,000 acres have already been distributed to small farmers in little over one year—no mean accomplishment even for a country at peace, and surely impossible if Vietnam's countryside were still engulfed in war.

One does not have to accept Thieu's suspiciously overwhelming mandate in what passed for an election last October to speculate that improved security, control of inflation, land redistribution, higher crop output, and the like might have contributed to Thieu's capture of a still predominantly rural vote.

Of course the war's winding down to date reflects more than the impact of U.S. firepower, ARVN prowess, or pacification gains. Indeed it's interesting that the war has wound down despite U.S. withdrawal of over 350,000 troops since mid-1969. This almost suggests that all those Americans might not have been so necessary in the first place as many of us used to think.

It also reflects the way Hanoi has been husbanding its resources by reverting to protracted war. But it is too simple to ascribe this wholly to a Machiavellian strategy of waiting out U.S. withdrawal and then crushing the Saigon regime.

To a great extent this strategy has been forced on Hanoi by its own great losses—especially of irreplaceable Vietcong cadre in its three abortive Tet and post-Tet offensives of 1968—plus ARVN incursions into the formerly privileged enemy sanctuaries in Cambodia and Laos. Unfortunately, our tactical intelligence is still so feeble that we don't have enough detailed feel for how strong (or weak) the enemy now is. Yet even the worst calamity howlers in Saigon seem to have ceased talking up another countryside Tet-type offensive as a live possibility for the next year at least.

Indeed, as Mr. Kraft recently pointed out, critics of the war may need to update their thinking. This is not to say that the war was justified whatever its current state, or to deny that the horrendous costs involved were out of all proportion to any gains. Nor is it to excuse all the errors and excesses. It is simply to say that in the short term at least, Saigon's position seems to be far stronger than at any time since 1962 or so.

But what of the future? The tempo of conflict may rise temporarily again during the annual winter-spring campaign season. After all, Hanoi can still infiltrate thousands of troops and keep the pot boiling indefinitely—even if the U.S. keeps bombing and strafing the Ho Chi Minh Trail. Moreover, Saigon's record in dealing with the underlying causes of the Vietcong revolution is still spotty at best. But those who look for new Hanoi offenses to cause early Saigon collapse ignore the tremendous changes in the nature of the conflict within South Vietnam itself.

Up through 1967 most of the forces arrayed against Saigon were southern Vietcong, not regular troops from the North. Today the VC recruiting base is attenuated, VC guerrillas have been decimated, the VC main forces were crippled at Tet 1968, and the bulk of the troops now arrayed against the GVN are Hanoi's regular troops. Thus the VC revolution may have shot its bolt.

Granted that so long as its key politico-administrative cadre remains intact it could make a comeback—especially if Saigon fails to consolidate its short-run gains. Unless this happens, however, why should Hanoi keep sending troops year after year down the Trail? Better perhaps to count on waiting till the Saigon regime's own "internal contradictions" again create a ripe revolutionary situation in South Vietnam.

So those like Cabot Lodge who predicted that this ghastly war would eventually fade away may prove right after all. One may take little comfort in this prospect, given the war's traumatic impact on both Vietnam and the United States. Yet whether the war fades away or periodically heats up again, there's no blinking the overwhelming evidence that it has wound down a long way from what it was in 1968 or even 1969.

It is hard to divine this from TV or the daily prints, but even Mr. Nixon's war is a far cry from what it used to be.

BUTZ AND BENSON—AGRI-BUSINESS IN POWER

Mr. MONTOYA. Mr. President, rural America, the small farmer in particular, is suffering through a quiet crisis that is inexorably eroding the way of life dear to millions of America's finest men and women. The Department of Agriculture has traditionally been a vehicle of the U.S. Government in attempting to erase inequities that exist in rural America.

The Senate will soon decide whether the Department shall continue that role, or shall begin a new one, accelerating elimination of the small farmer and deterioration and exploitation of our environment and natural resources.

We have faced this threat before. The disastrous history of the Benson years could be repeated, particularly if Earl Butz becomes Secretary of Agriculture. Having served under Ezra Taft Benson, whose name is anathema to every small farmer in the Nation, he espouses the same rural philosophy Mr. Benson used to annihilate small American growers during the 1950's. Farm prices plummeted in those dreary Eisenhower years. We have had a grim reminder of the bankruptcy of such policies in these present Nixon years.

In addition to finding remedies for declining farm incomes, the Department of Agriculture must assume a new attitude of openness, flexibility, and innovation in a new era of environmental concerns. The Forest Service exercises responsibility over many valuable resources that must be protected. Runoff of agricultural pesticides and other pollutants has come to be a dominant problem in water pollution control. Yet testimony of Dr. Butz during his nomination hearing indicates only defensiveness about past practices of the agribusiness world, with little or no innovative potential for development of new solutions and policies. Mr. Butz is already in a rut—an old rut that will not serve farmers or America well.

Nomination of Earl Butz is equivalent to a phase II program for American agriculture. President Nixon, by his nomination of Mr. Butz, has announced his intention to press forward with disastrous programs of Secretary Hardin's "phase I" for agriculture. Actual conditions of farm income call for elimination of misdirected policies of Secretary Hardin, not their continuation.

Virtually every phase of farm activity has been hurt under present policies. One key indicator, market price of farm products as a percent of parity, has dropped for almost all commodities. Sorghum grain, a key product in my State of New Mexico, was selling at 64 percent of parity in 1968. It now has declined to 56 percent of parity. Sixty-four percent was not enough, but 56 percent is disastrous. I warned of this consequence when the Agricultural Act of 1970 was debated and when I attempted to amend that act to guard against such a decline by enacting policies that would achieve 77 percent of parity.

Other commodities are also in trouble. Corn has declined from 65 percent of parity in 1968 to 53 percent at present. Wheat has dropped from 47 percent to 44 percent in the same period. Cotton's increase from 51 percent to 53 percent over the last 3 years is more apparent than real, for the cotton market is surely not healthy at present.

The set-aside program, designed to control production so farmers would sell fewer bushels of products and thereby gain increased prices, has failed. Sorghum grain production is up 30 percent this year, a record high corn production is up 30 percent, and wheat is up 16 percent. Prices will undoubtedly decline as a result. These are policies that must be eliminated, not continued.

Policies of Benson, in which Mr. Butz played an active role, drove millions of Americans off the land and into our already overcrowded cities. Each of us in this Chamber knows the consequences of this migration, which dumped people into metropolitan areas who were ill-prepared for an urban experience. America cannot afford another migration from farm to city as transpired in the Eisenhower 1950's as a result of Benson-Butz farm policies. Why bankrupt another generation of American farmers and their families?

Dr. Butz is a creature of agribusiness; vast, land-gobbling, crop-raising monopolies which slam the small producer up against the economic wall, milk him of products, pay him a minimum, and hit consumers with maximum prices.

Dr. Butz favored a phaseout of positive supply management long before the

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term "set-aside" was coined by the Nixon administration. During the Benson years, he was an ardent exponent of massive soil bank land retirement. His service to several agribusiness giants, while on the payroll of Purdue University, raises serious questions of conflict of interest. In the Cabinet room, he will remain a philosophical advocate of corporate farming and policies that work against the financial well-being of the small farmer and his family.

His hostility to domestic programs aimed at utilizing farm surpluses to ease social problems is apparent. Both food stamp and school lunch programs have been proven to be effective utilizations of such foodstuffs, with resultant benefits to producers and consumers. Yet in Dr. Butz' eyes, such programs lack substantial merit. Shall we commit them to his tender mercies and take a chance of weakening their already proven effectiveness? I hope not. There are too many people in my home State who, knowing first hand the great benefits of such programs, would have good reason to mourn Dr. Butz' confirmation, should such an event take place.

Consumers do not benefit from agribusiness domination of the entire growing process. Smalltown America, ever dependent on rural America for its economic well-being, faces disaster as well if this trend accelerates. A smalltown businessman depends upon the small farmer for his livelihood. Dr. Butz typifies the kind of reactionary, backward-looking corporate farm expert spawned by the Benson era. Today, American agriculture staggers under the burden of the worst farm situation since Ezra Taft Benson, as a direct result of farm policies President Nixon has been following. We owe an obligation to the rural people of this country. We must prevent Dr. Butz from coming to a position where he can give new life to mistakes of the past. I shall oppose confirmation of Dr. Butz as Secretary of Agriculture.

EBENEZER NIXON'S CHRISTMAS CLUB

Mr. EAGLETON. Mr. President, the White House now says President Nixon will veto the revenue tax cut package passed last week by the Senate.

He does not like our campaign financing amendment which would take Presidential politics out of the hands of wealthy special interests.

He does not like some of our amendments which would reduce the average family's tax bite, and I presume this includes my amendment to give the elderly a tax credit to reduce the burden of property taxes.

I shall not review the arguments pro and con on our particular amendments.

But I would like to point out that if the President vetoes this bill, there will be over 2 million American families who will not get the excise tax rebate on the cars they have bought since his promise of August 15. That money—about $150 per car buyer—can be in peoples' pockets by Christmas time. It would mean a lot of dolls and bicycles under Christmas trees—and some jobs. But the vaults of Ebenezer Nixon's Christmas Club may be as empty as his promises.

Those businessmen who are waiting to undertake capital spending programs on the basis of the investment tax credit we passed last week would wait some more if the bill is vetoed.

A veto will prolong the general uncertainty which now plagues business, labor and investors—and the jobless.

Mr. President, the White House made some promises to business and the taxpayers, and to the jobless of this country. The Senate bill is consistent with those promises, whether it suits the President's political and campaign financing interests or not. It is safe to predict that the bill will be even closer to the President's original proposal when it leaves the Senate-House conference than it was when it left the Senate.

If the President vetoes this tax bill, it will be a blatant act of politically motivated sabotage against his own economic program, not to mention against millions and millions of American families who took his August 15 promises at face value.

ISOLATIONISM

Mr. FULBRIGHT. Mr. President, in the November 26 issue of the New York Times, there appeared an article written by Hon. Burton K. Wheeler, entitled "The Majority of Americans Are Isolationists." This article, written by a former Member of this body, is most interesting, and in order that it might be brought to the attention of my colleagues, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MAJORITY OF AMERICANS ARE ISOLATIONISTS

(By Burton K. Wheeler)

WASHINGTON.—Few, if any, I believe, of our people are isolationists as some of the so-called interventionists or internationalists would like to portray them. Practically all of our people recognize that we cannot ignore the rest of the world, that we cannot stop trading with other nations, that we cannot stop negotiations looking toward the reduction of our military forces and the diminution of the threat of a world conflict. Basically, I would say that the majority of the people of America are isolationists in that they believe it is time to judge every proposal and every program in terms of whether, in the broadest sense, it is in the best interest of our country and not whether it is in the best interest of Egypt or Israel or the political rulers of South Vietnam or Cambodia or Laos or, for that matter, in the best interest of England or France or Germany.

"Isolationism" has not changed. Several commentators and columnists have suggested that the vote in the Senate against the foreign-aid bill evidenced the recurrence of isolationism in the United States. Whether this is so depends upon your definition of isolationism. President Franklin D. Roosevelt said in a speech that he was an isolationist in that he wanted to keep out of war. The polls then showed that 86 per cent of the American people agreed with Roosevelt. The fact that he and they wanted to keep out of the war didn't mean that they did not want to have trade and diplomatic relations with the entire world.

The Republican party, almost from its inception, advocated a high tariff on all manufactured articles because they felt it necessary to build up industry in this country. As a native of Massachusetts, it was instilled into me from babyhood that you had to have a tariff to protect that state's shoe and textile industries. But this one article of faith didn't make the people of Massachusetts "isolationists" from the 1930's. The actors and events on the international scene have changed but not the fundamental position of a majority.

"Isolationism" was a derogatory term used in the 1930's and now again in the 1970's by those who disagreed with our criteria for judging all programs: Is it in the best interest of the United States? The term is designed to intimidate and to avoid debate. I deplored its use then and I do so now. What is needed is full and tolerant discussion of the facts and issues—not name-calling. The latter obscures while the former enlightens. The farmers of the West generally opposed high tariffs on manufactured articles. They wanted free world trade so they could more readily sell their grain abroad. These same farmers were predominantly opposed to our getting into World Wars I and II. Does an "isolationist" label fit them?

I was for the League of Nations until I went to Europe in 1923 and saw for myself the results of the Versailles Treaty that had been imposed upon Europe and which the League of Nations would have to uphold. I returned from Europe and advocated a United States of Europe as the only way of avoiding another world war. I supported the World Court and opposed sending or maintaining Marines into Nicaragua and other Latin-American countries to protect American investments. As early as 1923 I advocated recognition of the U.S.S.R. A Montana newspaper said this made me a "bolshevik" and that I should be deported. I asked, "To where—Massachusetts?"

I believe there is and has been a growing and majority public opinion against unwarranted interference in the affairs of other nations. It is my belief that the majority of our people were and are opposed to our involvement in Vietnam, in Cambodia, in Laos or, for that matter, in any other country. They believe that such involvement, with its great cost in terms of our men and our substance, achieves nothing more than contempt and ridicule for us.

There is also a general recognition that the tens of billions of dollars spent to "economically rehabilitate" all countries who said they were against Russia or China have earned us enmity rather than friendship, and the recent vote in the United Nations supports this belief. They believe that much of the money we have spent in fostering the independence of every African tribe has been wasted and that the African natives are no better and perhaps worse off today than they were before we began our spendthrift policies.

There is a general belief that many millions of dollars that have been doled out under the name of foreign aid have gone into the Swiss bank accounts of corrupt government officials of the nations we have purported to help and that a vast amount has also been spent on military hardware and training which has increased the threat to world peace, has increased national belligerency, has served to perpetuate a ruling governmental clique in power and has made the so-called democratic governments subject to the whims of the military.

Another increasingly important factor which has contributed to the growing feeling against further expenditures for foreign aid are recurring and increasing balance of payments deficits and the recent necessity for permitting the dollar to float. The steady erosion of our prestige and the dollar throughout the world have caused our people to realize that we cannot continue forever to maintain huge armies abroad, whether they be in Germany or Vietnam. We cannot continue to spend billions for foreign aid when some of the very countries we have aided are underselling and outtrading us in our own and world markets.

Our people are increasingly opposed to any more commitments to foreign nations, whether they be military or economic. They are increasingly opposed to spending for other than strictly humanitarian purposes. On the other hand, they favor all legitimate efforts to maintain peace and, I believe, endorse the President's trips to Peking and to Moscow as a sincere effort to ease world tension and to eliminate the cold war.

So let's stop calling names. It is unfair, fruitless and an insult to the intelligence of the majority of Americans. Let them and their representatives in Congress decide these vital issues on the basis of a full and fair analysis of the facts and debate of the issues rather than by villification.

THE GENOCIDE CONVENTION AND AMERICAN TREATIES

Mr. PROXMIRE. Mr. President, some people who oppose the Genocide Convention treat it as if it was unique in the history of American treaties, as if it was a radical departure from any international agreement that the United States has ever been a party to.

To fully appreciate the Genocide Convention it is necessary to examine it in the context of the other treaties that the United States has ratified. When this is done we find that there are treaties such as the Interim Convention on Conservation of North Pacific Fur Seals and the Supplementary Slavery Convention which establish and define crimes, just as the Genocide Convention. We find that there are treaties which provide for extradition for a variety of crimes such as murder and robbery. Genocide would become one among many crimes for which extradition would be possible, under conditions determined by the Executive and the Senate in ratifying an extradition treaty for genocide.

The Genocide Convention does not stand alone. It stands within a substantial body of American laws and treaties, and it stands under the Constitution. When looked at in the total context of American jurisprudence, we can see that the Genocide Convention is not unique, but that there is precedent for it.

Mr. President, I urge the Senate to ratify the Genocide Convention as soon as possible.

CONGRESSIONAL DISTRICTING

Mr. HARTKE. Mr. President, on August 4 I introduced S. 2406, a bill which provides a rational method of congressional redistricting.

The Supreme Court early in the 1960's made a series of landmark decisions which have come to be known as the one-man, one-vote decisions. The concept that legislative districts must be equal in size affected a long-overdue reform of representative government in the United States. For decades, the unrepresentative nature of our State and Federal Governments constituted a major imperfection in American democracy. The Court held that the existence of numerical inequities in legislative districts constituted a gross violation of the basic rights guaranteed to all Americans by the Federal Constitution. In the short period of only 9 years since the Court first acted, those numerical inequities have almost been eliminated from American political life. Unfortunately, however, this starting progress seems to have given many persons the erroneous impression that all is well, and that the problem of unfair representation has been solved.

On the contrary, the problem of unfair representation is only half solved by the one-man, one-vote decisions of the Supreme Court.

It is now up to the Congress to attack and solve the second half of the problem. While the Court made it clear that numerical inequities would not be tolerated, it did not address itself to the problem of gerrymandering within numerically equal districts.

The present practice of district boundary manipulation accomplishes the same nefarious political ends that existed prior to the one-man, one-vote. In many States, the majority party controls the reapportionment machinery, and it develops a districting plan which favors its own self-interest. In such situations, while numerical equality may exist, the voting strength of racial, economic, social, or political elements may be diluted.

Mr. President, the subject of redistricting has confounded democratic societies throughout history. Men have sought to find means of preventing the total exclusion of community interests and local political subdivisions in redistricting, but success in such efforts has been minimal. If we are to perpetuate our representative form of government, it is imperative that we turn our attention to the urgency of redistricting. The Congressional Districting Act of 1971 will alleviate the abuses presently inflicted in redistricting by State legislatures.

Mr. President, I urge this body to take action on congressional redistricting before we enter into the 1972 elections. It is essential that we reinforce the faith and confidence of the people we represent by acting on this vital issue.

WHAT IS NEW AT THE AEC?

Mr. GRAVEL. Mr. President, there is a clear connection, in my opinion, between the lack of funding for adversary science in this country, and the AEC's recent decisions which allow construction and operation to continue on nuclear power plants in spite of the Calvert Cliffs court decision.

The lack of financial support and professional encouragement for scientific critics years ago left the scientific advocates of nuclear electricity unchallenged in the rosy advice they gave to industry and government. Consequently, a huge investment has been made in a seriously, perhaps fatally flawed technology.

It is especially unwise to fund only one point of view when the health and safety of the people of the United States are involved.

That statement is from the section called "Findings" in the bill S. 2430, which would create an adversary inquiry within the AEC. The bill, which I introduced on August 4, 1971, is presently before the Joint Committee on Atomic Energy.

The scientific adversaries of nuclear electricity are belatedly being heard throughout the land. From them we are learning that nuclear radiation is 10 to 30 times more dangerous per unit than previously revealed, that there is no reliable emergency cooling system to cope effectively with accidents at the nuclear plants already in operation and under construction, and that there seems to be no basis at all for believing that the lethal radioactive garbage from these plants can be handled and confined with the necessary superhuman success for the next several thousand years.

Under such circumstances, nuclear power plants represent a giant gamble with the life and health and economic welfare of the American people.

Nevertheless, even a strong decision by a Federal Court seems unable to deflect the nuclear juggernaut. Why?

The reason is clarified in a profound and constructive article entitled "Nuclear Power and Ecocide: An Adversary View of New Technology", by Dr. John W. Gofman in the September 1971 issue of the Bulletin of Atomic Scientists. Its meaning extends far beyond nuclear technology alone.

Readers of that article will not be surprised by the story "A-Plant Work To Continue, AEC Decides," which appeared Thanksgiving on the front page of the Washington Post.

However, many people who had high hopes that net AEC permissiveness would be less under its new Chairman, James Schlesinger, may be sorely disappointed. His maiden speech as AEC Chairman enchanted many environmentalists and editors in October. But his actions in November may speak louder than those words.

An interesting and somewhat sympathetic analysis of Dr. Schlesinger's dilemma appeared in an article entitled "Dr. Schlesinger, the AEC, and the Public Interest" in the November 6, 1971, issue of Environment Action Bulletin.

Mr. President, I ask unanimous consent that the three articles I have referred to be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Bulletin of Atomic Scientists, September 1971]

NUCLEAR POWER AND ECOCIDE: AN ADVERSARY VIEW OF NEW TECHNOLOGY

(By John W. Gofman)

(NOTE.—With his Lawrence Radiation Laboratory colleague, Arthur R. Tamplin, John W. Gofman, M.D., is a leading critic of the Atomic Energy Commission's radiation safety standards. In this article, he relates the radiation controversy to the broader issue of technological motivations in American society. He proposes an adversary method of controlling ecologically unsound or dangerous technical innovations. He suggests that the development of a sustaining body of technological criticism and challenge is incumbent on the scientific community. Dr. Gofman is professor of medical physics at the University of California, Berkeley, and former head of the Biomedical Division at the Lawrence Radiation Laboratory, Livermore, where he now conducts research.)

Our society is based upon the premise that initiative, innovation and promotion, all leading to economic profit, will by their very nature insure the delivery of goods and services that will steadily upgrade the quality of life for the greatest number. It does seem reasonable to suggest that with the extremely viable enterprise system we have, with the obvious talents and accomplishments of our scientists and engineers of a variety of specialty disciplines and with abundant resources and a beautiful land, we should easily be able to create this high quality life for any reasonable-sized population in the United States.

The present environmental crisis clearly indicates that such a desirable result is anything but automatic. The threats posed by food adulteration, poisonous chemicals of agriculture and commerce, and radioactivity may individually, or by synergistic activity, guarantee ecocide.

Science and technology *are* prominently applied in the service of the established system whatever be the privileged currency. And this means that large scale change comes very quickly and can affect the entire population of the country. We have learned, to our dismay, that there may exist serious secondary implications of technological innovations, or of by-products of such innovations. These can take the form of severe environmental degradation or of an uncertain debt, in the form of a future health burden to society. It would seem to accrue to the advantage of a nation, even ultimately to survival itself, to *anticipate* the secondary, or adverse, effects of technological innovation upon society. We do not have appropriate institutions which will guarantee an early alert to potential, possibly subtle, secondary effects of technology. If no *early* feedback information becomes available concerning potentially detrimental consequences, the technologically-based industry grows apace, and the unanticipated detrimental effects will necessarily afflict the entire population. This is dangerous, and it would seem to compel rational humans to place a premium value upon comprehensive foresight.

Once an enterprise is launched, we are faced with a new set of imperatives. And these imperatives grow, probably as a power function, with the investment in the venture. What are these "investments"?

The entrepreneur invests capital. Big capital. Today, endeavors of any consequence even worth considering here are very big business, encompassing in a short period of time the efforts to distribute goods and services to 200 million people nationally, and to even larger numbers when foreign outlets are considered. If the particular technological entrepreneurial project has gone along for a reasonable period, the capital funds committed can be huge. It is then indeed a matter of considerable importance concerning which the entrepreneur must be extremely protective. Losing money is *not* the way privilege is preserved and extended.

The scientists and technologists invest career and economic opportunity. Indeed, they often prepare themselves at great cost for a particular enterprise. And if the technology has persisted for any length of time, such men have achieved position, prestige and a very high personal economic stake in the future of the enterprise. A case in point is the nuclear energy technology. Whole university departments have devoted themselves to the training of nuclear engineers and related technologists. Beyond the educational level, there are thousands of nuclear engineers, health physicists and biomedical scientists with well-established careers predicated upon the continuation and growth of nuclear energy technology, in particular nuclear electricity generation. And this doesn't begin to take into account the lower echelons, some 140,000 atomic industrial workers, with a large stake in the continuation and growth of this industry. Indeed, the governmental regulators themselves have a *not* inconsiderable stake in the nuclear energy enterprise.

OPTIMISM COMMON

These are not precisely the ingredients for a continuous process of self-examination, searching criticism or the discovery of undesirable secondary effects of a particular technology. It is common to find an amazingly unbroken wall of optimism about the future promise of the technology for "mankind."

The elite among the scientists and technologists who promoted the enterprise to the entrepreneurs have a major investment of ego, prestige and position. These men have generally committed themselves to the glowing promises of the technology in full public view. Again, the longer the enterprise has persisted before possibly adverse features become evident, the greater is the ego-prestige commitment of such elite, and the more difficult it becomes for this elite group to reverse its position.

In nuclear energy, one might consider the difficult position of AEC Chairman Glenn T. Seaborg, who has proudly admitted his position as a prime salesman for nuclear electricity generation, and his intention to create a plutonium future for us all. From a myriad of platforms, and in countless printed statements, he has stated, "The atom came to us in the nick of time." Is it, therefore, truly difficult to understand why Dr. Seaborg is having difficulty facing the realization that the hazard of ionizing radiation is far greater—20 to 30 times greater—than was thought a decade ago? Is it difficult to understand why Dr. Seaborg dodges the question of the likelihood of a catastrophic accident at a nuclear power plant?

Is it difficult to understand why Congressman Chet Holifield, having pushed appropriations of billions for nuclear energy development through Congress, clings to a thoroughly discredited concept of a "safe" amount of radiation exposure? The evidence he cites for the concept of "safe" doses of ionizing radiation has been rejected by a whole series of distinguished scientists, as well as all the scientific bodies involved in the study of radiation hazards.

UNREALISTIC HOPES

It should be unrealistic for any of us to hope that dangerously misguided technological-industrial endeavors are going to come to an end through: (a) Economic suicide of the capital-investing entrepreneur, (b) Career and job suicide of the technologists and workers, or (c) Ego and prestige suicide by leaders, promoters and apologists for the enterprise. To argue that a higher morality should guide any of these groups, with their varied vested interests, is simply to produce a totally unreal and unrewarding image of men. It is obvious that long-range *ecocide* will necessarily win out over short-range, parochial economic suicide, career suicide or ego, prestige suicide. And morality won't even visibly enter into the consideration, for the mechanism of rationalization will surface in abundance to protect against even the most obviously indefensible position.

There are those who believe that government will take the necessary steps to seek out adverse side effects of technology, especially in this new age of environmental awareness. This idle dream neglects the fact that once an enterprise is well along, government and enterprise are snuggly bedded down together. To be sure, there will be an occasional, restrained rebuke from a regulatory agency, a mild ritual of wrist-slapping, and even a token fine. Nothing more is to be anticipated.

Still others hope that a deep sense of public responsibility will motivate some scientists, technologists or elite within the enterprise to speak out in the public interest. There are several reasons why this fond hope will accomplish but little. Few within the enterprise will speak out for reasons previously cited. If they do speak out, they will, in general, be demolished by the public relations steamroller of the enterprise, aided and abetted silently or loudly by their colleagues within the enterprise itself.

Lastly, citizen groups may try to stop an eco-destructive enterprise. Noble as many of these have been, they are pitifully underfinanced and no match for the professionals of the entrepreneurial juggernaut. We have yet to see a major victory in this arena.

There really does exist a constituency for preserving a livable world, one that is not strictly limited to the "little man," fortunately. As F. Lundberg pointed out in "The Rich and the Super-Rich," even the pursuers of privilege view with dismay some of the depredations of their confreres. Among scientists and technologists there are many who are enthusiastic environmentalists and ecologists for all technologies but their own. And there is the constituency of women who are possessed of a strange, but vehement, desire to have their children grow up with a reasonable chance to survive. Altogether these groups possess considerable clout, provided it can be effectively mobilized. That is, there are several essential institutions that must be developed. And all of them are essential if the desired goal of transition of anti-societal to pro-societal enterprise is to be achieved.

The broad constituency just described must insist that we develop—at the earliest possible moment—centers of technology assessment, outside the reach of the enterprises or government bureaucracies. The explicit responsibility of such centers should be the development and presentation of an effective *adversary* position on the implications of on-going and new technologies. The successful execution of this mission would require high scientific competence. The reports of such "adversary" centers should be made widely available directly to the public. And a mechanism must be set up for an open-forum dialogue between the promoters of the technology and the adversaries. If an adversary position is developed before massive investment is committed, even entrepreneurs will be quite interested. They are not unaware that much of the advice rendered them by their own advisers has been poor in the past. But for those technologies that are far advanced, the numerous types of investment previously described represent a powerful combination. Even the most rational, convincing adversary position will not turn things around without additional features.

Technological unemployment, or the fear of unemployment, must be abolished. So long as this is not accomplished, the technologists-scientists in a particular technology cannot possibly be objective in an assessment of their own technology. Objectivity is readily buried in a morass of pseudoscience and rationalizations if the disappearance of positions and careers threatens. The labor force in a particular technology can also provide a powerful, unfortunate lobby to obscure a public objective evaluation of the technology and its hazards.

If both of these groups (technologists and labor) are to participate in a constructive re-direction of technological enterprise, where required, it is essential that they be protected against the prospect of unemployment. It must become mandatory that conversion jobs be provided, without loss of position level or salary level when a particular technology is discontinued. And I would urge that scientists-technologists form a powerful, determined organization, cutting across specialty boundaries, to demand an end to the pernicious institution of unemployment. For those who might argue that this is unprofessional, I would suggest they

are contributing to the prospect of ecocide. And labor should, of course, insist upon the abolition of unemployment and fear of unemployment, too. If fear of unemployment is eliminated, conversion from anti-societal to pro-societal enterprise becomes possible. If the threat of job loss persists, the prospects for a rational approach to conversion are dim indeed.

There is no doubt that the privilege system has found the fear of unemployment to be an extremely useful tool in the past to keep all levels of employees in line, obedient and servile. Possibly this luxury accorded themselves by the entrepreneurs in the past can only be criticized as diabolical and inhumane. In a technological era, where misdirected enterprise can provoke potential ecodisaster, such a luxury simply cannot be afforded.

Economic details undoubtedly will require some imaginative efforts. One of the ways to stimulate imaginative effort is to develop a very powerful constituency insisting upon an early solution. This particular economic problem does not appear to be one of the most profound ones that man has faced.

At the economic-entrepreneurial level, the necessary ingredient is indemnification against loss of capital investment, when technology assessment dictates a change in direction. A punitive approach to investors in technology-based enterprises which turn out to be ecologically unsound seems to appeal to some. However, such an approach can only be expected to meet with fierce resistance; subterfuge, distortions, half-truths and lies in the effort to preserve short-term, parochial economic interest, whatever the societal cost. Certainly the effective implementation of an adversary technology assessment *very* early in the course of new technologies would minimize the need for indemnification, simply because obviously misdirected ones would not get off the ground so easily as they do now. But even with the best of alert systems, the secondary, adverse effects of some technological innovations will not become evident early. The fear of capital loss is, without doubt, a fantastically powerful motivating force to continue even the most blatantly eco-mad endeavors. It is difficult to believe it is more economic to continue on the road to oblivion than to indemnify investors so they will at least not fight with desperation against a rational change of direction.

EVALUATING REACTORS

Nuclear electric power technology certainly is one which comes up for consideration. Obviously there exists a wide range of opinions concerning whether the current program of heading toward a plutonium-based energy economy makes sense. A considerable segment of thought holds that the current burner reactor-electricity program makes no sense whether or not there is a future breeder energy economy. It is extremely difficult to believe that a rational evaluation of this problem can take place under circumstances where some of our giant corporations would stand exposed with the capital stake they hold in this enterprise.

But it is even more difficult to believe that the cost of conversion, including indemnification, can possibly approach the cost of continuation with potentially disastrous enterprises. In an economy which sustains some $70 billion of annual dumping into obsolescing and useless armaments, it seems that the indemnification costs of redirecting enterprise cannot be forbidding. Talent, training and many of the facilities can readily be salvaged to embark upon societally useful ventures. In the case of electric power generation, scrapping the nuclear electricity program will still require talents, facilities and organization to proceed with approaches to environmentally sound generation of electric power. The industrial giants are not going to disappear in any event. It is sensible to have them doing something that meets societal needs rather than something which thwarts human survival. If this be ransom, I would consider it well worth paying. Maybe, one day, a more rational approach will become available, but we don't have time for the appearance of utopia.

We are a culture that worships "success." And we all repeat the maxim, "nothing succeeds like success." But we don't really understand the full implications of this maxim. Economics of conversion of mis-directed technology has been discussed above. But economics is really not the whole story in leading to persistence in technological blunders. While thinking about the wonders of "success," we must give some real consideration to "failure." We place such a high ego-premium on being right about what we say, what we do, especially for all endeavors that are in the public or semi-public domain. It is no secret that in scientific academe some men appear to devote a lifetime of research and publication to proving they were right in their Ph. D. thesis. Who in industry or technology in general is unaware of the ego-hazard (over and above hazard of job loss) inherent in having to tell his superior that all is not so rosy in the picture painted last month or last year concerning a specific project? Defensiveness is the obvious result of the high value-premium we place upon success. And defensiveness breeds tunnel-vision, self-deception and rationalization—anything *but* objectivity.

MOTIVATIONS AND MEN

This cult of success pervades our education system, produces the wrong kind of competition and virtually insures that human values will be given low priority. We must give men the opportunity to be commended for being self-critical, for being able to conclude that their prior opinions were in error. There is no doubt that the change in attitude with respect to this issue, much more subtle than the economic ones, will require very careful nurturing. It won't be easy to have people appreciate how important it is to honor those who can forthrightly admit error or failure. While this may prove difficult to achieve, it seems we must work toward it if we are to avoid compounding our mis-moves in technological application.

Science and technology, applied in large-scale enterprise, can contribute heavily to the improvement in quality of life. And, alternatively, such application can and does lead to environmental degradation, as well as the imposition of potentially unbearable burdens upon future health and well-being. Unfortunately, the mechanisms required to determine which of these end results is more likely to be the outcome are largely absent. It is all too easy in such a state of affairs to place blame upon bumbling bureaucracies or upon insensitive corporations. But decisions to go forward in enterprises, based upon technological innovation, are not made either by corporations or by bureaucracies. Such decisions are made by men. It is perhaps more pleasant to shy away from this reality because it brings us face to face with defects all of us share. Men, at all echelons of society, are motivated by ego-security, fear and economic considerations. The economic considerations range from privilege and its extnesion through to simple job security for avoidance of poverty.

In the longer range, perhaps the counter-productive aspects of these motivations may be recognized and men may change. But technology presents us with hazards operating in a much shorter time frame. So we must try to solve our problems as we are. This means recognizing defects which exist and endeavoring operationally to counter them. One defect is the absence of a viable institution for critical assessment of ongoing or proposed technologies. We can rest assured that the favorable prospects for such technologies will be amply developed—and widely advertised. We have, at present, no sound method of insuring that potentially adverse effects will receive independent, unbiased consideration. Lip service to this effort we have had, and will have, in production.

THE NEXT STEP

This particular defect can be rectified through the development of a reprisal-free adversary system of scientific inquiry. While such a system is vitally needed, it will provide only a first step. The next step is the creation of rational, open-forum dislogue, the goal of which is a reasonable constructive *evaluation* of the pro and con information and *implementation* based upon such evaluation. Neither the evaluation nor the implementation will conceivably accomplish anything worthwhile unless we face squarely the real, powerful, underlying motives of men. And these relate almost wholly to economic motives; secondarily to ego-preservation. The economic motives are primary here. If we indemnify the entrepreneurial elite and *abolish* the prospect of economic insecurity all along the chain from top management and top technologists through to the labor force, we may yet see a very reasonable approach to evaluation and implementation. The ego-defensiveness problem is, in part, related to economics and, in part, related to some required changes in our cultural attitudes.

I would expect two answers to these proposals. First, the problem lies in other directions. How dare you make such a brazen analysis of reality? To this I would reply that the time for tranquilizers is over. Second, insuperable economic hurdles would prevent implementation of these proposals. This is why I would suggest the development of a powerful activist constituency to *demand* that the economic hurdles be overcome. I suspect there is a chance for some imaginative progress even in economics once it is realized that the heat is on and will stay on. Ecocide is too high a price to pay for non-imaginative lethargy.

[From the Washington Post, Nov. 25, 1971]

A-PLANT WORK TO CONTINUE, AEC DECIDES

(By Richard M. Cohen)

The Atomic Energy Commission decided yesterday not to order a halt to construction at Maryland's Calvert Cliffs nuclear power plant.

Issuing a report required by a court ruling, the AEC said it found the possible dangers to the environment at the plant were "minimal" compared to the expense to the public that would result from halting the work.

A construction halt, the AEC said, would cost the public $162 million, reduce power reserves in the Washington-Baltimore corridor, deal a blow to the economy of Calvert County and result in the layoff of 2,500 construction workers in an area already hard hit by unemployment.

"After balancing the various factors above, we concluded that the adverse impact on the environment resulting from continued construction . . . is sufficiently minimal that it does not balance the significant cost to the public," the AEC said.

The AEC ruling, based largely on data supplied by the builder of the Calvert Cliffs plant, the Baltimore Gas & Electric Co., was issued in response to a decison last July by the U.S. Court of Appeals here. In a suit brought by opponents of the Calvert Cliffs project, the court found that the AEC had failed to implement environmental safeguards in the projects it oversees and licenses and ordered the agency to incorporate the guidelines contained in the National Environmental Protection Act when issuing permits for nuclear facilities.

At the same time, the three-judge panel ordered the AEC to conduct a "full and fruitful" environmental review of Calvert Cliffs and other plants and suggested that the AEC

"consider very seriously the requirement of a temporary halt in construction pending its review."

The AEC, after deciding not to appeal the ruling, ordered all 36 nuclear power plants under construction to show cause why construction should not be halted pending completion of the environmental review.

Thus far, the AEC has ruled on seven projects. It ordered a partial construction halt in one case, a plant under construction about 40 miles southeast of Wilmington, N.C. The agency has not yet ruled on the plant being built by the Virginia Electric and Power Co. at Surry, Va., about 25 miles northwest of Norfolk.

In addition to Calvert Cliffs, the AEC yesterday also approved work on a plant under construction in Oconee County, S.C.

AEC spokesmen stressed yesterday that the decision to allow the Baltimore Gas & Electric Co. to proceed with construction applies only to the six months or so that the environmental review will take and will not bring the plant to the point at which nuclear reactors are installed. Once the review is completed, the spokesman said, the AEC might then order a construction halt.

The Calvert Cliffs plant, being built about 45 miles from Washington in Calvert County on the Western Shore of the Chesapeake Bay is substantially complete. It has been attacked by conservationists and Calvert County residents who say the plant is a major threat to the ecology of the bay.

WILL DUMP WATER

The plant, which is scheduled to begin operation in 1973, will use more than a billion gallons of water a day to cool its equipment and will return the water to the bay as much as 10 degrees warmer than when it was taken out.

The heated water, some conservationists say, will alter the bay's ecological balance and endanger marine life. Other critics have opposed the plant's construction because overhead power lines will scar the Calvert Cliffs area and because the plant will occupy 300 acres of what was woods or abandoned farm land.

In its decision, the AEC said most of the land has already been cleared and that construction of towers and transmission lines is about 85 per cent completed. Dredging and other work, the AEC said, has already begun, too, and a construction delay might "add to the damage already inflicted upon the site environment."

ALREADY ALTERED

"In effect," said AEC commissioner William O. Doub, a Maryland resident, "what we are saying is that the natural environment has already been significantly altered and a curtailment in construction would not change much."

The AEC ruling says the added construction is "expected to make the site more esthetically pleasing as viewed from the bay."

Moreover, the AEC said, should the environmental review produce evidence of environmental danger or some other deficiency, steps could be taken then to remedy the situation by modifying the existing plant.

Using figures verified by the AEC and submitted by the Baltimore Gas & Electric Co. under oath, the AEC said a nine-month suspension of construction would increase plant and construction costs by $22 million. The figure, the decision said, reflects BG & E's contention that it would require three additional months to resume construction once the approval were given.

The AEC said the increased costs would raise BG & E's interest cost on money borrowed to finance the project by an estimated $20.9 million. The total cost to the utility would be about $78 million and, when financed and passed along to the public, "will result in a total cost to the consumer of approximately $162 million. Part of this cost would result from BG & E's need to buy power from other utilities in the Pennsylvania-New Jersey-Maryland interconnection power pool.

The company also said that a one year delay would lower the power reserves of the pool to less than 16 per cent, or 4 per cent less than the "minimum necessary to promote reliable service. . . ."

The AEC said that Calvert County, anticipating $6.5 million a year in tax revenues from the plant once it is operating, had floated bond issues expecting to pay the interest with taxes paid by the Baltimore utility.

In addition, the AEC said a construction halt would require the dismissal of 2,500 construction workers in Calvert County, which had a 1970 unemployment rate of 7.4 per cent.

REVIEWS CITED

Finally, the AEC pointed out that the Calvert Cliffs plant had been reviewed and approved by a succession of state agencies and given a clean environmental bill of health.

The AEC's decision can be appealed within 30 days. The attorney for the foes of the plant who brought the suit could not be reached for comment on whether an appeal would be made.

POWER FIRM LAWYERS WARN OF SHORTAGE

A serious power shortage for the entire state of Iowa and much of northern Illinois this summer would result from a court injunction against partial opening of a nuclear power plant in Cordova, Ill., attorneys for two power companies argued yesterday.

U.S. District Judge Barrington D. Parker took the request for a temporary injunction against Atomic Energy Commission approval of the plant under advisement here yesterday and indicated that he would rule soon.

Attorneys for the companies Commonwealth Edison and Iowa-Illinois Gas and Electric, joint owners of the Quad Cities nuclear power generation station at Cordova, said that unless Parker rules in their favor soon the summer power shortages will result.

The shortage would occur because the power that it be approved by the AEC, would allow maintenance work to be done on conventional power plants that would then operate through the summer after the test period came to an end in March, they said.

The argument before Parker was the first major development in a lawsuit filed Nov. 4 by the state of Illinois to force the AEC to issue an environmental impact statement before opening the plant even temporarily.

The state, along with the Izaak Walton League of America, a conservation group, argued that the Cordova plant's condensers are expected to require 1 million gallons a day of Mississippi River water for cooling. The result will be that the temperature at large areas of the river will be increased in excess of 5 degrees Fahrenheit, the maximum permissible increase for warm water aquatic organisms, according to the plaintiffs.

[From Environment Action Bulletin, Nov. 6, 1971]

DR. SCHLESINGER, THE AEC AND THE PUBLIC INTEREST

(By John W. Gofman)

Dr. James R. Schlesinger, the newly appointed Chairman of the U.S. Atomic Energy Commission has made several extremely important and welcome statements in his recent address (October 20, 1971, Bal Harbour, Florida, to the joint meeting of the American Nuclear Society and the Atomic Industrial Forum). The address is titled "Expectations and Responsibilities of the Nuclear Industry" (A.E.C. Document No. S-21-71). Two key statements are:

"One result [of the move toward greater self-reliance for industry] will be that you should not expect the A.E.C. to fight the industry's political, social, and commercial battles. . . .

"Let me reiterate: the Atomic Energy Commission, like any government agency, exists to serve the public interest."

Other important points made by Dr. Schlesinger are:

"In the weeks since I came into this job I have been impressed on a number of occasions by the failure in the industry and (the A.E.C.) to distinguish properly between the role and responsibilities of industry and the separate role and responsibilities of the A.E.C. . . .

"In the future I trust the distinctive responsibilities of a government agency will become more sharply etched in the minds of all of us."

I heartily commend Dr. Schlesinger for his forthright, courageous statements. Moreover I urge all those, disheartened for so long by the spectacle of the A.E.C. acting in a manner hardly indicating intent to serve the public interest, to commend Dr. Schlesinger. Dr. Schlesinger's statements indicate that he intends to try to reestablish credibility for the Atomic Energy Commission, a credibility which currently lies in ruins as a result of A.E.C.'s unabashed promotional activities in nuclear electricity and flagrant disregard for public concern. But the A.E.C. is only one of many governmental bodies with a long history of placing the promotional interests of private industry well ahead of the public interest, particularly the public's interest in health, a healthful environment, and the right to be heard *effectively* in matters involving the supposedly cherished rights to life, liberty, and the pursuit of happiness.

The vast majority of environmentally-concerned citizens retain their hope that government might one day work in the public interest. Such citizens have demonstrated uncommon patience, particularly in the case of A.E.C., in their efforts to request some evidence of responsiveness to their concerns. Dr. Schlesinger has indicated that he plans to change all this at A.E.C. His statement that "Environmentalists have raised many legitimate questions," is very important and is most welcome.

Dr. Schlesinger has set for himself a formidable task and he will need the support and help of concerned citizens. Not only should concerned citizens applaud his courage and determination, they must be prepared to be more vigorous than ever and more watchful than ever, for Dr. Schlesinger will face determined opposition both within A.E.C. and from the commercial nuclear power interests. Let us consider some of the important thwarts Dr. Schlesinger will face in his effort to provide credibility that the A.E.C. plans to work now in the public interest. We can restrict our considerations to nuclear electric power, both the current light water reaction progam and the forthcoming breeder reactor progam.

The light water reactor program is in serious trouble and under serious challenge on two major grounds, a total inability to provide assurance of safety of nuclear power plants against catastrophic accidents and a total inability to solve the problem of guardianship of the astronomical quantities of long-lived radioactive wastes already being generated by nuclear power plants in operation. Dr. Schlesinger must now face the difficulty that A.E.C. has virtually denied the importance of both of these problems. At the same time the evidence is clear that neither of these problems has been solved. The Union of Concerned Scientists of Cambridge, Massachusetts has published two technical reports indicating that there is no reason at all to believe that the reactors now operating or planned can withstand the most feared accident, the loss-of-coolant accident, without the potential for a catastrophe in lives and property previously unheard of and unimagined for peacetime activities. They have appropriately recommended cessation of licensing of new nuclear plants; and an independent review of existing plants to ascertain whether operating licenses should be withdrawn until the safety issues are adequately researched.

The recent revelations by A.E.C. that all their prior reassurances concerning radioactive waste disposal at Lyons, Kansas, were without foundation clearly points up the fact that *no* solution is in sight for the handling of radioactive wastes.

The seriousness of both the reactor safety issue and the radioactive waste issue points to the requirement, in the public interest, for a serious consideration of a moratorium both on operation and construction of nuclear power plants of the current light water type. Dr. Schlesinger will, of course, realize that his devotion to the public interest will be sorely tested by the essential *consideration* of a moratorium. He will not be helped by internal A.E.C. staff or industrial interests, both of which groups will necessarily fear investment loss, both of positions and capital. So Dr. Schlesinger may have to come to grips with the problem of conversion of technological endeavor, with job replacement and indemnification, if the public interest is to be served. Dr. Schlesinger can be helped in these matters by the alertness and backing of an informed public, who can provide a strong bulwark of support for the concept that the public health and safety are primary.

Dr. Schlesinger will face problems of comparable magnitude with respect to the fast breeder program with its prospects for a plutonium-based energy economy. Since this program may pose threats to the public interest of even greater magnitude than the current light water power plants, Dr. Schlesinger will necessarily face, for the first time in A.E.C. history, the requirements for a serious consideration of whether the public interest might best be served by abandoning the breeder program altogether in favor of one of several attractive, non-hazardous alternatives for power production. The District Court of Appeals has already helped materially in ordering A.E.C. to comply with the National Environmental Policy Act in the evaluation of alternatives. A.E.C. has Congressional approval to fund studies of alternatives. Dr. Schlesinger will, of course, find himself surrounded by those who will show very little vision concerning alternatives to the breeder program. Therefore, he will require much help from the public in insuring a careful, independent assessment of whether a commitment of the country to a plutonium economy, and the dismal future this implies, is really in the public interest.

Most of the problems that have arisen for A.E.C. in the nuclear power field, both with respect to biological and engineering hazard areas, are the result of typical bureaucratic bias toward finding only the glories of the enterprise. Long overdue is the support of independent assessment of the adverse side of the picture. We might suggest that Dr. Schlesinger help provide strong advocacy for the funding of independent scientific efforts to develop the possible adverse features of the nuclear electricity program. Such work will be a major assist in his efforts to understand where the public interest truly lies.

There may be some who will assert that it is ridiculous to expect the Chairman of the Atomic Energy Commission to advocate the full development of the *adverse* potential of the nuclear power industry. They are wrong. What is really absurd is the spectacle of the A.E.C. unable to provide its Chairman with the adverse side of the picture on issues where great debate rages in the public, and scientific community. Surely Dr. Schlesinger will wonder how the ostensibly objective scientists of the A.E.C. staff perform the miracle of all thinking alike on subjects of great debate outside the walls of Germantown headquarters.

Dr. Schlesinger observed that environmentalists might come to realize that nuclear power could benefit the ecology by reducing the hazardous wastes from fossil fuel power plants, such as sulfur and nitrogen oxides and particulates. Here Dr. Schlesinger is simply demonstrating the effectiveness even upon himself of brainwash techniques practiced by his predecessors at A.E.C., by the electric utility companies, and the nuclear promoters in industry. All responsible environmentalists have realized that sulfur and nitrogen oxide pollution and fly ash pollution can and must be eliminated, whether we ever have nuclear power or not. It is not rational to argue that we can absolve ourselves of one health requirement, cleaning up fossil fuel power plants, by jumping headlong into a potentially worse approach to power generation. Indeed, in the public interest, Dr. Schlesinger and A.E.C. must begin to add their voices to the *urgent* requirement for clean fossil fuel power generation, for under any circumstances of nuclear power production through the year 2000, society will be using fossil fuels and cannot possibly tolerate continued fossil fuel pollution.

Lastly Dr. Schlesinger expressed concern as follows:

"Moreover, the responsible environmentalists are keenly aware that the present situation can boomerang. If there are power interruptions, brownouts and blackouts, the environmental movement may pay a severe price along with the rest of us."

What Dr. Schlesinger is telling us is the basic strategy of the electric power industry and the nuclear promoters. That strategy is to blame the environmentalists for all the short-sightedness, the mismanagement, the poor planning, the self-fulfilling crisis generation through advertising, and the virtual absence of research and development of the electric utility industry. No one should be surprised that those culpable will indeed attempt to place the blame for *their* ineptness upon the environmentalists. But "the environmental movement along with the rest of us paying a severe price" for such ineptness is simply going too far. For the *public* to accept punishment, such as the prescription of a radioactive future, for the errors of the utility industry is a bit much, even with the well-developed gullibility the industrial promoters ascribe to the public. The constructive approach, in line with Dr. Schlesinger's suggestion concerning working in the public interest, is to develop now a rational *energy* policy for the country, instead of an *atomic* energy policy.

Dr. Schlesinger has stated that he intends for A.E.C. to work in the public interest in the future. We should compliment him for this courageous decision and give him support at every opportunity to do precisely this. Since we realize the enormously powerful forces which exist to make his task difficult, if not impossible, we must realize that he will *need* a public, more alert with environmental awareness concerning the electric power problem than ever. The environmentalists will need to learn and to teach others the many myths sponsored by promotional interests concerning electric power. They will need to become more active than ever in the electric power debates to prevent further public brainwash. It should be refreshing to feel that Dr. Schlesinger will be working with them in the public interest.

For the environmentalists who for so long have clung to the hope that one day even government might begin to work in the public interest, Dr. Schlesinger's approach comes as a vindication of their faith. Doubtless few of them would have been so brash as to expect that such renewed faith might come from the Atomic Energy Commission. Yet, America is a wondrous place and faith, buttressed by a watchful public ready to exert *clout*, may yet pay dividends in the form of a livable environment.

AN EXCERPT FROM N.Y. TIMES MAGAZINE SECTION STORY

'Schlesinger's concept of the A.E.C. does promise to reverse its course, for the better. Nothing less can assure the nation that its atomic managers will responsibly handle the deadly nuclear trash of the future.

'Our civilization in this nuclear age has a staggering responsibility to the future. The costs to coming generations of our mistakes are almost beyond the power to imagine. Our technologists must be nothing less than infallible. Accordingly, everything must be done to increase our chances of being right when we finally decide what to do. As a start, we can derive some humility from the fact that only five years ago our technologists could not conceive of how safety could turn into danger in Grand Junction, Colo.'

CLEANING UP THE ENVIRONMENT

Mr. BEALL. Mr. President, I would like to call to the attention of my colleagues the outstanding work that is being done at the Charles County Community College in La Plata, Md.

As a former member of the Public Works Subcommittee on Air and Water Pollution, and as a supporter of the recently passed Federal Water Pollution Control Act Amendments of 1971, I am aware that it is essential for the success of our environmental efforts that we have trained technical personnel to run and maintain our waste disposal plants after they are constructed. Charles County Community College is attempting to do this for the State of Maryland. Their training is not all theoretical either, for they receive firsthand experience on a secondary waste treatment facility that handles 60,000 gallons of sewage from the college and part of La Plata. In addition, the college has an important estuarine research program which got started this fall.

I ask unanimous consent that the November 18 article from the Washington Post written by Mr. Thomas Grubisich entitled "Charles College's Clean Up" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHARLES COLLEGE'S CLEAN UP

(By Thomas Grubisich)

In 1966, before anyone had thought to give Earth its own day, Charles County Community College in La Plata, Md., decided to train people who could help clean up the environment.

As a start, the college wanted to do what no other technical school was doing—produce graduates who, after two years, could take strong and up-to-date backgrounds in pollution abatement to jobs at sewage-disposal plants.

These facilities seemed a good place to begin cleaning up the environment. Their personnel, low in status and poorly paid, usually had little training in pollution technology. As one environmental scientist put it, "Either the town drunk or the town idiot usually was the guy who worked in these plants."

At the time, all of Maryland had only three certified sewage-plant operators.

So, in 1966 Charles Community College applied to the U.S. Office of Education for a start-up grant. Officials at the college were optimistic about their chances. The proposed

curriculum had been hammered out by knowledgeable people: Dr. Belva L. Jensen, chairman of the biology department and the originator of the idea; James B. Coulter, then assistant commissioner of environmental health services in Maryland and now secretary of the Maryland Department of Natural Resources; and the college president, Jay N. Carsey, a former chemical engineer.

But the application was rejected. The Office of Education said it didn't anticipate any great need for the technicians the college wanted to train.

Since then, a lot of water, most of it polluted, has gone under the bridge. And the environment (including sewage-disposal plants) has been discovered and endorsed by just about everyone.

In the past four years, Charles Community College has received a number of federal grants for environmental projects. With one (and local and state money), it built a $500,000 secondary waste treatment plant, one of the most advanced in the Washington area. It is not just a laboratory model that's turned on during school hours. It daily handles 60,000 gallons of sewage from the college and part of La Plata. Students use it as part of their "hands on" training.

Today there is a rapidly increasing need for technicians who are knowledgeable about pollution abatement. In fact, at Charles Community College, some students are being hired even before they graduate.

According to Carl Schwing, head of the college's pollution abatement technology program, 32,000 technical-level jobs will have to be filled in sewage disposal plants across the nation over the next 10 years. Most of the jobs will be at new or upgraded plants outfitted with much more elaborate and sophisticated filtering equipment than found at present. (Also being upgraded is the name for the plants. The old name, "sewage-disposal plant" is being discarded for the more scientific-sounding "waste-water-treatment facility.")

In estuarine research, another field in which the college offers a two-year study program, an estimated 800 to 1,000 technical jobs are—or soon will be—available in the Washington area alone. Frozen budgets, though, will delay some hiring in government.

The demand underscores the shift that has been taking place in the job market in science and technology, especially the environmental area. Professionals—holders of bachelors and advanced degrees—are and have been in a job recession. But the people who serve as their assistants—called variously paraprofessionals, semi-professionals, subprofessionals, junior professionals, or just plain technicians—are enjoying boom years. Starting salaries for holders of associate degrees (given by two-year community colleges) in the environmental field are $7,000 to $8,000.

Dr. Richard E. Tiller, who heads Charles County's estuarine research program, gave a striking example of the job shift: "A few years ago there used to be 10 oceanographers for one technician. Now there are 10 technicians for one oceanographer."

Tiller's observation was reinforced by William Paulus, who heads the training program at the Naval Oceanographic Office in Suitland, which is redirecting a great deal of its efforts into estuarine and other environmental research. Paulus said that before the recent presidential freeze on hiring, the oceanographic office needed 300 technicians and hardly any professional oceanographers.

There are also new jobs for environmental technicians in industry, which is scrambling to meet tougher state and federal regulations, and in state pollution control agencies, which were created or enlarged in the flurry of recent environmental legislation.

Thousands of technical jobs would be created by three bills pending in Congress—$23.7 billion over five years to clean up the nation's rivers; $1 billion for New Deal-type public works projects in pollution abatement, and $129 million for pollution abatement at defense installations.

Though 400 of Charles County's 1,200 full- and part-time students are studying one or another aspect of the environment (there is, for example, a "Sewer Rats" program under which presently employed sewage-plant operators can update their skills), right now the college is capable of producing only a few graduates holding an associate degree in its pollution abatement technology and estuarine resources training programs. Tough standards, the college says, are one reason. The pollution abatement technology program had a starting enrollment of 30 in September, 1970. But only five graduated last June.

Oddly enough, Charles Community College is not attracting as many students interested in the environment as it thought it would. Sometimes romantic notions about environmental research have to be toned down. The Naval Oceanographic Office's Paulus said of his unit's 300 openings: "There won't be any of this dramatic, Jacques Cousteau diving stuff. There won't be any bikini-clad research assistants."

Across the country, there are about 100 community colleges offering some type of technical training, and 70 offering associate degrees in one or more areas. But Charles County is the only community college offering a program dealing strictly with the technology of waste-water-treatment facilities. It was also the first college to offer a program built around estuarine research. That program got started this fall.

Estuaries—the bays, sloughs, inlets, sounds, salt marshes and lagoons where salt water meets fresh water—are probably the most important part of the world's water system.

Rich in nutrients, estuaries are a favorite spawning ground for marine and animal life. About three-quarters of commercial fish are estimated to be produced or nurtured in these bodies of water.

Estuaries have also become dumping grounds for man-produced pollution. Most of the sewage, silt and other pollutants that enter rivers eventually wind up in estauries. And there many of them settle.

Both because of their value and the threat of pollution, estuaries are getting increased attention from environmentalists.

The biggest estuary in North America is the Chesapeake Bay area, and that is where students in Charles County's estuarine program do their studying.

Their classroom is a floating dock that has been beached under a shade tree. It is right next to Harry Messick's oyster house, on the bank of the Patuxent River in the fishing village of Benedict, Md. Their laboratory is a converted office trailer. Their research field is the Patuxent, a river that is relatively clean but beginning to feel the impact of urban development within its watershed further upstream, in Prince Georges and Anne Arundel counties.

For their "hands-on" research on the river, the students use a 50-foot Navy surplus depth-sounding boat built in 1944. The boat has been repainted, fitted with a chemical toilet and dubbed Sea Cow.

The rest of the research fleet includes two 19-foot runabouts that can be used for water sampling (Sea Mink and Sea Squirt). The classrooms and labs at La Plata, the mobile lab at Benedict and Sea Cow (wherever she is) are linked with a communication network donated by the General Electric Co.

In their first year, students are introduced to the precision scientific equipment they will use as environmental technicians—turbidimeters (which measure sediment in water), anemometers (which measure the force or speed of wind), depth recorders and other instruments. But first they must learn more basic things—remembering to skip over a hawser, polishing quickly tarnishing brass water sampling cores, among other things.

The staff, too, use their hands to hold more than briefcases, books and pens. The second-hand mobile trailer was converted to a sophisticated field laboratory by Tiller and his two colleagues, Thomas R. Poe and William E. Montgomery, who, between them, hold five advanced degrees. With hammers, nails and glue, they laid the formica countertops and installed the extensive cabinetry.

ADDRESS BY HON. CHARLES H. SILVER AT ALFRED E. SMITH DINNER

Mr. BUCKLEY. Mr. President, I ask unanimous consent to have printed in the RECORD the brief remarks made at the 26th annual dinner of the Alfred E. Smith Memorial Foundation in New York City by the Honorable Charles H. Silver. As usual, Mr. Silver was able to capture some important truths in a very few words.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. CHARLES H. SILVER

OCTOBER 20, 1971.

His Eminence Terence Cardinal Cooke summons us to honor the memory of democracy's Happy Warrior and for the high purpose of appraising the events and forces of today in the hope of building a better tomorrow.

The unsavory moral, social and political climate in much of the world community spurs us to consider momentous issues as we break bread together. Let us not approach them with closed minds nor with less than intensely passionate resolve to eliminate the differences that divide our people and the bitterness that breeds violence and bloodshed.

How tragic it is that we—who plant our footsteps on the moon—cannot set our feet squarely on the earth we inhabit and make it again as good as the Creator once called it. Perhaps it is the breathless pace of scientific achievement that clouds our vision of the wonders worked by the Almighty that serve the needs of humanity.

We have put the rockets into orbit. But who put the orbit there? We have mastered the most complex problems of interstellar geography. But whose divine impulse first charted the measureless heavens?

We humans have leaped into new dimensions. And we have left behind our sacred duty to treat each other like human beings.

In the frenzy of progress, we are losing a precious calmness of mind and deliberation of thought and effort. People are being pitted against people, nation against nation, race against race.

We fill the sky with flying objects. It is time we filled our hearts, our homes, our schools, our neighborhoods and our nation with the spirit of trust, hope and charity.

They inspired a crusading Al Smith in an even more blighted yesterday.

In welcoming you to this 26th Annual Dinner, I call you to join this crusade. And I think you will agree that—tonight—we find ourselves in very good company.

Our dais is graced by many distinguished citizens who cope with increasingly serious problems challenging our city, state and nation.

I wish them well . . .

It is leadership like theirs that gives us strength—and noble ideals such as were eloquently expressed, at the recent Supreme Convocation of the Knights of Columbus, by our cherished host, that Prince among the guardians of faith, His Eminence Terence Cardinal Cooke.

He said:

"This day is precisely the moment in history that calls for the faith and courage of our dedicated forebears. We see—gravely threatened—a unique heritage which, for more than a century, has contributed immeasurably to the strength of this nation, to the quality of life and to the development of a democracy that has been a great blessing for millions of our fellow citizens, the total miracle of American Catholic education."

Those are the words of our honored host, His Eminence. Let us hope they will be heeded in the highest places—including the Supreme Court of the United States.

And in meeting this most vital obligation to our youth, I am confident that these sentiments would be echoed by our voice of freedom in the councils of the world's great powers, foremost among the inspired defenders of the rights of man . . . our honored guest tonight: Ambassador Henry Cabot Lodge.

Each in his own sphere must determine to dream the impossible dream . . . For it is later than we think. The task is greater than before.

It is high time to begin . . . to try . . . to do—all of us—the most and the best we can.

I am sure we are equal to it.

I recall another great American, at the same recent Convocation of the Knights of Columbus, who said:

"When we talk about the character of our nation, we must never forget that it depends upon the individual character of two hundred million Americans. Where does that come from? It comes from the home. It comes from the churches. It comes from the schools of this nation. There is where the next generation, the coming generation, is being forged."

Those are the words of Richard M. Nixon, President of the United States.

They underline the immense task that remains to be accomplished by education . . . by a system of education—private religious as well as public—that cannot be neglected and must not be starved.

It is not enough to exist for tomorrow—we must live for tomorrow. We must work for tomorrow in the classrooms of today. We must support the institutions which are building that tomorrow, and foremost among these is religious education which can with greater freedom inculcate the moral values so direly needed right now.

We must care.

We must show how much we care.

We must show in the halls of Congress . . . in correspondence to our elected representatives . . . and at the ballot box next month.

The wisdom, and devotion, of such men and women as come together here will lead us in the war we wage in our very streets to banish unemployment, inadequate housing, illness, narcotics, poverty and ignorance.

Through their example, we can embrace within ourselves a growing conviction that commitment to the Golden Rule has not gone out of style. With vigor and confidence, we can strike a mortal blow at the evils of our age.

Things do go wrong. Bad news and world-shaking tragedy infest the daily headlines and take their toll of national self-respect.

There are—and will be again—disappointments, frustration and defeat.

Sometimes we feel that our faith cannot flourish any longer in a fool's paradise threatened by the nightmare around us.

But we are not fools—and though we may never achieve paradise on earth—by our faith we will continue to seek perfection and salvation. If we fail now, we condemn the future to slavery and fear.

Be not deceived . . .

The days ahead will damn the world to destruction—or deliver it to peace. This is the hour that will decide. It is up to us. The power—and the glory—are not ours alone. But the decision is.

GROWING OPPOSITION TO DR. BUTZ BECOMING SECRETARY OF AGRICULTURE

Mr. HUMPHREY. Mr. President, as I indicated yesterday, the opposition to Dr. Earl Butz becoming Secretary of Agriculture continues to mount. People from all walks of life and professions are increasingly voicing their opposition to the Senate confirming Dr. Butz as Secretary. Letters, telegrams, and other communications which I have received opposing this appointment clearly indicate that even if the Senate should confirm Dr. Butz' appointment as Secretary this week, he will enjoy little support and confidence among the people of this country in that capacity. Further evidence of this growing opposition is demonstrated in telegrams and letters received in my office today from Minnesota Farmers Union members, Gov. Patrick Lucey of Wisconsin and Andrew Biemiller, AFL–CIO.

I ask unanimous consent to have these communications placed in the RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

NOVEMBER 25, 1971.

Senator HUBERT HUMPHREY,
Old Senate Office Building,
Washington, D.C.

In a unanimous vote, delegates to the 30th annual Minnesota Farmers Union Convention approved on Tuesday, November 23, a resolution to strongly and actively oppose the nomination of Dr. Earl Butz as Secretary of Agriculture.

The resolution read:

"The Minnesota State Farmers Union protests in the strongeat possible terms the nomination of Earl Butz as Secretary of Agriculture.

"Dr. Butz, who is now dean of education and chief fund raiser for Purdue University, is also a board member of three huge agribusiness corporations, as well as an Indiana insurance director, plus owning stock in several manufacturing and chemical companies, could not represent the farmers' interests in better agriculture.

"Earl Butz, the man President Richard Nixon wants as Secretary of Agriculture, is against the family farmer. This was proven when he was Assistant Secretary of Agriculture under the Eisenhower-Ezra Taft Benson administration.

"Agriculture is now in a depression equal to the 1930's and needs a strong, open minded Secretary of Agriculture who will fight for and represent the farmer."

AFL–CIO,
November 24, 1971.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: The AFL–CIO urges that you vote against confirmation of the nomination of Dr. Earl Butz to be Secretary of Agriculture. We do not believe that confirmation of Dr. Butz for this position would be in the interest of the farmers of America, the farm workers of America or the American people as a whole.

Dr. Butz already views farming as big business and considers the corporate farm superior to the family farm—a concept we do not share. The farm workers of this nation have suffered much at the hands of the corporate farms and certainly their lot would not be improved if Dr. Butz were confirmed.

As Assistant Secretary of Agriculture in charge of consumer and marketing services, under Secretary of Agriculture Ezra Taft Benson, Dr. Butz played a significant role in frustrating implementation of the food stamp program. This was no isolated indication of his lack of concern for people in need, for his opposition to the food stamp program has continued to this day.

Dr. Butz, as a director of large corporations, such as Ralston Purina and Stokely Van Camp, has been an articulate spokesman for the point of view that agriculture is a business and should be developed along the lines of large corporate enterprise. As a lecturer for General Motors Corporation, he has belittled the environmental effects of DDT and expressed disdain for what he calls "consumerism."

The AFL–CIO believes the Secretary of Agriculture should be representative of farmers not big business. America already has too much domination of the Executive Branch by big business and certainly ought to draw the line at the nation's farms.

So, on behalf of the AFL–CIO, I strongly urge you to vote against confirmation of the nomination of Earl Butz to be the Secretary of Agriculture.

Sincerely yours,

ANDREW J. BIEMILLER,
Director, Department of Legislation.

STATE OF WISCONSIN,
Madison, Wis., November 23, 1971.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: I write to you today on behalf of the farmers of Wisconsin whose livelihood and life style have been disregarded by the nomination of Earl Butz as Secretary of Agriculture.

Those appointed to high public office ought to be concerned with representing all individuals affected by the policies of that office. However, in the case of Mr. Butz, you are considering a man so clearly on the side of huge corporate farming that individual small farmers throughout our nation are bound to suffer.

Earl Butz is a proponent of the policies followed by Ezra Taft Benson, U.S. Secretary of Agriculture during the 1950's. As you know, these policies were an economic disaster, causing severe over-production of crops, huge surpluses, low prices and financial ruin for small farmers. It took practically the entire decade of the 1960's to get rid of the surpluses brought about by the Benson policies of the previous decade.

Earl Butz was Assistant Secretary of Agriculture from 1954 to 1957 under Ezra Taft Benson. From recent remarks, it is clear that he is interested in resurrecting an era of government mistake and mismanagement in the area of agriculture. He has called on small farmers to "adapt or die." He is philosophically opposed to price supports and acreage diversion. There is no indication that he has changed his view, espoused in 1955, that "too many people are trying to stay in agriculture that would do better someplace else."

In fact, that view seems to have hardened. His position on the Board of Directors of Ralston Purina, Stokley-Van Camp and International Mineral and Chemical Company as well as his ties with the J. I. Case Company indicates that he is more interested in the profit of huge corporations than the well-being of individual farmers.

His economic ties have made him completely insensitive to the problems and needs of the small farmer. On one recent occasion he said, "I make no apologies to anyone for

the participation I have taken in agri-business companies." On another occasion he said, "Nostalgically we still look at agriculture as a way of life but agriculture is now big business." Both his recent remarks and his economic ties reflect his belief that the future shape of rural America should be domination of our agriculture and control of our land by the largest corporations.

As Governor of Wisconsin, I am extremely concerned about the effect the agricultural policies of Earl Butz would have on the farmers of our state. It is obvious that he plans to reign over the demise of the small family farm both in our state and throughout the nation. It is equally obvious that under his regime huge corporate farming will grow to such proportions as to threaten the very existence of rural America as we know it today. Therefore, I urge you to reject the nomination of Earl Butz as Secretary of Agriculture and approve in his place a man more suited to represent all sectors of agriculture in our society.

Sincerely,

PATRICK J. LUCEY,
Governor.

CHILD DEVELOPMENT

Mr. MONDALE. Mr. President, the St. Paul Dispatch recently carried an excellent two part series on day care-child development by Ann Baker.

This very thoughtful series points out both the need for day care in society today, and the dangers of purely custodial settings. It elaborates on the many differing views surrounding the idea of "child development" and early childhood education, and reviews the changes being made in licensing requirements.

Mr. President, at a time when the Congress is considering the day care-child development provisions contained in S. 2007, this informative review of the entire preschool proposal is very timely.

In order to give my colleagues an opportunity to read them, I ask unanimous consent that these two articles by Ann Baker appear at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PRESCHOOL MOVEMENT "BROAD, DEEP, CONFUSED"

(By Ann Baker)

In the next 10 to 15 years nearly every child will be going to preschool. That is one thing most people who give the subject any thought agree on. And just about the only thing.

The day care and nursery school movement, which has blown up like a storm across America in the last couple of years, followed educators' discovery that little children are not simply raw material of the future, cretures to be fed and clothed and cuddled.

Today infants and toddlers are known to possess tremendous capabilities to see, to hear, to learn and to want to learn, almost immediately after birth. The first six years of life are widely conceded to be the most crucial, not only in bodily growth and emotional adjustment but also in mental development. Those are the root years. Nourish the roots properly, and the rest follows . . .

But from there the ideas and talk spread out in hundreds of different directions, varied according to one's view of children, family life and the whole society.

Basic urges for freedom compete and overlap with desires for order, women's liberation with family stability, professionalism with democracy, private enterprise with public aid.

The whole preschool movement is broad, deep and confused.

Some say that is its beauty—that early childhood "specialists" cannot afford to be single minded, and for that reason nursery schools have influenced elementary schools to try "open" classrooms and hire paraprofessional staff.

Some even accuse the preschool establishment of becoming already too static, in spite of its diverse, multi-disciplined approach, its habitual dissatisfaction with old methods and constant experimentation with new ones.

How broad and deep the movement runs can be judged from the list of research projects the federal Office of Child Development (OCD) has drawn up for as priorities for grants in 1972.

First item is day care, developing model all-day programs that stress learning.

Second—child advocacy, protecting the rights of children and guiding those in need of help to the proper services.

Ways to combat and prevent racism in young children comes next, followed by research on: parent education, substitute fathers, mixing children of different social and economic backgrounds, effects and uses of TV, reforms in institutional care, finding homes for hard-to-adopt children and ways to provide emergency help for children in traumatic home situations.

Just as day care is the Number One study priority of OCD, so too has it become a big concern of the National Association for the Education of Young Children, a 20,000-member organization that was originally interested only in the educational aspects of nursery schools and kindergartens.

At the association's annual conference next week in Minneapolis more than a dozen sessions will concentrate on day care alone; dozens of others on related issues.

Reasons for the national fascination with day care are clear, and they do not necessarily reflect the interests of children themselves.

Day care has come to be seen as the enabling quotient for women's liberation and the employment of welfare mothers . . .

As a potentially large job market for people ranging from junior high dropouts to PhDs in search of research projects . . .

As a big business on the verge of a boom. Two months ago Barron's financial paper advised Wall Street: Daycare "promises to be where the rewards are."

Rewards for the kids, however, are pretty doubtful, unless care goes beyond the juice and crackers, TV and nap kind of thing which up to now has been the chief offering for most of the country's children whose mothers work.

Some teachers and psychologists who have been leading the crusade for an "educational component" contend that without it day care can be disastrous.

They were heartened last month when both houses of Congress passed a comprehensive child development bill (sponsored in the Senate by Minn. Sen. Walter Mondale) which, if implemented, will provide substantial federal sums for day care that includes learning.

But exactly which classroom techniques best produce learning is an open question, even to the educators.

"What's stimulating to one (child) may be noise to another or it may be simply background that isn't heard," as University of Florida child psychologist Ira Gordon puts it.

Preschool teachers usually approach the curriculum question by using an eclectic method called "planned variation," meaning they take a particular technique and vary it with certain elements of another.

Today there are few purist Freudian, Montessori, cognitive or reward-and-punishment approaches being used: in most cases each "school" has been eager to explore what the others have to offer.

And that is the main reason why University of Minnesota's Institute of Child Development director, Willard Hartup, maintains "The best schooling available in the U.S. for the last 50 years has been in nursery schools."

PRESCHOOL MEETING SET FOR 5,000 PEOPLE

Some 5,000 members of the National Association for the Education of Young Children are expected to attend the group's annual conference next week in Minneapolis.

Speakers will include California experimental school director Herbert Kohl, Wisconsin early childhood professor David C. Davis, New York human resources administrator Jule Sugarman, Philadelphia attorney Lois Forer, federal Office of Child Development director Edward Zigler and Minnesota Sen. Walter Mondale.

More than 250 talks and workshops are scheduled for the Nov. 3–6 conference in three hotels, the Radisson, the Leamington and the Pick-Nicollet. The object, say organizers, is to encourage extensive group participation.

Reservations are being taken by the conference chairman, Mrs. Erna Fishhout, 430 Oak Grove, Minneapolis.

YOUNG CHILDREN CAN LEARN

(By Ann Baker)

It's not easy to pin down the techniques used by nursery school teachers. As they grow more and more aware of the unique traits of each child, so do they jealously defend the uniqueness of each classroom method.

They're skittish about being categorized. A word like "structure" is a no-no. It can mean rigidity to one person, flexible guidelines to another. Even "teach" is a dangerous word, sometimes interpreted as stuffing information at random into kids' heads, sometimes meaning guiding their development step by step through a series of increasingly complex activities.

But for all the various approaches and their combinations and permutations there are trends.

Currently most teachers have been moving away from the stress of a decade ago on emotional and social growth to an emphasis on intellectual growth—language stimulation, classification, numbers, how one looks at the world.

Probably the most popular man in preschool circles is Jean Piaget, the Swiss psychologist famous for his theories of how children come to reason, think and learn language in certain sequences, beginning in the cradle.

"We're going to broaden our notions of what education at this age means," says Willard Hartup, director of the University of Minnesota's Institute of Child Development. "It's possible we never provided kids with all they can use to become productive later on. Today we're much more convinced that young children can learn and do more than they've ever done."

Dramatic learning experiments with babies have opened up another area for speculation. Programs to help parents find the best ways to draw out their youngsters' curiosity and ability are also promised support by the Mondale bill for comprehensive child development.

Some educators, though, have reacted against what they feel is a danger of "pushing" children too hard, too fast. They cite the case of a little girl who was taught to read when two and a half years old. When she was 4 she was interested in little else than reading, had poor hand coordination and was baffled by questions like "What is wet?"

Where the balance may be struck will no doubt again be open to continuous re-evaluation.

Minnesota state regulations contingent on granting daycare licenses are presently being revised by committees of nearly 100 persons, most of them child care professionals.

The proposal they are working from is far more explicit than current regulations, particularly in its stress on ideal goals." Namely that day care should be educational.

Licensing in the past, says the proposal, has often led to minimal programs. From now on, the training and temperament of supervisors must be looked at as closely as the safety and hygiene of the building. Licensing staff must make efforts to help the applicant make his program be what it should, and the program must be reexamined yearly.

The proposal would require day-care operators to plan activities with the children, "encouraging them to share their experiences, by stimulatng conversation, for example, during snacks and meals, and by expecting each child to take certain responsibilities . . .

"An opportunity should be given to participate in small and large groups as well as individual activities . . . The content of the program must be rich and varied," and include opportunities for parents to watch and participate and for staff to continue their own training.

Licensing itself is under debate. Some charge it takes too long (usually at least six months) to get a daycare license. Some challenge the need for regulations at all. Many feel regulations are necessary but should not be under the jurisdiction of the welfare department, which they say makes day care seem "a welfare thing."

The education department, which many would like to see take over the responsibility, is in turn viewed by others as representative of the same rigid approach to learning they have struggled to oppose.

Regulations governing programs that get federal aid are also under revision, and there is talk of states, whose licensing requirements vary considerably, meeting to arrive at some kind of uniformity.

Who should run preschools? Private entrepreneurs claim they can do the best job, saying competition will pressure them to provide quality. Others argue that it's impossible to create a quality program for profit at fees the average family can afford.

Some groups believe programs should be run by parents, with the idea that only they have the right to choose and direct teachers who will meet their children's needs.

Again, many nursery schools and day care centers operate under a variety of sponsors, public, private and consumer. Continuing variation and coordination is encouraged under the Mondale bill.

Final conclusions will not emerge from next week's conference of preschool educators in Minneapolis. For every answer suggested at the 250 sessions there will no doubt be dozens of new questions. Preschools, like their pupils, are in the crucial exploratory stage of growth.

THE NOMINATIONS OF LEWIS F. POWELL AND WILLIAM REHNQUIST TO THE SUPREME COURT OF THE UNITED STATES

Mr. McCLELLAN. Mr. President, it is my judgment that the Senate should consent to the nominations of Mr. Lewis F. Powell, of Virginia, and Mr. William H. Rehnquist, of Arizona, to be Associate Justices of the Supreme Court of the United States, and I take this opportunity to share with my colleagues the reasons behind this judgment.

A special genius of the American people has been a commitment to the rule of law, not of men, and a special focus of that commitment has always been on the Supreme Court of the United States. The Senate, therefore, fulfills a sacred duty in advising and consenting to the nominations submitted by the President for the Nation's highest court.

In considering these pending nominations, three issues face us:

Do these nominees have personal integrity?

Do they possess professional competency?

Do they have an abiding fidelity to the Constitution?

In my opinion, no Senator has a duty to vote to confirm any nomination forwarded by the President that cannot pass muster under this threefold test.

I settled upon these criteria only after reaching certain basic conclusions on the proper role of the Senate in the process of selecting Supreme Court Justices.

Article II, section 2, clause 2 of the Constitution states that the President "shall nominate, and by and with the advice and consent of the Senate, shall appoint—Judges of the Supreme Court." The question thus arises as to what extent the framers intended the Senate to play a part in the appointment process in cooperation with the Executive?

Turning to Madison's notes on the proceedings of the Constitutional Convention, it seems abundantly clear that the Senate was intended to serve an active role in the process. Indeed, during the entire period of controversy over the method of appointment for the Supreme Court Justices, the dominant view seemed to support an alternative proposal that would have placed authority exclusively in the Senate. The final language agreed upon was the result of a compromise, which was clearly not intended to reduce the legislative part in the process to a minimum. See generally, Farrand, the Records of the Federal Convention of 1787 (1937). The Federalist papers confirm that an active and independent role for the Senate was envisioned. The Federalist, Nos. 76 and 77—Encyclopaedia Britannica, edition 1952, at 225, 226.

In Hamilton's words, the Senate was to have the duty to reject nominations, where there were "special and strong reasons for the refusal," and this power of rejection was meant "to restrain" the President from making nominations founded in "favoritism," "family connection" or "popularity," or of "unfit characters" generally. Id. at 226.

Hamilton's views were shared, too, by our earliest and most respected commentators on the Constitution. See, for example, Stony's "Commentaries on the Constitution," sections 1527–31—fifth edition 1891.

In light of the foregoing, I believe that the tripartite inquiry which I suggest is in keeping with the Senate's mandate under the Constitution.

After deep consideration, I have resolved each of the three questions in the affirmative with regard to both nominees and will now consider each in turn.

With respect to the personal integrity and professional competency of Mr. Powell, the record before us speaks eloquently of him. First in his law class, one of the leading lawyers of the State of Virginia, former president of the American Bar Association, the American Bar Foundation, and the American College of Trial Lawyers, Mr. Powell is truly one of the finest lawyers of our contemporary legal community.

The hundreds of attorneys contacted by the Standing Committee on the Federal Judiciary of the American Bar Association had the highest possible praise for Mr. Powell's integrity and abilities. A significant number of lawyers and judges stated that Mr. Powell would be their first choice for appointment. I quote the conclusion of the Standing Committee:

It is the unanimous view of our Committee that Mr. Powell meets, in an exceptional degree, high standards of professional competence, judicial temperament and integrity and that he is one of the best qualified lawyers available for appointment to the Supreme Court.

As to the personal integrity and professional competency of Mr. Rehnquist, it seems equally clear that this man, although relatively young in years, is also above suspicion and of exceptional intellectual and legal ability. Throughout his career, excellence, and nothing short of it, has been the mark of his achievements.

Elected to Phi Beta Kappa, graduated first in his law school class, selected as a clerk to former Supreme Court Justice Robert Jackson, Mr. Rehnquist early approached the law in a decidedly grand manner.

As a private practitioner, he was a person of recognized honesty and professional quality, highly regarded by members of the bench and bar.

Since 1969, the nominee has served as Assistant Attorney General for the Office of Legal Counsel. The basic assignment of the Office of Legal Counsel is to assist the Attorney General in discharging his function as the legal advisor to the President and his Cabinet. Thus, it can be said of the nominee that in point of fact he is, in the President's words, "a lawyer's lawyer."

In his capacity as an Assistant Attorney General, the nominee has appeared before Congressional committees on numerous occasions to present the Administration's position on various topics of legislative concern. A review of the records of these proceedings reveals that at all times he has conducted himself forthrightly and in an informed manner, in the loftiest traditions of advocacy.[1]

[1] Hearings before Subcommittee No. 3, Committee on the Judiciary, House of Representatives, on H.R. 11031 and H.R. 11032, Sept. 25, 1969, 91st Cong., 1st Sess.; Hearings before Subcommittee No. 5, Committee on the Judiciary, House of Representatives, on S. 1508, Mar. 3, 1970, 91st Cong., 2d Sess.; Hearings before Subcommittee on Constitutional Amendments, Committee on the Judiciary, U.S. Senate, on Proposed Statute to Lower Voting Age, Mar. 10, 1970, 91st Cong., 2d Sess.; Hearings before Subcommittee on Improvements in Judicial Machinery, Committee on the Judiciary, U.S. Senate, on S. 1506, Apr. 9, 1970, 91st Cong., 2d Sess.; Hearings before Committee on House Administration, House of Representatives, on

Footnote continues on next page.

I quote the conclusion of the standing committee of the bar association:

The . . . conclusion of the Committee . . . is that Mr. Rehnquist meets high standards of professional competence, judicial temperament, and integrity. To the Committee, . . . Mr. Rehnquist is one of the best persons available for appointment to the Supreme Court.

In sum, reasonable men cannot disagree that both nominees are of unquestionable integrity and supremely competent men.

The final area of my concern relative to the suitability of a nominee—his fidelity to the Constitution—is the most crucial of the required qualities.

Mr. President, I think it can be said that there is room on the U.S. Supreme Court for liberals and conservatives, Democrats and Republicans, Northerners, and Southerners, Westerners and Easterners, blacks and whites, men and women—these and other similar factors neither qualify nor disqualify a nominee.

In my judgment, after personal integrity and professional competency, what is then crucial is the nominee's fidelity to the Constitution—its text, its intention and understanding by its framers, and its development through precedent over the history of our Nation.

There have been a few unfortunate periods in our history when justices on the Supreme Court have taken too literally Chief Justice Hughes' aphorism that the Constitution is what the judges say it is and have attempted to rewrite our Nation's basic charter according to their own personal philosophies, either conservative or liberal. This has always been a mistake.

The Constitution, too, has integrity. One part of it must not be emphasized to the exclusion of another. The Constitution mandates both federalism and separation of powers as well as due process of law.

I recognize, of course, that there are those who no longer feel that the doctrines of federalism or separation of powers should be accorded equal respect with other aspects of the Constitution.

Mr. Justice Black in his Carpentier lectures at Columbia in March of 1968 aptly observed:

[T]here is a tendency now among some to look to the judiciary to make all the major policy decisions of our society under the guise of determining constitutionality. The belief is that the Supreme Court will reach a faster and more desirable resolution of our problems than the Legislative or Executive branches of the government.

Mr. Justice Black then set over against this contemporary tendency what he understood to be required by fidelity to the Constitution. He said:

Our written constitution means to me that where a power is not in terms granted or not necessary and proper to exercise a power that is granted, no such power exists in any branch of the government—executive, legislative or judicial. Thus, it is language and history that are the crucial factors which influence me in interpreting the Constitution—not reasonableness or desirability as determined by Justices of the Supreme Court.

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The courts are given power to interpret the Constitution and laws, which means to explain and expound, not to alter, amend or remake. Judges take an oath to support the Constitution as it is, not as they think it should be. I cannot subscribe to the doctrine that consistent with that oath a judge can arrogate to himself a power to "adapt the Constitution to new times."

I, for one, suggest that we establish no test oath to contemporary liberalism or traditional conservation. Test the nominee by the Constitution, nothing else.

One of the nominees—Mr. Rehnquist—put the issue well when he observed:

It is so difficult to pin down the terms "liberal" and "conservative," and I suspect that they may mean something different when one is talking about a political alinement as opposed to a judicial philosophy on the Supreme Court.

I think it would be presumptuous of me to suggest to the Senators of this committee, or to the Senate as a whole, what standards they ought to look for, but I cannot think of a better one than fidelity to the Constitution and let the chips fall where they may, so to speak, whether the particular decision pleases one group or pleases another.

I think to an extent in discussion about the Court there has been a tendency to equate conservatism of judicial philosophy not with a conservative political bias, but with a tendency to want to assure one's self that the Constitution does indeed require a particular result before saying so, and to equate liberalism with a feeling that at least on the part of the person making the observation that the person tends to read his own views into the Constitution.

I think the difference is well illustrated by Justice Frankfurter's career, who came on the Court at a time when I think it was clear to most observers that the old Court of the nine old men of the twenties and thirties was indeed, on any objective analysis, reading its own views into the constitution, and Justice Frankfurter, of course, prior to his ascent to the bench, had been critical of this, and as a Justice he helped demolish the notion that there was some sort of freedom of contract written into the Constitution which protected businessmen from economic regulation.

And yet, when other doctrines were tested later in the Court, it proved that he was not simply an exponent of the current politically liberal ideology and reading that into the Constitution.

He was careful to try to read neither the doctrine of the preceding Court nor perhaps his own personal views at a later time to the Constitution, but to simply read as he saw it.

Mr. President, I closely questioned each of the nominees in the hearings to determine their judicial philosophy. From their answers, I am satisfied that they will honor their oath to uphold the Constitution as written. I find them faithful to the Constitution as written and not as some would like to see it written.

At one point in the hearings Mr. Powell and I had this exchange:

Senator McCLELLAN. I feel where the Congress enacts a statute that is constitutional, is binding on the Supreme Court. I don't think it has the right to, by edict or some process, to legislate or attempt to legislate that act away or to hold it to be invalid because of personal views on what policy should be. That is what strict constructionism is to me. I don't know what it means to others, but I believe if the act is constitutional, it is the Congress' prerogative to set national policy in those areas within the framework of the Constitution and that that policy should stand and not be overruled by a court because the court's philosophy is that it was bad policy.

Mr. POWELL. I certainly subscribe to those views, Senators.

At another point, we had this exchange in reference to the wiretap statute:

Senator McCLELLAN. In my judgment, when the Congress has spoken, that is the law of the land; it is the national policy; and it seems to me that those who disagree with that policy should find their remedy in the halls of Congress.

It is no question of whether you favor the act, as I see it, or whether you like all of its provisions or don't. The only thing that would be before you would be did the accused receive a fair trial under due process; and is the statute constitutional?

Let me ask the question another way. If you found it constitutional, would you, and I am sure you would, but I ask this for the record, would you enforce it as a member of of the highest court of the land?

Mr. POWELL. The answer to that is clearly an affirmative.

Finally, Mr. Powell summed up his judicial philosophy, simply and beautifully, in these words:

My thoughts about the role of the Court, expressed as simply as I can, may be summarized as follows:

(1) I believe in the doctrine of separation of powers. The courts must ever be mindful not to encroach upon the areas of the responsibilities of the legislative and executive branches.

(2) I believe in the federal system, and that both State and Federal courts must respect and preserve it according to the Constitution.

(3) Having studies under then Professor Frankfurter, I believe in the importance of judicial restraint, especially at the Supreme Court level. This means as a general rule, but certainly not in all cases, avoiding a decision on constitutional grounds where other grounds are available.

(4) As a lawyer I have a deep respect for precedent. I know the importance of continuity and reasonable predictability of the law. This is not to say that every decision is immutable but there is normally a strong presumption in favor of established precedent.

(5) Cases should be decided on the basis of the law and facts before the Court. In deciding each case, the judge must make a conscious and determined effort to put aside his own political and economic views and his own predilections and to the extent possible to put aside whatever subtle influences may exist from his own background and experience.

And finally, although all the three branches of Government are duty bound to protect our liberties, the Court, as the final authority, has the greatest responsibility to uphold the rule of law and to protect and safeguard the liberties guaranteed all of our people by the Bill of Rights and the 14th amendment.

In questioning Mr. Rehnquist during the hearings, at one point we had this exchange:

Mr. McCLELLAN. Would you feel free, as a justice, to take the text of the Constitution particularly in its broad phrases—"due process" . . . "unreasonable search and seizure"—and to read into it your personal philosophy, be it liberal or conservative?

Mr. REHNQUIST. I would not, Senator McClellan.

Senator McCLELLAN. If you felt honestly and deeply, in light of your own personal philosophy, that the intention of the framers of the Constitution was no longer being achieved through the specific legal devices they deliberately chose in drafting specific clauses, would you feel free, as a justice, to ignore these specific legal devises and give old clauses new readings to achieve a new, and in your judgment, beneficial, result?

Mr. REHNQUIST. I do not believe I would, Senator.

Senator McCLELLAN. Well, this goes to the heart of the matter. Would you be willing, as a judge, with the power you would have on the Court, to discard the intent of the framers of the Constitution to change it to achieve a result that you thought might be desirable for society?

Mr. REHNQUIST. No; I would not.

At another point, we had this exchange:

Senator McCLELLAN. What I am trying to ascertain, simply, is this: There is one school of thought today that believes that the Supreme Court—whenever it feels that the Constitution as written and as it has been interpreted is not adequate to deal with the conditions that prevail in society today—ought to give it a different interpretation to get it in to the mainstream, as some call it, of modern society. Do you believe that the Court or a Justice, under the Constitution, has the power to do that or the duty to do it, under his oath?

Mr. REHNQUIST. Under my oath I believe it would have neither the power nor the duty.

Mr. President, these are the words of the nominees themselves. In my judgment, they establish the requisite fidelity of both to the Constitution.

They indicate a deeply held reverence for the law of the land and a willingness to abide by its dictates.

Of course, adverse testimony does appear in the record relative to each nominee. Opposition both to Mr. Powell and to Mr. Rehnquist centered on their alleged lack of sensitivity to civil liberties or civil rights. Mr. Rehnquist, in particular, was the subject of highly emotional testimony, which attempted to characterize him as a so-called radical, right-wing reactionary. Once the smoke cleared, however, it was apparent that there was no substantial fire.

Mr. Rehnquist was also accused, irresponsibly and falsely, of interference with voters and of membership in the John Birch Society. The less said about these two allegations the better. They reflect on the people who made them, not the nominee.

It is unfortunate, too, that our friends in the press saw fit to print most of what was adverse and little of what was favorable.

I quote, therefore, from the record typical items to give my colleagues and the readers of the RECORD an opportunity to reach a balanced judgment.

Of Mr. Powell—Robert Huntley, the president of Washington and Lee University, observed:

For the past ten years, Mr. Powell has been a member of the University's Board of Trustees, a group of 18 men which works actively to provide intelligent and responsive governance for the institution. In large part because of Mr. Powell's influence, our Board is in my opinion a model exemplifying the ways in which such organizations of lay trustees can function usefully.

In routine matters and in matters of critical dimension for Washington and Lee no one could have performed more effectively. His characteristic posture of firm fairness facilitated the University's decision to seek enrollment of qualified black students. In the Board's deliberations about planning for this institution's next decade, he has repeatedly made the kinds of suggestions and raised the kinds of questions which serve to focus attention on the significant matters of policy, thus helping to guide the Board to a sharpened appreciation of its proper role. He was one of several trustees who provided leadership in a decision to reorganize the Board to provide for term membership in place of the more traditional life appointment.

Armistead L. Boothe, a leader of the Virginia Bar, observed:

From the date of the *Brown* decision in 1954 . . . [Mr. Powell] was a stalwart member of an elite group of Virginians who saw that the Commonwealth's schools must not be closed. From July 1954 onward, the issue in the State was just as sharp as a new knife blade between an assignment (or freedom of choice) plan, to keep the schools open, or massive resistance, to cripple them. During the next five crucial years Lewis Powell, then Chairman of the Richmond School Board, placed himself effectively with the minority who felt obligated to uphold the law and the Virginia public school system.

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Perhaps today there are some younger people who do not remember the 1950's or the humanity, the regard for law, and the farsightedness of a few people like Lewis Powell who helped Virginia, in a Virginia way, to survive the Commonwealth's severest test in this century. Many accolades could be given to Powell's judgment, fairness, intelligence, and other judicial attributes. Men and women who can vouch for his virtues are legion. This statement is simply intended to be a brief word picture of a courageous American legal soldier under fire.

I note from the news that the congressional black caucus is opposing Powell. If the distinguished members of that group could remember the 1950's and could get all the available facts, they would not oppose him. They would approve of his selection and thank the good Lord they would have him on the Supreme Court.

Jean Camper Cahn, of the Urban Law Institute, observed:

By way of a final observation I would note that while I support Lewis Powell's nomination—and have limited the scope of my remarks to those facts which I know at first hand—I do not base that support on the fact that Mr. Powell is a supporter of the Legal Services Program. My support is more fundamental because I would expect that while we agree on some things, we would disagree on others. I would not want to rest my support solely on agreement or disagreement on some particular subject.

My support is based upon the fact that I am drawn inescapably to the sense that Lewis Powell is, above all, humane; that he has a capacity to empathize, to respond to the plight of a single human being to a degree that transcends ideologies of fixed positions. And it is that ultimate capacity to respond with humanity to individualized instances of injustice and hurt that is the best and only guarantee I would take that his conscience and his very soul will wrestle with every case until he can live in peace with a decision that embodies a sense of decency and fair play and common sense.

Of Mr. Rehnquist—Congressman PETE MCCLOSKEY had this moving personal endorsement:

Mr. Chairman, I have known Bill Rehnquist for over 20 years, since we attended Stanford Law School together in 1950.

I believe him to be a man of the highest character, integrity and professional ability. Both his personal and professional reputation in the Stanford legal community, among fellow students, professors, and lawyers, reflects my own belief and the personal respect I have expressed.

Mr. Rehnquist's stated political philosophy is probably diametrically opposed to my own. We disagree on the most basic and deeply held views in the field of civil rights, on the powers of the President, the relationship between the executive and the Congress with respect to the war in Indochina, and on the balance between the Government police powers and individual rights.

In the single instance in which Mr. Rehnquist has appeared before my own Subcommittee on Governmental Information in the House of Representatives, we have sharply disagreed and debated the executive's historic claim of executive privilege with respect to information necessary to congressional deliberations.

Nevertheless, it is my opinion that the greatest base for our national strength and security remains the absolute separation between political beliefs and law. We are a government of law, not of men. Perhaps the highest judicial obligation of a Supreme Court Justice is to insure that their judicial opinions respect this separation between politics and law. I consider it the most basic element in maintaining public respect for the law that it be absolutely divorced from political influence and opinion.

In my judgment, Mr. Rehnquist has a respect, a reverence, for the law in our constitutional history which will cause him to bend over backward to prevent an intrusion of his political beliefs into his judicial decisions.

He meets the three exacting tests that I would impose on a nominee to the High Court. His legal intellect and integrity are of the highest excellence. He has demonstrated the kind of judgment and tempered

H.R. 12773, May 6, 1970, 91st Cong., 2d Sess.; Hearings before Subcommittee on Separation of Powers, Committee on the Judiciary, Senate, May 7, 1970, 91st Cong., 2d Sess.; Hearings before Subcommittee on Constitutional Amendments, Committee on the Judiciary, U.S. Senate, on Congressional Representation for the District of Columbia, June 1, 1970, 91st Cong., 2d Sess.; Hearings before Subcommittee on National Security Policy and Scientific Development, Committee on Foreign Affairs, House of Representatives, on The President, The Congress and The War Power, July 1, 1970, 91st Cong., 2d Sess.; Hearings before Subcommitttee on Constitutional Rights, Committee on the Judiciary, U.S. Senate, Mar. 9, 1971, 92d Cong., 1st Sess.; Hearings before Subcommittee on Constitutional Rights, Committee on the Judiciary, U.S. Senate, on Constitutional and Statutory Sources of Investigative Authority in the Executive Branch of Government, Mar. 9, 1971, 92d Cong., 1st Sess.; Hearings before Subcommittee No. 4, Committee on the Judiciary, House of Representatives, Apr. 1, 1971, 92d Cong., 1st Sess.; Hearings before Subcommittee No. 5, Committee on the Judiciary, House of Representatives, on H.R. 6228, Apr. 7, 1971, 92d Cong., 1st Sess.; Hearings before Foreign Operations and Government Information Subcommittee, Committee on Government Operations, House of Representatives, on Executive Privilege, June 29, 1971, 92d Cong., 1st Sess.; Hearings before Subcommittee on Separation of Powers, Committee on the Judiciary, U.S. Senate, on Executive Privilege and S. 1125, Aug. 4, 1971, 92d Cong., 1st Sess.; Hearings before Subcommittee on Separation of Powers, Committee on the Judiciary, Senate, on Executive Order 11605 and S. 2466 and S. Res. 163, Oct. 5, 1971, 92d Cong., 1st Sess.; Hearings before Subcommittee on Constitutional Rights, Committee on the Judiciary, U.S. Senate, on Speedy Trial Act of 1971, S. 895, Sept. 14, 1971, 92d Cong., 2d Sess.

advocacy which indicates a good judicial temperament. Finally, I believe him open-minded in his search for solutions to the constitutional and legal interpretations which this Nation will face in the years ahead.

It seems imperative to me that, as a Nation, we once again achieve a common respect for the law and respect for the Supreme Court as the ultimate decision-maker in our system of justice, and that respect requires the recognition of politically liberal and politically conservative justices that they properly contribute to the national welfare so long as they respect the Constitution and interpretations as being more important than their individual political viewpoints. I am confident Mr. Rehnquist will honor that separation.

Congressman SAM STEIGER has this to say:

This is more than the normal, ritual endorsement of an executive appointment by a Member of Congress who resides in the appointee's State.

Bill Rehnquist, by temperament, training and character, will be a magnificent member of the Supreme Court. His intellectual ability, his honor and integrity, and his legal achievements have been attested to by his shrillest critics.

It is incredible to me that this man, whose intellectual stature absolutely precludes bigotry, would be called racist, even by the most partisan practitioner. That Bill Rehnquist would be indifferent, or worse, to civil liberties would be laughable if these charges were not being mouthed by people who should know better. . . .

I have known Bill Rehnquist for a decade—both professionally and socially. In most of my dealings with public figures I have found my respect mitigated by tolerance after similar exposure. Not so in the case of Bill Rehnquist. I can say without hesitation that the more I know of him, the greater is my undiluted respect for him.

Mr. Jarrel F. Kaplan, a civil rights leader in Phoenix, had this to say:

I have known Mr. Rehnquist well as a professional colleague for many years. He is an outstanding lawyer, completely thorough, scholarly, perceptive, articulate and possessed of the utmost integrity as well as a keen wit. He enjoys the highest respect of his fellow lawyers for his legal talent. There is, in my mind, no question about Mr. Rehnquist's legal qualifications to serve upon the Supreme Court.

. . . . . .

For many years I have worked to build bridges of communication and understanding among our many groups of people in Phoenix. I have been, and am, most concerned with prejudice and discrimination against minority groups. In 1963, I was appointed by the Mayor to the City of Phoenix Human Relations Commission, which is dedicated to the elimination of this monstrous social disease. For several years I served as Chairman of the Commission. I have also served as President or Chairman of other organizations whose functions are to promote better human relations among all people. In all my years of intergroup relations in this community, I have never once heard reference to Mr. Rehnquist as bearing hostility toward minority persons.

He did, as I recall, disagree with the content of certain proposed civil rights legislation at both the City and State levels. But unlike others, whose opposition was clearly suspect, Mr. Rehnquist's objections were based on legal grounds which he presented in a sincere fashion.

Phil C. Neal, the dean of the University of Chicago Law School, had this to say in a letter:

I should like to express my warm support for the confirmation of William H. Rehnquist as Associate Justice of the Supreme Court.

Rehnquist was a student of mine at Stanford Law School. He was not only the top student in his class but one of the best students in the School over a number of years. He has remained in my mind as one of the most impressive students I have had in some twenty-two years of teaching.

I am confident that he is a fair-minded and objective man. Any suggestions of racism or prejudice are completely inconsistent with my recollections of him. Although I have had little contact with him in the intervening years, I have confirmed my impressions about both his intellectual quality and his objectivity with members of the Arizona bar whose judgment I respect.

I believe he would be an independent judge and that he would bring to the Court an unusual capacity for understanding and responding to all dimensions of the difficult problems the Supreme Court must confront. In my judgment his appointment would add great strength to the Court.

Prof. Thomas Kauper, of the University of Michigan Law School, wrote in his letter:

It was my privilege to serve as Deputy Assistant Attorney General for the Office of Legal Counsel, United States Department of Justice, during the period from May, 1969 through July, 1970. In that capacity, I worked very closely with William H. Rehnquist. . . . I urge you to support his nomination.

William H. Rehnquist is as fine a lawyer as I have encountered. He has a scholarly, intellectual approach to legal problems which is not found in many practicing lawyers. While he and I did not always agree on the resolution of legal issues, I always received a fair hearing and found him eager to learn all that he could before making a decision. In addition to a powerful legal mind, and perhaps equally as important, Mr. Rehnquist has abiding interest in and concern for the development of the law and legal institutions. He has all the qualities to become a truly great judge, and to assume a substantial degree of intellectual leadership on the Court for a number of years to come.

Based upon my close working relationship with Mr. Rehnquist, I believe he is exceptionally well qualified for the position to which he has been nominated. I might also add that I have been somewhat dismayed by charges made during the past that he is a "racist." That is a term used rather loosely these days, but I surely hope that we have not reached the point where all political conservatives must bear the racist label. Mr. Rehnquist is of course on the conservative side of the political spectrum. But I neither saw nor heard anything during my two years with the Department which would in any way suggest that Mr. Rehnquist had any tendency toward racism. Charges to the contrary seem wholly unwarranted.

Finally, I quote from a letter of Mr. Edward L. Wright of Little Rock, Ark., a former president of the American Bar Association and a man whom I have known and trusted for a long, long time:

I have known Lewis F. Powell, Jr., intimately for many years and have worked extremely closely with him in many American Bar Association matters. He is a truly great man, whether measured by his impeccable character, his outstanding intellect, or his unselfish activities in the genuine public interest. In my opinion he will become one of the outstanding and recognized jurists of all times to sit on the Supreme Court of the United States.

I am not well acquainted personally with Mr. William H. Rehnquist, but I feel that he has all of the proper credentials to make an excellent member of the Supreme Court. For these reasons I trust that the Senate will promptly confirm both of them.

Mr. President, I have now quoted extensively from the record the views of the nominees and I have alluded in detail to the testimony of men who have known each nominee over a period of time. I have not attempted to twist anyone's words or to take an isolated statement out of time or context. The result ought to be plain for anyone with a sense of basic fairness. On this record, if the Senate rejects these nominations, or either one of them, history will not record that there were any legitimate "special and strong reasons for the refusal." History will not kindly remember those who would deny these two men an opportunity to sit on the Supreme Court.

Mr. President, I began these remarks with the observation that there have been periods in our Nation's history when Justices of the Supreme Court have attempted to write their personal philosophy into the Constitution. I concluded that such an effort was always a mistake. In my opinion, our Nation has just passed and is still passing through one such period in one area of the law and it has been a mistake.

In recent years a majority of the Supreme Court—no doubt in good faith, but nonetheless with erroneous judgment—began to impose new standards on the administration of criminal justice in the United States on both the Federal and State levels. These decisions have not enforced, as some have suggested, the simple rule that law enforcement agents must "live up to the Constitution" in the administration of justice, a Constitution that establishes known and basic standards. If this was all that was involved, no one could legitimately complain. My voice, for one, would not have been raised. Instead, these cases have, to a significant degree, created and imposed on a helpless society new rights for the criminal defendant. The pursuit by some jurists of abstract individual rights defined by ideology, not law, has threatened to alter the nature of the criminal trial from a test of the defendant's guilt or innocence into an inquiry into the propriety of the policeman's conduct. And many of these new rights have been carved out of society's due measure of personal safety and protection from crime. Indeed, since 1960, in the criminal justice area alone, the Supreme Court has specifically overruled or explicitly rejected the reasoning of no less than 29 of its own precedents, often by the narrowest of 5-to-4 margins. The high watermark of this tendency to set aside precedent was in 1967, when the Court overturned no less than 11 period decisions. Twenty-one of the 29 decisions the Court overruled involved a change in constitutional doctrine—accomplished without invoking the prescribed processes for the adoption of a constitutional amendment. It is significant that 26 of these 29 decisions were handed down in favor of a criminal defendant, usually one conceded to be guilty on the facts.

In my judgment, these decisions, however well intentioned, have come at a most critical juncture of our Nation's history and have had an adverse impact on the administration of justice. Our system of criminal justice, State and Federal, is increasingly being rendered more impotent in the face of an ever rising tide of crime and disorder.

President Johnson's prestigious Crime Commission in 1967 began its monumental study of crime in the United States with these tragic words:

There is much crime in America, more than ever is reported, far more than ever is solved, far too much for the health of the Nation. Every American knows that. Every American is, in a sense, a victim of crime. Violence and theft have not only injured, often irreparably, hundreds of thousands of citizens, but have directly affected everyone. Some people have been impelled to uproot themselves to find new homes. Some have been made afraid to use public streets and parks. Some have come to doubt the worth of a society in which so many people behave so badly. Some have become distrustful of the Government's ability, or even desire, to protect them. Some have lapsed into the attitude that criminal behavior is normal human behavior and consequently have become indifferent to it, or have adopted it as a good way to get ahead in life. Some have become suspicious of those they conceive to be responsible for crime: adolescents or Negroes or drug addicts or college students or demonstrators; policemen who fail to solve crimes; judges who pass lenient sentences or write decisions restricting the activities of the police; parole boards that release prisoners who resume their criminal activities.

It is in this context that I, for one, especially welcome these two distinguished nominations. I see and support them not as an attempt to put a "liberal" or a "conservative" on the Court, but rather to appoint to the Court men of the highest integrity and outstanding competency, men characterized by a deeply held fidelity not to an abstract ideology of the left or the right, but to the Constitution itself, and I believe that if we can return to fidelity to the Constitution our society will be both free and safe.

Mr. President, I, therefore, support the nominations of Lewis F. Powell, of Virginia, and William H. Rehnquist, of Arizona, to the Supreme Court.

INDIAN EDUCATION

Mr. MONDALE. Mr. President. In his message on Indian policy issued in July 1970, President Nixon said:

One of the saddest aspects of Indian life in the United States is the low quality of Indian Education.

The President's statement echoed the findings of the Senate Special Subcommittee on Indian Education. The subcommittee report, "Indian Education: A National Tragedy—A National Challenge," issued in November 1969, documents the truly disastrous condition of Indian education:

The average educational level of Indians under Federal supervision is 5 school years;

Only 18 percent of all students in Federal Indian schools go on to college, while the national average is 50 percent;

In 1969, the BIA spent only $18 per year per child on textbooks and supplies compared to a national average of $40.

The President also supported the subcommittee's key recommendation—that Indian citizens, like other Americans, should govern their childrens' schools. The President said:

We believe each Indian community wishing to do so should be able to control their own Indian schools.

And yet now more than a year after the President's statement, the BIA has contracted with only one additional Indian community.

S. 1401, the Comprehensive Indian Education Act of 1971, of which I am a cosponsor, would reform the BIA school system by placing control at the Federal level in the hands of a new National Board of Regents of Indian Education, which in turn would support establishment of local school boards to operate BIA schools.

But the administration already has power to extend control of Indian schools to Indian parents. If the President's policy were followed, that would happen.

Mr. President, an article entitled "Indian Run-Around," from the Washington Post of November 7, describes the frustrating experiences of local Indian communities which have tried to take advantage of the President's policy. Strangled in redtape, these local groups are only the latest victims of the BIA's stubborn refusal to permit Indian citizens to lead their own lives. I ask unanimous consent that this article may appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDIAN RUNAROUND—HOW THE BUREAUCRACY VETOES A NIXON VOW ON SCHOOLS

(By William Greider)

On the Wind River reservation in Wyoming, which the Shoshone share with the Arapahoe, about 40 or 50 Indian children did not go back to boarding school this fall.

Most of them were under the impression that a new high school would be operating on their reservation, controlled by an Indian school board, supported by the federal government. They were misled by what they heard from Washington. Some of them are still waiting.

The children at Wind River, when they reach high school age, are scattered across the map. About 300 or so go to two public high schools off the reservation in the towns of Lander and Riverton. An additional 150 or so are sent to government boarding schools in six states. Still others, perhaps a couple of hundred, don't go to school any more.

"What we're trying to do," says Allison Sage, an Arapahoe who is president of the Wind River Education Association, "is bring our kids back home and attack the drop-out problem or, rather, the push-out problem."

He and the other parents at Wind River have been trying to get their own community high school, which, after all, is not exactly a radical proposal. They are encouraged by words from the President himself and by a letter from the commissioner of Indian affairs. But so far they have encountered mostly frustration and postponement.

The educational problems at Wind River are a small matter compared to the tens of thousands of Indian young people already lost, but the situation is noteworthy because the parents there have tried—and so far failed—to do something dramatic to "bring back" their kids.

In the process, they have discovered what any seasoned Washington lobbyist could have told them—that the President makes the grand declarations of government policy, but that he is not there when bureaucrats draft the regulations or negotiate the contracts or keep the project proposals shuffling back and forth from one office to another. The people from Wind River have become convinced that this process, in the end, can twist the President's words or perhaps even veto his ideas.

COALITION FORMED

Among Indian leaders, there was general applause and even some cheering when President Nixon first announced his new goals for Indians: The Indians themselves would begin to run things. The paternalism of non-Indian bureaucrats would be replaced with self-determination contracts through which tribal leaders could take over the operation of government programs.

As the President envisioned it, these contracts might cover any of the variety of federal programs on the more than 300 Indian reservations, from real-estate management to police protection. The heart of it, however, was to be education—where people shape their own image of themselves and determine whether their culture will survive in their children.

Mr. Nixon declared: "Consistent with our policy that the Indian community should have the right to take over the control and operation of federally funded programs, we believe every Indian community wishing to do so should be able to control its own Indian schools."

That was July 8, 1970. Since then, only one tribe—the small band of Miccosukee in South Florida—has managed to wrestle out of the Bureau of Indian Affairs the kind of contract which gives the Indians control over their school. They accomplished that in part because their tribal chairman, Buffalo Tiger, waded through repeated tangles of red tape and in part because the tribe had a Washington lawyer lending his time and expertise to the struggle.

Three other tribal groups—the one at Wind River, an Oglala Sioux community at Pine Ridge, S.D., and the Crow reservation at Busby, Mont.—have also waded into the thicket with firm proposals, but so far they have not come out with contracts. Instead, the process has created a lot of legal back-and-forth between them and the bureau. They have felt the need to form a "coalition" of some 10 fledgling Indian-controlled school boards, united to prod the BIA into doing what the President said to do.

32 YEARS LATER

The coalition was in Washington last week, lobbying at the bureau, the Interior Department and Congress. Its "position paper" expressed considerable skepticism about the future of self-determination contracts:

"Each day's procrastination endangers at least four Indian community school projects and retards the education of our children. Our belief in the good faith of this administration as regards self-determination for Indians in education is fast dwindling and only immediate fulfillment of prior commitments can restore our support."

The commissioner of Indian affairs, Louis R. Bruce, an Indian himself, and Secretary of Interior Rogers C. B. Morton periodically reaffirm their devotion to the idea. But the Indian skepticism is based solidly on the history of reform—initial enthusiasm buried by bureaucratic delays and diversions. The official policy of the BIA, for instance, is to phase out government boarding schools. That has been the official policy for more than 35 years, yet the percentage of Indian children who must leave home for their schooling has dropped only modestly since 1930.

The current few who are trying to get self-determination contracts fear that their experience will be a negative object lesson for other tribes who will see the frustration and won't bother to try.

"It's trying desperately to get off the ground," says Mrs. Barbara Sinclair, a Shoshone from Wind River, "but the bureau is saying, Oh, we don't know if that's right. They're so expert in everything. They won't give up anything."

QUITE IRRESPONSIBLE

For their part, the BIA officials insist that their caution is merely prudent, that contracts must be carefully drawn to insure accountability, that hastily launched projects might fail and injure the children, that the government must be satisfied that the school-control proposals are what the reservation parents really want.

Elizabeth H. Skelly, an education officer who has done much of the negotiating, says the accusations of foot-dragging are "quite irresponsible." The Wind River sponsors, she says, "just rant and rave on. It's really a political maneuver on their part to build up the pressure and barrel through a loose contract."

She expects that as many as six Indian-controlled schools may be operating with BIA contracts by next fall, though how many follow beyond that is less certain. Even six would represent dramatic progress compared with the past.

"However, in the last six months," Mrs. Skelly says, "we've met with tribal groups that are interested but a great deal of doubt and concern has been expressed. They like the idea, but they see all the problems they are getting into. They have a feeling they might get out on a limb by cutting off the bureau. There's much more reluctance than one might think. After all, this is a big step for these people to take."

Mrs. Skelly contends that each step of delay has involved a legitimate problem, often a requirement which the sponsoring group had failed to meet. The way the sponsors tell it, each time they meet one objection they are given a new one to contend with.

THE SAUCE LETTER

At Wind River, for instance, Sage, Mrs. Sinclair and the others spread the word in April that a new high school could be opened in September, using the facilities of an Episcopal mission. Their confidence was based on a letter from Commissioner Bruce expressing "our firm intent" to contract for a high school in the fall with at least $250,000.

"This is the kind of local initiative by Indian tribes which I wish to encourage, and I intend to give this matter personal attention until a contract has developed," Commissioner Bruce said.

The Wind River group set out to demonstrate the community support required by the bureau with petitions signed by more than 900 parents and students, in contrast to an opposition petition signed by fewer than 100, mainly Shoshones. A series of referendums held at local elementary schools produced better than 2-to-1 support. The Arapahoe Tribal Council passed a resolution endorsing the proposal—though the Shoshone council did not, a fact which BIA officials consider an obstacle to a contract.

The sponsors did not hear any more encouragement from Bruce, but they heard lots of questions from his subordinates in the Indian agency. A negotiation meeting was set for May, but according to Michael Gross, lawyer for the Wind River association, "We were sitting around the table waiting for the BIA and nobody showed up."

The problem, it seems, was that influential congressmen and departmental contract officers were upset by the new Indian contracts which tribes were seeking and which some BIA officials (mainly Indians brought into office by Bruce) were promoting. They questioned the format, the legal authority, the procedures for audit control. The flap inside the BIA made cautious officials even more timid. All negotiating was suspended while a contract team worked on a "model" contract that would apply to the Ramah, N.M., Navajo school started in 1970 as the first of its kind.

The new "model" contract wasn't completed until mid-September and, when they saw it, the Indian school boards objected strenuously, but unsuccessfully. It was 39 pages long and loaded with fine-print prescriptions on how the Navajo parents at Ramah should operate their school, down to the lunch rations of fruit and corn muffins. It was essentially a procurement contract, like those for buying paper clips or pencils.

By contrast, the bureau signs contracts every year with state governments for the distribution of federal aid to educate Indian children—and these agreements are brief and generalized. The state schools get their money in two advance payments, with no requirement for advance proof of expenditures; the Indian schools will have to submit monthly invoices detailing their expenditures before they can get the federal money.

Lawyer Gross contends that the BIA could draw similar contracts with the Indians, giving them more leeway to make their own decisions. "Educational services are not commodities," the school-boards coalition protested. The BIA insists, however, that it must follow the long contract form or run into new objections from Congress or the auditors.

OUT OF FAITH

While the "model" contract was still being drafted, the Wind River group met with bureau officials in July and were told that the proposal which the BIA commissioner endorsed in April was impractical. The proposed contract of $250,000 was not enough to finance a decent high school and, besides, there was not enough time.

"These people," Mrs. Sinclair complains, "are all Eastern and they think in terms of two or three thousand kids for a high school. I pointed out to them that Chugwater, Wyoming, graduated seven kids."

Nevertheless, the Wind River group reluctantly accepted the idea that it would not get a high school this fall, but would try instead for an "education resources center," a euphemism for a special school to deal with 9th and 10th grade children who have left school.

No progress has been made so far on this plan. But, according to Mrs. Skelly of the BIA, any delay can be blamed on the Wind River group because it did not promptly submit the new proposal. In any case, she suggested last week that the Indians may have to produce evidence of community support all over again—since their original petitions and resolutions were in support of a high school, not a special center.

"What's so sad," says Mrs. Sinclair, "is that people were really steamed up about this last spring. We simply can't go back to the community any more and say there's something going to happen in two weeks, then it's three months and nothing. People are out of faith."

The sponsors like Sage and Mrs. Sinclair feel that the opposition has been inspired by whites who do not want to see an independent school district established on the reservation for fear of losing tax revenues which the off-reservation schools draw from oil fields on the Indian lands. In any case, both of Wyoming's senators agree that the Wind River proposal does have strong support among the Indians and they are pressuring the bureau to reach an agreement when they meet again this week.

THE BUREAU'S RECORD

Meantime, the school coalition members take a glum view of the bureau's insistence on "good management." Frank LaPointe, representative from the Rosebud Sioux reservation in South Dakota, complains: "They have a mentality that goes something like this—that we can do it better than Indian people can. It goes like this, too—Indian people can't do it."

There is no question that some of the BIA's caution stems from fears that turning over money and school children to Indian parents will risk wasting both. The irony is that the BIA has managed in the past to waste quite a lot itself without involving Indian control.

A harshly critical internal audit of BIA contracts by the Interior Department recently concluded:

"Most of the things we found wrong represent a continuation of long-standing practices. While the new thrusts of bureau programs toward tribal involvement have added to the problems, a conclusion identifying policy changes as the principal cause is, in our opinion incorrect."

Among other things, the auditors found an area director who bought six cars but neglected to get title to the vehicles. In another instance, a bureau employee took over a contract when the contractor died. In another, a training school was advanced $113,000 but only spent $67,000—and had use of the extra money interest-free before the bureau got it back. A relocation and training project proposed a contract to handle 77 Indian families for $216,000, then revised it a month later—reducing the number of families 48 per cent and the price 9 per cent.

The Indians think they can match that record for fiscal responsibility—and maybe even do a little better.

ENVIRONMENTAL PROTECTION: IT IS A JOB FOR EVERYBODY

Mr. HANSEN. Mr. President, Russell E. Train, Chairman of the Council on Environmental Quality, recently addressed the National Soft Drink Association at its Houston convention.

His speech, to my mind, strikes an excellent balance between those who are rightfully concerned about the overzealousness on the part of some and the foot-dragging tactics of others as we come to grips with the national problem of environmental protection.

What Judge Train says makes very good sense. He strikes the important balance I referred to between our economic growth and our ability to pay for cleaning up our environment, but he is positive and persuasive on the side of protection.

He is dedicated—as I think most of us are—to getting on with the job of providing a higher quality of human life.

Pollution in the United States, he says, adds up to inefficiency and waste. Pollution, Chairman Train notes—

Is basically inefficient, a wasteful misuse of resources. And most importantly, it is an area where we can make specific and positive progress, where we can innovate, to develop new technologies and new processes, and most important of all to dedicate ourselves to the goal of a higher quality of human life.

Mr. President, I know of no one more qualified to do a better job, more factually and forcefully, than Russell E. Train. I was privileged, as a member of the Senate Interior and Insular Affairs Committee, to question him at his confirmation hearing before he became the Under Secretary of the Department of the Interior, several years ago. Since then, he has taken over as Chairman of the President's Council on Environmental Quality and has done a truly outstanding job.

As he put it in the mid-November speech:

Among the challenges of peace, none is more important than the need to direct our technology and our economic activities to improving the quality of life.

To help meet this challenge, President Nixon has made environmental protection one of the great goals of this Administration.

I agree wholeheartedly, Mr. President, with what Chairman Train says. Environmental protection is a great goal. And it is a goal a great people will surely accomplish.

It will not be accomplished by name-calling or brickbats; rather it will be accomplished by a dedicated commingling of effort, both by industry and by environmentalists who are rightfully concerned about where our country is heading in this important area and what all of us have to do to make sure that we recognize that environmental protection is a job and a goal for everybody.

It is a crucial area of concern. As Russell Train points out:

The growth in the volume of pollutants has been far greater than the growth of population. . . . The rapid growth in technology has had a direct relation to the growth of environmental pollution—not because technology per se is pollution—but because, until recently, we developed technology without consideration of adverse environmental side effects and because the manufacturing and production processes through which we have applied our technology failed to give adequate account to environmental costs.

Mr. President, what Judge Train said is important because it recognizes the balance of which I am speaking: the need, as he points out—

To demonstrate our commitment, in government and in industry, to the goal of environmental improvement and to develop strong, effective, and balanced programs to meet that goal.

As Chairman Train notes:

The comprehensive environmental legislative program which President Nixon sent to the Congress last February, including some 10 bills, "represents just such a strong effective and balanced program."

Neither side of the issue of environmental protection, Mr. President, has a corner on truth and justice, and in all too many instances the facts have not slowed misdirected attacks or distorted charges. This is, hopefully, becoming more a thing of the past as all of us face up to our responsibilities in this field.

This is an area that is being set right, at long last. Both sides have grown much more willing to see the other's point of view. Both sides, by working together, have become more effective and are doing a far better job.

The result, of course, will be a cleaner, more beautiful—and more healthful—America.

Because of this commitment to really get the job done, our environmental programs, Judge Train points out, have taken on a decided upswing in their developmental progress. And as these programs have become increasingly effective, he says:

It is right and, indeed, essential, that we pay increasingly careful attention to the economic costs involved.

As Chairman Train observes:

The totals will be large. Our Council's last annual report estimated the cost of air and water pollution control and the management of solid wastes to both government and industry together to be about $105 billion over the six-year period 1970–1975. While this total is high in the aggregate, the cumulative expenditures over the six-year period are expected to be less than one percent of the gross national product.

Industrial expenditures for air and water pollution control have been rising sharply. We estimate their level this year to be about $3.6 billion, up about 50 percent from 1970, which in turn was up about 50 percent from 1969. Industry air and water pollution controls costs will generally be less than one percent of the value of shipments. And we must remember that the environmental control costs of one firm tend to represent income and revenues to other firms and workers, and there should be no significant impact on total employment because of the effort to control pollution.

There is no question of the continuing need to do a careful and thorough job of economic analysis of environmental problems and programs. This is particularly true as environmental standards rise.

Mr. President, what is to be gained—or what is to be lost—if we do or do not continue this commitment to excellence?

On the deficit—or cost—side, Chairman Train reports:

To be able to deal comprehensively with the question we really need a better environmental balance sheet than we now have. But we already know that air pollution, for example, is costing us money. There is a growing body of evidence which indicates that the long-term effects of exposure to low concentrations of pollutants can adversely affect health and result in chronic diseases and premature death.

Major illnesses linked to air pollution include emphysema, bronchitis, asthma, lung cancer and even the common cold. One evaluation of epidemiological studies suggests that a 50 percent reduction in air pollution would eliminate damages to health by more than $2 billion in a single year. The Environmental Protection Agency has estimated that the total economic costs of mortality and morbidity due to air pollution is around $6 billion annually.

Air pollution also affects property values. Studies of the willingness of people to pay more for residences in areas having cleaner air are persuasive. Data showing that income levels correlate inversely with air pollution levels in large cities—the poorer you are the more you are affected by air pollution—suggest that heavy air pollution may result in lowered property values, and lower housing costs. One study of property values, based on data from the three cities, shows that increases of 10 percent in air pollution levels can result in decreases of $500 per residential property tract.

The effect of air pollution on vegetation and materials was estimated at just under $5 billion in 1968. The total estimate in 1963 of the direct costs of air pollution in the United States alone—not taking into account discomfort, anxiety, or esthetic degradation—was put at $16 billion annually. This total is far in excess of abatement costs.

This leads, then, to the plus side of the ledger. And it is impressive, Mr. President.

Chairman Train reports:

If we balance the overall costs and benefits of our pollution control programs, I am personally confident that we would find a net economic gain; indeed, that we would also find that many more have gained than have lost. There is a net profit to our society in cleaning up the environment.

Thus, Mr. President, reasonable people should be able to agree that environmental protection, the adding to the quality of life, just plain makes good sense, both esthetically, and in dollars and cents.

So I agree with Judge Train when he says that "it is time we stopped looking at environmental programs simply as a problem and start seeing them as an opportunity."

He continues:

The development and application of pollution control technology should create significant new business opportunities by opening up new domestic and international markets. If we are somewhat ahead of most other countries in the setting and enforcement of environment standards, we should also be ahead in the development and application of control technology.

Finally, Mr. President, just where do we find ourselves as we come to grips with this national problem?

As Judge Train stresses: "The American people have the talent and the energy—and I believe the will—to provide leadership in the world," and this, to my mind, is manifestly true.

Because it is true and because it reflects a reasonable approach and one which brings the two sides together to accomplish a great goal, I believe it will succeed and suceed in an important and meaningful way, and sooner than a number of people think.

Chairman Train emphasizes:

If we are to succeed, it will be because we are willing to innovate, to develop new technologies and new processes, and most important of all to dedicate ourselves to the goal of a higher quality of human life.

This, then, Mr. President is the challenge.

It is a challenge that I am convinced we as a people can meet if we continue to stress that environmental protection is a job for everybody.

When we succeed, we will indeed have a higher quality of human life.

And that, Mr. President, is well worth the battle.

GOVERNOR OF MINNESOTA OPPOSES BUTZ NOMINATION

Mr. MONDALE. Mr. President, I recently received a telegram from Wendell R. Anderson, the Governor of my home State of Minnesota, stating his objections to the nomination of Dr. Earl Butz for Secretary of Agriculture.

I believe that Governor Anderson's message summarizes quite well the opinions and viewpoints of thousands of typical Minnesota farmers. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN.

Senator WALTER MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: As governor of Minnesota, I commend you for the leadership you have exhibited in the fight against the confirmation of Dr. Earl Butz as Secretary of Agriculture.

With the action of the Senate Agriculture Committee Monday in recommending approval of the nomination, the struggle now

shifts to the Senate floor. I am certain I speak for thousands of Minnesotans when I urge you to continue the fight against confirmation with renewed vigor.

The philosophy espoused by Dr. Butz leaves little room for the survival of rural Minnesota and rural America, as we now know it. He has said the family farmers must "adapt or die." Yet the President has made it perfectly clear his administration would never dream of applying that mechanistic, law-of-the-jungle approach to financially troubled corporate giants such as Lockheed Aircraft.

He has said this Nation will need no more than 1.9 million family farmers by 1980, as compared with 2.9 million today. If such a reduction is applied to Minnesota, this would deplete the number of farm families by more than 40,000—from the present 122,000 to fewer than 80,000. Their departure from the land would spell the end of many small rural communities. He has said $1 is a fair price for a bushel of corn, at a time when the cost of producing that bushel is $1 or more, and when low prices will bring Minnesota farmers approximately $100 million less for their crops than they received last year.

The food stamp program, a program that has benefitted millions of poor Americans and helped ease our commodities surplus problem, is "ridiculous" in Dr. Butz' eyes.

Dr. Butz is a poor choice to succeed Cliff Hardin. He does not and cannot properly represent the farmers of Minnesota, his record under Ezra Taft Benson, his known orientation toward agribusiness, and his declaration before the Senate Agriculture Committee provide adequate proof of that.

WENDELL R. ANDERSON,
Governor, State of Minnesota.

STATEMENT OF POSITION ON VOTES

Mr. MILLER. Mr. President, I ask that the permanent RECORD reflect my position on the rollcall votes I missed on November 16 and November 22, as follows:

No. 341 Leg.—Roth amendment No. 642 establishing a ceiling of $229.2 billion on Federal expenditures for fiscal year 1972—"nay";

No. 342 Leg.—Cranston amendment No. 640, to strike from the bill title VI, to provide for protection of balance of payments through presidential authority, to limit imports and impose surcharges on imports—"nay";

No. 343 Leg.—Modified Fulbright amendment No. 672, providing for the termination on December 31, 1974, instead of December 31, 1976, Presidential authority under title VI relating to protection of balance of payments—"nays";

No. 344 Leg.—Modified Humphrey amendment No. 563, increasing the low income allowance from $1,050 to $1,300 for the tax year 1971—"nay";

No. 345 Leg.—Ribicoff amendment to Pearson amendment, extending 10 percent investment tax credit to purchasers in cities with 6 percent or higher unemployment rate—"nay";

No. 346 Leg.—Pearson amendment, as amended, to extend the 10-percent investment tax credit to rural areas—"yea";

No. 347 Leg.—Motion to table Javits amendment No. 533, requiring President's budget to include an estimate of revenue lost because of deductions, credits, and income exclusions—"nay";

No. 348 Leg.—Javits amendment No. 533—"yea";

No. 378 Leg.—Dominick amendment No. 717—to Pastore amendment No. 692—requiring annual report of Senate Committee on Finance on costs for administering Presidential Election Campaign Fund—"yea."

A BOOK BY DR. JAMES F. MILES ENTITLED "ECONOMICS, FREE ENTERPRISE, LESS FEDERAL GOVERNMENT"

Mr. THURMOND. Mr. President, Dr. James F. Miles, an associate professor of Agricultural Economics at Clemson University, has written a book entitled, "Economics, Free Enterprise, Less Federal Government," which I recommend to my colleagues.

It is heartening that we have a book like this which focuses on the unwise path our Government is taking with many of our Federal programs. In this book Dr. Miles alerts the reader to the rapidly growing Federal Government by citing the tremendous costs of various Government programs, many of which the author thinks we would be better off without.

Mr. President, Congress continually enacts legislation establishing new Federal programs and agencies in an attempt to cure the ills of our society. The costs of these programs and their economic feasibility are given little or no study once they have been implemented.

We are fortunate to have this book by Dr. Miles which analyzes this problem and informs the American taxpayer how his tax dollar is being spent.

ANNOUNCEMENT OF POSITION ON VOTES

Mr. GAMBRELL. Mr. President, I was necessarily absent when several record votes were taken on amendments to H.R. 10947, the proposed Revenue Act of 1971, because of longstanding prior commitments in Georgia, and because of my participation as a delegate at the American-German Conference.

Had I been present on November 13 and 15 when votes on these amendments were taken, I would have voted as follows:

First. I would have voted "yea" on the motion to table the Mondale amendment No. 649 to postpone for 1 year from January 1, 1972, to January 1, 1973, the scheduled increase—from $7,800 to $9,000 per year—in the social security tax base;

Second. I would have voted "yea" on the modified Williams amendment No. 670 to repeal the 10-percent manufacturers' excise tax on local transit system buses;

Third. I would have voted "yea" on the Kennedy amendment requiring the Secretary of Treasury to prescribe regulations having the effect of assuring that benefits from the repeal or suspension of automotive excise tax accrue to the ultimate purchaser;

Fourth. I would have voted "yea" on the Humphrey amendment requiring the President to report to the Congress and Comptroller General concerning funds appropriated by the Congress which are partially or completely impounded;

Fifth. I would have voted "nay" on the Buckley amendment No. 669, urging the President to exempt from the import surcharge articles which are a product of Canada and Mexico;

Sixth. I would have voted "nay" on the Nelson amendment No. 543 to make the investment tax credit inapplicable with respect to purchases in excess of $1 million per year.

Seventh. I would have voted "yea" on the Baker amendment to exclude from the automotive excise tax domestically produced boxes and containers.

Eighth. I would have voted "yea" on the modified Stevens amendment to require the Internal Revenue Service to give prior notice to taxpayers on whose salary a levy is to be attached to recover delinquent taxes.

Ninth. I would have voted "nay" on the Stevens amendment authorizing a tax deduction of up to $1,000 for expenses to maintain or improve a residence.

Tenth. I would have voted "yea" on the Humphrey amendment No. 645, requiring the Internal Revenue Service to furnish individual taxpayers an annual statement showing how his income tax was spent.

Eleventh. I would have voted "yea" on the Tunney amendment No. 671 to increase from $12,000 to $18,000 the combined family income level above which child care deduction allowances would phase out.

THE U.S. FISHING INDUSTRY

Mr. HATFIELD. Mr. President, I wish to address a few remarks to the plight of our Nation's fishermen. I do not mean the thousands of recreational fishermen, both fresh water and deep sea, but rather the current plight of the commercial fishermen of the country.

Senators have heard me speak before about the decay and decline of our domestic fishing fleet, and the problems brought about by increased foreign fishing off our coasts. I will not go into those again today, but I want to comment on why I feel that representatives of the fishing industry of the United States should be included as members of the U.S. delegation to the 1973 United Nations Law of the Sea Conference.

My good friend the Senator from Washington (Mr. MAGNUSON) and the Senator from Alaska (Mr. STEVENS) joined me on November 22 in introducing Senate Resolution 203, which is a sense-of-the-Senate resolution urging the inclusion of fishermen as U.S. representatives in the U.S. delegation. We three Senators are all members of the Commerce Committee, where we review various legislative proposals affecting our fishing industry. I applaud the leadership given over the years by the distinguished chairman (Mr. MAGNUSON), for I recall from my 8 years as Governor that he was involved in Congress in efforts to preserve and protect our fishing industry.

At this point in the RECORD, I ask unanimous consent that the text of Senate Resolution 203 be printed.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 203

Resolution to express the sense of the Senate that United States fishing industry representatives be included in the United States delegation to the 1973 United Nations Law of the Sea Conference

Whereas the United States fishing industry has experienced a prolonged period of economic and international difficulties;

Whereas the future of the United States fishing industry currently evidences little hope of improved economic conditions;

Whereas the future of the United States fishing industry is tied to the worldwide preservation of the basic fish resource;

Whereas one country's efforts to preserve the resource would be ineffective;

Whereas the preservation of the fish resource must be based on multination agreement and cooperation;

Whereas the 1973 United Nations Law of the Sea Conference will consider the future management of the resources of the sea;

Whereas the 1973 Conference will take action affecting the future of the United States fishing industry; and

Whereas current membership of the United States delegation does not contain representatives of the United States fishing industry: Now, therefore, be it

Resolved, That it is the sense of the Senate that representatives of the United States fishing industry be included in the United States delegation to the 1973 United Nations Law of the Sea Conference.

Mr. HATFIELD. Mr. President, I wish to stress again that fish is a renewable resource, much like timber. It is not like a mineral, which is mined and then is gone forever.

What we need to talk about, in fish and in timber, is proper conservation of the resource. My years as Governor in the area of proper timber management practices has shown me that the country needs accelerated efforts in reforestation, if we are to meet the Nation's increasing demands for forest products. Senators are aware that this is one of the central thrusts of my American Forestry Act, S. 350.

I digress from my main point, which is the conservation of the fish resources in the world's oceans. The central theme here is that one nation cannot do it alone. The fishermen of the United States could be committed to a man to preserve our salmon, or perch, or hake, or lobster resource, and yet we could see it disappear before our eyes.

What must occur is a multinational effort by all the fishing nations of the world, if our world fish resource is to survive.

As long as there are greedy nations, the future is not secure. As long as one nation looks only to the short-range harvest, all countries suffer. As long as nations with rapacious appetites vacuum up fish off our coasts, then the United States cannot do anything meaningful to protect the resource.

The 1973 United Nations Law of the Sea Conference is a step toward better resource management. Certainly, the preservation of the fish resource must be one of the prime focuses of this Conference.

For some reason, there currently are no representatives of the fishing industry included as members of the U.S. delegation.

I, for one, want to do everything possible to see that our fishermen are a part of our delegation.

Mr. President, last week, the Commerce Committee held hearings on a number of bills in the general fishing area. None dealt with the problem facing us with the U.N. Conference, yet all are tied to it in the long range. I would like certain parts of the transcripts from those hearings to be reprinted in the RECORD.

On Monday, November 22, the Senator from Virginia (Mr. SPONG) presided over the hearings, and one witness was the Honorable THOMAS PELLY, the very able Representative from Washington. All people in the Northwest associated with the fishing industry know what a fine record Mr. PELLY has compiled in this area. He testified on certain bills pertaining to the preservation of our fish resource. I ask unanimous consent that portions of that transcript be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM HEARING

Senator HATFIELD. Thank you very much, Mr. Chairman.

I would like to commend my neighbor and colleague from the State of Washington, Congressman Pelly, for this very outstanding testimony this morning and to recognize again his long record of support and very material effort made on behalf of the national resources of our area and particularly the fishery resources.

Mr. Congressman, as you well know, we have some very great problems as it relates to the fisheries along our own respective coasts of Washington and Oregon and California and Alaska. This type of legislation which you are proposing would, of course, have an important effect on the Danish fishing practices.

But where we do not have import from countries, such as Russia, which is so voracious in its fishing appetite on the Western Coast, it would have no impact at all, would it?

Mr. PELLY. At the moment, no, although the way apparently the relationship between the Soviet Union and ourselves is developing it may well be that we will be having imports.

And I might add that recently I know that the hake fishery off of Oregon has been greatly depressed due to the Soviet fishing.

Senator HATFIELD. And perch.

Mr. PELLY. And they have agreed in this case I think to respect the treaty that we have with them, and they are going to reduce their fishing effort of this product in which we have now a great interest in producing fish protein flour.

Senator HATFIELD. I would amend your statement to include the perch species as well as the hake. Both are being very rapidly depleted by the type and method of fishing engaged in by the Soviet fishing fleets.

And, of course, we have had the problems with Koreans and the Japanese as well in the Pacific.

I think, Mr. Chairman, it is a very important contribution the Congressman has made this morning to remind us again that these are somewhat stopgap measures that we are talking about because eventually we are going to have to consider this whole problem from the approach of the resource.

It is not a question of territoriality or territorial sovereignty as we attempted to do by moving from a 3-mile to a 12-mile limit on the Pacific Coast, because this does not solve the problem with the basic commitment which we have to preserve the resource.

Mr. PELLY. Of course, the fish don't know where the 3-mile or the 12-mile line is, and they seem to migrate back and forth.

Senator HATFIELD. That's right. It is the resource again more than the exact territorial boundaries or limits.

I think we as a Nation have to move with greater acceleration in trying to develop international treaties and commitments by all countries to the preservation of the resources and less concern about the territorial limits which really are rather artificial, especially when 90 percent of our marine life in the ocean is found on the continental shelf of those nations bordering the ocean.

It is all the more imperative that we move, and move soon. I think that what the Congressman is proposing is a very logical preliminary action perhaps. I hope it is preliminary to trigger not retaliation, so much as action on the part of the State Department and other bodies within our own government to undertake serious negotiations with these various countries to get such agreements as the sockeye salmon treaty, and others which preserve the resource. They addressed themselves to the resource rather than territory or sovereignty and these other legalisms which oftentimes neglect the resource.

Would you agree, Congressman, this is our ultimate objective?

Mr. PELLY. Senator, I couldn't agree with you more. Actually, there isn't a nation in Latin America, for example, with whom we have differences that doesn't have a community of interest with us in conservation. And why we have had to wait to settle the sovereignty over the 200 miles and instead didn't get in there and talk about conservation of the resource I am not able to say.

Senator HATFIELD. Thank you very much, Mr. Chairman.

Senator SPONG. Thank you.

For the record, I would like to amend your statement to show the voraciousness of the Russians is not confined to the Pacific Coast. I have worked with it firsthand from the air out here right off the Virginia capes.

Senator HATFIELD. Mr. Chairman, I would say that this points up all the greater responsibility we have to move ahead with some of the legislation to aid our fishing industry. When you look at the Russian technology and the Russian fleets that are ploughing both the Atlantic and the Pacific—even based upon an equal start on this thing—we would still be far behind because we need to update both our fishing fleet and the technology surrounding it.

I have seen these foreign mother ships in which the small ships around move out to do the fishing, come back, process it on the mother ship, and they send it back to Russia without ever having touched land except to send their ill people or their emergency cases to our hospitals. And then we spend the next year trying to collect the payment for the services rendered.

But that is another story.

Mr. PELLY. We allow them, of course, to come into our ports to get water and supplies, and that simply enables them to stay out there longer and deplete the fishing resources more than they would otherwise.

Senator HATFIELD. Mr. Chairman, would it be appropriate at this time just to illustrate the point here of how these particular species are being depleted by including some statistical data showing the various species along the Pacific Coast? It merely illustrates I think the problem that we are facing along the Atlantic Coast as well.

Senator SPONG. They will be admitted to the record.

Mr. HATFIELD. Mr. President, another witness at the Monday hearings was Nathanial Reed, Assistant Secretary

of the Interior for Fish and Wildlife and Parks. I think that my colloquy with Mr. Reed was a productive one. I ask unanimous consent that a portion of the transcript appear at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM HEARING

Senator HATFIELD. Thank you, Mr. Chairman.

I appreciate the recitation of the Secretary on this background material. It is very important in what they are doing in terms of creating the smolts, increased population. But I am a little puzzled as to exactly what the recommendation is of the agency to deal with this problem that we are talking about this morning.

As I read your testimony or listen to it, you identify the issue and the problem. You say the Department of the Interior will fully support any effort that will result in a total ban on high seas fishing for the Atlantic salmon. But then you say you do not recommend the unilateral embargo such as would be authorized in H.R. 3304.

What would the agency recommend to deal with this problem?

Mr. REED. The final paragraph, of course, has been added to the testimony as representing the views of the United States State Department. We feel that the legislation before you without the embargo, nevertheless, would give us a very effective tool to demonstrate to the ICNAF countries, principally Denmark, the necessity of reviewing with great care the quotas that were established last spring at the ICNAF meeting in Halifax, which to our way of thinking do not address themselves to the very serious problem which affects both the Canadian rivers and the rivers of the United States.

We have eight rivers that now contain salmon runs. The Congress has seen fit to give us authorization for a great deal of money to build one of the most modern hatcheries in the world. To my way of thinking, Senator, unless we can effectively reach some agreement on high seas fishing I can't really recommend to the Congress that it would be a very good idea to go ahead with this vast expenditure of money if we are not going to get any fish back.

So we do have a problem. But our hope is that this bill will pass in some form to give us additional leverage at the next meetings of ICNAF.

Senator HATFIELD. You are still putting your confidence and trust in ICNAF then rather than any proposal like Congressman Pelly has?

Mr. REED. No, my trust and faith in ICNAF are certainly strained. I would think that any leverage that we can get and direction we can get from the Congress will be of use to the Secretary of the Interior as he faces this problem.

Senator HATFIELD. You are not implying, are you, that we turn this matter over to the State Department to resolve by the statement here on pages 4 and 5 of your testimony?

Mr. REED. A final decision on an embargo is beyond the purview of the Department of the Interior.

Senator HATFIELD. Right.

Mr. REED. That is substantially what that statement says.

Senator HATFIELD. But, you see, the thing that I have a fear of is that as anyone who carefully studies the situation, as I have, has seen the mineral industry of this country bartered away by the State Department for political treaties with little concern for the economic or other matters or other problems in the metal and mining industry.

I would be very reticent to see the State Department take over the major responsibility of resolving the fishery problems without the full and complete involvement of the Interior Department, because I would be fearful that there would be those who would see this in political objectives rather than in natural resource objectives.

The State Department has a notorious record, in my opinion, of making decisions and policies based upon only politics. This is part of their commitment. After all, the State Department is the State Department. It is not the Interior Department. But I don't want to see them involved in trying to resolve a fishery problem without the input and the complete support of the Interior Department looking at it from purely a natural resource and not from a political basis.

Mr. REED. Understood, sir.

I am sure the Department of State could much better testify to that than I could.

I would like also, sir, to comment on your very excellent questions to Congressman Pelly concerning the problems of high seas fisheries off the Pacific Northwest which in fact are really identical to the problems we are facing off the Georgian Bank in the Northeast controlled again by the ICNAF treaty.

I would be delighted to send you and the chairman for the record a very fascinating paper developed by Frank Grice, the Director of the Department of Natural Resources of the State of Massachusetts called "Pulse Fishing and its Effect on the High Seas Fishing in the Northeast." It is one of the most interesting papers on this subject I have ever read.

Senator SPONG. Secretary Reed, we appreciate your testimony.

Mr. HATFIELD. Mr. President, on Wednesday, the 24th, I had the privilege of presiding at the hearings for a part of the day on the same series of bills. One witness was Ambassador Donald McKernan, Special Assistant for Fisheries and Wildlife in the Department of State. While Mr. McKernan was not aware that I intended to question him about the 1973 United Nations Conference, he gave very fruitful answers to my questions in a productive colloquy. I ask unanimous consent that portions of the transcript on this day appear at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM HEARING

Senator HATFIELD (presiding). The hearing will be resumed.

Ambassador McKernan, I am sorry that I was not able to join this hearing sooner. We have two other subcommittee hearings going on simultaneously and I have been involved in Amtrak before another Commerce Subcommitttee and Duck Stamps on an Interior Subcommittee, so now I am going to be involved in fish.

I understand that Senator Stevens, who was presiding earlier at this hearing, who has now had to go to another matter—we are sort of covering a number of bases this morning—referred to a resolution which Senator Magnuson, Chairman of the Commerce Committee, and Senator Stevens and I introduced the day before yesterday, calling for a sense of the Senate resolution on this matter of representation by the fishery industry on the upcoming U.N. world sea conference. And the bills that we are considering today, of course, relate to some of the problems that are inherent in a situation where there is an absence of agreement or where there is a multiplicity of policies that are being practiced by various nations as it relates to resources.

My thinking has been that we must address ourselves sooner or later on the resource and the conservation practices revolving around that resource if we are going to solve these problems and get global agreements on them, and get uniformity of practice.

With that objective in mind, a number of us have not only written to various agencies of the Federal Government that are planning for the sea conference, but because of the type of answers which we received from some of these agencies, it then triggered our action yesterday in introducing this resolution.

Mr. Ambassador, I would like to give you, as an example, the letter response from the Department of State, a response signed by David M. Abshire, under the date of November 18, responding to my inquiry along this line.

He said, in part, "Dear Senator Hatfield, The Secretary has asked me to reply to your letter in the law of the Sea Conference. The Executive Branch is considering the question of fisheries industry representation of the U.S. Delegation."

Now, you contrast that to a statement of Robert White, the Administrator of NOAA: He said, in part, "We intend to continue to make every effort to insure that our fishery industries have an opportunity to participate fully and directly in U.S. law of the sea activities."

My question to you, Mr. Ambassador, is simply what is your position on this matter of representation in this U.N. sea conference. If it's one in agreement with the context of our resolution, what are you doing to further that action by the Department of State?

Mr. MCKERNAN. Thank you, Senator Hatfield. It's a pleasure to appear before you this morning.

I have been active in the development of the Government's position on law of the sea and attended both preparatory conferences that have been held this year with respect to that law of the sea conference scheduled in 1973.

The Department itself is anxious that the views of not only the fish industry but other industries who are going to be affected by such a conference, for example, the oil industry and the mink industry, and in fact some others, perhaps some people generally from the public who, of course, use the edge of the sea, such places as your great state. And so we have for one thing set up an advisory, an ad hoc advisory group that is in the process of being formed at the present time and to be partially responsive to the views of the fishing industry leaders and others.

Now, we realize that this doesn't satisfy completely the needs with respect to getting an input from these people. And the various departments of government right at this moment—I don't mean figuratively this instant, but I mean at this time—are consulting with one another trying to see exactly how we can get full participation by the interested public, an input into the formation of U.S. policy and U.S. positions at the law of the sea conference.

Now, there are some problems. There are some highly classified questions with respect to our defense measures, for example. And there are some other aspects of the law of the sea problem which make simple resolution of the problem difficult. But I would simply like to say that the Department of State is very anxious to resolve the issue in such a way as to provide for full and adequate participation of all interested groups of the American public, interested in this extremely important subject, one

that obviously will affect our fishing industry and in fact affect the lives and the future of our nation for perhaps generations to come.

Senator HATFIELD. Do I understand your response to me to say that you are considering an advisory group to the official delegation made up of the various interested areas? Would that be the structural arrangement? An advisory group to the official delegation?

Mr. MCKERNAN. That has been one of the suggestions. Let me be more explicit. We have been considering an advisory group to the interagency body which has been working on the United States position and position papers. That would be essentially a national group that would meet before our positions were set in concrete and before we had completed the U.S. position.

And, of course, then we have been considering how to deal with perhaps a portion of that advisory body at the conference itself, so that we can have continuous input from this group. The fishing industry, for example, strongly believes that they have got to be part of the delegation, an integral part of the delegation, full partner in the delegation. Some pepole in government believe that that might not be necessary, that if the delegation were to meet regularly with them, take into account their views at the conference itself, or at the preparatory conference, that perhaps that would be adequate. That question has not been resolved, Senator, and we are very anxious to take into account the views of our colleagues here in the Congress to this subject.

Senator HATFIELD. In the comments you made, you referred to the highly sensitive character of some of the material data with which you will be working as relates, particularly, I believe you mentioned, to the area of the defense, the military. But there would not be any problem, or this would not present any problem, would it, as far as members of the delegation representing the fishery industries having clearance and therefore being able to work with this material? Would this be just material that would be something that could be handled by some of the governmental agency people, and would not have to bring into a general conference with fishery representatives, if you had such representatives in your body?

Mr. MCKERNAN. What you are really suggesting is one of the alternative solutions that we are looking at at the present time. There is some feeling, for example, that if public members were on the delegation, that they might require very high level clearances, which would be difficult, very expensive, and very time consuming indeed.

On the other hand, there is a view that is being expressed by some people, some departments that perhaps some of this very highly classified material might not need be considered. And this debate and consideration is being given at the present time, and I am not really saying it's a suggestion, but it amounts to that, that perhaps some of the more highly classified information need not be dealt with by public members who might not have a clearance but a lower clearance in terms of material to be considered by them.

Senator HATFIELD. Could we count you as an advocate in the activities and discussions going on now for representation of the fishery industry for this conference without committing yourself to the particular format or structure it may take, but at least to have an input, some opportunity for input by the fishery industry?

Mr. MCKERNAN. Yes. You can count my department as a strong advocate of that.

Senator HATFIELD. I am sure you realize that we are dealing here with a renewable resource, one which transcends the questions of sovereignty and jurisdiction. In my opinion, we have been hung up too long in trying to consider these problems and solve them purely from a legalistic point of view of sovereignty and jurisdiction. I am sure the fish have no concept of this variation of political institution that they find themselves either administered by or governed by. It seems to me that we should begin to get the various political entities and various political powers involved, to see this as a global resource, and that we all have a mutual interest in preserving and developing this resource.

With that, I had better run to vote. We will take a 10-minute recess.

Mr. MCKERNAN. I simply say that I fully support the statement you just made.

(Recess.)

Mr. HATFIELD. In conclusion, Mr. President, I know that I am not the only Member of this body who is troubled by the current situation confronting our Nation's fishing industry. Many other Senators with whom I have discussed this problem evidence a similar feeling that we must not let the condition of this industry erode further.

We are close to the last mile. To continue what has happened in the past is to say goodbye to our fishing industry in this country, and to witness the worldwide extinction of the fish resource. I do not want this to happen. I know that Senators do not want that to happen. Efforts must be undertaken to see that a global effort is made to protect the fish resource from rapid depletion.

URBAN CORRIDOR RAIL IMPROVEMENTS

Mr. PELL. Mr. President, I commend the National Railroad Passenger Corp. for the improvements it is making in the New York-Providence-Boston urban corridor.

Amtrak has increased the number of daily trains between Boston and New York from eight round trips to 11 round trips; and it announced last week that rail coach fares will be reduced by as much as 22 percent and that 29 new improved passenger coaches will be put in service before the end of December.

Amtrak's improvements in passenger service could not be more propitious. The airways and highways of New England are becoming more congested each day; and there are few communities that are not troubled by the environmental consequences of a new road in their communities. Improved rail passenger service can only help to relieve the pressure for new highways and jetports.

I am delighted that Amtrak is putting its resources where the people are for a second reason. I believe Amtrak can become economically viable through a concentration of its resources on our Nation's urban corridors where increased investment in passenger service means increased patronage and increased revenues. Rail passenger service can be time competitive with airlines, buses, and automobiles in urban corridors if the necessary investment is made in upgraded roadbed and high-speed equipment. I have offered an amendment to the pending Amtrak grant legislation to provide direct loan authority and loan guarantee authority from the Department of Transportation to Amtrak for those investments. It is my hope that this amendment will be favorably considered.

Mr. President, I ask unanimous consent that the recent Amtrak announcement of improved service in New England be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

AMTRAK NEWS

WASHINGTON, D.C.—Reduced rail coach fares—slashed as much as 22 per cent—will go into effect December 1, between New York and Boston, Amtrak President Roger Lewis announced today.

At the same time, Lewis announced that nine of 29 improved coaches slated for the Boston/New York route were in service, with the remaining 20 scheduled to come on line in December. The equipment—formerly used on Florida Streamliners and featuring more spacious seating—will replace the Penn Central coaches now being used.

The present fare of $12.75 will be cut to $9.90 on all AMTRAK trains between the two points on both the inland and shore routes where the coach fare is now higher than $9.90. Fares for children 5–12 will be $4.95 and children under 5 ride free with an accompanying adult.

The new fares, which will be in effect for an experimental six month period, "are clearly designed to develop new rail ridership on AMTRAK's Boston/New York routes," Lewis said. The traffic is there, he said, noting there are an estimated 200,000 trips by auto alone being made between New York and Boston each month.

Lewis said that the fare reductions—the first made by AMTRAK since it took over intercity rail service last May 1—are also designed to complement the increased train service introduced on November 14. At that time, the number of daily trains between Boston and New York was increased from eight roundtrips to eleven.

More convenient arrival and departure times and additional through service via Penn Station, N.Y. to points south of New York were also put into effect. Full dining car service is provided on six trains daily.

A new fare/old fare comparison follows:

	New fare	Old fare	Saving 1 way
Shore line:			
New York-Boston	$9.90	$12.75	$2.85
New York-Mansfield, Mass.	9.90	11.50	1.60
New York-Providence	9.90	10.25	.35
Rye-Boston	9.90	11.50	1.60
Rye-Mansfield, Mass	9.90	10.00	.10
Stamford-Boston	9.90	11.00	1.10
Springfield line:			
New York-Boston	9.90	12.75	2.85
New York-Newtonville	9.90	12.75	2.85
New York-Wellesley	9.90	12.75	2.85
New York-Framingham	9.90	12.00	2.10
New York-Westboro, Mass.	9.90	11.25	1.35
New York-Worcester	9.90	10.50	.60
Rye-Boston	9.90	11.50	1.60
Rye-Newtonville	9.90	11.50	1.60
Rye-Wellesley	9.90	11.25	1.35
Rye-Framingham	9.90	10.75	.85
Rye-Westboro, Mass	9.90	10.00	.10
Stamford-Boston	9.90	11.00	1.10
Stamford-Newtonville	9.90	11.00	1.10
Stamford-Wellesley	9.90	11.00	1.10
Stamford-Framingham	9.90	10.25	.35

Note: There will be no restriction on the $9.90 fare as to days of the week or time of day. Tickets purchased will be valid for 15 days.

XUM

UNFAIR CRITICISM CONCERNS CITIZENS

Mr. HANSEN. Mr. President, I called the office of the Senator from Indiana to be present today at this time. Regretfully, he had left the city and, according, to his receptionist will not be back today.

The matter I wish to discuss briefly is the growing concern among citizens of the United States over unfair criticism of elected Government officials. The specific situation was brought to my attention by a Wyoming constitutent who obtained a copy of an October 8 editorial by a Casper radio station, which I ask to have printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RADIO EDITORIAL

This station does not editorialize on a regular basis. Only at such times as we are particularly concerned do we editorialize. When a United States Senator accuses the President of the United States of blatantly lying, we become concerned.

On September 27, Senator Vance Hartke, speaking in California, is reported to have said, "Never has an American President lied so blatantly for so long as Richard Nixon on the war in Vietnam." Such a charge should prompt responsible communications media to check the record. We did, and here is what we found.

When the President took office, there was an authorized troop level of almost 549,000 American servicemen and women in Vietnam, with an average of 300 Americans killed per week. At the present time more than half of those troops, over 300,000 have been withdrawn, and U.S. casualty lists indicate that an average of 20 Americans are killed per week. But let's "scrutinize" the President's statements and actions.

In June of 1969, the President announced a reduction in troop ceiling of 25,000 men from Vietnam. These withdrawals were completed by the end of August, 1969. In September of 1969, the President announced an additional redeployment of 40,000 troops. These withdrawals were completed by December 15 of that year. That very same month, the President announced an additional troop reduction of 50,000 which was completed in April.

In April, 1970, the President announced a 150,000 troop reduction. These withdrawals were completed by April of this year. And on April 7, 1971, the President announced an increase in the rate of withdrawals which will result in at least 100,000 more American troops being brought home from Vietnam by the year's end. This schedule is presently being met, and by all indications may exceed the President's expectations.

It is the view of this station that such unwarranted political attacks on our President are the expression of narrow self-interest, and are as harmful to our nation as anything presently confronting us here at home. We just wanted to help set the record straight.

Mr. HANSEN. Mr. President, the editorial apparently was a response to remarks reported on the United Press International A-wire on September 27, which I ask to have printed at this point in the Record.

There being no objection, the item was ordered to be printed in the RECORD as follows:

ONTARIO, CALIF.—Sen. Vance Hartke, D-Ind., urging an all-out effort to unseat President Nixon in 1972, has accused the Chief Executive of blatantly lying for his statements on the Vietnam war.

"Politicians have broken promises before and gotten away with it," Hartke told the California Democratic State Central Committee Saturday.

"But never has an American President lied so blatantly for so long as has Richard Nixon on the war in Vietnam."

Hartke said Democrats must put forward a positive formula for change. He said the election would not be won on "the basis of charisma—whatever that is—or slogan, of which Nixon is so fond."

Mr. HANSEN. Mr. President, my constituent also sent to me copies of correspondence he obtained from the office of the Senator from Indiana. The Secretary of Defense has provided me a copy of his letter of November 29, which I ask be printed in the RECORD here:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., November 29, 1971.

HON. VANCE HARTKE
United States Senate,
Washington, D.C.

DEAR VANCE: Thank you for your letter of October 2, 1971. I had hoped that my previous letter would have clarified for you the basic plan of this Administration in winding down and terminating U.S. involvement in the war in Vietnam.

Apparently, you remain confused. More important to me as Secretary of Defense, you are confusing some sincere Americans around the country by giving wide circulation to the totally unfounded and unwarranted allegation that President Nixon has blatantly lied to the American people concerning Vietnam.

I am therefore responding at this time to your letter so that, in any further dissemination, you will be able to include my specific comments on the additional erroneous allegations contained in your letter of October 2nd.

My first impulse was to reply immediately to your letter. However, I felt it would serve no useful purpose to perpetuate a "dialogue" when it is clear you will continue to insist that policies with which you may honestly disagree must have arisen from devious and base motives on the part of those who undertake those policies. On an issue as grave and serious as war and peace, I hoped—apparently mistakenly—that responsible men could restrain their impulses to engage in "ad hominem" attacks in favor of a searching and constructive debate not on the past but on what policies can most likely lead to peace in the future.

We will not resolve in an exchange of correspondence which men or what specific policies or policy utterances were historically responsible for leading America into a land war on the Asian continent. Since becoming Secretary of Defense, I have sought to shift the debate in America from "Why Vietnam" to the more pertinent question of "Why Vietnamization." I think we have largely been successful in doing that. As the end of all American involvement in the fighting draws near, we are able more and more to focus our attention on the difficult questions of national security beyond Vietnam. In my view, that is what the debate in America should be about today.

I was frankly surprised to see you refer to the President's statement in 1968 in New Hampshire that he had a "plan" to end the war as further documentation of your charge.

He did indeed have a plan and we have been proceeding according to that plan not only in Vietnam but in all aspects of our foreign policy.

I frankly find it incomprehensible that you as a public servant would malign another public official for conceiving a plan for peace and then proceeding to carry it out.

Basically, there are two concepts involved which are not difficult to understand unless one deliberately chooses to misunderstand them. One involves the Nixon Administration's plan to terminate American combat involvement—ground, air and sea—in the war in Vietnam. The other involves our Commander-in-Chief's plan to bring about lasting peace.

With regard to terminating U.S. involvement in the war in Vietnam, I spelled out in part how far we have come along that road in my letter of September 30th. Since that letter additional thousands of American troops have come home and the President set a new troop ceiling of 139,000 for next February 1, a total reduction of more than 400,000 from the troop ceiling of 549,500 that existed when we assumed office.

The de-escalation, or winding down of the war, has most emphatically included the level of air attack sorties. They are now down to about a third of what they averaged in 1968, and have been trending downward rather steadily since our start of Vietnamization in 1969. And it has included other actions which I did not mention, such as turning over naval responsibilities—actions which also are being accomplished on or ahead of schedule.

With regard to who is responsible for the de-escalation policies we have been pursuing since 1969, I would remind you that we were moving in the opposite direction from bringing troops home when President Nixon assumed office. In crediting the previous Administration with starting an inexorable de-escalation process with its announcement of a bombing halt on November 1, 1968, you seem to have forgotten that the then Secretary of Defense, Clark Clifford, 36 days before and 40 days after the bombing halt—to cite two examples—emphatically asserted that there were no plans to withdraw any American troops, that in fact, we were still building toward the authorized ceiling of 549,500 American troops in Vietnam, and that there was no prospect in the foreseeable future of bringing any American troops home. To quote from his December 10, 1968 press conference, Secretary Clifford said, "Let me reiterate that at the present time there is no plan for any net reduction in our troop level in Vietnam."

You may recall that I disagreed with the inflexible policy of ever-increasing troop levels at the time. I publicly predicted in September, 1968, that thousands of American troops could be withdrawn in 1969. The prediction was made on President Nixon's aircraft to representatives of the news media between Boise, Idaho, and Bismarck, North Dakota. It was made after lengthy discussions with Mr. Nixon, in the preceding days and weeks, on the details of the plan—which he referred to in New Hampshire and which later, after he became President, came to be known as Vietnamization and the Nixon Doctrine.

You may feel it is wrong to put first priority on terminating U.S. involvement in the war while simultaneously trying to achieve peace in Vietnam through negotiations. Apparently you do and you are certainly entitled to that view.

I happen to disagree and I believe the American people do too.

The other concept which I mentioned is the Nixon Administration's plan to end the war, as contrasted to simply ending American involvement in the war—or to state it positively and fully, to bring about lasting peace. In fact, the New York Times account of Mr. Nixon's pledge to end the war of March 5, 1968, quotes Mr. Nixon as follows:

"I pledge . . . new leadership will end the war and win the peace. . . ."

The New York Times further quoted Mr. Nixon as saying he had "no push button techniques," but that the war can be ended if "we mobilize our economic and political and diplomatic leadership."

The complementary twin tracks of Vietnamization and negotiations comprise and have comprised major elements of President Nixon's plan to end the war and win the peace. But that plan goes far beyond considerations of Vietnam alone. Both the President and other major spokesmen of his administration have been pointing this out rather frequently and emphatically since 1969. I will offer just two quotes to illustrate. The first was taken from my first Defense Report to Congress early in 1970:

"Vietnamization is both a means to an end and a beginning: a means to end the America involvement in Vietnam and to make a credible beginning on our new policy for peace and increased self-reliance in Asia. This first step in implementing the Nixon Doctrine is of critical importance in ending the war. Moreover, success of the Nixon Doctrine can help remove the need for similar American ground combat involvement in future Asian wars, an important objective in our new atrategy."

After restating that in my second Defense Report to Congress this past March, I went on to say:

"Our single objective in South Vietnam has been and remains to help that country insure self-determination and become capable of maintaining security and insuring its own future. At the same time, we seek methodically to terminate American combat involvement in Indochina in such a way that the prospects for effective self-defense—and, more hopefully, the prospects for lasting peace in the area—will be enhanced by the orderly way in which we leave."

To put this in as straightforward a manner as I can, the Nixon plan to end the war is bound up in the entire fabric of the President's Foreign Policy and the complementary National Security Strategy of Realistic Deterrence. These new approaches have been conceived and implemented with the purpose of moving from an era of confrontation to negotiations and in order to foster conditions for what our Comamnder-in-Chief so often has referred to as a "full generation of peace."

Of course, no one can guarantee the future course of world events or ensure absolute success. But the probability of success would be greatly reduced if we lack understanding and support from Congress and the American people. Enhancing the prospects for success can also entail such controversial decisions as the Cambodian and Laotian operations and a willingness sometimes to take extra risks for peace. It can also involve other risks such as the bold attempt to free our prisoners of war in the Son Tay raid, even if the chance is only 50–50 that prisoners will be there.

One final point, Vance. You seem preoccupied with holding the President to absolute consistency in every word he has uttered over a period that spans more than 17 years. This prompts me to raise a question of consistency between two paragraphs in your letter of October 2nd.

On the one hand, you say (paragraph 4, page 2) that "there is no end in sight" to the war even if all American combat infantrymen are out by next year. You predict the fighting will continue between North and South into the indefinite future.

But, on the other hand, you say *"the war would* (already) *be over"* (paragraph 2, page 3) if the President had accepted the Mansfield troop withdrawal amendment.

And although those two contradictory statements appear in the same short letter, I find it hard to assign devious motives to you or to believe that you were seeking deliberately to deceive me or the American people.

I do feel compelled, however, because you are spreading erroneous information by distributing my personal letter to you and your misleading reply, to make this correspondence available to the public.

Vance, I am sorry to be so blunt about this, but I believe deeply that the best interests of the American people and of lasting peace would better be served if all of us tried to confine our dialogue to the substantive issues and to the facts, instead of resorting to what we used to call in our college debating classes "ad hominem" attacks.

Sincerely,

MELVIN R. LAIRD.

Mr. HANSEN. Mr. President, I also ask unanimous consent that the letter of October 2 from the Senator from Indiana to which the Secretary made response be printed in the RECORD, as well as the letter of September 30, from the Secretary to the Senator from Indiana.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON VETERAN' AFFAIRS,
Washington, D.C., October 2, 1971.

HON. MELVIN LAIRD,
Secretary of Defense,
Washington, D.C.

DEAR MEL: I have your letter concerning the news report that I said President Nixon has lied blatantly about the war in Vietnam. You indicate your disagreement. Let me give you some instances of deliberate deception by the President about the war.

Your letter speaks of his reversal of "the escalation policies he inherited"; President Nixon himself has repeatedly spoken of the war as something started by somebody else and merely "inherited" by him. Yet the facts are the opposite. You know how he worked with Secretary Dulles in 1954 to get us to help the French in Vietnam, even if this meant sending U.S. troops. I remind you of his April 16, 1954, speech to the Society of Newspaper Editors in which he said we could not afford further retreat in Asia and "if this government cannot avoid it, the Administration must face up to the situation and *dispatch forces."* And you know of the Dulles-Nixon rejection of the July 1954 Geneva agreements and their injection of U.S. forces into South Vietnam in violation of those agreements. Mr. Nixon was one of the leaders who started the war—not an inheritor.

Furthermore, President Nixon was not the one who reversed our unfortunate escalation of the war. It was Lyndon Johnson who reversed it when he stopped our bombing of North Vietnam and developed an understanding that led to the Paris peace talks.

President Nixon merely followed President Johnson's de-escalation. Of course, Mr. Nixon is now apparently reversing the reversal by resuming the bombings on a large scale and thus escalating our military attacks, to the tune of 200 sorties in one day.

Let me remind you of Mr. Nixon's statements during his 1968 campaign that he had "a plan to end the war". As intended, this was interpreted by the public as a promise to end the war rather soon.

Suppose, instead, that Candidate Nixon had said throughout the 1968 campaign that he had a plan to end American ground forces combat in the war *after four more years and 20,000 American lives.* Do you think for a moment that he would have been elected President?

Could he have kept his promise to end the war? As early as May 14, 1969, President Nixon told the American people that he *could* have ended the war immediately after his inauguration. "This," he said, "would have been the easy thing to do . . ."

But he chose not to do so. He chose to continue the killing for what is now almost three more years. And although American combat infantrymen may all be out by this time next year, to the war itself, as you well know, there is no end in sight. American air and naval forces will continue to devastate the lands of Indochina, killing and making homeless tens of thousands of innocent civilians in the process. And a conscript army of South Vietnamese, supplied and paid for one hundred percent by American tax dollars, will continue to kill and be killed in a merciless civil war between rival dictatorships in Saigon and Hanoi.

The futile raids to release U.S. POWs, in North Vietnam and Cambodia, reflected terrible misinformation—unless the purpose was to deceive the American public. Since there is evidence that you and Mr. Nixon knew the POWs had already been moved, I am inclined to accept "calculated deception" as the purpose. Likewise with the Cambodian invasion. The President ballyhooed that as a great expedition to capture the enemy headquarters, the planning centers, and troops about to invade Vietnam. He found no headquarters, no planning centers, and no troops of significance. Was that an operation of stupidity or an attempt to mislead the American people into believing that progress was being made?

The Laos invasion illustrates a central theme of Nixon on the war. You remember that an Act of Congress prohibited American troops being on the ground in Laos. And so our newspapers carried stories of American forces stopping at the boundary line and thereafter doing their shooting and bombing from the air, keeping their feet above the ground except for occasional forays. Perhaps you obeyed the law, but if you did, it was pretty tricky, was it not? We were there, egging on the South Vietnamese and shooting from planes, but still we were not there. Incidentally, 46% of our citizens said at that time in a public opinion poll that they did not believe you. Trickiness is eventually self-defeating.

The President's repeated remarks about his solicitude for American POWs is another attempt to deceive. He raised this issue a year ago to justify continuing the war. But I know from my visits to Paris last spring that the North Vietnamese and Vietcong were willing to release our POWs if we agreed to get out of Vietnam. The Senate called for this type of arrangement in the Mansfield amendment last June and again on September 30. If the President had been willing to accept this policy, the war would be over, and the POWs enroute home in a matter of weeks. Despite his remarks, he is the one who is keeping them in prison.

This past week the President appeared before the relatives of our POWs in a cruel

act of deception. In an emotional voice, he told of his alleged concern and efforts and hinted that he was doing more to obtain their release than he could reveal publicly. I frankly do not believe this. I think that the junior Senator from Kansas and Chairman of the Republican National Committee, Bob Dole, honestly reflected the Administration's policy when he told the meeting that he would not advocate the release of U.S. POWs at the *expense of the Saigon government*.

This is the crux of the matter. President Nixon's main purpose is to keep in power the dictatorship now propped up by our arms in South Vietnam. To put it another way, his main purpose is to carry out the Nixon-Dulles objectives in 1954 to impose a French or American colonial government on the people of Vietnam. That is why he turned down the policy offered by the Senate. That is why he rejected the Paris proposals—and, incidentally, timed that rejection so that it would be swallowed up in larger news stories, and the public would not realize that he had rejected an offer for peace and release of POWs. That is manipulating public information.

Mel, I am sorry to be so blunt about this, but I want you to know that there is ample evidence concerning the deception practiced by the President on Vietnam.

Sincerely yours,

VANCE HARTKE,
U.S. Senator.

THE SECRETARY OF DEFENSE,
Washington, D.C., September 30, 1971.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR VANCE: I have been concerned by news reports which quote you as making the following statement: "But never has an American President lied so blatantly for so long as has Richard Nixon on the war in Vietnam." I realize, of course, that the quotation may not have been correctly reported; the news reports indicate the remark was made in California on Saturday, September 25, 1971.

I feel certain that as a member of the Senate you are fully aware that a charge that the President has lied to the American people about his steps to terminate U.S. participation in Vietnam fighting simply is not supportable by the facts. The record shows clearly and conclusively that President Nixon has kept every single promise he has made to our people regarding Vietnam and that in the process has successfully reversed the escalation policies he inherited and drastically reduced the level of U.S. forces in Southeast Asia.

When the President took office there was an authorized troop level of 549,500 American servicemen and women in Vietnam; casualty rates were averaging around 300 Americans killed per week; and there was no comprehensive plan to end the United States involvement in the war.

At the present time, more than 300,000 troops have been withdrawn from Vietnam, and U.S. casualties have been averaging less than 20 per week in recent months. In addition, at the President's direction we are continuing to withdraw Americans at an average rate of more than 14,000 per month. Most importantly, the United States has helped train and equip the South Vietnamese, through Vietnamization, so they can carry almost the entire burden of the defense of their country against Communist aggression. In a word, this country has done everything President Nixon has said we would do.

In June of 1969, the President announced a reduction in the troop ceiling of 25,000 men from Vietnam. These withdrawals were completed as scheduled by the end of August, 1969.

In September of 1969, the President announced an additional redeployment of 40,000 troops. These withdrawals were completed by December 15 of that year.

In December of 1969, the President announced an additional 50,000 troop reduction. These withdrawals were completed as scheduled by April 15, 1970.

In April of 1970, the President announced a 150,000 troop reduction. These withdrawals were completed by April of this year.

On April 7 of this year, the President announced an increase in the rate of American withdrawals which will result in at least 100,000 more American troops being brought home from Vietnam by December 1. That schedule is presently being met and by all indications will exceed the President's expectations.

The President has promised another announcement of further withdrawals in November and as with all of his other announcements, we in the Department of Defense will meet or beat the commitment our Commander-in-Chief makes.

On the negotiating front, President Nixon has gone to exhaustive lengths to reach a settlement of the war at the Paris Peace Talks and in other channels. He has stated publicly on many occasions that the United States never will give up hope or stop trying to achieve a solution to the war through peaceful negotiations. In pursuance of that goal the President has offered the most comprehensive proposals for the settlement of differences in Indochina. His position has been restated on countless occasions—at Presidential news conferences, in newspaper interviews and in public speeches.

It is very clear from the record that this Administration has never raised false hopes about Vietnam nor made promises it couldn't deliver.

As Secretary of Defense, I am proud of the record and proud of promises kept. I would hope all federal officials could share that satisfaction and stand by our President as we continue his plan to end U.S. involvement in this war.

But, as I said, perhaps you were misquoted.

Sincerely,

MELVIN R. LAIRD.

Mr. HANSEN. Mr. President, I am writing the distinguished Senator from Indiana, calling attention to the insertions I am making in the RECORD.

ORDER FOR THE UNFINISHED BUSINESS TO BE LAID BEFORE THE SENATE TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on the conclusion of the remarks by the distinguished Senator from Illinois (Mr. PERCY) on tomorrow, the Chair lay before the Senate the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR AMENDMENTS NOS. 762 AND 769 TO BE LAID BEFORE THE SENATE TOMORROW MORNING

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, upon the disposition of amendment No. 771 by the Senator from Wisconsin (Mr. PROXMIRE) on tomorrow, the Senate then proceed to the consideration of amendment No. 762 by the Senator from Wisconsin (Mr. PROXMIRE); and that upon the disposition of amendment No. 762 by the Senator from Wisconsin (Mr. PROXMIRE), the amendment of the Senator from New York (Mr. JAVITS), amendment No. 769, then be called up, if it is the wish of the sponsor thereof at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR AMENDMENT NO. 773 TO BE LAID BEFORE THE SENATE TOMORROW MORNING

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, upon the disposition of amendment No. 769 by the Senator from New York (Mr. JAVITS), in the event that amendment be called up, or in the event it is not called up, then upon the disposition of amendment No. 762 by the Senator from Wisconsin (Mr. PROXMIRE), the Chair then lay before the Senate amendment No. 773 by the Senator from Wisconsin (Mr. PROXMIRE).

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

RECESS TO 8:30 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 8:30 tomorrow morning.

The motion was agreed to; and (at 9 o'clock and 14 minutes p.m.) the Senate recessed until tomorrow, Wednesday, December 1, 1971, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 30 (legislative day of November 29), 1971:

U.S. COURT OF CLAIMS

Shiro Kashiwa, of Hawaii, to be an associate judge of the U.S. Court of Claims, vice James R. Durfee, retiring.

FEDERAL COMMUNICATIONS COMMISSION

Richard E. Wiley, of Illinois, to be a member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1970, vice Robert Wells, resigned.

U.S. MARINE CORPS

Lt. Gen. Robert E. Cushman, Jr., U.S. Marine Corps, to be Commandant of the Marine Corps with the rank of general for a period of 4 years from the first day of January 1972 in accordance with the provisions of title 10, United States Code, section 5201.

EXTENSIONS OF REMARKS

THE SCHOOL PRAYER AMENDMENT

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. SCHMITZ. Mr. Speaker, on November 8 the House of Representatives at long last had an opportunity to vote on a constitutional amendment to legalize prayer in public schools—an issue which had been kept from them for 7 long years primarily by the opposition of the chairman of the Judiciary Committee. Brought to the House floor by the very unusual method of a "discharge petition" removing it from the Judiciary Committee, the amendment received a majority of votes, but fell 28 short of obtaining the required two-thirds.

The executioners of school prayer were men who claim to speak for the churches of America—a fact that may seem incredible to most Americans, but which is indisputably true. They put on what was, in the words of one of my colleagues, "one of the best orchestrated lobby jobs I've ever seen"—against prayer in schools.

I am describing what happened at some length in an article to be published in a nationally circulated publication; within the confines of this newsletter, there is space only briefly to summarize the points needed to cut through the swirling fog of specious arguments put up by opponents of this measure: First, voluntary prayer in schools is outlawed under present court decisions—for example, *State Board of Education* v. *the Board of Education of Netcong*, 270 A 2d. 412, by the Supreme Court of the State of New Jersey, which the U.S. Supreme Court refused to hear on appeal, thereby in effect affirming it—also a parallel case in Massachusetts. Second, the word "nondenominational" in the amendment, describing the kind of prayer that it would allow, to which many had objected as undefinable, was eliminated on the House floor and "voluntary" substituted—yet two fewer Congressmen voted for the amendment after the change than before; obviously this was not their real objection to the measure. Third, if to say a prayer in school violates the separation of church and state, as many have charged, then did we have a union of church and state with all its heralded abuses, through all those years up to 1962 when schoolchildren said a prayer every morning—usually the Lord's Prayer—with almost no one objecting, until the Supreme Court stopped them?

The case against the prayer amendment collapses so completely under any reasonable scrutiny that it is hard to escape the conclusion that many of those in national church offices who claim to speak in the name of the faithful have simply decided that they do not want to take up the cause of allowing children in public schools to pray together. Their recent record, statements, and actions indicate that by and large they have become so concerned with secular and political goals as to forget, or even to be embarrassed by, the purpose for which they are supposed to exist: to acknowledge and serve God.

Even an agnostic or atheist, who is also an honest man, might well be disturbed by this spectacle of churches lining up against prayer.

But the fact is that few if any churches have a system whereby the members are polled or consulted in any way before church bureaucrats speaking in their name take stands on public issues such as this amendment. More surprising to many, the usual practice is not to consult the whole body of priests or ministers either, or all the bishops in those churches which have them. There are almost 300 bishops of the Catholic Church in the United States, for example, but the statement issued against the prayer amendment in their name, prepared and circulated by their Washington office, was approved in advance by only five of them, the members of their national executive committee.

Many people lull their consciences on this issue by saying that a class prayer in school means little one way or the other. They are wrong. There is a fundamental difference between a school system which acknowledges God and one which forbids all mention of Him. Schools where prayer is prohibited have, in effect, established secular humanism or agnosticism, if not atheism, as their religion.

DR. LARRY McGEHEE AN EXCELLENT CHOICE FOR CHANCELLOR OF UNIVERSITY OF TENNESSEE AT MARTIN CAMPUS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. JONES of Tennessee. Mr. Speaker, on November 13, Dr. Larry Thomas McGehee was named chancellor of the University of Tennessee at Martin. Dr. McGehee is a truly outstanding educator, and I feel that the university is fortunate in finding such a worthy successor to Dr. Archie R. Dykes, who recently assumed the chancellorship at the Knoxville campus of the University of Tennessee.

On November 15, the Paris Post-Intelligencer published an editorial commenting on Dr. McGehee's appointment, and I include it at this point in the RECORD:

DR. LARRY MCGEHEE AN EXCELLENT CHOICE FOR CHANCELLOR OF UNIVERSITY OF TENNESSEE MARTIN CAMPUS

The board of trustees of the University of Tennessee met on the UT Martin campus Saturday and unanimously elected Dr. Larry Thomas McGehee as chancellor at Martin to succeed Dr. Archie Dykes.

The choice was an excellent one, Dr. McGehee is a native West Tennessean, born and reared in Paris, and one who has already made great achievements in the field of higher education. At the age of 35 he leaves a responsible post as academic vice president of the University of Alabama to take over the top position on the U-T Martin campus. At Alabama he was responsible for all academic programs, involving 3,000 courses taught by more than 600 faculty members.

Dr. McGehee comes to the Martin campus well equipped with an educational background and professional teaching and administrative experience. And he joins the ranks of other distinguished Henry County educators who hold high positions in universities across the land. To mention just a few: Dr. C. C. Humphreys, president of Memphis State University; Dr. Joe Morgan, president of Austin Peay in Clarksville; and Dr. T. D. Jarrett, president of Atlanta University in Atlanta, Ga. Until a few years ago when he retired, Dr. Mordacal Johnson, a Paris native, served many years as president of Howard University in Washington.

Dr. McGehee is not only a highly qualified person through training and professional experience, but is a dedicated Christian and a man of high integrity. He will bring to the Martin campus the dignity and prestige to which the school has become accustomed under previous administrators.

The Paris and Henry County community is pleased that Larry McGehee is coming "back home" to West Tennessee. We congratulate him on the high honor that has been accorded him and wish him every success in his new assignment.

NATIONAL BIBLE WEEK

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. KEMP. Mr. Speaker, National Bible Week was celebrated November 21–28.

America's only universally observed nonsectarian religous holiday, National Bible Week was founded in 1940 to encourage the reading and study of Holy Scripture. The Laymen's National Bible Committee, which sponsors the event, is an organization of Eastern Orthodox, Jewish, Protestant, and Roman Catholic members of the laity.

Hundreds of churches, synagogues, youth clubs, civic and patriotic organizations, libraries, bookstores, colleges and universities, and business and government leaders participate each year.

As our Nation struggled for existence, George Washington stated:

It is impossible to govern . . . without God and the Bible.

Today, as we face crises undreamed of by our Founding Fathers, I believe it is more important than ever that we seek the guidance of Holy Scripture.

Mr. Speaker, to commemorate National Bible Week I include at this time a statement, "I am the Bible," by Norman E. Richardson:

I AM THE BIBLE
(By Norman E. Richardson)

I am the Bible.
I am a library of sixty-six books.
I am the world's best seller.
I am more than a mere book: I am a force that overpowers opposing systems of thought.
I am the rock upon which civil liberties and social freedom rest.
I answer the question: Who and where is God?
I was written by minds saturated with consciousness of God.
I am published in more languages and dialects than any other book that has ever been written.
I am cherished by millions of people as being the only concretely available and infallible rule of faith and practice.
I am the Word of God as set forth by inspired prophet, law-giver, geneaologist, priest, historian, poet, essayist, story-writer, moralist, seer, and theologian.
I set forth the way of life that leads to abundance and satisfaction of experience.
I tell the story of the great drama of redemption.
I am the meeting point of man's effort to discover God and God's revelation of Himself to man.
I inspire devotion to truth and purity of life purpose.

ADDRESS OF GEN. W. C. WESTMORELAND, CHIEF OF STAFF, U.S. ARMY, TO THE ASSOCIATION OF THE U.S. ARMY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. TEAGUE of Texas. Mr. Speaker, as all of us in this House know, the Department of the Army is undergoing some drastic changes in the field following the commitment which the Chief of Staff, Gen. William Westmoreland made to a modern volunteer army; which if effective, will bring about a "zero draft," the hope of the present administration.

Under leave to extend my remarks in the RECORD, I wish to include the address of the Chief of Staff of the U.S. Army, Gen. William Westmoreland to the luncheon meeting of the Association of the U.S. Army held here in Washington on October 12, 1971.

The address follows:

ARMY PROFESSIONALISM—AN ADDRESS BY GEN. W. C. WESTMORELAND, CHIEF OF STAFF, U.S. ARMY

At the Annual Luncheon of the Association of the United States Army, Sheraton-Park Hotel, Washington, D.C., October 12, 1971

I welcome this opportunity to address again those who support the Association of the United States Army and congratulate the Association for what appears to be another successful annual meeting. Let me say at the outset that the Army needs the Association and appreciates that its efforts and support have never been more important to the Army and the national interest.

Our Army today is a dynamic organization undergoing change in order to stay abreast of rapid changes in technology, warfare and our society. Two years ago in this forum, I announced the Army's Project MASSTER—projecting the battlefield of the future. Last year, I told you about my commitment to a Modern Volunteer Army. Today I want to talk about the quality of the United States Army, or as I call it, professionalism, which is the bedrock—the foundation—upon which the security of our Nation has been based throughout our history.

First, let me say that the Army's mission in Vietnam, although a complex one, has been virtually accomplished. We were directed to prevent the communist military domination of South Vietnam. We have clearly achieved this objective. We were also directed to train the armed forces of the South Vietnamese to enable them to defend themselves. We have substantially achieved this second objective. While our efforts in Vietnam have not ended and the costs and sacrifices are still high, the overall performance of our Army has been splendid. We can be justly proud of our record.

But the Vietnam War has placed great stress upon the Army and, in many respects, has had an adverse effect on its professionalism. A basic problem has been that of personnel turbulence during six years of war.

We fought the war without a significant call-up of Reserves.

Excessive personnel turnover rates within units caused severe instability.

Requirements for rapid expansion compelled us to place more responsibility on inexperienced leaders.

The quality of our enlisted ranks also suffered. We were forced to accept personnel who did not meet our usual standards.

Further, during the last six long years, we have devoted the bulk of our efforts and resources to Vietnam while important projects were delayed due to a lack of resources to support all requirements. We were literally forced into a "Vietnam straitjacket" which restricted our actions in other areas. We must break out of this "Vietnam straitjacket" if we are to meet the challenges of the future. We must appreciate, however, that there is difficulty in breaking out of patterns that have prevailed for several years. There is inertia in overcoming certain practices . . . and certain malpractices that have crept into our system. For example, in training—the heart of the Army's business—we have been overly influenced by the Vietnam experience. We have, in fact, become a huge individual training organization oriented toward Vietnam. Understandably, we have developed some practices not conducive to training an Army for worldwide commitments. These practices are being rapidly corrected.

Our doctrine has also been influenced by these prolonged Vienam experiences. In some respects, we have developed a defensive stereotype, tactical psychology. I call this "firebase psychosis." Our company and junior field grade officers and many of our noncommissioned officers . . . whose sum total of combat experience has been restricted to Vietnam . . . will require reorientation to overcome such doctrinal narrowness.

On the other hand, we have learned much from Vietnam, and we should take full advantage of this knowledge. As the Vietnam era draws to a close, we have to look to the future, to our role in a changing society, and to the anticipated world-wide missions of the Seventies and how to best prepare for them. Further, we must emphasize that there are exciting challenges and great satisfaction in serving and accomplishing our missions in a peacetime environment. Let us not forget—we did well what we were asked to do in Vietnam . . . and at the same time performed well elsewhere around the world in recent years, despite adversity. We are proud of our accomplishments.

Now, as after every expansion period, the Army must adjust to new realities . . . engage in introspection . . . and undergo a revitalizing and rebuilding process. Problems must be identified . . . causes isolated . . . and solutions aggressively sought. This involves an across-the-board effort in every area in which the Army functions. This effort is well underway. I doubt if many institutions have engaged in more intensive, searching introspection. We have anticipated certain problems as an inevitable outgrowth of Vietnam, and have seized upon the opportunity to revitalize and rebuild the Army.

We are moving aggressively to solve our problems. And, in fact, we *are* solving them. All indicators point to the fact that we are moving upward. Many positive programs are in being . . . others are planned. We are generating the imaginative, innovative ideas and dynamic approaches that are needed at this critical time.

The basic thrust of our efforts is to build the finest Army in the history of this country, one based on improved professional competence, willing self-discipline, individual pride and dedication. This effort involves three objectives;

Enhanced professionalism,

Improved Service life and attractiveness,

And increased public understanding and support.

All of these objectives are interrelated. One is dependent on the others for success. However, achievement of the highest standards of professionalism is our overriding concern. All else is secondary.

We must, and will, retain the highest standards of discipline. Our Army cannot, and will not, be a permissive organization.

Nevertheless, we are a flexible organization—unafraid of a new idea, and with the courage to experiment with new methods. Those methods that serve our purpose will be adopted, those that do not will be abandoned. Our standards will be high; let there be no doubt about that.

The first objective of enhancing professionalism is directed toward improving professional competence and building among Army men and women of all ranks a strong sense of accomplishment and achievement in performing well an important job.

The second objective of improving Service life and attractiveness is directed toward removal from Army life of sources of aggravation which detract from the environment in which the military man and his family live . . . yet contribute nothing to the accomplishment of the Army's mission. Actions designed to improve Service life and attractiveness have received sufficient publicity . . . so it is unnecessary for me to discuss these today.

In our movement toward enhanced professionalism, we are making excellent progress. I will mention some of the more significant steps we have taken.

One of the first actions was taken in November of 1969. At that time, I dispatched a letter to all officers in the Army concerning personal integrity and professional ethics. I said, in part:

"Each one of us stands in the light of his brother officer, and each shares in the honor and burden of leadership. Dedicated and selfless service to our country is our primary motivation. This makes our profession a way of life rather than just a job."

This letter set the tone for subsequent actions.

Several studies identified a need to improve the overall professionalism within the Army. Our programs in this respect include efforts to—

Return soldiers to soldiering by releasing them from nonmilitary type duties,

Uphold the dignity of the individual soldier by being more sensitive to his needs,

Improve leadership through the establishment of a leadership board, improving leadership training in our school systems, and use of leadership training teams to travel to various Army installations,

And establish courses in service schools on professional ethics and on individual and group communications and counseling.

Our program also includes measures to—

Stabilize command tours,

And improve the understanding and administration of the military justice system in recognition that many young officers have lost confidence in the system as a timely means to punish offenders and deter misconduct.

Also, we are improving—

The Inspector General system,

And the Command Maintenance Management Inspection and other type inspections, by using them as a means of assisting units and not testing them with unrealistic statistical standards.

And finally, we are improving training through a dynamic training effort involving decentralized training and other activities where possible to reduce oversupervision and to improve the interest, meaningfulness, and adventure of training.

Our decentralized training program enforces the emphasis I am giving toward placing greater responsibility and authority . . . greater trust and confidence . . . in the leaders of the Army, particularly our young leaders . . . and most of all . . . our officers.

I am relying on the officer corps to lead the way in the revitalization of the Army. Although the noncommissioned officer corps is the backbone of the Army, the officer corps is the very heart of the Army.

Because of my feelings on this subject, I signed today . . . a letter to each officer in the United States Army on the subject of "Special Trust and Confidence." I would like to read that letter to you now:

"An officer's commission reposes 'special trust and confidence in the patriotism, valor, fidelity, and abilities' of each of us. Several months ago, I gave new emphasis to policies that reflect greater trust and confidence in the officer corps. My most recent decision to decentralize Army training is a prime example.

"We must further rejuvenate the meaning of 'special trust and confidence' as we develop a professional force of the highest quality. Accordingly, I want the policies and practices of the Army to reflect:

"More careful selection of commanders who can provide honest, forthright, and productive leadership and who will establish and maintain high standards.

"More reliance on the integrity and judgment of commanders.

"More responsibility and authority for our qualified leaders.

"More emphasis on mission-type orders.

"More personal effort on the part of seniors to guide, develop, and support subordinates.

"More emphasis on demonstrated performance and less reliance on sterile statistics in evaluating efficiency.

More personal involvement of officers in the dialogue of command information and less reliance on written communications in passing instructions and policies through the chain of command.

"The policies above must be implemented by officers at all levels. We all share a responsibility to achieve and maintain the highest standards of military professionalism throughout our ranks. The accomplishment of this goal requires that each officer renew his determination to prove worthy of 'special trust and confidence.'"

This, then, is my charge to each and every officer—the charge that he must epitomize in words and deeds, the ideals of the true professional soldier. He must be the hallmark of professionalism. But, let there be no misunderstanding . . . the noncommissioned officer remains a vital part of the Army. His direct relationship with the men in the ranks makes his leadership role a highly influential one.

Honest, alert, sensitive leaders—officers and noncommissioned officers—who demand high standards must characterize the chain of command. These leaders—professionals—must raise the self-discipline, skill level, and pride of the individual soldier . . . and the effectiveness and esprit of our units . . . to an all-time high. This is a demanding objective under current circumstances, but it is an exciting challenge.

We also have programs underway to specifically improve the quality of both the officers and noncommissioned officers, such as—

Development of a new officer personnel management system which provides for increased specialization (to include command), and corrects problems associated with the "jack-of-all-trades" approach,

Centralized assignments and elimination of the "ticket punching" requirement for certain types of assignments,

A proposed new officer efficiency report system,

An improved in-service educational system,

And of significant importance . . . the avoidance of extension for officers and reenlistment for noncommissioned officers who are marginal performers.

Finally, we are establishing higher standards for promotion and schooling.

There are other studies and actions underway which time does not permit me to mention.

The programs and actions to revitalize the Army should not be limited to the Active Army. As Secretary of Defense Laird pointed out yesterday at this meeting, "Our military planning takes the Reserve forces into account as an integral part of our defenses. In this regard, substantial reduction in the size of our Active Army means a greater reliance on the National Guard and Army Reserve. Therefore, achievement of a high state of Reserve Forces readiness is one of our top priorities. We know that many in our Reserve Components are motivated to enlist as an alternative to being inducted. In view of this, a significant part of our Modern Volunteer Army Program must be directed toward supporting our Reserve Forces. The combat readiness of the Army Reserve and National Guard is being increased through the issue of more modern arms and equipment, improved facilities and training areas, new approaches to recruiting and retaining, and closer association of Reserve and Active Army units in training and operational readiness.

Our task in strengthening the Reserves is an important one . . . and one to which the Active Army is giving a great deal of attention.

Gentlemen, much has been accomplished in terms of enhancing professionalism and improving Service life and attractiveness. In future months, we will do more.

In the vanguard of our efforts to attract more volunteers and to reduce reliance on the draft is the United States Army Recruiting Command (USAREC). We are more than doubling the number of recruiters in this important command. We have increased our recruiting stations by 37 percent. We are providing emoluments to our recruiters in terms of cost-of-living allowances and government-rented houses.

We are improving the quality of the officers and men assigned to this command. In my opinion, our three-month TV and radio advertising program was a success. The number of volunteers in the nonprior service category and in the prior service category during the past several months is an encouraging 72.2 thousand. In June, we had 18.7 thousand; in July, we had 17.0 thousand; in August, we had 17.6 thousand; and in September, we had 18.9 thousand.

Everywhere I travel, I make it a point to see the local recruiters. They are an enthusiastic lot. Major General Henion and his officers and men are in high gear, and I expect all elements of the Army to give them maximum support. They also deserve and need the support of all members of the AUSA.

Now, in closing, gentlemen . . . members of the AUSA . . . let me address you directly on a matter of great concern to all of us. I mentioned before the importance of increased public understanding and support for the Army. Building this understanding and support is a role for which AUSA is nobly suited, and one which your leadership has accepted.

Despite our best efforts to enhance the professionalism of the Army, we cannot "go it alone." We exist as an institution to serve the legitimate and continuing defense needs of this great Nation. That story of what we are and why we exist can be told to the public by you gentlemen of the Association of the United States Army. I welcome your efforts.

In looking to the future, the Army must preserve the values and traditions which have made our Army great, while accepting the challenge to build an even better Army. The truth of the matter is that the Army is more skilled and capable of dealing with social change . . . while still preserving worthwhile traditional values . . . than most institutions. We can do much for our country by leading the way for the rest of society in this respect by setting a good example.

Most certainly, President Nixon appreciates the Army's important role in this regard. Last May, he said in an address to the cadets at West Point:

I believe . . . that the military ethic remains strong in the hearts of America's fighting men. . . . Your special task will be to reaffirm it, to give it new life and meaning for the difficult times ahead. . . . As you succeed in this task, your success can set an example of a moral rebirth for all the people and institutions in this land, civilian as well as military.

Those are strong words. They evince a great faith in the Army as an institution. We in the Army intend to merit that faith; faith in an institution that has fought 13 wars and 157 campaigns without defeat.

I am certain that we are moving in the right direction at the institutional level to improve the quality of professionalism in the Army.

We are preserving the values and traditions that have made our Army great.

We are recognizing the imperatives of social change and moving wisely to help our Nation.

We are building an Army finer and more professional than ever before in history.

But how well we progress in these efforts depends on the support of the American people.

Our charge, gentlemen . . . is to rally that support.

This requires the personal effort of all of us. I know I can count on you.

TO SEEK PAYMENT LIMIT

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. FINDLEY. Mr. Speaker, if, as expected, the House Rules Committee takes up H.R. 1163 Tuesday morning, I will ask it to make in order an amendment limiting annual farm program payments to $20,000 per commodity. This would apply to cotton, feed grains, and wheat.

The limitation I have drafted should result in savings of about $200 million a year, and will therefore go a long way toward meeting the extra cost of the

bill. Government estimates show the strategic reserve will cost about $210 million a year for storage alone, not to mention acquisition costs which could go as high as $1.4 billion.

Farm program costs are steadily rising, and this additional cost will simply add to urban disenchantment with farm programs generally. Frankly, I oppose the basic strategic reserve concept as impracticable, unworkable, and harmful to agriculture. But if it is to become law, a payment limit would make it more digestible for city and rural people alike.

The present law has a $55,000 annual payment limit, but a provision in the cotton section makes evasion easy. My amendment will close the loophole besides reducing the ceiling.

DDT, THE FIRST DOMINO

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. HUNGATE. Mr. Speaker, the following article entitled "DDT, the First Domino," should be of interest in the ecology debate. The author is a Nobel Peace Prize winner and so far as I know is neither engaged in the selling of pesticides nor memberships in environmental clubs.

The article follows:

DDT, THE FIRST DOMINO

(By Norman E. Borlaug)

ROME.—The current vicious, hysterical propaganda campaign against the use of agricultural chemicals, being promoted today by fear-provoking, irresponsible environmentalists, had its genesis in the best-selling, half-science-half-fiction novel "Silent Spring," published in 1962. This poignant, powerful book—written by the talented scientist Rachel Carson—sowed the seeds for the propaganda whirlwind and the press, radio and television circuses that are being sponsored in the name of conservation today (which are to the detriment of world society) by the various organizations making up the environmentalist movement.

The moving forces behind the environmental movement today include The Sierra Club, National Audubon Society, Izaak Walton League, The Boone and Crockett Club, and the new legal arm of the movement: The Environmental Defense Fund, with its scores of lawyers baptized into the movement with the motto, "Sue the Bastards." The principal individual supporters of the movement are wilderness explorers, bird-watchers, wildlife lovers, ill-informed press and television personalities and confused youth and older members of society who have been frightened so badly by the doom sayers that they have joined.

Although the collective membership in these organizations is perhaps less than 150,000, their superb organization and tactics make them an extremely effective force in lobbying for legislation to ban pesticides, and for brainwashing the general public.

Previously both the Environmental Defense Fund and the National Audubon Society had stated that DDT causes cancer, even though the Surgeon General of the U.S. Public Health Service has stated: "We have no information on which to indict DDT as a tumorigen or carcinogen for man and, on the basis of the information now available, I cannot therefore conclude that DDT represents an imminent health hazard."

The environmentalists would now like to have a legislative ban placed on DDT so as to prohibit it for any use in the U.S.A. Almost certainly as soon as this is achieved, these organizations will begin a worldwide propaganda barrage to have it banned everywhere. This must not be permitted to happen, until an even more effective and safer insecticide is available, for no chemical has ever done as much as DDT to improve the health, economic and social benefits of the people of the developing nations.

The World Health Organization in 1955 launched a worldwide campaign against malaria. In summarizing the progress of the campaign on Feb. 2, 1971, organization officials made the following statement:

"More than 1,000 million people have been freed from the risk of malaria in the past 25 years, mostly thanks to DDT. This is an achievement unparalleled in the annals of public health. But even today 329 million people are being protected from malaria through DDT spraying operations for malaria control or total eradication.

"The improvement in health resulting from malaria campaigns has broken the vicious circle of poverty and disease resulting in ample economic benefits: increased production of rice (and wheat) because the labor force is able to work; opening of vast areas for agricultural production: India, Nepal, Taiwan, and augmented land value where only subsistence agriculture was possible before.

"The safety record of DDT to man is truly remarkable. At the height of its production 400,000 tons a year were used for agriculture, forestry, public health, etc. Yet in spite of prolonged exposure by hundreds of millions of people, and the heavy occupational exposure of considerable numbers, the only confirmed cases of injury have been the result of massive accidental or suicidal swallowing of DDT. There is no evidence in man that DDT is causing cancer or genetic change."

Although more than 1,400 chemicals have been tested by W.H.O. for use in malarial campaigns, only two have shown promise and both of these are far inferior to DDT.

It is now obvious that the current aim of the Environmental Defensive Fund and its affiliated environmentalist lobby groups is to ban DDT first in the U.S.A. and then in the world if possible. DDT is only the first of the dominoes. But it is the toughest of all to knock out because of its excellent known contributions and safety record. As soon as DDT is successfully banned, there will be a push for the banning of all chlorinated hydrocarbons, then in order, the organic phosphates and carbamate insecticides. Once the task is finished on insecticides, they will attack the wood killers, and eventually the fungicides.

If the use of pesticides in the U.S.A. were to be completely banned, crop losses would probably soar 50 per cent, and food prices would increase fourfold to fivefold. Who then would provide for the food needs of the low-income groups? Certainly not the privileged environmentalists.

THE GREAT WHITE HUNTERS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. WALDIE. Mr. Speaker, there is probably nothing more exhilarating to a true sportsman than that moment when his hours of work and tracking result in the taking of a fine trophy animal. I am not talking about those alleged sportsmen who take to the woods with their artillery pieces and telescopic sights to bring down an animal at 300 yards. I am thinking about the true sportsmen in this world who realizes the chase is sometimes more important than the catch.

Recently, this body was shaken by the accounts of a helicopter pilot from Wyoming who worked for a big ranch by flying "hunters" aloft to bring down this Nation's official symbol, the golden eagle. Now, with increasing frequency, reports are coming to our attention concerning "hunters" like this using planes in the wilds of Alaska to hunt the majestic polar bear.

Mr. Speaker, there are not sufficient words to express my indignation and contempt over such practices. We hunted the buffalo to extinction, the mountain sheep is almost gone from our wilderness areas and now the polar bear is faced with only a few years left on this earth.

We speak in this Congress of peace, and the search for lasting friendship with other countries in this world. Yet, at the same time, we are slowly destroying the last vestiges of the natural world around us. How long will it take, Mr. Speaker, before the animal "man" learns that the final destruction will come not with guns or bombs, but with the death of this earth?

Mr. Speaker, an excellent article on the possible extinction of the polar bear appeared in the San Francisco Chronicle on October 31, 1971. I submit that article for inclusion in the CONGRESSIONAL RECORD:

IS THE POLAR BEAR NOW HEADED FOR EXTINCTION?

(By Lewis Regenstein)

WASHINGTON.—The world's largest carnivorous animal, the polar bear, seems to be headed for extinction, an unfortunate victim of U.S. "sportshunters," the State of Alaska, and the U.S. Departments of State and Interior.

The polar bear (*Ursus Maritimus*) inhabits the lands and floating ice of the Arctic region of five nations: The U.S. (Alaska), Canada, Norway, Denmark (Greenland), and the U.S.S.R. It is a truly remarkable animal and has been pictured by Soviet scientists, who are attempting to protect it, as an invaluable "living model" for biological study and research.

The polar bear has adapted itself to both a land and water environment; to the extreme cold and blizzards; to the long polar night, and to prolonged periods without food. Very little is known about its migratory habits, but scientists look with amazement on the polar bear's ability to orient itself on water by boarding ice floes which are "going its way."

10,000 OR LESS

Yet, the polar bear is disappearing at an alarming rate. Current estimates place the present polar bear population worldwide at about 10,000, although higher and lower figures are frequently cited. One estimate in the authoritative Red Data Book of rare and endangered species, published by the International Union For the Conservation of Nature (IUCN), placed the figure as low as 5000. Despite its low numbers, the annual polar bear kill is about 1300.

A 1970 meeting in Morges, Switzerland, of the world's leading polar bear experts issued an urgent appeal to the five nations under whose jurisdiction the polar bear falls to "drastically curtail harvests" beginning immediately.

Studies by the State of Alaska bear out these fears for the polar bear's future survival. A recent study by the state's Fish and Game Department clearly indicated that the ages of the bears shot and examined in Alaska were getting younger and younger, which is a reliable danger signal that a species is in serious trouble.

The report also stated that quota limitations on hunters have "not been adhered to by some guides and appears to be unenforceable."

A main reason for the polar bear's decline is hunting and harassment by U.S. citizens, including government employees. About 300 bears are killed legally in Alaska each year (about 25 per cent of which are females), with the illegal "take" estimated to approach this number.

The large majority of these kills, sometimes as much as 90 per cent, are made by outside trophy hunters; the kill by native Eskimos for fur and food is relatively small. Furthermore, the method used in trophy hunting—utilizing two airplanes—is particularly unsportsmanlike.

According to Jack Lentfer of Alaska's Fish and Game Department, "airplane hunting amounts to one plane driving the bear to another plane and the hunter. Even many hunters are dissatisfied after the kill."

When the terrified bear has been driven by the first plane until it collapses from exhaustion, the "hunter" alights from the other craft and shoots it. A recent television documentary, "Say Good-Bye," showed a film of an airplane hunt in which a mother bear was shot, with its two cubs looking on in terror and distress.

Although the International Association of Fish and Game Commissioners—which endorses polar bear hunting—has claimed that this sequence was "staged," no one will deny that the type of incident portrayed—the killing of female bears—goes on frequently in Alaska.

Even when mother bears with cubs are shot with tranquilizing darts for research purposes (as is alleged to have occurred in this case), the bear sometimes dies from shock or from the dart striking a vital organ. Other bears have heavy radio-tracking devices, weighing as much as 26 pounds, permanently attached around their necks by agents of the U.S. Department of Interior. The mortality rate in these "scientific experiments" is believed to be significantly high.

EXTINCT IN THE UNITED STATES?

This indiscriminate killing of polar bears may have already rendered the animal virtually "extinct" in the United States. There is much evidence that the polar bear no longer breeds or dens in Alaska; that the United States has in effect, killed off all of its bears; and that the bears shot in Alaska are migrating through the state from Canada or the Soviet Union.

The United States thus leaves itself open to the charge that it is killing off Russia's polar bear population—where it has been protected since 1957—along with bears from Canada, Denmark, and Norway.

According to congressional testimony given on Sept. 13 by the State Department's Donald McKernan, the Russians have complained for some time about the United States killing of polar bears but the State Department has yet to take any action. McKernan's remarks were made while voicing opposition to Senator Fred Harris (D-Okla.) and Representative David Pryor's (D-Ark.) Ocean Mammal Protection Act, which would ban the killing of polar bears.

The State Department instead endorsed a "rival" bill which would allow the continued killing of polar bears under a system of permits issued by the Secretary of Interior.

CHANCES NOT GOOD

The polar bear's chances for surviving the 20th Century are not good. As oil exploration expands in Alaska, the destruction of the bear's habitat will accelerate; construction workers will be able to find some entertaining diversion in the Arctic wastes by hunting polar bears.

After its numbers reach a certain point of depletion, it will be impossible for the few polar bears that remain to find mates in the vast expanse of the Arctic in sufficient numbers to perpetuate the species.

The easiest and most immediate solution to the problem would be for the Department of Interior to place the polar bear on its endangered species list, which would ban the import of a bear or any product thereof into the United States from foreign countries and international waters.

This would effectively limit the killing by trophy hunters from Alaska, since most of the bears are shot beyond the territorial limit and transported back into the state.

Such an action should have been taken long ago, since the Endangered Species Conservation Act of 1969 requires the Secretary of Interior to "take measures to prevent any wildlife from becoming threatened with extinction." As of September however, the department was still resisting efforts to have the polar bear listed as endangered, even though the sperm whale, which numbers some 250,000 and is about 20 to 30 times as numerous as the polar bear, is so listed.

THE OPPOSITION

Legislation, on the other hand, seems to be the long term answer. Prompt passage of the Harris-Pryor Ocean Mammal Protection Act would provide the polar bear with adequate protection. The bill is now before the Senate Commerce Committee, which has so far refused to schedule hearings, and the House Merchant Marine and Fisheries Committee, which has held hearings and is now drawing up a final draft of the legislation.

A CASE AGAINST DISTRICT OF COLUMBIA HOME RULE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. RARICK. Mr. Speaker, if we base our conclusions upon the interest shown by citizens of the District of Columbia rather than the attitude which the opinionmaking machinery would like to have us believe exists, local interest in home rule is contestable.

In the so-called hotly contested November 2 election for District School Board, only 18 percent of the registered voters even took time to go to the polls and vote. In the November 24 runoff elections, the voter participation was even less—slightly more than 9 percent of the 162,736 registered voters cast their ballots.

These are hard facts which denigrate any case for home rule for the District.

I include the following article from the Washington Evening Star of November 24, 1971:

DISTRICT OF COLUMBIA SCHOOL WON BY BARRY'S TEAM

(By Harvey Kabaker and Lynn Dunson)

Marion Barry scored his second District school board election triumph in three weeks last night as the four candidates he had supported won ward runoff races.

Winners were Hilda Mason in Ward 4; incumbent Mattie G. Taylor in Ward 5; incumbent Martha Swaim in Ward 6; and Delores Pryde in Ward 7, according to final, but unofficial results in the light voting.

Elected in the fifth runoff in Ward 1, where Barry remained neutral, was the Rev. Raymond B. Kemp.

The only incumbent to lose was Edward L. Hancock in Ward 7. All of yesterday's winners, except Mrs. Mason, had led in the Nov. 2 counts in their wards. Yesterday's runoff was required after none of the candidates acquired a 50 percent majority in the Nov. 2 voting which saw Barry win election as an at-large member.

Altogether 14,998 valid ballots were counted yesterday, while 170 absentee ballots were expected to be received and another few hundred challenged or special ballots remainded to be examined by election officials. The turned rate was slightly more than 9 percent of the 162,736 registered voters in the five wards, according to official records.

In the Nov. 2 election, there were 28,571 ballots cast in the five wards, for a turnout rate of nearly 18 percent.

Each of the winners yesterday registered sweep victories, losing only nine of the 89 precincts in the five wards and garnering up to 91 percent of the votes in a given precinct.

Barry last night called the sweep a "mandate for new direction, new change and new leadership."

He made the round of victory parties for the four winners he had supported and telephoned to congratulate Kemp.

He praised the Roman Catholic priest as a man "who relates to young people" and said he was "looking forward to working with him."

There is little doubt about from where Barry feels "new leadership" should come. He wants to be president of the board.

COMMUNITY HEALTH CENTERS FOR AMERICAN INDIANS AND ALASKA NATIVES

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. BEGICH. Mr. Speaker, recently I received a copy of a letter and a resolution that were sent to President Nixon from the Norton Sound Health Corp. concerning Mr. Nixon's new Indian self-determination policy which could institute an Indian Health Service for Nome, Alaska.

In his message to Congress on American Indians, President Nixon stated that the new policy concerning Indian problems was to be one of self-determination, and acknowledged that American Indians must be placed in a position where they can help themselves.

At that time, President Nixon went on to describe the generally poor health conditions of the American Indians. He pointed out some startling facts that bear repeating: Infant mortality is approximately 50 percent higher for Indian and Alaska Natives than for the general population. The rate at which Indians contract tuberculosis is eight times greater than the general population rate and the suicide rate is twice that of the national average.

The President has chosen six major areas to deal with immediately to solve some of these problems. He has chosen middle ear disease, mental health, alcohol control, maternal and child health,

development of community health projects and manpower development.

The board of directors of the Norton Sound Health Corp. has passed a resolution that would develop needed community health centers. The resolution is based on the principles and goals expressed by the President. It is their hope that the President will follow through on this new concept and adhere to the request presented in the following resolution.

NORTON SOUND HEALTH CORP.,
DELEGATE OF ALASKA FEDERATION OF NATIVES,
Nome, Alaska, October 29, 1971.

President RICHARD M. NIXON,
President of the United States,
The White House,
Washington, D.C.

DEAR PRESIDENT NIXON: We, in Alaska, were sincerely delighted when you announced in your speech the concept of Indian self-determination. We congratulate you on your bold decisive move. We are now asking you to assist us in implementing this concept.

We hope that you will help us communicate this idea to the U.S. Public Health Service.

We are enclosing a resolution passed by the Board of Directors of the Norton Sound Health Corporation on October 28, 1971.

Most Sincerely,
CHARLES O. DEGNAN,
President.

BOARD OF DIRECTORS' RESOLUTION No. 3

Passed: October 28, 1971, Board of Directors' Meeting
Referred: Norton Sound Service Unit
By the Board of Directors of the Norton Sound Health Corporation

(Relating to the creation of a separate Service Unit in the Norton Sound region)

Be it resolved by the Board of Directors, Norton Sound Health Corporation:

Whereas, the Norton Sound area constitutes a separate and distinct health service area by virtue of transportation routes, communications network and consumer preference; and,

Whereas, outpatient and inpatient facilities are present at the Maynard-McDougall Memorial Hospital in Nome, Alaska, to provide for this health service area; and,

Whereas, administration of health services in the Norton Sound area is fragmented by virtue of numerous providers and also geographic isolation of administration from health services delivery; and,

Whereas, a major objective of the Norton Sound Health Corporation is the establishment of planning and administration of regional health delivery by residents of that region; and,

Whereas, President Nixon has called for implementation of Indian and Alaskan Native self-determination in public programs to meet their needs, and,[1]

Whereas, the Norton Sound Health Corporation, a consumer-controlled regional Corporation, has demonstrated the ability to plan and administer health services delivery efforts: Therefore be it

Resolved, That the Alaska Area Native Health Service create a separate Nome Service Unit; and be it

Resolved, That the Norton Sound Health Corporation be established as the Service Unit Advisory Board for the Nome Service Unit; and be it

Resolved further, That the Alaska Area Native Health Service contract with the Norton Sound Health Corporation to plan for and administer the Nome Service Unit.

[1] ". . . The time has come to break decisively with the past and create the conditions for a new era in which the Indian future is determined by Indian acts and Indian decisions . . . Self-determination among the Indian people can and must be encouraged . . . programs which are managed and operated by Indians are likely to be more effective in meeting Indian needs . . . Indians will get better programs and that public monies will be more effectively expanded if the people who are most affected by these programs are responsible for them . . . ."
(From President Nixon's message to the 91st Congress, July 8, 1970.)

THE EXCLUSIVE REPRESENTATION PRIVILEGE

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. STEIGER of Arizona. Mr. Speaker, much of the excessive power wielded today by union officials can be traced to the original National Labor Relations Act. Adopted during the depression year of 1935 and commonly identified as the Wagner Act, it granted the unprecedented privilege of exclusive representation to labor organizations.

Under the exclusive representation provisions of the National Labor Relations Act, which remains in effect today, a union is the sole bargaining agent for all employees in a bargaining unit—whether members of the union or not. In other words, the workers who vote against union representation are forced by our national labor relations law to accept this unwanted representation.

To see how this came about, we must look at the legislative history of the 1935 act. The year before it was enacted, the Roosevelt administration had issued an Executive order dealing with the subject of union representation. In an accompanying press release, the then administration made it clear that it believed the right of the minority and of individuals to bargain for themselves was protected. The press release said in part—

This section on majority representation—in an election conducted by the National Labor Board—does not restrict or qualify in any way the right of minority groups of employees or of individuals to deal with their employers.

In the congressional hearings which preceded enactment of the Wagner Act, President William Green, of the American Federation of Labor, challenged the administration's interpretation. He adamantly opposed the granting of individual or minority freedom and insisted on reserving to the union majority all bargaining prerogatives. The AFL threw its full power behind exclusive representation and Congress yielded to the unions' demands.

Having conferred on the unions the "exclusive representation" which a three-judge district court termed an "extraordinary privilege" (*National Maritime Union of America* v. *Herzog*, 334 U.S. 854, 1948), Congress went even further. It added another unprecedented and extraordinary privilege sought by union professionals—permission to make contracts with employers compelling all employees to join and pay dues to unions. Taken together, the privileges of "exclusive representation" and compulsory union membership, have given labor union officials such excessive power over the economy and even over the Congress itself that corrective action is imperative. And the terrible thing about all this is that it has been done at the expense of basic individual liberties of American workers.

Union professionals argue that since they are required by law to represent all the workers in a bargaining unit, it follows that the workers should be required to join the union and pay their share of the bargaining costs. Thus the "exclusive representation" they sought so avidly they would now have us believe is a burdensome duty. The nonunion workers they term "free riders" are, of course, captive passengers of the union.

The prestigious Committee for Economic Development summed it up as follows in a 1964 report on "Union Powers and Union Functions":

Unions have actively sought exclusive bargaining rights, including the responsibility for representing nonmembers. The rights of some workers to effective representation by a union are not abridged by the failure of other workers to join. The rights of the employee who does not want to belong to a union already have been substantially abridged in the interests of labor relations stability; to go farther and compel him to belong to the labor organization is an unwarranted denial of his freedom.

Among the fallacies of the exclusive bargaining and "free rider" arguments is the assumption that all workers benefit from union representation. Who is to determine if the worker benefits? Is it the union, or rather is it not the worker who has the right to say whether he is better off from having a union represent him? There are many workers who feel they could advance faster and increase their earnings more if not compelled to follow union-dictated work rules and if permitted to bargain directly with their employers.

Another fallacy is that the only reason workers do not join unions is to avoid paying dues. The worker may object to frequent and what he considers unnecessary strikes. He may not like the way the union handles grievances. Or he may consider officials of a particular union tyrannical or corrupt.

And still another fallacy is that all the union dues the worker pays go to cover the costs of collective bargaining. Unions use their dues income for a number of purposes unrelated to collective bargaining. A substantial part of union dues income goes for legislative and political activities in support of causes and candidates with which many workers are not in sympathy.

Today we hear a great deal about the rights of minorities, the right of the individual to do as he wishes, the right to dissent. There is no individual right, no minority right, more important than the right to work at one's chosen occupation without being compelled to join and pay tribute to a private organization—a labor union. I hope the Congress will speedily pass the bill to stop the violation of basic rights represented by compulsory unionism.

WIRETAPS BY UNITED STATES TRIPLE TO 382,061 SINCE 1968

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. DRINAN. Mr. Speaker, in view of the forthcoming decision in the U.S. Supreme Court with regard to the claimed inherent power of the Attorney General of the United States to wiretap in national security cases, I reproduce here an article published by me in the recent past on this subject in the Boston Globe.

This article shows that Mr. John Mitchell, the present Attorney General of the United States, is the first Attorney General in the whole history of this country who has claimed that the President is above the fourth amendment to the Bill of Rights.

The article follows:

WIRETAPS BY UNITED STATES TRIPLE TO 382,061 SINCE 1968

(By Representative ROBERT F. DRINAN)

In the calendar year 1970 a total of 382,061 telephone conversations were intercepted by Federal officials and authorities in 11 states.

This total is double the number of those obtained in 1969 and almost three times the number secured in 1968.

The 382,000 conversations overheard by law enforcement officials were made pursuant to authorization by Federal and state officials of 583 taps and bugs during the year 1970. There is absolutely no indication that any state or Federal judge in 1970 refused any request by any law enforcement official for permission to eavesdrop.

The new phenomenon of court-approved electronic eavesdropping has come about as a result of the Omnibus Crime Control and Safe Street Act of 1968. The extent of the practice was recently revealed in a report of the administrative office of the United States Courts, an annual report required by the 1968 Act.

In 1970 there were 147,687 telephonic intercepts carried out by the Department of Justice. Federal officials report that 102,819 of all conversations interdicted were "incriminating." There resulted, according to Federal officials, 613 arrests and 47 convictions from the intercepted conversations.

During 1970 there were a total of seven court-authorized eavesdroppings in Massachusetts. These taps resulted in 1487 intercepts of which 1337 were stated by Massachusetts officials to be "incriminating." There resulted 41 arrests and three convictions.

Six of the eavesdrop installations were carried out in Suffolk County, resulting in 1446 intercepts. One installation, approved in Norfolk County, resulted in 41 tapped conversations but with no resulting arrests or convictions.

Of the 18 states whose laws permit the authorization of court-approved wiretapping only 10, besides Massachusetts, utilized this privilege in 1970; they were Arizona, Colorado, Florida, Georgia, Maryland, Minnesota, New Hampshire, New Jersey, New York and Wisconsin.

The statistics cited above do not include the undisclosed number of warrantless intercepts carried out by the Justice Department on the basis of its claimed privilege to eavesdrop in the interest of national security on Americans it suspects of engaging in subversive activities.

The Omnibus Crime Control and Safe Streets Act of 1968 specifically exempted from prior court approval Federal taps installed in cases involving national security. It can be assumed that the Department of Justice has sharply increased these undisclosed wiretappings in view of the fact that the number of court approved Federal installations went from 30 in 1969 to 180 in 1970! In 1968, the year before the Nixon Administration, the Department of Justice did not conduct a single wiretap.

Of the 180 wiretap installations carried out by the Nixon Administration in 1970, 121 were for gambling or bookmaking, 41 for drugs or narcotics and 16 for extortionate credit transactions. The total cost of the wiretap installations to the Federal government in 1970 was $2,163,781. This means that the average cost of Federal convictions based on eavesdropping was $45,078.

Although the escalation of wiretaps under the Nixon Administration is alarming in itself the more dangerous recent development is the claim by Atty. Gen. John Mitchell that, as he put it in an address on June 11, 1971 to the Virginia Bar Association, "It is our position that compelling considerations exist when the President, acting through the Attorney General, has determined that a particular surveillance is necessary to protect the national security and that under these circumstances the warrant requirement (of the Fourth Amendment) does not apply."

Speaking of this claim, Cong. Emanuel Celler, chairman of the House Judiciary Committee, said that the nation was headed toward a "police state" under such a policy. Ramsey Clark, former Attorney General, called the claim of inherent power to wiretap "an utterly lawless philosophy." Sen. John L. McClellan has promised public hearings in the fall of 1971 to review the practice.

Atty. Gen. Mitchell's major premise is that "The threat to our society from so-called 'domestic' subversion is as serious as any threat from abroad." The Attorney General went on to state, once again in the address before the Virginia Bar Association, that "Never in our history has this country been confronted with so many revolutionary elements determined to destroy by force the government and the society it stands for."

Acting on this premise the Attorney General asserts that "In the litigation currently evolving in the courts, the government has taken the position that the reasonableness standard of the Fourth Amendment is a flexible one and does not require in all cases that a warrant be obtained."

Mitchell argues that "there are sound reasons for conferring the authority to order electronic surveillance in national security cases to the President rather than to a multitude of lower court judges."

No Attorney General in the whole history of the country has claimed that the President is above the Fourth Amendment to the Bill of Rights which states categorically that all of us are protected from "unreasonable searches and seizures" by the government. The Constitution requires the President to "Preserve, protect and defend the Constitution of the United States." The President is not carrying out this duty unless he states that the Fourth Amendment applies to the President of the United States just as it does to the rest of us.

U.S. Rep. Robert F. Drinan of the 3d Massachusetts District is a member of the House Judiciary and Internal Security Committees.

EDUCATIONAL INNOVATION FLOURISHES AT NEW YORK CITY'S HAAREN HIGH SCHOOL

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. RANGEL. Mr. Speaker, until recently, when someone talked about educational innovation and restructuring our schools, the words were abstract. Now, however, the minischool experiment is in full swing in Haaren High School.

The rigidity of the curriculum has been loosened, and students at Haaren study urban affairs, photography, creative arts, and other subjects in addition to English, math, and social studies. The minischool concept allows the teachers and students to know each other better, to eliminate the alienation that arises in many of the monolithic, impersonal schools that abound in this country. For the first time young men and women who were previously viewed as the educational system's discards are being given the opportunity to discover that learning involves much more than repetitious homework assignments and drills.

Speaking as a former high school dropout, I know that the need for programs such as this one is great. I hope that school committees will follow the lead of the New York City Board of Education and that community groups will follow the lead of the New York Urban Coalition in working to establish experiments of this type. I know how hard Urban League President Eugene Callender has been working to acquire Federal funding for the Haaren High School minischools, and I believe that this dedication will be matched elsewhere as the Haaren program attracts national attention.

The New York Times recently carried an article describing the progressive changes made at Haaren and the obstacles still to be faced. I commend it to my colleagues:

[From the New York Times, Nov. 17, 1971]

TROUBLED HAAREN HIGH TRIES THE "MINISCHOOL"

(By William K. Stevens)

Five years ago, Hollywood moviemakers used Haaren High School as the setting for "Up the Down Staircase," a tragicomic work that created a grim image of the typical big-city high school: huge, chaotic, a bureaucratic maze, an educational wasteland inhabited by bored, demoralized students and defeated teachers.

That movie image has seemed in many ways to fit the school at 59th Street and 10th Avenue. In the view of Mrs. Marguerite Glotzer, chairman of the school's United Federation of Teachers chapter, Haaren has been, "quintessentially," the troubled urban high school.

But now, in one of the nation's boldest and most sweeping ventures in educational reform, Haaren is trying to become a different kind of model.

In an attempt to build closer relationships among teachers and students, and to remove the worst aspects of bureaucracy, the school has been taken apart and put back together this term in the form of 14 semiautonomous "minischools." Each has 150 students, per-

haps half a dozen teachers, a course adviser and a "street worker."

"CORE" CURRICULUM PURSUED

Each is organized around a common theme, such as "urban affairs," "creative arts" or "aviation," although students in each minischool pursue, in addition to their specialty, a "core" curriculum of English, social studies and mathematics.

Each minischool comprises a cluster of classrooms with an informal student-teacher lounge at its center, occupying its own corner of the six-story, 68-year-old building overlooking the Hudson River. For the most part, students and teachers spend the entire school day in their own corner of the building.

"You might liken the minischool to a block, a community," explains Charles Dobkin, a 28-year-old social studies teacher at Haaren. "It eliminates all kinds of frustrations that eventually add up to an obstacle course, not a school."

"The teachers I have now, they know me by name," says 19-year-old Louie Lopez, one of Mr. Dobkin's students. "Before, they'd have to look at the roll, and then they'd say: 'Oh, you're Lopez.'"

LIKE ALTERNATIVE SCHOOLS

The primary aim of Haaren's internal decentralization is to convert each minischool into something like the 16 small, informal "alternative" high schools that have been established as offshoots of 18 "regular" high schools around the city.

Hostility and distrust between students and teachers reportedly are disappearing in the atmosphere of casual face-to-face contact that has developed in some of the "alternative" schools—such as Manhattan's Harambee Prep, a satellite of Haaren and Hughes High Schools, and Brooklyn's Wingate Prep.

But the small alternative schools, though they are providing models, involve only a tiny proportion of the students from their parent schools. The Haaren venture, on the other hand, represents the Board of Education's only attempt at wholesale, top-to-bottom reorganization of an entire high school.

It is not a hothouse experiment with volunteer teachers and students, and it is being carried out for the most part within Haaren's existing budget. For these reasons, the project is widely regarded as being of front-rank importance.

If it succeeds in such a troubled institution, its backers contend, it will show that any high school can be changed drastically for the better.

NOT PROUD OF IT YET

So far, the reorganization is still in its shakedown stage. "We're not proud of it yet," says Bernard V. Deutchman, the school's principal, "but we're very optimistic."

The venture was born in Mr. Deutchman's mind last spring, when, as happens every year, he and his department heads took stock of Haaren's staggering problems.

On an average day, 40 per cent of Haaren's students were absent. Class-cutting, in Mr. Deutchman's words, was "so overwhelming that we couldn't keep up with it." Academic failure was widespread.

Many of the school's 2,500 students—all of them boys and most of them black or Puerto Rican—are castoffs from other high schools, and Haaren consequently has been viewed by many of them as what one teacher calls "a school of last resort."

Vandalism has been an everyday fact of life, and so has overt hostility between teachers and students. "We had riots before they became chic," says Mrs. Glotzer.

DRASTIC MEASURES NEEDED

Gradually, Mr. Deutchman says, it became clear to him that only drastic measures would have a chance of breaking the pattern. Having been associated with Harambee Prep and its predecessor, the privately sponsored McGraw-Hill Street Academy, he looked to them as a model for Haaren.

"Size was their strongest feature," Mr. Deutchman believes. "That allowed a relationship to develop between students and teachers that doesn't develop in a school, normally."

"Large schools have very large problems," adds Louis McCagg, director of the New York Urban Coalition's High School Project, which is assisting the Haaren venture. "Small schools have smaller ones, and these can generally be solved. You can get your hands on them. With 150 kids, you can get to know everybody by the week's end."

So Mr. Deutchman drafted the minischool proposal. More than 60 percent of the Haaren faculty voted to accept it. So did about 60 percent of the school's students. The U.F.T. chapter supported the plan. So did the Board of Education's High School office, and, ultimately, School Chancellor Harvey B. Schibner. Such widespread support in itself makes the Haaren project somewhat unusual.

CRITICS SCORE HASTE

Some critics have said that Haaren rushed into the project too quickly, without adequate planning. But Mr. Deutchman believed that it was more important to move while the Haaren faculty was enthusiastic.

The student-teacher lounge is seen as the center of minischool life. It is not only a place to relax, it is also the place where teacher and student meet to talk over problems, where a student can go for help, without delay, where street workers and course advisers can talk to students without having to schedule appointments.

"To get anything done in a regular school was like writing to Albany or Washington," said Mr. Dobkin, the social studies teacher. "Now you just go to the lounge."

Young Mr. Lopez said it was almost impossible, under the old system, to see his guidance counselor, among other officials and teachers. "Before, if a student has a problem and doesn't correct it himself, nobody else will," he said. "Now, they come looking for you. Also, everyone you need is in the same place. I really like that."

Other teachers and students confirm the views of Mr. Dobkin and Mr. Lopez. But although the minischool venture appears to be having some positive effects, there appears to be a long way to go.

For example, the familiar of the big, monolithic high school has not entirely disappeared. The entire building is still chained to a precise schedule of "bells." The autonomy of mini-schools, says Mr. Deutchman, has been compromised by the practical need of many students to take courses elsewhere in the school.

Some students have been alienated by the difficulties encountered in getting the organization under way. For instance, students in a special program designed to prepare them to take high-school equivalency examinations are outraged by a succession of substitute teachers they have had to endure until recently.

But Mr. Dobkin points to an even more fundamental difficulty: "A lot of teachers feel uptight about communicating with kinds on an informal level, and that's what it takes. You can change structure all you want. But the approach of teacher to student is crucial. Without changing that, it's like the same old peas in a new pod."

"You got an 80-year-old teacher, say," explained one student, only half joking. "You think she's gonna teach a bunch of teen-age savages like us?"

An official close to the program concedes that there "are still some cynical mean people" on the faculty, but maintains that there are "more who care, who have constructive attitudes."

The Haaren venture is so new that there is as yet no hard, objective evidence of success or failure.

"The concept is on paper and in the minds of the administrators and teachers, but it's not in the minds of most students," says Charles Dickinson, formerly the director of Harambee Prep, who now works for the Urban Coalition at Haaren. "To the truant kids who have been hanging around on the streets, it's the same old Haaren."

"It took this school 50 or 60 years to get in this shape," said a member of the Haaren administration. "You can't expect it to change overnight."

EVA VERA YOUNG

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. BOLAND. Mr. Speaker, Eva Vera Young—an all but legendary figure in Washington's restaurant circles—is dead at the age of 90.

Mrs. Young, known to her countless friends as "Mama," ran the Roumanian Inn at 815 13th Street here with an evocative Old World flair that made it one of the city's most celebrated restaurants. Mrs. Young's special dishes—made with the same painstaking and loving care with which she did everything—vied with her own personality in earning fame for the Roumanian Inn.

She closed the restaurant in 1960, 25 years after its founding, to join her son in opening Paul Young's Restaurant on Connecticut Avenue. A corner of the kitchen was set aside for her—her inviolable domain—and there she prepared her famed special dishes for old friends who stopped by.

Almost every night she would walk among the tables at Paul Young's, greetings such friends and chatting with them.

I had the honor of knowing this remarkable lady, Mr. Speaker, and I extend my deepest sympathy to her sons, Paul and David, and to her grandchildren and great-grandchildren.

I insert in the RECORD a Washington Post story outlining her career:

[From the Washington Post, Nov. 22, 1971]

EVA VERA YOUNG, RESTAURANT FIGURE

(By Bill Bancroft)

Eva Vera Young, known as "Mama" to thousands who ate at her Roumanian Inn and later at her son's Paul Young's Restaurant, died yesterday at Doctors Hospital of pneumonia. She was 90.

A friend of many prominent Washingtonians—members of Congress, Cabinet officers, judges, sports figures and others—she was appreciated for the loving touch that went into everything she cooked, according to friends.

She was the key to the success of the Roumanian Inn, at 815 13th St. NW, which opened in 1935, working in the kitchen on dishes that made the restaurant famous beyond its size.

When her son, Paul, opened his new restaurant at 1120 Connecticut Ave. NW, in 1960, she closed hers and came along to help, only to find that the electric stoves did not respond to her touch the way gas ones had.

But she mastered the changes and one corner of the new kitchen was set aside for her use.

She was no longer the head cook, however, being well in her 80s, but she had hundreds of friends, and whenever she spotted one of them in the restaurant, she prepared and sent out some special dish she knew them to be fond of.

Born in a small Russian town near the city of Kiev, she left there and came to the United States in 1904. Her first job in this country was as a seamstress.

She married Hyman Young in 1910 and in 1921 the two opened their first food establisment, a coffee shop at 37th Street and 8th Avenue in New York.

Mrs. Young came to Washington in 1935, shortly after her husband died.

She is survived by two sons, Paul and David, of Washington, nine grandchildren and three great-grandchildren.

THE NEED TO REMEMBER THE UKRAINE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. RODINO. Mr. Speaker, Ivan Dzyuba stands as a symbol for the new Ukrainian intellectual. In early September 1965, he was detained in Kiev under the pretext that he had sent to the West a diary of the deceased young poet, Vasyl Symonenka, where it had been published together with several poems banned in the Soviet Union. Over 100 individuals were said to have been arrested in Kiev and L'vov at this time; secret trials, not reported in the Soviet press, were stated to have taken place. Many of those tried with Dzyuba were sentenced to 7 years hard labor and sent to Siberia as punishment for their "struggle against the Soviet state system." They were proven to be "morally unstable persons" who had fallen under the influence of hostile nationalities' propaganda and who had read books not passed by Soviet censorship. Suffering from acute tuberculosis, Dzyuba was later released. The words of Dzyuba call for a thorough revision of the principles of socialist realism—"We should judge each society by the position and meaning it gives to man, by the value it puts on human dignity and human conscience." For these ideas and for these feelings he was brought to trial.

According to Soviet law, all trials must be held in public. The basic denial of justice experienced in these secret trials was criticized by a young Ukrainian journalist and critic, V. M. Chornovil. When summoned during procedures to appear as a witness for the prosecution, he refused to testify on the grounds that the trial was not open and was therefore, illegal. Chornovil himself was soon brought to trial for his subversive actions:

My innocence seemed much too obvious to me. But as the trial proceeded, my rosy optimism gradually began to change into black pessimism. I saw clear prejudice and understood that I would not succeed in stopping the operation. My request that witnesses be called and documents be included was rejected without any reasoned explanation; the evidence I gave at the beginning of the trial was not discussed.

Thus, Ukrainian individuals are strongly speaking out against Soviet attempts to break up the Ukrainian nation, the largest, most concentrated national minority in the Soviet Union, both physically and morally. Traditional resentment of rule from Moscow has been strengthened by the repressive actions of present and past times. In his campaign against "bourgeois nationalism," Stalin virtually wiped out the Ukrainian intelligentsia during the 1930's. Millions of Ukrainian peasants starved to death and were deported to Siberia during collectivization. In the postwar years, the country was hard hit by famine and mass reprisals against whole villages accused of aiding anti-Soviet guerrillas. It will take generations before these things are forgotten.

What exactly are the Chornovils and the Dzyubas demanding for their people? They ask that the Ukrainians have the opportunity to know their history, culture, and language and to feel proud of their heritage. They ask for a return to the principles of self-determination of nations and the fostering of every nation's free and unimpeded development. They note the existence in Eastern Europe of Communist countries independent in varying degrees, but incomparably more independent than a Soviet Union Republic in the position of the Ukraine. They desire to see the Soviet Ukraine as truly existing and genuinely equal among the Socialist family of nations, to see it as a national reality and not simply as an administrative geographic term. The Ukrainian demands aim at the practical implementation of rights guaranteed in article 17 of the Soviet Constitution, converting a Union Republic's right to secede without impediment from empty fiction into reality.

It is noteworthy that most of the spokesmen of this movement are young people who have been educated and nurtured in the teachings of Soviet patriotism. This new generation lacks the direct experience of the paralyzing fear which blanketed their country during Stalin's great terror. It is better equipped as a whole, to think for itself and less prepared to take things for granted. This form of opposition is striking both for its moderation and for its high intellectual level. Yet, the situation and its people are typical of the present ferment as a whole which seems to be enveloping a great many of the captive nations; it is for this reason that this form of opposition commands such evident respect.

The test of the validity of any social structure is the extent to which it is able to come to terms with internal opposition. Moscow has continued to respond to this challenge by extending police repression and by strengthening its utilization of prison camps. According to Michael Browne in his "Ferment in the Ukraine:"

The extent of the ferment and discontent in the Ukraine and the degree to which the central regime in Moscow regards ferment as a danger to the integrity of its empire, is seen from the scale of repressive acts against the dissidents. It is estimated that Ukrainians comprise 60–70 percent of all political prisoners in Mordovia.

The 25th Anniversary Convention of the Organization for the Defense of Four Freedoms for the Ukraine, Inc., was held at the Commodore Hotel in New York City this past weekend, November 27 and 28, 1971. The four freedoms they seek, freedom of speech, freedom of conscience, freedom from fear and freedom from want, are vital to the preservation of peace, justice and security throughout the world. According to John Wynnyk, president of the ODEFFU, his movement and similar Ukrainian organizations of this nature constitute a powerful Ukrainian Liberation Front dedicated to the restoration of freedom and national statehood to the Ukraine and to all captive nations. Perhaps, the attainment of this dream seems nearly impossible in our eyes. How will it be possible for the captive Ukranian people to regain their rightful freedom and their national independence? Can our words of support and encouragement have any real effect on this situation? On September 29, 1966, Ivan Dzyuba publicly addressed his people with the following words:

There are events, tragedies, the enormity of which make all words futile and of which silence tells incomparably more—the awesome silence of thousands of people. Perhaps we, too, should keep silent and only meditate. But silence says a lot when everything that could have been said has already been said. If there is still much to say, or if nothing has yet been said, then silence becomes a partner to falsehood and enslavement. We must, therefore, speak and continue to speak whenever we can, taking advantage of all opportunities, for they come so infrequently.

ROBERT D. LACKEY RECEIVES RED CROSS CERTIFICATE OF MERIT

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. MIZELL. Mr. Speaker, as we return from the Thanksgiving holiday recess, it is my pleasure to report to my colleagues an act of mercy by one of my constituents that has generated the praise of the President of the United States and the American Red Cross.

Mr. Robert D. Lackey, of Winston-Salem, N.C., will soon receive the Red Cross Certificate of Merit for the compassion and competence he displayed last summer in saving the life of a little girl who had been struck by a motorcycle.

The details of Mr. Lackey's lifesaving act were outlined in a letter sent to me by Mr. George M. Elsey, president of the American National Red Cross, and I would like to include the full text of that letter in the RECORD at this time.

As we have recently paused to give thanks for all the good things of life, and as we prepare to celebrate a holiday of so much religious and moral significance, it is good for us to reflect on the deeds of kindness and selflessness that make up so much greater a part of our

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lives than the villainy and brutality that is so often heralded in our news media.

I urge my colleagues to join me in saluting Mr. Lackey, and I am sure that his example is one that all Americans should seek to follow.

The letter follows:

THE AMERICAN NATIONAL RED CROSS,
NATIONAL HEADQUARTERS,
Washington, D.C., November 8, 1971.

HON. WILMER D. MIZELL,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. MIZELL: I wish to bring to your attention a noteworthy act of mercy undertaken by one of your constituents, Mr. Robert D. Lackey, 1414 Brewer Road, Winston-Salem, North Carolina 27107, who has been named to receive the Red Cross Certificate of Merit. This is the highest award given by the American Red Cross to a person who saves a life by using skills learned in a Red Cross first aid, small craft, or water safety course. The Certificate bears the signatures of the President of the United States, Honorary Chairman, and E. Roland Harriman, Chairman of the American National Red Cross. Presentation will be made by the Forsyth County Chapter, Winston-Salem.

On June 6, 1971, Mr. Lackey who has been trained in Red Cross first aid, was a volunteer on a rescue vehicle which was called after a small girl had been struck by a motorcycle. She suffered many fractures and lacerations. Mr. Lackey applied direct pressure to stop severe bleeding, helped to splint fractures, and revived the child twice when she stopped breathing, while the ambulance was en route to the hospital. His first aid knowledge and skill undoubtedly kept the child alive until medical attention was reached.

This action by Mr. Lackey exemplifies the highest ideal of the concern of one human being for another who is in distress.

Sincerely,

GEORGE M. ELSEY.

NEW YORK CITY: A MESSAGE OF HOPE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. KOCH. Mr. Speaker, so often the country is saturated with news relating to adverse conditions in New York City. I recently read the speech of Alan V. Tishman, executive vice president of Tishman Realty & Construction Co., which gives his prognosis for New York City and it is a message of hope. It does so excellently state the case for New York City that I am setting it forth in the CONGRESSIONAL RECORD for the interest of our colleagues.

The speech follows:

REMARKS BY ALAN V. TISHMAN, EXECUTIVE VICE PRESIDENT OF TISHMAN REALTY & CONSTRUCTION CO., INC.

Mr. Stiefel, members, guests and visitors from far away lands of the Rotary Club of New York.

I come to you today with a message of hope as a member of ABNY. It is a prognosis for New York City.

I believe that, during the next decade, New York will emerge to be the first city that turned the tide of urban sickness, and it will be regarded as a pathfinder for its sister metropolises throughout the nation.

I am not a Pollyanna, nor am I an overenthusiastic optimist. My forecast is based on observable facts that have too often been overlooked.

The conventional wisdom today is that the cities are dying and that there is no cure for them. This reminds me of other times and other convictions:

The world is flat.

You'll never get it off the ground.

No one will ever run a 4-minute mile.

The United States will never recover from the Stock Market crash.

We will always have negativists. Gloom is an easy attitude to cultivate. I refuse to get caught up in today's downbeat mood about our cities, particularly New York, which has so much going for it.

I believe in New York, because it has been established as the nation's marketplace. An institution of that magnitude has inertia behind it. This status is a strong foundation to build on.

I believe in New York, too, because there are strong-willed men and women who are building on that foundation.

And, I believe in New York, because many of her problems are imaginary and emotional and those that are real are soluble.

One of her very real problems today is the loss of some business. I say *some* business, because there is no "exodus" to the suburbs.

A few prodigal sons have left the city to decimate the green pastures of the suburbs. "Exodus" was a word obviously chosen by a headline writer who thought the word "trickle" wasn't dramatic enough.

Last year, there was a net loss of only six large corporations in New York. Of the nation's top 500 companies, 125 still maintain their headquarters in the city. Chicago is second nationally with 37 corporate headquarters.

Contrary to the forecasts of the mass media, we're still in business in this town.

Advocates of suburban office buildings have been telling the business world that moving to the suburbs will bring all kinds of benefits: lower taxes, fresh labor supply, lower building and maintenance costs, escape from traffic jams, dirt, noise, crime, etc. But, let's look at the facts: These are "handles," in many instances, available to corporate heads who have decided to move for "other reasons." But the fact that these "handles" are there is reason enough for ABNY to be formed.

TAXES

In almost every low-density area, the need for public services far surpasses the ability of local authorities to pay. An analysis of suburban communities indicates that where communities shoulder their full responsibilities, local taxes equal or exceed those of the big city.

Admittedly, taxes may now be lower in some suburban areas, but the day will come when expenditures must be made to cover the deferred work that needs to be done now. In some communities, industries and offices are viewed as the golden calf whose arrival promises long-term reduction in taxes. Politicians know industry is the fatted calf that can afford to pay more taxes in the future.

For example, a developer in New Castle, N.Y. (adjoining Greenwich, Conn.), requested a change of zoning of 311 acres to six, fifty-acre office sites. The local town board, after a detailed study, showed that the added expense of building new roads to service such a complex would more than offset the added tax revenues that such a development would bring to the town.

Town fathers in the suburbs are learning that corporations away from mass transit, are gluttons for land. As a result, Greenwich, Conn., has already declared a six-month moratorium on high-rise construction pending a complete study of its problems.

In Manhattan, one million square feet of office space could be built on a little more than an acre and be supported by a single rail link. The same space in the suburbs would take 70 acres and require eight lane-miles of highway to support it.

TRANSPORTATION

In New Jersey, the Highway Commissioner reports that the north arterial network designed to handle 2,000,000 cars per day now carries 12,000,000 cars per day. A study has indicated that the capacity of highway development is 1/20th of that of a public transit system, but the tax structures in the suburbs cannot support mass transit systems. As a result, busing in the suburbs has become a corporate-financed necessity to attract people to the office satellites.

New York's mass transit system, however, is experiencing a major rejuvenation. Here are just a few improvements and projected improvements:

More than 900 new air-conditioned subway cars are now in service.

More than $3 billion has been appropriated for additional equipment, subway extensions and new subway lines. In the MTA's 52-mile subway construction program, there is a new 2nd Avenue Subway and a 63rd Street Tunnel, which will carry subway and LIR trains.

1,380 subway cars have been completely repainted inside and out, and 420 stations have been repainted.

New high-speed Metropolitan cars are now the backbone of the LIR fleet, with some 600 already in service.

(Let me interrupt this discourse with a thought. Did you know that despite the criticism of the LIR, a recent poll showed that 70 percent of its passengers have seen a noticeable improvement in service during the past year? I'm not surprised).

The New Haven should see improvement, too. It was taken over by the CTA and MTA just 10 months ago. It will receive the benefits of the injection of $125,000,000 for modernization, electrification, signals, etc. There will be 200 new cars in service within the year to come.

And, lastly, but of extreme importance, it looks as if there is going to be a direct rail connection from Manhattan out to Kennedy Airport, and a new Midtown Transportation Center.

To contrast these developments, we need only look to the overcrowded highway conditions in the suburbs. We in New York already have the capital plant—it is being modernized, added to and upgraded. No other city can touch what we already have in place—no suburb can afford it.

LABOR

A location in Manhattan represents a commitment to share in a vast pool of labor where a fire has access to a population of more than 17,000,000 people with diverse talents and skills—within reasonable wage limits and individual willingness to travel.

A location in the suburbs, in many cases, represents a commitment to the past. By this, I mean it involves the development of a captive labor market in the immediate vicinity of the market. This happened in the early phase of the suburban office development, which met with considerable success. But now, as individual offices grow and new ones arrive, a company finds it necessary to increase wages to draw persons from greater distances or to steal away adequate help from its neighbor corporations.

Manifestly, the individual labor markets begin to inter-penetrate, and wage competition develops. Clusters of competing companies are attempting to share in a regional sub-market where population is lower, public transportation is absent and high proportions of young people going away to college have sapped the local clerical work force.

Many of the suburban problems for corporations would be solved if more housing was built for employees, but there are no indications that this will occur.

The suburbs invite businesses to move in, but they don't tell them they have a restriction against employees. Office buildings bring in painless ratables for a suburban community, but employees generate a need for schools and other expensive services.

In the Tri-State New York Metropolitan Region, for example, 48 percent of the vacant land zoned for residential use—excluding the city itself—requires single-family homes on one acre or more. In Westchester, only 14 of 44 cities, villages and towns have built or planned for middle-income housing. New homes there generally start at $45,000.

Half of the 70 municipalities in New Jersey's Bergen County ban any apartment construction.

Because employees are forced to commute to the suburbs, corporations there are experiencing increased rates of absenteeism and turnover.

But, there are many more personnel problems that businesses are suffering in suburbia. One of the severest disadvantages of a corporate move-out from the city is the serious loss of talented personnel.

New York has always been a magnet for the skilled, the creative, the innovative, who have sought the diverse career opportunities in the city. Many of these people simply refuse to isolate themselves in the country. This leaves the company in the suburbs with major recruitment problems.

When a corporation abandons New York, it also dulls its employees by denying them cultural opportunities unmatched in the Western Hemisphere. A corporation in the suburbs may have a campus-like setting, but it doesn't have the intellectual stimulation of the campus. Employees who have been forced to leave New York's excitement are too often bored by the sterility of the suburbs. Without the city's stimulation, they often become robots who contribute little at work.

CRIME

A company's decision to move to the suburbs because of crime is based on emotion, not reason. Crime is a national problem and it won't be solved by hiding your head in suburban peat moss.

The drug epidemic is growing so rapidly that it has a greater effect on the small community, because the suburb neither has the experience, nor the facilities to deal with it.

According to complete FBI statistics for the first half of 1970, our New York Police Department shows a reduction in crime of 1/10th of 1% as compared to Stamford, Conn., which shows an increase of 36%, Bridgeport, 28%, and Darien, 29%.

HIDDEN COSTS

There are many additional expenses a company must cope with in the suburbs: additional land for parking lots; possible construction and maintenance of a garage; landscaping; cafeterias; special buses for employees; limousines for executives, and telephone tie-lines to the city. Add to these the cost of maintaining space in the downtown city area for advertising, public relations, marketing, board meetings, etc.

Some companies in fact find that they are subsidizing high cost mortgages for housing for their management employees and that they are financing the purchase of "second cars."

But, there's even more that escapes the eye at first glance. There is lost executive time traveling to New York to attend meetings, delays in transmittal of information, losses due to missed opportunities, and losses due to omitted visits. There is no substitute for the eye-ball to eye-ball discussion or negotiation—and New York is where it is and what it's all about.

Some of these costs I've mentioned before can be itemized approximately as follows:

	Per square ft.
Cafeteria and meal subsidy	$0.30
Privately financed bus service	.40
Limousine and chauffers for executives to visit New York	.30
Telephone tie-lines	.10
Landscaping and snow removal	.20
Parking lot maintenance	.10
These items alone total (for "extras")	$1.40

Building costs in the suburbs are no cheaper than the cost of construction in the city. The only difference might be in the cost of land. But, this cheaper cost in the suburbs is oftentimes offset by the need for substantial additional land for future expansion of the office and for parking. It's rumored that if a rental figure were to be attached to the Taj Mahal that American Can built in Greenwich, it would rent at $15 to $18 per square foot. Quite an expense to be near one's golf club! I wonder if the stockholders of some of these corporate "cop-outs" really know the true cost of moving to and living in a suburb!

Incidentally, a tenant's future expansion can be easily handled in the city by a knowledgeable and cooperative landlord. In the suburbs, there are no smaller tenants available to occupy the expansion space until needed by the prime tenant.

It would seem apparent that the peripheral areas offer little promise to a company with an eye on the future. A suburb, in fact, is an area that has not grown into a city—it is a sub-city with all of the growing pains before it. Most of our large cities, and, particularly New York, have in the past few years recognized these pains and are doing something about them.

New York City has structured its capital investments in anticipation of growth. Revenue sharing, open enrollment, mass transit, technologies to counter environmental pollution, housing and development of downtown sub-centers are major items on New York's budgetary agenda. All of these allocations focus on the future. In many areas of improvement the future is at hand. No suburb is capable of making these provisions.

Everywhere I look in New York I see change, which is a sign of vitality. Here are just a few of the changes:

The Flatlands Industrial Park, a 96-acre development with seven new manufacturing plants in Brooklyn. This is 75% completed.

The Northeast Container Terminal in Brooklyn, a 70-acre container port, which will maintain the city's competitive status in the import-export industry.

The Hunt's Point Food Market in the Bronx, the world's largest wholesale food distribution terminal. In the fiscal year 1969–70, $35 million of new construction was completed at Hunt's.

An announcement is forthcoming soon of the development of Welfare Island into a huge in-city complex of apartments, shopping and office space.

A $100 million Convention-Exhibition Center will be constructed on the Hudson River waterfront between 44th and 47th Streets. It will be the largest facility of its kind in the nation.

Beside the Convention Center will be the Consolidated Passenger Ship Terminal that will restore the cruiseship business in the city. This is a $30 million project.

The City of New York is developing an industrial park on the site of the New York Naval Shipyard (Brooklyn Navy Yard), five minutes from Downtown Manhattan. More than 165 acres of prime industrial space is available, providing waterfront location in the nation's busiest port for maritime-oriented companies.

And of course, one of the most evident signs of change in the city is the World Trade Center, which is nearing completion on the Lower West Side.

New York is still the financial, communication and commercial capital of the world and this is where the action is. New York is a magnet which will continue to pull creative people to its core.

I spoke earlier of the strong-willed men and women of New York who are working to better New York.

Typical of these get-up-and-do-something people are the members of the Association For a Better New York, which was formed last February by 100 businessmen. It is operating on a $2.5-million, three-year budget.

Better New York is involved in nothing short of a crusade. It has mounted a massive national campaign for federal revenue sharing for our cities. It's pushing for voter approval of the $2.5 billion Transportation Bond Issue in November, which is a *must* to pump another $1½ billion of funds into the New York City transportation system. It's helping the sanitationmen clean up midtown streets . . . and much more.

Better New York is putting statuary in office building plazas, supporting the revitalization of Yankee Stadium, assisting Consolidated Edison in conserving power, conducting a federal drive to permit communities to enact year-round daylight savings time, and attempting to attract another football franchise to the city.

It is also working with the City Council in seeking changes designed to eliminate smut peddlers in Times Square and restore the area's attractiveness to visitors.

It is meeting with corporate heads on a regular basis to enlist their support in Better New York's campaign to improve the city.

And Better New York has established a liaison with New York's Congressional delegation to generate more power for the city at the federal level.

The primary goal of all of these programs is to attract new business and keep the business the city has.

But the significance of Better New York is beyond its individual programs.

Better New York is the spirit of hope. It is made up of people who refuse to wring their hands.

And hope is infectious . . . just as is despair. We're full of enthusiasm for the future of New York—because it's not all "future"—many of the improvements and changes are now at hand.

Hopefully, some of our enthusiasm has spread around this room.

Thank you.

REPUBLICAN GOVERNORS CONFERENCE

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. PEYSER. Mr. Speaker, the 19 Republican Governors who attended the Republican Governors Conference in Indiana last week unanimously endorsed a statement regarding their common problems. Unfortunately this statement received little attention in the press. It is an excellent statement and I want to bring it to the attention of my colleagues in the Congress.

The statement follows:

STATEMENT BY MEMBERS OF THE REPUBLICAN GOVERNORS ASSOCIATION NOVEMBER 19, 1971, FRENCH LICK, IND.

We, the members of the Republican Governors Association, charge the Democrat leaders of the United States Congress with

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abdicating their clear and urgent responsibilities to the people of America.

Washington skims off 65 percent of all the public revenues, while villages, towns, cities, counties and states teeter on the verge of bankruptcy. As a result, State and local governments must increase sales and property taxes, levy new tax after new tax and cut back on their services to the people.

For years, the Governors of both major parties have directed their bi-partisan pleas to the Democrat-controlled Congress for a fair return of federal tax revenues to State and local governments—but their cries have fallen on deaf ears.

They have supported President Nixon's concept of Federal revenue sharing—and 77 per cent of the nation upholds their petitions—but the Democrat leadership of the Congress refuses to act.

The overwhelming majority of public officials across the land, reflecting the public will, has supported the President's call for welfare reform in the name of suffering taxpayers and the suffering poor alike.

Likewise, public officials have pleaded with Congress in behalf of school children whose education is threatened by insufficient funds. But again, there is only talk and no action in the halls of the Democrat-controlled Congress.

The people have a right to ask how men who have failed to lead in exercising their responsibilities in Congress can hope to lead the Nation.

The reactionary, stubborn refusal of the Democrat Congressional hierarchy to respond to the people's demands for help in State and local government delivery of services to the people is all the more glaring in contrast with the record of President Nixon.

The President has offered bold and revolutionary proposals to revitalize and preserve the Federal system. He should have the help and support of Congress in this critical undertaking instead of foot-dragging and obstructionism.

The President also should have the help and support of the Congress and of every American for his New Economic Policy to end nearly a decade of fiscal neglect and inflationary policies.

The Republican Governors reaffirm their belief in the traditional responsibility of State and local government to provide such services as education, welfare, health and sanitation and we are eager to fulfill that responsibility.

Our growing inability to do so is caused by the Federal government's preemption of revenue sources. We therefore ask Congress to implement the revenue sharing program effective in fiscal 1972 and other domestic programs the President has called for—and thereby put us to the test.

TECHNOLOGY ASSESSMENT SPREADING RAPIDLY

HON. JOHN W. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. DAVIS of Georgia. Mr. Speaker, it is highly interesting and significant that the technology assessment concept is spreading rapidly into parts of the world other than the United States. Although many of the basic background studies and developments leading to the concept were done here—and particularly, so far as the Congress is concerned, by the Subcommittee on Science, Research and Development and its parent Committee on Science and Astronautics—recognition of the need for developing adequate methods of technology assessment seems to have spread worldwide.

As I have mentioned earlier on a number of occasions, a bill to create an Office of Technology Assessment, which emanated from the Science, Research and Development Subcommittee, which I chair, has been unanimously approved by the full committee and is now awaiting a rule.

Meanwhile, I think it worth while to call attention to just two of the many examples of foreign activity in this field.

One of these was notably evident in the October meeting of the Science Ministers of the Organization for Economic Cooperation and Development—OECD—held in Paris. The distinguished chairman of our committee, Mr. MILLER of California, served as congressional adviser to that meeting and will be making a complete report on it to the Congress in the near future.

The OECD proceedings are laced throughout with obvious references to technology assessment and its potential development within and between the 25 industrialized member nations. For example, in their final communique issued at the close of the meeting, the OECD conference made the following comment:

Ministers recognised that a major task for science policy will be to assess the adverse and beneficial consequences of technological development, and to foresee scientific and technological trends. They agreed to share the effort of making such studies and to exchange the results through the Organisation, in order to develop more effective methods and evaluate national case-studies.

I might point out further that the substance of the conference, which to a great extent was based on a special ad hoc report to the OECD, contained even stronger references along the foregoing lines. A cogent comment from that report is this one:

The key requirement is a wider range of options in the early stage of the innovation process combined with a more sensitive, comprehensive, and rigorous process of choice as the various options progress towards application. This involves deeper consideration and exploration of alternatives at the beginning, with a larger number of checkpoints in the process of selecting options so that vested interests, sunk costs, and professional commitments do not build up a momentum that becomes difficult to reverse. There must be earlier identification of possible difficulties and side effects and a willingness to assign highest priority to research aimed at understanding and quantifying these effects at the expense of the more traditional type of development effort. There must also be a more careful technological exploration of other but possibly more costly or more distant alternatives that promise to have significantly less costly side effects.

I would also like to call the attention of the Members of the House to a special Advanced Study Institute—ASI—being sponsored by the NATO countries next October, probably in Milan, Italy.

This entire conference, which will last for approximately 2 weeks and be attended by those in government, industry, and academia from all over Europe, will be devoted exclusively to technology assessment.

International decisions, such as these, to study any given area are seldom made lightly, nor do they deal with superficial topics. This, I think, is a useful point for us to keep in mind.

PROTECTING OUR HARBORS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. WALDIE. Mr. Speaker, a recent editorial comment by television station KPIX in San Francisco came to my attention and I think it worthy of the attention of every Member of this body.

The efforts to protect the environment around the proposed Alaska oil pipeline must meet with success if we are to preserve the natural wonders that abound in our 49th State.

Yet, as we see these measures taking effect, why should they be confined only to a wilderness area that every Member of Congress is vitally concerned about preserving? Why, Mr. Speaker, should not these measures be used in the same fashion that developments achieved through our space flights are put to good practice?

I believe this editorial, by KPIX General Manager William E. Osterhaus, hits the proverbial nail right on the head. San Francisco Bay, and every harbor in this Nation should use the technology being developed in Alaska to protect our harbors.

I submit this excellent editorial for inclusion in the RECORD.

WHY NOT?

People talk and talk about the need for protection of our environment—after an ecological disaster. Likely as not, that's the end of it. For example, after the disastrous tanker collision oil spill here last January, there was public outcry—for a few weeks—and an official investigation. But talk and investigations alone are no protection. There are, however, occasions when we should profit by the advice of those with expertise who have acted to prevent similar disasters elsewhere.

A case in point was the report made here recently by E. W. Wellbaum, a spokesman for developers of the proposed Trans-Alaska Pipeline. He said far stiffer anti-pollution controls will be enforced in a remote Alaska port than are in effect in San Francisco Bay. He contended that Valdez Harbor, the southern terminal of the pipeline, will have almost fool-proof protection against oil spillage and tanker collision.

He explained: tankers loading with crude oil will have booms floating around them to keep any spilled oil from polluting the harbor. No tankers will be permitted to pass within one mile of another while under way. And the standard hoses that are used to connect tankers with refineries will be replaced at Valdez Harbor with metal-to-metal connections.

He suggested it would be extremely worthwhile for San Francisco Bay ports to consider similar methods for dealing with tankers.

There were 1,160 tanker arrivals in San Francisco Bay last year. Why won't the shippers in the Bay initiate similar safeguards? Why won't the federal government create one port authority with control over all traffic of ships on San Francisco Bay?

Necessary environmental protection measures for an Alaskan wilderness port certainly should not be too good or expensive for San Francisco Bay and its heavy marine traffic What do you think?

ENVIRONMENTAL RESEARCH WINS TOP HONORS FOR SHELL OIL

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. COLLINS of Texas. Mr. Speaker:

With more and bigger tankers plying the seas and drilling rigs moving into deeper water, the oil industry has intensified efforts to prevent pollution from oil spills. A prime example of this response is Shell Oil Company's extensive spills program.

This opening statement of Shell Oil's award for environmental control development, presented by Petroleum Engineer, recognizes Shell's innovations in environmental research.

Answers to the environmental problems in America are being found through the efforts of Shell Oil and the rest of the petroleum industry. We in Texas are especially proud that Shell's award was for research primarily conducted at Shell Pipe Line's Houston laboratory. The statement of award to Shell Oil continues as follows:

Shell's program was strengthened in 1967 with a newly organized Oil Spills Committee made up of representatives from all Shell operating units. Members review emergency plans, coordinate all oil spills activities, and sponsor oil spill research for all Shell operations.

Most research is conducted at Shell Pipe Line Corp.'s laboratory in Houston. Since 1969, the lab has invested more than 22 man-years of research in this oil spills program. To effectively evaluate containment and clean-up systems, the lab has developed special testing equipment, including a large wave tank and a current tank, designed to simulate various environment conditions.

Through use of the simulation models and special equipment, surprising data has been turned up that dispel some earlier ideas about the action of oil on water.

One innovation tested is a containment device called the Air Barrier, which releases air from an underwater manifold to create a curtain of rising bubbles that block oil movement on the water surface. Effective in calm or quiescent water, the Air Barrier is installed at Shell's Argo, Ill., terminal.

One of the most effective containment techniques it has developed to date, Shell says, is a surface active chemical that's nontoxic and biodegradable called Oil Herder. Sprayed around the perimeter of a spill it sometimes shrinks the size of the slick.

Oil recovery devices such as skimmers and suction devices also are evaluated, and the Environmental Protection Agency recently awarded the lab a $133,000 contract to study the use of sorbent materials.

One of the most promising control techniques developed thus far is a quickly deployable system using Oil Herder and polyurethane foam sorbents. A major advantage of this dual system is portability. Shell has a new formula for making polyurethane foam so that liquid ingredients can be easily transported to the spill site where they can be combined to generate a low-density, highly absorbent foam. Curing in 2–5 minutes, it's shredded and blown onto the spill. Up to 10 times more oil can be picked up by the shredded foam than by straw, Shell says. Picked up by nets and squeezed, the foam is ready for reuse.

Shell, along with other oil companies, also is actively working on the oil fingerprinting technique for detecting the source of spilled oil.

JUDGE DONOVAN

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. WALDIE. Mr. Speaker, I knew Judge Richard J. Donovan as a close, personal friend—as a brilliant and able State legislator, as a competent and compassionate judge. I knew only a little of the suffering Dick lived with since his brain surgery of some years ago—but even that "little"showed me the strength and courage Dick possessed and with which he met the challenges of his life. His life was all too short. His presence will be missed. I extend my sympathies to his lovely wife, Peggy, who has been such a stalwart in her support and dedication to Dick.

I include an editorial from the Chula Vista, Calif., Star News, which expresses eloquently the nature of the void Dick's passing has caused.

The editorial follows:

JUDGE DONOVAN

It is pointless for those of us who do not know personally what it's like to be living on borrowed time . . . to have a brilliant career suddenly terminated by an illness that forces us into a less demanding and perhaps unsatisfying life . . . to realize that every day we get up in the morning may be our last . . . to speculate on the psychological process that impelled Judge Richard J. Donovan, 45, to end his life.

We can merely state what everybody who knew Richard Donovan already knows—that his demise is a tragedy, not only for his family, but for all the people of our community. There are too few Dick Donovans in public life, and we can ill afford to lose them.

We have known Dick Donovan many years. We remember him most vividly as an assemblyman, the first South Bay resident ever elected to the Legislature, a man of compassion, of understanding, of keen intelligence, of unflagging determination to right wrongs, a man with a fantastic zest for life and a genuine love for people, a determined man in a terrific hurry to get things done.

He was a Golden Boy of politics then, handsome, charming, witty, dedicated, concerned.

He was voted the most effective freshman assemblyman in Sacramento by newsmen. As a Republican in an overwhelming Democratic district, he won reelection by the largest margin of any legislator in California.

They said he was really going places then. Some said the place he was going was to the governor's office. But he suffered a brain ailment, and the place he went was to the relative obscurity of the municipal bench.

Privately, he was appalled by the injustices of the court system. He did what he could—and many a youth, caught up in the toils of the law through foolishness—or immaturity, can owe a fresh start in life to Judge Donovan.

Judge Donovan in recent years was happiest when he talked about sweeping reforms—about sweeping reforms he proposed in his Elks Club (he was blasted in a national Elks publication for calling for an end to the Elks' racist membership rules) . . . about sweeping reforms he tried to foster in the courts to unclog the wheels of justice and to ease the burdens of unfortunates involved in lesser infractions . . . about sweeping reforms in the entire System to take away special privilege and to assure all Americans an even break.

In his short and handicapped life, he didn't succeed as well as he would have liked. But he gave it all he could, and then some. Thanks to Dick Donovan, our community and our state are a little better than they might otherwise have been. And a finer tribute than that cannot be paid to any man.

KUNSTLER HELPED LIGHT THE TORCH

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SCHERLE. Mr. Speaker, I call to the attention of my colleagues the following editorial from the Detroit News. This editorial, entitled "Kunstler Helped Light the Torch," transcends partisan politics for it puts in proper perspective the tragedy at Attica State Prison. Equally important, the editorial points out the willingness of a member of the radical left to intensify a crisis situation in order to merely appear concerned. Kunstler's actions at Attica jeopardized the honest efforts of the truly concerned officials. The editorial concludes—

Notice who remained alive to wear the black armband.

The entire editorial follows:

KUNSTLER HELPED LIGHT THE TORCH

William M. Kunstler, the radical New Left attorney, has called New York's Gov. Rockefeller a "murderer" because of the deaths at Attica State Prison and recently wore a black armband as a symbol of mourning for the deceased.

In actuality, Gov. Rockefeller did everything he reasonably could to prevent bloodshed and at the same time defend the law of New York while Kunstler was doing his best, as usual, to intensify the bitterness between the antagonists.

Other members of the negotiating team of which Kunstler was a member testify that he sought to undermine efforts to achieve a peaceful settlement.

David Anderson, a black leader from Rochester, N.Y., charges that Kunstler "heightened the expectations" of inmates about obtaining amnesty and as a result made it difficult to talk with riot leaders on a realistic level.

Other members say they believe Kunstler was a disruptive rather than a helpful influence. They are especially critical of his statement to the rebels that representatives of "Third World" governments were waiting across the street from the prison, ready to grant the rioters asylum abroad.

Both during and following the episode at Attica State Prison, the role of Kunstler has been that of firebrand—the sort of firebrand who urges others forward to the fray while

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he sulks in the background watching the results.

Notice who remained alive to wear the black armband.

AMERICA AND RUSSIA IN INDIA

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. STEELE. Mr. Speaker, few Americans have the depth of knowledge and understanding of India that our former ambassador to that nation, the Honorable Chester Bowles, possesses.

In a recent article in Foreign Affairs, Ambassador Bowles pointed out that India can play a major role in the stabilization of post-Vietnam Asia and urged important changes in U.S. foreign policy designed to foster such a role.

Ambassador Bowles is a former Member of the House and one of my most distinguished constituents, and I wish to recommend his recent article to my colleagues. The article, "America and Russia in India," follows:

AMERICA AND RUSSIA IN INDIA

(By Chester Bowles)

As in many other parts of the world, the interests of the Soviet Union and the United States in India are widely assumed to be in "conflict." To what extent is this conflict genuine, and what are the implications for Asia in general and South Asia in particular?

America and Russia have each made major contributions to India's economic development. The United States has helped rebuild and modernize India's railroads, contributed 60 percent of the capital for India's power development, helped build and staff eight agricultural universities, provided nearly 40 million tons of foodgrains, printed millions of books for Indian schools, published four excellent magazines to help Indians better understand America, provided thousands of American technicians and made it possible for thousands of Indians to go to America for training and advance education. The size of the U.S. Peace Corps in India has been double that in any other nation.

Although the Soviet economic investment in India is considerably less, it has been substantial. The U.S.S.R. has helped expand the production of steel and heavy electrical equipment and has provided close to one billion dollars to modernize India's army, navy and air force. Both the United States and the U.S.S.R. have, in addition, sent to India a steady stream of singers musicians, and cultural exhibits, the number of Soviet programs being at least double our own. Both have large embassies in New Delhi.

Although Soviet and American activities and programs in India are somewhat similar, the political objectives and tactics have differed sharply. Let us first consider the U.S.S.R.

When Nazi Germany invaded the U.S.S.R. in June 1941, the promotion of Lenin's doctrine of worldwide revolution was muted and communist parties abroad were directed to focus all their energies on winning the war. This forced the Communist Party of India to cooperate with the British colonial government and largely to dissociate itself at a crucial moment from the struggle for independence. The reaction of the non-communist Indian leaders and the tens of millions who supported them was bitter. When official Soviet organs attacked Gandhi as a "reactionary Hindu" and depicted Nehru as the "Chiang Kai-shek of India," the gap seemed unbridgeable.

After Stalin's death in March 1953, however, the Soviets began to ease their harsh line. In August of that year Malenkov spoke warmly of India's contribution to ending the Korean War and expressed the view that Indo-Soviet relations would "continue to develop and grow in strength." Contrary to the general impression, Nehru himself during this period had few illusions about the objectives of the Soviet Union and its leadership in India. A few days after Stalin's death, the Prime Minister described Stalin to me as "the coldest human being" he had ever met.

This shift in the Soviet mood coincided with John Foster Dulles' decision in 1954 to provide military equipment to Pakistan and convinced a reluctant Nehru that India should accept some assistance from Russia to "keep its options open." In 1955 the first Soviet loan agreement for Indian economic development was signed. On February 21, 1956, the Soviet Union agreed to finance and build India one of the most modern steel mills in Asia at a cost of $140,000,000.

Although the outside world had no clear indication of the growing differences between China and Russia until a few years later, the possibility of a split must have been apparent to Soviet leaders by the mid-1950s.[1]

When the break actually occurred in the late 1950s, Soviet assistance to India was sharply increased. Yet even when the Chinese-Indian conflict occurred in October-November 1962, Soviet leaders, still clinging no doubt to the hope that a tolerable relationship with China might be reestablished, at first held back. Only when Khrushchev and his colleagues became persuaded that a rapprochement was no longer possible did India begin to receive its present high priority from Soviet policymakers.

While the U.S.S.R. certainly hoped for some additional dividends—India's support for Soviet foreign policy generally, the expansion of the "Socialist camp," etc.—the motivation of the U.S.S.R. in assisting India has since the mid-1950s been primarily based on the Soviet estimation of India's geopolitical importance as a partial balance to the political influence and potential military weight of China.

II

The United States Government, however, has never considered India to be of major political significance to the future of Asia. Our policies in India, like our policies elsewhere in Asia, have been the product of strangely diverse considerations, a fact which has not only confused most Americans but also many Asians. On the one hand, those who have been setting our policies have consistently failed to understand the political forces which are shaping Asia and to appreciate the limits of traditional military power in dealing with these forces. On the other hand, many of our actions have taken place within a framework of genuine idealism. Thus India has been seen as an impoverished nation struggling bravely but probably futilely to govern itself through democratic institutions, which for humanitarian reasons we have felt obligated to assist.

Our generally warm feelings for the Indian people and our concern for their welfare became evident in the 1930s and 1940s as the American people watched India's nonviolent struggle for independence under the leadership of Gandhi. During World War II, Roosevelt repeatedly pressed Churchill to agree to India's independence as soon as the war was over; indeed, two of Roosevelt's personal representatives in India supported Indian independence so openly that the British asked that they be removed.

When India became independent in 1947, the energies of the United States were largely focused on the economic and security problems of Western Europe. But in mid-1951, we provided India with two million tons of wheat, and in December of that year, during my first tour as Ambassador to India, I signed with Nehru the first developmental assistance agreement—an outright grant of $54,000,000 to assist Indian development. Since that time the United States has contributed $8 billion in loans and grants to bolster India's economy and to help feed its people.

Paradoxically, we have provided this massive assistance to a nation which most of our harassed top policy-makers in the State Department, White House, Pentagon and Congress have visited only briefly or in many cases have never seen, and of which consequently they have had only a limited knowledge and a hazy understanding. The Bureau of Near East-South Asia Affairs, which has jurisdiction over our relations with India, stretches all the way from the India-Burma border to Libya. Understandably, the time of its key officials has largely been absorbed by the explosive Middle East. The average number of Representatives and Senators visiting India each year during my eight years there as Ambassador was nine—most of them for relatively short visits in and around the large cities.

Lacking firsthand knowledge of the complexities of Indian society and the hopes and fears of its people, it is not surprising that the Kiplingesque impression of India as an ancient land of cobras, maharajahs, monkeys, famines, polo players, overcrowded with cows and babies, still persists in the minds of many top officials in our government.

A relatively small number of able South Asia specialists in our universities have worked diligently to fill this information gap. But most of our "Asia specialists" are in fact Chinese, Japanese or Southeast Asia specialists; very few of them have had an opportunity really to know and understand India and to consider its relations to the rest of Asia.

The assumption that by giving India economic assistance we are at least assured of its friendship and hopefully of its support has generated reactions in New Delhi that have further confused our relations. The nationalistic leaders of India, as in most developing nations, are determined to demonstrate that they are now masters in their own house. When they assert their independence by refusing to see the world as our government sees it, leaders within the Administration and Congress have become by stages puzzled, frustrated, hurt, and angered.

As a consequence, many overburdened officials in the State Department and White House have gradually lapsed into the comfortable rationalization that no matter how much assistance is given to India, its poverty is probably too deep and its population too vast to enable it to become a stable, viable nation. Only the fact that India is by far the largest underdeveloped nation, with the exception of China, and has somehow maintained in the world a democratic government for a quarter of a century, has enabled it to retain even its present precarious position on the back burners in the State Department and White House.

III

In 1963 the decisive factor in my decision to return to India as Ambassador was the conviction that in this role I might be able to contribute to the long overdue reorientation of our policies not only in India but in Asia. While skillfully marshalled arguments may establish doubts about the wisdom of an existing policy, it has been my experience that a policy itself is unlikely to be changed unless a major event shatters old relationships and forces a reexamination of existing assumptions. The coincidence of four major events involving the Soviet Union, China, India and Japan, was, I thought, creating precisely such an opportunity.

These were the continuing split between the Soviet Union and China; the China-India conflict in 1962 which brought Nehru's efforts to create a live-and-let-live relationship with China to an abrupt end; the rise of Japan to become the world's third industrial power; and the beginnings of our blundering military involvement in Southeast Asia. The combination of these four "happenings," I felt, might force our government to reconsider its Asia policies as a whole and to give a higher priority to the one-seventh of mankind who live in India.

The promptness with which we responded to India's appeal for help following the Chinese attack in October 1962 seemed to reflect the new sense of priorities for which I had hoped. The emergency shipments of $70,000,000 worth of military equipment which we airlifted to India within a few days after Nehru's appeal reached Washington, was at the time assumed to be only the first step in the modernization of India's military forces. The Indian request for $500,000,000 of military assistance to be spent over a period of five years was less than half of what we had already given Pakistan. However, the old Dullesian arguments soon began to be raised again in the State Department and Pentagon, i.e. if we helped India even moderately to build up its defense capacity, we would upset our "loyal ally," Pakistan.[2]

At first I was hesitant about India's request but for quite a different reason. Since World War II, most of our military assistance outside Europe, I felt, had been given not for legitimate purposes of defense but in effect as a bribe to persuade the recipient governments to support U.S. foreign policy. Once started, such assistance was hard to stop; sometimes we became political captives of the nations we were striving to defend.

I was convinced, however, that the situation in regard to India was radically different. Nehru clearly was not for sale and India's defense needs were very real. Its 2,500-mile long border with China had recently been breached by Chinese troops, and in addition there were 600 miles of border with Burma, which was in a state of general unrest. Although Pakistan's army, air force and navy had largely been equipped and trained by the United States, Pakistan had verbally supported the Chinese attack on India in 1962 and could not be depended upon to remain neutral if the Chinese should attack again. Under these circumstances our refusal to assist India while we continued heavily to support Pakistan seemed indefensible.

Moreover, in view of its recent clash with China, India was determined to modernize its defenses by one means or another. If we were not prepared to meet its legitimate security needs, I believed that India would turn, however reluctantly, to the Soviet Union. With Soviet concern over China growing, the response to Soviet advances would almost certainly be affirmative.

The possibility of this chain of events was rejected by almost everyone in the State Department, Pentagon and White House. India, it was assumed, had no place to go but to the United States. President Kennedy, however, seemed to agree with my view and asked me to explore the situation with Prime Minister Nehru and his associates immediately after my arrival in India in July. I should then return to Washington for further discussions with him.

In the summer and fall I had a series of long talks with Nehru, Defense Minister Yeshwantrao Chavan and other Indian officials not only about their own military security problems vis-a-vis China, but also about their willingness to take a greater measure of responsibility for the stability of Asia as a whole. In mid-November I left for the United States with a tentative understanding with the Indian Government in my briefcase. Quite unexpectedly, Nehru, who had been emotionally shattered by the recent Chinese attack, had volunteered to support a genuine effort by our government to negotiate a political settlement that could end the fighting in Southeast Asia. (This was before U.S. ground forces became directly involved in Vietnam.) He was also prepared to negotiate a ceiling on military expenditures with Pakistan. With this evidence of a new cooperative mood in New Delhi and with the President's backing, the way appeared to be open not only for a constructive relationship with India but even, with a bit of luck, a negotiated settlement in Southeast Asia.

However, these hopes were soon dashed. Kennedy's assassination six days after my arrival in Washington and Nehru's death six months later, in May 1964, when our government and an Indian negotiating team were on the verge of an agreement, resulted first in delay and finally in a decision by the Johnson Administration to postpone further consideration until the "situation had been clarified."

Three months later, the same Indian negotiating team visited Moscow and returned to New Delhi with all they had asked for, and more. Today India's 28 divisions, its 700-plane air force and its small but competent navy are largely supplied with Soviet equipment. It would be a mistake to exaggerate the political implications of the Soviet role as principal military supplier to the Indian defense force. But I believe that a major opportunity to use our own military assistance to promote greater political stability in Asia was missed.

IV

Because of the Soviet Union's greater awareness of India's potential role in Asia, Soviet operations in India are much more closely directed by the Foreign Office in Moscow than U.S. operations are directed by the State Department in Washington. As a result there has been a profound difference in tactics and in style between the Soviet and U.S. operations in India, which in spite of the continued indifference of Washington officialdom has helped keep our relationship with India on a reasonably even keel.

Most American embassies throughout the world are tied tightly to Washington by a combination of fixed policies, highly developed communications systems and frequent two-way visits. The embassy in New Delhi has been in a quite different category. There have been no clear national policies to guide its day-to-day operations. It is 10,000 miles from Washington and thus far, blessedly free of a modern telephone communication link. Most important of all, for the better part of 20 years it has been run by a series of independent-minded, politically expendable, non-career Ambassadors who generally have had the support of the lower-level India specialists in the State Department.[3]

Each of these Ambassadors travelled widely throughout India, and came to know on a personal basis most Indian leaders, and each spoke regularly to groups of college students, businessmen, educators and economists. Moreover, while not always in agreement with the policies of the Indian Government, each of them genuinely liked the Indian people. Their effectiveness was increased by the fact that they were supported by able staffs, most of whom shared their views.

Lacking clear policy direction from Washington, our remote and comparatively isolated embassy in New Delhi has within certain limits been able, independently and unofficially, to establish a less rigid set of goals. For instance, there has been a continuing effort to increase India's confidence in itself, to encourage India to broaden its perspectives on Asia and to understand U.S. difficulties in dealing with unfamiliar world problems. The New Delhi embassy has also consistently and with considerable success resisted pressures from Washington to use U.S. economic assistance as a lever to force India to see the world as we see it. In my eight years as Ambassador to India, I can remember no occasion when the State Department told me what to say or questioned any public statement I made.

The understanding and often close relations established with many Indian citizens and leaders by members of the American mission have been strengthened by nonofficial groups such as the American women's clubs in major cities which have taken an active role in social welfare projects and developed a genuine appreciation of Indian culture, religion and language. The several thousand impressive young Peace Corps Volunteers, who have served in India for an average stay of two years, and the 8,000 Indian students who attend American universities every year further strengthen these ties.

As a result, a great deal of common ground has been created in the last 20 years among influential Indians and Americans. Most Indians both in and outside the government remain critical of U.S. Government policies on such questions as Vietnam or East Pakistan, but with a few notable exceptions they have liked and respected Americans as individuals.

Since the Soviets devote a major share of their budget and manpower in India to an attempt to create distrust of America and Americans, the rapport to which I refer has been an important and perhaps decisive factor in keeping Indo-American relations relatively smooth. The Soviet effort to break these bonds and to turn the Indian people and government against the United States involves every device from forged letters to blistering attacks and accusations by Soviet-financed newspapers such as *Blitz*, *Patriot*, *Link*, and Radio Peace and Progress, which is specially beamed into India from Moscow. No doubt this effort has made an impression on some Indians. But because it is hard for most Indians to believe that the Americans they see and know are "imperialists" and "war mongers scheming to undermine India's independence," it has fallen far short of its objective.

The reasons for the persistence and intensity of the Soviet effort are unclear. Many believe that it reflects widely differing views of world affairs within the Soviet bureaucracy. In New Delhi, for instance, there are almost certainly deep differences between the younger and more modern-minded Soviet diplomats and those members of the KGB who still believe that Lenin's "revolution of the working classes" is in fact just around the corner. Similarly, some U.S. officials in the Pentagon and State Department still feel more at home with the rhetoric and tactics of the cold war.

Soviet activities in India have been further complicated by the fact that the original Communist Party of India has split into at least three sections. First, there is the Communist Party of India (CPI), which makes a

[1] In February 1957, shortly before the Soviet-Chinese break became evident, I had a lengthy discussion with Nikita Khrushchev in Moscow, most of which centered on India and China. When I remarked that both the Soviet Union and the United States might ultimately face a common problem in regard to China, he did not disagree.

[2] For several years Pakistan had been manipulating American policies in Asia with a skill matched only by that of the Nationalist Chinese.

[3] I refer to Ambassadors John Sherman Cooper, Ellsworth Bunker, John Kenneth Galbraith and myself.

determined effort to appear responsible and to cooperate with other "Socialist" parties. This group is largely financed by and directed from Moscow. It is small and compact, and therefore a less obvious target for criticism. But for that very reason it may have a greater potential influence than most people suspect.

The tactics of the CPI following Mrs. Gandhi's election in March 1971 have been shrewd. The first step was the announcement and later the introduction into Parliament of an appealing program to promote greater economic and social justice which generally reflects the liberal philosophy on which Mrs. Gandhi based her sweeping victory. If the new Congress Party adopts or supports all or part of such a program, the CPI can claim credit; if it fails to adopt the proposals, the CPI can charge that Mrs. Gandhi is still in the grip of the "reactionaries."

In addition, there is the Communist Party-Marxist (CPM) which came close to winning a majority in the recent West Bengal State Assembly elections. The CPM might be considered a Maoist party if it were not for the fact that it is momentarily in the Peking doghouse because of its persistent attempt to work within India's parliamentary process. Finally, there are the Naxalites, an extremist left-wing group which does not fit into any clear ideological pattern but which believes in ruthless violence and destruction as the necessary basis of revolutionary change.

Many observers in India are convinced that the differences among these three communist-marxist parties are more a matter of the timing of the "inevitable" revolutionary uprising than of actual ideology. However, I suspect that at least some of the differences run much deeper. This raises the question of whether Moscow really wants a communist India which, whatever its immediate advantages, would lead to further fragmentation of the communist "camp" and place an added burden on the juggling abilities of Soviet officials and ideologists.

v

What is the reaction of India to the lavish attentions it has been receiving from the world's two most powerful nations? Most Indians have become ever more disenchanted with the price that the Soviets have asked them to pay in terms of national dignity and sovereignty for their continued support and assistance. But because of their greatly increased fear of China, they now find themselves closer to Moscow than they really want to be.

India's decision in 1968 to abstain on the United Nations resolution vote in the Security Council condemning the Soviet Union for its invasion of Czechoslovakia illustrates its dilemma. If India had voted for the resolution, Mrs. Gandhi and her colleagues were convinced that there would be a dangerous slowdown in the flow of ammunition and spare parts from the Soviet Union for the Indian army, navy and air force. Consequently, India felt forced to abstain on an issue which had aroused strong feelings among most Indians.

The position of the U.S.S.R. in India has also been damaged by the high-handed manner in which Soviet representatives often negotiate economic and commercial agreements. Three or four years ago large headlines in Indian newspapers announced that the Soviets had agreed to buy 50,000 Indian-built railroad cars. However, when the bargaining began it became apparent that the euphoria was not justified. The Soviet price was far below the Indian cost price and as a result the deal fell through.

Nor is America wholly free of the charge of taking advantage of India's difficulties. During India's food crisis of 1965–66, President Johnson rather obviously attempted to use our wheat shipments to persuade India to take a more tolerant view of our military activities in Vietnam. Determined to demonstrate their sovereignty, the Indians predictably stepped up their criticisms of our bombing of North Vietnam. Angered, President Johnson responded by slowing down our wheat shipments at the very moment when they were most needed. This left scars.

Another factor in the relations among the three countries is India's increasing disenchantment with the heavy influx of "experts" from both nations. Not all of them—Russian or American—have been as capable as their Indian counterparts, and in some cases they have been insensitive to their surroundings and to Indian attitudes. Often India has accepted technical assistance from both the United States and the Soviet Union more to satisfy the donors than because of actual need.

VI

The remaining years of the twentieth century will be years of continuing unrest. In Africa, Latin America and Asia, corrupt governments, the pressure of college graduates without jobs, and the demands of the millions who work the land and operate the new industrial machinery to obtain a larger share of the wealth which they produce, will open wide the door for revolutionary change. Under these circumstances it is unrealistic to expect either the Soviet Union or China to forgo their professed revolutionary objectives. Nevertheless, the strength of Soviet and Chinese nationalism, with the two nations facing each other along a 5,000-mile border, coupled with the fact that the Russian Revolution is now more than 50 years old and is gradually losing its original fervor, suggests that they will follow quite different strategies.

The Soviet interest in India is only one facet, though a major one, in the Soviet effort to expand its influence throughout Asia. The increased Soviet naval force in the Mediterranean, the intense desire of the Soviets to reopen the Suez Canal and the presence of Soviet naval units in the Indian Ocean are reflections of this effort.

In June 1969, the General Secretary of the Soviet Communist Party, Leonid Brezhnev, noted in a speech at the World Communist Party Conference in Moscow, "We are of the opinion that the course of events is putting on the agenda the task of creating a system of collective security in Asia." This assertion has not officially been amplified, and consequently every government in Asia has been interpreting it in a different way. India's reaction to Brezhnev's statement was cautious: Mrs. Gandhi discreetly let it be known that India would prefer a nonalliance security agreement composed of Asian states, guaranteed by both Russia and America.

However, a key to Brehnev's meaning appeared in advance of his speech in an article in *Izvestia* in May 1961, in which it was asserted that the same countries which have won their freedom from colonialism "will strengthen the peace by their own joint opposition to expansion and imperialism." The forces of "expansion" to which Brezhnev referred were clearly the Chinese, who were charged with harboring designs against a number of Asia countries. Peking promptly responded by accusing Brezhnev of "fishing in the dung heap of imperialism."

The U.S.S.R. is seeking to "contain" what it believes to be an expansionist-minded China—much as we have been trying to do—by associating whatever Asian nations can be persuaded to cooperate in a loose political organization under its leadership. When asked, "What is the basis of Soviet foreign policy in Asia?" a Soviet official recently replied with an eye to America's pullback from Asia, "We simply occupy the empty seats." But the U.S.S.R.—like China—is no more likely to succeed in forging such an association than we have been. The increasingly nationalistic Asians have no design to become the tail of the kite of any nation no matter how great its military power or how generous its offers of economic assistance.

Right now both the Soviet Union and India are concerned about the political thaw between the United States and China and the implications of China's support of the right-wing government in West Pakistan. The apparent easing of the Chinese attitude toward the United States is seen by many observers as the first step in a long-range Chinese program calculated to strengthen China's position in South Asia and eventually in Africa at the expense of the U.S.S.R., India and the United States.

A Soviet official with a touch of geopolitical paranoia might visualize the following sequence of events:

1. The Chinese, convinced that the United States is in fact prepared to withdraw from Southeast Asia and concerned about their own confrontation with the U.S.S.R., may seize upon the opportunity to establish a degree of rapport with the United States which might be useful to both nations in a number of ways.

2. If President Nixon will agree not only to pull all U.S. troops out of Southeast Asia but our air force and naval units as well (a move that would be warmly welcomed by most Americans, including leaders of Congress), China might seek to persuade the Hanoi government to release American prisoners and to take a more flexible position in the peace negotiations with the United States. This would serve the interests of both China and the United States and perhaps enable China to expand its trade with the United States and to ensure entrance into the United Nations, with the possibility that ultimately some degree of cooperation with the United States is regard to Pakistan and even the Soviet-Chinese conflict might become possible.

3. But a possible settlement of the conflict in Southeast Asia is only one aspect of a complex situation. China (ping-pong diplomacy to the contrary) believes that "the four seas are raging, the five continents are rocking," and its government may be expected to maintain its militarily cautious but politically aggressive revolutionary course.

A primary Chinese objective is the establishment of a solid Chinese presence in the Arabian Sea and the Bay of Bengal. This would enable China to outflank the U.S.S.R. (as well as the United States) and move thousands of miles closer to East Africa, a potentially rich and underpopulated area, in which for several years Peking has been taking an increasing interest. No one believes that the Chinese at the present time are prepared to run a serious risk of war in pursuit of this objective, but it is widely believed to be a major part of Chinese global strategy. According to Indian sources, 13,500 Chinese are now working in East Africa. There is also some fear that China may provide support to small guerrilla groups in Iran as they already have done in Oman. As a measure of its concern, India's leading China expert has recently been assigned to East Africa.

4. The present conflict in East Pakistan affords the Chinese an opportunity to move cautiously toward this goal. The fighting has placed an impossible burden on Pakistan's economy. With or without the Eastern wing, it will soon be in a state of near bankruptcy and in need of massive assistance. By supporting West Pakistan and by working with pro-Chinese Pakistani politicians, China will strive to establish a strong and eventually dominant presence there. With Sheik Mujibur Rahman removed from the scene, East Pakistan would also offer an opportunity for a new Maoist-oriented leadership. (India looks upon this latter possibility with particular alarm since it would almost certainly bring the Maoists in both East Pakistan and the CPM in West Bengal into a close association. This would create heavy pressures for an independent united Bengal, which would not only present another tempting target to the Chinese but would threaten the unity of India itself.)

This scenario may turn out to be no more than a bad dream, but there is no question that at the present moment many Soviet as well as Indian leaders are dreaming it—including some who are not normally subject to paranoia. The skeptics who dismiss it as farfetched are likely to be reminded that in the last 20 years several equally "impossible" developments have occurred in Asia: for instance, the sudden collapse of colonial rule, the dramatic emergence of Japan as the world's third-ranking industrial power, the disruption of the Sino-Soviet bloc and America's involvement in a major undeclared war in Southeast Asia in which nearly as many Americans have been killed as in World War I.

Far from being inevitably locked in a relentless confrontation, Russia and America have many problems, worries and objectives in common. By now each should have discovered that its own capacity to influence India and Asia is strictly limited. We have learned this lesson the hard way, and the generally cautious leaders of the U.S.S.R. are unlikely to repeat our folly.

With the passage of time (perhaps with an unexpected assist from some new "happening"), we may hope that the Soviets will abandon their present ineffective cold warring in India and put aside their nostalgic Leninist dream of a Soviet-dominated world, and that ultimately even the Chinese ideologists will come to see that their efforts to fish in troubled waters of South Asia and Africa are unproductive and dangerous.

As for the United States it is still not too late for us to bring our policies in Asia and particularly in India into line with the realities. Some steps we might take are as follows:

1. As an essential first step, the policy-making officials in the State Department and in the White House must broaden their perspective on India and its potential role in Asia. The following reorganization within the State Department would do much to accomplish this: (a) A new Mediterranean Bureau would include North Africa, the Middle East areas and Afghanistan and Pakistan; (b) A new South and Southeast Asia Bureau would include, in addition to the Southeast Asian States, India, Ceylon and (if it manages to become an independent nation) Bangla Desh (East Pakistan); (c) A new East Asia and Pacific Bureau would include Japan, the Philippines, Taiwan, China and Korea.

2. The State Department should schedule regular in-depth visits to India and South Asia not only by its own key policymakers but but by other government officials who are called upon directly or indirectly to deal with questions involving India.

3. All U.S. military aid to Pakistan should be stopped immediately. It can only lead to a comparable build-up in the Indian military, a reduced rate of development and the recurring possibility of war. Our lavish arming of Pakistan since 1954 will surely be considered by historians as one of our major follies. Until the political situation clarifies, economic assistance to Pakistan should be concentrated on the rehabilitation and relief of East Pakistan.

4. America, Russia and India should not only attempt to arrive at better understandings of one another, but also of China. Such understanding and the more responsible and constructive policies that may grow out of it are the long-term prerequisites for peace and more rapid economic development throughout Asia. A military conflict between the U.S.S.R. and China could be the ultimate disaster for mankind. We should therefore refrain from any temptation to play China and the Soviet Union against each other.

5. We should assure Mrs. Gandhi and her new government of whatever assistance, with no political strings, is necessary to support her effort to better the lot of the Indian people and to ensure the economic growth and stability of India. Unquestionably the newly elected government under Mrs. Gandhi's direction means business, but India's resources are strained to the breaking point.

Part of this assistance could be provided by a ten-year moratorium on the payments of principal and interest which India is now making on debts to the Western consortium nations including the United States and the World Bank. Next year these payments will total more than $600 million in hard currency.

By helping Mrs. Gandhi's new government to deal successfully with India's current internal problems we can help ensure the viability and political effectiveness of this cohesive democratic nation. With a population equal to that of Latin America and Africa combined, with a remarkable degree of political resiliency and depth of culture and with an effective administrative structure run by a generally competent civil service, an independent, confident India can play a major role in the stabilization of post-Vietnam Asia.

BILL COSBY TALKS TO KIDS ABOUT DRUGS

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. KYROS. Mr. Speaker, all of us are worried about the drug problem, particularly among our young people. And one of our greatest concerns, it seems to me, should be finding a way to communicate to our Nation's youth—honestly and credibly—the very real dangers of drug abuse.

In this context, a lot has been said about song lyrics. While some would have us believe that young people are driven to try drugs simply because words having a "drug connotation" are used, the National Institute of Mental Health says that is not so. Nevertheless, it seems apparent that the communications media do have great impact on our youth, and can therefore play a vital role in putting across antidrug messages, when used properly.

For this reason, I am especially impressed by a new commercial recording, just released by UNI Records, which makes a very credible artistic statement against hard drug use. It is called Bill Cosby Talks to Kids About Drugs.

While the record industry has already taken important steps in this area, by making individual artists available without charge to make antidrug messages and by producing and distributing an excellent record for NIMH, Bill Cosby is the first top-name entertainer to make such an artistic statement against drugs. And he considers it the most important record he has ever made.

The technique is simple and honest: Through the use of comedy and music, he holds the listener's attention; and the way he gets his point across is bound to have a lasting effect on any youngster—or adult—who hears it. Mr. Speaker, I commend this excellent recording to the attention of my colleagues.

A GREAT HONOR BESTOWED BY THE BARONIAL ORDER OF MAGNA CHARTA ON MAURICE H. THATCHER, OLDEST SURVIVING CONGRESSMAN

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. FLOOD. Mr. Speaker, the oldest survivor of those who served in the Congress is Maurice H. Thatcher, who reached his 101st milestone on August 15, 1971.

As is well known, through our congressional circles, Gov. Maurice H. Thatcher in recent years, including 1971, has been the recipient of many distinguished honors. I am sure that the Members of both Houses are gratified at these bestowals.

Governor Thatcher has long been a member of the Baronial Order of Magna Charta, possessing lines of ancestry running back to William Marshall and many other sureties, who, in 1215, curbed the power of King John of England by means of this celebrated document which functioned so greatly to the slow ascent from despotism to freedom. Two of his ancestors were the second Earl of Pembroke and his wife, Eva McDonough, a lineal descendant of Brian Baru, one of the outstanding Kings of Ireland.

The Baronial Order of Magna Charta has its headquarters in Philadelphia, and its principal membership is in that city, though several members are in Washington, D.C. The chief event of the order each year, on or about June 12, is the program in Christ Church in Philadelphia, celebrating the anniversary. On this occasion, the order formally awards its chief honor to some person of distinction. Among those so honored have been outstanding military leaders, jurists, and statesmen. For the June 1972 award, under action by the order of the 19th inst., it has unanimously voted to bestow the award on Governor Thatcher.

While yet we live, let us honor those yet living.

Under leave accorded, there are made as a part of these remarks, the letter of notification and Governor Thatcher's response thereto. The Baronial Order of Magna Charta is one of the most patriotic organizations in the Nation and its members are men of effective achievement. I am sure the membership of the Congress joins me in congratulating the recipient of this most recent honor, which will have its formal consumation in Philadelphia next June.

The material follows:

BRIDGETON, N.J.,
November 19, 1971.

Hon. MAURICE H. THATCHER, LL.D.,
Washington, D.C.

SIR KNIGHT THATCHER: At a meeting of the Committee on The Magna Charta Day Annual Award held at the Union League in Philadelphia, Pennsylvania, it was unanimously agreed that the 1972 Award should be given to our great American living in Washington, D.C.

The Annual Grand Chapter will be held this year at the Merion Tribute House on 10 June 1972.

The Commemorative Church Service will

be held at Christ Church in Philadelphia, Pennsylvania, at Second Street above Market Street, at 11:00 A.M. on Sunday, June 11, 1972. You would at this time, make your address and receive the Magna Charta Day Award.

We know some of your Washington, D.C. friends would see that you would be driven to Philadelphia, Pennsylvania on 10 June or 11 June for both the Grand Chapter and Church Service. These details can be worked out at a later date with your approval.

We eagerly await your reply.

Sincerely,

LAWRENCE STRATTON,
Chairman, Committee on Program.

NOVEMBER 22, 1971.

Mr. LAWRENCE STRATTON,
Chairman, Committee on Program,
The Baronial Order of Magna Charta,
Bridgeton, N.J.

MY DEAR BROTHER STRATTON: Today, I am in receipt of your very kind and informative letter of the 19th inst.

I am, indeed, most deeply appreciative to the Order for its unanimous bestowal of the 1972 award. I certainly shall expect to attend the commemorative service in Christ Church on Sunday, June 11, 1972 and will attend to make the required address and receive the award. Therefore, expect me to be present on June 11—even tho I may have to come on Mother Goose' broomstick. However, I believe that someone from our Order in Washington will be glad to drive me to Philadelphia.

I am yet quite active in many matters, and am sound in mind and memory, tho I have lost something in the way of flesh and vitality. Enclosed find a story of the annual meeting of the Panama Canal Society of Washington, D.C. on October 16th, which is self explanatory. Also, find herewith a poem of mine written for that occasion, and which was placed in the Congressional Record by one of the ablest of Congressmen, Hon. Daniel J. Flood of Penna.

I am now the oldest surviving member of ex-Congressmen. My last birthday was on August 15, 1971 and I have thus entered my 102nd year. You and the other members of the Order in Philadelphia may be interested in the fact that there has been placed in a special room of the Scottish Rite Temple—just across the street from where I live my official papers, photographs and the like—all constituting the Thatcher Collection. One of the spacious rooms of the Temple has been set apart to house the Collection. I hope that you and other members of the ORDER in Philadelphia may, in due time, see the Collection.

I had never expected the award to be thus made, and I am indeed most grateful therefor and feel a sense of humility at the bestowal.

Looking forward to the very great pleasure of seeing you and other members of the Order next June 11, I remain,

Sincerely and fraternally,

MAURICE H. THATCHER.

IMPORT QUOTAS ON STEEL

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. WALDIE. Mr. Speaker, I would like to submit legislation designed to incorporate import quotas on steel. Given the lower cost of production in Japan—I feel such limitations on imports would enable American steel producers a better opportunity to compete in the world market. This bill would provide for the orderly trade in iron and steel products. I am hopeful the Ways and Means Committee will give consideration to what I deem is a very vital issue.

THE AMCHITKA TEST

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. ANDERSON of Illinois. Mr. Speaker, as a member of the Joint Committee on Atomic Energy, I want to take this opportunity to commend the able scientists and engineers who planned and successfully executed the Amchitka nuclear test just 3 weeks ago. Those of us on the committee who were intimately familiar with the careful preparations that went into this test had every confidence in the abilities and capabilities of these individuals and were thoroughly convinced that every precaution had been taken to prevent the type of mishaps which some alarmists warned were inevitable. The fact that the test did go off as planned, without a single hitch, is the greatest tribute to those who worked so hard on this.

At this point in the RECORD, I include a column written by Edward W. O'Brien as it appeared in the November 13–14 St. Louis Globe-Democrat. I think Mr. O'Brien speaks for all of us on the committee in his praise for the Amchitka team, and in his assessment of the importance of the test. I commend his column to the reading of my colleagues:

AMCHITKA TEST REVIVES FAITH

(By Edward W. O'Brien)

WASHINGTON.—It's not stylish to do so these times, but this corner would like to lead some cheers for the government people responsible for the spectacularly successful Amchitka nuclear test a week ago. The officials, from President Nixon down, who had the courage to proceed despite the prophecies of disaster should be saluted for their cool courage.

The legions of scientists and others who planned the shot on paper and then made their plans come true proved to be men and women of great competence and dedication.

No one likes to be accused of threatening the world with an earthquake, a tidal wave, or deadly radioactive fallout. Almost to the moment of detonation of the test, the critics were predicting that these catastrophies would probably happen and that the test must somehow be prevented.

The critics turned out to be completely wrong. There was no earthquake, no tidal wave, no fallout. The test went exactly as planned.

Scarcely a sound has been heard since then from those who were so vocal. Senator Alan Cranston, one of them, went on the radio to exclaim, "They were lucky."

It was a narrow, demeaning comment.

The truth was that this nation is blessed with able scientists whose first consideration in preparing the test was for safety.

They predicted from their calculations that the Richter Scale reading of the blast tremor would be 7.00. It turned out to be 6.99—or practically identical with the prediction.

The Pacific tidal wave warning net was closed 25 minutes after the blast because the ocean waters were normal. No radioactive material escaped from underground, and except for death of one sea otter from a falling stone and a few other inconsequentialities, the environment was not disturbed.

Did the test accomplish any good?

It did indeed, though the intended and achieved benefits have never been mentioned by the critics.

What was achieved was that we proved the theory and construction of the nuclear warhead for the Spartan Missile in our proposed Safeguard Antiballistic Missile System.

The test meant the difference between theorizing that the warhead would work and knowing it for certain.

Possession of an effective ABM warhead is important to much more than our defense capacity. It may well be a key element in reaching an arms-control agreement with the Soviet.

The Russians have a proven ABM warhead. Theirs was tested years ago, in the last blast series conducted before the international ban on testing in the atmosphere.

So they were ahead of us in proven ABM technology. We knew it and they knew it. In the arms-control negotiations, we could hardly expect them to give up or renounce their advantage. They would be trading something for nothing.

Now the two nations are equal in ABM warhead technology, and the prospect of fair arms-control limitation has been enhanced. Some officials believe the Russians are even happy about the Amchitka test for that reason.

Faith in government, we are often told, is no longer justified. Rep. Craig Hosmer, a member of the Senate-House Atomic Energy Committee, who took the trouble to fly to Amchitka and watch the test in 90-mile-an-hour wind and rain, called the event "a technical triumph" which reaffirmed this country's values, traditions, and sense of duty.

The test was supported in advance by President Nixon, the Atomic Energy Commission, a majority of the Congress, and a majority of the Supreme Court. Faith in them was not misplaced.

INAUGURAL ADDRESS OF DR. JAMES ALVIN RUSSELL, JR.

HON. W. C. (DAN) DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. DANIEL of Virginia. Mr. Speaker, while the House of Representatives was in recess last week, it was my good fortune to attend the inauguration of Dr. James Alvin Russell, Jr., as fourth president of Saint Paul's College in Lawrenceville, Va.

In seeking similes for the educational community, public speakers often draw a comparison to passing along a torch of learning to those who follow. In a very fitting sense, this comparison holds true for Dr. Russell. His grandfather, James Solomon Russell, served the school as founder and first president. In turn, he was followed in the presidency by James Alvin Russell, father of Saint Paul's new president. And now, following the distinguished service of Earl H. McClenney, Dr. James Alvin Russell, Jr., has been chosen as the college's fourth president.

Saint Paul's College serves a predominately black student body, as it was

founded in 1888 to serve this group then excluded from most institutions of higher education. In his inaugural address, Dr. Russell takes note of this fact, but looks beyond the limits of this sole commitment:

Standards of taste, standards of morality, must be kept alive as one becomes educated, and Saint Paul's uniqueness has been in graduating people steeped in these valuable assets. I am aware that change must come, and I believe in change, but I also believe that there are some absolutes that do not change.

In the belief that my colleagues will find Dr. Russell's inaugural address as inspirational and enlightening as I did, I insert it in the RECORD:

INAUGURAL ADDRESS BY JAMES A. RUSSELL, JR.

I accept the great task of the presidency of Saint Paul's College, and I pledge to you for its fulfillment, my best efforts and total dedication.

I am aware that these are days of crises in education, that these are times when men of great academic stature reject offers to become heads of colleges and universities. I say days of crises in higher education because of the changes taking place in society which infer changes in our colleges to correspond with or complement them. I mention the rejection of the post of president by capable and able men, because the task has been such a formidable one that it is spurned by many, and is often viewed as being more punishing than rewarding. It is said that the nature of the presidency has changed dramatically during the past two decades. For example, during the fifties the college president had to be an educator; during the 1960's he had to be a builder; in the 1970's he must be a crises manager.

Realizing these gruesome aspects, and being fully cognizant of the very dark days which may come into the life of every administrator, I approach serving St. Paul's College with a certain degree of optimism. I feel that here lies an unparalleled challenge, and an opportunity for service to youth, to our church, and to the general cause of education.

Never has education been under closer scrutiny than it is now. Never has so much been demanded of the colleges and universities. And never has there been greater concerted clamor for improvement in education. Yet these are also days of excitement in education, and anyone involved in educational administration is sharing in something which has the potential of taking him through uncharted seas. The journey may be rough in spots, but the frigate must move with the tide of educational change.

In undertaking my duties as Saint Paul's fourth President, I reflect upon the three distinguished men, James Solomon Russell, James Alvin Russell, and Earl H. McClenney, who have preceded me in this high office. I shall continue to benefit from their experiences, and to be influenced by their successes. I shall derive inspiration from them, and especially from the far sighted and lofty minded "adventurer in faith," James Solomon Russell, who was the founder of Saint Paul's College. His faith, foresight, humility, and indomitable spirit shall continually stimulate me to serve St. Paul's with all my heart and mind.

In thinking about the remarks I would make here today, I took the opportunity to examine some of the addresses made on occasions like this. It was fascinating to note the appropriateness of many things said by presidents as many as sixty or more years ago.

As an alumnus of Oberlin College I was particularly impressed by the remarks made by Henry Churchill King about 68 years ago. He referred to the problems arising from the complexities of civilization, aggravated then by recent scientific discoveries. He discussed the objectives and functions of a college, and said that, "colleges had to teach in the broadest way the art of living, to give the best preparation, that organized education can give, for entering wisely and unselfishly into the complex personal relations of life, and for furthering unselfishly and efficiently social progress."

It occurs to me that we are still concerned with the function of the college in a world of complexities. A redefinition of its function and objectives was certainly never more important than it is today. This is indeed the time of change, and educational institutions find it hard to change, frustrating to veer from the old established ways. Time was when the college was thought of as the place for the exploration of ideas, for the search for truth, and for delving into things related to the world of thought. It is not exactly this way now. Today, there are increasing demands upon the college to react to everything occuring in the world, and to also take a leading role in helping to bring about social change. This is indeed a big order. Colleges, nonetheless, are moving into the community significantly; many of their programs extend into community institutions and services. At Saint Paul's College, students will be encouraged to explore and learn from many communities—from local to county, county to state, state to nation, and nation to the world.

In spite of the fact that there is this involvement, and understandably, more will come, let us not lose sight of the fact that the primary mission of the college and university is to educate people, to lead them in the search for truth, so that they will want to improve the world.

I further believe that education at the college should be viewed as a total experience, including not only subject matter and examinations, but also opportunities for students to develop various life styles; to exchange ideas, to have their beliefs challenged, and above all, to have associations with men and women who show in their lives the values of a liberal education.

From the standpoint of the administrator, I believe that we must understand ourselves, our culture, our society, and the realities of on-going life far better than we do. If administration is to be creative, there must be a greater knowledge of and preparation for working with students. At all levels of operation there must be a deliberate attempt to close the generation gap.

When Saint Paul's College was founded, it immediately sought to provide an education for young people who otherwise would not have the opportunity of a higher educational experience. The acceptance of high risk students is therefore, not a new program to St. Paul's. It has always shown great concern for youth with educational obstacles spawned by poverty and discrimination. I take the position that we should continue to help these students, that we must motivate them, provide them with the opportunity to develop intellectually, to improve upon skills which many of them already possess, and give them a chance to develop self-confidence. Failure to do these things would mean that Saint Paul's would be remiss in her duty.

St. Paul's, like other predominantly black colleges, has the unrelenting and complex task of preparing students for participation in a society which is predominantly white, while at the same time the college also has the responsibility of helping young people achieve self identity and cultural pride. But I am constantly aware of the fact that this necessary approach cannot be carried to the extreme, for Saint Paul's College cannot become an advocate of separatism. If it is to become an integral part of the mainstream of higher education, it can do so only by joining forces with all other elements of the population, and move with the tide.

The Federal Government has made it unmistakably clear that its support can only be given to those institutions whose doors are open to all races and creeds. A small private institution can hardly exist without some federal support. Large corporations and foundations adhere to the same philosphy.

At this point, I find it necessary to call attention to the means of securing support for the church related colleges. In the past, they were supported predominantly through individual donors, the churches, small gifts from organizations, small bequests, and student fees. Although financial records show that a sizable amount of a college's income comes from student fees, we must never lose sight of the fact that most of this is funded by the Federal Government through financial aid to students such as loans, work study programs, and other governmental projects. Thus, I say that neither our thinking nor our financial structure can support a narrow racial operation. Saint Paul's must move out into the mainstream, and render a service not only to its present clientele, but to the larger community as well.

It is clear that federal involvement in higher education must intensify. Few private colleges and universities can survive in their present form if federal support is not made increasingly available. In fact, it is generally accepted that without state or federal aid for private institutions, the days of many are numbered, and the viability of others is threatened. Granted that federal assistance may be obtained, that some foundations, and individuals will come to the aid of the private college, all sources of aid will still be interested in those who devise new programs that will meet the needs of the students who for so long have been neglected. These programs must be supported by new teaching techniques and approaches, modern facilities, and multi media devices. All of this must be carried on in a framework of creativity and innovation.

The implications here for faculty members are evident. No longer can a campus be a collection of ivory towers. When teachers remain apart from students and leave them to their own devices, they forget that, as Irwin Edmen has said, it requires a very strong character, tenacity of purpose, and rightness of aim to work in isolation, especially when one is young. Liveliness of mind and acuteness of feeling often disintegrate into nothingness without the discipline of a period of orientation in principles, in intellectual handling of facts; the discovery of the manner in which facts themselves are distinguished from fancies, and the way in which facts are discovered. The thirst for experience is slaked, but not satisfied, if one has not the equipment through which experience becomes enriched with meaning. And the teacher can not provide real meaningful activities from an ivory tower.

I am aware of what it may mean when faculty members pursue the kind of involvement with the students which is implied here. Once they leave their ivory towers they face not only new faculty-student relationships, but require new faculty-administrator relationships for which the president must be prepared. Faculties now want a stronger voice in the governance of the college, and the chief administrator must work in equitable terms with his faculty, rather than attempt to be the sole decision maker, if he is to achieve any kind of success.

The history of the predominantly black college indicates a one man beginning, and one-man control for many years. That day has now passed, and it is absolutely impossible for one person to produce the answers to all problems and situations. He

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needs, and must be prepared to accept the thinking and help of all of his colleagues. I seek such assistance and support, as we work to produce a more effective Saint Paul's College.

The future of Saint Paul's College is dependent to a large extent on the support of its alumni. It needs their financial support and moral support, wrapped in staunch loyalty. When graduates become concerned about new programs, improved faculty, new buildings, greater and more modern facilities, and increased enrollment—financial drives and recruitment in all areas become simpler processes. In education, as in business, there is no real substitute for the words of a satisfied customer.

I think that alumni sometimes are inclined to forget that they will always be a part of Saint Paul's College, and that whatever the college is or becomes, will flavor their credentials forever.

I have touched on student, faculty, and alumni problems in such a way, I hope, as to indicate an awareness of the depths of our needs. I have not meant to ignore the Board of Trustees and its important role in the operation of the college. A president, without the support of trustees, cannot remain a president very long. Of course, some of the major responsibilities of a Board of Trustees are to help the college establish a proper identity, to help in creating a proper image, to assist in making proper contacts, and to contribute generously of their time and financial resources to the institution. The efforts of the Board and the president must complement each other in a cooperative educational venture.

Much more could be said about the responsibilities of the various segments of the college to the college. Much needs to be said about the responsibilities of the college to the community that surrounds it. In fact, a whole address could be delivered on this important aspect of the institution.

Saint Paul's College was founded to help provide for the community many of the things it needed for growth. It educated the illiterate, it trained the farmers, it offered religious services, it provided social activities, it lifted the sights of the community in every direction. There was no separation then of town and gown. There should be none now, and it will be the aim of this administration to serve wherever needed, and to be available to render assistance whenever possible.

For its eighty-three years of existence, Saint Paul's College has been a church-related institution, and I would like to see this relationship continued. The tendency of the educational institutions today is a drifting further and further away from their historical attachment to the church. It is my opinion, however, that a religious atmosphere can provide a framework in which education can be produced. I believe that it is possible for religious and moral growth to be nourished concurrently with intellectual and physical growth. This is what our very sick world needs now. Many aspects of an education are obsolete before a student completes his four year term in college, and he must learn something new in order to make a living. The significant feature of Saint Paul's over the years has been that the student learned not only to make a living, but to make a life. The college developed standards and established values for which the institution and its members were willing to take a stand. No one was afraid to call anything wrong, or vulgar, or in poor taste, if such was the case. There was developed the kind of courage that seems to be lacking in our current life.

Standards of taste, standards of morality, must be kept alive as one becomes educated, and Saint Paul's uniqueness has been in graduating people steeped in these valuable assets. I am aware that change must come, and I believe in change, but I also believe that there are some absolutes that do not change. I think that one of the requirements of leadership is that the leader gives positive direction to the one he leads. I believe that youth at heart really want this kind of leadership, and I believe that I have courage enough to pursue it.

If the educated man is not willing to express standards, if he cannot show that he applies them, what then is education for? Its purpose, I take it, is to form the civilized man whom I will define as the person capable of the informed exercises of judgment, taste, and values. If at maturity, he is not willing to exercise judgment on matters of policy, or taste, or morals, he is merely saying that his education has been a failure. I hope to make education at Saint Paul's a meaningful experience.

It is a humbling, yet very challenging opportunity to take the reins once held by my forebears, and my immediate predecessor. They captured the spirit of their times and developed a viable institution of their day. In reference to my forebears, I desire to see tasks once begun by them completed, and believe this to be a major aspect of my heritage.

Even in these dark and difficult days, I can see emerging a new Saint Paul's, committed to meeting the needs of the day, and enlarging the scope of its services through the acceptance and development of new ideas and new approaches. As I accept this challenge, I need your good wishes, your assistance, and your prayers.

BIG BUS BILL—"SEEING OVER THE BLIND SPOTS"

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SCHWENGEL. Mr. Speaker, I have repeatedly called to the attention of my colleagues the problem of the blind spots which exist behind our motor vehicles, especially trucks and buses. I am happy to report that it now appears as if some progress has been made, at least with respect to automobiles. A story written by Charles Yarbrough in the Evening Star of November 26th describes the advances which have been made. His article, "Up Periscope" follows my remarks.

With even larger blind spots behind trucks and buses we certainly should delay action on legislation such as the big bus bill until the automobile advances in this area can be applied to buses and trucks.

UP PERISCOPE

(By Charles Yarbrough)

History isn't very precise about how long it took ancient man to decide that something like the wheel might be a handy gadget or how long it took him to fashion a prototype.

But the achievement might parallel modern efforts to come up with an efficient and feasible periscope-type rear view mirror system to "see over" the blind spots in today's automobiles.

Researchers are gaining on it since the government paid X-thousands of dollars for a 1969 study which concluded what every motorist has known for 50 years: Current rear view mirrors are inadequate.

RESEARCH FOR STANDARD

What is admittedly a crude system (when compared with the ultimate) has been installed on 50 government-owned, 1970 Ford Falcons for a year's testing by the National Highway Traffic Safety Administration.

Five are in Washington, ultra-conscious with the mirror housing protruding from the car roof like an oversize taxi sign.

The national testing is research for a proposed safety standard that would require indirect visibility systems to broaden the driver's rear vision.

There are two proposed effective dates, one for 1974 cars, the other, hopefully for a more sophisticated product, due in 1976. It likely will be expensive. Even more likely it will be mandatory.

Cars in the current test period, which runs until next November, are candidates for the 1974 standard and the three-mirror system gives about 60 degrees more rear horizontal vision than conventional mirrors.

The 1976 goal is at least 82 degrees.

First reaction in driving with the periscope is a bit startling. It is a view the driver might get if he could look into the overhead and side mirrors at the same time. Long-accepted blind spots are still there, but getting smaller.

SCOPE WITH FAIRING

In some phases, the thinking is way ahead. The exterior mirror on the roof is equipped with defroster and de-icer. The interior has a day-night filter; the fittings are breakaway type in event of an accident and the glass is tempered to minimize shatter.

The test system in use here and in seven other areas of the country was developed for the Safety Administration by Donnely Mirrors, Inc., of Holland, Mich., under a $25,000 contract.

Elsewhere, research is reaching reality in experimental safety cars from AMF and Fairchild-Hiller, both of which have a more sophisticated rear view concept, including a design which fairs the exterior scope into the roof line.

Next step in the overall project will be contract award for the 1976 requirements and at least 82 degrees of rear vision. Field testing of both the '74 and '76 concepts, plus those on the experimental safety vehicles will, hopefully, give the government the fore-and-aft vision needed.

FOR THREE-EYED DRIVER

Over the years, from the early days of the Indianapolis Speedway where the rear view mirror was first used, there have been many attempts to solve the "blind spot" problem.

Curved mirrors had built-in distortion. Side mirrors supplementing the one over the windshield, required a three-eyed driver.

There have been some logical versions of the periscope-type from private citizens who, apparently couldn't get enough important ears to listen.

Recent news dispatches told of a Wichita, Kan., mother who fashioned a convex mirror arrangement on the rear of the car to supplement the standard rear-view reflector to avoid striking her children when she backs out of the garage.

She's applying for a patent.

Anonymously now, comes an authentic-like "ticket"—a "Citizen Parking Violation."

It says in part: "This is not a ticket, but if it were within my power, you would receive two.

"Because of your bull-headed, inconsiderate, feeble attempt at parking, you have taken enough room for a 20-mule team, two elephants, one goat and a safari of pygmies from Africa.

"I sign off wishing you an early transmission failure (on the expressway at about 4:30 p.m.)."

THE PROBLEM OF NOISE POLLUTION

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. PATTEN. Mr. Speaker, although air, water, and land pollution seem to get almost all of the attention and publicity in the fight for pollution control, it was gratifying to read an excellent article by Marilyn Ballas, staff writer of the Home News, of New Brunswick, N.J., in an outstanding and thought-provoking article called, "Noise Pollution—It May Be Too Late Already If You Can't Hear It."

It is one of the best articles I have read on this important and complex problem and I am pleased to include it in the CONGRESSIONAL RECORD with the hope that we increase our knowledge and understanding of noise pollution. Because I am one of the cosponsors of a noise pollution control bill, I have an unusual interest in Miss Ballas' newspaper article, but I would also like my colleagues to read it.

The article follows:

NOISE POLLUTION—IT MAY BE TOO LATE ALREADY IF YOU CAN'T HEAR IT

(By Marilyn Ballas)

The world is growing louder at the rate of one decibel a year. If you can't hear it, you already may have suffered some hearing loss.

And because it's the nerve cells in the inner ear that are affected, the damage is permanent—no hearing aid will help, no surgery will set things right.

But the worst part of noise-induced hearing loss is that it can go for so long undetected. The sounds you can't hear are at a high pitch of 4,000 cycles. Conversational speech ranges from 250 to 2,000 cycles—so you can hear your friends well enough, at least at first. There is some trouble in distinguishing the sounds, but it is easy to blame that on faulty diction. Your ears are all right, or so you think.

Noise pollution is a modern phenomenon, created by the products of our technological age which surround us in our home, in our office, on our streets, throughout our community and our world. Grinding, whirling or rattling away are power lawn mowers, riveting machines, electric music devices, combustible engines, jet engines, vacuum cleaners, dishwashers.

Look around you. Or rather, listen around you. The pollutants are there.

Some noises are so constant, you never hear them anymore. Others are simply annoying. But many are downright dangerous to our physical and emotional health.

Dr. Raymond M. Manganelli, professor of environmental sciences at Rutgers University, considers noise "another insult" upon man from today's environment.

"We are constantly disturbed by noise, the constant intruder, Manganelli says, and he stresses that hearing loss is not our only concern.

The assault noise makes upon man's nervous system may affect blood pressure and psychological well-being, Manganelli says. Studies are now being made in these areas.

Dr. Antoine Attalla, Board of Health director for Woodbridge, where a noise control code is being proposed for adoption, concurs.

"Noise pollution is something relatively new to man," Attalla says. "With the introduction of a modern technological advancement—the machine—noise has become a real threat to man's health and safety."

Noise, generally defined as "unwanted sound," causes the blood vessels to constrict according to Attalla; it may increase the secretion of gastric juices, which in turn may cause or aggravate an existing ulcer; and may cause, as well as aggavate, existing neuroses.

Dr. Alvin I. Glasgold, a New Brunswick physician specializing in the ears, nose and throat, reports he sees an average of two new patients a week suffering from noise-induced hearing loss. This number includes students, many of whom are members of marching bands, and persons from industry.

"That the most susceptible hearing loss is at 4,000 cycles is good in that you do not miss much at such a high pitch," Glasgold says. "But it is bad because you are not aware your hearing is being damaged through noise."

An early sign of hearing loss caused by noise, the physician continues, is "tinnitus," or ringing in the ears.

The inability to distinguish between sounds, and a temporary "deafness," or shift in threshold, immediately after exposure to loud noise, are other early symptoms.

While the percentage of his patients suffering from noise-induced hearing loss is low, Glasgold still considers the problem a "catastrophic occurrence," largely because the biggest sufferers are among the teen-age population.

"Psychiatrists are aware that lots of noise pollution is disturbing," reports Dr. Sydnor B. Penik, director of research and associate medical director at Carrier Clinic in Belle Mead, and associate professor of psychiatry at Rutgers University.

"We are going to have to regard noise as just as much an invasion of privacy as trespassing," he continues, but adds no one has yet shown the exact relationship, "the one-to-one factor," of noise and emotional disorders.

"One of the early complaints of psychiatric patients is that noises sound louder, are more bothersome, Penik explains. But the available data according to the internist-psychiatrist, shows only that noise may aggravate existing conditions rather than create emotional problems.

This is an area, he says, in which a great deal of study remains to be done.

According to Joseph J. Soporowski Jr., associate extension specialist in environmental sciences at Rutgers University, noise pollution is primarily a problem for industry and government agencies.

Soporowski, who breaks noise down into two categories, industrial noise and community noise, says considerable advances have been made in the area of industrial noise control, but community noise has been seriously neglected.

"A lot of people don't realize what noise pollution is all about," Soporowski continues, warning:

"We'll find ourselves in the same situation—in about eight years—as the community now finds itself in the areas of air and water pollution, if something isn't done.

"If we take action on noise now, we can minimize undesirable effects in the community," he says.

"Young people with their music . . . This is what got me started," Soporowski explains.

Soporowski, who with Manganelli has been working in the area of noise pollution at Rutgers for about four years, feels the most important step now "is to get something on the books. The idea is to start with some thing that is reasonable and then improve it."

Manganelli agrees that the key to turning off noise in the community is legislation—at local, state and federal levels.

And the only legislation these men feel will have the teeth to be effective is that which cites specific decibel readings, rather than the vague "nuisance" specifications which characterize so many existing noise codes.

Manganelli, says noise can be controlled at three points: At the source, along the path, and at the point of reception.

The last, which includes ear plugs and ear muffs, is the least desirable, Manganelli says, because such methods may block out very necessary sound of warning and interfere with communication.

Many new products, Manganelli explains, can be made quiet. A dishwashing machine was developed, he illustrated, that did not make any noise at all. But it was rejected. The housewife wants some noise, if just a quiet purr. It indicates to her that the machine is working.

But for the most part, he says, products make a great deal of unnecessary noise which manufacturers must be forced to eliminate, and he argues that this will be done through legislation.

DEMON DECIBEL OBJECT OF PROPOSED LAWS

What is a decibel?

It is a unit for measuring the relative loudness of sounds. Ordinary speech is 40 to 60 decibels, based on a zero decibel reading, at which audibility begins.

There are several scales for measuring sound, but the most commonly used is the A scale, which gives greater weight to high tones more likely to be annoying or harmful to the human ear.

A rock group might produce music which could run as high as 120 decibels A (120 dBA), which is described as "painfully loud."

This compares with the 90 dBA maximum sound level for an 8-hour duration allowable under the Walsh-Healey Act of 1969, which first set the national safety standards. The act itself, originally applied only to workers on government contracts, since has been extended to every worker in interstate commerce.

But the community at large, as well as many industries, do not fall under its jurisdiction.

Permissible noise exposures under that standard, based on the maximum noise levels man can tolerate before suffering physical damage, range from 90 dBA for an 8-hour duration to 115 dBA for no more than 15 minutes. The act also provides that no sound, no matter how fleeting the duration, should exceed 140 dBA.

What other legislation exists to control noise?

In New Jersey there is the Occupational Noise Exposure regulation adopted in May as part of the N.J. Worker Health Safety Act.

Identical in its standards to the Walsh-Healy Act, it applies to all manufacturing industries in the state, as well as to some wholesale businesses, warehouses and large retail stores.

It does not affect offices, schools, retail stores with less than 10 employees, nor the agriculture industry.

Two bills are pending before the state legislature. An Assembly bill, passed by that house and on its way to the Senate, would give the state commissioner of environmental protection the power to adopt and enforce new standards for noise control.

Assemblyman Kenneth Wilson, R-Essex, is sponsor of this bill, which directs the state environmental agency to hold public hearings from which it would set its standards. A Noise Control Council of experts would be created to advise the commissioner. Violators would be fined up to $3,000.

Sen. Raymond H. Bateman, R-Somerset, and Sen. Harry L. Sears, R-Morris, are sponsors of an administration bill which would give the commissioner the sole regulatory power.

The latter bill is broader in its provisions, but both are aimed at "community noise"—that heard outdoors on public or private property—and deal with such things as noise

from industrial plants, construction equipment, and trains, aircraft and other vehicles.

Local communities also are beginning to write tougher, more specific and more enforceable noise control codes.

Woodbridge is the first community in the Middlesex-Somerset county area to upgrade its noise regulations. Joseph Wukovets, the township's chief sanitary engineer, said he went about working on a code in response to specific complaints from residents. He realized, he said, there was not already something on the books to eliminate bothersome sounds effectively.

The proposed code would set maximum decibel readings on various noise sources, with lower levels in effect at night.

Dr. Antoine Attalla, township Board of Health director who worked with Wukovets in preparing the proposed code, said it would set the limits, empower investigations and set penalties.

The proposal has yet to go before the Township Council.

In Chicago, new noise regulations went into effect July 1, setting maximum limits allowable under law immediately, and in most instances lowering permissible sounds for the future.

Motorcycles, for instance, now have a noise limit of 92 dBA, but must be down to 75 dBA by Jan. 1, 1980.

Primarily, the regulations are aimed at vehicles and agricultural and construction equipment. There are also limitations on noises from buildings, with measurements to be taken at the boundaries of the lot.

Chicago's code further makes a violation "any vibration that can be felt beyond the property line in any zoning district, whether manufacturing, business, commercial or residential."

Similar legislation is pending in New York City, where the proposed code is now in the process of public hearings.

Proposed by Mayor John V. Lindsay, the 49-page code would set specific noise level standards and empower the administrator to place various noise-making devices on an operating certificate list, which could be revoked or suspended.

Under the proposal, refuse trucks built after Dec. 31, 1972, could operate no louder than a vacuum cleaner, and sirens could make no more noise than midtown traffic.

Sound level readings

[In decibels]

10 feet away from rock drill	130
Discotheque	120
2,000 feet from jet taking off	105
Subway station with train coming in	95
50 feet from a moving heavy truck	90
Noisy kitchen in city	85
50 feet from a highway	70
Quiet conversation	60
Quiet rural night	30
Threshold of hearing	0

Prolonged exposure to sound between 85 and 115 decibels will begin to cause hearing loss; limited exposure to sound over 115 decibels will cause hearing loss.

VOTING PATTERN IN THE UNITED NATIONS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. DERWINSKI. Mr. Speaker, there is a great deal of discussion as to the voting pattern which occurred in the United Nations on the question of Chinese representation. Since a number of votes were taken, interpretations vary depending on the vote used in any given analysis. As a delegate to the United Nations for the 26th General Assembly session, I am convinced that the key vote was on the important question. Therefore, in preparing the following analysis, I have used that vote.

Mr. Speaker, when the United Nations organization voted on the resolution to make the expulsion of Free China and the seating of Communist China in its place an important question, almost half of the members eligible to vote were nations that secured their independence since World War II.

The vote on the crucial issue was 59 to 55 against making the substitution of Red China for Free China an important question, with 15 abstentions and two absences. Of the new nations, 25 supported the position of the United States and 27 opposed it; nine abstained and one was absent.

Mr. Speaker, in order that my colleagues will be fully informed regarding the tremendous power that these new countries have in the international body, power that can be used for good or for evil, I am submitting three tables for inclusion in the RECORD. The first lists the nations that lined up with the United States on the key vote, the second those who opposed us, and the third those that did not participate in the vote.

The table follows:

THE FOLLOWING NATIONS SUPPORTED THE UNITED STATES ON THE VOTE

Nation	Date of independence	Area in square miles	Population in thousands
Bahrain	1971	250	207
Barbados	1966	166	260
Cambodia	1953	69,898	6,701
Central African Republic	1960	236,293	1,518
Chad	1960	495,753	4,000
Congo (ex-Belgian)	1960	905,563	17,100
Dahomey	1960	43,483	2,640
Fiji	1970	7,055	519
Gabon	1960	102,089	485
Gambia	1965	4,005	357
Ghana	1957	91,843	8,600
Indonesia	1949	735,865	116,000
Israel	1948	7,993	2,822
Ivory Coast	1960	127,520	4,195
Jamaica	1962	4,411	1,959
Jordan	1946	37,500	2,160
Lesotho	1966	11,716	930
Madagascar	1960	228,000	6,643
Malawi	1964	36,100	4,398
Mauritius	1968	720	800
Niger	1960	489,189	3,750
Philippines	1946	115,707	37,158
Rwanda	1962	10,166	3,500
Swaziland	1968	6,704	410
Upper Volta	1960	105,869	5,278
Total		3,873,858	232,390

THE FOLLOWING NATIONS OPPOSED THE UNITED STATES ON THE VOTE

Nation	Date of independence	Area in square miles	Population in thousands
Algeria	1962	919,591	13,349
Burma	1948	261,789	26,980
Burundi	1962	10,747	3,475
Cameroon	1960	183,581	5,680
Ceylon	1948	25,332	12,240
Congo (ex-French)	1960	132,046	880
Equatorial Guinea	1968	10,852	286
Guinea	1958	94,925	3,890
Guyana	1966	83,000	742
Kenya	1963	224,960	10,506
Kuwait	1961	6,178	570
Libya	1951	679,358	1,869
Malaysia	1963	128,430	19,583
Mali	1960	464,000	4,881
Mauritania	1960	419,231	1,140
Mongolia	1945	592,664	1,240
Nigeria	1960	356,669	63,870
Pakistan	1947	365,529	132,000
Sierra Leone	1961	27,699	2,512
Singapore	1965	225	2,034
Somalia	1960	246,201	2,730
Southern Yemen	1967	112,000	1,220
Sudan	1956	967,500	15,186
Tanzania	1961	363,708	12,926
Trinidad and Tobago	1962	1,979	1,040
Uganda	1962	93,981	9,500
Zambia	1964	290,586	4,208
Total		7,062,761	354,537

THE FOLLOWING NATIONS (EXCEPT MALDIVES, WHICH WAS ABSENT) ABSTAINED ON THE VOTE

Nation	Date of independence	Area in square miles	Population in thousands
Botswana	1966	275,000	629
Cyprus	1960	3,572	630
Laos	1949	91,429	2,893
Malta	1964	122	318
Morocco	1956	172,834	15,050
Qatar	1971	8,000	100
Senegal	1960	75,750	3,780
Togo	1960	21,850	1,815
Tunisia	1956	63,378	5,027
Maldives	1965	112	108
Total		712,047	30,350

WEEKLY REPORT TO NINTH DISTRICT CONSTITUENTS, NOVEMBER 15

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the text of my Weekly Report of November 15, in which an account is given of the State dinner for India's Prime Minister, Indira Gandhi, at the White House. Mrs. Hamilton and I were among seven Senators and Congressmen and their wives to be invited to the November 4 formal affair.

The report follows:

WASHINGTON REPORT

EDITOR'S NOTE: This week's Washington Report is Mrs. Nancy Hamilton's account of the State Dinner for India's Prime Minister, Indira Gandhi, at the White House. The Hamiltons were among seven Senators and Congressmen and their wives to be invited to the formal affair.

Attending a White House formal dinner is quite literally like stepping out of one world into another—I from the bustle and exuberance of a young household and Lee from the debate and deliberation of the House of Representatives into the pomp and pageantry of a State Dinner.

Since the House was in session, I drove from our home to Capitol Hill with Lee's tuxedo for a quick change and a dash to the White House. We were admitted to the White House grounds after being identified as guests by White House guards and were greeted by music from the Navy band, playing on the balcony of the South Portico. Passing two Marines at attention at the ground entrance, we again showed our admittance cards before going into the Oval Room to check our wraps.

Moving upstairs to the main level of the White House, we were first given a diagram

of the seating arrangements at a large, E-shaped banquet table, each with the guest's place indicated. The red-coated Marine band was playing in the Grand Foyer, where we waited to be announced to the growing number of dinner guests assembled in the East Room.

While the President and Mrs. Nixon met privately with Mrs. Gandhi in the First Family's upstairs living room, we talked with several members of Mrs. Gandhi's party. A receiving line was formed, with husband preceding wife, and trumpets then announced the entrance of the Presidential Party. The President, in formal attire and looking straight ahead, entered with Mrs. Nixon, in a camelia pink evening gown and Mrs. Gandhi in a pomegranite red sari. They followed a color guard into the room as the band played "Hail to the Chief."

Each guest was introduced, first to the President, who in turn introduced Mrs. Gandhi. Mrs. Nixon greeted each warmly, recalling that we were from Indiana, the native State of the President's mother.

Guests included the President's daughter, Mrs. David (Julie) Eisenhower, Henry Kissinger, Secretary of State William Rogers, Supreme Court Justice Potter Stewart, Senator John Cooper of Kentucky and Mrs. Cooper, Arthur Burns, Chairman of the Board of the Federal Reserve System, U.S. Ambassador to India Kenneth Keating and several high ranking military officials and their wives.

The State Dining Room was a dazzling display of white tablecloth, gold candelabra, golden bowls filled with flowers of white, salmon and yellow. The table was set with the Johnson china of the wildflower design. I was seated with Secretary Elliot Richardson of the Department of Health, Education and Welfare, and Congressman John W. Davis of Georgia. Lee was seated with Mrs. Frank Church, wife of the Senator from Idaho, and Mrs. Gerard C. Smith, wife of the director of the U.S. Arms Control and Disarmament Agency.

The menu included a first course of Quenelles de Brochet en Vol-en-Vent (fish and white sauce in a pastry shell), Supreme of Pheasant Veronique (pheasant with white grapes), wild rice, asparagus au Beurre, bibb lettuce and Port de Salut cheese, and for dessert Mousse Glace au Praline (ice cream with a pecan sauce) and petits fours.

After dinner, the President rose to toast Mrs. Gandhi, speaking warmly of her father, the late Prime Minister Nehru and praised her for continuing his leadership. Mrs. Gandhi responded with an urgent plea for support for her country's struggle for stability.

The guests then moved to the Green and Blue Rooms for coffee and we spoke with Mrs. Gandhi, relaying a message from our son, who earlier in the day had taken part, with his sixth grade classmates in White House greeting ceremonies for the Prime Minister.

The guests were then seated in the East Room for an impressive program of ballet and folk singing. At the conclusion of the program, the guests waited while the President and Mrs. Nixon bid goodbye to Mrs. Gandhi. I returned Lee to Capitol Hill, where he returned to his legislative duties until the House adjourned at 3 a.m.

RHODESIAN CHROME ORE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. EDWARDS of California. Mr. Speaker, I would like to commend to the attention of my colleagues the following editorial which appeared in the New York Times on the 12th of this month. The editorial wisely points out that the recent amendment to the military procurement bill that requires the United States to unilaterally breach the United Nations sanctions invoked against Rhodesian chrome ore may have grave international effects.

The editorial follows:

[From the New York Times, Nov. 12, 1971]

UNITED STATES AGAINST THE CHARTER

In cavalier fashion the House of Representatives has now joined the Senate in approving an amendment to the military procurement bill that would deal a savage blow at the United Nations and place the United States in flagrant violation of its pledges. The provision would require Washington to breach unilaterally the sanctions twice invoked by the United Nations Security Council against the white racist regime in Rhodesia.

Specifically, the amendment would eliminate as of Jan. 1 the President's authority under the United Nations Participation Act of 1945 to ban importation of Rhodesian chrome so long as imports of that metal from the Soviet Union were allowed. It would have the effect of invalidating the executive orders issued by President Johnson to enforce the Security Council decisions.

Despite the valiant effort by Representative Donald M. Fraser of Minnesota to alert the House to the consequences of its action, there is no evidence that the majority had the faintest idea it was voting in effect to send the U.N. down the ruinous road traveled by the League of Nations when member states unilaterally breached the sanctions it tried to impose on Fascist Italy in 1935.

This result owes much to a well-financed Rhodesian lobby which has exploited shrewdly the racism of Southern Senators and Congressmen, the anti-Communist sentiment on Capitol Hill, the current hostility to the U.N. arising from the expulsion of Taiwan, and the wrath of importers forced to pay inflated prices for Soviet chrome. It was no accident that the Senate champion of white minority rule in Rhodesia was Harry F. Byrd Jr., a relic of the diehard fight for preservation of white domination in Virginia.

Much of the blame rests with the White House, which talked privately with conflicting voices on the issue but made not a single public gesture to sidetrack the amendment. Both Mr. Fraser and Senator Fulbright insisted that the Administration opposed the amendment; but the only evidence was a letter signed by an Assistant Secretary of State. The Republican leaders in the House voted for the amendment.

It is not yet clear whether the bill in final form will leave the President any loophole—if he wants one—for avoiding outright defiance of Security Council resolutions which this country supported. But if Mr. Nixon's inaction on this issue is an example of his Southern strategy it is clear that the price—further erosion of the U.N. and the stigma for the United States of violating the U.N. Charter—is much too high.

TEXAS MARITIME ACADEMY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. TEAGUE of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article which appeared in the January 1971 magazine Sealift, a publication of the Military Sealift Command relating to the Texas Maritime Academy. The maritime academy was established as an integral part of Texas A. & M. University in February of 1962, and since that time has contributed greatly to the furtherance of the State of Texas in maritime activities.

The article follows:

TEXAS SERVES THE GULF COAST

(By Alfred R. Philbrick)

Texas Maritime Academy was established in February 1962 as an integral part of Texas A. & M. University. Establishment of Texas Maritime Academy was by authority of Texas Legislature acts in 1931, 1959, and 1961, and also, by the Federal Maritime Academy Act of 1958. Under the above authorities, an agreement was executed between the governor of the State of Texas and the Maritime Administration, Department of Commerce, wherein the Federal Government provides a suitable training ship, $75,000 each year toward the academy operation, funds for the yearly seaworthy repairs of the training ship, and a subsistence grant of $50 per month to each student in the program.

The state provides adequate facilities, faculty, and staff necessary to conduct a course of training for future officers of the U.S. merchant marine.

Maritime academies have been in existence for over 75 years and are well known in other parts of the country. The Texas Maritime Academy is one of six in the United States. Maine, Massachusetts, New York, and the U.S. Merchant Marine Academy are all located on the Atlantic seaboard. The California Maritime Academy serves the maritime industry on the Pacific coast. The Texas Maritime Academy is the only maritime school dedicated to serve industry on the Gulf coast.

Texas, with its large number of salt water ports, is second only to the ports of New York State in total tonnage handled by water. The maritime activities of Texas are growing. When we consider not only the deep water shipping, but the towboat and barge activities on the network of existing waterways with additional waterways planned, the movement by water to and from the offshore petroleum activity, the upward trend of the petrochemical maritime activities, and the fishing activity, it is apparent that Texas is a major maritime state with more of its future related to the steady growth of maritime activities.

Wheat, cotton, other agricultural products, forestry products, and other related commodities of the inland areas of Texas find their way to the ports for further transportation.

In 1963, the Texas Maritime Academy shifted to Galveston, where a portion of Building 311 of old Fort Crockett, now belonging to the marine laboratory of Texas A. & M., have been temporarily converted for its use. In 1965 and 1966 with increased enrollment the freshman classes returned to Texas A. & M. In 1967 and 1968, the sophomore class also returned to Texas A. & M., while the junior and senior classes were quartered on the training ship Texas Clipper.

Mission of the Texas Maritime Academy is to provide a course of training that will qualify the graduates as officers in the U.S. Merchant Marine with an educational background to meet the increasingly technological demands of such service. A supplementary objective is to qualify its students for a commission in the U.S. Naval Reserve.

Two courses of study are offered—marine engineering and marine transportation. Each course consists of four years of college and professional education. Upon successful completion of the prescribed course of study and three sea training cruises, the graduates will receive a bachelor of science degree from Texas A. & M. University in marine engineering or marine transportation.

Upon graduation the student is qualified to take the Coast Guard examination for third mate or third assistant engineer in the merchant service. The courses referred to above are supplemented with a course of study in naval science. This course serves as a supplement to qualify the graduate for a commission in the U.S. Naval Reserve.

Of the types of colleges and universities of this country, a State maritime academy is distinctly unique in that its graduates are qualified to be third mates or third assistant engineers on vessels in our U.S. Merchant Marine and have proved this qualification by not only the studies and practical training pursued, but by passing a Federal licensing examination.

Present enrollment of the Texas Maritime Academy is about 135. With a waterfront campus on Pelican Island, where the academic buildings are adjacent to the ship, it will be relatively easy to make extensive use of the ship as a laboratory and to also use it as a dormitory and dining hall. The ship can house approximately 200 students. By 1980, after facilities are expanded, the academy will be able to handle a total of 600 students on the Mitchell Campus.

TEXANS MOURN THE DEATH OF PORTER RANDALL

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. FISHER. Mr. Speaker, the late Porter Randall was one of the most remarkable men I have ever known. He recently expired at the age of 56. By radio and personal appearances, he was known in practically every Texas home. He was blessed with a magnetic voice, and his delivery commanded attention and respect. Few if any men in his time have equalled his achievements as a radio personality, and he was universally admired for his unique news coverage and comments.

Porter Randall will be missed by millions. His deep concern for people and their enlightenment made of him a legendary figure in his lifetime. He loved life and with his remarkable talents made the most of it. There is simply no way to fill the void he has left.

Under leave to extend my remarks, I include an Associated Press report of the passing of Porter Randall. The article follows:

"THIS IS PORTER RANDALL" WILL BE HEARD NO MORE

FORT WORTH, TEX. (AP)—Porter Randall, a newsman widely known to Texas radio listeners, died early today of a recurring illness. He was 56.

He had been heard since 1941 on Fort Worth's KFJZ and the other 130 stations of the Texas State Network.

Many Texans could recall hearing his voice at the end of World War II as he read the names of Texas soldiers returning home. Randall had spent hours learning where and when the troopships would land so he could give relatives of servicemen from Texas some idea when their boys would be back.

He was an accredited war correspondent for the Army, Navy, Marine Corps and Coast Guard.

In 1949 at the invitation of the secretary of the Air Force, he toured Europe and visited every air base in the British Isles, elsewhere in Europe and in Africa interviewing Texas servicemen and broadcasting messages home to their families.

Randall was known for a slow and deliberate style of news delivery, and his low, booming voice was heard on radios in restaurants and other business places, in homes and in cars. For many, he was the day's alarm clock.

He was a graduate of the University of Missouri school of journalism.

Before coming to Fort Worth, he worked for the Kansas City Star and for radio stations in Missouri, Kansas and Oklahoma. He was heard for a time on the Forth Worth station formerly known as KGKO.

On several occasions the globetrotting Randall circled the world, and he made annual trips to Tahiti, the Orient or Africa. The resulting travelogue shows were seen by thousands.

It was not unusual for Randall to fill more than 300 speaking engagements within a single year.

He also found time to be a bandsman, Little Theater actor, professional magician, public speaker, tour director, world traveler and newsman for millions, Porter Randall is dead at the age of 56.

President and general manager Stan Wilson of the Texas State Network said, "Porter Randall will be sorely missed by the Texas State Network organization and the millions of Texans who heard his daily broadcasts."

Funeral services will be held at 2 p.m. Monday at Fort Worth's First Presbyterian Church.

Survivors are his widow; his mother, Mrs. Charles Randall of Kansas City; a son, Michael, Fort Worth; and a sister, Mrs. Preston Russell of Kansas City.

ALCOHOLISM COMMITTEE

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. ROONEY of Pennsylvania. Mr. Speaker, I recently testified before the Appropriations Committee for funds to assist the 9 million of our citizens whose destiny is directly related to the tragic problems of alcoholism, and the additional 36 million of their family members who are also affected. The problems stemming from alcoholism exact massive and inexcusable human loss, create a $15 billion annual loss to our economy, and are related to at least 87,000 deaths annually. Our present inadequate treatment facilities are overwhelmed by almost 1,000 new cases of the disease daily.

On November 16, 1971, a labor-management seminar on employee alcoholism programs was held in Pittsburgh by United Mental Health, Inc.'s Alcoholism Committee. Pittsburgh ranks as third highest home base for corporate headquarters in the United States. Representatives of both labor and management, including United States Steel, Alcoa, Gulf, Westinghouse, Jones & Loughlin, as well as the Steelworkers, Electrical, and Teamsters Unions were in the audience.

At the request of the National Council on Alcoholism, I extended an invitation to Assistant Secretary of Labor Richard J. Grunewald to be the keynote speaker at the luncheon that day. His analysis of the problem and the steps that must be taken to solve it by labor and management was outstanding, and I invite my colleagues' attention to his far-reaching remarks:

ASSISTANT SECRETARY R. J. GRUNEWALD'S REMARKS

It is obvious indeed that all the many efforts of many ecology minded people here in Pittsburgh—to clean up the air, for example, have really paid off. I have been so impressed that my opening, slightly off color story, will go untold. I want no one to be able to accuse me of dirtying up Pittsburgh's air.

We are all aware of certain problems in the economy but I had no idea how serious they are. On the way in from the airport, I observed an unusual sight. I saw someone throw a bone out of an upstairs window to a pack of dogs below. That may not be so unusual. What was unusual, however, was that the dog nearest the descending bone signaled for a fair catch. And what's more unusual, the other dogs observed it.

I was then convinced that although we may have problems, others are concerned about them and are doing something about them.

To our subject—Alcoholism. I must first congratulate both the labor and management people here in Pittsburgh for the leadership they are showing in attacking this very human health problem. The erection of a care center to help the alcoholic is a major step in leadership that I am sure others will follow.

I've come here today as a member of a management team at the U.S. Department of Labor which, among its tasks, has the job of trying to deal in its programs with unemployment and underemployment problems of some one million people every year.

That is a lot of people. Yet even among the already employed, there are several times that number who are ill with alcoholism. The estimate by the National Council on Alcoholism, that five percent of the labor force are alcoholics, means that there are some four million people in this category. If just 10 percent of those are recovered—a generous estimate—that leaves 3.6 million who are unrecovered. Assuming a conservative 25 percent of average annual pay as the loss or cost to the employer, we get a total cost of $6.7 billion to the Nation's employers. So employers have a real stake in solving this problem.

And these are conservative estimates: A recent government report establishes a prevalency range for Federal employees for four to eight percent: The higher end of that range, if applied to all private as well as public sectors, would almost double the figures I've just cited.

The real loss to me, however, must be expressed in human terms. We have a national loss in personal health, productivity and in the suffering of alcoholics, their families and co-workers.

Yes, this is a national health problem and a national productivity problem. Labor and management have a unique mutual interest in increasing productivity by means of improving workers' health. The desire of an employee to hold his job has been found to be a key to convincing him to begin rehabilitation. Rehabilitation leads to increased productivity. It's as simple—and profoundly important—as that—and yet very complex.

An all-out attack on alcoholism by labor and management could make a major contribution towards improving the personal health, well being and economic productivity of this Nation. However, positive action has been slow in coming over many years. Perhaps it is because the problem has unique facets—here are just a few of them:

It is like the iceberg. We see only the surface, yet its depth and breadth are immense—perhaps we think it is the other fellow's problem—or that it belongs beneath the surface—hidden away.

The alcoholic is probably working, his productivity is down, his buddies cover for him—yet he is sort of on the job—yet ill—unlike other disadvantaged people.

The alcoholic may know he has some kind of a problem, is an expert at maneuvering to his advantage, and usually does not call for help.

Whether we appreciate it or not, we are in the middle of the problem—working with many partially productive, ill and untreated people—who need our help and don't ask for it. A unique and perplexing situation.

Some of you may have read Yale Professor Charles Reich's (pronounced Rike) book, *Greening of America*, in which he sees our young people leading the rest of the Nation into a new, more direct and open lifestyle which he labels *Consciousness Three*, in contrast to the rather repressed Consciousness Two of their fathers, and the Puritanical and self-righteous Consciousness One of their grandfathers.

If you'll permit me to apply Professor Reich's labels to attitudes toward alcoholism, I would say that a few people are still stuck in the stage of Consciousness One—Puritans who see the devil whispering tempting descriptions of the depraved life into the Alcoholic's ear. Most of labor and management, I suspect, are still in the rather uptight stage of *Consciousness Two*—not pointing self-righteous fingers, but rather pushing the whole business aside and hoping it will go away. *Consciousness Three is where you are*, I hope—confidence enough of your ability to deal with alcoholism as an illness, that you can afford to open your eyes to the problem; and—though you may not be wearing bell-bottom trousers—making every effort to bring the rest of industry and labor along with you.

There have been management attempts in the past to break through these barriers but even when employers decided to do something about alcoholism, they were sometimes naive. Many "firm, frank talks" took place, often ending with the employee either denying he drank, or else with the supervisor feeling, "my God, if I had your problems I think I'd drink too." Since there were no policies using the threat of job loss to force employees to begin rehabilitation, the matter often ended there.

The missionary approach of some employers in the past was often resisted by unions who didn't particularly want to be saved. Alcoholism programs were sometimes seen, mistakenly or not, as an all-out-war against social drinking, not just against alcoholism. And this suspicion was sometimes confirmed by some punitive, puritanical employers who used the program as a way of getting rid of employees.

These attitudes have shifted sharply in a number of corporations and unions in the past few years. These changing attitudes mirror, first of all, the progress of American medical and other institutions in seeing alcoholism as an illness. Moreover, through education, the mass media, and through the experiences of family and friends, many laymen have come to acquire, if not a sophisticated understanding of alcoholism, at least a recognition of who needs help. Increasing numbers of our industrial corporations are managed by such people, and they are critical to success in this area.

The second major reason behind these changing attitudes is the development of effective human resources policies. Many employers *already* have in place an effective mechanism for training supervisors to supervise. These firms can successfully add on a training program in alcoholism.

Dramatic change in the attitudes of many unions has also taken place in the last few years. The AFL–CIO Community Services department is committed to helping alcoholic employees recover, as are the Steelworkers and other unions. In programs such as that sponsored by Allis Chalmers, and the UAW, absentee rates went down, from 8 to 3 percent, with substantial savings to the company.

Pittsburgh itself clearly is on its way to becoming a leader for the Nation, in its joint-labor-management efforts. As mentioned at the outset, I have been informed of the Gateway Farm extended-care facility which is opening in January based on joint support by corporations, foundations, and labor. This is a remarkable example of leadership and cooperation—hopefully to be emulated in other parts of the country.

An NICB study provides clear evidence that joint labor-management programs are more effective than the unilateral company programs which were found to predominate among the firms surveyed. For such a bilateral approach to work, the study noted three key factors: (1) the union should be involved at the earliest possible state; (2) there should be constant communication with the union as the program develops; (3) the cases of members brought to the unions' attention should be well documented.

Of course, even if these steps are taken, there may be problems. The union may be just as convinced as management that threatening the employee's job is the only way to break through his resistance to rehabilitation. Yet a union leader may stop right there and say, "Yes, but. That's fine on paper, but we can't stand by and watch you fire Johnny even though he has refused to enroll in, or dropped out of, the alcoholic treatment center." The management could throw up it's hands and say "The heck with it." All this presents a difficult dilemma and I do not believe there is any magic solution to the dilemma. Yet many of you in this room are witness to the fact that the problem can be solved. Such successful resolution, however difficult, I would suggest, often flows from five basic factors:

The first is a must commitment to solve the problem and a flexible attitude on the part of management. This management commitment will be taken with the firm belief that only with a healthy, working employee will his productivity and costs be at their best. Initial resistance by employees and the union at cooperation should not be met by a "Let's leave-it-alone" attitude on the part of management, but rather with a recognition that with a positive management program, the union will soon realize that successful employee rehabilitation can be hampered by the union's not being involved. The realization will surely come as more and more problem employees are identified, and more and more documented evidence is filed. And some successes are achieved.

The second factor is a recognition by management that the union will on occasion revert to its traditional role of job protector when it feels it must resort to that role. I refer here to a case where, in the unions judgment, a valid grievance may be mixed in with any given case on alcoholism.

The third factor involves both a recognition and a commitment on the part of the union. The union must first recognize the seriousness of the problem to the worker, his family, his co-workers and his job security. With such recognition, the union will, I am sure, make the serious commitment to play an active role in the employer's program which addresses itself to the very same set of concerns. Here for sure, joint management and labor unity will bring not only strength, but great success and rewards to everyone.

The fourth factor is the recognition by both union and management that the criteria for the employee's dismissal should be poor job performance, and nothing else. There is, I believe, justification for resisting a policy which bases dismissal on an employee's refusal to accept treatment. Only if he both continues to reject treatment and continues to perform poorly should sanctions be taken. What I am saying is that there are employees who, upon finding out that their job is at stake, will seek help and recover—on their own.

The fifth factor, a contract clause on alcoholism policy, may not result until the first four are dealt with. Such a clause can be the seed which bears fruit in the form of specific joint actions taken afterwards.

The following clause, which I think is a good one, appears in a growing number of contracts between the United Steelworkers of America and various companies:

And I quote: "Without detracting from the existing rights and obligations of the parties recognized in other provisions of this agreement, the company and the union agree to cooperate at the plant level in encouraging employees afflicted with alcoholism to undergo a coordinated program directed to the objective of their rehabilitation."

NOW FOR SOME RECOMMENDATIONS FOR JOINT ACTION

I have dwelled at such length on resolving underlying differences in the attitudes of labor and management, because changing such attitudes is so critical to getting any meaningful program off the ground. Now, however, I would like to mention some specific actions that might be taken once labor and management decide to launch a joint effort.

First on the list is written company and union policies

I would suggest that each party establish policy, hopefully a joint policy, which recognizes the following: that alcoholism is an illness which is treatable; that the purpose of the policy is to assure employees with alcoholism the same medical resources that any ill employee gets; that concern with alcoholism is strictly limited to its effects on job performance; that administrative procedure will give the employee a reasonable chance for recovery; that continued poor job performance will lead to dismissal, as with any other poorly performing employee.

Second, education and training of supervisors and shop stewards

Both parties can gain much here. One point I would stress here is that supervisors and stewards should not be so "finely trained and tuned" that they feel they can diagnose the illness. It should make no difference to them, for example, whether poor job performance is due to drugs or alcoholism—what is called for is training which will help the supervisor make a medical referral of employees whose unsatisfactory work seems to result from a medical or behavioral problem. Similar training will help the steward understand the problem when such a referral must have his consideration.

Third, assuring that employees with alcoholism are covered by company insurance policies

Joint efforts have already resulted in many plans which consider alcoholism as a disease and pay the same benefits as for other major illness.

There is also growing acceptance of alcoholism as a disease by such nonprofit hospital and medical services as Blue Cross and Blue Shield, as there is by commercial carriers and by states having disability insurance programs.

These facts are important for both sides to know. If alcoholism is *not* treated as an illness under existing insurance plans, there would seem to be little difficulty in fixing this

or finding carriers with more progressive policies. More important, all parties, including not at least of all the alcoholic, will certainly be able to think more clearly about needed rehabilitation once aware of such eligibility.

Fourth, joint attention to working conditions

Disagreeable working conditions, monotonous jobs and oppressive heat, noise and air pollution, can be associated with industrial alcoholism. Under the recently enacted Occupational Health and Safety Act, the U.S. Department of Labor has the responsibility for minimizing unsafe and unhealthy conditions. A new, united thrust in this area by labor and management would not only improve overall productivity but could have beneficial side-effects on the alcoholism problem.

Fifth, joint efforts to influence public policy in developing new community resources

As many others have observed, management, and labor too, have the most effective motivational tool known to date in dealing with alcoholism—the desire of the employee to hold his job. The recovery rates of 65 to 70 percent which offices and factories are citing puts labor and management in a critical position not only in terms of dealing with this disease, but also in terms of influencing public policy toward its treatment.

A first priority, I would suggest, is to review the availability of community resources with an eye to increasing them. Alcoholics Anonymous clearly stands out among the very positive resources used in the past, and AA has done and is doing a valiant and effective job. But we clearly need an added dimension of community commitment and treatment if we are serious regarding a major push in this area.

How can new facilities and resources be developed, especially those geared to the working employee, rather than to the image of the unemployed skid-row bum who needs the drying-out tank?

Two steps seem critical. One involves the creation of a major new thrust by labor and management to influence positively public and private policies. Such a thrust will result in the expanded treatment of problem drinkers—in medical facilities, psychiatric agencies, social work and rehabilitation agencies, and physicians offices, and in the creation of other needed facilities and services.

Clearly this is the kind of task which cannot be restricted to organizations in the alcoholism field. Labor and management jointly can bring a lot of muscle to bear on this issue and bring about the necessary change.

Another step involves the recently enacted Federal legislation establishing a National Institute on Alcohol Abuse and Alcoholism. The Institute is extremely interested in proposals from industry and labor for alcoholism prevention and control programs.

One approach the Institute is considering is matching grants to labor and management. This would include the establishment of multi-employer programs—especially useful for smaller employers, which pool training and other resources. An opportunity is there to pursue.

Congress's decision to sharply increase the Institute's budget to more than $80 million this year matches the increased momentum of labor and management in attacking the problem.

In conclusion, there is certainly every reason to believe that we are on the threshold of a serious attack on a very human, medical, economic, and social problem, by combined public and private forces, which is unique in the history of our country. And I thank you for the opportunity to give my thoughts today, to you who are leading that attack.

FOREIGN IMPORTS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. WILLIAM D. FORD. Mr. Speaker, it was with shock and dismay that I read a UPI release recently quoting a U.S. Senator, a former Republican nominee for the Presidency, that foreign cars are selling so well in this country because they are "far superior" to American-made cars.

The Senator reportedly said:

American cars are made shoddily. The doors don't work. The tires don't go beyond 10,000 miles. The brakes don't work. Cars made overseas are far superior.

At a time when unemployment is widespread, and our balance-of-payments deficit is dangerously high due in large part to foreign imports, it smacks of gross irresponsibility for a public official to make such a blatantly unfair and inaccurate statement.

The Senator went on to blame high wages and poor craftsmanship for the situation, and predicted a "national calamity unless labor's power were balanced."

As a Representative from a State which is the recognized automobile center of the world, I must take public issue with the Senator's statements, which are unfair to the working men and women who produce American automobiles.

If American-made cars are losing ground to foreign imports, who is to blame?

Let us examine, in order, the Senator's charges of high wages, poor craftsmanship, and excessive labor power.

The wage picture must be examined in comparison with productivity and with the sales price of the finished automobile. Edward N. Cole, president of General Motors Corp., in a speech before the Society of Manufacturing Engineers on April 25, 1971, commented that—

Increased productivity of manufacturing operations matched or exceeded increases in the cost of labor from 1945 through 1965.

During this 20-year period, hourly labor costs rose from an average of $1.13 to $4.31—an average annual increase of 6.1 percent. Productivity increased at an equal or higher rate during this time, according to Cole.

Since productivity increase matched or exceeded the wage increase, there was no justification for any increase in automobile prices as the result of higher wages. Automobile prices, however, more than doubled from 1945 to 1965. The blame obviously does not lay with wage costs.

So far as poor craftsmanship is concerned, the Senator must realize that automobile assembly lines have long since passed the point of requiring craftsmanship. We are not living in an era of handmade goods; that period has given way to technology and automation. Does the Senator really expect assembly line workers to develop a high degree of craftsmanship in tightening a bolt, welding a fender or fastening a headlight lens?

The idea of blaming "excessive union power" for shoddy cars is even more ludicrous.

United Auto Workers' contracts with the auto manufacturers give the company exclusive rights and responsibilities in design, engineering, equipment, processes of manufacturing and assembling, control of raw materials and finished parts, and complete jurisdiction over product and quality standards.

If there is any shoddiness in American automobiles, the Senator must look to management, not labor, for the blame. I am not prepared to concede, however, that American cars are shoddily built, or that foreign-made cars are superior.

Foreign-made autos are selling well in this country because they are smaller and less costly. American car manufacturers have not really considered the desires of the American car buyer. A General Motors spokesman, E. M. Estes, stated recently that 94 percent of all cars produced outside the United States are smaller than the GM Vega, one of the "compact" autos offered by U.S. manufacturers as an alternative to foreign imports.

The American manufacturers have good reason to fight the trend toward smaller cars. There is more profit in larger cars. For this reason, the automobile companies have continued to make bigger and more powerful cars, and American streets, highways, and garages have been adopted for the bigger models.

As a result, however, the American-made cars have been priced out of their one-time foreign markets, and are meeting strong competition at home from the smaller import models.

There is one further point that should be made. Complaints about American cars are not primarily about poor workmanship; they center on poor service after the car is sold.

James Roche, General Motors board chairman, told a meeting of New York State dealers recently that automobile makers are going to have to improve service to car owners if the industry is to survive on a private, competitive basis.

Mrs. Virginia Knauer, the President's special assistant on consumer affairs, has reported that most of the complaints received by her office are based on dealer service failure rather than on manufacturers' failures, Roche said.

He suggested that dealers should compel their service departments to pay as much attention to communicating with customers as their sales departments do.

It should not be necessary to add the final point that American car manufacturers are competing with foreign companies which pay far lower wage scales than those enjoyed by Americans. This wage differential is a major factor in the lower prices, and hence higher sales volume, of foreign cars in the United States.

I hope, Mr. Speaker, that the points I have raised may help set the record straight as to why foreign cars are selling so well in the United States. It is not because of poor craftsmanship, excessive wage increases, or the power of labor unions.

And I might add that this problem will not be solved by public officials who capitalize on the situation by using it to vent their pet peeves against labor unions and the American working man and woman.

NATURAL GAS SUPPLY CRISIS

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. MURPHY of New York. Mr. Speaker, the New York Public Service Commission has issued an order placing a number of restrictions on sales by gas utilities within the State.

The order was not unexpected. It is the result of an investigation launched in mid-1970 to determine whether such restrictions would become necessary because of the natural gas supply shortage.

They have become necessary.

The Commission's order, which is already in effect, prohibits gas service to any new customers—other than one-family and two-family homes, and separately metered apartments—unless such customers have alternate facilities which can be used when necessary, or intend to use the gas for commercial or industrial purposes for which there is no economically practical alternative, or are served by a distributor with sufficient firm supply commitments to meet the needs of all of its customers for at least 2 years into the future.

In determining the adequacy of a gas utility's supplies for the future, the Public Service Commission warned that it will not rely merely on contractual commitments by pipeline suppliers. Instead, it will examine these contracts and require evidence that the pipelines have sufficient gas to meet their commitments.

The order also limits incremental service to existing customers. If delivery cutbacks become necessary, the following order of curtailment has been established: First, customers served on an interruptible basis; second, customers with dual fuel capacity attached after October 26, 1971; third, other customers with dual fuel capacity; fourth, other industrial customers; fifth, commercial customers; and sixth, residential customers.

Utilities in the State have been instructed by the Public Service Commission to stop all promotional activities designed to acquire new gas customers or increase sales to present customers. This ban extends to advertising which employs mass media, all bill inserts or other direct mailings, and all calls by salesmen.

Mr. Speaker, the necessity of the step taken by the New York Public Service Commission cannot be questioned. Not one of the three major gas pipelines which supply the New York metropolitan area has been able to obtain any additional new supply for this year, and none expects to have any new supply available next year. Two of these suppliers, including one which provides more than 75 percent of the total supply, already have informed the Federal Power Commission that they will have to impose 3 or 4 percent curtailments on deliveries during the coming winter.

The situation existing in my city and State is duplicated in many other areas. The Nation is up against a severe natural gas supply shortage.

This shortage has come about not because of any lack of potential gas reserves in the United States, but because the incentive of investors and producers to search for and develop these reserves has been gravely weakened by the uncertainties attending such undertakings. Some uncertainties are, of course, inherent in the nature of the business of gas production, but others are the result of regulatory policies followed by the Federal Government.

These policies make it impossible for a gas producer selling to an interstate pipeline to know for sure what price he will receive for his gas. That is the case even though the price has been approved by the Federal Power Commission. He does not know how long he will receive an agreed-upon price. Nor does he know how much gas he will be required to deliver under his contract or how long he must continue to make deliveries.

H.R. 2513, which I introduced last January and which has been the subject of hearings before the Interstate and Foreign Commerce Subcommittee on Communications and Power, gives Congress an opportunity to clear up some of these uncertainties. It would do so by making producer-interstate pipeline contracts valid and binding once they are approved by the Federal Power Commission.

H.R. 2513 has been called a sanctity of contract measure, and that is an accurate description. It does not propose decontrol of the gas producing industry. All major new contracts for interstate sales of gas will still have to be approved by the Federal Power Commission before they become valid. And, of course, the Commission will continue to have the authority to disapprove any contract submitted if it sees fit to do so, or can make its approval subject to stated conditions.

The bill does not—and cannot—of itself increase gas prices. It simply makes firm those prices once set or approved by the Commission. By doing so, the legislation will encourage producers to step up their efforts to find and develop new sources of gas supply.

Experts estimate that 60 percent of the gas reserves of the United States, onshore and offshore, remain to be discovered. It is of vital importance to the consumers of our Nation that an intensive search be made for the abundant potential reserves. Enactment by Congress of H.R. 2513 would encourage such a search and lead to the development of new gas supplies large enough to meet our national needs for many years to come.

For the sake of my district and State and of other areas depending upon this essential fuel, I urge that H.R. 2513 be passed by the Congress as expeditiously as possible.

NATURAL GAS SHORTAGE HITS WASHINGTON

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. PICKLE. Mr. Speaker, the natural gas supply shortage has hit the Nation's Capital.

The Washington Gas Light Co. announced that no new gas customers except single-family residential consumers, can be accepted now and for an indefinite time into the future. However, the District of Columbia government has challenged the gas company's decision to restrict apartment buildings and other commercial and industrial users to their present gas usage. Regardless of how the gas company is allowed to distribute its gas the point is still there that there is not enough natural gas available in the District of Columbia to meet the demand.

It is somehow appropriate that the gas supply shortage should be felt in the city in which the policies responsible for the shortage originated.

For the last 15 years, the regulatory policies and procedures of the Federal Power Commission have been steadily wearing away the incentive for gas producers to find and develop the potential reserves which geologists declare exist in abundance.

Gas producers not only have suffered the economic injury caused by unrealistically low prices at the wellhead as set by the FPC but also have had to operate in a sea of uncertainty regarding the validity of their sales contracts with interstate pipelines.

Even after the Commission approves such a contract, the producer does not know how long he will receive the price for his gas stated in the contract. It can be reduced by subsequent order of the Commission. The FPC also has the authority to alter contract delivery terms. The producer simply does not know where he stands even after approval by the Commission of a contractual agreement between him and an interstate pipeline company.

In such an atmosphere, it is not surprising that producers and the financial community have come to feel it is hardly worthwhile to engage in the costly business of searching for new supplies of gas. That is why exploratory activity has declined so drastically in recent years. And that is why the natural gas supply shortage has developed.

Washington, D.C. joins a long list of cities and States in which the shortage is now being felt. Similar gas limitations have been imposed by utilities in Pennsylvania, Ohio, New Jersey, Michigan, and Illinois. Some firms have waiting lists for all would-be new customers. The New York Public Service Commission

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has ordered utilities to give residential customers first claim on gas service.

The situation cannot be expected to improve unless and until the producer is given sound economic reason for looking for and developing new gas fields.

That reason can be provided through changes in Federal regulatory policies. This city, which is now included among those in which restrictions on the use of gas have been placed in effect, is the place where such changes can be made.

One essential change can be made through enactment of H.R. 7144 by Congress, a proposal not to decontrol the gas producer, but to give validity to his contracts with interstate pipelines. Committee hearings have been held on H.R. 7144 with testimony showing beyond any doubt that the gas supply shortage exists now and is extremely serious. The bill should be passed into law during the present session of Congress.

I include as part of my remarks a story from the Washington Star of November 9, 1971, which gives details about restrictions placed on gas sales in this area:

GAS COMPANY PLANS TO LIMIT NEW SALES

(By Harriett Griffiths)

The Washington Gas Light Co. announced today it plans to limit new gas sales to single-family residential consumers because of the shortage of natural gas.

For an indefinite period, the company said, apartment buildings and other commercial and industrial users will be confined to present gas usage. No new customers in these categories will be accepted.

Paul E. Reichardt, company president, said the shortage is not simply a local situation. He said most pipeline suppliers are having trouble meeting growth requirements and contractual commitments to gas companies.

Reichardt said the supply situation "can change at any time, for better or worse, depending on many factors."

The action announced today is to assure an adequate supply for present customers, a company spokesman said.

Washington Gas Light's major supplier, Columbia Gas Transmission Corp., announced last month it will be able to supply only enough gas for present customers and a portion of normal growth, the announcement said.

In addition, Transcontinental Gas Pipe Line Corp., the other supplier for Washington Gas Light, recently has been unable to deliver as much gas as contracted by the company, Reichardt said.

These circumstances forced the limitation policy here, Reichardt said. Formal approval is being requested from area regulatory commissions.

NOT ENOUGH GAS

Reichardt explained that there is "plenty of natural gas in the ground," but not enough at this time for all who want it. He said there probably would not be sufficient availability for the next few years.

"Faced with this situation, we're doing what we consider the fairest thing—making it available to present customers and to people who want it for use in their home," he explained.

"Commercial and industrial buildings can more readily use substitute fuels, and large users can better arrange for the pollution-control devices which other fuels often require."

Reichardt went on to say that from the ecology standpoint, natural gas is "by far the least polluting of all fossil fuels and much sought after."

USE UP, SUPPLY DOWN

"Ironically," he said, "The big jump in demand for natural gas has come at just the time when new supplies are trending downward."

He attributed the reduced supply largely to the contention that "prices of natural gas in the producing fields in the past have been kept unreasonably low by regulation."

The gas company here has limited new business since April, 1970, to a maximum of 300,000 cubic feet per customer per day, which has eliminated the largest potential new users of gas.

In addition, since August, the company has taken on no additional business on its "interruptible" rate schedule—a special rate designed for commercial and industrial customers who agree to stop using gas when demand from other customers is at a peak.

Donald Crotsley, executive secretary of the District Public Service Commission, said WGL's petition for curtailing its new sales had not been received yet. He said normal procedure would be for the commission to hold hearings on the company's request to decide if the move is justified.

Washington Gas Light said that limitations are also operating in parts of Pennsylvania, Ohio, New Jersey, Michigan and Illinois. It said many utilities now have waiting lists for new customers, and the New York State Public Service Commission recently established its own priorities, with residential customers given first claim.

BEFORE IT IS TOO LATE

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. WYMAN. Mr. Speaker, I regret the show of hostility to President Nixon by President Meany of the AFL–CIO in Miami. I deplore a national union policy that deliberately seeks to take its union membership along a partisan political road—for one political party and against another, be it Democratic or Republican.

This Nation must check inflation. President Nixon is fighting to do this, trying to help protect the purchasing power of workers' dollars by holding the line against runaway prices and wages. These are only self-defeating in the long run.

For this effort an American President should be commended by the workingmen and workingwomen of America, not stubbornly opposed by a few classically hostile union bosses, jealous of restraints upon their autocratic powers.

The membership of the AFL–CIO would be well advised to insist that its leadership abandon any union policy that alines it with the Democratic Party or the Republican Party. Instead it ought to look for merit in the policies and programs of both major political parties and work to improve those aspects on which there may be disagreement. It should avoid single-party alinement as it would the plague.

Why?

Because for the sake of America we should be partners before it is too late. There is plenty of room for all, plenty of land, plenty of open space, plenty of opportunity for management and labor alike in this land. But if we do not get with it in terms of productivity and lower unit costs, we are going to find our products outpriced all around the world.

In this connection I commend a careful reading of the excellent message from the Warner & Swasey Co. appearing in the current issue of U.S. News & World Report, pointing out that in a prosperous Japan, the government, the unions, and business are partners, not antagonists.

IN PROSPEROUS JAPAN, GOVERNMENT, UNIONS AND BUSINESS ARE PARTNERS—NOT ANTAGONISTS

And that's why they are all three so prosperous.

The Unions hold rallies to spur their members on to better work, greater productivity. Workers jog from entrance to machine, job to job. They do calesthenics on their lunch period, to keep fit for better work. They literally consider themselves a team, with team spirit.

Government sets taxes to encourage company profit and growth.

Business is alert to the needs of the market and quick to invest in modern equipment to improve products, increase productivity, cut costs and prices.

All this results in a spirit of what we used to have here and called teamwork. And we had better get it back if we ever hope to get our jobs back.

Japanese wouldn't understand our antagonism between government, unions, business which some people call our Adversary Democracy. But whatever you call it, the antagonism between the groups here who should be partners is so increasing American costs and prices that it is shifting hundreds of thousands of American jobs to hard-working, low-cost Japan.

REVOLUTIONARY CHANGES IN THE NATION'S LARGEST BUSINESS

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. ZWACH. Mr. Speaker, I come from a predominantly agricultural district so it is natural that my people are vitally concerned over the debate in the Senate in regard to the confirmation of Earl Butz as Secretary of Agriculture.

Mr. Speaker, we have grave troubles in countryside America. The people are leaving the farms because they cannot make a living on them and as a result we see our rural communities dying because it takes farm business to keep them alive.

This is a vicious circle because these people leave the farms for the already overcrowded cities where they are pyramiding the problems of our urban centers.

Nick Kotz, writing in the Washington Post on Monday, November 29, dealt at length and with considerable knowledge on this whole problem and especially as it relates to the nomination of Earl Butz as Secretary of Agriculture.

As Mr. Kotz says, this is not just a Republican problem, it has been a continuing problem through the past three Presidencies.

For the benefit of those who might have missed this article, I would like to

insert it in the RECORD and recommend its reading to all of my colleagues:

THE BUTZ NOMINATION FOCUSES ATTENTION ON REVOLUTIONARY CHANGES IN THE NATION'S LARGEST BUSINESS

(By Nick Kotz)

The sudden controversy over Dr. Earl Butz's nomination as Secretary of Agriculture has its obvious political aspects. It also focuses rare national attention on revolutionary changes in the nation's largest business, its food supply system. These changes are having profound effects on the fate of rural America, as well as on congestion in our cities.

The obvious opposition to Butz is explainable in terms of partisan Democratic politics, of farmers' unhappiness with low corn prices, and of the nominee's role in the 1950's as an assistant to Agriculture Secretary Ezra Taft Benson, whose name still raises farmers' blood pressure. Butz is such a convenient political target that some Democratic strategists are actually worried that his nomination will be defeated by the Senate. They'd rather have him around for the 1972 election.

But another explanation is needed for the spontaneous and intense grass roots farmer hostility against Butz, a man most farmers never even heard of until this nomination two weeks ago. The issue goes far deeper than the genial, 62-year-old appointee and the exigencies of partisan politics. Butz simply symbolizes a force in the changing food supply system that many farmers have come to regard as their oppressive economic enemy.

A thumbnail sketch of Butz's career marks him to the farmer as a representative of "agribusiness"—a descriptive word that wasn't around a few years ago. For the farmer, agribusiness means all the other elements in the food supply chain that are highly organized and represent big business: the national retail food chains, the giant national food processors, and the conglomerate companies that perform an interrelated series of functions in the food system.

The farmer has seen these other segments of the food supply system consolidate their economic power while he—even as his numbers have dwindled by millions—remains unorganized and relatively powerless in the marketplace. The agricultural marketplace has changed radically and farmers wonder whether traditional laws of supply and demand function anymore. In bygone years, many buyers competed for the farmer's produce. But the middle-man and the open competitive market now have virtually disappeared. For example, Safeway and A&P buy lettuce directly from the fields of California, and farmers say such companies' huge purchases set the market price.

Most disturbing to the farmer, the giant firms in agribusiness now are vertically integrating their business, combining and performing many steps in the land-to-market production of food. Ralston Purina Co. and other feed manufacturers now own, feed and process poultry for sale to supermarkets. The once independent farmer has been left with only a sharecropper's role of caring for and feeding Ralston Purina's feed to Ralston Purina's chickens. Similar integration is now planned for hogs and cattle.

In short, American agriculture has become more and more like other big business—increasingly dominated by conglomerate companies and administered prices. Even, efficient, large-size family farmers find themselves isolated at the bottom of the food chain—forced to supply cheap raw materials to the economic giants above them.

Against this background, Earl Butz steps in and Clifford Hardin steps out as Agriculture Secretary in a do-si-do that totally confirms the farmer's perceptions about how things really are.

Hardin started out as an agricultural economist, became an "ag school" dean, served as a land grant university president, became Agriculture Secretary and now departs to become vice chairman of Ralston Purina, taking a seat on its board of directors being vacated by Butz after 13 years.

Butz also started out as an agricultural economist, served as a Purdue University department head, became an assistant agriculture secretary under Benson, then returned to Purdue where he ran the agriculture school, while serving on the board of four agribusiness corporations—Ralston Purina, Stokely-Van Camp, International Minerals and Chemicals, and J. I. Case. The energetic Butz also found time to make 100 speeches a year, mostly in the employ of the General Motors Speakers Bureau, to serve on various agribusiness-financed foundation boards, and to take an unsuccessful 1968 fling at winning the GOP candidacy for governor of Indiana.

Knowledgeable farm observers in Washington are convinced that an actual Hardin-for-Butz swap was engineered by a few executives and lobbyists from agribusiness.

In political terms, the Butz-for-Hardin trade indicates that the White House has little understanding of the rising populist resentments of farmers and small town businessmen. The merchants watch their towns dying, as more and more farm houses are boarded shut, and as the new conglomerate farmers buy their supplies wholesale from the factory rather than from local stores.

President Nixon and the Republicans are not unique in their failure to respond to these growing rural concerns. The Democrats have not performed all that differently. With either political party, the economic power of agribusiness has far more political clout than farmers have, except where they have joined in giant, corporate-like co-ops. When Butz was questioned by the Senate Agriculture Committee, Senator Hubert Humphrey (D-Minn.) made much ado about farm prices and the farm programs of Ezra Taft Benson. But he did not touch on the agribusiness ties of Dr. Butz. Agribusiness companies and their executives have been among Humphrey's major political supporters.

When Dr. Butz said there would be a million fewer farms in 1980 than there are today, he was merely agreeing with estimates of USDA's economists. The nation lost a million farmers under Benson and another million under Orville Freeman and neither official was to blame, or could do anything about it, said Butz. It is not politic to say such things and silence about hard truths has obscured what is really happening.

Much of the decline in the nation's farm numbers has probably been unavoidable. Industrialization, scientific developments, and new economic arrangements made it inevitable that millions would fall by the wayside.

The central issue for national policy today, however, should be whether this trend will be permitted to continue to the point where rural America becomes a wasteland, devoid of people, except for those farmers who serve agribusiness factory farms as feudal serfs. The continuing depopulation of rural America adds greatly to urban problems.

Dr. Butz, along with most persons making farm policy today, regards present farm trends as inevitable and representing "progress."

If the nation decides, however, that it cannot afford too much more of this kind of agricultural progress, then it will have to pursue far more radical policies than those which both Democrats and Republicans have addressed to the "farm problem."

The price support and acreage retirement programs historically have served the interests of the wealthiest farmers, rather than millions of small family farms.

If the efficient family farmer-businessman is to survive, he will need far more help than just another farm program. Farmers need legal authorization for collective bargaining power similar to that now held by labor unions. Small farmers and farm workers need financial and technical assistance to organize co-ops. Farm workers need unionization to win a living wage. Antitrust laws will have to be applied vigorously against agribusiness firms that try to monopolize a farm commodity or food system. The government will have to direct its vast food purchasing power toward the family farmer, rather than as a subsidy to agribusiness.

Government and university officials will have to break up the cozy triangular arrangement in which government and land grant colleges serve agribusiness and neglect other rural interests. The career of Dr. Butz at Purdue typifies this arrangement, but it is not unusual, except perhaps for the number of his corporate directorships. Agribusiness firms put money into the land grants for research that will directly benefit themselves, and the universities and federal government cagerly cooperate. Too often forgotten are the needs of family farmers, farm workers, and rural communities.

The nation also will have to bring more than political rhetoric to the concept of "rural development," which is now being served up as a magical alternative for those displaced from agriculture.

The President's proposal to replace present rural aid programs with several billion dollars in revenue sharing would represent scarcely a drop in the bucket to meet needs of the vast rural expanses that lack services and jobs. As an alternative, the Senate Agriculture Committee is pushing a rural development bill, but the question is seldom asked: development for whom? A Johnson administration idea for rural development in Mississippi included creation of a vegetable industry in which wealthy cotton planters would be the growers and processors. Farm workers and small farmers who share in this plan would have $1.30 an hour picking jobs vegetables and $1.60 an hour jobs in the processing plant. But even such rural development schemes as these have been few.

The last three Presidents have talked in generalities about the need for rural development and population balance. It will take a lot more to bring prosperity back to rural America than merely to defeat the nomination of Earl Butz.

MORE ON THE CONFIRMATION OF HOWARD P. MACE AS AMBASSADOR TO SIERRA LEONE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. ASHBROOK. Mr. Speaker, for several months I have followed the case of the nomination of Howard P. Mace, the former Director of Personnel at the State Department, as Ambassador to Sierra Leone and have inserted in the RECORD on various occasions pertinent material relating to this issue. In hearings before the Senate Foreign Relations Committee recently several witnesses questioned the selection of Mr. Mace or recommended further inquiry into his stewardship as Director of Personnel. To date, Senator FULBRIGHT'S committee has not voted on the Mace nomination, a situation which has caused some State Department employees or retirees to pe-

tition Congress in Mr. Mace's behalf. One such letter states:

I speak, sir, not only in my own behalf as a career officer having served our government for 28 years, but also in behalf of literally hundreds of my colleagues in the State Department with whom I have spoken about this sad tale of injustice placed upon Howard Mace—an honorable man, a kind man, an able man and one beloved by superiors and subordinates all through this Department of ours.

In contrast to the above, a letter also addressed to Senator FULBRIGHT from a former Foreign Service officer reads in part:

This man is widely and infamously known throughout the Foreign Service as "The Executioner." He is being rewarded for having faithfully carried out within the Department of State a personnel policy of duplicity and cynical expediency almost without parallel in our era.

The above two statements emphasize the element of controversy which has delayed the Mace confirmation. The charge is made that those opposing his confirmation are dissidents who are endeavoring to make Mr. Mace the scapegoat of their displeasure with "the system." On the other hand, two recent items in the press added fuel to the controversy with Time magazine in its November 15 article, "The State Department—Undiplomatic Reforms," stating in part:

As director of personnel for four years, Mace was the source of much of the department's interior turbulence. He was known behind his back as the "executioner," the man primarily responsible for the selecting-out process. Officers also noted that under his aegis men with high diplomatic potential were often bypassed for plush jobs in favor of men little experienced in diplomacy from his department.

The second item appeared in the Des Moines Register of November 8 and gives in capsule form some of the cases of employees whose experiences accentuate the necessity for an overhaul of the State Department machinery on a comprehensive basis. The Register article will be inserted at the end of my remarks.

One of the cases mentioned in the Register article is that of John Hemenway, a former FSO who was given the axe by State officials and who appeared before the Foreign Relations Committee on the Mace nomination. Mr. Hemenway's own grievance hearing is now in progress before a hearing panel at State wherein he seeks to prove that his retirement from the Department was unjust and arbitrary. Mr. Hemenway tried for over 2 years to appeal his case to State officials, Mr. Mace included. In his November 28 letter to Senator FULBRIGHT, with a copy to my office, Mr. Hemenway reiterates his objections to the Mace confirmation and outlines in brief the latest activities of State in petitioning Congress.

I insert at this point the Hemenway letter followed by the Register article of November 8:

WASHINGTON, D.C.,
November 28, 1971.

DEAR SENATOR FULBRIGHT: On 22 November, Mr. Howard Mace stated over a Washington TV station (Channel 9, interview with Caroline Lewis, 6:40 pm) that, if people would take the trouble to examine the facts, he would look a lot better than "some of his detractors" depict him as looking. In that interview he said:

MACE. "I think that it is very unfair that the controversy over me is largely based on statements, allegations, innuendos of people who have not succeeded in the system, who place the blame for that lack of success on me." (Taken from official tape provided by Channel 9.)

Accusations I made against Mr. Mace in public before your Committee are easily capable of proof. The accusations I have made and others have made are quite specific. Independent witnesses have given parallel testimony. That testimony has not been refuted in public. The charges are supported by documents on public record. Details were made available in the Congressional Record of October 1, 14, 15, 20, 21, and 28, inserted by Congressman Ashbrook of Ohio. Surely members of your Committee will not want to vote Mr. Mace's confirmation matter out of Committee until they can assure individual Senators that the charges made have been fully investigated and a judgement is made public on the evidence. I personally testified that Mr. Mace was not fit for any ambassadorial post in the diplomatic service, because I knew, in addition to his general lack of qualifications for such high office, that:

Mace has not told the truth under oath at official hearings; my own grievance hearing, which he tried to suppress, is a case in point;

Mace deliberately withheld documents for two years from the Hearing Committee in my case—the first in the history of the US Diplomatic Service—and conspired with others to obstruct due process (see my letter to Senator Fulbright of 21 November, copies to Committee members with unclassified internal State Department documents enclosed implicating Mr. Mace);

Mace has faked official explanations and back-dated records;

Mace has broken regulations at will which he promulgated;

Mace has dispensed false and unearned honors;

Mace has arbitrarily and unevenly administered the Foreign Service and practiced nepotism and special payoffs for friends and has administered the Service with rigid personal handling;

Mace illegally attempted to manipulate (he fired the chairman) the only procedures offering "in house" relief of injustice; failing that, he acquiesced in abolishing the regulations providing that relief.

Mr. Mace said to Caroline Lewis over Channel 9 that he wanted the facts examined. Let the Committee have the record speak, because Mr. Mace did not take up a single fact during that interview. He did not even mention how he obtained that interview. It is a fact that Mace contacted Caroline Lewis' brother, who is junior to Mace at the Department of State, to ask for it—a most unusual way for a senior official to seek out an interview unless that official intended to influence the media. The Department of State, after all, has a large staff for public relations. Such an approach, under the circumstances, is calculated to put the junior employee in an embarrasing position, were his sister not to oblige.

Further, Mr. Chairman, you and your Committee have known that plans were under foot to stimulate a letter-writing and petition campaign ever since publication of an unclassified internal State Department memorandum to Mr. Macomber revealing details of a staff meeting in which the Mace confirmation was discussed (Congressional Record of 21 October, p. 37400). You will not be surprised, therefore to learn that considerable untoward pressure has been applied to some employees in the "O" area in an effort to put the "spontaneous" message before you that Mr. Mace ". . . is a man of integrity, decent, honorable, and kind . . ." to use the words of the petition.

However, even you and your Committee may not know the extent to which these petitions have been rigged. The common origin of the petitions you have received is revealed by identical phrasing. I cite from the letter addressed to you signed by Mr. H. E. Howland on 22 November, which contains a phrase identical to one in a "spontaneous" petition. Both documents object to:

"Dissidents who are endeavoring (petition says 'seeking') to make Mr. Mace the scapegoat of their displeasure over 'the system'." [The words 'the system' were in quotes in all versions.]

Since Ambassador Outerbridge Horsey was listed among a distinguished roster of retired officers said to support Mr. Howland's efforts in behalf of Mr. Mace, I contacted Amb. Horsey today. He had not been informed that his name was to be used in this way and was concerned over the context in which it was used. I intend to give Amb. Horsey a copy of the Howland letter on 29 November; I expect you may hear from him—as you would from the others, if they were fully informed of the facts in this matter.

I am taking the liberty of appraising you of the above facts because if I do not, you might not learn of these things which, I believe, are germane to the confirmation of Howard Mace. You and your Committee know that I am neither a "dissident" nor a "detractor" of Mr. Mace or anyone else. I am an American raised with a sense of duty and a foreign service officer proud of his record and determined to do his duty. I reject totally the plea contained in some of the petitions that Mace should be excused from the inexcusable because he was only following orders. He was not a technician or clerk—he was at the policy level.

Most of all, I am appalled by the actions of certain officials in the Department of State to use every possible intellectually dishonest technique to defeat constitutional processes and ram this man's confirmation through the Senate Foreign Relations Committee, in pursuit of its duty.

Sincerely yours,

JOHN D. HEMENWAY.

[From the Des Moines Register, Nov. 8, 1971]

DELAYS ACTION ON ENVOY POST

WASHINGTON, D.C.—The Senate Foreign Relations Committee last week passed over President Nixon's nomination of Howard Mace as ambassador to Sierra Leone pending completion of an investigation of charges that he gave false and inaccurate testimony before the Senate Committee.

Indications are that Chairman J. William Fulbright (Dem., Ark.) considers the charges to be of considerable importance.

Mace, former director of personnel for the State Department, was nominated by President Nixon as ambassador to Sierra Leone in July on the recommendation of deputy undersecretary of state William P. Macomber. They had worked together at the State Department for more than 12 years.

The State Department and White House have been told that the Mace nomination probably will die in the Foreign Relations Committee unless it is withdrawn by President Nixon.

There are charges that under Mace's direction the State Department personnel division has engaged in manipulation of rating boards, engaged in forgery and other falsification of personnel records, and permitted perjury in State Department and Civil Service Commission grievance hearings to go unchallenged.

In the Mace hearings, Macomber, who is in charge of State Department administration, has been forced to admit that a large number of cases resulted in injustices, but he has argued that Mace should not be held accountable for the faults in the system.

But critics say a review of four of the most publicized cases indicate some allegations of direct responsibility for Mace as well as Macomber:

Allison Palmer, a 30-year-old foreign service officer reportedly was discriminated against because of her sex. Now, Mace admits sex discrimination exists on assignments, but denies that he had any role in the illegal discrimination found by an Equal Employment Opportunity (EEO) board. The recommendations of that EEO board was held out of the file by Mace despite a specific recommendation that it be made a part of the file.

Miss Palmer says the story Mace told the Senate Foreign Relations Committee is untrue on a number of points. She said Mace had an active role in discrimination against her, and that she had personal conversations with him in connection with his decision to refuse to sign the findings of the EEO recommendations, and the refusal to make those recommendations part of her file.

John Hemenway, a 46-year-old honor graduate of Annapolis and a Rhodes scholar, currently is involved in the only State Department grievance hearing permitted by Mace to challenge the decision to fire Hemenway. Hemenway contends that Mace gave untruthful and inaccurate testimony in connection with the handling of his case.

He charges Mace acted illegally to remove two members of the three-man panel that had indicated a willingness to permit Hemenway to call State Department witnesses over the objection of Mace's office.

Stephen Koczak, a 54-year-old former foreign service officer now employed by the American Federation of Government Employees, was denied a grievance hearing, but was subject to a special panel made secret to former Secretary of State Dean Rusk. Koczak was barred from having an open hearing, cross examining witnesses, or even communicating with other State Department employes during the hearing.

A letter he wrote to the panel pointing out some of the discrepancies in his file was not entered into the official record. Mace reportedly has continued to refuse Koczak access to his hearing record and reportedly has permitted forged and postdated documents to be made a part of his record.

Charles W. Thomas, 47-year-old foreign service officer, killed himself last April as a result of his frustration in seeking a hearing. He had no promotion in eight years and was refused a hearing by Mace despite admissions that a highly laudatory report by an inspector general was misfiled under another Charles Thomas.

This report recommended immediate promotion for Thomas and assignment to the National War College, in line with the opinions of two ambassadors under whom Thomas had served.

The Thomas case has raised the greatest number of problems for Mace and raises some of the most serious questions about the inconsistency of the rulings that have been revealed in the personnel division while Mace and Macomber have been in charge.

Action on Mace's nomination to the ambassadorial post will await an investigation by the Senate Foreign Relations Committee.

"THE GODFATHER" TOY SHOULD BE TAKEN OFF THE MARKET

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. BIAGGI. Mr. Speaker, there is a toy on sale this Christmas season that teaches children the life of a gangster and an insidious prejudice against Italo-Americans. This toy is the newly issued "Godfather Game" put out by the Family Games, Inc., of Cambridge, Mass. The toy should be taken off the market.

According to Time magazine:

The game comes in a box shaped like a small violin case. On the playing board, the island of Manhattan is divided into neighborhoods—Harlem, Little Italy, the Lower East Side. "The object of the game," the instructions explain, "is to take control of a racket—bookmaking, extortion, loan sharking or hijacking—in as many of the neighborhoods on the board as possible." Players draw bad-break cards ("St. Valentine's Day card addressed to you, lose one strongarm and $250") or good-break cards ("Friendly persuasion. You get two strongarms and $150"). The player with the highest score of rapine and venality becomes the Godfather. Unlike Monopoly, with its blind acquisitive luck still tied to stern if inexplicable morality ("Go directly to jail"), the players of the Godfather never get locked up.

How ironic that a company purporting to produce family games would market this particular piece of prejudicial propaganda. It is harmful on two counts.

First it continues that stereotyped impression that the rackets are the sole province of Americans of Italian decent.

Yet this game will instill in young children the idea that the local gangster is Italian. The continued use of the terms "Mafia" and "Cosa Nostra" and of games such as "The Godfather" is crime not only against Americans of Italian origin, but against all Americans.

It is an insult to the Declaration of Independence which states that all men are created equal. It is a violation of the Constitution which guarantees equal rights to all citizens of this country.

But the "Godfather Game" is also objectionable in that it permits a child to fantasize about illegal operations without any moral or legal check. This should be of great concern to all parents. In this game, a child can make book, engage in extortion, be a loan shark or hijack goods without any fear of punishment for these illegal acts. While it is only a game, the fantasies of a child have a way of moving across the fine line of life into reality. Unless we provide checks against criminal acts in these encouraged fantasies, we will have difficulty impressing upon the adult that there are checks on his illegal behavior.

I hope that more of my colleagues will see this game for what it is—a spiteful attack on the Americans of Italian descent and a corruption of our youth. More should speak out against this type of toy before a manufacturer gets the bright idea to introduce a game called "Anarchy" where points will be scored for assassinating the President or killing a Congressman.

PRO SPEAKOUT

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. KEMP. Mr. Speaker, most of us watching television these days have seen professional football players appear in brief clips telling why they know there are much better ways to get "turned on" than through drugs. As a member of the Republican Task Force on Drug Abuse, I am constantly on the lookout for new ways to help our young people overcome temptation and/or addiction.

Therefore I am pleased to call to the attention of my colleagues, the activities of Pro Speakout, a nonprofit organization devoted to combating drug abuse and fostering drug education.

Pro Speakout's program is designed to expose the problems related to drug addiction, through a series of assemblies, television programs, radio shows, and discussion groups featuring professional athletes as speakers, supported by ex-addicts, in order to aid communities in establishing local drug education and self-help programs.

Athletes from Boston's Bruins, Red Sox, Celtics, and the New England Patriots, as well as other professional athletes who make their home in the Boston area, donate their time to speak to youngsters and their parents in Greater Boston's communities. They are accompanied by at least one ex-addict who is paid a nominal fee which is turned over to the drug self-help organization he or she represents.

Mrs. Janice Barrett, a 26-year-old teacher at Wellesley Senior High School founded Pro Speakout and is now president of the organization. She hopes to make the Boston project a model for the Nation and has submitted a proposal to HEW for a grant under the Drug Abuse Education Act of 1970 which envisions 25 other offices around the country.

Mr. Speaker, an article on Pro Speakout appeared in the New England Patriots' edition of Pro magazine on November 7 and tells the story very well. At this point, I include the article:

PRO SPEAKOUT—TURN TALK ABOUT DRUGS INTO ACTION

"Pro Speakout" is not a news sport quiz show, nor is it an athletic group. It is a year-old anti-drug organization composed of professional athletes, students, guidance counselors, businessmen, lawyers, doctors, and teachers. "Pro Speakout" began last November when a 26 year old teacher at Wellesley Senior High School, Mrs. Janice Barrett, planned an assembly on the drug problem.

"I wasn't sure what would be the best approach to get kids and parents together to discuss drugs, so I asked my students. They suggested that professional athletes might have some appeal, because young people admire and respect them."

Three pros from Boston teams and Billy McCue, an ex-addict who is director of Project Turnabout, spoke to a capacity audience of 800 parents and students. The assembly was so favorably received that 14 students, drug users in varying degrees, asked for help the following day. So Billy McCue came back to the high school to help these young people. Two of them, heroin users, kicked their habits at Project Turnabout.

After learning what had happened at Wellesley, several athletes contacted Mrs. Barrett with one question, "How can I help?"

The answer to this question came when 48 professional athletes from Greater Boston met a few weeks later at Gino Cappelletti's "Point After" to form a non-profit organization entitled Pro Speakout. Two major goals were outlined:

(1) educate young people to the dangers of drug abuse.

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(3) establish a community follow-up program to support and encourage existing drug programs to help found new ones.

Houston Antwine, a member of Pro Speakout's Board of Directors, summed up the athletes' concern, "We don't want to be window dressing for any program. We want total community action in connection with our programs."

Jim Nance, another member of Pro Speakout's Board of Directors, took time to explain how the program is organized.

"If a town requests a Pro Speakout program, we meet with their drug coordinator (or his equivalent) and examine the needs of that particular community such as, detoxification unit in the local hospitals, a drug education curriculum in the schools, drop-in centers, hot-line, rehabilitation centers, etc. The admission charges to the program, coupled with other funds raised by the town are matched by money Pro Speakout has raised. Then we work with the town committees to inaugurate or support the drug program that best suits that community."

Jon Morris, who has been an active participant in Pro Speakout appeared at Weymouth High School to aid the Weymouth Home and Youth Association. Jim Hunt drove out to Concord with Jim Nance one night last winter in a blinding snow storm to help the Concord Hot-Line. Another active participant, Gino Cappelletti, is also a member of the Board of Directors. At a program in Newton-Wellesley-Weston Multi-Service Drug Center, Gino was asked a direct question. "Why are you here anyway?" "I'm here because I'm a father and a human being who cares what happens to young people like you and my own children." Gino replied. "Most of us are married with families, so we are concerned about drug usage."

"To tell you the truth," continued Gino, "I wish there weren't any problem so I wouldn't have to be here."

The questioner interrupted to ask, "How do you think you can help us?"

Unhesitatingly, Gino answered, "as athletes, we can't try to tell you what's good or bad. What we can say is that we get our highs in other areas—on the field. By accomplishing something there, we feel we are doing something meaningful. Every young person should discover for himself an activity, a purpose or a career that gives him a sense of direction in life. Then, he won't need to pursue artificial highs."

Rather than discuss specifics of drug abuse, the athletes speak to the youngsters about meaningful life experiences—the opportunity to excel in any given field. They relate how they've learned to deal with life as a challenge.

When asked by a group of parents in Brockton about his opinion of Pro Speakout, Ron Berger replied, "I sincerely want to help the younger generation. Life is a series of problems to be solved and crises to be overcome. We must encourage and try to instill a positive attitude in young people. I believe they want assistance and guidance in coping with life's challenges. I feel a deep sense of accomplishment through working with youngsters, especially teenagers. We all have a responsibility to fulfill in giving young people a sense of direction in life."

Shortly after Pro Speakout was formed and the athletes had become active, Sandy Cappelletti invited all the wives of the players to her home one evening to discuss how they could work with the program.

"Initially," Sandy said, "I think the wives came because we all recognized the enormity of the drug problem. We wanted to hear Bill McCue, an ex-addict, speak about it. What happened to us that night in my living room was a revelation. When Bill told us about how drug usage had filtered down into elementary schools, we became aware that our children were in no way insulated from the problem. Most of us have very young children—and we realized that the time to teach them and guide them is *now*, when they are six and seven. To avoid their becoming involved with drugs a few years from now, we must concentrate on developing in our children the ability to *cope* with life's problems. Children at seven very often have difficult experiences. They need to learn how to deal with these problems as realities of life—not to ignore them. In Bill McCue's words, 'they need to develop their coping muscles at an early age.' Then later, when our children are offered an easy cop-out through drugs, they won't need to escape from their problems by depending on the unreal, dreamland of drugs."

The discussion among the wives in Sandy Cappelletti's living room centered on *how* the wives could bring this message to other parents in their own communities. As a result, two successful programs were undertaken by the wives.

Sandy arranged for Bill McCue to speak to all the parents and teachers who belonged to the PTA at the school her daughters, Gina and Cara, attend. As a result, the teachers took the time in their classes to discuss drug abuse with all the youngsters, grades 1 through 6. This stimulated a need in the youngsters to help Project Turnabout. Each child brought something from his home, such as a can of beans or a box of cereal, to be donated to aid Project Turnabout. The children understood how dangerous drugs are, but they also felt the need to help those people who are hooked on drugs. Gino Cappelletti then spoke to the children praising their efforts in helping Project Turnabout.

Rosa Hunt, past president of the Patriot's Wives Club, decided she wanted to help by arranging for a Pro Speakout program with the Patriot's official charity, the Boys' Club of Boston.

She contacted Roscoe Baker, the director, and arranged for a day when the athletes could talk to the boys at the Roxbury branch. Jim Hunt, Daryl Johnson, and Reggie Smith spent a day with nearly 100 boys rapping about drugs and encouraged them to become actively involved in sports, rather than drugs.

After Pro Speakout conducted assemblies in Natick, Weymouth, Brockton, Weston, Newton, Milford, Concord, Arlington, The Roxbury Boy's Club, and received requests from as far away as Connecticut, New Hampshire, and New York, it became apparent that Pro Speakout needed to raise funds to support the programs that had been promised financial assistance. Bill Flynn, General Manager, of Channel 38 WSBK–TV, became the first businessman in Greater Boston to donate a substantial sum for operating expenses. Meeting at Bobby Orr's "Branding Iron" one evening last spring, the athletes discussed various methods and approaches to fund raising. Jon Morris, Bill Flynn, Len St. Jean, and Eddie Whalley (golf pro at the Colonial Country Club in Lynnfield) became highly enthusiastic about the idea of organizing and sponsoring a Pro Speakout Celebrity Golf Tournament.

"We all enjoy playing golf," Len St. Jean said, "therefore, we would feel comfortable about participating in an activity such as a golf tournament."

Jon Morris commented, "Businessmen we will invite to join us and contribute to the drug program have youngsters who are of the age when they are most readily exposed to drugs. I'm convinced that they will join us in our fight to combat drug abuse."

Time became a key problem in organizing the tourney. On only one date, June 21, 1971, would all four teams—Red Sox, Bruins, Celtics, and Patriots, be in Boston. This was only six weeks away! Everyone worked frantically to meet the deadline. The first major problem was finding a country club that would open its facilities for the day.

Within 24 hours, Dr. Jim Riley chairman of the golf committee at Woodland Golf Club had a firm "yes" from Woodland Golf Club.

George Wemyss, director of the New England Professional Golfers' Association offered his services as tournament director. Ed Philpott hopped a plane to Atlanta, Georgia one morning to speak to all the professional golfers on the tour.

"Doug Sanders called a meeting of all the golfers that night to speak with me," Ed explained. "They were highly enthusiastic about the Pro Speakout program. Being so close to the date, a number of them were committed for other engagements. John Schroeder, Larry Zeigler and DeWitt Weaver would fly into Boston to join us. Those who can't make it this year would come next year."

Mrs. Jon Morris called a meeting of all the wives at her home. "We want to help," she said. Pat Berger, Sandy Cappelletti, Linda Johnson, Rosa Hunt, Judy Bond, Diane Kuberski, Terry McKenzie, Linda Esposito, Rosemary Lonberg, Pat Green, Judy Lyle, Sharon Nelson, Diane Johnston, Joan Ann Westfall, Elaine Philpott, and Mary Rae Whalley all pitched in to help. They addressed invitations, comprised banquet lists, registered guests at the tournament, solicited prizes and donations from the four Boston teams, stamped the golf tag bags, made phone calls, and attended to all the details of the tournament.

Champagne Press in Wellesley donated all printing costs; Westwood Studios in Needham offered to take all photos for the tournament; Ara's in Wellesley donated a suit as a prize; Turf Hugger donated a golf bag and club covers; Anderson's Jewelers in Wellesley gave a sterling silver mug to the tournament winner; Bate's Photo Shop in Wellesley donated cameras; WRKO Radio gave pen and pencil sets; Chin's Villa, the Point After, and Igo's Restaurant all gave complimentary dinners; Eastern Airlines offered a trip for the raffle; Fred Mosedale gave curtains to be auctioned off; John MacKenzie offered four Bruin's tickets in the raffle.

Perhaps the most extensive contributor was Billy Sullivan, Patriots President. For the raffle, he offered solid gold NFL cufflinks, a trip to the Super Bowl (with all accommodations paid for) and a trip out to Minnesota with the Patriots team.

Bob Hope promised to come, but when he was stricken with an unfortunate recurrence of his eye infection, he had to cancel at the last minute. But, he placed a call to Mrs. Barrett at Woodland that day, during which he said "I am very much interested in your project. I am with you all the way and will do everything in my power to lend my voice in this cause."

Wally Gaviluk, Ed Whalley, and Billy Max flew down from the Vermont Open in a private plane to play. Babe Parrilli and Larry Eisenhauer, ex-Patriots, participated. Frankie Laine came over from the Monticello to lend his support. Burton Paige at the Colonial in Lynnfield provided room accommodations for the golfers who came in off the tour. Joe Laszaro, the National Blind Champion Golfer, shot a 77.

Don Weiss, Public Relations Director for the NFL, and Buddy Young, director of Player Personnel for the NFL, flew up from New York to join everyone at the banquet that evening.

Upton Bell, General Manager for the Patriots, reflected on the drug problem in a discussion with several members of Pro Speakout before the banquet began.

"Drugs are only a symptom of much deeper problems which are often rooted in the home environment. We must reach the parents. A main concern of each parent should be—my child might be a drug addict someday. I have a four-year-old boy and I know something could happen to him. Kids see their parents gobbling down pills constantly. There seems to be a pill for everything today—but drug abuse is the most bitter pill of all to swallow."

"You know," he mused, "it's very important for young people to know the lessons adults have learned about drugs, especially the anguish of ex-addicts. In the football fraternity, it's better to turn on through mental and physical stimulation rather than the needle and pill. The sports player or fan can get high on the competition between teams and players, rather than escaping through drugs."

Herman Bruce, General Manager for the Patriots, echoed Upton's point, then commented on another aspect of the Pro Speakout program. "I am impressed by the calibre of the people in our organization who have offered their extensive help. They're quick to give generously of their time for this program and not to ask for remuneration for their services. Such a fact ought to impress young people. These players are not in football solely to make money. They love the game. If there's anything they can do to help youngsters caught up in a drug problem or help those who might be caught up, they will."

Ex-Patriot Jim Colclough agreed with Upton Bell's point. "The education of adults is really important. Kids know more about drugs and where they come from than their parents. Not only that, but the law enforcement agencies must begin a crackdown on the source of supply—the pushers. But, that won't solve the whole problem, because we have to offer kids alternatives to drug usage. The outlets for kids have to be greater and more varied—educational, social, recreational, and cultural. Potentially, America has its greatest strength in its youth. We must encourage them to be a great force in counteracting the negative attitudes some adults have about youngsters. Any organization like Pro Speakout, that encourages this change for the better is a good thing."

At this point, Jon Morris interrupted Jim to say, "Everybody assumes this problem with drugs won't happen to them. But it might. More persons must become involved in the program Pro Speakout has to offer. We need the support of more businessmen—more politicians—more community leaders, like members of school committees, principals, and mayors. Rather than talking about it, they should *do* something about it. They should lend active support to the program."

The amateur golfers who played in the tournament responded enthusiastically, each one donating $150 to Pro Speakout. The $10,000 raised proved the huge success of the first Annual Pro Speakout Celebrity Invitational Tournament. The funds were distributed over the summer to all the local community drug programs Pro Speakout sponsored.

What does the future hold for Pro Speakout? At this time, plans are underway for the establishment of a national headquarters in Boston, with chapter offices in every major league city in the United States. Of course, Pro Speakout will have a second annual tournament next summer.

The athletes will concentrate their efforts more in the area of elementary school education programs, in order to reach youngsters at the impressionable age—before they get turned on to drugs. At the same time, they will still aid those youngsters who are caught up in the problem, for reasons given by Ed Philpott, "I think it's time we face the fact that many young people are trapped by the drug epidemic. Many more will become addicts if we don't act now. They're asking for our help. We can't turn our backs on them."

Linda and Daryl Johnson have discovered a poem by Devine Lord which reflects their feelings and the efforts of the Pro Speakout organization.

"Are the Kids Really to Blame?"

We read in the paper
We hear on the air
Of killing and stealing
And crime everywhere
We sigh and we say
As we notice the trend
This young generation
Where will it end?
But can we be sure
It's their fault alone . . .

Too much money to spend
Too much idle time
Too many movies
Of passion and crime
Too many books
Not fit to be read
Too much evil
In what they hear said
Too many times
Encouraged to roam
Too many parents
Who don't stay at home.

Youth doesn't make the movies
They don't write the books
That paint the gay pictures
Of gangsters and crooks
They don't make the liquor
They don't run the bars
They don't make the laws
They don't make the cars
They don't make the drugs
That idle the brain
It's all done by the older folks
Greedy for gain.
How many cases we find
That it's true
The label delinquency
Fits older folks too.

Want to help?

Write: Janice Barrett, President, Pro Speakout, 5 Weld Street, Framingham, Mass. 01701*.

THE BIG MOVE TO NONCAMPUS COLLEGES

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SCHEUER. Mr. Speaker, higher education in this country is in the midst of a crisis which, in the words of the President's Commission on Campus Unrest, "has no parallel in the history of the Nation." The unsettling changes the wider society has experienced since World War II have also affected our campuses and have compelled a thorough reexamination of how we are to educate our youth. Two of the central considerations in this reexamination are how to provide access to all who desire higher education, and in what ways that education can best be pursued. In a thought-provoking article in the July 17, 1971, "Saturday Review," Ernest L. Boyer, chancellor of the State University of New York, and his assistant, George C. Keller, have examined many of the significant responses to these questions here and abroad. I commend it to the attention of my colleagues:

THE BIG MOVE TO NONCAMPUS COLLEGES

(By Ernest L. Boyer and George C. Keller)

In this financially alarming but comparatively strife-free year for American colleges and universities, perhaps the single most dramatic development has been the announcement of several plans to enable students to earn academic credits and even college degrees without having to live on a campus, or even attend classes there.

The new plans have propellants within them that could trigger one of the most significant shifts in the structure of American higher education since the introduction of large-scale, federally financed research during World War II. Phrased in the muffling jargon of educational prose the new proposals may not appear radical, but they do share certain broad assumptions about what higher education really is all about.

For years, the word "college" has to most Americans meant four uninterrupted years in one institution, in a place removed from the diversions of ordinary life. It conjures up nostalgic memories of classroom lectures, fraternity and sorority parties, glee clubs, football weekends, hectic final exams, term papers, trips home for the holidays, beery bull sessions, and romance beside the Virginia creeper. More recently it has also meant protest marches, extracurricular volunteer work, and rock concerts with Joe Cocker or Sly and the Family Stone. In short, it has been the physical and social aspects of campus life that have traditionally defined "going to college."

Central to most of the new non-campus programs, however, is the assumption that the fundamental process of acquiring a college education need not be dependent upon the familiar campus setting. Not where or for how long a student goes to college, but what actually happens to him intellectually during his collegiate years is what counts. Many innovators believe that the preoccupation with the physical and social context of higher education has obscured the more crucial questions, which concern what is happening inside the student's head.

A second, and closely related, assumption is that the parietal element in higher education has been far too heavily emphasized. Too many colleges still implicitly operate on the premise that they are dealing with reluctant, lazy children who must be continually prodded and threatened if they are to learn anything. The process of higher education too often has borne disturbing similarities to the force feeding of geese destined to contribute to the world's supply of *pâté de foie gras*. While explicit parietal rules and social regulations have been liberalized or abolished, the fundamental structure of college education has remained implicitly coercive.

The new assumption is that the individual's own motivation, his desire to learn and to grow, should play a more central role in the formulation of educational policy. Ideally, the acquisition of a college education should represent a positive act of individual volition rather than passive acquiescence in an institution's routines and requirements. A closer approximation of this ideal is what the innovators are striving for.

In the conversation and writings of those responsible for the new proposals, one finds the conviction that genuine intellectual competence, and not some magic number of "years in residence" or "credit hours," should be the single most important criterion for the baccalaureate degree. What a person knows, not how many courses he has taken, should be the fundamental concern toward which all academic planning is directed.

The various off-campus and non-campus schemes that spring from these shared assumptions and concerns generally fall into four broad categories.

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* After Nov. 1st, Pro Speakout will move to a new address: 23 Pine Plain Road, Wellesley, Mass. 02181.

The first, and least radical, represents the continued development and extension of efforts that have long been made by many American colleges and universities to increase the opportunity for off-campus learning experiences within the broad framework of the traditional pattern of campus residency. For decades, undergraduates have enjoyed a "junior year abroad" or participated in various types of work-study interludes. The newer programs add such possibilities as a hitch in VISTA or a semester in a ghetto, a museum, or a specialized school, such as a dance studio. The programs may be quite highly structured, such as Chapman College's "World Campus Afloat," which offers undergraduates courses on a ship that travels around the globe with field trips ashore; or fairly loose, as at those institutions where gifted students are allowed as much as a year off to write a novel, study French literature, or pursue other special interests—all for academic credit.

These off-campus extensions of the curriculum are not without problems. For example, how many academic credits should a student receive for forty hours of tutoring migrant workers? And how does one maintain "quality control" and prevent a genuine, if unconventional, learning experience from degenerating into a merely frivolous and self-indulgent frittering away of time?

But far outweighing such practical difficulties is the fact that all such efforts represent a movement toward a concept of higher learning that is far more in tune with the conditions and opportunities of contemporary life—a concept which recognizes that we have erected too high a barrier between the campus and the real world "out there." For the proponents of such off-campus programs, the individual college campus remains an essential intellectual base, but it is also seen as only one element in a far broader educational environment—an environment that includes the ghetto, the threatened wilderness, the polluted lake, the industrial laboratory, the social service agency, the city halfway around the world.

A second category of off-campus plan, the largest and most familiar, is to permit conventional academic work to be done off-campus, often over a time period longer than the usual four years and often through programs designed chiefly for adults.

The prototype is the famous external-degree program of London University, which has for decades enabled students from Nigeria, Australia, the Bahamas, or India to work toward their degree in any manner they wish, and in any part of the world, so long as they passed the required examination set by the university.

Since 1961 working adults from all over America, unable to take the time to live or attend classes on a campus, have been studying in the University of Oklahoma's pioneering B.A. program in liberal studies, which combines independent home study, correspondence work, and annual three-week residential seminars at the university. Recently Syracuse University, the University of South Florida, and the State University of New York at Brockport have established similar programs, sometimes supplemented by television and on-campus laboratory work in the sciences.

Two interesting new versions of these adult programs are Britain's "Open University" and the U.S. Navy's smaller program for "Afloat College Education." The Open University is Britain's attempt to democratize its traditionally elitist university programs quickly, with limited resources. The hope is to allow vast numbers of housewives and other adults with jobs to earn academic degrees in three to six years at a total cost to the student of less than $1,000. Last January, coal miners and clerks, salesmen and schoolteachers began enrolling in the Open University. There are six degree programs: humanities, science, social studies, technology, education, and mathematics. Thousands are listening to radio lectures, going through correspondence course packets, watching television courses, and reading in local libraries in preparation for examinations they will take at one of the 250 local study centers, where they also meet with some of the 2,500 tutors and counselors who are acting as study assistants and advisers. They will also attend a week of summer school at one of the twelve regional centers or at one of England's established colleges.

In the U.S. Navy's program, ship crewmen can earn up to two years of college credit at one of five colleges (Harvard is among them) by passing examinations based on heavy onboard reading, mastery of filmed courses, and attendance at lectures and seminars conducted by professors who visit their ship while it is in port. Under this program, the Navy has even flown professors to remote bases in the antarctic.

The most unusual program in this category is the recently initiated "University Without Walls," whose founding father is Samuel Baskin, an imaginative professor of psychology at Antioch College in Ohio. Professor Baskin had been seeking support for his plan for several years before recently obtaining a U.S. Office of Education planning grant of $415,000 and a Ford Foundation grant of $400,000. What he envisions is an innovative educational program confined mainly to the campuses of nineteen cooperating institutions, including such diverse schools as the large University of Minnesota, the small Staten Island Community College, the University of South Carolina, the predominantly black Howard University, the Quaker Friends World College, and the Catholic Loretto Heights College.

Within each of these institutions, forty to one hundred interested students will pursue a distinct academic program with guidelines established by the University Without Walls, a kind of academic holding company with little in the way of formal staff or administrative bureaucracy. Part of the time these students may take conventional courses at their own colleges, but they may also move about to one or more of the cooperating colleges or universities; serve supervised internships in businesses, hospitals, or museums; or study independently with the aid of reading lists, televised lectures, records, and tapes. Professor Baskin's program clearly rejects the traditional concept of college education with its exclusive stress on single-campus residency, classroom lectures, and narrow departmental majors. It also widens our conventional notion of "the faculty" to include experts and talented individuals from the "outside world"—artists, businessmen, musicians, or government officials.

The third off-campus "category" is in reality a single program: the New York State Education Department's unique new external-degree program, through which the associate in arts and bachelor of business administration degrees will be awarded to anyone who passes a set of comprehensive examinations. (Unlike the "Open University" program, this will involve no actual instruction, simply the administering of examinations and the awarding of degrees.) This program, with the aid of a joint planning grant from the Carnegie Corporation and the Ford Foundation, will permit persons who have studied on their own, in whatever fashion, to receive a sheepskin without ever enrolling at a college, setting foot on a campus, or paying a penny in tuition.

This category may expand, though. At a recent meeting of the American Association for Higher Education in Chicago, Jack N. Arbolino, executive director of the Council on College-Level Examinations of the College Entrance Examination Board, proposed a "national university" that would, like the New York State Education Department, grant degrees to anyone in the nation who passed its degree examinations. The programs that Mr. Arbolino heads already has made a small start in this direction by administering tests in two dozen different subjects, from American government to data processing, for which the student, upon passing one or more of them, may request academic credit from his college.

The fourth and last of these varied approaches to off-campus education is the State University of New York's new Empire State College, which is in the active planning stage. This experimental "college without a campus" (supported by a $1-million joint grant from the Carnegie Corporation and the Ford Foundation) will be similar in some respects to other programs we have described. It certainly owes much of its inspiration to innovations at other colleges, in other countries, and within the State University itself. But it also will have certain distinctive characteristics of its own. Unlike most external degree programs, for example, it will retain the opportunity for occasional on-campus study. It will encourage a close student-teacher relatalonship and will offer a wide variety of educational options to the student.

Because New York has placed all its public institutions of higher education under a central leadership, the State University is particularly well suited to undertake such an experimental venture. SUNY is actually a single entity made up of seventy separate institutions, including liberal arts colleges, specialized schools (in agriculture, forestry, engineering, etc.), community colleges, and four major universities. This means that New York already has in its State University a kind of multifaceted consortium of institutions with widely varied characteristics and resources.

The central idea of Empire State College is to create an academic program that will free the student of the restraints of residence on a single campus and make available to him the resources of the entire university system. A combination of home study, off-campus work-study experiences, educational films, cassettes, correspondence courses, and periods of study elsewhere in America or abroad will enlarge enormously the options open to each student. While some may elect to do half or two-thirds of their work in residence at one or more of the State University's institutions, others will spend most of their time studying off-campus. Time limits, too, will be freer. A college degree may be attained in two, three, four, or eight years, depending on the individual student's specific circumstances and individual capacity for academic work.

But Empire State College is not conceived as a "do-your-own-thing" institution. A small core faculty at a central headquarters, with resident tutors at twenty regional study centers to be set up around the state, will design and direct the programs, prepare the correspondence courses, approve each student's plan of study, and counsel with students by telephone, mail, and in periodic personal meetings. In short, the educational experience of the student will be guided and evaluated at every stage by trained and committed scholars. While the student will complete assigned papers, reports, and examinations, he will be largely freed of grade pressures (grading probably will be on a pass/fail basis) and of specific credit-hour requirements. He will be able to concentrate more on his own education and less on the requirements of a specific institution.

Implicit in the design of Empire State College are several notions—rooted in the more general educational assumptions mentioned earlier—that seem alarmingly simple to some and simply alarming to others:

1) Formal classroom instruction, while still important, is no longer the sole or even the principal means of acquiring information and ideas at the college level.

2) Given the present wide variety of students, the continuing explosion of knowledge, and the emergence of new fields of academic concern, the curriculum no longer should be the exclusive concern of the faculty. Responsibility for its design and content should be shared by faculty members and students.

3) Residency on a single college campus is no longer a requisite for quality education. (One-fifth of America's college students already study at more than one institution during their undergraduate careers.)

4) Four years, and certainly four consecutive years, are not an inviolate block of time essential to an undergraduate degree. Longer or shorter periods of study, possibly interrupted by other activities, do not damage—and may actually improve—the net effectiveness of collegiate study.

5) While frequent and intimate contact with mature scholars is vital to a good college education, no faculty member can any longer be regarded as simply a purveyor of factual knowledge, even in his field of specialization. Increasingly, professors must act not only as sources of information but as sensitive intellectual guides, as concerned questioners of personal and social actions and values, and as provocative stimulants urging students to discover their own capacity for critical and creative thought.

None of these assumptions, taken singly, is entirely new. But taken together, and taken seriously, they add up to a new vision of what the college experience can, and should, entail.

To some skeptics, all these new schemes for off-campus learning are chiefly the brainchildren of presidents, faculty committees, and foundation officials who, desperate about the present financial crisis in higher education, are blindly stabbing at ways to process more students for less money.

Undeniably, a search for economy is a factor in the development of the new programs. A resident college education next fall will cost parents about $4,500 a year at most of the nation's leading private colleges and universities, and close to $3,000 at many public colleges and universities. By 1980, the charges could be $8,000 and $5,000 respectively. To anyone seriously concerned about providing some form of higher education to every American who desires it and can benefit by it, the economic situation is patently serious. It is neither shameful nor contemptible to be searching for new modes of providing high-quality education at a lower cost.

But there are, we think, more fundamental and long-range reasons for the current interest in the radical restructuring of American higher education. These derive from quantitative and qualitative changes in American youth, in the character of American society, and in the present trends within higher education itself.

Disgruntled souls who shake their heads and mutter that young people aren't what they used to be are, as a matter of fact absolutely correct. Young people *have* changed appreciably, and not just in the more publicized and superficial ways.

Physically, young people are larger and healthier than they were fifty years ago. Girls and boys are about three inches taller and ten pounds heavier than they were in 1920, principally because of advances in nutrition and medicine. Childhood diseases that used to stunt and maim, and even fill the cemeteries, have almost been wiped out. (The chief cause of death for persons under 21 is now accidents, primarily automobile accidents.) These same advances in nutrition and medicine have also caused adolescents to mature physiologically much earlier than in the past. In the United States the onset of puberty for girls has dropped from an average age of 14 in 1920 to 12.4 today, and, for boys, from 15 to 13.5.

Today's young people differ intellectually as well as physically. Kenneth Keniston of Yale, among others, has noted that the average American sixteen-year-old today has had five years more schooling than his counterpart in 1920. A recent U.S. Census Bureau study revealed that the number of young adults with high school diplomas has doubled since 1940, while the number with college degrees has tripled.

The average student today scores approximately one standard deviation above the student of a generation ago on standardized tests of intellectual achievement. A level of performance that places a student in the middle of his graduating class today would probably have placed him in the top 15 per cent thirty years ago. Or, to put it another way, in achievement, a teenager today is approximately one grade ahead of his parents when they were his age.

In the more amorphous psychological realm, numerous observers have noted the new mood among contemporary youth, the sense of generational uniqueness, the imagination and audacity, the impatience, the social concern, the disdain for history and authority. One can only speculate as to causes. Television, which began commercially in 1948, entered most homes fifteen to twenty years ago. Thus, as has been widely noted, this is the first college generation raised on television practically from infancy. According to surveys, many young people in college today watched television about twenty hours a week when they were children, for an annual total greater than the number of hours they spent in school.

In addition to the ubiquitous tube, such factors as greater mobility, affluence, and longevity have also contributed to a different psychological state. For instance, because of the low life expectancy of former times—47.3 years in 1900—it was not unusual for a young person to lose one or both of his parents before reaching college age. Today, with the average life expectancy almost seventy years, orphanage has virtually been wiped out. Now, ironically, it is the continuing lively presence and pressure of both parents that many young persons perceive as a serious problem.

Yet, while young persons now are significantly different from those of fifty or even twenty years ago, American higher education is structurally much the same. Our colleges and universities (not to mention our grade and high schools) urgently need to recognize these important facts, and to redesign their programs accordingly. To keep nearly one-third of our young people occupied in an institutional setting that effectively segregates them from the world of "grown-ups" for seven to ten years beyond the onset of puberty appears a more untenable arrangement with each passing year.

Another major force affecting the colleges has been the knowledge explosion itself. New technologies and sciences have burgeoned—from cybernetics to marine botany; new social problems—the urban crisis, the population explosion, pollution—have generated new study areas. Campus faculties have multiplied, splintered, and regrouped under the impact. Advances in photography, sound engineering, optics, communications, and transportation have revolutionized the movement of information, ideas, and people themselves. They make possible such things as a telephone seminar in astro-physics among scientists from several countries, a short intersession of anthropological study in West Africa or Peru, or the study of Eskimo culture through films.

In the face of all these changes, the old yardsticks of higher education—faculty-student ratios, years in residence, credit-hours for courses, and grading—become increasingly difficult to apply. The notions that there is a fixed "body of knowledge" to be delivered to the young, that college faculties necessarily know what is best for students, and that the departmental major is the only desirable method of organizing intellectual inquiry, are seriously challenged.

Moreover, we are at the beginning of a second admissions boom—that of older persons re-entering college. Until the end of World War II, colleges catered chiefly to the privileged and the gifted. College admissions was the art of keeping people out. Since 1945, however, admissions policies have expanded until currently half of all high school graduates—two out of five of all young Americans—go on to college. Now, with technological change, increased leisure, new conceptions of womanhood, and greater affluence encouraging and requiring changes in career and life-style, continuing education is emerging as a new frontier of higher education. Most colleges and universities, especially public ones, are trying to help people *in* rather than screen them *out*. And as colleges admit greater numbers of students from more varied socio-economic backgrounds, their curriculums have altered in order to serve effectively the expanded new clientele with its broader range of preparation and aspirations.

To shift one variable, such as the kind of students served, while attempting to hold constant all the rest of the components of the university structure is to court disaster, as too many institutions have learned. Likewise, to try to accommodate the knowledge explosion on the campus, with the increased research, field work, and specialization that it demands, without re-examining the traditional "liberal education" requirements is irresponsible.

As the recent Carnegie Commission report *Less Time, More Options* suggested, today's college and university clearly must offer many tracks, many options, and many different programs to serve the new variety of students and to assist in the exploration of new areas of intellectual inquiry. Large universities may have to break up into several colleges. Smaller colleges may have to establish links with other colleges and other kinds of learning institutions in society. And all will have to allow increased opportunities for independent and off-campus study.

It is these profound transformations—in our young people, in our society, and in higher education, as well as the grave financial condition of the colleges—that compel radical changes in the venerable but outmoded patterns of American collegiate study. The many proposals for off-campus or non-campus study contain many details to be worked out and objections to be overcome. But they represent serious efforts to experiment with fresh patterns of undergraduate education. The alternative is a continuing and ever louder dirge about the poverty, disruption, and "irrelevance" of our campuses.

It would be tragic if the social institution that has contributed so much to our civilization should fail to respond vigorously to the challenges that confront it at this crucial moment. The present crisis is assuredly one of dollars. But even more, it is one of will, of creative energy, of new ideas. Higher education is in a period of painful transition. The greatest need is to act boldly, with fresh vision, in the face of new conditions. The training of the mind and sharpening of the sensibilities are still the best hope of mankind.

BRAINWASHING BY THE NETWORKS

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SPRINGER. Mr. Speaker, under the leave to extend my remarks in the

RECORD, I include the following: Many of my colleagues in the Congress have discussed with me the book titled "The News Twisters" by Edith Efron who is a staff writer for TV Guide. I am inserting herewith an article by S. I. Hayakawa, president, San Francisco State College from the Washington Daily News, Thursday, November 18. This is the briefest condensation that I have seen from Edith Efron's work. I believe it would be well for every Member of the House to read "The News Twisters."

It is difficult to know whether or not news is being twisted or given in bias. Miss Efron's attempt through tape recordings has been to denote the number of words spoken on the 1968 campaign by the various networks. These words were spoken either for or against HUBERT HUMPHREY, the Democratic candidate, and Richard Nixon, the Republican candidate. Word measurement is not the only criteria but an important one on all prominent news covered by the networks. Whether or not you agree with Miss Efron is not as important as the factual information which her study has produced.

The article follows:

BRAINWASHING BY THE NETWORKS

(By S. I. Hayakawa)

Here is a book that should be read by every voter of whatever political conviction, by every high school and college student, by every viewer of TV network news. It should be distributed by book clubs and condensed in Reader's Digest. Most of all it should be read carefully by the Federal Communications Commission.

The book I refer to is "The News Twisters," by Edith Efron (Nash Publishing, 9225 Sunset Blvd., Los Angeles, Calif. 90069; $7.95). The author is a staff writer for "TV Guide."

Do television networks present the news fairly? Are they free of bias? Do the accusations of slanting, distortion and calculated omission of important stories coming from almost all segments of the public from student radicals to Vice President Spiro Agnew have any foundation in fact?

For her study Miss Efron tape-recorded network news shows on American and National Broadcasting companies and the Columbia Broadcasting System every evening from 7 to 7:30 p.m. from Sept. 16 to Nov. 4, 1968—that is the last seven weeks of the presidential campaign of that year. From transcriptions of the broadcasts, she analyzed the coverage given to the three presidential candidacies of 1968 and to a set of 10 related issues such as U.S. policy on the Vietnam war, black militants, radical violence and the white middle class.

"From the resultant body of about 100,000 words per network," Miss Efron writes, "I isolated all stories dealing with the chosen issues—and excerpted all 'for' and 'against' opinion on these issues. The task is simpler than it may sound. Network news is an extremely nonintellectual commodity, and the opinion which it relays tends to be simple, short, highly partisan, and crudely 'for' and 'against.' It is readily isolated . . . The opinion appears in four clearly identifiable forms: direct quotes . . . paraphrase . . . narrative reports . . . and editorial opinion, which appears either in separate commentaries and analyses, or within the body of a news story. When all such opinion was isolated and filed, I then counted the number of words of opinion 'for' and 'against' on each issue."

The statistics are indeed startling. Here is Miss Efron's summary of the number of words spoken about Richard Nixon during the campaign: on ABC, for, 869, against, 1,793; on CBS, for, 320, against 5,300; on NBC, for, 431, against, 4,234. Total for Nixon, 1,620, total against, 17,027. Humphrey got more even treatment: on ABC, for, 4,218, against, 3,569; on CBS, for 2,368, against, 2,083; on NBC, for, 1,852, against, 2,655.

Words spoken about Black Militants: on ABC, for, 2,052, against, 1,146; on CBS, for, 1,578, against, 742; on NBC, for, 3,666, against, 1,383. As for the white middle class: on ABC, for, 142, against, 731; on CBS, for, 287, against, 651; on NBC, for, 0, against, 1,017.

The totals leave no doubt that the networks—all three of them—were doing their best to elect Hubert Humphrey. For Mr. Humphrey there were 8,458 words, for Mr. Nixon, 1,620. Against Mr. Humphrey there were 8,307 words, against Mr. Nixon, 17,027.

When accused of partisanship or bias, the networks defend themselves by declaring that objectivity is impossible. David Brinkley: "Objectivity is impossible to a normal human being." Bill Moyers, "Of all the myths of journalism, objectivity is the greatest."

Miss Efron makes mincemeat of this argument. Objectivity, she says, is not the issue. The problem is that networks unanimously give "preferential status to certain political positions and opinions"—to the Democrats as opposed to Republicans, to the opinions of anti-war people as opposed to those who see some justification for the war, to black militants as opposed to the white middle class ("Not one reporter on CBS or NBC is critical of black power violence during the coverage period").

The networks themselves, in their acceptance of the Federal Communication Commission's "fairness doctrine" and in their concept of "equal time," give assent to the view that it is against broadcasting ethics to give such preferential status to one side of a controversy or political campaign. Nevertheless they clearly do not even bother to try to give a balanced presentation of the wide range of opinions.

"Richard Nixon is President of the United States today in spite of ABC–TV, CBS–TV and NBC–TV," writes Miss Efron.

I find this sentence comforting. It is horrifying to read a statistical analysis of the extent to which the great national television networks try to mold and manipulate public opinion. Nevertheless, despite the fact that I voted for Mr. Humphrey, I find it reassuring to know how much sales resistance the public has.

SMITHSONIAN INSTITUTION CENTER FOR SHORT-LIVED PHENOMENA—THE ANNUAL REPORT REVIEWED

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. BRADEMAS. Mr. Speaker, the Smithsonian Institution has over the years gained wide admiration for the role it plays in American science and learning.

More than any other institution it shows what a museum can be: a center of research, an information system for scientists and citizens in general, and an active institution of education for both specialists and laymen alike.

An interesting and little-known facet of the Smithsonian's work is the center for short-lived phenomena, a clearinghouse which informs observers around the world of events which need to be examined while they are still happening: earthquakes, meteors, and many aspects of ecological study.

Mr. Speaker, I take this opportunity to insert in the RECORD a review and commentary upon the center's latest annual report, written by Philip Morrison in the current issue of the magazine Scientific American.

The article follows:

A COMPENDIUM OF CURIOUS EVENTS REPORTED BY THE CENTER FOR SHORT-LIVED PHENOMENA

(By Philip Morrison)

Annual Report 1970, by the Center for Short-Lived Phenomena. Smithsonian Institution, Cambridge, Mass. ($5). On April 8 an early-rising resident of West Hartford, Conn., saw "a bright streak like a bomb bursting." Later, at 6:00 a.m., Paul J. Cassarino of suburban Wethersfield awoke to find plaster on the floor of his living room. A meteorite weighing three-quarters of a pound had fallen through the plywood roof to lodge halfway through the ceiling!

Something of Cassarino's sense of celestial intimacy was transferred by postcard within a day or two to the many thousands of friends and subscribers of the service of the Center for Short-Lived Phenomena. The card told the facts, as telephoned to Cambridge by the very men who identified the rock as a *bona fide* meteorite. (It was a common kind of chondrite, and it was in the hands of expert analysts before the week was out.)

The Center for Short-Lived Phenomena has been at work since January, 1968. It grew out of efforts to "catch a falling star"—more prosaically to bring a freshly fallen meteorite into the laboratory quickly enough so that information about the cosmic ray intensity in space near the earth, perishably locked in short-lived radioactivity, would not have fully decayed. It was clear from the start, however, that many kinds of "fast and accurate information on the occurrence of short-lived natural phenomena" would be of interest to scientists in several disciplines. Today the center has 3,000 registered correspondents in some 150 countries; these scientists or organizations report nearby short-lived events and follow up on their first alerts, and in turn they receive the reports of similar events around the world. The chief resource of the center is the global communications network of the Smithsonian Astrophysical Observatory, which uses commercial, NASA and other Government circuits. The center stays in touch with event areas as the events are in progress; it immediately alerts those persons and agencies that might quickly respond, and within 24 hours dispatches postcards that broadcast the alert; then it forwards authentic data and conclusions as study of the event proceeds.

This 300-page book, with maps and photographs, its text in unjustified typescript, indexes the work of the center from its very start. The bulk of the book is a summary of the 113 events in 51 countries that the center reported during 1970. These events fall into four classes. Earth-science events are just under 50 in number; they include 19 major earthquakes, 22 volcanic eruptions, tsunamis, landslides, floods, storm surges and more. Biological events are even more varied; they include oil spills and other major pollution events as imminent threats to the web of life, and they extend to events remote from the hand of man, such as the migrations of animals, blights, and epizootics. The astrophysical events are mostly fireballs and meteorite falls (plus recurrent moonquakes!). Archaeology and anthropology claim such occurrences as the discovery of a ruin soon to be flooded or the first contact with a new group of people. The unifying theme is the need for on-the-spot scientific study of the event before its course is run;

naturally this interest overlaps with, but is not the same as, the interests of the government agencies all over the world that are generally responsible for resource control, rescue and relief.

Tragedy is present, since everywhere the lives of men remain at the mercy of the largest force of nature. The terrible November storm surges of the Bay of Bengal were Event No. 100 of 1970; the event was of course intensively reported in the regular news media, but the summary here (by Dr. M. Q. Khuda of Dacca) is eloquent in its simplicity. Although many hundreds of thousands died, "no permanent change in the land mark is visible." Mankind is perhaps most vulnerable along the many mouths of the Ganges. The avalanche that entirely buried Yungay in Peru under some 10 feet of mud in the earthquake of May, 1970, is described with equal care.

Late this summer the inhabitants of the Mississippi Valley from its Canadian head to the Gulf can expect a cyclical peak in the number of migrating monarch butterflies; 1970 was the first of the two peak years that recur on a six- or eight-year cycle. Thousands of the bright-yellow-and-black creatures can be seen on a single tree. The cycle is the result of an interaction of the insect and a virus.

Why do whales beach themselves? Here is the account of the stranding of about 150 false killer whales, animals weighing less than a ton each, on a shelving Florida beach. Towed to sea by boats, they immediately swam back to beach themselves all over again. After a second towing effort perhaps a third of the animals found their way out to sea. On autopsy there was no sign of bacterial disease, but it was noted that the water was abnormally cold.

The crown-of-thorns starfish, that hungry predator on the living polyp of the hard madrepore coral, continues to spread alarmingly over the Pacific, again for uncertain reasons. The notorious Malaysian frog war of last November is reinterpreted; afterward there were tadpoles aplenty. Those 10,000 frogs were making love, not war. Deception Island, a drowned volcanic crater 500 miles south of Cape Horn, blew up in the wintry August of 1970. Its dust and ashes were "probably the most important [for] the last three years or so. It seems that the Dust Veil Index will be somewhere in the range between 150 and 500 (Krakatau 1833 eruption equals 1,000 . . .)." No one was there; the first news came from Antarctic bases some 50 miles away, where a rain of black ash covered the entire area to a depth of millimeters.

By December, 1970, people had visited Deception; a photograph was published recently. The center's main purpose was thus fulfilled. Indeed, more than 84 of the events it reported in 1970 were investigated. But he who stays at home—amateur, student, teacher—can share a little of the investigator's excitement and awe at the changing fabric of our world by reading the center's alerts. These are services matched to all budgets and all levels of specialization. You can arrange for notice by wire, by air-mail card or by weekly or even monthly batches, in each class of events. Schools and museums should be particularly interested. The cards supply just those details of place and time, with cogent appraisals, that the news services often omit.

The performance of this pioneer office is not faultless: the *Annual Report*—with much too bland a title—could be improved by greater editorial resources. It is nonetheless splendid reading as it stands; the "real time" services are even better and the future holds more. Surely the center is the first form of what someday will be a knowing and prescient worldwide public monitoring service both for action and for thought.

Long live the Center for Short-Lived Phenomena!

INSTITUTIONALIZATION IS NOT THE ANSWER

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. HARRINGTON. Mr. Speaker, an article appearing in the Boston Globe on November 22 clearly indicates the need for sheltered homes for the mentally and physically handicapped.

We are presently greatly concerned about health costs and yet we condemn handicapped persons to institutions because we are not creative or farsighted enough to know that there are more humane and less costly alternatives. It has been estimated that two-thirds of the residents of one institution for the mentally retarded could be released if they had group homes and sheltered workshops to which to go for long-term employment.

The article quotes Dr. Doris Fraser, director of the Massachusetts Bureau of Developmental Disabilities, who states:

I have never known anyone with a disability who did not want to be independent.

Those are words that we should remember when we think about health care for everyone. Let us open our eyes to the innovations around us and release people from institutions.

WORKSHOPS URGED FOR HANDICAPPED

(By Jean Caldwell)

EAST LONGMEADOW.—There is a nationwide need to develop more sheltered workshops for extended employment and non-institutional small residences so handicapped people can become productive members of society.

This was the message given to those attending the annual meeting of Goodwill Industries in Springfield this week by Dr. Doris Fraser, director of the Massachusetts Bureau of Developmental Disabilities. Dr. Fraser has just been named to the 20-member National Developmental Disability Council by Health, Education and Welfare Secretary Elliot Richardson.

Dr. Fraser said the new term "developmental disability" represents a growing awareness that disabilities such as mental retardation, epilepsy and cerebral palsy are "vitally connected."

Dr. Fraser said there is a growing effort by persons interested in specific disabilities to form coalitions with those interested in other disabilities. She said this gives them a base of strength in seeking to fill needs shared by all handicapped persons such as public housing, better transportation and sheltered workshops.

In Massachusetts, Dr. Fraser said, "a major pioneering effort" has been made by the governor's office and by the legislative commission which investigated Belchertown State School for the Mentally Retarded. One result of the commission's study and the governor's interest, she said, is the recently passed legislation (now on the governor's desk) which concerns group homes. Dr. Fraser described this as "one of the major pieces of legislation in the state in many years."

The new law sets public safety standards for "community group residences." This allows up to 12 handicapped persons who are "capable of self-preservation" to live together in a home-like dwelling. Such residences had no legal identity before and had to meet the stringent safety standards required of nursing homes where residents are assumed to be unable to leave the building on their own in case of fire.

Dr. Fraser said the new law opens the way for philanthropic groups to rent or buy large houses and provide a supervised but home-like setting for persons who would otherwise be placed in a large institution such as Belchertown State School.

Dr. Fraser said there is growing discontent with large institutions which make residents overly dependent. She said college students working as volunteers at state institutions for the retarded are discovering what a lot of professionals have also discovered: that many persons confined to these institutions would not have to be there if someone had intervened earlier and had offered an alternative to institutionalization.

She said the focus of current efforts is to "unload the legal methodology of 150 years which has locked us in a system of bricks and mortar and job classification." She said change will come by offering alternatives, such as group homes and sheltered workshops for long-term employment, which could reduce the population of institutions such as Belchertown by two-thirds. The remaining third are multiple-handicapped persons in need of 24-hour-a-day skilled nursing care, she said.

Dr. Fraser said that as a nation "we cannot afford to spend so much money in the undignifying process of institutionalization which gives us no return." It would be better to subsidize sheltered workshops where handicapped persons can work, get paid and "put back into the economy."

"I have never known anyone with a disability who did not want to be independent," she said.

DEATH BY THE PINT: TRADING BLOOD FOR DOLLARS

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. VEYSEY. Mr. Speaker, in the CONGRESSIONAL RECORD for November 22, 1971, I inserted the first half of an outstanding series of articles from the Chicago Tribune on the dangers of unsupervised blood banks. The first of these articles described the high incidence of hepatitis in cities like Chicago, and the type of donors who fill the gap between what is needed and what is donated voluntarily.

The second half of the series describes in graphic detail the shoddy and dangerous procedures used in some blood banks. It also discusses some of the steps that might be taken to end these practices.

After months of research, I recently introduced a bill, H.R. 11828, to provide a legislative solution to the dangers of blood banking. I expect to reintroduce the bill with cosponsors in the near future, and will be pleased to provide any further information my colleagues may require.

I include the following articles:

[From the Chicago Tribune, Sept. 14, 1971]

BLOOD BANKS: PAY STATIONS OF WINOS, ADDICTS

The young man was unshaven and dirty, his breath reeked of cheap liquor and there was a needle mark on his left arm.

In the opinion of many medical authorities and blood experts, he was a classic example of a walking health hazard. Living from drink

to drink, he pays for his binges by peddling his blood as often as he can.

On the surface it appears to be a harmless transaction. But if his blood is crawling with hepatitis—and there is no sure way of telling for certain—another bottle of poison will be on its way to a hospital operating room where it may ruin or destroy another life.

SECOND DAY OF GIVING BLOOD

On this morning the scruffy blood peddler is preparing to do business in the Interstate Blood Center, 2543 W. North Av. Less than 24 hours earlier he had sold a pint of blood at a North Side commercial blood bank and under the rules of giving blood should have waited at least another eight weeks before selling another pint.

He is the kind of donor that is giving the nation's medical community nightmares. The blood of these donors is 11 times more likely to be infected with hepatitis, a disease that attacks the liver, than the blood of the unpaid donor. The transaction at Interstate was not unusual. What was unusual is that the donor was Philip Caputo, a Task Force reporter and his report of the incident underscores the laxity in some of Chicagos commercial blood banks:

STOPS ASKING QUESTIONS

"The technician took down my phony name and address, then he started going down the list of illnesses. After I had replied 'no' to the first half dozen diseases, he stopped asking questions and just marked 'no' down the rest of the list. That done, he sent me into the back of the building, where a female technician tested my blood pressure, pulse, blood type, etc."

This exchange followed:

"Is that a needle mark?" the employee asked.

"Yeah, I had a blood test yesterday when I was looking for a job," Caputo replied.

CAUTIONS THE RESPONSE

"You know you're not supposed to give blood more than every eight weeks," she cautioned, apparently suspicious of the response. "A lot of people try to do that."

Caputo protested that he had not given blood recently, and the employe then told him to lie down on a coach so the blood could be drawn. As they prepared to take the blood, he was forced to make an excuse to leave in order to avoid giving blood twice in 48 hours.

A blood bank technician who worked closely with Task Force reporters said he learned on his first day at work how easily some unqualified derelicts can sell their blood.

CLIENTELE OF WINOS, ADDICTS

The Scientific Blood Donor station is located at 1573 W. Ogden Av., and almost all of its clientele are the drifters, winos, and drug addicts who live in the flophouses along West Madison Street.

"The very first day I worked there some guy came in whose iron count tested at 38. My supervisor told me to write in phony numbers. He told me to go ahead and pass him and put down a 41 [acceptable iron count for donors] on the card," the technician recalled.

He said he quickly learned falsifying records and passing unfit donors was a regular practice at Scientific. He said the practice extended from prospective blood sellers with low iron counts to those with high blood pressure.

"One guy came in. Everything else was all right with him, but his blood pressure was 196 over 152 [normal is 120 over 80], but my supervisor passed him," he said.

The technician said he suspected that the pressures of filling a daily quota forced employes to ease up on screening donors.

"But I wouldn't accept any of them," he said. "I would reject everybody, with all their drinking and wrecking themselves with malnutrition."

But even basic standards of cleanliness are sometimes laid aside, according to the technician. He said he became aware of this one day when he accidentally dropped a needle on the floor as he was attempting to correct its position in the arm of a paid donor.

TAKES NEEDLE FROM FLOOR

As blood spurted from the arm of the donor, his supervisor picked the needle up and prepared to reinsert it because the blood bag was only three-quarters full.

"That's a dirty needle," the technician said he warned the supervisor. But he said the supervisor reinserted the needle.

"What he should have done was paid the donor and scratched the blood sample since it wasn't a full pint," the technician said.

Brig. Roland W. Quinn, officer in charge of the Salvation Army's Harbor Light Center, 654 W. Madison St., accused commercial blood banks of "exploiting" men in search of liquor.

LIE TO GET MONEY

"The drive for the next drink is just so great that they will lie to get the money," said Quinn.

The Scientific Blood Bank makes it easy for donors to spend their fee on alcohol. Instead of cash or a check, donors are paid with a voucher that can be redeemed only at a nearby liquor store. The liquor store requires them to make a purchase. And if the donor makes a small purchase, he is charged a dime as a voucher cashing fee.

Robert Gallagher, president and owner of Scientific, explains the voucher system this way:

"There is a currency exchange three blocks away, but some of these guys (paid donors) would have a hard time finding it."

Scientific is one of 11 commercial blood drawing stations in Chicago. Five are located in Skid Row or low income neighborhoods. The 11 stations dominate the blood market in Chicago, supplying the city with 60 per cent of its blood needs every year.

HAVE NETWORK OF STATIONS

And two of the commercial operations—Scientific and Interstate—have a network of donor stations in slum and Skid Row neighborhoods in Washington, Cincinnati, Detroit and Milwaukee. Blood from these cities is frequently used in Chicago.

An officer of the Beverly Blood Center, Inc., 9944 S. Western Ave., admitted that his company operates a donor station in Uptown because it puts them closer to their customers.

"At present? there simply aren't enough people volunteering blood, so you have to pick an area where low income people live," said Roger Sullivan, who manages Beverly's four drawing stations. "They use the money to buy a dress or augment their salaries. We hope it's not used to buy alcohol, but you can't control that."

Dr. J. Garrott Allen, an expert in blood research and professor of surgery at Stanford University, Palo Alto, Cal., takes a different view of the commercial donor. He contends that the fees paid for blood guarantee that more bad blood will enter the medical community.

"The pay scale (generally between $5 and $15 a pint) is all that is necessary to attract addicts and Skid Row people," said Allen. "It will not attract others."

The owners of some commercial blood banks dispute the statistics of people like Dr. Allen.

Dr. Coye C. Mason, owner of the Chicago Blood Donor Service, 2050 N. Clark St. labeled Allen's figures as "a lot of hogwash."

"Anyone who lies down to give his blood is a volunteer," said Dr. Mason. "We pay the donor for the time he takes to come and give his blood."

RESULT OF BAD BLOOD

Richard Frame, a 68-year-old civil engineer, doesn't care who wins the verbal battle. He received two units of blood during neck surgery in Wesley Memorial Hospital in April, 1969, and four months later he was back in the hospital with hepatitis.

Frame said his doctor told him the disease was a result of bad blood received during surgery. Frame has suffered 15 per cent permanent liver damage.

Frame, is suing the hospital for $100,000 and the hospital in turn has sued Chicago Blood Donor Service, alleging that it was the source of the blood.

Frame describes his experience this way: "It's agony. Agony and a lot of turmoil. It was like the bottom had dropped out of everything."

Below is voucher used at a blood bank:

Scientific Blood Bank, Inc., 1873 West Ogden Ave., Chicago, Ill.

This is not a check. Non negotiable, No. 1311.

Pay to the order of John Doe five dollars ($5.00).

Redeem at locations stamped on the reverse side.

Cash only at Ogden Liquors, Inc., 1535 W. Madison. No charge for Cashing Checks.

Voucher issued to donors by Scientific Blood Bank, which can only be redeemed at nearby liquor store.

[From the Chicago Tribune, Sept. 15, 1971]

VOLUNTEERS CAN END OUR BLOOD DILEMMA

It was to be a routine medical operation, and Dr. Richard Sassetti was determined to keep the patient out of danger.

Sassetti is director of the blood bank at Rush Presbyterian St. Luke's Medical Center Hospital, 1753 W. Congress St. While he had nothing to do with the surgery scheduled for that morning, his decision could mean life or death for the patient.

Only hours before the operation was scheduled, Sassetti was confronted by an enraged surgeon who wanted to get started early and needed blood. But Sassetti was reluctant because his volunteer donor blood supply was low and an early operation meant he would have to rely on the blood from paid donors.

BLOOD IS "HIGH RISK"

Sassetti and his colleagues in the hospital blood bank business describe the blood from paid donors as "high risk" and for years they have been desperately trying to avoid using it. All too often, they claim, the paid donor is a wino or drug addict whose way of life means that his blood may well be teeming with hepatitis virus, a debilitating disease that attacks the liver and can become a killer in the operating room.

"Where's the blood," demanded the surgeon. "What's the problem. Why can't you find a donor?"

Sassetti responded to the dilemma in the only way he knew. First, he made the rounds of the hospital searching for suitable donors. When that failed, he and an intern each gave a pint. But they still needed two more pints. Sassetti still was reluctant to call a commercial blood outlet and run the risk of getting "high risk" blood.

"How about you doctor?" Sassetti finally said to the surgeon. "You're carrying it in your veins."

SURGEON WALKS AWAY

Sassetti recalls that the surgeon reacted with a shocked look, then turned on his heel and walked away. Several hours later Sassetti succeeded in getting two more volunteer pints, but he points to the incident as a classic case of what is happening more and more as the medical community shrinks from using the blood of paid donors.

"I guess he [the surgeon] didn't realize what kind of a problem we've got," Sassetti said. "Too many doctors think that blood can be obtained as easily as aspirin. They just scribble out 'transfusion' on the patient's card and think all you have to do is go to the corner drugstore and pick it off the shelf."

But concern has been growing among physicians in the last 18 months since the discovery of the first test to detect some hepatitis tainted blood. The test known as the Australian Antigen Test, is effective in showing the virus in only one out of four cases. It can show positive in one test and negative in the next when the same person is being tested.

TESTS PROVE DANGER

Many medical experts say the test proves that there is a very real danger from the quality of blood being used in transfusions. It is of such proportions that some experts consider it a matter of life and death for one out of every four patients over the age of 40 who receive transfusions.

"As the [hepatitis] situation now stands it is reminiscent of Upton Sinclair's "The Jungle," a book in which he exposed the lack of sanitary conditions in the meat industry in 1906," said Dr. J. Garrott Allen, professor of surgery at the Stanford University School of Medicine and an authority on blood. "The question is will the federal government act and when? Or must this be action brought about by a consumer revolt?"

Allen, Sassetti and a growing number of others in the medical community are convinced that the only answer is a sweeping, well organized volunteer blood donor program that would eliminate the use of paid donors. Even some of the commercial blook bank operators concede this is the only solution and quickly point out that they could play a part in the program. Somebody has to draw the blood, they say, and they are set up to do the job.

Allen explains the problem and a possible solution this way in an unpublished paper entitled "Hucksters in Blood":

"Most agree that we could reduce our incidence of transfusion hepatitis by nearly 90 per cent if we used only a volunteer system. This should eliminate the use of prisoner, Skid Row and addict populations as donors, because money is the urgent need of these people for more drugs, more alcohol and sometimes food. It [the United States] is the only country in the western hemisphere and in Western Europe in which a national volunteer blood program does not exist."

"It follows that, if 7 million units of blood will meet the nation's annual needs of our population of 200 million, only 3.5 per cent of the people need to contribute blood," Allen said. "However, there are 65 million people ineligible to donate blood because they are either too old or too young. Possibly another 35 million, for major or minor reasons, may not be eligible. With these crude and rather generous estimates, the nation's needs could still be met if 7 per cent of the eligible population contributed blood annually . . . If each of the 100 million eligible blood donors contributed three units [pints] of blood during his lifetime, the problem would be solved."

In Chicago at this time, 60 per cent of the 250,000 pints of blood used each year are supplied by paid donors who received from $5 to $15 a pint. Michael Reese and Mt. Sinai have acted in recent months to cut off paid blood, however. They believe they have reduced the hepatitis risk to their patients.

Dr. Richard Aster, executive director of the Milwaukee Blood Center, said Wisconsin embarked on a successful volunteer blood program several years ago. He attributes the success to the use of a centrally located blood center with satellite mobile units. This has eliminated the competition for blood among several agencies.

PUBLIC RELATIONS PROGRAM

This means that only one public relations program is needed and it can be more effective, Aster said. A problem faced by any donor recruiting program, is that blood spoils after 21 days, so all programs must be constantly publicized and cannot be successful with only one or two well-publicized campaigns a year, Aster said.

Several other large metropolitan areas, including New York City, have established similar central donor services. New York operates an entirely volunteer program which supplies 300,000 pints of blood a year to 17 counties.

Dr. Morris Schaefer, assistant commissioner of the city's Public Health Department characterizes the center as "the best system we have at the present time, but it is not good enough. We still have a large demand for commercial blood and it must be lessened."

Except for a 20-hospital computer system set up at Michael Reese Hospital with help from the American Red Cross, there is no such central service in Chicago.

SET UP OFFICES

Last month the Metropolitan Chicago Blood Council organized a staff and set up offices on Michigan Avenue to begin a program to help meet the need for volunteer blood.

According to Dan Helsdingen, executive director of the council, the council's objectives are to assist in recruiting donors, provide a computer inventory of all available blood and volunteer donors in the metropolitan area, and to carry on a public education program.

Experts in the blood field, including the most severe critics of paid donors, acknowledge that an immediate prohibition of paid donors would leave most hospitals without blood. But gradual change-over to all-volunteer blood can be accomplished, they say, pointing to successes in individual hospitals and several large communities. Even then, paid donors may be used, if their blood is used for research purposes, not transfusions.

Meanwhile, Dr. Aaron Josephson, director of the Michael Reese Research Foundation Blood Bank, said that a central registry is needed in the Chicago area to catalog the names of all donors who at one time tested positive for the hepatitis associated antigen. Josephson said that the Red Cross operates such a computerized reference nationally which is available to any blood bank but is rarely used in Chicago.

MAKE CITY RESPONSIBLE

Robert Gallagher, president of the Scientific Blood Bank, 1434 W. 79th St., suggested that the state or the city be responsible for registering and testing all donor applicants and that they issue identification cards certifying that they meet all qualifications to sell their blood.

In another development, an attorney for Dr. Coye C. Mason, president of Chicago Blood Donor Service, Inc., 2050 N. Clark St., a commercial blood bank, objected to a reference in yesterday's Task Force article about paid blood donors which described Mason as an owner of the operation. The attorney said Mason was an owner at one time, but the blood bank has since become a not-for-profit corporation and is controlled by a board of directors.

PROTECTING AMERICAN JOBS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SEIBERLING. Mr. Speaker, the year 1971 will go down in history as the year in which America became acutely aware of its changed position in the world economy. For the first time in many decades, American workers in many industries found themselves face to face with significant competition, or the threat of significant competition, from products imported into the United States from abroad.

Everyone is now aware of the problem, but the solutions are not at all clear. It is my hope that the Ways and Means Committee will hold hearings on this subject at an early date, and I have written its chairman, the Honorable WILBUR MILLS, urging such hearings.

In the meantime, I believe it will contribute to a better understanding of the problem and the implications of some of the proposed remedies if appropriate material can be made available for study by the many Members of Congress who are concerned about it. Because the tire industry typifies the problems facing many industries, I am taking the liberty of inserting into the CONGRESSIONAL RECORD important statements relating to the problems of international trade as they relate to the tire industry.

Today I am offering the remarks of Mr. Raymond C. Firestone, chairman of the board of the Firestone Tire & Rubber Co., contained in a speech he delivered to the National Foreign Trade Council meeting in New York City on November 15, 1971. The company which Mr. Firestone heads is not only one of the two largest corporations in the tire industry but is also one of the largest and most successful "multi-national corporations" in the United States. Mr. Firestone points out that the key to the survival of American industry is productivity. His recommendations concerning the renewal of productivity in American industry and its relationship to full employment deserve most serious consideration.

Mr. Firestone's statement follows:

A ROAD TO ECONOMIC SURVIVAL

(Remarks of Raymond C. Firestone)

To be invited to appear before the National Foreign Trade Council is a deep honor. It also is quite a challenge because of the many changes which have taken place since President Nixon stood before the television cameras on August 15.

Today's international marketplace has become so complex that a multitude of theories abound. Ask any five people in this room how to solve the trade imbalance, for example, and you'll likely get three to five different answers. Bring in your counterparts from other nations and you'll end up with even more diverse answers.

It seems as though almost anyone you meet these days is ready to expound on free trade, on protectionism, quotas, retaliation, multi-nationals, export credits, GATT injustices and on and on.

Basically I am an advocate of free trade and would be delighted if the day would come when all kinds of goods could flow freely from nation to nation, with each country exporting the products it can make best. However, I don't hold out too much chance to see that happen in my lifetime.

While advocating free trade, I found myself applauding the President's action of imposing a 10 per cent surcharge on imports for two reasons:

1. It is to be a temporary move.

2. It became time for us to let the other trading nations know we had reached the point where we had to take action to under-

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score our realization that we could no longer economically live with existing inequities.

It's my opinion that we've been too easy with too many for too long. If our easing of restrictions had been matched by others then we would be far better off and I would have opposed even this temporary surcharge.

I believe that over the long haul this action will be viewed with favor even by those it has affected. It will show them that this country, like the others, *needs* proper two-way trade.

I hope, though, that the results of this action will not cause a groundswell of feeling that we should resort to a position of advocating continuing tariffs or import quotas or other artificial barriers to block imports. That would be like applying band-aids when the patient needs complete medical treatment.

To impose barriers would result in an increase in domestic complacency, and we already have seen what complacency can do. Barriers do not make for better products, nor do they keep prices down. Actually they can result in the opposite. Barriers tend to create a vacuum which takes away the incentive to become more competitive.

This brings us to what, in my opinion, is the root of the problem we have been facing with the flood of imports—the need for greater productivity.

Productivity is the key to any nation's growth and continuing vitality, and it's a factor which, in the United States, has not been keeping pace with the rest of the world.

A Labor Department study shows that the United States had the smallest gain in output per manhour of any large industrialized nation in the decade of the 1960's.

Our growth rate in that span of time amounted to less than 35 per cent, compared with the gain by Japan of more than 188 per cent. It is true that Japan, like some others, had a lower base, but other highly industrialized economies also rose well ahead of our rate. Germany, for example, went up 87 per cent, Sweden 100 per cent and France nearly 75 per cent.

I realize that figures are difficult to remember so I don't intend to inundate you with them, but I would like to cite just a few more to point out the seriousness of the trend. The Bureau of Labor Statistics, using 1961 as the base year, shows that the rates of compensation and of productivity in the United States rose on a parallel track until 1964. Then the two rates began to separate to the point where last year the productivity increase reached 25 on the scale, while the compensation rate reached 50. In other words, in 1970 the compensation rate was double the productivity rate.

This disparity cannot be allowed to continue or we will price ourselves right out of the market—both the international market *and* the domestic market. In fact, company closings are becoming all too common already. The number of jobs lost has become a boxcar figure.

Also significantly, in 1970 the profit margins of manufacturing corporations declined to 4 per cent of sales, the lowest level in 20 years and a percentage which should be considered alarming to all concerned with the total economic future.

Unless we start, and start right now, to uncover ways to improve our productivity, this nation is faced with a continual increase in the number of business fatalities with a startling rise in job losses.

Should the solutions not be found, I fear that this nation faces a period of economic chaos. I hope and trust we can recognize the problems and move toward solving them before we reach that point.

The Road to Survival will take a lot of soul-searching on the part of labor, management, the government and the consumer. Self-serving splits between these groups must be replaced by an attitude of mutually beneficial cooperation.

The days of having the luxury of people knocking down our doors to buy our goods are at an end and we now must act with that understanding, while at the same time making United States products as attractive in price and quality as those flooding us as imports. If we cannot do this we will not be able to compete in our own country, let alone in other countries.

So we must ask ourselves:

What good would it be to have a contract for the highest wages in the world if there is no job to earn them?

What good would it be to have modern and massive factories if they are forced to cease operations?

To continue to enjoy the standard of living we have come to expect as our natural and national heritage, we must look realistically at where we are and where we might be going and I think that we then will come to the conclusion that we must undergo a period of belt-tightening, or at least of not letting the belt move out another notch.

Productivity is a combination of men, machines and methods. Until the past few years it seems we were able to offset continually rising wage and salary costs through the installation of more productive equipment and methods.

Industry will continue to make breakthroughs, but so will our foreign competitors. We must remember that our overseas counterparts no longer are operating with foot-power lathes and hand-crank blowers. Those who have visited facilities in other countries know that their production equipment in many cases is as good as ours. In other cases it is even better because, in addition to other reasons, entire industries were built from the ground up after World War II and they have kept abreast of the latest machine tool developments.

So it becomes a difficult arithmetical problem to ponder how the same product can be turned out on the same type of machine for the same price when one worker is receiving the equivalent of $6.00 or more an hour and the other the equivalent of $1.50 an hour, and also, when the latter worker is producing more per day than the former.

Yet those are the conditions under which we are expected to compete with the products of other nations, not only for the export markets but in our own domestic markets.

Our work force today, even in this period of recession, enjoys the best life of any worker in the history of the world . . . and well he should. Take any criterion—home ownership, savings, car ownerships, vacations, hobbies, education for his children—and it is easy to see why the United States employee is envied by his counterparts around the world.

For these are the same things they want, and are working hard to achieve. They have the desire, the goal, which seems to be waning in this country.

We have set ourselves up as the envy of the world and now we have started to see that those who want to attain what we have can compete on even ground—in fact, on more than equal terms because of our high costs.

I am not necessarily advocating forced pay cuts, though it may be necessary to look at some adjustments.

I am however, strongly advocating that pay increases be linked to productivity and should not be allowed to exceed gains in output, as they have been doing. I also am advocating that all of us—and I mean all of us, not just those in the labor force—earn what we are receiving because if we don't earn it we're going to lose it at an ever-increasing clip.

Somehow we must make this realization carry some real meaning. To do this we must change the type of thinking that says it just can't happen to me; it always will happen to someone else.

At my own company this came up not too long ago. Over a period of several years we kept pointing out at one of our non-tire plants that our costs were going out of line mostly because of labor costs far higher than at comparable plants elsewhere, as well as those of other industrial concerns in the same city. We said time and time again that we would have to face the closing of the plant unless we could achieve greater output per man or lower contract demands. We achieved neither.

Now sadly, the plant is closed, and other jobs in that labor-surplus market are virtually non-existent.

I know that many of you in this room have had similar experiences, and I'm sure that it also took you through quite an emotional trauma.

It is not pleasant to know that people will not face the economic facts of life. Yet if they do not face these facts I shudder to contemplate the consequences.

Ralph Waldo Emerson once wrote, and I quote: "This time, like all other times, is a very good one, if we but know what to do with it." Unquote.

How I hope and pray that we learn what to do with it before it is too late.

It is human nature to want as much as can possibly be obtained, and yet there must come a realization on the part of all of us that there is a point beyond which economic disaster is the only landing point.

We could resort to pointing fingers of blame, but instead we should take a positive approach. There is far too little understanding of how the free enterprise system works, and it's time we did something about it. And this will take the concentrated efforts of all segments of our society—business, labor, government, the news media and our educational institutions—all of whom have a great stake in the future of our country as a world economic power.

All of us must make a concerted effort to inform and convince all employees and all others how jobs are created and how they are maintained.

We must convince them that profits are a must in order to make available new capital needed to retain existing jobs and create additional jobs.

For example, in the tire industry to build and equip a new plant takes an investment of between $45,000 and $50,000 per employee.

We must make employees realize that their paychecks bear the imprint of the company and no other source. We must convince them that no company has a never-ending pot of gold, and we must convince them that there is no way to negotiate competitiveness.

As part of this clarification process we should not let the term "multi-national company" become a whipping boy. Multinationals are being subjected to criticism today because some feel that by building plants in other countries we are taking away United States jobs. The critics would make us believe that this is a new movement, but that's hardly the case. Firestone, for example, started its first foreign plant more than 50 years ago, with 20 others being added before 1960, which was long before the criticism of multinational companies was started.

We also must point out that historically a foreign operation has generally been considered only when there has been a market in that country for the products. And if the market is there some company from some country is going to become involved, and it's my opinion that it's in the best interest of our nation to have that company be one from the United States.

In the case of the tire industry there is no evidence that building plants abroad has taken away United States jobs. Facts show that tire companies actually export far more than they import.

This is especially true at Firestone. In the first seven months of this year we exported

262,000 passenger tires and brought in only 16,000, a ratio of 16 to one!

I believe that the majority of employees, if given these types of facts in straight-forward fashion, will have a better understanding of these things, and I think they'll adjust their thinking.

As a partial basis for this view, I refer to the Gallup Poll taken after President Nixon instituted the wage-price freeze. It showed that 65 per cent of those in union-member families held a favorable opinion of the program, not far behind the proportion of adults in non-union households, where 75 per cent expressed support.

As one assembly-line worker told the pollster: "It sounds like a good thing for the country. I may lose a raise because of the freeze, but if Nixon can keep prices down I won't mind so much."

Similar views were expressed across the land.

Employees can appreciate the facts, if the facts are made available to them, and that's a condition that all members of management should be made to realize.

I still believe that the average man will take pride in his work, if given the chance and the inspiration through information and leadership.

While calling on management to do a better job of leading and communicating with the workers, I also call on the labor leaders to face the facts of economic life and to encourage the rank and file to do a better, more prideful job.

It's no longer a matter of wishes; it's a matter of meeting the challenge of economic survival in this highly competitive world.

We're already beginning to see a sign or two that we are meeting this challenge. For example, after the United Steel Workers settlement was reached the union said it would try to help industry's low productivity rate and said it would not block technological change. One top steel worker official said: quote "We are going to try to convince the workers that their futures depend on steel becoming more competitive." Unquote. An isolated statement, but a very important and revealing one.

In his Labor Day address President Nixon said he believes "the work ethic of this people is alive and well." It is my opinion that at this time he was a bit optimistic in making that statement, but I think we can again reach that point.

A renewal of the competitive attitude can accomplish this, and I believe it's far from being an impossible task.

I believe that given the facts, and the alternatives, that people will respond in the proper way.

If they understand their role in the quest for competitive productivity—that our future depends on it—I believe we will see a reawakening of the enterprising spirit which has served this nation so well in the past.

I believe there's precious little time to waste.

LEGISLATION TO REGULATE THE TRANSPORTATION OR SALE OF SALMONELLA - INFECTED BABY TURTLES AND OTHER DISEASE-CARRYING CREATURES SOLD AS HOUSEHOLD PETS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mrs. SULLIVAN. Mr. Speaker, the unrestricted sale in interstate commerce of domestically raised live creatures intended as household pets poses a serious public health problem which existing Federal law does not meet. Salmonella is so widespread among baby turtles that the Department of Health, Education, and Welfare informs me it is apparently impossible so far to breed disease-free specimens. An alarming percentage of salmonella infections among children has been traced to these baby turtles.

Other species of animals, birds, amphibians, reptiles, and so on, also carry diseases injurious to human beings, and although there is legal authority to ban the importation of infected wild creatures, those which are produced in the United States can apparently be sold in interstate commerce without hindrance.

As we approach the Christmas season, we can look for stepped up promotion of live creatures as gifts to children, with the likelihood of further spread of serious diseases. At Eastertime, too, this is always a source of public concern.

I have therefore today introduced a bill, H.R. 11953, to provide authority to the Secretary of Health, Education, and Welfare to issue regulations restricting or prohibiting the transportation or sale or other distribution in interstate commerce of live creatures intended as household pets if they are infected in significant degree with diseases injurious to human beings.

The legislation would not apply to animals or other creatures sold or transported in interstate commerce for medical, industrial, educational, or research purposes, or for zoos, and so forth. And of course, it would not apply to those intended for food, which are already covered by other laws.

PROMPTED BY RESEARCH BY MRS. DEWEY ANDERSON

The legislation I am introducing today is an outgrowth of facts called to my attention by Mary L. (Mrs. Dewey) Anderson, now of St. Louis, who for 9 years had done humane education work in Roanoke, Va., concerning the care of baby turtles, both independently and through the humane society in Roanoke. She reported to me that the Public Health Service had spent many years in an attempt to breed salmonella-free turtles and apparently was unsuccessful. The Department of Health, Education, and Welfare subsequently confirmed this information to me.

Mr. Speaker, as background for this legislation, I include at this point the first letter to me from Mrs. Anderson on this subject early this year, my reply, inquiries I directed to the Secretary of Agriculture, the chief of the Public Health Service, and to the Commissioner of Food and Drugs, the subsequent answers, and then further correspondence with Mrs. Anderson, as follows:

ST. LOUIS, MO., *January 1, 1971.*

Hon. LEONOR SULLIVAN,
Rayburn Building,
Washington, D.C.

DEAR MRS. SULLIVAN: In November an agent of the St. Louis office of the Federal Food and Drug Administration suggested that I see you. I planned to do this during the holidays but was informed by your office here that you would have to return to Washington too quickly to permit appointments. Therefore I shall try to set forth the whole matter in this letter.

I am greatly concerned over the fact that baby water turtles sold as pets are still carrying salmonella bacteria despite the fact that nearly five years have been spent by breeders and U.S. Public Health scientists in an attempt to breed salmonella-free turtles.

In 1965 medical doctors made it known to the public that pet turtles could carry disease to children and adults. When more than a year passed and pet turtles were still being sold, I went to Washington to find out what was being done about the situation, and to try to get a ban put on their sale. I talked with officials in USDA and HEW and also contacted Communicable Disease Control in Atlanta, Georgia by letter. I found that U.S. Public Health Department scientists were working with the turtle breeders to find a way to clean up their contaminated pools, tanks, etc. and to breed turtles free from the bacteria. That they have been unsuccessful in this attempt, can be seen from the enclosed copy of a recent newspaper clipping from Milwaukee, Wisconsin. Little children are still being made ill by the bacteria carried by turtles.

New Zealand does not allow the importation of turtles into that country since they received a diseased shipment from the United States in 1965. I am enclosing a copy of a letter stating this fact

For nine years I have done humane education work concerning the care of baby water turtles, working both independently and through the humane society in Roanoke, Virginia where I lived until moving to St. Louis a year ago. Experience has taught me that the infant mortality rate of these hatchling turtles is nearly 100%, due to improper care in stores and homes, and to various diseases (besides this salmonellosis—turtles themselves are not affected by this disease). They often have pseudomonas bacteria infection and fungus infection, also malignant and non-malignant tumors. Children put their hands into the turtle's water which is usually kept filthy, and then put their hands into their own mouths, thereby really "eating" the turtle's excrement together with any germs it might contain.

On November 17, 1970 I turned over to the St. Louis office of the Federal Food and Drug Administration this same information which I am giving you. I asked that they do something to stop the sale of these turtles. I mentioned to them that if they could be classified as something "eaten," they could fall under FDA jurisdiction and be removed from the market; also I suggested that something might be done through the 1969 child protective legislation, the Safe Toy Act, since in many cases they are bought more as toys for little children than as real, living creatures. The gentleman with whom I talked said that he would pass the information to Washington and suggested that I talk with you. Two weeks after this, I wrote to the Consumers Union, giving them the same information I am giving you. They acknowledged receipt of my letter and said it had been forwarded to the appropriate members of the staff.

I believe that all turtle sales, for pets, should be stopped nationally. Except for profit for the breeders and merchants, the turtle trade produces nothing but misery and loss. To the turtles themselves it brings suffering, starvation, disease and death; and to the consumer and his family it brings illness, loss and disappointment—in almost every case he loses the turtle through death before it has grown at all. In fact, so rare it is that one lives and grows to maturity that most persons think that these are miniature turtles, incapable of growth. Humane education just does not work well in the case of cold-blooded creatures unless a person spends an infinite amount of time and patience caring for them as I have for nine years. By means of a nourishing diet and meticulous care, I have successfully raised some from hatchlings to adults. Some turtle care booklets state that turtle care is easy

Nothing could be more misleading. Easy care means death.

It is my hope that you can do something to put an end to this danger to the health of children. Entirely too much time has passed while the turtle breeders have tried to get rid of the bacteria, which despite all their efforts, still shows up in turtles being sold in stores at the present time.

Yours sincerely,

MARY L. ANDERSON.

[From the Milwaukee Journal, Oct. 13, 1970]

TURTLE SALE BAN URGED

The city health commissioner Tuesday asked the Common Council to ban the sale of baby turtles within the city because of the possibility of spreading disease among children.

The recommendation by Dr. E. R. Krumbiegel was included in a proposal to revise the ordinance governing the sale and keeping of animals. The proposal was presented to the Council's Health-Traffic Committee.

The proposal also specifically prohibits the keeping of goats as pets within the city.

Last spring when the Health Department tried to banish Stoney, a pet goat owned by the John P. Fulton family, 3845 N. 44th St., Ald. Mark W. Ryan and several other aldermen objected.

Krumbiegel told the committee Tuesday that his department has found that many turtle aquariums in stores contained germs that could infect children.

He said the diseases ranged from some as serious as typhoid fever down to milder strains.

"We're constantly getting children who pick up infections from these turtles," he said. "This is a national problem and Milwaukee will not be the first community to prohibit the selling of turtles."

The committee delayed action for three weeks after Ald. Harold Jankowski said that citizens should be given the opportunity to speak before the revised ordinance, which contains many sections affecting them, was passed.

In addition to the ban on the sale of turtles and the keeping of goats, the ordinance proposal provides $10 to $200 fines for:

Keeping as pets bees, sheep, swine, chickens, ducks, turkeys, geese or cows.

Selling skunks, raccoons, foxes or bats, because of the possibility of spreading rabies.

Selling dyed baby chicks as pets.

Keeping a kennel of two or more dogs as a business for boarding, breeding, sale or sporting purposes without purchasing a $10 license.

Operating a pet shop or animal grooming establishment without a $10 license.

Keeping rabbits or guinea pigs within multiple unit dwellings.

Keeping a vicious animal or one which creates a habitual nuisance.

NEW ZEALAND
DEPARTMENT OF AGRICULTURE,
March 19, 1968.

Mrs. MARY L. ANDERSON,
Roanoke, Va.
U.S.A.

DEAR MRS. ANDERSON: In reply to your letter of 18 March it is quite true that a ban has been placed on the importation of turtles and tortoises into New Zealand.

This prohibition was imposed following the discovery in 1965 of a number of sero typea of Salmonella Bacteria in tortoises imported from the U.S.A., not previously isolated in New Zealand.

The ban was imposed in the interests of both human and animal health.

Yours faithfully,

_____, _____,
Director, Animal Health Division.

CONGRESS OF THE
UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., January 12, 1971.

Mrs DEWEY ANDERSON,
St. Louis, Mo.

DEAR MRS. ANDERSON: My hunch is that the Food and Drug Administration would not have jurisdiction over the sale of baby turtles as pets but would only be interested in this item when the turtles are intended to be sold for human or animal food. But I do believe the Department of Agriculture would have jurisdiction and would be interested in this problem. I will contact that agency and also the Public Health Service to see what can be done to protect children from salmonella or other diseases carried by these pets. FDA has responsibilities for administering the hazardous toys provisions of the Child Safety Act, but I suspect pets would not be considered toys. Agriculture, on the other hand, has extensive responsibility in connection with the sale of pets.

I am delighted that you brought this matter to my attention and I will look into it. Throughout my career in Congress, informed suggestions and specific details from constituents have provided me with the leads on most of the consumer issues I have been successful in pursuing—both legislatively and through administrative action. I will keep you informed of any developments.

Sincerely yours,

LEONOR K. SULLIVAN,
Member of Congress, 3d District, Missouri.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., January 12, 1971.

Hon. CLIFFORD M. HARDIN,
Secretary, Department of Agriculture, Washington, D.C.

DEAR MR. SECRETARY: Some years ago, when she lived in Roanoke, Virginia, Mrs. Dewey Anderson, now a resident of St. Louis took up with your department and also with the communicable disease officials of the U.S. Public Health Service the danger to children from salmonella-carrying baby water turtles sold as pets. She was advised by the U.S. Public Health Service that their scientists were working with the turtle breeders to find a way to clean up their contaminated pools, tanks, etc. and to breed turtles free from the bacteria. Apparently they have not succeeded. The Department of Agriculture of New Zealand informed Mrs. Anderson in 1968 that it has prohibited the importation of turtles and tortoises into New Zealand following the discovery of the bacteria in tortoises imported from the United States. Mrs. Anderson further advises me that the City Health Commissioner of Milwaukee has proposed banning the sale of baby turtles in that city.

I suppose there is a tangle of jurisdictions here between the Department of Agriculture, the Public Health Service, and perhaps Food and Drug. Therefore, I am asking that your department contact any other agencies which may have companion jurisdiction over this problem and report back to me on the scope of the problem and what can be done about it. I am sending copies of this correspondence including Mrs. Anderson's letter to me and my reply, to the Commissioner of Food and Drugs, and also to the Surgeon General. Conceivably the Fish and Wildlife Service of the Department of Interior might also have responsibilities here.

I am impressed by the amount of research Mrs. Anderson has done on this subject. She makes an extremely persuasive case for Federal action by *someone*, and I believe the agency most directly concerned would be in your department, particularly under the new legislation dealing with the sale of pets.

Sincerely yours,

LEONOR K. SULLIVAN,
Member of Congress, Third District, Missouri.

WASHINGTON, D.C., *January 12, 1971.*

Dr. CHARLES C. EDWARDS,
Commissioner, Food and Drug Administration, Arlington, Va.

DEAR DR. EDWARDS: I am enclosing copies of a set of material on the problem of disease-carrying baby water turtles sold as pets which I have just sent to the Secretary of Agriculture. It is my belief that his department would have primary jurisdiction, but your agency may also have responsibilities in this field and I have asked the Secretary of Agriculture to contact your agency in any inquiry he makes into this issue. Thus I want you to have the background documentation.

Sincerely yours,

LEONOR K. SULLIVAN,
Member of Congress, 3rd District, Missouri.

WASHINGTON, D.C., *January 12, 1971.*

JESSE L. STEINFELD,
Surgeon General, U.S. Public Health Service, Department of Health, Education, and Welfare, Washington, D.C.

DEAR DR. STEINFELD: I am enclosing copies of a set of material on the problem of disease-carrying baby water turtles sold as pets which I have just sent to the Secretary of Agriculture. It is my belief that his department would have primary jurisdiction, but your agency may also have responsibilities in this field and I have asked the Secretary of Agriculture to contact your agency in any inquiry he makes into this issue. Thus I want you to have the background documentation.

Sincerely yours,

LEONOR K. SULLIVAN,
Member of Congress, 3d District, Missouri.

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL RESEARCH SERVICE,
Washington, D.C., January 25, 1971.

Hon. LEONOR K. SULLIVAN,
House of Representatives,
Washington, D.C.

DEAR MRS. SULLIVAN: This is in reply to your letter of January 12 in behalf of Mrs. Dewey Anderson, St. Louis, Missouri, concerning the danger to children of Salmonella-carrying baby turtles sold as pets.

This Department has no jurisdiction over pet turtles. The Animal Welfare Act of 1970, PL 91-579, gives this Department, effective December 24, 1970, responsibility for humane handling and care of warmblooded animals. Pet turtles are coldblooded and, as such, do not come within the scope of this Act. Therefore the Department has no control over this species.

As you requested, we are forwarding a copy of this letter and your correspondence to the Center for Disease Control, U.S. Public Health Service; Bureau of Veterinary Medicine, Food and Drug Administration; Bureau of Commercial Fisheries, U.S. Department of the Interior; and the National Oceanic and Atmospheric Administration, U.S. Department of Commerce.

We are requesting these agencies to reply to you direct.

Sincerely,

E. E. SAULMON,
Deputy Administrator.

WASHINGTON, D.C., *Janua y 26, 1971.*

Mrs. DEWEY ANDERSON,
St. Louis, Mo.

DEAR MRS. ANDERSON: I have just received the enclosed reply from the Department of Agriculture regarding the sale of disease-carrying baby water turtles. Apparently the Department of Agriculture does not have jurisdiction over this matter as I had previously thought.

At this time we will have to wait until I hear from the other Government agencies. I will keep you informed of any replies that I receive.

Sincerely yours,

LEONOR K. SULLIVAN,
Member of Congress, 3d District, Missouri.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Atlanta Ga., January 28, 1971.

Hon. LEONOR K. SULLIVAN,
House of Representatives,
Washington, D.C.

DEAR MRS. SULLIVAN: We have received your letter of January 12, 1971, regarding the problem of salmonellosis associated with turtles. This matter has been referred to members of my staff who are working on the problem and a more detailed response will be sent to you within the next week.

Sincerely yours,

DAVID J. SENCER, M.D.,
Assistant Surgeon General, Director.

ST. LOUIS, MO., *February 2, 1971.*

Hon. LEONOR K. SULLIVAN,
Rayburn Building,
Washington, D.C.

DEAR MRS. SULLIVAN: I just wish to thank you for all you are doing in the matter concerning the sale of disease-carrying water turtles. The thorough and efficient manner in which you are handling this problem, as evidenced by the copies of your letters to various Government agencies, is indeed gratifying and has given me hope after many discouraging years spent in trying to do something about the entire pet turtle situation. I am confident that if there is any possible way to stop the sale of these turtles, you will find it.

I plan to be in Roanoke, Virginia from Februray 6 thru February 15. If for any reason you need to contact me during this time, I can be reached at 2236 Denniston Ave., Roanoke, Va., telephone (703) 343-0858. At this address, please ask for me as Mary Anderson to avoid confusion with my son's wife.

Sincerely yours,

MARY L. ANDERSON.

ATLANTA, GA., *February 3, 1971.*

Hon. LEONOR K. SULLIVAN,
House of Representatives,
Washington, D.C.

DEAR MAS. SULLIVAN: The following information is submitted to clarify questions raised by your letter of January 12, 1971, to Surgeon General Steinfeld, and Mr. E. E. Saulmon's letter of January 25 to you relative to the question of disease-carrying baby turtles.

Pet turtles have been recognized as a cause of salmonellosis since 1963. We have just concluded a survey in the State of Connecticut which indicates the possible seriousness and magnitude of the problem. The survey indicated that about a quarter of all salmonella infections in Connecticut may be due to infection acquired from infected pet turtles.

Data is now being collected from other States which will define the magnitude of the problem nationally. It is expected that these studies will be completed in the very near future. If these studies bear out the seriousness, appropriate measures of control will be sought.

Sincerely yours,

DAVID J. SENCER, M.D.,
Assistant Surgeon General, Director.

WASHINGTON, D.C., *February 8, 1971.*

Mrs. MARY L. ANDERSON,
Roanoke, Va.

DEAR MRS. ANDERSON: Thank you very much for your gracious comments on my efforts to pursue the water turtle issue you called to my attention. I am enclosing a copy of a letter I just received from the Center for Disease Control of the Public Health Service at Atlanta which confirms the seriousness of this problem.

The ultimate solution may rest in an amendment to the Animal Welfare Act of 1970, which, as the Department of Agriculture pointed out, applies only to warmblooded pets. From your knowledge of this issue, do you know of any other coldblooded species in which any similar situation might exist and which are sold widely as pets?

Sincerely yours,

LEONOR K. SULLIVAN,
Member of Congress, 3d District, Missouri.

ROCKVILLE, MD., *February 11, 1971.*

Hon. LEONOR K. SULLIVAN,
House of Representatives,
Washington, D.C.

DEAR MRS. SULLIVAN: Dr. Edwards appreciated your letter of January 12, 1971, and enclosures, giving background on the problem of pet turtles carrying Salmonella. We have also received a copy of Dr. E. E. Saulmon's letter of January 25 to you concerning the limitations in the Animal Welfare Act of 1970.

The Food and Drug Administration has concern over the public health hazards posed by live turtles and other reptiles, and by baby chicks and ducklings which are intended as pets for children. The numerous outbreaks of salmonellosis caused by pet turtles reported by the Public Health Service, Center for Disease Control, as well as other public health journals, amply document the existing health hazards.

The problem of Salmonella infection in live turtles is further complicated by the likelihood of transovarian passage of salmonellae to the egg, and consequently to the embryo and the hatched turtle. There are no known procedures for decontamination of the infected reptile, hence, it would appear that banning the sale or distribution of turtles, and other pet reptiles, may be the only adequate solution. We understand that some states, particularly Washington, have regulations governing the sale and distribution of pet turtles.

As you have recognized, there are jurisdictional and legal complexities involved in establishing effective control over the interstate traffic in these live pets. This matter has been and is now under active consideration by FDA. The legal problems are under study and review by the General Counsel of the Department.

Thank you for your interest in making this information available to us.

Sincerely yours,

M. J. RYAN,
Director, Office of Legislative Services.

ST. LOUIS, MO., *February 16, 1971.*

Hon. LEONOR K. SULLIVAN,
Rayburn Building,
Washington, D.C.

DEAR MRS. SULLIVAN: I was very pleased with the reply which you received from the Center for Disease Control at Atlanta. I did not know that they were in the process of collecting data pertaining to the carrying of salmonella bacteria by pet turtles. If the survey leads to action, other than quarantine, on the part of the Public Health Service, it may prove to be the best solution to our problem, provided that the action is adequate, permanent and taken without delay. Several years ago, I was told by the Center for Disease Control, that they would consider putting a quarantine in effect if the situation worsened. This would necessitate holding of turtles a month or more, and unless enlightened care was provided during this time, the turtles would be so weakened that they would be more susceptible to other infections, such as pseudomonas and fungus, after quarantine; also quarantine would not serve to save the millions of baby turtles which die each year because of the difficulties of raising them in the average home.

More than two years ago, when I first heard that legislation concerning the welfare of pets for sale was being considered, I tried through the national humane associations, to have cold-blooded animals included. However, their opinion was that it would be impossible to do that at this time; and, they, being thankful for the prospect of having some measure of relief for warm-blooded animals, were afraid to jeopardize it by insisting on the inclusion of the cold-blooded creatures.

I am not familiar with the exact provisions of the Animal Welfare Act of 1970, however, from what I have been told, I understand that it has to do principally with the conditions under which pets for sale are transported and held. Even if the cold-blooded were included, is there anything in the law which could be used to actualy prohibit the sale of certain species even for the protection of the public or the welfare of the animals concerned? I should like very much to have a copy of this act as I feel completely in the dark concerning its provisions.

In answer to your question concerning cold-blooded species, other than turtles, I have not had first hand experience with them; however, I have it on good authority that the same high mortality rate and suffering experienced by pet turtles is applicable to all cold-blooded creatures. The care and proper environment is rarely provided in the average home. Sales of reptiles and amphibians are definitely on the increase, but of course, the millions of turtle sales far surpass all the others.

Since receiving your letter, I have consulted a herpetologist concerning the possibility of other cold-blooded species carrying disease to humans as is the case with turtles. He did not know of anything which has been definitely proven at this time. However, he said that there is a suspicion that cold-blooded animals can carry encephalitis. I have been trying to contact a certain veterinarian in whom I have confidence. If, upon contacting him, I find any additional information on the subject of disease carrying, I will let you know.

Our departure from Roanoke has been delayed due to the fact that my husband became ill after arriving in Roanoke. We plan to start back to St. Louis tomorrow.

Sincerely yours,

MARY L. ANDERSON.

WASHINGTON, D.C., *February 22, 1971.*

Mrs. DEWEY ANDERSON,
St. Louis, Mo.

DEAR MRS. ANDERSON: The enclosed copy of a letter from the Food and Drug Administration isn't too clear on just where that agency's jurisdiction actually lies in dealing with the problem of infected water turtles sold as pets, but it does express the FDA's "concern" over the danger and states that the jurisdictional and legal complexities of solving the problem are now under study within the Department of Health, Education and Welfare. Some of the information in the FDA letter may be of particular interest to you for it indicates that it is not only a question of infection spreading from

one turtle to another within the tanks but from female to egg. Were you aware of that?

I am also enclosing a copy of Public Law 91-579, the Animal Welfare Act of 1970. As I read that again, I see that the whole thrust of the legislation is to assure humane treatment of the animals involved rather than to protect against public health hazards. So I am inclined now to believe a separate piece of legislation, unrelated to the act, and directed entirely to the prevention of the spread of disease among children and adults in the purchase of pets which carry contagious diseases might be the proper approach. After you have a chance to read Public Law 91-579, will you give me your views on the approach of a public health bill rather than a bill dealing with humane treatment of pets. Whichever approach you prefer, I will be glad to have such a measure prepared and introduced.

In that case, I would like your permission to incorporate, in any material I place in the Congressional Record explaining the need for the legislation, the various letters you have sent me and the clippings you enclosed, as well as my replies and my exchanges of correspondence with the agencies which included references to you. In view of your extensive research and hard work on this issue, I imagine you would have no objection to your identity being revealed as the person who stimulated such a piece of legislation, but I would certainly not use your name without your express permission.

Sincerely yours,

LEONOR K. SULLIVAN,
Member of Congress, 3d District, Missouri.

ST. LOUIS, MO., *February 27, 1971.*

HON. LEONOR K. SULLIVAN,
Rayburn Building,
Washington, D.C.

DEAR MRS. SULLIVAN: Thank you for the copy of the Animal Welfare Act of 1970. I agree with you that a separate piece of legislation, unrelated to this act, is necessary in dealing with the problem of salmonellae-carrying pet turtles.

Since receiving your letter asking for my views on the approach of a public health bill, I have tried to consider the matter from every angle and to arrive at the most adequate, fair and least complicated approach in view of the many factors involved. My thoughts concerning the subject run as follows:

Many animals sold as pets (including cats, dogs, parakeets) can, and sometimes do, carry salmonella bacteria and other disease germs to humans. It would be impossible, as well as undesirable, to pass legislation outlawing the sale of all possible carriers of disease, or demanding certification or testing of all such animals sold as pets. Even if such legislation could be passed, there would be no hope of efficient administration in such a tremendous field. Therefore, legislation should be limited to the prohibiting of the sale of only those carriers responsible for a high incidence of disease, as determined by the U.S. Public Health Service. Those to be covered at present would be specified in the bill and would probably cover all reptiles (all cold-blooded if possible), chicks and ducklings (and perhaps rabbits). If need arose in the future to ban the sale of others, a short amendment would suffice.

Arguments supporting the banning of these particular animals:

1. They are responsible for a high percentage of the total cases of salmonellosis.

2. The majority of them are bought as pets for small children who put everything into their mouths. Often the excrement of these creatures soils the hands of children and is carried from hands to mouth. In addition to salmonella bacteria, often there is present pseudomonas bacteria and fungus, and the carrying of other disease is suspected in the case of some of the animals.

3. The infant mortality rate among cold blooded pets is almost 100% due to disease, malnutrition and cruely suffered at the hands of the children. They rarely survive in the average home.

4. The suffering resulting from the sale of chicks and ducklings as pets is well known. Their sale is illegal in 17 states (as of April 1970) and many major cities.

Stipulations which should be made:

1. Both the sale of and *the giving away of* should be prohibited. (Sometimes these animals are given away free for sales promotion, advertising, etc.)

2. Sale of the *imported* as well as the domestic should be banned. (Turtles are being imported from South America and Indonesia, and probably from other countries as well. Other reptiles are also being imported.)

3. Nothing should be construed as preventing the sale of or the giving of these animals to zoos.

4. Bill should go into effect as soon as it is signed. (This would prevent flooding of market with these animals during interim.)

I believe that such a bill could rest upon the research which has been and is being done by the Public Health Department, which seems, from the letters which you have received, to be very thorough and to be bringing to light little known facts, such as infection spreading from female to egg—I did not know this. The survey of various states now being made by the Communicable Disease Control Center will probably provide substantial support also.

I think it necessary that the sale of the designated animals be completely banned rather than controlled by testing, certification, etc. because such testing would not completely solve the problem—it would, in fact, give rise to other problems. For one thing, it would lead to the practice of taking quantities of turtles from their natural habitats in hopes that they could pass the tests better than those commercially bred, although I understand all turtles can carry salmonellae. The taking of these turtles, many species of which are not overly abundant, would lead to the eventual extinction of many kinds. This practice is already being carried on to some extent but would be brought to an end by a complete ban.

A statute calling for certification of absence of salmonellae rather than complete banning would be inadequate should the specified animals be found to carry other disease of which there is suspicion at this time. Also a certification law would be difficult to administer; and, of course, it would not save from suffering and death those animals which passed the test.

I realize that this letter is rather long and rambling, and, no doubt, lacking in clarity on some points, however, it is my hope that it may be of some help in preparing legislation.

You have my permission to incorporate in any material which you may place in the Congressional Record, my letters to you, together with any enclosures, your replies to me and your exchanges of correspondence with various agencies which include reference to me.

Thanks so much for everything you are doing in this matter.

Sincerely yours,

MARY L. ANDERSON.

U.S. DEPARTMENT OF THE INTERIOR,
FISH AND WILDLIFE SERVICE,
Washington, D.C., March 8, 1971.

Hon. LEONOR K. SULLIVAN,
House of Representatives,
Washington, D.C.

DEAR MRS. SULLIVAN: Your letter to the Department of Agriculture regarding the sale of salmonella-carrying baby turtles has been referred to this office for reply.

Although the Fish and Wildlife Service of this Department does conduct research on diseases, that research concerns almost exclusively the diseases of commercial and sport fishes. We have learned, however, that this problem is now under study by the Food and Drug Administration, since that Agency is concerned about the public health problems associated with this disease. We have also learned that there are jurisdictional and legal problems involved which are now being reviewed by the General Counsel's office of the Department of Health, Education, and Welfare.

We regret that our Bureau cannot offer any advice regarding this disease, since we have had no experience with it; however we hope the above information will be helpful.

Sincerely yours,

SPENCER H. SMITH,
Acting Director.

TEXT OF H.R. 11953

In the absence of any proposed draft of legislation from the Department of Health, Education and Welfare, which is apparently still struggling with some of the jurisdictional problems possibly inherent in a legislative solution, I have prepared a bill which may or may not be technically adequate in meeting the pet disease problem but which does reduce the issue to legislative form. It is my hope that the appropriate Committee of the House will promptly ask the Government agencies which have expertise in this field to comment on the bill and propose whatever changes are necessary to make it effective.

As Mrs. Anderson pointed out to me in one of her letters, it is not necessary to ban the shipment of any pet which conceivably could carry a disease injurious to humans, but it is important that it apply to those species which, as carriers, are responsible for a high incidence of disease. The legislation is intended to be broad enough to provide the Secretary of HEW with sufficient flexibility in making those determinations.

The text of H.R. 11953, is as follows:

[Ninety-second Congress, first session]

H.R. 11953

(In the House of Representatives, Mrs. Sullivan introduced the following bill:)

A bill to protect the public health by providing authority to regulate or prohibit the transportation, sale, or other distribution in interstate commerce of live creatures intended to be offered as household pets, if determined to be infected with serious disease injurious to human beings

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Diseased Pet Act.

FINDINGS AND PURPOSE

SEC. 2.(a) The Congress finds that serious diseases injurious to humans can be carried by animals and other live creatures sold or offered for sale or otherwise distributed in interstate commerce and intended as household pets.

(b) The purpose of this Act is to authorize to the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") to promulgate regulations necessary to protect the public, and particularly children, from unreasonable exposure to serious diseases carried by infected animals, whether warmblooded or coldblooded, birds, fish, amphibians, reptiles, or other creatures intended to be accepted into households as pets and sold or distributed in interstate commerce.

REGULATIONS

SEC. 3. (a) To the extent necessary to carry out the purposes of Section 2, the Secretary is authorized to issue appropriate regulations to prohibit or restrict the sale or transportation, or other distribution in interstate commerce of live creatures in order to prevent or reduce the transmission of diseases to human beings.

(b) In carrying out this Act, the Secretary shall consult with the Secretary of Agriculture, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of the Treasury in locating and identifying diseased or infected creatures subject to this Act, and in making regulations thereunder.

EXEMPTIONS AND LIMITATIONS

SEC. 4. (a) Nothing in this Act shall be construed to repeal or modify any provision of the Public Health Service Act, the Federal Food, Drug, and Cosmetic Act, the Wholesome Meat Act, the Poultry Products Inspection Act, or any Act dealing with the importation or shipment of injurious mammals, birds, fish (including mollusks and crustacea), amphibia, and reptiles.

(b) This Act shall not apply to animals or other creatures sold or transported or otherwise distributed in interstate commerce for zoological, medical, educational, scientific, industrial, or research purposes, or for human or animal food.

SANCTIONS

SEC. 5. Anyone who violates any regulations promulgated by the Secretary under section 3 of this Act shall be fined not more than $500 or imprisoned not more than six (6) months, or both. The Secretary is hereby authorized to obtain injunctions against prospective violations of the Act or of regulations issued thereunder prior to a violation actually occurring, if he has reasonable grounds on which to believe a violation is about to occur.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 6. There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act.

SPANISH CENTER OF CLEVELAND, OHIO

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. JAMES V. STANTON. Mr. Speaker, Americans of Spanish-speaking nationality descent have greatly enriched the culture of this Nation through their unique customs and traditions, and their proud achievements. But as this country became urbanized over the past several decades, the Federal Government exhibited a shameful neglect for their special needs. Thus many Spanish-speaking Americans are now crowded into our major cities, subjected to dilapidated housing, substandard education, and severe unemployment.

Such a situation now exists with regard to the 25,000 Spanish-speaking people of Cleveland. However, in an effort to solve these problems through their own initiative, these citizens have formed the Spanish Center of Cleveland. The center recently proposed an ambitious program to meet their needs in such areas as adult education, housing, youth counseling, and drug treatment. This program is very much deserving of the support, both financial and otherwise, of the Federal Government. I have pledged to do all that I can to see that their program becomes a reality, and I would now like to commend the text of their proposal to my colleagues:

SPANISH MULTISERVICE CENTER OF CLEVELAND
PROPOSAL

I. INTRODUCTION AND BACKGROUND

In the city of Cleveland it is estimated that there are approximately 25,000 Spanish-speaking persons. There has been a rapid growth in our population from about 600 in 1950 to the present 25,000 people. These persons have come from 14 countries, an American Zone (Panama), a Communist-leaning island (Cuba), a commonwealth of the U.S.A. (Puerto Rico), and a European nation (Spain). A significant number of our Spanish-speaking people are Mexican-American, who have come to make Cleveland their home. In 1960, Puerto Ricans accounted for 82% of the Spanish-speaking population in Cleveland. About one-half live in census tracts on the West Side, and several more population pockets exist on the East Side (Table I). These 27 tracts account for 75% of all of Cleveland's Spanish-speaking residents. These facts mentioned above are reported by Mr. Jack Aqueros, as a National Urban Fellow, in his report "The Spanish-Speaking Community of Greater Cleveland" in 1970.

In a recent series of articles appearing in the *Plain Dealer* in late April of 1971, Mr. Joseph Eszterhas reported on the Puerto Ricans in Cleveland. He accurately described their present plight, thusly:

"For nearly two decades, debilitated by their condition, by estrangement, prejudice and poverty, they have resisted community organization, concern and involvement.

Now, out of bitterness, frustration, alienation and a feeling that they are trapped on the bottom rung of the American totem pole, they show signs of an increasing awareness of their problems, an increasing resolve to deal with them."

He has captured the mood and tempo of the Spanish-speaking in Cleveland at this time. We are playing an increasingly important role in seeking social change, and this proposal represents an example of this new thrust.

II. THE SPANISH CENTER OF CLEVELAND

The Spanish Center of Cleveland, which sponsors this proposal, is a non-profit organization and based at 1910 West 54th Street on the Near West Side of Cleveland. The organization, which has representatives from 26 social, religious, civic, ethnic and youth Spanish groups (Addendum No. 1), was formed in December 1970. It represents the first successful, conscious effort to unite the Spanish-speaking people in Cleveland. The Board of Commons consists of 57 active members and 52 alternates, and meets monthly at the Spanish Center. Average attendance at meetings vary from 40 to 50 people. The Executive Committee has thirteen members, including six officers, and meets semi-monthly (Addendum No. 2). During their first 10 months of operation the Board of Commons and the Executive Committee of the Spanish Center of Cleveland have developed our basic organization, elected officers, approved our regulations, convened and incorporated the Spanish groups into this organization, obtained full use of Spanish Center facilities, and developed, reviewed, and approved this proposal. Some services (day care, adult English and Spanish classes, drama classes, adult mathematic classes, library, clothing and food distribution for the poor, social services and referrals, and special community events) have begun, and others are being negotiated with the Urban League and the Apprenticeship Program.

To fully appreciate the progress to date of the Spanish Center of Cleveland and emerging leadership in the community, one must first go back and look at some recent history of the Spanish-speaking people and our relationship to the Catholic Diocese of Cleveland. In 1953 the Diocese established its Spanish Mission as an organized effort through an assigned priest to meet the spiritual needs of the Spanish-speaking people. In addition, the Spanish Mission has served as a liaison to welcome newcomers and assisted them to obtain housing, employment, food, clothing, and etc. The first office of the Spanish Mission was located at St. Paul's Shrine on the East Side of Cleveland, where the Spanish-speaking people first settled. By 1960, the population of our group had grown steadily, so that the largest portion of our population was on the Near West Side of Cleveland, which is still the case today. In order to maintain its relationship with the people, the Spanish Mission office moved too and existed at five separate locations at different points in time during the past ten years. Although there has been only one priest-director of the Spanish Mission at any given time, he has frequently received some assistance from other priests serving a Spanish Apostolate or from the Jesuit Retreat House.

Over the past several years community leaders of the Spanish-speaking people have sought to obtain our own parish church and hall as a focal point for social, civic, and religious activities of our people. On December 20, 1968, a formal request for this was sent to Bishop Clarence G. Issenmann as head of the Diocese of Cleveland. In September of 1970 at a meeting of the Commission on Catholic Community Action of the Diocese of Cleveland, the Spanish-speaking Task Force of the Commission strongly repeated its earlier request as well as some additional demands: (1) that nothing should be decided or planned without community involvement in the decision-making process, (2) that Catholic schools should not exclude Puerto Rican children for financial reason, and (3) that Catholic schools should gear their programs and curriculum to the needs of the Spanish-speaking children. The Priests Senate of the Cleveland Diocese voted support for the request for a Spanish parish in 1970. In December of 1970 the Diocese of Cleveland responded by announcing that the parishioners of St. Stephen Church share facilities with the Spanish-speaking community. The former St. Stephen High School building, which consists of three floors, made its first floor available for community activities for the Spanish-speaking people. It has served as the headquarters for the Spanish Center of Cleveland. Recently a group of our Executive Board met with Bishop Issenmann and he has given us assurance that the total building is available to our community, and it will serve as the principal location for our proposed Spanish Multi-Service Center. It is with this facility resource and the needs of our people in mind, that we present this proposal seeking funds for our multi-service center. In addition, the Diocese of Cleveland contributes $26,400 per year towards our center (Table IV), our facility and its estimated value (Table V), and some of our present equipment (Table III).

III. PROBLEMS AND NEEDS

As one would imagine the problems of the Spanish-speaking people in Cleveland are immense and complex, since many of them are interrelated and interdependent. Also one seeking to identify the problems of Spanish-speaking people in our city encounters some difficulty in obtaining reliable statistics and isolating these figures from our non-Spanish-speaking neighbors, as many figures are supplied by census tracts and make no effort to separate various subgroups within the community. Nevertheless, the figures supplied below are as accurate as are currently available to us and reflect the great needs of our people.

Poverty.—In the area of greatest concentration of our people (West 25th Street to West 65th Street from Detroit Avenue to Lorain Avenue) there are at least 10,000 Spanish-speaking people in a neighborhood

of 30,000. It is near the heart of the West Side's high poverty neighborhood. Fifty percent of the population is under 21 years of age. About 20% of those under 18 years of age do not live with both parents. Approximately one-third of the families have less than $4,000 in family income annually. About 4,000 persons of the 25,000 Spanish-speaking people in Cleveland are welfare recipients.

Education.—More than two-thirds of Puerto Rican teenagers attended West and Lincoln High Schools, which have now merged into Lincoln-West High School, during the academic year of 1968 to 1969. These two schools had the highest dropout rates, including the East Side (predominantly Negro) poverty area schools. The rates that year were 24.4% at Lincoln High School and 24.3% at West High School. During 1970–71, the new Lincoln-West High School's rate dropped to 17+% and ranked fourth city wide. Spanish-speaking youth had a high casualty rate. In 1969–1970 it was estimated that there were only 24 Spanish-speaking college students attending our Cleveland colleges. One estimate is that between 80% and 90% of our youth fail to graduate from high school. Many causes contribute to this problem: language barrier, financial pressures, irrelevant school curriculum, and inadequate counseling services. A report of one of our West Side high schools noted that the holding power for youth of Spanish surnames is 37%, whereas the city-wide holding power for the same classes is 60%.

Unemployment and Underemployment.—The Director of the Commonwealth of Puerto Rico labor office, recently supplied the estimate of about 16% as the current rate of unemployment among our people. He further estimates that about one-third of his clients are unable to fill out a job application form in English. An employment interviewer at the West Side Opportunity Center, noted that he receives on the average of about 20 applications per week. At least 60% of these lack proficiency in English and about 40% are looking for new and better jobs. He estimated that about 15% of our population are in manufacturing or low-skilled jobs. The Ohio State Employment Service has indicated that about 70% of the labor force in Cuyahoga County's greenhouses is made up of Puerto Ricans.

Drugs.—Unfortunately the Cleveland Police Department statistics for drug arrests do not specify individual drug use or national heritage of the user. However, Lt. Burt Miller, head of the Narcotics Unit says, "We have a real problem out there and we're trying to work on it." An ex-Director of the Puerto Rican Youth Center, claims that a substantial percentage of the area's youngsters are on drugs. He noted that drug use was higher among the 19–25 age group, and that many are using heroin, marijuana, and glue. Police sources report unofficially that the area ranks second in drug use, especially heroin, to some of the East Side heavy drug areas.

Community Participation.—As stated earlier in this proposal, the Spanish-speaking have been frequently criticized for apathy, indifference, and reluctance to become involved in civic affairs. Fortunately there seems to be indications that these patterns are changing, but still more work is needed in this area. There are only about 3,000 registered Spanish surnamed voters in Cleveland. There are no Spanish-speaking City Councilmen of the 33 wards, and in 1970 for the first time two Spanish surname precinct committeemen were elected. Also many of our people realize that our plight is tied to that of other minority groups—Blacks, Appalachians, Indians, etc.—and that coalitions must be formed to achieve common goals.

Housing.—Much of the housing in which our people reside is old, rundown, and even ugly in appearance. Almost 90% of the housing on the Near West Side is over 50 years old, and some homes were built as early as 1840. Many homes are overcrowded, as occupancy limits are not observed or enforced. Sometimes homes built to accommodate two families are split up to handle four or five families. A recent survey by the city's Department of Community Development found that more than 50% of housing in our area of greatest concentration to be substandard. These conditions are not conducive to good family and community life which all of us seek.

Inadequate Youth Services.—Many of our youth are not receiving or participating regularly in constructive recreation programs. This is a matter of grave concern especially when considered in relation to our previously described problems of school dropouts and drugs. Many of our youth float the streets, skip school, and get into trouble. There seems to be little available to interest, stimulate, and challenge them. The very limited existing programs do not attract them in significant numbers. New programs and approaches are needed to reach our youth and to guide them successfully.

Cultural Pride and Heritage.—Since the Spanish language is our native tongue and our language of most comfortable expression, it sometimes separates us from our non-Spanish-speaking neighbors. Also there is a tendency in the schools and community to make us become Americans, and thus to deny our cultural ties and beliefs. We feel that there is a need to preserve, perpetuate, and share our culture with others. We do not believe that our history, background, and cultural heritage should be ignored or dropped. We want it to remind us of our origin and to use it to enrich our American society.

IV. SPANISH MULTISERVICE CENTER

In order to meet and effectively deal with this wide range of problems faced daily by our people, it is quite obvious that a comprehensive set of coordinated services is most essential. That is why this proposal seeks to establish a Spanish Multi-Service Center to serve our people. In the past and present we have frequently been uninformed about available services or programs; sometimes they have been inaccessible or inconveniently available, or our people have felt uncomfortable due to communications or cultural barriers. Our proposed Spanish Multi-Service Center will seek to actively serve our Spanish-speaking people as its target group, but all of our services will be available to all interested people in need in our community.

The following items comprise a list of the unique features of our proposed Spanish Multi-Service Center:

(A) An integrated and coordinated delivery of services with emphasis on accessibility and availability to the needs of our people. We see the vital importance for follow-up on all services rendered directly or indirectly to people.

(B) A personalized approach to our people that will maximize the interpersonal, human relationships between the individual or family assisted and the service provider.

(C) A Spanish-speaking Director and significant proportion of Spanish-speaking staff who will be able to relate easily and comfortably to our people and the community. This will make services more acceptable to the average Spanish-speaking resident. Our own operations will be developing employment and leadership as well as direct services to people. See the attached job descriptions (Addendum #3) for more details. Also note the organizational chart (Table II) attached.

(D) A corps of neighborhood and suburban volunteers to augment our core staff and extend services and concerns of the Spanish-speaking throughout Greater Cleveland. We are confident that others will gladly join our efforts in this important project.

(E) Our Board of Commons and Executive Committee, which is composed of area residents, will be the policy-making body for this project. They will approve of programs and services offered by the center and will develop policies to improve the delivery of services. All programs and services rendered will be accountable to the Director and the Community Board.

(F) Our facilities for the Spanish Multi-Service Center, as mentioned earlier, are owned by the Diocese of Cleveland and are an "in kind" contribution to our multi-service center. We deeply appreciate this contribution and welcome their role in our partnership for this endeavor.

(G) A branch operations of our multi-service center would be established on the East Side to increase accessibility to services for our population located on our city's East Side. Several parishes (Our Lady of Fatima and St. Francis) have expressed an interest and willingness to free up space for our program if we are funded.

V. PROGRAMS AND SERVICES

So that an effective and meaningful attack can be mounted on the massive problems described above, it becomes apparent that a responsively operating multi-service center is desperately needed. The band-aid approach will not work if surgery is indicated, and we seriously believe the latter is necessary to bring about major social and community change for our people. In developing a multi-service center, we see the need for developing some new programs and services geared to meet our special problems. In addition, some current programs available in Greater Cleveland need to become decentralized and more accessible to our people and our needs. In this latter instance, we would aggressively seek to encourage such desirable programs to be based at our center and require that they become accountable to our organization and community. Thus, we would not only receive the benefit of their services, but would be helping them to more effectively relate them to our community and people's needs.

In developing our own programs, we would attempt to work through five major departments: Education, Youth, Citizens in Action, Employment, and Emergency Assistance, and have several programs and services for each of our departments. It is our firm belief that education represents our greatest problem and need, as well as our most important hope for improvement in the future. Thus, we would propose that it be our largest department and greatest thrust.

In the Education Department, we would plan to initiate and operate the following programs:

Adult English and Spanish Classes.—These would range in scope from adult basic education classes timed at combating illiteracy to creative writing and poetry classes. We plan to help adults get GED diplomas. We would seek to offer a class for all interest and ability levels. We would seek to help our people become fluent in both languages.

Bilingual Pre-School Programs.—These would be geared to helping our youngsters develop language skills and self-expression, as well as providing a meaningful and pleasant introduction to the world of education. They would learn early in life to be proud of their language and heritage. Field trips would play a large part in this program.

Adult Drivers Course.—Although the State of Ohio recently approved legislation to permit our people to take tests for acquiring their driver's license in Spanish, no effective tool has been developed to assist people at the community level. We would develop such a program to fill this unmet need in Cleveland.

Scholarships.—As stated earlier, many of our youngsters are dropping out of schools—especially the junior and senior high school levels—and few are pursuing a college education. We see the development of a vast scholarship program, to assist junior and senior high school and college students, as being most vital at this time. We would also put heavy emphasis through publicity and awards on educational attainment achieved by our people. We believe this would stimulate and encourage others to strive for higher goals and greater proficiency.

Spanish Center Library.—To further promote our educational programs and goals, we would develop within our center and its branch a library with books and materials in Spanish and English. It would be a spot for reading, study, and gaining more knowledge.

Tutoring.—To assist our school age youngsters with their studies and language development, an active tutorial program will be developed. It will be almost entirely a voluntary effort and utilize neighborhood and suburban people who are Spanish-speaking. This service is greatly needed by our children.

Educational Counselling.—One of our most critical needs, and this affects the school dropout problem and frustration among our youth, is to have good and sound educational counselling. Many of our youth graduating from high school find themselves inadequately prepared academically for college, even if they desire and are able to attend. The ratio of school counselors to students, which then becomes even more disproportionate when coupled with language and cultural barriers that often exist, makes it imperative that we have our own educational counselor. He would assist students in assessing skills and interests and counsel them regarding career choices. Also he would help them with problems encountered and seek to aid them to cope with them.

Cultural Heritage and History.—To develop greater pride and appreciation for our heritage, we would seek to promote this through the Adult English and Spanish Classes, Bilingual Pre-School Programs, and Community Library which were described above. In addition, numerous special events, holidays, and meetings would be sponsored to promote greater understanding of our background. These special events would be open to the public at large and be a way of our assisting them to better understand us.

Senior Citizens Forum.—An information and educational series to acquaint and notify them of various programs set up to benefit them. Also we would encourage their identification of problems and needs and seek to help them through our community organization services in follow-up. We would expect them to be actively involved in the cultural activities and programs of our center.

In the Youth Department, we envision the following recreation and group service programs:

Clubs, Athletic Teams, Trips, and Field Days.—An active and vigorous recreational program would provide a wholesome outlet and some positive alternatives to possible involvement in the drug problems in our community. We see these programs leading to our youth's possible involvement in the program described next in this proposal. Volunteers will help in these programs.

Youth Leadership Development.—The challenges and opportunities we hope to develop with our youth who are leaders should have long-range effect in future community development. Our youth leaders will be given opportunities to accept and assume responsibility, to plan and develop programs for the youth and community, and to further learn and develop tools for leadership. They will actively engage in community service projects to help our people.

Street Work Program.—To reach some of our alienated youth, we see the need to have workers relate to them and redirect them at the community level. Many of our youth are frustrated, disillusioned, and feel apart from the mainstream in our American society. We see this program providing intensive individual work and counselling, building bridges to schools and other service organizations, and being an advocate for the needs of our problem youth.

The Citizens in Action Department will be one of the most lively aspects of our multi-service center and will contain the following programs to help our people:

Voter Registration.—This will be a year-around concern and be an active effort to inform and stimulate voter registration and participation. We will sponsor public meetings to inform our people about issues and candidates which will be on the ballot. Follow-efforts will be made to see that registered voters do cast their vote at the time of election.

Community Organization.—Direct service and assistance will be given to our residents in helping them to organize to achieve social change. Issues will be identified, discussed, and planned action will occur to resolve them in the interest of our people and the community. We will attempt to form coalitions with other groups (Blacks, Appalachians, Indians, Ethnics, etc.) on common concerns. We will seek to develop greater opportunities for our people to take an active role in our society and in shaping our community.

Economic Development.—We will develop consumer cooperatives, buying clubs, and credit unions to help our people in a direct economic way. We are concerned with price markups and cheating that takes advantage of our people. There is a need for community education on these matters and citizen involvement to correct these injustices. In addition, we will be concerned with helping new minority owned or operated businesses to start. We will seek resources to assist them.

Adult Leadership Training.—As mentioned earlier, we are interested in opportunities to develop presently active and potential leaders in our community. There are an increasing number of opportunities for our people to serve on civic, social, and religious boards, but we are unable to supply the necessary manpower. Thus, it means opportunities lost for our people and the community. Greater impact and influence of the Spanish-speaking will be felt throughout Greater Cleveland, as we are better able to meet this need. Our community needs our leadership and we need to be heard.

Another of the major departments in our proposed center will be that of Employment, which we see providing some of the following services:

Job Counseling.—Direct assistance will be given to our people to help them find, obtain, and retain employment. We plan to help them prepare themselves in the best way possible for the prospective job and its demands. A counselor may accompany an applicant for the interview, assist in completing the application form, and continue to follow up with the applicant and employer after he is hired. It will be a personalized approach to helping the currently unemployed.

Job Development.—It is obvious that we need to have good working relationships with present employers as well as aggressively seek new employment opportunities for our people. We do not want our people to be limited in opportunities to certain restricted job fields, and so developing new fields for employment will be most important.

Employment Upgrading.—This will be another of our concerns, as we want our people to have advancement opportunities. We will try to provide some support services—counselling, information on various training programs, language classes, etc.—and work also with employers to promote and develop upgrading opportunities for our people.

Our final department for our Spanish Multi-Service Center will be that of Emergency Assistance and offer these services:

Housing.—To assist newcomers in locating housing in our community. We also plan to have some involvement with housing rehabilitation, using volunteers, to improve our current housing. We will educate our people on proper home care and maintenance and promote community pride. Also, we recognize the need to develop plans and programs for new housing in our community.

Food.—To help those without financial resources obtain food on an emergency or other special-need basis. We will provide follow-up in these situations, as other services may be indicated and desirable. Volunteers will help with this program.

Clothing.—To help our people obtain clothing in time of need. Many youngsters are missing school due to inadequate clothing, and this could be remedied through this service and follow-up. Volunteers would help procure and distribute clothing to those in need.

Health Care.—Due to the recent establishment of a fine city health clinic in our community, we see our role here mainly in terms of information, referral, and advocacy. We would promote public meetings to keep our residents informed of new health services being made available to them. In addition, we would help individuals and families with emergency health problems—by assisting with transportation, accompanying them to hospitals or doctors' offices, and helping to speed health service delivery. We would keep alert to health problems of our people and work to develop appropriate health services as indicated.

VI. PROPOSED BUDGET

In order to undertake the range and scope of services and programs, which we believe are most essential and are described in this proposal, a large financial commitment becomes crucial. We believe that this is totally in keeping with our plans for a massive attack on our problems, that is so vital to us at this point in time and history. We are willing to assume responsibility for the programs we have outlined above, and to seek meaningful involvement of our people in bettering our community; but we cannot succeed without proper funding. We wish to apply for three years' funding in order to measure the true effectiveness of our approach and to develop meaningful programs with the community. We firmly believe that a three-year period is essential for any adequate demonstration of our plan.

With this in mind, we wish to submit for your funding consideration the following budget request: (See Following Pages)

Spanish multiservice center annual budget

I. Personnel

Multiservice Center director	$14,000
Education coordinator	10,000
Youth coordinator	10,000
Citizens in Action coordinator	10,000
Employment coordinator	10,000
Emergency Help coordinator (Diocese $5,000) total $8,500	3,200
Two adult education teachers at $8,000	16,000
Two bilingual preschool at $8,000	16,000
Automobile driving instructor	8,000
Librarian & cultural specialist	8,000
Educational counselor	8,500
Group services specialist	7,000
Three Youth Outreach workers at $7,000	22,500
Three employment counselors at $8,000	24,000
Two community organizers at $8,000	16,000
Housing specialist	7,500
Health specialist	7,500

Spanish multiservice center annual budget—Continued

I. Personnel—*Continued*

Food specialist	$7,500
Clothing specialist	7,500
Bookkeeper-secretary	8,000
Six secretaries at $4,800 (Dioc. $4,800) total $28,800	24,000
Three maintenance men at $6,000 (Dioc. $6,000) total $18,000	12,000
Subtotal	257,200
Social security	1,900
Workmen's compensation	300
Total personnel	259,400

II. Nonpersonnel

Travel	$3,000
Conferences	800
Local Meetings	400
Staff Reimbursement	1,000
Client Transportation	800
Space costs: Estimate rent value $6,120 per year (Table V). "In kind" contribution from Diocese of Cleveland.	
Consumable Supplies	4,920
Office	1,000
Cleaning	500
Educational	3,000
Xerox Copies at $35 month (Dioc. $8,800)	420
Equipment Purchases	26,030
Rent Xerox machine at $25 mo	300
Mimeograph Machine	650
Four typewriters at $250 each	1,000
Thirty Office and Reception Chairs at $250	4,500
School bus	7,500
Two automobiles at $2,500 each	5,000
Two minibuses at $3,500 each	7,000
Adding machine	80
(Dioc. equipment on hand $34,220—See Table III).	
Other costs	9,668
Postage	3,600
Telephone	2,000
Insurance (automobiles and building)	4,068
Utilities (Dioc.)	6,600
Total Non Personnel	43,618
Total budget request per year	303,018

Diocese of Cleveland contribution per year

I. Personnel

Social services worker	$5,200
Maintenance man	6,000
Secretary	4,800
Subtotal	16,000

II. Nonpersonnel

Building Rental Value (table V)	6,120
Supplies	3,800
Utilities	6,600
Equipment	34,220
Human development grant	3,000
Subtotal	53,740
Total Diocesan contribution	69,740

VII. SUMMARY

This request to develop a Spanish Multi-Service Center in Cleveland represents an honest effort on our part to develop a proposal and programs to deal with the problems and needs of our people. It has resulted from numerous hours of study, discussion, and planning, which we willingly undertook to assist our people and community. Since this is an ambitious project, and one that would require greater demands on us in the future to make it successful, we request three (3) years funding. We feel deeply committed to see it become a reality. We wish to thank you in advance for your time and interest in this request.

FRENCH GOVERNMENT AND NARCOTICS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SCHEUER. Mr. Speaker, on November 19, 43 of my colleagues joined me in sending a letter to Ambassador Charles Lucet, of France, urging France to make a greater effort to stem the flow of narcotic drugs through that country to the United States. We pointed out the glaring weaknesses of the French law-enforcement effort and called for an allout commitment by the French Government to halt the transhipment and processing of narcotic drugs in Marseilles.

On November 26 Ambassador Lucet responded in thoughtful detail to our letter. He disputed some of our allegations about the lack of commitment and resources the French Government has applied to solving this problem. For example, he stated that France on November 9 redeemed its pledge to the United Nations Fund for Drug Abuse Control, while our letter asserted that she had not. I have checked with the Department of State and they have informed me that to the best of their knowledge, France has not yet redeemed that pledge. The latest information the Department possesses is contained in a press release from the French Embassy released in New York, which quotes from a letter dated November 1, 1971, from the French Permanent Representative to the United Nations addressed to Secretary U Thant. That letter stated:

I have the honor to inform you that the French government has decided to contribute $100,000 in 1972 to the United Nations Fund for Drug Abuse Control.

It should be pointed out that laudable as this as yet unredeemed pledge is, it is far smaller than the contributions made by the United States—$2 million—or by the Federal Republic of Germany—$300,000. The U.N.'s effort to halt the international flow of drugs is withering on the vine because of both the lack of contributions and the pitifully small size of those contributions or pledges that have been made.

The Ambassador admitted the truth of our charge that his Government has not closed a single heroin processing laboratory since 1969, but pointed out the difficulty of detecting and destroying these laboratories. Yet, if such operations are so difficult, why have Chile, Ecuador, and Peru, all of which are far less developed countries than France, been able to close down processing laboratories in the past few years? The United Nations Commission on Narcotic Drugs has reported that each of these countries has closed down cocaine or opium processing laboratories in 1968 and 1969, the latest years for which figures are available.

At the close of his letter, Ambassador Lucet comments thoughtfully on our own country's uncoordinated efforts to combat the international flow of narcotic drugs. His comments are highly relevant to the Congress' ongoing deliberations about creating a centrally coordinated, comprehensive Federal program to attack all aspects of drug abuse, and I quote them in full at this point in my remarks:

The fight against drug abuse is made somewhat simpler in France through central directions. All phases of the operation are under one command. Not quite so in the United States, where the crusade is led by various agencies—BNDD and the Customs especially—a situation which raises problems of coordination among different services. There are times when this diversity of command and authority creates real difficulties for those of us trying our best to cooperate with speed and effectiveness.

I enclose the text of our letter to Ambassador Lucet and his response for the attention of my colleagues:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 19, 1971.

His Excellency CHARLES LUCET,
Ambassador of France,
Washington, D.C.

DEAR MR. AMBASSADOR: As American citizens and Members of Congress, we are prevented by law from negotiating with foreign countries. However, there is no legal barrier which prevents us, as representatives of both political parties, from expressing our concern to you about the French effort to control the traffic in narcotic drugs.

You are no doubt well acquainted with the magnitude and severity of the narcotic drug abuse problem in the United States. Drug abuse is literally killing our cities and our youth and has reached the point, in our President's words, "of a national emergency."

We know that we are responsible for solving our country's problems and we have, in fact, supported a many-fold increase in our country's efforts.

However, it is also true, as our President has stated, that heroin is a "foreign import." The success of our efforts is, therefore, very much dependent upon international cooperation.

France has long been a major trans-shipment and processing point for opium produced in other countries. In fact, France is responsible for the transformation of a substantial amount of relatively cheap opium into much of the heroin, worth hundreds of millions of dollars, which ultimately reaches the United States.

Your country has made an attempt in recent months to rectify this situation. However, we believe that the commitment and resources that your country has focused upon the problem have been far less than the situation demands.

Not one heroin processing laboratory has been closed since 1969.

The number of narcotics agents, now totalling 50, currently stationed in Marseilles, a major processing and trans-shipment center, is grossly insufficient. Paris, with a population of 2.5 million, has a police force numbering at least 40,000.

The agents who are stationed in Marseilles are not adequately equipped with automobiles, two-way radios, secretaries or translators.

Although France took the constructive step of supporting the creation of the United Nations Special Fund for Drug Abuse Control and of pledging a contribution, that pledge has not been redeemed.

France has not fully cooperated with American officials in the Mr. Delouette case in which a French intelligence official has been indicted, and a French consular officer implicated.

In short, France has not lived up to her protestations of commitment. We hope that in the very near future France will take immediate steps to rectify this situation.

As long time friends of France and supporters of continued Franco-American friendship, we regret the need for this letter. We are convinced, however, that France does not wish to incur the bitter enmity of the American people and of the people in those countries which are increasingly becoming victims of narcotic drug abuse.

France, by virtue of her key position in the processing of and traffic in narcotic drugs can either continue half-hearted apathetic efforts or rise to the challenge and make an all-out commitment to stamp out the narcotic drug abuse which is paralyzing cities around the world. We sincerely hope that, true to her ancient tradition, France rises to the challenge.

Sincerely,

Seymour Halpern, Herman Badillo, Jack Brinkley, Ella T. Grasso, Ken Hechler, Peter W. Rodino, Jr., Thomas M. Rees, Peter N. Kyros, Robert N. Giaimo, K. Gunn McKay, John G. Dow, James H. Scheuer, John J. Rhodes, Henry Helstoski, Edward J. Patten, William J. Green, Joshua Eilberg, Robert N. C. Nix, John H. Dent, Dominick V. Daniels, Parren J. Mitchell, Michael Harrington, Robert A. Roe, Roman C. Pucinski, James M. Hanley, Robert F. Drinan, Hamilton Fish, Jr., Otis G. Pike, Frank Thompson, Jr. Brock Adams, Ben B. Blackburn, Jonathan B. Bingham, Shirley Chisholm, Louise Day Hicks, Morris K. Udall, Andrew Jacobs, Jr., Tom S. Gettys, Charles A. Vanik, Abner J. Mikva, Chet Holifield, William F. Ryan, Spark M. Matsunaga, Bella S. Abzug, Frank Horton, Robert H. Steele,
Members of Congress.

AMBASSADE DE FRANCE
AUX ETATS-UNIS.

Washington, D.C., November 26, 1971.

Hon. JAMES H. SCHEUER,
U.S. House of Representatives,
Washington, D.C.

MY DEAR MR. SCHEUER: I am taking up your letter of November 19.

French authorities share the anxiety of American Congressmen as they face the dangers drug abuse brings to the youth of the whole civilized world. Indeed, this scourge spares France no more than it does the United States, and my Government feels the same way about it as yours—the fight against drug traffic represents one of its foremost responsibilities.

French authorities are rapidly and purposefully improving their methods and extending their forces. My press services here at the Embassy have already forwarded to you, on several occasions and at my request, precise information on the measures in this field undertaken in France.

But let me take up the specific statements in your letter.

It is true that no laboratory has been shut down recently. Unfortunately, in France as well as in the United States, the responsible authorities still have to reach some of the goals they have set in their struggle against traffickers.

In this respect, one should point out that the important means put forward by the police of Marseilles have compelled the traffickers to change their methods of operating and to scatter their laboratories, in ways that make their detection even more difficult than it was. One might add that other countries than France, both European and Asiatic, have faced the same problem and encountered the same frustrations. Indeed, evidence submitted in recent hearings before your own colleagues in Congress indicated the vast traffic in narcotic drugs coming into your country from the Far East via the Pacific. I do not cite this fact to excuse any shortcomings in this dreary field, but simply to point out that the difficulties encountered are to be found everywhere the problem comes up.

Besides, there are indeed some accomplishments to record. Some very considerable narcotic stocks have been located and seized. From January 1, 1971 to November 11, 1971, over 1100 lbs of morphine base and 400 lbs of heroin were confiscated, and during the same period, 104 international traffickers, of various nationalities, were arrested. In addition, late in 1970 the penalty for infraction of the law concerning narcotic traffic was increased. My country does mean business in its prosecution of all those it can reach in this criminal activity.

You cite statistics concerning the number of officers assigned to the Marseilles region in the fight against narcotics. They are not correct—or perhaps I should say they are obsolete. Two years ago there were seven. Now there are sixty-three—an increase of 900%. (I am referring, of course, to specialized agents, who should be compared in number with the general police force in Paris). The sixty-three agents in question are part of the one hundred ninety-two members of the regional service of Judiciary Police, to which should be added the 3016 officers of Public Safety. The Central Office of the Judiciary Police, in Paris, includes thousands officers, of whom 92 have direct responsibilities in the control of drug traffic. The central bureau of Drugs has 44 officers highly specialized who have been given nation-wide assignments on this field. And, finally, some 3000 regular police officers, throughout the country have had a special training in drug problems and have been assigned to drug traffic control.

French authorities believe that the Marseilles police is far from being poorly equipped. It is true that the equipment they have is not always of the same type furnished the police of, say, Detroit or New York. The narrow streets of some quarters in Marseilles are used by traffickers on foot only, and only on foot can the police deal with them effectively. But even with this restriction, the mechanized equipment available is considerable. I shall not load you down with the pertinent statistics, but they are available here in the Embassy if you want them.

I do not understand your statement that France has not paid its contribution to the U.N. Special Fund for Drug Abuse Control. France did indeed make a commitment in this regard, and has redeemed it, despite the very considerable financial efforts required already in developing effective ways for controlling drug traffic on French territory. You were informed of our contribution to the Special Fund through a release by our Embassy press services on November 9, 1971. I added for the record that thus far, only four nations have made their payments to this U.N. Fund.

You bring up the case of Mr. Delouette. Let me simply say that in my country, we are sorry that the rogatory commission sent by French Justice to American Justice has not yet been implemented. French Justice is ready and willing to examine any and all complaints that American Justice brings to its attention. It is indeed actively working on this case.

These indications, motivated by the points you raise in your letter, are intended merely to set the record straight.

I would like to go a step further, after this statement of what France is doing on the national plane, and indicate the effort my country is making on the international plane. The President of the French Republic, Mr. Pompidou, took the initiative, in August of this year, with the goal of establishing a coordinated effort against drug traffic among the countries of the European Community and the United Kingdom. This initiative will serve as evidence, if need be, of the seriousness with which the question is treated in France. The French Foreign Minister, M. Maurice Schumann, presented to his colleagues in the European communities, in September, the French plan of cooperation. France's partners in the European Communities along with the British Government, have just forwarded their replies. A preliminary meeting took place recently in Paris at the Ministry of Interior. We like to think that this represents an important and fruitful trend.

Franco-American cooperation is likewise developing rapidly. Like all effective action of this type, it is carried out discreetly, and sensational revelations could only make its task more difficult. But I would all the same like to bring to your attention a few precise facts. Thanks to this cooperation, eleven arrests have been made in the United States since the first of September 1971, among them four important American drug buyers. The same sort of collaboration has led to further arrests in France. And since September 1, some 600 lbs of drugs have been seized in the United States in three operations carried out in direct connections with the New York branch of our Central Bureau for the control of drugs.

There is, however, one important fact to which I would like to draw your attention. The fight against drug abuse is made somewhat simpler in France through central directions. All phases of the operation are under one command. Not quite so in the United States, where the crusade is led by various agencies—BNDD and the Customs especially—a situation which raises problems of coordination among different services. There are times when this diversity of command and authority creates real difficulties for those of us trying our best to cooperate with speed and effectiveness.

Let me sum up. Our two countries face the same tragic problem, and because of it, we are as concerned for our children as you are for yours. Our two countries have the same reasons—ranging all the way from old traditional friendship to common interests in today's world—for working together. I ask your assistance in watching over this collaboration. It is not helped by unsubstantiated accusations. It must be strengthened by mutual trust if we are to meet the defiant challenge of the criminal operations we face in common.

Sincerely yours,

CHARLES LUCET.

AWARD-WINNING POEMS OF MRS. ETHEREE ARMSTRONG

HON. DAVID PRYOR

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. PRYOR of Arkansas. Mr. Speaker, recently a constituent of mine, Mrs. Etheree Armstrong, of Magnet Cove, Ark., was the winner of My Gratitude Award at the State Poetry Day Fair held in Little Rock. Her poetry represents the depth of soul which is in so many Arkansas citizens. It expresses clearly not only their love of the land but also their love of life itself. I would like to insert in the RECORD several poems which Mrs. Armstrong has written and ask the Members to pause a few moments from their daily routine to read them:

AMERICA, MY LOVE

My greatest heritage,
Bound securily in the "Bill of Rights,"
Created for freedom at great sacrifice;
I owe a debit to countless thousands
Which I can never pay!
But render my puny best
Toward world Christian brotherhood.

RECKONING

I think of my heritage and what it has cost
In the battles won—and the lives that were lost.

And I think of the mothers and their "window stars";
I think of my heritage and what has cost bars.

Oh God, what a heritage they have handed to me—
The Torch of Freedom for the whole world to see!

And I shall guard this Freedom with life, if I must,
I can do no less than to honor this Trust!

SOLDIERS OF FORTUNE

Nomadic winds of yearning caress the minds of men,
The lure of high adventure compelling deep within!
For balm to soothe our restless souls we seek without relent,
Nomadic winds forever flow in the valley of discontent.

PROGRESSIVE EDUCATION

When I grow up, I'm going to teach
May be "Superintendent of Schools"
Then get right down to business
Of changing all the rules!

We will have a standing menu
Of cookies and Kool-ade,
Chocolate cake, cherry pie,
Ice cream and Lemonade!

With all the bases loaded—
The score is two to two,
I couldn't ring the bell
Honestly mother, could you?

When the snow starts falling
They can't study anyway,
I'll walk up to the intercom
And declare a holiday!

All the children will like me
For changing up the rules,
Things will sure be different, when
I'm Superintendent of Schools.

DID NIXON DESERVE NOBEL PRIZE?

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. ANDERSON of Illinois. Mr. Speaker, President Nixon's successful efforts in creating and maintaining peace are seldom recognized. The President has, in fact, made a remarkable contribution to peace in his first term in office. I have here a column by Walter Trohan from the Chicago Tribune which considers some of President Nixon's accomplishments concerning world peace.

The full column follows:

[From the Chicago Tribune, Nov. 17, 1971]

DID NIXON DESERVE NOBEL PRIZE?

(By Walter Trohan)

WASHINGTON, November 16.—This is a tale of two men—one, West German Chancellor Willy Brandt, who got the Nobel Peace Prize; the other, President Nixon, who didn't. Both were considered, so it is fitting that we should consider the choice.

No doubt Nixon can sympathize with Marcus Cato, who exclaimed: "I would much rather have men ask why I have no statue than ask why I have one." Yet, the President can wonder what Brandt had that he didn't, because Brandt's qualifications for the prize are fewer than his own, altho no less well-intentioned.

Brandt's overtures to Russia probably got him the award. He negotiated a treaty between West Germany and the Soviet Union and another between West Germany and Poland. Neither has been ratified. If they are, no one can say how long they will be honored if it does not please the Kremlin to do so.

The West German pact with Russia is aimed at ending Communist harassment of West Germany and its allies over access to West Berlin. In the agreement with Poland, the Brandt government gave up what it does not own—territory once held by prewar Germany but given to Poland after the Nazi defeat by way of compensation for that part of Poland taken by Russia.

Poland is a Red satellite, and the Kremlin is not about to let Poland forget it. Moscow undoubtedly would consider it bad form for Poland, its servant, to sign the West German treaty before Russia, the master. When the Kremlin gives permission, the treaty probably will be signed.

The Nobel prizes were created by the will of Alfred Nobel, the Swedish inventor of dynamite. All but the peace prize are awarded by Swedish committees. The peace prize is awarded by a committee named by the Norwegian parliament, frequently from its own membership.

All the prizes are awarded in countries lying under the shadow of Russia. Norway undoubtedly was aware that Brandt, an anti-Nazi who might be forgiven Russian sympathies, fled to Norway and remained there until Adolf Hitler fell. Prizes frequently have gone to Leftists—including this year's prize for literature, which went to a radical Chilean poet.

This commentator is not downgrading Brandt. In fact, I voted to have him speak in Springfield, Ill., during the Lincoln centennial, because he was the mayor of a divided city and Abraham Lincoln came into national prominence as a result of his anti-slavery speech against a divided house.

Brandt has worked to lessen East-West tensions. But then so has Nixon, who has emphasized time after time that a lasting world peace is his major concern. The President is carrying out his promise to get out of Viet Nam, having withdrawn two-thirds of the American forces and cut casualties to a tenth of what they were under the previous administration.

Thru the Strategic Arms Limitation Talks the President is pressing for overall arms limitation with Russia. He has joined Russia in signing a treaty against using ocean beds as sites for testing of nuclear weapons. He has negotiated a treaty banning use of biological weapons in warfare.

Further, the President is going to Red China to work for better relations with 800 million people. He also is going to Russia to work for better relations with 240 million people. Many Americans feel he is too sanguine and too trustful. They would be happier if he demanded concrete evidence of good intentions from Red China and Russia.

Yet, the President's record for peace is impressive for a man who is blasted almost daily by doves as a warmonger, doves who would be moved to outbursts of hysteria if he should be granted the Nobel Peace Prize.

THE WAR IS WINDING DOWN

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. KEMP. Mr. Speaker, I call to the attention of my colleagues the following editorial from the Boston Herald Traveler. Relying on facts rather than subjective opinion, the editorial concludes that through the decisive action and effort of President Nixon "the war is very demonstrably winding down."

The complete editorial follows:

[From the Boston Herald Traveler, Nov. 6, 1971]

THE WAR IS WINDING DOWN

How goes the war in Vietnam? Slowly, more slowly every day, and anyone who bothers to look at the facts ought to be impressed by the success President Nixon has had in winding down the war. The administration's case is put cogently by Dennis Doolin, Deputy Assistant Secretary for East Asia and Pacific Areas of the Department of Defense, who wrote briefly about it in the New York Times recently. He makes these telling points:

Expenditures for ammunition in the whole of Southeast Asia have been reduced by 47 per cent since 1968 and 37 per cent this year;

Raids by B–52 bombers have declined by 40 per cent and all air sorties in the entire theater are less than half what they were in 1969. In South Vietnam air strikes are one quarter of what they were;

Total cost of the war has dropped more than 50 per cent since 1968 and a 40-per cent decline is expected this year;

Enemy attacks during the first six months of 1971 were less than half those of early 1968; harrassments have fallen to 38 per cent of the earlier total and Vietcong terrorism this year is 30 per cent below last year's total.

This is some of the factual information by which the success of the winding-down process can be measured. The reduction in air attacks is especially significant in view of the increased reliance on air power to cover continued withdrawal of U.S. troops and in view of their much wider area—Cambodia and Laos—now covered by our aircraft. And even including the fighting in those two countries, where our attacks were called extensions of the war, the total expenditure and effort involved in the fighting has been reduced by half or more.

In addition to these indices, Mr. Doolin points out that fighting in the populated areas of South Vietnam is almost non-existent and that the lives of the inhabitants have been much improved. More than 500,000 acres have been distributed to the people, the largest rice crop in the history of the country was harvested last year, the active caseload of refugees is 40 per cent below that of the end of 1968, and more than 2000 of the country's 2300 villages are being governed by locally elected officials.

Meanwhile the President's troop-withdrawal program is ahead of schedule and administration spokesmen foresee only 50,000 servicemen left in the theater next May, a number somewhat below that of Americans who are killed by automobiles in their own country in a single year.

The insistent clamor that the war is not fading out goes on, but it does not stand up in the face of the few key facts that show exactly how successful Mr. Nixon has been in reducing American participation in the war and providing better living conditions for countless Vietnamese.

The war is very demonstrably winding down.

A FREEDOM THE WORKINGMAN LOST

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. STEIGER of Arizona. Mr. Speaker, last week 18 colleagues joined me in introducing H.R. 11827, a bill repealing those provisions in existing law that authorize compulsory unionism.

The distinguished columnist, Mr. David Lawrence, discusses this bill and its importance in his column which appeared in the November 19 issue of the Washington Evening Star. So that all Members of Congress can have the benefit of Mr. Lawrence's views, I insert his column at this point in the RECORD:

A FREEDOM THE WORKINGMAN LOST

(By David Lawrence)

With all the talk and agitation about individual liberty, one freedom has been taken away from the American workingman and, strangely enough, the loss of the precious right has been ignored for a long time.

This is why Rep. Sam Steiger, Republican of Arizona, along with 17 other members of the House, has introduced a bill to abolish compulsory membership in unions. Continued pressure in the courts and overwhelming evidence that the public opposes this form of concern is behind the movement. It is argued that excessive union power is in the hands of a small body of officials and that this has been a contributing factor to our present economic problems.

For many years, labor unions have had the privilege of requiring workers to join a union if it has a majority status in a plant or company.

The "closed shop"—in which a person could be employed only if he was a union member—then sanctioned by law, enabled unions to increase membership from 2 million in 1935 to 17 million in 1945. Under the "union shop," which now is widely in effect, dues must be paid by a new employe after a certain period in order to retain a job, and the net result is compulsory membership.

Nineteen states have enacted "right-to-work" legislation outlawing compulsory unionism. Eleven of these state laws were in force at the time Congress adopted the Taft-Hartley Act in 1947, which permits a union shop but specifically says agreements requiring membership in a labor organization as a condition of employment may be prohibited by state law.

During a Senate debate in 1965, when the power of the states to pass right-to-work legislation was threatened, many arguments were made supporting the right-to-work principle. The late Sen. Everett Dirksen declared that no person should be forced to belong to or pay money to any private organization in order to earn a living. In 1970, Congress enacted a right-to-work law for postal employees.

Unquestionably, there is increasing sentiment among members of Congress that a similar federal law should cover every form of business and that no worker should be compelled to join a union or lose his job. Steiger said in his speech introducing the bill, the purpose is to amend the National Labor Relations Act and the Railway Labor Act by deleting those provisions authorizing compulsory unionism. He declared:

"This bill is not anti-labor but pro-worker.

"This bill will not interfere with a union's right to organize, nor its right to collective bargaining.

"This bill merely makes union membership voluntary in all 50 states.

"It seems to me to be amazing that we here in the United States who are so preoccupied and concerned with individual liberties have so long tolerated such a flagrant abuse of individual liberties as compulsory unionism. It is time to stand up for freedom."

The drive to pass the bill introduced by Rep. Steiger has been in process of organization for some time. It is motivated by belief that each person has a right to decide for himself whether or not he wishes to join any organization and that he should be free to make his own choice when he enters into a contract with his employer.

His obligation is to the management of the company to do the job required. If he wants to become a member of a union or prefers not to be, this would remain his privilege. But the element of compulsion would be removed.

In many of the labor disputes today, however, workers who are not members of a union stay at home for fear of encountering some form of physical restraint from those on strike. Even members of unions which are in no way involved in the dispute refuse to cross picket lines during a strike rather than become subject to discipline by their own union or intimidation by the striking workers.

All these conditions would seem to be subject to protection by law-enforcement authorities. No organization should have the privilege of keeping from their jobs any workers who wish to perform their services. The big question is whether individual liberty really prevails in America and whether every citizen is to be permitted to enjoy the freedom that is so often extolled.

THE TRUTH ABOUT FREE ENTERPRISE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. RARICK. Mr. Speaker, that truth is a stranger in today's free society is best evidenced by a recent letter from the National Education Program prepared by Dr. George S. Benson and entitled "The Truth About Free Enterprise."

In today's haste to bring about change and to discuss reforms, too often our free discussion and educational orientation omit or negate the American system of economics—the free enterprise system—which alone is greatly responsible for the progress and level of civilization attained in the United States.

The free enterprise system, as the Constitution of the United States, is unsurpassed in excellence by any other form of economics or government. But are the creation of man in his noblest hour; but what man has created, man can destroy. It is up to each of us who appreciates our system of government and economics to understand the opportunity we have by stewardship to pass these pillars of libertarian strength on to our posterity. This we can only do by understanding and defending free enterprise.

I insert Dr. Benson's letter at this point:

THE TRUTH ABOUT FREE ENTERPRISE

(By Dr. George S. Benson)

Herbert Aptheker, recent visiting professor at Bryn Mawr College in Pennsylvania, has repeatedly predicted the death of America's private enterprise system. He himself is working to kill it. The surprise in this is that Professor Aptheker has been teaching the American young at Bryn Mawr, a college built with the wealth produced by our free enterprise system and operated with money from the same sources. Herbert Aptheker is a Communist. He's more: he is the widely advertised theoretician of the Communist Party USA, and recognized in security and intelligence quarters as perhaps the "brains" of U.S. Communism.

How foolish can Americans get—paying Communists to indoctrinate the minds of American youth with Communist falsehoods against our system! No wonder a substantial percentage of our 8,000,000 college students attack the basic principles of private enterprise and an alarming number are dedicated to the overthrow, or are aiding in the gradual death, of the system. Herbert Aptheker and his comrades within the Communist Party, and the nationwide revolutionary youth movement they have spawned, constitute the clearly visible enemies of free enterprise.

FACTS NOT GIVEN

Millions of other people, who lack knowledge about the American system and about Socialism-Communism are aiding the Commies by default: they do not support the system when it is attacked. Millions of adults, as well as youth, cannot define free enterprise; and only a comparatively few know how it works and why it out-produces all other economic systems.

I've been an educator for 45 years. In the last 30 years I have been disturbed because our schools and colleges do not adequately prepare our young people for the citizenship responsibilities that go with freedom. In most cases our educational institutions have simply failed to teach the essential facts in American history and the facts about our economic and political systems. As a college professor for 29 years, I was shocked to see so many youngsters coming out of high schools all across America who did not understand the private enterprise system, who simply hadn't been taught. Uninformed as they were, they were prime subjects, in many colleges, for the propaganda against the system.

THE SYSTEM DEFINED

What is free enterprise? It is the economic system through which we in America make our living. There are three economic systems.

1. A system like the Communists have installed in Russia, where the Government owns the tools of production and distribution.

2. A system like we have in America, with private individuals owning the tools of production and distribution.

3. A combination of these two, such as the Socialists installed in England, with most of the basic industries and institutions owned by the Government, but with much of the retail business operated by private citizens under strict Government control.

America offers the world's best example of a private enterprise economy. We started as an agricultural country, with 90% of our people on the land and earning a living by farming. Farming rapidly improved in America for these reasons: Farmers owned their land and wanted to improve it; the livestock and grain they produced was their own; they wanted to improve the varieties and the total production; they had to do the work or pay for having it done, so they wanted to improve their tools as much as possible, thus making the individual's labor more productive.

PROGRESS UNLIMITED

Farmers have succeeded until today only 5% of our people live on farms, and yet the nation is the best fed in its history and we sell and give away great quantities of our farm produce. As people left the farms they went into various kinds of businesses. These businesses grew for the following reasons.

XUM

They were privately owned and naturally the owners wanted their businesses to prosper, and they worked hard; they were competitive, consequently the businessman was under constant pressure to try to out-produce his competition; this forced the development by the businessmen of tools, machine tools, automatic tools, automated tools; the entire nation, and in fact the world, was the market place; so the businessman's opportunities were virtually unlimited.

PROGRESS WITH FREE ENTERPAISE

When the American free enterprise system evolved out of the principles of private ownership of property and the competitive market there was nothing like it in all the world. The principle of private ownership meant two basic things to Americans: independence that comes from freedom and self-reliance, and the opportunity to advance economically to the extent of one's ability and devotion to duty. If the grain miller, instead of grinding his corn and wheat with a hand-tool stone, could build a water-wheel that would turn out ten times as much (and with less manual labor) he was making a contribution to society and helping himself too.

Inventions increased rapidly in early America, both on the farms and in the industrial plants. Horsepower on the farm gave way to tractors. One-row cultivators gave way to four or even eight-row cultivators. Transportation expanded—with the building of hard-surfaced highways, railroads, automobiles, and airplanes.

SCREENING OUT INCOMPETENCE

The automobile is a good example of how competition works. The auto industry has grown until today it is an $89 billion business. But it started as a $1000 business and a dream. There was much competition along the way. In my files are the names of 1400 companies organized to make automobiles in the last 80 years. Only four are now making automobiles. This doesn't mean that the other 1396 went broke. On the contrary several would combine their inventions and their capital into a single company to make a better automobile. Others quit trying to make automobiles and started making one or more parts for automobiles. Others started making washing machines or refrigerators, or a hundred other items that America needed or wanted. General Motors alone now has more than 1500 subcontractors, or suppliers, making parts for its automobiles. And the number of employees involved in the whole industry is 2.5 million.

The keen competition, as companies sought a share in the almost unlimited market, required high investment in tools. Consequently, the investment in plant, tools, and inventory today averages out to about $35,000 per job in the auto industry.

THE MIRACLE OF TOOLS

The increased productivity brought on through the employment of miraculous machine tools in industry, made a man's hourly work more valuable to the producer. With machine tools he produced a great deal more. So industrial wages increases—from about a dollar a day at the turn of the century to $25 to $50 a day—and even more in some highly skilled machine work. The average income for every man, woman and child in America today is $3600. Which means that the family breadwinner on the average makes three times that much.

In Western Europe—Norway, Sweden, England, Germany, France, Italy, Belgium, the Netherlands—the average per capita income is about $1800, just half as much in purchasing power as American's enjoy. In Russia, where they have total Socialism, the average is about $800 a year, less than a fourth. This is a powerful commentary on the value of our private enterprise system to the people of America. It gives us a living standard four times higher than the Russians have, and more than twice as high as in Western Europe.

SUCCESS CANNOT BE CHALLENGED

The two nations coming closest to us in productivity are West Germany and Japan—two nations that we taught to follow private enterprise principles after World War II. In fact, it was American free enterprise productivity that won World War I and World War II. Since that time we have aided other nations more than any other people ever aided foreign nations—to the tune of perhaps a hundred billion dollars since World War I.

The facts we've given here cannot be challenged. Wouldn't we be fools to give up such a productive system! Yet, faith in our American system of private enterprise is being shaken by the propagandists and by some of our own people who have unconsiously swallowed some of the propaganda and believe that Big Government can provide a better living for everybody. Faith in our system wouldn't be shaken if our people, young and old, knew and understood the full story of free enterprise, how it works and its incomparable record of serving the needs of our society.

ENEMIES IDENTIFIED

The critics of our private enterprise system—those who are not linked to the Communist-Socialist conspiracy to overthrow the system—can't tell us where Big Government, which is invariably their formula for society's progress, has provided for its people a better living standard and a climate for the growth of freedom such as Americans have enjoyed for nearly two centuries. The reason they cannot is that nowhere on earth at any time in history has a Government provided for its people as much as one-half the good things of life—including food, shelter, clothing, recreations, freedom, happiness—that private enterprise has provided for the American people.

These people who are willing to stand by while the American system is wrecked don't know the facts, or they would challenge the detractors, the wreckers. Of course, our system hasn't worked perfectly; but the basic reason is that we do not have perfect people operating the system. The 100 million Americans who are involved, through stock ownership or actual participation in running the economic system, are not perfect people. There are some bad apples, there is some incompetency, some greed, and many mistakes made. But this doesn't mean that the principles of the system are not sound. They are. History has proved that over and over again. In fact there is far less exploitation under private enterprise than under a dictatorship.

A CHALLENGE

Yet there are millions of people in America who are, through their actions or their failure to act, aiding the cause of America's enemies—which is to ruin and overthrow the private enterprise system. So it becomes the responsibility of all the other citizens, an overwhelming number if they can be once moved to action, to protect private enterprise under constitutional government, which is the source of our unmatched national wealth, our freedom and our future prosperity. They must become missionaries to the uninformed. They must help reach all the people of America with the facts about the American economic system. This crusade requires the cooperation of the family, the church, the schools, and the government.

Of course, the Communists and Socialists are the major enemies. Both are world wide conspiracies. Both plan to bring everything under Government ownership—for this gives a small group of the "elite" absolute power over the lives of all the people. And they are working together, the Socialists and the Communists.

FALSE TEACHINGS

Many young people in America who do not know the difference between Socialism and Capitalism have been alienated from our system by Socialists or Communists in our educational system, Socialists or Communists in the press, Socialists or Communists in the motion picture industry, in publishing, and in many other areas of communications. In some cases, textbooks have not painted a true picture of our history and economic system, and thus many young people have turned against the American system on the basis of false or incomplete information.

The No. 1 Enemy is World Communism. Its agents have been busy in all facets of our society. The Communists began trying to tear down America back in the early 1920's. They infiltrated their people into every phase of our way of life, particularly into all the agencies and institutions of information. Until the end of Wolrd War II, the success of the infiltrators was limited. But in the latter part of the 1940's they began to make astounding progress influencing the opinions and actions of millions of people.

ATTACK BUSINESS SYSTEM

The Communist propagandists among us continue to hammer away at our economic system, our industrial system, and what they call "Big Business." Actually they mean to destroy the entire business system; but they cunningly use "Big Business" as their propaganda "whipping boy."

They hammer away at traditional morality. On many campuses they get their young converts or dupes elected to stop student offices, such as presidents of the student body, chairman of the student councils. They begin to form revolutionary cadres among the students. They may introduce their young recruits to Marijuana and then the "hard" drugs. They forment "demonstrations" and whenever possible "violence" against "The Establishment," "The System," "Private Enterprise." They send their ruffians to destroy banks because they have made banks symbols of private enterprise capitalism. Over and over again in America the Communists have shown an ability to mobilize hundreds of thousands of "dissenters." And the basic reason they are successful in this is because the dissenters do not know the facts about our American system.

WRECKERS OF MORALITY

In the last 20 years I have met and worked with some of the most prominent former Communists who have severed ties with the world-wide conspiracy and are working now to make amends for their transgressions against mankind. Also among my intimate acquaintances have been (and continue to be) a number of loyal Americans who have made terrific sacrifices and served as underground agents of the FBI within the Communist apparatus in America. And among the people I continue to work with today are some former high-up officials or agents of the FBI, Army Intelligence, and other Security agencies who have resigned or retired so they could more freely fight the Communist forces within our nation.

These facts are mentioned to affirm our rather unusual authority to write about the Communist drive to break down the moral foundations of our society. All of the men and women who have had close contact with the conspirators in our midst speak of the emphasis placed on undermining and tearing down the moral foundations in America. This is in line with the long-range strategy of the Communist masters in Moscow and Peking. They are smart and they read the history of the human race and they see that throughout history moral deterioration has utterly destroyed nations.

CAUSE OF DOWNFALL

The history of the world shows that there have been many civilizations, and as each civilization marched across the stage of time, one nation or group of nations stood out in leadership, representing the best at that period of history. Historian Arnold Toynbee notes that 19 of these 21 major civilizations fell prey to moral decay from within. They disappeared from the world scene—Egypt, Assyria, Babylonia, Persia, Greece, and Rome, were among them. Each had its day on the stage of history. Each was first among nations of the world for a time. But each moved down the Western slope to oblivion. Having started the downfall, no one of them ever stages an effective comeback.

The fall of Rome did not come at a time when another superior nation was ready to take the place of the Romans. On the contrary, the fall of Rome ushered in a period known as the Dark Ages, which lasted 1000 years. During that period civilization moved backward, not forward, which demonstrates the fact there was no leadership to replace the leadership of Rome.

WESTERN CIVILIZATION EVOLVED

Out of the Dark Ages, finally, came Western European society, and England became the foremost nation, not because she had more land or more resources but because she granted more freedom. I can personally remember when England was the foremost nation of the world and "Mistress of the Seas." But today England is a third-rate power and she demonstrates no signs of a comeback. She is neck-deep in Socialism; and her decadent society has to some degree infected our own.

For nearly half a century America has stood at the peak of Western civilization. She began to represent mankind's loftiest ideal when, 200 years ago, she won individual freedom from the Monarchy of England. For nearly two centuries America climbed toward the pinnacle of leadership, serving as an inspiration to the whole world; and her military strength in the last 50 years has kept despots (such as Hitler and Stalin) from overrunning the world. But in the last 25 years, the people of the world have watched a mighty nation seem to lose its bearings and falter.

MAN'S BEST HOPE

Is the decay of civilization inevitable? Of course it isn't. The Communists tell us it is. They say that the American system, which has at its heart the principles of individual freedom and individual responsibility, contains the seeds of its own destruction. That is true only in one sense: mankind is weak. But in Western civilization man haa found a tower of strength in Almighty God. Faith in God has been the foundation stone in our birth and our rising strength as a nation. Tuned to God, mankind can exercise great power for good. Alienated from God, man, indeed, is weak and destined to failure.

And this is the great weapon free man has against the Godless peril and the tyranny of World Communism. This is not meant to be a sermon. But when we carefully look at the enemies of free enterprise, we cannot escape the fact that the Communists as well as their recruits among our young people are atheists. And that says something. We cannot be overcome by World Communism if we marshal our strength on the foundations on which Western civilization in America was built—Faith in God, Constitutional Government, an Economic System operating on the principles of private ownership and the competitive market. This is the challenge laid upon us. Will we accept it?

WHERE THE ACTION IS

HON. JOHN B. ANDERSON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. ANDERSON of Illinois. Mr. Speaker, on July 1 of this year, the Federal Government gave birth to a new agency under Executive Reorganization Plan No. 1 of 1971. The agency was called Action, a merger of seven Federal volunteer service programs including VISTA and the Peace Corps. It was placed under the able leadership of Mr. Joe Blatchford, formerly the Director of the Peace Corps. Its mission was to give new impetus to volunteer efforts to meet the pressing social needs of the decade, both on the domestic and international fronts.

Tomororw, this fledgling agency will be 4 months old and already it is exhibiting the new life and energy which its name would indicate. Despite the fact that the Congress has not yet appropriated the extra $20 million which the President has requested for new program initiatives, Action has nevertheless been able to build on existing domestic antipoverty programing to create new opportunities for service. Three new cooperative concepts which have emerged are relationships with the American Red Cross, the Opportunities Industrialization Center of Philadelphia, and the University Year for Action. The latter program is a cooperative effort with some 10 universities on a pilot basis to field several hundred student volunteers in the poverty community for a year. The students would receive academic credit for this service.

At this point in the RECORD I am including an editorial from last night's Evening Star on the University Year for Action—UYA—plus a November 1 report on "The First 120 Days of Action." I commend these to the reading of my colleagues:

[From the Evening Star, Nov. 29, 1971]

STUDENTS AGAINST POVERTY

The new federal Action agency formed through a merger of Vista and other volunteer service groups in July, seems to be living up to its name. At least it has been quick to get some innovative ideas into operation, and one of those involves the challenging and activating of college students.

Called University Year for Action (UYA), this program was launched in September with 11 colleges and universities participating. Now 20 more plan to join at the next semester break, which means that more than 1,000 youths soon may be enlisted in the enterprise. They will go into poor communities near their colleges and work full-time for a full year, fighting poverty. What's unusual is that they receive generous academic credit for these labors, along with assistance from faculty members. Their assignments are to give special assistance to all sorts of disadvantaged people in all environments—from ghettos to the great open spaces.

The response has been overwhelming; about 170 colleges and universities all across the country have tried to get into the program. But Action is moving cautiously, and with good reason. This is, as Director Joseph Blatchford makes clear, a demonstration project, a test of "the concept of combining academic credit with involvement in realistic projects to alleviate poverty." There are still vivid memories of disappointments that came from wholesale plunges into some other anti-poverty concepts, in which implementation far outran the planning and testing.

But this program has a powerful appeal, for two reasons: It affords an outlet for the idealism of the young, and it might provide a cadre of professional antipoverty workers, not only educated but seasoned and sobered by experience, that will be a valuable asset in the years ahead. The UYA will be where talk about commitment ends and testing of commitment begins, and some students will find obstacles to human redemption they never dreamed of. Some will drop out, but many no doubt will grow in dedication as they comprehend the awesome dimensions of the task.

It's good to note that Howard University and Federal City College here in Washington were among the first to put students to work in this laudable experiment.

THE FIRST 120 DAYS OF ACTION

Since July 1, 1971, Action has been devoting itself to the task of bringing together volunteer service programs designed to aid all who need and want help at home and abroad. The new agency is taking what President Nixon calls "the first step toward a system of voluntary service which uses to the fullest advantage the power of all of the American people to serve . . . the nation."

Action brought together from throughout the federal government seven volunteer service programs whose purposes and spirit remain intact, but whose goals and effectiveness are being sharpened and expanded to better deal with the pressing social requirements of the 1970s. On both the international and the domestic fronts, Action programs are tailoring the experience of the past decade of volunteer service to the realities and needs of today. Action includes:

VISTA (Volunteers in Service to America)—sends volunteers to work in locally sponsored projects to alleviate poverty in the United States and its territories. VISTA was previously a program of the Office of Economic Opportunity (OEO).

Peace Corps—sends volunteers abroad to help the people of 55 countries of the developing world to attain a higher level of social and economic progress.

SCORE (Service Corps of Retired Executives)—utilizes the skills and experience of America's retired businessmen and women as volunteer consultants to small businessmen with management and operating problems. Both SCORE and its complement ACE (below) came to Action from the Small Business Administration.

ACE (Active Corps of Executives)—provides the voluntary counsel of active executives on an "as needed" basis to small businessmen.

Foster Grandparent Program—enables men and women over the age of sixty to provide companionship and guidance to children in institutional settings. This well-received and mutually rewarding program was originally under the Office of Economic Opportunity and subsequently was administered by the Department of Health, Education and Welfare (HEW).

RSVP (Retired Senior Volunteer Program)—offers opportunities for older citizens to use their talents in community service projects. This program came to Action from HEW.

Office of Volunteers Action Liaison—encourages interest and participation from the private sector in Action programs; maintains liaison between Action and non-federal government officers and organizations; and finds and coordinates career opportunities for former volunteers. The program which has evolved from an earlier Office of Voluntary Action, was formerly carried out by HUD.

In the shaping of Action, change for the

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sake of change has been avoided. Both the Peace Corps and VISTA, whose missions have been amply established over the years, remain unchanged in terms of program and identity. What Action has been doing in the past 120 days has been to encourage each of these units to build on its unique features and draw upon the experience of the others. The new agency is now exploring the best ways to bring the talents of volunteers from all programs to the continued service of both our own citizens and the citizens of the rest of the world. The present arrangement enables Action to draw on greater recruitment resources and talents, and opens new channels for volunteer talents and skills.

This inter-program sharing has great advantages both for the program individually and for the people they are designed to help.

THE CONSULTATION PROCESS

Action's component programs continue to maintain the close consultations they have always kept up with their field staff and members of the communities they serve. This interchange assures that programs are responsive to community needs and interests, and identifies areas in which more work is needed. During the past 120 days, Action has continued and expanded these contacts in order to assure the continuity and maximum effectiveness of the merged programs. Action's staff has consulted with a great range of people, from field workers to anthropologists and educators. The results of these discussions have been most productive to Action's senior staff and to the future course of the programs they direct.

From the moment the re-organization was proposed, Acting Director Blatchford began an intensive schedule of dialogues to determine the directions Action should take and to assign priority to necessary moves and needed innovations. Minority leaders, educators, volunteers, the staffs of the various programs to become components of Action, people in poor communities, and officials of national and community organizations were consulted for their views and suggestions. Anthropologist Margaret Mead, Acting Director Harold Simms of the National Urban League, and Edwin Shelley, President of the National Council on Aging were among those people with whom Acting Director Blatchford spoke personally.

Also prior to the merger, task forces composed of member program personnel were at work. The VISTA task force, composed of the ten regional administrators, held two meetings leading to the submission on July 23 of its comprehensive report on regional reorganization. In addition, an Action steering committee, composed of component agency representatives, met several times to prepare for the merger on July 1st.

CONSULTATIONS SINCE THE MERGER

Action has been continuing its contacts during the first 120 days, and they are designed to remain an ongoing part of operations. By means of letters and telegrams, personal visits and meetings, and through the media, the executive staff of Action has contacted persons and groups whose experience and interests are relevant to the work of a citizen service agency.

The educational community

One such group is the educational community, one of Action's primary volunteer and advisory sources. An educational conference, held on October 12–13, 1971, brought together 17 of the major professional educational associations and 15 universities in which Action/Peace Corps has had intern programs, to explore and discuss the relationships between Action and the universities.

Within Action an Educational Advisory Council has been established as a way of keeping the agency apprised of developments within the academic community. Its membership is composed of senior level representatives from all Action divisions dealing with universities and other institutions of learning.

Action maintains a liaison with the Office of Education (HEW) with which future joint programs are being developed. The proposed shift of the Teachers Corps from the Office of Education to Action is also being discussed through these channels.

In addition, Acting Director Joe Blatchford and senior Action staff members have been in the field visiting professors and students on their campuses, where they have held discussions on mutual goals and the joint projects which might help realize them.

A result of these contacts with the educational community has been the development of guidelines for the creation of the University Year for Action (UYA) program, the largest project initiated since Action's inception in July.

Elected officials

Legislators and state officials comprise another group that Action has regularly consulted. Acting Director Blatchford and Action's senior level domestic operations staff have met with the governors of Minnesota, Washington, and Indiana; lieutenant governors of New Mexico and California; and mayors of such diverse cities as San Jose, California, New Orleans, and Troy, Alabama. The purpose was to discuss Action programs in their areas and the increasing need for citizen service on a larger scale.

Program component personnel

Before the creation of Action, discussions were held with personnel of the programs designated to form the agency by the Acting Director. In these discussions, the organization and plans for the new citizen service headquarters were worked out. Since the information of Action, headquarters personnel have continued to exchange news and ideas with program staffs. Regional meetings of SCORE/ACE, Foster Grandparents, and VISTA that have taken place since the merger have been attended by Action senior staff members.

In mid-July, the ten regional directors of VISTA met in Washington to talk over such issues as personnel authority, the makeup of regional offices, volunteer and contract relations, and communications between the field and headquarters. To study these issues, a task force on volunteer support issues has been formed, and is described below. Meanwhile, top agency executives also visited each of the regions, where they consulted with the field staff and volunteers to identify problem areas.

Volunteers

On July 1, 1971, Acting Director Blatchford sent letters and telegrams to all volunteers in the field describing the new agency and explaining the implications of the reorganization. These messages also expressly asked the volunteers to communicate their ideas for ways of making Action more responsive to their needs and those of the communities in which they serve. Their responses highlighted the need for a stronger voice in policy and operations by both volunteers and local communities, and the need for stronger definition of programs.

Volunteer task force

The responses of VISTA volunteers were major considerations in determining the issues of a task force on volunteer support put to work in July. The 13-member force, whose preliminary recommendations are due within days of this report, includes volunteers, project sponsor representatives, and an officer of the National VISTA Alliance. Subjects under study are health, transportation, pay systems and legal support for VISTA volunteers.

To further solicit volunteer views Acting Director Blatchford made a nine-state trip through the South and Southwest visiting projects and talking to both volunteers and community residents in locations from Asheville, North Carolina, to Chinle, Arizona. The Blatchford trip was complemented by others on the part of domestic operations senior staff, and before the end of 120 days, all high-level Action officers had been in the field for first-hand conversations with volunteers and local residents.

Along with visits to project sites and consultations with community groups, the Acting Director has visited five of the ten regional Action offices since July 1—in Atlanta, Dallas, Philadelphia, San Francisco and Seattle—and met with the Federal Regional Council (which includes the Action Regional Administrator) in Boston. The other five regional offices have been visited by senior staff members in order to strengthen Action's mission through cooperation among its own programs as well as finding new ways of responding to the needs of those it exists to serve.

Acting Director Blatchford toured five African nations on a three-week mission to explain Action to those concerned with Peace Corps activities there. Among others, Kevin O'Donnell, Acting Associate Director for International Operations, visited Peace Corpsmen in Latin America and also held talks with ministers in Peru, Chile, Paraguay, Brazil, and Venezuela in order to gain a better understanding of their attitudes, and to explain Action's functions to them.

The Peace Corps National Advisory Council met in March to discuss the merger and consider its impact on the Peace Corps. Since that meeting, its members have made trips abroad, where they visited Peace Corpsmen and projects, explaining the plan to Volunteers and host country officials. Chairman Nell Armstrong visited Volunteers in several East Asian nations. Gustav Nordin of the Pasadena *Star-News* went to Iran, and Mrs. Edmund C. Lynch, Jr., toured projects in Ghana, Kenya, and Ethiopia. Athlete Bill Toomey has traveled to South American projects, and in the United States has actively supported Peace Corps recruitment during his public appearances.

Older Americans

In June and August, the Acting Director met with groups of SCORE volunteers in Portland, Oregon, and Dallas, Texas, and in October he attended the National SCORE Convention and addressed the delegates on several outstanding issues in the administration of the SCORE program. The Acting Director of Domestic and Anti-Poverty Operations, Christopher Mould, also attended and addressed this convention; both assured the delegates of Action's commitment to preserving the function of SCORE as a source of expert guidance to small business. The concerns of the SCORE volunteers were reflected in the Director's commitment to explore ways of increasing funds available for reimbursement of out-of-pocket expenses of SCORE volunteers, and in increasing recognition of SCORE's work. The creation of Action was described to the volunteers as providing an opportunity for involvement in a broader range of management problems, for those SCORE volunteers who wish to engage in the counselling of non-profit and community-based organizations.

In August the Acting Director visited a Foster Grandparent project site in Dallas as well. Subsequently, he referred to this program as "a true 'love story' which deserves all the support and encouragement we can give it." Through SCORE, Foster Grandparents, and the Retired Senior Volunteer Program, Action seeks to greatly expand both the opportunity for service by older Americans and the impact of such service on communities throughout the nation. The 28 million persons in the United States over age 60 represent an enormous national resource,

if ways can be found to facilitate and mobilize their service. Action is actively seeking ways to build on the strengths of its older Americans programs in the direction of a comprehensive program for all who wish to join in service. In recognition of the importance of volunteer programs for older Americans, Action's Acting Director has been appointed to the Executive Committee on the Aging, and he and members of his staff have attended the meetings of this group held since his appointment.

The poor community

Following Peace Corps models for making programs directly responsive to local community needs, Action policy has placed great emphasis on the views and suggestions of members of the communities being served, as well as local community volunteers who are helping carry out Action projects. To this end, high-level Action staff concerned with domestic operations have been in the field to talk with migrant workers, blacks, Indians, and other low-income Americans—both those currently working with Action projects and those who might be so involved.

During his field visits in the South, Acting Director Blatchford went into poor communities in Georgia, Alabama, and North Carolina visiting VISTA projects and drawing out the views of local people as to highest priority needs.

He visited nine Community Action Program offices as well as having numerous meetings with volunteers, the poor, and concerned groups of individuals. In the West and Southwest, a special emphasis was placed on opportunities for drawing Indian and Mexican-American populations into closer contact with Action, both as volunteers and as organizers of Action projects.

In New Mexico and Arizona, Acting Director Blatchford successively conferred with the Chairmen of eight Northern Indian Tribal councils near Santa Fe; visited a VISTA rabbit co-op project in Espanola, New Mexico, and then went on to a Navajo reservation in Chinle, Arizona, where VISTA volunteers are manning an extended care center to supplement an overburdened hospital.

Meanwhile on a separate trip, Action's Acting Domestic Operations Chief Christopher Mould met with several Indian representatives at the Oglala Sioux Reservation in Pine Ridge, South Dakota. With the tribal council chairman he discussed such issues as possible Indian participation in the Peace Corps and Action's proposed University Year for Action program. The effectiveness of VISTA volunteers on the reservation, reservation needs, and difficulties in cross-cultural communications were also examined. The Domestic Operations Chief, in addition, visited five of the Action regions, conferring with staff, inspecting projects, and talking with project sponsors and volunteers.

In a similar fashion, the Acting Director and other staff members have visited sites of potential Action projects or places where work might be expanded. The Acting Director talked with student and inmate volunteers at the Washington State Reformatory in Monroe, and with inmates and prison officials at San Quentin in California. He has also met with groups of student volunteers from Cincinnati, Ohio, and in Lafayette, Louisiana.

Maximum input is being sought at the community level not only on the part of senior Action officers but in the form of continuous outreach by the ten regional offices. Sponsor agencies, VISTAs, community volunteers, and local people have provided feedback on problem areas and needed projects in which they might all participate with greatest effectiveness. New policies and programs now being developed by Action, in its deliberate attempt to decentralize its policy-making functions, will rely heavily on this information.

Additional contacts

Apart from interchanges with educators, legislators, Action personnel, volunteers and the community, continuous contact has been maintained with other government agencies, community service groups, and volunteer organizations. A number of joint projects are in the works or under study with, for example, HEW, the Public Health Service, the American National Red Cross and the U.S. Department of Labor.

Objectives growing out of the consultation process

Consultation and investigation will continue. Action exists to serve wherever there is need, by mobilizing those who want to help. To fill this role, Action must be continuously aware of opportunities for volunteer service and of the talent and dedication which may be called into service. Even in the brief period since Action was formed, certain priorities have become clear. Future planning for citizen service will also reflect these objectives:

In each Action program area needs exist which can be met by citizen service. Each Action program plays a critical part in improving the quality of life for people in need, and each must be strengthened.

There are other areas in which the need for real service is not met because of a lack of resources and programs. Action must expand citizen service into every area of need.

Those who are chosen to fill leadership posts in volunteer programs must be specifically qualified for the job and capable of mobilizing support and enthusiasm outside the government as well as among volunteers.

Citizen service programs must respond to those needs which people recognize and want to help solve; so Action must cooperate closely with local groups in developing extensive opportunities for citizen service.

An effective volunteer is the one who serves as a channel between full community resources and the people who need and want help. By mobilizing part-time volunteers and by calling on others for a variety of tasks, Action's volunteers perform this function.

The skilled manpower necessary for effective projects can only be found through recruiting campaigns tailored to the requirements of volunteer programs. Recruiting must build on the ideas of local community contact, if it is to be fully effective in the support of Action programs.

Skill training is critical to the success of volunteer work, and if volunteers are to realize their full potential, training programs must be designed to meet the exact needs of the job to be done.

Volunteer support must be realistically tuned to job requirements and conditions of service. It is recognized as wasteful and damaging to morale to economize on out-of-pocket expenses and living allowances of volunteers.

Action, through its ability to provide a mix of volunteer resources, can provide a response tailored to specific needs set forth by local communities.

THE TASK OF REORGANIZATION

Staffing

For Action to achieve its complex goals, it has been recognized that its staff must be composed of carefully chosen, committed people. Consequently, much effort is going into the recruitment and selection of men and women for key Action positions. The response to the initial search has been both exciting and gratifying. Some 6,000 applications have been received for agency staff posts since July. For top posts in the ten domestic regional offices alone, 750 referrals were received as a result of inquiries in the field.

The sifting of the applications is a complicated and sensitive task. Persons to be seriously considered must be well known and acceptable to volunteers and community groups. They also must have shown a strong interest in volunteer programs. A case in point is that of the new Director of Action's Voluntary Action Liaison Office; as many as 60 suitable people were considered for this position, and following field interviews and careful reference checking, this number was reduced to a dozen or so candidates. From this final group, Action made its selections.

Even after selection, however, there is still a considerable amount of negotiation to be done; for the kind of person Action needs is likely to be already deeply involved in a career—which frequently pays far more than Action can offer. Therefore, Action can only recruit those people who are as motivated by its work as by the promise of personal reward.

As an example, one new officer has left behind a substantial law practice and interests in several community business and service projects to come to Washington because of her belief that volunteer service can help solve problems in local communities.

Similar selection processes were carried out for the new head of VISTA. Her name was submitted by a number of human rights organizations, including the NAACP, for the post to which she was named. Her credentials were checked professionally, with VISTA volunteers in the field, and with former VISTAs now serving on the staff. Community service organizations and low-income groups with whom she has worked and will work, were also consulted. The reports were so favorable that she was promptly offered—and has accepted—the position.

To refine and perpetuate this selection process, Action's Office of Staff Placement is at work developing an intricate and thorough reference-checking system. By extending this process, the OSP will soon be able to reach out through many sources at once, to get the people Action wants, and in turn interest and involve these people in the agency's mission for the 1970s.

Much time has also been spent on developing new staffing patterns which will enable both the domestic and international aspects of Action functions to respond to their new integrated roles. A careful investigation is being conducted to streamline overhead positions at headquarters and to insure that Foreign Service Reserve and Government Service systems are equitably integrated. Considerable savings and an advantageous blending of systems have already been brought about in the Office of Citizen Placement, and comprehensive studies of other offices are underway. Plans are also being developed for an efficiently decentralized Domestic Regional staffing pattern that will insure program and operations linkages among VISTA, Foster Grandparents, SCORE and ACE.

Labor relations

In line with the assurances made to Congress and in order to further assure the orderliness of the transition to a unified volunteer agency, Action top staff has established a continuing dialogue with the representatives of the American Federation of Government Employees local which represented VISTA employees in OEO. Action officers have met with officials of the Department of Labor to facilitate the completion of the pending election of representatives required to qualify the AFGE for recognition under Executive Order 11491. Dues deductions for AFGE local have been continued during the interim.

Action has also taken steps to include its Foreign Service employees within the coverage of the proposed Executive Order on union activity in the Foreign Service, so that a constructive and orderly system for labor relations with representatives of these employees can be established. A grievance procedure has been established within Action to hear and review complaints of the competitive service employees, and the agency has adopted a merit promotion system and an Equal Employment Opportunity action plan.

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THE OFFICE OF CITIZENS PLACEMENT

The creation of the Office of Citizens Placement, handling recruitment of all Action volunteers, was a major new effort to streamline agency functions. A number of volunteer recruitment efficiencies have been made possible through the establishment of the OCP. The government no longer, for instance, sends a Peace Corps recruiter to a campus a week after a VISTA recruiter has been there. Duplication of federal effort has also been eliminated in:

Recruitment drives.

Recruitment materials such as posters, brochures, advertising.

Recruitment sources and training of recruiters.

Exhibit space and convention coverage.

The agency has developed a combined Action application serving both Peace Corps and VISTA volunteers. This both reduces the amount of processing formerly required of the two programs and facilitates the exchange between the two programs of applicants in needed skill areas.

Combined facilities have also made it easier for volunteers completing their periods of service in one program to move into another. Peace Corps volunteers have frequently indicated interest in joining VISTA, and vice versa; now their experience—something a new recruit cannot offer—is made more readily available to programs in which it is vitally needed.

In addition to the talents of these returned volunteers, Action has another enormous source available to it in the form of federal employees. Through cooperation between Action and the Civil Service Commission, the ruling under which federal personnel may serve for two years in the Peace Corps while maintaining both salary and seniority levels has now been extended to both VISTA and other full-time volunteer service efforts. This agreement enables government employees to make a contribution without interrupting their long-term career plans, and Action to tap their vast talents.

The Citizens Placement Office, during its first 120 days, has instituted a WATS line by which any Action applicant or prospective applicant can receive answers to inquiries from the Action Washington headquarters. An inexpensive recruiting tool, the WATS line eliminates the cost of calls to the agency, and retains contact with qualified applicants who might otherwise be lost because of changes in address, availability dates, etc.

A first unified recruitment campaign was launched for Action volunteers in Minneapolis in August, and made use of new combined materials and facilities. With Minnesota Governor Anderson's active participation, the campaign featured media saturation, meetings and briefings with community leaders, two mall displays, and airport exhibits reaching over two million people.

While savings have been realized in the efficiency moves already mentioned, more substantial economies have been achieved in the conversion of recruitment contracts and in representation on college campuses.

Since the formation of the Office of Citizens Placement, four contracts for VISTA recruitment and selection, established by the Office of Economic Opportunity, have been terminated. The work formerly performed under the contracts is now performed by Action staff. By terminating these arrangements, the OCP has been able to save over $750,000.

In FY 1971, VISTA had a recruitment contract which retained 95 campus representatives for seven months per year, for a total cost of $33,000. The Peace Corps, at the same time, maintained 35 campus representatives for seven months, for $13,000. Beginning in FY 1972, Action will need to retain only 40 campus representatives for both programs, at an economy of $32,000.

Action is also seeking greater black and other minority participation in its programs. Because of this, it has recently engaged a black professional research firm to prepare a study of attitudes—originally concerned only with the Peace Corps, but extending to include reference to VISTA as well—at five universities, and will help define new approaches to minority volunteer recruitment. An effort also has been made to encourage volunteers from the Chicano, or Mexican-American, community through a series of regional contacts and a national recruitment program centered at Los Angeles.

THE TRAINING OF ACTION VOLUNTEERS

Action believes that all volunteers must be trained for specific jobs they are to do for the sponsor agency, host country ministry, or client. Training is viewed as consisting of a set of controlled learning experiences which will enable the trainee to master the necessary skills before he or she begins volunteer service.

Peace Corps training

Peace Corps Volunteers continue to undergo approximately 12 weeks of intensive training prior to beginning their volunteer service. This consists of host country language study and cross-cultural preparation; learning the jobs to be done (for generalists) or adapting given skills to in-country application (for skilled trainees); and learning how to train host country nationals in these skills.

During the past year, and especially the last four months, there has been a shift toward training in the actual country where the Volunteers will serve. At this time, approximately 80% of Peace Corps training is done wholly or partially in-country. By 1973, virtually all training is expected to be done in-country. In-country training is far more effective: it cuts down on later attrition during volunteer service; encourages better understanding and support of host country ministries and agencies through their involvement in training; and costs far less than training done in the States.

Peace Corps is continuing to develop innovative training models. In Ghana, host country nationals are being trained along with Action trainees in skilled trades through a process wherein they must demonstrate mastery of each skill unit and teach it to another trainee before proceeding to the next unit. In India, the Peace Corps has initiated a "satellite village" concept of training involving a group of villages and villagers in agricultural training. Volunteers first serve in these villages for a year after which they may qualify to move into supervisory agricultural extension jobs at district headquarters. They may then be invited to extend and serve at the state or ministry level.

In Western Samoa this fall, the Ministry of Education will turn over the use of one of its schools during the long Christmas break and will invite pupils and junior teachers to participate in a model school sponsored jointly by the Peace Corps and the government. Peace Corps trainees will practice teach both as teachers of students and as teacher trainers. They will also administer the school. In Ethiopia, a local Ethiopian agency will soon conduct all Peace Corps training. In Brazil, a recently opened binational training center supplements the Puerto Rican center which has been training most Volunteers going to Latin America. This summer the Peace Corps instituted new guidelines for training family Volunteers.

VISTA training

On July 6th, Action undertook a comprehensive study of VISTA training including: 1) reports from each of the ten regional offices on the goals of the agencies where VISTAs serve, the goals of the projects in which they serve, and the Volunteers' job description; 2) a factfinding study in which thirty summer training programs were visited and observed, reported and summarized; 3) conferences with all contractors currently doing VISTA training; 4) conferences with former contractors; 5) approximately 4,000 questionnaires sent out to former VISTA volunteers asking their views on the strengths and weaknesses of their training; 6) extensive conferences with acting directors and staff of the ten regions.

All findings have confirmed the need to improve training. There must be specific and realistic performance goals established. Doing so depends upon analysis of skills and attitudes a volunteer must have before beginning service—skills and attitudes which may be gained and demonstrated through an ordered process of growing experiences and supervised tasks.

New four-week training models are being gradually developed with each of the ten VISTA regions, consisting of: 1) orientation to Action/VISTA and the role of the volunteer; 2) communication in the culture in which he/she will serve, with specific cross-cultural performance experiences; 3) skills training for both generalist and skilled volunteers; 4) extension training for all trainees in teaching their jobs to future co-workers and associates; 5) special training for different kinds of trainees (i.e., nationally recruited and locally recruited community volunteers, as well as their future agency supervisors); 6) an ordered qualification process for trainees based on well-defined job performance descriptions; and 7) possible training innovations, such as communication study to adapt trainees' speech and understanding to local idioms, word usage and speech levels, or language training as needed, in Spanish or Indian languages.

Training done at the local level has been shown to be most suited to volunteer work. Action has therefore initiated efforts toward designing new training models for each region, to meet the expected volunteer input for the next fiscal year.

OTHER HEADQUARTER OFFICES

Several internal functions of the agency, besides those dealing with recruitment and training of personnel, have been heavily burdened by the merger. Offices of General Counsel, Administration and Finance, Congressional Liaison, Minority Affairs and Public Affairs have had to develop new systems and approaches to cover the newly linked Action programs.

Since the merger, Public Affairs has concerned itself with an identification campaign for Action, underlining the policy of maintaining the identity of each member program while coordinating those organizational functions which apply equally to all. Public Affairs has also developed informational brochures and advertising materials on the programs—some of which are now receiving their first wide-scale attention through the press—and a field support system relaying information from the domestic regional offices to headquarters.

In Administration and Finance, an Action manual detailing procedural order is now being prepared. This office has also instituted a combined computer operation, so that accounting and payroll procedures formerly contracted out by member programs can be handled by Action headquarters.

During Action's first 120 days, a new office of Policy and Program Development has been created to assure Action's continued flexibility and responsiveness to the needs of the poor community in the coming years. Established along the lines of the recommendations received from all levels of consultation over recent months, this division is responsible both for working out new cooperative programs with outside groups, and for continuously evaluating the direction Action is taking. University Year for Action, the first program initiated since the merger, is one of this office's responsibilities. It and future projects are discussed in later sections of this report.

PROGRAM ADMINISTRATION

Since the Action merger, the program components have been re-evaluating their operations. Their roles in relation both to Action and to their particular target groups are under study. All programs have held regional meetings. The Foster Grandparent program, for example, held two-day regional conferences in September and October to discuss application procedures and other current issues. At the same time, that program has engaged a management consultant firm to conduct a cost/benefit study on its operations. The Peace Corps, the single international program within Action, has been affected by the merger primarily in the coordination of common functions with other Action programs.

PROJECTS INITIATED SINCE THE MERGER

Action's mandate is not only to improve and strengthen existing opportunities for voluntary service, but also to seek out ways in which a small federal contribution can magnify the effects of individuals in service to communities and people who need and want help. Action's ability to respond to this challenge is a result of the accumulated experience of ten years of Peace Corps, seven years of VISTA and SCORE, and four years of Foster Grandparent programming. The challenge is a real one, since millions of Americans need only a little encouragement to become involved in volunteer programs to improve their communities: Action's role should be to strengthen and develop these opportunities for service as well as those of existing federal programs.

Evidence of the breadth of support for volunteer programs can be seen in the new program concepts which Action is developing. So far, these efforts have been limited by available funds—$20 million earmarked for Action by the President at the time of the reorganization plan has not yet passed through the Congressional appropriations process, and cannot be put to use in designing new program initiatives.

Nonetheless, it has proved possible to build on existing domestic anti-poverty programming in the creation of new opportunities for service. Three cooperative concepts have emerged which have sparked widespread interest and hold promise of indicating the extent of public response to federal initiatives in the area of voluntary service. These are: University Year for Action, which involves cooperation with universities to field volunteers in anti-poverty programs, and the establishment of relationships with the American Red Cross and with Opportunities Industrialization Center of Philadelphia.

UNIVERSITY YEAR FOR ACTION

Reflecting the need for a link between people in need and the powerful resources of America's educational institutions, University Year for Action has begun, on a pilot basis, on campuses this fall; 130 proposals have been received already for later program cycles. Drawing on VISTA's success in attracting the concern of established architects and lawyers to the problems of poor communities, Action sees University Year for Action as a further extension of professional involvement in anti-poverty efforts.

University Year for Action responds to three current trends: academic and student interest in experimental learning; the need for highly motivated and skilled volunteers in America; and the importance of managing assistance to the poverty community on a decentralized basis, and on terms established by local communities themselves.

Ten universities, working with Action, have selected several hundred volunteer students to spend one of their academic years in service to the poverty community. Universities are selected by Action for participation on the basis of geographic distribution, and on the strength of their proposals, including local involvement and the universities' own commitment to the program. Students entering the University Year for Action program receive an academic year's credit from their universities for their work in the field, regardless of area of study. The emphasis is upon the needs of the poverty community in health service, environmental problems, economic development, education, the administration of justice, consumer education, and housing. Selection of students is made by the universities on the basis of the applicants' skills and experience. Project tasks are defined by the universities together with community sponsors (nonprofit, non-political organizations such as the Urban League, Model Cities, and Job Corps), and members of the communities to be served.

Evaluations of University Year for Action volunteers will follow the lines of present VISTA evaluations. Preliminary steps have begun: baseline data are now being compiled on Phase I for a full evaluation of its field effectiveness.

A second phase of University Year for Action beginning January 1972, will introduce ten more universities to the program, with a possible volunteer force of 1000 for both phases. The response to Action's Phase II call to other universities has been an overwhelming one—130 institutions have submitted proposals for University Year for Action projects.

In Phase II, graduate students in medicine, law, business, urban planning, public health, and dentistry are being particularly sought.

ACTION/RED CROSS

A partnership agreement has been reached between Action and the American National Red Cross, through which volunteers will be brought into communities in disaster-prone areas of the United States to help them prepare for the hurricanes, tornadoes, fires and floods that frequently strike them. The Red Cross, in an effort to develop participation and leadership particularly within the black communities, has contracted to train experienced volunteers with community development and health backgrounds for assignment in its projects. Areas identified as target zones are the Mississippi delta, the southern tornado belt, and the Florida hurricane regions.

The volunteers will work in teams, usually consisting of a health specialist and a community development specialist. In cooperation with local leaders, community groups and Red Cross workers, they will instruct in disaster preparation measures, identify relevant community needs, and help organize disaster action teams among citizens, to care for the injured, man shelters, and work as the nucleus of relief operations.

The project is to begin on a pilot basis. A limited number of volunteers are soon to be assigned to existing Red Cross program. From Action they will receive living and personal allowances, plus travel to their assignments. The Red Cross will be responsible for training and travel expenses during assignment.

As the Action/Red Cross project expands, volunteers may also be provided to a joint effort between the Red Cross and the National Medical Association. Volunteers in this effort would be required to train disaster health aides who would then be part of the disaster action teams. While Action/Red Cross is currently focusing on domestic problem regions, future projects may extend beyond U.S. boundaries to earthquake and flood zones in other nations.

ACTION/OIC

Another of the organizations with which Action is developing a project is the Opportunities Industrialization Center (OIC), a Philadelphia-based project aimed at bringing adult education to low-income city dwellers. Under its Adult Armchair Education program, trained volunteers use private inner city homes as classrooms to bring basic instruction and counselling to adults who otherwise might never receive it. Because the meetings are held in the relaxed atmosphere of the students' own neighborhoods, and because studies are carried out with members of the adults' own peer groups, the OIC program helps to build confidence, to offer new directions to adult students and to show them other educational and vocational training opportunities.

Acting Director Blatchford, visiting the project, held a series of discussions with its founder and board chairman, the Rev. Leon Sullivan. As a result of these talks, Action has recently made a $300,000 grant to help expand the AAE project in Philadelphia and to spread it to Washington, Boston and Dallas on a pilot basis. Action's grant is supplemented by nearly $50,000 in funds and in-kind contributions from OIC.

Within a month, OIC-trained volunteers will begin an Armchair education project in Washington. The other two operations will also begin shortly. The recruitment and training of the fifty volunteers included in the three programs will account for approximately one-third of the grant, and the remaining funds will support them in a one-year field experiment. These volunteers are receiving several weeks of training in Philadelphia over a three-month period prior to returning to their communities, where they will recruit, train, and counsel the members of their programs.

PROJECTS UNDER STUDY

Under the Office of Policy and Program Development, a number of new projects are being worked out in conjunction with outside organizations. Several of these involve the cooperation of other federal agencies. Action has maintained continuing dialogues with the Office of Education (HEW) on issues of common interest. The major concern of these dialogues has been future planning for the Teacher Corps.

TEACHER CORPS

Although the Teacher Corps is still a program of the Office of Education, there is close cooperation between it and Action. This began in 1968, when the Peace Corps, VISTA and the Teacher Corps inaugurated some joint recruiting efforts.

VISTA and Teacher Corps have also collaborated in the development of programs for correctional institutions. Beginning in 1970, the Peace Corps and the Teacher Corps joined in the development of a program in which volunteers first serve for a year in the United States while preparing for Peace Corps assignments abroad; then, while serving in schools in developing nations, they continue in a two-year program of training developed by a United States university which prepares them for jobs in American schools and communities upon their return home.

Action sees the Teacher Corps as a vehicle for educational innovation and, in particular, for the introduction of service-learning programs, which may become one of the most significant changes in American education during this decade.

OTHER AGENCIES

With other federal agencies, programs centering on health, child development, and career training are being investigated. Action's function in these programs would be to provide volunteers, and sometimes volunteer support, and to systematize the use of volunteer manpower in programs devised by these agencies. Following are sample programs currently under review.

For the provision of manpower:

An anti-lead-poisoning program, with HEW and the Public Health Service, HEW has received funding for this project which is expected to be used to mitigate the dangers of lead poisoning to children in about fifteen cities. Action might supply needed

manpower with a variety of skills in each city.

A child development program, with the Office of Child Development (HEW) and other agencies. Head Start listed some 85,000 volunteers in 1970, but many times that number are needed in the area of child development. Action might enlist its own programs to this end. Their probable role: a wide range of volunteer activities, such as tutoring, parent organization, health education, medical and dental follow-up, career development for mothers, transportation, and environmental education.

An Indian health project, with the Indian Health Service (PHS) and other agencies. Action could possibly link up with OEO-directed Indian urban assistance centers in several large cities near reservations. A broad range of services, including health, education, employment, language, and cultural interpretation are required.

A Public Service Careers program, with PSC, a division of the U.S. Department of Labor. Complementing the efforts of Public Service Careers to train low-income people for community development work, Action proposes to help recruit and place these trainees in paid positions at the conclusion of one year's service with a non-profit community development firm in Louisiana.

For volunteer support:

A medical school volunteers program, with university medical schools. Medical students, supported by Action, would be placed for three months to one year in community health programs, operating in teams under a physician supervisor. Year-round continuity of health service is a key goal in Action's participation.

For coordinative functions:

A health project with the National Health Service Corps. The NHSC was established by Congress late last year and expects to place its first Corps members as health aides in the poverty community later this year. Action would coordinate local allied health people to work with NHSC members in the provision of health services, follow-through health care, etc.

A FUTURE FOR ACTION

Throughout the world, there are many other volunteer programs. Foreign countries, often with the cooperation and guidance of the Peace Corps, have set up domestic civilian service corps and have followed the Peace Corps lead in sending volunteers to help in other nations; recently the United Nations has joined this movement, with the creation of the United Nations Corps of Volunteers by a unanimous vote in the last session of the General Assembly. In the United States there are state- and locally-sponsored volunteer programs operating across the country, in addition to the thousands of private organizations and local committees which call upon their fellow citizens to volunteer.

Action seeks the widest and fullest cooperation with all such groups. The Office of Multilateral and Special Programs, a subdivision of International Operations, works with overseas volunteer programs, while the Office of Voluntary Action Liaison performs similar tasks within the United States.

Several options are under review as possible avenues for the expansion of Action's participation in citizen service efforts launched by others:

Technical assistance. The National Student Volunteer Program, operating within the VISTA organization, is experienced in providing information on program areas and administrative techniques to volunteer projects on college campuses. This experience, and this model, could be expanded into other areas.

Recruiting. Many citizens offer their assistance to Action programs but cannot be successfully placed. Action is seeking ways to make these volunteers aware of other opportunities for citizen service in the country and in their own communities.

Public awareness. The achievements and quiet successes of citizens in service go largely unheralded, which contributes to a feeling of hopelessness and inaction on the part of many. Action seeks opportunities to dramatize the role played by volunteers in improving life for people in need everywhere in the world.

Spokesman. As the federal focus for volunteer programs, Action has a concern for not only the 25,000 volunteers enrolled in its programs, but also for the uncounted thousands of volunteers who work in local communities throughout the nation and who go overseas in other programs using volunteer services. In this connection, Action is seeking to foster the "sabbatical" concept for mid-career businessmen—allowing them to give a year or two of service without sacrificing seniority or retirement benefits—and to anticipate other changes (like the four-day week) which would make volunteer service a more readily available option for people who wish to serve.

Mobilizer. Action seeks to encourage the formation of locally sponsored volunteer corps. Programs which will provide support for such local initiatives are being reviewed at the present time, and might involve cooperation between Action and state or city governments as well as private sponsors.

CONCLUSION

Action is a catalyst, drawing together and coordinating resources and common development interests for the greater good of the disadvantaged community.

What unifies Action is creative experimentation coupled with operational stability and a decade of experience in the volunteer area. Action, through its associations with outside groups, is experimenting with new ways of mobilizing volunteers and coordinating citizen service, not from the top, but from the local level. This is where such efforts must begin, and where they must be defined and carried out. The experience of VISTA and the Peace Corps has been instructive in this regard, showing that local definition, local participation, and clear-cut responsibilities are essential for any volunteer program to achieve success.

But Action's work is of course limited by the funds presently available. Money for new programming has not yet become available, and this has placed a degree of uncertainty over the initiatives of the agency. The problem is one shared by many federal agencies. But it is of particular concern in the formative period of Action, when relationships with potentially important members of the public, and with other agencies, are just being established.

On every front, however, the indications are that Action can become a dynamic force to mobilize the citizen service that America and the world need. In recruiting, in programming, in support of volunteers in the field, in technical assistance, evaluation and modification, the difficulties that came with reorganization are being overcome, the problems solved. Opportunities for cooperation are being found, programs strengthened and ideas encouraged. Every component of Action has benefitted from its new close association with other programs which bring dedicated Americans to serve those in need at home and overseas.

Action's is an exhilarating mission. Real necessity underlies it. Volunteer service is a two-sided tool—the volunteers themselves often benefit as much from their service as the communities they work with and in. This mutual benefit is the essence of volunteer work—and it is what could make Action such a significant force in the life of our nation.

PRICE CONTROLS FOR THE MEDIA

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. YATES. Mr. Speaker, in their editorials of November 12, 1971, the Chicago Sun-Times and the Chicago Daily News set forth the policy position of Publisher Marshall Field in support of holding the line on prices of newspapers and advertising. They point out that in their opinion adherence to existing price structures is not a threat to the rights of a free press under the first amendment. It is stated:

The main threat of the wage-price controls, is to try to contain the inflation that long threatened to make beggars of us all. The public interest is best served if the controls work.

I want to commend Mr. Field for his realistic and constructive position, and to attach the editorials for my colleagues to read:

[From the Chicago Sun-Times, Nov. 12, 1971]

PRICE CONTROLS FOR THE MEDIA

Exemption of news media—newspapers, magazines and broadcasters—from Phase II price controls is under study by the government. It is the position of the Field Newspapers—publishers of The Chicago Sun-Times and The Chicago Daily News—that there should be no such exemption; circulation and advertising rates should be subject to whatever government controls and regulations are adopted for all businesses.

Our position is contrary to that taken by some media spokesmen. They believe that the exemptions of World War II and the Korean War for the communications media should be allowed.

We do not believe the present conditions or the state of the communications industry warrant such exemptions. The wartime exemptions were granted by Congress which listened to arguments that any power to regulate the news media would collide with the First Amendment of the Constitution which forbids passage of any law that would abridge freedom of the press. Congress wished to avoid any challenge that controls might be used to affect editorial judgment.

We yield to no one in our zeal to protect freedom of the press which is a fundamental right of the people to an uninhibited and untrammeled flow of news and opinion. We have for example, stood firm against proposals for licensing or other state or federal special legislation intended to put government in a position to interfere with a newspaper's right to be the sole judge of its editorial content or its right to access of information. We most recently argued against the right of the government to prohibit publication of the Pentagon Papers, a position upheld by the U.S. Supreme Court.

We do not, however, believe that a general price regulation, applied with uniformity to business and industry generally, falls in the category of the restrictions described here. During the present freeze, we have been prevented from putting into effect an increase in advertising rates that was announced before the Aug. 15 presidential proclamation and which was to take effect Sept. 1. The increase was deemed necessary because of increases in our own expenses, particularly new and more costly labor contracts already in effect. If the Price Commission should authorize an increase under such particular circumstances, as the Pay Board has authorized noninflationary wage boosts, we surely will accept it. But this would be under rules adopted for all businesses and not because of an exemption for the media. During the freeze and the economic burden it has put on us, we have no complaint that our rights under the First Amendment have been imperiled.

Price controls will not inhibit our freedom of expression or our responsibility to criticize the government itself or the operations of the controls themselves. Publishers should not feel that they must be exempt from the law so as to preserve their duty to act as a check on government. To the contrary we believe the press and other communications media would be more credible in the eyes of the public if they operate under the same laws written for other businesses.

[From the Chicago Daily News, Nov. 12 1971]

NO SPECIAL FAVORS, PLEASE

In the discussion of Phase II wage and price controls, the possibility of exempting newspapers and other news media has been advanced by various media representatives. Some publisher spokesmen favor such an exemption on grounds that applying controls to the media would collide with the First Amendment's guarantee of freedom of the press. We do not agree.

We believe that in matters pertaining to their commercial operations, newspapers and other media should be treated like other private businesses. We consider ourself subject to the same rules, regulations and laws that apply generally to our readers and advertisers. As we see it, the special protection of the First Amendment was intended to protect our right to print what we consider fit in our news and editorial columns.

We would of course oppose any efforts by government officials to use their regulatory or lawmaking powers to gag the media so as to cover up corruption or suppress embarrassing news, or attempt to stifle the free expression of editorial opinions. But Phase II economic controls are not intended to intimidate the media or compromise the integrity of news reporting or editorial views.

In World War II and the Korean War the media were exempted from price controls. This was done by Congress to avoid any possible contention that such controls were invoked unconstitutionally to influence the editorial content of newspapers and other media. Such exemptions were unnecessary then, and are now.

It so happens that as a business the Field Newspapers—The Daily News and The Sun-Times—did suffer financially from President Nixon's wage-price freeze in August. Increases in advertising rates that we had scheduled for Sept. 1 were postponed by the freeze, resulting in a substantial loss of revenue. Because a newspaper cannot recoup losses in the way a manufacturer of less perishable products sometimes can, this is a permanent loss. Our losses (other media were more fortunate in their timing) were our bad luck; we accept them as such.

We are prepared to continue to cooperate down the line with the President's Phase II. We expect to be subjected to the same regulations as any other business operating under the free enterprise system. We expect and will insist that the controls be fair and uniform, but we want no special privileges on questionable constitutional grounds. We will stand on our constitutional rights only when doing so coincides with the public interest—specifically, the people's right to know. The main thrust of the wage-price controls is to try to contain the inflation that long threatened to make beggars of us all. The public interest will be best served if the controls work. So far as we are concerned, making them apply to the media is one way of helping to ensure success.

ANNUAL ASSEMBLY OF CAPTIVE EUROPEAN NATIONS HELD IN NEW YORK CITY

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. MADDEN. Mr. Speaker, at the recent annual meeting of the assembly of Captive European Nations held in New York City simultaneously with the opening of the United Nations meeting, Stefan Korbonski, former member of the Polish Parliament, noted journalist and author, delivered one of the outstanding speeches of the session. The title of his message was "Katyn: Lest We Forget."

This organization has been most diligent during the last 30 years since the greatest international crime in world history was committed by the Soviets in massacring approximately 14,000 Polish leaders who made up a large part of the Polish intelligentsia, in constantly alerting the world of this atrocity.

Mr. Korbonski also served as the last President of the Underground Government in Poland.

I submit the remarks of Mr. Korbonski, chairman of the assembly, and some of the proceedings of the session:

KATYN: LEST WE FORGET

(By Stefan Korbonski)

Man's inhumanity to man has become the order of the day in our desensitized society. Some brutalities, however, still remain abhorrent enough to prod mankind's conscience. A case in point is the Katyn Massacre of 1940, which, even after thirty years of worldwide violence, cannot be consigned to oblivion.

The anatomy of the Katyn Massacre brings into sharp focus two poignant reminders: the vanquished can expect little mercy from the victors—especially if the latter represent a totalitarian form of government; and when two totalitarian systems are confronted with the responsibility of answering for mass murder, each tries to pin the blame on the other.

Here is the anatomy of the Katyn Massacre.

The Soviet Union attacked Poland on September 7, 1939, without a declaration of war and in defiance of existing treaties and agreements. The stab in the back came at a time when Poland was trying to defend herself against Nazi onslaughts.

About 1.5 million Poles, including 230,000 soldiers, were subsequently deported to the USSR. An estimated 15,000 officers and intellectuals—selected carefully as the elite of the Polish nation and its potential leaders—were imprisoned in three special camps: at Kozielsk, Starobielsk, and Ostashkov. These camps were shut tight by the Russians in April-May 1940; nothing was heard of these men thereafter.

Germany attacked the Soviet Union on June 22, 1941. A Polish-Soviet agreement, signed on July 30 by the representatives of the London-based Polish government in exile and the USSR, provided for the release of all Polish citizens in the Soviet Union and the formation of a Polish army on Russian soil that was to join in the struggle against Nazi Germany.

Countless inquiries were made as to the fate of the missing Polish officers, but for a year and eight months the Soviet government gave only evasive, vague and misleading answers.

In March-April 1943, the Germans discovered mass graves at Katyn, near Smolensk, USSR. The graves contained the bodies of 4,253 Polish officers from the Kozielsk camp.

The Polish government in exile requested that the International Red Cross investigate this horrible discovery, but the Soviet refused to allow an on-the-spot investigation by the Red Cross and broke off diplomatic relations with the Polish government. Even without the help of the International Red Cross, the Germans set up an "International Medical Commission," which included an eminent Swiss professor, Francois Naville. The unanimous findings of this commission asserted that the Katyn crime had been committed by the Russians in the spring of 1940.

At the Nuremberg trials, in 1946, the Soviet prosecutor attempted to pin the Katyn massacre on the Germans. He failed, however, to come up with the necessary evidence and had to withdraw the charges.

On September 18, 1951, the U.S. House of Representatives adopted House Resolution 390, which provided for the establishment of a select committee—authorized to conduct a full and complete investigation into the Katyn case.

The Select Committee, headed by Representative Ray J. Madden (D.-Ind.), completed its investigation on December 22, 1952. It examined 81 witnesses, took more than 100 depositions from persons unable to attend the hearings, and considered 183 additional exhibits. The final report of the Select Committee, placed before the House of Representatives, included as its component part the interim report of July 2, 1952. The latter report stated categorically that the 4,253 Polish officers whose bodies were found in the mass graves at Katyn had been murdered by the Soviet NKVD, and expressed belief that over 10,000 other Polish officers from the Ostashkov and Starobielsk camps who had disappeared inside Russia, must have met the same fate.

In its final report the Select Committee recommended that the House of Representatives approve the committee's findings and adopt a resolution:

1. Requesting the President of the United States to forward the testimony, evidence, and findings of this committee to the United States delegates at the United Nations;

2. Requesting further that the President of the United States issue instructions to the United States delegates to present the Katyn case to the General Assembly of the United Nations.

These recommendations were submitted in 1952, but no action was taken. An international conspiracy of silence descended on the subject—presumably for fear of offending Russia. Despite several further attempts in the British House of Commons and in the Congress of the United States, no judgment or international pronouncement has ever been made on the Katyn murders.

After 19 years of silence, the Katyn issue has suddenly been raised in the British House of Commons. On April 22, 1971, Mr. Airey Neave, M.P., tabled the following motion—signed and sponsored by 165 members of the House:

"*The Motion:* That this House urges Her Majesty's Government to call upon the General Assembly of the United Nations to appoint a committee of investigation into the massacre of over 4,000 Polish officers in the Katyn Forest and if the evidence is conclusive to condemn those responsible."

On May 26, 1971, Lord Barnby tabled a similar motion in the House of Lords:

"The Lord Barnby—To ask Her Majesty's Government whether they will now support an effort to secure pronouncement establishing beyond contention the authorship of the mass murder of over 4,000 Polish officer prisoners of war in the Katyn Forest near

Smolensk, Russia, in the spring of 1940; and bring to light the disappearance without trace of a further 10,000 Polish officers interned in 1939 in the Soviet camps of Ostashkov and Starobielsk."

The motion was debated in the House of Lords on June 17, 1971. Twelve Lords called for a fresh look at the Katyn Massacre, and for a proclamation of truth at the international level.

Encouraged by the action of the British parliamentarians, Congressman Roman C. Pucinski (D.-Ill.) inserted in the Congressional Record of July 1, 1971, the content of the debate in the House of Lords, as well as the motion of Mr. Airey Neave—including the names of the 165 Members of Parliament who had signed it. In his opening remarks Congressman Pucinski said:

". . . I should shortly circulate a petition among our colleagues to join our British counterparts in demanding a United Nations investigation."

The recent revival of the case creates a new hope that the concerted action of the British and American parliamentarians may still result in a belated, but nevertheless much needed, condemnation by the United Nations of the real perpetrators of the Katyn mass murder.

The Polish people have waited for over 30 years for a forthright condemnation of this horrible crime, which has few counterparts in the annals of our civilization.

Assembly of Captive European Nations Opens Its XVIII Session

The urgent need to keep the public and world opinion leaders informed of the dangers of communism and Communist objectives was repeatedly raised at the September 21 meeting that marked the opening of the XVIII Session of ACEN. Held at the Carnegie Endowment International Center in New York City, the meeting attracted a capacity audience of East and Central Europeans and their American friends.

In his introductory remarks, outgoing ACEN Chairman *Vasil Germenji* of Albania reviewed the activities of the Seventeenth Session and pointed out that "our Assembly has channeled all its efforts in support of the aspirations of the peoples of our homelands for freedom and independence."

Prof. Germenji spoke of the arduous tasks ahead, but he also stressed the unity of purpose of ACEN in addressing itself to the challenge.

"Firm in our determination to continue our work," he said, "we join with the peoples of our homelands and with all freedom-loving persons everywhere in the belief that our efforts will hasten the day when all men will once again be able to enjoy their inalienable right to freedom and self-determination."

Rep. Madden Questions Soviet Intentions

Representative Ray J. Madden (D.-Ind.), the featured speaker, warned of the pitfalls of "peaceful coexistence" on Soviet terms, pointing to the USSR's long record of broken agreements.

"When the Soviet leaders talk about peace through disarmament," *Representative Madden* said, "we must remember that this is merely a shallow Communist slogan. . . . International agreements are useless unless both parties are honest and sincere."

Congressman Madden also brought into sharp focus the meaning of the 31st anniversary of the Katyn Massacre. The Indiana legislator had served as Chairman of the House Select Committee investigating the 1940 brutal slaughter of at least 4,253 Polish officers in the Katyn Forest.

The Indiana legislator said:

"We must continue to strive toward the day when men are not senselessly executed for their courage, spirit and loyalty to a free nation. Although the Katyn Massacre no longer occupies the international forum, the conspiracy of silence continues to hover across the mass graves and, to quote from an article which appeared in *International Affairs*, 'the unquiet dead of Katyn and the victims of all captive nations still walk the earth.'"

In addition to *Congressman Madden* the September 21 session—divided into one meeting in the afternoon and another in the evening—heard addresses from distinguished Americans and exile leaders from the captive nations of East and Central Europe.

The other guest speaker, *Christopher Emmet*, offered a somber analysis of the current developments in international affairs.

Mr. Emmet, who is Chairman of the American Friends of the Captive Nations, pointed to the dangers in granting concessions to the Soviets without receiving corresponding concessions in return.

The noted writer and commentator said, however, that he was encouraged by the limited success of the Polish workers last December—especially in terms of the concessions they were able to extract from the Communist regime.

Mr. Emmet also spoke of the urgent need to inform the younger generation, both in the United States and abroad, of the real nature of communism and its true objectives.

FIGHT ON WATER POLLUTION

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. VANDER JAGT. Mr. Speaker, in the past few days, since Senate passage of water pollution control legislation, the press has reported what it believes to be growing partisanship on this issue of water pollution.

The Senate bill, S. 2770, calls for the complete elimination of all industrial and municipal pollutant discharges to lakes and streams by 1985. The legislation strongly encourages the recycling of wastes in sewage to make possible this no-discharge objective.

The results for most bodies of water would be a drastic reduction in the nutrients pouring into them today and contributing to their rapid deterioration. Except where nonpoint sources of pollutants such as agriculture runoff are the major cause of degradation, our lakes and streams would then recover from man's misuse and return to conditions allowing swimming and other water contact recreation as well as the existence of desirable fish and shellfish populations. At the same time those surface waters would then become much better sources of drinking water, with reduced costs for water supply treatment. I would like to commend the Senate for its clean water goal in this legislation.

The administration, which also wants to claim clean water as its objective, is reluctant to do so out of fear that the costs to achieve it are prohibitive or that it is not possible given present-day technology. In short, the administration does not wish to promise the American people what it considers impossible of achievement.

I would not want in any way to impugn the motives of either side in this most serious problem. There are courageous, brilliant, dedicated, totally honest people on both sides of this issue. But having played a personal role in the evolution of the issue, I would like to make several observations which might help bring additional understanding to the subject.

Primarily, as a legislator, I understand very well the desire of the American people to improve the environment of this Nation and that means to clean up our waters among other things. I recognize, too, that if the costs of doing so are too high, if we cannot have clean water and jobs, then clean water may well be sacrificed in the short term. In the long run, we human beings will in all probability have to clean up our waters in order to survive as a species.

The United States and the rest of the world, of course, have had water "pollution" problems in some degree throughout geological history. Lakes have filled up with vegetation; rivers have carried silt long before man appeared on the scene. And a degree of water "pollution" is necessary if animal life is to exist on this earth. If some nutrients were not present in water there would be no life. So the problem is to control nutrients and "pollution" to optimize animal and plant life in our surface water for man's long-term well-being. This must be our goal.

We must also recognize that man's intelligence leads him to sophisticated agriculture and industrial techniques to achieve a high standard of living. Those methods often require the concentration of substances such as minerals taken from the land or water. The leftovers of those activities, along with human wastes, are all too often pollutants because they end up out of place in the environment. Botanists have always perceived that weeds are merely plants out of place. Similarly, the environmentalist recognizes that pollutants are resources out of place.

Over the centuries, as populations have grown and industry has evolved, man has been forced to seek ways to get rid of his wastes. And I should define "get rid of" because the earth is a closed system for all practical purposes. While wastes may be transported to sites where they are not visually evident, they do not cease to exist although forms may change.

Surface waters have seemed a cheap and convenient way to "get rid of" wastes until today when we understand better the consequences of such waste disposal.

Our lakes and streams have what is called an assimilative capacity for certain wastes. That is to say, we will not notice the effects of discharge of wastes into water up to a certain point. There will be an effect no matter what the circumstances, however, and some day we will have the capability to measure such effects. I do not believe we have that capability today.

The Detroit River, for example, can dilute and transport a waste load that subsequently damages the Lake Erie ecosystem. And we now recognize that such discharges ultimately may have a deleterious offset on Lake Ontario, the St. Lawrence River, the coastal waters of Newfoundland, and beyond.

We have passed even the "assimilative capacity" on a great majority of our surface waters. Accelerated aging of lakes, vegetation choked streams, contaminated estuary shellfish beds, and many other indexes give evidence of the human propensity to destroy natural systems.

The question then becomes, Why have we made these mistakes? And how can we correct them?

To answer those questions it is absolutely necessary to consider sound environmental principles. First, we must agree that no physical substance is ever really thrown away. There is no such thing as "away." What is "away" for me is your backyard, fishing grounds or ocean beach.

Then we must accept the full significance of the determination that pollutants are simply misplaced resources. Phosphorus in sewage effluent disposed of in a river or lake is a pollutant. Phosphorus spread on the land is a nutrient for agriculture purposes. Sewage sludge burned in an incinerator contributes to air pollution, creates an ash disposal problem and wastes resources. But sludge spread on the land is a soil conditioner and fertilizer.

We must begin to think much more seriously about scarce resources. Our supplies of raw materials are extremely limited on this earth today in their natural geologic formations, relative to our growing needs. We cannot afford to "dispose" of them where they will be difficult to recover for reuse by our children and our children's children. We need to tie them down where they cannot migrate to become pollutants or become "lost" in lake bottoms or oceans. Central waste "disposal" sites on land are the only answer on this point at this time. Today's scattering of "wastes" for economic reasons is extreme profligacy in terms of tomorrow.

Taking all of these environmental principles into consideration, it becomes increasingly apparent that drastic change in thinking must take place within our society if future generation of human beings are to enjoy anything like the standards of living we have rather thoughtlessly produced for ourselves. We must begin to work with nature, using our God-given intellect to help us understand how to do so. We have made environmental errors through ignorance. We can solve our pollution problems by adhering to these principles. Our determination to do so might well become the "moral equivalent of war" discussed by William James. As Pogo so aptly describes it, "we have met the enemy and he is us." In 1969, mindful of these considerations, I joined other Members of Congress in calling for an environmental decade in the 1970's, a decade of war on pollution.

All of this brings us to Senate bill S. 2770. The legislation in quite substantial ways calls for an adherence to environmental principles. It demands zero discharge to surface waters of pollutants by 1985. It strongly encourages the development of sewage treatment systems that recycle "pollutants." It provides funds in sufficient quantities to meet current needs. It provides for tough enforcement measures.

I do not agree with several sections of the bill and hope that the House Public Works Committee might effect certain changes.

First. The 1974 goal of secondary treatment seems highly inappropriate in that such systems provide for discharge of pollutants to surface waters. That provision is not particularly compatible with no-discharge deadlines. It might better call for the establishment of long-term planning objectives through comprehensive review of water quality objectives and alternative treatment measures by that date. The adequacy of the Lake Michigan Water Pollution Abatement Conference 80 percent phosphate removal objective by December 31, 1972, is subject to serious question today, for example.

Second. The section requiring industry to repay to the Federal Government an amount equal to its share of construction costs paid by Federal funds seems inappropriate. A requirement that industry pay its share of operating costs and local debt retirement through user charges ought to be sufficient incentive for industry to minimize its wastes. Industry participation with municipalities in utilization of treatment facilities can effect economies of scale. At the same time, industry pays taxes, a part of which support the construction grant program. It seems incongruous to require industry to pay twice to participate in the treatment plant construction program.

Third. Additional emphasis might be given to programs involving septic tank design, installation and maintainance. With 30 percent of the population of the Nation unsewered, and with septic tanks in all probability the lowest per capita cost treatment system, it would seem desirable to see that environmental variations are reflected in the design and location of such facilities along with development of maintainance techniques to assure effective performance.

Fourth. Additional R. & D. attention should be given to systems which recycle sewage wastes. Because such approaches have been seriously neglected in the past they deserve much more attention today. Without such special attention those who control sewage treatment R. & D. may well continue to emphasize projects incompatible with no-discharge objectives.

Fifth. In the area of long-range regional water management planning, I would like to encourage a continued role for the Army Corps of Engineers as stated in section 209 of the Senate legislation. At the same time, because of a recent letter by EPA Administrator Ruckleshaus requesting termination of the present five corps regional studies, I would like to see a specific congressional mandate for the continuation of these studies under corps direction. They appear to be the only effective regional studies being undertaken today. Through contract procedures, full use can be made of State and local capabilities in the planning effort.

While I would like to see the above changes in a House water pollution bill, the Senate version, in my estimation, provides a sound foundation for these proposed changes. I am extremely disappointed in the administration's opposition to the Senate legislation. While some of the CEQ and EPA objections may be legitimate, the major objections seem unfounded.

A review of the past 2 years relative to a specific waste water management project may be helpful to an understanding of my position.

In the fall of 1969 a proposal for a radical sewage treatment system in Muskegon County in my district came to my attention. It involved the fundamental environmental principles I have discussed earlier.

The system will receive almost all of the industrial and municipal sewage wastes in the county and treat them in a system of lagoon treatment cells where natural forces including sunlight, wind, time, and biological activity, with the help of mechanical aerators, will break down organic matter and settle out solids. The treatment cells will provide effluent equivalent or superior to that of a well designed and operated traditional secondary treatment plant.

There are advantages in the use of this type of secondary treatment process. Important is the fact that it is a very simple system to operate and maintain. A distinct additional advantage relates to circumstances when an accidental spill of toxic wastes would normally be expected to destroy the bacteria colony in a conventional activated sludge system, putting the system out of commission for 10 days, while the bacteria colony became reestablished. There is evidence that such events shut down traditional systems approximately 20 percent of the time. The size of the treatment cells and the potential for isolating toxic substances will allow the Muskegon system to continue to function while bacteria killed in one section are being reestablished.

The system will also have the capacity to handle unusual peak loads without bypassing the treatment process, an attribute not available to traditional systems.

Up to this point, there is not anything particularly unusual about the Muskegon system except that its treatment cells are exceptionally large. The system will handle 43 million gallons a day of waste water and 90 million gallons at peak loads. About half of the current waste flow comes from a papermill on Muskegon Lake. Other industrial discharges include wastes from chemical companies, a tannery, founderies and general manufacturing. An unusual functional consolidation of 13 local governments has resulted in the participation of all major county sources of sewage in the system.

What does make the system extremely unusual is the next step in the sewage treatment process. It involves the spreading on land of the effluent from the treatment cells. In the major segment of the system 6,000 acres of land are to be used for that purpose. Through a system of rotating irrigation spray rigs this nutrient-rich water will be sprayed onto the soil. Agriculture crops will be grown on

the land to utilize the nutrients. What we end up with is a substantial farming operation utilizing irrigation water and sewage nutrients to optimize crop growth. We are converting "pollutants" into valuable resources in the process.

Water filtering through the soil gives up essentially all environmentally harmful substances. BOD is reduced to zero. Phosphorus removal is total. Nitrogenous substances are reduced 80 percent. Chlorination in the treatment cells destroys all bacteria, and viruses are totally converted to harmless protein in the soil. Water filtering through to the underdrainage network of the agriculture land will meet U.S. Public Health Service drinking water quality standards. The system will have substantial treated effluent storage capacity in the form of two 850-acre lagoons so that winter irrigation will not be necessary.

President Nixon, Governor Milliken of Michigan, the President's Council on Environmental Quality under Russell Train, the Federal Environmental Protection Agency's Water Quality Office then under David Dominick, and John Erlichman and John Whitaker in the White House have all substantially helped Muskegon in the establishment of this system which is now under construction and will begin operation in 1972.

The system represents a solid environmental breakthrough although its total potential has by no means been exploited. While it conserves natural resources it halts water pollution. It provides a logic to greenbelt considerations and a halt to urban sprawl.

Further synergisms will no doubt be developed. At the present time serious consideration is being given to the siting of a nuclear powerplant in the treatment area which would utilize the storage lagoons for cooling water purposes. This would eliminate the need for expensive cooling towers for the powerplant. It would provide warm water to the treatment cells to improve biological activity. The warm water would help plant growth on the agriculture land. Increased evaporation would reduce water storage and land requirements, thus reducing capital costs of the sewage treatment system.

Because the use of rotating circular spray rigs results in some acreage not receiving irrigation water, land is available in the system for a solid waste disposal project where all of those wastes from western Michigan could be accommodated for 100 years. A solid waste disposal center could be established with large scale separation equipment for paper, glass, metals, and so forth, along with sanitary landfill possibilities. Wastes could be accumulated and managed under economies of scale and with environmental principles adhered to.

Costs of the Muskegon system are most encouraging. Construction contracts and land acquisition figures are resulting in total costs of about 80 cents per thousand gallons of treatment capacity. A comparison of costs for a traditional system with phosphate removal, on which contracts have just been awarded in Chicago, is about $1.40 per thousand gallons. The project is the Salt Creek plant, where 30 million gallons per day will be treated and contracts add up to $43 million. That figure does not include land and sludge disposal costs, which are included in the Muskegon figures.

There is substantial evidence that operating costs in Muskegon will be half the costs of traditional systems. Muskegon will also have the benefits of agriculture income not included in these calculations. Nuclear powerplant cost benefits are not included at this point in time, of course.

What Muskegon is doing is radical only in the size of the system. As Ralph Purdy, executive director of the Michigan Water Resources Commission, stated in the March-April issue of the Michigan Department of Natural Resources magazine:

> We've seen some spray-irrigation projects under way both here and in other States for a long time. But this is the first time a full-sized metropolitan area has ventured to use the idea.

In other words, we know that the concept will work, from experience.

In addition, the Environmental Protection Agency, in its 1971 report on "The Cost of Clean Water," emphasized the effectiveness of the concept, stating:

> Water reaching watercourses after passage through the filtering and decomposition processes afforded by soil is far purer—provided that soil loading rates are not exceeded—than any waste treatment process short of distillation could make them.

To help encourage the county to build the system, the Environmental Protection Agency is providing the largest research and development grant in its history, more than 32 million over a 7-year period, including $40,000 per year for farm management.

The major reservation concerning the concept is the amount of land that is needed. In Muskegon we have access to substantial amounts of marginal land at relatively low cost. There is evidence that such land is available within acceptable distance of most metropolitan areas of the country. Buffer-area requirements of nuclear powerplants, about 2,000 acres each by some calculations, offer interesting synergisms nationwide. We are planning to build 300 such powerplants by 1990. Intensive studies are needed to verify this contention and the Corps of Engineers is making such studies today in five major urban areas: the Merrimac River Basin in New England, Cleveland-Akron, Detroit-southeast Michigan, Chicago and the south end of Lake Michigan, and San Francisco. Other areas of the country are interested in such studies.

As I indicated earlier, I have been informed that EPA has called for the termination of those studies. Competition between EPA and the corps in wastewater management planning is intense. While EPA has the major responsibility for water quality under current legislative authority, its role as described in its own testimony in reorganization hearings does not include planning and management functions, both long-term areas of the corps' responsibility.

At the same time, an understanding had been reached between the two agencies earlier in the year under which the corps would proceed, with assistance from EPA and the States involved. The corps' broad experience in floodplain management, the development of regional systems and its available trained manpower were additional factors in the decision.

Preliminary corps figures suggest Muskegon-type systems would be more expensive than conventional systems in all five studies. But I can recall all too vividly the arguments that the Muskegon lagoon-spray irrigation system would be too expensive. Traditionalists were not interested in optimizing costs of this radical approach to sewage treatment. Muskegon's consultants proved them wrong. Muskegon's contracts are half what opponents of the concept said they would be.

The information gathered by the corps in these five areas must be subjected to the same kind of objective, intensive review which resulted in approval by Michigan and EPA of the Muskegon project. As Under Secretary of the Army Thaddeus Beal stated:

> The studies have not been refined in sufficient detail to provide the most cost effective solutions . . .

It will be an environmental tragedy of the highest order if those studies are terminated.

I have mentioned Muskegon's consultants and I want to explain who they are. Dr. John R. Sheaffer, on leave from the center for urban studies at the University of Chicago, leads the team. Dr. William Bauer of Bauer Engineering of Chicago provides the engineering application of Sheaffer's environmental principles. Both have solid environmental and scientific credentials. Dr. Sheaffer today is the scientific adviser to the Secretary of the Army. Dr. Bauer and his firm have designed the deep tunnel storm sewer system for Chicago and have established the Semco system which spreads Chicago's sewage sludge on farmland in central Illinois. You will be totally correct in assuming a major role on Dr. Sheaffer's part in establishing the five Corps of Engineers regional wastewater management studies.

With this background we now reach the point of my objections to the administration's arguments against the Senate water pollution legislation.

Again, one major argument is that the goal of clean water by 1985 is not achievable. The other major argument is that the cost of attempting to reach such a goal is too high. A November 1, 1971 paper, "Environmental and Economic Benefits and Costs Related to Various Water Pollution Abatement Strategies," spells out administration contentions. It is an economic study essentially based on the fact that costs of removing pollutants from sewage by traditional activated sludge plants with tertiary treatment added on for phosphate removal, or so-called physical-chemical systems, go up in geometric ratios as total pollutant removal is approached. Eighty to ninety percent BOD and phosphate removal is possible at relatively reasonable cost. Ninety-five percent removal becomes quite expensive and higher percentages raise costs astronomically.

Based on the logic of the paper the conclusion that the 1985 no-discharge goal is unattainable and too expensive to attempt makes sense. Based on sound environmental principles it is strictly an academic exercise. The Muskegon concept on which the Senate bill is based does not directly concern itself with such calculations because the pollutants are shifted to the land to be utilized as resources in treated effluent rather than to be looked upon as something which must be removed and "disposed of."

That paper raises the question of costs to industry and effects on jobs and exports, and so forth. Muskegon County industry is delighted with the spray irrigation system. It is relatively low cost, it can handle a great variety of wastes, and it will provide total removal of pollutants from surface waters, thus improving the environment of people who live and work in the area. Industry is hand in hand with local government and citizens in support of the system.

The paper estimates total construction costs of $95 billion to achieve zero discharge for both industry and municipalities. Based on Muskegon costs, we can talk about 40 billion gallons a day of sewage or $32 billion for total removal of municipal and industrial pollutants from surface waters. And about 20 percent of this cost would be for collection systems, not treatment.

Also to be given careful consideration is the fact that Muskegon's costs may be higher than ultimately necessary elsewhere because the county is forced under present Michigan requirements to acquire land outright. Legislative review ought to be able to evolve a program of Government easements on land allowing the spraying of irrigation water and nutrients, or outright sale of those resources to farmers since there is positive economic value in both. One-acre inch of effluent would have the value of 25 pounds of 10–10–12 fertilizer worth 87 cents or a value of about $60 per year per acre at Muskegon application rates. We have just begun to scratch the surface in the potential of benefits in land utilization systems of sewage treatment.

The administration expresses concern that the construction industry will not expand its labor force to meet the needs of a temporary program such as sewage treatment plant construction. Others have also been greatly concerned about the scarcity of skilled technicians to operate advanced waste treatment plants.

The Muskegon concept does not require the use of very complicated construction processes. Most of the costs relate to earth moving—for sewer lines, lagoon impoundment dikes and berms, drain tiling, and so forth.

The work compares in many ways to highway construction. With our interstate highway system approaching completion, is it not logical to consider the use of part of the labor force employed there for a new national goal, clean water? And the simplicity of the operations of the system suggests a reduced need for highly skilled operators required by physical-chemical and tertiary waste treatment systems.

I have been asked about the land requirements for the construction of Muskegon-type systems throughout the country. While different soil types and evaporation rates would determine rates of water application, 40 billion gallons a day based on Muskegon standards would mean 7,200,000 acres of land. That is roughly equivalent to 6 percent of the land area of the State of Texas. It is also about 1 percent of the land presently used to grow the 59 major agriculture crops produced in this country. Crop yields, of course, are much higher than average where such effluent has been sprayed on land.

It must be recognized that population concentrations are not uniformly distributed in agriculture areas so that it would be more difficult to find areas for spreading treated sewage effluent in the northeastern part of the country than in the great plains. However, marginal lands are available in sufficient acreages in almost all sections of the Nation. High land costs may be circumvented by easements or other techniques I have discussed earlier. At the same time, beyond urban commuter range, land costs tend to reflect agriculture use.

Forest lands must also be considered. At the Penn State spray-irrigation project considerable work has been done indicating greatly accelerated growth rates for certain species of trees on land receiving treated effluent. The potential for increasing our woodland resources for raw materials for housing and other construction is fascinating.

Mr. Speaker, it is time that the Nation was offered the environmental vision inherent in the land utilization concept of sewage treatment. The concept allows man to admit the wisdom of God and nature and to move in harmony with natural processes. To ignore this wisdom is to court environmental disaster.

Clean water ought not to be a partisan issue. I hope I have made clear the role, as I see it, that both political parties have played in the development of the Senate water pollution legislation. The administration has made possible the Muskegon system without which there could be no foundation for hope that clean water was an achievable goal, at least in this environmental decade. The Senate has grasped the vision which I am certain the House will perceive.

Muskegon County citizens, organizations, government officials, Michigan and Federal officials all have played major roles in the evolution of this concept. Dr. John Sheaffer deserves our deepest gratitude. I hope that the Congress can make the most of the opportunity we have been given.

CATHERINE BASIE, A GREAT AMERICAN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. BIAGGI. Mr. Speaker, there is probably not a person alive in America today who has not heard of Count Basie. His music continues to thrill the hearts of young and old alike. But not many Americans are fully aware of the activities of his wife, Catherine Basie, a woman whose love of children and devotion to the mentally retarded is matched only by her husband's expertise in the jazz world.

Catherine Basie grew up in Ohio, spending her schooldays in Cleveland. While in high school she was the backstroke swimming champ and a contender for the 1936 Olympics title. However, a lack of funds prevented her from training for the special event—a circumstance that later prompted her to finance the training of two youngsters for the 1962 Olympics.

Her life was nevertheless a full one, meeting Count Basie—then a rising musician—whom she married in 1942. Two years later the Basies had a little daughter born to them. Diane, now 27 years old, was born mentally retarded. Rather than considering this a tragedy, the Basies treated it as a blessing drawing closer to their daughter. Rather than sending her to an institution, the Count and Catherine cared for her in their own home along with the help of Diane's nurse, Deedee.

From that day on, Catherine Basie dedicated herself to helping mentally retarded children. She wanted to show others that these children needed help and love. But most importantly she wanted to give of herself to help uplift the spirits of mentally retarded children. At first it was only her small neighborhood community, but that community's boundaries continued to grow so that today she will go anywhere to aid a mentally retarded child.

For her efforts she has been recognized by numerous groups. In the fifties she received awards from the Citizens Committee of Jamaica, WWRL, the Boy Scouts of America, the Salvation Army, the Brooks Brooklyn Citizens Committee—juvenile, the State of New York Auxiliary Police, the Queens Junior Guild, the Kiwanis Club of Jamaica, the Ladies Guild of Queens County, Inc., Lighthouse for the Blind, the United Cerebral Palsy and the House of Friendship Community Center.

In the sixties, she was honored by the Zeta Beta Sorority, Inc., Industrial Home for the Blind, the Long Island Choral Group, the Urban League of Greater New York, the Queens County Ladies Auxiliary, the Jewish War Veterans of the U.S.A., Allen African Methodist Episcopal Church, South Jamaica Community Council, the Greater Long Island Cosmotologists, Inc., Queens County Chapter of the National Multiple Sclerosis Society, Lambda Kappa Mu Sorority, the Hebrew Home for Chronic Ill, National Association of Negro Business and Professional Women's Clubs, Inc., Ambassadors Civil Association, the ladies auxiliary of the Queens County Veterans of Foreign Wars and Calvary Methodist Church.

She has received the Brotherhood Award of the National Conference of Christians and Jews, the Brotherhood Award of the Jamaica B'nai B'rith, the Ebony Community Service Award, the

National Tay-Sachs Woman of the Year Award, the Apostolic Blessing of Pope Paul VI from Fu Jen Catholic University, the Red Bags Youth Award, the Long Island Choral Society Woman of the Year Award and the Amita Sister Achievement Award.

Now the countess, who was known as Princess Aloha from Tahiti when she danced in several short subjects during her Hollywood career, is retiring. She and the count are moving to the Bahamas where they will set up permanent residence.

The State of New York and this country will lose a great couple. The Count and Catherine will be greatly missed. The many retarded children whom she has helped over the years will remember her for the kindness and help she has offered throughout her life.

The Bahamas will surely gain a great woman and know that she is not retiring from her work with mentally retarded children. Her great heart of kindness will be spread over the children of the Bahamas, where she will continue with her good works. May God give this great lady the strength to help others, for in this she is doing God's work.

DEDICATED WOMEN TO JOIN IN PLEADING FOR HUMAN RIGHTS FOR SOVIET JEWS

HON. BOB CASEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. CASEY of Texas. It is indeed heartwarming to know that thousands of dedicated women, both Jewish and non-Jewish, throughout 27 cities in the United States will join together on December 6th to plead for "Human Rights for Soviet Jewry."

For too long, the world has ignored the plight of the Soviet Jews. These 3 million people—the second largest Jewish community in the world—have been the victims of many types of anti-semitic persecution, and suffer increasingly vigorous efforts by the Soviets to repress basic human rights and stifle religious and cultural identity.

It is a point of pride to me that in Houston under the sponsorship of the Sisterhood of Temple Beth Israel and the Sisterhood of Temple Emanu El, these concerned citizens—representing a broad spectrum of civic and community groups—will meet at the University of St. Thomas to express their united concern for the plight of Soviet Jewry.

In my judgment, this national effort to arouse world opinion, will do much to ease the suffering now endured by Soviet Jews. For too long, the world governments have stood idly by—our own included—while the Soviets have abridged the basic human rights and dignity of these hapless people. And the effort to be made in Houston and throughout our land on December 6th will prove to the world, and to our own Government, that the time has come for us to take a strong stand in their behalf.

Mr. Speaker, because I think it vitally important that the world know some of the grim facts of life facing Soviet Jews, I ask unanimous consent that the fact sheet entitled "Status of Soviet Jewry—1971" sent to me by Mrs. J. H. Wilkenfeld of Houston, representing the National Federation of Temple Sisterhoods and its local affiliates in Houston, be printed at this point in the RECORD:

STATUS OF SOVIET JEWRY—1971

There are approximately 3 million Jews in the Soviet Union, making it the second largest Jewish community in the world. Russian Jews have historically been the victims of various types of anti-semitic persecution. Now, this last large remnant of East European Jewry that survived the Nazi Holocaust is facing increased repression of its basic human rights and growing efforts to strangle its religious and cultural identity.

Even in a state which claims opposition to religion in general, anti-Jewish religious campaigns go well beyond atheistic attacks on religions as a whole. All other religious groups, except Jews, are permitted to teach religion, conduct church conferences, organize religious committees, instruct clergymen, print prayer books, hymnals, and religious articles. No national Jewish religious organization is permitted, and there are no facilities for the training of rabbis. Although Soviet law allows ten parents to band together to provide instruction for their children, Jews who do so are in jeopardy of arrest.

The synagogue is the only official meeting place allowed Jews, and those who attend do so in fear and are viewed with suspicion. Frightening figures indicate that while there were 3000 synagogues in the USSR in 1914, this number declined to 450 in 1956, and has further declined to a mere 40 synagogues throughout the entire USSR in 1971.

In addition to being a religious grouping, Judaism is also considered a nationality by the Soviet Government, one of 108 nationalities in the USSR. However, the Jewish remain without the cultural ingredients given to other nationalities: Jewish schools, theaters, publishing houses and broadcasting facilities, all of which once flourished in the Soviet Union. Yet, such cultural activities are maintained for the other USSR nationalities, most of whom number much less than the Jewish community. While a total of 59 languages are taught in the nations schools, there is not a single school that teaches Hebrew or Yiddush. And again, when individual parents attempt to transmit to their children such traditional teachings, they do so in fear of reprisal.

Even as they are deprived of their right to preserve their religious and cultural identity, Soviet Jews are discriminated against because of that identity. The printing of the nationality "Jewish" on individual passports, which are required for securing jobs, housing, public benefits, etc., makes blatant discrimination common in all aspects of economic and public life. That the Soviet Government condones anti-semitism is evident in the publishing of vicious anti-semitic literature, articles, caricatures and books, all of which must pass official censorship.

Because of these conditions, it is not surprising that numbers of Jews are seeking to leave the Soviet Union. Their hopes are supported by Article XIII of the Universal Declaration of Human Rights, which says that everyone has the right to leave any country, including his own. The Soviet Union has shown that it is not opposed in principle to the idea of repartriation as exemplified by the treatment of Soviet Armenians. Yet, the Soviet Government is allowing few Jews to emigrate, even on a basis of reuniting with families in Israel and other parts of the world. Applications to emigrate are often followed by demotion, loss of job, harassment, and even imprisonment. The heart-rending stories of such denials of emigration requests, as well as the treatment of those who would attempt to emigrate, have reached the outside world through the petitions and pleas from Soviet Jews.

Of growing concern in recent months are the reports of the plight of Jewish "Prisoners of Conscience" now being held in Soviet prisons. This growing number of men and women are being arrested and tried for the crime of simply being Jewish, of expressing their pride in belonging to the Jewish people, or of desiring to leave the country and emigrate to Israel where they can live freely as Jews. The treatment of these "Prisoners of Conscience" is the antithesis of basic human rights: being held incommunicado for months, without knowledge of specific charges; harsh prison sentences, up to 15 years in some cases; a brutal prison regime, meager food rations, which has constituted, especially for women prisoners, a sentence to slow death by starvation and exhaustion.

In sum, Soviet policy places the Jew in an extricable vise. They are allowed neither to assimilate, nor to live a full Jewish life nor to emigrate to Israel or any other place where they might live freely as Jews. Soviet policy as a whole then amounts to spiritual strangulation.

Indications from both within and outside the Soviet Union are that this policy toward Soviet Jewry will only be changed when public and official opinion throughout the world make it undesirable for the government of the USSR to pursue its repression of basic human rights to its Jewish community.

CALIFORNIANS ARE VIEWING WATER PROJECTS DIFFERENTLY

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. WALDIE. Mr. Speaker, in this era of economic "phases" it is interesting to note the evolvement of "phase" in another area of discourse. I refer to the second phase in the effort to preserve our environment.

Mr. Speaker, the initial phase in this effort was the massive public reaction to the threats posed by pollution and unrestrained growth to the environment. Led by the Sierra Club and other conservation organizations, the American people have recognized that the very air and water they breathe and drink is imperiled by emissions into the skies and lakes, rivers and estuaries of our Nation and the oceans of the world.

While there has been a marked increase in legislative and administrative action in the wake of this public outcry for ecological protection, it has been woefully short of the steps needed to provide adequate protection.

In recognition of this failure by the Congress and by local and State legislative bodies, a second phase in the environmental battle has begun—the political phase.

Mr. Speaker, I am sure that many of us in the Congress have been aware since

the congressional elections of 1970 that conservationists have potentially powerful influence on the electorate.

Mr. Speaker, two elections in California recently served as indicators of the type of action to be expected with regard to water projects and policymakers who act on projects to spur growth at the expense of the environment.

In Marin County, the voters decided against joining in a project to meet expected population growth. The vote was an awesome 10 to 1 against the project.

In Santa Barbara County, voters, including a large number of students, defeated three incumbent water district board members who had advocated bringing northern California water to the area to meet expected growth.

Mr. Speaker, these are significant votes, but they are only a tip of the iceberg.

Mr. Speaker, I would like at this time to insert in the RECORD an article by Ed Salzman of the Oakland Tribune which elaborates on this issue.

The article follows:

[From the Oakland Tribune, Nov. 14, 1971]

PUBLIC'S VIEWS ON WATER CHANGING

(By Ed Salzman)

SACRAMENTO.—Mayor Joseph Alioto of San Francisco won most of this year's post-election headlines, but perhaps a far more significant victory in Southern California was almost totally overlooked.

The winners were the newly franchised students at the University of California in Santa Barbara. The youthful voters in the once-pillaged community of Isla Vista made an unexpected grab for political power.

The students were not out to gain control of the local police force or city or county government. They concentrated on the Goleta Valley Water District and succeeded in replacing three growth-oriented directors with three ecology-minded directors.

Just two days after this vote, William R. Gianelli, the state director of water resources, presented a speech in Texas to the National Water Resources Assn.

He labeled the ecology movement as "a political ploy" which has surpassed motherhood, apple pie and the American flag. Then he offered a couple of definitions, supposedly handed to him by a conservationist:

"An ecologist is a man who finished building his mountain cabin last year. If he were to start building this year, he would be called a developer."

The man responsible for carrying out the State Water Project declared that "the environmental movement in America today has become so extreme, in some cases, that it has made a Typhoid Mary out of the water developer."

PUBLIC IMAGE

The keynote to his address was an assessment that the public image of the water developer is bad and getting worse. Water men, he emphasized, must approach the public with the same enthusiasm as is used by their environmentalist opponents.

Gianelli bases his drive for California water development on the 1960 vote which authorized the sale of bonds for construction of massive State Water Project.

Some day, he ought to take another look at the election returns. The proposition carried by an extremely narrow margin—3,008,000 yes to 2,834,000 no.

Does anyone doubt what the result would be if the same vote were taken today? The measure would lose overwhelmingly, and even Southern Californians would oppose it.

The Santa Barbara vote is merely the latest in a long string of indicators that the California public has turned against growth and against water bonanzas for the agricultural industry in the San Joaquin Valley.

OPPOSITE VIEWS

Gianelli's views run exactly opposite to those of most Californians. The state official who speaks for the people is Kerry Mulligan of St. Helena, chairman of the State Water Resources Control Board.

Mulligan has led his board in a fight against pollution of San Francisco Bay by San Francisco and others. He has shown no reluctance to use the state's tough new laws against anyone befouling California's waterways.

Above all, Mulligan and his board have told Gianelli and the Federal Government that they cannot rape the San Francisco Bay-Delta System to send a maximum amount of water to Southern California. In the historic Bay-Delta decision, the board even established a requirement that water must be released from northern dams if necessary to maintain a proper flow in the Sacramento River.

Mulligan now is leading a campaign to promote rapid development of waste water reclamation systems in California. There is no reason why a big portion of the state's future water needs cannot be met through purification of effluents.

Gianelli has been screaming that the Bay-Delta decision will force the damming of more northern rivers so that commitments to Southern California can be met.

Californians will not tolerate this obsolete and narrow-minded view. They are much more likely to go along with even more expensive programs calling for the recycling of waste water.

SCHWENGEL CALLS FOR HOUSE OBSERVANCE OF THE 30TH ANNIVERSARY OF PEARL HARBOR

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SCHWENGEL. Mr. Speaker, next week we will observe the 30th anniversary of the infamous attack on Pearl Harbor. I addressed myself to this event earlier—page 42537 of the RECORD for November 20. I have now received resolutions from the Disabled American Veterans, Department of Iowa, and their auxiliary in support of such an observance. The resolutions follows:

DISABLED AMERICAN VETERANS, DEPARTMENT OF IOWA

RESOLUTION—PEARL HARBOR ANNIVERSARY

Whereas, 1971 is the Thirtieth Anniversary of that day which President Franklin Roosevelt said "Would Live in Infamy", and

Whereas, many of the people today have forgotten or were not born when that day of infamy happened and we should bring this to the attention of the public and to remind the public that sneak attacks are possible and we should always be alert to that possibility, and

Now therefore be it resolved that the Disabled American Veterans in meeting assembled on 23 October 1971, in Davenport, Iowa, go on record urging Congress to pay special recognition of the Thirtieth Anniversary of Pearl Harbor Day.

DISABLED AMERICAN VETERANS AUXILIARY, DEPARTMENT OF IOWA

Whereas, 1971 is the 30th anniversary of that day which President Franklin Delano Roosevelt said would live in infamy.

Whereas, many of the people today have forgotten or were not yet born when that day of infamy happened and we should bring to the public attention to remind the public that sneak attacks are possible and we should always be alert to that possibility.

Now therefore be it resolved, that the Iowa Department of the Disabled American Veterans Auxiliary goes on record this 23d day of October supporting special recognition of the 30th anniversary of Pearl Harbor.

PARAPROFESSIONALS AND THEIR PERFORMANCE

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SCHEUER. Mr. Speaker, the increasing utilization of paraprofessionals in almost every area of the human services has been one of the most significant developments in the manpower field in the last decade. Alan Gartner's new book, "Paraprofessionals and Their Performance," examines the impact of paraprofessional programs on health, education, and social and community services, as well as on paraprofessionals themselves. It also gives background on the new careers movement, which provides employment mainly for the poor and undereducated through simplification of jobs, on-the-job training, and a structure of job ladders enabling workers to advance.

To quote from Frank Riessman's foreword:

This book provides a remarkable integration of a vast array of data on the way in which paraprofessionals contribute to the improvement of human service practice—by reaching hitherto unreached people, by providing new kinds of services, by improving the professional's performance and sometimes munity ethos into agencies that have limited his attitudes, and by introducing a new comties to the community.

This study analyzes the research on the paraprofessional in a variety of fields: health education, social service, corrections, and mental health. It presents a highly balanced picture of the accomplishments of paraprofessional workers and anyone interested in the role of the paraprofessional in current U.S. society should consider it carefully. The author not only covers all the existing literature (which is remarkable extensive), but he also develops important insights regarding a variety of issues, including the relationship of indigeneity and training, the relationship of the paraprofessional and the professional, and the relationship of the paraprofessional and the community.

Early next year the Congress will be deeply involved once again in an effort to restructure our manpower programs. This book is highly relevant to that ef- This book is highly relevant to that ef fort, as it sheds a great deal of light on both the promise and performance of one the most innovative, and highly successful manpower and career development programs.

SENATE—*Wednesday, December 1, 1971*

(Legislative day of Monday, November 29, 1971)

The Senate met at 8:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. ELLENDER).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, through this moment of prayer may our lives be brought into true perspective. May each of us be useful in furthering Thy kingdom on earth. Keep the divine light glowing in our hearts that we may never be overtaken by discouragement, doubt, or despair. Amid the welter of worldwide tensions and the stress of daily toil may we be given that sense of power, unity of spirit, and moral earnestness which enables us to accomplish the highest and best for the greatest number. And to Thee shall be given all praise and glory. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, November 30, 1971, be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE REPORTS OF A COMMITTEE FILED DURING RECESS

Under authority of the order of the Senate of November 23, 1971, the following favorable reports were filed on November 30, 1971, during the recess of the Senate:

By Mr. EASTLAND, from the Committee on the Judiciary:

William H. Rehnquist, of Arizona, to be Associate Justice of the Supreme Court of the United States (Executive Rept. No. 92–16), together with individual views; and

Lewis F. Powell, Jr., of Virginia, to be Associate Justice of the Supreme Court of the United States (Executive Rept. No. 92–17), together with individual views.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of the calendar, beginning with Calendar No. 496 and ending with Calendar No. 502.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

AUTHORIZING THE COMMISSIONER OF THE DISTRICT OF COLUMBIA TO ENTER INTO CONTRACTS

The bill (S. 1362) to authorize the Commissioner of the District of Columbia to enter into contracts for the payment of the District's equitable portions of the cost of reservoirs on the Potomac River and its tributaries, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commissioner of the District of Columbia is hereby authorized to contract, within an amount specified in a District of Columbia Appropriation Act, with the United States, any State in the Potomac River Basin, any agency or political subdivision thereof, and any other competent State or local authority, with respect to the payment by the District of Columbia to the United States, either directly or indirectly, of the District's equitable share of any part or parts of the non-Federal portion of the costs of any reservoirs authorized by the Congress for construction on the Potomac River or any of its tributaries. Every such contract may contain such provisions as the Commissioner may deem necessary or appropriate.

SEC. 2. Unless hereafter otherwise provided by law, all payments made by the District of Columbia and all moneys received by the District of Columbia pursuant to any contract made under the authority of this Act shall be paid from, or be deposited in, the District of Columbia Water Fund. Charges for water delivered from the District of Columbia water system for use outside the District of Columbia may be adjusted to reflect the portions of any payments made by the District of Columbia under contracts authorized by this Act which are equitably attributable to such use outside the District.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–510), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the proposed legislation is to give broad authorization to the Commissioner of the District of Columbia to enter into such contracts as he deems appropriate for the purpose of providing for payment to the United States of the District of Columbia's equitable share of the non-Federal costs of any reservoir which may be authorized by Congress for construction on the Potomac River or any of its tributaries which would benefit the District of Columbia water supply.

NEED FOR LEGISLATION

Section 203 of the Flood Control Act of 1962 (title II, Public Law 87–874), under the caption "Potomac River Basin" (76 Stat. 1182), authorizes the construction on the north branch of the Potomac River of a project which has come to be known as the Bloomington Dam and Reservoir. Since the project is to include water supply benefits, subsection (b) of section 301 of the Water Supply Act of 1958 (title III, Public Law 85–500; 72 Stat. 319), as amended by section 10 of the Federal Water Pollution Control Act Amendments of 1961 (Public Law 87–88; 75 Stat. 210), becomes applicable. This subsection provides—

That before construction or modification of any project including water supply provisions for present demand is initiated, State or local interests shall agree to pay for the cost of such provisions in accordance with the provisions of this section: *And Provided further,* That not to exceed 30 per centum of the total estimated cost of any project may be allocated to anticipated future demands where State or local interests give reasonable assurances, and there is reasonable evidence, that such demands for the use of such storage will be made within a period of time which will permit paying out the costs allocated to water supply within the life of the project.

When the construction of the Bloomington Dam and Reservoir was authorized it was believed that the District of Columbia would have no present demand for water stored at this reservoir, so the District of Columbia was called upon by the Secretary of the Army to give assurances that it would, at a future date, contract to pay for its share of the non-Federal portion of the costs. Assurances given by the former Board of Commissioners of the District of Columbia were determined by the Secretary of the Army to be insufficient in the absence of a present authority in the District of Columbia to enter into a contract for the payment of its share of the costs. For this reason, two bills were introduced in the 90th Congress (H.R. 11158 and H.R. 11183) to authorize the Commissioner of the District of Columbia to so contract with the Secretary of the Army. Neither bill was enacted.

The Secretary of the Army, by law, determines only the non-Federal portion of a project's costs, and not the proportionate shares to be assumed by local interests responsible therefor: nor does he identify the local interests. In the case of the Bloomington Dam and Reservoir water users in Maryland, Virginia, West Virginia, and the District of Columbia will benefit, either initially or in the future, from the provisions of storage for water supply, and it is their obligation to determine among themselves the proportionate share of the non-Federal costs to be paid by each.

In 1969, the State of Maryland, whose water users were anticipated to have the major present demand for stored water, enacted legislation authorizing a new agency, the Maryland Potomac Water Authority, to contract with the United States to pay the share of non-Federal costs attributable to present demand of Maryland water users for Bloomington storage and, in turn, collect proportionate parts from such users. It became apparent, however, prior to final enactment of the Maryland legislation, that the District of Columbia water system, which also supplies water to certain Virginia users, required a present guarantee of water during times of low flow such as occurred in 1966, so that it would properly be included with Maryland as having a present demand. Therefore, as enacted the Maryland legislation authorized the Maryland Potomac Water Authority to contract with the District of Columbia with respect to the District equitable share in the non-Federal cost of the Bloomington project, based upon present demand. Discussions with Maryland authorities indicated that it would be in the interest of both jurisdictions to determine, jointly, their respective equitable shares in the non-Federal portion of the cost of water storage for present demand and possibly, for the District to pay its share to the United States indirectly through payment to the Maryland Potomac Water Authority.

The importance of authorizing the District to enter into contracts for the payment of its equitable share of non-Federal costs for water supply reservoirs is underscored by the possibility of additional expansion of the Potomac River's water storage facilities. In the 91st Congress, for example, the Senate approved legislation which would have authorized, among other items, the construction of two additional reservoirs within the Potomac Basin, one at Verona, Va., and the other at Sixes Bridge, Md. Both projects would provide water supply storage beneficial to the District of Columbia. While neither project was included in the public works bill ultimately enacted as the Omnibus Rivers and Harbors and Flood Control Act of 1970, it is possible that the authorizations for these two projects will be approved in the near future. At that time it will be essential for the District to be able to contract to pay its share of the non-Federal costs.

The committee believes it advisable that the Commissioner of the District of Columbia have the authority to contract to pay to the United States the District's equitable share of the non-Federal costs of not only the Bloomington Dam and Reservoir and other such projects already planned, but also of any other reservoir which may hereafter be authorized for construction by the Congress and from which the District of Columbia water system would derive direct and essential benefits. Likewise, the District of Columbia should have latitude to work out with the States, their agencies, and other competent authorities the respective equitable shares that will equal the total non-Federal costs, and the precise manner in which the respective shares will be paid by the several water users and to the United States. Moreover, as additional users take water from the river the equitable shares of the previous users could be reduced to reflect the changed situation, and as additional reservoirs come into operation some adjustments in equitable shares may be appropriate.

Although the bill authorizes the District of Columbia to pay its fair share of the non-Federal costs of any such dam, nevertheless it must be recognized that the District's demand for water includes the demands of other jurisdictions in the Washington metropolitan area which are supplied water through District of Columbia facilities. If the demands of all Washington metropolitan area jurisdictions increase equally in the future, that part of the increase in demand attributable to the District of Columbia would be in proportion to the increase in demand of the other jurisdictions. Estimates indicate, however, that the District's demand will not increase in the same proportion as the demands of the other jurisdictions of the area. For example, for the period between 1965 and 2000, it has been estimated that the increase in the District of Columbia water demand will be 8 percent; that for the Maryland portion of the Washington metropolitan area, 56 percent; and that for the Virginia portion of the Washington metropolitan area, 36 percent. If the increase in any of the Maryland and Virginia jurisdictions in the Washington metropolitan area is greater proportionately than the increase attributable to the District of Columbia proper, the government of the District of Columbia will find it necessary to charge that jurisdiction receiving water through District facilities an amount which will take into consideration the disproportionate increase in demand in that jurisdiction as compared with the demand in the District.

Because the amounts that would be paid by the District of Columbia under the contracts that would be authorized by section 1 of the bill are properly a part of the cost of supplying water to consumers, section 2 of the bill specifically provides that such payments shall be made from, as well as any reimbursements being deposited in, the water fund because existing law restricts use of that fund to "maintenance, management, and repair of the system of water distribution" (District of Columbia Code, sec. 43–1522). And for the reasons set forth in the preceding paragraph, section 2 also specifically authorizes adjustment of charges for water delivered from the District of Columbia system for use outside the District of Columbia to reflect the portions of the payments made under contracts that would be authorized by section 1 which are equitably attributable to such use outside the District.

The authority which would be granted by the proposed legislation is not, however, without important limitations. The authority to contract may be exercised only with respect to reservoirs whose construction has been authorized by Congress, so that, in effect, the scope of the draft bill is limited to the same subject matter as the bills which before the 90th Congress, until such time as the Congress may act affirmatively by authorizing construction of an additional reservoir that would benefit the District of Columbia. While the draft bill would authorize the District to contract with, for example, the Maryland Potomac Water Authority "with respect to" the District's payment of its equitable share of the cost of Bloomington Dam and Reservoir, this authority, by the terms of the Maryland statute, is limited to the costs of storage for present demand, and could relate only to mutually acceptable methods of determining respective equitable shares.

HISTORY OF LEGISLATION

S. 1362 is identical to draft legislation submitted to the Senate by the District of Columbia government. At a hearing before the Subcommittee on Business, Commerce, and the Judiciary on October 28, 1971, a representative of the District government testified on the need for the legislation, and a statement in support of the bill was received from the Secretary of the Maryland Department of Natural Resources.

Legislation identical to S. 1362 was favorably reported by this committee and approved by the Senate during the 91st Congress. At hearings on the earlier bill (S. 3009) on December 2, 1969, favorable testimony was received from the District of Columbia government, the State of Maryland, and representatives of the U.S. Army Corps of Engineers. The committee was informed at that time that the Bureau of the Budget (now the Office of Management and Budget) had no objection to the legislation from the standpoint of the administration's program.

DISTRICT OF COLUMBIA FREEWAY AIRSPACE UTILIZATION ACT

The bill (S. 1367) to authorize the Commissioner of the District of Columbia to lease airspace above and below freeway rights-of-way within the District of Columbia, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "District of Columbia Freeway Airspace Utilization Act".

SEC. 2. When used in this Act—

"Airspace" means so much of the space above, on, and below freeway rights-of-way as is not needed for freeway purposes.

"Commissioner" means the Commissioner of the District of Columbia.

"District" means the District of Columbia.

"Freeway" means any limited access divided highway within the District.

"Right-of-way" means land, property, or interest therein acquired for or devoted to a freeway, including connecting ramps.

"United States" means the Government of the United States or any department or agency thereof, including, without limitation, any agency established or authorized to be established by Act of Congress or by interstate compact to which consent of Congress is given.

"Council" means the District of Columbia Council.

SEC. 3. The Commissioner is hereby authorized—

(a) to make or permit such use of airspace in the District for any municipal purpose, including, without limitation, housing for low-income families, public welfare, public works, parks, recreational, and vehicle parking, as will not be detrimental to or impair the efficient use, operation, and maintenance of any freeway;

(b) to enter into contracts or agreements with the United States for the use of airspace and for the purpose of receiving, or qualifying any permittee or lessee to receive, grants or other financial assistance under available Federal programs in connection with the construction, use, or operation of buildings, structures, and other things therein;

(c) to enter into agreements with the United States for the granting to the United States of easements to use airspace for the purpose of constructing therein Federal public buildings and for such other purposes as may be agreed upon. Such easements shall, for the purpose of section 355 of the Revised Statutes of the United States, as amended (40 U.S.C. 255), be deemed sufficient and valid title in the United States in the areas in which are to be constructed public buildings or other facilities; and

(d) to enter into leases of, or grant revocable permits for, the use of airspace in the District, including rights of or for support, access, utilities, light, and air to an extent not inconsistent with the use of a freeway by the general public for the purpose of travel, and, in connection with any such lease or permit, to impose such terms and conditions including, but not limited to, the deposit of bond or other security, and to provide for the payment of such rents or fees as the Commissioner may, in his discretion, determine to be necessary or desirable, but the Commissioner may, in connection with the entry into a lease, or the granting of a permit, for the use of such airspace, provide as conditions of any such lease or permit (1) that such airspace shall not be used by the lessee or permittee in such manner as to deprive of its easements of light, air, and access any real property not owned or controlled by such lessee or permittee, and (2) that upon the expiration of the lease or permit and of any renewal thereof, any building or other structure which may have been constructed in such airspace shall, at the direction of the Commissioner, be removed therefrom by and at the expense of the lessee or permittee or his successor in interest, and the airspace shall be restored to the condition which obtained prior to the construction of such building or other structure, all to the satisfaction of the Commissioner.

SEC. 4. (a) The authority contained in section 3 shall be exercised by the Commissioner in furtherance of the Comprehensive Plan for the National Capital prepared pursuant to the National Capital Planning Act of 1952 (40 U.S.C. 71) and the following order of priority:

(1) The Commissioner shall determine whether such space is required for a municipal purpose, as authorized by subsection (a) of section 3, and if he determines the space is so required, he is authorized to make such use of it, or to grant easements therefor to the United States.

(2) The Commissioner shall ascertain, through the Executive Director of the Na-

tional Capital Housing Authority established by the Act approved June 12, 1934 (48 Stat. 930), whether such space is required for the construction therein of dwellings for low-income families at rents in accordance with their incomes, and if the Commissioner finds that such space is so required he is authorized, with or without charge, to make it available for such construction by granting an easement to use such space, and such easement shall constitute sufficient and valid title in the Authority or in the United States, or in any private developer under contract to convey the completed property to the Authority, as the case may be, to construct therein buildings or other facilities. The use of such space by the Authority shall be subject to such agreement as the Authority has entered into with the District respecting the making of payments in lieu of taxes.

(3) The Commissioner shall ascertain through the Administrator of General Services, whether the United States (other than the National Capital Housing Authority) requires such space for the construction therein of a building, other structure, or facility, and if such space is so required, the Commissioner is authorized to make it available without charge to the United States, or on the basis of such charge as may be agreed upon between the Commissioner and the United States.

(4) The Commissioner shall determine whether such space should be leased to a public or private developer or easements granted to the United States to provide housing for low- and moderate-income individuals and families, and accessory uses if the Commissioner so determines, he may include in such lease, or make such permit subject to, an agreement whereby a preference in admission to the housing will be given to low- and moderate-income individuals and families displaced by urban renewal activities or as a result of other governmental action.

(5) The Commissioner shall determine whether the space should be leased to a nonprofit organization, such as a hospital, welfare agency, or the like, for the construction therein of a building, other structure, or facility to be used in connection with the activities of such organization.

(6) The Commissioner shall determine whether such space should be made available for business purposes, including, without limitation, housing for individuals and families.

(b) In connection with the lease of such space either for housing for low- and moderate-income families and families displaced from urban renewal areas or as a result of governmental action, or for use by nonprofit organizations or for business purposes, the Commissioner is authorized to lease the space either on the basis of competitive bids or on a negotiated basis, as the Commissioner determines is in the best interest of the District and of the general public.

SEC. 5. For the purposes of this Act, airspace, and buildings, structures, and improvements constructed or erected within such airspace, pursuant to a lease or permit, shall be deemed to be real property and be liable to assessment and taxation as such from the beginning of the term or period of such lease or permit. For the purposes of real property assessment and taxation, the value of such airspace, other than any building, structure, or improvement constructed or erected therein, shall be deemed to be the value of the underlying land as if the same were not occupied and used for public purposes. No such tax shall be assessed with respect to any airspace and buildings, structures, and improvements therein (1) for which the United States has been granted an easement (but nothing herein contained shall be construed to abrogate such agreement as the United States may have entered into, or may enter into, with the District with respect to making payments in lieu of real property taxes) or used for the purposes specified in subsections (a), (b), and (c) of section 3 of this Act; or (2) occupied and used by one or more organizations exclusively for a purpose or for purposes which, under section 1 of the Act of December 24, 1942 (56 Stat. 1089), as amended (D.C. Code, sec. 47-801a), would entitle real property so occupied and used to be exempt from taxation. Except as otherwise provided in this section, for the purposes of this Act the provisions of law applicable to special assessments for public improvements, and the provisions of law applicable to sanitary sewer service charges and to water service charges, shall be applicable with respect to airspace and buildings, structures and improvements therein used pursuant to a lease entered into with, or permit granted to, a lessee or permittee under the authority of subsection (d) of section 3 of this Act. The leasehold or permit interest in any airspace so leased or granted, including any building, structure or improvement constructed or erected therein, shall, in cases of nonpayment of real property taxes, nonpayment of special sanitary sewer service or water service charges, be subject to private, outright sale by the District, without any right in the lessee or permittee to redeem the leasehold or permit interest so sold: *Provided*, That the the proceeds from such sale in excess of such delinquent taxes, assessments, or charges, or a combination thereof, including any interest, penalties and costs relating thereto, shall be paid by the District to the lessee or permittee, or to such person as he may, in writing, designate.

SEC. 6. (a) Prior to the entry by the Commissioner into any agreement or lease, or his granting of any permit for the use of airspace, the following actions, except with respect to the construction of public buildings by the Federal or District of Columbia government, shall be taken:

(1) The Zoning Commission of the District of Columbia, after public hearing and after securing the advice and recommendations of the National Capital Planning Commission, shall have determined the use to be permitted in such airspace and shall have promulgated regulations pertaining thereto, including but not limited to, limitations and requirements respecting the height of any structure to be erected in such space, off-street parking and floor area ratio, which limitations and requirements need not be the same as those provided for properties not within airspace. The provisions of section 10 of the Act entitled "An Act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes", approved June 20, 1938 (52 Stat. 800; D.C. Code, sec. 5-422), shall be applicable to regulations made pursuant to this section and to violations of such regulations.

(2) The lessee or permittee shall have submitted to the Commissioner and the Zoning Commission for their review and approval, plans, elevations, sections, and a scale model for any structure to be erected in such airspace, and a description of the texture, material, and method of construction of exterior walls.

(3) The Commissioner shall have determined that all necessary precautions will be taken to insure adequate protection from air pollution, dirt, noise, light, and glare emitted by vehicles using the freeway. In making such a determination, the Commissioner shall assume a volume of freeway traffic equal to the capacity.

(b)(1) The provisions of section 16 of the Act approved June 20, 1938 (52 Stat. 802), as amended (D.C. Code, sec. 5-428), shall be applicable to the construction of Federal public buildings in like manner as if the buildings were constructed entirely on property owned by the United States, and to the extent that such section is, by subsection 5(c) of the National Capital Planning Act of 1952, as amended (40 U.S.C. 71d(c)), made applicable thereto, such section 16 shall also be applicable to the construction by the District of Columbia of any building.

(2) Plans for construction in airspace by the Federal or District governments shall be subject to consultation, advice, and recommendation of the National Capital Planning Commission in accordance with the National Capital Planning Act of 1952, as amended (40 U.S.C. 71 et seq.).

(3) Plan for construction in airspace shall be subject to review and recommendation of the Commission of Fine Arts to the extent required by, and in accordance with, the Act approved May 16, 1930 (46 Stat. 366), as amended (D.C. Code, secs. 5-410 and 5-411), the Act approved September 22, 1950 (64 Stat. 903; D.C. Code, title 5, chapter 8), and Executive orders dated October 25, 1910, and November 28, 1913.

(c) Whenever the Commissioner shall find that there is any significant change in, or substantial modification of, the plans for the proposed structure after such plans have been approved in accordance with the requirements of the preceding subsections of this section and of section 3, or if, after the construction of the structure, he finds there is any significant change in, or substantial modification of, the structure or the use made of it, each such change or modification shall be subject to approval by the agencies specified in this section, as their interests may appear, in like manner as is set forth in subsections (a) and (b) of this section.

SEC. 7. The cost of removing or relocating publicly owned and privately owned facilities in a street, highway, or alley, including, without limitation, water lines and sewers, to the extent that any such removal or relocation is required in connection with the construction of a building in airspace under the authority of this Act, other than a building constructed by or on behalf of the District, shall not be borne by the District, but the cost of any such removal or relocation shall be defrayed by another or by others than the District in accordance with such arrangements as may be acceptable to the Commissioner and be approved by him in writing. The removal or relocation by the District of sewers and water main, and the removal or relocation of any other facilities in such space, shall be in accordance with plans and schedules approved by the Commissioner.

SEC. 8. Except as provided in section 6, laws and regulations now or hereafter in effect in the District and applicable to the construction, use, and occupancy of buildings and premises, including, but not limited to, building, electrical, plumbing, housing, health and fire regulations, shall be applicable to buildings, structures and improvements erected in airspace under lease or agreement entered into or permit issued pursuant to this Act.

SEC. 9. (a) The Council is authorized, after public hearing, to promulgate regulations to carry out the purposes of this Act.

(b) Any regulations adopted under the authority of this section may provide for the imposition of a fine of not more than $300 or imprisonment for not more than ninety days, or both such fine and imprisonment, for any violation of such regulations. Prosecutions for violations of regulations made pursuant to this section shall be conducted in the name of the District by the Corporation Counsel or any of his assistants.

(c) Whenever there exists any violation or failure to comply with regulations adopted under the authority of this Act, or regulations specified in section 8 of this Act, after notice of such violation or failure has been given by the Commissioner, each and every day such violation exists, or each and every day beyond a time limit set for compliance during which there is failure to comply fully with any of the said regulations or with orders issued pursuant to the authority contained therein, shall constitute a separate offense, and the penalty specified for the violation of such regulation shall be applicable to each such separate offense.

SEC. 10. All collections, including rents and fees, received by the District pursuant to this Act shall be deposited in the Treasury of the United States in a trust fund which is hereby authorized and from which may be paid, in the same manner as is provided by law for other expenditures of the District, such expenditures as are necessary to carry out the purposes of this Act, including, without limitation, necessary expenses connected with the operation, maintenance, and disposition of property coming into the possession of the District by reason of default under leases entered into or permits issued pursuant to this Act: *Provided*, That taxes (including payments in lieu of taxes), special assessments, and sanitary sewer and water service charges shall be deposited directly to the respective funds to which such revenues are normally deposited. The unobligated balance in such trust fund as of June 30 of any year which exceeds $100,000 shall be deposited in the Treasury to the credit of such special funds or the general fund of the District in such proportions as the Commissioner shall, in his discretion determine.

SEC. 11. Nothing in this Act shall be construed so as to affect the authority vested in the Commissioner by Reorganization Plan Numbered 3 of 1967 (81 Stat. 948). The performance of any function vested by this Act in the Commissioner or in any office or agency under the jurisdiction and control of said Commissioner may be delegated by the Commissioner in accordance with section 305 of such plan.

SEC. 12. Nothing in this Act shall be construed as modifying or superseding title 23, United States Code: *Provided*, That the use of public space under the authority of this Act shall not be deemed to deprive the District of its eligibility for financial assistance under any federally assisted program, regardless of the fact that the District may, in the case of a privately owned building, receive rental for the use of such public space.

SEC. 13. If any provision of this Act or of the regulations promulgated under the authority of this Act is held invalid, such invalidity shall not affect other provisions either of this Act or of the said regulations which can be effected without the invalid provision, and to this end the provision of this Act and the said regulations are separable.

SEC. 14. Appropriations to carry out the purpose of this Act are hereby authorized.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-511), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill (S. 3647) is to allow fuller utilization of space over and under freeways by making available for private and public purposes such airspace as will not impair the full and safe use of freeways. Passage of the bill will enable the District government to fully realize the potential of multiple airspace usage within the urban environment characterized by loss of tax-producing real estate to meet the demands of increasingly large numbers of commuters and visitors in the National Capital region.

NEED FOR LEGISLATION

Currently the District of Columbia government has the authority to enter into joint use concept projects with the District of Columbia Redevelopment Land Agency and with other agencies of the Federal Government, but it cannot lease or rent such airspace for non-governmental purposes. Therefore, full development of the potential air-rights usage is dependent on the enactment of legislation to permit the District of Columbia to lease or rent airspace over and under freeways for commercial and other usage.

The complexities associated with accomplishing public works in dense urban areas are well recognized and generally accepted in our modern-day world.

In large cities, space for both private and public downtown developments and for rights-of-way for needed expanded transportation systems is in extremely short supply. This is one reason why transportation systems requiring substantial additional rights-of-way such as highways have become subjects of controversy. Therefore, the multiple use concept, air rights, appears to be a valuable tool for engineer planners and administrators in their effort to stay abreast of the increasing demands for the movement of people and goods, and yet at the same time assist in preserving the viability of the central city. Certainly it would assist the National Capital with respect to providing solutions for and being responsive to some of the principal objectives to urban freeway projects within the confines of the city that have been raised by our citizenry, namely:

1. The displacement of families.
2. The displacement of businesses with the attendant tax loss for those that cannot be relocated.
3. Aesthetics.
4. Separation of neighborhoods.

In recent years, the potentialities involved in a fuller utilization of space over and under freeways not required for freeway use have become increasingly important to the orderly planning and development of urban areas. The acquisition of sites for freeway construction displaces persons from their residences, removes commercial properties, and initially takes land and improvements off of the tax rolls.

The problem is especially acute in the District because of a lack of land on which residential and commercial enterprises displaced by freeway and urban renewal projects may be conveniently resettled. The availability of airspace above and below the rights-of-way of freeways, however, should minimize the adverse economic and social effects caused by the displacement of persons and businesses by facilitating their relocation in structures which may be erected in airspace.

The multiple use concept of freeway airspace has already proven itself a valuable tool in the development of urban centers throughout the Nation. Today, nearly 750 joint development and multiple use projects have been planned, begun, or completed in metropolitan areas such as Los Angeles, Chicago, Baltimore, and Minneapolis-St. Paul.

The comprehensive plan for the National Capital proposed by the National Capital Planning Commission in February 1967, envisioned the use of airspace in several areas throughout the District. A number of these projects are now on the drawing boards and ready to proceed once legislation is enacted to authorize the Commissioner to enter into agreements with the U.S. Government relating to the use of airspace as this bill (S. 1367) proposes.

It should be noted that this bill is not intended to be used to justify the construction of freeways nor to cause a disruption in community homogeneity and community life, but rather considers those factors to be preserved as much as possible in the application of the priorities set forth in this act.

Your committee strongly urges enactment of this legislation to provide the District government with a very necessary tool for implementing its urban renewal program and meeting the obstacles that are associated with that objective in a proper and expeditious manner.

HISTORY OF LEGISLATION

A bill similar to S. 1367 was introduced in the 90th Congress at the request of the District government. Subsequently hearings were held by the Subcommittee on Business and Commerce of the Senate District Committee and the bill (S. 1245) was passed by the Senate December 14, 1967.

The House District Committee staff took the position that existing law at the time provided sufficient authority for the purposes of the bill and thus the bill was not reported by the House Committee. The District of Columbia Corporation Counsel has since ruled to the contrary, sustaining the Senate's view on the need for the legislation.

Again in the 91st Congress, the Senate passed a bill (S. 3647) which was almost identical to this legislation, following public hearings. No action was taken in the House.

On October 26, 1971, the Subcommittee on Business, Commerce, and Judiciary held hearings on S. 1367, where no opposition was heard on the bill.

This bill is one of the priority legislative items submitted to the committee by the District of Columbia government and the committee urges its enactment.

DISTRICT OF COLUMBIA ADMINISTRATIVE IMPROVEMENTS ACT

The Senate proceeded to consider the bill (S. 2204) to provide for improvements in the administration of the government of the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments on page 4, after line 11, strike out:

TITLE IV JOINT CONTRACTS

SEC. 401. The Commissioner of the District of Columbia is authorized and empowered to include in contracts for the procurement of supplies and services for the government of the District of Columbia the requirements for like supplies and services of any political division or subdivision in the National Capital region, possessing legal authority to have its supplies and services procured in such manner, upon a request therefor from an official who is authorized to and does thereby obligate such political division or subdivision to perform all liabilities or obligations which may result from the granting of such request or from action taken pursuant thereto, and after such political division or subdivision shall have paid or agreed to pay its fair share of any increase in District of Columbia procurement costs which, in the judgment of the Commissioner, is attributable to the operation of the joint procurement program.

SEC. 402. As used in this title, "National Capital region" means the District of Columbia; Montgomery and Prince Georges Counties in Maryland; Arlington, Fairfax, Loudoun, and Prince William Counties in Vir-

ginia; and all cities, municipalities, and other political divisions and subdivisions now or hereafter existing within the geographic area bounded by the outer boundaries of the combined area of said counties.

And, in lieu thereof, insert:

TITLE IV—JOINT BID REQUESTS AND CONTRACTS

SEC. 401. The Commissioner of the District of Columbia is authorized and empowered either to include in bid requests or contracts for the procurement of supplies and services for the government of the District of Columbia the requirements for like supplies and services of any political subdivision in the National Capital region, or to have included, from time to time, all or any part of the procurement needs of the government of the District of Columbia for supplies and services in the bid requests or contracts of any political subdivision within the National Capital region. In either case, the Commissioner shall determine that the political subdivision requesting or agreeing to participation in the bid request or procurement contract has agreed to obligate itself to perform all liabilities or obligations relating to its portion of the procurement and possesses the legal authority to procure or have procured such supplies and services in such manner; and further, that any such political subdivision in whose contract the District of Columbia joins has obligated itself in such contract to comply with all applicable elements of law pertaining to fair employment practices and other similar provisions of Federal or District of Columbia law. The District of Columbia shall be authorized to participate in such joint procurement bid requests or contracts only upon the agreement by all the parties involved in the bid request or procurement contract that they will pay or agree to pay their fair share of the procurement costs which are attributable to the operation of the joint procurement program.

On page 32, after line 21, insert a new section, as follows:

FEDERAL-AID HIGHWAY PROJECTS

SEC. 826. The Commissioner of the District of Columbia is authorized to enter into contracts in connection with projects undertaken as Federal-aid highway projects under the provisions of the Federal Aid Highway Act of December 20, 1944, as amended, in such amounts as shall be approved by the Federal Highway Administration, Department of Transportation.

On page 33, after line 4, insert a new section, as follows:

GRADE-CROSSING ELIMINATION PROJECTS

SEC. 827. The Commissioner of the District of Columbia is authorized to construct grade-crossing elimination and other wholly District construction projects or those authorized under section 8 of the Act of June 16, 1936 (49 Stat. 1521), and section 1(b) of the Federal Aid Highway Act of 1938, as amended, in accordance with the provisions of such Acts. Pursuant to this authority, the Commissioner may make payment to contractors and payment for other expenses in connection with the costs of surveys, design, construction, and inspection pending reimbursement to the District of Columbia by the Federal Highway Administration, Department of Transportation, or other parties participating in such projects.

And, at the beginning of line 20, change the section number from "826" to "828"; so as to make the bill read:

S. 2204

A bill to provide for improvements in the administration of the government of the District of Columbia, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "District of Columbia Administrative Improvements Act".

TITLE I—GENERAL WORKING CAPITAL FUND

SEC. 101. In order to control and account more effectively for the cost of programs, activities, and work performed in the District of Columbia government, there is established in the Treasury a general working capital fund for the government of the District of Columbia, to be available without fiscal year limitation, for the financing of inventories, services, and common-use equipment, and for other purposes. Such subaccounts as are deemed necessary may be established in the fund. The fund shall be reimbursed for merchandise or services furnished by the fund to a department or agency of the District of Columbia or Federal Government, or to a non-Government entity: *Provided*, That any Government department or agency furnished such merchandise or services is authorized to make payment therefor in advance, if required.

SEC. 102. The Commissioner of the District of Columbia (hereinafter, "Commissioner") is authorized to establish within the fund such reserves as may be necessary, including a reserve for depreciation, and to fix charges which will fund such reserves and cover overhead and administrative costs.

SEC. 103. Notwithstanding the provisions of any other law, the Commissioner is authorized to transfer to the fund established by this title the assets (including cash and inventories) and liabilities of such existing working or revolving funds as he deems feasible: *Provided*, That when such action is taken, the laws in reference to any such fund shall be superseded by the provisions of this title and any regulations, policies, or procedures issued pursuant thereto.

SEC. 104. The Commissioner is authorized to apply the provisions of this title to such other activities as he shall designate and to establish policies and procedures to govern the operation of the fund.

SEC. 105. There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

TITLE II—WASTE DISPOSAL CONTRACTS

SEC. 201. The second paragraph under the subheading "DISPOSAL OF CITY REFUSE" of section 1 of the Act entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and eleven, and for other purposes", approved May 18, 1910 (36 Stat. 389; D.C. Code, sec. 6–502), is amended to read as follows:

"The Commissioner of the District of Columbia is authorized to enter into contracts for the collection and disposal of garbage, miscellaneous refuse, ashes, sewage sludge, night soil, and dead animals, for periods not exceeding twenty years, subject to annual appropriations by Congress, under such conditions and specifications as he may prescribe."

SEC. 202. The proviso appearing under the subheading "DISPOSAL OF CITY REFUSE" of section 1 of the Act entitled "An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and sixteen, and for other purposes", approved March 3, 1915 (38 Stat. 904; D.C. Code, sec. 6–502), is repealed.

TITLE III—CONTRACTS FOR SUPPLIES AND SERVICES

SEC. 301. The Commissioner of the District of Columbia is authorized to enter into contracts for periods not exceeding three years for the furnishing of supplies and services to the District of Columbia. Contracts entered into under the authority of this section shall be subject to annual appropriations by the Congress.

TITLE IV—JOINT BID REQUESTS AND CONTRACTS

SEC. 401. The Commissioner of the District of Columbia is authorized and empowered either to include in bid requests or contracts for the procurement of supplies and services for the government of the District of Columbia the requirements for like supplies and services of any political subdivision in the National Capital region, or to have included, from time to time, all or any part of the procurement needs of the government of the District of Columbia for supplies and services in the bid requests or contracts of any political subdivision within the National Capital region. In either case, the Commissioner shall determine that the political subdivision requesting or agreeing to participation in the bid request or procurement contract has agreed to obligate itself to perform all liabilities or obligations relating to its portion of the procurement and possesses the legal authority to procure or have procured such supplies and services in such manner; and further, that any such political subdivision in whose contract the District of Columbia joins has obligated itself in such contract to comply with all applicable elements of law pertaining to fair employment practices and other similar provisions of Federal or District of Columbia law. The District of Columbia shall be authorized to participate in such joint procurement bid requests or contracts only upon the agreement by all the parties involved in the bid request or procurement contract that they will pay or agree to pay their fair share of the procurement costs which are attributable to the operation of the joint procurement program.

TITLE V—AUDITS OF CERTAIN ACTIVITIES AND FUNCTIONS

SEC. 501. The eighth and ninth sentences of section 7 of "An Act to define the term 'registered nurse' and to provide for the registration of nurses in the District of Columbia" (34 Stat. 889; D.C. Code, sec. 2–408) are amended to read as follows:

"The accounts of the Board shall be audited in the same manner as other accounts of the District of Columbia, and for such purposes, the Commissioner of the District of Columbia, or his authorized agent, shall have free access to all books, papers, and records of the Board."

SEC. 502. Section 11 of "An Act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes" (58 Stat. 826; D.C. Code, sec. 2–1220) is amended to read as follows:

"The accounts of the Commission shall be audited in the same manner as other accounts of the District of Columbia, and for such purposes, the Commissioner of the District of Columbia, or his authorized agent, shall have free access to all books of accounts, records, and papers of the said Commission."

SEC. 503. The penultimate and last sentence of section 13 of the Professional Engineers' Registration Act (64 Stat. 864; D.C. Code, sec. 2–1813) are amended to read as follows:

"The accounts of the Board shall be audited in the same manner as other accounts of the District of Columbia, and for such purposes, the Commissioner of the District of Columbia, or his authorized agent, shall have free access to the books of accounts, records, and papers of the Board."

SEC. 504. Section 4 of article II of "An Act to create a Recreation Board for the District of Columbia, to define its duties, and for other purposes" (56 Stat. 263; D.C. Code, sec. 8–211) is amended—

(1) by striking out "Board" each place it appears and inserting in lieu thereof "Commissioner"; and

(2) by striking out "its" and inserting in lieu thereof "recreational"; and

(3) by striking out "quarterly by the auditor" and inserting in lieu thereof "in the same manner as other accounts".

SEC. 505. Section 9 of title I of the District of Columbia Public School Food Service Act (65 Stat. 370; D.C. Code, sec. 31–1408) is amended to read as follows:

"The accounts of the Department of Food Services shall be audited in the same manner as other accounts of the District of Columbia."

SEC. 506. The tenth paragraph of section 3 of "An Act to define, regulate, and license real-estate brokers, business chance brokers, and real-estate salesmen; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes" (50 Stat. 788; D.C. Code, sec. 45–1403) is amended to read as follows:

"The accounts of the Commission shall be audited in the same manner as other accounts of the District of Columbia, and for such purposes, the Commissioner of the District of Columbia, or his authorized agent, shall have free access to all books of accounts, papers, and records of the said Commission."

SEC. 507. The third sentence of section 2 of title I of "An Act to provide additional revenue for the District of Columbia, and for other purposes" (50 Stat. 673; D.C. Code, sec. 47–1402) is amended (1) by striking out "Commissioners" and inserting in lieu thereof "Commissioner"; and (2) by striking out "the auditor of the District of Columbia and shall be audited by him", and inserting in lieu thereof "and audited by the Commissioner or his authorized agent".

TITLE VI—VOLUNTEER SERVICES

SEC. 601. The Commissioner of the District of Columbia is authorized, notwithstanding any other provision of law, to accept or permit the acceptance of the service of persons volunteering (1) to perform services as members of various boards or commissions established as part of the municipal government of the District of Columbia, such services to be performed on the basis of no compensation, or on the basis of the payment of honoraria in such amounts as the Commissioner in his discretion may from time to time determine, and (2) to furnish information, receive and refer complaints and inquiries, provide transportation services, and perform other functions in furtherance of related community-oriented programs. The services of such volunteers shall not be employed in replacement of the duties of persons in authorized positions in the competitive service. The Commissioner is further authorized to provide for the payment of all necessary expenses incurred by such persons in connection with carrying out the duties assigned to them, including traveling expenses. Persons performing services for and on behalf of the municipal government of the District of Columbia under the authority of this title shall not be considered employees of the Government of the United States or of the District of Columbia for purposes of laws relating to retirement, insurance, health benefits, veterans' preference, or any Act relating to employees of such governments, except as otherwise provided in this title.

SEC. 602. Persons performing volunteer services for the District of Columbia under the authority of this title shall not be personally liable in damages for any action in which said persons participate, nor shall any such person be liable for any costs that may be taxed against him on account of any action by him in connection with the performance of any function delegated to him; nor shall any such person be required to give any bond or security for costs or damages or any appeal whatever.

SEC. 603. (a) Subject to the other subsections of this section, volunteers serving under the authority of this title shall be deemed to be employees of the District of Columbia for the purposes of eligibility under subchapter I of chapter 81 of title 5 of the United States Code, relating to compensation for employment-connected injury or death, and any subsequent amendment thereof, and liability under such subchapter I shall be exclusive and in place of all other liability of the District of Columbia or of the United States or of the agents, officers, and employees of either, to the employee, his legal representatives, spouse, dependents, next-of-kin, and anyone otherwise entitled to recover damages from the District of Columbia or the United States or from the agents, officers, and employees of either, on account of such injury or death, in any judicial proceedings, or by proceedings whether administrative or judicial, under any other workmen's compensation law: *Provided*, That for benefit computation, regardless of pay or status, such volunteer shall be deemed to have had a monthly pay in an amount fixed by the Commissioner but not exceeding one-twelfth of the maximum rate for grade 15 of the General Schedule contained in section 5332(a) of title 5, United States Code.

(b) Where, because of his status elsewhere as an employee or as a retired annuitant or pensioner, such volunteer accrues benefits for disability or death under the District of Columbia workmen's compensation law, or the workmen's compensation law of any State or territory, or subchapter I of chapter 81 of title 5, United States Code, or under a pension or disability system applicable to members of a police force or fire department, the volunteer entitled to such other benefits shall not be entitled to benefits for the same injury under this section.

(c) The District of Columbia shall have a lien and a right of recovery, to the extent of any payment made under this section on account of injury or death, against any compensation paid or payable under any of the laws enumerated in subsection (b) on account of the same injury or death; and any amounts recovered under this subsection shall be deposited in the Treasury to the credit of the revenues of the District of Columbia.

(d) Whenever a claim is filed with the Secretary of Labor for benefits because of an alleged injury or death within the purview of this title, he shall notify the Commissioner of the District of Columbia who shall investigate or cause to be investigated the facts surrounding such alleged injury and make certification with respect thereto, including certification as to such injured or deceased person's status as a volunteer under this title, and whether the injury or death arose out of and in the course of performing service as a volunteer for and on behalf of the municipal government of the District of Columbia. Such certification shall not excuse the making of such reports as are required by subchapter I of chapter 81 of title 5 of the United States Code, nor shall it be conclusive as to any facts therein.

(e) Any compensation award made pursuant to the authority contained in this section shall be paid in the manner provided by law for the payment of general expenses of the government of the District of Columbia.

SEC. 604. Volunteers serving under the authority of this title shall, for the purposes of the District of Columbia Employee Non-Liability Act approved July 14, 1960 (74 Stat. 519; D.C. Code, sec. 1–921 et seq.), be deemed to be employees of the District of Columbia.

SEC. 605. Appropriations to carry out the purposes of this title are hereby authorized.

SEC. 606. Nothing in section 601 of this title shall be construed as making inapplicable to persons performing volunteer services as authorized by this title the provisions of the Act entitled "An Act to strengthen the criminal laws relating to bribery, graft, and conflicts of interest, and for other purposes", approved October 23, 1962 (76 Stat. 119).

TITLE VII—RECOVERY OF EXPENSES FROM NEGLIGENT THIRD PERSONS

SEC. 701. Whenever the District of Columbia is authorized or required by law to (a) furnish or pay the expenses of hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances), or the funeral expenses, of an officer or member of the Metropolitan Police force or of the Fire Department of the District of Columbia (hereinafter, "policeman or fireman"); or (b) extend leave of absence with pay to a policeman or fireman who is injured or suffers a disease under circumstances creating a tort liability upon a third person to pay damages therefor (whether or not received or contracted in the performance of duty), the District of Columbia shall have a right to recover from said third person the reasonable value of the care and treatment so furnished or to be furnished, or for which payment has been or will be made, and the amount of wages paid or to be paid during the leave of absence resulting therefrom, and shall, as to such right, be subrogated to any right or claim which the injured or diseased policeman or fireman, his guardian, personal representative, estate, dependents, or survivors has or have against such third person to the extent of the reasonable value of the care and treatment so furnished or to be furnished, or for which payment has been or will be made, and the amount of wages based upon an authorized leave of absence paid or to be paid to such policeman or fireman. The Commissioner may also require the injured or diseased policeman, his guardian, personal representative, estate, dependents, or survivors, as appropriate, to assign his claim or cause of action against the third person to the District of Columbia to the extent of the District's right or claim.

SEC. 702. To enforce such right, the District of Columbia may (a) intervene or join in any action or proceeding brought by the injured or diseased policeman or fireman, his guardian, personal representative, estate, dependents, or survivors, against the third person who is or may be liable in damages for the injury or disease; or (b) if such action or proceeding is not commenced within six months after the first day in which care and treatment is furnished by the District of Columbia in connection with the injury or disease involved, institute and prosecute legal proceedings in a District of Columbia, State or Federal court, either alone (in its name or in the name of the injured policeman or fireman, his guardian, personal representative, estate, dependents, or survivors) or in conjunction with the injured policeman or fireman, his guardian, personal representative, estate, dependents, or survivors, against the third person who is liable for the injury or disease. Any employee of the District of Columbia or of the United States who is re-

quired to appear as a party or witness in the prosecution of said action or proceeding is, when directed to participate in the preparation for trial or the trial thereof, and while so engaged, in an active duty status.

SEC. 703. (a) The District of Columbia shall have a lien, to the amount of the reasonable value of the care and treatment, funeral expenses, and wage payments described in section 701, upon any recovery or sum received or collected or to be collected by an injured or diseased policeman or fireman, his guardian, personal representative, estate dependents, or survivors, in a claim or action asserted or maintained by such policeman or fireman or his personal representative against a liable third person for damages.

(b) No such lien described above shall be effective, however, unless, prior to the payment of any moneys to such injured or diseased policeman or fireman, his attorney, or personal representative as compensation for such injury or disease, the District of Columbia shall have filed in the office of the Recorder of Deeds of the District of Columbia in a docket provided for such liens, a written notice containing the name and address of the injured or diseased policeman or fireman, the date and approximate place of the accident or incident giving rise thereto, and the name of the person alleged to be liable to the policeman or fireman for the injuries or disease received; nor unless the District of Columbia shall also mail, postage prepaid, a copy of such notice with a statement of the date of filing thereof to the person alleged to be liable to the policeman or fireman for the injuries or disease received, prior to the payment of any moneys to such injured or diseased policeman or fireman, his attorney, or personal representative as compensation for such injury or disease. Where the name of an insurance carrier for the third party tortfeasor is ascertained, the District of Columbia shall also mail a copy of such notice to such insurance carrier.

(c) Any person, including an insurance carrier, which, after the mailing of such notice, shall make any payment to such policeman or fireman or to his attorney or personal representative as compensation for the injury sustained or disease contracted, without paying to the District of Columbia the amount of its lien or so much thereof as can be satisfied out of the moneys due under any final judgment or compromise or settlement agreement after paying the amount of any prior liens, shall for a period of one year from the date of payment to such policeman or fireman, his attorney, or personal representative, as aforesaid, be and remain liable to said District of Columbia for the amount which the District was entitled to receive as aforesaid; and the District of Columbia, may, within such period, enforce said lien by an action against the person making any such payment.

(d) Whenever a policeman or fireman or his attorney or personal representative receives, as a result of an action or proceeding brought by the policeman or fireman or on his behalf, or as a result of a settlement made by him or on his behalf, any moneys or other property in satisfaction of the liability of a third person for the injury sustained or disease contracted, such policeman or fireman or his attorney or personal representative, as the case may be, shall ascertain and pay to the District of Columbia the amount of its lien or so much thereof as can be realized out of any such recovery or settlement. Notwithstanding any other provision of law, whenever a policeman or fireman or his attorney or personal representative receives any payment as described in the preceding sentence and fails to pay to the District of Columbia the amount of its lien, the District of Columbia is authorized to take appropriate action to recover from such policeman or fireman or his attorney or personal representative the amount of its lien as aforesaid, including, but not limited to, the right to counterclaim, setoff, or attach moneys or other property otherwise due and payable from the District of Columbia to said policeman or fireman, his guardian, personal representative, estate, dependents, or survivors.

SEC. 704. The District of Columbia Council is authorized to promulgate rules and regulations to carry out the purposes of this title, including, but not limited to, regulations (a) with respect to the determination and establishment of the reasonable value of the hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) furnished or to be furnished, or paid or to be paid; and (b) to provide procedures for distributing the proceeds from recoveries and settlements obtained by either the injured or diseased policeman or fireman or the District of Columbia: *Provided*, That in any event said policeman or fireman, or his guardian, personal representative, estate, dependents, or survivors shall be paid, or shall have the right to retain, not less than one-fifth of the net amount of any recovery or settlement remaining after the legal expenses thereof have been deducted.

SEC. 705. To the extent prescribed by regulations under section 704, the Commissioner may (a) compromise, or settle and execute a release of, any claim which the District of Columbia has by virtue of the rights established by sections 701, 702, or 703; or (b) for the convenience of the District of Columbia, or if the Commissioner determines that collection would result in undue hardship upon the policeman or fireman who suffered the injury or disease resulting in care and treatment described in section 701, or upon his dependents or survivors, waive any such claim in whole or in part.

SEC. 706. No action taken by the District of Columbia in connection with the rights afforded under this title shall operate to deny to the injured or diseased policeman or fireman recovery for any damages or portion thereof not covered by this title.

SEC. 707. Nothing in this title shall be deemed to apply to any hospital, medical, surgical, or dental care or treatment, or wage payments based upon an authorized leave of absence which a policeman or fireman is receiving, or is entitled to receive, from the District of Columbia for an injury received or disease contracted prior to enactment of this title.

SEC. 708. As used in this title the term "Commissioner" means the Commissioner of the District of Columbia or his designated agent, and the term "person" means an individual, firm, partnership, joint stock company, corporation, association, incorporated society, statutory or common law trust, estate, executor, administrator, receiver, trustee, conservator, liquidator, committee, assignee, officer, employee, principal, or agent.

SEC. 709. Appropriations to carry out the purposes of this title, including funds for the advancement of costs and expenses for the enforcement of recoveries, are hereby authorized.

TITLE VIII—AUTHORIZATION OF APPROPRIATIONS

CONFIDENTIAL FUNDS

SEC. 801. The Commissioner of the District of Columbia, the Chairman of the District of Columbia Council, the Superintendent of Schools, the President of the Federal City College, the President of the Washington Technical Institute, and the President of the District of Columbia Teachers College are hereby authorized to provide for the expenditure, within the limits of specified annual appropriations, of funds for such purposes as they may respectively deem necessary. Their determination thereof shall be final and conclusive, and their certificate shall be sufficient voucher for the expenditure of appropriations made pursuant to this section.

EMERGENCY EXPENSES

SEC. 802. The Commissioner of the District of Columbia is authorized, when required by the public exigencies, to expend such amounts as may be necessary to meet conditions caused by emergencies such as riot, pestilence, public insanitary conditions, flood, fire, storm, and similar disasters.

FUNERAL AND BURIAL EXPENSES

SEC. 803. (a) The Commissioner of the District of Columbia is hereby authorized, pursuant to regulations prescribed by the District of Columbia Council, to provide for the payment of reasonable funeral and burial expenses of indigent residents of the District of Columbia and of children and adults under the care and custody of District of Columbia government institutions.

(b) Nothing in this section shall be construed as repealing or in any way modifying any provision of the Acts approved April 29, 1902 (D.C. Code, secs. 2–201 through 2–209) and April 20, 1906 (D.C. Code, secs. 27–129 through 27–131), or of the District of Columbia Public Assistance Act of 1962 (D.C. Code, sec. 3–201 et seq.).

FUNDS FOR THE PREVENTION AND DETECTION OF CRIME

SEC. 804. The Chief of Police of the Metropolitan Police Department is authorized, with the approval of the Commissioner of the District of Columbia and within the limits of appropriations therefor, to make expenditures for the prevention and detection of crime under his certificate. The certificate of the Chief of Police for such expenditures shall be deemed a sufficient voucher for the sum therein expressed to have been expended.

EXPENSES OF PISTOL MATCHES

SEC. 805. The Commissioner of the District of Columbia is authorized to pay the expenses of officers and members of the Metropolitan Police Department for attending pistol matches, including entrance fees, and is further authorized to permit officers and members to attend such matches without loss of pay or time.

FIRE PROTECTION SERVICES

SEC. 806. The Commissioner of the District of Columbia is authorized to make provisions and payment for the furnishing of fire prevention and fire protection services to District of Columbia government institutions located outside the District of Columbia.

GRATUITIES TO PATIENTS

SEC. 807. The Commissioner of the District of Columbia is authorized to furnish cash gratuities to needy patients of the Glenn Dale Hospital in such amounts and at such times as he may determine.

CARE OF PATIENTS IN SECTARIAN INSTITUTIONS

SEC. 808. Notwithstanding any other provision of law, the Commissioner of the District of Columbia is authorized from time to time to enter into contracts with institutions under sectarian control, and to make payments to such institutions, for the care of indigent and medically indigent patients in hospitals and for the care and maintenance of women and children who are a responsibility of the District of Columbia.

STIPENDS FOR PATIENTS

SEC. 809. The Commissioner of the District of Columbia is authorized, pursuant to regulations prescribed by the District of Columbia Council, to provide for the payment of stipends to patients and residents employed in institutions of or under programs sponsored by the government of the District of Columbia as an aid to their rehabilitation or for training purposes. Nothing contained herein shall be construed as conferring employee status on any person covered by this section.

BENEFITS FURNISHED WORKERS IN DISTRICT FACILITIES

SEC. 810. Notwithstanding any other provision of law, the Commissioner of the District of Columbia is authorized to furnish, pursuant to regulations prescribed by the District of Columbia Council, subsistence, living quarters, and laundry in lieu of salary to persons authorized by the Commissioner to work in facilities of the government of the District of Columbia for the purpose of securing training and experience in their future vocations. Nothing contained herein shall be construed as conferring employee status on any person covered by this section, nor as superseding the requirements of sections 5352 and 5353 of title 5 United States Code, relating to student employees specified therein who are assigned or attached to a hospital, clinic, or medical or dental laboratory.

CIVIL DEFENSE MATCHING FUNDS

SEC. 811. Section 3(h) of the Act entitled "An Act to authorize the District of Columbia government to establish an Office of Civil Defense, and for other purposes", approved August 11, 1950 (64 Stat. 439; D.C. Code, sec. 6–1203 (h)), is amended by striking the semicolon and inserting in lieu thereof a comma and the following: "and, when authorized by the Commissioner, appropriations available to the District of Columbia may be used to match financial contributions made by any department or agency of the United States to the government of the District of Columbia for the purchase of civil defense equipment and supplies;".

SNOW AND ICE REMOVAL

SEC. 812. Notwithstanding any other provision of law, appropriations for the Department of Highways and Traffic and the Department of Sanitary Engineering of the government of the District of Columbia shall be available for purposes of snow and ice control when so ordered by the Commissioner of the District of Columbia.

CONSTRUCTION SERVICES WORKING FUND

SEC. 813. There is established in the Treasury of the United States a permanent working fund, without fiscal year limitation, to be known as the "Construction Services Fund, Department of General Services, District of Columbia." The Commissioner is authorized to transfer to such fund from capital outlay appropriations for public building construction such amounts as he may deem necessary to carry out the purposes of this section, and, subject to subsequent adjustment, advances and reimbursements may be made to such fund from appropriations for services to other departments and agencies of the District government, without reference to fiscal year limitations on such appropriations. The fund shall be available for expenses incurred in the initial planning for construction projects, for work performed under contract or otherwise, including, but limited to, preliminary planning and related expenses, surveys, preparation of plans and specifications, soil investigation, administration, overhead, planning design, engineering, inspection, and contract management.

ACQUISITION OF LAND FOR WASHINGTON AQUEDUCT

SEC. 814. Appropriations are hereby authorized for the acquisition, by gift, dedication, exchange, purchase, or condemnation, of land or rights in or on land or easements therein for the Washington Aqueduct by the Chief of Engineers, Corps of Engineers, United States Army, or his designated agents.

PAYMENT OF REWARDS

SEC. 815. The Commissioner of the District of Columbia is authorized to provide for the payment of rewards for the capture, or for information leading to the apprehension, of fugitives from District of Columbia penal, correctional, and welfare institutions and of conditional release and parole violators. Funds appropriated pursuant to this section shall be apportioned and expended in the discretion of, and upon such conditions as may be imposed by, the Commissioner of the District of Columbia: *Provided*, That no reward money shall be paid to any officer or employee of the Metropolitan Police Department or of any penal, correctional, or welfare institution.

DISCHARGE AND RELEASE PAYMENTS

SEC. 816. The Commissioner of the District of Columbia is authorized to furnish each prisoner upon his release from a penal or correctional institution under the jurisdiction of the government of the District of Columbia with suitable clothing and, in the discretion of the Commissioner, a sum of money, which shall not exceed $100.

SUMMER SCHOOL COMPENSATION

SEC. 817. Compensation payable to personnel employed in the summer school program of the public school system of the District of Columbia is hereby authorized to be charged to the appropriation for the fiscal year in which the pay periods end.

DRIVER EDUCATION PROGRAM

SEC. 818. The Board of Education is authorized, within the limits of appropriations therefor, to accept, on a loan basis, and to maintain and provide for insurance of passenger motor vehicles, for use in the driver education program of the public schools.

ADMINISTRATIVE EXPENSES OF WORKMEN'S COMPENSATION LAW

SEC. 819. The Act entitled "An Act to provide compensation for disability or death resulting from injury to employees in certain employments in the District of Columbia, and for other purposes", approved May 17, 1928, as amended (D.C. Code, secs. 36–501, 502), is further amended by renumbering section 3 as section 4 and by inserting the following new section immediately after section 2:

"SEC. 3. Appropriations are hereby authorized for payment of all necessary expenses incurred by the United States Department of Labor in the administration of this Act."

AMENDMENT OF LAWS RELATING TO ADVERTISING

SEC. 820. (a) The second sentence of section 1 of the Act approved February 28, 1898 (30 Stat. 250; D.C. Code, sec. 47–1001), is amended to read as follows: "The notice of sale and the delinquent tax list shall be advertised once a week for two successive weeks in the regular issue of a daily newspaper of general circulation published in the District of Columbia; and notice shall be given, by advertising twice a week for two successive weeks in the regular issues of two daily newspapers published in the District of Columbia, that such delinquent tax list has been published in a daily newspaper, giving the name of such newspaper and the dates and the issues containing said list, and such notice shall be published in the two weeks immediately following the week in which the delinquent tax list shall have been published: *Provided*, That competitive proposals shall be invited by the Commissioner of the District of Columbia from the various daily newspapers published in the District for publishing the said delinquent tax list."

(b) Section 7 of the Act approved February 28, 1898 (30 Stat. 252; D.C. Code, sec. 47–1008), is amended to read as follows:

"The expenses of advertising the notice of sale and delinquent tax list for real property taxes, water charges, sanitary sewer service charges, and special assessments in arrears together with penalties and costs, shall be reimbursed to the District by a charge to be fixed annually by the Commissioner and assessed against each lot or piece of property advertised. The amounts so received shall be deposited to such fund of the District as the Commissioner shall from time to time determine."

(c) The first sentence of section 5 of the Act approved June 11, 1878 (20 Stat. 105; D.C. Code, sec. 7–601), is amended by striking "and if the total cost shall exceed five thousand dollars, then in one newspaper in each of the cities of New York, Philadelphia, and Baltimore also for one week," and inserting in lieu thereof: "but not elsewhere, unless the need for advertising outside the District shall have been specifically approved by the Commissioner".

(d) Appropriations authorized by this title or any Act of Congress shall be available to the Commissioner for general advertising authorized and required by law, and for the publication of notices of public hearings, orders, regulations, amendments of orders and regulations, tax and school notices, and similar matters of public interest, in the District of Columbia Register, and, except as otherwise provided by law, in such newspapers, legal periodicals, trade journals, and other printed media at such times and in such places as may be approved by the said Commissioner.

PURCHASE OF MALPRACTICE INSURANCE

SEC. 821. The Commissioner of the District of Columbia is hereby authorized to provide for the purchase of malpractice insurance, including the payment of premiums and other costs, to indemnify medical personnel, including physicians, dentists, osteopaths, and nurses, employed in hospitals, clinics, and other medical facilities under the control of the Government of the District of Columbia, for any judgment of damages that may be awarded against such personnel.

STUDENT LOAN PROGRAM

SEC. 822. (a) There is established in the Treasury of the United States a revolving fund to be known as the "Federal City College Student Emergency Loan Fund, District of Columbia". The fund shall be available without fiscal year limitation and shall be used for the purpose of providing emergency loans to students of the Federal City College under standards prescribed by the Board of Higher Education, with the approval of the Commissioner of the District of Columbia. The fund shall be available for the payment of all necessary expenses related to the issuance and collection of such loans. Revenues from the repayment of loans shall be deposited to the credit of the fund. The Board of Higher Education is authorized to use amounts appropriated to the District of Columbia for the purposes of this section to establish the fund.

(b) Notwithstanding the provision of any other law, if the student borrower on any loan issued pursuant to this section is a minor, any otherwise valid note or other written agreement executed by him for the purposes of such loan shall create a binding obligation.

COLLEGE BOOKSTORE FUND

SEC. 823. There is established in the Treasury of the United States a revolving fund to be known as the "Federal City College Bookstore Fund, District of Columbia". The fund shall be available without fiscal year limitation and shall be used for the purpose of establishing and maintaining a bookstore to purchase and sell textbooks and other books at such prices as the Board of Higher Education may from time to time determine necessary to approximate the cost thereof to the District of Columbia, including such administrative and overhead costs as are directly related to the fund. Receipts from the sales

of books and services shall be deposited to the credit of the fund. The Board of Higher Education is authorized to use amounts appropriated to the District of Columbia for the purposes of this section to establish the fund.

SCHOOL CEREMONIAL EXPENSES

SEC. 824. The President of the Federal City College, the President of the Washington Technical Institute, the President of the District of Columbia Teachers College, and the Superintendent of Schools are hereby authorized to utilize moneys appropriated for the purposes of this section for such expenses as they may respectively deem necessary to conduct official ceremonial, representational, and graduation activities normally associated with the programs of educational institutions.

SUBSISTENCE AND TRANSPORTATION FOR HANDICAPPED CHILDREN

SEC. 825. The Board of Education is authorized to provide for the furnishing of subsistence supplies and transportation for severely handicapped children attending special education schools or classes established for their benefit in the public school system of the District of Columbia.

FEDERAL AID HIGHWAY PROJECTS

SEC. 826. The Commissioner of the District of Columbia is authorized to enter into contracts in connection with projects undertaken as Federal-aid highway projects under the provisions of the Federal Aid Highway Act of December 20, 1944, as amended, in such amounts as shall be approved by the Federal Highway Administration, Department of Transportation.

GRADE-CROSSING ELIMINATION PROJECTS

SEC. 827. The Commissioner of the District of Columbia is authorized to construct grade-crossing elimination and other wholly District construction projects or those authorized under section 8 of the Act of June 16, 1936 (49 Stat. 1521), and section 1(b) of the Federal Aid Highway Act of 1938, as amended, in accordance with the provisions of such Acts. Pursuant to this authority, the Commissioner may make payment to contractors and payment for other expenses in connection with the costs of surveys, design, construction, and inspection pending reimbursement to the District of Columbia by the Federal Highway Administration, Department of Transportation, or other parties participating in such projects.

APPROPRIATIONS

SEC. 828. Appropriations to carry out the purposes of this title and the amendments made by this title are hereby authorized.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-514), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of this bill (S. 2204) is to provide authority for several needed improvements relating to the administration of government in the District of Columbia.

Title I of the bill authorizes the establishment in the Treasury of a general working capital fund, without fiscal year limitation, to be used by the government of the District of Columbia for the financing of inventories, services, common-use equipment, centralization of services, and related purposes.

Title II amends existing law to authorize the Commissioner to negotiate contracts for the disposal of solid wastes for periods not exceeding 20 years.

Title III of the bill provides authority for the Commissioner to enter into contracts for the furnishing of supplies and services to the District for periods not exceeding 3 years. Title IV authorizes the Commissioner to enter into joint contracts for supplies and services on behalf of the District of Columbia and other political divisions and subdivisions.

Title V amends a number of statutes covering activities and functions which are specifically required by law to be audited on a quarterly, annual, or individual basis, so as to require only that the accounts of such activities and functions be audited in the same manner as other accounts of the District.

Title VI authorizes the Commissioner to accept the services of persons volunteering to serve as members of various boards and commissions and to serve in positions not otherwise authorized by law.

Title VII provides the District of Columbia a right of recovery from tortiously liable third persons of the cost of medical and hospital expenses and salary payments furnished or paid by the District government to injured policemen and firemen, in like manner as the District recovers such costs with respect to all other District employees.

Title VIII of the bill provides substantive legislation for certain limitations and legislative provisions which heretofore have been authorized only by language contained in various District of Columbia appropriation acts.

AMENDMENTS

The revision of section 401 regarding joint bid requests and contracts was a modification proposed by the Metropolitan Washington Council of Governments to strengthen the position of all local governments through their purchasing power. At the present time the District government can join in such arrangements with other local governments provided that the District government is the contracting agency. The proposed modification permits the District government to use other jurisdictions as such a contracting agency for supplies and services.

The addition of sections 826 and 827 provides for the inclusion of two additional authorizations as a result of inclusions in the pending appropriation bill for fiscal year 1972. These two new sections are in addition to several provisions in title VIII authorizing appropriations for the District of Columbia in order to clarify the authority of the District to expend funds under various provisions of the annual appropriation bills.

HISTORY

On May 4, 1971 the Commissioner of the District of Columbia wrote a letter to the President of the Senate transmitting and recommending the proposed legislation. S. 2204 was introduced in the Senate on June 30, 1971, and hearings were held by the Subcommittee on Business, Commerce, and Judiciary of the District Committee on October 28, 1971. Representatives of the District of Columbia government and the Metropolitan Washington Council of Governments. No testimony was received in opposition to the bill, nor has any expression of opposition to the legislation been received by the committee.

INCORPORATING PROFESSIONS IN THE DISTRICT OF COLUMBIA

The bill (H.R. 10383) to enable professional individuals and firms in the District of Columbia to obtain the benefits of corporate organization, and to make corresponding changes in the District of Columbia Income and Franchise Tax Act was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-512), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of this bill (H.R. 10383) is to authorize individuals in the District of Columbia rendering professional services which under existing law, custom, or standards of professional conduct of practice, may not be rendered through a corporate structure, including without limitation, services performed by certified public accountants, attorneys, architects, physicians, dentists, optometrists, podiatrists and professional engineers, to join in the formation of a corporation.

The bill does not require professionals to incorporate. It simply provides them with the opportunity to incorporate and defines the structure which results from that incorporation.

Your committee believes that professionals in the District of Columbia should be given the privilege now according to all businessmen: namely, the right to incorporate.

Professionals are now authorized to incorporate in every state of these United States. Though the encouragement of doctors, dentists, lawyers, architects, accountants, engineers and other professionals, all the 50 state legislative bodies have adopted legislation authorizing the incorporation of such professionals. Prior to this authorization, professionals had to resort to partnerships as their vehicle of combination. In a number of respects, partnerships, as compared to corporations are ungainly and complicated.

ADVANTAGES OF INCORPORATION

Several basic attributes of professional corporations give them value over a partnership structure. A corporation has a greater degree of centralization of management. A corporation limits the liability of a stockholder when an officer of the corporation properly acts within the authority given him by the Board of Directors. (However, in a professional corporation the professional still bears the responsibility for his own malpractice.) A professional corporation has perpetual existence; whereas, a partnership comes to an end upon the death of any partner. Finally, a professional corporation has greater flexibility with respect to transfer of interests than does a partnership.

As a general matter, the laws regarding corporations are much more clearly defined than as to the partnerships. The guidelines for corporate activities, responsibilities, and relationships are well-known. Partnership agreements by necessity become long and cumbersome because the partners are unable to resort to the large body of statutory and case law which define the corporate concept.

THE DISTRICT OF COLUMBIA AND FEDERAL TAX CONSIDERATIONS

There are a number of tax advantages under Federal tax laws to professional individuals operating in the corporate form. Probably the most significant advantages at the present time stem from the disparities in the Federal tax treatments of qualified retirement plans of corporate employees and of qualified retirement plans for self-employed individuals. Broadly speaking, the Federal income tax treatment of all such qualified plans consists of a deferral of the Federal income tax with respect to contributions made on behalf of employees, including self-employed individuals, until distribution of the employees' benefits and the deferral, for the same period, of the Federal income tax on the earnings from investment of all contributions made under the plan.

As indicated above, the benefits under qualified retirement plans for self-employed individuals, or so-called "H.R. 10 plans", are not nearly so broad as those under corporate plans. One of the most significant differences concerns the maximum limitation on contributions on behalf of self-employed individuals who have a more than 10% interest in the business (so-called "owner-employees"). Under the Federal Internal Revenue Code, such contributions are limited to the *lesser* of 10% of the individual's "earned income" from the business or $2,500 per year. On the other hand, in the case of corporate retirement plans, contributions up to 25% of an employee's compensation are permitted where the employer has both a pension plan and a profit sharing plan and there is no ceiling on the dollar amount which may be contributed. Similarly, the benefits from voluntary additional contributions, i.e., the contributions by the employee or by self-employed individuals for which no deduction is allowable, are greater under corporate retirement plans. Specifically, under corporate plans an employee may contribute up to 10% of his compensation without regard to the dollar amount thereof, with the result that such contributions will then accumulate tax-free income until the distribution of the employee's benefits upon his retirement. On the other hand, voluntary contributions by "owner-employees" are restricted to the *lesser* of 10% of earned income from the business or $2,500 per year *and* may only be made if there are plan participants during the tax year other than "owner-employees" who are permitted to make voluntary contributions. In addition, there are requirements with respect to the qualification of plans which include self-employed individuals which are not imposed with respect to corporate plans and these are particularly onerous in the case of plans which include self-employed individuals who are "owner-employees".

Another benefit which is available to corporate employees which is not available to self-employed individuals is the opportunity to receive one's account entirely in the year of retirement and have a portion thereof taxed at capital gains rate. A lump-sum distribution to a self-employed individual is taxable ordinary income, subject to a special averaging rule in certain cases.

Lastly, the present Federal estate tax and gift tax exclusions available with respect to contributions to qualified retirement plans by corporate employers are not available with respect to contributions under H.R. 10 plans.

OTHER TAX BENEFITS

In addition to benefits relating to qualified retirement plans discussed above corporate employees also have available many other Federal income tax benefits which their self-employed counterparts do not enjoy. A corporate employer may provide group term life insurance coverage for its employees, tax-free, up to a maximum of $50,000 coverage. In addition, corporate employers may, depending upon the coverage limitations of the particular local jurisdiction, provide additional group term life insurance coverage for its employees at a very nominal Federal tax cost.

Corporate employees may receive the benefit of payments from accident, health and sickness insurance plans and from medical and dental reimbursements plans tax-free. At the same time the corporate employer is entitled to a deduction for the insurance premiums paid and for the medical and dental reimbursements, as the case may be.

Corporate employees are also eligible to exclude a portion of their salaries which are paid to them under so-called wage continuation or sick pay plans while they are away from work on account of personal injuries or sickness.

Corporate employers may pay death benefits to beneficiaries of their employees up to a maximum of $5,000 without any tax resulting to the recipient. In addition, a corporate employer may make a nondeductible tax-free gift to the widow of a deceased employee in appropriate circumstances.

And finally, two fairly insignificant tax advantages might be mentioned. First, the first $25,000 of a corporation's taxable income is subject to the 22% normal tax rate and the excess is presently subject to a 48% rate. Second, a corporation has a completely free choice of a fiscal year for Federal tax reporting purposes, whereas a partnership must adopt the same taxable years as its partners.

AMENDMENT TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

Section 21 of the bill amends the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, title 47, sec. 1574) in order to maintain for unincorporated professional associations the unincorporated business tax exemption which these associations presently have under that Act.

All the representatives of the various groups testifying in support of the bill stated that they consider this section to be an essential part of the bill and that they would not support it without this section.

Representatives of the Bar Association, for example, stated they have opposed previous attempts to repeal this exemption on essentially two grounds. Both the States of Maryland and Virginia grant a credit to their residents for income taxes paid to another jurisdiction on income generated in that jurisdiction. The District unincorporated business tax does not qualify for this credit since it is a franchise tax rather than an income tax. Accordingly, the professional who resides in Maryland or Virginia and conducts his practice in the District would, if his present tax exemption were removed, be subject to double tax on the net income for his practice.

The District's Revenue Act of 1969 in proposed form contained a provision repealing this exemption, which was not contained in the Act as passed, which changed the label of the unincorporated business tax from a "franchise tax" to an "income tax". Put simply, whatever the label, the unincorporated business tax is on the privilege of doing business in the District.

BENEFITS TO THE DISTRICT

While as stated, there will be significant tax incentives and advantages to incorporated professionals and their employees to be derived by the enactment of a professional corporation statute for the District of Columbia, the testimony developed that there would be benefits to the District of Columbia, and to the Federal Government, as well as to society as a whole.

The first source of revenue from passage of H.R. 10383 would be the fees to incorporate. If only a few thousand of the professionals of the District of Columbia would avail themselves of the opportunity to incorporate, the fees, it is estimated, to the District would be about $300,000.00 in 1971 or 1972, based on an average corporate fee of $150.

In addition, each professional corporation will become subject to the annual payment of the District corporate income and franchise tax (District of Columbia Income and Franchise Tax Act of 1947). At present, the unincorporated professional practices are subject only to the payment of the professional license fee, while the income derived from such professional services is taxed only by the jurisdiction of residence of the professional. If the professional practice should be incorporated in the District, the salaries of the employee-shareholders will also become subject to the District and Federal Unemployment compensation taxes, as well as a higher total Social Security (F.I.C.A.) tax rate.

The second source of revenue would be the corporate income tax that would be forthcoming. Because corporations do not die with the death of an owner, the corporate tax would provide a greater stability in income tax revenues.

The third source of revenue would be the additional insurance premium taxes which would be collected on corporate purchases of employee benefits, such as pension plans and profit sharing plans and group life and health insurance. Since such premiums are deductible for Federal income tax purposes, corporate employers would be encouraged to provide better benefits needed by their employees.

But even if the added sources of revenue were not as direly needed by the District of Columbia, the concept of allowing professionals to incorporate would still be valid. Every state now has legislation enabling professionals to incorporate. The District of Columbia should not prohibit professionals to incorporate for to do so would risk the flight of the professional to the suburbs with result in serious loss in revenues.

CHARITABLE TRUSTS

The bill (H.R. 11489) to facilitate the amendment of the governing instruments of certain charitable trusts and corporations subject to the jurisdiction of the District of Columbia, in order to conform to the requirements of section 508 and section 664 of the Internal Revenue Code of 1954, as added by the Tax Reform Act of 1969, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-513), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 11489, as amended, is to facilitate the amendment of the governing instruments of certain charitable and split-interest trusts, and certain corporations which are subject to the jurisdiction of the District of Columbia and which are treated as "private foundations" for Federal tax purposes, in order to conform to the requirements of Sec. 508 of the Federal Internal Revenue Code, as added by the Tax Reform Act of 1969 (P.L. 91-172).

This is accomplished in H.R. 11489 by amending Title I of the D.C. Code to add a new chapter relating to charitable and split-interest trusts, which provides, in effect, that certain provisions required by the Internal Revenue Code are deemed to be included in the governing instruments of the corporation in question.

Time is of the essence with respect to the proposed legislation, because if the same is not enacted into law prior to January 1, 1972, most, if not all, trusts in the District of Columbia with charitable beneficiaries and some charitable corporations will each

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be required to institute separate court proceedings to amend their individual charters to include the required provisions.

Enactment of this legislation, therefore, before January 1, 1972, will free the courts from burdensome litigation and will protect assets donated for charitable purposes, and thereby will carry out the intent of Congress in the Tax Reform Act to insure that the funds of entities granted tax benefits are totally devoted to charitable purposes.

As of August 24, 1971, the legislatures of at least 35 states have enacted legislation intended to comply with the requirements of the Federal Internal Revenue Code in question. Both Maryland and Virginia have enacted such legislation as have the other states as follows:

STATES WHICH HAVE ENACTED SIMILAR LEGISLATION TO CONFORM GOVERNING INSTRUMENTS OF CHARITABLE TRUSTS AND CORPORATIONS TO REQUIREMENTS TAX REFORM ACT OF 1969

Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, and Hawaii.

Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Minnesota, and Missouri.

Nebraska, Nevada, New Hampshire, New York, North Carolina, North Dakota, Oklahoma, Rhode Island, and South Carolina.

Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, and Wisconsin.

INTERNAL REVENUE CODE AND TAX REFORM ACT REQUIREMENT

Sec. 509 (a) of the Internal Revenue Code of 1954 contains a definition of "private foundations", which covers the broad range of trusts and corporations which are organized and operated for religious, charitable literary and educational purposes.

Sec. 508 (d) (e) of the Internal Revenue Code, added by the tax Reform Act of 1969 (Public Law 91-172), provides that certain charitable trusts and corporations which are treated as "private foundations" will lose their right to full deduction for charitable contributions, as well as their exemption from Federal income tax unless their governing instruments (i.e., corporate charter or trust indenture, include by December 31, 1971, certain limitations on their activities). The governing instruments of trusts created and corporations organized after 1969 must contain the required provisions upon their creation or organization.

"Necessary governing provisions" would, in effect, require the charitable trusts or corporation to distribute income for its exempt purposes on a reasonably current basis, and to refrain from certain actions which the Congress has deemed inconsistent with tax-exempt status, namely, engaging in "self-dealing" transactions, retaining excess business holdings, making investments which jeopardize exempt purposes, and expending funds for improper expenditures, lobbying and other prescribed activities.

Following the enactment of the Tax Reform Act of 1969, the Internal Revenue Service published Temporary Regulation No. 13.8 (35 Fed. Reg. 7300, dated May 9, 1970), which recognizes as the equivalent of an actual amendment of a governing instrument of a charitable trust or corporation, the enactment of a statute which either treats the required provisions as being contained in the trust's or corporation's governing instruments, or specifically requires the trust or corporation to distribute its income and prohibits it from engaging in the prescribed actions described above.

The necessity of enabling legislation by the Congress to cover charitable trusts and corporations is required by the Federal Tax Reform Act of 1969.

EFFECT OF LEGISLATION

H.R. 11489, if enacted, will allow hundreds of charitable organizations in the District of Columbia to comply with the provisions of the 1969 Tax Reform Act, without the expense and court congestion which would follow if the governing instrument of each such charity had to be presented before your Committee at its hearings on this proposed legislation, the city banks estimated that approximately 400 separate actions (in trusts which they administer) would have to be prepared and filed before December 31, 1971, if this legislation is not enacted. No estimate was furnished this Committee as to what trusts might be similarly affected which do not have banks as trustees. In any event, numerous law suits would burden the court dockets in the District of Columbia and delay trials of other more important civil and criminal matters.

In addition, the charities would be forced to incur legal fees and court costs which would reduce the amount of funds distributable for charitable purposes in the District of Columbia. In the case of relatively small charitable trusts, the legal fees for such litigations may well exhaust one year's income or more, which otherwise would be used for charitable purposes. The beneficiaries of many of the trusts involved are local institutions such as the Children's Hospital, the Red Cross, Georgetown University, George Washington University, American University, Howard University, Catholic University, and many other similar charitable and educational institutions, as well as religious organizations and affiliates in the District of Columbia.

The necessity of H.R. 11489 arises from the fact that it is not sufficient for a charitable corporation or trust to operate in compliance with the Federal Tax Reform Act of 1969. The tax exemption enjoyed by such corporations or trusts will be denied them unless their governing instruments specifically require such compliance. Most charitable corporations, and some trusts where the grantor is living and the instrument so permits, would be able to amend their bylaws, or governing instruments, to comply with the provisions of the Tax Reform Act. However, without H.R. 11489, the only recourse that would be open to the trustees of charitable trusts, where the grantors are deceased, and those charitable corporations whose governing instruments do not permit amendment, would be to seek equitable relief in the courts to permit the conforming amendments. All this would be obviated by the provisions of H.R. 11489.

HEARING

The Subcommittee on Business, Commerce, and Judiciary held a hearing on this legislation and its companion bill (S. 2409) on October 28, 1971, at which time representatives of the District of Columbia Government and the Bar Association of the District of Columbia presented testimony. No testimony was received in opposition to the bills, nor has any expression of opposition to the legislation been received by the Committee.

COSTS OF LEGISLATION

According to the information furnished the Committee by witnesses before it as well as by the D.C. government, passage of this proposed legislation would not have any revenue effect upon the District and would not result in any additional costs.

On the other hand, without such legislation, the District would incur substantial expense because of resulting court actions as referred to above if the legislation is not enacted before January 1, 1972.

REDUCE FROM 21 YEARS TO 18 YEARS THE MINIMUM AGE QUALIFICATIONS FOR FEDERAL JURY SERVICE

The Senate proceeded to consider the bill (S. 1975) to change the minimum age qualification for serving as a juror in Federal courts from 21 years of age to 18 years of age, which had been reported from the Committee on the Judiciary with amendments.

On page 1, after line 5, strike out:

(b) The Act shall take effect one hundred and eighty days after the date of its enactment. The amendment made by subsection (a) shall not apply to any jury panel selected or serving on the effective date of this Act.

And, in lieu thereof, insert:

(b) Each plan, except in the District of Columbia, Puerto Rico, and the Canal Zone, shall be modified by appropriate change of the periodic emptying and refilling date to require that voter registration lists or lists of actual voters from the November 1972 general election be used to refill the master jury wheel or qualified jury wheel not later than December 31, 1973.

On page 2, after line 9, insert a new section, as follows:

SEC. 2. Section 1863(b)(4) of title 28, United States Code, is amended by inserting before the period at the end thereof ", the interval for which shall not exceed four years".

And, after line 12, insert a new section, as follows:

SEC. 3. The amendments made by section 1(a) and by section 2 of this Act shall not affect the composition of any master jury wheel, qualified jury wheel, or jury panel in existence on the date of enactment of this Act and the use of the names in such existing jury wheels or on lists of qualified jurors is hereby authorized until the next emptying and refilling of the master jury wheel and qualification of prospective jurors therefrom as required by this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1865(b)(1) of title 28, United States Code, is amended by striking out "twenty-one years" and inserting in lieu thereof "eighteen years".

(b) Each plan, except in the District of Columbia, Puerto Rico, and the Canal Zone, shall be modified by appropriate change of the periodic emptying and refilling date to require that voter registration lists or lists of actual voters from the November 1972 general election be used to refill the master jury wheel or qualified jury wheel not later than December 31, 1973.

SEC. 2. Section 1863(b)(4) of title 28, United States Code, is amended by inserting before the period at the end thereof ", the interval for which shall not exceed four years".

SEC. 3. The amendments made by section 1(a) and by section 2 of this Act shall not affect the composition of any master jury wheel, qualified jury wheel, or jury panel in existence on the date of enactment of this Act and the use of the names in such existing jury wheels or on lists of qualified jurors is hereby authorized until the next emptying and refilling of the master jury wheel and qualification of prospective jurors therefrom as required by this Act.

Mr. TUNNEY. Mr. President, we have before us today S. 1975, a bill which I introduced on June 2, 1971, along with my distinguished colleagues from the Judiciary Committee, Senators HART and MATHIAS, to lower the minimum age for service on Federal juries from 21 to 18 years of age.

Since the introduction of the bill, 19 other Senators have joined in cosponsoring it: Senators BAKER, BAYH, CRANSTON, GRIFFIN, HARRIS, HARTKE, HOLLINGS, HUMPHREY, INOUYE, JACKSON, JAVITS, KENNEDY, MILLER, MONDALE, MOSS, MUSKIE, RANDOLPH, RIBICOFF, and TAFT. In addition, the chairman of the House Judiciary Committee Representative EMANUEL CELLER of New York has introduced an identical measure in the House of Representatives. Hearings were held by the Senate Subcommittee on Improvements in Judicial Machinery on July 29, 1971, and by the House Judiciary Committee in November 1971. During those hearings, witnesses from the Justice Department and the Administrative Office of the U.S. Courts testified in support of this bill.

Mr. President, as the youngest Member of the Senate, I take particular pride in authoring this legislation because I believe that it will bring to our newly enfranchised young citizens the full measure of the cherished American right to trial by one's peers. Last year, Congress began the process of enfranchisement by granting to these young citizens the right to vote in Federal elections. Earlier this year, we passed unanimously the 26th amendment extending that right to vote to include all elections at every level, and in only a few months time the legislatures of the requisite 38 States joined in ratifying that amendment.

Now the Congress has the opportunity to act once more to guarantee to these young people the full measure of their rights as citizens and voters by granting to them the right to serve on Federal juries.

Indeed, the very same arguments which caused us to lower the voting age are ones which are persuasive in favor of this bill. Those arguments have been stated most eloquently by many of my colleagues in the Senate in pointing out that the age of 21 years can no longer be looked upon as a magical threshold of civic responsibility. Even Vice President Agnew endorsed the lowered voting age, stating that:

Young people today are better educated and they mature physically much sooner than they did even 50 years ago.

In fact, nearly 80 percent of the over 11 million 18- to 21-year-olds are high school graduates and more than half are engaged in higher education. Almost half of them are married. Three million of them have full-time jobs. Nearly one million are serving in the Armed Forces, and tens of thousands of them have died in an endless war in Southeast Asia.

Time after time, these young people have demonstrated their high-minded civic responsibility, most notably through their efforts in the Peace Corps, VISTA, and many other volunteer programs in which they serve. Time and again they have shown themselves to be sensitive to our Nation and her freedoms. Over half of them consider themselves political independents, instead of Republicans or Democrats. The vast majority emphatically reject the extremes of the political spectrum.

To close Federal juries to this massive segment of the population, which Congress has declared adults for purposes of voting would frustrate not only the purpose of the Federal jury laws but the purpose of the jury system itself. As the Supreme Court stated as early as 1942:

The proper functioning of the jury system, and, indeed, our democracy itself, requires that the jury be a "body truly representative of the community" and not the organ of any special group or class . . . (Jury officials) must not allow the desire for competent jurors to lead them into selections which do not comport with the concept of the jury as a cross section of the community . . . If such practices are to be countenanced, the hard won right of trial by jury becomes a thing of doubtful value, lacking one of the essential characteristics that have made it a cherished feature of our institution. [Glasser v. United States, 315 U.S. 60, 86 (1942).]

In fact, the basic structure of our jury system, which Congress restated as recently as 1968, already reflects these ideas and thus requires the adoption of this bill. The recently enacted Federal Jury Selection and Service Act requires that lists of prospective jurors be taken from voter registration or other voter records. A similar practice has been adopted in numerous States which either require jurors to be qualified voters or provide that the name of prospective jurors are to be taken from registration lists or other election records. And as Congress stated in enacting the new Federal Jury Selection and Service Act:

The voting list requirement, together with the provision for supplementation, is therefore the primary technique for implementing the cross sectional goal of this legislation.

But perhaps the most telling reason for including young people on Federal juries stems from the character of today's youth. Their idealism and pressing sense of justice are precisely the qualities which the jury was intended to bring to the American courtroom. The real purpose of the jury system is twofold. First, by making a cross section of the community the final trier of fact and judge of guilt, the American legal system provides the accused with the shield of 12 independent laymen whose innate sense of justice protects him from the legalism, dogmatism and oppression of the State to which he might otherwise fall victim. Second, by making a random segment of the community an important part of the administration of justice, the courts enhance the community's acceptance of their decisions. By closing Federal juries to those between 18 and 21 years of age, Congress would deny the system the use of those abilities which make the jury a viable institution and would encourage contempt and rejection of the courts' dictates by that segment of our population.

In short, failure to permit those between 18 and 21 years of age to serve on Federal juries is inconsistent with the congressionally, constitutionally, and judicially recognized principle that the jury should be a cross section of the community, deprives the jury system of a vast source of able jurors, and discourages those of our youth who seek justice through the established order rather than through violence and disobedience of the law.

We can and we must demand that all our citizens, and particularly our young people, accept the responsibility for their own actions. And an essential part of that responsibility is the acceptance of the right and the burden to render judgment on their peers.

Frankly, I have no doubt that the failure of the Congress to act in this matter would confront our courts with a monumental task, for it is my belief that the right to vote must constitutionally carry with it the right and the duty of jury service. Challenges to the constitutionality of exclusion of 18-year-olds from Federal juries have already begun. If, as may happen, such a challenge were to succeed, hundreds of judicial decisions could be called into question. Surely it is better for Congress to accept its legislative responsibility by enacting this bill and establishing a date for its effectiveness which will enable a smooth transition than to pass the job on to our overburdened courts.

These arguments apply with even greater force when we look at the criminal justice system in this country. Today an 18-year-old is tried as an adult in the Federal courts and in the courts of 49 States; 18.3 percent of all defendants convicted in the Federal courts in 1969 were 21 years of age or younger. In my State of California in the Federal court in San Diego, 25.2 percent of all convictions were of persons in that age group. In other areas the proportion is even higher. In the Federal district court in Montana in 1969, 49.2 percent of all convicted defendants were 21 years old or younger. In Colorado and New Mexico, the figure was 41 percent and in numerous other Federal courts the numbers ranged from 20 to 37 percent.

To put those figures in perspective, however, and in fairness to the vast majority of our young people, it is important to note that out of the more than 11 million young people 18 to 21 years of age in this country, less than 4,000 were convicted of any offense in the entire Federal court system in 1969.

In its 1971 report on lowering the voting age to 18, the Senate Judiciary Committee observed that:

It is difficult to justify holding a person legally responsible for his or her actions in a criminal court of law when we continue to refuse to consider that same person responsible enough to take action in a polling booth.

That same statement applies with even greater force to the jury system. Respect for the law and the judicial system of our Nation is founded upon participation in the making and enforcement of those laws.

There is finally a very pragmatic reason for the adoption of this bill which I mentioned earlier. The entire Federal jury selection process is based upon the use of voter registration lists. Yet, with the lowering of the voting age to 18, such lists can no longer be the basis for the selection process unless the minimum age for jury service is once again made to cor-

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respond with the minimum age for voting. Thus, unless we now proceed to equate once more the right to vote with the obligation of jury service, the Federal judicial system will have to construct an entirely new and artificial registration system for selection of Federal juries. For this reason the bill which we are voting on today will avoid an administrative nightmare of huge proportions. At a time when we are seeking every possible way to reduce the administrative burdens on our court system and streamline the judicial process, we can ill afford to saddle our courts with additional and needless burden.

Prior to introducing this bill, I sought the advice from the Administrative Office of the U.S. Courts, the agency responsible for administering the Federal judicial system. In a letter to me a few months ago, Mr. Norbert A. Holloran, Acting Chief of the Division of Procedural Studies and Statistics of the Administrative Office described the present operation of the Federal jury system and the benefits to the administration of that system from the adoption of our bill. Citing the efforts of the Administrative Office to automate the difficult process of random selection of jurors from registration lists, the letter states:

Because of these developments there is a particular advantage to federal jury administration if the requirements for a person's eligibility to serve on a federal jury coincide with those of eligibility to register as a voter . . . to summarize the administrative arguments in favor of reducing juror eligibility to age 18: (1) it would permit the federal courts to take maximum advantage of computer-readable voter files in further automation of jury clerical work; and (2) it would permit the courts to continue, what they now do, to make a straight forward use of the entire voter name source—free of need for clerical screening complications, and free of concern for legal challenges to the fairness of the name selection methodology.

Thus, adoption of S. 1975 will enable the Administrative Office of the U.S. Courts to continue with its very promising project to enable the Federal courts to prepare random selection lists by automatic data processing. Through the programming of voter registration lists, the Federal district courts will be able to reduce tremendously the time and manpower required to list and summon persons for jury service. The success of this project could free administrative support for the more important task of assisting our Federal judges.

I might also add that an additional advantage of this bill is that it will increase the possibility that 21- and 22-year-old persons will have an opportunity to serve. As Mr. Halloran stated in the Senate hearings, this legislation would have the added benefit of increasing the appearance on juries of 21- and 22-year-olds, persons who under the present law are eligible to serve but are not being summoned in very large numbers because of the slow moving mechanics of the system.

For all of these reasons, and most important, for the sake of justice for all our citizens, I urge the Senate to enact this legislation today. Congress has an opportunity with this bill to act in a most responsible fashion to avoid the chaos which will surely result from forcing our courts to legislate this question and to bring our young people fully into political society.

A final point, or rather a hope, which I now voice is that the States will follow the example we will set today and provide for service on juries in State and local courts for these same young people. The strong bipartisan consensus in favor of this legislation in the Congress should be a clear signal of the importance and necessity of bringing young people fully into the system. As the Justice Department witnesses testified in the hearings:

Since the Congress and the States have now acted to give persons between the ages of 18 and 21 the right to vote, it is only fitting and logical that the Congress give them the responsibility of a citizen to serve on juries in Federal courts. We would hope that the States would follow the example of the Congress in providing for the service on juries in State and local courts by these young people.

I hope that the swift action which the Congress is taking on S. 1975 will serve as a strong example to the States toward extending the same right and obligation to those young people in our entire judicial system.

Mr. President, I ask unanimous consent that the letter from Mr. Norbert Halloran of the administrative office of the U.S. courts be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ADMINISTRATIVE OFFICE
OF THE U.S. COURTS,
Washington, D.C., May 21, 1971.

Hon. JOHN V. TUNNEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TUNNEY: There would appear to be administrative advantages to the federal judiciary if the age of eligibility for jury service is reduced to 18.

The Jury Selection Act of 1968 provides that the master jury wheels of United States courts must be stocked with names taken from state voter registration rolls. State and county officials are required by the Act to furnish clerks of the court with facsimile copies of their voter registers.

Each U.S. district clerk of court creates a master jury wheel from names off the county voter registers of his judicial district. The quantity of names taken is dictated by the district's jury plan and is based largely on what the master wheel must contain to yield enough qualified jurors to satisfy the court's needs for two to four years. Names are selected from voter registers according to prescribed formula whereby the number of names drawn will spread evenly throughout the register and the geographic area it represents.

These selection formulas are essentially no more than ratios of names drawn versus not drawn. However, they have the effect, in many regions of the country, of making the name selection process extremely tedious and time consuming. This is because the clerks must physically count every name on the voter register. In other words, if one name in a hundred is being removed the clerk must count each of the 99 that are skipped to reach the 100th that is to be selected.

This difficult clerical operation has been automated in 8 to 10 of our large U.S. courts. Mechanization was feasible because state or county government in these districts had automated the voter registration records, and were able to furnish their voter lists on magnetic tape.

Through computer programming and services these district courts now use the computer to not only select names from the voter lists and the jury wheels but to address juror questionnaires, summonses, index cards, and pay vouchers.

Most state and county governments are moving ahead with use of computers and more modern records keeping systems including the automation of voter registrations. More than half the metropolitan counties in the country have either computerized their voter records or are planning to do so.

Wherever we find that more than half of the voter registrants, in the counties of a federal district, have been recorded on electronic data files we know we can economically mechanize the district's juror selection system. Over the next decade we estimate that this will be accomplished in at least another 25 of our federal courts.

Because of these developments there is a particular advantage to federal jury administration if the requirements for a person's eligibility to serve on a federal jury coincide with those of eligibility to register as a voter.

This is not to say that we could not, technically at least, continue to use state voter lists even though they included names of persons under 21 (while the juror age limits stayed at 21). However, this would require an added effort and expense of asking juror candidates for age information and then screening cut those persons under 21 at the point where their questionnaires are reviewed for qualification factors. An age screening could not be made at the time names are taken from voter registers because these records do not uniformly display or even provide age information.

Conceivably, some significant questions of the fairness, propriety, and even the legality of the method of selecting juror names could come up. For example; should names of persons a certain number of which are known to be ineligible because of age even go into a master wheel. In other words, suppose the master jury wheel is filled with names, an unknown quantity of which are ineligible because they are under the qualifying age of 21. To the extent that such names are placed in the master jury wheel they preempt an equivalent number of eligible persons (21 or over) from an opportunity to be drawn and considered for jury service. It might be argued that jury lists couldn't be used unless registrants age was shown and the selection system precluded the removal of under-age persons for jury wheel needs. A requirement such as this would add to the difficulties of the clerical function, and detract from the random-cross sectional provision of the Jury Selection Act.

More importantly, a young person whose name got selected for the master wheel but later was disqualified on the age factor, would have had the mathematical odds reduced of his being selected again and afforded an opportunity to serve. In other words legal questions about the courts' failure to attain maximum humanely controllable system fairness could be raised.

To summarize the administrative arguments in favor of reducing juror eligibility to age 18: (1) it would permit the federal courts to take maximum advantage of computer-readable voter files in further automation of jury clerical work; and (2) it would permit the courts to continue, what they now do, to make a straight forward use of the entire voter name source—free of need for clerical screening complications, and free of concern for legal challenges to the fairness of the name selection methodology.

Finally, there is another name selection problem we are dealing with right now which might be alleviated if juror service age is dropped to 18.

In our current jury wheel operation, the gestation period from the transfer of a person's name off a voter list until the person sits on a jury can be four years. It probably averages at least two years.

As a consequence, the operating effect of today's system is that few if any 21 year olds get on juries, and very few 22 or 23 year olds. The small number of persons in the lower 20's who serve on juries is probably grossly out of proportion to the number of criminal defendants in these age groups who are being tried in our courts by juries of their peers" . . .

In our opinion, a change in the law whereby names of potential jurors as young as 18 were to start moving into the jury wheels would not begin to put 18 year olds in jury boxes as much as it would tend to increase the appearance on juries of 21 and 22 year olds, persons who under the present law are eligible to serve but aren't being summoned in very large numbers because of the slow moving mechanics of the system.

Sincerely yours,

NORBERT A. HALLORAN,
Acting Chief, Division of Procedural Studies and Statistics.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–516), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the proposed legislation is to amend section 1865(b)(1) of title 28, United States Code, the Jury Selection and Service Act of 1968, by changing 21 years to 18 years as the minimum age qualification for service on grand and petit juries in the district courts of the United States.

PURPOSE OF THE AMENDMENT

The bill as introduced would provide an effective date on the 180th day after enactment. The recommended amendment is intended to achieve an early use of 18-year-old citizens in the composition of jury lists by requiring each of the 93 district courts, by no later than December 31, 1973, to recompose its master jury list by using the voter registration lists or lists of actual voters from the November 1972 general election. In addition the amendment would permit the continued use of existing master jury lists until the next periodic refilling of the master jury wheel. The amendment also would amend section 1963(b)(4) of title 28, United States Code to require that the periodic emptying and refilling of the master jury wheel occur at intervals not in excess of 4 years.

STATEMENT

Two recent congressional enactments require prompt consideration and passage of this bill. The paramount reason for enactment of S. 1975 arises from the ratification on June 30, 1971, of the 26th amendment to the Constitution which extended to persons 18 years of age the right to vote in all elections. It is not necessary to here repeat the factual basis for the wide support which led both to congressional proposal and to State ratification of this amendment. It should suffice to note that the reasons which justified extension of the right to vote also justify the extension of the duty to serve on juries.

In order to assure that jury panels in Federal courts ere based upon a random selection made from a fair cross section of the community, Congress passed the Jury Selection and Service Act of 1968. (Public Law 90–274, act of March 27, 1968, 62 Stat. 951). The act is codified as sections 1861 through 1869, title 28 United States Code. Section 1863 requires that each district court shall use either voter registration lists or lists of actual voters from the most recent State or Federal general election in the selection of prospective jurors. The selection of names must be at random and must be proportional for each county or similar political subdivision in relation to the entire number of voters in the district. The number of names initially selected must be at least one-half of 1 percent of the total number on the list used, or at least 1,000 names. The names thus selected are to be placed in a master jury wheel. From the master jury wheel random or chance selection of names is made for service on particular grand or petit juries. The initial selection of names from the voter lists must be in excess of the anticipated need for actual jurors, since the clerk of the court, or jury commission, and the judge subject those initially selected to the further qualifications as to age, citizenship, language, et cetera as specified by section 1865 of the act.

The administrative and clerical task of complying with the jury selection procedure is considerable. In only eight or 10 of the districts are computerized voter registration lists available for use in making the initial random selection. In all other districts the random selection process is one of counting, for example, every 158 names on a list before selecting the 159th name. Where there is no registration list, the names are taken from an actual voter list and must be supplemented with a mailing address. Failure to enact the proposed legislation would require the clerks of court or jury commissioners to determine which voters are under 21 years of age and then to delete such names before making the random selection required by law. In the opinion of the committee this would be an unnecessary and costly addition to the administrative and clerical process in each of the 93 districts throughout the United States.

Section 1863 of the Jury Selection and Service Act requires each district court to prepare and file with the Administrative Office of the U.S. Courts a random jury selection plan which has been approved by the judicial council of the circuit within which the district court is located. An approved plan may be modified thereafter. The Judicial Conference of the United States has the power to adopt rules and regulations governing the provisions and operation of these jury plans.

Section 1863(b)(4) of the act requires each plan to provide for periodic emptying and refilling of the master jury wheel at specified time intervals in order to assure the relative currency of the jury list. At the present time a rule of the Judicial Conference requires emptying and refilling of the master jury wheel at an interval no greater than every 4 years. However, some of the plans on file, on inspection by committee staff, were found to specify intervals of 5 and 8 years, although the vast majority specified 4 years or less. The committee believes that 4 years should be the maximum refilling interval permitted and, therefore, it recommends an amendment to this effect in section 2 of this bill, as amended.

A hearing on this measure was held on July 29, 1971. Testimony from sponsors of this bill pointed out that under the American legal system the jury is a vital ingredient of our system of justice and as such it infuses an innate sense of justice from 12 representatives of the community and that frequently this protects individuals and the community from the strictures and/or technicalities of our laws. Evidence disclosed that approximately 18 percent of the criminal defendants convicted in the U.S. district courts are 21 or younger in age. A witness from the Department of Justice appeared in support of the bill and testified that it was "logical that the Congress give them (18- 19- and 20-year-old persons) the responsibility of a citizen to serve on juries in Federal courts." The Administrative Office of the U.S. Courts also supports the bill and the recommended amendment.

The committee recognizes that universal suffrage and jury service are the chief governmental functions in which our citizens have a direct and active part; that the duty to serve on a jury should be regarded as a correlative to the right to vote; and that inclusion of citizens of the ages 18, 19, and 20 years in both of these governmental functions will enhance the viability of our democratic system of government. The committee also believes that as long as persons over 18 years of age are amenable to the civil and criminal laws of the United States that persons of and over that age should be qualified to serve on juries in our courts. The principles of our system of justice which require a "jury of one's peers" and which require that jury to be selected from "a fair cross section of the community" virtually compel favorable consideration of this bill.

EXPLANATION OF AMENDMENT

The committee proposes the following amendment to the bill:

Strike subsection (b) of the bill and substitute in lieu thereof the following:

(b) Each plan, except in the District of Columbia, Puerto Rico, and the Canal Zone, shall be modified by appropriate change of the periodic emptying and refilling date to require that voter registration lists or lists of actual voters from the November 1972 general election be used to refill the master jury wheel or qualified jury wheel not later than December 31, 1973.

SEC. 2. Section 1863(b)(4) of title 28, United States Code, is amended by inserting before the period at the end thereof, ", the interval for which shall not exceed four years".

SEC. 3. The amendments made by section 1(a) and by section 2 of this Act shall not affect the composition of any master jury wheel, qualified jury wheel, or jury panel in existence on the date of enactment of this Act and the use of the names in such existing jury wheels or on lists of qualified jurors is hereby authorized until the next emptying and refilling of the master jury wheel and qualification of prospective jurors therefrom as required by this Act.

Committee staff by inspection of all 93 jury selection plans determined the date, as specified in each plan, when the district would next undertake the required periodic emptying and refilling of the master jury wheel. The number for each of the years 1971 through 1974 are tabulated as follows:

	Districts
1971	10
1972 (preelection date)	40
1972 (postelection date)	23
1973	17
1974	3

Assuming a 4-year periodic time interval for refilling, the 50 districts which are sched-

uled to refill prior to the November 1972 general election would not refill again until 1975 or 1976. Even at that time "the most recent general election" would likely be a State general election in which the voter participation would probably be less that in the national election in November 1972. Thus, the cross section obtained from voter lists obtained from a State election in 1973 or 1974 would probably be less a fair representation of the community than a cross section obtained from voter lists from the 1972 presidential election.

Section 1(b) of the bill as amended would require those 50 districts scheduled to refill prior to the 1972 election and those three districts scheduled for the year 1974 to modify their respective jury selection plans so as to require that the voter registration list or actual voter list from the November 1972 general election shall be used to refill the master jury wheel not later than December 31, 1973. The other 40 districts which are scheduled to refill the jury wheel after the November 1972 election and during the year 1973 would not necessarily have to modify their plan.

For example, a district in which the next refilling would occur early in 1972 could modify its plan and delay the refilling until after the November 1972 election. This assumes that the court would have a sufficient number of jurors obtainable from the existing master jury wheel or supplements thereto. Thus, such a district would not have to repeat the random jury selection process twice within a short period of time.

Section 2 of the bill, as amended, also requires each district to empty and refill its master jury wheel at least every 4 years after it is refilled between November 1972 and December 31, 1973.

The effect of section 3 of the bill as amended is to permit the use of master jury wheels, lists of qualified jurors and jury panels in existence on the date of enactment of this bill until the next refilling of the master jury wheel as specified in an approved plan or in such a plan as modified in accordance with section 1(b) of the bill.

The committee also gave consideration to the desirability of an amendment to expressly excuse from jury service a person who was enrolled as a student and whose education would be adversely affected or interrupted by jury service. While it was the sense of the committee that it was undersirable to call students for jury service at a time in the school year when their course of studies would be adversely affected, it was felt that the existing statutory provision for excusing jurors was adequate to cover the situation. Under section 1863(b)(5), title 28, the jury selection plan in each district may "specify those groups of persons or occupational classes whose members shall, on individual request therefor, be excused from jury service." Also under section 1866(c), title 28, the court can excuse any person summoned for jury service, upon a showing of undue hardship or extreme inconvenience, for such period as the court deems necessary.

THE PRESIDENT IS NOT BLUFFING

Mr. SCOTT. Mr. President, there has been a great deal of speculation about whether the President is bluffing as to whether he will or will not permit the tax bill to become law with his signature. The President is not bluffing. He will veto the bill if the features to which he has announced his objection are in the bill. This means, of course, that we will then again have to face the problem.

Mr. President, the Democratic leadership is busily spreading the word that the President is bluffing about the tax bill veto. This is obviously a desperate move to hold the conferees in line.

They had better not think the President is bluffing. He did not bluff on other measures that he said he would veto—and these vetoes were later sustained. This veto will be sustained.

Believe me, I know the President.

If the Democratic slush fund is not removed from the bill we are going to have to sit down to the long and arduous business of constructing a tax bill that makes sense and does not grab the taxpayers' dollars.

THE TAX BILL

Mr. MANSFIELD. Mr. President, there has been a great deal of talk about a veto of the tax bill which passed the Senate last week and is now in conference. I would remind my colleagues that first of all, the conferees have not completed their work on the proposal so any talk of veto is at best premature. But more importantly, the Senate set aside all major business to accommodate and cooperate with the President in an effort to get this measure to conference. The proposal is absolutely vital in its purpose to restore the economic health by means of a tax stimulus. It is obvious from the stock market from continued inflation and unemployment and other indicators that the need for action is now and, in the national interest cannot be denied much longer.

I am confident that the President continues to recognize the importance of the bill to the Nation's economic health and well-being. I hope it will not be viewed merely as a measure in political partisan context.

It is unfortunate that one issue, concerning election financing, arose in that way. It was not intended. It is the first step—and a modest step at that—designed to restore the election process to the people; taking the candidate out of the position of becoming just another economic investment for the very wealthy interests of the Nation. The partisan nature of this issue will not last. The issue rises above that.

If there is a veto—and I can only assume there will be on the basis of statements made by responsible officials in the White House—it is difficult to say, in the mood of Congress, that this tax proposal could be resurrected in any form. If there is a veto for the reason stated it surely will be exercised for a reason other than what is in the national interest.

It is hope, therefore, that the constant daily talk of a veto will be terminated as soon as possible, that the bill when reported by the conference will be looked at on the basis of its merits, and that the recognition of the Nation's economy and the need to do something will become more apparent and will be the deciding and dominant factor.

ORDER OF BUSINESS

Mr. SCOTT. Mr. President, I ask unanimous consent that I may proceed for 3 minutes.

Mr. BYRD of West Virginia. Mr. President, will the Senator allow me to yield him 3 minutes from my time?

Mr. SCOTT. Yes.

The PRESIDENT pro tempore. Under the previous order the Senator from West Virginia is recognized for 15 minutes.

Mr. BYRD of West Virginia. I yield to the distinguished Senator from Pennsylvania whatever time he needs.

Mr. SCOTT. I thank the Senator. I shall not be long.

THE PRESIDENT'S THREAT TO VETO THE TAX BILL

Mr. SCOTT. Mr. President, I think that what the President has said already with regard to the fact that the tax bill as it left the Senate was excessive and drained off too much revenue has served a very, very important cause; namely, the saving to the Treasury of what otherwise would have been a loss of an estimated $12 billion or more of revenue. So already something has been accomplished, and it would do no good to say that it was an idle threat or that the President has not accomplished this or saved the money for the purpose of approaching more nearly a balanced fiscal situation.

Second, if in his judgment he feels the bill is still not acceptable, he is duty bound to veto it. If he does, I cannot imagine Congress refusing to pass tax reforms which are so much needed by taxpayers, many of which—most of which—remain in the bill. I do not believe Congress would be viewed by the people as responsible if it failed to pass such a bill, no matter how long we had to stay here to do it and whether or not we had to have a special session to do it.

So I think we will responsibly pass a bill. We will not deny tax reforms to the people of America. But I hope the conferees, meeting again today, will eliminate objectionable sections, and then we would all be happy to go home.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized.

THE INDIA-PAKISTAN CONFLICT

Mr. BYRD of West Virginia. Mr. President, the conflicting reports and claims and counterclaims emanating from both sides in the current India-Pakistan dispute make it impossible for anyone to reach accurate conclusions as to the scope of the fighting or the responsibility for its exacerbation. All that can be said with certainty is that men are dying on both sides and that what started only a few weeks ago as the putting down of an insurrection or, as the East Bengalis claim, a freedom movement, bids fair to develop into full-scale war, with the very real danger of involving the United States, the Soviet Union, and Communist China.

President Nixon has interceded with the Governments of India, Pakistan, and Soviet Russia in an attempt to halt hostilities. It has been suggested that the dispute be made the immediate order of business before the Security Council of the United Nations. But while the wheels

of diplomacy make their slow revolutions, the pace of war quickens. It is reported that Indian Army troops are now making deeper and deeper incursions into East Pakistan at the request of the Bangla Desh, or Bengal Nation, as the secessionists call themselves, and for the more military purpose of silencing the Pakistani guns that the Indians claim are shelling villages on the Indian side of the Bengali border.

The U.S. Senate is not the place nor is the information available sufficient for me to castigate or sympathize with one side or the other in this most recent flareup of old enmities, but it seems to me important that we bear in mind the admonition the past is prolog.

When Great Britain withdrew from India in 1947 and the partition of the subcontinent created India, and Pakistan, there were many people wise in the ways of Hindus and Muslims, who expressed grave apprehension that India would ever accept the permanence of the eastern wing of Pakistan. East Bengal, as a part of Pakistan, was once described by the late Prime Minister Nehru as "politically nonsensical and geographically ludicrous." I am inclined to believe that Mr. Nehru's view is still widely held in the councils of state in New Delhi. Not that India has a corner on covetousness. Almost a quarter of a century after the Hindu Maharaja of Kashmir ceded his state to India against the wishes of his large Muslim population majority, Pakistan still casts envious looks at Kashmir and has never really accepted the state as a part of India. The simple truth is, Mr. President, that the troubles which are tearing East Bengal apart today are a part of the harvest so indiscriminately sown in August 1947. I would have hoped that almost 25 years of independence and political, diplomatic, commercial, and social intercourse with other nations of the world would have tempered to some degree the centuries-old jealousies and distrust that have characterized the subcontinent, but recent events in East Bengal make it abundantly clear that the old order changeth little.

It is relevant to ask what, if anything, the United States can do to persuade the antagonists to cease and desist and go about the humanitarian business of alleviating the unspeakable misery of millions of human beings engulfed in the conflict. We have already given much, both unilaterally and through the United Nations, in the way of food, clothing, and medical supplies for refugees on both sides of the East Bengal border. We have tried and even now are trying, through our diplomatic missions in New Delhi and Islamabad, to persuade India and Pakistan to stop shooting and start talking, but this can be achieved only if there are goodwill and a genuine desire to do so on both sides.

I am very much afraid that these two elements are missing. They are missing on the Pakistan side because, rightly or wrongly, the Pakistanis believe that the cornerstone of India's foreign policy was and is the elimination of Pakistan as a viable entity and the reversion of the subcontinent to one country under Hindu domination. They are missing on the India side because India has never become reconciled to a divided Bengal and desperately wants the bountifully fertile area of the Punjab that went to West Pakistan at partition. With the addition of the Punjab granary, India could come close to feeding her population without having to depend on imports. With the addition of East Bengal, India's economy would benefit immensely from the rich jute and rice crops of the delta and the bonus of a fine deep-sea port at Chittagong. And these, Mr. President, are the stakes that are being played for. Since the tragically sudden death of Mohammed Ali Jinnah, Pakistan's architect and first President, and the assassination of his successor Liaquat Ali Khan, the intensity of feeling and determination of the people of Pakistan to maintain their country has reached a fanatical level. There is not the slightest doubt in my mind that if India, or indeed any other aggressor, seeks to subjugate Pakistan, the Pakistanis will fight, and a full-scale war, even if it were confined to the subcontinent, would result in a slaughter too horrible to contemplate. It is sometimes forgotten that India, next to Indonesia and Pakistan, has the third largest Muslim population in the world. Approximately 60 million Muslims live in India. Approximately 11 million non-Muslims, the majority of whom are Hindus, live in Pakistan. One has only to cast one's mind back to the horrors of the months immediately following partition when the great Hindu-Muslim migrations took place, in order to foresee the inevitable. If reports of certain actions in East Bengal in the past few weeks are true, they are the harbinger.

As I mentioned earlier in this statement, accurate information is scanty and conclusions are therefore imprudent, but my guess would be that if India is not actively assisting the East Pakistan guerrillas, against the Pakistan Government forces in East Bengal neither is she hindering them. Pakistan is reported to have 80,000 men in East Bengal. This is a significant number to be detached from the main forces of the Pakistan Army on the India-West Pakistan border. As long as they are occupied by present or increased guerrilla activity in East Bengal, the less chance there is for Pakistan retaliation in the West, which might well be a part of Indian strategy. At the same time, the bogging-down of these experienced troops elsewhere might just encourage India to try a little adventure along the Punjab and Sind frontiers. As we all know, the easiest thing in the world to manufacture is an excuse. India's reluctance, up to this point, to allow full and free media coverage of events and incidents on her side of the border makes such an excuse easier to contrive and fuller coverage is much to be desired.

India and Pakistan have had their skirmishes before and in all probability will continue to have them. Skirmishes we can live with. All-out war we must do our best to prevent at all costs. But the United States cannot do this alone. We need the good offices of countries which have as big a stake in peace on the Indian subcontinent as we have. It is coincidental—perhaps providential—that Communist China has just become a member of the United Nations. She has common borders with India and with Pakistan in northern Kashmir. This might be an excellent opportunity for the United Nation's newest member to show her good faith to the principles of the U.N. Charter by interceding actively with both sides in the dispute for the cause of peace. Communist China has already appealed to both sides to stop shooting. It is to be hoped that she will continue her efforts which would be an auspicious entry into the family of nations.

But if Communist China and the Soviet Union do not see fit to participate in the efforts to avoid a major confrontation between India and Pakistan, that does not absolve the United States from doing all in our power, through the Security Council or in concert with other world powers—but not involving U.S. military forces—to prevent what would be a holocaust of horrifying proportions. The killing on the battlefield would be bad enough. The killing in the cities and in the countryside would be even more appalling.

Mr. President, have I any time remaining?

The PRESIDENT pro tempore. The Senator has 5 minutes remaining.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum, without prejudice to the Senator who will follow.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from New York (Mr. BUCKLEY) is recognized for 15 minutes.

SUPREME COURT NOMINATIONS

Mr. BUCKLEY. Mr. President, the Senate will be called upon shortly to give its advice and consent to the nominations of Lewis Powell and William Rehnquist to the Supreme Court. These nominations come forward at a moment of critical importance in the history of the Court and of the Nation, and have therefore aroused exceptional public interest. This interest is, I believe, equally the product of reverence and of concern:

Of reverence, because the Court has always occupied a special place in the hearts of the American people as that institution which uniquely marks the Government of the United States as a government of laws and not of men.

But of concern also, Mr. President, because so many Americans, rightly or wrongly, have come to believe that in recent years the High Court has too often abandoned that judicial impartiality which is essential to the rule of law; and this at a time when the public is so deeply distressed by the spirit of lawlessness which seems to have insinuated itself into so many areas of our daily lives.

We are confronted, Mr. President, by a crisis in our legal order, a crisis which manifests itself not only in widespread disobedience but also in the seeming in-

ability or unwillingness of our courts to do much about it. This, in turn, has occasioned a rather marked and dangerous decline in public esteem for the judicial process. Nor is the public likely to be dissuaded of this view as long as it continues to be confronted by judicial opinions which appear to be ideologically motivated or capriciously reasoned; or as long as it continues to be confronted by that seeming abandonment of "judicial restraint" on the part of the Supreme Court which in 1958 drew so sharp a rebuke from the chief justices of 36 States.

The oldest political wisdom teaches us, Mr. President, that a widely held public opinion, especially in a democracy, cannot safely be disregarded. When, therefore, public opinion reveals a loss of confidence in the judicial process, it behooves us to exercise with special care our constitutional authority to advise and consent to nominations to the highest court in the land.

Much debate has been heard in recent weeks on the nature and extent of the Senate's prerogatives in passing upon the qualifications of judicial nominees. Some hold that it is improper for the Senate to inquire into the personal views of nominees; others hold that it is not only proper but necessary to undertake such an inquiry in detail. My own view, Mr. President, is that it is as unwise to err on one side as on the other. Those who would foreclose such an inquiry altogether grant too much to the President's prerogatives and too little to those of the Senate. On the other hand, those who would subject a nominee to an ordeal by ideological combat endanger the integrity and independence of the judiciary and open themselves to the charge of personal or political motivation. A recent column by Mr. Tom Wicker put the matter well:

> On the one hand, the writers of the Constitution, in giving the Senate the power to confirm or reject Presidential nominees to the judiciary, clearly meant the legislative branch to play a substantive role with the executive branch in this process. The Senate has the right, therefore, to judge for itself the qualifications of a man to sit on the Supreme Court.
>
> On the other hand, to make that judgment solely on the basis of his political views (which, after all, may change) is dangerous business . . . It would tend to politicize the courts according to the temporary political coloration of Congress; it could punish some individuals for their ideas and frighten others out of having any.

The Senate clearly has the constitutional authority to require what it will of judicial nominees. But having said that, we have only stated a problem, not solved it. For the question is not one of power or prerogative, but of prudence and propriety. Certainly, the Senate cannot blind itself to the ways in which the general character of a man's thought will bear upon his future role as a judge. A limited inquiry would be justified, therefore, into such aspects of a man's political philosophy as may be relevant to his service upon the Court. After such an inquiry, the Senate would be right to reject a man who was so ideologically or politically committed as to be incapable of exercising the judicial function, which, if nothing else, requires both the ability and the willingness to subordinate personal preference to the mandates of the law. Such an inquiry, however, also entails certain dangers, and the greatness of these is that the question of confirmation will be made to hang by approval or disapproval of a nominee's viewpoint on specific issues.

Mr. President, I believe that it would be as wrong to support or oppose a nominee because of his views on specific constitutional issues as it would be foolish to expect that a nominee will behave like an automaton once he dons the robe. The history of the Court is replete with examples of men who underwent profound changes of opinion during the course of their judicial service. The most conspicuous example in our own time, perhaps, was provided by the late Mr. Justice Black, who shed not only the petty prejudices of his Ku Klux Klan associations but also some of his passionately held New Deal convictions. Indeed, during the Teapot Dome investigations, the then Senator Black expressed views on the rights of witnesses before congressional committees that Mr. Justice Black would have found inimical to the letter and spirit of the first amendment. Similarly, few who knew of Professor Frankfurter's scholarly and polemical writings or of his extensive political involvements would have predicted at the time of his confirmation that he would emerge, as Mr. Justice Frankfurter, as the most eloquent, informed exponent of judicial restraint in our time. Mr. Rehnquist in his confirmation hearing, I thought, put the matter rather well:

> I have always felt that, as I think Justice Frankfurter said, you inevitably take yourself and your background with you to the Court. There is no way you can avoid it. But I think it was Frankfurter who also said, if putting on the robe does not change a man, there is something wrong with the man. I subscribe unreservedly to that philosophy, that when you put on the robe, you are not there to enforce your own notions as to what is desirable public policy. You are there to construe as objectively as you possibly can the Constitution of the United States, the statutes of Congress, and whatever relevant legal materials there may be in the case before you.

That remark, Mr. President, says as much about the character of William Rehnquist as it does about the risk the Senate runs in conducting an inquiry into a nominee's political opinions. And, in a sense, it says as much as the Senate really needs to know in order to exercise its constitutional responsibility with regard to Mr. Rehnquist. Mr. Rehnquist's statement, it seems to me, sounds just the right note. It reveals the depth of his fidelity to the principles and procedures of constitutional discourse, and as well that eloquence and capacity for intellectual growth that we have come to associate with our greatest Justices. It also serves to remind those who would interject ideological considerations into the confirmation process that they are in effect asking a nominee to violate his oath of office before he takes it.

Mr. President, it is the duty of the Senate to pay special scrutiny to those who are nominated to sit upon the High Court. And in the present instance, I believe that special scrutiny has been paid to the men whose names will shortly be presented to us for consideration. Their lives, characters, talents, and personal opinions have been combed and culled with meticulous care. On the basis of the record before us at the present time, Lewis Powell and William Rehnquist would appear to be exceptionally well qualified to sit upon the Supreme Court. Both are men of great learning and legal sophistication. Both are men of unimpeachable character. Both have revealed by word and deed their understanding of and their fidelity to the Constitution. Both have evidenced their acute awareness of the special burdens and grave responsibilities entailed by service on the Court. Both have expressed their great sensitivity to the difference between advocacy on behalf of a client and the assumption of a sacred trust on behalf of a whole nation. Both have made a special effort to demonstrate their understanding of the difference between partisan ideology and constitutional principle.

This last is no small matter. For the Court has suffered in recent years from an excess of zeal on behalf of doctrines that derives from ideological conviction rather than from constitutional principle; a zeal which has moved dissenting Justices in countless opinions to criticize the Court in language as harsh as any which has been directed against it from the outside. To cite a few examples:

Mr. Justice Black in Harper against Virginia Board of Elections:

> The Court's justification for consulting its own notions rather than following the original meaning of the Constitution, as I would, apparently is based on the belief of the majority of the Court that for this Court to be bound by the original meaning of the Constitution is an intolerable and debilitating evil . . . It seems to me that this is an attack not only on the great value of our Constitution itself but also on the concept of a written Constitution which is to survive through the years as originally written unless changed through the amendment process which the Framers wisely provided.

Mr. Justice Frankfurter in Baker against Carr:

> Such a massive repudiation of the experience of our whole past in asserting destructively novel judicial power demands a detailed analysis of the role of this Court in our Constitutional scheme.

Mr. Justice Stewart in Escobedo against the State of Illinois:

> Supported by no stronger authority than its own rhetoric, the Court today converts a routine police investigation of an unsolved murder into a distorted analogue of a judicial trial . . . I think the Court perverts these precious Constitutional guarantees and frustrates the vital interest of Society in preserving the legitimate and proper functions of honest and purposeful police investigation.

Mr. Justice Harlan in Reynolds against Sims:

> The Court's elaboration of its new "constitutional" doctrine indicates how far—and how unwisely—it has strayed from the appropriate bounds of its authority . . . It is difficult to imagine a more intolerable and inappropriate interference by the judiciary with the independent legislatures of the states . . . When, in the name of Constitutional interpretation, the Court adds something to the Constitution that was deliberately excluded from it, the Court in reality substitutes its views of what should be so for the amending process.

However well intentioned, this activist zeal has not only served to undermine the judicial process, it has undermined public confidence in the stability of the law and of the Court itself. There are already encouraging signs, however, that the Court is beginning to curb its past excesses; and we have every reason to expect that the addition of Mr. Powell and Mr. Rehnquist will contribute to the restoration of constitutional common sense.

While men of moderate disposition will, I believe, support both Mr. Powell and Mr. Rehnquist for precisely this reason, there are others who seek to brand Mr. Rehnquist as an "extremist." During the past few weeks, Mr. Rehnquist has had his reputation slandered by an avalanche of rumor, half-truth, slur, and innuendo. Some of his opponents seek to defend themselves, in turn, against the charge of partisan or political motivation by indicating their approval of Mr. Powell—even though, they feel it necessary to add, he is a "conservative." This tactic, Mr. President, is bound to fail, for the most sensitive jurisprudential seismograph in the country will not be able to record any substantial difference between the considered views of Mr. Powell and those of Mr. Rehnquist. And the considered views of both are well within the mainstream of respectable constitutional discourse.

This fact Mr. Rehnquist's opponents are, of course, at great pains to deny. The New York Times, for example, tried very hard 2 weeks ago in an editorial which castigated Mr. Rehnquist as a "radical rightist." Precisely what is meant by this venomous sobriquet remains a matter of some mystery. A resort to name-calling, of course, is the ultimate tactic of those who have abandoned resort to reason. It is fully the right of the Times to oppose Mr. Rehnquist; but it is equally the right of fair-minded men, even those who may otherwise oppose Mr. Rhenquist, to take the strongest possible exception to the rhetorical excesses of the Times.

The editorial in question is conveniently vague as to the reasons why the Times considers Mr. Rehnquist to be beyond the pale of acceptable constitutional thinking. Such specificity as the Times managed to convey was admirably refuted in a letter to the Times from the distinguished ranking minority member of the Judiciary Committee, Senator HRUSKA. For the sake of the record, Mr. President, I ask unanimous consent that the Times editorial, along with Senator HRUSKA's response, be printed at the end of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. Mr. President, I also ask unanimous consent to have printed at the conclusion of my remarks a recent letter addressed to the distinguished chairman of the Judiciary Committee (Mr. EASTLAND), a copy of which was sent to me. It is a letter from a constituent, Prof. Benno C. Schmidt, Jr., of the Columbia University School of Law.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BUCKLEY. Mr. President, Professor Schmidt, as it happens, is well acquainted with Mr. Rehnquist, having worked closely with him for nearly 5 months in the Office of Legal Counsel. It also happens that Professor Schmidt greatly admires former Chief Justice Warren and disagrees with Mr. Rehnquist on a number of constitutional questions. He was, nevertheless, moved to write because of what he describes as the "extravagant denunciation" of Mr. Rehnquist "by groups and persons with whom I am usually in accord." Professor Schmidt points out most eloquently, I think, those qualities of mind and character that caused Mr. Rehnquist to be nominated in the first place. He states:

> I believe no fairminded person could doubt Mr. Rehnquist's exceptional intellectual qualifications to sit at the highest level of our judicial system.
>
> In my work with Mr. Rehnquist he seemed to me unusually open-minded and free of reliance upon dogma in dealing with constitutional questions. His approach to legal problems is highly discriminating; few persons in my experience have exhibited more alert skepticism as to the utility of sweeping generalizations and ideological positions. Always I had the impression that careful analysis governed his response to legal questions.
>
> Mr. Rehnquist approaches legal issues with the utmost forcefulness and honesty. In our work together, he was open to reasoned persuasion, tolerant and respectful of my quite different constitutional and political outlook, and ever willing to examine his position in the light of the fullest possible analysis of facts and legal principles.
>
> Candor, openness to argument, and forcefulness of logic and expression are critically important to the performance of the Supreme Court, with its unique and delicate power of constitutional review. I believe Mr. Rehnquist's appointment will help restore these necessities of judicial process, sadly diminished by recent events and losses from the Court.

This is high praise, indeed, Mr. President, coming as it does from one who believes that Mr. Rehnquist's positions on matters before the Court may often be opposed to his own. It is as much a tribute to the man who wrote it as it is to the man about whom it was written. I congratulate Professor Schmidt for his scrupulous fairmindedness, and in doing so cannot help thinking that if constitutional discourse were to be marked by the same civility, disinterestedness, and reverence for this law that mark his letter, we would all be much less concerned about the political views of nominees.

The spirit which animates Professor Schmidt, unfortunately, does not animate the writers of New York Times editorials. The general thrust of their indictment is that Mr. Rehnquist's views—views, incidentally, that were for the most part expressed in his adversary capacity as legal counsel to the President—bespeak a callous disregard for the Bill of Rights. While the editorial nowhere specifies what Mr. Rehnquist's views are, it does allude to a number of issues—for example, wiretapping, surveillance, "no knock" entry, preventive detention—on which Mr. Rehnquist's views are alleged to be contrary to what the Times calls "broadly accepted principles of American constitutional democracy." The merits of Mr. Rehnquist's views aside for the moment, what the Times has, in effect, done is to assert that, on certain specified issues, respectable opinion is so virtually unanimous that to dissent from that opinion is to place oneself outside the mainstream of "broadly accepted" constitutional principles and to betray a mentality that, as the Times puts it, "neither reveres nor understands the Bill of Rights."

With all due respect for my brethren on the Times, I must wholeheartedly dissent.

In the first place, I feel constrained to point out that, notwithstanding my own deep and abiding affection for the Bill of Rights—and, if the Times will forgive me, I believe I have some understanding of it as well—the Constitution is not coextensive with the Bill of Rights; nor is the meaning of the Bill of Rights coextensive with the Times' understanding of it. The Bill of Rights is an integral and indispensable part of the Constitution; but, like all parts of the Constitution, it must be read in the light of the Great Charter as a whole. The Constitution as a whole is dedicated not only to the securing of the blessing of liberty but also—and no less so—to those equally noble and important purposes enumerated in the Preamble:

> To form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general welfare . . .

It is no easy matter, Mr. President, to delineate with precision the meaning of these grand phrases, or of those equally grand phrases contained in the Bill of Rights—phrases such as "due process of law," or "abridging the freedom of speech, or of the press," or "the right to a speedy and public trial," or "the right to be secure against unreasonable searches and seizures," or the prohibition against "excessive bail." These phrases do not come equipped with some sort of jurisprudential litmus paper that can be dipped into the circumstantial vat to produce a constitutional result.

The meaning of the Constitution in any given circumstance can be problematic—problematic enough, in fact, to give rise to countless 5-to-4 decisions on constitutional questions. Yet the Times not only implies that the Bill of Rights is all that is finally important in the Constitution, but that its reading of the Bill of Rights—an exclusively libertarian reading—defines the limits of constitutional discourse on the subject. One, therefore, suspects that what the Times chiefly dislikes in Mr. Rehnquist—aside from the fact that he has been an advocate on behalf of an administration for which the Times has little use—is his refusal to acknowledge that certain fashionably prevalent views on civil liberty, views espoused most ardently by the Times, ought to be taken as settled constitutional writ. On every specific issue alluded to by the Times as marking Mr. Rehnquist's apostasy from constitutional fidelity, Mr. Rehnquist's views, upon examination, turn out to be infinitely less alarming than the Times' self-righteous certitude.

On wiretapping, for example. The opposition of the Times to Mr. Rehnquist on this point is unrelated, presumably,

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to his position on wiretaps under title 3 of the Omnibus Crime Control and Safe Streets Act of 1968, since even Senator BAYH voted in favor of the measure. And presumably, it is also unrelated to his position on wiretapping in national security cases involving foreign espionage agents, since that position has been defended by every Attorney General and President since the days of Franklin Roosevelt. Rather, the Times' opposition relates exclusively to his position on wiretapping in what is loosely called "internal security cases." But even there, the authority for warrantless wiretaps claimed by Mr. Rehnquist is scarcely different from the authority claimed by every administration since that of President Truman, including the Kennedy administration. Mr. Rehnquist has advocated only that the logic which would authorize warrantless wiretaps in national security cases applies also to "internal security" cases involving domestic subversives. It is an argument which, whatever one may feel about it on the merits, is not unreasonable. It may be unwise or unnecessary for the Government to have such power, but that is an argument, surely, on which reasonable men—men equally devoted to the preservation of liberty—can agree.

On domestic surveillance, for example, Mr. Rehnquist's position is simply that Government surveillance is subject to the restrictions of the first, fourth, fifth, and 14th amendments. With that argument, presumably, even the Times would not disagree. What the Times seems unwilling to abide, however, is Mr. Rehnquist's argument that surveillance does not constitute a per se violation of any provision of the Bill of Rights. Again, such an argument is not unreasonable upon its face. Mr. Rehnquist is here taking a stand as a strict constructionist by saying that not every dangerous or unwise governmental undertaking is necessarily a violation of the Constitution. In the present instance, that argument may prove to be imprudent; but I for one am not prepared to say that the man who makes it is an enemy of liberty.

On preventive detention, for example. Here, Mr. Rehnquist's position is simply that the preventive detention of persons charged with felonies of a dangerous or violent nature does not conflict with either the eighth amendment's prohibition against excessive bail or the fifth amendment's due process clause. Now preventive detention may prove to be unworkable or undesirable for other reasons, but Mr. Rehnquist's argument, again, is hardly unreasonable on its face. It is hardly the mark of an authoritarian zealot.

On no knock, for example. The Times' opposition seems to derive from Mr. Rehnquist's defense of the no knock provisions of the D.C. Court Reform and Criminal Procedure Act of 1970. While there are those who disagree with the constitutionality and wisdom of this provision—the most prominent among these being the distinguished Senator from North Carolina (Mr. ERVIN)—Mr. Rehnquist—and, presumably, the majority in Congress which voted its enactment—has taken the position that it is nothing more than a codification of constitutional law, and of practices condoned by the Court itself in Ker against California. Whether Senator ERVIN or Mr. Rehnquist is correct is less important for the moment than the recognition of the fact that their disagreement is a reasonable one, one in which the partisans of liberty may be found on either side. And I think it worthy of at least a passing reference that Senator ERVIN—who yields to no one in his love of liberty—has indicated that he will support the nomination of Mr. Rehnquist.

I do not here pass on the merits of Mr. Rehnquist's views on any of these issues. For one thing, they are views expressed in his capacity as an advocate for the administration; and Mr. Rehnquist has made it abundantly clear that his views as a member of the Court will not be unduly influenced by his views expressed in an adversary capacity. But, more importantly, Mr. Rehnquist's views, whether or not they eventually prevail upon the whole Court, are in no wise so shocking to constitutional sensibilities that they are, as the Times would have it, beyond the pale. On every controversial issue alluded to by the Times as demonstrating Mr. Rehnquist's animosity toward the Bill of Rights, there are many—many, indeed, in this very body—who share, and many more who are certainly not offended by, Mr. Rehnquist's views. It should be unnecessary to have to say it, but good and decent men can and do differ on a wide variety of constitutional issues, and they ought to be able to do so without having their views castigated as noxious to the Constitution. The civil libertarian view of the Constitution and of the Bill of Rights so predominant at the Times is not without its merits; indeed, it has an important, even essential part to play in the conduct of American constitutional discourse. But neither nature nor experience—nor the Constitution—has bestowed upon the Times any special stock of constitutional wisdom that all good men are bound to follow lest they risk being adjudged enemies of liberty.

The Times lays it down that the overriding test for a nominee is that he "not be hostile to the broadly accepted principles of American constitutional democracy." With such a requirement, no reasonable man can disagree. The Times neglects to point out, however, that one of the chief faults of the Court's work in recent years has to do precisely with its failure to articulate clearly and consistently the nature of the constitutional principles before it. The Court has upset so many precedents and undertaken to write new law in so many areas that it is something of a problem anymore to say what is or is not broadly accepted. As I have already suggested, the problem of determing the meaning of the Constitution in any given case is no easy matter in any event: There are simply too many issues on which thoughtful differences of opinion can be entertained. But the difficulty of this task has been considerably complicated by the instability of the Court itself, both as to the substance of its decisions and as to the mode of their presentation.

I was greatly impressed in this regard by the recent remarks of the distinguished senior Senator from Arkansas (Mr. MCCLELLAN) who stated that since 1960, in the area of criminal justice alone—

The Supreme Court has specifically overruled or explicitly rejected the reasoning of no less than 29 of its own precedents, often by the narrowest of five-to-four margins. In 1967, the high watermark of this tendency to set aside precedent, the Court overturned no less than eleven prior decisions. Twenty-one of the twenty-nine decisions the Court overruled involved a change in constitutional doctrine—accomplished without invoking the prescribed procedures for the adoption of a constitutional amendment. Seven of these represented a new reading of old statutory language—accomplished without the intervening of Congressional action and Presidential approval. And this is the significant point: 26 of those 29 decisions were handed down in favor of a criminal defendant, usually one conceded to be guilty on the facts.

These are disturbing figures, Mr. President. They reveal with a simplicity and clarity that no merely ideological argument can match just why it is that thoughtful friends of the Court, liberal and conservative alike, have been deeply troubled. They reveal just why it is that esteem for the judicial process in general and for the Supreme Court in particular has fallen to an unacceptably low level. I stand with the Times in requiring of nominees strict adherence to "broadly accepted" constitutional principles. But I question just how "broadly accepted" any constitutional principle can be in the face of assaults by the Court itself on its own precedents. If the maintenance of boadly accepted principle is the chief goal of the Times, then one is bound to wonder why the Times is so passionate in its opposition to Mr. Rehnquist, who has in a number of areas undertaken to suggest that the Court itself has strayed from what was only a few years ago widely understood as "broadly accepted" constitutional principle.

Mr. President, I believe the record will bear out the fact that Mr. Rehnquist's views on the role of a Supreme Court Justice reveal neither a radical departure from precedent nor an intolerable divergence from respectable present-day opinion. At this point, I think it would be well to permit Mr. Rehnquist to speak for himself. I quote from the mimeographed transcript of testimony before the Judiciary Committee, at page 43:

Senator HART. Well, this business of balancing the competing interest of the Government against the individual defendant is admittedly enormously difficult, and indeed I suppose it is one of the most difficult aspects of interpreting the Constitution, one of the toughest jobs that the Court has.

And would you agree with me that the assignment has to be approached with as strong a concern for the Bill of Rights as for either the Preamble or the Second Article which creates the Executive Branch?

Mr. REHNQUIST. Unequivocally.

Senator HART. And would you, without hesitancy, protect the constitutional rights of any individual or any group as your sights best enable you to interpret those rights, without any regard to your personal feelings about the particular view or position of the individuals who were asserting such rights?

Mr. REHNQUIST. Without hesitation.

From the transcript, at page 108:

Senator KENNEDY. Do you think you are a judicial conservative?

Mr. REHNQUIST. Well, let me tell you what I think I am, and then let you decide whether I am a judicial conservative or not.

My notion would be that one attempts to ascertain a constitutional meaning . . . by the use of the language used by the framers, the historical materials available, and the precedents which other Justices of the Supreme Court have decided in cases involving a particular provision.

From the transcript at page 170:

Senator HRUSKA. My question is this: Do you know of any reason why you could not be successful in shedding and in thrusting to one side any loyalties you may have had in the past, in the interest of extending to the advocates before you, as a member of the Supreme Court, that fairness of decision, and that consideration of the facts and the law which will enable you to make a fair decision, regardless of the color of the skin of the advocate, regardless of their economic position, regardless of any other personality or attributes which they may possess?

Mr. REHNQUIST. I will bend every effort to do so, Senator, and I would regard myself as a failure as a Justice if I were unable to do so.

From the transcript, at page 220, in response to a question touching on his ability to lay aside his personal preferences:

Mr. REHNQUIST. My hope would be if I were confirmed to divorce as much as possible whatever my own preferences, perhaps as a legislator or as a private citizen would be as to how a particular question should be resolved and address myself simply to what I understand the Constitution and the laws enacted by Congress to require.

And, finally, from the transcript at page 230, that eloquent statement that I had occasion to quote earlier in my remarks:

Mr. REHNQUIST. I have always felt that, as I think Justice Frankfurter said, you inevitably take yourself and your background with you to the Court. There is no way you can avoid it, but I think it was Frankfurter who also said, if putting on the robe does not change a man, there is something wrong with the man. I subscribe unreservedly to that philosophy, that when you put on the robe, you are not there to enforce your own notions as to what is desirable public policy. You are there to construe as objectively as you possibly can the Constitution of the United States, the statutes of Congress, and whatever relevant legal materials there may be in the case before you.

Mr. President, I put it to the Senate: Are these the views of a so-called radical rightist?

Are these the views of a man who "neither reveres nor understands" the Bill of Rights?

Are these the views of a man who is hostile to "broadly accepted principles of American constitutional democracy?"

The record, Mr. President, speaks for itself.

I wish it were possible to let the matter rest here. Unfortunately, that cannot be the case. For the Times' attack, though unfounded, has contributed to an atmosphere which threatens to obscure from the Senate and the American people those considerations which ought to be of final importance in the confirmation process. What should be important to us is not whether a nominee meets some sort of idological purity test, but whether he possesses such habits of mind and such character as will be conducive to a restoration of public confidence in the judicial process. The judicial process, correctly applied, may from time to time produce results in specific cases that displease many of us; but it would be irresponsible of us to place our own biases above the assurance of that constitutional stability which is so essential to the Nation as a whole. Personal biases, to be sure, can never be wholly excluded from the confirmation process; but the Senate no less than the nominees themselves, ought to keep such biases at as far a remove as possible, since it is only by so doing that we can come to deliberate about the role of the Supreme Court within the American constitutional system. And it is that which I should now like to touch upon.

A curious, but significant fact of Senatorial and public discussion thus far in the confirmation proceedings, is the extent to which both the proponents and the opponents of the nominees tend to assume that they possess the true understanding of genuine constitutional principle. Such debate reveals the unique importance that our people and their representatives continue to attach to considerations of fundamental law. Indeed, it may be said to reveal a reverence for fundamental law that can be found only among a free people. It bespeaks a profound awareness that it is the Constitution which first, last, and always binds us together when we might otherwise fly apart.

It is in this sense that the current debate partakes of the grand tradition of American political discourse, a tradition which began in the debates in Philadelphia in 1787 and which continues, in a more or less unbroken line, right down to our day. It is a tradition quite unlike anything else the world has ever seen or may ever see again. It is peopled with figures who seem to loom larger than life—Madison, Hamilton, Washington, Adams, James Wilson; Jefferson, Webster, Marshall, Story, Lincoln. These are the names of men whose deliberations on the meaning of the Constitution affect our own thoughts and action in profound, if subtle ways. And precisely because these men dedicated their lives to the perpetuation of American political institutions, we have inherited a form of government that permits us to treat their deliberations as part of the living present.

It is this tradition which is, soon or late, recalled when the Senate undertakes to give its advice and consent to nominations to the Supreme Court. For it is the Supreme Court, more than any other American institution, that must forge a bond capable of uniting the past with the present and the present with the future. It is the Court which must articulate the meaning of the grand tradition for ourselves and for our posterity. The tradition recognizes that intelligent differences of opinion can be entertained regarding this or that decision. But the commonly observed disagreement on particular cases, which often derive from a different reading of special facts or circumstances, sometimes disguises a higher fundamental agreement. That agreement, which is or ought to be at the very center of the thinking of those who are elevated to the Court, consists in the understanding that ours is uniquely a government of laws and not of men. It is men, of course, who must interpret the law. But it is the law, and the law alone, which rightly commands the allegiance of free men. It is for this reason that we can in justice demand that those who sit upon the Court demonstrate soundness of character, sobriety of temperament, a willingness to subordinate personal bias, and, above all, a fervent dedication to the intent of the framers as the guiding star of constitutional interpretation.

In the light of the foregoing, Mr. President, I think it would be unwise for the Senate to become preoccupied with contentious disputes on the nominees' views on this or that issue of apparent immediate concern. The interjection of yet further ideological pressure will serve only to advance an opinion already too far advanced that the Court is, or should be, animated by the same passions which animate day-to-day political debate. Issues change; men change. The passionate range of 1 hour may become the moot question of the next. A danger to liberty perceived from one quarter today may give way, unpredictably, to a yet more sinister danger from another quarter tomorrow. The Supreme Court, least of all American institutions, can illafford to be swayed by the ideological conflicts of the moment. To be sure, the Court would be foolish to ignore such conflicts altogether; but it would be equally as foolish for the Court to attempt to set its compass by the shifting poles of senatorial or public opinion. Indeed, it is the highest function of the Court precisely to transcend the hotly contested issues of the hour, by viewing them in the light of enduring considerations which are often ignored in the everyday clash of political opinions.

The performance of this task demands great skill on the part of those to whom it is entrusted. And not only skill of a technical or legal sort, but as well an ability to interpret the Constitution in a manner at once flexible and firm; an ability to interpret the Constitution in the light of new problems without making of it a thing of infinite plasticity; an ability to distinguish between slavish devotion to the past and prudential respect for precedent; and, perhaps above all, an ability to deduce from the Constitution those unchanging principles which ought to guide free men confronted by ever-changing circumstance.

Mr. President, I believe that the record leaves no doubt whatever but that Lewis Powell and William Rehnquist possess these skills in the highest degree. And at a time when the Court is suffering from a crisis in public confidence, it is of particular importance that the Court be reinforced by men of their qualifications, by men who understand the requirements of the judicial process.

The viability and authority of the Court depend in the last analysis on its continuing ability to sustain a high degree of public confidence. President Jackson reminded the Court on one occasion that it was without the power to enforce its decrees. We need to remind ourselves again that such power as the Court possesses depends most decisively on one thing above all; namely, its ability to persuade men of widely divergent passions, opinions and interests that its decrees are reasonable, that they are based on an objective application of the law, that they are, therefore, entitled to be obeyed.

This dependence of the Court on the continuing good will of the public was described by that great student of American politics, Alexis de Tocqueville, in the following words:

The power of the Supreme Court Justices is immense, but it is a power springing from opinion. They are all-powerful so long as the people consent to obey the law; they can do nothing when they scorn it. Now, of all powers, that of opinion is the hardest to use, for it is impossible to say exactly where its limits come. Often it is dangerous to lag behind as to outstrip it.

The federal judges therefore must not only be good citizens and men of education and integrity, qualities necessary for all magistrates, but must also be statesmen; they must know how to understand the spirit of the age, to confront those obstacles that can be overcome, and to steer out of the current when the tide threatens to carry them away, and with them the sovereignty of the Union and obedience to its laws.

These remarks of Tocqueville, penned nearly 150 years ago, seem to me especially pertinent to our own time. Those who truly love the Court are bound to pay them particular heed, for they contain such wisdom as is necessary for the restoration of public confidence in the judicial process. Such a restoration, I believe, will be admirably advanced by the addition of Lewis Powell and William Rehnquist to the Supreme Court.

EXHIBIT 1

[From the New York Times, Nov. 15, 1971]

THE COURT APPOINTMENTS

In recent years, the Senate has been loath to argue about the judicial philosophy of Supreme Court nominees. It has generally assumed in the absence of damaging evidence to the contrary that any nominee who is intellectually qualified, honest and experienced in some branch of the legal profession will cultivate the detachment and perspective which the task of judging requires. But inasmuch as President Nixon has to a far greater degree than normal politicized the process of selection and has so insistently proclaimed his determination to remake the Court in his own image, the Senate needs to recall that its traditional deference to Presidential nominations is an institutional courtesy rather than a constitutional command.

Assistant Attorney General William H. Rehnquist's published belief that the Senate has an obligation to inquire into the basic philosophy of a Supreme Court nominee is appreciable to his own position today. The question is whether the nominee should be evaluated by the Senate in terms of his specific political, social and economic views—quite apart from the obvious requirements of integrity, ability, temperament and training. Does not the President have the privilege of nominating to the Supreme Court a man or woman of any political orientation that [illegible] him without interference by the Senate; or does the Constitution through its "advise and consent" clause give the Senate the right to reject a candidate because it disagrees with his politics or his philosophy?

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The Supreme Court should be above politics; yet it is obvious that the Supreme Court deals with the stuff of politics. We have repeatedly argued that while the President owes it to the Court and the American people to keep partisan politics out of his judicial appointments, he ought to have the broadest latitude in his selections so long as they are made within the context of the American democratic system. What this means is that the candidate, whether liberal or conservative, of the right or of the left, must not be hostile to the broadly accepted principles of American constitutional democracy. This test the Senate has the right and duty to make.

The choice of Lewis F. Powell presents in this context relatively little difficulty. A leading lawyer of Richmond, a highly regarded member of the profession, a thorough-going conservative in political philosophy, Mr. Powell has demonstrated during a long record of service to the community as well as to the bar that he has the requisite personal, intellectual and basic philosophic qualities.

The same cannot be said for Mr. Rehnquist. Though he is undoubtedly a capable lawyer of impressive academic and intellectual attainments, his entire record casts serious doubt on his philosophic approach to that pillar of the American constitutional system, the Bill of Rights. On every civil libertiea issue—wiretapping, electronic surveillance, "no knock" entry, preventive detention, rights of witnesses before Congressional committees and state legislatures, the rights of the accused—Mr. Rehnquist's record is appalling. He seems to have scant respect for the individual citizen's right to privacy, relying on "self-discipline on the part of the executive branch" to provide the protection needed. But if "self-discipline" by Government officials were sufficient in such circumstances, why would this nation need the carefully defined safeguards of the Bill of Rights?

What alarms us about Mr. Rehnquist is not the conservatism of his views—Mr. Powell certainly shares that characteristic—but our conviction on the basis of his record that he neither reveres not understands the Bill of Rights. If this is so, then he certainly does not meet the basic requirement that a justice of the Supreme Court be philosophically attuned to the irrevocable premise on which the American political structure rests: the protection of individual liberty under law, particularly against the repressive powers of government.

The Constitution leaves room for a wide diversity of political and social interpretation and even of judicial philosophy; but through the issues of human freedom as set forth in the first ten amendments there runs a basic imperative that cannot be dismissed and must not be trifled wtih. A deep-seated respect for these liberties, a belief that they cannot be arbitrarily abridged or diminished by any power, even that of the President, is indispensable for service on the Supreme Court.

Mr. Rehnquist's elevation to the Supreme Court could have a critically regressive effect on constitutional protection of individual liberties for a long time to come. On Mr. Nixon's own premises, the Senate would be within its rights in insisting that while it may be content to accept a distinguished conservative like Mr. Powell, it is not obliged to accept a radical rightist like Mr. Rehnquist.

[From the New York Times, Nov. 19, 1971]

WILLIAM H. REHNQUIST'S RECORD

In your Nov. 15 editorial you chose to label William H. Rehnquist a "radical rightist" and opposed his Supreme Court nomination on that basis, although you recognize he is "a capable lawyer of impressive academic and intellectual attainment."

If The Times had a factual case against Mr. Rehnquist, it should have been stated. Instead you relied upon journalistic shorthand to characterize a number of issues on which Mr. Rehnquist, as Assistant Attorney General, made public statements in support of the Administration's position. For example, you refer to "no-knock" entry and "preventive detention."

What you describe as "no-knock" is a procedure whereby a police officer, in obtaining a search warrant, can secure further permission from the court to enter a dwelling without announcing himself, but only under certain limited circumstances.

Mr. Rehnquist was hardly alone in believing that this procedure is reasonable. This doctrine and procedure has long been practiced and declared constitutional in many states—32 at last count. A majority of both houses of Congress voted it into law twice last year.

What you describe as "preventive detention" is a procedure designed to protect the public in situations where the evidence convinces a judge that one or more serious crimes will be committed by the arrestee if he is released on bail.

Mr. Rehnquist's views on the reasonableness of "preventive detention" were also shared by the majority of both houses of Congress.

You also refer to wiretapping, but fail to point out that in 1968 Congress expressly recognized the propriety and necessity for wiretaps and authorized their use in connection with certain specified types of crime. The enactment by Congress is in full compliance with the 1967 landmark Supreme Court decision on electronic surveillance. (Berger v. N.Y., 388 US 41)

As to the limited use of wiretapping for the purpose of gathering intelligence relating to the national security, this is a practice which has been used and defended by every President and Attorney General since Franklin Roosevelt's Administration.

May I suggest that The Times might well re-read the articles written by your associate editor, Tom Wicker, and by Anthony Lewis, who spent so many years covering the Supreme Court. Both recognize the propriety of confirmation for Mr. Rehnquist, and I don't think The Times overcomes their reasoned arguments simply by coining the label "radical rightist."

In the course of full hearings before the Senate Judiciary Committee, we have seen or heard nothing which would indicate that Mr. Rehnquist's devotion to the Bill of Rights is anything less than total. We believe he is eminently qualified for the Supreme Court, and The Times editorial has pointed to nothing which is inconsistent with that conclusion.

United States Senator from Nebraska
ROMAN L. HRUSKA.

WASHINGTON, November 17, 1971.

EXHIBIT 2

COLUMBIA UNIVERSITY IN
THE CITY OF NEW YORK,
New York, N.Y., November 18, 1971.

Hon. JAMES O. EASTLAND,
Chairman, Senate Judiciary Committee,
Washington, D.C.

DEAR SENATOR EASTLAND. I am writing to you as Chairman of the Senate Judiciary Committee to state my hope that the Committee will recommend and the Senate will confirm the appointment of William H. Rehnquist to the Supreme Court of the United States. Ordinarily, I would not think my impressions of a nominee to the Supreme Court were worthy of any special interest by the Committee However, Mr. Rehnquist has been subjected to such extravagant denunciation

by groups and persons with whom I am usually in accord that I feel justified in making my views a matter of record.

In assessing what weight to give my views, it may be helpful for you to know that I am Associate Professor of Law at Columbia University School of Law. My primary teaching interest and responsibility is Constitutional Law. After graduating from Yale Law School in 1966, I served for one year as law clerk to Chief Justice Earl Warren, and then for the next two years I served as Special Assistant to the Assistant Attorney General in charge of the Office of Legal Counsel.

In that latter capacity, I had the bulk of my working relationship with Mr. Frank M. Wozencraft, Mr. Rehnquist's gifted predecessor as Assistant Attorney General. When Mr. Rehnquist became Assistant Attorney General, I remained in the Office of Legal Counsel at his request for about five months while he became acquainted with the operations and responsibilities of the Office. During that time I worked closely with him on a daily basis on a variety of constitutional and other legal problems, I should make clear that my impressions of Mr. Rehnquist were formed solely on the basis of this close association over a relatively short period of time.

In working with Mr. Rehnquist, I developed clear impressions of his attributes of character and intellect which seem to me most relevant in assessing his qualifications to be a Justice of the Supreme Court. First, and most important, Mr. Rehnquist is a person of great intelligence. He is a painstaking legal craftsman with a lively and subtle interest in the interplay of constitutional law and social policy. I will not elaborate this point, since I believe no fairminded person could doubt Mr. Rehnquist's exceptional intellectual qualifications to sit at the highest level of our judicial system. Instead, I want to address myself to Mr. Rehnquist's fairness and objectivity.

In my work with Mr. Rehnquist he seemed to me unusually openminded and free of reliance upon dogma in dealing with constitutional questions. His approach to legal problems is highly discriminating; few persons in my experience have exhibited more alert skepticism as to the utility of sweeping generalizations and ideological positions. Always I had the impression that careful analysis governed his response to legal questions.

Mr. Rehnquist approaches legal issues with the utmost forcefulness and honesty. In our work together, he was open to reasoned persuasion, tolerant and respectful of my quite different constitutional and political outlook, and ever willing to examine his position in the light of the fullest possible analysis of facts and legal principle. He is an independent, even iconoclastic, thinker.

Candor, openness to argument, and forcefulness of logic and expression are critically important to the performance of the Supreme Court, with its unique and delicate power of constitutional review. I believe Mr. Rehnquist's appointment will help restore these necessities of judicial process, sadly diminished by recent events and losses from the Court.

I do not doubt that Mr. Rehnquist's positions on matters before the Supreme Court will be opposed, often diametrically, to my understanding of the mandates of our Constitution. One who reveres the person and performance of Chief Justice Warren, as I do, cannot but look forward to Mr. Rehnquist's likely decisions with some misgivings. But protecting the independence of the Supreme Court by subjecting nominees to an outcome-determinative test is self-defeating. Ultimately, those who believe in the essential role of the Supreme Court as an active and principled protector of individual liberties must rest their faith on process, not on outcome. candor, force of logic, attention to pertinent detail, openmindedness in approaching the discrete and varied problems which come before the Court—these are the conditions of independence and purpose in our judicial institutions. They are attributes which I believe Mr. Rehnquist possesses in abundance.

I respectfully urge the Judiciary Committee to recommend confirmation of William H. Rehnquist to the Supreme Court.

Respectfully,

BENNO C. SCHMIDT, Jr.

Mr. GRIFFIN. Mr. President, will the Senator from New York yield?

Mr. BUCKLEY. I am glad to yield to the Senator from Michigan.

Mr. GRIFFIN. I wish to commend the distinguished junior Senator from New York. He has made an excellent statement, and I wish to associate myself with his line of reasoning. The distinguished Senator makes interesting points—points that in past years have been made over and over again on the floor of the Senate by some of our colleagues who regard themselves as liberals.

I refer to discussions that took place concerning the nomination of Arthur Goldberg, for example.

At that time, conservatives in this body were admonished to look at Mr. Goldberg's qualifications—not his philosophy or practical persuasion.

It is a fact that a good many in this body at the time who were regarded as conservatives joined their liberal colleagues in voting to confirm Mr. Justice Goldberg. Of course, a similar story could be told with respect to the debate and confirmation of Mr. Justice Thurgood Marshall.

I wonder if those liberal Senators who intend now to vote against Mr. Rehnquist, solely because of his philosophy, would take the position that conservative Senators voted wrong when they voted earlier to confirm Messrs. Goldberg and Marshall.

NOMINATIONS OF LEWIS F. POWELL AND WILLIAM H. REHNQUIST

Mr. PERCY. Mr. President, I wish to inform my colleagues in the Senate that I intend to vote for the confirmation of the nominations of Lewis F. Powell and William H. Rehnquist, and urge as well their support of these candidates.

I have known Lewis Powell for many years. I have had the privilege of observing his manner, of knowing his thoughts, and of sharing the esteem for him held by all who know him. He is eminently well qualified and his appointment to the Supreme Court promises to bring distinction not only to his own career but to that institution. The enthusiastic acclaim of the public and the press which has greeted Lewis Powell's nomination and the unanimity with which it was received and passed by the Senate Judiciary Committee suggests the broad support for his candidacy. I am pleased and honored to indicate officially at this time my own support for Mr Powell's confirmation

The nomination of William H. Rehnquist, however, has not enjoyed this degree of support, a fact which we cannot permit automatically to portend doom Few men in public and private life enjoy the luxury of unanimous support, even among their friends. At most the controversy signifies the need for careful scrutiny of the nominee's record, with an open mind to all the evidence presented. I have sought to so scrutinize Mr. Rehnquist's record. I have talked with him in private, putting to him the hard questions which his critics have raised, and I have received frank and thoughtful replies. I have listened carefully to him in public, and have found him similarly frank and thoughtful. I am persuaded that Mr. Rehnquist will bring to the Court distinction, and I trust will earn by his performance there the same acclaim which now characterizes the nomination of Mr. Powell. I will vote for confirmation of both men.

SCOPE OF SENATORIAL SCRUTINY OF NOMINEES

Much has been made in the course of considering the present nominees over whether the Senate may legitimately inquire into the judicial philosophy, background and views of a nominee or whether the consideration is more properly limited to his competence, integrity, and general fitness.

It has been my policy to consider every relevant factor: Experience, legal ability, personal integrity, political and constitutional philosophy, judicial temperament, and a sensitive regard for ethical requirements of the bench.

Without rehashing all the arguments in support of this approach, suffice it to say that I am persuaded that the history surrounding adoption of article II, section 2, clause 2 of the Constitution would support an active and independent role for the Senate in the appointment of Supreme Court Justices.

The judicial process is far from mechanical; it draws upon the sum total of all that a judge brings to it in terms of his background, experience, values, judgment, and so forth. Since a judge's policy positions and judicial philosophy figure largely in the outcome of cases, it follows that they should figure as well in the appointment process.

ANALYSIS OF SPECIFIC ALLEGATIONS

Since William Rehnquist has not served in a judicial capacity, rather having served almost exclusively as an advocate, we are left to try to peek behind the veil to determine what Rehnquist's philosophy and positions really are as opposed to what he has been required to assert in representing his clients' interests. It is no small task, particularly when specific inquiries required that the nominee invoke the attorney-client privilege, thereby ruling out any meaningful examination. This is not to say that the invocation was improper, merely that it complicated the investigation to determine his suitability for the high court.

In any case, it seemed essential to review carefully those speeches wherein Rehnquist was alleged to have said and implied certain things which bear materially on his fitness for the Court. These are dealt with below:

First. Rehnquist, in a 1957 article for U.S. News & World Report, is alleged to have levied a strongly-worded criticism of Supreme Court clerks for slanting research material and improperly influencing court decisions, due at least in part

The viability and authority of the Court depend in the last analysis on its continuing ability to sustain a high degree of public confidence. President Jackson reminded the Court on one occasion that it was without the power to enforce its decrees. We need to remind ourselves again that such power as the Court possesses depends most decisively on one thing above all; namely, its ability to persuade men of widely divergent passions, opinions and interests that its decrees are reasonable, that they are based on an objective application of the law, that they are, therefore, entitled to be obeyed.

This dependence of the Court on the continuing good will of the public was described by that great student of American politics, Alexis de Tocqueville, in the following words:

The power of the Supreme Court Justices is immense, but it is a power springing from opinion. They are all-powerful so long as the people consent to obey the law; they can do nothing when they scorn it. Now, of all powers, that of opinion is the hardest to use, for it is impossible to say exactly where its limits come. Often it is dangerous to lag behind as to outstrip it.

The federal judges therefore must not only be good citizens and men of education and integrity, qualities necessary for all magistrates, but must also be statesmen; they must know how to understand the spirit of the age, to confront those obstacles that can be overcome, and to steer out of the current when the tide threatens to carry them away, and with them the sovereignty of the Union and obedience to its laws.

These remarks of Tocqueville, penned nearly 150 years ago, seem to me especially pertinent to our own time. Those who truly love the Court are bound to pay them particular heed, for they contain such wisdom as is necessary for the restoration of public confidence in the judicial process. Such a restoration, I believe, will be admirably advanced by the addition of Lewis Powell and William Rehnquist to the Supreme Court.

EXHIBIT 1

[From the New York Times, Nov. 15, 1971]

THE COURT APPOINTMENTS

In recent years, the Senate has been loath to argue about the judicial philosophy of Supreme Court nominees. It has generally assumed in the absence of damaging evidence to the contrary that any nominee who is intellectually qualified, honest and experienced in some branch of the legal profession will cultivate the detachment and perspective which the task of judging requires. But inasmuch as President Nixon has to a far greater degree than normal politicized the process of selection and has so insistently proclaimed his determination to remake the Court in his own image, the Senate needs to recall that its traditional deference to Presidential nominations is an institutional courtesy rather than a constitutional command.

Assistant Attorney General William H. Rehnquist's published belief that the Senate has an obligation to inquire into the basic philosophy of a Supreme Court nominee is applicable to his own position today. The question is whether the nominee should be evaluated by the Senate in terms of his specific political, social and economic views—quite apart from the obvious requirements of integrity, ability, temperament and training. Does not the President have the privilege of nominating to the Supreme Court a man or woman of any political orientation that pleases him, without interference by the Senate; or does the Constitution through its "advise and consent" clause give the Senate the right to reject a candidate because it disagrees with his politics or his philosophy?

* * * * *

The Supreme Court should be above politics; yet it is obvious that the Supreme Court deals with the stuff of politics. We have repeatedly argued that while the President owes it to the Court and the American people to keep partisan politics out of his judicial appointments, he ought to have the broadest latitude in his selections so long as they are made within the context of the American democratic system. What this means is that the candidate, whether liberal or conservative, of the right or of the left, must not be hostile to the broadly accepted principles of American constitutional democracy. This test the Senate has the right and duty to make.

The choice of Lewis F. Powell presents in this context relatively little difficulty. A leading lawyer of Richmond, a highly regarded member of the profession, a thorough-going conservative in political philosophy. Mr. Powell has demonstrated during a long record of service to the community as well as to the bar that he has the requisite personal, intellectual and basic philosophic qualities.

The same cannot be said for Mr. Rehnquist. Though he is undoubtedly a capable lawyer of impressive academic and intellectual attainments, his entire record casts serious doubt on his philosophic approach to that pillar of the American constitutional system, the Bill of Rights. On every civil liberties issue—wiretapping, electronic surveillance, "no knock" entry, preventive detention, rights of witnesses before Congressional committees and state legislatures, the rights of the accused—Mr. Rehnquist's record is appalling. He seems to have scant respect for the individual citizen's right to privacy, relying on "self-discipline on the part of the executive branch" to provide the protection needed. But if "self-discipline" by Government officials were sufficient in such circumstances, why would this nation need the carefully defined safeguards of the Bill of Rights?

What alarms us about Mr. Rehnquist is not the conservatism of his views—Mr. Powell certainly shares that characteristic—but our conviction on the basis of his record that he neither reveres not understands the Bill of Rights. If this is so, then he certainly does not meet the basic requirement that a justice of the Supreme Court be philosophically attuned to the irrevocable premise on which the American political structure rests: the protection of individual liberty under law, particularly against the repressive powers of government.

The Constitution leaves room for a wide diversity of political and social interpretation and even of judicial philosophy; but through the issues of human freedom as set forth in the first ten amendments there runs a basic imperative that cannot be dismissed and must not be trifled with. A deep-seated respect for these liberties, a belief that they cannot be arbitrarily abridged or diminished by any power, even that of the President, is indispensable for service on the Supreme Court.

Mr. Rehnquist's elevation to the Supreme Court could have a critically regressive effect on constitutional protection of individual liberties for a long time to come. On Mr. Nixon's own premises, the Senate would be within its rights in insisting that while it may be content to accept a distinguished conservative like Mr. Powell, it is not obliged to accept a radical rightist like Mr. Rehnquist.

[From the New York Times, Nov. 19, 1971]

WILLIAM H. REHNQUIST'S RECORD

In your Nov. 15 editorial, you chose to label William H. Rehnquist a "radical rightist" and opposed his Supreme Court nomination on that basis, although you recognize he is "a capable lawyer of impressive academic and intellectual attainment."

If The Times had a factual case against Mr. Rehnquist, it should have been stated. Instead you relied upon journalistic shorthand to characterize a number of issues on which Mr. Rehnquist, as Assistant Attorney General, made public statements in support of the Administration's position. For example, you refer to "no-knock" entry and "preventive detention."

What you describe as "no-knock" is a procedure whereby a police officer, in obtaining a search warrant, can secure further permission from the court to enter a dwelling without announcing himself, but only under certain limited circumstances.

Mr. Rehnquist was hardly alone in believing that this procedure is reasonable. This doctrine and procedure has long been practiced and declared constitutional in many states—32 at last count. A majority of both houses of Congress voted it into law twice last year.

What you describe as "preventive detention" is a procedure designed to protect the public in situations where the evidence convinces a judge that one or more serious crimes will be committed by the arrestee if he is released on bail.

Mr. Rehnquist's views on the reasonableness of "preventive detention" were also shared by the majority of both houses of Congress.

You also refer to wiretapping, but fail to point out that in 1968 Congress expressly recognized the propriety and necessity for wiretaps and authorized their use in connection with certain specified types of crime. The enactment by Congress is in full compliance with the 1967 landmark Supreme Court decision on electronic surveillance. (Berger v. N.Y., 388 US 41)

As to the limited use of wiretapping for the purpose of gathering intelligence relating to the national security, this is a practice which has been used and defended by every President and Attorney General since Franklin Roosevelt's Administration.

May I suggest that The Times might well re-read the articles written by your associate editor, Tom Wicker, and by Anthony Lewis, who spent so many years covering the Supreme Court. Both recognize the propriety of confirmation for Mr. Rehnquist, and I don't think The Times overcomes their reasoned arguments simply by coining the label "radical rightist."

In the course of full hearings before the Senate Judiciary Committee, we have seen or heard nothing which would indicate that Mr. Rehnquist's devotion to the Bill of Rights is anything less than total. We believe he is eminently qualified for the Supreme Court, and The Times editorial has pointed to nothing which is inconsistent with that conclusion.

United States Senator from Nebraska
ROMAN L. HRUSKA.

WASHINGTON, *November 17, 1971.*

EXHIBIT 2

COLUMBIA UNIVERSITY IN
THE CITY OF NEW YORK,
New York, N.Y., November 18, 1971.

HON. JAMES O. EASTLAND,
Chairman, Senate Judiciary Committee,
Washington, D.C.

DEAR SENATOR EASTLAND: I am writing to you as Chairman of the Senate Judiciary Committee to state my hope that the Committee will recommend and the Senate will confirm the appointment of William H. Rehnquist to the Supreme Court of the United States. Ordinarily, I would not think my impressions of a nominee to the Supreme Court were worthy of any special interest by the Committee. However, Mr. Rehnquist has been subjected to such extravagant denunciation by groups and persons with whom I am usually in accord that I feel justified in making my views a matter of record.

In assessing what weight to give my views, it may be helpful for you to know that I am Associate Professor of Law at Columbia University School of Law. My primary teaching interest and responsibility is Constitutional Law. After graduating from Yale Law School in 1966, I served for one year as law clerk to Chief Justice Earl Warren, and then for the next two years I served as Special Assistant to the Assistant Attorney General in charge of the Office of Legal Counsel.

In that latter capacity, I had the bulk of my working relationship with Mr. Frank M. Wozencraft, Mr. Rehnquist's gifted predecessor as Assistant Attorney General. When Mr. Rehnquist became Assistant Attorney General, I remained in the Office of Legal Counsel at his request for about five months while he became acquainted with the operations and responsibilities of the Office. During that time I worked closely with him on a daily basis on a variety of constitutional and other legal problems, I should make clear that my impressions of Mr. Rehnquist were formed solely on the basis of this close association over a relatively short period of time.

In working with Mr. Rehnquist, I developed clear impressions of his attributes of character and intellect which seem to me most relevant in assessing his qualifications to be a Justice of the Supreme Court. First, and most important, Mr. Rehnquist is a person of great intelligence. He is a painstaking legal craftsman with a lively and subtle interest in the interplay of constitutional law and social policy. I will not elaborate this point, since I believe no fairminded person could doubt Mr. Rehnquist's exceptional intellectual qualifications to sit at the highest level of our judicial system. Instead, I want to address myself to Mr. Rehnquist's fairness and objectivity.

In my work with Mr. Rehnquist he seemed to me unusually openminded and free of reliance upon dogma in dealing with constitutional questions. His approach to legal problems is highly discriminating; few persons in my experience have exhibited more alert skepticism as to the utility of sweeping generalizations and ideological positions. Always I had the impression that careful analysis governed his response to legal questions.

Mr. Rehnquist approaches legal issues with the utmost forcefulness and honesty. In our work together, he was open to reasoned persuasion, tolerant and respectful of my quite different constitutional and political outlook, and ever willing to examine his position in the light of the fullest possible analysis of facts and legal principle. He is an independent, even iconoclastic, thinker.

Candor, openness to argument, and forcefulness of logic and expression are critically important to the performance of the Supreme Court, with its unique and delicate power of constitutional review. I believe Mr. Rehnquist's appointment will help restore these necessities of judicial process, sadly diminished by recent events and losses from the Court.

I do not doubt that Mr. Rehnquist's positions on matters before the Supreme Court will be opposed, often diametrically, to my understanding of the mandates of our Constitution. One who reveres the person and performance of Chief Justice Warren, as I do, cannot but look forward to Mr. Rehnquist's likely decisions with some misgivings. But protecting the independence of the Supreme Court by subjecting nominees to an outcome-determinative test is self-defeating. Ultimately, those who believe in the essential role of the Supreme Court as an active and principled protector of individual liberties must rest their faith on process, not on outcome. Candor, force of logic, attention to pertinent detail, openmindedness in approaching the discrete and varied problems which come before the Court—these are the conditions of independence and purpose in our judicial institutions. They are attributes which I believe Mr. Rehnquist possesses in abundance.

I respectfully urge the Judiciary Committee to recommend confirmation of William H. Rehnquist to the Supreme Court.

Respectfully,

BENNO C. SCHMIDT, JR.

Mr. GRIFFIN. Mr. President, will the Senator from New York yield?

Mr. BUCKLEY. I am glad to yield to the Senator from Michigan.

Mr. GRIFFIN. I wish to commend the distinguished junior Senator from New York. He has made an excellent statement, and I wish to associate myself with his line of reasoning. The distinguished Senator makes interesting points—points that in past years have been made over and over again on the floor of the Senate by some of our colleagues who regard themselves as liberals.

I refer to discussions that took place concerning the nomination of Arthur Goldberg, for example.

At that time, conservatives in this body were admonished to look at Mr. Goldberg's qualifications—not his philosophy or practical persuasion.

It is a fact that a good many in this body at the time who were regarded as conservatives joined their liberal colleagues in voting to confirm Mr. Justice Goldberg. Of course, a similar story could be told with respect to the debate and confirmation of Mr. Justice Thurgood Marshall.

I wonder if those liberal Senators who intend now to vote against Mr. Rehnquist, solely because of his philosophy, would take the position that conservative Senators voted wrong when they voted earlier to confirm Messrs. Goldberg and Marshall.

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In any case, it seemed essential to review carefully those speeches wherein Rehnquist was alleged to have said and implied certain things which bear materially on his fitness for the Court. These are dealt with below:

First. Rehnquist, in a 1957 article for U.S. News & World Report, is alleged to have levied a strongly-worded criticism of Supreme Court clerks for slanting research material and improperly influencing court decisions, due at least in part

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to his characterization of the clerks as "left wing."

The article is, in fact, more informative in tone than critical. It is carefully worded, distinguishing between the work and relative influence of the clerks in dealing with certiorari petitions and the preparations of actual decisions. In the latter case, Rehnquist pointed out that the clerks had virtually no influence. Then conceding that there was a wide diversity of opinion among the clerks, he concluded that the "political cast of the clerks was to the left of either the Nation or the Court." As a general proposition, it is difficult to argue with that or be surprised by it.

Concerning the decisions on certiorari petitions the clerks were more influential and Rehnquist included himself as among those whose unconscious bias crept into their work. Again, it is hard to argue with that possibility occurring in almost any job. I am not sure how you could rule it out.

I found nothing in the article suggesting that Rehnquist had taken off on an attack against the Court, the clerks, or the "left-wing."

Second. Rehnquist, in 1969, is alleged to have lambasted student demonstrators as the "New Barbarians."

Rehnquist did use this phrase, but he limited its applicability to those "who care nothing for our system of government and law, believing that the relatively civilized society in which they live is so totally rotten that no remedy short of the destruction of that society will suffice." In limiting his definition, he also limited the numbers of people to whom it was directed—the relatively few militants who seek to overthrow the government. I did find Rehnquist's use of the term "barbarians" inflammatory and perhaps imprudent, but he was careful not to include—in fact he specifically exempted—the majority of peaceful demonstrators.

Third. Rehnquist has been charged with a willingness to leave to the discretion of law enforcement agencies and the Executive the imposition of controls on Government surveillance activities against private citizens. March 5, 1971; speech before the Maricopa County Bar Association.

This is partly true. Rehnquist has urged that even though agencies may abuse their authority, it would be a serious mistake to shackle their investigative powers by legislation. Law enforcement agencies must have some latitude in order to provide a reasonably effective system of law enforcement.

The errors of zeal by law enforcement officers in this area do not constitute in his judgment a violation of civil liberties, thus making attempts to amend the Constitution to provide for such ill-advised. If legislatve guidelines are deemed necessary—and Rehnquist left room for this possibility—they should be framed in such a way as to provide the greatest latitude for investigations, lest law enforcement be improperly hamstrung.

Rehnquist specifically stated that peaceful gatherings and political activity should be "out of bounds" to investigative agencies, but the isolated cases which have come to view where surveillance activities have been inordinately abusive should not be regarded as the rule.

Though I would opt more readily for some legislative controls on surveillance, I think Rehnquist's representation of his view was reasonable and carefully expressed.

Fourth. Rehnquist has been portrayed as the primary spokesman for the administration last May when mass arrests were made by the Washington police in the May day demonstrations, and his espousal of the doctrine of "qualified martial law" was particularly repugnant.

It is significant that Rehnquist again relies on narrow definitions to justify his position, an intellectually respectable if not politically desirable approach. The demonstrations which need to be quashed by the Government, Rehnquist asserted, are those which threaten to immobilize—and, therefore, move toward the destruction of—that Government. Rehnquist has no legal opposition to peaceful demonstrations.

From there, Rehnquist moves to justify the activities of Washington police on the basis that the "extreme situation" which prevailed brought about the exercise of the legitimate power of police and troops in such emergencies to detain individuals without bringing them before a committing magistrate and filing charges of criminal conduct against them. In this situation the doctrine customarily referred to as "qualified martial law" obtains.

The application of this doctrine, according to Rehnquist, is strictly limited:

> In that situation, to protect itself and its citizens against actual violence or a real threat of violence is held to outweigh the normal right of any individual detained by governmental authority to insist on specific charges of criminal conduct being promptly made against him, with the concomitant right to bail or release pending judicial determination of those charges. The courts limited the duration of the power to the duration of the emergency, however, and have also insisted that the claim of violence be not a mere sham.

I, quite frankly, had strong reservations about the tactics resorted to during the May day melee, reservations which I think have been partially vindicated by the subsequent court of appeals decision invalidating most of the arrests made under those procedures.

But it is important, in my opinion, that Rehnquist did not develop the concept of qualified martial law, as certain of his detractors claimed; rather he applied an established principle which he considered an appropriate precedent. In doing so, he did not move in a manner inconsistent with strict legal process.

Fifth. Rehnquist is being held responsible for his defense of wiretapping, with some loss of an individual's privacy, as not too high a price if it helps stop major crime.

Rehnquist is, in my opinion, being stuck with the policy adopted by Congress and by the role of the Justice Department.

In 1968, Congress authorized wiretapping with certain safeguards in the Omnibus Crime Act. The Justice Department is committed to its adoption and its defense because of this direction from Congress, if the law is not clearly unconstitutional on its face.

I think Rehnquist has been wrongly attributed with the views and demands of his client. Understanding, of course, his reluctance to comment in violation of the attorney-client privilege, I nevertheless wish somehow that the Senate could be apprised of the true feelings of Mr. Rehnquist in this area.

Sixth. In 1964, Rehnquist wrote a letter to the editor of the Arizona Republic, opposing the passage by the Phoenix City Council of a public accommodations ordinance.

Rehnquist opposed the ordinance because discrimination of this sort was the exception rather than the rule in Phoenix, thus making the purpose of the ordinance not an attempt "to make available a broad range of integrated facilities, but to whip into line the relatively few recalcitrants." Furthermore, "unable to correct the source of the indignity to the Negro, the ordinance redresses the situation by placing a separate indignity on the proprietor."

This letter does suggest a certain rigidity to the cause of civil rights. It is callous to the inequities blacks have had to suffer and insensitive to the course of events in this country at that time which seemed to indicate a willingness to rectify some of these inequities. The letter is cause for concern, in my mind.

However, Rehnquist did say that, on this matter, he has changed his mind. He has said this publicly and privately. We can and should inquire as to the slowness of his change of mind, but in the final analysis we must leave room for such changes. I think Rehnquist's change of mind is a good thing substantively and in terms of analyzing his capability to serve on the Court. Without being overly optimistic, I think his change of mind at least signals growth.

Seventh. In 1967, in another letter to the editor, Rehnquist outlined his views on busing and de facto segregation. The most widely quoted excerpt from the letter is as follows:

> We are no more dedicated to an "integrated" society than we are to a "segregated" society.

He then goes on to enunciate a policy in favor of neighborhood schools.

Again, these statements raise some red flags in terms of our passing on the credentials and suitability of Mr. Rehnquist for the Supreme Court. But it is important to note that immediately following the excerpted line—quoted above—Rehnquist went on to say:

> That we are instead dedicated to a free society, in which each man is equal before the law, but in which each man is accorded a maximum amount of freedom of choice in his individual activities.

I think that rounds out what Rehnquist really had to say on the matter. We are dedicated to a free society, but at this time integration seems to be the only viable means to freedom for many, many minority citizens, and so integration becomes the short-range goal. I wish that

Mr. Rehnquist had included this idea as well.

Eighth. There have been a variety of charges that Rehnquist supports the aggrandizement of the executive branch of Government in terms of its relative power vis-a-vis the other branches. It has usually been characterized in terms of the executive's "inherent powers." These allegations have grown out of Rehnquist's statements on the war powers, law enforcement, the "committee veto" proposal, Government surveillance, and so forth.

In almost every instance, Rehnquist was speaking at the behest of the administration, whose business he was about. It is logical to assume that he would press for enlarged executive powers, as some of us in Congress have sought to assert broader congressional responsibilities. I am convinced—indeed we have virtually no information on which to conclude anything other than that he was speaking for the administration on these points. I have seen nothing from his earlier statements that would suggest a preoccupation with executive power.

Ninth. Rehnquist is alleged to have played an important role in the Pentagon papers case, pleading for prior restraint of publication.

Rehnquist, however, explains that he took only one action in connection with proposed litigation by the Government against the Washington Post in this connection. At the request of the Attorney General he telephoned Ben Bradlee, executive editor of the Post to request on behalf of the Justice Department that the Post refrain from further publication of these papers. Mr. Bradlee informed Rehnquist that the Post would not accede to this request.

Tenth. It has been charged that Rehnquist harassed and intimidated voters while he was an elections official for the Republican Party in Maricopa County, Ariz.

These are serious charges, deserving the most careful examination possible. Rehnquist has gone to great lengths to provide a full explanation of his role, his observations at each election in which he was involved, and his understanding of other related events at the time. It is important to note that Rehnquist states unequivocally that "in none of these years did I—Rehnquist—engage in challenging the qualifications of any voters." Though his full response has already been reprinted in the RECORD, I ask unanimous consent that it be printed at the conclusion of my remarks so that persons who read my statement will have the benefit of this explanation. The charges, as I have said, are serious enough to justify reprinting the full response of the nominee. I am persuaded that he has answered satisfactorily every allegation and is guilty of no wrongdoing in connection with the performance of his election responsibilities.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

SUMMARY

Mr. PERCY. The Rehnquist nomination is unlike any other recent nomination to the Supreme Court on which the Senate has had to pass. It raises no clear-cut issues to which it is easy to respond in a "yea or nay" fashion. This dilemma has been apparent throughout the hearings and investigations and should be reflected in my statement as well. While there seems to be a "gut" reaction against Rehnquist's record and philosophy by some, there has been precious little in terms of pragmatic, specific evidence to support that reaction.

What opponents seem to be saying is that in confirming Rehnquist's nomination, individual liberties are subjected to considerable risk. I do not think the risk is considerable.

First. Rehnquist has a distinguished intellect giving him the capacity and inclination to consider every option, carefully and thoroughly with a full understanding of the implications they pose. The importance of intelligence, of course, especially on the Supreme Court is not that it promises in every case that the right result will prevail, but that irrelevancies will be exposed and discarded—emotion, prejudice, unexamined tenets of historical faith—that get in the way of decision making. Finally, of course, intellectual excellence suggests a longing for the truth and the capability to recognize it and pursue it in those occasional instances when we are granted the blessing of seeing it.

Second. Rehnquist seems to be a fair man who has demonstrated a sensitivity for the balancing act which is the essence of judicial decisionmaking. He rarely sees questions in terms of absolutes, perceiving instead the fact that in most instances the issues which come to the Court require determinations as to what is more right or more wrong in light of constitutional mandates.

Third. His speeches and public statements suggest that he possesses the requisite fidelity to the Constitution, of which others have spoken so well and so persuasively of late. Indeed, it has been Rehnquist's almost stubborn adherence to what he perceives to be the letter and spirit of the Constitution that has elicited some of the most bitter attacks against his judgment. He is a firm believer that this Government, weak and struggling though it may be at times, is better than no government—anarchy.

Fourth. Rehnquist's disposition and intellect have imbued him with a resulting capacity for change. While he could not be portrayed as leading the cause for change, neither has he revealed himself as incapable of adapting to changes in social values and legal imperatives.

Fifth. Rehnquist is a gifted advocate, a position which has on occasion saddled him with responsibility for some views which might more properly be attributed to his client but which has at the same time provided him the forum wherein by proving himself he has proven his worthiness to serve on this Court. He has been widely regarded as the Justice Department's best spokesman, certainly its most articulate and penetrating one.

Given the fact that passing on a particular nominee to the Supreme Court is always risky business, in that it is impossible to determine in advance how a man will respond to the demands of the High Court, it seems to me that it is especially risky to base one's judgment on political grounds. I personally have some strong political differences with some views held by Mr. Rehnquist. But relying on politics as a basis for supporting or rejecting a nomination presumes some kind of rightful political orthodoxy. Men and politics change; to oppose a nominee on political grounds alone is to ignore both the angers and the facts.

CONCLUSION

I support the confirmation of the nomination of Rehnquist, not entirely without reservations, but on balance. He is a young, articulate, gifted lawyer; he is, it seems to me, as well, a good and decent man. The doubts his nomination prompts in terms of his sensitivity to the singular importance of civil liberties and equal protection of the laws will be assuaged by the recognition that he is open-minded, uncommonly bright, and genuinely committed to the rule of law and hopefully will be overcome entirely by the record he establishes once he assumes his responsibilities on the Bench.

EXHIBIT 1

QUESTIONS TO WILLIAM REHNQUIST

QUESTION

Please describe in as much detail as possible your position (including title and the manner in which you were selected), responsibility, and activities in connection with Republican Party efforts to challenge Democratic voters in Arizona for each of the following elections, separately: 1958, 1960, 1962, 1964, 1966, 1968.

In addition, please answer the following questions concerning your position, responsibility or activities in each of the abovementioned years:

(a) Did you personally engage in challenging the qualifications of any voters? If so, please describe the nature and extent of the challenging you did and the bases on which the challenges were made.

(b) Did you train or counsel persons selected to be pollwatchers or challengers about the procedures to be used in challenging? If so, please elaborate concerning how the persons were selected, and the training that you gave. Did you in any of the abovementioned years train or counsel persons selected to be pollwatchers on the bases on which challenges could be made? If so, please elaborate concerning what you advised these persons were proper bases under law for challenges in each of the relevant years.

(c) Did you prepare, select or advise on the use of printed passages from the Constitution designed to be employed by challengers to determine the literacy of a potential voter? Did any such practice come to your attention? Did you think it proper and lawful? If not, did you take steps to curb such procedures?

ANSWER

During the course of the Committee's deliberations, I submitted the following affidavit to the Chairman of the Committee.

"I have read the affidavits of Jordan Harris and Robert Tate, both notarized in Maricopa County, Arizona. Insofar as these affidavits pertain to me, they are false. I have not, either in the general election of 1964 or in any other election, at Bethune precinct or in any other precinct, either myself harassed or intimidated voters, or encouraged or approved the harassment or intimidation of voters by other persons."

In order to fully respond to question 10, an understanding of the background of Republican challenging procedures in Maricopa

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County is necessary. I have therefore tried as best I can to recall and set forth that background.

A combination of the peculiarities of Arizona election law, the customary practices of the Board of Supervisors in appointing precinct election officials, and the numerical weakness of registered Republicans in part of the County resulted in the fact that the only method by which a Republican observer or poll watcher could be stationed inside a particular polling place in many precincts in order to watch for voting irregularities was to be there as a "challenger." While he was authorized by law to challenge voters, the prospects of his being successful were not great, since the challenges he made were ruled upon by a three-man election board (two judges and an inspector) and in the precincts with extraordinarily heavy Democratic registration at least two and often three members of this board would be Democrats.

The challenger's real usefulness to the Party, therefore, was not that he was going to be able to prevail upon the election board to disqualify any large number of voters, but that his mere presence as a party representative would have a tendency to discourage any large-scale irregularities in voting procedures at that precinct. My recollection is that the most frequent cause of dispute which arose on Election Day during the late 50s and early 60s was the nature of the credentials required for a challenger to be allowed to enter and remain in a polling place, since in many of these precincts there had never been a Republican representative on the scene during Election Day.

With respect to the specific questions posed, I have attempted to refresh by recollection by speaking with several persons in Arizona who acted in Republican Party affairs during the years covered in this question and to Judge Hardy, who was active for the Democratic Party at the same time. I have also had occasion to see two local newspaper articles which appeared in the Fall of 1964, describing my position during the elections of 1960, 1962, and 1964. I recall that at the time there were written schedules, instructions, and the like prepared at least for the elections of 1960, 1962, and 1964, but I have not found anyone who was able to locate any of this written material, and it may no longer be in existence.

In 1958, I became involved in the Election Day program on quite short notice, and spent all of the day at Republican County Headquarters in Phoenix answering questions as to the election laws on the telephone. So far as I remember, I was the only person having this responsibility at County Headquarters. I don't believe I had a title, and I cannot remember by whom I was selected. As I recall, Don Reese, then of Phoenix but presently of Houston, Texas, was County Chairman in 1958.

My attention has been called to a clipping from the *Arizona Republic* in October 1964, which states that in 1960 I was co-chairman of the "Ballot Security Program." I do not have any independent recollection of this fact, but I have no reason to dispute the account in the newspaper. As I recall, however, the program in 1960 was not called the "Ballot Security Program," since I don't remember hearing that term used before 1964.

In 1960, I supervised and assisted in the preparation of envelopes to be mailed out in advance of the election for the purpose of challenging voters on the basis of their having moved from the residence address shown on the poll list; I also recruited about a half a dozen lawyers to work on a "Lawyers Committee" on Election Day. I did not myself recruit challengers, but I did speak to a "school" held for challengers shortly before election, in order to advise them on the law. I believe I also supervised and assisted in the assembling of returns of our mailings which were returned "addressee unknown", so that they could be made available to the particular challenger who was stationed in the precinct in which the address was located. On Election Day, I believe that I spent most of the day in County Headquarters. In that year, however, we had enough other lawyers available in County Headquarters so that I probably spent some of the day going to precincts where a dispute had arisen, and attempting to resolve it.

I cannot remember whether Don Reese or Ralph Staggs was County Chairman in 1960; I believe I was designated by whoever was County Chairman that year.

With respect to 1962, I have been shown an article in the October 1964, *Arizona Republic* which states that I was Chairman of a Lawyers Committee which operated on Election Day. This is consistent with my own recollection. I do not believe that in this year I participated in the mailing out of envelopes prior to election, though I may have. I did speak at a school for challengers, I believe, in much the same manner as in 1960. On Election Day, my recollection is that I spent most of the day in Republican County Headquarters; however, I think that on several occasions in 1962, just as in 1960, I went to precincts where disputes had arisen in an effort to resolve them.

With respect to 1964, I have seen an article in the *Arizona Republic* dated October 1964, stating that I was Chairman of the "Ballot Security Program." This is consistent with my recollection. I presume that I had overall responsibility for the mailing out of envelopes, the recruiting of challengers, and the recruiting of members of the Lawyers Committee to work in County Headquarters; however, I believe that there were individuals other than me who were directly responsible for each of these aspects of the program. At this time, Wayne Legg was Chairman of the Republican County Committee, and I presume it was he who designated me as chairman. My recollection is that on Election Day during this particular election I spent all of my time in County Headquarters.

I also think, though I am not certain, that I spoke at the school for challengers held just before the election; if I did not speak to the school, I believe I was present when someone else spoke on the law. Challengers were advised in this year, pursuant to an opinion issued by the State Attorney General, that challenging at the polls on the basis of literacy or interpretation of the Constitution was unlawful by virtue of the Federal Civil Rights Act of 1964.

In 1966, my best recollection is that I played no part at all in the election activities, though I am not absolutely certain. If I played any part, it was simply to serve as a lawyer on duty at County Headquarters for a period of several hours in order to handle questions that might come in over the phone.

In 1968, I played no part at all in the election activities.

(a) In none of these years did I personally engage in challenging the qualifications of any voters.

(b) The recruitment of challengers in each of these years was under the direct supervision of someone other than me. However, in at least two of these elections—1960 and 1962—and perhaps in 1964, I spoke at a challengers' school conducted shortly before the election. The purpose of my talk was to advise the various persons who were to act as challengers as to what authorization was required in order to enable them to be present in a polling place during the time the election was being conducted, and also as to the various legal grounds for challenging as provided by applicable Arizona law. My recollection is that I simply recited the grounds set forth in the Arizona Revised Statutes as to the basis for challenge, the method of making the challenge, and the manner in which the challenge was to be decided by the Election Board of the precinct in question.

(c) I did not. No such practice came to my attention until sometime on Election Day, 1962. The manner in which I saw this type of challenge being used, when I visited one precinct, struck me as amounting to harassment and intimidation, and I advised the Republican challenger to stop using these tactics. Since no question was raised at that time as to the propriety or lawfulness of the use of printed passages from the Constitution by challengers in conjunction with the election board in an otherwise courteous and lawful manner, I did not consider it. Shortly after the election, I discussed this type of challenge with Charles Hardy, now Judge of the Superior Court of Maricopa County, and expressed my vigorous disapproval of any scattergun use of literacy challenges. By the time of the next biennial election, in 1964, such challenges were no longer permitted under federal law.

QUESTION

To what extent are you able to confirm Mr. Richard G. Kleindienst's statement found in the *Arizona Republic* of November 7, 1962 that the Republican challengers who worked in 1962 "are the same persons, under the same instructions, who have been doing this in Maricopa and Pima counties since 1956?"

ANSWER

I cannot speak at all for Pima County, and I cannot speak at all for 1956. I did not myself directly supervise the recruiting of challengers in Maricopa County in any of these years. If challengers were instructed in any formal way in 1958, I do not remember it. Substantially the same legal advice as to challenging, more fully described in the answer to 10(b) above, was given by me in both 1960 and 1962. I do not presently remember whether the same challengers operated in 1958, 1960, and 1962, but I believe there was some turnover each time, and a rather substantial turnover between 1960 and 1962.

QUESTION

You testified that one of the roles you played in the Republican efforts to challenge Democratic voters was "to arbitrate disputes that arose" along with a Democratic counterpart (p. 149). Did any of the disputes as to the roles of the Republican challengers which you sought to mediate involve opposition to the type of challenging procedure being employed or the basis of the challenge, as distinct from the right of the Republican challenger to function at all in such a capacity in the precinct in question? If so, please explain the challenging procedures which came under attack.

ANSWER

As described in my answer to 10(c), I recall one instance in which a Republican challenger was himself going down the line and requiring prospective voters to read some passage of the Constitution, rather than presenting his challenge to the Election Board in an orderly way. I advised him to stop this practice, and to make any challenges in the manner provided by the law.

QUESTION

Judge Charles L. Hardy in a letter to Senator Eastland describes the tactics of the Republican Party in Phoenix in 1962 as follows:

"In 1962, for the first time, the Republicans had challengers in all of the precincts in this county which had overwhelming Democratic registrations. At that time among the statutory grounds for challenging a person offering to vote were that he had not resided within the precinct for thirty days next preceding the election and that he was unable to read the Constitution of the United States in the English language. In each precinct *every* black or Mexican person was being challenged on this latter ground and it was quite clear that this type of challenging was a deliberate effort to slow down the voting so as to cause people awaiting their turn to vote to grow tired of waiting and leave without voting. In addition, there was a well organized campaign of outright harassment and intimidation to discourage persons from attempting to vote. In the black and brown areas, handbills were distributed warning persons that if they were not properly qualified to vote they would be prosecuted. There were squads of people taking photographs of voters standing in line waiting to vote and asking for their names. There is no doubt in my mind that these tactics of harassment, intimidation and indiscriminate challenging were highly improper and violative of the spirit of free elections."

(a) Please describe the relationship between your role in planning and implementing Republican election day challenging efforts that year and the tactics described by Judge Hardy.

(b) Did any of the practices described by Judge Hardy come to your attention before or during election day in 1962? If so, did you seek to curb such procedures or were they in your view proper?

ANSWER

(a) My role in 1962 was, to the best of my recollection, that described above. I neither advised nor suggested that scattergun challenges be made on the basis of literacy. I neither advised nor suggested the handing out of handbills, nor the photographing of voters at the election places. My talk to the challenging "school" in 1962 as to the law governing elections was, I believe, substantially the same as that which I gave in 1960. In 1958 and in 1960 virtually the entire thrust of the Republican challenging effort was devoted to preventing unregistered persons, or persons who had moved from the address from which they were registered, from voting, and as I recall the main disputes which arose in those years with respect to the right of the Republican challengers to enter the polling place to which he was assigned. I did not realize the change in emphasis during Election Day of that year. I therefore feel that there was no connection between my role and the circumstances related by Judge Hardy.

(b) The practices described by Judge Hardy, to the extent that they did in fact obtain, did not come to my attention until quite late in the day of the election in 1962. At that time I believe that the County Chairman decided to remove the Republican challenger from Bethune Precinct because of the serious trouble his actions were causing. The challenging procedures relating to residence described by Judge Hardy were, in my opinion, generally proper; those relating to indiscriminate use of literacy challenges were entirely improper.

QUESTION

Were you present at the Bethune precinct at any time on election day, November 3, 1964? If so, while you were there, did you speak to any persons waiting to vote regarding their qualifications to vote under the state literacy laws or other laws, or regarding their ability to read the Constitution? Did you ask anyone waiting to vote at the Bethune precinct in 1964 to read from any printed material which you or anyone else presented to the potential voter? Were you engaged in any dispute at the Bethune precinct in 1964 with Democratic workers regarding efforts by yourself or other Republican representatives to challenge voters? If so, please describe the incident in detail.

ANSWER

I was not present at Bethune Precinct at any time on Election Day in 1964.

ECONOMIC STABILIZATION ACT OF 1971

The PRESIDENT pro tempore. Under the previous order the Chair lays before the Senate the unfinished business, which the clerk will read by title.

The legislative clerk read as follows:

A bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

The PRESIDENT pro tempore. Under the previous order the clerk will state amendment No. 771, proposed by the Seantor from Wisconsin (Mr. PROXMIRE).

The LEGISLATIVE CLERK. The Senator from Wisconsin (Mr. PROXMIRE) proposes amendment No. 771.

The PRESIDENT pro tempore. Time on the amendment is limited to 1 hour. Who yields time?

Mr. TOWER. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 771

Mr. PROXMIRE. Mr. President, I yield myself such time as I may require. I expect to speak for about 8 or 9 minutes, or less.

The PRESIDENT pro tempore. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, I do hope that the managers of the bill will accept this amendment. I think if they read the amendment carefully and think about what it provides they may be disposed to do so, because it is an amendment which does provide for open hearings, but it provides complete and full safeguards for any kind of confidential executive session the Pay Board and Price Commission would like to have.

Let me read the amendment:

Any hearing or other proceeding conducted by the President or his delegate for the purpose of hearing arguments or acquiring information bearing on a change or a proposed change in wages, salaries, prices, rents, interest rates, or corporate dividends or similar transfers shall be open to the public except that a private hearing or other proceeding may be conducted to receive information considered confidential under section 205 of this title.

As all of us who have served in the Senate know that this is exactly how the Senate conducts its operations. We normally have open hearings, but when information should be received privately or when there is a markup of a bill we have an executive session. This amendment would provide the same rule for the Pay Board and the Price Commission, and require that hearings conducted by the Pay Board and Price Commission be open to the public. This amendment is prompted by the testimony of Judge Boldt before the Joint Economic Committee last Saturday. Judge Boldt indicated that hearings before the Pay Board were secret, that the public and the press were excluded, and that not even a transcript was available. This type of secrecy has no place in a democratic society.

My amendment would not require the disclosure of information considered to be confidential under section 205 of the legislation.

I asked Judge Boldt if a reporter who might come to the hearings would be admitted, and he said "No." I asked him if a transcript was kept of these very important hearings. It would have a profound effect on what consumers have to pay throughout the country, and what millions of wage earners are going to get.

He said no transcript is kept. He did say that minutes were kept and that, at our request, the minutes would be made available to our committee. On something that is this far reaching, that has this kind of effect on many, many people, there is just no place for this type of secrecy. If confidential information were involved in the course of a public hearing, the Pay Board or Price Commission would be permitted to consider the information in executive session. Thus my amendment would in no way require the disclosure of trade secrets or other confidential information.

As a matter of fact, what is confidential is entirely at the discretion of the board. They can decide, on the basis of the firms coming to them, that that information shall not be revealed publicly. The chairman of either board could say the session would be executive. I do think there would be a wholesome public pressure not to abuse that. Obviously pressure would be on the Board to make these hearings open, and they should be open, but there are confidential matters which should be protected. In those circumstances, this amendment would not interfere with that.

I would expect that much of the information bearing on a proposed wage or price increase would not be considered confidential under section 205. There is no reason why this type of information cannot be discussed in a public hearing. If the Pay Board or Price Commission holds a hearing on a proposed wage or price increase, why should not the public be invited to sit in as long as confidential information is not discussed? No one has a greater stake in the program than the general public. Why exclude them from the hearings?

Mr. President, the basic reason for supporting my amendment is that the public has a right to know what is going on. But there is a second important reason for adopting my amendment. If public hearings are required, it will serve to moderate some of the excessive demands for wage and price increases on the part of powerful labor unions and corporations. It is one thing to argue for an exorbitant price increase behind closed doors. It is an entirely different matter when these arguments must be made in public. Pub-

lic opinion does exert a restraining influence on corporations and labor unions. My amendment will thus help achieve the goals of the anti-inflationary program.

I honestly believe that if the hearings on the wage increases for coal miners had been held publicly, the effect would have been more salutary. It is possible that under those circumstances we might have had a different decision. I think we would have. But whether we would have or not, we would have had a far better understanding on the part of the public of the justification for that tremendous violation of the guidelines.

We have delegated an enormous amount of power to the Pay Board and the Price Commission. The present members of the Board and Commission are not even confirmed by the Senate, although, because of last night's action, the chairmen of the two boards will be confirmed. Some of the members will be private rather than public men. As a matter of fact, except for the Chairmen of the two Boards, they are considered to be private people who are paid only on a per diem basis and they maintain their present positions, responsible to a private constituency. That is true of every member of the Pay Board. He will represent industry. He will still be an executive in an important industrial firm. That is true of George Meany and Leonard Woodcock and other labor members. Their principal obligations are to their constituents. Under these circumstances, these private persons will be making decisions and they will not be confirmed by the Senate. To me, these decisions in private, secret meetings, certainly are not in the public interest.

I should point out and emphasize that my amendment does not call for the deliberations of the Board or Commission to be open to the public. Once these agencies have acquired the basic information through a public hearing or otherwise, they could sit in executive session to decide upon the proposed price or wage increase. My amendment would thus not interfere with the spirit of give and take needed to reach sound decisions. It simply requires that the parties requesting a price or wage increase make their arguments in public.

The situation of the Pay Board and Price Commission is somewhat similar to the situation of the Supreme Court. Arguments before the Supreme Court are made in public, while the Court itself reaches its decision on those arguments in executive session.

That is also similar to the way the Senate operates. We hold our hearings in public; we reach our decisions in executive sessions. My amendment would apply the same procedure to the Pay Board and the Price Commission.

Mr. President, I cannot think of any legitimate reason why a labor union or corporation would object to making its arguments for a wage or price increase in public, as long as we do not require the disclosure of trade secrets or other confidential information. If a company or union is still reluctant to present its case in public, then there must be something wrong with its case. Publicity is the best method for obtaining truth and rejecting falsehoods. Freedom of the press is vital to our democratic system.

I therefore urge the Senate to adopt my amendment, and I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield myself 5 minutes.

This seems to be a simple amendment at first blush, and we might think it was a good amendment and innocuous, but it is more far-reaching than it would be felt to be from the discussion of the Senator from Wisconsin.

Of course, nobody has any objections to open hearings, to formal hearings, but most of the consideration of these matters is going to be conducted in more or less casual meetings and conversations, and people coming in, sitting down, and talking things over. Under the pending amendment, all that would have to be in public. I should think that if some matter reached a formal hearing stage, it would be perfectly all right to hold that in public, but this amendment goes far beyond that and provides that every hearing, every talk, must be held in public, with one exception, and that is those in which it is known ahead of time, or is considered to be the case ahead of time, information considered confidential under section 205 of this title will be involved. Certainly it is wise to except that, but I do not think it is wise for all of the talks, all the private conversations, the informal talks or discussions, that are involved.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. It is certainly my intention, and the way I read this amendment, that at any time the Board feels that any kind of confidential information or that kind of a discussion is involved——

Mr. SPARKMAN. I realize that.

Mr. PROXMIRE. They can engage in a private meeting, but for the hearings, for example, when the Governor of West Virginia and labor and other representatives came before the Pay Board in the coal case. This was held in a private, secret session. It should have been held publicly. But there is no intention on the part of the Pay Board to hold these critical hearings in public.

Mr. SPARKMAN. The Senator's amendment says:

> Any hearing or other proceeding conducted by the President or his delegate for the purpose of hearing arguments or acquiring information bearing on a change or a proposed change . . . shall be open to the public except,

And the Senator then makes an exception on confidential information, and I mentioned that a few minutes ago. I think it is more than the Senator from Wisconsin intended. It is broader than what he has interpreted it in his discussion this morning. This provides for any proceeding to get information or anything else.

I do not believe the Senator from Wisconsin would want to put that rigid requirement in.

Mr. PROXMIRE. May I say to the chairman that I certainly would not consider a telephone conversation or a conversation between two or three officials to be a proceeding. I would consider, however, that if the parties involved in determining, for example, whether or not General Motors should have the 2.5-percent price increase they received, met in Mr. Grayson's office for the purpose of determining that, that ought to be in public, unless they can show there is confidential information involved.

Mr. SPARKMAN. But that is not what the Senator's amendment provides for. That may be his wish, but his amendment is much broader than that.

Mr. PROXMIRE. I point out to the Senator from Alabama that the term "proceeding" and its significance would be completely within the discretion of the executive branch to determine, and I assume they would delegate that to the chairman.

Mr. SPARKMAN. No, no. Listen to this:

> Any hearing or other proceeding conducted by the President or his delegate for the purpose of hearing arguments or acquiring information.

Now, that could be a single individual.

Mr. PROXMIRE. Well, it could be.

Mr. SPARKMAN. I do not believe the Senator from Wisconsin would insist upon that.

Mr. President, I yield the Senator from Texas such time as he may require.

Mr. TOWER. Mr. President, I would like to ask the distinguished Senator from Alabama, the chairman of the committee, did we not incorporate certain provisions of the Administrative Procedure Act in this legislation that is now before us, and is there not a public information provision contained therein, with which we have already had about 25 years' experience?

Mr. SPARKMAN. Yes, that is right.

Mr. PROXMIRE. Will the Senator yield on that point?

Mr. SPARKMAN. Just a minute. Let me answer the question.

The administration asked for a complete exemption from the Administrative Procedure Act, and we decided that there were parts—we recognized the need for expeditious action, but we did recognize the fact that there were various provisions in the Administrative Procedures Act that ought to be carried in this act for the protection of certain rights of individuals, and we wrote those in. The committee agreed to those features. We did write in a provision to protect confidential information, trade secrets, such as that; and we did write in a provision relating to public information. So I think we have covered the subject.

Mr. PROXMIRE. Will the Senator yield on that particular point?

Mr. SPARKMAN. I yield to the Senator from Texas such time as he may require.

Mr. TOWER. May I ask the further question—

The PRESIDENT pro tempore. How much time does the Senator yield?

Mr. SPARKMAN. Such time as the Senator from Texas may require, within an hour limit.

Mr. TOWER. Does it occur to the Senator from Alabama that if we accept this

requirement of open public hearings, the parties involved will have to be put on notice fixing the time when the hearings will be held, and, because for formal public hearings you have to give some advance notice and alert the parties, and perhaps alert any interested person, does it strike the Senator as being perhaps something of an inhibition or something that might be of inconvenience to all parties involved, to the extent that it slows down the process of resolving problems?

Mr. SPARKMAN. Yes, I surely agree with that. And, by the way, the Senator from Wisconsin referred to committee hearings. When we have some important matter coming before our committee, we give notice a week or 10 days ahead of time, through the CONGRESSIONAL RECORD, and make it known that a hearing will be held on that date; and we invite interested parties to participate. But it is remarkable how many times, even with that advance notice, parties who are deeply interested will come in and say, "We just cannot be there on that date; we insist that you set another date." And we remain in a condition of uncertainty. Not often do we have to change the date, because we give as much advance notice as we can of committee hearings, but it does not run with quite the informality or the ease and smoothness that the Senator from Wisconsin suggests. I can bear that out from my own experience in trying to arrange to keep a schedule for our committee that is regular and that can be observed.

Mr. TOWER. Is it not true that in adjudicatory proceedings much of what happens to resolve litigation does not happen in the open courtroom, in public, but happens in judges' chambers or in the lawyers' offices, or between and among the parties acting informally, and that the judicial process would be pretty well bogged down if that did not occur?

Mr. SPARKMAN. That is correct. The judge, perhaps before the trial of a case has started, and sometimes even during the trial, will recess the court and ask the opposing attorneys to join him in his chambers, and there they will discuss the matter.

That could not be done under this proposal. Anything that they set up for the purpose of getting information would have to be in the open.

Mr. PROXMIRE. Mr. President, that is not true. The manager of the bill simply has not read the last part of the amendment.

Mr. SPARKMAN. Yes, I have read it.

Mr. PROXMIRE. "A private hearing or other proceeding may be connected to receive information considered confidential."

Mr. SPARKMAN. Yes; "information considered confidential." But I am not talking about confidential information. I pointed that out when I first took the floor, that the Senator had made that exception down there relating only—and I stress that word "only"—to confidential information under section 205 of the bill.

There is a lot that goes on in the way of informal discussions, and that is what I am talking about. The Senator's amendment does not make room for those informal discussions if the purpose is to get information. That is what the amendment says.

Mr. PROXMIRE. Mr. President, the President has the authority and power to write regulations——

The PRESIDENT pro tempore. Who yields time, and to whom?

Mr. PROXMIRE. Well, they obviously do not want to talk about this.

Mr. SPARKMAN. I yield the floor at this point, and reserve the remainder of my time.

The PRESIDENT pro tempore. Who yields time?

Mr. PROXMIRE. Mr. President, I yield myself such time as I may require.

The President of the United States has the right, under this law, to write such regulations and requirements with respect to proceedings as he wishes. Furthermore, what the managers of the bill neglected to point out is that the Pay Board and the Price Commission are exempted in this bill from sections 554 and 557 of the Administrative Procedures Act and those are the sections relating to hearings.

The fact is that under the bill without my amendment they can conduct the same kind of private hearings they are conducting now. Now they are under the Administrative Procedures Act, and Judge Boldt has been holding hearings, and says he intends to continue to hold those hearings, privately, and does not intend under any circumstances to have reporters there and have the press cover the hearings—hearings that are of the greatest importance to the American public.

Mr. President, the managers of the bill also indicated that if hearings are held, it will be necessary to provide notice of a week or 10 days. There is no such requirement. They do not have to provide notice of more than a few hours, for that matter. If they want to provide notice, and if they can do so a few days in advance, there is nothing to prevent that, but there is nothing in this amendment to require that kind of notice.

It is really within the authority and responsibility of the President and his delegates to determine whatever kind of rules they want to, provided, of course, that they do their best to provide that hearings and proceedings are not confidential and will be held in public. They can define the hearings and proceedings.

Mr. SPARKMAN. Mr. President, will the Senator yield at that point?

Mr. PROXMIRE. Yes.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Alabama?

Mr. PROXMIRE. I yield to the Senator from Alabama.

Mr. SPARKMAN. I did not say these hearings would require—if the Senator will recall, he illustrated the term "hearings" by referring to committee hearings, and I told something about the procedures of the committee hearings and that it would require a degree of hearing. I did not say anything about a week, but we do try to give a week's notice of the committee hearings.

Mr. PROXMIRE. I also pointed to the analogy of the Supreme Court. They have public hearings. Lawyers appear in adverse proceedings before the Supreme Court. Then the Supreme Court can determine whatever rules they wish, which would be completely similar to the situation here. The Supreme Court determines whether or not they want to hear privately from the people involved. The Supreme Court then, of course, makes its decisions and has its consultations in private, as would be expected; but the actual proceedings before the Supreme Court are held in public.

It is my contention that the Pay Board and the Price Commission should abide by these rules, which both Congress and the Supreme Court have found are useful over many, many years, to provide the greatest possible public information.

I think this amendment is a limited amendment which provides a minimum of guarantee that the public will get some information.

The Senate unfortunately defeated the Nelson amendment the other day. I think there was a strong case for it, but there was a case against it, too, on the ground that it would require that a great deal of information be made available to the public which businesses would prefer not to have made available. This amendment does not suffer from that. In the event business has any information which the business would regard as confidential and the Board would support them in it—and I think this Board would be sympathetic to that—the hearings would be private.

But when you have a situation such as we have already had with respect to coal and are going to have with respect to a series of other proposals for substantial wage and price increases, under these circumstances, in most cases, it would seem to me, the country would be better served and the decisions would be far better, and certainly far better understood; and the vital ingredient of public confidence and public support, which is essential if this is going to operate, would be more likely if these hearings were held in public.

Mr. President, I reserve the remainder of my time.

The PRESIDENT pro tempore. Who yields time?

Mr. SPARKMAN. Mr. President, if the Senator from Wisconsin is ready to yield back the remainder of his time, we will join him.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent—having cleared this request with the distinguished Senator from Wisconsin (Mr. PROXMIRE), the distinguished assistant ranking Republican member of the committee, and with the distinguished manager of the bill—that on the amendment by the Senator from California (Mr. CRANSTON)—which will deal with wage and price controls with respect to the press and broadcast media—there be a limitation of 30 minutes, to be equally divided between and controlled by the

distinguished mover of the amendment and the distinguished manager of the bill that on any amendment in the second degree, motion, appeal, and point of order, with the exception of nondebatable motions, there be a limitation of 20 minutes, to be equally divided between the mover of such and the manager of the bill.

Mr. TOWER. Mr. President, reserving the right to object, the distinguished majority whip did indeed talk with me about it. Subsequent to his discussion with me, one of the Members on my side raised some questions about this time limitation. I was under the impression that it was 30 minutes per side, rather than 30 minutes total time, which is probably my mistake.

I wonder whether we might reserve getting a consent agreement on that for a few minutes. Ultimately, in the course of a short period of time, I am certain we will be able to agree on a time limitation. I would think, however, that we would prefer an hour—30 minutes to a side, rather than 15 minutes to a side. If the Senator will withhold that request for a few minutes, I will appreciate it.

Mr. BYRD of West Virginia. Mr. President, if the distinguished Senator would prefer, we could go ahead and get the time limitation of 1 hour now, to be equally divided, and then we could change it later, if need be.

Mr. TOWER. I will consent to 1 hour, with the understanding that, if I want an extension of time, it will not be viewed unfavorably by the Senator from West Virginia.

Mr. BYRD of West Virginia. Very well. Mr. President, I revise my request accordingly, but with the same provisos with respect to amendments in the second degree, motions, appeals, and points of order.

Mr. ERVIN. Mr. President, reserving the right to object—and I hope I will not have to object—I want to inquire of the distinguished Senator from West Virginia whether this is satisfactory with the author of the amendment, the Senator from California.

Mr. BYRD of West Virginia. I am advised that it is satisfactory with him.

Mr. ERVIN. I do not object.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and it is so ordered.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. BYRD of West Virginia. I yield.

Mr. TOWER. It is my understanding that this amendment will come up after the other amendments that are now pending—or at least are scheduled—have been disposed of.

Mr. BYRD of West Virginia. That would have to be the case under the previous agreements that have been entered into, unless by unanimous consent the amendment is inserted at some point in between. I am not sure just now as to whether or not Senator CRANSTON wants the amendment at the end or in between. But, as the able Senator from Texas has indicated, it would require unanimous consent to bring it in at some point before the end of the series.

Mr. TOWER. I thank the Senator.

The PRESIDENT pro tempore. Who yields time?

Mr. BYRD of West Virginia. Mr. President, will the distinguished manager of the bill kindly ask for a brief quorum call before he yields back his time?

Mr. PROXMIRE. Mr. President, may I suggest that we have a quorum call long enough so that we can get sufficient Senators on the floor to get the yeas and the nays on this amendment?

Is that all right with the acting majority leader?

Mr. BYRD of West Virginia. Yes.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged to either side.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. RIBICOFF). Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, let me briefly summarize what the amendment would do. It would provide that there be public hearings before the Pay Board and the Price Commission.

Let me read the amendment for the benefit of the Senate. It is brief, simple, and clear:

(d) Any hearing or other proceeding conducted by the President or his delegate for the purpose of hearing arguments or acquiring information bearing on a change or a proposed change in wages, salaries, prices, rents, interest rates, or corporate dividends or similar transfers shall be open to the public except that a private hearing or other proceeding may be conducted to receive information considered confidential under section 205 of this title.

Mr. President, it has not been made clear to us why the Chairman of the Pay Board has no intention to have public hearings. The hearings held before his Board are in closed session, in private. No transcript is kept. Minutes are kept, but they have not been made public, to the best of my knowledge. Perhaps in future meetings they will be made public.

Mr. PASTORE. I was wondering whether we could not have a modification of the amendment. The Senator uses the word "confidential." Could we not just say that where hearings would be in the public interest that they not be closed hearings? Let us put it that way, without using the word "confidential." What does the Senator mean by "confidential"? We should lay the groundwork here that there should be public hearings but there may be situations where in the public interest and in the discretion of the Board it would be advisable to have an informal private meeting.

Mr. PROXMIRE. I would be delighted to accept that language. We might even broaden it a bit to include informal conversations. The Senator from Alabama is concerned about the desirability of having private exchanges between the Pay Board and the various parties at interest. I would not object to that.

Mr. PASTORE. I think we should take care of that, and have it at the discretion of the board. If they did that, I could support the Senator's amendment.

Mr. BYRD of West Virginia. Will the Senator from Wisconsin yield briefly for, say, not to exceed 5 minutes, with the understanding that the Senator will not lose his right to the floor and that the time will not be charged against either side?

Mr. PROXMIRE. I would be happy to do that, but we are about on the verge of reaching an agreement on this amendment. If I could just proceed for a minute or two longer, I would appreciate it.

Mr. SPARKMAN. In connection with the suggestion of the Senator from Rhode Island, I pointed out awhile ago that it goes a little further than the way in which the amendment has been explained. Under the wording of this amendment, there could not be an informal discussion without a formal hearing. A moment ago we used the illustration that this would prohibit a judge in a civil court from inviting opposing groups to go into his chambers for discussions because the amendment says any proceeding to get information. Goodness knows, certainly they should not be required to have a public hearing just in order to discuss with the parties concerned the information they want. That would be just a simple matter of——

Mr. PROXMIRE. Yes, and furthermore, the amendment leaves it within the discretion of the executive to determine what a hearing and proceeding is——

Mr. SPARKMAN. Oh, no—no—if the Senator would——

Mr. PROXMIRE. I am delighted to change the language to comply with precisely what the Senator from Alabama suggests——

Mr. PASTORE. That is the way I understood it. We will leave the predicate that the public interest is involved and there should be public hearings. On the other hand, there may be some situations where the board deems it advisable to go the other way, and the board should be given that discretion. I understand that the Senator is willing to amend it. I cannot see anything wrong with it.

Mr. SPARKMAN. May I say that I had already suggested to the Senator from Wisconsin that there should be some way to change this to say that only the hearing, and it should be formal, will be open to the public; but I did point out that the Senator from Texas (Mr. TOWER) is vitally interested in this bill and the measures in it, and I certainly would not want to suggest anything unless it met with his full agreement.

Mr. TOWER. Mr. President, if the distinguished Chairman would yield, on page 9 of the bill, beginning with line 10, under section 207, which is entitled "Administrative Procedure," it says:

The agency shall, in regulations prescribed by it, establish appropriate procedures, including hearings where deemed advisable, for considering such requests for exceptions or exemptions.

So that is in the bill.

Mr. PROXMIRE. It does not say open hearings.

Mr. TOWER. We could say "including public hearings." I would have no objection.

Mr. SPARKMAN. Mr. President, how about amending it to say "open hearings" or "public hearings"?

Mr. PASTORE. Whatever we do, we should not leave anyone with the impression that we are shutting out the public.

Mr. PROXMIRE. That is exactly right.

Mr. TOWER. That is correct.

Mr. SPARKMAN. That is correct, but it goes too far.

Mr. PASTORE. That is true. That is the reason that I think we ought to do it.

Mr. PROXMIRE. Mr. President, perhaps we can have an informal discussion while the majority whip is discussing the other matter.

Mr. TOWER. Mr. President, is the Senator from Wisconsin discussing that we have an informal, nonpublic discussion?

Mr. PROXMIRE. Precisely.

EXECUTIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate go into executive session, and I ask unanimous consent that such session not last in excess of 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I have discussed the following unanimous consent request today with the distinguished assistant Republican leader and, last evening, with the distinguished Republican leader, and through the Senator from Oklahoma (Mr. HARRIS), the matter has also been cleared with the following Senators: Senators MUSKIE, HUMPHREY, MCGOVERN, HUGHES, PROXMIRE, NELSON, SYMINGTON, CRANSTON, MONDALE, TALMADGE, METCALF, and JACKSON.

I am authorized, therefore, by the distinguished majority leader to make the following unanimous consent requests.

ORDERS FOR RECESS TO 9 A.M.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—CONSIDERATION OF NOMINATION OF EARL L. BUTZ

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order on tomorrow morning, the Senate resume its consideration at that time of the nomination of the Honorable Earl Lauer Butz to the office of Secretary of Agriculture.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I ask unanimous consent that a vote occur on the confirmation of the nomination at 1 o'clock tomorrow afternoon; provided further, that the time for the debate on the confirmation be equally divided between and controlled by the distinguished Senator from Vermont (Mr. AIKEN) on the one side, and the distinguished Senator from Oklahoma (Mr. HARRIS) and/or the distinguished Senator from Iowa (Mr. HUGHES) on the other side; provided further, Mr. President, that when action is completed on the pending business in legislative session today, the so-called phase II aspects of the President's economic proposal, the Senate then proceed in executive session to consider the nomination of Mr. Butz, with the time under the control of the aforementioned Senators; all of this, Mr. President, to be conditioned on the completion of action today on the unfinished business. Otherwise, the unanimous consent agreement is to be vacated.

Mr. GRIFFIN. Mr. President, reserving the right to object—and I do not intend to object—but merely to indicate for the RECORD that I have discussed this proposed agreement with the distinguished minority leader, the Senator from Pennsylvania (Mr. SCOTT); and with the distinguished ranking minority Member, the Senator from Vermont (Mr. AIKEN); with the Senator from Iowa (Mr. MILLER); and with others on this side who I had reason to believe might want to be contacted. Therefore, there is no objection, and I do not intend to object.

Mr. AIKEN. Mr. President, I have no objection in mind, but as I was coming on the floor I heard the distinguished assistant majority leader mention a list of names. Would he tell us what those names represent?

Mr. BYRD of West Virginia. May I say, in response to the very distinguished Senator from Vermont, that I cleared this matter directly with the Senator from Oklahoma (Mr. HARRIS), who is one of the leading, if not the foremost, opponents—if I am to judge by press reports—to the nomination. He in turn had cleared this matter on his side with Senators, many of whom are in opposition. Therefore, I am authorized to say that the list has been cleared with the Senator from Oklahoma.

Mr. AIKEN. That was the list of names?

Mr. BYRD of West Virginia. That was the list of names which he gave to me.

Mr. AIKEN. Mr. President, I just came on the floor and the list of names was so impressive that I wanted to inquire about it.

Mr. HUGHES. Mr. President, reserving the right to object, I would like to ask the distinguished assistant majority leader if there is any assurance under this proposed agreement that we will have up to 8 hours of debate on the nomination. If we go to 8 or 10 o'clock tonight on the pending business, we may be limited to 4 hours.

It is my understanding with the Members on this side with whom I have discussed the matter that we would have 8 hours of debate on this subject. It is not our intention to delay the matter. There are many people who want to speak. And I am sure that there will be just as many or more on the other side that want to speak in favor of the confirmation of the nomination.

I did not feel that we could resolve this with less than 8 hours of debate, the time to be equally divided.

Mr. BYRD of West Virginia. Mr. President, the matter of 8 hours for debate of the nomination was discussed with the Senator from Oklahoma (Mr. HARRIS). In view of the fact that we are unable, at least at this time, to foresee precisely when the completion of the unfinished legislative business will occur, this is the best agreement we could get, under the circumstances.

I discussed it with the Senator from Oklahoma this morning. If we finish at 2, 3, or 4 o'clock today—or whatever hour—Senators may speak today for as long as they wish on the nomination.

The Senator from Oklahoma indicated to me that the 8-hour figure was not an ironclad figure. He and his supporters would like to have 8 hours, but if they cannot have quite that much time, he has indicated it will be agreeable. He felt that all the others on his side would likewise be agreeable.

This is the best proposal we can make at the moment, and it is conditioned upon the completion of the unfinished legislative business today. But it would at least assure the Senators of 4 hours of debate on tomorrow and some considerable time today.

Mr. GRIFFIN. Mr. President, while it is, of course, difficult to make any promises or commitments, having surveyed the situation on this side, I do not think we would use all the time that would be allocated to our side. And if there are some on the other side of the issue that want additional time, the chances will be very good that they could get it cleared from this side if they can see fit to go ahead with the agreement.

Mr. HUGHES. Mr. President, I have no objection to an agreement on time and no desire to delay it further if we can be assured of 4 hours to the side. However, if we take until 8 o'clock tonight to pass the current business of the Senate, we would only have 4 hours in the morning. I would hope the majority leader and the minority leader might see fit to propose a unanimous consent agreement to extend that time reasonably to allow us to continue the discussion on this side.

Mr. BYRD of West Virginia. Mr. President, I have discussed the matter with the Senator from Wisconsin (Mr. PROXMIRE), and while he is not in a position to indicate what time we could expect the completion of the legislative business today, I think I can say that he has indicated that he does not anticipate our going too late.

Mr. PROXMIRE. No, no. The only amendments except for the couple of amendments I have are amendments by the Senator from New York (Mr. JAVITS), which may or may not be called up, and an amendment by the Senator from California (Mr. CRANSTON), which will be limited to 1 hour.

Mr. BYRD of West Virginia. The joint leadership is willing to do everything in its power to assure the opponents of at

least 4 hours, if they need 4 hours in opposition to the nomination.

Mr. HUGHES. Mr. President, will the Senator yield further?

Mr. BYRD of West Virginia. I yield.

Mr. HUGHES. The Senator from Iowa is reassured with this colloquy this morning and I have no objection to the unanimous consent request.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. SPARKMAN. Unfortunately, I was in consultation in the rear of the Chamber.

Mr. TOWER. Nonpublic.

Mr. SPARKMAN. Nonpublic. And I did not hear the first part of the colloquy. I did sense that the Senator was reading off a list of names. Are those the ones that are going to be allowed to speak on this matter, or just what was the purpose of reading the names?

Mr. BYRD of West Virginia. This is a list of the names with whom the unanimous consent request has been cleared on the Democratic side of the aisle.

Mr. SPARKMAN. For what purpose? With reference to this 8 hours?

Mr. BYRD of West Virginia. The list has been cleared on both sides.

Mr. SPARKMAN. The Senator was not setting up the power of speechmaking?

Mr. BYRD of West Virginia. No.

Mr. SPARKMAN. I had this in mind. It may be a great many Senators would like to make brief talks. I do not know that but they should not be shut out.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. MAGNUSON. Is this on the Butz nomination?

Mr. BYRD of West Virginia. Yes.

Mr. MAGNUSON. Was my name included?

Mr. BYRD of West Virginia. The Senator's name was not included.

Mr. MAGNUSON. Well, put my name down.

Mr. SPARKMAN. That is not for speaking.

Mr. MAGNUSON. Not for speaking.

Mr. SPARKMAN. Agreeing on the 8 hours.

Mr. MAGNUSON. I have a small problem in Seattle that I want to talk on.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. McGEE. There is nothing in the agreement that precludes our putting our statements in the RECORD rather than using up the time, is there?

Mr. BYRD of West Virginia. No, not at all.

Mr. PASTORE. Mr. President, I wish to commend and congratulate the majority whip for the way he has been conducting the expedition of our business here so we can get out of here sine die. I hope we will not become picayune and nitpicking on some of these agreements.

Mr. SCOTT. Mr. President, I wish to echo that statement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD of West Virginia. I thank the able Senator from Rhode Island and the able Republican leader for their generous remarks.

Mr. SCOTT. Mr. President, who controls time? I would like to propound a unanimous-consent request.

The PRESIDING OFFICER. The Senator from West Virginia has 2 minutes remaining.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the time that has been consumed not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I yield the floor.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Alabama has the floor.

Mr. SPARKMAN. Mr. President, I yield to the Senator from Pennsylvania for 1 minute.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

SUBSTITUTION OF CONFEREE REVENUE ACT OF 1971

Mr. SCOTT. Mr. President, I ask unanimous consent that, in the conference now underway on the tax bill, the distinguished Senator from Iowa (Mr. MILLER) be substituted temporarily as a conferee for the remainder of this week in lieu of the distinguished Senator from Utah (Mr. BENNETT).

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971

The Senate resumed the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

Mr. PROXMIRE. Will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. During the colloquy we had an opportunity to work out a compromise which I understand may be acceptable to the managers. Let me read it as follows:

To the maximum extent possible, the President or his delegate shall conduct formal hearings for the purpose of hearing arguments or acquiring information bearing on a change or a proposed change in wages, salaries, prices, rents, interest rates or corporate dividends, or similar transfers, and such hearings shall be open to the public, except that a private formal hearing may be conducted to receive information considered confidential under section 205 of this title.

So reference to "other proceedings" is out.

As author of the amendment, I would make it a point that informal conversations, of course, are exempted from this, and that it be perfectly proper, and in many cases desirable, for the Board to have such informal conversations privately.

Mr. TOWER addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. TOWER. I ask unanimous consent that the call for the yeas and nays be vacated.

The PRESIDING OFFICER. Is there any objection? Without objection, it is so ordered.

Mr. TOWER. Then the Senator may make the amendment.

Mr. PROXMIRE. I will not object as long as both managers will agree to the amendment.

Mr. SPARKMAN. Yes.

Mr. TOWER. I make the request for the purpose of allowing a modification to the amendment.

Mr. PROXMIRE. As I understand it, as long as there is a time limitation on the amendment, I still must get unanimous consent.

The PRESIDING OFFICER. It will still take unanimous consent to modify the amendment.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may modify the amendment, and I send a written copy of the modified amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 9, after line 13, insert the following new subsection:

(d) To the maximum extent possible, the President or his delegate shall conduct formal hearings for the purpose of hearing arguments or acquiring information bearing on a change or a proposed change in wages, salaries, prices, rents, interest rates, or corporate dividends or similar transfers, and such hearings shall be open to the public except that a private formal hearing may be conducted to receive information considered confidential under section 205 of this title.

Mr. TOWER. Mr. President, who yields time?

Mr. SPARKMAN. I yield to the Senator from Texas such time as he may require.

Mr. TOWER. Mr. President, I find the modified amendment acceptable, and I think it accomplishes what the Senator from Wisconsin desires to accomplish. I would like to make a little legislative history here and note that it is not intended that we should formalize perhaps every one of these small cases, very minor cases. That would be time consuming and really not necessarily of great public impact.

Mr. PROXMIRE. That is right, but in the major cases—the coal case, for example, and the other big cases coming up—when the formal hearings are held, they should be public. The press should be admitted. It would be my view that it would be far better to have the press admitted.

Mr. TOWER. Subject to the confidentiality provision.

Mr. PROXMIRE. Exactly.

Mr. SPARKMAN. Mr. President, I am willing to yield back the remainder of my time.

Mr. PROXMIRE. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Wisconsin, as modified.

The amendment, as modified, was agreed to.

Mr. SPARKMAN. I move to reconsider the vote by which the amendment was agreed to.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 762

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Chair lays before the Senate amendment No. 762, which the clerk will state.

The second assistant legislative clerk read as follows:

On page 6, after line 4, add the following new subsection:

(g) The authority conferred on the President by this section shall not be exercised after April 30, 1972, to limit the level of any pay adjustment which applies to or affects employees of a State or local government or agency thereof, unless the President determines the amount of such pay adjustment is unreasonably inconsistent with the standards published under subsection (b).

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, this amendment exempts State and local employees from wage controls effective April 30, 1972. However, the President could revoke the exemption in a particular case if he found that a specific wage increase was unreasonably inconsistent with the general wage guidelines established by the Pay Board.

My amendment would thus give State and local governments the flexibility they need to operate efficiently while at the same time preserving the authority of the President to limit wage increases which substantially exceed the 5.5-percent wage guideline.

I have chosen to exempt State and local employees as of April 30, 1972, because that is the date the present law expires. As I indicated in my remarks on Monday, I do not believe the Senate should extend the legislation beyond April 30, 1972. If this position were to prevail, there would be no need to exempt State and local employees, since the entire subject of exemptions would be subject to review by the Congress at a later date when we had more experience with the program.

However, on Tuesday in rejecting the Harris amendment which would have provided for a more limited extension, the Senate made it clear that it prefers a 17-month extension of the Stabilization Act. This being the situation, I believe it is necessary to consider now the case for exempting State and local workers from the wage guidelines.

Mr. President, the inflationary pressures in our economy are not caused by State and local employees—rather they are a responsibility of large corporations and large labor unions. If we want to control inflation, we should zero in on the real causes without subjecting the entire economy to the heavy hand of Government regulation. As long as we are giving the President sweeping authority to control the economy for 17 months, we should legislate a specific timetable for withdrawing these controls.

I believe a good case can be made for exempting local and State employees at the earliest possible date. First of all, with very few exceptions, State and local employees do not have the right to strike. Moreover, many of the terms of employment and working conditions are set by law and are not subject to collective bargaining.

My State of Wisconsin was, as I recall, the first State in the Union to provide for collective bargaining for State employees, and that was only a very few years ago. The practice has become somewhat more common, but as a result, I think that all of us recognize that whether the employees are teachers, policemen, firemen, or hold other positions, by and large the State and local employees are not paid on a basis comparable with what is paid in private industry in most cases.

Collective bargaining, furthermore, as I say, does not apply to most State and local employees.

These include the hours of work, retention rights, grievance procedures and the like. Because of this, State and local employee unions are in no position to obtain exorbitant wage increases. In the few cases where this might occur, my amendment gives the President the authority to limit the amount of the wage increase to a level reasonably consistent with the wage guidelines.

Second, the taxpayers themselves exert a restraining influence on excessive wage increases for State and local employees.

The fact is that the Pay Board has exempted Federal employees and has left the regulation of their pay entirely to the President and Congress, because the board feels that the President and Congress will exert the discipline necessary to keep Federal employees' wages in line.

I submit that the pressure is far greater on Governors and on mayors to hold the line on pay increases than it is on the Federal Government. The revenue of the Federal Government is more substantial, and the capacity of the Federal Government to borrow is virtually unlimited, whereas the State and local governments are in an extraordinarily difficult position in the great majority of cases.

A large and powerful corporation can afford to pay an inflationary wage increase because of its ability to pass on the higher costs to the public in the form of higher prices. State and local officeholders do not have this same flexibility. They cannot raise taxes with impunity if they expect to be reelected. State and local governments therefore have a more compelling incentive to hold down inflationary wage increases.

Third, controls on State and local wage increases are unjustified because of the low wages earned by most State and local employees. Hospital workers and teachers have been traditionally underpaid. Policemen and firemen are not receiving adequate pay considering their important responsibilities. State and local employees have generally lagged behind the private sector in terms of pay. This pay gap would be widened if the wage guidelines were rigidly applied to State and local workers.

Fourth, Federal control over State and local pay violates the right of State and local governments to make their own pay determinations. In many cases, a State legislature or city council has authorized a pay increase after considering all of the complex factors involved. Why should a Federal appointed official be permitted to overrule the decisions of local officials who are elected by the people?

Their pay is lagging far, far behind. The pay increase has been the subject of arbitration by a very competent university group in the State of Wisconsin, and the decision of that group is likely to provide for substantial increases, but they are merited and, I think, deserved.

For that group to have to come to the Pay Board in Washington under present circumstances to get the kind of equity which they should have would be very difficult, and it would be most unlikely that they could get relief. Under my amendment, I think they would be in a much stronger position, and there is every likelihood, in view of the equity behind their needs and demands, so the decision likely to be made by the arbitration group could be that the employees would be given the kind of increase which they deserve.

I think it is an indication of almost grotesque arrogance on the part of Federal officials to act as they have acted to exempt Federal employees on the ground that Congress will control them, but not to exempt State and local employees on the ground that State and city officials elected by the people will not provide adequate discipline.

A continuation of Federal control over State and local pay will seriously weaken the division of power inherent in our Federal system. For example, can the Pay Board summon the mayor of a large city and require him to justify a pay increase for local employees? Can the members of a State legislature be called before the Pay Board and asked to explain why they voted for a pay increase for State employees?

Fifth, Federal control could actually weaken the incentive of State and local officials to hold down wage costs. The Pay Board can become a convenient scapegoat for mayors or governors who do not want to take the responsibility for turning down a requested wage increase. It might be easier and politically more expedient to agree to the demands and shift the blame to the Pay Board for rejecting the increase. Local responsibility is thus eroded and the goals of the anti-inflationary program would be frustrated.

I think that many people will resist the idea behind my amendment on the ground that it could be inflationary, inasmuch as the higher salaries for State and local workers would result in greater

demand on the economy. If there is one element that does not contribute to the kind of inflation we have it is increased demand. Five million people are out of work in this country, and 25 percent of our plant capacity is idle. We need more demand. More demand will not result in higher prices; it will result in more employment. The problem is that higher wages in the concentrated industrial sector drive prices up. This is largely responsible for the inflation that we are suffering.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. PROXMIRE. Mr. President, I yield myself an additional 5 minutes.

Wage increases make the employers popular with their employees. So to provide pay increases is something that employers would like to do, provided they can pass along the increases by means of price increases. As we know, this is exactly what has been happening.

But that does not happen in the case of State and local officials because of the very great pressure to hold down taxes of which so many Senators are aware because of their own service in State or local offices. There is very great pressure on State and local elected officials to hold down taxes.

Without this amendment local responsibility would be eroded, and the goals of the anti-inflationary program would be frustrated.

There is adequate precedent for exempting State and local employees from wage controls. Such an exemption was provided by the War Labor Board in World War II. Only during its first few weeks of operation, from November 12 to December 26, 1942, did the Board require State and local governments to certify that any wage increases were necessary to correct maladjustments or to correct inequalities or gross inequities.

In World War II, the freeze on State and local employees was in effect for only 6 weeks. That requirement was lifted on December 26, 1942, because, in the Board's view, "statutory budgetary controls are operating to keep salary and wage movements of State and local agencies within very narrow bounds."

Mr. President, with the experience that we had in World War II, when we had the colossal pressure of a great shortage of manpower, a great need for people to perform State and local services, and of course incomes generally rising greatly because of overtime, and so forth, even under those circumstances, when we had far greater pressure on the economy, it was found wise to exempt State and local employees from wage controls. We did it last time. The language I have just quoted comes from a ruling of the Board issued on December 26, 1942. Thereafter, State and local governments were not required to certify their wage increases to the Board, and as a matter of fact my amendment would still cover State and local employees to the extent that the President finds that any increase for them is unreasonable and inconsistent with the guidelines. So my amendment would provide greater coverage now, under far less stringent circumstances, as far as the national economy is concerned, than we had in World War II.

Likewise, during the Korean war, the Wage Stabilization Board provided that State and local employees whose wages were set by law could receive wage increases without prior authorization. The Board did reserve the right to review such increases, and to revoke or modify them if it was necessary. In fact, the Board had no occasion to take such action.

Similar flexibility to act in individual cases would be provided by my amendment. So there is clear precedent in World War II and the Korean experience.

Mr. President, my amendment would in no way weaken the fight against inflation. Rather, it would restore more equity to the program, and give State and local governments the flexibility to deal with their own problems. There are more than 82,000 State and local governments in the United States. They employ over 10 million people. These are not the people who are causing inflation. They are the ones looking to Congress, and specifically to the Senate, to achieve fairness——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PROXMIRE. I yield myself an additional minute. I hope that the Senate will not disappoint those 10 million workers and their families. We owe it to the schoolteachers, to the policemen, to the firemen, to the hospital and health workers, and to other hard-working and underpaid public servants to exempt them from wage controls as soon as possible. As I say, the case is overwhelming. They were exempted in World War II, and they were exempted in the Korean war. They would not contribute to inflation, because they are under the kind of controls I have indicated. I hope my amendment will be adopted.

Mr. President, I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield the Senator from Texas such time as he may require.

Mr. TOWER. Mr. President, there is no justification for special exemptions to be made statutorily to the wage-price program. The Senator from Wisconsin insisted on language in the bill which calls for "comparable sacrifices" by all segments of the economy, and the committee agreed with him in requiring this standard to be observed by the administration. And yet the Senator from Wisconsin now apparently feels that State and local government employees should receive special consideration, and make less than a "comparable sacrifice" as compared with other economic sectors.

Now I do not wish to deny the employees of State and local governments any raises which the people of their respective States may feel are due them. However, I do not believe it is fair to other employee groups to single out one particular group for exemption, even if that exemption can be overriden by raises which are "unreasonably inconsistent" with phase II pay standards. Hence, I believe that State and local government employees should be subject to the same standards as other employee groups.

I would like to clarify that as regards retroactive pay for State and local government employees, I have supported retroactivity for scheduled raises caught by the freeze, where the arrangements for financing of the raise had already been made, such as by tax increases, appropriations, or anticipatory price increases. This condition on retroactivity would keep retroactive wage increases from causing further cost-of-living increases, and because most State and local governments had already taken the financial steps necessary to fund their scheduled pay raises, these employees would by and large receive retroactive increases.

However, as regards the future of wage increases, I believe that State and local government employees should be covered by the same limitations that apply to everyone else; otherwise we are simply discriminating unfairly against other employee groups, who are, of course, according to the guidelines, going to be held to 5.5-percent increases.

Mr. President, I should point out that phase II is actually a program of decontrols. It is the thaw after the freeze, and although the authority extends into April of 1973, it is not anticipated that the authority will be used for that length of time. So we are only talking about a temporary situation here. This is not anything permanent; it is only temporary, and I think it can be anticipated that this would not work an inconvenience on State and local employees for a period in excess of a year or so.

I think that we should not here statutorily exempt this particular group. If we do, we invite others to come in with special exemptions for other groups who may feel they are being inequitably treated, or should be afforded some kind of preferential treatment.

Mr. PROXMIRE. Mr. President, will the Senator yield on that last point?

Mr. TOWER. On the Senator's own time.

Mr. PROXMIRE. I yield myself 5 minutes.

I ask the Senator from Texas if it is not true that, by administrative decision, Federal employees have been exempted and their salaries have been left to the discretion of the President and Congress. In view of that, why would it be objectionable for us to exempt State and local employees, and leave it to the Governors and the State legislatures? They are as responsible as we are.

Mr. TOWER. Mr. President, it is my understanding that Federal employees are limited to the guidelines. Is that not the understanding of the Senator from Alabama?

Mr. SPARKMAN. I think that is right; and if I may say this, while technically the Senator may be right, that the entitlement to any pay increase is up to the President and Congress, it is really a little more involved than that. There is a law on the statute books that sets down a certain formula under which, if it is efficient, if the cost-of-living reaches a certain level, then some kind of a commission, probably the comparable pay commission, reports that fact to the President, I believe it is twice a year, January 1 and July 1; I am not sure those dates are correct but I believe they are.

If the President then thinks that there ought to be an increase, he recommends that increase to Congress, and sets the degree or the amount of the increase.

Then Congress has the right to veto that action, or to approve it.

Mr. PROXMIRE. Now, may I ask——

Mr. SPARKMAN. All of that has to take place before the raise goes into effect.

Mr. PROXMIRE. That is correct. Now——

Mr. SPARKMAN. So while it is automatic, it is a rather complicated and complex process, which has already been prescribed by law.

Mr. PROXMIRE. Well, now, why in the world should not that exact process be established in the States? Why should not the Governor of the State recommend to the State legislature—we know what great pressures they are under to hold their expenditures down, and to hold their pay down; far greater pressures than Congress is under.

Furthermore, there is a further safeguard. I have a safeguard here that provides, in the last clause of the amendment:

unless the President determines the amount of such pay adjustment is unreasonably inconsistent with the standards published under subsection (b).

That means that there cannot be any extraordinary, excessive increase; but we give great flexibility to Governors and State legislatures, as we did in World War II and the Korean war.

Mr. SPARKMAN. I noted that exception. Frankly, it seems to me that under the law as the bill is drawn, the State and local employees can reasonably expect an increase of 5½ percent whenever the proper officials in charge say that they are entitled to it. That is the guideline that has been set by the Board already.

I do not know just what the answer is to the question that has been put to me at times: "What is unreasonably inconsistent?" I would say that anything not exceeding 5½ percent would be consistent.

Mr. PROXMIRE. In the coal case, they found 16.8 percent to be not unreasonably inconsistent.

Mr. SPARKMAN. I know, and I think that is unreasonably inconsistent. What would 5.7 percent be? I do not know. But I believe that under the guidelines as they now exist, State and local employees could get a raise of 5.5 percent if the proper officials or the legislature—whoever it might be—saw fit to give them that raise, and it would be within the guidelines. I do not know when this unreasonable inconsistency takes hold. I should think that very soon after you pass that 5.5 percent, the interpretation of the Board will be that it grabs hold.

Mr. PROXMIRE. Suppose there is a situation in the city of Birmingham where the police are paid far too little, and at long last the city council decides that it is going to increase their pay by 20 percent. We have just that kind of situation in a city in my State.

Suppose, under those circumstances, the city council has it arbitrated by competent university people and decides that 20 percent is fair. Under those circumstances, under my amendment, they would be free to go ahead.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. I yield myself 5 additional minutes.

Under those circumstances, with my amendment, they would be free to go ahead, and the President could decide later—the Board could decide—that this is unreasonably inconsistent.

On the other hand, without the amendment, it would mean that they would be in the position of having to increase the pay only 5.5 percent. They probably would have to wait for many months, come before the Board——

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SPARKMAN. Remember, the Senator has said that they have lagged far behind and they want to catch up. The Senator knows that the Wage Board does have a provision whereby catchup can be allowed even in excess of 5.5 percent.

Mr. TOWER. This is true in the coal case.

Mr. PROXMIRE. When Judge Boldt was before our committee, he said there was no catchup proceeding in that case. There may have been in other cases.

Mr. SPARKMAN. There have been cases in which there have been catchup.

Mr. PROXMIRE. My argument is that in this case, the police organization of Birmingham would have to go through this long procedure of waiting for Federal approval.

Mr. SPARKMAN. I wish the Senator would use some other city. I think he will find the police of Birmingham adequately taken care of.

Mr. PROXMIRE. The police in Milwaukee are not.

Mr. SPARKMAN. Their salaries are in good shape down there.

Mr. TOWER. I think the Senator is assuming that the Pay Board is going to arbitrarily deny any increase over 5.5 percent. This is not necessarily true.

Mr. PROXMIRE. I am not asking that in view of their record.

Mr. TOWER. In view of their record, it should obviate the necessity for the Senator's amendment.

Mr. PROXMIRE. I am saying that we are creating a monster. We have a situation in which we have a pay board that is going to be responsible for the pay of 80 million workers in this country. I am saying that it is unnecessary to include the 10 million people who work for State and local governments because they are under inadequate discipline. We found that in the past—in World War II and in the Korean war—and all of us who have observed State and local workers know it is true. How many people feel that any substantial group of State and local workers is overpaid? There may be some somewhere. Most teachers are not. Most firemen, policemen, sanitation workers, and hospital workers are not.

We know that here is where we have a very serious injustice, and without my amendment this bill is going to prolong that injustice, and for no purpose; because when their pay is increased, it is not inflationary. The pressures to hold down taxes are very great on State and local governments. We know the survival period for a Governor is far shorter than for a Senator or a Representative.

Furthermore, it just ties up in redtape the kind of wage increases which are justifiable and which would be granted by State and local governments only in the event that those elected officials decided could be justified. The State and local officials are just as patriotic as Members of Congress. They are just as anxious to have the anti-inflation program of the President succeed.

I cannot imagine that any significant number of State and local officials are going to be anxious to bust the guidelines when they have both the policies of our Federal Government, the President of the United States, on the one hand, and the great pressure from their local taxpayers on the other.

Mr. President, I think that a matter of State's rights is involved here. We are very conscious and proud of the power and authority of the United States; but I think we also should recognize that the State and local governments have their rights. In past experiences of this kind, we delegated to the State and local governments this authority, and I think it is only proper that we give them the right to determine the pay of their employees under present circumstances, when no case has been made that it would be inflationary if we do not do this.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. I yield to the Senator from Texas such time as he may desire.

Mr. TOWER. Mr. President, I am moved by the States' rights argument that has been made by the distinguished Senator from Wisconsin.

Philosophically, I have always been a particularist rather than a nationalist. I might note that I had four great grandfathers who were part of the "thin gray line," who risked their lives in defense of the concept of States' rights. I am a firm believer in States' rights. I am a firm believer in relinquishing sources of revenue to the States that we preempted from them. I am in favor of the devolution of every possible governmental authority and every possible aspect of the decision making process to State and local government.

But we must recognize that we have a problem that is national in scope and requires the application of uniform procedures to bring this problem under control—the problem being the dual problem of spiraling inflation and a sluggish economy. We cannot then, therefore, leave it to any individual component part of our society or our body politic to make its own determination about what is good or bad for the economy, any more than we can leave it to any individual citizen to determine for himself what he wants to contribute in the way of tax dollars or the extent to which we should defend the country or formulate foreign policy.

Certain powers are necessary concomitants of nationality, and one of those powers is the power to intervene in the economy within the confines of the constitutional legislative process. We have conferred on the executive branch a power which apparently is consistent with the Constitution. It has not been declared to be inconsistent. If we are to

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succeed in trying to resolve the economic problem that confronts the United States, we must make the application of the remedy universal. We cannot, then, therefore, leave it to the individual States to determine what is reasonable or what is consistent with our objective. I think we cannot, then, therefore, statutorily exempt State and local governments from the effects of this act. I think that other entities than State and local governments can come in and make a good case for being exempted from the provisions of this act.

What we are doing is harsh and I do not pretend that it is not. It is an application of governmental power that I dislike. Actually, philosophically, it rubs me the wrong way, but there are times when we have to be a little less idealistic and a little more pragmatic in an effort to resolve a problem. If it is temporarily harsh, we must make up our minds, and we must "bite the bullets" and resort to those measures so that, in the long run, individual liberty and freedom of choice will be preserved and we will not be wallowing in economic anarchy.

Mr. PROXMIRE. Mr. President, the Senator from Texas makes a very good argument. At first it seems that he is completely in favor of my amendment. He favors the devolution of governmental power as it applies to State and local authority. Then he says, however, that there are times—not that we should rise above principle—but when we have to be less idealistic and more realistic.

What is the purpose that is served by keeping 10 million State and local workers under this restriction, under the economic argument that they are responsible for inflation? Does anyone pretend—any economist anywhere, or in any document, has it ever been shown that because of the increase in school teachers' pay, or because of the increase in a policeman's pay, that is the reason we have the kind of inflation we suffer from today?

The fact is, in World War II, we had a practical situation and we made a practical decision and, further, we found that there was pressure on State and local governments to hold down wages, and they did. There is much greater pressure, I might say, today. In World War II, at least in Wisconsin, they began to have a big surplus. They could not spend the money. The revenues increased but there were many things they could not do—they could not engage in capital improvements, for one. As a result, they had enough money so that they could give pay increases, but they chose not to do that. In the same way here, there is no question they will choose not to do it because there is far greater pressure on them not to do it.

This amendment does not take out from under Federal discipline State and local workers. It provides a savings clause that, if there is an increase in pay that is accepted that is far above the guidelines, then the President will still have the authority to act to invalidate that increase.

Furthermore, this does not remove State and local workers now. It does not remove them next month. It does not remove them in February, or in March, or in April. They are not removed until May. So this is a gradual phasing out of the program. Almost all Senators would agree that we should get rid of these controls as soon as we can. I think in this legislation we should indicate our earnest, our intention, and or determination to phase out the program. If we refuse to phase out this group that has a strong case for exemption then it seems to me it would be hard to imagine circumstances under which these controls should be ended.

All the studies I have seen show that the ending of controls is a difficult process. It is easy to get in. It is popular when it is started, but it is very hard to let go.

What this amendment would do would mean that Congress would recognize that we want to eliminate controls—not right away. But 5 months from now. And, furthermore, it would provide the safeguards that the President can always come back and ask Congress that State and local workers should be included. Furthermore, without doing that, if the increase is inconsistent and is too high, the President will interpret this language—it is general language—and then he can determine, if he wishes to do so, that an increase is wrong and should be invalidated and cancelled. So it seems to me that this amendment certainly is merited on the basis of our experience. It is merited on the basis of the economic facts of life, and it is merited based on the eloquent argument which the Senator from Texas (Mr. TOWER) made in favor of States rights.

I think we can comply with his fine plea to provide as much authority to State and local governments and, at the same time, be practical, indeed.

How practical is it to expect three thousand IRS agents to enforce this law that governs 80 million workers, that provides for restrictions on something like 10 million firms and individuals. We know that it cannot be done. So that Congress should start, on an orderly basis, to phase out that part of the economy where we know there is discipline and reason and principle to do so. I cannot think of a better area to start this kind of phaseout than with State and local workers.

Mr. President, I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from Alabama is recognized for 3 minutes.

Mr. SPARKMAN. Mr. President, reference has been made to the fact that State and local employees were exempted during World War II and during the Korean war. I think I am correct in saying that they were not statutorily——

Mr. PROXMIRE. That is exactly my point. They were not. They were exempted.

Mr. SPARKMAN. They were not, that is right. The Board exempted them——

Mr. PROXMIRE. That is right.

Mr. SPARKMAN. And the Board today has exactly the same right that the Board had during those two wars. It can exempt them if they see fit. If all the things are true that the Senator from Wisconsin sets forth, I dare say that the Board will exempt them within a reasonable time, but I do not believe that we should come here and, just by statute, say that they are completely exempt. As a matter of fact, under the bill, they are entitled to pay raises of as much as 5½ percent, any time those who have the responsibility for setting the pay rate will give them that much of a raise. It is entirely possible that they could get even more than that, if they can show the Board that they have good cause.

Mr. TOWER. But the 5.5 percent is not an absolute ceiling.

Mr. SPARKMAN. Not at all. That has been made clear time after time. It is a guideline and anyone is reasonably safe under that 5.5 percent—up to that point. But if they want to go above, then they have to show good cause. That is true.

Now, Mr. President, I do not care to say any more. I am glad to yield back my time any time the Senator from Wisconsin is willing to yield back his time.

Mr. PROXMIRE. Mr. President, I am not quite ready to do that. I want to reply to the comments of the distinguished manager of the bill. He just said that the Board exempted State and local workers in World War II—after only 5 weeks of a freeze on their wages. That is exactly what I said in my speech. I said that the Board can do that now.

If everything I say is correct—and it has not been contradicted—at least most of it has not been—the Board should do it today. Why can we not make the decision? What are we elected to do? Why should we delegate this decision to 22 people who are not elected—they are private persons? Why can Congress not make this kind of decision? Why should we not make this kind of decision? We are not elected to pass on to the President all of the authority and all of the power over the economy. A strong case can be made that the President should have decisions on military and foreign policy and other delicate negotiations that work out better with the President dealing for the whole of the country. But with respect to our economy, this is a power and authority that we should husband and keep as much as we can.

Here is a decision where the case is overwhelmingly clear. Every Senator must know that State and local workers are not responsible for the inflation we suffer and that they are under a tight discipline because of the holddown on local taxes. We should be able to make this decision. We should not rely upon a board of private citizens to decide the matter when and if they ever get around to doing it.

We have had a freeze since August 15, for 3½ months. In World War II, they were under a freeze for less than 1½ months. The freeze can go on for a long time even under my amendment. They would continue under Federal control until next April 30. They would be under it for 7½ months. Only then would State and local workers be taken out.

So, Mr. President, this is a very moderate approach.

Mr. President, if the manager of the bill is ready to yield back the remainder of his time, I am also willing to yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

MR. PROXMIRE. Mr. President, before yielding back the remainder of my time, I suggest the absence of a quorum on my time so that we can get the yeas and nays on the amendment.

The PRESIDING OFFICER (Mr. ALLEN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

Mr. SPARKMAN. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Wisconsin (Mr. PROXMIRE). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Alaska (Mr. GRAVEL) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Indiana (Mr. BAYH) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The result was announced—yeas 35, nays 56, as follows:

[No. 419 Leg.]

YEAS—35

Bible	Humphrey	Pastore
Burdick	Inouye	Pell
Byrd, W. Va.	Jackson	Proxmire
Cannon	Jordan, N.C.	Randolph
Cranston	Long	Ribicoff
Eagleton	Magnuson	Schweiker
Ellender	Mansfield	Stevens
Ervin	McGee	Symington
Fulbright	Metcalf	Talmadge
Harris	Mondale	Tunney
Hart	Montoya	Williams
Hughes	Nelson	

NAYS—56

Aiken	Cook	Hruska
Allen	Cooper	Javits
Allott	Cotton	Jordan, Idaho
Anderson	Curtis	Kennedy
Baker	Dole	Mathias
Beall	Dominick	McClellan
Bellmon	Eastland	McIntyre
Bentsen	Fannin	Miller
Boggs	Fong	Moss
Brock	Goldwater	Muskie
Brooke	Griffin	Packwood
Buckley	Gurney	Pearson
Byrd, Va.	Hansen	Percy
Case	Hatfield	Roth
Church	Hollings	Scott
Smith	Stennis	Tower
Sparkman	Stevenson	Weicker
Spong	Taft	Young
Stafford	Thurmond	

NOT VOTING—9

Bayh	Gambrell	McGovern
Bennett	Gravel	Mundt
Chiles	Hartke	Saxbe

So Mr. PROXMIRE's amendment (No. 762) was rejected.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Pursuant to previous order, amendment No. 769 by the distinguished Senator from New York (Mr. JAVITS) is to be made the pending business if it is the wish of the Senator from New York.

Mr. JAVITS. Mr. President, I send a modified amendment to the desk and ask unanimous consent that it may be considered in lieu of No. 769.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered. Without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the bill insert the following new section:

SEC. 3 (a) (1) It is the policy of the United States to promote efficient production, marketing, distribution, and use of goods and services in the private sector, and improve the morale of the American worker, all of which are essential to a prosperous and secure free world, and to achieve the objectives of national economic policy.

(2) The Congress finds that the persistence of inflationary pressures, and of a high rate of unemployment, the underutilization and obsolescence of production facilities, and the inadequacy of productivity are damaging to the effort to stabilize the economy.

(3) The Congress, therefore, finds a national need to increase economic productivity which depends on the effectiveness of management, the investment of capital for research, development, and advanced technology and on the training and motivation of the American worker.

(4) The Congress further finds that at a time when economic stabilization programs require price-wage restraints, management and labor have a strong mutual interest in containing "cost-push" inflation and increasing output per man-hour so that real wages may increase without causing increased prices and that, without in any way infringing on the rights of management or labor, machinery should be provided for translating this mutuality of interest into voluntary action.

(b) It shall be the objective of the President's National Commission on Productivity—

(1) to enlist the cooperation of labor, management, and State and local governments, in a manner calculated to foster and promote increased productivity through free competitive enterprise toward the implementation of the national policy declared in the Employment Act of 1946 to create and maintain "conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power";

(2) to promote the maintenance and improvement of worker motivation and to enlist community interest in increasing productivity and reducing waste;

(3) to promote the more effective use of labor and management personnel in the interest of increased productivity;

(4) to promote sound wage and price policies in the public interest, and to seek to accomplish that objective within a climate of cooperation and understanding between labor, management, and the public, and within a framework of peaceful labor-management relations and free and responsible collective bargaining;

(5) to promote policies designed to insure that United States products are competitive in domestic and world markets;

(6) to develop programs to deal with the social and economic problems of employees adversely affected by automation or other technological change or the relocation of industries.

(c) (1) It shall be the duty and function of the Commission, in order to achieve the objectives set forth in subsection (b) of this section, to encourage and assist in the organization and the work of labor-management-public committees and similar groups on a plant, community, regional, and industry basis. Such assistance shall include aid:

(A) in the development of apprenticeship, training, retraining, and other programs for employee and management education for development of greater upgraded and more diversified skills;

(B) in the formulation of programs designed to reduce waste and absenteeism and to improve employee safety and health;

(C) in the revision of building codes and other local ordinances and laws, in order to keep them continuously responsive to current economic conditions;

(D) in planning for provision of adequate transportation for employees;

(E) in the exploration of means to expand exports of the products of United States industry;

(F) in the development, initiation, and expansion of employee incentive compensation, profit-sharing and stockownership systems and other production incentive programs;

(G) in the dissemination of technical information and other material to publicize its work and objectives;

(H) to encourage studies of techniques and programs similar to those in paragraphs (A) to (H) of this subsection, as they are applied in foreign countries; and

(I) in the dissemination of information and analyses concerning the economic opportunities and outlook in various regions and communities, and of information on industrial techniques designed for the increase of productivity.

(2) The Commission shall transmit to the President and to the Congress not later than March 1 of each year an annual report of its previous year's activities under this Act.

(3) The Commission shall perform such other functions, consistent with the foregoing, as it determines to be appropriate and necessary to achieve the objectives set forth in subsection (b) of this section.

(d) (1) In exercising its duties and functions under this Act—

(A) the Commission may consult with such representatives of industry, labor, agriculture, consumers, State and local governments, and other groups, organizations, and individuals as it deems advisable to insure the participation of such interested parties;

(B) the Commission hall, to the extent possible, use the services, facilities, and information (including statistical information) of other Government agencies as the President may direct as well as of private agencies and professional experts in order that duplication of effort and expense may be avoided ;

(C) the Commission shall coordinate such services and facilities referred to in subsection (B) above in order to supply technical and administrative assistance to labor-man-

agement-public committees and similar groups referred to in subsection (c)(1);

(D) the Commission shall establish the regional offices and such local offices as it deems necessary;

(E) the Commission shall hold regional and industrywide conferences to formulate ideas and programs for the fulfillment of the objectives set forth in subsection (C);

(F) the Commission may formulate model programs to ameliorate the effects of unemployment caused by technological progress;

(G) the Commission may furnish assistance to parties in collective bargaining entering into collective bargaining agreements; and

(H) the Commission may review collective bargaining agreements already in effect or those being negotiated to ascertain their effects on productivity; and it may have the power to make recommendations with respect to the agreements made or about to be made in specific industries.

(2) The Commission may accept gifts or bequests, either for carrying out specific programs which it deems desirable or for its general activities.

(e)(1) The Executive Director of the Commission shall be the principal executive officer of the Commission in carrying out the objectives, functions, duties and powers of the Commission described in Sections 3(b) through 3(d) above.

(2) The Executive Director of the Commission, with the approval of the Chairman of the Commission, is authorized to employ, and fix the compensation of, such specialists and other experts as may be necessary for carrying out its functions under this Act, with regard to the provision of Title 5, United States Code, governing appointments in the competitive service, and with regard to Chapter 51 and Subchapter III of Chapter 53 of such title relating to classification and General Schedule pay rates, and is authorized, subject to such provision, to employ such other officers and employees as may be necessary for carrying out its functions under this Act and fix their compensation in accordance with the provisions of such Chapter 51 and Subchapter II of Chapter 53.

(f) There are hereby authorized to be appropriated the sum of $10,000,000 to carry out the purposes of this section during the period ending April 30, 1973.

Mr. JAVITS. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The time on the amendment is controlled, the 2 hours to be equally divided between the Senator from New York and the manager of the bill.

Mr. JAVITS. Mr. President, if Senators would give me just 2 minutes of their time, I can explain this amendment and then Senators will be in a position to vote with a more intelligent appraisal of the situation than otherwise.

This amendment seeks to give authority to the President's Commission on Productivity—and there is one, and I will give the details—composed of 27 members, made up of men from business, labor, and the public. It is a very distinctive commission.

The amendment proposes to give them the authority to seek greater productivity through many of the techniques which were successfully employed in World War II by exactly the same kind of means—through local and plant management, labor, and productivity councils. That is exactly what we did in World War II.

The concept which I have is supported by Arthur Burns, who is Chairman of the Federal Reserve Board, and I have his letter, which expresses the experience of World War II, when we were successful. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHAIRMAN OF THE BOARD OF GOVERNORS,
FEDERAL RESERVE SYSTEM,
Washington, D.C., February 18, 1971.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR JACK: I'm writing in response to your request for comments on your bill to establish a National Productivity Council. You mentioned that even though you introduced it in 1963 it seems up to date in many respects. I would say the proposal is even more timely now. The need for increasing productivity is more pressing, and the prospects of achieving it through local councils seem better.

Management and labor face a common problem today. Demand for goods is weak. Consumers, concerned over the continued increases in living costs, are cautious about spending. This is a typical reaction to inflation of the kind we have been experiencing. As a result, production has fallen and unemployment has increased. This is not a situation in which aggregate demand must be curbed to stop a demand-pull inflation. We have passed that stage. Now we have to find a way to bring a lingering cost-push inflation under control to clear the way for a resumption in consumer spending, which will bring it more efficient use of our resources.

Continued wage increases in excess of productivity gains will only mean continued price rises and continued unemployment. Yet workers will not be satisfied for long with paychecks that shrink in buying power. A major part of the solution, of course, is to find ways to increase productivity so that profits and wages both can rise as inflation subsides.

During World War II labor-management committees were established in thousands of war plants as a means of getting maximum production out of resources that were fully utilized. The program worked, because management and labor shared a common interest in solving a problem of paramount importance to the country. In 1944, W. Ellison Chalmers, then Chief of Staff, War Production Drive Headquarters, described the results as follows:

"(1) They are improving production. The files of War Production Drive Headquarters contain thousands of instances of production increases which have resulted from committee recommendations and from workers' suggestions, brought forth in response to the joint labor-management program. This has come in part from the development of individual suggestion systems. Many of these had existed before but took on new life when they were sponsored and directed by the Labor-Management Committees. Several million ideas have come in through these systems and hundreds of thousands of them have been adopted. Nearly 6000 of them, indeed, received national recognition from the War Production Board.

"This industrial teamwork has meant greater production by the collective ideas of the main committee and especially its departmental subcommittees, at work on the bottlenecks in each plant.

"The committees have done more than 'expand' production. They have also improved quality, cut down waste, reduced the use of critical materials, and salvaged scrap. It is particularly important to note these production accomplishments, for they demonstrate that a production committee has a job to do even when schedule changes or material shortages force a downward revision of output."

Today, while the circumstances are different and the challenge is not so dramatic, the problem is real and pressing for the country as a whole and particularly for employers and workers.

I understand that you are exploring with Administration officials various alternative methods of organizing this effort and fitting it in with other Federal activities. Whatever housekeeping arrangements are ultimately decided upon, I enthusiastically support the objective of setting up local committees as a means by which management and labor can join together in increasing productivity, thereby fighting inflation and unemployment at the same time.

Sincerely yours,

ARTHUR F. BURNS.

Mr. JAVITS. Mr. President, frankly, I might tell my colleagues—and I shall go into details of the situation, how we lag in productivity—with a bill which is so heavily based on the concept of productivity as this one is, and with nothing being done about productivity except speaking of it kindly, I cannot for the life of me see why there should be any real opposition to this amendment. Nonetheless I am told there is.

When I first submitted the amendment, I proposed to establish a National Productivity Commission and to give it a statutory base. I understood the administration opposed it because it did not want to have a new agency. But this commission was not a new agency; there was one in existence. The amendment was simply taking one in existence and giving it a statutory base.

In order to avoid what I considered to be an unnecessary argument—to wit, the new agency argument—I simply took the President's Commission and am giving it the power and am providing $10 million of authorization so that it can exercise adequate authority.

I have great pleasure in stating to the Senate that two Senators who I think almost everyone will agree have good economic minds have joined me as cosponsors, the Senator from Illinois (Mr. PERCY) and the Senator from Wisconsin (Mr. PROXMIRE).

Mr. COTTON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. COTTON. Would not this be a good point to note the differences between the Senator's proposed amendment and the Percy amendment which was adopted yesterday?

Mr. JAVITS. Yes. I shall be happy to explain. The Percy amendment is a passive inducement; to wit, it says that if an increase is to be given for productivity gains of a worker, that increase shall not come under the inhibitions of the law. That is a passive thing. The company decides to give it to him.

My amendment is an activist operation. It seeks to get authority of the Commission, appointed by the President, to actually back and set up local councils composed of members from labor, management, and the public, at the plant level, to deal with such problems as efficiency, absenteeism, alcoholism, and so on.

If this were a new concept, I would understand why they would fuss about it, but it was something we did in World War II with great success. If Senators will take a look at Arthur Burns' letter, they will see what it is based on. The letter says this worked in World War II. We are certainly in a tight squeeze on productivity. The Commission has been in existence for over a year, and I expect that most Senators do not know it is alive.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PROXMIRE. I think this amendment is very important and helpful. All the testimony we have had before the Joint Economic Committee and before the Banking, Housing and Urban Affairs Committee has indicated that, if this program is going to succeed, we just simply have to increase productivity. That is the keystone. Furthermore, the Price Commission has made a finding that in order to justify a price increase, the concern has to do it in light of its projected productivity increase.

Productivity is an extraordinary difficult concept to master and use. Economists and other experts disagree on it. Under those circumstances, it will certainly require considerable Federal action by a staff and a group of competent people who will work on it.

The fact is that the number of people we now have on the Productivity Commission is woefully inadequate. Under the circumstances we have, in view of the expressions we have heard about productivity, in view of the rhetoric in the President's speeches and elsewhere about productivity, one would think that we would have a staff on the Commission of perhaps 100 economists. How many are there? There are exactly two people on the Productivity Commission. One is the head of it, and one is the secretary. That was the case a week ago. They may have appointed one or two more since then.

The proposal of the Senator from New York, as I understand it—and I hope he will correct me if I am wrong—is to provide a statutory base for the Productivity Commission that would be staffed and equipped to begin to do the job of providing an opportunity for American industry to begin to have a systematic basis to improve our productivity, to improve our standard of living, and the ability to pay higher wages, while maintaining stable prices. Productivity increases alone will permit this.

Mr. JAVITS. That is right; the only thing is, I did not frontally establish a Productivity Commission by law. I learned that I could pick up the President's Commission and give it authority. So the amendment does not give it a statutory base, but it gives it authority to do something under the statute. The only thing I omitted from the previous amendment was that Congress by law was establishing this Commission. I simply picked it up from the fact that it already exists.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HUMPHREY. First of all, I want to express my support for the amendment. It is certainly one of the important amendments that have been brought before this body.

Second, I believe we will, if this amendment is adopted, in terms of the work of the Productivity Council, go down to the plant level and the community level with proper staffing and proper organization.

The Senator from New York was eminently correct when he said this program did work in the period of World War II. There were some productivity councils even in the Korean war period. This is the one hope we have of really maintaining a competitive posture internationally, and of seeing a basic improvement in the wage structure domestically without inflationary pressures.

I just want to compliment the Senator for his initiative, and to state that I would hope the Senate would overwhelmingly adopt this in the sense of a directive to the labor-management areas of our economy in terms of improving not only productivity, but the quality of goods as well.

This goes much deeper than just productivity. It gets into some of the human relations problems that affect American industry, and I believe the Senator's amendment can be very helpful. I would consider it a privilege to be joined as a cosponsor.

Mr. JAVITS. I thank my colleague very much, and ask unanimous consent that his name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, another problem which very seriously affects our country, and which I know worries us all, whether individual Members are for or against this particular amendment, is the motivation of the American worker. I think this is what is really getting us. We are being skinned alive by Germany and Japan in world trade, and notwithstanding the new turn of our trade unions toward protectionism, it is still a fact that we know that if the world markets collapse, we will be in a recession or a depression.

That has always been the history, and it will be the history again, even though we like to salve our feelings with the fact that only 8 percent of the American economy is in exports and imports, as compared with 30 percent for Britain, Belgium, Holland, or Germany. But if the crunch is on, and world trade collapses, we will find that that 8 percent, when you add to it the invisibles of banking, insurance, travel, and many other things which relate to the economic status of a great country like our own, will drag us down, just as much as it will drag down nations that are heavily dependent upon foreign trade.

We are being skinned alive in the markets of the world precisely because there is the feeling, the dangerous feeling, on the part of much of American business and many American workers, that something has gone out of us, that there is an erosion of motivation, of incentive, of interest, of the work ethic which has been so dominant in our country in its earlier days and its immigrant days; and I think it is high time to try, because the exigencies are just as great as those of war, to arouse an interest in our people in work, in the joy of the perfection of work, and in the joy of teamwork. This is why these productivity councils worked so well in World War II.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to the Senator from Ohio.

Mr. TAFT. I would like to commend the Senator from New York, and say I think this is one of the most worthwhile amendments that has been offered to this bill. I have made a great many talks, myself, on this problem of productivity, and I do not wish to belabor the Senate further with another one today, but I think it is absolutely essential, if we are to maintain our competitive position with the other countries with which we compete, to maintain this matter of productivity.

As I mentioned yesterday, in the presentation of my amendment to the Senate dealing with work rules, not only is this important in the field of international competition, but also with respect to the cost of goods and services to the American consumer. Decreasing standards of productiveness, work rules, and habits are as effective today, I believe, as anything in causing some of the rising costs we have seen. I believe that this whole question of work rules, as well as our own state of international competitiveness, is vitally important, and I am very grateful to my colleague from New York, and certainly support his amendment.

Mr. JAVITS. I thank the Senator.

Mr. President, I might say that a couple of weeks before President Nixon put into effect the freeze, 14 Senators on this side of the aisle who were rather yeasty in trying to move things along introduced a bill which is essentially the idea that I am proposing by this amendment. I ask unanimous consent that that bill, together with the list of Senators who sponsored it, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIST OF SPONSORS OF S. 2414

Mr. JAVITS, for himself, Mr. SCHWEIKER, Mr. TAFT, Mr. BEALL, Mr. BOGGS, Mr. BROOKE, Mr. CASE, Mr. COOPER, Mr HATFIELD, Mr. MATHIAS, Mr. PERCY, Mr. SAXBE, Mr. STEVENS, Mr. WEICKER, and Mr. GURNEY.

S. 2414

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "National Productivity Act of 1971".

CONGRESSIONAL STATEMENT OF POLICY AND FINDING

SEC. 2. (a) It is the policy of the United States to promote efficient production, marketing, distribution, and use of goods and services in the private sector, improve the morale of the American worker, all of which are essential to a prosperous and secure free world, and to achieving the objectives of national economic policy.

(b) The Congress finds that the threat of a high rate of endemic unemployment, the persistence of inflationary pressures, the

underutilization and obsolescence of production facilities, and the inadequacy of means for resolving labor-management disputes are damaging to both economic efficiency and employee morale.

(c) The Congress, therefore, finds a national need to increase economic productivity which depends on the effectiveness of management, the investment of capital for research, development, and advanced technology and on the training motivation of the American worker.

(d) The Congress further finds that at a time when demand for goods and services is less than it should be and prices are rising, management and labor have a strong mutual interest in containing "cost-push" inflation, so as to clear the way for a resumption of consumer demand, and that, without in any way infringing on the rights of management or labor, machinery should be provided for translating this mutuality of interest into voluntary action.

NATIONAL PRODUCTIVITY COUNCIL

SEC. 3. (a) There is hereby established in the executive branch an independent agency to be known as the "National Commission on Productivity" (hereinafter referred to as the "Commission"), which shall be composed of twenty-three members as follows:

(1) the Secretary of the Treasury; the Secretary of Commerce; the Secretary of Labor; the Chairman of the Council of Economic Advisers, and the Director of the Office of Management and Budget;

(2) six members who shall be representative of the business community;

(3) six members who shall be representative of labor organizations;

(4) six members who shall be representative of the general public, and who shall be selected without regard to any interest or connection they may have with any of the foregoing areas.

(b) Members of the Commission referred to in paragraphs (2) to (4) of subsection (a) shall be appointed by the President, by and with the advice and consent of the Senate, for terms of six years, except that of the members first appointed, six shall be appointed for terms of two years, six shall be appointed for terms of four years, and six shall be appointed for terms of six years. One of the Commission members shall be designated as Chairman by the President. The initial members of the Commission who shall serve for a two-year period are as follows: Representatives of Government John B. Connally, Maurice H. Stans, James D. Hodgson, Paul W. McCracken, George P. Shultz; representatives of the business community Stephen D. Bechtel, Junior, Harlee Branch, Junior, Edward N. Carter, R. Heath Larry, James Roche, and Walter Wriston; labor organization representatives I. W. Abel, Joseph A. Beirne, John H. Lyons, George Meany, Floyd E. Smith, and Leonard Woodcock; and representatives of the public at large William T. Coleman, Junior, John T. Dunlop, Howard W. Johnson, Edward H. Levi, Arjay Miller, and W. Allen Wallis. In the event any of the initial members is unable to serve on the Commission, the President shall, by and with the advice and consent of the Senate, appoint a replacement for such member. A member appointed to fill a vacancy occurring prior to the expiration of the term of his predecessor shall be appointed only for the unexpired portion of such term.

(c) The Commission shall meet at least four times each year at such times as it shall determine or at the call of the President. A quorum shall consist of thirteen members.

(d) Members of the Commission referred to in paragraphs (2) to (6) of subsection (a) shall receive compensation at a rate equal to the daily equivalent paid to a person occupying a position of a GS–18 under the General Schedule while performing services for the Commission and while away from their homes in connection with attendance at meetings of the Commission shall be entitled to transportation expenses and per diem in lieu of subsistence at the rate prescribed under section 5703 of title 5, United States Code.

(e) The President is authorized to appoint, by and with the advice and consent of the Senate, an Executive Director of the Commission. The Executive Director shall be the principal executive officer of the Commission and shall receive compensation at the rate prescribed for level V of the Executive Schedule by section 5315 of title 5 of the United States Code.

(f) The Executive Director of the Commission with the approval of the majority of the Commission is authorized to employ, and fix the compensation of, such specialists and other experts as may be necessary for carrying out its functions under this Act, with regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and with regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and is authorized, subject to such provision, to employ such other officers and employees as may be necessary for carrying out its functions under this Act and fix their compensation in accordance with the provisions of such chapter 51 and subchapter III of chapter 53.

OBJECTIVES OF THE COMMISSION

SEC. 4. It shall be the objective of the Commission—

(1) to enlist the cooperation of labor, management, and State and local governments, in a manner calculated to foster and promote increased productivity through free competitive enterprise toward the implementation of the national policy declared in the Employment Act of 1946 to create and maintain "conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power";

(2) to promote the maintenance and improvement of worker motivation and to enlist community interest in increasing productivity and reducing waste;

(3) to promote the more effective use of labor and management personnel in the interest of increased productivity;

(4) to promote sound wage and price policies in the public interest, and to seek to accomplish that objective within a climate of cooperation and understanding between labor, management, and the public, and within a framework of peaceful labor-management relations and free and responsible collective bargaining;

(5) to promote policies designed to insure that United States products are competitive in domestic and world markets;

(6) to develop programs to deal with the social and economic problems of employees adversely affected by automation or other technological change or the relocation of industries.

DUTIES AND FUNCTIONS OF THE COMMISSION

SEC. 5. (a) It shall be the duty and function of the Commission, in order to achieve the objectives set forth in section 4, to encourage and assist in the organization and the work of labor-management-public committees and similar groups on a plant, community, regional, and industry basis. Such assistance shall include aid:

(1) in the development of apprenticeship, training, retraining, and other programs for employee and management education for development of greater upgraded, and more diversified skills;

(2) in the formulation of programs designed to reduce waste and absenteeism and to improve employee safety and health;

(3) in the revision of building codes and other local ordinances and laws, in order to keep them continuously responsive to current economic conditions;

(4) in planning for provision of adequate transportation for employees;

(5) in the exploration of means to expand exports of the products of United States industry;

(6) to encourage attendance by members of such groups at courses in industrial relations and industrial engineering and related subjects at institutions of higher education, and to foster close cooperation between such groups and such institutions for the purpose of developing such courses and for other purposes;

(7) in the development, initiation, and expansion of employee incentive compensation, profit-sharing and stockownership systems and other production incentive programs;

(8) in the dissemination of technical information and other material to publicize its work and objectives;

(9) to encourage studies of techniques and programs similar to those in paragraphs (1) to (8) of this subsection, as they are applied in foreign countries; and

(10) in the dissemination of information and analyses concerning the economic opportunities and outlook in various regions and communities, and of information on industrial techniques designed for the increase of productivity.

(b) The Commission shall transmit to the President and to the Congress not later than March 1 of each year an annual report of its previous year's activities under this Act.

(c) The Commission shall perform such other functions, consistent with the foregoing, as it determines to be appropriate and necessary to achieve the objectives set forth in section 4.

POWERS OF THE COMMISSION

SEC. 6. (a) In exercising its duties and functions under this Act—

(1) the Commission may consult with such representatives of industry, labor, agriculture, consumers, State and local governments, and other groups, organizations, and individuals as it deems advisable to insure the participation of such interested parties;

(2) the Commission shall, to the extent possible, use the services, facilities, and information (including statistical information) of other Government agencies as the President may direct as well as of private agencies and professional experts in order that duplication of effort and expense may be avoided;

(3) the Commission shall coordinate such services and facilities referred to in subsection (2) above in order to supply technical and administrative assistance to labor-management-public committees and similar groups referred to in section 5(a).

(4) the Commission shall establish the regional offices and such local offices as it deems necessary;

(5) the Commission shall hold regional and industrywide conferences to formulate ideas and programs for the fulfillment of the objectives set forth in section 4;

(6) the Commission may formulate model programs to ameliorate the effects of unemployment caused by technological progress;

(7) the Commission may furnish assistance to parties in collective bargaining entering into collective bargaining agreements; and

(8) the Commission may review collective bargaining agreements already in effect or those being negotiated to ascertain their effects on productivity; and it may have the power to make recommendations with respect to the agreements made or about to be made in specific industries.

(b) The Commission may accept gifts or bequests, either for carrying out specific programs which it deems desirable or for its general activities.

APPROPRIATIONS

SEC. 7. There are hereby authorized to be appropriated the sum of $10,000,000 for each fiscal year beginning with the 1972 fiscal year to carry out the purposes of this Act.

Mr. JAVITS. I also ask unanimous consent that the list of 27 members of the Commission on Productivity to which I refer in this amendment be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

MEMBERSHIP OF THE COMMISSION ON PRODUCTIVITY

BUSINESS

Steven Bechtel jr., Pres. Bechtel Corp.; Harley Branch jr., Ret, Ch. of Bd., Southern Co.; Burkley Burrell, Pres. Nat. Bus. League; Edward Wm. Carter, Pres. B'way-Hale; Archie K. Davis, Pres. Chamber of Comm. Winston-Salem; Edward J. Dwyer, Ch. of Bd, NAM; R. Heath Larry, Vice Ch. of Bd. US Steel; James Roche, Ch. of Bd, Gen'l Motors; Walter B. Wriston, Ch. of Bd, First Nat'l, City Bank, N.Y.

LABOR

I. W. Abel, Pres. United Steelworkers; Joseph A. Beirne, Pres. Comm. Worker of Amer.; Frank Fitzimmons, Pres. Teamsters; Lane Kirkland, Sec.-Treas., AFL–CIO; John H. Lyons, Pres. Int'l Assoc. of Bridge, Structural and Iron Workers; George Meany, Pres. AFL–CIO; Floyd Smith, Pres. Int. Assoc. of Mach.; Leonard Woodcock, Pres. U.A.W.

PUBLIC

Beverly Briley, Mayor Nashville; Wm. P. Coleman, Dillworth, Paxson, Kalish, John P. Dunlop, Dean Arts & Sciences, Howard Cl.; Howard Johnson, Ch. Bd, MIT Corp.; Wm. Kuhfuss Pres. Am. Farm Bureau; Edward Levi, Pres. U. of Chi.; Argay Miller, Dean, Grad. Schl of Business Stanford; Arch A. Moore, Gov. West Va.; John Scott, Master, National Grange; W. Allen Wallace, Chancellor, U. of Rochester.

GOVERNMENT

John B. Connally, Sec. Treas.; Maurice Stans, Sec. Commerce; James Hodgson, Sec. Labor; Paul W. McCracken, Ch., C.E.A.; Virginia Knauer, Spec. Asst. to Pres.; for Consumer Aff.; George Schultz, Director, OMB.

Mr. JAVITS. There are nine very distinguished business leaders, eight very distinguished labor leaders, and 10 very distinguished public members, including the mayor of Nashville, the master of the National Grange, and the president of the University of Chicago. It is a very distinguished group indeed. Then there are the governmental members, who serve more or less ex officio, including the principal members of the Cabinet having to do with economic matters, led by Secretary Connally. So we certainly would not be putting our trust in some sketchy outfit that is just getting organized; but really, this thing has simply been neglected.

Mr. President, the figures, I repeat, will tell us why we have been skinned alive in international competition, and why our domestic consumers have been so interested in imports. That is what our unions are complaining about, and I can understand it, with imports in manmade textiles, for example, in 1 year, going up something like 200 percent. The idea of open world trade, which is an idea to which I am very proud to be a party, never contemplated anything like that. But the impact of it must be dealt with, not only in some legal form which we are trying to devise without wrecking ourselves and everyone else, but also in terms of buckling ourselves up in terms of productivity and efficiency.

Mr. President, it is appalling that an American Senator has to get up and say this about the vaunted American industrial machine, but the United States, in the years from 1965 to 1970, inclusive, Mr. President, has had the lowest average percentage increase of productivity of all the major industrial countries of the world. Our average is 2.1 percent. And, by the way, in only one year in that whole time was it any more than that. It was 4.6 percent in 1967 to 1968. The rest of the time it just scraped the very bottom of the list. The highest on the list is Japan, with an average of 14.2 percent in increased productivity. And even in the much maligned United Kingdom, which is certainly suffering economically in many of the same ways that we are, their average for 1965 to 1970, those 6 years, is a 3.6-percent increase in productivity—almost twice our own. These are figures prepared by the Bureau of Labor Statistics, a very authoritative Government agency.

It is absolutely inconceivable, Mr. President, that we do not seem to realize the situation. I must say I am appalled to have learned of the attitude of the administration toward this amendment. I am appalled for reasons that would appear from the amendment itself. Whether we win or lose, the amendment is not as important as flushing out the fact that, with all of the effort to deal with the economy and to stabilize the economy, and to break the back of inflation, when any idea comes along—an idea which does not cost any money, any real money—the administration hits it on the head because it does not bureaucratically fit; and yet the Commission which was supposed to do this sits around for over a year. So far, as the Senator from Wisconsin has said, it is trying to operate with two functionaries—and who ever heard of anything they did? And we are pretty well informed about these things.

I believe the American worker can be roused to a finer effort in respect to trying to break the inflationary threat in the soundest way. Mr. President, Government makes nothing; it only consumes and spends. We are organs of Government, and I say that advisedly. It is only business that makes anything. And yet here is some effort, as I say, without its costing any money, without involving a big bureaucracy, to try to do something about it, and the first thing one hears is that the administration is against it. Why? I do not know. I will be very much interested to find out. It is shocking—I say that most advisedly. I cannot believe that the President knows what is going on in this field, a field which is more critical to him than anything else in this country, other than the security of the Nation. I hope very much that we will give them the proper job and that this amendment will be adopted, because the administration needs it, and they need to know that if they are not thinking about it, we are.

Mr. TOWER. Will the Senator yield?

Mr. JAVITS. I yield.

Mr. TOWER. With respect to the matter of the administration's approval or disapproval of the proposal of the Senator from New York, it is my understanding that the substance of the amendment is not opposed by the administration. They would have preferred to have had it go through the committee process and studied perhaps more carefully, and had hearings held on it. I should like to say to the Senator from New York that I think it is a tremendously meritorious proposal, and I shall support it.

Mr. JAVITS. How very kind and how very typical of the Senator from Texas. I do not want to seem harsh about the matter, really, but if I am harsh, and if I am blamed for being harsh, I still believe that it is better to kind of rub this one in, because it is the guts of what we are talking about, and it is high time that it became realized at the highest level of our Government.

Mr. PERCY. Will the distinguished Senator from New York yield me 10 minutes?

Mr. COTTON. Before the Senator yields, may I make a brief comment?

Mr. JAVITS. Of course.

Mr. COTTON. I think the Senator's amendment has merit, and I very likely shall support it. But I cannot resist saying to the Senator—and I hope he will not feel that I am too contentious—that vital as it is to increase our productiveness, it is not going to do us much good if we cannot sell. It has been my contention all the time, as evidenced by the amendment the Senator and I discussed at least twice on the floor of the Senate, that we should be willing to meet and match and compete on equal terms with any nation on earth. However, unless some of the barriers like export-import licenses, quotas, and other barriers are removed by our friends around the world, we shall lose our markets. I think that the Senator's amendment would have a much better chance to really reach its goal if we could prevail on the nations to actually have free trade on a two-way street.

Mr. JAVITS. The Senator is very perceptive. I should like to answer the Senator in two ways: First, the argument respecting our willingness to engage in a high quota system ourselves is based upon 8 percent of our economy being devoted to exports and imports in foreign trade.

The converse of that proposition is that 92 percent is domestic. Therefore, the idea of increasing domestic productivity, improving in that way our own economic structure, leaving alone the actual dollar sign, becomes the converse of the Senator's proposition and is a perfectly valid argument on my part to make in reply to the Senator.

I should like to go further, as I have such high admiration and respect for the Senator, and say that he will not find me lacking for a minute. He knows about the Japanese situation, for example, and our being real tough about dismantling nontariff barriers for trade in other nations. I am not mawkish about that at all.

I even see a case for dealing with a sudden, overwhelming impact of imports into our own country. I have tried to apply my mind, as the Senator knows, to the kind of legislative proposals I could make consistent with my philosophy, in order to make that point.

So I agree with the Senator. We must bear in mind, and the Senator knows it very well, because he knows a lot about the agricultural situation, that we are under the charge—and it has some merit—that we, too, have nontariff barriers of trade; but when we compare ours with theirs, there is no question that we are being very materially prejudiced. So I am with the Senator in my fight.

Mr. COTTON. I thank the Senator for his statement.

Mr. JAVITS. I thank my colleague. I now yield 10 minutes to the Senator from Illinois.

Mr. PERCY. I thank the distinguished Senator from New York. I wish to commend him for his initiative in embodying this concept in legislation, and I am pleased to be a cosponsor of the amendment.

I should like to say, first of all, that we tend to think of labor and management as being on opposite sides of the table. We tend to think of them sometimes as adversaries, as enemies; yet I think the emphasis on the differences of opinion that they sometimes hold should be subordinate to the things that they have in common. Labor and management in America are working for the American economy. The strength of the American economy really conditions the strength of the American people and the American Nation. It is the same private economy that raises the money that supports our educational systems, our welfare systems, everything we do for humanitarian reasons, and that provides the funds required for our national defense. Without a strong economy, we cannot be a strong Nation, and labor and management are united in that objective. They are also united in the objective of obtaining the largest possible markets and in finding ways to penetrate markets that will extensively broaden opportunities for American workers. They have this in common. They are not enemies in this regard: here they have no difference of opinion or purpose. Yet when we think of labor and management relations, we tend generally to think of a tangle between two adversary groups over who will get the biggest share of the pie. We frequently take our minds and our sights off of the fact that our main objective should be to increase the size of the pie. If we concentrate on making the economic pie grow bigger there will not be too much difference of opinion as to who gets the biggest share—everyone will benefit from the increased size of the pie. That is really and fundamentally what we are getting at in this amendment, and in amendment No. 766 which the Senate by unanimous vote adopted last night—an amendment that exempted from wage controls incentive plans that relate added wage payments to increased productivity. Who would want to control or hold down anyone from making more, when that additional pay is greater increased productivity, lowers costs, keeps prices stable, creates new real GNP growth, and reduces unemployment.

Therefore, I was gratified, indeed, that in a very short space of time last evening, after less than 15 minutes of debate, the Senate decided unanimously to support that principle. That is way I wanted to place in the RECORD last evening as much material as I could to emphasize the importance of the amendment being offered by the Senator from New York today.

It is one of the most fundamental steps that we can take in Congress because we are now responding to an economic crisis, a crisis similar to the military crisis that we faced at the beginning of World War II. We then marshaled all the resources of the Nation. There were very few divisions of opinion at that point. We all worked closely together in harmony to raise and increase national productivity because our very survival as a people depended upon it.

I would say in less dramatic terms, but just as meaningfully—not facing a military threat from outside but an erosion of our economic strength from within—that we should now face up to this economic crisis with the same kind of mobilization.

I was astounded when I learned that the administration might not support this amendment, because it seemed inconsistent with everything else that the administration has been trying to do. So I am delighted that the record has been made clear, and that the distinguished Senator from Texas (Mr. TOWER) intends to support the amendment because he fully recognizes, with his penetrating understanding of the economy, that what we are trying to accomplish is to dramatize the need for us to work together and not separately.

To accomplish this purpose, a Presidential Commission on Productivity has been established by the President. I had rather imagined that this was a well-financed, well-staffed operation, one competent to marshal the forces of the country to increase productivity. I was somewhat astounded, although we have an exceptionally able staff director in Dr. Greenburg, to find that the total employment of the whole commission has been two; namely, the executive director and a secretary. They have the total responsibility to marshal the productive enterprise of this Nation, "to get us moving again," if I can borrow a phrase from the rhetoric of the past. It will not happen. As much good will as the man might have, as able as he may be, as hard-working and diligent as he may be, even if his productivity is 200 percent above expectations, he cannot do this job. So this amendment sets out the goal and objective and provides the wherewithal whereby an adequate staff can be brought to bear on this particular problem.

I would say that setting labor and management down at the same table is something that we know will work. In my State of Illinois I have tested out the idea as to whether it would gain support. I addressed letters to 170 business leaders in Illinois asking them what they could do to set up, well ahead of the passing of any law by Congress—voluntarily—councils to increase the productive level of their particular economic units. So far, all the responses have all been very encouraging. Business is for it. It recognizes that this is the only way we can expand in the future, particularly in the present period of controls.

As I said here last night, I was extremely pleased with the reaction I have had from organized labor in Illinois. They will want to work together with management to improve the efficiency of America's output. We have, I think, in one test case, in the diverse economy in Illinois, found sufficient favorable reaction, so that I know it will work nationwide.

Once again we can draw upon the past. We are not pioneering here in an uncharted new territory. I invite the attention of my colleagues, particularly the Senator from New York, because it might not have come to his attention, to a book entitled "Labor and Management in a Common Enterprise," by Dorothea de Schweinitz, which was published by the Harvard University Press in 1949. This is an intensive study—perhaps the only published one—of the efforts made during World War II which helped to increase dramatically the quality and quantity of output when we had an almost totally mobilized economy.

Mr. President, I should like to read one excerpt, as follows:

> No decrees or laws gave authority to committees. No national employer-union agreements established functions and methods of work. The experiment, however, extended to a larger number of industries and establishments than could have been predicted from prewar experience in union-management cooperation. Production was aided both directly and indirectly through the practical programs developed by employer and union representatives in individual plants.

I ask unanimous consent to have printed in the RECORD several excerpts from the book.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

NUMBER OF LABOR-MANAGEMENT COMMITTEES AND OF EMPLOYEES COVERED, BY INDUSTRIES, SEPT. 15, 1944 [1]

Industrial classification [2]	Number of committees	Number of employees [3]
Total	4,835	7,265,900
Ordnance [4]	587	1,162,300
Shipbuilding and ship parts	196	1,132,300
Aircraft and aircraft parts	171	811,500
U.S. naval shore establishments	46	748,600
Iron and steel [5]	505	728,700
Engine and engine parts [6]	115	404,100
Communications equipment [7]	248	294,500
Machinery and industrial equipment	416	286,700
Synthetic products [8]	316	200,400
Coal and iron mines	428	178,000
Scientific instruments [9]	98	171,400
Nonferrous metals [10]	241	164,100
Textile and textile products	282	144,800
Machine tools	159	136,400
Motor vehicles	80	117,200
Rubber and rubber products	53	83,900
Lumber and wood products	125	29,400
All others [11]	724	471,100

[1] Derived from mimeographed statistical report for Sept. 15, 1944, War Production Drive Division, Washington, D.C.
[2] Labor-Management Committees calssified by largest dollar value war contract in each individual plant.
[3] Number of employees, miscellaneous reporting by committees from June 1943 though August 1944. Both wage and salary workers.

Footnotes continued on following page.

[4] Includes all types of gun manufacture, ammunition, and tanks.
[5] Includes blast furnaces, rolling mills, steel plants, steel fabrication plants, and iron foundries.
[6] Includes aircraft, marine, and tank engines.
[7] Includes telephone, telegraph, radio and radar equipment, and communication wire.
[8] Includes products and materials of chemicals, glass, and paper.
[9] Includes navigation instruments, range finders, etc.
[10] Includes the mining and smelting processes.
[11] Includes petroleum products, leather and leather products, safety equipment, miscellaneous hardware, plumbing supplies, food products, railroads, airlines, and Government agencies.

COMMITTEE WORK ON PRODUCTION PROBLEMS

The following subjects relating to production, directly and indirectly, came before wartime labor-management committees. This list was prepared by a management engineer [12] who visited committees, read the minutes of their meetings and their reports on suggestions, and analyzed committee processes.

Subjects Directly Related to Production

Conservation, Reclamation and Salvage. The efficient use of raw materials and the reworking, recovery, or salvage of raw materials, material in process, and tools.

Design, Product. Changes in parts or in the entire product to facilitate manufacture; or to improve the usability or salability of the product.

Design, Tool. Changes in machine, tool, jig or fixture primarily to facilitate manufacture, includes design changes which conserve tool steel or other materials.

Disregard of Rules. Pressure upon executives or employees concerned, to observe shop practice which is both agreed upon and understood but is disregarded.

Equipment. Bringing idle or partly idle equipment into fuller use or the procurement or redesign of equipment to facilitate manufacture.

Housekeeping. Orderly disposition of machines, equipment, and all materials, including marking of work and storage space and of aisles, and the maintenance of physical surroundings in the workroom so that work can be carried on more efficiently and in more inviting surroundings. Changes made primarily to promote safety classified under *Safety.*

Instruction. Teaching and training both for individuals and for groups, or as part of entrance orientation, refresher courses, or upgrading; excludes preparation or change in content of instructions done as part of improving the work which is classed under the subject considered.

Inter-process Relations. Systems and methods to improve correlation of production processes to facilitate manufacture, including layout of production units and the rearrangement of one or more machines.

Lighting. Betterment of artificial or natural lighting primarily in the interests of production and eyesight conservation. As an element in safety research classified under *Safety.*

Maintenance and Repair. Upkeep of machinery and equipment through adequate maintenance procedure and anticipating and promptly making repairs to prevent breakdown of production; also the interdepartmental relations involved.

Personnel. Recruiting and selecting employees, and improvement in their use through coordination of departmental needs for help; excludes all training and all welfare considerations and adjustment of personnel to the production program which are classed respectively under *Instruction, Welfare,* and *Reconversion and Cutbacks.*

Process Change. The modification of a process, change in sequence of processes, addition or substitution of one process for another to facilitate manufacture, including process study and means of setting production standards.

Progress Charts. The preparation and use of progress records covering production and quality problems as an aid to coöperation, including discussion and use of statistical control charts *for that purpose.*[13]

Quality Improvement. Analysis of causes of poor quality, changes in instructions, or inspection to facilitate standard grade production to eliminate unnecessary expense for inspection and further processing of defective parts, including statistical quality control for executive use.

Reconversion and Cutbacks. Adjusting the details of the manufacturing program and expected changes in manufacturing volume or type of output.

Stores Control and Stowing. The physical care of raw, semi-finished, and finished worked material and systems of control of their supply and movement to factory floor.

Suggestions. Means of developing and evaluating suggestions. Specific suggestions classified by their subject matter.

Tool Control. Methods of insuring that tools are properly standardized, stored, ground, repaired, replaced, and issued to machines and workers without delay.

Urging Action. Pressure for decision or for promised research on any pertinent proposal, whatever its subject, when action is believed unduly delayed.

Ventilation. Improvement of ventilation or the introduction of air cooling in the interests of production. As an element of employee comfort in cafeteria, locker rooms, etc., classified under *Welfare.*

Work Assignment. Methods of supplying work orders, work material, and equipment so as to facilitate production, not elsewhere classified.

(See also the various "services," as *Maintenance, Instruction, Stores Control, and Tool Control.*)

Subjects Indirectly Related to Production

Absenteeism. Definition and analysis of absences and effort primarily intended to reduce them.

Committee Conduct. The mechanics of planning or conducting meetings, including joint consideration of representation, payment for lost time, etc.

Financial Drives. All authorized requeats for employees' money for charity or for investment or other savings plans.

Publicity. Informing employees of the existence or importance of certain general values of the plant and products as related to the war effort or to civilian and industrial needs, or of committee programs. Excludes details which guide solution of operating problems which are classed as progress records.

Safety. Prevention of accidents and occupational diseases and lessening their effects such as related educational work, safety inspection, provision of mechanical safeguards, first-aid equipment, and other means of stimulating care in observance of safety rules.

Transportation. Facilitating the movement of employees primarily between the plant and their residences, excluding transfer of factory equipment and product.

* * * * *

Subcommittees on Special Subjects

Many labor-management committees, 41 per cent in the 1945 survey,[14] functioned through subcommittees assigned to a special activity. The majority of these were in plants of over 500 employees. While committee failures sometimes were attributed to the presence of subcommittees uncoördinated by a main committee, there were also failures due to the lack of delegation of work to subcommittees. The main committees in such cases were clogged by a combination of items requiring planning and policy determination and others calling for action. A consideration of the subcommittees will indicate how they implemented the work of labor-management committees and geared it to management functions and to certain union activities.

Production or Plant Efficiency

Probably the best work on production problems was done by the department committees, or by the main committees in small establishments. There were however plant-wide subcommittees on production or plant efficiency which called attention to certain situations, conducted educational campaigns, and stimulated suggestions from workers on specific subjects. Progress charts and the promotion of rivalry between departments for increasing production were more likely to be handled by a committee on charts or on publicity. Some organizations had no committee on the broad topic of production but had special committees on conservation of material, good housekeeping, or care of tools and equipment. One large steel plant had three production committees, one on materials and products, another on practices and methods, and a third on machinery and equipment. In each case the work was begun by a survey of conditions and then followed by an educational program. Another large establishment manufacturing car frames and bombs had a company-wide committee on plant efficiency which in turn formed nine subcommittees—on plant transportation, weldrod and rivet conservation, machine tool and die conservation, idle time, maintenance and repairs, bottlenecks, perishable tools, scrap and salvage, machine capacities. The sub-subcommittees met anywhere from 10 to 54 times in the three-year period.

There is insufficient information to determine whether plantwide committees on production efficiency were feasible. There were cases in which the general subcommittee ceased to function and the main labor-management committee relied on smaller units in departments or sections for toning up production. There were also instances in which members of a main committee were assigned to an activity such as scheduling, quality, or methods. They in turn organized committees on the subject in departments or mills but this setup was less formal and tended to lapse unless the main committee members continued to call meetings. It is possible that the line organization through divisions and departments is better for work on detailed problems of production and that the plant-wide committee serves best through educational programs on situations common to all.

The chairman of a subcommittee on plant efficiency was usually a management representative, superintendent of production, production control engineer, chief time study engineer, controller of materials, or a similar executive, whose committee work was an extension of his regular duties for the company. A joint committee helped him with ideas on certain problems and the members might be assigned specific tasks. For their educational program they received aid from the main committee or from the specialized services of another subcommittee such as one on training or on publicity.

Improvement of Quality

Although the task of improving quality and reducing rejects is part of the problem of plant efficiency, it is considered separately because there was considerable subcommittee work on this subject whether under the

[12] Francis Goodell whose services were assigned to the War Production Drive Division by the War Production Board for the period of a year, 1943–44.

[13] See E. J. Lever and Francis Goodell, *Labor-Management Cooperation and How to Achieve It* (New York: Harper & Brothers, 1948), Chapter VII, "Teamwork and Progress Records."

[14] *Labor-Management Committees in Action, op. cit.* 556 out of 1343 committees, with 345 not answering this question.

name of production committee, quality committee, or "scrap" committee. The chairman was often the chief inspector, the technical director, the time study engineer, usually the person whose duty it was to handle this work for the company. The following illustration shows how a quality committee, a main committee, and department committees can work together in this field. It is an example also of the relation of advisory and executive functions within the committees and their integration, through company and union officials, with the management function and union activities.

The Quality Improvement Committee consists of three from labor and three from management. . . . Different members of this committee try to sit in on department committee meetings at least once each month in order to stimulate the idea of quality importance, and the fact that better quality means increased production, that increased production means a bigger pay check.

In July 1943, a "Make It Good" campaign was launched by the Quality Improvement Committee, with special posters, and a banner in each department reading, "Make It Good."

A rally was held in the auditorium in the recreation building where speeches were made by the quality committee chairman, the superintendent of production (Labor-Management Committee chairman), Industrial Relations Manager (who acted as master of ceremonies), the union president, an Army major, the manager of quality and the plant manager. The rally was attended by all department committee members, foremen and superintendents, about 300 in all. . . .

The chairman of the committee outlined the plan, and explained the charts to be placed in each department, showing the loss in percentages through rejects, or scrap each week. The department committees were to be the backbone of the campaign. Weekly reports were sent by these committees to the quality committee. The quality committee in turn, sent an over-all report to the Labor-Management Committee. . . . The quality control department furnishes department committees with statistics and percentages for their reports. . . .

If rejects are being caused by faulty workmanship the foreman calls the workman in after the meeting and asks him why. A union representative always sits in on any such questioning. Reports are kept of these interviews and if mistakes continue it is arranged to place that particular worker on a job that he can handle.

The quality committee also stresses to the workers, through department committee meetings, and in the Labor-Management Bulletin, the effects of mixing scrap with good materials, or rejects with inspected parts; the cost of tearing down and scrapping that comes as a result of these practices; the increase in the percentage of scrap resulting from these practices . . .

Girls from the assembly on parts in this department were taken to other departments to see what the parts were going into, since the committee contended that it was important that each worker know what he, or she, was working on, and the application of the particular parts. The committee also devised better tools and fixtures further to reduce faulty work . . . Within two and one-half months after the 1943 "Make It Good" campaign was started, the percentage of scrap was reduced to 6 percent, from 12.7 percent.[34]

Care of Tools

Even if a labor-management committee had no subcommittee on production there was often a subcommittee on care of tools. Again, this work was led by the management man whose duty it was to supervise the tool cribs, but under the committee scheme he had the assistance of a larger group, sometimes with aides assigned to follow up throughout the plant. A description of one committee's program illustrates again the method of cooperation between committees and between committee and management.

The tool-conservation subcommittee (composed of the superintendent of the tool room and the tool room foreman, representing management, and leadman from the toolroom in each area, representing labor) made a survey and then proceeded to redesign existing tool rooms and to establish additional ones to care for yard needs . . .

An aide was appointed in each tool room . . . The Central Control Method, as now operated, is saving the yard approximately $50,000 a year over the old method.

The training school cooperated . . . by teaching . . . how to care for tools when not in use and by emphasizing the importance of returning tools to the tool room at the end of each shift. Notices were prepared and sent to all tool keepers, asking for suggestions concerning control and conservation of tools.

On the recommendation of the Labor-Management Committee, tool boxes are inspected regularly by a guard, a shop steward, and a member of the subcommittee. Several thousand dollars have been saved by collecting "loafer" tools . . . (Sixteen Ball-Pein Hammers were found in the box of one worker) . . .[35]

What is not described in the quote I have read was the feeling of cohesiveness—the teamwork in working together to achieve common objectives in a selfless way. I know because I participated in some of these programs. Everyone wants to work for the national interest if they can see some substantial benefit to themselves in the process. This working together is something that we have lacked in this country for a quarter of a century. These Councils disbanded at the end of World War II, which was a great mistake, I thought. We should have kept them going. The economic battle being waged by Secretary of the Treasury Connally in Rome today, the crisis we face, the humiliating circumstances we find ourselves in today, by breaching the GATT agreement and taking steps overtly to put on border taxes and raise our tariffs on many products to the 1930 levels—those actions we have taken have been the direct result, many times, of labor agreements being executed by those demanding more and giving less, by existing work rules which are ridiculous from the standpoint of the national interest. There are limitations on daily output simply to spread the work, but in spreading the work we also spread the market in competition with those who have no limits—the Japanese, the Germans, the French, the Dutch, the Italians. They work harder, and sometimes longer. As a result, there is an erosion in American productivity and competitiveness; so much so that for the first time in a quarter of a century we are importing more than we are exporting. We are losing our export markets. The American consumer too often finds it better to buy from Tokyo than from Chicago. It goes right back to the factor of ingenuity to find a way to reverse that process. If we do not find a way, we might as well have a 3-months session of the Senate and House. We do not have money to appropriate in a stagnating economy. With welfare costs going up, we will not be able to create products or build superhighways, or whatever it may be we will need, for our future. We will be just plain broke. We will be closing the window as we had to close the gold window at Fort Knox.

Now, Mr. President, I would like to ask my colleague from New York one question. Being a fiscal conservative, as I like to think of myself—although I am seldom ever regarded that way—but I do like to think of myself that way, the bill asks for $10 million.

I am not sure that $10 million can fully be justified. I cannot find any detailed program that would call for $10 million.

Mr. JAVITS. If the Senator will allow me to make——

Mr. PERCY. If I can finish my statement first, then I would like very much to have the Senator's response.

I continue to support the amendment. I am a cosponsor of it, and with the $10 million figure in it; but taking into account that this is an authorization, that we would require a detailed budget, we would have to have proved to us how $10 million or $5 million or $2 million could be spent, and it would then go through the appropriation process. I feel somewhat comforted that I would be sitting on the Appropriations Subcommittee that will propose to deal with this particular budget. Although I am all for the amendment, I would have to justify every single dollar in it. It would have to be a hard-nosed budget in order to be approved, but if the Senator from New York can expand a little bit on how the $10 million figure was arrived at, I would certainly appreciate it.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. I might inform my colleague from Illinois—and I greatly value his confidence in staying with the amendment anyhow—that the $10 million is an extrapolated estimate—the best that I could make.

But I now agree with the manager of the bill, to allow for general funding of the bill under title II of the Defense Production Act, so that it will be open to whatever is justified.

Therefore, Mr. President, I ask unanimous consent that subsection (f) of my amendment be modified to read in accordance with the language which I have submitted to the clerk and which I now ask the clerk to state.

The PRESIDING OFFICER. The modification will be stated.

The second assistant legislative clerk read as follows:

Subsection (f), The authority for funding referred to in Title II of the Defense Production Act of 1950 (Public Law 91-379) shall apply to this section.

Mr. JAVITS. Mr. President, I am now informed by my staff that the $10 million figure was arrived at as a result of inquiries we made of the National Productivity Commission, so it is a fairly authoritative estimate as to what it would cost to set up this local structure.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon disposition of the amendment of the able Senator from New York, the Senate proceed to the consideration of an amendment by the equally able Senator from California——

Mr. PACKWOOD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The time of the Senator from New York has expired.

Mr. JAVITS. Mr. President, I yield myself 1 further minute.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 minute.

Mr. TOWER. Mr. President, does the funding provision of this amendment in any way affect section 215 of the bill, found on page 21, which provides for the funding of phase II?

Mr. JAVITS. Mr. President, it invokes that section, the funding for what would now be, if the Senate were to approve it, section 3. In other words, it would come under that as its funding umbrella. That is the purpose of my modification. The only reason I had to do it separately and not strike it altogether is that it is not part of this act. It is the title for another act.

Mr. TOWER. The amendment is funded under the Defense Production Act, whereas section 215 of the committee bill says:

There are authorized to be appropriated to the President, to remain available until expended, such sums as may be necessary to carry out the provisions of this title.

Mr. JAVITS. Exactly. My amendment would come under this particular provision, section 215(a). That is my intent in the way I worded it. And it would be entitled to such sums as may be appropriated under the Defense Production Act. If there is any problem with it that I do not realize technically, I would be glad to meet that problem. The reason I felt I had to restate it is that section 2 amends the Defense Production Act. By adding a new section 3, I did not come under the same umbrella unless I were to say so.

Mr. TOWER. Mr. President, this is purely a technical problem. I will confer with counsel and perhaps come back to the matter later.

Mr. JAVITS. Mr. President, if the Senator wants to do so, we could suggest the absence of a quorum.

Mr. TOWER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be taken from the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I will complete the argument and will then be ready to yield back the remainder of my time.

I point out that we have a very interesting confirmation of our discussion from Paul McCracken, the Chairman of the President's Council of Economic Advisers, who made a speech on yesterday that was reported in the New York Times. The speech was made before the Tax Foundation in New York City. He said:

We must candidly face the obvious fact that the relentless tendency of wage and salary rates to drive upward at rates which markedly exceeded any reasonable expectation about on-going gains in productivity is the single greatest reason for excessive rates of unemployment in many industrial nations today.

That is the very point. It is exactly what we were talking about. I thought it worth including in the discussion here.

Mr. President, I am ready to yield back the remainder of my time.

Mr. McINTYRE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 2 minutes.

Mr. McINTYRE. Mr. President, I would say it is very regretful that we did not have an opportunity to have the amendment before our committee. I have been a Member of the Senate for 9 years now. I must say that I have come to feel that some of these glowing preambles to our bills and some of the fine things such as productivity that the distinguished Senator from New York mentions, of course, meet with general approval.

Experience teaches me that many times our implementation of these programs, as resounding as they sound, do not match the performance at the local level. However, we have the assurance of the distinguished Senator from Minnesota and the distinguished Senator from Illinois and the great record that he points out supports the great incentive program in World War II.

I am at this time therefore inclined to go along with the amendment.

I wanted to ask the Senator from New York whether the Senator from New York feels under the circumstances we should have a yea and nay vote.

Mr. JAVITS. Yes, I would like to have it because it is particularly climactic. I think it would be impressive if we were to have the rollcall vote.

I am ready to yield back the remainder of my time.

Mr. TOWER. Mr. President, again, I reiterate that I believe it is a meritorious measure and that anything we can do to provide some incentives for an increased per-man activity in this country would at once be a stabilizing factor in the economy and a competitive factor in terms of the ability of the United States to sell its goods and services abroad.

I applaud the amendment. On behalf of the minority, I am glad to say that we are willing to accept the amendment.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from New York, as modified. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Alaska (Mr. GRAVEL), and the Senator from Arkansas (Mr. FULBRIGHT) are necessarily absent.

I further announce that the Senator from Idaho (Mr. CHURCH) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New Jersey (Mr. CASE), the Senator from Hawaii (Mr. FONG), the Senator from Maryland (Mr. MATHIAS), and the Senator from Connecticut (Mr. WEICKER) are detained on official business.

If present and voting, the Senator from New Jersey (Mr. CASE) and the Senator from Hawaii (Mr. FONG) would each vote "yea."

The result was announced—yeas 85, nays 0, as follows:

[No. 420 Leg.]

YEAS—85

Aiken	Goldwater	Nelson
Allen	Griffin	Packwood
Allott	Gurney	Pastore
Anderson	Hansen	Pearson
Baker	Harris	Pell
Beall	Hart	Percy
Bellmon	Hatfield	Proxmire
Bentsen	Hollings	Randolph
Bible	Hruska	Ribicoff
Boggs	Hughes	Roth
Brock	Humphrey	Schweiker
Brooke	Inouye	Scott
Buckley	Jackson	Smith
Burdick	Javits	Sparkman
Byrd, Va.	Jordan, N.C.	Spong
Byrd, W. Va.	Jordan, Idaho	Stafford
Cannon	Kennedy	Stennis
Cook	Long	Stevens
Cooper	Magnuson	Stevenson
Cotton	Mansfield	Symington
Cranston	McClellan	Taft
Curtis	McGee	Talmadge
Dole	McIntyre	Thurmond
Dominick	Metcalf	Tower
Eagleton	Miller	Tunney
Eastland	Mondale	Williams
Ellender	Montoya	Young
Ervin	Moss	
Fannin	Muskie	

NAYS—0

NOT VOTING—15

Bayh	Fong	Mathias
Bennett	Fulbright	McGovern
Case	Gambrell	Mundt
Chiles	Gravel	Saxbe
Church	Hartke	Weicker

So Mr. JAVITS' amendment, as modified, was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRIFFIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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[34] *The Labor-Management Production Committee of the Westinghouse Electric and Manufacturing Company and the United Electrical, Radio and Machine Workers of America, CIO, Local 202, op. cit.*

[35] *The Labor-Management Production Committee of the New England Shipbuilding Corporation and the Industrial Union of Marine and Shipbuilding Workers of America, CIO, Local 50, op. cit.*

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries.

REPORT ON TRADE AGREEMENTS PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 92-178)

The PRESIDING OFFICER (Mr. HUMPHREY) laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Finance:

To the Congress of the United States:

In accordance with Section 402(a) of the Trade Expansion Act of 1962, I transmit herewith the Fifteenth Annual Report of the President on the Trade Agreements Program. This report covers the year 1970.

World trade in 1970 maintained a high rate of growth for the third successive year, reaching over $279 billion. In the case of the United States, exports rose by approximately 14 percent while imports were up 11 percent. While this performance yielded a merchandise trade surplus of over $2 billion as compared with $624 million and $660 million in 1968 and 1969, respectively, the improvement fell far short of the level required for the United States to restore a sound balance of payments position.

Throughout the year U.S. representatives actively sought the cooperation of our major trading partners in the reduction of barriers to U.S. exports and in other measures that would enable our products to compete with those of other countries in both the U.S. and the world market. Some progress was made, but certain very significant problems remained unsolved. Domestically, monetary and fiscal policies contributed to a deceleration in price increases, but in some of our major product lines U.S. producers were not able to retain their share of the market at home or internationally.

At the close of 1970, the outlook for U.S. trade involved a number of uncertainties. Domestically, the most basic element was our ability to make further progress toward price stability. Abroad, the prospects were not clear with regard to levels of economic activity and rates of inflation in a number of industrialized countries. One of the most basic unknowns was the extent to which our major trading partners would recognize the seriousness and urgency of greater international cooperation on monetary reforms and other measures to facilitate balance of payments adjustment.

While we had hoped that these uncertainties could be favorably resolved without unilateral action, this was not the case and by mid-1971 the United States, for the first time in this century, faced the prospect of a deficit in its balance of merchandise trade. To deal with this situation and to achieve interrelated domestic goals, the New Economic Program was launched on August 15. With the cooperation of other major economic powers, I am confident that the deterioration in our merchandise trade balance, which was threatening at the end of 1970 and which reached intolerable proportions in the spring of 1971, will be sufficiently improved that the present U.S. surcharge on imports can be removed.

This Administration remains firmly committed to the goal of expanding world trade through the further reduction of national barriers to imports, the development of more equitable rules to govern export competition in international markets, and the elimination of discriminatory measures by trade blocs. The Program instituted in August will contribute to our basic trade policy objective by providing essential interim support to the domestic economy while more fundamental arrangements are being worked out to restore sound equilibrium with the rest of the world.

Improvement of the world trade and monetary systems has been given a high priority by this Administration. The United States stands ready to do its fair share in international efforts to achieve these ends. We expect other governments to respond with a similar sense of responsibility in the interest of promoting prosperity and amicable economic relations throughout the world.

RICHARD NIXON.

THE WHITE HOUSE, *December 1, 1971.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HUMPHREY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971

The Senate continued with the consideration of the bill (S. 3891) to extend and amend the Economic Stabilization Act of 1970.

AMENDMENT NO. 773

The PRESIDING OFFICER. Amendment No. 773 is the pending business. The clerk will read the amendment.

The assistant legislative clerk read amendment No. 773, offered by Mr. PROXMIRE, for himself, Mr. HARRIS, and Mr. STEVENSON, as follows:

On page 6, after line 4, insert the following new subsection:

(f)(1) The authority conferred on the President by this section shall not be exercised after June 30, 1972, to limit (1) the amount of any increase in prices charged by or wages or salaries paid by a firm with annual sales or revenues of less than $50,000,000 during its most recent preceding fiscal year; and (ii) the amount of any pay adjustment which applies to or affects less than one thousand employees, unless the President determines, after notice and opportunity for hearing, that the amount of any such increase or adjustment is grossly disproportionate with the standards published under subsection (b) and would have a significantly adverse effect upon the general cost of living.

(2) The President may request the Congress to reauthorize, by joint resolution, the authorities to be terminated or terminated by this subsection, and the provisions of sections 910-913 of title 5, United States Code, shall be applicable with respect to the procedure to be followed in the Senate and House of Representatives in considering such resolution and references in such provisions to a "resolution with respect to a reorganization plan" shall be deemed for the purpose of this subsection to refer to the resolution provided for under this subsection.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized. How much time does he yield himself?

Mr. PROXMIRE. I yield myself 10 minutes to begin with.

Mr. President, I think this amendment goes right to the heart of what, in my view, is wrong with the efforts of the administration to provide a Stabilization Act.

I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, virtually every economist has agreed that we just have no business covering under the Stabilization Act the actions of the small firms and small unions. They are not responsible for inflation. They are not contributing to it. Everybody recognizes that this is a cost-push type of inflation. We do not have a scarcity of manpower or resources. There are a few areas, such as the health services area and the construction industry, where, without big firms, we have inflationary circumstances, and my amendment would allow for that; but we have a situation now which is very, very unfortunate under the President's order. We have a situation in which small businesses are not required to report, they are not required to get approval, but they are required to keep records of their price increases, and their price increases are supposed to be strictly related to their costs.

The provision is so confusing, it is so difficult to abide by, that the great majority of small firms just are not going to be able to know whether a particular price increase is justified or not. Under those circumstances, there undoubtedly are going to be widespread violations. I am sure the majority of businessmen are conscientious. They want to abide by the law. They resent it when they cannot do so. But what are they going to do in such a difficult economic situation—and it is wholly unnecessary?

I would like to hear the opposition to this amendment state that any economist argues that we have to cover the small firms in order to have an effective stabilization program. It is not like World War II or the Korean war, when we had a shortage of many goods and a shortage of labor, and where we had to have comprehensive restrictions.

What this amendment does is exempt the smaller business firms and employee groups from price and wage controls effective June 30, 1972.

It maintains the present controls for another 7 months.

I think we also realize that one of the greatest difficulties is phasing out of a control situation, which is the present situation. It is very hard to do it. Congress takes the initiative under this amendment, and if by June 30 there can be a showing that we should continue to cover small firms, we can do so.

The definitions of smaller business and smaller employee groups are identical to the tier III firms and tier III employee groups as defined in the regulations of the Cost of Living Council. Under these regulations, a tier III firm is defined as one whose sales or revenues were less than $50 million during its most recent fiscal year. Tier III firms are not required to prenotify or report their price increases to the Price Commission, although they are subject to the price guidelines established by the Commission. My amendment would go one step further by exempting them from these guidelines as well, effective June 30, 1972.

Under the same regulations of the Cost of Living Council, a tier III pay adjustment is one which affects or applies to less than 1,000 employees. These pay adjustments are also exempt from the prenotification and reporting requirements established by the Cost of Living Council, although they are subject to the general wage guidelines established by the Pay Board. My amendment would exempt tier III pay adjustments from the guidelines as well, effective June 30, 1972. By paralleling the definitions and concepts already established by the Cost of Living Council, my amendment will be capable of ready administration.

While my amendment in general exempts smaller firms and employee groups from price and wage controls, the exemption is not absolute. The President can apply the controls on a selective basis to a smaller firm or employee group if he finds a price or wage increase is unreasonably inconsistent with the guidelines and would have a significantly adverse effect on the general cost of living.

He can do that by June 30. So, as I say, this amendment is confined to the exemption of small firms. It provides that the exemptions will not go into effect until June 30, and then it provides, even after that date, that the President can act to prevent a wage or price increase which is inflationary.

The President would, however, be required to provide notice and give the affected parties an opportunity for a hearing before applying controls selectively. This is the minimum safeguard we can provide if we are to give the President the sweeping authority to control the economy as authorized in the legislation.

Under the language of my amendment, the President would have enough flexibility to deal with individual problems without imposing rigid controls on the vast majority of small business firms throughout America. For example, under my amendment, the President could make a finding that prices and wages in the construction industry or medical services industry were unreasonably inconsistent with the guidelines established by the Pay Board or Price Commission. These prices and wages could then be subject to the controls.

And, frankly, I think the President would do exactly that. As we all know, the construction industry has had great difficulty with tremendously big wage settlements and consequent price increases. We all know that one of the most inflationary aspects of our economy is the health-care section. It is so at the present time and will continue to be so because of the shortage of resources and because of the fact that it takes a very long time to train doctors, nurses, and other medical personnel.

Mr. President, my amendment does not immediately exempt smaller business firms and employee groups from price and wage controls, although I believe a good case can be made that an immediate exemption is called for. However, the amendment does not go this far. It gives the President more flexibility. It simply says that the smaller firms and employee groups must be exempted not later than June 30, 1972. I believe the Pay Board and Price Commission will exempt these units much earlier than June 30, once they see the problems involved in trying to control the whole economy. My amendment merely sets an ultimate target date for the exemption. If we are to give the President an unprecedented 17-month extension of the stabilization act, we should at least prescribe the areas of the economy to be decontrolled after a reasonable period of time.

In no way would this amendment impair the fight against inflation. As I already said, the President has the authority to apply the price and wage controls to smaller firms and employee groups on a selective basis whenever a praticular price or wage settlement is out of line. In addition, the amendment contains a second safeguard. If the President determines that price and wage controls are still needed across the board for the tier III firms and employee groups, he can request Congress to reauthorize the controls by joint resolution. My amendment applies the same expediting provisions of the Executive Branch Reorganization Act to prevent delaying tactics and insure a prompt vote, up or down, on the President's request. Under these provisions, a committee can be discharged from the consideration of a resolution in 10 days, a motion to consider the resolution by the House or Senate is nondebatable, and consideration of the resolution itself is limited to 10 hours.

Thus, we do not tie the President's hands or weaken his authority. We give him all the authority he says he needs to control inflation for the next 7 months. However, we reserve to ourselves, the right to decide whether the controls on small business and small employee group should be continued beyond the 7 months. We have a constitutional responsibility to the country and to our constituents to prevent the President from becoming an economic dictator. Under the bill before us, he would become such a dictator unless we set up a specific timetable for withdrawing the controls.

Mr. President, there are approximately 10 million firms in the so-called tier III category. Most of these are small mom and pop establishments. These firms do not initiate inflation. Inflation is caused by the large corporations and large labor unions. Large companies, operating in highly concentrated industries, have the market power to administer prices and wages without regard to market forces. No such freedom is possessed by the smaller firms which are often struggling for their very survival. Their prices are set by the market. They must match the price set by their larger rivals or go out of business. By and large, controls on this sector of the economy are totally unnecessary.

MAJORITY OF ECONOMISTS BEFORE JEC SUPPORT SELECTIVE CONTROLS

Following the President's announcement on August 15 of his new economic program, the Joint Economic Committee held extensive hearings and received testimony from some of the most respected economists in the United States. The overwhelming majority of those who testified agreed the economy need not be placed in a straitjacket of mandatory controls on all wages and prices. They argued that the majority of wages and prices are still set by the forces of competition. Only a selected number of firms and unions which have the power to set prices and wages need be controlled. Selective controls would be easier to administer and also more equitable.

Dr. John Sheahan, author of a definitive study on incomes policy, titled "Wage-Price Guideposts," emphasized that—

It is a false idea of equity to treat the weak and the strong exactly the same. And since a general economy-wide system of controls is neither workable nor desirable, to argue against selectivity is to hand the advantage to the strong.

Mr. President, I ask unanimous consent that excerpts from the testimony by Dr. Sheahan be printed in the RECORD at this point.

There being no objection, the excerpts from the testimony were ordered to be printed in the RECORD, as follows:

EXCERPTS BY DR. JOHN SHEAHAN

We need a flexible economic system and we need flexible wages and prices. Even if the general freeze could be enforced for a longer period, it should not be. What is needed instead is a limited selective system directed at a few key sources of special difficulty. A general freeze is an abdication of the responsibility to tackle the difficult job of selective action.

The administration will deserve great credit if it comes out with a new program before the 90 days are up.

What should a new program be like? I would suggest thinking of something in between an all-out freeze and a system of guideposts as we knew it in the early 1960's. We should aim at something tougher than the guideposts in way of enforcement but perhaps not try to cover the whole economy to the extent that they did.

The reason that a comprehensive system of controls is unnecessary and undesirable is that the great majority of labor and product markets in the United States are characterized by a reasonable facsimile of competition. Trade associations and union pressures abound, but in most cases they do not greatly change the course of wages and prices.

The other side of the coin is that there are a relatively small number of labor and product markets in which changes are much more arbitrary.

When the groups with the power to make arbitrary decisions act in ways that they consider necessary to defend themselves, they often encroach on the real income of

the rest of the country. They impose a tax on the people who do not have such power: a tax which simultaneously transfers income to themselves and lowers real national income by distorting the structure of prices and wages.

Which group is competitive and which is not, and what to do about them? None of them wear white hats, and of course we are not talking about two sharply defined categories but about shadings of power that change constantly. But it might make the point more concrete to suggest some orders of magnitude and some plausible candidates for special attention. Within manufacturing, problems of market control are often associated with high degrees of concentration and difficulties of entry. Those industries in which the four firm concentration ratios are above 60 percent and are therefore likely sources of trouble do not constitute quite 20 percent of all our manufacturing industries and do not account for more than 20 percent of manufacturing value added. Within that 20 percent, some industries have little genuine market powers because of imports or competition from close substitutes, so less than 20 percent constitute serious problems.

But I would not think that manufacturing would be the first and most important target. I would nominate two other fields that could be worked on quite directly. They are medical fees and the pricing practices of industries in which the Government itself acts to enforce market control, perhaps especially in the oil industry and transportation.

On the side of labor, the majority of workers have mighty little bargaining power. It is surely nominal or nonexistent for workers in retail and wholesale trade, secretaries and office workers in general, migrant farm labor, nurses, workers in laundries and motels, and probably in a wide range of manufacturing such as canneries, textiles, and clothing, sawmills, and small-scale local manufacturing of all kinds. There is a world of difference between the pressures these workers can exert and what can be done by the printers, construction unions, coal miners, automobile and steelworkers, and the public service employees in some of the large cities. The differences can be seen readily enough in the wage rates that now exist and in the ways in which they have been moving.

When workers in well organized industries raise their wages they do not impinge upon the profits of the companies for which they work. They take away real income from the workers who have lower wages. The characteristic of the period through which we have been passing is that the better placed workers have been gaining at the expense of the poorer.

To divide workers into the privileged and the exploited, and industries into those which can defend themselves readily and those which cannot, is a treacherous exercise. But the differences are real. They cast an interesting light on the arguments by some unions and industries that it is unfair to pick them out for restrictions and leave the rest of the economy free. It is not the weak groups which make this complaint; it is the ones which have been raising their incomes at the expense of the rest. It is a false idea of equity to treat the weak and the strong exactly the same. And since a general economywide system of controls is neither workable nor desirable, to argue against selectivity is to hand the advantage to the strong.

Mr. PROXMIRE. Dr. Walter Heller, whom the present occupant of the chair, the distinguished Senator from Minnesota (Mr. HUMPHREY) knows very well and recognizes his great ability, and who is a former Chairman of the Council of Economic Advisers and probably the most articulate, in my view, and perhaps the most persuasive economic policy expert in the Nation, had this to say:

> We have a market system on which the vast majority of economists feel we should basically rely. It is in effect a huge, impersonal computer, a cybernetic system that processes enormous amounts of information, passes it on through from the consumer to the retailer, the wholesaler, and the processor or manufacturer, and does so without any overall human direction. Except for prevention of abuses, we ought to rely fundamentally on that process instead of getting into this morass that we have already illustrated with the ridiculous questions and problems that are being raised by the wage-price freeze.

However, there are areas in which the competitive system clearly doesn't work very well. There are areas in which big business and big labor units have excessive market power. Such units, in effect, distort the working of the competitive economic system. The wage-price guideposts focused particularly on these noncompetitive or imperfectly competitive parts of our economic system, pressing them, in effect, to behave competitively—pressing them to set wages and prices at the lower end of their range of discretion.

Dr. Arthur Okum, also a former Chairman of the Council of Economic Advisers, and now a senior fellow at Brookings and again a very eminent economist, one who has the respect and admiration of everyone who has followed economic thought in this country, made the following statement when he testified before our committee in August:

> By mid-November, the United States should have a new price-wage program that meets the following tests:
>
> 1. It should restore to the private sector the basic responsibility for decisionmaking over prices and wages. . . .
>
> We would want no controls directly on any price or wage after mid-November but would rely on this contingent power of the Government to roll back any price or wage increase that flagrantly violated the standards and then to freeze that price or wage subsequently for a substantial period.
>
> The sanction would have to be applied very selectively only to those prices and those wage settlements that would be particularly important to the overall price level or that would establish significantly adverse precedents and patterns. The more general success of the program would depend on the cooperation of the American public and the change in the behavior of the visible prices and wages that have had so much to do with the inflationary atmosphere of recent years.

Mr. President, another former chairman of the Council of Economic Advisers, and a man whose judgment and ability have been confirmed by events, who has served this country with great distinction, is Dr. Gardner Ackley. Dr. Ackley had this to say:

> While I see no reason why the transition to the new system need occur completely and simultaneously on November 14, I should hate to see any transition that would involve, for any appreciable number of cases, an intermediate stage of "tailored" price- or wage-control regulations, or any elaborate effort to "adjust" or "administer" the freeze for any large range of commodities or services. The Korean war experience surely proves what an administrative nightmare this would involve. Moreover if—as I believe—we are going to have to develop institutions that will be viable for a considerable period of time, I think that we must learn to stay as far away as we can from the traditional patterns of direct controls. They are indispensable in an emergency. But their role—if any—must be minimized under nonemergency conditions.

Another very highly respected economist whom most of us know, and who has testified often in Congress, is Dr. Otto Eckstein, also a former member of the Council of Economic Advisers, and now president of Data Resources. He says:

> A wage-price policy focusing on a limited set of major prices and wage bargains should be sufficient to assure this result. In the more competitive industries, prices will not rise substantially if the overall wage pattern of the economy is brought to a noninflationary state. No such assurance exists in the concentrated industries, yet these are the industries in which government has the greatest possibility of influencing private actions. . . .
>
> The United States does not want elaborate control machinery and it does not need it. A small, central staff in Washington, led by high policy officials and operating with the advice of business and labor, could keep track of developments in the top 50 or 100 price situations and in the major collective bargains.

Mr. President, I have a great deal of additional testimony by economists supporting the point I have been making here, but I think I have established the fact that the most eminent economists in this country seem to agree. One great economic expert, Dr. Friedman, of the University of Chicago, has a very large following among conservatives. I am not quoting him today, but I think we all know what he thinks of the freeze and phase II. He thinks the whole thing ought to be abolished completely. I do not take that view. I take a far more moderate view. I say that we should continue phase II until June 30, but that after that date we should provide that the small firms would be exempted—subject, of course, to the President's authority to impose selective controls in such areas. As construction and in health services.

Another reason for exempting the small firms and employee groups is that we do not have a demand-pull inflation.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PROXMIRE. Mr. President, I have additional material, but at this point, if the Senator from Illinois would like me to do so, I will yield time to him, and I will be happy to do so. I yield 10 minutes to the distinguished Senator from Illinois.

Mr. STEVENSON. Mr. President, I thank the Senator from Wisconsin for yielding to me. I commend him for offering the most significant amendment to this bill to date. It is an amendment which addresses itself to the whole notion of extending pervasive controls to all parts of our economy, no matter how unenforceable they may be, no matter what inequities follow, no matter what stifling effect they have on the economy.

I have joined the Senator from Wisconsin in offering this amendment out of concern about the effect of the controls on our economy and out of the further concern that such controls could become a permanent part of our economic life. Our economy may be able to cope with this confusion for a short time, but I am concerned that whatever advantages we may gain from moderating the inflation will be outweighed by a continued, possibly deepened, recession, unless we act quickly to return the economy to a free system.

On Monday, Virgil Day, Chairman of the Pay Board's business representatives, predicted that controls would have to remain on the economy for 2 or 3 years. I cannot believe Americans want 2 or 3 years of controls, nor do I believe the economy can endure them. Controls for that long during peacetime could lead to permanent controls.

Accordingly, the amendment we have offered would provide for a phaseout of controls over most economic units in the economy. It would remove controls by June 30, 1972, from the prices of all businesses with annual sales of less than $50 million and from the wages of all employees in these businesses and in economic units of less than 1,000. These so-called tier 3 businesses comprise over 99 percent of all businesses in the country, but they account for less than 50 percent of total sales. The President would retain the authority to impose controls in isolated instances where price or wage increases were "grossly disproportionate" to Price Commission or Pay Board standards and would lead to a higher cost of living. Or, if he felt the situation warranted continuation of controls over tier 3, the President could request Congress to pass a joint resolution extending his authority. Congress, under the procedures established in this amendment, would be required to take prompt action on any such request from the President.

The amendment would give Congress a voice in decontrolling the economy, while still providing the President with the flexibility to continue economywide controls past next June 30 if he is able to convince Congress that they are necessary. I hasten to add that I doubt—and doubt strongly—that tier 3 controls will be necessary beyond June 30, 1972, if indeed they are necessary now.

I am convinced the President committed a major mistake by instituting controls over the entire economy rather than limiting them solely to the sectors most responsible for the inflation. The chaos of widespread controls is already beginning. The President rightly wished to avoid the creation of a vast enforcement bureaucracy. But, rather than limit controls to the largest economic units where competition and collective bargaining have broken down, he chose to make them legally binding on economic units of all sizes and to enforce them against only the largest units. Most businessmen, wage earners and consumers must either ignore the law or operate in an atmosphere of confusion, anxiety, and ignorance.

Businessmen, for example, may increase their prices only if costs rise; but in order to calculate permissible prices, they must first subtract productivity increases from cost increases. Productivity increases are difficult, if not impossible, to measure—especially in small business and service industries. In addition, price increases are allowable only if profits as a percent of gross sales remain stable. But how can the hardware store owner, or other small businessmen, measure the effect of a price increase for a screwdriver or other item against his profit margin on the sale of all items? He cannot do it any more than he can project the productivity increases of his employees. How is the consumer to know whether the price he pays is above the legal guidelines? How is the worker to know if his wage may be increased? Wage increases cannot average more than 5.5 percent for all members of an economic unit, so the worker must calculate his prospective increase against those of other ill-defined workers whose increases go into the average for the unit.

Administration witnesses before the Banking Committee stressed that the overriding rationale for extending the President's authority to impose controls was the desire to avoid anxiety and confusion, and they were right to do so. They recognized that the return of consumer and investor confidence is a necessary prerequisite to breaking the back of inflation.

But the phase II program can only foster anxiety and confusion. Yesterday, the Washington Evening Star published an excellent story by John Cunniff, captioned "Businessmen Uncertain, Concerned." Mr. President, I ask unanimous consent to have Mr. Cunniff's article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSINESSMEN UNCERTAIN, CONCERNED

(By John Cunniff)

NEW YORK.—In their conversations, in speeches and in the letters they write, businessmen today seem uncertain and concerned. Cold, calculating, cautious, they don't see much fun ahead and so they don't make big plans.

Every observer of business knows that such moods change from depression to manic as events, or the interpretation of them, take on different shapes and patterns. But uncertain and concerned is the current mood.

Uncertain. A new economic program has been adopted and nobody is at all sure that it will work, or even whether it is temporary or permanent. Prices, wages and profits are hard to forecast. One company watches the other, hoping that the inevitable errors will be their competitors' rather than theirs.

Seldom have more eyes scrutinized more intently more economic statistics and indicators. Slight fractional changes receive exaggerated examination. Signs and portents are sought.

A SIMILAR ERROR

Not helping the situation any is the tendency for the statistics to be a bit unreliable. The index of leading indicators is announced and later revised. What are you to make of a preliminary index that shows a decline and a final index showing an advance? It has happened.

The Federal Reserve made a similar error last week. With many businessmen worried that the money supply would be contracted too sharply, the Fed made the untimely mistake of underestimating the supply by $400 million.

That error was a clean one. But how do you find a trend in statistics that fluctuate on either side of plus or minus, of which change by a tenth of one percent or are in conflict with a whole set of other figures?

With uncertainty prevailing, one company watches for the other to move, hoping thereby to profit by its mistakes. It should be the other way around, with the rewards going to the risk taker.

President Nixon, Treasury Secretary John Connally and Federal Reserve Chairman Arthur Burns have repeatedly expressed their confidence in the future, hoping thereby to supply the spark that lights the fire.

Past experience has shown, however, that assurances repeated too often can have the opposite effect when sown in worried minds. "Things must be bad indeed," the listener says, "if they feel compelled to talk it up."

RISKING NEEDED

The impasse more likely can be broken by assertive action by the risktakers, the companies which, despite doubts, feel that the potential rewards are worth going after. There are examples to be followed in this regard.

Following World War II there was considerable fear of a return to prewar depression. Some companies refused to believe it, committed their resources to expansion and led the greatest economic surge in history.

In recent weeks, with Wall Street brokers reinforcing their doleful outlook by picking each other's brains, the market dropped. One day a big institutional buyer said it thought some bargains were reappearing and therefore was prepared to buy. The next day the market spurted.

Concerned. Many businessmen seem genuinely concerned about the ability of the United States to compete, forgetting that competition was what helped the country to its position of economic leadership. They see their products being successfully challenged by high quality, low-priced foreign goods.

They view with alarm the continuation of the U.S. balance of payments deficit, the threatened loss of entire industries, the inability of the world to quickly settle its monetary problems, the possibility of dollar devaluation.

And while seeing all this power abroad and weakness at home, they still express the contradiction that a worldwide recession is approaching. Overwhelmed with concern, they view the clouds instead of the sunshine.

Psychologists have an explanation for such attitudes-inaction. And history seems to show that the way out is action.

Mr. STEVENSON. Mr. President, confusion and chaos will continue. Because of this uncertainty, phase II controls are likely to have an adverse impact on economic recovery. Inflation is not our only problem: unemployment continues to hover at the 6-percent level, and economic growth has not yet reached the 4-percent level necessary for the economy simply to stand still. The economy is utilizing less than 75 percent of its productive capacity, and the lost production due to stunted growth will approach nearly $70 billion in this fiscal year alone.

Recovery—as the administration, I dare say, and all of us recognize—awaits the return of consumer and business confidence, a confidence which phase II is not likely to call forth. If we must have short-term controls to combat cost-push inflation, then it would make sense to limit those controls to the largest units in the economy as soon as possible. That is where the cost-push is. If we focus controls directly on the problem, there will also be less interference with the operation of the market system, since we would then control sectors of the economy which rely less on market forces to set prices and more on administered prices. The smaller business units covered under tier 3 are more competitive

and that fact in itself will help to restrain their prices.

In conclusion, Mr. President, I would say that if we value the free market as a mechanism for determining prices and allocating goods and services—and certainly our rhetoric suggests that we all do—then we will pass this amendment and, in doing so, help to assure an orderly return to a free economy.

I thank the Senator from Wisconsin for yielding to me.

Mr. PROXMIRE. Mr. President, I thank the Senator from Illinois for his excellent speech. In this kind of debate it is very difficult to anticipate what the opposition will say. I cannot anticipate what they will say in opposition to what the Senator from Illinois has just said. It is difficult for me to understand how this amendment could be resisted.

Another reason for exempting the smaller firms and employee groups is that we do not have a demand-pull inflation as we had during World War II and the Korean war. Instead, we have a cost-push inflation, where most of the cost-push pressures come from powerful unions and large corporations. Our entire economy is operating at only 75 percent of capacity and the rate of unemployment continues to hover at 6 percent.

A study of classical economics shows that it is impossible to have inflation under the circumstances, but we all know that it is happening and why. It is not because the little firms are pushing up their prices. Firms in competition are not doing that. They cannot, under these circumstances. It is because of the great concentration of economic power in our society which can defy the laws of economics, as they are not subject to the controls of the marketplace. They are the ones the economists overwhelmingly agree are responsible.

Under these circumstances we do not have to fear that lifting controls on small business will lead to runaway price increases. There is too much economic slack in the economy.

Controls on small business were necessary during World War II and Korea because there was a general shortage of consumer goods. Demand far exceeded supply, and controls were necessary to prevent prices from skyrocketing. Today, we have just the opposite conditions. We have an oversupply of goods and industrial capacity while consumer demand is sluggish. Market forces are thus sufficient to control prices and wages for all but the largest firms and unions which are immune to the pressures of supply and demand.

Mr. President, as everyone knows, bureaucratic controls have a life of their own. It is easy to start a new program. It is much more difficult to phase it out once it has served its usefulness. Those administering the program have a vested interest in seeing that it is continued. Those with power can think of many reasons for perpetuating their power. Those charged with enforcing the law often forget the original objectives of the legislation and become obsessed with enforcement as an end in itself. We are endangering the very survival of our free enterprise system by resorting to price and wage controls in peacetime.

No one knows for sure how long these controls will last or whether they will become more repressive. The administration has announced no fixed date for terminating phase II. No timetable has been given for withdrawing the controls. The committee report contains a hope that small business firms will be exempted as soon as possible consistent with the overall goals of the program.

All the amendment does is to provide a date for that. That date is not tomorrow, not next month, January, February, March, or April. It is not until the end of June.

But how do we know that these wishes will be carried out by the administration? The only way we can be sure the phase II controls will be phased out on an orderly basis is to require it by law as provided in my amendment.

Mr. President, there is another important reason for exempting small business from the controls as soon as possible. The regulations issued by the Price Commission are grossly unfair to small business. They give an economic advantage to the large firm and impose a disproportionate burden on the smaller firm. Because of this disparity, the very survival of small business is threatened.

The distinguished Senators from New Hampshire (Mr. McINTYRE) and Minnesota (Mr. HUMPHREY) have devoted a great deal of their time in the Senate and elsewhere to small business, as much as any other Member of this body, so that I think they appreciate this.

Why do the regulations discriminate against small business? They discriminate because only the larger firm can afford the battery of accountants, statisticians, lawyers and lobbyists needed to justify a price increase. The larger firm can acquire or manufacture the complex data on costs, productivity and profit margins required by the price commission. However, how is the average corner grocer going to estimate his productivity when Ph. D. economists cannot even agree on how to define the term let alone measure it? The head of the Price Commission has testified that unless a firm can estimate its productivity, it is not entitled to a price increase. Explain that to your corner grocer when you go home, Mr. President, as a practical matter, most of the small firms will be scared into freezing their prices because they do not understand the complex and confusing regulations. The law provides for civil and criminal penalties and triple damage consumer actions against those who illegally raise their prices. These are terrifying prospects for the average small businessman. If he doesn't have all the data needed to justify a price increase, the chances are he will simply freeze his prices.

On the other hand, big business firms have not hesitated to request approval for price increases and many of these have been approved by the Price Commission. As time goes on, the profits of the larger firms will gradually increase at the expense of smaller firm profits. Because of the built-in inequity of the regulations, we are likely to undergo a permanent and irreparable structural change in our economy. More business will go to the larger firms, as small firms find they are unable to live under the complex regulations.

I am sure every Member of Congress is a friend of the small businessman. Everyone wants to see the small businessman succeed. We all want to see the smaller firm get an even break. But he will not be fairly treated if my amendment is rejected. A vote for my amendment is a vote for the continued survival of the small businessman.

Some Senators may be sympathetic to my amendment but also may be fearful of being charged with weakening the President's fight against inflation. An argument will no doubt be made that we should give all the authority to the President and let him decide who is to be exempted over what period of time. Otherwise, the President might blame the Congress for any failures which might occur.

Mr. President, we simply cannot ignore our constitutional responsibility in the name of political expediency. Moreover, the voters are much more intelligent than we give them credit for. They are not about to be fooled by the political maneuvering of either party. I think they want results, and if they don't get those results, they are going to blame the Congress as well as the President. If the phase II controls are not lifted from the back of the small businessman, there is going to be a voter backlash next November. The 10 million small businessmen in America are going to be very interested in today's vote. They may not be watching it today, but they will be made aware of it on election day. Those who vote against exempting small business may think they are protecting themselves from political criticism. But how will they answer the thousands and millions of small businessmen next November? How will they explain their failure to act today to insure that the small businessman is treated fairly?

In summary, Mr. President, a vote for my amendment is both good policy and good politics. It is good policy because there is no economic justification for controlling small business for any extended period of time.

I defy opponents of my amendment to provide any significant kind of economic experts' opinion against the proposal I have presented. It is good politics because the controls are bound to invoke bitter resentment as time goes on and the 10 million small businessmen in America will look back to this vote and remember who was their friend and who was their enemy.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

The PRESIDING OFFICER (Mr. EAGLETON). The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, I had the privilege of presiding while the Senator from Wisconsin has been making his argument. As always, the argument of the Senator is a very persuasive and a powerful argument. His argument is well documented with the testimony of outstanding and eminent economists.

I am basically sympathetic with the point of view that the Senator from Wisconsin has in mind.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for an additional 5 minutes.

Mr. HUMPHREY. Mr. President, what does concern me, and I express myself for the RECORD, are the letters the Senator has in his amendment. He would provide that businesses with an income of $50 million or less be exempted; $50 million is a rather substantial store today. It is not a Mom and Pop grocery store.

May I suggest that with gross sales of $50 million, they have accountants and a legal firm that works with them. They are capable in some manner or form of making a pretty good accounting of their activities.

They have to do so for the Internal Revenue. And I think they would have the capability of doing it for the Price Board or Pay Board.

I would hope that the Senator would give us an opportunity to get those letters down.

I want to say that the small concerns really ought not to be brought under any type of control such as we are now having. I want those smaller concerns exempt. For example, a laundry and dry cleaning firm, a smalltown grocery store, or even a supermarket that does a quarter of a million dollars or half a million dollars of business is not a large supermarket, to be sure. As the Senator has said, the corner drugstore and so forth should be exempt. That is fine. They are small corporations. They do not have the technical staff and accountants and all the assistance that is necessary to meet some of the requirements that the Price and Pay Board demand. However, the Senator has a $50 million figure in his amendment and also a section dealing with 1,000 or fewer employees.

Mr. PROXMIRE. The Senator is correct. The reason that I have picked that particular figure is because I have taken the administration's own estimate as to how they think the program should be administered.

There is tier 1, tier 2, and tier 3, and those below a certain figure are not now required to get approval even to report when they get a price increase.

It was my feeling that the administration's judgment is about right. It may be a little conservative. The overwhelming opinion of the economists that testified is that if we limit the price increases to the big 500 or 1,000 firms, we would get at the root of the problem. My amendment would keep some 2,500 firms under restraint. There are 10 million firms in the country. So, with my amendment the bill would cover only 1/40th of 1 percent of the firms, but it would get at about 50 percent of the volume of the business, and about 100 percent of the inflationary pressure.

Furthermore, the main reason why I agreed with that categorization is that the principle for regulating these firms is whether they have monopolistic power, whether they have power which is big enough so that they can become an inflationary factor in the economy.

While they have the ability to increase their prices, it is true that there are some small firms that have this kind of capacity, in the health field and in the construction industry and perhaps in some other cases. In those cases, the President would still have the authority to limit price and wage increases. In the event he felt this was significant with respect to the stabilization program, he would continue to have that power. However, the great majority do not have any power and under these regulations would be taken out.

Mr. HUMPHREY. Mr. President, how does the Senator explain, for example, the continuation of wage controls upon the schoolteachers in a small school.

Mr. PROXMIRE. I just tried to do that. As the Senator knows, my previous amendment would have exempted that class of employee. As the Senator also knows, that amendment was rejected.

Mr. HUMPHREY. I voted for the Senator's amendment. I thought he was right. However, what worries me about the present amendment is that even while those economics may be justified in terms of the Senator's argument, there is a psychological factor involved here. Whereas some people are under rather strict controls, local public servants or someone in a small school district is not. And here we say that a business with an income of $50 million or less shall be given an exemption.

I have sat in the hearings with the Senator and have read the testimony of economists. I believe from the overall point of view in trying to operate the program without a massive bureaucracy of several hundred thousand police trying to keep controls on every little facet of our economy. We ought to be placing our major emphasis upon the major economic bloc as the Senator has said. Our major concern should be with the large number of employees in the big collective bargaining agreements. Those ultimately affect the economy.

But I have some doubts as to the figure. I hope that the Senator may, in his mature way of presenting these matters and with his understanding of these problems, give us a figure that might be a little more relative to the economy than $50 million or 1,000 employees.

The Senator knows that even in Wisconsin that is pretty big business. Of course, we in Minnesota consider $50 million to be big business. They are doing all right then and making a good living.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for an additional 5 minutes.

Mr. PROXMIRE. Mr. President, I quite agree that one can make a strong point from the standpoint of equity that we ought to provide control over a firm that has sales of $40 million, $50 million, or even $30 million. However, I honestly think those ought to be administered from the standpoint of what we need, and the testimony was overwhelming that we do not need controls and restraints on firms that are competitive firms. All this provides for is that those that are noncompetitive will be covered. Where they are not, they would continue to be controlled.

Mr. BYRD of West Virginia. Mr. President, would the Senator yield for a unanimous consent request?

Mr. PROXMIRE. I yield 1 minute to the Senator from West Virginia.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, the distinguished Senator from Wisconsin (Mr. PROXMIRE) may or may not have one or two additional amendments.

Mr. PROXMIRE. The Senator is correct.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that in the event the Senator from Wisconsin calls up one or two additional amendments, that on each of those amendments there be a time limitation of 10 minutes to be equally divided between the mover of the amendment and the manager of the bill; provided further, that any amendment in the second degree, motion, appeal, or point of order—with the exception of nondebatable motions—be under a similar limitation, and with the time equally divided between the mover of such and the distinguished manager of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD of West Virginia. Mr. President, I have cleared this with the distinguished ranking Republican Member, the distinguished Senator from Wisconsin, and the distinguished manager of the bill.

The PRESIDING OFFICER. The Chair hears no objection, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that in the event the distinguished Senator from Wisconsin decides to call up one or both amendments that they be scheduled to follow upon the disposition of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I conclude by saying that yesterday we refused by an overwhelming vote to require that the Nation's largest banks—Chase Manhattan and Bank of America—be placed under the program in an effective way when we turned down the amendment of the Senator from Indiana (Mr. HARTKE). We also refused to require that Nation's largest utilities come under mandatory statutory price guidelines, including A.T. & T. We almost voted to exempt the Nation's largest publishing and media firms. There is an amendment coming up on that. But the small firms, the little fellow, could be brought into court, prosecuted, and fined $5,000 for every violation. We did not exempt

them, but we are on the verge of exempting some of the biggest firms in the country.

Mr. President, I cannot believe that we can be so one sided in our approach. I urge the Senate to agree to the amendment. I reserve the remainder of my time.

Mr. TOWER. Mr. President, one point that should be made is that third tier firms are only required to keep records and, as pointed out by the distinguished Senator from Minnesota, the firm doing a business with a volume of $50 million is a pretty good sized firm that ordinarily keeps pretty fair books. Even very small corporations that may gross less than $1 million are required to keep books. So I cannot see that this is a tremendous burden on third tier firms.

Now, the Senator from Wisconsin, in his amendment, projects a date of June 30 for removing third tier firms from the provisions of the act. It may be that that much time will be required by the administration. They may remove third tier firms from the consideration of the act or the application of the act before that time, but I think the timing should be left to those who are going to administer phase II rather than statutorily prescribing what date the controls shall be removed.

Again, I say this is a minimum of control and only requires keeping records, to be spot-checked by the IRS. My guess is that they will not be worrying too much about firms that gross in the thousands of dollars when many firms gross more than a million dollars.

Another aspect of this matter is that there would be absolutely no controls on, let us say, a dry cleaning establishment that does a healthy business with a $5-million-a-year volume, perhaps, and they would have no controls, so they would pay any kind of wages they wanted to. They could go over and hire people from a firm doing in excess of $50 million, a firm that does come under rigid scrutiny of the Pay Board and, therefore, they would be given an unfair competitive advantage for labor.

Mr. President, I think we should reject the amendment and allow the Board and the Commission some flexibility as to just when these small firms are to be phased out of any controls that may be included with respect to the act.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, I wish to reply to the distinguished Senator from Texas. I think that in large part he has conceded the validity of my case. He indicated that it is a question of timing, or who makes the decisions, and who is going to phase out these firms. He is correct that the administration may decide before June 30 to phase out third-tier firms. I hope they do; they will be free to do so under my amendment. My amendment states they shall do it by then. Who should make these decisions? Should they be made by 22 men, only two of whom are confirmed by the Senate, or should the decisions be made by the Congress of the United States on the basis of the overwhelming documentation we had in hearings before a congressional committee?

The economists agree that these firms have no business under this control, and I am only going so far as to discontinue the discretion of the administration to hold them under these controls after June 30. If we agree to my amendment and if the President decides, as the Senator from Texas indicated that he well might, he could come back and make his case in April, May, or June and suggest that we should extend that authority. However, it would be up to him then to make the case in view of the fact that the economic evidence is overwhelming that these firms should not be under the Stabilization Act and do not constitute an inflationary threat. We should put the burden of proof on the President.

Finally, so far as small firms stealing competent help from big firms because they are free from controls, I do not argue and I do not think the Senator argues that small firms can just increase their prices. They are subject to competition and they cannot increase their prices; so on prices and wages they are subject to the discipline of the marketplace. Very few of these small firms are able to raise their prices and if they can the President is in a position to act. In situations such as the tugboat situation in New York City, construction workers throughout the country, and the health profession, the President would have the authority to continue controls.

Mr. President, if the manager is willing to yield back his time I am ready to yield back my time.

Mr. President, before that, do we have the yeas and nays ordered?

The PRESIDING OFFICER. They have been ordered.

Mr. PROXMIRE. I am ready to yield back my time.

Mr. SPARKMAN. I have just a couple of comments before we do that. Let me ask the Senator this question.

What is the state of the matter with respect to businesses of $50 million and under? All they have to do is keep records. Is that not true?

Mr. PROXMIRE. All they have to do is comply with the same guidelines as everyone else. They do not have to get approval in advance for price increases or wage increases. But they are subject to all penalties of the law.

If any consumer comes in and complains about them, they can be taken to court, investigated, prosecuted, and they would have to pay the fine. So they are in the same jeopardy as the big firms.

Mr. SPARKMAN. But they would not be in jeopardy unless they violated the law.

Mr. PROXMIRE. This is an extraordinarily difficult law to abide by. I defy the Senator to go home to Huntsville, Ala., and talk to the owner of the corner grocery store with respect to how secure he feels about raising prices when he has to analyze costs and productivity and be in a position to justify his position in court.

Mr. SPARKMAN. I can understand the small business, and the Senator knows that. They took out the really small businesses under $1,000—virtually took them out by removing the requirement that they had to price every item in there.

Mr. PROXMIRE. They did not take out the grocery stores. They provided a little easier posting provision.

Mr. SPARKMAN. They took out the retail stores with $100,000 or less.

Mr. PROXMIRE. The Senator performed a great service for small business when he persuaded the Price Commission to limit the number of items they had to list, but they are under the law and they are in jeopardy. They have to prove their productivity, analyze the profit margin, and go through this complicated procedure. There are hundreds of thousands of manufacturing firms and service firms that are not covered.

Mr. SPARKMAN. I realize that. This was based originally on the detailed price tagging that they had to do.

Mr. TOWER. Mr. President, I yield myself some time.

I wonder if anybody seriously believes that the administration is going to be busily engaged in harassing the corner grocery stores, when it is primarily concerned with the larger firms that have some impact on the economy, and some significant impact on the economy. The clear implication here that the Internal Revenue Service is going to be snooping around every mom and pop grocery store in the country, forcing it to keep records, threatening to take it to court. That simply is not going to happen. Obviously, the administrative machinery is going to be used to go after the big fish, not the small fry.

All I am arguing for is that the administration be given some flexibility to make this determination. After all, we have invested some discretionary authority. We have got to get down to vesting discretionary authority in the board and the commission. If not, if we are going to do everything here in Congress, let us be prepared to remain 6 months here trying to work out the details.

Mr. PROXMIRE. Mr. President, the Senator has made my point for me. Is the administration going to be busy harassing small grocery stores? It has no alternative if we pass this law. If those small businesses violate the law, it does not make any difference whether they are big or small; they come under the law. Either they will come in compliance with the law or they are violating the law. At the request of a consumer, the IRS investigates, and if it finds that the firm has violated the law, they are going to be fined $5,000 for every violation. In some cases they are going to be destroyed and put out of business. If the administration is going to enforce the law passed by Congress, the executive department must do it as to everyone. If the law is not to be enforced, it should be repealed.

After all, this amendment does not exempt them now. They would be taken out from under the law after June 30, 1972, and even after then, the President can make exceptions at that time.

I yield back my time.

Mr. TOWER. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Wisconsin. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. CHILES), the Senator from Indiana (Mr. BAYH), the Senator from Georgia (Mr. GAMBRELL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), and the Senator from South Dakota (Mr. MCGOVERN) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from Maryland (Mr. MATHIAS) is detained on official business.

The result was announced—yeas 11, nays 79, as follows:

[No. 421 Leg.]

YEAS—11

Cranston	Hughes	Proxmire
Eagleton	McIntyre	Stevenson
Gravel	Metcalf	Symington
Hart	Nelson	

NAYS—79

Aiken	Ervin	Muskie
Allen	Fannin	Packwood
Allott	Fong	Pastore
Anderson	Fulbright	Pearson
Baker	Goldwater	Pell
Beall	Griffin	Percy
Bellmon	Gurney	Randolph
Bentsen	Hansen	Ribicoff
Bible	Hatfield	Roth
Boggs	Hollings	Schweiker
Brock	Hruska	Scott
Brooke	Humphrey	Smith
Buckley	Inouye	Sparkman
Burdick	Jackson	Spong
Byrd, Va.	Javits	Stafford
Byrd, W. Va.	Jordan, N.C.	Stennis
Cannon	Jordan, Idaho	Stevens
Case	Kennedy	Taft
Church	Long	Talmadge
Cook	Magnuson	Thurmond
Cooper	Mansfield	Tower
Cotton	McClellan	Tunney
Curtis	McGee	Weicker
Dole	Miller	Williams
Dominick	Mondale	Young
Eastland	Montoya	
Ellender	Moss	

NOT VOTING—10

Bayh	Harris	Mundt
Bennett	Hartke	Saxbe
Chiles	Mathias	
Gambrell	McGovern	

So Mr. PROXMIRE's amendment (No. 773) was rejected.

AMENDMENT NO. 778

Mr. PROXMIRE. Mr. President, I call up my amendment No. 778 and ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

Amendment No. 778 is as follows:

(f)(1) The authority conferred on the President by this section shall not be exercised after June 30, 1972, to limit (1) the amount of any increase in prices charged by or wages or salaries paid by a firm with annual sales or revenues of less than $5,000,000 during its most recent preceding fiscal year; and (11) the amount of any pay adjustment which applies to or affects less than one hundred employees, unless the President determines, after notice and opportunity for hearing, that the amount of any such increase or adjustment is unreasonably inconsistent with the standards published under subsection (b) and would have a significantly adverse effect upon the general cost of living.

(2) The President may request the Congress to reauthorize, by joint resolution, the authorities to be terminated or terminated by this subsection, and the provisions of sections 910–913 of title 5, United States Code, shall be applicable with respect to the procedure to be followed in the Senate and House of Representatives in considering such resolution and references in such provisions to a "resolution with respect to a reorganization plan" shall be deemed for the purpose of this subsection to refer to the resolution provided for under this subsection.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senator may yield to me for 1 minute without the time being charged on either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I move that the Senate go into executive session to consider three nominations reported today by the Judiciary Committee.

The motion was agreed to; and the Senate proceeded to consider executive business.

U.S. DISTRICT JUDGE FOR NORTHERN DISTRICT OF OHIO

The legislative clerk read the nomination of Leroy J. Contie, Jr., of Ohio, to be a U.S. district judge for the northern district of Ohio.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. DISTRICT JUDGE FOR SOUTHERN DISTRICT OF WEST VIRGINIA

The legislative clerk read the nomination of Kenneth K. Hall, of West Virginia, to be a U.S. district judge for the southern district of West Virginia.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA

The legislative clerk read the nomination of Thomas A. Flannery, of Maryland, to be a U.S. district judge for the District of Columbia.

The PRESIDING OFFICER. Without objection, the nomination will be considered and confirmed.

Mr. BYRD of West Virginia. Mr. President, I ask that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, the President will be so notified.

LEGISLATIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I move that the Senate return to the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971

The Senate resumed the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

Mr. PROXMIRE. Mr. President, it is my understanding that on this amendment there are 10 minutes, equally divided, 5 minutes on a side.

The PRESIDING OFFICER. The Senator is correct.

Who yields time?

Mr. PROXMIRE. I yield myself 3 minutes.

Mr. President, this amendment simply reduces from $50 million of sales to $5 million and 1,000 employees to 100 employees the coverage of the amendment. In other words, if this amendment is adopted, it means that firms that have sales of less than $5 million and have fewer than 100 employees will be exempt from the price-wage restrictions of the Economic Stabilization Act.

An overwhelming economic case has been made that we ought to exempt tier three firms. Economists who have testified before the Joint Economic Committee are consistent in saying that it is ridiculous under present circumstances, with the economic situation we have, with shortages, and so forth, and with the competitive situation, to cover firms which do not have power to raise their prices because of market forces.

Our problem is with great concentrations of economic power; and while some case could be made that my previous amendment, which included $50 million sale firms, was wrong because the firms were too big, it seems to me that when we get down here, we are really getting toward the small firms.

Furthermore, this amendment provides that these firms would not be taken out from under the stabilization program this month or next month, but not until July 1, 1972.

In addition, there is Presidential discretion. In the event the President should decide that these firms—perhaps in the construction industry, perhaps in health services—were subject to inflationary force, under the amendment, he would have the discretion to continue coverage in the event that the increases in wages or prices were unreasonably inconsistent with the guidelines.

What I think we must recognize is that small business is going to be subject to a nightmare of record keeping, of compliance, in which they could be destroyed under this bill if suit is brought, because there is a violation. They have to pay up to a $5,000 fine for every violation. There is no question that the great majority of

firms in this country, though they have sales of under $5 million and employ less than 100 people, have no business under the Stabilization Act.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I think we can raise the same question on this amendment as we did on the previous one and oppose it for the same reasons.

In effect, this is selective statutory exemption of a particular class of firms and people. I simply do not believe that we should deny the Commission this flexibility, and I urge the defeat of the amendment.

The PRESIDING OFFICER. Who yields time? Do Senators yield back the remainder of their time?

Mr. TOWER. I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may proceed for 1 minute.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PROGRAM—UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent—having cleared the matter with Senators on both sides of the aisle and with the leadership on the other side of the aisle—at the direction of the distinguished majority leader, that on tomorrow, immediately following the vote on the confirmation of the nomination of Mr. Butz for the Office of Secretary of Agriculture, the Senate then proceed to the consideration of the so-called drug bill that is on the calendar; that there be a time limitation thereon of 2 hours, to be equally divided between the distinguished Senator from Illinois (Mr. PERCY) and the distinguished Senator from Iowa (Mr. HUGHES); that time on any amendment in the first degree be limited to one-half hour, to be equally divided between the mover of such and the distinguished Senator from Iowa (Mr. HUGHES), with the exception of an amendment by the Senator from Arkansas (Mr. MCCLELLAN), if he decides to call up such amendment, in which case there be 1 hour on the amendment, to be equally divided between the mover of the amendment, Mr. MCCLELLAN, and the distinguished Senator from Iowa (Mr. HUGHES).

Provided, further, that time on any amendment in the second degree, motion, appeal, or point of order, with the exception of nondebatable motions, be limited to 20 minutes, to be equally divided between the mover of such and the distinguished Senator from Iowa (Mr. HUGHES).

Mr. GRIFFIN. Mr. President, reserving the right to object—and I do not intend to object—there has been some question on our side, as I have checked the matter out, as to an understanding or expectation that the Rehnquist and Powell nominations would follow the Butz nomination. Can the acting majority leader give us some indication as to when those nominations will be brought up if this is agreed to?

Mr. BYRD of West Virginia. Mr. President, I discussed this matter with the distinguished majority leader, who is not in the Chamber at the moment, and I think he would authorize me to say that he anticipates calling up those nominations on Friday morning; and that tomorrow, following the action on the nomination of Mr. Butz and following the action on the drug bill, if we can clock it in at the moment, we would proceed to certain other measures—for example, perhaps, if it is agreeable to the Senator from New Hampshire (Mr. COTTON), the fish inspection bill, and other matters; and we hope to clean the decks of those various items before moving to the Supreme Court nominations on Friday morning.

Mr. NELSON. Mr. President, reserving the right to object, would the Senator give me some idea of when we could take up the extension of the OEO legislation? The conference report is at the desk and is a privileged matter. I was hoping that we would be able to dispose of it today. The distinguished Senator from Colorado (Mr. DOMINICK) wishes to speak on it, and I have no notion of who else may wish to do so. So far as I am concerned, I will put a statement in the RECORD.

Could we get some idea of whether we could vote on that? The Senator from Colorado advises me that he must leave here by about 7 o'clock.

Mr. BYRD of West Virginia. Today?

Mr. NELSON. That is my understanding. Is there any way we could set aside the Butz matter for 1 hour and dispose of the OEO conference report? The House of Representatives wants to act on it as soon as we do.

Mr. BYRD of West Virginia. I am aware of the situation to which the Senator addresses himself. I hope he will let us first get this agreement. We are also working on a possible agreement with respect to the OEO conference report, but are unable thus far to achieve it. I hope we can do it this afternoon. I hope we can first get the matter agreed to that I have just presented.

Mr. NELSON. If we do not get some agreement worked out for this afternoon, where does that leave the conference report, with this unanimous consent agreement?

Mr. JAVITS. Mr. President, will the Senator yield? I think I have a suggestion that may help.

Mr. BYRD of West Virginia. I yield.

Mr. JAVITS. I do not think there is any real difficulty with the drug bill, which is very urgent, and the time is short. I think what we are really worrying about is having something else come in, even if it is the Powell and Rehnquist nominations.

Could the assistant majority leader assure us that no other unanimous-consent agreement will be sought until we have been conferred with in connection with the conference report, other than the drug bill?

Mr. BYRD of West Virginia. Yes. I can assure the Senator of that. I am willing at this moment to propound a request concerning the conference report, to which any Senator may object if he desires. But I have given that assurance. Can we have this agreement first?

Mr. NELSON. I did not hear the entire request. Is there controlled time tomorrow?

Mr. BYRD of West Virginia. Controlled time tomorrow on the drug bill and on amendments thereto.

Mr. NELSON. How much of the day will that occupy, if it is agreed to?

Mr. BYRD of West Virginia. Hopefully, not more than 2½ hours.

Mr. NELSON. Tomorrow?

Mr. BYRD of West Virginia. Yes.

Mr. NELSON. Starting at what time?

Mr. BYRD of West Virginia. At 1:15 p.m.

Mr. JAVITS. And we know of only one amendment to the drug bill.

Mr. TUNNEY. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield myself 2 additional minutes.

Mr. NELSON. Does the Senator intend to propound a unanimous-consent request to see whether we can reach agreement on disposal of the conference report sometime today prior to 7 o'clock? Otherwise, it is going to be objected to.

Mr. BYRD of West Virginia. Yes. I will do my best.

Mr. DOMINICK. I do not see how we can do that today. I really do not know how we can do it. I dislike to be objectionable about this, but I do not see how we can do that today.

Mr. BYRD of West Virginia. Will the distinguished Senator allow me to consult with other Senators to see if we can come to an agreement on the conference report, if that can be done?

Mr. GRIFFIN. I have no objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request propounded by the Senator from West Virginia relating to the drug bill? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I thank the Senator from Wisconsin. I will do everything I possibly can.

The PRESIDING OFFICER. Who yields time?

Mr. MCGEE. Mr. President, will the Senator yield me 1 minute?

Mr. BYRD of West Virginia. I yield.

Mr. MCGEE. I was listening carefully for some indication of what the state of the pending legislation on voter registration would be this weekend. Inasmuch as it was not included in the discussion of the plans for tomorrow, I would like to raise that question now in terms of the road ahead.

Mr. BYRD of West Virginia. I wish I knew the answer so that I might respond. I can only say this is a bill about which we will have to ask the majority leader. I say that honestly.

Mr. MCGEE. Could we ask him if we might have a unanimous-consent agreement that we will take it up at a time certain? It is getting very late in the session.

The PRESIDING OFFICER. All time has expired.

Mr. BYRD of West Virginia. I thank the Chair.

Mr. PERCY. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. PERCY. May I ask a question of the assistant majority leader?

The PRESIDING OFFICER. The Senator from Illinois has 1 minute.

Mr. PERCY. A number of us have relied on the Senate adjourning sine die by the 4th of December, but this will not be achieved. Plans have been made by a number of Senators for next week.

The PRESIDING OFFICER. Will all Senators who are not participating in the debate please take their seats so that we may hear the exchange between the Senator from Illinois and the Senator from West Virginia?

Mr. PERCY. Is it the intention of the majority leadership to work toward the possibility of having votes on both the Powell and Rehnquist nominations follow each other so that Senators who are out of town need return to town only once, rather than twice?

Mr. BYRD of West Virginia. I cannot presume to speak for the majority leader on this question. I have not asked him this precise question, but I have a feeling that I can answer with his authorization and approval in the affirmative.

Mr. PERCY. I thank the assistant majority leader.

The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from Wisconsin. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Louisiana (Mr. LONG), and the Senator from New Mexico (Mr. ANDERSON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from Maryland (Mr. MATHIAS), and the Senator from Kansas (Mr. PEARSON) are detained on official business.

If present and voting, the Senator from Kansas (Mr. PEARSON) would vote "nay."

The result was announced—yeas 26, nays 62, as follows:

[No. 422 Leg.]

YEAS—26

Bible	Harris	McIntyre
Buckley	Hart	Metcalf
Byrd, W. Va.	Hollings	Nelson
Church	Hughes	Proxmire
Cranston	Humphrey	Randolph
Eagleton	Inouye	Spong
Ervin	Jordan, N.C.	Stevenson
Fulbright	Mansfield	Symington
Gravel	McGee	

NAYS—62

Aiken	Ellender	Pastore
Allen	Fannin	Pell
Allott	Fong	Percy
Baker	Goldwater	Ribicoff
Beall	Griffin	Roth
Bellmon	Gurney	Schweiker
Bentsen	Hansen	Scott
Boggs	Hatfield	Smith
Brock	Hruska	Sparkman
Brooke	Jackson	Stafford
Burdick	Javits	Stennis
Byrd, Va.	Jordan, Idaho	Stevens
Cannon	Kennedy	Taft
Case	Magnuson	Talmadge
Cook	McClellan	Thurmond
Cooper	Miller	Tower
Cotton	Mondale	Tunney
Curtis	Montoya	Welcker
Dole	Moss	Williams
Dominick	Muskie	Young
Eastland	Packwood	

NOT VOTING—12

Anderson	Gambrell	McGovern
Bayh	Hartke	Mundt
Bennett	Long	Pearson
Chiles	Mathias	Saxbe

So Mr. PROXMIRE's amendment (No. 778) was rejected.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 779

Mr. PROXMIRE. Mr. President, I call up my amendment No. 779.

The PRESIDING OFFICER (Mr. BROCK). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

(f) (1) The authority conferred on the President by this section shall not be exercised after June 30, 1972, to limit (i) the amount of any increase in prices charged by or wages or salaries paid by a firm with annual sales or revenues of less than $1,000,000 during its most recent preceding fiscal year; and (ii) the amount of any pay adjustment which applies to or affects less than twenty employees, unless the President determines, after notice and opportunity for hearing, that the amount of any such increase or adjustment is unreasonably inconsistent with the standards published under subsection (b) and would have a significantly adverse effect upon the general cost of living.

(2) The President may request the Congress to reauthorize, by joint resolution, the authorities to be terminated or terminated by this subsection, and the provisions of sections 910–913 of title 5, United States Code, shall be applicable with respect to the procedure to be followed in the Senate and House of Representatives in considering such resolution and references in such provisions to a "resolution with respect to a reorganization plan" shall be deemed for the purpose of this subsection to refer to the resolution provided for under this subsection.

Mr. PROXMIRE. Mr. President, I understand there is an agreement on the amendment for 5 minutes to a side, with a vote in 10 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. PROXMIRE. Mr. President, I will not take all of my time, and I do not think the manager of the bill will take all the time on the other side.

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order. The Senate will be in order.

The Senator from Wisconsin may proceed.

Mr. PROXMIRE. Mr. President, this amendment is really for the small operator. It provides that firms that have sales of less than $1 million and which employ less than 20 people will be exempt from the wage and price restraints of the Stabilization Act.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I would like to have Senators put themselves in the position of explaining to their local grocer, druggist, or very small businessman how they voted against this amendment. What kind of threat, really, are these small business people to inflation?

We all know we do not have the kind of excess demand in inflation that we had in World War II and the Korean war; we have a wage-push inflation and a cost-push inflation, an inflation as a result of the immense economic power exercised by a few huge companies and labor unions.

This amendment relates to those small firms which every economist agrees—and I have not heard any economist who repudiates my position on this amendment—are not a factor in inflation.

These small businessmen are going to have to keep records and they are going to be subject to suits that could destroy them. An article in the New York Times points out the confusion that already exists, and which will be worse under phase II. Small businessmen are disgruntled and confused and they are unable to adopt the kinds of prices they should.

The amendment provides that the authority conferred on the President by this section with respect to these firms shall not be exercised after June 30, 1972—not next month, but in 7 months.

Mr. President, I ask unanimous consent to have printed in the RECORD the article from the New York Times to which I have referred.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PHASE II CONFUSION DISGRUNTLES SMALL RETAILERS

(By Leonard Sloane)

As Phase Two of President Nixon's economic stabilization program moves into gear, a degree of confusion exists within the boardrooms of big business and big labor as to all of its ramifications.

Perhaps even greater confusion exists, however, among small retailers who are directly on the firing line of questions and complaints from consumers about the effects of the new program. And to hear some of them talk, the new economic policy leaves a lot to be desired.

"I don't think that Phase Two is being generally observed," says Gene Sanger, president of Kwik Kopy, which operates three copying and stationery stores in Manhattan. "There's a lot of people taking advantage of the fact that you can't supervise 10 million small-business men."

"It's not really working," agrees Herb Kampton, a partner of Marins Fruit Store in Woodmere, L.I. "For instance, Spanish melons are sky high and I don't know whether that's because of the import surcharge or the holiday season."

And Moshe Caspi, the owner of Mitchell Garden Cleaners in Flushing, Queens, believes that there is a lack of confidence among his customers about the economy. "People are scared and they're saving money because they don't feel secure enough within their own companies."

All three of these independent businessmen, whose stores are in various sections of the metropolitan area and who serve different clientele with different products or services, have similar ideas for stimulating volume in the current economic climate.

But the message that comes through loudest and clearest in conversations with them is their uncertainty over exactly what they can and cannot do under the Administration's anti-inflation program.

"What gets me is that we've tried to go to Government for advice," Mr. Sanger says. "But if you speak to two different people, you get two conflicting answers."

Kwik Kopy has instituted a one-cent sale he adds, "to try to establish an atmosphere of rolling back prices that might be picked up by other people who think the same way."

According to Mr. Sanger, 19-cent Bic pens are being sold for the price of two for 20 cents because "we've worked out a special deal with the manufacturer."

Mr. Caspi, an Israeli who bought Mitchell Garden Cleaners a few years ago, is also considering cutting prices below the present level of, say, $1.50 for a man's suit or a basic dress. "If I have to do so to fight competition and get more volume, I will."

What perturbs Mr. Caspi, however, is what he senses to be a malaise overhanging the country as a result of the President's actions on the price and wage front.

"The housewife is tighter with money than she was a year ago," he observes, "and some clothing that she would have brought to the professional cleaner, she's taking care of at home."

In spite of his problems in maintaining sales volume, Mr. Caspi gave his two full-time and six part-time employees the permissible 5.5 per cent wage increase when the Phase One freeze ended on Nov. 14.

"I intended to give much more to one particular employee but I couldn't," he says. "He was upset and I explained the regulations to him—but he's still unhappy about it."

At Marins Fruit, Mr. Kampton's prices for fruits and vegetables are still determined by market forces, since raw agricultural products are exempt from controls. But he says that his efforts to hold the price line are being hampered by the steadily rising level at his wholesale markets.

"About three weeks ago I paid $7.50 for 24 heads of top-brand lettuce at the Hunts Point market and I charged 49 cents apiece," he recalls. "Now I'm paying $12.50 for a crate and I have to charge 79 cents."

Mr. PROXMIRE. Mr. President, I reserve the remainder of my time.

Mr. TOWER. Mr. President, I oppose this amendment for the same reason I opposed the other two amendments. The amendment is discriminatory. For example, a man who operates a small firm doing less than a $1 million volume is not covered, but a man with a small firm doing a volume of more than that would be covered. I do not think we should put the statutory exemptions in the bill. We should leave the discretion for the Board.

Mr. President, we yield back the remainder of our time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Wisconsin. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Georgia (Mr. GAMBRELL), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The result was announced—yeas 36, nays 54, as follows:

[No. 423 Leg.]

YEAS—36

Anderson	Gravel	McGee
Bible	Harris	McIntyre
Boggs	Hollings	Metcalf
Buckley	Hughes	Mondale
Byrd, W. Va.	Humphrey	Montoya
Cannon	Inouye	Nelson
Church	Javits	Proxmire
Cooper	Jordan, N.C.	Randolph
Cranston	Kennedy	Spong
Eagleton	Long	Stevenson
Ervin	Magnuson	Symington
Fulbright	Mansfield	Taft

NAYS—54

Aiken	Ellender	Pearson
Allen	Fannin	Pell
Allott	Fong	Percy
Baker	Goldwater	Ribicoff
Beall	Griffin	Roth
Bellmon	Gurney	Schweiker
Bentsen	Hansen	Scott
Brock	Hatfield	Smith
Brooke	Hruska	Sparkman
Burdick	Jackson	Stafford
Byrd, Va.	Jordan, Idaho	Stennis
Case	Mathias	Stevens
Cook	McClellan	Talmadge
Cotton	Miller	Thurmond
Curtis	Moss	Tower
Dole	Muskie	Tunney
Dominick	Packwood	Weicker
Eastland	Pastore	Young

NOT VOTING—10

Bayh	Hart	Saxbe
Bennett	Hartke	Williams
Chiles	McGovern	
Gambrell	Mundt	

So Mr. PROXMIRE'S amendment (No. 779) was rejected.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FARM CREDIT ACT OF 1971—CONFERENCE REPORT

Mr. TALMADGE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1483) to further provide for the farmer-owned cooperative system of making credit available to farmers and ranchers and their cooperatives, for rural residences, and to associations and other entities upon which farming operations are dependent, to provide for an adequate and flexible flow of money into rural areas, and to modernize and consolidate existing farm credit law to meet current and future rural credit needs, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. COTTON). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of November 19, 1971 at pp. 42260–42275.)

Mr. TALMADGE. Mr. President, I ask unanimous consent that the printing of the conference report as a Senate report be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, the differences between the House and the Senate with respect to S. 1483, the Farm Credit Act of 1971, were very slight. The bill itself represents a complete revision of the farm credit laws. The House amendment included a number of minor technical improvements and changes, and the principal differences between the two versions are listed at pages 49 through 51 of the statement of managers. The conference substitute includes all of the refinements and improvements made by the House amendment and differs from the House amendment in only one respect. Under either version a cooperative is eligible to borrow from a bank for cooperatives only if its business with nonmembers does not exceed its business with members. In determining whether this requirement has been met the Senate bill provided that services or supplies furnished by the cooperative as a public utility would not be taken into consideration. Under the House amendment such services and supplies would be taken into consideration. The conference substitute follows the Senate bill in this respect.

The only matter upon which there was a serious issue concerned report language rather than bill text. The House report contained a statement to the effect that the various agencies of the farm credit system should not be allowed to write or sell any form of insurance except such credit life insurance as is "necessary and incident" to protect their outstanding loans. This interpretation of the law would have prevented these agencies from selling several other types of insurance which they now sell and which is necessary and incident to loans made by them. The joint statement of managers clarifies this situation by stating at page 54, that the sale of liability insurance, and any insurance on passenger automobiles, is not "necessary and incident" to the functions of the lending institutions; but that they should be able to sell such insurance as may be necessary to protect the loan. It was the intention of the conferees that they would

be restricted to such insurance. The statement of the conferees makes it clear that borrowers would not necessarily have to purchase such insurance from the farm credit system lender and that they should be advised that such is the case.

The conference was very amicable, the conference substitute provides for a better bill than either the original Senate bill or the House amendment, and the report is signed by all conferees on the part of the Senate and on the part of the House.

Mr. President, I believe the Senator from Iowa (Mr. MILLER), the ranking minority member of the committee, is seeking recognition.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. MILLER. Mr. President, the distinguished chairman of our Committee on Agriculture and Forestry, the Senator from Georgia (Mr. TALMADGE), has well stated the results of the conference. I might underscore what he has said by pointing out that the House gave in to the Senate on almost every item that was in issue, although, as the Senator has said, most of the items were of a technical and minor nature.

I hope the Senate will concur in the conference report.

Mr. BURDICK. Mr. President, Senate and House approval of the conference report on the Farm Credit Act of 1971, S. 1483, today culminates nearly a year of intensive effort to rewrite the laws governing the component agencies of the farm credit system, bringing them into line with the need of modern-day agriculture for more substantial credit resources. This is welcome news to North Dakota farmers and their counterparts across the country. It means that production credit associations, Federal land bank associations, and banks for cooperatives will now have the legislative authority to carry out more effective credit programs for farmers.

The Federal land banks will now be permitted to loan up to 85 percent of the appraised value on farm real estate. Under the old law, the limit was 65 percent of the appraised value. This increase in lending authority may prove to be particularly helpful to young farmers just starting out who are long on ability and energy, but short on the capital needed to buy the land required to make a success of their operation.

Another feature of this landmark legislation would permit the land banks and production credit associations to finance persons who provide on-farm services to farmers. An example is a custom combine. As costs for this equipment continue to rise, some farmers may find it economically advantageous to hire the performance of some farm work rather than to invest their scarce capital in expensive equipment. The assurance of adequate financing for custom operators will tend to make these on-farm services more readily available to farmers.

Also there are provisions in the bill to permit the land banks to make nonfarm rural housing loans and for the PSA's to finance improvements and modernization of these homes. Presently, the only housing authority vested with the farm credit system is for farm homes. This new authority will enable the farm credit system to make an important contribution to rural development and to help make the countryside a better place in which to live.

Another key point in the legislation is a provision to permit the banks for cooperatives, the third unit of the farm credit system, to finance those farmer cooperatives in which 80 percent of the voting control is in the hands of farmers. Presently, the banks for cooperatives cannot finance farmer cooperatives unless 90 percent of the voting media is in the hands of bonafide farmers. Lowering this to 80 percent is particularly important to farm supply cooperatives, including many in North Dakota, on whose membership rolls are many retired farmers and others who wish to continue patronizing their cooperatives. The new provision means many local cooperatives can avoid having to make the unappealing decision between refusing service to long-time patrons or discontinuing their financing with the bank for cooperatives.

The Senate version of the co-op eligibility definition was adopted. This means that cooperative borrowers providing services classified as a public utility, can exclude those services from the 50-percent rule on business with nonmembers that has formerly been a requirement of the banks for cooperatives.

The final major provision is that which will permit the system, if it deems advisable, to issue a single farm credit security. Under the present system each of the three banking units issues its own credit obligation. The act requires approval of the boards of directors of all farm credit banks before a joint security can take effect.

The farm credit system is now completely owned by the farmers and farmer cooperatives that use its credit services. It does not lend Government money nor is there a Government subsidy to the system. All of the loan funds it obtains for farmers is through the sale of its securities to investors throughout the Nation. The system may find it necessary to streamline the way it markets its securities. So it was wise to have the legislative authority for a single security now rather than wait until the development of some future crisis.

I certainly agree with this long-range thinking on the part of the system and give my hearty congratulations to all the many farmers and co-op leaders from throughout the State who took such a vital interest in the development of the legislation and who helped achieve its speedy passage.

We all recognize that credit is no substitute for farm income. It would be a happy day if farmers were in an economic position where they did not have to borrow at least as much as they do now.

But until that day comes, it is a source of comfort to farmers that they have their cooperative credit system available, a system which can help greatly in improving the well-being of farmers in the years ahead.

I am proud to have been one of the Senate cosponsors of the Farm Credit Act of 1971.

Mr. TALMADGE. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (S. 382) to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HAYS, Mr. ABBITT, Mr. GRAY, Mr. HARVEY, and Mr. DICKINSON were appointed managers on the part of the House, to consider all titles of the House amendment to the bill except titles I and II; and that Mr. STAGGERS, Mr. MACDONALD of Massachusetts, Mr. VAN DEERLIN, Mr. SPRINGER, and Mr. DEVINE were appointed managers on the part of the House, to consider titles I and II of the House amendment to the bill.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1483) entitled "An Act to further provide for the farmer-owned cooperative system of making credit available to farmers and ranchers and their cooperatives, for rural residences, and to associations and other entities upon which farming operations are dependent, to provide for an adequate and flexible flow of money into rural areas, and to modernize and consolidate existing farm credit law to meet current and future rural credit needs, and for other purposes."

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11341) to provide additional revenue for the District of Columbia, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCMILLAN, Mr. ABERNETHY, Mr. CABELL, Mr. HARSHA, and Mr. BROYHILL of Virginia were appointed managers on the part of the House at the conference.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971

The Senate resumed the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 777

Mr. CRANSTON. Mr. President, I call up my amendment No. 777.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 6, after line 4, insert a new subsection "(f)" as follows:

"The authority conferred on the President by this section shall not be exercised with respect to—

"(i) prices or rentals for materials furnished for publication by any press association or feature service.

"(ii) prices or rentals for books, magazines, periodicals, or newspapers, other than waste or scrap, or rates charged by any person in the business of operating or publishing a newspaper, periodical, or magazines, or operating a radio-broadcasting or television station, network, or cable television system, or

"(iii) wages, salaries, or commissions paid by any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting or television station, network, or cable television system, or paid by any press association or feature service or by any person engaged in the production or publication of books: *Provided, however*, That subsection (f) (iii) shall not apply to the wages, salaries, or commissions of entertainers: *And provided further*, That nothing herein shall deprive the President of authority to take appropriate action in the event of windfall profits resulting from the foregoing exemptions.

The PRESIDING OFFICER. There is 1 hour of debate on this amendment. Who yields time?

Mr. CRANSTON. Mr. President, I yield myself such time as I may need. First of all, I ask unanimous consent that Peter Rogers of my staff may be present on the floor during consideration of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. I also ask unanimous consent that the following Senators be included as cosponsors with the original group of cosponsors: Senator GOLDWATER, Senator MCINTYRE, and Senator THURMOND.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. CRANSTON. The basic nature of this amendment, which is a modified version of the amendment that caused so many rollcalls last night, is well known, so I will not dwell upon the purposes that caused so many of us on both sides of this Chamber to seek to exempt the media in the United States from the wage and price controls for reasons related to the first amendment.

As is well known, that finally went down to defeat by a very narrow margin last night, finally by a margin of one vote. Those of us who feel that it is extremely important to exempt the media from wage and price controls drew up a new version of the amendment, which seeks to take into account, and I believe fully takes into account, most of the arguments made last night, and certainly the argument that caused the defeat of the amendment last night.

We have in effect removed motion pictures, motion picture and other theaters, and entertainers from the bill. They would not be exempted from this amendment, as they were included in the amendment last night. Specifically, apart from dropping all references to motion pictures and theaters, two provisos were added at the end of the amendment. They start on line 12, page 2:

Provided, however, That subsection (f) (iii) shall not apply to the wages, salaries, or commissions of entertainers: *And provided further*, That nothing herein shall deprive the President of authority to take appropriate action in the event of windfall profits resulting from the foregoing exemptions.

The question may well be asked, and I suspect it will be asked, "What is an entertainer?"

I think very succinctly the answer is that an entertainer is an individual engaged in expression through the broadcast or the printed media, whose expression is not guaranteed by the First Amendment.

As to the deletion from today's amendment of motion pictures, theaters, and entertainers, there is a very real First Amendment question involved. But clearly the Senate was not convinced of this. Consequently, to save three-quarters of a loaf, those who have joined with me—Senator Ervin, Senator Miller, and others—have modified the amendment in the ways I have indicated.

To clarify a few points raised in yesterday's debate, this will not open the floodgates, as some Senators fear. This is not the first exemption in this bill. The administration and the committee—hence, the bill to this point—have already exempted raw agricultural and seafood products; custom products, such as wigs, furs, jewelry; services, such as tailoring, framing, and taxidermy; exports, imports, and shipping rates; damaged and used products; government property; real estate for sale or rent; securities and financial instruments; royalties; due to nonprofit organizations; life insurance premiums on new policies; antiques; art objects, and others. The list is too long to mention.

I simply ask this: If all these, why not the press? Why wigs, but not newspapers? Why furs, but not books? Why taxidermy, but not magazines, radio, and television?

The next question was raised last night: Why not teachers? It is a legitimate question, but it is an entirely separate question. If some Senator wants to seek a special exemption for teachers, let him do so. This amendment does not deal with teachers or any number of other groups that might legitimately seek exemption. This amendment deals only with the only business—and this is the crucial point—the only occupation, given special treatment by the Constitution: the press.

Another question might be this: Why is this form of government regulation different from others? What about minimum wages, women and children's working hours, and so forth? The Wage and Price Control Boards will be dealing not only in across-the-board guideline rulings applicable to all newspapers, all magazines, all TV stations, and so forth; they will be dealing with individual, case-by-case requests for pay or price adjustments by one or another specific newspaper, one or another specific radio station, one or another specific magazine, and other forms of the media.

This does open the way potentially and rather clearly to different treatment for different companies, and there is at least the danger—all we are concerned about is the danger—of, first, the Board treating a critic differently from a friend and, second, a critic moderating his criticism when he knows he is going to go before a government board to ask for special consideration.

A primary purpose of the first amendment, which lies at the root of this amendment, as I understand it, is to keep such discretionary or discriminatory powers over the press out of the hands of any body of government. Most of all, that should be done over a board such as the Board set up under this act, which is so remote from control by the people's representatives in this body.

I yield with great pleasure to my strong and stanch cosponsor, the distinguished Senator from North Carolina.

Mr. ERVIN. As I interpret the present amendment, it leaves under the coverage of the bill motion pictures, theaters, and entertainers, and excludes from the coverage of the bill those who are engaged in collecting, disseminating, and analyzing information and ideas, does it not?

Mr. CRANSTON. That is exactly correct.

Mr. ERVIN. Would it not be correct to say that an entertainer is one who undertakes to amuse the people, while the communications media, in the true sense of that term, consists of those who undertake to enlighten the public by the dissemination of information and by the expression of ideas?

Mr. CRANSTON. That is my understanding; and, presuming that there might be some court tests, I think precedents indicate that is the way the courts would find.

Mr. ERVIN. Does not the Senator from California agree with the Senator from North Carolina that in interpreting the first amendment, the Supreme Court on a number of occasions has expressed the opinion and has ruled to the effect that the dissemination of information and ideas concerning public affairs and the problems of society have a priority of protection under the first amendment?

Mr. CRANSTON. That is absolutely so.

Mr. ERVIN. The object of the pending amendment is to grant first amendment protection to those who have been judged to have priority of protection under the first amendment, to the end that they may collect, disseminate, and analyze information and ideas in order that the country might have an informed electorate capable of making our institutions of Government function.

Mr. CRANSTON. That is certainly the intent of the amendment.

I might add that it is our intent to thereby relieve them of the burden of having to go to court every time they have a problem in this area. By taking this step, we relieve them of the burden of going to court every time they have a problem in this area.

Mr. ERVIN. Does not the Senator from California agree with the Senator from North Carolina that any Government control which handicaps to any degree those who are engaged in the collection, the dissemination, and the analysis of information abridges their freedoms under the first amendment?

Mr. CRANSTON. That is the way the courts have interpreted the first amendment, as I understand it.

Mr. ERVIN. I thank the Senator.

I express the hope that the Senate will adopt this amendment, because all the real objections that were voiced here yesterday, as I construed them, have been removed by this amendment.

Mr. CRANSTON. I thank the Senator for his very constructive and helpful comments and for his help in working out the amendment in the form it now takes.

I yield the floor.

Mr. SPARKMAN. I yield 10 minutes to the Senator from Oregon.

Mr. PACKWOOD. Will the Senator from North Carolina yield to a question?

Mr. ERVIN. Yes.

Mr. PACKWOOD. Did the Senator from North Carolina say yesterday—at least, if the RECORD is correct—that motion pictures are entitled to the same first amendment protections as are newspapers and radio and television?

Mr. ERVIN. Yes. I would not say exactly they are entitled to the same protection, but they are entitled to the protection of the first amendment. The Supreme Court has held that information concerning public matters and information concerning the problems of society have a priority under the first amendment.

Mr. PACKWOOD. Why, then, should we take motion pictures out of this bill when we had that in yesterday, if they are entitled to that protection?

Mr. ERVIN. In the hope that some of those who voted against the amendment yesterday will see the true light and vote according to what the first amendment expects Congress to do. That is the reason.

Mr. PACKWOOD. I appreciate the very frank answer. Motion pictures have been taken out of this to try to pick up two votes, not because any of the sponsors care about protecting motion pictures. It is just to try to get two more votes. The Senator from North Carolina is very clear in that.

Mr. ERVIN. I would say to the Senator that it was taken out in the hope that we will find more enlightenment and that the amendment will pick up far more than two votes.

Mr. PACKWOOD. Let me quote what the Senator from California (Mr. CRANSTON) said yesterday about motion pictures:

> In the case of movies that have been brought up by those who question the purpose of this amendment or its validity, the Supreme Court has decided in over 40 cases that there is a freedom of expression, a free press issue involved, in the production and distribution of motion pictures.
>
> . . . Let me say that the reason for that is that movies, too, are used to express social thoughts, economic thoughts, political thoughts, philosophical thoughts—

So much for movies. Take them out of the bill. Throw them away. They are not entitled to protection, because more votes are needed.

Now let us go to entertainers. I quote what the Senator from California said yesterday about entertainers, both live entertainers and on radio and television. He was answering a question of the Senator from Nevada (Mr. CANNON). This is Senator CANNON'S question:

> If the Senator will yield further, would this then include people in the entertainment business? Would they be included because they convey their message by the spoken word, by singing, by making records, or by performing visually? Would they all be included under this provision or would they——
>
> Mr. CRANSTON. Yes. They would be included because many of them engage in political satire, on the stage, or elsewhere, or at public meetings or gatherings. This relates expressly to political views, whether left, or right, or middle, or whatever. This goes with the processes of democracy, the sorting out of ideas, either new or old, good or bad, ideas.
>
> Mr. CANNON. The Senator is saying that every entertainer, who entertains either visually or verbally, would be exempt?
>
> Mr. CRANSTON. That is right. Otherwise we start writing definitions of an expression or thought. This is simply entertainment. We cannot do that and we do not want to delegate that authority to the Board.

But today we are going to do that. We will delegate this, to decide who is an entertainer. I wonder whether the Senator from California would yield for some questions, on my time.

Mr. CRANSTON. I shall be delighted, but let me say first that I am delighted to have the Senator from Oregon supporting the amendment. I stand by my statements. I repeated them this morning. I would like to see entertainers in the motion picture industry exempted. I think it is important to exempt them.

Mr. PACKWOOD. Wait now—if the Senator is going to make a speech, let him do it on his own time. I am on limited time.

Mr. CRANSTON. I yield myself 30 seconds to say that we are not delegating this power to the board. There will be appeals to the courts under this. But there are actually entertainers who provide information by way of political commentary——

Mr. PACKWOOD. Would this exempt the direct employee of a medical corporation, television station, or newspaper except an entertainer; is that correct?

Mr. CRANSTON. Yes.

Mr. PACKWOOD. Would that include a television cameraman?

Mr. CRANSTON. Yes.

Mr. PACKWOOD. A switchboard operator?

Mr. CRANSTON. Read the whole list and when the Senator finishes I will say yes at the end of the list to all of them.

Mr. PACKWOOD. What about the lumberjack who works in the woods for the New York Times who cuts down the tree which makes possible the paper?

Mr. CRANSTON. No.

Mr. PACKWOOD. Why not?

Mr. CRANSTON. I wonder would my constitutional expert, the distinguished Senator from North Carolina (Mr. ERVIN) respond to that point.

Mr. ERVIN. Mr. President, the first section in the amendment makes it plain. It refers to materials used for printing and for broadcasting which will be exempt, but it does not exempt the trees from which paper is ultimately manufactured or the acorns or other seedlings from which the trees grow.

Mr. PACKWOOD. All right. Let us go down the list a bit further in relation to the personnel and not materials. What about Fritz Peterson?

Mr. CRANSTON. What?

Mr. PACKWOOD. Fritz Peterson.

Mr. CRANSTON. What?

Mr. PACKWOOD. Fritz Peterson, the pitcher owned by the New York Yankees. CBS owns the Yankees.

Mr. CRANSTON. No.

Mr. PACKWOOD. Why?

Mr. CRANSTON. Because he is not engaged in the presentation or the dissemination of information.

Mr. PACKWOOD. Where does the bill say that he has to be engaged in the dissemination of information?

Mr. CRANSTON. We did not intend to put in the amendment language to answer every question in advance that would come up. The answer is obvious.

Mr. PACKWOOD. The answer is not obvious. I am very curious where the Senator draws the line on entertainers on television. A moment ago the Senator did not want to exempt them but now he wants to exempt them all.

Mr. CRANSTON. I did not realize this matter would become confusing——

Mr. PACKWOOD. Why is the switchboard operator exempt, the television camerman exempt, but not a baseball pitcher on a club owned by CBS? How is a switchboard operator related to the dissemination of information?

Mr. CRANSTON. I yield to the Senator from North Carolina for that response.

Mr. ERVIN. Because there are three classes of people exempted.

Mr. PACKWOOD. What?

Mr. ERVIN. There are three classes of people exempted. Those who collect the information, those who disseminate it and those who analyze the information. If the Senator from Oregon will read the section of the amendment, it states:

> . . . prices or rentals for materials furnished for publication by any press association or feature service.

There is nothing in there about a man with a baseball bat.

Mr. PACKWOOD. What about the switchboard operator?

Mr. ERVIN. It says: "prices or rentals for books, magazines, periodicals, or newspapers."

Mr. PACKWOOD. What about the switchboard operator? Where do we draw the line among the direct employees of a corporation, as to who is exempt and who is not exempt?

Mr. ERVIN. We draw the line where one is engaged in collecting, disseminating, or analyzing information, or ideas. That is where we draw it.

Mr. PACKWOOD. How does that include the switchboard operator?

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Mr. ERVIN. A switchboard operator may get news and disseminate it.

Mr. PACKWOOD. What about the repairman who repairs a TV mobile truck?

Mr. ERVIN. What?

Mr. PACKWOOD. What about the repairman who repairs a TV mobile truck?

Mr. ERVIN. Yes, I would say so, because they assist in collecting the news.

Mr. PACKWOOD. Let us get back to the entertainer. Here we are given to understand that a radio or TV entertainer is not covered, so their wages are frozen as an entertainer. They are subject to the Pay Board. I am kind of curious: Is Ed Sullivan an entertainer?

Mr. ERVIN. The Senator is asking me?

Mr. PACKWOOD. I am asking the Senator from California.

Mr. CRANSTON. I yield to my constitutional expert for that. [Laughter]

Mr. ERVIN. In a strict sense, Ed Sullivan would qualify technically as an entertainer, even though I did not always find him entertaining.

Mr. PACKWOOD. There are many who would not qualify as entertainers according to our interpretation of one, but they could still be subject to this bill and their wages would be frozen or not frozen, depending on whether or not the Pay Board says they are an entertainer.

Mr. ERVIN. I would say that Ed Sullivan puts on a show. The show is entertainment. It undertakes to amuse. Whether it is amusing or not——

Mr. PACKWOOD. Okay, so his wages are frozen? What about Mort Sahl?

Mr. ERVIN. Who?

Mr. PACKWOOD. Mort Sahl.

Mr. ERVIN. I am not acquainted with the gentleman or the lady, as the case may be. [Laughter]

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will please be in order.

Mr. PACKWOOD. He is basically a satirical comedian. He goes in for commentary on political issues of the day. He is an entertainer.

Mr. ERVIN. I would leave that up to the courts to decide. I will not decide that. If his function is to amuse, he would be subject to the freeze. If his function is to inform, then he would be exempt.

Mr. PACKWOOD. All right. Then we have the talk show at night, and Jane Fonda talks about her views on the war. Is she an entertainer?

Mr. ERVIN. To many she is very entertaining, but I think her fundamental purpose is to express her views about the war, which is a public matter. When she expresses her opinions about the war, she would be exempt.

Mr. PACKWOOD. I think the point has been well made here, that we do not wish to decide who is an entertainer and we will leave that up to the Pay Board to say who is an entertainer, so that if the Pay Board does not like, say, what Jane Fonda says, they may find her to be an entertainer and her wages will be frozen. This is just what the Senator from California (Mr. CRANSTON) said yesterday, that we should not do, that it was a decision that should not be left to the Pay Board. But today, for the sake of a few votes, he throws out his old principles and comes in with some new ones.

Mr. ERVIN. The Senator mentions the point of two votes again. We are introducing the amendment in its present form for two reasons. One is to obtain additional votes. We also introduce this amendment for the benefit of Senators in opposition, in order that the communications media may continue to furnish them with information which we hope eventually they will absorb to such an extent that they will understand the function, the purpose, and the reason for the first amendment. [Laughter.]

Mr. PACKWOOD. May I ask the Senator from California—this is not a constitutional question, so that I hope he will be able to answer it personally—will he give us his definition of windfall profits?

Mr. CRANSTON. I would rely upon the President and the courts to decide on that. We put in another amendment dealing with windfall profits while in committee. This is following the exact language.

Mr. PACKWOOD. Except in that amendment we had some definitions. There is nothing in here. The Senator wants to leave it to the President if someone has windfall profits?

Mr. CRANSTON. The President would be guided by the language elsewhere in the bill on that point.

Mr. PACKWOOD. There is no language in the bill on that point. I am amazed that the Senator would delegate these powers to the President or the Pay Board, when he was opposing that yesterday but he is specifically suggesting it today

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mr. CRANSTON. Mr. President, the report language, as I understand it, states that the Price Board will determine what windfall profits are. The President would delegate the same authority to the Price Board.

I would like to say to the Senator from Oregon if he expresses concern about entertainers and can round up enough votes to support a protection for the entertainers in the bill, I would be willing to offer an amendment to provide that. I think it belongs in it.

Mr. SPARKMAN. Mr. President, I yield 10 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 10 minutes.

Mr. WEICKER. Mr. President, because the Cranston amendment is ostensibly motivated by first amendment fears, we are going to give the Senator from North Carolina and the Senator from California and their colleagues an opportunity to vote on an amendment which though redundant, absolutely protects the press. We will offer an amendment which sets forth clearly that the wage-price freeze will not interfere with rights guaranteed under the first amendment. It will state that the Wage-Price Board shall take no action which directly or indirectly is contrary to the first amendment of the U.S. Constitution.

Nothing could be simpler or clearer. If the modification is to guarantee freedom of the press, then let us do it. If the motivation is to favor the press at a time of national sacrifice by workers in all other industries, that is another story.

I would not argue with the Senator from California or the Senator from North Carolina on the basis of entertainers. I would like to read what I said last night because it applies to the revised version at this time as well as last night to the original amendment.

I stated:

I am against this amendment because it plays favorites and is therefore not fair. Nobody likes freezes or controls. Everybody is making sacrifices while they operate. It seems to me that the time of the Senate is more excellently spent on making sure that everybody means everybody rather than issuing "freebies" in the name of constitutional or historical precedent.

Yes; I feel sorry for the working press, the owners, publishers, compositors, pressmen, engravers, and flyboys. But I also feel sorry for the laborers, craftsmen, white-collar workers, and executives of the other industries in my State. Every part of the free enterprise system is in this unfortunately necessary exercise together, and they are coming out together.

The news media are not a collection of charitable entities. They are competitive, for-profit corporations owned by shareholders with their stock listed on stock exchanges.

Then I gave examples.

I continue to read from my remarks last night:

Their survival depends on excellence and creativity. Freedom from Government control applies to acquisition and dissemination of the news. It was not meant to excuse them from antitrust laws, or criminal laws, or tax laws, health statutes, social security, or labor laws, et cetera. The matter before the Senate is such as those.

I gave a hypothetical example as to the difference between certain news media employees and other employees of corporations in my State.

I then went on to say:

I do not know about the rest of my colleagues, but there are enough inequities to explain to the people of my State now, without creating more.

This amendment just adds confusion to the situation. At least it was intellectually honest last night when it attempted to cover all of the news media.

The Senator from Oregon indicated, and I concur with him, that it has been toned down to pick up a few votes.

The field of entertainers is not involved. What is involved is whether we will make exceptions for various people.

I stood on the floor with my colleagues and voted against exception after exception.

The sooner the Nation's business is well, the sooner we will get rid of the price freeze. Wage and price controls are not a natural situation for the United States. The sooner that we get done with them, the better.

I think what is at issue here today is, first, the intellectual honesty of what is being proposed, and, more importantly, whether it plays a fair role vis-a-vis other persons in the country that are being asked to make sacrifices at this time.

I concur again with the Senator from Oregon that when we ask for definitions of entertainment and windfall profits, we will have the courts backlogged—and the Senators know it as attorneys—with cases demanding definitions of those words. They are impossible of immediate definition. Certainly nothing is written into the proposal of the Senator from California as to what he means by entertainers.

Mr. CRANSTON. Mr. President, I will ask the Senator if whether what he is proposing will not cause more resort to the courts than the pending amendment which the Senator seems to think has a loose approach to the matter.

Mr. WEICKER. I beg the Senator's pardon? Did the Senator say loose approach? Was that the term?

Mr. CRANSTON. It seems to me that the amendment to be offered by the Senator would cause more and more traffic in the courts than the pending amendment.

Mr. WEICKER. I will confess to the Senator from California that I and my other cosponsoring colleagues consider this amendment redundant. We happen to feel that the press is well protected by the first amendment. However, let us face it. We have to do this because of the Cranston amendment. The Senator from California does nothing to protect the freedom of the press. He gives an economic advantage to those in one part of industry. That is why this approach. To the extent that the Senator might think it is redundant, I would concur. To the extent that he thinks it is loose, I do not happen to think that the rights guaranteed under the first amendment of the Constitution are at all loose. I think the Senator is making them loose in his amendment.

I would hope that the Senate again today would realize the weakness of the position of the Senator from California, the Senator from North Carolina and others who have cosponsored the amendment. They would not be in here today with this modified, lesser version unless there was weakness in their argument. This is not a constitution-strengthening amendment. It has to do with excepting a particular group of people from a national sacrifice in which we are all engaged in the United States.

I do not think it is fair. I think it is wrong. I think the American people will be able to see it for what it is.

Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield 3 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 3 minutes.

Mr. PACKWOOD. Mr. President, let us make this subject of the media workers very clear. We are asking for the media to be subject to the same regulation as any other business.

Last night we talked about the Grosjean case in which the Supreme Court found unconstitutional a Louisiana tax on newspapers with over 20,000 circulation. It just happened that the papers had been critical of the legislature. The tax was not levied on any other form of media or newspapers of under 20,000 circulation. Of course, the Supreme Court found the law unconstitutional.

But in Mabee against White Plains Publishing Co., a 1946 case, written by Mr. Justice Douglas—who is hardly ever accused of being unsympathetic to the rights of the press or the first amendment—the Grosjean case was distinguished. The Mabee case involved employees who had sued for overtime compensation under the Fair Labor Standards Act.

The defendant employer said:

You cannot sue us because of the freedom of the press.

Mr. Justice Douglas said:

The Grosjean case is not in point here. There the press was singled out for special taxation and the tax was graduated in accordance with volume of circulation. No such vice inheres in this legislation. As the press has business aspects, it has no special immunity from laws applicable to business in general.

And that is all we are doing in this legislation applying to the press the identical law that would apply to every other business in the country.

Mr. ERVIN. Mr. President, will the Senator yield to me for 2 minutes?

Mr. CRANSTON. I yield 2 minutes to the Senator from North Carolina.

Mr. ERVIN. There is a fundamental difference between this bill and the Fair Labor Standards Act that the distinguished Senator from Oregon referred to. That act prescribed the minimum wage; this prescribes the maximum compensation; and under this it is possible they could not get reporters or editors for the amount of wages that the stabilization people would allow.

We have had a multitude of evidence before the Subcommittee on Constitutional Rights with respect to news people having to go out of business because of the economic conditions prevailing, and this would put a lid on existing economic conditions, and possibly result in many of the news media being put out of business.

The Senator from Connecticut said that the Cranston amendment undertakes to make the news media favorites. The Constitution makes the press a favorite of the Constitution. It recognizes that it discharges an essential public function and for that reason its freedom should not be abridged. When the Government undertakes to say what the press can pay a reporter or an editor it works an abridgment of the freedom of the press. That is as clear as the sky.

Mr. CRANSTON. Mr. President, I yield myself 1 minute to respond to the last remarks of the Senator from Oregon that unlike the taxing authority the authority in this measure is not across the board. Each individual newspaper, radio station, television station, book publisher, and magazine publisher that wants to get the power to grant a pay raise, if they are brought under this measure, would have to come in and seek it.

Some have been seeking it; some may have been frustrated; some may not be able to publish because they have not been able to increase prices. That is a siege of control when there is that kind of situation, threatened, implied, or direct.

Mr. WEICKER. Mr. President, will the Senator yield to me for 1 minute?

Mr. SPARKMAN. I yield.

Mr. WEICKER. In response to the Senator from California I wish to state that is why we have the first amendment. The Pay Board is not out from under the first amendment. If it took such action that, in effect, closed down an element of the press, I am sure they would be brought to account under the first amendment. That great protector of press freedoms does not disappear from view with the advent of wage price controls.

It is very clear what the intent of the Cranston amendment is and I hope we do not use the guise of the first amendment to push it through the Senate thus favoring one aspect of our economy over another.

Mr. SPARKMAN. Mr. President, I yield 1 minute to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, let us make it clear. It is not really the media that is pushing hard for this. I have heard this argument that editors are asking for this power. But I have before me two editorials, one from the Chicago Sun-Times and the other from the Chicago News, both of November 12, 1971, which I would like to read for the RECORD.

The editorial from the Chicago Sun-Times states:

We have no complaint that rights under the First Amendment have been imperiled.

Price controls will not inhibit our freedom of expression or our responsibility to criticize the government itself or the operations of the controls themselves. Publishers should not feel that they must be exempt from the law so as to preserve their duty to act as a check on government.

The editorial from the Chicago News states:

We believe that in matters pertaining to their commercial operations, newspapers and other media should be treated like other private businesses. We consider ourself subject to the same rules, regulations and laws that apply generally to our readers and advertisers.

The public interest will be best served if the controls work. So far as we are concerned, making them apply to the media is one way of helping to ensure success.

Mr. CRANSTON. Mr. President, I yield myself 2 minutes.

I would simply like to say the Senator from Oregon quoted an editorial from the Sun-Times in Chicago. It is interesting, but it happens to be a fact, that the newspaper at the time that editorial was printed had an application pending before the Board. The application for a price increase was granted subsequent to the appearance of that editorial.

Certain other newspapers that have been silent on this issue have had appli-

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cations pending to the Board prior to the application of the Sun-Times in Chicago. Theirs have not yet been acted on. I do not suggest there is anything devious in all of this.

Mr. PACKWOOD. What is the Senator's suggestion?

Mr. CRANSTON. It indicated the sort of situation that does exist that is open to misinterpretation.

Mr. PACKWOOD. What does the Senator suggest?

Several Senators addressed the Chair.

Mr. BYRD of West Virginia. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. CRANSTON. I do not think we should grant the Board that power.

Mr. ERVIN. Will the Senator yield?

Mr. CRANSTON. I yield.

Mr. ERVIN. Is it not a distinct possibility in this world that rulings by nonjudicial boards are sometimes like kisses: they go by grace rather than by right.

Mr. CRANSTON. The Senator is correct.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. WEICKER. I think we have made the point clearly. The press itself has not been pushing for this amendment. I have received almost no correspondence pushing the amendment. It is to the credit of the intended beneficiary of the amendment that they have not lobbied on its behalf.

Let me make clear that there are tax laws in this country which could be used against the press, yet the press can find its protection in the first amendment. There are health laws which could be used to close down the press, as well as FCC regulations, and antitrust laws, and many other laws which are on the books which could obliterate the press, except for the first amendment.

The first amendment is there to make sure that legislation will not be used as a vindictive weapon against a press that might be against certain governmental policies. The first amendment stands above all, as the Senator from North Carolina knows better than anyone in this Chamber, and it will protect the press against Government interference.

Mr. SPARKMAN. Mr. President, I am ready to yield back my time if the Senator from California is ready to yield back his time.

Mr. CRANSTON. Mr. President, I would be ready to yield back my time but in view of the last remark I yield myself such time as I may need. I will be brief.

There have been a number of newspapers and other media that have applied that have not yet been told yes, no, or maybe. We have heard from one newspaper that has a position that to me is not clear on this amendment, that has indicated they may have to drop a Sunday edition of their paper if they do not get a decision soon. They have not been able to get that decision and they may stop publishing one important part of their publishing schedule.

In regard to requests from people in this field, since the question was raised with respect to support from the media, the following support it: The Association of American Publishers, the Magazine Publishers Association, the National Newspaper Association, Hearst Publications, Inc., the National Association of Broadcasters, ABC, NBC, CBS, the Newspaper Guild, the International Allied Printing Trades Association, the ITU, and AFTRA.

That is sufficient to indicate there is considerable interest and support.

I would like to repeat one point. Those who have been most anxious about the need for this are those presently regulated by Government agencies, namely those in broadcasting, radio, and television. They have had experience with the subtle pressures that can arise in one way or another. They know the importance of the amendment, and they are united in seeking support for it.

Mr. ROTH. Mr. President, will the Senator yield?

Mr. CRANSTON. I am delighted to yield, on the other side's time.

Mr. ROTH. Mr. President, will the Senator from Texas yield me time?

Mr. TOWER. Mr. President, I yield time to the Senator from Delaware.

Mr. ROTH. I would like to ask the Senator from California if he is not making reference to a Delaware paper when he talks about a newspaper that was having difficulty with respect to the Sunday edition.

Mr. CRANSTON. Yes, that is true, and the corporation stated—I do not know its position on this amendment; it may be for it or against it—that they have been having a very difficult time getting in a position to get what is needed in order for them to stay in business with the Sunday publication.

Mr. ROTH. I have discussed the matter with the publisher of the paper, who indicated, as the Senator has pointed out, that they are having difficulty with respect to the Sunday edition. But I would like to point out and make it very clear that, because of this difficulty, this newspaper is not supporting the exception being proposed by the Senator from California for the newspaper. As a matter of fact, in my discussions with the editor yesterday, and we talked at great length, he felt he was in no different position from any other paper. While he was unhappy with bureaucracy, he did not feel that was ground for an exception. I wanted to make that clear.

Mr. CRANSTON. I very carefully stated I did not know the position of this newspaper on the amendment. I still do not know it, but I would like to read from a letter of the editor, Joe Smyth, of the Delaware State News, dated January 29, addressed to me. I will read portions of it to save time, but I will not misrepresent their viewpoint in the course of this abbreviating:

DEAR SENATOR CRANSTON: I am not sure the case makes any special points for exemptions for newspapers; very basically, it is a case of one company's inability to get a very simple point across to some federal bureaucrats.

We have been tossed back and forth between various agencies, none of which seem very sure of just what their responsibility is in the wage and price freeze.

Going on a few paragraphs:

Our problem is very basic. With our Sunday edition, we are projecting an $85,029 profit (3.1 per cent of revenue) for the twelve months beginning September, 1971. If the OEP ruling stands, we will instead end up with a projected loss of $109,970. Since this is a small, family owned business, we cannot afford the loss and the Sunday newspaper would probably have to be done away with.

• • • • • •

As you'll note from the enclosed editorial, I was inclined to support the wage and price freeze when I believed it was a temporary message.

• • • • • •

Now that it appears the control will never end; and now that I have seen first-hand how the government's agencies can mishandle this power, I fear the controls were a terrible mistake.

Sincerely,

JOE SMYTH,
Editor.

If they are not desirous of coming out in support of the amendment, it gets back to the position I took last night, and that I state now: When one has an appeal before the Board, maybe he does not want to be critical. Maybe he thinks it is better not to support an amendment like this. Maybe he thinks he will get his request granted if he is silent on what happens to be a very simple issue.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President, may I have 1 minute?

Mr. SPARKMAN. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Alabama has 5 minutes.

Mr. SPARKMAN. I yield 1 minute to the Senator from Connecticut.

Mr. WEICKER. I thank the Senator.

Mr. President, I do not think anybody in the United States is jumping up and down and cheering about wage and price controls. That is exactly the point we are trying to make to the Senator from California. No worker or executive is happy with wage and price controls but, they say, "We are accepting them and we are going to live with them," because there is a job to be done, specifically, to stop inflation and to get the country back on a sound economic basis.

Every single exception we make makes one more day when we have to live with this nightmare. So the unfairness of the situation does not apply only to those in the press, but to all those who are under wage and price controls and are yearning for the day when they can come out from under them.

This message should come out loud and clear. When you make exceptions for this one and that one, we will be living with these controls year after year. The workers throughout my State are making sacrifices for the Nation, not for others who are exempt from the controls.

Mr. CRANSTON. Mr. President, I yield myself such time as I may need, and it will be very brief.

One point about the newspaper we have been talking about is that they appealed for a price increase. They were denied that price increase. They have not yet been able to get the decision reversed. If they do not, they will not be publishing the Sunday edition, which is shutting off freedom on Sunday in an American community.

I would like to say to the Senator that if he proceeds to offer an amendment to make sure there is no exemption granted to the press in this bill, if he is successful why does he not include others who were granted exemptions under the bill? This is not an effort to get one exemption in; it is an effort to get included in the exemptions a newspaper which is protected by the Constitution.

If we are not going to grant exemptions for this group, why not also include others who are granted exemptions, such as raw agricultural and seafood products, custom products such as wigs, furs, and jewelry, services such as tailoring, framing, and taxidermy, exports, imports, and shipping rates, damaged and used products, government property, real estate for sale or rent, securities and financial instruments, royalties, dues to nonprofit organizations, life insurance premiums on new policies, antiques, art objects, and others?

Why not take them all out of the exemptions that are presently granted under the bill if we are going to deny them to one?

Mr. SPARKMAN. Mr. President, I yield 1 minute to the Senator from Delaware.

Mr. ROTH. Mr. President, since the Senator from California has again made reference to the Delaware State News, I think it is important to make clear exactly what is involved. In the first place, talking about the letter from Mr. Smyth, who is the newspaper's editor, he highlights the point that:

I am not sure the case makes any special point for exemptions for newspapers; very basically, it is a case of one company's inability to get a very simple point across to some Federal bureaucrats.

I might say that in my telephone conversations with Mr. Smyth, he reemphasized what he said there. In fact, he said he did not think his particular situation made a case for exemption.

What was involved was that this newspaper for the first time published a Sunday edition. They upped the rate from 50 cents to 75 cents a week. There was no option to take the newspaper for 5 or 6 days, including Sunday. It went through the Federal agencies, and there has not yet been any decision on the case.

I might point out that this case is no different than other situations where companies are asking for an increase on the basis of additional service. I am confident our problem will be solved.

In closing, I want to emphasize that this case is not precedent for wide-sweeping exceptions being made to a necessary general rule.

Mr. TAFT. Mr. President, I shall vote present on this amendment because of a possible conflict of interest due to personal and family interests in broadcasting and former active participation in that business. Yesterday I was necessarily absent from the Senate during the votes on a similar Cranston amendment. Had I been present at that time I would likewise have voted present.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. I am willing to yield back my time.

Mr. CRANSTON. I am too, Mr. President.

Mr. PACKWOOD. Mr. President, has all time on the amendment been yielded back?

The PRESIDING OFFICER. It has.

Mr. PACKWOOD. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read as follows:

An amendment authored by Mr. PACKWOOD for himself, Mr. BUCKLEY, and Mr. WEICKER.

In lieu of the amendment offered by Mr. CRANSTON to S. 2891 insert the following:

On page 6, after line 4, insert the following:

"(f) In the exercise of the authority conferred by this title, the President shall take no action which directly or indirectly impairs or detracts from the protections guaranteed by the First Amendment of the Constitution of the United States."

Mr. PACKWOOD. Mr. President, if our concern is principally that of the first amendment liberties, this amendment should be adopted and we do not have to try to differentiate between entertainers and news commentators, we do not have to differentiate between motion pictures and newsreels shown on television.

In this amendment we are giving specific direction to the President that he must do nothing to impinge the first amendment. There has been no amendment that the Court has been more involved in interpreting over a longer period of time than the first amendment. I will gainsay that we will have less difficulty in court cases with any interpretation of this amendment than if we accept the pending amendment by the Senator from California, where the determinations will have to be made as to who was making windfall profits and who was an entertainer. Let us make it clear on this vote, those who want to insure that it was the intent of this Congress that first amendment liberties be protected can do so without exception—I repeat, without exception—to any media source covered by the first amendment by voting for it.

Those who want to distinguish between certain types of publications, who want to say, "Yes, we will protect the press and radio, but not motion pictures," or "Yes, we want to protect news commentators, but not motion picture entertainers," can vote against this amendment.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. PACKWOOD. I yield.

Mr. WEICKER. Mr. President, I ask for the yeas and nays on the sunbstitute amendment.

The yeas and nays were ordered.

Mr. CRANSTON. Mr. President, I yield such time as he may require to the distinguished Senator from North Carolina.

The PRESIDING OFFICER. The Senator from California has no time.

Mr. SPARKMAN. Mr. President, I yield the Senator from North Carolina such time as he may require. I believe our limitation is 10 minutes, is it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. ERVIN. Mr. President, this amendment is about as clear as the platform of the politician who said, "I am in favor of the greatest liberty to the greatest number."

This amendment would require the President of the United States and his legal advisers to analyze every decision rendered in the United States to find out what Congress provided.

The amendment of the Senator from California is very clear and distinct. It does not take a layman more than 15 minutes to find out what the Cranston amendment provides. But the substitute would require every legal faculty in the United States and thousands of lawyers to investigate what the substitute amendment provides.

The distinguished Senator from Connecticut says this substitute proposal is redundant. I agree and add that it is totally worthless.

The Cranston amendment is simple, explicit, and understandable.

Its first subsection says prices or rentals for materials furnished for publication by any press association or feature service, are exempt from the freeze. These are materials which are furnished for publishing, that is, writings, pictures, and things of that kind. Even a layman can understand that. It does not require a whole battalion of Philadelphia lawyers to understand what it says.

The next subsection says that the prices or rentals for books, magazines, periodicals, or newspapers, other than waste or scrap, or rates charged by any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio broadcasting or television station, network, or cable television system are exempt from the freeze.

Even a layman can read that, and, in a few minutes, can tell what Congress provided.

The next provision is that it exempts from the freeze all wages, salaries, or commissions paid by any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio broadcasting or television station, network, or cable television system, or paid by any press association or feature service, or by any person engaged in the production or publication of books.

A layman can read that; he does not need the advice of a Philadelphia lawyer to see what Congress provided in that subsection.

This amendment offered by my distinguished friends from Oregon, Connecticut, and New York reminds me of the story of a preacher down in North Carolina who was fired by his congregation. He asked for a meeting with the governing board of the church, and wanted to know why they had fired him.

He said, "Don't I argufy?"

And they said, "You sure do argufy."

"Don't I sputify?"

"You sure do sputify."

"Then why did you fire me?"

"You don't show wherein."

This proposed substitute amendment does not show wherein. It does not show what it attempts to do. It attempts to supplant a very clear, very understandable amendment. It would take Philadelphia lawyers as numerous as the sands on the seashore to tell the President of the United States or these boards what the amendment offered by the distinguished Senator from Oregon, the distinguished Senator from Connecticut, and the distinguished Senator from New York means.

We do not argue, but we do show wherein, and for that reason the amendment offered in the nature of a substitute ought to be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Will the Senator from Oregon yield me 4 minutes?

Mr. PACKWOOD. Yes.

Mr. WEICKER. Mr. President, we have certainly come a long way down the hill from the very lofty arguments presented last night on behalf of this proposal, basing the amendment offered by the Senator from California on the freedom of the press and protection of the press.

That was the argument last night. Now here we are today arguing the economic aspects, much more so than the first amendment aspects of this particular piece of legislation.

I say to my distinguished colleague and friend from North Carolina, if you need a whole group of Philadelphia lawyers to interpret the amendment of the Senators from Oregon, Connecticut, and New York, you are going to need 100-fold that to interpret the Cranston amendment, because the Senator from North Carolina knows far better than I that the first amendment has been interpreted time after time after time, and there is not one single interpretation on the books of the Cranston amendment. That, in effect, is what is going to happen should the Cranston amendment become law.

In essence, I say to my good friend the Senator from California that because the first amendment does exist, because it has been interpreted many times, there is no necessity for his amendment and there is no necessity for my amendment. If, on the other hand, the real purpose of the amendment of the Senator from California is to give an economic advantage to a particular part of the American economy, so be it; explain it as such. But the constitutional ground that existed last night for the amendment of the Senator from California has lost its substance, in the light of the arguments that have taken place on this floor today.

Mr. President, I yield back to the Senator from Oregon the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I yield myself 4 minutes.

I want to come back to what we are going to get into if my amendment is defeated, and we are back to the Cranston amendment, with no more time to debate.

The Cranston amendment has three exceptions to which the President's wage-price authority shall not be applicable. One is the prices or rentals for materials furnished for publication by any press association or feature service. For anything which the Associated Press or UPI sends out on the wire, there is an exception.

Second, there is an exception for prices or rentals for books, magazines, periodicals, or newspapers, other than those described as scrap.

Third, and I quote exactly:

Wages, salaries, or commissions paid by any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio broadcasting or television station, network, or cable television system, or paid by any press association or feature service or by any person engaged in the production or publication of books.

That is, any salary paid by any person in the business of operating a news media corporation; and it does not matter a whit whether the salary is related to the dissemination of news; the standard is, does the person work for a corporation that is in a media business? If he does, no matter how remote or unrelated to the dissemination of news, he is exempt and his wages can go up, and that is exactly what this amendment says.

We are not carving out a freedom of the press amendment; we are carving a great, gaping hole for a whole variety of crafts, careers, and occupations that have no conceivable relation to the gathering of news, the dissemination of news, or the freedom of the press.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Alabama has 6 minutes remaining.

Mr. SPARKMAN. I yield 2 minutes to the Senator from North Carolina.

Mr. ERVIN. Mr. President, this is just as plain as a pikestaff. It applies to a wage, a salary, or a commission paid in the business of publishing a newspaper or a magazine, or in the business of operating a radio broadcasting or television station, and so on, or paid by a press association or feature service, or paid by a person engaged in the production or publication of books.

In other words, it is just as clear as the noonday sun in a cloudless sky that subsection (iii) of section (f) of the Cranston amendment applies to compensation paid to persons engaged in the business of gathering, distributing, and analyzing the news and publishing books. That is all. That is just as clear as the English language can make it, and there is no ambiguity in this amendment—none whatever.

Mr. SPARKMAN. Mr. President, I yield 1 minute to the Senator from California.

Mr. CRANSTON. Mr. President, I am at least mildly surprised by the statements by the Senator from Connecticut which indicated that this amendment is precedent shattering, something that has never happened before, and so forth.

I am sure that after all this discussion the Senator is well aware that the adoption of his amendment would be the break with precedent; that our amendment keeps continuity going and precedent is followed, because in World War II, when we had wage and price control, and in the Korean war, when we had wage and price control, this body amended the original bill submitted and added language quite similar to that in our amendment exempting the media from wage and price control because of first amendment reasons.

Mr. PACKWOOD. I yield myself 1 minute.

Mr. President, in World War II and the Korean war we exempted the press, insurance premiums, utility rates, doctor's fees, lawyer's fees, dentist's fees. In this bill there are two exemptions. One is an exemption for any wage that happens to be raised because of increase in an emergency under the Fair Labor Standards Act and the other is an exemption on a wage freeze for those people already earning less than the poverty level as defined.

Now the Senator from California proposes to write in another exemption and the only exemption that will apply specifically to any kind of business. We have taken all the exemptions that existed in World War II and the Korean war, and he said they are not going to be exempt in this situation. The Senator from California would say they are all not going to be exempt but one, and that is the news media.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. I yield back the remainder of my time.

Mr. PACKWOOD. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senator from Kentucky have 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOPER. Mr. President, I will vote for the substitute, because I do not believe in exempting a group of persons from the application of the bill before the Senate. I do want to raise this question. I think the amendment suggests that the President is going to attempt to violate first amendment restrictions. Second, they are protected by the courts, anyway.

The PRESIDING OFFICER. All time on the substitute amendment has been yielded back. The question is on agreeing to the substitute amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. McGOVERN), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

So the result was announced—yeas 40, nays 51, as follows:

[No. 424 Leg.]

YEAS—40

Aiken	Curtis	Randolph
Allott	Dominick	Roth
Beall	Fannin	Schweiker
Boggs	Goldwater	Scott
Brock	Gurney	Smith
Brooke	Hatfield	Stafford
Buckley	Hollings	Stevens
Byrd, Va.	Hruska	Stevenson
Byrd, W. Va.	Javits	Taft
Cannon	Jordan, Idaho	Thurmond
Case	Packwood	Tower
Cook	Pastore	Weicker
Cooper	Pearson	
Cotton	Percy	

NAYS—51

Allen	Griffin	Metcalf
Anderson	Hansen	Miller
Baker	Harris	Mondale
Bellmon	Hart	Montoya
Bentsen	Hughes	Moss
Bible	Humphrey	Muskie
Burdick	Inouye	Nelson
Church	Jackson	Pell
Cranston	Jordan, N.C.	Proxmire
Dole	Kennedy	Ribicoff
Eagleton	Long	Sparkman
Eastland	Magnuson	Spong
Ellender	Mansfield	Stennis
Ervin	Mathias	Symington
Fong	McClellan	Talmadge
Fulbright	McGee	Tunney
Gravel	McIntyre	Young

NOT VOTING—9

Bayh	Gambrell	Mundt
Bennett	Hartke	Saxbe
Chiles	McGovern	Williams

So Mr. PACKWOOD's substitute amendment was rejected.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL ELECTION CAMPAIGN ACT OF 1971

Mr. PASTORE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 382.

The PRESIDING OFFICER (Mr. BROCK) laid before the Senate the amendment of the House of Representatives to the bill (S. 382) to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes, which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Federal Election Campaign Act of 1971".

TITLE I—CAMPAIGN COMMUNICATIONS

SHORT TITLE

SEC. 101. This title may be cited as the "Campaign Communications Reform Act".

DEFINITIONS

SEC. 102. For purposes of this title:

(1) The term "communications media" means broadcasting stations, newspapers, magazines, and outdoor advertising facilities.

(2) The term "broadcasting station" has the same meaning as such term has under section 315(d) of the Communications Act of 1934.

(3) The term "Federal elective office" means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States (and for purposes of section 103(b) such term includes the office of Vice President).

(4) The term "legally qualified candidate" with respect to Federal elective office, or nomination for election to such office, has the same meaning as such term has when used in section 315 of the Communications Act of 1934.

(5) The term "voting age population" means resident civilian population, eighteen years of age and older.

(6) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

MEDIA RATE REQUIREMENTS

SEC. 103. (a) Section 315(b) of such Act is amended to read as follows:

"(b) The charges made for the use of any broadcasting station by any person who is a legally qualified candidate for any public office shall not exceed the actual charges made by such station for any comparable use of such station for other purposes."

(b)(1) To the extent that any person sells space in any newspaper or magazine to a legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of such space for other purposes.

(2) If any person makes available space in any newspaper or magazine to any legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, such person shall make equivalent space available on the same basis to all legally qualified candidates for the same office, or for nomination to such office, as the case may be.

LIMITATIONS OF EXPENDITURES FOR USE OF COMMUNICATIONS MEDIA

SEC. 104. (a)(1) No legally qualified candidate in an election (other than a primary or primary runoff election) for a Federal elective office may—

(A) spend for the use of communications media on behalf of his candidacy in such election a total amount in excess of the greater of—

(i) 10 cents (or such greater amount as may be certified under paragraph (4)(A)(i) multiplied by the voting age population (as certified under paragraph (4)(B)) of the geographical area in which the election for such office is held, or

(ii) $50,000 (or such greater amount as may be certified under paragraph (4)(B)(ii)), or

(B) spend for the use of broadcast stations on behalf of his candidacy in such election a total amount in excess of 60 per centum of the amount determined under subparagraph (A) with respect to such election.

(2) No legally qualified candidate in a primary election for nomination to a Federal elective office, other than President, may spend—

(A) for the use of communications media, or

(B) for the use of broadcast stations,

on behalf of his candidacy in such election a total amount in excess of the amounts determined under paragraph (1)(A) or (B), respectively, with respect to the general election for such office. For purposes of this subsection a primary runoff election shall be treated as a separate primary election.

(3)(A) No person who is a candidate for presidential nomination may spend—

(i) for the use in a State of communications media, or

(ii) for the use in a State of broadcast stations, on behalf of his candidacy for presidential nomination a total amount in excess of the amounts which would have been determined under paragraph (1)(A) or (B), respectively, had he been a candidate for an election for the office of Senator from such State (or for the office of Delegate or Resident Commissioner in the case of the District of Columbia or the Commonwealth of Puerto Rico).

(B) For purposes of this paragraph, a person is a candidate for presidential nomination if he makes (or any other person makes on his behalf) an expenditure for the use of any communications medium on behalf of his candidacy for any political party's nomination in an election to the office of President. He shall be considered to be such a candidate during the period—

(i) beginning on the date on which he (or such other person) first makes such an expenditure (or, if later, January 1 of the year in which the election for the office of President is held), and

(ii) ending on the date on which such political party nominates a candidate for the office of President.

For purposes of this title and of section 315 of the Communication Act of 1934, a candidate for presidential nomination shall be considered a legally qualified candidate for public office.

(C) The Attorney General shall prescribe regulations under which any expediture by a candidate for presidential nomination for the use in two or more States of communications media shall be attributed to such candidate's expenditure limitation in each such State, based on the number of persons in such State who can reasonably be expected to be reached by such communications media.

(4)(A) During the first week of January 1974, and during such week in every second subsequent year, the Secretary of Commerce shall certify to the Attorney General and publish in the Federal Register—

(i) an amount which bears the same ratio to 10 cents, and

(ii) an amount which bears the same ratio to $50,000,

as the value of the communications price index for the last calendar year ending before the date of certification bears to the value of such index for 1972. The communications price index shall be a price index, using 1972 as a base year, measuring changes in the charges to candidates for the use of communications media. Such index shall be established and maintained by the Secretary of Commerce.

(B) During the first week of January 1972, and during such week in every second subsequent year, the Secretary of Commerce shall certify to the Attorney General and publish in the Federal Register an estimate of the voting age population of each State and congressional district for the last calendar year ending before the date of certification.

(5) Amounts spent for the use of communications media on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) shall, for the purposes of this subsection, be deemed to have been spent by such candidate. Amounts spent for the use of communications media by or on behalf of any legally qualified candidate for the office of Vice President of the United States shall, for the purposes of this section, be deemed to have been spent by the candidate for the office of President of the United States with whom he is running.

(6) For purposes of this section and section 315(c) of the Communications Act of 1934, spending and charges for the use of communications media include not only the

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direct charges of the media but also agents' commissions allowed the agent by the media.

(7) For purposes of this section and section 315(c) of the Communications Act of 1934, any expenditure for the use of any communications medium by or on behalf of the candidacy of a candidate for Federal elective office (or nomination thereto) shall be charged against the expenditure limitation under this subsection applicable to the election in which such medium is used.

(8) No person may make any charge for the use by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) of any newspaper, magazine, or outdoor advertising facility, unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such person in writing that the payment of such charge will not violate paragraph (1), (2), or (3) of subsection (a), whichever is applicable.

(c) Section 315 of the Communications Act of 1934 is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsections:

"(c) No station licensee may make any charge for the use of such station by or on behalf of any legally qualified candidate for Federal elective office (or for nomination to such office) unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not violate any limitation specified in paragraph (1), (2), or (3) of section 104(a) of the Campaign Communications Reform Act, whichever paragraph is applicable.

"(d) For the purposes of this section:

"(1) The term 'broadcasting station' includes a community antenna television system.

"(2) The terms 'license' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.

"(3) The term 'Federal elective office' means the office of President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States."

REGULATIONS

SEC. 105. The Attorney General shall prescribe such regulations as may be necessary or appropriate to carry out sections 102, 103(b), 104(a), and 104(b) of this Act.

PENALTIES

SEC. 106. (a) Whoever violates any provision of section 103(b), 104(a), or 104(b) or any regulation under section 105 shall be assessed a civil penalty of not more than $1,000 for each violation.

(b) Any legally qualified candidate who willfully violates section 104(a) or any regulation under section 105 shall be punished by a fine of not more than $10,000 or by imprisonment of not more than one year, or both.

EFFECTIVE DATE

SEC. 107. Section 103 of this Act and the amendments made thereby shall take effect on January 1, 1972. Section 104 and the amendments made thereby shall apply only to expenditures for the use on or after such date of communications media.

TITLE II

SEC. 201. No candidate for Federal elective office may expend, in a primary, primary runoff, or general election, an amount in excess of the limitations imposed by section 104 of title I (for the use of communications media) for the following purposes: (a) telephone campaigns, including the cost of telephones, paid telephonists and automated equipment, when telephones are used in banks of five or more instruments to communicate with potential voters, (b) postage for computerized or identical mailings in quantities of 200 or more. Amounts expended for the use of communications media as provided in section 104 of title I will be charged against the limitation imposed by this section.

TITLE III—CRIMINAL CODE AMENDMENTS

SEC. 301. Section 591 of title 18, United States Code, is amended to read as follows:

"§ 591. Definitions

"When used in sections 597, 599, 600, 602, 610, 611, and 614 of this title—

"(a) 'election' means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(b) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, to Federal office, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

"(c) 'Federal office' means the office of President or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

"(d) 'political committee' means any individual committee, association, or organization which accepts contributions or make expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(e) 'contribution' means—

"(1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) a transfer of funds between political committees;

"(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; and

"(5) notwithstanding the foregoing meanings of 'contribution', the word shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;

"(f) 'expenditure' means—

"(1) a purchase, payment, distribution, loan advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

"(2) a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and

"(3) a transfer of funds between political committees;

"(g) 'person' and 'whoever' means an individual, partnership, committee, association, corporation, or any other organization or group of persons; and

"(h) 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States."

SEC. 302. Section 600 of title 18, United States Code, is amended to read as follows:

"§ 600. Promise of employment or other benefit for political activity

"Whoever, directly or indirectly, promises any employment, position, compensation, contract, equipment, or other benefit, provided for or made possible in whole or in part by any Act of Congress, or any special consideration in obtaining any such benefit, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in connection with any general or special election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, shall be fined not more than $1,000 or imprisoned not more than one year, or both."

SEC. 303. Section 608 of title 18, United States Code, is amended to read as follows:

"§ 608. Limitations on contribution and expenditures

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of—

"(A) $50,000, in the case of a candidate for the office of President or Vice President;

"(B) $35,000, in the case of a candidate for the office of Senator; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress.

"(2) For purposes of this subsection, 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, or sister of the candidate, and the spouses of such persons.

"(b) No candidate or political committee shall knowingly accept any contribution or authorize any expenditure in violation of the provisions of this section.

"(c) Violation of the provisions of this section is punishable by a fine not to exceed $1,000, imprisonment for not to exceed one year, or both.".

SEC. 304. Section 609 of title 18, United States Code, is repealed.

SEC. 305. Section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor orgalzations, is amended by adding at the end thereof the following paragraph:

"As used in this section, the phrase 'contribution or expenditure' shall includs any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section; but shall not include communications by a corporation to its stockholders and their families or by a labor organization to its members and their families on any subject; nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families, or by a labor organization aimed at its members and their families; the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization: *Provided*, That it shall be unlawful for such a fund to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination or financial reprisal; or by dues, fees or other monies required as a condition of membership in a labor organization or as a condition of employment, or by monies obtained in any commercial transaction."

SEC. 306. Section 611 of title 18, United States Code, is amended to read as follows:

"§ 611. Contributions by Government contractors

"Whoever—

"(a) entering into any contract with the United States or any department or agency thereof either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for and the later of (1) the completion of performance under, or (2) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land or buildings, directly or indirectly makes any contribution of money or other thing of value, or promises expressly or impliedly to make any such contribution, to any political party, committee, or candidate for public office or to any person for any political purpose or use; or

"(b) knowingly solicits any such contribution from any such person for any such purpose during any such period;

shall be fined not more than $5,000 or imprisoned not more than five years, or both."

SEC. 307. The table of sections for chapter 29 of title 18, United States Code, is amended by—

(1) striking out the item relating to section 608 and inserting in lieu thereof the following:

"608. Limitations on contributions and expenditures.";

(2) striking out the item relating to section 609 and inserting in lieu thereof the following:

"609. Repealed.";

(3) striking out the item relating to section 611 and inserting in lieu thereof the following:

"611. Contributions by Government contractors.".

TITLE IV—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

DEFINITIONS

SEC. 401. When used in this title—

(a) "election" means (1) a general, special, primary, or runoff election, (2) a convention or caucus of a political party held to nominate a candidate, (3) a primary election held for the selection of delegates to a national nominating convention of a political party, (4) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(c) "Federal office" means the office of President or Vice President of the United States; or of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

(d) "political committee" means any committee, association, or organization which accepts contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

(e) "contribution" means—

(1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or as a presidential or vice-presidential elector, for the purpose of influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

(2) a contract, promise, or agreement whether or not legally enforceable, to make an expenditure, and

(3) a transfer of funds between political committees;

(g) "supervisory officer" means the Secretary of the Senate with respect to candidates for Senator; and the Clerk of the House of Representatives with respect to candidates for Representative in, or Delegate or Resident Commissioner to, the Congress of the United States; and the Comptroller General of the United States in any other case;

(h) "person" means an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons; and

(i) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 402. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of chairman or treasurer thereof. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) Every person who receives a contribution in excess of $10 for a political committee shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the name and address (occupation and the principal place of business, if any) of the person making such contribution, and the date on which received. All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

(c) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

(1) all contributions made to or for such committee;

(2) the full name and mailing address (occupation and the principal place of business, if any) of every person making a contribution in excess of $10, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee; and

(4) the full name and mailing address (occupation and the principal place of business, if any) of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office, sought by, each candidate on whose behalf such expenditure was made.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee in excess of $100 in amount, and for any such expenditure in a lesser amount, if the aggregate amount of such expenditures to the same person during a calendar year exceeds $100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the supervisory officer.

(e) Any political committee which solicits or receives contributions or makes expenditures on behalf of any candidate that is not authorized in writing by such candidate to do so shall include a notice on the face or front page of all literature and advertisements published in connection with such candidate's campaign by such committee or on its behalf stating that the committee is not

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authorized by such candidate and that such candidate is not responsible for the activities of such committee.

(f) (1) Any political committee shall include on the face or front page of all literature and advertisements soliciting funds the following notice:

"A copy of our report filed with the appropriate supervisory officer is (or will be) available for purchase from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402."

(2) (A) The supervisory officer shall compile and furnish to the Public Printer, not later than the last day of March of each year, an annual report for each political committee which has filed a report with him under this title during the period from March 10 of the preceding calendar year through January 31 of the year in which such annual report is made available to the Public Printer. Each such annual report shall contain—

(i) a copy of the statement of organization of the political committee required under section 403, together with any amendments thereto; and

(ii) a copy of each report filed by such committee under section 404 from March 10 of the preceding year through January 31 of the year in wrich the annual report is so furnished to the Public Printer.

(B) The Public Printer shall make copies of such annual reports available for sale to the public by the Superintendent of Documents as soon as practicable after they are received from the supervisory officer.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 403. (a) Each political committee which anticipates receiving contributions or making expenditures during the calendar year in an aggregate amount exceeding $1,000 shall file with the supervisory officer a statement of organization, within ten days after its organization or, if later, ten days after the date on which it has information which causes the committee to anticipate it will receive contributions or make expenditures in excess of $1,000. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the supervisory officer at such time as he prescribes.

(b) The statement of organization shall include—

(1) the name and address of the committee;

(2) the names, addresses, and relationships of affiliated or connected organizations;

(3) the area, scope, or jurisdiction of the committee;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, address, office sought, and party affiliation of (A) each candidate whom the committee is supporting, and (B) any other individual, if any, whom the committee is supporting for nomination for election, or election, to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;

(7) a statement whether the committee is a continuing one;

(8) the disposition of residual funds which will be made in the event of dissolution;

(9) a listing of all banks, safety deposit boxes, or other repositories used;

(10) a statement of the reports required to be filed by the committee with State or local officers, and, if so, the names, addresses, and positions of such persons; and

(11) such other information as shall be required by the supervisory officer.

(c) Any change in information previously submitted in a statement of organization shall be reported to the supervisory officer within a ten-day period following the change.

(d) Any committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year in an aggregate amount exceeding $1,000 shall so notify the supervisory officer.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 404. (a) Each treasurer of a political committee supporting a candidate or candidates for election to Federal office and each candidate for election to such office, shall file with the appropriate supervisory officer reports of receipts and expenditures on forms to be prescribed or approved by him. Such reports shall be filed on the tenth day of March, June, and September, in each year, and on the fifteenth and fifth days next preceding the date on which an election is held, and also by the thirty-first day of January. Such reports shall be complete as of such date as the supervisory officer may prescribe, which shall not be less than five days before the date of filing except that any contribution of $5,000 or more received after the last report is filed prior to the election, shall be reported within forty-eight hours after its receipt.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount or value in excess of $100, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all transfers;

(5) each loan to or from any person within the calendar year in an aggregate amount or value in excess of $100, together with the full names and mailing addresses (occupations and the principal places of business, if any) of the lender and endorsers, if any, and the date and amount of such loans;

(6) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising event; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt in excess of $100 not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period;

(9) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom an expenditure or expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an aggregate amount or value in excess of $100, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made;

(10) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom an expenditure for personal services, salaries, and reimbursed expenses in excess of $100 has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(11) the total sum of expenditures made by such committee or candidate during the calendar year;

(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the supervisory officer may prescribe and a continuous reporting of their debts and obligations after the election at such periods as the supervisory officer may require until such debts and obligations are extinguished; and

(13) such other information as shall be required by the supervisory officer.

(c) The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to that effect.

REPORTS BY OTHERS THAN POLITICAL COMMITTEES

SEC. 405. Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the supervisory officer a statement containing the information required by section 404. Statements required by this section shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 406. (a) A report or statement required by this title to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing such report or statement, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period of time to be designated by the supervisory officer in a published regulation.

(c) The supervisory officer may, by published regulation of general applicability, relieve any category of political committees of the obligation to comply with section 404 if such committee (1) primarily supports persons seeking State or local office, and does not substantially support candidates, and (2) does not operate in more than one State or on a statewide basis.

(d) The supervisory officer shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

REPORTS ON CONVENTION FINANCING

SEC. 407. Each committee or other organization which—

(1) represents a State, or a political subdivision thereof, or any group of persons, in dealing with officials of a national political party with respect to matters involving a convention held in such State or political subdivision to nominate a candidate for the office of President or Vice President, or

(2) represents a national political party in making arrangements for the convention of such party held to nominate a candidate for the office of President or Vice President,

shall, within sixty days following the end of the convention (but not later than twenty days prior to the date on which presidential and vice-presidential electors are chosen), file with the Comptroller General of the United States a full and complete financial statement, in such form and detail as he may prescribe, of the sources from which it derived its funds, and the purposes for which such funds were expended.

DUTIES OF THE SUPERVISORY OFFICER

SEC. 408. (a) It shall be the duty of the supervisory officer—

(1) to develop and furnish to the person required by the provisions of this Act prescribed forms for the making of the reports and statements required to be filed with him under this title;

(2) to prepare, publish, and furnish to the person required to file such reports and statements a manual setting forth recommended uniform methods of bookkeeping and reporting;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this title;

(4) to make the reports and statements filed with him available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the exepense of such person: Provided, That any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(5) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(6) to compile and maintain a current list of all statements or parts of statements pertaining to each candidate;

(7) to prepare and publish an annual report including compilations of (A) total reported contributions and expenditures for all candidates, political committees, and other persons during the year; (B) total amounts expended according to such categories as he shall determine and broken down into candidate, party, and nonparty expenditures on the National, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as he shall determine and broken down into contributions on the National, State, and local levels for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed in excess of $100;

(8) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respect to preceding elections;

(9) to prepare and publish such other reports as he may deem appropriate;

(10) to assure wide dissemination of statistics, summaries, and reports prepared under this title;

(11) to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of the title, and with respect to alleged failures to file any report or statement required under the provisions of this title;

(12) to report apparent violations of law to the appropriate law enforcement authorities; and

(13) to prescribe suitable rules and regulations to carry out the provisions of this title.

(b) It shall be the further duty of the Comptroller General to serve as a national clearinghouse for information in respect to the administration of elections. In carrying out his duties under this subsection, the Comptroller General shall enter into contracts for the purpose of conducting independent studies of the administration of elections. Such studies shall include, but shall not be limited to, studies of—

(1) the method of selection of, and the type of duties assigned to, officials and personnel working on boards of elections;

(2) practices relating to the registration of voters; and

(3) voting and counting methods.

Studies made under this subsection shall be published by the Comptroller General and copies thereof shall be made available to the general public upon the payment of the cost thereof. Nothing in this subsection shall be construed to authorize the Comptroller General to require the inclusion of any comment or recommendation of the Comptroller General in any such study.

(c) (1) Any person who believes a violation of this title has occurred may file a complaint with the supervisory officer. If the supervisory officer determines there is substantial reason to believe such a violation has occurred, he shall expeditiously make an investigation, which shall also include an investigation of reports and statements filed by the complainant if he is a candidate, of the matter complained of. Whenever in the judgment of the supervisory officer, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title or any regulation or order issued thereunder, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

(2) In any action brought under paragraph (1) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

(3) Any party aggrieved by an order granted under paragraph (1) of this subsection may, at any time within sixty days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such person is found, resides, or transacts business, for judicial review of such order.

(4) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

(5) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection).

PROHIBITION OF CONTRIBUTIONS IN NAME OF ANOTHER

SEC. 409. No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

PENALTY FOR VIOLATIONS

SEC. 410. Any person who violates any of the provisions of this title shall be fined not more than $1,000 or imprisoned not more than one year, or both.

EFFECT ON STATE LAW

SEC. 411. (a) (1) Nothing in this Act shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of this Act.

(2) Notwithstanding paragraph (1), no provision of State law shall be construed to prohibit any person from taking any action authorized by this Act or from making any expenditure which he could lawfully make under this Act.

(b) The supervisory officer shall encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements.

PARTIAL INVALIDITY

SEC. 412. If any provision of this Act, or the application thereof, to any person or circumstance is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

REPEALING CLAUSE

SEC. 413. (a) The Federal Corrupt Practices Act, 1925 (2 U.S.C. 241–256), is repealed

(b) In case of any conviction under this title, where the punishment inflicted does not include imprisonment, such conviction shall be deemed a misdemeanor conviction only.

TITLE V—MISCELLANEOUS

EXTENSION OF CREDIT BY REGULATED INDUSTRIES

SEC. 501. The Civil Aeronautics Board, the Federal Communications Commission, and the Interstate Commerce Commission shall each promulgate, within ninety days after the date of enactment of this Act, its own regulations with respect to the extension of credit, without security, by any person regulated by such Board or Commission to any candidate for Federal office (as such term is defined in section 401(c) of the Federal Election Campaign Act of 1971), or to any person on behalf of such a candidate, for goods furnished or services rendered in connection with the campaign of such candidate for nomination for election, or election, to such office.

PROHIBITION AGAINST USE OF CERTAIN FEDERAL FUNDS FOR ELECTION ACTIVITIES

SEC. 502. No part of any funds appropriated to carry out the Economic Opportunity Act of 1964 shall be used to finance, directly or indirectly, any activity designed to influence the outcome of any election to Federal office, or any voter registration activity, or to pay the salary of any officer or employee of the Office of Economic Opportunity who, in his official capacity as such an officer or employee, engages in any such activity. As used in this section, the term "election" has the same meaning given such term by section 401(a) of this Act, and the term "Federal office" has the same meaning given such term by section 401(c) of this Act.

EFFECTIVE DATE

SEC. 503. Except as provided for in section 501 of this Act, the provisions of this Act shall become effective on December 31, 1971, or sixty days after the date of enactment of this Act, whichever is later.

Mr. PASTORE. Mr. President, I move that the Senate disagree to the amendment of the House and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be author-

ized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PASTORE, Mr. HART, Mr. HARTKE, Mr. JORDAN of North Carolina, Mr. CANNON, Mr. PELL, Mr. BAKER, Mr. COOK, Mr. STEVENS, and Mr. SCOTT conferees on the part of the Senate.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

Mr. BUCKLEY. Mr. President, I offer an amendment to the Cranston amendment (No. 777).

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The second assistant legislative clerk proceeded to state the amendment.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 2, line 5, strike the comma and the word "or" appearing after the word "system" and insert a period in lieu thereof.

On page 2, strike everything in subsection (iii) beginning with the word "wages" on line 6 through the word "That" at the end of line 14.

Mr. BUCKLEY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BUCKLEY. Mr. President, this should not take too much time. My amendment is very simple. I think my amendment will be acceptable to the Senator from California.

What it does is to simply take away from his amendment the exemption for the wages paid by the media. It does not interfere with the exemption of the prices charged to that media or the printing plant, an exemption from economic control as it affects the prices charged and as to rates of wages.

But a theoretical case can be made with respect to the power to prevent an organization from disseminating opinion or forcing a newspaper or an organization out of business, thereby giving the Government the option of closing out the media establishment or, in a punitive way, suppressing the written opinion.

To the extent that it is self-evident that if we are going to have a workable system of controls which involve sacrifices on the part of every element in this country, to the extent that the exemptions are limited, to that extent we are more apt to maintain a sense of control.

I suggest that the situation involving a writer who has graduated from Cornell School of Journalism and is subject to control while a classmate of his in the same city is able to negotiate a 15- or 20-percent increase for doing that same kind of work will lead to the situation which will corrupt the whole system.

I submit that a typesetter or a worker for the same printing plant has to pay the same amount of money for rent, groceries, and taxes. If he finds himself controlled by the Wage-Price Board, while at the same time he sees a man with equal technical skill working for a newspaper and being able to demand and achieve a 10-, 15-, 20-percent increase, again we will have a demonstrable inequity which the American people will not swallow, an inequity which will erode the kind and class of controls which are required.

I believe this would also limit at least the wage part of the wage-price position in this inflationary cycle we are all suffering from by keeping wages in the media under the same type of controls as wages in other industries.

We are not creating charges which have to be absorbed by the publishers or the operators of broadcasting stations that would have to be reflected in higher prices charged by advertisers. That would be one thing which we are trying to eliminate.

I submit that this particular amendment would eliminate one of the glaring inequities of the pending amendment. Mr. President, regardless of the outcome of this amendment, I will vote against the Cranston amendment.

Mr. CRANSTON. Mr. President, I oppose the amendment, and I urge all other Senators to oppose it for the following reasons.

The burden of control should fall equally on labor and business alike. It would be totally inequitable and totally out of keeping with the spirit of this bill to control the prices of industry alone or to control only the wages of those who work for a living.

Where constitutional principles or economic conditions require the exclusion of one segment of either labor or business from controls, it is only, therefore, fair to likewise exclude the other segment, the counterpart.

Equity very plainly demands that, if we free the wages of management and editorial writers, which clearly must be free to protect free speech, we should also free the other workers of these enterprises which are indirectly involved in the expression of these ideas.

If we allow prices of the media to be freed from controls while continuing to control wages, some industries could receive large profits as the result of wage control rather than as a result of increased productivity.

The provision for windfall profits in this bill would not necessarily be able to do the job adequately.

It is very plain that the media are a service intensive industry. In such industries, according to the testimony before our committee which heard the bill, Dr. Arthur Burns pointed out in the Senate hearings, in those hearings on this bill that productivity is just about the toughest things there is to measure.

It seems to me the other aspect we have to consider in relation to this proposed amendment is the classic concept of the chilling effect that governmental authority can have on human freedom. Giving the Government Board the power to determine the maximum pay a writer or commentator can receive puts that board in a role of quasi-employer with all the powers that an employer can exercise. It gives the Government a club to hold over the members of the press, a club of the very nature that the Constitution expressly prohibits in the first amendment, that has motivated the sponsors of the basic amendment that will be before this body after the amendment of the Senator from New York has been disposed of.

The censor with scissors and blue pencil is very easy to identify and to guard against, but the economic censor, the man who comes along with controls over the payroll, has a power so much greater, because it is so insidious and, therefore, so hard to guard against, so hard to find directly, as you can find the man with his scissors or with the blue pencil.

If the power to tax is indeed a power to destroy, then the power to grant or to withhold pay raises is the power to destroy press creativity, enterprise, and independence.

For these rather simple but I think fundamental reasons, I oppose this amendment.

Mr. PROXMIRE. Mr. President, this provision in the bill which Senator BUCKLEY would amend out was put in by my amendment to the bill. As the proposal came before us initially it provided only for holding down wages and permitting prices to rise. The prices would not be controlled. Senator BUCKLEY would seek to do the same thing.

The suggestion in the proposed amendment by the Senator from New York could hardly be less fair. What does it do? It provides that publishers will be able to increase their prices but the wages of their workers are held down. This makes windfall profits virtually a certainty.

Mr. BUCKLEY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I will yield in just a moment.

The other point I would like to make is that the thrust of the Cranston amendment is to protect the free expression by editors, reporters, and so forth. They are the ones who would be continued to be covered if the Buckley amendment were agreed to. Their compensation would be at the mercy of a governmental board.

It seems to me that the Senator from New York offers an amendment which gives us the worst of all possible worlds.

Mr. BUCKLEY. Mr. President, I yield 3 minutes to the Senator from Connecticut for purposes of rebuttal.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, first, the Senator from New York has been candid and honest enough to say that regardless of the outcome of the amendment he is going to vote against the Cranston amendment, period. No one recognizes more clearly than he the arguments of equity and inequity.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. WEICKER. I do not wish to yield to the Senator at this time.

If I might go back to the arguments stated by the Senator from California, there was discussion of wage and price controls in terms of equity, yet the amendment of the Senator from California is specifically based on the fact there shall be inequity, that there is a difference as between industries.

So make no mistake about it. The amendment of the Senator from California would favor one industry over another and embodies the concept not of equity but inequity.

I yield back the remainder of my time.

Mr. BUCKLEY. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. BUCKLEY. Mr. President, I would like to point out to the distinguished Senator from Wisconsin that my amendment does not eliminate in toto subsection 3 of the Cranston amendment. It retains that provision which states:

Nothing herein shall deprive the President of authority to take appropriate action in the event of windfall profits resulting from the foregoing exemption.

Therefore, there is nothing in my amendment to allow publishers to walk off with unconscionable profits.

It sounds symmetrical to say you exempt management and you have to exempt labor. The fact is we are not talking about bargaining practices between employers and employees. The person who is stuck with the unwarranted price increases imposed by the press and broadcasting media is not the employee but the public, the same public we were trying to protect as a result of this legislation.

Also it should be kept in mind that the Senator from California argued yesterday there is such competition in the media that there is no need to worry about a publisher walking off with unconscionable price increases. If this is true, I do not know about it; I defer to his wider experience in these matters.

I do suggest we have to go back to the fundamental argument used to justify these extraordinary exemptions, and that argument is to provide an administrative board with the authority to deny or grant a price increase places in his hands the theoretical instrument by which to harass the press and destroy a freedom of the press protected by the first amendment.

I think it is probably largely theoretical and that there is no segment in our society better able to protect itself than the press. I concede that argument and ask where is the next justification to distinguish between the typesetter in a commercial printing house and a typesetter who works for the New York Times. I cannot see it. I can see that if you make these discriminations you are going to cause that typesetter in the commercial printing house to find one way or another to circumvent price controls. Anybody who has studied the whole field of price controls knows that you can cheat on them and there is no way to control it. They can suddenly start degrading the quality of products, they can suddenly start changing titles, and the only way we are going to succeed in this effort is by enlisting willful cooperation of all Americans; and if we start granting special favors here and there we will destroy that morale which will make these controls work.

I feel they will not work nearly as well as the sponsor anticipates, but as long as we have them let us try to make them work.

Mr. President, I am willing to yield back the remainder of my time.

Mr. ERVIN. Mr. President, will the Senator yield to me for 1 minute?

Mr. McINTYRE. I yield 1 minute to the Senator from North Carolina.

Mr. ERVIN. Mr. President, the first amendment envisages for the public benefit that the collection and the dissemination of information and ideas constitute an indivisible whole and that they should not be chopped off in segments. That is precisely what the amendment of the Senator from New York would do. It is like taking a racehorse and chopping off a couple of his legs and compelling him to run on the other two.

I hope the Senate rejects the amendment.

Mr. McINTYRE. Mr. President, I yield back the remainder of our time.

Mr. BUCKLEY. Mr. President, I yield back the remainder of our time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from New York. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TAFT (when his name was called). Present.

The rollcall was concluded.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. McGOVERN), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New York (Mr. JAVITS) is detained on official business.

The result was announced—yeas 17, nays 71, as follows:

[No. 425 Leg.]

YEAS—17

Aiken	Cooper	Percy
Allott	Curtis	Scott
Baker	Fannin	Stafford
Brock	Goldwater	Tower
Buckley	Griffin	Weicker
Cook	Hruska	

NAYS—71

Allen	Case	Gravel
Anderson	Church	Gurney
Beall	Cotton	Hansen
Bellmon	Cranston	Harris
Bentsen	Dole	Hart
Bible	Dominick	Hatfield
Boggs	Eagleton	Hollings
Brooke	Eastland	Hughes
Burdick	Ellender	Humphrey
Byrd, Va.	Ervin	Inouye
Byrd, W. Va.	Fong	Jackson
Cannon	Fulbright	Jordan, N.C.
Jordan, Idaho	Montoya	Smith
Kennedy	Moss	Sparkman
Long	Nelson	Spong
Magnuson	Packwood	Stennis
Mansfield	Pastore	Stevens
Mathias	Pearson	Stevenson
McClellan	Pell	Symington
McGee	Proxmire	Talmadge
McIntyre	Randolph	Thurmond
Metcalf	Ribicoff	Tunney
Miller	Roth	Young
Mondale	Schweiker	

ANSWERED "PRESENT"—1

Taft

NOT VOTING—11

Bayh	Hartke	Muskie
Bennett	Javits	Saxbe
Chiles	McGovern	Williams
Gambrell	Mundt	

So Mr. BUCKLEY's amendment to Mr. CRANSTON's amendment was rejected.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. BROCK). The question now recurs on agreeing to the amendment of the Senator from California (Mr. CRANSTON). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. We are now voting on the Cranston amendment, yes or no; is that correct?

The PRESIDING OFFICER. The Senator is correct.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GOLDWATER (when his name was called). Mr. President, on this vote I have a pair with the distinguished senior Senator from Utah (Mr. BENNETT). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. TAFT (when his name was called). Present.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. McGOVERN), the Senator from Montana (Mr. METCALF), the Senator from Maine (Mr. MUSKIE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

On this vote, the Senator from Montana (Mr. METCALF) is paired with the Senator from New Jersey (Mr. WILLIAMS).

If present and voting, the Senator from Montana would vote "nay" and the Senator from New Jersey would vote "yea."

I further announce that, if present and voting, the Senator from South Dakota (Mr. McGOVERN), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The Senator from New York (Mr. JAVITS) is detained on official business.

The pair of the Senator from Utah (Mr. BENNETT) has been previously announced.

The result was announced—yeas 50, nays 36, as follows:

[No. 426 Leg.]

YEAS—50

Allen	Fong	Miller
Allott	Fulbright	Mondale
Anderson	Gravel	Montoya
Baker	Hansen	Moss
Bentsen	Harris	Nelson
Bible	Hart	Pearson
Bogg	Hughes	Proxmire
Burdick	Humphrey	Randolph
Byrd, W. Va.	Inouye	Ribicoff
Church	Jackson	Sparkman
Cook	Jordan, N.C.	Spong
Cranston	Long	Stevens
Dole	Magnuson	Symington
Dominick	Mansfield	Talmadge
Eagleton	Mathias	Thurmond
Ellender	McGee	Tunney
Ervin	McIntyre	

NAYS—36

Aiken	Eastland	Pell
Beall	Fannin	Percy
Bellmon	Griffin	Roth
Brock	Gurney	Schweiker
Brooke	Hatfield	Scott
Buckley	Hollings	Smith
Byrd, Va.	Hruska	Stafford
Cannon	Jordan, Idaho	Stennis
Case	Kennedy	Stevenson
Cooper	McClellan	Tower
Cotton	Packwood	Weicker
Curtis	Pastore	Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Goldwater, for.

ANSWERED "PRESENT"—1

Taft

NOT VOTING—12

Bayh	Hartke	Mundt
Bennett	Javits	Muskie
Chiles	McGovern	Saxbe
Gambrell	Metcalf	Williams

So Mr. CRANSTON's amendment (No. 777) was agreed to.

Mr. ERVIN. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. McINTYRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER (Mr. BROCK). The amendment will be stated.

The legislative clerk read as follows:

On page 11, line 12 add, after the word "overcharge", the following:

"*Provided*, That no action for overcharges may be brought by or on behalf of any person who has not first presented to the seller or renter a bona fide claim for refund of the overcharge and has not received repayment of such overcharge within a reasonable time."

Mr. INOUYE. Mr. President, section 210 authorizes private damage actions to recover overcharges against persons selling goods or services and provides substantial inducements to bring litigation by offering attorneys' fees, costs, and the greater of triple damages or a $100 to $1,000 award. Section 210 appears to be discriminatory against retailers and this discrimination is highlighted both by the nature of their business and by the nature of the price control regulations themselves. Under the Price Control regulations, retailers are required to post various base prices. These prices, however, are not the selling prices which the retailer may charge. Rather, retailers are permitted to apply their customary markups to products and thus—in actual selling prices—pass on increases in the cost of goods. As a result, the public will be presented with posted base prices and actual selling prices which are—in some cases at least—higher.

In view of the above and considering the temporary nature of the Economic Stabilization Act and the confusion naturally surrounding an operation that attempts to control the entire economy with a board and a commission, the invitation to misunderstanding is substantial. The encouragement given to litigation in section 210 in this type situation seems overly harsh. Indeed, the class actions may be filed by one purchaser even if only one purchaser is misled. When this is multiplied by the hundreds of thousands of products handled by retailers and the millions of customer transactions, the penalties and costs—whether claims are justified or not—are totally unwarranted and unreasonable.

The proposed amendment would require a purchaser to present his claim of overcharge to a seller before filing suit. With the amendment, there would at least be some restraint against immediate massive litigation by dollar-hungry attorneys who stand to benefit greatly by having litigation pursued rather than by having overcharges promptly repaid. The amendment would substantially reduce the amount of litigation without affecting the ability of persons to recover their overcharges or the enforcement of the price control regulations.

The proposed amendment provides a modicum of responsibility and restraint.

Mr. President, the proposed amendment is a simple one. It would require the purchaser to present his claim of overcharge to the seller before filing a suit. I believe that this amendment is consistent with the intention of section 210 of S. 2891. I am pleased to advise my colleagues that this matter has been discussed with the able Senator from Alabama (Mr. SPARKMAN), the chairman of the committee, as well as with the able Senator from Texas (Mr. TOWER), and I have been assured that this amendment will be taken to conference.

Mr. SPARKMAN. Mr. President, we have checked the amendment, as the Senator from Hawaii has said. I think it is a very good amendment, and I am willing to accept it.

Mr. TOWER. Mr. President, I believe, too, that it is a good amendment and is consistent with the intent of the framers of the bill.

I am not only happy to join the Senator from Alabama in taking the amendment to conference but in expressing the conviction that we will sustain it.

Mr. SPARKMAN. Mr. President, yes, I believe so, too. It is not one of those we are just willing to take to conference. I think it is a very good amendment.

Mr. PROXMIRE. Mr. President, I am disturbed by the amendment. The amendment could constitute a serious mistake. Consider its consequences: Some unscrupulous merchant could overcharge and violate the law. Then, if caught, he could simply refund on the purchase and he would be free. Under the amendment no consumer could ever secure damages from a merchant violating the law. If the consumer fails to bring the product on which he is overcharged back to the merchant. The cheating overcharger is home free. The consumer will have no basis for a suit. Whenever a consumer catches a merchant overcharging and violating this law he must, if he is to have actionable grounds under the Inouye amendment, directly confront the merchant and give him a chance to reduce the overcharge.

What a field day for the violator. He overcharges to his heart's content. Under the complicated regulations only one consumer in a thousand will complain. The merchant can handle the one complainer by a price reduction in that one case.

I ask the Senator, won't this amendment result in our losing what little consumer protection we have in this law—and there is practically none—won't that be eliminated or weakened by this amendment?

Mr. INOUYE. There is no law on the books today that could eliminate all causes of a criminal retailer or criminal business people operating but, at the same time, it is well for us to consider the nature of the business. We have daily millions of customers, thousands of different goods, and millions of transactions going on with this type of regulation as set forth in the bill and in the Economic Stabilization Act, where we have a base of a selling price which would be different from them. With this confusion going on, one can imagine the possibility of multiple litigations which may not be justified—which would be costly to the consumer and unnecessary. This amendment would just require the purchaser to go to the retailer and say "I think I have been overcharged," and if the retailer refused to make restitution, then the purchaser could bring suit.

Furthermore, as the section presently reads, in order to have a successful cause of action which requires that one must prove the seller intentionally overcharged, he would have to, somehow, indicate that he made the attempt.

Mr. PROXMIRE. This is what bothers me. As I understand it, the labor unions of the country will try to enforce this law with respect to prices in retail stores by organizing a large surveillance operation. That should be encouraged. It is a wholesome thing to do. However, the labor unions might as well forget it if this amendment passes because, when they do find a merchant is cheating, in every case in order to have a cause of action that can be taken to court, they have to give the merchant the opportunity to give the overcharge back and so of course he can and will exonerate himself. So that I do not understand how any violator of the act would be subject to any effective consumer surveillance or any real enforcement in fact.

Mr. INOUYE. Even if there was restitution, the section says that if we can prove that the retailer, the seller, or the renter intentionally overcharged, we have a cause of action. But this amendment, I sincerely feel, would do away with unnecessary litigation.

Mr. PROXMIRE. It would do away with all litigation.

Mr. INOUYE. When we consider the millions of transactions there are——

Mr. PROXMIRE. You see intention will be very hard to prove. This develops serious weaknesses in the law so that it will be almost impossible to enforce. In trying to cover 10 million firms with the pitifully inadequate enforcement staff we have we must rely on consumer enforcement. This amendment destroys that reliance.

Mr. President, I want to be sure that I am recorded as voting no on this amendment.

The PRESIDING OFFICER (Mr. CRANSTON). The question is on agreeing to the amendment of the Senator from Hawaii.

The amendment was agreed to.

The PRESIDING OFFICER (Mr. CRANSTON). The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. MANSFIELD. Mr. President, I understand there are some Senators who want to speak, and in order to give them the opportunity, and with the concurrence of the distinguished manager of the bill, and the distinguished Senator from Texas (Mr. TOWER), and the acting minority leader, I ask unanimous consent that there be a time period of not to exceed 1 hour on the bill, with the time to be controlled by the distinguished manager of the bill and the acting minority leader or his designee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. SPARKMAN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

Mr. SPARKMAN. Mr. President, I want to speak briefly.

First of all, I want to comment that at the end of business yesterday, we had been on this bill exactly 1 month. We started working in the committee on hearings on November 1.

Today is the beginning of the second month that we have been working on this bill, and we have been working on it practically every day during that time. It was a difficult bill to handle. It is a rather complex bill. It is a bill that imposes controls. Nobody likes controls. This is the third time during my service in Congress that I have participated in control legislation—back in 1942 during World War II, in 1950 during the Korean war, and now this time. This is the smallest in regard to the amount of controls of any one of these three. Nevertheless, it is control, and it is going to require the cooperation of the American people to make it work.

First, Mr. President, I desire to pay my compliments and express my thanks to every member of our committee. As I said before, I have never seen a committee work more diligently, more completely, and more earnestly than our committee has worked on this particular legislation. I just desire to remind the Members of the Senate who the members of the committee are.

The Senator from Wisconsin (Mr. PROXMIRE), who worked hard and was present at practically every session of the committee, is a committee member.

The Senator from New Jersey (Mr. WILLIAMS), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. STEVENSON), the Senator from Georgia (Mr. GAMBRELL), and the Senator from Texas (Mr. TOWER), the ranking minority member, are committee members.

The Senator from Utah (Mr. BENNETT) is also a member. And let me say there that I regret greatly the indisposition that the Senator from Utah has at the present time that resulted in his not being here during a good part of the consideration of the bill on the floor. We all wish him a quick and complete recovery.

We all wish for the Senator from Utah a quick and complete recovery.

The Senator from Massachusetts (Mr. BROOKE), the Senator from Oregon (Mr. PACKWOOD), the Senator from Delaware (Mr. ROTH), the Senator from Tennessee (Mr. BROCK), and the Senator from Ohio (Mr. TAFT) are also members of the committee.

We owe a debt to all of them for working out a most complicated and difficult bill and working it, I believe, into a good bill. I think the bill that that committee agreed upon was worked out very much in full agreement. That does not mean that everybody agreed to everything in it, or that anybody agreed to everything in it. I will not say that anybody was completely satisfied with just every feature that went into the bill, but by working together we did work out what I consider to be a good bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. I yield myself an additional 5 minutes.

I do not know whether the program is going to succeed or not. Nobody knows. It is going to depend greatly upon the administration. We have tried to give them the powers and the flexibility that we thought they needed in order to make this program work.

Mr. President, I have heard comments from time to time about one party being for it and another one being against it. I have even heard the suggestion made—and I am sure that other Democrats have heard this suggestion made—as to why we were working so hard to develop a program that will reelect the President of the United States.

I have not regarded it in that light, and I do not believe a single member of our committee regarded it in that light. We had as fine a nonpartisan effort in the committee as any piece of legislation has received in any committee.

My answer when that suggestion was made to me was simply that we are in an economic crisis. We have recognized that fact. The President has recognized that fact. He has proposed a program which he believes will stabilize our economy, and I feel that the important thing before us today is stabilizing the economy of the United States and that we should not consider the political angle of it at all. It is in that spirit and in that sense that I feel the entire committee has worked during this month and 1 day that we have been working on it. I hope it works. I told the President when he first announced the program that I was going to support him and that I was going to do everything I could to help him make it work. I hope that all of us in this Senate—in fact, all of us in this country—take that attitude toward it because it is of vast importance to our country, and we should take it in that sense.

I reserve the remainder of my time.

Mr. GOLDWATER. Will the Senator from Texas yield to me 3 minutes?

Mr. TOWER. I yield the Senator from Arizona 3 minutes.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 3 minutes.

Mr. GOLDWATER. Mr. President, I think the committee is to be congratulated on having done a rather remarkable job on a subject that I know has been distasteful to many members of that committee. I look upon this wage and price and rent control effort, the economic stabilization effort, as a last-resort type of legislation. I do not feel that the President ever honestly had his heart in it. I do not think the committee ever honestly had their hearts in it, but I know that the President, the committees, and the Congress have tried everything in their legal power, and the Treasury Department has tried everything in its legal power, to stop inflation in this country, and none of those things have worked.

So I have looked upon this since the President first announced it as a last-ditch effort that seems to be working. I believe it is working because the people of this country recognize in the step that was taken a degree of leadership that this country has been lacking for a long time.

Mr. President, I have never had any confidence in my years of business experience and economic studies that wage and price controls could work in a free economy. I do not think they can ever work in the type of republic in which we live. I do not think they even work well under the controlled governments of the Soviets, or other controlled governments of the world. Control of an economic system is not compatible with a free society any more than a free society is compatible with a socialized economic system.

Mr. President, I am going to be forced to vote against this bill. I do it with great reluctance because I do not like to seem

to oppose my President. I have gone out across this country and made the same expression, that I hope it will work. I do not think my economic background will let me say it will work, but I hope it does work. This vote will undoubtedly be interpreted as a vote against my President. It is not, because I will continue to go across this country and urge the American people to cooperate. The danger is we are not going to get the cooperation.

I am shocked at Mr. Meany. I am shocked at other labor leaders. I am shocked at leaders in segments of the employers of our country, who in effect are thumbing their noses at the efforts of Congress and our President to stabilize an inflation that has pretty well gotten out of hand.

Mr. President, my vote will be in keeping with my lifelong feeling that only a free market can make the determinations of wages and prices and rents. Only a free market can operate within a free society such as we live in.

My great fear is that as honest and sincere as the President is, as honest and sincere as the committees of Congress have been, as honestly and sincerely as every man who will vote for this measure feels that this is only a temporary thing, I have a strange and ugly feeling that we will have controls with us for the remainder of our lives.

I see our country changing, eventually changing from the free society to a less free society because of this and no one in this Chamber hopes I am more wrong than I do. I pray to God I am wrong, but my background, my life in public, my life spent studying the economy of a free market forces me to vote against the bill.

Mr. PROXMIRE. Mr. President, will the Senator from Alabama yield to me for 10 minutes?

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 22 minutes remaining.

Mr. SPARKMAN. I yield 15 minutes to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I oppose this bill and I will vote against it. I think we will make a serious mistake in passing this bill. The bill will create great hostility, frustration, and confusion. It just will not do the job. I say this although there are improvements that the committee made in the bill and that the Senate made when the bill came to the floor of the Senate.

Before the bill came to committee, it provided no standards to measure, or direct, or restrain the President's discretion. It just gave the President the opportunity to restrict wages and prices as he deemed appropriate. We provided standards. The administration wanted complete exemption from the Administrative Procedure Act. We amended the bill to provide our limited exemption from the Administrative Procedure Act.

We strengthened the judicial review section; we provided a low-income exemption, which I think most people who believe in equity and justice will recognize was highly desirable. We provided for retroactive pay which the bill originally failed to provide. We provided for treble damage suits as a matter of protection. But in my judgment, that has been wiped out by the action just taken by the Senate in passing the Inouye amendment. After all, as we pointed out, under the Inouye amendment it will be very difficult, virtually impossible, for a consumer to be effective in stopping and exposing a dishonest merchant.

We provided for Senate confirmation of the two chairmen. We provided for reports to be made quarterly to Congress and an inclusion in the President's economic report on how the measure is working.

We provided for public hearings before the Wage Board and the Price Board. That had not been provided before.

The Senator from New York (Mr. JAVITS) and the Senator from Illinois (Mr. PERCY) provide in their amendments for some very useful provisions to encourage productivity which had been overlooked.

The Senator from New Mexico introduced an amendment which was accepted which would stop back-door spending.

All of these are substantial improvements, but when all is said and done, it seems to me this is a very bad bill. It will appear hypocritical to many people who consider it.

What we have done, in effect, is exempt the Chase Manhattan Bank. We exempt the Bank of America, CBS, NBC, the New York Times, Inc. But we have included every little mom-and-pop store in the country, every drugstore, every little machinist operating his own little machine shop. We do nothing to assure that this now will be enforced. Three thousand IRS agents are not enough to enforce a law which requires compliance by 10,000 firms and 80 million working people in this Nation, especially when the consumer provision has been gutted.

There will be a tremendous temptation to cheat, and especially in the amendment we just agreed to; and there will be great economic pressures and temptation for sellers to raise prices when enforcement is nil.

Most businessmen will be very confused by the regulations of the Price Commission. To raise prices, it will be necessary to know productivity, margin of profit, and to have a reliable cost accounting system. For small business this is impossible. But we did all this and we provided an extension of this law for 17 full months for no reason except that the Senate was unwilling for no good reason to agree to take this up next year when we could act with some experience under the law.

The present law does not expire until April 30; the President has all the authority he needs. Congress should have waited until we had some real idea on what the Wage Board and Price Commission were going to do. But we did not do that; we decided to pass this measure after the Nation has had only a few days' experience with phase II.

The coverage of this bill is far too broad. It does not make any sense at all for us to cover every small firm. They are not part of the inflation problem. They are going to be bewildered, confused, and increasingly angry about that law.

I placed in the RECORD documentation from top economists saying these firms should be exempted and there was not one word of rebuttal offered in the course of this debate from any competent economist.

This legislation is too broad in another sense. It provides, because it is open ended, that the President can institute any kind of phase III regulations he wishes. They can be much tougher; they can be much softer; he can abolish the Pay Board, he can abolish the Price Commission and create a new one, and he can place a freeze on wages and prices. The Senate is giving him that kind of authority with general and feeble guidelines, and we are giving it to him not for 2 months or 6 months or a year but for about a year and a half. Why? Why not wait for 3 or 4 months and see if it is needed. The President has ample power until April 30. We have turned our back on our economic responsibilities and said let the President do whatever he wishes.

There is one area that has not been discussed at all in this debate but it is very important to our economy. Inflation is a big problem but not the biggest. The biggest problem is unemployment—economic stagnation. This measure will aggravate that situation. It creates uncertainty and a situation in which the businessman will not know whether he can invest or expand. Mr. John Conner, president of Allied Chemical made that point only last Sunday. He said phase II has already slowed that great corporation.

Mr. President, having said all of this I would like to agree with the Senator from Arizona (Mr. GOLDWATER). I hope I am wrong as he hopes he is wrong. I hope this works. The well-being of our country depends on this working well, but it would be a miracle comparable to walking on the water if this bill, providing so little in the way of enforcement and so much in the way of complexity, would have any chance of working.

As I said, I will vote against the measure with a heavy heart and I know it will be passed overwhelmingly.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 12 minutes remaining?

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Oklahoma.

Mr. HARRIS. Mr. President, I thank the distinguished manager of the bill for yielding time to me.

I intend to vote against the bill. I believe the Senate of the United States is about to make a very grave mistake in the passage of this legislation. I believe that it is a mistake which on the domestic scene is comparable to the Gulf of Tonkin resolution in regard to Vietnam, which passed the Senate prior to the time I came here. If I had been here I suppose I would have voted for that resolution and I would have lived to regret it, as many who did vote for it now regret it.

I believe that the economy of this country is at the pivotal stage and I think we can decide tonight, and I am afraid we are going to decide tonight what direction we are going to go.

There is a system called the Zaibatsu system which prevailed in Japan prior to World War II. It was an economic system dominated by huge corporate industrial giants, which were pretty much synonymous with the government. They were able to dominate government economic policy. I am afraid that is the direction in which we are going. I believe this legislation is ill advised.

But I do not think it is a mistake that we can lay entirely at the door of President Nixon. I think it is primarily his mistake, but I must say also, as a former chairman of the Democratic National Committee, that I think there is blame enough to go all the way around, including many of my colleagues in the Democratic Party.

I think there are some Democrats, unfortunately, who intend to vote for this legislation with the idea that we ought to give President Nixon whatever powers he wants, and then—sort of under the idea of if we give him enough rope, he will hang himself—we can hold him responsible for the failures of this program. I disagree with that.

I believe, first of all, this system is much too complicated. There are so many overlapping boards and commissions involved with this economic management system that there is no way the average system can have its power felt. We have a Pay Board, a Price Board, a Health Advisory Board, an Interest and Dividends Board, a Cost of Living Council, a Productivity Commission, some kind of thing called Inflation Alert that the Council of Economic Advisers is supposed to administer, and there are several others, including the Office of Emergency Programs, or whatever it is called, and the Office of Management and Budget. It is a labyrinth, a maze, a bureaucratic mess. It is much too complicated. That is No. 1.

Also, we are granting too much power to the President of the United States for much too long a period, and I think we are all going to be awfully sorry about that. Seventeen months is much too long a period. The people of this country are going to be sick and tired of this whole mess long before the 17 months are over. It is not going to be enough for either a Democrat or a Republican to say, "It was up to the President. We thought he ought to decide these matters." I believe if we grant these unprecedented powers for that long a period of time and abdicate our responsibilities, many here are going to have hard and distasteful results to answer for.

I think this ought to be an issue in the 1972 campaign. I think, therefore, the legislation ought not to be extended into 1973, but ought to end in 1972.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. HARRIS. I yield.

Mr. DOMINICK. If I remember correctly what the Senator said, on several occasions he stated that the President had been wrong in not putting these controls into effect earlier, that he had been pressing for this for 2 years before they were put into effect, and that the time was long past when they should have been put into effect.

Mr. HARRIS. The Senator comes from the mile high city and may be suffering from altitude sickness, because his memory is imperfect. I have said on many occasions, particularly 2½ years ago when I introduced related legislation, and more lately in connection with this legislation, in regard to amendments which I and the Senator from Wisconsin and other Senators have offered in connection with this legislation——

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HARRIS. May I have 1 other minute?

Mr. TOWER. I yield 1 minute to the Senator.

Mr. HARRIS. That we ought to have selective controls, where the market does not operate with regard to wages and prices because of large industrial or labor power, and that we ought to try to make the market work. I believe in the free enterprise system, and I would hope the Senator from Colorado would reiterate his belief in it, rather than to endorse the socialistic program which I believe this legislation represents.

Mr. DOMINICK. Mr. President, will the Senator from Texas yield me 30 seconds?

Mr. TOWER. I yield 30 seconds to the Senator.

Mr. DOMINICK. I want to say to the Senator from Oklahoma that I am very proud of coming from the mile high city. It gives one a very good perspective and a good imagination. I did not appreciate the previous remarks of the Senator.

Mr. HARRIS. I did not appreciate the Senator's memory, either.

Mr. BYRD of West Virginia. Mr. President, will the Senator from Texas yield me 1 minute?

Mr. TOWER. I yield 1 minute to the Senator from West Virginia.

PROGRAM—UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I am authorized by the distinguished majority leader—after consulting with the distinguished Republican leader, with the distinguished Senator from Colorado (Mr. DOMINICK), with the distinguished Senator from Wisconsin (Mr. NELSON), and other Senators, to propound the following unanimous-consent request:

I ask unanimous consent that upon the disposition of the so-called drug bill, S. 2097, on tomorrow, the Senate proceed immediately to the consideration of the OEO conference report; provided, that there be a time limitation thereon of 3 hours and 15 minutes, 3 hours to be under the control of the distinguished Senator from New York (Mr. JAVITS) or his designee, 15 minutes to be under the control of the distinguished Senator from Wisconsin (Mr. NELSON); provided further, that time on any motion or appeal, with the exception of nondebatable motions, be limited to 30 minutes, to be equally divided between the mover of such and the distinguished Senator from Wisconsin (Mr. NELSON).

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The unanimous-consent agreement follows:

Ordered, That, effective after the disposition of S. 2097, the Senate proceed to the consideration of the Conference Report on S. 2007, the Economic Opportunity Act, with time for debate on the Conference Report limited to 3 hours and 15 minutes of which 3 hours is to be divided and controlled by the Senator from New York (Mr. JAVITS) or his designee and the 15 minutes by the Senator from Wisconsin (Mr. NELSON).

Provided further, That time on any motion, appeal or point of order with the exception of non-debatable motions be limited to 30 minutes to be equally divided and controlled by the mover and the Senator from Wisconsin (Mr. NELSON) (December 1, 1971)

ECONOMIC STABILIZATION ACT OF 1971

The Senate continued with the consideration of the bill (S. 2891) to extend and amend the Economic Stabilization Act of 1970.

Mr. TOWER. Mr. President, I yield 5 minutes to the distinguished Senator from Virginia.

Mr. BYRD of Virginia. Mr. President, frankly, I am not optimistic that this legislation will get inflation under control.

If this legislation is approved, I hope neither the Congress nor the administration will assume that this in itself will lick inflation.

The heart of the problem of inflation is not touchd by this legislation—namely, the smashing Federal funds deficit of the Federal Government.

The deficit last year was $30 billion—and the Joint Committee on Internal Revenue Taxation estimates the Federal funds deficit for the current year will reach $35 billion.

These deficits are the major cause of inflation.

I shall cast my vote in favor of the present legislation—namely to extend the Economic Stabilization Act of 1970.

But with the Federal Pay Board having already approved a 16-percent increase in wages for one large group of workers—and with many price increases already approved—the prospect for a stabilized economy is not too bright.

I shall vote to give the executive branch of government the tools to achieve stabilization in the private sector.

I want to stress again, however, that the smashing deficits of the Federal Government represent the major cause of the inflationary spiral in which this Nation finds itself.

I have prepared a tabulation showing the receipts and outlays for the 20-year period, fiscal 1953 through 1972.

The accumulated Federal funds deficits for that period is $188.8 billion.

But the significant aspect of these figures is that 67 percent of this total occurs during the 6 fiscal years ending next June 30.

Sooner or later the Congress must—must—give consideration to these deficit spending figures.

I say again, deficit spending by the Federal Government is the major cause of the inflation the Nation is experiencing today. And it is to control inflation that President Nixon has put into effect wage and price controls.

But I see no indication that either the Congress or the administration is pre-

pared to reduce spending. In fact, the administration urged the Congress to increase the amount appropriated for foreign aid from $1.9 billion in 1970 to $3.5 billion for 1972—almost double; it is urging Congress to enact a new $1.5 billion program dealing with school desegregation; and worst of all, it is strongly urging the Congress to approve a new welfare proposal that would increase the annual cost at least $5.5 billion.

The President submitted a budget badly out of balance—and the Congress added to the imbalance.

So a reasonable reduction in Federal spending does not now seem apparent.

We do not get something for nothing in this life, and Federal spending must be paid for either by more taxes or by more inflation—or both.

I ask unanimous consent to insert at this point in the RECORD a tabulation showing deficits in Federal funds, 1953–1972, inclusive.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS 1953–72 INCLUSIVE

[In billions of dollars]

	Receipts	Outlays	Surplus (+) or deficit (−)
1953	$64.7	$74.1	−$9.4
1954	64.4	67.5	−3.1
1955	60.2	64.4	−4.2
1956	67.9	66.2	+1.7
1957	70.6	69.0	+1.6
1958	68.6	71.4	−2.8
1959	67.9	80.3	−12.4
1960	77.8	76.5	+1.3
1961	77.7	81.5	−3.8
1962	81.4	87.8	−6.4
1963	83.6	90.1	−6.5
1964	87.2	95.8	−8.6
1965	90.9	94.8	−3.9
1966	101.4	106.5	−5.1
1967	111.8	126.8	−15.0
1968	114.7	143.1	−28.4
1969	143.3	148.8	−5.5
1970	143.2	156.3	−13.1
1971	133.6	163.8	−30.2
1972 [1]	143.0	178.0	−35.0
20-year total	1,853.9	2,042.7	188.8

[1] Estimated figures.

Source: Office of Management and Budget, except 1972 estimates.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield myself such time as I may require.

Mr. President, I am one who passionately believes in a market-regulated economy, and one who votes for these control authorizations most reluctantly. I have long said that controls should be exercised only as a last resort. I passionately believe in the democracy of the marketplace, and I believe that economic democracy is an essential part of democracy, that there can be no democracy without the democracy of the marketplace.

Not only must we have free legal and political institutions, but the general citizenry must be free to cast a ballot in the marketplace to determine what goods and services are going to be produced.

The fact of the matter is, Mr. President, that we do not have a market-regulated economy today. The largest, most significant, most important commodity in this country does not have a market-regulated value. I speak of that great human commodity, labor. Organized labor in this country operates behind a statutory wall of protection that enables it, even in a time of high unemployment, even in a time of low supply and demand factor, even in a time when we are not operating at capacity, to demand and to get wage increases that are not tied to increases in per-man productivity.

It is time thut we did something with these antiquated labor laws, and I am hopeful that we will address ourselves to that problem in the period covered by the extension of the Presidential authority through April of 1973.

It is not a market-regulated economy when Government can arbitrarily move into the money market through its deficit-spending policies and bid up the cost of money.

I think we have to recognize these factors, and begin to set our house in order. This is only one step. As I say, we have got to revise this statutory wall of protection around organized labor. We have got to discipline ourselves in Congress to cause the Government to live within its means. There are many things which we must do, but in the interim, the situation is so critical that we must act now to impose controls of a temporary nature; and I shall not vote to extend them beyond April 30 of 1973. We must do everything that we can to try to make them work, to hasten them to a conclusion.

Phase II is supposed to be a period of decontrol. Let us hope it occurs long before the expiration date occurs.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. TOWER. In a moment. I should like to say a word, and I would be remiss if I did not, to express my thanks to the distinguished Senator from Alabama for the tremendous job he has done and the selfless, nonpartisan manner in which he has done it. I think he has shown that he is a singular patriot and a man who is not concerned about personal matters, but that he is above politics in the way that he has operated. It has been a great pleasure and delight to serve with him.

Mr. President, after I respond to a question by the Senator from Oklahoma, I shall yield back the remainder of my time, because Senator HUMPHREY needs to catch a plane.

Mr. HARRIS. I say for the Senator from Minnesota that is one of the nicest things the Senator from Texas has ever done for us.

I ask the Senator just this: He has said that he is concerned about the inordinate power of organized labor. Does the Senator feel that the coal miners' settlement was inflationary, and if so, was that not made under the very system which he now recommends to the Senate?

Mr. TOWER. I respond to the Senator by saying that I certainly did not support the settlement, and I certainly reserve the right to be critical of what the Commission and the Board both do, and from time to time will be. I recognize that there is a special situation in the coal industry; it is hard to get people to work in the mines, because it is a rotten, lousy occupation. I would chop cotton before I would ever go into the mines, and I never want to chop cotton again. I have done that.

Mr. HARRIS. So have I.

Mr. TOWER. But I think basically the problem is that it is hard to keep young people in the coalfields. That probably is one of the extenuating circumstances, but certainly not extenuating enough to justify the settlement they got.

Mr. SPARKMAN. Mr. President, I thank the Senator from Texas for the kind remarks he has made, and I certainly would pay him back in full, because he is a wonderful person to work with.

Again, I wish to pay compliments to our staff on both sides. They have done a fine job in preparing this bill and in preparing the committee report, which was done in a hurry, under pressure. Our staff director, Mike Burns, the minority counsel, Kenneth McClain, with Senator PROXMIRE, and all of the other members of the staff are to be commended.

I now yield 2 minutes to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I thank the Senator, and I shall not use all of that time. I have certainly been impressed with the work of the committee in this very difficult field.

Mr. President, I have seen this inflation come on and grow, and even though this control is contrary to our system and contrary to our concept of individual liberty, and even though we do not like controls, I think this measure is absolutely necessary, and I have supported this measure all the way through. I think I have voted against all the amendments. It is somewhat similar to castor oil; you have either got to take it or leave it, and take is all if you take it.

I think the people are for it, but I believe now there is going to be a reaction to the injustices that will show up, and I want to warn the people that we will have to live with this thing awhile if it is going to do any good. I hope that that will be understood throughout the country. I again commend the committee for their fine work.

This is a cost we have to pay, I think, for our affluent society. Times are just so good that prices are running away, and inflation threatens to destroy us.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

Mr. STEVENSON. Mr. President, the purpose of phase II is to reduce the rate of inflation by something more than 1 percent annually. To do so we are called upon to give up the benefits of a free economy. We are called upon to compromise, temporarily it is said, our traditional commitment to the market system.

I grant you the economy does not always adhere to the free market ideal. But still it served as a mechanism for allocating goods and services among potential buyers. We are asked to substitute a comprehensive system of administrative controls for a highly complex, delicate, and self-adjusting system. We are asked to do so in peacetime with industry operating at only about 75 percent of capacity and with no excess demand to cause the inflation.

This legislation does not reach the causes of this inflation. It deals with symptoms. It perpetuates inequities. It risks a deepened recession and more confusion in the marketplace.

The confusion has begun. Without an elaborate bureaucracy prices and wages will not be effectively controlled in small business. For a hardware or grocery store owner to determine permissible price increases he must first predict the productivity increases of his employees and his profit margins. He will have to guess in most cases. His customers would not know if his prices are within the guidelines.

Workers would not know if their wages can be increased. Wage increases cannot average more than 5.5 percent for all members of an economic unit, so both the worker and the employer will have to calculate any prospective wage increase against the increases of all the other ill-defined workers in the average.

In large industries, notably coal and steel, the Pay Board seems to be institutionalizing the cost-push nature of the inflation. Large wage increases will be reflected in large price increases. The result is to ignore productivity gains as a wage increase yardstick.

The consumer is without guidance. Labor and management do not know each what to demand of the other. Efficient production is discouraged because profits and dividends are somehow to be held back. Inefficient production is encouraged, judging from the coal and steel settlements. Windfall profits are proscribed, but no one is quite sure what they are or how they can be eliminated—except by price rollbacks after the fact. And business and consumer confidence is diminished.

These uncertainties could further retard expansion by businessmen and spending by consumers. The sheer administrative load of seeking opinions and rulings from governmental agencies, law firms, accountants, and unions could retard expansion.

Some years hence, after all this chaos and the administration's unusual record of economic mismanagement, it may be wondered how the Congress could have extended the administration's power over the economy. It may be wondered why the Congress did not curtail those powers instead of enacting its economic Gulf of Tonkin resolution. With all the evidence of mismanagement before us we are, indeed, about to extend the administration's almost absolute power over the economy for yet another year. A word of explanation is in order.

We might not be at this point of saddling ourselves, perhaps indefinitely, with peacetime controls if Mr. Nixon had not scorned voluntary wage-price guidelines. He could still resort to "jawboning." I would prefer that he did. And I would be prepared to give him the standby authority with which to roll back excessive wage and price increases in those sectors of the economy where free market forces do not control them. "Administered" price increases could be rolled back without attempting controls of all prices. We could recognize the cost-push nature of this inflation. We could recognize the need for means of settling wage disputes without inflationary wage increases or crippling work stoppages. We could reform the laws of collective bargaining for critical industries, giving the process some finality. Our tax policies could give incentives to increased consumer spending.

Nothing would help the Nation more than to reorder national priorities, shifting more government spending to wealth-producing schools, housing, and mass transit facilities and away from inflationary, wasteful, and potentially destructive weapons systems.

But these are not our options. Our choice is to continue the President's power—and the controls—or not to. Having continued this course today, we may next year this time be faced with the same hard choice and be forced to make the same decision to continue—always for a little longer. This could be but the beginning of peacetime controls. But to take them off as of April 1972 would invite more confusion and another round of excessive price and wage increases. To continue them for another year would at least give the administration the chance it wants to break the inflationary psychology, permitting decontrol in 1973. It would also give the Congress more time in which to consider more means of decontrolling the economy.

I, therefore, will vote for the bill, but reluctantly—and because I have no alternative. If anything could be more destructive of our economic well-being than to continue controls, it would now be to discontinue them. That is the corner we are in. Mr. Nixon has given us no choice except to sustain today what he, and many like myself, opposed yesterday.

The Banking, Housing and Urban Affairs Committee has vastly improved the bill presented to it by the administration. The bill in its original form gave dictatorial powers to the Government. The rights of aggrieved individuals to file suits against offenders and seek review of Government decisions were virtually nonexistent. But the committee made changes which guarantee the minimums of due process. The lack of procedural safeguards is no longer a reason for opposing this legislation.

And so Mr. President, I will cast my vote for this unfortunate legislation. And it will remain my aim to seek a free economy with full employment and a low rate of inflation.

Mr. NELSON. Mr. President, with great reluctance, I am voting in favor of the President's phase II economic legislation.

I supported the President when he first called for controls. Indeed, I wish he had acted much sooner; as long ago as June 1968 I was calling for controls to halt the inflation.

However, the program before us today is seriously flawed.

First, it is unlikely to work effectively.

The major prerequisite for an effective wage-price program is public confidence. But at the present time, the American people are confused and bewildered about this program. And this legislation goes only part way in answering the public's doubts.

For instance, there is no requirement that the major corporations—those with annual sales over $50 million—justify publicly their price increases. When a labor union wins a wage increase, all the essential information is in the public domain. The same goes for most of the small corporations. But when a large, diversified corporation obtains a price increase—whatever its size—the public is barred from finding out the basis on which the increase was granted. This information remains a secret shared only by the Price Commission and the large corporations.

In theory, consumers have the right to bring civil suits against those who violate the price guidelines. In practice, these remedies will be of no benefit if consumers cannot determine a firm's profit margin, its costs, and its productivity—all of which must be known to determine if a particular price increase is legal.

The legislation is also much too broad in scope. It covers 10 million business firms but it fails to provide for an adequate mechanism to regulate all these businesses.

This total coverage is unnecessary since it is a relatively small number of giant corporations—and unions—that require controls in order to accomplish the President's objective.

It is also a prescription for mass confusion. According to Chairman Grayson, a business must be able to measure its productivity before it can increase its prices. Most small business firms will be impossibly and unfairly handicapped because they do not have the complex data needed to justify a price increase.

It would be far preferable to exempt these small firms from the controls than to subject them to such arbitrary and unfair treatment for no good reason.

The second major objection to this legislation is that it, in effect, gives the President a blank check for the next 17 months.

No one knows whether, or how, the program will work. This is not surprising; such sweeping controls are unprecedented in peacetime in this country. We do not know whether the present arrangements will prove overly restrictive—so that some form of decontrol will be required—or whether even tighter controls will be imposed in response to continued inflation.

This is hardly the time for Congress to hand over to the Executive total powers over economic policy. Rather, we should wait until April 30, 1972, when the present legislation expires. At that time, Congress could reexamine and revise the present system of controls in light of past experience. I shall vote for the bill, not because it is a good bill but because it is better than no bill at all.

Mr. McCLELLAN. Mr. President, no one likes economic restrictions or controls. They are an anathema to every American. Indeed, we have become a great and affluent Nation because our system of enterprise has remained virtually free from such restraints.

But the repugnancy of such inhibitions and their contrast with our accustomed way of life is now overcome by many compelling and urgent reasons for us to extend and implement the authority we previously granted the President to impose such guidelines. The arguments set forth earlier in the 91st Congress to give the administration these economic stabilization tools are just as cogent today.

Runaway prices and wages have left millions of retirees and others on social security or with fixed incomes in a state of severe hardship and want. The consumer price index continues to rise—while the wholesale price index has deescalated only slightly in recent months.

We have not won our battle against the rampant inflation which has shriveled the dollar's purchasing power to half of what it was in 1946—and by 12 cents in the past 2½ years alone.

We have not eliminated the sluggishness from our economy—our productivity still limps along at the lowest rate of any industrial country of the world—our plant capacity is still 27 percent off its maximum operative level.

We have not eradicated our high unemployment—it still hovers around 6 percent and causes over 5 million Americans to remain unemployed.

We have not reversed our worst balance-of-payment deficit in history. Since 1960 the United States has invested, spent, loaned, and given away to foreign countries about $40 billion more than it has earned from its overseas trade and investments—over $23 billion of this imbalance occurring during the first three quarters of this year. As a result, foreign claims against the dollar have soared to a point where they are now five times larger than our gold reserves.

We have not improved our export-import balance and for the first time this century will run a trade deficit this year—perhaps as high as $5 billion.

These are just some of the facts of our continued and worsening economic condition, Mr. President. They are not pleasant realities. But we must face up to them. And we must halt their scourge if we are to avert economic calamity.

There are no easy avenues to economic revitalization—no panaceas for instant recovery—no quick remedies for the pernicious evils of inflation. Phase II, like its predecessor, is not perfect. Many uncertainties still persist. Many details are still forthcoming. But this economic stabilization plan does provide a mechanism for all sectors of our economy—business, labor, and government—to mount a concerted attack against the forces of inflation and economic instability.

It does offer some hope for a reasonable and effective program to check the excesses which have created the adverse conditions from which we suffer.

It affords a rallying point for our people to voluntarily and willingly do their share—to make the self-sacrifices required—to expend that extra effort and hard work that may be necessary.

It seeks to unite this country behind the Government's anti-inflationary drive.

It creates a national commitment—it offers a national purpose—to end the economic deprivation now confronting us.

Mr. President, let us put partisan politics aside—as we have on so many occasions past—and put America back on the right economic track. Let us strive together to quell the flames of inflation and recession and ignite the fires of productivity and employment.

I give my fullest support to S. 2891 and the policies and practices of economic stabilization which I hope it will afford.

The PRESIDING OFFICER (Mr. CRANSTON). All time having been yielded back, the question is, Shall the bill pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Maine (Mr. MUSKIE), are necessarily absent.

On this vote, the Senator from Georgia (Mr. GAMBRELL) is paired with the Senator from South Dakota (Mr. MCGOVERN). If present and voting, the Senator from Georgia would vote "yea," and the Senator from South Dakota would vote "nay."

I further announce that, if present and voting, the Senator from Florida (Mr. CHILES) and the Senator from New Jersey (Mr. WILLIAMS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from South Dakota (Mr. MUNDT) are absent because of illness.

The result was announced—yeas 86, nays 4, as follows:

[No. 427 Leg.]

YEAS—86

Aiken	Ervin	Montoya
Allen	Fannin	Moss
Allott	Fong	Nelson
Anderson	Gravel	Packwood
Baker	Griffin	Pastore
Beall	Gurney	Pearson
Bellmon	Hansen	Pell
Bentsen	Hart	Percy
Bible	Hatfield	Randolph
Boggs	Hollings	Ribicoff
Brock	Hruska	Roth
Brooke	Hughes	Schweiker
Buckley	Humphrey	Scott
Burdick	Inouye	Smith
Byrd, Va.	Jackson	Sparkman
Byrd, W. Va.	Javits	Spong
Cannon	Jordan, N.C.	Stafford
Case	Jordan, Idaho	Stennis
Church	Kennedy	Stevens
Cook	Long	Stevenson
Cooper	Magnuson	Symington
Cotton	Mansfield	Taft
Cranston	Mathias	Talmadge
Curtis	McClellan	Thurmond
Dole	McGee	Tower
Dominick	McIntyre	Tunney
Eagleton	Metcalf	Weicker
Eastland	Miller	Young
Ellender	Mondale	

NAYS—4

Fulbright	Harris	Proxmire
Goldwater		

NOT VOTING—10

Bayh	Hartke	Saxbe
Bennett	McGovern	Williams
Chiles	Mundt	
Gambrell	Muskie	

So the bill (S. 2891) was passed, as follows:

S. 2891

An act to extend and amend the Economic Stabilization Act of 1970

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Stabilization Act Amendment of 1971".

ECONOMIC STABILIZATION ACT OF 1970

SEC. 2. Title II of the Act entitled "An Act to amend the Defense Production Act of 1950, and for other purposes", approved August 15, 1970 (Public Law 91-379), as amended, is amended to read as follows:

"TITLE II—COST OF LIVING STABILIZATION

"§ 201. Short title

"This title may be cited as the 'Economic Stabilization Act of 1970'.

"§ 202. Findings

"It is hereby determined that in order to stabilize the economy, reduce inflation, minimize unemployment, improve the Nation's competitive position in world trade, and protect the purchasing power of the dollar, it is necessary to stabilize prices, rents, wages, salaries, dividends, and interest. The adjustments necessary to carry out this program require prompt judgments and actions by the executive branch of the Government. The President is in a position to implement promptly and effectively the program authorized by this title.

"§ 203. Presidential authority

"(a) The President is authorized to issue such orders and regulations as he deems appropriate, accompanied by a statement of reasons for such orders and regulations, to—

"(1) stabilize prices, rents, wages, and salaries at levels not less than those prevailing on May 25, 1970, except that prices may be stabilized at levels below those prevailing on such date if it is necessary to eliminate windfall profits; and

"(2) stabilize interest rates and corporate dividends and similar transfers at levels consistent with orderly economic growth.

Such orders and regulations shall provide for the making of such adjustments as may be necessary to prevent gross inequities, and shall be consistent with the standards issued pursuant to subsection (b).

"(b) In carrying out the authority vested in him by subsection (a), the President shall issue standards to serve as a guide for determining levels of wages, salaries, prices, rents, interest rates, corporate dividends, and similar transfers which are consistent with the purposes of this title and orderly economic growth. Such standards shall—

"(1) be generally fair and equitable;

"(2) provide for the making of such general exceptions and variations as are necessary to foster orderly economic growth and to prevent gross inequities, hardships, serious market disruptions, domestic shortages of raw materials, localized shortages of labor, and windfall profits;

"(3) take into account changes in productivity and the cost of living, as well as such other factors consistent with the purposes of this title as are appropriate;

"(4) provide for the requiring of appropriate reductions in prices and rents whenever warranted after consideration of lower costs, labor shortages, and other pertinent factors; and

"(5) call for generally comparable sacrifices by business and labor as well as other segments of the economy.

"(c)(1) The authority conferred on the President by this section shall not be exercised to limit the level of any wage or salary (including any insurance or other fringe benefit offered in connection with an employment contract) scheduled to take effect after November 13, 1971, to a level below that which has been agreed to in a contract which (A) related to such wage or salary, and (B) was executed prior to August 15, 1971, unless the President determines that the increase provided in such contract is unreasonably inconsistent with the standards for wage and salary increases published under subsection (b).

"(2) The President shall promptly take such action as may be necessary to permit the payment of any wage or salary increase (including any insurance or other fringe benefit offered in connection with an employment contract) which (A) was agreed to in an employment contract executed prior to August 15, 1971, (B) was scheduled to take effect prior to November 14, 1971, and (C) was not paid as a result of orders issued under this title, unless the President determines that the increase provided in such contract is unreasonably inconsistent with the standards for wage and salary increases published under subsection (b).

"(d) No order or regulation issued under this section shall apply to the wages or salary of any individual receiving substandard earnings. The President shall prescribe regulations defining for the purposes of this subsection the term 'substandard earnings'. In no case shall such term be defined to mean earnings less than those resulting from a wage or salary rate which yields, on an annual basis, an income below the poverty level for a family of four (or an appropriated equivalent in the case of workers employed in part-time or seasonal occupations) as prescribed annually by the Office of Management and Budget.

"(e) The authority conferred by this section shall not be exercised to preclude the payment of any increase in wages—

"(1) required under the Fair Labor Standards Act of 1938, as amended, or effected as a result of enforcement action under such Act; or

"(2) required in order to comply with wage determinations made by any agency in the executive branch of the Government pursuant to law for work (A) performed under contracts with, or to be performed with financial assistance from, the United States or the District of Columbia, or any agency or instrumentality thereof, or (B) performed by aliens who are immigrants or who have been temporarily admitted to the United States pursuant to the Immigration and Nationality Act; or

"(3) paid in conjunction with existing or newly established employee incentive programs which are designed to reflect directly increases in employee productivity.

"(f) For the purposes of this section, the term 'wages' and 'salaries' do not include contributions by any employer pursuant to a compensation adjustment affecting less than one thousand employees for—

"(1) any pension, profit sharing, or annuity and savings plan;

"(2) any insurance plan; or

"(3) any disability and health plan;

unless the President determines that the contributions made by any such employer are unreasonably inconsistent with the standards for wage, salary, and price increases published under subsection (b).

"(g) The authority conferred on the President by this section shall not be exercised with respect to—

"(i) prices or rentals for materials furnished for publication by any press association or feature service,

"(ii) prices or rentals for books, magazines, periodicals, or newspapers, other than waste or scrap, or rates charged by any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting or television station, network, or cable television system, or

"(iii) wages, salaries, or commissions paid by any person in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting or television station, network, or cable television system, or paid by any press association or feature service or by any person engaged in the production or publication of books: *Provided, however,* That subsection (f)(iii) shall not apply to the wages, salaries, or commissions of entertainers: *And provided further,* That nothing herein shall deprive the President of authority to take appropriate action in the event of windfall profits resulting from the foregoing exemptions.

§ 204. Delegation

"The President may delegate the performance of any function under this title to such officers, departments, and agencies of the United States as he deems appropriate, or to boards, commissions, and similar entities composed in whole or in part of members appointed to represent different sectors of the economy and the general public. Members of such boards, commissions, and similar entities shall be appointed by the President by and with the advice and consent of the Senate; except that—

"(1) the foregoing requirement with respect to Senate confirmation does not apply to any member of any such board, commission, or similar entity (other than the Chairman of the Pay Board, established by section 7 of Executive Order Numbered 11627 of October 15, 1971, and the Chairman of the Price Commission, established by section 8 of such Executive order) who is serving, pursuant to appointment by the President, on such board, commission, or similar entity on the date of enactment of the Economic Stabilization Act Amendments of 1971, and who continues to serve, pursuant to such appointment, on such board, commission, or similar entity after such date; and

"(2) any person serving as Chairman of such Pay Board, and any person serving as Chairman of such Price Commission, on the date of enactment of the Economic Stabilization Act Amendments of 1971, may continue to serve in such capacity on an interim basis without regard to the foregoing requirement with respect to Senate confirmation until the expiration of sixty days after the date of enactment of the Economic Stabilization Act Amendments of 1971, and the provisions of sections 910-913 of title 5, United States Code, shall be applicable with respect to the procedure to be followed in the Senate in considering the nomination of such persons for such offices and references in such provisions to a 'resolution with respect to a reorganization plan' shall be deemed for the purpose of this section to refer to such nominations.

Where such boards, commissions, and similar entities are composed in part of members who serve on less than a full-time basis, legal authority shall be placed in their chairmen who shall be employees of the United States. Nothing in sections 203, 205, 207, 208, or 209 of title 18, United States Code, shall be deemed to apply to any member of any such board, commission, or similar entity who serves on less than a full-time basis because of membership on such board, commission, or entity.

"§ 205. Confidentiality of information

"All information reported to or otherwise obtained by any person exercising authority under this title which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, shall be considered confidential for the purposes of that section, except that such information may be disclosed to other persons empowered to carry out this title solely for the purpose of carrying out this title or when relevant in any proceeding under this title.

"§ 206. Subpena power

"The head of an agency exercising authority under this title, or his duly authorized agent, shall have authority, for any purpose related to this title, to sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths. Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of refusal to obey a subpena served upon any person under the provisions of this section, the head of the agency authorizing such subpena, or his delegate, may request the Attorney General to seek the aid of the district court of the United States for any district in which such person is found to compel such person, after notice, to appear and give testimony, or to appear and produce documents before the agency.

"§ 207. Administrative procedure

"(a) The functions exercised under this title are excluded from the operation of subchapter II of chapter 5, and chapter 7 of title 5, United States Code, except as to the requirements of sections 552, 553, and 555(e) of title 5, United States Code.

"(b) Any rule, regulation, or order, or amendment thereto, issued under the authority of this title shall be accompanied by a statement that in the formulation thereof there has been consultation with persons, groups, or organizations directly and substantially affected by such rule, regulation, or order, or amendment thereto, and that consideration has been given to their recommendations, or that special circumstances have rendered such consultation impracticable. No such rule, regulation, or order is invalid by reason of a subsequent finding by judicial or other authority that such statement is inaccurate, unless the inaccuracy is substantial in character and is so found by such authority.

"(c) Any agency authorized by the President to issue rules, regulations, or orders under this title shall, in regulations prescribed by it, establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, or seeking an exception or exemption from, such rules, regulations, and orders. If such person is aggrieved by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the agency. The agency shall, in regulations prescribed by it, establish appropriate procedures, including hearings where deemed advisable, for considering such requests for action under this section.

"(d) Rules, regulations, and orders promulgated under this title shall insofar as practicable also be designed to encourage labor-management cooperation for the purpose of achieving increased productivity, and the Executive Director of the National Commission on Productivity shall when appropriate be consulted in the formulation of policies, rules, regulations, orders, and amendments.

"(e) To the maximum extent possible, the President or his delegate shall conduct formal hearings for the purpose of hearing arguments or acquiring information bearing on a change or a proposed change in wages, salaries, prices, rents, interest rates, or corporate dividends or similar transfers, and such hearings shall be open to the public except that a private formal hearing may be conducted to receive information considered confidential under section 205 of this title.

"§ 208. Sanctions; criminal fine and civil penalty

"(a) Whoever willfully violates any order or regulation under this title shall be fined not more than $5,000 for each violation.

"(b) Whoever violates any order or regu-

lation under this title shall be subject to a civil penalty of not more than $2,500 for each violation.

"§ 209. Injunctions and other relief

"Whenever it appears to any person authorized by the President to exercise authority under this title that any individual or organization has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of any order or regulation under this title, such person may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with any such order or regulation. In addition to such injunctive relief, the court may also order restitution of moneys received in violation of any such order or regulation.

"§ 210. Suits for damages or other relief

"(a) Any person suffering legal wrong because of any act or practice arising out of this title, or any order or regulation issued pursuant thereto, may bring an action in a district court of the United States, without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment, writ of injunction (subject to the limitations in section 211), and/or damages.

"(b) In any action brought under subsection (a) against any person renting property or selling goods or services who is found to have overcharged the plaintiff, the court may, in its discretion, award the plaintiff reasonable attorney's fees and costs, plus whichever of the following sums is greater:

"(1) an amount not more than three times the amount of the overcharge upon which the action is based, or

"(2) not less than $100 or more than $1,000; except that in any case where the defendant establishes that the overcharge was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adapted to the avoidance of such error the liability of the defendant shall be limited to the amount of the overcharge: *Provided*, That no action for overcharges may be brought by or on behalf of any person who has not first presented to the seller or renter a bona fide claim for refund of the overcharge and has not received repayment of such overcharge within a reasonable time.

"(c) For the purposes of this section, the term 'overcharge' means the amount by which the consideration for the rental of property or the sale of goods or services exceeds the applicable ceiling under regulations or orders issued under this title.

"§ 211. Judicial review

"(a) The district courts of the United States shall have exclusive original jurisdiction of cases or controversies arising under this title, or under regulations or orders issued thereunder, notwithstanding the amount in controversy; except that nothing in this subsection or in subsection (h) of this section affects the power of any court of competent jurisdiction to consider, hear, and determine any issue by way of defense (other than a defense based on the constitutionality of this title or the validity of action taken by any agency under this title) raised in any proceeding before such court. If in any such proceeding an issue by way of defense is raised based on the constitutionality of this title or the validity of agency action under this title, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code.

"(b) (1) There is hereby created a court of the United States to be known as the Temporary Emergency Court of Appeals, which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Temporary Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. Except as provided in subsection (d) (2) of this section, the court shall not have power to issue any interlocutory decree staying or restraining in whole or in part any provision of this title, or the effectiveness of any regulation or order issued thereunder. In all other respects, the court shall have the powers of a circuit court of appeals with respect to the jurisdiction conferred on it by this title. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases over which it has jurisdiction under this title. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary or proper.

"(2) Except as otherwise provided in this section, the Temporary Emergency Court of Appeals shall have exclusive jurisdiction of all appeals from the district courts of the United States in cases and controversies arising under this title or under regulations or orders issued thereunder. Such appeals shall be taken by the filing of a notice of appeal with the Temporary Emergency Court of Appeals within thirty days of the entry of judgment by the district court.

"(c) In any action commenced under this title in any district court of the United States in which the court determines that a substantial constitutional issue exists, the court shall certify such issue to the Temporary Emergency Court of Appeals. Upon such certification, the Temporary Emergency Court of Appeals shall determine the appropriate manner of disposition which may include a determination that the entire action be sent to it for consideration or it may, on the issues certified, give binding instructions and remand the action to the certifying court for further disposition.

"(d)(1) Subject to paragraph (2), no regulation of any agency exercising authority under this title shall be enjoined or set aside, in whole or in part, unless a final judgment determines that the issuance of such regulation was in excess of the agency's authority, was arbitrary or capricious, or was otherwise unlawful under the criteria set forth in section 706(2) of title 5, United States Code, and no order of such agency shall be enjoined or set aside, in whole or in part, unless a final judgment determines that such order is in excess of the agency's authority, or is based upon findings which are not supported by substantial evidence.

"(2) A district court of the United States or the Temporary Emergency Court of Appeals may enjoin temporarily or permanently the application of a particular regulation or order issued under this title to a person who is a party to litigation before it. Appeals from interlocutory decisions by a district court of the United States under this paragraph may be taken in accordance with the provisions of section 1292(b) of title 28, United States Code; except that reference in such section to the courts of appeals shall be deemed to refer to the Temporary Emergency Court of Appeals.

"(e) (1) Except as provided in subsection (d) this section, no interlocutory or permanent injunction restraining the enforcement, operation, or execution of this title, or any regulation or order issued thereunder, shall be granted by any district court of the United States or judge thereof. Any such court shall have jurisdiction to declare (A) that a regulation of an agency exercising authority under this title is in excess of the agency's authority, is arbitrary or capricious, or is otherwise unlawful under the criteria set forth in section 706(2) of title 5, United States Code, or (B) that an order of such agency is invalid upon a determination that the order is in excess of the agency's authority, or is based upon findings which are not supported by substantial evidence.

"(2) Any party aggrieved by a declaration of a district court of the United States respecting the validity of any regulation or order issued under this title may, within thirty days after the entry of such declaration, file a notice of appeal therefrom in the Temporary Emergency Court of Appeals. In addition, any party believing himself entitled by reason of such declaration to a permanent injunction restraining the enforcement, operation, or execution of such regulation or order may file, within the same thirty-day period, a motion in the Temporary Emergency Court of Appeals requesting such injunctive relief. Following consideration of such appeal or motion, the Temporary Emergency Court of Appeals shall enter a final judgment affirming, reversing, or modifying the determination of the district court and granting such permanent injunctive relief, if any, as it deems appropriate.

"(f) The effectiveness of a final judgment of the Temporary Emergency Court of Appeals enjoining or setting aside in whole or in part any provision of this title, or any regulation or order issued thereunder, shall be postponed until the expiration of thirty days from the entry thereof, except that if a petition for a writ of certiorari is filed with the Supreme Court under subsection (g) within such thirty days, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the action by the Supreme Court.

"(g) Within thirty days after entry of any judgment or order by the Temporary Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a United States court of appeals as provided in section 1254 of title 28, United States Code. The Temporary Emergency Court of Appeals, and the Supreme Court upon review of judgments and orders of the Temporary Emergency Court of Appeals, shall have exclusive jurisdiction to determine the constitutional validity of any provision of this title or of any regulation or order issued under this title. Except as provided in this section, no court, Federal or State, shall have jurisdiction or power to consider the constitutional validity of any provision of this title or of any such regulation or order, or to stay, restrain, enjoin, or set aside, in whole or in part, any provision of this title authorizing the issuance of such regulations or orders, or any provision of any such regulation or order, or to restrain or enjoin the enforcement of any such provision.

"(h) The provisions of this section apply to any actions or suits pending in any court, Federal or State, on the date of enactment of this section in which no final order or judgment has been rendered. Any affected party seeking relief shall be required to follow the procedures of this title.

"§ 212. Personnel

"(a) Any agency or officer of the Government carrying out functions under this title is authorized to employ such personnel as

the President deems necessary to carry out the purposes of this title.

"(b) The President may appoint five officers to be responsible for carrying out functions of this title of whom three shall be compensated at the rate prescribed for level III of the Executive Schedule (5 U.S.C. 5314) and two at the rate prescribed for level V of the Executive Schedule (5 U.S.C. 5316). Appropriate titles and the order of succession among such officers may be designated by the President.

"(c) Any member of a board, commission, or similar entity established by the President pursuant to authority conferred by this title who serves on less than a full-time basis shall receive compensation from the date of his appointment at a rate equal to the per diem equivalent of the rate prescribed for level IV of the Executive Schedule (5 U.S.C. 5315) when actually engaged in the performance of his duties as such member.

"(d) For the duration of the exercise of functions under this title, comparison may be fixed for not to exceed forty positions without regard to the provisions of chapters 51 and 53 of title 5, United States Code, but at rates not above the maximum rate prescribed for GS–18 of the General Schedule (5 U.S.C. 5332). This number of positions is in addition to the number authorized by other provisions of law. Appointments may be made to these positions without regard to the provisions of law governing appointments in the competitive service.

"(e) The President may require the detail of employees from any executive agency to carry out the purposes of this title.

"(f) The President is authorized to appoint, without regard to the civil service laws, such advisory committees as he deems appropriate for the purpose of consultation with and advice to the President in the performance of his functions under this title. Members of advisory committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or while otherwise serving at the request of the President may be paid compensation at rates not exceeding those authorized for individuals under section 5332 of title 5, United States Code, and, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(g)(1) Under such regulations as the President may prescribe, officers and employees of the Government who are appointed, without a break of service of one or more work days, to any position for carrying out functions under this title are entitled, upon separation from such position, to reemployment in the position occupied at the time of appointment or in a position of comparable grade and salary.

"(2) An officer or employee who, at the time of his appointment under paragraph (1) of this subsection, is covered by section 8336(c) of title 5, United States Code, shall continue to be covered thereunder while carrying out functions under this title.

"§ 213. Experts and consultants

"Experts and consultants may be employed, as authorized by section 3109 of title 5, United States Code, for the performance of functions under this title, and individuals so employed may be compensated at rates not to exceed the per diem equivalent of the rate for grade 18 of the General Schedule established by section 5332 of title 5, United States Code. Such contracts may be renewed from time to time without limitation. Service of an individual as an expert or consultant under this section shall not be considered as employment or the holding of an office or position bringing such individual within the provisions of section 3323(a) of title 5, United States Code, section 872 of the Foreign Service Act of 1946, or any other law limiting the reemployment of retired officers or employees.

"§ 214. Small business

"(a) It is the sense of the Congress that small business enterprises should be encouraged to make the greatest possible contribution toward achieving the objectives of this title.

"(b) In order to carry out the policy stated in subsection (a)—

"(1) the Small Business Administration shall to the maximum extent possible provide small business enterprises with full information concerning (A) the provisions of this title relating or of benefit to such enterprises, and (B) the activities of the various departments and agencies under this title;

"(2) in administering this title, such exemptions shall be provided for small business enterprises as may be feasible without impeding the accomplishment of the purposes of this title; and

"(3) in administering this title, special provision shall be made for the expeditious handling of all requests, applications, or appeals from small business enterprises.

"§ 215. Funding

"(a) There are authorized to be appropriated to the President, to remain available until expended, such sums as may be necessary to carry out the provisions of this title.

"(b) The President may accept and use in furtherance of the purposes of this title money, funds, property, and services of any kind made available for such purposes by gift, devise, bequest, grant, or otherwise.

"§ 216. Expiration

"The authority to issue and enforce orders and regulations under this title expires at midnight April 30, 1973, but such expiration shall not affect any action or pending proceeding, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to May 1, 1973.

"§ 217. Ratification

"The assignment of personnel and expenditure of funds pursuant to the authority conferred on the President by this title prior to the date of enactment of the Economic Stabilization Act Amendments of 1971 are hereby approved, ratified, and confirmed.

"§ 218. Severability

"If any provision of this title or the application of such provision to any person or circumstances is held invalid, the remainder of the title, and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

"§ 219. Reports

"In transmitting the Economic Report required under section 3(a) of the Employment Act of 1946 (15 U.S.C. 1022), the President shall include a section describing the actions taken under this title during the preceding year and giving his assessment of the progress attained in achieving the purposes of this title. The President shall also transmit quarterly reports to the Congress not later than thirty days after the close of each calendar quarter describing the actions taken under this title during the preceding quarter and giving his assessment of the progress attained in achieving the purposes of this title."

FEDERAL EMPLOYEE COMPENSATION

SEC. 3. Notwithstanding any provision of section 3(c) of the Federal Pay Comparability Act of 1970 (Public Law 91–956), or of section 5305 of title 5, United States Code, as added by section 3(a) of Public Law 91–656, and the provisions of the alternative plan submitted by the President to the Congress pursuant thereto on August 31, 1971, such comparability adjustments in the rates of pay of each Federal statutory pay system as may be required under such sections 5305 and 3(c), based on the 1971 Bureau of Labor Statistics survey—

(1) shall not be greater than the guidelines established for the wage and salary adjustments for the private sector that may be authorized under authority of any statute of the United States, including the Economic Stabilization Act of 1970 (Public Law 91–379; 84 Stat. 799), as amended, and as may be in effect on December 31, 1971; and

(2) shall be placed into effect on the first day of the first pay period that begins on or after January 1, 1972.

Nothing in this section shall be construed to provide any adjustments in rates by any Federal statutory pay system which are greater than the adjustments based on the 1971 Bureau of Labor Statistics survey.

NATIONAL PRODUCTIVITY POLICY

SEC. 4. (a) (1) It is the policy of the United States to promote efficient production, marketing, distribution, and use of goods and services in the private sector, and improve the morale of the American worker, all of which are essential to a prosperous and secure free world, and to achieve the objectives of national economic policy.

(2) The Congress finds that the persistence of inflationary pressures, and of a high rate of unemployment, the underutilization and obsolescence of production facilities, and the inadequacy of productivity are damaging to the effort to stabilize the economy.

(3) The Congress, therefore, finds a national need to increase economic productivity which depends on the effectiveness of management, the investment of capital for research, development, and advanced technology and on the training and motivation of the American worker.

(4) The Congress further finds that at a time when economic stabilization programs require price-wage restraints, management and labor have a strong mutual interest in containing "cost-push" inflation and increasing output per man-hour so that real wages may increase without causing increased prices, and that, without in any way infringing on the rights of management or labor, machinery should be provided for translating this mutuality of interest into voluntary action.

(b) It shall be the objective of the President's National Commission on Productivity (hereinafter referred to as the "Commission")—

(1) to enlist the cooperation of labor, management, and State and local governments, in a manner calculated to foster and promote increased productivity through free competitive enterprise toward the implementation of the national policy declared in the Employment Act of 1946 to create and maintain "conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power";

(2) to promote the maintenance and improvement of worker motivation and to enlist community interest in increasing productivity and reducing waste;

(3) to promote the more effective use of labor and management personnel in the interest of increased productivity;

(4) to promote sound wage and price policies in the public interest, and to seek to accomplish that objective within a climate of cooperation and understanding between labor, management, and the public, and within a framework of peaceful labor-management relations and free and responsible collective bargaining;

(5) to promote policies designed to insure that United States products are competitive in domestic and world markets;

(6) to develop programs to deal with the social and economic problems of employees adversely affected by automation of other

technological change or the relocation of industries.

(c)(1) It shall be the duty and function of the Commission, in order to achieve the objectives set forth in subsection (b) of this section, to encourage and assist in the organization and the work of labor-management-public committees and similar groups on a plant, community, regional, and industry basis. Such assistance shall include aid—

(A) in the development of apprenticeship, training, retraining, and other programs for employee and management education for development of greater upgraded and more diversified skills;

(B) in the formulation of programs designed to reduce waste and absenteeism and to improve employee safety and health;

(C) in the revision of building codes and laws, in order to keep them continuously responsive to current economic conditions;

(D) in planning for provision of adequate transportation for employees;

(E) in the exploration of means to expand exports of the products of United States industry;

(F) in the development, initiation, and expansion of employee incentive compensation, profit-sharing and stockownership systems and other production incentive programs;

(G) in the dissemination of technical information and other material to publicize its work and objectives;

(H) to encourage studies of techniques and programs similar to those in paragraphs (A) to (H) of this subsection, as they are applied in foreign countries; and

(I) in the dissemination of information and analyses concerning the economic opportunities and outlook in various regions and communities, and if information on industrial techniques designed for the increase of productivity.

(2) The Commission shall transmit to the President and to the Congress not later than March 1 of each year an annual report of its previous year's activities under this Act.

(3) The Commission shall perform such other functions, consistent with the foregoing, as it determines to be appropriate and necessary to achieve the objectives set forth in subsection (b) of this section.

(d)(1) In exercising its duties and functions under this Act—

(A) the Commission may consult with such representatives of industry, labor, agriculture, consumers, State and local governments, and other groups, organizations, and individuals as it deems advisable to insure the participation of such interested parties;

(B) the Commission shall, to the extent possible, use the services, facilities, and information (including statistical information) of other Government agencies as the President may direct as well as of private agencies and professional experts in order that duplication of effort and expense may be avoided;

(C) the Commission shall coordinate such services and facilities referred to in subsection (B) above in order to supply technical and administrative assistance to labor-management-public committees and similar groups referred to in subsection (c)(1);

(D) the Commission shall establish the regional offices and such local offices as it deems necessary;

(E) the Commission shall hold regional and industrywide conferences to formulate ideas and programs for the fulfillment of the objectives set forth in subsection (C);

(F) the Commission may formulate model programs to ameliorate the effects of unemployment caused by technological progress;

(G) the Commission may furnish assistance to parties in collective bargaining entering into collective bargaining agreements; and

(H) the Commission may review collective bargaining agreements already in effect or those being negotiated to ascertain their effects on productivity; and it may have the power to make recommendations with respect to the agreements made or about to be made in specific industries.

(2) The Commission may accept gifts or bequests, either for carrying out specific programs which it deems desirable or for its general activities.

(e)(1) The Executive Director of the Commission shall be the principal executive officer of the Commission in carrying out the objectives, functions, duties and powers of the Commission described in subsections (b) through (a) of this section.

(2) The Executive Director of the Commission, with the approval of the Chairman of the Commission, is authorized to employ, and fix the compensation of, such specialists and other experts as may be necessary for carrying out its functions under this Act, with regard to the provision of title 5, United States Code, governing appointments in the competitive service, and with regard to chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, and is authorized, subject to such provision, to employ such other officers and employees as may be necessary for carrying out its functions under this Act and fix their compensation in accordance with the provisions of such chapter 51 and subchapter II of chapter 53.

(f) The authority for funding referred to in title II of the Defense Production Act of 1950 (Public Law 91–379) shall apply to this section.

Mr. SPARKMAN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Secretary of the Senate may be authorized and directed to make any necessary clerical and technical changes in the engrossment of the bill (S. 2891).

The PRESIDING OFFICER (Mr. CRANSTON). Without objection, it is so ordered.

ASSISTANCE TO RADIO FREE EUROPE AND RADIO LIBERTY

Mr. FULBRIGHT. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 18.

The PRESIDING OFFICER (Mr. CRANSTON) laid before the Senate the amendment of the House of Representatives to the bill (S. 18) to amend the United States Information and Educational Exchange Act of 1948 to provide assistance to Radio Free Europe and Radio Liberty which was to strike out all after the enacting clause, and insert:

That there is established a commission to be known as the Commission on International Radio Broadcasting (hereinafter referred to as the "Commission") composed of nine members as follows:

(1) Two Members of the House of Representatives appointed by the Speaker of the House of Representatives.

(2) Two Members of the Senate appointed by the President of the Senate.

(3) Two members appointed by the President from among officers and employees of the executive branch of the Government.

(4) Three members appointed by the President from private life, including experts in mass communication in the broadcasting field.

(5) The President shall designate one of the members appointed from private life to serve as Chairman of the Commission. Any vacancy in the membership of the Commission shall be filled in the same manner as in the case of the original appointment.

SEC. 2. (a) It shall be the duty of the Commission to review and evaluate international radio broadcasting and related activities of Radio Free Europe and Radio Liberty.

(b) The Commission shall submit its report to the President for transmission to the Congress not later than November 30, 1972, setting forth the results of its findings and conclusions, together with such recommendations as it may deem appropriate, including, but not limited to, recommendations with respect to future management, operations, and support of such activities; establishment of a corporate or other entity to administer support for, or to conduct, such activities; and protection of the right and equities of past and present employees of Radio Free Europe and Radio Liberty.

(c) The Commission shall cease to exist on July 1, 1973.

SEC. 3. (a) In addition to his function as head of the Commission, the Chairman of the Commission shall provide grants to support the broadcasting activities of Radio Free Europe and Radio Liberty and submit to the President for transmission to the Congress not later than November 30, 1972, and July 1, 1973, reports, with financial appendices as appropriate, of each grant made and a statement describing the utilization of each such grant.

(b) There are authorized to be appropriated to the Chairman for carrying out the purposes of this section, $36,000,000 for the fiscal year 1972 and $38,520,000 for the fiscal year 1973. Except for funds appropriated pursuant to this section, no funds appropriated after the date of the first appropriation pursuant to this Act may be made available to or for the use of Radio Free Europe or Radio Liberty.

SEC. 4. (a) Members of the Commission who are Members of Congress or officers or employees of the executive branch shall serve without compensation for their services as members of the Commission. Members of the Commission who are not Members of Congress or officers or employees of the executive branch shall receive per diem at the daily rate prescribed for level V of the Executive Schedule by section 5316 of title 5 of the United States Code when engaged in the actual performance of duties vested in the Commission. All members of the Commission, while away from their homes or regular places of business in the performance of services for the Commission, shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(b) The Chairman of the Commission is authorized to appoint and fix the compensation of such personnel as may be necessary. Such personnel may be appointed without regard to provisions of title 5, United States Code, covering appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Any Federal employee subject to civil service laws and regulations who may be appointed by the Chairman shall retain civil service status without interruption or loss of status or privilege. In no event shall any individual appointed under this subsection receive as compensation an amount in excess of the maximum rate for GS–18 on the General Schedule under section 5332 of title 5, United States Code.

(c) In addition, the Chairman of the Commission is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the maximum rates for GS–18 on the General Schedule under section 5332 of title 5, United States Code.

(d) Upon request of the Chairman of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist it in carrying out its duties under this section.

(e) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 5. There are authorized to be appropriated to the Commission such sums as may be necessary for its administrative expenses.

And amend the title so as to read: "An Act to authorize the creation of a commission to evaluate international radio broadcasting and related activities of Radio Free Europe and Radio Liberty, to authorize appropriations to the Chairman of the Commission, and for other purposes."

Mr. FULBRIGHT. Mr. President, I move that the Senate disagree to the amendment of the House and agree to the request for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. CRANSTON) appointed Mr. FULBRIGHT, Mr. CHURCH, Mr. SYMINGTON, Mr. AIKEN, and Mr. CASE conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. MANSFIELD. I move that the Senate go into executive session to consider the nomination of Earl Lauer Butz, of Indiana, to be Secretary of Agriculture.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. CRANSTON). The nomination on the Executive Calendar, as requested by the Senator from Montana, will be stated.

DEPARTMENT OF AGRICULTURE

The assistant legislative clerk read the nomination of Earl Lauer Butz, of Indiana, to be Secretary of Agriculture.

Mr. MANSFIELD. Mr. President, for the information of the Senate, there will be no more votes tonight. An agreement has been reached that the vote on the nomination of Mr. Butz will occur at the hour of 1 p.m. tomorrow, there will be plenty of time for discussion.

I anticipate that there will be a certain amount of discussion tonight and the rest tomorrow.

Following disposal of this nomination, the so-called drug control bill will be brought up. There is a time limitation on that also and, undoubtedly, there will be rollcall votes on that, as well as on the nomination of Mr. Butz.

Mr. GRIFFIN. Mr. President, if the Senator from Montana will yield, there is one addition beyond that, the agreement concerning the conference report on the OEO, is that not correct?

Mr. MANSFIELD. Yes, that is correct. It has been consummated and there will be votes on that, too, I am sure. We hope also to get the other pieces of legislation as they become available.

My understanding is that the House tomorrow will take up the District of Columbia appropriation bill and the supplemental appropriation bill. We would hope to get started on those Friday morning and then, shortly thereafter, we will be on the Supreme Court nominations.

Mr. GRIFFIN. By "shortly thereafter" does the Senator mean on Friday that we will be taking up the Supreme Court nominations?

Mr. MANSFIELD. That is the present intention, if the Senator will allow me a little leeway. But, just as soon as possible. If we clear the decks we, will get to the Supreme Court nominations.

The PRESIDING OFFICER (Mr. TUNNEY). Time is now under control.

Who yields time?

Mr. AIKEN. Mr. President, I yield myself 20 minutes, and then I want to yield to the Senator from New York some time and that, so far as I know, would be all the speaking that will be done on this side tonight.

Mr. President, I do not expect to say much about Earl Butz today except to point out as stated in the report which is now on the Senators' desks that "it was clear and was so indicated a number of times that the character, integrity, and ability of Dr. Butz was not in question."

The testimony against him was based largely upon what Earl Butz must have been thinking 20 years ago and what he might be thinking after becoming Secretary of Agriculture.

His critics seem to have a much higher degree of mental telepathy than I have, since I do not know what he thinks from day to day and year to year.

In fact, it would be much easier for me to read what is in the minds of those who so ardently oppose him.

What I would like to discuss briefly is the agriculture of the United States and more specifically the Department of Agriculture and its prospects for the future.

And the question which keeps recurring in my mind is this: Does the Department of Agriculture have a future or will it be broken up, with the pieces being discarded or assigned to other agencies?

The Secretary of Agriculture has been the target for people with varying motives for the last 35 years and with the single exception of 2 years when our colleague, the Senator from New Mexico (Mr. CLINTON ANDERSON) held that position, every Secretary has been a target for abuse and harassment.

During the time when Senator ANDERSON was Secretary of Agriculture, the grain reserves of this country were so low that the principal protests came from those who felt that our food supply might be in jeopardy if we did not curtail our postwar exports to other countries.

I earnestly hope that St. Peter has one of his choisest spots reserved for departed U.S. Secretaries of Agriculture. They deserve it.

Going back to the beginning of our national existence, we find that over 80 percent of our population was then engaged in agriculture and made their living from the land.

Today we find not over 10 percent of our population actually engaged in producing food and fiber crops, but twice that number find gainful employment in making farm supplies and equipment, transporting farm commodities, and handling and processing the products of the American farmer.

Agriculture still furnishes more gainful employment than any other industry.

The land itself has not changed but the use of it has changed tremendously.

Much of it, particularly east of the Mississippi, has reverted to woodland, while nearly all that is now cultivated is producing far more per acre than our ancestors ever dreamed would be possible.

Except for certain specialized crops, a small farm which we used to call the family farm cannot today produce enough to support a family decently.

We no longer have the five- to ten-cow dairy or the one- or two-mule cotton farm, at least not in any great numbers.

As in other walks of life, farm mergers have become the order of the day and are also necessary if one is to take advantage of modern methods and modern equipment with which to produce efficiently and profitably.

Further than this, thousands of farmers, large and small, have incorporated their holdings for the protection of their families and to qualify for social security benefits later in life.

This accounts for much of the increase in the number of corporation farms. Many farms wholly owned by families today run into the thousands of acres and millions of dollars of production.

In my own State of Vermont, we have only one-third as many dairymen as we had a few years ago, but we are producing more milk than ever on fewer acres, with herds running into the hundreds and thousands, but they are still family owned and operated.

This means that as mergers have taken place and small farms are abandoned, the so-called farm population has been decreasing for well over 20 years, though at a slowly declining rate.

However, it is obvious that the end is not yet.

Neither Secretaries Anderson, Brannan, Benson, Freeman, nor Hardin could have stopped this decline even if it had been advisable.

And I expect it will continue as economic pressures and other inducements increase their influence.

No Secretary of Agriculture can prevent this evolutionary change.

However, as "farm population" has decreased, "rural population" has actually increased in Vermont and in many other States.

A small farm which two decades ago produced a meager living for one family may now be occupied by two or three or

more families due to the rapid increase in residential and recreational development.

Improved highways and other facilities formerly available only to urban dwellers have made this possible.

In some other areas, particularly the northern plain States, the merging of farms has indeed created a genuine problem resulting in a decrease in population, since the alternatives which exist in the East are not generally available to those areas.

This is one problem—but not the only one—which has given Presidents, Secretaries of Agriculture, and the Congress much concern.

Farmers, on the whole, however, are living infinitely better than they did a generation or even 10 years ago and are more able to afford better living standards.

We cannot pick them out in the audience anymore—and more of their children get higher education.

This progress, however, has come about the hard way and in the historic recessions which have afflicted us from time to time, the farmer has usually been the major victim.

And after each recession the people on the land have emerged fewer in numbers but somewhat higher on the scale of living.

The depression of the thirties is still keenly remembered by many Members of this Senate today.

During that period, hogs sold as low as $3 a hundred, wheat for 50 cents a bushel, milk for $1 a hundred, and potatoes 10 cents a bushel when any market could be found at all.

I know whereof I speak, because I was one of the lucky ones who got $5 a hundred for hogs, although I did have to give away my potatoes for livestock feed.

But during this period, Government came into the picture in a big way and Government has remained the star actor in this drama of rural life ever since.

Until the 1930's, processors and dealers almost always set the prices which farmers received for their products.

And, believe me, those prices were never very munificent.

With the competitive processing and marketing practices of those days they could not be.

One took what he was offered or else.

But in the 1930's when times got really hard and the depression afflicted other business and professional people as well, things began to happen.

Of course, Government had to save the banks first, but farmers and consumers received attention to a degree which had never been their lot before.

During the 1930's, marketing orders came into general use—first for milk and then expanded to cover other commodities.

At this point, I might mention that while Earl Butz was Assistant Secretary of Agriculture during a short time in the fifties, the number of milk marketing orders were increased from 48 to 74, the sharpest increase in history.

But in the thirties, the REA was established and the private utility companies did not have the foresight to take it over when they could have, so REA co-ops spread across the land carrying light and power to farms which might otherwise have been given up.

Support prices, farm loans, and guarantees helped put prices upward somewhat.

In 1935, the social security system was set up, and Vermont was the first State to cooperate with all phases of this new program.

And along about 1939 or 1940 the food stamp program got its first tryout.

But farm prices increased slowly until World War II brought them to a level which for a time made most phases of agriculture profitable.

That was the last war which, temporarily, improved agricultural income.

The Korean war had an adverse effect and the 10-year war in Southeastern Asia from 1961–71 has been costly to agriculture as well as to our political and economic policies.

While in 1970 farmers were taking in $10.9 billion more than they were in 1965, costs of production went up $10 billion during that time, leaving only $900 million as the net increase over the last 3 or 4 years. However, there are fewer farmers to divide that up. So it is not quite as bad as one might think.

Compared to the increase in family living costs—this $900 million which was gained from 1965 to 1970—was inadequate, although increased Federal amounts for education and other purposes have helped out materially.

As I stated in the beginning of this talk, I have made little reference to Earl Butz, although I support him fully and feel that as an administrator he will compare very favorably with any other Secretary of Agriculture I have known.

However, Earl Butz is not the issue in this controversy.

He is the symbol—a political symbol—as many believe.

Congress writes the laws relating to agriculture and international trade and laws relating to welfare and crime and a lot of other things.

Congress does not administer these laws and Congress does not administer farm programs.

The administration of the law is vested in the executive branch of Government of which the President is the head.

He appoints administrators for the various departments and agencies of Government.

The duty of these administrators including the Secretary of Agriculture is to administer the programs which the Congress has established.

But like the heads of other agencies, they work under the direction of the President and it is the President upon whom the responsibility for proper administration of these programs rests.

The Secretary of Agriculture cannot and should not be expected to administer the programs for agriculture in a manner not approved by the President.

And, therefore, if there is dissatisfaction with the handling of the farm programs, it is the President and not the Secretary of Agriculture who should be held responsible.

And if Congress hamstrings him in making his principal appointments, even the President cannot be held responsible for results which affect the country adversely.

Indeed, if we analyze even superficially the condemnation of Earl Butz, it is evident that the attacks on him are aimed directly at the President partly in an effort to make his administration unpopular.

Earl Butz was indeed an official of the Department of Agriculture during most of the administration of the late President Dwight D. Eisenhower.

So far as I know, he was an orthodox Assistant to the Secretary, with his most important contribution to American agriculture being the development, the enactment, and the putting into operation of Public Law 480 which some now prefer to call the Food-for-Peace Act.

This has developed into one of the most important programs affecting American agriculture during the last generation.

It has resulted in the expansion of American exports abroad.

In fact, we are told that this program has been so successful that the production of one out of every 4 acres is now exported to other countries.

Our export of farm commodities will probably reach a total of about $8 billion this year, most of which will represent commercial sales.

Without the cooperation of the so-called agribusinesses these so-called exports would have been impossible.

At this point let me say that the biggest agribusinesses in this country with which Earl Butz has been concerned are the farm cooperatives. Over 70 percent of all dairy products of this country are handled and processed through farm cooperatives. This is agribusiness in itself, and in a lesser amount other commodities, such as citrus fruits, a large percentage of which are handled and processed by cooperatives. The small family farmer certainly could not exist and make his farm pay if he had not had the cooperative agribusiness to handle his products for him.

The cost of Public Law 480 has dropped from about $2 billion a year to half that amount while exports of farm crops for dollars have increased 300 percent.

Public Law 480 has also undoubtedly kept some countries in the world from abandoning democracy and going over the hill into the other camp.

If he has done nothing else but aid in the preparation, enactment and development of our agricultural export program, including Public Law 480, Earl Butz has earned a well-deserved place in our agricultural history.

It may be said that Earl Butz is too old-fashioned—a relic of the past—and not mod.

He still believes in the agricultural college—the experiment station—the extension service and nonsensical ideas, according to some people, like 4–H clubs and future farmers—things to which he has up to now given his whole life.

It so happens that one of the most distinguished Members of this body, Senator

BIRCH BAYH, the junior Senator from Indiana, is a product of these courses, which he pursued at Purdue University under Earl Butz. But Earl Butz still believes in these things, and, up to now, he has given them his whole life.

And, to the chagrin of his critics, he will continue to support these institutions as Secretary of Agriculture, and I think that should be indicated for the RECORD.

As I said in the beginning of these remarks, I am concerned about the future of the Department of Agriculture.

I consider that no department of the executive branch of our Government has contributed to the growth, prosperity, and influence of the United States in world affairs as much as the Department of Agriculture.

I will not take time to go further into detail on Earl Butz' accomplishments, but surely a great agricultural State like Indiana has not been stupid in employing him these many years to educate and train its youth for rural living and the operation of its farms.

Now I am genuinely concerned that the continual wrangling in the Congress, the constant striving for position among farm organizations, the growing power of groups desirous of taking over functions of the Agriculture Department and the incessant stream of abuse heaped upon the Secretary—even a secretarial appointment—will, in the not distant future, bring on the fragmentation of this Department to which America and the world owe so much.

I did not agree with President Nixon's proposal to abolish the Department and assign its work to other agencies of government and I was delighted when in announcing the appointment of Dr. Butz as Secretary he stated that he had changed his mind in this matter.

But, there are those who would assign the food programs—school lunch, food stamp, and others—to the welfare program.

There are those who would assign our export business to the Commerce Department and others, many others who have been working around here this week, who would delegate controls over land use to the Interior Department and our environmental agencies.

I am very much interested to see that some of those people have been working their utmost to bring about the defeat of Earl Butz to the secretaryship.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. AIKEN. I yield myself another 5 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, Earl Butz is dedicated to the continuation of the U.S. Department of Agriculture and its worthwhile functions even if some of his critics are not.

He is dedicated to the continuation of our agricultural colleges, extension services, experiment stations and 4–H clubs.

Does that disqualify him for being Secretary of Agriculture?

In my opinion, that alone would be sufficient reason to vote for his confirmation.

And, finally, the question is asked, what will he do to improve farm income when he becomes Secretary?

Well, let me say right now, he cannot do anything without the approval of the President.

No one could foresee the tremendous corn crop of this year or the heavy yield of wheat in other competing countries or the fact that Northern United States and Southern Canada did not have a frost until early November—an unheard of situation.

Nor could we foresee that the strike of dockworkers would lower the price of export crops materially for the fall period when shipping was needed most.

There has also been resentment over the fact that the administration has, over the protest of the Agriculture Department, seen fit to impound certain funds which might have helped the situation even though those funds are only a small part of the total amount impounded.

I realize that the reason for this has been the rapid increase of costs—the same reason that prompted President Lyndon Johnson to suspend money for highway construction for a period of time during his term of office.

If our conferees can bring back to us a decent and fair tax bill, if we can enact phase II legislation which is fair to the people of this country and is effective in controlling skyrocketing costs, then it will be possible to release a considerable amount of the funds which have been withheld over a more recent period of time.

I am assured that with the passage of adequate legislation and the installation of a Secretary of Agriculture every effort will be made without delay to improve the conditions so important not only to the welfare of our farm people but to the welfare of all people in this country.

Congress must do its part and do it fairly.

Trying to handicap the President in his efforts to create better conditions in this country, and the whole world for that matter, is not justified.

President Nixon has made many mistakes and I have protested them.

He has also done many things right and I applaud them.

Like other people, he has many traits but two of them stand out to his credit.

He is not a fraid cat.

He keeps his promises.

I am confident that with the approval of Earl Butz as Secretary of Agriculture conditions on the farm and in our rural areas will improve.

I have read the minority report prepared by my friend, the junior Senator from Minnesota, and I cannot agree with his conclusions.

I trust he does not panic the community centers of this Nation by calling attention to the huge supply of food with which this country is favored.

As I have stated, the President is the head of the executive branch of Government.

The President has been in charge of this department of Government since it was founded in 1862 under Abraham Lincoln, and since that time no President of the United States has been denied the right to select his own Secretary of Agriculture. To deny him the right now to choose his principal aides—or Cabinet officers—would establish a precedent that would not only make it more difficult for President Nixon, but for any future President, as well.

I ask unanimous consent to have included in the RECORD at this point a biography of Earl Butz, his accomplishments while Assistant Secretary of Agriculture for 3 or 4 years in the 1950's, and a letter which came to me at my request under date of November 24, 1971, strongly in favor of invoking the Taft-Hartley Act in the dock strike, but that has been done since I received this letter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EARL L. BUTZ

PERSONAL

Address: Purdue University, Lafayette, Indiana.

Age: 62.

Marital Status: Married—2 children.

EDUCATIONAL BACKGROUND

B.S.A., Purdue University (Lafayette), 1932 and Ph.D., Purdue University, 1937.

PROFESSIONAL AND GOVERNMENT EXPERIENCE

1937 to Present—Purdue University, Lafayette, Indiana.

Dean: Department of Continuing Education, School of Agriculture.

Professor: Agricultural Economics Department.

1954–1957—Assistant Secretary: Department of Agriculture, Washington, D.C.

1935–1936—Research Economist: Federal Land Bank, Louisville, Kentucky.

1933–1934—Farmer, Noble County, Indiana.

BUSINESS AND PROFESSIONAL EXPERIENCE

Research Economist, Brookings Institution, Washington, D.C.

Research Staff, National Bureau of Economic Research.

Director, Standard Life Insurance Co. of Indiana.

Director, J. I. Case Co., Racine, Wisconsin.

Director, Ralston Purina Co., St. Louis, Missouri.

Director, International Minerals & Chemical Corp., Chicago, Illinois.

Director, Farm Foundation, Chicago, Illinois.

Director, Foundation for American Agriculture, Washington, D.C.

Chairman, U.S. delegation FAO, Rome. (1955 & 1957)

Member, American Farm Economics Assn. (Vice President 1948)

Member, American Society of Farm Managers and Rural Appraisers, Indiana Academy of Social Sciences. (Vice President 1948)

Member, International Conference of Agricultural Economists.

OTHER

Author (book) The Production Credit System for Farmers (1944).

Accomplishments of Dr. E. L. Butz while he served as Assistant Secretary for Marketing and Foreign Agriculture in the U.S. Department of Agriculture from August 2, 1954 to July 31, 1957.

Foreign agriculture

1. Helped work out the first PL–480 program with Turkey on November 15, 1954, and thus laid the background for shipments of surplus farm products which, from that day to this, have totaled about $20 billion.

2. Expanded the Agricultural Attache service overseas from 50 to 56 and brought the attache reporting system back within the USDA.

3. Worked as liaison man for the USDA with the Food and Agriculture Organization of the UN and was instrumental in getting a U.S. citizen, Dr. Vince Cardon, elected as Director-General of the FAO.

Marketing

1. Supervised the largest expansion in the number of Federal Milk Marketing Orders in USDA history. There were 49 orders when Butz took office, 74 when he left.

2. Assisted in the development and strengthening of dairy cooperatives through modifications in milk order programs.

3. Helped rationalize the price relationships of various dairy products to one another through adjustments in milk market orders and price support programs.

General

1. Developed good relationships inside and outside the USDA with the various persons affected by government programs.

2. As a member of the Board of Directors of the Commodity Credit Corporation, worked consistently to move government stocks of commodities into use, at home and abroad.

3. Traveled and spoke widely and effectively in support of Administration programs in and outside of agriculture.

WASHINGTON, D.C.,
November 24, 1971.

HON. GEORGE D. AIKEN,
United States Senate,
Washington, D.C.

DEAR SENATOR AIKEN: In response to your request I am pleased to clarify and expand upon my views on several importans issues.

FOOD PROGRAMS

I fully support President Nixon's pledge to eliminate poverty related hunger and malnutrition in this Nation.

Since the President's historic "Hunger Message" on May 6, 1969, the accomplishments comprise the largest and most successful nutritional undertaking in all history.

I will give high priority, as Secretary of Agriculture, to continued USDA efforts to reach the President's goal. I will energetically work toward improvements in the programs to feed needy families and to improve the nutritional health of this Nation's children.

FARM BARGAINING

Farm bargaining is an important marketing tool for farmers and ranchers. There clearly is need for legislation to strengthen the ability of qualified agricultural cooperative associations to bargain in good faith with handlers for contract terms to improve net farm income.

The Administration has, in testimony before the House and the Senate, supported the principles of H.R. 7597, the National Agricultural Marketing and Bargaining Act of 1971 and companion legislation in the Senate. I completely endorse the Administration's position in this regard.

DOCK STRIKES

America's farmers are suffering tragic, needless losses as the result of the current work stoppages at East Coast and Gulf ports and the recent strike, not yet finally settled, on the West Coast.

Last year the production from one out of every four acres was exported. This year the fall harvest is nearly over. Farm products are now backed up on farms, elevators, warehouses, on trucks, rail cars, and barges. Immediate losses are huge, and permanent loss of export markets threatens chances for future farm prosperity.

As Secretary of Agriculture, every resource at my command will be brought to bear upon an effort to open up the ports. The disastrous conditions currently affecting farmers call for immediate Taft-Hartley Act relief.

Further, I would do everything in my power to obtain legislation designed to eliminate future costly transportation stoppages. The Administration has proposed legislation under the Public Interest Protection Act which is designed to accomplish this very purpose. This legislation is currently before the Congress. I will support it vigorously.

There must be a better way. We must find it.

RURAL DEVELOPMENT

Farmers are a part of the Nation's rural community. They and the others who live in rural America deserve good housing, health care, schools, churches, and all other community services. Rural prosperity is essential if we are going to have thriving rural communities. We must have an expansion of rural economic activity as well as an improvement in farm net income.

I am strongly in favor of an active rural development program designed to strengthen rural communities.

Improved job opportunities in rural areas cannot only reverse the migration to overly congested cities, but will allow smaller farmers to earn off-farm income. This can permit farm families to strengthen their farm operation and continue to live on the farm.

FARM INCOME

I will lead a crusade for higher realized net farm income for farmers. I state this unequivocably. We need several tools, including, but certainly not limited to:

The tearing down of export barriers, especially in the Common Market and Japan.

A vigorous, realistic use of the Public Law 480 program. This is a great humanitarian program which has served the interests of the hungry of the world, and, at the same time benefited this Nation's farmers.

Steps to improve the price of grains. As I have already stated, the price of corn is too low. As soon as possible after confirmation I will recommend action.

I intend to implement the greatest agricultural market development program in all history. The basis for good farm prices is expanding demand at home and abroad.

The beginnings of a grain trade with the Communist bloc has been announced. I will do everything possible to develop this great market potential.

GENERAL

I consider it a great honor to be nominated to the Cabinet as Secretary of Agriculture.

At the same time I fully recognize the great challenges one faces in that position. It is a difficult job. I have no illusions about that.

But I can also see great opportunities. Opportunities to serve this Nation's farmers who have, through their fabulous productivity, contributed so much to our standard of living. Opportunities to serve this Nation's people in all walks of life, consumers, conservationists, the young, the old, the needy, and the affluent. The programs of the United States Department of Agriculture serve every citizen of this Nation in a number of significant ways.

I am most grateful, Senator Aiken, for your wise counsel and invaluable assistance.

Sincerely,

EARL L. BUTZ,
Secretary-Designate.

Mr. HARRIS. Mr. President, I yield 6 minutes to the Senator from North Dakota (Mr. YOUNG).

Mr. YOUNG. Mr. President, I thank the distinguished Senator from Oklahoma for yielding. I want to express appreciation to the Democrat side of the aisle for granting me 6 or 7 minutes to speak in opposition to the confirmation of Dr. Earl Butz as Secretary of Agriculture. I sought, in vain, to obtain a little time from the Republican side, and this even though I have sat on this side of the aisle for 27 years.

Mr. President, it is not easy for me, as a lifelong Republican and a Member of the Senate for many years, to oppose the confirmation of a Cabinet member nominated by a Republican President of the United States. I do so only because of the strong conviction I have regarding this nominee, Dr. Earl Butz. My opposition to his confirmation I believe is in the best interests of both the farmer and the Republican Party.

Unquestionably, Dr. Butz is an honorable decent person. His thinking, his views, and policies with respect to agriculture, however, are so different from my own and, I believe so different from the people I have the honor to represent, that I feel I have no alternative but to vote against his confirmation.

Ever since I first knew Dr. Butz, and that was when he was Assistant Secretary of Agriculture under Ezra Taft Benson, his views on farm programs, and particularly price support programs, were for low price supports or none at all. In the hundreds of speeches he has made since that time, I can find no indication that his thinking has changed.

Fortunately, dairy commodities, tobacco, rice, and peanuts have high fixed mandatory supports. No matter what the thinking of the Secretary of Agriculture may be, there is little he can do to change these programs. This is also true of the present cotton program. The present farm legislation with respect to other field crops, and particularly grain, is very flexible and leaves great discretion with the Secretary of Agriculture. If he wanted to, any Secretary of Agriculture could make these price support programs even far more ineffective than they are now. Thus the Secretary of Agriculture has vast authority to affect the income level and economic well being of millions of farm families. No doubt this is why the opposition to Dr. Butz' confirmation is so strong and widespread in my area. He has the power to make or break the average farmer. No doubt this is why the opposition to Dr. Butz is so strong in North Dakota.

I have noted that farmers involved in almost every other kind of production, too, are very deeply concerned about the confirmation of Dr. Earl Butz. No doubt a part of this is due to his sizable interests and influence in such huge concerns as Ralston-Purina which are not only processors of feed and food, but are also deeply involved in farm production itself. No small or average-type farmer can hope to compete against any huge corporation in the farming business, particularly when some of their other operations are profitable and they can take a writeoff on any farm loss they may have.

Mr. President, all three of the general farm organizations in North Dakota—the Farmers Union, the Farm Bureau, and the NFO—the State Association of Rural Electric Cooperatives, and many other organizations have advised me of their opposition to the confirmation of Dr. Butz. Of the 208 telegrams and 54 letters I have received thus far from North Dakota alone, only two telegrams expressed support for his confirmation. As their representative in the U.S. Senate, I could hardly ignore this almost unanimous request to vote against this confirmation.

Mr. President, I lived on a farm 47 years of my life or until I came to the U.S. Senate. I never had any other interests or investments, nor do I now. Many people have thought of me as strictly a wheat farmer. Actually my farming operations were quite diversified. While wheat was usually the major crop, for a long period of time I had a sizable dairy herd and I was also in the business of raising hogs and sheep. You could hardly find a more diversified farming operation in any State than mine was. While I am no longer a farm operator, all three of my sons are actual North Dakota farmers and they, too, have no other interest except in their farming operations.

With this kind of a background, Mr. President, I could not help but have a deep and continuing interest in agriculture. May I repeat again what I have said on the Senate floor before—I am a farmer first, and a Republican second.

Mr. HARRIS. Mr. President, I yield myself 1 minute.

I compliment the distinguished Senator from North Dakota for the excellent and very apt statement which he has made. As he knows, my father, who is a small farmer in southwestern Oklahoma, and I for many years followed the wheat harvest up to the State of North Dakota, and I know of the farming interests in his State, which are very similar to my own. He certainly expressed my own opinion on this nomination, and also that of the farmers of my State.

Mr. President, I also want to announce that the distinguished chairman of the Senate Committee on Agriculture and Forestry would be here to make a statement at this time against the nomination except that he is in the conference on the tax and campaign financing bill. He does oppose the nomination of Mr. Butz and will make his principal statement in the morning.

Now I am glad to yield 15 minutes to the Senator from Missouri (Mr. SYMINGTON).

Mr. SYMINGTON. Mr. President, I thank the able Senator from Oklahoma. May I first say to the Senate that I hope every Senator, prior to voting on this matter, will read the remarks of the distinguished senior Senator from North Dakota, who for many years, I have felt, was not only an outstanding representative of the American farmer, but represents all that is best from the standpoint of experience and character in the U.S. Senate.

Anyone interested in the future of those millions of Americans who continue their bitter struggle to live on our land, so as not to be shunted into the cities to probably increase that already high unemployment that is currently characteristic of those latter areas, should view with grave reservation this nomination of Dr. Earl L. Butz to be the next Secretary of Agriculture.

I do not question the fact Dr. Butz really believes his oft-announced concepts of how the business of farming should operate. Based upon the record, as well as the testimony of this nominee, however, it is all too clear that if he obtains the authority to carry out these concepts, and if he is sincere in what he has been saying for many years, his appointment can only perpetuate and accelerate the price-depressing policies now characteristic of the farm programs currently backed by this administration.

This in turn can only further erode the confidence of agriculture, in any Federal farm programs; and this at a time when voluntary participation is being constantly stressed by the Department of Agriculture.

It is no secret that the career of Dr. Butz has been one which has consistently displayed an orientation in favor of the industrial processors, not the agricultural producers. Apparently his definition of efficiency is one which will drive another million farmers out of business by 1980; and this without regard to the individual efficiency of many family-size farms. I say this because under his policies the producer of agriculture products will be even more at the mercy of the great industrial processors.

The record also shows that, in his search for what he terms a "free market," Dr. Butz would favor a further decrease in any Government involvement in the farm economy.

Even without his direction, this current agricultural year well illustrates what happens to the individual producer if the Department of Agriculture works one side of the fence, but not the other.

Acting on what he said was "in the national interest," last year the former Secretary of Agriculture, who has now become a vice chairman of the corporation which Dr. Butz has represented for many years, called for heavily increased planting of feed grains so as to avert the anticipated shortage resulting from corn blight. When this expected development did not materialize, however, the consequent increased supply of corn and other grains glutted the market to the point where prices were driven down to the lowest levels in many years; and are still down.

Because of the failure to date of this administration to increase the loan support level for corn and other feed grains—and this is what many of us pointed out, Mr. President, would happen if we gave up our rights and gave them to the Secretary of Agriculture last year—individual farmers are now being penalized for responding to this "maximum production" call issued by their Government.

In other words, their cooperation with the Department of Agriculture has cost them heavily in income; and nobody can deny that.

Should not the Secretary of Agriculture be one whose record, not whose statements around the time of his request for confirmation, demonstrates that his primary interest is in the welfare of the farmer, not in the further progress of the giant vertical corporations whose profits increase in proportion to the lower prices they are able to obtain from the agricultural producers?

The facts presented above are well known to every segment of agriculture including most farmers.

The latter ask why should there not be just one member of President Nixon's Cabinet—just one—who represents the producers of the industry that employs more Americans than any other; and this apprehension is probably the chief reason for the overwhelming opposition to the nomination of Dr. Butz by the farmers of my State.

Mr. President, I represent a State in which we have two great cities, although agriculture is our largest industry. We will find Senators representing great cities who will come in here and vote for measures to crush the farm income of the remainder of rural agriculture. But, if it is any consolation to them, they will be the ones who will, in turn, be demanding more money for the people who they are demanding move off the land into the ghettos, for which they are coming in here and asking for millions and millions of dollars more in public welfare support.

From Missouri, I have received nine communications in favor of Dr. Butz and 321 against his appointment.

As but one illustration of their views, let me quote a letter received from the gentleman who is generally considered the No. 1 farmer of Missouri, Mr. Fred V. Heinkel, president of the Midcontinent Farmers Association:

With regard to the confirmation of Dr. Earl Butz for Secretary of Agriculture, it is our belief that Dr. Butz should not be confirmed by the Senate for Secretary of Agriculture of the United States.

I have not had a single MFA member or farmer tell me that he favors Dr. Butz as Secretary. I am not sure that all of these people know Dr. Butz's "track record" as we do, but the one thing they know and shall never forget: He was part and parcel of the disastrous Benson programs in the '50's.

Missouri farmers also know that since 1950 the Nation's farm population has dropped from 25.1 million—16.5 percent of the population—to 9.7 million in 1970—4.8 percent of our population.

Where have these people gone? Anyone who is interested in the problems of the cities can tell you where they have gone. In the main they have flocked to our cities in the effort to earn a living, thereby contributing to the sharp increases in the unemployment characteristic of recent years; and this, of course, has contributed to the dramatic rise in the number of people who have been forced to go on welfare in order to survive.

Dr. Butz, however, does not view the human tragedy of this development as any "new trend;" rather one which has been going on during most of this century, and one which he accepts, and presumably advocates, to survive.

In a speech May 2, 1957, entitled, "The New Look in Agriculture," Dr. Butz said:

Machines will continue to displace men on our farms. We will produce more with fewer firms and with fewer workers than at present.

The man who represents or is supposed to represent our farmers in the Cabinet of any administration should be a man who recognizes the important social values inherent in the family-size farm—human beings should be on his mind, not machines.

Another Missouri farm leader, Oren Lee Staley, of Rea, Mo., president of the National Farmers Organization, summarized the concern of our farmers as follows:

The Senate, in voting on confirmation, will be making a choice on the kind of agriculture and rural America our country wants to encourage. This crucial decision, in our judgment, is the most important single farm vote in this Congress. Farmers everywhere are deeply upset over the selection of Earl Butz and hope the Senate will not cast a vote against them. We, therefore urge you to vote against the confirmation of Dr. Butz.

Finally, Mr. President, again it is the record that really counts. So let us look at that record.

Statements made by Dr. Butz, from the time of his service under Ezra Taft Benson as Assistant Secretary of Agriculture in 1957 up until a few months ago, reflect his considered attitude toward the enforcement of programs for which he would be responsible; programs such as the food stamp program, a program which gives food to little children and to aged and ill people all over the United States, and the Packers and Stockyards Act.

As late as April 26, before an agriculture and marketing seminar in Minneapolis, Dr. Butz described as "fadism" the recent concern expressed by Members of the Senate toward the problems of hunger and malnutrition in the United States.

In the same speech which was referred to in an editorial in the Washington Post this morning, he described the food stamp program—now get this—as "just short of ridiculous in some parts of the country."

What a statement for the Secretary of Agriculture to make. I remember years ago when the Secretary of Labor appointed by the late, great President Eisenhower was a plumber, and everyone said, "Imagine a plumber in the Cabinet of the President of the United States."

But I heard the president of the A.F. of L. take those comments apart, when he named the Secretary of Defense and asked, "Who does he represent?" He named the Secretary of the Treasury, and asked, "Who does he represent?" And he went right through the Cabinet. Then the head of the A.F. of L. said:

Can't we have one person in the Cabinet who represents the tens of millions of Americans in labor organizations? And if there is one in the Cabinet, should he not normally be the Secretary of Labor?

Well, Mr. President, are we not in exactly the same situation today? Is there to be no one in the Cabinet of the President of the United States who represents the producers of the farm products which represent the food that is needed by everybody in this land?

I know there are those who do not think so, and I know there are those who are planning to eliminate any representation.

I have in my hand the Kiplinger Agricultural Letter, the last one out, dated November 26, 1971, and it reads:

Here's something farmers should get firmly set in their minds.

Dep't of Agriculture is on the way out . . . probably this decade.

One way or another USDA is going to eased out of existence.

Then NO gov't agency will speak exclusively to or for farmers.

Oh, Nixon says USDA will be kept . . . as a major gov't department with full cabinet status. Made the announcement at White House briefing for newsmen when he nominated Earl Butz to be next Sec. of Agriculture.

This makes great election year talk . . . designed to placate farmers. And undoubtedly true for the time being. USDA will be kept for a while.

Then the letter says:

So . . . a change in strategy regarding USDA. Keep it now . . . but set stage for future abolition by city congressmen.

Mr. President, so that I will not be accused in any sense of taking anything out of context, I ask unanimous consent that this part of the Kiplinger Agricultural Letter of November 26, 1971, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE KIPLINGER AGRICULTURAL LETTER,
Washington, D.C., Nov. 26, 1971.

DEAR SIR: Here's something farmers should get firmly set in their minds.

Dep't of Agriculture is on the way out . . . probably this decade.

One way or another USDA is going to be eased out of existence.

Then NO gov't agency will speak exclusively to or for farmers.

Oh, Nixon says USDA will be kept . . . as a major gov't department with full cabinet status. Made the announcement at White House briefing for newsmen when he nominated Earl Butz to be next Sec. of Agriculture.

This makes great election year talk . . . designed to placate farmers. And undoubtedly true for the time being USDA will be kept for a while.

But study Nixon's remarks . . . analyze . . . dig for the true meaning:

He will rejigger USDA to represent ONLY farmers. Sounds great on the surface. It's just what many farmers have wanted for a long time.

Agriculture will be stripped of NONfarm programs and functions. A proposed Dep't of Community Development will acquire rural housing, water & sewer programs . . . probably Rural Electrification Administration. Forest Service and SCS will go to proposed Dep't of Natural Resources. These moves will be made via the legislative route . . . perhaps next year. Later on, meat & poultry inspection will be combined with Food & Drug. Food stamps and school lunch will move to HEW or whatever succeeds it.

Only bare bones will be left: ASCS to administer farm programs, a farm statistics group, plus some research . . . economic, crop, livestock.

Can a stripped-down USDA survive as a major gov't department over the long pull if its only function is to serve commercial farmers?

Odds are definitely against it. Will be very hard to justify cabinet status for a dep't that serves only 500,000 to 600,000 farmers. Congress will take a dim view as it becomes even more urban-oriented.

Question: Isn't farming part of commerce? The "manufacturing" and marketing of food and fiber. Agriculture is now "another industry," not a "way of life," it's argued, or something needing special treatment.

So why not represent it that way in gov't? Have a farm agency within the Commerce Dep't or whatever dep't is to represent business. Some observers predict this is the route Agriculture will be following. Say Nixon is still for it, but realizes farm votes will be hard to get if he continues to say it. So . . . a change in strategy regarding USDA. Keep it now . . . but set stage for future abolition by city congressmen.

The PRESIDING OFFICER. The 15 minutes allotted the Senator have expired.

Mr. SYMINGTON. I ask for 5 additional minutes.

Mr. HARRIS. I yield the Senator 5 additional minutes.

Mr. SYMINGTON. In May 1957, as Assistant Secretary of Agriculture, in connection with hearings on a bill designed to prevent monopolistic practices in the meat processing industry, Dr. Butz appeared before the Senate Subcommittee on Antitrust and Monopoly.

An article based on those hearings appeared last week in the St. Louis Post-Dispatch. This article asserted that Dr. Butz "squelched" an investigation of alleged price fixing of a major grocery chain in 1956.

The article then goes on to state, in part:

Butz acknowledged halting an inquiry into Safeway Stores, Inc. in testimony before a Senate Subcommittee in 1957. A subordinate testifying before the same subcommittee said that there was evidence of federal law violations by Safeway in its meat-buying operations in California.

Sources interviewed today recalled the Safeway inquiry and said that Butz stopped the investigation after it had uncovered specific information about methods allegedly used by Safeway to control beef prices.

Such tactics would have been in violation of the federal Packers and Stockyards Act of 1921.

The source asked not to be identified but said that he would testify about the matter before a Senate committee if asked. He said that documents locked up in the Department of Agriculture would confirm his contention.

I do not know whether these assertions are true or are not true. They have been placed on the public record, however, and, therefore, should be looked into carefully prior to final consideration of this nomination.

The farmers of America already have enough problems in their struggle to make ends meet; and it would seem that this is hardly the time to have as their representative in the Cabinet of the President of the United States one whose statements, whose record, and some sources of income demonstrate with clarity that his primary interest has been with those who profit most when farm prices are at their lowest.

It is for the foregoing reasons that I will vote against confirmation of the nomination of Dr. Butz, and I ask my colleagues to do the same.

I ask unanimous consent that the articles from the November 26, 1971, St. Louis Post-Dispatch and the December 1, 1971, Washington Post be inserted in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the St. Louis (Mo.) Post-Dispatch, Nov. 26, 1971]

BUTZ HALTED PRICE STUDY

(By Lawrence E. Taylor)

WASHINGTON, Nov. 26.—Earl L. Butz, nominated as Secretary of Agriculture, squelched an investigation into alleged price-fixing by a major grocery chain in 1956 when he was an assistant Secretary of Agriculture, records showed today.

Butz acknowledged halting an inquiry into Safeway Stores, Inc., in testimony before a Senate subcommittee in 1957. A subordinate testifying before the same subcommittee said that there was evidence of federal law violations by Safeway in its meat-buying operations in California.

Butz, who left the department in 1958 to join the faculty at Purdue University, has been criticized for his close ties to big businesses with agricultural interest.

At the time of his nomination to the top agriculture job by President Richard M. Nixon, Butz was on the boards of several agriculture business firms, including Ralston Purina Co. of St. Louis. He said he had resigned from those positions.

Sources interviewed today recalled the Safeway inquiry and said that Butz stopped the investigation after it had uncovered specific information about methods allegedly used by Safeway to control beef prices.

The sources told the Post-Dispatch evidence indicated that each week Safeway buyers allegedly set a top price that the company would pay for beef.

This price allegedly was passed along to buyers for other California retailers and commercial outlets and allegedly resulted in a ceiling on beef throughout the state, the sources said.

Such tactics would have been in violation of the federal Packers and Stockyards Act of 1921.

One source, close to the investigation, recalled that the inquiry was begun after California cattlemen and beef producers had complained to the Department of Agriculture.

The source said that the inquiry, conducted by the department's packers and stockyards division, had been under way for two or three months when Butz, in a handwritten directive, ordered it halted.

"The next step (in the investigation) would have been to question them (Safeway executives) and get documents, and to question some of those alleged to be in the conspiracy," the source said.

The source asked not to be identified but said that he would testify about the matter before a Senate committee if asked. He said that documents locked up in the Department of Agriculture would confirm his contention.

In addition to price-fixing, the investigation had sought to determine whether Safeway's ownership of livestock feed lots had enabled it to unfairly influence meat prices, the source said.

Butz, testifying before the Senate judiciary subcommittee on antitrust and monopoly in May 1957, discussed only the feedlot aspects of the investigation.

His initial answers to questions by subcommittee members about the Safeway matter were vague. His memory improved, however, when Lee D. Sinclair, director of the section making the investigation, appeared before the subcommittee.

Sinclair testified that at the time Butz halted the inquiry, "we felt . . . there was sufficient evidence to warrant a full-scale investigation; that the facts indicated a violation (of the law)."

Butz had testified earlier that the investigation was stopped "because we had no conclusive evidence, as far as I know, and as of this date we have no conclusive evidence that this practice does in fact depress prices."

He said that the matter was "much broader than Safeway" and dealt with questions of whether retail chains could own feedlots and meat packing plants.

For that reason, the investigation was ended and the matter was turned over to an agricultural economist for study, Butz said.

Sources interviewed today, said, however, that the normal pattern in such cases would have been for the department to order an economic study while the price-fixing inquiry was continued.

If sufficient evidence of law violations had been uncovered, the matter would have been referred to an Agriculture Department hearing examiner, the source said. If the examiner had found Safeway guilty, a cease-and-desist order could have been issued.

Publicity resulting from the hearing would have been embarrassing to the company, which at the time was one of the largest retail grocery chains in California.

Safeway, in a letter filed with the antitrust and monopoly subcommittee in 1957, denied any wrongdoing. The company did not discuss its meat-buying practices, however, and the matter was not raised at the hearing.

The sources said, however, that word of the departmental investigation and the resulting economic study apparently leaked back to Safeway and the alleged price-fixing was stopped.

The investigation was begun and halted when Ezra Taft Benson was Secretary of Agriculture. Sources said that there was no indication that Benson had been involved directly in the decision to terminate the inquiry.

Butz has been challenged because of his close identification to Benson's policies. Opponents of his confirmation to the Agriculture post have said that 38 Senators probably would vote against him when the nomination reached the Senate floor. Butz was approved by the Senate Agriculture Committee 8 to 6.

[From the Washington Post, Dec. 1, 1971]

FARMERS AND POLITICS

The most fascinating aspect of the fight in the Senate over the nomination of Earl Butz to be Secretary of Agriculture is why the Nixon administration got into it in the first place. Mr. Butz is hardly what you would call popular in the farm states, except among the really big farmers and farm corporations, and substantial numbers of Republican voters live in those states. His nomination has made almost all of the Republican senators from those states squirm and some of them, normally staunch supporters of the President, have already said they will vote against confirmation. On the other side of the aisle, however, the Democrats are having a field day. Mr. Butz is so easy for them to shoot at that some of them are toying with the idea of voting to confirm his nomination so they will have him around for a target next fall.

The complaint against Mr. Butz, as we understand it, is threefold. He is a symbol, as well as an advocate, of what has become known as agribusiness—the takeover of the food production system from beginning to end by large corporations. The second count in the complaint is that he is out of step with even this administration's efforts to aid the poor; last spring he called the food stamp program "so generous, so extensive—that it's just short of ridiculous in some parts of this country" and said the President's welfare program is "so far out that even the Democrats in Congress won't buy it." The third count is that he is simply insensitive—he seems to regard the current concern about pollution and the environment as a passing fad.

With that kind of record behind him, Mr Butz was certain to run into trouble on Capitol Hill. The farm problem is one to which many senators are peculiarly sensitive, partly because some of their constituents are farmers and partly because they know the nation doesn't really have a program or a policy to deal with it. Congress simply hasn't decided yet what to do about farming—whether to try to save some of the old small farms, or to let the whole food production cycle slide into a big business operation, or to find a middle road. On that point, the Senate might be better advised to debate what the policy ought to be instead of who the Secretary of Agriculture should be. Mr. Butz, whether the new secretary or dean of an agriculture school, isn't going to establish the nation's policy himself.

As a general rule, Presidents ought to be able to get Senate confirmation of those men and women they want in their cabinets as long as the nominees have honorable records and possess some qualifications for the job. Cabinet members, after all, are the President's hand-picked advisers and administrators. Even so, we can understand why some senators, Republicans as well as Democrats, don't want Mr. Butz to become the President's key adviser on farm policy. What we don't understand is why the President wants him—particularly when his choice so embarrasses some of his best friends in the Senate. And that leads us to wonder whether the President knew as much about Mr. Butz when he made the nomination as he knows now. If he did, it seems to us that he unnecessarily picked a fight which will hurt him politically even if he wins it. If he didn't everybody—except the Democrats who want to run against Mr. Butz next November—might be better off if the nomination were withdrawn.

Mr. AIKEN. Mr. President, I yield 5 minutes to the senior Senator from New York.

New York is one of the greatest agricultural producing States in the Union, and the greatest consuming population of any area in the United States is in the New York City area.

Mr. JAVITS. Mr. President, it is my intention to support the confirmation of the nomination of Dr. Earl Butz to be Secretary of Agriculture. I wish to make certain points clear in that regard.

First, the nomination we are considering is a Presidential nomination for a Cabinet position. As I stated in my floor statement of October 20, 1971, discussing the Supreme Court nominations—where I set my criteria for such confirmations—I am prepared to vote to confirm, subject to substantiality and integrity, nominations of Cabinet or similar officials made by the President precisely because these appointees should be, insofar as possible, those the President chooses and who will work with and for him. As to Dr. Butz, I must be motivated importantly by the fact that the President wants him as the Secretary of Agriculture.

Second, I do not have to agree with all of Dr. Butz' philosophy and attitude toward the programs administered by the Department of Agriculture.

I do not suppose one could agree fully with any honest man. But I would have to be satisfied that he reasonably meets the policy requirements which I feel are demanded for American agriculture—

again bearing in mind that the President wants him and that, therefore, if I can, I should give the President the man he wants. This is a job in which the President has more of a right to have his chosen assistant.

My deep interest is in the hunger and nutrition programs—in the school lunch program, in the food stamp program, in the school breakfast program and other nutrition programs. I was the ranking member of the Senate Committee on Hunger and Nutrition.

I have had a discussion with Dr. Butz and had it expressly in the light of a speech he gave last April in which he seemed to criticize the programs to which I have just referred, and in which he specifically referred to a trip taken by Senator McGOVERN to Florida to investigate hunger problems—a trip, incidentally, of which I was a part, as a member of the Senate Hunger and Nutrition Committee.

After discussing this matter with Dr. Butz, I felt that the talk he gave was mainly directed toward the point that we Americans have a tendency, when we are for something to drive it and drive it and drive it until it might become an excessive preoccupation with us, and that we manifest that in our action. I might not agree, but I can understand that it did not necessarily represent a basic policy deficiency so far as his administration of the Department would be concerned.

I now have a letter from Dr. Butz bearing out my conclusion that, under all the circumstances presented, I should support him, and I should like to read the letter into the RECORD. It is addressed to me, and it reads:

WASHINGTON, D.C.,
December 1, 1971.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR JAVITS: May I assure you in this letter as I did in our conversation yesterday of my deep and abiding interest in a program that assures that no American will go to bed hungry or the victim of malnutrition.

During the three years of this Administration, the food stamp program and the school lunch program have increased substantially. These programs have my full and enthusiastic support.

I have often stated that U.S. agriculture is so productive and that this country is so affluent that we simply cannot and must not tolerate pockets of malnutrition and hunger.

Moreover, I am convinced that the various food distribution programs administered by the U.S. Department of Agriculture can be a positive factor in alleviating the difficult problems of the inner city that plague the population of our larger metropolitan areas.

You may be assured that I will exert every possible effort to see that the abundant production of our American farms finds its way onto the tables and into the school lunches of our more than 200 million citizens.

I look forward to working with you in the implementation of this program.

Sincerely,

EARL L. BUTZ,
Secretary-Designate.

Mr. President, the efforts of the agricultural organizations in the State of New York—and I have communicated with many of them as to the general policies expressed by Dr. Butz—seem to be in accordance with the future of agriculture and the future of dairying under the special conditions which obtain in my State. Not that these conditions are unique, but they are conditions which particularly obtain in my State, which is, in fact, one of the leading agricultural and dairy States in the country.

The distinguished Senator from Vermont (Mr. AIKEN), who has been a great leader of agricultural interests and such a close neighbor to New York State, has expressed the fact that my State, though a very great industrial State, is also a very great farming State, especially dairying.

Mr. President, I will read into the RECORD part of a resolution adopted by the American Freedom from Hunger Foundation in November relating to its views on the work of Dr. Butz and his selection by President Nixon to be Secretary of Agriculture.

The Foundation resolution said:

Resolved, by the Board of Trustees of the American Freedom From Hunger Foundation, assembled in its annual meeting November 15, 1971, that we extend congratulations and good wishes to the Honorable Earl Butz upon his selection by President Nixon to be Secretary of Agriculture; and

Express our sincere appreciation for his effective support of the work and objectives of our Foundation during his years of service as a member of our board; and

Look forward to continuing cooperation with Secretary-Designate Butz in his new role, knowing his dedication to combatting hunger, poverty and malnutrition at home and abroad.

For the reasons I have stated I shall support the confirmation of Dr. Butz. I feel on balance the President should have the Secretary of Agriculture he wants for his Cabinet.

I thank my colleague very much for yielding me this time.

Mr. AIKEN. This would be a good place to put in the RECORD the fact that in fiscal 1969 the appropriation for the food stamp program was $280 million. For fiscal year 1972, 3 years later, it was $2.2 billion, an increase of 750 percent approximately—I have not figured it out exactly.

One thing that ails the food stamp program in certain places is that it has been expanded faster than we could get administrative help to administer it properly. A 750-percent increase in 3 years does not seem to be too bad for the present Department of Agriculture.

Mr. HARRIS. Mr. President, I yield 5 minutes to the Senator from Minnesota (Mr. MONDALE).

The PRESIDING OFFICER (Mr. HUGHES). The Senator from Minnesota is recognized for 5 minutes.

Mr. MONDALE. Mr. President, I rise to join with many of my colleagues in opposition to the pending nomination. The Senator from New York recounted just now how a man in private life opposed and ridiculed the food stamp program, opposed and ridiculed the committee's nutrition experts going to Florida to find out the absolutely tragic life of the migrant farmworkers in terms of hunger and malnutrition, ridiculed the effort of Senator KENNEDY and others in going to Alaska to look at the absolutely appalling human conditions of the Eskimos and other Alaskan Natives, and how now, "at 3 minutes to midnight," as his attempted confirmation nears, we receive a letter from him indicating that he is really for all of these humanitarian programs after all.

My father was a Methodist minister, and he used to tell me to be wary of deathbed conversions, because they not always meant the way they seemed to appear and occasionally, when a man survives, he forgets the commitments he made at the time of the deathbed conversion.

To suggest that the man whose entire life has been a shining example of being a special pleader for the corporate processing and trade interests in American agriculture, who has spent most of his adult life in a series of activities and pronouncements which have been antagonistic to the family farmer in this country, who says that he now has changed all of those attitudes, has changed all of those associations and all of those beliefs and is suddenly a friend of the American family farmer, I think is asking more of the U.S. Senate than can be expected.

We in the Midwest, in agricultural America, do not think that the family farmer needs any defense. If we talk about efficiency, about productivity, about delivering quality food and nutrition to the American consumer at a reasonable price, the American farmer stands almost alone in the American economy in terms of magnificence of production and efficiency, and for his dedication to hard work.

What is needed is a series of programs to reward him for those efforts. There is very little hope that he will have such programs and such philosophies in the hands of the present nominee should he become Secretary of Agriculture.

Time and time again he has shown that he opposes the very program, the very efforts that are important for a sound family farm agricultural system. That is why he meets with severe opposition from the farm organizations which represent family farmers when he is opposed by farm workers, by rural businessmen, by environmentalists, by nutritionists, by people who want a humane and a just America. He simply does not represent a broad-enough segment of agriculture adequately to serve as Secretary of Agriculture.

An editorial appeared yesterday in the Worthington Globe, one of the finest newspapers in Minnesota. It suggested that Mr. Butz should be made Secretary of Commerce, because that has been his life; that his associations have been found almost exclusively with the large processing and marketing corporations of this country, and that therefore his views and his antagonism to rural family farming life make him a very unwise choice indeed to be Secretary of Agriculture.

I think that this editorial speaks responsively for the people in rural America who are trying desperately to preserve an enviable way of life and a precious heritage.

Farmers and rural Americans need a Secretary of Agriculture who has a broad outlook on the total needs of agriculture

not someone who admits defeat by saying, "Nothing can reverse the trend."

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EARL BUTZ SHOULD NOT BE CONFIRMED

On Monday Iowa's Sen. Jack Miller cast his vote in the Senate Agriculture committee against the nomination of Earl Butz for Secretary of Agriculture. Miller said he would not vote for a nominee who less than two weeks ago predicted there would be only 600,000 commercial farmers left in America—and that there was nothing any administration could do to reverse that trend. "When it comes to agriculture I feel that my first duty as a senator from Iowa is to stand up for the farmers of Iowa," Miller declared.

With that, it could be said the battle is fought although the issue is not yet decided for farmers through the local region. Every senator from the upper Middle West—Miller and Hughes of Iowa, Mondale and Humphrey of Minnesota, McGovern of South Dakota, Young and Burdick of North Dakota, Nelson and Proxmire of Wisconsin—is in opposition to the Butz nomination. Partisan politics have been somewhat laid aside.

The only major political figure in either the Republican or Democratic parties of the region to support the nomination is Rudy Boschwitz, Minnesota Republican national committeeman, who Sunday said Butz is "an excellent and courageous choice" and who said he is encouraged to advocate Butz after discussions with "a large number of farmers and farm leaders throughout the state."

There is a snobbery in American politics which dictates that no farmer is capable of directing the Department of Agriculture. Farmer-congressman (Minnesota's Ancher Nelsen or Albert Quie as two examples) are ever overlooked and the department has been headed by a succession of lawyers, economists, educators and professional politicians. Not since the "millionaire cabinets" of the late 19th century, however, has it been suggested that a corporation director could be the most effective spokesman for America's farmers.

It is this, precisely, which rankles.

Earl Butz is a man of distinction, ability and achievement. This is indisputable. He both owns stock and has served on the board of directors of some of the best-known corporations of America, among them the Ralston-Purina corporation, the J. I. Case corporation, Stokley Van-Camps and International Minerals and Chemicals. Ultimately, however, the credentials suggest he could more appropriately be nominated for Secretary of Commerce than Secretary of Agriculture. His interests and experience do not suggest him as the nation's first and best spokesman for the men who plow the fields and plant the corn in southwest Minnesota and northwest Iowa.

Nor does his philosophy.

Mr. Butz is persuaded (as was his onetime chief, Ezra Taft Benson) that "there is nothing any administration can do to reverse the trend" from America's tradition of family farms to the phenomenon of but a relative handful of sprawling, corporate farm operations. This judgment may even be correct; many insist that it is.

There is still substantial reason to hope that much that has been good in American agriculture can be preserved, however. The men and women who are on the farms are not ready to capitulate. They are doing battle to preserve an enviable way of life and a precious heritage. They deserve a spokesman and leader with this same will to fight who will give representation to their cause.

Mr. Butz does not even propose to make a significant effort to ease the present plight of America's farmers. He suggested to the Senate Agriculture Committee that the present 90-cent corn might be made $1-a-bushel corn. That would still not be a fair return. And for the longterm outlook, Butz has already written off farming operations of the kind we know today. "Nothing can reverse the trend."

It will be a sorry development indeed if Earl Butz should become the Secretary of Agriculture.

Mr. MONDALE. Mr. President, the controversy over President Nixon's nomination of Dr. Earl Butz has focused emphasis on our Nation's increasing need for bold new programs to revitalize rural America. I have declared my opposition to the nomination because I do not believe that Dr. Butz is the man for the job. As you know, the nomination has met severe opposition from farmers, farmworkers, rural businessmen, and environmentalists. Dr. Butz clearly does not represent a broad enough segment of agriculture to adequately serve as Secretary of Agriculture.

I do not question the professional competence or the integrity of Dr. Butz. But I believe his ideas and philosophies regarding the fate of rural America are archaic and disastrous. He has said that we lost a million farmers under Secretary Benson and another million under Secretary Freeman. His own philosophies indicate that he would have this trend continue. But trends toward fewer and larger farms and the movement of millions of people into the crowded cities are not inevitable. These trends have been nurtured and prodded by programs and policies that encourage invasion of agriculture by corporate conglomerates.

In agriculture, as in other sectors, our Nation has tremendous potential for improvement. We can stop the off-farm migration and even move people back into the rural areas if we vigorously work toward those ends. This must be done soon if we are to have anything left out there in rural America to save.

The vast facilities of the Department of Agriculture and the land-grant colleges and universities could be extremely instrumental in improving the situation in rural America, thus improving the entire Nation. Government could help even more with policies that would reward our farmers for their enterprise and productivity. By instituting bold new programs we could encourage new vigor in rural America.

A vital and stable rural America is important to the entire society and economy. Every year our farmers use the natural resources and their own labor and management skills to create new wealth. Their produce abundantly satisfies the food and fiber needs of our society. Portions exported provide a substantial boost to our balance of payments. Every dollar of income returned to farmers for their production turns over in the economy several times to generate more income in other sectors. For these reasons, better farm income is a basic need for improvement of rural America and the entire economy.

In addition to the economic importance of a vital rural America, there are several social and environmental issues which concern the total Nation and are directly influenced by the well-being of our independent family farmers. Poverty in rural America adds to poverty in urban America. Off-farm migration increases overcrowding of cities. Large corporate landowners, which displace family farmers who have been stewards of the soil for generations, will likely have less regard for the environment and for good soil and water conservation methods. Seldom has a conglomerate shown much concern over the well-being of its farm laborers or the rural community.

A century ago, it became our primary national policy to move people westward into the open lands of the frontier. As a result, our democracy and free enterprise system were enhanced by the development of many small towns, independent businesses and family farms. But, unfortunately, we began neglecting those important entities a few decades ago. It is time to redirect our priorities toward revitalizing the thousands of small communities in rural America which have always been the roots of our Nation's greatness.

The new vitality of rural America must start with good farm income. So far, this administration has shown little interest in that respect. The set-aside program of land retirement is totally inadequate as a system of supply management. Experienced farmers predicted that during signup last winter. This year's vast overproduction and severely depressed wheat and feed grains prices have proven the program's inadequacy.

Several bills have been introduced in efforts to improve the depressed farm price situation. These include S. 2729, which authorizes establishment of a strategic reserve of storable commodities. The reserve would be insulated from the market so it could not hang over market to depress farm prices. Commodities would, however, be available for emergency use in case of drought, pestilence, or other crisis situations.

Another bill, Senate Joint Resolution 172, the Farmers Income Improvement Act of 1971, would provide emergency measures to improve farm income. It would: first, establish a base acreage program for the 1972 feed grain crop; second, establish an additional voluntary acreage diversion program for the 1972 wheat crop, and third, raise loan levels for both the 1971 crops of wheat and feed grains by 25 percent. Together, these proposals would not involve added costs for the Government. Prompt enactment could increase the farm value of the 1971 and 1972 grain crops substantially.

Besides these and other programs needed to solve the immediate problems of our independent family farmers, there are needs for longrun programs. Farmers need informed assistance and strength in marketing their products. They need legal and technical backing to develop bargaining power and workable supply control methods. The Department of Agriculture and the colleges could also be helpful in this area by researching these topics and helping to develop workable programs.

In this session of Congress I introduced two bills that have to do with farm bargaining—the National Agricultural Bar-

gaining Act of 1971 (S. 726) and the National Agricultural Marketing Act (S. 727). When I first introduced this type of legislation in the 90th Congress, it was a pioneering effort. There had been a little research done but this was a first attempt to see if, through the hearing process, something workable could be developed to give farmers legal authorization for collectively bargaining with processors. I am happy that more progress has been made in this session.

Farmers have often been told that they are free in the marketplace and should stay that way. But too often that freedom turns out to be only a freedom to go broke. The bargaining bills were intended to correct that situation by giving farmers marketing muscle while allowing them to maintain their managerial freedom which has proven itself so efficient.

If rural development is ever to be more than rhetoric, we need to institute several bold new programs which serve a broad segment of agriculture and a broad range of rural needs. Too often in recent years, government and the land grant colleges have served only agribusiness and agribigness, while the broader needs of rural America have been forgotten.

We need a Secretary of Agriculture who will address himself to the needs of our farmers, farm workers and consumers. The record of Dr. Butz epitomizes the agribusiness viewpoint and that viewpoint only. Nothing he has said or done indicates any change in his philosophy.

In each election there are fewer officials elected who have a broad knowledge of agriculture and a feel for the needs of our farmers. Seldom does a presidential aide have a working knowledge of agriculture. During the recent period of national economic problems, the administration made little mention of farming, a sector which is basic to our economy. Facing this situation, I think that we should at least have a Secretary of Agriculture who is responsive to the needs of our farmers. Dr. Butz is clearly not that man and I cannot vote to confirm his nomination to that office.

Mr. President, I continue to receive a phenomenal amount of communications from farmers, rural businessmen and farm organizations in Minnesota opposing the nomination of Dr. Butz. I have selected some of these and I ask unanimous consent to have these messages printed in the RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

NOVEMBER 25, 1971.

Senator WALTER F. MONDALE,
Old Senate Office Building,
Washington, D.C.

In a unanimous vote, delegates to the 30th Annual Minnesota Farmers Union Convention approved on Tuesday, November 23, a resolution to strongly and actively oppose the nomination of Dr. Earl Butz as Secretary of Agriculture.

The Resolution read:

"The Minnesota State Farmers Union protests in the strongest possible terms the nomination of Earl Butz as Secretary of Agriculture.

"Dr. Butz, who is now dean of education and chief fund raiser for Purdue University, is also a board member of three huge agribusiness corporations, as well as an Indiana insurance director, plus owning stock in several manufacturing and chemical companies, could not represent the farmers' interests in better agriculture.

"Earl Butz, the man President Richard Nixon wants as Secretary of Agriculture, is against the family farmer. This was proven when he was Assistant Secretary of Agriculture under the Eisenhower—Ezra Taft Benson administration.

"Agriculture is now in a depression equal to the 1930's and needs a strong, open minded Secretary of Agriculture who will fight for and represent the farmer."

NATIONAL FARMERS ORGANIZATION,
Corning, Iowa, November 19, 1971.

Hon. WALTER F. MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: After observing two days of questioning of Dr. Earl Butz at the Agricultural Committee Hearings, we remain firmly convinced that his confirmation as Secretary of Agriculture would be a disaster for farmers. His answers have not satisfied our concerns over his long and close ties to agri-business, his attitudes toward elimination of farmers and the drive by integrators and others to gain control of the food industry, and the conflict of interest arising from his substantial payments as a director of three of the nation's largest agribusiness companies.

He did not satisfactorily answer most of the questions put to him by Senators and other members of Congress of both political parties. These included attempts to determine what he might recommend to raise farm prices, how we would get REA and other department funds released by the White House, how he would tighten poultry inspections, and what he would do to halt the drive by integrators and others to take over farm production.

We feel Senate approval of Dr. Butz would be a vote to abandon an historic commitment to opportunity for people on the land. It would, in effect, ratify a policy to drive people out of agriculture, undermine farm and small business enterprises, and destroy rural towns and cities.

The Senate, in voting on confirmation, will be making a choice on the kind of agriculture and rural America our country wants to encourage. This crucial decision, in our judgment, is the most important single farm vote in this Congress. Farmers everywhere are deeply upset over the selection of Earl Butz and hope the Senate will not cast a vote against them. We, therefore, urge you to vote against the confirmation of Dr. Butz.

Respectfully yours,
OREN LEE STALEY, *President.*

AMERICANS FOR
DEMOCRATIC ACTION,
Washington, D.C., November 22, 1971.

DEAR SENATOR: ADA strongly urges the Senate to refuse to confirm Earl L. Butz as Secretary of Agriculture. We believe that the continuing trend toward large-scale corporate agriculture at the expense of the small family farmer is not in the nation's long-term economic interest, and we deplore the nomination of a man for Secretary of Agriculture who has been a devoted spokesman for the agribusiness lobby.

Butz' history of cynical disregard of the welfare of the small farmer—as evidenced by his key role in the farm program of Secretary Ezra Taft Benson in the 1950s—is enough in itself to disqualify him. During that period—and, for that matter, since then—the systems of farm subsidies have operated to assist large farmers far out of proportion to smaller ones, with the so-called marginal farmers often being left out altogether.

It is time to reverse these policies with new approaches that will link federal subsidy payments with need in rural areas. It is time to dry up the vast sea of rural poverty that exists in every state in the Union. It is time we realized that rural and urban poverty both have flourished out of the misplaced priorities which have given us, among other things, the Vietnam War.

Certainly new priorities will not be advanced with Earl Butz as Secretary of Agriculture.

The needed reversal of these pernicious trends requires a Agriculture Secretary who displays a deep sympathy for the plight of the migrant worker, for the remaining sharecroppers, for Indians who have been dealt the worst farm land in America, and for low-income family farmers everywhere, all of whom live in conditions which are the shame of the nation.

Mr. Butz' statements in the past do not indicate that kind of sympathy. Far from it; his rigidly market-centered outlook would be woefully inadequate to formulate social policies designed to reverse the flow of population from rural America.

Sincerely yours,
LEON SHULL, *National Director.*

SLEEPY EYE, MINN.,
November 17, 1971.

DEAR SENATOR MONDALE: I urge you most strongly to do all in your power to defeat the nomination of Earl Butz for Secretary of Agriculture. He certainly is not the man who would place the welfare of the farmer as his primary task. His background and previous affiliations indicate that.

Very sincerely yours.
Mrs. MARTIN KLINKNER.

SACRED HEART, MINN.,
November 17, 1971.

Senator WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: I am opposed to President Nixon's appointment of Earl L. Butz as Secretary of Agriculture.

I urge you to work against confirmation of that post.

We need a sec. of agriculture who understands the problems of rural America. One who understands small family type farming operations. This type of agriculture is the backbone of our great nation.

I strongly feel if agriculture, given its fair share of this nation's wealth, with its roots set firmly in the family farm, will feed into the many branches of our economy. As a result a healthy and prosperous nation will emerge.

We don't need a sec. of ag. who is influenced by conglomerates and large corporate structural farms.

Sincerely,
ROBERT LEROHL.

SLEEPY EYE, MINN.,
November 17, 1971.

DEAR SENATOR MONDALE: In regard to Earl Butz, as a new Secretary of Agriculture, this should be blocked. The statements he has made about the number of farms that he thinks would be plenty, would force all the family type farm operators off.

He is a corporation man, and a slap in the face for the family type farm.

Yours truly,
IVAN KOTTEN.

NOVEMBER 21, 1971.

Hon. WALTER F. MONDALE,
The Capitol
Washington, D.C.

DEAR SENATOR MONDALE: Let me give you a statement from the *St. Paul Pioneer Press,* Nov. 21, 1971, Focus Section, page 1 and page 4, "Vicious Circle: Pesticides, Pollution, People," by Lewis Patterson:

At a farm marketing seminar in Minneapolis where he was the keynote speaker, Dr. [Earl L.] Butz said that America's overreaction to ecology is fadism. "Environmentalists," he said, "are the greatest single threat to agriculture."

From all the reports which I have read about Mr. Nixon's proposed candidate for the job of Secretary of Agriculture, I have concluded that he is the tool of agri-business, and an instrument in the agriculture school-chemical industry-farm lobby complex.

At a time when America is awakening to the need for increased attention to our ecology, it is unfortunate that we might have at the critical post of Secretary of Agriculture one who is so biased against environmental rehabilitation.

I urge you to cast your vote against Mr. Butz.

Sincerely yours,
FREDERICK A. FLEMING.

COMMITTEE FOR A PROGRAM
OF GUARANTEED EMPLOYMENT,
New York, N.Y., November 20, 1971.

Hon. Senator WALTER MONDALE,
U.S. Senate.
Washington, D.C.

DEAR SENATOR MONDALE: President Nixon has nominated Earl Butz as Secretary of Agriculture. We urge you to vote to deny his appointment to that position.

Earl Butz reportedly stated that the Food Stamp program is "so generous and expensive that it is just short of ridiculous in some parts of the country." Total spending for food stamps is about $2 billion, or less than *half* the spending by the Department of Agriculture on subsidies for rich farmers for not growing food—a program that Mr. Butz presumably does not consider outrageously generous and expensive.

As a result of Mr. Butz's position on Food Stamps and Welfare (He considers President Nixon's proposed Welfare reform "so way out that even Democrats won't accept it"), we consider him totally unfit for any public office. We therefore urge you to vote to deny confirmation of this appointment.

Sincerely,
LEONARD SUSSMAN, *Chairman.*

MADISON, MINN., *November 20, 1971.*

Hon. Senator WALTER MONDALE,
Senate Chambers,
Washington, D.C.

DEAR MR. MONDALE: A vote for Mr. Butz as Secretary of Agriculture means no vote for you in 1972.

Sincerely,
CARMEN M. FERNHOLZ, *Educator.*

P.S. Also please forget any new collective bargaining legislation for agriculture. Agriculture already has all of the tools it needs with the Capper-Volstad Act. Instead put your tremendous intelligence and energy into educating farmers and rural businessmen on the necessity of working together through collective bargaining.

MADELIA, MINN.,
November 22, 1971.

Senator WALTER MONDALE,
Washington, D.C.

DEAR MR. MONDALE: Will you please do all you can to stop the appointment of Earl Butz as Secretary of Agriculture?

Yours truly,
MARK KELSEY.
MARY L. KELSEY.

AUSTIN, MINN.

Senator WALTER MONDALE,
U.S. Senate Office,
Washington, D.C.

DEAR SENATOR MONDALE: I wish you to know that a legion of family farmers appreciate your interest and hard work on behalf of those of us who live on the land as family farmers. We remember, too, that "the soil is God's greatest material gift to man"—we work at being good stewards of this gift.

We urge you to vote against Mr. Earl Butz as our Secretary of Agriculture. His past efforts have been against the family farmer and the village and town merchants as well.

With much gratitude to you Senator Mondale, I am

Sincerely,
Mrs. FRED GRAVENISH.

MINNESOTA, MINN.,
November 19, 1971.

DEAR SENATOR MONDALE: We are farmers in Lyon County, Minnesota and do not want Earl Butz as Sec. of Agriculture or any other office in Washington, D.C.

Sincerely,
Mr. & Mrs. GARFIELD BROUGHTON.

NOVEMBER 17, 1971.

Senator WALTER MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR FRITZ: Re approval of Earl Butz as Secretary of Agriculture—if ever we had an opportunity to strike a blow against "Corporate Socialism"—this is it.

"The long habit of not thinking a thing wrong gives it the superficial appearance of being right" Tom Paine.

Earl Butz as Secretary of Agriculture is as wrong as a three dollar bill.

Let's make enough waves to hear it all the way to Minnesota and not just in the news letter.

Best regards always,
M. B. "PETE" NAGEL.

SLEEPY EYE, MINN.,
November 17, 1971.

SENATOR MONDALE: I am writing concerning the pending appointment of Earl Butz to the position of Sec. of Agriculture. Because of his relationship to agri-business and vertical integration industries I believe he cannot represent the family farmers' viewpoint. I oppose his nomination. I trust you will consider my letter in your vote.

Respectfully,
PATRICK A. HOFFMANN.

COMFREY, MINN.

DEAR SENATOR MONDALE: I am writing in regard to the pending appointment of Earl Butz to the position of Secretary of Agriculture. For a man whose background and philosophy is so closely tied to agri-business and vertical integration to be appointed to such an important position seems to us to be an insult to the family farmer.

We urge and hope you will use your influence to block this appointment.

Sincerely,
ART MATHIOWITZ.

MINNESOTA LAKE, MINN.,
November 17, 1971.

DEAR SENATOR MONDALE: I definitely disapprove of President Nixon's appointment of Earl Butz as Secretary of Agriculture. He has never been for the farmer and certainly won't be now.

He is allied with "Big Brains" especially Ralston Purina the chicken farmers.

Please convey this message of disapproval to the President.

Thank you,
RONALD KRENGEL.

MORGAN, MINN.,
November 17, 1971.

DEAR SENATOR MONDALE: In regard to the appointment of Earl Butz, I oppose his appointment as Secretary of Agriculture as he is interested in Big Business and against small Family Type Farms.

Yours truly,
RAYMOND MARTNOWEZ.

JORDAN, MINN.,
November 17, 1971.

DEAR SENATOR: We are not in favor of Earl Butz for Secretary of Agriculture. We need a man who will help the family farm not big business and corporations.

Sincerely,
Mr. and Mrs. ERWIN RIEGRAF.

EASTON, MINN.,
November 18, 1971.

DEAR SENATOR: I think Mr. Earl Butz would be a very poor man in the position of Secretary of Agriculture. The past history of Mr. Butz speaks for itself and he is definitely not concerned about the family farms.

Sincerely,
GEORGE G. SCHIMEK.

NEW ULM, MINN.,
November 17, 1971.

DEAR SENATOR MONDALE: I am writing in regard to the appointment of Earl Butz to position of Secretary of Agriculture. I urge you to block this appointment. He is too closely related to big business to be of help to the farmers.

Sincerely,
LINUS GRATHWOHL.

ST. JAMES, MINN.,
November 17, 1971.

DEAR SENATOR MONDALE: Just a few words regarding the appointment of E. Butz as Secretary of Agriculture.

For a man whose background is so closely tied to agribusiness to be appointed to such an important position seems to me to be an insult to the farmer.

I urge and hope you will use your influence to stop this appointment.

Yours truly,
URBON AUGUSTIN.

SPRINGFIELD, MINN.,
November 17, 1971.

DEAR SENATOR MONDALE: Am writing this in regard to the pending appointment of Earl Butz to Secretary of Agriculture.

As you well know, this man has been with the ones opposed to family farmers.

Please do what you can to prevent his getting this important job.

Thank you.

Sincerely,
BERNARD M. FISCHER.

MAHNOMEN, MINN.

Senator MONDALE: We strongly urge the rejection of Earl Butz as Sec. of Agriculture.

If you truly want to help the farmers and rural America support agriculture products at 100% of parity.

Mr. and Mrs. DELMAR SCHOENBORN.

DEAR MR. MONDALE: I am concerned about the appointment of Mr. Butz for Sec. of Agric. I do not believe he is a good man to talk for the average farmer. He is for big business and the large corporations. Please use your leadership to stop him in becoming our next Sec. of Agric. We need a man who will increase price supports on feed grains & wheat now.

Sincerely your,
VERN PAULSON.

P.S. Corn was 94 cents a bu. at our local elevator today. How long can we continue with these prices.

Sen. WALTER MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE, If you have the *Family Farmer's* future at heart—don't put Mr. Butz in as Sec'y of Agriculture.

Mrs. H. J. STRAAD.

GARDEN CITY, MINN.,
November 17, 1971.

Senator WALTER MONDALE,
Washington, D.C.

DEAR MR. MONDALE: This is a followup of the telegram we sent you this morning.

We do not want Earl Butz for Sec. of Agriculture. We want a man with true farming interests in his heart.

We want a man who is interested in family farming, not one interested in corporate or industrial farming.

If the economy of this country is going to improve it will have to start on small farms. If farmers don't have money to put into business things won't improve.

Please give us a Farmer man.

Sincerely,

Mr. & Mrs. HAROLD BELGARD.

MILROT, MINN.,
Nov. 17, 1971.

Hon. Senator MONDALE,
Washington, D.C.

DEAR SIR: I hope you will strongly convey the farmer's mistrust of the new Sec. of Agriculture Earl Butz elect, to President Nixon.

It seems the producers ought to have a little to say about who is to represent them in this Dept. When they produce the food for the country plus consume 42% of the gross national product.

Thank you.

Mrs. NORMAN DE BLIECK.

ST. PETER, MINN.

We urge you to vote *No* on the confirmation of Dr. Earl Butz. We just can't stomach his being the Sec. of Agriculture.

Mr. & Mrs. ALTON JACOBSON.

KETTLE RIVER, MINN.,
November 12, 1971.

Hon. WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE, Minnesota 8th District NFO wishes to thank you for visiting us at our State convention this Fall. We appreciate your concern for family farmers and the rural area in general.

We strongly support the position you, Sen. Humphrey and others have taken in opposing the confirmation of Earl Butz as Secretary of Agriculture.

We have long held that the large Agribusiness sector Mr. Butz represents is driving the small farmers off the land. Each farmer thus removed equates into 6 NEW jobs needed (small business men and employees). Minnesota, especially the 8th district, cannot afford additional un-employment or additional debt expenditure to create new jobs in lieu of family farmers.

We further believe Mr. Butz has too great a conflict of interest to represent the farmers of America, and that his past record clearly shows him to be anti farmer.

A Sept. issue of Wall Street Journal reported the three largest Feed-Poultry businesses—Ralston Purina one of them—lost $225,000.00 this year on poultry. Mr. Butz was a director of Ralston Purina board. Is there any reason to believe that as America's Agricultural Director he would do better? Can the Nation afford to chance this type of "efficiency"?

We are writing this letter to Sen. Humphrey also.

Yours truly,

Mrs. AUGUST KLEGIN.

GARFIELD, MINN.,
November 17, 1971.

WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: As a farmer and member of the National Farmers Organization, I feel that the appointment of Earl Butz as Secretary of Agriculture would not be in our best interest. I urge you to use your influence in whatever way possible to prevent his appointment as Secretary.

Sincerely,

LESLIE ANDERSON.

NOVEMBER 17, 1971.

SENATOR WALTER MONDALE: I'm writing in regard to the seating of Earl Butz as our agriculture secretary.

I do not approve of this man because he is for corporate farming and big business. We are small farmers and pay more taxes than big corporate farmers do. We are more efficient in our farming than they are.

We need a secretary that is a defender of the small farmer, not the corporate giants.

JOSEPH DEUTSCH.

NOVEMBER 17, 1971.

SENATOR WALTER MONDALE: I'm writing in regard to the seating of Earl Butz as our agriculture secretary.

I do not approve of this man because he is for corporate farming and big business. We are small farmers and pay more taxes than big corporate farmers do. We are more efficient in our farming than they are.

We need a secretary that is a defender of the small farmer, not the corporate giants.

Mrs. JOSEPH DEUTSCH.

ETOTA, MINN.,
November 17, 1971.

DEAR SENATOR MONDALE: I do hereby recommend a no vote for Mr. Butz as U.S. Sec. of Agriculture, because I feel he would be no asset for us individual producers of agriculture products.

Yours truly,

FRED M. GEESE.

KASSON, MINN.,
November 17, 1971.

HONORABLE REPRESENTATIVE WALTER MONDALE: I am very disappointed to have Earl Butz serve as our Secretary of Agriculture.

What we need is a man who will battle for the farmers, and try new ideas, the old ones are out of date. Let's get agriculture rolling once again. It has been in the *red* far too long.

Yours truly,

Mrs. ARTHUR TRYGSTAD.

EAGLE LAKE, MINN.,
November 17, 1971.

Hon. WALTER MONDALE,
Senator from Minnesota, U.S. Senate Office Building, Washington, D.C.

DEAR SENATOR: As our farm representative in the Senate of the United States we are very deeply concerned by the possibility of the appointment of such a man as Mr. Butz as our Secretary of Agriculture.

If the appointment should become final, I do believe that the family farm has become a thing of the very past. This man is noted for being for corporation farming and everything against the family farm.

Therefore, we urgently request your individed attention to seeing that this man not be instated into this office. We very much need a man who can aid our plight not increase it.

Sincerely,

DALE E. SARGENT.

MORA, MINN.,
November 16, 1971.

DEAR SENATOR MONDALE, because I am the wife of a small farmer and an NFO member I am asking you to protest the appointment of Earl Butz as Secretary of Agriculture. Please demand a hearing so President Nixon is made aware of Mr. Butz involvement in agribusiness.

Thank you for doing all you can to help the small farmers.

Sincerely,

Mrs. ROMAN MILLER.

Mr. MONDALE. Mr. President, I have spent a good deal of my Senate career working on human problems and trying to do something about them. I am absolutely convinced that the most serious mistake our Nation is making today is to turn its back on a sound rural agricultural economy which makes it possible for rural farm families to get a decent life and livelihood on the farm. I think it is not only cruel, I think it is economic insanity and, if I may say so, there is a certain amount of ignorance and arrogance often found in nonrural America toward the problems we have in rural America.

Time and time again those of us representing farm States have walked the plank to help meet the problems of Americans in the American cities in minimum wages or housing or transportation, and discrimination. Time and time again we have asked our farm constituents to understand why it was necessary to stand up and work for the problems besetting other Americans. It is a tribute to those American farmers that almost always they understood it, and almost always they have stood behind us. Now our workers happen to be family farmers. They are not big corporate farmers. Most of them live at or below poverty levels. They work long and hard hours. They are a prideful people; they are a magnificently productive people. Now they are in trouble, and these farm programs are their minimum wages. This is how they survive. The average farmer with a family of four in Minnesota could go to New York and increase his earnings by 40 percent on welfare. We are not here pleading for some kind of unusual request. We are asking for justice for our family farmers.

Mr. SYMINGTON. Will the Senator from Minnesota yield?

Mr. MONDALE. I yield.

Mr. SYMINGTON. Just to be sure that the Senate understands the implications of the last statement made by the able senior Senator from Minnesota, the Senator from Texas tells us that farmers in Minnesota can go to Philadelphia, New York, St. Louis, or to the other cities, and get on welfare and by doing so increase their income 40 percent.

Mr. MONDALE. The figure I cite, which has been very carefully checked out, is that the average Minnesota family farmer with a family of four and working a full week, could improve his income by 40 percent by leaving the farm and going to New York City and going on welfare.

Mr. SYMINGTON. Mr. President, as the late great Senator from Oklahoma, Robert Kerr, used to say, "I thought I had heard and seen everything, and I have been to the Dallas Fair twice."

Mr. MONDALE. This country must realize, and I plead with the Senators, to realize, that the only way to have an essential, sound, American agriculture or a sound agricultural society is to have a Secretary of Agriculture who believes in the family farmers.

I think it is a sound and economic principle. I think it makes sense. If we are to have a healthy American agricultural society, the family farmer is entitled to have a friend in that office. Would the Small Business Corporation of this country accept a small business director who announced that there are too many small businesses in the country and we should get rid of some of them? For that matter, would the Secretary of Commerce employ as his assistants those who do not believe in business?

What we need is a man who believes that our constituency has to be served by the Department of Agriculture. We need a man who is fully committed and believes in this effort and offers hope and opportunity to rural America.

The PRESIDING OFFICER (Mr. BYRD of West Virginia). Who yields time?

Mr. AIKEN. Mr. President, I yield 5 minutes to the senior Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 5 minutes.

Mr. DOLE. Mr. President, some 18 months ago the distinguished junior Senator from Washington made a speech in which he said:

> Last year, when the Senate was debating a controversial Cabinet nomination, I argued that the President was entitled to wide latitude in the selection of his Cabinet. I took the position that the President, not the Senate, sets the standard of competence and qualifications for his Cabinet. These are the President's men and, barring some extraordinary deficiencies, he is entitled to exercise the Executive responsibility with men of his own choosing. If the voters are unhappy with his selection, their voice will be heard at the next election. (CONGRESSIONAL RECORD, vol. 116, pt. 7, pp. 9262–9263.)

The Senator who said those words is now a candidate for President and has announced he will vote against the confirmation of Dr. Earl Butz of Indiana as the new Secretary of Agriculture.

What made him change?

I do not know why the Senator from Washington changes his conviction on this issue, but I suspect the sweet smell of presidential politics may have played a part in that switch.

In the case at hand, the President has submitted the name of a man who is clearly qualified by both training and experience to hold this important job.

No one has alleged, much less proved, that he is not competent.

No one has claimed or showed that he is dishonest.

No one challenges his administrative ability or his knowledge of agricultural policy.

No, none of these basic qualifications are in question—only his politics and associations.

It was not too many years ago that many of those who now howl for Earl Butz's scalp were deriding the concept of "guilt by association."

Today they seek to tie Earl Butz to Ezra Benson and roast them both together—and this I submit at worst is "innocence by association."

Earl Butz was a member of President Eisenhower's administration. He served in the Department of Agriculture as an Assistant Secretary. He has been associated with a great university, and he has been in the service of respectable American business firms.

What is so evil about all that?

Is this a standard that many of the Senators who oppose him can themselves meet?

Is "guilt by association" by being part of the Eisenhower Cabinet to be a political stigma against any man who was in Government service in that era?

No, the criticism is basically political. It is highly partisan.

Much of the opposition to Earl Butz, it is clear, has been programed directly from the offices of the Democratic National Committee. Certainly, many Senators have deep and profound beliefs held in sincerity. But look at some of the opposition. In the recent hearings, the first two witnesses were the president of the National Farmers Organization, Oren Lee Staley, and the president of the National Farmers Union, Tony Dechant. Tony Dechant and Oren Staley are both listed as of Tuesday, November 30, as members of the policy council of the Democrat National Committee. Tony Dechant is open about being an active registered Democrat, and while Oren Lee Staley tries to maintain his political neutrality, in Andrew County, Mo., his home community, he is known as an active Democrat. If anything is clear, it is clear that these two skillful Democrat politicians, with an eye toward Election Day, 1972, are opposing Earl Butz for obvious political purposes.

Unfortunately, they are being portrayed or have been portrayed by the media as "nonpartisans" simply looking out for the interests of farmers. These two gentlemen are Democrat partisans, and they should be identified as such.

A man's professional life and reputation are now on the block in the U.S. Senate.

Let us hope the Senate will act in fairness and in decency—not shame itself by embracing a base reason for rejecting an able and honest man.

Mr. President, there has been some comment with reference to the reduction in the number of farms in the Benson era. The Senator from Minnesota is a friend of the former Secretary of Agriculture, Orville Freeman. He probably knows that in 1961 we had a farm population of 14.8 million. It dropped by April 1, 1969, to 10.3 million, a drop of about 30 percent greater than in the Benson era.

I was here during the Freeman years. And I have read the book describing the farmers' worst 7 years, 1961 through 1967. It says that 1967 was the worst of the 7 years. The title is, "The Political Sellout of the American Farmer." It was written by Frank M. LeRoux, who was general sales manager of the U.S. Department of Agriculture, Foreign Agricultural Service, from February 1961 through September 1966. I remember in 1961 when the President sent a program to Congress on milk production and wheat production. Those were great promises and great programs for the American farmer. I would hope that those who oppose Dr. Butz would read this book, "The Political Sellout of the American Farmer." It describes the farmers' worst 7 years, and describes 1967 as being the worst of the 7. The book sells for $2. It was a best seller for a while. It tells about the political sellout of the American farmers by a former Secretary of Agriculture, Orville Freeman.

It says that in all of those years the farmers had the lowest share of the gross national product, the lowest share of the consumer dollar, the lowest share of the food dollar, the lowest return on gross farm sales, the lowest return on total capital investment, the lowest return on capital investment performed, and the lowest level of parity of income.

Mr. President, I say that there is no question of Dr. Butz' honesty, integrity, or ability. I would suggest that this is a choice of the President. Unless we find Dr. Butz dishonest or lacking in integrity, we have some obligation to confirm the appointment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUGHES. Mr. President, I yield myself such time as necessary.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HUGHES. Mr. President, although I think we find ourselves in a strange position on the floor of the U.S. Senate this evening, I do think that if there is any difference in the common goals and the common hopes for American agriculture and for the country for finding a solution to a problem that has been with us for many years, and with respect to which both parties and the Presidents of both parties have tried and not succeeded, to find any permanent solution to the agriculture problem.

Mr. President, I think we recognize the fact there is not an identifiable solution to the farm problems in America today. What we are calling a problem is one of the greatest God-given abundances mankind has ever known—the abundance of productivity so great we have not been able to devise, even with the best scientific knowledge we have available, a means of increasing this productivity and improving the conditions of living in rural America, in which there has been a tremendous improvement in the last 40 years, where we have brought America out of the mud and where we have seen so many programs to put more acreage into production.

I am not sure I am factual on this, but I believe my State has a higher percentage of land under production than any other State in the Union. I refer to agricultural production. My State has constantly been faced with the problem of agricultural abundance since the 1930's. It is something we have not been able to find a permanent solution to. But we have found that there are certain programs and ways and means that allow a decent transition.

For approximately 15 years not many voices were raised at the farm migration, and farm migration has been going for 40 years now. This is not a recent development, but in recent years farm migration has gotten to the point where we are beginning to see the beginning of the end of the farmer in America as we have recognized him in the past. There are two sides to this question. Is it good or bad, and what is happening in America?

I want to make one statement in the

beginning just to clarify some of the things that have been mentioned to me. Different members of the press have inquired of the junior Senator from Iowa if the Democrats simply want a political issue and if that is the reason we are opposing the nomination of Earl Butz.

First, I should say that as Democrats we are not opposing the nomination of Earl Butz. I certainly am not. I served three terms as chief executive of my State. I have the most healthy respect for the right of the Chief Executive to appoint members of his Cabinet, barring some glaring deficiency that would make them ineligible, either because their integrity was questioning—which I am not questioning at all in the case of Mr. Butz—or because they identify with a philosophy that may be so drastic in one direction it could bring about the beginning of the end of an American we have known and loved. Even that is debatable. I do not want an issue; I want a solution for the farmers of Iowa and America. The Secretary of Agriculture is going to be named by the President of the United States, who is President Nixon, regardless of whether it is Mr. Butz or someone else, should we defeat this nomination.

I am saddened that I rise in opposition to this nomination. I would much prefer to find myself willing and able to support it.

I think the chairman of the National Republican Committee would concede that I am not a candidate for anything, and that we share a common concern for our agriculture States.

Mr. DOLE. The Vice Presidency is open to the Senator's party.

Mr. HUGHES. To reassure the Republican National Chairman, I am not seeking that either.

I do want to point out that as I am sure the Senator from Kansas knows the question of the National Farmers Organization, which has headquarters in my State of Iowa, was raised in the committee hearings by the Senator from Kansas himself. On page 104 of the hearings, a copy of which is on the desk of each Senator here tonight, are the questions of the Senator from Kansas to Mr. Staley, president of the National Farmers Organization and his responses, which speak for themselves. The hearings reflect that he has not accepted a position on the policy committee of the National Democratic Party; that he would serve on that committee if he could serve on the Republican policy committees, as well, and what I believe are his sincere attempts to stay neutral in the political role of national politics.

As in the case of all people who accept their responsibility in America locally, I suppose he is registered and that he has a preference politically. In that, I am sure all members who are active in any political organization respect the activities of members of the opposite party for their very activities which preserve our American freedom.

My only statement at this time is to point out that I, for one, am not looking for an issue in the nomination of Mr. Butz. I am hopeful that when the vote is counted that Mr. Butz will not be confirmed. I would rather he had not been recommended. In light of the fact he is before us today and we have the requirements of consent, and that no one questions in this body today, I find myself in a reluctant role as the former chief executive of my State, in opposition, for reasons I intend to go into in detail later on.

But I think the record should be made clear that we wish and hope that a solution can be forthcoming and quickly and that there can be relief in programs brought to the American people by the Secretary of Agriculture in this administration, and not in 1973, because by 1973 thousands and thousands of people all over the country are going to be leaving the farms. They are in great difficulty today and tonight.

The banks in the small rural communities of my State are wondering about the renewal of loans; the merchants are wondering when cash registers are not ringing. The situation is not confined to farmers. They are bidding on farm machinery, automobiles, and buildings; everything is affected.

As anyone here from an agriculture State knows, one of the real things that happens when we have great overproduction, as in our region in corn now, is the overbuying of feeder cattle to consume the corn. Thousands will be brought in at high prices to gather the corn that is left, which is sold at 90 cents in the hope that it will bring $1.19 or $1.20 in beef prices next fall. The cycling effect could be worse next fall in the beef and pork industry than it is today.

So I am not interested in a political issue. I am interested in a solution for the farmers of America, and they need help because they are in deep difficulty and trouble.

For the time being I am going to yield the floor because the distinguished chairman of the Committee on Agriculture wishes to make a statement. I will complete my statement at some later time during the course of debate on this nomination.

Mr. President, I am happy to yield to the distinguished Senator from Georgia for whatever time he desires.

Mr. TALMADGE. Mr. President, I rise to oppose the nomination of Dr. Earl L. Butz as Secretary of Agriculture.

I do not oppose Dr. Butz because of any question about either his integrity or his ability.

I oppose Dr. Butz because I do not believe that he can possibly provide the Nation's farmers with the kind of support that they must have in the position of Secretary of Agriculture.

Since I have been a Member of the Senate I have always felt that the President of the United States should have the widest possible discretion in filling vacancies in his Cabinet. We should give the President maximum latitude in picking men to carry out his policies.

Normally, I would go along with the President's choice for Secretary of Agriculture.

However, these are not normal times for the American farmer. During 1970 the farm parity ratio, which measures the relationship between the prices received and the prices paid by farmers, averaged 72 percent. This year, the farm parity ratio has dropped even lower. It has been as low as 68 percent. Currently farmers are receiving 69 percent parity, 69 percent of a fair price. Not since the depths of the great depression has farm parity been so low.

Unfortunately, the American farmer no longer has the political clout that he has enjoyed in years past. When I came to the Senate in 1957 the so-called farm bloc was the most powerful in Congress. Today it is one of the weakest. That fact was dramatically illustrated during the debate on the Agricultural Act of 1970. Congress was forced to accept the kind of farm bill that the administration wanted or get no farm bill at all. The administration was able to exert this kind of power because it was impossible to get a farm bill through the House of Representatives without the administration's support.

The farmers' voice in the Congress has grown steadily weaker because the farmers' numbers have decreased dramatically in the past few decades. In 1960 there were over 15 million people living on the Nation's farms. The 1970 census shows a decrease of one-third; the farm population has dropped to less than 10 million people. For the first time, the 1970 census showed that less than 5 percent of the Nation's people were actually living on farms.

These facts point up the urgent need for a strong Secretary of Agriculture, but more importantly, a Secretary of Agriculture who will fight for the Nation's family farmer.

American agriculture survived Ezra Taft Benson's 8 years as the Secretary of Agriculture because American agriculture had sufficient strength in Congress. Now that this strength is diminished, I doubt that our family farmers could survive additional years under a Secretary of Agriculture who reflects the Benson philosophy.

Of course, I realize that the mere fact that Dr. Butz served as Assistant Secretary under Secretary of Agriculture Benson does not mean that he was the major architect of the bankrupt Benson farm policies. What concerns me more is the fact that Dr. Butz was one of the most vocal spokesmen for the Benson policies both during his service as Assistant Secretary and in the decade which followed.

Dr. Butz has been a popular speaker among some business groups and he has made a number of statements on farm policy since he left the position of Assistant Secretary. These statements reflect little sympathy for the plight of America's family farmer. Rather, they indicate Dr. Butz' feeling that the constant stream of rural outmigration is not a bad thing at all.

I am pleased that the Committee on Agriculture and Forestry has maintained its bipartisan tradition in its consideration of the nomination of Dr. Butz. The vote in the committee was characteristic of this bipartisan tradition, for one-third of the Republicans on the committee opposed Dr. Butz while two-thirds of them supported him. One-half of the Democrats on the committee opposed the nomination and one-half of them supported it. I believe that the 8- to 6-vote in favor of reporting the nomination reflects deep concern about Dr. Butz' philosophy among committee members.

The Senate Committee on Agriculture and forestry, conducted comprehensive hearings on the Butz nomination. Dr. Butz was grilled extensively by myself and other members of the Committee on Agriculture. In addition, we heard from 10 public witnesses and placed additional statements in the record. All witnesses who requested to testify and were present were heard by the committee.

I must say that Dr. Butz responded well during cross-examination by the committee. I was basically pleased with the response that he gave to questions I asked about the cotton, tobacco and peanut programs. In addition, I was encouraged by his statement in support of rural development.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point in my remarks a copy of some of my colloquy with Dr. Butz.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

The CHAIRMAN. Thank you.

With the permission of the committee, then, we will proceed to question Dr. Butz.

As previously announced, we will ask questions for 10 minutes and at that time I will ask to yield the floor to the next Senator and we will make the rounds; and we can start all over again if anyone wants to begin from that.

Dr. Butz, as you know, there has been considerable speculation and some antagonism in the farm circles about your appointment, primarily because you were Assistant Secretary of Agriculture during the administration of Secretary Benson. He is not very popular in some farm quarters, as you may know.

I would like to ask you a few questions to ascertain your farm philosophy. Quite a number of telegrams came in this morning which are of concern here, and I will ask that they be made a part of the record in due course. Here are some more primarily based on what you think about farm commodity laws and price supports and acreage controls and things of that nature.

I take it from your testimony, in chief, that you believe farm income is much too low in most instances?

Mr. BUTZ. Indeed I do, Mr. Chairman.

The CHAIRMAN. Do you support price supports for the basic farm commodities?

Senator CURTIS. Mr. Chairman, can we have them quiet outside?

The CHAIRMAN. Yes, by all means. Instruct the officer to maintain order, and if order is not maintained ask him to please clear the hallway.

You favor farm price supports for basic farm commodities?

Mr. BUTZ. Yes, in some way. I favor the Agricultural Act of 1970 which, I think, reflects the composite attitude of the Congress. I think this is a good approach because it permits farm prices to be at the export level so that we can really export a maximum amount of farm products and yet get the income to our farmers.

The CHAIRMAN. In other words, you want the support price at a reasonably low level—that is, the loan price—where the commodity can flow freely into the channels of commerce and whatever support over and above the loans can be made up in payments; is that your philosophy?

Mr. BUTZ. That essentially is the philosophy back of the Agricultural Act of 1970, and I would buy that. I hope we can continue to expand our export markets.

The CHAIRMAN. Do you favor production controls to try to keep supply reasonably in line with demand?

Mr. BUTZ. I think the program for set aside acres is a form of production control. The Department has announced for the 1972 program the goal of 38 million acres diverted under the feed grain programs; I subscribe to this. I like the idea of letting farmers have maximum freedom of choice within the acres they plant on what they plant.

The CHAIRMAN. Do you think 69 or 70 percent of parity is much too low for support prices for farm commodities?

Mr. BUTZ. I think that that level is much too low for farm income. Let's distinguish, now, between prices and income.

I want adequate income and I want good prices, but let's don't interfere with movement of commodities into export. We export roughly 1 acre out of 4 in this country and I want to keep those exports high.

The CHAIRMAN. Someone informed me that when you were Assistant Secretary or at some prior date that you were opposed to one-price cotton. Is that your attitude today or was it ever your attitude?

Mr. BUTZ. To one-price cotton?

The CHAIRMAN. Yes, that you favored the two-price cotton system in this country.

Mr. BUTZ. No; I don't think that is correct.

The CHAIRMAN. You favor one-price cotton, the same price domestically as the export price?

Mr. BUTZ. Oh, I misunderstood you. No, indeed. The export price has to be below the domestic price plus Division payment.

The CHAIRMAN. But you wouldn't favor the American textile industry having to pay 15, 20 cents a pound more for American produced cotton than some mill in Shanghai, would you?

Mr. BUTZ. Mr. Chairman, that is a problem that has to be worked out and I just feel I am not close enough to comment. I don't want to drive the textile industry out of the United States; I realize competition from Japan and Formosa is tough, where they buy American cotton at cheap prices and then put the textiles back here at subsidized prices; and that is the kind of competition that I am convinced we must not allow our textile industry to face.

The CHAIRMAN. Let's pursue that further.

Let's assume you had two-priced cotton. A bale of cotton in Georgia would cost the mill about $40 more a bale than the mill in Shanghai or Japan. You wouldn't favor a return to that policy? We got away from that when our farm legislation provided for one-price cotton several years ago, you know, and I think it is very popular with the producers and it is popular with the industry. Insofar as I know, it is popular with everyone in our country. No one has made any effort to change it. You wouldn't want to change that policy?

Mr. BUTZ. I have to state in all candor I live in a state where we don't grow cotton and I am not too familiar with the cotton problem; but let me say the answer to your question is "No."

The CHAIRMAN. Now, I was informed at one time you said the tobacco program was bad. I don't know whether you ever made that statement or not, but do you support our tobacco program as it is operating at the present time?

Mr. BUTZ. Yes, sir; I do. Mrs. Butz comes from North Carolina which is an important tobacco State, I get there frequently, and for a Hoosier I have some concept of the tobacco industry. As a matter of fact, two of her brothers are tobacco farmers.

The CHAIRMAN. You do raise some tobacco in southern Indiana?

Mr. BUTZ. We have five counties that raise some burley; you are right, but the answer to your question is yes, I do.

The CHAIRMAN. You favor the continuation of our present peanut program?

Mr. BUTZ. To the extent I am familiar with it, I do; and, again, I am out of the peanut territory but I will simply have to say to the extent I am familiar with it, I do.

The CHAIRMAN. As you know, poultry and eggs have been selling below the cost of production for the better part of 2 years; and I am informed that the egg producers in America now have a minus net worth. In other words, if they liquidated they couldn't pay off the debts. Many of our broiler producers are rapidly going broke. Do you have any idea as to what ought to be done in that regard to try to bring income in those commodities up?

Mr. BUTZ. Mr. Chairman, you are right; poultry and eggs are a disaster area and they have been for a couple of years. They have been that way too long. I understand the egg producers are getting together now with a recommendation that will shortly come to the Congress to permit them to have a slaughter program of hens to bring the hen population under some degree of control. The egg situation has been aggravated some by the development of a vaccine for Marek's disease that came on the market a year ago; the net result is when you vaccinate chicks for Marek's disease, you have less mortality; the hens can live longer and healthier and the rate of lay has gone up.

Ultimately, we will adjust to that in the size of our poultry flocks, but it has had the effect momentarily of prolonging this glut on the market. When you combine that with the occasional story that appears in the national magazines about cholesterol in eggs and that type of thing it has an adverse impact.

To the extent that I am familiar with what the united egg producers are attempting to do now, I think it is a step in the right direction and I will support it. We simply must reduce the size of our laying flock.

The CHAIRMAN. Let me see if I understand your reply.

You would favor some program to regulate supply in line with demand that was agreeable to the egg producers of the country?

Mr. BUTZ. Yes, sir; I would. As I understand it, they want to administer this themselves.

The CHAIRMAN. That is my understanding. They have talked with me about it; they are in the process of drafting some legislation——

Mr. BUTZ. Yes, sir.

The CHAIRMAN (continuing). Trying to get substantial agreement, as I understand it, among the industry now.

Mr. BUTZ. Yes, sir; I think it is a wonderful thing when the industry undertakes to correct its situation itself with authorization by the Congress but run the program themselves; I will support that fully.

The CHAIRMAN. All right. Now, suppose—and they have not reached that point yet—but suppose the broiler industry came up with a similar plan that was voluntary and agreeable on their part, would you support that?

Mr. BUTZ. I certainly would. The broiler industry is different, however, because of the short-term nature of it. You are only about three to three and a half months from setting the egg to processing the broiler. With your laying flock you are locked in for a year.

The CHAIRMAN. Right.

Now, another thing, there has been some criticism—you made reference to it yourself in your testimony, to the fact that you served on the boards of several large corporations that deal in the agribusiness area. There has been some speculation that your devotion to duties and sympathies may be more in line with agribusiness and large farmers than small farmers.

Would you respond to that again?

Mr. BUTZ. Yes; I would be glad to, Mr. Chairman.

As I said, the agribusiness complex is a part of the total agricultural movement in this country.

The CHAIRMAN. Will you yield at that point? I have been notified that my 10 minutes have expired.

[Laughter.]

The CHAIRMAN. Since you are in the midst of your response, I ask unanimous consent that you may answer the question.

[Laughter.]

Mr. BUTZ. Do you have consent?

The CHAIRMAN. No one objected; I do have consent.

Mr. BUTZ. As I said a moment ago, I regard agri-business as a very essential part of the food and fiber chain in America. The bushel of wheat in Kansas really has value until it is translated into a loaf of bread or a breakfast roll in Philadelphia. The hog on an Indiana farm has value when it becomes a porkchop or a loin roast in St. Louis. Therefore, to say that you are for one or against the other, I think, is unfair to anybody working in agriculture; you are for all of it. This is part of the total process of getting our food and fiber from the farm to the ultimate consumer and, by the same token, agriculture now uses many purchased production inputs that we used to produce on the farm.

When I was a youngster we used to produce our own power in the form of a colt every year or two. We produced our own hay and oats. We didn't have commercial fertilizers; we didn't use insecticides; we didn't use herbicides; we didn't use antibiotics; we didn't use mechanical power. We shucked the corn by hand. Those things have been transferred off the farm now but they are no less a part of agriculture now than they were when we did them on the farm and, therefore, I think those of us in agriculture have got to be concerned with the total chain of the food and fiber complex in this country which includes the purchase of production inputs; we want them produced efficiently. We want them scientifically; we want them economically. This includes processing, distribution and merchandizing. These things must be done effectively or farm income suffers.

So my position, Mr. Chairman, is that the goal for us in the Department of Agriculture and the goal for us in the colleges, too, as we work with farmers, is to do everything possible to enhance the income and the living satisfaction of our people on farms. We cannot do that effectively if we ignore the people who supply them with their production inputs or who purchase their produce and process and merchandise it.

In some cases these are cooperatives that do that; in some cases they are private corporations. We must work with whomever is working in this field.

The CHAIRMAN. Now, Mr. Secretary, you made reference this morning to rural development. It is something that our committee is very much interested in. We just this year established a new Subcommittee on Rural Development. We have been very active in that field this year. The original title IX of the farm bill of last year that Senator Dole and I cosponsored, and we wrote into the bill a commitment on the part of the Congress to achieve a sound urban-rural balance. There was a further portion of the bill that required reports from the executive branch of Government on the quality of life and so on in rural areas; and third, a directive for the Government to locate new Federal installations in less populous rural areas. I personally think that most of the major domestic problems in this country are directly attributable to the fact that we have over 70 percent of our people living on less than 2 percent of our land.

Rural America has exported its best talent, its college educated, high school educated, because the jobs were not available there and it has also exported the people with the fewest skills and the lowest education and it is the latter group that contributed to the problem of welfare and crime and housing and pollution that is commonly referred to as the urban crisis.

Since that time the President himself has been talking about rural development and has submitted a bill along that line. It is before the committee now, also with a subcommittee bill that has been reported after extensive hearings.

I wish you would state your views to the committee as to what you favor in the area of rural development, what you recommend that we do to try to create job opportunities in rural America, and what we can do to stem the massive migration from rural America to urban America and hopefully reverse it.

Mr. BUTZ. Mr. Chairman, I am strongly in favor of a very vigorous rural development program. I think this involves the whole infrastructure of rural America.

As well as the agricultural programs, it involves highways; it involves sanitation facilities; it involves water supply; it involves drainage; it involves recreation; it involves education; and it involves economic opportunity. I think you are absolutely right in urging as strongly as you can urge the installation of Federal facilities in parts of rural America; keep the job opportunities out there. And I couldn't agree with you more that the part of what we call urban blight is the result of the migration of people without skills and with low-educational levels and low aptitudes to these heavily concentrated population areas.

I feel this not only must be stopped—I would like to see it reversed.

The CHAIRMAN. The President's Commission that he appointed on this particular problem recommended a massive infusion of capital, private, and public, to achieve industrial development to create jobs in rural America. Would you favor that approach?

Mr. BUTZ. I certainly would by whatever means you can use; it may be tax incentives; it may be short-time subsidies of one kind or another. I think any legitimate approach that did reverse this trend of population migration must be pursued vigorously.

The CHAIRMAN. Are you familiar with what has been going on in England and the Scandinavian countries and Israel in that regard?

Mr. BUTZ. Just in general.

The CHAIRMAN. They have made much better strides than we have. We have talked about it for sometime, for a good many years, as a matter of fact, but we have done little about it.

I may say the Senate by a rather decisive vote voted additional tax credits to achieve that result just yesterday.

Mr. BUTZ. This was wise.

The CHAIRMAN. And I think there is tremendous interest in the Senate in that field and hopefully, the House; and I hope we can achieve a positive breakthrough in that regard in this Congress.

Mr. TALMADGE. Mr. President, I view Dr. Butz' statements on the cotton, tobacco and peanut programs as commitments to carry out these programs as they have been carried out in the past. If Dr. Butz is confirmed by the Senate, I intend to hold him to these commitments. I intend to hold him to his statement in support of rural development. Dr. Butz' statements at the committee hearing were largely satisfactory. However, I have always been skeptical of "deathbed" conversions. I question whether any man can repudiate overnight a philosophy that he has held for a lifetime.

In 1952, before Ezra Taft Benson took office as Secretary of Agriculture, realized net farm income totaled $14.1 billion. In 1960, the last year of Mr. Benson's secretaryship, farm income totaled $11.7 billion.

During that same period the farm parity ratio moved downward from 95 to 81 percent.

In addition, farm surpluses skyrocketed during the Benson era. Commodity Credit Corporation inventories of farm commodities increased from $2.2 billion to $5.6 billion.

Mr. President, many American farmers are already on the verge of bankruptcy. As a Senator from Georgia and as chairman of the Committee on Agriculture and Forestry, I cannot risk a repeat of Benson-type farm policies. Therefore, I am compelled to vote, as I voted in the committee, against the nomination of Dr. Earl L. Butz as Secretary of Agriculture.

I thank the distinguished Senator from Iowa for yielding to me, and I yield the floor.

Mr. HUGHES. Mr. President, I want to thank the distinguished chairman of the Committee on Agriculture and Forestry for his statement and his fairness in making it. The decision he has reached I believe is one that we share.

I want to at this time indicate that in the nomination of Dr. Butz for Secretary of Agriculture we have the unusual instance that the nominee is not only an unfortunate choice for the position but is a choice that may well be prejudicial to the interests of a large segment of the American people and to the future of rural America.

It should be made clear at the outset, as I have stated previously, that I do not question the ability and the integrity of Mr. Butz. That is not an issue with me personally. In fact, I think he has been very successful in the programs and policies that he has outlined and believed in for American agriculture. And that is one of the major problems that I have.

The future of the independent American farmer is plainly at issue in this nomination.

We are rapidly reaching a continental divide in the development of American agriculture. Mr. Butz' philosophical commitment, as reflected in his entire career as a university dean, agribusinessman and Government official, has been devoted to a direction that I believe is inimical to the future of rural America and the country as a whole.

Here are the basic points:

The farm economy of the United States, as it relates to the independent commercial farm operation, is in critical condition.

There are not many people who question that.

As a result, tens of thousands of farm families each year are being driven from the land to our already congested cities. It should be made plain that we are not talking about marginal, inefficient farms, but well-managed, small, and middle-sized units that have produced efficiently through the years. The economic determinism which holds that this is inevitable and perhaps good for the farm economy is a viewpoint to which people are entitled.

But many of us are deeply convinced that it does not have to be that way and that if the accelerating consolidation of our productive farmland into large corporate farms and agribusiness combines continues, both our society and our economy will suffer irreparable damage in the long run.

I was again asked today, Mr. President, if there is anything in my State any longer that may properly be called a family farm. I have not recently checked the statistics, but when I was first elected to the Senate and came into this body, the average acreage of an Iowa farm was 269 acres. That is by no means a large, corporate structure. It is much larger than would have been considered the ordinary small family farm operation 25 or 35 years ago. But at the same time, it is still a relatively small farm operation.

Opposed to the acreage, however, the age of the average farmer was 59 years. Young people could no longer afford to start farming for the returns on the investment, even with that acreage.

The average capitalization, as reported in a scale which I lately put in the record of the hearings, on an Iowa farm is $93,000.

The questions that are raised here I think are serious questions. We seem to be accepting the philosophy in America that there is no alternative to driving people off the farms of America, unless they want to go into huge farm operations.

We have spent hundreds of millions of dollars in research on productivity, in moving toward the direction of largeness. This may be right or it may be wrong, but how much have we spent in the effort to make a productive unit out of a rather small productive area in our country? The small farm is worth preservation, Mr. President; and dedication in that direction is needed.

Now, if ever, there is a desperate need for a dynamic leader in the Department of Agriculture with the interests of the independent farmer at heart. It is high time that the vast resources of that Department should be employed to provide services to the independent farmer in his hour of need, rather than contributing, to the extent it has, to the industrialization of rural America.

The nomination of Mr. Earl Butz for Secretary of Agriculture has met with strenuous opposition from farmers, environmentalists, and many others concerned with the future of rural America. Many segments of American agriculture are caught in the most serious farm depression in decades. The scene of farmers stacking up their unsellable corn in the streets is painfully reminiscent of that earlier farm depression.

Seventy thousand farms a year—most of which are efficient and sizable operations—are being driven out of business. For the most part, these are not farmers who want to leave; these are farmers who are being forced to leave agriculture at a time of serious unemployment and already overcrowded cities.

The exodus from farm to city is not inevitable. It can be stopped if we vigorously address ourselves to the task. But Mr. Butz has clearly indicated that he believes the trend is unavoidable, with nothing Government can do to stop it or slow it.

Because of Mr. Butz devotion to agribusiness, his philosophical ties to agribusiness, his scorn for the food stamp program that he would be charged with administering as Secretary, and his apparent lack of concern for the serious threats to our environment, he is not the man for the job that needs to be done.

I might point out, Mr. President, that sadly enough, as concerns his position as Secretary of Agriculture, I cannot recall in my lifetime a popular Secretary of Agriculture, in either political party. The job is a job that most men in America would not want and would not take. If they were asked to, they would be reluctant to accept it, because they know the seriousness of the problems we face in agriculture in America. They know the criticism leveled at the Secretary himself, which is ongoing and continuing, regardless of the party in power.

At this particular time, Mr. President, we have reached a point of no return.

Mr. President, there are several items I would like to submit as part of the RECORD.

First, the Atlanta Constitution last week ran an excellent editorial applauding the committee vote on Mr. Butz of the Senator from Georgia (Mr. TALMADGE) chairman of the Agriculture Committee. I think that the vote of the committee chairman, along with the opposition of the ranking minority member of the Agriculture Committee, is very significant in these deliberations. It shows the broadbased and nonpartisan opposition to this nomination.

Second, Mr. Butz has already disclosed his relationship to three agribusiness corporations: Ralston-Purina, Stokeley-Van Camp, and International Minerals and Chemical Corp. The senior Senator from Oklahoma has submitted into the RECORD of November 19, 1971, a report on these three companies that outlines their activities and interests.

These directorships have not been the only formal ties that Mr. Butz has had to agri-business. He also has served on the board of directors of the Food Foundation, the Foundation for American Agriculture, and the Nutrition Foundation. Each of these foundations are primarily supported by and serve the interests of agribusiness through research and education programs. I am submitting some information about each of these foundations.

Mr. President, I ask unanimous consent that these items be printed in the RECORD at this point.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From The Atlanta Constitution, Nov. 24, 1971]

TALMADGE VERSUS BUTZ

Georgia Sen. Herman Talmadge surprised a lot of people this week by voting against confirmation of President Nixon's choice for secretary of agriculture, Earl L. Butz.

The Talmadge vote was extremely significant. As chairman now of the Senate Agriculture Committee, Talmadge swings a good deal of influence in anything affecting federal policies on farmers or anything related to agriculture. He chose not to fight the Butz appointment actively, and the Senate committee narrowly (8–6) recommended approval.

But the Talmadge vote may have great significance when the full Senate considers the appointment. His vote, as chairman and ranking Democrat on the committee, will have considerable weight. Moreover, Sen. Jack Miller of Iowa, the Republican ranking member on that same committee, also voted against the Butz appointment.

Talmadge has, as a rule, declined to oppose any President's choices for cabinet level posts on the basis that any President basically has the right to name the members of his official family. So, it was a move in this case not taken lightly. Butz has not, on the basis of his record, been a good spokesman for agriculture, commented Talmadge after the committee vote.

Butz is an able man, as Talmadge and others acknowledge. But, as Talmadge put it, "Our small farmers are being plowed up fast enough anyway without accelerating that process." Butz's ties are primarily to major agribusiness companies, rather than to farmers. He resigned director posts with three large agri-business corporations after being nominated for secretary of agriculture. And, his previous agriculture department experience was as one carrying out the policies of former Agriculture Secretary Ezra Taft Benson, a man who wanted to eliminate all the price supports which most farmers find critically important. "That was an unhappy day for American farmers," said Talmadge drily, referring to the Benson era.

We believe that Sen. Talmadge voted in the best interests of Georgia and American farmers when he voted against the appointment of Earl L. Butz as secretary of agriculture. We would hope that the U.S. Senate will, in the end, vote down the nomination.

INFORMATION ON FOUNDATIONS

According to Who's Who, Mr. Butz has also served as a member of the Board of Directors of the Farm Foundation, located in Chicago, Illinois. Working with the land-grant colleges and the USDA, the Farm Foundation recommends and conducts extensive research into agricultural and rural problems. In addition to earnings from its endowment fund, the Farm Foundation in 1971 received contributions from the following agribusiness companies: Agway Foundation; Atchison, Topeka & Santa Fe Railway; John Deere Foundation; Firestone; First National Bank of Chicago; B. F. Goodrich Fund; Goodyear; International Harvester; International Mineral & Chemical Corp.; Northern Trust Co.; Sears-Roebuck Foundation; Standard Oil (Indiana) Foundation; Swift Co. Foundation; and WGN Continental Broadcasting Co. Its Board of Directors includes representatives of most of those companies, as well as representatives of various land-grant colleges.

Mr. Butz has also served as a director of the Foundation for American Agriculture. The foundation, located in Washington and incorporated in 1945, describes its "primary purpose" as being "to inform the individual and public with reference . . . to American agribusiness; conduct appropriate scientific research; cooperate with institutions of learning . . . by making available . . . reports and publications on agribusiness subjects; publish articles . . . by persons prominent in agribusiness . . . and avail itself of all recognized media for the dissemination of its educational programs. A further primary purpose of the Foundation has been and is to increase understanding throughout rural and urban America of the role agribusiness plays in our total economy. To accomplish these objectives, it has worked diligently during

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the past twenty-four years." (From 1969 Foundation publication. Ellipses theirs.)

Its Board of Directors includes representatives from: Sunkist; Central National Bank; Armour; Quaker Oats; Ralston-Purina; Agway; E. I. Dupont; Safeway Stores; B. F. Goodrich; Bank of America; Sears, Roebuck; Chas. Pfizer; Commercial Solvents Corp.; and International Minerals & Chemicals Corp.

Mr. Butz has also served on the Board of Directors of the Nutrition Foundation. The purposes of the Nutrition Foundation are set forth in its 1969–1970 Annual Report:

The food supply in the United States is among the finest of any country in the world. The amount produced is adequate for everyone to achieve good nutrition, and the food is of the highest quality. At every step, producers, processors, distributors and government agencies take great care to maintain this quality for the consumer. Not withstanding the high quality of the food supply, poor eating patterns and a lack of understanding of the basic principle of nutrition are prevalent among all socio-economic levels of the population.

The Foundation's program and activities over the years have been focused on maintaining this high quality of food by adding to the knowledge of nutrition through research and through education of the public. Included on the Board of Directors are representatives of Sunkist, General Foods, Green Giant, Armour, Del Monte, Kraftco, Quaker Oats, E. J. Heinz, General Mills, Pillsbury, Swift and Kellogg, as well as representatives of leading universities and foundations.

The enumeration of these associations and foundations is not in any way to challenge their validity or importance. There is nothing inherently wrong with agri-business or with the entities they establish to promote their best interests. Mr. Butz's record of service to this segment of the agricultural economy is extensive and—I am sure—distinguished. But where is his record of accomplishment and contribution to the other segments of American agriculture: the small independent farmers and their families? The farm workers? I have not been able to find it. My staff has not been able to find it. Nothing Mr. Butz said at his confirmation hearings helps to illuminate it. The only conclusion that I can make is that Mr. Butz has spent his long and unquestionably distinguished career dedicated to the interests of big farming and big farm business. This is not the kind of balanced, people-oriented background that I believe a Secretary of Agriculture must have in 1971.

Mr. HUGHES. Some of these operations I have mentioned unquestionably benefit small farmers and farmworkers to some extent. We are all benefited, for example, when nutritional standards increase. But much of the research sponsored by agribusiness through these foundations has to do with increasing the farmer's productive capacity. That avenue has been a largely unrewarding one for our Nation's small and medium-sized independent farmers. For as our Nation's agricultural capacity has dramatically increased over the past 2 decades, small and medium-sized independent farm operators have just as dramatically been forced to leave farming. In the process, farm production has become concentrated in fewer and fewer hands.

Little of the work that Mr. Butz has done through these agribusiness associations and foundations has attempted to solve the most real and pressing problem of small and independent farmers—survival itself.

Certainly the small farmer is interested in a new fertilizer that will increase his yield; but he is more interested in knowing why his past jumps in productivity have not been translated for him into higher farm income, why every effort he has made to improve the quality and the productive capacity that he has, has achieved nothing more, in net balance, out of the efforts he has made.

Third, I am submitting for the RECORD the statements of opposition to Mr. Butz from: the National Farmers Organization, the National Farmers Union, Environmental Action, and the Sierra Club. Senator HARRIS is submitting statements of opposition from other national organizations.

I ask unanimous consent that the statements be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY OF OREN LEE STALEY, PRESIDENT, NATIONAL FARMERS ORGANIZATION, SENATE AGRICULTURE COMMITTEE, NOVEMBER 18, 1971

I appreciate this opportunity to appear in opposition to the nomination of Earl L. Butz as Secretary of Agriculture.

We are shocked and angered at the selection of a man so closely tied to the corporate giants moving into agriculture. It is a disastrous appointment from the producer's standpoint.

Business men wouldn't accept appointment of a national labor leader as Secretary of Commerce; laboring men and women wouldn't accept appointment of the president of General Motors as Secretary of Labor; and farmers shouldn't be called on to accept appointment of Earl Butz as Secretary of Agriculture.

We oppose Dr. Butz because he is a leading spokesman for those who accept the proposition that it is not necessarily bad to continue eliminating hundreds of thousands of farmers each year and permitting integrators and others to gain more control of the food industry.

We oppose Dr. Butz because he accepts bigness in agriculture and the movement of people off the land as inevitable.

We oppose Dr. Butz because he has identified completely with agribusiness and preached its gospel while serving in the Department of Agriculture in the 1950s, as an administrator at Purdue University, as a widely traveled speaker, and as a board member for three agribusiness giants.

We are opposed to giving a man with these views and associations a national platform and the tremendous power and influence that go with being Secretary of Agriculture.

There is no point in mincing words on what this confirmation vote means. It means making a choice on the kind of agriculture and the kind of rural America we want to encourage in the years ahead.

In meeting its constitutional responsibility, the U.S. Senate will choose between a historic commitment to opportunity for people on the land and a goal of mechanical efficiency that drives people out of rural areas, eliminates farm and small business enterprises, and destroys rural communities.

In a 1959 speech quoted in Farmer's Digest, Dr. Butz said "the fact that an individual producer may surrender some of his managerial freedom and may transfer part of his risk-taking to someone else is really a very small price to pay for the advantages that flow out of an integrated system." By this statement and by his testimony before this committee yesterday, Dr. Butz makes clear his concern for the whole chain of food production, handling and marketing. Surely he is an honest man.

Gentleman, we do not believe the big companies like Tenneco, Dow Chemical, Bank of America, Ralston-Purina, Boeing, and Stokely-Van Camp need the sympathetic assistance of a Secretary of Agriculture in order to survive. Certainly our farm families do need understanding and support.

Some of these big companies, like Tenneco for example, readily concede that these intrusions into farming are part of a bold move to dominate the food industry from field to checkout counter by controlling all phases of production, processing and marketing.

Dr. Butz, by serving on the board of two companies directly involved in these activities, is clearly tied to these attempts to destroy the family farm system and usher in a concentrated, corporate agriculture.

The confirmation situation is further complicated by a conflict of interest in which Dr. Butz took in $26,600 a year as a board member of three agribusiness companies while serving as a dean at Purdue. This committee should determine what services Dr. Butz performed for these companies to make him worth that much money.

It also should find out how well he could serve the farmers of his state as dean of agriculture at the same time he was drawing $12,000 a year as a director of an aggressive integrator like Ralston-Purina.

Dr. Butz has disclosed the amount of stock he owns in three agribusiness firms he served as director—International Minerals and Chemicals, Stokely-Van Camp and Ralston-Purina—and disclosed that this represented about one-third of the value of his investment portfolio. What about the other two-thirds? Is it made up of agribusiness companies or others that would be affected by decisions of the Secretary of Agriculture?

This appointment would put him in charge of programs and regulatory agencies that deal with at least three of his own companies, possibly more, a conflict of interest situation that could not be humanly avoided by merely placing his stocks in a blind trust.

On Tuesday the General Accounting Office issued a report stating that poultry inspection had not eliminated unacceptable conditions in most of 68 plants reviewed. It found that unacceptable conditions continued in 17 plants criticized in a previous GAO review. The plants are not named, but will Dr. Butz, the ex-director of the biggest single factor in the nation's broiler industry, vigorously straighten out this situation and end the shortcomings in that industry?

The record will show that in poultry inspection hearings in the 1950s he advocated gradualism. Certainly after 15 years unacceptable conditions should not be tolerated, but will they be?

The committee should determine whether or not the companies in which Dr. Butz has been a director have contributed to improved conditions in the areas in which they operate, or whether they have provided leadership in bringing better conditions. I would like to submit to the committee a copy of a recent Nader report, containing a chapter entitled "Poultry Peonage," with which you might start such research.

Dr. Butz can resign his positions with the agribusiness companies he has served but it is unlikely he will be able to resign his longtime agribusiness biases.

Gentlemen, when you put your stock in trust you still own it. You still have your interest in the companies. How can you expect Dr. Butz to protect free and open bargaining between producers and the companies with which he has been associated?

Taking Ralston-Purina's far-flung business interests as an example, possibilities of conflict immediately arise in the supervision of the Commodity and Exchange Authority, the food inspection services, the Packers and Stockyards Administration, and the Agricultural Research Service.

There are a number of other important questions that we feel the committee should explore fully with Dr. Butz during these hearings.

Does Dr. Butz favor expansion of cattle feeding by packing companies, for example, or does he favor legislation that would, in effect, limit feeding to those engaged in agricultural production on a fulltime basis?

Does he favor continuation of tobacco allotments now held by family farmers or would he discontinue this program and turn production over to the big tobacco companies?

Does he favor continued agricultural research centering on high volume, huge concentrations of animals and capital and so-called efficiency or does he favor research that considers social efficiency, people and social costs?

Does he favor integration of the hog industry with eventual destruction of the market and a takeover by big agribusiness firms or does he favor doing what is necessary to keep this industry in the hands of independent producers?

Does he favor international commodity agreements with guaranteed price floors or does he favor an export policy that results in sales abroad at any price?

Does he favor an increase of up to 25% in feed grains price supports or does he favor continuation of the present disastrously low levels being paid to producers?

These are some questions Dr. Butz should be asked before these confirmation hearings come to a close.

There has been a real reaction among farmers to this appointment because few men who have served in the Department of Agriculture have made more inflammatory statements than Dr. Butz. His widely-published statement advising farmers to "adapt or die, resist and perish" is typical.

He is widely known among family farmers for his callous lack of concern about their welfare and the reaction you are seeing and feeling today truly comes from the grass roots.

We urged the President to withdraw the appointment the afternoon it was announced. We now respectfully urge you to reject formal confirmation of Dr. Butz, and all that he represents in terms of agriculture and rural America, and to advise the President to name someone who is committed to strengthening rural areas and preserving individual enterprise in agriculture.

DECHANT OPPOSES SENATE APPROVAL OF EARL BUTZ AS SECRETARY OF AGRICULTURE

WASHINGTON, D.C.—The Farmers Union opposed the appointment of Dr. Earl L. Butz as Secretary of Agriculture here today at a hearing of the Senate Agriculture Committee.

The National President of the Farmers Union Tony Dechant told the Committee that Butz' appointment raises serious questions about the future of family farm agriculture in America. He said the National Board of Directors of the Farmers Union voted unanimously to oppose the nomination.

Dechant said, "Dr. Butz' economic views are archaic. He has been in the active service of a number of corporations which seek to dominate the rural economy.

"His appointment as Secretary of Agriculture would suggest:

"1. Farmers can expect a continuation of low farm prices which have been administered by the Nixon Administration.

"2. Farmers can expect little relief from the Nixon Administration's disastrous set-aside land retirement plan which has proven unworkable as a system of supply management.

"3. Farmers can expect a continuation of President Nixon's policies which favor corporations at the expense of producers.

"4. Farmers can expect the farm program to be a pawn in President Nixon's bid for re-election, with possible attempts to sugar-coat the bitter pill of the set-aside program, and with final phaseout of workable farm programs scheduled to follow the November 1972 election.

"The steep decline of farm parity began during the era of Secretary of Agriculture Ezra Taft Benson, for whom Dr. Butz served as Assistant Secretary. The departure of millions of families from rural America swelled into the greatest mass migration in history. No Administration has been able to reverse the trend which was set in those years. Dr. Butz favored a phase-out of positive supply management long before the term 'set-aside' was coined by the Nixon Administration. He was an exponent of the massive soil bank land retirement plan during the Benson years.

"Dr. Butz' service to Purdue University while he was on the payroll of several large corporations represented a conflict of interest. Since he is philosophically and politically dedicated to the advocacy of their cause, we believe a similar conflict of interest would continue in the President's Cabinet, even though he resigns from his positions of corporate responsibility."

Dechant stated that

"Dr. Butz has a bad record, but we recognize that a man can change. Our concern is heightened because of the gravity of the present situation for farmers. We cannot afford to provide time for the new Secretary to develop some new approach. The Nixon Administration took nearly two years to shape and refine the present set-aside fiasco. It was not really new—it was the old massive land retirement scheme advocated by Dr. Butz a decade ago. Mr. Chairman, we do not have two years, or two months for more political gimmickry at the expense of the American farmer.

"We know what must be done. We must have effective supply management. We must have improved prices. We must have a massive infusion of low interest rate credit to rescue agriculture from the disaster created by our present farm program.

"I believe it is time that the Congress looks seriously at the proposal to create strategic reserves of our basic farm commodities. We must greatly increase our capacity for farm storage. We must raise commodity loans in order to protect farm income when prices are at their lowest. We must scrap the ill fated set-aside plan. Legislative proposals to accomplish all of these goals are before you.

"Farmers like other businesses must be afforded opportunity to make longer range plans. The optional diversion in the 1972 feed grains program, for example, does not fit farmers need to make such plans. It's time that this administration recognize the need for effective, permanent supply management programs. Piecemeal and stop-gap measures to cope with emergency situations which could have been avoided are not good enough. Farmers deserve better.

"A little over a year ago I called for the resignation of Secretary of Agriculture Hardin. I did so to dramatize the extent of the alarm with which farmers regarded the unworkable set-aside land retirement scheme and the undue pressures of the Administration on the Congress and Senate to adopt it. The former Chairman of this Committee, Senator Ellender said that never in 34 years had he felt such pressures from the Executive Branch. As you know, he refused—as did Senator Herman Talmadge the present Chairman of this Committee—to sign the House-Senate Conference Report which was adopted under Administration pressure."

Dechant said that he is opposing Dr. Butz' appointment in order to dramatize again our deep concern over the future of American agriculture if present trends continue. He said that "if decisive changes are not made in our farm program before spring planting time he would be back again, calling a press conference and asking for the resignation of another Secretary of Agriculture."

ENVIRONMENTAL ACTION,
Washington, D.C., November 25, 1971.

DEAR SENATOR: Like the nation's farmers, the nation's environmentalists have a major interest in the selection of the best possible man for Secretary of Agriculture. The Department of Agriculture makes important decisions concerning nationwide pesticide use; it has the potential to save or destroy many of the country's streams and marshlands; it can encourage or discourage the growth of giant agricultural conglomerates. And, of course, the Department includes the U.S. Forest Service with its vast responsibilities for the careful utilization of the nation's forests.

Because of these responsibilities, Environmental Action feels that any prospective Secretary of Agriculture must be willing and able to seriously assess environmental factors whenever they come up in the decision making process.

Although our organization did not testify at the Senate hearings on the appointment of Dr. Earl Butz, information which came out of those hearings has convinced us that Dr. Butz will not adequately consider environmental questions should he become Secretary of Agriculture. We are thus strongly opposing his confirmation.

Dr. Butz has been quoted as saying: "We've got to decide shortly whether we're going to have a little thermal pollution in our waters or have brownouts in our cities at 3:00 in the afternoon when you turn the air conditioner on. You take one or the other."

Such statements assume the inevitability of environmental destruction and shown an unflinching, unenlightened attitude that can only harm the vast majority of Americans.

Environmental Action urges you to vote against the confirmation of Earl Butz as Secretary of Agriculture.

Sincerely,

PETER HARNIK
(For the staff).

NEW QUESTIONS ABOUT DR. BUTZ AS NOMINEE FOR SECRETARY OF AGRICULTURE

The Sierra Club raised new issues concerning the appointment of Earl C. Butz as Secretary of Agriculture. In a letter to Sen. Herman Talmadge (D-Ga.), the Sierra Club requested that he re-open hearings on the confirmation of Butz so that his attitude and intentions regarding issues of concern to conservationists could be examined.

The hearings held last week barely touched upon important issues relating to how the nominee proposes to deal with: pollution from agricultural use of pesticides and fertilizers and from increased siltation; the controversial altering of our waterways through stream channelization; and the critical issue of the management of our National Forest System.

Citing statements made by Butz, the club pointed out that he has been openly antagonistic towards environmental concerns and towards the entire environmental movement. Dr. Butz refers to what he calls "the real threat to American agriculture . . . the threat that comes from the environmentalists, or from the do-gooders or from consumerism or from whatever you want to call it."

The following are some more quotes from a speech made by Dr. Butz before a National Agricultural Advertising and Marekting Association Farm-marketing seminar in Minneapolis on April 28, 1971:

"We need to extol the benefits that come from these chemicals and pesticides and antibiotics that we use."

". . . then I see these environmentalists on the other side trying to hold us back and

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trying to impede—not trying, but the net effect is to impede—the progress we're making in scientific agriculture."

"This fadism that we follow as a nation and currently it's ecology and pollution and it hits us in agriculture right in the solar plexus. But, we are now completely dependent on a scientific agriculture, upon the use of these things which are dangerous."

"We've got to decide shortly whether we're going to have a little thermal pollution in our waters or have brown-outs in our cities at 3:00 in the afternoon when you turn the air conditioner on. You take one or the other."

"These people think that God made nice red, plump, juicy, healthy apples. They think that nature makes apples that way. As a matter of fact, God put the worm in the apple—man took him out. God put the parasite in the pig—man took him out. God put the termite in the timber—man took him out."

Such statements cause deep concern with conservationists about the nomination of Dr. Butz for Secretary of Agriculture.

Mr. HUGHES. Mr. President, as I see it, there are three basic issues against Mr. Butz.

First. His firm and long-time belief that the loss of another 1 million farmers in the next decade is inevitable and not bad. It is not inevitable. The USDA has tremendous resources at its disposal to reverse that trend: Its great procurement power; the half billion dollars of research money it administers each year which today goes largely to finance research of immediate benefit to agribusiness; the subsidization policies that have encouraged bigness; and the taxation policies that have encouraged corporatization. Where are these 1 million families—and the hundreds of thousands of rural business families that they will take with them—where will they go? Onto our already overcrowded welfare rolls? Into our swelling unemployment figures? Perhaps. Into the already overcrowded cities? Perhaps. We can reverse the trend. In my opinion, we must reverse the trend.

Second. His ties to agribusiness which erect what I believe is a philosophical conflict of interest. His record of service to this one narrow segment of agriculture is clear; his record of service to independent farmers, whose interests are not always consistent with those of agribusiness, is not so clear.

Third. His apparent scorn for the food programs he would be charged with administering as Secretary and his opposition to the legitimate objectives of the environmental and consumer movements. Just 7 months ago, he called the food stamp program—if I read the record correctly—"just short of ridiculous." If he is singing a different tune this week, it is a very recent conversion.

Mr. President, I consider this vote one of the most serious ones we will take during this session. American agriculture and rural America are at a crossroads; I am afraid Mr. Butz will take us down the wrong path.

I will vote no on the confirmation of Mr. Butz.

As I stated in the beginning, it is my hope that the next Secretary of Agriculture will seek to reverse the trends that have been so apparent, particularly in the last decade, that have been continuing at alarming pace, in which there is Congress, I might add, or by the administration—in trying to reverse these trends. It is an unfortunate choice at a time when we needed someone who was the leader, who could point in the direction of hope for the farmers of this great Nation.

Mr. President, I yield the floor.

Mr. HARRIS. I yield myself 5 minutes.

Mr. President, I compliment the distinguished Senator from Iowa for his excellent statement in opposition to the confirmation of the nomination of Dr. Butz, and I certainly associate myself with all he said.

I want to make two or three points tonight, and I expect to speak again on this nomination before the final vote.

First, the people who met in Philadelphia and wrote the Constitution of the United States labored a good deal and argued a good deal over responsibility for the appointment of members of the Cabinet. They came to the conclusion that, while the President of the United States ought to be able to choose some of his employees, irrespective of the will of the Senate or of Congress, he should not be able to appoint certain of those who would serve with him except by and with the advice and consent of the Senate. The founders of the Constitution decided that those who would serve in the Cabinet of a President would not be appointed solely by the President, but that they ought to be nominated only by the President and confirmed by the Senate and that, therefore, the appointment of these officials should be joint.

I believe that that was a wise decision. I believe that since the writers of our Constitution so decided, Members of the Senate have a special responsibility to exercise their independent judgment upon these kinds of nominations.

One such nomination is the one now before the Senate, the nomination of Dr. Earl L. Butz to be Secretary of Agriculture. I believe that since the President cannot appoint that kind of official by himself, and since that appointment power is shared with the Senate, Senators have not only an opportunity but also a responsibility to exercise their independent judgment about this appointment and similar appointments; and I do exercise my independent judgment about that.

I do not think my judgment is trammeled by or restricted or limited by any more restrictions or limits or trammels than those which affect the President's nomination powers. I think I have just as much latitude in deciding whether to advise and consent to the nomination as the President had in making the nomination. I believe that is the clear and constitutional mandate.

Mr. President, I am very impressed by the most important Member of the Senate in regard to this nomination and what he has had to say—that is, the chairman of the Committee on Agriculture and Forestry, the distinguished Senator from Georgia. He listened to all the debate and discussion. I do not think it can be said that he is an unduly partisan Member of this body. All of us are partisan to some degree, but I do not believe it can be said that the distinguished Senator from Georgia (Mr. TALMADGE) is an unduly partisan Member of this body. He is the chairman of the Senate Agriculture Committee, and he opposes this nomination for the reasons he has very clearly set forth. I find them very persuasive.

I also am much impressed by the fact that the ranking Republican member of the Committee on Agriculture and Forestry, the Senator from Iowa (Mr. MILLER), also has voted against this nomination in the committee. I do not believe he did that for any partisan reason, because he is of the same party as the President of the United States and of the same party as the nominee. Like Senator TALMADGE, he probably is the Member of the Senate we ought to pay most attention to in regard to this nomination. He opposed the nomination in committee, and I find that terribly persuasive.

Mr. President, I have an uncle who lives in Kansas. He is an auctioneer. He is a man whose livelihood depends a great deal upon farm prosperity. I have a great deal of identification with that State. It is a State just north of mine, the State of Oklahoma. I have spent considerable time in that State, in towns like Oakley and Garden City and others, in the wheat harvest which I followed for a good many years when I was a young man. I was impressed by what I read in the newspapers that the distinguished Senator from Kansas (Mr. PEARSON) had to say about this nomination and the way he viewed it in light of his responsibility to the farmers of Kansas.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRIS. I yield myself 5 additional minutes.

I do not think that what Senator Pearson said was said in a partisan vein, because the Senator from Kansas is of the same party as the President of the United States, and he is of the same party as Dr. Butz. The Senator from Kansas said he thought that the President of the United States ought to withdraw this nomination. I believe he is right. I may say, as a Senator from a State neighboring his, representing farmers of the same interests as his, that I believe he was quite right in asking that this nomination be withdrawn. If it is not withdrawn, Mr. President, I am persuaded that it ought not be confirmed by the Senate.

May I say, also, that I am very much impressed by what the distinguished Senator from North Dakota (Mr. YOUNG) has said. He led off the opposition here today in speaking against the nomination of Dr. Butz. I have spent a great deal of time in the State of North Dakota, in the wheat harvest, in towns like Ray, N. Dak., and Bowman, N. Dak., with the distinguished Senator from North Dakota (Mr. YOUNG), as I have with the distinguished Presiding Officer, the Senator from North Dakota (Mr. BURDICK). The interests of those farmers are very much like my own.

Therefore, I find it very persuasive that the distinguished Senator from North Dakota (Mr. YOUNG) a member of the Agriculture Committee, which had an opportunity to examine this nominee and his views, spoke out in opposition here today to this nomination. I do not think that Senator YOUNG spoke in any partisan way. He is of the same party as President Nixon. He is of the same party as the nominee. Yet he states that the nomination is not in the best interest of the farmers he represents in North Dakota. I believe that it is not in the best interest of the farmers of Oklahoma, either. I do not think it is in the best interests of all Americans, whether they are farmers or whether they live in the cities.

I served as a member of the National Advisory Commission on Civil Disorders, which looked into the tragic urban riots which we saw in so many cities in the summer of 1967. One of the things we said in the report of that Commission was that we never were going to be able to solve the problem of the cities unless we could stem the tide of out-migration from the rural areas in States like Kansas, Oklahoma, North Dakota, and Iowa, into the big cities.

I believe that it is a terrible thing to say it is inevitable that there will be more and more small farmers forced off the farms, as Dr. Butz has said. I do not think this is a partisan matter. I think we have had the wrong agricultural policy for a long time, but we are now at a pivotal time in the history of the country, and in the history of American agriculture, where we are moving into more and more bigness, more and more corporatization of farming.

We can do something to try to stem that flow of small farmers from their home States into the big cities where their problems are often, if not always, much greater.

I support the efforts of the distinguished Senator from Indiana (Mr. BAYH) to hold down subsidies to a limit of $20,000 each. We are not talking so much about efficiency here, because if it is efficiency we are after, why do we have to pay so much in subsidies to the large and rich farmers, to the big corporate farmers? They are efficient because we spend so much money with them. I think we would be well advised to stop doing that.

I support the efforts of the distinguished Senator from Minnesota (Mr. MONDALE) to provide for collective bargaining on behalf of American farmers. I believe they have got to have more economic power in the marketplace. I believe that that is a basic concept, if we are to protect the independent farmer as against the corporate farmer, the rich farmer, the hobby farmer, who are gobbling up most of the farms in the country.

I have introduced legislation in the Senate which would seek to enforce the law in regard to irrigation water. The law now is that if a farmer takes advantage of irrigation water, built with the taxpayers' money, it should not be in excess of 160 acres. I believe that that law should be enforced.

That is what will happen if the legislation which I have introduced is adopted.

I am very much pleased by the Federal court decree lately to come out of a Federal court in San Diego, Calif., which seeks to uphold legislation in that State in regard to residency and irrigation water, holding, as I understand the case did, that a corporation was not entitled to take advantage of the residency laws and get publicly built water, or water from publicly built irrigation systems. I believe that that is a very important case. I want further to make secure that holding by the court with the legislation I have introduced.

I support the legislation introduced by the distinguished Senator from New Jersey (Mr. WILLIAMS) which would take away from the corporations the special benefits which they have if they go into farming in regard to organized labor and big agribusiness corporations, like Tenneco, or Standard Oil of New Jersey, who are now going into farming. If they do go into farming, they do not have the same unemployment compensation or workmen's compensation or organization laws that apply to them in the rest of their business. That works out to be an incentive for big corporations to go into farming, because their workers cannot organize in that enterprise and that gives them a special incentive to come in and take over farms in opposition to independent farmers.

I believe that the distinguished Senator from New Jersey (Mr. WILLIAMS) is on the right track, that the big farmers should have to obey the labor laws that apply to them in other enterprises. I believe that if we will pass that legislation, we will take away the special subsidy and incentive that goes to the big corporation farmers and makes them more competitive with the independent individual farmer.

Lastly, I support the legislation introduced by the distinguished Senator from Wisconsin (Mr. NELSON), called the Family Farm Act, which would prevent the kind of tax loss farming, and the vertically integrated conglomerate farming, which has given a special incentive for corporations to come in and take over farming from the independent and small farmers.

The facts are, Mr. President, that we do not have to be big, we do not have to be a big corporation or in agribusiness in order to be efficient. That is some kind of elite, often liberal notion in the East. That is not so, Mr. President. We have been told that by people like Mr. Butz and others. The reason why we see so much bigness in agriculture and so much corporatization in agriculture is because the Federal Government subsidizes them to get into it, through irrigation water, land-grant colleges, and other laws. We should stop that.

The Federal farm support laws are on the side of the big and not the small farmer. My dad has been telling me about that for a long time. He is quite right. So I stand with the distinguished Senator from Iowa (Mr. MILLER), the ranking minority member of the Committee on Agriculture and Forestry, the Senator from North Dakota (Mr. YOUNG) another member of the Committee on Agriculture and Forestry, the Senator from Kansas (Mr. PEARSON) who is from an agricultural State like mine, not because they are Republicans, but because I think this is not a partisan matter.

I stand with the chairman of the Committee on Agriculture and Forestry not because he is a Democrat but because I think he is well informed on this issue.

I hope, Mr. President, that we will defeat this nomination. I believe that the way to dramatize the issues involved here, that bigness is not best, that we should stop the rich people, the hobby farmer, like lawyers, doctors, and big corporations, like Tenneco, like Ralston-Purina, Standard Oil, and others, from taking over agriculture and driving more people off the farms into the cities.

The way to dramatize the issue is to defeat this nomination.

Some have said, "Well, maybe the Democrats would like to have Mr. Butz confirmed as Secretary of Agriculture and then they will have an issue during the next year." But I believe with Mr. Staley and others in the National Farm Organization, and other farmers who have talked to me about this matter, that there are many farmers who cannot stand another year. There are many farmers that do not have a year, and if we get more and more men like Mr. Butz in control of agriculture, they will not have another year.

So, Mr. President, I hope that we will not confirm this nomination.

Mr. PERCY. Mr. President, I am pleased to announce my support of Secretary-designate Earl L. Butz to be Secretary of Agriculture.

On the basis of the study I have made of Mr. Butz' record and my desire to permit the President to have members of his own Cabinet in whom he has confidence, I intend to vote favorably for the confirmation of Mr. Butz.

I had some concern about the nomination of Mr. Butz and put three basic questions to him in a letter which Mr. Butz has answered both in person and confirmed by letter to my satisfaction.

My own farm advisory committee in Illinois has also strongly supported the nomination of Mr. Butz.

I ask unanimous consent that a copy of the Percy-Butz correspondence as well as a copy of a letter from the chairman of the Percy farm advisory committee and a letter from another member of the committee addressing itself to the question of Mr. Butz' association with agribusiness be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

NOVEMBER 30, 1971.

Dr. EARL BUTZ,
Secretary-designate, U.S. Department of Agriculture, Washington, D.C.

DEAR DR. BUTZ: Since your nomination for the position of Secretary of Agriculture, I have received many communications from Illinois farmers. A number of them have expressed support for you and there have been expressions of disapproval as well, as I am sure you are aware.

My responsibility to Illinois farmers is to have a man confirmed as Secretary of Agriculture who will have as his objective, among others, the raising of farm income, preserving

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and improving the quality of life in rural America, and protecting the concept of the family farm which is the backbone of Illinois agriculture.

It would help me if I had a statement from you that I could make available to Illinois farmers on your approach to these three, basic questions, satisfactory answers to which are essential to my support of your nomination.

I am pleased to note that a substantial majority of my own Illinois Farm Advisory Committee support your nomination, but as I have already mentioned, there have been a number of communications in opposition to you and your answers to the above questions would be very helpful to me in considering your nomination.

I wish also to express appreciation to you for your effective support of our strong recommendation to the President that the Taft-Hartley Act be invoked against the dock strike that was so adversely affecting Illinois farmers.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

DECEMBER 1, 1971.

Hon. CHARLES H. PERCY,
U.S. Senator.

DEAR SENATOR PERCY: I appreciate the opportunity of providing you information which may be helpful in resolving questions regarding my position on basic issues such as improving farm income, bettering the quality of life in rural America, and preserving family farms.

Having been reared on a family farm, I am earnestly interested in preserving these farms. Their preservation is absolutely essential to our economy and I shall do all within my power as Secretary to keep as many family farms in operation as possible. In my testimony before the Committee on Agriculture and Forestry, I quoted from a report of USDA's Economic Research Service which stated there may be a decline of approximately 1,000,000 in the number of farms by 1980. In quoting these figures, I was in no way approving of these projections nor advocating that this occur. On the contrary, it is my very firm belief that the Secretary of Agriculture, whoever he may be, should recognize such trends and bring all the resources of his Department to bear in the form of corrective action.

You will recall that during my testimony I stated my belief that corn and feed grain prices, which are so important to the farmers of Illinois, are too low. Because so many facets of agriculture are tied to feed grain prices, it is imperative that the Secretary take immediate steps to improve these prices. Some of these alternatives were discussed before the Committee. When confirmed, I shall take all steps authorized by law to bring these prices up and if other steps are required which are not authorized by existing statutes, I shall ask for that authority from Congress. As an economist, I know the importance of the continuing to expand exports of farm produce and livestock products so that the family farmer as well as others will benefit economically from expanded overseas markets. I plan to actively apply myself toward reaching the goal of $10 billion in agricultural exports. America's farmers are entitled to a fair return for their labor and their investment and I want to be their spokesman in this cause.

Rural development is one of the great challenges facing this Administration and I conscientiously believe the programs of the Department of Agriculture can contribute more significantly toward improving the quality of rural life. By providing rural communities with the basic facilities needed to sustain their people, such as housing, water, and sewer systems, telephones and electric power, we can also attract industries. This will provide jobs and take the pressure off our crowded cities where so many rural residents have been forced to move for lack of opportunity in the country-side because mechanization of agriculture has reduced available jobs.

I am dedicated to working in every way that I can and by every conceivable means of administrative, legislative, and personal persuasion to achieve these goals. Your assistance will be most appreciated as we work toward these ideas which are so vital to our Nation.

Sincerely,

EARL L. BUTZ.

ROBINSON, ILL.,
November 22, 1971.

Hon. CHARLES H. PERCY,
U.S. Senate,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: Confirming my telegram, please be advised that in my opinion Dean Earl Butz is an excellent choice for Secretary of Agriculture. I have polled a number of my farmer friends and they agree. I am sure his appointment would not enjoy the universal approval of all farmers in the country, but I am just as sure that far and away the majority of all farmers in this area would welcome his appointment.

I am aware that some of his critics claim that Dean Butz is oriented too much in the direction of "Agri-Business." For this to be a valid criticism it would be necessary to presume that Agri-business is the enemy of the farmer. Nothing could be further from the truth. Although there may be exceptions, generally speaking Agri-business is probably the best friend the farmer has. Only when they join hands and work together can either Agri-business or the farmer realize their full potential for contributing to the economy and the general public good.

Although some of his critics claim they would like to see a "Practicing Farmer," whatever that is, as Secretary of Agriculture, I submit that to find one whose other qualifications would remotely match those of Dean Butz would be a difficult task indeed. Therefore, I urge your favorable consideration of his appointment.

Respectfully yours,

IVAN R. MILLER.

NOVEMBER 22, 1971.

DEAR SENATOR:

In reply to your telegram received yesterday regarding the appointment of Dr. Butz, I feel he is well qualified for the post and the only possible reason for not confirming the appointment would be his image as a corporation director. This seems to concern Sen. Harris but I don't think it will hurt anything in Illinios.

I'm sorry to see Clifford Hardin leaving the post. He has started a farm program that has brought more flexibility for the farmer than any of the programs of the past. The corn situation was not his fault. We all passed up a fine bean market to try to make a killing in corn and this is what happened. After the big crop was in the ground we still had a short time in which we could have locked in $1.50 but let that slide also.

There is no one whom the President could suggest that would be above Democrat criticism.

Looking forward to our next meeting on Dec. 13.

Sincerely,

HARLAN RIGNEY,
Chairman, Percy Farm Advisory Committee.

Mr. TOWER. Mr. President, I rise in support of Dr. Earl L. Butz and intend to vote for the confirmation of his appointment as Secretary of Agriculture. During the past week hearings were held and from them arose a controversy concerning the qualifications of Dr. Butz as Secretary of Agriculture. For the first time in several years the national press indicated an interest in agriculture and people from all walks of life had a glimmer of the importance of our Nation's farmers and ranchers and their relationship to this Nation's economy. Now the time has come to vote for confirmation of Dr. Butz, and I must say the decision I made has been one of concern to me. I have visited personally with Dr. Butz and have analyzed both what I have heard and read. I have had telephone calls from the State and numerous letters and telegrams. I ponder the endorsement of some groups and likewise the opposition of others.

Dr. Butz' closing statement to the Senate Agriculture Committee is one I feel indicates his attitude and philosophy:

Now, one closing comment, I have spent my life being a vigorous, articulate, advocate for agriculture; for a progressive agriculture. I have tried to make farmers proud of their profession, for I think agriculture is a proud profession. Food is the first law of life and that those who produce it are top on the priority list in a country like this.

The family farm must be preserved but I do not want to lock it in concrete. I want it to be able to grow, too, and to adjust. If the family farm I grew up on had not adjusted, we would be shucking corn by hand and we would be knocking potato bugs off potatoes with a wooden paddle. The family farm has to adjust; it has to produce more in the days ahead to survive. So I am strongly in favor of the family farm, with flexibility to adjust and to provide an adequate living for the farm family.

We hear about corporate farms in America. Less than one percent of our farms are corporate farms, and they are mostly family corporation farms. I strongly support a prosperous and developing rural America. I think the thrust of this committee to support a rural development program is a proper thrust. We must develop employment opportunities in rural America so we do not continue to jam our population up in the New Yorks and Philadelphias and Chicagos and Baltimores. . . .

A strange coalition has evolved to oppose the confirmation of Dr. Butz. I wonder where the Ralph Nader Public Interest Research Group, National Welfare Rights Organization, Friends of the Earth, National Sharecropper Fund, Southern Christian Leadership Conference, Americans for Democratic Action, Washington Research Group Action Council, the AFL–CIO, and United Auto Workers were when the Congress was struggling to formulate a new farm program? Where were they when the farm State Senators were fighting to maintain the present limitation of payments ceiling; where have they been year after year when this Nation's farmers were so in need of support to establish and maintain a livable income? I wonder if their interest at this late date is not one of self-concern? Perhaps Dr. Earl Butz is the man who can bring farming and ranching back to a way of life that can be enjoyed by our farm families. Perhaps Dr. Butz will find a solution to sagging farm prices and assist in establishing a better rural life.

I think Dr. Butz realizes that the time has come for agriculture to have an effective voice here in Washington. I think he will be an outstanding spokesman for agriculture, placing the blame for low prices squarely where it lies . . . perhaps on a dock strike which prevents shipment of exports, perhaps on a strike against producers at a time when crops must be harvested or rot in the fields. Dr. Butz has assured me that he will continue to represent the farmer in the administration; that he will continue to be a vigorous, articulate advocate for agriculture; that he will be a salesman for American agriculture. I agree with Dr. Butz when he says that urban America needs to realize that the farmer is a professional in his endeavor just as the doctor or lawyer. This needs to be done by "selling" the concept of modern-day agriculture.

We have reached a time in our agricultural history when we must face the facts. As long as politicians in Congress continue to place politics over the economics of trying to solve the farmer's problems, we will face a declining rural America. The farm policies of the United States evolve from the Congress; the Secretary implements the programs. I believe Dr. Earl L. Butz can and will implement the policies of this Congress in the best interest of our Nation's farmers and ranchers. He should be afforded the opportunity to accomplish what he advocates should be done to further enhance living in rural America and stabilize our Nation's agricultural economy. As always, my primary obligation is to the farmers and ranchers of Texas and the Nation, and I trust that Dr. Butz will represent agriculture to its fullest extent.

Mr. METCALF. Mr. President, I have just learned that an official of the Department of Agriculture, at the time Earl L. Butz was an Assistant Secretary, today charged that Mr. Butz, after deliberately stopping a price-fixing investigation of Safeway Stores, Inc., omitted mention of it though questioned by a committee of the Congress.

Mr. President, the St. Louis Post-Dispatch today carries a story by Lawrence Taylor that quotes Lee Sinclair, who was chief counsel for the Packers and Stockyards Administration when Assistant Secretary Butz quashed an investigation Mr. Sinclair recommended of Safeway price-fixing activities.

The charges made by Mr. Sinclair as quoted in Mr. Taylor's article are very serious. If they are true, Mr. Butz should not be confirmed as Secretary of Agriculture.

I ask unanimous consent that Mr. Taylor's article be printed in full at the conclusion of my remarks, but I wish now to call to Senators' attention some portions of the circumstances to which I have previously alluded that have now been amplified by Mr. Sinclair.

Last Wednesday's CONGRESSIONAL RECORD carried the entire record of Mr. Butz' testimony in the hearings on the meatpacking industry held by the Subcommittee on Antitrust and Monopoly in May 1957.

Under questioning, Mr. Butz initially denied that there had been a preliminary investigation of Safeway's feedlot operations, then he agreed there had been an investigation. Mr. Sinclair later testified that a preliminary investigation had been completed, that there appeared to have been violations of the Packers and Stockyards Act, and that he recommended further inquiry by his branch under that act.

According to Mr. Sinclair, however, the real issue is that Mr. Butz successfully concealed from the subcommittee the fact that he had suppressed a price-fixing inquiry under the law and transformed it instead into a broad economic study including the feedlot matter. Mr. Butz described his broad economic study in some detail, but failed to refer to the central issue.

Mr. Sinclair explained today that he was unaware of Butz' omission at the time of his own testimony and as he was not questoned, did not himself mention it. But he said today:

The effect of transferring this matter to agricultural research for an economic study was to completely stop the investigation of alleged violations of the (Federal) Packers and Stockyards Act by Safeway. It was well recognized by us in the department that this was the effect and also the purpose of this economic study. That was our belief and, of course, it turned out that way.

Mr. President, I hope that all Senators will read Mr. Taylor's story carefully. I hope that they will agree with me that Mr. Butz' admission on the public record that he failed to administer the Packers and Stockyards Act, his promise that he "would do the same thing again" and the allegations, if true, which were made today, of his failure to be candid with a congressional committee, clearly disqualify him for public office.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch,
Dec. 1, 1971]

EARL L. BUTZ

Earl L. Butz while an Assistant Secretary of Agriculture in 1957 omitted key details from his testimony before a Senate subcommittee about the nature of a departmental investigation of Safeway Stores, Inc., a former official of the department said today.

The former official, Lee D. Sinclair, charged also that Butz, nominated by President Richard M. Nixon as Secretary of Agriculture, deliberately halted the Safeway investigation in 1956, even though a preliminary inquiry showed that price-fixing had occurred in the Company's meat buying operations on the West Coast.

The Senate began debate of Butz' nomination today with a vote expected before the end of the week.

At the time of the Safeway investigation, Sinclair was head of the Department of Agriculture's Packers and Stockyards Branch which conducted the inquiry until it was stopped.

Sinclair, who had discussed the investigation earlier with the Post-Dispatch but had asked not to be identified, agreed to speak for the record in making his accusations of Butz today.

He said that Butz, questioned by the Senate Judiciary Antitrust and Monopoly Subcommittee at a hearing in May 1957, did not disclose that the Department's investigation into Safeway's operations had uncovered evidence of price-fixing. Instead, Butz confined his discussion to the allegations raised by the subcommittee members that Safeway had used its livestock feedlot operations to depress West Coast beef prices, a subject that Sinclair said was a minor part of the overall investigation.

Butz told the subcommittee that Safeway had sold most of its feedlots and apparently had violated no federal-laws.

He said that the feedlots were part of the case involving Safeway. He was not asked about the rest of the case and did not volunteer additional information.

Although the subcommittee apparently was unaware of the alleged price-fixing, it questioned Butz sharply about why the Safeway investigation was dropped.

Butz replied that the matter involved issues that went beyond Safeway's operations and that it has been turned over to an economist for study.

He said that if the study turned up evidence of federal law violations, it could have been referred back for further investigation.

Sinclair said today, however, that the study "did not deal directly with Safeway. It dealt with the flow of meat products on the West Coast." He said that no action ever was taken against Safeway for its alleged price-fixing.

"The effect of transferring this matter to agricultural research for an economic study was to completely stop the investigation of alleged violations of the (Federal) Packers and Stockyards Act by Safeway," Sinclair said.

"It was well recognized by us in the department that this was the effect and also the purpose of this economic study," he said. "That was our belief and, of course, it turned out that way."

In the hearing, Butz testified that six general areas were included in the economic study. They included such items as "analysis of the whole meat distribution in the San Francisco Bay area," and "Los Angeles chain store beef procurement and wholesale pricing study."

Sinclair, who also testified during the hearing, said that his remarks contradicted some made earlier by Butz.

At one point during the hearings, Butz was asked whether a preliminary investigation had been made into Safewny's feedlot operations.

"Not to my knowledge," he replied. Then, apparently corrected by someone else at the witness table, he added, "Was there? Yes, there were some."

Sinclair testified a moment later that a preliminary investigation had been completed and that his recommendation for a full-scale inquiry had been overruled by Butz and two other lower departmental officials.

Butz then said, "Mr. Chairman, may I point out at this point that this was discussed in my office—and we decided there to broaden the scope of this investigation."

"And I would accept full responsibility for that and would do the same thing again."

Like Butz, Sinclair did not mention in his testimony the price-fixing investigation he had directed.

Sinclair said today that he had not attended the earlier hearings and was unaware of what had been said about the inquiry.

"The subcommittee did not ask me any questions about the nature of the case," he said. "I did not know how much they had gone into it in the earlier session. I did not know that Butz had not mentioned the price-fixing."

Sinclair said that after he testified, his once friendly relationship with Butz grew cold. "Butz never contacted me in any way after that," he said, "Shortly thereafter, I was promoted to a job that carried very little responsibility."

Sinclair left the Agriculture Department in 1960 and went into private law practice in Washington. Among his clients today is the National Farmers Organization, which has opposed Butz's nomination as secretary.

Sinclair said, however, that he was not serving as a spokesman for the group.

He recalled that as the Safeway investigation was being killed, another official with the department said to him, "Lee, you're not going to get a chance to complete that investigation."

Butz was the Agriculture Department's number three man from 1954 until 1957 when he resigned to accept a position at Purdue University.

Since his nomination to the top departmental post, he has been criticized as a friend of big business whose agricultural interests harmed the small family farmer. Butz has denied these claims and said that he was a realist who foresaw the trend toward larger and more efficient farms.

During Butz's time as Assistant Secretary to Ezra Taft Benson complaints were raised that Safeway and other big firms had close ties with the department. At least three Safeway executives served as administrative assistants to Benson. One of these, Lorenzo Hoopes, worked for Benson only one year before rejoining Safeway in 1954.

There was no indictment, however, that a Safeway man was on Benson's staff at the time of the price-fixing investigation.

BUTZ NOMINATION COULD MEAN DISASTER FOR FARM ECONOMY

Mr. PROXMIRE. Mr. President, tomorrow a vote will be taken in the Senate that could have a profound impact on our farm economy and hence the national economy in the months and years ahead. The question at issue is whether or not we should confirm Dr. Earl Butz as Secretary of Agriculture.

It has become increasingly fashionable as the number of farmers dwindles to downgrade the importance of agriculture to the economic health of the Nation. After all, fewer farmers means fewer farm voters, and fewer farm voters means that we can ignore the needs of these voters with less peril to our chances for reelection.

However, we are only fooling ourselves if we think that we can allow our farm economy to seriously deteriorate without affecting national strength. Although a small percentage of our population is cultivating the land, a very substantial number of people are employed in supplying the needs of farmers, from fertilizers to farm machinery. Additional millions of people are involved in processing and distributing the produce of our farms—from the factory worker to the truck driver to the retail store manager or owner.

As a Nation, we are able to devote a very substantial amount of our gross national product to capital goods production and the amenities of life because the average family only spends 16 percent of its income on food.

Most rural communities are entirely dependent on the economic health of the farmer—especially the small family farmer. While agribusiness may find financing available at giant banking institutions in our major cities, the small rural banker rises or falls on the business he does, or does not do, with neighboring farmers. Smalltown hardware stores, dry goods stores, newspapers, and other business enterprises are in the same boat.

There may be some who feel that rural areas in the last analysis should be the preserve of giant farms, with corporate backing, which use the latest machinery, pesticides and antibiotics and minimize the role of the average rural American and his family. I categorically disagree with this view. I think it is damaging to our free enterprise system, to our proven ability to produce food cheaply, and to good conservation practices.

Now let us take a look at how Dean Butz feels about the farm economy, particularly with regard to the family farmer—the backbone of American individualism.

First, Dean Butz seems to subscribe to the doctrine of the survival of the fittest. He has been quoted in an interview with the Washington Post as saying:

> Adapt or die. That's a harsh law but it always has worked. If we hadn't used that law we'd still be riding in buggies and plowing with horses.

However, very strangely, it seems, he has never spoken out against the tax inequities that place a premium on corporate farming and make it very difficult for the small family farmer to compete. He has never called for a reworking of capital gains provisions that encourage large corporate entities to buy up vast quantities of land, farm it for 10 years or so—ruining the land in the process—and then sell the exhausted land, which is good for very little at that point.

Apparently the fittest, by the Butz definition, are those with the money and the lawyers to find loopholes in our tax laws, those who exploit rather than replenish the land, and then move on.

Another subject Dean Butz has avoided discussing is the use of water made available through Federal reclamation projects by giant landholders in violation of the 160 acre limitation. This limitation, written into law at the turn of the century, requires large landholdings to be broken up before the landowners can receive the benefit of water paid for with Federal tax dollars. The law has never been enforced.

"Adapt or die"—or be big enough to be able to make your own special privileges.

In the same interview with the Post, Dean Butz predicted that the 2.9 million farms of today will be reduced to 1.9 million farms by 1980. This disciple of Ezra Taft Benson apparently is perfectly resigned to overseeing the death of one million farms in 10 years. Can anyone doubt that these farms will be small family farms?

What will be the consequence of this continued reduction in family farms? More migration to the cities. A further depletion of the rural economy. Greater welfare costs as men and women who have farmed all their lives are forced onto the relief rolls. A sharp reduction in good conservation practices as the husbandman is replaced by the impersonal corporate giant.

This is the way the tide is running now. It is a trend that should seriously concern us. Can we sit idly by and let events take their course? Or should we try to revitalize our rural economy and preserve the small, economical family farm unit? Dean Butz clearly would let the tide run out until all but a handful of farmers are stranded off the farm.

Dean Butz' pronouncements on the environmental movement are part and parcel of his disregard for the needs and the advantages of the small family farming unit. Big farming has brought with it the increasing use of pesticides, such as DDT, growth hormones, such as DES, and practices that can seriously deplete the soil. These so-called economies of scale can have a serious long-term impact on the environment despite seeming short-term advantages. Thus it is not surprising to see Dr. Butz—whose adapt-or-die statement apparently means grow huge or die—go after the environmentalists hammer and tong.

Here are some quotations taken from an April 26, 1971 speech:

> I am going to talk this morning about something that I think is a real threat to American agriculture and it involves our future and something you can help us with. And that's the threat that comes from the environmentalists, or from the do-gooders or from consumerism or from whatever you want to call it.
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> Then I see these environmentalists on the other side trying to hold us back and trying to impede—not trying, but the net effect is to impede—the progress we're making in scientific agriculture.
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> This fadism that we follow as a Nation and currently it's ecology and pollution and it hits us in agriculture right in the solar plexus. But we are now completely dependent on a scientific agriculture, upon the use of those things that are dangerous.

Mr. President, I would be the last Member of the Senate to stand on this floor and say that the environmentalists are always right and that scientific farmers are always wrong. But I also think it is extremely foolish to say that scientific farmers are always right and environmentalists are always wrong. As a matter of fact there are times when the two approaches are complementary—such as in the use of biological pest control methods as a substitute for deadly environmental poisons.

Any man who looks on the environmental movement as a mortal enemy to the farm economy is very ill suited to harmonize the interests of both groups—interests that must be accommodated if we are to have an abundant yet safe food supply at the least possible environmental cost. Any man that says, as Dr. Butz has said, that if we move to organic farming we are going to have a decide which 50 million Americans are going to starve, is temperamentally unsuited to the job of integrating new environmental techniques into our farm economy.

How about DDT? What does Dr. Butz say about this? Those of us whose States border on Lake Michigan are particularly concerned because Cohoe salmon that have been introduced into the lake are being adversely affected by DDT runoff. The reproductive cycle is destroyed in many instances. Here is what Dr. Butz thinks about that problem:

> We hear a lot about the run-off of DDT in Lake Michigan over here. We don't hear much about the benefits of DDT. You don't hear much about malaria having been wiped from the face of the earth. You don't hear much about human health having been improved. You hear about DDT having been found in the fish taken out of Lake Michigan over here running off the Wisconsin hillsides and the like of that to which I argue that, something like this: That Lake Michigan has DDT in it. The Cohoe salmon thrives in Lake Michigan. Lake Superior has no DDT. There are no Cohoe salmon in Lake Superior. Moral: Let's put DDT in Lake Superior so Cohoe salmon can grow there (Laughter). Absurd. Of course it's absurd. But no more so than the argument on the other side.

Mr. President, this may seem funny to some, but it saddens me. This is a very serious problem. It affects the tourist industry substantially in Wisconsin and Michigan, because many tourists are there for the fishing. Dean Butz is poking fun at scientific conclusions reached by men eminent in their field, including Federal and State officials.

What sort of attitude will Dean Butz, if his nomination shall be confirmed, take toward the expenditure of funds on biological pest control as a substitute for pesticides? Congress has appropriated these funds and it is up to the Department of Agriculture to spend them wisely. Can we seriously expect a man who has said that "we need to extol the benefits that come from these—pesticides—that we use," and has spent no little time making the case for pesticides, to work for their replacement by biological pest control techniques? I hardly think so.

Dean Butz has an "either or" philosophy. We have either got to live with chemical poisons or starve to death; we have either got to live with thermal pollution or have brown-outs; we have either got to beat the environmentalists or see agriculture slip backward. There are no compromises, no solutions, in his vocabulary—only confrontations. And confrontation is exactly what we do not need at this critical turning point in the history of man's impact on his environment—we need cooperation and a willingness to get on with the job of investigating alternatives to current practices that are environmentally dangerous.

Some Senators have discussed Dean Butz' conflict-of-interest problems. I want to make it clear that I am not opposing this nomination on a conflict-of-interest basis. It is true that Dean Butz has been in close association with agribusiness giants in the very recent past—companies such as Ralston-Purina, International Minerals and Chemical Corp., and Stokeley-Van Camp—companies that favor extensive use of pesticides and antibiotics—companies that favor vertical integration in farming. But I have no doubts regarding Dean Butz' sincere effort to make decisions as Secretary of Agriculture without regard to the impact those decisions will have on companies he has served as a director—companies that have had him on their payroll.

However I believe that the same philosophical leanings that resulted in Dean Butz' decision to ally himself with these companies in the first place, the attitudes he has expressed in a number of statements I have alluded to today, the attitudes that made him an important part of the Ezra Taft Benson team in the fifties, make him utterly unsuited to solve the problems confronting the small family farmer as well as the environmental difficulties facing this Nation today.

Mr. President, the parity ratio for farmers has not been above 70 this year. Last year it averaged 72; and the year before, 74. This means that the farmer is getting less for his produce and spending more for the tools he needs to raise it. If Dean Butz is confirmed by the Senate today I see a bleak future for the farmer in general, but particularly the small family farmer. I see a future of even lower parity ratios, even greater outmigration from rural areas, increasing hazards to our environment. For all of these reasons I intend to vote against Dean Butz and I sincerely urge a majority of Senators to join with me. The winner will be the American farmer.

At this point I shall read into the RECORD a letter from the Governor of Wisconsin, the Honorable Patrick Lucey, which eloquently argues against the confirmation of Dean Butz:

> DEAR BILL: I have written to all members of the Senate expressing my opposition to the appointment of Earl Butz as Secretary of Agriculture. I know that you have already expressed vigorous opposition to his appointment and I hope you are successful in your bid to defeat confirmation. My letter today was written on behalf of the farmers of Wisconsin whose livelihood and life style have been disregarded by the nomination of Earl Butz as Secretary of Agriculture.
>
> Those appointed to high public office ought to be concerned with representing *all* individuals affected by the policies of that office. However, in the case of Mr. Butz, you are considering a man so clearly on the side of huge corporate farming that individual small farmers throughout our nation are bound to suffer.
>
> Earl Butz is a proponent of the policies followed by Ezra Taft Benson, U.S. Secretary of Agriculture during the 1950's. As you know, these policies were an economic disaster, causing severe over-production of crops, huge surpluses, low prices and financial ruin for small farmers. It took practically the entire decade of the 1960's to get rid of the surpluses brought about by the Benson policies of the previous decade.
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> Earl Butz was Assistant Secretary of Agriculture from 1954 to 1957 under Ezra Taft Benson. From recent remarks, it is clear that he is interested in resurrecting an era of government mistake and mismanagement in the area of agriculture. He has called on small farmers to "adapt or die." He is philosophically opposed to price supports and acreage diversion. There is no indication that he has changed his view, espoused in 1955, that "too many people are trying to stay in agriculture that would do better someplace else."
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> In fact, that view seems to have hardened. His position on the Board of Directors of Ralston Purina, Stokeley-Van Camp and International Mineral and Chemical Company as well as his ties with the J. I. Case Company indicates that he is more interested in the profit of huge corporations than the well-being of individual farmers.
>
> His economic ties have made him completely insensitive to the problems and needs of the small farmer. On one recent occasion he said, "I make no apologies to anyone for the participation I have taken in agri-business companies." On another occasion he said, "Nostalgically we still look at agriculture as a way of life but agriculture is now big business." Both his recent remarks and his economic ties reflect his belief that the future shape of rural America should be domination of our agriculture and control of our land by the largest corporations.
>
> As Governor of Wisconsin, I am extremely concerned about the effect the agricultural policies of Earl Butz would have on the farmers of our state. It is obvious that he plans to reign over the demise of the small family farm both in our state and throughout the nation. It is equally obvious that under his regime huge corporate farming will grow to such proportions as to threaten the very existence of rural America as we know it today. Therefore, I urge you to reject the nomination of Earl Butz as Secretary of Agriculture and approve in his place a man more suited to represent *all* sectors of agriculture in our society.
>
> Sincerely,
>
> PATRICK J. LUCEY,
> *Governor.*

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum, and I trust that it will be the final quorum call of the day.

The PRESIDING OFFICER (Mr. BURDICK). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON DIVISION OF TIME TOMORROW ON BUTZ NOMINATION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that at 9 a.m. tomorrow, the Senate go into executive session, that time on the nomination of Mr. Butz then begin running, that it be equally divided at that time so that both sides—regardless of the imbalance with respect to the utilization of time that has occurred this afternoon—will have equal time on tomorrow; and that that time run from 9 a.m. to 1 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate now return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that there be a period at this time for the transaction of routine morning business with the statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT FROM THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report concerning grants approved by his office financed wholly with Federal funds and subject to the reporting requirements of Section 1120(b) of the Social Se-

curity Act (with accompanying report); to the Committee on Finance.

REPORT OF THE ATTORNEY GENERAL

A letter from the Attorney General transmitting, pursuant to law, a report on identical bidding in advertised public procurement (with accompanying report); to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, with amendments, together with individual views:

S. 582. A bill to establish a national policy and develop a national program for the management, beneficial use, protection, and development of the land and water resources of the Nation's coastal and estuarine zones, and for other purposes (Rept. No. 92-526).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. Res. 204. An original resolution authorizing the President of the Senate to certify the report of the Committee on the Judiciary regarding the refusal of Robert F. Williams to appear and testify before the Subcommittee to investigate the Administration of the Internal Security Act (Rept. No. 92-525).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment, together with individual views:

S. 2262. A bill to permit a home mortgage loan by a federally insured bank to a bank examiner (Rept. No. 92-532).

By Mr. McGEE, from the Committee on Post Office and Civil Service, without amendment:

S. 2896. A bill to amend chapter 83 of title 5, United States Codes, relating to adopted child (Rept. No. 92-527);

H.R. 3628. An act to amend title 5, United States Code, to provide equality of treatment for married women Federal employees with respect to preference eligible employment benefits, cost-of-living allowances in foreign areas, and regulations concerning marital status generally, and for other purposes (Rept. No. 92-528);

H.R. 8548. An act to curtail the mailing of certain articles which present a hazard to postal employees or mail processing machines by imposing restrictions on certain advertising and promotional matter in the mails, and for other purposes (Rept. No. 92-529);

H.R. 8689. An act to provide overtime pay for intermittent and part-time General Schedule employees who work in excess of forty hours in a work week (Rept. No. 92-530); and

H.R. 9442. An act to authorize compensation for five General Accounting Office positions at rates not to exceed the rate for Executive Level IV (Rept. No. 92-531).

REPORT ON CONSTITUTIONAL RIGHTS—REPORT OF A COMMITTEE (S. REPT. NO. 92-524)

Mr. ERVIN. Mr. President, on behalf of the Committee on the Judiciary, I submit a report by the committee setting forth the activities of its Subcommittee on Constitutional Rights, during the second session of the 91st Congress.

The PRESIDING OFFICER. The report will be received and printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Roy E. Batchelor, of Tennessee, to be an Assistant Director of the Office of Economic Opportunity;

Ronald S. Berman, of California, to be Chairman of the National Endowment for the Humanites; and

H. Guyford Stever, of Pennsylvania, to be Director of the National Science Foundaton.

By Mr. EASTLAND, from the Committee on the Judiciary:

Thomas A. Flannery, of Maryland, to be a U.S. district judge for the District of Columbia;

Leroy J. Conte, Jr., of Ohio, to be a U.S. district judge for the northern district of Ohio; and

Kenneth K. Hall, of West Virginia, to be a U.S. district judge for the southern district of West Virginia.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOMINICK (for himself and Mr. ALLOTT):

S. 2915. A bill to amend the Tariff Schedules of the United States with respect to the classification of certain ceramic articles. Referred to the Committee on Finance.

By Mr. MUSKIE:

S. 2916. A bill for the relief of Noriko Sakanishi. Referred to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 2917. A bill to extend the period of which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments, and for other purposes; and

S. 2918. A bill to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government Departments. Referred to the Committee on Government Operations.

By Mr. MONDALE:

S. 2919. A bill for the relief of Fazus Abdo. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2920. A bill to amend the Federal Aviation Act of 1958 to provide for the regulation of rates of air carriers and foreign air carriers in foreign air transportation, and for other purposes. Referred to the Committee on Commerce.

By Mr. McGEE:

S. 2921. A bill to authorize the Secretary of the Interior to convey certain lands in the State of Wyoming. Referred to the Committee on Interior and Insular Affairs.

By Mr. MUSKIE:

S. 2922. A bill to establish a Commission on Mental Health and Illness of the Elderly, and for other purposes. Referred to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMINICK (for himself and Mr. ALLOTT):

S. 2915. A bill to amend the Tariff Schedules of the United States with respect to the classification of certain ceramic articles. Referred to the Committee on Finance.

Mr. DOMINICK. Mr. President, on behalf of Senator ALLOTT and myself, I introduce a bill to amend the tariff schedules with respect to the classification of certain ceramic articles.

It has recently come to my attention that several domestic manufacturers of ceramic materials have been seriously and adversely affected by a reclassification for tariff purposes by the Customs Bureau. The thrust of the reclassification is to undermine substantially the ability of domestic producers to compete in this market.

The product involved is a ceramic base and cap used to encase electrical circuits, neither of which serve an electronic function. The imported ceramic was originally classified as "ceramic electrical ware" and subject to an ad valorem duty of 18 percent. The foreign manufacturers discovered a loophole and by coating the ceramic base and cap with a glass frit, used in sealing the container and performing no electronic function, succeeded in convincing customs that the imported ceramic should be reclassified as "parts of semi-conductors" and subjected to an ad valorem duty of 7 percent. In so doing, the foreign manufacturers realized a 61-percent reduction in the rate of duty to be paid.

This part of the ceramics market is about $5 million dollars in volume, with the market, prior to reclassification, about equally divided. Approximately 50 percent of every sales dollar of the domestic producers goes to wages and salaries; and with the tariff reduction to be realized by the foreign producers, the domestic producers' share of the market will substantially decline.

A similar bill has been introduced on the House side by Congressman BROTZMAN, and in a time when Congress is so conscious of our economic problems, I would hope that the logic of this bill and its importance to domestic producers would insure its speedy passage by Congress.

By Mr. KENNEDY:

S. 2917. A bill to extend the period of which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments, and for other purposes; and

S. 2918. A bill to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government Departments. Referred to the Committee on Government Operations.

Mr. KENNEDY. Mr. President, I introduce for appropriate referral two pieces of legislation aimed at assisting some 25 communities in 17 States.

These bills would extend the Federal payments in lieu of taxes on certain former Reconstruction Finance Corporation properties to compensate these local governments for the loss of tax revenues that they would otherwise receive if this property were not in Government ownership.

Mr. President, the Defense Department has expressed interest in selling most of these World War II defense factories; however, administrative problems have held up the sales. In the meantime, the communities involved—such as Grafton and Everett in Massachusetts—are faced with severe financial problems and are forced to raise their tax rates even higher to compensate for the loss of the payments they have been receiving since 1955. The particular Government-owned and leased plant in Grafton comprises 16 percent of all of the industrial land in that small community of 11,000 population. The loss of their $90,000 payment is quite a burden for those taxpayers to absorb.

It is my hope that appropriate administrative action will be taken to relieve this whole situation of payments in lieu of taxes. Meanwhile, it is obvious that several towns and communities across the country are experiencing the same severe financial hardships and inequities that prompted the passage of the original legislation in 1955. And so I hope that my colleagues here in the Senate will favorably consider these bills that I am introducing today.

By Mr. MAGNUSON (by request):

S. 2920. A bill to amend the Federal Aviation Act of 1958 to provide for the regulation of rates of air carriers and foreign air carriers in foreign air transportation, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Federal Aviation Act of 1958 to provide for the regulation of rates of air carriers and foreign air carriers in foreign air transportation, and for other purposes, and ask unanimous consent that the letter of transmittal and section-by-section analysis be printed in the RECORD with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2920

A bill to amend the Federal Aviation Act of 1958 to provide for the regulation of rates of air carriers and foreign air carriers in foreign air transportation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 801 of the Federal Aviation Act of 1958 (49 U.S.C. 1461) is amended by inserting "(a)" immediately after "801" and by adding at the end thereof the following new subsection:

"(b) Any decision of the Board disapproving a rate, fare or charge pursuant to section 1002(a), or any decision of the Board suspending a tariff pursuant to section 1002(g)(2), or any decision suspending a tariff or ordering carriers to charge a rate, fare or charge pursuant to section 1002(j) shall be submitted to the President before publication, and such decision may be approved, disapproved, or stayed for a period not exceeding ninety days by the President within ten days after its submission to the President. Absent disapproval or staying by the President the decision of the Board shall be effective. Whenever the Board shall enter upon a hearing concerning a rate, fare, or charge for foreign air transportation, a copy of the notice of such hearing shall be transmitted to the President before publication thereof.

Section 2. Section 1002(d) of such Act is amended as follows:

(a) The title of Section 1002(d) is amended to read as follows:

"Power To Prescribe Rates and Practices and Rule of Ratemaking in Interstate and Overseas Air Transportation"

(b) Subsection 1002(d) of such Act is amended by inserting "(1)" immediately after "(d)".

Section 3. Section 1002(e) of such Act is amended as follows:

(a) The title to subsection 1002(e) of such Act is deleted.

(b) Section 1002(e) of such Act is amended by substituting "(d)(2)" for "(e)", and redesignating items (1) through (5) thereunder as items (i) through (v), respectively.

(c) Section 1002(e) shall read as follows:

"Power To Disapprove Rates in Foreign Air Transportation'

"(e)(1) Whenever after notice and hearing, upon complaint, or upon its own initiative, the Board shall find that any individual or joint rate, fare, or charge demanded, charged, collected, or received by any air carrier or foreign air carrier for foreign air transportation, is or will be unreasonably high or unreasonably low and is or will be detrimental to the commerce of the United States, the Board shall disapprove the rate, fare or charge.

"(e)(2) In determining whether a rate, fare or charge of a carrier is unreasonably high or unreasonably low under this section and section 1002(g) of this Act, the Board shall be governed by the following:

(i) Any rate, fare, or charge should not be excessively above its fully allocated cost of operations including reasonable profit, taking into account any classification, rule, regulation, or practice affecting such rate;

(ii) Any rate, fare, or charge should be compensatory taking into account any classification, rule, regulation, or practice affecting such rate.

A rate, fare, or charge shall be deemed compensatory when it exceeds the variable cost of providing the specific transportation service to which it is applicable.

"(e)(3) In determining whether a rate, fare or charge of a carrier is or will be detrimental to the commerce of the United States under this section or section 1002(g) of this Act, the Board shall be governed by the following:

(i) The need to avoid substantial impairment of scheduled services and charter services;

(ii) The magnitude and permanency of the effect of such rate, fare or charge on the movement of traffic and on the ability of air carriers to earn revenue sufficient to enable such carriers to provide adequate and efficient air carrier service;

(iii) The need in the public interest of adequate and efficient transportation of persons and property by air carriers and foreign air carriers."

Section 4. The title of section 1002(g) of such Act is amended to read, "SUSPENSION OF RATES FOR AIR TRANSPORTATION AND LIMITATION OF EFFECTIVENESS OF RATES FOR FOREIGN AIR TRANSPORTATION," and section 1002(g) is amended by inserting "(1)" immediately after "(g)" and by adding at the end thereof the following new paragraphs:

"(2) Whenever any air carrier or foreign air carrier shall file with the Board a tariff stating an individual or joint (between air carriers, between foreign air carriers, or between an air carrier or carriers and a foreign air carrier or carriers) rate, fare, or charge for foreign air transportation, the Board is empowered, upon complaint or upon its own initiative, at once, and, if it so orders, without answer or formal pleading by the air carrier or foreign air carrier, but upon reasonable notice, to enter upon a hearing to determine whether such rate, fare, or charge would be unreasonably high or unreasonably low and detrimental to the commerce of the United States; and pending such hearing and decision thereon, the Board, by filing with such tariff, and delivering to the air carrier or foreign air carrier affected thereby, a statement in writing of its reasons for such suspension, may by order suspend the operation of such tariff and defer the use of such rate, fare, or charge, for a period of ninety days, and, if the proceeding has not been concluded and a final order made within such period, the Board may, from time to time, by order extend the period of suspension, but not for a longer period in the aggregate than one year beyond the time when such tariff would otherwise go into effect; and, after hearing, whether completed before or after the rate, fare, or charge goes into effect, the Board may make such order with reference thereto as would be proper in a proceeding instituted after such rate, fare, or charge had become effective. If the proceeding has not been concluded and an order made within the period of suspension, the proposed rate, fare, or charge shall go into effect at the end of such period: *Provided,* That this subsection shall not apply to any initial tariff filed by an air carrier or foreign air carrier.

"(3) The Board may in the public interest, at the time a tariff stating a rate, fare, or charge for foreign air transportation is filed with the Board by an air carrier or foreign air carrier, whenever it appears that changing circumstances may result in such rate, fare, or charge becoming unreasonably high or unreasonably low and detrimental to the commerce of the United States, limit the effectiveness of such tariff to a period of time not less than one year."

Sec. 5. Section 1002 of such Act is amended by adding the following new subsection:

"POWER TO SUSPEND AND ORDER RATES IN FOREIGN AIR TRANSPORTATION IN SPECIAL CIRCUMSTANCES

"(j) Whenever the Board finds that the government or aeronautical authorities of any foreign country have refused to permit the charging of rates, fares, or charges contained in a properly filed and published tariff of an air carrier filed under this Act for foreign air transportation to such country, the Board may, by order, in its discretion and without hearing, (i) suspend the operation of any existing tariff of any foreign air carrier providing services between the United States and such foreign country, and (ii) order air carriers and such foreign air carrier to charge such rates, fares, or charges for foreign air transportation to such country as are in accordance with agreement reached between the United States and such country. The effective right of an air carrier to start or continue service at the rates, fares, or charges contained in a proper filed and published tariff filed under this Act for foreign air transportation to such country, or at such rates, fares, or charges as may be ordered by the Board pursuant to this subsection, shall be a condition to the continuation of service by such foreign air carrier in foreign air transportation between the U.S. and such foreign country.

Sec. 6. Section 1006 of such Act is amended by deleting the words "section 801 of this Act," and by substituting therefor the words "section 801(a) of this Act or any decision approved, disapproved, or stayed by the President under section 801(b) of this Act,".

Sec. 7. The amendments made by this Act shall not be deemed to authorize any action inconsistent with the provisions of section 1102 of the Federal Aviation Act of 1958 (49 U.S.C. 1502).

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., November 16, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is herewith transmitted a proposed bill to amend the Federal Aviation Act of 1958 to provide for the regulation of rates, fares and charges of air carriers and foreign air carriers in foreign air transportation, together with a section-by-section analysis of the bill. The Department recommends that this bill be incorporated into the Act in order to insure that rates and fares in foreign air transportation are reasonably related to the costs of providing that transportation service, and to arm this Government with the means of adequately responding to a foreign government's rejection of a properly filed tariff.

In the Statement on International Air Transportation Policy approved by the President in June, 1970, it is stated that: "The U.S. should work for the broadest range of potentially profitable services designed to appeal to the broadest consumer market and based on the lowest cost of operating an efficient air transport system."

In that Policy Statement, it was noted that certain fares remain well above justifiable levels.

Also, as you know, the member carriers of the International Air Transport Association (IATA) have failed to agree on rates and fares to be offered on the North Atlantic for the 1972 season. This has precipitated some foreign carriers to file individual scheduled fare proposals with the Civil Aeronautics Board (Board) which are so low as to raise the question that they may impair the services provided by all carriers in that market. These low fares appear to be intended to compete with charter services of U.S. supplemental and foreign charter carriers. In addition, the recent introduction of wide-bodied aircraft by the scheduled air carriers has depressed load factors and intensified competition for scheduled service.

It is the Department's view that the present authority of the Board to deal rapidly and effectively with unreasonably low or unreasonably high rates is simply inadequate. The Board cannot, at the present time, either suspend an international rate pending hearing and investigation, nor can the Board reject an international rate on the ground that it is excessively low or excessively high. The Department believes that this proposed bill will give the Board the necessary additional powers.

The basic provisions of the bill: (1) give the Board power to suspend and reject rates in foreign air transportation when found to be unreasonably high or unreasonably low and detrimental to the commerce of the United States (Sections 2, 3, and 4); (2) provide the Board with retaliatory powers in situations where a foreign government refuses to permit U.S. carriers to offer air services at rates properly filed under the Act (Section 5); and (3) require that Board decisions affecting foreign rates be submitted to the President for approval, disapproval or stay (Section 1).

The President's responsibility for national security and foreign affairs requires that the President review decisions of the Board affecting international air rates. Thus, the bill provides that the President may approve, disapprove or stay the Board's decision within a 10-day period. Executive review was recommended in the statement of International Air Transportation Policy, approved by the President on June 22, 1970.

The proposed bill would empower the Board to suspend and disapprove any individual or joint rate, fare or charge by U.S. or foreign carriers that is or will be unreasonably high or unreasonably low, and that is or will be detrimental to United States commerce.

The yardstick to be used by the Board in determining whether a rate is too high is the fully allocated cost of operations, including reasonable profit, taking into account rules, regulations or practices affecting such rates. A rate should not be excessively above these costs. Rates, fares and charges should also be compensatory; a rate would be deemed compensatory when it exceeds the variable cost of providing the specific transportation service to which it is applicable. The Department believes it is essential to provide the Board with an economic (cost) guidelines in determining whether to suspend or reject rates in foreign air transportation. Any other standard could result in excessive profits or excessive losses.

The proposed bill also provides guidelines for the Board to determine whether a rate, fare or charge is, or will be, detrimental to United States commerce. These are: the need to avoid substantial impairment of scheduled and charter services, the effect of proposed rates on the movement of traffic and the ability of carriers to provide adequate and efficient service, and the need in the public interest of such transportation. Such guidelines in addition to the economic standard should provide the Board with sufficient flexibility to address existing and future circumstances.

The bill empowers the Board to suspend rates, fares and charges in foreign air transportation for a period no longer than one year, pending hearing and decision. If the proceeding has not been concluded within the suspension period, or the appropriate negotiation between the U.S. and the foreign government involved have not been successfully concluded, the rate goes into effect. The bill would also give authority to the Board to limit the effectiveness of a tariff to one year to provide flexibility and to allow for changing circumstances.

The bill provides for retaliatory power in the Board to suspend the effectiveness of a foreign carrier's tariff. The Board may then order carriers to charge rates which have been agreed upon in negotiations conducted under our bilateral agreements. This provision is operative whenever a foreign government has refused to permit the charging of rate properly filed by a U.S. carrier. We believe this power would give the government a needed and effective tool concerning rates, fares and charges in foreign air transportation.

Finally, in view of the critical situation which has developed on the North Atlantic, noted above, the Department respectfully urges that this proposed bill be given immediate attention by the Congress. The situation is serious. The U.S. carriers continue to experience losses in providing foreign air transportation services. Our analysis of a number of tariffs that recently have been proposed for the North Atlantic for the 1972 season indicate that the situation could easily worsen rather than improve. Since the existing institutional mechanisms do not appear to be working satisfactorily, it is singularly important that the U.S. Congress act at this time to provide the Board with additional authority.

The Office of Management and Budget has advised that the enactment of this proposed legislation is consistent with the Administration's objectives.

Sincerely,

JOHN VOLPE.

FOREIGN AIR TRANSPORTATION REGULATORY ACT OF 1971

SECTION-BY-SECTION ANALYSIS

Section 1. Amends section 801 of the Federal Aviation Act of 1958 to require the Civil Aeronautics Board to submit decisions pursuant to sections 1002(e) and 1002(j) and decisions pursuant to section 1002(g) disapproving or suspending a rate, fare, or charge in foreign air transportation to the President before publication and such decisions may be approved, disapproved, or stayed by the President within ten days.

Section 2. Amends section 1002(d) of such Act to combine that section and 1002(e) under a new heading "Power to Prescribe Rates and Practices and Rule of Ratemaking in Interstate and Overseas Air Transportation."

Section 3. Amends section 1002(e) of such Act by deleting the title, substituting "(d)(2)" for "(e)," adding a new title, "Power to Disapprove Rates in Foreign Air Transportation," adding section (e)(1), to give the Board power to disapprove rates, fares, or charges in foreign air transportation when found to be unreasonably high or unreasonably low and detrimental to the commerce of the United States; adding section (e)(2) that a rate, fare, or charge of a carrier should not be excessively above its fully allocated cost of operations and compensatory, taking into account any classification, rule, regulation, or practice affecting suoh rate; and, adding section (e)(3) that a rate, fare or charge should not be detrimental to the commerce of the United States, avoid substantial impairment of scheduled and charter services, provide for the earning of sufficient revenues by the magnitude and permanency of its effect on the movement of traffic to enable carriers to provide adequate and efficient service, and to provide for the need in the public interest of adequate and efficient air transportation.

Section 4. Amends section 1002(g) of such Act to authorize the Board to suspend a tariff filed by a U.S. or foreign air carrier. It also allows the Board to limit the tariff's duration when it appears that changing circumstances may result in the tariff becoming objectionable.

Section 5. Amends section 1002 of such Act to provide a new section, "Power to Suspend and Order Rates in Foreign Air Transportation in Special Circumstances," section 1002(j) authorizing the Board, when a foreign country refuses to permit U.S. carriers to offer air service at rates, fares or charges properly filed under such Act, to suspend any existing tariff of a carrier of that country and to order air carriers and foreign air carriers to charge for foreign air transportation between the United States and that country rates in accordance with agreement beween the United Staes and such country.

Section 6. Amends section 1006 of such Act by excepting from judicial review Board orders which have been approved, disapproved, or stayed by the President under section 801(b) of the Act.

Section 7. Amendments of such Act are not deemed to authorize any actions inconsistent with the provisions of section 1102 of the Act.

By Mr. MUSKIE:

S. 2922. A bill to establish a Commission on Mental Health and Illness of the Elderly, and for other purposes. Referred to the Committee on Labor and Public Welfare.

COMMISSION ON MENTAL HEALTH AND ILLNESS OF THE ELDERLY

Mr. MUSKIE. Mr. President, I am introducing today a bill to establish a Commission on Mental Health and Illness of the Elderly. This bill represents one of the steps we must take to deal adequately with the problems of the elderly.

When I was first named to the Senate Committee on Aging in 1961, I said that "our democracy may well be judged on the contributions it makes to those who have given so much during their active life in building the strength of our communities, States, and Nation."

This bill confronts one of the most neglected problems in the field of aging.

Geriatric patients now occupy one of every five beds in our mental hospitals. And from 15 to 25 percent of elderly persons living in their own homes have some degree of mental impairment.

Our public policy today is confused where the mental health of the elderly is concerned. In far too many cases, aged persons are "warehoused" in institutions. They could return to their own communities if proper services were available there.

Mental health conditions today are exacting a heavy cost, in suffering and in money, for the elderly patient, his children, and the country.

The mental health problems of the aged are made worse by misplaced negative attitudes. Too often there is a stereotype of the elderly patient and the patient gets a cursory diagnosis, which is simply that treatment will not work.

We know better. The November 1971 report of the Senate Committee on Aging, Mental Health Care and the Elderly: Shortcomings in Public Policy," which was prepared at the direction of Senator CHURCH and myself, documents that these mental health problems can often be substantially helped.

One survey of 49 psychiatric hospitals showed 75 percent of all elderly mental patients improved enough to go home within 2 months.

My new bill will provide the framework for making certain this type of help will be made available. It would create a Commission, appointed by the President, and including psychiatrists, psychologists, social workers, nurses, and other experts, which would formulate a unified national policy for the mental health of the elderly.

This legislation provides more than just another study. The Commission would outline future policy as its first responsibility. It would then:

Study the future needs for mental health facilities, manpower, and research and training to meet the mental health needs of the elderly;

Describe every year what had been done and what are the top priorities in mental health care for the elderly;

Evaluate present mental health programs to see if they are responsive to the needs of aged persons;

Develop priorities among research programs that will increase our knowledge of mental illness and the aged;

Work with the other branches of government to implement the policy recommendations of the 1971 White House Conference on Aging.

The need for this high level Commission is compelling. But we all know it is not the only need that is compelling right now. Conditions of life for many older Americans are very cruel and in some instances worsening.

The worst problem facing many older Americans is inadequate income.

One of every four people over 65 lives in poverty. The number living in poverty has actually increased in the last 2 years.

No one has been hit harder by recession and inflation than the elderly. Many older workers are being eased into an early retirement they do not want, and at lower social security benefits than if they worked until age 65.

And every elderly person knows what inflation has done to fixed incomes and to social security.

We must end inflation and restore price stability.

But what will happen when we experience the next inflation? The plain fact is that unless we protect those on fixed incomes now, they will pay for the next inflation, as they paid before.

We can and should now increase social security benefits, so that the incomes of older Americans can catch up with higher prices in the economy.

But benefit increases alone are no safeguard for the future. I believe that the Federal Government must enact legislation to insure social security benefits will increase automatically as the cost of living goes up. Only then can we finally secure what America pledged over three decades ago—a truly decent life for older Americans.

And we must do more. We must liberalize the social security retirement test. Too often those who deserve assistance are denied benefits because of legal technicalities. We must provide full payments for needy widows and widowers at age 65. Why should the emotional emptiness left by the loss of a loved one be matched by material deprivation?

Just as serious as the economic situation is the health care problem. The sad truth is that Government has let the resources of the aged fall while health care costs continue to climb at a faster rate than any other price in the whole economy.

I know how the health care crisis hurts. My Subcommittee on the Health Care of the Elderly has held extensive hearings in Los Angeles and other cities. We have heard the testimony of aged persons on what cutbacks in Medicare and Medicaid mean to them. We have listened to them tell us what it means to have many needs completely uncovered by medicare.

The costs the elderly pay to cover doctor bills under Medicare have doubled since the program started. If the trend continues, senior citizens will soon be paying as much of their strained resources for medical care as they did when a health care program for the elderly was only a distant dream.

Already medicare pays less than half the costs of care. Out-of-pocket expenses are over $225 a year, double the health costs of those under 65.

These statistics do not convey the true meaning of the crisis—the pain of arthritis, the tedious days of waiting for treatment.

The only fair solution is to take the dollar sign once and for all out of the elderly's decisions. We must guarantee comprehensive medical care for all Americans.

We also need new systems to deliver health care. The Senate has already adopted a bill I proposed to build new medical schools and train doctors for the special treatment required for senior citizens.

As chairman of the Subcommittee on Health Care of the Elderly, I have also proposed: The construction of special clinics in areas heavily populated by the elderly; the use of health care teams to bring aid to shut-ins; new transportation systems to take the elderly to and from distant medical facilities.

We have to learn more and do more about the problems aged people face in America. Ten percent of us are now over 65. In 50 years, 15 percent will be over 65 and 5 percent over 75 years of age.

The Commission on Mental Health and Illness of the Elderly that I propose today is a vital step. For far too long we have turned our back on the serious mental health problems of the aged. With this proposal, we will finally face the issue squarely.

The time has come for action on this and the other problems of aged Americans.

I ask unanimous consent that the text of this bill be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2922

A bill to establish a Commission on Mental Health and Illness of the Elderly, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Commission on Mental Health and Illness of the Elderly Act."

ESTABLISHMENT OF COMMISSION

SEC. 2. There is hereby established a temporary commission to be known as the Commission on Mental Health and Illness of the Elderly (hereinafter called the "Commission"). Such Commission shall exist for a period not to exceed 5 years.

DUTIES OF THE COMMISSION

SEC. 3. It shall be the duty of the Commission to—

(1) develop a national policy for the proper maintenance of mental health for aged and aging persons and the care and treatment of mental illness for such persons;

(2) undertake studies to assess future needs for mental health facilities, manpower, research, and training to meet the mental health care needs of aged and aging persons;

(3) submit to the President for transmittal to Congress an annual report describing major developments concerning the treatment and care of elderly persons suffering from mental illness, identify priority issues, and propose recommendations for solving these problems;

(4) recognizing that proper physical health and proper mental health are inseparable, evaluate present mental health programs to determine whether such programs are responsive to the needs of aged and aging persons;

(5) develop priorities for programs designed to increase knowledge about various aspects of mental illness among aged and aging persons; and

(6) cooperate with the executive and legislative branches for the purpose of implementing the policy proposals recommended at the 1971 White House Conference on Aging.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The Commission shall be composed of nine members to be appointed by the President, by and with the advice and consent of the Senate. The Commission shall include at least one member from each of the fields of psychology, psychiatry, social science, social work, and nursing. Each person

so appointed shall, as a result of his training, experience, and attainments, be exceptionally qualified to formulate and appraise programs and activities related to aging.

(b) The President shall designate one of the members of the Commission to serve as Chairman and one to serve as Vice Chairman. Vacancies shall be filled in the same manner in which the original appointments were made. Any vacancy in the Commission shall not affect its powers, and five members of the Commission shall constitute a quorum.

POWERS OF THE COMMISSION

SEC. 5. To carry out the purposes of this Act, the Commission shall have the authority to—

(1) prescribe such rules and regulations as it deems necessary governing the manner of its operations and its organization and personnel;

(2) obtain from any department, agency, or instrumentality of the United States, with the consent of the head thereof, such facilities, services, supplies, advice, and information as the Commission may determine to be required by it to carry out its duties;

(3) acquire by lease, loan, or gift, and to hold and dispose of by sale, lease, or loan, real and personal property of all kinds necessary for, or resulting from, the exercise of authority under this Act;

(4) enter into contracts or other arrangements, or modifications thereof, with State and local governments, and institutions and individuals in the United States, to conduct programs the Commission deems necessary to carry out the purposes of this Act, and such contracts or other arrangements, or modifications thereof, may be entered into without legal consideration, without performance or other bonds, and without regard to section 3709 of the Revised Statutes;

(5) make advance, progress, and other payments which the Commission deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes;

(6) receive money and other property donated, bequeathed, or devised to the Commission, without condition or restriction other than that it be used for the purposes of the Commission;

(7) accept and utilize the services of voluntary and uncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(8) employ such officers and employees as may be necessary to carry out its functions under this Act; and

(9) obtain services of consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed $100 per day for each day they are engaged in the performance of their duties to the Commission.

COMPENSATION OF COMMISSION MEMBERS

SEC. 6. (a) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(21) Chairman, Commission on Mental Health and Illness of the Elderly.".

(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(95) Members, Commission on Mental Health and Illness of the Elderly (8).".

ADVISORY COUNCIL

SEC. 7. (a) There is hereby established an Advisory Council on Mental Health and Illness of the Elderly (hereinafter referred to as the "Council") to be composed of nine members appointed by the President for terms of two years without regard to the provisions of title 5, United States Code.

(b) The Council shall select its own Chairman and Vice Chairman and shall meet at the call of the Chairman, but not less than four times a year. Members shall be appointed for two-year terms, except that of the members first appointed, five shall be appointed for a term of one year and four shall be appointed for a term of two years as designated by the President at the time of appointment. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall serve only for the remainder of such term. Members shall be eligible for reappointment and may serve after the expiration of their terms until their successors have taken office. A vacancy in the Council shall not affect its activities, and five members thereof shall constitute a quorum.

(c) The Commission shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities.

FUNCTIONS OF THE COUNCIL

SEC. 8. The Council shall advise the Commissioner on policy matters relating to mental health and illness.

COMPENSATION OF COUNCIL MEMBERS

SEC. 9. Each member of the Council appointed pursuant to section 7 shall receive $50 a day, including travel time, for each day he is engaged in the actual performance of his duties as a member of the Council. Each such member shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

TERMINATION

SEC. 10. The Commission shall cease to exist sixty days after the submission of its final report.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 936

EXTEND MEDICARE COVERAGE FOR OUT-OF-HOSPITAL PRESCRIPTION DRUGS

Mr. WILLIAMS. Mr. President, today I am pleased to join the Senator from New Mexico (Mr. MONTOYA) in sponsoring S. 936, a bill to broaden medicare coverage to include out-of-hospital drugs.

Earlier this year, I introduced a comprehensive social security-medicare reform proposal, S. 923, which also called for similar coverage.

And today, I also cosponsor S. 936 to help focus increased attention on the urgent need to close this existing gap in medicare coverage.

Under the present law, medicare covers the cost of prescription drugs furnished patients in a hospital. In addition, coverage is available for drugs in extended care facilities as a part of inpatient care, and, it is also available for prescriptions which are customarily provided by a physician in his office, but cannot be self-administered by the beneficiary.

But, the reasons for extending medicare coverage to include out-of-hospital prescription drugs, I believe, are many. Persons 65 and older now comprise about 10 percent of our population. Yet, nearly 24 percent of all prescriptions written in the United States are for older Americans.

Moreover, these expenditures for the elderly now average three times as high for younger Americans. And for aged persons with severe chronic conditions—about 15 percent of all individuals 65 and older—drug costs are six times as great as for younger people.

Prescriptions now represent the largest single health care expense which the elderly must pay almost entirely out of their own pocketbooks. In fact, drugs now account for about 20 percent of all health costs for the aged.

And in the view of the President's Task Force on Aging, some hospital stays are extended solely to enable patients to obtain needed medication. This, of course, can have the effect of driving up the costs of medical treatment for the elderly without commensurate improvements in the quality or availability of care.

Several noted authorities—including the Department of Health, Education, and Welfare Task Force on Prescription Drugs, a Review Committee on Prescription Drugs, the President's Task Force on Aging, and the 1971 Social Security Advisory Council—have reaffirmed the need for coverage of out-of-hospital prescription drugs under medicare.

In the words of the Social Security Advisory Council:

Comprehensive coverage of out-of-hospital prescription drugs is essential to truly effective protection against health care costs.

Mr. President, I urge prompt and favorable consideration of S. 936.

S. 2097

At the request of Mr. PERCY, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 2097, a bill to establish a Special Action Office for Drug Abuse Prevention.

S. 2141

At the request of Mr. CRANSTON, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 2141, a bill to establish the Desert Pupfish National Monument in the States of California and Nevada.

S. 2709

At the request of Mr. HATFIELD, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 2709, a bill to permit American citizens to hold gold in the event of the removal of the requirement that gold reserves be held against currency in circulation.

S. 2812

At the request of Mr. NELSON, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 2812, a bill to amend the Federal Food, Drug, and Cosmetic Act.

SENATE RESOLUTION 204—REPORT OF AN ORIGINAL RESOLUTION FROM THE COMMITTEE ON THE JUDICIARY REGARDING THE REFUSAL OF ROBERT F. WILLIAMS TO APPEAR AND TESTIFY

(Ordered to be placed on the calendar.)

Mr. EASTLAND, from the Committee on the Judiciary, reported the following original resolution:

S. RES. 204

Resolved, That the President of the Senate certify to the United States Attorney for the District of Columbia the report of the Committee on the Judiciary on this resolution (respecting the refusal of Robert F. Williams, though duly summoned, to appear and testify before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate): to the end that the said Robert F. Williams may be proceeded against in the manner and form provided by law.

SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION ACT—AN AMENDMENT

AMENDMENT NO. 780

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY submitted an amendment intended to be proposed by him to the bill (S. 2097) to establish a Special Action Office for Drug Abuse Prevention to concentrate the resources of the Nation in a crusade against drug abuse.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 698

At the request of Mr. PELL, the Senator from Montana (Mr. METCALF) was added as a cosponsor of amendment No. 696 intended to be proposed to the bill (S. 2760) to amend the Rail Passenger Service Act of 1970.

NOTICE OF HEARING ON KENNEDY CENTER

Mr. GRAVEL. Mr. President, on Thursday morning, the Subcommittee on Buildings and Grounds of the Senate Committee on Public Works will hold hearings on S. 2900, a bill to authorize $1,500,000 in appropriations each year to defray certain operating and maintenance costs of the John F. Kennedy Center for the Performing Arts.

According to information transmitted to the committee, this authorization is requested because the Kennedy Center's present revenue cannot match the costs of security, maintenance, utilities, and other services which are required by the large number of tourists who visit the center as a memorial to the late President. That number is now estimated at between 8,000 and 12,000 each day.

Mr. Roger L. Stevens, the Kennedy Center's chairman, contends that because of this flood of nonpaying visitors, the center is actually performing public memorial functions similar to those of the Washington Monument or the Lincoln and Jefferson Memorials. In a letter to the committee's distinguished chairman (Mr. RANDOLPH), Mr. Stevens warns that unless the Congress acts to subsidize this memorial function before the adjournment, the center may close its doors to the general public. I ask unanimous consent that the text of Mr. Stevens' letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JOHN F. KENNEDY CENTER
FOR THE PERFORMING ARTS,
November 22, 1971.

Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: As Chairman of the Board of Trustees of the Kennedy Center, I wish to bring to your attention an immediate and critical funding difficulty faced by the Trustees caused by moneys advanced to carry out its public, memorial functions and to seek the assistance and recommendations of the Public Works Committee. You will recall that I met with you a week ago to discuss this problem.

You may be aware that on July 14, 1971, there was introduced in the other body bipartisan legislation, H.R. 9801, to provide federal support for the costs of operation and maintenance of the Center as related to its non-performing arts, national memorial functions. The premise for this authorizing legislation for an annual appropriation of up to $1.5 million is that the Kennedy Center is more than a performing arts institution because it performs functions similar to the Washington Monument and Lincoln and Jefferson Memorials, the costs of which are met by the Congress. In fact, since the Kennedy Center opened its doors to the public, an estimated 8,000 to 12,000 tourists have entered the building each day as visitors to the memorial and not as performance-goers.

The Committee can no doubt appreciate that these large numbers of visitors, who have not been charged admission to the building in accordance with the policy at other memorials for whom tours have been provided free-of-charge, have required large expenditures of funds for security, maintenance, utilities, and other expenses normally incurred in keeping open the doors of a public building. At the end of May, 1971, the Kennedy Center estimated the funds required to keep the doors open to the public at $1.8 million per year. A copy of a statement of William A. Schmidt, former Commissioner of Public Buildings and now the Center's Executive Director for Engineering, is enclosed.

Although hearings were held before the Subcommittee on Public Buildings and Grounds of the House Public Works Committee on July 22, 1971, H.R. 9801 has yet to be reported out of that Committee. Today, the need is critical because the Kennedy Center has been required to meet these so-called "non-performing arts" expenses since July 1, 1971 without federal assistance.

The Committee is well aware that the authorization and appropriation legislation enacted by the Congress into law in 1969 was premised on a GSA cost estimate for construction for the Center of $66.4 million. But for developments not anticipated in 1969, the Trustees, acting through the General Services Administration would have been able to complete the building within that limitation.

As the 1969 legislation was passed by the Congress, the Trustees began to be faced by inordinate difficulties at the construction site. In the late fall of 1969, a major subcontractor walked off the job site. The first work stoppage was only the beginning of the unanticipated difficulties. It precipitated additional walkoffs in 1970 and also the assertion of over $6.1 million in unanticipated delay damage claims. The most prudent course to take, and which was taken, in the face of the difficulties has been the advance by the Trustees out of private, non-appropriated funds, of about $2.0 million against these claims, which should settle for a total of about $3.0 million according to reasonable estimates by GSA. Only by making this advance from private funds has construction been continued thereby minimizing the impact of further unprecedented cost escalation and avoiding an incompleted shell of a building on the Potomac. The result has been the completion of the building in September, 1971, and an opening which has been acclaimed throughout the world and has added immeasurably to American life.

Having to meet the unanticipated financial burdens including these delay damage claims, and also having to meet the public costs of operating a memorial to an assassinated President, the Trustees now find that they are without immediate funding required to make final payments under the construction contract.

To fulfill its present financial commitments, the Trustees require immediately an appropriation of the $1.5 million to cover the public costs of operating the Kennedy Center as a memorial. We require another $3.0 million to meet the unanticipated costs resulting from the delay damage claims. The Trustees have canvassed virtually all private sources, including foundations, seeking these additional funds, but without success. (We have found that private sources are unwilling to contribute for construction of the Center, although we have met with better success in raising funds for educational purposes.)

We urgently request your views and recommendations on the course which the Trustees should take at this critical juncture so that we can receive the required financial assistance before Congress adjourns. The alternative may be to close our doors. More particularly, we request your views whether we might proceed immediately to obtain $1.5 million for the Center's "non-performing arts" costs and the other $3 million for the unanticipated delay damage claims costs. The latter amount might be in the form of a borrowing authority.

For your information, we are enclosing copies of communications which we have had with the Administration concerning the $1.5 million annual appropriation for "non-performing arts" costs, which indicate full White House support therefor.

I would be happy to meet with you and the Committee at any time to discuss the problems raised in this letter. We are, as always, most appreciative of the support and guidance which the Committee has provided for the Kennedy Center.

Sincerely,

ROGER L. STEVENS.

Mr. GRAVEL. Mr. President, I should note that S. 2900, the legislation to be considered on Thursday, does not contain a provision for authorization of the $3 million needed to make final payments on the center's construction contract. The subcommittee will consider that issue separately in the hearing.

Mr. President, as chairman of the Subcommittee on Buildings and Grounds, I feel that whatever the merits of this legislation, S. 2900 deserves prompt consideration by the Senate. In view of the urgent need for a decision, the subcommittee has scheduled hearings for 10 a.m. on Thursday in room 4200, New Senate Office Building. Any person wishing additional information about the hearing or desiring to testify should contact the committee staff at 225-8429.

NOTICE OF HEARING ON CERTAIN NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, December 2, 1971, at 10:30 a.m., in room 2228, New Senate Office Building, on the following nominations:

Anthony A. Alaimo, of Georgia, to be U.S. district judge, southern district of Georgia, vice a new position created by Public Law 91–272, approved June 2, 1970;

Shiro Kashiwa, of Hawaii, to be associate judge, Court of Claims, vice James R. Durfee, retiring;

Charles B. Renfrew, of California, to be U.S. district judge, northern district of California, vice Gerald S. Levin, deceased;

Morrell E. Sharp, of Washington, to be U.S. district judge, western district of Washington, vice George H. Boldt, retired; and

Philip W. Tone, of Illinois, to be U.S. district judge, northern district of Illinois, vice a new position created by Public Law 91–272, approved June 2, 1970.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. McCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

ANNOUNCEMENT OF HEARINGS BY THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. EAGLETON. Mr. President, on Monday, December 13, 1971, Tuesday, December 14, 1971, and Wednesday, December 15, 1971, the Committee on the District of Columbia will hold hearings on the future of D.C. Stadium.

With the recent loss of a baseball franchise for the Nation's Capital, the stadium suffered a revenue loss which it can ill afford. It will be the committee's interest to explore the future potential of the stadium to produce revenue, the possibilities of recapturing a baseball franchise to play in the stadium, and the part which the stadium should play in the community.

We expect to hear from representatives of the stadium management, representatives of major league baseball, and other related witnesses. The hearings will begin at 10 a.m. in room 6226, New Senate Office Building. Persons interested in testifying on this matter should contact Mr. Gene E. Godley, General Counsel, in room 6222, New Senate Office Building.

ADDITIONAL STATEMENTS

BABI YAR

Mr. ALLOTT. Mr. President, for the second time in a generation people of conscience throughout the world have reason to be concerned about the fate of the ancient Jewish community of Europe. Not so very long ago, Nazi Germany was threatening this community. Today, the last remaining European Jewish community of any size, that of the Soviet Union, is again threatened by an oppressive anti-Semitic government. Civilized people can scarcely comprehend the vicious mixture of rancid prejudice and vile philosophy behind the Soviet Union's decision to deny its Jewish citizens their basic human rights—rights affirmed in the United Nations Charter signed by the Soviet Union itself. But although it is incomprehensible, we must resist it.

The brave Jews of Soviet Russia are struggling on in their own behalf, and their courageous protests have allied the support of freedom-loving peoples everywhere. No event in recent history better summarizes the plight of these men and women than the infamous massacre that occurred at Babi Yar near Kiev in 1941. In remembering the victims of that Nazi massacre, we should turn with renewed dedication to the support of those who survived it—the Soviet Jews who today can neither practice their religion nor emigrate to a country where religious freedom is allowed.

On September 26, 1971, the distinguished Senator from Washington, Mr. JACKSON, offered some particularly eloquent observations during a Babi Yar memorial service held in New York City. His words express the feelings of all men and women of good will, and I ask unanimous consent that the text of his speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMEMBERING BABI YAR

(By Senator HENRY M. JACKSON)

A small item which appeared recently in The New York Times brought some troubling thoughts to my mind. The item described a minor but by no means a typical incident that recently occurred in the Soviet Union. "A Jewish woman," it read, "who sent a letter to Premier Aleksei N. Kosygin has been sentenced to three years' confinement on charges of slandering the Soviet state, a Central Asian newspaper has reported.

"The newspaper . . . said . . . that the case pointed up the need for more rigorous political indoctrination.

"The woman, Emilia R. Trakhtenberg . . . allegedly complained of discrimination in the Soviet Union and praised Western freedoms. . . .

"Miss Trakhtenberg's parents died in the Nazi massacre of Babi Yar in Kiev in World War II."

This newspaper item tells all of us a great deal. It tells us, first, about the plight of the Jewish people of Soviet Russia, a people whose indescribable suffering is one of the tragic stories of this century. Miss Trakhtenberg and her family are the symbols of two lost generations, one the victim of Nazi genocide, the other the victim of Soviet cultural genocide. So today, as we remember victims of Babi Yar, let us also stand in solidarity with the children of Babi Yar.

Miss Trakhtenberg's story also tells us about the courage of a people. One cannot speak out against injustice in the Soviet Union and have immunity. One speaks out only at a terrible risk to the well-being of oneself and one's family. Miss Trakhtenberg knew the risk she was taking in writing a letter of protest to Mr. Kosygin, and thousands upon thousands of her people are aware that by signing letters, demonstrating, by demanding the right to emigrate to Israel, even just by being Jews, they are putting their very lives on the line. These are genuine heroes of our time. They command our deepest respect.

Finally, the item in the newspaper tells me something about America. Miss Trakhtenberg "complained of discrimination in the Soviet Union and praised Western freedoms." The justice of her plea seems self-evident, but her words conflict with a growing tendency in our own country to denigrate the value of Western freedoms and to ignore the denial of those freedoms in countries ruled by Communist regimes. There are those who would have us turn inward, to withdraw from the problems of the international community and forget our moral obligations to so much of humanity. The brave protests of Soviet Jews should awaken these new isolationists. Just as the non-violent civil rights movement brought home to a complacent America the urgency of our racial problems and the necessity to resolve them peacefully, so today the protests of Soviet Jews are reminding many who would forget that the struggle for freedom must continue even behind the Iron Curtain.

Our nation must not repeat the mistakes that have been made in the past. We saw the danger signals coming out of Nazi Germany in the 1930's. We heard the cries for help. But we did not act in time. Now we can still act in time.

The President can and should utilize all available channels, formal and informal, to convey our position that the Soviet government honor the words of its own constitution by permitting the free expression of ideas and exercise of religion by all its citizens.

Moreover, the President can and should demand of the Soviet government that it permit its citizens the right to emigrate to the countries of their choice as affirmed by the United Nations Declaration of Human Rights. The right to free emigration is fundamental to human liberty. It is a tragic crime for the Soviet—or any other—government to imprison its own citizens in a society where they can neither practice their religion nor make their way to countries where they might give full expression to their religious and cultural identity.

In addition, our State Department should take advantage of the present session of the United Nations to raise in the General Assembly the issue of the Soviet Union's violation of the Declaration of Human Rights—a declaration that was unanimously adopted by the United Nations.

These proposals are embodied in a resolution I have introduced in the Senate. I hope the Senate acts quickly and affirmatively.

No doubt, there are some people who are against this proposal on the grounds that we must not jeopardize improved relations with the Soviet Union. At all costs, they will say, we must not be abrasive. But we must recognize once and for all that the Soviet government will not grant its citizens their rights until it realizes that the issue is important to us. Until that time it will continue to manipulate Russian Jews, and the Soviet Union's Arab clients, in the most cynical way, by turning on and off the flow of emigrants, a bit faster when the Arabs are out of line, and slower when they behave. But human beings must not be used as hostages held at ransom. They are free beings whose dignity recoils at such treatment. We must stand on the side of this assertion of human dignity.

Human freedom is not a local matter, relevant to some people but not to others. It is a matter for all men everywhere. America was founded on the principle that whenever one man is enslaved, no man is free.

America, with all its many problems, retains a commitment to that principle, and we will relinquish it only at the expense of our greatness as a nation. I do not think we will relinquish it. Our commitment to it runs too deep, and the concerns that press in upon us are too urgent. But the voices of moral acquiescence to oppression are sometimes heard above the voices calling for a renewed commitment to freedom. At this time the protest of Soviet Jews is a compelling reminder of where our national commitment lies. We must support their protest for no other reason than because it is the right thing to do. In acting with justice and compassion towards them, we will enrich our own lives and strengthen the spirit of our nation.

FEDERAL EMPLOYEE WAGE POLICY

Mr. PELL. Mr. President, I think it appropriate, while we are considering the economic stabilization program, to point out the basic inconsistencies and self-contradictions involved in the administration's Federal employee wage policy.

I think these inconsistencies are particularly notable in the case of the blue-collar workers. They are for the most part skilled industrial craftsmen who work for the Defense Department. The wages of these workers are determined by surveying the wages paid for similar jobs in private industry.

Historically, under this system, the pay of our Federal blue-collar workers has moved upward only after private industry wages have risen. There is a lag, and that lag is particularly large during inflationary times.

So I submit it is absurd and inconsistent to decide, as the administration has decided, that these workers must be used to set an example by freezing their wages. These workers are the victims of inflation, not the cause. To fight inflation by denying them justified wage increases is much like fighting crime by putting the victims of crime in jail.

In my State we have many hard-working blue-collar Federal workers. I am consequently particularly happy that the amendment offered by the senior Senator from Wyoming (Mr. McGEE), the chairman of the Committee on Post Office and Civil Service, was adopted by the Senate, with the assurance of the chairman that it was the intention of the committee that the amendment also would permit adjustments in blue collar wages.

I hope very much that the other body will approve this provision and that the President will then abide by the wishes of Congress and allow a wage adjustment for our Federal blue-collar workers.

THE NATION'S ECONOMY

Mr. FULBRIGHT. Mr. President, Representative HENRY REUSS, of Wisconsin, has made an excellent analysis of the Nation's economic predicament in an article printed in the New York Times of December 1.

Congressman REUSS points out the serious problems which have resulted from the Nixon administration's policies. He also offers some suggestions about what can be done to improve the situation, including removal of the protectionist import surtax.

Mr. President, this article deserves widespread attention and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 1, 1971]

ABOUT THE ADMINISTRATION'S "PROTECTIONIST SWAGGER"

(By Henry S. Reuss)

WASHINGTON.—Prior to Aug. 15, 1971, the Administration's economic policy was one of benign neglect. At home, unemployment was allowed to increase and growth to stagnate in the misguided belief that this would cure inflation. Instead, it produced both 6 per cent unemployment and 6 per cent inflation.

Abroad, the policy was to consider the dollar invincible. Foreign central banks would continue to accept endless dollar deficits, no matter how badly over-valued the dollar was. No fundamental realignment of currencies nor reform of the international monetary system, was necessary.

But then came Aug. 15 and the New Economic Policy which the President has encumbered with obeisances to the false gods of trickle-down at home and protectionism abroad.

At home, the price-wage freeze was accompanied by a tax-reduction program which has now been substantially enacted by the Congress. In essence, the tax program gives corporations and their stockholders an $8-million a year annual tax reduction, mainly through the 7 per cent investment tax credit and rapid depreciation. After the first year, the tax program gives the above-poverty-level wage earner no tax reduction whatever.

The mischief caused by the Nixon tax program is three-fold:

(1) By obviously discriminating against the wage earner, it destroys the social contract upon which effective wage-price controls must be founded. Labor's increasing unwillingness to go along with meaningful wage restraints is due in large measure to the inequality of sacrifice brought about by the tax bill.

(2) The nation's "fiscal dividend," out of which was to be paid the cost of health and education and environmental control and revenue-sharing in the decade of the seventies, has been effectively wiped out by the permanent fracturing of the revenues implicit in the tax-reduction bill.

(3) The corporate tax reductions will do very little to combat our close to 6 per cent unemployment. The five million unemployed include vast numbers of unskilled and semi-skilled people, mostly young and disproportionately black, who could be helped by a vigorous program of providing 500,000 public service jobs immediately. The $3 to $5 billion to fund such a program simply is not available if we are to dissipate the revenues by unwarranted tax reductions.

So, on the domestic side, the Administration is forgoing most of the benefits of the freeze by favoring corporations. In fact, the tax bonanza to corporations is not even in their real interest. Though it will reduce taxes on corporate profits by as much as 20 per cent, corporations and their stockholders would have been much better off under a program to increase consumer spending by immediately reducing unemployment.

Having subverted the domestic program by undue obeisance to the corporate interest, the New Economic Policy then proceeded to subvert the international program by undue obeisance to the protectionist interests.

The Administration's protectionist measures have prevented the needed prompt realignment of currencies—both by masking the proper amount of such realignment and by causing the Treasury to delay an agreement lest the resulting repeal of the 10 per cent import surtax offend the protectionists.

Indeed, the Treasury appears quite happy to live for a while with protectionism. It has to date turned down a reasonable offer of the Group of Ten, made in September, to effect an over-all realignment, provided only that the United States played its part by something like a 5 per cent devaluation of the dollar.

Since such a partial devaluation would involve only a technical, bookkeeping increase in the price of gold (because further gold purchases outside the system would be banned and the U.S. gold window would remain closed), it would in no real sense contribute to a rebirth of gold as a reserve medium.

The tax bill, unfortunately, will go through. And this means the United States will be doing very little about decreasing the rate of unemployment—both because the loss of tax revenues will foreclose an adequate emergency re-employment program, and because consumer nervousness at the unemployment rate will continue to inhibit adequate consumer spending and the resulting capital investment. Wall Street is likely to continue to reflect this basic confusion and lack of confidence.

I envisage that the Administration will soon have to drop its protectionist swagger. If the U.S. is so foolish as to dilly-dally indefinitely, it will run into recessions in one or more European countries which will make a currency realignment impossible.

A realignment deal, accompanied by a broadened 3 per cent band in the International Monetary Fund and the removal of our protectionist import surtax and buy-American measures, must come first.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I would like to report that according to current Census Bureau approximations, the total population of the United States as of today is 208,407,309. This represents an increase of 147,674 since November 1, or roughly the size of Youngstown, Ohio. It also represents an addition of 2,102,127 since December 1 last year, an increase which is about four times the size of Seattle.

THE NOMINATION OF WILLIAM REHNQUIST

Mr. HUMPHREY. Mr. President, I shall vote against the confirmation of William Rehnquist to the Supreme Court. I believe that the political and judicial philosophies that he has espoused if applied to the Court's role of judicial decisionmaking would weaken the legal protections which are the constitutional right of every American. His judicial philosophy is clearly out of step with a nation undergoing dramatic economic, political, and social change.

I believe Members of the Senate would be abdicating their constitutional responsibilities if they failed to examine and evaluate the judicial philosophy of a President's nominee to the Supreme Court. I have carefully reviewed the record of William Rehnquist as a citizen, a lawyer, a member of the administration and as a nominee before the Senate Judiciary Committee.

I have no argument with his integrity, character, or professional competence.

But William Rehnquist himself argued 12 years ago in the Harvard Law Review that the Senate has every right—and indeed has a responsibility—to inquire

into the judicial philosophy of nominees to the Supreme Court. In good conscience I cannot support the appointment to the Supreme Court of a man with Mr. Rehnquist's views of the Constitution and the Bill of Rights.

The Supreme Court, the Congress, and many State legislatures had firmly committed themselves to equal rights for all Americans when William Rehnquist in 1964 publicly opposed the passage of a Phoenix public accommodations law that would have allowed black people to eat at the city's drugstores and restaurants. Despite Mr. Rehnquist's change of mind, I find it alarming that it took him so many years to realize what he viewed as a businessman's "right" to refuse service to a customer on the basis of race was the denial to an American citizen of his basic constitutional rights.

Every American has the right to change his mind. But even in 1967 Mr. Rehnquist boldly wrote that:

We are no more dedicated to an integrated society than we are to a segregated society.

This excerpt from a letter to the editor of a Phoenix newspaper was part of Mr. Rehnquist's efforts to oppose integration of the Phoenix public schools.

I believe that a man who sits on the Supreme Court cannot view integration and segregation as dispassionately meriting equal consideration. As late as 3 weeks ago, Mr. Rehnquist was given several opportunities by Senator BAYH to disassociate himself from this philosophy during the Judiciary Committee's hearings. He did not do so.

The law can achieve what violence and force can never accomplish. It is the only effective weapon that can secure equal rights for all Americans. I find in Mr. Rehnquist's interpretation of the law an unwillingness to use it for these ends.

At a time when so many Americans feel powerless in the face of an all-powerful government and corporate world, William Rehnquist has chosen to interpret basic constitutional questions construing the rights of the individual citizen in a very narrow fashion.

Mr. Rehnquist has strongly defended the broad powers of the executive branch to violate the principles of privacy and equal protection under the law. Mr. Rehnquist has continually supported the executive branch's drive for a dominant position among the branches of Government. His position violates the constitutional principle of checks and balances. At a time when Executive power is magnified, judicial emphasis will serve only to weaken the role of the Congress.

Our judicial institutions do not exist in a vacuum apart from political and legal currents of American society. If they did, they would soon become antiquated bodies removed from their role of insuring that we live in a just and free society. The Constitution is a living document. It must be applied and interpreted in light of the times and conditions in which we live.

As the Supreme Court deliberates in the years to come the basic principles of the separation of powers, the integrity of the federal system and constitutional rights of all Americans will be at stake. Not to be forgotten as crucial judicial issues are the rights of the accused in criminal proceedings, the development and nature of our economic institutions, the role of Government in the continued social and economic development of this Nation, and the important right of peaceful dissent in opposition to governmental policies. Yes, a great deal will be at stake.

As a Senator, I have the right and the duty to oppose a man's confirmation to the Supreme Court if I believe that he would impede the efforts of our Nation to come to grips with important social, economic, and political dilemmas which we face today. The judicial philosophy of William Rehnquist clearly endangers the principles of freedom and human dignity which are the cornerstones of our constitutional protections. I am opposing William Rehnquist's confirmation on these grounds.

THE WAYWARD PRESS

Mr. GOLDWATER. Mr. President, in recent years some elements of the liberal press have gone to great extremes to make sure that no segment of the defense industry in this country is ever pictured in a favorable light. Occasionally an example so extreme and far fetched comes along that it is recorded in industry magazines.

One such case turned up in the November 1971 issue of Air Force magazine under the heading "The Wayward Press." It claims that the Washington Post resorted to a phony, composite picture to cast aspersions on the motivations of Fairchild Industries of Germantown, Md. In the process, the Post managed to lend a sinister aspect to one of the finest efforts ever attempted to mobilize America's youth in a program aimed at using technology to solve many of our Nation's more prominent problems. I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WAYWARD PRESS

The defense industry, and particularly the aerospace industry, has long been accused of lacking a sense of social responsibility. There is a growing group of technological know-nothings that can hear noise and see dirt at the airport, but is blind to the fabulous capabilities of this industry to contribute to social and economic progress.

In early September, Fairchild Industries of Germantown, Md., inaugurated a program designed to define the potential, with the focus on youth. Called "It's Your Turn," the effort seeks to challenge today's young people to think about their future careers in terms of using technology to solve pollution, communications, medical, safety, and other social problems.

The company has produced a moving picture, radio spot announcements, and a brochure on the subject. All cite the importance of technology in the improvement of the world around us. The brochure discusses such matters as pollution and violent deaths caused by the automobile, and points out that technology can clean up power sources and build safety into the vehicles. It admits we have a major ecological problem, as young people keep reminding us, and says the solution will be found by chemists, metallurgists, physicists, or agronomists. There are many examples cited, each climaxed by the call, *it's your turn*. "And the message is challenge," says the brochure to the young. "You are being dared to take on the problems of the world; to take over the controls of an imperfect society."

There is no evidence, in the material this reporter has seen, that the purpose of the Fairchild Industries effort goes beyond portraying the benefits of technology in a broad sense. Yet, in the Washington *Post* of Sunday, September 12, a staff writer named Robert J. Samuelson declares the company has "formally and unabashedly entered the propaganda business."

By itself, that is an accurate statement, but the Samuelson-*Post* approach, that of advocacy journalism, is to portray "It's Your Turn" as a sinister campaign—by a "maker of jet fighter planes, communications satellites, and electronic instrumentations"—to feather its own technological nest. The headline in the *Post* specifies the interpretation:

"The Message: Technology Is Good
Or, the Selling
of Fairchild
To the Young"

The crowning insult, and example of bad journalism, is in the accompanying illustration. Operating with the clip-and-paste technique sometimes used by television producers when they want to distort a message, the *Post* had an artist take the front cover of the brochure and doctor it up to bolster the newspaper's editorial prejudices. The cover was a simple photo of two young people with "It's your turn" over the picture. The only mention of Fairchild in the actual brochure was a company logotype, discreetly printed on the inside of the back cover. The *Post* wizards clipped it out and pasted it on the front cover picture. That helped support their thesis, but did nothing for the accuracy of their report. It is a type of journalism last commonly practiced, in our experience, by the New York *Evening Graphic*. That was a paper renowned for a number of things, not including a high standard of professional ethics.

THE WORK OF THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. McCLELLAN. Mr. President, Army Times Publishing Co., which publishes the Army, Navy, and Air Force Times as well as other periodicals specializing in military affairs, recently praised the work of the Senate Permanent Subcommittee on Investigations in its inquiry into clubs, messes, and post exchanges.

An editorial of November 24, 1971, points out the subcommittee's investigation has already achieved important reforms, and that more can be expected.

The editorial in the much respected Army Times reflects a widespread feeling among knowledgeable observers of the military nonappropriated fund industry that reform within the system is called for and that the subcommittee's inquiry and its subsequent recommendations for improvement have been responsible, constructive, and realistic.

I ask unanimous consent to have printed at this point in the RECORD the November 24, 1971, Army Times editorial.

I also ask unanimous consent to have printed at this point in the RECORD a November 24, 1971, column written by the Army Times congressional correspondent, Robert S. Horowitz, on the subcommittee's investigation.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Army Times, Nov. 24, 1971]

ARMY WASN'T "CLUBBED"

(By Robert S. Horowitz)

The Senators who uncovered the incredible graft and corruption in non-appropriated fund activities have shown remarkable restraint.

They unearthed enough tales of skulduggery—involving servicemen ranging all the way up to two-star generals—that it would have been understandable if they had demanded sweeping punishments and drastic overhauls. Instead, they proposed a series of solid, practical steps, which, if implemented, could go a long way toward preventing similar multi-million dollar fiascoes in the future.

Some of the facts in the Government Operations subcommittee hearings chaired by Sen. Abraham Ribicoff (D., Conn.) are astounding. They make Sergeant Bilko and Catch-22 even seem dull and unimaginative.

For example, testimony alleged some clubs in Korea were paying businessman William Crum $800 per month to maintain each slot machine. That's $800-per month-per machine, just for maintenance. The going rate for such service contracts is close to $15 a month, according to the committee.

Another example: Sergeants who controlled entertainment contracts in Vietnam for 10 clubs could realistically expect to gross $12,000 a month in kickbacks. And, virtually every show troupe had to carry an extra girl along to provide sexual favors for the sergeants, according to several witnesses.

"HOUSEKEEPING" DRAGON LADY

Another example: An attractive Vietnamese woman known as the Dragon Lady got the agreement of an American brigadier general to build a 400-girl steam bath on the Army base at Long Binh. Her plans and specs called for 200 of the girls to provide massages; the job descriptions for the other 200 girls were not very specific.

Col. Edmund Castle, base commander at Long Binh, testified that he had to fight hard to keep the extra 200 girls out of the building. He had to take the doors off the massage rooms, he sent CID agents into the steam bath every day (he called them the cleanest CID outfit in the Army) to check on what was going on, and he estimated he spent 40 percent of his time on the Dragon Lady and other non-appropriated fund activities on his base.

The first year at Long Binh, according to the committee, the Dragon Lady deposited $507,243 in the bank.

BILL CRUM'S RAZZLE DAZZLE

Then there were these sensational poker games in which Bill Crum managed to lose a couple of thousand dollars in five minutes, every week to club managers. But as soon as a club manager was transferred to another assignment, Crum and his partner, Ace Smith, seemed to play better poker.

Then there were the slot machines. The testimony was that sergeants were skimming as much as $350,000 a year off the slots in one outfit, the Army's 24th Inf. Div. in Germany, in the late 1960s. When a club officer put his own trusted sergeant in charge of the slots, the club's take rose from an average of $4000 in 10 days to $10,000 in 10 days.

There were accounts of how exchange officials—both when the Navy and when the Army-Air Force were in charge—were living in the Saigon villa belonging to Crum, who was selling millions of dollars worth of merchandise to them.

There was testimony about how easy it was for a sergeant to arrange extra tours in Germany, by paying off somebody in the Pentagon. One officer testified that club manager Narvaez Hatcher, an E–6, had so much influence that he had an E–7 as a chauffeur.

GENERAL COVER UP

The saddest part of the long investigation was the discovery that generals were covering up.

For example, Army CID agent Roy Roan testified that when he was investigating Crum in Korea, Eighth Army Provost Marshal Maj. Gen. David P. Schoor required that questions to be asked of Crum had to be submitted in writing in advance; some questions were altered or eliminated. Roan said he was not allowed to ask questions based on Crum's responses.

Another CID agent testified that he had to throw out an entire investigation of corruption at Fort Benning, Ga., and do it over—this time without mentioning the name of MSgt. William O. Wooldridge, who became the first Sergeant Major of the Army. Every witness's affidavit had to be done over.

The protection of wrongdoing reached all the way to the Provost Marshal General of the Army, Maj. Gen. Carl Turner, who is now serving a sentence in a federal penitentiary on income tax evasion and other charges.

Some of the people named in the Senate hearings were pretty smart. Wooldridge, for example, and some of his NCO friends formed their own corporation, Maredem, Inc., registered in Hong Kong in 1967. They sold merchandise to themselves, as club custodians, and the first year Maredem grossed $1.2 million.

Others were not so smart. There was an Air Force Capt. Appleton, for example, who was in charge of entertainment contracts in Vietnam. Entertainment agent June Collins said Appleton accepted a $300 kickback, by check. The check was deposited in Appleton's secret bank account somewhere in the Caribbean—but the check bounced. Appleton then complained to the authorities. He was court-martialed for taking the check in the first place.

KHAKI COSA NOSTRA

The stories were so sensational, so far-reaching that Sen. Charles Percy (R., Ill.) referred to the existence of "a Khaki Cosa Nostra," and Sen. Karl Mundt compared Wooldridge to Jesse James.

It would have been understandable if the senators had come out with a big blast at the military. But they didn't. First, they pointed out that punishments already are weighted against the military—when a corrupt civilian employee or salesman is caught in Vietnam, the committee said, he is merely sent home. A corrupt serviceman in the same case faces a court-martial.

The Ribicoff group said that if entertainment contracts are corrupt under the present system, let's change the system. It said perhaps the taxpayers ought to pay for servicemen's entertainment.

Its other recommendations are aimed at prevention of future abuses. It wants Congress to create a Defense Department inspector general, who could poke into problems in all services. Ribicoff sees this suggestion as a useful thing for the Secretary of Defense, who could get a handle on problems early in the game.

The senators also recommended a study of the value of all non-appropriated fund activities to servicemen and retirees. Maybe exchanges should be run differently—it's clear that some of them now do not satisfy a majority of their customers. At least it's worth a look, the senators feel.

They recommended abolition of slot machines in military facilities, a move that the Army and Air Force already are carrying out.

[From the Army Times, Nov. 24, 1971]

SOME PROGRESS

After two years of probing and a rash of unsavory publicity, a Senate subcommittee has made its report and recommendations for preventing hanky-panky in military non-appropriated funds.

Replaying that record will be painful for the services, but it may not hurt to remind members tempted to dabble in such extra-curricular activities that it's risky and not so profitable in the long run.

It may help, too, to remind servicemen generally what the club scandals meant to them. Many people are inclined to be amused as well as shocked by thieves if the latter are clever enough, if they steal with style and live well. Until we discover their hands are in our pockets.

That was the case with the NCOs who skimmed thousands, even millions, off the top of club and exchange profits. That money was mostly nonappropriated funds intended for the welfare of the troops and they were the biggest losers. And that says nothing about the loss servicemen suffered when the whole image of the noncom was tarnished.

At the same time, though, new attention to the old scandals should not obscure: (1) the steps the services already have taken to prevent a recurrence, and (2) the several sound recommendations the Senate subcommittee has made.

We wouldn't say that there is not one wheeler-dealer left in any sensitive area, but we'll bet that there are few and that they are pretty nervous at this time. The services have tightened their checks on both the big club operations and the smaller but still important funds. The subcommittee has suggested additional safeguards and most of them appear sound. It's an area which bears constant watching.

PUERTO RICO: AN IMPRESSIVE DEMOCRACY

Mr. BROOKE. Mr. President, on November 7, 1971, my distinguished colleague from New York, Senator JACOB JAVITS, and I were privileged to take part in a mass political rally honoring the 3 years in office of Governor Luis Ferré of the Commonwealth of Puerto Rico. It was truly a grand and glorious occasion and one that will long be remembered by all Puerto Ricans.

It was easily the most spectacular political event I have ever witnessed. More than 165,000 people of all ages jammed the huge Plaza las Americas and the surrounding hillsides in San Juan on a beautiful sunny Sunday afternoon, shouting their encouragement and support for Governor Ferré. Their enthusiasm for the policies of the Puerto Rican Governor and his New Progressive Party, and the depth of their identification with the United States of America, were everywhere in evidence. And it warmed my heart to see thousands of children and adults waving the American flag.

The crowd was addressed by Governor Ferré; JORGE L. CÓRDOVA, distinguished Resident Commissioner for Puerto Rico; HUGH L. CAREY, the distinguished Congressman from New York; Angel Viera Martinez, the honorable Speaker of the Puerto Rican House; Justo Mendez, the honorable Senate minority leader; Carlos Romero Barcelo, the dynamic and able mayor of San Juan, and many others.

Mr. President, after many years of struggle and political tribulation, Puerto

Rico is coming into its own. Impressive gains have been made. Per capita income is $1,427 per year—up from a bare $297 per year only 20 years ago. The gross annual product in 1970 was $4.6 billion, up from $755 million in 1950. Unemployment, which has plagued the island in the past, is now at an alltime low of 5 percent, as progressive government policies have led to the creation of more than 22,000 jobs per year in industry.

In the area of social welfare, a concerted effort is underway to improve housing, health services, education and the general welfare. And Governor Ferré has set as the island's goal for the next 5 years the construction of 10,000 new classrooms, full health care for all residents of the island, and the protection of Puerto Rico's vast and scenic natural resources. He has also set a goal of far closer ties with the mainland United States: An equal share with the 50 States in the distribution of funds for Federal programs, and the right to vote in presidential elections, mark the first steps in a longterm objective which he has espoused many times—statehood for Puerto Rico.

Governor Ferré, and the multitude of Puerto Ricans who share his dream, have no intention of subordinating their dynamic culture to our own. Nor should they. Western Europeans settled in Puerto Rico nearly a century before the founding of Jamestown or the landing of the Pilgrims on Plymouth Rock. In the centuries which have followed, they have built a unique civilization on the foundation of Spanish language and customs and "New World" freedoms.

But Governor Ferré, his New Progressive Party, and their many adherents among the people of Puerto Rico, have become increasingly aware in recent years of the inequities of a political status which lets them pay taxes, but receive less than the 50 States in the distribution of Federal revenue; which lets them send their sons to war, but have no vote in the presidential elections or in Congress.

Governor Ferré, and increasing numbers of Puerto Rican people, believe that such inequities must be corrected. And I agree.

Mr. President, I am convinced that under Gov. Luis Ferré, Puerto Rico will go far. We on the mainland should be aware of the great changes occurring there, and should be prepared to support them.

I congratulate Governor Ferré for his initiatives and ask unanimous consent that his inspiring speech to the Puerto Rican people at the rally in San Juan be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS OF THE GOVERNOR OF PUERTO RICO AND PRESIDENT OF THE NEW PROGRESSIVE PARTY, HONORABLE LUIS A. FERRÉ, BEFORE THE MASS RALLY OF THE NPP AT PLAZA LAS AMERICAS, SAN JUAN, PUERTO RICO, SUNDAY, NOVEMBER 7, 1971

Today, we celebrate the third anniversary of the glorious victory which, at the dawning of November 6, 1968, brought forth multitudes of Puerto Ricans throughout all streets of our cities and towns and all the trails of our countryside. It was the glorious dawn of a people who shook themselves free of political chains, who had become liberated from a political party which, after 28 years in power, had shackled the will of our people with arbitrary, abusive, and partisan procedures; and our people rejected these attitudes of arrogance and absolutism that were in discord with the democratic soul of our people. Right there, in that same Hiram Bithorn Stadium which we can see from this stand, the most degrading spectacle, against democracy and Puerto Rican dignity, that ever took place in Puerto Rico, took place.

And from that moment on, the people said that all of this had to change. And change it did. Since November 6, 1968, you can breathe an atmosphere of spiritual calm and freedom in Puerto Rico. There is no more fear of persecution or punishment for political reasons. No longer do we tolerate the arbitrary and unipersonal selection of the representatives of the people by means of a tiny slip of paper or by pointing them out with a finger. Democracy now prevails in Puerto Rico. Freedom of speech and thought is total and absolute. Constitutional guarantees and respect for civil rights are observed with the utmost pulchritude. And our people feel joyful and liberated, with faith in themselves and full of hope for the future.

Almost three years of our government have elapsed and the Great Task which we set upon ourselves is in full development. In these three years of the first phase, we have oriented our government toward goals of major gains and we have laid the foundations to achieve them. It is time for us today to review our achievements and to set our goals for the second stage of the Great Task during the next five years.

First, we have to ensure the permanent union of Puerto Rico and the United States. The minority party has demonstrated that its purpose is to strain our ties with the United States. That was the range of its statement at Aguas Buenas. Their rejection of the referendum, which would give the people of Puerto Rico the opportunity to express themselves as to their right to vote for the President and Vice President of the United States, was a clear and final ratification that the Popular Party does not desire a permanent union with the United States and that their aim is to keep Puerto Rico away from the United States.

The first goal of the Great Task in its second phase during the next five years is, then, to secure the presidential vote for Puerto Ricans. This is the means of ensuring our permanent union and of obtaining also political power at the federal level so that we can achieve greater recognition of our rights and greater participation in those federal programs which have as their goal the social and economic betterment of all the citizens in the Nation. The presidential vote will be the culmination of all the efforts being made in Washington by our Resident Commissioner, honorable Jorge L. Córdova as well as myself, so that Puerto Rico will not continue to move away from the federal sphere of activities, as was the case under the previous administration, but rather on the contrary, to incorporate itself to the everyday life of the nation more firmly and completely with each passing day and thus obtaining greater recognition of its rights.

In that sense, the result of our efforts during these last three years has been noteworthy. Just yesterday the United States House of Representatives approved a bill of $1.5 billion for higher education and Puerto Rico received once more, with the aid of our Resident Commissioner, treatment equal to that of the states just as I proposed and requested during my recent visit to President Nixon. Here on this platform is Senator Javits, who has been a Senate champion of this right of Puerto Rico, together with Senator Brooke, as well as congressman Hugh Carey, who has done likewise in the House.

The increase of over $150 million in Federal appropriations for the current year and an additional increase of more than $100 million for next year in programs of health, education, war against crime, against drug addiction, emergency employment fund, public welfare aid and other social benefit programs for all Puerto Ricans, are the result of the efforts of the Great Task and its first three year phase. Another goal, then, for phase two of the Great Task during the next five years is to ensure that Puerto Rico will obtain equal treatment with the states in all federal programs, without discrimination of any kind whatsoever, and this will represent an average additional increase of over $300 million annually.

The task of the first three years has been accomplished thanks to the efficient, dedicated and patriotic work of all the men of this government, in the legislative as well as the judicial and administrative levels. The work done in the second phase of the Great Task during the next five years will be accomplished with the enthusiastic cooperation of our people, who know that this government is dedicated to serve them with all devotion and sincere patriotic interest. The Great Task has been and will continue to be the work of all Puerto Ricans to overcome our limitations, and to solve the multiple problems which we have inherited. To achieve a Puerto Rico in which we may have solved not only the material problems of food, health, housing, transportation, and others, but also a Puerto Rico clean of environmental pollution, with its natural beauty preserved and protected as an enhancement to the life of our people; a people with a solid and ample education, not only in the field of science and technology, but also in the great humanistic tradition of our western civilization; an education that will stimulate the creative spirit of our youth and inspire it to unite itself with enthusiasm to the self improvement task of our people in achieving the highest spiritual values, to sum it all, a happy people enjoying their democratic freedom, calm in the exercise of their civil rights, and having a deep respect for human dignity.

What goals must we have now, after this magnificent display of strength which has established that this party is, beyond any doubt, the redeeming instrument of our people?

We have to improve public education, terminate the practice of alternate attendance, create new vocational schools, and build 10,000 more classrooms.

The University must increase its enrollment and complete the Regional Colleges program including that of Aguadilla.

In the area of health, we must expand the range of Public Law 56 to provide full medical-hospitalization services to all Puerto Ricans, by obtaining more federal aid to reduce costs, and to place these services within the reach of every citizen in accordance to his economic means.

We must also increase our public parks and beaches for the recreation of our citizenry and the healthy physical development of our youth. We reduce unemployment to 5 per cent, by creating no less than 10,000 industrial jobs a year, 2,000 tourism-related jobs and 10,000 public service jobs in the social-welfare area. We must rehabilitate our sugar industry so that it will yield no less than 600,000 tons per year, thus insuring the stability of the rum industry which earns $80,000,000 for the government every year, and helps to support more than 30,600 families. We will help our farmers by implementing fair and guaranteed prices, by establishing market centers that will protect them from speculators, and by increasing the wages of the agricultural worker in a reasonable manner, through mechanization and the application of scientific methods to agriculture.

We will also help the commercial sector with the total development of distribution centers in order to bring products within the reach of the small businessman and at smaller cost. To solve the problem of slums and inadequate housing by means of a program which will allow us to build over 60,000 housing units among all of the various existing government programs.

To continue the fight against drug addiction until it is solved with the aid of more appropriations, federal as well as local. To finish the penal institutions plan, and ensuring adequate treatment for the inmates in order to allow effective rehabilitation. To improve our law enforcement agencies and to provide greater facilities for our judicial system. To complete the sale of land "parcelas" and to help the "parcela" owners in the construction of housing.

We shall extend running water facilities to all Puerto Ricans and we shall expand the sewage system to the degree neecssary to prevent pollution of our beaches and waterways.

We shall guarantee an economic growth at a rate of no less than 10 per cent to double personal income and to continue building a wide infrastructure that will offer competitive advantage to our industries.

And we shall continue taking those consumer protection measures which we have already planned, but that we were not able to put into effect because the Senate, controlled as it is by the minority party and following a policy of obstruction, refused to approve them.

This is, in general terms, the second phase of the Great Task that we will conduct during the next five years.

I intend, in my next Address to the Legislature, to describe all of this plan, which is being prepared by a work team which I have designated for this purpose. The set goals will be outlined in greater detail and the necessary legislation will be submitted concurrently.

During the past political campaign, this Party submitted a program of government to the people. Our adversaries said that our promises were impossible to keep and they even vexed us with degrading sobriquets. Today we have the satisfaction of being able to tell them that, despite the systematic obstruction in the Senate by the Popular Party, we have kept our promises. This was the beginning of the Great Task, the first phase to set the foundation for the entire program. Now we must forge ahead with the second phase in the next five years to complete building the progress which our people deserve and desire. Our opponents will say again that our goals are unattainable and they will vex us again. But I am sure that our people will pay little attention to them. Our Party made promises and they were kept. Now our people know that we are able and that we know how to keep our promises. And their support will be full, so that during the development of the second phase of the Great Task, we may be rid of the hindrance of an obstructionistic Senate. Before finishing, I would like to make an important announcement.

Inasmuch as this Government is aware of the hardship suffered by our people, on account of the increase in the cost of living which has been caused by world inflation, and conscious of the fact that Government revenues have surpassed last year's estimates, I intend to call a special session of the Legislative Assembly by the end of this month, to submit a bill that will grant a credit to residential customers of the Aqueducts and Sewers Authority in the amount of $4 million. This credit will be applied to consumer's bills effective next January 1, and it will constitute an immediate relief that will reach the homes of 400,000 Puerto Rican families.

THE WHITE HOUSE CONFERENCE ON AGING

Mr. WILLIAMS. Mr. President, 3 years ago the Congress overwhelmingly approved my measure calling for a White House Conference on Aging to be held in 1971.

In 1970—the prologue year—preliminary activities began with more than 6,000 community forums held throughout the Nation.

Earlier this year conferences were also held at State and local levels. Monday 3,400 delegates met for the first day of the Conference in Washington. Their goal is to formulate a long-awaited national policy on aging.

But this is only a part of their overall duties. They must, of course, take stock of the accomplishment—as well as the failings—since the last White House Conference in 1961. That Conference led to medicare, an Administration on Aging, the Older Americans Act, and a law to prohibit age discrimination in employment. It not only provided momentum for the senior citizen movement in the United States but also for the five badly needed social security increases.

Despite these achievements, we in the Congress and the delegates at this year's White House Conference must take a long, hard look at the grim facts in 1971:

Nearly 4.7 million older Americans fall below the poverty line, about 100,000 more than in 1968;

Valuable as it is, medicare still covers only 43 percent of the aged's health care expenditures;

More than 2 million persons aged 65 and over are on welfare; and

Only about 17 percent of the aged are in the work force, usually in lower paying, part-time work.

But most of all, the delegates must devise a plan for action to implement their recommendations. It must include a genuine, national commitment with clearcut goals and priorities. This, of course, taken on added meaning because the policies emerging from this year's conference will not only have a dramatic impact on the lives of the 20 million persons 65 and over, but also the millions more nearing this age.

Equally important, the conference cannot be a rehashing of old issues. The output of words is helpful in identifying problems. But, the elderly want action now. And now is the time for coming to grips with the many crucial issues in the field of aging:

What measures should be adopted to eliminate poverty for older persons and to enable them to share in the abundance which they have worked most of their lives to create?

What is the most effective approach for making high quality and comprehensive health care services available for the elderly?

Should the Administration on Aging be extended next year in its present form, greatly strengthened, or replaced with something entirely new?

These are only a few of the difficult questions that must be dealt with dispassionately and effectively.

Today's aged and aging Americans are insisting that this year's conference must lead to meaningful action. They have waited too long to settle for an inconsequential conference. And the field of aging is far too dynamic to accept anything less than an exciting and productive conference.

CITIZENS COMMITTEE TO STUDY CONGRESS

Mr. HUMPHREY. Mr. President, on October 20, 1971, I introduced S. 2728, legislation that would establish a Citizens Committee to Study Congress. It was my intention to have an outside blue ribbon committee that would thoroughly examine the legislative branch to recommend ways of making it a more responsive institution and to provide a public focus for the reform of Congress.

This week, I have received an extremely informative letter from Prof. Roger Davidson of the University of California at Santa Barbara expressing support for my proposal. I am encouraged by Dr. Davidson's interest in this legislation. One of the points he makes is so correct:

Distinguished and knowledgeable citizens from various walks of life drawing upon their unique backgrounds and skills, might well come up with an ingenious solution to some of the thorny problems of congressional operations.

Mr. President, I am placing Dr. Davidson's letter in the RECORD. I do hope that my colleagues will take time to read it. The arguments he makes are very cogent, and they go directly to the heart of my proposal.

I ask unanimous consent that the letter from Dr. Roger Davidson be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF CALIFORNIA,
Santa Barbara, Calif., Nov. 23, 1971.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: Let me commend you for introducing S. 2728, which would establish a citizens' committee to study Congress. As a political scientist who has written about Congress, and especially about the politics of congressional reform, I believe that your proposal could provide the needed impetus for revitalizing the structure and functions of Congress.

Those who believe, as I do, that Congress must struggle to remain vigorous and responsive in this age of Executive ascendancy, have added reason to support the creation of a citizens' committee. The Founding Fathers exercised wisdom in distributing powers among the branches of government; but it is increasingly difficult to maintain this balance in our age of complexity and rapid change. Many people have argued that we do not need this constitutional balance, that Congress should act as a passive reviewer of policies and programs which originate essentially with the Executive. I could not disagree more with such a narrow view of Congress' role. While our system demands a strong and aggressive Executive, it equally requires a legislature which is a full and effective partner in policy making and as well as policy review.

A citizens' committee such as you propose could provide a fresh perspective on matters which those who work on Capitol Hill tend to take for granted. Distinguished and

knowledgeable citizens from various walks of life, drawing upon their unique backgrounds and skills, might well come up with ingenious solutions to some of the thorny problems of congressional operations. The recommendations of such a group would pose no threat to the constitutional guarantee that each house shall make its own rules. The business of Congress is, after all, everyone's business; and congressional bodies (including the new Joint Committee on Congressional Operations) should avail themselves of every conceivable source of insight.

An even more compelling reason for such a citizens' group, in my judgment, lies in the sad fact that institutional reform is all too often an issue without a constituency. We know from opinion surveys that citizens are dissatisfied with their governmental institutions. Yet often these citizens are unable to identify the source of their discontent. Congressional procedures are complicated, difficult for the outsider to understand, and usually not the stuff of which headlines are made.

Thus we are left with a paradox: citizens are unhappy with their public institutions, but they are in no position to focus their opinions and work for changes. A citizens' committee would provide this focus, by publicizing the issues and serving as a mechanism for public discussion of the functions and operations of Congress. In the last analysis, such a process could only strengthen the ties between Congress and the American people.

Please count me an enthusiastic supporter of S. 2728. I would welcome the opportunity to do whatever I can to assure its passage and successful implementation.

Sincerely.

ROGER H. DAVIDSON,
Professor of Political Science.

THE LOYAL LEAGUE HONORS PAUL SALOMONE

Mr. WILLIAMS. Mr. President, on December 18 one of our Nation's finest charitable organizations, the Loyal League of Philanthropies, Inc., will hold its annual dinner at the Waldorf Astoria Hotel in New York City. This event is held to raise funds for support of the many worthwhile philanthropic causes which the league has turned its attention to. This year the dinner will salute the U.S. olympic team, and the chairman of the dinner is Mr. J. H. Rossbach, Jr., executive vice-president of the Saks Fifth Avenue department store. Guest of honor this year will be an outstanding New Jerseyan, Mr. Paul A. Salomone, vice president of Gimbel Brothers, Inc., and president of Gimbels New York division.

Mr. Salomone is a New Jersey native and graduate of Rutgers University, who makes his home in South Orange. The culmination of his illustrious, 30-year career was his recent elevation to the presidency of Gimbels New York, and his election to the Board of Directors of Gimbel Brothers, Inc. I am delighted that Mr. Salomone is to be honored at this year's annual dinner, in recognition of his outstanding accomplishments in the business world, and his many philanthropic contributions.

Mr. President, Mr. Rossbach has issued a statement outlining the multifaceted charitable activities of this organization made possible by the dedication and financial support of the league members, and I ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE LOYAL LEAGUE

Each year in December the Loyal League Philanthropies, Inc., holds it Annual Dinner at the Waldorf Astoria. This is the only fund raising activity of this organization. The dinner is held in honor of a well known philanthropist, especially one who is interested in and has contributed time, effort and money to help in some measure to improve the condition of the underprivileged.

What do we do with the proceeds of this affair—the only expenses of which are the cost of the dinner and the incidental expenses related thereto? We have no paid solicitors. This year we have made, among others, the following donations for scholarships to young men who otherwise would have been unable to go to college.

Among the colleges to whom this money was donated were:

Albert Einstein College of Medicine, University of Haifa, City College of New York, Columbia University, and Columbia Law School.

Yeshiva University, New York University, The Johns Hopkins School of Medicine, New York Medical College, and New York University Law School.

Brandeis University, Yale Law School, Yale Medical School, and Fordham University.

Rutgers University, Mass. Institute of Technology, and Harvard University Graduate School of Business Administration.

We also donate ten scholarships to young men on the high school level to Bronx High School of Science and Midwood High School of Brooklyn, to the Green Chimneys School and the Stephen Gaynor School.

We have supported and contributed to The Optometric Center of New York, Anti-Defamation League of the B'nai B'rith, Pearl Socoloff League for Retarded Children and the American Jewish Committee.

We helped to build and continue to support Camp Loyaltown in Hunter, New York, which affords 606 poor children of the metropolitan area the privilege of spending 9 weeks in the country in groups of 200 every 3 weeks. The Ed Sullivan Recreational Building, the Lou Pitofsky Library, the Rosalie Fox Arts and Crafts Wing, the Bernard Weiss Athletic Field Compound are but part of our continuing support of this worthy project.

We are also very happy about our Ruth Hurwitz Memorial Library at Columbia University and the Jay E. Lenley Memorial Library Room at New York University. Truly great tributes.

We have supported and allocated a good deal of money in the field of medical research, specifically the great work of Dr. Conrad Riley at the Babies Hospital of the Presbyterian Hospital which has resulted in the control of Nephrosis and Nephritis. Also that of Dr. Sidney Cohlan, formerly of Beth Israel Hospital with respect to Vitamin A and Congenital Abnormalities. Also the splendid work of Dr. Harold W. Dargeon of Memorial Center on the effect of radiation in the treatment of cancer in children.

In former years we have constructed a building in the Dr. Israel Goldstein Youth Village in Israel for the teaching of carpentry trade.

Loyal League has also provided the Brookdale Medical Center with the most modern scientific equipment to take care of children suffering from serious heart or lung ailments, gratis, in the Jewel Weiss Cardio-Pulmonary Surgical Suite.

In recognition of our many, many contributions to the Beth Israel Hospital in New York City, the Chas. H. Silver Clinic has designated one of its floors, which takes care of out-patients—"The Loyal League Pediatric Floor".

All this has been made possible by our generous support and contribution and in behalf of myself and the trustees I express to you our thanks and gratitude.

THE BREAKING POINT

Mr. BROOKE. Mr. President, one of the most tragic events that can occur in the life of any man is the loss of his job. Work gives meaning to life; it is a source of sustenance and pride. It is the means by which a man contributes to the society of which he is a part, and earns for himself and his family the right to enjoy that society's riches. In the words of a Lebanese philosopher:

Work is love made visible.

In the counterpoint view of a French philosopher:

Work keeps at bay three great evils: boredom, vice, and need.

It thus becomes a matter of particular concern when large numbers of a country's people are unemployed. For the people without a job, it means many weeks and months of anxious searching, amid declining hope. It means increasing family tensions and a decreasing sense of worth. It means the loss of opportunity, even a decline in acquired skills.

But the loss does not belong to the individual and his family alone. There is a loss to the community which no longer enjoys the benefits of his skills or his purchasing power. There is a loss to the country, which may bear the cost of his support while suffering the loss of his contribution to the welfare of the whole.

Six percent of the American work force may be unemployed; but 100 percent of America suffers the consequences.

The human costs of unemployment were recently detailed most vividly in an article entitled "The Breaking Point," published in the Wall Street Journal. The writer, Liz Roman Gallese, based the article on a series of interviews conducted with unemployed scientists and engineers in and around Boston, Mass. The breakup of families, the breakdown of morale, the tragic consequences of a life without work—these are the subject of her study. They should be the subject of all our thoughts and efforts as well. I ask unanimous consent that this outstanding article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BREAKING POINT: AS JOBS STAY SCARCE, UNEMPLOYED ENGINEERS FACE FAMILY CRISES—MONTHS WITHOUT WORK BRING EMOTIONAL STRAIN; DEARTH OF MONEY BECOMES ACUTE; BROKEN MARRIAGES AND SUICIDES

(By Liz Roman Gallese)

BOSTON.—Two years ago, Peter Roberts seemed to have the world on his side. At 43, he could look back with satisfaction on his academic achievements (a B.S. from City University of New York and an M.S. from Yale, both in physics) and his early career (work on high-level government projects, including researching the effects of hydrogen bomb explosions, and sonar work for the Navy). What's more, the present was happy and prosperous (a happy marriage, three children and a $20,000-a-year job with Raytheon Co., the Lexington, Mass., defense firm) and the future looked bright with promise.

Then came the end of 1969 and the beginning of the defense and aerospace industry cutbacks.

Like thousands of other engineers across the U.S., Peter Roberts (not his real name) lost his job—and he hasn't been able to find another. His savings have evaporated. His health has deteriorated. His marriage has turned sour. And recently, frustrated by failure and deeply depressed, Peter Roberts decided to commit suicide, changing his mind only at the last minute "because of my three kids."

"My life was a wasteland," Peter says, trying to explain what drove him to contemplate ending his life. His life is also not all that unusual these days, particularly in this area with its high concentration of defense and aerospace firms. Nearly 5% of the nation's engineers—the highly educated backbone of the defense industry—can't find a full-time job in their profession, a sharp increase from only 1% in the 1964–69 period, reports the Engineers Joint Council in New York. Furthermore, many of these individuals, having never before been unemployed, are now well into their second jobless year, and initial stoicism has often been replaced by desperation.

FALLING APART

"At first a layoff isn't so bad," says Rev. Leonard Kohlhofer of Topsfield, Mass., a Boston suburb that's home for many unemployed engineers. "In the early weeks, a man has his savings. His banker is understanding about the mortgage payments. His wife isn't too upset yet. And he gets busy sending out resumes."

But after two years, Rev. Kohlhofer continues, the unemployed man has "lost all hope of finding a job. His savings are gone. His banker has lost patience. And his wife may have gone to work, becoming the family breadwinner and leaving him home to wash dishes and worry. Now is the time when things are really beginning to fall apart."

Herman LaMark, director of Massachusetts' division of employment security, has another analysis. "These are professionals, many of them scientists and engineers, who were always on top," he says. "They were sought after in college by company recruiters, and they've been working for years on the nation's top projects like space shots and defense systems. (Unemployment) is a real shock to them. We're dealing with the world's bitterest guys."

The bitterness is deepening. For while widespread layoffs of technical workers began 18 months to two years ago, the persistent unemployment situation has brought the households of countless unemployed engineers to points of crisis. "We are seeing a terrible amount of personal hardship," says Donald Riley, a counselor for a Boston family-service association. "In this area, marital crises are reaching epidemic proportions."

MY ONLY EGO SAVER

A close look at the recent life of Peter Roberts is illustrative. When laid off by Raytheon, his first tack was a hunt for employment through newspaper ads, employment agencies and personal contacts—all to no avail. "At that point, an idea for a new company was my only ego saver," he says.

Peter's idea centered on his own design for an office machine to correct typing errors automatically. He found a partner, set up an office and began to peddle the machines for

rental at $1,000 a year. Twelve months and a $6,000 loss later, not a single machine had been rented. Firms simply weren't investing in new equipment. The new company folded.

Peter, however, was persistent in seeking new ventures and next started a company to market novelty items, including candles molded after the likeness of President Nixon. But capital evaporated, a partner deserted, and the firm collapsed eight months later.

Then began what Peter now calls the "tough personal period" of his life. "I started to fall apart," he says. "I couldn't get organized. I wouldn't open mail fearing another bill or answer the phone fearing another creditor calling."

MOUNTING PRESSURE

As financial pressures mounted, Peter sold his stock portfolio, at a loss, but living expenses plus the costs of his business ventures ate up the stock proceeds as well as the balance of his savings account. He then borrowed $5,500 from friends and relatives to feed his family and pay for rent and utilities. He stopped medical treatment for an allergy and went without orthopedic surgery needed for a painful back ailment.

Last January, Peter Roberts' family went on welfare. And while his financial problems have persisted throughout the year, his major worry, he says, is his rapidly decaying marriage. According to Peter, the first battles began shortly after his layoff when his wife opposed his proposal to relocate in another state; she had plans to enter Boston University, he says, and was reluctant to enroll elsewhere. His wife also had strong objections to his novelty-company involvement.

"She had underhanded ways of showing disapproval," Peter says. "It was guerrilla warfare. She didn't like my partner, for example, so when he came to dinner she cooked something he didn't like."

The culmination of these unhappy events was Peter's decision to commit suicide. Although he drew back from this action because of his children, he worries that he might one day go through with taking his own life. Job prospects continue bleak, and his personal life is dismal. "I don't know where we are going," he says. "We have a shell of a marriage."

Whether Peter Roberts' hardships can be attributed in toto to the nation's employment situation must remain a moot point. But it is certain that the national glut of engineers is creating emotional upheaval in even the most stable marriages—particularly when the wife is employed and traditional household roles are reversed.

"It's ego-deflating for my husband to accept me as the breadwinner," says Karen, the 34-year-old wife of an unemployed engineer. Karen's husband, unemployed for 20 months, was formerly with Itek Corp. of Lexington, Mass.; Karen herself works as a girl Friday for a small computer company.

"If I've had an especially good day, or if I do something extremely well on the job I can't tell him," Karen says. "I also don't talk about the money I earn, and I avoid seeming particularly pleased if I get a raise."

Household chores present another problem for the family. The couple's 13-year-old daughter baby-sits for the two younger children and has also become the family's shopper and cook. But, Karen says, "It's difficult to turn a 13-year-old into a mother. When I get home, the house is a filthy mess." She adds: "So far, I haven't cracked—yet."

Adding another point of view, Karen's husband, Steve, 39, says he feels "completely frustrated." Last summer, he worked around the neighborhood fixing walks, mending fences and rebuilding rooms. He says that as he worked he'd sometimes think, "Seventeen years in engineering to put in another damn brick."

Despite their upheaval, Karen, Steve and their children are economically surviving. In other cases, wives simply aren't able to work—or can't get jobs—to support their unemployed husbands. In fact, in this area, there are numerous examples of highly educated, well-qualified engineers whose families are living hand-to-mouth existences.

"We're trying to pull ourselves up by the bootstraps," says Frank a MIT graduate, whose small engineering firm collapsed two years ago and who hasn't been able to find work since. Frank was subsequently forced to sell the family's $34,000 house, moving his family into a dilapidated house in a shabby neighborhood. His credit rating, he says, is "shot."

"At times we still don't have enough money for food," Frank says, "but we've learned to survive by fishing for flounder in the ocean" to supplement welfare payments.

Extreme? Perhaps. But the situation is acute and shows no signs of abating—and the Boston area is but one of numerous locations with a heavy concentration of engineers. Similar stories could well be told of life in Seattle, Wichita or Cape Kennedy, Fla. "Suicide figures are shocking, and the number of marriage breakups is incredible" among engineering families, says Tom Greening, until recently the head of a California state project to relocate the unemployed.

To some, the answer has been to seek employment in any capacity. One Boston engineer now is selling popcorn. Others are working as undertakers, bakers and domestics. But most of these positions are regarded as strictly temporary interludes—temporary until the engineering field once again opens up.

Others have decided to altogether abandon their backgrounds and start anew in another field. This move, however, isn't always possible due to the generally poor employment picture in many other segments of the economy. And even if switching fields can be accomplished, the ex-engineer often finds he must begin his new work on the ladder's bottom rung.

Allan, 31, a former $13,000-a-year engineer at General Electric Co.'s Lynn, Mass., jet-engine plant, is a case in point. Having been unemployed for five months, he leaped at the chance to train for a factory superintendent's job in a Philadelphia tea-processing plant at an annual salary of $12,000. "I thought I was lucky—until I started," he says.

Allan's job involves the operation and maintenance of plant machinery. He usually works 14 to 16 hours a day, six days a week, in 100-degree heat. Since he's not paid on an hourly basis, company policy dictates that he's not entitled to overtime payments. And as a trainee, he has no assurance that the job will be permanent.

The job's impermanence, in fact, is Allan's major hardship, since he has decided he won't relocate his family until his position is secure. He therefore lives alone in a boarding house, occasionally driving out of town on Sunday.

"I come home and face a lonely room," Allan says. "At times, I want to pack up and go home, but I have to stick it out." Why? "There aren't any other jobs."

U.S. FOREIGN ECONOMIC POLICY FOR THE 1970'S

Mr. HUMPHREY. Mr. President, today and tomorrow the Group of Ten is meeting, hopefully to resolve some of the outstanding issues which have barred any movement toward a resolution of the present international monetary crisis. The questions involved are complex, and, perhaps, the most succinct criticism I can

offer against our own administration is that it has failed to see the inherent complexity. It has failed to take note of the fact that econo-technological developments, a result of rapid growth in a number of industrialized countries, now challenges our present international institutional arrangements. These institutions were designed for a postwar international economic community, but some of the assumptions which led to their establishment were based on the functioning and the malfunctioning of the system prior to the war.

Failing to take account of the complexities of the problem and how it developed, the President has chosen to throw down the gauntlet without offering more than the vaguest suggestions of how the challenge should be met. Instead of embracing a formula of cajoling the wealthy countries of the world into action and making those cower who are dependent on us for their development, a more promising formula would be to suggest a precise program for reform. It may sound good politically to talk tough, but the payoff is likely to be unproductive economically and diplomatically. Our main concern is to set our economy aright, and in order to do that, we need the cooperation of other countries. We belong to an Organization for Economic Cooperation and Development; an International Monetary Fund; we are part of the General Agreement on Tariffs and Trade. I suggest we use these institutions and improve them wherever necessary.

The National Planning Association, one of the most distinguished general research organizations in the country, recently, published a report issued by the NPA Advisory Committee on U.S. Foreign Economic Policy. The report and its supporting papers, offer concrete suggestions on what can be done, both in the shorter and long terms, to avoid a regression into a situation where trade restrictions and retaliation become an everyday occurrence. This prospect is closer on the horizon because of the recent inept policies undertaken by our own Government.

Mr. President, I would like to bring to the attention of my colleagues the press release summary of the NPA report, which should serve as a helpful outline of the kinds of programs we ought to be thinking about. The report provides a realistic analysis of the present crisis and draws some instructive conclusions for us all. Mr. President, I ask unanimous consent that the summary press release of the National Planning Association report be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

U.S. FOREIGN ECONOMIC POLICY FOR THE 1970'S

WASHINGTON, D.C.—Constructive measures for dealing with the current international economic crisis and thereby avoiding a further relapse into trade restrictions and retaliations are recommended in the report of an NPA Committee released today.

Chaired by Ralph I. Straus, the NPA Advisory Committee on U.S. Foreign Economic Policy for the 1970's proposes a new approach to tariff reductions, the use of interim import restrictions to allow time for adjustment to increased import competition, codes of behavior to harmonize or eliminate nontariff barriers and other restrictive practices, wider margins for exchange-rate fluctuations and more frequent changes in parities, reductions in the foreign-exchange costs of U.S. defense commitments in Europe and Japan, and an improved program of adjustment assistance to U.S. workers and business firms. The report's 18 specific proposals were formulated to take account of the new realities in the world economic and political position of the United States.

The Committee urges the OECD nations to adopt a new commitment not to pass on the costs of their policies to other countries without prior consultation, and to preserve and improve international economic integration "with adequate provisions for controlling the adverse effects on social groups within countries and on national economies as a whole."

Considering recent developments in the world economy and U.S. policies adopted on August 15, the Committee warns that "U.S. policy makers must resist the temptation to use excessively restrictive or discriminatory means of applying pressure that would subsequently be difficult to terminate either for domestic reasons or because of retaliatory measures by the European and Japanese. . . . Since August 1971, the danger that increasing resort to restrictions, discriminations and retaliations might get out of control has become very much greater.

The Committee finds that there has been a significant decline in the international economic position of the United States relative to the European Community and Japan. "In the past, the United States possessed marked competitive advantages, notably the technological lead and economies of scale fostered by its large domestic market, the dynamism and competitiveness of its business management, the quality of its labor force, and the size and efficiency of its capital market." Now, the report points out, the European Community and Japan are rapidly narrowing the gap in these respects between themselves and the United States.

The Committee's report is accompanied by and based on six more detailed supporting papers concerning prospects for trading blocs, nontariff barriers, international monetary reform, payments adjustment problems, military and political factors in U.S. foreign economic policy, and U.S. and other countries' adjustment assistance programs. Summaries of the supporting papers are appended. Also attached is a list of the signers of the report.

The Committee points out that there has been widespread agreement in the United States that the benefits of greater international economic integration exceed its costs. But this is now being questioned as greater integration increases the scope, frequency and speed of economic changes that require painful adjustments by workers and businesses.

To be both realistic and constructive, future U.S. foreign economic policy must combine programs and policies to extend the benefits of integration while also dealing with integration's adverse aspects in pragmatic ways, the Committee says.

The Committee recommends that U.S. import restrictions should be permitted only under the escape-clause procedures and "in cases where the impact of import competition on a particular industry is so widespread, drastic and rapid as to make the task of adjustment for the industry or its workers too great to be handled even with liberalized programs of adjustment assistance." Such restrictions would be limited to three years, renewable only to carry out an industry adjustment program prepared by an Industry Council consisting of representatives of concerned large and small firms, labor unions, government departments, the industry's customers and consumers generally. To preserve some competition, tariffs should be preferred to tariff-quotas and "permissible amounts of imports should be periodically increased more than proportional to the growth in U.S. consumption."

Liberalization of adjustment assistance should include simplifying and speeding up handling of applications for assistance, providing aid to workers in a subdivision of a firm even if the entire firm would not be eligible, and abolition of the need to show a direct casual link between a tariff reduction and an increase in imports.

To head off the tendencies toward bloc formation and restrictionism, the Committee proposes *a plan for reduction of tariffs and quotas, U.S. agreement to a GATT waiver* for the proposed association agreement for free trade in industrial products between the European Community and the remaining members of the EFTA *for five years only*, and *new efforts to reduce agricultural protectionism*.

The tariff reduction plan calls for immediate elimination of all tariffs now at 5 percent or less and a progressive reduction over an adequate transition period of higher tariffs to 5 percent, after which they also would be abolished. The proposed waiver for the EC–EFTA association agreement would be for a limited time only while the general tariff reductions are negotiated and go into effect. It should also be subject to compensatory concessions to the United States and other countries adversely affected.

The Committee also recommends *international monetary reforms* and *improvements in the process of adjustment to payments imbalances*. It suggests that the United States agree, if necessary, to a small gold revaluation but only as part of a currency realignment to establish new equilibrium exchange rates. Calling for greater flexibility in exchange rates, it urges adoption of "a set of presumptive criteria for determining the need for a change in parity" as well as wider margins—at least 3 percent on either side of parity—to discourage speculative short-term capital flow.

Proposed international monetary reforms include a special SDR issue by the IMF to mop up unwanted reserve dollars, provision for countries to declare in advance the rate at which they would be willing to increase reserve dollar holdings, and improvement of the existing swap network. Only dollars exceeding the amounts countries agreed to hold could be converted against other U.S. reserve assets, and the latter amounts could be used by the holding country in settlement of a payments deficit. While recognizing the impediments, the Committee urges that OECD countries "take explicitly into account the probable major effects on one another of changes in their own macroeconomic policies," especially with respect to interest-rate policies.

Concerning developing countries, the Committee recommends that the United States implement promptly *an arrangement for generalized preferences for developing countries*, explore *new methods of fostering larger foreign exchange earnings* for developing countries *from their primary product exports*, and initiate steps to aid developing countries to expand their trade with each other.

Other recommendations of the Committee include:

Interim encouragement of U.S. exports together with efforts to develop a code of behavior to regulate export-promotion activities by OECD countries;

A comprehensive reassessment of U.S. antitrust policy by a National Commission before any changes are made in antitrust policies affecting international trade finance and investment;

Improved technical information services especially for smaller U.S. businesses;

Efforts to equalize the effects of nontariff barriers among OECD nations and to secure codes of behavior on the major kinds of nontariff barriers;

Reduction of foreign-exchange costs of U.S. defense commitments to Europe and Japan and closer coordination between U.S. economic and political policies;

An "imaginative research effort to determine whether a practicable approach to the problem of international fair labor standards could be developed"; and,

Faster relaxation of restrictions on U.S. trade with communist countries.

In making its recommendations, the Committee emphasizes the need for additional research to provide "better information about and understanding of the long-term developmental trends in the U.S. economy and in its relationships with those of its major trading partners" and to clarify the issues of national policy implicit in these trends. As one approach to the needed study and analysis, the Committee suggests establishment of a broad-gauge National Commission on the Future of the U.S. Economy.

The report was signed by the 21 members of the Committee, including members from business, labor, agriculture, and the universities. The labor members of the Committee added footnotes critical of the role of multinational corporations, and three of them called for regulation of the export of capital and technology by multinational companies, import quotas for noncompetitive industries, control of patent transfers and licensing, and taxation of income of U.S. multinationals when earned.

(NOTE.—U.S. Foreign Economic Policy for the 1970s: A Few Approach to New Realities, a Policy Report by an NPA Advisory Committee, with Supporting Papers by C. Fred Bergsten, Robert M. Dunn, Jr., Frances M. Geiger, Theodore Geiger, Robert E. Hunter, and Harald B. Malmgren. November 1971, viii and 216 pages, $2.50.)

ADDRESS BY SENATOR EAGLETON AT THE WHITE HOUSE CONFERENCE ON AGING

Mr. WILLIAMS. Mr. President, one of the highlights of the opening day sessions of the White House Conference on Aging was an address by the distinguished junior Senator from Missouri (Mr. EAGLETON) delivered to a luncheon session of the conference at the Sheraton Park Hotel on Monday, November 29, 1971.

Senator EAGLETON, who is chairman of the Subcommittee on Aging of the Committee on Labor and Public Welfare, cautioned the delegates in eloquent terms that, in order to be effective, they will have to implement their final report through the political system.

Senator EAGLETON speaks with authority on this subject since, in addition to his chairmanship of the Subcommittee on Aging, he is also a member of the Special Committee on Aging and thus occupies a key position in the Senate with respect to issues in this area. I commend his message to the other Members of the Senate and to all who are concerned with the issues of the White House Conference on Aging.

Mr. President, I ask unanimous consent that the full text of Senator EAGLETON'S address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR EAGLETON

One of the hallmarks of a civilized society is the degree to which that society esteems, and provides for, its older members. If this nation is to become truly civilized in this respect, there are responsibilities that must be met by all of the public and private institutions through which society operates—responsibilities that clearly are being shirked at present.

It is for this reason that the White House Conference on Aging has been convened. It brings together the most knowledgeable persons in the country to clarify the issues regarding problems of the elderly . . . to lay out policies and establish priorities . . . to make specific recommendations designed to solve these problems.

And if that is all the Conference does, it will be a colossal bomb . . . a flop . . . a failure.

For in libraries all over the country, there are shelves lined with long forgotten reports of conferences and commissions much like the report that will ultimately emanate from this gathering. Those delegates met, labored, debated and wrote—just as you are and will. They analyzed problems and developed recommendations—often very wise, foresighted suggestions. Now librarians prize their final reports, solid government documents that look impressive on the shelves and occasion little work, for they are so rarely used.

What I am saying, in short, is that your report is not self executing. The work will not be finished when you leave Washington. If your recommendations are to serve as a basis for action, it will require hard, concentrated effort to persuade all levels of government to embrace them and translate them into legislation, and the legislation into programs.

That is a political task. And that is the principal message I want to convey to you—to be effective, you must prepare yourselves for the day by day, often tedious job of implementing your report through the political system.

I find that this is often a difficult message for senior citizens to accept. Many of them avoided politics in their younger years, perhaps sharing the view of Disraeli that, "In politics, there is no honor". They have no taste for the partisan jockeying and self-interest commonly associated with politics.

But political activity need not be organized solely around partisanship or political parties. There is a politics that can be built around issues, as well. It is in this area that I believe older Americans have failed to make their voices heard as they should.

Let me give you an example. School boards, teachers and other education groups regularly complain of bond issues and school tax levies being defeated at the polls because of the near-unanimous opposition of older people to property tax increases of any kind. Senior citizens respond that such taxes are a major item in the budgets of those largely dependent upon fixed incomes. About two-thirds of all older citizens are home owners, but even those who rent their homes inevitably feel the effects of higher property taxes in their rental payments.

In this setting, there is the basis for a political alliance. Education groups should have an interest in obtaining a tax break for the elderly by supporting a property tax credit to be applied against state and federal income taxes by those above a stated age. In return, Senior groups, having been relieved of a substantial part of the property tax burden, could support necessary financial aid for schools.

Such a proposal may sound unrealistic to some. But it is just the kind of arrangement made every day in the political arena by parties sharing a mutual self-interest.

An amendment I offered that was adopted as a part of the tax bill passed by the Senate last week may help speed this process. It provides for a property tax credit on federal income taxes for those over 65 who have an adjusted gross income of $6500 or less. The credit could be utilized by both home owners and renters, in amounts of up to $300 for home owners or 25% of rental payments for those who rent their homes or apartments.

If this amendment is retained by the House-Senate Conference Committee appointed to reconcile the separate versions of the tax bill passed by each body, it should go a long way toward aiding older persons now being driven from their homes or forced to liquidate other assets because of prohibitive property taxes.

My amendment is not a substitute for the relief that should be provided by the states. For instance, it cannot grant assistance to those whose income is so low that they have no federal income tax liability. It does not—and could not—deal with state income taxes. Remedial relief at the state level will require, again, a political effort of the kind that I commend to you.

Congress has before it other measures which could greatly benefit older Americans, if passed. My immediate responsibilities lie with the Senate Subcommittee on Aging, which has jurisdiction over a broad spectrum of legislation affecting aging. One of our bills which would establish a national network of nutrition programs for older citizens—including meals on wheels and group meals—is being reported favorably to the Senate today. We anticipate that this greatly needed legislation will be considered on the Senate floor this week possibly Tuesday afternoon.

Other legislation being developed by the Subcommittee on Aging covers such important subjects as employment opportunities for older workers, and the establishment of a new National Institute of Gerontology to greatly increase research into the aging process and diseases associated with aging. This is a long neglected area of research with great potential significance for senior citizens, whose health is constantly threatened by advancing years.

The Subcommittee will also consider the many questions raised by the expiration of the Older Americans Act next June. Should the Act simply be extended or should an entirely new scheme be devised? What has been the track record of the Administration on Aging? Can a single governmental unit successfully act as advocate for the aging throughout the federal establishment, while it is lodged somewhere in the vast reaches of HEW?

We will be looking to this Conference for guidance on these and other questions. And we will be looking for your help and active participation in implementing the Conference recommendation.

Speaking as a politician—in the most nonpartisan sense of the word—I am convinced that there is a constituency that could be mobilized in support of measures to improve the lives of older Americans. Those who fall into this category now know full well their needs, and the lack of an adequate response to them by all levels of government. Those of us who are somewhat younger can look forward, God willing, to the later years of our own lives and know that we will experience the same conditions unless we act now to improve them.

It is, as I have said, a political task to draw on this constituency—to organize it—to impress on the Administration and the Congress . . . and on state capitols and city halls across the country . . . that "Senior Power" is no idle slogan . . . that it is *real* power and that it is going to be exercised.

THE CREDO OF THE ELDERLY—A PHILOSOPHY OF AGING

Mr. MUSKIE. Mr. President, on November 4, 1971, the Maine Delegation to the White House Conference on Aging adopted a fine statement entitled, "The Credo of the Elderly—A Philosophy of Aging."

This statement outlines a superb philosophy and set of goals. It shows once again that the elderly can define their values and needs better than anyone else. They have listed eloquently the part older Americans want to play in American life, and the part they should play. Their "credo" makes very clear what Government should do, and what the responsibilities of the American people are. Above all, the "credo" pinpoints the basic issue:

America must consider and decide ways of achieving purposeful, primary goals to give aging man the choice of returning to a fuller existence, or America shall continue to relegate aging man to the back door stoop of history so he may invisibly and unnoticed slide into extinction. This last choice is not acceptable.

The "credo" reflects public policy aims I endorse strongly. I hope "The Credo of the Elderly—A Philosophy of Aging," written by the Maine delegation, will be adopted as a resolution by the entire White House Conference on Aging. It would be very appropriate for the conference to adopt the "credo" as its own philosophical statement.

Mr. President, I ask unanimous consent that the entire "Credo of the Elderly—A Philosophy of Aging" be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE CREDO OF THE ELDERLY—A PHILOSOPHY OF AGING

We aging Americans place great emphasis on leading a life of value—to our nation, states, communities, friends, families, and to ourselves. America's older citizens want to and are able to contribute to the good of our fellow men, even if such contribution lies outside the traditional realms of employment and productivity. We want to help improve the quality of life of each citizen of the United States regardless of their age. Our personal experiences, knowledge and skills are our qualifications. We are a strong, vital segment of society. We possess the power of a people.

We aging Americans believe that attaining the status of senior citizen is merely beginning another stage in the life of each man, and is not a signal to withdraw from life. Each person ages from birth to death. This is the idea inspiring the phrase "aging man." We are all aging men. We do not wish to be taken from the mainstream of life and put on the shelf away from the everyday activities of society. America's exiling of us, as the unwanted generation is its loss: its spiritual, its morale, its human, its economic failure.

We aging Americans believe that America must provide older citizens a full and equal opportunity for meeting sustenance and social needs—the same opportunity for which is enjoyed by our fellow men. Aging man has been transformed by the events of American society. Formerly aging man obtained his sustenance and satisfied his social needs in a large close knit family whose balanced activity provided both nourishment and social needs at the same time. Now aging man gains his austenance outside the home and has no family under his roof. In one instance, aging man was dependent on all members of his family, in the other instance he is dependent on impersonal organizations, systems, and the society as a whole. To continue fulfilling our role in history, to continue helping our fellow man, and to enrich our society, we must have a full and equal opportunity to attain the basic essentials of life.

While our particular page in the history of mankind is the choice of our Creator, it is our place in history which surrounds us with the consequences of American society. We do not want a dole, but rather help in our time of crisis. We wish to live with minimum dependence on other people and government.

To achieve this credo, we believe older citizens must establish and operate their own programs and services. These programs must be distinct, visibly separate and clearly identifiable as intended to benefit older citizens.

To assist us, we believe the government of the United States of America and each State of the Union must establish programs which are mutually acceptable to us, and which are equally distinct from and visibly separate from other government services. These programs must be administered by units on aging created at the highest echelons of government and charged with ultimate line authority and responsibility for any government programs serving older citizens.

Such distinctness must be maintained in legislation, sources of funds, and generally in the operation of programs and services. We believe that our policy provides that programs serving the elderly may be integrated with programs serving broader populations in those instances where gross duplication of identical programs would otherwise result. We also believe that programs with features

* * *

First these programs must insure that older people receive income adequate to obtain the basic essentials of life from the market place like our fellow Americans; rather than be income supplement programs like donated commodities, old age assistance, subsidized housing, and medicaid. Secondly, the elderly with a time of crisis because of age, physical condition or social status must be assisted by appropriations providing services directly to them, such as homemakers, meals on wheels, home health care, and nursing homes.

The basic issue before this conference is: America must consider and decide ways of achieving purposeful, primary goals to give aging man the choice of returning to a fuller existance, or America shall continue to relegate aging man to the back door stoop of history so he may invisibly and unnoticed slide into extinction. This last choice is not acceptable.

Responsibility for achieving this rests on the shoulders of all Americans, but especially our own. All aging Americans are needed to grasp the gauntlet of this credo. We shall express the status of our survival to all Americans. We shall carry our call to all the sources of help, to all the seats of power. Through our own groups, we shall shatter the bondage of our geriatric shackles. We shall resurrect our independence by redirecting the country's resources. We shall reestablish our role in society by planning, directing and operating services to help our fellow man. We shall attain a life of greater value.

Now, therefore on this 4th day of November, we the undersigned aging Americans of the State of Maine adopt this Credo of the Elderly and recommend its adoption by the 1971 White House Conference on Aging; not with the intent of personal gain, but rather remembering that, what we achieve today will benefit those who follow, for we will soon be gone. We accept the challenge of this credo. We pledge ourselves to it. We shall achieve it by action.

Rep. Mrs. Kathleen Watson Goodwin.
Mr. Lawrence Bagley.
Mr. Frank Bourke.
Mr. Malcolm Brown.
Mr. Harold Collins.
Mr. Gary B. Cook.
Mrs. Harriet Fogg.
Miss Mary Fortier.
Mr. Robert A. Frates.
Mr. Milton Hall.
Mrs. Dawn Halsted.
Mrs. Maude H. Haines.
Mrs. Margaret Hugle.
Mr. Charles Jacobs.
Rep. Jane Callan Kilroy.
Mrs. Harold D. Jones.
Rev. Gerald B. Kinney.
Mr. Floyd Scammon.
Rep. Theodore E. Lewin.
Mr. Jack Libby.
Mrs. Doris Marston.
Rep. John Martin.
Mr. James F. McMichael.
Mrs. Ruth McNamara.
Mr. Richard W. Michaud.
Sr. Marguerite O'Connor.
Mrs. Irving C. Perkins.
Miss Leora Prentiss.
Mr. Herman D. Sahagian.
Dr. Joseph Sanders.
Hon. John Stevens.
Mrs. Helen Sweet.
Miss Mary Worthley.

THE NEW ECONOMIC POLICY

Mr. EAGLETON. Mr. President, I have generally supported the new economic policy announced by President Nixon on August 15. I have long felt that some form of wage and price controls was needed to abate the inflationary spiral in this country. The problem had reached such proportions by August of this year that the President had to act to avert an economic calamity.

Phase I was harsh medicine for a very sick economy, and from the beginning everyone knew that its rigid controls could not last forever. Imposed suddenly, and of its very nature inflexible, the freeze locked in a certain amount of inequity. Our economy could not stand the constrictions of an absolute freeze for much more than 90 days, but it served a useful purpose by buying time for the administration to formulate a fairer and more structured incomes policy.

That policy, or phase II, as devised by the Cost of Living Council, the Pay Board, and the Price Commission, is, I think, basically reasonable and workable. A 5.5-percent increase in wages, set against a 2.5-percent increase in prices and an expected increase in productivity, can make price stability an achievable goal.

But price stability will be achieved only to the extent that these guidelines are adhered to. And the experience of the first two weeks of phase II would indicate that the Price Commission and the Pay Board are less willing to enforce their own policy than they are to extol its virtues.

Right off the bat there have been decisions to allow wage and price increases three times the 5.5- and 2.5-percent standards.

The Pay Board explains that disproportionate increases may be granted for workers whose wages have been lagging and where the contract was negotiated before the freeze.

The Price Commission rationalizes that large price increases will be allowed to corporations that must meet large cost increases.

It seems to me that this tit-for-tat type of rhetoric goes exactly to the root of the current inflation. The difference is that it now may go on with the stamp of Government approval.

I realize that phase II is but 2 weeks old. There are other important decisions to be made in the weeks and months to come. I am not saying that the obituary to phase II should be prepared. But I am saying that the initial decisions of any new program are crucial. I think it may be very difficult to hold the line on future wage and price increases in light of decisions of the Pay Board and Price Commission to allow increases in these first few days of phase II far in excess of the goals established to achieve price stability.

At a time when we were all speculating about the shape the new policy would take after the 90-day freeze, President Nixon indicated that the controls for phase II would have "teeth." I think the question now is not so much whether the controls have "teeth," but whether there are any controls at all.

Mr. President, I ask unanimous consent that two articles—one by Joseph Kraft in the November 28 Washington Post, and the other by Walter Rugaber in the November 28 New York Times—be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE WAGE-PRICE CAPER
(By Joseph Kraft)

In the past week, Wall Street, the labor unions and the Senate Democrats have all shown their contempt for the President's New Economic Policy. The wiseacres are already calling it the Wage-Price Caper, and not without reason.

For the Nixon administration is treating the New Economic Policy in roughly the same spirit as it treated the Family Assistance Plan for welfare reform and the New American Revolution for decentralizing government. That is, in the spirit of a sincere sham.

The sincere part has to do with public packaging. The most attractive administration figures—John Connally of the Treasury and Donald Rumsfeld of the White House staff—are pushed forward to shill for the policy. They say over and over again that it is good, and that lo, it is working.

Great care also governs the handling of transactions that are part of the daily experience of ordinary people doing ordinary things. For example, household rents, which everybody pays, have been included in the regulations—even though there is no chance whatsoever to enforce a clamp on rent.

Similarly retail prices have been included because so many of us buy in retail stores. Here there is not only no chance for enforcement. Competition is prevalent enough so that there is no need for enforcement.

But where the need is very real, and enforcement distinctly possible, the administration shows little disposition to take a strong position. The Pay Board is letting sizable wage increases go through in coal, autos and other basic industries.

The Price Commission is per force going to have to pass these on in the form of higher charges. Secretary Connally, while personally lamenting the fact, indicates the Cost of Living Council will not do anything about it. It is a formula for institutionalizing a wage-push inflation.

As distinct from the glamor boys in the Administration, moreover, its deep thinkers have only limited use for the New Economic Policy. George Shultz of the Office of Budget and Management and Herbert Stein of the Council of Economic Advisers have a religious aversion to any kind of controls that interfere with the free play of the market economy.

They feel their original prescription for the economy—cooling down inflation by taking the pressure off the job market—was right. They have accepted that high unemployment and the slow decline of inflation made temporary controls necessary—but only for temporary political reasons.

Their idea of Phase III is life without controls, and they can't wait to get there. It was at their behest that the President announced early in the first phase of the New Economic Policy that the freeze would definitely be coming off.

In these circumstances, it is hard for outsiders to take the New Economic Policy seriously. Wall Street suspects that there is not going to be an effective control over wages; that small companies will be able to raise prices; and that there will be a profit squeeze on the big corporations. When the Secretary of the Treasury delivers a pep talk, auspicions rise even more and the Dow Jones average actually drops by way of reaction.

The Senate Democrats have also sensed that the President is putting a largely political bandage on the economy. They have no compunction in tying on to his new tax bill a measure for public payment of campaign financing. If the President vetoes the bill, it will only go further to show that he is more concerned about reelection than about the economy.

As to labor, President George Meany of the AFL-CIO has been looking for an issue around which the troops can rally in the 1972 elections. Attacking the New Economic Policy appealed to him, not because it was a formidable threat to labor—which it isn't. He took a shot at it because it is such an easy mark.

All of this puts into something of a quandry those few of us who genuinely believe that some control over wages paid to big labor and prices paid to big companies is essential to prosperity without inflation. It is not easy to attack those who are skeptical about a policy the administration itself does not support. About all we can do is point out that on all hands there is a lack of good faith in respect to a line of policy truly central to the economic health of the country.

ECONOMY: THE MANY PHASES OF PHASE II
(By Walter Rugaber)

WASHINGTON.—On the face of it, the Nixon Administration's economic stabilization machine seemed to be sputtering badly last week. Democrats, labor leaders and consumer spokesmen had been suspicious from the start—but with Phase Two in only its second week, even some businessmen were grumbling.

"What the hell is going on?" A smaller merchant demanded. "First they say we're going to have guidelines, but then anybody who asks for more gets it." Phantom Phase II?" wondered the Wall Street Journal. "I don't see how they can give the steel companies more than 7 per cent and stop inflation," a corporate buyer remarked.

The Government promoted optimism. Secretary of Commerce Maurice H. Stans, in Moscow, had a statement issued here in which he said: "The contagion of confidence is spreading. Now is the time for America's business leaders . . . to stop listening to a gospel of uncertainty and start acting upon the clear evidence of opportunity in their markets."

The public's uneasiness came in reaction to a rash of price-increase headlines. President Nixon had warned of an inflationary "bulge" when the freeze ended, and here it was:

The seven-member Price Commission, set up to pass on what sellers can charge, approved six increases, and the percentages involved were 7.6, 7.2, 4.5, 3.9, 3.8 and 2. All but one of these were in excess of what was popularly considered to be the commission's guideline.

The requests for price increases filed with the commission seemed even more terrifying. The United States Postal Service was the champion, seeking to raise rates on third-class mail by 23.9 per cent. If a quasi-government agency went this far, would the private sector be far behind?

The Government, which has exempted a fairly large segment of the economy from controls, excused others. Apartments under state or local rent controls were freed from Federal regulation, meaning increases of up to 7.5 per cent for many New York tenants in January. Consolidated Edison Company won a 12 per cent rate increase from the State Public Service Commission, which has been allowed, like similar agencies, to handle much of the regulation.

Yet all these developments were not really conclusive. An understanding of the controls machinery is essential for any preliminary judgment.

The Price Commission does not—as commonly believed—have a 2.5 percent guideline. Its general rule is that business can increase prices to cover cost advances less any gains in productivity. At the same time, a firm's percentage mark-up is frozen. It hopes this will reduce inflation to 2.5 percent, but has always expected that some price increases would be higher.

The Price Commission, whose public members need not face a business or labor constituency, says it wants to be tough. Last week, it refused to give one company even a 1.8 percent increase when the firm declined to produce any productivity estimates.

Also, the Commission didn't buy the Chrysler Corporation's figures and cut its requested increase of 5.3 percent to 4.5. (Competition helped too: General Motors effectively trimmed the Chrysler increase by 1.5 points more by asking for only a 3 percent increase in its prices.) And the commission is looking for an opportunity to show in a specific case that it may not allow firms to pass on all seriously inflationary wage increases.

Donald Rumsfeld, director of the Cost of Living Council, summoned reporters Friday afternoon to declare that things looked pretty good. Price increases were averaging only 4.3 percent, he said. Mr. Rumsfeld was light on details, but it appears that the figure was weighted to reflect total volume of sales. The figure made the Price Commission unhappy because it had been arguing that the advantages were really less.

The Pay Board, which is split between public, business and labor members who often try to put the best interpretation on vague standards, does have a percentage guideline—5.5 percent. But this covers only "new" contracts signed after the freeze ended. Raises in agreements "existing" before that time can take effect—unless a

majority of the board finds them "unreasonably inconsistent."

The freeze was effective but inevitably arbitrary. Phase two, with much sifting and subjective judging, is trying for "equity." How effective it will be remains to be seen.

TRIBUTE TO MRS. J. LYONS MOORE

Mr. JORDAN of North Carolina. Mr. President, toward the end of last summer Mrs. J. Lyons Moore known affectionately to her countless friends simply as "Marian," retired after more than 16 years' service as the Assistant Chief Clerk of the Committee on Rules and Administration, a title which she held under five chairmen including myself. She has returned to her native Edgewood, R.I., where she will continue her active life midst the surroundings of her youth.

In deference to Marian's becoming modesty, I will limit this tribute to a brief sketch of the positions she has enhanced through a long and dedicated career. The mere listing of them establishes her as an accomplished amanuensis, a trusted confidant of national leaders and indeed—a secretary's secretary.

Although Mrs. Moore is perhaps best remembered in the Senate for her recent years on the staff of the Senate Rules Committee, she earlier performed important responsibilities for the Senate Committee on the Judiciary and the Special Senate Campaign Investigating Committee. Among the distinguished individuals she served as secretary were the WPA Administrator for Rhode Island, several Senators—especially including Theodore Francis Green of Rhode Island, Joseph B. Keenan in his capacity as Chief War Crimes Prosecutor for the United States at the Tokyo War Crimes Trials after World War II, J. Howard McGrath in his capacity as chairman of the Democratic National Committee, and in addition, an Assistant Secretary of State, and three American Ambassadors.

May I state, Mr. President, that Marian Gilmore Moore's caliber of service was uniformly excellent. She richly deserves our appreciation and commendation. I know I speak for all her former associates when I wish for her a long and bright future to enjoy her wealth of memories in which we are privileged to share a part.

INTEGRATION IN THE NORTH

Mr. McCLELLAN. Mr. President, today, at long last, the Department of Health, Education, and Welfare initiated action to bring the Boston school system into compliance with the same integration laws that have long been enforced in the South.

The effort to get the Federal Government to act against segregation in Boston, Mass., began on December 29, 1969. Allen S. Cohen, a teacher in the Solomon Lewenberg Junior High School forwarded a letter to the Civil Rights Division of the Justice Department and the Office of Civil Rights of the Department of Health, Education, and Welfare, requesting an investigation of the "racial imbalance law of the State of Massachusetts and the open enrollment policy of the Boston school system."

Insofar as I have been able to determine, no action was taken on Mr. Cohen's letter until the middle of August 1970. At that time, during the hearings before the Select Committee on Equal Educational Opportunity, I asked Attorney General Mitchell whether the Justice Department had received any complaints with regard to segregation in Boston. I asked this question on the basis of testimony by Neil Sullivan, commissioner of education for the Commonwealth of Massachusetts, which was to the effect that the open enrollment policy of the Boston school board had been used to segregate their schools.

I, of course, protested such action as it appeared to me that the Justice Department and the Department of Health, Education, and Welfare were not acting as vigorously against northern schools as they were against southern schools. The investigation of the Boston school district which resulted in today's action began October 19, 1970.

Therefore, approximately 10 months elapsed between the complaint and initiation of the investigation, and the investigation itself has taken some 13 months to complete. On several occasions over the past year I have written Secretary Richardson inquiring as to the progress of the investigation. I was assured that they were giving top priority to investigation of segregation in Boston.

Today, December 1, Peter Milius of the Washington Post authored an article on the Boston situation. He points out that the State of Massachusetts has already cut off funds to the Boston school system. Mr. President, I ask unanimous consent that the text of Mr. Milius' article appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 1, 1971]

HEW SET TO WARN BOSTON TO DESEGREGATE OR LOSE SCHOOL FUNDS

(By Peter Milius)

The Department of Health, Education and Welfare will charge the city of Boston today with deliberately segregating black and white children in its schools, and tell it to desegregate or forfeit its federal funds.

It will be the first time that HEW has gone that far in so large a Northern city. The department has moved in the past against only four other Northern school districts, and all were smaller.

The Justice Department has moved in the last three years against several Northern districts. But most of the pressure so far—this fall's desegregation orders in San Francisco and Detroit, for example—has come from the courts in suits brought by private civil rights groups.

Massachusetts' state board of education is now withholding about $14 million of the city's state school funds on grounds that Boston has failed to comply with the states racial imbalance law, which, in effect, forbids school boards from operating black-majority schools. The city has asked a state court to make the state board release the money.

The funds were withheld after the Boston School Committee reneged on a plan under which it had promised to take some steps this year, "balance" all its secondary schools next year, and do the same at the elementary level the year after that.

HEW has been investigating Boston for more than a year. The department has been prodded by Southerners in Congress—Sen. John L. McClellan (D-Ark.) for one—who have accused the government of blinking at school segregation in the North while pressing hard against it in the South.

HEW said last January that, by some yardsticks at least, the South's schools had become less segregated than the rest of the country's.

Last year two thirds of Boston's black school children attended schools more than 80 per cent black by enrollment. The school committee has argued that this racial separation is the result entirely of residential patterns, and thus not illegal.

The department's position is that the separation is also in part the result of official school committee actions, and thus a violation of federal law. (The state law, under which the state board is operating separately, requires no such proof of official action; it simply bars majority-black schools, however arrived at.)

J. Stanley Pottinger, director of HEW's Office for Civil Rights, will explain the government's stand in detail at a press conference in Boston today.

The government will say, among other things, that Boston has, in effect, two different grade structures, one mainly white and the other black, and that these different structures tend to keep whites and blacks apart.

The structure for most whites is the traditional one, elementary school through grade six, junior high through grade nine then high school. Most non-whites, on the other hand, either go to primary school through grade eight, then to high schools that start with grade nine; or to primary schools that run through grade five, then middle schools for grades six through eight, then to the same four-year high schools.

Mr. McCLELLAN. Mr. President, today's action was accomplished in the form of a letter from Mr. J. Stanley Pottinger, Director of the Office of Civil Rights, HEW, to Dr. William H. Ohrenberger, superintendent of public schools in Boston. In that letter Mr. Pottinger says:

We have concluded on the basis of our review to date that the Boston Public School System is currently not in compliance with Title VI of the Civil Rights Act of 1964.

Mr. President, I ask unanimous consent that the letter from Mr. Pottinger to Dr. Ohrenberger be printed in the RECORD at this point.

There being on objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., November 30, 1971.

Dr. WILLIAM H. OHRENBERGER,
Superintendent of Public Schools,
Boston, Mass.

DEAR DR. OHRENBERGER: The Office for Civil Rights has completed the initial phase of its civil rights compliance review which was begun on October 19, 1970. This letter represents a summary of our findings and conclusions to date.

Under Title VI of the Civil Rights Act of 1964 and the Department's Title VI Regulation (45 CFR Part 80), school systems are responsible for assuring that the services, facilities, activities and programs which they conduct, sponsor, or with which they are affiliated, are free from discrimination on the ground of race, color, and national origin. In 1965 the Boston Public Schools submitted an HEW Form 441 (Assurance of Compliance) to the Office for Civil Rights stating that it would conform to the nondiscrimination requirements of Title VI of the Civil Rights Act of 1964 and the Department's Regulation. On the basis of this assurance, the Boston Public Schools are qualified to receive Federal financial assistance.

During the Spring of 1970, the Office of Civil Rights received a number of complaints alleging that the Boston Public School System was operating its schools in violation of Title VI of the Civil Rights Act. As a result, the Boston Regional Office for Civil Rights initiated a Title VI compliance review. We have concluded on the basis of our review to date that the Boston Public School System is currently not in compliance with Title VI of the Civil Rights Act of 1964.

As a result of official actions taken since 1965, the Boston Public School System has adopted and administered student assignment and grade organization policies in such a manner as to create two separate, racially identifiable school sub-systems—one predominantly white and the other predominantly non-white. The two sub-systems established by these actions are characterized, among other things, by different grade organizations which tend to keep non-white children in predominantly non-white schools at critical steps in the educational process. According to information submitted by you for the 1970–71 school year, more than 71% of the students enrolled in the K–5, 6–8, 9–12, and K–8, 9–12 sub-system were non-white. Conversely, 76% of the students enrolled in the K–6, 7–9, 10–12 sub-system were white.

Specific action by the Boston School Committee to create these separate sub-systems on a racial basis is exemplified by decisions made by the Committee in 1966 and 1967. The Committee implemented a new grade organization policy adopted in 1965 in an uneven manner. Instead of converting to the new grade organization throughout the system, to date it has converted only three schools in the Central Boston area to middle schools (grades 6–8). According to your 1970–71 figures, all three of these schools are predominantly non-white.

As an additional example, the implementation of the new grade organization policy has, in conjunction with the seat preference provisions of the student assignment policies, severely restricted the opportunity of non-white students to transfer to grade 7–9 and 10–12 (predominantly white) secondary schools. In direct contrast, the option of white children to transfer to grade 9–12 (predominantly non-white) secondary schools has remained unimpaired.

Our review to date has also raised concern with regard to the absence of policies and procedures within the Boston Public Schools necessary to assure that enrollment and attendance services for Spanish-surnamed children are as effective as those provided for other children.

I would like to take this opportunity to thank you for the excellent cooperation which you and your staff have extended to us during the course of our review. As you know, our primary responsibility is to work in cooperation with school systems to review problems which may exist and to help achieve voluntary compliance with Title VI of the Civil Rights Act of 1964. With this in mind, I would like to meet with you to provide details on these matters at your earliest convenience.

Sincerely yours,

J. STANLEY POTTINGER,
Director, Office for Civil Rights.

Mr. McCLELLAN. Mr. President, although I am encouraged by HEW's action today, I do wish to point out that it did take them some 2 years to act on the complaint of Mr. Cohen. Another situation in which I am interested is currently pending at HEW. The Select Committee on Equal Educational Opportunity made a field trip to examine the San Francisco and Berkeley, Calif., schools earlier this year. On May 28, John Mathews of the Washington Star wrote an article concerning the U.S. Office of Education's $12 million experimental schools program. Among the programs funded was one in Berkeley. Mr. Mathews categorized the Berkeley program as "loosening of the current racial apportionment policy," and as affording "experiences largely with students of their own racial or ethnic group." Mr. President, due to the Select Committee's investigation I knew what this last phrase meant. It meant that the Office of Education was funding a Berkeley resegregation program. It meant, Mr. President, that HEW was forcing integration in the South while it funded segregation in Berkeley, Calif. The hearing record of the select committee reflects that Berkeley, Calif., had set up an all black school known as "Black House." In order to be admitted to the Black House School one must be a member of Berkeley High School and one must be black. On June 2, I wrote Secretary Richardson enclosing the Star article and asking for an investigation. I received a reply as follows:

If the project is being used to segregate or "resegregate" students, it would be in violation of Title VI of the Civil Rights Act and we would act against it.

On August 5, I forwarded the transcript of the select committee's investigation to HEW showing that the project did indeed involve resegregation and asking that they take prompt action before September to avoid disrupting the Berkeley school system. To date, no action has been taken.

Mr. President, I again serve notice that I will oppose all efforts to give special or preferred treatment to schools in any section of the country. If integration is good for the South then it is good for the entire Nation. I have asked for no special treatment. I have only asked that we have a nationwide policy with regard to integration. I urge the Department of Health, Education, and Welfare to push for rapid correction of Boston's segregated system, and I urge the Department not to expend funds to segregate schools in one section of the Nation while they are requiring integration in another. Such a policy can only result in a total loss of credibility to the Department and its Office of Civil Rights.

CHILD FEEDING PROGRAMS

Mr. CASE. Mr. President, this year the Congress has spent much time on an important program—the National School Lunch Act. While the Department of Agriculture has insisted that it fully supports the goals and purposes of the National School Lunch Act, the Congress has had to intervene several times to insure that the regulations governing the program do, in fact, carry out these goals.

Over the past months I have been in frequent touch with the Department of Agriculture in an effort to restore funding of the school lunch program, develop meaningful and enlightened regulations, and to see to it that those children who most need the school lunches offered on a free and reduced price basis, can get these lunches.

I have also written to the Department of Agriculture on behalf of the special food service program, which assists preschool age children who are in day care centers. This is an important program because the earlier children can be helped nutritionally, the better their chance to be healthy throughout their lives.

On November 5, 1971, I wrote to the Secretary of Agriculture in an effort to get the Department to release already available funds for this program in New Jersey. No reply has yet been received to my inquiry.

Another important program is the School Breakfast Act. Several weeks ago I learned that the Department of Agriculture was about to issue regulations that would cut back this program. I was joined by 34 of my colleagues in a letter to the Acting Secretary of Agriculture designed to forestall this cutback.

Mr. President, the national school lunch program now appears to be operating the way Congress and the President intended. There is no doubt that the school breakfast program and the special food services program are of similar importance. It is my hope that both these programs will soon be serving the children in our States who need this assistance. This is an important investment in our children that makes good sense for the Nation. I look forward to a prompt and affirmative reply from the Department of Agriculture regarding both these programs.

Mr. President, I ask unanimous consent that letters of November 5, 1971, and November 18, 1971, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NOVEMBER 5, 1971.

Hon. CLIFFORD M. HARDIN,
Secretary of Agriculture, Department of Agriculture, Washington, D.C.

DEAR MR. SECRETARY: I am sure you will agree that good nutrition for pre-school age children is essential to their physiological and psychological well-being throughout their lifetimes. For this reason Congress established the Special Food Services program and has expanded this program to meet the realistic needs of our nation's pre-school age children.

New Jersey has been authorized $286,850 for its year-around Special Food Service program for children in FY '72. Unfortunately, this is considerably less than was needed to operate last year's program. Last year New Jersey was able to feed 7,732 pre-school children a day. This year New Jersey is prepared to double this number. New Jersey officials estimate that an additional $51,500 will be needed just to bring the Special Food Services program up to last year's level. Expanding the Special Food Services program will cost an additional $57,000.

To accomplish its aims, New Jersey officials are not requesting new money. There are funds available.

As you know, New Jersey was approved to receive $1,461,906 for its Special Summer Feeding Program, a part of the year-around

Special Food Services. The Summer Feeding program started late last summer because the Office of Management and Budget would not release the program's funds until Congress requested it to do so. This meant that the New Jersey program began late and could not use all the money promised to the state. Specifically, New Jersey has received only one letter of credit for $779,979. Now it appears that the remainder of the funds will not be allocated, except for meals actually served last summer.

If this policy is followed, New Jersey will lose between $325,000 and $400,000. This money has been allocated directly to New Jersey and should be available for transfer into the Special Food Service account so that it can be used now.

It is critical that New Jersey be permitted to transfer these funds. Given the commitments already made in New Jersey, the state will have to cancel its Special Food Service program by March, 1972, unless there is a change in policy.

I urge you to correct this situation and facilitate the transfer of funds as soon as possible.

Sincerely,

CLIFFORD P. CASE,
U.S. Senator.

ACTING SECRETARY OF AGRICULTURE,
Department of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: On October 18, 1971 the House of Representatives passed H.J. Resolution 923 which was subsequently adopted by the Senate, without a dissenting voice, on October 20, 1971. The explicit purpose of this Resolution was to insure that the objectives of the National School Lunch Act were met by the United States Department of Agriculture.

Since the passage of H.J. Res. 923, regulations governing the regular school lunch provisions of the National School Lunch Act have been issued. It is now reported that the proposed regulations to govern the School Breakfast program are about to be released for comment.

As you know, Section 3 of H.J. Res. 923 provides that the Secretary of Agriculture "shall immediately upon enactment of this resolution determine and report to Congress the needs for additional funds to carry out the school breakfast and nonfood assistance programs . . . at levels which will permit expansion of the School Breakfast programs to all schools desiring such programs as rapidly as possible." Funding for the expansion of the School Breakfast program is authorized in Section 7 of H.J. Res. 923 which states that the Secretary of Agriculture "is hereby authorized to transfer funds from section 32 of the Act of August 24, 1935, for the purpose of assisting schools which demonstrate a need for additional funds in the School Breakfast program."

The provisions of H.J. Res. 923 are quite straightforward and suggest that a full report by the Secretary of Agriculture on the School Breakfast program should be available for the scrutiny of the Congress prior to the promulgation of new regulations governing the School Breakfast program.

We ask you to report to the Congress as soon as practicable and not to issue any governing regulations, even for comment, until Congress has the opportunity to examine your report.

Clifford P. Case, Howard H. Baker, Jr., Birch Bayh, Edward W. Brooke, Alan Cranston, John Sherman Cooper, Thomas F. Eagleton, Fred R. Harris, Philip A. Hart, Mark O. Hatfield, Ernest F. Hollings, Hubert H. Humphrey, Henry M. Jackson, Jacob K. Javits, Edward M. Kennedy, Gale W. McGee, George S. McGovern, Charles McC. Mathias, Jr., Walter F. Mondale, Edmund S. Muskie, Gaylord Nelson, Robert W. Packwood, John O. Pastore, William Proxmire, Jennings Randolph, Hugh Scott, Abraham Ribicoff, Robert T. Stafford, Ted Stevens, Adlai E. Stevenson III, Stuart Symington, Robert Taft, Jr., John V. Tunney, Harrison A. Williams, Jr.

TRAGEDY IN ULSTER—XI—WITHDRAWAL OF BRITISH TROOPS: THE PEOPLE SPEAK

Mr. KENNEDY. Mr. President, one of the principal provisions of Senate Resolution 180, the Senate resolution that Mr. RIBICOFF and I have introduced on the situation in Northern Ireland, is a proposal for the withdrawal of British troops from Ulster and their replacement by alternative methods of law enforcement. Again and again in recent weeks, we have seen the terrible toll of killing and violence increase. The tragedy in Ulster continues undiminished, while those in power pursue the goal of military victory, a goal that is as much a phantom for Britain in Ulster as it was for the United States in Vietnam.

The British people themselves are far ahead of the politicians. A national opinion poll taken at the end of September demonstrates dramatically that the citizens of Britain favor the immediate withdrawal of British troops. By a majority of 59 percent strong, the persons interviewed said they thought that British troops should be brought home now. Only 39 percent thought the troops should stay in Northern Ireland.

The popular majority in favor of troop withdrawal crosses party lines. Members of the Conservative Party favor immediate withdrawal by the margin of 49 to 45 percent. Labor Party members support withdrawal by the overwhelming margin of 67 to 28 percent.

One other point deserves to be made. As the article in the London Daily Mail announcing the result of the poll points out, the current popular majority in favor of troop withdrawal is approximately the same size as the majority in 1969 that favored sending British troops to Ulster as a peacekeeping force. Now, it seems, the British people realize that, whatever the merits of the original decision in 1969, it is no longer valid today. The British military pressure in Ulster is compounding the violence instead of contributing to the peace, and the sooner this fact is accepted, the sooner there can be a lasting peace in Ulster.

Mr. President, I ask unanimous consent that the article from the London Daily Mail of September 23, 1971, describing the results of the national opinion poll, may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the London Daily Mail, Sept. 24, 1971]

VERDICT ON THE ULSTER CRISIS: BRING HOME THE TROOPS

(By Walter Terry, Political Editor)

The majority of people in Britain want the Army brought home from Northern Ireland now.

A mood politicians have feared for months has already taken strong hold in the country.

The conviction is that it is wrong for British lives to be lost coping with the impossible. And it cuts clean across party lines.

Startling revelations of voters' views on the Ulster crisis emerge from a National Opinion Polls survey completed only last Monday.

Opinion is strongly against direct rule from London. A majority insists that the Northern Ireland Government must be left in charge.

Voters mostly favour the policy of internment for IRA thugs introduced last month. But they recognise that the situation has got much worse since.

The poll's big surprise is the strength of feeling on the use of British troops. This was the question:

Some people think the British troops should be brought back home now. Others think they should stay in Northern Ireland. What is your opinion?

Answer: Brought back home, 59 per cent; stay in Northern Ireland, 35 per cent; don't know, 6 per cent.

The figures, revealed as Parliament's two-day emergency debate on Ulster ended last night, will be a shock for Ministers. With the Opposition front bench, they are committed totally to the necessity of troops in Ulster until violence is quelled.

Tory voters are more inclined to favour the use of troops. But a narrow majority of these—49 per cent, compared with 45 per cent, in favour of the Army staying—wants the troops brought home.

Labour supporters are far more certain—67 per cent, say the men must be brought out now. Only 28 per cent say they should stay.

Almost every answer to pollsters' questions produces a similar reaction: Massive distaste for the Irish problem. Plus a belief that it cannot be solved from this side of St. George's Channel.

As an issue among voters, Northern Ireland, despite its tragedy and ferocity, rates only third equal in importance with the Common Market. In the average household the cost of living and unemployment are rated as more critical.

Question: Do you think the British Government should take over direct control of Northern Ireland's internal affairs or should they leave the Northern Ireland Government in charge of them?

Answer: Should take over, 25 per cent; leave Northern Ireland Government in charge, 64 per cent; Don't know, 11 per cent.

BLAME

When it came to apportioning blame for the crisis, 52 per cent, said it was the IRA's fault. Protestants were given 13 per cent, of the blame; Roman Catholics 18 per cent; the Ulster Government 12 per cent.

It is widely accepted that religion is at the root of the trouble.

One irony in the polls: The majority that now wants the Army brought home is roughly the same size as that which favoured the troops being sent to keep peace in Ulster two years ago.

The survey was carried out between September 14 and 20. A systematic probability sample was used. Interviews were carried out with 1,910 electors in 100 constituencies in Britain.

National Opinion Polls Ltd.

THE APPELLATE COURT DECISION UPHOLDING WIRETAP STATUTE

Mr. McCLELLAN. Mr. President, in 1968 the Senate overwhelmingly approved the use of court authorized and stringently supervised wiretaps and electronic surveillance for certain Federal offenses. By a vote of 68 to 12, this body resoundly defeated a motion to strike title III of the Omnibus Crime Control and Safe Streets Act of 1968 which contains these wiretap provisions.

However, there have been those who have continually challenged the legal foundation and efficacy of this title. I am pleased to inform the Senate that in its first major Federal appellate review, title III has been sustained as constitutional. On October 13, 1971, the U.S. Court of Appeals for the Tenth Circuit in Cox against United States, No. 71-1043, specifically upheld the legal reasoning behind and justification for title III. It sustained the convictions of four bank robbers whose evil plans were disclosed incidental to a court authorized and stringently supervised wiretap for possible narcotics violations.

Mr. President, this decision is a major breakthrough in America's war on crime. It augurs well for the continued implementation of this, our single, most effective crime fighting weapon. I have always been and remain ever convinced that the legitimate and restrictive exercise of this type of surveillance can advance our stepped up efforts to curtail the growing proliferation and menace of crime.

The precise issue before the court in the *Cox* case was the right of the Government to use information concerning a robbery which had been incidentally obtained during the course of a lawfully authorized and executed narcotic's wiretap. The court not only upheld the statutory scheme, which provides for retroactive judicial approval for such incidentally intercepted communications, but it also found that the statute as a whole was consistent with existing legal precedent. Judge Doyle noted that:

> Title III of the Omnibus Crime Control and Safe Streets Act of 1968 represents the first comprehensive federal legislation in the area of wiretapping and electronic surveillance. • • • Its dual purpose is (1) protecting the privacy of wire and oral communication, and (2) delineating on a uniform basis the circumstances and conditions under which the interception of wire and oral communication may be authorized. • • • Congress in passing the Act considered carefully the decision of the Supreme Court in *Berger . . . Katz . . .* and *Osborn* and made an intensive effort to comply with the standards which had been enunciated in these cases. Notwithstanding the care taken, the Congress has received extensive criticism of Title III of the Act by various commentators.

He then went on to hold that:

> As we view it, Congress was seeking to deal realistically with highly complex problems in accordance with the demands of the Constitution. We are unable to say that the product fails to satisfy the Constitution. Every effort has been made to comply with the requirements of *Berger* and *Katz* . . . Title III is as precise and discriminate in its approach as are the demands of *Berger* and *Katz*.

Mr. President, this case is an excellent example of the success to be gained through the use of this procedure. A single court supervised wiretap in this case helped to account for 19 convictions—14 for Federal narcotics violations, four for bank robbery and one for an assault on a Federal narcotics agent. I might also point out, Mr. President, that the individual whose line was tapped, attempted to kill two narcotics agents and a Kansas City police officer while they were executing the search and arrest warrants.

Of particular interest in the court's opinion justifying the use of incidentally obtained information, Judge Doyle stated:

> For example, in electronic surveillance of organized criminals involved in gambling, information might be intercepted disclosing a conspiracy to commit murder. Surely the officials must be empowered to use this information notwithstanding the lack of specific prior authorization.

What the appellate record does not reveal is that in this case there was, in fact, information received on the tap which discovered just such a conspiracy to commit murder. And with the assistance and complete cooperation between Federal and city law enforcement officers, an actual attempt to murder one of the suspects was prevented. Having uncovered the murder plot, Federal and State authorities went to work. A helicopter was sent up to cover the intended murder scene, while other police maintained surveillance near the home of the marked victim. At a given signal, the victim's home was surrounded—warning shots were fired and the would-be killers surrendered. Thanks to the use of this combination of court authorized wiretapping, and timely police action, the would-be victim is alive today.

This incident dramatically illustrates the effectiveness of legally sanctioned wiretapping. In saving this one man's life, title III has already proved the immeasurable value such innovative techniques can and are providing our law enforcement authorities.

I am hopeful that this well-written and well-reasoned precedent will be followed by other jurisdictions which may be eventually faced with a similar challenge to title III.

Mr. President, the Committee on the Judiciary took great pains to follow previous Supreme Court guidelines in its considerations of these wiretapping provisions. Every effort was made during its deliberations to provide adequate procedural safeguards to protect rather than encourage any unauthorized or abusive practices. Our goal—which I feel we have achieved—was the protection of society. I have always believed that there are instances when individual freedoms must be subordinated to the greater social good—that the rights of one individual, insidiously bent on depriving others of their freedoms, should not be allowed to transcend the collective security and rights of others. To those few still critical of this measure, I would state that the data now available conclusively demonstrates that its implementation has not been promiscuous or reckless, and that by its prudent use it has become our most efficient and productive tool against the scourge of illicit narcotics traffic and organized crime.

Members will recall, during the hearings on this legislation the charge was made that wiretapping would prove to be ineffective against crime.

Look at the results, Mr. President—19 convictions were obtained—one for each of the days that the tap was in effect, including 14 for Federal narcotics violations, four for bank robbery, one for an assault on a Federal agent—and one would-be murder was prevented.

Here are 19 persuasive arguments as to its efficacy. You can be certain that these 19 convicts are convinced that wiretapping is effective.

I personally welcome the Cox decision and extend my congratulations to the Justice Department—particularly to Mr. David Martin of the Organized Crime and Racketeering Section—for the excellent presentation and handling of this case from its initial investigation through all of the court proceedings. Men of Mr. Martin's caliber need all of the support we can give them. The task they perform in protecting society seldom is recognized or sufficiently appreciated.

Mr. President, I ask unanimous consent to have the Cox opinion printed at the conclusion of my remarks.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

[U.S. Court of Appeals, 10th Circuit, September term 1971]

(Eddie David Cox, Plaintiff-Appellant, versus United States of America, Defendant-Appellee, No. 71-1043)

APPEAL FROM THE U.S. DISTRICT COURT FOR THE DISTRICT OF KANSAS

(District Court No. KC-CR-1293)

Craig A. Murdock, Denver, Colorado, for Appellant.

Robert J. Roth, United States Attorney, District of Kansas (James A. Pusateri, Assistant United States Attorney, on the brief) for Appellee.

Before Phillips, Holloway and Doyle, Circuit Judges.

Doyle, Circuit Judge.

The defendant, Eddie David Cox, together with Maurice LaNear, Cleveland Dennis Ford and Michael DeWayne Piggie, was charged on May 28, 1970 (by indictment) with the offense of bank robbery of the Southgate State Bank of Prairie Village, Kansas, on May 8, 1970, contrary to 18 U.S.C. § 2113(a). The indictment as to Cox also invokes the aiding and abetting or accessory statute, 18 U.S.C. § 2 inasmuch as the defendant before us, Eddie David Cox, was, according to the theory of the prosecution, driving the vehicle which was used in the robbery of the bank. The defendants, Cox and LaNear, were tried together and both were convicted. The other defendants entered pleas of guilty. The present appeal is on behalf of Cox alone. Previously LaNear had been tried separately and this trial had resulted in a hung jury. At the second trial the government, in order to join LaNear with Cox, agreed to waive the introduction of LaNear's confession.

Previously Elmo B. Hunter, United States District Judge for the Western District of Missouri, had entered an order authorizing agents of the Bureau of Narcotics and Dangerous Drugs to intercept wire communications to and from a telephone number listed in the name of Leonard E. Richardson at 7015 Monroe, Kansas City, Missouri. The application to Judge Hunter contained a supporting affidavit describing probable cause for authorizing wire investigation of violations of the Federal Narcotics Laws, 21 U.S.C. §§ 173, 174.[1]

The monitoring of these conversations started on May 1, 1970, and was continued from May 5 to and including May 8, 1970, during which latter period of time conversations were overheard and recorded by agents

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Footnotes at end of article.

of the Bureau of Narcotics and Dangerous Drugs, which conversations related to the robbery of the Southgate State Bank. Thus, the conversations intercepted pertained to bank robbery, whereas the authorization was given to gain evidence with respect to narcotics.

In accordance with 18 U.S.C. § 2517(5), application was made to the Attorney General and to Chief Judge Arthur J. Stanley, Jr., United States District Judge for the District of Kansas, for the purpose of obtaining an order authorizing the use and disclosure of the seized conversations relating to the bank robbery. Judge Stanley signed the order and some of the conversations were received in evidence at the trial.[3]

We are not told exactly when the application to Judge Stanley was made, but presumably it was a timely one since no question is raised concerning time on this appeal. Indeed, we are at liberty to presume that all of the proceedings followed were in accordance with the statute since the defendant does not find fault with any of these occurrences. He does, however, contend that § 2517(5) is unconstitutional on its face and that it violates the Fourth Amendment to the Constitution of the United States. It is noteworthy that § 2518 imposes extensive requirements and demands on one making an application for an order authorizing or approving the interception of a wire or oral communication. Section 2518 is comprehensive and at the same time detailed in its authorization to the issuing judge to regulate interception of wire or oral communications.

The evidence on behalf of the prosecution at the trial disclosed that on May 8, 1970, the Southgate State Bank was robbed and that the robbery was carried out by three Negro males. The evidence also established that these men drove a 1961 Buick automobile to a parking lot, that of Black and Veatch Engineering Company which was located a few blocks from the bank. There, according to a police officer following the Buick, this automobile was abandoned. The occupants proceeded east from the car through some shrubs to another parking lot. An employee of Black and Veatch testified that he had seen a 1969 light tan or white Plymouth four-door sedan which had a large dent in the left front fender. This car was driven by a white individual and was parked in the lot of Black and Veatch. Another witness saw three Negro males running across the Black and Veatch parking lot to a parked car which appeared to be a 1969 white Plymouth. According to the witness, the three men stopped at the rear of this car and he overheard garbled conversations, including the words "Here," or "In here." This man retreated into his garage and his next observation was that the automobile was being driven out of the parking lot by a single male occupant.

An FBI agent observed that the defendant Cox owned a white 1969 Plymouth four-door sedan which had a noticeable dent between the left front headlight and wheel well of that car.

Several tape recordings of intercepted telephone conversations were introduced. One such conversation (Exhibit 31) between Michael Piggie and Maurice LaNear involved a discussion of plans for the proposed bank robbery. In this conversation LaNear inquired as to who would be driving and Piggie responded: "Ah, Eddie." LaNear responded "Eddie who?" Piggie replied "You know, the fella, the white fella." In another conversation LaNear informed Piggie that he did not "even trust that white dude and I don't even know him." (Exhibit 26). In a conversation which was recalled on the day of the robbery Michael Piggie asked Eugene Richardson, in whose name the tapped telephone was listed, to "call Eddie for me and tell that, tell him I said it was ready." Richardson proceeded to call Eddie Cox. In this very crucial conversation, crucial because it definitely established that Eddie was Eddie Cox, the defendant herein, since the telephone number called was shown to have been his, appears the following:

"O.K. but, uh, Mike just called and told me to tell you he's ready for you, give you call."

EDDIE: "Who? Mike?"

GENE: "Yeah."

EDDIE: "O.K., then, I'll stop by there tonight."

GENE: "O.K."

In a conversation recorded the evening of the day of the robbery, it developed that Eddie had furnished LaNear with Piggie's telephone number and on the evening following the robbery there was a conversation between Piggie and Cox in which the robbery was discussed as if Cox knew all about it.

Thus, recordings were introduced, which although somewhat vague, served to identify Cox with the robbery both before and after it occurred.

The defendant seeks reversal on several grounds. Primarily, he challenges the use in evidence of certain intercepted telephone conversations. His basis is that 18 U.S.C. § 2517(5) is unconstitutional in that it allows use of intercepted telephone communications where the wire tapping has not been previously authorized by a judge. He maintains that the post audit provision of this section by a judge does not satisfy the requirements of the Fourth Amendment.

Secondary contentions or assignments include:

1. The alleged error of the trial court in refusing to grant a severance from his codefendant, Maurice LaNear, on the basis that statements in conversations between the codefendants which were incriminating as to Cox, but with respect to which he was not a participant, were received.

2. The lack of knowledge on the part of the agents monitoring the recordings which could have allowed them to identify the voices or to match the telephone numbers called.

3. The refusal of the court to omit portions of Exhibit 26 containing, so it is argued, incriminating hearsay statements inculpating the defendant Cox.

4. The statement of the U.S. Attorney suggesting that LaNear's confession implicated others, thus creating an impression that the confession which was not received in evidence implicated the defendant Cox.

5. The alleged insufficiency of the evidence to present a prima facie case as to the defendant Cox.

I

Title III of the Omnibus Crime Control and Safe Streets Act of 1968[3] represents the first comprehensive federal legislation in the area of wiretapping and electronic surveillance. It supersedes section 605 of the Federal Communications Act of 1934.[4] Its dual purpose is "(1) protecting the privacy of wire and oral communications, and (2) delineating on a uniform basis the circumstances and conditions under which the interception of wire and oral communications may be authorized."[5]

Prior to the enactment a Presidential Commission found that organized criminals use wire and oral communications and recommended that such communications were essential to effective detection and prosecution.[6] The report of the President's Commission was an important impetus in the passage by the Congress of the Omnibus Crime Control and Safe Streets Act, including the mentioned Title III which included provisions for law enforcement officers intercepting telephone communications after having obtained judicial authorization. Congress in passing the Act considered carefully the decisions of the Supreme Court in Berger v. New York, 388 U.S. 41 (1967); Katz v. United States, 389 U.S. (1967); and Osborn v. United States, 385 U.S. 323 (1966), and made an intensive effort to comply with the standards which had been enunciated in these cases.[7] Notwithstanding the care taken, the Congress has incurred extensive criticisms of Title III of the Act by various commentators.[8]

Title III imposes an overall ban on the interception and disclosure of wire or oral communications, but it authorizes interception in connection with the investigation of particular serious crimes by either federal law enforcement officers or state officers acting pursuant to state statute. In most instances the officer is required to obtain a court order before the interception begins. Such an order can be issued only after a judge of competent jurisdiction has determined that specific grounds exist which justify the use of the intercepting devices. When the objective is attained the wiretapping must cease, and there is an overall 30 day limitation which may be extended for an additional 30 days should the judge make new findings sufficient to uphold an original authorization. Information obtained as a result of authorized surveillance may be used or disclosed by the officer to the extent appropriate to the proper performance of his duties and while giving testimony under oath or affirmation in any proceeding held under the authority of the United States or any state or political subdivision thereof. Subsection (5) of 18 U.S.C. § 2517 allows interception and use of information relating to offenses other than those specified in the order of authorization, but it must be approved by a judge based on finding that the contents were intercepted in accordance with the law. If the officers have not complied with the strict requirements of the statute, the contents of the communication or evidence which stems from it can be suppressed and the person making the interception is subject both to criminal and civil liability. In sum, Title III sets up a system of strict judicial supervision which imposes tight limitations on the scope of the investigation.

The conversations intercepted in the case at the bar were outside the express limits of the original authorization. These conversations were, however, intercepted in the course of an authorized investigation and thus they fall within the provisions of 18 U.S.C. § 2517 (5). It is this aspect of the statute which counsel for Cox maintains is unconstitutional because of its lack of requirement for specific prior authorization. He argues that this part of the statute is out of harmony with the express terms of the Fourth Amendment and that it is not in compliance with the letter and spirit of Berger v. New York, *supra*.

Involved in *Berger* was a New York statute which authorized any justice of the Supreme Court or judge of county court of New York County to issue ex parte orders for eavesdropping upon oath or affirmation of an officer (district attorney, attorney general or officer above the rank of sergeant) that there existed reasonable ground to believe that evidence of crime would be thus obtained. The statute did not require evidence that a specific crime had been committed nor did it demand a specific showing as to conversations sought nor of exigent circumstances. The Supreme Court held that this broad and sweeping character of the statute rendered it unconstitutional on its face. Writing for the Court Mr. Justice Clark condemned its failure to require presentation and evaluation of the specific circumstances rendering the surveillance or eavesdropping necessary. The two-month surveillance period was considered too long a time, thus allowing a series of intrusions, searches and seizures pursuant to a single showing of probable cause. It was characterized as granting a "roving commission" or "general warrant" to seize any and all conversations. The basic right violated by unregulated eavesdropping was held to be the individual's right to privacy. Such intrusion was said to have been prohibited long before the adoption of the Fourth Amendment.[9]

In any event we cannot forgive the requirements of the Fourth Amendment in the name of law enforcement. This is no formality that we require today but a fundamental rule that has long been recognized as basic to the privacy of every home in America. While "[t]he requirements of the Fourth Amendment are not inflexible, or obtusely unyielding to the legitimate needs of law enforcement," Lopez v. United States, supra, at 464, 83 S.Ct. at 1404 (dissenting opinion of Brennan, J.), it is not asking too much that officers be required to comply with the basic command of the Fourth Amendment before the innermost secrets of one's home or office are invaded. Few threats to liberty exist which are greater than that posed by the use of eavesdropping devices. Some may claim that without the use of such devices crime detection in certain areas may suffer some delays since eavesdropping is quicker, easier, and more certain. However, techniques and practices may well be developed that will operate just as speedily and certainly and—what is more important—without attending illegality. 388 U.S. at 62–63.

The Court laid down the essential requirements in any statute or rule authorizing eavesdropping. Congress sought to include these standards in drafting Title III.

In Katz v. United States, *supra*, decided a few months following the *Berger* decision, an FBI agent attached an electronic listening device to the outside of a telephone booth and intercepted wagering information. The central issue was whether a telephone booth was entitled to Fourth Amendment protection. The Court made it clear that it was; that the conversation was entitled to constitutional protection rather than the particular place from which it emanated. Olmstead v. United States, 277 U.S. 438, 475–76 (1928), and Goldman v. United States, 316 U.S. 129 (1942), which has stressed trespass in the physical sense as the essential invasion were overruled. Finally, it was held that the failure to obtain any prior authorization rendered the interception invalid; that a phone booth exception was not justified.

Osborn v. United States, *supra*, which was considered and commented on at length by the Court in *Berger*, and which was regarded as a model in Fourth Amendment compliance, had to do with authorization in respect to a specific individual and to a particular offense. A background case in *Osborn* was a publicized one (Hoffa) and it was the extreme care that was taken in the granting of authority and the limiting and circumscribing of the investigation itself which led the Court to uphold the recording and use of the conversation.

The effect then of these recent rulings of the Supreme Court has been to limit and restrict the scope of wiretapping or eavesdropping by requiring that it be carried out under the strictest judicial supervision. Specific prior authorization seems to be prescribed, although the Court has not passed on the issue that we have here involving as it does subsequent judicial scrutiny of unanticipated material obtained incident to a warrant describing other subject matter. Whether the Court will regard this as a compliance with the Fourth Amendment as construed in *Berger*, *Katz* and *Osborn* remains uncertain.

The government's further argument is that § 2517(5) can be upheld based on the "plain view" analogy applicable to the seizing of tangible evidence and instruments of crime. This is, of course, an exception to the requirement that an object seized must be particularly described in the application for a warrant. Inasmuch as warrants for interception of electronic information generally follow the principles applicable to search warrants, it is said that just as evidence not described but which is discovered by the officers in the course of a valid search is under certain circumstances admissible, so also intercepted conversations should be similarly treated.[10]

One difficulty in this is that the law on this plain view subject is not fully developed and also remains unclear. For example, in Marron v. United States, 275 U.S. 192 (1927),[11] it was held that a search warrant must be executed strictly in accordance with its terms, leaving nothing to the discretion of the officer. It is argued that Harris v. United States, 331 U.S. 145, 155 (1945), modifies the *Marron* doctrine and that lower federal courts have considered *Harris* fully applicable to search warrant cases even though it had to do with seizure incident to arrest.[12]

Discussion in Coolidge v. New Hampshire recently decided, No. 323, June 21, 1971, 39 Law Week 4795, 4802 succeeds in clarifying the "plain view" doctrine. But the analogy is imperfect because the search for property is a different and less traumatic invasion than is the quest for private conversations.

The reason than for the seriousness of the problem here arises not from the fact that the particular conversations were not specifically described and given specific prior authorization, but rather from the unmanageability generally of electronic surveillance. The area is peculiarly sensitive due to its effort to probe the thoughts of the man who is the object of the search.[13] Once the listening commences it becomes impossible to turn it off when a subject other than one which is authorized is overheard. It would be the height of unreasonableness to distinguish between information specifically authorized and that which is unanticipated and which develops in the course of an authorized search such as that involved here. It would be irrational to hold that officers authorized to listen to conversations about drug traffic, upon learning that a bank robbery is to occur, must at once close down the project and not use the information to prevent the robbery since the information is tainted. It would be demoralizing to allow the bank to be robbed while the investigators stood by helpless to prevent the occurrence. Harder cases can be imagined. For example, in electronic surveillance of organized criminals involved in gambling, information might be intercepted disclosing a conspiracy to commit murder. Surely the officials must be empowered to use this information notwithstanding the lack of specific prior authorization.

As we view it, Congress was seeking to deal realistically with highly complex problems in accordance with the demands of the Constitution. We are unable to say that the product fails to satisfy the Constitution. Every effort has been made to comply with the requirements of *Berger* and *Katz*. Section 2518(4) of Title III is as precise and discriminate in its approach as are the demands of *Berger* and *Katz*. It requires (see Note 1, *supra*) that each order identify the person whose communications are being intercepted, describe the nature and location of the communications facilities or the place where authority is granted, particularly described the type of communication sought to be intercepted and a statement of the particular offense to which it relates, identity of the agency authorizing the application, and finally the period of time during which the interception is authorized, including a statement as to whether the interception shall automatically terminate when the communication has been first obtained. Thus, the statute calls for the most careful scrutiny of the application and for specific findings and restrictions by the judge to whom the application is presented.

We must presume that an authorization order drafted in accordance with this section will impose strict limitations on the officer who is to execute the authorization. We cannot presume that it will grant a roving commission or general warrant to seize any and all conversations coming into the area covered by the device. A judge will surely scrutinize any application and will scrupulously impose the restrictions required by the statute and by the decisions.[14]

In summary then, we uphold the statute on the basis that it demands an original authorization in accordance with the mandate of Berger v. New York, *supra*, and we do so upon the basis that the nature and probable consequence of authorized wiretapping is discovery of unanticipated and undescribed communications. The very nature of this form of invasion is conducive to producing unexpected information. If wiretapping is to be validated, and *Berger*, *Osborn* and *Katz* recognize its validity, then the interception and use of information which is so related to the original search is not to be excluded. In other words, Congress has dealt with the problem about as well as could have been expected considering the nature and character of the subject matter and its consequential incidents. The defendant's contention is rejected.

II.—THE SEVERANCE QUESTION ARISING FROM EVIDENCE OF THE INTERCEPTED CONVERSATION

Defendant contends that he was entitled to have a separate trial from that of his codefendant, Maurice LaNear, because of the reception into evidence of intercepted statements made to LaNear by Michael Piggie which related to him. He relies on Bruton v. United States, 391 U.S. 123 (1968). Defendant's argument is that since Michael Piggie refused to testify when he was called to the stand, he (Cox) was deprived of his right to cross-examine Piggie in violation of his Sixth Amendment right to confront the witnesses against him. We must disagree. The telephone conversations (which have been described above) occurred prior to the bank robbery, and once a conspiracy was established were admissible as a well recognized exception to the hearsay rule.[15]

Contrary to the contention of the defendant, there was substantial independent evidence to establish a conspiracy. We have in mind:

1. The interception of the telephone call to the defendant Cox's telephone number which the agents were able to positively establish from counting the clicks in connection with the dialing.

2. Evidence of the use of an automobile in the robbery which exactly answers the description of the vehicle which was owned by the defendant.

3. There was independent evidence that a white man was driving in accordance with the conversations.

4. The admissions of defendant which came through on Exhibit 33.

An additional objection goes to the court's receiving Exhibit 32, a tape recording of a conversation between LaNear and Piggie just prior to the conversation mentioned in Exhibit 33 between Piggie and the defendant which is discussed immediately above. In the course of this there were statements made by each of the participants inculpatory as to them, and there was a reference to the defendant to the effect that he had furnished LaNear with Piggie's telephone number. This conversation occurred at 7:45 p.m. on the night following the robbery and, therefore, so it is argued, the active conspiracy was terminated. Nevertheless, it was so closely related to the activities of the day and to the fruits of the crime as to be regarded as part of the incident itself or the res gestae. A similar problem was considered by this court in

Footnotes at end of article.

Footnotes at end of article.

Mares v. United States, 383 F.2d 805 (10th Cir. 1967), *cert. denied*, 394 U.S. 963. We there held that the condition presented was to be distinguished from that which obtained in Krulewitch v. United States, 336 U.S. 440 (1949).

Here also the conversation between LaNear and Piggie occurred very soon after the robbery and immediately after the conversation between defendant and Piggie. Both conversations were intimately related to the offense and are to be regarded as inseparable parts of the robbery transaction.

Thus, the receiving of the conversation between LaNear and Piggie established prima facie a conspiracy in which Cox was a participant. The government was not guilty of boot strapping.

Evidence which is admissible under the conspiracy exception to the hearsay rule does not violate the right to confront and cross-examine guaranteed by the Sixth Amendment.[16] The Bruton doctrine does not rule situations like the present one in which the evidence is admissible under a well recognized exception to the hearsay rule. In Bruton v. United States, 319 U.S. 123, 128 n.3 (1968), it was said:

We emphasize that the hearsay statement incriminating petitioner was clearly inadmissible against him under traditional rules of evidence * * *. There is not before us, therefore, any recognized exception to the hearsay rule insofar as petitioner is concerned and we intimate no view whatever that such exceptions necessarily raise question under the Confrontation Clause.[17]

Based on the distinction between inadmissible hearsay and that which falls within a well recognized exception, we hold that the defendant's confrontation right was not violated by the receiving of the conversations complained of.

Defendant further argues that the conversation between LaNear and defendant which occurred the day following the robbery was inadmissible because the conspiracy had then terminated. The crucial factor here, however, is that the conversation was with the defendant and it was admissible as a noncustodial admission made so soon after the criminal transaction as to be regarded as a part of it. Thus, the conspiracy exception is not here involved. This is merely a conversation between the defendant and a co-defendant from which incriminatory inferential admissions arise. The argument of the government that LaNear took the stand and testified in his own behalf and was thus subject to cross-examination whereby the prejudice, if any, was cured need not be considered.

III.—SUFFICIENCY OF KNOWLEDGE OF THE MONITORING OFFICERS TO IDENTIFY VOICES AND TO MATCH THE TELEPHONE NUMBERS CALLED

Defendant maintains that certain voice identification testimony of the monitoring agents was improperly received into evidence because, so he claims, the agents did not have the requisite knowledge to identify the voices.[18]

Defendant first contends that with respect to the tape recording labeled (Plaintiff's) Exhibit 23, "[t]he witness Hanson stated that he recognized the voice as 'Maurice' because he had heard it before * * *." However, an examination of the record on this point reveals that witness Hanson never did identify a voice on Exhibit 23 as belonging to Maurice. As counsel for defendant Cox stated in objecting to the admission of Exhibit 23:

Mr. Hanson has admitted quite candidly that there is no way in the world that he can identify the voice which is labeled Maurice. He didn't identify the voice at all. All it is is simply some man on that phone said "This is Maurice" or someone else said, "Is this Maurice?"

Exhibit 23 was properly admitted into evidence over this objection based on the circumstantial evidence that the voice alleged to belong to Maurice LaNear identified itself as "Maurice" and the telephone number called belonged to the residence of Maurice LaNear. Palos v. United States, 416 F.2d 438 (5th Cir.) *cert. denied*, 397 U.S. 980 (1969); Grogan v. United States, 394 F.2d 287 (5th Cir.) *cert. denied*, 393 U.S. 830 (1967); United States v. Stein, 327 F.2d 657 (2d Cir. 1964).

Defendant also objects to voice identification with respect to Exhibit 31 because the identification was based on subsequently acquired familiarity with the voice of Maurice LaNear, which familiarity was gained from listening to subsequently intercepted conversations in which Maurice LaNear was alleged to have participated. It is said that witness Kreidel did not have first hand knowledge of the voice of Maurice LaNear.

It is clear, however, that the requirement that a witness have some basis for comparing a voice with that of a particular person is generally satisfied if the witness acquires his knowledge of the persons' voice after the event testified to by the witness. *See* United States v. Moia, 251 F.2d 255, 257 (2d Cir. 1958); 29 Am.Jur.2d § 368, p. 417.

We are of the opinion also that the witness' knowledge of Maurice LaNear's voice would be sufficient for a voice identification, if the tapes from which the witness gained his knowledge were otherwise sufficiently supported by evidence establishing that Maurice LaNear participated in those *other* conversations. Viewing the record as a whole, it appears that there was sufficient circumstantial evidence to establish Maurice LaNear's identity in the other recorded conversations. See, for example, the discussion with respect to Exhibit 23, *supra*.

For these reasons we hold that the witnesses did not have requisite knowledge to identify Maurice LaNear's voice on Exhibits 23 and 31.

IV.—THE STATEMENT OF GOVERNMENT COUNCIL SUGGESTING THAT LA NEAR'S CONFESSION IMPLICATED OTHERS

In order to obtain joinder of defendants Cox and LaNear, the government agreed not to introduce LaNear's confession into evidence at the joint trial and all reference thereto was avoided during the trial—with one possible exception. On cross-examination of the F.B.I. agent who had arrested LaNear, where direct examination had brought out the fact that LaNear had made a statement but had not touched upon the contents of the statement, counsel for the United States stated the following:

Q. Then do most people who you take confessions from implicating someone else, are they nervous?

(Tr. 664). Objection to this was promptly sustained. Defendant contends that this statement, being unrelated to the previous direct examination of the witness, was highly prejudicial inasmuch as it suggested to the jury that LaNear had made a confession implicating Cox.

This contention is without merit. LaNear had taken the stand and had testified as to the role that each of the four initial defendants had played in the robbery (Piggie, Ford, Cox and LaNear). LaNear also testified that he had made a statement to the arresting officer containing the same substances as his in-court testimony. Under these circumstances, the challenged statement of counsel did not constitute ground for declaring a mistrial.

V.—SUFFICIENCY OF THE EVIDENCE

The case was largely based upon circumstantial evidence. However, in view of our summary of the testimony and comments on it appearing above, we deem it unnecessary to consider further the question of legal sufficiency. We perceive no error in the denial by the court of the motion for judgment of acquittal.

The judgment is affirmed.

FOOTNOTES

[1] Copies of the authorizing order or the supporting affidavits and other documents do not appear as part of the record in this case. 18 U.S.C. § 2518(4) provides:

(4) Each order authorizing or approving the interception of any wire or oral communication shall specify—

(a) the identity of the person, if known, whose communications are to be intercepted;

(b) the nature and location of the communications facilities as to which, or the place where, authority to intercept is granted;

(c) particular description of the type of communication sought to be intercepted, and a statement of the particular offense to which it relates;

(d) the identity of the agency authorized to intercept the communications, and the person authorizing the application; and

(e) the period of time during which such interception is authorized, including a statement as to whether or not the interception shall automatically terminate when the described communication has been first obtained.

[2] Section 2517(5) is the statute pursuant to which the order was signed. It provides as follows:

(5) When an investigative or law enforcement officer, while engaged in intercepting wire or oral communications in the manner authorized herein, intercepts wire or oral communications relating to offenses other than those specified in the order of authorization or approval, the contents thereof, and evidence derived therefrom, may be disclosed or used as provided in subsections (1) and (2) of this section. Such contents and any evidence derived therefrom may be used under subsection (3) of this section when authorized or approved by a judge of competent jurisdiction where such judge finds on subsequent application that the contents were otherwise intercepted in accordance with the provisions of this chapter. Such application shall be made as soon as practicable.

[3] 18 U.S.C. §§ 2510–20.

[4] 48 Stat. 1103 (1934), *as amended*, 47 U.S.C. § 605. For discussions of the cases decided under section 605 and the Fourth Amendment, see Note, *Wiretapping and Electronic Surveillance—Title III of the Crime Control Act of 1968*, 23 Rutgers L. Rev. 319 n.3 (1969); S. Rep. No. 1097, 90th Cong., 2d Sess., 1968 U.S. Code Cong. & Ad. News 2112, 2153 (1968).

[5] S. Rep. No. 1097, 90th Cong., 2d Sess., 1968 U.S. Code Cong. & Ad. News 2112, 2153 (1968).

[6] President's Commission on Law Enforcement and Administration of Justice, 1967. At about the same time the Supreme Court decided Berger v. New York, 388 U.S. 41 (1967) and Katz v. United States, 389 U.S. 347 (1967).

[7] See Senate Report 1097, 90th Cong., 2 U.S. Code Cong. & Ad. News 2153. Referring to the *Berger* case the Committee report declared at pages 2161, 2162:

During the course of the majority opinion the Court delineated the following constitutional standards the New York statute failed to meet:

(1) Particularity in describing the place to be searched and the person or thing to be seized.

(2) Particularity in describing the crime that has been, is being, or is about to be committed.

(3) Particularity in describing the type of conversation sought.

(4) Limitations on the officer executing the eavesdrop order which would (a) prevent his searching unauthorized areas, and (b) prevent further searching once the property sought is found.

(5) Probable cause in seeking to renew the eavesdrop order.

(6) Dispatch in executing the eavesdrop order.

(7) Requirement that the executing officer make a return on the eavesdrop order showing what was seized.

(8) A showing of exigent circumstances in order to overcome the defect of not giving prior notice.

[8] Linzer, *Federal Procedure for Court Ordered Electronic Surveillance: Does it Meet the Standards of Berger and Katz?* 60 J. Crim. L.C. & P.S. 203 (1969); Spritzer, *Electronic Surveillance by Leave of the Magistrate: The Case in Opposition*, 118 U. Pa. L. Rev. 169 (1969); Schwartz, *The Legitimation of Electronic Eavesdropping: The Politics of "Law and Order,"* 67 Mich. L. Rev. 455 (1969); Note, *Wiretapping and Electronic Surveillance—Title III of the Crime Control Act of 1968*, 23 Rutgers L. Rev. 319 (1969); Note, 3 Valparaiso U.L. Rev. 89 (1968) (specifically suggesting that § 2517(5) of Title III may be unconstitutional).

[9] See the famous case of Entick v. Carrington, 19 How. St. Tr. 1029, 1066 (1765). Blackstone's Commentaries Defining Eavesdropping. See, also, Boyd v. United States, 116 U.S. 616, 626, 627 (1886).

[10] Two Judges of the United States District Court for the Southern District of Florida have held that the plain view doctrine applies to electronic searches under Title III and hence that § 2517(5) thereof is constitutionally valid. United States v. Sklaroff, 323 F. Supp. 296, 307 (S.D. Fla. 1971) (Cabot J.); United States v. Escandar, 319 F. Supp 295, 300–01 (S.D. Fla. 1970) (Mehrtens, J.). In the Sklaroff case, Judge Cabot wrote:

It is settled law in search and seizure cases that certain items not named in the search warrant may be seized if discovered in the course of a lawful search. (Citations omitted.) By analogy, the same rule should apply to conversations, which are "seizures" under the *Katz* case. 18 U.S.C. § 2517 provides that, when approved by a judge of competent jurisdiction, intercepted conversations relating to other crimes may be used as evidence or divulged, provided the original interception itself was authorized by a lawful court order. This is only a restatement of existing case law, adapted to fit the electronic surveillance situation.

[11] Which has never been overruled.

[12] See Aron v. United States, 382 F.2d 965 (8th Cir. 1967), and United States v. Eisner, 297 F.2d 595 (6th Cir. 1962), wherein the *Harris* doctrine has been applied to searches pursuant to warrant.

[13] In an ancient Year Book case, Chief Justice Bryan said: "The thought of man shall not be tried," "for the devil himself knoweth not the thought of man." Y. B. 7 Edw. IV, f. 2, pl. 2.

Congress was aware of the sensitiveness of the area of search. It said:

The tremendous scientific and technological developments that have taken place in the last century have made possible today the widespread use and abuse of electronic surveillance techniques. As a result of these developments, privacy of communication is seriously jeopardized by these techniques of surveillance. Commercial and employer-labor espionage is becoming widespread. It is becoming increasingly difficult to conduct business meetings in private. Trade secrets are betrayed. Labor and management plans are revealed. No longer is it possible, in short, for each man to retreat into his home and be left alone. Every spoken word relating to each man's personal, marital, religious, political, or commercial concerns can be intercepted by an unseen auditor and turned against the speaker to the auditor's advantage.. S. Rep. No. 1097, 90th Cong., 2d Sess., 1968 U.S. Code Cong. & Ad. News 2112, 2154 (1968).

[14] In tailoring an authorization the judge might well require, for example, early and frequent reports in writing by the officer as to the nature and character of the interceptions, whereby further specific orders could be imposed.

[15] *Cf.* Krulewitch v. United States, 336 U.S. 440, 443–55 (1949) and Wong Sun v. United States, 371 U.S. 471, 490 (1963). *See also* the extensive Note, *Developments in the Law of Conspiracy*, 72 Harv. L. Rev. 920, 983–986 (1959).

[16] Campbell v. United States, 415 F.2d 356 (6th Cir. 1969); Howell v. United States, 300 F. Supp. 1017 (N.D. Ill. 1969). *Compare* Evans v. Dutton, 400 F.2d 826 (5th Cir. 1968).

[17] *See also* Mathews v. United States, 217 F.2d 409, 418 (5th Cir. 1954).

[18] Defendant-appellant explicitly does not argue that the prosecution failed to make out a prima facie case on the question of identity sufficient for submission of the question to the jury.

THE FOREIGN SERVICE AND MURRAY SMITH III

Mr. CASE. Mr. President, there appeared in the September and November editions of the Washingtonian two articles about the case of Foreign Service Officer Murray C. Smith III. The author of the articles was Tom Dowling, a former Foreign Service officer.

Some serious questions about personnel practices within the State Department were raised by Mr. Dowling. I, therefore, felt it would be only fair for State to have an opportunity to rebut Mr. Dowling's articles. On November 9, I wrote to Secretary Rogers asking for his comments. His Department sent me a long reply on November 24.

Murray Smith's name can now be added to the long list of controversial personnel cases within the State Department. The outcry resulting from some of these cases was one factor which led to a thorough internal reexamination of State's personnel practices, and unquestionably progress has been made. However, I still believe that legislation is necessary to establish a formal grievance procedure in the State Department. That is why I am a cosponsor of the Bayh, Cooper, Humphrey, Scott bill which would establish such a grievance mechanism, and which I hope will soon be passed.

Mr. President, I ask unanimous consent that there be included in the RECORD my letter to the Secretary of State, the September and November articles from the Washingtonian, the State Department's reply to my letter, Deputy Under Secretary Macomber's letter to the Washingtonian, and a Department of State notice of November 11, 1971.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NOVEMBER 9, 1971.

Hon. WILLIAM P. ROGERS,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: In the September and November editions of the Washingtonian appear articles on the case of Murray C. Smith III, presently a Foreign Service Officer.

As you know, I am deeply interested in the matter of grievances in the Foreign Service. I should be happy, therefore, if the Department has any comments it would like to make on these two articles When I receive them, it is my intention to ask that both the articles and the Department's responses be printed in the Congressional Record.

Very truly yours,

CLIFFORD P. CASE,
U.S. Senator.

[From the Washingtonian, September 1971]

THE PERSECUTION AND SELECTION OUT OF MURRAY SMITH III AS PERFORMED BY THE PERSONNEL SYSTEM OF THE FOREIGN SERVICE

(By Tom Dowling)

The memories still come back with regularity, those hot flashes in the soul that speak of seven years of my youth spent in the Foreign Service.

I arrived in Washington to be sworn in on a balmy fall day in 1961, full of hope, goodwill, even a large streak of self-importance. It was my first job and I came in a pair of black pointed shoes, a brown glen-plaid suit, and a somewhat daring block-print tie—all selected by a salesman at Lafayette, Indiana's leading men's store, with a view to quietly suggesting my new image as a diplomatic personage.

Up on the eleventh floor of the USIA building, I met my classmates for the first time. One said he had discovered that Foreign Service Officers of our grade merited the same military courtesy afforded lieutenants (jg) in the Navy. I forget now how many guns were to be assembled for the salute should our duties entail an official call on a naval vessel. At the time the impending honor from the fleet seemed a flattering, possibly even appropriate prospect. Clearly, the Foreign Service was no ordinary enterprise and such tributes could be gladly borne.

In due course, Edward R. Murrow walked toward the front of the room, drawing at his cigarette as if facing some ghastly ordeal. He delivered the usual valedictorian thoughts about the challenge ahead, all couched in the cadenced bombast of a high Kennedy Administration official. Such efforts were, of course, small beer for Murrow, who could hardly be expected to compose a fresh set of cliches for the occasion. We were, he said, a diverse group—men, women, blacks, whites, from different regions and backgrounds. More than that, he went on, struggling to break out of a line of thought that even he seemed to find oppressive, our education and work experiences were so rich with variety. Here he seemed to sigh, as if sensing that fresh material, a personal note was at hand. We harbored in our number, he said, a Ph.D. candidate, a film director, newspapermen, even a boilermaker. He produced the word as if it were a deeply held puff of smoke. It later turned out that the boilermaker was a Dartmouth graduate who had worked one summer as an apprentice in a boilermaker factory.

At the time I honored Murrow for his stand against Senator Joseph McCarthy and felt that even the elliptical pronouncements that characterized his waning days as a broadcaster were nonetheless, suffused with passion and concern. Now in front of this roomful of foreign service beginners, he seemed a man going through the motions, bored, dispirited, even hollow. I felt my first doubt about the Foreign Service, but, on the other hand, there were twenty-one-gun salutes to experience, the romance of travel, the glamor of hobnobbing with foreign dignitaries, even, God help me, a belief in the perfectability of American purpose under the Kennedys.

Murrow slouched out of the room, lighting up for his next ordeal, and we were whisked off to another building, where for several hours a man with a plastic frown and a nasal voice explained how to operate a special combination lock we would one day use in

the field to secure "classified material." It was stressed that failure to keep this material "secure" could result in a reprimand placed in our personnel dossier, could even be cause for "selection out"—a euphemism for being fired and a phrase that was to be repeated almost endlessly throughout my nine-month training period in Washington. Later our group was hauled off to the State Department for a full-dress lecture on security given by a whole team of locksmiths, bugging experts, and the like. Enemy microphones apparently were everywhere, Czech and Polish sexpots offered their favors at the drop of a hat on the off chance of striking up a conversation on NATO troop movements in moments of post-coital tenderness. One man described with great relish a large plastic box he was assigned to cart to Moscow during the projected Eisenhower visit that was scotched after the U-2 affair. The idea of this contraption was that Ike, his advisors, and the embassy staff would retreat into the plastic box at the end of the day to shoot the breeze in total security. Even the devilish Russians would have trouble bugging a transparent box, the man explained. As we left the room a pink-faced official took us aside and confided that the Soviet embassy in Washington would gladly pay any of us $100,000 for an account of this super-sensitive briefing.

With deliberation and candor the whole Foreign Service ethos was laid out. The trainees were told exactly what was expected of them, what life overseas entailed, how the Foreign Service bureaucracy rewarded and punished its "officers." Only a simpleton could have claimed to have been sold a false bill of goods. Every demeaning and emasculating aspect of the system was explained in detail, boasted about, and illustrated with a host of cheerful masochistic anecdotes.

The Foreign Service was a twenty-four-hour-a-day job. Family life was important but its more excessive demands would clearly have to be curtailed. A dutiful wife could make an officer's career, a homebody could break it. The boat was never to be rocked; safety and wisdom dictated that the officer and his wife be obedient to the whims of superiors, blandly polite to foreigners, available for every social occasion where "contacts" were forged.

A regular feature of Washington training was exposure to a pair of training officers named Vetter and Conroy who played the role of querulous foreigners. The hapless trainee was called to the front of the classroom and told to assume the part of a Foreign Service Officer, while Vetter or Conroy played the role of a snarling student in Calcutta or an obnoxious journalist in Stockholm. The trainee was supposed to provide deft and decorous rejoinders to the barrage of abusive questions that seemed to spring so naturally to the lips of Conroy and Vetter. The lesson was indelible: Never give offense, learn to live with humiliation. You weren't really surrendering any essential part of your nature, because anointment as a Foreign Service Officer meant you were an elitist, *la creme de la creme*, a person superior to the foreigners you would be dealing with.

To a shameful degree I really wanted to believe it, I suppose. How else to explain a seven year career that provided regular glimpses of the pomposity and brutality burbling beneath the crust of bland politeness? Like the night, early on in training, when my wife came back from an evening briefing on the role of the Foreign Service wife conducted by a middle-aged USIA officer named Naomi Huber, whose sumptuous apartment was tastefully decorated with the art and bric-a-brac that proclaim a well-traveled diplomat. Support your husband, Miss Huber told the girls, his survival depends on a bright and gregarious helpmate. "Never let him go out alone," she said by way of an easily retainable maxim. "The family life comes first, but. . . ." She went on to explain that children with temperatures "below 101" were insufficient excuse for bowing out of a social obligation, however unimportant. She told of a newlywed who had given an official dinner party at some post, and when the meal of roast chicken from the commissary was unveiled at the dining room table it was discovered the girl had neglected to remove the liver, heart, and gizzard from the paper wrapper inside the chicken. Of course, Miss Huber told the girls, the woman was very charming in apologizing for her oversight to the guests. "But," she added, holding up an admonishing finger, "just one mistake, one mistake is all you are allowed."

It turned out that Miss Huber was a most truthful person.

Perhaps I was too close then to perceive the obvious pattern of carrot and stick that shapes the Foreign Service ethos. It was the old police ruse of a friendly interrogator and a nasty one. On the one hand, we were regularly told we were an elite corps of superior people. As Deputy Undersecretary of State for Administration William Macomber told me recently, "Eight thousand people take our exam and only a hundred are finally accepted." Yes, we were an intellectual elite, a personable lot to boot since we had all passed an oral exam. More than that we were psychologically stable since in those days we were also obliged to undergo a barrage of psychological tests and psychiatric interviews. We would be dealing with the war and peace issues of foreign policy. All matter of profound information stamped "Top Secret" was ours to peruse. Naturally, what we were doing was significant; why bagmen from the Russian Embassy lurked on streetcorners to exchange $100,000 in unmarked bills for the chance to debrief us.

Yet, because the Foreign Service was so highly competitive, it had to be understood that middling men were to be ruthlessly weeded out. The purity of the corps could not be tainted by men or women who worked at a merely adequate level. We were a corps of elitists perpetually menaced by the threat of "selection out." Arrogance and fear lived in the same body. And as the years elapsed another paradox surfaced. We were forcefully reminded that brilliant as we were we had no salable skills in the U.S. job market. Oh, we could speak Thai and Hausa, we had first-hand exposure to the sexual mores of Lao villagers, we had studied the economic penetration of the Communist bloc in Azerbaijan. These were weighty and highly professional qualifications, but . . .

"Selection out" was not only an emotional disgrace, but a gripping economic fear as well. "What else can I do for a living?" "Who would want to hire me?" The longer I was in the Foreign Service, the more fearsome those questions became, the more frequently they were posed by colleagues. And the longer you were in, the longer the shadow of "selection out."

The Foreign Service selected you out for cause and it selected you out for incompetence based on two successive years in which your efficiency was judged to be in the bottom 5 percent of your class. The State Department also had a clause that permitted officers to be "selected out" for remaining too long in grade, even if their work was average or above average. Though the clause had been in force for a number of years, it was not effectively enforced until the mid 1960's when budgetary restrictions and balance of payments problems forced a deep and continuing retrenchment of American Foreign Service personnel abroad. Selection out of officers in their forties, men often a year or two short of pension eligibility, suddenly became a factor to contend with. It was like a silicone injection of fear in a body that was already swollen with doubts.

William Crockett, who was the State Department's chief administrative figure during the mid-1960's, was fond of boasting that a selected-out Foreign Service Officer was a prime candidate for a key position in the private sector. The competition in the Foreign Service was so intense, he argued, that only men of unwavering brilliance could survive. Though Crockett himself ultimately wangled a lofty position with IBM, the reality at lower levels argued that captain of industry were not clamorously queueing up to hire Foreign Service rejects.

The reasons ran deeper than the obvious fact that the Foreign Service experience had relatively little application to other professions. For the Foreign Service lifestyle was so confining that only a few could endure it without crippling scars. On the most immediate personal level an officer had no control over his destiny. The Foreign Service dictated where he would serve, who his friends would be, what subjects he could talk about, how much time he could spend with his wife and children. A 101-degree fever in the family was a permissible loophole, but not one to be used lightly. Over the years, the Foreign Service Officer finds himself ceding his personal life, his morality, his relationship with his wife and children to his job. Such are the wages of the fear of not being promoted. Seemingly harmless asides in an efficiency report that "the officer's wife seems to center her interest in the family" or "the officer has a tendency to regard his off-duty personal life as his own" are code phrases used to identify misfits to the promotion panel. This body, summoned annually like a council of state in Bourbon France, operates in an atmosphere of almost mystical isolation, dispensing its rewards in a manner that is beyond challenge or redress. In effect, it merely formalizes the decision already marked out by the rating system.

The mystique surrounding the Foreign Service promotion list seems to me to have an even deeper function. Foreign Service promotions are notoriously stingy when contrasted with the civil service. In a morale sense, it simply would not do to issue promotions in a bland, off-handed manner. Too many people would wonder why so few were being promoted, why a five-year period is not uncommon for the jump from FSO–5 to FSO–4—the civil service equivalent of the promotion from GS–12 to GS–13. No, the Foreign Service issues its promotions with a fluorish of trumpets and an avalanche of incestuous congratulatory mail in order to affirm its special status as a highly competitive profession where only the brilliant are honored.

That is the myth. To a degree it is true. The Foreign Service is staffed with an unusually high percentage of intelligent and personable people. The actual work performed, however, by and large requires no dazzling brilliance. Much of it, indeed, has a strong clerical flavor. In a large embassy there are Foreign Service Officers in charge of the motor pool, the issuance of government furniture—functions that are blue-collar jobs in America. In effect, local employees run all of these operations anyway, with an efficiency or venality beyond the control of their American supervisor. Political reporting is the *sine qua non* of the foreign service, and while much of it is solid and reliable, albeit written in a style that is so oblique and ponderous as to be inscrutable to the layman, the widely recognized truth is that very little political reporting is read by anyone. At bottom this stuff is as circulatory and sterile as a tapeworm conducting a love affair with itself. It comes down to the fact that from the perspective of the White House there are relatively few happenings of political importance going on in the world.

Sad to say, the American ambassador is as much a victim of this reality as his lowliest political officer. I served overseas in Pakistan and Iran, both class "A" missions with huge Foreign Service contingents. Politically, there was no need for Washington to seriously concern itself with the views of problems of either Ambassador Walter McConaughy in Pakistan or Ambassador Julius Holmes in Iran. Neither had any measurable White House influence, neither dealt with issues or problems that had much claim to serious attention in U.S. councils of state. Both men headed a vast American overseas empire, yet neither had anyone of importance to take him seriously—except for Ayub Khan and the Shah of Iran.

It is perhaps in the nature of American business that every organization man must have someone of a higher rank to report to and from whom approbation is granted. Ayub and the Shah were there to fill the vacuum. In Karachi, McConaughy was noted for his reluctance to raise any matter of less than vital American interest with Ayub for fear of dissipating his goodwill and influence.

I wish I could say the Foreign Service structure has no large bearing beyond the few thousand individuals directly involved. Unhappily, that is not the case. As I write Ayub Khan's successor, General Yahya Khan, is carrying out a campaign of genocide with distinct racial overtones in the province of East Pakistan, whose Bengali population represents a majority within the entire nation. American policy calls for the continued supply of economic and military assistance to the West Pakistani regime. To do otherwise, we are told, is to destroy our "leverage" with Yahya Khan.

Yes, those Foreign Service memories are persistent. The specter of McConaughy's excuses to avoid ruffling his serene relationship with Ayub Khan is still with me. To what degree is our current talk of "leverage" the product of our present ambassador's instinctive distaste for enduring a stormy personal session with the doubtless respectful Yahya Khan? There are always two plausible sides to every issue and an ambassador has no trouble manufacturing policy arguments that conform to the comforts of his personal situation. Ambassadors call it "leverage" and are reluctant to "expend the capital of their goodwill." You wonder what the 7 million Pakistani refugees in India call it, whether the people who starved in Biafra appreciate the "leverage" we have been able to maintain with the Nigerian government.

And, of course, in grim contrast to the Bengali and Biafran situations where we were inclined to do nothing, there is Vietnam, where we were inclined to do everything. On the face of it, seeking involvement and eschewing it both seem to contribute to genocide. In terms of the quantity of human suffering, Bangla Desh and Biafra exceed Vietnam. The difference is that by intervention we have suffered ourselves as a nation and have slaughtered other people.

The point of Bangla Desh and Biafra was that, tragically, they were not issues large enough to occupy the concerns of the White House. Hence, they were handled by the State Department, which elected to do nothing in the interest of preserving future "leverage." Vietnam, on the other hand, became so large that the issue was transferred to the White House, which elected to do everything in the interest of a solution. And the reason the big problems go to the White House and stay there is that no President since Kennedy has had the slightest confidence in the State Department. How could they when even the most cursory glimpse reveals a system that is at once supercilious and reckless? How can you make a system responsive that is run by men whose overwhelming instinct is to do nothing for fear of injuring their career? "Just one mistake," as Naomi Huber warned so eloquently.

The tragedy of the Kennedy people, who in effect controlled American foreign policy until 1968, was that they measured their own self-assurance, the Byronic notion of their own "toughness" against the waffling code of conformity that dominated their established foreign policy mechanism. Naturally, the Kennedy intellectuals had to feel smug, even euphoric, when they measured themselves against such fudgy weaklings. The upshot was that checks and balances in foreign affairs vanished, to be replaced by one act of White House recklessness after another.

Much has been written of late about the White House's usurpation of Congressional power in the realm of foreign policy. A peccadillo in the order of things when compared to the White House usurpation of the power of the foreign affairs bureaucracy. A dysfunctional State Department, after all, has no constituency to compel the White House and the Congress to take remedial action. Hence, it has taken the country the better part of a decade to grasp the full dimension of the Vietnam apocalypse.

To what degree could a strong and decisive State Department have circumvented or tempered the excesses of Democratic foreign policy in the decade of the 1960's? All that can be said is that the whole foreign affairs bureaucracy was floundering and unused throughout that critical period. To this day it remains as calcified and ignored as ever, its most noticeable burst of recent energy having been released in the massive Macomber Report, a sweeping *mea culpa* compiled by a host of Foreign Service Officer task forces. The report officially sanctions 505 "reforms" that would lead the department into a creative and effective diplomacy for the 1970's. "Can you imagine General Motors sending a report to their stockholders, owning up to 505 managerial blunders over the years?" asks a senior Foreign Service Officer. "Why the whole top management would be removed from office. At the State Department they're either retained or promoted."

Five hundred and five reforms? The bureaucratic precision of the figure conjures up some Kafkaesque vision, set in a time span of infinity, where a whole nation is mobilized to tally up its flaws and arrive at a perfect number. Generations come and go as one group of bureaucrats adds to the figure while another group subtracts from it, always on the verge of discovering the one number of Pythagorean excellence that will satisfy everyone. In the end, of course, all of the flaws are submerged in the process. So the final answer is *one* flaw feeding upon itself. To eliminate it, by selection out as it were, is to end up with nothing: extinction.

The State Department's 505 reforms boil down to one fatal flaw: The system is inimical to most of the people in it. In time this problem will probably become acute in all bureaucratized organizations in a technological society. Indeed, the general feeling of individual helplessness is already visible in most large American institutions. The Foreign Service is especially vulnerable because unlike most other professions it has traditionally operated with no internal protections for its membership and very little scope for lateral mobility. The system with its arbitrary control over the minutia of its members' private lives, its efficiency reports, promotion boards, and insistence on obedience and the privilege of rank is deliberately modeled on the military. But it lacks the grievance and due process features of military life. "We have always been a paternalistic organization," says William Macomber. For various reasons, budgetary and otherwise, Big Daddy has not been especially protective toward his offspring of late. Until recently there was no recourse from "selection out" for time in grade. "Can you imagine any other brain profession saying to its members, 'If you're not making $20,000 a year by the time you're forty-two you're thrown out of the profession'?" asks a Foreign Service Officer. And this is precisely what has happened in the past five or six years as the Foreign Service has enforced its "selection out" rule when capable officers fail to be promoted within the allotted time. According to Bernard Wiesman, a union lesder at USIA, "The number of State Department selections out for time in grade in the five years between 1958 through 1962 averaged about twenty a year. Then when William Crockett took over the State Department's administration he found he had an overstaffed Foreign Service and in the years around 1963 and 1964 he selected out about 200 a year. He used to talk about the Department only selecting out 100 a year averaged over a five-year period. He arrived at that figure by averaging two years at 200 a year and three years at 20 a year. Then you had the rest of the top brass at the State Department thumping its chest and saying, 'We went through the selection out process too, when in fact they didnt. Oh, people were subject to selection out in the past, all right. It just wasn't enforced very much." Added to increased selection out for time in grade was the selection out of the lowest 5 percent of officers in each grade. As Wiesman points out, "If you select out the bottom 5 percent every year for a number of years you're ultimately going to start hitting some capable people."

And, inevitably, professional men whose work was adequate or even above average found themselves on the street for lack of a promotion or a rather arbitrary placement in the lower 5 percent. Many of these employees were not eligible for pensions, even though they had put in twenty years service and more.

The business world may operate with similar ruthlessness. But there still remains a crucial difference, since the professional accountant or engineer theoretically can find another job in his field. The diplomat, on the other hand, is steadily conditioned to regard himself as an elitist whose skills are useless in any other context. There is a certain schizophrenia inherent in a professional who views himself as both brilliant and unemployable elsewhere.

Not surprisingly, the bulk of the 505 "reforms" listed in the Macomber Report deal with personnel matters. What seems incredible is that the Foreign Service expects to be complimented for disclosing its own ineptitude in such withering detail. Only zealots and paranoids seriously expect to achieve apotheosis simply by recantation.

The breakdown admitted in the Macomber Report runs deeper than organizational lapses and personnel injustices. Implied as well is an ideological malaise, a deepening doubt over the politics that govern foreign policy. And the mix of this devil's brew has bubbled over into public view. By the rigid and antiquated standards of loyalty that shape the upper echelons of the Foreign Service, the lower and middle level minions are in revolt. Thus, we have the specter of some 200 Foreign Service signatories to the Cambodian petition and the unanimous protest to U.S. policy in Pakistan signed by the Consulate General staff in Dacca. The process has created a number of instant heroes, self-proclaimed and otherwise. So the press has given us Paul Kattenburg, the department's chief Vietnamese specialist in the early 1960's, whose Cassandra-like warnings on Vietnam went unheeded. For his advice, the department rewarded him with a long series of graveyard assignments. We have Alison Palmer, a middle-grade female officer the department has admitted discriminating against on the basis of her sex. After admitting its guilt, the department is seeking to make amends by urging Miss Palmer not to insist on including in her personnel file the department's own corroboration of her complaint.

It would be easy to characterize the man-

agerial mentality of the State Department as worthy of some nineteenth century Manchester mill-lord, except that the men in charge are earnest, humane, well-intentioned. So for that matter are most of the workers in revolt below them. The American Foreign Service Association, the largest foreign affairs employee group, was for years a mild-mannered social and professional organization. Recent scandalous events have forced it to assume a faintly militant role, to the degree that it now resembles a polite company union, with its officers largely drawn from top management. If my own conversations with AFSA officialdom are any guide, the organization seems to share the basic viewpoint of William Macomber.

Macomber, a Republican who has been a top State Department official since he served as an aide to John Foster Dulles, is the kind of man who seems perpetually on the verge of tears, so great is his concern for "reform" in implementing those 505 recommendations that bear his name. He leans forward on the edge of his chair, squinting, the muscles in his face clenched in sincerity, and speaks openly of the State Department "frustrating" the will of Presidents, of the Foreign Service not "measuring up." But, he notes, "we ought to reform the State Department differently." In short, the Foreign Service should reform itself, the changes gradually arrived at by working within the system.

Unfortunately, not all events chose to flow within the elaborate channels of the system. The recent suicide of Charles Thomas, a forty-eight-year-old FSO selected out for time in grade only two years short of pension eligibility, was such an event. Thomas, like so many FSO's, carried a resume of advanced degrees and unusual job experiences. He spent the last two years of his life trying in vain to find another job and finally took his own life, apparently thinking that his widow would qualify for his full pension. She didn't and instead has now been given a job in the State Department, where she is said to be campaigning to have her husband promoted posthumously to ambassador. Needless to say, there is no act that removes a man further from the "system" than suicide. Needless to say too the results of the Thomas affair were electrifying. Legislation for the establishment of a grievance procedure has been introduced in the Senate by Birch Bayh, a liberal, and in the House by John Ashbrook, a conservative. Within a month after the press took up the Thomas suicide, the State Department issued a new regulation—whose principle had been in effect before the Thomas suicide, according to Macomber—that will allow FSO's to at least reach retirement age before they are selected out for time in grade. It is hard to resist the notion that Thomas' suicide was not the central catalyst for "reform," that, indeed, his death has set in motion irresistible forces not to the Department's liking. The Bayh and Ashbrook bills are perhaps only the tip of the iceberg in this respect. For violence and cataclysm alter institutions more certainly than does "reform from within."

Privately, State Department officers and even Congressional legislative aides who have studied Thomas' personnel file will tell you that he wasn't a really "distinguished" or "outstanding" Foreign Service Officer. Thomas' supporters will tell you that he was a "brilliant" FSO, a man urged on the department for selection to the National War College, an officer of the highest probity and accomplishment whose career was doomed as a result of persistent bureaucratic bungling that misplaced key documents that would have certainly ensured his promotion.

But Thomas' brilliance or his lack of it is an irrelevancy. Is management any the less culpable if Thomas were a middling officer? It seems to me that Thomas' suicide may have grown out of the expectation of brilliance that the Foreign Service inculcates in its members. Thomas had spent eighteen years of his life laboring in a system that indoctrinated him with an elitist notion of superiority. The final rejection had to be shattering, whether he was brilliant or merely adequate. Indeed, the 2,000 job letters he was said to have mailed off, those resumes so superficially rich in achievement, seem to me to argue a man shorn of his confidence, unable to face his present, equipped only with a broken faith in the "brilliance" of his past.

So, in the end the Thomas affair has pathos, the Kattenburg affair has the momentousness of crucial advice untaken, the Palmer case the timeliness of women's rights in conflict with a bumbling cardboard bureaucracy. On one level or another, all of these cases point to many of those 505 reforms.

But they do not seem to speak directly to the one fundamental misconception that has dogged our foreign policy since the end of World War II: the assumption of the need for "brilliance" in the international context of power. Most of the external problems in the world are beyond "brilliant" solutions. Certainly, they are beyond "brilliant" solutions imposed from Washington. Yet, the brilliancy of our solutions are only challenged, are only accountable when the situation becomes unrelievedly grave and even hopeless, as in the case of Vietnam. So brilliance, whether it fails spectacularly or not, is an illusion. For it is based in arrogance, which in its final, unchecked course leads to a failure so absolute that it obliterates the successes, if any, that came before. You can only play double-or-nothing in a card game, and with unlimited resources at that.

It was not the Foreign Service's notion of personal and institutional arrogance the Kennedy men objected to. They shared that quality in spades. It was the Foreign Service's fear and timidity—promotion oriented—that led to indecision and drift. The Macomber Report seeks to correct all this. One is filled with trepidation if they succeed and neglect to deal with the one great flaw that rests at the heart of the matter: that elitist notion that is so at variance with our nation's first principles.

All of this is prologue to a story I began to investigate a month ago that has led me into issues much more perplexing than I originally bargained for, a story that has led me to brood over my own experiences in the Foreign Service in an attempt to understand what has happened to Murray C. Smith III, who after a nine-year career is being terminated at the State Department through selection out for time in grade. At thirty-two he is a few years younger than I. Like me, Smith spent two years of his Foreign Service career at the American Consulate in Tabriz, Iran, something of a diplomatic backwash.

Smith's case—much more than Palmer, the feminist curmudgeon, Kattenburg, the ignored senior official, Thomas, the tragic victim—seems to go to the heart of the matter of the fallacy of brilliance. In the case of Thomas, the wrongs done him are so clear cut that the State Department has no recourse but to admit its own errors. Smith's fate rallies no internal State Department or Congressional support. For he is both a better and a worse figure than the narrow code of brilliance allows for. He has attacked the system and has been persecuted by it. He has summoned up the department's petty and honorable sides alike. And in understanding why he has gone beyond the system, it is possible to see the limits of brilliance—why that code has served the State Department so poorly and the nation so tragically.

I first heard of Murray Smith because he and a Peace Corps friend were circulating a petition within the American community in Iran calling for American withdrawal from Southeast Asia. This was back in November 1969, some six months before the Cambodian invasion, which gave birth to that first widely reported antiwar petition in the State Department. Predictably, Smith's effort in Iran caused considerable rumbling, if not horror, at the American Embassy in Tehran. Indeed, I was to learn several months later from sources in the State Department that the newly arrived American ambassador to Iran, Douglas MacArthur II, was urgently cabling the State Department to demand Smith's recall as a menace to Persian-American relations. As a matter of common practice, the removal of any official American from a foreign nation is a matter of ambassadorial discretion. On the face of it, it seemed strange that MacArthur did not exercise his prerogative, instead of badgering the department with a stream of petulant cables.

As it turned out, there was a reason. Smith, it developed, had already acquired a reputation as a political dissident during an earlier Washington tour. In May of 1968 an organization called Federal Employees Against the War in Vietnam had taken out a signed ad in the *Evening Star* calling for an end to the war. There were several hundred signatories, including a few from AID and at least one from the CIA. Murray Smith was the only State Department Foreign Service Officer to sign the published petition. The bureaucracy moved against him with dispatch. In a classified letter of May 31, 1968, Ambassador John Steeves, then Director General of the Foreign Service, told Smith his petition signature had violated department regulations and said the incident would be included in his personnel folder. This seemingly mild threat is the Foreign Service equivalent of an invitation to "take a ride" from a Mafia chieftan. The Steeves letter was classified "Limited Official Use" and legally speaking Smith's decision to show the letter to legal counsel or anyone without a government security clearance would be a security breach, which might also be entered in his personnel folder.

Smith is a man devoted to the spirit of ideas. Intellectually, he is exceptionally dogged about following an idea to its conclusion. So it struck him as improper to file the letter away in a State Department security cabinet since there was no subject heading waiting for it. Similarly, it struck him as incorrect to leave a classified document at home, where it might be read by any casual visitor without security clearance. He decided to carry it around in his coat pocket.

Smith is also the sort of man against whom details tend to conspire. Naturally, the letter dropped out of his pocket and was subsequently blown down Twenty-third Street, where a State Department employee found it on the way to work, saw it was classified, and returned it to the office of Ambassador Steeves. Smith's next interview with Steeves, a florid faced man with a British brush moustache, was not a pleasant one. "He kept calling me 'impudent,'" Smith says. But perhaps it prepared him for many a stormy session ahead.

The root force of Smith's character is a deep, uncompromising idealism. He describes his parents as both being the same way. His mother is a health food addict. His father's early career was spent as a gold and tin miner in Alaska, where his own father in turn had emigrated for the Klondike gold rush of 1898. So there is in his background a history of people willing to endure loneliness and even ridicule for what they believed in. The transcendent experience of Smith's early life was his sudden conversion to Unitarianism, that faith of the ethical life. One Saturday over in Arlington back in the early 1950's the Smith family decided to stop being Episcopalians. That Sunday they all became Unitarians. Within a month Smith was president of the church youth group. He stresses this experience, not, I suspect, to point to any great political prowess, but to underscore the capacity for "good" that the experience released in him. "In high school and college I either wanted to go into the ministry or the Foreign Service; those were the places I thought I could influence things for the better."

So given his idealistic bent, his intellectual concern for pressing an idea to its limit, Smith decided to fight the department's decision to put his participation in the anti-war petition ad in his file. "My strongest belief is in individual civil liberties," he says. "When I joined the Foreign Service I took an oath to uphold the Constitution of the United States. The rights of freedom of speech and petition guaranteed under the first amendment are more important than some Department of State regulation." So Smith went to the American Civil Liberties Union and in due course the ACLU filed suit against Dean Rusk in D.C. District Court. Foreign Service Officers have filed suit against Secretaries of State before, but not often. None of them had ever before filed suit against their boss over the right to dissent against a major item of State Department policy.

"Smith? Murray Smith. Yes, I think I remember the name," says the State Department's legal advisor J. Edward Lyerly.

He would have good reason to. Smith's act was astounding enough in the context of the Johnson Administration to have been memorable had the litigant's name been John Doe. And it seems highly unlikely that the State Department was especially anxious to drag many of its senior officials through a lengthy court case involving the Vietnam War during an election year, especially since no action was taken against the other federal employees who signed the petition. Yes, the press might have had some sport with the affair.

So the department agreed to settle the matter out of court by allowing in writing that Smith's activities would not be placed in his personnel file.

However, at the time of Ambassador MacArthur's telegrams urging Smith's recall, a "ghost" personnel file on Smith was maintained in the department and was used to brief senior officials on Smith's background. My source saw the file in question. Macomber and former Director General of the Foreign Service John Burns both express steadfast astonishment at the existence of such files on anyone. In the nature of the bureaucracy they, of course, would be the last ones to know, since even the most obtuse underling is not likely to put his superior in a position of perjuring himself at Congressional testimony. Many disinterested FSO observers, who have nothing to do with the Smith case, express almost chipper confidence in the likelihood of such files being kept on all sorts of people.

J. Edward Lyerly says he has in his possession a litigation file on the Smith case, but adds that it is "tightly held" and has certainly not been checked out by anyone in personnel or administration. As the department's legal advisor for administration, it is not only Lyerly's job to defend his principals in litigation, but to advise them of any irregular activities that might violate regulation or law. He says, "If there is any 'ghost' folder on Smith's ACLU case, my gut reaction would be that that file should be returned to my litigation folder."

I am convinced that such a "ghost" file either exists or existed. Macomber, Lyerly, and AFSA head Bill Harrup were all quick to tell me that if such a folder exists, it would not be made available to a promotion panel. But that is not the point. No one seriously imagines the State Department to be staffed by Iagos who lurk in the corridor outside the room where the promotion panel is convened to slip malicious secret personnel folders under the door.

The point is that the State Department is a small and ferociously inbred organization. Gossip about colleagues, especially one as controversial as Smith, spreads around the world with startling speed. The men who sit in judgment on the promotion of Foreign Service Officers are for the most part senior Foreign Service Officers, fair and honorable men, no doubt, but pillars and defenders of the faith.

So the existence of a ghost file on Smith would not only disregard the spirit of the State Department's agreement with the ACLU, it would also significantly increase the currency of Smith's activities. If the Macomber Report makes anything clear it is that even the most constructive dissenters are penalized in the Foreign Service. Gadflies who threaten to haul Dean Rusk into court are hardly likely to receive a more exalted treatment.

The State Department is now deep in the grips of befuddlement over its own system. Thus it is possible for Bill Macomber to assert in nearly consecutive sentences: "Ours is a marvelous group of people. Our promotion system is stultifying, especially in the middle years. Most make it, but with considerable wear and tear. We have not measured up. Our foreign service is the best in the world."

To give Macomber his due he is not responsible for the present sorry state of the Foreign Service. "I don't want to bad-mouth what my predecessors did three years ago," he says, his face taking on a look at almost excruciating agony, "but they were, well, old-fashioned." No doubt Macomber's stewardship is meant to be enlightened and humane. He points to his insistence, backed by Secretary of State Rogers, that the signatories of the Cambodian petition not be penalized in any way.

So perhaps there will be no victims from the Cambodian affair. Perhaps Macomber saved them. Perhaps Kent State forced the Administration to play a hand not of its own choosing. But that didn't help Smith. His acts, not without a tinge of willful defiance, came at the wrong historical moment. He stood alone.

The State Department's method of overseas assignment is so capricious and irrational that it is difficult to explain a given foreign posting. How can there be only one explanation for a personnel system that regularly takes Arabic speaking economic experts and sends them to the visa office in Santiago, Chile? Perhaps the officer involved has worked a deal with a friend in personnel, perhaps his name has been picked out of a hat, perhaps there has been some bureaucratic mistake, perhaps he has made an enemy who is actively working to sabotage his career.

Nonetheless, when Smith's Washington tour came to a close in mid-1969 he was assigned as an administrative officer to Tabriz. In the words of one associate at the post, "Murray's job was to take care of the guys who watered the consulate lawn." When Smith went to Tabriz he had two years in which to get a promotion or be selected out for time in grade. Moreover, 75 percent of the work in Tabriz is officially listed as administrative, a field in which Smith possessed no background or interest. He was given no administrative training for the job. It is hard to see how he could be expected to function with great efficiency in Tabriz. Indeed, the nature of the work was such that it wouldn't impress a promotion panel even if it were done splendidly. For Smith was to be judged in competition with fellow officers in class 6, many of whom would be rated for work that the State Department would regard as more substantive and conducive to "brilliance."

There is still another suspicious factor in the question. Smith entered the Foreign Service back in 1962 with a view to being a political officer. As a career development device he was officially carried in the State Department's "political cone." Aside from a three-month training stint in the Tehran political section back in 1966—almost four years after he entered the Foreign Service—and a 1967 assignment in the Operations Center where he screened and edited incoming classified material from the field, he had no political assignments. This is hardly an unusual occurrence in State Department personnel practices. What is curious is that Smith was slated for duty in the political section at La Paz, Bolivia, when his Washington tour expired in 1969. Latin America had always been Smith's principal area of interest, dating from his first overseas posting in Juarez, Mexico. Smith believes that his Bolivian assignment was scotched at White House request. Following the resolution of his suit against Dean Rusk, he has been a co-chairman of a Federal Employees group against the ABM. He had also been active in a State Department open forum panel group, where he had invited pro-Castro speakers to take part in a discussion with Cuban refugees. The discussion was not very amicable and Smith claims that as a result of the incident he was summarily relieved of his duties as a member of a touring team of State Department speakers on American policy who lectured to groups of high school students and businessmen. For what it is worth, Mary Anne Parsons, who supervised the speakers, rates Smith as one of the more effective lecturers. She says he was quite scrupulous in eschewing any expression of his own views of American foreign policy.

Whatever the reasons for Smith's removal from the speaking circuit, whatever the explanation for the cancellation of the Bolivian assignment, the fact remains that he was given "twenty-four hours" to accept the Tabriz assignment or get out. He had already spent two years in Iran, liked Persians, and figured he could have some money in Tabriz with its 20 percent hardship allowance and absence of any costly distractions and temptations. Besides, Smith figured he was marked for selection out. He went to Iran, was selected out, and returned to Washington in June with $7,000 in the bank.

Because Smith was obviously a hot potato, Ambassador MacArthur avoided any unilateral move to have him removed from Tabriz, but instead sought the complicity of the department. Nor did the American Embassy in Tehran quite know how to handle Smith in the petition period before MacArthur's arrival, when Nicholas Thacher, now ambassador to Saudi Arabia, was charge d'affaires. Thacher was constantly on the phone to Smith's superior in Tabriz, Consul Tom Greene. The diplomatic pouch, the ordinary route for all personal mail for official Americans in Iran, was closed to Smith's petitions—even though Thacher could not be sure of what was inside Smith's envelopes to other Americans without opening them. When Smith distributed his petition to the Tehran Embassy in person, the embassy administrative office refused to distribute it for several weeks, until outraged staff complaints about censorship of the mails forced a change in policy. Throughout this trying period Smith was perpetually taken to task for showing poor judgment. If so he was not alone. Ultimately seventy-five signatures were collected and forwarded to President Nixon, who in turn forwarded them to the State Department for acknowledgment of their receipt to Smith.

Macomber says, "Smith didn't act to undermine the American position in Iran. I personally did not want to have Murray penalized for his anti-war activities. I would have preferred his thinking up a rational al-

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ternative and submitting it through channels. A Foreign Service Officer shouldn't do things that publicly undermine the President. But we are very concerned with dissent in the department. We want to have policy differences argued out vigorously. Now I took a great deal of personal abuse for not giving out the names of those who signed the Cambodian petition. It was wrong what they did, but I was satisfied they were not acting to undermine the President."

If the spared signatories of the Cambodian petition owe some gratitude to Macomber, they may owe even more to Smith. For surely the precedent established in the settlement of this suit against Rusk applies to the Cambodian signatories as well. If the department promised to take no reprisal against Smith, how could it take reprisals against people who didn't even hire space to insert their names in the newspaper?

The department now has no need for a folder of any sort on Smith. His fate, in any case, always had a certain inevitability to it. As an idealist he was perhaps doomed to disenchantment in these churlish times, though few could argue that the State Department didn't hasten the process. He made his stand too early on, fought with too much intensity. He was naive, inflexible, courageous, remorseless in his pursuit of the "right." He was a man driven to test the outer limits of the system, unyielding in his quest for new causes. Though he was frequently intimidated, and almost always alone, he didn't waver and so in the end he had a pretty good run for his money. He takes satisfaction in what he has done, and can find a meaning in his nine-year State Department career. What more could a man ask? Unlike Charles Thomas, Murray Smith has come through to the other side intact, mildly triumphant. He says, "I don't begrudge what the State Department did to me. The idea of doing something meaningful never once deserted me. I was completely satisfied with the work situation in the Foreign Service. In my whole career I've basically worked an eight-hour day, except for a few periods when the job required overtime. I never wanted to be someone's special assistant. I really never wanted to be an ambassador. It takes too much time away from the family. The family and ideas have always been my life.

In hindsight, it seems only just to be moved by the causes that Smith fought for. To the degree he could, he lent his presence and always some money to the civil rights movements during the 1960's. While he was stationed in Juarez, he gave serious thought to flying to Selma and Washington to march in those two epic events. In matters of the conscience, he was surely something of a pioneer at the State Department. Who in the Foreign Service preceded him in speaking out against the Vietnam War and in defending the rights of the individual? Surely a system ought to be mourned that has no room for such a person.

Foreign Service applicants are asked to write a short autobiographical sketch of themselves. Here, in part is what Smith wrote in his first draft back in 1961: "To me thinking and the intellectual life were and still are the most exciting of all activities. It was during these high school years that I went through a period of idealism. My belief in the powers of forgiveness and truth was very strong; in the intervening years I have modified my views considerably My interests still center around reading. I discovered Thomas Wolfe who expressed my love and exultation for America as no other writer has done." Later he says, "I have traveled back and forth across the United States by bus, Volkswagen, and a 1931 Model A. My companions have been Senators, migrant workers, engineers, a millionaire, construction workers, and even an ex-con or two. I feel that I have seen a large portion of the length and breadth of American life and I have loved every moment of it. I feel that I have been lucky to become so intimately acquainted with the American life and landscape. And I am proud of America."

He ends by writing, "In the first week of my sophomore year here at Penn, I met the most wonderful girl. Within a week I had decided to have her as my wife. I was not disappointed. After a long, intensive courtship all through my sophomore and junior years, we became married on July 16, 1960. My wife, Bunny, is a very whimsical, sophisticated being from a background as European in nature as mine is American. I have never been so happy as I am now married to Bunny."

So one night this summer the author of this youthful panegyric to country, God, and wife sits at the age of thirty-two in the living room of a Chevy Chase brick house. The next day is supposed to be his last eight hours in government service, though he will be told the next morning that the department has decided to extend him for two months with pay while he searches for another job. Emotionally, he is already gone from the bureaucracy. He wears a peace pendant around his neck, his frizzy brownish-red hair is shoulder length, and he wears a moustache that cuts across his cheeks and connects with his sideburns. The eyes are a little vacant, or at least they seldom seem to make any contact with mine. The manner is self-analytical, not without a sense of humor and proportion, but there is also an abstracted, disembodied quality. On the other hand, I have myself been wiped out by cultural shock upon returning to America from Tabriz.

Bunny is a very tall, attractive girl with a gaunt and angular face. She is an organized person who excuses herself to stake some tomato plants and later returns with an armful of sewing. She is polite and proper, an ideal Foreign Service wife on the face of it. There is a melancholy air to her, as if there is some urgent substance inside her that she hasn't had the chance to use. A common enough trait among intelligent Foreign Service wives, who are forced to lead lives of such continual artificiality as to force them into a condition of mental *purdah* even when they're in public. There are two girls, Deirdre, eight, and Lani, six—both lively, clever, and well-behaved.

All families change and the Smiths are no exception. David Aaron, an entering Foreign Service classmate of Smith's, says, "We came in '62. The Kennedy days. You remember: 'Willing to pay any price, shoulder any burden.' Most of our class were progressive, crusading types. Murray was interested in political change, but he was no zealot. To tell you the truth I could have thought of lots of people in my class who would have been more likely to do what Murray has done."

Aaron has now left the Foreign Service and works as a civil servant at the State Department. One of the most devastating insights into the Foreign Service mentality is that many of Murray's FSO friends refuse to discuss their friendship for attribution. As one Foreign Service friend who shares Smith's views on the war put it, "I have a wife and kids and responsibilities. I can't afford to have my career hurt if there's a witch hunt."

Aaron, an employee of the "inferior" civil service, is willing to be quoted about his friendship. He remembers Smith as much heavier back in 1962. "We used to call him 'The Bear.' Yet he was very shy when he spoke. He had a demeanor, a laconic quality about him that didn't fit a firebrand. Murray's basic attitude toward the Foreign Service was like doing volunteer work. He wanted to help, be generous. There aren't a lot of guys who came in with us still left in the Foreign Service. We all went through the same things other Americans have gone through in the last ten years. We've all changed a lot."

Keir Jorgensen, a labor union official in New York, was Smith's best friend in high school. Jorgensen says, "I don't know if Murray's changed so much. Maybe it's the country that's changed. This guy was always an idealist—the disparities of what people do and what they say has always gnawed at him. His main concern was for America. His focus was on America. Yet, he was always a loner, too. There was a remote quality in him, a sense of integrity and never cynicism. I guess you could say that he had an adolescent concern with absolutes, universals, and ultimates and much of that carries over to now. He thinks the war is a crime. And he believes men should declare themselves. The State Department wasn't ready for him. But I'm hopeful for Murray. There's a lot of diversity yet in this country and he'll find the place."

Among the other strong memories that Smith has left with people who knew him ten years ago is his devotion to Bunny, and her devotion to him. They were almost legendary images of young love at the University of Pennsylvania. During their period of courtship they were together every moment of the day, except for those hours in the middle of the night when university regulations demanded that Bunny return to the dorm.

One acquaintance who remembers them as newlyweds at the State Department says, "Bunny seemed very close to Murray, a very tender girl, supportive, almost a clinging vine type. She would say things like, 'Would you still love me if my arm and legs were cut off? It was as if she was groping for the absolute limits of his affection."

No one would ever accuse either of halfway measures, it seems. So in 1962 the couple set off for their first foreign assignment, Juarez, a Mexican bordertown of cheap card games, painted divorcees, and grimy child brothels. The Smiths possessed in abundance the traits of intelligence, patriotism, an ethical sense of the "good" life, and even the ambition to do well. William Hughes, a Texan of down-to-earth ways, intelligence, and a strong sense of social justice, was the Consul General. Smith admired him and felt that if there was room in the Foreign Service for a man like Hughes, there would also be room for him. Smith was assigned to the consular section, a visa mill dealing with hundreds of Mexican immigrants every day and a protection agency forced to rescue a daily host of drunken ranchhands, waylaid divorcees, and mugged tourists. By State Department standards of international *realpolitik*, the consular section in Juarez was a vulgar, if not pedestrian, assignment. Smith, who enjoys helping people, liked the work, its variety and scope for alleviating human misery. His mind, though original and relentless, is not quick. He took a while mastering the job's demands for speed. But by the time he left Juarez two years later he had become an exceptionally proficient worker who held the consulate record for the number of visas issued in a single day.

Inevitably, there were a few flaps. He joined a Unitarian fellowship across the border in Texas and one of the members was a communist. The FBI got wind of Smith's suspicious activities and sent an agent from Mexico City to Juarez to discuss the matter. "The poor guy was torn on whether I should drop out of the fellowship or keep on going in order to spy on the woman," Smith laughs. Knowing Smith, he probably offered up a long disquisition on the essential fallacy of both propositions, with the result that his security file in the State Department is bristling with sinister imprecations on his loyalty.

Then, where most visa officers would just

stamp the damn things in as rapidly as possible, Smith dwelt on the issues involved. He says, "The other people in the visa section, especially my boss, didn't like Mexicans and poor people, so they tried to keep them out of the U.S. I tried to let them all in. I felt that immigration to the U.S. was the only way to keep Mexico from exploding. By closing down the labor flow into the U.S. we'd just build up internal frustrations. I couldn't see it hurting the U.S. Naturally, that just made my boss try harder to keep them out. Then I thought, neither of us are going by the law, so we're both wrong. So I studied the immigration law. The essense of the problem is, are the immigrants who're going over on work permits likely to end up on U.S. welfare? The burden of proof that they're not is on them. I hated to refuse people, but I did. And that got me in trouble with my boss, too. These big Texas ranchers would come in with a bunch of Mexicans and say he was going to hire them for his ranch. I knew they'd all jump the ranch as soon as they could and end up on welfare in some city, where they couldn't find a job. So I wouldn't let them in and the ranchers would get their Congressmen and Senators and even cabinet officers to write letters demanding I let them in. That angered my boss. Hughes backed me to the hilt. But my boss did my efficiency report when Hughes was away from the post, so he couldn't review it." Nonetheless, Smith was promoted from FSO–8 to FSO–7 while in Juarez.

His next assignment was to Tehran in January of 1965. "My job was in the passport office," Smith says, "and while my interest was still in political reporting I was happy in Tehran because the Consul was a man named Walter Burke, a man of great integrity. The fact that there was room in the State Department for a man like Walter Burke made me optimistic about the system."

Smith got one more promotion, shortly after leaving Iran, raising him to the level of FSO–6, but he was behind his class. He says, "The whole time in Tehran I was turning over in my head what my stand on Vietnam was. At the same time I was concerned with American internal politics, especially the civil rights movement. I was so far away from it. In a way I guess I was radicalized by reading. Yet, the hope for America was still there. I had worked one summer as a Senate cop and I'd seen LBJ in operation. He was superb. Totally corrupt, of course, but in an internal sense the best President we've ever had. Yet, all the time I felt sort of alien to people in the embassy. There was no one like me."

Ah, but there were back in the United States, also trying to cope with the war, turning over in their head what to make of that infamous betrayal, that overreaching fallacy of arrogance. Smith's Washington assignment when he returned in early 1967 was in the Operations Center, that faintly pompous terminus of America's classified material.

"I liked the Operations Center," Smith says. "I felt close to the center of power. Of course," he adds, "another thing I learned from editing all the cables for Rusk's and Johnson's reading was that when LBJ said the public didn't know the facts about the Vietnam war, he was absolutely wrong. All of the facts I edited for Rusk and Johnson were in the newspaper." Not all of them. "I used to see CIA messages," Smith says, "that indicated that we had a special sort of arrangement—maybe a treaty—with Russia and Great Britain that indicated we had all agreed that American involvement in Vietnam was meant to contain China. I often thought you could read all of the speeches Rusk used to give denouncing the Chinese Communists as a way of assuring the Soviets of what we were really up to in Vietnam."

While he was in the Operations Center Smith made his decision on Vietnam and flew up to New York to take part in an anti-war rally. Emotionally, that act cut it for him. Though he mentioned it to no one, it was his Rubicon. Shortly thereafter he volunteered as a marshal in the march on the Pentagon. Again he was not yet prepared to go public. He says, "I had to work at the Op Center on Sunday. The march was on Saturday. So I was determined not to get arrested. I didn't want to lose my job. The next day I came in to work with a sunburn. The Pentagon always had some colonels assigned to the Op Center and one of them said to me, 'You play tennis yesterday?' I said, 'No, I marched.' He said, 'Did they call out your reserve unit, too?' I said, 'No, I marched against the war.' He just stared at me for a while. Then he went off to tell everyone."

Security investigations were launched. Smith was even put in the ludicrous *ex post facto* position of having his cryptographic clearance put in limbo while he was in Tabriz, where little, if any, sensitive information is seen. When the investigation began, he, of course, was allowed to edit the super-sensitive daily poop sheets for Rusk.

The truth of the matter is that the Foreign Service is easily stirred by the issue of civil liberties. The McCarthy experience created strength and paranoia in equal measure. Besides, the Foreign Service is made up largely of liberals and progressives. They start that way at least, and while they may cede some issues along the way, they still think of themselves as the people they were when they began their careers. Maybe all of us are that way.

Smith doubtless would have been fired on the spot by most foreign services for an act commensurate with serving as marshal in the Pentagon march. Imagine a Spanish diplomat protesting American bases in Franco Spain, or an Indian foreign service officer marching on the defense ministry in New Delhi to protest its anti-Pakistani policies.

But that is not the issue. The first amendment of the U.S. Constitution is our most basic political document. Its force is deeply felt even though we sometimes act to the contrary. So the issue is not the validity of our archetypal political convictions, but their erosion. Where the right to dissent is concerned the rest of the world is irrelevant. A nation has to judge itself on its adherence to its own first principles.

Ironically, Smith's efficiency report from the Operations Center was the best he ever had. His own view of the matter is that this assignment was his first "political" job, and given his interests in that kind of work he did it well. Apparently, he was put on the promotion list, but budgetary problems, caused by the Vietnam war, significantly reduced the size of the 1969 promotion list.

Those first steps were not easy for Smith. We are not dealing with an Abbie Hoffman or an Eldridge Cleaver here. Smith's demands were large, his mental persistence uncompromising, but he was, nonetheless, a child of the middle class, who longed for security, comfort, and recognition from his peers. At every stage of his progress, he admits to nervousness, fear, even feelings of persecution.

Bunny, who enjoyed the Foreign Service life, who was admired and liked by everyone who knew her along the way, and who is a more flexible and stronger person than Murray, was consulted on some of her husband's decisions along the way, but not all. "Murray's ideas were kept in cocoons and then emerged like butterflies," Bunny says. Yet, he told her of most of the major acts that doomed him. Though she says she likes the Foreign Service life, Bunny says she thinks "fear" was the root trait of the Foreign Service Officer. She says, "I'm proud of Murray for standing up for principles. I think it is wonderful that Murray felt strong enough to do what he did."

"If I had these last ten years to do over I'd like to be able to do all of the same things," Murray says. "All I know is if you feel you should do something, do it. All in all I feel the actions I took were not great, maybe they didn't have an influence, maybe they could have been done better. But I took the action as well as I could when it was asked for. Magazines and newspapers are always criticizing tactics. Well, I'm not very organized, it's true. But I was doing things for the first time. I wasn't a pro."

Yet, he became at the very least a gifted amateur, as he fought the State Department in the press and the courts, and to some immeasurable degree in their conscience. Don't forget that on the larger issue of Vietnam many of his adversaries knew he was right.

During his Washington travails Smith was surrounded by civil servants of similar persuasion in other agencies who admired his politics, his courage, and more than that viewed him as an extraordinary asset for their cause. Up until the Cambodian invasion Smith was the only FSO willing to go public for all of their causes. He was more than a name on a petition, he was a prominent fly the State Department didn't know how to remove from the ointment.

So it is puzzling that Smith, who finally had discovered a community of activists who shared his views, would have gone off to Tabriz, where he was destined to be alone once again. He tried to find another job in the civil service and on Capitol Hill, but without success.

"There's a place for him," said Keir Jorgensen. And, certainly, Smith could have worked in agencies like OEO, HUD, HEW, even the Post Office and have gone unmolested. Though he may be a zealot, he is no fanatic, and has a job history of doing his work in a responsible, even a meticulous way. Probably he was committed to pushing the system to the point where it would eliminate him. Rejection would be his triumph. The State Department was the ideal forum for such an enterprise.

So Smith went off to Tabriz for the showdown. A squat, dusty, brick and adobe city of 300,000 people of a morose and stolid temperament. Its university was once described to me by a newly arrived Fulbright professor of English as "a door in a mud wall." The place has its merits, of course, but life there for an American is incredibly narrow and confined. Smith's boss at the American consulate, Tom Greene, was an old friend from Tehran days. Greene's wife, Margaret, was close to Bunny. The two families' children were playmates and still correspond. Smith and Greene, unlike so many foreign service officers, have a keen scholarly interest in other societies. In their Tehran days they were fond of talking about Persian history. Greene describes Smith as "one of the best informed people I've ever met." Smith calls Greene "the kind of Foreign Service Officer who ought to be an ambassador."

When I first talked to Greene I made a remark about the "strain" the events in Tabriz had put on the friendship. Greene is a somewhat austere, if not stiff, New Englander. We share some good friends and acquaintances, and they speak highly of his qualities. "I still regard Murray as my friend," Greene said, after a pause. There was a hitch of pain in his voice.

Yet, though they are still fond of one another, Smith and Greene cannot be called friends. Their own notions of a higher loyalty have put that relationship behind them. In their different ways both have a certain rigidity of character and circumstances caught the friendship between those two fixed millstones. "I was just a messenger boy for the Embassy," Greene says about the petition incident. The messages in their period together in Tabriz from mid-1969 to mid-1970 were not cheerful. By Smith's request

most of their official dealings were conducted by memorandum.

One of Smith's colleagues in Iran says, "Murray once told me 'I don't like having a boss.' The guy is an idealist and like all people with an ideological view of the world he sees his foes as implacable. He was a man driven in Tabriz. Just not given to practical matters. He became very secretive and he caught poor Tom Greene in uncharted waters. Greene never had a chance. He wasn't even told about Murray's petition. I think maybe Murray wanted the problem to come to a head. In that sense he was using Tom. Like all idealists he felt the issue was more important than the individuals involved. I don't know how you judge a person like Murray. By everyday terms he was insane, but maybe he did some good. He forced Americans to think about the war. You'd hear FSO's in Tehran saying how lousy the war was, and how they wouldn't serve in Vietnam if they were assigned there. Then comes this petition in the mail. He forced people to think and to act. He influenced me. I had to think it out and finally I signed the petition."

When Tom Greene left Tabriz for reassignment in the summer of 1970, Smith saw him off at the airport and said, "Tom, I hope you know that there was nothing personal in what I did." That was the first sentiment that had passed between the two "friends" in some time. It would be the last exchange, as well.

One close observer of Smith's career in Tabriz says, "Murray lowered his guard. He just wouldn't protect himself. His beliefs were so strong that he wouldn't perform his job day to day on a high enough level to protect himself."

Smith admits that. He was throughout his career an average Foreign Service Officer. His work was adequate, sound, acceptably efficient. From 1967 to the present he was forced to spend a great deal of every workday defending himself from threats of reprisal and prosecution. His own nature combined with the weight of the establishment lined up against him to drive him outside the system. The State Department expects brilliance from its officers and gets timidity. In Smith they discovered an officer whose work was only adequate, but who was never less than daring and courageous. So the system got him. He was asking for it. In his core he wanted to be thrown out, because he knew the State Department was the wrong place for him. To be thrown out would affirm his ideals. You have to think back to the person Smith was when he joined the Foreign Service in 1962 and wonder why the State Department couldn't find a place for him, and wonder too if the Foreign Service's search for "brilliance" in particular and in general have not blinded it to other qualities that are perhaps more important in the long run.

In the last efficiency report on Smith that might have won him a promotion, Donald R. Toussaint, the counsellor for political affairs in Tehran, writes that Smith has a "tendency to view his work as an 8:00 to 5:00 job" and "a preference to spend his outside time and energy on nonofficial activities." This piece of pomposity can stand as Smith's official obituary.

At this point Smith is planning to "split" from Bunny and the kids. He will "float" in the United States for awhile, "while still earning $10,000 a year to keep the family going." During the last year in Tabriz he gave up entirely on his career. At thirty-two he is bent on recapturing the youth and idealism so many of us lost to the decade of the 1960's. He wants to relive all that he missed. Bunny sees her life with Murray passing in front of her and recently told him it reminded her of a lifetime spent on research for a term paper that has never been written. Smith, with his characteristic self-honesty, agrees.

Smith is no hero. He has not always behaved wisely or honorably, at least in that final year in Tabriz. The State Department has treated him shabbily and must take some of the credit for Smith's current situation. At this point the Foreign Service is better off without him, though it helped to shape him, to drive him over the edge.

Bill Harrup, who runs AFSA, that employee group that is meant to look after the interests of its Foreign Service membership, listened to my description of Smith's career up to the Tabriz petition. He seemed to find nothing remarkable or even unfortunate in Smith's experiences. Indeed, he repeatedly stressed the fact that Smith was just not a good enough Foreign Service Officer to survive the State Department's highly competitive standards. Once again being an adequate worker was not good enough for the Foreign Service. Only brilliance was acceptable, even though few State Department jobs offer much scope for brilliance. But foreign affairs, like domestic ones, don't lend themselves to brilliant solutions. At best, the Foreign Service can only make educated guesses about events beyond its control. That being so, overreachers are doomed and the unchecked exercise of brilliance leads to tragedy. Smith, like the department he served, was guilty of the sin of intellectual arrogance. Like all zealots, he saw clearly the wages of arrogance in others, but not in himself, which is sad. The Foreign Service too can perceive the arrogance in Smith, but not in itself, which is tragic.

Bill Macomber's seventh floor office is stocked with mementoes from his tour as Ambassador to Jordan—brass trays, inlaid cigarette boxes, a large photo of King Hussein in Bedouin headdress, prints of Middle Eastern desert scenes. I tick off Smith's qualities as I see them—courage, grace, an uncommon mind, singleness of purpose, idealism, naivete, an inability to compromise, a middling attention to details and everyday work, a certain hunger for martyrdom, fitful bursts of energy followed by protracted indolence.

Macomber appears somewhat relieved to be dealing with Smith instead of Charles Thomas, or Paul Kattenburg, or Alison Palmer—all victims whose "brilliance" he might be forced to admit. Macomber shakes his head, in apparent astonishment at the accuracy of my summation of Smith's traits.

He smiles. "You're exactly right," he says, "but you should have mentioned one thing."

"What was that?"

"And a hell of a nice guy, too."

[From the Washingtonian, November 1971]

THE MURRAY SMITH AFFAIR: I SADLY RETRACT THE WORD "HONORABLE"

(By Tom Downing)

In the September WASHINGTONIAN I wrote an article on how the State Department personnel system contrived to "select out" a young foreign service officer named Murray C. Smith III. That article contained several untrue and misleading characterizations, and I wish to retract them.

I wrote that Smith's career as a political dissenter over Vietnam and other issues "summoned up the department's petty and honorable sides alike." I sadly retract the word "honorable."

I wrote that State Department senior Foreign Service Officers are "fair and honorable men." It is now evident that many of the key officials I wrote about behaved in anything but a "fair and honorable" way in the Smith affair. Specifically, I refer to Deputy Under Secretary of State William Macomber, U.S. Ambassador to Iran Douglas MacArthur II, former Director General of the Foreign Service John Burns, Counselor for Political Affairs at the American Embassy in Tehran Donald Toussaint, and former American Consul in Tabriz Tom Greene.

All of these officials have deliberately conspired to thwart State Department regulations, to defy the very principles on which a career-merit Foreign Service rests, to contravene a written agreement with the American Civil Liberties Union, and above all, to destroy the rights and career of Murray Smith, an FSO-6.

What leads men of attainment and intelligence to such shameful—and in the scheme of things trifling—acts? I spoke in my September article of the State Department's narrow code of brilliance that leads to arrogance and recklessness. I assumed these men were "elitists" who had been misguided by their own notion of superiority. But I also assumed they were "elitists" governed by a code of honor and probity. In the case of the men mentioned above, I was wrong.

Smith, anti-Vietnam War activist and civil libertarian, was apparently a man whose convictions and lifestyle so deeply affronted these officials that they declared him a nonentity. Smith was the absolute opposite of their notion of what a Foreign Service Officer should be. That made him a nonperson to be expunged with no regard to regulation, law, or human decency. I can only guess at the quality of arrogance that leads powerful men to single out others for persecution.

So much for the why. As for how they did it, the record will speak for itself.

To summarize my earlier article, it will be recalled that Smith had had a history of anti-war activities ever since serving as a marshal in the 1967 March on the Pentagon. Later, in May 1968, Smith signed a federal government workers' anti-war petition that appeared in the *Evening Star*. The State Department threatened to include this act in Smith's personnel dossier, thereby damaging his chance for promotion. The American Civil Liberties Union filed suit in U.S. District Court, and the State Department settled out of court by agreeing in writing that it would not include any mention of Smith's anti-war activities in his personnel dossier. Later, in the summer of 1969, Smith was transferred to the American Consulate in Tabriz, Iran, on twenty-four hours notice. He had two years to be promoted or face selection out for time in grade.

Smith's job in Tabriz was a demeaning one by State Department standards, and he had practically no training for his new administrative functions, which constituted most of his Tabriz work. In the autumn of 1969, Smith and a Peace Corps volunteer in Tabriz distributed a petition to all official Americans in Iran urging immediate U.S. withdrawal from Southeast Asia. Macomber told me in August that he did not regard this activity as detrimental to U.S.-Iranian relations. He said, "Smith didn't act to undermine the American position in Iran."

Just the same, Ambassador Douglas MacArthur II attempted to have Smith recalled for his petition activity, a move the State Department forestalled for reasons that will become obvious shortly. Curiously enough, Smith recalls that throughout his several stormy sessions with MacArthur the Ambassador seemed to show a sympathetic concern for the constitutional issues of liberty and censorship the embassy had earlier breached by denying Smith use of the diplomatic pouch to transmit his petitions. As will be obvious from the documents printed here, MacArthur's civil libertarian concerns were generated by instructions from the State Department, which was anxious to give Smith no *visible* grounds for challenging the selection-out scenario that Macomber, Burns, MacArthur, Toussaint, and Greene were working on. For the department knew that its conspiracy to get rid of Smith left the door open for further legal challenge from Smith and the ACLU. Therefore, it was essential that their scheme to have Smith selected out should possess the appearance of legality and adherence to the regulations.

Macomber and his fellow plotters made one mistake. They assumed that everyone in their employ put the department's comfort above personal principle. They allowed too many people to see what they were doing, and in the end, there would be some within the State Department too outraged to remain silent.

As I reported in my article, the department kept a "ghost" folder on Smith's anti-war activities, which was produced periodically to brief senior officials on the Smith case. Both Macomber and Burns denied any knowledge of such a folder. Macomber said he had "personally" taken steps to see that Smith was not "penalized for his anti-war activities." He went on to boast of his role in encouraging "dissent" within the State Department and took personal credit for intervening on behalf of the 200 State Department and AID officers who signed the Cambodian petition in the spring of 1969. During my interview with Macomber and Burns, I told them that impeccable sources within the department had seen the Smith "ghost" folder, that others in high positions had heard it described as a necessary administrative device to retain information on troublesome foreign service officers. I said that this act flew in the face of the department's agreements with the ACLU.

The documents that follow conclusively demonstrate that both Burns and Macomber knew a great deal about the Smith affair, and were involved to the hilt in an effort to consciously pervert the standards by which the State Department promotion policies and selection out procedures are governed.

Here are pertinent excerpts from two "eyes only" missives that reveal the scenario for Smith's elimination. Together they spell out the involvement of Macomber, Burns, MacArthur, Toussaint, and Greene.

(The following letter is from John Burns to Ambassador Douglas MacArthur II.)

"February 2, 1970

"Dear Doug—

"Thank you for your January 15 letter with the latest report from Nick Thacher on Murray Smith's activities. We have again gone over this matter with Bill Macomber and what follows is our best current assessment of how to deal with what is assuredly, as you say, a messy case.

"First I should say that the Smith case is something of a type, i.e., we seem more and more to encounter FSO, who, for one reason or another, are eager to have 'confrontations' with the system in order to attack the promotion system, Service discipline, the time-in-class and selection-out procedures, assignment policies, etc. Some of these cases are very hard to deal with. You would be surprised at the time spent in rebutting charges of allegedly wronged officers who decide to make a major issue out of the inclusion—or sometimes the exclusion—of a seemingly insignificant item in their files. And while we recognize that an appeals procedure is right and necessary, the appeals system is sometimes used for personal crusades which can be troublesome and time consuming.

"In the case of Murray Smith we would like to avoid the confrontation he apparently wants to provoke and your handling of the case has been perfect. We do not want to give Smith an opportunity to contend that his constitutional rights have been infringed even if this requires a special measure of restraint on our part—restraint which you, Nick Thacher and Tom Greene have already exerted in admirable degree. Smith is three years in grade as of this year and if he is not promoted by the selection boards which met this fall, he will be forced to retire, time-in-class, in the spring of 1971. His file indicates that it is very unlikely, no matter what his next efficiency report, that a selection board will rank him high enough for promotion. I would say a 1970 report referring to those factors mentioned in paragraph 6 of Nick Thacher's most recent memorandum (minus the reference to constitutional rights paranoia) would in all probability eliminate Smith's last chance for promotion.

"In looking over the Smith file, I am satisfied that there is no reference to his extra-curricular activities which can be described as seriously critical; on the contrary, the references are objective and some of them even rather laudatory. We obviously would not want to add to this record any material affording Smith a further target for his crusading activities. In fact, I do not believe our detailing his latest Iranian exploits would be material to the outcome of this case, assuming this year Smith earns a report along the lines of Nick's memorandum. I see no reason that some sort of reference to Smith's absence on October 25 should not be included but I do not think it will be necessary that the point be emphasized, for the reasons I have already mentioned. An observation that Smith's extra official interests occasionally interfered with the performance of his duties should be adequate.

"Smith has not been told that he was ranked in the low 5% of his class by the selection boards of this year, nor should he be told because if he fails of promotion next year he will be out on time-in-class, and need therefore not know of his current ranking. Were we to inform him at this time, we could likely expect a visit from a civil libertarian attorney charging that Smith's low-ranking was a punitive measure levied because he had exercised his constitutional rights. If at all possible we prefer to let time and the next promotion panels take care of this particular aspect of the Smith case.

"For the same reasons we believe that it is important that Smith remain in Tabriz—or at least in Iran—for the remainder of his projected tour of duty unless the situation becomes so embarrassing to the Embassy that his departure is a clear necessity. While I can readily sympathize with your preference for a redeployment of his talents we feel reasonably sure that such a move would involve everyone in a protracted round of contention with Smith which could be more difficult for the Service as a whole than suffering him for another year in Tabriz. I recognize the burden this places on you and if it becomes too onerous we can consider alternatives. Meanwhile I am sure that we can cope with any Congressional, or other, questions which might be raised locally.

"I hope that the foregoing provides you the assessment you need and I want you to be entirely frank in commenting on our suggestions. Our objective is to minimize this problem as a whole but we do not want to create any really serious ones for you in the process.

"John"

(The following letter is from Ambassador MacArthur to Burns.)

"February 26, 1970

"Dear John:

"I have delayed answering your letter of February 2 until we could have a talk with Tom Greene, our Consul in Tabriz. He has been here this week and we have had an opportunity to go over thoroughly with him all aspects of the Murray Smith case.

"Your letter was helpful in emphasizing the relation of the Smith case to other examples of this type of activity and the problems they raise in administration of the Foreign Service. We want to cooperate fully with you to manage the situation in a way which will reduce the possibility for a 'confrontation' and increase chances for resolving it with normal mechanisms of the personnel process. Therefore we will 'live' with Smith for the duration of his tour in Tabriz.

"As a result of our talks here, Tom is aware of the need for writing a report that will reflect fully and accurately Smith's real potential for the Service. We will review the report carefully in the Embassy, keeping very much in mind the helpful background information given in your letter.

"Greene tells us that Smith's performance has not improved a great deal in administrative matters. He showed us a recent memo which he discussed with Smith listing a series of deficiencies in Smith's performance in the administrative field. This memo was shown to and discussed with Smith six months before his efficiency report was due so Smith cannot charge that he did not know his performance was unsatisfactory in a number of respects. From the discussion between Greene and Smith it is obvious that Smith does not accept the idea that certain things, such as his wife's dress (she is a mini-mini wearer and has been spat on and criticized by Iranians in the area), are anything but their own personal business. Smith rejects the idea it is of legitimate concern to the Principal Officer since it creates a very bad image for the U.S. and before coming here the Smiths were told that conservative dress by females was important.

"Tom finds that his day-to-day relations with Smith and the latter's performance generally have not altered a great deal since our letter and memo to you of January 15. In other words, the situation remains, if not satisfactory, at least manageable from Greene's point of view as Principal Officer.

"Smith's petition activities have attracted no further attention here. He seems anxious, however, to pursue with ARMISH/MAAG the question of why distribution of his petition and letter form was refused by the ARMISH/MAAG mail room. Our military colleagues feel that they have adequate legal grounds for this refusal and are considering how they should frame their reply to Smith's queries. The military have their own considerations to weigh and I feel we must let them work out their own response.

"We have, however, tried to discourage them from adding to Smith's complainant's dossier by sending him a reply in writing.

"There is the possibility, of course, of Smith's returning to the charge with further maneuvers some time during the remainder of his tour in Tabriz. Tom Greene notes Smith has not for many weeks discussed with him his preoccupations with his constitutional rights nor any plans for further tactics to vindicate these as he sees them. Should there be any new developments we would, of course, keep you fully informed, particularly should there be any that might threaten putting the whole business into the public arena where Congressional concern could be aroused.

"Philosophically, we have recognized that Smith's performance reflects many of the deplorable but recently fashionable excesses so often encountered these days. . . .

"With many thanks for all your thorough and careful backstopping and all the very best,

"Douglas MacArthur II"

There is little to add to the Burns-MacArthur correspondence. The letters speak eloquently and directly to several issues. They show a conspiracy to manipulate Smith's performance rating in such a way as to ensure his surgical elimination from the Foreign Service at the earliest possible moment. The efficiency report that Greene and Toussaint wrote, with consultation from above, conforms precisely to the standards outlined by Burns, and agreed to by MacArthur.

On too many counts to enumerate here the letters defy the State Department's written agreement with the ACLU. The tone of old boy self-acclaim, the contempt for the most elementary canons of ethics, the gratuitous and snide asides about other dissenting Foreign Service Officers perhaps say all that need be said of the quality of these officials, and where, in a larger sense, they have led this nation. Needless to say, Macomber's, Burns', and Greene's statements to me for my September article are now revealed as outright

deceptions, a deplorable enough development, but insignificant when contrasted with the perfidy these men and their associates have wrought against Smith and whatever figment of justice that Foreign Service personnel proceedings ever had.

DEPARTMENT OF STATE,
Washington, D.C., November 24, 1971.

Hon. CLIFFORD P. CASE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CASE: The Secretary has asked me to reply to your letter of November 9, 1971, expressing your interest regarding grievances in the Foreign Service and, specifically, inviting the Department's comments upon the articles in the September and November issues of the *Washingtonian* on the case of Murray C. Smith, III.

Following the appearance of the November article, Deputy Under Secretary Macomber sent a letter to the Editor of the *Washingtonian* commenting upon the articles. This represents the Department's position both upon the articles and the larger issues raised therein. Accordingly, a copy is enclosed. However, with respect to the Foreign Service career of Mr. Smith, several matters were unresolved as of the date of the letter, October 29, 1971.

As noted in the letter, the Department proposed to rectify the administrative error of not notifying Mr. Smith of his low standing in 1970 by setting aside his involuntary retirement and, should he so wish, removing from his file evaluation reports written on the basis of his performance subsequent to the time when he should have received such notice. On November 12, 1971, the Department was informed by Mr. Smith that he did not wish to avail himself of the Department's proposal, and that he expected to be retired on November 30, 1971, the interim date to which Mr. Smith's service had been extended immediately upon the discovery in September of the administrative error. Therefore Mr. Smith will be separated from the Service on November 30, 1971.

As also noted in Mr. Macomber's letter to the Editor of the *Washingtonian*, Mr. Smith had been requested to respond to a report from the American Consul in Tabriz, Iran (Mr. Smith's post until June of this year) indicating insubordination and improper conduct in an area unrelated to issue of free speech or the Vietnam war. Although at a meeting in the Department on October 15, 1971 Mr. Smith chose, on the advice of counsel not to respond to questions on the subject, the Director General of the Foreign Service by letter of Ocober 19, 1971, gave Mr. Smith a second opportunity to make a statement. . . .

The Department believes that the refusal of a Foreign Service Officer to answer questions specifically, narrowly and directly relating to the performance of his official duties in a foreign country, taken together with apparent evidence of serious insubordination which gave rise to such questions, raises very serious questions whether that officer should continue to serve in the Foreign Service. However, since Mr. Smith has expressed his intention to leave the Service at the end of this month, he has been informed that since such departure would render any administrative proceeding academic, the Department will withhold any action on this matter pending his scheduled departure.

In connection with your general interest in grievances in the Foreign Service, enclosed also is a copy of a recent Department Notice regarding the activation of the Interim Foreign Service Grievance Board. Following two solicitations of the more than 9,000 Foreign Service personnel, a total of 51 grievances—many of them minor—were filed under the new procedures. Eight of these have gone directly to the Board, five are pending before the Board having failed of informal resolution, two have already been resolved informally to the satisfaction of the grievant and 36 are presently in various stages of the informal procedure.

Sincerely yours,

DAVID M. ABSHIRE,
Assistant Secretary for Congressional Relations.

DEPARTMENT OF STATE,
Washington, D.C., October 29, 1971.

Mr. LAUGHLIN PHILLIPS,
Editor, The Washingtonian,
Washington, D.C.

TO THE EDITOR OF THE WASHINGTONIAN MAGAZINE: In a period of rapid transition, both in the way nations conduct their international affairs and in the attitudes of human beings working for large institutions, the Department of State obviously faces great challenges and changes.

In your recent articles concerning the Department I had hoped that you would deal with some of these, particularly since the articles have been written at a time when the Department is engaged in the most far reaching reform and modernization effort in its history.

We would not have expected a paean of praise for all that is going on in the Department at this time. The steps being taken to install modern management techniques, to make the Department more receptive to new ideas and the extensive changes being made in our personnel system—all are controversial and subject to much comment pro and con. The same can be said for the development of the first real employee-management relations system which the Department has ever known, the first *bona fide* grievance system which the Foreign Service has ever had and our efforts to insure modern concepts of due process in our dealing with all our personnel.

Another key concern which the Department shares with almost all other public and private institutions, is the proper and productive handling of dissent. This is, of course, a particularly difficult and complicated area and one in which the history of our country over the last few years shows us there are no easy answers. It was this subject, or rather the case of one particular dissenter, which monopolized your writer's attention.

What are the obligations of a Foreign Service Officer who finds himself in strong disagreement with the President's policies? In my personal view they are as follows: As long as he continues to be a career professional, he should not take an action which would publicly undermine the policies of the President he serves. But he should also realize that loyalty to the Presidency does not imply thought control. On the contrary, if a career diplomat disagrees with the President's foreign policies he not only has the right to question them but he has the obligation to do so. In fact, he is being disloyal if he does not.

I believe, however, that it is not enough to say that he is "concerned" about a policy, or is "opposed" to a policy. As a professional it is up to him to propose a rational and thought-through alternative. Furthermore, he must do this privately and from within, rather than publicly and from without. The system in turn must be such as to assure the dissenter that his alternative will receive a fair hearing, and this has been a major preoccupation of the current reform effort.

Career professionals must recognize, however, that they cannot expect always to have their views prevail, and if they are to remain in the career service they must be prepared, once alternatives have been considered and decisions have been reached, to support these decisions. If their conviction that these decisions are wrong is so strong that they believe they must publicly seek to reverse them, then I believe that in conscience they should resign from the service and pursue their objectives as writers, publicists, candidates for elective office or simply as private citizens.

If this view is correct, then it follows that a career in the Foreign Service carries with it certain restraints and inhibitions which do not apply to many other citizens. In return a career diplomat is guaranteed a role in the critically important work of developing a just and enduring peace and the opportunity to influence to a larger degree than most of his fellow citizens the answers to the crucial questions which our nation must solve in this area.

What we have to bear in mind, however, is that if an Officer disregards these principles, what is controlling is not what I or others may think are proper restraints, but rather what the legal rights of the officer are in the constitutionally protected area of freedom of expression. And this brings us to the Murray Smith case.

Your articles allege in substance that Mr. Smith has been treated unfairly by the Department of State and that this has been done because of his activities in opposition to the war in Vietnam. The facts are these:

In 1969 a controversy had developed when the then Director General of the Foreign Service informed Mr. Smith that he intended to place in his personnel file a reference to the fact that Mr. Smith had signed an open letter opposing President Johnson's policy on Vietnam which was published as a paid advertisement in *The Washington Evening Star*. Mr. Smith objected to this procedure and a suit was brought against the Department on Mr. Smith's behalf by the American Civil Liberties Union. After administrative review proceedings, provided for in the Department's standing regulations, and on the advice of the Department's lawyers, it was decided that no reference to this activity would be placed in Mr. Smith's personnel file. Mr. Smith was so informed and the ACLU suit was withdrawn.

Your articles charge that this decision was then circumvented by the creation of a "ghost" file into which all of the material which otherwise would have been in the personnel file was collected and was "produced periodically to brief senior officials on the Smith case." I can state categorically that neither Director General Burns nor I was aware of a "ghost" file, nor to the best of my knowledge were any of the other officials referred to in your November article.

I have since learned that there were two files concerning Mr. Smith in the Department dating back to the *Star* advertisement and the ACLU suit. Neither was a personnel file, in the normal sense of that word. Each had been established by an official because of his own direct involvement in the case and each in essence reflected what had happened and how the matter had been resolved. In any event these files were not, to the best of my knowledge, taken out "to brief senior officials." Certainly the contents of such files were never brought before, or discussed with, any promotion board considering Mr. Smith. And pursuant to our commitment to him, none of the evaluation reports on Mr. Smith alluded in any way to his Vietnam protest activities.

Having said this, I should add that there are too many files in the Department. As I testified to the Senate Foreign Relations Committee on October 7, 1971, one of the reforms which we are involved in is to cut down and get rid of superfluous files which, although they are never reviewed by senior officers or shown to promotion boards, do give rise to exactly the kind of suspicions that are expressed in your articles.

A second aspect of the handling of the Smith case is the one to which your magazine devoted its major attention. In his most recent foreign assignment starting in July, 1969, Mr. Smith was stationed as second man in a two-man Consulate in Tabriz, Iran.

Shortly after arriving at this post Mr. Smith began circulating anti-Vietnam war petitions to U.S. Government personnel serving in Iran. The Embassy was concerned that this activity might become known publicly in Iran and wished to have him transferred from the country.

While the appropriateness of this activity on the part of an officer sent abroad to represent the President and his policies could certainly be subject to question, we concluded that Mr. Smith's actions did not in fact publicly undermine the President's policies. In view of this and mindful of Mr. Smith's constitutional rights, the Department's lawyers advised that if he was transferred out of Iran because of this activity or if any reference was made to it in his performance reports, this could raise constitutional questions of the very kind which had been at issue when the Department determined not to place in Mr. Smith's personnel file any reference to his earlier Washington anti-war activity. Therefore, through correspondence between the Director General of the Foreign Service and our Ambassador to Iran, the Embassy was asked not to send Mr. Smith out of the country for his petition activities. They were further asked not to put any reference to these activities in his performance evaluation report.

At the time the Embassy raised Mr. Smith's petition activities with the Department, it also reported that his supervisor in Tabriz had noted some shortcomings in his on-the-job performance which had nothing to do with his anti-war activities. Mr. Greene had prepared a preliminary critique of the first six months of Mr. Smith's work in Tabriz and discussed it in detail with him. The Department through the Burns-MacArthur letters advised the Embassy that these performance factors should be included in his evaluation report. In essence the Department's instructions to Tehran with reference to his evaluation report were to stay away from any reference to his anti-war activities and to stick strictly to a report on his on-the-job performance.

The fundamental question which emerges is whether the performance evaluation reports which were prepared in Iran on Mr. Smith were biased because of this correspondence, or for any reason.

Were they biased because of what Mr. Burns had said should and should not be put in his file? Were they biased because the officers preparing and reviewing his evaluation reports were unduly critical of Mr. Smith's on-the-job performance from frustration over their inability to comment adversely on his petition activities? Were they biased because Mr. Smith was considered an irritating officer and it was known that anything other than a superlative report would almost certainly lead to his departure from the Service?

The answer of course is that neither the author of your articles nor Mr. Smith has ever alleged to the Department that the evaluation of Mr. Smith's on-the-job performance was inaccurate or biased for these reasons, or for any reason. In fact I am informed that Mr. Smith told Consul Greene that his report was one of the most perceptive reports ever written on him.

For a different reason, however, it is now quite clear that the scheduled involuntary retirement of Mr. Smith was unfair and should be rescinded. After the 1970 promotion list was published in the spring Mr. Smith knew he was in his last allowable year in grade and that a special effort to win promotion would be required if he was going to stay in the Service. What he did not know was that he had been ranked by the previous promotion panel in the lowest five percent of his class.

When I learned in late September of this year that all other Class 6 officers in the same position as Mr. Smith had been notified of their low standing and had been advised to seek counsel on how they could improve their performance, I concluded that failure to notify Mr. Smith of his low standing under these circumstances constituted "reversible error." Because of this I determined that his involuntary retirement for failure to achieve promotion in the time allotted would be set aside. I also determined, subject to Mr. Smith's concurrence, that any evaluation report written on the basis of his performance subsequent to the time when he should have received his five percent warning should be removed from his file.

I should note, however, still another development in the Foreign Service career of Mr. Smith. Shortly after Mr. Smith left Tabriz this summer, the American Consul there discovered facts which, in his opinion, indicated insubordination and improper conduct in an area unrelated to issues of free speech or the Vietnam war. Mr. Smith and his attorney have been shown this report and we are awaiting his response.

In any event, Mr. Smith, as a result of the error regarding the five percent notice, remains in the Foreign Service. And as time goes on he may well raise new issues in this complicated realm of dissent. Whether he does or does not, however, the issues themselves remain and will surely continue to be raised. For no one really yet can claim to know for certain how properly to balance the Department's need to maintain sufficient discipline to function effectively, while at the same time protecting the rights of its employees and being open and receptive to new ideas and differing viewpoints.

WILLIAM B. MACOMBER, JR.,
Deputy Under Secretary for Management.

INTERIM FOREIGN SERVICE GRIEVANCE BOARD TO CONVENE DECEMBER 6 AND 7, 1971

Chairman-designate William E. Simkin of the Interim Foreign Service Grievance Board has called for the first meeting of the full Grievance Board to be held at the Department of State on December 6 and 7.

Meeting with Mr. Simkin will be public members Alexander B. Porter, who is presently permanent umpire for Reynolds Metals Corporation and the United Steel Workers, Ambassador (retired) William R. Tyler, who is presently Director of Dumbarton Oaks Research Library and Collection, and the members selected from each of the foreign affairs agencies.

The Department members will be FSO–1 Frederick Irving and FSS–4 Robert L. Fon. The AID representatives will be FSR–1 Harold D. Snell and FSR–5 Mrs. Inger Hvoslef. USIA's representatives will be FSIO–2 Philip F. Dorman and FSRU–3 Miss Martha I. Burns.

Mr. Simkin has chosen John A. Warnock, FSO–4, presently Labor/Political Office at the American Embassy Copenhagen to be Executive Secretary of the Grievance Board. Mr. Warnock will arrive in the Department to begin the preparatory work on November 17. Miss Eleanor Ostermeier, FSS–4, has been appointed secretary/receptionist for the Grievance Board. Miss Ostermeier's last assignment was with Ambassador Bruce at the Paris Peace Talks.

The first meeting of the Grievance Board will be an organizational meeting but it is expected that panels of the Board will begin considering grievance cases immediately after December 7.

SLUSH IN 1967 IS SLUSH IN 1971

Mr. SCOTT. Mr. President, during the 1967 Senate debate on the campaign contribution checkoff proposal, several Senators, including two from the other side of the aisle, noted the disastrous consequences that would follow the establishment of such a slush fund.

I ask unanimous consent that these 1967 Senate floor statements, and the accompanying annotations be printed in the RECORD as a reminder that what was slush in 1967 is slush in 1971.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

SENATOR GORE ON EQUAL PROTECTION, APRIL 3, 1967, CONGRESSIONAL RECORD, PAGE 6060

There are also serious constitutional questions about the formula used in the statute to identify the presidential candidates who would be eligible to benefit from the subsidy.

Any program to provide Federal financial assistance for use in election campaigns must necessarily contain some formula for distinguishing between bona fide candidates and those entering the lists only for the purpose of obtaining access to Federal funds.

But the reasonableness of the cutoff point contained in the formula of the act is, to say the least, open to question.

WOULD DO VIOLENCE TO CONSTITUTION

I do not wish to be misunderstood as advocating dissolution of our two-party system. In my view, our two-party political structure is one of the basic strengths of our form of government. I am not here suggesting that we should encourage the development of splinter parties, third parties, or fourth parties by subsidy or otherwise. That is not the point at all. Rather it is my view that we cannot, without doing violence to the Constitution, impede the development or the success of a third political party by subsidizing the two existing major parties under eligibility rules so grossly unfair as to be arbitrary and unreasonable. And even if we could do so, would it be wise to so freeze the mobility of our political system?

After all, one of the two major political parties of today emerged from a breakdown of another party. Should we make sure this can never happen again?

Would it be in the public interest to provide in this indirect way that it could never happen again?

Is it wise to make our system so rigid that a conservative movement, a liberal movement, or any other kind of movement cannot survive and compete in the political arena?

I think even if we could constitutionally do so it would be unfair and unwise to do so.

DENIAL OF EQUAL PROTECTION OF LAW

Is political aspiration not a civil right? Is the opportunity to compete for political preferment, for political office on equal terms, with equal opportunity, not a civil right?

It is a right as basic as the privilege of voting, and yet this unwise law seeks to circumscribe that right. We have by law circumscribed the right of equal opportunity to seek public office, to seek the Presidency of the United States. We have limited it to two men—the nominee of the Democratic Party and the nominee of the Republican Party. We have made a mistake, Mr. President. Let us erase that mistake.

Again, it is not a question of what may be considered desirable or undesirable. It is a question of what is fair and reasonable—not only to Republicans and Democrats but also to those who prefer some other party to either. I do not engage in the pastime of predicting what the Supreme Court would do in a given situation. I have found the Court a bit unpredictable at times. There are formidable legal obstacles to getting the matter before the Court. But if the constitutional concept of one man, one vote is to have practical validity, the constitutional questions raised by the act passed last year cannot be swept under the rug of expediency.

XUM

SENATOR GORE ON THE APPROPRIATION PROGRESS VIS-A-VIS THE CONTRIBUTION CHECKOFF, APRIL 3, 1967, CONGRESSIONAL RECORD, PAGE 8060

UNIQUE DELEGATION OF CONGRESSIONAL AUTHORITY

This unique procedure is one which has never been followed before. True, Congress has in the past levied taxes and then provided that the revenue from that tax or a portion of it would be earmarked for a special purpose. Today, for example, revenue from certain highway-user taxes is earmarked for highway construction. But it is Congress that earmarks the revenue or a portion thereof. So far as I can ascertain the law passed last year, which I now seek to repeal, is the first time the Congress has ever undertaken to authorize the individual taxpayer to decide on a year-to-year basis the purpose for which a portion of the money he pays in taxes shall be used. If it is a sound practice for the taxpayer to say for what it shall be used, it would be equally sound for him to say for what it shall not be used; and to the extent that a taxpayer directs that tax funds shall be used for a particular purpose, he automatically thereby says it shall not be used for other purposes.

PROVIDES DANGEROUS PRECEDENT AND ABDICATION OF CONSTITUTIONAL RESPONSIBILITY

In my opinion, the earmarking of tax revenue in any form is unwise. To the extent that revenue is earmarked for special purposes, the ability of Congress to control expenditures by the appropriations process is diminished. Under the earmarking procedure some programs may be overfunded and others starved for funds, with the legislative body powerless to take corrective action through the appropriations process. But the precedent established by title III of Public Law 89–809 is potentially even more dangerous. If we start down the road of allowing each individual taxpayer to decide for what purpose his tax funds may or may not be spent, we may well find that Congress has abdicated its constitutional responsibility of making apppropriation of public funds. If a taxpayer has that right, if it is constitutional and if this precedent should be followed, perhaps there are taxpayers who would like an opportunity to decide whether their tax money shall be spent or not be spent for the war in Vietnam, or a war on poverty, or education, or public works projects, or agriculture programs, or urban redevelopment, or support for agricultural commodities such as milk. Where do we stop with this process? Is this a wise precedent? We have made a mistake, Mr. President. Let us erase that mistake, and the quicker the better.

SENATOR GORE AND WILLIAMS ON THE UNWORKABLE NATURE OF THE CONTRIBUTION CHECKOFF APRIL 11, 1967, CONGRESSIONAL RECORD, PAGE 8979

REQUIRES AUDIT OF ALL TAX RETURNS

Mr. GORE. Mr. President, with respect to the pending substitute amendment, which the able Senator has cosponsored, to repeal the Presidential Campaign Fund Act, I call to the attention of the Senate that I have just recently read an Associated Press dispatch quoting the senior Senator from Illinois to the effect that unless this law is repealed the administration of it might require the audit of every tax return filed by everybody. Is that possible?

Mr. WILLIAMS of Delaware. It is not only possible, but it is accurate. I have talked with representatives of the Department, and they have confirmed that point.

Under the act as it is on the books each taxpayer will have a box on his tax return in which he can put a check mark if he wishes to have $1 of his tax payment turned over to the presidential campaign fund. The only way to tell whether those boxes are checked is to examine every tax return.

Under the existing procedure about 10 percent of our tax returns are audited. Those are, of course, spot-check audits.

PHYSICALLY IMPOSSIBLE

It would be physically impossible to audit the tax return of every American taxpayer, as the Senator well knows. However, if the act is not repealed every tax return from individual taxpayers, 70 million of them, must be examined by someone and tabulated to determine whether the individual taxpayer has checked yes or no on that $1 item. Otherwise, how would they know how much money to turn over to the respective political committee.

The answer to the question of the Senator is therefore yes.

Privately they admit that it is almost physically impossible to perform this task. The best evidence of that is that the distinguished junior Senator from Louisiana, the chairman of the committee and the author of the original act, introduced last Tuesday a bill the first section of which seeks to repeal the $1 check-off for campaigns. It is generally admitted by everybody that the check-off system will not work. Why not face up to this fact and repeal it?

SENATOR ROBERT KENNEDY ON THE CONTRIBUTION CHECKOFF, APRIL 4, 1967, CONGRESSIONAL RECORD, PAGE 8316

INVESTMENT TAX CREDIT

The Senate resumed the consideration of the bill (H.R. 6950) to restore the investment credit and the allowance of accelerated depreciation in the case of certain real property.

Mr. KENNEDY of New York. Mr. President, I rise in support of the proposal, offered by the senior Senator from Tennessee, to repeal the Presidential Election Campaign Fund Act of 1966.

CONTRIBUTION CHECKOFF IS STEP IN WRONG DIRECTION

Since I believe firmly that public subsidy of political campaigns is urgently needed, my inclination would be to support any well-conceived step in that direction, no matter how small. In my judgment, however, title III of Public Law 89–869 is not only misconceived, but is in fact a step in the wrong direction. We will be better off, I think, to repeal it and start over again.

The 1961 Presidential Commission on Campaign costs, under the chairmanship of the distinguished political scientist, Alexander Heard, made a number of suggestions as to how we might meet the problems created by rising campaign costs. I believe those recommendations should guide us as we consider the matter.

PROVIDES MASSIVE AMOUNTS IN DANGEROUS AND UNRESTRICTED WAY

But first the Long Act must be repealed. It places funds where they are relatively less needed and, more important, it does so by giving massive amounts of funds in a dangerous and unrestricted way to the national leadership of the two major political parties.

The Long Act has the potential of changing our whole political system. Our national political parties have always been coalitions of State parties, which in turn are coalitions of local parties. Our ideal and our working rule have been that political decisions and policies will be made from the bottom up, not from the top down.

GIVES POWER OVER LOCAL PARTIES

Unrestricted public financing of national political campaigns is a revolutionary overturn of principles which have served our Republic for 175 years. The national parties would be divorced to a large extent from local control, and given immense power to reward or punish local candidates. By this power to decide where to concentrate, and where to refrain from, presidential campaign efforts, the national chairman would wield enormous leverage over the prospects and policies and, indeed, over the very process of selection of local candidates all over the country. The national leadership of the two parties could thereby dominate State and local elections all over the country.

PROVIDES FOR RIGIDITY IN NATIONAL PARTIES

Control of local parties by the national committee, moreover, would lead, perhaps irrevocably, to national parties rigidly organized along lines of class and ideology. If the history of the past century has any lesson for us, it is that governments based on such political divisions cannot preserve either freedom or stability for their people.

INSULATES PARTIES FROM MEMBERSHIP CONTROL

Now the Senator from Louisiana has proposed to amend the law so that each party will have to choose whether it will have its presidential campaign expenditures paid out of public funds or by private contributions. He did so, presumably, to meet the objection of the Senator from Tennessee and others that the law as enacted last year would allow the commingling of public and private funds, and could have the unfortunate result of just adding public funds to an already acquired private treasury. Senator LONG's new proposal, however, in many ways creates more difficulties. The assumption is that the parties will choose public funding. But forcing them to reject all private contributions will only insulate them even further from control by their membership around the country than did last year's law. The result will be an even greater departure from the goal of broadening the base of our political parties than was implicit in last year's law.

IGNORES POLITICAL PROCESS AT STATE AND LOCAL LEVELS

Instead, however, we began with a step which injected the Government directly into the political process in massive amounts at the national level, and ignored the State and local levels.

BETTER NO LAW THAN THIS

I believe it would be better to have no law at all than to have this one, although new law in this field is desperately needed.

THE FOREIGN AID BILL

Mr. CRANSTON. Mr. President, now that the smoke has cleared somewhat over the foreign aid issue I would like to make some comments on the structure of our foreign aid program as well as the specific bills we have been asked to vote on in recent weeks.

I voted against the Foreign Aid bill on October 29 with great reluctance. I was finally persuaded to join a majority of the Senate in voting against the bill because, on balance, it represented a continuation of cold war "arsenal diplomacy," as Senator CHURCH has described it. It was a collection of programs tying humanitarian and development assistance to political and military policies that did not square with my views of the proper role of the United States in the 1970's.

For too long Members of Congress have been asked to approve many undesirable military assistance programs as a price for getting the few humanitarian assistance programs they might have favored. The humanitarian effect of these latter programs has been minimized in many instances in order to keep the recipient countries tied to U.S. private enterprise. A multinational approach would, in many cases, provide more effective assistance at lower cost and, in the long run, would be more to the U.S. political advantage.

I favor military assistance in some instances but for the most part the military aid programs in the bill the Senate killed were for questionable purposes. I oppose continued military aid to Greece—it only serves to prop up and maintain in power an undemocratic, repressive regime. The same is true to a large extent of the government in Pakistan, and I see no point in providing sophisticated supersonic jets and other modern weapons to Latin American and other third world countries that will not use them to further American foreign policy but only for show or for the suppression of internal insurgency. We need, therefore, to re-examine the underlying reasons for U.S. military assistance. Unless such assistance truly enhances our national security, I see little value in providing it. In this context, I was greatly impressed by the recent observations of Mr. Paul C. Warnke, former Assistant Secretary of Defense for International Security Affairs. I ask unanimous consent that they be placed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER (Mr. BROCK). Without objection, it is so ordered.

(See exhibit 1).

Mr. CRANSTON. Mr. President, many of these same criticisms can be applied to the interim aid measures which were passed by the Senate. It is important to remember that these are only interim measures and that our foreign aid program needs a far more thorough re-evaluation and restructuring.

Even in the short run, however, the Senate has made significant progress toward this goal. It began what I hope will be a continuing process of separation in the legislation which is needed to implement and fund the aid program each year. I feel strongly that the economic development programs need to be separated from humanitarian aid programs as well as from military aid, but for now I think we have at least begun to move in the right direction.

Another heartening aspect of the interim bills was the reaffirmation of a strong commitment to channel development aid increasingly through international or multinational agencies. Hopefully, this approach will lead to depoliticizing the whole area of development aid as well as making it more effective and cheaper than bilateral agreements. It will still be possible to pay special attention to certain areas of the world if we choose to do so but at the same time we can discharge our responsibilities as the largest, richest, and most powerful Nation in the world in a more equitable and truly humanitarian fashion than was possible under the old bilateral arrangements.

Finally, however, there was one area of disappointment for me in these two measures. I had hoped that we could begin to reduce our expenditures in the area of military aid, at least to a point where they equalled the amount we spend in economic and humanitarian aid. Unhappily, the total amount authorized to be appropriated for military aid was $1.5 billion while the amount authorized for economic and humanitarian aid was only $1.14 billion. Over the long run we must reorder not only our internal and national priorities but also those priorities which govern our foreign aid spending.

EXHIBIT 1

Remarks of Paul C. Warnke at the Conference on Foreign Military Aid, Sponsored by the Council for a Livable World, Thursday, November 4, 1971

The entire focus of this Conference has, of course, been dramatically altered by last week's vote of the United States Senate to reject the Foreign Aid Bill. Despite widespread criticism of the program and growing uncertainty as to its basic objectives, the abrupt Senate action came as a shock and a surprise. Because of the many programs designed to alleviate massive human suffering and to improve the international quality of life, continuation of American participation in aid to poor countries seems to me essential. But, at the same time, we must not miss the present opportunity to take an overall look at foreign aid and to analyze and even dissect its various components.

Among the most important consequences of this development should be the complete separation of military aid from economic aid. Virtually everyone who has studied the aid program over the past several years, either from within or from without Government, has concluded that this separation should take place. Indeed, I don't think it will be possible to regain any wide base of support for foreign aid if the persistent and uneasy pairing of economic and military assistance continues to leave the entire aid program in the context of the Cold War between the United States and the two Communist giants.

Accordingly, it would be my hope that the Congress can find some formula to continue emergency relief and economic development programs on an interim basis pending the working out of a new and comprehensive foreign aid program. I also hope, however, that no such stopgap approach will be applied to military assistance. Instead, the unexpected development of last week should lead the Congress to do that which should have been done long ago—that is, to look at military aid not as a prepackaged composite, but instead on a country-by-country basis, with each individual decision being made in light of our own stakes and the impact of our arms on the well-being of the people of the area.

I regard it as both unfortunate and inaccurate that the insistent Administration response to the Senate vote is to characterize it as a threat to our national security and a blow to our hopes of bringing about a peaceful world through negotiations. I don't believe that either our own security or the interests of peace are served by continued shipment of weapons of war to every corner of the globe. Neither do I agree that more military aid to small American allies is necessary to permit us to withdraw our forces overseas. If our own security requires strong military capability in some area, we cannot leave our fate even in friendly foreign hands. If our security is not endangered, we should be shown some very good reasons for fueling some one else's fight.

I should make it clear that I don't believe that peace would be ensured if only we would disarm unilaterally. I don't discount the great military strength possessed by the Soviet Union, nor can I feel fully confident that the Soviet Union, under its present or some future leadership, can be trusted always to forgo the use of military force to achieve its objectives. Nor, at this early stage in our efforts to bring about improved relations, can I be confident that the People's Republic of China can be counted upon to refrain voluntarily from the development and exercise of its immense military potential.

But most of our military aid is of little or no utility in terms of the military threats that are or may be posed by China and Russia. The NATO Alliance and our assured nuclear retaliatory capability are the means by which any Soviet aspirations for military conquest can be kept in check. Of the NATO group, only Greece and Turkey are recipients of military aid. Our programs for these countries can be reviewed in terms of their overall importance to the strength of the NATO forces. Included in this review should be the countervailing consideration posed by overt American financial support for a Greek government that shows no signs of moving to restore democratic processes. The strength of NATO depends not on troops and firepower alone but also on its morale and the domestic support within each nation for its role as a NATO member. Military assistance to Greece contributes incrementally to NATO's physical strength.

But our partial subsidization of a regime resolutely opposed to the principles of freedom can only erode NATO's moral base.

Outside of Western Europe, it is, I suggest, silly to think that military aid to small countries can be of any significance to deterrence of the Soviet Union or the People's Republic of China. This, to me, has been one of the obscured premises of the Nixon Doctrine. It has now been made explicit. As phrased by Secretary Rogers: "The Nixon Doctrine . . . provides that we will gradually reduce our troop strength in some of the Asian countries and, at the same time, support them financially and in military ways so they can take up the slack."

We have, in the past, followed a policy consistent with the thesis that military aggression from China or Russia had to be anticipated and could be controlled. But to the extent that there is genuine threat of military aggression from one or both of these countries, American military assistance—whether doubled, trebled or increased by any other multiple—is not a realistic alternative to direct American military participation. A Defense Department spokesman is quoted as saying: "We think the substitution of money for U.S. manpower is a policy worth pursuing." As against Soviet or Chinese threats, it's no policy at all.

Only the American guarantee of direct involvement can provide a military deterrent to aggression against Western Europe. In the Pacific, our naval and air forces, and the absence of any Chinese amphibious capability, provide military protection for the countries off the Asian mainland. But no amount of military assistance to the small countries of Asia could make them remotely a match for a China or a Soviet Union bent on military conquest.

Insofar as the threat of superpower confrontation is concerned, military aid to small American allies, or even to big American allies outside the NATO context, can only be an irritant. Our greatest hope here, indeed the only hope for world survival, is a course of development in relations that will keep all of the superpowers away from mutual annihilation. In this respect, all of us must welcome the President's efforts to arrive at mutually beneficial understandings with Peking and with Moscow. And in disengaging ground forces from Asia or elsewhere, the proffer of increased military aid may make the withdrawal of American troops politically more palatable, and the lives of our ambassadors a little easier, but this is at very best an inordinately expensive palliative.

The twin constraints on the superpowers are the common sense realization that the game isn't worth the candle and the fear of other superpower retaliation. Accordingly, in continuing military assistance to Korea, to Taiwan, to Pakistan, to the Middle East and to countries in Africa and South Amer-

ica, we must justify it on grounds other than the continuation of a cutrate Cold War by use of American proxies.

In some instances, it seems to me, the elimination of an American military presence and an increase in American military aid might significantly increase the risk of local conflict and hence the dire prospect of superpower involvement.

We can and should, in my opinion, continue to remove American troops from Korea. They are irrelevant to any Chinese threat and unneeded to provide a purely incremental part of South Korea's ground force superiority over North Korea. But would an effort to make the South Koreans completely self-sufficient militarily, by providing an air force to match that of North Korea, actually lessen the danger of forceful attempts at reunification of that divided peninsula?

Military aid to Taiwan was once justified as keeping alive the hope of eventual recovery of the mainland. I assume we need no longer indulge that myth. But what then is the present justification for substantial military assistance? Does Taiwan need more—or as much—to defend itself? And would its decisions be sounder if it had to finance modernization of its forces out of its own healthy economy?

The sorry history of military aid to India and Pakistan need not be recounted this morning. But certainly the Pakistani do not regard our arms aid as necessary to defend themselves against China, which has become their principal arms supplier. The role of outside nations, and of the United States in particular, should be to reduce tensions between Pakistan and India and find some solution to the Bengali tragedy, rather than in arming the potential antagonists.

The Middle East presents, of course, a special problem because of our special interest in Israel. The amount and type of arms necessary to provide Israeli security must be considered apart from any over-all program of military assistance and, in my view, should be dealt with outside the Cold War context. No amount of Israeli military might can match Soviet capability. But Israeli security from attack by the other nations of the area can provide the confidence that may permit an eventual resolution of the local problem. As for aid to countries like Jordan, I am not impressed by the argument that we must furnish it or else they will turn to the Russians. I see no political gain and surely no military necessity in our insistence in remaining No. 1 in the sale of arms to countries that don't need them and can't afford them. The only practical purpose in arming Jordan is to help King Hussein maintain control in a sorely divided nation. Is this a legitimate goal for American military aid in Jordan or anywhere else?

Insofar as military assistance in Africa or South America are concerned, the traditional justifications have been the continuation of American influence and the preservation of internal security. There are, I submit, a lot of unanswered questions about the influence we derive from arms supply. A State Department White Paper of a couple of years ago documented persuasively the thesis that the withdrawal of military assistance was ineffective in influencing a country's internal policies. I submit that this is equally true of the bestowing of military assistance. Military hardware may be an effective bribe for vocal support internationally. It has yet to be a useful tool for improving domestic behavior. I would prefer to believe that the instability and poverty in South America reflect an absence of American influence, rather than the results of our positive efforts. Our military aid there, and in Greece, cannot fairly be blamed for causing military coups. But it obviously did not serve to prevent them. Our influence should be directed in the poorer countries toward economic programs that may better the lot of the ordinary citizen rather than indulging the whims of a fading military elite.

Regrettably, in the present state of world affairs, we can't get entirely out of the arms business. Until we can move toward genuine political accommodation, arms limitation, and mutual troop reduction, we cannot, I believe, afford to disband the NATO military alliance. History gives us special responsibilities in Korea and in the Middle East. But any program to substitute American military aid for American military presence is self-defeating, misleading and dangerous. At best, it can only retard the development of the kind of relations with the other superpowers where our competition can be confined to the political and diplomatic arenas. Far more likely is the possibility that such a substitution will intensify local antagonisms and encourage efforts to resolve political differences by military force. At worst, the local hostilities that ensue can lead to direct involvement of the nuclear superpowers.

If the Nixon Doctrine rests on increased military aid, then it's no new policy for the 70's. It is, instead, an effort to continue an old policy by less effective means. Before accepting the means, the American people should insist first that we know and accept the policy.

TRIBUTE TO SENATOR SPONG

Mr. HOLLINGS. Mr. President, today I am pleased to bring to the attention of my colleagues a distinguished article about a distinguished legislator, Senator WILLIAM SPONG, of Virginia. The article was written by a scholar of renown, Dr. John P. Frank, and originally delivered as a paper at the University of Texas School of Law. It now appears as an article in the December 1971 issue of the Texas Law Review.

Dr. Frank set out to study the force of reason in American political life. In choosing BILL SPONG to exemplify the force of reason, Dr. Frank chose wisely. We all know BILL SPONG as a diligent student of the law and a calm disciple of reason. He is an exemplary public servant. His reason and good sense are applied daily for the welfare of his Virginia constituents and the benefit of his fellow citizens throughout America.

I have watched BILL SPONG at work since we were elected to the Senate in 1966. He works long hours. He spends many of those hours personally researching the many problems which come before this Chamber. That research has payed handsome dividends in the knowledge and understanding which the very able Senator brings to such fields as education and housing. His insistence on getting out and actually seeing, when combined with the innate compassion of the man, led to progress in the fight against hunger in Virginia, and indeed, all over the Nation. Time and again, I have seen him shun the expedient stand. Time and again, I have seen him apply the reasoned approach of the scholar to problems all too often tackled with only tomorrow morning's headlines in mind. At a time when the pressures often encourage expedience, it is refreshing to see someone not tempted by that siren's song.

Dr. Frank's article is an excellent accounting of Senator SPONG's philosophy and approach to Government, and I sincerely recommend it to the attention of all my colleagues.

Mr. President, I ask unanimous consent that the article be printed in its entirety in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Texas Law Review, December 1971]

RUMINATIONS ON REASON AND LAW: A SPONG SONG

(By John P. Frank*)

(NOTE.—The traditional ideal of a legal system based on rational lawmaking appears remote in our age of violent confrontation and fanatic polarization. Biographer John P. Frank selects the experience of Senator William Spong to illustrate that a contemporary political figure can still shun expediency in favor of reason. Mr. Frank's message, originally delivered as a lecture at the University of Texas School of Law, not only gives insight into the rationality of the legislative process but also provides much-needed assurance that the legal method will have relevance to the world of the future.)

United States Senator William Spong is well enough known in his home state of Virginia, but Texans can reasonably be pardoned for not recognizing his name. Spong is the low visibility type, a Senatorial work horse rather than a Senatorial show horse. As a truly modest first-term Senator, if he ever found himself in a national headline, he'd be sure that he must have done something wrong. Then why talk about him in Texas? Why does an Arizona lawyer with a taste for writing biography come to the University of Texas law school to talk about a Virginia Senator? What is he to you and me? The direct answer is, not much. The more meaningful answer is, a very great deal. For man lives by his symbols, and Spong of Virginia is a symbol of what the rule of law is all about. The tradition being passed to you in this University, in this law school, is, I hope, a tradition of reason, and Spong is reason personified.

I am aware that I have chosen a two-level symbol in my topic for today, because Spong also represents what at least some of you want to do with your own lives. Some of you have dreams of stepping from a small law practice into public life with your own independent momentum, not as the tool of any pressure group, not for oil, not for cattle, not for labor, but on your own. Spong has done this, as you dream of doing it. But this is my secondary theme. Primarily, I chose Spong for these remarks because, in superb degree, he represents the force of reason in public life.

We live in an age of good guys and bad guys, the black hats and the white hats, of knee jerk responses to the problems of the day. The contemporary political spectrum ranges from Georgia Wallace to Angela Davis. We have been disposing of university administration by demonstration, of law enforcement by disruption, of our adversaries by shouting them down, of troublesome newspapers by threatened black-jacks or actual injunctions, or our leaders by the simple expedient of murder.

All this is a form of government and so of lawmaking. It is a kind of lawmaking wildly removed from what you are learning as students of law, as you reason from one case to another, gather facts, and seek to square yesterday's wisdom with today's needs. You are learning how to bring a legal action to a conclusion, hopefully in your favor. Another way to conclude a legal action, which you are not learning, is to shoot the judge. As you wrestle with the obstacles to reason, you would be less than reasonable yourselves if you did not on occasion wonder whether the man of violence may be right, whether knots are better cut than untied, whether the methodical search for truth can ever rival the intuitive lunge of the self-satisfied righteous who know all the answers. What Bill Spong symbolizes is that there is still room for reason in the world. You do not have to win the game by sweeping all the chessmen off the table.

Take the Haynsworth-Carswell episodes, for example. Spong voted for Haynsworth and against Carswell for the Supreme Court. He is a Southern Senator who defeated the incumbent Senator, Willis Robertson, in a head-on clash. Robertson was a good Byrd man. Professor V. O. Key, expert on Southern politics, has described Virginia's government as a museum piece, an autocracy which rules Virginia as England was ruled before the reform bill of 1832. He was speaking of Virginia and of the lifetime of the late Senator Harry F. Byrd, the head of that autocracy and the man who led that organization. Senator Harry Byrd controlled the legislature; the legislature in Virginia elects the judges; the judges control the counties. Bucking the Byrd organization was no sport for the timid.

Yet Spong did it. He went into the Democratic primary for the Senate in 1966 running against the seventy-eight year old Byrd organization incumbent, and he won his primary by a very thin eyelash. He won on Negro votes, and youth votes, and independent votes, and on education-interest votes. His mother had been a school board member in the Norfolk area for twenty years. He had been a state senator from the Norfolk-Portsmouth region, and in the state senate had become chairman of what was known as the Spong Commission on education. It was a golden opportunity because it gave a Virginian a chance to speak on some other aspect of education than race. Spong's interest was in the quality of education, tenure, pay, opportunity for the bright students, consolidation of rural schools, and all the hard and real values that came out in his report.

The Spong Commission brought Spong before his fellow Virginians and made him a Senator. Even so, he might never have made it if his opponent had not referred to him so often by name, and thus done part of the task of familiarization for his rival. Spong put in $20,000 of his own money and spent only $135,000 on the whole campaign. Without large personal resources, he was determined to wear no man's collar; he accepted no more than $1,000 from any donor. Making economical virtue of necessity, because he isn't very good on television, he campaigned largely with small group exposure and signs.

Against his political and regional background, the Haynsworth-Carswell episodes created a frightful dilemma. As a shrewd observer put it, if everyone who was mad at Billy about his Haynsworth-Carswell stands were to vote against him, he couldn't be elected dogcatcher. Virginia Negroes and liberals were anti-Haynsworth and the conservatives were pro-Carswell; Spong managed to offend both groups. How he did it is a measure of the man.

Spong's basic approach to the role of a Senator is to determine what a Senator's job is, and then do it. These are separate and distinct judgments for him, as is particularly illustrated in his attitude on the war. He performs as if he were a lawyer and the public his client; he must first determine what he as a lawyer-Senator should be doing to represent his client's interest.

Taking this two-step approach, Spong first had to analyze his job as a Senator in relation to Supreme Court appointments. He worked this one out when President Johnson sent in the name of Thurgood Marshall, the first Negro Justice, for the Supreme Court. While a number of Southern Senators voted no, Spong had no trouble making up his mind to vote yes. The primary responsibility of choice is the President's. Unless the appointee has some clear defect of character or is utterly unqualified, a Senator must vote favorably. Marshall was clearly of good character, clearly competent, and there was nothing else for Spong to decide.

The Haynsworth appointment presented the possibility of one of Spong's exceptions. Spong had no trouble satisfying himself that Haynsworth was superbly capable—no abler or more richly experienced man was likely to be found. The main force of opposition to Haynsworth was that he would be to conservative, that he was unfriendly to labor, that he would not advance the cause of law on race relations as it had developed during the Chief Justiceship of Earl Warren. None of this deeply engaged Spong because, by his premise of deference to the President, even a President of the other party, he as a Senator had no right to make these decisions. Nonetheless, after he had made up his mind on the remaining issue, he was a practical enough politician to make a record on which he could stand. He personally put into the record the statement of Associate Dean G. W. Foster, Jr. of the University of Wisconsin Law School who had helped draft and apply the HEW standards of integration and who made a glowing statement in support of Haynsworth. He also presented for the record the analysis of the Haynsworth opinions by Professor Charles Alan Wright of the University of Texas, which Spong thought to be "a brilliant and detailed analysis." Spong wanted the liberals in his state to know that Haynsworth was not really a reactionary at all.

The remaining question was the big one. Haynsworth's opponents could not possibly get fifty-one votes to defeat the appointment on the grounds of Haynsworth's points of view, his so-called philosophy. Too many Senators either didn't believe it, or took Spong's neutralist approach on policy, or else agreed with Haynsworth on the merits. The discussion therefore veered to Haynsworth's character and judgment. Had he, as judge, sat in cases in which he should not have participated?

The question is technical in the extreme, involving a long list of cases and a series of different grounds of claimed disqualification. In one case, one of the parties was a corporation that had business dealings with a second corporation, not involved in the case, in which Haynsworth owned stock. In another, Haynsworth had a little stock in a corporation which in turn had stock in a party. In a third—but no matter; there were several.

Senator Spong set himself the task of mastering the subject personally. He could not delegate the task of decision to anyone else. He sought the opinions of experts, calling and writing those with experience. He did not ask his advisors, including judges, law professors and lawyers, merely for conclusions, he asked for details. "The objections against the nominee which raise ethical questions have been so numerous and have been given such wide publicity that I resolved to examine and evaluate them carefully before making a determination," he said.

Some of the charges he found "groundless," which is to say without any basis at all. In the extremes of advocacy, lawyers have too easy a way of calling the other side's claims "groundless," but for a man of Spong's meticulous care, that conclusion gave him a very dim view of the whole case. It accounts as much as anything else for his Haynsworth vote. He simply concluded that some of the ethical criticisms had no basis at all, not even enough to be worth discussion or even casual mention. Their very existence annoyed him.

Nonetheless, some of the charges required real analysis, and he made it. This is what is remarkable. This is why I make Spong the subject of a law school lecture. We live in an age of ghost writers, of staff-prepared speeches. Senator Spong is busy. He represents 4,500,000 people. He is not on the Judiciary Committee. The Haynsworth vote is only one of many hundreds to be cast during a year. But it was his vote, and it was important. He settled down personally to study the materials and make up his own mind. When he made a speech to the Senate, he knew those cases inside out. Only one troubled him much, a case in which the judge inadvertently acquired stock in a corporation without realizing that a case concerning that corporation was still in his court. He concluded that no ethical question was involved and declared, "I believe Judge Haynsworth is an honest man . . . I shall vote for confirmation."

The Haynsworth vote disaffected some Negro votes because both the national NAACP and the Virginia Affiliate had opposed the appointment. On the other hand, when, a little later, Spong voted against Judge Carswell, conservatives in his state were outraged. For Spong, the Carswell vote was simple enough; he thought the nominee a plain incompetent. Carswell might or might not have grown away from his youthful white-supremacy militance; this was a question Spong did not need to decide. The facts which alarmed Spong were that a number of respected fellow judges did not endorse Carswell and that he had an astonishingly high reversal rate by his able Court of Appeals.

This was enough to raise doubt, but Spong, in his make-up-your-own-mind way, had to satisfy himself. "I took a yellow pad," he said (with lawyers it's always a yellow pad), "and went to the Norfolk library. I couldn't find very many Carswell opinions." The latter comment is a reference to the fact that the nominee was not distinguished for diligent output. "What there were, I read, and they just weren't any good. One of them I thought was awful. I don't believe we can pass on whether a judge will be great, but we cannot confirm if he's no good at all." In voting no, Spong concluded that Carswell had been was no worker, and lacked ability.

insufficiently forthright with the Senate,

It probably is true that Spong could not have been elected dogcatcher after his Haynsworth-Carswell votes, and his astonishingly sensitive political antennae were good enough to know it. At least some of Virginia mixes passion with its politics. Right now, in 1971, because of school decisions enforcing nonsegregation, a federal district judge in Richmond has had to send his wife and child out of the country for their safety and a United States marshal must sleep in his house to protect him from bomb threats. Spong got death threats which he shrugs off. "It's the hazard of public life," he says quietly. A trip to a Charlottesville high school was made despite a threat to "get" the Senator if he came. It was an unsettling week for the office staff.

The Senator was denounced in the Richmond press—illustrative was a damning editorial headed "Spong Goes Liberal," charging that Spong was seeking to "lynch the character" of Carswell because "he is a Southern Conservative," and thereby Spong "deserted most of the Virginians he represents." Another Richmond paper attacked him for "serving well the ugly spirit of a smear campaign." A Norfolk minister called upon the most ancient wisdom available to him and denounced Spong for having "sold your birthright for a mess of pottage."

On the other hand there was applause and support, some of it at home. The Washington *Post* and the *New Yorker* could be expected

*Member of the Phoenix Bar. B.A., Wisconsin, 1938; M.A., 1940; LL.B., 1940; S.J.D., Yale, 1947. Published biographical books or extended essays by Mr. Frank include *The Warren Court* (1964), *Justice Daniel Dissenting* (1964), *Lincoln as a Lawyer* (1961), *Mr. Justice Black, The Man and His Opinions* (1949), and essays on Justices Black, Douglas, and Murphy in *The Justices of the United States Supreme Court 1789–1969: Their Lives and Major Opinions* (1969).

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to applaud, and they did; Richard Harris, the *New Yorker* writer, in an extensive analysis, said that Spong "probably more than any other member of the Senate, decided the issue on its merits despite the excruciating pressures on him," Senators Fulbright, Gore, and Yarborough had voted in the negative. Another Senator who had proved himself just as independent as Spong was Senator Marlow Cook of Kentucky, who had been a Haynsworth floor-leader. President Nixon's after-the-battle charge that the vote was "anti-Southern" was hard to sustain with these five voting no. Another minister, this time from Petersburg, assured the Senator "that some of us are with you," and a lady in Charlottesville said a brief "Thank you for doing such a fine job as our Senator." Happily for Spong, Carswell's subsequent behavior has defused the Carswell issue for all but a few.

Spong, as the Supreme Court votes show, has not mastered the art of keeping his Negro constituents happy; the best he has achieved is to keep them generally content. Partly this is a matter of personal remoteness. When Spong is working at being a Senator, he's not the take-them-to-lunch-and-make-everybody-happy type. All this relates to his Negro voters. He has not merely not taken the Virginia head of the NAACP to lunch—a very good fellow named Tucker with whom I've had lunch most congenially—but he hasn't met him at all, ever.

Yet this gives a distorted picture, because Spong is casting his votes as a twentieth century man, in the best sense as a moderate Southerner. He may not be in touch with Mr. Tucker, but he is widely acquainted with all of Virginia and knows and hears from representatives of every ethnic or other group in the state. There are several trusted Negro advisers to whom Spong turns for advice. They include members of the Virginia legislature and members of city councils in Virginia as well as persons not so actively engaged in public life. Spong burned some of his ties with Negro groups when he voted against an open housing amendment to a civil rights act, and this vote is spoken of with some bitterness in black circles. With all deference to the sincerity of the critics, they cannot complain that they did not know in advance what they were getting. Spong declared his position expressly and clearly on that issue at Negro gatherings before he was elected.

On voting rights, Spong managed to be a good, loyal Virginian, and a good, loyal friend of universal voting as well. When the 1970 extension of the 1965 voting rights bill passed the Senate, Spong was with the sixty-four man majority. The twelve man dissent included his fellow Virginia, Harry F. Byrd, Jr., and Senators from Alabama, Georgia, North and South Carolina, Florida, Louisiana, and Mississippi.

Spong strongly supported voting for everyone and equally strongly repudiated any implication of voting discrimination in Virginia, boosting his state's record on this score so strongly that a sponsor of the measure withdrew an aspersion on Virginia. Spong contended that voting rights and voting right enforcement should be universal, and not aimed solely at the South; after an amendment in that direction by Senator Cooper of Kentucky was adopted, he supported the bill. When a Richmond paper complained of his vote he replied, "Looking beyond Virginia, this law effectively protects the voting rights of millions of citizens, and for that reason, I voted for its passage." Spong was the first Southerner from a state covered by the voting rights act ever to vote for it. He got a burst of applause from the Norfolk *Virginian-Pilot* which wants an end to "unreasonable obstacles to voting."

Support for Spong from Portsmouth or Norfolk is no surprise because this is his home area. Spong is from downtown Portsmouth, and downtown, or the "Olde Towne" area as it is spelled by the determinedly quaint, is the area of the city with deepest roots. On his mother's side, the family goes back to the beginning of the town; an ancestor gave some of the land which formed it in 1752. Spong has lived nearly all his life within a three-block radius of the old section.

Portsmouth itself has the spirit of accommodation to change. In Spong's youth, the town was 40,000 people. Now Spong is fifty, and the city has grown to 111,000. Employment in the shipyard was under 5,000 in the 1930's, up to 50,000 in World War II, and is about 11,000 now. It's a no-nonsense, no filmy dresses and magnolias, middle-class community where, to quote a resident, "Nobody's rich except the doctors." Clearly the more it changes, the more Portsmouth does *not* stay the same.

Spong's father, who passed this unusual English name on to his son, headed the advertising department of a Portsmouth newspaper until he died in 1940. The father was a graduate of what is now Duke University and inculcated a sports interest in his boy; the father was a professional baseball player once. He was both kindly and generous, and on more than one occasion, says the reminiscent press, he gave the coat off his back to a needy person.

The father gave his son a comfortable enough life; the downtown establishment didn't exactly rival the DuPonts and the Rockefellers in economic status or social prestige, but it is at the heart of understanding Spong that by Portsmouth standards, the downtowners were the establishment. They were the ruling group of the area; Spong lived comfortably and in his own time had a good law practice. From a very early age, Spong was a friend of John MacKenzie, and his wife Betsy, downtowners, too. Spong and MacKenzie went into the legislature together; MacKenzie is federal district judge now at Spong's instance.

For purposes of his public life, Spong's main inheritance from his father was an interest in politics coupled with a streak of Democratic independence. The father was so solidly Democratic himself that when, in a 1928 Democratic meeting the group was polled on who would vote for Al Smith, Spong walked out in indignation that such a doubting question could even be raised. Spong the father was never a candidate himself, but he strongly supported his publisher, Norman R. Hamilton, who went to Congress in the 1930's. Hamilton was that rarest of birds before Spong himself, a Virginia Democrat who was not part of the Byrd machine. While this association was in Spong's youth, the independence from the boss is the most conspicuous feature of the Spong career.

If Spong got his independence from his father, his mother gave him the interest in education which made him a Senator. She, at the age of seventy, is still active in the Portsmouth community, where she served twenty-three years on the Portsmouth School Board, thirteen of them as chairman. She fought large taxpayers to get new schools and won the distinguished Service Award of the Virginia Education Association and the Portsmouth Woman of the Year Award before her son ever was in public life.

Spong's own life is a straight—a very straight—chronicle of small city success, and is in the precise image of young, middle-class establishment boy makes good: college at Hampden-Sydney; law school at the University of Virginia; graduate work at the University of Edinburgh; military as a sergeant with the Eighth Air Force overseas in World War II; clubs and organizations include Rotary (Portsmouth President), trustee of Hampden-Sydney, board of managers of the University of Virginia alumni and president elect of the Virginia State Bar. He is straight middle class, and his guests when his daughter has the inevitable group debut will be straight middle class, too. He's a square in his personal dealings; his closest friend has never heard him use a vulgar expression even once. He will take a drink or two, rarely more. If invited to a dinner, he wouldn't notice what was served. His skill is in one to one or small group relationships unless he is bored by a show-off in which case his mind visibly turns off.

Spong is an old-shoe comfortable friend in his circle, a genuinely funny anecdote man who gets great mileage out of stories on himself. He is a conversationalist, not a monologist. The published letters of Robert S. Gerdy, a *New Yorker* magazine editor who served with Spong during World War II, recall Spong as "one of the most wonderful talkers I have ever met, great accuracy literally and artistically in the descriptions of the fraternity boys and governor's balls in North Carolina, the high life of Portsmouth, Norfolk, Lynchburg, Virginia Beach, and Richmond—something new to me, unique in the South, and I think superior to Westchester in all ways, even the names of the people." In a eulogy of a friend Spong once made a comment that fits himself, "There is something refreshing about a public figure whose seriousness of purpose nevertheless allows himself to share wit and humor, often at his own expense." But it is not a big circle; he is most at home going out on an afternoon in Portsmouth, Virginia, to drop in on one friend for the first half of a TV-shared football game, and on another for the second. He is what one friend describes as a "sitting around type." Partly this is because he is, truly, a frustrated sports writer. He covered the Olympics for a local paper one year, and would probably rather be Shirley Povich, lead sports man for the Washington *Post*, than Senator. He never shoots dice, but he would like to be a decathlon competitor.

On his track record, Spong sounds like that grand old cliché of the political hacks: to get along, go along. There was nothing in his record to suggest that Spong would vote against Carswell, make malnutrition in Virginia an open issue, challenge one of America's great political organizations, or try to turn the war power back from the President to Congress.

His law practice was conventional, and gave him an income of about $40,000 a year; his net worth when he went to the Senate was about $150,000. The practice included real estate and corporate work with a minimum amount of litigations. Such trial work as he did included insurance defenses, occasional contract matters, and municipal land annexations. He has represented the local housing authority. He kept his name with his firm briefly after he went to the Senate, but when it became apparent that the firm was getting money because of his political standing, he thought it best to withdraw altogether. His relations with other lawyers were always amiable; he became president elect of the state bar by moving through the chairs, and had no particular visions of law reform.

Spong's wife, Virginia, is no aspiring politician herself. The public meetings, appearances, and hand shaking are for the birds or for her husband, but not for her; she is more a Pat Nixon than a Ladybird Johnson. She is the daughter of a Marine Corps general who retired to Portsmouth, and a graduate of Cornell. Like Spong, she makes really warm friends one or two at a time, rather than en masse, and Spong takes pride in her high standing with the Senate wives. There are two children, and the harshest war in Spong's spirit is between his urge to be on the job or out and about his state constantly, as against his desire to be with the family. He retreats to his family every moment he can, and seems absolutely genuine when he speaks of the possibility of chucking politics root and branch to stay at home.

And yet he probably will not do it because politics has been grained into him from boyhood. There is an odd conflict in the appraisals of Spong by those who know him well. "He's about the hardest working man we have," one Senator told me; "he does his homework and he always knows what he's talking about. But he's a terrible politician." Balance that against the observation of an old and intimate friend: "He's the most political man I've ever known. It's his overwhelming obsessive interest. *Everything* is measured in political terms, and he has the best political antennae I've ever seen. He *knows* how people in this state feel."

The paradox is that both are right. Spong is a bad politician in the sense that he is a real independent who makes up his own mind and a bad politician in the sense that he is inconspicuous. It is said that he has improved his TV appearances. If so, the earlier shows must be history's worst. But he does truly know his people, he can conciliate at least some of them to his independence, he doesn't make mistakes, and, unlike some colorful spout-offs, he has never put his foot in his mouth.

Spong's political career began when he went to the legislature in 1954. Post-war Virginia politics were absolutely dominated by Senator Harry Flood Byrd, father of Virginia's other Senator today. For openers in the Portsmouth rebellion, Spong promoted the election to the legislature of a local lawyer and close friend named Winston Bain. Bain was hesitant to announce without knowing who the anonymous Byrd powers, discreetly referred to as "they," would run, but his own personality and military record swamped the opposition. The next time around the little group of independents gathered to choose a candidate for clerk of court. Savoring the tiny taste of power, Bain whispered to Spong, "We are they."

So it proved. MacKenzie and Spong both ran for the lower house and won. The next term, Spong went to the state senate, beating his wealthy, small-loan-business, Byrd opponent; the adversary's name was Tusing and there was joking about the Chinese race. Spong was reelected for a total of three four-year terms, developing absolutely avalanche strength in the Portsmouth, Chesapeake, Virginia Beach area. On his last race, with five candidates in the field, Spong got 23,000 votes out of 27,000 cast. As he solidified his hold on his seat, the organization dropped the fight and made room for him; he managed to be a progressive state senator without being endlessly embattled. Labor, Negroes, teachers, independents, the local business community, and old-line families united with him.

As a state legislator, Spong was chairman of the Fish and Game Committee and a member of Insurance and Banking, Public Institutions and Education, and Courts of Justice. What put him into the Senate was his work as chairman of the Virginia Commission on Public Education, the Spong Commission. The report was detailed and precise. It was also forthright, as: "Social studies" is "the subject given to the teacher not qualified to teach any other specific subject." Spong wanted this subject not to be a "dumping ground for all the odds and ends of the curriculum."

The legislature sustained the Commission on many fronts. It established special summer institutes for teachers, paid tuition fees for teachers improving themselves, and supplied dollars for needed equipment as well as much more. The state turned from a primary concern with race in education to a primary concern with quality. With this stand, Spong coupled opposition to plans to escape integration to closing Virginia schools. "I am also proud of my support that ended massive resistance and permitted reopening of public schools in Virginia," he said.

In 1965, United States Senator Harry F. Byrd announced he was retiring. His son, Harry F. Byrd, Jr., was appointed to fill the unexpired term of one year. This meant that there would be two United States Senate races in 1966, because the term of seventy-eight year old Willis Robertson, chairman of the Senate Banking and Currency Committee, also expired in that year. Armistead Boothe, a former state senator, took on young Byrd and lost. Spong went for the Robertson seat, campaigned the state in two twin Cessnas belonging to friends, and won the Democratic primary by the magnificent margin of 611 votes. He then swamped his Republican opponent.

The first act of his campaign, at two o'clock in the morning on the day of decision, was a call to Spong's Portsmouth friend, John MacKenzie, to say, "I've decided to run for the Senate, and I don't want you to campaign for me." Spong's concern was that he might lose, and he didn't want MacKenzie, a prospective federal judicial appointee, to be injured if he was defeated. MacKenzie helped anyway. In that connection, a MacKenzie incident illustrates Spong's way of leveling even when he is campaigning. A substantial Richmond audience wanted a well-qualified Richmond man for the prospective judgeship and, at a meeting there, Spong was asked who he would support if elected. He flatly named MacKenzie. Happily, there has been room for both on the federal bench. Spong's campaign manager was Bill Battle, an intimate friend. Battle and Spong are each godfather to a child of the other. Battle, now a textile executive, is a prominent Virginian on his own account and was even more prominent as President John F. Kennedy's campaign manager in Virginia. Spong's own Kennedy ties were pleasantly warm; he had been offered a federal district judgeship by President Kennedy which he had declined. Yet this emphasis is misleading; Kennedys are not overwhelmingly strong in Virginia, and Spong keeps to a friendly but independent course. He tells of a disaster inspection trip after a flood in Nelson County, Virginia. A helicopter made a difficult landing for him near Norwood, Virginia, where the party was met by an elderly Norwood woman who said, "Senator, you must do something for us, please!" "I'll be glad to do anything I possibly can," Spong replied, "What is it?"

"Senator," came the response, "You must do something about Teddy Kennedy!"

The 1966 race saw a break in the Byrd organization. With the older Byrd out of the saddle, some of the younger men wouldn't take Robertson, whom they regarded as dispensable even from a Byrd point of view. Sidney Kellam, the Virginia Democratic national committeeman and a power in Spong's home area, stayed with Robertson, but one political analyst reported that the younger business executives were switching to Spong. A billboard showing the candidate wearing a striped tie emphasized his youthfulness as against Robertson's age. The battle was only to slight degree one of issues; there was no great debate on the escalating war, or the great society, or integration. The real elements were youth, education and the Negro vote.

Spong stressed that he was the "Man for Today." The Byrd organization had controlled Virginia by controlling rural areas. A shifting population expanded the cities, and the redistricting resulting from Superior Court decisions gave the cities the bulk of the power. Urban voters heard Robertson's heavy reliance on his effectiveness in the Senate ("only 14 of the 99 Senators outrank me in seniority") pregnant with the promise that he could better get money for the state. They were not persuaded. Robertson had been in Congress since 1932 and seldom came back to campaign. Spong promised to stay in touch with his voters, and he has done it.

The biggest difference between the two was on federal aid to education. Senator Robertson wanted the federal government dollar in the state for roads and coastal installations, but not for schools or housing; he was one of the three Senators to oppose the 1965 Higher Education Act. Spong took the reverse position, and as the Spong Commission man, his words had weight when he came out for federal aid and charged Robertson with blocking school improvement in Virginia.

The two divided on the issue of campaign funds. Robertson was supported by banks grateful for his kindly role as chairman of the Senate Banking Committee, and he declined to reveal the source of his money. Robertson in turn charged Spong with being financed by the unions. Spong bared his books, which his $50 average contributions. There was no labor money other than a few dollars from the Meat Cutters.

Without race being an overt issue, Robertson represented everything against which Negroes rebelled. Few if any voted for him. Without heavy Negro support, Spong would not have been a serious candidate.

A 611 vote margin is not much, but it is enough; the new Senator set out on the search for new worlds to conquer. He was young (forty-five), daring, moderate, dilligent—and very, very lucky.

By far Spong's most publicized action in his first term, more so than his Supreme Court votes, has been his hunger tour. Malnutrition in serious proportions does exist in Virginia. Spong, sensitively aware that as a middle class representative of a fairly comfortable part of Virginia he knows less than he should about desperate state conditions, set out to inform himself. During Congressional recesses, he went out on tours with doctors, which quickly accumulated an entourage of reporters and TV men.

Spong was appalled at what he saw: "I saw conditions I did not know existed. . . . We found no cases of starvation . . . we found malnutrition . . . iron deficiency and protein deficiency . . . we found anemia, especially in preschool children. While an average suburban community will have an anemia rate of about 14 percent in preschool children due to a failure to eat properly" a Northern Virginia Head Start Program "discovered that 30 to 35 percent of its three-to-five year olds suffered from anemia;" a clinic in Appalachia had 63 percent; a central Virginia area "had a 55 to 60 percent anemia rate for its preschool youngsters." I also saw children whose physical and mental development has been and is being hampered by inadequate diet," Spong reported. "The problem of food deficiency plagues both white and black Virginians." The Hunger Tour outraged the complacent in Virginia. An unenlightened stranger might suppose that this activity, probably the best thing Spong has done as a Senator, would arouse universal applause. Spong says he anticipated hostility because of "general antipathy throughout the State with regard to welfare and poverty problems" and the shame of disclosure.

Whether he anticipated the hostility in advance or by retrospect, he got it. The Richmond *Times-Dispatch* approached the matter gingerly, crediting Spong with good intentions but warning of "a circus." The Danville *Bee* thought the tour just a publicity stunt. The Richmond *News Leader* was comforted because the tour found "no instances of starvation"—just malnutrition. The Lynchburg *News* attacked Spong, who is self-effacing and modest to the point of invisibility, as a publicity hound. A North Carolina publisher blasted the Senator for showing "Virginia as a poverty-stricken, down-at-the-heels state," and Spong was attacked by Virginia's Governor Mills E. Godwin, Jr.

Yet the reaction was by no means all hos-

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tile. One editorial applauded "a first hand look at actual cases" and was pleased with the Senator's "penchant for gathering his own facts." The Covington *Virginian* was grateful to Spong for uncovering anemia, rickets, and hookworm "in the richest nation in the world" and thought it would give something to think about to those who "sit securely in our church pews on Sunday."

Results of it all? In April 1969, only three of the fifty states participated less than Virginia in food stamp and commodity programs. By 1971, all Virginia localities participated Spong put in a bill to expand nutrition education; sponsored a food stamp bill which passed the Senate; joined Republican leader Senator Hugh Scott of Pennsylvania to broaden another food stamp bill; co-sponsored legislation to expand the school lunch program; and co-sponsored a bill to expand family services. Some of these have passed the Senate, some have passed into law. His efforts to get a comprehensive survey of hunger and food needs in the poorest regions of Virginia have still not succeeded.

A good part of a Senator's business is voting on bills, and Spong dutifully casts his votes. On the vital matters, he and Senator Byrd are frequently on opposite sides of the fence, though on the August, 1971, vote to bail out Lockheed Aircraft with federal funds, both voted no. They were opposed in each of the following matters between 1967 and 1969.

Spong voted in favor of a larger neighborhood facilities program, a larger model cities program, the poverty bill, an increase from $140 to $200 a month in the amount social security recipients can earn, a Headstart program (Spong has been keen for Headstart), an expanded National School Lunch Program, and a proposal to continue the Job Corps.

Spong voted against various attempts to reduce and confine Headstart, a proposal to cut summer jobs for the underprivileged, proposals to limit student loans, and a proposal to cut the antipoverty program.

Four organizations which rate members of Congress in terms of the organization's own values are ADA (liberal), COPE (labor's political arm), NFU (farmers), and ACA (conservative). There are ten Virginians in the House of Representatives plus the two Senators. On the ADA rating for 1969, Spong has 50 percent; the other Virginians average under 4 percent. On COPE, Spong's percentage is 55 percent. The other Virginians average 20 percent, and Senator Byrd's score is zero. On NFU, Spong's percentage is 75 percent, and the other 11 average 34 percent. On ACA, Spong's percentage is 63 percent, the others average 85 percent, and Representative Scott scores 100 percent. Spong thus stands much higher than every other Virginian on the liberal, labor, and farmer rating, and lower than the others on the conservative rating.

On the personal side, Spong's most conspicuous feature is that he is a worker. The day begins at seven o'clock, he is at the office by eight, and he works until seven. Evening may well be a meeting, dinner, or speech—the average was about two a week last year.

The speeches and the appearances are overwhelmingly in Virginia; Spong makes no effort to hit the national scene. He has a ready wit, when he first came to the Senate he was an exceptional hit at a National Press Club affair for new Senators with a widely-publicized gag on the names of Senators Spong, Long, Fong coupled with Hong Kong. Soon after he won a Senatorial tennis tournament which also made the papers. He concluded that he didn't need this sort of publicity; it would give Virginia an impression of a Senator's life as all fun and games, and he decided to burn that image off.

Spong reads whenever he can, principally in current affairs and history, and collects civil war books. His most recent books in midsummer of 1971 were Will Durant's *Lessons in History*, published a few years ago, Charles Reich's current best seller, *The Greening of America*, and Barbara Tuchman's *Stillwell*, which he was just working his way through. The *Stillwell* really excited his interest, and he was mastering it avidly.

Spong's least Senatorial quality is his deeply genuine modesty. As the only absolutely modest man in concert with ninety-nine prima donnas, he is a national curiosity. With a ready reminiscence of the legendary Churchill-Atlee witticism, he says, "I have more to be modest about than the rest of them." Lines which probably can't be found in the statements of any other Senator, taken from his statements, are these:

1. Asked how he would assess his performance in his first three Senate years: "I haven't done as well as I would like to. I'm participating a great deal more than I was a year ago or two years ago."

2. "Last year, I took off a week and a half and just visited farms, I know very little about agricultural problems of Virginia, and I read some books and read some reports" and took the trip.

3. In regard to the Middle East, "I had the opportunity to visit in the Middle East last year and it was a discouraging experience . . . No one can impose a solution and expect it to work . . . we must continuously search for a solution."

4. Of a major research job and article, done entirely by himself, a worried, "I'm afraid this is a little superficial."

These are not the typical complacency, the "I have a solution" approach of a typical political leader; Spong is truly willing to say, "I don't know." It is this quality that makes him search out the people he thinks may know, the quality that makes him want to look for himself. It is this searching quality for his own answers which makes him independent. When he first came to the Senate, he declined to join the Southern Caucus, and he spoke very rarely. His independence has not hurt him at all; this year he was chosen by Senator Mansfield for the Senate Democratic steering committee, which chooses the committees, and he made it to the Foreign Relations Committee as the only first term member, excepted over the heads of senior Senators. He is clearly being recognized as an effective and reliable in-the-Senate man, and in July 1971, was named one of the six members of the Select Committee on Standards and Ethics.

Both the modesty and the trusting acceptance by fellow Senators are aspects of Spong's largest single political asset: he radiates a sense of absolute sincerity. Like every public leader, Spong has his attributes of political plus and political minus. His TV flatness and mixed disinclination and inability to publicize himself are illustrations on the minus side; Spong could no more strike a pose for publicity's sake than the Washington Monument could bend in the middle. The other side of this same coin is his fully recognized genuineness. Even the newspaper denunciations of the Hunger Tour spoke of his "sincere wish" to know, and the attack by Governor Godwin granted that Spong was "sincere" in his quest.

For me personally during my own inquiry, the moment of real understanding of Spong's position in Virginia came in an interview with a very capable and very dedicated Republican. My informant sincerely believes that Spong should be replaced by a Republican and will work to that end in the 1972 election. At the same time, that Republican believes that Spong voted for Haynsworth because after thorough study he concluded that the nominee was well qualified and fully suitable for the job, while after equally thorough study he concluded that Carswell was a hack. My informant has absolutely no doubt at all that this was not a matter of political opportunism on either side. He does not suppose for a moment that Spong was zigging toward the conservatives with his Haynsworth and towards the liberals with his Carswell vote. He thinks that Spong is not an opportunist at all, at least on serious matters, and that he really calls them as he sees them.

Spong's methodical approach to decision making is illustrated in his committee work. He began with the Public Works Committee where he dug deep into pollution problems and was out in front with legislative proposals before the current wave of great attention. His biggest task on the public works committee was as ranking member of the subcommittee to deal with the immense rainfall disaster of 1969 which hit the Gulf Coast and was particularly ruinous in Nelson County, Virginia. Swift hearings brought both emergency and permanent disaster legislation, much of it drafted by Spong personally, in a hurry. He has been on the Commerce Committee and is delighted with the assignment, in part because it relates to shipping in which Virginia has an interest. But the committee assignment which he really cherishes is his recently acquired post on Foreign Relations, where he is serving on the European subcommittee. He has studied abroad and traveled widely and, again, Europe is an area in which Virginia has a real interest.

There is a drama of democracy in the transfer of a relatively small-town lawyer into a position of guiding America's relations with the world. The lawyer who once had to worry about the annexations of Portsmouth, Virginia, now must worry about the annexations of Indo-China or the Middle East. What may give rise to pensive thought by young law students is that Spong is visibly transferring the methods of observe, consult, study and think from a minute local law practice to the grand international scene.

Spong has approached the war in Asia with a firm commitment to support a President waging a war, though his commitment is eroded by the gravest of doubts. Finally, in 1971, he departed from a support position to vote for the Mansfield amendment to the Selective Service bill to tie the end of the war to release of prisoners. Spong has talked at length with veterans in military hospitals in his area, and his own view of the prospect is bleak. He is not optimistic that the South Vietnamese, even with substantial further training and with air support, will be able to halt an all-out assault upon their country. He has been deeply pessimistic about the prospect of settlement and depressed at the failure of the North Vietnamese to keep commitments he thinks they have made.

His course of limited departure from the President came with the Cambodian invasion, which he opposed. He feared that this was a "move beyond the symptoms which we might have arrested to fight an illness which we cannot cure." Because he feels that it will be the utmost the South Vietnamese can do in the course of time to protect their own country, he sees no promise of improvement by a broader war giving them more to defend.

Although Spong was willing to tell the President by Senate resolution not to invade Cambodia, he was not willing to dictate when the President should end the war. Spong is thinking about these problems on two levels. First, there is the question of what is in fact the best thing to do. Secondly, there is the Constitutional question of the proper distribution of power and responsibility between the Senate and the President. This latter question, of who has the responsibility to do what, is not simply a rhetorical makeweight in the mind of Spong; it truly concerns him that he should do his full job but no more than his full job. Hence he supported the Cooper-Church amendment, though with a limitation which he himself sponsored to leave the President free to forestall enemy attacks and to chase fleeing enemies into Cambodia where necessary for the protection of American troops. On the other hand he opposed the McGovern-Hatfield amendment which would impose a time table for American withdrawal from Indo-China. Spong does not think that there is much chance of a negotiated peace, but he thinks that publishing a required withdrawal date would absolutely doom negotiations because the enemy would need only to outlast the calendar to get its way one hundred percent. He would rather hold on to "any slim chance for a negotiated settlement" than adopt the "inflexible" McGovern-Hatfield plan. Though not cheerful about its prospect, he basically approves President Nixon's plan for gradual withdrawal of American forces from South Vietnam while the South Vietnamese prepare to take over their own defense, but he is solidly against broadening the war.

The Senator has felt a need to straighten out his own thinking on the proper relations of the President and Congress and so he set about writing a law review article for the University of Richmond on the subject. Typically, he did his own work. When one sees a detailed, analytical exposition, fully researched, by any contemporary public figure, the necessary likelihood is one of seeing a ghost-written product. This is not said in derogation. The fact is that a Senator from a large state with immense responsibilities may very reasonably decide that it is not the best use of his time to go personally digging into a library. Each man has only so many hours to spend, and a man can fairly conclude that he cannot spend his time burrowing into details.

While another man might so conclude, Spong remains the Senator who would rather do it himself. Nothing will content him but that he make up his own mind after personally studying the evidence. If the consequence is that in order to study primary matters thoroughly, he must study fewer subjects and talk less, so be it.

This is typified by the University of Richmond article. Spong went to the library and wrote his own piece. On a day in early July, he was almost done; there were still two pages of little corrective notes, the kind of minutiae that makes scholarship accurate and prose precise, with which he needed to correct and clarify his earlier draft. When he had done all this himself, he had made up his mind on the question of whether "balance can be restored in the Constitutional war powers of the President and Congress." He had considered the materials from Madison's notes on the Constitutional Convention and the Federalist to the most recent words spoken in the Harvard and Virginia Law Reviews and the publications of the Naval War College. His research ranged from Jefferson to Congressional committee hearings and took into account the Memorandum of the Lawyers' Committee on American Policy Toward Vietnam. His essay might have been more elaborately documented if he had a professor do it for him, but his own digging had made what he learned a part of himself.

Spong begins with the fact that the Constitution in the most express possible way gives the power to declare war to the Congress. As the Cambodian invasion demonstrates, this Constitutional provision is not in fact obeyed, and the war-making power has so largely passed to the hands of the President that Congress was not even consulted. He turns to the debates in the Constitutional Convention, which pointed to the recognition in 1787 of the necessity that there be no war "but when the Nation will support." Alexander Hamilton, in explaining the Constitution to the country, showed the difference between the American and the British systems, for in Britain the King could declare war, where as in America the President would only be able to wage it after it had been declared by the Congress. As Hamilton said, "it belongs to Congress only, to go to war." Madison had said that the power "to declare war including the power of judging the causes of war, is fully and exclusively vested in the Legislature." From this Spong concludes that under the original Constitutional conception, the President might repel an attack or an invasion, but otherwise war "should come only after a collective judgment had been made by those directly elected as representatives of the people."

Spong develops that this has not in fact been our history. In the twentieth century, Presidents Theodore Roosevelt, Taft, and Wilson used armed forces in Latin America. President Truman sent armed forces to Korea in 1950, claiming power to act "in the broad interest of American foreign policy." He also sent troops to Europe. There followed a whole series of Congressional resolutions, of which Tonkin Gulf is one, which appear to concede a war power to the President. President Eisenhower sent 14,000 American troops to Lebanon without a claim of Congressional authority, and President Kennedy when he quarantined Cuba did the same thing. Neither Presidents Johnson nor Nixon has felt any real need for Congressional authorization for the Vietnam activities. There have been only five actual declarations of war in American history and 150 other military engagements.

It is not in Spong to cry over spilled milk, and he puts no blame for the drift of events. He simply notes that Congress has largely acquiesced in the demise of its own powers and that the courts have not done much to clarify responsibility. The rise of executive agreements instead of treaties has tended to deal the Senate out of foreign relations.

What would Spong do about it? He wants more careful resolutions of authorization when Congress does give a President a go-ahead; he wants improved reporting and consultation between the President and Congress; and he is prepared to support legislation which would specify when the President might initiate hostilities in the absence of a declaration of war. He analyzes all of the various proposals before the Congress and appraises them. His view is that Congress should stand up and be counted directly if it is to have responsibility—the mere approval of appropriations should not imply authorization to commit military forces unless Congress expressly says so. He does not wish to get lost in the details of a Constitutional argument; the concern is to determine where responsibility must be to "serve our long-term national interests." He is perfectly prepared to discuss the possibility that in a nuclear age and a world of possible instant destruction, it may be that the original Constitutional plan has become obsolete with contemporary war-time technology. The founding fathers worried whether there would be time to declare war; in an era of destruct by button, that problem becomes intense. Spong concludes by harking back to the original thought expressed in the Constitutional Convention: In war (and particularly after a war such as the long and divisive Vietnam conflict), "we desperately need national unity."

The war power essay typifies the man. It bears the stamp of independent research and independent thought. Once again, Spong applied the skills of a lawyer and the dictates of reason to illuminate a difficult issue. Spong is his own man; he is nobody's echo.

The question remains whether there is room for this kind of a man in American public life or, for that matter, in the representation of Virginia. Williamsburg, Virginia, is the great symbol of old-line handcraft in American public life, where the pewter, the silver, the hams, and the woodworking are all made or cured in the old-fashioned way of individual workmanship. Spong is the hand-craft Senator rather than the machine-tooled type of contemporary times. There is a question of whether the country can afford the luxury of a Senator who so meticulously does his own work.

There is also the question of whether his state will sustain him. Of the twelve representatives of Virginia in the national Congress, as the Congressional voting figures show, Spong is the only one who can remotely be regarded as a moderate, even though Congressmen Downing and Whitehurst, both from Spong's southeastern corner of Virginia, are close to Spong's voting record on one of the national rating sheets. His is a badly divided state, and if anyone can gently nudge Virginia into the twentieth century, Spong, with his low pressure methods and his universally recognized sincerity, is the man most likely to do it. In the most recent Virginia gubernatorial elections, the party voters were given a choice at the primary between a real Populist liberal, strong for racial equality, named Henry Howell, and Spong's own campaign manager and intimate friend, Bill Battle. Howell is engaging and dynamic, with a real campaigner's flair, but Battle, who is a political veteran of stature, won the primary. Had he won the election following, there clearly would have been the strongest kind of an axis between the capitol in Washington and the capitol in Richmond. He did not—it is generally accepted in Virginia that the bruises in the Democratic primary resulted in the election of a Republican governor, generally regarded as doing a capable job. Spong is thus very much on his own.

Nonetheless, "his own" seems good enough. Recent interviews in Virginia show that no one wants to take on Spong in the Democratic primary, and reveal that not a single Republican incumbent Congressman wants to risk his reasonably secure seat in the lower house for a state-wide battle with the Senator; the only plausible alternative at the moment is a Congressman who will in any case lose his seat by redistricting. Those who have spoken to the Republican governor confirm that he will not challenge Senator Spong and regards him as safe. As of this moment, Spong has won.

There are long-term doubts about the prospects of a man like Spong as a Southern leader. It may be that as the wheel turns, the moderate men like Spong will be engulfed either by the forces of extreme radicalism or extreme conservatism. Ours is a society of times impatient with moderation of any sort. But at this moment, Spong represents what is surely the overwhelming stratum of Virginians who do not want to shoot judges or senators or bomb institutions. What they want is a thoughtful solution to the problems of hunger and unemployment, of racial tension, and of peace. Spong may not get the solutions; perhaps no one can. But he certainly qualifies as thoughtful. He will never be quick, or intuitive, or flashy; but as one of the wisest and most respected Republicans in the state, a man who has observed Spong closely, says, "When he has the chance to prepare himself thoroughly, he's absolutely top notch."

What he wants to do he has told us in an extraordinarily heartfelt eulogy for a young man of exceptional promise in Virginia public life. Spong spoke of a Virginia of the future, a Virginia of aspirations: "A state that would, by example, give leadership to the nation; a state that could retain the pride of its past without being blinded to the needs of the present and future; a society where people had attained an understanding of one another; a society of tolerance and goodwill."

Spong's is more than an individual victory, and Spong is more than a model for young law students of today. The success of Senator Spong is a victory for the force of reason in American life. Spong's experience,

in the Senate demonstrates that rational analysis may still thrive in our government, despite the pressure of throttling emotionalism. To all for whom the law is important—those who make the law, those who interpret the law, and those who live by the law—Senator Spong offers hope that the bond of law to reason may yet endure.

NEED FOR SPEED IN CANCER RESEARCH

Mr. ALLOTT. Mr. President, on July 7, 1971, the Senate passed, by a vote of 79 to 1, S. 1828, the Conquest of Cancer Act. On November 15, 1971, the other body, by an equally impressive vote, passed the National Cancer Attack Act of 1971. The bills are at present the subject of a joint conference committee, and even though there are material differences between the two versions, I am hopeful that a rapid solution can be reached by the conferees.

It is impossible for anyone to not be concerned about seeking progress in the field of cancer research. The results of this cruel disease are brought to mind by seemingly endless reminders. It seems that it is all too frequent that one learns of a relative, friend, acquaintance, or a total stranger, who is suffering from the disease. This only tends to reaffirm the belief that research progress must be made in order to stop cancer.

Perhaps one of the saddest and cruelest cases of cancer is the one which afflicted Lyn Helton. I never met this young woman, but I have the greatest respect possible for the attitude she possessed and the approach she had to life. A wife and the mother of a 22-month-old baby, she displayed an amazing respect for life while knowing that she had terminal cancer.

In order to emphasize the need for speed in cancer research, I ask unanimous consent to place in the RECORD an article, entitled "The Love That Lights the Last Days of a Brave Young Mother," published in the December issue of Today's Health. I urge all Senators to take the time to read this excellent article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE LOVE THAT LIGHTS THE LAST DAYS OF A BRAVE YOUNG MOTHER

(By Mike Michaelson)

The big, turreted house on the corner once belonged to a governor of Colorado. Now it is subdivided into apartments, as are so many of the rambling old homes on Denver's once-gracious Gilpin Street.

In the front downstairs apartment, Lyn Helton is trying to take a morning nap. It had been a bad night again. So many of them are now.

For Lyn, nighttimes form a familiar, dreaded pattern: settle down by 10 or 11; sleep four hours; awake again until almost dawn; swallow a pain killer; sleep for two more hours.

"Just lying there awake wearies me, so I usually don't feel too good in the mornings," she says quietly.

Complaints don't come often from the frail young girl. Not even now as she finds herself tired but unable to sleep. Lying in bed, she's disturbed by the noise of the traffic outside, by the alluring sunshine that filters into her sick room and, most of all, by her thoughts.

. . . Always moving . . . Colorado, Wyoming, Montana . . . divorced parents . . . quitting high school . . . leaving home . . . waiting tables, working in offices . . . finishing high school at night . . . writing poetry . . . husband Tom, baby Jenny . . . Albuquerque, Salt Lake City, Denver . . .

Lyn eases her radiation-burned knee into a comfortable position and picks up the manuscript she hopes eventually will become a book and a legacy to her daughter. Jenny is 22 months old. "She'll soon be a mean old two-year-old," says Lyn, attempting a flippant, throwaway line. But the uneven voice doesn't pull it off. Lyn reads, knowing that her words may some day represent the only contact between mother and daughter.

"Dying is beautiful. Even the first time around, at the ripe old age of 20.

"It's not easy, but there is a real beauty to be found in knowing that your end is going to catch up with you faster than you had expected. You try to get all your loving, and laughing, and crying done as soon as you can."

Tacked to the wall above Lyn's bed is a poster, a portrait of a young girl leaning against a tree. She has pretty, dark, long hair, deep-smiling eyes, and strong, happy features. The photographer has captured this girl with her head tilted sideways in a natural, tender pose. It is a portrait of love, laughter and happiness.

The girl is Lyn. The photographer is Tom. The moment was a happy one, only a few days after they met in Laramie, Wyoming, little more than two years ago. Within a month they were married.

Now Lyn resembles the young girl in the poster in spirit only. Disease, anxiety, loss of sleep and appetite, hours of vomiting when she was on drug therapy, all have taken their toll. Her face is drawn and hollow, her eyes dark and sunken. Her body is gaunt. Her smile is slow, thoughtful.

If she ever cries or despairs about her appearance, it is mostly for Tom's sake, because it is for him that she would like her body whole again, unscarred by disease. She loves him more because he doesn't seem to mind.

"I like the way he caresses my body, at night," she writes in her narrative. "Even though I'm rough and bony from my illness. He'll love me forever, and I like knowing that . . ."

Lyn studies pictures of their daughter, Jenny has tousled blonde hair and impish features. She seems to enjoy the freedom of wearing only a diaper.

"God, I miss her," says Lyn. Her daughter is spending a week with Tom's parents at Green River, Montana. "Being a mother, having my little girl, has kept me sane. I've been a nervous wreck since she's been gone. It has kept my mind together, knowing there is something more important than myself to take care of."

Lyn is absorbed now, lost in thoughts of her daughter. "You know, kids are super-emotional. Jenny doesn't know, like, 'My Mommy is dying,' that sort of thing. But she does know there is something different about me, something wrong. Like, when I break down sometimes and try to tell her. I take her in my arms and get all sobby and crying. And she just pats me on the back and says, 'Mommy hurts. Mommy hurts.' Or else she will bring me a tissue to wipe my leg, and she can say 'crutches'—or rather, 'cutches.'

"Like I can communicate with her right now, by loving her and touching her. But I won't be here in a few years, when the communication becomes more important.

"That's why I am writing very emotional things for Jennifer to read—at different ages—about how I feel about life and death and giving and love and all the important things. So in a sense I have communicated with her."

Lyn pauses for a moment, then adds softly, "The frustration lies in knowing that I won't be here to say these things to her face, that she doesn't have the ability to grow fast enough so that I will be able to talk with her."

Lyn Helton has cancer. More precisely, her body harbors osteogenic sarcoma, a malignant tumor that can invade a bone and spread insidiously to other parts of the body. In Lyn's case, the cancer first attacked her right knee.

According to the American Cancer Society, osteogenic sarcoma is a relatively rare form of cancer. In 1971, bone cancer is expected to take the lives of about 1,900 Americans. By comparison, lung cancer fatalities have been estimated at 64,300, while colon and rectal cancer will claim about 46,000 lives this year.

"Lyn's is a highly malignant tumor," says her doctor, Charlene Holton, M.D., "with a very poor prognosis by nature of its spread to the lungs. It is highly resistive to almost everything, and," she adds with clinical frankness, "it is common for patients to succumb to this metastasis (spread) and die a pulmonary death." This is a far from pleasant prospect which Dr. Holton likens to death by drowning. "The lungs fill up with tumor," she explains, "and the patient becomes progressively shorter of breath."

At age 33, Charlene Holton is a specialist in pediatric oncology (tumor study) and head of a cancer treatment and research center in Denver. She was invited two years ago to establish this center at Children's Hospital for youngsters in the Rocky Mountain region.

Along with the quick intellectual grasp of her specialty—she can, for example, cite instantly the cold facts of survival rates for surgery as opposed to radiation therapy—she has a warm compassion.

Charlene Holton can't bear to go to the funerals of her young patients and says she finds it hard—"even as a scientist"—to go to the morgue until the autopsy has progressed beyond a certain phase. "We all have our coping mechanisms," she explains.

When Lyn first became sick, the Heltons were living in Green River, Montana, Tom's home town. He took Lyn to Salt Lake City where they were told immediate amputation of the leg was the only way to cope with the tumor. Unable to accept the finality of radical surgery, they came to Denver looking for a less drastic alternative. And they found it—plus a measure of hope.

Dr. Holton decided not to amputate. Instead, she recommended trying radiation therapy to burn out the cancer.

"Lyn herself was not keen on amputation," says Dr. Holton, "and we could not show her it would improve her chances of survival. She had a young infant to consider and preferred not to be confined so long. She also wanted to be more mobile than she would be with amputation."

Lyn had special reason to appreciate this freedom last fall when Tom had to go into the hospital for two weeks to have cartilage removed from his knee. "Until that time," she recalls, "I was just lying around doing nothing and feeling sorry for myself. Then, suddenly, Tom wasn't here and I had to get up and take care of my little girl. That sort of made me realize I had a lot of living left to do. So that was a really good time for me."

Lately, though, Lyn hasn't been feeling so good. For two weeks she has been too sick to get out of bed.

Tom arrives home from band practice, carrying his guitar. He plays country rock three nights a week as a member of a four-man group in a night club in Inglewood, a Denver suburb.

Tom pauses on the front steps of the house to exchange greetings with a young woman who lives nearby. Tom thanks her for bringing Lyn hot tea and peaches. It's like that for the Heltons now, with many neighborhood people dropping in to talk, to bring things and, sometimes, to offer exotic "cures" that won't work.

Many young people live in the neighborhood now. Some, shoeless and in faded clothes, lounge away the noon hour under venerable shade trees. But this is a changing neighborhood, and one is just as likely to see genteel old ladies in long print dresses, thick lisle stockings and neat hair nets trundling shopping carts slowly along.

Except that Tom is bareheaded, he looks pretty much as Lyn remembers him from their first meeting. "He walked into my house with some mutual friends . . . mustache, dark, longish hair, big black hat, stolen probably from some theater set. . . . He had a camera, so we all went to the park to take pictures, and then went to his apartment to see some paintings he had done. It was a small apartment, but you could tell it was lived in . . . I liked that . . . it gave me a feeling of having been home . . . we talked until dawn, then had breakfast in Sally's All-Night Steak Place. And we've been together ever since."

Tom is soft-spoken, solicitous. He kisses Lyn tenderly and asks how she is and if he can get her anything. He plumps a pillow under her bad leg.

"You know, amputation is the traditional approach," says Tom. "But, I mean, the survival rate doesn't improve that much as opposed to treatment with high-dose radiation and drugs. They can amputate and the cancer may still spread to other parts of the body." Tom pauses to rest his hand on Lyn's leg. "So amputation seemed like an unnecessary emotional thing to go through along with everything else."

As Dr. Holton explains, the problem is the lack of a means to detect microscopic spread. Typically, a child or young adult with a bone tumor will be given a chest x-ray. It shows up negative, so the surgeons remove the cancerous limb. Then, within a year, the tumor may appear in the patient's lung.

"With Lyn, it was like living with a powder keg, waiting for it to go off," says Dr. Holton. "At times, she refused to take chest films. She was afraid we'd find something. And, sure enough, eventually we did.

"We need more research in this area," says Dr. Holton with the despair of a scientist lacking a critical answer. "Because there is nothing more discouraging than to do mutilating surgery and then find you haven't really helped the patient."

Lyn feels that amputation, when it has little effect on chances of survival, must become a very personal decision. "A lot of people don't want the tumor in their body. They feel better with it cut out. Others would rather live with it than without their limbs."

Lyn doesn't say anything for a while. Then, attacking the silence as if it were an enemy: " . . . There was hope for a long time, you know, until it got to my chest. That was back in January or February and I think that is when I started getting worried. Because as long as it doesn't spread, then you know there is a chance."

Tom intercedes quickly, softly. "We still kind of hold out hope. There is a fine balance between acceptance and resignation. I mean you have to accept the possibility of death, and yet at the same time you can't give up all hope."

Lyn nods. "I feel the same way, sure. But I think Tom is a little more hopeful than he should be. I understand it, you know."

She pauses. Her voice breaks a little. "I'm not getting on so good. This is what they told me. Like, they don't say, 'Well, you've got two more weeks to live.' But they do tell me about the growth of the tumor. Things like that. Having gone through it so long, you get to understand."

Although it's an emotional subject—speculating on Lyn's death—there is a discernible easiness between the Heltons. In fact, they seldom find the need to talk about it anymore.

"Tom sort of bore the burden of it for me for a long time," Lyn explains. "But we understand each other very well and sometimes there is no need for words—or explanations.

"When you are forced into a situation where you have to be sad," says Tom "you should just go with it and take it as an experience and get the best out of it. Because to really experience happiness, you have to experience sadness—to have something to compare it to. It makes the happiness better and it makes the sadness better."

Tom pulls, a little self-consciously, at his modish, steel-rimmed glasses. "I guess that sounds kind of cold-hearted. I think it's a real tragedy, and it hurts me deeply that Lyn has this disease. But I can't just completely flip out about it. I mean, it has some meaning other than just being sad.

"Lyn's illness has been more an experience to share than something to bring us together. Because we had something really good before."

The "something really good" has been an especially durable force, withstanding not only the trauma of Lyn's illness but also a series of financial crises.

For a while, things were very pleasant. Tom had a decent-paying job as a materials clerk for a construction company, pursuing in his sparetime an ambition to become a professional photographer. They even had managed to save a little money.

"I had just bought Tom the dream of his lifetime—a motorcycle," says Lyn. "Then I had to go into hospital and we had so sell it. He only got to ride it three or four times."

From then on, their fortunes slid quickly downhill. No job. Welfare. Savings gone.

"Tom's guitar has been in and out of hock more times than we could count," says Lyn. "It's been our standby. Our grocery money."

If the Heltons feel bitterness, it is about their financial loss. "It seems the hospital was negligent about telling us ways in which we could find aid. Finally, we found out we were eligible for Medicaid, and that immediately lifted the burden. By then, of course, our money had run out."

Oddly enough, the Helton's financial luck improved after a thief stole the tape recorder Lyn was using to record her legacy for Jenny. A Denver newspaper ran the story and it was quickly picked up by a wire service. Soon, well-wishers had donated three tape recorders and money—a $1,000 check came from a man in New York—as well as an endless stream of secret "curative" herbs, special teas and books containing "cancer-curing" diets and recipes. Magazines from as far afield as Argentina and Germany rushed to publish Lyn's story.

Wisely, the Heltons engaged a lawyer and created a "future" fund. "I want the money for Jennifer to go to school," Lyn explains "and for a maid to help Tom—you know, a woman to come in, like in *The Courtship of Eddies' Father*. Anyway, Tom is too emotional to live alone for very long. I know he will remarry soon, within a year or so. So I really don't have to worry about him having to raise Jenny on his own.

"And I know she will learn from him the things we both believe in. I love him for the things he believes in. So mostly we have talked about the sort of things that I would like to have her do, like dancing lessons. And how I feel about sex and things like that."

Lyn's doctor believes this sudden surge of publicity may be good therapy for her patient. "These kids are small town, unsophisticated," says Dr. Holton, "and suddenly it is as if Lyn has become important. I think this is good. It has given her something to do besides worry about herself, dwelling on the subject and trying to be philosophical.

"This itself is a mechanism of defense—which is fine, if it works for Lyn. And she has done a beautiful job of coping."

Tom is in the kitchen cooking up some soup. He works at it industriously, if not skillfully. There is evidence of his talent around, though: photographs of Lyn and Jenny and moody outdoor shots decorate the otherwise bare, painted walls of the three-room apartment. It is a bright, airy place to live. The rooms are large, with grandiose high ceilings. The Heltons have managed to furnish it with second-hand, much-abused items. There's a sporting motif to the other wall decorations; they've hung a dartboard in the living room and some political cartoons—with a liberal twist—challenge guests entering the kitchen.

Hearing Tom puttering in the kitchen, Lyn talks *sotto voce* about her periods of depression. "Like, lately the pain will come in strong and hurt really bad, and, you know, I will get depressed or become afraid that I am dying immediately or that it will be soon. Or when it gets hard to breathe or when I'm tired but can't sleep, then I get depressed easily.

"But I have ways to overcome it. Through self-hypnosis and through Jennifer and in knowing there are people who care. And sometimes I like to get depressed, because I can use it as an outlet for emotion and then I feel better."

Lyn first became interested in self-hypnosis to counteract a violent reaction to drug therapy. "The drugs made me vomit for hours at a time. I couldn't eat and weighed only 67 pounds."

As a result of Lyn's interest in hypnosis, Dr. Helton got involved in suggestive therapy and developed a pilot study at the hospital. "We have youngsters who vomit in the parking lot even before they come into the hospital," she says, "even though the drug pharmacologically doesn't cause nausea. But what is vomiting but a rejection? If you've got a compound that's very effective—it's curing the cancer but making the patient miserable—you don't necessarily feel complacent about that treatment."

"After taking classes at the hospital," says Lyn, "I find self-hypnosis very useful against pain. I even use it for my ulcer and for a toothache."

Dr. Holton admits that at times she has found Lyn a less-than-ideal patient. Lyn took herself off drug therapy and many times has refused to go in for x-rays and check-ups. The only medication she takes now are relatively mild pain-killers. Dr. Holton speculates that this may be Lyn's denial of the existence of her illness. "This is reality when she comes in here. At home she can deny her illness a little longer—which is all right, too."

Yet Dr. Holton concedes that Lyn's inconsistencies baffle her. "At times she's a realist. Yet she's not a 'giver-upper.' She is a remarkably spunky girl."

"I'm very fond of Lyn," says Dr. Holton, "and at times we just talk about a lot of things in general—non-medical things. I guess it is almost a maternal relationship. She has no parents here, and she is not fully matured, although a mother herself, to cope with many of the things she had to cope with."

Charlene Holton sighs. "Yet at times I wanted to spank her for being hardheaded. I'm in this in the area of research and to prolong life—hopefully useful life. It's frustrating when you have a patient who refuses treatment, because you feel you spend so much time trying to convince her that we're dealing with a disease that none of us can promise her a cure for. We can only do what is said to be today's best treatment, or best logical treatment."

Despite Lyn's reluctance about treatment, she is emphatic about the importance of early detection.

"You know, cancer is still described in the dictionary as something evil, and many people avoid it like a dirty word. They delay treatment until their bodies are just eaten with cancer and they can't stand the pain."

The American Cancer Society notes that this year about 106,000 cancer patients will probably die who might otherwise have been saved by earlier and better treatment. "We are currently curing a third of all cancers," says a spokesman for the Society. "We could save one-half."

Lyn has no desire, before she dies, to circle the globe or climb a mountain. Rather, she seeks normal, happy, family living: "I don't wake up every morning and say I have to do this, you know, before I die. But I do wake up and realize there are things that I want to do that I should try to accomplish. But that I shouldn't put them above loving my family.

"The main thing is to finish the book. And small things, like sewing a quilt, learning to play the piano. Nothing big."

How much longer has Lyn to love and give? "That's a question they ask on *Marcus Welby* or *Medical Center*," says Dr. Holton. "In real life there is no way we can predict these things. Lyn's resistance is down and she could succumb to a pneumonia and not her tumor. I would be surprised if she lived several months.

"But then, I've been surprised in the past. That's why I don't like to talk in terms of time."

Since Lyn's illness, mundane, everyday things have come into sharp focus and taken on a new depth of meaning and appreciation. A ride in the car, a sunny morning, cooking for her family—even doing the dishes—have become treasured events for Lyn.

"It's so important," she says, "to live your life for what it is and to the fullest—which nobody will do until they are in the same situation I am. They don't seem to understand the beauty of life until they are told it is going to be taken away. If you know how good it feels to take a deep breath, you really are superlucky."

(EDITOR'S NOTE.—Nearing press time, we have learned with deep regret that Lyn Holton died at one a.m. Sunday, November 7th, 1971. We offer our sympathies to Lyn's loved ones. Her courage and compassion will be missed and remembered.)

NOMINATION OF WILLIAM REHNQUIST TO THE SUPREME COURT

Mr. BAKER. Mr. President, it is elementary politics that the architects of our Government set up a system of checks and balances vesting in three separate branches of Government complementary functions, so that the power of Government could not be usurped by a single dictatorial authority and so that our democratic Government would, indeed, remain responsive to the people and to their basic and inalienable rights. The Supreme Court's function as interpreter of the Nation's Constitution and laws must be viewed carefully in that context.

In recent decades the function of the Supreme Court has, because of several of its decisions, become a matter of some controversy. It is no longer, if it ever was, a simple task to define in the context of specific issues the proper function of the Court. Those who would oversimplify the issues by dividing them into categories have not enhanced understanding of the problem.

Mr. William Rehnquist has been classified a conservative—a strict constructionist, and some opposition to him has been generated by those who have philosophical differences with him.

It is sometimes stated that it is not or should not be the function of the Senate to test the philosophical mettle of the nominees to the Court, and regardless of the merits of that contention, it is equally fair to say that philosophical considerations are probably taken into account to one extent or the other in the confirmation proceedings for every nominee to the Supreme Court; however, it is clear to me that there is no requirement that the President submit philosophically sterile nominees. The Court, fortunately, has always been made up of strong personalities with visible and discernible philosophical convictions. I for one would have it no other way.

I believe William Rehnquist qualifies technically and philosophically and I have no doubt that he would render fair and impartial justice.

Mr. William Rehnquist has demonstrated his understanding of the Constitution and the statutes and case law of the United States. He has demonstrated his dedication to the law and to the Government of the United States. I am pleased that the Judiciary Committee has acted favorably on his nomination and hope that the Senate will move forward with the approval of his appointment to the Supreme Court of the United States.

WINNING MONEY FOR SOLAR ENERGY

Mr. GRAVEL. Mr. President, it is budget time again. Even now, the President's Office of Management and Budget is preparing the administration's fiscal 1973 budget for presentation to Congress early next year.

Will solar electricity receive more than lipservice this year from President Nixon and his Budget Director, George P. Shultz?

Our future will be molded by their money decisions.

Budgets determine whether we will have a sunshine economy in the future, or a radioactive one.

TAKING THE SUN SERIOUSLY

It is clear that the scientific and engineering communities are impressed with the attractiveness of solar energy. One need only look at the September 1971 issue of the Scientific American, the October 1971 issue of Mechanical Engineering, the October 1971 issue of the Bulletin of Atomic Scientists, the November 1971 issue of the Smithsonian magazine, and others to confirm this.

Even Chauncey Starr, nuclear superenthusiast and presently dean of engineering at UCLA, is now calling solar energy promising and the only significant long-range alternative to nuclear power.

In his article in the September issue of the Scientific American, Chauncey Starr says:

The enormous magnitude of the solar radiation that reaches the land surfaces of the earth is so much greater than any of the foreseeable needs that it represents an inviting technical target. Unfortunately there appears to be no economically feasible concept yet available for substantially tapping that continuous supply of energy. This somewhat pessimistic estimate of today's ability to use solar radiation should not discourage a technological effort to harness it more effectively. If only a few percent of the land area of the U.S. could be used to absorb solar radiation effectively (at, say, a little better than 10 percent efficiency), we would meet most of our energy needs in the year 2000. Even a partial achievement of this goal could make a tremendous contribution.

MONEY MAKES THE DIFFERENCE

The relationship between this goal and money was pointed out by Dr. Farrington Daniels in a letter to me December 10, 1970:

Surely, solar energy will be important within 20 years, and if enough financial support should become available, the time could be considerably less . . . Atomic power has been supported by billions of dollars; solar energy research for use on earth has received almost no government support, except in solar distillation and solar batteries. Certainly solar energy is amply adequate for all the conceivable energy needs of the world. It is harmless and it is certain to work.

Dr. Daniels is professor emeritus at the University of Wisconsin College of Engineering.

AN OPINION TO RECKON WITH

The highest respect for solar energy has also been expressed by the 1970 Nobel Laureate for Physics, Dr. Hannes Olof Alfven of the University of California at La Jolla:

In the long run, fossil fuel can not satisfy the rising energy demand in the world. There are only three sources of energy known which are sufficiently powerful: (a) Solar Energy (b) Fusion Energy, and (c) Fission Energy. The first one is completely pollution-free, the second one almost pollution-free. The third one is necessarily combined with production of large quantities of radioactive poisonous elements . . . In a full-scale fission program, the radioactive waste will soon become so enormous that a total poisoning of our planet is possible . . . If solar energy or fusion energy were available now at comparable cost, no one would use fission energy (for peaceful purposes) . . . Solar energy is available, but at prohibitive cost. However, there are new interesting solar energy projects which should be examined carefully . . .

That statement is part of a memo which Dr. Alfven wrote to me in April, published in full in the September 1971 Bulletin of Atomic Scientists.

THE VOICE OF ATLANTIC-RICHFIELD

The Atlantic-Richfield Co. is now referring to solar energy as "the ideal." An ARCO energy ad placed in the November 1971 issue of the Smithsonian magazine says:

The ideal: a practical way to harness the pure, clean force of the sun.

The potential for solar electricity is not limited to hot, sunny places with lots of empty land. Solar energy is available not only in direct sunlight, but also in the ocean temperature differences found off all the continents, in the products of photosynthesis like algae and animal wastes which can be converted into man-made oil and gas, and in the great winds which can power propeller-driven turbines whose electricity could turn water into the clean, storable fuel, hydrogen. Even some of the energy of ocean waves and currents may be tapped.

Between now and adjournment, I will continue to place solar energy proposals in the RECORD.

A NATIONAL NETWORK OF POLLUTION-FREE ENERGY SOURCES

Several variants of solar energy are included in an exciting research proposal submitted to the National Science Foundation in April by a group at the University of Massachusetts at Amherst. The proposal, called "A National Network of Pollution-Free Energy Sources," was prepared under the leadership of Engineering Professor William E. Heronemus. I hope the Office of Management and Budget provides at least $750,000 for this group in the new budget.

"How To Harness Sunpower and Avoid Pollution" is an article written by Wilson Clark of the John Muir Institute. Published in the November issue of the Smithsonian magazine, it touches on several of the current solar energy proposals.

Mr. President, I ask unanimous consent to place that article in the RECORD at the end of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRAVEL. Mr. President, human nature is much in evidence in energy policy debates, as elsewhere. Already some partisans of one solar energy proposal are knocking other proposals, even if they have high merit. Meanwhile, most partisans of nuclear electricity dismiss all solar energy proposals indiscriminately as too expensive to merit serious attention.

WILL SOLAR ENERGY BE EXPENSIVE?

Is solar energy deemed to be more expensive?

When discussing energy economics, it is important to ask what the cost would be if man inadvertently poisoned the planet forever with the indestructible radioactive garbage from nuclear power.

Even using just old-fashioned dollar-cost economics, we may find that present-day technology could produce solar electricity at costs competitive with nuclear energy. I know of at least two such proposals. However, they will never advance beyond speculation unless feasibility studies are funded.

That is why the preparation of the Federal budget is so important. Its importance can be clarified by a single question:

If $3,000 million tax dollars had been spent already developing solar energy, and no more than $1 million had been spent on nuclear electricity, which one would look economically competitive today?

In fact, it is nuclear electricity which has received $3,000 million tax dollars already, while the development of large-scale solar electricity has received barely $1 million.

THE BETTER DEAL

If the nuclear "breeder" program and solar energy received equal funding starting now, which would look like a better deal in 1980? Is the Office of Management and Budget preparing a fair contests? If so, Mr. Shultz will have to give far more than token funds to solar energy in the new budget. Almost a billion tax dollars have already gone into the nuclear breeder. The breeder budget in fiscal 1972 was $130 million, after a 53-percent increase from President Nixon. In addition, over $100 million was authorized this year toward construction of the first breeder demonstration plant, which might go into operation by 1980.

What should the budget for solar energy be next year? I have no idea what Mr. Shultz will propose, but outsiders can do a little figuring by themselves.

A rule-of-thumb in high technology is that you budget about $50,000 per scientist. This amount covers lab costs, supporting personnel, and other overhead, as well as his or her salary. Some businesses and institutions use higher and lower figures, but $50,000 is an acceptable approximation.

HOW BIG SHOULD THE SOLAR BUDGET BE?

Now the question to ask is this: In a country with a labor force of 80 million people, whose jobs allegedly depend on the lavish use of energy, how many people should work at developing the only source of inexhaustible, nonpolluting, safe energy?

The idea is simple: If you think 3,000 scientists and engineers would provide an appropriate effort, you budget $150 million per year, plus money for capital equipment and construction. If you think very small, say 300 scientists and engineers, then you budget about $15 million plus equipment. You naturally keep fair competition of ideas foremost, and you never forget that nuclear fission development—water and breeder reactors combined—got about $330 million tax dollars this year.

There are many thousands of unemployed scientists and engineers eager for work. Getting brainpower for solar energy is no problem. Nevertheless, some people will object to equal dollars for nuclear and solar energy. They will claim that no program can go from zero to several thousand workers overnight.

That depends. When cancer and defense research budgets are increased overnight by $100 million or more, such objections fade away.

WINNING DOLLARS

Because powerful nuclear interests may do all they can to block anything beyond token funding for solar energy, there is a need for businesses and individuals who see the merits of solar energy to express their opinions to the administration and to Congress.

I hope that solar supporters are writing directly to the Honorable George P. Shultz, Director of the Office of Management and Budget in the White House, to ask for a description of the administration's budget policy toward solar electricity.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Smithsonian magazine, November 1971]

HOW TO HARNESS SUNPOWER AND AVOID POLLUTION

(By Wilson Clark, John Muir Institute)

"Mines bear no second crop," said Dr. Preston Cloud of the University of California, Santa Barabara, at the annual meeting of the American Association for the Advancement of Science two years ago. Dr. Cloud was describing the consequences of the voracious consumption of mineral raw materials in the United States, a path leading us to the day, perhaps only a century away, when the key feedstocks of our industrial civilization will be gone.

He predicted that by 2042, "which is only as far into the future as the invention of the airplane and the discovery of radioactivity are into the past," the United States will have a secure supply of only three of the 20 mineral commodities necessary for industrial development. Of those three—molybdenum, iron and coal—even the future supply of iron is in question.

Energy, the handmaiden of Man's progress through the centuries, is in the deepest trouble. Demand in the United States for *all* sources of energy is rising at a steady 5% per year, and demand for electricity alone is skyrocketing at nine percent per year—it is doubling every decade. Continuation of this trend is clearly impossible, given the current means of obtaining energy. In a few decades there will be no oil for conversion to electricity or for transportation, nor will there be any natural gas, the cleanest burning fossil fuel. (And when the fossile fuels are gone, so too will be their other uses, such as conversion into plastics and other synthetic materials.) The one other alternative, power from the fissioning of the radioactive isotopes of uranium, is fraught with problems—not only the possibility of contamination of the Earth by radioactivity, but also the depletion of finite uranium deposits.

This is the energy crisis, a crisis which has little to do with the summertime difficulties of power companies or the political consideration of importing Mideastern oil. It requires recognition of the fact that our energy resources are dwindling, the bitter realization that at some not-so-distant hour the party will be over. Yet America has no "energy policy," and there have been few credible attempts made to develop one. One of the reasons for this may be despair. Another is faith that some untried or unknown future technology will save us in the nick of time. Work is now progressing in the United States to make synthetic gas from coal as well as to develop advanced nuclear reactors, called "breeders," which may stretch uranium sources by more efficiently using nuclear ore. Yet both of these alternatives involve grave hazards to the environment of Man.

The continued use of vast quantities of coal to power our civilization threatens despoliation of the earth through strip-mining and deadly acid drainage into streams and rivers, not to mention the death sentence society imposes on the men who still toil in the underground mines. Nuclear power is perhaps even more dangerous: No known way has been found to dispose safely of radioactive wastes, the ultimate pollution, while public safety is vulnerable to the possibility of abnormal operation of the nuclear plants.

Another alternative, the hoped-for achievement of nuclear fusion, would use the principle of the H-bomb to make power and would be fueled by the deuterium atoms in ordinary seawater. But this process remains theoretical, and may never become practical.

In spite of all these schemes, the greatest energy source of all has not yet been tapped; in fact, few men are aware of its potential, even though they themselves are powered by it: the sun. Though largely ignored in the high councils of energy production and planning, the large-scale conversion of solar energy into useful forms of power appears now to be feasible.

Many scientists have long been working on solar engines and heating devices. (See "Dr. Abbot: the wizard in the Smithsonian Tower," Smithsonian, October 1970.) Among

them is Dr. Erich Farber, director of the University of Florida's Solar Energy and Energy Conversion Laboratory. For the last 17 years he has been developing water heaters, space heaters for houses, outdoor ovens, water distillers, refrigerators, air conditioners, small engines, water pumps and turbines—all powered by simple collectors of ordinary sunlight. The laboratory's solar hot-air engines and solar water-distillation units have been especially beneficial to underdeveloped countries needing small devices to distill fresh water and pump water for irrigation.

Farber points out that thousands of solar water heaters have been installed in buildings and homes in Florida. In these units, a solar absorber, a simple glass-covered flat pan painted black and containing water pipes, is mounted on the roof. As the sun heats the water pipes, hot water flows by free convection (requiring no pumps) to the top of an integrated water tank. Cold water from the bottom of the tank replenishes the supply in the solar absorber pipes to complete the process. To ensure that an adequate supply of hot water will be available during the night hours or for periods of bad weather, a large storage system is needed: The average family-sized water tank for Florida use is of 80-gallon capacity. Up to 48 square feet of roof space is used for the absorber.

Some units that Farber has observed in Florida have been in operation for up to 25 years; even with broken glass surfaces, they still perform to the satisfaction of their owners. None of Farber's systems is dependent on bright sunlight. His solar collectors use diffuse solar radiation, enabling the heaters, air conditioners and engines to function even on cloudy days.

Although no solar houses have yet been constructed in the United States which employ sun-powered airconditioners, at least 20 experimental houses have been constructed which use solar space heaters and, in some instances, air coolers. In most cases, these houses use supplemental power from conventional petroleum or electrical sources, but the solar units have successfully performed most of the work. For example, Harry E. Thomason of Washington, D.C., has built three solar-heated and cooled homes. His first Washington winter in a three-bedroom solar heated house built 12 years ago brought temperatures near zero and 25 inches of snow, yet he used only $4.65 worth of supplemental fuel oil to stay warm. The solar heating-cooling system cost about $2,500 to install, or $1,400 more than a conventionally fueled unit. Since his fuel bill has been negligible since then, one may guess that the system has proved its worth.

MASS-PRODUCING HOUSES AND ELECTRICITY

Custom-crafted homes are one thing. Developing plans for modular mass-produced solar houses, which would incorporate solar heating units with high-quality insulation to prevent heating-cooling losses, is the goal of Dr. Maria Telkes, a thermal storage expert and solar energy pioneer at the University of Pennsylvania. She aims to have complete plans ready for modular homes by the spring of 1973 for testing the following winter. "These solar houses must be factory-built so that the initial costs of installation will be no more than comparable houses without the solar heating systems," she says. The goal is to develop houses that can be located anywhere in the southern two-thirds of the United States and will use solar energy for at least 90 percent of the residential heating needs. Solar air-conditioning units are to follow.

Solar engineers and scientists across the country agree that the rapid development of solar-heated houses with their huge fuel savings will help "sell" the public on the key idea—that ancient dream of using solar energy to power our civilization. How do you convert sunlight to electricity?

Ninety years ago English physicists first noted that sunlight striking the element selenium produced electricity, but it was not until the mid-1950s that efficient conversion of electricity was achieved by silicon cells. Silicon cells are capable of converting sunlight to electricity at seven to ten percent efficiency, a highly favorable rate compared to the one percent (and less) efficiency of selenium.

The space program has sharply spurred the development of photovoltaic technology, as it is called. Thousands of silicon cells are now scattered through space, powering various measuring and transmitting instruments. Mosaics of these tiny cells have no moving parts and generate a continuous stream of electrical current until the effects of weathering and radiation stop them—after years of providing dependable fuel and pollution-free operation.

A number of scientists have now begun to explore the possibility of providing power for Earth through space-related systems. One such man is Dr. Peter Glaser, head of the engineering sciences department of Arthur D. Little, Inc., a Boston consulting firm. Three years ago Glaser startled the scientific community with a plan to supply ten million kilowatts of electrical power in the United States from a solar power station in synchronous orbit 22,300 miles above the Earth.

The sun's energy would be constantly collected by a 25-square-mile solar collector consisting of solar cells on a satellite which would weigh at least five million pounds. Electrical energy from the solar cells would be channeled through a two-mile connecting cable to an antenna which includes a microwave generator. The current would be converted to a microwave beam and sent on its long journey to Earth.

At a 36-square-mile land-based collecting station, a nine-square-mile antenna grid and a microwave rectifier would tranform the microwave signal to DC power and transmit it along established power lines.

A 90-percent efficiency is claimed for the land-based conversion of microwaves to DC current, approximating some claims for nuclear fusion power (if fusion power is ever developed). In contrast, present electrical power plants, both fossil- and nuclear-fueled, have overall efficiencies between 30 to 40 percent, and produce pollution along with current.

The only detrimental effects on the environment of Glaser's system might arise from the microwave beam focused on Earth, but according to a technical report on the project, the beam would have an average power density less than a tenth of the strength of solar radiation on Earth.

Cost projections for the scheme indicate that the station's total installed value would amount to no more than $500 per kilowatt of electrical capacity, compared to today's rising costs of $200 to $400 per kilowatt of electrical capacity for the building of fossil and nuclear power plants.

Glaser's estimate, however, is contingent upon major technological developments in reducing the expense of the solar cells needed for the space platform. Today, as much as two million dollars per kilowatt of electrical capacity is spent by NASA to power big satellites with solar cells. Glaser's project calls for spending only $300 per installed kilowatt for the cells alone. How will this be possible?

For the last ten years silicon cell costs have been about $200,000 per kilowatt for space applications. The fragile cells are still produced by hand-crafting techniques similar to those used in making jewelry. Space-grade silicon is grown in single crystals, cut with diamond saws for placement on the thin substance of the cell's base, and is almost 100 percent pure.

What is needed is the development of a sizable industrial base to begin mass-producing solar-cell components to bring costs down. William Cherry of NASA's Goddard Space Flight Center foresees a highly automated solar-array assembly line, where a roll of raw material for the thin photovoltaic cell structure is fed into one end of the machine and a finished "solar blanket" emerges.

Cherry is convinced that by the use of such highly automated processes, the solar cell matrix will cost a mere 50 cents per square foot. He points out that NASA's principal supplier of coated glass covers for solar cells, the Optical Coatings Laboratory in Santa Rosa, California, has developed a high-volume machine for coating glass. The machine, called MAC (Multilayer Automatic Coater), could probably be used to reduce costs several orders of magnitude lower than current cell costs, if sufficient demand existed. Another immediate way to reduce costs would be to use less pure silicon, which would impair the energy conversion efficiency of the cells somewhat, but would be far cheaper.

Another technique in the use of solar cell "arrays" was developed by Eugene Ralph of the Heliotek Division of Textron Incorporated. The silicon elements in his arrays are in individual nests, surrounded by reflectors to concentrate more sunlight on the silicon.

These arrays have boosted the power output of round silicon cells two-and-a-half times that expected from the cells without reflectors. Ralph envisions large-scale production of more advanced concentrator designs to increase the power output 125 times that of ordinary silicon cells.

The logistics of a space solar plant are complex and it appears now that land-based solar technology can produce higher efficiencies than had been thought. NASA's Cherry has advocated building electrical facilities using solar-cell arrays on land, as well as in space. To meet the total U.S. power needs of 1990, he calculates that about one percent of the total land area of the continental United States would be required for the mosaic of solar-cell arrays—just over 31,000 square miles which is about the same quantity of land currently planted in oats in the United States. "By 'farming' with solar cells, we could turn a lot of virtually useless land into some of the most productive land in the country, with something approaching a $2,000 per year profit per acre," Cherry says.

In a typical Earth-based installation, a one-square-mile solar-cell power plant producing 60,000 kilowatts would cost about $100 million to build, operate and maintain over a 20-year period. This assumes that a dependable and cheap solar cell can be devised, as well as materials capable of withstanding years of weathering and exposure to the sun's radiation (plastic sheets resistant to ultraviolet light have been proposed).

An essential element of any Earth-based solar power plant is its energy storage system. Not only must night-time demand be accounted for, but also periods of poor weather which circumvent efficient functioning of solar cells. Cherry proposes massive lead-acid storage batteries like those used in telephone exchanges. The batteries for each one-square-mile plant would store one million kilowatt-hours of electricity, a four-day supply for ten thousand homes in wintertime.

THE PROBLEM OF STORING ENERGY

In another scheme—that of two University of Denver scientists, Jack E. Rink and Jack G. Hewitt jr., for a large-scale solar-cell facility for southwestern Arizona—the energy storage problem would be handled by pumped-storage units comparable to those in use now in some conventional power plants. Electricity from the solar array would be used to pump water into high reservoirs during periods of low demand. When needed, the water would be released, falling through electrical generators into a lower lake or river.

An ambitious plan to initiate large-scale use of solar energy as well as to provide a practical answer to America's critical natural gas shortage has been proposed by Dr. Norman C. Ford and Dr. Joseph W. Kane of the Department of Physics and Astronomy of the University of Massachusetts. They would develop an enormous solar furnace, which would heat water to 1,500 degrees C. by focusing sunlight on a boiler through a complex of inexpensive plastic lenses. At such a high temperature, some of the water vapor would be dissociated into pure hydrogen and oxygen.

According to them, "if one can selectively pump the hydrogen out as fast as it is produced, the goal will have been accomplished," and the hydrogen could then be used as high-grade fuel to supplant ordinary natural gas. Additionally, "the generation of hydrogen circumvents two of the serious problems associated with most solar power schemes in that the 'energy' is both storable over long periods and transportable over long distances, as electricity, for example, is not."

The most innovative and exhaustively researched idea for the large-scale conversion of solar radiation to electricity on land has been proposed by two astronomers, Dr. Alden Meinel, Director of the Optical Sciences Center of the University of Arizona, and his wife Marjorie. The Meinels propose the construction of 1,000 land-based solar power stations each capable of producing 1,000 megawatts (i.e. one million kilowatts).

This so-called National Solar Power Facility would be located in the largely uninhabited desert region of the lower Colorado River basin, between the Mexican border and Las Vegas, Nevada. It could, the Meinels say, supply most of the United States' electrical needs in 2076, as well as those of northern Mexico.

Since the power plants would use conventional steam turbine technology, they would have to be cooled. The Meinels propose to do this by pumping salt water from the Gulf of California through aqueducts built in Mexico's Sonora province. The cooling process would heat the water enough to desalinate it. The steam would be collected and condensed, producing 50 billion gallons of fresh water a day. That is enough fresh water to supply 120 million people in what is now a chronically water-hungry region.

The most encouraging aspect of the Meinels' proposal is the efficiency of the overall power system. Counting all energy losses, the predicted efficiency of sunlight conversion to electricity is just over 30 percent, or about two to three times that expected from a land-based solar power plant converting electricity by silicon cells. The secret of this remarkable efficiency is the design of the solar collectors.

A typical collector would consist of a tubular heat absorber mounted inside a glass envelope; the glass would be coated with a thin multilayer optical coating to transmit sunlight effectively as well as trap infrared radiation and reflect it back to the heat absorber.

Heat energy would be transferred from the system's absorber to liquid metal channeled through the collector to a central thermal storage facility, where the heat (1,000 degrees F.) would be stored in a huge tank of molten salt. The heated salt would then supply the energy necessary to drive steam turbines for ultimate production of electricity.

Ten percent of the desert

The entire facility calls for some 13,000 square miles of desert area, in which the 1,000 individual plants would be placed (see map). There are more than 100,000 square miles of desert in the western United States, and the Meinels want about ten percent of it.

Certain environmental questions stand out. For each gallon of fresh water produced, a gallon of brine would be rejected to the Gulf of California. In time, this additional salt could upset the estuarine ecology of the Gulf, but the Meinels' theoretical studies indicate that if the brine is pumped far enough out into the Gulf, natural turnover of the Gulf's waters will dissipate it sufficiently.

Land use for the facility itself, its supporting aqueducts and its underground transmission lines may also prove to be a problem. But one wonders if it wouldn't be worth trading desert land for a virtually nonpolluting solar-power complex, rather than continuing to destroy the Colorado River basin by hydroelectric projects and filthy coal-electric power stations, such as the notorious Four Corners center which itself involves strip-mining large areas.

Of all proposals for the development of a land-based solar electric project, the Meinels' has the fewest technological and economic worries. The cost of electricity from one of their plants operating 20 years in the future is slated to be approximately five mills per kilowatt hour, which is competitive with today's market. This single fact may get the whole project moving.

But the wheels of change are slow to foster and finance growth of the essential groundwork necessary even to get the first modular solar home into operation. President Nixon referred to solar energy in his June 1971 address on energy problems, but needed money has not yet been invested in the key research projects necessary to realize the solar dream.

A few corporations and power companies have begun to take their first, tentative steps toward the development of solar energy on a large scale. But significant private investment in sun power is a long way off, and most bets for its rapid development still rest with government funding.

At present, federal expenditures for all energy research and development amount to about $500–$600 million. Of this, nuclear power plant development takes about 85 percent. What is left is devoted mainly to attempts to clean up existing fossil-fueled power facilities and mitigate the other environmental problems of dirty, inefficient power production methods.

To develop the needed technology, many years of painstaking research are necessary. At present, the only sources of government funds for research into solar applications have come from NASA, the National Science Foundation and the Air Force. NASA spends several million dollars yearly on solar-cell technology, but only on cells for limited space applications.

The newest and most innovative division of the National Science Foundation, the RANN program (Research Applied to National Needs) has begun to initiate funding in the area. Dr. Meinel's group at the University of Arizona has received a $64,400 grant to conduct an eight-month investigation of their system. But the RANN program, the brightest hope of solar scientists at the moment, has limited resources for supporting much more work in the area.

Today's leaders in the solar field remain surprisingly optimistic, however, and are full of proposals to industry and government for new agencies (such as an "energy NASA") and grand schemes for promoting this unusual product. William Cherry says: "Since solar energy can't be used as a weapon, there's no need for international secrecy. Super-facilities aren't necessary to begin developing this power source. In fact, the American public can participate in this on a do-it-yourself basis. Not many people build nuclear reactors as a hobby. Solar power can be developed at home."

The many forms of solar power may not be the sole answer to the energy crisis, but it is clear that without tremendous support, the promise of its sure, clean energy may forever be lost by a shortsighted civilization. To utilize the full potential of solar power will require years of research, development and hard work.

Solar energy's strongest supporter in the Congress, Senator Mike Gravel (D., Alaska), said in a July Senate debate on AEC appropriations: "It could be argued that the crucial gap (besides safety) between nuclear electricity and solar electricity is the multi-billion dollar government subsidy for nuclear electricity. The government has spent *zero* dollars toward the development of large-scale solar electrical generating plants... It makes no sense to lament an alleged conflict between energy and the environment when we have ignored our most obvious source of natural energy."

STRIP MINING

Mr. MONDALE. Mr. President, one of the great unresolved environmental issues is the accelerating destruction of our land by strip mining for coal and other minerals.

In 1965, the Senator from Wisconsin (Mr. NELSON) first introduced legislation to halt this abuse, and he has reintroduced similar proposals in every subsequent Congress.

As the Wisconsin Senator recently pointed out, there has been a dramatic change in attitude on the issue since then. With the great increase in public awareness and concern, the question is no longer whether Congress should act against this incredible environmental abuse, but how.

As noted, Senator NELSON has introduced tough legislation in this regard and he recently outlined these measures in his statement as the leadoff witness at the strip mining hearing by the Subcommittee on Minerals, Materials, and Fuels, of the Committee on Interior and Insular Affairs.

Mr. President, I ask unanimous consent that Senator NELSON's excellent and hard-hitting statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GAYLORD NELSON

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to testify today on the strip mining bills, including S. 77 and S. 1498 which I have proposed.

In 1965, I first introduced a bill, S. 2688, for strip mining controls, including requirements for Federal licensing of all surface mines and for reclamation. The measure was revised and reintroduced from Congress to Congress along with other proposals, and hearings were held.

In the six years since, there has been a dramatic change in attitude on the strip mining issue. For everyone from environmentalists to the industry itself, the question is no longer whether Congress should act, but how. And with coal stripping increasing at an accelerated pace, the urgency of the situation is universally recognized.

What has happened is that the American public has become educated and concerned about the environmental crisis in general and the incredible destruction of strip mining in particular, and the institutions of this society are finally beginning to respond. The nationwide environmental awakening was represented and stimulated by Earth Day, 1970, with the participation of millions of people, young and old. Because of the vast, peaceful outpouring of public concern, the environmental issue was made a part of the national political dialogue for the first time.

And the environmental and human tragedy of strip mining itself has been brought home to the entire nation by the eloquent speeches and persistent efforts of the Ken Hechlers and Harry Caudills, by the work of many environmental human welfare, and other public interest groups, and by continuous, hard-working newspaper coverage.

Strip mining's permanent destruction of the values of the land has not only been a crime against the environment, but an incredible economic waste. It levies a cost against the future far beyond any short-term profit that has been gained.

Thus, from an environmental point of view, I support a ban on the coal strip mining, by far the largest mining activity with the greatest impact. In addition to reintroducing my legislation to set controls on all surface mining, I introduced this year in the Senate the bill to ban the coal stripping.

If in the committee's judgment, it is concluded that reclamation in certain circumstances is possible, and the outright coal stripping ban is not adopted, at the very least, a strong, effective regulatory measure with tough reclamation requirements, inspections and enforcement is essential.

The Subcommittee Chairman's measure, S. 2452, includes a sound definition of reclamation, and in the Subcommittee's hearings and deliberations, it would seem important to determine whether and with what requirements this standard can be met.

If it is determined that meaningful reclamation is achievable, at the very minimum the following would seem to be essential requirements:

A ban on so-called contour mining for coal;

A prohibition of any surface mining without a permit issued by the Environmental Protection Agency or, if a state adopts a Federally-approved implementation plan meeting all the requirements of the Federal law, a state permit instead;

A requirement of reclamation plans for strip mining which assure that the land will be restored to a condition allowing its original uses and potential to be fulfilled;

A national inventory of all potentially strippable areas;

A moratorium on the Federal issuance of coal leases and exploration permits on the U.S. public lands out West until a comprehensive environmental review is done as required under Section 102 of the National Environmental Policy Act;

Reclamation of abandoned strip mined lands, financed by a Reclamation Fund supported by Federal moneys and by reclamation fees collected from the mining industry based on their environmental impact;

Establishment of underground mining controls similar to those for surface mining;

Special Federal protections and aids to assure the restoration of any jobs that might be displaced by surface mining controls;

Provisions for full public participation at every step of the process of regulations and controls, and for citizens suits at least for non-discretionary provisions of the legislation.

With the great and rising concern about strip mining that has been demonstrated from all across the nation in just this past year, it is clear that the American people are not going to be satisfied with halfway measures on this grave environmental abuse.

And instead of being allowed to continue passing along to the American taxpayer and to future generations the mounting damage bill, the strip mining industry must be required to internalize these costs, and must bear the burden of proof that reclamation of these lands can and will be done.

Thus far, the great strip mining and the greatest concern have centered in Appalachia, a region where a wealth of coal and of natural beauty seem to have been inextricably bound together.

But far more than just the ravaging and pollution of the region's scenic and other natural resources, the strip mining is bringing the disruption and displacement of a people and all that they care about and all that sustains them.

It is a story of the destroying of a part of the earth and all its resources. Appalachia has been bought at bargain basement prices for the few. And for the people of that region and the entire country, no amount of money could pay for what already has been lost.

In short, the pillage and plunder of strip mining in Appalachia are bringing destruction on a scale comparable to that of war itself. It is environmental warfare on our own country.

Now, the same tragedy is posed for the American West. Vast beds of coal underlying thirteen Western states constitute 77 percent of the strippable reserves of this country. With the nation's insatiable energy demands, and with developing technology to convert coal to gas or other fuels, these vast deposits are now becoming feasible to exploit. Already, permits for coal exploration or leases or coal stripping have already been obtained by private interests on 3,500 square miles of U.S. public and acquired and Indian lands, with the vast bulk out West.

It is quickly becoming apparent that vast portions of the region could become a mammoth strip mine. Substantial underground coal mining is probable as well. Without proper environmental protections, the West is in danger of becoming another Appalachia.

The huge scale of the planned Western strip mining for coal becomes dramatically clear when one notes that some of the largest energy companies in the country—Mobil Oil, Peabody Coal Corp., Atlantic Richfield, the Sun Oil Co., and the Carter Oil Co. among others—have already obtained large leases on the public coal deposits.

Reportedly, a confidential survey by a private gas association has already pinpointed 176 prospective sites for huge plants to convert coal to gas, mostly in the coal areas spread throughout the West.

With these gigantic strip mining—coal gasification complexes, the face of the West would be reworked, with thousands of square miles of public and private lands drastically altered, possibly eliminating other uses forever.

Without reclamation, these lands held by the American public would in effect not be leased but sold as consumable, disposable goods. And there is serious question as to whether strip mined lands can actually be reclaimed.

If pollution were to result from the coal stripping and processing, and adequate controls were not established, the consequences could prove devastating in an already water scarce region.

Many of the major river basins in the country could be affected by the massive coal operations: the Colorado River Basin, with coal areas in Arizona, Colorado and New Mexico; the Arkansas River Basin, by coal areas in Oklahoma and Arkansas as well as in Colorado; the Platte River Basin, by coal areas in Wyoming; the Snake River Basin, by coal areas in Wyoming; and the Missouri River Basin, by coal and lignite areas in Montana, Wyoming, North Dakota, and South Dakota.

November 5, I wrote a letter to Russell Train, chairman of the Council on Environmental Quality and to Secretary of the Interior Rogers Morton urging a halt to the issuance of Federal permits and leases and Bureau of Reclamation water permits for coal strip mining on the public lands in the West until an environmental review under the National Environmental Policy Act (NEPA) is made.

While some environmental study steps have been taken, and others considered, and a Section 102 statement under NEPA is being done on the power generating complex using coal from Black Mesa in Arizona, the comprehensive environmental reviews necessary under the National Environmental Policy Act to determine the cumulative impact of coal strip mining out West and whether the lands can be reclaimed simply have not been done.

And while I am aware that the low sulphur coal in the West and coal gasification offer potential environmental and energy supply benefits, my concern is that in our efforts to solve the energy questions, we do not trade one set of environmental and energy problems for another.

I request that a copy of my letter on the Western coal leases and permits be included in the hearing record at the end of these remarks.

Also, Mr. Chairman, last August, Ben Franklin of the New York Times did an excellent piece on this development, and I ask that his article also be printed in the record when this statement is concluded.

Thus in this Congress, we find ourselves at a watershed time in the history of the strip mining concern: backed by a concerned, aware public, we must act to halt the destruction in Appalachia and in other strip mining areas, and prevent similar devastation in the West.

And the strip mining issue poses a crucial test not only of environmental policies and commitment, but of the ability of public agencies to act effectively in the public interest.

Time and again, we have seen Federal agencies who were established to act on behalf of the public become handmaidens to the narrow, profit-seeking goals of private interests.

But with the broadscale intervention of the American public, legislative, administrative and judicial actions have been taken in the environmental area that were more effective and far-reaching than I think any of us would have imagined possible just a few years ago.

In effect, we are now on the way to establishing as national policy the principle that no one has the right to pollute, and are putting the laws on the books necessary to back it up.

Our next big environmental step must be to establish the similar principle that no one has the right to destroy or harm the land, and with continued strong and coordinated public support, I believe this can be done.

The surest way to stop the destruction of the landscape by coal mining—by far the largest mining activity with the greatest overall impact—is to ban the stripping. And from an environmental standpoint, I support a ban on the coal strip mining.

This year, in addition to reintroducing my bill, S. 77, to set controls on all surface mining and to prohibit it where reclamation is not possible, I introduced in the Senate the bill by Congressman Hechler to ban the coal stripping.

Cosponsoring this measure, S. 1498, with me, are Senators McGovern, Kennedy, Humphrey, Case and Harris.

As I noted in my floor statement on the introduction of S. 1498, of all the proposals, the measure to ban stripping for coal most effectively raises a fundamental question of whether reclamation is possible, and thus must be seriously considered.

The nationwide debate that this measure has stimulated has already been highly informative and important in the legislative process, and I think that in its deliberations the Subcommittee can benefit greatly from the delineation of the issues that is taking place.

If an outright coal stripping ban is not adopted, at the very least, a strong, effective regulatory measure with rigorous and very specific requirements is essential.

Otherwise, in the coal rush that would follow, the hope represented by the current public effort against strip mining abuse would turn to despair and disillusionment, knocking away one more vital underpinning in the foundation of government credibility.

I request that recent editorials in the Christian Science Monitor, the Washington Post, and the New York Times which note the great public interest and the need for action be printed in the hearing record at the end of these remarks, along with a copy of my statement on the introduction of S. 1498.

Short of an outright ban on all coal stripping, the following would seem to me to be minimum provisions for a strip mining bill:

—Ban so-called contour mining for coal, stipulating the specific degree of slope that will be the cutoff point. Among others, the Conservation Foundation has suggested the cutoff as a slope of 13 degrees or more, marking the point at which highwalls and benches are created, causing the most severe environmental results. The 13 degree distinction exists in Kentucky and Pennsylvania laws, whose controls are among the strongest in the states.

Especially useful comments on the economic effects of a ban on contour mining were made by CF's Malcolm Baldwin in his statement in House hearings. He estimated that contour mining—on slopes 13 degrees and above—accounts for about 20 percent of our domestic coal production.

This need could be filled by increasing coal production from underground mines or by converting—temporarily if need be—to other fuel sources such as residual fuel oil, by adjusting our import quotas and by encouraging more residual oil production from domestic refineries.

Studies also show that most deep mines work two shifts and that changes to three shifts a day, six days a week, would alone produce an additional 150 million tons of coal a year, more than enough to fill any energy gap created by the banning of contour mining.

Another 50 million tons of coal a year could be made available within six months from expansion of deep mines and so-called punch mining in existing contour mines.

Another possibility would be establishing quotas on our own coal exports.

Finally, a special board could be created to investigate and recommend solutions, including possible variances from phase out deadlines, where a genuine energy supply hardship could be shown by a particular utility or industry.

Prohibit any surface mining without a Federal permit, or, where a state has adopted a Federally-approved plan meeting all the requirements of Federal law, a state permit. Permits would be required for mining on all public and private lands. Similar to the water quality bill just passed by the Senate, permits would be issued only on assurance of compliance with the requirements of the Federal law and all regulations, along with water and air quality standards.

As under the water bill, permits would be issued initially from the Federal level, but the program could be taken over by the state if the state adopts a Federally-approved implementation plan which meets all the requirements of the act.

Though the permit system would apply to all surface mining, requirements would vary according to the resources being mined.

In line with the important concepts stated by the President in submitting his reorganization plans last year that enforcement should be kept separate from development functions, the Environmental Protection Agency should be designated the administering agency for the permit system.

Inasmuch as other committees have retained oversight of portions of EPA with which they have historically been concerned, this would not appear to pose interference with this committee's minerals jurisdiction.

The current status of state strip mining control laws around the country provides dramatic justification for primary authority at the Federal level.

In Appalachian states, where there has been ample time to test the laws, the problem has been lack of adequate appropriations, shortage of inspectors, and consistently weak enforcement, with failure to adequately review and where necessary deny permit applications, or revoke permits or licenses where appropriate.

The state programs have also been characterized by inadequate performance bonds allowing only the most superficial efforts to pass for reclamation, failure to impose bond forfeiture where it is merited, and yielding to industry pressures to be released prematurely from reclamation liability.

In the Western states, where massive coal strip mining is posed, requirements are even more lax. Reportedly, in Wyoming only $20,000 per year has been budgeted for all inspection activities for all strippable minerals in the state.

In Colorado, the performance bond to be imposed is not to exceed $100 an acre, far short of what is necessary.

In North Dakota, the performance bond is set at only $200 per acre, and the reclamation plan apparently does not have to be submitted prior to the date of the issuance of the permit.

In Montana, in addition to funding and personnel shortages, performance bonds are still far short of meaningful requirements.

Reportedly, New Mexico and Utah have no laws as yet to govern coal strip mining.

Require for a strip mining permit a reclamation plan which will assure that the land will be restored to a condition that would allow its original uses and potential to be fulfilled.

Far too frequently, what has passed for reclamation in the past has been a "green lie," revegetation and regrading of the most cosmetic sort, ignoring vital ecological and resource factors that will actually determine the future of that area.

If strip mining controls and reclamation are to be successful at all, strip mining legislation must be specific, assuring deadlines for completion of reclamation as well as minimum performance bonds which are high enough so that a public agency can do the reclamation adequately if the mining company forfeits.

And as other Federal program experience has clearly shown, no strip mining control program will succeed without tough inspection and enforcement.

As an example, a prerequisite to any strip mining approvals should be assurance that the enforcement agency has adequate funds and inspectors, and it would seem to be fair to require the strip miners themselves to contribute toward the inspection program.

Tight inspection procedures should be established: for instance, it would seem reasonable to require that inspections of reclamation progress be made as frequently as every two weeks, that they come at irregular times, unannounced, and that the inspectors be rotated.

A national inventory and classification of all areas with potentially strippable minerals. A primary aim of such a study would be determination of which areas were possible to reclaim in strip mining, based on factors such as acidity, aridity, elevation, and timberland which would have to be clearcut before mining.

Such a study could be conducted within 18 months, and based on its conclusions, issuance of strip mining permits in certain areas might be withheld until such time as technology had advanced to the point where such lands could be reclaimed.

Especially if it were assigned the strip mining permit responsibility, the Environmental Protection Agency should conduct the study.

A moratorium on the issuance of coal leases and exploration permits on the U.S. public lands out West until a comprehensive environmental review is done as required under Section 102 of the National Environmental Policy Act.

In checking with the Bureau of Land Management recently, our office learned that no environmental impact statements have been filed on the coal leasing on the Western BLM lands, even though the National Environmental Policy Act specifically requires such statements for "major Federal actions significantly affecting the quality of the human environment." A Section 102 report is being prepared in the Black Mesa operation on Indian lands in Arizona.

In response to my letter mentioned earlier, the President's Council on Environmental Quality yesterday confirmed to my office that it is concerned about the matter and is looking into it further with Interior Department agencies.

It should be noted that many of the Western coal leases were granted before passage of the National Environmental Policy Act and what major acreages were leased even before Interior regulations requiring on-site studies were issued in 1969.

In regard to building in environmental requirements for these prior leases before any mining begins, I would point out that Section 103 of the NEPA requires all Federal agencies to review their current policies and regulations and propose such measures as necessary to bring their authority and policies into conformity with NEPA. It would seem to me that Section 103 would thus require a review of the environmental impact and requirements of the past leases.

The same permit and reclamation requirements should be established for mining on the Federal public lands as are proposed here for the state and private lands. In the case of the Federal public lands, it would seem appropriate to require EPA certification of Bureau of Land Management leases and permits.

Reclamation of so-called "orphan" lands that were strip mined and left some time ago, and of lands affected by underground mining. The reclamation would be financed by a Fund supported in part by reclamation fees levied on the mining industry.

Already, the inventory of lands ravaged from strip mining exceeds an area the size of Connecticut, and the destruction is accelerating.

As proposed in both S. 77 and S. 1498, a Reclamation Fund would be established to carry out this program. The Fund would be financed by Federal contributions and by reclamation fees which would be levied on current and future mining operations based on the amount and duration of impact their activities would have on the environment and on other land uses. The reclamation should be administered by the Soil Conservation Service of the U.S. Department of Agriculture.

In addition to a serious commitment to enforce the 1969 Coal Mine Health and Safety Act of 1969, underground mining controls similar to those for the strip mining must also be established. These should include provisions for a permit system and reclamation plans with specific requirements, as well as a provision to prohibit any underground mining operation in wilderness areas established pursuant to or by the 1964 Wilderness Act.

Land undermined by underground mining probably exceeds 7 million acres, with some 2 million acres expected to experience sub-

sidence by the year 2000. Fires and silt and acid mine drainage are also important underground mining effects. These devastating problems reflect a combination of difficult geologic and hydrologic conditions, a recalcitrant industry, and economic disadvantages experienced by deep-mine operators unable to compete with an unregulated stripping industry.

—*Special Federal protections and aids must be established to assure the restoration of any jobs that might be displaced by surface mining controls.*

In achieving a decent environment in this country, we need not sacrifice the human welfare, and I have long strongly supported measures to reconcile any potential conflict between these aims.

For instance, I proposed an amendment to the water quality bill to establish a program of long-term, low interest Federal loans to small businesses that might be adversely affected in meeting water pollution controls. The proposal was adopted by the Senate 92–0.

Regarding strip mining, Congressman John Seiberling has introduced amendments in the House to aid workers who are laid off due to a mine shutdown. Authority would be given to the Secretary of Labor to provide readjustment payments to an adversely affected worker. A worker would be eligible for this readjustment allowance for up to 52 weeks. In addition, a relocation allowance may be granted to a laid-off worker who can find work outside of a specified commuting distance.

In addition, reclamation could also provide a major employment opportunity for any men who may be out of work from the effects of strip mining controls, and any such workers should have a priority in reclamation jobs. Special training and relocation assistance should be provided for this purpose.

Public participation must be fully provided for at every step of the process of regulations and controls. This must include non-discretionary authority for citizens suits against responsible Federal officials for violations of any provisions in the legislation, a provision similar to that already included in the water quality bill passed by the Senate. In addition, public hearings should be held on request before the issuance of any permits, and there should be public notification and the opportunity for a public hearing prior to the release of a mining company from liability for reclamation.

Mr. Chairman, the Subcommitte is to be commended for holding these hearings on this important matter, and once again, I appreciate the opportunity to comment.

THE RECORDING INDUSTRY AND DRUG ABUSE

Mr. JAVITS. Mr. President, I have long believed that we must utilize every weapon at our disposal to fight the drug abuse problem. I am pleased that recording companies have now begun to work with recording artists in helping fight drug abuse.

Most recently the Recording Industry Association of America created, in connection with the National Institute of Mental Health, a fine recording entitled, "Some Things You Always Wanted To Know About Drug Abuse." The record has been distributed free of cost to the Government and to every radio station in the country.

As one who represents the State in which so many recordings are produced, I am proud of the recording industry for this meaningful contribution to the war against drug abuse.

I ask unanimous consent that an article discussing the situation and published in the Albany Times Union of October 23, 1971, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Albany Times Union, Oct. 23, 1971]

THE NATIONAL SCENE—A MEANINGFUL CONTRIBUTION

(ISSUE.—With the recording and radio industries cooperating in a government program aimed at curbing drug abuse among young people, do they deserve criticism for using records allegedly glamorizing drug use?)

After weathering a storm of criticism—much of which now appears to have been unjust—the recording and radio industries today are making a significant contribution to a government sponsored program designed to discourage the use of drugs among young people.

Since the first of this month, radio stations throughout the nation have been devoting thousands of hours of public service air time to broadcasting messages which certainly should make a young man or woman think twice before accepting that first sample of an illegal drug.

One of the messages reaching a vast audience of teenagers and, hopefully, influencing them, is a six-sided LP album which covers most aspects of addiction and examines the insidious narcotics which bring on this distressing condition.

This fine educational instrument, entitled "Some Things You Always Wanted to Know about Drug Abuse," was produced, at no cost to the government, by the Recording Industry Association of America. In addition, many individual record companies have released commercial discs with anti-drug abuse themes.

Not so long ago, the record companies and radio statitons were being roundly blasted by many well-meaning critics for producing and playing records whose lyrics, it was charged, made drug use appear acceptable and even glamorous. It eventually was proved, however, that many of these attacks sprang from misunderstanding and were pretty wide of the mark at getting at the real roots of the drug problem.

But if any suspicions have continued to linger as the result of these criticisms, they certainly should be dispelled by the recording and broadcasting companies' forthright, generous and meaningful cooperation in the current government program.

WHITE HOUSE CONFERENCE—RETIREMENT SECURITY AND THE AGED

Mr. JAVITS. Mr. President, during this week the 1971 White House Conference on the Aging has been meeting in Washington. Three thousand four hundred delegates from all over the country are participating in almost 100 meetings covering a wide range of topics concerning problems of the elderly.

I take this opportunity to welcome New York's delegation and delegates from all over the United States to the White House Conference. The conference is an indispensable means for formulating sound public policy for the aging; and I believe Congress will be sensitive and responsive to the recommendations which are endorsed by the delegates to the conference.

Mr. President, certainly one of the most conspicuous problems identified with the elderly is the absence of an adequate income in the retirement years. I ask unanimous consent to have printed in the RECORD my remarks on this subject that were delivered on Monday, November 29, to a luncheon meeting of the delegates to the White House Conference on the Aging.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

RETIREMENT SECURITY IN A FREE SOCIETY: THE ROLE OF PUBLIC AND PRIVATE PROGRAMS

(Remarks of Senator JAVITS)

There are now approximately 26 million people 65 years of age and over in this country. A quarter of these Americans live below the poverty level; many do not become poor until they reach old age.

Because of this circumstance, the United States is rapidly approaching a critical juncture in its experience with provisions of income assurance to the aged. Some of the accepted principles that heretofore have governed the design of social security and private pension programs are now under serious attack.

The underlying problem—assuring adequate income for the aged—is not new, nor is the United States alone in experiencing increased pressures for adopting more effective strategies to deal with the issue. In recent years, Belgium, Canada, Great Britain, Germany and Switzerland—to name a few—have been compelled to re-examine the adequacy of their retirement systems. Still other countries—notably France—have succeeded in fashioning an elaborate and sophisticated integration of public and private retirement systems so as to insure an adequate old-age income for its workers.

Foreign models and proposals for change vary widely and reflect the specific historical, political, economic and social conditions of the countries involved. It is natural and desirable for experts in this country to examine closely foreign experience in order to develop perspectives from which to evaluate social security and private pension programs in the U.S. In the last analysis, however, the future direction of our "dual retirement system" will come from the unique complex of needs and interests of the American people. Therefore, primary attention must focus on our national concerns.

PROBLEMS OF SOCIAL SECURITY

Since its inception, Social Security has been conceived as furnishing a minimum floor of retirement protection for almost the entire work force. Private initiatives, i.e., principally group pension plans, have been cast in the role of providing a "supplement" to the retirement income delivered by Social Security.

However, the scope and level of benefits under Social Security, or what is meant by providing a "minimum floor of protection," has never been firmly decided. This deficiency has grown more acute as persistent inflationary pressures have eroded the purchasing power of the retirement dollars provided by social security.

Most authorities agree that the wage-replacement ratio of social security—between 19 percent to 29 percent—is very low. The median social security benefit paid in 1967 to a retired couple—the latest year for which this data is available—was $129 a month. $241 is the minimum monthly income required to sustain a retired urban couple, as reported by the Bureau of Labor Statistics in January 1970.

Despite recent and proposed increases in social security, and despite the likely enactment of measures to guard against loss of social security purchasing power, the continuing inadequacy of Social Security remains a stony fact. The evidence to date strongly suggests that a concerted effort be made to improve the social security benefit formula so that it will result in a higher and more realistic wage-replacement ratio.

To accomplish this requires some meaningful consensus as to what the long-range floor of protection ought to be and to gear the system to provide that level of protection. At the same time, care must be taken to insure that private initiatives and responsibility for participating in securing old-age financial security are not discouraged or diminished. This would occur if we were to establish a level of social security benefits which would cost so much that employers, unions and individuals no longer perceived the desirability or the feasibility of providing supplementary pension programs. The advantages of maintaining and encouraging private initiatives are too important to sacrifice, and, it would not be in the best interests of works or our economy to impose such a sacrifice in order to obtain such a high degree of social security protection.

PROBLEMS OF PRIVATE PENSIONS

Because social security benefit levels seldom have been satisfactory, private pension programs have grown to fill the gap—and they have enjoyed a spectacular growth.

In 1950, private pension plans covered 9.8 million workers, 22 percent of the work force; by 1971, private plans covered in excess of 30 million workers, roughly 50 percent of the work force.

In 1950, pension plan assets totaled $12.1 billion; in 1971, these assets exceeded $130 billion, growing at the rate of $10 billion annually and expected to reach over $200 billion by 1980.

Undeniably, these programs have become a major factor in the economic life of this country and in the minds of workers everywhere. Employees—realizing the inadequacy of social security—rely heavily on their private pension plan to provide the income necessary to maintain a decent standard of living in their retirement years.

The spectacular growth of private pension plans has been accompanied, however, by equally spectacular problems. At the center of these problems is a cancerous phenomenon: The average employee covered by a private pension plan—and I emphasize the word "average"—cannot count on getting anything from that plan.

It is this absence of employee security in private pension plans which has led me to advocate their basic reform under law. If we are going to operate on the theory that our national interests are best served by a partnership between public and private retirement programs—and I strongly believe this to be true—then we must see to it that the partnership is an effective one for delivering adequate retirement income.

To accomplish this it is essential that the design of private pension plans be reconciled with the freedom of labor mobility which we as a people value so highly and which—together with rapid economic and technological change—now constitutes the most prominent feature of modern industrial life.

The pension reform bill I have authored, S–2, now pending before the Senate Labor Subcommittee, would make this reconciliation a matter of deliberate national policy. It would proteot employees against loss of their pension benefits when they lose or change their jobs, or when their employer goes out of business or moves away—and it would establish a new S.E.C.-type commission to supervise pension plans to insure that they are properly managed in the workers' interests.

The importance of enacting this legislation cannot be emphasized enough. By assuring the average worker that he will get more than one pension at his retirement—one from social security and one or more from private retirement programs—we will have taken a major step forward in securing the goal of adequate income to the aged.

Public interest in reform of private plans has grown steadily, and now it is an idea whose time has come. In my judgment, 1972 will be the decisive year—the year when the Congress will decide whether private pension plans are to be a full-fledged and responsible partner in our dual retirement system, or whether they will remain a spectacular but uncertain experiment, destined for ultimate obsolescence and replacement.

CONCLUSION

It is said we are, as a nation, experiencing a sickness of spirit—an erosion of motivation—particularly among the young, which has, as one of its aspects, a loss of confidence in the ability of our industrial system to develop adequate economic justice.

We must ask ourselves why—in the most affluent country in the world, in the most advanced industrial society, so large a proportion of the aged must suffer economically.

Could it be that we have shaped an industrial system so obsessed with productivity and technological superiority, that when an individual's industrial life is exhausted, our system can impersonally discard him!

I think not, and I believe that our social security and private pension programs are clear evidence of this nation's moral commitment to provide for the economic well-being of the individual at the end of his productive years.

But I also believe that to the extent our dual retirement system fails to provide the means for a decent standard of living in old-age, it directly contributes to the alienation and isolation of the aged from the mainstream of society, and—equally important—reinforces the impression among active workers, especially the young ones, that the end of a working career is almost equivalent to the end of life itself. As long as this impression has currency, it will contribute significantly to the erosion of worker motivation, because what is the point of working hard if at the end there is so little?

We must, therefore, give great priority to strengthening and improving our public and private retirement programs so that they will provide an adequate income to the elderly—and I believe it should and can be done along the lines I have suggested. Perhaps then we can state with conviction the famous lines from Robert Browning:

"Grow old along with me!
The best is yet to be.
The last of life, for which the first was made."

GEORGE REED ADDRESSES YOUNG LAWYERS

Mr. HATFIELD. Mr. President, young lawyers of the State of Maryland have launched a new program of parole aide under the sponsorship of the American Bar Association's commission of correctional services. Their first conference was keynoted on November 12, 1971, by the chairman of the U.S. Board of Parole, Mr. George J. Reed.

The national parole aide program for young lawyers is the first demonstration project of the American Bar Association's commission on crime, of which Mr. Reed is a member. Mr. President, I ask unanimous consent that Mr. Reed's speech to Maryland's young lawyers be printed in the RECORD. It provides an insight into the innovation coming to the field of criminal rehabilitation.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICAN BAR ASSOCIATION'S NATIONAL PAROLE AIDE PROGRAM FOR YOUNG LAWYERS

(By George J. Reed)

Mr. Chairman, Dr. Menninger, Professor O'Leary and young lawyers of Maryland. It is a very great pleasure for me to address this FIRST Parole Aide Volunteer Training Institute here in Maryland sponsored by the American Bar Association's Commission on Correctional Services. Some twelve other such State Training Institutes will be held in other states before this very new and challenging program of the American Bar Association is fully launched. I am informed that some 1,000 young lawyers in the 12 states included in this program have already signed up for this project.

These states include: California, Colorado, Florida, Illinois, Maryland, Missouri, New Jersey, Ohio, Oregon, Virginia, Washington and Wisconsin. This is most heartening and bodes well for the enormous contribution which this new and innovative project can make to our joint efforts at improving parole and correctional services. I am also pleased to inform you that the U.S. Board of Parole has agreed to participate with these states in this program for Federal parolees.

Much is being said these days about the "Spirit of '76" as we prepare to celebrate our National Bi-Centennial. President Nixon has renamed his personal airplane the "Spirit of '76" and calls upon the Nation to be challenged in the mid-seventies in meeting our problems by the same spirit of dedication and imagination which moved our Founding Fathers to establish an independent Nation of free people in the new world. It is difficult for us today to really comprehend or understand what motivated men like Thomas Jefferson, George Washington, Benjamin Franklin, John Hancock and the Adams brothers of Massachusetts to commit their lives, fortunes and sacred honor to the risky business of establishing a new, free, independent and democratic society in America.

The more I study our Nation's early beginnings and the men who shaped her future, one word stands out in bold relief—that magic word is voluntarism—and unless it has a nationwide rebirth in the hearts of all our people in the seventies, our future as a free and independent society is indeed in doubt. More and more I am convinced that our economic, social, minority and crime problems will be solved by strengthening our inter-personal relationships on the basis of a one-to-one relationship.

The American Bar Association's Parole Aide Program for Young Lawyers proposes to apply the dynamic principle of a one-to-one relationship in problem solving. The Young Lawyers Section of the American Bar Association—through its committee on Criminal Law and Prison Reform—has been actively engaged in correctional and prison reform since August, 1970.

The Parole Project is the first in a series of action programs to be launched by the American Bar Association's Corrections Commission and it has a three-fold function: (1) providing needed assistance to the overburdened parole system; (2) providing invaluable educational experience for the young lawyers in the administration of criminal justice and, finally; (3) involving the young lawyer in an exciting experience of being personally—but not professionally—involved in assisting an individual who is on parole to successfully rejoin society as a productive citizen.

Historically, parole goes back to the nineteenth century when the trend in penal philosophy shifted from one of punishment to that of reformation of the individual. The history of parole is inextricably a part of

that movement. The reformers of the eighteenth century sowed the seeds from which sprang the reformatory idea. Subsequently, the parole movement was formed. The foundations of modern parole, then, are to be found in the progression from strict imprisonment to freedom within limited areas—to liberation with conditions—followed by full restoration of liberty. Parole today has been defined as "a method of selectively releasing offenders from institutions, under supervision in the community, whereby the community is afforded continuing protection while the offender is making his adjustment and beginning his contribution to society."

At the April 1956 National Conference on Parole called by Attorney General Herbert Brownell, Jr., The National Probation and Parole Association, and the United States Board of Parole, convened in Washington, D.C., the Conference outlined the principal functions of a parole board, as follows:

(1) Selecting individuals for parole.

(2) Paroling at the point at which maximum benefits of the institution to the individual have been reached and the element of risk to society is minimal.

(3) Determining the conditions of parole.

(4) Providing continuing custody, control and supervision of paroled persons.

(5) Authorizing return to the institution of those who violate parole.

(6) Discharging from parole when supervision is no longer required.

(7) Interpreting the parole plan to the public with a view towards developing a broad-base of public support.

(8) Recommending sound parole legislation.

Parole supervision offers the parolee the setting and guidance he needs to help him work out his problems. Parole is a continuation of the overall correctional process. Its goal is to provide the kind of individualized treatment that will enable the parolee to become a self-sustaining, law-abiding and contributing member of society. The period of supervision should give the parole aide volunteer, under the direction of the parole officer, the opportunity to study the offender in his home and community, to counsel with him on any personal problems and to enlist other community resources and services for supplementary assistance. To be effective, supervisory help should be based upon an understanding of the parolee's emotional needs and his environmental situation.

The effect of his past history and experiences upon his present reactions should be considered. Parole supervision relies upon counseling—including the appropriate use of authority and assumption of a degree of responsibility for the control of the parolee's behavior. When the parolee's conduct involves serious infractions, either of parole regulations or of the law itself, his possible return to custody must be weighed by the parole board who authorized the parole release.

Being a parole volunteer is a very individual and personal matter so that no contact between the parolee and any community organization should publicly identify him as a parolee. However, introducing the parolee to community organizations and other individuals should aid him in becoming comfortable within the acceptable norms of society.

Here, I think, I should point out to you one of the most common misconceptions concerning this approach. Too many people feel that in order to understand the problems of the offender one must necessarily sympathize with him or ask the community to overlook his less than satisfactory behavior simply because of unfortunate circumstances he may have faced in one form or another. Such an approach can often be harmful in that it may tend to perpetrate and emphasize the very personality problem we hope to assist him in overcoming. Our function is to understand the offender and his problems in a manner that is socially acceptable. This program, if it is to succeed, assumes neither a "soft" nor "tough" approach but one of firm, consistent understanding.

Being a good parole aide volunteer is a very difficult but rewarding experience. A man must be willing to suffer temporary set backs and even failures on some cases and be willing to still keep on trying. One of the real problems in a parole aide volunteer program is the need to match up the right parolee with the right young lawyer so that they can develop an esprit de corps from the beginning. Too many times, in similar efforts, the sponsor is inclined to throw up his hands and say "take him away, he really isn't any good." Then, of course, very severe damage has been added to an already troubled individual and his future is made even less secure.

It may be many months before a parolee will be assigned to your supervision. This must not discourage you because it will be impossible to find immediately just the right parolee to match every young lawyer in this program. Therefore, I suggest that every participant in this program understand from the beginning the need for patience in this regard. From the earliest beginnings of this project it has been made explicitly clear that:

(1) The final selection of the lawyers who will be parole aides and the selection of parolees for the program as well as the orientation and training of volunteer parole aides should be wholly within the province of the parole board and its staff.

(2) It is understood that no fees for any purpose will be collected by the attorney/parole aide from the parolee in his charge; that no referrals for legal questions shall be made to another fee-attorney although, if circumstances require, referrals may be made without fee arrangement to a community legal service agency.

(3) The attorney/parole aide volunteer will not have an attorney-client relationship with any parolee under his charge.

(4) The attorney/parole aide volunteer should not participate, nor be involved, in any application for executive clemency—except with the permission of the parole board—to reflect a joint opinion as to the conduct of the parolee who has been in his charge.

(5) The attorney/parole aide volunteer should not participate in, nor encourage litigation against the state or its institutions, although he should in no way bind himself to subvert or discourage any meritorious cause believed in by the parolee.

(6) The attorney/parole aide volunteer should be required to report to the parole board, through its staff, the substance of every contact with his parolee and general guidelines relative to the frequency and nature of such contacts should be established by the parole department.

(7) The attorney/parole aide volunteer agrees that there should be no disclosure by him to the press with regard to personal or private matters affecting the parolee.

(8) The attorney/parole aide volunteer agrees to a written, specific, warning signed jointly by him and the parolee at the outset of the term of service which would disavow any confidential relationship between them, that is, lawyer/client. The parolee should receive plain and unmistakable warning that any such communication to his attorney/parole aide volunteer—such as a plan to commit a crime, etc.—is not to be treated as a confidential communication but that the attorney/parole aide volunteer will act in such respect precisely as would the professional parole officer—and that is to report the incident to the proper official.

Many similar programs for using volunteers in supervising parolees have been developed. The Florida Probation and Parole Commission's handbook for "Volunteers" describes their area of assistance as follows:

(1) increase frequency of personal and community contacts,

(2) follow-up residential and employment changes,

(3) secure employment opportunities consistent with parolee's ability to perform,

(4) confirm educational and vocational training pursuits (encourage and motivate toward completion of program)

(5) verify alcoholic anonymous referral and attendance (motivate and encourage),

(6) follow-up referrals such as marriage counseling, mental health, etc.,

(7) broaden scope of interest—include hobbies and crafts as "constructive time occupiers,"

(8) spiritual assistance—help develop church interest and regular attendance.

May I suggest that being a volunteer in 1971 may be somewhat different from the volunteers in 1776 but the rewards are equally satisfactory. This is true because we grow a little within ourselves when we contribute even just a little to our fellow man.

In conclusion, let us consider the lines from Rio Burke's Measuring Man—

"Before I say a man is good—as good as he can be,
I'm going to hold off a bit, for people change you see.
And men who years ago were called the greatest in the land,
Are found in enterprises which it's hard to understand.
Before I say a man is bad and lost to instincts good,
I'll wait awhile—perhaps he, too, has been misunderstood.
If good men, now and then, go wrong, it's reasonable, quite, to figure that it's possible for a bad one to go right."

May you find your experience as a young lawyer/parole aide volunteer an exciting experiment in improving our rehabilitation programs and thereby once again making our communities and homes safe places to live. If this happens—even to a small degree—you have made a significant contribution to improving the administration of criminal justice. Thank you.

ECONOMIST HIGHLY OPTIMISTIC ABOUT OUTLOOK FOR PHASE II

Mr. GRIFFIN. Mr. President, those who have little faith in phase II of President Nixon's economic program would do well to study the views of economist Hugh L. Stokely, Jr., as expressed in the latest Girard Outlook, published by the Girard Bank of Philadelphia.

Mr. President, I ask that a column written by Richard A. Nenneman in the Christian Science Monitor be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GIRARD'S ECONOMIST BULLISH ON PHASE II

(By Richard A. Nenneman)

If someone gave you good advice once when you were about to get a new car—or buy some stock—chances are you remember him. You'll remember someone who gave you bad advice, too—but when it comes time to make the next move, you will return to the person who was right the first time.

That's why I have been intrigued by the latest Girard Outlook, published by the Girard Bank in Philadelphia. The Outlook is extremely bullish on the economy. Its writer, Hugh L. Stokely Jr., vice-president and economist for Girard, is one of those fellows who plays around with an econometric model of the economy on a computer. (Playing around is too casual a description of this esoteric activity that very few outsiders can understand; he comes up wtih some very serious results.)

His present diagnosis of the economy is particularly interesting because for some time he had been saying that a wage-price freeze might be the only way to get the rampant inflation in the economy stopped. Thus, when Mr. Nixon made his Aug. 15 announcement of the freeze, this struck Mr. Stokely as "the right medicine at the right time. . . ."

Now, he argues, "confidence in the consensus forecast for 1972 is justified—confidence that gains of $100 billion in GNP and of more than 15 percent in corporate profits will take place. Given success in 1972, it is reasonable to believe the restraints will prove temporary—with the price and pay boards eventually reduced to a purely symbolic role."

Furthermore, Mr. Stokely thinks the chances quite good, after a year of wage and price restraint, of getting the economy onto a long-term path of noninflationary growth.

He thinks the present fears about Phase 2 are unjustified. First, he notes that the freeze and incomes policy come at a time in the business cycle when they stand the best chance of success (the economy is not overheated, that is). Second, the economy can take a lot of both monetary and fiscal stimulus without becoming inflation prone. Third, he thinks "rapid progress" is being made in getting a new international currency agreement, and says, "The world financial system is not about to come unraveled."

Noting that stock prices are influenced by credit, confidence, and profits, Mr. Stokely says that credit will be ample in 1972 and that beginning late in 1971, quarterly profit reports will show year-to-year gains of 15 percent or more for several quarters. These factors should at some point rebuild confidence, which would supply the ingredient presently missing on the individual investor's part.

The most optimistic part of the outlook, though, is the long-term one. Mr. Stokely's econometric model tells him it should be possible to get the inflation rate back down to about 2 percent, unemployment down to 4 percent, with wage increases of about 5.7 percent a year. The problem has been how, at the same time we were trying to rid ourselves of inflation, to break out of what he calls "the present trap of business stagnation." This, he thinks, Phases I and 2 can accomplish.

It still remains to be seen, of course, whether the new economic policy will actually be that successful—if, as Mr. Stokely says, "stop means go" for the future of the economy. But one remembers that as long ago as 1969 he was saying privately that the traditional means of slowing down an inflation would be inadequate, and that a temporary freeze might have to be tried. It's natural now that that prediction has worked out, to pay some attention to what he thinks will come next. One hopes he is right this time, too.

THE PRESIDENT'S VISIT TO CHINA

Mr. JAVITS. Mr. President, I think all of us should be deeply interested in the remarks of Dr. Henry A. Kissinger, Assistant to the President for National Security Affairs, respecting the impending historical trip of the President to the Peoples Republic of China, scheduled to begin on February 21, 1972. For that purpose, I ask unanimous consent to have printed in the RECORD the transcript of a news conference of Dr. Kissinger on November 30, 1971.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

PRESS CONFERENCE OF HENRY A. KISSINGER, ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS, NOVEMBER 30, 1971

Mr. ZIEGLER. Yesterday in a simultaneous announcement made by the Government of the Peoples Republic of China and the United States we announced that it had been agreed that President Nixon would visit China beginning on February 21, 1972.

Today I will add a few details to the announcement.

First, I would like to say that Dr. Kissinger, who you have seen, is here to answer your questions today on the President's trip to China, any questions you may have on the meetings the President will hold with the allied leaders which we have announced, prior to his trip to China and Moscow.

Also, Henry has agreed today to take other questions you may have on foreign policy subjects. What Dr. Kissinger says will be on the record.

First, the President's trip to China will last seven days. The President will arrive in Peking on February 21st and leave on February 28th. At the invitation of the Government of the Peoples Republic of China, Mrs. Nixon will accompany the President on his trip to China.

In addition to Peking, the Government of the Peoples Republic of China has invited the President to visit Hangchow and Shanghai. Hangchow is about 100 miles south of Shanghai. Most of President Nixon's time in China will be spent in Peking. The major portion of the President's time will be devoted to conversations with leaders of the Peoples Republic of China.

President Nixon plans to go directly to and from the Peoples Republic of China, using American territory for any refueling or rest stops.

Of course, Secretary Rogers and Dr. Kissinger will be accompanying the President. As we have said before, President Nixon will be traveling with a small working group.

Having given you those details, I think we can move now to your questions which Dr. Kissinger will answer. As I said, he will take your questions on the President's trip to China, on the meetings that will be held and also any other foreign policy questions you may have.

QUESTIONS AND ANSWERS

Q. Can you tell me how many days in Peking and how many in Shanghai and Hangchow?

Dr. KISSINGER. We don't have the precise time, but he will spend at least four days in Peking and the rest of the time divided between the other stops.

Q. Can you tell us about Hangchow, Shanghai being the largest city, that is an obvious place to split it. Why do they want him to come to Hangchow?

Dr. KISSINGER. The suggestion was that Hangchow is a good interval between Peking and Shanghai and a place where there can be conversations to follow up on the Peking conversations in a less hectic atmosphere and whatever other reasons that the Chinese Government may have had that I am not aware of.

Q. There will be, then, diplomatic conversations at Hangchow?

Dr. KISSINGER. There will be conversations at each of the stops with the leaders of the Peoples Republic of China.

Q. Will it be in Hangchow that Chairman Mao will receive the President?

Dr. KISSINGER. I don't want to speculate on where Chairman Mao will receive the President, except to say that he will certainly see him in Peking. What other places he may see him I don't want to speculate on.

Q. Will the President also have sightseeing throughout this trip and what will Mrs. Nixon be doing?

Dr. KISSINGER. The President will spend the major portion of his time in conversations with the Chinese leaders and based on some personal experience I can say they are likely to be extended. We have looked at a number of places which, in the interval between these meetings, perhaps in the earlier part of the mornings, the President may visit, but the sightseeing part of the trip will be a peripheral feature. The vast majority of the President's time will be spent on these extended meetings which I have mentioned.

NATURE OF DISCUSSIONS

Q. Is there a precise agenda now worked out as to what the leaders will discuss or is there going to be a freewheeling nature to the discussion?

Dr. KISSINGER. It is going to be a freewheeling nature to the discussions, although, of course, the general range of topics has been explored on the preceding visits. It is, however, clearly understood that each leader will be free to raise whatever topic he feels is urgent.

Q. Could I follow that by asking you how does that apply then to what we were told at the background briefing by an unidentified official that no third country problems would be discussed between the U.S. and China?

Dr. KISSINGER. Mr. Lisagor, I think you are mistaken. That briefing was on the record. (Laughter) And it was by a briefer who is very reluctant not to be identified. (Laughter) Particularly as he has to keep up with his son. (Laughter)

Now, let me separate the problem. What was said at the previous meeting is that no agreements will be made about third party problems, or at least that was attempted to be said. The major thrust of the conversations will concern bilateral issues and each side will be free to raise any topic within that that they consider crucial.

Now, if either country considers something of crucial importance that is not strictly bilateral, it can be raised; however, there will be no deals made by either side at the expense of other countries or concerning other countries.

ISSUE OF SOUTH VIETNAM

Q. Will the United States raise the issue of South Vietnam?

Dr. KISSINGER. I don't want to go into the details of the agenda, but as I said at the previous briefing, we expect to settle the war in Indochina either through the progress of Vietnamization or direct negotiations with Hanoi.

We do not expect to settle it in Peking.

Q. Why can't you indicate to us what the general range of topics that you have explored with the Chinese is?

Dr. KISSINGER. Because there is no commitment by either side to any detailed agenda. There were some exploratory conversations that concerned some of the topics in order to determine whether there was anything worth talking about. But there is no precise agenda and we do not want to commit the two leaders, that they have to follow any particular sequence or any particular range of topics.

Q. You have agreed to discuss a minimal number of issues, have you not?

Dr. KISSINGER. There has been an agreement to discuss issues that have to do with relaxation of tensions between the United States and the Peoples Republic of China.

TAIWAN PROBLEM

In the preliminary discussions did you find that Taiwan was a subject worth considering discussion on?

Dr. KISSINGER. It wouldn't be credible if I told you that the Peoples Republic of China has conducted a conversation with the Americans without mentioning the problem of Taiwan. Of course it was mentioned. Of course we do not see precisely eye to eye on that subject, but since it is an issue that concerns both sides, it will be, no doubt, raised.

Q. Dr. Kissinger, is Taiwan considered a bilateral issue or is that a third country?

Dr. KISSINGER. That is a very good question. (Laughter) Our position is that the ultimate disposition, the ultimate relationship of Taiwan to the Peoples Republic of China, should be settled by direct negotiations between Taiwan and the Peoples Republic of China.

Q. Do you presently have a representative on the mainland acting as liaison?

Dr. KISSINGER. There is no American representative or any other person conducting negotiations for us with the Government of the Peoples Republic of China.

Q. When is the next advance going to be made, and who is going?

Dr. KISSINGER. The date of the next advance is now under discussion. As soon as we have an agreed date with the Government of the Peoples Republic, we will announce it. The composition of the advance party has not yet been settled. It is, however, going to be an exclusively technical advance which will work out the precise arrangements, the logistics and otherwise, that always precedes a Presidential trip.

Q. Is it going to be a State visit or a working visit?

Dr. KISSINGER. It is considered a working visit, but I frankly do not know from a protocol point of view whether—I suspect it will be treated as a State visit, but I really do not know what the protocol aspects of it are, so do not consider that a conclusive answer.

CHINESE ATTITUDE TOWARD PRESS

Q. Could you tell us something about the Chinese attitude toward press coverage, the size of the party and the type of operations which will be permitted?

Dr. KISSINGER. The Chinese attitude toward press coverage is this: I think it is safe to say as I pointed out previously, that in their long history, I do not believe they have ever come up against something like the coverage that is expected of an American President on any State visit. In this particular case, something like two regiments of newsmen have asked to go along, so we have presented the requests to the Chinese, and after the dimensions of the intrusion that may befall them had sunk in on them, the Chinese agreed to do the maximum possible within the extent of their technical capabilities and of their physical capabilities.

This will be, obviously, less than the demand, and it will be less than other Presidential trips, but it will be much larger than anything that the Chinese have previously confronted. The final number will be determined during the next advance.

We have some idea. We now know what the general range is likely to be, but we want to see what the final number will be.

Q. Can I follow that by asking what arrangements have been made for communications? Will a satellite ground station be installed, or anything like that?

Dr. KISSINGER. Ron just whispered to me that I should give you the full details of that. (Laughter)

We are trying to bring about maximum coverage for the trip. Again, the technical problems that this presents are unprecedented in Chinese experience. We have presented the technical issues to them in a frank manner. They have examined them and made a responsive reply, and we will work out the precise details at the next advance.

But, again, I want to say that the attitude on both sides has been one of cooperation and of attempting to get a coverage that is consistent with the worldwide interest.

CHINA'S INTERNAL POLITICAL SITUATION

Q. Dr. Kissinger, what is your understanding of the internal political situation in China at this moment?

Dr. KISSINGER. I have stated previously that this Government does not believe that a visit by the President to a foreign country entitles us to speculate about the internal situation in that country. We will maintain that position.

Q. Can you tell us who, besides the Prime Minister and Chairman Mao the President is likely to confer with?

Dr. KISSINGER. Well, this, of course, is up to the Chinese side. I am reasonably certain that the Acting Foreign Minister (Chi P'eng-fei) and Marshal Yeh Chien-ying, who participated in some of my conversations, will participate. As to the rest, I would not wish to speculate.

Q. What is Yeh Chien-ying's position?

Dr. KISSINGER. He is Vice Chairman of the Military Affairs Committee and a member of the Politburo.

Q. The question I had: Is the Administration now seeking to encourage Taipei to deal directly with Peking and Peking to deal with Taipei as part of an effort at resolving a larger Chinese problem?

Dr. KISSINGER. Our position is what I have indicated. We are not encouraging it. We are saying it is our view that this is how the solution should come about.

Q. But it comes about as a result of two Chinese groups dealing with one another?

Dr. KISSINGER. That would seem to us to be the best way of solving the problem.

Q. What is their attitude on that?

Dr. KISSINGER. Well, that remains to be seen.

Q. Dr. Kissinger, a question on the upcoming summit meetings with free world leaders. How much of the time do you think the President and his counterparts will be spending on the international monetary situation, and do you expect a solution to that at those meetings?

Dr. KISSINGER. I will take that question after we are through with the questions on the trip. Could I do that?

WHY TRIP PLANNED IN FEBRUARY

Q. Why was this trip timed when it was timed?

Dr. KISSINGER. We have always said that we would take the trip at the earliest possible time that the technical arrangements could be worked out, and that all other arrangements indicated a possibility for a reasonably successful outcome.

As things have developed, this was the first date that was possible. It was proposed by us and it was accepted by the Chinese side. I mention it only because I saw a report on television today that the date was fixed in order to keep the street crowds down. That is absolutely not correct. We proposed the date as the earliest date for us, and it was accepted by the Peoples Republic of China.

Q. Do you have a date yet when the President is going to leave Washington? Ron said the intermediate stops would be on American soil, but that could be Alaska or Honolulu.

Dr. KISSINGER. We do not have the itinerary. We also do not have the precise date when the President will leave Washington, but I think it is safe to assume that he will leave in time to get used to the time changes on the road, but we do not have the precise itinerary worked out.

Q. Is it fair to characterize this as a new policy statement on the American view or attitude toward Taiwan and the PRC, that is, that Taiwan is an internal Chinese problem?

Dr. KISSINGER. I did not use this phrase. Our defense commitment remains unaffected.

The question which I was asked was: Will we settle the future of Taiwan in Peking? My answer to that was: It is our judgment that the future relationship between the People's Republic and Taiwan should be worked out between Taiwan and the People's Republic.

This is our policy, but it is without prejudice, as I have pointed out, to existing commitments.

TYPE OF COMMUNIQUE EXPECTED

Q. What kind of joint communique can we expect and will it include specific things like an all Indochina Peace Conference or a statement on renunciation of force and where will the President stay in Peking?

Dr. KISSINGER. On the last question, first, the President will stay in one of the state guest houses in a complex of state guest houses in the western outskirts of Peking. The communique, of course, will be worked out when the President arrives in China. However, it is safe to predict that the communique will not, as I pointed out, involve conclusions about third countries and will be confined to those subjects that relate principally to the relationships between our two countries.

Our attitude with respect to the communique and other matters will be: That we will not pretend, we have never denied that there are major differences between us. We expect that those differences will continue. Where there are differences, they will not be covered up. Where there are agreements, they will be stated. But I do not want to speculate either on what subjects it will cover except to say that I don't expect it to deal with third countries. The details of the communique, what form it will take, will have to await the President's trip.

CHANCE FOR DIPLOMATIC RELATIONS

Q. Do you see the added chance for the establishment of diplomatic relations between the United States and the People's Republic?

Dr. KISSINGER. I do not expect formal diplomatic relations between the Peoples Republic and the United States to be established on this trip.

Q. Has there been any discussion of a return visit by Chou En-lai?

Dr. KISSINGER. There has not been any such discussion but there are some particular problems in connection with it from the Chinese side, since there is another Chinese Ambassador in Washington and there is no competing U.S. Ambassador in Peking.

Q. You said earlier that the date was proposed by us as the earliest possible date for the trip. Could you elaborate a bit as to why this was the earliest possible date for the trip?

Dr. KISSINGER. Given the pace at which preparations have moved, given the fact that the month of January is pretty well occupied with the opening of Congress, the end of February was the earliest time that we could reasonably propose and be confident that all the arrangements would have been made. It is obvious that we did not pick it for the climatic conditions.

PROBLEM OF CHINESE REPRESENTATION IN U.S.A.

Q. Dr. Kissinger, you said that there is a Chinese Ambassador in Washington. How would you describe our policy? Is it one of two Chinas or do we recognize at this point after the U.N. vote and after this trip that the Peoples Republic of China is the legitimate government of China?

Dr. KISSINGER. Both Chinese Governments have maintained that they represent all of China. We recognize the Government of Taiwan.

Q. Henry, can you tell us anything yet about the channel of communications you have now with China?

Dr. KISSINGER. No.

Q. Why is there a reluctance to identify some of the bilateral questions you will discuss with the Chinese?

Dr. KISSINGER. We have gone over that before.

Q. You say we recognize the Government of Taiwan, do we recognize them as the Government of China?

Dr. KISSINGER. I have stated the position that both Chinese Governments maintain that they represent all of China. We maintain diplomatic relations with the Government in Taiwan. I will not go beyond that.

AMERICAN DEFENSE OF TAIWAN

Q. Henry, in your bilateral conversations would you expect that the question of the American Defense Treaty with Taiwan or with the Nationalist government would be discussed?

Dr. KISSINGER. I wouldn't care to predict what issues would be raised by the other side, but we are not going to the Peoples Republic to change any existing commitments.

We will take two more questions on the trip and then we will go to your questions on anything else.

Q. Since you mentioned Congress, have you invited anyone from Congress to accompany the President, or has he invited anyone?

Dr. KISSINGER. The official party will be very small and confined to those officials who have direct operational responsibilities. So far, no Member of Congress has been invited. I do not expect that any Members of Congress will be invited, but, of course, the President is always free to change his mind.

Q. In your conversations with the Chinese, did you say to them what you told us here today, that we would prefer that the matter of Taiwan be a matter of two nations, and if you did, did the Chinese say anything in response to it?

Dr. KISSINGER. I have never described my conversations in China and for that matter, neither have they, and I would prefer not to. Not even my son knows about them. (Laughter)

Q. Yesterday, Mr. Ziegler, in describing the purpose of the trip, said it was to bring about a new direction in policy and second, to end isolation of the two great people—

Dr. KISSINGER. From each other.

BEGINNING "RUDIMENTARY COMMUNICATIONS"

Q. —from each other. Can you elaborate a little more on that? How do you expect to end that isolation and is this going to mean the opening of more communication, more travel and more trade?

Dr. KISSINGER. One of the remarkable aspects of this opening toward China was the difficulty of establishing even rudimentary communication with a country from which one has been cut off for nearly 25 years.

A good part of the first year of this effort, which as you know, started in 1969, was simply to find out how to communicate and with whom to communicate in a reliable way. Our two countries have been cut off from each other, not just in formal diplomatic contact, but in all other contacts, cultural, journalistic, academic and so forth.

Now the minimum we expect to get out of this trip is a better understanding by both sides of each other's positions and a continuing means of remaining informed about these positions, so that one is not so dependent on these very dramatic set piece encounters.

Second, we hope out of this visit could grow at least a beginning of some exchanges in other than political fields that would permit the two peoples to get to know each other better.

Again, we are not sentimental about this. We recognize that the Peoples Republic is led by highly principled men whose principles are diametrically opposed to ours. But whatever their purposes, it is in our mutual interest that we understand what we are about; that on those matters that are in our common interest we know how to cooperate and on those matters that are not ideologically controversial in the cultural and intellectual field, we can find cooperative means of effort.

This is what the phrase meant.

You did not quote our Press Secretary correctly, and he chooses his words with the greatest of care, and he said, "A new direction in our relationship between our two countries," and there was a nuance there and somebody missed it. (Laughter)

Let me make one other general point, and then we will go to this question over there, and to any other questions you may have on the other meetings or on other problems.

The summit in Peking is different from the summit in Moscow. With the Soviet Union we have had diplomatic relations now for nearly 40 years. We have had intense diplomatic exchanges for at least since the Geneva Summit of 1955. We have well established diplomatic means of communication that function rapidly, and therefore, with the Soviet Union, we have a series of concrete problems that we are attempting to move more rapidly towards a solution of which we are attempting to culminate at the summit.

With respect to Peking, we are at the very beginning of a process. We do not impinge on each other as countries on a global basis the way we do with the Soviet Union.

What we are attempting to do with respect to the Peoples Republic—and I believe they with us—is to set a general philosophical direction or a general direction for the future evolution of our policy, and therefore, you cannot look in Peking to the same type of concreteness that you can in Moscow.

Now let me take that question over there.

UPCOMING MEETINGS WITH WORLD LEADERS

Q. In the upcoming series of meetings between the President and free world heads of government, how much attention will be given to the international monetary and international economic questions, and whether you expect the international monetary question to be settled during these meetings?

Dr. KISSINGER. As you all know, Secretary Connally is attending each of these meetings, and, therefore, it is reasonable to assume that the international monetary problem will be discussed, or will be one of the topics for discussion at these meetings.

At the same time, the international monetary system involves a series of multilateral engagements that, by definition, cannot be settled at a series of bilateral meetings.

Let me say this, because I believe there has been some misunderstanding or some confusion between the tactics and the purposes of this Administration in the monetary field: The international monetary system, by definition, is something that requires the cooperation of all countries. The international monetary system, by definition, has to be one that is perceived by all countries to be in the common interest.

The difficulty that was faced consisted of the fact that there were a series of highly inequitable exchange rates, about which we had been talking to our major trading partners and allies for a number of years without success. It was, therefore, essential that we bring home to our partners that fact that this was a matter which we took with the utmost seriousness and that required urgent solution.

We all know that Secretary Connally is now at the meeting in Rome beginning the process by which we move from underlining the need for a realignment of exchange rates and other reforms of the international monetary system to a new system. We are approaching this with the attitude that the solution must be found and will be found on a cooperative basis.

We expect that this process will be completed in a reasonable time and that when it is completed, all the participants will feel that the new system that has emerged is better than the preceding one, and that it is in the common interest.

Now, I have read a number of speculative stories about the divisions in the Administration on this problem. I would like to state that all of these steps are being taken not only with the concurrence of Secretary Connally, but at his recommendation, and in international monetary matters he is acting as the principal adviser to the President, although, of course, others are being closely consulted.

WHY NO MEETINGS WITH LATINS, AFRICANS?

Q. Dr. Kissinger, the list of consultations that the President is embarking on, starting with Trudeau and going to Sato, in that period there is no inclusion of South America or Africa. (1) Was this given thought; and (2) why not?

Dr. KISSINGER. President Medici of Brazil is coming here on a State visit next week, and we expect, of course, to have extended discussions with him on the range of topics that parallel those with the other world leaders, especially where they apply to Latin America.

Secondly, Counsellor Finch has just returned from an extensive trip through Latin America and made a full report to the President only this morning, so we are rather well aware of the views of the Latin American countries. We have not scheduled consultations at the head of government level with Africa because Africa is less immediately concerned by these two summit meetings, and because of the limitations of the Presidential schedule, but you can be certain that we will talk to them on the diplomatic level.

PRESIDENT TO CONFER WITH CHIANG KAI-SHEK?

Q. The country that seems to be most concerned about all of this would be Taiwan. Has the President given any thought to conferring with Chiang Kai-shek?

Dr. KISSINGER. We are well aware of the view of the Government of the Republic of China on some of our activities.

Q. Dr. Kissinger, is it safe to presume that the President will go into more detail in his meetings with the allied leaders on the topics for the meetings in Peking than you have given us today, or will they just be given the general overview, as you have given it here?

Dr. KISSINGER. Let me explain our philosophy on the consultations between ourselves and the allied leaders. There has been some discussion about the adequacy of the consultative process prior to the announcements of the trips. Now, the facts are that we want to consult on those issues on which the consultation can intimately affect what we propose to do.

Now, it has become the standard procedure that no country, none of our allies have given us a veto over State visits that they may propose to take, and while I do not now want to go into the debate about every step that has been taken, the process prior to the announcement of the two summits could at best have been a process of informing rather than a process of real consultation.

With respect to the meetings that will be taking place in Peking and Moscow, we are talking about substantive matters and there, of course, the interests, at least in some categories, of some of our allies can be importantly affected. We will attempt to learn where our allies believe that their vital interests are affected, and while we cannot promise them a veto, we would take it extremely seriously and we would expect not to take actions which our allies would consider threatening their vital concerns.

We would also give them a somewhat fuller rundown of the general range of subjects that are likely to be discussed, and above all, we would like to learn their views with respect to those issues that are of the greatest concern to them.

MORE TALKS BEFORE MOSCOW TRIP?

Q. May I follow that question, Dr. Kissinger? After the visit to Peking, when you are preparing for the visit to Moscow, would you anticipate that there will be further consultations at the head of government level with our NATO allies before the visit to the Soviet Union by the President?

Dr. KISSINGER. I do not now foresee any further head of government meetings between those two visits, but there will be intensive consultations between those two visits. If there should be any unexpected snags, there is always that possibility, I do not see it now.

Q. On the Middle East, especially with Mrs. Meir coming, does it look like the process of negotiation is coming alive again?

Dr. KISSINGER. I would like to wait until Mrs. Meir has been here and we have had full discussions.

Q. Do you expect that it will be possible or likely that the President will participate in the signing of a SALT agreement in Moscow?

Dr. KISSINGER. Our position has been that we would like to make a SALT agreement as quickly as it can be negotiated. We are not holding up on the signing of the SALT agreement in order to time it with the Moscow summit. If it should turn out that way, it could happen, but the negotiations are not being conducted geared to that point.

WHY SUMMITRY NOW?

Q. Henry, obviously the President is all for personal summitry with the spate of foreign trips he is going on. In the past he has not always been for personal summitry and he has been rather lukewarm about it in personal statements. What made him change his mind about it?

Dr. KISSINGER. Let's take these trips in two categories. As we pointed out before, the relationship with the Peoples Republic of China is in a very special category. It required such a change in orientation for both sides that it was felt that the only way in which it could be effectively implemented was by meetings at the highest level and then have the details follow from there.

With respect to the Moscow summit, I think if you compare the President's first press conference with what in fact has been done, you will find that he has literally carried out what he said at his first press conference, and what has been said in two successive annual reports. We said then that we wanted to make concrete progress on a number of issues. We said that these issues were in some way related, one to another, not in the sense of conditions, but in the sense that progress in one field aids progress in other fields.

We have said that when these circumstances arose that trade and other matters would follow.

Now, this is exactly what the President has done. We have had significant progress in SALT. We have had a number of fairly useful arms control agreements. We have had agreements on Berlin and we have had progress on the trade questions.

Therefore, it was felt that sufficient progress had been made at lower levels so that the heads of State, of the Soviet Union and the United States, could make a new departure or could give a further impetus to their relationships.

Now, with respect to the meetings with our allies, we are, of course, in constant contact with them so that the condition of having had preliminary discussions is in a sense continuously being met. It was felt that so many things had happened since last year, the announcement of our trips to Peking and to Moscow, the Berlin agreement, the ratification of the Okinawa reversion, the whole economic negotiations, Britain's entry into the Common Market, that it was essential that the leaders at the highest level meet, to make sure that their basic direction was complementary and that they understood each other.

So, the meetings with our allies should be seen in the context of working visits brought about by a dramatic change in the international situation that has occurred in the last seven months.

Q. Did you answer the question about what Mrs. Nixon's role was going to be and will she do anything on her own?

Dr. KISSINGER. We don't have a detailed schedule yet for Mrs. Nixon. That will be worked out on the next advance, but we expect that Mrs. Nixon will, as always on these trips, be extremely busy with substantially her own schedule.

The PRESS. Thank you, Dr. Kissinger.

ORDER FOR RECESS TO 8:45 A.M.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROTH TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that immediately following the recognition of the two leaders on tomorrow, the distinguished Senator from Delaware (Mr. ROTH) be recognized for a period not to extend beyond 9 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BEALL ON SATURDAY, DECEMBER 4

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on Saturday, immediately following the recognition of the two leaders under the standing order, the distinguished Senator from Maryland (Mr. BEALL) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 8:45 a.m. After the two leaders have been recognized under the standing order, the distinguished Senator from Delaware (Mr. ROTH) will be recognized for such time as will not extend beyond 9 a.m.

At 9 a.m. the Senate will go into executive session and will resume the consideration of the nomination of Mr. Butz. The time will be under control, and it will be equally divided between both sides. The time to vote on the confirmation—up or down—will occur at 1 p.m. That will be a rollcall vote.

Immediately following the vote on the confirmation of Mr. Butz, the Senate will proceed, under controlled time, to consider the drug bill, S. 2097. Debate on that bill is limited, as is the debate on amendments thereto.

Following the disposition of the drug bill, the Senate will take up the OEO conference report under a time limitation. There will be rollcall votes tomorrow on both the drug bill and the OEO conference report.

Following the disposition of the conference report—if the hour, by then, is not too late—the situation is not clear. However, there may be other measures which will be cleared for action during that remaining portion of tomorrow.

On Friday the Senate will convene at 9 a.m. That hour is subject to change to an earlier hour. The D.C. appropriation bill is expected to be brought up at about 9 a.m. In accordance with the usual practice, a rollcall vote, I think, can be expected on an appropriation bill. There could also be rollcall votes on amendments.

The distinguished majority leader has indicated that, following the District of Columbia appropriation bill, we may take up the supplemental appropriation bill. In any event, the Supreme Court nominations will also be taken up on Friday. The consideration of those nominations will continue throughout the day with the possibility of conference reports being called up from time to time. Rollcall votes can be expected on Friday.

As to Saturday, the Senate will convene at 9 a.m. That hour is subject to change to an earlier hour in order to accommodate 15-minute speeches if that becomes necessary. The Senate will continue with the consideration of the Supreme Court nominations. Conference reports can be called up from time to time, they being privileged matters.

If the supplemental appropriation bill has not been disposed of on Friday, as hopefully it will have been, it will be brought up on Saturday. Rollcall votes may occur on Saturday.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

RECESS TO 8:45 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 8:45 a.m. tomorrow.

The motion was agreed to; and (at 8 o'clock and 14 minutes p.m.) the Senate took a recess until tomorrow, Thursday, December 2, 1971, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate December 1 (legislative day of November 29), 1971:

U.S. DISTRICT COURTS

J. Blaine Anderson, of Idaho, to be a U.S. district judge for the district of Idaho, vice Fred M. Taylor, retiring.

Clifford Scott Green, of Pennsylvania, to be a U.S. district judge for the eastern district of Pennsylvania, vice Harold K. Wood, retired.

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officer for promotion from class 3 to class 2 and to be also a consular officer of the United States of America:

James A. May, of California.

For appointment as a Foreign Service information officer of class 2, a consular officer, and a secretary in the diplomatic service of the United States of America:

Fred D. Hawkins, of Tennessee.

For reappointment in the Foreign Service as Foreign Service officers of class 3, consular officers, and secretaries in the diplomatic service of the United States of America:

Delon L. Hixon, of Virginia.
Samuel Karp, of Pennsylvania.
Frank E. Wallace, of Tennessee.

For appointment as Foreign Service officers of class 3, consular officers, and secretaries in the diplomatic service of the United States of America:

Larry G. Piper, of Texas.
Charles E. Watkins, of Virginia.

For appointment as Foreign Service information officers of class 3, consular officers, and secretaries in the diplomatic service of the United States of America:

Ernest E. Goodman, of California.
James Perrin, of Florida.

For reappointment in the Foreign Service as Foreign Service officers of class 4, consular officers, and secretaries in the diplomatic service of the United States of America:

Miss Margaret J. Barnhart, of Pennsylvania.
Charles A. Cariddi, of California.

For appointment as Foreign Service officers of class 4, consular officers, and secretaries in the diplomatic service of the United States of America:

Franklin E. Jackson, of Kentucky.
Howard T. Jackson, of New York.
Donald R. Schoeb, of Maryland.
Philip Meade Smith, of Pennsylvania.
Frederick Warner, Jr., of California.

For appointment as Foreign Service information officers of class 4, consular officers, and secretaries in the diplomatic service of the United States of America:

Donald E. Creager, of Wisconsin.
Joseph Sadlik, of Virginia.

For appointment as Foreign Service officers of class 5, consular officers, and secretaries in the diplomatic service of the United States of America:

Miss May A. Belair, of Massachusetts.
Donald J. Bouchard, of Maine.
Miss Helenann Clarke, of California.
Charles A. Gillespie, Jr., of California.
Miss Margery J. Palmer, of California.
Miss Erma Schumacher, of California.
Manuel Silberstein, of California.
Donald A. Wetherbee, of New York.

For reappointment in the Foreign Service as a Foreign Service officer of class 6, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Mrs. Marian L. Tipton, of Idaho.

For appointment as Foreign Service officers of class 6, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Maurice L. Brooks, of New Jersey.
George A. Hannemann, of Texas.
Edward F. Height, of California.
Herbert Klee, Jr., of Illinois.
Alfred J. McGinness, of Ohio.
John Monioudis, of Virginia.
Alfred H. Neal, Jr., of the District of Columbia.
Joseph P. O'Neill, of New York.
Fredrick G. Shirley, of Kentucky.
William G. Smallwood, of Washington.
Richard L. Weeks, of New Hampshire.
Bernard J. Woerz, of New Jersey.

For promotion from a Foreign Service officer of class 8 to class 7:

Lawrence Marshall Grossman, of Nebraska.

For appointment as Foreign Service officers of class 7, consular officers, and secretaries in the diplomatic service of the United States of America:

Robert D. Arthur, of California.
Miss Joyce A. Bednarski, of the District of Columbia.
R. Rand Beers, of Michigan.
Donald S. Bryfogle, of Virginia.
Geoffrey W. Chapman, of New Jersey.
Gene Burl Christy, of Texas.
James P. Covey, of New York.
J. Michael Davis, of Florida.
Wesley W. Egan, Jr., of North Carolina.
James Hogan Glenn, of Nebraska.
Dennis M. Grimmer, of Wisconsin.
Donald K. Holm, of Minnesota.
Douglas S. Kinney, of Florida.
Miss Therese Ann Kleinkauf, of New York.
Michael K. Lyons, of New York.
Thomas H. Martin, of Illinois.
Gerald McCulloch, of Michigan.
Donald James McNally, of New Jersey.
David C. Pugh, of Florida.
Ronald Benjamin Rabens, of Illinois.
Louis D. Sell, of Kentucky.
James Gary Seyster, of California.
LeRoy C. Simpkins, of California.
Theodore J. Villinski, of Iowa.
Miss Rhoda Weinstein, of New York.
Thomas M. Widenhouse, of Illinois.
Miss Sharon P. Wilkinson, of New York.
Robert A. Windsor, of Florida.

For appointment as Foreign Service information officers of class 7, consular officers, and secretaries in the diplomatic service of the United States of America:

Cesar D. Beltran, of California.
Csaba T. Chikes, of Georgia.
Miss Katherine M. Griffin, of North Carolina.
Stevan M. Horning, of Indiana.
Victor L. Jackovich, of Iowa.
Joe B. Johnson, of Texas.
Miss Carol E. Ludwig, of Iowa.
Miss Veda B. Wilson, of the District of Columbia.
Van S. Wunder III, of Ohio.

For appointment as Foreign Service officers of class 8, consular officers, and secretaries in the diplomatic service of the United States of America:

Miss JoAnne Arzt, of New York.
Arnold Jackson Croddy, Jr., of Maryland.
Wayne Stephen Leininger, of Florida.
William Howard Moore, of Virginia.
Richard A. Morford, of Indiana.
John J. Tkacik, Jr., of Virginia.

Foreign Service Reserve officer to be a consular officer of the United States of America:

William R. MacLauchlan, of Maryland.

Foreign Service Reserve officers to be consular officers and secretaries in the diplomatic service of the United States of America:

Ronald T. Allen, of Maryland.
Miss Pamela K. Balow, of Illinois.
Milton A. Bearden, of Texas.
Martin J. Bergin, Jr., of Virginia.
Roger Blattberg, of Virginia.
Miss Terrezene Brown, of California.
Thomas A. Brunton, of California.
James E. Burkart, of Maryland.
Frank Cummins, of Maryland.
John J. Devine, of Virginia.
J. Patrick Donohue, Jr., of Virginia.
Robert T. Francis II, of Virginia.
Michael H. Goldman, of Virginia.
Todd D. Hagenah, of Virginia.
Roman J. Halla, of Virginia.
Otis L. Hayes, of Tennessee.
McCrea Hazlett, of New York.
Miss Joszet S. Hudson, of Georgia.
David N. Kelling, of Virginia.
James Kim, of Virginia.
Richard B. Leach, of Virginia.
Herbert Manell, of California.
Richard H. Miller, of Maryland.
V. Miro Morville, of the District of Columbia.
Patrick N. Murphy, of Virginia.
Bruce L. Pearson, of California.
William A. Read, of Wyoming.
Montgomery L. Rogers, of Maryland.
Joseph G. Sancho, of Ohio.
Robert K. Simpson, of Massachusetts.
Richard A. Smith, of Virginia.
Laurance Stanley, of New York.
Dale E. Sumption, of the District of Columbia.
Gerald J. Svat, of Maryland.
Leonard D. Therry, of Virginia.
Darryl R. Thibault, of California.
Wade E. Thomas, of Virginia.
Richard D. Van Winkle, of New Jersey.
Daniel K. Webster, of Virginia.
Ben B. Wickham, Jr., of Connecticut.

Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Marian D. Bowe, of Nebraska.
Kenneth M. Kauffman, of California.
Arnold C. Long, of Washington.
Richard W. Rauh, of Illinois.

Foreign Service Staff officers to be consular officers of the United States of America:

William W. Allen, of Oregon.
Leroy E. Beal, of Missouri.
Francis J. Dennett, of Florida.
Eugene C. Harter, Jr., of Ohio.
Miss Carol B. Reavis, of the District of Columbia.
Dennis R. Shaw, of South Dakota.

IN THE ARMY

The following-named officers for promotion in the Army of the United States under the provisions of Public Law 92–129.

To be colonel

Accountius, Patricia, 277285343.
Acevedo, Alejandro, 436443716.
Acomb, Kent M., 529205429.
Adair, Thomas W., 522525418.
Adams, John C., 225285710.
Adams, William A., 248408294.
Ahlvin, Reno A., Jr., 279262760.
Airall, Guillermo E., 033240970.
Albro, Ames S., Jr., 526324704.
Alderman, Craig, Jr., 563366679.
Alexander, William, 167222529.
Allee, Robert J., 496262464.
Allen, Loma D., Jr., 578405088.
Alling, Emery E., Jr., 315226087.
Ammerman, Elmer H., 491202768.
Anderson, Andrew H., 107204558.
Anderson, Martin F., 337164624.
Anderson, Robert T., 140143495.
Anderson, Thurman E., 255501705.
Andre, Nick J., 227360932.
Anhalt, Walter C., 502201349.
Aoyagi, Toshio, 529521784.
Arena, Darrell R., 390248909.
Armstrong, James E., 250404664.
Ascher, Stanley S., 062169834.
Ash, Philip L., Jr., 391284938.
Auzins Janis Jr., 245447953.
Ayers, Robert E. 267388490.
Babers, Donald M., 525505504.
Bacci, John J., 356223825.
Baddaker, William L., 342247291.
Bailey, Broadus, Jr., 251644579.
Bailey, Harry R., 231308731.
Baird Niven J. 525506276.
Bakarich, Michael N., 526308918.
Baker, Frank L., 405362434.
Baker, Fred I. Jr., 258288064.
Baker, John F. 428508800.
Baker, Roger W., 461246013.
Ball, Thomas H., 456326858.
Bard, John C. 369265010.
Barnard, Talbott, 372246469.
Barone, Joseph J., 048079297.
Barrens, Clarence G., 445282333.
Bartel, George B., 572280602.
Bartley, Joseph D., 254464621.

Barton, Ronald F., Jr., 440261017.
Bass, James W., 434307097.
Battenfield, Kenneth, 440243275.
Beasley, Joseph H., 241401353.
Bednar, Richard J., 505343432.
Bedynek, Julius L., Jr., 572400683.
Behneman, John F., 578307941.
Bell, James N., 524367093.
Bell, Robert S., 254307425.
Bellochi, Joseph F., 107225202.
Belzile, Joseph O., 005345741.
Bennett, Hal C., Jr., 419285325.
Bennett, Herman B., 437030984.
Bergeron, Noel L., 002203090.
Bergeson, Raymond O., 356182736.
Bergquist, Robert L., 34223682.
Bergstrom, Leonard F., 529016401.
Berke, Henry H., Jr., 060260621.
Berrier, Jerry A., 241385810.
Berry, Ray W., 579285943.
Berry, William E., 425461261.
Betz, Catherine T., 554466434.
Bieber, Werner F., 504205952.
Bing, Tom L., 410305079.
Birk, Thomas C., Jr., 539226662.
Black, Charles S., Jr., 003184906.
Black, Mary L., 280145446.
Blanco, Silviano J., 465341935.
Blankenship, James, 256301611.
Bleecker, James F., 396246459.
Bleicher, Philip A., 399182703.
Blinka, Charles F., Jr., 461280949.
Block, Theodore S., 538246738.
Blomer, Elizabeth A., 573389393.
Blottie, Donald L., 307266510.
Blumenthal, Donald, 350244377.
Bodine, James F., 236481345.
Boegel, Paul N., 390264655.
Bogumill, George P., 392249094.
Boos, Michael A., 399201461.
Booth, James W., 254403624.
Bowden, John C., Jr., 466381994.
Bowen, James E., III, 540308844.
Bowers, James M., 057240147.
Bowers, Richard K., 309281874.
Boyle, Dean G., 234359202.
Brackett, Charles R., 243347871.
Bracy, Alfred M., 429342701.
Bradford, Edward M., 132207541.
Brady, John M., 119261123.
Bray, Gaither C., 328223005.
Brazil, Haj B., 467169250.
Brilhart, Allen T., 431226529.
Britton, Thomas N., 254201830.
Brocato, Cyrus V., 434444318.
Brooks, Thomas V., Jr., 255322765.
Browder, John M., 420528212.
Brown, Allen W., Jr., 521386556.
Brown, Bury G., Jr., 416249179.
Brown, Charles H., 579367366.
Brown, Norman R., 353205876.
Brown, Paul J., 579403582.
Brown, Richard W., 571404473.
Brown, Virginia L., 414128063.
Browne, Edward M., 454348282.
Brownlee, Robert W., 493262250.
Bruckheim, Stanley, 059227474.
Bruen, John D., 359226681.
Brumley, William B., 564324742.
Buchanan, Darrell S., 460549397.
Buckner, Allen M., 404385804.
Buker, Robert H., 577325934.
Bullock, Richard S., 198162415.
Burckert, James F., 340228558.
Burdick, Leonard R., 560342759.
Burgess, Robert L., 250347848.
Burk, Billy D., 461408894.
Burke, Robert B., Jr., 579448660.
Burke, Robert J., 152205473.
Burke, Robert L., 093200547.
Burkhalter, Thomas, 393243329.
Burress, James H., Jr., 430360739.
Busby, George C., Jr., 299288324.
Butler, Elbert L., Jr., 452340294.
Butterworth, James, 057247629.
Calcatera, Kenneth, 388282593.
Callahan, Joseph J., 208144663.
Calvert, Charles L., 250409299.
Camp, Frank R., Jr., 033010363.
Campbell, Joseph L., 498183069.
Campbell, William E., 074204940.
Canfield, Craig J., 543342949.
Cannon, John L., 248462732.
Cape, Richard F., 299261490.
Caravelli, Vincent, 202206628.
Cardinalli, Guy F., 530165191.
Carmichael, Donald, 158186200.
Carr, John M., 194207621.
Carson, Ray M., 578347131.
Carter, Frank A., 510249326.
Carter, Harold G., 421380631.
Cartland, Harry E., 473448006.
Carwell, Jackie L., 402206555.
Casey, John H., 007241225.
Casey, Walter E., 011148004.
Cassels, Kenneth G., 265268271.
Cassidy, John J., 076248433.
Cate, William F., Jr., 059220432.
Cavaleri, Edwin F., 258285559.
Cavazos, Edmund, Jr., 451520479.
Chaffin, Frances V., 577381404.
Chaffin, Jimmie M., 548405705.
Chamberlin, Frank H., 142223460.
Chandler, Robert T., 235501736.
Chaney, Samuel A., 272287027.
Chant, Robert J., 288228843.
Chase, Marvin K., Jr., 567268347.
Cheatham, Joe L., 430383181.
Childress, Gerald, 225363615.
Christensen, Douglas, 504201153.
Christiansen, Thomas, 248409668.
Chung, Donald Y. B., 576205191.
Ciccolo, William N., 026228918.
Clark, Donald E., 446240582.
Clark, John R., Jr., 303228856.
Clark, Robert H., 255441179.
Clarke, Mary E., 114149578.
Clarke, Robert B., 352224423.
Clarke, Theodore C., 313286545.
Clause, James D., 437426763.
Cleary, Alexander B., 554385853.
Clifford, Arthur G., 421265227.
Clinton, Frederick, 225228025.
Clyne, Norman G., Jr., 250380655.
Coad, William F., 500260868.
Cochran, Robert M., 299263916.
Cochran, William J., 342228494.
Coffman, King J., 567380432.
Cole, Thomas F., 548328678.
Cole, William W., 480241397.
Coleman, Edward R., 002208707.
Collins, Arthur E., 023166104.
Cullins, John G., 273262381.
Colson, James B., Jr., 466383537.
Comish, Leo S., Jr., 529261097.
Compton, James M., 491384150.
Comstock, Keith L., 093201904.
Condina, Ernest F., 722123167.
Conley, Patrick J., 373288876.
Conover, Nelson P., 417389320.
Constance, Harbin A., 497281038.
Cook, Peter H., 063204056.
Cooke, John W., Jr., 425388306.
Corbett, William T., 424228564.
Coroneos, Paul P., 331206114.
Cottey, Robert J., 283222398.
Courant, Thomas E., 013207246.
Covington, Donald M., 248423413.
Covington, Edward B., 548365033.
Cowan, Kenneth D., 366225551.
Cox, Alden L., 337222720.
Cox, Donald W., 283289897.
Cragun, Benjamin M., 312226659.
Crase, Silas M., 403281258.
Creighton, Neal, 245620715.
Cress, William, 526543253.
Crosby, John S., 244442737.
Crosby, Robert L., 573249744.
Cross, Howard T., 248389090.
Crow, James E., 240301507.
Crowell, Chester D., 090201527.
Crowell, Howard G., Jr., 029262816.
Culbert, Roy F., Jr., 531050009.
Culbertson, Roger A., 536220961.
Cully, Frederick R., 519267278.
Cunningham, Martin, 407288778.
Curry, Jerry R., 165229599.
Daigneau, Louis A., 280203378.
Dall, Burt, 054201212.
Dalone, Arthur A., 046223010.
Daly, Robert F., 375243274.
Daniel, Samuel E., 411449123.
Daniels, Thomas W., Jr., 239247659.
Danzeisen, William, 187246067.
Darling, Gregory, 091207342.
Davaz, Carl G., 537282843.
Davis, Addison D., II, 255586521.
Davis, Donald F., 101222495.
Davis, Richard K., 129200426.
Davis, Robert M., 079267215.
Davis, Thomas H., 457386035.
Dawson, Wallace H. I., 245404150.
Day, James O., 400322494.
Day, Robert E., 175244653.
Day, Robert L., 539263598.
Debellius, Charles A., 218280768.
De Champlain, Richard, 001243564.
Deese, Frank E., 239262492.
Delaune, Elton J., Jr., 434385898.
Del Rio-Cartegena, Carlos, 508365042.
De Luca, Anthony P., 149242794.
Denison, William E., 209129403.
De Picciotto, Henri, 059303462.
Descoteau, Rudolph, 033128027.
De Shazo, Thomas E., 429402890.
De Ville, David A., 271209761.
Dews, Robert W., 286167299.
Diaz-Ramirez, Tulio L., 581500648.
Dickson, Lee C., 025226794.
Dinges, Edward A., 059247372.
Dirkx, Gerard M., 722140826.
Dixon, Charles E., Jr., 266269888.
Dobbs, Olin C., Jr., 260469588.
Dodds, Jack A., 469305844.
Dodge, Griffin N., 525508999.
Donahue, Joseph E., 020204693.
Donovan, Paul, 026240762.
Doty, Benjamin E., 519302651.
Dowdy, Fred, Jr., 251384456.
Doyle, David K., 578404691.
Driskill, John C., 401366545.
Druepple, Leroy G., 559400365.
Duffy, Michael M., 005544987.
Duffy, William D., 552340431.
Dunn, James F., Jr., 047240863.
Dunn, Robert H., 566206605.
Dutchyshyn, Harry V., 457642966.
Dyment, Leroy W., Jr., 006242080.
Earll, Jerry M., 505341698.
Early, Thomas F., 022031048.
Eckermann, Edgar H., 462348176.
Eckert, Edward N., 201167171.
Eckhart, Amil J., 481280444.
Edginston, Roger N., 478205280.
Edward, Elwyn G., 267228936.
Edwards, Norman J., 474096479.
Egbert, George L., Jr., 379221790.
Einelgl, Raymond J., 456304057.
Elliott, Robert H., Jr., 569425197.
Ellison, Joe H., 467202352.
Elton, Robert M., 287268508.
Evanchick, John, 175207122.
Evangelos, Christos, 038164004.
Evans, Oliver N., 249326507.
Eye, Douglas M., 503325120.
Fadul, William G., 263606256.
Fahey, James P. Jr., 233423602.
Falson, Ollie W., 242242270.
Farwell, Faris T., 355143374.
Faught, William F., 292202633.
Fedalei, Albert F., 169306930.
Fehl, Merle I., 194140069.
Feilke, Glenn T., 465641839.
Fico, Anthony R., 037208668.
Fike, Robert H., 233568497.
Filip, Michael S., 377203569.
Fischer, George F., 496244460.
Fischer, Richard L., 715105739.
Fishback, Malcolm E., 535208213.
Fitzpatrick, Thomas, 156208065.
Fleming, James M., 374223255.
Flenniken, Melvin E., 187205717.
Flertzheim, Henry A., 394223333.
Flint, Roy K., 383226574.
Floro, Lawrence A., Jr., 190242887.
Foley, Paul M., 033164545.
Fracasso, Anthony M., 041188394.
Frankhouser, Enoch, 163224410.
Franklin, James A., 253442065.
Frederick, Austin, 463401247.
Freeze, James E., 481288201.
Friedman, Arthur M., 003201343.
Friend, Donald F., 297249779.

Fuller, Walter W., 572362158.
Gaines, Gerald D., 257382121.
Gallagher, Charles, 141208879.
Gallagher, George M., 725070051.
Gallegos, Leander T., 229328163.
Ganon, Timothy G., 101226931.
Gardner, Robert J., 540221733.
Gardner, Thomas V., Jr., 198245935.
Garman, Frederick E., 155205972.
Garreston, Forrest, 207243098.
Garrett, Pola L., 149228234.
Garver, John B., 276246582.
Garver, Ralph T., 325245898.
Gaskill, Harold V., Jr., 481268887.
Gaskill, Robert C., 224322389.
Gatzka, Charles A., 539181249.
Gearin, Cornelius J., 043222828.
Geisel, Francis R., 561546022.
Gelke, Donald E., 404289179.
Genova, James J., 520288064.
Gerard, Robert J., 153227478.
Germond, George F., 451466803.
Getter, Lee, 064260545.
Gibbs, Gerald G., Jr., 224524869.
Gibler, John K., 336227912.
Gilkey, Clarence D., 531245996.
Glenn, Guy C., 281243060.
Glidden, Harry R., 194225064.
Glisson, William C., 330241368.
Goddard, Ross M., Jr., 252367275.
Goetz, Jerald L., 545348758.
Goff, John E., 224526035.
Golden, Harold R., 118187806.
Gonzales, Orlando E., 524288901.
Goodall, Arthur L., 487328448.
Gooler, Darrel L., 475206029.
Gorby, Alvin R., 436382624.
Gore, Eugene, 313266788.
Grace, Nathan, 492221927.
Graham, William R., 473243830.
Graves, Charles E., 526285434.
Grayes, George A., Jr., 554340605.
Greene, Robert J., 400253862.
Gregory, Theodore O., 444407734.
Greynolds, William, 403388965.
Grisham, William K., 415428800.
Gross, Arthur, 110269338.
Grum, Allen F., 449368020.
Grzybowski, Conrad, 203209208.
Guertin, J. A. Richard, 417320890.
Guinn, William D., Jr., 413387865.
Gunn, Ira P., 451306105.
Gustafson, William, 323202802.
Haas, Robert F., 508168639.
Hairston, Charles, 239322249.
Hale, James N., 441247966.
Hall, Alvin O., Jr., 454328776.
Hall, Daniel D., 422241575.
Hall, Edward G., 264246746.
Hall, Ellis F., Jr., 244306156.
Hall, Henry R., Jr., 255309736.
Hamilton, John D., 375225129.
Hammond, Harry I., 260589889.
Hamner, Charles T., 309264561.
Hampton, Robert W., 542300980.
Hanby, John B., Jr., 170249060.
Hancock, Jack L., 232380413.
Hannon, Clarence W., 308325029.
Hanson, Donald F., 399207049.
Harageones, Angelo, 263602997.
Hardman, John M., 524320853.
Hargis, Harold W., 233304475.
Hark, William H., 234580272.
Harper, Henry H., 252486640.
Harrell, George W., 259448866.
Harrington, Robert, 345200209.
Harris, Bobby J., 255382563.
Harris, Richard L., 220202842.
Harris, William H., 171281123.
Harrison, William J., 234423611.
Harrison, Williams, 232429040.
Hartsock, William D., 213127290.
Harvey, Alton H., 428520741.
Hatch, Richard A., 466387535.
Hatchett, Robert K., 405342036.
Hauser, William L., 579529149.
Hausman, Conrad K., 084246830.
Hawkins, Algin S., 416323340.
Hawkins, Marvin G., 257169147.
Hawlk, Robert C., 149247472.
Hays, James E., 281224470.
Heathcock, James T., 420349739.
Hein, Elwood J., 357207450.
Heinze, Shirley R., 462367121.
Heitzke, Kenneth S., 398241066.
Hemphill, Donald F., 438342715.
Henderson, Edward J., 157018764.
Henderson, Lewis J., 006228986.
Hendricks, Arthur D., 564328228.
Henley, Stephen, 058209811.
Hennessy, Bruce L., 277248800.
Henslick, James R., 560388793.
Hermann, John R., Jr., 525481324.
Herriford, Robert L., 327241260.
Hettinger, Dale A., 262406812.
Hieger, Leroy R., 509248988.
Hill, Jay M., 529289412.
Hill, John G., 393240290.
Hill, William C., 264324172.
Hilley, William W., 256420935.
Hilsman, William J., 500303135.
Hilt, George H., 527322691.
Hino, Peter J., 198189855.
Hobbs, William A., 258347462.
Hoenstine, Charles, 144224162.
Hoffman, William, Jr., 197263709.
Holmes, Gilbert G., 368282142.
Holmes, Robert S., 218249061.
Holt, John E., 541267848.
Holt, Winfield A., 030223455.
Honeycutt, Weldon F., 136223792.
Hooper, Everett E., 007129528.
Hooper, Walter E., 265421784.
Hoppe, Robert B., 458289151.
Horn, Clifton A., Jr., 461325014.
Horton, John E., 026223235.
Hostler, Howard K., 266408166.
Howard, Joseph D., 577308253.
Howard, Newman A., Jr., 175229530.
Hoxsie, Lynwood F., 035163659.
Hubbard, Samuel J., 573349132.
Hudson, James L., 268261747.
Huey, Robert M., 266400710.
Hughes, Bernard C., 577464589.
Hughes, Charles L., 008181669.
Hugo, Victor J., Jr., 014249628.
Hukkala, Tenho R., 327245638.
Hulley, Robert N., 440287529.
Hunt, Jim I., 451424311.
Hunter, Thomas C., Jr., 229302947.
Hunzeker, William K., 186207622.
Huskerson, Guy M., Jr., 461461041.
Hutchins, Alvin C., 417327702.
Hutchins, Dale M., 305327092.
Hutchinson, Rowland, 209269099.
Hylton, Irvin L., 228363749.
Ice, Ronald E., 316220857.
Irwin, Kenneth G., 562201209.
Israeloff, Joseph, 110180161.
Jackson, Luther H., 229122978.
Jacobsen, Walter J., 475090699.
Jacoway, John R., 415447046.
James, William, 120241335.
Jammer, Harry R., 138303551.
Jaques, Darrell A., 384249379.
Jenkins, William E., 454340535.
Johns, John H., 420286963.
Johnson, George R. H., 229285096.
Johnson, Gerald K., 292240890.
Johnson, Mitchell C., 461263786.
Johnson, Richard L., 508206772.
Johnson, Robert M., 216301802.
Johnston, Johnny J., 458343051.
Johnston, Robert E., 417380260.
Jones, Frank A., Jr., 258400926.
Jones, Thomas M., 208247472.
Junot, Arthur J., 43[redacted]28426.
Juvenal, Michael P., 420266913.
Kaelin, Gordon T., 536011423.
Kamphuis, Robert W., 374289593.
Kastner, Joseph H., 355226066.
Kelser, Edwin C., 522325553.
Kelley, Robert W., 500148043.
Kelley, William D., 009187109.
Kelly, Donald, 380263130.
Kelly, James J., 171225813.
Kelly, Keith S., 511284331.
Kenyon, Nathaniel C., 214287779.
Kersey, Walter G., 579526693.
Kiefer, Charles A., 084248768.
Killion, Edward P., 026226898.
Kiefer, Charles A., 84248768.
Killion, Edward P., 26226898.
King, Jimmie, 422340446.
Kinney, Philip R., 007204040.
Kirkland, J. P., Jr., 426229292.
Kirklighter, Gerald, 023221934.
Kishpaugh, Barbara, 379188439.
Kitchens, Ernest, Jr., 426449631.
Kizirian, John, 019206980.
Kleanthous, Costas, 376302494.
Klimar, Karl L., 187242999.
Kneessy, Alfred D., 400381830.
Knight, Daniel B., Jr., 262402813.
Knight, Herbert E., 224528527.
Knipp, Fred M., 516287541.
Komar, George, 120209644.
Kontner, Rudolph J., 152229697.
Kopp, Edgar N., 207260185.
Korpal, Eugene S., 495327842.
Kuzlowski, Stanley, 163209035.
Kramer, George R., Sr., 190209605.
Kretzer, Alonzo S., 495280334.
Kriete, Charles F., 407284612.
Kuick, Stanley J., 381241665.
Labrozzi, Anthony H., 161227235.
Lail, Eugene, 245328123.
Lamas, Albert A., 427200081.
Lambertson, Elizabeth, 003208637.
Lambeth, Maida E., 444143989.
Lamp, Harold R., 291269234.
Landefeld, William, 220324314.
Landolfe, Frank R., Jr., 101248996.
Lane, Barbara E., 536222834.
Lane, James J., 338260067.
Lang, Richard N., 296247840.
Lang, Vaughn O., 188206157.
Lank, Joseph M., 103225959.
Larson, Harry D., 543285743.
Lasher, Donald R., 577329792.
Lawrence, Alfred F., 530145519.
Lawrence, William J., 530145520.
Lawton, Willie O., 250529371.
Layman, David E., 299261059.
Le May, Sonley R., Jr., 456581895.
Leacock, Kent F., 578380100.
Leary, Arthur J., Jr., 060262451.
Leathers, Billy J., 261387825.
Lederer, Robert M., 105245969.
Ledford, Frank F., Jr., 279302388.
Lee, Leslie M., 455245671.
Lefler, Billie B., 429540656.
Legg, William J., 413361902.
Lehman, Albert C., 384267410.
Lehman, John W., 547056452.
Leider, Robert, 034184794.
Leonard, Richard E., 517287234.
Leven, Fred, Jr., 247240136.
Levine, Jerome, 116124163.
Lewandowski, Richard, 287220751.
Lewis, Betty J., 303204878.
Lewis, William D., 402265697.
Ley, Robert E., 447289645.
Lhomme, Paul R., 020244398.
Light, Allen H., Jr., 185221843.
Lightcap, Thomas K., 024205077.
Lindholm, Allen T., 571345073.
Lindsay, James J., 391268187.
Little, Andrew E., 141229029.
Little, Gene M., 498283744.
Livingston, Otis W., 248362905.
Locke, Donald K., 440288519.
Locke, Samuel M., Jr., 406389999.
Lodge, Warren J., 332204239.
London, James E., 168227784.
Longmore, Myron J., 505366765.
Loo, Richard, W. L., 576222945.
Lopez, Francis J., 029244050.
Lord, Raymond Y., Jr., 004204698.
Love, John W., 486307223.
Lovell, Kell E., 468308596.
Lowery, Rodney K., 477227536.
Lubold, Guy M., Jr., 270289019.
Luck, Robert H., 092247237.
Lund, John R., 468243827.
Lundy, Sara N., 416307761.
Lupton, Edward R., 229301909.
Lycan, Daniel L., 335260087.
Lynch, Thomas P., 469165323.
Lyon, David K., 032161628.
MacLennan, Robert, 066184331.
Mahan, Gary C., 267344570.
Majerus, Roger V., 468384447.

Major, John E., 251524125.
Mallet, Henri G., 113188645.
Malone, Paul B., III, 460424146.
Mantooth, William H., 408342820.
Mariatt, Tommy D., 443125843.
Marshall, Billy E., 460223730.
Martin, James E., 263605345.
Martin, John B., 214140728.
Martin, Myron, 092125464.
Matthews, Kenneth L., 240445803.
Maurer, William W., 520281108.
Maus, Walter P., Jr., 339303981.
Maxim, Stuart E., 528188132.
Mayse, Harvey C., 581181971.
McBride, Thomas F., 313205601.
McCasland, John P., 337244229.
McCloy, Charles H., 181147288.
McClure, Gammon D., 317018676.
McCluskey, James F., 447227181.
McCormack, Robert, 256389800.
McCoy, Con S., 395265914.
McCracken, John R., 522240536.
McCurdy, Jasper M., 432441568.
McDonald, John R., 483483607.
McGee, John P., Jr., 202146871.
McGlade, Joseph G., 181208565.
McGranahan, George, 456467591.
McHugh, Mary C., 518265757.
McIlroy, William, 464486550.
McKenna, Hugh J., 221262564.
McKnight, Clarence, 413348454.
McLain, Charles L., 241442056.
McMaster, Stanley, 147248244.
McNally, John W., 196206106.
McNeil, Darrell O., 511244469.
McSpadden, William, 460403323.
Melnick, Arnold I., 355187391.
Menetrey, Louis C., 557323536.
Merritt, Fred J., 107244890.
Metzner, Edward P., 219142905.
Michie, James L., 468323125.
Milam, Charles M., 416269769.
Miles, Edgar G., 460644771.
Miley, James P., 480201694.
Miller, Charles E., 333058748.
Miller, Henry B., 562282633.
Miller, James M., 159247191.
Miller, Joseph J., 105208399.
Miller, Kenneth L., 167166614.
Miller, Leon M., 302284085.
Miller, Richard A., 444263450.
Miller, Ronald K., 518305820.
Mitchell, John W., 251366945.
Mjoseth, John H., 459308181.
Modlin, Robert K., 234464196.
Mologne, Lewis A., 202243492.
Moore, A. Gordon, 310282644.
Moore, Edward M., Jr., 480340659.
Moore, Fred J., 454368883.
Moore, James E., Jr., 245641208.
Morris, John J., 406307686.
Moseley, Henry G., 240324003.
Moser, Robert H., 525187021.
Mullins, Harold A., 414304202.
Musicaro, Peter J., 081186079.
Myers, Richard L., 486322903.
Myfelt, Kenneth P., 104226748.
Nair, Robert L., 185228357.
Neely, Albert D., 380244119.
Neinast, William H., 455341452.
Nelms, Norman S., 245605443.
Neri, Felix, Jr., 200097077.
Nesbitt, Thomas E., 476207971.
Nestler, Karl E., 064205034.
Newell, Donald H., 360265290.
Nichols, Robert S., 152224364.
Noah, Max W., 260425646.
Nolde, William B., 369283501.
Norris, Russell S., 500185900.
Norton, Charles W., Jr., 034144306.
Norton, Jack, 059188491.
Nuttall, Edith M., 537017064.
Obach, Ronald M., 144221695.
O'Brien, Benjamin L., 473036689.
O'Brien, George P., 088148064.
O'Connell, Thomas J., 050303658.
Oddi, Vincent J., Jr., 282226478.
Oestereich, Orlyn C., 483222276.
Oglesby, Erby R., 242385799.
Ohlenbusch, Robert, 451486715.
Okyen, Louis, 215241664.
Older, Alva H., Jr., 475326036.
Oleksy, William C., 399283959.
Olivieri, Americo C., 577442628.
Omary, Paul R., 420287743.
Omps, Avon R., 452668120.
O'Quinn, James J., 438249971.
Osborn, George K., 554222797.
Ostrovsky, Jack, 109203722.
Pack, Ishmael, 407228798.
Palermo, Frank J., Jr., 279262745.
Palmer, George E., 267322016.
Paquette, Dean R., 374245526.
Parks, Madelyn N., 452341005.
Parks, Walter G., 226325062.
Parmentier, Stanley, 533289629.
Patrick, George H. I., 145203545.
Patterson, Peter H., 007309899.
Patton, Robert S., 278247000.
Paul, Charles L., 235463519.
Pedersen, Gordon W., 505309977.
Peppe, Isadore O., 145141918.
Perkins, Thomas C., Jr., 255384664.
Peterson, Hugh D., 328261304.
Petro, Peter P., 090200283.
Pezzulli, Frank, 235148880.
Pierce, Walter H., 254347476.
Pins, Dwane F., 503223356.
Pittman, Castel L., Jr., 436360949.
Plegge, John, 284220397.
Plunkett, John J., 075246838.
Puprik, Mihael, Jr., 159200972.
Powell, Bill C., 525460677.
Powell, Royce M., Jr., 266327538.
Presson, Charles W., 300223866.
Prillaman, John P., 224349264.
Prince, Roy C., 237204226.
Prince, Wendell L., 267504729.
Pruett, Kenneth E., 409386951.
Pruitt, Basil A., Jr., 473324221.
Pursley, Robert J., 413301001.
Quinn, John T., 047223628.
Quinn, Paul D., 311302731.
Rackley, Everett W., 454382425.
Radcliffe, Jack W., 296244567.
Radke, Ryle A., Jr., 532267628.
Ragano, Frank P., 211145427.
Raisig, Paul J., Jr., 265444894.
Rametta, Thomas P., 048220248.
Randles, Jack C., 415226497.
Rasmussen, Ronald R., 501341147.
Rathbone, William A., 267361905.
Rawlinson, William, 416281296.
Read, John K., 339145791.
Reagor, James L., 561546933.
Rector, Lloyd K., 239383417.
Rees, Terry D., 426623892.
Reeve, John H., 529306204.
Reilly, William F., 520265566.
Relyea, George R., 124183741.
Reynolds, Kenneth T., 411589566.
Rhea, Donald M., 242366075.
Rhyne, Hal B., 240407470.
Richardos, Everett D., 467363960.
Richardson, Ronald, 263367370.
Rickard, Daniel S., 540462967.
Riese, Paul E., 128221413.
Ritter, Richard R., 166249964.
Rittgers, Forest S., 052262736.
Robertson, Victor M., 245369387.
Robinson, Hugh G., 577441975.
Robinson, James P., 470305316.
Robinson, William H., 488221883.
Rogers, John C., Jr., 265469244.
Rogers, John E., Jr., 464035704.
Rogers, Russell H., 236321772.
Rogerson, William T., 578344575.
Romedy, Cornelius S., 220186752.
Roughen, Albert H., 252443217.
Routon, Lewis A., 259228040.
Rowan, Joseph C., 081325448.
Rowland, Richard D., 465341094.
Rummel, James H., 540463265.
Rusinko, Andrew, 161268745.
Russell, Robert L., 192203033.
Russo, Vincent M., 079263382.
Rutherford, Billy E., 242401933.
Safar, Milo R., 361162124.
Sajo, Alexander J., 281308047.
Sansing, Mary J., 456070426.
Sauers, Robert L., 524242649.
Saylor, Daniel T., 297209917.
Schandler, Herbert, 513268904.
Schaub, Warren M., 448127694.
Scheets, George M., 333227289.
Schmalhorst, Joseph, 488244295.
Schmidt, Harlan R., 268264962.
Schmit, Earnest N., 502013297.
Schoebel, James G., 348202045.
Schotanus, Merle W., 319241038.
Schreiber, David A., 095162867.
Schroeder, William, 268366670.
Schroeder, Robert L., 449043405.
Schroeder, William 268366670.
Schultz, James D., 069189735.
Schweitzer, Gordon, 558324067.
Schwitters, Edmund, 155163538.
Scragg, William H., Jr., 152163035.
Scully, Bernard R., 158018162.
Seamands, George A., 726167533.
Selleck, Clyde A., Jr., 008207564.
Senna, Jozef F., 254343602.
Shackleton, Ronald, 135228428.
Shaw, Donald E., 064228262.
Shaw, James E., 484229773.
Shaw, Robert M., Jr., 722128594.
Sheard, Joe H., 438382209.
Shelby, Roy E., 102204831.
Shelton, Cyrus Q., Jr., 578346979.
Shields, Charles E., 217340733.
Shimoda, Larry M., 576288085.
Shira, James E., 010263773.
Shull, Wesley B., 138226103.
Shumaker, Clarke L., 438201162.
Sibley, James S., 460380916.
Siege, John C., 395220008.
Sievers, Ralph H., Jr., 223386896.
Simpson, Richard R., 249440941.
Sleeper, Julian R., 461309016.
Smartt, Richard W., 413322388.
Smith, David C., 565341525.
Smith, Duncan M., 403241282.
Smith, Elizabeth R., 402348727.
Smith, Jerry E., 465327126.
Smith, John D., 374289841.
Smith, Lawrence R., 196229433.
Smith, Marion G., 254429140.
Smith, Tommie G., 330264353.
Smith, William D., 552323653.
Smith, William H., 245608320.
Smythe, John D., 229327599.
Snyder, William P., 294222404.
Soberick, Thomas, 197248637.
Sorbo, William P., 175263781.
Sowell, John M., 250367508.
Spaulding, Warren A., 008180341.
Specker, Robert W., 299184481.
Speir, Montgomery T., 241323236.
Sperow, Charles C., 296247970.
Spinks, Billy A., 467323889.
Spirito, Leonard A., 182209295.
Sprague, John T., Jr., 224526031.
Stallman, Arnold S., 579380657.
Starr, Merle D., 175225417.
Stave, Rodney L., 566247577.
Steele, Richard A., 012260908.
Steinberg, Gerald M., 107220651.
Sterling, Norris P., 214263845.
Stevens, Harry D., 259600620.
Stewart, Hugh A., Jr., 412389811.
Stiles, Austin E., Jr., 163249341.
Stipo, Vito D., 128227385.
Stokes, Eugene J., Jr., 122200962.
Stoll, Robert P., 047266930.
Storey, William J., 376249220.
Storie, David A., 478406310.
Stottle, Leslie J., Jr., 083229218.
Stoudemire, Harry B., 251404618.
Stout, Frank M., 202050939.
Stoverink, Robert I., 496283274.
Strange, Loren C., 415388248.
Strevey, Tracy E., Jr., 337241446.
Strong, Edison K., Jr., 193166767.
Stuart, James R., Jr., 468323189.
Stutzman, Ray E., 515269065.
Suddarth, Jerome A., 412348194.
Suess, Philip M., Jr., 130206349.
Sullivan, John J., 087226942.
Sullivan, Milton D., 263602935.
Sullivan, Robert A., 504229848.
Sutton, Larry L., 301207734.
Swainson, Charles N., 410540449
Swanson, Carl D., Jr., 533288218.

Swarts, Sidney M., 474268263.
Sweeney, Thomas P., 388247556.
Sydnor, Elliott P., 406267898.
Sykes, Cecil R., 225303103.
Szalwinski, Ambrose, 467444439.
Taft, Foster H., Jr., 586309930.
Tambe, Joseph T., 137220489.
Taylor, George E., 258420719.
Taylor, James R., 078207911.
Taylor, Thomas W., 537109548.
Thieme, Alfred L., 525584928.
Thomason, Dana L., 225228723.
Thomson, Francis A., 057245090.
Thoreson, David P., 573381415.
Thurman, Maxwell R., 237420668.
Thuston, William D., 43234616.
Timperley, John R., 358248427.
Tombaugh, William W., 337209252.
Tong, Edmund Y. S., 354266611.
Tourtillott, Raymond, 444408831.
Tousley, Horace W., 390224323.
Tower, John B., 081221133.
Trapp, Turner J., 428462507.
Travis, Robert L., 102265984.
Traylor, Robert J., 303227122.
Treuer, Warren L., 129141072.
Trinkler, Kenneth T., 509222126.
Tronsrue, George M., 473281324.
Troutman, Gregory L., 246388207.
Tsagaris, George J., 178263528.
Turner, Trevor D., 231307841.
Tynes, Dwight L., 428304282.
Ulmen, Patrick A., 537247051.
Ulrich, Joan M., 543169706.
Uyenoyama, Hidekazu, 576381409.
Van Swol, Ronald L., 392281794.
Vander Meer, Richard, 040243443.
Vaughn, Robert E., Jr., 459246925.
Veltri, Benjamin J., 123229338.
Vernau, William F., 188202680.
Vieth, Charles F., Jr., 487346619.
Vilas, John R., 391264793.
Vincent, Samuel M., 293248861.
Vitetta, Eugene J., 097229685.
Vogel, Herbert D., Jr., 122229656.
Volkhann, James A., 399203412.
Von Gruenigen, James, 415524620.
Wagers, Robert W., 540309228.
Wagner, Allyn G., 369261041.
Waldron, Garald L., 483325338.
Walker, James H., 460460746.
Walker, William O., 722128930.
Wall, Frank B., Jr., 258420970.
Wallace, John C., Jr., 431468272.
Waller, Donald A., 450326675.
Walter, Francis J., Jr., 072240046.
Walter, Fred L., 084246630.
Walters, Thomas E. 425285927.
Ward Norman E., Jr., 239326864.
Warren, Elbert A., 431387971.
Wasiak, Joseph E., 101220814.
Waters, Douglas G., 186227091.
Watkins, Charles E., 057229194.
Watkins, Walter L., 579302120.
Weathersby, Russell, 416301972.
Weaver, Gene A., 464408263.
Web, Charles R., Jr., 285283027.
Webb, Derril L., 427606454.
Webb, Robert B., Jr., 192184029.
Weber, Dale L., 379260186.
Weber, Edmund G., 502164890.
Weeks, Charles R., Jr., 259204978.
Weidenthal, Carlton, 280284795.
Weikert, Jerard, 272260658.
Weinert, Donald G., 305423457.
Weiss, Harold G., 181106104.
Wells, Arthur D., 343225730.
Wells, Ralph F., 471321219.
Wensyel, James W., 233423240.
Wergeland, Floyd L., 577465888.
Wereszynski, Henry, 125202311.
Werner, Donald R., 272206763.
Wetherell, Sterling, 069208748.
White, Herbert L., 281263086.
White, Richard L., 224420409.
Whiting, Frederick, 446241989.
Weigand, Lynn W., 460641855.
Wilbanks, James L., 044228457.
Wild, Julian S., 412386720.
Wiles, Richard I., 235443813.
Willey, Oliver A., Jr., 215200972.
Williams, Bruce F., 045242051.
Williams, Lewis A., 257325227.
Williams, William F., 424286715.
Wilson, David L., 098220382.
Wilson, Gene F., 408446287.
Wilson, Harry S., Jr., 113229939.
Wilson, Joseph C., 466323784.
Wilson, Leland A., 532262570.
Wilson, William B., Jr., 564401821.
Wilson, William R., 440144719.
Wirth, Paul R., 261400321.
Wisyanski, David A., 163246645.
Wolff, Harry, 116242497.
Womack, John J., 517092885.
Wood, Raymond D., Jr., 369326761.
Wood, Robert L., 258240588.
Wooldridge, William, 461425681.
Wormley, John H., 485280565.
Wyllie, Clement A., Jr., 408342660.
Yanoff, Harry L., 569360207.
Yarbrough, Charles, 313261645.
Yeates, Charles W., 415486574.
Young, Fletcher R., Jr., 431340945.
Young, George R., 272201932.
Young, Roy J., 435382398.
Young, William W., 529240961.
Zahm, Ronald J., 508263592.
Zargan, Robert T., 183246712.
Zeigler, William A., 184206727.
Ziegenfelder, Rush F., III, 110203551.
Zimmerman, Joseph S., 172201352.
Zimmerman, Lawrence, 301248828.

IN THE ARMY

The following-named officer for appointment as professor of physical education, U.S. Military Academy, under the provisions of title 10, United States Code, sections 4331 and 4333:

Anderson, James L., 291281993.

The following-named person for reappointment in the active list of the Regular Army of the United States, from temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be captain

Ebert, Maureen A., 567401197.

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294:

To be captain

Carns, Edwin H. J., Jr., 578505489.
Hameister, Herbert H., 271347388.
Jones, Bradley K., 123326281.
Ricks, Robert E., Jr., 249640224.

To be first lieutenant

Ambrose, Anthony, 195385261.
Ewart, Thomas W., 422568501.
Freccia, William F., 148362592.
Frushour, Stephen J., 289402575.
Fullerton, Leroy R., Jr., 231527182.
Garrett, Craig R., 483525797.
Grabow, Thomas W., 503506806.
Hadorn, John R., 503503512.
Hill, Charles R., 227662002.
Hilsta, Richard J., 094368287.
Hutchinson, Milford B., III, 214443092.
Lascher, Michael F., 075380260.
Lupton, George P., 239726012.
Moore, Reginald G., Jr., 246667240.
Parr, Thomas J., 455703386.
Taveau, Horatio S., IV, 065340164.
Wall, Henry G., 266741458.

To be second lieutenant

Anthony, Steven C., 320423301.
Berg, Allan W., 016341142.
Boslego, John W., 202369767.
Clapper, John F., 532460484.
Donohue, Hugh J., Jr., 052386921.
Kenevan, Robert J., 473508904.
Lough, Frederick C., Jr., 139-40-6442.
Nickles, Dean J., 236764502.
Sikes, Randall A., 254704612.
Simon, Fred A., Jr., 354409060.
Terranova, Frank A., Jr., 062408250.
Venard, Thomas G., 522665264.
Weisman, Leonard E., 141384234.
Wells, Larry J., 359342020.
Young, Robert N., 452843374.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be major

McFatridge, John J., 381321363.

To be captain

Albert, Harold L., 485343171.
Anderson, Roy C., 413504324.
Bailey, Gary G., 511367502.
Baker, Margaret J., 459685889.
Charles, Merl A., 368587629.
Chretien, James R., 462683484.
Clark, George D., Jr., 459620581.
Edson, Paul R., 462546019.
Everitt, Peter B., 104324469.
Fontenot, Russell J., 434585402.
Hardin, William C., 251603346.
Hodgkins, Richard C., 264441480.
Johnson, Darrell R., 535309166.
Little, John A., 539326556.
Malloy, Thomas P., Jr., 157242229.
Merritt, Ezra A., 259444442.
Noll, Hobart B., Jr., 219361377.
Rogers, James G., 420382920.
Saccaro, Anthony, Jr., 436522659.
Snell, Joan, 550421318.
Sterling, Faith E., 041309469.
Stith, Mary E., 230541250.
Soderburg, John D., 144307036.
Suydam, Richard M., 004382472.
Sweeney, Robert D., Jr., 395382505.
Ward, Robert N., 441427006.
Wells, Peggy A., 239741048.
Wilson, Roy L., 457541748.

To be first lieutenant

Andrews, Douglas G., 549709873.
Blackwell, Leon B., Jr., 466663529.
Bosking, Robert P., 507526881.
Brusseau, Douglas A., 551668958.
Bush, John R., 365424418.
Cake, Donald R., 255700121.
Cartier, Eugene N., 038282722.
Cook, John A., II, 465641762.
Daly, John V., 071387726.
Davidson, Donald O., 142367931.
Dent, Willis J., 551564526.
Desiderio, Timothy J., 566743939.
Dickinson, Paul W., 062349733.
Dooley, George E., 327346044.
Edwards, Floyd E., 207328490.
Farrar, John L., 315348706.
Farrey, David W., 388444300.
Foggy, Dennis D., 481489491.
Ford, Daniel T., 263667681.
Fossum, Earl G., II, 562569554.
Fryer, Eugene D., 258642322.
Gillman, Jay E., 479502932.
Gingras, Kenneth J., 028324367.
Gowan, Fred A., 572500099.
Havre, Donald E., 535421800.
Herman, Ralph E., 509440219.
Hobby, Jesse L., 252609344.
Holland, John L., 136305514.
Hopkins, Mason L., 532428345.
Hout, Richard W., 299346439.
Johnson, Christopher B., 585149145.
Jones, Jerry G., 467661336.
Kaufman, Donald C., 518462729.
Key, Hollis J., 421509449.
King, Larry L., 333340121.
Kling, Gary L., 188324171.
Kratz, Charles I., III, 214527618.
Kuykendall, Anthony N., 241664414.
Lackey, Richard E., 217465157.
Lane, Thomas C., 229663123.
Lape, James R., 286405683.
Lee, Stephen B., 454707254.
Lindquist, Michael A., 569762208.
Lippincott, Larry R., 259706994.
Locklin, Charles W., Jr., 419529073.
Loy, Robert A., 408605710.
Lovejoy, Charles D., 585070289.
Lucas, Ronald J., 540525755.
MacHarrie, William R., 028309492.

MacMullen, John D., 099346829.
Malone, John M., Jr., 415704122.
Mathis, Donald L., 254687104.
McFarland, Alice J., 428948874.
McKenzie, David M., 230563278.
Merkerson, Willie, Jr., 251540764.
Nienhuis, Marian L., 374422787.
Peche, Marra E., 374486471.
Pepper, James Levar, II, 495464121.
Perkins, Mary J., 409608672.
Poland, Ernest F., 068346680.
Porter, Lanning M., 517484198.
Riley, Hubbard L., 249569413.
Schultz, Elsie M., 132306236.
Shelton, Donnie R., 403602894.
Smart, Richard F., 181342521.
Stacy, John M., 568661486.
Taber, Thomas M., 345362681.
Tansor, James R., 337346979.
Thonus, Francis W., 140321759.
Travis, Jacklyn G., 253744610.
Vander Clute, Burt A., II, 078346794.
Van Fossan, James A., 307400762.
Visintainer, Madelon A., 207369860.
Webb, Norma J., 506543155.
Wentik, Michael J., 335368191.
Wimmer, Sidna P., 225488595.
Wolfinger, William D., 565627184.
Wondra, George E., 520403614.
Workman, Earsel G., 235629418.
Zerance, Michael S., 198368231.
Zimmerman, Charles A., 125343184.

To be second lieutenant

Arnold, Gregory B., 359320692.
Bagby, Daniel W., III, 497467099.
Crockarell, Barney E., 408704132.
Crowder, James C., 407785024.
Deloach, Roy H., Jr., 267743671.
Edwards, Don C., 482542831.
Fitzgerald, James G., 187389689.
Frey, Carl W., 151364617.
Halbrook, Craig L., 031328835.
Head, John B., 496486598.
Henderson, Lewis, 205380295
Hubbard, Arlen B., 262727199.
Kent, Harris M., 557647063.
Kleager, Jerald E., 520521176
Kollath, Jack E., 387501607.
Laretto, Kenneth G., 263684524.
Magee, Harold I., 329389137.
Moul, Dale A., 202363549.
Oden, Bonnie K., 216465105.
Redden, Robert J., 095362920.
Rose, David A., 286407890.
Sims, William F., 532426014.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, 3288, and 3290:

Appling, Mark W., 259842780.
Atkinson, Curtis P., 388549164.
Bledsoe, Gill L., 460881456.
Bossie, Stephen M., 233746229
Bundy, Earl D., 436747683.
Clark, James A., III., 434824151.
Claterbos, John V., 509563735.
Conners, Jerry L., 482522577.
Cory, William W., 505601905.
Coulter, Walter F., 433723467.
Dienno, Jeffrey B., 207401886.
Duntsch, Donald A., 517585146.
Engels, Keith H., 504604526.
Freeman, Timothy C., 456782840.
Goldsmith, Paul E., 421627554.
Gress, Dirk W., 352441114.
Hickman, Jerry J., 451864055.
Holmberg, Bradley O., 324444166.
Hotter, Bruce E., 091382675.
Jervey, Harold E., III., 250685568.
Majewski, Zygmunt, M., Jr., 431847136.
Martig, Robert J., 508665106.
Rice, James A., 565721924.
Savage, Thomas C., 277443285.
Simpkins, Thomas A., 225721046.
Smith, Brent T., 445484926.
Stuebner, William A., 285489576.
Thompson, Charles E., 445464285.
Vikstrom, Carl E., 353407438.
Weinstein, David M., 175402250.
Wesley, Bartley D., 433842435.
Williams, Thomas A., 277428678.
Wise, William W., 293386887.
Yarbrough, Daniel T., 462845916.

The following-named scholarship students for appointment in the Regular Army of the United States in the grade of second lieutenant, under provisions of title 10, United States Code, sections 2107, 3283, 3284, 3286, 3287, 3288, and 3290:

King, John W., Jr., 250767585.
Kirkwood, James E., 450908231.
Scott, Kevin M., 470648764.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of chief warrant officer (W–4):

Russell R. Allen, Jr.
Glen R. Anderson
Joseph C. Anderson
Robert A. Baer
George W. Baker
Frank E. Barthold
Eldon L. Baumwart
Henry E. Bowen, Jr.
Kenneth R. Burns
Ronald P. Byrnes
Howard L. Callahan
Harold E. Cantrell, Jr.
Oscar L. Caudill
James S. Chastain
Robert L. Chen
Lawrence J. Chytka
John L. Collins
Robert A. Conrly, Jr.
Charles L. Cooper
Robert D. Cox
Jerry L. Crouch
Howard W. Crowell
Richard D. Cusick
Ronald B. Darou
John C. Dixon
Arnold H. Dow
Bruce W. Ellis
Guy R. Fairchild
Charles H. Feaselman
John W. Frederick, Jr.
Peter E. Freeman
Eugene A. Galvin
Hardy D. Gates
Frank J. Ghia, Jr.
Harold E. Gore
Walter W. Gustin
James A. Hall
Billy M. Harris
William T. Hartigan
Donald E. Hartman
John P. Heath
Lawrence N. Helber
Jack R. Henderson
William P. Hill
Edward F. Hodgins, Jr.
Jimmie E. Janke
Donald C. Jarvin
Marcellus J. Kaczinski
Richard S. Keller
William D. Kelly
Howard E. Kerr
Henry C. Kimmey
Gary L. Kindler
Charles Knox, Jr.
William L. Kobel
William C. Kohler
Earl R. Lackey
Joseph M. Magaldi, Jr.
Gerald E. Marcheso
George L. Marcum
Robert L. Maynes
John T. McAlister
John E. McCallum
Larry E. McKee
Melvin E. McPeak
Donald E. Meisner
Raymond A. Mendoza
Anthony Miranda
William L. Mitchels
William T. Moore, Jr.
Stanley S. Morris, Jr.
Peter J. Murray
Charles A. Newell
Thomas M. O'Brien
James S. Paulk
Richard C. Pederson
Bruce M. Phillips
Charles G. Pierce, Sr.
Donald L. Pratt
Gerald K. Rainwater
Morris E. Ransom
Malcolm S. Rawlins
Erwin O. Raymer
Doyle R. Reed
James H. Rosenthal
Ivan R. Sable
Howard D. Sansom
Harry E. Sawyer, Jr.
Neil H. Scarborough
Roger J. Schneider
William A. Schulze, Jr.
Charles F. Schwab
Albert L. Selleck, Jr.
Mann Shoffner, Jr.
Clarke J. Simcox
Frank J. Simons, Jr.
Stanley C. Skrobialows
Darrell M. Smith
Harold W. Smith, Jr.
William C. Smith
Raymond J. Spillane
Donald E. Stafford
Raymon E. Stoner
Kenneth E. Strayhorn
Frederick H. Striker
Robert T. Taylor
Kenneth C. Terhorst
Robert L. Tracey
Kenneth R. Vance
Nicholas C. Vanderdoe
Irwin F. Waldvogel
George E. Walker
Lowell W. Walter
Frank W. Washam
William H. Welch, Jr.
William J. Wilbur
Cecil R. Williaford
Robert F. Williams
Donald T. Wilson
James E. Wolfe, Jr.
William H. Wood, Jr.

The following-named officers of the Marine Corps for temporary appointment to the grade of chief warrant officer (W–3):

Norbert H. Adams
William T. Adams
Dean R. Aggers
Frank L. Ahsue
David G. Albizo, Jr.
Junior M. Albritton
Frank A. Alexander
Phillip D. Allum
Ronald H. Alnutt
George L. Alvarez
William D. Amberson
Ronald S. Ambrose
Valentine P. Amico
Robert D. Amos, Jr.
Byron A. Anderson
Douglas E. Anderson
William E. Anderson
Donald F. Andrus
Wenceslao U. Aquino
Gerald P. Aragon
Billy T. Arnold
Robert J. Arthur
Raymond F. Asselin
Darrell R. Atkins
Robert L. Atkinson
George F. Aylward
Raymond O. Babineau, Jr.
James D. Bacon
Charlie E. Bailey
Donald G. Baldwin
Ronald A. Ballus
Orval C. Ballance
John C. Bardon
Boyd B. Bare
Glenn C. Bargerstock
James W. Barotti
Odis L. Barrett
Hector Barrientes
James M. Barry
Daniel D. Barth
Donice R. Bartlett
Bernard R. Barton
Robert C. Bash
Henry S. Bass
Salvatore A. Battista
John W. Bauer
Rodney A. Beal
George B. Bebout
Bobby L. Beck
George L. Begor
Travis E. Belcher
Edward H. Bell
Richard O. Bemish
Eugene R. Benjamin
George J. Bennett
Robert C. Benson
Thomas G. Benson
William C. Benton
Bobby F. Bequette
Kenneth W. Berkey
Raymond L. Bernard
Lois J. Bertram
Homer E. Bever
Albert J. Beveridge, Jr.
Raymond R. Bickel III
Robert C. Bierman
John A. Binder
Thomas F. Bingham
Richard J. Bishop
Robert W. Bland
Thomas M. Bland
Philip W. Blaylock
John L. Blount, Jr.
Robert E. Blum
Gary M. Boggess
Lee A. Boise
Jackson D. Boley, Jr.
James M. Bolson
George P. Bond
Richard D. Bondurant
Alfred J. Borowy
Leo C. Boutin
John H. Bower
Kempereth D. Box
David I Boyd II
Edward B. Boyle
Arthur R. Brehm
John E. Brennan
Francis E. Bridges
Jerry J. Briggs
Charles H. Brittain
Austin W. Bromley
Garold N. Brooks
John V. Brooks, Sr.
Robert D. Brooks
Theo I. Brooks
Arthur J. Brown
Benjamin M. Brown
Donald J. Brown
George R. Brown
John H. Brown, Jr.
Palmer Brown
Arthur Brownfield III
James H. Buchholz
Delbert A. Bullock
Jeat Bullock
William Caldwell
Fred J. Call
Robert D. Bunner
Jack H. Burrell
Joseph J. Campbell
William F. Campbell, Jr.
Donald A. Camper
Ronald B. Camper
Robert H. Canning
Charles E. Cannon
Joseph A. Canonico
Henry P. Capdepon, Jr.
Ferdinando J. Capria
Edward Cardoza
Floyd A. Carlson, Jr.
George Carnako
William R. Carr
Thomas L. Carroll
John E. Carter
Roger E. Carver
Grover C. Casen
Russell C. Cedoz
Bert P. Chadd, Jr.
Frederick W. Chadwick
Cleo M. Chambers
James F. Chapman
Norman F. Charboneau
Marshall C. Chase
Larry D. Choate
Charles V. Clark
Donald J. Clark
Kenneth R. Clark
Leonard T. Clark
Raymond C. Clausen
John P. Clelland, Jr.
Edgar L. Clemons
Gerald R. Clifford
Wilfred J. Clifford
Paul B. Clontz
Keith E. Cohenour
Robert S. Collins
Robert M. Conley
Larry A. Connin
Frank J. Conti
Claude R. Cordell, Jr.
Hubert C. Cornett
Anthony J. Cotterell
Stanley E. Cottle
David G. Cotton
Ronald K. Coulter
Billy J. Cox
Leon R. Coxe
Donald L. Cramer
Gordon N. Crane
Larry G. Cravens
Charles E. Creamer
Keith D. Creech
Edward J. Croghan III
Robert Crosby
Robert F. Cross
John T. Crowe
Rayner E. Crutchfield
John M. Culver
Wayne R. Dale
Aaron H. Daniels
Robert L. Daniels
Glenn L. Darst, Jr.
Walter C. Daskam
Larry R. Davidson
Edwin S. Davis
John W. Davis, Jr.
Robert K. Davis
Robert L. Davis
Samuel L. Dawson
James O. Dease
Richard Deaver
David W. Decherd
Romain J. Deffes, Jr.
James W. Defrank
Anthony A. Degennaro
Hubert D. DeJaynes
James N. Deitrich
Vaughan E. Delk
Jack S. Deremer
Herman W. Dial
Kenneth R. Diana
James P. Diantonis
Donald L. Dickerson
Thomas C. Dickey
Don E. Diederich
Henry E. Dill

John W. Dillinger, Jr.
Richard H. Dittman
June R. Doberstein
Leroy Dobson
Robert J. Dolman
Daniel E. Domeracki
Walter Domke
Mary E. Donahue
Billy D. Donnell
James R. Donovan
Thomas L. Doss
Donald L. Dugan
James A. Dunn
Charles L. Drew
Jerome Drucker
Sidney E. Durham
Bobby E. Dusek
George H. Dustman, Jr.
H. L. Dykes
Monte W. Eagle, Jr.
Rex T. Eckley
Robert E. Ecklund
William A. Eichholz
Victor B. Elder II
Eugene W. Elfes
Vernon R. Elliott
Thurlow D. Ellis
Stephen D. Ellsworth, Jr.
Fred C. English
William T. Estes
James L. Eure
William L. Eveland
Roy F. Falgout
Frank H. Falkson
Lewis J. Fallon, Jr.
Robert C. Farrand
William T. Farrow
Donald W. Felty, Jr.
William J. Ferral
Richard L. Ferris
James E. Feryan
Bobby J. Fields
James E. Fields
William J. Fitzgibbons
William E. Fleming
Jerry D. Floe
Raymond O. Florence
Arturo Flores
Johnny M. Floyd
Nicholas A. Foley
Edwin C. Ford, Jr.
William D. Franks
John H. Fraser
Stanley L. French
Donald H. Fritz
Ray Fritz
Daine L. Fulton
Buddy R. Furber
Leo P. Gagnon
Michael P. Galasky
Craig D. Gallan
Alfredo S. Garcia
Lawrence R. Gardner
Robert L. Garoutte
Charles D. Garrett
Joe D. Garrett
Harold S. Gazaway
Jack E. George
Robert L. Gibson
Haywood P. Gibbs
Earl E. Giles
Horton A. Glidewell
Solomon H. Godwin
Tom A. Golden
Samuel M. Gordon
Joseph A. Gorzynski
Ronald W. Gould
Joseph A. Goulet
Oliver F. Gour, Jr.
Thomas E. Govier, Jr.
Norbert B. Grabowski
Alan N. Graham
Frank N. Green
Ray H. Green
Leroy R. Greth
Bryan O. Griffith
James H. Griffith
Jessie Grimes
Richard L. Grivner
Richard H. Grunwald
Ray H. Green
Philip A. Grzanich
James F. Guenther
Robert M. Gulley
Robert E. Gwaltney
Fred Gypin, Jr.
Thomas J. Hager
Robert L. Haines
Charles K. Haley
Jesse B. Hall, Jr.
Walter D. Hamelback
Thomas E. Hamic
Robert E. Hamilton
Edwin A. Hamlin
George R. Hammond
Walter R. Hampton
Martin H. Handelsman
Emmett L. Haney
Charles T. Hansen, Jr.
James F. Hansen
Richard C. Hansen
Joseph B. Harbin
Arthur L. Hardt, Jr.
Charles D. Harrel, Jr.
William H. Harris
Leonard J. Harrison
Berne C. Hart
John T. Hart
Donald N. Hartman
Orville L. Hastie
Harry A. Haught
Emerson W. Hawkins
Thomas E. Hayward
Richard D. Heald
Ivan K. Heinlein
Gordon E. Heishman
Edgar W. Henninger
Frank E. Hensel
Charles R. Hern
Robert L. Herrington
John M. Herzog
Edward Q. Hicks
Frederick P. Highhouse
Dale R. Hiller
Francis Hingston
Robert C. Hitte III
Charles R. Hoffman
Jack Hofstra
James N. Holk
James D. Holmes
John W. Horton
Maurice V. Howard
William C. Howey
Carl L. Huddleson
Lee J. Huffman
Ralph C. Hughes
William M. Humphreys
Thomas Y. Hundley
John L. Irons
Larry N. Israel
Rolf R. Iversen
James W. Ivey
James E. Ivy
Wilburn Ivy
Walter L. Jabs
Buddy K. Jackson
James W. Jackson
Clifton S. Jenkins, Jr.
James Jennings
Charles R. Jernigan
Joseph M. Jewett
Herman H. John
Arney M. Johnson, Jr.
Dennis W. Johnson
Harold B. Johnson
John L. Johnson
Paul C. Johnson
Vernon J. Johnson
Bobbie J. Johnston
Darrell G. Johnston
Earnest J. Jones
John A. Jones
John E. Journey
Robert E. Joyce
Leonard P. Juck
Gerald T. Kane
Robert F. Kane
Jacob Kappel, Jr.
George P. Kasson
Gary S. Kee
David R. Keene
Eugene L. Kelter
Jessie W. Kelley
John H. Kelley
Charles R. Kellison
Edward D. Kemmis
Bruce A. Kemp
Peter C. Kendall III
Clyde W. Keniston
William G. Kennedy
Mark M. Kenney
Richard J. Kerch
James Kight
John D. Kimberl
Elmer R. Kimbro
Charles L. Kiper
Harold D. Klein
Harold A. Klingensmith
Robert L. Kloch
John M. Knack
Joseph G. Knagge
William J. Knipper
Coleman R. Knowles, Jr.
John S. Kociolek
Raymond S. Komo
William L. Kramer
Frederick W. Krell
William L. Kroelinger
Martin Kusturin
Neil B. Labelle
Don C. Lacey
Robert P. Lacoursiere
Ivan A. Laing
Michael S. Lainhart
Michael R. Lamb
Donald E. Lambert
Scott M. Lamberth
Robert B. Lambdin
Carl E. Lamey
John C. Lamson
Benny W. Lane
Gerald S. Lane
William C. Lantz
Albert L. Larson
John H. Larson
Robert J. Larson
Donald E. Laughner
Antonio Lauretta
William H. Leach
Roger O. Ledoux
William E. Lee
Alfred H. Legere
William E. Legg
Jack L. Leininger
Richard A. Lenhart
Joseph A. Leonski
Lawrence J. Lepage
Larry G. Lephart
James W. Lewallen
Eugene S. Lewandowski
Ralph Lewis
John A. Lidyard
Regenald F. Lightsey
John M. Lilley
Paul W. Lints
John R. Little, Jr.
Warren G. Litzburg
Arron K. Lockyer
Leonard A. Long
Garland A. Longhouse Jr.
Frederick R. Loughren
William N. Lowe
David W. Loy
Troy A. Lucas
Joseph W. Luckenback
Dale C. Luedtke
Frank W. Lukasiewcz
David A. Luke
Allen J. Lum
George L. Lunt, Jr.
David G. Mackey
Thomas D. Maloy, Jr.
Tommy E. Manry
Arthur T. Manuel, Jr.
Ernest L. Marble
John B. Marks
Daniel Marland, Jr.
Loren J. Malone
Frank G. Markowski
Bobby O. Martin
Kenneth W. Martin
Travis E. Martin
Carlos Martinez
Lester E. Mashburn
Michael P. Mastroberti
John W. Matchett
Joseph G. Mates
Millard F. Matthews, Jr.
Peter J. Matthews
John Maxwell III
Kenneth N. May
Philip S. Mayo
Gary R. Mayfield
William L. Mazourek
William T. McAuley II
Alonzo B. McCall
Jimmy E. McCall
William D. McCall, Jr.
John E. McCarthy, Jr.
William S. McClenithan
Francis McCombs
Richard G. McCord
Leason McCoy
John W. McCone III
George J. McConnell
Edward F. McCourt, Jr.
Thomas McCourt
Richard L. McDeavitt
Joseph A. McElroy
Ronald R. McElvain
Joseph McGann
Mack L. McGlumphy
John P. McGuire
Joseph A. McIntyre
Jack McKee, Jr.
Albenious P. McLean
Bert L. McSpadden
Daniel H. McQueary
Donald G. McWhorter
George B. Meegan
James M. Meehleder
Edmund M. Mello
Samuel S. Michaels, Jr.
Walter M. Mielnicki
Anthony F. Milavic
Andrew P. Miller
Ashby R. Miller
Thomas J. Miller
Luke B. Mills
Stanley S. Minatogawa
Michael J. Mino
Frank G. Misemer
Edward T. Miskin
John M. Mitchell
Donald E. Monnot
Bruce K. Moore
Clarence G. Moore
Edward L. Moore II
Fred A. Moore, Jr.
Robert D. Moorhead
Grover K. Morgan, Jr.
William P. Moriarity
Robert G. Morilla
Pasquale J. Morocco
Allan R. Morris
Jerald J. Morrison
Joseph R. Morrissette
Paul H. Morrissey
Bobby J. Morton
Don E. Mosley
Harry D. Moss
Robert J. Mulligan
Charles R. Munson
Timothy J. Murphy
Glenn N. Myers
Roy L. Myers, Jr.
Arthur G. Nadeau
Gary L. Nail
Gerald R. Naperalski
David E. Nelson
John N. Newman
Ronald J. Neyt
Scott G. Nickell
Frederick M. Nordstrom
Gerald E. Norris
John P. Novak
Richard J. O'Brien
Charles W. Occhipinti
William J. O'Hara
Robert F. Okamoto
Michael O. O'Loughlin
Almart H. Olsen, Jr.
John O. Olsen
Robert D. Olson
Bobby L. Osborne
Stanley M. Osenkoski
James R. Owen
Herbert M. Page, Jr.
Robert H. Page
Peter N. Panos
Robert T. Paris
Joseph A. Parker, Jr.
William H. Parker
William J. Parker, Jr.
Bobby J. Parrish
Donald J. Parton
Hobart D. Patterson, Jr.
Patrick A. Pearce
Charles D. Peck
William M. Pelto
Robert H. Pendarvis
Edmund T. Peregoy
Clement S. Perreault
Carl E. Peterson
Clark A. Peterson
Francis L. Pfrimmer
James M. Phelan
Douglas R. Phelps
Lloyd G. Phillips
Kenneth W. Phipps
Jack N. Perrin
Abel D. Pierson
Arthur A. Pierce
Len E. Pierce
Michael Pietroforte
Troy J. Pigeon
Tony R. Pinola, Jr.
Kenneth E. Pitcher
Lawrence D. Poling
Carl N. Ponder
Lynn M. Porter
William H. Powers, Jr.
John A. Prelgovisk
Sanford J. Priddy
Charles F. Purvis
Jack N. Rabun
Darrel R. Radcliffe
Michael E. Rafferty
Jerry A. Raley
Frederick A. Randlett
Virgil Rankin
Donald Ratcliffe
Robert E. Ray
Walter J. Ray
Robert L. Redfield
Bobby D. Redic
Robert E. Redlinger
Chris D. Reed
Ralph W. Reed
Robert C. Reedy
James R. Reichler
William A. Reitmeister
Thomas T. Renau
Luther L. Renfroe, Jr.
Albert A. Reynolds
Oren C. Reynolds
Edward T. Richards
Harold L. Richardson
Herbert C. Richardson Jr.
Robert E. Richter
Thomas F. Roberson
Harry F. Roberts
Thomas G. Roberts
John E. Robertson
John T. Robertson
Neil H. Robinson
James J. Roche
Lyonel K. Roepke
William P. Rohleder
Edward P. Rolita, Jr.
John W. Roth
Donnie L. Romine
Warren H. Rooks
George R. Roser
Guy F. Rowe
Hugh T. Rowe, Jr.
Claude T. Rudd
Charles B. Russell
Edward M. Russell, Jr.
Hayden B. Russell, Jr.
Leonard D. Russell
Vincent B. Russell, Jr.
William C. Russell, Jr.
Billy C. Sanders, Jr.
John Sandoval, Jr.
Theodore W. Schauer
Clifford C. Scheck, Jr.
Clifford G. Schleusner
Leonard L. Schlitz
Robert L. Schlott
Lyle F. Schmehl
Charles W. Schmidt
Bill M. Schooler
Adrian E. Schoonover
Donald W. Schwanke
George B. Search
Elmer C. Seder
Robert T. Seek
Martin L. Selby
Stephen G. Seman
Louis E. Sergeant, Jr.
Richard A. Shamrell
Jerry M. Shelton
John L. Sheppard
Dean S. Shepard
Sibyl E. Sherwin
Thomas R. Shine
Louis D. Shove
Dean G. Shultis
Harvey H. Simpson
Warren A. Singer
George T. Singleton
Robert M. Slater
Charles R. Slavens
Gene G. Smallwood
Robert J. Smethurst
Dever W. Smith, Jr.
Ernest U. Smith
Frank R. Smith
Herbert S. Smith, Jr.
James O. Smith
James L. Smith
Joseph Smith
Lucius T. Smith, Jr.
Paul L. Snearly
Charles W. Snedeker
Charles R. Soldner
Frank M. Spady
James A. Spalsbury
Billy R. Sparks
Roger V. Speeg
Philip P. Spellopoulos
Jack G. Spence
Robert R. Spitze
Dennis E. Springer
Jackie W. Stanley
James E. Stant, Jr.
Lloyd E. Stanton, Jr.
Ray B. Stcharles
William G. Sterling
Herbert W. Stevens
Robert E. Stewart
William M. Stewart
Frederick C. Stilson
Samuel E. Stote
Raymond H. Stout
Donald E. Strassenberg
Douglas D. Street
Raymond P. Sturza
Francis H. Sullivan
Kenneth C. Sullivan
Robert P. Sullivan
Lawrence L. Sutler
James D. Svitak
David O. Swaney
Allen M. Sweeney
Eugene Swidonovich

Thomas E. Swindell
Richard M. Swink
Gerald L. Tauber
William H. Tawney
James D. Taylor, Jr.
Thomas W. Taylor
Bobby A. Templeton
J. T. Tenpenny
Jack T. Terrell
Gerard P. Tetu
John H. Thomas
William E. Thomas, Jr.
Richard A. Thome
Melvin L. Thompson
Kenneth E. Thorn
Joseph Thurmond
Richard E. Toepfer
Charles N. Tofft
Ralph E. Toholsky
Jerry L. Tomlinson
William G. Tomlinson
William E. Toombs
Wayne L. Treece
Eugene M. Trippleton
Winfield R. Trott, Jr.
Gulford D. Tunnell
Conrad B. Turney
Richard D. Twiford
Leonard D. Tygart
Robert J. Underwood
James J. Unger
Erwin G. Vansickle
Robert E. Veigel
Michael D. Villarreal
Richard L. Vincent
James P. Wagner
Larry F. Wahlers
Donald B. Walsconis
Jerry E. Walker
Lowell A. Walker
Willard C. Walker
William D. Walkup, Jr.
Bernie J. Wallace
Charles L. Wallace
Charles A. Waller
Robert Waltman, Jr.
Thomas R. Ward
John R. Waterbury
Henry L. Watson, Jr.
Carl V. Watts
John R. Watts
John M. Weathersby
Fred L. Weaver
James P. Weaver
Patrick J. Webb
Richard D. Webb
Robert J. Weeks
Robert W. Weeks
Herbert D. Wells
Ronald R. Welsh
Lloyd J. Wengeler
Robert R. Wenkheimer
Lloyd M. Wentworth, Jr.
Kenneth L. Werbinski
James M. Wheatley
Charles E. Whitaker
Jacky I. White
Robert L. White
Jackie D. Whiteaker
William A. Whiting
Dale J. Whitten
Robert N. Wiggs
James V. Wilkinson
Joe H. Willer
Russell O. Willson
John C. Wilson
Kenneth L. Wilson
Bruce M. Wincentsen
Hershel E. Wisdom
Michael J. Witsell
William J. Witt
Charles F. Wolverton
Albert F. Wood
Charles R. Wood
Samuel J. Wood
James M. Woods
Charles W. Woods
Robert L. Woodward
Peter A. Woog
Billy J. Wright
Charles G. Wright
Eddie B. Wright
Leslie Yancy
Charles M. Yarrington
Jere W. Yost
Theodore A. Youngblood
Edward M. Zerbe
Dennis R. Zoerb
Roger D. Zorens

The following-named officers of the Marine Corps for temporary appointment to the grade of chief warrant officer (W–2):

Joseph N. Anderson
Willie A. Armstead
Russell P. Armstrong
Wayne D. Bahr
Chester R. Barnes, Jr.
Leon W. Barry
Bonnie H. Bass
Richard J. Beatty
Ronald C. Biggs
Stuart W. Blake
Archie G. Bobo
Gerald J. Bolick
Bruce E. Boltze
Robert L. Bowen
Reganold A. Bowser
Dennis A. Braund
Albert K. Britton
Charles J. Bruce
Murray W. Bryant
Thomas R. Burnham
Bernard C. Burke
Harold D. Byerly
Ben W. Caesar
Robert L. Caldwell
Francis J. Carr
James E. Carter
Donnie E. Cavinder
Jackie E. Certain
Owen D. Clark
John H. Cole, Jr.
Gregory Connor
William B. Corley, Jr.
William H. Cox
Rex L. Curtis
Jesse A. Dobson
Eldon L. Dodson
James F. Doner, Jr.
Charles J. Dotson
Arthur J. Douglas
John B. Duckett
Terrell L. Dulaney
William L. Dulaney
James M. Edgerton
Dennis Egan
Donald T. Eskam
Riley S. Ethington
John E. Fales
Charles A. Fitzgerald
Sandra L. Furber
Earl G. Gale III
Vasco K. Gilbert
Jesse E. Giles
Leon E. Gingras, Jr.
Phillip E. Goble
William M. Grant
Richard L. Gregg
William L. Grinnell
James W. Grooms
Hubert A. Grummer
Edward B. Guckert
Charles W. Hahne
Henry D. Halloway
Frank R. Hart
Albert L. Hayes
Harold S. Heinbaugh
John D. Henry
David M. Highwarden
William J. Hisle III
Raymond L. Hug
Bobby E. Humeston
Guy L. Hunter, Jr.
Robert R. Irvine
Raymond T. Jackson
Harold R. Jacobs
William R. Johnson
Ronald L. Jones
Michael B. Kennedy
Allen F. Kent
Joe Killebrew
Orville P. Kindschy
Leslie C. King
Chester C. Kinsey
Aurel E. Lafreniere
Charles E. Lambert
Albert R. Lary
Robert L. Laudun
Thomas L. Laws
Philip D. Leslie
Donald C. Lewins
John E. Lewis
Roger L. Lorenz
Lawrence G. Lowry
John W. Loynes
Raymond J. Main
John P. Marlowe
Barry E. Marsh
Benjamin A. Marsh
Charles J. McCormick
Howard McDonald
William L. McGinn
Larry G. Merrifield
Daniel E. Miller
William H. Miller
John Molko
Allen R. Morris
James T. Morris
Lawrence T. Mullin
James Muschette, Jr.
Nicholas P. Nester
Hillman R. Odom, Jr.
William D. Penn
Walter D. Perry
Jimmie P. Peters
Charles T. Pettigrew, Sr.
Robert P. Phillips
Alfred M. Pitcher
Wilfred Puumala
Paul F. Quinn
Virgil G. Rhoads
William C. Riddle, Jr.
Joseph F. Rizzo
Richard A. Rossi
Eileen R. Scanlon
Walter R. Schuette
Michael J. Schulke
John D. Scroggins
John C. Seig
Arnoldo T. Serrata
Michael L. Shanklin
Albert W. Sheldon
William F. Shidal, Jr.
Charles R. Shoemaker
Dan W. Showalter, Jr.
David E. Shumpert
Wilbert O. Sisson
Charles G. Skinner
Lloyd L. Skinner
Minter C. Skipper, Jr.
Thomas L. Slaughter
Charles L. Smith
Isaac A. Snipes
Jeffrey J. Snyder
Elias J. Soltz
Herbert B. Stafford
Kimble H. Stoltz
Ronald J. Stopka
Joseph J. Stours
Robert L. Strawser
George B. Strickroth
James M. Thomas
Michael E. Thomas
Paul W. Thomas
Paul R. Tippy
Terry N. Tracy
Bennie R. Walker
Jesse L. Webb
Ford D. White
William T. White
Arthur P. Williams
Jerome K. Williams
Bruce M. Windsor, Jr.
Richard K. Wolfe
Robert L. Woody, Jr.
Richard L. Yoerk
Charles E. Young
William C. Young
Arthur Yow, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 1 (legislative day of November 29), 1971:

U.S. DISTRICT COURT

Thomas A. Flannery, of Maryland, to be a U.S. district judge for the District of Columbia.

Leroy J. Contie, Jr., of Ohio, to be a U.S. district judge for the northern district of Ohio.

Kenneth K. Hall, of West Virginia, to be a U.S. district judge for the southern district of West Virginia.

Leroy J. Contie, Jr., of Ohio, to be a U.S. district judge for the northern district of Ohio.

HOUSE OF REPRESENTATIVES—*Wednesday, December 1, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Therefore, my beloved brethren, be ye steadfast, unmovable, always abounding in the work of the Lord, forasmuch as ye know that your labor is not in vain in the Lord.—I Corinthians 15: 58.

God of grace and God of glory on us Thy children pour Thy power that we may bring to glorious flower the buds of democracy planted and nurtured by our fathers. To this end help us to recognize our dependence upon Thee, our constant need of Thy wisdom, Thy guidance, and Thy love. Keep us aware of Thy presence and make us realize that Thou art always with us and that with Thee we are equal to every experience and ready for every responsibility. Give us strength enough to do the work we have to do and faith enough to be loyal to our tasks knowing that with Thee our labor is never in vain.

May Thy spirit enter the heart of all nations that men and women everywhere may turn to Thee for guidance and strength and in so doing make this planet a better place where men can dwell together in peace.

In the spirit of Him who was always about his Father's business we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 10383. An act to enable professional individuals and firms in the District of Columbia to obtain the benefits of corporate organization, and to make corresponding changes in the District of Columbia Income and Franchise Tax Act; and

H.R. 11489. An act to facilitate the amendment of the governing instruments of certain charitable trusts and corporations subject to the jurisdiction of the District of Columbia, in order to conform to the requirements of section 508 and section 664 of the Internal Revenue Code of 1954, as added by the Tax Reform Act of 1969.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 9727) entitled "An act to regulate the dumping of material in the oceans, coastal, and other waters, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HOLLINGS, Mr. HART, Mr. BAKER, and Mr. STEVENS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1163. An act to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal projects, nutrition training and education projects, opportunity for social contacts, and for other purposes.

The message also announced that Mr. MILLER had been appointed as a conferee in place of Mr. BENNETT for the remainder of this week on the bill (H.R. 10947) entitled "An act to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes."

DECISIVE UPTREND IN ECONOMY

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ANDERSON of Illinois. Mr. Speaker, the latest reports on the economy reveal that the leading economic indicators registered a substantial 1.2-percent increase in October. Harold C. Passer, Assistant Secretary of Commerce for Economic Affairs, has called this increase a decisive uptrend and stated that such an increase is "consistent with private forecasts of a vigorous expansion of the economy in 1972." Of the separate series which make up the overall index, Mr. Passer indicated that the greatest improvement came in new housing permits, length of the average work week, and initial claims for unemployment insurance which declined during October.

Housing starts increased dramatically during October, rising to an annual rate of 2,050,000. This is 5 percent above the September rate and almost 30 percent above the rate in October 1970. It now appears that 1971 will be the best year ever for new housing in the United States, with the resultant stimulative effects on the rest of our economy.

Accompanying this record activity in housing has been the rapid increase in total consumer credit. During the month of September consumer installment credit, seasonally adjusted, rose by almost $1 billion. This was a record monthly increase and represented four times the increase in consumer installment credit during September 1970. Such a rapid increase in installment buying is attributable to a strong resurgence of public confidence in our economy, confidence which, incidentally, has resulted from the administration's vigorous and innovative economic leadership.

The overall effect of these very favorable economic developments has been reflected in recent activity in the stock market, which in the past week has seen the Dow Jones industrial average jump by over 30 points. It is fair to say that this increase in stock values reflects the business community's increasing confidence in a strong business expansion during 1972.

TRIBUTE TO MRS. ANITA FORD ALLEN, FORMER PRESIDENT OF THE DISTRICT OF COLUMBIA BOARD OF EDUCATION

(Mr. WYATT asked and was given permission to address the House for 1 minute.)

Mr. WYATT. Mr. Speaker, I wish to take this opportunity to commend one of the most outstanding public servants in the District of Columbia, the former President of the District of Columbia Board of Education, Mrs. Anita Ford Allen, for her outstanding leadership and contribution to improving education in the Nation's Capital. While a member of the Board she devoted her time and energy to lighting candles toward a better future for all children through improved education. Her positive input and impact on education in the Nation's Capital will be felt for a long time.

As a member of the Appropriations Committee, I have had the opportunity of working closely with this remarkable woman on education matters and always found her extremely knowledgeable and capable. Mrs. Allen possesses outstanding qualities of courage, perseverance, intelligence, independence, integrity, and hard work.

Mrs. Allen possesses a passionate and unyielding concern to make quality education happen in the Nation's Capital. She leaves her position on the Board of Education disappointed that she could not have accomplished more in her time on the Board. The departure of Mrs. Allen from the School Board leaves a deep void as her dedication and competence in the area of education will be difficult to duplicate.

CALL OF THE HOUSE

Mr. McFALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 419]

Abbitt
Anderson, Tenn.
Andrews, Ala.
Ashley
Baring
Belcher
Bergland
Blanton
Blatnik
Broyhill, Va.
Burton
Byrne, Pa.
Carey, N.Y.
Celler
Chamberlain
Chisholm
Clark
Clay
Collins, Ill.
Conyers
Davis, S.C.
Dellums
Dent
Derwinski
Diggs
Dowdy
Edwards, La.
Eilberg
Erlenborn
Evins, Tenn.
Foley
Fulton, Tenn.
Gallagher
Gray
Gubser
Halpern
Hanna
Hébert
Heckler, Mass.
Horton
Jones, N.C.
Karth
Landrum
Lent
McClory
Macdonald, Mass.
Mills, Ark.
Nelsen
Pepper
Price, Ill.
Pryor, Ark.
Railsback
Randall
Reid, N.Y.
Riegle
Rodino
Ryan
Scheuer
Sikes
Slak
Springer
Symington
Wilson, Charles H.
Wright
Yates

The SPEAKER. On this rollcall 365 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On November 18, 1971:

H.R. 1680. An act to extend for an additional temporary period the existing suspension of duties on certain classifications of yarn of silk;

H.R. 5060. An act to amend the Fish and Wildlife Act of 1956 to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft;

H.R. 8629. An act to amend title VII of the Public Health Service Act to provide increased manpower for the health professions, and for other purposes;

H.R. 8630. An act to amend title VIII of the Public Health Service Act to provide for training increased numbers of nurses; and

H.R. 11418. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

On November 20, 1971:

H.J. Res. 946. Joint resolution making further continuing appropriations for the fiscal year 1972, and for other purposes.

November 23, 1971: H.R. 155. An act to facilitate the transportation of cargo by barges specifically designed for carriage aboard a vessel.

On November 24, 1971: H.R. 4729. An act to amend section 2107 of title 10, United States Code, to provide additional Reserve Officers' Training Corps scholarships for the Army, Navy, and Air Force, and other purposes;

H.R. 6723. An act to provide subsistence allowances for members of the Marine Corps officer candidate programs;

H.R. 6724. An act to amend section 209(a) and (b) of tile 37, United States Code, to provide increased subsistence allowances for Senior Reserve Officers' Training Corps members;

H.R. 7950. An act to repeal sections 3692, 6023, 6025, and 8692 of title 10, United States Code, with respect to pilot rating requirements for members of the Army, Navy, Marine Corps, and Air Force; and to insert a new section 2003 of the same title; and

H.R. 8656. An act to amend titles 37 and 38, United States Code, relating to promotion of members of the uniformed services who are in a missing status.

On November 27, 1971: H.R. 7072. An act to amend the Airport and Airway Development Act of 1970 to further clarify the intent of Congress as to priorities for airway modernization and airport development, and for other purposes.

PERSONAL EXPLANATION

(Mr. DRINAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DRINAN. Mr. Speaker, on rollcall No. 417 yesterday, the amendment by Mr. DANIELSON, I am recorded as having voted "aye." I had intended to vote against this amendment, which was intended to strike that portion of the amendment by Mr. HARVEY which requires the filing of campaign statements in U.S. district courts. The vote on rollcall No. 417 was 230 ayes, 154 noes.

PERSONAL EXPLANATION

(Mr. DULSKI asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DULSKI. Mr. Speaker, I was absent on official business and missed 20 rollcalls and nine quorum calls. Had I been present and voting I would have

voted "yea" on rollcalls Nos. 379, 380, 385, 386, 387, 388, 389, 390, 395, 398, 401, 402, and 406. I would have voted "nay" on rollcalls 378, 382, 383, 384, 391, 399, and 400.

CONFERENCE REPORT ON S. 1483, FARM CREDIT ACT OF 1971

Mr. POAGE. Mr. Speaker, I call up the conference report on the bill (S. 1483) to further provide for the farmer-owned cooperative system of making credit available to farmers and ranchers and their cooperatives, for rural residences, and to associations and other entities upon which farming operations are dependent, to provide for an adequate and flexible flow of money into rural areas, and to modernize and consolidate existing farm credit law to meet current and future rural credit needs, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 19, 1971.)

Mr. POAGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I present to the House the conference report on the Farm Credit Act of 1971. I believe the House has every reason to be pleased with the work of the House conferees because we emerged from conference with the House version virtually intact. There were 25 substantive differences between the House and Senate bills and the House bill prevailed except on one of the points, and that is listed as No. 5a on page 50 of the conference report.

When this legislation passed the House, I advised my colleagues during debate that the bill I sponsored with Mr. BELCHER, Mr. MCMILLAN, and Mr. CHARLES TEAGUE was the result of compromise between those segments of the Farm Credit System that supported the original bill introduced by Mr. MCMILLAN and those that preferred the version introduced later by Mr. CHARLES TEAGUE and me. Informal meetings were held in an effort to get together on a new bill. Messrs. TEAGUE, MCMILLAN and I met with representatives of the differing segments of the Farm Credit System and a representative of the Governor of the Farm Credit System. I would like to say now that all who were present at these meetings expressed their position in an honest and straightforward manner. A sincere spirit of compromise prevailed and the result was the introduction of a new bill which passed this House on November 1, 1971, by a vote of 331 to 19.

We then went to conference and we are most grateful that the Senate conferees understood the hard work we had done in this body to reach a concensus of opinion. The Senate conferees, taking note of the fact that the Farm Credit System generally supported the House version, recognized that we had already had what might be called a "conference" on the bill. Therefore, a general endorsement of the House bill occurred in conference, and the conference report before us today is essentially the House-passed bill. I want to commend the Senate conferees for their willingness to recognize the unique position of the House conferees.

I shall not take the time of the House to elaborate on the substance of the conference agreement. The details are included in the statement of managers. I would only mention that there was considerable controversy over the House report language dealing with the insurance services which should be rendered by Farm Credit System lenders to their members. The House report language was quite restrictive while the Senate report was silent on the issue. In conference, we worked out report language which we feel will permit the Farm Credit System to adequately serve its borrowers without endangering legitimate insurance agents and companies with unfair competition. Our conference report language makes it clear that a Farm Credit System borrower could not be forced to purchase insurance through the system but would be advised by the system lender that he has an option of purchasing it elsewhere if he so desires. The conference report language on insurance is designed to assure that the Farm Credit System does not venture into areas of insurance activity that are not directly related to the loans involved.

Mr. Speaker, this is a good conference report. We have before us landmark legislation designed to assist rural America. This Farm Credit System is a magnificent story of success and accomplishment. The legislation will help satisfy the credit needs of America's rural areas. I, therefore, urge the House to approve the conference report.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Speaker, I thank the gentleman for yielding.

I only wish to state that the gentleman from Oklahoma (Mr. BELCHER) and I were members of the conference committee, and we both signed the report. Unfortunately, the gentleman from Oklahoma (Mr. BELCHER) cannot be here today.

I should like to repeat what the distinguished chairman, the gentleman from Texas (Mr. POAGE) has said, that the Senate receded in 24 out of the 25 differences between the two Houses, so I, too, believe that we have brought back to the House essentially the same bill we passed here a few weeks ago, and I recommend that the conference report be adopted.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I wonder if the distinguished chairman of the Committee on Agriculture would enlighten the Members about the one difference in which the opinion of the House did not prevail, and I am particularly interested in whether it will cost the taxpayers more and/or whether or not it was germane to the House-passed bill.

Mr. POAGE. Mr. Speaker, in reply to the inquiry of the gentleman from Missouri, I would state that it relates to the business done by cooperative entities with nonmembers. The Senate excludes from the 50 percent of the business with nonmembers services and supplies furnished as public utilities, and the House accepted that provision.

Mr. HALL. Mr. Speaker, I appreciate the explanation given by the gentleman from Texas. This in no wise did any damage to the individual voting on marketing orders, and so forth; vis-a-vis the cooperatives voting en banc, for them?

Mr. POAGE. The answer is "No."

Mr. HALL. Mr. Speaker, I thank the gentleman.

Mr. MELCHER. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Montana.

Mr. MELCHER. Mr. Speaker, as the distinguished chairman of the committee will recall, we in committee voted on the question of what type of insurance we would allow the PCA's to sell. I think our committee vote was about 15 to 2 to limiting PCA's only to handling credit life insurance. I am interested in determining what the intentions of the committee on conference were in this field.

Mr. POAGE. The conference report points out that we proposed to continue the same procedure we have had in the past as far as the writing of insurance by the associations is concerned.

Mr. MELCHER. Would this limit it in any way?

Mr. POAGE. It does not limit it, and it does not expand it. We did not change that by law, and the report simply attempts to carry out the same practices that we have been following.

Mr. MELCHER. But it goes beyond credit life insurance?

Mr. POAGE. Some of the associations have been writing more than credit life insurance; they have been writing hail, and they have been writing several types of insurance.

Mr. MELCHER. This, then, is the concession that the House conferees gave to the Senate conferees?

Mr. POAGE. I would not say that it is. There was no change whatever in the law on this point. We did not make any concessions to the Senate there. But in writing the report we do attempt to make clear that we intend to allow the sale of what they have been selling in the past.

Mr. MELCHER. But no more?

Mr. POAGE. But no more.

Mr. MELCHER. Mr. Speaker, I thank the gentleman.

Mr. POAGE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FIFTEENTH ANNUAL REPORT OF PRESIDENT ON TRADE AGREEMENTS PROGRAM — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 92-178)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

In accordance with Section 402(a) of the Trade Expansion Act of 1962, I transmit herewith the Fifteenth Annual Report of the President on the Trade Agreements Program. This report covers the year 1970.

World trade in 1970 maintained a high rate of growth for the third successive year, reaching over $279 billion. In the case of the United States, exports rose by approximately 14 percent while imports were up 11 percent. While this performance yielded a merchandise trade surplus of over $2 billion as compared with $624 million and $660 million in 1968 and 1969, respectively, the improvement fell far short of the level required for the United States to restore a sound balance of payments position.

Throughout the year U.S. representatives actively sought the cooperation of our major trading partners in the reduction of barriers to U.S. exports and in other measures that would enable our products to compete with those of other countries in both the U.S. and the world market. Some progress was made, but certain very significant problems remained unsolved. Domestically, monetary and fiscal policies contributed to a deceleration in price increases, but in some of our major product lines U.S. producers were not able to retain their share of the market at home or internationally.

At the close of 1970, the outlook for U.S. trade involved a number of uncertainties. Domestically, the most basic element was our ability to make further progress toward price stability. Abroad, the prospects were not clear with regard to levels of economic activity and rates of inflation in a number of industrialized countries. One of the most basic unknowns was the extent to which our major trading partners would recognize the seriousness and urgency of greater international cooperation on monetary reforms and other measures to facilitate balance of payments adjustment.

While we had hoped that these uncertainties could be favorably resolved without unilateral action, this was not the case and by mid-1971 the United States, for the first time in this century, faced the prospect of a deficit in its balance of merchandise trade. To deal with this situation and to achieve interrelated domestic goals, the New Economic Program was launched on August 15. With the cooperation of other major economic powers, I am confident that the deterioration in our merchandise trade balance, which was threatening at the end of 1970 and which reached intolerable proportions in the spring of 1971, will be sufficiently improved that the present U.S. surcharge on imports can be removed.

This Administration remains firmly committed to the goal of expanding world trade through the further reduction of national barriers to imports, the development of more equitable rules to govern export competition in international markets, and the elimination of discriminatory measures by trade blocs. The Program instituted in August will contribute to our basic trade policy objective by providing essential interim support to the domestic economy while more fundamental arrangements are being worked out to restore sound equilibrium with the rest of the world.

Improvement of the world trade and monetary systems has been given a high priority by this Administration. The United States stands ready to do its fair share in international efforts to achieve these ends. We expect other governments to respond with a similar sense of responsibility in the interest of promoting prosperity and amicable economic relations throughout the world.

RICHARD NIXON.

THE WHITE HOUSE, *December 1, 1971.*

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE REPORT ON H.R. 10420 UNTIL MIDNIGHT SATURDAY

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight Saturday, December 4, to file a report on the bill (H.R. 10240), to protect marine mammals, to establish a Marine Mammal Commission, and for other purposes, which was reported unanimously from that committee this morning.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. GROSS. Mr. Speaker, reserving the right to object, I was unable to hear the gentleman. Will the gentleman tell us what this legislation is about.

Mr. DINGELL. Mr. Speaker, I was aware of the fact that my good friend, the gentleman from Iowa, was on the floor so I indicated that this is the bill for the protection of marine mammals, which was reported unanimously by the Committee on Merchant Marine and Fisheries. There is no controversy as to the bill as I understand it.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION FOR THE COMMITTEE ON RULES TO FILE REPORTS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

PROVIDING FOR THE CONSIDERATION OF H.R. 11589, FOREIGN SALE OF CERTAIN PASSENGER VESSELS

Mr. MATSUNAGA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 697 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 697

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11589) to authorize the foreign sale of certain passenger vessels. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 697 provides for consideration of H.R. 11589, which, as reported by our Committee on Merchant Marine and Fisheries, would authorize the foreign sale of five U.S.-flag passenger vessels now in layup status, specifically excluding two other passenger vessels in similar inactive status. The resolution provides an open rule with one hour of general debate, after which the bill shall be read for amendment under the 5-minute rule.

Mr. Speaker, all seven of these ships were constructed with the aid of construction-differential subsidy. Under existing law, ships built with such aid must remain documented under the laws of the United States for a period of 25 years. None of these vessels has reached the end of such statutory period. Thus, specific statutory authority is needed to sell the five passenger vessels to foreign registry.

H.R. 11589 would authorize the foreign sale of the vessels SS *Brasil*, SS *Argentina*, SS *Constitution*, SS *Santa Paula*, and SS *Santa Rosa*. The sale of these vessels would be subject to the prior approval of the Secretary of Commerce, and the prospective purchaser must agree to certain restrictions, including the availability of the vessel to the United States in time of emergency and the noncarriage of passengers and cargo in competition with any U.S.-flag passenger ship for a period of 2 years.

The bill would specifically exclude from such foreign sale the ships SS *Independence* and SS *United States*. Although future plans for the *Independence* are not spelled out in the legislation, that vessel is to be acquired by

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American interests for reactivation under the American flag as a cruise ship along the east coast. However, the sale cannot be consummated without a loan, and the present owners of the seven passenger vessels jointly have agreed to provide the option-holder a loan for purposes of acquiring the SS *Independence* if H.R. 11589 is enacted.

The legislation further provides for the purchase of SS *United States* by the Secretary of Commerce for layup in the National Defense Reserve Fleet.

Mr. Speaker, all seven passenger ships have been in layup status for periods extending from 1 year to 3 years. Their owners were compelled to inactivate them because of heavy losses incurred in their operation. Ironically, layup losses, although not as substantial, continue to be a serious financial drain on the shipowners. Not only is the financial well-being of the shipowners in jeopardy, but the ships are also rapidly deteriorating and it is feared that they may soon be worth very little on the world market.

Another important consideration is that the provisions of the bill relating to the first five-named vessels do not preclude their sale to American purchasers. In fact, since the layup of the vessels here involved, their owners have been willing to consider any offer from American interests. They are prepared to consider any future offers from U.S. citizens, but past experience shows that this legislation is the only real hope that the shipowners have to lift them out of their present financial dilemma.

Finally, the provisions of the bill require that the proceeds from any foreign sale be committed to construction of new vessels under the American flag. This is expected to stimulate activity in our sluggish shipyards and provide new seagoing employment.

Mr. Speaker, I urge the adoption of House Resolution 697 in order that H.R. 11589 may be considered.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MATSUNAGA. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. A few minutes ago the gentleman obtained permission on behalf of the Rules Committee to have until midnight tonight to file certain reports. Do I correctly recall that the Rules Committee was supposed to have shut the door and gone out of business on October 1 or about October 1?

Mr. MATSUNAGA. I will inform the gentleman that this pertains to an appropriation measure.

Mr. GROSS. Even so, I thought the Rules Committee had said it was out of business on or about October 1. This happens to be December 1.

Mr. MATSUNAGA. The gentleman will recall that the Rules Committee did not shut its doors on emergency matters, and this happens to be an emergency matter.

Mr. GROSS. By what construction?

I withdraw that question, because an emergency can be just about anything that anyone wants to determine.

Mr. MATSUNAGA. I thank the gentleman for withdrawing his question.

Mr. GROSS. But what is this pending bill—a subsidy in reverse?

Mr. MATSUNAGA. It is a bill which has been made necessary because of existing circumstances. The gentleman may, of course, raise the same question when the bill is being considered in the Committee of the Whole, but the word we got in the Rules Committee—and I have been convinced of it—is the dilemma in which the shipowners find themselves is in desperate need of a solution and the only solution appears to be this bill.

Mr. GROSS. In other words, they have priced themselves out of the market?

Mr. MATSUNAGA. I suppose the gentleman might say that might be one reason; some seem to think it is a lack of American ingenuity.

Mr. GROSS. And now they want the taxpayers to answer their SOS.

Mr. MATSUNAGA. In certain respects this would relieve the taxpayer in that it would prevent further losses on the part of the shipowners, and if the losses are permitted to continue, the shipowners may come in for increased fares in other areas, which may mean increased taxes on the taxpayers in the form of higher fares.

Mr. GROSS. My friend, the gentleman from Hawaii, never spoke truer words in his life than when he said it will relieve the taxpayers.

Mr. MATSUNAGA. Mr. Speaker, I thank the gentleman from Iowa for his sage observation.

I yield to the gentleman from California (Mr. SMITH).

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as stated by the gentleman from Hawaii, House Resolution 697 does provide for an open rule with 1 hour debate for consideration of H.R. 11589. This matter originally came to the Rules Committee under H.R. 10577, a similar type bill, which had seven ships included. We met in the Rules Committee on October 14, and a majority of us did not think it was good legislation or necessary this year. In any event, we deferred it, on October 14. Within 24 hours more lobbying started on behalf of this bill than on any I have seen for some time. One would think this was going to be the salvation of 20 or 30 transport ships. There is not going to be enough money to build many transports or freighters.

I guess that the Merchant Marine and Fisheries Committee felt they could not get all seven, so they took the *United States* out and one other, and reported a clean bill H.R. 11589. It came before the Rules Committee on November 9, was reported and is here today.

Maybe this is the only thing we can do. We have millions of dollars tied up in these ships. I would like to put some of these in mothballs. We may need them some time in the future. We would be selling them for little more than the mortgages. I do not think we should dispose of these ships, but if that is what everybody wants to do, I guess this is what will prevail. If some of the labor bosses would be more reasonable, we could compete with foreign ships and provide many jobs for Americans.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for his explanation of what happened on this rule. On this rule apparently an emergency was created by the lobbyists.

Mr. SMITH of California. No; this bill was reported out originally before October 1.

Mr. GROSS. I know, but the Rules Committee gave it a rule on October 14. Previously there was no rule.

Mr. SMITH of California. We agreed to hear the bills that were there by October 1. The letter that went out to the chairmen stated that anything after October 1, if it was an emergency or a procedural matter could be heard. We have had several of them coming out of the Appropriations Committee, and we have to help them out. One has to do with waiving points of order on a supplemental. If we do not do that, we will not adjourn this year. On the foreign aid we might have to have a rule on that waiving points of order because the conferees may not agree on the authorization.

Mr. GROSS. The best way to settle that is just not to have any foreign aid bill at all. Let it sink of its own multi-billion-dollar weight.

Mr. SMITH of California. That is not going to happen, I will say to the gentleman from Iowa.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 11341, DISTRICT OF COLUMBIA REVENUE ACT OF 1971

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11341) to provide additional revenue for the District of Columbia, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? The Chair hears none, and appoints the following conferees: Messrs. McMILLAN, ABERNETHY, CABELL, NELSEN, HARSHA, and BROYHILL of Virginia.

FOREIGN SALE OF CERTAIN PASSENGER VESSELS

Mr. GARMATZ. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11589) to authorize the foreign sale of certain passenger vessels.

The SPEAKER. The question is on the motion offered by the gentleman from Maryland.

The motion was agreed to.

The SPEAKER. The Chair requests the gentleman from New Jersey, Mr. DANIELS, to temporarily assume the chair.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11589, with Mr. DANIELS of New Jersey (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN pro tempore. Under the rule, the gentleman from Maryland (Mr. GARMATZ) will be recognized for 30 minutes and the gentleman from Washington (Mr. PELLY) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Maryland.

Mr. GARMATZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to urge passage of H.R. 11589, a bill which would authorize the sale to foreign registry of certain laid-up U.S.-flag passenger vessels; namely, the SS *Brasil*, SS *Argentina*, SS *Constitution*, SS *Santa Paula*, and SS *Santa Rosa*. This same bill would authorize and direct the Secretary of Commerce to purchase the SS *United States* from its present owners at its depreciated book value less the outstanding mortgage and place it in the reserve fleet either for use in time of national emergency or for sale or charter to a prospective operator for service under the American flag.

When we opened our hearings in April of this year, I announced that it was the purpose of the committee to explore every possible way in which these vessels could be returned to service under the American flag. I referred to a commitment I made during the course of the hearings on the Merchant Marine Act of 1970 to the effect that I would do everything possible to revitalize our passenger fleet. Thereafter, we invited all those in labor, management and Government who were directly or indirectly connected with passenger ship operations to tell us how, if at all, one or more of these ships could be returned to service.

The testimony was most discouraging. No one could suggest a feasible way in which the ships could be operated profitably without a tremendous infusion of Government money.

There was agreement on all sides that the advent of the jet airplane had rendered point-to-point service by passenger ships an impossibility. The evidence established that these vessels were not built as cruise ships and could not be expected to compete competitively in the cruise trades.

The record further established that the companies owning these vessels were in a hopeless dilemma. Under the law, they could only sell these vessels to approved American buyers during the statutory life of the vessels, which under the Merchant Marine Act is 25 years. There were no prospective American buyers with the necessary capital and experience. Some offers had been made but, by and large, there was a complete absence of cash in the hands of the prospective buyer. Generally, he wanted the owning companies to do the financing for him.

We concluded our hearings on May 20 of this year, but notwithstanding the hopeless picture outlined by the various witnesses, we held off the introduction of this type of legislation in order that anyone not yet heard from could come forth with a feasible pro forma operating statement to revive these vessels. No one appeared. Thus, in September of this year, the committee was forced to conclude that the only course open was to permit the foreign sale of these vessels.

Originally, a bill was introduced to cover the seven laid-up passenger vessels; namely, the SS *Brasil*, SS *Argentina*, SS *Constitution*, SS *Santa Paula*, SS *Santa Rosa*, SS *Independence*, and SS *United States*. However, during the legislative course of action on this bill, agreement was reached between the unions and management which would make possible the sale of the SS *Independence* to an interested American buyer who proposed to use this vessel for cruising. This compromise agreement further contemplated that the U.S. Government would purchase the SS *United States* and place it in the reserve fleet.

Accordingly, I introduced, together with 22 cosponsors, the present bill, H.R. 11589, which, as I have indicated, is designed to carry out the compromise agreement reached between the unions and management.

I recognize that the union involved, the National Maritime Union, has now disavowed this agreement. It certainly was my understanding at the time the bill was drawn that they recognized that this was the only feasible solution. I wish to emphasize that the proceeds from the sales of these vessels is required to be put toward construction of new cargo vessels; that there is nothing in this bill to prevent sales to American owners, if anyone is, or becomes, interested; that any delay in the passage of this bill may very well render the vessels obsolete even for sale to foreign interests so that they will have to be scrapped; and that this bill was reported out of my committee by a vote of 23 yeas, with one member voting "present."

There are many aspects to this bill by way of background information to justify its favorable consideration by this body. I have asked several of my colleagues on the committee to briefly outline these points and at this time I yield to Mr. DOWNING, of Virginia.

Mr. DOWNING. Thank you, Mr. Chairman.

This is a sad day but one which we must face up to. I think the situation is pretty well summed up in a telegram which we received this morning from the owners of these vessels. Of course, you have to consider that they are the ones who will be primarily benefited, but I think they put it pretty much in perspective. They said:

H.R. 11589, that would authorize sale of five U.S. passenger ships abroad, is the only viable alternative to a desperate situation. Contrary to telegram from AFL-CIO, this bill would not result in the loss of jobs for any U.S. workers. The vessels are all laid up and have been for some time. Defeat of H.R. 11589 will not bring back these jobs.

There is no way that these vessels can be operated under the American flag without enormous subsidy payments.

All interested persons had ample opportunity to be heard before House Merchant Marine and Fisheries Committee and no feasible plan to operate the vessels was presented. Defeat of H.R. 11589 will benefit no one as a matter of fact.

Failure of this legislation to pass will prevent the reinvestment of the net proceeds of the sale of these vessels into new cargo ship construction, which would create badly needed employment for our shipyards, seamen and related industries. It is imperative that the owners of these vessels, who are already financially distressed, be given the opportunity to convert these idle and deteriorating assets into productive American flag cargo ship operations, to the benefit of labor, management and the American economy. We urge your support of H.R. 11589.

I think that pretty well sums it up.

Our committee held hearings on this since April. We have wrestled with the problem.

Mr. FISHER. Will the gentleman yield?

Mr. DOWNING. Yes. I yield to the gentleman.

Mr. FISHER. Can the gentleman inform the Committee as to the cost or the approximate cost to the present owners of these ships of maintaining them in their present status?

Mr. DOWNING. I will be delighted to, and I think that is pertinent information.

These vessels cost approximately $1.5 million a year in layup.

They are gradually draining the owners of any financial capability of operating not only the passenger lines but their cargo operations. That is the reason for this bill being brought up under an emergency status.

Mr. FISHER. So, the total amount of maintaining the five ships is $1 million a year?

Mr. DOWNING. Well, if you want to take the total amount, I am told that is $6 million.

Mr. FISHER. I see. That is for all of them?

Mr. DOWNING. Yes.

Mr. FISHER. That is the information I wanted.

Mr. DOWNING. The mortgages on these vessels are due and owed to the United States in the total sum of $3.6 million, which amount will be paid to the United States when the vessels are sold.

Mr. MAILLIARD. Mr. Chairman, will the gentleman yield?

Mr. DOWNING. I yield to my colleague from California.

Mr. MAILLIARD. I understand that the layup cost on the ships that remain is a little bit over $4 million a year total on all the ships.

Mr. DOWNING. The cost of the layup for the seven ships I am told is $6 million.

Mr. MAILLIARD. Yes, but two of the ships have been taken out of the bill.

Mr. DOWNING. That is correct.

Mr. MAILLIARD. And the remainder is about $4.5 million?

Mr. DOWNING. Yes, that is correct, if you deduct the money on the *Independence* and the *United States*.

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Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. DOWNING. Yes. I yield to the gentleman from New York.

Mr. SMITH of New York. Some reference was made to the fact that these ships are deteriorating badly even though they are being maintained at a cost of about $1 million a year; is that correct?

Mr. DOWNING. The evidence which was presented to the committee was to the effect that these ships are deteriorating. They are becoming more obsolete, and if we keep them too much longer, even the foreign interests will not want to buy them.

Mr. SMITH of New York. How long has it been since these ships have been in operation?

Mr. DOWNING. The ships have been in a layup status anywhere from a year to 2 years or an average of 18 months.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DOWNING. Yes, I yield to the gentleman from Iowa.

Mr. GROSS. What do the taxpayers have invested in these vessels? I guess we could figure it out without too much difficulty. We have the total original cost.

Mr. DOWNING. The total cost to the taxpayers was $27 million for the *Independence* and the *Constitution*, $24 million for the *Argentina* and *Brasil*, and $21 million for the *Santa Rosa* and the *Santa Paula*, and $40 millon for the *United States*.

Mr. GROSS. And, if the gentleman will yield further, what is the anticipated amount that the sale of these vessels will bring?

Mr. DOWNING. The original estimate on the seven vessels was $34 million, but we are taking the *United States* and the *Independence* out. That leaves a total including the *United States*, of $25 million.

Mr. GROSS. A total of $25 million for all of those ships?

Mr. DOWNING. Yes.

Mr. GROSS. That is the ships that would be sold?

Mr. DOWNING. That is right. That money will be reinvested in new ship construction. It has to be under this bill.

Mr. GROSS. How about making an exception to the law and return the $25 million to the U.S. Treasury that has no money?

Mr. DOWNING. The unpaid mortgage amounts to approximately $18 million, and this money will be refunded.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further, I would like to think that the taxpayers would be able to recapture something out of this sale rather than for it to go into other subsidized construction of cargo vessels. These ships were heavily subsidized by the taxpayers in the first place. Now they are going down the drain and the taxpayers will be called upon to subsidize the construction of additional vessels.

Mr. DOWNING. The taxpayers will recapture only $3.6 million, but the funds generated will put men to work in shipyards and on board the ships and help our balance of payments. It is the only solution which the committee knows to handle the problem.

Mr. GROSS. Is this a make-work program?

Mr. DOWNING. I beg the gentleman's pardon.

Mr. GROSS. Is this a make-work program?

Mr. DOWNING. No, it is not a make-work program, although it will create work for U.S. seamen.

Mr. GROSS. I might have said, another welfare program in disguise.

Mr. DOWNING. No, it is not.

Mr. Chairman, I do hope that the House sees fit to pass this legislation.

Mr. Chairman, I rise in strong support of H.R. 11589, and wish to point out to the House that although there are seven U.S.-flag passenger vessels in layup only five are included within the sale-foreign provisions of the bill.

H.R. 11589 generally provides, that with the prior approval of the Secretary of Commerce, the laid up U.S.-flag passenger vessels SS *Brasil*, SS *Argentina*, SS *Santa Paula*, SS *Santa Rosa*, and SS *Constitution* may be sold foreign, subject to certain conditions intended to protect the interests of the United States and insure that the net sale proceeds will be used to construct new U.S.-flag tonnage.

The laid up U.S.-flag passenger vessels SS *Independence* and SS *United States* have been excluded from the sale-foreign provisions of the bill.

The SS *Independence* has been excluded from the bill because there is an option outstanding on behalf of Wall Street Cruises, Inc., to buy this vessel for operation under the American flag in the cruise trade. Your committee has concluded that Wall Street Cruises, Inc., should be given an opportunity to exercise this option and a chance to make a go of it in the cruising trades.

With respect to the SS *United States*, this vessel contains numerous defense features, and was designed to serve as a commercial passenger vessel in peacetime and a troop carrier in wartime. The best interests of the United States can be best protected with respect to this vessel by the Government purchasing it for layup in the National Defense Reserve Fleet. H.R. 11589 would generally require the Secretary of Commerce to purchase the SS *United States* from its owners at its depreciated book value; cancel the outstanding mortgage; and require the net proceeds to be used for new ship construction. The cost to the Government will be approximately $12 million. This $12 million is made up of an outstanding mortgage of $6.8 million which will be canceled, and an allowance of credit for new ship construction of approximately $5.2 million. This cost will permit the Government to retain this magnificent naval auxiliary so that it will be readily available in times of national emergency.

Mr. Chairman, I strongly urge the House to support H.R. 11589.

Mr. YATES. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 420]

Abbitt	Diggs	Monagan
Anderson, Tenn.	Dowdy	Moorhead
Andrews, Ala.	Dulski	Nedzi
Baring	Edwards, Ala.	Nelsen
Belcher	Edwards, La.	Pepper
Bergland	Ellberg	Pirnie
Blackburn	Erlenborn	Powell
Blanton	Evins, Tenn.	Price, Ill.
Blatnik	Fulton, Tenn.	Pryor, Ark.
Boggs	Gallagher	Railsback
Bray	Gettys	Randall
Brotzman	Gray	Reid, N.Y.
Broyhill, Va.	Grover	Rieglo
Burton	Gubser	Rodino
Byrne, Pa.	Halpern	Satterfield
Carey, N.Y.	Hanna	Scheuer
Celler	Hansen, Wash.	Sikes
Chisholm	Harsha	Sisk
Clay	Hawkins	Smith, Calif.
Cleveland	Hébert	Springer
Conable	Hogan	Whitehurst
Culver	Horton	Wilson, Bob
Davis, S.C.	Howard	Wilson, Charles H.
Davis, Wis.	Karth	Wolff
Dent	Landrum	Wright
Derwinski	McClory	
Dickinson	McFall	
	Mills, Ark.	

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BOLLING) having assumed the chair, Mr. DANIELS of New Jersey, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11589, and finding itself without a quorum, he had directed the roll to be called, when 350 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I join with the distinguished chairman of the Committee on Merchant Marine and Fisheries (Mr. GARMATZ) in support of H.R. 11589. We have both, I am sure, reached this decision reluctantly and only after long and hard examination of the alternatives to this legislation.

Whether we like it or not, Mr. Chairman, an era has ended. Passenger ship travel epitomized by the great trans-Atlantic liners such as the *Queen's*, the *France*, and our own SS *United States* has been eclipsed by the 707 and more recently the 747 which permit thousands of people to cross the Atlantic daily in a matter of hours.

The Merchant Marine Act of 1936 requires that every vessel built with the aid of construction-differential subsidy must remain documented under the laws of the United States for a period of 25 years. In general, this is a salutory requirement insuring that subsidized vessels are not transferred foreign while they are still capable of providing efficient and economical transportation in the foreign commerce of the United States under the American flag. It is this provision in the law that we are concerned with today. Of the five laidup ships which could be sold foreign pursuant to this legislation, the *Constitution* will reach the 25-year mark in 1976, the *Brasil*, *Argentina*, *Santa Paula*, and *Santa Rosa* will reach the 25-year limit in 1983. With the exception of the *Constitution* which is nearing the end of its economic life, these ships may be categorized as middle aged.

These ships have been withdrawn from active service for one very fundamental reason. They lose money. For example, since 1958 the *Brasil* and the *Argentina* have lost almost $20 million after payment of approximately $65 million in operating subsidies. The *Constitution* and its sister ship, the *Independence*, lost over $2½ million after a subsidy of $120 million up to their last year of operation. During their last year of active service, they incurred a loss of $6 million after a subsidy of $8 million. Although the *Santa Rosa* and *Santa Paula* showed an overall profit of $3.2 million after subsidy of $54 million until their layup, this profit picture was deteriorating rapidly. During their last year of operation they incurred a net loss of $2 million. These are losses which no company can afford to sustain indefinitely. The simple answer, of course, would be for the Federal Government to pick up a greater share of the cost by increasing the amount of operating subsidy. The Maritime Administration, however, estimates that it would cost over $80 million annually in subsidy to place our seven idle passenger ships back in operation. Can we really justify such an outlay in order to maintain a handful of passenger ships plying between Miami and the Caribbean under the American flag? I think not. While a great many vacationers embarking upon a 2-week cruise of the Caribbean might prefer to sail on an American-flag ship, it is equally true that a very large percentage of those who are inclined to travel by ship prefer the atmosphere—the national flavor—of foreign-flag ships. To preserve the American tourists' option of traveling on U.S.-flag ships at a cost of $80 million to the taxpayers seems to me to be an unreasonable request of an already heavily overtaxed people.

The Committee on Merchant Marine and Fisheries heard testimony from both the owners and unions on the cost of putting these ships back into service. Their estimates were so far apart as to be irreconcilable. From the management standpoint, it appears that the ships could not operate profitably even with the Federal Government paying the entire labor cost. A union spokesman on the other hand, told us that the ships could indeed be placed back into service and operated profitably with less subsidy than was paid prior to their layup. Between these two extremes, we have the estimate of the Maritime Administrator, and under the circumstances, I feel we have no choice but to accept his estimate.

The high cost of operating passenger ships is not, of course, unique to the United States. As the report of your committee indicates, point-to-point passenger ship operation in an essentially transportation capacity has declined drastically during the past decade. All of the major foreign passenger ship operators have abandoned the transportation aspect of passenger ship operations. The Italian line operating the largest single fleet of passenger ships withdrew from the North Atlantic last winter. Government subsidy for the Italian line passenger ships is reported to be in the neighborhood of $113 million a year with a drastic increase required to keep these ships in service. The Holland-America Line has taken the extreme measure of replacing the Dutch crews on its ships with Indonesians, who are reportedly paid $60 a month. Paying wages of this sort, the Holland-America Line will be able to keep its ships operating in the cruise trades of Europe and the United States. These ships have, for all practical purposes, become floating hotels intended to provide a convenient means of visiting a number of islands or other resort-oriented areas without the inconveniences associated with airline travel such as packing and unpacking at each point on the trip. The personnel employed on these ships are largely hotel-type employees. The number of seamen—those concerned with the sailing of the vessel—are relatively few.

What then are our alternatives, Mr. Chairman? First of all, we could retain the status quo. There is no indication that the owners of these ships have either the financial means or the interest in placing these ships back into service without massive subsidy. The ships, therefore, will continue to lie at anchor or tied to a pier somewhere until they are sold for scrap or reach their 25-year statutory life. In the meantime, the owners will be confronted with annual layup costs of almost $5 million and a total cost of almost $49 million. It can be safely assumed, I believe, that by the time these ships have completed their 25-year life span, their only value will be for scrap. A continuance of the status quo, therefore, seems to be an unacceptable choice serving no one.

The second alternative I have already touched upon—that is to place these ships back into service under the American flag. Assuming that the Maritime Administrators' estimate of cost is accurate, we must accept responsibility for a substantial increase in appropriations for passenger vessel operating subsidy. After all the flag waving and sentimentality has been laid aside, I doubt that many of us are willing to undertake to justify to the American people the expenditure of at least $80 million to provide floating hotel service under the American flag. In this regard also, the bill before us exempts the SS *Independence* which is the subject of a contract of sale to an American cruise promoter. I am hopeful that Wall Street Cruises will be able to operate the *Independence* successfully. It appears that Wall Street Cruises has the necessary expertise in this field to undertake the operation of this ship, and for this reason your committee determined to remove the *Independence* from the coverage of this legislation. Others have come forward from time to time with proposals for the operation of one or more of the ships encompassed within this legislation, but in each instance it has developed that the promoter has little or no capital to invest, nothing to risk and expects either the existing owner of the ship or the Federal Government to bear all the risk involved. Your committee, therefore, has concluded, and I believe correctly, that there is no reasonable likelihood that any of these five ships can be returned to service under the U.S. flag on a basis which is financially acceptable to the owners, the Maritime Administration, and the American taxpayer.

Another alternative, Mr. Chairman, would be to place all of these ships in the national defense reserve fleet for use in time of emergency as troop transports. While it is a fact that no other means of transportation can move as many men at one time, the concept of large troopships also has been eclipsed by the jet airplane and other technological changes. Of the ships now in layup status, only the SS *United States* has the requisite speed which would enable a troopship to operate independently in this era of atomic submarines. Even its high speed may well be matched in the near future. Certainly we could not put thousands of troops on a ship such as the *Constitution* with a top speed of less than 25 knots when submarines now in service are capable of underwater speeds far in excess of that. During periods of less than total mobilization when cost factors may still be relevant, the transportation of military personnel by air has proven to be infinitely cheaper. For example, the Department of Defense estimates the cost of transportation by air from the west coast to the Far East at $200, including pay for the period of travel. The corresponding figure for sea transportation is over $1,100. Because of its great speed and capacity, your committee has determined that the cost of placing the *United States* in the reserve fleet is justified. No similar argument can be made, however, for the much slower vessels which this legislation authorizes to be sold.

The final alternative, Mr. Chairman, is the one which we have chosen to permit the sale of these ships to foreign owners before they complete their statutory 25-year life. It is true that there is a large and growing cruise business from the United States which has attracted many foreign-flag ships—most notably, of course, in the trade between the east coast and the Caribbean. New ships are being built for this service—relatively small one-class vessels designed as floating hotels for tropical climates. There is a market for older ships as well, but this is basically a temporary market which will exist only until sufficient new construction designed for this floating hotel business has entered service. As these new economical ships become available, the market for older transportation-oriented passenger ships will dry up. If we do not authorize the foreign sale of our laid-up passenger ships at this time, whatever market there may be for them will disappear, and they will remain in layup until they are scrapped. There is a contract outstanding on the SS *Argentina* and *Brasil* which will lapse at the end of 1971. Whether other buyers for these ships can be found after that is highly questionable. Accordingly, Mr. Chairman, I sincerely feel that we must act now. I fully realize that this is a difficult piece of legislation for many of

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my colleagues to accept. I share with them a sense of loss over the passing of these ships and with that passing, the virtual close of one of the most interesting chapters in our maritime history.

In conclusion, Mr. Chairman, the Committee on Merchant Marine and Fisheries has carefully analyzed all of the alternatives which I have discussed. The overwhelming majority of the members of the committee have concluded, as I have, that this legislation must be enacted in order to relieve the owners of the continued burden of maintaining these ships in layup. Any moneys derived from their sale must be invested in new American-flag ships which will provide employment for American seamen and will contribute in a positive fashion to our balance-of-payments picture. Mortgages on these ships totaling $18.5 million will be paid off. This is a step that none of us relish, but it is the only responsible course of action we can take. I, therefore, urge all of my colleagues to join with the committee in support of this bill.

Mr. GARMATZ. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the distinguished chairman of the committee.

Mr. GARMATZ. Mr. Chairman, the gentleman from California (Mr. MAILLIARD) has spoken about the various other countries having the same problem, and in that connection I would like to read from an article published in the NMU Pilot, which quotes a statement made by Victor Matthews:

QUEEN ELIZABETH II MAY BECOME A FLOATING HOTEL

The future of the SS Queen Elizabeth 2, flagship of the Cunard fleet, may be that of a "floating hotel" instead of in the transatlantic passenger service, according to Victor Matthews, managing director of Trafalgar House Investments, owners of the Cunard ships. He said he felt there was a future in using the vessel as a floating hotel. Matthews added, "We are committed to this ship. It is the finest in the world, the last of its kind, but I would not order another one." He claimed the QE–2 Would be kept on its present transatlantic program for the next 12 months. When asked about the new Cunard liner, Cunard Adventurer, due to enter service shortly, Matthews admitted that he was stuck with it but added that he thought it would be successful in the cruise trade in the Western Hemisphere.

Mr. MAILLIARD. I thank the gentleman. I think that gives a fair picture of what the situation is. The people just are not traveling on ships for point-to-point transportation, but when they do travel on ships, they are traveling for recreational purposes, and not for point-to-point transportation.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Florida.

Mr. HALEY. Did I understand the gentleman to say that at the expiration of 25 years these ships would have been completely subsidized, and could be sold without any action on the part of the Congress?

Mr. MAILLIARD. That is correct. At the end of the statutory time that we have set by law of 25 years then there is no further prohibition against their being sold.

Mr. HALEY. How old are these ships at the present time?

Mr. MAILLIARD. I do not have the exact figures with me, but they run from about 20 years old down to 13 years.

Mr. GARMATZ. Mr. Chairman, if the gentleman will yield, I have those figures:

The *Independence* is 20 years old, the *Constitution* is 20 years old, the *Argentina* is 13 years old, the *Brasil* 13 years old, the *Santa Paula* 13 years old, the *United States* 19, and the *Santa Rosa* 13 years old.

Mr. HALEY. If the gentleman will yield further: So in any event these ships could be sold in the next 8 or 10 years?

Mr. MAILLIARD. The answer is "Yes," but I would say to the gentleman that at that point my belief is that there will be no market for them.

Mr. HALEY. The gentleman is right in his view, since we have a market for them now, they should be sold.

Mr. MOSHER. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from Ohio.

Mr. MOSHER. Mr. Chairman, I want to say that I agree with the gentleman from California (Mr. MAILLIARD) that this is a terribly unhappy vote that we have to cast today, but we also must agree that it is a far-reaching and even an urgent vote.

Mr. Chairman, I think all of us are saddened by the vote we are being asked to cast here today. None of us are happy about this legislation.

Nevertheless, there are a number of cogent reasons for voting in favor of H.R. 11589, making possible the sale of five passenger vessels to foreign operators.

At this time, I would like to comment on only one factor which I consider to be a principal reason for the decline of our once magnificent U.S.-flag passenger fleet, which makes necessary our vote here today.

It is a fact, Mr. Chairman, that the jet airplane has had a devastating impact on the point-to-point operation of passenger ships, particularly in transatlantic service during the past decade. Lower fares generally, packaged tours and liberal group deals, frequency of point-to-point service to the major cities of the world, and the speed of travel offered by the airlines have opened up a rapidly expanding market that did not exist 20 years ago.

Speed of travel is more essential than ever before in order to maintain close communication between home and branch offices and in the conduct of negotiations between American and foreign businessmen. This factor has become increasingly important with the rapid growth of American investments throughout the world. These businessmen are the people who formerly made up a large segment of those traveling in first class on transatlantic liners.

The higher capacity and speed of jet aircraft have opened a vast market, particularly to Europe, for travel by middle income groups whose vacations are of relatively short duration. In 1962 there were some 3.2 million passengers traveling by sea and air between the United States and Europe. About 22 percent, or 722,000 went by sea, of which American-flag ships carried 170,000, or 24 percent of the total. By 1969, total passengers traveling had increased dramatically to 7.4 million, but only 341,000 traveled by sea or less than 5 percent of the total, and American-flag ships carried only 47,000. Like every other mode of transportation, the airplane draws its users not only from other competing modes, but from a market which it alone develops, because of its unique advantages.

The impact of the jet airplane was the principal factor in the elimination of American-flag passenger ships in the transatlantic trades, not only to northern Europe, but to the Mediterranean as well. The impact upon travel to South America was equally great. We must recognize that there is almost no probability that any of the ships now in layup will return to serving these trades. Moreover, the impact of jet aircraft has not been limited to the U.S.-flag passenger fleet alone. Indeed, drastic reductions in point-to-point sailings between United States and European ports are also noted for British, Netherlands, French, Norwegian, Swedish, Italian, and Greek passenger ships.

When one considers the impact of the jet airplane on point-to-point passenger service and the fact that these vessels are not readily employed in the cruise trades without substantial alteration to their accommodations and public areas, the conclusion is inescapable that their days of active service under the American flag are over.

For these reasons, I urge my colleagues to support H.R. 11589.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman from New York.

Mr. MURPHY of New York. Mr. Chairman, I want to congratulate the gentleman in the well for his presentation, and to point out that the real question—and the gentleman makes the issue so clear—that the real issue here is that of the long-range passenger travel movement, and that the statistics we had for long-range ship passenger transportation 20 years ago or 16 years ago showed that ocean travel by passengers was feasible, and that the long-range rail travel statistics for people traveling by rail was feasible, but recent years have shown a different story.

If this House and this Congress can agonize over this bill, then just wait until Amtrac comes up for consideration on funding for the long-range rail transportation, because we are all aware that the passenger mileage transported by rail is disappearing from the rails. It is also disappearing from the ocean liners and from the buslines, and passengers are going solely, for long-range transportation, by air.

As I say, 20 years ago this was a different story and a different parameter.

Here today we are dealing with the question of trying to transfer funds into the American merchant fleet from a disappearing segment of that fleet, which is the passenger liners, and I congratulate the gentleman and the other members of the committee on making this possible.

Mr. MAILLIARD. Mr. Chairman, I thank the gentleman from New York for his comments, and I concur with what he says.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield the the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, could the gentleman give us any estimate as to the scrap value of these vessels that are to be sold?

Mr. MAILLIARD. The scrap value of the seven ships in layup by the end of their 25-year statutory life has been estimated to be $7,500,000 by the Maritime Administration. There would be a substantial loss if these ships were sold for scrap since the mortgages total over $18 million.

Mr. GROSS. It will be below the mortgages and approximately what is the total?

Mr. MAILLIARD. About $18½ million, I believe, some of which is directly loaned by the Treasury of the United States, but most of which is guaranteed by the United States.

There are commercial mortgages under title XI and if a company should go under, the United States would have to pick up the mortgage.

Mr. GROSS. Further, apropos the remarks of the gentleman from New York, are not some of the airlines in trouble financially?

Mr. MAILLIARD. I understand that they are, but they still have all the passenger business they can handle.

Mr. GROSS. But they are in trouble—what form of transportation is not in trouble? Does the gentleman know of any form of transportation that is not in trouble?

Mr. MAILLIARD. I know of some segments that are not in trouble, but overall, transportation has certainly been pricing itself out of the market—but nothing to the extent that these ships that are in total layup and not in use at all.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman.

Mr. ANDERSON of Illinois. Mr. Chairman, I want to join in commending the gentleman now in the well for the very cogent, I think, and well reasoned explanation for that he has made.

This has been a matter that I know has troubled many Members of the House, that there would come a day when we have to consent to the sale of these ships.

It seems to me, the points that the gentleman has made and documented here in the well today have amply made the case for the committee bill.

Mr. Chairman, I rise in support of the legislation.

Mr. Chairman, under section 503 of the 1936 Merchant Marine Act, vessels built with the aid of construction-differential subsidy must remain documented under the laws of the United States for a period of 25 years, and cannot be sold to foreign registry within that period without specific statutory authority. This bill would provide that authority for the sale of five such U.S.-flag passenger vessels: SS *Brasil*, SS *Argentina*, SS *Constitution*, SS *Santa Paula*, and SS *Santa Rosa*. The authority provided by the bill would be subject to certain conditions intended to protect the interests of the United States to insure that the net sale proceeds would be used to construct new U.S.-flag tonnage. It would further provide for the purchase of the laid up U.S.-flag passenger vessel SS *United States* by the Secretary of Commerce for layup in the national defense reserve fleet. Purchase of that vessel will require a net outlay of $5.2 million, and thereafter the initial cost will be $600,000 to prepare the ship for layup status, and annual maintenance will run approximately $50,000.

A previous bill reported by the Committee on Merchant Marine and Fisheries, H.R. 10577, would have made seven ships available for sale to foreign registry, the five above and the SS *Independence* and the SS *United States*. But as a result of a meeting on October 28 between the union and the owners in the office of the committee chairman, an agreement was reached to exclude these two ships from the provisions. With respect to the *Independence*, there is an outstanding option with Wall Street Cruises to buy this vessel. And with respect to the *United States*, the bill provides that it be laid up in the national defense reserve fleet because it contains numerous defense features and could be used as a troop carrier in wartime. The new bill would require that the Secretary of Commerce purchase this vessel from its owners at depreciated book value.

After extensive hearings, the committee concluded that the laidup U.S.-flag-passenger vessels cannot compete with jet aircraft in point-to-point transportation, and cannot compete with foreign-flag cruise vessels because of their configuration. They, therefore, represent a complete economic waste and a serious financial drain on the owning companies while in layup—the annual layup costs for all seven vessels is estimated at $6 million.

The cost to the Government of this legislation is approximately $12 million which includes $6.8 million for cancellation of outstanding mortgage, and $5.2 million in credit to the owners toward construction of new vessels (cargo), plus the $600,000 for initial layup costs and $50,000 in annual maintenance.

The Assistant Secretary of Commerce for Maritime Affairs testified in favor of this bill, saying he knew of no way the laidup passenger vessels could be profitably operated; it would take an $80 million subsidy to reactivate them, and this could not be justified when considered with other requirements of the U.S.-flag merchant marine. In a letter to the committee, the Department of Defense—Navy—says that while the ships might play a useful role during a national emergency, their retention on this ground alone cannot be justified because of the high cost. DOD does think it should be able to give prior approval to the sale of any of these ships, but the committee does not agree and makes no such provision in the bill.

Despite the fact that the committee report indicates that H.R. 11589 is a result of an agreement resulting from a meeting between owners and unions, we have received a letter from Joseph Curran, president of the National Maritime Union, in opposition to the bill—see enclosed. Mr. Curran says these ships represent a vital asset to American national security and economic strength; their sale would cause the unemployment of thousands of workers in the maritime industry; they might end up in the hands of the Russians, thus increasing their troop lift capacity in the Middle East; there are American corporations and municipal governments interested in finding owners for these ships.

We have also received a letter from Frank Fitzsimmons, president of the Teamsters, expressing support for the bill. He claims that his members who are employed in yards where ships are under construction would be benefited by this legislation—since funds from the sales of passenger vessels would be used in the construction of new cargo vessels.

I am convinced that this approach of the committee bill is the only viable alternative available. No great loss of jobs will result since these vessels have been laid up for 2 years and those who would lose jobs—cooks, stewards, et cetera—have already lost them.

Therefore, I intend to vote for this bill.

Mr. GARMATZ. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield to the gentleman.

Mr. GARMATZ. Mr. Chairman, with reference to the question about jet aircraft—they carry today 98 percent of all transatlantic passengers—and ships cannot survive on the remaining 2 percent.

The problem is not solely American. Ten years ago, Britain's Cunard Line had 10 ships making 145 sailings transatlantic. Today it has only one making 13 sailings and that ship, the *Queen Elizabeth II*, the largest in the world, may be converted to a floating hotel.

Mr. Chairman, I yield 5 minutes to the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Chairman, more than a half million American citizens take cruises each year out of our east coast ports, but not a one of them travels on an American-flag ship. There are, at present, no such ships in operation. They are laid up because the American shiplines and the Maritime Administration have not had the ingenuity to figure out a profitable and practical method for them to operate, even with differential subsidies.

Consequently, the hundreds of thousands of Americans who flock to east coast ports to board cruise ships to the Caribbean or elsewhere are contributing substantially to our balance-of-payments deficit and to the well-being of the foreign owners, and the families of foreign seamen of Dutch, Norwegian, Italian, British, German, French, Greek, and assorted other maritime interests.

In opposing the bill H.R. 11589, to

allow five of our excellent American passenger ships to be sold to foreign interests, I am aware of the fact that the committee, on which I am the senior ranking member, voted overwhelmingly to approve the legislation; that the owners of the five ships want to get rid of them as soon as possible; and that every shipyard in the country has the hope that out of this legislation it may possibly get some new cargo ship construction business.

But what about the American taxpayer, who has invested $60 million in the construction of these five ships within the past 20 years? That investment will be wiped out.

What about the thousands of American seamen who could be employed on these ships? They will lose out entirely. What about the further damage to our balance-of-payments situation? What about the idea of keeping the American flag flying on American-built passenger vessels?

For mark this, Mr. Chairman, those five ships—if sold foreign—will be operated out of American ports, carrying American cruise passengers, but with foreign crews and subject to foreign control. We will be paying all of the bills and the foreign maritime interests will be enjoying all of the tremendous economic benefits. Those ships could not possibly be duplicated at the prices they would bring in today's used ship market.

The committee report goes into extensive detail on why it is unprofitable to operate passenger ships under the American Flag. But has the effort really been made? Or, are the ship lines in the same situation today as the American railroads were a few years ago in making no real effort to keep passenger service in operation? True, passenger service from point to point is dying. But the cruise business is booming.

The Congress stepped in to require the continuation of passenger service on America's railroads. We do not have to pass a Steampax bill for the ship lines—all we have to do is defeat this bill. By defeating H.R. 11589 we will make clear to the Maritime Administration that Congress intends for it to bestir itself in that agency and work out with American investors and cruise ship operators a viable plan for restoring the taxpayer-subsidized SS *Brasil*, and SS *Argentina*, and SS *Constitution*, and SS *Santa Rosa* and SS *Santa Paula* to service. The two ships earlier contained in this legislation but left out of the revised bill, the SS *United States* and SS *Independence*, should also be put back into service to carry passengers.

Mr. Chairman, when the $60 million in subsidies were paid out by our taxpayers to construct the five ships involved in H.R. 11589, the money was paid on condition the ships remain under the American flag for 25 years. One of these ships, the *Constitution*—and it is still a fine ship—is 20 years old. The other four are only 13 years old. Under the subsidy contract, the *Constitution* owes the American people 5 more years of service under the American flag; the other four each owe 12 more years of service. But the owners want to abrogate their construction subsidy contracts with the American people far in advance of the end of the contractual period, apply the book losses against their taxes, and use an estimated cash flow of $18 million as downpayments toward the construction of subsidized new cargo vessels we do not need at the present time. The proposed new cargo vessels would not add to our maritime capacity, but would instead merely replace some of the still-serviceable older ships either now in service or available for service.

The ship construction program of this administration has been such an utter failure that the only way the Administration can see for getting a few new ships built is to destroy the American flag passenger trade entirely, through the sale abroad of these five fine passenger ships.

Mr. Chairman, I have not been given the time necessary to cover all of the details about this legislation, and why it should be opposed, but I call the attention of the Members to the extensive material I placed in the CONGRESSIONAL RECORD for Friday, beginning at page 41025. I hope that between now and the time we vote, the Members who have not already done so will look at that material. I have copies of it available at the committee desk.

I particularly call attention to the information provided me by a former officer of the SS *United States*, Mr. Richard D. O'Leary, now the assistant general manager of the Norfolk Port and Industrial Authority, who has been instrumental in making Norfolk a major cruise ship port, and who knows a great deal about that issue.

He wrote me:

> People around the world, especially on the U.S. East Coast, are traveling by ship (cruising) in rapidly increasing numbers. It is a booming business with tremendous future potential. More foreign research and marketing funds are being spent to motivate the American consumer toward cruising than have ever before been spent in the passenger ship industry.

He subsequently added:

> It would seem that the elements are right for an imaginative American entrepreneur to investigate the potential for operating American passenger ships under these conditions. Certainly it would seem that the U.S. government would exert tremendous effort to find some way to usefully employ these resources that have been created with large amounts of taxpayers' money.

Mr. Chairman, I urge the Members to read Mr. O'Leary's thoughtful and imaginative letter on this subject. It is in the RECORD of Friday at page 41026, as part of my remarks, and also in the reprints I have available here.

There are too many questions about this proposed deal for the foreign sale of our valuable passenger ships that have not been answered. I asked some of those questions in the hearings. There are many others. They have not been answered.

Why, for instance, did Grace Line, which had been operating the *Santa Rosa* and *Santa Paula* profitably, sell them to another operator in 1969? Was it to take advantage of a $32 million tax writeoff? And now what kind of tax writeoff does the subsequent buyer hope to achieve by passage of this bill?

Why has the Maritime Administration refused to make any effort to find American buyers for these ships? Is it in order to try to save on operating subsidies?

Why has Moore-McCormack refused even to respond to a $15 million offer from American investors to buy the *Brasil* and *Argentina*? Is it because they are waiting for passage of this bill to open up the bidding to foreign interests?

There is no pleasure for me in standing in opposition to nearly all of the members of my committee on this measure, but I feel I must do so. I hate to see the Congress knuckle under to any industry seeking special advantage at the expense of the American taxpayer and of the American public, and of American seamen.

Knowing that American-flag ships are the safest in the world, operated under stricter requirements than those of any other nation, and that American seamen are paid wages commensurate with American standards, I do not see how Members of Congress would want to say to their constituents: "If you want to enjoy passage on a cruise ship, pick a foreign-flag ship because we have just gotten rid of our entire American-flag passenger fleet so that the ship lines which owned them could qualify for windfall tax benefits."

For that is exactly what passage of this bill would be saying to the people of the United States—Americans who are discovering in increasing numbers every year the joys and relaxation of an ocean cruise, the best vacation imaginable.

We would be saying "Go Dutch" or "Go British" or "Go Italian" or "Go Norwegian" or "Go German" or "Go French" or "Go Greek" at the same time we are so desperately trying to overcome our balance-of-payments problem that we are, through the tax surcharge, jeopardizing the whole concept of reciprocal trade. The American cruise passenger should be urged to "Go American," and should have an opportunity to do so, not only for what it means to our own economy but also what it means to the passenger's own peace of mind.

If our ships cannot compete with the foreign cruise operators, it is only because the Maritime Administration has never bestirred itself to figure out ways it can be done. Is American business ingenuity dead? I would hate to think so, but this bill is an obituary for the American flag on the passenger routes of the world. Passage of this bill would bury at sea the best passenger fleet on the high seas, probably forever. Under foreign-flag operation, these ships would not be the same ships they have been under American operation, and we would never build any more once this decision is made to let them slip away from us.

Mr. SARBANES. Mr. Chairman, will the gentlewoman yield?

Mrs. SULLIVAN. I will be happy to yield to the gentleman from Maryland.

Mr. SARBANES. Mr. Chairman, I join the distinguished gentlelady from Missouri in her thoughtful and vigorous opposition to H.R. 11589 and commend her for her efforts against this hasty and unwise legislation.

Mr. Chairman, the Members of this House are being asked to do more today than simply decide the fate of seven American passenger liners. We are being asked to end a tradition of seagoing passenger service on our east and gulf coasts that stretches back to the beginning of the Republic. America's passenger ships and the men and women who serve them have established an outstanding tradition of contribution to the Nation's well-being in times of both peace and war. It is this tradition as well as these ships which will be struck from our national life should this bill pass. Surely, Mr. Chairman, such a fateful decision should not be made without a more careful consideration than has occurred of the impact H.R. 11589 would have on our Nation's international and defense positions, seagoing labor and American steamship passengers.

Perhaps the most obvious consequence of this proposal would be its lasting impact on the potential employment opportunities for American seamen. In the recent past, 12 U.S. passenger ships have been removed from service. Five were converted to freighter operations, and the remaining seven are the ships affected by H.R. 11589—five of which this bill would permit to be sold to foreign interests thereby foreclosing altogether any hope for future restoration of jobs for American seagoing labor. In addition, disposing of these five ships to foreign interests means not only the loss of potential jobs for Americans aboard the ships but also carries with it a serious impact upon connected shoreside jobs.

In judging the sale proposal it is important to weigh the economic benefit of having these ships functioning under the American flag, and hence the necessity of developing means whereby this could be accomplished. If operating, these ships could generate millions in shipboard wages and millions more to workers and businesses in supporting industries. Furthermore, these ships could make significant contribution to remedying our international balance-of-payments deficit—a deficit which in the third quarter of this year was the largest in our history.

The safety of the American steamship passenger is also involved in this matter. Today there is not one passenger ship operating out of a U.S. eastern port which can meet the standards of vessel safety required by U.S. law. Since foreign vessels must only comply with less stringent international standards, American passengers are being exposed to risks which are prohibited under our law. In fact the number of Americans exposed to such safety hazards is increasing at a rapid pace since the steamship cruise business is booming. Steamship lines operating out of American ports increased their cruise operations in the 1969–70 travel season by 50 percent over the level prevailing two seasons earlier, and all forecasts are for a continued increase in patronage.

Let me also touch briefly on two intangibles that will be greatly affected should this sale be permitted to the permanent detriment of America's passenger steamship operations. America's defense posture and its international prestige are very much at stake. The Soviet Union has built four new passenger ships in the past 5 years. One of these, the *Alexandr Pushkin*, offers regular service between North America and Europe. One or more of these liners is usually present whenever an important international event takes place in a port city.

The defense value of the passenger ships is perhaps hardest to measure, but in the long run of the greatest importance. The sale proposal calls for a contractual arrangement for foreign operators to return the ships in the event of American need. There is serious doubt however that any such arrangement could be enforced. Our need for American-operated ships in wartime was readily demonstrated during the Vietnam sealift. Time and again foreign crews operating foreign flag ships refused to bring those ships in when the going got rough. In considering our security position it must be recognized that during every major war our country has been forced to devote precious time to building ships and to rebuilding its seagoing labor force.

Mr. Chairman, any proposal which so fundamentally affects the strength of our Nation's defense, the safety of American citizens and the well-being of American labor, calls for the most painstaking and deliberate consideration. It is my belief that the administration has not explored in a thorough and meaningful way the alternatives to this sale. Until such a fundamental inquiry is made and until all conceivable alternatives have been considered, I do not believe we should in good conscience take the irrevocable step of permitting the sale of these passenger vessels to foreign owners whose interests will of necessity differ with those of this Nation and its people.

(Mrs. ABZUG asked and was given permission to revise and extend her remarks at this point in the RECORD.)

Mrs. ABZUG. Mr. Chairman, I rise in strong opposition to this bill. The five passenger vessels whose fate is before us today were built with substantial Federal assistance, and existing law requires that they not be sold to foreign owners within 25 years of their completion.

The present owners of these ships claim that they cannot make any money operating these ships under American registry—that is, with American seamen and seawomen, with American wages, hours, and working conditions, and with American safety standards. In support of this claim, they point to the fact that all five ships are presently laid up.

It may well be that this claim is a valid one. It may also be, however, that these owners would like to sell the ships off, so as to have a quick, sure profit, despite the fact that the ships might be profitable to operate. The latter possibility is especially likely as an explanation in light of the fact that the maritime unions have offered to do their part in helping to cut the costs of operating these fine ships. Among other things, they have offered to trim manning scales to the lowest reasonable level, to reduce overtime and similar costs to a minimum, and to cooperate in the development of new, more efficient methods of operation.

These five ships, when in operation, provide about 1,500 shipboard jobs for American seamen and seawomen, and 10,000 or more shoreside jobs such as longshoremen, shipyard workers, and food processors. The shipboard payroll for these five ships amounts to around $15 million annually, and the shoreside income which they generate comes to more than $20 million annually.

The laying up of these ships has brought the working men and women of the New York waterfront to their knees. They are most willing and able to work and work hard, but there will be no work so long as the owners of these ships idle them in hopes of convincing Congress to permit the proposed sale.

I find it upsetting, in this time when we are awakening to the dangers of allowing American capital and technology to flow abroad too easily, to see us considering special interest legislation which would do in one case precisely what we are seeking to stop across the board. This would be bad enough if it were private capital going abroad, but we are talking here about public money—the taxpayers' money. These ships were built with substantial Federal financial assistance, and it would be unthinkable to just let them go like this.

This legislation is unsound and damaging to the best interests of America and American working people, and I urge its defeat.

Mr. YOUNG of Texas. Mr. Chairman, will the gentlewoman yield?

Mrs. SULLIVAN. I am delighted to yield to the distinguished gentleman from Texas.

Mr. YOUNG of Texas. Mr. Chairman, I commend the gentlewoman for the gallant fight she has made against this legislation. I join her in that opposition. I opposed the rule, and I intend to vote against this bill on the floor.

As the gentlewoman has pointed out, there has been considerable argument made here about not putting these ships in the regular transatlantic passenger run. I know of nobody who has suggested that. What is being suggested here is that no real effort has been made to utilize the value of these vessels in this very profitable tourist cruise business.

The U.S. Government, according to the testimony before the Rules Committee, has $118.3 million of capital investment in these ships, not to mention the untold millions that we have in these ships in the operating subsidies.

I commend the gentlewoman from Missouri, and I associate myself with her remarks.

Mrs. SULLIVAN. Mr. Chairman, I thank the gentleman.

Mr. GARMATZ. Mr. Chairman, I yield myself 1 minute.

I would like to ask the gentlewoman from Missouri about the seven passenger ships. Is it true the gentlewoman went on a cruise on the *Argentina* last year with 95 passengers and a crew of 420?

Mrs. SULLIVAN. In 1969 I was on a

cruise on the *Argentina*, yes, and with the gentleman from Maryland.

Mr. GARMATZ. Let us get it straight. Mrs. Garmatz was also along. With Mrs. Sullivan was her sister.

Mrs. SULLIVAN. Let us not tell all our secrets.

Mr. GARMATZ. There were 95 passengers and 420 crew. How can they make money that way?

Mrs. SULLIVAN. Does the gentleman want me to answer that?

Mr. TIERNAN. Mr. Chairman, if the gentleman will yield, is it not true that during the year 1969 the *Santa Rosa* and the *Santa Paula* carried over 10,000 passengers, and that the subsidy the U.S. Government paid per passenger was $458, and yet that company lost over $100 per passenger that it carried during the year 1969?

Mr. GARMATZ. That was the testimony reported to the committee.

Mr. TIERNAN. It is my understanding that presently these ships are not in operation, is that correct?

Mr. GARMATZ. That is correct.

Mr. TIERNAN. And if this bill does not go through, the American public is not going to have an opportunity to sail on these ships. These ships are not going to be put into service so that the Americans can sail on the ships, as our colleague would like.

Mr. GARMATZ. There is no way in the world that can be done.

Mr. TIERNAN. And the Administrator of the Maritime Commission, Andrew Gibson, testified that all of these companies presented plans, but when it came to actually undertaking the expense of operation and startup costs, there was no feasible plan presented?

Mr. GARMATZ. That is correct.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. GARMATZ. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. LENNON), a member of the committee.

Mr. LENNON. Mr. Chairman, I was certainly greatly interested in the remarks of the gentlewoman from Missouri, who called our attention to the fact that there would be annually approximately half a million cruise passengers from the eastern ports principally for the Caribbean area.

I believe we can all agree, at this point in time, the preponderant majority of the American citizens want quality merchandise when they purchase and they want quality service wherever they go. But one other thing the preponderant majority of the American people want is that they want to get that quality service or that quality merchandise at the least possible cost to them and their families.

I am reminded so much of the debate which took place on this floor last year, when we were considering the legislation pertaining to quotas on imported shoes and textiles, when the gentleman from Pennsylvania (Mr. DENT) called our attention to the fact that in 1969 we imported over 221 million pairs of shoes, more than one pair for every person in the United States, from Spain and Italy, and particularly Italy.

Let me tell what is happening. We have priced ourselves out of the world market not only in just this area but also in many others. Italy was the prime exporter of shoes into this country in 1969 and 1970, but in the first 8 months of this year—and these are the statistics—Spain exported into this country a 40-percent increase in shoes for the American people over what were imported in the last year.

In 1969 we imported 3,489,000,000 square yards of materials, either bolt goods or garments. In the first 8 months of this year, through August, using a basis of imports of textiles if we maintain the same average, we would import over 6 billion square yards of material, mostly manmade fibers, in 1971.

Ninety-one percent of all the table radios used in the United States are imported.

One can go to any State, to any port, and go through the transit sheds and the warehouses. I have had that "pleasure" of going through a number of them. It is not a pleasure. It causes dismay and utter shock. One can walk through the blocks of the transit warehouse sheds and see steel of every kind and description pouring into here from all over the world.

This is the problem here today.

Let me attempt to address myself, hurriedly, to the question. Later I shall be happy to yield to the gentlewoman, if I have time remaining.

I reluctantly but nevertheless sincerely and strongly support this legislation, for it represents the only feasible alternative, as I have told so many of my friends and colleagues who came to me and said, "Al, for God's sake, we cannot support this legislation." I have said, "I went into these hearings hostile to even the suggestion."

I want to tell the Members now sincerely, if there were any other alternative solution I would not be here speaking in support of this bill.

It is true that the American taxpayer has already invested in these vessels we are talking about, both in construction differential subsidies and operating differential subsidies. But nevertheless they are lying there at the dock. They are costing millions of dollars both in interest which is owed to private mortgagors, for mortgages guaranteed by the Federal Government, as well as in maintenance cost.

I wish someone could come up with a viable solution. I am cognizant of what has been said about this. But I explored every way I could from every source I could in an effort to find an alternative to this proposal.

If there were an alternative, we would not resort to legislation such as this. However, it is the only equitable answer to the taxpayers of America and to these operating companies, and my preference is to the taxpayers of America always. I have never put the companies first. I have always put the taxpayers first.

If I had any reason in the world to believe that there was any hope or any possibility that any American line or any conglomerate or anything else could take over these ships and operate them, then you know I would be for that. However, you folks know that you just simply do not sail the seas any more. When you get on board a vessel—I understand you want to hear "Good morning," "How do you do," and "What can we do to help you in your day's activities." Well, we have come to the point in our lives where we are not that subservient to anybody. In a way I am thankful for that. Regardless of who we are and what our race, color, or national origin is, we are not that way any more, and I am thankful for that. We are all equal Americans. We have gotten to the point where we have reached the level of affluence and we have priced ourselves out of many, many markets. This is a true example of it. Much to my dismay, it is true.

I am going to ask unanimous consent to include in the RECORD the specific details relating to the construction cost; that is, the Federal subsidy and the operating differential cost, but let me say this: During the last year in the operation of the SS *United States* that vessel incurred a loss of $5 million just in 1 year after an operating subsidy that was paid by the Federal Government of $9.5 million. Just think of that.

With regard to the SS *Brasil* and the SS *Argentina* during just 1 full year of operation they incurred a loss of $2.7 million even though the taxpayers in that same year had put in an operating subsidy of $6.7 million.

Now let us go to the SS *Santa Rosa* and the SS *Santa Paula*. I will address myself only to the last year of operation, because I intend to put all of this in the RECORD. For the last year of operation these two vessels incurred a lost of $2 million after a subsidy of $7 million. I am talking about an operating subsidy.

Mr. Chairman, I want to point out these vessels would cost the Government an additional $80 million per year in subsidy just to get them back in service. These are not our figures. We are not expert in this field, but the Maritime Administration is, and some of our staff members are, and I have relied upon them.

The only possible use for them would be in cruising. Well, you know what a cruise is today. It is much like a floating hotel where room rates can run as high as $75 a day and up to $100 a day. And that is a losing business.

I question—and I am sure many of you will—with all of the other priorities that we face today whether we should be spending over $100 million to subsidize vacations in luxury hotels either ashore or at sea. What do you think about that? What is our obligation to the average taxpayer? Should we take their money from those people who cannot afford these cruises and say that we are going to make the choice to spend it for people at a higher economic level?

Mrs. SULLIVAN. Will the gentleman yield?

Mr. LENNON. I yield to the gentlewoman.

Mrs. SULLIVAN. I thank the gentleman.

Why would 51 foreign cruise ships come to our eastern ports in a year's time to pick up hundreds of thousands of U.S.

citizens time and time again if this were a losing proposition? They are not losing money.

Mr. LENNON. You mean foreign ships?

Mrs. SULLIVAN. Yes.

Mr. LENNON. Frankly, except for one or two instances that have been mentioned here, I do not think they are losing money. But I do know, as you do, those governments go to an even greater degree in subsidizing these ships. Maybe the time has come when, if we want to have the American flag flown on the oceans of the world, we will have to fully subsidize these ships with full construction costs and pay 90 percent of the operating costs.

Mrs. SULLIVAN. I think the gentleman from North Carolina knows what has happened to our maritime business. We are having fewer and fewer American-flag ships on the oceans. Is the gentleman willing to give investors from foreign countries a big bargain in the form of these five beautiful ships, that they will then bring right back to our own shores to pick up American passengers for cruises? This is exactly what we would be doing in this bill today.

Mr. LENNON. If the beloved gentlelady whom I admire and respect so much would come up with a definitive alternative, I would buy it and the distinguished gentlewoman knows that.

Mrs. SULLIVAN. I know this. I placed a letter in the RECORD on November 12 from a Norfolk maritime executive who had lots of good ideas. His port is now taking business away from Baltimore ports, and he is instrumental in making Norfolk one of the biggest ports in the country, in cruising business. But it is foreign cruise business, the British lines. The volume of cruise business on these foreign lines is very heavy. But as this gentleman says, we have never, in this country, marketed our cruise ship product.

Mr. LENNON. The gentlewoman knows when we went to the Department of Defense to see if they could utilize them in the Department of Defense, the gentlewoman knows what they said in the committee report—that they are too expensive to operate on a reserve basis to transport troops.

Mrs. SULLIVAN. I understand that, but with a total of $18 million to recover—the net recovery from the sale at book value of these ships—we are told we can build 22 cargo ships by using this $18 million as seed money.

The gentleman from North Carolina knows, and I know, that the U.S. Government could pick up that $18 million—if the companies have to sell the ships—until we can find American investors who will invest in the cruise business. The foreign operators are operating at a profit and they have proven that it can be done.

Mr. LENNON. The distinguished gentlewoman knows that we have been trying for a long time to find an interested individual or corporate interest to buy these ships.

Mrs. SULLIVAN. How have we tried? The Maritime Commission has not tried.

Mr. LENNON. The whole world knows what is about to happen today and no one has come in and made a viable offer.

The gentlewoman knows that the gentleman from South Carolina did not have an office address although he did have a box number—the gentleman who manifested an interest in his matter.

Mrs. SULLIVAN. The investor in question does have an office.

Mr. LENNON. I am so happy to hear that.

Mrs. SULLIVAN. He does have an office. Before I even listened to his story, I verified his background as a substantial businessman with money and with additional investment funds. His offer was legitimate. Yet it was not even answered from the company to which he made the offer because, as I said, the shipowners apparently believe they can do better than his offer after this bill is passed.

Mr. LENNON. I think the gentlewoman will find the facts to be to the contrary.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. LENNON. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. I think it needs to be said for us to authorize the foreign sale of these vessels is not what any of us would consider to be an ideal situation, but as the gentleman in the well has so aptly said, in the absence of a better alternative, it seems to be the better part of wisdom in my opinion that we go ahead and support this bill today.

However, there are two points which I think need to be made with respect to this proposal that have not been made. That is, these vessels are not carrying cargo or passengers and have not done so for a period of 2 years. The competition with American-flag vessels and the fact that the vessels will be made available to this Government, should an emergency arise—and this is very important in my point of view—is something that must be a part of our consideration with respect to this legislation.

Mr. LENNON. The gentleman will find the answer to the last part of his statement on line 20, page 2, of the committee report. I hope all Members will read the H.R. 11589 and the committee report.

Mr. MAILLIARD. Mr. Chairman, I yield 3 minutes to the gentleman from Delaware (Mr. DU PONT).

Mr. DU PONT. Mr. Chairman, I rise in strong support of H.R. 11589, which would provide in part for the sale foreign of the laid-up U.S.-flag passenger vessels, SS *Brasil*, SS *Argentina*, SS *Santa Paula*, SS *Santa Rosa*, and SS *Constitution*.

DO NOT WANT TO GIVE IMPRESSION THAT SALE IS UNRESTRICTED

Any such sale foreign would be subject to certain conditions intended to protect the interests of the United States and insure that the net sale proceeds will be used to construct new U.S.-flag tonnage.

In this regard, the bill generally provides that with the prior approval of the Secretary of Commerce, these passenger vessels may be sold and transferred to foreign ownership and flag. The consent of the Secretary will be conditioned on: First, approval of the purchaser; second, payment of outstanding debt related to the vessel; third, approval of the sale price and terms; fourth, an agreement between the seller and the Secretary whereby the net sale proceeds will be invested within 12 months in the construction of new U.S.-flag vessels; and fifth, an agreement between the purchaser and the Secretary, running with the title of the vessel, restricting the trade of the vessel for 2 years in order to protect active U.S.-flag passenger vessels, and insuring that the vessel will be available to the United States in time of emergency.

Mr. Chairman, I am convinced that the best interests of the U.S.-flag merchant marine will be served by enactment of this legislation permitting these five passenger vessels to be sold foreign—subject to the conditions I have just outlined so that we may realize something on our investment. As it is now, the ships rust in their slips, of no use to anyone, at a cost of $4.5 million a year.

Mr. MAILLIARD. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. GOODLING).

Mr. CLARK. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to my colleague, the gentleman from Pennsylvania (Mr. CLARK).

Mr. CLARK. Mr. Chairman, I would like to discuss briefly for the benefit of the Members one of the important developments which has occurred during the consideration of this legislation. On November 5, 1971, this substitute bill, H.R. 11589, was introduced covering the sale of passenger vessels which excepted the SS *Independence* and the SS *United States* from sale foreign. The bill was brought up by the Rules Committee on November 9. A day or two prior to consideration by the Rules Committee, an entrepreneur by the name of J. B. Williams from South Carolina came forward with a proposal to purchase the two Moore-McCormack ships and a possible subsequent purchase of the remainder of the vessels covered by this bill. Mr. Williams did not say where the money was coming from, but did indicate that the operator of the vessels would be a Mr. Jules Sokoloff. This was the same person who was the sole owner of the Chadade Shipping Co. which owned the *Yarmouth Castle*, a Panamanian-flag vessel which burned at sea in 1965 with the loss of some 90 lives.

In view of the House Merchant Marine Committee's great concern with marine safety, our committee thoroughly investigated this tragedy and issued a comprehensive report to the House of Representatives on April 20, 1966.

This report indicated that there was "little evidence that the *Yarmouth Castle* was efficiently manned and operated when it met with disaster." The report clearly showed a shocking failure in the functioning of the ship's organization, as well as shoddy vessel housekeeping which may, indeed, have led to this tragic conflagration. In short, the report pointedly indicated the gross mismanagement and disorganization of this ill-fated vessel which is, of course, the owner's responsibility.

This passenger-ship problem has been pending before the committee for 8 months with a continuing drumfire of

publicity in the news media, so it was disconcerting to learn of this proposal at this late date. At the very least, the timing of the proposal would have led one to think twice about its credibility. For this reason, the staff of the House Merchant Marine and Fisheries Committee made a preliminary investigation of the court actions pending against Mr. Sokoloff, who, under the J. B. Williams proposal, would be the operator of these vessels.

Our investigation indicated that there is apparently $400,000, plus interest, in judgments in the local courts in Miami against Mr. Sokoloff. None of these judgments has been paid.

In addition to the five judgments against Mr. Sokoloff personally, the Panamanian-flag cruise ship *Yarmouth Castle* disaster—which I mentioned before as resulting in the death of some 90 persons—gave rise to 71 suits pending against the Chadade Shipping Co., of which Mr. Sokoloff is the sole stockholder. We understand that the amounts of these suits against the Chadade Shipping Co. total approximately $60 million.

In light of the past safety record of Mr. Sokoloff in his marine operations and his questionable standing as a result of the litigation mentioned above, it would seem that no responsible person could any longer consider him as an acceptable party to operate any of these U.S.-flag passenger ships.

I just wanted to bring these facts to the attention of my colleagues so they could properly evaluate what has been heralded as a legitimate proposal to continue these vessels under U.S.-flag operation. I endorse H.R. 11589 100 percent and congratulate our distinguished chairman, Mr. GARMATZ, and the distinguished minority member, Mr. MAILLIARD, in pressing this important legislation. Twenty-three members of the committee cosponsored this bill.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. Mr. Chairman, I am sorry that I cannot yield to the gentlewoman from Missouri, but I do not have sufficient time to yield.

Mrs. SULLIVAN. Would the gentleman yield only for the purpose of making a correction?

Mr. GOODLING. Because of the shortness of my time I would suggest that the gentlewoman from Missouri ask the Chairman for time.

Mrs. SULLIVAN. All right.

Mr. GOODLING. Mr. Chairman, I rise in strong support of H.R. 11589, a bill designed to alleviate one of the most pressing problems faced by our merchant marine today—our laid-up passenger vessels.

At the present time, the *Brasil, Argentina, Constitution, Santa Paula, Santa Rosa, Independence,* and *United States* are in layup after incurring heavy financial losses despite the best efforts of their owners. The total cost to the Government in the form of operating subsidy for the last year or operation of these passenger vessels was about $36 million. How did this occur? Your committee has concluded that jet aircraft, more than any other factor, were responsible for the drastic falloff in passengers that ultimately resulted in the layup of these vessels. Aviation not only had a devastating impact upon our fleet, but also seriously crippled the passenger operations of the leading foreign-flag operators.

Faced with the loss of point-to-point passengers to jet aircraft, U.S.-flag passenger vessels were forced to turn to the cruise market out of our ports. However, they could not compete because our passenger vessels were generally constructed for point-to-point transportation and did not lend themselves to cruising—for example, lack of open deck space, outdoor activity areas, and one-class accommodations and public areas.

The passenger ship operators and the Assistant Secretary of Commerce for Maritime Affairs, Mr. Gibson, testified that they know of no way in which these laid-up ships could be profitably operated. The Assistant Secretary further testified that it would require an additional amount of operating differential subsidy, estimated to be about $80 million annually, in order to reactivate them, and that this could not be justified when consideration is given to other requirements of the U.S.-flag merchant marine—to say nothing of other priorities in the national budget.

Your committee did not overlook the role of these vessels as naval troop ships during periods of national emergency. The Department of Defense testified, however, that retention of these ships for this mission cannot be justified.

Your committee was forced to conclude that these passenger vessels cannot compete with jet aircraft in point-to-point transportation, cannot compete with low cost foreign-flag cruise vessels, and that the additional subsidy required to place them back in operation cannot be supported.

One speaker suggested thousands of seamen would be thrown out of work.

In addition to what I've already said, one of the many key factors which have contributed to the demise of the U.S.-flag passenger fleet has been increases in wages and benefits without improved productivity in the form of crew reductions and work-rule flexibility.

Unfortunately, seamen and longshoremen have rather consistently tied up both passenger ships and freighters. As a result, the general public has turned to more responsible means of transportation.

The action authorized by H.R. 11589 is the only reasonable solution to this very unhappy situation.

Mr. MAILLIARD. Mr. Chairman, I yield the remaining time to the gentleman from Washington (Mr. PELLY).

Mr. PELLY. Mr. Chairman, I rise in support of H.R. 11589. The distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from Maryland (Mr. GARMATZ) and the distinguished ranking minority member of the Merchant Marine Subcommittee, the gentleman from California (Mr. MAILLIARD) have stated clearly the reasons for this legislation. I will reiterate only a few of the arguments which I feel are most compelling.

A great deal of confusion has been generated during the past few weeks over this legislation. There have been telegrams and countertelegrams. I am sure that many of my colleagues are at a loss as to whom to believe. These, however, are facts. Of the seven laid-up U.S.-flag passenger ships, only one has any chance of returning to active service under the American flag. That ship—the SS *Independence*—is expressly exempted from this bill, as is the SS *United States*, which, if the bill is enacted, will be placed in the national defense reserve fleet for possible use in any future national emergency.

The five passenger ships which could be sold to foreign owners pursuant to the terms of H.R. 11589 are now in layup. The seafaring jobs which these ships represented have all been lost. The defeat of this legislation will not result in a single job for American seamen. The passage of this legislation will not result in the export of a single job. I appreciate the great concern over the loss of these ships from the active U.S. fleet. That loss, however, occurred almost 2 years ago and was due to economic factors which were building for over a decade. While more efficient management might have resulted in keeping these ships in service longer, it is equally true that a more enlightened attitude on the part of labor could have contributed to a prolonged life for these ships. The fact is that labor-management efforts to place the operation of these ships on a more efficient economical footing came too late.

Finally, Mr. Chairman, it should be noted that this legislation is not a bailout for the owners of these ships at the expense of labor. If the ships are sold, the proceeds of sale must be committed to the construction of new tonnage to be operated under the U.S.-flag employing American seamen. It is only in this way that the layup of these passenger ships will ever result in the reemployment of any American seamen. Those who are concerned over the loss of jobs, and I am sure that includes every Member of this body, will be doing something positive by supporting this bill. Its defeat will be a totally negative act to the detriment of our seafarers, the companies which employ them, and the American merchant marine.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman from California yield?

Mr. MAILLIARD. I yield 1 minute to the gentleman from New York.

Mr. MURPHY of New York. Mr. Chairman, I would like to point out just two items that the committee has done in the past 5 years. No. 1, this committee revised the safety regulations and advertising so that the extreme safety features on American ships were made available to the traveling public, and showing how much better American ships were to travel on. That legislation did not benefit to the point at which the ships could get into a profitmaking category.

No. 2, when the North Atlantic ships were not carrying passengers during the winter months, the committee changed

the law to permit them to move off their routes and go to the Caribbean, and even under that situation they could not make money in competition with cruise ships that are different types of ships from these line ships. I think the House in its wisdom can support this legislation and help the American merchant marine.

Mr. WYATT. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield such time as he may consume to the gentleman from Oregon.

Mr. WYATT. Mr. Chairman, I wish to commend the gentleman from Washington (Mr. PELLY) and others who have spoken in support of the bill. I support the bill for the reasons that have been so very well stated.

Mr. BURKE of Florida. Mr. Chairman, I rise in opposition to H.R. 11589, which proposes to have the Congress authorize the sale of five U.S. passenger ships, built with millions of taxpayers' dollars in construction subsidies, to foreign interests.

The need for these ships, it was originally argued, was to provide an auxiliary to our naval troop-lift capacity. In all, seven such ships were then built: the SS *Argentina*, SS *Brasil*, SS *Constitution*, SS *Santa Paula*, SS *Santa Rosa*, SS *United States*, and the SS *Independence*.

All these ships were subsidized by the Government on condition that they be held under U.S. registry and fly the U.S. flag for a period of 25 years. These ships were built in the early fifties and sixties when travel by ship to Europe and Asia was still a preferred way of travel for tourists and businessmen. The 25 years have not yet expired, therefore, the ships may not be sold to a foreign registry without specific statutory authority. In the case of the SS *Brasil*, the SS *Argentina*, the SS *Santa Paula*, and the SS *Santa Rosa* which would be sold under H.R. 11589, the lifetime of these ships has been less than half of the legal requirement.

Conditions have, however, changed and the owners of the seven passenger vessels, now in order to get out from under, argue that it is impossible to operate the ships due to:

First, the impact of jet aircraft on passenger traffic;

Second, the poor vessel configuration for their use in the cruise trade;

Third, the failure of rates and revenues to compensate for the rising costs of operation;

Fourth, the increases in wages and benefits imposed by unions without improved productivity in the form of crew reductions and work-rule flexibility;

Fifth, the decline in supplemental cargo revenues;

Sixth, the inability to raise rates to offset cost increases because of the large number of foreign-flag passenger vessels competing for the cruise passengers out of our ports; and

Seventh, the inflexibility and inadequacy of the operating differential subsidy system provided by the Government, are forcing them out of the business.

The present American owners are, therefore, asking that the Congress grant them permission to sell these ships to foreign owners. They say they cannot afford to operate them and they cannot find American buyers willing to operate them. They also say that the ships will not be sailable much longer because they are rotting in drydock, and that maintaining them under existing conditions is an economic drain on the shipping companies which could endanger their operation of cargo ships.

Under the proposed legislation the Secretary of Commerce would buy only the SS *United States* and put it in the reserve fleet for national emergency purposes as a troop carrier, or make it available for sale or charter for operation under our nation's flag. The SS *Independence* was also excepted from H.R. 11589 because an American firm, Wall Street Cruises, is negotiating to buy the ship and put her back in service.

I think it imprudent to put these ships under a foreign flag at this time when the U.S. balance of payments and trade balance has dipped so disastrously—$12.1 billion deficit so far this year. A large proportion of cruise passengers are Americans, and if this bill becomes law, we would once more be sending U.S. dollars to foreign businesses instead of to American businesses.

To be sure, it is the state of our U.S. economy that is one of the reasons why the present shipowners are pushing to have this legislation passed. It is true, also, that American businessmen who are willing to operate the ships have had difficulty in raising the large sums of money necessary to buy and maintain these ships. Yet it is a sad anomaly that foreign governments, knowing the value of these ships, provide their companies with extraordinary financial arrangements so they may buy the ships at interest rates far below the going rate. For instance, the Sun Line has been promised by the Greek Government that if it can obtain the SS *Constitution* it will be provided with a loan repayable over a 30-year period at 1-percent interest, to refit the ship in a Greek shipyard.

The present deterioration of our merchant marine came about as a result of the U.S. sale of surplus ships after World War II. Most of the foreign shipping barons recognized the opportunity and jumped at it. Many got their start by buying U.S. surplus ships and placing them under a foreign registry in competition with U.S. shipping lines.

I do not believe that the Maritime Administration has thoroughly explored all possible ways and means which might enable us to keep these ships under the American flag. In fact, I understand that the Maritime Administration has conducted no formal study of the problem involved.

I recognize the plight of our shipowners, but it is a sad state of world affairs when we can no longer meet the competition of foreign ships on the high seas.

The cruise trade out of our Nation's ports is lucrative. In my own district, Port Everglades and Miami Port do a thriving business in cruises. According to testimony before the Committee on Merchant Marine and Fisheries 37 cruise ships put into Port Everglades in February 1970. All of these ships were under a foreign registry. Cruise trade has increased annually. In 1962 there were a total of 265,859 people who were involved in cruise travel by sea from the United States. In 1969 there were a total of 568,826 people, or nearly twice as many. However, less and less of this trade has been on U.S. ships.

Mr. Chairman, if the arguments that were used to sell the American people on subsidizing passenger ships were valid in 1936, when the Merchant Marine Act was first passed, they are valid now. Arguments were made about the importance of the passenger ship fleet as an economic entity, as an arm of our defense, and as an instrument to enhance America's standing in the world, and as an employer of specially skilled workers.

The Vietnam sealift prove conclusively that ships are necessary as an auxiliary to air power. Airports have to be built before airplanes can land and the people and materials to build airports are most easily transported by ship.

Yet, the United States is going out of the passenger ship business. Driven out by foreign competition and airplane competition at a time when many U.S. industries are being threatened by foreign competitors. The capital investment necessary for us to reenter this area of competition is prohibitive. If we sell these ships we will be dependent on ships of foreign registries for passenger transportation by sea. It seems folly to me to have spent so much money to subsidize a business for such a long time, and then ultimately let foreign nations benefit more from our efforts than our own citizens. I find it hard to believe that our Yankee ingenuity and desire for competition is so dead that our American businessmen cannot figure out a way to make an honest profit in this business but would instead rather quit.

These ships represent a vital asset to our national security and economic strength. Their sale to foreign interests would raise the unemployment level by putting thousands of American workers in the maritime industry—seamen, longshoremen, shipyard workers, and others—out of work permanently. In addition, the taxpayer would once again be left holding the empty pail. What does he get from those who were so anxious that he participate in the construction of these ships? What value does he get for his money?

I honestly feel that to permit the sale of these five ships abroad will increase our maritime problems and that a vote for H.R. 11589 is one more vote against the American taxpayer. The taxpayer has a right to know why his end of the bargain is not being upheld, and further what it is going to cost him this time.

Mr. SCHEUER. Mr. Chairman, I rise in opposition to this bill. H.R. 11589 is a bill which seeks to destroy a vital asset to our security and economic strength by authorizing the sale of five American passenger ships to foreign interests.

The sale of these ships at bargain prices adversely affects American citizens in two ways: It annuls their tax dollar investment in these ships, and it increases the balance-of-payment deficit

by replacing American seamen with foreign seamen and by contributing all fares from American ports to foreign economies. There is no reason for this utter disregard for the taxpayers' interest.

Some factions of the American shipping industry have despaired of ever making it a profitable enterprise. In recent years the cruise trade has not been profitable for American businessmen. But conditions are changing rapidly in the industry and past experience is not conclusive as to the future. These ships should not be sold without careful consideration of the industry and its future.

In my judgment, the logic underlying H.R. 11589 represents a lack of imagination and vision. It is not indicative of the traditional American ability to analyze a situation, investigate all the possible solutions, and then select the most effective course of action. On the contrary, it embodies a shortsighted escapism and fails to meet the challenge.

I oppose H.R. 11589 because it is unfair to the American taxpayer, it poses a threat to our economic strength, it takes jobs away from our citizens, and it encourages an unimaginable, escapist approach to problem solving.

Mr. PODELL. Mr. Chairman, today we are called on to vote on a most disappointing bill—the sale of our American passenger vessels to foreign nations. This unfortunate dilemma comes before this body at a time when American influence is rapidly fading. It is just another example of the sun setting on a once powerful nation. Because of inefficient management and bumbling bureaucracy, are we again forced to concede that we cannot compete with other nations in the world market? Should America's maritime heritage be torpedoed and great ships such as the SS *Brazil*, SS *Argentina*, SS *Santa Paula*, SS *Santa Rosa*, and SS *Constitution* be sold to other foreign owners? I think not.

While it is true that the percentage of people traveling by ship has decreased, it should also be noted that pleasure cruising from U.S. ports is booming. Passage on a ship is no longer considered a form of expedient travel, but rather a form of vacation. Between 1950 and 1970 the number of cruise ships sailing from New York to the Caribbean increased from 12 to 30, the number of cruises increased from 40 to 500, and passengers carried rose from about 20,000 to 150,000.

Yet, despite this increase there is not one ship now available to American families who want to sail the Atlantic or Caribbean which meets U.S. safety standards. It costs millions of dollars to maintain the superior safety of U.S. ships. No rational human would dare to say that we spend too much on protecting our people against the terror of fire or other disasters at sea. It is frightening to note that the competitive edge which foreign-flag operators have enjoyed is because they did not have to make the same investment in safety. We only have to remember the tragedy of the *Yarmouth Castle* fire, a foreign-flag vessel carrying many Americans, to realize that America's safety standards should be paramount in our thinking.

It is argued that increases in wages and benefits have occurred without improved productivity in the form of crew reductions and work-rule flexibility. Shall we for the same reason forsake our railroads? Our maritime unions have agreed to help in every way possible so that American passenger vessels will not be burdened by outdated or outmoded contracts. The AFL–CIO Maritime Committee has given a no-strike pledge to the passenger vessel operators and agreed to trim manning scales to the bare minimum consistent with satisfactory service. On the west coast, several unions have already inaugurated a sliding scale for afloat personnel keyed to the number of passengers carried.

Finally, proponents argue that rate and revenues do not reflect the rising costs of operation, and that the operating differential subsidy system provided by the Government is inflexible and inadequate. If our American Maritime companies had proper subsidies, they would be able to compete with foreign vessels. The operating differential subsidy for passenger vessels is generally designed to make up the difference between foreign and American costs of wages, insurance, maintenance, and repairs not compensated by insurance. By far the greatest portion of the subsidy funds are provided to offset the difference between American and foreign costs. However, it has been pointed out, by the Assistant Secretary of Commerce for Maritime Affairs that our wage subsidy probably never has given true parity in this regard. Additionally, it appears that foreign governments give their passenger ship operators advantages such as accelerated depreciation, tax benefits, grants, and in addition, provide capital at lower cost.

Should we not give American operators a fighting chance to compete with the same weapons?

It appears that America's once mighty transportation system is dying. Our passenger trains could not run profitably and have been given to a quasi-public corporation; our domestic and international airlines are in dire financial trouble; and we have mothballed almost all our passenger vessels. We should not give up hope for American ships by selling them, but should try all possible means of keeping them afloat under the American flag. Rather than hiding our inability to conquer these problems by selling our ships, we should begin an active, logical, and nondiscriminatory approach to subsidy, operation, and maintenance of our passenger vessels.

Mr. BIAGGI. Mr. Chairman, I strongly oppose legislation authorizing the sale of five U.S. passenger vessels to foreign interests. Passage of this bill will surely spell the end of the U.S. passenger trade at a time when all other nations are expanding their cruise trade.

In this respect, I commend the gentlewoman from Missouri (Mrs. SULLIVAN) for her efforts to defeat this proposal. I concur wholeheartedly with her actions.

There is ample evidence that passenger vessels can be operated profitably and without subsidy. More and more foreign cruise lines are plying American waters with great success. More Americans are attracted to this leisurely type of vacation instead of the hectic jet-set packages sold by the airlines. The only thing that is lacking is a little American know-how to make it work here.

Perhaps some of the superluxury aspects of the former passenger cruises will have to be eliminated. However, this will help attract more middle-class Americans who seek a pleasurable vacation at little cost. Studies have been conducted that show this type of cruise is economically feasible for the U.S. passenger vessels in question.

Yet the committee failed to consider this aspect in detail in their efforts to provide a windfall tax break for the owners of these passenger vessels. Certainly it will be far easier to sell these vessels than to seek ways of operating them profitably, but the committee and the Maritime Administration should be acting more in the interests of the American people than in the interests of making things easy for the big shipping companies.

All the millions of dollars put into these ships by the U.S. taxpayers will be lost if they are sold. All the benefits obtained by having these ships as part of our national defense system will be auctioned off to the highest foreign bidder. The U.S.S.R. has already indicated its desire to obtain these ships. They not only may be able to ply a profitable cruise trade as a result of this bill, but they may also have fine troopships available to carry their soldiers—all at the expense of the American taxpayer who helped build the ships.

While it has been pointed out that American interests may buy the ships, all evidence points to the fact that foreign interests who see the great worth of the ships will outbid any American takers. Moreover, the shipping companies who should be doing the bidding in America are the ones selling the ships.

True, certain sacrifices may have to be made to keep these ships in operation under the U.S. flag. The unions and the owners of the vessels will have to agree on wages and working conditions that will permit continued operation of these vessels on a profitable basis. The unions have already indicated they are willing to do so.

The companies may have to use their ingenuity to devise profitable cruises and then spend some advertising dollars to attract new customers. If their efforts to promote these ships are equal to their efforts to get this sales authorization bill passed, I know they will be successful in operating the vessels at a profit.

The Federal Government, too, may have to provide interim assistance to get these vessels back into operation. In light of the considerable subsidies paid the airlines, a small subsidy to help get this cruise program underway is a small price to pay to keep American flags flying on passenger ships.

Thousands of jobs will be created by restoring these vessels to operations. Millions of dollars in foreign exchange that have been going to other nations will begin to flow into U.S. banks and the U.S. economy. And we will be able to maintain our U.S. passenger fleet for use in times of peace and war.

Once these vessels are sold to foreign interests there will be no chance of reversing the decision to kill the passenger trade. It would be economically impossible today to build ships such as the ones we are practically giving away, if this bill passes.

Mr. Chairman, it is essential that everyone here understands that they are not voting simply to permit the sale of a handful of ships, but rather they are voting to either end or continue the passenger service in our ports under the U.S. flag. I, for one, will not be a party to this sell-out. I urge my colleagues to vote "No" on this bill.

Mr. TEAGUE of California. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Eighty-nine Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 421]

Abbitt	Edwards, La.	Patman
Abourezk	Eilberg	Pepper
Anderson, Tenn.	Erlenborn	Price, Ill.
Andrews, Ala.	Evins, Tenn.	Pryor, Ark.
Belcher	Fish	Railsback
Blatnik	Foley	Riegle
Broyhill, Va.	Fulton, Tenn.	Rodino
Burton	Gettys	Rooney, N.Y.
Byrne, Pa.	Goldwater	Ruppe
Celler	Gubser	Scheuer
Chisholm	Hanna	Sikes
Culver	Hébert	Sisk
Davis, S.C.	Horton	Steed
Dellums	Landrum	Thompson, N.J.
Derwinski	McClory	Wiggins
Diggs	Monagan	Wilson, Charles H.
Dowdy	Nelsen	
	Nichols	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Iowa, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11589, and finding itself without a quorum, he had directed the roll to be called, when 379 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Notwithstanding any other provision of law or of prior contract with the United States, any vessel heretofore operated as a passenger vessel, as defined in section 613(a) of the Merchant Marine Act, 1936, as amended, under an operating-differential subsidy contract with the United States and now in inactive or layup status, except the steamship United States, may be sold and transferred to foreign ownership, registry, and flag, with the prior approval of the Secretary of Commerce. Such approval shall require (1) approval of the purchaser; (2) payment of existing debt and private obligations related to the vessel; (3) approval of the price, including terms of payment, for the sale of the vessel; (4) the seller to enter into an agreement with the Secretary whereby an amount equal to the net proceeds received from such sale in excess of existing obligations and expenses incident to the sale shall within a reasonable period not to exceed twelve months of receipt be committed and thereafter be used as equity capital for the construction of new vessels which the Secretary determines are built to effectuate the purposes and policy of the Merchant Marine Act, 1936, as amended, and (5) the purchaser to enter into an agreement with the Secretary, binding upon such purchaser and any later owner of the vessel and running with title to the vessel, that (a) the vessel will not carry passengers or cargo in competition, as determined by the Secretary, with any United States-flag passenger vessel for a period of two years from the date the transferred vessel goes into operation; (b) the vessel will be made available to the United States in time of emergency and just compensation for title or use, as the case may be, shall be paid in accordance with section 902 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1242); (c) the purchaser will comply with such further conditions as the Secretary may impose as authorized by sections 9, 37, and 41 of the Shipping Act, 1916, as amended (46 U.S.C. 808, 835, and 839); and (d) the purchaser will furnish a surety bond in an amount and with a surety satisfactory to the Secretary to secure performance of the foregoing agreements.

In addition to any other provision such agreements may contain for enforcement of (4) and (5) above, the agreements therein required may be specifically enforced by decree for specific performance or injunction in any district court of the United States. In the agreement with the Secretary the purchaser shall irrevocably appoint a corporate agent within the United States for service of process upon such purchaser in any action to enforce the agreement.

SEC. 2. The Secretary of Commerce is authorized and directed to purchase the steamship United States, as is, where is, at the depreciated cost of the vessel to the owner, as determined by the Secretary of Commerce, less the unpaid principal and interest on the mortgage on the vessel, for layup in the National Defense Reserve Fleet and operation for the account of any agency or department of the United States during any period in which vessels may be requisitioned under section 902 of the Merchant Marine Act, 1936, and/or for sale or charter to a qualified operator for operation under the American flag. The depreciated cost of the vessel to the owner shall be computed on the schedule adopted by the Internal Revenue Service for income tax purposes. Such determination shall be final. The Secretary of Commerce shall require the owner of the vessel to agree that it will pay all existing private obligations related to the vessel, and that it will commit an amount equal to the net proceeds received from such sale in excess of existing obligations and expenses incident to the sale, within a reasonable period not to exceed twelve months of receipt, as equity capital for the construction of new vessels which the Secretary determines are built to effectuate the purposes and policy of the Merchant Marine Act, 1936, as amended.

Mr. GARMATZ (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. TEAGUE of California. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

The Clerk proceeded to read the bill.

Mrs. SULLIVAN (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Missouri?

Mr. TEAGUE of California. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will finish reading the first section of the bill.

The Clerk concluded the reading of the first section of the bill.

Mrs. SULLIVAN. Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentlewoman from Missouri is recognized.

Mrs. SULLIVAN. I take this time merely to correct a wrong impression that was left by the remarks of one of the previous speakers. He said that the sole owner of the cruise ships for which an offer was made to one of the ship companies was the former operator of the *Yarmouth Castle*. Under the proposal offered to the ship company, the former operator of the *Yarmouth Castle* would be the cruise operator, but he would not have 1 cent of his own money invested in the purchase of the ships or in the company seeking to own the ships if they could be purchased from the present shipowner. I wanted that false impression to be corrected.

Mr. LEGGETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I support H.R. 11589, which provides for the foreign sale of certain American passenger ships. At first glance, this bill may appear to constitute a blow to our merchant marine industry. But I am convinced that this is not the case. Rather, this bill is merely the best realistic solution to an admittedly bad situation.

The vessels in question have not sailed for at least a year—some for several years. Maintaining them in their laid up state costs the companies which own them a total of $6 million per year. Total layup costs will ultimately run about $50 million if they were mothballed.

While keeping the ships idle is costly, operating them was even more costly. During their last year of operation, these ships received Government subsidies totaling $18 million. The U.S. Treasury spent over one-quarter billion dollars to subsidize these ships over the past 10 years. But even considering the subsidies, they lost an additional $8 million yearly which was absorbed by their owners.

No qualified American concern has offered to buy the ships. There is simply no way they can be put back into American operation, unless we are willing to increase the subsidy to fantastic levels. When we consider that these ships are in effect luxury hotels costing $75 to $100 per day per person, I find it difficult to justify even the earlier level of subsidy. Surely, the people who can afford these prices have very little claim on our national priorities. Surely we

should not subsidize the luxury cruise class to the Caribbean.

We have simply priced ourselves out of the market, and there is no point in hanging in there and plugging away at a battle that is already irrevocably lost. Our 1970 Merchant Marine Ship Development Act ignored the merchant ship program for good cause—we all concluded it was a dead horse.

Even the passenger ships operated by nations with lower wage scales are in trouble because of the overwhelming popularity of jet transoceanic travel. The shining new *Queen Elizabeth II* is now being considered by its owners for use as a luxury hotel—read page 2 of the report. Of the five new Italian ships built in the past 5 years, two have been withdrawn from service.

As I said a moment ago, this bill makes the best of a bad situation. Foreign buyers of these ships must agree that they will not use them to carry passengers or cargo in competition with any American-flag vessel for at least 2 years. There really are not any to compete with. He must agree to place the vessel at our disposal in the event of a national emergency. The purchaser must be approved by the Secretary of Commerce. There is no nation in its right mind that would use a ship this big for troop transport. The seller must agree that the net profits from the sale will be plowed back into construction of new American cargo vessels.

Mr. Chairman, we are not taking jobs away from the merchant sailors who once operated those ships. Those jobs have not existed for some years, and nothing is going to happen to re-create them. We are, however, creating some new jobs in our shipyards and ultimately in our cargo fleet. This bill is the best solution we are going to get, and I urge its passage.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. GROSS. Mr. Chairman, I take this time to ask a question or two of those knowledgeable concerning this bill. Do I correctly understand that the S.S. *United States* is to be purchased by the Government for some $12 million? I do not quite understand this financing.

The mortgage will be canceled, and there will be an allowance of credit for approximately $5,200,000 available to the United States Lines toward the construction of new vessels. Does this mean that we will be taking $12 million from the Federal Treasury to pay the owner and the U.S. Government will actually get—what? Less than $7 million in return from the sale of this vessel?

Mr. MAILLIARD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from California.

Mr. MAILLIARD. Mr. Chairman, the ship is in layup. Of course, the original bill as passed by the committee provided that those ships could be sold foreign and I do not know exactly what they will bring on the market.

Mr. GROSS. I am talking about the *Constitution*.

Mr. MAILLIARD. The gentleman mentioned the *United States*.

Mr. GROSS. The gentleman is correct. I am wrong. It is the *United States*.

Mr. MAILLIARD. What the bill which was later introduced does is to credit the company that owns the ship with its depreciated value, in other words, the book value of the vessel, which includes a mortgage which is a Government-guaranteed mortgage—actually, I think this is a Government-held mortgage and not a guaranteed mortgage.

So what will happen is that the U.S. Treasury will pay itself off with a mortgage, and the balance will go to the company but with the commitment that, within a 12-month period, they will be committed to the building of new vessels to fly the U.S. flag.

Mr. GROSS. Then we take from the Treasury $5,200,000 for the construction of new vessels? Do we take this out of the Treasury?

Mr. MAILLIARD. That is correct. What we in effect are doing—we do not know what the sales price might have been, but when we take the ship into the reserve fleet, we will give the company credit for its reserve value.

Mr. GROSS. The gentleman says the worth is approximately $12 million?

Mr. MAILLIARD. That is a guess, because nobody knows, because no really firm offer was ever received, but the $12 million that will be credited is the book value. We do not know what its market value is, because there have been no offers made on it.

Mr. GROSS. But the taxpayers of this country have 55 percent invested in the original cost of this vessel?

Mr. MAILLIARD. That is correct. The taxpayers are keeping possession of the vessel.

Mr. GROSS. Yes, but we are paying somebody $12 million.

Mr. MAILLIARD. We are paying about $7 million to ourselves, because we hold the mortgage, and they will get the credit, which must be employed in the building of new ships, of approximately $5 million.

Mr. GROSS. I find this, I will say to the gentleman, hard to assimilate. I do not know why these ships were built in the first place.

Some of them are no older than 13 years. Somebody in this Government somewhere made a bad mistake, because more than 13 years ago we were passing legislation including mandatory provisions that cargoes had to be shipped in American vessels. We recognized 13 years ago, and before, that the merchant marine of this country was in dire circumstances, in dire straits, and yet we went ahead and built these vessels. Who made that mistake?

Mr. MAILLIARD. Mr. Chairman, if the gentleman will yield, of course, while it is true the younger of the ships are 13 years old, the decision to build them antedates that time by several years, and at that time the jet airplane had not destroyed the passenger business.

Mr. GROSS. We had airplanes that were flying people to the four corners of the earth at that time. They might not have been quite so comfortable as they are today, and possibly they were noisier and that sort of thing, but they were moving right in.

Mr. MAILLIARD. But people were still traveling on the ships, and these ships made money for a while.

Mr. GROSS. These ships made money? It must have been of a very short duration if they did.

The question now arises, when we take the money from the sale of these ships and put it into cargo vessels with a 55-percent construction differential being taken out of the pockets of the taxpayers——

Mr. MAILLIARD. If the gentleman will yield, the construction subsidy now is around 35 percent.

Mr. GROSS. All right, and 35 percent is too much. But is there any indication that these new cargo vessels will pay their way? Or will the committee be in here in 4 or 5 years wanting to sell the new freighters to get some more money out of the U.S. Treasury?

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 2 additional minutes.)

Mr. GROSS. Mr. Chairman, I should like some kind of assurance that taking the money from the sale of these vessels and using it to subsidize in part the construction of new cargo vessels is going to have more meaning than the construction of these vessels had. In other words, is it now planned to compound the mistakes of the past?

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Washington.

Mr. PELLY. I believe the answer to the gentleman is that today we can build a class of cargo vessel which can compete with foreign countries. We need cargo vessels, number one, for defense, and number two, for the economy of our country and the balance of payments. Therefore, I would answer the gentleman by saying I believe we can operate cargo vessels today in competition with foreign vessels.

Mr. GROSS. With some degree of facetiousness I might suggest we just take these ships and turn them over to Latin Americans, but before we do so we should build gun platforms on the fore and aft decks to make it easy for them to capture shrimp and fishing boats 200 miles off their coasts on the high seas.

Mr. Chairman, under all the circumstances I cannot support this bill.

Mr. PUCINSKI. Mr. Chairman, I move to strike the requisite number of words.

I take this time to ask the gentlewoman from Missouri some questions about this legislation. As I understand it, we are going to buy the *United States* back for $12 million, and we will retire $7 million of the mortgage, and we will turn the rest over to the shipping company and use that money to build new cargo vessels. Is that $7 million we are going to pick up a kind of a subsidy?

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. That is not the subsidy. That will be the net result from taking over this ship at book value and deducting the amount of mortgage they still owe.

Mr. PUCINSKI. How much will a foreign country buying this ship pay us?

Mrs. SULLIVAN. The foreign countries, under this particular bill, do not buy this ship, because we were able to stop the sale of the *United States* and of the *Independence*.

Mr. PUCINSKI. The others?

Mrs. SULLIVAN. Foreign countries cannot pick those ships up. But as to all these other ships, the foreign countries can pick up them, and they are going to buy a really honest-to-God bargain at the expense of the U.S. taxpayers.

And a foreign operator can do anything he wants with that ship. He can convert it into a cargo ship, or a cargo and passenger ship, or he can change the kinds of compartments in the ship as it is today and make it into a cruise ship, which I expect, if they do buy them, they will do, and come back commercially.

Mr. PUCINSKI. Mindful of the wage differential, is there any other reason, besides the wage differential, why some American company cannot put the ships to proper use?

Mrs. SULLIVAN. I believe if our Maritime Administrator were really interested in promoting our maritime industry he would help to find some buyers for these ships, to run as cruise ships. This is the blame I put on not only the gentleman in power right now but also those before him, who do not really get out to build up the maritime industry.

Mr. PUCINSKI. We have developed successfully the nuclear ship *Savannah*, at an enormous cost to the American taxpayer. It had been working very well, and then they put it into mothballs.

Now we have these ships, and they want to sell them. Who is running this Maritime Commission, and what is the long-range plan for the American merchant marine?

Mrs. SULLIVAN. Let me give one example as to what happened to our Maritime Administration. We have two successful cruise ships left running on the west coast. They say they can run 2 more years. But they can continue to run, because they will make a profit on their cruises, but they need to be able to pick up cargo on these cruises in the Pacific. We have introduced proposed legislation. The chairman, some of the others, along with myself, have introduced legislation to permit them to do this, so long as they do not take cargo from any other U.S. flag line on that route.

The Maritime Administration has never given an answer to the committee asking for a report on that bill. Is that true, Mr. Chairman?

Mr. GARMATZ. It is being held up down there. That is true.

Mrs. SULLIVAN. But we have never gotten a reply; have we?

Mr. GARMATZ. That is correct.

Mr. PUCINSKI. Perhaps the chairman might be able to answer this question. If the taxpayer is going to lose money on this transaction, what happens if we take that money and give it to the American operators and let them try to operate these ships within the confines of the subsidy that we give them and see if they cannot do it with American labor. Why are we saying that we cannot successfully operate them and others can?

Mr. GARMATZ. It will cost the Government about $80 million a year.

Mr. PUCINSKI. But we are going to lose that, anyhow; are we not?

Mr. GARMATZ. No.

Mrs. SULLIVAN. I will say this: almost 1 million cruise passengers are paying fares to foreign operators coming into our eastern ports today and not $1 of that is coming back here to this country. I do not know what the total is, but I know it is over $200 million that is going away from this country. So, if we had to pay $80 million in subsidies, we would still be ahead with American workers.

Mr. PUCINSKI. I thank the gentlewoman.

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, better than 2 years ago I tried to work with those who wanted to continue the operation of these ships with a subsidy to get the necessary funds included in a budget recommendation. However, after a great deal of conversation and effort, it was perfectly clear that there would not be a budget recommendation after a certain date for the continued subsidy operation of these ships.

So today we are faced with a different and difficult situation. The administration is not going to ask for operating subsidies. If you give it to them, they will not spend it. With that assumption, which I think is an accurate one, I think the best alternative is to approve this bill.

I would have preferred the original bill, but wiser judgments than mine have convinced the committee that the second bill is the better of the two, and so I am for the second bill or the one before us.

Let me just make a few other points if I might.

These ships have been laid up anywhere for a year or longer. There is no conceivable possibility that they are going to sail again with a subsidy and they cannot without a subsidy. Nobody in this administration is going to put $80 million a year into a subsidy, and that is the only way you can operate them.

So it seems to me that we are on far sounder ground fiscally and otherwise to approve this legislation.

According to the committee, the five vessels in their last year of operation lost $18 million. What we ought to do is sell the five and put one in the reserve fleet. We may have to put the other in the reserve fleet if we do not get a buyer for it.

It seems to me, in light of the practical circumstances, we are all better off to take the course of action that the committee has recommended. I would prefer it if we could get passengers and could cut down the subsidy and have them sail the seven seas, but they are not going to operate. They have not for over a year, and they will not in the future. So, we are stuck with mortgages in which we have an interest, the operators have an interest, and it just seems to me that we ought to transfer the account as far as we are concerned and buy off the interests of the operators, sell the vessels if we can, and take that money which we get from the sale and put it into new construction of cargo vessels that will sail the seven seas and which will provide jobs for American seamen.

It is just that simple.

The other alternative gives you nothing except never-ending expense. It is just that pragmatic.

Mr. DOWNING. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. Yes; I yield to the gentleman from Virginia.

Mr. DOWNING. I would like to compliment the distinguished minority leader and say that he is exactly right.

I would like to also tell my friends in the House that this committee is dedicated to the proposition of protecting and promoting the merchant marine of this country. We have got to have it not only from a cargo and trade situation, but from the standpoint of national defense.

There is not one member of this committee that would do anything to harm the merchant marine. We do not want to do this. However, we have exhausted every possibility with reference to this particular situation and this is the only alternative that we can find at the present time. There is no other alternative.

Mr. GERALD R. FORD. We have three or four bad alternatives, and this is the most practical and most responsible alternative out of a number of bad choices.

If you vote "no," you will vote to continue paying off mortgages on ships that are not going to sail. It just seems to me that we ought to get our money out by selling the ships and build some more ships that will provide American jobs.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. Yes; I yield to the gentleman from North Carolina.

Mr. JONAS. Would it be correct to say that this is another example of the United States pricing itself out of the world market?

Mr. GERALD R. FORD. I am told that under the old agreements ships of this kind were overloaded with help and, therefore, they could not compete with foreign competition. I also know, however, that about a year and a half ago the head of one of the maritime unions was willing to make some reduction in the number of personnel. But even with those reductions, they found out they could not operate on a competitive basis. Therefore, the net result is that the ships lost millions last year. With the competitive situation which exists now, they will lose many more millions in the next 12

months. It just does not make sense to keep them going.

Mr. Chairman, I hope the bill is approved.

Mr. EVANS of Colorado. Mr. Chairman, I move to strike the requisite number of words.

I have a few questions which I would like to ask as to the various alternatives that the shippers explored and new ideas that may have been explored in an effort to keep these ships operating profitably.

I understand that there are new ideas that have come into the passenger business.

Was this question entered into on the part of the committee? Did the committee explore the question of new ideas that might turn these ships into profitable operations?

Mr. DOWNING. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I yield to the gentleman from Virginia.

Mr. DOWNING. Yes, indeed. The Maritime Administrator went into this during his testimony. We did look into every conceivable aspect of this. One was to, perhaps, convert these ships to cruise ships because, if that trade is so profitable as the gentlewoman from Missouri says it is, these people would have jumped through hoops to have gotten into that business, but that was not feasible.

Another idea was to sell these ships and to form a consortium and build two or three super cruise ships under the American flag. However, this idea was found not to be feasible. We exhausted every possibility.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield to me?

Mr. EVANS of Colorado. Yes, I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. The gentleman is right when he says that the Maritime Administrator did say this, but he never brought anything before us as to whom he contacted and as to what efforts he really made to get someone to operate these as cruise ships. It was discussed but no evidence was presented to us along this line.

Mr. TIERNAN. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. Yes, I yield to the gentleman from Rhode Island.

Mr. TIERNAN. Earlier in the debate it was pointed out that the operators of the *Santa Paula* and the *Santa Rosa* testified before the committee that they made 17 changes in trying to beef up the tourists attractions to passengers but that in 1969 that line lost $1.3 million and it cost the Government in addition a subsidy of over $500 per passenger and the company still lost $104 per passenger.

It carried over 10,000 passengers in 1969. These are operators that are in this business to make money, they are not trying to lose money. But, in addition to them losing money we still had to pay them the subsidy for carrying the passengers.

Mr. EVANS of Colorado. I thank the gentleman for his response, which leads me to the second question:

It is my understanding that in 1 year we lost some $18 million with regard to the operation of these ships which we are now considering authorizing for sale.

Mr. TIERNAN. That is correct.

Mr. EVANS of Colorado. Then there was the figure of $80 million that was mentioned to continue subsidizing.

Mr. TIERNAN. That is the estimate as to what it would cost to continue these passenger ships in the trade, to subsidize them so that they would break even—only to break even. That means that would be the additional amount that would be necessary to subsidize the operation of these seven vessels in passenger service.

Mr. EVANS of Colorado. Does the $80 million represent any capital construction costs?

Mr. TIERNAN. No. This is just strictly the operating subsidy.

Mr. EVANS of Colorado. I thank the gentleman.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BOGGS) having assumed the chair, Mr. SMITH of Iowa, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11589) to authorize the foreign sale of certain passenger vessels, pursuant to House Resolution 697, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. SULLIVAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 253, nays 139, not voting 38, as follows:

[Roll No. 422]

YEAS—253

Adams	Cabell	Dent
Addabbo	Caffery	Dickinson
Anderson, Ill.	Camp	Dingell
Anderson, Tenn.	Carey, N.Y.	Dorn
Archer	Carter	Downing
Arends	Casey, Tex.	du Pont
Ashley	Cederberg	Dwyer
Aspinall	Celler	Eckhardt
Baker	Chamberlain	Edwards, Ala.
Bell	Clark	Edwards, Calif.
Bergland	Clausen, Don H.	Esch
Betts	Clawson, Del	Fascell
Blackburn	Cleveland	Findley
Blanton	Collier	Fish
Boggs	Collins, Tex.	Fisher
Boland	Colmer	Flowers
Brademas	Conable	Flynt
Brasco	Conte	Foley
Bray	Crane	Ford, Gerald R.
Brinkley	Daniel, Va.	Ford, William D.
Brooks	Davis, Ga.	Forsythe
Brown, Ohio	Davis, Wis.	Fountain
Buchanan	de la Garza	Fraser
Burke, Mass.	Delaney	Frelinghuysen
Burleson, Tex.	Dellenback	Frenzel
Frey	McKay	Roush
Fulton, Tenn.	McKevitt	Ruppe
Fuqua	McKinney	Ruth
Garmatz	Macdonald, Mass.	St Germain
Gibbons	Mahon	Sandman
Goodling	Mailliard	Scherle
Gray	Mann	Schmitz
Griffin	Mathias, Calif.	Schneebeli
Griffiths	Matsunaga	Schwengel
Grover	Mayne	Scott
Gude	Meeds	Shoup
Hagan	Melcher	Smith, Iowa
Haley	Mikva	Smith, N.Y.
Hamilton	Miller, Calif.	Snyder
Hansen, Idaho	Mills, Ark.	Springer
Harrington	Mills, Md.	Staggers
Harvey	Mizell	Stanton, J. William
Hastings	Mollohan	Stanton, James V.
Hathaway	Monagan	Steele
Heinz	Montgomery	Steiger, Ariz.
Henderson	Moorhead	Steiger, Wis.
Hillis	Morgan	Stephens
Hogan	Morse	Stratton
Hosmer	Mosher	Stubblefield
Howard	Moss	Stuckey
Hunt	Murphy, Ill.	Talcott
Jacobs	Natcher	Taylor
Jarman	Nedzi	Teague, Calif.
Johnson, Calif.	Nichols	Terry
Johnson, Pa.	O'Hara	Thompson, Ga.
Jonas	O'Konski	Thompson, N.J.
Jones, Ala.	O'Neill	Thomson, Wis.
Jones, N.C.	Passman	Tiernan
Jones, Tenn.	Patten	Udall
Karth	Pelly	Ullman
Kastenmeier	Perkins	Van Deerlin
Kazen	Pettis	Vander Jagt
Keating	Peyser	Vanik
Keith	Pickle	Veysey
King	Pike	Vigorito
Kluczynski	Pirnie	Waggonner
Kuykendall	Poage	Wampler
Kyl	Poff	Ware
Kyros	Powell	Whalen
Leggett	Preyer, N.C.	White
Lennon	Price, Tex.	Whitehurst
Lent	Purcell	Whitten
Lloyd	Quie	Widnall
Long, La.	Quillen	Wiggins
Long, Md.	Rees	Williams
Lujan	Reid, N.Y.	Wilson, Bob
McCloskey	Reuss	Winn
McClure	Rhodes	Wyatt
McCollister	Robinson, Va.	Wydler
McCormack	Robison, N.Y.	Wylie
McCulloch	Rogers	Wyman
McDade	Rooney, N.Y.	Young, Fla.
McDonald, Mich.	Rooney, Pa.	Zion
McEwen	Rosenthal	
McFall	Rostenkowski	

NAYS—139

Abernethy	Danielson	Kemp
Abourezk	Denholm	Koch
Abzug	Dennis	Landgrebe
Alexander	Devine	Latta
Anderson, Calif.	Donohue	Link
Andrews, N. Dak.	Dow	McMillan
Annunzio	Drinan	Madden
Ashbrook	Dulski	Martin
Aspin	Duncan	Mathis, Ga.
Badillo	Edmondson	Mazzoli
Barrett	Eshleman	Metcalfe
Begich	Evans, Colo.	Miller, Ohio
Bennett	Flood	Minish
Bevill	Galifianakis	Mink
Biaggi	Gallagher	Minshall
Blester	Gaydos	Mitchell
Bingham	Gialmo	Myers
Bolling	Gonzalez	Nix
Bow	Grasso	Obey
Broomfield	Green, Oreg.	Pepper
Brotzman	Green, Pa.	Podell
Brown, Mich.	Gross	Pucinski
Broyhill, N.C.	Hall	Randall
Burke, Fla.	Halpern	Rangel
Burlison, Mo.	Hammer-schmidt	Rarick
Byrnes, Wis.	Hanley	Roberts
Byron	Hansen, Wash.	Roe
Carney	Harsha	Roncallo
Chappell	Hays	Rousselot
Chisholm	Hechler, W. Va.	Roybal
Clancy	Heckler, Mass.	Runnels
Clay	Helstoski	Ryan
Collins, Ill.	Hicks, Mass.	Sarbanes
Conyers	Hicks, Wash.	Satterfield
Corman	Holifield	Saylor
Cotter	Hull	Scheuer
Coughlin	Hungate	Sebelius
Culver	Hutchinson	Selberling
Daniels, N.J.	Ichord	Shipley
	Kee	Shriver

Skubitz	Symington	Yates
Slack	Teague, Tex.	Yatron
Smith, Calif.	Thone	Young, Tex.
Spence	Waldie	Zablocki
Steed	Whalley	Zwach
Stokes	Wolff	
Sullivan	Wright	

NOT VOTING—38

Abbitt	Edwards, La.	Michel
Andrews, Ala.	Ellberg	Murphy, N.Y.
Baring	Erlenborn	Nelsen
Belcher	Evins, Tenn.	Patman
Blatnik	Gettys	Price, Ill.
Broyhill, Va.	Goldwater	Pryor, Ark.
Burton	Gubser	Railsback
Byrne, Pa.	Hanna	Riegle
Davis, S.C.	Hawkins	Rodino
Dellums	Hébert	Sikes
Derwinski	Horton	Sisk
Diggs	Landrum	Wilson, Charles H.
Dowdy	McClory	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Charles H. Wilson against.

Mr. Blatnik for, with Mr. Price of Illinois against.

Mr. Gettys for, with Mr. Diggs against.

Mr. Patman for, with Mr. Hawkins against.

Mr. Murphy of New York for, with Mr. Dellums against.

Mr. Sikes for, with Mr. Davis of South Carolina against.

Until further notice:

Mr. Sisk with Mr. Horton.

Mr. Abbitt with Mr. Belcher.

Mr. Rodino with Mr. Railsback.

Mr. Evins of Tennessee with Mr. Broyhill of Virginia.

Mr. Ellberg with Mr. Erlenborn.

Mr. Byrne of Pennsylvania with Mr. Riegle.

Mr. Burton with Mr. Goldwater.

Mr. Hanna with Mr. Gubser.

Mr. Landrum with Mr. McClory.

Mr. Pryor of Arkansas with Mr. Derwinski.

Mr. Andrews of Alabama with Mr. Michel.

Mr. Baring with Mr. Nelsen.

Messrs. ROONEY of New York, O'KONSKI, and SCHMITZ changed their votes from "nay" to "yea."

Messrs. ROY and HOLIFIELD changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. HALL. Mr. Speaker, reserving the right to object, I wonder if we could get some expression from the majority leader as to the plans and program if this unanimous-consent request is acquiesced in.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from Louisiana.

Mr. BOGGS. Mr. Speaker, in reply to the inquiry of the gentleman from Missouri, first we plan to consider the rule on the District of Columbia appropriation bill today, but we will not consider the bill. It is our hope that if this request is granted, and we are able to come in at 11 o'clock tomorrow morning, that we will consider both the District of Columbia appropriation bill and the supplemental appropriation bill tomorrow. In that event we will not have a session on Friday.

Mr. HALL. Mr. Speaker, further reserving the right to object, may I ask the distinguished majority leader if the fact that we do not plan to work Friday and Saturday will further our efforts toward reaching pell-mell an adjournment sine die? Can the gentleman give us assurances that our work in the House is caught up so that we can adjourn some time next week?

Mr. BOGGS. If the gentleman will yield further, I cannot assure the gentleman that we will adjourn some time next week, but I can assure the gentleman that, if we adopt the rule today and complete the work on these two bills, that we will be able to complete our scheduled work for next week. There are other matters that cannot be considered either Friday or Saturday of this week, matters such as the conference report on the tax bill, which is now in conference. I am informed that the conferees expect to conclude their work maybe tonight. It is a real long bill, and a very difficult bill. They have asked that they may have until Saturday midnight to complete their work on the report on the bill. Under the Rules of the House, the report must lay over for 3 days, so that we could not consider the conference report on that bill before the middle of next week at the very earliest.

Other matters still pending, and which are not ready for floor consideration, are matters such as the President's economic program. There is only one remaining regular appropriation bill, and that is the foreign aid bill, which we hope to dispose of next week.

Mr. HALL. Mr. Speaker, is it the opinion of the distinguished gentleman from Louisiana that if we do dispose of that next week that there will be a concerted effort on the part of the leadership of the House to force the other body to meet their original commitment and adjourn at least by the end of the next week, and I mean adjourn sine die?

Mr. BOGGS. I would say to the gentleman from Missouri that the leadership on the part of the House is doing everything possible to expedite the work of this body each day, and between now and adjournment. I, of course, would hope that we could conclude all of our work next week. I believe the House can.

Mr. HALL. Mr. Speaker, far be it from me to stand in the way of an adjournment sine die, on which we have waited much too long.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

RECOMMITTAL OF SENATE CONCURRENT RESOLUTION 6, PUBLIC HEALTH SERVICE HOSPITALS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the conference report on the Senate concurrent resolution, Senate Concurrent Resolution 6, be recommitted to the committee of conference.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

REQUEST TO CONSIDER S. 1163, AMENDING OLDER AMERICANS ACT OF 1965

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1163) to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal projects, nutrition training and education projects, opportunity for social contacts, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, and I should say I do intend to object, I ask the distinguished chairman of the Committee on Education and Labor—has his committee reported out a bill on this subject matter?

Mr. PERKINS. Mr. Speaker, let me say to the distinguished minority leader that the committee has not reported out a bill, but the subcommittee headed by our distinguished colleague, the gentleman from Indiana (Mr. BRADEMAS) has just conducted extensive hearings.

In the event that objection is heard and the bill is not to be considered today, we are going to report it out tomorrow from the full committee and consider it under suspension of the rules. I thought this would be a way to expedite consideration of the bill since that is the feeling of the members of the committee.

Mr. Speaker, as you know, the White House Conference on Aging is now in progress, bringing to our Nation's Capital thousands of older citizens and other delegates vitally concerned with the needs of 20 million older Americans.

I have just returned from the Conference and I had an opportunity to assure a large group of delegates of the concern of the Congress for their problems. I also assured them of my belief that the Congress will act as promptly as possible to implement the constructive recommendations they are making for effective programs to deal with their problems.

There is, indeed, one of these needs, an urgent one, on which we can act today.

Both Houses of the Congress have had extensive hearings on legislation to establish a nutrition program for the elderly. The testimony has confirmed the validity of the recommendation of the Panel on Aging of the 1969 White House Conference on Food, Nutrition, and Health, that:

> The United States Government . . . now accept its obligation to provide the opportunity for adequate nutrition to every aged resident of the country.

Since that time a series of successful demonstration projects throughout the country have proven that a significant contribution to better nutrition for the elderly can be made through programs of group meals, providing good food in a stimulating social context. It has shown also that such a program can provide the focal point for a variety of recreational activities, health counseling, informational and referral services and other programs needed to meet the complex problems of the elderly.

Some of the pioneer programs have been discontinued because of the difficulty of obtaining local funding after Federal demonstration grants have been exhausted. But, in response to appeals from Members of the Congress earlier this year, the administration provided special funding to continue the existing 18 to 20 nutrition programs while the Congress considered the establishment of a workable national program.

Yesterday, the Senate approved such a program by a vote of 88 to 0. This program, incorporated in S. 1163, is substantially the program on which my committee has conducted extensive hearings over the last 2 years. I believe, therefore, that we are in a position to act immediately, by concurring in the action of the other body, to authorize now the establishment of a national program of better nutrition for the elderly.

S. 1163 would initiate, beginning with the fiscal year 1973, a 2-year program of grants to the States based upon the number of persons 60 years old and older in each State. Each State would be guaranteed no less than one-half of 1 percent of the total appropriation for the program, which would be authorized at the level of $100 million for fiscal 1973 and $150 million for fiscal 1974.

The Federal Government would provide 90 percent of the cost of this program and the States would carry out the program, in accordance with a State plan approved by the Department of Health, Education, and Welfare's Administration on Aging, through grants or contracts with local public agencies and nonprofit private institutions.

The legislation amends the Older Americans Act of 1965 by creating a new title to authorize grants to the States for the purpose of providing low cost, nutritionally sound meals to persons 60 years of age or older and their spouses. Participating States must designate a single State agency to administer and coordinate the nutrition program in the State and may utilize up to 10 percent of their allotment for administrative costs.

The States would be required to give preference, in making grants or awarding contracts, to projects which would serve primarily low income persons. Their plans also assure that, to the extent feasible, projects will be operated which will meet the needs of minority, Indian and limited English-speaking persons in proportion to their numbers in the State.

Each project would be required to provide at least one hot meal on five or more days per week, and each meal must provide at least one-third of the daily dietary requirements as established by the Food and Nutrition Board of the National Academy of Sciences. The projects would be eligible for and would be encouraged to use surplus agricultural commodities in their meals programs.

Recipients of a grant or contract would be required to provide a conveniently located site for the program, would be required to engage in an outreach program to bring in eligible persons, and would be required to afford supportive services such as recreational activities, health and welfare counseling, and informational and referral services, where they are not otherwise available. Where appropriate, home-delivered meals would be provided for the homebound and transportation would be provided where this might be necessary.

Mr. GERALD R. FORD. Mr. Speaker, let me say to my friend, the gentleman from Kentucky, that at least we would have an opportunity to see the bill reported by a House committee under that procedure and we would at least get 40 minutes of debate under that procedure, with some forewarning that the legislation was coming to the floor of the House.

As I understand the other body passed the bill yesterday and you want to bring it up under unanimous consent today without any forewarning to the membership as a whole. The Chairman did call me this morning—which I appreciate but which I do not think is adequate notice to the other 433 Members of the House.

Mr. PERKINS. Before the gentleman from Michigan objects, if he will yield further.

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. PERKINS. The distinguished minority leader knows that the bill passed the other body by a vote of 88 to 0—zero. I do not know of any opposition in the Chamber to this legislation and I thought it would just expedite the procedure all the way around if we could get it out of the way.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. If I may respond to the gentleman's comment about the desirability of doing what the other body did—just because 88 of them voted unanimously. It might be that 88 of them were wrong in this case. I am not about to make this a unicameral legislative body, and I do not think the gentleman from Kentucky wants to follow that procedure.

Therefore, Mr. Speaker, after I yield to my friend from Indiana, I intend to object.

Mr. BRADEMAS. Mr. Speaker, if the distinguished minority leader will yield, and I appreciate his yielding, I would like only to supplement the plea of the distinguished chairman of the committee, the gentleman from Kentucky (Mr. PERKINS) and observe that the major theme of the White House conference on aging, which will adjourn tomorrow, has been that it is time to stop the speeches and start the action for the older people of our society. If the House of Representatives were today, with broad bipartisan support, as did the other body yesterday, to agree to the passage of this legislation to provide nutritional programs for older Americans, it would be the finest possible demonstration that the House of Representative is responding to the oft repeated pledge of the Chairman of the White House Conference on Aging, Dr. Arthur Flemming, that the conference would be preceded by "vigorous and effective action" for the aging, and that the conference would not be simply more speeches and resolutions.

So I hope the distinguished minority leader will reconsider what he has in mind and that he will not object to action today on the nutrition for the elderly bill.

Mr. GERALD R. FORD. I can only comment that this is almost the 12th month of opportunity for the Committee on Education and Labor to conclude its hearings and to bring forth a bill on this subject to the floor of the House. It is too bad that there was not greater urgency in the committee prior to the on holding of the White House Conference on Aging. It is too bad that there was this dilatory action that now seems to require some expediting merely to take a piece of paper up to the Conference and say, "Look what we have done."

I was hoping that the urgency of this legislation would have been far more obvious and we could have had good legislation on this subject through the House in the regular way by this time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. Apropos the remarks of the gentleman from Indiana regarding Dr. Flemming, it has been my observation over a number of years that Dr. Flemming has made a good many speeches in the past and I expect he will make a lot of speeches in the future.

Mr. HALL. And he usually has had his hand out.

Mr. GROSS. Yes; that is right.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield further?

Mr. GERALD R. FORD. I yield once more to the gentleman from Indiana.

Mr. BRADEMAS. I thank my colleague.

I hope, Mr. Speaker, that my distinguished friend, the minority leader, will reconsider the potential significance of his phrase, "the staging of the White House Conference." I am one of those who have expressed the hope that the White House Conference will mean bipartisan support for action for the aging and not just rhetoric. Now we have an opportunity to act, I hope, therefore, that the distinguished minority leader will not stand in the way of action for the aging. For, if he does, it will make it abundantly clear that the White House Conference on Aging has, indeed, been "staged" for the political benefit of the administration and little else.

Indeed, Mr. Speaker, I am constrained to confess that I am distressed—but not astonished—that the distinguished Republican leader of the House of Representatives should now be objecting to action today by the House of Representatives to approve this legislation so crucial to the lives of older people of America.

For, Mr. Speaker, way back in 1935, the principal opponents to President Franklin Roosevelt's social security proposal came from Republicans while the principal supporters for that historic measure to make life better for retired persons came from Democrats.

Over a generation ago, then, Democrats were working hard for programs to benefit the older citizens of this land; and Democrats are still working hard in Washington to forward that objective.

And, Mr. Speaker, only a generation ago, Republicans were working against programs to benefit the older citizens of this land; and Republicans are still working hard in Washington against such programs. The minority leader's action today to block House approval of the nutrition program for the elderly is a prime example of this attitude of hostility to action for the aging.

Mr. Speaker, I have the honor to be the chairman of that subcommittee of the House of Representatives with jurisdiction over the Older Americans Act of 1965 as well as over a number of other programs relating to the elderly, and I therefore take this opportunity to comment on the wide gulf between the rhetoric of the Nixon administration on the problems of the aging and the actions of the administration.

Mr. Speaker, the Census Bureau reports that there are today over 20 million Americans 65 and over, and by 1990, there will be over 27 million elderly in the Nation. For while the total U.S. population has tripled, the older population has increased sevenfold.

All of us here are aware of the needs of the elderly in American life—adequate retirement income, decent health care, sound nutrition, recreational and community service opportunities, housing, transportation, education and employment—to cite only the most obvious.

Tomorrow the White House Conference on Aging, called by President Nixon and meeting here this week in the Nation's Capital, will adjourn.

Mr. Speaker, the "staging," to use the revealing words of minority leader FORD in describing the White House Conference on Aging, when measured by the action of the Republican leader of the House today, is a dramatic symbol of the gap of which I speak, the gap between words and deeds.

So let us now review the record of the Nixon administration on problems of the aging.

For, I think you will all agree, in a democracy like ours, it is essential—if Government is to be responsible and responsive—to compare the promises of canidates with their performance once in office—and this requirement includes not only Congressmen and Senators but Presidents as well.

It was, I remind you, at a convention of the National Retired Teachers Association and the American Association of Retired Persons in Chicago, Ill., that, on June 25, 1971, President Nixon declared that:

> The generation over 65 is a very special group which faces very special problems—it deserves very special attention. That is why we have been moving to insure that our older citizens get that special attention that they deserve.

These eloquent words were an echo of the words with which nearly a year and a half ago, on April 9, 1970, President Nixon, proclaimed May as Senior Citizens Month and issued a call for a national aging policy.

Said the President:

> For too long we have lacked a national policy and commitment to provide adequate services and opportunities for older people.

Let us then make a judgment, during this week of the White House Conference of Aging, on the extent to which President Nixon has—or has not—fashioned a national policy and commitment to provide adequate services and opportunities for older people.

Let us compare the rhetoric with the action, which is exactly what Richard Nixon, just 3 years ago, on October 22, 1968, urged, in a nationwide radio address when he said:

> For my part, I will make this pledge. I will never promise what I cannot deliver.

So let us look at the record.

RETIREMENT INCOME

Mr. Speaker, take the issue of retirement income. You and I know that inflation is the continuing enemy of the aging citizen, hitting older persons harder than those of any other age group.

Many of us in the last Congress championed a 15-percent increase in social security benefits. But Mr. Nixon said, "No," asked for only 7 percent and even went on to threaten a veto of the 15-percent hike recommended by the House Ways and Means Committee. Only the fact that the 15-percent increase was made part of the tax reform bill, which the President badly wanted, caused him to sign the bill containing the 15-percent figure.

That the administration should now claim credit—as it has attempted to do—for the 15-percent rise in social security benefits is therefore little short of hypocrisy.

NUTRITION

Mr. Speaker, we have today been discussing the area of nutrition. In October 1969 the White House Conference on Food, Nutrition, and Health recommended programs of adequate nutrition for aged citizens and called for developing a new system of food delivery for them.

And President Nixon's own Task Force on Aging in April 1970 urged him to direct the Administration on Aging and the Department of Agriculture to develop nutritional programs for the elderly.

Yet earlier this year, when our Select Education Subcommittee, following through on these recommendations, held hearings on legislation introduced by our distinguished colleague, the gentleman from Florida (Mr. PEPPER), and the distinguished senior Senator from Massachusetts (Mr. KENNEDY) to establish a nutritional program for the elderly, what was the response of the administration of Richard Nixon? I can tell you. The answer was "No."

That beleaguered Presidential appointee, the Commissioner on Aging, John Martin, told our subcommittee that the administration was opposed to the Pepper-Kennedy bill but would come up with another proposal. We are still waiting—but I am not holding my breadth, and I do not think the older citizens of America who need low-priced nutritional meals should do so, either. Happily, the Senate yesterday, by a vote of 89 to 0, passed the bill establishing nutritional programs for the elderly. Unhappily the objection of the Republican leader of the House has blocked similar action today by the House.

NURSING HOMES

Mr. Speaker, let me turn to another area of concern to America's elderly. You may have read the President's recent bold pronouncement against the shortcomings of substandard nursing homes. The Federal Government should not, he said, subsidize such homes with Federal funds such as medicaid.

Yet you and I know that the Federal Government even today continues to pay vast sums to nursing homes which fall far short of meeting the requirements of the 20th century. So the talk sounds fine, but the action is missing.

What we need, if there is a genuine determination to do something about substandard nursing homes in this country, is less Presidential rhetoric and more Presidential action to enforce Federal regulations in all nursing homes receiving Federal funds.

Or let me remind you that in his 1968 campaign, Mr. Nixon pledged to sponsor restoration of full deductibility of medical expenses of those aged 65 and over. Well, let me tell you something: On Capitol Hill, we are still waiting for his proposal.

ADMINISTRATION ON AGING

Mr. Speaker, perhaps the most obvious symbol of how this administration has been long on rhetoric about helping older Americans but scandalously short on action has been the vigorous way in which the administration has fought to weaken and cripple the agency which both Democrats and Republicans in Congress joined to establish 5 years ago to assure high level attention in the Federal Government to the problems of the elderly.

I speak, of course, of the Administration on Aging, created in 1965 in the Department of Helath, Education, and Welfare, to be headed by a Presidentially appointed Commissioner, who would report directly to the Secretary of Health, Education, and Welfare.

What has Mr. Nixon done to make good on his promise to give "very special attention" to the "very special group" known as "the generation over 65"—and you will, of course, observe that I am simply here quoting the words of the President.

Time after time this year, the Nixon administration has acted to strangle the Federal agency most directly concerned with the needs of America's senior citizens, the Administration on Aging.

Earlier this year, the research function of the Administration on Aging was transferred away from it to the Social and Rehabilitation Service.

Then, Mr. Speaker, the administration removed both the foster grandparents and the RSVP—retired senior volunteer program—from the Administration on Aging to place them in a new agency, which is not chiefly concerned with problems of the elderly.

And then the President moved to eviscerate the important program of the Administration on Aging for community projects for the elderly by cutting $3.65 million from the budget for them, slicing $3 million off the budget for foster grandparents, and by slashing another $2.15 million for research and training of personnel concerned with aging.

Were these actions taken, one must ask, in order to make good on the President's plea for "a national policy and commitment to provide adequate services and opportunities for older people"?

Mr. Speaker, I am pleased to tell you that, on learning of these proposed budget cuts, I immediately convened the Select Subcommittee on Education to demand an explanation from administration officials of these extraordinary actions.

I am still more pleased to tell you that, in responding to our bipartisan criticism of this further administration retreat from responsibility, Secretary of Health, Education, and Welfare, Elliot Richardson, announced the following month that the budget of the Administration on Aging would be amended to continue both community projects and foster grandparent programs at the current fiscal year funding level. The Secretary also agreed to restore funds for research and training and to request an increase of $1.2 million above the amount originally asked for in fiscal year 1972 for area-wide model projects for the aging.

HOUSING

Or, Mr. Speaker, what about housing for the elderly? It is true that over the past 10 years, the Federal Government has opened housing programs for the elderly that have produced an average of 37,000 new units annually.

But we need at least 120,000 such units a year. There is only one program that has produced a substantial number of decent homes at rates that older persons can afford—section 202 of the Housing Act, which provides direct loans at nominal interest rates to nonprofit sponsors of housing for the elderly. And what is the administration doing? It is phasing out the program.

EMPLOYMENT OPPORTUNITIES

You and I know that another problem that afflicts many middle-aged and older persons today is the lack of employment opportunities.

That is why many of us in Congress favor a proposal known as the Older Americans Community Service Employment Act, which would help assure a chance for useful and constructive jobs.

And Mr. Speaker, what did the spokesman for the Nixon administration have to say about this? Once again, Commissioner Martin was sent to Capitol Hill to testify against the bill, "in view of activities which are currently being carried out under present law, proposals pending before Congress and legislation being developed for early submission to Congress". Does the theme begin to sound familiar?

And I can cite still more examples of the policy of this administration of consistent opposition to effective action for America's elderly.

MEDICARE-MEDICAID

The administration has recommended a one-third cutback in Federal medicaid matching after a medicaid patient had received 90 days of care in a nursing home or mental hospital or 60 days in a general hospital.

The administration is proposing, as part of its comprehensive health package this year, to combine medicare parts A and B and increase medicaid copayments. In other words, the older patient pays more.

And of course, the President struck another serious blow at older citizens when several weeks ago, in imposing the wage-price freeze, he called for a 1-year delay in welfare reform—which of course means a 1-year delay in social security increases.

Mr. Speaker, I hope that what I have been saying today will enable those concerned with problems of the elderly better to understand why so many of us in Congress are so profoundly skeptical of the pretensions and promises of the Nixon administration in the field of the aging.

ACTION OR RHETORIC?

And I hope that it will be clearer why many of us in Congress have come to the point where we are far less interested in hearing the speeches of administration officials about how deeply they are concerned about the problems of older Americans—and why we are far more interested in seeing the evidence of genuine commitment, both to programs and to money, to help meet these problems.

Mr. Speaker, it was only a few weeks ago, I remind you, that the distinguished Chairman of the White House Conference on Aging, Dr. Arthur Flemming, the former Secretary of Health, Education, and Welfare and a man for whom I have the highest respect, appeared before my subcommittee to make us still another promise. Said Dr. Flemning:

> The President has talked with me about his deep concerns regarding this issue, (the problems of aging) and, as a result, I have no hesistancy in saying that between now and the time for the White House Conference, the nation will witness vigorous and effective action in this area.

I must remind Dr. Flemming that his time is running out. He testified before us on September 22. Today is December 1. The White House conference ends tomorrow, December 2.

Mr. Speaker, if there has been vigorous and effective action for older Americans on the part of an administration which is usually not reticent about trumpeting its accomplishments, there is precious little evidence of it.

I was present at a meeting of retirees last month when Dr. Flemming reminded us of the Biblical admonition, "Thou shalt love thy neighbor as thyself"—but I must add—that under this administration the commandment has been changed to read, "Thou shalt love thy neighbor as thyself . . . provided that the Office of Management and Budget says it is all right to do so."

TOO MUCH SPENDING ON THE ELDERLY?

And somehow, I regret to tell you, I am not surprised. For if Dr. Flemming had proved right in his prediction, it would mean a notable change from the previous record of this administration on problems of the retirement generation. It was, indeed, in 1969 that the administration gave vent to its true feelings on problems of the aging—in the words of the then Secretary of Health, Education, and Welfare and now Counselor to the President, Robert Finch, who made his view very clear—that the Federal Government spends too much on programs for the elderly.

Said Secretary Finch:

> This relative imbalance (between expenditures for the elderly and expenditures for the young) has been expanding with the increase over the last ten years for the aged.

Mr. Finch of course ignored the fact that the increases in funds for the aged largely represented payments under social security, payments contributed by workers and employers and not by the Federal Government.

And Mr. Speaker, I here cannot resist quoting Secretary Finch on April 9, 1969 when he said:

> I'd like to see a great chunk of resources put in at the lower end of the aged spectrum and hold it at the top end.

For I speak not only as a cosponsor of the Older Americans Act but a principal sponsor of the Comprehensive Child Development Act, now awaiting final action by Congress, a bill aimed at providing the most important advance for very young children in a decade. Is the administration of Richard Nixon, which now employs Mr. Finch in the White House supporting this effort to increase the resources at the lower end of the age spectrum?

Not at all, for White House lobbyists have been threatening a veto of this child day care program, too. In other words, the administration is saying "no" to both the youngest and the oldest of our society.

NOT RESOLUTIONS, BUT ACTION

So where does this all leave us?

Mr. Speaker, I still hope that Dr. Flemming proves right and that the White House Conference on Aging will be fruitful, but I must here observe that the success of the conference must be judged not by the resolutions it produces but by the action it causes on behalf of the older people of our country.

And I believe that every older American has the right to ask if the 1971 White House Conference on Aging is to be either a genuine prelude to effective action, or if it is to be nothing more than a political coverup for this administration's continuing opposition to congressional initiatives to improve social security benefits, housing, health care, nutrition, and other programs crucial to the lives of the elderly.

Sadly, only today, we have seen—in the blocking by the Republican leader of the House of a vote on the nutrition for the elderly program—the latest instance of this opposition.

But I believe the time has come for action—and I believe that many Members of the U.S. House of Representatives and Senate—of both parties—share this conviction.

That is why a Select Education Subcommittee has already held hearings here in Washington, D.C. in Chicago, in New York City, in Boston, and will continue them elsewhere in the Nation in coming months—to hear the views of representative citizens on the problems of the elderly and on effective ways of coping with those problems.

As we continue our hearings, we shall, by way of carrying out our congressional oversight responsibility, listen to comments on how the Nixon administration is implementing the demonstrated intent of Congress with respect to Federal programs to benefit the elderly.

ADMINISTRATION SABOTAGE OF OLDER AMERICANS PROGRAMS

Is this administration trying to make these programs work, or is it seeking rather to sabotage them?

Mr. Speaker, members of our subcommittee will also seek to obtain ideas and suggestions for legislation to assure not a piecemeal approach to problems of the aged but instead to consider whether the time has now come to provide comprehensive services for the older citizens of our society.

Indeed, Mr. Speaker, I am glad to say that legislation to make available such services will be introduced tomorrow by 10 members of the House Committee on Education and Labor.

Following is a list of the initial sponsors of the comprehensive older American services bill: JOHN BRADEMAS, of Indiana; CARL D. PERKINS, of Kentucky; PATSY T. MINK, of Hawaii; LLOYD MEEDS, of Washington; JAMES H. SCHEUER, of New York; JOSEPH M. GAYDOS, of Pennsylvania; WILLIAM "BILL" CLAY, of Missouri; SHIRLEY CHISHOLM, of New York; ELLA T. GRASSO, of Connecticut; and JOHN DENT, of Pennsylvania.

Mr. Speaker, some may think that I have been too harsh in my criticism of the present administration with respect to its policy regarding older citizens. Yet I believe most Members would agree that if Government in modern America is to be credible, if the people are to have any respect at all for the solemn declarations made by those whom they have elected to serve them in the highest positions of responsibility, then those of us who share in that responsibility—as we in Congress do—must speak out when we see such yawning gaps between promise and performance as have characterized the record of the administration of Richard Nixon and of many leaders of the Republican Party in dealing with problems of the elderly during the nearly 3 years which it has held office.

Listen to these words:

> From its beginnings, the American nation has been dedicated to the constant pursuit of better tomorrows. Yet, for many of our 20 million older Americans the "tomorrows" that arrive with their later years have not been better. Rather than days of reward, happiness, and opportunity, they have too often been days of disappointment, loneliness, and anxiety. It is imperative that this situation be changed.

Those moving words were uttered on April 20, 1971 by President Nixon as he proclaimed Senior Citizens Month.

Mr. Speaker, let us all help the President make good on his promises.

That is why it is imperative that those of us who are concerned about problems of the aging discuss the Nixon administration's policy of inaction and opposition to programs for the elderly.

And that is why we must continue to work for constructive programs of action and a greater commitment of funds for programs that benefit the older people of our land.

Mr. Speaker, let me conclude these remarks with some words of a great American, on whose staff I once had the honor to serve for nearly a year, the late Adlai E. Stevenson.

Said Mr. Stevenson:

> What a man knows at 50 that he did not know at 20 is, for the most part, incommunicable. The knowledge that he has acquired with age is not the knowledge of formulas or forms or words, but of people, places, action—a knowledge not gained by words but by touch, sight, sound, victories, failures, sleeplessness, devotion, love—the experiences and emotions of this earth and one's self and of other men and perhaps, too, a little faith and a little reverence for the things you cannot see.

Mr. Speaker, the kind of knowledge, the kind of faith, the kind of reverence which characterizes the older people of our society is much too scarce and much too precious in this great and wealthy Nation of ours to be either wasted or, perhaps worse, ignored.

The time has come then—the time is now—for a genuine commitment—not of words, but of deeds—to lifting the quality of life of the older citizens of the United States.

Mr. Speaker, the time has come for less talk about, and more action for, the aging of America.

Mr. Speaker, I insert at this point in the RECORD a number of recent articles and reports concerning problems of the aging:

[From the Washington Post, Dec. 1, 1971]

NIXON AIDES DRAW CRITICISM IN TALKS AT AGING CONFERENCE

(By J. Y. Smith)

President Nixon sent four cabinet officers and four other top administration officials to the White House Conference on Aging yesterday to explain some of his programs for the nation's 20 million elderly citizens.

Some of the officials' remarks drew prompt and sometimes harsh criticism from some experts among the 3,500 delegates to the meeting, which began Sunday.

Mr. Nixon himself is expected to address the gathering before it closes Thursday. Presumably, he will make further proposals to help the aged.

Elliot L. Richardson, the secretary of Health, Education and Welfare, told a luncheon meeting that 37 states (including Maryland) and the District of Columbia have been put on notice that they have until Feb. 1, 1972, to correct "substantial deficiencies" in their nursing homes.

If they fail to do so, he said, "HEW intends to initiate a non-compliance procedure that could ultimately result in withholding all federal Medicaid funds from any or every one of the 38 states."

There are about 20,000 nursing homes in the United States, a HEW official said later. He said only about 7,000 of these, which provide substantial amounts of care, would be affected by the HEW action.

Richardson said the deficiencies in nursing homes had been discovered through a series of spot checks of state agencies responsible for ensuring that nursing homes participating in Medicaid, a federal-state program, meet federal standards for such facilities.

The secretary said he was determined to carry out President Nixon's pledges of last summer to make sure that nursing homes will no longer be "warehouses for the elderly . . . dumping grounds for the dying."

George Romney, the secretary of Housing and Urban Development, spoke at the same luncheon. He told the delegates that public housing for the elderly had increased from 80,000 units to 320,000 units in the past decade.

He also repeated a theme sounded at the conference's opening session by Dr. Arthur S. Fleming, its chairman and a former Secretary of HEW in the Eisenhower administration.

The theme was a call for "increased voluntary action to provide services for the elderly."

"Self help," said Romney, "is vital."

Richardson and Romney drew some of the sharpest criticism from conference delegates.

Dr. James G. Haughton, director of health and hospitals in Cook County (Chicago) and a co-chairman of the conference committee on health, said many delegates with whom he had talked greeted Richardson's speech with "mixed reactions."

"There was considerable support for federal standards for nursing homes," he told a news conference, "but there were questions about the timing. Some thought this (speech) might be a political ploy to divert attention from the real issues facing this conference."

Haughton explained that the "real issues" were the "quality of care" provided the elderly. Richardson's proposals about nursing homes, he said, were confined merely to the physical standards of the facilities. Haughton said he would like to see the federal government develop programs to help pay for bringing facilities up to par and also to help pay salaries that would attract the best qualified persons to staff them.

Dr. Jean Mayer, former adviser to President Nixon on nutrition and co-chairman of the conference committee dealing with that subject, lit into Romney's remark that "self help is vital."

"What the hell does that mean," said the Harvard professor, "when you are talking about someone who is arthritic, who is deaf, who is partly blind, whose children have moved away, and who is not properly covered by Social Security."

Mayer said a start toward persuading the elderly to engage in "self help" would be to establish communal meal programs to provide them with a proper diet, with companionship, and with intellectual stimulation.

Others who spoke yesterday were John A. Volpe, the secretary of Transportation; James D. Hodgson, the secretary of Labor; Robert M. Ball, commissioner of the Social Security Administration; John D. Ehrlichman, assistant to the President for domestic affairs; Virginia Knauer, adviser to the President on consumer affairs, and Leonard Garment, special consultant to the President.

Secretary Hodgson said the "specialized needs" of the elderly unemployed "may mean specialized help for unemployment problems. And it may mean specialized kinds of manpower programs to meet special job needs."

Hodgson said it also may mean "more concentration on the local government level than in the past."

Nelson H. Cruikshank, a retired AFL-CIO official, a member of the conference planning committee and president of the National Council of Senior Citizens (which claims more than 3 million members), called Hodgson's speech "the coldest thing I've heard yet. He gave us all the reasons why the Department of Labor can't do more in the category of the aged."

[From the Washington Star, Dec. 1, 1971]

MORE HUNGER AID FOR AGED URGED

(By Judith Randal)

Progress has been made against hunger in the last two years, but the elderly, as usual, have been left behind.

This is the view of Dr. Jean Mayer, the Harvard professor who ran the White House Conference on Food, Nutrition and Health in 1969 and now is the chairman of the nutrition section of the White House Conference on Aging.

The sort of action that is needed, Mayer said, is exemplified by the Nutrition for Older Americans bill that passed the Senate 88 to 0 yesterday. Sponsored by Sens. Edward M. Kennedy, D-Mass., Charles H. Percy, R-Ill., and 19 others, it would provide $250 million over a two-year period for meals-on-wheels for shut-ins, community feeding programs and related projects such as nutrition education.

PROGRAMS DIE

In an interview, Mayer said these were 74 experimental programs along these lines which were financed by the Department of Health, Education and Welfare in 1970, and he described them as "a thundering success." All but 12 have been killed for lack of funds, he said.

Meanwhile, Mayer said, the government should look at Medicare and Medicaid from the standpoint of nutrition.

"The services of chiropractors and Christian Science practitioners are reimbursed under these programs, but dietetic consultation is not," he said. "Nor will the government pay for dentures which many old people need in order to eat a balanced diet."

Mayer also was critical of the Department of Agriculture's methods of getting foods to the elderly poor. He said that of the 3,000 counties in the nation, 800 rely on the distribution of surplus commodities instead of food stamps.

Food stamps are federally subsidized coupons which permit the recipient to buy more than his money's worth of groceries at stores. In the surplus commodities program, recipients periodically pick up an allotment of a limited number of foods at a central distribution point.

Under the commodities program, said Mayer, old people, many of whom live alone or in two-person families, have to contend with bulk quantities of food that are hard to transport or keep. When meat is supplied, for example, it comes in 30-ounce cans whose contents may spoil before they can be consumed. Furthermore, many of the products that are made available are too high in fats and carbohydrates to be healthy for the old.

While USDA's food stamp program is far preferable, said Mayer, it too has its pitfalls. For example, the subsidy for a four-person family is far greater proportionately than it is for a couple or for someone who lives alone.

"When will the Department of Agriculture learn," he asked, "that there are 15 million people dependent on it for their daily bread, but only 4 million farmers."

TWO MEALS SUFFICE

Mayer would like to see the elderly be able to use food stamps in restaurants as well as in grocery stores, and he wants restaurants to offer old people reduced price meals at off-peak hours.

Only about 30 percent of the price of a restaurant meal, he said, goes toward the price of food. Most of the rest is for the labor of people who have little to do for most of the day. Thus, he said, restaurants could well afford to reduce their prices during slack periods. A cafeteria chain in Boston already is selling regular menu items at a 30 percent discount between 10 and 11:30 a.m. and 2 and 5 p.m.

[From the Washington Post, Nov. 28, 1971]

WHY ARE THE OLD PUT ON SHELVES?

(By Colman McCarthy)

Everyone wants to live a long life, but there is one trouble—you have to grow old to do it. For many of America's 20 million citizens who make it past 65, the trouble is hardly worth it. Unless you are rich or have especially devoted children, chances are that old age may be a time of anguish, loneliness and sadness, worse for some than others. Perhaps the greatest torture of being old is that one must go about it surrounded by products and services that are ever new and ever fresh. Last year's model, last year's fashion, last year's wardrobe—this feverish custom of discarding what in many cases is only sightly old leads naturally to a throwaway mentality. Thus, easily put out of sight and out of mind are last year's people, the old.

The White House Conference on Aging, beginning today and running through the week, will likely have much to say on the cruel ways in which old people are neglected by the government and by institutions. But this running tragedy is not so much a planned horror as it is a reflection of a deep-set attitude. Along with racism and sexism, there is now "oldism," an intolerance of people too slow, too wrinkled and too tired for the American pace. Dr. Robert Butler, a Washington psychiatrist and one of the few in the country who practices "life-cycle therapy," believes a strong feeling exists "of not wanting to have all these ugly old people around."

How has this happened? Since abandoning another human being is not a natural instinct, the reason may be cultural. It is regularly pointed out, to the point of fatigue, that America is obsessed with the young, a fudge of idolatrous concern that thickens with each new fad. But saying the country is over-fascinated with a youth cult is only part of it, and even then it is inaccurate; if we care so much about kids, why must educators constantly beg for money, why are school lunch programs left unfunded, why are stores allowed to sell flammable sleepwear for children?

The deeper cultural reality that allows the old to be the nation's resident castoffs is that American values have been largely shaped by both the Calvinist mystique of achievement and the American frontier notion of self-reliant individualism. These two creeds naturally exclude the elderly because old men and old women are seen as no longer achieving and no longer self-reliant. They are non-producers who should be stripped of their "we try harder" buttons; after that, what else can be done but atash them on a shelf? As Dr. Robert Butler has noted, "Our society serves the productive. We view ourselves as an organism that can all too easily dispense with its parts, which are subject to facile replacement. Most of our national policy decisions are economic and technological rather than moral. The Office of Management and Budget decides. There is a Gross National Product, however important, that is closely watched but there is no Human Value Index."

If putting away old people—removing them from budget priorities, from family circles—fits in well with the American way, it is also true that this wasn't always the case or style with all Americans. One can visit ethnic families in the Northeast industrial towns—Italians, Poles, Slovaks, Greeks and others—and inevitably an old person is found to be an honored and wanted member of the family. Unlike others, many ethnics insist on keeping the parents and grandparents in the main path of travel, if only because the young know that one day they must go that way, too.

If you are kind to your parents, Irish children are told, you will have a long life. But keeping to this tradition of respecting the old is not easy for ethnic Americans. Professor Michael Novak, soon to publish a book on ethnics ("The Rise of the Great Unwasped" from Macmillan), has written: "One of the more poignant prices ethnics had to pay to become Americanized was to learn not to care for one's parents or grandparents, to learn that life belongs most to those between the ages of 15 and 50. In the public schools, the ethnic child was taught to make fun of one's parents and grandparents—their accents, their gestures, their values. 'Old fashioned' became a word used not for the respect due to wisdom but for contempt due to inferiority or being different from Wasp America. It was silly to care for one's aging parents, to put up with their complaints, customs and needs. 'The American way' was to ship off the old folks to some sanitized rest home; but most ethnic people couldn't quite bring themselves to do that. For cattle maybe, but not for one's parents. The solution often was to find some small apartment, a separate room, in which the old folks could live in some compromised way, not quite in the center of the family as their parents had been, but assuredly not institutionalized as 'the Americans' were."

A word and concept now in heavy use is "community." Real estate men no longer build developments, they create communities, the young go off to found communes. But this talk of community is strange; how can you have a common unity when no place is given to the elders of the tribe. "Traditionally," Nathan W. Shock, head of NIH's Gerontology Branch, has said, "the older person in the community had a role in that he had lived longer, he therefore had more experience, he was wiser . . . he knew where the tigers were in the jungle."

The sources of this tradition are easily found, even without going to the East where the old have always been revered. In the 6th century Rule of St. Benedict, for example, one of the earliest charters for community living, the fathers and brothers of the monastery are told in chapter 37 that the old are worthy of special treatment. "Although human nature itself inclines us to show pity and consideration to the old . . . still it is proper that the authority of the Rule should provide for them. Let their weakness be always taken into account, and let the full rigour of the Rule as regards food be in no wise maintained in their regard. There is to be a kind consideration for them, and permission is to be given them to anticipate the regular hours." Even today, in the many European and American Benedictine monasteries and convents, old members of the community are cherished and honored for their wisdom.

These are rare enclaves of charity, however, and the spirit of compassion has not spread. But it persists at least. In the end, the main impact of this week's White House Conference on Aging must be less on American politicians or programs than on American values—the principal source of many of the elderly's sufferings. Some of these are inevitable, the results of sickness or family scattering. But many are not; they are caused by a value system that plays down filial respect while playing up much that is passing and cheap. In a recent book on the elderly, French writer Simone de Beauvoir asked, "What should a society be like that in his old age a man can remain a man?" The answer: "He must always be treated like a man."

This is not an easy goal, neither for wide-open conferences nor for closed-up minds. But if it is true that every country is entitled to a few mistakes, then perhaps we are now coming around to recognizing one. America, compared with other countries, is still young—exactly the time to see that the realities of aging do not become the horrors of aging.

[From the Washington Post, Nov. 28, 1971]

THE GROWING MINORITY: 20 MILLION U.S. ELDERLY

(By J. Y. Smith)

They number 20 million, and they are the fastest growing minority group in the nation. A quarter of them live below the poverty level, yet they spend $60 billion a year. They cast more ballots than any other minority group: although they make up only 10 per cent of the population, they accounted for 17 per cent of the votes in the 1970 elections.

They are the elderly, those Americans who are 65 or older.

Despite their numbers, despite their economic and political power, despite the fact that most Americans now alive can expect to live long enough to become "elderly," it is a group whose problems escape the notoriety accorded those of other minorities.

For the next five days, however, the elderly will receive considerable attention. The vehicle will be the second White House Conference on Aging, which opens today with the registration of 3,400 delegates from all over the country.

The conference comes at a time when talk is as cheap as ever and the cost of action is going up and up.

Dr. Arthur S. Flemming, conference chairman and a former Secretary of Health, Education and Welfare in the Eisenhower administration, is aware of this. But he expresses confidence that the conference will, in fact, lead to meaningful programs for the elderly.

"I can't help but believe that conditions are on the plus side as far as older persons are concerned," he said recently. "This conference reflects a willingness on the part of some segments of society for substituting action for rhetoric."

If rhetoric is translated into action, it will probably be because of the enormous political potential of the elderly. Some experts believe John F. Kennedy's hairsbreadth victory over President Nixon in 1960 was due to the fact that Kennedy endorsed Medicare while Mr. Nixon did not.

NEW PROGRAMS EXPECTED

The White House is said to be keenly aware that about 70 per cent of the over-65 group vote. Flemming has indicated that President Nixon plans to unveil major new programs for the elderly during the course of the conference.

For himself, Flemming, 66, has repeatedly emphasized that the conference will be "open," that all points of view will be heard, and that the purpose of the meeting is to achieve "action."

In this way he hopes to avoid the bickering and infighting that marked the recent White House Conference on Children, for example.

The Conference on the Aging is the second of the kind in ten years. Flemming also presided over the first one, which was held in the waning days of the Eisenhower administration.

The present meeting was authorized by Congress on Sept. 12, 1968. On Oct. 6, 1969, President Nixon issued a proclamation calling the conference and directing that it develop "a more adequate national policy for older Americans."

Since then, about 6,000 local meetings have been held on the problems of the elderly. There have also been meetings on state and regional levels. All have been oriented toward the conference opening today.

Selection of delegates was marked by early charges that the White House was weighting the conference with Republicans. In March, Nelson H. Cruickshank, president of the National Council of Senior Citizens and a Democrat, testified before the Senate Special Committee on Aging that there was a "pronounced partisan bias" among those named to the 14 major committees of the conference. Moreover, he said, his own organization, which claims more than 3 million members, had been allotted only two delegates, or the same number as the Boy Scouts of America.

A month later, Flemming resigned the presidency of Macalester College in St. Paul, Minn., to become chairman of the conference.

As it happens, Flemming and Cruickshank have been friends since they were both undergraduates at Ohio Wesleyan (Cruickshank voted for Flemming to be president of the student body).

BACKED BY WARREN

Flemming agreed with Cruickshank that there ought to be a degree of proportional representation in the makeup of delegates. They got the instant backing of Earl Warren, who was Chief Justice of the United States when the Supreme Court handed down its historic decision making the "one man, one vote" principle law of the land. Warren is a member of the conference's organizing committee.

As a result, the National Council of Senior Citizens now has 26 delegates and other major groups of the elderly are similarly represented. Moreover, Flemming has appointed co-chairmen to each of the 14 main committees of the conference.

Having met the critics on the organizational issue, Flemming turned to the matter of trying to achieve action. He set three goals.

The first was to persuade President Nixon to take some highly visible action of direct benefit to the elderly. The President did so in June when he announced plans to improve the quality of the nation's nursing homes. (One out of every 20 senior citizens is in a nursing home or some other institution).

The second was to persuade the President to establish a Cabinet-level committee under the Domestic Affairs Council to coordinate all existing federal programs for the elderly. The committee has so far held two meetings under the chairmanship of Elliot L. Richardson, Secretary of Health, Education and Welfare. To get that committee operating was Flemming's third goal.

FIVE CONCLUSIONS

As for the conference itself, Flemming says he has come to "five general conclusions" about what it may concentrate on as a result of numerous meetings he has held around the country since taking the chairmanship.

"Society," he says, "has put the elderly in a secondary position. Society has made promises to the elderly, but not always performed on them. Older persons want the opportunity to make their own decisions about their own lives. Older persons also want to continue to be involved in the mainstream of life. And finally, they want to be treated with dignity."

Central to all these concerns, Flemming continues, is the matter of income. If the incomes of the elderly could be raised, many of the problems they have with housing, transportation, and isolation could be solved.

One out of four of those 65 and over live below the level of poverty established by the department of Labor: $1,748 per year for a single elderly person living in a city, and $1,487 for a single person living in the country.

A U.S. Bureau of the Census study showed that in March of this year the average yearly income of families headed by persons 65 and older was $5,053. The average income in households headed by persons 45 to 55 was $12,121. In the same year, the average income of individuals over 64 was $1,951 compared to $3,137 for all single persons.

The situation is even worse for Negroes and other older persons in minority groups. In 1969, according to the Bureau of Labor Statistics, 23 per cent of elderly whites were below the poverty level. For elderly blacks, the percentage was 48.

WOULD REORDER PRIORITIES

Cruickshank would like to see a whole reordering of priorities for the elderly. He points out that 66 per cent of the Department of Labor's job training programs are designed for persons under 45, that 30 per cent of them are designed for persons 45 to 55, and that only 4 per cent are designed for those 55 and over.

"We're not against the young," Cruickshank says. "Just give us a little bit of a better deal for the elderly."

Moreover, Cruickshank would like to see the government fund "categorical" programs especially designed for the elderly. This is something the Nixon administration has so far refused to do. Without it, in Cruickshank's view, the elderly "will always be forgotten."

As for Flemming, he sums up his thoughts about the conference in these words: "The time for action is now. We can no longer afford to raise expectations that will be disappointed later."

[From the Washington Post, Nov. 29, 1971]

"SENIOR CITIZEN" TAG WORRIES SOME DELEGATES

(By J. Y. Smith)

To Luise Kiefer, the term "senior citizen" is anathema.

"I really, really hate the expression 'senior citizen' because I think it puts us in a little segment of our own, and I think we're still part of the community.

"You don't talk about 'junior citizens,' do you?"

Mrs. Kiefer, 83, lives in San Francisco, and she is a delegate to the White House Conference on Aging, which opened yesterday.

Mrs. Kiefer was looking forward to the conference's opening general session at the Washington Hilton Hotel last night. Apart from speeches by Arthur S. Flemming, a secretary of Health, Education and Welfare in the Eisenhower administration and chairman of the conference, and by John B. Martin, U.S. Commissioner on Aging, the session featured a "multi-media presentation" on what it means to be old in America today, and as it happened the theme was similar to Mrs. Kiefer's worry about being left out.

The message: "Old people—they're not part of the American dream."

"The American dream," a film clip shows us, is young people roasting hotdogs on a beach, a young family having a picnic, young lovers meeting under an archway. There are no pictures of old people in "The American Dream."

A young actor plays the part of an old man; an old actor plays the part of a young man. The idea is to show the young man how it feels to be old. In one sequence, he is placed in an old people's home by one of his sons.

Said Mrs. Kieker to an interviewer: "I don't think people your age know how we feel because you haven't lived long enough. How do I feel? Normal. Just because you're 83 doesn't mean you have to sit back."

The problems of the elderly raised in the "multi-media presentation" included poverty, loneliness, housing, health, nutrition, and a sense on the part of many older persons that they are simply being ignored.

TWO YEARS IN PREPARATION

These are among the main issues the White House Conference was called to address. Preparations took two years.

The conference itself is scheduled to end Thursday. Its recommendations, unlike those of the first White House Conference on Aging 10 years ago, are supposed to lead to immediate action to help the elderly.

Chairman Flemming stressed the need for action during an appearance in "Meet the Press" yesterday. He stressed it again in remarks prepared for the opening general session last night.

"Policy proposals in the field of aging that are not backed up by sound programs for action," he told the 3,400 delegates, "are nothing more than sounding brass. . . . We are confronted with the opportunity of developing strategies that will result in action."

He quoted a message from six major national organizations of the elderly which said:

"Our most serious problem is a lack of commitment to action in the field of aging within all of our social, economic, religious and political groups. The White House Conference must devote itself to these problems."

In his prepared remarks, Commissioner Martin said: "I believe that we have laid the basis for a breakthrough. We can push back the walls, open a new view of our responsibilities to our older citizens and new understanding of the contribution they can make to our national life."

It was not clear, however, what impact the conference would have on pending legislation. Dr. Jean Mayer, co-chairman of the conference's nutrition section, professor of nutrition at Harvard and former adviser to President Nixon on nutrition, told a news conference Flemming had issued instructions to avoid taking stands on bills in Congress.

MAY ENDORSE PRINCIPLE

The reason, Mayer said, was that Flemming feared the delegates would not have a chance to give adequate study to complex legislation that affects the elderly during the period of the conference. But Mayer said this would not bar delegates from endorsing "the principle" of various pieces of legislation, such as a bill Sen. Edward M. Kennedy (D-Mass.) has introduced to provide a federally funded lunch program.

For scores of delegates, there was trouble registering for the conference because their names had been lost or mixed up. By the end of the day, it appeared these difficulties had been cleared up.

ON HIJACKED PLANE

But none had troubles to compare with those of Julia Zozaya, 45, a blind delegate from Phoenix, Ariz. The TWA flight she took was hijacked to Cuba. She and the other passengers were allowed to leave the aircraft at Tampa, Fla., and Mrs. Zozaya arrived here on time but minus her luggage.

Most delegates seemed concerned about what the meeting may accomplish. President Nixon reportedly plans to make an appearance before it is over, presumaby to unveil new administration proposals for the elderly.

Oliver Diggs, 68, of Denver, was optimistic.

"From what we've done in Colorado," he said, "I think it's going to be a great thing if we push it."

A companion, the Rev. J. L. Simmons, 75, of Las Vegas, Nev., was not committing himself.

"I'm going to use my Fifth Amendment," he said.

Said Mrs. Kiefer: "Is President Nixon interested? I guess I shouldn't have asked that."

[From the Washington Post, Nov. 28, 1971]

HOLDING BACK OLD AGE

(By Alex Comfort)

Aging means that we can name a year in which we shall no longer be alive. And there is another date, perhaps 15 or 20 years sooner, when, if things stay as they are, we shall be alive, but not fully. Death is bad enough, but before death there is, as Yeats puts it:

> The death of friends, or death
> Of every brilliant eye
> That made a catch in the breath.

This death before death will begin, for most of us, around 65 and will continue until it kills us. It's not strictly a disease; one may hope to avoid diseases. But age we cannot avoid. It's the only disease we've all got, and, like cancer patients, we know roughly when we may expect to fail and die of it.

If, that is, things stay as they are; and that depends largely on decisions now being made. Adults alive today between the ages of 20 and 50 are the first humans to stand a fighting chance of seeing science begin to bring the process of aging under control. If this happens, as it easily could, within the next 10 to 15 years, they may share that benefit. A relatively small investment now could make the accomplishment nearly certain. What amazes workers in this field of medical biology is that so few of the beneficiaries—and, indeed, so few scientists—realize how close we are to this achievement.

We know that human aging can almost certainly be slowed and we know how to set about trying.

EXPERIMENTS WITH MAN

Science has two ways of making people live longer: It can stop their dying before their time or it can try to slow down the figurative clock that controls aging, so that old age and death take longer to arrive. So far it has done the first, and brilliantly.

In any of the privileged countries, you can *expect* to become old. This in itself is new—one generation back, your chances of doing this would have been far less secure. The human life span has probably not changed throughout history. What has happened through science is that most of us now reach the end of it.

The meaning of old age hasn't changed, either. Though some are harder hit by it than others, and though there are Bertrand Russells and Artur Rubinsteins, who keep the zest for living into their 80s, aging is still loss. At 50 we become stouter and slower; at 60 we tire more easily. Then the skin wrinkles, the muscles weaken, and by 70 our strength is on the average what it was at 14 or so. The mind may or may not stay clear; but if it does, the body cannot match it.

The truth is that having assured that most of us reach 70, conventional medicine has just about reached the point of diminishing returns. Cure of the two present leading causes of death—cancer and heart and vessel disease—would add about seven years to the total life expectancy, but mainly by helping those unlucky enough to contract these diseases young. At 65, the gain would be under two years; we should simply die a few months later of something else, for aging involves a steady increase in the number and variety of our infirmities.

If aging on the present time scale is really inevitable, we had probably better accept it with dignity. But all the scientific evidence is that it is not. Over the past 20 years, an international campaign has been mounted to find out exactly what aging is and whether—and, if so, how—its rate can be slowed.

At present, we still don't know exactly what it is, though we have several plausible theories. We do know that the rate of aging can be altered in rats and mice by relatively simple manipulations. In the next five to ten years, there will be experiments on man, to see whether the same techniques can be used clinically.

If they can, then from rat and mouse experiments, we could reasonably expect a 20 to 40 per cent increase in the period of adult vigor—the time, that is, before manifest aging changes set in. Insofar as any scientific prediction is safe, we can now say that the length of time before we do this and the number of adults alive today who will be able to benefit from it depend quite simply on the amount of money and energy we put into the project.

THE ROLE OF DNA

Aging is, in biological terms, the increasing inability of the body to maintain itself and perform the operations it once did. Most current theories assume that this results from a loss of information at the cell level. Mammals have basically two kinds of cells—those that are constantly renewed (skin cells, blood cells) and those that live as long as their owner and never divide (brain cells, muscle cells). Both types carry the basic instructions for their orderly behavior in the form of blueprint molecules of deoxyribonucleic acid (DNA).

DNA is the key to most of modern biology. It consists of a long spiral molecule, rather like a computer tape. The chromosomes of each cell contain a number of these molecules, on which are stored, in coded form, all the information needed to turn that cell into a complicated organism—and to determine whether the organism will be a man, a rabbit or a peach tree. This molecule is Jim Watson and Francis Crick's "double helix," which won them a share of the Nobel Prize in 1962; we are just beginning to be able to read the language of its code, which is composed of a series of three-"letter" combinations.

DNA is like a master blueprint for the body and its maintenance. What happens is that from an identical blueprint file in every body cell, copies are taken, and these copies, in turn, are used to specify chemical machine tools, called enzymes. Since a baby differs from a man, and a muscle cell from a blood cell, the body clearly has an elaborate program for transcribing parts of this stored information at one time and ignoring, or switching off, others.

Biological toolmaking is never 100 per cent accurate. In old nematode worms, Israel's Dr. David Gershon has found that all the necessary chemical tools of certain kinds are there, but about half are not working properly. It seems highly probable that at some point in the chain, errors enter the manufacturing process. They may be in the original DNA blueprints, which become smudged or switched off in some or all of the cells with wear and the passing of time. They may be in the copying process or, more probably, in the machine tools, the enzymes.

RESTRICTING FOOD

Luckily, we don't have to find out which of these mechanisms is instrumental in aging. We can alter its rate without knowing. In fact, we are most likely to pinpoint the kind of information loss that's occurring by seeing what tends to counteract it. Basically, we have one big choice: If we're dealing with a phonograph record that is scratched with use until it's unplayable, we need to slow down the rate at which scratches accumulate—for example, by cleaning the stylus and excluding grit and dust. If we're dealing with a record that can be played once only and not restarted, we might conceivably find ways of running it more slowly—but not so much so as to distort the music. Either of these procedures would prolong the performance.

In rats and mice, we already know of several maneuvers that will prolong life. The oldest and simplest of these is food restriction. The life span of mice can be doubled, both by gross calorie restriction, which keeps them juvenile, and by feeding them only two days out of three.

Besides postponing aging, this regime virtually eliminates tumors in some strains of mice. The lack of excess calories may slow down copying generally or conserve irreplaceable machine-tool molecules. It may retard some built-in program in the body. It may

even work simply as a challenge that makes the natural control machinery work better. Starved mice have big adrenal glands, and there are some adrenal hormones that can by themselves double longevity in long-lived mouse strains, probably by controlling copying processes or by preventing the rejection of divergent cells. Whether the technique of food restriction would work in man, and particularly whether it would work when started in adult life, we can find out only by trial.

Another group of approaches is based on an area of research that made great strides in the Sixties: immunology. Biologists are trying to understand and control the body's defenses against foreign cells so as to ensure the success of transplant surgery. They are unraveling the machinery that prevents grafts from taking and, in so doing, are finding more and more instances in which the body appears to react against or reject its own tissues. These conditions become commoner with age, and it seems almost certain that self-rejection plays a part, perhaps a leading part, in age changes. Either our cells alter and become criminals or our bodily policemen alter and start attacking law-abiding citizens. Drugs and hormones of the kind given to cover transplant operations are already being tried with some success as anti-aging agents in mice; and in some strains of old mice, removal of the spleen—an important organ in the rejection process—make them survive to great ages.

Yet another approach is based directly on the error-in-copying idea. Large man-made molecules, and molecules in organic materials such as margarine or leather, perish with time through attack by chemical agents known as "free radicals." A free radical has been likened to a convention delegate away from his wife; it's a highly reactive chemical agent that will combine with anything suitable that's around. Chemists protect such things as chicken feed, cornflakes and automobile tires by adding to them substances known as anti-oxidants, which mop up these unwanted agents and slow down the perishing process.

The body contains both free radicals and long-lived molecules—among them, the fibers that keep our skin elastic and the blueprint molecules of DNA. If any such perishing reactions occur with aging, it ought to be possible to slow all of them down by administering some of the nonpoisonous anti-oxidants now added to groceries, but in far bigger doses, without waiting to find out exactly where the damaging processes are located.

A position paper on the practical side of age slowing in animals in 1971 would run roughly like this:

We now have perhaps a dozen ways of slowing down aging or lengthening life or both in rats and mice.

The exact way these methods fit together, the nature of the aging clock and whether there is one clock or more are unanswered questions, but we should be close to an answer within five years.

It's not certain that any of the known age-slowing methods would work in man.

Whether they would and whether they would work in adult life can be found only by trying them.

If they don't, then it's likely that similar and equally simple methods will.

Human experiments will be started within three to five years, probably at more than one center.

The reason these techniques haven't already been tried in man has nothing to do with ethics; it's simply that, because the investigators age as well as their subjects, 70- to 80-year experiments are, for practical and psychological reasons, no go. As long as we could measure aging only by following life-long mortality figures, as insurance actuaries do, experiments on antiaging agents were confined to rats and mice, which live but a few years. But we can now move into human studies, because greater knowledge of age changes and the advent of automated clinical laboratories and computers make it possible to measure the rate of aging in the short run.

The new strategy is to choose a battery of measuerments—chemical, psychological and clinical—that change with age and follow them over a period of, say, five years, starting at a given age, such as 50. The measures are picked to be so varied that any factor that slows the rate of change in all of them would be likely to act by slowing down aging in general. This approach reduces the problem of how to retard aging in man to the size of an ordinary medical experiment, using some 500 volunteers over three to five years, like the assessment of low-cholesterol diets in heart disease.

Battery tests for aging are one of the few beneficient spin-offs from the bomb. They were developed at the Brookhaven nuclear-research laboratories to measure the rate of aging in Hiroshima survivors. (Reassuringly, the survivors didn't age faster.) Equipment like that which would be needed to carry out such tests on normal people already exists in many U.S. centers, such as the Kaiser-Permanente Medical Centers in San Francisco, Oakland and Walnut Creek, Calif. We could start human experiments next week, measuring such things as hair-graying, skin elasticity, change in body chemicals, hearing and mental agility as indexes of the speed at which aging is progressing.

The aging public seems unaware that a little informed lobbying now could get them longer life. There is a bill before Congress to set up a National Institute of Gerontology, which could be the biological counterpart of NASA.

Prediction in science is difficult, but we can make a few reasonable guesses about what we can accomplish. Among these are the following: By the year 1990, we will know of an experimentally tested way of slowing down age changes in man that offers an increase of 20 per cent in life span. We will know whether it works only when all the subjects have died; but judging by the tests we now have, we should not be far off in predictions. The agents involved will be simple and cheap—dietary tricks or maintenance chemicals, not transplants, intensive units nor tailor-made serums that would be available only to the wealthy and to VIPs.

Direct application of the results will be possible world-wide, at about the same rate as, and probably more cheaply than, antibiotics since 1910. All countries will elect to use them, or at least will be unable—as with the pill in Catholic Italy—to prevent their use. How widely people choose to use them will depend, no doubt, on what sorts of agents are available. If longevity requires tiresome and lifelong diet restriction, the model of cigarettes and high-cholesterol foods suggests that most of the Western public doesn't value longevity highly enough to make itself uncomfortable. All that will happen in this case is that application will be delayed until we find a painless method of getting around our self-indulgence.

THE POPULATION PATTERN

Population is already one of our leading panics, and a justifiable one. Longer life will mean greater numbers. This will be adjusted by time, but only if it's a once-and-for-all bonus, and then the bulge will fall when population problems are beginning to hit hard.

On the other hand, the gain will be wholly in the productive and (unless we stick rigidly to already obsolete retirement practice) non-dependent years. This, in fact, could be a gain. Today our reproductive dependency lasts about 20 years and our postproductive about 10, leaving a working life of only 40 years. In 1990, the number of Americans over 65 will be over 27 million compared with about 20 million now. More years of vigor will mean that many of these can still be "young." More years will also mean more sex, but not necessarily more children.

I am as worried as anyone about the idiotic misuse of technology. But the potential misuse of aging research doesn't keep me awake at night. If it did, I wouldn't devote my time to it. Partial control of human aging is something that's going to happen. Unless we are slothful or overcome by disaster, it's probably going to happen within our lifetime, and some of us will be beneficiaries. Morally, it should be beneficial. Every gain in our ability to stave off death increases our respect for life—our own and others.

[From the Chicago Tribune, Nov. 3, 1971]

A HEARING FOR ELDERLY CONCERNS

(By Ruth Moss)

List the problems of the elderly—said to be the most disadvantaged group in our society, the one minority group we shall all join—in the order of their impact and a two-headed monster leads the list: inflation and lack of income.

But more than money is needed to plan for those too frequently overlooked and underserved. Keeping our older people living in the community for as long as it is possible and wise to do so will call for imagination, concern, and a massive effort to initiate great new social reforms to combat a culture that is youth oriented, if not obsessed.

These concerns and considerations were among those voiced yesterday in City Council chambers before the House of Representatives subcommittee headed by Rep. John Brademas [D., Ind.] with jurisdiction over the Older Americans Act.

The Chicago area experts who spoke out included four members of the over-65 set, representing the 600,000 senior citizens in the city and suburbs. "Retirees can't strike for a 30 per cent increase in wages, and if their reserves are in securities, these, too, have decreased in value," said Arthur R. Weed, president of the North Shore Center and consultant on preretirement preparation for the city of Chicago. "All this bears out the oft-repeated statement, 'The longer you live, the more likely you are to be poor.'

"At a recent American Seminar on retirement, a participant asked, 'Isn't the word retirement negative?' 'It is not only negative, but to many people actually repulsive,' I answered.

"These people do not even wish to think about it nor talk about it—yet the average person who retires at 65 has from 14 to 17 years of living for which he should prepare.

"The phrase 'retirement shock' is now quite well understood, and it is preventable. It is necessary, tho, to develop a changed attitude toward retirement as well as recognition that 80 per cent of retirees are still active. They are not senile, doddering weaklings."

Mrs. Mary Alice [Ma] Henry of the West Side Health Planning Organization, concerned with those who have "the three S's"—sick, senile, and scared—suggested as solutions enlarged grants, discount cards for food, clothing, and travel, minibuses at senior apartments to transport them to and from, work as long as possible, and a mobile store for dry goods and groceries that would be for the feeble "something to look forward to, and it would be a blessing."

More educational opportunities for older adults—"retired people on fixed incomes who pay for schools the same 60 per cent of their tax money as younger adults with families and still working"—were urged by Dora Nelson, founder of the American Association of Retired Persons, DuPage Chapter No. 500, and a former settlement house director in Detroit.

"Why couldn't public education be provid-

ing courses in retirement planning? she asked. "Do those responsible for adult education know that almost half the persons over 65 did not graduate from high school; more than a million of them never had the benefit of any formal schooling?"

She urged as "imperative" the development of new interests and new outlets for the energies of those who have worked all their lives and for whom work always is going to be a major source of satisfaction.

The fourth senior spokesman, James Roach, associate editor of Chicago Voice, drew applause from the 130 seniors in the audience when he deplored the time it takes "to get just one bill through Congress—one year, two years, or more," so that "children or even grandchildren of today's seniors going to Washington may be there at a later date with some of the same major problems."

The seniors sat patiently through the proceedings, which began with Robert J. Ahrens, director of the human resources department's senior citizens division. Ahrens urged an end to "the universal lockstep of a third life at school, a third at work, and a third in inactivity or retirement."

Instead, these three streams that flow through all of life should fit the needs of the individual as well as the demands of society. A man might work part time at 80, or go back to school at 45, or interrupt his work life more frequently to enrich it and himself with travel, leisure, and education.

[From the Christian Science Monitor, Nov. 15, 1971]

THE CHALLENGE OF AGE

(By Robert P. Hey)

SILVER SPRING, MD.—Wearily, Mary M. leans a gnarled hand against the bus stop's concrete pillar and squints uncertainly at the schedule. "Young man," she implores at last, "when's the next Z-2?"

"Five fifty-four," I reply, and earn a joyless smile of thanks. She has 32 more minutes to stand and wait.

For a moment she leans in wordless repose. An inexpensive bag dangles from one elbow.

Then slowly, methodically at first, the words begin to come. In that special candor reserved for dialogue between strangers the problems of the nation's 20 million aged tumble out. They are poverty, illness, transportation and housing, crime—the problems the White House Conference on Aging (Nov. 28–Dec. 2) will investigate.

And as she speaks, she illustrates that the problems are many and difficult. Dedicated people are trying to help across the country, and some notable successes are being achieved.

Yet too often, the elderly remain America's forgotten people—a national resource of which, experts say, too many other Americans are much too unaware.

The great need today appears to be for individual Americans to awake to the plight of old people and how they—and their government—might be able to help.

"CAB COST $3; I CAN'T AFFORD THAT"

"Going to see my husband," Mary M. begins. "They operated on him 18 days ago—major surgery. Now he's in that little nursing home off Hillsboro Avenue.

"I took a cab from here two days ago to see him, but it cost $3 and I can't afford that. That's why I take the bus from downtown and change here.

"I have to get along on my social security, you see—about $110 a month. Actually my husband and I have been separated a long time—27 years—but he's still my husband. He doesn't get much retirement himself, so I tried for a long while to do it on social security. When he found out how little I get, he started giving me $25 a month, and that helps."

But even her estranged husband's aid leaves Mrs. M. teetering on the slippery edge of survival—with an annual income of only $1,620. (On the average, the government says, anyone who lives alone on less than $1,852 a year is poor.)

In the past two years the government has increased social-security benefits for the elderly, one of their prime means of income, by 15 percent. Similarly, the amount of money the elderly can earn without losing these benefits has been raised.

Both surely will be raised a little more in the next few months. Retiree groups are fighting to have the earned-income ceiling removed entirely, and someday it may be.

Mrs. M. has plenty of company in poverty. "It's the elderly's most critical problem," says William R. Hutton, executive director of the National Council of Senior Citizens. Elderly Americans are twice as likely as younger citizens to be poor—1 in 4 over 65 is poor.

Last year half the 5.8 million elderly who lived alone or with nonrelatives (three-quarters of these are women) had incomes less than $1,951. One-third of them got along on even less than Mrs. M. For these people the loss of even a few dollars takes on immense importance.

A LITTLE SUM GOES—NOWHERE

"When I saw my husband right after his operation," laments Mrs. M., "he had a $5 bill in his shirt pocket. . . . I was a little short at the time, and I wouldn't get my government check for five days, so I said, 'Honey, how about letting me have this five?' He said he might need it—you know him—so of course I left it.

"Wouldn't you know? Somebody stole it off him the next day . . . so neither of us got it. I told him if he'd only have let me have it, he wouldn't have been robbed. And I sure could have used it."

When they talk about their needs, most Americans over 65 soon speak of the skyrocketing costs of health care—and of their fears of being unable to afford it. So it is with Mrs. M.

The nursing home she is en route to is clean and modern, with bright flowers outside and a compassionate superintendent within.

"But the cost!" she exclaims. "It's $570 a month, for as little as they can get away with. They seem like they care, but you gotta fight for everything, they're so busy.

"In a way it's better than the hospital. That's a good place, all right. But he was in intensive care the first few days after the operation, and then they put him in a room with another man for $80 a day—just for the room. I don't know how he's going to pay for it all."

"WILL HEALTH INSURANCE COVER?"

The lines of worry seem to burrow deeper into her forehead.

"Will health insurance cover the cost?" I ask.

"Some of it," she replies, "but nowhere near all. My husband's 72—I'm 67—so that medicare thing helps. But you haven't heard anywhere near all of it."

She says that prior to the operation he had been in a series of nursing homes. "My son said the other night that the benefits are about gone—I don't understand it. But it means trouble."

Frequent medical needs and soaring health costs are "the second-most-critical problem" for elderly Americans, Mr. Hutton of the National Council of Senior Citizens says.

The Senate Select Committee on Aging reports that "Medicare covered nearly half (47 percent) of the total personal health-care expenditures of the aged (averaging $692) in fiscal 1969, leaving uncovered an average health bill considerably larger than the total health bill for the average younger person." For some people, government programs for the impoverished help with remaining expenses.

Nevertheless, the elderly complain that monthly premiums for the optional part of medicare coverage have about doubled in the program's five years; that medicare benefits have been restricted; that beginning Jan. 1, 1972, persons hospitalized under medicare will have to pay the first $68 cost instead of $60; and that several states—most recently New York—have sharply cut back both eligibility and benefits in their medicaid programs for the elderly poor.

Enactment of medicare—subsidized medical care for the elderly—during the 1960's has been a boon to the elderly, many experts say. But a number of Democrats, particularly, expressed much concern in Congress this year over increasing restrictions the Nixon administration through regulations is putting on the service that medicare can provide the elderly.

These changes are "building barriers between the elderly and adequate health care," charges Mr. Hutton. These restrictions were clamped on mainly to hold down rising medicare costs. There will be an effort in hearings next year to force the administration to increase medicare, no matter the cost to government, to meet all the health needs of the elderly.

However, help may come from a different direction. Americans of all ages are gravely concerned about soaring medical costs. There is much effort in Washington toward getting Congress sometime in the next few years to legislate a national health-care system. Many think some such program will come into existence in a decade—perhaps half that.

HOUSING, TRANSPORTATION, CRIME . . .

Mrs. M. is talking about other problems now—poor housing, inadequate transportation, concern over crime.

"Sometimes when I get here to the bus stop early enough, like I did tonight, I eat dinner over there at the Tastee Diner—the stew's good and cheap. Then I get the 5:18 out to the nursing home.

"But tonight just before I got back to the bus stop, the 5:18 pulled out—about 10 minutes early." (A gaggle of irritated commuters backed her up.) "So I had to wait another 36 minutes.

"And it's over two hours a day anyway coming out here—that's awful hard on me. And so expensive—80 cents."

The worsening service and soaring rates of many city bus lines have left millions of elderly Americans similarly in the lurch. Like Mrs. M. they're too poor to own cars, afford auto insurance, or ride cabs, and physically unable to walk far.

Many elderly rank transportation as their third-most-crucial problem, trailing only income and health needs. Last year the Senate Select Committee on Aging said the transportation problem for the elderly had reached "crisis" proportions.

"Transportation," reported the committee, "takes an average of 9 cents out of every dollar in their limited budgets. It is their third-highest expenditure, exceeded only by housing and food costs."

The committee pointed out that poor transportation has a "multiple" effect. The Senior Citizens News, a publication of the National Council of Senior Citizens, elaborates:

"Without adequate transportation, the elderly are denied easy access to shopping areas, church services, recreational facilities, gainful employment, and social contacts with relatives and friends.

"Cut off from these vital contacts, the elderly tend to became isolated—with resulting mental and physical deterioration."

One of the efforts to help meet this transportation problem is reduced fares for elderly on city buses. At last count more than 50 cities offered senior citizens reduced bus fare—one-third to one-half off, typically—during nonrush hours. After the first year of New York City's program some 600,000 elderly were using this cut rate; bus and subway travel by the elderly had increased 27 percent.

When the Department of Transportation grants cities money for mass transit, it requires that they present a plan to meet the needs of the elderly.

The buses Mrs. M. does ride for her daily trip to the nursing home take her through a Washington that has changed radically in her lifetime.

When I first used to come up here to Silver Spring," she says, "there was only one house here. Now look at it"—with a tired wave toward blocks of stores and high-rise office buildings.

"Washington's changed, too. Used to be a wonderful place to live. But it's so noisy and crowded now.

"And the crime." She shudders involuntarily. "Why just last week my husband asked me, 'Honey, will you get my [retirement] check cashed for me?' And I was shivering and shaking the whole bus ride back from the bank, afraid somebody was going to grab my pocketbook.

"I was robbed three years ago, you know, right on the street where I live, in front of my rooming house [in downtown Washington]. He grabbed my arm, threw me down on the sidewalk and took my pocketbook."

Suddenly she points at an incoming bus. "Wait a minute—isn't that the Z-2?" The silver-and-green bus chugs to a stop at curbside. She clambers aboard with me and continues talking as it begins to lurch forward.

"I'm really scared to stay there now, at that rooming house. But these other places cost so much. And one room's all I can afford."

Fear of violent crime and housing problems—they're two of the heaviest burdens elderly Americans carry.

The elderly probably are more aware than anyone else that the recently released FBI statistics show serious crime's continuing rise—11 percent nationally last year. It rose 6 percent in big cities, though in Washington it was down 16 percent.

In one low-income housing development in New York City where many elderly live, an employee reported this fall that "we've had six muggings of elderly people just this past week. They're such easy prey for the young thugs—and they know it."

Housing costs don't frighten them the same way. But many of the elderly wonder how they'll meet them. Housing is the biggest expense for the average American over 65—34 percent of his budget. At that rate many of them can't afford a decent place to live.

CONSTRUCTION RUNNING SHARPLY BEHIND

The Senate Select Committee on Aging estimates that 30 percent of the elderly—6 million people—live in substandard homes, dilapidated or lacking adequate plumbing or other facilities. Construction of new homes and apartments to house the elderly adequately—especially those who are poor—runs woefully behind the need.

Worst of all, no one knows for sure what the housing needs of the elderly really are. Best estimates are taken from figures gleaned during the 1960 census. The same questions, however, were not asked in last year's census, so estimates for some time to come will be based on the 1960 statistics.

There's a direct relationship, too, between low income, inferior housing, and crime. Many of the elderly can afford only the cheapest of apartments; many of these are located in deteriorated neighborhoods, where the frequency of crime is high. Trapped by his low income, the elderly American is preyed upon by the thief he fears.

One way to alleviate the housing shortage, say some nonprofit sponsors of housing, is for government to resuscitate its program to build apartments exclusively for the low- and moderate-income elderly. The Nixon administration decided to include elderly housing in its overall low-income housing program. With the result, critics charge, that construction of low-cost housing for the elderly has been virtually stopped.

Part of the problem is suburban resistance to any low-income housing. In city after city officials have sought to put such housing in "good" areas—sometimes it's housing for elderly—and have been rebuffed. Breaking down this resistance is a key to improving housing for low-income elderly—indeed, for many low-income Americans.

One fear of the suburbanite is crime. Low-income people, many suburbanites feel, bring crime as surely as cats bring fleas. It is a concern deeply held, too, by the elderly of all income levels.

The brighter streetlights and more numerous policemen in many cities help ease this feeling. But urban crime, studies have reported, will not drop dramatically until society makes fundamental changes to give more equitable opportunities to the poor, especially minority-group poor.

Poverty, health needs, poor transportation, fear of crime, inadequate housing—they're major problems for most elderly Americans today. Yet beyond all these, for many of the elderly, is a suffusing sense of loneliness, and its companion—a sense of purposelessness, of uselessness.

COPING WITH A SENSE OF LONELINESS

When men retire they often must deal with the belief that they no longer are of productive use in society. As children grow up, move out, and begin their own families, mothers—and fathers, too—must cope with a sense of loneliness. Specialists say it is a feeling often intensified by widowhood, or separation after years of marriage. Many elderly Americans feel they have no one—no friend, no family. No one to care.

In many cities private organizations, often with some government money, are trying to reach the lonely. In New York City, for instance, Project FIND (friendless, isolated, needy, and disabled) has sought them out in little rooms along Manhattan's West Side and provided cheer and a free gathering place. So, in a more extensive way, has the Hudson Guild-Fulton Center for the elderly, several dozen blocks to the south. Throughout the city are some 60 Welfare Department day centers for the aged. And there are others.

Yet those who work with Manhattan's elderly are convinced thousands more sit unreached, day by day, in little rooms throughout the city. Much more effort is needed, they say.

So it is throughout the nation, with similar outreach, programs or government-financed programs like Foster Grandparent, or senior AIDES (alert, industrious, dedicated, energetic, service), that give a few thousand elderly the deep sense of doing something needed and worthwhile. What is done is marvelous; but far greater is the need to help alleviate many more older Americans' sense of loneliness, of worthlessness.

Mrs. M.'s own loneliness comes through poignantly at the bus stop, and early in the jouncy bus ride. She is pathetically eager to talk—with anyone.

But as the bus twists and turns through residential streets she falls silent. The once vacant eyes come alert, and she seems deep in thought.

Three blocks from the nursing home she turns away draws from the bag a broken compact held together by a rubber band, and begins to primp.

Her earlier words rush back in memory: "My husband and I have been separated a long time—27 years—but he's still my husband."

Her visit will be only one hour. But for that hour there will be no loneliness. For that hour she will have someone.

[From the Christian Science Monitor, Nov. 16, 1971]

THE SEARCH FOR A HOME

(By Robert P. Hey)

PROVIDENCE, R.I.—Judith Pearson is one of more than 6 million elderly Americans who need a better home. But she isn't sure she even can afford the one she's got.

Miss Pearson (not her real name) lives in a basement apartment in a dilapidated frame house in downtown Providence. Most of the old clapboard houses nearby are similarly run down. To her friends it's a slum.

It's been home for Miss Pearson for a decade. But her landlord recently raised the rent from $45 a month to $65. "I guess I'll have to move," she says resignedly. "I don't know how I can afford $65.

"But my friends say $65 really is pretty cheap—that I can't do any better. Is that true?"

Yes it is, Miss Pearson; $65 is pretty cheap. Housing is the elderly's No. 1 expense, as many will tell you. Most speak of paying rents a good deal higher. The Bureau of Labor Statistics figures household expenses—rent, utilities—take 34 percent of their budget. They take less of Miss Pearson's monthly income, but she wonders how she'll make it with $65 rent.

SCRIMPING ON "IMPORTANT" THINGS

Miss Pearson's no spendthrift. For most of her nearly 90 years she has saved money on "unimportant" things—rent, food, clothing—to have a little for the important things—travel, the broadening of her horizons.

But not even she can figure out how to afford an apartment most Americans would consider decent. It's a problem many of the 20 million elderly share. Millions of them live in substandard apartments or homes. Across the country there simply aren't enough decent places for them to live, at prices they can afford.

Even worse, perhaps, nobody is certain just how severe the problem really is. Few statistics are available on the elderly's housing needs; most that do exist stem from information gathered by the 1960 census. No new statistics are expected in the near future. Because of understandable concern for privacy, the questions that yielded this information in 1960 were omitted from the 1970 census.

The 1960 census concluded that about 30 percent of the elderly—6 million—lived in housing that was dilapidated, deteriorating, or lacking some facilities. This figure is believed to represent about 2.8 million substandard apartments or houses.

The Senate's Special Committee on Aging concludes that new housing construction for the elderly over the past decade has roughly been keeping pace with the expanding need—without making major inroads on the pent-up need. It estimates that today "a minimum of 3 million units" are needed.

The problem of the elderly poor appears the most active. In 1968 the President's Committee on Urban Problems reported "an immediate and critical social need for millions of decent dwellings to shelter the nation's low-income families." It called for low-income housing units to be built at the rate of 600,000 a year, for 10 years—to a total of 6 to 8 million.

41,000 NEW UNITS VS. 120,000

The Senate Special Committee concludes that, since one-fifth of the poor are elderly, one-fifth of the 600,000 housing units are needed annually by the elderly—about 120,000. "By contrast," the committee reported early this year, "only 41,000 units could be identified as approved or committed for the elderly poor last year."

Much emphasis in construction for the elderly is on apartments, and many elderly are moving from homes to apartments. But at present two-thirds of Americans past 65 live in their own homes (80 percent have fully paid off their mortgages).

"For most older Americans," says the Senate committee, "their home is their only asset."

One elderly person in 20 lives in a nursing home for the aged, or other institution.

Seven in 10 live in families, reports the Administration on Aging. It adds that 1 in 4 lives alone, or with nonrelatives. "Three times as many older women live alone or with nonrelatives," it says, "as do older men."

Living alone seems particularly difficult for the elderly, whether it is uncounted thousands in little rundown hotels or those alone in large houses. In little hotel rooms a sense of loneliness and isolation sometimes seems overpowering; in too-big houses it is the expense and difficulty of keeping up such a large place. And the ever-soaring taxes.

TAXES UP "SOMETHING TERRIBLE"

"The real-estate taxes are going to drive me out of my home," laments a widow from northwest Washington, D.C. "I've paid taxes for years; I paid plenty in taxes to educate my children. But the taxes have gone up something terrible the last few years, and with my husband gone I don't have that much income anymore.

"Why do I have to keep paying to educate someone else's children? If taxes go much higher I'll have to sell the house and move into an apartment. But I'll always think of the old house as my home."

It's more than taxes that makes many elderly exchange their houses for apartments. For many it's also the expense of house repairs and the effort needed to keep up a house.

It's a typical pattern for many elderly, especially those widowed. Income goes down; it gets harder and harder to manage a big house financially and otherwise. One day they decide the ease of apartment living would make the switch worthwhile.

However, with reduced incomes and often special needs—such as being within walking distance of good public transportation—many elderly find it difficult to compete with younger persons for available apartments.

Reports the Senate Special Committee on Housing:

"With apartments generally showing only a 5 percent vacancy rate and apartments on the Eastern corridor showing only a 2.8 percent vacancy rate, seniors had little opportunity to find or exchange housing. They have to compete for these vacant units with their younger counterparts, who are more mobile and better off financially.

"In times of severe shortage the elderly are the ones who are forced to accept the rundown apartment that would otherwise stand vacant."

NO CHANGE OF VENUE FOR JUDGE

When most people retire they prefer to continue living in the communities they're in, where friends and surroundings are familiar. For instance, like the Rhode Islander who moved two blocks from house to apartment.

And like the Missouri judge, in his late 70's but still practicing law when his wife passed on. His daughter-in-law invited him to live with her family just outside New York City. He thanked her warmly but declined: "All my friends are here; there I'd walk down the street and know no one, and no one would know me."

Nevertheless, many do retire to other areas; witness the many elderly living in mile after mile of mobile homes and small houses in parts of Florida.

In search of country peacefulness, a few retirees even ignore harsh winter weather—as with those who retire to Freedom, N.H. (population 387). "I've vacationed here from Boston every year since '28," says a courtly gentleman standing in front of Freedom's Village Store. "I retired two years ago; moving here year round was the natural thing to do. Freedom's become a retirement village, you know."

Over the years a Midwesterner has bought and beautifully restored several Freedom buildings, including the old inn and a one-time store that had fallen upon sorry days. Now the store is four nice apartments for retirees.

Retirees coming to Freedom have been able to find good housing. But nationally the housing problem of the elderly is acute.

This is an area in which government is helping. But critics charge it should do more than it has done. What's worse, they say, the Nixon adminstration has been trying to cut back on housing and other aid to the elderly when it really should be expanding it.

The Department of Housing and Urban Development (HUD) reports that by mid-1970, elderly were living in more than 336,000 apartments or houses subsidized in whole or in part by the federal government. The department says it administers 21 programs under which the elderly are aided, including: apartments exclusively for the elderly; low-rent public housing for elderly and others; and rent-subsidy programs.

NO INROADS ON BACKLOG

As evidence of progress in meeting the housing needs, HUD reports that elderly were living in 156,000 general-purpose, low-income apartments in 1970, compared with 77,000 10 years earlier. It reports also that in 1960 only 1,100 federally aided apartment units existed in programs specifically designed for the elderly. Ten years later, it says, there were 180,000.

Even critics admit that's worthy progress. But they say it only keeps pace with the increase in need—and doesn't meet a basic need for nearly 3 million good-quality, low-cost housing units for the elderly.

HUD says that in the past 10½ years, ending last December, 43,500 apartment units were begun under the major federal program to provide low-cost apartment housing exclusively for the elderly. But the Nixon administration has decided to end this program and instead stress low-to-moderate income housing for all ages.

Critics charge that the practical effect of this change in direction, made more than a year ago, is to stop new housing for the elderly—making it too expensive to build because of needlessly higher specifications and interest rates. The Senate in 1970 voted $10 million for the old program anyway, but HUD did not spend it.

A LITTLE EXTRA HELP

Acute as is the shortage of adequate housing, for many elderly the problem is not finding an apartment, it's remaining there. What's needed by many is a little extra help from someone: a good hot meal once a day; someone to take them shopping twice a week; a once-a-week cleaning service; help in cutting through the miles of red tape often wound around promised government aid.

Many privately and publicly financed programs exist to provide these services. But in almost every area of the country the need far exceeds the services provided.

One of the best programs is at Hudson Guild-Fulton Center, on New York's Ninth Avenue. The center provides many activities and much help for the elderly of the neighborhod. Perhaps its biggest boost is the nutritious, low-cost dinner it serves some 125 to 150 elderly every day (some meals are sent to the homebound as well).

"I give them more protein than is required," says Mrs. Gertrude W. Wagner, the center's nutritionist, "because I feel that, being the highest priced food element, that's the one they won't get otherwise. She says that "quite a large group that comes every day for the meal live in resident homes without any cooking facilities.

Mrs. Wagner says "there is no doubt" that because of meals provided by the center a number of local elderly are able to keep living in their homes, not have to move to nursing homes. That, she says, "is the thing all of them want. Nobody wants to leave his home."

The center is widely acknowledged to be doing a fine job through its meals and many other programs. Yet, ever the realist, Mrs. Wagner warns that even in this area of Manhattan the need is far larger:

"It's important that we know we're just a drop in the bucket, compared with the total needs in the area, or in the city, or in the country."

For untold thousands of elderly, living alone and struggling to remain independent, a nursing home is the only alternative to the help this and other centers provide. One elderly American in 20 lives in a nursing home or other institution. And to many another, the very idea of having to move to one brings a tear.

There are many dedicated nursing home administrators and staffs across the country, and a substantial number of fine nursing homes. But a two-year Senate study chaired and directed by Utah Sen. Frank E. Moss (D) concludes that despite some improvement in the nation's nursing home situation in recent years, by and large the picture remains shocking.

BEHIND-SCENES CRITICISM

Many persons who have worked in nursing homes can relate firsthand how care and food costs are held down—even in some expensive establishments.

A kitchen aide says she resigned from a modern southern Massachusetts nursing home because:

"One day when I was ladling mashed potatoes onto the patients' plates the manager came into the kitchen. He told me to mash the potatoes down on the plates with a fork 'so it looks like there is more than there really is."

"That was too much for me; I quit the same day. I felt so sorry for those poor patients."

Nursing homes became big business from 1966 to '69. Hundreds sprang up across the nation, largely in response to a federal carrot: the federal government began to pay millions of dollars to nursing homes to care for the aged.

Today, the Moss subcommittee estimates, nursing homes take in from $2.5 billion to $3 billion a year. Public funds account for $2 of every $3; federal funds alone pay about $1 of every $2.

Ironically, the Moss study concludes, this is not enough to provide proper care. And in fact a number of nursing homes have declared bankruptcy over the past two years.

States determine how much money should be paid nursing homes each day to care for indigent elderly patients under the medicaid program. The cost then is shared between the state and federal government.

The Moss study finds most states pay $14 a day for medicaid patients, which has to cover the room, nursing care, food, medicines, and other expenses. It's less than most hotels charge merely for a room. "Grossly inadequate" for proper care, complains Senator Moss.

However, charges a Moss committee aide who has been deeply involved in the study, "if a nursing home operator really wants to cut services and care, he can make a fortune on $14 a day."

The study holds that "the gist of the problem is money." The Senator recommends that the way to solve the problem is

to pay more money contingent on adequate care, good food, and other elements of a first-rate nursing home.

HIGH-QUALITY INCENTIVES SOUGHT

He wants to build financial incentives into existing government programs that would encourage high-quality nursing homes. He praises the incentive system Connecticut builds into its medicaid payments to nursing homes for care of the ill and poor.

The state inspects nursing homes and grades them in five categories; the better they are, the more money they receive. "Typically," the Senator says, "a Class A nursing home will receive about $1 a day (per patient) more than a Class B nursing home and $2 a day more than a Class C nursing home, and so forth."

He says that Connecticut "is commonly recognized as having one of the best nursing home systems in the nation. To be sure, there are problems with this system . . . (which are recognized), but with some minor revision it might provide a useful model for other states."

Good food, enough nursing care, a concerned staff, a clean and cheery atmosphere, a fireproof building—good nursing homes have to provide all these things. But there is something more—respect for the patients. Many of the homes have it: But too many, unfortunately, do not.

A SHORTAGE OF DIGNITY

It's traumatic indeed for the elderly to lose their independence and have to go to a nursing home—however sunny its rooms. However loving its staff.

Some nursing homes unconsciously twist the knife in the unkindest cut of all: slicing from the patient his last shred of dignity.

There is, for instance, a lovely, modern nursing home in southern New England where nurses and staff automatically call even their newest patients by their first names. It's never "Mr." or "Mrs." but always "John," or "Edith." Nobody ever asks the patients how they wish to be addressed; for some, it's the last straw to be known, like children, only by one informal first name.

A comprehensive study by the Senate subcommittee on long-term care concludes that about half of all the nation's nursing homes run for profit are substandard—in construction, care, food, or some other element. (Most nursing homes which exist primarily to provide medical care are in this proprietary group; most homes for the aged—well and otherwise—are nonprofit.)

If nursing homes were graded like schoolchildren, the study concludes, only 5 percent would get an "A" (These also are expensive, because the needed high level of care and food they provide patients is costly.)

Ten percent would get "B"; 15 percent, "C"; and 20 percent, "D." These are rated as having good physical facilities. "But what you're sorely lacking there is care," explains a subcommittee aide—"more because they can't than that they don't care."

"THE SYSTEM" GRADED LOWEST

The guilty party, the study concludes, "is the system—and the system builds in poor care. You need more nurses. You need the involvement of more physicians.

"Most of all, you need a clear national policy as to how we are going to treat our elderly ill."

In August President Nixon publicly expressed his concern about the poor quality of some nursing homes. He said he intends to see that those falling below minimum federal standards are brought up to them. As one step he announced plans to train an additional 2,000 nursing home inspectors.

The Moss study holds that "there seems to be a 1-to-1 relationship between being a low-quality nursing home and earning high profits. The reason is that your major expenses as a nursing home are staff and food. So if you want to make a lot of money in the nursing home field, you cut care and food costs."

[From the Christian Science Monitor, Nov. 17, 1971]

INADEQUATE INCOMES

(By Robert P. Hey)

WASHINGTON.—Mrs. C., tall and stately, is a secretary in a medium-size Eastern city. Making ends meet always has been hard—she has worked for the same nonprofit firm for 40 years; she is 64.

Her income places her far above the government's official poverty level. Yet, like the vast majority of older Americans, she must watch nearly every penny.

"I earn just over $5,000 a year," she begins. (She receives another $400 annually from interest on her savings account, which stems from her late husband's modest life insurance.)

"Believe me, it's very difficult to live by yourself on that amount. My apartment rent [one bedroom, third floor, no elevator] is $160 a month. Anything cheaper would be in a slum.

"I live very carefully. I've only bought one dress all year, and I almost never eat out.

"Even so, every now and then I have to take principal out of the savings account for big expenses, like car repairs. (Her sedan is five years old.) Honestly, if anything more happens to that car I think I'll just drive it into the harbor."

Ironically, the car that threatens to drive her to the poor house also enables her to remain independent.

THEY CALL THAT SECURITY?

If I sold the car I'd have to give up my job. It's so far to walk, the bus service is atrocious, and I can't afford cabs. If I gave up my job I couldn't keep the apartment. My social security would be only $130 a month—even less than my rent. How dare they call that 'security'?"

Mrs. C. does live frugally. Clearly she considers herself near the brink of financial disaster. If her expenses go any higher she will have to economize by giving up her prized independence and moving in with one of her children.

Yet the startling fact is that Mrs. C. has a bigger income than almost 9 of every 10 elderly and single Americans, according to the Department of Health, Education, and Welfare. Its Administration on Aging reports that 90.7 percent of all single, divorced, or widowed elderly had less than a $6,000 income in 1970. (Two-thirds of them earned less than $2,500; and half less than $2,000.)

Although the majority watch their pennies closely, the government says only one-fourth of them are financially poor. But for most, meeting the problem of adequate income is, in one degree or another, a continuing challenge.

WASHINGTON TOSSES A BUOY

By government figures, 4.7 million of the 20 million elderly Americans—1 in 5—live below the poverty line. That is set by Washington at an average $1,852 for a single person.

In recent years efforts have been made to try to lift the elderly above the line. For instance, over the past two years the government has boosted by 15 percent the benefits given the elderly under the social-security program.

The efforts have not been adequate to the need. For instance, poverty among most Americans has been declining in recent years. Yet today, by latest government figures, 100,000 more elderly Americans are officially poor than there were in 1968.

Thus it is that many groups and individuals in Washington and across the nation express concern over the situation. They are offering suggestions for improving it.

The National Council of Senior Citizens asks a 25 percent increase in the monthly social-security benefits, on top of the 5 per cent increase proposed in President Nixon's family-assistance plan. The presidential plan, now before Congress, is not expected to be acted upon until next year.

INCOME SUPPLEMENTS PROPOSED

One goal of the council is to eliminate poverty among all age groups, including the elderly. To the extent that social security and private and other public retirement plans do not end elderly poverty, the council says, there should be a program of income supplements for the elderly, financed from revenues from the general treasury.

Last spring Sen. Frank Church (D) of Idaho, chairman of the Senate's Special Committee on Aging, proposed such an income supplement program (on which there was no congressional action). Senator Church said that his bill would "ensure that all elderly citizens would be entitled to an income above the poverty level of about $1,750 for a single person, and $2,200 for a married couple."

Senator Church would abolish the shared federal-state welfare plan (Old Age Assistance) to aid the elderly poor, and establish a supplement plan in its stead. "Quite clearly," he said, "a new approach is essential if we are to ensure a life of dignity and self-respect for the elderly people of the United States."

Senator Church says: "Undoubtedly, the No. 1 priority for the elderly is to raise [social security] benefits to a more realistic level." Early this year he proposed a two-step, 30 percent increase.

THE GRAPHICS OF SOCIAL SECURITY

The importance of social-security payments to retired workers is graphically illustrated by the many millions of retirees, their dependents, or their widows who receive the benefits.

According to latest figures of the Social Security Administration, nearly 17 million such workers and their dependents receive checks each month. This figure includes 13.7 million retirees themselves; their 2.7 million dependent wives or husbands (not necessarily of retirement age); and 550,000 dependent children.

In addition, 3.3 million elderly widows or widowers of retired workers receive checks based on their spouses' earnings.

Even with this year's 10 percent social-security raise, benefits leave most recipients in less-than-lucrative positions. The monthly check for the average retired couple now is $219; for an average retired worker, $131; for widows, $113.

Widows' benefits are less than retirees'—they receive 82½ percent of what their husbands were entitled to. Many persons advocate changing social-security rules so that they receive 100 percent. Such a change is proposed in the Nixon assistance plan.

FREER EARNINGS LIMITS SOUGHT

The Nixon plan also would raise the amount a person receiving social security can earn without having some of his government money taken away. It is $1,680 now. The bill would raise it to $2,000. Many liberals will try to push it to $2,400; some want it removed altogether.

(Recipients can, however, receive full benefits while taking an unlimited amount of unearned income—dividends, interest, trust, and rental income.)

Under present law, when persons earn between $1,680 and $2,880, $1 in social security is withheld for every $2 earned. It is a disincentive to work. And, the elderly charge, the provision makes it well-nigh impossible for them to lift themselves from financial poverty by making the few extra dollars that

can, in human terms, make all the difference.

Under the Nixon proposal, $1 of a recipient's social security above the $2,000 level would be withheld for every $2 earned—no matter how much was earned. Some think this "withholding" or retirement test, as it is called, ought to be dropped.

THE CORNUCOPIA HAS A BOTTOM

But the 1961 White House Conference on the Elderly concluded that it should be retained so that the persons who are actually retired, or mostly so, are the ones who benefit from social security—which is not, after all, a bottomless financial cornucopia. Someone has to fill it.

That someone is the American taxpayer. He fills the social-security system by paying taxes on the first several thousand dollars he earns. There is some thought in Washington, largely among liberal Democrats, that the system ought to be financed from the nation's general treasury. This would enable more of the money to be collected from the people and corporations with more money and thus, it is argued, more ability to part with it. Some say this would enable larger benefits.

Among the recommendations of the Senate Special Committee on Aging are:

1. That Congress give attention to "major changes in social-security benefit levels."

2. That "serious consideration be given to the use of general revenues in the financing of the social-security system."

3. That "the federal commitment to the elderly undertaken through the family-assistance plan be translated into a wholehearted commitment, with 100 percent federal financing and federal administration."

A PLAN FOR GOING THIRDS

Sen. Hubert H. Humphrey this month proposed several changes in the social security system, including use of federal general-revenue funds to finance one-third of the program. At present the program is financed 50 percent by employer deductions, 50 percent by employee deductions. Senator Humphrey would broaden that to financing it one-third each by employer, employee, and the federal government.

The Minnesota Democrat also asks that minimum benefit be raised from the present $74.10 to $100 monthly; that all benefits be raised 10 percent; and that employees pay social-security taxes on the first $15,000 of their annual earnings (instead of the present $7,800).

Several proposals have been made that benefits automatically be raised as the cost of living goes up.

Increasingly in recent months, another area of retirement income has come under attention here in Washington. That is the area of private pensions. Hearings were held this year both by Senate and House committees. Much information was uncovered that many persons who thought they were building up equity with their companies toward an eventual pension suddenly, disturbingly found themselves without job or pension.

PENSIONS VANISH WITH COMPANIES

Rep. Frank Thompson Jr. (D) of New Jersey summarized some of the findings of one House subcommittee: "Often the merger, sale, or other dissolution of an employing company has cruelly wiped out the financial retirement security built up over a lifetime of loyal service.

"Furthermore, the lack of portability, i.e., the right to transfer retirement credit from one fund to another [the way teachers and union members can] has too frequently locked employees into jobs that they might have otherwise left."

Mr. Thompson and others on Capitol Hill think the time has come for a thorough investigation of private welfare and pension plans, preparatory to writing legislation to see that employees' pension rights are protected for their retirement. A Senate subcommittee is studying a large number of pension plans to find out how many employees wind up collecting pensions, how many do not—and why.

Pension plans, welfare programs, social-security benefits—these are most important. But they are only one approach to the income problems of the elderly. Another is jobs—part time, sometimes full time, depending on the abilities and desires of those who wish them. Many want to work but cannot find appropriate jobs.

JOB RIGHTS RETIRE AT 65 TOO

Federal law, though sometimes violated, protects Americans from employment discrimination due to age until they reach 65. Then they generally find great difficulty competing with younger people in the job market—especially when it is as tight as it is today in so many fields.

Several small federal programs are under way that provide satisfaction, and some pay, for the elderly who wish to work—such as Foster Grandparents (but it has fewer than 5,000 jobs across the nation) and senior AIDES, which provides community-service positions and modest salaries.

It generally is agreed however, that far more could be done both by private interests and government at all levels. Positions could be established that need filling—with libraries, school systems, health organizations—to the mutual benefit of the community, the elderly . . . and their pocketbooks.

It is a subject to which Bert Seidman addressed himself two months ago at a meeting on vocational-rehabilitation policy, in preparation for the White House Conference on Aging. Mr. Seidman is director of AFL–CIO social security.

"The evidence is all around us," Mr. Seidman said, "of the great need for services in most communities—in hospitals and other medical institutions, libraries, schools, and many other areas."

"TREMENDOUS CONTRIBUTION" ENVISIONED

"With their long experience of work and life," he elaborated, "the elderly, including the disabled elderly, can make a tremendous contribution to the expansion and improvement of these vital community services.

"There is a dire need to enlist older Americans in public-service projects that would help their own communities become better places in which to live. Not just the public sector, but nonprofit private organizations as well can make available job opportunities in this important area of community service.

"Unfortunately, too many people have been sold the idea that employment under public sponsorship is 'make-work.' Nothing could be further from the truth. We all know in our own communities of the unmet need for socially useful and economically necessary activities which do not lend themselves to private enterprise but nevertheless could provide employment opportunities which would have great value to both older workers and society."

When the elderly talk about their problems stretching the income they already have, local property taxes invariably come up (70 percent of the elderly own their own homes). "We've paid taxes for years," they say in effect, "raised and educated our own kids—why can't the other people pay the real estate taxes now?"

FOR SOME HOMEOWNERS, A TAX BREAK

In a number of communities, elderly homeowners are eligible for reductions in property taxes. Other communities are discussing such a plan.

Federal income taxes give the elderly an additional exemption based on age. Rep. Paul Findley (R) of Illinois has just introduced a bill to provide a federal income-tax credit to offset state and local taxes the elderly pay on their home property.

Mr. Findley told the House that "those whose annual income is under $6,500 would be eligible, whether they own their own home or not. If they rent, the portion of rent which covers taxes would be computed.

"If their federal income tax is $300 or less, they will be eligible for a payment from the U.S. Treasury instead of a tax credit."

These are some of the approaches being taken or talked about, as partial solutions to the income problem of the aging across the nation.

For the poorest quarter of the elderly the problems are severe indeed.

For elderly blacks, poverty is likely to be twice that of the whites; fifty percent past 65 are poor.

In rural areas the problem is worse: Two of every 3 elderly black residents are poor.

A STORY OF STOUT DETERMINATION

Most desperate of all is the plight of elderly black women who live alone. Says Sen. Harrison J. Williams (D) of New Jersey, a member and former chairman of the Senate Special Committee on Aging: "More than 88 percent—or nearly 9 out of every 10—live in poverty or are marginally poor."

A graphic example is the case of Mrs. Edna Richardson, a black seamstress, a widow. Mrs. Richardson lived in a rooming house deep in the Washington ghetto. She commuted four hours every day on buses to her job with a small dry cleaner's in Silver Spring, Md.

The long bus rides were physically hard for her. "But she was always here, always on time," says her boss. Customers were universally fond of her sewing skill, and of her smile and warmth.

Last June she began to feel "poorly." Twice she visited physicians, both times a serious condition was diagnosed and hospitalization recommended.

But Mrs. Richardson felt trapped in the cruel position of the not-quite destitute; too poor to pay hospital bills, yet, because she was working, not poor enough to have the government pay them for her. She couldn't afford hospital insurance and wasn't quite old enough for medicare.

NO QUITTING NO "CHARITY"

"She told me the only way she could pay for hospital care was to quit work and go on relief," says her boss. Medicaid—aid to the poor—would have paid. But she was too proud, too independent to quit work, to accept welfare, which she viewed as charity.

She decided instead to keep working and hope that nothing would happen.

One October Monday she didn't appear at work. Her landlady phoned instead: Mrs. Richardson, she said, had passed on the previous day.

She left no relatives.

People like Mrs. Richardson—and like Mrs. C., the widowed secretary who earns $5,000 a year, are in our midst everywhere. They need assistance in varying degrees. Most of them feel that by now they deserve it.

"We're not asking for charity," says a New York septuagenarian. "We pay taxes, too. We've paid them for years. We've already earned more help—it's due us."

In Washington a delegate to this month's National Conference on the Black Elderly says the nation owes it to the elderly to see that they have adequate finances. For years "we dug the ditches," she says, and built the nation—"we who now are elderly. We deserve better now." And the New York Avenue Presbyterian Church rocks with applause.

NOT A MATTER OF YOUNG OR OLD

The National Council of Senior Citizens says, "This is not a matter of 'either/or.'" It says flatly that "a nation as wealthy as ours can afford to do more for its older people without decreasing its efforts for the younger generation."

The challenges are being voiced. The White House Conference on the Elderly soon will explore them.

The elderly wonder who is listening. They will wait to see how the nation reaponds.

[From the Christian Science Monitor, Nov. 19 1971]

LIFE WITH MEANING

(By Robert P. Hey)

NEW YORK.—They sit and chat in the Cheery courtyard here at the Hudson Guild-Fulton Center for the elderly. They're several dozen elderly residents of New York's Chelsea area, which runs up Manhattan's West Side from 14th to 32nd Street.

Autumn's sun brings soothing warmth to the courtyard, an oasis of tranquillity and greenery in an area which generally lacks both. As they sit, the seniors speak of their needs—usually with warmth, sometimes with heat.

They speak of financial needs, and medical ones. And they return again and again to the need of the elderly, like people of all ages, to have something to do, somewhere to go, someone who cares. They're personally fortunate, they'll tell you; there's plenty to do here at the center, and many who care. But most elderly elsewhere lack access to such centers.

And, anyway, the slights of society at large are etched deep upon these elderly here in Chelsea, as elsewhere. Most are lonely, and eagerly welcome attention. But society, they feel, has dismissed them and their needs with an airy wave of the hand.

Knowing what to do with themselves is a big problem for many American elderly in and out of New York City. In Manhattan you'll find many of them sitting outside and talking on warm days—in Central Park, on benches along upper Broadway. A few still sit in the traditional indoor places—Port Authority bus terminal on the West Side, and Grand Central Station.

HAVE SKILLS, WILL SHARE

Some retired businessmen gain much satisfaction through participating in the SCORE Program (Service Corps of Retired Executives), a kind of volunteer management-consultant service run by the federal government.

SCORE was begun during the mid-1960's. Some 3,200 retired businessmen are in its "pool" now. They're on tap by the Small Business Administration to aid small-business men whenever they seek help. They also aid many small-business men who receive SBA loans. Together they have a wide variety of skills and experience.

SCORE volunteers aren't paid for their services; and they are reimbursed only for incidental expenses such as parking and transportation if they have traveled 50 miles or more, one way, to the business they are advising.

Nationwide, SBA could use more volunteers, though in some places to which many businessmen retire there are more volunteers than requests—places like Phoenix, Ariz., and Miami.

Many retirement-age Americans, of course, find alternatives to just sitting. Some want to keep working, and do (although many large companies have mandatory retirement ages). Others find fulfillment in retirement by plunging into second careers, or concentrating on hobbies.

Some do volunteer work, or work in government-aided prorgams which pay them modestly. Still others take courses, or frequent the centers set up to provide companionship and services to older Americans.

Another avenue of service some retired Americans have found is the Peace Corps, and the organization often called its domestic counterpart, VISTA (Volunteers in Service to America). Both now are run by the federal government's ACTION agency. Comparatively few older Americans have served in these agencies; but those who have report great satisfaction.

In all, 264 Americans 60 and over have served in the Peace Corps since its inception in the 1960's, according to latest available figures. The percentage of older volunteers, although small, is increasing. As of Oct. 31, 75 persons 61 and older were serving as Peace Corps volunteers in many nations—1.1 percent of the corps' total volunteers.

Sol Grieman is one of those volunteers. He retired three years ago at 65 as a plumber, heard the Peace Corps needed plumbers—and joined. He was sent to Caava Vocational school in Tegucigalpa, Honduras, to instruct youths in plumbing. Now nearing the end of his two-year hitch, he is training a Honduran to take over as instructor.

FROM PEACE CORPS TO VISTA

Mrs. Helen C. Baker, a great-grandmother from Spokane, Wash., has been a Peace Corps volunteer, too. She joined at 70 and went to Nigeria, where she taught English at a secondary school for boys. After her two years she returned home but quickly felt bored. She applied to join VISTA. She has served two one-year hitches as a VISTA volunteer, both times teaching Job Corps youths, and has applied for a third hitch.

VISTA has some 460 volunteers, like Mrs. Baker, who are 50 and over. During a one-year hitch they work in rural and urban poverty areas for a subsistence allowance—and a lot of personal satisfaction. As with Peace Corps volunteers, their tasks and experience are matched. Among the fields VISTA volunteers are working in: health, individual and family counseling, legal aid, tenants' rights, housing-code enforcement, mobilizing volunteer Big Brothers and Big Sisters, establishing local coop food stores.

Although "volunteer work" is a standard answer, sometimes volunteer offers are not accepted—though their expertise is greatly needed.

Two dentists in a retirement community in Florida—both highly skilled, much respected in the communities they had come from—tried to volunteer their services through the local dental society.

IT WOULD GIVE SUCH SATISFACTION

They'd work in a dental clinic—anything, anywhere. "There must be plenty of children who need dental work," said one dentist. "There are many poor areas near here.

"I don't want money—I told them that. I don't need it. It would give me such satisfaction to help these children, something like three mornings a week."

Unquestionably his services, and his colleague's, could have been well used. But they were rebuffed: "They didn't want us."

As it happens both men, like many others, enjoy their retirement community, although they could wish for volunteer opportunities in their profession. But some persons pack up and head for a retirement community without planning what they'll do when they arrive and wind up lonely for former friends and surroundings. Some pack up all over again and return .

John Chase is one of those still on the job. He is a topflight Philadelphia toolmaker at 73. Every year now he talks vaguely of retiring, but really is delighted to continue when his boss asks if he wouldn't consider working "just one more year."

"After all," he says quietly, "I have no family. What would I do if I retired?"

So he keeps making tools 49 weeks a year. The other three weeks he watches the sun set across acres of wind-whiffled corn and alfalfa, on a dairy farm in Pennsylvania's Lancaster County. Technically Mr. Chase is one of several paying guests. But his rotund farm wife says that "John's been coming here so long we really think of him as one of the family."

In New York City, a fine restorative dentist is back in business part time after several years of retirement. He still finds the challenge of difficult restorative jobs very stimulating—the harder they are, the more satisfaction he derives. This fall he completed the most complicated restoration he has ever undertaken.

When it comes to working beyond usual retirement age, self-employed like the dentist have a distinct advantage: They can keep on if they wish. Most people who work for others, like Mr. Chase, are less fortunate than he. If they want to keep working it generally is up to their employer, or company rules, whether they can.

SELF-EMPLOYED RATIO SHRINKING

Comparatively few working Americans are self-employed—only about 7 million of the total working force of 80 million. This percentage has been shrinking steadily in recent years as the number of working Americans has been rising, but the number of self-employed has not.

Business executives, retiring earlier, increasingly have begun to carve out second careers—like the upper-echelon New York executive who became a college professor. He combined his years of experience in business (which he didn't like) with university teaching (which he enjoys)—by becomng a professor of business subjects. He's working as hard now as ever—and he's much happier.

Other people have found similar fulfillment in retirement without a second career. But it takes planning—and, as throughout human experience, a willingness to give of oneself.

One who has found such fulfillment is a social worker who retired, after much thought, from a horn-honking Northeastern city to the serenity of a little Cape Cod, Mass., town. Friends admiringly say he and his wife, in retiring, "did it right."

He said he'd seen too many men just hang around after retirement, worrying about their former company, "waiting for someone to ask their advice, and no one ever does." He decided "to start over" in retirement—to plunge into a new community with zest, rather than slow down in the same old city.

After two years of looking he and his wife found the right building lot—with a harbor view, yet within their budget. They bought and built. And became immediately involved in their adopted town's affairs—no mean feat in a New England town. He's on the library board; both avidly attend town meetings.

For this couple retirement is happy, satisfying, exhilarating. But it took a great deal of prior planning.

Retirements like these also require a modest amount of money, to enable the retirees to afford a reasonable standard of living. Unfortunately most people reaching 65 don't have enough money; every fifth person over 65 is poor by government standards. And among the nation's 20 million over age 65, millions of others have so little money that they cannot afford to go much of anywhere, nor do much of anything. These are the people most prone to feeling unneeded, useless.

Both government and private social agencies are helping to meet this need. Several comparatively small government programs are aiding the elderly, especially the poor—providing both meaning and extra money.

In many cities private and public agencies provide social centers and varying amounts of services for the elderly, primarily the needy elderly.

NEED FAR EXCEEDS PROGRAMS

But the need far outstrips existing programs, and the money isn't there to expand them. Nor, some say, is the national will.

Foster Grandparents is the best known of the government programs. Begun in 1965, it provides inestimable satisfaction to two

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groups of people who need it: low-income elderly, and deprived or handicapped children, primarily those in institutions.

Now 4,400 elderly are in the program. Each spends two hours a day with each of two children—talking, visiting the zoo, showing that somebody really cares. And setting up that special and mutually beneficial relationship—the one between grandparent and grandchild.

To supplement their income the elderly are paid $1.60 an hour, the minimum wage.

But the need far outstrips the program. The Nixon administration asked for $10.5 million for the program for the current year; Congress gave it $12.8 million. That enables the program to enroll only the 4,400 older Americans.

A source close to Foster Grandparents laments that "it's a program that could be multiplied immediately, but for lack of funds. They have such a long waiting list for people who want to become foster grandparents. And the need for them in institutions is just enormous. It's shocking, really."

The Foster Grandparents program does not advertise for elderly grandparents. But every time a major newspaper runs a story about the program it is deluged with requests from the elderly to join. Program officials estimate that there are eight applications or requests for information for every vacancy.

The foster grandparents find their relationships with the children very meaningful; many remain in the program year after year. In Detroit, for instance, 36 of the 40 original "grandparents" in the program when it started five years ago still are in it today.

The Foster Grandparents program is administered now by ACTION, President Nixon's new agency in charge of volunteer programs. Another ACTION program also deals with service by the elderly—RSVP, which stands for Retired Senior Volunteer Program. Authorized in 1969 by Congress, it is just getting under way. No RSVP programs actually are being processed. They will be operated by nonprofit organizations.

MORE VOLUNTEER OPENINGS SOUGHT

Under RSVP, Americans over 60 are to be aiding in schools, hospitals, libraries, welfare agencies. They will not be paid, but will be reimbursed for out-of-pocket expenses, such as transportation between home and work.

Nobody will say so publicly for fear of raising false hopes, but people running RSVP hope that in short order they can gear it up to providing volunteer opportunities for 25,000 people.

Somewhat similar to RSVP is senior AIDES, now in its fourth year. Jobs are similar, but persons in the AIDES program are paid, an average of $2.15 an hour.

From antipoverty funds the federal government is spending just over $3 million this year on the program, which is administered by the National Council of Senior Citizens. Local nonprofit sponsors add nearly $400,000. With that money 1,150 low-income men and women over 55 are employed 20 hours weekly in community service jobs. The AIDES program operates in 21 communities.

In addition to these and other federal government programs, many states, communities and local organizations have their own programs. But here, too, need exceeds supply.

In New York City, where 1 million of the nation's 20 million elderly live, several different kinds of programs exist. At one end of the spectrum is the comprehensive approach, such as the FIND Hudson Guild-Fulton Center, on Ninth Avenue.

The center offers area senior citizens many activities and classes—painting, sculpture, sewing, ceramics, French, Esperanto, bridge, stamp collecting, gardening. There are shuffleboard courts, a piano, and a lovely patio with a garden to sit in. Also listed are special events, like last August's boat trip to Bear Mountain.

Two center staffers help cut red tape for people with special problems. Once a week a physician comes to the center.

Every noon the center serves a nutritious, low-cost main meal; from 125 to 150 of the seniors partake.

A most important element of the center is the personal contact which it gives. Mrs. Gertrude Wagner, center nutrition specialist, talks specifically about the noontime meal, but the idea applies throughout the center activities.

"The biggest part of our project is the group setting, which has the following advantages:

"These people are likely to be isolated. I would suppose that maybe 60 percent of our people are single, living by themselves. And even if they have kitchen facilities, they don't use them very much . . . and pretty soon malnutrition takes over.

"It's a vicious circle. They're lonely, so they don't eat. And then their health fails, and they're more lonely."

FUNDS NEEDED FOR CENTERS

But as much as the center does, even more is needed, officials say. Mrs. John Wasserman, center chairman, says that to meet fully the needs of the elderly more staff members would be needed to go into the homes, more social workers, a bus or station wagon for transportation, and more money to buy additional services. Operating a center at this high level of services, she estimates, would cost about $350,000 a year. And many centers are needed across the city.

That's the major problem—the $350,000. Mrs. Wasserman's center has a good deal smaller budget; no one knows where enough money could be found to finance the many centers needed across the country, at $35,000 per center per year.

Twenty-six blocks north of this center another idea has been in operation since June. It's a free coffeehouse for the elderly under the auspices of Project FIND. On a slimmed-down budget of $35,000 a year the center offers space in a renovated brownstone for the elderly to relax, sip coffee, and talk. And, especially, to enjoy each other's company.

Mrs. Elizabeth S. Trebony, executive director of Project FIND, says New York City's Welfare Department currently runs 60 day centers for the elderly, each annually costing about $100,000 (including value of rent-free space they occupy).

"Every 20-block area ought to have a day center," says Mrs. Trebony, "but at a cost of $100,000, this is impossible to imagine. So my idea is to have places like this." In slums where rents are lower, she believes, costs could be held below $30,000.

One point on which Mrs. Trebony and Mrs. Wasserman would agree is that more—much more—needs to be done to aid the nation's elderly.

From all sides in American society today comes clamor to reorder national priorities. Many groups seek more of the national attention, more of the national funds. Spokesmen for children do, and others seek more for blacks, the Spanish-speaking, and American Indians. More is needed for education, the environment and the consumers who inhabit it and funds are solicited for more mass transit in cities, and better housing everywhere.

And, oh yes, more is needed for the elderly. They recognize the needs of the others, and hope that they are not elbowed out in the frenzied struggle for attention and funds.

In 1958 the late Rep. John E. Fogarty introduced a bill calling for a White House Conference on Aging, which subsequently was held in 1961. At the time he said: "In spite of the many surveys, books, and conferences on aging, the greatest accomplishment to date has been the output of words."

More than words have rolled out of Washington and elsewhere since then. Medicare was enacted. And medicaid. Several modest social-security-benefit increases were passed; so were various housing and service programs. Yet the continuing need far outstrips these programs; and some of the smaller service programs which should be expanded must be fought over annually even to be preserved.

To most who work with the elderly, the biggest need today is for a firm national policy toward the elderly—a national decision of what should be done, and a national commitment to do it. That's what the elderly want, too; but they aren't holding their collective breath either.

Thus the elderly view this month's White House Conference on Aging with interest—but great skepticism. Will it be yet another flood of words, and trickle of action?

Or will it stimulate concrete help for the elderly—help that will come soon?

The elderly hope so.

THE AGED OVERSEAS: HOW DO THEY FARE?
(By staff correspondents of The Christian Science Monitor)

This article was compiled by staff writer Florence Mouckley from dispatches written by Monitor correspondents John Allan May in London, Henry B. Ellis in Bonn (who included information from many visits to Sweden), Elizabeth Pond in Tokyo, and Charlotte Saikowski in Moscow.

BOSTON.—With the United States still gyrating to the rhythm of the young, in Great Britain a new, measured beat is being heard. The elderly person is slowly being brought back to a meaningful place in society.

Compared with other industrialized nations, Britain has a foot out in front. As more and more of the physical requirements of the elderly are being met, public and private agencies are responding to their need for companionship, for usefulness, and for being a part of the mainstream of life.

For instance, some 600 day centers and 7,500 social clubs for the elderly dot the country. Many of these are provided by local town governments and county councils. Others are endowed by voluntary services.

In every town in Britain a wide range of "leisure-learning courses" is available. And more and more elderly folk are helping in the social services, in libraries, and on local sports, social, and political committees. Workrooms are being set up by most local authorities to provide those who want it with part-time light work.

OLD ORDER CHANGES SHARPLY

This movement to include the elderly in the ongoing life of the nation marks a dramatic change in Britain.

It would be almost true to say that even 10 years ago the elderly had no position. The days when "grandma" presided over the family and was taken along on all its outings has already gone.

Most housing was getting too small and expensive to allow the majority of young people to have parents living with them. People in the geriatric wards of hospitals and in "homes" were half-forgotten and tragic actors on the social scene. Most of the poor were old and most of the old were poor.

This situation has changed. But the change still has a long way to go before it is complete.

Some 7.6 million citizens are past the age of 65 in Britain. There is provision, although it is small, for a basic pension for every one of them. And a system of supplementary benefits ensures that those with no other resources receive a basic income of at least 6 30 (15) a week above the cost of their rent or accommodation.

Meanwhile, a new pension plan, due to be passed into law this year, will in time ensure that everybody in retirement has an adequate pension, related to earnings during his or her working life, that will be automatically adjusted to take account of inflation.

MAJORITY KEEP WORKING

However, despite these pension provisions, 6 out of 10 men over the age of 65 still prefer to stay on at work. With pensions at their present levels the majority must work after retirement if they are to maintain a reasonable standard of living.

And it remains true that one-third of all the retired folk in Britain need Supplementary Assistance to keep them above the poverty line.

It is also the case that the number of special houses and flatlets for the elderly needs to be quadrupled.

"Every day we find old people who somehow have been left out of things," says Mrs. Jill Battersby, a Women's Royal Volunteer Service (WRVS) social worker. "There are hundreds of cases still that are precious close to tragedy."

But the numbers are steadily being reduced. Mrs. Mary Simmons, for instance, worked for 60 years as a "char" (domestic). At 75 she retired. She now lives in a one-bedroom, single-story house on a council estate (public housing) in one of the most expensive areas for private housing in Britain.

"Oh, I am lucky," she says; "this is a lovely house. I can live very well on my pension really."

Local authorities now build about half the houses in Britain. Of these, one-quarter are specifically for the elderly. The rate of building old folks' accommodations is 80,000 units a year. In addition, more than 5,000 housing associations are concerned exclusively with the elderly.

MEDICAL SERVICES LARGELY FREE

Medical services are provided largely free. One-third of total National Health Service spending goes to care for the elderly, who are also exempt from prescription charges on recommended medicines.

Last year half a million older people took advantage of the home nursing services provided by the local authorities. Some 373,000 had "home helps" provided for them and 828,625 enjoyed free chiropody treatment. Volunteer agencies provided 21,561,819 "meals on wheels"—some 14 million served to the aged in their homes and the rest at social clubs.

And an increasing number of local authorities are furnishing even such things as laundry services.

Sweden, which has probably the most comprehensive social-welfare programs of all industrialized nations, is just beginning to grapple with the need of the elderly for companionship and stimulation.

With physical needs now met, loneliness is the prime problem. And Sweden must also deal with another, unique aspect of the loneliness problem: a traditional stiffness and aloofness among its people.

For centuries Sweden was a farming country. Isolated by geography and by long, severe winters, families looked only to their own members and the immediate community for social contact. Activity orbited around home and family.

But with industrialization and the move from farms and small communities to the cities, the extended family system broke down.

MORE THAN THE CLINICALLY MODERN?

With the close contact with the family severed, many elderly people were forced to live on their own, either in government-supported homes or in their own flats. And with the Swedish tendency toward diffidence, the elderly find it extremely difficult to make friends and find a new life.

More and more Swedes acknowledge that they have planned for the elderly—retirement benefits, health care—but not in the sense of finding out what they themselves really want. The Swedish Government and public are coming to realize that the clinically modern apartment blocks and the impersonal caring for physical needs are not the answer for the elderly.

To bring the aged out of their isolation, Prime Minister Olof Palme hopes to inaugurate "continuing education" in Sweden—the opportunity for Swedes of all ages to return to school at government expense. Although not directed specifically at retired people, this program would include them.

Echoing the Swedish situation, a social worker in West Germany says: "What the elderly need above all is stimulation to make their everyday lives a bit different. Over and over, as I go from one old people's home to another, that is what I hear.

"Most people in homes feel they are well taken care of," the social worker continued. "They acknowledge this, then they sigh and complain that one day is just like another."

Both Sweden and West Germany have comprehensive socialized-medicine programs that antedate the American Medicare program. In addition, many Germans take out extra health insurance through private plans. Thus old age is not the financial burden on families that it is in the United States.

As in Sweden basic living needs of West German elderly are met adequately. All workers contribute to compulsory old-age insurance, with their employers giving an equal amount. Men are eligible at 65; women at 60. And the pension rises automatically with increases in the cost of living.

Housewives who have never worked do not get a pension, though they share as wives and widows in their husband's pensions. Legislation being prepared will give housewives a pension for the years of work within the home.

The traditional pattern of the "old folks" living with the younger generation is largely superseded in West Germany. When, for example, East Germany allowed pensioners to visit their West German families for a month each year, remarkably few elderly East Germans remained in the West. Almost all returned to East Germany to their own homes, rather than start living with their grown children.

HOUSING AMPLE, STANDARDS VARIABLE

Unlike the United States, there is no serious lack of housing for the elderly in Sweden or in West Germany, both of which build large numbers of "social" housing complexes—that is, supported by government funds with low, controlled rents.

Those elderly who, for one reason or another, cannot live on their own find places in either private or public homes for the aged. Here the quality varies greatly and, in West Germany, at least, there are inadequate controls on how such private homes should be run.

Recently the West German press has stressed the loneliness problems of the aged, portraying them as often exploited by those who run old-age homes.

There is a need for additional facilities for the elderly as the percentage of those over 65 increases.

Japan, rocketing onto the world scene as a major industrialized nation, was late among nations in this category in adopting social-welfare programs for the elderly, since traditionally they have always been cared for by their children.

Throughout history Japanese families have respected and honored their elderly in obedience to Confucian ethics. Japan's whole system of loyalties was shattered by the country's defeat in World War II, however, and filial piety was not exempt. And, too, the explosive postwar industrialization and urbanization, with their population mobility and increase in nuclear families, further undermined the old family system.

MEN AT THE TOP VERSUS LOSS OF PRESTIGE

Now there is a wide gap between the men in their 60's and 70's who hold the top political and business leadership posts and the vast majority of elderly, who no longer enjoy the prewar prestige of the aged.

The vast majority faces compulsory retirement at 55.

There is a growing literature, both factual and fictional, on the uselessness, loneliness, and even obsolescence that many of these men feel.

Financial provision for the elderly is most inadequate. However, the Finance Ministry has just come out with a plan (which will probably be adopted) to increase social-welfare benefits next year.

Yearly income-tax exemptions for dependent elderly would be increased from 140,000 (about $425) to 160,000 or 180,000 yen. Exemptions for working elderly would also be raised from the present 120,000 yen.

Also, a combination of national and local governments would pay half the costs of private medical insurance for those 70 and over. Old-age pensions (for those 70 and over) would be increased from 2,300 yen a month to 3,300 yen (about $10).

According to a survey by the Social Welfare Ministry made last June, 540,000 elderly (men 65 and over and women 60 and over) live alone, often in extreme poverty. Of these 170,000 can afford to eat only two meals a day; 86,000 are bedridden.

ABOUT A THIRD SUPPORT THEMSELVES

In more general terms, according to Fumio Miura, section chief in the Welfare Ministry's Social Research Institute, about 30 percent of the 7 million elderly population support themselves; 50 percent are supported by their children; and 10 to 15 percent are supported by the government.

There are no company pensions in Japan. There is a lump-sum payment on conclusion of employment, but this does not cover further needs.

The first government pension program really got started only in 1954. It is financed by funds collected in both company and worker payments over 20 years of employment, supplemented by government money.

At best this gives the pensioner only about two-fifths of the salary he earned while working. And the program has not been in operation long enough for anyone to qualify yet for this maximum pension.

If a man is forced to retire at 55, he may find he has his most pressing financial needs immediately after retirement, for with frequent late marriages in Japan, he may well still have children to support and educate.

A measure of the inadequacy of pensions is seen in the number of people who work after retirement. Over the past decade this has increased to 87 percent. With Japan's labor shortage, retirees can find jobs, but these are often menial and low-paying ones like parking-lot attendants.

GOLDFISH PONDS AND PERSIMMON TREE

About 80 percent of the aged live with their children. This percentage, which is just the reverse of the Western ratio, has remained constant since 1955. Some 19 or 20 percent live alone; 1 percent live in old-age homes.

Mrs. Toshi Higuchi, 70 years old, is one of the fortunate elderly people in Japan, but still her situation is not ideal. She lives alone in a new mountain house built by her

daughter and son-in-law in a resort area of Niigata. She enjoys planting roses and cosmos and watering her garden, which is quite large and contains two goldfish ponds and a persimmon tree. She lives 15 minutes by car from the train station, and there is a good road to it.

But it's difficult for an old woman to get up and down much. She was in the hospital for 50 days recently but is back home now. The daughter (her only one) and son-in-law live in a bakery, a 15-minute train ride away from the station. Her granddaughter is married and living far away in Kyushu. Her grandson is living rather far away, studying baking in Tokyo. When asked to compare the way older people are treated now with prewar days, she replied: "I have nothing to say, because I am happy. Things are taken care of, but when it comes to evening time, I feel very lonely. . . . If I had a maid living with me I wouldn't be lonely, but then I would have to think about this and that for the maid all the time, and I wouldn't like that, so I stay alone."

FREE MEDICAL CHECKUP—PERHAPS

In theory the Japanese Government provides the elderly with a free medical checkup once a year. But only about 20 percent actually take the checkups. The places of examination are often too far away or inconvenient for the elderly to get to. Also, there is a strong disinclination to have the examination, since at best the elderly person would still have to pay half the costs; and at worst he would have to pay all. Many an older person just cannot afford medical attention. And there is at present no public health insurance for the aged.

The ruling Liberal Democrats are planning free medical care for older people, but it's slow in coming. It will cover those past 75 next year and only eventually cover those past 70.

Efforts to make life meaningful for the old in Japan are limited.

Prefectural (state) governments have some social-welfare centers with daytime activities. The Welfare Ministry tries to provide some club activity, too, but these attempts do not even scrape the surface of the need.

A promise on the horizon: The problems of the aged have become an important issue in Japan and no political party can afford to ignore them.

In the Soviet Union, although retirement age is 60 for men and 55 for women, countless Russians continue to work either to supplement meager pensions or because of professional interest. Many scientists, economists, actors, and musicians—as well as the country's political leaders—are in their 60's and 70's.

MANPOWER—AND CONTENTMENT—SOUGHT

And most significant, because of a growing shortage of manpower, a concerted effort is under way to enlist retired persons back into jobs. Aside from the value to the economy it is recognized in the Soviet Union that activity keeps older people healthier and happier. Some planners suggest that special light manufacturing plants be built that would hire only elderly persons and that part-time work be provided more widely where feasible.

Parallel with other societies is the disappearance of the traditional Russian patriarchal family, in which two and three generations lived together and the elderly "babushka" looked after the children. Young married couples today prefer to live alone, and the contemporary grandmother is less inclined to spend her senior years tied to family chores. Hence care of the aged is a growing concern in Russia.

Old-age pensions are paid to male wage earners at the age of 60 and to women at the age of 55. The minimum pension was raised this year to 45 rubles ($50) a month and the minimum monthly pension for collective farmers to 20 rubles ($22). The maximum pension based on years of employment and size of earnings, is 120 rubles. As a measure of comparison, the present average Soviet factory wage is 122 rubles a month.

FOR HALF, LESS THAN 50 RUBLES

Unlike most in the West, Russians do not contribute to the state pension fund, and pensions received are probably a higher percentage of average earnings than in most countries. However, they are also extremely low in relation to food prices. Western economists estimate that at least one-half of all retired persons have to get along on less than 50 rubles a month, which is below the official minimum living standard.

Certain types of hard labor, such as mining, carry earlier retirement benefits, as do jobs in remote and difficult parts of the country.

In the sphere of public health, the Soviet Union has an extensive system of free medical care (apart from the cost of medicines).

There are reported to be 100 geriatric consulting offices attached to medical institutions throughout the country now, and the first comprehensive geriatric polyclinic has been opened in the city of Tashkent.

With 12 percent of the Soviet population above the age of 60, problems of the elderly are being talked about more these days. Geriatrics specialists would like to see the construction of special rest homes, clubs, and even dietetic restaurants.

NEED FOR SPECIALIZED HOUSING SEEN

They would also like to see more specialized housing for the elderly.

Housing in general is in short supply, with an estimated 40 percent of the population still living in communal apartments—two or more families per apartment. But rents are subsidized by the state and are minimal by Western standards. Collective farmers, for their part, own their own houses.

According to a Soviet report, about 250,000 aged persons and invalids are cared for entirely by the state in special homes, of which there are some 850 in the huge Russian Federation. There is also special (and better-quality) housing for retired scientists, writers, and other privileged members of the intelligentsia.

Soviet specialists say the needs of the elderly are far from met and they urge construction of more boarding homes for the aged, with places for 100 to 400 persons in the midst of normal urban communities. The current five-year plan (1971–75) also calls for more homes for the aged.

Nursing Homes Can Be Stark Despite Bonanza

(By James R. Polk)

WASHINGTON.—Despite a billion-dollar bonanza from the federal government, America's nursing homes are a stark and lonely place to die. Abuses in money and medicine, an air of death and despair shadow the aged through the dusk of their days.

Studies show some doctors rarely see their nursing home patients. Nurses use drugs freely to restrain the elderly. Mental patients are dumped into nursing homes by the thousands. And fraud feeds on the federal dollar.

Through Medicaid and Medicare, the government suddenly has taken over financial responsibility for most of the nursing home care in this nation. The taxpayer now pays $2 out of every $3 pouring into private nursing homes.

Profits are healthier than ever. But other ills fester—tough federal regulations have been slower than federal dollars in reaching nursing homes.

For this hidden million Americans, the end can be an empty, grim, even degrading tragedy.

STEAL PATIENT'S SAVINGS

The Associated Press, in an extensive nationwide study of nursing homes, found facts and cases like these:

In El Granada, Calif., a nursing home operator is accused of stealing a dying patient's savings of $13,000 after she and a lawyer lifted his feeble hand to guide his signature on a legal paper.

In one of the largest nursing homes in Cleveland, Ohio, a patient wandered away from his room and strayed into a crawlway where he died. His body lay there, decomposing; for more than a year until a maintenance man stumbled across it this spring.

A suburban New York City nursing home billed Medicare for nearly $400,000 for physical therapy in one year. When the government tried to recoup part of the money by suspending Medicare payments, the nursing home discharged all its Medicare patients.

DOCTORS MAKE "MASS VISITS"

Some physicians, dentists, X-ray firms and other medical specialists have been accused by Senate investigators of making profitable "mass visits" to nursing homes where patients are plentiful. Records show one doctor who operates his own nursing home in Jefferson, Texas, billed Medicare last year for 4,560 visits to just 54 patients.

For the most part, however, doctors' care in many nursing homes across the country is so scarce that it is a national scandal. In one large home in Topeka, Kan., a survey showed three-fourths of the patients checked had not been seen by a doctor in at least half a year.

Tranquilizers, sedatives and other drugs are used in abundance to keep patients quiet. Doctors agree to prescriptions over the telephone to nursing homes without examining their patients. One Michigan woman was thought to be speechless for two years until a new doctor stopped the sedatives and found she could talk.

TURN DOWN PATIENTS

Nursing homes have become warehouses for elderly mental patients that state hospitals turn down or turn out. Few homes have any hint of psychiatric care, and most use drugs—or keep the patients belted in chairs. A woman who spent almost 50 years in a mental hospital now sits and stares in a Detroit nursing home, tied in a chair.

Regular hospitals, faced with serious overcrowding, sometimes discharge hopeless cases and ship them to nursing homes to die. An American Medical Association spokesman said, "I know it sounds harsh, but a hospital serves no purpose for these patients."

Perhaps most distressing, studies show nursing home patients may die quicker than ailing patients on the outside. For example, when Dr. Morton A. Leiberman of the University of Chicago examined the cases of 800 elderly persons, he found that the mortality rate of those on the waiting list to enter a nursing home was 10.4 per cent, while that of those already in a nursing home was 24.7 per cent.

PROVIDE ADEQUATE CARE

The researcher also cited five other studies which "reported marked increases in mortality rates for aged persons entering mental institutions or homes for the aged."

The AP survey showed that in many nursing homes the patients receive compassionate attention and adequate medical care.

All told, nearly a million people are confined to the nation's 23,000 nursing homes and other homes for the aged. Most are past 75. And, studies have found, many patients are senile or mentally confused, their minds fuzzy with the cobwebs that come with old age.

The old are also the poor. And because of this, the feedral government has made nursing homes a rich business.

PAYS HEALTH COST

Medicaid, the vast federal-state program that pays the health costs for the poor, now pumps more than $1.1 billion a year into private nursing homes.

Other federal programs, including Medicare, which pays for brief stays in nursing homes after patients leave a hospital, raise the total outlay by the taxpayer to $1.6 billion, more than two-thirds of all the money that nursing homes took in last year.

About 90 per cent of the nation's nursing homes are run for profit. And with the government now paying for care that the old and needy couldn't afford before, business is booming.

The president of Four Seasons, one of the biggest and best nursing home chains, has reported an anticipated annual pretax profit of $1,000 a bed.

The owners of a rural home in Tennessee reached that profit figure on welfare payments of less than $2,000 a year per bed, a hospital official said.

NURSING HOMES INCREASE

More than 50 nursing home chains have burst onto the stock market in the past two years as prices soared. Four Seasons went on sale last year at $11 a share. Now its stock is selling at $60, and that's after a 2-for-1 split.

The big boom has built hundreds of new nursing homes, with shining equipment, soft carpets and smiling administrators, to replace the fetid, faded boarding houses of a past era.

Real efforts are being made today at recreation and physical rehabilitation. Many homes attempt therapy programs. The facilities are cleaner, more modern, more attractive. And there has not been a disastrous nursing home fire for nearly five years.

FEWER NURSES, LESS CARE

But the better carpeting does not always mean better care. In the money-minded world of big business, profits can depend on keeping the basic cost of medical care as cheap as possible.

"You tighten up on nurses—fewer nurses, less care," said a small Los Angeles chain's nursing home administrator, who didn't want to be identified.

"And if you've got too a short a staff, you keep the patient snowed on drugs," said a Los Angeles public health official.

A recent California study has shown more Medicaid money is spent on tranquilizers than on any other group of drugs.

MANY GET TRANQUILIZERS

In Minneapolis, a random check of a nursing home's medicine cabinet found 8 of the first 10 patients were getting either thioridazine or chlorpromazine hydrochloride, two of the most popular tranquilizers which leave patients drowsy, listless and easy to handle.

In the same home, a 92-year-old widow was seen tied into a chair with a bedsheet.

Physical restraining straps, as well as drugs are not uncommon for the feeble, for the confused, for the mentally disturbed.

"There is nothing that is so horrible and terrifying to older people than to think they might end their days in a nursing home," said a 74-year-old Philadelphia widow.

"They pray to get sick on Tuesday and die on Wednesday."

A psychologist at the University of Chicago, Dr. Morton S. Lieberman, has found in studies that fear and shock may actually hasten death for the nursing home patient.

In comparing elderly patients on the waiting list for a home for the aged both before and after their admission, Dr. Lieberman found the death rate more than doubled upon entrance into the home.

He said, "They're right—it is a death trap—even in the homes that try."

Note Progress, Faults of Care for Aged

(By James R. Polk)

WASHINGTON.—In 10-below-zero weather, the sick and old patients huddled close to the single small-bellied stove in a railroad box-car that had been turned into a nursing home.

The Minnesota inspector remembers that shock vividly, even though it was 10 years ago. It is a measure of how far nursing homes have come today.

"The day of the old urine-soaked outhouse is gone forever," said Edward Walker, president of the American Nursing Home Association, who owns three Oklahoma homes.

Nearly half of all nursing home facilities have been built in the last five years. Private rooms are replacing crowded wards. Fire, once the greatest fear, is fading into the past. And medical care is improving.

PROGRESS NOTED

"With all of our faults today, we've made tremendous progress," said Walker.

Both the faults and the progress come to rest on the federal doorstep.

The $1.6 billion annual flood in federal money that has made the government the greatest supporter of the nation's nursing homes has brought care to thousands of old persons and has triggered the explosive building boom in new facilities.

But critics question whether payments have been put ahead of patients.

Medicaid, the vast federal program of health care for the poor, and Medicare, the federal insurance plan for the elderly, have paid for the bulk of the nursing homes' spectacular spurt in growth.

Taxpayers support for nursing homes has tripled in the past three years. Nursing home revenue has shot up by $1 billion, all from the government.

STOCKS ON MARKET

More than 50 nursing home chains have burst upon the stock market, where their prices have skyrocketed. Four Seasons, one of the most modern and fastest growing chains, is making profits 9 times as high as it was two years ago. And its stock, now selling at about $70, is worth almost 13 times as much.

Extendicare, another major chain, gets 82 per cent of all its money for a large group of Oakland, Calif., area nursing homes from federal programs, according to records on file with the Securities and Exchange Commission.

The Healthcare chain's homes in Massachusetts get 78 per cent of their revenue from the same sources.

The head of Medicare operations for the firm that handles New England payments, Travelers Insurance, was serving on the board of directors of another Massachusetts chain, Geri-Care Nursing Centers, until warned by federal officials of what one senator called an open and blatant conflict of interest.

U.S. FUNDS HELP

Medicare not only pays for daily care for limited stays but also helps bankroll construction by paying depreciation and interest costs, too. Another government agency, the Federal Housing Administration, helps by backing most of the mortgage amounts on private nursing homes.

One doctor in an Ohio suburb has reported more than $140,000 annual profits on the nursing home he owns.

High payments have brought a siege of scandals for medicare. But the revolutionary health plan, fought hard by doctors only a few years ago, has succeeded in pioneering the tough new standards needed badly by many nursing homes.

Medicare demands doctors' visits to each patient each month. It requires around-the-clock supervision by trained nurses. It sets stringent rules for drug usage. And, under Senate prodding, its officials have been patrolling the program closely in recent months.

ENFORCEMENT IS FLIMSY

But Medicaid has moved more slowly. Not until the last few weeks did Medicaid finally match Medicare's standards on doctors and drugs. The regulations are still temporary, and enforcement remains flimsy.

Medicaid is the major money program for the nation's nursing homes. Medicare pays for only a brief stay for the elderly after they leave a hospital. But because the old are also often poor, the lesser-known Medicaid program pours $1.1 billion a year into nursing homes for their patients.

Medicaid funnels the funds through the states, which pay for a share of the costs and handle all the enforcement. The latter often has been lax.

In Wisconsin, a 317-home in Milwaukee went without a regular state inspection for more than 2½ years even though the last checkup in early 1967 resulted in a four-page list of alleged violations.

WOULD CLOSE MANY

In Nashville, hospital administrator C. David Stringfield said, "If the state of Tennessee would be as firm as it could be, I would wager that 30 to 50 per cent of the long-term care facilities in this state would be closed down overnight."

Action, when it does come, is often taken quietly, without public knowledge. A Minnesota inspector told of an 87-year-old woman who died after being pushed off balance against a bed by an angry nursing aide. Officials used the coroner's photographs, she said, to close the home and force its sale to another firm, but no prosecution was attempted.

Many states' inspection procedures concentrate on obvious violations like food and fire, and few really probe the question of adequate medical care.

Doctors are still rare visitors to nursing homes, and some states, like California and Pennsylvania, don't specify how often they should see patients.

CAN BE BEWILDERING

Drugs are prescribed freely over the telephone by absentee physicians. And the mentally ill, often turned away by crowded state hospitals, are mingled among other patients and kept subdued by sedatives or restraining straps.

Telling the difference between a good nursing home and a bad one can be bewildering for a relative.

A modern new facility may lack frequent doctor's visits, especially if it is on the outskirts of a city. An older home may be spotless inside with kind nurses and conscientious care. One home may scrimp on food, and another may be careless with drugs, and still another may have a shortage of nurses.

THRESHOLD OF OPPORTUNITY

But Medicaid stands now on the threshold of opportunity for dramatic improvement. From interviews with state and local officials and nursing home operators emerges this concensus on what can be done:

Medicaid has on paper the requirement of a minimum of one doctor's visit a month. Now it has to enforce it, with the full threat of ending payments to nursing homes that lack the care. And the American Medical Association can help by following the example of the Knox County, Ind., Medical Society which checks to make certain nursing home patients are visited regularly by its member physicians.

Medicaid can write into its future regulations a minimum number of nurses, accord-

XUM

ing to the size of the home, to assure adequate care of patients. It requires only one nurse a shift now, even for a 120-patient home. State laws vary widely, but most require more than Medicaid.

NEW RULES WRITTEN

Medicaid has written in its new regulations a set of tighter standards on drugs and telephone prescriptions by doctors. One section requires a monthly review by doctors of all drugs used by patients. But this, too, will need enforcement at the state level that is not being carried out so far.

Medicaid can add needed policies on mental patients. For example, Minnesota's state regulations define any patient who requires restraining straps as mentally disturbed and forbids keeping such persons in nursing homes. Unfortunately, this also is enforced spottily even there. And Medicaid has no national policy at all.

Walker, the ANHA president, said current Medicaid and Medicare standards already are weeding out the poorer facilities and predicted, "In the next three years you are going to see a dramatic change in nursing homes in America."

[From the South Bend Tribune]

LIFE IS LONELY AND DESOLATE

(By James R. Polk)

WASHINGTON.—The priest was saying mass in the dingy Detroit nursing home when an old man with white stubble on his chin raised his grizzled face and blurted out a childhood prayer:

"Now I lay me down to sleep.
"I pray the Lord my soul to keep.
"If I should die before I wake,
"Who the hell would care?"

George Lewis, who is 78, is one of almost a million Americans living their last days in nursing homes financed largely by the federal government.

For many of these patients, it is a lonely, desolate, empty end.

"It is a living death," said a Los Angeles clergyman. "They sit and stare and wait—and watch each other die."

A Cleveland researcher, Dr. Margaret Blenkner, added, "Don't kid yourself. Just walk into a nursing home and tell me how many happy, laughing faces you see."

CONFUSED AND FORGOTTEN

This hidden million are old and alone, confused and forgotten.

Half are past 77. Most are widowed. For many of them, the mind is ebbing or eroded, and this, not ill health, is the main reason many are in nursing homes.

The grim sight of rows of patients who sit and stare at nothing is not a fault of the nursing homes. It is a fact of health, and a flaw of a nation that has no real plan for taking care of the mental nightmares that haunt the aging.

A study by Dr. Alvin I. Goldfarb, former head of the American Psychiatry Association's committee on aging, has listed 86 per cent of the patients in nursing homes as suffering mental disorders that range from senility to insanity.

LACK PSYCHIATRIC CARE

Yet a reporter who visited more than a score of nursing homes across the country failed to find any sign of psychiatric care. And, in interviews, several psychiatrists and psychologists agreed that such specialized care is almost nonexistent.

Drugs are used to keep patients subdued. The worst cases are kept in restraining straps. And state officials compound the crisis by dumping the elderly out of mental hospitals into private nursing homes.

The most common problem is senility, better defined in medical terms as "chronic brain syndrome." It comes with hardening of the arteries, starving the brain for blood, or with the sudden blockage of a stroke. It leaves the mind fuzzy, confused, blank. Patients forget how to dress themselves, how to go to the bathroom.

George Lewis says he has been in a nursing home five weeks. Records show it has been five years.

IN FOR 50 YEARS

For another Detroit nursing home patient, Miss Viola Cook, the records read almost 50 years—in a mental institution.

Miss Cook was a young woman in 1920 when committed to a Michigan state hospital because of confusion, delusions and what the doctors listed as "bizarre behavior." Her medical records reported no significant progress. Yet she was released this spring to be sent to a nursing home.

Now Miss Cook, 72, is kept tied with a cloth strap in her chair in a ward, unaware of the world around her, muttering as her hands knit with nothing in them.

Under Michigan's release program, she is considered in "convalescent status."

Moving patients out of the overcrowded state mental hospitals into nursing homes, where the federal government helps pay the bill, is routine across the nation.

GEORGIA SHIFTS 2,600

Georgia has discharged approximately 2,600 mental patients into nursing homes in five years. North Carolina has shifted about 1,700. An Ohio official flatly denied the practice, yet public testimony disclosed the recent transfer of 300 out of a single state hospital.

Dr. Goldfarb criticized such transfers and said most are unjustified. He added, "There is a danger that nursing homes, because they lack medical tradition and psychiatric supervision, will degenerate into snake pits."

As a substitute for psychiatrists, nursing homes turn to drugs and restraining straps.

"NO CHOICE"

In the back ward of a rural southern Indians nursing home, more than a dozen patients sit strapped into chairs. The administrator complains she has no choice—the state hospitals won't take the patients, and there is no place else for them to go.

Doctor's orders are generally required by state regulations for physical restraint. But checks of medical records showed this is loosely enforced.

The trappings of restraint can range from modern, dignified chair devices to a bed sheet for a Minneapolis patient, a strip of cloth in Detroit, an automatic dosage of transquilizing drugs for everyone in a Los Angeles home.

PATIENTS MINGLE

In these situations, with the mentally ill mingled among other patients, with callous government indifference to the problem, with restraint used as the cornerstone of care, a nursing home can turn into a house of horror.

A woman in a Minneapolis suburb remembers with vivid pain what happened when she took her mother, who had suffered a stroke, to a nursing home and returned the next morning to find her tied, without clothes, in bed in the midst of her own wastes.

"I will never forget that sight," the woman wrote. "It's seared into my memory, seeing her struggling to free herself, crying out for someone to help her.

"She clung to me and cried like a child over and over again, "Thank God you've come, thank God you've come.' "

HAND OF FEEBLE PATIENT FORCED TO WRITE

(By James R. Polk)

WASHINGTON.—At night, in the small nursing home on the California cosst, old John Sudar lay near death.

The nursing home operator and a lawyer leaned over him. One of them lifted his hand and made an "X" on a piece of paper, as the lawyer later testified in court. John Sudar was too weak to write. So, holding his hand, they added his signature on the paper, the lawyer said.

The feeble, 75-year-old man died less than two days later, just about the time the banks were opening on Monday morning.

Mrs. Gerdice G. Thorson, the nursing home operator, took the signed paper, according to court testimony, and withdrew John Sudar's $13,000 from his savings account.

The last hours of John Sudar, dismissed from a hospital by a medicare committee as a futile case and sent to a nursing home where he died only nine days later, are a tragedy frightening to thousands of America's aged.

MISSING FOR YEAR

So is the cold, unseen death of Robert S. Warfield.

As Sudar lay dying in El Granada, Calif., Warfield already lay dead, unnoticed, in a dark recess of an eight-story nursing home half a continent away in Cleveland, Ohio.

On a chill winter day Warfield, a former mental patient, had wandered away from his room and disappeared into a nearby crawlway. No one found him, and he died.

For more than a year and a month, Warfield's body remained in the crawl space, undiscovered and decomposing.

Coroner's records show that not until a worker at the Midtown Nursing Home happened to enter the recess was the body found last spring.

For six months after his disappearance, according to welfare records, the nursing home had continued to collect Medicaid payments for Warfield's care.

The home repaid the full $1,900 when Cleveland welfare officials finally uncovered the payment error.

But even after that mistake, welfare authorities went on sending Warfield's $8 spending allowance to the nursing home for him each month until his body finally was found.

In California, Mrs. Thorson is now awaiting trial on theft charges. The coroner's office in Cleveland found no wrongdoing by the Midtown Nursing Home.

Chaos, confusion and charges of fraud are laced throughout Medicaid and Medicare, the two huge federal programs that pay for most of the nursing home care in the nation today.

No one really knows how much of the $1.6 billion in tax money each year may be going astray. But estimates start in the tens of millions of dollars.

SCORE "MASS VISITS"

Senate investigators have lashed out at "mass visits" by some directors, optometrists, foot specialists, X-ray operators and others giving unsolicited care to the captive audiences of nursing home patients

Kickbacks and markups dot investigation files. A Los Angeles nursing home owner said,

"I even had a minister come in and say he would serve as a 'spiritual consultant' under the program for $100 a month."

OTHER CASES FOUND

A nationwide check by the Associated Press found such cases as these:

In the quiet county seat of Jefferson, Tex., Medicare records showed a physician, Dr. R. D. Douglas, who operates the Douglas Memorial Nursing Home, billed Medicare last year for 4,560 visits to 54 patients, an average of more than 80 visits each. He also billed for a total of 8,175 injections to just 149 patients. Douglas, who was paid more than $62,000, is now under Medicare investigation.

The plush Casa Contenta West home in Panorama City, Calif., is alleged in a state document to have subtracted and kept discounts on mass visits by a foot specialist to its medicaid patients each month. The state attorney general's office said it is investigating other dealings by the home with an X-ray operator, a pharmacy, a linen firm and beauticians.

INVESTIGATION SOUGHT

In Florida, the North Miami Beach Convalescent Home is alleged in a government report to have tacked on an extra 30 per cent charge to its medicare bills on drugs and therapy services. The case has been referred to the Justice Department.

The Justice Department also has been sent the case of Hollis Park Garden in Hollis Park, N.Y., which billed the government for $372,000 for physical therapy last year. A senator charged that some patients were listed as undergoing therapy on the day they died. When the government tried to stop payments to collect a $150,000 refund, a federal official said the nursing home discharged all its medicare patients.

California records showed one podiatrist in Los Angeles turned in billings for foot care for nursing home patients who had been dead as long as a year.

The district attorney's office in Los Angeles has been quietly investigating a small group of Blue Cross employees who by-passed regular procedures to speed payments from California's medicaid program to certain nursing homes for a percentage fee. A state official said privately the questionable payments may have topped $2 million.

ADD TO CHARGES

In some nursing homes, the scramble for the extra buck can be found almost anywhere, from the breakfast table to the bedpan.

Underpaid aides sometimes hustle patients for tips for small favors, like bringing in a morning newspaper. Some nursing homes add extra charges for simple services like haircuts.

In Los Angeles, where welfare authorities give patients $15 a month for personal spending needs, one nursing home owner said, "A lot of these people never see that money."

In New York City, a noted neurologist who said enforced tipping is commonplace in both hospitals and nursing homes, remembered, "When I was an intern, it was 25 cents for a bedpan cold; 50 cents, warm."

CAN CUT COSTS

In nursing homes profits climb if costs can be cut. In some, food is the first casualty. Nationwide surveys have shown average food costs per nursing home patient to be less than $1 a day.

A former executive for a suburban Detroit nursing home tells how milk is diluted with water, hamburger is half bread, and the cheapest, worst coffee is served.

"If the patients don't like the coffee, they don't drink it, and so you can save even more on coffee," he said.

In an aging Minneapolis nursing home one day last month, the required menu listed sausages for supper, but the cook was preparing a watery stew instead.

Asked what it was, she said, "I don't know what you would call it—it's homemade."

[From South Bend Tribune]

VISITS OF DOCTORS TO AGED RARE; ADVICE TELEPHONED

(By James R. Polk)

WASHINGTON.—The nation's nursing homes suffer a chronic deficiency in doctors.

For the sick and dying, the average amount of doctor's care may be only a few minutes a month.

Of all a doctor's patients at office and hospital, the one in the nursing home is usually the last he sees.

And to a nursing home, the telephone becomes a more important medical instrument than the stethoscope.

In state after state across the nation, an Associated Press investigation has found nurses meet emergencies by telephoning doctors who prescribe drugs without having seen their patients for weeks or months.

"Telephone medicine is a fact of life in nursing homes," said one state's top inspector.

"EVEN WITH NARCOTICS"

"We'll even do it with some narcotics," said another state nursing supervisor in New Jersey. "You know how hard it is to get a doctor at 3 o'clock in the morning."

The blame for neglect falls more on America's doctors than the nursing homes.

Many doctors, already hard pressed to keep up their hospital cases, don't find the time to visit nursing home patients with any regularity. Other doctors admit frankly they feel they can do more for the patients who have a chance at life than the aged and the dying.

An Illinois nursing home operator said, "I was shocked the first time I asked one doctor, 'Why don't you come more often?' and he said, 'To tell the truth, it depresses the hell out of me.' "

SEEK ONE EACH MONTH

Both the government and the medical profession now back the goal of a visit to nursing home patients by a doctor a minimum of once a month.

But in Topeka, Kan., a comprehensive official study of the area's nursing homes last year showed fully one-fourth of all the patients had not been seen by a doctor in half a year.

In one large Topeka home, the total was three-fourths without a doctor's visit in half a year.

In another government-financed study of more than 100 homes throughout Minnesota, researchers computed the average amount of doctor's care per patient at less than 2½ minutes a week.

A physician who manages a top-rated nonprofit nursing home in St. Paul, Minn., pointed to one of his patients and said, "That woman—her doctor hasn't seen her in five years."

With federal programs now paying $1.6 billion a year to finance most of the nursing home care in the nation through Medicaid and Medicare, a crackdown is on the books. But it has yet to reach the bedside.

A sleeper proposal in new standards adopted this summer for Medicaid, the huge program of health care for the poor, requires a minimum of one doctor's visit each month.

But spot checks of actual medical records showed the requirement is not being enforced widely yet.

Frank Frantz, a federal official who helped draw up the new Medicaid regulations, said: "The lack of a doctor is at the root of a lot of the problems in nursing homes. But I don't think the 30-day requirement will solve them."

"It's a question of how the doctor uses the nursing home. I think it's a difference of whether a nursing home is to be where a physician puts a person or where he practices medicine."

In nursing homes, most medical treatment is practiced by nurses or low-paid aides.

SIGN LATER

A nurse, confronted with a crisis, telephones the patient's doctor, describes symptoms, and gets a prescription.

States usually require doctors to sign their telephone orders afterwards, but are lax on how soon they must do it. Arizona, for instance, instructs a doctor to sign the records on his next trip—but requires he visit the nursing home only once a year.

In Minnesota, nursing homes mail the doctors a form to sign, and the patient may remain unseen by the physician for weeks.

Minnesota does require that, unless a doctor spells out a specific period for a prescription, the drugs should be cut off after seven days. But enforcement is slip-shod.

In one Minnesota home a chloral hydrate prescription had run for six years without any specific instruction.

The case embarrassed the city's inspector, who serves on the board of directors of the same church-owned nursing home in what she said "may be a conflict of interest."

The inspector told the practical nurse on duty, "You don't order a drug forever, you know."

"WHAT ELSE?"

"That's what we've been doing," answered the nurse. "What else can you do? So many of our doctors aren't coming in. We have a hard time even contacting doctors by telephone."

The absence of doctors, the diagnosis from a distance and the easy use of drugs add up to an unhealthy situation in many of America's nursing homes.

In California, inspectors said half of all violations of state regulations they find in nursing homes involve problems in carrying out the patient care ordered by doctors.

"Lots of times things are ordered and the nurse doesn't write it down, or she writes it down incorrectly," said Dr. Gottlieb L. Orth of Los Angeles' health department.

One out of every seven drug prescriptions administered by a nurse is carried out wrong, according to figures cited in a study presented at a recent medical convention.

In a nursing home in a decaying neighborhood in Los Angeles, a manual of instructions for the nurses includes the section:

"Critical Condition—What to Do."

Clipped to the page is a business card with the phone number of a funeral home.

[From Wichita (Kans.) Eagle and Beacon, Oct. 17, 1971]

OLD PERSONS GATHER STRENGTH; MAKE ADJUSTMENTS TO AGING

(By Olive Evans)

NEW YORK.—Donal McLaughlin is old: 95. He has a bright smile, moves quickly and has strong opinions about life and about growing old. When his wife died five years ago, he could fend for himself. But his two sons were worried about him, and, he now admits, they were right.

"To tell the truth, after I cooked a meal, I didn't know what I'd had, how it tasted or anything. So I saw it this way: sooner or later I will have to succumb to circumstances and I will never have my home cooking again."

Mrs. Nancy Petty is old, too: 82, a serene and stately woman, she doesn't look her age. Some years ago she made the decision to plan for her later years. Her plans definitely did not include living with her family.

"I think grandmothers are lovely, but I don't think they should be a steady diet for anyone," she said.

McLaughlin and Mrs. Petty are among a minority—but a growing minority—of old people who have made an emotional adjustment to aging. Like more and more older people today, they planned, with their families, for the day when they would need help in coping with life.

Instead of the painful experience of being "put away," entering a "home" became a goal. They opted for a life-style that would keep them in the company of their contemporaries, in a loosely structured environment, institutional but affording some degree of privacy.

"More people are finding that this is a better answer than living by themselves or with families," said William C. Fitch, execu-

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tive director of the National Council on Aging. "But the need is for more facilities that are not highly institutionalized, where people are treated as individuals."

Of equal importance, he said, is the need for facilities that people on reduced or retirement incomes can afford.

There now are more than 20 million people aged 65 and over in this country, old people, and therefore there will be a growing need for a variety of facilities, some of which we haven't even invented. Census bureau projections put the figure for 1980 at 23.5 million, for 1990 at 27.6 million in 1990 and close to 29 million for the year 2000.

"Advances in medical care and services will increase the proportion of yet," said Mrs. Rebecca Eckstein, the council's assistant director.

No one knows how many of the one million people now in the nation's 24,000 institutions for the aged are getting good care. Recurring testimony about conditions in many old age and nursing homes has revealed callousness and cruelty to patients by employes, filthy conditions, poor food, understaffing and overcharging.

By comparison, conditions seem utopian at the Isabella Geriatric Center in Manhattan.

"It's a stunning setting," said Mrs. Eckstein about the nonsectarian, voluntary and nonprofit complex of institutions housing the aged and the aged ill, and dealing with the problems of the aging.

A sentence on the blackboard of a lecture room contrasts sharply with the treatment in some other institutions described at recent hearings: "Nursing care must communicate to the patient his value as an individual, and his status as a family member and as a member of society."

At 75, Nicholas Bessaraboff Bodley is young by geriatric yardsticks. He's a white Russian with a patriarchal beard—a frail and gentle man. He is proud of the engineering degree he received in 1915 from the St. Petersburg Polytechnic Institute in Imperial Russia.

Two years ago Bodley's health failed, and the decision was made to enter a "home." A man of some reserve, he has taken rather well, it seems, to the community style of living at Isabella. His article, "Who Is Bodley?" appears in the current issue of "Chatterbox," a newsletter "by the residents for the residents."

In it, he writes about his beard, ". . . I am not a rabbi nor a Russian orthodox priest, but a professional man who had to shave about 50 years every day. After retiring, I decided not to shave any more. Oh, what a blessed relief!"

Bodley has translated esoteric philosophical works from the Russian, produced a compendium of information on ancient European musical instruments for the Museum of Fine Arts in Boston, and for the American Journal of Archeology, written an article on the aulol, a clarienet-like instrument of ancient Greece and Egypt.

Like most of the residents, Bodley has his own room. Costs at Isabella house, the residence for the more self-sufficient, range from $376.15 a month for a single room to $522 for one, or $708 for two, in a suite. Residents there do light housekeeping and prepare their own breakfasts; the two other meals are served in the dining room.

At Isabella Home, which is for residents needing more attention, cost for an individual are $647 a month. In the infirmary, where 24-hour-a-day nursing care is available, the individual rate is $1,431 a month.

A widow for 38 years, Mrs. Petty used to be housemother at a boys' school in New England. A woman of independence, when the time came to retire, there was no question in her mind.

"I have a wonderful daughter and a wonderful son, and they both wanted me to live with them. But it's hard to mix up so many ages of people. I think you're so apt to infringe on your grandchildren's liberties. After all, I know a good deal more than they do," she added with a wink. "Being apart keeps a love alive that might not have survived the test."

No matter how benign the environment entering a "home" is a radical change at a time of life when change is least easy to accept. Adjustment to the change is a measure of the individual's total emotion health.

As McLaughlin put it, "self-pity is the biggest disease we have here. Everybody tells you what a beautiful home he had . . . you have to fight it."

[From the Wall Street Journal, Nov. 26, 1971]

"THANKS A LOT": DISMAYED AGED LEARN SOCIAL SECURITY RAISE MEANS CUT IN BENEFITS—IN MANY STATES, A $10 BOOST MAKE ELDERLY INELIGIBLE FOR FREE MEDICAL CARE; WILL BUREAUCRATS EVER AGE?

(By Tom Herman)

MIAMI BEACH, FLA.—Leah Miller is a diminutive, white-haired lady who lives alone in a small, $100-a-month hotel room here. For the past several years, Mrs. Miller has lived solely on the proceeds of her Social Security check, welfare benefits and the occasional gifts of a few close friends. Mrs. Miller is a diabetic, and after she buys her prescribed drugs and pays her rent, there's not much left over each month.

Mrs. Miller is probably just the kind of person Congress had in mind when it decided to increase Social Security payments 10%. Well, the 10% increase is in effect now, and Mrs. Miller says it has changed her life, all right.

For the worse.

"I begged the government not to make me take it," she says, "but they said I had to. I told them that's not fair. But they said their regulations won't allow them to take it back."

Mrs. Miller has not lost her mind. Because of some quirks in federal and state laws, she and thousands of other old folks in 25 states have discovered that their Social Security raises are costing them far more than they benefit them. Specifically, Mrs. Miller now gets at least $20 a month less than she did before the "increase." She also has less hospitalization insurance. And she isn't insured at all for many things she was once covered for.

NEW GARBAGE BILLS

The problem arises when elderly poor people receive enough of a Social Security increase to make them ineligible for valuable other benefits they had been receiving, such as old-age assistance, Medicaid and free Medicare insurance. In some communities, the Social Security raise even disqualified recipients from receiving free garbage collection and forced them to pay more for their food stamps.

To some people in government, the unfairness of that ironic situation is plain, and legislation now is pending in Congress that would largely eliminate the problem. However, the proposal is a part of the controversial welfare-reform bill, which is bogged down in the Senate Finance Committee, so there's no telling when or if relief will come. In the meantime, the problem is likely to be aired at the White House Conference on Aging, scheduled for Sunday through Thursday of next week.

Mrs. Miller hasn't been invited to that conference, but if she were she would have plenty to gripe about. Before the increase, Mrs. Miller's only income was $113 each month from Social Security and $6 from the state welfare department—or $1,428 a year. The state welfare department also furnished her with a little blue card that paid up to $20 a month for prescribed medicines, and it picked up her monthly Medicare insurance premiums of about $5.60.

MRS. MILLER'S SCISSORS

Then came the "raise." Now, Mrs. Miller gets $124 a month from Social Security—$11 more. But she no longer gets the $8 welfare check, or her $20 in medicines, or her $5.60 in insurance premiums. (Medicaid in Florida and 24 other states is available only to welfare recipients.) The Medicaid Mrs. Miller lost covered free X-ray treatment and skilled nursing home services—which, if the need should ever arise, she will now have to pay for herself. Medicaid also pays a patient's entire hospital bill for up to 60 days. Without Medicaid, Mrs. Miller must pay the first $60 of hospitalization costs, and that figure will go up to $68 in January.

To make ends meet, Mrs. Miller has started cutting her most expensive pills in half with a scissors. "That way, I use them up only half as fast," she says. She also spends less on food now. She also worries.

"What would I do if I should have to go to the hospital?" she asks. "I don't know where I would get that $60. And the chances of my needing to go to the hospital get better every day. I'm 83, and I'm not getting any younger."

Mrs. Miller is confused, and she is bitter. "I still can't understand how anyone could let this happen," she says. "I told the welfare people, 'Thanks a lot for nothing.' They said they were sorry, but that their hands were tied by regulations. But what are we supposed to do, those of us who are much too old to do any work?"

Government officials don't have an answer to that question, but they say it isn't a new one. Thousands of cases like Mrs. Miller's pop up every time there a Social Security increase, they say. "It's a real tragedy," says Virginia M. Smyth, a federal welfare official in Atlanta. "It's especially ironic because it runs completely counter to the intention of the law."

TOO OLD TO FIGHT

Although the problem may have been around for years, many government officials seem unaware of it, or assume it's not around any more. One official with the Social Security Administration in Miami recently insisted for several minutes that "the whole problem was cleared up last spring in some new legislation that you should know about." Later, after thumbing through several thick reference books, he confessed: "Well, I suppose you're right. The problem is still with us."

One reason few people seem aware of the situation is the extreme reluctance of many poor people to protest. In interviews, some people express fears that any protest would mean sharp cuts in their Social Security checks. Others simply shrug their shoulders and say they are too old to fight.

Some have reacted by pleading with Social Security officials to take back the "raise." Sam Salit, a short, stocky, 77-year-old man, lives with his wife, Julia, age 68, in a small, one-room apartment in South Miami Beach, an area of the elderly and the poor. Sitting in his "living room" (the front half of the apartment) on a hot afternoon, Mr. Salit mops his brow and recalls a conversation he had with a state official after he discovered that the "increase" was going to cost him at least $43 a month.

"First, I say to the man, look, I make you a deal: You take back my little increase and I won't tell a soul. In fact, I say to the man that I give back the increase gladly. The man smiles and says he's sorry, I say that sorry won't help. He says he knows. I say to myself, so what can I do? At my age, I'm going to fight the law?"

One answer, of course, would be for each state to give Medicaid to people whose incomes are too small to pay for the medical care they need. At the moment, 23 states and the District of Columbia do just that. But in the others, only these on welfare are eligible for Medicaid. And it doesn't seem likely things will change. If anything, the trend is moving in the opposite direction; many states have begun or are considering cutbacks in medical care for the indigent.

Another answer would be to disregard Social Security altogether when computing welfare eligibility. That is the approach of a bill that will be introduced this winter by several Florida state senators; it is also an approach that has been proposed several times before and defeated, mainly because of cost.

$600 IN THE HOLE

Meanwhile, there is no help for people who lose money by getting money. That's especially tough on those with heavy medical expenses, such as Mary B. Powell, who lives near Miami. Back in the good old days before the Social Security increase, Mrs. Powell was technically on welfare and entitled to $45 a month in free prescription medicine. Now, she's off welfare, and the $45 a month comes from her own pocket—as does her $5.60 Medicare insurance premium.

That's not all. Mrs. Powell and her husband, James, live in an unincorporated area of Dade County, which means that, as welfare recipients, they were entitled to free garbage collection. Now that they're off welfare, they have to pay the $52 a year themselves. Like his wife, Mr. Powell lost his free medicines—$20 month in his case. Both the Powells lost their welfare checks, of $1 each per month. The Powells figure their Social Security increase amounts to $206.40 and will cost them $810.40 a year, which means they must somehow find another $604.40—assuming they will need no X-rays, hospital care or nursing home services.

That's an unlikely assumption. Mrs. Powell is either 73 or 75—"I can't remember if I was born in 1896 or 1898, but when you're my age, what's a year or two?"—and uses a wheelchair and suffers from ulcers and arthritis. Mr. Powell, who is 78, had "a complete mental breakdown in 1965 or so" and since has had a stroke, Mrs. Powell says. So the Powells are not exactly top candidates for the labor pool.

Nor are many others. "What worries me isn't losing the welfare check," says William Lucas, age 66, of Atlanta, who is mostly paralyzed on his right side and suffers from hardening of the arteries and an arthritic left leg and wrist. "Hell, they can keep the welfare check. What I need is that $20 drug card and the Medicaid hospital coverage."

GROCERIES OR MEDICINE

Lelia Comer, a 75-year-old St. Petersburg widow, can sympathize. Mrs. Comer's Social Security increases amounted to $12 a month and robbed her of $35.60 in welfare medical money as well as the wide variety of hospital benefits paid by Medicaid.

Sitting on her porch with her shoes off, Mrs. Comer says: "I tell you what I think: Us old folks that worked hard, that can't work no longer, that need the money just to stay alive and buy medicine, they is the ones that can't get no money. But those young mothers that have all them babies, they get all the money they need. This raise ain't a raise none at all. It's just what they do to get us old folks off of welfare, that's all. You see what they done, they just put on to one check and took off from the other. So I'm worse off from where I was. It hurt me a heap. God knows, they think the old folks ain't got nothing to spend money on. Nothing to spend money on."

To save money for herself and her 51-year-old asthmatic daughter who lives with her, Mrs. Comer says she borrows "from my neighbor on food. And I leave off (buying) some of the groceries. My daughter, she say she don't care none about leaving off some of the groceries. She say that medicine is the most important thing."

Some observers think cases like Mrs. Comer's reflect the government's—and the whole society's—lack of sensitivity to problems of the aged. Max Friedson, a 72-year-old activist for improved old age legislation, thinks he knows why no one cares: "You know why problems like this exist?" he asks. "You know why? Because some people in government today think they'll never grow old. Of course, I don't think that's too unusual, because I never thought I'd grow old either."

[From the Washington Post, Nov. 21, 1971]

RETIREMENT: NEVER TOO SOON TO PLAN

(By Roy Hanson)

How old are you? Never mind, it doesn't matter. No matter what your age, it's time to start making plans for your retirement.

In a recent issue of Consumer Views, City Bank of New York's consumer newsletter, the money men advised that you sit down and ask yourself three questions:

Will you be able to retire at 65 or sooner?

How much income and reserves will you need to live in comparative comfort?

If your total income after retirement, as you forsee it, doesn't seem enough, what steps can you take to bolster it later?

For most people retirement means living on a sharply lower income. How much lower? For an "average" couple, in reasonably good health, living by themselves in a metropolitan area, a "low" budget means an annual income of $3,200. An "intermediate" style of living takes at least $5,000. On a "higher" budget a couple needs $7,400. And even at the latter figure that means a comfortable but by no means luxurious way of life. If you're big on luxury, better revise that upward.

Don't forget to allow for inflation, either. If inflation continues at 4 per cent, $500 now would have the buying power of only $338 in 10 years. At 2 per cent it would buy $410 worth.

Where is the money coming from?

Savings. If you have $10,000 in the bank, at 5 per cent interest, it will bring in $500 a year, $41.66 a month. It's a start.

Social Security. The major source of income for most retired persons. And almost nine out of 10 have it. The minimum is $105.60 a month and it ranges up to $320 worked out by a complicated formula based on your average earnings over a period of years. You can get the material for working out the figure in your case by writing the Social Security Administration, Baltimore, Md., 21235. If you retire at 62 you get four-fifths of the amount you would be entitled to at 65. You can also earn as much as $1,680 a year without losing benefits.

Pensions. Private pension plans cover about half the work force and government plans bring in another 20 per cent. The average payment in 1969—the latest available year—was $160 a month. It is probably a little higher now. If your company has a pension plan, look into it. Find out what it gives you, how you qualify for it and what riders there are, if any. For instance, do you lose your rights if you change jobs before acquiring a vested interest in the company pension fund? You might also be eligible for a veteran's pension. Check that with your local Veterans Administration office.

Investments. If you own stocks, bonds or mutual funds, add up the returns over a year. Obviously, since you'll be counting on steady income, the more steady, reliable performers are the best. A note on U.S. Series E savings bonds: If you don't cash them in until you retire, you'll cut your tax on the interest because of your reduced income.

Annuities. You pay in money, either all at once or in installments before retiring. Then you get periodic payments, usually for the rest of your life, after retirement.

[From the New York Times, Nov. 21, 1971]

AGED ARE CALLED LOW U.S. PRIORITY—HOUSE UNIT HOLDS HEARINGS IN BRONX ON ELDERLY

A special Congressional subcommittee, meeting in a cold auditorium at Lehman College in the Bronx, was told that the aged were too far down on the list of the nation's priorities.

The 15 speakers, some of them old, others experts on problems of the aged, told the Select Subcommittee on Education that elderly persons need more money, better housing, better services and some meaningful involvement in the life around them.

The subcommittee, part of the House Committee on Education and Labor, is headed by Representative John Brademas, Democrat of Indiana, and has held hearings in Chicago and Washington. The subcommittee is scheduled to go to Boston and Miami for additional hearings before the White House Conference on Aging, which begins next Sunday.

Walter Nueberger, of the Congress of Senior Citizen, said 500,000 of New York City's 1,000,000 residents over 65 years old were eligible for welfare, but only 50,000 would accept public assistance.

"They don't want to stand in line and use food stamps. They don't apply for rent supplements. They don't want anything that smacks of charity," he said.

"Don't embarrass them by a means test and don't make them hold out their hands and beg," Mr. Nueberger pleaded.

Jule M. Sugarman, administrator of the Human Resources Administration, noted that the aged were 12 per cent of the city's population and 5 per cent of the nation's aged population. He told a newsman after he spoke that about 250,000 aged persons lived on Manhattan's West Side.

Crime and fear of crime were discussed by many witnesses. George Dimond, president of the William Hodson Senion Center, said that many older persons had been robbed using a particular letter box in the Bronx.

[From the Washington Star, Nov. 30, 1971]

INCOME FOR THE AGING

It is hardly surprising that the subject of an adequate annual income quickly emerged as the dominant issue at this week's White House Conference on Aging. Money, or the lack of it, remains at the root of so many problems the nation's over-65 population faces. Fully 25 percent of these 20 million citizens live below the government's officially-designated poverty line, and millions of others are but on the fringes of what could be called a decent living standard.

There is no question, then, that a giant-sized problem exists. But where is the solution? One idea that has gained considerable headway at the conference follows the concept of the guaranteed annual income. It would provide a minimum of $3,000 per year to each elderly person over 65 and $4,500 per aged couple. On the surface, that sounds modest and reasonable enough. Yet serious questions arise, questions of feasibility and equity.

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Nothing is wrong with the idea of a guaranteed annual income for the elderly. It exists already in the form of Old Age Assistance, one of three adult categories in the state-administered but federally subsidized welfare system. What's faulty here is that payments throughout most of the country are far too low.

Marking time right now in the Senate Finance Committee is H.R. 1, the Social Security-medicare-welfare reform measure that with administration backing passed the House early this year. It is the focus of high controversy solely because of its Family Assistance Plan, which would put an income floor under all families with children. Nearly as remarkable, however, are a series of provisions aimed at the elderly and at other adults, the blind and disabled, who are eligible for welfare. Besides a series of benefit increases for Social Security recipients, the bill would completely federalize the adult welfare system, and it would lead to uniform national payments of $150 a month per individual, $200 per couple. In fact, more money would go to the aged, blind and disabled under this plan than to welfare and working-poor families.

How about raising those income amounts for the dependent elderly? Under the Family Assistance Plan, a family of four with no earnings would get $2,400 a year, the same as an elderly couple. Guaranteeing more to the couple than to the family with children could not be justified. Moreover, there is an equity question related to the Social Security system. Guaranteeing every elderly couple an income as high as $4,500 would mean that the majority of retired persons who paid taxes for years into the Social Security system would get no more money than the elderly who had paid little or nothing into the system.

The more astute among the policyshapers at the White House conference no doubt are aware of the complexities of the problem. If they can get serious about the concept of a guaranteed income without fooling themselves as to the numbers involved, that's all to the good. Maybe then the organizations that represent the nation's elderly can help mount an intensified lobbying effort for the passage of H.R. 1.

[From the Baltimore Sun, Nov. 25, 1971]

UNITED STATES SCORED FOR NURSING HOME STAND

(By Frederick K. McGehan)

A top state health official took sharp issue with the federal government yesterday over its increased involvement in the upgrading of nursing homes.

Dr. Matthew Tayback, assistant secretary of health and mental hygiene, said federal allegations that Maryland has failed to comply with regulations governing nursing homes that accept Medicaid patients "has created unnecessary alarm."

"This whole matter has turned out to be a tempest in a teapot." Dr. Tayback said, noting that federal officials have agreed to accept Maryland's plan for complying by July 1 next year.

In letters sent to the state health department earlier this month, officials of the Philadelphia regional office of the Department of Health Education and Welfare cited 12 specific areas where Maryland has failed to comply, and requested an immediate timetable for compliance.

HEW SENT LETTERS

Dr. Tayback noted that similar letters have gone to all 50 states. "All this suggests . . . that the Nixon administration is attempting to influence public opinion. This is especially suggestive when it is noted that a White House conference on aging is forthcoming shortly," he said in a statement.

The state official said his department's staff has concentrated for the past year in upgrading the areas of life-safety, sanitation and patient care in nursing homes. The federal government, he claimed, has been focusing its attention "on financial details, matters of ownership and payrolls."

"We do not dispute the necessity to comply with the federal regulations but rather feel that the basic issues of life-safety and hygiene should be attended to first," he added.

Dr. Tayback also criticized a November 24 announcement by the Social Security Administration that it was encouraging persons with complaints against nursing homes to report them to local Social Security offices.

Dr. Tayback said the state already has a procedure for receiving and processing complaints and that a similar federal system "could create widespread confusion."

He advised Maryland residents to register complaints with city or county health officers, with the state Health Department's division of licensing and enforcement, or with his office directly.

He described the social security announcement as "another example of initiatives from the White House which are highly politically motivated and which do not contribute constructively to improvement in patient care."

[From the New York Times, Nov. 27, 1971]

THE RETARDED AND THE VOLUNTEER HELPERS—THEY NEED EACH OTHER

SOUTHBURY, CONN.—Three small boys, neatly dressed for school, are seated at a round table. A woman with a pleasant round face and graying hair sits with them.

"Put the peg in the hole, Albert," she urges one youngster again and again, imposing her will and determination on the boy's faltering hand. Eventually, after many tries, the peg goes into the hole on the pegboard.

"Good boy, Albert! That's good, that's really great!" she says.

The woman, Mrs. Ray Forsyth, is a volunteer. She is working with profoundly retarded children in a Federally-funded program (the Neurologically Impaired Program) at Southbury Training School, one of Connecticut's two state institutions for the mentally retarded.

A fourth child, with Mongolism, sits in a "walker."

A TEEN-AGER LEARNING TO WALK

"Michael is just getting used to putting his feet on the floor," Carol Stewart, a teacher, explains. "There is no reason why he can't use his feet some day.' Michael is 14 years old, but appears to be much younger.

One of the boys, David, who is blind as well as retarded, gets up, with considerable help, from his chair. He has just recently learned to walk—by grasping a helping hand or a railing. Suddenly he stands alone, without support. It is a miracle. Both teacher and volunteer worker are elated. It is a personal, hard-won victory.

David and the other boys, ranging in age from 9 to 14, have been labeled as profoundly retarded. Until this program, such retarded children had been considered unsalvageable, destined to lie in cribs, crawl about the floor and receive custodial care all their lives.

With the program, children have learned to sit in a chair, feed themselves, walk, become toilet trained and respond to sound. Most significantly, they are developing awareness of themselves and others around them.

Carol Stewart, a young and gifted teacher, refuses to accept the verdict of custodial care and performs classroom miracles daily. In the world of the profoundly retarded, learning to hold a spoon can be a major triumph. Antoinette Richardson, the director, and the seven other teachers in the three-year-old program share the same outlook and approach. Love, pragmatism, knowledge of behavioral modification techniques, and fierce determination are the apparent components of the program.

Mrs. Ray Forsyth has the same attitude. She volunteers one day a week to the N.I.P. children, driving over from the neighboring Heritage Village where she lives.

With their children grown and married, Mrs. Forsyth and her husband moved to Heritage Village from Mount Kisco, N.Y., a year ago, to enjoy retirement and the ease of condominium living. Heritage Village, a 1,000-acre community, with strikingly designed housing, shopping and recreational facilities, has a current population of about 2,000 men and women, mostly couples and in their late 50's and 60's. About half of its residents still work full or part-time.

The community, complete with swimming pools, tennis courts, hiking trails, fishing ponds, library and cultural center, and 90-odd organized clubs and activities offers a considerable array of facilities. Why then does Mrs. Forsyth choose to spend time at Southbury Training School?

Apparently there is another kind of need that sends Heritage Village volunteers to the Southbury Training School—the need to nurture, the need to be needed. The children of Heritage Villagers are grownup, leading independent, separate lives. Children of the Southbury Training School, on the other hand, need visitors, need family, need personal interest.

Describing her work with the N.I.P. children, Mrs. Forsyth says: "This has been one of the greatest experiences of my life. I didn't know if I could do it when I started, but, believe me, I get so much from them."

Dr. Frank R. Gilliberty, superintendent of Southbury Training School, is enthusiastic about the volunteer program and says, "Families can't get up here very often. On a day-to-day basis, these kids need affection, somebody to make a fuss over them. They need this constant attention, which parents couldn't possibly give no matter how often they visit them. This is where volunteers are invaluable."

Mrs. Carman Cater, director of volunteer services at Southbury Training School, points out that a growing number of Heritage Village people are participated in the school's extensive and varied volunteer program.

THEY'RE WORLDS APART

The two communities, separated only by a hill and a few miles of winding country road, are worlds apart in some respects, strikingly similar in others. Both are located in the Town of Southbury in southwestern Connecticut. Each has a setting of physical beauty. Each, in its own way, is a model community, providing a pattern for others to emulate. Both are self-contained communities, worlds unto themselves.

But the contrast is sharp. Heritage Village, on the one hand, is an upper middle-class privileged community, with many residents who have in the past distinguished themselves in the arts, publishing, business and professional worlds. Southbury Training School, on the other hand, has close to 2,000 residents of all ages, whose retardation ranges from borderline to profound, many of whom will live out their lives in Southbury, unable to return to an outside world.

Yet each community is making an impact on the other.

Mrs. Samuel Edsall, wife of an Episcopal clergyman who was rector of the Trinity Church in Geneva, N.Y., for 37 years, now lives with her husband at Heritage Village. They chose Heritage Village, in part, because their children and grandchildren live in the Connecticut-Long Island area.

Mrs. Edsall works as a volunteer at Southbury's Cottage 4, "the wheelchair cottage," which houses 40 women residents of all ages who are severely physically handicapped as well as retarded. Most of the women are nonambulatory as well as, in some cases, deaf, blind, mute, epileptic and emotionally disturbed.

"I started with a group at Heritage Village that sews for Southbury," says Mrs. Edsall. "They were a wonderful bunch of women, and I enjoyed them. But all the time I kept thinking that it wasn't what I had spent 70 years of my life training for. I wanted to work directly with people."

When she was approached to work at Cottage 4, she had some self-doubts, but she decided to try.

"The first day I was there I could see only their handicaps," she says, "but after a while I just looked at their faces. That is the way to do it."

"I gradually got to know the girls in the cottage and love them," she continues, "and now I am so devoted to them that I can't let them alone."

Mrs. Edsall says that the staff, although devoted and "even consecrated," are fully occupied with the physical care of the residents, who can do little for themselves.

"There is no time for the staff to read to them or play games or just plain talk," she says. "That is what I do."

Visiting Cottage 4 with Mrs. Edsall, one is struck by the excitement that her arrival generates. Like small children eager for her attention, they swarm about her, crowding close to her in their wheelchairs. They reach out to touch her, to hug her warmly (For the mentally retarded, touch is an important means of communication.) She moves from group to group, exchanging greetings, talking at length with several women who have become particularly close to her. Even those who can barely talk and whose speech is unintelligible manage to convey their pleasure. For the moment, she has become mother to them all.

Theodore Clark, a retired oil company executive from Greenwich now living in Heritage Village, has a special interest in Southbury. He and his wife moved in last year to be nearer their son, an only child, who has been at Southbury for more than 25 years. Deeply involved with the school, he has "adopted" several residents, has helped to launch parents' groups and start a foundation, and continues to give many hours of volunteer service.

WORKS 2 DAYS A WEEK

"I have done just about anything," he says, "scrubbed walls, washed floors, painted, shaved the boys, helped bathe them. My wife works in the arts and crafts department, and we come here a couple of days a week."

"My boy is 41 years old," he continues, "and when he was born, the medical profession knew nothing about retardation. We spent thousands of dollars going from one Park Avenue specialist to another. But they are learning and doing wonderful things with the young children here. There is hardly anything you can't do with young kids under 10 in the way of training and physical therapy. I've seen it and if I could work here every day, I would do it.

One women's sewing group at Heritage Village has "adopted" Cottage 11, giving its residents a once-a-month birthday party and providing extra luxuries for the cottage.

"We chose them because the residents are about our own age," explains Mrs. Paul Schwantes, a prime mover of the group.

Cottage 11, which houses 41 women of all levels of mental retardation from ages 27 to 67, has no parent organization, as many other Southbury cottages have. Adult residents, unfortunately, have less and less contact with families, as parents grow older, become incapacitated and die. Brothers and sisters are less involved. But the residents' need for "family" does not lessen.

OTHER WAYS TO HELP

Not everyone, Mrs. Cater points out, can work directly with the mentally retarded, but the volunteer program offers many other ways of helping the institution. The Boutique Shop, furnished and maintained by volunteer help, is one such way.

The shop is in the gate house, at the entrance to the school grounds, which also houses volunteer workrooms and Mrs. Cater's office. Offering handmade items of professional quality, the shop has earned more than $8,000 in the last 18 months. The money is used to further special programs for Southbury School residents.

The volunteer program itself extends beyond the borders of Southbury and Heritage Village, reaching out to many Connecticut towns and organizations. Elsa Cater, who started the program in 1958, has built an organization that now involves hundreds of people and thousands of dollars in fundraising.

The Adoption-by-Mail Program, for example, designed for residents without families, now has over 800 sponsors. Sponsors send letters and birthday cards to their adoptees, and some participants, such as Mrs. George Roos and Mrs. Robert Foster of Heritage Village, carry the relationship a good deal further through frequent personal visits and gifts.

"We get a lot of young adults—church groups, Red Cross, Scouts, that come in for special projects," says Mrs. Cater. "They may take a crippled child to the movies or put on music programs. They work right along with our recreation people."

"Many of the young volunteers are thinking of going into this work and it gives them the opportunity to find out if this is what they want to do eventually."

But for the older volunteers, such as the Heritage Village group, the work has a different meaning. The emphasis is not on the future or the past, but on the present. "To live in the past is a waste of time," says Mrs. Paul Schwantes. "That's when you start to grow old."

DEMOCRATIC POLICY COUNCIL PLANNING GROUP ON PROBLEMS OF THE ELDERLY

REGIONAL HEARING

(By Martin J. McNamara)

Mr. Chairman, Members of the Policy Council Group: I am Martin J. McNamara, Special Counsel of the National Council of Senior Citizens. I welcome this opportunity to testify before you today on behalf of nearly three million members of our affiliated clubs and councils.

Briefly, the message they send you is this: the elderly of this nation—despite the hardships of two world wars and the great depression—have contributed much to our economic growth and to ever higher standards of living. They are used to making sacrifices and they put national interest before their own personal interest. But they should not be expected in their old age to bear the brunt of inflation or of efforts to control inflation

TRADITIONAL ROUTES TO OLD AGE SECURITY

It's been a long time since the average worker looked to the traditional pattern of family security characteristic of an earlier agrarian society. Our modern worker remembered his grandparents who developed 160 acres of mid-west farmland, raised and educated their family from its proceeds and their labor; and retired on the homestead in comfort and dignity with one of the sons taking over most of the work while the old man supplied the wise management out of years of experience. But our modern worker knew this was not for him. Among other things, his was a city way of life. When the great depression started there were over 6,000,000 farmers in the United States. Now there are only about one-third that number.

Nor was our typical worker ever really convinced that he could save enough out of his earnings to meet the needs of retirement on a kind of do-it-yourself basis. Suppose he had tried, and suppose at retirement he was earning $8,000 per year. Considering the tax advantages arising from a smaller income and the special exemptions for the elderly, assume he was willing to settle for half that gross income. To buy an annuity that would yield $4,000 a year for the rest of his life and the same amount for his widow after his death, he would need better than $50,000 cash at the time of retirement. Even if he had been foresighted enough to start saving 25 years ahead of time, he would have had to make monthly payments of $166 all those years to accumulate such an amount. But remember, our typical worker would have been 40 years old in 1946 and at that time he was making not $8,000 a year but $5,000. His children were still in school, the home wasn't paid for, and there were always more calls on his paycheck than he could meet. Obviously he could not set aside nearly half his take-home pay to meet the needs of retirement 25 years in the future.

Besides, our worker had no way of knowing then that his living standards and his earnings would rise in the 25 years ahead to the point where he would need as much as $4,000 a year to maintain a moderate standard of living.

RISE IN COST OF LIVING

One thing that he could not have foreseen was the dramatic rise in the cost of living that was going to take place in his later working years. From the 1957–59 base, the Consumer's Price Index for all items has risen by nearly 40%. But many of the items of cost that most directly affect older people have seen even sharper rises. Physician's fees, for example, have risen by 76.8%, property taxes by 47.3%, property insurance rates by 61.7%, maintenance and repairs by 60.3%. Local transit fares have doubled and hospital daily service charges have more than tripled in that period.

IMPACT OF INFLATION ON THE ELDERLY

To understand the real impact of inflation on the elderly, we must examine three basic and inter-related questions. Where do they get their income? How much do they have? How are they affected by price rises?

Furthermore, we must recognize that certain social and economic trends of the last few decades make inflation an especially acute problem for today's elderly, a problem that cries out for immediate national attention and solution. Retired persons are increasingly dependent on money incomes from social security. Savings are no longer likely to be in the form of ownership of a farm or small business. There are not only more people who have reached their 65th birthday, but larger proportions of them have attained the very oldest ages. The "aging" of the aged population means particularly great increases in the numbers of widows and other older women living alone, a particularly disadvantaged group economically and socially. The trend toward early retirement—much of it involuntary—adds to the years during which the older person living on a fixed income suffers acutely from price rises.

SOURCES OF INCOME

Where, then, do the elderly get their income?

Employment—the source that automatically provides a hedge against inflation through rising wages—was on a steady decline for the older population long before unemployment became the serious problem for the Nation that it now is. Only about one in every six people aged 65 or older is in the labor force at all and fewer than half of these hold fulltime jobs.

Furthermore, realistic assessment of labor force conditions gives little hope that the economy will generate enough job opportunities to solve the income problem of

older people, especially the oldest of them, now or in the years ahead. The elderly population's main hope for increased employment opportunities lies in an expansion of part-time paid community service jobs.

Nearly nine out of ten older people now receive Social Security benefits. For many, it is the major or only source of income. One-fourth of the aged couples on the rolls at the end of 1967 and two-fifths of the non-married beneficiaries, depended on Social Security for virtually their entire support—except perhaps for about $300 per person for the year. Significantly, too, there had been little improvement in this respect since the incomes of aged beneficiaries were surveyed a decade earlier.

One in ten of the people over 65 receive Old-Age Assistance, more than half of them as supplementation of inadequate Social Security benefits.

LESS SIGNIFICANT INCOMES

One in five, perhaps, receives a private pension—and that can be as low as ten dollars per month. (Here, it is relevant to point out that only the most exceptional pension plan attempts to adjust to rising prices.)

For a very small proportion of older people income from assets is an important source of income. For the average elderly person, however, the major asset is the owned-home—an asset that is too often a *drain* on income rather than a *source* of income.

Clearly, then, our elderly population's best hope—one might even say "only hope"—for protection against the impact of inflation is through the Social Security system.

AMOUNTS OF INCOME

In 1970, half of all families with a head over age 65 had incomes below $5,053. Half of all single aged individuals had incomes below $1,951.

Thanks mainly to an increase in Social Security benefits, the median income in 1970 was 5.2 percent above 1969. But over the same period, the Consumer Price Index had gone up 6 percent.

Of all families with an aged head, 16.3 percent had incomes below the poverty level in 1970 and another 8.3 percent were on the borderline—a total of one out of every four elderly families. Of elderly persons living alone or with non-relatives, nearly six out of every ten were classified as poor or near poor.

INCOME VERSUS COST OF LIVING

For your purposes, Mr. Chairman, it is appropriate to examine these figures on the incomes of elderly people in the light of what it costs them to live in today's economy. The Bureau of Labor Statistics has updated its three budgets for urban retired couples. In the Spring of 1970, BLS estimates that the cost for an elderly couple would have been $3,109 at the lower level—in effect, a poverty level—$4,489 at the intermediate level and $7,114 at the higher level—and even the higher level is by no means lavish. Nearly two out of every five aged couples had insufficient income to afford the intermediate budget. For two-thirds of the single aged persons, the equivalent intermediate budget costing $2,469 was out of reach.

These comparisons take on special significance when it is recognized that, for both the lower and the intermediate budgets, about eight out of every ten dollars is allocated to housing, food, transportation and medical care. These are the costs of surviving from day to day. They are not expenditures that can be postponed until "the price is right".

EFFECT OF PRICE RISES

Probably no older couple in the United States spends its income in the exact manner indicated by the BLS budget. This is unimportant. Here are the important considerations. This nation has experienced unprecedented price rises: an increase in the CPI of 5.4 percent in 1969 and 6 percent in 1970, the two sharpest rises in nearly two decades. As of August 1971, the cost of living had registered increases for 55 consecutive months—the largest unbroken string in the 58 year history of the CPI. And, even more important, many of the price rises have been especially steep for the items on which the elderly are most dependent, items that take up an overwhelming share of their limited incomes.

SPIRALING MEDICAL COSTS

As an example, let's look at what has been happening to medical costs. Here I would insert a word of gratitude from the members of the National Council of Senior Citizens for the invaluable protection afforded by Medicare. But Medicare covers little more than $2 out of every $5 of their total medical costs, a proportion that has dropped recently and that still leaves unprotected a larger medical bill than the total bill for the average younger person. While the Consumer's Price Index for all items rose by nearly 40 percent from the 1957–59 base, physicians' fees rose about twice as fast or by nearly 80 percent. The increase for hospital daily service charges amounts to over 200 percent, meaning that these charges are now more than triple what they were some twenty years ago.

HOUSING ASSETS THREATENED

Total housing costs have risen by more than 25 percent during this period. Some of the costs of home ownership have seen much sharper rises, threatening the ability of the older person to continue to own the home—his major form of accumulating an asset that would be available in his old age after retirement had cut his income in half. Property taxes have risen by nearly 50 percent throughout the nation, according to the CPI, but we know that for many of our members they have doubled or tripled, in some instances exceeding the amount of the total downpayment made on the home years ago with the hope that old age could be secure. Property insurance rates are up more than 60 percent. So are the costs of home maintenance and repairs on which the elderly, whether owners or renters, are increasingly dependent as advanced age curtails the ability to "do it yourself".

TRANSPORTATION COSTS RISING

The cost of transportation, too, puts a special burden on the elderly. The cost of all forms of transportation has risen by something over 35 percent since 1957–59 but the cost of local transit fares has more than doubled. And it is on local transit that so many of our elderly are dependent.

THE PRESIDENT'S WAGE-PRICE FREEZE

Against this background—and before offering the recommendations of the National Council of Senior Citizens for dealing with the problem of the impact of inflation on the elderly—I would like to spend a few moments summarizing our reactions to the Administration's 90-day freeze as it affected our elderly population.

When the freeze was announced by the President, we foresaw grave danger that an undue portion of the burden of the so-called economic crisis would be borne by the most vulnerable of our citizens—welfare recipients and other elderly people living on low incomes.

WELFARE REFORM ABANDONED

The National Council was greatly dismayed when the President virtually abandoned his welfare reform legislation. We saw very real danger that the economic mood of the administration might even result in an effort to postpone the meager 5 percent cost-of-living adjustment passed by the House and awaiting Senate action as H.R. 1.

Therefore, on August 20, Nelson H. Cruikshank, President of the National Council of Senior Citizens wrote to President Nixon on behalf of our membership to ask for assurance that the badly needed improvements of H.R. 1 would not be lost in the effort to slow inflation. With your permission, I will introduce Mr. Cruikshank's letter to the President for the record. (There is no need to burden your record with the superficial staff acknowledgement of its receipt by the White House.)

LETTER OF CONCERN FROM SENIOR CITIZENS

Because of its relevance to the deliberations of the Committee, I would like to quote just one paragraph from Mr. Cruikshank's August 20 letter to the President:

"The price freeze offers little hope to our older people. Very few Social Security beneficiaries are going to be dashing out to buy new cars. Your order was too late to save our older people from rent increases, which many landlords put into effect as soon as Social Security beneficiaries got their last increase in June. Those who own their homes were provided no protection against sharply rising property taxes. Elderly people and the younger members of their families who are forced to borrow to meet urgent family needs find nothing in your plan to protect them against rising interest rates."

PROPOSALS FOR EASING THE IMPACT OF INFLATION

I turn now to the recommendations of the National Council of Senior Citizens for easing the burden of price rises for the elderly. I believe that these recommendations are of vital concern to the deliberations of this Committee even though they fall within the legislative responsibility of certain committees of the Congress.

SOCIAL SECURITY REFORM OVERDUE

First, a major reform of the Social Security system is long overdue. We need an immediate substantial increase—we recommend an across-the-board increase of 25 percent—in Social Security benefits, coupled with a Federally financed and administered guarantee of a floor of financial assistance to bring income above the poverty level.

Among the other reforms in the Social Security system that we recommend, are a significant increase in the wage base that is taxed and credited for benefits. Such an increase is essential in order that benefits of workers retiring in the future will bear a more reasonable relationship to their pre-retirement earnings. It is also essential in order to reduce the regressivity of the Social Security tax.

In this connection, I urge the members of this Group to exert all pressures to achieve the increases in the Social Security wage base and tax rates that are now provided in H.R. 1. Such postponement could seriously weaken the financial soundness of the system. If the system has an actuarial surplus any surplus is best used to increase the benefits of the elderly poor who desperately need additional purchasing power—purchasing power that serves to bolster the nation's economy.

USE OF FEDERAL GENERAL REVENUES

As another method of relieving today's workers of part of the heavy costs of Social Security, the National Council of Senior Citizens has long urged that Federal general revenues be used to finance a reasonable share of social insurance costs. We believe that the contributions from general revenues should be predetermined by formula built into the legislation and should approximate one-third of costs over the long run—equivalent to the costs resulting from paying benefits to workers already old when first covered, many of whom would otherwise have been dependent on public assistance.

Once Social Security benefits and the wage base have been more reasonably related to today's levels, they should be continuously adjusted—whether by formula or as a result of periodic review by the Congress. And this adjustment must take account not only of rises in the cost-of-living but of ever higher standards of living and economic growth.

NEED FOR POLICY AND COMMITMENT

I need not point out to this Committee that our nation lacks both the policy and the commitment that would assure an adequate solution to the problem of the impact of inflation on its elderly citizens. But I do wish to point out in passing that our nation also lacks the very means for developing sound policy in this field. We do not really know whether the CPI for the population of all ages is an appropriate instrument for adjusting the benefits of the aged to take account of the price increases in their budgets. And we still have much to learn—especially from foreign experience—about methods of adjusting our Social Security system to economic growth.

IMPORTANCE OF NATIONAL HEALTH SECURITY

Second, until this nation has achieved National Health Security for the total population, the fixed incomes of our elderly people will be threatened by heavy and unpredictable health costs—unpredictable in so far as any one individual is concerned but predictable in that a continued escalation is inevitable. The National Council of Senior Citizens strongly supports National Health Security under which the government would assume responsibility for improving the organization and delivery of high quality economical health and health-related services as well as responsibility for the financing mechanism. Pending the enactment and development of National Health Security, we urge immediate improvements in Medicare and Medicaid to extend protection, to control costs, and to reverse the trend toward ever heavier copayments and deductibles. Among the improvements that would lessen the impact of rising medical costs on the elderly, is financing of Medicare solely through contributions from earnings and general revenues, eliminating the premiums paid by retirees living on fixed incomes. Another is federal assumption of the responsibility for financing and administering Medicaid for the elderly as being consistent with federalization of the adult titles for cash benefits as proposed in H.R. 1. This would, of course, permit uniform attention to the total health care needs of the older person—whether under Medicare or Medicaid.

PROMOTION OF PUBLIC SERVICE JOBS

Third, we believe that the government should actively promote the development of the public service jobs that are so badly needed by the nation and so appropriate for the employment of older persons. We further recommend immediate enactment of a nationwide Senior Citizens Community Service program—modeled on such outstandingly successful demonstrations as the Senior AIDES program of the National Council—to provide part-time community service opportunities for the low-income elderly, administered through the Labor Department as a special employment program for the elderly.

HOUSING IMPROVEMENTS NEEDED

Fourth, the National Council of Senior Citizens is deeply concerned that the needs of the *elderly* housing have been submerged by the Department of Housing and Urban Development in a program of meeting the housing needs of the low income group generally—to the serious neglect of the millions of elderly who are poor or close to the poverty level.

The truth is that this Administration's resistance to categorical aid and assistance is depriving older Americans in almost every area of Government operation. So we are asking the forthcoming White House Conference on Aging to support us in the contention that appropriate identification of programs and funds for the aged is necessary if our elderly are going to get a fair shake in America's youth oriented society.

To the maximum extent possible, older people desire and should participate on equal terms in programs for the total population. But there will always remain areas requiring that older people be singled out for the special consideration that takes account of their greater needs (for example, the extra heavy burden of health care, especially for long-term illness, or their lesser ability to compete with younger people in the job market, and in housing).

Federal, State and local funds should be *earmarked* to provide adequate housing for the elderly.

Unless this earmarking is made, Government programs will continue to discriminate against the aged. I would like to appeal to this committee to examine closely the Administration's current housing bill—reopening hearings if necessary—to note the many discriminatory factors which will hinder the provision of suitable housing for our older people.

PROPERTY TAX RELIEF NEEDED

May I add a word about property tax relief?

In many parts of the country, the local property tax on the older person's home takes such a large share of limited income as to threaten continued ownership. This is a problem not likely to be solved locally. Therefore, the National Council recommends the development of a Federal program to reimburse States that extend relief to low-income householders—whether owners or renters—who are overburdened by property taxes.

SPECIAL EFFORTS NECESSARY

In conclusion, the National Council of Senior Citizens wishes to express sincere thanks to the Democratic Policy Council for this opportunity to express our heartfelt views on the serious problem of the impact of inflation on the elderly population and to suggest some ameliorative actions. Older people depend on the economic strength of this nation for their very existence. They have a great stake in all efforts to promote economic stability. But the particular nature of their problems also requires special efforts to achieve real economic security in old age.

NATIONAL COUNCIL OF SENIOR CITIZENS, INC.,
Washington, D.C., August 20, 1971.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: In your new effort to slow inflation and reduce spending by holding down wages and certain categories of prices, by layoff of Government workers and by virtual abandonment of welfare reform legislation (which would place a floor for the first time under the family income of the nation's lowest paid workers), we have seen no specific mention of your support for H.R. 1, the combined Social Security and welfare reform bill that has passed the House of Representatives and which now awaits action in the Senate.

During your May 14 conference with representatives of the National Council of Senior Citizens and other national organizations of the elderly, you raised the hope that you were very much concerned with the desperate problems of the low income elderly (5,000,000 of them living in poverty and millions of other elderly citizens perilously close to the poverty line) and that you recognized the need for a Social Security boost above and beyond a mere cost-of-living increase.

On behalf of the National Council of Senior Citizens, this is to ask that you support the Social Security boost in H.R. 1 as well as the bill's provisions for federal takeover of payments to "adult categories"—the current welfare assistance to the aged, blind and disabled.

Mr. President, our elderly citizens contributed much to raising America's standards to unprecedented levels and surely you would not want any portion of the burden of your Administration's efforts dealing with the present economic situation to fall on the backs of our aged, blind or crippled people. You have taken personal leadership in this economic crisis. Can we have your assurance at this time that your Administration will support the vital provisions of H.R. 1 affecting these people?

The price freeze offers little hope to our older people. Very few Social Security beneficiaries are going to be dashing out to buy new cars. Your order was too late to save our older people from rent increases which many landlords put into effect as soon as Social Security beneficiaries got their last increase in June. Those who own their homes are provided no protection against sharply rising property taxes. Elderly people and the younger members of their families who are forced to borrow to meet urgent family needs find nothing in your plan to protect them against rising interest rates.

The National Council of Senior Citizens will continue to press for an immediate 25 per cent increase in Social Security benefits—an increase in purchasing power of the elderly poor which is desperately needed by them and which, we believe, will also bolster the nation's economy.

Respectfully yours,

NELSON H. CRUIKSHANK,
President.

Mr. GERALD R. FORD. Mr. Speaker, I would only say to my friend from Indiana that I think this White House Conference is doing a good job. I am sure there will be some legislation coming forth. It is too bad that the legislation did not reach the floor of the House in the orderly and regular order, with almost 12 months of opportunity to get it out of the committee. Unfortunately that did not happen. Now I think we ought at least to give the committee an opportunity to report a bill. That is a very simple process with all the hearings that have been held. So if the gentleman would tomorrow or Friday get his subcommittee together and the full committee and report a bill which is relatively simple, it could come up to Monday on suspension.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, reference has been made to the White House Conference on the Aging. The other body passed the nutrition program for the elderly by a vote of 89 to 0. I predict there will not be many, if any, votes against this kind of a bill in this body. What we are talking about is an amendment to the Older Americans Act. This plan is one of the most important objectives of the White House Conference on Aging which is meeting here this very week. What are the alternatives? Well, we will either consider the bill today, and there will be an opportunity for a roll-call vote, or we will put it over to consider under suspension next Monday or Tuesday. I doubt if anyone will vote against it. At the most there will be only token opposition.

We all know what the bill provides. We know its humanitarian purpose. We

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have read the morning newspapers with their explanation. It is that simple. We will either pass the bill of the other body while the White House Conference on the Aging is in session as we should or let them go home disappointed and disillusioned with our side of the Congress.

Mr. GERALD R. FORD. Let me ask the gentleman from Missouri whether he has read the Senate bill and the Senate report.

Mr. RANDALL. I have.

Mr. GERALD R. FORD. Has the gentleman seen a House bill and a House committee report?

Mr. RANDALL. I have.

Mr. GERALD R. FORD. You have?

Mr. RANDALL. Of course. There is no House report.

Mr. GERALD R. FORD. I would say the bill has come out of the committee very rapidly if the gentleman has read the committee bill and the committee report of the House Committee on Education and Labor.

Mr. RANDALL. The committee has held hearings. The chairman of the full committee here on the floor will verify that the committee has held repeated hearings on this bill. What I intended to say was that I had read and studied the bill on which our House committee was holding hearings.

Mr. GERALD R. FORD. Mr. Speaker, under the circumstances, I object.

The SPEAKER. Objection is heard.

REQUEST FOR PERMISSION TO FILE CONFERENCE REPORT ON H.R. 10947, THE REVENUE ACT OF 1971

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the managers have until midnight Saturday, December 4, 1971, to file a conference report to accompany H.R. 10947, the Revenue Act of 1971.

Mr. HALL. Reserving the right to object, may I ask the distinguished majority leader if the committee has met and has concluded its hearings and findings in the conference between the two bodies?

Mr. BOGGS. In response to the gentleman, the conferees have been in session since early Monday morning. It is my information that they are now completing some of the minor details.

Mr. HALL. Mr. Speaker, under those circumstances, and since we are coming in early tomorrow, unless the gentleman sees fit to withdraw his request, I will be constrained to object. We will have adequate time for the permission to be granted in the long day tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. HALL. I object.

The SPEAKER. Objection is heard.

PROVIDING FOR CONSIDERATION OF H.R. 11932, DISTRICT OF COLUMBIA APPROPRIATIONS, 1972

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 717 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 717

Resolved, That upon the adoption of this resolution, notwithstanding any rule of the House to the contrary, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11932) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1972, and for other purposes, and the provisions of clause 2, rule XXI are hereby waived with respect to any appropriation contained in such bill.

Mr. BOLLING. Mr. Speaker, I yield the gentleman from California (Mr. SMITH) 30 minutes, pending which I yield myself such time as I may consume.

Mr. Speaker, I know of no opposition to this rule, which waives points of order in behalf of consideration of H.R. 11932, the District of Columbia appropriation bill.

The waivers have to do with the 3-day rule, since the bill was reported only Monday, and it also has to do with clause 2 of rule XXI, which deals with lack of authorization for appropriations, and lack of authorization in this case is the $36 million of Federal payment which is contained in the District of Columbia Revenue Act, which has not yet been signed into law, which has not yet become law.

Mr. Speaker, that is all that is involved in this rule. I urge its adoption.

Mr. SMITH of California. Mr. Speaker, the gentleman from Missouri is entirely correct. The bill was reported on Monday. It would not be eligible to be heard until tomorrow. I agree with the gentleman's remarks, and I urge adoption of the rule.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENDING PERIOD WITHIN WHICH THE PRESIDENT MAY TRANSMIT TO CONGRESS REORGANIZATION PLANS

Mr. HOLIFIELD. Mr. Speaker, if it is in order, I should like to make a unanimous-consent request.

The SPEAKER. The gentleman will state his request.

Mr. HOLIFIELD. I ask unanimous consent, Mr. Speaker, to take from the Speaker's desk the bill (H.R. 6283) to extend the period within which the President may transmit to Congress reorganization plans concerning agencies of the executive branch of the Federal Government, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments; and pending action on that request, Mr. Speaker, I should like to explain it.

In the first place, let me say this is the basic Reorganization Act which was passed by the House on May 3. It was passed by the Senate on November 17.

What it does is to extend the President's powers to send up reorganization plans, as we have done for every President going back to the time of Roosevelt.

The changes which have been made by the Senate in the bill, as it passed the House by a large majority, have been mostly grammatical or technical changes, but there is one substantive change.

Under the bill as passed by the House, and as has been in effect over the years, upon any person filing a resolution of disapproval to the plan it became incumbent upon the committee to report that plan to the House within 10 days or else the committee lost control of the bill. The Senate has changed the 10 days to 20 days.

This does not change in any way the substantive purpose of the bill, but it does give the Committees on Government Operations in the House and in the Senate 20 days to hold hearings on the bill and to report it to their respective legislative bodies.

I have cleared this with the minority leader of the Committee on Government Operations, Mrs. DWYER, and also with the minority leader, Mr. GERALD R. FORD, and with the majority leadership. I know of no reason why H.R. 6283 should not be accepted as amended by the Senate.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert: That (a) section 901(a) of title 5, United States Code, is amended to read as follows:

"(a) The Congress declares that it is the policy of the United States—

"(1) to promote better execution of the laws, more effective management of the executive branch and of its agencies and functions, and expeditious administration of the public business;

"(2) to reduce expenditures and promote economy to the fullest extent consistent with the efficient operation of the Government;

"(3) to increase the efficiency of the operations of the Government to the fullest extent practicable;

"(4) to group, coordinate, and consolidate agencies and functions of the Government, as nearly as may be, according to major purposes;

"(5) to reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions as may not be necessary for the efficient conduct of the Government; and

"(6) to eliminate overlapping and duplication of effort."

(b) Section 901 of such title is amended by adding at the end thereof the following new subsection:

"(c) The President shall from time to time examine the organization of all agencies and shall determine what changes in such organization are necessary to carry out any policy set forth in subsection (a) of this section."

SEC. 2. (a) Section 903(a) of title 5, United States Code, is amended to read as follows:

"(a) Whenever the President, after investigation, finds that changes in the organization of agencies are necessary to carry out any policy set forth in section 901(a) of this title, he shall prepare a reorganization plan specifying the reorganizations he finds are necessary. Any plan may provide for—

"(1) the transfer of the whole or a part of an agency, or of the whole or a part of the functions thereof, to the jurisdiction and control of another agency;

"(2) the abolition of all or a part of the functions of an agency;

"(3) the consolidation or coordination of the whole or a part of an agency, or of the functions thereof, with the whole or a part of another agency or the functions thereof;

"(4) the consolidation or coordination of a part of an agency or the functions thereof with another part of the same agency or the functions thereof;

"(5) the authorization of an officer to delegate any of his functions; or

"(6) the abolition of the whole or a part of an agency which agency or part does not have, or on the taking effect of the reorganization plan will not have, any functions.

The President shall transmit the plan (bearing an identification number) to the Congress together with a declaration that, with respect to each reorganization included in the plan, he has found that the reorganization is necessary to carry out any policy set forth in section 901(a) of this title."

(b) Section 903(b) of such title is amended by inserting after "and to each House while it is in session" a comma and the following: "and furthermore shall not transmit more than one such plan to Congress within any period of thirty consecutive days".

SEC. 3. Section 904 of title 5, United States Code, is amended to read as follows:

"§ 904. Additional contents of reorganization plans

"A reorganization plan transmitted by the President under section 903 of this title—

"(1) may change, in such cases as the President considers necessary, the name of an agency affected by a reorganization and the title of its head, and shall designate the name of an agency resulting from a reorganization and the title of its head;

"(2) may provide for the appointment and pay of the head and one or more officers of any agency (including an agency resulting from a consolidation or other type of reorganization) if the President finds, and in his message transmitting the plan declares, that by reason of a reorganization made by the plan the provisions are necessary;

"(3) shall provide for the transfer or other disposition of the records, property, and personnel affected by a reorganization;

"(4) shall provide for the transfer of such unexpended balances of appropriations, and of other funds, available for use in connection with a function or agency affected by a reorganization, as the President considers necessary by reason of the reorganization for use in connection with the functions affected by the reorganization, or for the use of the agency which shall have the functions after the reorganization plan is effective; and

"(5) shall provide for terminating the affairs of an agency abolished.

A reorganization plan transmitted by the President containing provisions authorized by paragraph (2) of this section may provide that the head of an agency be an individual or a commission or board with more than one member. In the case of an appointment of the head of such an agency, the term of office may not be fixed at more than four years, the pay may not be at a rate in excess of that found by the President to be applicable to comparable officers in the executive branch, and if the appointment is not a position in the competitive service, it shall be by the President, by and with the advice and consent of the Senate, except that, in the case of an officer of the government of the District of Columbia, it may be by the Commission or other body or officer of that government designated in the plan. Any reorganization plan transmitted by the President containing provisions required by paragraph (4) of this section, shall provide for the transfer of unexpended balances only if such balances are used for the purposes for which the appropriation was originally made."

SEC. 4. (a) Section 905(a) of title 5 of the United States Code is amended by striking out "or" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and the word "or", and by adding after paragraph (6) the following new paragraph:

"(7) dealing with more than one logically consistent subject matter."

(b) Section 905(b) of title 5, United States Code, is amended by striking out "April 1, 1971" and inserting in lieu thereof "April 1, 1973".

SEC. 5. Section 911(a) of title 5, United States Code, is amended by striking out "10 calendar days" and inserting in lieu thereof "20 calendar days".

Amend the title so as to read: "An Act to extend the period within which the President may transmit to the Congress plans for the reorganization of agencies of the executive branch of the Government, and for other purposes."

Mr. HOLIFIELD (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendments be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from California to dispense with further reading of the amendments?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ADM. EMORY S. LAND

(Mr. GARMATZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GARMATZ. Mr. Speaker, this past Saturday Vice Adm. Emory S. Land, U.S. Navy, retired, passed away at the age of 92. "Jerry" Land, as he was known to his thousands of friends, was a most remarkable man, one whose service and dedication to his country are well documented in his long and distinguished career. Some in this Chamber have personal recollections of his remarkable achievements in the dark days of World War II when he organized the largest shipbuilding program ever undertaken and produced the bridge of ships which turned the tide of victory against the Axis Powers.

To give my younger colleagues some insight into the dimensions and accomplishments of Admiral Land, I would like to trace some of the highlights of his career.

Admiral Land was born in 1879 in Canon City, Colo. As a young teenager he migrated to Wyoming. There he worked as a cowpuncher before entering the University of Wyoming, from which he graduated at the age of 19. He then applied for and was appointed to the Naval Academy in Annapolis.

Although weighing only 140 pounds, he distinguished himself in football, baseball, track, and other sports. Playing as halfback in the 1900 Army-Navy game, it was his touchdown in the closing minutes that enabled Navy to post an 11–7 victory over its arch rival. Admiral Land graduated in 1902, ranked sixth academically and first in athletic prowess.

After earning a masters degree in naval architecture at the Massachusetts Institute of Technology, he specialized in naval construction and was awarded the Navy Cross for his work in submarine design and construction during World War I. He was a member of the Allied Naval Peace Mission and in 1920 was named naval attaché in London.

A cousin of Charles Lindberg, Admiral Land was keenly interested in aviation. He served as assistant chief of the Navy's Bureau of Aeronautics from 1926 to 1928. In 1929, at age 50, he took up flying and was qualified for a pilot's license.

In 1930, he returned to shipbuilding, and in 1933 with the rank of rear admiral, he was named as chief of the Bureau of Construction and Repair. In 1937, at the age of 58, Admiral Land was placed on the retired list. But his retirement was short-lived. Within a month, President Roosevelt appointed him a member of the Maritime Commission headed by Joseph P. Kennedy. The following year, when Mr. Kennedy was appointed Ambassador to England, Admiral Land was made chairman of the Commission—serving in that capacity until 1946.

It was in the years immediately preceding and during World War II that the administrative genius and tremendous drive of this man overcame the formidable challenges of building, in a very narrow and critical time frame, the enormous fleet of merchant ships and naval auxiliaries needed to provide the logistic lifeline to our Allies and subsequently our Armed Forces overseas. Had he not succeeded, the outcome of that war could have been very different, and in any event would have been greatly prolonged with attendant loss of additional lives by the U.S. Armed Forces and those of our Allies.

Under his leadership, 5,100 merchant ships and 700 naval auxiliaries were produced between 1940 and 1945. While the German submarines exacted an enormous toll of allied shipping during the initial years of World War II, and nearly succeeded in isolating our Allies, the prolific output of ships from American shipyards succeeded in winning the Battle of the North Atlantic. The needed supplies got through and the full might of well equipped American and Allied Forces threw back the Axis Powers first in Europe and then in the Pacific.

To gain some insight into the magnitude of Admiral Land's shipbuilding achievements, in 1943 a total of 1,849 ships were delivered; in the following year an additional 1,786 were delivered.

The feat of producing nearly 6,000 large ships in the short span of only a few years with a largely inexperienced work force, and despite shortages of steel and machinery components by no means fully encompasses his contributions to this Nation. In addition to the building of this vast armada, Admiral Land also was responsible for training the officers and crews which manned these ships—a substantial task in itself.

Admiral Land, who received the per-

sonal commendations of Presidents Roosevelt and Truman, relinquished his responsibilities in 1946. But his second retirement also was short-lived. He assumed the presidency of the Air Transport Association in the same year. Eight years later in 1953 at age 74 he tendered his third resignation. But again, he refused to go into retirement. He accepted the position of consultant to the General Dynamics Corp., and by Jerry Land's standards this was not to be a token job. Every morning, 5 days a week, Admiral Land walked the 4 miles from his apartment at the Sheraton Park Hotel to his office on Connecticut Avenue, putting in a 9 to 5 workday right up to the week before his death.

Having had the pleasure of knowing this gentleman for more than two decades, and appreciative of the guidance and recommendations he has given to the Committee on Merchant Marine and Fisheries on numerous occasions, I can say with strong conviction that this Nation has lost a truly great American. He was a life-long exponent of seapower and a strong American merchant marine. It was he during World War II who reconstituted our depleted merchant marine at a time when the Nation's future depended on it. And it was he who voiced alarm at the contraction of our fleet and the mounting obsolescence problems that increasingly diminished our maritime capabilities during the past decade.

Currently, we are embarked on the first extensive program to rebuild our merchant marine since Jerry Land undertook the task some 30 years ago. I hope and trust that our efforts are brought to fruition—for there may not be another Jerry Land available in the future to correct our maritime deficiencies if this Nation again finds itself imperiled by hostile forces.

SPEECH BY FORMER CONGRESSMAN WILLIAM BELL WALTON

(Mr. WHITE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WHITE. Mr. Speaker, early this month I received a letter from a very lovely lady of El Paso, Tex., Mrs. Frances M. Walton. Mrs. Walton is the widow of former U.S. Congressman from New Mexico, William Bell Walton, who served in the House during World War I, the time when New Mexico had one Congressman.

Mrs. Walton wanted to share with me a speech that her husband had given at Fort Bayard, N. Mex., during Memorial Day services at the conclusion of World War I. Mr. Speaker, I in turn want to share this truly outstanding speech with you and my colleagues of the House. Even though former Congressman Walton gave this speech over 50 years ago, it is pertinent today.

The speech follows:

SPEECH BY FORMER CONGRESSMAN WILLIAM BELL WALTON

Memorial Day is a day of devotion to the memories of Americans who have died in war. Prior to 1919 the day was almost entirely devoted to memorial exercises in honor of the Union Soldiers, with the G.A.R. organizations conducting the ceremonials. Since the World War, however, the scope of the day has broadened in observance and solemnity and the day, created a national holiday by Congress, is now devoted to tributes not only to the heroes of the Civil War, but the heroes of every war—the Spanish-American war, the Philippine Insurrection, the Boxer Rebellion, the Expedition into Mexico, and the great World War—in which human lives were sacrificed to the cause of country.

In the South the day is observed as in the North, for the great United States of America today is a confederation of state units that knows neither North nor South nor East nor West. In the flag of the republic the star of each state is of equal size, and not one is designated by section.

Memorial Day brings deeper and richer memories every year, as the roll of honor grows longer with the names of Americans who have died for their flag at home, overseas and on islands of the seas. An hour can be spent profitably by every American today, glancing back over the record of the United States and making an estimate of the present and the future of the country. What did the dead accomplish by giving the last full measure of devotion? Are the living impressed by what they did and do they more than ever highly resolve that the dead shall not have died in vain?

Every one of the American dead—every soldier, every sailor, every marine—gave all of himself to his country. If that is not a reminder that every American owes at least some of himself to his country, then, indeed, the dead died in vain.

The dead gave honor, glory and devotion to the flag. What are the living Americans giving to it? Is it honor, glory and devotion? Is each citizen sifting out the patriotism from the selfishness in his heart, and giving to the country only the best that is in him, as the dead gave before they were taken away? Or is the living American carefully selecting and saving the best of himself for his own personal use, and giving to his country only a pretense of patriotism, an appearance of devotion, a semblance of honor? It is not for you or for me to pass judgment. We cannot do so justly. It is for each citizen to search his own heart and conscience and render judgment as to himself.

It has been said that patriotism must be an intelligent patriotism; there is much that passes for it that is not intelligent, and some that falls within an immortal author's definition: "Patriotism is the last refuge of a scoundrel". Nothing is easier than to be patriotic when it is simply a question of going with the crowd. But more than this is required—disinterested service, a full discharge of the duties of citizenship (even to the honest paying of taxes), independence and courage in the exercise of the right to vote, obedience to the law, etc. There must be service by outward act and deed, and not mere lip service.

One who believes in America must know America, and the better one knows his country the more intense will be the faith and the more devoted the service. America, after all, is nothing more than the people who call themselves Americans, for ideas and ideals do not merely float in the air—they are incarnated in men and women, and by men and women they are applied to life. Principles are of no value till they are acted on, and they must be acted on by people. The memories and traditions of our past are attached to people, and the history of our country was made by people. It is then, consequently, into the labors of very real people that we of the present have entered, among very real people that we live and exist.

The problem, therefore, is one of keeping Americans true, not solely to the flag, but to the flag as the symbol of a great national life. Into that life it is necessary to enter, in it men must share. The more complete their participation the greater will be their love of their country—love of it for what it really is, and love of all that it represents. A patriotism thus enlightened and inspired will be close akin to religion.

It is not boasting to magnify one's blessings, nor to dwell lovingly and proudly on the principles and ideals which are American. It is necessary indeed to do this, since there are some unhappy souls who see nothing good in America. Nothing can be done with or for such, but it may be possible to prevent others from being led astray through ignorance of what America truly is.

The American people have been impervious to the incursions and attacks of agitators, not because they are dull and stupid, but rather because they are satisfied, and have every reason to be. They know their country well enough to realize that there is no land in the world in which opportunity is more freely offered, no land which comes so near being the country of the average man.

(On this Memorial Day, therefore, the people should pledge themselves to greater devotion to American ideals, to more loyal and unselfish service, and to stricter conformity to those great principles which lie at the basis of the nation's life.) There is great need for education, since much of the failure to appreciate this country is due to a pitiable ignorance of its history and its institutions. And this ignorance is often the densest in the minds of those who think of themselves as reformers, and who indeed are allowed to pose as such. Men need to be very sure that they know what liberty, as won by our forefathers and our nation's defenders preserved, including our hero dead whose memories we are today honoring, really and actually is.

It is particularly necessary that they should understand the right of minorities, and should realize that there is such a thing as the despotism of majorities. There are some things that a vote of the majority cannot be allowed to sanction, as our constitution recognizes. Perhaps this is one of the most important lessons to be learned, as it seems to he the most difficult to bring home to men. The very restraints of which the uninformed so often complain have no other purpose than to protect the helpless against the strong. And this is a part of Americanism.

In conclusion, the true significance of Memorial Day is a re-dedication of the lives and purposes of living Americans to those ideals of government for which so many of our cherished have "paid the last full measure of devotion". We can smother their resting places with flowers—it costs little. We can listen to sonorous eulogies of their deeds and their supreme sacrifice, but the highest tribute we can pay the glorious dead is to take from their hands the "fallen torch" and carry it aloft.

BIG BUS BILL—THE BLAST PROBLEM

(Mr. SCHWENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHWENGEL. Mr. Speaker, my colleagues have been most patient with me as I have repeatedly warned of the danger created by the "blast" experienced when passing or being passed by big trucks and buses. At long last we have at least a summary report on this problem as it relates to big trucks. The report summarizes work being done by Systems Technology, Inc., of Hawthorne, Calif., for the Department of Transportation.

The entire text of the summary will appear in today's Extension of Remarks. Let me briefly mention some of the results of the study. One of the most devasting findings is the following:

The truck disturbance can result in a serious lateral deviation of the car/driver system, in some cases causing a lane boundary exceedance or potential collision.

This statement gives full recognition of the existence of the problem and its seriousness. It should be kept in mind that the studies were conducted with a standard size stationwagon car. Thus, the poor Volkswagen driver or the driver of any small car, including the many American made small cars, can anticipate far more serious consequences from the blast effect. The report states that:

Increasing the truck width has two main effects: it increases the intensity of the truck disturbance and it decreases the side to side clearance between car and truck.

The report suggests a 6-inch increase in lane width to offset the effects of the 6-inch increase in vehicle width. However, the report goes on to state:

Increased lane width reduces the hazard by moving the car away from the truck, but it has little effect on the intensity of the disturbance experienced by the car.

One of the more astute observations of the report is contained in the following "think tank" language:

The psychophysiological response measures show an increased driver stress associated with the truck disturbance input.

Put in layman's terms this means that truck blast scares the hades out of most drivers.

Contrary to information provided earlier to the House Public Works Committee by the Department of Transportation officials, it would appear that the results of the truck blast study can be validly applied to buses.

I commend the full report to my colleagues here, and especially to my colleagues in the other body.

WHITE HOUSE POSITION ON RESTORATION OF DISTRICT OF COLUMBIA SUBWAY CONSTRUCTION FUNDS

(Mr. GUDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUDE. Mr. Speaker, there should be no mistaking the Republican position, as expressed again and again by the White House, on the Giaimo amendment to restore the long-due District of Columbia subway construction funds to the District of Columbia budget.

As the White House reemphasized yesterday afternoon, President Nixon "wholeheartedly supports an amendment which will be introduced on the floor to restore the whole amount"—meaning the full $72 million that, up to now, the House Appropriations Committee has barred the District from contributing to the subway construction.

The White House noted that the President feels "we are at a critical juncture and no further delays can be tolerated."

This was a restatement of the President's personal statement on November 18 that a failure to grant the money now could "consign the entire project to an early grave."

Virtually all Federal site planning and construction in recent years here has been done on the basis that these sites and buildings would become accessible to workers and the general public through construction of the Metro system—a system that has been encouraged, approved and authorized in a long series of congressional actions beginning in 1952. All of the great construction of Federal buildings in the southwest of the city, for example, has been predicated on subway construction. And much of the solution to the tangle of autos—those of constituents and workers—on Capitol Hill depends on the subway line that will have a station south of the Capitol, convenient to the House Office Buildings.

Republicans are traditionally for economy, which includes the maximization of the usefulness of facilities—a good reason to vote for the Giaimo amendment. Republicans are traditionally for access to jobs, as opposed to increases in welfare—another good reason to vote for the Giaimo amendment. Republicans are traditionally for making government more accessible to the governed—a third good reason to vote for the Giaimo amendment.

THE UNITED NATIONS

(Mr. HUNGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HUNGATE. Mr. Speaker, at a time when 125 Congressmen and 68 Senators have joined to support the resolution for United Nations Charter review and revision, the following excerpts from an article in Punch, November 17, seem appropriate:

UNITED WE YAWN

(By William Davis)

NEW YORK.—There is one question which every delegate to the United Nations sooner or later has to face up to.

How does one stay awake?

Peking may be overjoyed that it has been allowed to "join the world" (as the *Sunday Telegraph* has put it) but I fancy that, before long, some of its delegates will wish they had stayed at home. Diplomats are taught to suffer tedium, and it may well be that the Chinese have undergone rigorous training in some of their innumerable councils and committees. But it takes a specal kind of skill to sit through U.N. debates without nodding off. Take my word for it; I've tried it.

Like all forums, the U.N. has developed a considerable talent for creating non-issues. Its commissions, sub-commissions, boards and committees know how to turn even the smallest difference on some point of procedure into a crisis. There is never a shortage of subjects: the U.N. could keep talking even if it came across a day when nothing whatever was happening in the world outside.

One regular topic is money. According to Secretary General U Thant, the family of nations is "near a state of hopeless insolvency." And Bruce Turner, a New Zealander who has the unenviable job of minding its empty purse, says that pay-day for the U.N.'s 8,552 staff has become "a recurrent nightmare". The reason is simple: countries like Russia and France refuse to help meet the bill for peace-keeping operations of which they disapprove.

Talk is cheap, but soldiers cost money. So do tanks. Even flags and armbands are getting more expensive. It's all very well for people like Jeremy Thorpe to argue that U.N. troops should move into Northern Ireland, but who's going to pay their wages every Friday?

Up to now, poor U Thant (who, not surprisingly, has been languishing in hospital with an ulcer) has been able to count on the Americans to bail him out. They have put up more cash than anyone else—which explains, of course, why they were so mad when the General Assembly decided to throw out Taiwan.

Americans, as we all know, like to get value for their money. After so many down-payments, it seemed reasonable to regard the U.N. as their own. So everyone, from the President downwards, was indignant. "Suddenly," wrote one commentator, "we remembered that we keep the U.N. and that the hussy who betrayed us is not only treacherous, but extravagant."

William Rogers, the Secretary of State, hinted that Washington would be less forthcoming in future. On Capitol Hill, one senator urged the United States to "take its football and go home." Barry Goldwater felt that, if anyone went home, it should be the ungrateful fellows who had dared to defy their rightful master. The U.N., he said, should be moved out of New York and to some other country. Martha Mitchell, the formidable wife of America's Attorney-General, was more specific. U Thant and his China-loving friends, she felt, should move to Switzerland. Then, the good lady added, New York's Mayor Lindsay could "take the money he uses for the United Nations and spend it on the subway to prevent raising the fares."

At the massive U.N. building, reactions were mixed. Some delegates simply shrugged their shoulders and said they didn't care that much for New York anyway. Others pointed out that Switzerland, with its passion for neutrality, would never agree to be host to any international body which occasionally used troops to keep the peace. And there were some who simply asked: "who is Martha Mitchell?"

One shrewd fellow I talked to thought it would be interesting to see what would happen if the U.N. threatened to move to, say, Moscow. Would Washington agree—or double its contribution to bribe the U.N. into staying?

The Secretariat itself, meanwhile, has derived a modicum of comfort from the fact that China's admission has, unquestionably, revived public interest in what the family is doing.

Until the Big Vote, most Americans had no idea who was in the U.N. and who wasn't. No-one ever paid the slightest attention to what the delegates from Taiwan were saying. Indeed, people had almost forgotten that the U.N. existed. It was a harmless talking shop, the plaything of the world's most powerful nation. America's leadership was never questioned: on nearly every vital issue it either secured U.N. support or managed to stalemate moves which it considered to be against American interests. Freedom meant the right to agree with Washington—no more, no less.

The Big Vote, accompanied by the kind of merriment which is regarded as normal in Congress or the House of Commons but tends to be resented when the Africans indulge in it, has put the U.N. back on the may. U.N. officials rushed out to buy a Red

Chinese flag and printed new postage stamps. They've been suitably rewarded: the average number of daily visitors guided through its chambers has jumped by more than twenty per cent. "The people are excited about business, you sort of feel it," says one of the 65 guides from 40 countries who take people on hour-long tours. For the first time in years tourists have been queuing up outside the wrought iron gates on rainy mornings—paying $1.50 to get in.

Everyone, of course, is anxious to get a glimpse of the Chinese. It's a bit like the arrival of a new species in the local zoo; people want to see for themselves whether they really look like monsters or like ordinary human beings. The same thing happened when the Russians first came to New York, but they have long ago ceased to be of special interest. Fashion writers are already speculating about the Chinese mission's possible impact on the fashion scene; Mao tunics may become the "in" gear of 1972.

The extra takings clearly are most welcome. But it's not all plain collecting: a survey just published suggests that it could cost the United Nations more than £2 million to make Chinese a working language. And U.N. officials, who are already displaying Chinese documents on their office desks, are deeply depressed by the possibility that they may actually be asked to make some attempt to understand it.

The Chinese, apparently, mean to be "the undisputed champions of the world's underdeveloped nations." No one quite knows, as yet, what this will mean for the U.N., but Western delegates suspect that, at the very least, it will mean an escalation in rhetoric. The British delegation, I gather, is undecided how it will respond if the Chinese call them imperialistic pigs. To ignore it would be a sign of weakness; to hit back might lead to a decline in Anglo-Chinese trade.

There is, however, general agreement that the Chinese will liven up the proceedings—which, until now, have usually been about as riveting as an undertaker's convention. There hasn't been much in the way of excitement since Mr. Khrushchev took his shoes off and pounded the table. One sensed a certain amount of disappointment when Peking announced that they would be known as "China, People's Republic of," instead of "People's Republic of China" because, if they had plumped for the latter, they would have started right off as President of the Security Council. (The Presidency rotates monthly according to the English-alphabet names of member countries. Nicaragua was boss in October, and China could have jumped in before Poland).

The assumption is that China will become one of the big power blocs which dominate the U.N. Most of the other 131 members, including a surprisingly large number with names one has never heard of, are contemptuously referred to as "hot pants principalities." Britain comes somewhere in between; our only chance of being a power bloc lies in persuading the Common Market to send a European delegation to the U.N., instead of ten separate national missions.

But is it worth it? The U.N. is a useful forum for letting off steam, but everyone knows that real power lies elsewhere. U.N. delegates are, for the most part, insignificant people who play no real part in the Government of their country. (Hand on heart: do you know the names of our delegation?). The General Assembly and Security Council give the "hot pants principalities" a chance to feel important, and it would be churlish to argue that they don't deserve it. They have, after all, waited a long time to join the diplomatic game.

But, as Spiro Agnew has pointed out with characteristic tact, the U.N. is a paper tiger. If one big power wants to deal with another, it ignores the U.N. and makes direct contact—as Richard Nixon has done with Moscow and Peking. The U.N. is a debating society which can be, and invariably is, brushed aside whenever the interests of a big country are threatened. Even in the warlike confrontation between India and Pakistan, a crisis of far greater magnitude than China, the U.N. sits silent and helpless.

Feeble and broke, the U.N. is drowning in paper and empty talk. Absenteeism has not, surprisingly, become a major problem. The Secretariat means well, and has done some interesting plans, including the creation of a U.N. university with a string of post-graduate research centres scattered around the globe. It would dearly love to capture the interest and support of the young. But it is painfully aware that, at a time when international understanding and co-operation has never been more badly needed, the U.N. is having to struggle for survival. While America was still interested in playing world policeman, it could look for both status and financial help. Now that Washington is pulling back, the going is likely to become more difficult—despite the admission of Mao's China.

It's not only the big countries who snub the U.N. with impunity. Even the little ones do it. At a General Assembly meeting the other day, an elected Minister from the Indian Ocean islands of Seychelles quietly but firmly asked the U.N. to mind its affairs and stop pressing independence on the 55,000 inhabitants.

They preferred, he said, to stay linked with the British. "We have learned to like and understand them," he explained. Whatever else might be said about the British elsewhere, it was wrong and malicious to style them "exploiters and oppressors" as they so often were in the U.N.

British delegates, reported the *New York Times*, looked smug. And well they might: it's a long time since we were last praised for hanging on to a bit of the old Empire.

CHILDREN DEVELOPMENT PROGRAM

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, the need to strengthen our efforts in early childhood development was clearly stated by President Nixon in his February 1969 economic opportunity message to the Congress. The President said at that time:

> So critical is the matter of early growth that we must make a national commitment to providing all American children an opportunity for healthful and stimulating development during the first 5 years of life.

Mr. Speaker, this week the House of Representatives is scheduled to vote on S. 2007, the conference report which extends the Office of Economic Opportunity for 2 more years and establishes a comprehensive child development program.

I am aware that many people, including newspaper columnists, have distorted the facts regarding this legislation. I regret such distortion since the public must rely on the media for much of its information; if that information is incorrect, the public becomes misinformed. In order to clarify some of the misrepresentations and misunderstandings regarding this legislation, I would like to address myself to certain allegations.

PUBLIC AWARENESS OF THE LEGISLATION

During the past 3 years, beginning with the introduction of the original bill on August 19, 1969, the Select Subcommittee on Education of the House Committee on Education and Labor held 20 days of hearings on proposals to establish a comprehensive child development program in the Department of Health, Education, and Welfare.

On March 25, 1971, a revised version was introduced and the bill was subsequently cosponsored by nearly 100 Members of both parties of the House. The full committee ordered H.R. 6748 reported on September 23, 1971, by a record vote of 28 to 3 and 1 present.

Hundreds of witnesses—166 witnesses and statements—including parents, officials representing the Nixon administration, Governors from across the country, have testified in favor of the comprehensive approach to child development. Numerous newspaper articles, magazine articles, television and radio have discussed the child development bill. Therefore, to say that the public, including Congress, was not aware of what was before it cannot be accurate.

The child development bill was added as an amendment to the OEO legislation in order for the House to have the opportunity to vote on the measure. Otherwise, the House would have been forced to conference with the Senate—which had previously passed a similar measure—without having acted upon this important piece of legislation.

PARENTAL CONTROL OF PROGRAMS

Mr. Speaker, there was no item in the bill which was given more attention than that of providing for parental involvement and control. Although the legislation would provide for Federal money to support comprehensive child development programs, which includes day care, health, and educational programs for children, these programs must be planned, created, and operated at the local level by parents or persons of their choosing. The Office of Child Development in the Department of Health, Education, and Welfare would be involved only in attempting to set a common set of standards and the administering of funds on an allotment basis—distribution on basis of poverty, working mothers, and children below the age of 6.

One of the goals of the bill is to give the taxpayer some of his money back so that churches, schools, and parents at the local level can provide preschool programs for their children without the control of either State or Federal Governments.

Clearly, therefore, the bill would not mean, as some have charged, that the Federal Government take over responsibility for child development. This legislation should be viewed rather as providing an incentive to States and local communities to help them in developing their day care programs in churches, in community centers, in schools, and the kindergarten effort now being undertaken by many States.

Parental authority—in relation to the child as well as the child development program in which he or she participates—is assured in the program in its conference report.

The statement of findings and purpose states that comprehensive child development programs should be available to children whose parents or legal guardian shall request them regardless of economic, social, and family backgrounds, section 501(a)(2), page 5. To ensure that services are voluntary, each comprehensive child development plan submitted must include a provision that services shall be provided only for children whose parents or legal guardians have requested them, section 515(a)(24), page 16.

Section 581(a), page 33, requires that no part of the bill "shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, and physical development of their children." Nor can invasion of privacy or abridgment of legal remedies for such legal protection be accomplished.

Specific protection is provided against testing without informing the parent or giving him an opportunity to except his child, section 580, page 33. And if a parent objects in writing on religious grounds to medical or psychological exams or immunization—except to protect public from epidemics—or treatment, his child is excepted from such treatment, section 574(f), page 31.

A child development plan must further provide for regular and frequent dissemination of relevant information to parents and the community in their functional language, section 515(a)(15), page 16. The plan must also coordinate, insofar as possible, its programs with other social programs so as to keep family units intact or in close proximity during the day, section 515(a)(10), page 15.

The bill's statement of findings and purpose concludes that decisions on the nature and funding of child development programs are to be made at the community level with the full involvement of parents and others in the community. In other words the program is controlled and directed by parents interested in child development, section 501(b), page 6.

Parent involvement in their children's programs is required at various decision-making levels such as the following:

First, in the local project: at least one-half of the project policy committee must be parents, and the other members, except for the specialist, must be representative of the community and approved by the parent members, section 516(a)(2), pages 17–18. The committee must directly participate in the development and preparation of the project application. Training, administrative, and necessary out-of-pocket expenses for low-income members are required. Members of committees are appointed by the project applicant.

Functions of the project committee include approving goals, policies, actions and procedures for the project applicant, including planning, overall conduct, personnel, budgeting, and locations of centers and facilities.

The project application must also provide for the regular and frequent dissemination of information about the project to parents and interested persons in the functional language. Projects must also employ paraprofessional aides and volunteers, especially parents and others, section 516(a)(10), page 19. Staff must be adequate to meet specialized needs of each child, section 516(a)(12), page 19.

Second, the prime sponsor—charged with overview and conduct of all programs in a community or State—through its child development council; the prime sponsor's plan must provide for direct parent participation in the conduct, overall direction, and evaluation of programs section 515(a)(11) page 15.

The membership of the Child Development Council must be at least one half parents of children in programs and also must be selected by Headstart and project policy committees. At least one-third of the total membership must be parents who are economically disadvantaged, sections 514(a) and (b), pages 13–14. The Council's functions are similar to policy committees but it may also conduct public hearings, section 514(b)(3), page 14.

Third. At the National level: Not less than one-half of the membership of the Special Committee on Federal Standards for Child Development Services to develop program standards and of the special committee to develop uniform minimum code for facilities must be parents of children in child development programs, Headstart, and day care under title IV programs. Both committee memberships are to be appointed by the Secretary and report to him, section 534, 535, pages 23–24.

In conclusion, Mr. Speaker, I would like to make clear that if there had been any effort in this legislation to reduce the central role of the family in rearing children, the bill would not have had my support.

The bill specifically provides that nothing in it "shall be construed or applied in such a manner as to infringe upon or usurup the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, or physical development of their children." While there may be disagreement about various aspects of the bill, there is certainly no disagreement about this provision. All programs under this bill will be under the complete direction of the parents.

INADEQUATE ROLE FOR THE STATES

No one who has read the bill thoroughly can make the charge that the States do not have a significant role. The language is specific in requiring State involvement at every stage; creation of prime sponsors, formation of comprehensive child development plans and project operation. Up to 5 percent of operating funds will be available to States to carry out their functions. HEW may use States to provide technical assistance and program coordination. In other words, there is every opportunity for the States to identify problems, to help in solving them, and to point out to HEW that programs are not meeting the requirements of the act or HEW standards. The State which fails to influence programs positively in this situation will do so because of its own ineptitude rather than any deficiency in the law.

STATE PARTICIPATION

The statement of findings and purpose states that it is essential that the planning and operation of child development programs can be a partnership of parents, community, and State, and local government with appropriate assistance from the Federal Government, section 501(a)(6), page 6.

The participation of the States is encouraged by section 517 that provides for special grants to States to carrying out activities such as identifying the State's goals and needs; assisting child development councils, encouraging the participation of related State agencies, and so forth, see pages 19 and 20. Up to 5 percent of the funds allocated for use in a State are reserved for the State upon its application, section 503(c), page 8.

The Governor must have 30 to 60 days to review applications for designation, to offer recommendations to applicant and submit comments to the Secretary, section 513(g), page 12. In addition, no plan or modification of a prime sponsor shall be approved unless the Secretary determines that the Governor of the State has had an opportunity to submit comments to the prime sponsor and the Secretary, section 515(b)(3), page 17.

No locality or State may reduce its expenditure for day care or child development because of assistance under the bill, section 520(e), page 22.

In addition, the State may assume responsibilities of child development programs if the local communities fail to meet the needs of children, section 513(a), (e), and (f).

Mr. Speaker, at this point I insert the text of the conference reported bill:

CHILD DEVELOPMENT

SEC. 13. (a) Title V of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE V—CHILD DEVELOPMENT PROGRAMS

"STATEMENT OF FINDINGS AND PURPOSE

"SEC. 501. (a) The Congress finds that—

"(1) millions of children in the Nation are suffering unnecessary harm from the lack of adequate child development services, particularly during early childhood years;

"(2) comprehensive child development programs, including a full range of health, education, and social services, are essential to the achievement of the full potential of the Nation's children and should be available to children whose parents or legal guardians shall request them regardless of economic, social, and family backgrounds;

"(3) children with special needs must receive full and special consideration in planning any child development programs and, pending the availability of such programs for all children, priority must be given to preschool children with the greatest economic and social need;

"(4) while no mother may be forced to work outside the home as a condition for using child development programs, such programs are essential to allow many parents to undertake or continue full- or part-time employment, training, or education;

"(5) comprehensive child development programs not only provide a means of delivering a full range of essential services to children, but can also furnish meaningful employment opportunities for many individuals, including older persons, parents, young persons, and volunteers from the community; and

"(6) it is essential that the planning and operation of such programs be undertaken as a partnership of parents, community, and State and local government with appro-

priate assistance from the Federal Government.

"(b) It is the purpose of this title to provide every child with a fair and full opportunity to reach his full potential by establishing and expanding comprehensive child development programs, and services designed to assure the sound and coordinated development of these programs, to recognize and build upon the experience and success gained through the Headstart program and similar efforts, to furnish child development services for those children who need them most, with special emphasis on preschool programs for economically disadvantaged children, and for children of working mothers and single parent families, to provide that decisions on the nature and funding of such programs be made at the community level with the full involvement of parents and other individuals and organizations in the community interested in child development, and to establish the legislative framework for child development services.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 502. (a) For the purpose of carrying out this title, there is authorized to be appropriated $2,000,000,000 for the fiscal year ending June 30, 1973. Any amounts appropriated for such fiscal year which are not obligated at the end of such fiscal year may be obligated in the succeeding fiscal year.

"(b) For the purpose of providing training, technical assistance, planning, and such other activities as the Secretary deems necessary and appropriate to prepare for the implementation of this title, there is authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1972.

"ALLOCATION OF FUNDS

"SEC. 503. (a) The amounts appropriated for carrying out this title for any fiscal year after June 30, 1972, shall be made available in the following manner:

"(1) $500,000,000 shall first be used for the purpose of providing assistance under parts A, B, and E of this title for child development programs focused upon young children from low-income families, giving priority to continued financial assistance for Headstart projects;

"(2) not to exceed 10 per centum of the remaining amounts so appropriated shall be used for the purpose of carrying out parts B, C, D, and E of this title, as the Secretary deems appropriate; and

"(3) the remainder of such amounts shall be used for the purpose of carrying out part A of this title.

"(b)(1) From the amounts available for carrying out comprehensive child development programs under part A of this title, the Secretary shall reserve the following:

"(A) not less than that proportion of the total amounts available for carrying out such part A as is equivalent to that proportion which the total number of children of migrant agricultural workers bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving children of migrant agricultural workers on an equitable basis, and to the extent practicable in proportion to the relative numbers of children served in each such program;

"(B) not less than that proportion of the total amount available for carrying out such part A as is equivalent to that proportion which the total number of children in Indian tribal organizations bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving children in Indian tribal organizations on an equitable basis, and to the extent practicable in proportion to the relative numbers of children in each such program;

"(C) not less than 10 per centum of the total amount available for carrying out this title, which shall be made available for the purposes of section 512(2)(I) of such part (relating to special activities for handicapped children);

"(D) not to exceed 5 per centum of the total amount available for carrying out such part A, which shall be made available under section 513(f)(3) of such part (relating to model programs).

"(2) The Secretary shall allocate the remainder of the amount available for part A of this title (after making the reservations provided for in paragraph (1) of this subsection) among the States so as to provide the following geographical distribution:

"(A) 50 per centum thereof so that the amount allotted for use within each State bears the same ratio to such 50 per centum as the number of economically disadvantaged children through age 14 in the State, excluding those children in the State who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection, bears to the number of economically disadvantaged children in all the States, excluding those children in all the States who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection;

"(B) 25 per centum thereof so that the amount allotted for use within each State bears the same ratio to such 25 per centum as the number of children through age 5 in the State, excluding those children in the State who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection, bears to the number of children through age 5 in all the States, excluding those children in all the States who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection;

"(C) 25 per centum thereof so that the amount allotted for use within each State bears the same ratio to such 25 per centum as the number of children of working mothers and single parents in the State, excluding those children in the State who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection, bears to the total number of children of working mothers and single parents in all the States, excluding those children in all the States who are eligible for services funded under clauses (A) and (B) of paragraph (1) of this subsection.

"(c) Not to exceed 5 per centum of the total funds allotted for use within a State pursuant to subsection (b)(2) may be made available for grants to the State to carry out the provisions of section 517 of this title.

"(d) The Secretary shall apportion the remainder of the amount allotted for use within each State (after making allocations under subsection (c)) among the localities in each such State so as to provide the following geographical distribution:

"(1) 50 per centum thereof so that the amount apportioned to each locality bears the same ratio to such 50 per centum as the number of economically disadvantaged children through age 14 in the area served by the locality bears to the number of economically disadvantaged children in the State;

"(2) 25 per centum thereof so that the amount apportioned to each locality bears the same ratio to such 25 per centum as the number of children through age 5 in the area served by the locality bears to the number of children through age 5 in the State;

"(3) 25 per centum thereof so that the amount apportioned to each locality bears the same ratio to such 25 per centum as the number of children of working mothers and single parents in the area served by the locality bears to the number of children of working mothers and single parents in the State.

"(e) The portion of any allotment or apportionment under subsection (b) or (d) for a fiscal year which the Secretary determines will not be required, for the period for which such allotment or apportionment is available, for carrying out programs under this part shall be available for reallotment or reapportionment from time to time, on such dates during such period as the Secretary shall fix, to other States in the case of allotments under subsection (b), or to other localities in the case of apportionments under subsection (d), in proportion to the original allotments to such States under subsection (b), or the original apportionments to such localities under subsection (d), for such year, but with such proportionate amount for any of such States or localities being reduced to the extent it exceeds the needs of such State or locality for carrying out activities approved under this part, and the total of such reductions shall be similarly reallotted among the States or reapportioned among the localities whose proportionate amounts are not so reduced. Any amount reallotted to a State or reapportioned to a locality under this subsection during a year shall be deemed part of its allotment or apportionment under subsection (b) or (d) for such year.

"(f) In determining the numbers of children for purposes of allotting and apportioning funds under this section, the Secretary shall use the most recent satisfactory data available to him.

"(g) As soon as practicable after funds are appropriated to carry out this title for any fiscal year, the Secretary shall publish in the Federal Register the allotments and apportionments required by this section.

"PART A—COMPREHENSIVE CHILD DEVELOPMENT PROGRAMS

"FINANCIAL ASSISTANCE

"SEC. 511. The Secretary of Health, Education, and Welfare shall provide financial assistance for carrying out child development programs under this part to prime sponsors and to other public and private agencies and organizations to plans and applications approved in accordance with the provisions of this part.

"USES OF FUNDS

"SEC. 512. Funds available for this part may be used (in accordance with approved applications) for the following services and activities:

"(1) planning and developing child development programs, including the operation of pilot programs to test the effectiveness of new concepts, programs, and delivery systems;

"(2) establishing, maintaining, and operating child development programs, which may include—

"(A) comprehensive physical and mental health, social, and cognitive development services necessary for children participating in the program to profit fully from their educational opportunities and to attain their maximum potential;

"(B) food and nutritional services (including family consultation);

"(C) rental, remodeling, renovation, alteration, construction, or acquisition of facilities, including mobile facilities, and the acquisition of necessary equipment and supplies;

"(D) programs designed (i) to meet the special needs of minority group, Indian, and migrant children with particular emphasis on the needs of children from bilingual families for the development of skills in English and the other language spoken in the home, and (ii) to meet the needs of all children to understand the history and cultural backgrounds of minority groups which belong to their communities and the role of members of such minority groups in the history and cultural development of the Nation and of the region in which they reside;

"(E) a program of daily activities designed to develop fully each child's potential;

"(F) other specially designed health, social, and educational programs (including after school, summer, weekend, vacation, and overnight programs);

"(G) medical, dental, psychological, educational, and other appropriate diagnosis, identification, and treatment of visual, hearing, speech, nutritional, and other physical, mental, and emotional barriers to full participation in child development programs, including programs for preschool and other children who are emotionally disturbed;

"(H) prenatal and other medical services to expectant mothers who cannot afford such services, designed to help reduce malnutrition, infant and maternal mortality, and the incidence of mental retardation and other handicapping conditions, and postpartum and other medical services (including family planning information) to such recent mothers;

"(I) incorporation within child development programs of special activities designed to identify and ameliorate identified physical, mental, and emotional handicaps and special learning disabilities and where necessary because of the severity of such handicaps, establishing, maintaining, and operating separate child development programs designed primarily to meet the needs of handicapped children, including emotionally disturbed children;

"(J) preservice and inservice education and other training for professional and paraprofessional personnel;

"(K) dissemination of information in the functional language of those to be served to assure that parents are well informed of child development programs available to them and may become directly involved in such programs;

"(L) services, including in-home services, and training in the fundamentals of child development, for parents, older family members functioning in the capacity of parents, youth, and prospective parents;

"(M) use of child advocates, consistent with the provisions of this title, to assist children and parents in securing full access to other services, programs, or activities intended for the benefit of children;

"(N) programs designed to extend comprehensive prekindergarten early childhood education techniques and gains (particularly parent participation) into kindergarten and early primary grades (one through three), in cooperation with local educational agencies, including the use of former assistant Headstart teachers or similar early childhood education teachers as instructional aides (in addition to those employed by the schools involved) working closely with classroom teachers in the kindergarten and such early primary grades in which are enrolled children they taught in Headstart or other early childhood education programs, providing for full participation of parents of the children involved in program planning, implementation, and decision-making and for career development opportunities and advancement through continuing education and training for the instructional aides involved (including teacher salaries, educational stipends for tuition, books, and tutoring, career counseling, arrangements for academic credit for independent study, fieldwork based on their teaching assignments, and preservice and inservice training) and for the classroom teachers and principals involved; and

"(O) such other services and activities as the Secretary deems appropriate in furtherance of the purposes of this part; and

"(3) staff and other administrative expenses of Child Development Councils established and operated in accordance with this part.

"PRIME SPONSOR OF CHILD DEVELOPMENT PROGRAMS

"SEC. 513. (a) In accordance with the provisions of this section, a State, locality, combination of localities, Indian tribal organization, or public or private nonprofit agency or organization, meeting the requirements of this part may be designated by the Secretary as a prime sponsor for the purpose of entering into arrangements to carry out child development programs under this part, upon the approval by the Secretary of a prime sponsorship plan which—

"(1) describes the prime sponsorship area to be served;

"(2) sets forth satisfactory provisions for establishing and maintaining a Child Development Council which meets the requirements of section 514;

"(3) provides that the Child Development Council shall be responsible for developing and preparing a comprehensive child development plan for each fiscal year and any modifications thereof;

"(4) sets forth arrangements under which the Child Development Council will be responsible for planning, supervising, coordinating, monitoring, and evaluating child development programs in the prime sponsorship area;

"(5) in the case of an applicant which is a State, a locality, or a combination of localities, provides for the operation of programs under this part through contracts with public or private agencies or organizations, including but not limited to community action agencies, single-purpose Headstart agencies, community development corporations, parent cooperatives, organizations of Indians, employer and employee organizations, and local public and private educational agencies and institutions, which will serve children in a community or neighborhood or other area possessing a commonality of interest; and

"(6) provides assurances that, where available, the Council will provide itself, or by contract or other arrangement with State, local, or other public agencies or private nonprofit organizations—

"(A) child-related family, social, and rehabilitative services;

"(B) coordination with educational agencies and providers of educational services;

"(C) health (including family planning) and mental health services;

"(D) nutrition services; and

"(E) training of professional and paraprofessional personnel.

"(b) The Secretary shall approve a prime sponsorship plan submitted by a locality which has a population of 5,000 or more persons and is a (1) city, (2) county, or (3) other unit of general local government, if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child development programs in the area of such locality. In the event that the area under the jurisdiction of a unit of general local government described in clause (1), (2), or (3) of the preceding sentence includes any common geographical area with that covered by another such unit of general local government, the Secretary shall designate to serve such area the unit of general local government which he determines has the capability of more effectively carrying out the purposes of this part with respect to such area and which has submitted a plan which meets the requirements of this section and includes adequate provisions for carrying out comprehensive child development programs in such area.

"(c)(1) In the event that the Secretary determines that a locality does not meet the requirements for designation as a prime sponsor under this section, he shall take steps to encourage the submission of a prime sponsorship plan, covering the area of such locality, by a combination of localities which are adjoining and possess a sufficient commonality of interest.

"(2) The Secretary shall approve a prime sponsorship plan submitted by a combination of localities, having a total population of 5,000 or more persons, if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child development programs in the area covered by the combination of such localities.

"(d) The Secretary shall approve a prime sponsorship plan submitted by an Indian tribal organization if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child development programs in the area to be served.

"(e) In the event that the Secretary determines, with respect to the area of a particular locality, that a prime sponsorship plan meeting the requirements of this section has not been submitted by a locality or combination of localities covering such area, or by an Indian tribal organization, or in the event that prime sponsorship designation has been disapproved or withdrawn in accordance with subsection (h) of this section, the Secretary may, with respect to the impending fiscal year when no such prime sponsorship designation will be in effect, approve a plan submitted by the State which meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive child development programs in such area.

"(f) The Secretary may approve a prime sponsorship plan submitted by a public or private nonprofit agency, including but not limited to a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, employer organization, labor union, employee or labor-management organization, or public or private educational agency or institution, if he determines that the plan so submitted meets the requirements of subsection (a) of this section and includes—

"(1) provisions setting forth arrangements for serving children in a neighborhood or other area possessing a commonality of interest in the area of any locality with respect to which there is no prime sponsorship designation in effect or with respect to any portion of an area where the prime sponsor is found not to be satisfactorily implementing child development programs which adequately met the purposes of this part, or for making available special services, in accordance with criteria established by the Secretary, designed to meet the needs of economically disadvantaged or preschool children or children of working mothers or single parents; or

"(2) arrangements for providing comprehensive child development programs on a year-round basis to children of migrant agricultural workers and their families; or

"(3) arrangements for carrying out model programs especially designed to be responsive to the needs of economically disadvantaged, minority group, or bilingual preschool children.

"(g) The Governor or appropriate State agency shall be given not less than thirty nor more than sixty days to review applications for designation filed by other than the State, offer recommendations to the applicant, and submit comments to the Secretary.

"(h) A prime sponsorship plan submitted under this section may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided (1) written notice of intention to disapprove such plan, including a statement of the reasons, (2) a reasonable time in which to submit corrective amendments to such plan or undertake other necessary corrective action, and (3) an opportunity for a public hearing upon which

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basis an appeal to the Secretary may be taken as of right.

"(g)(1) If any party is dissatisfied with the Secretary's final action under subsection (h) with respect to the disapproval of its plan submitted under this section or the withdrawal of its prime sponsorship designation, such party may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such party is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence. The Secretary may make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall be conclusive if supported by substantial evidence.

"(3) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(h) When a unit (or combination of units) of general government is maintaining a pattern and practice of exclusion of minorities, the Secretary shall give preference in the approval of applications for prime sponsorship to an alternative unit of government or to a public or private nonprofit agency or organization in the area representing the interests of minority and economically disadvantaged persons.

"(i) In the event that a State, a locality, a combination of localities, or an Indian tribal organization has not submitted a comprehensive child development plan under section 515 or the Secretary has not approved a plan so submitted, or where the Secretary has not designated or has withdrawn designation of prime sponsorship under section 513, or where the needs of migrants, pre-school-age children, or the children of working mothers or single parents, minority groups, or the economically disadvantaged are not being served, the Secretary may directly fund projects, including those in rural areas without regard to population, that he deems necessary in order to serve the children of the particular area.

"CHILD DEVELOPMENT COUNCILS

"SEC. 514. (a) Each prime sponsor designated under section 513 shall establish and maintain a Child Development Council composed of not less than 10 members as follows—

"(1) not less than half of the members of such Council shall be parents of children served in child development programs under this part; and

"(2) the remaining members shall be appointed by the chief executive officer or the governing body, whichever is appropriate, of the prime sponsor to represent the public, but (A) not less than half of such members shall be persons who are broadly representative of the general public, including government agencies, public and private agencies and organizations in such fields as economic opportunity, health, education, welfare, employment and training, business or financial organizations or institutions, labor unions, and employers, and (B) the remaining members, the number of which shall be either equal to or one less than the number of members appointed under clause (A), shall be persons who are particularly skilled by virtue of training or experience in child development, child health, child welfare, or other child services, except that the Secretary may waive the requirement of this clause (B) to the extent that he determines, in accordance with regulations which he shall prescribe, that such persons are not available to the area to be served.

At least one-third of the total membership of the Child Development Council shall be parents who are economically disadvantaged. Each Council shall select its own chairman.

"(b) In accordance with procedures which the Secretary shall establish pursuant to regulations, each prime sponsor designated under section 513 shall provide, with respect to the Child Development Council established and maintained by such prime sponsor, that—

"(1) the parent members described in paragraph (1) of subsection (a) of this section shall be chosen by the membership of Headstart policy committees where they exist, and, at the earliest practicable time, by project policy committees established pursuant to section 516(a)(2) of this part;

"(2) the terms of office and any other policies and procedures of an organizational nature, including nomination and election procedures, are appropriate in accordance with the purposes of this part;

"(3) such Council shall have responsibility for approving basic goals, policies, actions, and procedures for the prime sponsor, including policies with respect to planning, general supervision and oversight, overall coordination, personnel, budgeting, funding of projects, and monitoring and evaluation of projects; and

"(4) such Council shall, upon its own initiative or upon request of a project applicant or any other party in interest, conduct public hearings before acting upon applications for financial assistance submitted by project applicants under this part.

"COMPREHENSIVE CHILD DEVELOPMENT PLANS

"SEC. 515. (a) Financial assistance under this part may be provided by the Secretary for any fiscal year to a prime sponsor designated pursuant to section 513 only pursuant to a comprehensive child development plan which is submitted by such prime sponsor and approved by the Secretary in accordance with the provisions of this part. Any such plan shall set forth a comprehensive program for providing child development services in the prime sponsorship area which—

"(1) identifies all child development needs and goals within the area and describes the purposes for which the financial assistance will be used;

"(2) meets the needs of children in the prime sponsorship area, to the extent that available funds can be reasonably expected to have an effective impact, including infant care and before and after school programs for children in school with priority to children who have not attained six years of age;

"(3)(A) provides that funds received under section 503(a)(1) will be used for child development programs and services focused upon young children from low-income families, giving priority to continued financial assistance for Headstart projects by reserving for such projects from such funds in any fiscal year an amount at least equal to the aggregate amount received by public or private agencies and organizations within the prime sponsorship area for programs during the fiscal year ending June 30, 1972, under section 222(a)(1) of the Economic Opportunity Act of 1964, and (B) provides that programs receiving funds under section 503(d) will give priority to providing services for economically disadvantaged children by reserving not less than 65 per centum of the cost of programs receiving such funds for the purpose of serving children of families having an annual income below the lower living standard budget as determined under paragraph (5) of section 571;

"(4) gives priority thereafter to providing child development programs and services to children of single parents and working mothers not covered under paragraph (3);

"(5) provides procedures for the approval of project applications submitted in accordance with section 516;

"(6) provides, in the case of a prime sponsor located within or adjacent to a metropolitan area, for coordination with other prime sponsors located within such metropolitan area, and arrangements for cooperative funding where appropriate, and particularly for such coordination where appropriate to the needs for child development services of children of parents working or participating in training or otherwise occupied during the day within a prime sponsorship area other than that in which they reside;

"(7) provides that, to the extent feasible, each program within the prime sponsorship area will include children from a range of socioeconomic backgrounds;

"(8) provides comprehensive services (A) to meet the special needs of minority group children and children of migrant agricultural workers with particular emphasis on the needs of children from bilingual families for development of skills in English and in the other language spoken in the home, and (B) to meet the needs of all children to understand the history and cultural background of minority groups which belong to the communities and the role of members of such minority groups in the history and cultural development of the Nation and the region in which they reside;

"(9) provides equitably for the child development needs of children from each minority group or significant segment of the economically disadvantaged residing within the area served;

"(10) provides, insofar as possible, for coordination of child development programs with other social programs (including but not limited to those relating to employment and manpower) so as to keep family units intact or in close proximity during the day;

"(11) provides for direct parent participation in the conduct, overall direction, and evaluation of programs;

"(12) provides to the extent feasible for the employment as both professionals and paraprofessionals of persons resident in the neighborhoods from which children are drawn;

"(13) includes to the extent feasible a career development plan for paraprofessional and professional training, education, and advancement on a career ladder;

"(14) provides that, insofar as possible, persons residing in communities being served by such projects will receive jobs, including in-home and part-time jobs, and opportunities for training in programs under part B of this title, with special consideration for career opportunities for low-income persons;

"(15) provides for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and interested persons in the community are fully informed of the activities of the Child Development Council and of delegate agencies;

"(16) assures that procedures and mechanisms for coordination have been developed in cooperation with preschool program administrators and administrators of local educational agencies and nonpublic schools, at the local level, to provide continuity between programs for preschool and elementary school children and to coordinate programs conducted under this part and programs conducted pursuant to section 222(a)(2) of the Economic Opportunity Act of 1964 and the Elementary and Secondary Education Act of 1965;

"(17) establishes arrangements in the area served for the coordination of programs conducted under the auspices of or with the support of business or financial institutions or organizations, industry, labor, employee and labor-management organizations, and other community groups;

"(18) sets forth provisions describing any arrangements for the delegation, under the supervision of the Child Development Council, to public or private agencies, institutions, or organizations, of responsibilities for the delivery of programs, services, and activities for which financial assistance is provided under this part or for planning or evaluation services to be made available with respect to programs under this part;

"(19) contains plans for regularly conducting surveys and analyses of needs for child development programs in the prime sponsorship area and for submitting to the Secretary a comprehensive annual report and evaluation in such form and containing such information as the Secretary shall require by regulation;

"(20) provides that services for handicapped children, at both the State and local levels, will be used wherever available in programs approved under the plan;

"(20) provides assurances satisfactory to the Secretary that the non-Federal share requirements will be met;

"(22) provides for such fiscal control and funding accounting procedures as the Secretary may prescribe to assure proper disbursement of and accounting for Federal funds paid to the prime sponsor;

"(23) provides that consideration will be given to project applications submitted by public, private nonprofit, and profitmaking organizations with emphasis given to ongoing programs, and that comparative costs of providing services shall be considered along with the quality of such services;

"(24) provides that programs or services under this title shall be provided only for children whose parents or legal guardians have requested them; and

"(25) provides assurance that in developing plans for any facilities due consideration will be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than one per centum of the cost of the project).

"(b) No comprehensive child development plan or modification thereof submitted by a prime sponsor under this section shall be approved by the Secretary unless he determines, in accordance with regulations which the Secretary shall prescribe, that—

"(1) each community action agency or single-purpose Headstart agency in the area to be served previously responsible for the administration of programs under this part or under section 222(a)(1) of the Economic Opportunity Act of 1964 has had an opportunity to submit comments to the prime sponsor and to the Secretary;

"(2) the local educational agency for the area to be served and other appropriate educational and training agencies and institutions have had an opportunity to submit comments to the prime sponsor and to the Secretary; and

"(3) the Governor of the State has had an opportunity to submit comments to the prime sponsor and to the Secretary.

"(c) A comprehensive child development plan submitted under this section may be disapproved or a prior approval withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided (1) written notice of intention to disapprove such plan, including a statement of the reasons, (2) a reasonable time to submit corrective amendments to such plan or undertake other necessary corrective action, and (3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

"(d) In order to contribute to the effective administration of this title, the Secretary shall establish appropriate procedures to permit prime sponsors to submit jointly a single comprehensive child development plan for the areas served by such prime sponsors.

"PROJECT APPLICATIONS

"SEC. 516. (a) Financial assistance under this part may be provided to a project applicant for any fiscal year only pursuant to a project application which is submitted by a public or private agency and which provides—

"(1) that funds will be provided for carrying out any child development program under this part only to a qualified public or private agency or organization, including but not limited to a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, private organization interested in child development, employer or business organization, labor union, employee or labor-management organization, or public or private educational agency or institution;

"(2) for establishing and maintaining project policy committees composed of not less than 10 members as follows—

"(A) not less than half of the members of each such committee shall be parents of children served by such project, and

"(B) the remaining members of each such committee shall consist of (i) persons who are representative of the community and who are approved by the parent members, and (ii) at least one person who is particularly skilled by virtue of training or experience in child development, child health, child welfare, or other child services, except that the Secretary may waive the requirement of this clause (ii) where he determines, in accordance with regulations which he shall prescribe, that such person is not available to the area to be served;

"(3) for direct participation of such policy committees in the development and preparation of project applications under this part;

"(4) that adequate provision will be made for training and other administrative expenses of such policy committees (including necessary expenses to enable low-income members to participate in council or committee meetings);

"(5) that project policy committees shall have responsibility for approving basic goals, policies, actions, and procedures for the project applicant, including policies with respect to planning, overall conduct, personnel, budgeting, location of centers and facilities and direction and evaluation of projects;

"(6) that programs assisted under this part will provide for such comprehensive health, nutritional, education, social, and other services, as are necessary for the full cognitive, emotional, and physical development of each participating child;

"(7) that adequate provision will be made for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and interested persons are fully informed of project activities;

"(8) that with respect to child development services provided by programs assisted under this part—

"(A) no charge will be made with respect to any child who is a member of any family with an annual income equal to or less than $4,320 with appropriate adjustments in the case of families having more than two children, except to the extent that payment will be made by a third party (including a public agency); and

"(B) such charges as the Secretary may provide will be made with respect to any child of any other family, in accordance with an appropriate fee schedule established by him, based upon the ability of the family to pay, which payment may be made in whole or in part by a third party in behalf of such family, except that any such charges with respect to any family with an income of less than the lower living standard budget (as determined in accordance with paragraph (5) of section 571) shall not exceed the sum of (i) an amount equal to 10 per centum of any family income which exceeds the highest income level at which no charges would be made with respect to children of such family under subparagraph (A) but does not exceed 85 per centum of such lower living standard budget, and (ii) an amount equal to 15 per centum of any family income which exceeds 85 per centum of such lower living standard budget but does not exceed 100 per centum of such lower living standard budget, and, if more than two children from the same family are participating, additional charges may be made not to exceed the sum of the amounts calculated in accordance with clauses (i) and (ii) with respect to each such additional child;

"(9) that children will in no case be excluded from the programs operated pursuant to this part because of their participation in nonpublic preschool or school programs or because of the intention of their parents to enroll them in nonpublic schools when they attain school age;

"(10) that programs will, to the extent appropriate, employ paraprofessional aides and volunteers, especially parents, older children, students, older persons, and persons preparing for careers in child development programs;

"(11) that no person will be denied employment in any program solely on the ground that he fails to meet State or local teacher certification standards;

"(12) that programs assisted under this part will provide for the utilization of personnel, including paraprofessional and volunteer personnel, adequate to meet the specialized needs of each participating child;

"(13) that there are assurances satisfactory to the Secretary that the non-Federal share requirements will be met; and

"(14) that provision will be made for such fiscal control and fund accounting procedures as the Secretary shall prescribe to assure proper disbursement of and accounting for Federal funds.

"(b) A project application may be approved by a prime sponsor upon its determination that such application meets the requirements of this section and that the programs provided for therein will otherwise further the objectives and satisfy the appropriate provisions of the prime sponsor's comprehensive child development plan as approved pursuant to section 515.

"(c) A project application from a public or private nonprofit agency which is also a prime sponsor under section 513(f) shall be submitted directly to the Secretary, together with the comprehensive child development plan.

"(d) A project application submitted directly to the Secretary by a public or private agency may be approved by the Secretary upon his determination that it meets the requirements of subsection (a) of this section.

"SPECIAL GRANTS TO STATES

"SEC. 517. Upon application submitted by any State, the Secretary is authorized to provide financial assistance for use by such State for carrying out activities for the purposes of—

"(1) identifying child development goals and needs within the State;

"(2) assisting in the establishment of Child Development Councils and strengthening the capability of such Councils to effectively plan, supervise, coordinate, monitor, and evaluate child development programs;

"(3) encouraging the cooperation and participation of State agencies in providing child development and related services, including

health, family planning, mental health, education, nutrition, and family, social and rehabilitative services where requested by appropriate prime sponsors in the development and implementation of comprehensive child development plans;

"(4) encouraging the full utilization of resources and facilities for child development programs within the State;

"(5) disseminating the results of research on child development programs;

"(6) conducting programs for the exchange of personnel involved in child development programs within the State;

"(7) assisting public and private nonprofit agencies and organizations in the acquisition or improvement of facilities for child development programs;

"(8) assessing State and local licensing codes as they relate to child development programs within the State; and

"(9) developing information useful in reviewing prime sponsorship plans under section 513(g) and comprehensive child development plans under section 515(b)(3).

"ADDITIONAL CONDITIONS FOR PROGRAMS INCLUDING CONSTRUCTION

"SEC. 518. (a) Applications for financial assistance for projects including construction may be approved only if the Secretary determines that construction of such facilities is essential to the provision of adequate child development services, and that rental, renovation, remodeling, or leasing of adequate facilities is not practicable.

"(b) If any facility assisted under this part shall cease to be used for the purposes for which it was constructed, the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds, unless the Secretary determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

"(c) All laborers and mechanics employed by contractors or subcontractors on all construction, remodeling, renovation, or alteration projects assisted under this part shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U S.C. 276a—276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

"(d) In the case of loans for construction, the Secretary shall prescribe the interest rate and the period within which such loan shall be repaid, but such interest rates shall not be less than 3 per centum per annum and the period within which such loan is to be repaid shall not be more than twenty-five years.

"(e) The Federal assistance for construction may be in the form of grants or loans, provided that total Federal funds to be paid to other than public or private nonprofit agencies and organizations will not exceed 50 per centum of the construction cost, and will be in the form of loans. Repayment of loans shall, to the extent required by the Secretary, be returned to the prime sponsor from whose financial assistance the loan was made, or used for additional loans or grants under this title. Not more than 15 per centum of the total financial assistance provided to a prime sponsor under this part shall be used for construction of facilities, with no more than 7½ per centum of such assistance usable for grants for construction.

"(f) In the case of a project for the construction of facilities and in the development of plans for such facilities due consideration shall be given to excellence of architecture and design and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project).

"USE OF PUBLIC FACILITIES FOR CHILD DEVELOPMENT PROGRAMS

"SEC. 519. (a) The Secretary, after consultation with other appropriate officials of the Federal Government, shall within sixteen months after enactment of this title report to the Congress with respect to the extent to which facilities owned or leased by Federal departments, agencies, and independent authorities could be made available to public and private nonprofit agencies and organizations, through appropriate arrangements, for use as facilities for child development programs under this title during times and periods when not utilized fully for their usual purposes, together with his recommendations (including recommendations for changes in legislation) or proposed actions for such use.

"(b) The Secretary may require, as a condition to the receipt of assistance under this part, that any prime sponsor under this part agree to conduct a review and provide the Secretary with a report as to the extent to which facilities owned or leased by such prime sponsor, or by other agencies in the prime sponsorship area, could be made available, through appropriate arrangements, for use as facilities for child development programs under this title during times and periods when not utilized fully for their usual purposes, together with the prime sponsor's proposed actions for such use.

"PAYMENTS

"SEC. 520. (a) In accordance with this section, the Secretary shall pay from the applicable allocation or apportionment under section 503 the Federal share of the costs of programs, services, and activities, in accordance with plans or applications which have been approved as provided in this part. In making such payment to any prime sponsor, the Secretary shall include in such costs an amount for staff and other administrative expenses for the Child Development Council not to exceed an amount which is reasonable when compared with such costs for other prime sponsors.

"(b)(1) Except as provided in paragraphs (2) and (3) of this subsection, the Secretary shall pay an amount not in excess of 80 per centum of the cost of carrying out programs, services, and activities under this part. The Secretary may, in accordance with such regulations as he shall prescribe, approve assistance in excess of such percentage if he determines that such action is required to provide adequately for the child development needs of economically disadvantaged children.

"(2) The Secretary shall pay an amount equal to 100 per centum of the costs of providing child development programs for children of migrant agricultural workers and their families under this part.

"(3) The Secretary shall pay to each prime sponsor approved under section 513(d) an amount equal to 100 per centum of the costs of providing child development programs for children in Indian tribal organizations.

"(c) The non-Federal share of the costs of programs assisted under this part may be provided through public or private funds and may be in the form of cash, goods, services, or facilities (or portions thereof that are used for program purposes), reasonably evaluated, or union or employer contributions. Fees collected for services provided pursuant to section 516(a)(8) shall not be used to make up the non-Federal share, but shall be used by the project applicant for the same purposes as payments under this section, except that, in the case of projects assisted under a comprehensive child development plan, such fees shall be turned over to the appropriate prime sponsor for distribution in the same manner as the prime sponsor's allocation under section 515(a)(3).

"(d) If, with respect to any fiscal year, a prime sponsor or project applicant provides non-Federal contributons for any program, service, or activity exceeding its requirements, such excess may be applied toward meeting the requirements for such contributions for the subsequent fiscal year under this part.

"(e) No State or locality shall reduce its expenditures for child development or day-care programs by reason of assistance under this part.

"PART B—TRAINING, TECHNICAL ASSISTANCE, PLANNING, AND EVALUATION

"PRESERVICE AND INSERVICE TRAINING

"SEC. 531. The Secretary is authorized to make payments to provide financial assistance to enable individuals employed or preparing for employment in child development programs assisted under this title, including volunteers, to participate in programs of preservice or inservice training for professional and nonprofessional personnel, to be conducted by any agency carrying out a child development program, or any institution of higher education, including a community college, or by any combination thereof.

"TECHNICAL ASSISTANCE AND PLANNING

"SEC. 532. The Secretary shall, directly or through grant or contract, make technical assistance available to prime sponsors and to project applicants participating or seeking to participate in programs assisted under this title on a continuing basis to assist them in planning, developing, and carrying out child development programs.

"EVALUATION

"SEC. 533. (a) The Secretary shall, through the Office of Child Development unless the Secretary determines otherwise, make an evaluation of Federal involvement in child development activities and services, which shall include—

"(1) enumeration and description of all Federal activities which affect child development;

"(2) analysis of expenditures of Federal funds for such activities and services;

"(3) determination of the effectiveness of such activities and services;

"(4) the extent to which preschool, minority group, and economically disadvantaged children and their parents have participated in programs under this title; and

"(5) such recommendations to the Congress as the Secretary may deem appropriate.

"(b) The results of the evaluation required by subsection (a) of this section shall be reported to the Congress not later than eighteen months after the date of enactment of this title.

"(c) The Secretary shall establish such procedures as may be necessary to conduct an annual evaluation of Federal involvement in child development programs, and shall report the results of each such evaluation to Congress.

"(d) Prime sponsors and project applicants assisted under this title and departments and agencies of the Federal Government shall, upon request by the Secretary, make available, consistent with other provisions of law, such information as the Secretary determines is necessary for purposes of making the evaluation required under subsection (c) of this section.

"(e) The Secretary may enter into contracts with public or private agencies, organizations, or individuals to carry out the provisions of this section.

"(f) The Secretary shall reserve for the purposes of this section not less than 1 per centum, and may reserve for such purposes not more than 2 per centum, of the amounts available under paragraphs (2) and (3) of section 503(a) of this title for any fiscal year.

"FEDERAL STANDARDS FOR CHILD DEVELOPMENT SERVICES

"SEC. 534. (a) Within six months after the enactment of the Economic Opportunity Amendments of 1971, the Secretary shall, after consultation with other Federal agencies and with the Committee established pursuant to subsection (c) of this section, promulgate a common set of program standards which shall be applicable to all programs providing child development services with Federal assistance under this title, to be known as the Federal Standards for Child Development Services. If the Secretary disapproves the Committee's recommendations, he shall state the reasons therefor.

"(b) Such standards shall be no less comprehensive than the Federal Interagency Day Care Requirements as approved by the Department of Health, Education, and Welfare, the Office of Economic Opportunity, and the Department of Labor on September 23, 1968.

"(c) The Secretary shall, within sixty days after enactment of this title, appoint a Special Committee on Federal Standards for Child Development Services, which shall include parents of children enrolled in child development programs, representatives of public and private agencies and organizations administering child development programs, specialists, and others interested in the development of children. Not less than one-half of the membership of the Committee shall consist of parents of children participating in programs conducted under part A of this title and section 222(a)(1) of this Act and title IV of the Social Security Act. Such Committee shall participate in the development of Federal Standards for Child Development Services and modifications thereof as provided in subsection (a).

"DEVELOPMENT OF UNIFORM MINIMUM CODE FOR FACILITIES

"SEC. 535. (a) The Secretary shall, within sixty days after enactment of the Economic Opportunity Amendments of 1971, appoint a special committee to develop a uniform minimum code for facilities, to be used in licensing child development facilities. Such standards shall deal principally with those matters essential to the health, safety, and physical comfort of the children and the relationship of such matters to the Federal Standards for Child Development Services under section 534.

"(b) The special committee appointed under this section shall include parents of children participating in child development programs and representatives of State and local licensing agencies, public health officials, fire prevention officials, the construction industry and unions, public and private agencies or organizations administering child development programs, and national agencies or organizations interested in the development of children. Not less than one-half of the membership of the committee shall consist of parents of children enrolled in programs conducted under part A of this title and section 222(a)(1) of this Act and title IV of the Social Security Act.

"(c) Within one year after its appointment, the special committee shall complete a proposed uniform minimum code for facilities and shall hold public hearings on the proposed code prior to submitting its final recommendation to the Secretary for his approval.

"(d) After considering the recommendations submitted by the special committee in accordance with subsection (c), the Secretary shall promulgate standards which shall be applicable to all facilities receiving Federal financial assistance under this title or in which programs receiving Federal financial assistance under this title are operated. If the Secretary disapproves the committee's recommendations, he shall state the reasons therefor. The Secretary shall also distribute such standards and urge their adoption by States and local governments. The Secretary may from time to time modify the uniform code for facilities in accordance with procedures set forth in this section.

"PART C—FACILITIES FOR CHILD DEVELOPMENT PROGRAMS

"MORTGAGE INSURANCE FOR CHILD DEVELOPMENT FACILITIES

"SEC. 541. (a) It is the purpose of this part to assist and encourage the provision of urgently needed facilities for child care and child development programs.

"(b) For the purpose of this part—

"(1) The term 'child development facility' means a facility of a public or private profit or nonprofit agency or organization, licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located), for the provision of child development programs.

"(2) The terms 'mortgage', 'mortgagor', 'mortgagee', 'maturity date', and 'State' shall have the meanings respectively set forth in section 207 of the National Housing Act.

"(c) The Secretary of Health, Education, and Welfare is authorized to insure any mortgage (including advances on such mortgage during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon.

"(d) In order to carry out the purpose of this section, the Secretary of Health, Education, and Welfare is authorized to insure any mortgage which covers a new child development facility, including equipment to be used in its operation, subject to the following conditions:

"(1) The mortgage shall be executed by a mortgagor, approved by the Secretary of Health, Education, and Welfare, who demonstrate ability successfully to operate one or more child care or child development programs. The Secretary of Health, Education, and Welfare may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary of Health, Education, and Welfare may make such contracts with and acquire for not to exceed $100 such stock or interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Child Development Facility Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary of Health, Education, and Welfare under the insurance.

"(2) The mortage shall involve a principal obligation in an amount not to exceed $250,000 and not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the child development facility, when the proposed improvements are completed and the equipment is installed.

"(3) The mortgage shall—

"(A) provide for complete amortization by periodic payments within such term as the Secretary of Health, Education, and Welfare shall prescribe, and

"(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Secretary of Health, Education and Welfare finds necessary to meet the mortgage market.

"(4) The Secretary of Health, Education, and Welfare shall not insure any mortgage under this section unless he has determined that the child development facility to be covered by the mortgage will be in compliance with the Uniform Minimum Code for Facilities approved by the Secretary pursuant to section 535.

"(5) The Secretary of Health, Education, and Welfare shall not insure any mortgage under this section unless he has also received from the prime sponsor designated under part A of this title a certificate that the facility is consistent with and will not hinder the execution of the prime sponsor's plan.

"(6) In the plans for such child development facility, due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project).

"(e) The Secretary of Health, Education, and Welfare shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the mortgagee, either in cash or in debentures of the Child Development Facility Insurance Fund (established by subsection (h)) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments or prepayments. In addition to the premium charge herein provided for, the Secretary of Health, Education, and Welfare is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during construction; but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

"(f) The Secretary of Health, Education, and Welfare may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

"(g)(1) The Secretary of Health, Education, and Welfare shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act.

"(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for the purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Child Development Facility Insurance Fund, and all references in such provisions to 'Secretary' shall be deemed to refer to the Secretary of Health, Education, and Welfare.

"(h)(1) There is hereby created a Child Development Facility Insurance Fund which shall be used by the Secretary of Health, Education, and Welfare as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Child Development Facility Insurance Fund.

"(2) The general expenses of the opera-

tions of the Department of Health, Education, and Welfare relating to mortgages insured under this section may be charged to the Child Development Facility Insurance Fund.

"(3) Moneys in the Child Development Facility Insurance Fund not needed for the current operations of the Department of Health, Education, and Welfare with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Secretary of Health, Education, and Welfare may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Child Development Facility Insurance Fund. Such purchase shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"(4) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage under this section, the receipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Secretary of Health, Education, and Welfare in connection therewith, and all earnings as the assets of the fund, shall be credited to the Child Development Facility Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such fund, cash insurance payments and adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages insured under this section, shall be charged to such fund.

"(5) There are authorized to be appropriated to provide initial capital for the Child Development Facility Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary.

"PART D—FEDERAL GOVERNMENT CHILD DEVELOPMENT PROGRAMS

"PROGRAM AUTHORIZED

"SEC. 546. (a) The Secretary is authorized to make grants for the purpose of establishing and operating child development programs (including the lease, rental, or construction of necessary facilities and the acquisition of necessary equipment and supplies) for the children of employees of the Federal Government.

"(b) Employees of any Federal agency or group of such agencies employing eighty or more working parents of young children who desire to participate in the grant program under this part shall—

"(1) designate or create for the purpose an agency commission, the membership of which shall be broadly representative of the working parents employed by the agency or agencies; and

"(2) submit to the Secretary a plan approved by the official in charge of such agency or agencies, which—

"(A) provides that the child development program shall be administered under the direction of the agency commission;

"(B) provides that the program will meet the Federal interagency standards for child development;

"(C) provides a means of determining priority of eligibility among parents wishing to use the services of the program;

"(D) provides for a scale of fees based upon the parents' financial status; and

"(E) provides for competent management, staffing, and facilities for such program.

"(c) The Secretary shall not make payments under this section unless he has received approval of the plan from the official in charge of the agency whose employees will be served by the child development program.

"PAYMENTS

"SEC. 547. (a) Not more than 80 per centum of the total cost of child development programs under this part shall be paid from Federal funds available under this title.

"(b) The share of the total cost not available under paragraph (a) may be provided through public or private funds and may be in the form of cash, goods, services, or facilities (or portions thereof that are used for program purposes), reasonably evaluated, fees collected from parents, or union or employer contributions.

"(c) If, in any fiscal year, a program under this part provides non-Federal contributions exceeding its requirements under this section, such excess may be used to meet the requirements for such contributions for the succeeding fiscal year.

"(d) In making grants under this part, the Secretary shall, insofar as is feasible, distribute funds among the States according to the same ratio as the number of Federal employees in that State bears to the total number of Federal employees in the United States.

"PART E—RESEARCH AND DEMONSTRATION

"DECLARATION OF PURPOSES

"SEC. 551. The purposes of this part are to focus national research efforts to attain a fuller understanding of the processes of child development and the effects of organized programs upon these processes; to develop effective programs for research into child development; and to assure that the result of research and development efforts are reflected in the conduct of programs affecting children through the improvement and expansion of child development and related programs.

"RESEARCH AND DEMONSTRATION PROJECTS

"SEC. 552. (a) In order to further the purposes of this part, the Secretary shall carry out a program of research and demonstration projects, which shall include but not be limited to—

"(1) research to determine the nature of child development processes and the impact of various influences upon them, to develop techniques to measure and evaluate child development, to develop standards to evaluate professional and paraprofessional child development personnel, and to determine how child development and related programs conducted in either home or institutional settings affect child development processes;

"(2) research to test alternative methods of providing child development and related services, and to develop and test innovative approaches to achieve maximum development of children and programs for training adolescent youth in child development;

"(3) evaluation of research findings and the development of these findings and the effective application thereof;

"(4) dissemination and application of research and development efforts and demonstration projects to child development and related programs and early childhood education, using regional demonstration centers and advisory services where feasible;

"(5) production of informational systems and other resources necessary to support the activities authorized by this part; and

"(6) integration of national child development research efforts into a focused national research program, including the coordination of research and development conducted by other agencies, organizations, and individuals.

"(b) In order to carry out the program provided for in subsection (a), the Secretary is authorized to make grants to or enter into contracts or other arrangements with public or private nonprofit agencies (including other Government agencies), organizations, and institutions, and to enter into contracts with private agencies, organizations, institutions, and individuals.

"COORDINATION OF RESEARCH

"SEC. 553. (a) Funds available to any Federal department or agency for the purposes stated in section 551 or the activities stated in section 552(a) shall be available for transfer, with the approval of the head of the department or agency involved, in whole or in part, to the Secretary for such use as is consistent with the purposes for which such funds were provided, and the funds so transferred shall be expendable by the Secretary for the purposes for which the transfer was made.

"(b) The Secretary shall coordinate, through the Office of Child Development, established under section 572 of this title, all child development research, training, and development efforts conducted within the Department of Health, Education, and Welfare and, to the extent feasible, by other agencies, organizations, and individuals.

"(c) A Child Development Research Council, consisting of a representative of the Office of Child Development established under section 572 of this title (who shall serve as chairman), and representatives from the Federal agencies administering the Social Security Act and the Elementary and Secondary Education Act of 1965 and from the National Institute of Mental Health, the National Institute of Child Health and Human Development, the Office of Economic Opportunity, the Department of Labor, and other appropriate agencies, shall meet at least annually and at such more frequent times as they may deem necessary, in order to assure coordination of child development and related activities under their respective jurisdictions and to carry out the provisions of this part so as to assure—

"(1) maximum utilization of available resources through the prevention of duplication of activities;

"(2) a division of labor, insofar as is compatible with the purposes of each of the agencies or authorities specified in this paragraph, to assure maximum progress toward the achievement of the purposes of this part; and

"(3) recommendation of priorities for federally funded research and development activities related to the purposes of this part and those stated in section 501.

"ANNUAL REPORT

"SEC. 554. The Secretary shall make an annual report to Congress summarizing his activities and accomplishments during the preceding year under this part; the grants, contracts, or other arrangements entered into during the preceding year under this part, and making such recommendations as he may deem appropriate.

"PART F—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 571. As used in this title, the term—

"(1) 'Secretary' means the Secretary of Health, Education, and Welfare;

"(2) 'State' means the several States and the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

"(3) 'child development programs' means programs provided on a full-day or part-day basis which provide the educational, nutritional, social, medical, psychological, and physical services needed for children to attain their full potential;

"(4) 'children' means individuals who have not attained the age of fifteen;

"(5) 'economically disadvantaged children' means any children of a family having an annual income below the lower living standard budget (adjusted for regional and metropolitan, urban, and rural differences, and family size), as determined annually by the Bureau of Labor Statistics of the Department of Labor;

"(6) 'handicapped children' includes mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children or children with specific learning disabilities who by reason thereof require special education and related services;

"(7) 'program' includes any program, service, or activity, which is conducted full or part time, day or night, in child development facilities, in schools, in neighborhood centers, or in homes, or which provides child development services for children whose parents are working or receiving education or training;

"(8) 'locality' means any city or other municipality or any county or other political subdivision of a State having general governmental powers, or any combination thereof;

"(9) 'parent' means any person who has day-to-day parental responsibility for any child;

"(10) 'single parent' means any person who has sole day-to-day responsibility for any child;

"(11) 'working mother' means any mother who requires child development services under this title in order to undertake or continue full- or part-time work, training, or education outside her home;

"(12) 'minority group' includes, but is not limited to, persons who are Negro, American Indian, Spanish-surnamed American, Portuguese, or Oriental, and, as determined by the Secretary, children who are from environments in which a dominant language is other than English and who, as a result of language barriers, do not have an equal educational opportunity, and, for the purpose of this paragraph, Spanish-surnamed Americans include persons of Mexican, Puerto Rican, Cuban, or Spanish origin or ancestry;

"(13) 'bilingual' includes, but is not limited to, persons who are Spanish surnamed, American Indian, Oriental, Portuguese, or others who have learned during childhood to speak the language of the minority group of which they are members and who, as a result of language barriers, do not have an equal educational opportunity;

"(14) 'local educational agency' means any such agency as defined in section 801(f) of the Elementary and Secondary Education Act of 1965;

"(15) 'institution of higher education' means any such institution as defined in section 1201(a) of the Higher Education Act of 1965.

"OFFICE OF CHILD DEVELOPMENT

"SEC. 572. The Secretary shall take all necessary action to coordinate child development programs under his jurisdiction. To this end, he shall establish within the Department of Health, Education, and Welfare an Office of Child Development, administered by a Director, which shall be the principal agency of the Department for the administration of this title and for the coordination of programs and other activities relating to child development.

"NUTRITION SERVICES

"SEC. 573. In accordance with the purposes of this title, the Secretary of Health, Education, and Welfare shall establish procedures to assure that adequate nutrition services will be provided in child development programs under this title. Such services shall make use of the special food service program for children as defined under section 13 of the National School Lunch Act of 1946 and the Child Nutrition Act of 1966, to the fullest extent appropriate and consistent with the provisions of such Acts.

"SPECIAL PROVISIONS

"SEC. 574. (a) The Secretary may make such grants, contracts, or agreements, establish such procedures, policies, rules, and regulations, and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this title, as he may deem necessary to carry out the provisions of this title, including necessary adjustments in payments on account of overpayments or underpayments. Subject to the provisions of section 575, the Secretary may also withhold funds otherwise payable under this title in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this title or any term or condition of assistance under this title.

"(b) The Secretary shall prescribe regulations to assure that programs under this title have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

"(c) The Secretary shall not provide financial assistance for any program, service, or activity under this title unless he determines that persons employed thereunder, other than persons who serve without compensation, shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938 (29 U.S.C. 206), if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar occupations by the same employer.

"(d) The Secretary shall not provide financial assistance for any program under this title which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be engaged, in any way or to any extent, in the conduct of political activities in contravention of section 603 of this Act.

"(e) The Secretary shall not provide financial assistance for any program under this title unless he determines that no funds will be used for and no person will be employed under the program on the construction, operation, or maintenance of so much of any facility as is for use for sectarian instruction or as a place for religious worship.

"(f) A child participating in a program assisted under this title shall not be required to undergo medical or psychological examination (except to the extent related to learning ability), immunization (except to the extent necessary to protect the public from epidemics of contagious diseases), or treatment, if his parent or guardian objects thereto in writing on religious grounds.

"WITHHOLDING OF GRANTS

"SEC. 575. Whenever the Secretary, after reasonable notice and opportunity for a hearing for any prime sponsor or project applicant, finds—

"(1) that there has been a failure to comply substantially with any requirement set forth in the plan of any such prime sponsor approved under section 515; or

"(2) that there has been a failure to comply substantially with any requirement set forth in the application of any such project applicant approved pursuant to section 516; or

"(3) that in the operation of any program or project carried out by any such prime sponsor or project applicant under this title there is a failure to comply substantially with any applicable provision of this title or regulation promulgated thereunder;

the Secretary shall notify such prime sponsor or project applicant of his findings and that no further payments may be made to such sponsor or applicant under this title (or in his discretion that any such prime sponsor shall not make further payments under this title to specified project applicants affected by the failure) until he is satisfied that there is no longer any such failure to comply, or the noncompliance will be promptly corrected. The Secretary may authorize the continuation of payments with respect to any project assisted under this title which is being carried out pursuant to such plan or application and which is not involved in the noncompliance.

"ADVANCE FUNDING

"SEC. 576. (a) For the purpose of affording adequate notice of funding available under this title such funding for grants, contracts, or other payments under this title is authorized to be included in the appropriations Act for the fiscal year preceding the fiscal year for which they are available for obligation.

"(b) In order to effect a transition to the advance funding method of timing appropriation action, subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

"PUBLIC INFORMATION

"SEC. 577. Applications for designation as prime sponsors, comprehensive child development plans, project applications, and all written material pertaining thereto shall be made readily available without charge to the public by the prime sponsor, the applicant, and the Secretary.

"FEDERAL CONTROL NOT AUTHORIZED

"SEC. 578. No department, agency, officer, or employee of the United States shall, under authority of this title, exercise any direction, supervision, or control over, or impose any requirements or conditions with respect to, the personnel, curriculum, methods of instruction, or administration of any educational institution.

"NONDISCRIMINATION PROVISIONS

"SEC. 579. (a) The Secretary shall not provide financial assistance for any program under this title unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

"(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with, any program or activity receiving assistance under this title. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if on the ground of sex that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program or activity receiving assistance under this title.

"LIMITATION OF RESEARCH AND EXPERIMENTATION

"SEC. 580. The Secretary is directed to establish appropriate procedures to ensure that no child shall be the subject of any research or experimentation under this title other than routine testing and normal program evaluation unless the parent or guardian of such child is informed of such research or experimentation and is given an opportunity as of right to except such child therefrom.

"PARENTAL RESPONSIBILITY

"SEC. 581. (a) Nothing in this title shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal

rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, or physical development of their children. Nor shall any section of this title be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law, or to abridge any legal remedies for any such invasion which are otherwise provided by law."

(b) In order to achieve, to the greatest degree feasible, the consolidation and coordination of programs providing child development services, while assuring continuity of existing programs during transition to the programs authorized under this title, the Economic Opportunity Act of 1964 is amended, effective July 1, 1973, as follows:

(1) Section 222(a)(1) of such Act is repealed.

(2) Section 162(b) of such Act is amended by striking out "day care for children" and inserting in lieu thereof "assistance in securing child development services for children but not operation of child development programs for children".

(3) Section 123(a)(6) of such Act is amended by striking out "day care for children" and inserting in lieu thereof "assistance in securing child development services for children", and adding after the word "employment" the phrase "but not including the direct operation of child development programs for children".

(4) Section 312(b)(1) of such Act is amended by striking out "day care for children,".

(c) The Secretary of Health, Education, and Welfare shall promulgate regulations to assure that other federally funded child development and related programs, including title I of the Elementary and Secondary Education Act of 1965 and section 222(a)(2) of the Economic Opportunity Act of 1964, will coordinate with the programs designed under this title. The Secretary shall insure that joint technical assistance efforts will result in the development of coordinated efforts between the Office of Education and the Office of Child Development.

(d)(1) Section 203(j)(1) of the Federal Property and Administrative Services Act of 1949 is amended by striking out "or civil defense" and inserting in lieu thereof "civil defense, or the operation of child development facilities".

(2) Section 203(j)(3) of such Act is amended—

(A) by striking out, in the first sentence, "or public health" and inserting in lieu thereof "public health, or the operation of child development facilities",

(B) by inserting after "handicapped," in clause (A) and clause (B) of the first sentence the following: "child development facilities,", and

(C) by inserting after "public health purposes" in the second sentence the following: ", or for the operation of child development facilities,".

(3) Section 203(j) of such Act is amended by adding at the end thereof the following new paragraph:

"(8) The term 'child development facility' means any such facility as defined in 511(b)(1) of the Economic Opportunity Act of 1964."

(e) Section 205(b)(3) of the National Defense Education Act of 1958 is amended (1) by adding after the word "nonprofit" the phrase "child development program or" and (2) by striking out "and (C)" and inserting in lieu thereof "(C) such rate shall be 15 per centum for each complete academic year of its equivalent (as so determined by regulations) of service as a full-time teacher in public or private nonprofit child development programs or in any such programs assisted under title V of the Economic Opportunity Amendments of 1971, and (D)".

PLAN REPORTING DATE

SEC. 14. Section 632(3) of the Economic Opportunity Act of 1964 is amended by inserting at the end thereof the following: "Such plan shall be presented to the Congress no later than March 1, 1972, and the documents updating such plan shall be presented to the Congress no later than January 31 of each succeeding calendar year."

GUIDELINES

SEC. 15. Part B of title VI of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new section:

"GUIDELINES

"SEC. 639. All rules, regulations, guidelines, instructions, and application forms published or promulgated pursuant to this Act shall be published in the Federal Register at least thirty days prior to their effective date."

In addition, Mr. Speaker, I would also like to answer as succinctly as possible certain questions which my colleagues might have with regard to the bill:

QUESTIONS AND ANSWERS

Question. What are child development programs?

Answer. Child development programs are those services which provide for the physical, emotional, social and educational development of children. They may be full day, half day, after school, weekend, overnight or hourly programs; they may be provided in centers, such as day care or Head Start, in schools or in homes.

Child development programs may be designed to work directly with the child or through his parents; they may include services for youth and prospective parents to teach them the fundamentals of child development.

Question. What may be funded as part of Child Development programs?

Answer. A variety of services may be funded as part of child development programs, including day care services, preschool services, special services designed to improve the home environments of children and to involve the family in the child's development, special services designed to identify physical, mental and emotional barriers to full participation in child development programs, and services to meet the special needs of handicapped children.

Funds may be used to carry out a program of daily activities, to provide food and nutritional services, including family consultation, to provide social services, to provide medical, psychological, educational and other appropriate diagnostic services, and services to ameliorate handicaps.

Funds may also be used to plan and develop programs, to establish and to maintain them.

Funds may be used for rental, remodeling and renovation, alteration, or construction of necessary facilities and the acquisition of equipment and supplies.

It is important to note that this is not just a babysitting operation to provide custodial care for children while their mothers work. The bill emphasizes the wellbeing of children and the services they need for full development—whether their mothers work or not.

It is not just another program for the poor. While priority is given to preschool children with the greatest economic and social need, the bill is intended to make services available to families at all income levels with those above the poverty level paying a fee set by the Secretary of HEW.

Question. Who is eligible to receive child development services?

Answer. Child development services may be provided for all (aged 0–14) children needing and benefitting from such services. Particular emphasis is given to the provision of special services for children 3 to 5, handicapped children, Indian and bilingual children, children in migrant families and children from economically disadvantaged families.

As I have said, this is not just another program for the poor. While priority is given to preschool children with the greatest economic and social need, the bill is intended to make services available to families at all income levels with those above the poverty level paying a fee set by the Secretary of HEW.

Question. Who may receive funds to operate child development programs?

Answer. Applications for funds to operate child development programs may be submitted by any public or private nonprofit or profit organization or group. Applications are to be made to the agency designated to develop and implement the child development plan.

Question. What is the cost for participating in one of these programs?

Answer. (a) No charge to families below certain level ($4320). All others pay according to fee schedule based on ability to pay.

(b) Families with between $4320 and $5916 income would pay 10% of their income over $4320 for their children's participation, i.e. $159.00.

(c) Families with income between $5916 and $6960 would pay 10%, plus 15% of income over $5916, i.e. a family of four with $6960 income, for example would pay a total of $317 a year for each child.

(d) The Secretary of Health, Education, and Welfare could under the bill set a fee schedule for families with more than $6960 income.

Question. What proportion of the total costs will the Federal Government pay?

Answer. The Federal Government will pay to each State an amount not to exceed 80% of the cost of providing child development services (except when the secretary deems it necessary to waive such matching).

Question. How may the non-Federal share be provided and what form may it take?

Answer. The non-Federal share of costs of programs under this title may be provided through public or private funds and may be in the form of goods, services, or facilities, or from union or employer contributions. If, in any fiscal year, a program provides non-Federal contributions exceeding its requirements such excess may be applied toward meeting the requirements for such contribution of other such programs for the same fiscal year.

Question. Will any State receive less Federal funds for child development services?

Answer. Each State is guaranteed an allocation at least equal to the aggregate amount received by it, and by public and private agencies in the State, during the fiscal year 1972 under the Economic Opportunity Act (Headstart) for child development services.

Question. What Federal agency will have responsibility for administering the Child Development program?

Answer. The Office of Child Development within the Department of Health, Education and Welfare, will be the principal agency for administering the child development program. Responsibilities include the approval of child development plans, and the coordination of programs and other activities relating to child development.

Question. What is the relationship of the Child Development Bill to Head Start?

Answer. (1) Head Start allows 10% non-disadvantaged to participate in its program. The Child Development Bill extends services to all children but with a priority to the disadvantaged.

(2) The Head Start program allows children of parents whose income is less than the poverty level ($3,900) to participate in the program without charge. All others must pay, including the near poor.

(3) The Child Development Bill would allow children whose families have an annual income below $4320 to participate free. All other children would be required to pay a fee based upon a fee schedule established by the bill up to the lower living standard budget for a family of 4 (presently $6960); above that amount, the fee schedule would be established by the Secretary.

(4) The Child Development Bill encourages a socio-economic mix. The socio-economic mix is not a requirement of the Head Start program.

Question. What programs that presently exist would be incorporated into the Child Development Bill?

Answer: (1) Concentrated Employment Program: authorized day care services for those involved in manpower programs. Funds available to consumer through local manpower programs or CAP agencies.

(2) Head Start Program: authorized preschool education programs for economically disadvantaged. Also involved day care services, part-time, full-time and home care. Funds available to the consumer through local programs and CAP agencies.

(3) Migrant and Seasonal Workers: authorized day care services to migrant and seasonal workers. Funding mechanism varies. Funds sometimes distributed through CAP agencies, welfare agencies, etc.

Question. What are the provisions for evaluation?

Answer. Evaluation—The Secretary shall through the Office of Child Development, make an evaluation of Federal involvement in child development in specific areas. The results of this evaluation shall be reported to Congress no later than eighteen months after enactment of the Act.

The Secretary may enter into contracts with public or profit agencies, organizations, or individuals to carry out provisions of this section.

The Secretary shall establish such procedures as may be necessary to conduct such an annual evaluation of Federal involvement in child development, and shall report the results of such annual evaluation to Congress.

Such information as the Secretary may deem necessary for purposes by the annual evaluation shall be made available to him, upoh request, by the agencies of the executive branch.

Question. What are the provisions of Technical Assistance?

Answer. The Secretary shall, directly or through grant or contract, make technical assistance available to agencies and organizations participating or seeking to participate in programs under this Act on a continuing basis to assist them in developing and carrying out child development plans under Section 103.

Question. What are the priorities in the bill?

Answer. To on-going programs, e.g. Head Start, $500,000,000.

To children of low income families.

To children of migrants—X% of appropriation.

To children of working parents.

To Indians—X% of appropriation.

To bilinguals.

To handicapped—10% of allottment.

Question. What provisions are made for research?

Answer. The Secretary of Health, Education and Welfare shall integrate and coordinate all child development research training and development efforts including those conducted by the Office of Child Development and by other agencies, organizations and individuals.

A Child Development Research Council consisting of a representative of the Office of Child Development (who shall serve as chairman), and representatives from agencies administering the Social Security Act, Elementary and Secondary Education Act of 1965, the National Institute of Mental Health, the National Institute of Child Health and Human Development, and the Office of Economic Opportunity shall meet annually and from time to time as they may deem necessary in order to assure coordination of activities under their jurisdiction.

Question. How many children can you provide services to for two billion dollars?

Answer. There are various ways to look at this matter but two examples of two estimates that I have obtained from Department of Health, Education and Welfare are as follows:

(1) Part day services—children 0–5 under $4320=1,538,462 which is 42% of the eligible population—presently serving 20% or 479,400.

(2) Full day services for 0–5 under $4320 and school age (0–14)=625,000 preschool and 1,428,580 school age or a total of 2,053,572.

Costs for (1) above—$1300 per child.

Costs for (2) above—$1600 per child and $700 for school age.

Question. How much Federal money are we now spending on the programs to be incorporated in this bill?

TOTAL ESTIMATED FEDERAL EXPENDITURES AND NUMBER OF CHILDREN IN CHILD CARE, FISCAL YEAR 1972

[Includes Part Day and Summer]

	Expenditures	Number of children
Programs incorporated in this bill presently being funded	$7,500,000	9,500
	376,500,000	479,400
	1,000,000	2,000
	385,000,000	490,900

GROUPS SUPPORTING CHILD DEVELOPMENT

Mr. Speaker, at this point I would also like to insert into the RECORD a representative list of groups which have indicated their continuous support of the child development program:

GROUPS SUPPORTING CHILD DEVELOPMENT

American Academy of Pediatrics.
The National Council of Churches.
United States Catholic Conference.
United Methodist Church.
Christian Science Committee on Publications.
Southern Christian Leadership Conference.
National Council of Jewish Women.
National Conference on Christians and Jews.
American Jewish Congress.
National Association for Catholic Women.
National Conference of Catholic Charities.
The Friends Committee on National Legislation.
National Board of YWCA.
United Auto Workers.
National Education Association.
Washington Research Project Action Council.
Council for Exceptional Children.
Women's International League for Peace and Friends.
AFL–CIO.
International Ladies' Garment Workers Union.
Amalgamated Clothing Workers of America.
National League of Cities-U.S. Conference of Mayors.
National Council on Hunger and Malnutrition.
National Council of Negro Women.
American Bankers Association.
National Association for Social Workers.
American Bar Association.
American Association of University Women.
Day Care and Child Development Council, Inc.
Americans for Democratic Action.
Americans for Indian Opportunity Action Council.
Zero Population.
Children's Lobby.
United Steel Workers of America.
National Welfare Rights Organization.
Leadership Conference on Civil Rights.
Common Cause.
League of Women Voters of the United States.
NAACP.
American Public Welfare Association.
Urban League.
Women's Auxiliary of AMA (American Medical Association).

LETTERS FROM ORGANIZATIONS SUPPORTING CHILD DEVELOPMENT BILL

Mr. Speaker, the support of these outstanding groups has been overwhelming. The following letters I would like to share with you now are examples of the continuing growing support of the child development program.

For example, here is a copy of the November 30, 1971, letter from Clarence Mitchell, legislative chairman, Leadership Conference on Civil Rights, endorsing the comprehensive child development bill. A copy of the letter sent to the President from Roy Wilkins is also included:

LEADERSHIP CONFERENCE
ON CIVIL RIGHTS,
November 30, 1971.

DEAR MR. CONGRESSMAN: I want to call to your attention a letter that nine national leaders of the American civil rights movement have just sent to the President.

They have joined in urging President Nixon to sign into law S. 2007—the bill to continue OEO's programs for two years and to set up a system of comprehensive child development centers—once Congress adopts the Conference Report on the bill. In doing so, they are expressing the hope of millions of Americans that the programs in this landmark legislation can be put into operation soon, to the benefit of the nation's poor and of millions of working parents and their children at all economic levels.

These nine leaders—Rev. Ralph David Abernathy, Dorothy Height, Vernon Jordan, A. Philip Randolph, Bayard Rustin, Harold Sims, Rev. Andrew Young, Coretta King—make joint appeals only on extraordinary occasions. We believe the situation in which S. 2007 finds itself is extraordinary. It would be little short of calamitous if Congress did not pass this bill and if the President did not promptly sign it into law.

While their urging is directed to President Nixon, of course it is all directed to members of Congress, too. You must act first, if the issue is to come before the President. We therefore use their plea to reinforce our own. On behalf of the 127 national organizations in the Leadership Conference on Civil Rights, I respectfully urge you to be present when the Conference Report on S. 2007 comes before the House—probably on Thursday, December 2—and vote to adopt it.

Sincerely yours,

CLARENCE MITCHELL,
Legislative Chairman.

NOVEMBER 24, 1971.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On behalf of millions of working parents and their children, we urge you to sign S. 2007 into law as soon as

the House and Senate adopt the Conference Report.

This bill would, among other things, establish a comprehensive program of child development. By making it possible to place children in their earliest years in an environment in which they will be learning and developing, S. 2007 would help provide the education and comprehensive services they must have to escape the wretched plight in which many of their families find themselves. By bringing together children of different racial, social and economic backgrounds, the program would provide them with an invaluable opportunity to grow up knowing each other as individuals.

You have recognized the need to give "all American children an opportunity for healthful and stimulating development during the first years of life." This bill does that. It has been said that you may veto the bill because it will cost too much. We do not know exactly what the program will cost in the years ahead. We *do* know, however, that the cost of *not* having such a program is already too high. We know, too, that if our country is to have meaningful welfare reform, it must provide comprehensive care for the children of welfare recipients, not simply a cheap dumping ground for the children so that the parents can be freed for work and training.

We support, of course, the other provisions of S. 2007, particularly the extension of the Office of Economic Opportunity's program for two more years and the new Legal Services Corporation.

These, together with the child development program, are critically needed if we are to make new inroads in dealing with the awful blight of poverty. We know how much you wish to be President of all the people. There is no better way to signal that intention than by signing S. 2007 as soon as it is sent to you by the Congress.

Sincerely,

ROY WILKINS,
Chairman.

Reverend Ralph David Abernathy, President, Southern Christian Leadership Conference; Dorothy Height, President, National Council of Negro Women; Vernon Jordan, Executive Director Designate, National Urban League; A. Philip Randolph, President, A. Philip Randolph Institute; Mrs. Coretta King, widow of Martin Luther King, Jr., fully endorses this letter. Unfortunately, her endorsement came too late for her name to be included when the letter was sent to the White House; Bayard Rustin, Executive Director, A. Philip Randolph Institute; Harold Sims, Acting Director, National Urban League; Reverend Andrew Young, Chairman, Atlanta Community Relations Commission.

Mr. Speaker, the acting executive director of the American Baptist Convention, Richard L. Riseling, has most enthusiastically expressed his support for the child development bill in the following letter dated December 1, 1971:

DECEMBER 1, 1971.

Hon. JOHN BRADEMAS,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. BRADEMAS: There is a growing appreciation of the crucial importance of the early years in a child's life, not only for physical and intellectual growth but for social and emotional as well. These are the formative years in which permanent foundations are laid for a child's feeling of self-worth and confidence in his ability to achieve.

This week, Congress has the opportunity to improve the quality of health, nutrition, and education services to young children. By passing the Child Development Bill, Congress would commit itself to the provision of quality day care centers for working mothers and accept the important responsibility for establishing high standards and then enforcing them. Consequently, a whole generation of children would be the beneficiaries of the kind of learning experience which would enrich a child's personality.

With federal support and adequate planning, day care centers for pre-school children could provide a rare opportunity for child development, including the possibility of creative experimentation in educational methods, that does not exist in the inadequate "custodial" centers now established merely as babysitting services.

With these possibilities in mind, the Division of Christian Social Concern of the American Baptist Convention urges you to support the Child Development Bill and accept the challenge of stimulating development during the early years of life.

Sincerely,

RICHARD L. RISELING,
Acting Executive Director.

I am pleased to include this letter from Donald F. Lavanty, director, Department of Federal Relations, American Optometric Association:

AMERICAN OPTOMETRIC ASSOCIATION,
December 1, 1971.

Hon. JOHN BRADEMAS,
Chairman, Select Subcommittee on Education, Rayburn House Office Building, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN BRADEMAS: The American Optometric Association strongly supports the Comprehensive Child Development Section of S. 2007, the Economic Opportunity Act Amendments of 1971.

The new Child Development Title to the Act represents a broad and balanced approach to the present child development problem. We agree with and support the Title's emphasis on providing a full range of health, educational and social services; attempting to create a proper sociological mix within a particular program; and on involving the Federal, State and Local governments along with individual parents in the implementation of the title.

Since optometrists provide over 70% of the vision care services in America, the American Optometric Association especially supports the Title's wide range of health services, and particularly vision care services to children within a particular program. Good vision is critical to the intellectual and social development of American children and should be given a high priority in any Child Development Program. For vision is at the heart of the learning process and any impairment of this precious resource can seriously impede a child's learning and maturation process.

Cordially,

DONALD F. LAVANTY,
Director,
Department of Federal Relations.

Here, Mr. Speaker, is a letter from Mrs. Bruce B. Benson, president of the League of Women Voters of the United States:

WASHINGTON, D.C.,
November 30, 1971.

DEAR CONGRESSMAN: The League of Women Voters of the United States urges you to be present on December 2 and to vote *for* passage of the Economic Opportunity Act Amendments, with the Comprehensive Child Development title—S 2007, as agreed upon by the Conference Committee.

The League believes it absolutely essential for this nation to provide comprehensive care for children. Every year of delay is a year's opportunity denied to millions of children. Even though S 2007 will not satisfy even the existing needs, it is a big step in the right direction.

We believe it consistent with the need to place more control in local hands that local governments and community agencies be able to contract directly with the federal government. To go through the extra red tape of state delivery systems is non-essential and one more step removed from tailoring programs to community need.

We believe, further, that parental participation is one hundred percent consistent with the American way of life, and is an essential ingredient of sound child development programs. Those who see in this legislation threats of federal control over the minds of children should recognize that it is precisely the requirements for local prime sponsorship and parental participation that protect against just that danger.

Your vote for S. 2007 will put on record your genuine commitment to a change in national priorities—a change toward greater investment in the nation's human resources.

Sincerely,

MRS. BRUCE B. BENSON,
President.

I insert at this point a letter, dated December 1, 1971, from Stanley J. McFarland, assistant executive secretary, National Education Association:

DECEMBER 1, 1971.

DEAR CHAIRMAN PERKINS: The National Education Association urges that the Congress approve the conference report on S 2007, the Economic Opportunities Amendments of 1971. As you know, the NEA has been an active supporter of the "War on Poverty" since its inception. While we have been critical of administrative actions of the OEO in recent years, this in no way denotes lack of support for the intent of the law. We believe the 1971 amendments, if properly administered, can improve the operation of the programs.

We are, of course, particularly anxious that the Child Development provisions of S 2007 be enacted. The need for a national program for child care centers, with major emphasis on improving the health, education, and growth of children, is great. We see no reason to delay enactment of such a program. Indeed, it is long overdue. S 2007 provides one year of lead time to "gear up" for the actual funding to begin in 1973. If major problems emerge during this time the Congress can make the necessary adjustments.

The confusion fostered by some opponents who contend that the program interferes with parental rights is regrettable. The program in S 2007 is entirely voluntary. It does not contain the repressive provision suggested by some that parents who refuse to place their children in day care facilities so that they can be trained for work will lose AFDC payments.

We commend you for your effective and consistent leadership in this great cause.

Sincerely,

STANLEY J. MCFARLAND,
Assistant Executive Secretary, Government Relations and Citizenship, National Education Association.

Here, Mr. Speaker, is a letter from Frederick J. Weintraub, assistant executive secretary for Governmental Relations, the Council for Exceptional Children:

DECEMBER 1, 1971.

DEAR MR. BRADEMAS: On behalf of the Council for Exceptional Children, I would like to commend you and your committee for your long standing efforts on behalf of child-development day care. The Council strongly supports the provisions in Title V of the conference report of S. 2007 regarding handicapped children.

For many of the nation's seven million handicapped children, particularly the one million below school age, the provisions of the conference report will determine their ability to become participating citizens and bring to their families the assistance they need in realizing the potential of their children.

We have advocated this legislation before your sub-committee for three and one-half years. We sincerely hope that the Congress will finally make this program a reality.

Again, our thanks for your efforts.

Sincerely,

FREDERICK J. WEINTRAUB,
Assistant Executive Secretary for Governmental Relations, The Council for Exceptional Children.

The director of the department of legislation, Andrew J. Biemiller, has written this following letter in behalf of the American Federation of Labor and Congress of Industrial Organizations:

NOVEMBER 29, 1971.

DEAR CONGRESSMAN BRADEMAS: The AFL–CIO strongly supports the House-Senate conference report on S. 2007, legislation extending the Office of Economic Opportunity for two more years.

Included within S. 2007 is creation of an historic comprehensive child development program and establishment of an independent National Legal Services Corporation.

The AFL–CIO has, since its inception, supported OEO. We continue to do so. We also are convinced that the new legal services corporation, as resolved in conference, is beneficial legislation.

The new comprehensive child development program meets a long-recognized national need. The Conference report calls for education, health, and nutrition services to children. Once implemented, working parents—as well as welfare recipients—will have decent day care available for their children.

President Nixon declared, August 11, 1969, that: "This Administration is committed to a new emphasis on child development in the first five years of life. The day care that would be part of this plan would be of a quality that will help in the development of the child and provide for his health and safety, and would break the poverty cycle for this new generation."

The President's 1969 plan only covered the children of welfare recipients. The S. 2007 conference report provides free services for these children and similar services for the children of working parents willing to pay fees established on a graduated scale according to family income.

Despite a rash of recent "scare" propaganda, the conference report's day care program is not mandatory. Instead, for the first time, comprehensive day care will be available for the children of parents who want something better than all custodial care—or no care at all—for their children.

Such a comprehensive child development program has long been a goal of the AFL–CIO and the millions of America's working parents with young children.

The AFL–CIO urges you to approve the conference report on S. 2007, including this important new program.

Sincerely yours,

ANDREW J. BIEMILLER,
Director, Department of Legislation, American Federation of Labor and Congress of Industrial Organizations.

I insert at this time a letter dated November 29, 1971, from Willis N. Zagrovich, president, Indiana State AFL–CIO:

NOVEMBER 29, 1971.

DEAR CONGRESSMAN BRADEMAS: It is our understanding that the House of Representatives will be voting this week on the conference report covering S. 2007, which extends the Office of Economic Opportunity for two years, creates a new system of child development (day care) centers, and establishes a legal services corporation.

The AFL–CIO considers the comprehensive child development title of S. 2007 to be of major importance to working parents and their children.

We, therefore, strongly urge that you support and vote for the conference report on S. 2007.

Sincerely,

WILLIS N. ZAGROVICH,
President, Indiana State AFL–CIO.

The following letter to Mr. Perkins is from William G. Lunsford, legislative representative, the Friends Committee on National Legislation:

DECEMBER 1, 1971.

DEAR CONGRESSMAN PERKINS: With this letter the Friends Committee on National Legislation reaffirms its support for the continuation of the programs of the Office of Economic Opportunity, along with the establishment of a national legal services program for the poor, and the establishment of a comprehensive national child development program. We are urging all members of the House of Representatives to enthusiastically support S. 2007.

We are well aware that the establishment of the Child Development Program has become one of the most controversial aspects of this bill, however having the belief as we do that the greatest asset of this nation lies in the development of the full potential of every individual, we find it extremely difficult to understand opposition to this program.

One cannot begin to compare the cost of the Child Development Program to the costs of lost human potential in our young children who have not had the benefit of preschool education services prior to entering the education system, and the cost of a lost economic value of mothers who have substantial talent to offer in the labor market, but are unable to utilize those talents due to a lack of adequate child care services.

The argument that the establishment of a national child development program would lead to the "socialization" of our young people would probably also be made by the same people if we were considering the establishment of the universal public education system for the first time. The result of public education and the opportunities which it has offered to a broad spectrum of people should put that argument to rest.

The conference version of a child development program is not all that we advocated in supporting the Senate Bill S. 2007, however, we do feel that it is a giant step towards the establishment of the "right" of all citizens to develop to their fullest potential.

Again, I emphasize that we completely support S. 2007, and anticipate its passage by the House of Representatives.

Yours truly,

WILLIAM G. LUNSFORD,
Legislative Representative, Domestic Affairs.

Mr. Speaker, I also received this letter today from Dolores Mitchell, chairman, executive committee, Americans for Democratic Action:

AMERICANS FOR DEMOCRATIC ACTION,
Washington, D.C., December 1, 1971.

Congressman JOHN BRADEMAS,
B345A Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BRADEMAS: Americans for Democratic Action (ADA) would like to thank you for your faithful support of the Child Development Program, now Title V of the Conference Committee Report on S. 2007. We have long advocated legislation providing for a comprehensive child-oriented developmental program and we enthusiastically support the bill that has emerged from the conference committee. ADA members will continue to work for final approval of the report by the House on December 2.

Sincerely,

DOLORES MITCHELL,
Chairman, Executive Committee.

Mr. Speaker, I would also like to include a letter from Lawrence A. LaMotte, chairman, national priorities, Committee of Executive Board, the New Democratic Club, First District, Baltimore County:

DECEMBER 1, 1971.

GOODLOE E. BYRON,
1730 Longworth Building,
Washington, D.C.

DEAR CONGRESSMAN BYRON: Speaking for the Executive Board of the New Democratic Club, First District Baltimore County, I urge you to vote for the Conference Report of S. 2007, the Office of Economic Opportunity Extension Bill.

We feel that OEO should continue as the only institution of the government that is devoted to the study and the elimination of poverty.

The Legal Services Corporation should prove to be effective in protecting the rights of the poor. In the past, legal programs have been harassed by local and state administrators for being effective in representing indigent clients. The Corporation, we feel, will give lawyers an independence, with restraint, in order to concentrate on the cases of their clients and represent them adequately.

The third provision of this bill, the Comprehensive Child Development Program, seems to be enveloped by misinformation at best, and paranoia at worst. The charge by a leading columnist that this section of the bill is a Communist Plot is not only unfounded, but is totally up for ridicule. The fact that State governments do not necessarily have control over child care programs is a good point for the program. Local government units and local citizens, in the American tradition of grass-roots political control and representative government, can and will exercise good judgment in child care. The participation of parents will also prove to be an effective control of the program. By eliminating the bureaucratic "red-tape" of state organizations, more child care services opportunities will be available for each child.

We know and understand that some of your mail has been against this bill and specifically against the child development provisions. We hope that you will exercise leadership and education in voting for the Conference Report.

Yours in Peace,

LAWRENCE A. LAMOTTE,
Chairman, National Priorities, Committee of Executive Board.

Here is a letter written November 26, 1971, by Stephen M. Sindlinger, O.D., F.A.A.O., Muncie, Ind.:

Dr. STEPHEN M. SINDLINGER,
Munice, Ind., November 26, 1971.

Representative JOHN BRADEMAS,
U.S. House of Representatives, Washington, D.C.

DEAR MR. BRADEMAS: I am writing concerning the Comprehensive Child Development Act (H.R. 10351 and S. 2007). This Act would provide for comprehensive care (educational nutritional, health, etc.), for preschool children on a voluntary basis.

It is known that a person's primary learning takes place before he enters first grade. This Act would seem to provide many more children with the opportunity to develop their full potential.

I attended the White House Conference on Children in December, 1970, and I feel this legislation would not only benefit the people of Indiana but also of the entire country.

Sincerely yours,

STEPHEN M. SINDLINGER, O.D., F.A.A.O.

Finally, Mr. Speaker, here are two telegrams dated November 30, 1971. Both telegrams express their support of the child development program:

SOUTH BEND, IND., NOVEMBER 30, 1971.

Representative JOHN BRADEMAS: League Womens Voters South Bend urges yes vote conference Committee Report S. 2007 OEO child care.

Mrs. JAMES ROBINSON.

AMERICAN PERSONNEL GUIDANCE ASSOCIATION,
November 30, 1971.

JOHN BRADEMAS: On behalf of the 28,000 members of the American Personnel Guidance Association throughout the United States we ask your support of the comprehensive child development provision in S. 2007 now in conference. The association particularly endorses those services to be provided low income children with particular emphasis on appropriate educational social and vocational guidance and counseling which can maximize the intellectual and physical growth potential of such children both at the preschool and elementary levels.

GARY WALLS, *President.*
PATRICK J. MCDONOUGH,
Acting Executive Director.

THE TOTAL PICTURE

Mr. Speaker, the following article appeared in the National Journal. I am at this point including it in the RECORD because I feel it offers a comprehensive and accurate account of the development of the child-care program:

WELFARE REPORT/CONGRESS PRESSES MAJOR CHILD-CARE PROGRAM DESPITE WHITE HOUSE VETO THREAT

(By John K. Iglehart)

Congress is about to leave a bundle of expensive proposals for a national network of child-care centers on the White House doorstep. The White House may well refuse to take it in.

The child-care package—which could cost more than $1 billion a year by 1973—has moved through both houses into a Senate-House conference committee with bipartisan support, despite active opposition from Administration officials.

Congress largely ignored Administration protests, partly because of the political appeal of a program that would serve children from families of all income ranges, and partly because the Administration was so late coming up with a counterposition.

By the time Administration policy had emerged from a dispute between the HEW Department and the Office of Management and Budget, Congress was ready to mark up its final bills.

Administration opposition is based in large part on fears of a commitment to huge future costs of child care. HEW Secretary Elliot L. Richardson estimates that it would cost $20 billion to provide child care to the 18.7 million children eligible for free services under the Senate-passed bill.

"I am inclined to think that at the moment we may be headed for a veto," said a White House staff member, who declined to be quoted by name. "We don't have a hell of a lot of bargaining room."

Beyond the child-care proposal, there are a number of other provisions of the bill (S. 2007) to which it was attached that are viewed at the White House as none too acceptable.

Ironically, backers of the child development program lean heavily on a statement made by President Nixon in February 1969 to justify further federal intervention in the care and education of American children.

"So critical is the matter of early growth that we must make a national commitment to providing all American children on opportunity for healthful and stimulating development during the first five years of life," the President said in a message to Congress.

Following the President's theme, the 1970 White House Conference on Children and Youth gave top priority to creation of "comprehensive family-oriented child development programs."

Need: Advocates of the program also point to a growing need for more child-care centers. The Labor Department estimates that during the past 20 years the number of mothers in the labor force who have children under age 18 has almost doubled to 11.6 million:

At the same time, there has been a significant increase in the number of mothers who are on welfare and are unable to work because of their domestic responsibilities.

In fiscal 1971, federal expenditures for child care totaled $682.9 million, the HEW Department estimates. The funds flowed largely under the authority of the Social Security Act (49 Stat 620) and the Economic Opportunity Act (83 Stat 827).

The federal funds financed the care of 824,741 children, including part-time and summer placement in Head Start, a preschool program for children from poor families.

Action: The Senate approved its version of child development legislation Sept. 9.

The proposal is part of a bill (S 2007) that would extend the Economic Opportunity Act for two years.

The proposal, sponsored by Sen. Walter F. Mondale, D-Minn., and 32 other Senators, would authorize HEW to spend $100 million in fiscal 1972 to plan for new child-care centers.

For fiscal 1973, the bill would authorize $2 billion for child development programs, including $500 million for existing Head Start projects.

In the House, the road for childcare legislation was rougher, but a proposal sponsored by Rep. John Brademas, D-Ind., and 97 other Members, was approved, 251–115, Sept. 30. It also was part of a bill (HR 10351) extending the life of the Office of Economic Opportunity.

Similarities—In many respects, the Senate and House bills are similar.

Both provide for an amalgam of Head Start programs and new child development centers.

For poor families, the services would be free; families above low-income levels would pay for child care.

Members of Congress who support the bills said they believe the opportunity to mix children from different socio-economic backgrounds would be one of the most attractive features of the program, educationally and politically.

Both would give parents a prominent role in shaping programs at the centers. The Senate bill would give parents a virtual veto over decisions affecting programs.

Administering—Both proposals would give statutory authority to HEW's Office of Child Development, which now exists as an entity created April 9, 1969, by order of former HEW Secretary (1969–70) Robert H. Finch, at Mr. Nixon's request. (Finch is now counselor to the President.)

By giving the office control of the programs. Congress seeks to avoid domination by the well-established welfare and education bureaucracies already in existence.

Conference—House and Senate Members opened a conference on the legislation Oct. 12 and after four extended sessions the toughest issues remained unresolved.

The threat of a veto dominated all of the discussion. Republican conferees suggested in opening statements that Mr. Nixon may exercise his power of veto if Congress adopts too high an income level under which families would get free services. A Senate aide said that the conferees hoped to avoid a veto but had received "absolutely no signals" from the Administration as to a compromise.

The Senate bill authorizes the granting of free services to urban families of four with annual incomes of less than $6,960. The House bill would grant the HEW Secretary the discretion to set the level, and it would most likely be $4,320, the cut-off level for eligibility under the Administration's welfare reform proposal.

Outside pressure: Most of the outside lobbying muscle used to move the child-care legislation through Congress came from a coalition of some 25 diverse organizations ranging from the AFL–CIO to the National Education Association and the Black Child Development Institute.

The core of the coalition was composed of Washington representatives of organized labor groups. They were instrumental, particularly in the Senate, in shaping the legislation in a way that leaves states out of control of the program and parents very much in.

In these respects, they reinforced the very strong feelings of Mondale and Rep. Carl D. Perkins, D-Ky., chairman of the House Education and Labor Committee.

ADMINISTRATION DISPUTE

The Administration's internal debate between HEW and OMB centered on the proper federal role in financing and delivering child-care services.

The OMB favored limiting any new federal commitment to providing care to the child-care provisions of H.R. 1, the President's welfare-reform bill.

Under that measure, $750 million—$410 million of it new money—would be earmarked for child care with the purpose of freeing welfare mothers to work or take job training.

The bill does not specify the quality of child-care service nor does it spell out how the program would be structured.

HEW favored a more expansive federal role, including the creation of a child-care delivery system, as proposed in the Brademas and Mondale bills.

HEW Secretary Richardson refused to accept the OMB position.

He told OMB he would assume that the Administration position was the HEW position unless Mr. Nixon personally told him otherwise. The President never did.

Richardson finally won the argument, although he twice cancelled scheduled appearances on the program before Brademas' House Education and Labor Select Education Subcommittee in late May because the issue had not been resolved.

Dr. Edward Zigler, director of the Office of Child Development, said, "This Administration is having a heck of a time in coming to grips with what its philosophy is on day care."

OMB'S CASE:

An official of HEW's legislative office described the conflict as a "classic OMB problem."

"OMB was afraid that it would undercut HR 1 day care if the Administration expressed its approval of another proposal. OMB also was afraid of a very expensive mandated developmental day-care program."

Richard P. Nathan, a former OMB assistant director and now HEW's deputy under secretary for welfare-reform planning, strongly opposed an Administration commitment to child care beyond HR 1.

One official, who leaned to OMB's viewpoint in the discussions, said in an interview that Nathan questioned whether the nation is ready financially to extend the public responsibility for education to the preschool years, as envisioned by the Mondale-Brademas proposals.

"These programs have customarily been paid for privately," the official said. "And whose role is it to make this decision? Such questions are usually matters of state and local government responsibility."

He said that OMB further questioned whether "in this period" an expensive new child development program is a priority item.

The OMB also pressed the argument that a close relationship should be maintained between child-care programs and public assistance.

"The Administration is strongly committed to day care as a way to get welfare kids into a better environment," the official said. "The Administration is for it in relationship to a welfare strategy that relates to getting parents to work."

Department view: Richardson aggressively defended his position in support of creating a child-care delivery system.

In reviewing the dispute, Richardson said in an interview that the "most telling argument" he used was a combination of two points: the President's commitment to the first five years of life and the child development program as a form of special revenue sharing for states and cities.

Richardson took a very firm position in support of his views. One top HEW official said the Secretary "refused to take an OMB staff judgment that we should oppose this legislation as an Administration position until or unless the President confirmed it."

Legislative specifications: Richardson won his point and the Administration sent Brademas its specifications for a child-care bill on June 8.

The principal feature of the proposal was a consolidation under one authority of the existing federal childcare programs. No federal funding for child care was recommended beyond that already authorized under existing programs.

The proposed legislation would have established a system of prime sponsors, principally at the state level, with major involvement for overseeing local programs only for cities of more than 500,000 population.

The specifications arrived on Capitol Hill shortly before the Brademas subcommittee began marking up its child-care bill.

Commenting on the impact of the Nixon Administration's late-arriving child-care proposal, Brademas said: "In all candor, I would not give the Administration much credit for input into the bill."

A Republican House Member who cosponsored the Brademas bill said: "The Administration was so late with its specifications that things had been pretty well firmed up by then."

Philosophy: The Administration is interested in child-care centers primarily for the role they could play in enabling welfare mothers to work. There is a second interest in child development, as expressed by the President, but within strict budgetary lines.

Richardson told the Senate Finance Committee Sept. 22: "We must not, however, focus entirely on the goal of freeing mothers for work. We also have a great opportunity at the same time to invest in the development of the next generation and thereby begin to break the terrible, dehumanizing cycle of poverty."

Support—The House Ways and Means Committee approved the Administration's request for additional funds for child care. The bill's report (HRep 92–231) makes it clear that the committee's primary interest is in putting welfare mothers in training or on jobs:

"Child care for the preschool child should not be care of low quality, but should include educational, health, nutrition and other needed services whenever possible. However, the lack of child care of that level would not be good cause for failure to take training, if other adequate and acceptable care is available."

As a result of this statement and the assumption that HEW has made of serving one million children with the $750 million in HR 1, Mondale and other Members have expressed skepticism about the Administration's commitment to developmental child care.

Dissent—The department's Office of Child Development also has some apprehension over the likely level of care that will be purchased under HR 1.

One OCD official, who asked not to be quoted by name, said: "Those of us who care about kids are just about as apprehensive as you can get about the kind of care that kids will get under this welfare-reform legislation."

Confrontation: OCD's Zigler is among those at the office concerned over the question of quality of HR 1 care. At a closed child-care briefing with Richardson on Sept. 21, Zigler asked the Secretary to clarify the Administration's position on the quality of care for welfare children.

One participant in the meeting told *National Journal:* "Zigler suggested that a lack of clarity existed on the Administration's position. He bluntly asked Richardson for his position."

"Richardson definitely assured Zigler that he is supporting more than just custodial care. Richardson said we would meet the needs of children. We would not consider babysitting."

Another meeting participant familiar with Zigler's concern said the OCD director is not worried about Richardson's commitment to purchasing quality care.

Zigler's problem is with other people in the department who, he believes, have not gotten the message of the President's commitment to nurturing the first five years of life.

"He asked the question in that forum because all of the top people in HEW concerned with child care were there and he's worried about some of their attitudes. He wanted Richardson to declare his commitment before that group.

"Richardson testified to his commitment to developmental care; as long as that's where we are at philosophically, we're on the right track."

SENATE

The prevailing attitude toward child care in the Senate, as expressed in its votes Sept. 8 and 9, favors creation of a new federal child development program that would provide comprehensive care for participating youngsters.

In approving that concept, the Senate rejected the Administration stand on several highly volatile proposals—free child-care services for the so-called "working poor," parental veto power over local programs and a federal-local funding and administrative relationship which leaves the states with little or no role in the program.

Amendments to strip each of those provisions from the bill were offered by Sen. Robert Taft Jr., R-Ohio.

In an interview, Mondale cited three factors that accounted for the solid Senate support of his program: "The dramatic new trend of working mothers, the drive to get welfare mothers employed, and the growing belief that justice for the very poor child requires developmental assistance during the first five years of life."

FREE SERVICES

Taft's effort to limit free services to families with incomes below $4,320 a year—rather than the Senate figure of $6,960—reflected an Administration concern over future program costs.

The Senate Labor and Public Welfare Committee chose the higher income figure to ensure a mix of children in the program from different income levels and to develop a middle-class constituency for child-care centers.

One Mondale aide said privately: "It's pretty easy to keep a financial lid on programs that deal just with the poor."

According to HEW, there are 10 million children from infancy to age 14 in families with incomes below $4,320; there are an estimated 18.7 million children in families with incomes below $6,960.

Sen. Richard S. Schweiker, R-Pa., ranking minority member of the Employment, Manpower and Poverty Subcommittee that reported the bill, opposed the Taft amendment.

"The issue here is very simple and quite clear," he said. "It is whether we are going to offer some opportunity for educational hope to the whole realm of middle-America families in the $4,000 to $6,900 range." The Senate rejected the amendment, 20–44.

PARENTAL CONTROL

The Administration is concerned about the power parents would have over child-care programs under Mondale's bill.

HEW officials privately raise the specter of protracted confrontations between parents and public officials similar to those that surrounded poverty programs in the 1960s.

Mondale proposes to give parents a voice in the program through local Child Development Councils.

Taft sought, through a second amendment, to diminish the influence of the councils and make them largely advisory. The Senate bill gives them "supervising, coordinating and monitoring" authority.

"The risk of strong parental involvement is not nearly like the risk of developing custodial facilities for children that are run by professionals," Mondale argued.

The amendment was rejected 17–41. Prime sponsorship: Like the Head Start program, the prime sponsorship plan would create a federal-local pattern of funding and administration, a relationship Taft sought to break up with an amendment that would limit sponsorship to governmental units serving at least 100,000 persons.

Sen. Gaylord Nelson, D.-Wis., chairman of the reporting subcommittee, said: "In my state there are dozens and dozens of smaller communities just as qualified to manage effectively a broad-based child development program as the cities of Milwaukee or Madison, which would be the only two cities in my state which qualify under this amendment."

The amendment was rejected by voice vote.

Long plan: Senate supporters of the Mondale proposals used the OEO extension as the vehicle for the child-care measure largely because it expedited its passage in the face of concern over a proposed federal child-care corporation introduced by Sen. Russell B. Long, D-La.

One Mondale aide said privately: "There is a sense of urgency both to pass good child-care legislation and also because of an awareness that other legislation far less desirable—HR 1 and the corporation—have been introduced. We have to get there before Russell Long's bill comes along."

Long's bill reflected his frustration over the inability of the HEW and Labor Departments to develop more child-care programs for welfare mothers.

His proposed corporation would have three sources of funds with which to operate: a $500 million loan from the U.S. Treasury to initiate a revolving fund; revenue bonds which could be sold to finance construction of facilities; and fees paid for child-care services. Long, who is chairman of the Senate Finance Committee, first introduced the bill as an amendment to a social security-welfare bill (HR 17550) during the 91st Congress. Mondale supporters struck the plan from the bill, 41–38.

During the debate, Mondale said of the Long plan: "The basic philosophy underlying the proposal is to let the mother work and

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store the children somewhere while she is working."

Long reintroduced his plan as S 2003 this session and held hearings on it Sept. 22–24.

When he introduced the bill June 4, Long said that states have lacked the "administrative organization, initiative and know-how to create and provide child-care services . . . In other words, the present method of simply providing 75 per cent matching funds to the states and hoping that child care will become available has been disappointing."

Richardson opposed Long's bill in testimony Sept. 22, saying that, while it was an improvement over the earlier version, it still "would only duplicate much of the work now being done by HEW and by state and local governments," and would result in "an enormous waste of time, talent and money."

Richardson was careful not to foreclose the possibility of a compromise, however. The Administration cannot afford to adopt a hostile position to the proposal while its welfare reform proposal remains before Long's Finance Committee.

HOUSE

Brademas and the cosponsors of his bill were forced to walk a careful path to the House floor to preserve a bipartisan coalition that had nurtured the bill through committee.

A series of events on the floor shattered the coalition. The split did not block the bill, but it could cause problems in the future.

Said a Brademas aide: "The bill has taken on a Democratic flavor, and that could be trouble for the program if we have to live through five more years of a Republican Administration."

Coalition base: One element considered by the Brademas coalition involved the size of governmental units, eligible to serve as prime sponsors of child-care projects.

Although Rep. Perkins, chairman of the House Education and Labor Committee, sought to let governments of any size qualify, the coalition settled on a figure of 100,000 population as the eligibility cut-off.

Perkins maneuver: According to several Capitol Hill staff members, Perkins planned to circumvent the coalition by holding the Brademas bill in committee until the OEO extension had been approved by the House.

Once the OEO bill was in conference, Perkins planned to accept the Senate child-care proposal, which has no population limit, and take it to the House floor for a vote.

The plan would have meant forcing the House to accept a child-care bill on which it had not previously voted.

QUIE

Rep. Perkins was on track with his plan until Rep. Albert H. Quie, D-Minn., sought assurance from majority Leader Hale Boggs, D-La., on Sept. 21 that the House would not go to conference on the OEO bill until Brademas' child development measure had been considered by the House.

Boggs, answering the question without knowing Perkins' strategy, told Quie on the floor: "I would be very happy to give the gentleman that assurance."

STRATEGY CHANGE

Perkins then rushed the child-care bill through his committee, trying once more and failing to lower the 100,000 population figure to 25,000.

Brademas also was forced to add his bill to the OEO extension as an amendment because the Senate already had acted on the OEO extension and on child care.

Final vote: On the House floor, Perkins tried once more to lower the population figure, this time to 10,000.

Rep. Edith Green, D-Ore., who has substantial influence with Southern Members, spoke on its behalf, and the amendment was approved, 226–158.

Although Brademas opposed the amendment, Republican members of this coalition no longer felt compelled to stand by the compromise bill as other issues arose.

In a final move by Perkins to nail down his intent to eliminate any population limit, the chairman left Brademas off the list of House conferees.

INTEREST GROUPS

Washington representatives of organized labor and civil rights groups formed the nucleus of the lobby that pressed for congressional passage of child-care legislation.

Members of the cadre were Kenneth Young, assistant director of the AFL-CIO's Department of Legislation; Everlyn Dubrow of the International Ladies' Garment Workers Union; Jane O'Grady of the Amalgamated Clothing Workers of America; and Marian Wright Edelman and Richard D. Warden of the Washington Research Project Action Council.

The council is a public-interest lobby group; Warden formerly worked in the AFL-CIO's legislation department.

Other organizations active in the child-care coalition included Common Cause, the League of Women Voters of the United States, the Leadership Conference on Civil Rights, the National Council of Churches, the National Education Association, the National League of Cities-U.S. Conference of Mayors, the National Welfare Rights Organization and the United Auto Workers.

Organized labor's representatives showed their influence with Democrats on the House Education and Labor Committee late last session in working to block the child-development legislation that Brademas had reported from his subcommittee.

Labor's representatives objected to the bill on the grounds it granted states too large a role in overseeing local child development programs. The bill never was considered by the full committee.

Again in the 92nd Congress, Brademas and his chief cosponsors have been engaged in a running debate with Washington representatives of the organizations in the coalition on the same issue.

The coalition sought to shape the Brademas bill in a fashion that would leave states with virtually no role and ensure a decision-making role for parents.

Brademas, seeking to preserve Republican support for his bill, withstood what one Capitol Hill professional described as "unbelievable pressure" in sticking with the 100,000 population limitation.

"Brademas was fighting people who, under other circumstances, are his friends on the Hill—the civil rights groups, the labor people," the aide said. "He stood his ground to hold onto guys like Quie, Dellenback and Hansen (Rep. John Dellenback, R-Oreg., Rep. Orval Hansen, R-Idaho)."

Mrs. Edelman testified May 25 before Mondale's Subcommittee on Children and Youth. She expressed, in essence, the position of the coalition in respect to state involvement.

"If we turn child development over to the states as state control proponents urge, then in certain areas of the country, particularly in the South, we would be effectively writing off participation of experienced community groups which have developed expertise in this field through their involvement in project Head Start.

"We will be placing in the hands of state bureaucracies—where the poor have the least influence and where there has been great reluctance to comply with the nondiscrimination provisions of the Civil Rights Act of 1964—the control of the program," she said.

The coalition's members, who worked closely with Mondale and Brademas in developing their respective bills, sided with the Senate version in the end because it authorized an unfettered federal-local funding and administrative relationship.

STATES

The child development issue was largely ignored by the nation's Governors.

Although the federal-local relationship which would likely be created under the program is extremely distasteful to the states, the Governors mounted no lobbying campaign to upset it.

The Governors were operating from a position of weakness. Congressional Democrats and the pressure groups staunchly opposed granting a role to the states. And the Administration, the strongest force working on behalf of a significant state role, was silent on the question for too long.

Govs. Calvin L. Rampton, D-Utah, and Arch A. Moore Jr., R-W. Va., testified before Brademas' subcommittee on behalf of a significant state role. Brademas sharply criticized all states' lack of "initiative and leadership" in developing child-care centers.

Brademas said it is not "until the federal government shows some initiative and leadership that suddenly the state governments, especially the Governors, come along and say, 'Wait a minute, we want to spend the money.' And nobody paid much attention to early childhood programs until Head Start came along."

A leading Republican sponsor of the Brademas bill said it has been difficult to pull Governors into Washington to testify on the issue. An official at the National Governors' Conference said its Washington office has been hesitant to beckon Governors to Washington because they must face unfriendly committees whose members already have determined their positions in respect to state involvement.

In the Senate bill, the HEW Secretary would be authorized to award grants to states to identify child development goals and needs within the state. States also could assist in the establishment of local child development councils and perform other limited functions, but they would have virtually no power over the control of federal funds or program content. No provision for these grants is made in the House bill.

Mayors: Few mayors have been active in the child-care issue either, but their Washington lobby has taken part in the ad hoc coalition, seeking to cement a strong role for the cities.

The mayors' Washington representatives were forced to swallow their opposition to granting parents virtual veto power over local child development programs in order to support the Senate-passed bill.

OUTLOOK

If Congress approves legislation that is regarded by the White House as too expensive, the President will be forced to make a tough political judgment on whether to sign the bill.

Democrats are certain to accuse him of reneging on his 1969 commitment to child development if he decides that the bill is unacceptable.

Should the proposal become law, a new vista of federal involvement will open in the preschool education of the nation's children.

Congress has sought to picture that involvement as more than just another effort to lend a hand to the nation's poor. While doing that, the program also is meant to provide care to families in the higher income brackets.

If the program succeeds in melding these economic classes, it will provide a vehicle for development of a potent children's lobby.

TIMELY CHILD DEVELOPMENT ARTICLE

Mr. Speaker, yesterday I inserted into the RECORD several editorials which endorsed the child development program. Today I would also like to include an article which appeared in yesterday's Washington Post:

[From the Washington Post, Dec. 1, 1971]

PROGRAMS BEFORE CONGRESS THIS WEEK—A NEW PUBLIC ATTENTION TO PRE-SCHOOL CHILD DEVELOPMENT

(By Alice M. Rivlin)

In the United States, public concern for a child's welfare generally does not become evident until he reaches age 5 and is eligible for kindergarten. Even then the public responsibility usually ceases at 3 o'clock in the afternoon.

But these attitudes are already changing. The next few years are likely to see a burst of public attention to the vital years between birth and 5, rapid growth of all-day programs for pre-school children with working mothers, and recognition that the day does not end for a school-age child when the 3 o'clock buzzer signals that classes are over.

The big questions will be: what character will these new programs have? Who will run them? And who will psy for them? When the Congress votes this week on the OEO bill, it may begin to provide the answers.

The bill extending the life of the Office of Economic Opportunity, just reported out of the House-Senate conference committee, contains a new Title V, for "Child Development Programs," meaning a wide variety of services to children such as all-day care for preschoolers, after-school and vacation programs, nutrition, medical, dental and psychological services, and education for parents in child-care and development. The bill authorizes $2 billion for such programs in fiscal year 1973, including $500 million earmarked for continuation of Headstart. The money would be allocated among the states in accordance with a formula, but administered primarily at the local level. Communities with 5,000 or more people could be "prime sponsors," applying directly to the federal government for money. The prime sponsor would be required to have a Child Development Council, half of whose members would be elected by parents, and individual projects would be run by Project Policy Committees composed of parents and local community members. The bill would make child development services available free to those with incomes of less than $4,320 a year (for a family of four) and would establish a fee schedule related to income for families with more resources.

While there is some vagueness about what "child development" actually is—partly because the framers of the bill were eager to preserve flexibility and choice at the local level—it is very clear what this program is *not*. First, it is *not* just a babysitting operation to provide custodial care for children while their mothers work. The bill emphasizes the well-being of children and the comprehensive services they need for full development, whether their mothers work or not. Second, it is *not* just another program for the poor. Priority is to be given to "preschool children with the greatest economic and social need," but the intention is to make services available to families at all income levels with those above the poverty line paying part of the cost. Third, it is not just another welfare program. The "prime sponsor" mechanism and the parent councils are specifically designed to by-pass the state welfare bureaucracies and give the beneficiaries of the program a real voice in its operation.

Several different groups are pressing for federal programs for children, for different and not entirely compatible reasons. Some are primarily motivated by a desire to reduce the welfare rolls. They believe day care should meet minimum standards of health and safety so the children do not come to harm, but that its main objective ought to be to keep children out of the way so that their mothers can earn wages rather than welfare. A second group is primarily concerned with overcoming the damaging early handicaps of children from poor families. Headstart, which reaches many 4- and 5-year-olds, but usually for less than a year, has proved too little and too late. There is accumulating evidence that children develop rapidly in the first three years of life, that good nutrition and mental stimulation at this age make a difference—at least if they are sustained. A third group, the voice of women's liberation, sees attractive stimulating day care centers as a way of giving *all* women, not just the poor, a genuine choice between childcare and work outside the home. And finally, there are those whose primary motivation is to mobilize community action in the ghetto, the rural South or on Indian reservations, who believe parent involvement in decision making about Headstart programs did as much for parents as for children, and who see community controlled child development programs as a good vehicle for the poor to use in acquiring political experience and challenging the 'power structure."

The focus on reducing welfare rolls is reflected in H.R. 1, the Nixon-Mills welfare reform bill that has passed the House, but not the Senate. Under H.R. 1, a mother on welfare could be required to take work (unless she had a child under 3) provided day care was available. Senator Long, no enthusiast of the administration's welfare reform proposals, has held hearings on his own bill to provide custodial day care to the poor through a public corporation.

But while welfare reform was bogged down in the Senate, bills for more comprehensive but entirely voluntary child development programs were making their way through the legislative obstacle course on both sides of the Hill. Senator Mondale's Child Development Bill, incorporated into the OEO amendments, stressed comprehensive services and community control and would have provided services free to families with income under $6,920 with a sliding scale of payments for families with higher incomes. On the House side, a similar bill, sponsored by Representatives, Reid, Brademas and Mink, but giving more role to states and less to localities and parents, was added to the OEO extension as a floor amendment. When both bills passed and went to conference, the administration voiced concern about their cost and threatened a veto. To avoid a veto, the conferees lowered to $4,320 the income level below which services would be free and adopted a moderate scale of payments for families with incomes between that level and $6,920 (above that level the Secretary of HEW would set fees). The language of the Senate bill was modified to give a little more role to the states and rule out communities with less than 5,000 people as prime sponsors.

The bill now moves back to the two floors where it may encounter Republican opposition especially in the House. Republican unease is related not to cost, but to the by-passing of the states. If the bill passes, there is still the possibility of a veto, although it would surely be politically costly for the President, who has put such personal stress on the dignity of work, to veto a bill which promises to make work possible for millions of women and better the lives of children into the bargain.

Strident right-wing opposition to the bill has developed on the grounds that "child development" sounds like a 1984 attempt of the state to take over the role of the family. This criticism is pretty far fetched since participation would be entirely voluntary and the bill gives parents much more control over the new programs than they have over present public schools.

Criticism of the administrative mechanism has more substance—having all those "prime sponsors" deal directly with Washington hardly seems like an ideal administrative setup. Unfortunately, however, state administration, especially in the Deep South, has so often proved insensitive to the needs of poor and minority children that direct funding may be necessary—at least for a few years.

To the criticism that these programs will be costly in the long-run there is no answer, except "yes." The bill to be voted on authorizes spending $2 billion a year for two years on the assumption that participation in the programs will be far from universal, a reasonable assumption in view of difficulty of organizing and staffing good programs quickly. In the longer run, however, it just has to be recognized that providing first-rate services to preschool children and adding after-school activities for older children is going to be expensive—$10 billion a year could be spent easily. The cost to the taxpayer can be reduced if middle and upper-income people pay fees, but these fees cannot rise too steeply as income rises without reducing incentives to earn more income. (The effect is the same as a high income tax rate.) In the long run, there will be no cheap way to do a good job. If the Child Development Bill becomes law there will at least be a hope that federal funds for day care will be spent primarily to meet the needs of children, not just to keep them busy while their mothers work.

FURTHER ARTICLES AND STATEMENTS

Mr. Speaker, at this point I insert other articles and statements concerning the comprehensive child development bill:

[From the Washington Star, May 24, 1971]

CHILD CARE PLAN CONSIDERED FOR HIGHER INCOME FAMILIES

(By James Welsh)

The Nixon administration, caught in a political squeeze, is considering a plan that would provide free child-care services not only for welfare mothers but for a higher-income group of the working class.

Secretary of Health, Education and Welfare Elliot L. Richardson, who was to have testified Friday before a House subcommittee on the controversial issue of day care, abruptly cancelled his appearance the evening before. He is now scheduled to testify this week.

"We haven't quite got it together yet," said one of his top aides in explaining the postponement.

At issue, in part, is whether the White House is willing to extend its day-care commitment to millions of families in the lower-middle income range, families in which many wives work.

LIMIT ON COMMITMENT

So far it has not done so, preferring to limit the commitment to its efforts, contained in the Family Assistance Plan, to get welfare recipients to work.

But it is faced with Democratic alternatives in both the House and Senate that would go far beyond that, offering free day care to a family of four with an income of $6,900 and partial subsidies to families above that income mark.

In the meantime, the White House has embraced a principle in day care financing that will surprise many liberals.

It has decided, where possible, that mothers should be able to use a "voucher payment method" in spending federal day care assistance to purchase day care services.

This would extend a maximum of consumer control, giving mothers hundreds or thousands of dollars each of purchasing power in the day care field. With vouchers, they could shop in the open market for the day care program they believe would best suit their children.

The day care issue has political significance that is readily recognized by administration officials.

$1,600 PER CHILD

Government programs in recent years generally have failed to reach the working class in the $4,000-to-$10,000 income range. Most observers believe a massive day-care program would be highly attractive to this group.

But such a program would be enormously expensive. HEW now is using the figure of $1,600 as the cost of all-day, year-round care of one child, and the cost of a large, national program would run into the billions of dollars.

Administration insiders say Richardson may well get the go-ahead to offer a new, expanded proposal. Said one:

"It's up in the air at this point. Do we go further, and how much further? And that's not the only question. Another is one of nuts-and-bolts administration. What's the best way to run a program that could involve thousands of day-care centers and agencies running programs for millions of pre-school and school-age children?

"The Democrats have come up with what looks like a sexy system. But we're not sure. A program like this, if it's not established right, could turn into an administrative nightmare."

The administration's position on vouchers for day care was stated in a largely ignored part of President Nixon's response last week to a series of demands by the Black Caucus in the House. It said:

"The administration presently favors the voucher system because it will give the consumer control of the funds and thus of the programs."

At another point, the document said:

"Too many federal programs targeted on the disadvantaged have resulted in excessive administrative costs and reduced benefits for the intended recipients. By using vouchers, the full amount of the individual's grant will be available for the purchase of services."

An HEW official today confirmed the administration's decision to go with the voucher system.

This is not, however, at the heart of the dilemma facing the White House in taking a position on legislation House and Senate Democrats have introduced.

DEMANDS FOR REFORM

Both Republicans and Democrats have hurried into the issue because of the demands of welfare reform that the White House and Congress are pressing. Everyone concerned agrees that one of the great barriers to putting welfare mothers to work is the difficulty of their finding day-care services they can afford.

The Family Assistance Plan, now going to the House floor after its approval by the Ways and Means Committee, provides $386 million in federal funds to help establish a day-care system.

Measures introduced by both Sen. Walter Mondale, D-Minn., and Rep. John Brademas, D-Ind., would offer free day care for children where the income for a family of four is less than $6,900, far above the cutoff point for subsidies under the Family Assistance Plan.

The Mondale bill would provide $13 billion over four years for day care, while the Brademas bill contains no fixed spending authorization. The Mondale bill also contains strong provisions for parent control of what kinds of day care programs are established, along with greater opportunities for cities to compete with states as prime sponsors of day-care facilities.

Of the two bills, the White House favors the Brademas legislation. But it would rather have its own proposal, and that is what is at stake in the debate taking place within the administration.

[From the South Bend Tribune, Mar. 23, 1971]

VOICE OF THE PEOPLE: CHILD CARE

Concerned Parent, who expressed her views several days ago regarding the proposed child care centers, astounded me with her statement that "if a poll were taken, we would find that those young people . . . causing the most trouble in our country are the ones who were left with baby sitters . . . and deprived of love by their parents."

The assumption that children are loved just because their mother is home 24 hours a day is a myth. Obviously, many children grow up to create problems for themselves and society because they were neglected and left indiscriminately with anyone who happened to be handy. But on the other hand, any public or private school teacher, counsellor, or administrator could tell you of innumerable cases of mixed-up and messed up children who had a mother in the home 24 hours a day.

In many cases, the "love" Concerned Parent mentioned is distorted and negative. Mother spends her days at home feeling bored and neglected. Often a child is nagged at, yelled at, rejected, and often spanked or punished at frequent intervals; the nagging and punishment, in cases like these, are not because the child has done something for which he should be reprimanded, but because his mother feels anger and dissatisfaction with her own role in life.

We cannot blame the social problems of today's youth solely on the working mother any more than we can blame them on the neurotic mother such as the one described here.

Let us not make glib statements such as Concerned Parent made—that is unless she has taken that poll and found some positive correlation between working moms and wayward kids!

[From the Kansas City (Mo.) Star, Mar. 8, 1971]

HEAD START BETTER THAN EXPERTS THINK, OFFICIAL SAYS

(By Stephen C. Haynes)

The Head Start program has been saved from the attacks of "professional evaluators," but much remains to be done in the area of child development, Dr. Edward F. Zigler, director of the Department of Health, Education and Welfare child development office, said here last night.

Zigler, a Kansas City native, spoke to about 350 persons at the annual founders dinner of Congregation Kehilath Israel Men's club. Formerly a professor of child psychology at Yale university, he was appointed to his present post by President Nixon in June.

Although Head Start is the most important single program for child development in the United States, he said, it reached a peak in 1967. Several studies of the program about that time, he said, reached negative conclusions.

"I don't think we should pay that much attention to experts," he said. "What they say at any one time is about one-half sense and one-half nonsense."

Zigler said the goal of raising children's I.Q. levels had become too predominant in evaluation of the program. Head Start was achieving results, he said, but not always of the kind which could be measured by tests or which would stay with the child after he left the program.

"Head Start is a competence-producing program," he said. "What we want is competent citizens, not a group with I.Q.s over 140. And no child can go from a good Head Start program to a lousy school and retain all he has learned. What do you expect."

Even though Head Start has been a success, he said, more extensive programs are needed. The United States has a poor record in the area of child development as compared with other Western nations.

"We like to say that children are our most important natural resource," he said, "but we mistreat this resource as much as we mistreat the others. Children come last in our thinking."

Millions of children in the U.S. are hungry, unhealthy, uncared for and ignored. Institutions for children are inhumane by European standards, he said.

The U.S. must provide day care centers in increasing numbers to meet the needs of changing cultural patterns in which children receive less and less care from parents, Zigler said.

"There is no cheap way to maximize the development of children," he said. "Programs must take all the way up to age 16 to 20. We can't let up after five weeks (as Head Start does)."

Although day care is an important area which must be developed, with more than 50 per cent of all mothers of children working, parents must be encouraged to take a more active and knowledgeable role in their children's development, he believes.

"If nothing else, women's liberation will see to it that we have day care," Zigler said. "I know it is coming, but I am apprehensive. I am concerned that we may destroy family life."

He advocated programs to teach young persons the basics of child development and parenthood so they could develop more interest in their children and know more about rearing them. Such programs, he said, were being developed by his office.

"I am still of the opinion that the best place to raise a child is at home with a loving mother and father," he said. "But there is a sense that mothers and fathers are becoming extinct."

Head Start is a good program, he said, and will receive more money under the proposed fiscal 1972 budget than ever before, but other programs will not be realized unless citizens demand them. These programs, he added, should include all children, not just the poor.

"The problems discussed at the 1930 White House Conference on Children were the same as those discussed at the 1970 conference," Zigler said. "Nothing has changed. It's just that once every 10 years we have a conference and discover children."

[From the Washington Daily News, Aug. 27, 1970]

HEAD START HIT AS SOCIAL BLIGHT

Head Start and similar poverty programs, as they stand now, are tearing society apart and contributing to social polarization, the new national director of Headstart said today.

"It's an egregious error to set up children's programs in this country for specific sections of the population," Dr. Edward F. Zigler told UPI in an interview. "We can't continue programs that send poor kids one place and rich kids another. That's what is causing polarization in our society today.

"We've got to find a way to bring the society back together and one of the places to do it is with children in programs like this," he said.

WHAT IT IS

Headstart is the preschool program which offers medical, nutritional, educational and other services to give children with poor parents a boost before they start school.

Headstart regulations have permitted only a 10 per cent involvement of children not considered poor.

Mr. Zigler said he did not want to discard Headstart but wanted to broaden its services and make it available to other social and economic groups. He said he hoped the President's proposed welfare reform, now stalled in the Senate Finance Committee, would give him the opportunity for expansion by providing new day care services that could be combined with the Head Start services.

"The 10 per cent allowance is not enough," Zigler said.

He indicated he would seek a change in the rules if necessary. "One of the reasons people have turned against Head Start is the old sour grapes bit. They can't have it, so why support it."

Middle class parents want the same services for their children the poor want, he said. And each group could benefit from the mix.

FROM YALE

Mr. Zigler, 40, is a former director of the Yale University child development program. He was named in June as the first director of a new Office of Child Development, which administers Head Start and other programs.

After criticizing Head Start in the interview, Mr. Zigler called it "one of the most revolutionary social action programs I have seen in my lifetime."

It has served not only the children well, but the parents and society also, he said. He cited one survey which he said demonstrated that 90 to 95 per cent of the parents of needy Head Start children find the program beneficial. "Think of that kind of support for a government program," he said.

"Let's protect the good in Head Start, make it better, but open it to a broader spectrum of services for children," he added.

[From the New York Times, Nov. 30, 1970]

DAY CARE: DEMAND OUTRUNNING GROWTH

(By Nancy Hicks)

Universally available day care for American children is inevitable, experts in the field say. They note that women, who make up 38 per cent of the work force, want and need it, and that many politicians back it.

But widespread disagreement over goals and over methods of implementation is hindering planning. This, in turn, means that day care is not becoming available at nearly the rate needed.

There are more than 11.6 million working mothers in the country today, more than 4 million of these with children under 6 years old. However, only 640,000 licensed day care spaces are available. More than one-third of these are privately run.

"Some mothers have always worked and arranged to have their children cared for," said Jule M. Sugarman, chief of New York City's Human Resources Administration, which supervises the city's day care programs.

"But people often live with whatever setups they can arrange. As soon as something else comes along, they take it. This is what is happening with day care," said Mr. Sugarman, the former acting head of the Office of Child Development of the Department of Health, Education and Welfare.

But it is becoming obvious to educators, psychologists and social scientists that before any major expansion comes about, serious problems must be overcome. The most basic decision ahead is whether day care will be custodial care or a form of early education.

Ideological leaders in the field have decided that day care is to be more than adult supervision geared, for example, to merely making certain that children do not stick their fingers in electric sockets while Mother is working. If these leaders' goals are realized, then expansion will have to be slow and expensive.

It will require the training of a cadre of personnel to teach children and to work with their parents. Centers would have to be built or renovated. A "quality program" also would have to provide meals, medical services and research units that would study the effects of group education on very young children.

Using the current average Federal expenditure for early childhood programs, it is estimated that this combination of services would cost $1,600 a year a child. This compares with an annual school cost of $870 a year a child, according to the latest figures of the National Education Association.

Even with supportive services and sound educational programs, some psychologists fear, day care for the very young might become impersonal and institutionalized.

Some earlier studies of child-rearing environments—including those conducted by Dr. Eleanor Pavenstedt, a Tufts University psychoanalyst, on failure-to-thrive infants—have shown that these characteristics retard development.

But against these financial and ideological concerns is a pressing need.

A Department of Labor study in 1964 showed the arrangements that 6.3 million working mothers made for their 12.3 million children under age 14.

MANY WITH RELATIVES

Half of the children were cared for in their own homes, usually by another relative. One third were cared for in someone else's home. Thirteen per cent were watched by their own mothers during work, as might happen with a proprietor of a small store. Close to one million children, or 8 per cent, cared for themselves. These are the so-called "latch-key kids" who wear their house keys around their necks. Only 2 per cent of the mothers were able to find group day care centers.

The disparity between supply and demand has brought together traditionally warring factions in politics and education and set in motion a day care movement. Workers for women's rights are petitioning employers to begin on-premise centers for their children. Community groups are meeting at night to plan all-day and after-school centers in their neighborhoods. Mothers are setting up cooperative babysitting arrangements aimed at teaching the child as well as providing custodial care.

More organized efforts are being waged by groups like The Day Care and Child Development Council and the National Council of Negro Women, both in Washington.

Legislators have introduced a variety of bills into Congress to fund expanding services.

Economists and social scientists offer some specific reasons why day care has become such a popular issue. They include the following:

The dramatic increase in the number of working mothers, which has created a day care need that has outpaced the ability of society to handle it through informal arrangements. Forty per cent of mothers work today, compared with 1 per cent in 1940, according to Department of Labor figures. These figures are expected to increase by 30 per cent more by 1985.

The recent acceptance by industry and husbands of the movement of women out of the home and into the labor force.

Changes in the American family which used to be large and centrally located but which today is so widely spread around the country that the mother often needs day care, sometimes for illness or family crisis, aside from the workday applications.

HEAD START AS MODEL

Estimates that in the next few years, one child in 12 will grow up in a family with only one parent, because of divorce and other factors.

Acceptance by mothers of reports alleging the importance of very early education. This has particularly created support by centers that stress teaching.

Within this educational framework, there are several existing programs that could provide models for larger programs.

Head Start, the Federal preschool program for poor children, provides many all-day educational settings that would equal day care for a working mother. Boards of education in localities have pre-school programs that serve the same purpose.

Departments of social services offer day care for working mothers under Title IV of the Social Security Act of 1962, which provided funds for these centers.

More than 120,000 children are being cared for in what are called Family Day Care Homes, which are sponsored jointly by local social services agencies with money from the Federal Government. Under this arrangement, poor mothers are taught to care for children by educational specialists who provide them with equipment in their homes and "lessons" to teach the children. In this way, that mother becomes a skilled worker in addition to providing a service.

While the above are all public programs, voluntary and private groups provide variations on the same themes.

The Office of Child Development has assumed the job of looking at the various programs and setting the standards for what day care in America should be.

ZIGLER FAVORS CHOICE

Its director, Dr. Edward Zigler, one of the original Head Start planners, likes the varied approach now being used because it gives mothers a choice of settings. As a back-up, however, the Office of Child Development is testing some of these approaches in 32 parent-child centers developed by several universities.

"We really can't set up more day care overnight," Dr. Zigler said. "We have neither the staff nor the facilities to do so. We must expand existing frameworks. The Head Start orientation is good. A giant step would be the passing of the family assistance plan."

This embattled legislation is the President's plan to reform the nation's welfare system. It includes day care expansion. While many educators oppose the compulsory work provision of the plan, they see administrative commitment to 450,000 new day care spaces as a first step in expanding services.

"It is absolutely mandatory to develop a new cadre of people whose training is directed at raising children," said Dr. Zigler. "The Russians have them. They call such people 'upbringers.'"

The Russians, Israelis and Swedes have for years had mass day care programs for working mothers. While cultural differences have made it impossible to transfer their programs directly to American situations, they have shown that such widespread programs are possible to operate.

There is a consensus among the educators and economists studying the situation that if day care is going to work on a universal basis, the Government is going to have to pay for the majority of it simply because the size of the problem is larger than the private sector's ability to solve it.

A number of Congressmen have introduced bills that would create day care in addition to the family assistance plan.

Representatives John A. Brademas, Democrat of Indiana, and John R. Dellenback, Republican of Oregon, have introduced a bill that would repeal Head Start and hand control of operations over to a state agency that would receive most of its money from the Federal Government.

A bill proposed by Senator Walter F. Mondale of Minnesota calls for the expansion of Head Start over the next five years from a $320-million a year program to a $5-billion a year program.

A third bill, proposed by Senator Russell B. Long of Louisiana, would set up a Federal Child Care Corporation that would create, but not pay for services.

Private efforts to solve the problem have been met with some skepticism. Several years ago, entrepreneurs, including several foot-

ball stars, talked about setting up franchises. But because of the expense of running quality programs, most have left the field.

One private effort has received some praise from educators, however. This is the Educare project of the Universal Education Corporation of New York. It has signed a contract with the Pennsylvania State Department of Education to set up centers in four cities and hopes to expand from there.

Private industry has provided facilities for the children of employees on a very limited basis. A 1968 survey by the Department of Labor showed that fewer than 150 industry-sponsored centers were available and more than 100 of these were in hospitals.

The Amalgamated Clothing Workers Union in Baltimore and Chicago has extensive programs, however. So do KLH Research and Development Corporation of Cambridge, the Whirlpool division of RCA, and the Department of Labor itself.

FRUITFUL CULMINATION ANTICIPATED

Mr. Speaker, the child development program is a crucially important piece of legislation endorsed by the groups I have listed. The program is the result of 3½ years of dedicated work by both Democrats and Republicans. I look forward to the culmination of our efforts by the passage of this outstanding comprehensive child development program.

THE POWER TO ADVISE AND CONSENT

The SPEAKER. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 1 hour.

Mr. CONYERS. Mr. Speaker and my colleagues, in considering the nominations to the Supreme Court, no one would, of course, deny the Presidential prerogative of examining a potential candidate's philosophy before placing his name before the Senate for confirmation. Nor is there any requirement of the kind of philosophy a nominee should espouse. However, it also follows that—and on this I think there is a great deal of misunderstanding—there is nothing to preclude the Senate from making the same examination. Indeed, to the contrary, I suggest that they have a responsibility to do so.

Many of the Founding Fathers feared that nominal advice and consent of the Senate on nominations to judgeships would create a dependency of the judiciary on the executive. It was their intent to make the judiciary independent by insisting on joint action of the legislative and executive branches on each nomination. Consequently, as Charles Black, a professor at Yale Law School, indicated, such inquiry into the philosophy of a nominee is consistent with the Senate's constitutional duty of advising on Presidential nominations.

So I would submit to this body and to our friends across the aisle and across the chamber that the responsibility in nominating a member to the Supreme Court is equal upon the Senators and upon the President to examine the qualifications of said nominee.

Mr. BADILLO. Will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from New York.

Mr. BADILLO. I commend the gentleman from Michigan for his statement. I think it is important that we begin to draw attention to that particular responsibility to which he refers; that it is not merely a question of identifying particular characteristics of an individual, such as points of view with respect to racial matters which may have been extreme or any financial difficulties, but also the question of evaluating the individual's whole character. Is not, then, from that point of view, it the responsibility of the Senate, just as great as it is that of the President, to evaluate the total character of the individual before confirming an appointment?

Mr. CONYERS. May I say to the gentleman from New York (Mr. BADILLO) an able member of the bar himself, that this is precisely the focus of these remarks today in this Chamber.

Of course, what I am hoping to develop—and I have had the honor of testifying before the Senate Judiciary Committee on this matter—is a notion, which I am not sure is well understood in that body. Beyond a nominee being technically competent in the law, additional criteria are imposed by the constitutional mandate on the Senate to advise and consent to the President upon this subject.

That is to say, if I may go back a couple of unsuccessful nominations ago where we had one nominee who had a conflict of interest problem and was found unfit to sit and was, therefore, rejected by a majority of the Members of the Senate, there was a clear specific instance.

In another matter of a nominee sent before the Senate for their advice and consent who again was rejected, there was clear a background in his record of racist statements, of a segregationist position so inconsistent with fulfilling the mandate of the Constitution that it was clear in view of a series of specific instances that he was unqualified to sit as a member of the highest Court in the land.

Mr. BADILLO. Mr. Speaker, if the gentleman will yield further, in other words, the difference is that the responsibility of the Senate in this regard is not merely to examine the history of the individual to determine that there is something objectionable to him, but also to find out if there is something positively good about him as well. It is somewhat like the rule we have in the law about what constitutes a good reputation. I do not remember the quote, but someone once said that a man who had a good reputation was someone that nothing bad had been said against him or was someone who had nothing good said for him. I do not think the Senate would want to establish this as its approach to the consideration of such nominees.

Mr. CONYERS. The gentleman is precisely correct.

Might I suggest if we look at the constitutional language that is the basis for determining what the rule of the Senate is in this matter, it is quite clear that the President shall nominate, and by and with the advice and consent of the Senate, shall appoint judges of the Supreme Court. Now, does that suggest a nominal function? Does that imply in any way that in advising and giving their consent to the nominees that their ruling is in any way subordinate? I would suggest, and indeed persist in this point because of the importance of the questions of the day. Indeed it will determine the way that this Government shall impart its meaning of the laws to many millions of its citizens, its minorities more particularly. They should know that the U.S. Senate with each Member voting has not only a responsibility in deciding to consent, but to fully advise the President upon this very weighty matter, and that their responsibility is fully equal; it is not in any way subordinate.

That leads me to conclude—and as it does other scholars on this constitutional question—that they must give their consent as well as their advice on precisely the same matters that the President himself considers when making the nomination and sending it to the Senate. If they were to do any less than that, they would not be fully advising the President in this matter.

The Chief Executive Officer has the full range of choices in sending nominees of any particular philosophy that he chooses for consideration. In the case of the incumbent President, he has chosen to select nominees whom admittedly have a narrow, conservative view of the law.

In view of that right of the President of the United States, I suppose not a Member in this body would quarrel that that imposes a corresponding responsibility upon each and every one of our distinguished colleagues in the Senate to do the same thing; that is to say, that they too must examine the philosophy, the world view and the attitude of the nominee on the important matters of the day.

A nominee's views on racial matters, his position on the important economic questions of our day and his disposition to view the civil liberties questions which will be presented in more complex fashion to the U.S. Supreme Court in the days and years ahead than they have ever been presented before must be carefully weighed. So each Member of the Senate has the responsibility to ask and resolve the question that, in addition to the nominee being someone who has not done anything wrong, who does not have any blemishes on his record, who is indeed a skilled legal craftsman at his profession, the question that he must as well pass upon in his judgment whether the outlook of the nominee is going to be one that will be able to deal in a very positive way with the kind of questions that will come before the U.S. Supreme Court.

Mr. BADILLO. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. Mr. Speaker, I yield to the gentleman from New York.

Mr. BADILLO. Mr. Speaker, in other words, if the President says that he is appointing an individual because he may bring about a certain philosophic balance to the Court, say, a conservative balance, the Senate then has a co-equal responsibility when a Senator might refuse to advise and consent with respect to that individual because he feels that that particular balance is precisely what the Supreme Court of the United States does not need at this time in the history of this country.

Mr. CONYERS. That is a precise reiteration of the point that has given a number of us in this body grave concern about the two present nominees currently under consideration in the other body. Because even if there were no specific negative instances, if there were no blemishes on their record which I am not able to say do not exist, because they do from the view from which I approach the matter—but even if there were none, and their conservative philosophies were such that a Member of the other body would feel that their going on the Bench would put the Court in the wrong direction, the wrong thrust for the 1970's and 1980's, then they would then have an obligation, no instances of a conflict of interest, or segregation, or posture notwithstanding, they would have the obligation as equal to the President to refuse the nomination perhaps on the same ground that the President himself sought to nominate them.

And it is for this deeper appreciation of the responsibilities that devolve on that other body that I take this time to engage in what I consider to be an extremely important discussion. Because I do not think anyone can quarrel with the fact that the Supreme Court is going to play an increasingly larger role in resolving the important vital questions of race and class and war and peace in this Nation.

Mr. KOCH. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from New York.

Mr. KOCH. Mr. Speaker, I want to join the gentleman in his very perceptive comments on the role of the Supreme Court and the role of the Senate in advising and consenting to the appointments to that Court.

One of the great tragedies that came out of the 1968 presidential election was that while many of us did disagree on whom the candidate of the Democratic Party should be at that time, what many of us failed to appreciate was the fact that whoever would be President would have an enormous impact outside of his regular Presidential functions, by the appointments that he would be making to the Supreme Court.

We see that occurring within the last 2 years, in the number of appointments that the President has made and is making, and in the caliber of those appointments made to a body which, in effect, in certain areas is surely equal to the other two bodies—the House and the Senate—and is suis generis in having jurisdiction over matters that never come before either of the two Houses. If the President appoints to that body, men whose philosophy is such that they cannot accept the conditions of the seventies and the eighties as they appear to be unrolling before us, and if their minds, aspirations for our country, judgments, and future actions are predicated upon a refusal to accept equality of rights and opportunities of all the country's citizens—they are not going to be able to deal with the fundamental problems which you have pointed out as being the greatest problems now facing and that will face this Nation in the coming years.

So I agree with you that while the Senate must give deference to the nominations made by the President, it cannot simply accept them on the basis that, if they are to be rejected, the evidence has to be overwhelmingly against any of the nominees. They must, as the gentleman in the well pointed out, take into consideration broader questions.

The impact that these two men on the bench will make upon our lives, will not be for a 2-year term, as the gentlemen who sit in this House do, or for a 6-year term as the gentlemen who sit in the other body do—but perhaps for 20 or 30 years in some cases. Therefore, I agree with you that what they have to do is to carefully consider all of the reasons that would go into an appointment to that Bench that all of us could be proud of.

So I join with you and with those who have spoken in the House today on this subject in urging our colleagues in the other body not simply to accept the nominations, but in the interest of all of us, to reject the two nominees and require that the President submit names that, without regard to party affiliation—without regard to political philosophy—that we can join in and say—these men for the next 20 or 30 years will serve this Nation well and in a way that we would have no hesitation in applauding their being elevated to those extraordinary and singular positions of Justices of the Supreme Court.

Mr. CONYERS. If that be the case, then it would become painfully obvious that competency as a legal technician is simply not sufficient in and of itself to ratify an appointment to the Supreme Court. Because judges by definition must sit in judgment, and they exercise what Oliver Wendell Holmes once called the sovereign prerogative of choice, that is, they must bring more to their task than a highly specialized technocracy, and what they bring to bear on each decision is the weight of their experience and breadth of their vision as well as their legal expertise.

So, what we are beginning to appreciate is that in other nominations which were rejected there were specific incidents that were sufficient cause to deter the Senate, blatant examples of racism which would obviously disqualify a nominee from going to the Supreme Court. And I might say parenthetically that that in itself is a rather new attitude on the part of the Senate. It certainly has not been a demonstrated propensity on the part of the Chief Executive, who has frequently nominated people with such defects.

But the Senate has made clear that they are now ready to reject out of hand a nominee who can be demonstrated to have a segregationist background, whose statements are so antithetical to the Constitution, to the Supreme Court decisions of the land that have emanated from the courts and to the laws passed by this Congress, that he is in total contradiction with some part of the U.S. Constitution and is clearly unable to function with fairness and impartiality.

We have clearly now established that if you are a skilled technician in the law, have had indeed even legal experience as a judge, and yet you come with a conflict of pecuniary interest, you are obviously unable to assume the robes of the highest court in the land. But this presents a newer and a finer question, because in the assumptions under which we are speaking now, if we were dealing with men who had no such specific misconduct, each member of the other body would be required, before they give their consent, to advise the President specifically as to whether their outlook on the important questions of the day would help this court. Otherwise, the President of the United States, not in just this instance but in any instance in the future, would be able to appoint the kind of court that would be dependent and subservient to the Chief Executive merely on the argument that the Senate must nominally confirm anyone who does not have any outstandingly bad records or blemishes in their background.

I think the gentleman from New York will agree with me that this is what has created some difficulty with the two nominations before us. We do not have segregationist speeches that we can cite to you. We have some activities—for example, of one nominee who is a member of more than one segregated social club, which to me speaks to his attitude on race relations in a very real and definitive way, in a way that any self-serving statements he might make before the Senate Judiciary Committee when being considered for the nomination for the Supreme Court could not erase. But here is a nominee who is ready to say that he will belong to or subscribe to membership in a social organization which would indeed preclude another member of the U.S. Supreme Court from even going to lunch with him, a situation that would be humorous if it were not indeed the precise fact that we are considering in the nomination of Mr. Lewis Powell.

So what I am saying is that, as Felix Frankfurter said:

A justice ought to display something more than craftsmanship.

Never before in the recent period of the 1960's has the Senate been called upon to make this kind of examination. I do not say this disparagingly about our colleagues in the other body. Their workload is as heavy if not heavier than the kind that it is our obligation to carry. But it appears to me that if a Member of the other body is merely looking for a speech made by a nominee, is looking for a conflict of interest, he is only superficially making the constitutional examination that is required of him.

Because what we want to find, as Justice Frankfurter said, is:

A Justice ought to display both a logical unfolding and a sociological wisdom.

Henry Steele Commager said:

The great judicial decisions are great, not because they are brilliant formulations of

the law alone, but because they embody high-mindedness, compassion for the public good, and insight into the moral implications of those decisions.

Let me bring that a little closer to home. We have a nominee who was the chairman of the board of education in Virginia during the fifties and sixties, during the height of the most massive public resistance to the Supreme Court's rulings on school desegregation that have ever occurred in any State in the Union in the 20th century. As chairman he took an oath, among other things, to uphold the Constitution of the United States, which includes, as we know the Supreme Court decisions of the land, and then during that period of chairmanship voted and supported the premise that parents who did not want their children to be subject to going to integrated schools would be subsidized. White parents would be subsidized by taxes out of the State treasury to evade the very clear responsibilities incumbent upon the board of education in that State, which the Supreme Court imposed in its decision of Brown against Board of Education of Topeka in May 1954, some 17 years ago. Can we suggest elevating a member who participated in circumventing the supreme law of the land to the Court that made that law of the land?

Now, I do not offer this charge lightly. I would invite my colleagues in both of the bodies to examine the record to find if there is any refutation of these charges that were made before the Judiciary Committee by an attorney from Virginia who participated in the Federal law suits suing the boards of education of a number of counties, of cities, and even of the State of Virginia, in which the nominee was named as a defendant. The attorney testified personally to the extent of the involvement of one of the nominees in this very questionable activity. I invite Members of this body and the other body to examine the record for any refutation of the charges that were made, because unless we are willing to confront the fact that one of the nominees participated in the massive resistance plans as the chairman of the school board of Virginia and even earlier as the chairman of the board of education in Richmond, Va., then I think we do less than our duty if this knowledge is before us and we do not communicate it completely, impartially, and fairly to every Member of the Senate upon whom the Constitution bestows the responsibility to advise the Chief Executive Officer on these nominations.

So there would seem to be little room to quarrel with the view that adequate legal experience and honesty alone are insufficient in reaching a determination of a nominee's fitness for the high court.

Of these requisites I contend his judicial philosophy is of the highest importance.

Might I say about the other nominee, Mr. William Rehnquist, we have evidence of a different kind. It is documented.

Here we have a nominee who in advising the President on earlier nominations drafted a letter for the President of the United States to one of the Senators, telling him that he did not have to right to fully examine the nomination that was made by him. In other words, he suggested, on one of the nominations that was eventually rejected by a majority of the Members of the U.S. Senate, in writing a letter for the President of the United States, that the Senate had something less than full, unfettered responsibility to inquire into the economic, the political, and the social views of the nominees.

This is the man we would now elevate to the Supreme Court himself.

This to me is the kind of question that needs even further examination by the Members of the Senate in making their determination.

So we see that the perception of the function of the Court, the obligations of a Justice in interpreting the Constitution, are clearly affected by his basic conviction on the socioeconomic issues of the day. It is upon this point that I have testified against the nominees currently under consideration.

I respect the view that there may be an honest difference of opinion about where this would lead. But I suggest that if everyone would approach the subject matter on the basis that the socioeconomic views should be clearly taken into account and evaluated, and if we would ask ourselves, without recourse to partisan considerations, are these the kinds of socioeconomic views that we want an otherwise technical craftsman to bring to bear as a member of the Supreme Court, and ask our Members of the Senate to cast their votes on that kind of analysis, I would be perfectly satisfied with the outcome of the vote upon both these nominees.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I wish to commend the gentleman from Michigan for laying on the record before this House some of the very important negative considerations about the two nominees who are before the Senate. Even though the House has no legal jurisdiction to deny or confirm the nominations, we certainly have a concern. We are a part of the Government of the United States. I believe we have a responsibility to see that the facts are brought out.

I am particularly concerned about the nominee Mr. Rehnquist. It seems to me that a nominee for the highest judicial office in the land should have a demonstrated passion for the Constitution, for the rights guaranteed by the Constitution, for the laws which he is bound as a justice to interpret.

I might say that the nominee, Mr. Rehnquist, has certainly demonstrated a passion for order.

But I would raise a very serious question as to whether he has demonstrated a passion for law.

We hear a great deal said about law and order, but when the sons of personal friends of mine who are residents of the city of Washington, who were walking to school one day last spring during the demonstrations, were swept up in the kind of dragnet that Mr. Rehnquist inspired and purportedly engineered as adviser to the Attorney General merely because they happened to be in the neighborhood—maybe they were wearing blue jeans; I do not know—it seems to me that this raises some very serious questions as to whether this particular candidate has the kind of dedication to the law that he is supposed to interpret and which he will be sworn to uphold and which he has been sworn before to uphold in his present office.

This is so fundamental that until this hurdle is passed over you do not even get to his socioeconomic point of view. Yet I agree with the gentleman that that is also an extremely important consideration which should be weighed in the total package that the Senate must consider in deciding whether these nominees merit this high judicial office.

I commend the gentleman for bringing this to the attention of the House.

Mr. CONYERS. I would like to point out, as I express my appreciation to the gentleman from Ohio (Mr. SEIBERLING) that what is under discussion today is strangely enough not a new development in the turn of constitutional law; this is not a unique philosophy that has evolved out of the considerations of the 20th century. This was embodied in the very statements and writings of the Founding Fathers. Alexander Hamilton in the Federalist Papers made it clear in his own words that this was not to be restricted, the responsibility of the Senate in advising and giving their consent to these nominations. Here is what he said in that early day of our country's history:

> To what purpose then require the cooperation of the Senate? I answer that the necessity of their concurrence would have a powerful although in general a silent effect. It would have been an excellent check upon a spirit of favoritism in the President and would tend greatly to prevent the appointment of unfit characters, from State prejudice, from family connection, from personal attachment, or a view to popularity. In addition to this, it would be an efficacious source of stability in the administration.

You can see that Hamilton supports the notion that the Senators are to consider anything they believe would bear on the wisdom of a nomination.

Foremost among these considerations, I believe, would be the judicial philosophy of the candidate.

What, then, are the socioeconomic views of the two nominees whose names currently are pending action in the other body?

Well, in my judgment, we have both candidates failing because of the precise reason that the President of the United States chose them—their narrow conservative philosophy.

I give this not as a political partisan and not because I oppose everything that the Chief Executive Officer does but because I as a Member of this body feel that it would be extremely damaging to the future of this third great branch of Government if we were to continue to ratify the advancement to the Supreme Court of the United States members who have or will reflect the outlook in their decisions of a conservative socioeconomic philosophy.

Permit me to be more specific. One

of the matters now before the Supreme Court and before many of the lesser Federal courts is the question of resolving the matter of race in education in America; that is to say that since 1954 it has been the supreme law of this land that sending children of different races to different schools works irreparable injury upon all of the children of each race—and that therefore the traditional practice of dual schools segregated on race or unified school districts which are based upon a segregation inside of a single school district, must be corrected when it is mandated by law or is assisted in any way by a governmental agency, be it municipal, county, State or Federal. The effect of that decision since 1954—18 years ago—is extremely profound.

The Supreme Court in its wisdom decided that there was a constitutional violation and for the very first time gave the offending party a reasonable time to correct a violation of a constitutional right that was being denied to millions upon millions of black and white schoolchildren.

I, as perhaps you, was sensitive to the fact that the dimension of this decision would require a certain amount of time to be absorbed, to be followed and put into operation by the school districts across the land. It began, of course, in the South, but the implications now of that one decision hang over every school district in the United States of America. So, we now have a great cry going about the land to somehow modify the implications of that decision.

If the President of the United States can dispose of that decision by merely appointing people of a narrow view to the Supreme Court, and we stand by, giving our Senators no encouragement to inquire into the question of that narrowness, then I think we are doing less than our responsibilities as Members who work closely with that other body.

In other words, I am not prepared to say that the President has the prerogative to pack the Court with people who would turn us away from the Brown decision of 1954 merely because he can name the nominees. I demand that the Senate exercise its responsibilities and examine where the views of these nominees would ultimately take not only the Supreme Court but all of us in the land.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I shall be happy to yield to the gentleman from California.

Mr. CORMAN. I thank the gentleman for yielding and for letting me share with him this special order.

I think there is nothing more important that has come up in this Congress. The gentleman has just stated why the Senate has an awesome obligation to the American people to inquire into the views of anyone who may be elevated to the U.S. Supreme Court.

Our whole history has been one of struggling toward equality for all men, but it has been a slow, painful process and many times a tragic one. Many of us saw the 1954 Supreme Court decision as the last necessary great step toward equality, because it sought to insure young people moving into our public life at the age of 5, a chance of moving into a school that reflected racial justice. Now, regrettably, nearly 18 years later, we still wait for that promised commitment. We have educated a whole generation of Americans without implementing that decision in most of this country.

Certainly we have not implemented it in my own school district in Los Angeles. It is necessary that we look at where we have been and where we are on this issue because, as I say, I think this is the one great step left untaken. Until we get equality for the 5-year-old as he moves into his educational process we cannot expect to make progress in achieving racial justice in this country.

The President who preceded us saw this issue not as a legal nicety, but as a moral necessity, and he directed his efforts toward establishing racial justice in this country on that ground. The incumbent President, as I understand him, says to the American people, "We will do only what the Court requires. We will integrate our public schools only as the Court requires, case by case." The morality of the issue and the necessity of it for all Americans escapes him.

But, then, what else does he do? He says, "And I will do my best to change the Court so it will require nothingness."

And that is the reason that the Senate must look at this particular issue so carefully, and must guard the American people against the President being successful in his efforts to destroy the one part of this Government that can most effectively bring us towards a single society.

We have all suffered through this dual society, some more than others, but always we have moved toward equality, and we cannot move further unless we can integrate the public schools throughout this land, for every American. But full equality will not be realized unless we protect the U.S. Supreme Court from those who are narrow and bigoted. The Senate has twice served that cause. I hope they will again.

I commend the gentleman for taking this special order.

Mr. CONYERS. Mr. Speaker, I want to thank the gentleman from California for a concise commentary. I appreciate that the gentleman has served with great distinction on the Committee on the Judiciary in the House, and continually brings his legal competence to the membership.

Mr. SCHMITZ. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. Yes, I yield to the gentleman.

Mr. SCHMITZ. I would like to direct a question to my colleague, the gentleman from California (Mr. CORMAN) if the gentleman in the well would yield some time to the gentleman to answer. It is only just a point of clarification.

The gentleman from California mentioned that we should protect the Court from those who are narrow and bigoted. Did the gentleman mean that any of the current nominees fit that category? Is the gentleman labeling them either bigoted or narrow?

Mr. CORMAN. Mr. Speaker, will the gentleman yield for a response?

Mr. CONYERS. I yield to the gentleman from California.

Mr. CORMAN. I have not testified before the Senate committee because I do not know whether they are or not. But I do know that that question must be addressed by the Senate. They must look at it very carefully. And if that is their conclusion, if there is any reason for them to believe that the nominees fit that category, that they would frustrate the hopes of Americans to continue to have protection from the U.S. Supreme Court for their 14th amendment rights, then the Senate should reject their nominations.

Mr. SCHMITZ. I thank the gentleman for the clarification.

Mr. CONYERS. Mr. Speaker, I would like to point out to my colleague, and I am delighted that he is on the floor at this time, that I have testified before the Senate Committee on the Judiciary against both of the nominees. I have been extremely careful to avoid the use of labels that are in any way emotional, or would tend to complicate the problem that we are discussing. I claim their unfitness based on their narrowness of view and their failure to understand the magnitude and the direction that our society must go in.

The question of wiretapping is before the U.S. Supreme Court. I have some concern about Mr. Rehnquist's cavalier attitude on that subject.

The question of school desegregation is clearly on the docket of the U.S. Supreme Court.

I disagree most strenuously with Mr. Powell's participation as chairman of the School Board of the State of Virginia in accepting the programs that funded white parents to take their children to private schools to evade the Supreme Court decision—at, incidentally, black taxpayers' expense who were excluded from any such program.

It seems to me, without trying to denominate someone as a bigot or a racist or a segregationist, that the fact of their record must speak for itself as we attempt to make these kinds of evaluations.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman.

Mr. CORMAN. I just want to emphasize again that I do not have enough personal knowledge of the facts and I am pleased that the gentleman in the well did have and that he shared that knowledge with the Senate.

The gentleman was just using the term of narrowness of views. One man's view of one with a narrow mind might make another man's view of a bigot.

I personally must consider a person a bigot if he does not believe little children should be able to go to school together regardless of the color of their skin.

Mr. SCHMITZ. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I will yield further, but first may I point out that what we are doing in this discussion, and in my testimony before the Senate, is not to assume

the brashness to tell the Senate how they ought to vote. I do not stand in the well of this House to instruct them on which way they should cast their vote. I know which way I would cast my vote were I honored to sit in that Chamber. But I asked them to evaluate and to use the rationale that has been constitutionally developed since Alexander Hamilton made the statement that I have already cited in the Federalist papers, that they examine the world views and the outlook of the nominee.

Now if it so happens that a Member in the other body voting on this question is satisfied that he too as a chief executive officer wants someone with a narrow view and he wants someone who will attempt to subvert the Supreme Court decision of 1954, and he wants someone who will not put forth decisions that will eliminate the institutional racism that has existed in America since 1619, then of course he will use the same formula that has been presented here, vote differently from the way this particular Member would if he were in the other body.

I yield to the gentleman from California (Mr. SCHMITZ) if he desires recognition.

Mr. SCHMITZ. I just wanted the gentleman to yield further for a further clarification of what I thought was a clarification from my colleague, the gentleman from California, if he is still in the Chamber, and I would be pleased if he would check me if I am wrong here—his comment seemed to say that he was now convinced one of the Court nominees is a bigot; is that correct?

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman.

Mr. CORMAN. No; I said I do not know of my own knowledge whether they are or not. I gathered from the criteria, and said I thought Mr. CONYERS' language used in the Senate fit them into that category and I also tried to indicate that my very gentle colleague in the well might use the more polite term "narrow view" when in my opinion I might by the same criteria use the word "bigot."

Mr. SCHMITZ. You mean you do say or you did not; is that correct?

Mr. CONYERS. May I ask the gentleman from California (Mr. SCHMITZ) if he has read the statement I presented to the Members of the Senate?

Mr. SCHMITZ. No, I have not.

Mr. CONYERS. That is in connection with Mr. Powell or Mr. Rehnquist?

Mr. SCHMITZ. No, I have not.

Mr. CONYERS. I would be very pleased to provide the gentleman with it. I appreciate the gentleman's concern on this subject. I would be pleased to present myself for any details that he would like to have. Perhaps he will end up sharing my view with me, if he were advised of the same factual material that has come to my attention and which caused me to go to the Senate to testify in the first place.

Mr. SCHMITZ. Do you mean your testimony in the Senate was longer than your 60-minute special order?

Mr. CONYERS. What difference does that make?

Mr. SCHMITZ. I thought you had just about covered the ground very thoroughly here.

Mr. CONYERS. No. As a matter of fact, I have not presented any of my statements in full. I will send them to you. They recite specific material. We have not covered the information. As a matter of fact, if the gentleman thought that he had heard the entire discussion on the merits of the two candidates, then I feel a responsibility to get this material to him as fast as a page can deliver it to his office, because it has not been thoroughly covered.

Mr. SCHMITZ. I would certainly appreciate it, because there has not been anything presented this evening, really, to impress me as far as your case goes.

Mr. CONYERS. There may not be anything in the briefs that will impress the gentleman, but until he has seen them, I would hope he would reserve any final position on the matter, because if he feels as I do, that anyone who would separate young children in America from schools according to race should be prevented from sitting on the Supreme Court, then he might join with me in my opposition to the nominee from the State of Virginia.

Mr. SCHMITZ. Well, you just send it over. I do not know why, if your arguments are so good, you kept them under wraps during your whole hour here.

Mr. CONYERS. They have not been kept under wraps. They were in the CONGRESSIONAL RECORD before. I could cite to the gentleman the page and the date that they appeared in the CONGRESSIONAL RECORD. They have not been under wraps. They have been reported to the media to the extent I have influence in getting my remarks in the media. They have been reported to each and every Member of the U.S. Senate.

I yield to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL. I thank my distinguished colleague for yielding.

I, too, want to join in commending you for your courage and your insight in bringing this matter, not just before this honorable body, but before the Nation.

I would like to remind this House that the crucible for democracy is not during a time of peace and tranquility. The crucible for democracy is during that time when institutions are being tested for their viability and their relevance. It is during that time of tension and stress associated with fast, almost cataclysmic social change, that we have the real crucible for democracy.

The big question that looms before us, not only in connection with the proposed nominations of Mr. Rehnquist and the other candidate, but also with the whole mosaic of American life—the big question is this: How are we going to meet this present crucible? How are we going to meet it? Shall we meet it by closing the doors? Shall we meet it by repression? Shall we meet it by using every technicality possible to just crush dissent and protest?

Some several weeks ago on this floor I spoke briefly about the history of black Americans and other minorities in this country, and I talked about the cycle of utilizing the three branches of Government. There have been times—and I feel we are now in one of those times—when the White House, the executive branch, has been unresponsive to the needs of the blacks, the poor people, and other minorities. There have been other times in the past when that has occurred and we would look to the legislative body for help. Now I fear that just as the executive branch is showing a great deal of callousness and insensitivity in the things to which I have alluded, I find evidences in this very House of the same kind of insensitivity to those things I spoke of, which leaves the poor, the black people, the Chicanos, and other minorities looking to the one thing, that one last citadel of justice that we have, almost inevitably had to turn to, and that has been the Supreme Court of the United States.

I respectfully submit that if indeed these two nominations are approved, then the door to the citadel of justice will be closed to us for perhaps the next 20 or 30 years.

I am further respectfully submitting to the distinguished gentleman, my colleague, and to the Members of this House, that this untoward action on the part of the executive branch in recommending men who do not meet the integrity needs of the U.S. Supreme Court is going to suggest to millions of Americans that the last door is closed to them.

Mr. Speaker, I would then further respectfully suggest that once that realization is spread out across this Nation, it must then be the responsibility of the Chief Executive of this Nation to deal with the byproduct, the aftermath of that realization.

Mr. Speaker, I do commend the gentleman again, and I am very, very proud to associate myself with his remarks.

Mr. CONYERS. Once again the gentleman from Maryland has summed up the frustrations that are visible in the black communities across this Nation. I would add only this to his excellent narration, which is: Does the gentleman not feel that there will be some additional disappointment if the Members of the Senate casually ratify these nominations? It is one thing for the Chief Executive Officer to disappoint us, but I think we reach a new level of disillusionment if our colleagues in the other body do not carefully scrutinize the basis upon which we raise these objections?

In other words, I think there will be an additional pessimism if we do not have Members in that body who are willing to examine the questions we raise.

Mr. HELSTOSKI. Mr. Speaker, I wish to thank my distinguished colleague from Michigan for this opportunity to express my strong opposition to the nomination and possible appointment of William H. Rehnquist to be an Associate Justice of the Supreme Court.

I realize that Mr. Rehnquist is reputedly of superior intelligence: however, intelligence is but one of many qualities required of those who serve on the Supreme Court. His deficiencies in the remaining areas, if I may be permitted an understatement, are greatly disquieting.

Our legislative efforts in the civil rights field must have the cooperation of the Supreme Court for enforcement. Yet, Mr. Rehnquist admitted he opposed a public accommodations law in 1964 because he failed to comprehend "the strong concern that minorities have for the recognition of their rights." The Supreme Court understood this concern and gave this recognition in the area of education 10 years earlier. This concern was quite evident to most Americans, though belatedly, in the 1950's and early 1960's. I find Mr. Rehnquist's oversight reprehensible, and only wonder what could happen if he were serving on the Supreme Court and he were again subject to such a misunderstanding about civil rights.

While Mr. Rehnquist's civil rights record is unacceptable, I am also deeply concerned about his attitude toward the first amendment. Certainly, he seems to feel that the Government's desire to secure information about individuals' private lives takes precedence over their right to privacy. I would hate to think that Mr. Rehnquist does not understand the "strong concern" American citizens have for preserving their privacy. Yet, his record as the Justice Department's chief spokesman for undermining the Bill of Rights leads me to this conclusion.

The civil liberties guaranteed by our Constitution are under constant attack and are seriously endangered today. We must be able to depend on the Supreme Court to defend these liberties. Freedom to assemble peacefully, the right to privacy, free speech, and freedom of the press must be vigorously protected. When these foundations of democratic government are involved in cases before the Supreme Court, participants in the drafting of the Court's decisions should not include one who feels that property rights and bureaucratic whims outweigh human rights. This unfortunate matrix of values is the underpinning of Mr. Rehnquist's legal philosophy.

I should, therefore, urge the Members of the other body to deny their consent to this nomination and advise the administration to propose a more openminded nominee, conversant with the Supreme Court's responsibility to recognize and protect the civil rights and civil liberties of American citizens.

Mr. STOKES. Mr. Speaker, it disturbs me greatly that we must again discuss the fitness of a nominee for the Supreme Court. It would seem that before nomination a candidate would be so carefully screened that we would have little to discuss other than differences in philosophy.

Many very serious and very basic questions have been raised about the fitness of William H. Rehnquist. Few of us here would generally agree with the legal philosophy of either Mr. Rehnquist or Mr. Powell. With respect to Mr. Rehnquist, however, my reservations go beyond mere philosophical differences.

Since his nomination, Mr. Rehnquist's long record of consistent, aggressive efforts to restrict or deny the civil rights and civil liberties of individuals and groups has been revealed.

It was said that "Caesar's wife must be above suspicion." A Supreme Court nominee's commitment to the general principles of the Bill of Rights and the 14th amendment must be indisputable. Nine Justices of the Court agreed on the general principles of the Brown decision to eliminate racial segregation of schools. Many decisions of the Warren Court were by 5-to-4 votes, but no one could question the basic commitment of the four dissenters to the principles of personal liberty.

That cannot be said of William Rehnquist. His record indicates a strong commitment to the limitation of individual rights. He has publicly manifested the belief that property rights outweigh civil rights by opposing civil rights legislation. He has shown a lack of concern about government invasion of privacy and a severely limited view of the right of free speech. If it could be said that his positions appear to have been reached after a careful evaluation of the facts in each particular situation, his fitness might be defensible. His record, however, indicates an adamant, dogmatic view of the problems of society in which there is precious little room for considerations of individual rights. In virtually all situations, political expediency seems to have outweighed human rights in Mr. Rehnquist's scale of values.

Because of his record and his apparent inability or unwillingness to carefully consider civil liberties matters, he is wholly unfit to serve as an Associate Justice of the Supreme Court. I hope that the Senate will again demonstrate its wisdom by rejecting him as it has rejected two of President Nixon's prior nominees.

Mrs. ABZUG. Mr. Speaker, I rise to voice my strong opposition to the nominations of Lewis Powell and William Rehnquist to the Supreme Court. While both men may be legally qualified for the Court, their philosophical leanings make them completely unacceptable.

I need not remind my colleagues of the importance of an independent and progressive Court. We have seen in recent years a dangerous rise in the power of the executive branch of Government as Congress has repeatedly and continuously refused to assert its vital constitutional role. Are we now going to approve of a Court that is also to be subordinate to the executive? If we approve the appointments of William Rehnquist and Lewis Powell, where will we turn for some kind of control or limitation on the excesses of the executive?

The record of the Burger Court has already been described as a catastrophe by an official of the American Civil Liberties Union. The Court's ruling on the Pentagon papers, upholding freedom of the press by the narrowest of margins and for the narrowest of reasons, may well be the last vote for the Bill of Rights that we may expect from the Court for many years.

If the appointment of William Rehnquist is approved, the Court may be thrown decisively into the right wing. The Bill of Rights may no longer be honored as the law of the land. Mr. Rehnquist's service in the Justice Department has seen such innovations as investigations of television commentators, mass arrests, and the detention of thousands of innocent people, the reviving of the Subversive Activities Control Board, and the dragging of Americans before grand juries on fake conspiracy charges.

Under the Constitution, the Senate must give its advice and consent to appointments to the Supreme Court. It is certainly not required to acquiesce to the appointment of men whose philosophical and political views would undermine the Bill of Rights, a living and vital part of our Constitution.

Both Lewis Powell and William Rehnquist represent those forces that many of us have been fighting for years. We have fought for years to defend the rights of the powerless and to gain for all our brothers and sisters equality under the law. Are we now going to support men who would turn back the clock, men whose records have shown them to be at best negligent on the question of equality for the blacks and at worst to be philosophical racists?

I believe the nature of Mr. Nixon's appointments provide ample reason for the Senate to refuse to give its consent, but there are other grounds as well. I believe the time is due, in fact long overdue, for the President to appoint a woman to the Supreme Court, and the highest priority should be given to that. The Senate has an opportunity to begin to undo the discrimination against women. It should let it be known that the President has an obligation to appoint a woman to the Supreme Court.

I urge this source not only out of an abstract sense of justice. I believe it is a necessity if the very important women's rights issues that are beginning to come before the High Court are to receive proper consideration.

The demand for a woman on the Supreme Court has come from women's groups all over the country, including the National Women's Political Caucus. We in the caucus submitted to the White House a list of 10 distinguished women who were highly qualified. The President chose to play a game of hide and seek with these demands. By secretly hinting that he was considering a woman who was found by the American Bar Association to be totally unqualified he implied that in all of the United States there was not a woman good enough to be on the Court. The real problem, of course, was that he could not find one bad enough.

It is shocking that in our 190-year history we have not had a woman on the Supreme Court. It is unforgivable for us to allow this situation to continue.

When I first heard President Nixon's statement that he was going to ignore the modified Mansfield amendment which he had just signed into law, my first reaction was that we should go to court—all the way to the Supreme Court, if necessary—to challenge the constitutionality of his action; after all, the Constitution requires him to "take care that the laws be faithfully executed." And then I thought about it again. When Mr. Nixon gets through with the Court, will any of us retain any faith in its wisdom, its inde-

pendence, its objectivity or its devotion to constitutional liberties? Will anyone want to risk placing his rights at the disposal of Nixon's "yes-men"?

If the appointments of William Rehnquist and Lewis Powell are approved, I shudder for the future of our cherished Bill of Rights. I hope that the Senate will come to its senses and decline to confirm these two nominees.

Mr. RYAN. Mr. Speaker, I commend my distinguished colleague from Michigan (Mr. CONYERS) for taking this time so that Members of the House of Representatives may comment upon the pending Supreme Court nominations. Although only the Senate—and not the House—will vote on the question of confirmation, it is important that our views be made known and recorded.

The nominations of William Rehnquist and Lewis Powell to the Supreme Court are part of the larger problem of the President's approach to Supreme Court appointments. Unfortunately, the President has used his appointive powers in an effort to overturn or undercut landmark decisions in areas of civil rights and criminal procedure which were developed during the years of the Warren court.

Predictably, these decisions of the Warren court offended reactionary and antilibertarian elements in our society, whom President Nixon has sought to appease through his nominations to the Supreme Court. In so doing, he is making good on a campaign promise, when in 1968 he made the Court a political issue.

In May of 1968, Mr. Nixon said:

There are two important things I would consider in selecting a replacement to the Court:

First, since I believe in a strict interpretation of the Supreme Court's role, I would appoint a man of similar philosophical persuasion.

Second, recent court decisions have tended to weaken the peace forces, as against the criminal forces, in this country. I would therefore want to select a man who was thoroughly experienced and versed in the criminal law and its problems.

The Congress and the country have been subject to great stresses as a result of the President's attempt to make good on his rhetoric. We have had the Haynsworth and the Carswell fiascos. Even the nomination of Mr. Justice Blackmun was accompanied by bitter talk from the White House that a southerner could not be confirmed by the Senate.

And now again, the Senate is faced with nominations which are not calculated to advance the gains of the past but rather to turn back the clock.

Thus in addition to the question of the individual qualifications of William Rehnquist and Lewis Powell, there is the larger issue of President Nixon's attempt to reshape the Supreme Court and overturn historic decisions which have upheld equal rights and which have brought a measure of justice to this country's sadly floundering system of criminal law.

It may be understandable that the President seeks to appoint Supreme Court justices who will approach the great questions before the Court from a conservative viewpoint. But it is regrettable that he has failed to recognize that the Supreme Court stands as a special guardian of our liberties and that its members must be more than technically competent lawyers. They must have depth and insight and understanding of the great problems that beset this country.

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A NOTE ON SENATORIAL CONSIDERATION OF SUPREME COURT NOMINEES

(By Charles L. Black, Jr.) *

If a President should desire, and if chance should give him the opportunity, to change entirely the character of the Supreme Court, shaping it after his own political image, nothing would stand in his way except the United States Senate. Few constitutional questions are then of more moment than the question whether a Senator properly may, or even at some times in duty must, vote against a nominee to that Court, on the ground that the nominee holds views, which, when transposed into judicial decisions, are likely, in the Senator's judgment, to be very bad for the country. It is the purpose of this piece to open discussion of this question; I shall make no pretense of exhausting that discussion, for my own researches have not proceeded far enough to enable me to make that pretense.[1] I shall, however, open the discussion by taking, strongly, the position that a Senator, voting on a presidential nomination to the Court, not only may but generally ought to vote in the negative, if he firmly believes, on reasonable grounds, that the nominee's views on the large issues of the day will make it harmful to the country for him to sit and vote on the Court, and that, on the other hand, no Senator is obligated simply to follow the President's lead in this regard, or can rightly discharge his own duty by so doing.

I will open with two prefatory observations.

First, it has been a very long time since anybody who thought about the subject to any effect has been possessed by the illusion that a judge's judicial work is not influenced and formed by his whole lifeview, by his economic and political comprehensions, and by his sense, sharp or vague, of where justice lies in respect of the great questions of his time. The *loci classici* for this insight, now a platitude, are in such writers as Oliver Wendell Holmes, Jr., Felix Frankfurter, and Learned Hand. It would be hard to find a well-regarded modern thinker who asserted the contrary. The things which I contend are both proper and indispensable for a Senator's consideration, if he would fully discharge his duty, are things that have definitely to do with the performance of the judicial function. The factors I contend are for the Senator's weighing are factors that go into composing the quality of a judge. The contention that they may not properly be considered therefore amounts to the contention that some things which make a good or bad judge may be considered—unless the Senator is to consider nothing—while others may not.

Secondly, a certain paradox would be involved in a negative answer to the question I have put. For those considerations which I contend are proper for the Senator are considerations which certainly, notoriously, play (and always have played) a large, often a crucial, role in the President's choice of his nominee; the assertion, therefore, that they should play no part in the Senator's decision amounts to an assertion that the authority that must "advise and consent" to a nomination ought not to be guided by considerations which are hugely important in the making of the nomination. One has to ask, "Why"? I am not suggesting now that there can be no answer; I only say that an answer must be given. In the normal case, he who lies under the obligation of making up his mind whether to advise and consent to a step considers the same things that go into the decision whether to take that step. In the normal case, if he does not do this, he is derelict in his duty.

I have called this a constitutional question, and it is that (though it could never reach a court), for it is a question about the allocation of power and responsibility in government. It is natural, then, for American lawyers to look first at the applicable text, for what light it may cast. What expectation seems to be projected by the words, "The President . . . shall nominate, and by and with the Advice and Consent of the Senate shall appoint . . . Judges of the Supreme Court . . . ."?[2] Do these words suggest a rubber-stamp function, confined to screening out proven malefactors? I submit that they do not. I submit that the word "advice," unless its meaning has radically changed since 1787, makes next to impossible that conclusion.

Procedurally, the stage of "advice" has been short-circuited.[3] Nobody could keep the President from doing that, for obvious practical reasons. But why should this procedural short-circuiting have any effect on the *substance* so strongly suggested by the word "advice"? He who merely *consents* might do so perfunctorily, though that is not a necessary but merely a possible gloss. He who *advises* gives or withholds his advice on the basis of *all* the relevant considerations bearing on decision. Am I wrong about this usage? Can you conceive of sound "advice" which is given by an advisor who has deliberately barred himself from considering some of the things that the person he is advising ought to consider, and does consider? If not, then can the Presidents, by their unreviewable short-circuiting of the "advice" stage, magically have caused to vanish the Senate's responsibility to consider what it must surely consider in "advising"? Or is it not more reasonable to say that, in deciding upon his vote at the single point now left him, every Senator ought to consider everything he would have considered if, procedurally, he were "advising"? Does not the word "advice" permanently and inescapably define the *scope* of Senatorial consideration?

It is characteristic of our legal culture both to insist upon the textual reference-point, and to be impatient when much is made of it, so I will leave what I have said about this to the reader's consideration, and pass on to ask whether there is anything else in the Constitution itself which compels or suggests a restriction of Senatorial consideration to a few rather than to all of the factors which go to making a good judge. I say there is not; I do not know what it would be. The President has to concur in legislation, unless his veto be overridden. The Senate has to concur in judicial nominations. That is the simple plan. Nothing anywhere suggests that some duty rests on the Senator to vote for a nomination he thinks unwise, any more than that a duty rests on the President to sign bills he thinks unwise.

Is there something, then, in the whole structure of the situation, something unwritten, that makes it the duty of a Senator to vote for a man whose views on great questions the Senator believes to make him dangerous as a judge? I think there is not, and I believe I can best make my point by a contrast. The Senate has to confirm—advise and consent to—nominations to posts in the executive department, including cabinet posts. Here, I think there is a clear structural reason for a Senator's letting the President have pretty much anybody he wants, and certainly for letting him have the people of any political views that appeal to him. These are his people; they are to work with him. Wisdom and fairness would give him great latitude, if strict constitutional obligation would not.

Footnotes at end of article.

Just the reverse, just exactly the reverse, is true of the judiciary. The judges are *not* the President's people. God forbid! They are not to work with him or for him. They are to be as independent of him as they are of the Senate, neither more nor less. Insofar as their policy orientations are material—and, as I have said above, these can no longer be regarded as immaterial by anybody who wants to be taken seriously, and are certainly not regarded as immaterial by the President—it is just as important that the Senate think them not harmful as that the President think them not harmful. If this is not true, why is it not? I confess here I cannot so much as anticipate a rational argument to which to address a rebuttal.

I can, however, offer one further argument tending in the same direction. The Supreme Court is a body of great power. Once on the Court, a Justice wields that power without democratic check. This is as it should be. But is it not wise, before that power is put in his hands for life, that a nominee be screened by the democracy in the fullest manner possible, rather than in the narrowest manner possible, under the Constitution? He is appointed by the President (when the President is acting at his best) because the President believes his world-view will be good for the country, as reflected in his judicial performance. The Constitution certainly permits, if it does not compel, the taking of a second opinion on this crucial question, from a body just as responsible to the electorate, and just as close to the electorate, as is the President. Is it not wisdom to take that second opinion in all fullness of scope? If not, again, why not? If so, on the other hand, then the Senator's duty is to vote on his whole estimate of the nominee, for that is what constitutes the taking of the second opinion.

Textual considerations, then, and high-political considerations, seem to me strongly to thrust toward the conclusion that a Senator both may and ought to consider the lifeview and philosophy of a nominee, before casting his vote. Is there anything definite in history tending in the contrary direction?

In the Constitutional Convention, there was much support for appointment of judges *by the Senate alone*—a mode which was approved on July 21, 1787,[4] and was carried through into the draft of the Committee of Detail.[5] The change to the present mode came on September 4th, in the report of the Committee of Eleven[6] and was agreed to *nem. con.* on September 7th.[7] This last vote must have meant that those who wanted appointment by the Senate alone—and in some cases by the whole Congress—were satisfied that a compromise had been reached, and did not think the legislative part in the process had been reduced to the minimum. The whole process, to me suggests the very reverse of the idea that the Senate is to have a confined role.

I have not reread every word of *The Federalist* for this opening-gun piece, but I quote here what seem to be the most apposite passages from Number 76 and 77:

"But might not his nomination be overruled? I grant it might, yet this could only be to make place for another nomination by himself. The person ultimately appointed must be the object of his preference, though perhaps not in the first degree. It is also not very probable that his nomination would often be overruled. The Senate could not be tempted, by the preference they might feel to another, to reject the one proposed; because they could not assure themselves, that the person they might wish would be brought forward by a second or by any subsequent nomination. They could not even be certain, that a future nomination would present a candidate in any degree more acceptable to them; and as their dissent might cast a kind of stigma upon the individual rejected, and might have the appearance of a reflection upon the judgment of the chief magistrate, it is not likely that their sanction would often be refused, where there were not special and strong reasons for the refusal.

"To what purpose then require the cooperation of the Senate? I answer, that the necessity of their concurrence would have a powerful, though, in general, a silent operation. It would be an excellent check upon a spirit of favoritism in the President, and would tend greatly to prevent the appointment of unfit characters from State prejudice, from family connection, from personal attachment, or from a view to popularity. In addition to this, it would be an efficacious source of stability in the administration.

"It will be readily be comprehended, that a man who had himself the sole disposition of offices, would be governed much more by his private inclinations and interests, than when he was bound to submit the propriety of his choice to the discussion and determination of a different and independent body, and that body an entire branch of the legislature. The possibility of rejection would be a strong motive to care in proposing. The danger to his own reputation, and, in the case of an elective magistrate, to his political existence, from betraying a spirit of favoritism, or an unbecoming pursuit of popularity, to the observation of a body whose opinion would have great weight in forming that of the public, could not fail to operate as a barrier to the one and to the other. He would be both ashamed and afraid to bring forward, for the most distinguished or lucrative stations, candidates who had no other merit than that of coming from the same State to which he particularly belonged, or of being in some way or other personally allied to him, or of possessing the necessary insignificance and pliancy to render them the obsequious instruments of his pleasure.[8]

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"If it be said they might sometimes gratify him by an acquiescence in a favorite choice, when public motives might dictate a different conduct, I answer, that the instances in which the President could be personally interested in the result, would be too few to admit of his being materially affected by the compliances of the Senate. The *power* which can *originate* the disposition of honors and emoluments, is more likely to attract than to be attracted by the *power* which can merely obstruct their course. *If by influencing the President be meant restraining him, this is precisely what must have been intended* [emphasis supplied]. And it has been shown that the restraint would be salutary, at the same time that it would not be such as to destroy a single advantage to be looked for from the uncontrolled agency of that Magistrate. The right of nomination would produce all the good of that of appointment, and would in a great measure avoid its evils."[9]

I cannot see, in these passages, any hint that the Senators may not or ought not, in voting on a nominee, take into account anything that they, as serious and public-spirited men, think to bear on the wisdom of the appointment. It is predicted, as a mere *probability*, that Presidential nominations will not often be "overruled." But "special and strong reasons," thus generally characterized, are to suffice. Is a Senator's belief that a nominee holds skewed and purblind views on social justice not a "special and strong reason"? Is it not as "special and strong" as a Senator's belief that an appointment has been made "from a view to popularity"—a reason which by clear implication *is* to suffice as support for a negative vote? If there is anything in *The Federalist Papers* neutralizing this inference, I should be glad to see it.

When we turn to history, the record is, as always, confusing and multifarious. One can say with confidence, however, that a good many nominations have been rejected by the Senate for repugnancy of the nominee's views on great issues, or for mediocrity, or for other reasons no more involving moral turpitude than these. Jeremiah Sullivan Black, an eminent lawyer and judge, seems to have been rejected in 1861 because of his views on slavery and secession.[10] John J. Crittenden was refused confirmation in 1829 on strictly partisan grounds.[11] Wolcott was rejected partly on political grounds, and partly on grounds of competence, in 1811.[12] There is the celebrated Parker case of this century.[13] The perusal of Warren[14] will multiply instances.

I am very far from undertaking any defense of each of these actions severally. I am not writing about the wisdom, on the merits, of particular votes, but of the claim to historical authenticity of the supposed "tradition" of the Senators' refraining from taking into account a very wide range of factors, from which the nominees' views on great public questions cannot, except arbitrarily, be excluded. Such a "tradition," if it exists, exists somewhere else than in recorded history. Of course, all these instances may be dismissed as impropriéties, but then one must go on and say why it *is* improper for the Senate, and each Senator, to ask himself, before he votes, *every* question which heavily bears on the issue whether the nominee's sitting on the Court will be good for the country.

I submit that this "tradition" is just a part of the twentieth-century mystique about the Presidency. That mystique, having led us into disastrous undeclared war, is surely due for reexamination. I do not suggest that it can be or should be totally rejected. I am writing here only about a little part of its consequences.

To me, there is just no reason at all for a Senator's not voting, in regard to confirmation of a Supreme Court nominee, on the basis of a full and unrestricted review, not embarrassed by any presumption, of the nominee's fitness for the office. In a world that knows that a man's social philosophy shapes his judicial behavior, that philosophy is a factor in his fitness. If it is a philosophy the Senator thinks will make a judge whose service on the Bench will hurt the country, then the Senator can do right only by treating this judgment of his, unencumbered by deference to the President's, as a satisfactory basis in itself for a negative vote. I have as yet seen nothing textual, nothing structural, nothing prudential, nothing historical, that tells against this view. Will someone please enlighten me?

FOOTNOTES

*Henry R. Luce Professor of Jurisprudence, Yale University, B.A. 1935, M.A. 1938, University of Texas; LL.B. 1943, Yale.

[1] I shall not provide this discussion with an elaborate footnote apparatus. I am sorry to say that I cannot acknowledge debt, for I am writing from my mind; experience teaches that, when one does this, one unconsciously draws on much reading consciously forgotten; for all such obligations unwittingly incurred I give thanks. I have had the benefit of discussion of many of the points made herein with students at the Yale Law School, of whom I specifically recollect Donald Paulding Irwin; I have also had the benefit of talking to him about the piece after it was written.

HARRIS, THE ADVICE AND CONSENT OF THE SENATE (1953) came to my attention and hands after the present piece had gone to the printer. This excellent and full account of the entire function would doubtless have fleshed out my own thoughts, but I see nothing in the book that would make me alter the position taken here, and I hope a single-shot thesis like the present may be useful.

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[1] U.S. CONST. art. II, § 2, cl. 2.

[2] Even this short-circuiting is not complete. First, the President's "appointment," *after* the Senate's action, is still voluntary (Marbury v. Madison, 5 U.S. (1 Cranch) 137, 155 (1803)), so that in a sense the action of the Senate even under settled practice may be looked on as only "advisory" with respect to a step from which the President may still withdraw. Secondly, nominations are occasionally withdrawn after public indication of Senate sentiment (and probable action) which may be thought to amount to "advice."

[3] 3 RECORDS OF THE FEDERAL CONVENTION OF 1787, at 83 (M. Farrand ed. 1911).

[4] *Id.* at 132, 146, 155, 169, 183.

[5] *Id.* at 498.

[6] *Id.* at 539.

[7] THE FEDERALIST No. 76, at 494–95 (Modern Library 1937) (Alexander Hamilton).

[8] *Id.* No. 77, at 498 (Alexander Hamilton).

[9] 2 C. WARREN, THE SUPREME COURT IN UNITED STATES HISTORY 364 (rev. ed. 1926).

[10] 1 *id.* at 704.

[11] *Id.* at 413.

[12] L. PFEFFER, THIS HONORABLE COURT, A HISTORY OF THE UNITED STATES SUPREME COURT 288 (1965).

[13] C. WARREN, THE SUPREME COURT IN UNITED STATES HISTORY (rev. ed. 1926).

CHILD DEVELOPMENT PROGRAM

The SPEAKER pro tempore (Mr. HOLIFIELD). Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER), is recognized for 60 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, it is fitting as this body prepares to consider the conference report on S. 2007, which includes child development program provisions, that we put our ear to the ground for a moment.

As an early and persistent supporter of Federal funding for children's day-care centers, as provided for in this legislation, I took the question directly to the people recently. And they responded.

On November 15, I held a hearing in the city of Fall River in my congressional district to elicit from the community an expression of opinion and sentiment on the need for a Federal day-care program.

Parenthetically, may I say that there were a number of people without whose extraordinary effort and dedication the hearing would not have been possible. Permit me to thank them publicly, people like Joan Reid, Tom Nerney, Alice Holmes, Joe Welch, Al Dyson, and many, many more whose contributions were incalculable.

More than 650 people attended. And they represented almost every walk of life and segment of society in the city. They ranged all across the spectrum from the Chamber of Commerce to organized labor. There were private individuals, working mothers, management groups, school officials, civic organizations, public officials, community leaders, social welfare workers.

The feeling, spoken and unspoken, was unanimous: They favor the concept of quality day care in adequate facilities for the children of women who need or want such care. So pervasive was the endorsement of the idea that one of the waitresses at the restaurant in which the meeting was held put down her tray and took up the microphone to express her support for it as a working mother.

Fall River is an industrial city with a large Portuguese population and a high percentage of working women, many of whom are the sole support of their families. The need there for quality day care is very real. At the same time, I feel that it is not unlike a great many other American cities, so I believe it is fair to say that the outpouring of approval for this kind of program can be construed to be somewhat representative of the rest of the country.

If that is true, then when we listen to Fall River, we hear America.

I urge the other body, I urge this body, and I urge the President to listen and to respond to the people's need.

Herewith then is their voice, recorded in a transcript of the hearing on day care held November 15, 1971, in Fall River, Mass.:

A TRANSCRIPT OF THE PROCEEDINGS AND TESTIMONY AT THE CHILD DAY-CARE HEARINGS CONDUCTED IN FALL RIVER, MASS., ON NOVEMBER 15, 1971, UNDER THE SPONSORSHIP OF THE HONORABLE MARGARET M. HECKLER, CONGRESSWOMAN FROM THE 10TH CONGRESSIONAL DISTRICT OF MASSACHUSETTS

Good evening, my name is Tom Nerney, and I would like to welcome all of you on behalf of the many public agencies, business, labor, and community groups who have been working on this hearing because of their continued interest in the Child Development Act. The purpose, then, of tonight's meeting is to solicit your ideas on the merits of this Bill with the hope of developing a case for the unique need that exists in the City of Fall River. The format for tonight's hearing will include both spoken testimony and questions regarding the Bill. The details and guidelines for carrying this out will be mentioned in a short while. First, however, I would like to introduce your Congresswoman who has spent years developing grass-roots support for quality Day Care Centers. She is here this evening to speak briefly and then to listen, to listen in order that she may present to Congress what should turn out to be the culmination of that grass roots effort,—Mrs. Heckler.

Thank you very much, Tom Nerney, and our visiting experts, who are gracious enough to spend the evening with us in Fall River, and Friends:

I really am delighted tonight that all of you could fit this meeting into your busy schedule. Even more than that, your presence tonight signifies to me, and I am sure to our panelists, and will, to those in Congress to whom I will present my Report, evidence of the true grass roots feeling about the subject of Day Care.

Obviously, Day Care is concerned with the problems of the working mother. Day Care is the concern of the working father as well. As a working mother myself, I appreciate the point of view of those who care about how their children will be treated and how they will grow and learn while they are not at home. But beyond the subject of the personal interest of the individual, be it of the father or mother, there is the subject of the concern of the community for its own future, and for its children, and that is the subject of the whole Day Care movement, the concern for children, who are, of course, the bedrock and future of any community.

This meeting tonight would not have been possible without all of you, and I have never seen a broader spectrum of community concern or community involvement—labor, business, the Chamber of Commerce, the unions, tenants, tenant organizations, landlords, the Welfare Department, the Four C's Committee, the schools, private industry, Head Start, the League of Women Voters, the universities, Bristol Community College, S.M.U., private day care center operators, and mostly interested citizens.

We are really privileged tonight to have with us experts in the field from the Federal Government, and representing our State Government. I feel it is a singular honor. I would like to introduce at the outset Mrs. Marjorie N. Elston, who is the Special Assistant to the Director of the Office of Child Development in the Department of Health, Education, and Welfare, who came from Washington with me to be here. Mrs. Elston, would you please stand up so all will know who you are? And representing the regional office of the Office of Child Development, again the Department of Health, Education, and Welfare, Mrs. Willa Webb. Mrs. Webb, would you stand up? From the Governor's Task Force on the Commission of Women, particularly in the area of Child Care, I would like to present Mrs. Jean Cimarosa. You shall hear more from all of these ladies a little bit later.

The actual reason, I believe, for the meeting tonight is the imminence, hopefully, and I speak with cautious optimism, of the forthcoming passage of Day Care legislation. I have been working in this area for the past three years, and happen to have been on a Task Force which devised and drafted over a long period of time the Comprehensive Child Development Act. This Act went through the usual legislative turmoil, and after being considered by the appropriate committee on the House side of the Congress, was adopted as an amendment to the War on Poverty authorization bill, and, as a result of this, the War on Poverty now has the Child Development Act as one of its amendment.

Now, this was not the legislative scenario I would have preferred. I would have preferred to see the Child Development Act come out on its own and be considered as a separate piece of legislation. However, the outcome was, in the opinion of those involved, the best way to get passage of the bill, and consequently it was supported on the House side, and a different version of a similar bill was proposed and passed in the Senate. As we meet tonight, the present status of this bill is that the conferees representing both the House and Senate are still considering and pouring over what will be their compromise between the House and Senate versions.

There are a number of different items in the two pieces of legislation, but the fact of the matter is that both focus on Child Development. As I understand it, the Child Development provisions of the OEO bill are not presently the subject of dispute. The dispute has been ironed out. However, there is another section of the total piece of legislation dealing with Legal Services, which is presently the subject of controversy, and we are hoping that the conferees will be able to reach accord on the Legal Services, so that we will see the passage of the total OEO bill, with the Child Development Act. Actually, the Comprehensive Child Development program, as we suggested, included a very broad range of services, health, education, social services.

The program was not designed to force mothers with children to work, and, as a matter of fact, it is not a substitute for mother love. It is an adjunct or an extension of mother love, and it is an attempt on the part of the Congress to give the working mother the peace of mind she needs not only to be a good mother, but to be effective in her job. For those who wish to participate in the Child Development Program, this legislation is designed to improve the opportunities for their success both in their jobs and in their roles as parents. Obviously, the success of a parent must involve the participation and contribution of the parent. So the Child Development Act envisions a partnership of parents, community, state, and local governments.

Some of the funds which will be provided under the program will go for varying activities, for planning and development of programs, for maintaining programs in the areas of physical and mental health and development, and for food and nutritional services, for maintenance, and construction, and acquisition of facilities, and the necessary equipment and supplies. For programs for children with special needs, children with special problems, and with special emphasis for children from families of bi-lingual parents, where more than one language is spoken in the home, so that these children will develop skills in language that will make their education in the school system easier.

The funds will also be used for medical, psychological and educational diagnosis of problems which children in certain areas may have, or individual children may suffer from. And this is just a very brief sketch of the total range of services, and this is a brief analysis of the scope of the Bill, which is entitled, quite appropriately, I think, the Comprehensive Child Development Bill.

Obviously, we are not trying to create a Federal baby-sitter. What we are trying to do is to provide adequate supervision for children which considers and balances the total needs of the child with a view toward development of the child as a member of the community and society itself.

This legislation is very, very close to fruition. I am an optimist, and would say quite frankly that I believe we are going to see Child Development legislation passed in this session of Congress. But, should my crystal ball prove a bit cloudy, nonetheless, our hearing tonight will be extremely valuable because if it does not pass this year, we begin to work January 1st next year, and we will continue with this effort until we see this legislation pass.

Before this legislation is implemented, whenever the passage date is, whether it is two weeks from now, two months from now, six months from now, we are equally concerned with its implementation. The Congress proposes. The Executive disposes. We have representatives from the Executive Branch, from the Department of Health, Education, and Welfare.

Before the Executive Branch disposes of the funds which will be appropriated for this program, I thought it would be appropriate and helpful both to me as your Representative, and to you as concerned citizens, and to representatives of the Executive Branch who are here tonight to hear from the people. Too often in the past we have passed programs and later learn, in the implementation, without really placing the blame on any individual, with the best intentions in the world, that programs with idealistic goals fail to achieve their expectations or their promises.

And now, before our expectations are too great, it is the appropriate time to question what type of legislation, and how this particular legislation can best be implemented. This is really why I called upon all of you to come to this hearing tonight. We want to hear from parents and community leaders. We want to get the guidelines from those who will live with the legislation.

During the Senate consideration of this Bill, I was really impressed with the statement made by a member of the Amalgamated Clothing Workers. As you know, in Fall River, Amalgamated has really been a leader in this effort, and the Ladies Garment Workers has as well. The Amalgamated Clothing Workers Union has a number of Day Care Centers, four in the Baltimore area alone, and they have had a great deal of experience. I thought the experience of this witness, and her testimony, particularly apt. As she said, during her day hours, she might make a mistake on a garment, but, if she did, the stitches could be ripped out, the seams could be replaced, it could be redone without any mistake in the final product. But we are working on children. It is not so easy to redo them.

I think we recognize this, that we are dealing with children, and consequently, before we start to plan another Federal program, and before we appropriate Federal funds for the finest ideals, the development of the American child, I think it is quite appropriate to give some time to know how you feel. We need to hear from you. What do you prefer in terms of child care? What are you looking for? What are your needs? You need to tell us how much you can afford to pay, because obviously the Federal program is not going to cover the total costs of the Day Care for every mother. There will be a contribution from those who can afford to pay, but what should a reasonable contribution be? Obviously, you need to tell us the kind of care you expect, and obviously we need to provide training for those who will be involved in the Child Care Program.

I think it is very obvious that in the City of Fall River with the working women who are so vitally necessary to the economy, and whose salaries are so necessary to their families' benefit, that, with this number of working women, and their children, for whose care we are placing a great responsibility under this program, we need to provide answers to these questions. At this point in our history, when we consider Child Care Programs, obviously we should come to Fall River. We should come to you, and so I think this is the point of the meeting this evening. It is not a question of the Federal Government coming in with a Big Sister, Big Mother program to replace the American mother. We could never do that, nor do we wish to.

But how can we help the American mother who wishes to, or who has to go to work, how can we help her see to it that she has peace of mind and the security of knowing that her children are being taken care of. This is our opportunity to shape and control a program that has not yet been implemented, or, in fact, passed by the Federal Government. It is really a very unique moment. And as we consider the problems of our society, and the new roles of men and women, and the new responsibilities that we see ahead, we see a society which is changing almost faster than we can grasp it and cope with these changes. So, for this moment, let us stop—and pause—and reconsider how can we reshape and direct the lives and development of the children in the Fall River area so that their lives will be effective, so that they will fulfill their potential. This responsibility belongs to each and every one of us. I accept my share as your voice in Washington. However, I ask for your guidance, and I will be listening tonight.

Mr. NERNEY. This is a public hearing. That means that everyone is invited to participate. However, the testimony you would like to give, we would like to limit to five minutes, so that everyone who wishes will have a chance to talk. We will limit this portion of the program to about an hour, perhaps a little longer. Afterwards, there will be a recess of 3 or 4 minutes. During this time, you will have the opportunity to write out your questions if you wish, and we will answer them from the table up here, or you can offer the questions from the microphone if you prefer. Those of you who wish to testify, or to give us your ideas or present your problems, your needs, would you approach the microphone, and line up.

Mr. Al Dyson has requested permission to speak first because he has to leave. If anybody else is in that position, why don't you approach the microphone at an early time. Thank you.

Mr. DYSON. Congresswoman Heckler, Distinguished Guests at the Head Table, and Ladies and Gentlemen: I want to first thank you for the opportunity of speaking first. I have a Selectmen's meeting that I have to attend, and I am about an hour late now. However, in speaking as the manager of the Textile Workers Union, and President of the United Labor Council, and for the Board of Selectmen in Westport, I would like to go on record in favor of the passage of this Bill and we hope that you, as our Congresswoman, will do everything in your power to see that this Bill is passed. We realize that in Fall River there are many, many people in industry, from the Amalgamated Clothing Workers and the Lady Garment Workers, but not only in industry, where many of the women work, but we have an industry where men work, and we know that their wives have to work to supplement their income. We realize, too, if there were special care for their children, while they are working, their mothers would be happier at work, they would be better employees for the company they work at knowing their child is being taken care of properly. I also know many children do not have the opportunity I had when I was younger of having a parent take the child to a relative and be assured that they would be taken care of properly. Many people do not have that opportunity and they do not know where to take their children. But, if we had a program such as this where the people could pay who could afford to pay, and those who could not pay would be deprived of the right to have their child taken care of properly, it would be good. I also believe that this would help with the welfare rolls. I believe that many of our mothers today who are collecting welfare perhaps would not be doing this if they could find a proper place to bring their child, and if this could be done, I am sure it would benefit everyone. And as far as the town of Westport goes, most of our people work in Fall River, and the Day Care Center would be helpful to them in bringing them in in the morning, when they are going to work, and picking them up when they are going back. Once again, I would like to thank you for the opportunity to speak, and I hope that you will do everything in your power to see that this Bill is passed. Thank you very much.

Mr. MCNALLY. Congresswoman Heckler, distinguished guests. My name is Richard McNally, and I am speaking in behalf of the Association of Retarded Children of Greater Fall River. We are very much in favor of Day Care, or the Day Care Program, the Comprehensive Child Development Bill. Basically, it is a family matter, and directing our remarks to handicapped children, we feel that this Bill would free mothers of children who are handicapped to pursue careers or an occupation.

The needs of handicapped children, and particularly with those suffering retardation, are very great, as are the needs of their parents. It might very well be the case that the mother of a handicapped child might need this financial support, through an occupation, more than a mother of a child without a handicap of this nature. This would also provide the mother of the handicapped child with a diversion. This would help the mother. We should not always think of work as a diversion, but sometimes it is a change. This would be a change for the mother and help to come back to her home maybe with a little more vigor and the attitude that she could perform her work a little better. We also feel the child is important, and this would give the child an environment where the child would be supervised and controlled and it would be an effective atmosphere for the child. We wish to emphasize that there could well be many cases, and these could affect both parents, mother and father, quite frankly, in which Day Care is for "just the child" in quotas. There are many parents, however, who have children who are adults and that parent would like to work, to be an effective citizen beyond just Day Care in the small confines of their home. Day Care should not

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be confining to simply a child, and we should like to see it beyond the age of 17. There are some very important aspects to this, if we are trying to define these aspects in terms of social roles, and, of course today one of them is the economic role. The cost of Day Care runs somewhere between the figure of $1,200 to $1,500 a year for the child. To institutionalize the child, the only alternative sometimes for the parent, places the cost on the state, and that means all of us, and that cost is from $5,500 to $6,500 a year. This is a tremendous difference. Aside from the fact of these costs, there is the social aspect that the parent would like the child at home. I know there are many similar problems that everyone here might have in these areas. Frequently, we find that these handicaps do develop into welfare problems in some instances. We wish you the best of support and offer you all our support and would wish to give you the backing of our organization in any specific areas in which we might be helpful. Thank you very much.

Congresswoman HECKLER. Thank you very much, Mr. McNally, for your contribution, and I want to say our legislation does envisage the involvement of children with special handicaps. I personally feel that the parents of these children make a very great contribution to society solving problems in the area of their own children's needs. I think that Mr. McNally represents those concerned parents who have done a great deal, and I am very honored to have him participate.

Mrs. MENARD. Congressman Heckler. My name is Mrs. Menard. I am the President of the League of Women Voters of Greater Fall River. The League of Women Voters believes that every man, woman, and child should have equal opportunity, and we believe that the Child Development Act is a step in this direction. There are certain positions that the League has:

First, that the supportive services should be available, but not compulsory, for participants who receive income assistance.

Secondly, that this service should be based on the ability to pay, and free when necessary, and, also, available to the public. We believe that the Federal Government should exert pressure and leadership in setting standards of eligibility, quality of services, and adequate funding. Participants in this program should be included in program development and implementation, and there should be responsibility to the needs of the citizens of Fall River. We would like to go on record as being in favor of your Child Development Act. Thank you.

Mr. OLIVER. I am Clay Oliver, the Executive Director of People, Incorporated, the local Rehabilitation Center for the Multi-Handicapped. Again, I would like to go on record in favor certainly of the Bill you are about to pass. I would like to say, though, this agency does not have children in its program as it is a rehabilitation center for handicapped adults. Many of our workers are severely handicapped, requiring close and continuous supervision within a day or work activity center. There are many severely handicapped adults who are not being provided a program because of a lack of facilities, staff, and income. The parents of these adults who must provide supervision 24 hours a day are unable to work unless programs are provided, and, in many cases, these parents are more restricted than mothers of small children, as there are very few who are willing to accept the responsibility of care for severely handicapped persons, in view of the requirement of close and continuous supervision. This restricts the mother's opportunity to seek increased training, education, and other worthwhile activities. Consider also that these parents have the responsibility for life. This is not to say that we should not have these programs for the young, but that they should be available for all who require them regardless of age. Thank you.

Congresswoman HECKLER. The Federal Government has done very, very little, really, in the total cause of the handicapped. I think that some of the steps that have been taken so far have been well intentioned, but have not reached their goal sufficiently. While we are concerned tonight with children, I think it is very wise for us also to be concerned with the total problem of the handicapped, beyond the childhood years, and I appreciate that contribution.

Do we have another witness?

Mr. DONNELLY. My name is Jim Donnelly, and the hat I am wearing tonight is as Chairman of the Four C Committee. I have a prepared statement that I would like to leave with you in totality, but in the interest of time, and in the interest of everyone here, I would prefer just to excerpt. First I would like to take advantage of the opportunity to express appreciation to you, Congresswoman, for your time and energy, which you have given so much of to provide a legislative vehicle for assisting in the needs of children. I sometimes feel that in this moment of time it is considered expedient to espouse the cause of retrenchment rather than the needs of the child, but we find you are willing to take a positive approach to meeting the needs of children. Thank you kindly.

The prepared testimony of Mr. Donnelly:

First, I would like to take advantage of the opportunity to express appreciation to our Congresswoman for the time and energy that she has devoted in providing a legislative vehicle to assist in the meeting of the needs of children. I sometimes feel that at this moment in time, it is politically expedient to espouse the cause of retrenchment rather than the needs of children. But despite this, we find our Congresswoman willing to take a positive position in a coordinated approach to the meeting of the total needs of children everywhere.

Several years ago, the Massachusetts Committee on Children and Youth conducted a survey of day care needs in several communities throughout the State and in its report on the City of Fall River stated:

"Among the study areas, Fall River was clearly identified as the most deprived. Its educational achievement level was the lowest, its per capita income was lowest, it had the highest percent of working women, and the highest percent of families with annual income under $3,000.

In an accompanying table, the study showed that 44.7 percent of all women over 14 years of age in Fall River were employed. Study further indicated that 44.4 percent of married women with husbands present were in the labor force and 34.8 percent of this number had children under 6 years of age.

Although the above material was extracted from a report released in 1966, there is no reason to believe that the same comparable statistics are not applicable today. And in view of the fact that there are other representatives here tonight who will address themselves to the need for an expanded day care service program, I will leave that field of endeavor to them for further exploration. I do want to say, however, that we fully endorse day care services for all children who can benefit by this experience and the service should be extended not in relation to the needs of industry, but rather in direct proportion to the benefits that the child would receive from the institution of a network of day care services. Similarly, no parent should be compelled to seek employment because of the availability of a Day Care Center but rather such parent should enjoy the right of choice between utilization of a Day Care facility and the acceptance of other benefits under the Department of Health, Education and Welfare. This should be a cardinal principle and specifically stipulated in any newly created Federal Legislation. A second principle should be the purchase of service from existing comprehensive Day Care Centers prior to the establishment of any new facility with Federal funds. It is important to note that there are varying methods of providing day care and, if it is found in a given community that a consolidation of family day care settings are more productive than a large, centralized day care center, then we should devote our time and energy to the implementation of this kind of program. This could very well be a less expensive program, utilizing a team approach with experts in the field of health, child care, and social services, bringing their special expertise to several family day care units. Only last week we were advised that the State estimates that there are 20,000 family day care homes in Massachusetts and consideration must be given to this large number of units. Why are they used, what services do they provide, what long term benefits accrue through their utilization? Recent studies seem to indicate that home-based and neighborhood based child care systems are preferred by parents.

Licensing of child care institutions, including day care centers, should be brought within the organizational framework of one agency on both the Federal, State, and local level. The Federal Government would seem to have the responsibility of establishing minimum codes for facilities being used for child care programs and receiving federal funds. Such federal standards should serve as a guide, however, and not preclude the establishment of other standards by the several states or local units of government. This would be particularly applicable to family day care homes.

Day care service is one small facet of the overall need for a coordinated, cooperative approach to the problems of children and we need to sit down and examine all of the difficult areas that face children and youth. When professional case workers say to me when a referral of a boy or girl is made at age 13, "It is now too late; why wasn't this child referred to us several years ago?"—this represents an indictment of our present method of operation and we are compelled to search out better ways of aiding children so that the problem child is not identified until it is too late to take corrective action. We do not need study commissions, we do not need a whole labyrinth of local, state, regional, or federal planning agencies to prepare academic papers demonstrating what we already know. I strongly recommend that every effort be made in Federal Legislation to provide for trained case workers who can visit and work with children in their own homes and not wait until they become statistics in our court system or victims of broken homes and then "farmed out" to institutions and/or foster homes. These latter resources are essential in meeting peculiar needs that exist today, but we must take preventive steps to offset the traumatic experience that children encounter when they are forcibly or otherwise removed from their own home.

In our own community, there are no more than a half dozen certified social service persons, and each of these is overwhelmed with his own agency's approach to the meeting of needs. We must amplify, in large numbers, the trained workers who can assist both parents and children before the breaking point is reached.

In this connection, I suggest substantial federal grants to enable schools of social work to provide graduate training to dedicated young men and women who are desirous of devoting their physical, mental, and psychological strength to the enhancing of living conditions for the youth of tomorrow. It is true that para-professionals can perform many tasks previously assigned to social workers, but it is equally true that the paucity of graduate social workers has made it impossible for the social work profession to prove its validity in today's complicated society. The certified, experienced social worker must be assigned to field work or case work, reimbursed according to his training and experience, and not locked behind a desk doing administrative work because our system fails to recognize the hard working, skilled field person who works on a one to one basis with a troubled family or in a group setting with multi problem children or families.

Lastly, we urge that Title IV–A of the Federal Social Security Act be continued so as to assist communities in taking advantage of these matching funds. Massachusetts has now enacted legislation that will make possible receipt of so called donated funds in meeting the needs of a specific group of children throughout the State and the termination of this open-ended legislation would be harmful in the initiating of new child care programs.

Finally, might I suggest the substitution of the words "child care" in lieu of "day care" for we are now thinking in terms of children's needs and this concept is more adequately described through the use of the term "child care".

Mr. LIONEL GARGANTA. My name is Garganta. I am here representing the Massachusetts Department of Public Welfare. The Department of Public Welfare is vitally interested in quality Day Care services, not only for recipients of Public Assistance, but for all children and parents who have need to be employed, and who are desirous of having their youngsters taught and cared for in a quality setting. This program would be helpful to both those who would be able to work full-time, and those who would be able and willing to work part-time. In Fall River, the Greater Fall River area, we have exactly 300 mothers who are utilizing some kind of service. 225 of these mothers are employed, with the remaining 75 enrolled in a training program. The quality of care received by the youngsters of these parents ranges from very good to minimal. The costs also range from $6.00 a week to $35.00 a week. We urge you to enact a program of high quality educational, social, medical assistance available to children, and based on the parents' ability to pay. There should also be a formula and a means of providing adequate funds which hopefully should be to improve the services of Day Care Centers. There should be an appreciation of the different needs of different groups of youngsters, poor youngsters, middle class youngsters, handicapped youngsters. The mechanism for each community should be the 4C Committee. The Federal Government should support the 4C Committee instead of using another approach. It should not be a condition that a mother work if receiving assistance. We stress this because that would not be in the best interests in circumstances where it would be harmful to the child. Each parent is the best judge. Thank you.

CONGRESSWOMAN HECKLER. Before we proceed, I would like to say our meeting is on the Comprehensive Child Care Development Act, and not on the Welfare Bill. The program we are talking about would provide Day Care Facilities whether or not the parents go to work, and whether or not they do so would be on a voluntary basis.

UNIDENTIFIED HOUSEWIFE. I am definitely in favor of good Day Care Programs, and while I was standing in line, I thought it should be re-emphasized that while some mothers wish to go to work, other mothers care to stay home and care for their children. I do not think that those mothers who stay home should be required to seek or accept work just because there are Day Care Centers. Thank you.

Mr. MITTLEMAN. Mrs. Heckler, Guests. I am Aaron Mittleman, employer in Fall River, and represent the Chamber of Commerce. Fall River, as you know, has a crying need for Day Care Centers, and I know that you have long been in the forefront of the effort for the Child Development Act, and its passage. Supporting Day-Care legislation is like supporting Motherhood. I am sure we all support it. However, I would like to address myself to it again. The Child Development Act as written is discriminatory in that it affords the child and the parent in the underprivileged family advantages to the detriment of others. For example, a working mother in any family, takes care of her family, works, and hurries home to pay taxes on her honest work, and then is required to pay for his children. She works to pay for the privilege of paying taxes, and pay for children whose parents contribute no taxes for their children in Federal Day-Care centers. Supposing she, due to family needs, does not have enough money left to pay for the children,—she may have a big mortgage, her husband may be out of work,—by her taxes she will be paying for the underprivileged child, and not be able to pay for the child of her own. This Bill is inequitable and unfair. My recommendation is Child Care for all children. We provide school to all children now without this difference in ability to pay.

Why should Day Care be different?

I think the school system would be the logical agent for the training and care of the children. The school systems have adequate resources, qualified teachers, supervisors, and the experience and ability, and we should like to see them care for our children. This Bill obviously will send additional personnel to industry and into the labor force, and people not previously able to work will be able to do so. Let us see that these Centers serve the needs not only of a few groups, but all groups, and let's have Day Care Centers for all which operate through the School Department.

Congresswoman HECKLER. For the benefit of everyone present, I would like to present the fact that Mr. Mittleman did discuss this with us earlier, and he raised many very pertinent points. Rather than have this answered in some length now, we shall go on with the testimony, listening to those who have come as witnesses, so that their views and ideas can be obtained.

Mrs. SHIRLEY RUDA. I am the mother of three children, and I feel we need Day Care Services in Fall River.

ROBERT WHITE. Congresswoman Heckler, my name is Robert White, and I am Executive Director of Big Brothers. Although this Bill has been in existence since March of 1971, it has not yet been finally put into law, and I am glad to be here to speak. I feel my experiences should be shared in relation to problems of fatherless boys. Accordingly, I have made the following statement, emphasizing the unified aspect there should be for Child Development, by way of statistics.

The comprehensive figures show this area has 5,100 single family homes resulting in 2,500 fatherless boys. The relationship of fatherless homes to juvenile delinquency is quite evident. This shows that a new approach is needed if significant help is to be provided to these fatherless boys. My main concern, in closing tonight, is that there is a lack of concern with the establishment of Youth Programs. Each agency is doing its own thing, and operating in a vacuum. It is important that in the Child Development Program, and similar programs, there be a recognition of the value of providing attention and help to all of our society who, in one way or another, are victimized by circumstances beyond their control, and it is my personal and professional belief that all services supportive of the needs of young boys should be included in this program to help them develop and grow to the extent of their ability. Thank you very much.

Congresswoman HECKLER. I would like that during our discussions in the Congress on the subject of the Child Development Act, one of the great concerns was that there should be some action to involve men as father figures, so that the boys from fatherless homes would have a father-figure, a "Big Brother." This is a concern which I have long shared.

RALPH ROBERTS. Congresswoman Heckler, when I first walked in, I thought Christmas had come early to Fall River. We live in a country that is about to build an aircraft carrier which will cost $1 billion dollars. If this country can afford to build an aircraft carrier which will become obsolete when it is completed, we have enough money to accomplish this. I want to record the International Ladies Garment Workers' Union as being emphatic in support of our Representative in Washington, you, Mrs. Heckler, in your efforts to bring about the passage of this Bill. We hope it is sufficiently funded, to be meaningful. These programs have only scratched the surface. I noted in your opening remarks that you were concerned over the fact that there should be discussion of the legislation before final action. We hope that this Bill will be approved, and we appreciate your interest and your efforts. Thank you very much.

Mr. HALLERAN. Congresswoman Heckler, my name is James Halleran. I am the Associate Director of the Community Action Program in Fall River, and with Citizens for Citizens. There is a tremendous need for this kind of legislation. I applaud your efforts, and the efforts of those working for its passage. I would like to limit my remarks to my one area of concern. More agencies ought to be working together in this legislation. We need to work together. There should be cooperation and mutual effort, not only between the agencies, but between the agencies and the professional and public and private groups, and especially the parents who are involved and interested in Day Care and Child Development. I think the legislation proposed is very important, and will prove helpful to the entire community. Thank you.

Mrs. JENNY KIRKWOOD. I am a working mother, and there is a great need for Day Care Services. Thank you.

Mr. PAUL POULIS. Congresswoman Heckler, Ladies and Gentlemen: I am Paul Poulis, Director of the Model Cities Program in Fall River. I do not have any special standing, but I am deeply interested in this legislation, and have had a lot of experience working with residents in the Model Cities area. As most of you know, Model Cities is a neighbor in Fall River, consisting of 15 percent of the total population. One of the needs we found in our program was the need for Day Care. We have long had an interest in the hearings and legislation we are talking about now. Consequently, I am pleased to say we will now have a Day Care program which will be developed, a Center sponsored by the Fall River School Department, which will take care of children in the Model Cities Area. I would like to go on record in behalf of the program and fully support your efforts and I believe the testimony being provided here will be helpful in support of this legislation. Thank you.

ALICE KING. Congresswoman Heckler, my name is Alice King. I am representing the Head Start Parents. We would like to express our support for Day-Care facilities. The Head Start parents feel they have received quality help in a quality program. We feel that we have received services not only good for the total child, but the entire family. Thank you.

RON HALBEDER. My name is Ron Halbeder of Head Start. I am a Coordinator. At the present time, we have 240 children. We have a waiting list of 250 eligible children. We are not able to take them into the program because of a lack of funds. We feel it should be for children regardless of income. We favor this bill and we support it, and we will cooperate in every way. Thank you.

HELEN CHATTERTON. Congresswoman Heck-

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ler, and our national guests from Washington. My name is Helen Chatterton. I am the local Representative for United Fund in Fall River. I have received many calls from personnel managers. I received a call yesterday from a young girl who had to ask her father to run over and take care of her child while she was working. Like her, there are many who cannot take a job because their responsibilities in the home are so great, and there is no one with whom they can leave their children. I also feel that we should be able to see that there is some way that industry can take part in the Day Care Centers in the community. I hope that through this legislation all this can be accomplished. Thank you.

Mr. TULCHIN. Congresswoman Heckler, Distinguished Guests, Ladies and Gentlemen. My name is Abraham Tulchin, and I am the Executive Secretary of the New England Apparel Manufactures Association. First, I want to thank Congresswoman Heckler for providing us with this unique experience to share in the legislative process here before the Congress has finally disposed of this legislation. You have been successful in bringing this Bill to the point of the Conference. I know that under this Bill, funds will be used for the benefit of the handicapped and underprivileged children, and for these and those in need two-thirds of the fund will be used. I think that we should point out that we shall try as much as possible in the implementation of the Bill, and in the establishment of the various rules and regulations, that we are taking a positive step in the right direction. There is no question about the need for some of the social and humanitarian assistance of this bill, but we should all try at the same time to increase the number of children and families from the two-thirds to the one-third, middle income groups. Finally, there is one point Mrs. Heckler brought out, and it is especially pertinent. That is the provision for assistance to those of bi-lingual background in the community. I wihh you success and good luck.

Congresswoman HECKLER. I want to say your testimony, and every word uttered tonight, is being taken down by a stenographer, and it will be brought to the attention of the Conferees, and the Congress, in order to convince them to vote for the Bill.

Ed PHILLIPS. Congresswoman Heckler, Distinguished Guests from Washington. My name is Ed Phillips. I happen to be a School Committeeman-Elect and a family man. I endorse the concept of the Day Care Center, but I do it with great reservations. I believe that a program which has such tremendous ramifications should be dealt with very carefully I am interested in our children, and I would like to see them get the fullest benefit possible from every dollar spent.

JAMES ISLER. Congresswoman Heckler, Distinguished Guests, Fellow Citizens: My name is James Isler, Manager of Aetna Life Insurance Company Operations in Fall River and Taunton, and I am representing private industry, and definitely in favor of the legislation you propose. Our firm in Fall River employs in excess of 500 people. The overwhelming majority are women. We started in 1966 with 34, and have grown to our present number since that time. Our future growth is limited by the availability of Day Care Centers, babysitting facilities, and means which exist for the care of children. There is quite a list of applicants who have been unable to accept positions because of a lack of a place to put their child. Further than that, women's lib is upon us, and women in the community have a greater educational and attainment record, and are seeking increasing responsibilities outside the home. We hope that this legislation will be passed, and Miss Andry Lingard, our Personnel Director, will present further information.

Miss ANDRY LINGARD. Congresswoman Heckler, Head Table Guests, and Friends: I am in charge of Personnel at Aetna Life and Casualty here in Fall River. As Jim said, we have more than 500 working women, and among them are 126 working mothers. This does create problems for us. As he mentioned, I have had to refuse jobs to girls because they have not had babysitting arrangements. This program would be very helpful to the working mother and also to our needs.

Father PERREIRA. As a priest, I am in support of the Bill for the Centers for the whole community. However, permit me to speak in behalf of the silent minority, those who cannot speak English, those who cannot express their desires, their needs, their aspirations, and their anxieties. As everybody knows, we have the largest number of Portuguese in Fall River, and we know the rate of dropout is very high among the Portuguese in Fall River. My heart goes to children. They are beneficiaries as well as victims, of our society. In a matter of years, they can become illiterates. In a matter of years, they find themselves confronted with a new life with all its complexity. They are very happy they came, and we are very fortunate to have them. Our duty is to make them valuable citizens. We must provide the program and facilities. Language is the main problem during their first years. They cannot communicate. They cannot understand us. It is difficult to adjust to a new environment. They cannot be placed in the regular grades with children of their age. They must be isolated for some time to be given special education. The time element, Mrs. Heckler, is very important in the process of learning, and time is running short for many of them. They must utilize all the time they can, and we must do all we can to see that they do not drop out frustrated and discouraged. This program, I think, would be a blessing for these children, and I am sure it will make a difference in the future of many. They will not be called "green-horns". We would like to have them good citizens, and grow up normally. In conclusion, I do not know of any other program which would benefit so many in Fall River as this. Thank you.

ROSEMARIE SPEAK. Congresswoman Heckler, I am a Head Start mother. My name is Rosemarie Speak. I am the mother of five children. I think Day Care is a very worthwhile program, and we need it desperately in Fall River. Thank you.

Doctor NAGLE. Let me tell you that you have been most patient in listening to us. I am concerned only with the Title of the Act, the Comprehensive Child Development Act. I am interested in that part which develops the child. As I look at the Act, I am talking about the benefits that can be made available to the child from a comprehensive viewpoint, those of education, psychological, health, and social service nature, and to children 1, 2, 3, and 4 years of age. Pre-natally, all children get very good service. Postnatally, they get excellent service, and then they are about to be forgotten whether or not they are deprived. We find children approaching the first grade emotionally and physically impaired. We say, give us comprehensive Centers so that at an early age we can make a determination as to those who need aid, and determine those who have limited sight, hearing, developmental abilities, whether or not of a physical or mental nature. We have had experts with Follow-Through and Head-Start experience working on these needs, and we know we are equal to them. We can do it. As you approach this Act with 2 billion dollars for Fiscal 1972, we hope that you will support the needs of the economically disadvantaged, who should obtain the child services free if they are unable financially to afford it. Those who are able to do so can pay for the services. All of us in Fall River may be poor in one way or another. We need to work together for the success of this program. Thank you for the opportunity to speak, and I encourage you, and hope you will go on to greater things.

Congresswoman HECKLER. Mrs. Holmes, we could not end without hearing from you, after all the work you have done.

Mrs. HOLMES. I am President of Local 177 of the Amalgamated Clothing Workers Union. I chose to be the last to endorse this program here tonight. We need it desperately in this area. Thank you.

Congresswoman HECKLER. Thank you.

We have had a number of questions come up to the table here. In view of the fact we have the experts here, I would like to give a few minutes to our experts to allow them to make their contribution. First, I would like to call upon Mrs. Elston who knows more about Child Care than many others, and who has followed it very, very closely. I think she can answer some of the questions that have been raised. I would like to introduce Mrs. Elston.

Mrs. ELSTON. Thank you. I am truly very impressed by the array of witnesses who have appeared here, and I have considered very carefully what they have said. Needless to say, many of these same remarks have been made before. The intent of the Members of the Congress who developed this legislation was to build on the experience of what began as an experiment, Project Head Start, and to expand its borders to the point where numbers of children who are economically disadvantaged can be brought into the program, and to continue to build Child Development Programs for children who need them year after year after year. It is not really a criticism to say this program should be for everybody. The feeling that the program should be for everybody is really a fine thing, not a criticism, but it does represent a little impatience.

You cannot build a program that is multiplied ten times in the space of a year. Our experts have indicated that programs for children of high quality can grow at about the rate of 200 or 300 million dollars a year. It means that if someone gave us 20 billion dollars a year to spend, we could not spend it. We would need facilities, staff, training, studies to determine the wisest places to locate them. This should not discourage us. It should give us a feeling that we are taking the first step, the first big step, to build what will be in the future a program for all children. Now, several people have experienced the feeling that the Child Development Program should be in the form of an extension of the school system. We think the school system plays a very important part in Project Head Start. Many of the grantees are local school systems, but we feel that a good Comprehensive Child Development Program is more than an educational program. As someone said tonight, this is a Bill for the family as well as for the child. The Comprehensive Developmental features can be designated as educational, nutritional, psychological, remedial, health, and parent involvement, which has made a great difference in the sense that many parents through involvement in Head Start have opened new vistas in their own lives, through awareness of opportunities, and new interests. We would expect the Comprehensive Child Legislation would expand this. There is another point concerning programs after school for school age children. Very few school age institutions have moved into this field and we hope that through real community effort, school systems will realize that special programs for youngsters who do not go home to lunch would be valuable and effective. Only a few cities have top-notch school aid programs in this area. This legislation we are concerned with tonight will be a push to the development of these other programs, and this will be an indirect advantage and benefit.

Let me close my comments by trying to give you some feeling for what the next steps will be. I know you are impatient to have new Day Care Centers built, but I think we have to look to what the next steps are. If this law is enacted, and to become law it has to come out of the Conference, and be agreed to by both Houses of the Congress, and then it goes to the President, and if he signs it, it becomes law. After that, my Office, the Office of Child Development, will have to ask Congress for money to carry this Bill out. There are not specific allocations of amounts in the Bill. These amounts must be requested by the Department. We will have to ask for specific amounts of money which will enable us, through our Regional Office, to then fund the various State and local programs operative. The gentleman who spoke about community health planning suggested a model that might be carried on into the Day-Care movement. Thank you for your time, and I hope that your hopes will prove justified.

Congresswoman HECKLER. Thank you very much, Mrs. Elston. We are going to go on now to the questions since our visiting experts are anxious to hear them, and to give their point of view. The first question is, "To what degree is the Bill politically motivated to appeal just to the middle class?"

Mrs. Elston, responding: Dr. Ziegler of the Office of Child Development, my superior, feels strongly a socio-economic mix is a really good thing in a Child Development Bill. He thinks children from different economic and ethnic groups can learn from each other. It is not a one way street. There is a growing body of research to back this up. In the Head Start Program, we have developed a program whereby 10 percent of the children in the programs can be non-poor. So, this is a philosophically thought out approach, not just a political maneuver.

Congresswoman HECKLER. I will say from my investigations of Day Care Centers in the Fall River area, and outside of the District, that I have seen a very, very healthy mix of children, and it would be a most unfortunate and undesirable event to have the Federal Government create its own ghetto, and have just one group of children from one background, economically oriented to one group, or dominated by one group. The best society is the integrated, the mixed one, whether Irish, Portuguese, black or white, one group can give to the other. This was the rationale behind the Bill.

These questions are excellent. There are so many of them.

Another question is: What are the maximum and minimum age levels? Does the Bill include infancy, from three months and up?

Mrs. ELSTON. The Bill specifies zero through age 14. I would like to comment on that in view of the fact that several people from organizations representing handicapped were included in the testimony. We would hope that in our regulations we can make an exception to extend that age factor in the case of some groups of handicapped children who would require the kind of protective care because of a handicap that a younger child might require could be provided for. This is something we will have to take up with our lawyer people. But, as the Bill is written, the age is zero through 14.

Congresswoman HECKLER. This is a question which asks: "As a parent and former Head Start worker, and as a student at Bristol Community College, I feel that I am not adequately aware of the entire provisions of the Bill. Should the issues, and the Bill, not be brought to the attention of the nation?

As the Representative of the District, it became obvious to me that the Day Care legislation was very necessary, and for that reason, I have concerned myself with it so deeply. I agree, and we want public awareness.

Another question is: "As the Bill stands, what is the role of the state?"

Mrs. ELSTON. It is pretty hard to say because the House and Senate versions are different. But, very briefly, there is a very strong emphasis on communities doing their planning, deciding what needs to be done, either as the planner for those who do not want to do for themselves, or as the adviser. The emphasis is a very strong one upon community action.

Congresswoman HECKLER. Would our State level Representative, Jean Cimarosa, have a comment on that?

JEAN CIMAROSA. I am not certain whether I should take a position that the State involve itself in a direct and immediate manner. As a representative of the Task Force Commission on Women, I have tried, and we have tried, to look into what kinds of programs are being proposed, and which are worthy of our encouragement. We endeavor to interest the State Legislature and the Governor. We do want to see Day Care Programs and see them in the most truly meaningful and effective setting.

Congresswoman HECKLER. Thank you very much, Jean, and particularly for the vital role that you have played on the Task Force on Women. I am so glad that you have been able to be with us this evening.

There is another question now. It is a question on working mothers. "Can a mother working in Fall River, in a different shift than the regular one, say, from 7 to 3, leave her child off at 6:30?"

Mrs. ELSTON. The Bill would make provision for different modes, and different time frames for the Day Care Centers, suited to the particular needs, and the problem facing working mothers, who would be in an early hour shift, would, of course, be considered, and a setting could be established to make their employment possible.

I want everyone to know who has submitted a question in written form, in view of the lateness of the hour now, that these questions will receive my attention, and I will try to find a forum for presenting the answers to you, through the press, inasmuch as many of them do not contain addresses, so that I can personally respond to you, and I will send out a press release continuing to provide information to you as I have been doing.

At this point in the evening, we should take time for refreshments. We should have some food for enjoyment now that we have had so much food for thought.

The last question that I have in hand is: "What can we do to help in the passage of this legislation?" I would answer you that you should write to your Senators, to President Nixon, telling the President and our Senators how much you care about the Bill. And in the future, please keep me informed as to what you consider the Bill's and the program's assets and liabilities. I am delighted to hear from you.

I appreciate very much the testimony of the witnesses this evening, and their wonderful contribution, and the assistance of our panel of experts. I hope that through this grass-roots expression of continuing support, greater encouragement will reach from the State House to the White House, and to the Congress. Thank you very, very much.

TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER), is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a Nation.

The educational opportunities for Americans are the best in the world. The founding of one form of American education—the academy—is traced back to 1749 when Benjamin Franklin founded the Academy and College of Philadelphia. Franklin was appointed first president and seven young men were awarded degrees as the school's first graduates in May 1757.

FLOOR STATEMENT ON NARCOTICS TRAFFIC IN LATIN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 5 minutes.

Mr. HALPERN. Mr. Speaker, I rise today to call the attention of this body to a new drug menace which threatens to undo so much of the hard work done in Europe and the Middle East by our State Department negotiators and our agents in the Bureau of Narcotics and Dangerous Drugs.

In our attempts to halt the horrifying flow of heroin to the streets of this country, we have for the past 10 years been concentrating on such key production, processing and transit points as Turkey and France. Now that we may have begun to make some progress on these fronts, Mr. Dana Adams Schmidt—a noted New York Times journalist who has successfully kept the American public abreast of important developments in the area of international narcotics traffic—has recently called attention to the fact that Panama may soon become a main transit point for heroin entering the United States.

Rather than merely submitting Mr. Schmidt's article into the RECORD, I would like also to provide some background on the narcotics situation in South America in general, so as to put this new development in a larger context.

Illegal traffic in drugs has risen sharply in South America over the past decade. The most serious problems have involved cocaine, a derivative of the coca; marihuana, which comes from the hemp plant and dangerous synthetic drugs. The result of this production and processing has been an escalating flow of drugs into Europe and the United States. A further complication has been the increased transit of heroin and other narcotics, shipped or flown to South America from Europe and destined for the United States.

Most of the coca leaves grown in Bolivia and Peru are used for chewing by the indigenous population, while small amounts are used for medicinal and industrial purposes. A third use is conversion into cocaine. The leaves are refined into cocaine—100 kilos of leaves are needed to process 1 kilo of cocaine—in a huge network of secret laboratories. The cocaine is then smuggled from Bolivia into Brazil, Paraguay, Chile, and Argentina, and from Peru into Brazil, Ecuador, Colombia, and Venezuela. From Uruguay, Ecuador, and Venezuela, the

drug is shipped or flown to Europe and the United States.

Although marihuana is outlawed throughout South America, the drug is in common use in every country on the continent with the possible exceptions of Chile, Bolivia, Peru, and Argentina.

To cite an example, there are thought to be over 400,000 marihuana users in Venezuela alone. Just as in the United States and Europe, marihuana smoking cuts across age, class, and economic categories. As an illustration of the profit potential in the smuggling of marihuana, one need only point to the fact that the price rises from $1 per pound when it leaves the Colombian farm to $220 by the time it is sold to the Venezuelan consumer.

Traffic in dangerous synthetic drugs, especially to and within Brazil, is growing dramatically. Seizures in Brazil for the year of 1966 were as follows: 4,000 ampoules of Pervitin from Argentina; over 300 vials of Dexamyl from Uruguay; 3,000 tubes of Stenamine from Bolivia, and 1,500 tubes from Argentina. Two years later, Brazilian officials seized 4,000 tablets of various psychotropic drugs. These figures give a frightening indication of the scope of the dangerous drug problem in Brazil. Other South American countries, such as Argentina and Paraguay, seem to be involved in the production and transit of these synthetic drugs.

The main significance of South America in the world heroin trade is as a transshipment point between Europe and the United States, rather than as a location for the production or processing of opium. Over the past 5 years, there has been evidence of such trafficking in various South American cities, including Buenos Aires, Santiago, and Rio de Janeiro.

I wish to call attention at this time, Mr. Speaker, to a new development which may prove even more dangerous than the flow of cocaine and marihuana. According to a New York Times news article, which I wish to submit into the Record, major new heroin conduits are opening up in the Panama area of Latin America.

At a time when we may finally be reaping the benefits of 10 years of negotiations with Turkey—to cut off the supply of opium to this country—we can hardly afford to have a new pipeline open up to the near South.

Every precaution must be taken to see to it that this fresh source of heroin supply is quickly dried up. Panamanian officials, as well as the legislative and executive officials in all other drug production, processing, or transit points, must be made to realize how critical the problem of heroin addiction has become in the United States. We must assure them that we are ready to cooperate with them in stemming the flow of narcotics to the streets of our cities, and that we will no longer stand idle in the face of those governments which fail to honor international agreements in the area of narcotics control.

The article by Dana Adam Schmidt follows:

UNITED STATES SEEKS TO END LATIN DRUG FLOW—NARCOTICS CHIEF VISITS AREA—PANAMA A CONCERN

(By Dana Adams Schmidt)

WASHINGTON, November 29.—John F. Ingersoll, Director of the Bureau of Narcotics and Dangerous Drugs, is visiting Latin America in an attempt to block off major new conduits of heroin and other drugs into the United States.

High-ranking officials of the bureau declined to give Mr. Ingersoll's itinerary but authorized this quotation: "Latin America is now up to its ears in heroin."

They indicated that he would be especially concerned with Panama, which he visited last September at the invitation of the country's strongman, Gen. Omar Herrera Torrijos.

The officials gave the following reasons for the bureau's interest in Panama:

Some pilots and crew members and some air passengers, have been carrying heroin processed in France to Panama and returning to Europe with cocaine that originates in Latin America.

Smugglers finding United States controls on the East Coast increasingly tough have been trying to slip in through routes from the south.

With 2 major and 10 minor seaports and 100 airfields surveillance in Panama is exceptionally difficult.

In a report to Representative John M. Murphy, Democrat of Staten Island, the bureau listed several reasons for satisfaction about the way Panama's drug controls were developing but also said there was cause for acute concern.

TRAINING COURSE HELD

As a result of Mr. Ingersoll's September visit, the bureau conducted a two-week seminar on narcotics enforcement for members of the central narcotics unit of Panama's National Guard. This unit has been increased to include 20 officers. A joint enforcement task force was in operation from Sept. 20 to Oct. 29. Panama is studying an extradition treaty that would include drug violators.

Further training programs and a large-scale project to eradicate marijuana on Las Perlas Islands of Panama have been planned.

On the other hand, the report said, "It is clear that the Republic of Panama has not and is not paying sufficient attention to narcotic enforcement activities to achieve noticeable results. This may be due to high-level apathy, ignorance and/or collusion. Unless the Republic of Panama is sincerely willing to put forth the necessary effort to combat the traffic, the republic will continue to serve as a conduit through which vast amounts of illicit drugs are funneled en route to the United States."

Illustrating the importance of Panama in the drug traffic, the bureau reported to Mr. Murphy's sub-committee on the Panama Canal that in the last 12 months 641 pounds of heroin that had moved through Panama was seized in four separate operations in the United States.

Along with heroin, much of the cocaine that reaches the United States is being shipped through Panama, the report said.

Among Panamanians arrested this year in connection with drug seizures was the chief of air traffic control at Tocumen Airport in Panama, and the son of a Panamanian ambassador who was said to have tried to use a fraudulently obtained diplomatic passport to get 156 pounds of heroin through customs at Kennedy International Airport in New York.

THE U.N. THE BEST HOPE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, the idea of "one world" has appealed to many through the years and has always had its share of adherents in the United States. Most of them, in these days of labeling everyone, would probably be found among modern liberals. Many of these same people also believe the U.S. Constitution should be ignored, discarded or rewritten, and that patriotism is a square and outmoded form of chauvinism. They seem to think that our Government cannot handle the problems of this era independently.

Through a propaganda barrage spanning a quarter of a century a number of our citizens have been led to believe that the United Nations is the only answer to the many problems besetting mankind. I think this view is especially prevalent among students, who are taught that the U.N. is the sole keeper of the peace and our last best hope. The obvious failures of this world organization, however—which promised so much and delivered so little—are too often ignored or glossed over. But a realistic look at the record shows the U.N. has been largely impotent and even the smaller nations have thumbed their noses at the world organization whenever it suited their purposes.

One fatal flaw has been the double standard which exists at the U.N. Americans have clung to the hope for the past 25 years that this organization would help bring about world peace. Instead we find increasing evidence to indicate that we are being taken for a sucker in many of its efforts. This sad truth has come from the fact that in no sense is this a body of united nations. Working within the framework of the U.N. is a hard-core Communist bloc not even remotely united in the same beliefs and aspirations which motivate American policy or interest.

There is very little in the way of tangible accomplishments to which supporters of the U.N. can point with pride. Since 1945, when the organization was founded, 75 armed conflicts have been fought between nations of all sizes, including bloody civil conflicts. Undeniably, some of these wars would more accurately be classified as skirmishes, but by whatever name, they belie any claims that the U.N. has been successful in keeping the peace. The Communist aggression against South Korea which was stopped under U.N. auspices has been frequently hailed as a major achievement of the U.N. But the United Sates bore the brunt of the fighting and lost 33,000 men in battle. At no time did the troops of other U.N. members in Korea amount to 10 percent of the American force of 450,000 men at peak strength. The U.N. "victory" in Korea was in point of fact actually an American achievement, reached through a costly sacrifice in blood and money with minimal support from other U.N. members. Now, significantly, the Nation branded as an aggressor in that conflict, Red China, is welcomed to the U.N. without one word of repentence.

Examples of the U.N. ineptness in maintaining peace and solving world problems abound. To give just a few examples: the problems of the Middle East are still far from settlement although the U.N. has been active in that area since the establishment of Israel as an independent nation in 1948. The United States, not the U.N., has been the stabilizing influence there. In the Congo, prolonged U.N. "peacekeeping" activities destroyed Katanga in the early 1960's and contributed little if anything to the stability of this strife-torn area. In fact, the U.N. force invaded Katanga. The truth is that American assistance in the form of funds and equipment enabled the U.N. to wipe out the independence of Katanga—the only part of the vast Congo territory where a semblance of order had been maintained after the withdrawal of the Belgian colonial administration. The U.N.'s impotency to take appropriate action when confronted with solid evidence of brutal Communist repression following the Hungarian anti-Communist uprising in 1956 is another case in point. The U.N. appeasement of Communist aggression in Hungary was later compounded when they accepted the credentials of the Soviet-imposed Hungarian Government. And again in 1968, the tragedy of Czechoslovakia proved the U.N. inept when confronted by Communist repression.

U.N.'S DARKEST DAY

Already well aware that the U.N. was not the answer to the world's problems and crises, any vestige of hope I harbored that this organization might, in spite of its inherent weaknesses and sorry record, still perform some useful function were dashed on the infamous day when the Red Chinese were admitted to membership and the Republic of China expelled. The U.N. decision to expel one of the signatories of its original charter and a nation representing more than 14 million people—larger than 100 of its members—in response to a resolution offered by Albania, a nation with less than 2 million people, sounded the deathknell for that body, in my opinion.

It is well to remember that on February 11, 1951, the U.N. General Assembly passed a resolution branding Red China an aggressor as a result of its instigation of the Korean war. That resolution still stands. Between 1951 and 1960, the General Assembly did not include the question of China's representation on its agenda. Then on December 15, 1961, it adopted a resolution which declared that the representation of China was "an important question." This meant that any future proposal on the matter would require a two-thirds majority to pass.

Having abandoned that long-held position in this session when the Communists triumphed in the crucial procedural vote 59–55, stating that the representation of China would no longer be considered an important question requiring a two-thirds affirmative vote, the way was cleared for the shameful travesty which followed—the ouster of a long-time ally in order to provide a seat for the brutual Red Chinese bandits. The 76-to-35 vote, applauded by the Soviet Union and many other exurberant delegates—and without a single NATO ally voting on the U.S. side—clearly delineates the rock bottom level to which our prestige has sunk.

THE LESSON OF RED CHINA

There are two aspects of the infamous China expulsion vote in the United Nations that bear thoughtful consideration by all Americans. First, it clearly shows the fact that the United Nations has little if any moral standing in the world and that it is clearly a political body, nothing more. It is clearly not a safe repository for any of our security and deserves only minimal support to provide for its expensive con game as a debating forum.

There was really only one basic issue behind the vote on Monday, October 25. Free China was thrown out of the United Nations for no other real reason than the fact Red China made it a condition of its admission to the United Nations. Strip the debate of its rhetoric and this screams out loud and clear as the basic reason behind the 76–35 vote.

Compared to most of the nations which voted against it, Taiwan was a model government. No iron curtains, no aggression against its neighbors, no record of infamy. While not necessarily a democratic self-government by American standards, by U.N. standards or Asian standards it is a jewel.

Second, the Nixon administration must share the major burden of blame for this Communist triumph. President Nixon went full circle in less than a year. The battle changed from keeping an aggressor nation unfit under the U.N. Charter from membership to a policy which supposedly fought to keep Taiwan in the U.N. The facts do not treat the Nixon administration and the State Department kindly.

First it was suggested that the United States would adopt a "two-Chinas" policy because of world realities. Soon it was necessary to give Red China the seat on the Security Council that Nationalist China had to get them to accept membership and get support for our policy. Red China wanted nothing less than the total expulsion of Nationalist China and by this time the State Department position had deteriorated into a sickening "we are fighting valiantly to keep them in" strategy. This is bunk. They knowingly opened the floodgate and even undermined Taiwan's position by having Henry Kissinger in Peking at the very time the U.N. debate was raging.

The adverse side effects will be coming in for months and years ahead. Take Cuba: Latin American countries will say "If Nixon plays footsies with the Red Chinese, we can with Cuba, too" and that Communist country will benefit from our foolish China policy.

Nothing short of a national brainwashing campaign has been conducted regarding Red China. Many commentators now refer to it exclusively as "Mainland China." James Reston of the New York Times took it to the very extreme in writing that the real concern was whether the United States could convince Chou En-lai of our sincerity. Imagine that as the height of idiocy—we must convince the bandit leader of a murderous regime which has put to death between 20 and 40 million Chinese, of our good intentions—our good intentions. It is a good indication of just how far we have gone down the track in capitulating from our previous position of strength.

If nothing else, we should have learned a hard lesson from our humiliating UN-China experience. The lack of support we received from our "friends" points up the accommodations that other nations, including those most closely tied to us, have made with the forces of world communism. This first bitter pill is probably only one of the many the United States will have to swallow now that the Soviet Union and the Communist Chinese are both in the U.N. Security Council and openly dedicated to the enslavement of the peoples of the free world under the Communist yoke.

WE GIVE TOO MUCH FOR TOO LITTLE

Many persons, both in and out of the Congress, have demanded a reappraisal of our financial backing of the U.N.—and even our continued participation in that organization—on the heels of the China vote. This call for a reevaluation of our role in that world body has been criticized as reflecting a "sour grapes" attitude. It is said we are acting as a spoiled child might because we did not get our way. It is a matter of record, however, that many of us have been expressing misgivings on this subject for at least the past decade.

The taxpayers support enough domestic frauds at home. There is no reason to perpetrate an international one. As I have indicated, it is not only because of the China vote—a case of taking our marbles and going home—it is because of the very clear pattern of perfidy over the past decade in the U.N. What the U.N. promotes at this point is not a product that we should underwrite. Let it get its money from the bandit nations and free riders who dominate it.

I believe we should stay in the United Nations but it is long past time that we begin decreasing our support, both financial and otherwise, to it. Why should the American people continue to carry the financial burden of an organization that consistently works against those things which are in the interests of the United States? This is especially true at a time when we are having our own economic problems.

There is no question in my mind that the effectiveness of the United Nations has been minimal at best. Its so-called peace-keeping activities have pretty much been a failure. Nearly every issue has been resolved in favor of Communist governments. Any peace that the U.N. is working for seems to be on Communist terms.

Commonsense would dictate a drastic cutback in our financial support of the U.N. As I see it, under no circumstances should the United States contribute more than its proportionate share based on its vote—approximately 1/130th of the cost. I certainly do not believe the American taxpayer is getting a justifiable return for his investment in the U.N. We are paying one-third of the budgeted costs of that organization or nearly $110 million per year. All other countries contribute much less and some of them pay nothing. The Soviet Union pays far less than we do, yet they have three votes, in

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effect, to our one. The dozens of small countries which make token or no payments each have a vote equal to ours.

The U.N. is $180 million behind in dues collections and other assessments from its members, and the Soviet Union owes nearly half of that sum. Some 76 nations are delinquent. Most of the trouble stems from the pernicious idea—pioneered by the Soviet Union—that a member need not pay for a budgeted or properly voted U.N. activity of which it disapproves. The result is the Soviet Union owes $87 million, and the rest of the Communist bloc owes the United Nations another $31 million. Therefore, the world Communist front owes nearly $118 million to the organization which just voted to accept another Communist country.

It is totally unrealistic for us to bear the lion's share of the costs of a body that supposedly represents all the nations of the world and allots each member equal voting rights. Or, looked at another way, why should we foot more than one-third of the U.N. bill when we have only 6 percent of the world's population? Until the Communist bloc and other delinquents pay up, the United States has no business hitting our taxpayers for another penny. The financial backing we have given this organization over the years has not inured to our benefit any more than the billions of dollars we have poured out in foreign aid to friend and foe alike.

SPY NETWORK

Almost since its inception the U.N. has afforded a convenient base for the vast Red espionage apparatus. Through the years there have been a number of spy scandals involving U.N. personnel. Those caught redhanded have long since been kicked out of our country. But the number of official personnel of the Soviet bloc reaches almost 1,000. We can be sure in the face of compelling evidence that the majority of these representatives—although in our country openly and officially—are covertly pursuing intelligence activities which present a real threat to our national security.

One Soviet defector, a former officer of the Soviet State Security Service, has stated that between 70 and 80 percent of all personnel assigned to a Soviet diplomatic establishment are in the intelligence field. Certainly the recent wholesale expulsion of 105 Soviet diplomatic representatives in Great Britain points up the scale and nature of Soviet spying.

The prevailing mood of detente has led to an alarming laxity in dealing with Soviet and other Communist-bloc undercover agents. One of the reasons I so vigorously oppose diplomatic recognition of Red China is because they will do the same thing the Russians have historically done: use their official representation as a ready means of bringing intelligence personnel into this country.

Looking back through the year of "diplomatic," "trade" and "cultural" relations between the free world and the Soviet Union, it is clear to what extent these "relations" have facilitated the immense expansion of the Communist world. Now with the Chinese Communists joining them in their clandestine mission of ferreting out the most sensitive data regarding our scientific and technical developments, our military defense program, and the future plans of our Government, we can see how vulnerable we are as these subversive machinations mushroom at the crux of the Eastern Seaboard. Evidence clearly exists to show Red China's new U.N. delegation is led by espionage-oriented delegates.

SECURITY COUNCIL STYMIED

Almost from its inception the Security Council has been stymied in its efforts to carry out its mandate. the U.N. Charter assigned to the Security Council the primary responsibility for "the maintenance of international peace and security"—the most important function envisioned for the world organization. But carrying out this responsibility proved to be too much, given the crippling effect of the veto power wielded by the five permanent Security Council members. These seats were assigned to the "big five" World War II alliance of Nationalist China, France, Soviet Russia, the United States and the United Kingdom.

Only a few months after the San Francisco conference which spawned the U.N., the Soviets cast their first veto. They have now cast more than 100 vetoes. Whenever they believed the issue under consideration could retard the interests of the world Communist movement or in any way strengthen or foster the goals of the free world, the Soviets have not hesitated to block Security Council action. This indiscriminate use of the veto power by the Soviets contrasts markedly with the extremely limited use exercised by the rest of the permanent members of the Council. Consider, for example, the restraint of the United States. For 24 years we never cast a veto. It was not until last year that we first exercised our veto power, and then of course it was not in bad faith or for ulterior motives.

The U.N. double standard is probably one of the greatest pitfalls it faces in trying to be a viable instrument of world opinion and decisionmaking. Its hypocrisy in many areas has prevented it from being a moral power in the world. It is purely political, nothing else. Even in the recent Red China fiasco its hypocrisy was obvious. Nationalist China was expelled from the United Nations not for anything it has done or for any violations of the U.N. Charter but because Red China placed the expulsion of Nationalist China as the "price" of its own acceptance of membership in the body. That the majority bowed to that position to throw out a nation which had maintained a good record and replaced it with a nation which has lived in constant violation of the U.N. Charter shows the double standard.

However, the best example I received on this double standard came in the first years of my service in Congress. I had occasion to read an issue of the UNESCO Courier, issue No. 10 to be exact, and I was offended by its blatant accusations of racism against the United States and Great Britain but, in discussing racism in the world, made no mention of the Soviet Union. Anti-Semitism and liquidations of racial groups by Communists behind the Iron Curtain has been so well documented as to not really deserve more than cursory mention here. I wrote to the Director General of the UNESCO and asked why the Courier article contained no reference to Soviet racism. His reply was that UNESCO only covered those instances of racial strife which the governments documented and since the Soviet Government denied that minorities are persecuted in the Soviet Union, there was nothing to report. Consider that strange double standard when you hear someone say that the U.N. has any chance of meaningful solution to world problems. Just deny they exist and the U.N. will look the other way.

Other instances of hypocrisy could fill scores of pages. The U.N. looked the other way when India invaded friendly Goa. It sought to get economic sanctions against Rhodesia, South Africa, and Angola by labeling them as a threat to peace. None of these nations is a threat to peace and their racial policies would be on a par with many of the nations voting for sanctions, particularly the Iron Curtain countries. Yet there is always this double standard.

I have examined the work of the United Nations Educational, Cultural and Scientific Organization—UNESCO—in the past and have strongly criticized many of its activities which downgrade our country while ignoring in other countries flagrant examples of the very things we are castigated for. UNESCO's orientation flies in the face of the harsh reality of east-west confrontation. Its whole thrust seems to be a nebulous concept of utopian one-world citizenship at the expense of subordinating our educational system, national patriotism, and who knows what else to their fuzzy thinking.

Last year, UNESCO conducted a symposium in Finland commemorating the 100th anniversary of the birth of Lenin. Lenin's bloody record of suppression and murder is a matter of history. But this fact, and the opposition of the United States to the event, did not deter the one-worlders. UNESCO went ahead and dedicated the meeting to Lenin.

OUTLOOK FOR THE FUTURE

I have tried to give some idea of why I believe the image of the United Nations as man's last best hope for peace—fostered by the U.N.'s excellent job of promoting its own cause—evaporates when we take a hard look at the realities of its record. Many of the U.N.'s problems stem from the fundamental philosophical error underpinning the foundation of that body. The central difficulty is accepting the assumption that a large collection of nations could in fact work together in harmony to guarantee world peace. The inclusion of the Soviet Union—and now, alas, Red China—is alone enough to explode that notion, but there are a good many other nations as well which have no desire to get along with each other or with us. The U.N. is in fact founded on a delusion.

A basic reality of the U.N. through the years has been to provide the Communists with a handy propaganda forum to advance their ideology and political objectives. They have used it in their own self-interest. We will probably be treated to more of the same for the capacity of the U.N. to create mischief and anti-American propaganda seems undiminished.

Proposals for world government and world police forces should be rejected out of hand. What responsible government would entrust the future and safety of its people to an organization that has been foundering ineffectively since its creation? American sovereignty is not a threat to peace. In fact, the best hope for world peace in the face of the Communists' announced intentions of world domination remains, like it or not, in a strong, sovereign, independent United States. Whither the United Nations? We can cooperate in the U.N. in its political debates but it is not a safe or proper repository for our security.

VIEWS ON CHILD DEVELOPMENT SECTION OF OEO CONFERENCE REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. QUIE), is recognized for 60 minutes.

Mr. QUIE. Mr. Speaker, as a long-time supporter of the child development concept and as an individual who feels that there is a definite need for expanded services, I am taking what I am sure is a view unpopular with people who are very strongly in favor of child development programs. It is my feeling that the legislation reported by the House-Senate conference on this subject is so unworkable that I would rather see no legislation passed at this time than see this bill become the law of the land. I would hope that the conference report will be defeated and that the Congress will go back to work and report a reasonable and rational bill which will truly meet the needs of our Nation and its children.

In discussing this child development bill it is obvious that a tremendous amount of confusion and misunderstanding exist. Much of the problem centers around the delivery system. Not the question of who may operate individual projects but who is eligible to be a prime sponsor.

It is important to understand the distinction between the two. A prime sponsor is the mechanism through which a child development council—the overall administrative mechanism—is established and an overall comprehensive plan for services is developed. Under the prime sponsor there should be a number of individual operating programs—each following the same rules and regulations promulgated by DHEW—but each individual program operator would not deal directly with HEW. There are few restrictions as to who may operate a program since they should deal with the prime sponsor.

The point of confusion seems to be who is eligible to submit an application as a prime sponsor. As the bill presently stands, if a city—with a population of 5,000 or more—a combination of localities or a State submits an application for prime sponsorship to serve the same geographical area, the Secretary is mandated through this legislation to approve the city's application if it just meets minimum requirements. Even if a combination of localities or the State is better equipped or has a greater capacity to administer programs which serve the needs of the particular area, the Secretary must still approve the city as the prime sponsor.

For a perspective on the problem, it is important to think about the potential number of applications which might be submitted directly to the Federal Government. If one thinks of this program in terms of education, you could say that being a prime sponsor would be like being a school district.

If the bill as reported by the conference stands, it will in effect be turning the clock back by decades. To understand why, look at the history of school districts. In 1900 there were over 100,000 separate operating school districts in the United States. In 1959 the number was down to 40,500. Through the years most of them found that they were simply unable, because of their small size and limited number of students, to effectively and efficiently run a school system, to say nothing of increased administrative burdens which vastly increase when they deal directly with the Federal Government. Consequently, they moved toward consolidation. By 1969 there were only 19,200 public school districts, a 21,300 drop in just 10 years. Today there are approximately 17,000 school districts and the number is dropping by about 1,000 per year.

In my own State of Minnesota, there were 6,896 school districts in the State in 1900. In July 1961 there were 2,410 and in July 1971 only 446. Today this figure is 435 and will probably be reduced to less than 400 during the next year.

I anticipate that under this legislation, a city with a population of 5,000 to 10,000 would have at best only one program with a maximum enrollment of 15 to 30 children even under the most optimistic funding conditions. Every prime sponsor, regardless of size, is required by the bill to provide specific services, facilities and program personnel. It appears to me that, of small school districts with only one small school found over the years that they could not operate effectively and economically, it is impossible to expect a one-program prime sponsor to be feasible. The result can only be the wasting of precious dollars and, as a consequence, fewer children served.

It is important to point out that not only have school districts throughout the country moved toward consolidation, but the Office of Economic Opportunity—to whose authorizing legislation the child development bill is attached—moved early in the same direction. In OEO's instructional manual, Instruction No. 6302–2, that agency sets forth minimum sizes for eligibility for community action agencies. Furthermore, they even set size regulations which removed eligibility from communities which were considered to be too small to sustain a program. Parts of the instruction read as follows:

PART D. COMMUNITY ELIGIBILITY

1. Minimium tests of community eligibility:

To be eligible to be served by a CAA a community must provide a suitable organizational base and possess a commonality of interest. At a minimum, an eligible community must be one of the following:

a. A state.

b. A city or other municipality, or a group of municipalities, with a population of at least 100,000 people, according to the most recent available census data.

c. A county, group of counties or predominantly rural part or parts of one or more counties. A minimum of 50,000 persons according to the most available recent census data will apply in each of these cases.

d. One or more Federal Indian reservations.

2. Loss of eligibility:

If because of opt-outs or loss of population the population of a community previously eligible under 1.b above falls below 100,000 people, the community will lose its eligibility to be served by a CAA.

If because of opt-outs or loss of population the population of a community previously eligible under 1.c above falls below 500,000 people, the community will similarly lose its eligibility.

QUIE CONFERENCE PROPOSAL

My primary opposition to this legislation centers on the refusal of the conferees to accept what I considered to be a most reasonable and rational proposal. My proposal would provide the Secretary with the authority to determine, when a locality, a combination of localities or a State all make application to serve as a prime sponsor for the same geographical area, which application in his judgment can most effectively carry out the purposes of this act. I cannot understand why my colleagues would not accept a proposal which seems to me to be so basic to not only effective management but to good government as well.

What does the bill actually do and how does the delivery system work? To illustrate how complicated the delivery system is and why it will be difficult for even large geographical areas with high population concentrations to establish a prime sponsorship, possibly a brief explanation will help you to understand what every prime sponsor—including a one-program prime sponsor—will have to do.

USES OF FUNDS

To begin with section 512 details what funds may be used for services and activities covered, including at least 15 different categories.

PRIME SPONSORS—SECTION 513

In order to get funds authorized under this bill, a prime sponsorship must be established. Localities with a population of 5,000 or more must be approved as the prime sponsor if they meet minimum requirements even if a combination of localities or the State could do it better. In the event that an individual locality does not meet the requirements, the Secretary must take steps to encourage the submission of prime sponsorship plans from a combination of localities regardless of how capable the State might be.

If the Secretary determines that the prime sponsorship plan of a particular locality or combination of localities does not meet the requirements, he may then approve a plan submitted by the State. Such a plan may be approved for only 1 year, and during that year the Secretary must still seek to develop prime sponsorship applications by localities.

The Secretary may also approve a prime sponsorship plan submitted by a

public or private nonprofit agency, including but not limited to a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, employer organization, labor union, employee or labor-management organization, or public or private educational agency or institution. These bodies may be approved as prime sponsors when no application has been made by a governmental unit or if it has been disapproved or withdrawn.

CHILD DEVELOPMENT COUNCILS—SECTION 514

In order for a prime sponsor to establish itself, it must create a child development council as detailed in this section. This council must be composed of not less than 10 members. If 10 are selected five shall be parents of children served in child development programs, with the remaining public members being appointed by the chief executive officer or the governing body of the prime sponsor. Three of the public members would be broadly representative of the general public, including first, government agencies; second, public and private agencies and organizations in such fields as economic opportunity, health, education, welfare, employment and training, business or financial organizations, labor unions, and employers. The other two members would be child development specialists if available.

The Child Development Council—which had been selected according to regulations established by the Secretary—shall be responsible for approving basic goals, policies, actions, and procedures for the prime sponsor, including policies with respect to planning, general supervision and oversight, overall coordination, personnel, budgeting, funding of projects, and monitoring and evaluation of projects.

COMPREHENSIVE CHILD DEVELOPMENT PLANS—SECTION 515

Once a prime sponsorship has been formed and a Child Development Council established, in order to receive financial assistance, the prime sponsor must then develop a plan which sets forth the comprehensive program for providing child development services in the prime sponsorship area. This plan includes 25 separate requirements.

PROJECT APPLICATIONS—SECTION 516

After the prime sponsorship-child development plan requirements are completed, then the question as to who may receive financial assistance to operate a project must be answered. Funds may be given to a qualified public or private agency or organization including, but not limited to, a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, private organization interested in child development, employer or business organization, labor union, employee or labor-management organization, or public or private educational agency or institution.

PROJECT POLICY COMMITTEE

Every potential project operator must establish a Project Policy Committee which is composed of not less than 10 members, half of whom are parents of children served by the project. The remaining members of each committee shall consist of first persons who are representative of the community and who are approved by the parent members, and second, at least one person if available who is particularly skilled by virtue of training or experience in child development, child health, child welfare, or other child services.

Nowhere in the bill does it spell out specifically how the parents on the individual Project Policy Committees will be selected or appointed, nor is there any authority for the Secretary to establish guidelines or regulations. This is critical since each individual Project Policy Committee has, in effect, a veto over the policies with respect to planning, overall conduct, personnel, budgeting, location of centers and facilities, and direction and evaluation of projects.

This brief summary covers 10 pages in the conference committee report. If you think it is complicated from my explanation, then you should read the actual language of the bill.

Since the utilization of public resources is a fundamental part of this legislation, it seems to me that the Secretary should be given the greatest latitude and flexibility to choose those programs which, in his judgment, best meet the needs of a given area.

I must point out that many Members sought at one time during the development of this legislation to have a population level of 500,000 along with a requirement that all program applications be submitted through the State with one comprehensive plan forwarded to HEW. Although I feel that these provisions have great merit, I am not seeking them at this time; but I do contend that no application for prime sponsorship submitted by: First, a locality; second, a combination of localities; or, third, a State should have priority over the other. These applications should be judged on merit, capability, and capacity to carry out the role of a prime sponsor as compared to each other. I strongly feel that the Secretary should not be bound by any preset mandate to select any particular applicant. He should be allowed to use his best judgment as to who can best carry out the purposes of the act.

Some individuals have challenged my concern that the Secretary of HEW needs more flexibility and discretion to approve the application which he feels is most qualified. They feel he has all the discretion that he can possibly use right now in the authority given him under section 513(k) to directly fund projects. While he may fund projects directly, a review of that section shows that the Secretary's hands are tied to still another set of preconditions which does not give him discretion to select the proper prime sponsors. He may only fund projects directly—

In the event that a State, a locality, a combination of localities, or an Indian tribal organization has not submitted a comprehensive child development plan under section 515 or the Secretary has not approved a plan so submitted, or where the Secretary has not designated or has withdrawn designation of prime sponsorship under section 513, or where the needs of migrants, pre-school-age children, or the children of working mothers or single parents, minority groups, or the economically disadvantaged are not being served.

The Secretary may fund directly only when the required conditions have not been met. This section does not give the Secretary the authority to approve a prime sponsorship, it merely allows him to direct fund individual projects when there is no prime sponsor.

Some also claim that the Secretary could refuse to approve a small locality's application for prime sponsorship for reason other than the limited criteria in section 513(a). But I believe that the Secretary's hands are further tied through another provision which directs that a prime sponsorship plan may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary provides—

(1) written notice of intention to disapprove such plan, including a statement of the reasons, (2) a reasonable time in which to submit corrective amendments to such plan or undertake other necessary corrective action, and (3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

To complicate this procedure even more, there is also a provision which allows that if any party is dissatisfied with the Secretary's final action with respect to the disapproval or withdrawal of its prime sponsorship, such a party can file an action in the U.S. court of appeals and petition for a review of the action. In effect, any agency or organization listed in the bill may at any time take the Secretary to court protesting an action. Somehow it appears that with this complicated mechanism it is possible that no funds will ever get out to provide services for children.

STATES

I do not take the view of some of my colleagues that "all State governments are bad and that all city governments are good." Neither do I accept their view that States have not shown any concern in the area of child development, because I am aware that many States have demonstrated a truly significant desire to develop meaningful programs. My own State of Minnesota, for example, recently passed a law—chapter 848 of laws of 1971—which provides that the State commissioner of welfare may make grants to any municipality, corporation or combination of localities for planning, establishing, maintaining or operating a child care service. Funds may also be utilized for leasing, renting, construction, or purchase of facilities and equipment. The central thrust of the State's effort is to establish and operate a program to aid in the coordination of child care within communities, to aid in development of social, emotional, and educational services to provide optimum conditions under which children can develop and grow.

In January 1971 the Governor of Texas established an office of early childhood development for the purpose of coordinating childhood development programs "to insure all people in large and small communities in Texas the opportunity of comprehensive child development services."

The State of Maryland during the past few years has put great effort into the development of a workable and coordinated State program of day care and early childhood programs.

I must observe that States participating in title IV–A child care programs have put up a total of $59 million in actual State moneys for fiscal year 1971 and it is anticipated that that figure will become $75 million in fiscal year 1972.

It is interesting to note, however, that in spite of the efforts of these States or any similar efforts which might be made by any other States, under this legislation they would all automatically be excluded from prime sponsorship consideration unless localities failed to submit an application or until the Secretary deemed that the localities could not meet specific requirements.

In discussing this legislation some contend that, if the States have a role, they will dominate. Under the bill as it is now written, States do not and cannot control the programs as they will be controlled by regional offices. Individuals working in a regional office will make determinations as to what is best for each locality without having to be responsible or accountable to them or to be the voters. Regional offices are a poor substitute for elected officials who must answer to the electorate.

There is still another factor which complicates this already fuzzy picture—that is, how will the Secretary draft regulations and standards by which he can make choices? The bill has language which requires a prime sponsor to do certain things, but there is no guidance to help those who will process applications to make adequate judgments. If regulations are written in a restrictive manner, they will be challenged immediately. Yet, if they are vague and written with great flexibility, they probably will not be of great help in making determinations.

I can see one specific potential problem with regulations which might be developed. With any guidelines that are written, a prime sponsor applicant will have to comply with the law. If an applicant merely states that it will meet all of the requirements listed in the bill, how will a judgment be made when a small city applies and does not have existing operating resources to provide the necessary services, but promises to provide them once the Federal Government gives it the money to work with? The law as now written does not preclude the Federal Government from providing money for such services, and does not mandate that local, county, or State resources which might be available to serve the need be utilized. Through a literal interpretation it is possible, if a community merely promises to provide the services if it gets the money to do so, the Secretary would be obligated to make the funds available if he approves the application. In such a situation, many dollars which would normally go for actual child care services would be siphoned off and put into the establishment of supplementary services to insure compliance.

And still another concern to me is what will be the problems of administering this bill at the Federal level? Right now there are approximately 900 full-year Headstart programs throughout the country. The Federal Government has not accepted any new applications during the last few years and has not started any new programs. As a result, Headstart has remained fairly constant. The Office of Child Development has used its staff primarily for oversight, monitoring, and evaluation. To administer the 900 programs, the Office of Child Development employs some 300 persons, of which 130 are in the Washington office. The Washington office, in addition to legislative responsibilities, policy setting, providing technical assistance, handles the special Indian and migrant programs and experimental parent-child centers. All other programs are handled by the regional offices. The remaining 170 employees scattered throughout the 10 regional offices, service the other programs.

It is important to understand that all of the programs presently in the Office of Child Development are established and operating. Consequently, there is absolutely no way of projecting exactly how many additional personnel will be required simply to process all of the potential applications which might be submitted as a result of this legislation, let alone predict the number that will be required to monitor and evaluate to maintain quality control.

The way this legislation is written, an administrative monstrosity will be created which has no parallel in government.

INTRODUCTION OF JOINT COMMITTEE ON AGING PROPOSAL

Mr. Speaker, on a completely different but equally urgent subject, I have today introduced a House joint resolution to establish a new joint congressional committee to be known as the Joint Committee on Aging.

The new committee would consist of 22 members, 11 appointed by the Speaker of the House and 11 appointed by the President of the Senate, with a majority-minority party representation of six and five in each case. In making appointments of Members to this new joint committee, due consideration would be given to House and Senate committee assignments involving legislation which deals with the problems of the older American.

The Joint Committee on Aging would not have authority to initiate legislation, but it would have broad authority "to conduct a continuing and comprehensive study and review of the problems of the older American, including but not limited to income maintenance, housing, health—including medical research—welfare, employment, education, recreation, and participation in family and community life as self-respecting citizens. The committee would also study methods of encouraging the development of public and private programs and policies which will assist the older American in taking a full part in national life, and in turn using the special talents and experience of older persons to improve the quality of life for all Americans.

I think this new joint committee is badly needed in the Congress. It would provide a focal point for bringing together information and ideas which in turn could improve the legislation of standing committees of both bodies which directly or indirectly affects older persons. The responsibility for the substantive legislation is fragmented, and there is no way this could be cured through restructuring committee jurisdiction, because the problems of the older American cut across all jurisdictional lines.

The problems of our older citizens are not different from those of all other groups in our population; they simply tend to be more severe for the older group. In most cases they need special attention, and one of the functions of the Joint Committee on Aging would be to inform the standing committees of methods of providing this special attention, whether it be in fields such as social security, health, or housing which are major concerns of older people, or in areas of collateral concern such as transportation, education, or crime prevention. If Federal legislation is going to be genuinely effective in meeting the growing needs of 20 million Americans aged 65 or older the committees of the Congress having responsibility for substantive legislation need the sort of focus and perspective which could be provided by the Joint Committee on Aging.

There is a further need which could be met by a joint committee. The executive branch is as fragmented as the legislative—and for the same reasons—in the administration of programs affecting older persons. While large portions of these programs come under the jurisdiction of the Department of Health, Education, and Welfare, significant programs are also found in the Departments of Agriculture, Housing and Urban Affairs, and Labor, among others, and in agencies such as the Office of Economic Opportunity. This is why President Nixon has established a Special Cabinet Committee on Aging as a part of the Domestic Council. I think that we should all applaud the President's leadership in taking this action. We need the same kind of single point in the Congress from which a broad overview of the programs of all the agencies would be possible. Only a Joint Committee on Aging could effectively do that job.

Mr. Speaker, I believe that this is a most appropriate time—as the White House Conference on Aging acts to focus much-needed attention on the problems of older Americans—for the Congress to act to provide a permanent focus on those problems as they are dealt with by the Federal Government. The joint resolution I have today introduced would accomplish that purpose and I ask for its speedy consideration.

CONCERN ABOUT PROVISIONS IN THE OEO CONFERENCE REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 15 minutes.

Mr. STEIGER of Wisconsin. Mr. Speaker, I wish to associate myself with the remarks made by the gentleman from Minnesota (Mr. QUIE). I share his support for an expanded child care program and I strongly supported the House

bill in September. I also share Mr. QUIE'S concern that the House-Senate conference committee has designed a delivery system for the child development portion of the economic opportunity amendments that is sorely unworkable and worse than no system at all.

Regretfully, I must also express reservations about two other provisions of the OEO conference report which, in my judgment, severely limit the agency's authority and ability to carry out its mission. Specifically, they are the restriction on delegation of transfer authority and the earmarking of authorizations.

NONDELEGATION AND TRANSFER

Section 19 of the conference report prohibits the delegation or transfer of the functions and powers of the Director of OEO to the head of any other agency through fiscal year 1973, unless a provision of law is subsequently enacted "in limitation of the provisions of this section." This prohibition in section 19 would eliminate the research and demonstration role of OEO and would further prevent the agency from using its resources with maximum effectiveness.

The result of this provision would be to relegate OEO to the status of just another agency with program-operating responsibilities. If the conference report is enacted, and OEO's role as a strong, independent research agency is thus submerged, it might even become difficult to justify its continued existence. The strength of OEO has always been in its creativity in combating the problems of poverty. Other agencies of the executive branch are fully capable of administering social programs. We should not allow OEO to become merely another competing operating agency.

Delegations and transfers of OEO-initiated programs have been approved ever since the act was first passed in 1964. OEO has supervised programs during their maturation, and Congress has made statutory transfers to other departments in order to free funds for new innovations.

While the administration has proposed changes in OEO programs, in every instance the proposal seeks specific legislative action by Congress before effecting any changes.

Among the proposals are:

First. The inclusion of community action, senior opportunities and services, and special impact on the proposed Department of Community Development. The proposed transfer of these programs is set forth in the Department of Community Development Act and does not involve any substantive changes in the existing provisions of the Economic Opportunity Act.

Second. The inclusion in the proposed Department of Human Resources of the manpower programs authorized under parts A, B, and E of title I of the EOA, the migrant programs of title III–B, Headstart and follow through, family planning, alcoholic counseling and recovery, drug rehabilitation, and emergency food and medical. The transfer of these authorities is provided in the bill which proposes the establishment of a Department of Human Resources and involves no substantive changes in the EOA.

Third. Included in this OEO bill is title 9 which creates an independent corporation using the existing Legal Services program as its base.

OEO would retain comprehensive health programs, although it is contemplated that the practice of transferring mature programs to HEW—DHR—on an individual basis will be continued. Legislative authority would be retained in section 222 of the EOA. The Agency would also retain research, development, and evaluation authorities under section 232 of the EOA, and, pending further assessment and decision regarding the location of Indian programs throughout the Federal Government, OEO would, like other departments, retain its existing Indian programs.

In other legislation pending before Congress, it has been proposed that community action programs be administered by the new Department of Community Development. It is also the intention of the administration, as indicated in the 1972 budget, to incorporate funding of community action into rural and urban community development revenue sharing as of January 1, 1973. To accomplish this, specific congressional action would be required in two respects.

First, Congress would have to approve the Rural Community Development Revenue Sharing Act and the Community Development Act; each by its terms would become operational January 1, 1972.

Second, if urban and rural revenue sharing are approved, then a specific legislative proposal would be submitted to incorporate community action programs into revenue sharing as of January 1, 1973.

The delay in shifting CAA's into the revenue sharing process will permit an observation of how revenue sharing works and a better understanding of the possible effects on community action, so that this experience can be considered in developing the subsequent legislation which would be required to incorporate community action into revenue sharing.

There are no proposals now before Congress dealing with revenue sharing as it applies to community action programs. Prior to any decision by Congress on the incorporation of community action into the revenue sharing format, community action would continue to be administered under the EOA, either by OEO or, in the event of passage by Congress of the Department of Community Development Act by the Department of Community Development.

As can be seen, each of the proposed changes in OEO has been incorporated in specific legislative proposals. These changes will occur only in the event of approval by Congress and not by the transfer of program authority, executive reorganization, administrative delegation, or any other means.

EARMARKING

Mr. Speaker, I am also concerned as I have been in the past that the earmarking adopted by the conferees severely restricts the ability of the Director of OEO to effectively operate his agency. The conference report allows the Director the flexibility to transfer 25 percent of the funds earmarked from one program and put it into another. Shifting funds between programs is necessary in order for the Director to carry out the primary mission of his agency—research and development. Some of the earmarks are so high that he must divert nonearmarked dollars into earmarked programs simply to reach the level that the bill mandates.

Mr. Speaker, I think my colleagues understand that earmarking has long been a subject of considerable misunderstanding and acrimony in the past. There are, however, certain principles that may now be generally accepted:

One. Congress has authority to allocate funds as specifically or generally as it sees fit;

Two. The President must honor these allocations, but is not compelled to spend the money;

Three. Some degree of Director discretion is desirable in an OEO designed for innovation and rapid response;

Four. There is little consensus on program priorities. Members of Congress and the administration hold strong views about them, and there must be a rational means for reconciliation.

OEO earmarking problems, including those presented in the conference report stem from Congress annually appropriating less money than either President Johnson or President Nixon requested, and substantially less than authorized under the Economic Opportunity Act. The agency would have few serious disagreements with earmarks if full authorization were appropriated. However, OEO's total fiscal year 1972 budget is almost 20 percent less than this bill authorizes, and last year the final appropriation was closer to 30 percent below authorization.

THE FISCAL YEAR 1972 PROBLEM

Specifically, this bill authorizes $950 million for OEO. Although OEO might not allocate that sum in precisely the same fashion, it would have no serious earmarking problems were the full authorization appropriated. However, the President's fiscal year 1972 budget for OEO is $780.4 million. Under S. 2007, the traditional pro rata formula would rigidly require adding $55.9 million to:

Local Initiative (section 221)	$14.0
Alcoholism	7.4
Emergency food and medical	29.2
Community economic development	5.3

This is not simply added money to increase certain programs to which we might well accord higher priority than others. It is really program reduction from two other programs—comprehensive health and research and development.

In the case of local initiative, the earmark level of $328.9 has been met—and even exceeded—for several years. However, in fiscal year 1971 OEO programed an extra $20 million into local initiative to advance-fund the fiscal year 1972 program. When added to the fiscal year 1972 request for $314 million, the resulting $334 million will sustain the present program level.

In the case of the alcoholism program OEO has not budgeted additional funds because it reached agreement with HEW to consolidate all Federal alcoholism efforts in the Department, with the exception of certain special OEO projects. This is consistent with recently-enacted legislation. It also has the added advantage of first, continuing some 200 community action agencies started by OEO; second, strengthening community action as a legitimate grantee of a growing number of Federal sponsors, not just OEO; and, third, reinforcing a pattern for institutional change of Federal agencies through assumption of responsibility for OEO-developed programs.

The President's budget calls for $3.5 million to refund emergency food projects for migrants and Indians in places not fully participating in food stamp and commodity distribution programs. The latter have expanded—since the inception of the emergency food and medical services program in 1967—from $500 million to over $2.5 billion annually. Finally, sufficient appropriations remain unspent upon entering fiscal year 1972, to allow for a reasonable transition to the broadened food stamp program of 1970.

It is my view that, although there are many necessary programs authorized in this legislation—most especially the independent Legal Services Corporation—the serious problems with the delivery system in the child development section of the bill, and the earmarks and nondelegation provisions, which I have just described, force me to believe it is necessary to defeat the conference report and then report out a bill that retains what is valuable and corrects what is unworkable.

As a supporter of OEO and a believer in the need for a child care program, I will vote against the conference report and begin work anew on a bill that deserves to become the law of the land.

FOOTBALL ACHIEVEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, every Member of Congress is proud of his home district. I share that pride and this year, once again, have an even more personal reason to be proud because of an unprecedented accomplishment in my hometown of Pittsfield, Ill.

This year the Pittsfield High School football team completed its sixth consecutive undefeated season. This is an all-time record in my home State of Illinois and I doubt few, if any, Members of Congress can boast an equal accomplishment by a high school athletic team in their hometowns.

The Pittsfield Saukees have compiled the enviable record of 54 consecutive victories during the past six seasons. In compiling their record, the Saukees scored 365 points this year while allowing their opponents just 64 points. The team gained an average of 400 yards per game, another mighty impressive statistic.

On top of all this, it appears the 1972 season will provide another opportunity to expand on their own record of victories because most of the 1971 Saukee squad is made up of juniors who will be returning for one more season.

In these days of so much national attention focused on the few young people who have made, in the minds of many citizens, a bad name for our youth, it is a sincere pleasure to salute the winning ways of this group of genuine winners, the Pittsfield, Ill., Saukee football team.

I know my colleagues here in the Congress join me in congratulating this fine team and its coach, Donald Pollard, for the fine example of achievement they set for all citizens.

Members of the undefeated 1971 Pittsfield High School Saukee football team are: Richie Smith, Jim McMakin, Brent Gaffney, Walter Stolte, Jay Carlton, Charles Cox, Rod Fralick, Dan Sapp, Dan Barrow, Jerry Fulmer, Mike Baehr, Mike Nevius, Rich Bergman, Fred Ruzich, Joe Wombles, Mark Sheppard, John Carlton, Bruce Kattelman, David James, Andy Borrowman, Brett Irving, George LoBuono, Mark Dempsey, Mike Barton, Roger Coultas, Ron Ghrist, Mark Deeder, Terry Lyman, Sam Giger, Don Snyder.

NATIONAL PLANNING ASSOCIATION ADVISORY COMMITTEE ISSUES TIMELY REPORT ON TRADE AND MONETARY POLICIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 10 minutes.

Mr. REUSS. Mr. Speaker, I would like to commend to the attention of my colleagues a timely report on trade and monetary policies issued early last month by a National Planning Association Advisory Committee chaired by Ralph I. Straus of New York. The report is entitled "U.S. Foreign Economic Policy for the 1970's: A New Approach to New Realities," and is accompanied by supporting papers by C. Fred Bergsten, Robert M. Dunn, Jr., Frances M. Geiger, Theodore Geiger, Robert E. Hunter, and Harald B. Malmgren.

Among the committee's recommendations is the suggestion that the United States agree to a small increase in the price of gold as part of a currency realinement to establish more realistic exchange rates among the dollar and other leading currencies. The committee also takes a constructive approach to the elimination of nontariff barriers and other restrictive practices, and to the provision of more effective adjustment assistance for industries facing increased import competition.

The committee does well to warn that:

U.S. policy makers must resist the temptation to use excessively restrictive or discriminatory means of applying pressure that would subsequently be difficult to terminate either for domestic reasons or because of retaliatory measures by the Europeans and Japanese. . . . Since August 1971, the danger that increasing resort to restrictions, discriminations and retaliations might get out of control has become very much greater.

I include a November 8, 1971, press release describing the National Planning Association Advisory Committee's report on U.S. foreign economic policy, along with a list of members of the committee signing the report:

NATIONAL PLANNING ASSOCIATION PRESS RELEASE

WASHINGTON, D.C.—Constructive measures for dealing with the current international economic crisis and thereby avoiding a further relapse into trade restrictions and retaliations are recommended in the report of an NPA Committee released today.

Chaired by Ralph I. Straus, the NPA Advisory Committee on U.S. Foreign Economic Policy for the 1970s proposes a new approach to tariff reductions, the use of interim import restrictions to allow time for adjustment to increased import competition, codes of behavior to harmonize or eliminate nontariff barriers and other restrictive practices, wider margins for exchange-rate fluctuations and more frequently changes in parities, reductions in the foreign-exchange costs of U.S. defense commitments in Europe and Japan, and an improved program of adjustment assistance to U.S. workers and business firms. The report's 18 specific proposals were formulated to take account of the new realities in the world economic and political position of the United States.

The Committee urges the OECD nations to adopt a new commitment not to pass on the costs of their policies to other countries without prior consultation, and to preserve and improve international economic integration "with adequate provisions for controlling the adverse effects on social groups within countries and on national economies as a whole."

Considering recent developments in the world economy and U.S. policies adopted on August 15, the Committee warns that "U.S. policy makers must resist the temptation to use excessively restrictive or discriminatory means of applying pressure that would subsequently be difficult to terminate either for domestic reasons or because of retaliatory measures by the Europeans and Japanese. . . . Since August 1971, the danger that increasing resort to restrictions, discriminations and retaliations might get out of control has become very much greater."

The Committee finds that there has been a significant decline in the international economic position of the United States relative to the European Community and Japan. "In the past, the United States possessed marked competitive advantages, notably the technological lead and economies of scale fostered by its large domestic market, the dynamism and competitiveness of its business management, the quality of its labor force, and the size and efficiency of its capital market." Now, the report points out, the European Community and Japan are rapidly narrowing the gap in these respects between themselves and the United States.

The Committee's report is accompanied by and based on six more detailed supporting papers concerning prospects for trading blocs, nontariff barriers, international monetary reform, payments adjustment problems, military and political factors in U.S. foreign economic policy, and U.S. and other countries' adjustment assistance programs. Summaries of the supporting papers are appended. Also attached is a list of the signers of the report.

The Committee points out that there has been widespread agreement in the United States that the benefits of greater international economic integration exceed its costs. But this is now being questioned as greater integration increases the scope, frequency

and speed of economic changes that require painful adjustments by workers and businesses.

To be both realistic and constructive, future U.S. foreign economic policy must combine programs and policies to extend the benefits of integration while also dealing with integration's adverse aspects in pragmatic ways, the Committee says.

The Committee recommends that U.S. import restrictions should be permitted only under the escape-clause procedures and "in cases where the impact of import competition on a particular industry is so widespread, drastic and rapid as to make the task of adjustment for the industry or its workers too great to be handled even with liberalized programs of adjustment assistance." Such restrictions would be limited to three years, renewable only to carry out an industry adjustment program prepared by an Industry Council consisting of representatives of concerned large and small firms, labor unions, government departments, the industry's customers and consumers generally. To preserve some competition, tariffs should be preferred to tariff-quotas and "permissible amounts of imports should be periodically increased more than proportional to the growth in U.S. consumption."

Liberalization of adjustment assistance should include simplifying and speeding up handling of applications for assistance, providing aid to workers in a subdivision of a firm even if the entire firm would not be eligible, and abolition of the need to show a direct causal link between a tariff reduction and an increase in imports.

To head off the tendencies toward bloc formation and restrictionism, the Committee proposes *a plan for reduction of tariffs and quotas, U.S. agreement to a GATT waiver* for the proposed association agreement for free trade in industrial products between the European Community and the remaining members of the EFTA *for five years only*, and *new efforts to reduce agricultural protectionism*.

The tariff reduction plan calls for immediate elimination of all tariffs now at 5 percent or less and a progressive reduction over an adequate transition period of higher tariffs to 5 percent, after which they also would be abolished. The proposed waiver for the EC-EFTA association agreement would be for a limited time only while the general tariff reductions are negotiated and go into effect. It should also be subject to compensatory concessions to the United States and other countries adversely affected.

The Committee also recommends *international monetary reforms* and *improvements in the process of adjustment to payments imbalances*. It suggests that the United States agree, if necessary, to a small gold revaluation but only as part of a currency realignment to establish new equilibrium exchange rates. Calling for greater flexibility in exchange rates, it urges adoption of "a set of presumptive criteria for determining the need for a change in parity" as well as wider margins—at least 3 percent on either side of parity—to discourage speculative short-term capital flow.

Proposed international monetary reforms include a special SDR issue by the IMF to mop up unwanted reserve dollars, provision for countries to declare in advance the rate at which they would be willing to increase reserve dollar holdings, and improvement of the existing swap network. Only dollars exceeding the amounts countries agreed to hold could be converted against other U.S. reserve assets, and the latter amounts could be used by the holding country in settlement of a payments deficit. While recognizing the impediments, the Committee urges that OECD countries "take explicitly into account the probable major effects on one another of changes in their own macroeconomic policies," especially with respect to interest-rate policies.

Concerning developing countries, the Committee recommends that the United States implement promptly *an arrangement for generalized preferences for developing countries*, explore *new methods of fostering larger foreign exchange earnings* for developing countries *from their primary products exports*, and initiate steps to aid developing countries to expand their trade with each other.

Other recommendations of the Committee include:

interim encouragement of U.S. exports together with efforts to develop a code of behavior to regulate export-promotion activities by OECD countries;

a comprehensive reassessment of U.S. antitrust policy by a National Commission before any changes are made in antitrust policies affecting international trade finance and investment.

improved technical information services especially for smaller U.S. businesses;

efforts to equalize the effects of nontariff barriers among OECD nations and to secure codes of behavior on the major kinds of nontariff barriers.

reduction of foreign-exchange costs of U.S. defense commitments to Europe and Japan and closer coordination between U.S. economic and political policies;

an "imaginative research effort to determine whether a practicable approach to the problem of international fair labor standards could be developed"; and

faster relaxation of restrictions on U.S. trade with communist countries.

In making its recommendations, the Committee emphasizes the need for additional research to provide "better information about and understanding of the long-term developmental trends in the U.S. economy and in its relationships with those of its major trading partners" and to clarify the issue of national policy implicit in these trends. As one approach to the needed study and analysis, the Committee suggests establishment of a broad-gauge National Commission on the Future of the U.S. Economy.

The report was signed by the 21 members of the Committee, including members from business, labor, agriculture, and the universities. The labor members of the Committee added footnotes critical of the role of multinational corporations, and three of them called for regulation of the export capital and technology by multinational companies, import quotas for noncompetitive industries, control of patent transfers and licensing, and taxation of income of U.S. multinationals when earned.

MEMBERS OF THE NPA ADVISORY COMMITTEE SIGNING

Ralph I. Straus—Chairman; New York, N.Y.

James A. Linen—Vice Chairman; Chairman of the Executive Committee, TIME, Inc.

Willis C. Armstrong—President, United States Council of International Chamber of Commerce.

Jack N. Behrman—Professor, Graduate School of Business, University of North Carolina.

C. Fred Bergsten—Visiting Fellow, Council on Foreign Relations, The Brookings Institution.

Richard M. Bissell, Jr.—Director, Marketing and Economic Planning, United Aircraft Corporation.

William F. Butler—Vice President, Chase Manhattan Bank.

Earl L. Butz—Vice President, Purdue Research Foundation.

Harold van B. Cleveland—Vice President, First National City Bank of New York.

Emilio G. Collado—Executive Vice President, Standard Oil Company (New Jersey).

Thomas B. Curtis—Vice President, Encyclopaedia Britannica.

Rudolph Faupl—Grand Lodge Representative, International Association of Machinists.

Richard N. Gardner—Professor, Columbia University Law School.

Daniel L. Goldy—President, International Systems and Controls Corporation.

W. E. Hamilton—Director, Research Division, American Farm Bureau Federation.

Thomas A. Hannigan—Director of Research and Education, International Brotherhood of Electrical Workers.

Harald B. Malmgren—Malmgren, Inc.

Philip E. Mosely—Director, European Institute, Columbia University.

Howard D. Samuel—Vice President, Amalgamated Clothing Workers of America.

Lauren K. Soth—Editor of the Editorial Pages, Des Moines Register and Tribune.

Nat Weinberg—Director, Special Projects and Economic Analysis, United Automobile, Aerospace and Agricultural Implement Workers of America-UAW.

COMPENSATION FOR INNOCENT VICTIMS OF VIOLENT CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 30 minutes.

Mr. PODELL. Mr. Speaker, I am introducing today for appropriate reference the "Compensation to Victims of Crime Act." My bill would provide compensation to the innocent victims of violent crimes.

The plain fact is that the threat of violent crime endangers the daily living of almost all Americans. The fear of being assaulted, mugged, robbed, or raped is curtailing the pleasure of an evening walk or plans for an evening activity outside of the home for residents of our cities. People in many areas will not go out on the street at night. Others have added bars and extra locks to windows and doors in their homes. Bus drivers in major metropolitan areas do not carry cash because incidents of robbery have been so frequent. Crime statistics indicate that the amount and the rate of violent crime over the last 10 years have been frightening. Between 1960 and 1970, violent crimes rose 156 percent. In 1970 alone, 731,402 acts of violence were reported to the police. This means that a violent crime occurred every 43 seconds last year in America.

Compensation for victims of violence is not a new concept. It has been practiced in various forms since ancient times. Both the Mosaic Law and the Code of Hammurabi provided for public reparations to individuals who suffered criminal assaults, at least under some circumstances. Such compensation was generally awarded only when the criminal was not caught, and was a way of inducing the government to do everything possible to apprehend the criminal. Compensation in those cases was motivated less by a concern for the victim than by a desire to punish society for failing to find the criminal.

Several countries have already adopted the idea of financial reparations for those who have suffered from violent crime. Great Britain and New Zealand have been paying compensation to crime victims since 1964. Compensation programs are also in effect in parts of Canada and Australia. Sweden is just now starting up such a program. The Governments of these countries recognize that if an individual is injured by a criminal, the Government has failed in its duty to protect that individual and should make some restitution to him. In addition, six States in our Nation already have adopted various programs to make restitution to victims of crime.

I am proud that my own State of New York pioneered in the adoption of criminal compensation legislation. New York has a criminal compensation board empowered to award financial assistance to those persons—or their dependents—who suffer personal physical injury or death as a result of criminal acts. No award is made in New York unless the claimant has incurred a loss of $100 or has lost at least 2 weeks of earnings or support. The legislation which I am proposing, as will be seen, is more comprehensive than the New York law. My proposal makes no distinction as to the level of government whose criminal laws are involved and covers additional classes of injuries.

It is indeed a mockery of justice that an innocent victim should be forced to bear both the experience of the crime and also the burden of paying for it. This is especially true when we look at existing studies identifying typical victims. They show that the physically weak, the young, the aged, the female, and the handicapped are most vulnerable to crimes of robbery and assault.

Edmund G. Brown, former Governor of California, once observed that it was ironic that his State spent millions of dollars for the rehabilitation of criminals in its corrective institutions, yet left the victims to fend for themselves. Arthur Goldberg, former Associate Justice of the U.S. Supreme Court, has written that the victim of crime, if uncompensated, has been denied the protection of the law and that society should assume some responsibility for making him whole.

The financial hardships, such as paying hospital and doctor bills and suffering lost wages, are particularly difficult for many victims of crime to bear. Those who are least able to provide for themselves in the first place are more often victimized, thus put in an even worse financial position, and then left to fend for themselves. Dr. Karl Menninger has observed that the typical American views the person convicted of crime with contempt, his chief feeling being that the criminal should be punished, but neither the public nor the offender seems to express any particular sympathy for the victim of crime.

In reality, the victim becomes the forgotten man in the criminal triangle. Our criminal cases pit the state against the suspect with scarcely a mention of the victim. There are essentially three parties interested in the outcome of a crime—the victim, the offender, and society—but the victim has been virtually forgotten by the other two and lacks the means to gain justice.

Opinion polls indicate that the vast majority of the public favors a victim compensation plan, as do legislators, law enforcement officials, and a Presidential task force. Among supporters of the idea have been the National Association of Chiefs of Police and the President's Commission on Law Enforcement and Administration of Justice.

Under my proposal, the Attorney General would be empowered to grant awards for victims of robberies, rapes, murder, kidnaping, and other violent crimes. I believe that the use of the existing facilities of the Department of Justice would provide the best administrative vehicle for the "Compensation to Victims of Crime Act" and avoid the added delays and expenses of creating a new agency for the purpose.

My bill differs from others in this area in several key respects. It makes no distinction as to the level of government whose criminal laws are involved. It will cover additional classes of injuries, such as those resulting from efforts to apprehend violators of the law. In addition, it allows for a death gratuity of $50,000 to the dependents of law enforcement officers and firemen killed in the line of duty. It provides for full compensation for actual expenses and loss of earnings for victims of violent crimes. It assigns the responsibility for administering the act to an existing agency rather than creating another commission which would be an onerous burden upon the already sagging shoulders of the American taxpayer.

My legislation has built-in safeguards to prevent abuse. The bill requires that an injured victim of a crime file a report within 72 hours of its occurrence. Thus, there would be ample opportunity for law enforcement officials to ascertain whether a crime had been committed. A thorough investigation would be conducted in each case to verify the loss claimed and thus lessen the possibility that claims might be inflated.

Compensation could be paid to the injured person, to any person responsible for the care of the injured person and to the dependents of any deceased victims.

I urge my colleagues to give early consideration to passage of the "Compensation to Victims of Crime Act" so that we in Congress can show genuine compassion for victims of violent crime in America.

PUBLIC FINANCING OF POLITICAL PARTIES WOULD THREATEN OUR FORM OF GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 10 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, I rise with regret to declare my opposition to the campaign financing provisions of H.R. 10947—that is to say, the Senate amendment which would give taxpayers the option of earmarking $1 of their annual Federal income tax payments for the use of presidential and vice presidential candidates. I say regret, because I am genuinely concerned, as a Democrat, with the financial plight of my party, and I am even more concerned, as an American citizen, with the high cost of political campaigns and the potential that this problem has for warping our democratic system of government, and for posing a threat to the probity of our officials. Nonetheless, on another front, we are making at least some progress in dealing with this situation, as evidenced by our action in this Chamber yesterday on campaign expenditures legislation (H.R. 11060 and S. 382). That effort had my support, but with respect to the campaign financing provisions of H.R. 10947, I am afraid we are being asked to legislate a presumed cure which might possibly lead us willy-nilly to a more undesirable state of affairs—a basic transformation of our two-party system of government.

Historically, that system has been one under which we have had two major parties in contention for power and, occasionally, competing minor parties that command significant support and, in addition, lesser parties with no appreciable support from the electorate. The minor parties have enjoyed no permanence. They have passed from the scene, either because they have nothing constructive to offer, or else because they did advocate positive programs and reforms on which they later lost the initiative to the major parties, which have shown a capacity to ingest the platforms of their junior competitors. What we have been left with, then, is essentially a duopoly—with each of the two parties resting on a broad base in the electorate.

Through the $1 tax checkoff scheme, these minor parties are not likely ever to pass from the scene. With a guarantee of public funding for their causes, they would achieve longevity, and perhaps immortality. The so-called American party, headed by Gov. George Wallace, of Alabama, would become institutionalized—to cite one example. I do not think that party has anything constructive to offer but, even if it did, permanence for it would erode the base of the two major parties, and we would end up perhaps with three permanent parties, rather than two. Should a "fourth" party appear on the scene in the 1972 election, the tax checkoff scheme could result in permanence for that organization as well. American politics would become factionalized, as it is in some European countries, and our ability to achieve broad consensus in this Nation, and a conciliation of opposing points of view, would be endangered.

I would like to cite another undesirable result of the $1 tax checkoff proposal. Not only would the lesser parties become institutionalized, but so would the major parties. Mr. Speaker, there is nothing sacrosanct, either, so far as I am concerned about the Democratic or Republican Parties. These two parties should continue to exist only if they deserve to exist—that is, if they are responsive to the voters. There might come a time—and this, too, has occurred in our history—when it would be better that one of the two major parties give way to

a newcomer with a more honest platform and ability to get its planks enacted into law. However, under the public financing provisions, the Democratic and Republican Parties would get so much money from the tax base that they could never be shaken from their moorings. Under such conditions, they would tend to become less, rather than more, responsive.

For these reasons, Mr. Speaker, I urge that the Senate amendment on election financing be deleted from H.R. 10947.

REVENUE ACT OF 1971

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. BOGGS) is recognized for 15 minutes.

Mr. BOGGS. Mr. Speaker, there has been a great deal of talk recently about the Revenue Act of 1971 and the prospects for economic recovery. This is to be expected, because from almost any perspective the economy is a subject for well-founded concern.

Three years ago, when this administration took office, the unemployment rate was at a record low of 3.3 percent. Today, unemployment stands at 6 percent.

Three years ago, 2.8 million Americans were unemployed. Today, almost 5 million Americans are unable to find work.

In 1969, only six areas in the United States had substantial unemployment. Today, there are 64 areas in our country where substantial unemployment exists.

Three years ago we were enjoying the longest period of sustained economic growth in our history. At the present time, 27 percent of our productive capacity is idle, and there are few signs of adequate economic recovery.

The state of the economy and the Revenue Act of 1971 were discussed today in a speech by the distinguished chairman of the Committee on Ways and Means, Mr. MILLS. Chairman MILLS was addressing a luncheon meeting of the National Capital Democratic Club. His message, however, is for the American people. I am inserting the text of his remarks in the RECORD and commending it to the attention of my colleagues:

REMARKS OF CONGRESSMAN WILBUR D. MILLS

It is a pleasure to break bread and have such enjoyable fellowship with this great group of Democrats. To use an expression of the late Sam Rayburn, we who are gathered here today are Democrats without prefix; without suffix; and without apology.

This National Capital Democratic Club, is generally true of worthwhile and purposeful organizations, grew out of adversity. It started back in 1953, at a time when Democrats were freshly out of the White House. It began with a handful of former members of the staff of President Harry Truman and has grown to over 1700 members under the leadership this year of Donald Dawson. I note that your president last year was my good friend, Joe Karth, whom we were very proud to recently welcome to the membership of the Committee on Ways and Means.

I understand the Club's name in the beginning was the "Out, But Happy Club". I am glad that the name was later changed to National Democratic Club because this club truly is a *national* club with Democrats belonging to it and participating in it from all parts of the nation—north, south, east and west. I am also glad its name was changed because today we Democrats in the national capital cannot afford to be happy. I say this because the nation is not happy with the leadership it has been receiving for the past three years.

The mission of this club, therefore, is not only to furnish a congenial atmosphere in which Democrats can meet, but its responsibility is to advance the interests and standard of the Democratic Party and in doing so make those meaningful contributions to good government that Democrats have traditionally made throughout the history of this country.

The new forum program initiated this year by the club is an excellently conceived activity, and I believe it will prove very useful to Democrats not only here in Washington but throughout the country. I am honored that you have invited me to kick it off with our discussion today. As could be expected, my assignment is in the fiscal realm. I understand that in subsequent meetings other speakers will discuss other areas of national concern.

Today I want to point up some of the shortcomings in the economic policies of the Administration. This story needs to be told to the nation because the economic stewardship of the present Administration has been nothing short of disastrous both in terms of the domestic economy and with respect to the foreign trade area.

Today I shall make a brief statement, and then I shall be glad to respond to questions or comments or observations which any of you may wish to make. I have chosen this format for our discussion for good reasons. First of all, this is an astute, well-informed audience, which has the advantage of ready access to the plethora of information that abounds in the nation's capital—good and bad, fact and fiction, truth and falsehood. So any speaker formally addressing an erudite and perceptive group, such as this one, runs the risk of being redundant and really not telling his audience anything they have not heard already. The more informal question and answer format is different. It channels the speaker into areas you wish to discuss and allows for a wider range of topics to at least be broached and touched upon.

I think it appropriate that you have chosen to discuss the nation's economy in this initial session of the Club's new forum series. The United States economy is the dynamo that powers *all* the activities and functions of this government, both at home and abroad. As the economy goes, so goes the nation's fortunes, its strength, its ability to be responsive to social needs and its standing domestically and internationally. It is the economy that undergirds and underwrites each and every endeavor of this country.

It is with respect to this basic and fundamental element that the present Administration has failed so miserably. The issue of the economy will be the Republican Achilles' heel in 1972, and they have brought it all on themselves.

It is true that inflationary pressures were present at the end of the Johnson Administration. We Democrats can and do readily admit that. The Republican Party is compelled to admit, however, that inflation has worsened very considerably under the present Administration. Moreover, the record shows that the other horn of our current economic dilemma, recession, is strictly Republican in origin, as most recessions are.

Let me give you some comparative statistics that illustrate and quantify what I am saying:

Consider, for example, unemployment. During the last year of the Johnson Administration, 1968, national unemployment averaged only 3.6 percent. Compare this more than "full employment" level, in the traditional sense of that term, with the tragic unemployment rate over the past year, which has averaged on a national basis right at 6 percent.

This high rate of unemployment has developed and persisted despite the stimulation that should be expected from the record-breaking Federal budgetary deficits for the three Nixon years 1970, 1971 and 1972. On a Federal funds basis they are $13.1 billion for 1970, $30.2 billion for 1971, and the estimate for 1972 is a whopping $35 billion, for a grand total of nearly $80 billion in just three years. Compare them with the late Johnson years of 1966, 1967 and 1968 when the budgetary deficits were a much lower $5.1 billion, $14.9 billion, and $28.4 billion, respectively. The now surpassed record Johnson deficit of 1968 lasted just long enough for the present Administration to get settled in office. It was broken by the $30 billion plus Nixon deficit in fiscal year 1971, and it will be broken again by the deficit in the current fiscal year, which is presently estimated at $35 billion.

Consider our current very dismal balance of payments picture. The Commerce Department announced last month that in the third quarter of this year the deficit ran at an annual rate of $48.4 billion on the official reserve transactions basis. This represents the largest balance of payments deficit in the history of the United States. By contrast, during the last year, 1968, of the Johnson Administration there was a surplus of $1.6 billion. Even more significantly our surpluses in the balance on goods and services during the Johnson Administration, which reached as high as $7.1 billion in 1965, have now disappeared completely, and for the first time in this century—yes, the first time in this century—we are running a deficit in our balance of trade with other nations.

Consider the low rate of capital spending. Surveys had projected an increase of only about 2 percent in new plant and equipment spending this year. In real terms, after adjustment for inflation, this actually represents a decline from last year. The year-to-year increase in plant and equipment spending in the last Johnson year was 3.5 percent.

Consider the notable lack of consumer confidence as reflected in the correlatively high savings rate. Heightened concern over unemployment in recent months has caused individuals to be more conservative in their spending, causing the savings rate to hover at the unusually high average of 8.1 percent for the past 12 months. For the last year of the Johnson Administration, the savings rate was a much lower 6.7 percent.

And finally, let's consider inflation. The expressed purpose of the Administration's original waiting game plan, which lasted throughout its first 31 months in office, was to reduce inflation without recession. The statistics I have just quoted show that we got the latter anyway. But the figures also show that despite the high price the nation has paid in terms of increased unemployment, no abatement whatever occurred in inflation. To the contrary, it grew much worse.

To be specific, during the last full year of the Johnson Administration the consumer price index rose 4.2 percent, and the wholesale price index rose 2.5 percent. As I stated earlier, these increases were entirely far too rapid. But if you will look at the price indices for the 12 months immediately prior to the Administration's wage-price freeze order in August, you will see that the consumer price index increased not just 4.2 percent, but 4.5 percent. Even more disturbing is the much higher rate of increase in the wholesale price index, which is the precursor and forerunner of even higher consumer prices. Over the year from August 1970 to August 1971 the consumer price index increased 4 percent, an exceedingly alarming and foreboding figure that foretold even greater inflation to come. Perhaps the aggravated state of inflation can best be put in perspective by recognition of the fact that about 43 percent of the increase in gross national product in the first nine months of this year has been due to price increases.

These statistics are in the record, my friends, and they do not speak well for Republican economic stewardship. They document a marked deterioration in the economy during the past three years. When the Administration finally abandoned its bankrupt waiting plan on August 15, it was far past the time that action should have been taken. Proven tools of economic progress had been neglected and shunned too long.

This morning I have come from a conference committee, which has been working for the past three days to resolve the differences in the House and Senate versions of the Revenue Act of 1971. Regardless of the resolution of the issues raised by the Senate amendments extraneous to the President's tax program, it is clear that the final bill will contain the basic elements of his recommendations, namely, restoration of the investment credit, tax cuts for individual taxpayers, repeal of automobile excises and tax incentives for exports. The conference committee has not completed action on the bill, but I can tell you that we are having good success in removing or paring down many of the Senate amendments which would have raised considerably its Federal revenue costs.

We conferees are engaged in the unusual task of detrimming and taking down a Christmas tree before Christmas. As is always the case, it is a somber and sad chore and not nearly as much fun as was the ceremonial decoration of the tree in the Senate last month.

As of 7 o'clock last night we had removed and carefully packed away for the next season of goodwill about $12 billion of the assorted ornaments and tinsel hung by jolly elves on the Senate floor. In other words the revenue cost of the Senate bill is less by that aggregate amount as a result of the conference action. We made further good progress in this morning's session and expect to complete conference action by tonight.

I am convinced, therefore, that the compromise measure we take back to our respective houses will be a good bill. And I want to make it clear that this responsible action on the part of the conference committee is normal congressional action, unaided by, unhindered by, unaffected by and completely oblivious to the President's threat of veto earlier this week. If he is not pleased with any of its provisions—and he has indicated deep displeasure with certain of the Senate amendments—then he will just have to make his own decision as to what responsible action dictates with respect to signing the bill into law.

I hope he will sign the Revenue Act of 1971 because I am convinced it is a necessary step in putting our economy back on the path to adequate and stable growth. It cannot by any means do the whole job, however, and the pace of our economic recovery will depend in large measure on future actions of the Administration, particularly the progress we hope will be made in resolving the serious problems with our trading partners and in formulating new international monetary arrangements. These problems do not at all diminish with the passage of time. We hope favorable results will follow from the meeting of the Group of Ten Finance Ministers currently underway in Rome.

Finally, our economic progress will also depend on the success of those elements of the New Economic Policy specifically designed to contain inflation. I have already expressed displeasure with certain decisions of the Wage Board, but let us hope that the substantive content, the procedures, and the clarity of the decisions and regulations of the Board and the Price Commission will improve in the weeks ahead.

Also very prominent in the category of inflation containment is Federal expenditure control. Both the President and the Congress must exercise appropriate restraint in this area in the coming months if the recovery program is to maintain a proper balance between stimulus on the one hand and reduction of price pressures on the other.

NUTRITION PROGRAM FOR THE AGING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 15 minutes.

Mr. RANDALL. Mr. Speaker, it is my privilege and honor to serve as chairman of the Special Studies Subcommittee of the House Committee on Government Operations. Just prior to the August recess we were assigned the responsibility to conduct hearings on the problems of the aging. Earlier this year many of us joined in the effort to create a Select Committee on the Aging. I was one of the cosponsors of that resolution. But the Rules Committee and the House leadership, facing the critical space situation did not act on the Select Committee. Rather than create a new select committee our subcommittee was assigned the task to function as a Committee on the Aging for the first session and likely through the remainder of this Congress.

To date my subcommittee has held over 20 days of hearings here in the city of Washington and in addition two field hearings in Baltimore and in Chicago. While our staff has isolated nearly 50 separate problem areas the major categories which will have to be very carefully considered are income maintenance, health needs, housing and transportation. One of the most important studies under the subject of health needs is the necessity for nutritionally sound meals for our elderly.

It was my privilege today to speak at a luncheon of one of the four principal sections of the White House Conference on the Aging, in the Regency Room of the Shoreham Hotel, attended by approximately 700 of the delegates. They had been informed of the action yesterday by the other body in passing S. 1163, being an amendment to the Older Americans Act and best described as the nutrition program for the Elderly Act of 1971.

In my conversation with many delegates, both before and after the luncheon, which parenthetically was also addressed by the gentleman from New York (Mr. REID), I became convinced that the nutritional program which some call "meals on wheels," was very high on the list of priorities of these delegates to the White House Conference on the Aging. They applauded warmly when I expressed the hope that the House would concur in the action of the other body of Congress before the adjournment of the conference which will end on Thursday of this week.

On the floor earlier today, I joined with the chairman of the Committee on Education and Labor, Mr. PERKINS, and the chairman of the Select Subcommittee on Education, Mr. BRADEMAS, in an effort to obtain unanimous consent for the immediate consideration of S. 1163. Elsewhere in today's RECORD there appears a colloquy between the gentleman from Kentucky and the gentleman from Indiana and myself with the minority leader, Mr. FORD, who after this exchange of remarks finally objected to the unanimous consent for the House to take up and act upon S. 1163.

Now, of course we all understand there was no report by our House committee which had held hearings on an identical bill. We all knew a bill had not been reported out. But, we also noted that in the other body the vote was 89 to 0. There may be a lot of brave men in the House but I hope there are very few foolish men when it comes to voting against a bill of this kind to provide nutritionally sound meals to the indigent elderly. Such a program is not only humanitarian and morally right and for such reasons should be unanimously supported. Moreover, in my judgment, it would be politically impractical for any Member to oppose a measure of this kind for any reason.

My purpose for taking this time is to establish in the RECORD that we of the House had an opportunity today to join with the other body and thus to pass a program that means warm meals delivered to the homes of those elderly who are unable to provide for themselves. We had the chance to act. By our failure and neglect to act before the adjournment of the Conference the 3,500 delegates with go back to their homes disappointed and disillusioned and also convinced that the body of the Congress which is known as the people's body was too busy to take some time to consider this important need of nearly one-tenth of our population. Hopefully, we may be able to remedy the failure today by action of the House under suspension of the rules before sine die adjournment of this first session of the 92d Congress.

Without a doubt there will be action by the House along the lines of the passage of the bill by the other body either in December or when we return after the first of the year. What a pity we could not have acted today to make it possible for these 3,500 delegates to return to their homes after the Conference with the conviction they had a part in making democracy work.

In the remaining moments of my time, let me point out our bill on the House side as well as the measure passed by the other body will provide at least one hot meal a day for 5 days a week which will contain a minimum of one-third of

daily dietary needs for elderly persons. These meals have to be served in sites accessible to the majority of elderly within a community. Meals may be served at schools, senior citizen centers, churches or other public and nonprofit locations. Ninety percent of the cost of operating these nutrition programs will be paid by a grant from the Federal Government to the States on the basis of each State's proportionate share of the Nation's population of age 60 and over.

Our hearings to date have developed that many older persons prefer to remain at home. To them, this is a much preferable alternative. Moreover, it is a much less costly alternative to what could be described as the confinement of our elderly in institutions. The proposed program is also an excellent one because it obviates the trauma that comes from institutional confinement of the elderly. It is also much less costly dollar wise than even care in nursing homes under medicare and medicaid.

Our subcommittee has been reminded again and again of the lack of physical mobility or transportation of those who must live below what could be described as minmium living standards. These older persons are isolated from friends and families. This loneliness results in lack of incentive to prepare nourishing meals for themselves. Beyond that, some live in rooms with inadequate kitchen facilities.

This kind of legislation which would provide one hot nutritional meal a day is the very best kind of alternative to the otherwise institutionalized care of the large segments of our senior citizens. It is moral and it is right to proceed to try to alleviate the problem of malnutrition. This measure accomplishes that and at the same time saves our taxpayers money. Mr. Speaker, I do hope and pray that although we failed today to pass this bill we will not go home for the holidays without measuring up to the good example set by the other body.

STATEMENT OF SPEAKER ALBERT ON OEO CONFERENCE REPORT

(Mr. ALBERT (at the request of Mr. McFALL) was given permission to extend his remarks at this point in the RECORD.)

Mr. ALBERT. Mr. Speaker, tomorrow, the House of Representatives will be called upon to cast what may be properly characterized as the paramount moral vote of the session. During the 7 years since its inception in 1964, the anti-poverty program has afforded a modest shield of protection to the disadvantaged—the poor, the elderly, the young, the nonwhites. While the bulk of its programs which have received maximum publicity have been urban-oriented, it has also provided a modicum of economic and social assistance to the oft-forgotten but ever-present rural poor.

It had been my heartfelt hope that this year would not witness but yet another repetition of the acrimonious debate and controversy which unfortunately has been the biennial hallmark of OEO extensions. The House Education and Labor Committee under the dedicated and skillful leadership of its chairman, CARL PERKINS, fashioned a bill which was cleared by the committee on a bipartisan vote of 32 to 3. The House followed suit on October 1 by giving its approval to the economic opportunity amendments of 1971, 251 to 115, a majority of both parties voting in the affirmative. Democrats voted 169 for as against 47 in opposition; Republicans cast 82 yeas and 68 nays.

The conference report in all significant areas, for all practical purposes, incorporates the House position. In light of this, I was therefore disappointed to learn that all but one of the Republican House conferees had refused to sign the report. I am informed that this was the result of White House pressure. The administration is now mounting an all-out fight against House adoption of the report. I find this exceedingly disheartening. I will readily concede to those who must judge every action, every vote, solely on the bookkeeping basis of political assets as against political liabilities, that most Members can undoubtedly vote against antipoverty with political immunity. But I do not believe that we can answer the roll tomorrow on the basis of such a narrow and shortsighted criterion. Neither do I think that a majority of the House, at this season of the year certainly, will elect to indifferently turn its back on our less fortunate fellow citizens.

PETITE, DEAF MUTE GRANDMOTHER SERVES AS IOWA VA VOLUNTEER

(Mr. KYL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KYL. Mr. Speaker, the poet, John Milton, once asked what service the Almighty demanded of a human being who had suffered a physical impairment, concluding with the thought:

They also serve who only stand and wait.

The Stars and Stripes, on November 18, tells the story of a wonderful woman who has chosen to do more:

PETITE, DEAF MUTE GRANDMOTHER SERVES AS IOWA VA VOLUNTEER

One of the most popular volunteers at the Knoxville, Iowa, Veterans Administration hospital is a petite, four-foot 11 inch, 62-year-old grandmother who has never said a word to anyone there.

She waves to the patients, pats one on his shoulder, helps another with his sweather, and is always smiling and radiating love. But she never speaks, because Millie Courter is a deaf mute.

Mrs. Bertha Beem, chairman of Red Cross volunteers for Lucas County, Iowa, persuaded Millie (Mrs. Hugh Courter of Charlton, Iowa) to try being a volunteer at the hospital after Mrs. Courter became a widow in September 1969.

Robert G. Menning, director of the voluntary services at the hospital, gave Mrs. Courter a VA Voluntary Service manual to study and arranged for her to begin service with another volunteer as a guide. She joined the ranks of volunteers from 43 National organizations who come to VA's 165 hospitals, 110,000 strong each month, and who last year contributed 9.8 million hours to veterans' service.

Now, two years later, Mrs. Courter is highly successful; taking patients outside, going to canteen, serving coffee and cookies, shooting pool, playing cards, addressing mail, tying rug fringe, working in occupational therapy, and dancing are a few of the services with which she helps.

She communicates with some patients by writing. Often, when she comes to serve, she brings homemade cookies and candy as a treat for the "boys."

LEST WE FORGET—THE NATIONAL DEBT NOW STANDS AT $416,921,843,765.86

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, on November 23, 1971, the gross public debt of the United States of America reached the grand total of $416,921,843,765.86. That amount represents an increase of $5 billion in 23 days. Compared to the same date 1 year ago, the gross public debt increased over $32 billion. For the fiscal year 1972, beginning July 1, 1971, the national debt has shown an increase of $18.8 billion over the previous fiscal year.

I bring these staggering figures to your attention because there is an all too unfortunate tendency on the part of Members of both Houses of Congress to forget that the American taxpayer is forced to shoulder the financial burden resulting from our deliberations.

Day after day, month after month, and year after year, Federal programs for this, that, and everything are added to the law books and the money used to pay for the schemes thus created comes from the citizen's wallet.

When, and usually, money is not readily available to pay for the programs voted by Congress and approved by the President, the size of the national debt is increased; the resulting debt is financed through the issuance of Government securities.

In order to pay the interest cost on this whopping debt of $416-plus billion, the Federal Government has budgeted the tidy sum of $21,150,0000,000 for fiscal year 1972.

One tends to ignore figures of the magnitude thus far mentioned—therefore, a more meaningful and personal comparison is made: The current gross national debt on November 23 is a financial burden to the tune of $2,000.88 for each of the 208,369,048 men, women, and children in the United States.

In times past, when the people demanded that the Federal Government give to the public without first taking from the public, the solution was the printing of worthless paper money, commonly referred to as "greenbacks." When used by the central government to pay its bills, such paper money acquired value at the expense of the value of all the other money. The printing of greenbacks—to permit "giving" without seeming to be taking—was, in effect, an invisible tax on anybody who had any money.

Today, under the more sophisticated modern banking system, Government no longer prints greenbacks when it is called upon to spend more money than it takes in from taxes or through the sale of bonds to the public. In order to raise additional funds necessitated by congressional and executive action, the Government sells interest-bearing securities in the financial market. Many of the Government IOU's become a part of the commercial bank's reserves thus permitting the creation of "checkbook" money. The effect of this checkbook money on the value of the public's money is the same as if greenbacks had been printed. But it also has an effect that greenbacks did not have: The public must be taxed to pay the bank interest on the IOU's and then taxed again to pay back the banks.

This custom of governments everywhere, and particularly the Federal Government of the United States—the creation and spending of new, unearned money—is the root cause of inflation. The simple lesson to be learned from this admittedly abbreviated discourse on economics is that in order to control inflation, the Federal Government must be controlled. And that is our primary responsibility as Members of Congress.

HISTORIC BREAKTHROUGH FOR OUR CHILDREN

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, Congress is on the verge of adopting legislation which will be a historic breakthrough for the children of the United States.

Both the House and Senate have already favorably approved legislation to create a national comprehensive child-care program which will be of extraordinary benefit to millions of preschool children. The legislation has been reported from conference as part of the Office of Economic Opportunity extension bill.

Despite a campaign of opposition mounted at the last minute by a scattering of rightwing critics, it is obvious that this legislation will be one of the greatest accomplishments of the 92d Congress. The benefits it will bestow are of immense significance to all our people.

The bill is modeled after the highly successful Headstart program which pioneered the concept of child development and enrichment rather than mere custodial care. It is almost inconceivable, but all current Federal child-care efforts, except Headstart, are mere adjuncts of programs to provide employment for parents. The interests of the children are completely secondary.

How tragic that we have neglected the opportunity to utilize modern advances in education to help our children, who could benefit the most. Thousands are already assembled in care centers, but instead of providing educational enrichment opportunities, we permit them merely to idle away their time.

Our legislation would correct this and help not only the disadvantaged but millions of other children. Instead of penalizing them because their parents work, we would enrich their lives through exciting and educational activities at healthful child-care centers.

The charge is made that this is Government interference, but just the opposite is true. By our existing Federal programs designed to deprive the child of any educational betterment, we are already imposing a State decree of cold and impersonal treatment. The proposed legislation would remedy this and bring us up to the level of most other countries in the Western World which already utilize the more human and fruitful approach of helping the child.

A recent article in the Washington Post explored some of the ramifications of this legislation. Because of its understanding discussion of this matter, I am pleased to insert the article at this point in the RECORD.

The article follows:

A NEW PUBLIC ATTENTION TO PRE-SCHOOL CHILD DEVELOPMENT

(By Alice M. Rivlin)

In the United States, public concern for a child's welfare generally does not become evident until he reaches age 5 and is eligible for kindergarten. Even then the public responsibility usually ceases at 3 o'clock in the afternoon.

But these attitudes are already changing. The next few years are likely to see a burst of public attention to the vital years between birth and 5, rapid growth of all-day programs for pre-school children with working mothers, and recognition that the day does not end for a school-age child when the 3 o'clock buzzer signals that classes are over.

The big questions will be: what character will these new programs have? Who will run them? And who will pay for them? When the Congress votes this week on the OEO bill, it may begin to provide the answers.

The bill extending the life of the Office of Economic Opportunity, just reported out of the House-Senate conference committee, contains a new Title V, for "Child Development Programs," meaning a wide variety of services to children such as all-day care for preschoolers, after-school and vacation programs, nutrition, medical, dental and psychological services, and education for parents in child-care and development. The bill authorizes $2 billion for such programs in fiscal year 1973, including $500 million earmarked for continuation of Headstart. The money would be allocated among the states in accordance with a formula, but administered primarily at the local level. Communities with 5,000 or more people could be "prime sponsors," applying directly to the federal government for money. The prime sponsor would be required to have a Child Development Council, half of whose members would be elected by parents, and individual projects would be run by Project Policy Committees composed of parents and local community members. The bill would make child development services available free to those with incomes of less than $4,320 a year (for a family of four) and would establish a fee schedule related to income for families with more resources.

While there is some vagueness about what "child development" actually is—partly because the framers of the bill were eager to preserve flexibility and choice at the local level—it is very clear what this program is *not*. First, it is *not* just a babysitting operation to provide custodial care for children while their mothers work. The bill emphasizes the well-being of children and the comprehensive services they need for full development, whether their mothers work or not. Second, it is *not* just another program for the poor. Priority is to be given to "pre-school children with the greatest economic and social need," but the intention is to make services available to families at all income levels with those above the poverty line paying part of the cost. Third, it is not just another welfare program. The "prime sponsor" mechanism and the parent councils are specifically designed to by-pass the state welfare bureaucracies and give the beneficiaries of the program a real voice in its operation.

Several different groups are pressing for federal programs for children, for different and not entirely compatible reasons. Some are primarily motivated by a desire to reduce the welfare rolls. They believe day care should meet minimum standards of health and safety so the children do not come to harm, but that its main objective ought to be to keep children out of the way so that their mothers can earn wages rather than welfare. A second group is primarily concerned with overcoming the damaging early handicaps of children from poor families. Headstart, which reaches many 4- and 5-year-olds, but usually for less than a year, has proved too little and too late. There is accumulating evidence that children develop rapidly in the first three years of life, that good nutrition and mental stimulation at this age make a difference—at least if they are sustained. A third group, the voice of women's liberation, sees attractive stimulating day care centers as a way of giving *all* women, not just the poor, a genuine choice between childcare and work outside the home. And finally, there are those whose primary motivation is to mobilize community action in the ghetto, the rural South or on Indian reservations, who believe parent involvement in decision making about Headstart programs did as much for parents as for children, and who see community controlled child development programs as a good vehicle for the poor to use in acquiring political experience and challenging the "power structure."

The focus on reducing welfare rolls is reflected in H.R. 1, the Nixon-Mills welfare reform bill that has passed the House, but not the Senate. Under H.R. 1, a mother on welfare could be required to take work (unless she had a child under 3) provided day care was available. Senator Long, no enthusiast of the administration's welfare reform proposals, has held hearings on his own bill to provide custodial day care to the poor through a public corporation.

But while welfare reform was bogged down in the Senate, bills for more comprehensive but entirely voluntary child development programs were making their way through the legislative obstacle course on both sides of the Hill. Senator Mondale's Child Development Bill, incorporated into the OEO amendments, stressed comprehensive services and community control and would have provided services free to families with income under $6,920 with a sliding scale of payments for families with higher incomes. On the House side, a similar bill, sponsored by Representatives, Reid, Brademas and Mink, but giving more role to states and less to localities and parents, was added to the OEO extension as a floor amendment. When both bills passed and went to conference, the administration voiced concern about their cost and threatened a veto. To avoid a veto, the conferees lowered to 4,320 the income level below which services would be free and adopted a moderate scale of payments for families with incomes betwen that level and $6,920

(above that level the Secretary of HEW would set fees). The language of the Senate bill was modified to give a little more role to the states and rule out communities with less than 5,000 people as prime sponsors.

The bill now moves back to the two floors where it may encounter Republican opposition, especially in the House. Republican unease is related not to cost, but to the bypassing of the states. If the bill passes, there is still the possibility of a veto, although it would surely be politically costly for the President, who has put such personal stress on the dignity of work, to veto a bill which promises to make work possible for millions of women and better the lives of children in the bargain.

Strident right-wing opposition to the bill has developed on the grounds that "child development" sounds like a 1984 attempt of the state to take over the role of the family. This criticism is pretty far fetched since participation would be entirely voluntary and the bill gives parents much more control over the new programs than they have over present public schools.

Criticism of the administrative mechanism has more substance—having all those "prime sponsors" deal directly with Washington hardly seems like an ideal administrative set-up. Unfortunately, however, state administration, especially in the Deep South, has so often proved insensitive to the needs of poor and minority children that direct funding may be necessary—at least for a few years.

To the criticism that these programs will be costly in the long-run there is no answer, except "yes." The bill to be voted on authorizes spending $2 billion a year for two years on the assumption that participation in the programs will be far from universal, a reasonable assumption in view of difficulty of organizing and staffing good programs quickly. In the longer run, however, it just has to be recognized that providing first-rate services to preschool children and adding after-school activities for older children is going to be expensive—$10 billion a year could be spent easily. The cost to the taxpayer can be reduced if middle- and upper-income people pay fees, but these fees cannot rise too steeply as income rises without reducing incentives to earn more income. (The effect is the same as a high income tax rate.) In the long run, there will be no cheap way to do a good job. If the Child Development Bill becomes law there will at least be a hope that federal funds for day care will be spent primarily to meet the needs of children, not just to keep them busy while their mothers work.

CONGRESSMAN JOHN F. SEIBERLING INTRODUCES SOCIAL SECURITY REFORM LEGISLATION

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, today I am introducing a bill to reform the social security financing system, and provide substantial benefit increases. The bill would provide—

A 20-percent across-the-board increase in social security benefits;

An increase to $100 in the minimum benefit;

Expansion of the taxable wage base to $15,000; and

Assumption of one-third of the total costs of maintaining social security by the Federal Government.

The present system of financing social security has reached the breaking point, and unless the program is significantly reformed, it cannot continue to meet its goal of providing financial security for retired persons.

Under the current system, the payroll tax continues to rise, placing an unfair and almost intolerable burden on low and middle income wage earners. At the same time, social security benefits continue to be well below the level needed to provide our elderly with security. Subsistence, and a meager one at that, is a more accurate description of the kind of life style an old person can sustain on the minimum social security benefits of $70 a month.

We are all familiar with the depressing statistics of the economics of aging. There are 20 million elderly Americans among us today, and one out of every four of them lives in poverty. Another 25 percent live close to the poverty level. For most of the rest, the "golden years" are a time of belt tightening and self-denial in a constant struggle—after a lifetime of work and sacrifice—to make ends meet. Inflated food prices and rents, increased property and sales taxes, more frequent need for medical attention coupled with rising drug costs, increased hospital bills and higher physician fees—all combine to make the lot of millions of olderly persons living on fixed incomes more precarious every day.

The tragic irony is that as America as a nation becomes more affluent, its elderly—who helped lay the foundations of its wealth—are becoming more impoverished.

While the number of Americans under age 65 living in poverty is steadily declining, the number of people 65 and older who are living in poverty is steadily increasing. In just 1 year, between 1968 and 1969, the number of aged poor in this country increased by 200,000 people. The sad fact is that older Americans are twice as likely to be poor as younger persons today. A survey conducted in 1968 by the Social Security Administration revealed that only one-third of all aged couples had incomes large enough to support at least a moderate standard of living—defined by the Bureau of Labor Statistics at $3,930 for a retired couple.

I could cite more statistics. They are readily available, and I commend the excellent reports of the Senate Special Committee on Aging to anyone who is not familiar with them.

But as Members of Congress, we have another, and more vivid, index of the economic crisis facing the Nation. Its severity is brought to our attention every day in poignant letters from our own constituents. Let me read to you from just two of the many letters I have received. I think they describe the crisis with much greater clarity and urgency than abstract statistics ever can. One woman wrote:

> Today I got my Social Security check, which was for $71.50, and a notice with it saying this check included the benefit increase, which means for me only $7.30 more than I have been getting, which is $64.20. How far will $7.30 go? Every time we get a few dollars' raise, prices go up. How in God's name does that benefit us, who are merely existing as it is?

Another wrote:

> Nobody in this world can live on $64 a month. . . . So many people are put in those terrible homes. . . . I think it's a pity and disgrace that the richest country in the world can't provide enough money for an elderly person to live a decent life in a decent place.

Probably no group in our society has received lower priority in the efforts of the last decade to provide a quality life for all Americans than our senior citizens. For example, this year the administration requested a token $29.5 million—about one-fourth of the congressional authorization—to fund all the programs of the Administration on Aging. According to estimates from the Office of Economic Opportunity, only 12 percent of its funds are directed toward programs for the elderly, although elderly poor represent 27 percent of all poor people. The same is true in federally funded manpower programs where persons over the age of 45 represent only 4 percent of the total enrollees, although they represent over 30 percent of the long-term unemployed.

There are hopeful signs that this pattern of neglect is changing. A strong bipartisan congressional effort this year resulted in a 52-percent increase over the administration's original budget request for the Administration on Aging. The convening of the White House Conference on Aging now in session in Washington could mean a new era of concern for senior citizens. And perhaps most encouraging of all, senior citizens all over the country are organizing to demand their rightful share of the Nation's wealth.

Certainly, a far greater commitment at the Federal level is essential to turn the tide of the worsening plight of the aged. And first priority in this effort must be to assure that every senior citizen has a minimum income.

The bill I am introducing today will make it possible to extend financial security to senior citizens through substantial increases in social security benefits, without breaking the backs of today's wage earners.

As inadequate as they are, social security benefits are the only source of income for many of our senior citizens. In 1967, 30 percent of all persons over age 65 depended on social security for almost their entire support, and it is safe to say that virtually all these people are living below the poverty level.

For them, a token increase of 5 percent will not do. Nor will the 10-percent increase already passed by the House. What is needed by our elderly today is an increase of at least 30 percent, inclusive of the increase already passed by Congress this year.

But the present practice of financing social security solely through the mechanism of the payroll tax will not sustain an increase of this size. Too much of the burden of that tax is already borne by lower and middle income wage earners, many of whom are already having trouble making ends meet.

If benefit increases remain tied to payroll tax increases, there is little hope that benefits can be increased enough to lift today's generation of old people out of poverty. In the long run, if we continue to rely on the payroll tax as the sole source of social security revenues, when the postwar generation reaches retirement age the tax burden on their children will become unbearable.

Recently, removal of the ceiling on taxable wages—presently set at $7,800—and changes in the methods of calculating payroll tax rates have been suggested as ways of lightening the worker's taxload and increasing benefits. While such tinkering with the finance machinery may bring shortrun relief, it will not solve our problems in the long run.

Lifting the wage ceiling above its $7,800 level—or removing it entirely—may permit a slight reduction in the tax burden on middle and lower income wage earners, but it will not permit a substantial increase in benefits. Elimination of the wage ceiling would not add significantly to social security revenues because three-fourths of our wage earners still earn $7,800 or less. The additional money for increased benefits would still have to be raised through increases in the tax rate. The tax blow to workers would only be postponed, not softened. Removal of the payroll tax ceiling does not solve the basic problems of the tax—namely that it has been stretched to the breaking point.

Changing the actuarial assumptions of the system—the basis on which tax rates are figured—is no solution, for the same reason that removal of the wage ceiling is not. The payroll tax would still be retained as the system's only source of revenues and tax rates would still have to be increased substantially to support increased benefits. The shortrun gains which might be realized by such a change are politically appealing, but would only be cosmetic; the basic inflexibility of the payroll tax would come back to plague us in the future.

Financing one-third of social security costs from general revenues is, in my opinion, the only way out of our present dilemma.

This is not a new idea. Original proposals for the social security programs, advanced in the 1930's, envisioned the use of general revenues starting about 1965. During the 1940's, the law authorized an appropriation from general revenues if it was needed to keep the program solvent.

This bill provides for substantial benefit increases, and through the introduction of general revenue financing, it makes the social security finance mechanism flexible enough to support them. Benefits can be increased without burdensome increases in the payroll tax.

Under the present system, if the payroll tax schedule proposed under H.R. 1 actually takes effect, the worker's tax load will be increased without a substantial increase in the retiree's benefits.

His payroll tax rate will rise nearly 20 percent in just 4 years, while the retired person's benefit income will not increase by more than 15 percent over what he was receiving prior to June 1971.

In contrast, one-third Federal funding of social security would permit us to raise the minimum monthly benefit to $100, effect an across-the-board benefit increase of 30 percent over 1970 levels, and reduce the payroll tax rate by more than 20 percent.

The brief table which follows this speech compares in greater detail the tax rates scheduled under H.R. 1 with those which would be required to finance social security, given a one-third contribution from general revenues.

The potential costs of general revenue financing are substantial. In the event of a benefit increase of the size I have just mentioned, the Federal share would run to $24 billion in fiscal 1973. This may seem high, but a substantial portion of this cost could be met by reallocating Federal funds. For example, a cut of just 10 percent in the $71 billion the House has appropriated for next year's military budget would be sufficient to absorb nearly a third of the cost of the Government's social security contribution.

There is certainly ample room for at least a 10-percent cut in military spending. We are presently committed to spending millions, and eventually billions, of dollars for complicated weapons system of very dubious merit. The Air Force's B–1 bomber, the Navy's F–14 fighter, the Army's Cheyenne helicopter, and the Marine Corps' Harrier aircraft are all examples of expensive, sophisticated weapons systems in search of mission. We are spending $16 billion a year in Southeast Asia. Termination of our involvement in that part of the world will free those funds for other purposes. They could be rechanneled into domestic programs such as social security; but the question is, will they? Or will they simply be gobbled up by new military spending? Will we keep adding to our already overstocked inventory of destruction, or will we finally call a halt to excessive military spending and start meeting the pressing social needs of this country and millions of its impoverished, elderly citizens? This question is really the essence of the current struggle over our national priorities.

Reallocation of resources is only one way of raising the revenues to cover the Federal share of social security. We can also raise billions in new tax dollars through tax reform. Several bills to close tax loopholes are now pending before the House. One of them, introduced by my distinguished colleague, Mr. CORMAN, would provide $11 billion in additional revenues in 1973 and $19 billion a year by 1980.

It should also be noted that, at a time when Congress is considering legislation which it is hoped will stimulate the economy and increase employment, the enactment of my bill will do just that. The overwhelming majority of those who would receive the increased social security benefits will necessarily spend the money almost immediately. This will create additional consumer demand on a massive scale, with a strong stimulative effect on the entire economy.

Nor will the effect be inflationary. Not only will this increased consumer demand be imposed on a slack economy, but the resulting increase in business volume will not represent a proportionate increase in business costs. At the same time, the increase in volume will result in an increase in Federal tax revenues.

Most or all of the cost of the Federal contribution to social security could be met through a reordering of our priorities and reform of our tax laws, but I have no illusion that this would be an easy thing to do politically. In the event that no such reordering or reform occurred, and an income tax increase was required to pay for the Federal contribution to social security, most wage earners would still be better off under this proposal than they are under the present archaic system.

As a case in point, I would like to cite a constituent of mine. This man wrote to me quite recently. He said:

> I am . . . 39 years old and self-employed. Last year my income was approximately $9,000. I am married and have two children at home. For 1970, my income tax was $824.65 and Social Security was $538.20. I don't mind paying income tax to support my government, but I resent having to pay Social Security in the amounts I pay today, and the planned raise in the future.

This man's social security tax is already a heavy burden on him. Under H.R. 1 and the present finance system, his tax will increase to $675 next year and to $738 by 1975. He will be paying almost as much in social security taxes as he does in income taxes. His case is, I think, typical of many middle-income wage earners. Under my proposal, however, their payroll tax burden could be substantially reduced.

Any increase in personal income taxes which might be required to finance the Federal share of social security costs would be spread over a wider base than that covered by the social security payroll tax. This fact in itself would tend to moderate the size of the increase for middle- and lower-income families. In addition, the personal income tax is more progressive than the payroll tax and—unlike the payroll tax—takes into account the taxpayer's family responsibilities, medical expenses, and financial obligations. Thus, the size of the increase in his income tax would be determined by his ability to pay. That is not the case with payroll tax increases.

The reduction in payroll tax, which would be possible under one-third general revenue financing, would further offset any increase in the average person's income tax. I think it is clear that in the long run, this method of financing social security will mean much smaller net tax increases for most of our wage earners, than those which will occur if the H.R. 1 tax schedule is adhered to.

Is Federal assumption of one-third of the cost of social security a drastic step? In comparison to proposals advanced over the years for reform of the finance mechanism, perhaps it is.

But then, the plight of the millions of

elderly people presently condemned by this society to decline and die in poverty and despair after a lifetime of hard work is nothing short of drastic. A crisis of this magnitude demands a bold solution. Small-scale tinkering with the social security apparatus will not resolve the economic problems facing those of our citizens who have grown poor because they have grown old. Responding to the economic crisis of the aging by giving them another $5 or $10 a month is like trying to put out a forest fire with a water pistol. But the present, outmoded method of social security financing will not let us do more. A major overhaul of the finance machinery is absolutely necessary if we are going to meet the economic needs of our senior citizens without breaking the backs of our workers.

I include the following:

A COMPARISON OF EMPLOYER-EMPLOYEE PAYROLL TAX RATES AND DOLLAR CONTRIBUTIONS FOR 1972 AND 1975 UNDER THE PRESENT FINANCE STRUCTURE (H.R. 1) AND UNDER ⅓ GENERAL REVENUE FINANCING

[In percent]

	Present system (H.R. 1)				⅓ Federal contribution [1]			
	OASDI	HI	Combined	Individual contribution [2]	OASDI	HI	Combined	Individual contribution [2]
1972	4.2	1.2	5.4	$421	3.5	0.6	4.1	$319
1975	5.0	1.2	6.2	483	3.8	1.7	4.5	351

[1] Covers the cost of a 20-percent across-the-board increase in present benefit payments with a minimum primary benefit of $100. Taxable wage base includes all wages and salaries up to $15,000.

[2] Computed by applying the combined tax rate to annual wages of $7,800.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DAVIS of South Carolina (at the request of Mr. BOGGS) for today, on account of official business.

Mr. HAGAN, for Thursday, December 2, 1971, through Monday, December 6, 1971, to attend a funeral.

Mr. RAILSBACK (at the request of Mr. GERALD R. FORD), for this week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SCHMITZ) and to revise and extend their remarks and include extraneous matter:)

Mrs. HECKLER of Massachusetts, for 60 minutes, today.

Mr. MILLER of Ohio, for 5 minutes today.

Mr. HALPERN, for 5 minutes, today.

Mr. ASHBROOK, for 30 minutes, today.

Mr. QUIE, for 60 minutes, today.

Mr. STEIGER of Wisconsin, for 15 minutes, today.

Mr. FINDLEY, for 5 minutes, today.

(The following Members (at the request of Mr. DENHOLM) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 10 minutes, today.

Mr. REUSS, for 10 minutes, today.

Mr. ASPIN, for 10 minutes, today.

Mr. PODELL, for 30 minutes, today.

Mr. JAMES V. STANTON, for 10 minutes, today.

Mr. BOGGS, for 15 minutes, today.

Mr. RANDALL and to revise and extend his remarks and include extraneous matter for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HOLIFIELD in two instances.

Mr. BRADEMAS to revise and extend his remarks and include extraneous matter in colloquy with Mr. GERALD R. FORD on nutrition bill.

Mr. RANDALL to revise and extend his remarks in colloquy with Mr. GERALD R. FORD on nutrition bill.

(The following Members (at the request of Mr. SCHMITZ) and to include extraneous matter:)

Mr. SCHWENGEL in two instances.

Mr. YOUNG of Florida in five instances.

Mr. HAMMERSCHMIDT.

Mr. GOODLING.

Mr. ARCHER in three instances.

Mr. COLLINS of Texas in three instances.

Mr. VEYSEY in four instances.

Mr. WYMAN in two instances.

Mr. MCDADE.

Mr. DEL CLAWSON.

Mr. RHODES.

Mr. WAMPLER.

Mr. WYDLER.

Mr. EDWARDS of Alabama.

Mr. LANDGREBE.

Mr. MCCLURE.

Mr. SCHMITZ in two instances.

Mr. DERWINSKI.

Mr. FREY.

Mr. HALPERN in three instances.

Mr. COLLIER in five instances.

Mr. BROTZMAN.

Mr. TERRY.

Mr. CHAMBERLAIN.

Mr. DUNCAN.

Mr. MCDONALD of Michigan in two instances.

Mr. KUYKENDALL.

Mr. ESCH in two instances.

Mr. BAKER.

(The following Members (at the request of Mr. DENHOLM) and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. FRASER in five instances.

Mrs. HICKS of Massachusetts in two instances.

Mr. ROGERS in five instances.

Mr. KLUCZYNSKI in three instances.

Mr. FOUNTAIN in two instances.

Mr. RYAN in three instances.

Mr. HAGAN in three instances.

Mr. BOLLING in two instances.

Mr. RANGEL in four instances.

Mr. BURTON.

Mr. PURCELL.

Mr. CULVER in five instances.

Mr. ASHLEY.

Mr. PASSMAN.

Mr. KASTENMEIER.

Mr. CONYERS in 10 instances.

Mr. STUCKEY in two instances.

Mr. WALDIE in six instances.

Mr. ICHORD in two instances.

Mr. O'HARA.

Mr. MINISH.

Mr. BRADEMAS in six instances.

Mr. HELSTOSKI in five instances.

Mr. FULTON of Tennessee in two instances.

Mrs. GRASSO in 10 instances.

Mr. SCHEUER.

Mr. PICKLE in two instances.

Mr. JACOBS.

Mrs. ABZUG in 10 instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1163. An act to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal projects, nutrition training and education projects, opportunity for social contacts, and for other purposes; to the Committee on Education and Labor.

ADJOURNMENT

Mr. SEIBERLING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 43 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, December 2, 1971, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1328. A letter from the Attorney General, transmitting a report on identical bidding in advertised public procurement covering calendar year 1970, pursuant to section 7 of Executive Order 10936 issued April 24, 1961; to the Committee on the Judiciary.

1329. A letter from the Assistant Administrator, Agency for International Development, Department of State, transmitting the semi-annual report on architectural and engineering fees in excess of $25,000 for the period ended December 31, 1970, pursuant to section 102 of the Foreign Assistance and Related Programs Appropriation Act; to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURKE of Massachusetts: Committee on Ways and Means. H.R. 3233. A bill to amend the Tariff Schedules of the United States with respect to the rate of duty on olives packed in certain airtight containers; with amendments (Rept. No. 92-693). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS of Arkansas: Committee on Ways and Means. H.R. 10379. A bill to amend the Tariff Schedules of the United States to provide for a partial exemption from duty for articles previously exported from the United States composed in part of fabricated components the products of the United States, when returned after having been exported, without having been advanced in value or improved in condition while abroad; with amendments (Rept. No. 92-694). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Texas: Committee on Rule. H. Res. 719. Resolution waiving points of order against H.R. 11955, a bill making supplemental appropriations for the fiscal year ending June 30, 1972, and for other purposes (Rept. No. 92-695). Referred to the House Calendar.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 3333. A bill to provide for the disposition of judgments, when appropriated, recovered by the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont., in paragraphs 7 and 10, docket No. 50233, U.S. Court of Claims, and for other purposes; with amendments (Rept. No. 92-696). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 9019. A bill to provide for the disposition of funds appropriated to pay a judgment in favor of the Jicarilla Apache Tribe in Indian Claims Commission docket No. 22-A, and for other purposes; with an amendment (Rept. No. 92-697). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 9325. A bill to provide for division and for the disposition of the funds appropriated to pay a judgment in favor of the Blackfeet Tribe of the Blackfeet Indian Reservation, Mont., and the Gros Ventre Tribe of the Fort Belknap Reservation, Mont., in Indian Claims Commission docket No. 279-A, and for other purposes; with amendments (Rept. No. 92-698). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 9702. A bill to declare that certain public lands are held in trust by the United States for the Summit Lake Paiute Tribe, and for other purposes (Rept. No. 92-699). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10702. A bill to declare that certain federally owned land is held by the United States in trust for the Fort Belknap Indian Community (Rept. No. 92-700). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10846. A bill to provide for the apportionment of funds in payment of a judgment in favor of the Shoshone Tribe in consolidated dockets Nos. 326-D, 326-E, 326-F, 326-G, 326-H, 366 and 367 before the Indian Claims Commission, and for other purposes; with an amendment (Rept. No. 92-701). Referred to the Committee on the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABOUREZK (for himself, Mr. BADILLO, Mr. BINGHAM, Mr. BURTON, Mr. COLLINS of Illinois, Mr. DIGGS, Mr. EDWARDS of California, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. LINK, Mr. PODELL, Mr. ROE, Mr. ROY, and Mr. SMITH of Iowa):

H.R. 11974. A bill to provide housing for persons in rural areas of the United States on an emergency basis; to the Committee on Banking and Currency.

By Mr. ADDABBO:

H.R. 11975. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BURLESON of Texas:

H.R. 11976. A bill to suspend the duties on fluorspar until the close of January 1, 1974; to the Committee on Ways and Means.

By Mr. CARNEY:

H.R. 11977. A bill to amend the Internal Revenue Code of 1954 to provide an additional personal exemption of $750 for each of the next 2 years for certain servicemen and for the spouses of certain servicemen; to the Committee on Ways and Means.

By Mr. CELLER:

H.R. 11978. A bill to provide for the appointment of transcribers of official court reporters' transcripts in the U.S. district courts, and for other purposes; to the Committee on the Judiciary.

By Mr. GARMATZ:

H.R. 11979. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to revise the eligibility conditions for annuities, to change the railroad retirement tax rates, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON:

H.R. 11980. A bill to amend the Uniform Time Act of 1966 to postpone the conclusion of the daylight saving time period of the year until after election day; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS (for himself, Mr. ROGERS, Mr. KYROS, Mr. ROY, Mr. NELSEN, and Mr. CARTER):

H.R. 11981. A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KING:

H.R. 11982. A bill to provide for the compensation of persons injured by certain criminal acts, to make grants to States for the payment of such compensation, and for other purposes; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 11983. A bill to establish the Federal Medical Evaluations Board to carry out the functions, powers, and duties of the Secretary of Health, Education, and Welfare relating to the regulation of biological products, medical devices, and drugs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McMILLAN:

H.R. 11984. A bill to amend the Occupational Safety and Health Act of 1970 to exempt nonmanufacturing business, in States having laws regulating safety in such businesses, from the Federal standards created under such act; to the Committee on Education and Labor.

By Mr. MATHIS of Georgia:

H.R. 11985. A bill to enable producers of commercial eggs to consistently provide an adequate but not excessive supply of eggs to meet the needs of consumers for eggs and to stabilize, maintain, and develop orderly marketing conditions for eggs at prices reasonable to the consumers and producers; to the Committee on Agriculture.

By Mr. PODELL:

H.R. 11986. A bill to promote the public welfare by providing for compensation to victims of violent crimes, and for other purposes; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 11987. A bill to amend the Self-Employment Contributions Act of 1954 to provide that an election to be exempt from coverage under the old-age, survivors, and disability insurance program, made by a minister, a member of a religious order, or a Christian Science practitioner, may be revoked at any time; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey (for himself and Mr. MEEDS):

H.R. 11988. A bill to amend the Service Contract Act of 1965 to revise the method of computing wage rates under that act; to the Committee on Education and Labor.

By Mr. TIERNAN (for himself, Mr. ST GERMAIN, and Mr. DU PONT):

H.R. 11989. A bill to amend the Lead-Based Paint Poisoning Prevention Act to permit grants thereunder to be made to a State agency in any case where local agencies are prevented by State law from receiving and expending such grants; to the Committee on Banking and Currency.

By Mr. WOLFF (for himself and Mr. ADDABBO):

H.R. 11990. A bill to provide for Federal collection of State individual income taxes, to provide funds to localities for Federal high-priority purposes, and to provide funds to States to encourage more efficient use of revenue sources; to the Committee on Ways and Means.

By Mr. HATHAWAY:

H.R. 11991. A bill to make available to certain organized tribes, bands, or groups of Indians residing on Indian reservations established under State law certain benefits, care, or assistance for which federally recognized Indian tribes qualify as recipients; to the Committee on Interior and Insular Affairs.

By Mr. HUNGATE (for himself, Mr. MIKVA, Mr. FRASER, and Mr. FAUNTROY):

H.R. 11992. A bill to amend the District of Columbia Election Act, and for other purposes; to the Committee on the District of Columbia.

By Mr. JAMES V. STANTON:

H.R. 11993. A bill to provide death benefits to survivors of certain public safety and law enforcement personnel, and public officials concerned with the administration of criminal justice and corrections, and for other purposes; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.R. 11994. A bill to amend title II of the Social Security Act to provide a 20-percent across-the-board increase in benefits (with a $100 minimum primary benefit), to increase the earnings base to $15,000 for both benefit and tax purposes, and to provide that one-third of the revenues required for the social security programs be contributed by the Federal Government (with corresponding reductions in tax rates); to the Committee on Ways and Means.

By Mr. QUIE:

H.J. Res. 989. Joint resolution to establish a Joint Committee on Aging; to the Committee on Rules.

By Mr. ASPIN (for himself, Mrs. ABZUG, Mr. BADILLO, Mr. BRADEMAS, Mr. COUGHLIN, Mr. DULSKI, Mr. FRASER, Mrs. GRASSO, Mr. HALPERN, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. KOCH, Mr. LONG of Maryland, Mr. MOORHEAD, Mr. MORSE, Mr. O'HARA, Mr. PIKE, Mr. ROY, Mr. SCHWENGEL, and Mr. SEIBERLING):

H.J. Res. 990. Joint resolution directing that no further action be taken with respect to the development of the trans-Alaska pipeline until a comprehensive and independent study is made of the economic and ecological aspects of a trans-Canada pipeline; to the Committee on Interior and Insular Affairs.

By Mr. CEDERBERG:

H. Con. Res. 470. Concurrent resolution expressing the sense of the Congress with respect to obtaining recommendations for appropriate steps to obtain an accountability of, humane treatment for, and release of, Americans held prisoner or missing in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. ROSENTHAL (for himself, Mr. ANDERSON of Illinois, Mr. BURKE of Florida, Mr. BUCHANAN, Mr. FINDLEY, Mr. FRELINGHUYSEN, Mr. GALLAGHER, Mr. HAMILTON, Mr. LLOYD, Mr. MURPHY of Illinois, Mr. O'NEILL, Mr. TAYLOR, Mr. VANDER JAGT, and Mr. YATRON):

H. Con. Res. 471. Concurrent resolution to seek relief from restrictions on Soviet Jews; to the Committee on Foreign Affairs.

By Mr. BROTZMAN:

H. Res. 720. Resolution calling for the shipment of F-4 Phantom aircraft to Israel in order to maintain the arms balance in the Middle East; to the Committee on Foreign Affairs.

By Mr. MITCHELL:

H. Res. 721. Resolution calling for the shipment of Phantom F-4 aircraft to Israel in order to maintain the arms balance in the Middle East; to the Committee on Foreign Affairs.

By Mr. MONAGAN:

H. Res. 722. Resolution that the House of Representatives express its concern over the present situation in Northern Ireland and that the Government of the United States in all branches be requested to offer its services to obtain certain goals; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LUJAN:

H.R. 11995. A bill for the relief of Norman Yazzie; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 11996. A bill for the relief of John Fletcher Hurst; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

THE PETER COOPER-STUYVESANT AUXILIARY POLICE FORCE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. KOCH. Mr. Speaker, one of the most dispiriting effects of the continual rise in urban crime is the feeling that people are helpless as well as frightened. Recently, I informed my colleagues of one simple and effective action which city residents can take to combat crime that involved a whistle signal system. There are other approaches to the problem, however, and I would like to call my colleagues' attention to the response of one particular neighborhood in my district.

The Peter Cooper Village-Stuyvesant Town area is a large middle-class area that has—like so many other areas—been experiencing a rise in the rate of crime. Rather than succumbing to a feeling of helplessness, though this community started a membership drive, led by the operation safety committee of the town and village civic association for an auxiliary police force.

These auxiliary police are all private citizens who live in the area. They volunteer their services to work in patrols at night and their primary function is to help rescue people in need and to alert police to potential crime. At present, the Peter Cooper-Stuyvesant Auxiliary Police Force is composed of 31 men and two women—the women, however, do not patrol at night—and is still growing.

The brave men and women who volunteer for the auxiliaries are indeed to be commended. They represent the spirit of a community that refuses to throw up its hands in despair in the face of crime. The auxiliaries are unarmed but work closely with the local police as the sentinels of the community. In the words of the captain of the local precinct, the force "has proven to be an exceptional adjunct to our regular police forces in combating crime in Peter Cooper Village, Stuyvesant Town, and throughout the 13th precinct."

One of the reasons for the interest and dedication shown by these auxiliary policemen and women is the strong support given to the auxiliary police recruitment campaign by the local newspaper, Town and Village, edited and published by Mr. Charles Hagedorn. I am inserting a brief article from a recent Town and Village edition that tells the story of this community's determined fight against crime:

AUXILIARY POLICE PROCEDURES "BEEFED UP" HERE

"Our Auxiliary Police force has proven to be an exceptional adjunct to our regular police forces in combating crime in Stuyvesant Town, Peter Cooper Village, and throughout the 13th Precinct," said Captain Marvin Boland, commander of the precinct located at 230 East 21st Street near Second Avenue.

"We now have 31 Auxiliary Policemen and two women in the AP program," he said, "and they help to make Stuyvesant and Cooper what is probably one of the best patrolled areas in the City of New York."

Captain Boland made the observations while he announced several changes in Auxiliary Police procedure to be instituted this week in the community.

"On each tour of duty, every Auxiliary Patrolman who is out on patrol will switch posts halfway through the tour," he said. This will make the volunteers "more visible" throughout the community, and they will appear to be on patrol in twice the number of places each night. This plan, according to Captain Boland, "seeks to develop a feeling of the omnipresence of patrolmen in the area."

Communications between auxiliaries and regular patrolmen have been a problem plaguing the Auxiliary force since its inception. Captain Boland has requisitioned additional walkie-talkies, which he hopes will be used by the Auxiliary Police while on patrol. With radio in hand, the Auxiliary Patrolman will be able to summon regular police assistance almost instantly through a clear channel to the police central dispatcher. Several teams of Auxiliaries are now patroling with the radios.

Volunteers have begun to come forward to patrol on more than two nights a week, the Captain noted, as well. When the program began in the spring, volunteers only patroled on Monday and Wednesday nights. Now, the volunteers in blue are beginning to patrol five nights a week on a regular basis. A volunteer need only work four nights a month to retain "active" status. In conjunction with regular police forces who patrol constantly, the Auxiliaries and the Stuyvesant Town guards will again enhance their "omnipresence" by increasing the frequency of their patrols.

Last Saturday's Auxiliary Police membership drive recruited 20 new volunteers. More are still sorely needed, Captain Boland said. Anyone, male or female, between the ages of 18 and 55 may enroll in the Auxiliary Police by contacting Patrolman Joseph Butler of the 13th Precinct at 777-8700.

WILLARD EDWARDS

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. GROSS. Mr. Speaker, I cannot let this day pass without calling attention to the fact that it marks the 50th anniversary of Willard Edwards employment by the Chicago Tribune.

Willard Edwards, one of the Nation's most highly respected newspapermen, is known far and wide across this land for his accurate and courageous reporting of the news.

Mr. Speaker, it is given to few men in the field of journalism to spend a half century working for the same newspaper and this golden anniversary of toil in the vineyard of news reporting is a tribute to both Willard and the Chicago Tribune.

On this occasion I extend to this veteran reporter and friend my highest compliments and regret only that he cannot continue his great career for another 50 years.

TRANSPORTATION SAFETY BOARD CONTINUES TO PRESS FOR ADEQUATE BUMPERS ON TRUCKS

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SCHWENGEL. Mr. Speaker, the National Transportation Safety Board has just issued its report on the tragic accident which occurred on the beltway near New Carrollton last June. While the truck driver was guilty of many safety violations, the absence of an adequate rear underride guard or bumper was a key factor in the deaths. The Board recommends that the National Highway Traffic Safety Administration reinstate its proposed underride protection device rulemaking procedures. I support this recommendation.

I was surprised to learn that the State of Maryland apparently lacks sufficient statutory authority to deal with violations as flagrant as were present in this case. It would be my hope that Maryland officials will take action to secure strong laws with respect to violations such as these, and the right of law enforcement officials to remove violators from the highways. A press release on the accident follows:

PRESS RELEASE

The National Transportation Safety Board, reporting on its investigation of a fatal Washington, D.C. Beltway collision, today recommended tightening of State inspections of motor vehicles and granting police the authority to ban unsafe vehicles of any registry from the highways.

The Safety Board also urged reinstatement of a recently abandoned Federal rulemaking which would require an energy-absorbing under-ride protection device on the rear of trucks—a safety step which the Board said could have helped prevent the Beltway fatalities.

The accident occurred on June 19, 1970 near New Carrollton, Maryland, when a truck hood secured with baling wire flew up against the windshield of the flat-bed truck, blocking its driver's view. When a passing vehicle prevented the truck driver from turning into an exit lane, he stopped in the middle lane of the Beltway's three lanes. Although at least six following vehicles successfully avoided the stopped truck, a 1967 Ford Mustang struck and rode under it, fatally injuring the car driver and the one front-seat passenger. Both were wearing seat belts; the Mustang had no shoulder belts.

The Safety Board determined that the probable cause of the collision was . . .

". . . the stopping of a truck in a high-speed traffic lane by an untrained driver operating an unsafe truck with a makeshift hood fastener, which failed and allowed the hood to obstruct the driver's forward view. The driver of a following automobile was not warned by the truck's emergency flasher lights due to a faulty light switch, and the driver's attempt to stop was unsuccessful."

The Board said the fatalities, both from head injuries, were caused by "the absence of any form of rear-end crash protection on the truck," permitting the high truck frame to penetrate the passenger compartment 20 inches past the windshield—"nullifying the intended protective effect of the occupants' fastened seat belts." Contributing accident factors cited were "the general neglect by the operating company of maintenance and other requirements" of the Motor Carrier Safety Regulations of the U.S. Department of Transportation's Federal Highway Administration, and "insufficient manpower" in the Administration's Bureau of Motor Carrier Safety to enforce the regulations.

The Safety Board's investigation of the daytime, dry-road collision showed that part of the truck's primary hood latch was missing, and the secondary latch was inoperative because of previous hood deformation. Owned and operated by the Gray Concrete Pipe Company, Inc., of Springfield, Virginia, the 1965 Ford truck had passed its Virginia State inspection less than two months before the accident—an inspection which did not include the hood latches.

Post-accident examination of the truck, described by the company as a "spare" vehicle, also showed (1) missing or inoperative warning lights, reflectors, flares and fire extinguisher; (2) a cargo of concrete pipe with a five-inch overhang on each side—10 inches over the Virginia and Maryland width maximum of eight feet—partially obstructing the driver's rear view; (3) cut tires; and (4) absence of any rear under-ride guard—extending to within 30 inches of the road and 18 inches of the widest part of the truck—as required by the Federal regulations.

Had the truck been equipped with the currently required 30-inch-high under-ride guard, the space between highway and truck body into which the Mustang crashed would have been reduced by only eight inches, the Safety Board said. It held that the now-required guard provides "only a partial and indefinite degree of protection to other vehicles;" the guard has never been studied for its effectiveness in preventing under-rides; and "so far as the Board has been able to determine . . . was not tested prior to adoption of the regulation."

The Safety Board said proposed Federal rulemaking requiring an 18-inch-high under-ride protection device was withdrawn by the National Highway Traffic Safety Administration last June 17 during the Board's preparation of the New Carrollton accident report. The Board said "the basis for withdrawal in cost/benefit factors is not clear from the docket" of the rulemaking even though it was cited in the NHTSA withdrawal. The rulemaking, the Board said, would have been "a step toward providing desirable under-ride protection."

The 18-year-old truck driver, the Board found, had been hired as a driver the day before the accident without physical or driver's examinations. He had had less than four months' experience as a truck driver. In one earlier trip on June 19 and during the accident trip, he had found the truck to be uncontrollable at speeds above 50 mph. He was uninjured in the crash.

Straight, "panic type" front wheel skid marks left by the Mustang to the point of impact measured only 60½ feet, the Board noted, even though a time and distance calculation indicated that the gap between the truck and the Mustang was well over a quarter of a mile when the truck's hood broke loose. The Safety Board said it could not determine whether the diversion of a car ahead pulling onto the median, "general inattentiveness," or "some adverse physical condition" caused the Mustang driver to recognize his danger too late to avoid or stop short of the halted truck. Although there was a portmortem report of alcohol in the Mustang driver's body, the "absence of corroborating evidence of drinking" and the "considerable circumstantial evidence which questions the existence of alcohol" left the Board "unable to conclude that alcohol was in fact present."

The Safety Board recommended that . . .

The *Commonwealth of Virginia and other States* (1) consider a Vehicle Inspection Code revision to permit rejection of any vehicle for "any specific incomplete or failed condition which is unsafe" whether or not it now is a mandatory inspection item, and (2) revise Motor Vehicle Inspection Standards "to bring them into conformance" with NHTSA's motor vehicle inspection standard.

The *State of Maryland and other States* consider providing in State Motor Vehicle Codes a provision to authorize State and local police "to remove from the highway any vehicle found to be in an unsafe condition regardless of the State of registration."

The *National Highway Traffic Safety Administration* (1) reinstate its proposed under-ride protection device rulemaking covering new buses, trucks, trailers and combinations, or alternatively, "determine whether there is a practical plan" for "voluntary crash protection" with which smaller vehicle operators could avoid under-riding large vehicles; the alternative NHTSA determination should include costs of such protection on cars as compared with under-ride devices on trucks; and (2) make an effort to develop Federal vehicle standards "for bumper protection of motor vehicles to insure predictable and compatible crash performance between vehicles of considerable difference in size and weight."

The *Department of Transportation* seek authorization and funding from Congress "to expand the strength and operations" of the Federal Highway Administration's Bureau of Motor Carrier Safety "to enable it to enforce the regulations commensurate with the public's right to safe travel on the nation's highways."

A NADER GUIDE FOR ESTABLISHING LOCAL CONSUMER AUTO COMPLAINT ORGANIZATIONS

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. RYAN. Mr. Speaker, all across the country consumers are finding themselves purchasing new automobiles which are delivered with substantial assembly defects. Indeed, the average new car, according to Consumer Reports magazine, is delivered to its buyer with 25 defects. Many people suffer these defects in silence. Others, particularly if their cars are real lemons, attempt to seek redress from the dealer or the manufacturer. Because these complaining consumers are not organized, their efforts all too often are of no avail.

Now, however, a group of students at Case Western Reserve University in Cleveland, Ohio, working with the support and guidance of Ralph Nader and the Center for Auto Safety, has prepared a guide showing how consumers can organize to deal with their automobile complaints. Entitled "Guide for Establishing Public Interest Consumer Auto Complaint Organizations," this manual sets forth step-by-step procedures for the development of a complaint center and for the resolution of complaints.

Forms used to keep track of consumer complaints are included, as well as illustrative case studies.

I believe that this manual should become widely available. Therefore, I am calling it to the attention of my colleagues:

A GUIDE FOR ESTABLISHING PUBLIC INTEREST CONSUMER AUTO COMPLAINT ORGANIZATIONS

The voice of dissent must be heard—
HENRY FORD.

(By Thomas N. Vacar, Director, Auto Safety Research Center, Cleveland Auto Safety Research Centers Network Program, and Michael E. Banta, Assistant Director, Auto Safety Research Center, Cleveland)

Without the dedication and hard work of the following people, the Center and, hence, this report would not have been possible.

Dr. Sidney Wolfe, Diane Williams, Lila Shapero, Kevin Karp, Murray Davis, Mickey Epperson, Lisa Capell, Debby Luxenberg, Bruce Fisher, Linda Deyling, Bob Shutts, Mary Jane Ward, Eric Heylman, and the Administration and Student Government of Case Western Reserve University.

This report contains guidelines for starting a local auto safety research center based on the experiences of an auto complaint center located in Cleveland, Ohio. Its primary purpose is to serve as an organizing manual, which must be complemented by locally gathered information about automobile problems.

PREFACE

This is a report on the first year of operations of the Auto Safety Research Center—Cleveland, a student consumer advocate group in Cleveland, Ohio.

This report is written as a guide to others who may be considering starting similar centers in their own cities. It describes those aspects of the Cleveland experience relevant to initiators of comparable efforts. Thus, it is hoped that it can help others avoid some of the problems and setbacks that were faced by the Cleveland Center, while sharing approaches, techniques, and devises which were found to be most effective.

The aim is a nationwide network of aggressive, student-initiated and student-run consumer advocate projects, all lending weight to the effort to force major corporations to abandon their reckless course of white collar criminality.

I. INTRODUCTION: CONTRIVED ANARCHY AND THE CORPORATE STRAIGHT ARM

New cars reach their owners, on the average, with 25 defects. Most are minor defects, but some are serious. Most owners detect some of the defects and report them to the dealer who sold them the car. It is a fortunate owner who succeeds in getting the dealer to correct the defects the first, second, or even the third time back to the shop. Even if he is successful getting action on the initial list of problems, his joy is short-lived at the appearance of new problems, all of which come as standard equipment with his new car.

For those who cannot get their cars fixed and who are forced to take their complaint beyond the dealer level, there is little justice. Writing the manufacturer will usually bring a polite acknowledgement letter, but this letter is too often followed by stony silence. Complaining to the manufacturer about the inadequacy or refusal of the dealer to correct the new car under warranty may result in a cursory check into the problem by the manufacturer's zone representatives, but if the zone representative decides against the owner, there is no appeal. Even if, or especially if, the warranty job the consumer needs and deserves is a $900 engine replacement, he often finds himself with no effective recourse. He may continue to write the manufacturer and receive another polite refusal, best described as the corporate straight arm. In effect, the owner has paid for his own harassment.

Recent attempts on the part of General Motors (Chicago to Detroit Hot-Line), Ford (Ford Listens Better), and Chrysler (Your Man in Detroit) to make the dissatisfied customer's voice adequately heard are really more window dressings and a token response to recent consumer pressure than honest changes in the inadequate corporate complaint handling system.

Once rebuffed by the corporation, the owner with a $1 to $3,000 loss on his hands has several places to turn; all about equally useless:

(1) *Congressmen* are not in a good position to do much about individual complaints, and they may not wish to antagonize dealer or manufacturer political support.

(2) *Federal, State, and Local Agencies* in most cases lack the power to handle masses of complaints, most of which represent relatively small losses.

(3) *Private Groups*, for the most part, are either funded by business and unwilling to be critical, or unable to respond effectively.

(4) *The Law* enters the owner's mind as his sense of outrage grows, but high expectations in lawyers and courts are usually deflated early on. Most attorneys have shown little concern for the average consumer's plight primarily due to the lack of monetary gain in such cases. This is especially prevalent among private attorneys. Legal services attorneys focus on persons usually too poor to have cars and evidences little interest in the person just over the poverty line whose lemon costs him precious money, keeps him from steady hours on the job, or disrupts a long-planned vacation trip. Small claims courts while initially conceived to aid victimized consumers, operate in most places to enforce the rights of creditors rather than consumers. Another mechanism is the class action suit; however, due to its procedural complexities the effectiveness of class action suits is minimal.

A gaping void exists in our society's mechanisms for resolving disputes between a small consumer and a large corporation. There is no effective means for the average consumer to enforce a small claim against a large corporation. This virtually total absence of an effective complaint resolving mechanism gives rise to the unsolicited flood of letters to Ralph Nader, which typically begin: "My new car has given me nothing but trouble from the day I bought it. The dealer cannot or will not fix it. I am writing to you as my absolute last resort. Please help me."

The manufacturers, fully aware that the rebuffed consumer has no place to turn, are almost without restraint in passing off to consumers cars that are poorly designed, only partly assembled, and built to undergo varying degrees of self-destruction while still relatively new. The owner then pays for the manufacturer's mistakes and sloppiness. In the aggregate, this amounts to an annual billion dollar fraud. The corporation has, by isolating individual consumers, effectively thwarts all attempts by consumers to obtain relief from what can be considered contrieved anarchy.

An alternative model: A consumer's auto complaint center

The process of arriving at an alternative model involved taking a relatively close look at all existing complaint organizations in order to determine why they were not working and to generate ideas for effective complaint handling. Five problems undermined the effectiveness of existing complaint handling programs:

(1) *Bureaucracy*—Inside the auto companies, the corporate complaint handling system is itself the primary obstacle in resolving problems faced by the auto owner. Most consumers are treated to the standard runaround which can be characterized as follows: Upon finding out that the dealer cannot or will not repair his new car properly (the warranty not withstanding) the average consumer usually sends a letter to the president and/or chairman of the board of the manufacturer involved. The executive's office then refers that letter to the corporate customer relations office which then refers the letter to the divisional customer relations office which sends a letter to the consumer acknowledging that the executive got the letter and referred it to the replying office. The divisional customer relations office then informs the consumer that the letter is being further referred to the regional zone office, which is relatively close to the dealership so that the complaint can be handled in the area where it originated. Several days or weeks later, the consumer usually receives another letter, this one from the regional zone office, stating that the letter is being further referred *back to the dealer* so that it may be handled where the complaint originated. It further states that the dealer will be in touch with the consumer in the near future, but if the near future is any longer than three days then the consumer ought to contact the dealer. This whole process takes anywhere from three weeks to two months with absolutely no guarantee of ultimate success. During this time, many carbon copies of letters have been made but nothing has happened to aid the woeful consumer. This process is very exasperating. Many legitimate complaints are dropped for lack of stamina.

(2) *Allegiance to the Auto Industry*—Many "public service" groups are victims of this financial or political allegiance to the industry against which the agency handles complaints. The most notorious example is the Better Business Bureau which often has financial membership support from dealers and manufacturers, as well as influential board members from the industry. The Better Business Bureau tends to take anything the dealer says as fact and rarely consults the consumer as to whether the complaint was handled to his or her satisfaction. Too much criticism of the industry or individual members could easily result in a loss of membership dues for the Better Business Bureau and similar public service agencies.

(3) *Dependence on Advertising Revenues*—This problem prevents most large newspapers and broadcast media from releasing information which might adversely affect automobile sales. Outlets such as NBC, ABC, and CBS are financially dependent on considerable advertising from industries such as the auto industry. Too much adverse publicity may lead the advertiser to drop the outlet from its advertising program. This has generally emasculated any meaningful and continuous public disclosure of automotive abuses as a means of redress.

(4) *Statutory Non-effectiveness*—This comprises the primary defect of governmental regulatory organizations, both local and federal. Most of these bodies, such as the Federal Trade Commission, have the statutory power to take action against corporate wrongdoing, but fail to exercise it fully. The major problem with such regulatory agencies as the FTC is that they tend to define their role narrowly and refrain from intervening directly in disputes between automobile owners and the auto industry. This may be partially due to influence over the administrative branch and regulatory agencies of the federal government by officials in regulated companies. These officials have greater access to the regulatory agencies than the average consumer. A great part of industrial influence may be traced to the executives themselves some of whom have served on regulatory commissions before retaining an executive position in a corporation regulated by that same commission. More subtlely, corporate interests work in the U.S. Congress to make sure that the operating budgets of agencies like the FTC are kept low enough to ensure their powerlessness.

(5) *Lack of Funds*—Obtaining sufficient funds is also a problem confronting most private agencies which are independent from the industry or its pressures. Although these groups are autonomous, the industry can effectively deter financial input from many places such as foundations. This tends to shorten the life and effectiveness of such agencies. Most new and aggressive consumer groups are in this category.

The efficiency of existing complaint handling agencies is compromised by a combination of several of these characteristics. Therefore, an attempt was made to establish a consumer group that could, for the most part, avoid the problem areas discussed above and be an effective organization to help the distraught consumer.

In consultation with the Center for Auto Safety in Washington, D.C. and based on empirical studies in the Cleveland area, an alternative complaint handling model, the Auto Safety Research Center, was conceived. Most importantly for the consumer, the Center had to be *a direct action ombudsman advocating the consumer side of the individual complaints in a meaningful and organized way*. Since many consumers who cared to complain through existing systems saw that much unnecessary paperwork and red tape was involved, the number of people dropping complaints seemed to be high. It was imperative that the Center avoid as much of the bother from this process as possible in its own operations so that the business of direct advocacy could begin.

Autonomy from the aforementioned pressures was the key issue in the formation of the Center, because only then could the Center freely criticize the industry without concern for its continued funding. Since autonomy from the auto industry was a basic requirement, it followed that the industry and those sympathetic to the industry would, of necessity, be suspicious of such a venture. Consequently, fund raising was a big problem, and developing the art of fund raising became a major task of the new Center.

The avoidance of a bureaucracy, i.e., the non-formation of one, was achieved by providing that all Center members would be required to handle complaints regardless of the time they worked at the Center or what other projects they might be working on. As well, the Centers would be small enough to prevent massive departmentalization which requires the growth of red tape. (If one Center were to become too large in one city, there is nothing to prevent it from dividing into two cooperative but autonomous organizations.)

II. A BRIEF HISTORY—THE CLEVELAND EXPERIENCE

Although the Cleveland Center did not begin to gather consumer complaints until April of 1970, background research began five months earlier in December of 1969. At that time, the Center was registered as a student organization on the campus of Case Western Research University which entitled it to free office space. It was apparent from the outset that a base of operations was not only desirable but necessary.

In January of 1970 four of the Center members gained substantial experience in understanding the auto industry during a one month research program at the Center for Auto Safety in Washington, D.C. The four students conducted projects on the Experimental Safety Vehicle, ambulance and police vehicle defects, Freedom of Information Act, and other topics. This experience was taken back to Cleveland. Shortly thereafter began the solicitation of several consumer complaints, dealer manufacturer documents (i.e. sales contracts, car order forms, advertising brochures, dealer franchise agreements, etc.), and other basic local auto information.

Operations

The Center focused on auto complaints because the process of investigating them opened up a view onto the landscape of corporate irresponsibility in the auto industry.

The larger issues, such as understanding the limitless lack of concern shown by corporations for the health, safety, and sanity of the public, seeking answers as to why the mechanisms of government, the courts, and the marketplace fail to provide any protection to consumers, and mapping out needed reforms, all took on a clearer meaning to the students as they came to understand the intense frustration of the consumers who in desperation brought their problems to the Center in hope of finding a solution.

Basic complaint handling guidelines were not rigid, but each member was encouraged to handle each complaint in the way that was most comfortable and successful, provided that designated pieces of data were gathered. Methods used varied from person-to-person conferences, to telephone calls, to mail handling of complaints, and combinations of these techniques.

One of the primary reasons that the Center was set up was to give students a chance to create positive, feasible change in an area rampant with abuses and over which the consumer has virtually no control. One problem which constantly plagued the Center was keeping on the staff a continuum of experienced personnel trained to handle consumer complaints. A pattern soon developed that students' commitments to this endeavor to create change wore off as the novelty was replaced by the continual input of new cases to be handled. The Center's role is one of providing continuing and growing support; it is not an organization constantly dealing with issues which have the same overt level of political content as the war in Vietnam, racism, and the like. Although the overall issue is one that is highly political, i.e. the analysis and critique of the corporate power structure, the nitty-gritty of consumer complaints is tedious. Such work, however, can be viewed as the price of change. It was our experience that although there were many transient volunteers, a core of about eight dedicated workere emerged.

Personnel

The staff consisted primarily of law and political science students. Others, including non-students, helped in all phases of the Center's work. Volunteers handle the bulk of consumer complaints and actively participate in research having to do with the auto industry (resulting in complaints) in and about the city of Cleveland. This type of information will come primarily from surveys and contacts with industry "insiders", who offer information that the auto industry does not want released.

Other persons helping the Center included a physician, attorney, educator, contractor, and three students with volunteer attorneys to donate legal talent. Access to professionals teaching technical courses at Case Western Reserve University provided valuable expert input where technical judgment was required to the settlement of a case.

There are two obstacles that confront any organization such as the Auto Safety Research Center. The first is to obtain students who are willing to work long and irregular hours for little or no pay. We overcame this first hurdle with three techniques: First we offered a constructive way to try to change the Establishment; Secondly, Ralph Nader lent his prestige by making several speeches promoting the Center; and thirdly, we began to make noticeable headway toward our objectives, especially in the consumer protection area. In fact, it was not long until we were getting referrals from local attorneys, the Better Business Bureau, the Cleveland Bar Association, and the local office of the Federal Trade Commission.

The second obstacle was the training of the volunteers to enable them to handle individual cases or complaints effectively. For a volunteer to be capable of serving as a mediator between the automobile owner and the auto industry, he had to be familiar with mechanics of an automobile, and he had to have an extensive knowledge of the corporate structure with which he was dealing. This latter part was the most difficult, because there is no short-cut method. The student volunteer had to read and familiarize himself with many documents such as dealer franchise agreements, warranties, and governmental safety regulations to mention a few. The importance of this education process becomes more obvious when you consider the fact that you will be dealing with experts from the industry, and the only way you can protect yourself from being taken advantage of is to be prepared to discuss the problems on their level and to be able to spot and refute any weak arguments that the industry might use to confuse you. Thus, for our project, education was crucial to the success of our operations.

The center and the university

The Center was set up on a university campus for several reasons. First we were students. Secondly since it was known that the budget of the Center would be extremely low, it was decided that the Center would have to be able to obtain the maximum amount of output for the least possible investment. For this purpose, the college situation was ideal. Under the rules of Case Western Reserve University, registered student groups could get free office space and access to many facilities on campus, including the expertise of many experts on a wide range of topics dealing with the automotive field.

The additional fact that the Center was able to obtain academic credit for students conducting research at the Center was a major contributor to keeping experienced students working at the Center for long periods of time with little or no monetary compensation. These two reasons were the major factors which gave the university environment a decided advantage over other potential locations for the Center. The third factor, i.e., the need for people to man the Center, clearly meant that students, idealistic and often with time on their hands, would form the nucleus of the Center staff. Supplementary assistance from non-students (housewives, faculty) and professionals could not be realistically expected to be full time. What was expected, however, was that all staff and volunteers make some kind of long-term commitment to the Center to insure some basic kind of continuity.

Fund raising

The lack of adequate funds has plagued the Cleveland Center. Volunteer organizations can function so long as there is a basic administration of the overall program by regular, full-time personnel who can be depended upon. Successful fund-raising in the Cleveland area was extremely difficult for several reasons. First, the concept of the consumer oriented public interest group was not readily comprehended by members of the established Cleveland business community. Consequently, they were, at first, skeptical of the Center and presumably regarded it as a threat. Second, politics played a large role. The lack of concern on the part of Cleveland businessmen regarding the plight of the consumer was exemplified by meager monetary contributions to back up generous verbal praise. Grants from Consumers Union, Ralph Nader, and interested professionals and consumers provided subsistence funding through 1971.

Individuals approached for funding felt that it was the legitimate role of philanthropic foundations to support such an organization so application for a grant of $19,000 was made to the Cleveland Foundation in April of 1970. This particular foundation was already funding other consumer efforts to the tune of $100,000 or more annually. At this time, Dr. James A. Norton, Director of the Cleveland Foundation, encouraged the Center to comply with several legal requirements so that funds could be made available to the Center pending a decision of the Foundation's Board several months later. These requests were fulfilled. Moreover, the Center followed

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the Foundation Director's suggestion that we seek all funds through the Cleveland Foundation rather than from several sources. Although their Board was not to meet for quite awhile, the optimism generated by the Foundation Director led to the hiring of four students to work full-time in the Center. As weeks progressed, the optimism eroded as a result of suggestions from the Foundation that the Center put a member of the Better Business Bureau or the Cleveland Growth Foundation on the Board of the Center to quell doubts of some members of the Foundation Board. Since the Better Business Bureau approach was the very thing we were trying to avoid, we flatly refused. On July 8, 1970, the Cleveland Foundation voted not to give any financial support to the Center.

We were forced to conclude that despite the Center's excellent record of handling consumer complaints to the satisfaction of both consumers and dealers, the Cleveland Foundation's interest in this mode of consumerism was minimal at best. Moreover, many liberal lawyers, doctors, other professionals, and civic leaders from whose midst is heard increasing concern for the alienation of students from the system, gave no meaningful financial support. In short, hypocrisy and politics have made such efforts by students difficult to fund because those who are most verbal and able to afford financial donations pay much more lip service than financial service to such efforts. Fund raising remains an important activity.

The Center has been in operation for nearly two years and much yet remains to be done. But much has been learned from its successes and its mistakes. The time has come for the establishment of additional Centers to further the development of a network of centers which will be able to strengthen the hand of auto consumers throughout the United States and Canada.

The following sections will suggest ways to set up similar Centers and, most importantly, the developing art of handling customer complaints, dealing with the dealers and manufacturers, dealing with the government, and other facets of the day-to-day business of local consumer advocacy.

III. TIPS FOR ESTABLISHING LOCAL COMPLAINT CENTERS

A. *Establishing Centers on Campuses*—The five main requirements are:

(1) Campus status as an organization
(2) Articles of Incorporation and Incorporation itself
(3) Tax exemption application (Form 1023) under 501(c)(3) of the Internal Revenue Code
(4) Budget proposal
(5) List of local foundations and wealthy potential philanthropists

Although these items are vitally important, they are really only the beginning. If the groundwork is undertaken with these points in mind there will be fewer problems later on. To fully understand the importance of these preliminary steps, the points are discussed individually.

(1) *Campus status as an organization*—In setting up a Center at a college or university, the rules required to obtain free office space must be understood. The appropriate officials should be supplied with at least a rough draft of a proposal establishing your campus organization. The sooner an organization has been designated a campus group, the sooner the Center will have a base of operations, i.e. an office. Since each school's rules vary so much, it is up to each potential group to learn what is required at that school and apply accordingly. Here are some suggestions:

(a) Spell out your intentions so that you may act within the confines of your proposal. Do not make the proposal so restrictive that you cannot function effectively. On the other hand, do not make it so unrestrictive that no one will have confidence in you.

(b) Emphasize the importance of free space and the need for it immediately.

(c) Relate this group to the type of group already in operation at Case Western Reserve University and its role in a network of consumer service organizations.

(d) Emphasize the benefits to be harvested by the community around the school by a meaningful and worthwhile project.

(2) *Articles of Incorporation and Incorporation Itself*—This and the application for tax exempt status under 501(c)(3) will be most vital in obtaining money from foundations and other sources. The Internal Revenue Service had model Articles of Incorportion written in its instruction booklet for 501(c)(3) applications. You can follow these. Two basic models are presented: Ohio and Massachusetts. Legal supply stores and many law firms have the article of incorporation blanks available for usually less than a dollar which can be filled out in less than an hour. It is helpful to have this process overseen by a volunteer attorney.

In many states it takes at least three people to create a non-profit corporation. They must be 21 years of age or over and residents of the state in which the corporation files its papers. It is wise to make aure the principle officers of the corporation are members of the college or university faculty or student body where the Center exists. This will eliminate the problem of the Center being regarded as too separate from the school to warrant school support.

Principle officers are: president, vice-president, secretary, and treasurer. If the officers are not affiliated with the university, i.e. students there, the center may find itself *renting* office space instead of receiving it free. As soon as the articles are filed with state and returned to the Center, the 501(c)(3) application may be filed.

(3) *Tax exemption application under 501(C)(3) of the Internal Revenue Code*—Tax exempt status is the key to funding, but it is not a guarantee. It permits individuals to give the Center funds and to deduct it from their taxable income as a charitable gift. This is the toughest step to accomplish because the IRS is a slow, deliberative agency, and Form 1023 is quite complex. The usual waiting period seems to be between two to six months, but it may take much longer.

It is hoped that in the near future a properly framed application, the Cleveland Center or one other, will be approved, thereby becoming the model.

(4) *Budget proposal*—Once granted tax exempt status, the Center will want to submit proposals to various individuals and foundations for funds. This will have to include the proposed budget for a period of at least one year. Local foundations are the best vehicle for meaningful funding and should be vigorously pursued. The foundation will accept the proposal, further investigate it via interviews with Center personnel, and rule on its merits.

The most important thing to remember when applying for funds is not to compromise principles merely for funds. A foundation may want to name a member to the Center's board. The consequences of such action should be carefully weighed before making any such decision. One consequence may be the premature disclosure of findings or plans, or even, possibly, control of them.

The proposal should state the purposes, or goals, program outline, affiliations, personnel, and most importantly, the budget of the Center. The foundation may ask for additional information, and you should always be ready to provide it immediately to expedite your proposal.

(5) *List of Foundations and/or Wealthy Individuals*—Since the Center will have to be funded via local sources, a list of philanthropic foundations should be assembled. As well, all metropolitan and surrounding areas have their share of modestly and abundantly wealthy individuals who might be solicited for tax deductible contributions. Since each possibility is a potential monetary source, it is worthwhile to apply to as many as possible. Among some of the many individuals and organizations to contact are:

(a) local philanthropic foundations
(b) local industrialists
(c) local civic leaders
(d) local unions and leaders
(e) civic groups (Rotary, Kiwanis, League of Women Voters, etc.)
(f) religious leaders
(g) local colleges and universities
(h) local law, medicine, engineering, and other professional societies
(i) the general public

B. *Establishing Centers in Places Other Than on University Campuses*—The general format for establishing an off campus Center is basically the same as has been outlined above with a few variations. There will still be five main requirements:

(1) Obtaining a base of operations (an office)
(2) Articles of Incorporation and Incorporation itself
(3) Tax exemption application (Form 1023) under 501(c)(3) of the Internal Revenue Code
(4) Budget proposal
(5) List of local foundations and wealthy potential philanthropists

The first major difference is that the off campus Center will not be able to obtain free office space unless some group or person can be found to donate such space to the organization. There are, however, alternatives to the traditional office that is located in an office building. The use of heated garages, church basements, vacant rooms in a house, etc. can offer a starting point until funding will permit the renting of office space. Basically, all that is needed is a place to keep files, desks or tables, and a telephone. The office supplies will be discussed in more detail later.

The other problem that may confront the off-campus Center is that of personnel. It is important that the new Center have a group of dedicated persons willing to run the Center on nearly a full-time basis. Part-time volunteers can help handle complaints without too much difficulty, but the daily operation of the Center requires the presence of someone capable of making decisions, coordinating activities, and helping train the new volunteers. If it is impossible to obtain full-time personnel there is an alternative approach that may be taken: two part-time people may set up a schedule whereby one or the other of them would be at the Center regularly. However, the only way this will work effectively is if both are able to keep abreast of new developments so that the operation will run efficiently.

The remainder of the staff can consist of housewives, professionals, students, and any other people that can donate their time and/or their services to the Center. These volunteers, however, will have to be oriented in complaint handling by the nucleus of experienced people that should be on hand once the Center has started its operations.

The formation of the off-campus Center would follow the same guidelines as the campus-based Center with respect to incorporation, application for tax exempt status under 501(c)(3) of the Internal Revenue Code, budget proposal, and list of possible sources for funding.

Aside from these tasks, there are several other things that you will need to make things easier and more efficient.

The next section is devoted to these needs (*which are applicable to both campus-based and off-campus Centers*).

C. *Office Support—Attorneys, Equipment, and Materials*

(1) Attorneys

You should contact a sympathetic attorney who can assist on tax matters and incorporation. Ask him/her to render services free. He/She will also be able to advise you on how to avoid libel in public statements your Center may issue.

(2) Equipment

(a) *Telephone*—You will need a telephone with a listed number. It is helpful to have a separate line that can be used for out-going calls when the other is busy. As the Center becomes more well known two or three lines become essential.

(b) *Filing System*—A filing system is imperative. Use a separate file folder for each complaining consumer. The Cleveland Center has an "Open" and "Closed" separation of complaint files. In addition, a 3x5 card is made for each complaint which is put into a box. Each card indicates the name of the person with the complaint, the make and model car he or she owns, the nature of the complaint, and the dealer/manufacturer against whom the complaint is directed. The "Open" and "Closed" cases are filed alphabetically by name; however, the card file is broken down into types of automobiles (i.e. Ford, Chevrolet, Pontiac, etc.) with all the consumers' names being alphabetically arranged within each car type category. This enables the staff to have a relatively simple cross-index that helps detect trends such as recurring problems with a particular kind of car or dealer. File cabinets are helpful but not necessary. It is inexpensive to substitute metal racks used for suspended files. These racks require special file folders, but can sit anywhere.

(3) Materials

(a) *Stationery*—A letterhead, we have found, is vital and adds much credibility and legitimacy to the operation. An example. The Cleveland Center's letterhead, can be found in the appendix.

(b) *News Release Forms*—Attractive news release forms will get much more attention than plain paper until the Center is widely known and respected. A copy of the Cleveland Center's news release form is in the appendix. It's first use should be to announce the program and complaint phone number to the press.

(c) *Complaint Forms*—Complaint forms are essential to getting and storing the correct and uniform input of data needed in the handling of complaints and compilation of data. The Cleveland Center's forms are in the appendix.

(4) Other Information

(a) *Names and Addresses*—A list of all dealers and zone offices is required so that you will not have to constantly refer to the cumbersome telephone book. A list of key personnel for each dealer, zone office, and manufacturer, as well as additional relevant organizations should be assembled. You will need, for example:

Dealership: President, General Manager, Sales Manager, Service Manager.

Dealers association: Director, President.

Motor Companies in Detroit: Chairman of the Board, President, Customer Relations Manager.

Zone Office: Zone Service Manager, Entire Customer Relations Staff, Public Relations Manager.

Other relevant agencies include:

Local Consumer and/or Government Organizations: Better Business Bureau President, Federal Trade Commission Director (Local and National), Department of Transportation (Local and National), Local Consumer Group Directors.

Media: Newspaper Auto Editors, Radio and Television News Managers, Local and National Auto Trade Paper Editors (include magazines), Local and National Consumer Paper Editors (include magazines), Wire services (Associated Press, United Press International, etc.).

(b) *Recent and Relevant Information*—This is obtained by writing to several sources. The object is to write for all news releases, reports, fact sheets, and other available free information. Among the most important of these sources are:

U.S. Department of Transportation, Washington, D.C. 20590.
Federal Trade Commission, Washington, D.C. 20580.
Insurance Institute for Highway Safety, Watergate 600, Washington, D.C. 20037.
National Automobile Dealers Association, 2000 K Street NW., Washington, D.C. 20006.
Your state and city governments.
Center for Auto Safety, National Press Building, Washington, D.C. 20004.

After funding, each Center should subscribe to Automotive News, Consumer Reports, some of the auto magazines, and relevant government reports of the Congress or regulatory agencies. It is also recommended that each Center have a copy of *What to Do With Your Bad Car* by Ralph Nader, Lowell Dodge, and Ralf Hotchkiss. A free copy will be provided to Centers established in cities larger than 10,000 people. On the local level a general collection of informations and documents should be made which include sales contracts, advertising brochures, and dealers association materials. This should be done with as many dealerships as possible. Sales figures and distribution data can be obtained through the local dealers association or newspapers who generally have access to this kind of information.

(c) *Map*—A local street map should be obtained to chart where the dealers are located as well as the zone offices and other local relevant organizations. Also, when handling complaints, the map will be help in determining the patterns of where the complaints are arising and where to go when handling out-of-office complaints.

With all these things accomplished, you will be ready to start understanding the nature of the local auto situation and can quickly become effective in the resolution of consumer complaints.

IV. HANDLING COMPLAINTS

This section will be necessarily brief because of the vastness of types of complaints and the many possible solutions. What will be discussed will be methods used by the Center which are used either separately or in combinations, all of which are recorded on standard Auto Safety Research Center forms. Examples are in the appendix.

A. *Forms*—The best way to understand how the Center handles complaints is to refer to the file forms used in the process. Copies are reproduced at the end of this guide. When a consumer calls in with a complaint (i.e., makes initial contact with the Center via phone, letter, or personal interview) the initial information is recorded on an initial information memorandum. This sheet covers vital initial information. The consumer is then asked to submit whenever possible a formal statement of the complaint *in writing* including all bills, documents, letters, etc. relevant to the complaint. These items are then attached to the details of complaint memo. With this accomplished, the staff member begins to evaluate the validity of the complaint. Any further communication with anyone connected in any way with the complaint is recorded on a development memorandum; one for each and every contact made. Prior to any advice or advocacy for the consumer, the Center contacts the dealer or manufacturer involved in order to establish the opposing side of the story and also attempts to set up a meeting involving the dealer, consumer, and Center staffer. This is also recorded on a development memo. The consumer is asked to sign a permission to use information form so that the Center may work with the complaint and publish the complaint if necessary. Depending on the seriousness of the complaint, maximum and minimum settlements or "acceptable solutions" are determined with the consumer prior to any meeting with the party being complained against. The consumer must sign an agreement permitting the Center to act on his behalf in resolving the complaint. When a satisfactory conclusion or solution is reached, the staffer then fills out a case conclusion sheet in which he/she comments on the degree of success and outlines the final settlement. The staffer is then required to send out to the consumer a consumer evaluation sheet so that the consumer may comment on how his complaint was handled and give criticisms to improve the quality or services offered by the Center. A separate file is maintained for each complaint. Some complaints can be so serious that some of the above requirements be suspended if time is a critical factor. In any event, precise information must be recorded as soon as time is available.

B. *Methods of Complaint Handling*—Methods used are:

(1) Handling via telephone
(2) Via letters
(3) In person interviews
(4) Dealer-consumer-Center consultations
(5) Publicity
(6) Direct Action

The individual complaint handler must select the method or methods which prove most successful and comfortable. Most cases involve a combination of techniques. Each method has its own merits and the following descriptions of these methods can prove useful.

(1) *Handling via Telephone*—Telephone handling is a good device to use when time is of the essence in order to start the resolution process. An example of this may be when a consumer has a warranty problem in which the warranty is to expire within a few days. Needless to say, the phone provides an immediate contact but can be over-utilized. Written documents provide a much better record. Telephone handling can expedite matters when the Center has a good working relationship with the party against whom the complaint is lodged. (Some Cleveland dealers welcome intervention by the Center especially in personality-conflict cases.) Most cases, however, are wholly dependent on the attitude of the staffer when the phone is used. This subject of "attitude" will be discussed later in detail.

(2) *Via Letters*—Most cases require letters to and from the Center explaining the case details and the consumer's and/or Center's logic used in determining a just settlement. Letters provide an excellent tool of communication and documentation. Statements of policy on the part of dealers and manufacturers become guidelines for expected performance if a similar complaint arises in the future. As well, letters from the different segments of the industry may reveal different policies on the same issue between companies or even within the same corporation, i.e. a Cleveland Zone Representative might quote a policy at odds with the official corporate policy. Letters are also valuable in recording precedents.

(3) *In-person Interviews*—An in-person interview with dealership officials allows the Center member to discuss the problem without the presence of the complaining consumer. This sometimes is more conducive to settling complaints especially when a personality conflict is involved. During this type of interview, the dealer will often give his opinions about the sincerity of the complaining customer which, in the light of other facts, can give great insight as to the validity of the complaint or the dealer's opinion.

(4) *Dealer-Consumer-Center Consultations*—Probably the most successful method of complaint solving comes in the form of the in-person interview with the consumer present. When the dealer, consumer, and Center meet it is in this arena where the dealer and consumer must argue their claims over the documents each is using to support his side. Although the President of the dealership may not be in attendance, the service manager or the customer relations manager for the dealership usually will be. Settlements are usually arranged at the first such meeting and discrepancies in both sides often appear. Usually, however, the consumer is able to reach an equitable solution

with the Center's assistance. It is much easier to arrange future action on the complaint when all relevant parties are present to hash things out. In short, it is a situation where not only questions are raised and answered, allegations proved or dispelled, or documents produced and evaluated, but a situation in which personalities of opposing opinions interact and reach a firm decision.

(5) *Publicity*—The final approach of complaint handling may be referred to as the last resort, and that is, unfavorable publicity directed at the offending dealer or manufacturer.

When all else fails, report it to the public and to the legal authorities. It is not the most endearing method to conclude a situation but one which has proven to be effective. One problem is that the cost to the dealer or manufacture of publicity in terms of potential economic loss may outweigh the benefit of a fair and just resolution. Extreme care must be used here so that innocent people are not damaged by unfair criticisms.

(6) *Direct Action*—And of course, there is the picket line. It is the most forceful and clear cut show of disapproval for the practices of a dealer or manufacturer who has clearly deprived a consumer of his rights and chooses to permit this situation to continue regardless of previously taken channels of recourse. It can bring either an immediate settlement or a law-suit against those picketing. While it is risky, it may be the only path available. Much care should be taken when this path is utilized to define the complaint accurately, and to spell out exactly what is demanded.

In summary, complaint handling is a delicate business which requires a large amount of knowledge about the facts of the case, a proper selection of a method of complaint handling, and the proper and precise recording of all information and case data. It is also a task which demands responsibility and which, if handled properly, can quickly net results for consumers who would otherwise remain unfairly or poorly treated.

Attitude in communication is the one factor that can make or break a case and caution must be exercised. In some cases a calm and cooperative attitude by the complaint handler is an invitation to be ignored. In other cases, a harsh and abrasive attitude may cost a handsome settlement due to a conflict in personalities regardless of the case's merits. Unfortunately, proficiency comes only with practice.

C. Examples of Cases Handled by the Cleveland Auto Safety Research Center

The following cases are summaries of actual complaints handled over the period since April 1970. Necessarily, these cases are capsulized to conserve space and only are meant to give the reader a general idea of what kinds of complaints can arise and how they were handled. Naturally, much more information is needed to fully understand the intricacies of how the information was gathered, how a particular method was chosen, and how a solution was reached. To show the limitations of a Center we have included two cases which we were unable to resolve up to the date of this writing (September, 1971).

File #93 David Brewe

Mr. Brewe came to the Center with a problem based wholly on a lack of communications resulting in a $100 difference of opinion. While having his car in for an engine repair under warranty Mr. Brewe was asked if he would like to have a valve grind since the engine was apart. Although Mr. Brewe authorized the grind verbally, he was not aware that he would be charged for the service. The warranty problem (seized wrist pin), in Mr. Brewe's opinion created the need for the valve grind. The dealer brought in the service manager and the mechanic involved in the repair and found that lack of proper information was the primary reason for Mr. Brewe's erroneous belief that he would not be charge for the repair. Mr. Brewe stated that had he removed the heads himself (as an engineer he is quite capable of doing so) he could have had the valves ground for $24.00. Since Mr. Brewe had stopped payment on the original repair check (which included that disputed $100 for the valve grind) feelings were pretty bad on both sides. Acting more as a mediator than a purely pro-consumer partisan, the Center arranged a settlement whereby Mr. Brewe paid $24 for the grind, which was acceptable to both parties. The dealer added that if Mr. Brewe felt that the grind had not been done, he did not want a dime. Mr. Brewe concluded that indeed the grind had been done and paid the $24.

File #199 Julian Steinberg

In the fall of 1970 the Center was approached by Mr. Julian Steinberg, owner of a 1969 Opel. Mr. Steinberg unknowingly purchased a new car with an engine that bucked and coughed and had a faulty electrical system. For several months Mr. Steinberg had been trying to get the dealer or the manufacturer to correct the defects to no avail. Mr. Steinberg and a Center staffer went to the Buick zone office and argued that although the dealer never refused to do the retail or warranty work involved, the work was either shoddily done or not performed at all. After reviewing the file and test driving the car, the zone manager reimbursed Mr. Steinberg $156.81 (which the dealer had improperly charged him) and arranged to have the remaining repairs made at another dealer under warranty.

File #206 John Glasson

Owner of a 1971 Volkswagen Super Beetle, Mr. Glasson was having engine and acceleration problems which were grossly in that the car would stall out in close traffic situations. Having complied faithfully with the warranty terms, Mr. Glasson tried for months to get these problems corrected all to no avail. The Center, on Mr. Glasson's behalf, wrote a letter to Volkswagen of America demanding action. Copies were also sent to local and national newspapers, highway safety organizations, government agencies, and several legislators. This produced a series of meetings and further attempts at repair, resulting in nothing but further frustration for Mr. Glasson. Nonetheless, meaningful communications between the Center and VW were established. Finally, realizing that Mr. Glasson would never be happy with his car, VW's distributor, Midvo, offered him a reimbursement of $2100 for his six-month old car which originally had cost $2300. Mr. Glasson was extremely happy with the settlement but decided not to purchase another VW. Faced with our efforts VW acted in a responsible and mature manner in this case.

File #379 Hal Foyer

Mr. Foyer purchased a used 1966 Cadillac from Central Cadillac which had an odometer that read 23,459 miles. Upon receipt of his registration Mr. Foyer traced the former owner who informed Mr. Foyer that the mileage at trade-in was 56,000 miles. At that time Mr. Foyer contacted his lawyer who wrote one letter to the dealership. As time progressed Mr. Foyer became distressed by his attorney's inaction. He then contacted our office almost a year after his initial action. To ascertain the veracity of the case we checked the serial number of the car with the Title Department. This served to prove who the former owner was. From Mr. Foyer's attorney we obtained a copy of a statement made by the former owner that the mileage at trade-in was 56,000 miles. Normal procedure was to go to Central Cadillac with Mr. Foyer and discuss the matter, however, two stumbling blocks presented themselves; Mr. Foyer's attorney had to be released and inform Central Cadillac that we were now informally representing Mr. Foyer, and Central Cadillac had handed the case over to their attorney. Mr. Foyer's lawyer, after being contacted by us, decided to see what he could do first, further delaying action on our part. Finally unable to obtain any satisfactory results, the attorney dropped the case and permitted us to help Mr. Foyer. We then arranged a meeting between a staffer, the owner relations manager of the dealership, the dealership's attorney, and Mr. Foyer. Mr. Foyer wanted another used car not older than 1967 with guaranteed mileage. No common ground could be found between parties to enable a possible compromise settlement. The Cleveland Dealers Association has been contacted and the possibility remains that our office can resolve the case. Otherwise, Mr. Foyer plans to sue Central Cadillac. At the time of this writing the resolution can not be determined.

File #364 Ellen Forester

Mrs. Forster purchased a 1971 Chevrolet Vega, which was equipped with a 110 horsepower engine, two barrel carburetor, and an *automatic* transmission. This car was made prior to the G.M. strike in the fall of 1970. After the strike, General Motors stopped selling Vegas with this particular power train combination. The 110 H.P. engine with a two barrel carburetor now comes only with a *standard* transmission. Mrs. Forster experienced many problems with the performance of her car, and subsequently Chevrolet started a recall campaign on Vegas such as Mrs. Forster's. She took her car into a dealer to have the necessary parts added as per the recall. This was the thirteenth time she had taken the car back in attempting to alleviate her problems. After the recall work had been completed, the car still did not perform any better than before. The service manager at the dealer told her that he had done all that was possible and he added that she should drive the car "slowly and not very often." Two members of the Center's staff accompanied Mrs. Forster to the dealer on her fourteenth trip to him. This time a representative of the Chevrolet Zone Office was there, and he told us, in no uncertain terms, that he would not deal with us but he would see to it that the customer was satisfied. However, the car was never fixed and Chevrolet continued to stall by telling Mrs. Forster that more "special parts" had been designed and the car would be fixed as soon as possible. At this point, the Center was preparing to pressure Chevrolet into either replacing some major parts of the drive train or else give Mrs. Forster another car. Ironically, while we were working on this approach the car was stolen from Mrs. Forster's home. Mrs. Forster's final relief came from a car thief rather than Chevrolet, who had admittedly created an engineering fiasco. Mrs. Forster's only fear now is that the car may be found.

File #369 Ronald Gantt

Mr. Gantt owned a 1969 Buick LeSabre that was covered by a 5 year/50,000 mile warranty on the engine and other components of the drive train. After one year, the car began to continually overheat, and the dealer began to replace the entire engine one piece at a time under the warranty in attempts to alleviate the problem. Finally the entire engine, including block and heads, had been replaced but the problem was not cured. At this time, the dealer and Buick Division of General Motors refused to do any more work under warranty saying that they felt the problem was probably arising due to customer abuse. Two members of the Center's staff arranged for a meeting between Mr. Gantt, the dealer, and representatives of Buick and the Center. At this meeting the dealer could not prove abuse, but nor could they explain why, if Mr. Gantt did abuse the car, he had spent so much time and money at various service and diagnostic centers in attempts to locate the problem. At this point, the dealer said he would allow the two representatives of the Auto Safety Research Center decide what should be done, and he added that he would be bound by our decision. This was an unexpected offer, and although this clearly would not be expected in all cases, it did show the dealer's faith in our reasonableness and objectivity. (This case arose after we had been in operation for over a year and a half, and shows that the Center has clearly gained the respect of at least some of the local dealers.) After consulting Mr. Gantt, we suggested that since Mr. Gantt had used the car for over a year and a half, and since the problem could not be pin-pointed, that he would probably be better off trading the car for a new Buick at a substantial savings, i.e. close to dealer cost. The dealer agreed to this, and all parties were satisfied.

File #489 Howard Schwartz

In June of 1971, Mr. Schwartz contacted the Center regarding a repair bill he believed should have been taken care of under warranty. He felt that "burned" valves were covered by the warranty, and General Motors mantained that they were not if they were damaged by carbon deposits. We argued, in a letter to G.M., that if the customer lived up to all conditions of the warranty, and the valves still burn out prematurely, then the argument is between G. M. and the gasoline and oil industry; not G. M. and the customer. The dealer was pleased with the contents of the letter, and said that the Center had handled the case "like gentlemen." The dealer added that even if the manufacturer would not pay for the repair that the dealership would not charge Mr. Schwartz. General Motors did not pay for the value grind, but the dealer kept his promise and Mr. Schwartz was not charged for the valve grind.

There is one more problem that must at least be mentioned before leaving this discussion of complaint handling. Whenever one begins to solicit complaints, there seems to be a tendency to believe everything the complaining consumer may say. The fact of the matter is that the person complaining will not always tell you all of the facts involved in his particular complaint. Therefore, the staff member must carefully question the consumer in order to elicit as much of the totality of the situation as possible. After reviewing all the facts, the staff member may conclude that the consumer's complaint is unfounded, and that the consumer had not carefully read his warranty. We call this process "screening." It is much better to find out all the facts before taking a stand on an issue, and the careful staff member can save himself much embarrassment by dismissing the case before he goes into a meeting with a dealer inadequately prepared. Needless to say, a Center that does not carefully screen its complaints will not enhance the effectiveness of the Center in its dealings with the industry. Normally, the staff member can obtain some idea of the dealer's version of a problem by either making a quick telephone call, writing a letter, or setting up a meeting as has been discussed above.

V. OTHER CENTER ACTIVITIES

Beyond complaint handling, research into the local auto situation can be conducted. The Cleveland Center has been approached by corporate "insiders" who have shared information the industry does not otherwise make available to the general public. This information usually deals with patterns and trends of abuse of manufacturing processes, secret documents negating certain consumer rights with respect to products, unfair and one-sided contractual arrangements practiced on a large scale, and other information (including evidence of massive defects) which could lead to Center initiated policy changes and recalls of defective autos.

An example of this type of research can be seen in the rash of Mustangs with a defect in the pivot arms on the bucket seat. The Cleveland Center documented cases of the pivot arms breaking while the vehicle was being operated, and these cases were sent to the Center for Auto Safety and also to Ralph Nader. This same problem with the seats has been noted in Cougars. For both cars the years of the cars are 1968–1970. Since the Center for Auto Safety receives complaints from across the country, they are better equipped to study these problems on a national scale, and we provided local input for their careful monitoring. As it turned out, our cases were not isolated incidents but, rather, were part of a pattern that extended from coast to coast that may finally lead to a manufacturer's recall of that particular vehicle.

Other functions of the Center include descriptions of dealers, manufacturers, products and services for inquiring consumers. Also the Center can distribute occasional news releases regarding a wide range of local and national topics and act as public information centers in general. Hopefully, the Centers, like the Cleveland Center, should eventually be able to offer a very inexpensive but comprehensive car maintenance and familiarization course for men and women in order that they become more acquainted with the everyday problems of how to avoid unnecessary repairs and how to avoid being overcharged. All of these things will become integral parts of the Center's activities if it can successfully establish itself as being an organization capable of effecting proper response from the industry in legitimate cases.

VI. THE CENTER NETWORK, THE AUTO INDUSTRY, CONSUMERS, AND THE FUTURE

If anything was learned in Cleveland, it was that there is a need for Centers and that the need is urgent. We suspect it is also nationwide. There is a tremendous amount of leverage available to the consumer, but only if he is willing to band together with his peers and support students and other citizens to work full-time in the public interest. It will cost money and time, but the cost, whether from a central source or individual contributions, would be very cheap. Centers similar to the Cleveland Center could be set up and working in a period of not more than two months. Individually, each Center could contribute greatly to the progress of consumers' rights in its own locality. The network system of Centers could easily become a powerful and formidable opponent of the complacent and shoddy corporate system of handling complaints, as well as the manufacturing of defective, shoddy, and unsafe cars.

Manufacturers, for the first time, would have to seriously consider such things as buying back their mistakes on a regular basis from disgruntled customers. In the case of a complete lemon, it would not be unreasonable to ask for a replacement vehicle which is new or to ask for the return of the original purchase price. Needless to say, if Ford, General Motors, or Chrysler buy a defective piece of equipment which is important to them, they would most certainly ask for their money back or a replacement plus damages. If not, they would surely never buy from that supplier again, or they might elect to sue. They can afford it and the consumer cannot. The arithmetic in simple.

Auto Safety Research Centers can go a long way in providing for the consumer, for the first time in the history of any large industry, an effective and economical system of handling complaints and monitoring the industry. Dealerships can be asked to take back grossly defective cars which they have sold, and then to repair them, for sale to other customers as *used* cars *fully guaranteed*. This system would eliminate the problems of a consumer having to keep a car he did not trust, yet bought in good faith. It would also require the repair of the substandard product and its subsequent sale as used and guaranteed.

Having already retrieved thousands of dollars for local consumers who have been bilked, and even, in one case, getting the dealer to buy back a defective car, the Cleveland Center has found the results most encouraging. But one Center in one large city will not even begin to solve the entire issue. It will take many Centers, in many cities, manned by many people willing to work for little or no pay.

The consumer issue, although not as exciting to some as many issues of our time, is the one issue that affects all people all the time. Whether it be defective brakes or dangerous DDT levels in foods, the problem of the integrity of products, integrity of advertising, and the guarantees behind the products and advertising grows vastly more important each year.

It is hoped that this report will enable you to become an active part of the proliferation of these Centers throughout the land. Henry Ford, the man who started the auto industry as we know it today, once said, "The voice of dissent must be heard." For the auto industry, it will take dozens of Auto Safety Research Centers to make it adequately heard and respected.

Sample letterhead—Auto Safety Research Center, 10900 Euclid Avenue, (216) 229–3370, Cleveland.

Room 102, Case Main, Cleveland, Ohio 44106.

Sample news release form—News from: Auto Safety Research Center, Cleveland, room 102, Case Main, 10900 Euclid Avenue, (216) 229–3370, Cleveland, Ohio 44106.

Auto Safety Research Center, Cleveland

Initial Complaint Memo

(1) Consumer: Phone, Mail, In Person, Date, ASRC Staffer, Phone, File Number.
Name.
Address (home).
Address (office).
Phone (home) (office).
Owner of car (if other than person complaining).
Name.
Address (home).
Address (office).
Phone (home) (office).
(2) Complaint Against: Mfr., Dlr., Other, specify.
Name.
Address.
Phone.
(3) Summary of Complaint:
Type of complaint—
New Car (Sales).
New Car (Service-Warranty).
New Car (Safety Defect).
Used Car (Sales).
Used Car (Service).
Other (specify).
Ten word summary.
(4) Initial Action (Internal).
Complaint unfounded—Closed.
Referred to Bar Association.
Open—File assigned to———.
Status uncertain; referred to Project Director.
(5) How Left with Consumer.
Consumer will call.
We will call consumer.
Consumer will send documents.
Will set up appointment with consumer.
General Remarks:

Auto Safety Research Center, Cleveland

Developments Memorandum

(Use separate DM for each communication. Thank you.)
Consumer.
Date.
File.
Time.
ASRC staff member.
Communication With:
Consumer.
Dlr. or Mfr.
Other (specify).
Initiated by:
Consumer.
ASRC Staff Member.

Dlr. or Mfr.
Other (specify).
How initiated:
By phone.
In person.
Contents:

Auto Safety Research Center, Cleveland

Details of Complaint

Name of consumer.
Name of ASRC staffer.,
Date of initial complaint.
Date of this memo.
Make, model, year.
File number.

Type full details in chronological order of complaint. Refer where appropriate to attached documents (repair order, bill of sale, letters, etc.). Please make a carbon for project director.

Include the following data if available: date of purchase, serial number, mileage at time defect was first noticed, if applicable, etc. Attach additional sheets if necessary.

Auto Safety Research Center, Cleveland

Permission To Use Information

I authorize the Auto Safety Research Center to make use of the information I have supplied in the way(s) checked below.

(1) Unlimited use, or (check as many as appropriate).
(2) Media use:
To be mailed to the Center for Auto Safety in Washington, D.C. and to Ralph Nader.
Research use (tallying type of complaint, etc.).
To work with complaint only with dealer.
Other (specify).
I require the following restrictions:
No restrictions.
Don't use my name.
Don't use these items of information (specify).
Signed.
Date.

Auto Safety Research Center, Cleveland

Agreement

I agree to permit the (Cleveland Auto Safety Research Center) to represent me in resolving my complaint against (dealer and/or manufacturer). I understand that this representation cannot include practice of the law.
Signed.
Date.

Auto safety research center, Cleveland

Case conclusion

Consumer.
File number.
Date.
ASRC staff member.
Type of resolution:
ASRC handled to conclusion.
No case at all.
Referred to.
Other (specify).
Consumer dropped complaint.
Evaluation of case by ASRC staff member:
Total success.
Success (partial).
Failure.
No resolution.
Other (specify).
Comments:
Consumer evaluation:
Sent out (date).
Received and attached (date).
Follow-up (2 weeks later).
Date.
ASRC staff member.
General comments:

Auto safety research center, Cleveland

Consumer evaluation

(optional)

In order to assist us in performing a real service to the community that is of value, would you kindly give comment on the way in which your case was handled by us so that we may use your comments and criticisms to improve our work.

The Auto Safety Research Center is a young organization which is looking for comment to make it change in accordance with the desires of the people it is endeavoring to serve.

Please comment and return this form as soon as possible. Thank you for your time and consideration.

Comments: (Use additional paper if necessary)

TIME FOR GOP TO CLEAR THE AIR

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. WALDIE. Mr. Speaker, yesterday's Washington Star prominently featured an article, by investigative reporter Robert Walters, that raises serious questions about the financial arrangements for the Republic National Convention in San Diego next summer.

Mr. Walters reports that a subsidiary of the International Telephone & Telegraph Corp., has pledged up to $400,000 to help lure the Republicans to San Diego. If so, this would be the largest such grant ever made by a business for a political affair of this sort. The propriety of such a massive contribution, by a corporation with extensive Federal involvement, can, I think, be fairly questioned. Unfortunately, most of the individuals contacted by Mr. Walters seemed reluctant to engage in a frank discussion about the ITT arrangement.

The Republican powers-that-be should remove any lingering doubts by making a prompt and full disclosure of the background and exact nature of the ITT commitment to the GOP Convention.

Mr. Walter's excellent article, which should be of interest to our colleagues on both sides of the aisle, follows:

MONEY AND POLITICS: GOP CONVENTION PLEDGE QUERIED

(By Robert Walters)

SAN DIEGO.—Throughout the summer and autumn, political and civic leaders here have offered disparate—and often conflicting—explanations concerning the source, conditions and purpose of a $400,000 pledge to help finance next year's Republican National Convention in this city.

The pledge is an important element in San Diego's reluctant acceptance of the role as host city for the GOP convention, because it is the largest single component of the city's guarantee of slightly more than $1.5 million in goods, services and cash to offset partially the party's convention costs.

The $400,000 also is believed to be the largest individual pledge, by far, ever made by a business firm to assist in the financing of one of the quadriennial presidential nominating conventions held by the country's two major political parties.

Because the pledge was made by a corporation—the Sheraton Corporation of America, a subsidiary of the International Telephone & Telegraph Corp.—some Republicans and Democrats here have raised questions about compliance with the federal statute which prohibits contributions to presidential campaigns from business organizations.

SETTLEMENT CITED

In addition, the Southern California chairman of the Democratic State Central Committee has suggested that there might be a connection between ITT's financial support of the Republican convention and the Justice Department's willingness to accept an out-of-court settlement in a long-pending anti-trust case against ITT.

The first public disclosure that the city had a $400,000 pledge as part of its convention guarantee to the Republicans came on June 3 from Rep. Bob Wilson, R-Calif., whose district includes this city. Wilson, who is chairman of the House Republican Campaign Committee, said the money had come from "San Diego interests," but refused to provide any further identification.

Two days later, the San Diego Tribune reported that Wilson "said he was working with firms and individuals in San Diego to get pledges of support for the convention," again suggesting that there were multiple local sources of the money being raised to bring the convention here.

SOURCE WAS SECRET

But throughout June and July, the two months during which San Diego was putting together its formal convention bid and during which Republican party and White House officials were considering possible sites for the convention, the identification of the source or sources of the pledge remained a mystery to the public.

During that same period, Wilson and others involved in the local fund-raising effort repeatedly referred, in their public statements, to $400,000 (on some occasions the figure went up to $500,000 or $600,000) as an amount firmly committed in the form of contributions or donations.

That public display of confidence apparently was necessary for two reasons: First, President Nixon, whose permanent home and "Western White House" are located in San Clemente, 55 miles north of here, reportedly had selected San Diego as his personal choice for the convention.

BID APPROVED

Second, Miami Beach, the site of the 1968 Republican convention, was actively bidding to again serve as the host city for the GOP—and was offering a substantially larger financial guarantee, many more hotel rooms and a far larger convention hall.

On June 22, Gordon Luce, a San Diego attorney whose position as vice chairman of the Republican State Central Committee makes him a leading GOP figure here, discussed the necessity of meeting the Republican party's requirement of a financial guarantee, then optimistically reported: "Right now, we have a half million (dollars) of that from Bob Wilson."

On June 29, the San Diego City Council formally approved and submitted its convention bid, with a financial guarantee of $1,521,800, of which $900,000 was in the form of "goods and services." That category represents the value of the time of policemen and other municipal officials, hotel employes and the hundreds of other individuals who are expected to prepare for, run and clean up after the convention.

Of the remaining $600,000—the "cash" portion of the financial guarantee—$100,000 has been pledged by the area's hotel and motel owners and the city's Convention and Visitors Bureau, while another $100,000 will come from a San Diego County fund which earns more than $2 million annually through a 5 percent tax on all hotel and motel room rates.

The last $400,000, two-thirds of San Diego's entire cash contribution and more than a quarter of the city's total financial guarantee, is being underwritten by Sheraton-ITT—a fact not known to the public when the city submitted its bid or when the Republican National Committee selected San Diego as the convention site.

TIE IS BROKEN

On July 2, the announcement that "there is available $600,000 in cash, solid" came from Leon Parma, a former administrative assistant to Wilson in Washington who now is vice president of the Teledyne Corp. and serves as chairman of the local convention fund-raising committee.

When the Republican National Committee met in Denver in late July to designate a host city for the convention, its site selection committee deadlocked 3–3 in the first vote pitting Miami Beach against San Diego. It then decided on San Diego.

On July 23, the full RNC ratified that choice by a 119–12 vote. That evening, Wilson addressed a $100-a-plate San Diego County Republican fund-raising dinner in nearby El Cajon, and again seemed to imply that the money had been raised in the San Diego area.

In discussing the source of the funds at that meeting, the congressman said: "The pleasant thing was that it was put together fast. There are a lot of good people here and I'm proud of the community for doing this at a moment's notice."

PLEDGE EXPLAINED

It was not until Aug. 5 that Wilson and Parma identified the "San Diego interests" who had pledged the $400,000—Sheraton, which operates a nationwide chain of hotels and has its corporate headquarters in Boston, and its parent company, ITT, one of the country's largest conglomerate corporations, with headquarters in New York.

At the same time, Parma announced that what he had described one month earlier as "$600,000 in cash, solid" wasn't quite that firm a commitment. Instead, he explained, the Sheraton-ITT pledge was only to guarantee payment of whatever portion of the $400,000 could not be raised locally.

"I don't think Sheraton will end up paying us much money," Parma said at the time. "The community will rise to the occasion." Two weeks earlier, prior to the identification of Sheraton-ITT, Parma had announced plans to conduct the local fund-raising drive, and said:

"My intention is that the monies would go to offset the $400,000 commitment. If we could raise $200,000 in the community, that would mean $200,000 less that the big contributor would have to come up with."

AMOUNT DISPUTED

Parma and other Republicans here defend the description of Sheraton and ITT as "San Diego interests" on the grounds that Sheraton already operates two hotels in the area and has a third under construction, while ITT operates a plant which manufactures underwater communications cable in National City, at the south end of San Diego Bay.

Attempts to contact Wilson about the fund-raising campaign have been unsuccessful because members of his congressional staff, both here and in Washington, repeatedly have rebuffed efforts to interview him either in person or by telephone.

Sheraton officials also are reticent about discussing the financial arrangement. Phillip Shea, the hotel chain's vice president in charge of public relations, says the $400,000 figure—one of the few details on which the San Diego officials have agreed consistently and unanimously—is "not correct." The amount is "substantially less," Shea says, but he will not provide the company's version of the accurate figure.

Parma, in a recent interview here, defended his and Wilson's earlier description of the $400,000 as a firm pledge from Sheraton-ITT. "If we asked, we could have a check for that amount from them any time we wanted it," he said.

WILL PRODUCE CASH

But Parma says that arrangement is only theoretical. In the same interview, he elaborated: "No one in his right mind ever dreamed that there was one company that was going to throw it all in. We will produce a reasonable amount of cash. There's no way they (Sheraton-ITT) can put up that kind of money. The law is very specific."

The statute to which he referred is the section of the federal Corrupt Practice Act which forbids corporate contributions to candidates running for president or vice president or to those seeking House and Senate seats.

The law has been enforced only on an erratic and highly infrequent basis—and never by an attorney general acting against a president of his own party. In addition, there are substantial questions about the prohibition's applicability to a presidential nominating convention, a function which lies in the "grey area" between being solely a party meeting or part of the presidential selection process.

Finally, whatever money Sheraton-ITT contributes is technically not a donation to the Republican party because it will be given first to the city of San Diego before being turned over to the GOP as part of the municipal donation.

ADS CRITICIZED

But there is no known precedent for a corporate contribution to a political party's convention even approaching the $400,000 mark. By comparison, the Democratic party became embroiled in a controversy prior to its 1964 convention when it solicited corporations for $15,000-a-page advertisements in its printed convention program. The Democrats' decision to raise the per-page advertising rates from $5,000 to $15,000 at the party's first convention in 16 years when it had an incumbent president in the White House seeking reelection was sharply criticized by Republicans as a not particularly subtle means of extracting illegal contributions from corporations doing business with the federal government.

A similar issue has been raised in the current case by M. Larry Lawrence, president and board chairman of the Hotel del Coronado in nearby Coronado and Southern California chairman of the Democratic State Central Committee.

"Leon Parma couldn't raise 23 cents if he went into a bank," says Lawrence, suggesting that Sheraton-ITT eventually will pay for more of the convention's cost than Parma and other Republican fund-raisers currently are predicting.

"The response to their appeals for money just isn't forthcoming because basically the community isn't happy with the convention," says Lawrence. "When you get down below 100 guys, there just isn't any support."

HUGE MERGER SET

Lawrence suggests that Sheraton has agreed to underwrite a major portion of the convention costs because Harold S. Geneen, ITT's president and board chairman, "is very close to the President and was having an anti-trust problem."

The public reports filed by Republican fund-raising committees show that Geneen was a major contributor to Nixon's 1968 presidential campaign. And the "anti-trust problem" to which Lawrence referred involves one of the largest mergers in American corporate history.

In early 1969, ITT, then the country's 11th largest industrial corporation, announced plans to acquire, through a merger, the Hartford Fire Insurance Co., of Hartford, Conn., at the time the nation's 6th largest liability and property insurance company.

(Both firms since have enjoyed substantial growth. ITT and Hartford now rank 8th and 4th, in their respective categories.)

On Aug. 1, 1969, the Justice Department's anti-trust division filed suit in U.S. District Court in New Haven, Conn., seeking to halt the ITT-Hartford merger plans on grounds that the acquisition would illegally restrain trade.

On the same date, the Justice Department also filed an anti-trust suit to block ITT's proposed merger with the Grinnell Corp. Three months earlier, government anti-trust attorneys had gone into court to challenge ITT's acquisition of the Canteen Corp.

At the time Sheraton-ITT turned up as San Diego's benefactor, trial courts had ruled against the government's anti-trust challenges in the Grinnell and Canteen cases, but the Justice Department had appealed the Grinnell decision to the Supreme Court and was considering similar action in the Canteen case. In addition, the trial of the Hartford case had been scheduled to start in September.

On July 31 of this year—eight days after San Diego, with a major financial assist from Sheraton-ITT, was selected by the Republican National Committee to be the host city for next year's GOP convention—the Justice Department and ITT announced that they jointly had agreed to an out-of-court settlement of all three pending merger cases.

TERMS FAVORABLE

The terms of the settlement of the anti-trust case were assessed by most industry officials as generally favorable to ITT.

The consent decree signed by both parties did require ITT to divest itself within two years of both the Canteen Corp. and the fire protection division of the Grinnell Corp., but ITT was allowed to retain the new acquisition it wanted most—the Hartford Fire Insurance Co.

Under terms of the agreement, the Hartford merger will go unchallenged if ITT divests itself within three years of four other subsidiaries—Avis Rent-A-Car, ITT Hamilton Life Insurance Co., ITT Life Insurance Co. of New York, and ITT-Levitt and Sons, Inc., and its subsidiaries.

On the day the anti-trust settlement was announced, the St. Louis Post-Dispatch carried a story quoting "reliable sources" as saying that two weeks earlier Wilson had met with Deputy Atty. Gen. Richard Kleindienst to discuss possible resolution of the Justice Department action against ITT. The newspaper account also quoted another source as saying that Wilson met with Geneen in New York in late June.

The allegation that the congressman was working concurrently to settle an anti-trust case against a company and to secure a $400,000 pledge from the same firm to help finance the Republican convention would raise a question of conflict of interest—but both ITT and the Justice Department deny that Wilson played any role in resolving the anti-trust suits.

WORKED WITH JAMES

On Aug. 5, when Wilson identified the source of the $400,000 pledge for the first time, he emphasized: "I worked with Sheraton President Howard James, who used to live in San Diego" and whose ITT subsidiary ostensibly was not involved in the anti-trust litigation.

Parma, in an interview here, said the pledge was made to Wilson on May 12, during ITT's annual meeting, held in San Diego for the first time this year and attended by Geneen, James and dozens of other ITT executives.

On several occasions during the spring and summer, Geneen—not James—was named as a likely source for the money San Diego needed to finance the convention.

Weeks before the pledge was made but long before the guarantor was known to the public, Republican leader Luce said the necessary funds could be solicited from "people like Harold Geneen, who are talking right now of having the Sheraton headquarters in San Diego."

And on July 3, the San Diego Union carried a story saying that Geneen "reportedly pledged the lion's share of the $400,000."

XUM

CITIZENS LEAGUE OF GREATER CLEVELAND

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. JAMES V. STANTON. Mr. Speaker, the Citizens League of Greater Cleveland, a nonpartisan organization of public spirited citizens, is now celebrating its 75th anniversary and I would like to join in saluting the league on this auspicious occasion. As a result of its extensive activity in researching policy questions and evaluating candidates for office, the league has played a key role in both raising and resolving major political issues. The league has never hesitated to take a strong stand, and so it has often found itself at the center of heated controversy. Yet throughout this time, the league has maintained an enviable reputation for fairness and honesty. For the wise advice and counsel it gives to the voters and officeholders, and for the many other services it renders, all of Cleveland is in debt to the Citizens League.

A recent column written by Bob Seltzer of the Cleveland Press outlines some of the specific concerns of the league and its president, David Fulton.

BETTER GOVERNMENT SINCE 1896

(By Bob Seltzer)

Looking backward with pride in the Citizens League's 75 years of improving civic conditions in Cleveland, its president, David C. Fulton, espouses long-range objectives of the organization whose slogan is "Key to better government since 1896."

Fulton, executive vice president of Fulton & Goss Inc., mortgage bankers, will speak on "Right Here and Now" when the league celebrates its diamond anniversary at a luncheon Dec. 7 at the Statler Hilton Hotel.

"The league's No. 1 goal remains a reformed county government," said Fulton. "We feel we eventually must have county home rule, separate the legislative and executive branches, and end domination by the State Legislature.

"Our aim is to eliminate waste and inefficiency and bring solution of area-wide problems on an area-wide basis. We need a metropolitan sewer system, improved waste disposal, air and water pollution control. Transportation should be under county or regional authority. A jet-port in Lake Erie should be under county auspices.

"The league feels the nine county library districts and the six health districts should be consolidated. We need an area-wide approach to prevention of disease. Available federal funds should be sought for transportation rejuvenation."

Fulton said Rapid Transit should be extended to Parma, Cleveland Heights, Maple Heights and Garfield Heights. For the fourth time, the league is seeking passage of a conflicts of interest bill by the State Legislature, applying to legislative and administrative personnel.

"We are anxious for enabling legislation for an appointed county public defender," Fulton said. "The county now pays $500,000 a year to court-appointed lawyers for the indigent. We could staff an office of criminal law experts to counsel indigents.

"Registration for elections should be extended state-wide. Some counties now do not have to register. Political campaigns should be shortened. We seek a 40-day period between filing and the primary by moving the primary to June.

"Once again, the league calls for a reduction of Cleveland City Council from the present 33 to about 17 members, with some elected at large. It would be less provincial, more efficient. We also favor a different system of selecting judges by eliminating campaigning. In Missouri, a commission nominates three lawyers, and the governor selects one. The nominee runs on his record, and the voters either confirm him or vote him out for another appointee."

Fulton, 42, perceptive and trenchant, graduated from Cleveland Heights High School, majored in American studies at Amherst College and earned his law degree from Cleveland-Marshall Law School in 1958. From 1952 to 1955, he served as a lieutenant in the Navy. He is a past president of the Cleveland Junior Chamber of Commerce, and was named its outstanding young man in 1964.

His brother Thomas Q. is president of Fulton & Goss, and another brother, John M., is vice president-income loans. Their company was founded by their father, Fred C., and Harvey C. Goss in 1949. David long has been active in Cleveland Heights recreation. He and his wife Stella are parents of David C. Jr., 15; Chris, 14; Laura, 12, and Meg, 10. They live at 2248 Woodmere Dr.

[From the Citizens League of Greater Cleveland]

CELEBRATING 75 YEARS OF "DOING GOOD"

Seventy-five years ago, in Cleveland's centennial year, a group of young men, politically and civic minded, got together and decided to do something about government instead of just talking.

That's how the Citizens League came into being.

The League will celebrate the 75th anniversary of its founding with a luncheon meeting, December 7, at the Statler-Hilton Hotel.

Harry A. Garfield, eldest son of the martyred president, James A. Garfield, was the principal leader in pushing for the organization of a non-partisan civic league.

On November 14, 1896, Garfield persuaded 25 of his young friends to meet with him in his office to talk about the need to do something about Cleveland's dirty politics. Prominent among his cohorts were Rabbi Moses J. Gries, Frederick C. Howe, Charles A. Nicola and John Sherwin.

On motion of Rabbi Gries it was resolved at that meeting "that an organization be affected on permanent lines for the purpose of promoting the betterment of civic and municipal conditions in the city of Cleveland." A committee was appointed to draft a constitution and call a meeting of interested citizens.

On December 5, there were 116 Clevelanders at the organization meeting. Some of those present at the meeting whose names will be recognized by present-day Clevelanders were: H. B. and C. W. Burrows of the Burrows Bros. Co.; H. J. Halle, of the Buckskin Fibre Co.; I. P. Lamson and S. W. Sessions of the Lamson & Sessions Co.; Samuel Mather of the Pickands, Mather Co.; W. G. Mather of the Cleveland-Cliffs Iron Co.; D. Z. Norton and E. W. Oglebay of Oglebay, Norton & Co.; H. A. Sherwin of the Sherwin-Williams Co.; and Thomas H. White of the White Sewing Machine Co.

Among the purposes of the new organization, as set forth in the constitution, were "to induce citizens and taxpayers to take a more active and earnest part in municipal affairs, to devise and advocate plans for improvements in government, to promote businesslike, honest and efficient conduct of municipal affairs, and to secure the choice of competent officials."

Those were the days of Mayor "Curley Bob" McKisson.

Politics were rough and ready. There was talk of graft and corruption.

Harry Garfield became the first president of the new organization, with George T. McIntosh and Martin A. Marks as vice presidents.

The League has had 36 presidents in its 75 years. Living past presidents of the League are Elmore L. Andrews, D. Robert Barber, Warren Bicknell, Jr., F. J. Blake, George S. Case, Jr., Wendell A. Falsgraf, John H. Gherlein, Walter C. Kelley, Jr., Robert F. Longano, Robert H. Rawson, A. A. Sommer, Jr., Seth Taft, Herman L. Vail, Robert A. Weaver and Ben D. Zevin.

David C. Fulton is president of the Citizens League in this, its 75th year. Vice Presidents are Charles R. Ault and Frank A. Monhart. Mrs. Tommie P. Patty is treasurer.

The League has had 14 secretary-directors. First full-time director was Mayo Fesler who came to Cleveland in 1910 from a position as director of the St. Louis civic league. For three and a half decades the League and Fesler were synonymous. He was a hard-hitting curmudgeon, who called them as he saw them.

Estal E. Sparlin is the present director of the Citizens League, having come here in 1953.

First recorded crackdown on public officials by the newly organized Citizens League came in 1897 when it accused county commissioners of "extravagance, carelessness and chicanery." A year later the commissioner got another drubbing for their wastefulness in connection with the grading and draining of a rural lane known as Brecksville Road, now Highway 21 through Independence and Brecksville.

As early as 1913, the Citizens League was pointing out the inequalities of representation in the Ohio legislature because of the famous Hanna Amendment which gave each county a representative regardless of size. Mal-apportionment of the General Assembly was battled continuously by the league for all the years until the U.S. Supreme Court finally declared the system unconstitutional with its one-man-one-vote decision in the 1960's.

The League was in the thick of the fight to get municipal home rule in the Ohio constitution in 1912 and worked closely with Mayor Newton D. Baker to draft Cleveland's Charter, the first home rule charter in Ohio, in 1913. Baker was chairman of the charter commission and Fesler secretary.

In that same year the League saw the beginning of the merit system in public offices with the implementation by the General Assembly of a civil service provision included in the 1912 state constitution.

It was in January 1917 that the League started its long campaign to do something about the organization and powers of Cuyahoga County and intergovernmental relations in the Cleveland metropolitan area.

There have been some victories as well as losses during this period. Victories occurred when Sunny Acres and Highland View hospitals were transferred from the city to the county in the 1940's. Other successes came in the 50's and 60's with the transfer of all welfare administration to the county, the turning over of City Hospital—now Cleveland Metro Hospital—to the county, and the acquisition of the zoo by the Metropolitan Park District.

Other accomplishments by the League over the years are: complete revision of the state election laws, including the first requirement for reporting campaign expenses, in 1929; establishment of the Cuyahoga County administrative officer position in 1952; creation of the Cleveland personnel office in 1952; revision of Cleveland budget document in 1950; work with the late William A. Stinchcomb (a long-time League board member) to establish the Cleveland Metropolitan Park system in 1917; Cleveland's conflict-of-interest ordinance in 1961; installation of computers for the county's tax and accounting activities in 1964; consolidation of Parkview and Fairview Park in 1962 and Westview and Olmsted Falls this year; and numerous others.

Both Director Estal Sparlin and his executive assistant, Blair R. Kost, are registered lobbyists in Columbus. Kost is often referred to as the "lonely lobbyist" because he doesn't have the finances to associate on equal terms with most other lobbyists.

Some of the bills being backed by the League in the current session of the General Assembly are: state code of ethics and conflict-of-interest bill; abolish mayor's courts; permit county commissioners to employ management consultants; require local hearings on liquor permit transfers; establish office of public defender; set primary election date later than May to reduce the long campaign; permit six jurors in civil cases; and nearly 20 others.

During all of its 75 years, the League's major program has been that of making recommendations on candidates for public office. This is probably the thing for which the League is most famous.

In spite of the League's disavowal of any intention to "tell you how to vote" it is well recognized by candidatea for office that the "preferred" rating of the Citizens League is worth a sizable number of votes. Politicians may differ about the exact influence of the League but few question the importance of the league's approval.

The theme of the celebration "75 Years of Doing Good" is taken from the sometimes used expression that Citizen Leaguers are "Do Gooders".

ELIMINATION OF CANCER

HON. JOHN H. TERRY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. TERRY. Mr. Speaker, the Congress of the United States has recently accepted as a national goal, the elimination of cancer in the same manner that polio, German measles and numerous other diseases have been controlled.

The New York State Cancer Society which is headquartered in Syracuse, N.Y., conducts an annual contest among newspapers for the best commentary on our battle to destroy this disease.

The winner this year is Robert deF. Shelley, editor and general manager of the Lakewood Story published in Lakewood, N.Y. The editorial follows:

IN YOUR LIFETIME

The 1971 Cancer Crusade battle cry is "We want to wipe out cancer in your lifetime." A noble goal which is nearer than any of us think. Polio has been licked. Rubella (German Measles) can be prevented. And now they're talking about a cure for leukemia. Yes, a cure. And researchers are working feverishly to make Cancer an obsolete word in the English language.

It takes money. And plenty of it. But it's the best thing money can buy—life, a second chance for countless numbers of men and women. And it's not like you're spending the money for "them," an anonymous crowd of people who will suffer the agony and the untimely loss of life from Cancer. You're spending it for you and your family and your friends and your neighbors. Because Cancer isn't discriminatory. It can hit anyone, rich or poor, of any and all backgrounds. Someone you know has been felled by Cancer.

Here's your chance to put an end to this dread disease once and for all. When a Cancer Crusader comes to your door in the days ahead, be generous.

Think of it—a cure for cancer . . . in your lifetime. We're that close!

TO COMMUNISM FOR PROFIT

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. RARICK. Mr. Speaker, the announcement that our NATO allies Denmark and Norway are going the way of Sweden by diplomatically recognizing the Communist Party of North Vietnam is only surpassed by the Swedish announcement that they intend to give foreign aid to the Communist Parties of Cuba as well as Chile and North Vietnam. The sale of Saab and Volvo automobiles in the United States and other Swedish products in the United States must be highly profitable to Crown Prince Palme.

Sweden's Socialist support of other emerging Communist countries is only surpassed by the Moscow announcement that the United States may soon drop all significant restrictions on exports in the Soviet Union. Since U.S. industry has been priced out of the world market, one can only assume that the dropping of trade barriers with Russia is for the purpose of providing that Communist power with sophisticated machinery and products which Socialist countries have never been able to technologically achieve and construct.

I insert related news articles in the RECORD:

[From the Evening Star, Nov. 18, 1971]

MARXIST TUG-OF-WAR—CASTRO'S IN THE MIDDLE WITH CHILEANS

(By Merwin K. Sigale)

CONCEPCIÓN, CHILE.—Fidel Castro is in the middle of the Marxist tug-of-war in this Chilean industrial and university city.

An extreme leftist group based in Concepción is hoping to use the Cuban premier's visit to further its cause, which is to pressure the government of President Salvador Allende into radicalizing Chile's march toward socialism.

"Fidel is ours. He is not the government's," said Marcelo Ferrada, professor of sociology at the University of Concepción and a founder of the Revolutionary Leftist Movement (MIR).

The MIR has clashed openly with Allende. It has called for quick and drastic measures, including abolition of congress and "bourgeois legality," wholesale nationalization without payment, and the installation of "a revolutionary government of workers and peasants."

HERO OF MIR

Castro is the hero and model of the MIR which was founded at the University of Concepción in 1965 and which has a largely student following here, in Santiago and some other cities. It also has front organizations in some farming areas, factories, slums and high schools.

MIR leaders interviewed before Castro arrived in Concepción said Castro has cautiously avoided comment on Chile's political affairs while visiting this country, but they hoped to put him on the spot today when he goes to the campus for a "dialogue" with the students.

About the same time, Castro was telling newsmen at Iquique in northern Chile that this country does indeed have a true revolutionary process, though distinct from Cuba's. Thus on record, Castro seemed unlikely to fulfill the hopes of the MIR.

TERRORISM HALTED

But MIR leaders hoped he would at least speak out against "sectarianism and opportunism," which are elements of Marxist disunity which the MIR blames mainly on the Communist party, one of Allende's coalition partners.

Pedro Naranjo, secretary general of the student federation at the University of Concepcion and a MIR leader, said Castro's presence would point up the Cuban example and enable Chileans to "begin to understand the differences between the two processes."

The MIR, blamed for a number of terrorist acts during the Christian Democratic regime of President Eduardo Frei, has virtually shunned violence since Allende took power with a coalition of Marxist and non-Marxist parties. But it has fomented dozens of land seizures by homeless peasants—which the government has denounced—and it has raised the tempo of its dispute with Allende on strategy and tactics.

ABOUT 200,000 HEAR SPEECH

MIR leaders proposed a suspension of the "polemic" during Castro's visit so the Marxist left could welcome him "united."

Such a welcome was given last night at the 35,000-seat soccer stadium here, where Castro addressed some 20,000 people, the largest audience of his trip.

But the unity did not extend to a sharing of grandstands. Several thousand MIR adherents occupied the upper deck in the west stands. Across the field in the east stands where Castro spoke was a larger crowd of Communists, Socialists and other groups in Allende's coalition.

[From the Washington Post, Nov. 27, 1971]

UNITED STATES MAY LIFT EXPORT CONTROLS

Moscow, November 26.—Commerce Secretary Maurice H. Stans indicated today that the United States soon may drop all significant restrictions on exports to the Soviet Union.

Stans told Western newsmen the subject was discussed during his current talks with Soviet trade officials.

"We pointed out restrictions have been greatly reduced in the last year and that we are in the constant process of reducing them," Stans said.

"We think that in a relatively short period of time this will not be a significant issue at all between the two countries."

Elimination of U.S. export restrictions would be a major stride forward in Soviet-American economic relations.

Stans' remarks came as the Supreme Soviet (parliament) wound up its three-day winter session by approving the national budget for 1972 and the five-year economic plan for 1971–75. Both were passed unanimously.

The new budget provides for expenditures of $192.6 billion and revenues totalling $192.8 billion. Defense outlays remain the same as in 1971 and 1970, a gesture apparently designed to emphasize Moscow's peaceful policies.

The new five-year plan, according to Premier Alexei Kosygin, provides for Soviet industrial and agricultural outputs to "exceed the present levels of the United States by the end of 1975."

The plan calls for an industrial output of $610.5 billion by 1975, including steel production of 150 million tons annually. The 1975 grain harvest will reach 200 million tons, compared with roughly 180 million this year.

Kosygin spoke briefly before the vote was taken, calling for improved quality of production in consumer goods industries. The unanimous outcome of the voting was never in doubt, since the Supreme Soviet is a rubber-stamp body normally approving all decisions reached by the party central committee.

The five-year plan was to have been approved by the summer session of the Supreme Soviet, which was not held this year.

XUM

[From the Washington Post, Nov. 6, 1971]

SWEDEN CONSIDERS CHILE AID

(By Lewis H. Diuguid)

SANTIAGO, November 5.—While the prospects of future U.S. economic assistance to Chile seem nil because of the recent expropriation of U.S. copper interests, Sweden is seeking to launch an aid program here for the same reason.

Swedish diplomatic team told Foreign Minister Clodomiro Almeyda this week that in line with Sweden's interest in assisting countries seeking economic independence, the country was very interested in helping Chile.

The only Latin American country currently included in the Swedish aid program is Cuba. Other recipients include India, North Vietnam and several African countries.

Ehren Preis, a member of the three-man mission from the Swedish foreign ministry, explained that the purpose of the visit was to ask the Chilean government to propose projects in which Sweden could assist. He said the group was impressed with Chile's potential for coming up with viable projects.

Aid has become a lively issue in Stockholm, where the Social Democratic government can now obtain a parliamentary majority only with the cooperation of the Communist party.

Preis said Sweden was determined to fulfill the goal set by the United Nations Conference on Trade and Development: that developed countries should devote 1 per cent of their gross national product to aid lesser developed countries.

Sweden's annual assistance now runs at .8 per cent, he said. U.S. government aid has been below that level in recent years.

Sweden's aid to individual countries is not large. Preis said the program in Cuba may eventually reach $4 million annually.

The Swedish program includes technical assistance, grants, and in some cases credits for import of Swedish goods. But Preis stressed that the government maintains a strict separation between the program and the interests of private Swedish exporters.

Ironically, the potential project most interesting to the Chileans appears to be a fishmeal process that makes that high-protein product palatable for humans—and that process is offered by a private Swedish firm.

In the 1960s, when Chile was receiving more U.S. aid per capita than any other country, the Americans promoted a similar fishmeal process only to have it vetoed as unsanitary by U.S. health officials.

Chile imports beef at great cost while fish along its 2,000-mile coastline are exploited only haphazardly. Fish meal is produced but for fertilizer, which is exported.

The Swedish mission's visit coincided with one by a Czechoslovak group. At least one East European mission always seems to be in this city, working out trade, cultural or technical exchanges.

[From the Washington Post, Nov. 26, 1971]

TWO NATIONS AGREE TO HANOI TIES

Denmark and Norway yesterday announced that they had reached agreement with North Vietnam to establish diplomatic relations at ambassadorial level.

They became the first members of the North Atlantic Treaty Organization to establish diplomatic ties with Hanoi.

The announcements were made simultaneously in Copenhagen and Oslo.

In Copenhagen, the foreign ministry said Ambassador John Stenbaek Hansen in Peking would also be accredited in Hanoi.

In Oslo a foreign ministry spokesman said Norway's envoy to Peking, Per Ravne, will also serve as ambassador to North Vietnam.

The only other Western nations that recognize the Hanoi government are Sweden and Switzerland.

[From the Washington (D.C.) Evening Star, Dec. 1, 1971]

U.S. COMPANIES AND RUSSIA CLOSE $125 MILLION DEAL

Moscow.—A group of American companies and the Soviet Foreign Trade Ministry have signed contracts worth $125 million in what appears to be one of the largest business deals between the two countries in recent years.

The transaction, involving the sale of American ore-mining and oil-drilling equipment in return for unspecified Soviet nonferrous metals, was signed by Satra Corp. of New York, which represented the American companies.

American officials were unavailable for comment on the background of the deal, which amounted to nearly two-thirds of the entire annual trade volume between the Soviet Union and the United States in recent years.

BRAINWASHING BY THE NETWORKS

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SPRINGER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following: John Chamberlain, formerly chief book reviewer for the New York Times, and contributor to Barron's and the Wall Street Journal, and chief editorial writer for Life, has written an important and quite revealing article in the November 5 issue of National Review titled "Edith Efron's Murderous Adding Machine."

It has often been said that statistics which are accurate do not lie. I have found no write: and no TV commentator who has disputed the facts which Miss Efron has laid out. She has not attempted to dispute interpretation of what the commentator has said, but she has taken an important word count of "for" and "against."

Mr. Chamberlain's article has attempted to take some of the various items featured in the Efron book, The News Twisters, beyond that involved in the presidential election in an effort to find out on which side of the political spectrum the TV commentators lean. It is an interesting article and I believe my colleagues will be happy to read it.

EDITH EFRON'S MURDEROUS ADDING MACHINE

(By John Chamberlain)

I knew Whittaker Chambers for years before I was aware of the Miss case. During all that time his qualitative analysis of the nature of the Soviet threat was absolutely brilliant, but unfortunately it convinced nobody save those who were convinced already. Then Whit produced his Pumpkin Papers, which, in a sense, quantified his arguments. At this point he was taken seriously. Hiss went to jail and the country, for a moment, believed in the reality of the cold war.

This did not help Senator Joseph McCarthy when he couldn't corroborate his first statistical count of the number of Communists in the State Department. Our great quantifying country, which puts its entire faith in polls, demanded that Senator McCarthy produce item-by-item proof of his allegations. A qualitative statement that, judged by its behavior, the State Department must be under considerable fellow traveler influence, and that it didn't matter much whether there were fifty or 205 Communists in Foggy Bottom, didn't serve to save Joe at all. He had sinned against the gods of statistics by failing in a simple sum in addition.

Vice President Spiro Agnew didn't make Joe McCarthy's mistake when, in 1969, he waded into the TV commentators for abusing the Federal Communications Commission's Fairness Doctrine in reporting on Richard Nixon's Vietnam stance. But his qualitative approach wasn't enough; the networks relying on what they thought was the nonexistence of statistics bearing on the Fairness Doctrine, simply produced their own qualitative answer to Spiro. They said he was ag'in the Bill of Rights and was guilty of encouraging fascistic repression.

It did not matter that Edith Efron, a staff writer for *TV Guide*, had interviewed commentator Howard K. Smith a couple of months before Agnew's speech and had received, from one reputable horse's mouth, a statement that TV news "analysts" strove above all to please Walter Lippmann. Smith had not quantified his criticism; he had merely spoken from his heart—from what he had experienced.

WHO ARE THEY "FOR"?

Even before she interviewed Howard Smith or had listened to Agnew, Edith Efron was aware that some way must be found to tabulate bias, and to carry the tabulation out to the last decimal point, if one were to make charges of TV intellectual crookedness stick. With a grant from the Historical Research Foundation, and with the help of Clytia M. Chambers of the Hill and Knowlton Company, Edie Efron set about the formidable task of turning quality into quantity. First, she set three tape recorders to work transcribing all the 7 to 7:30 p.m. prime-time ABC, CBS and NBC network shows from September 16 to November 4 in the 1968 Presidential year. Then she winnowed out the unimportant stuff, keeping a hundred thousand words per network that bore on the Nixon-Humphrey contest.

There was, of course, the big issue of the Presidential race itself. But there were also the sub-issues, ranging from racism and the black militants to the "kids" on the campuses and in the streets of Chicago. Listing under topic heads what the reporters, the public personalities, the politicians and the candidates themselves had to say, Miss Efron broke everything down into simple "fors" and "againsts." Then she and her researchers started counting. It was a laborious way of arriving at what anybody in his right mind should have known anyway, but the point is that, outside of the "Silent Majority," there aren't many people around these days who seem to have any minds whatsoever. Only a statistical count would be irrefutable even to dopes in a quantity-minded society.

Naturally, what Nixon said during the campaign was pro-Nixon, and what Humphrey said was pro-Humphrey. So we scratch the "fors" and the "againsts" as represented by big partisan rhetoric. The true test of the Fairness Doctrine came when Miss Efron added up the "fors" and the "againsts" as divulged in the prime-time talk of the public personalities and the network editorialists, news analysts and reporters.

Miss Efron explains the methodology of her study and presents summaries of the evidence in a series of devastating appendices to her book, *The News Twisters* (Los Angeles, Nash, $7.95). The main text of the book presents the finished analytical product of the counting. Of particular note are the pages devoted to bar graphs which tell the story in its stark simplicity. On ABC the number of words spoken for Richard Nixon was 869 as compared to 7,493 against. The CBS Nixon "for" count was 320; the "against" count was 5,300. On NBC it was 431 "for" to 4,234 "against." Humphrey, as a candidate, did not benefit as much as might have been expected from the widespread network distaste for Richard Nixon; he got 4,218 "fors" from ABC as compared to 3,569 "againsts," and 2,388 "fors" from CBS as against 2,083 "againsts." With the NBC count a curious thing was disclosed; this network, which had gone against Richard Nixon by a ten to one margin in the Efron tabulation, actually came up with 1,852 counts "for" Hubert Humphrey and 2,655 "against." With NBC it was, more or less, a case of not liking either candidate very much.

THE SANDWICH THEORY

Translating the statistical evidence into words, Miss Efron colors the business a bit by remarking that the commentators and reporters were virtually agreed in describing Nixon as "a demon out of the liberal id." This is a qualitative evaluation of the situation, and it could be discounted as such if it were not for the sheer arithmetic of the bar grapha, an arithmetic that is about as unemotional as a fence post.

When it comes to the TV reporting on the ten "related issues" of the campaign, Miss Efron's tabulations offer unassailable proof of a widespread network "liberal" bias. Turning the cold arithmetic of the adding machine into words, we discover that, as TV saw it in the autumn of 1968, the war in Vietnam was all wrong. As Miss Efron puts it, the "drumbeat of synchronized opinion" on the war was so "crude" that there is almost "nothing to analyze, no special documentation to isolate." With an "editorially selected alliance of a couple of 'dove' Republicans and Democrats; domestic Communists and far-left organizations; politically unidentified 'students' and 'pacifists'; foreign leftists and 'neutralists'; network reporters; and the enemy itself," the leftists had the prime time practically to themselves when it came to talking about the war.

Opinion on the other side of the "dove" versus LBJ controversy was, as Miss Efron describes it, "a calculated void." Opinion in favor of the LBJ war policy was "flatly omitted by NBC News." CBS and ABC covered the pro-LBJ case symbolically, by relaying a few opinions from the Administration itself.

The Efron count tells the same sort of story about the TV coverage of domestic issues. According to TV editorialists and reporters, liberals are the good guys while the conservatives are almost universally afflicted with evil intentions. On ABC conservatives, during the 1968 campaign prime time, were criticized "as violent; as racist advocates of law and order; as rude; as stupid." On CBS, they emerged "as racist malcontents." On NBC they were depicted as "plotters against black militants" and "as the cause of racist violence." The white middle class emerges from the Efron count as "prosperous, self-pitying, mediocre," as "culturally limited," and as "authoritarian-racist-militaristic advocates of law enforcement against black criminals." Black militants, on the other hand, were glamorized in the 1968 TV coverage; their violence was "justified" by social circumstances. As for the kids on the campuses and in the streets, they were merely "hecklers" and "demonstrators" even when they were doing the vilest and most violent things.

Ditto for the Left in general—the Efron count has it that TV opinion "portrays the Left as harmless, friendly, idealistic, funny, young, 'restless' and trustworthy," As Jerry Rubin and Abbie Hoffman might say, "Right on!" But who, on TV, ever described the smell in the Conrad Hilton lobby in Chicago after the "idealistic" and "friendly" young "demonstrators" had finished spreading their favorite effluents around?

Miss Efron's study moves on from the analysis of the counting to a sophisticated detailing of some thirty-odd methods of misrepresentation used by the majority of TV commentators and analysts. There is the commentator who "reports" on the buried emotions and the unconscious psychological motivations of single persons and of crowds ranging up to a half-million people. There are the reporters who hide behind "anonymous" sources. There is the analyst who presents Eldridge Cleaver as an "enthusiastic" fighter for Negro "rights." There is the "poison sandwich" and its opposite, the "sugar sandwich," which bury one opinion by sticking it in between an introduction and a conclusion that the analyst prefers to support.

ONE PLUS ONE PLUS . . .

It is not only the conservative cause which has suffered from the networks' inability to abide by the Fairness Doctrine. Miss Efron's inexorable count shows that the members of the black community who reject the leadership of the Panthers have been almost totally ignored on television. The New Left itself has cause for complaint; TV reporting has been unable to distinguish between the crazies of the radical movement and those who follow articulate leaders such as Paul Goodman for reasons of genuine philosophical conviction. In short, the really big trouble with the TV networks is that they have had no journalistic imagination whatsoever.

As for Miss Efron herself, the FCC would do well if it were to hire her to monitor the application of the Fairness Doctrine. Heaven knows that she is impartial. Her own position on the Vietnam war differs radically from that of LBJ or Richard Nixon: She wouldn't have sent a single U.S. soldier to South Vietnam as long as we were following a policy of "building bridges" with Communist countries in Eastern Europe. She was once married to a Haitian, which means that her views on "race" can hardly be called troglodytic right wing. She doesn't approve giving subsidies to industry, which would put her at odds with Richard Nixon on the recent Lockheed deal. She comes from a radical New York City background: In her teens she listened to her Uncle Joshua Kunitz, the Communist poet and editor, proclaim the glories of the Soviet Union around the house. She broke with the Communists at Barnard College for aesthetic reasons; she couldn't stand the prose in their literature. I knew her at the Columbia School of Journalism in the early Forties; she was not "ideological" then, only skeptical of all systems. She had been accused of getting her libertarianism from Ayn Rand; actually, she became an anti-statist in Haiti, where she saw from closeup what a little application of capital plus "sweat equity" could do if government would only let the enterpriser alone.

If a girl who does not exactly love the Nixon Administration could produce such a completely fair study, the networks should give her the utmost respect. But they've already gone into battle, hiring sociologists from Harvard and such to pick on little errors and try thus to discourage her thesis. Even so, the TV handling of the 1972 election will be entirely different. The networks will know that someone, somewhere, is recording what is said on the prime-time programs and has an adding machine ready for the tell-tale count.

GRASSROOTS OPPOSITION TO "CHILD DEVELOPMENT" SCHEME IS GROWING

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. ARCHER. Mr. Speaker, citizen groups across the country are beginning to take notice and oppose the controversial child development scheme now pending before Congress. In a recent editorial broadcast a Washington radio station, WTOP, endorsed the proposal. A contrasting view was submitted to the station by Dr. Onalee McGraw, on behalf of the Citizens United for Responsible Education, a suburban Maryland organization. The reply, which was also aired over WTOP, offers a brief summation of the dangerous aspects of the proposal. The following is the full text of Dr. McGraw's editorial reply:

WTOP has offered me an opportunity to respond to their editorial advocating the enactment into law of the Comprehensive Child Development Bill presently pending in the Congress. As the Director of Curriculum for Citizens United for Responsible Education, an education group in Montgomery County, I have had an opportunity to examine the mental health approach to education imbodied in this bill and so dominant in our schools. The proponents of this philosophy consider that the primary purpose of education is the conditioning of the child through behavioral techniques to adopt the attitudes and values which they, the social planners, believe to be the most desirable. Perhaps the best known of these proponents is B. F. Skinner, whose recent book, *Beyond Freedom and Dignity* has raised the spectre of a totalitarian society. At the very same time when the fundamental unit of our society, the family, should be strengthened, this bill would further erode the rights and responsibilities of parents and establish the position that the child is the creature of the state. We urge the defeat of the Child Development Bill and the veto of the President if enacted. We must not "free the mothers" to enslave their children.

CHALLENGING THE CORPS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. WALDIE. Mr. Speaker, I often had the occasion to speak in opposition to the practices of the Corps of Engineers, especially with regard to the development of dams, canals, and other structures on the rivers of the West.

Thus, I find it very pleasant, indeed, to comment favorably on the corps.

Mr. Speaker, I take this opportunity to insert in the RECORD a recent article in the San Francisco Chronicle written by Harold Gilliam which deals with the efforts by the corps to give new emphasis to the environmental impact of traditional engineering projects which have been the sole means of solving flood control or navigational problems.

This new emphasis by the corps is most commendable and would seem to me to be an integral part of the effort to preserve and protect our natural resources and our environment.

The article follows:

CHALLENGING THE CORPS OF ENGINEERS

(By Harold Gilliam)

To most conservationists, the Army Corps of Engineers has traditionally represented The Enemy. In the name of flood control the Corps has turned innumerable living streams and rivers into sterile concrete channels, has mown down countless trees and inundated scenic canyons behind its dams.

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Having sharply criticized the Corps on this page at various times (the Napa river, Dos Rios dam, Tamalpais and Corte Madera creeks, Pescadero creek), I was surprised and suspicious last year when I was asked by the Chief of Engineers in Washington to serve on a new six-man national Environmental Advisory Board to the Corps. My first impulse was to decline. I had little desire to cooperate with an organization that seemed to be perennially engaged in the destruction of the natural landscape.

Ultimately, I decided to accept. The chief reason was curiosity. Perhaps the most urgent issue of our time is the conflict between engineering and ecology; development and conservation; technology and the environment. Can this nation, dominated for two centuries by the drive for development, now change its course and begin to give high priority to the natural systems that nurture all life on earth?

NO BETTER PLACE

I could think of no better place to look for an answer than in a continuing around-the-table confrontation between engineers and environmentalists. If it did not work out, I reasoned, I could always resign.

After six two-day meetings over a period of 18 months, not all of the questions have yet been answered. Inevitably there have been disagreements and frustrations on both sides, but the effort has been mutually educational, and I believe has a potential for significantly affecting Corps activities.

What follows is an unofficial, necessarily fragmentary, report on the board's experience to date—as viewed by one of its members. (The other members are Roland Clement, Vice President of the National Audubon Society and current chairman of the advisory board; Professor Linton K. Caldwell of the University of Indiana, one of the authors of the National Environmental Policy Act; Charles H. W. Foster, Resources Director for the State of Massachusetts; Richard H. Pough, President of the Natural Area Council; and Charles H. Stoddard, former Director of the Bureau of Land Management.)

A NEW BALL GAME

F. J. Clark, Chief of Engineers, and his staff are well aware that this is the new era of the environment and that new values must govern all public projects. "We know," said one of his aides, "that we're in a new ball game with new rules."

The new rules are based on the National Environmental Policy Act, which became effective last year and requires, among other things, that all proposals for Federal projects be accompanied by statements detailing the environmental impact to be expected and all possibilities for alternative courses of action.

The chief effect of this law has been to require the Corps to look at alternatives that it would not have considered before. One example is the Morrison creek proposal near Sacramento. The District Engineer has recommended that instead of channelizing the lower portion of the creek to prevent flooding, the creek remain in a free-flowing state and be permitted to overflow onto its flood plain at high water, maintaining the natural ecosystem and wildlife. The county Board of Supervisors, evidently influenced by developers who want to subdivide the flood plain, in effect vetoed the Corps proposal. Later, however, an election brought in a new majority favorable to the recommendation.

THE EEL RIVER

The San Francisco District Engineer has suggested another non-structural solution for the flood plain of the Eel river: Restrict development there to non-permanent structures—such as trailer parks—and develop a flood warning system for evacuation in emergencies. Local authorities wanted channelization but are considering this recommendation.

Both of these cases highlight a little-understood point about the way the Corps works. The Corps has no authority to initiate projects. It cannot turn a shovelful of dirt or even make a study until ordered to do so by Congress at the request of local city or county officials. Theoretically, then, the Corps can only act as a response to local requests. But there is more to the story than that. An engineer who has studied a flood-control problem for months or years and has recommended a project would be less than human if he did not feel obliged to defend his recommendation when it was criticized. Although the Corps may never officially promote a project, it is very difficult to avoid a vested interest in a particular solution.

In order to counterbalance this built-in bias and to emphasize environmental values, the Environmental Advisory Board has made a number of recommendations for new Corps procedures.

NO AUTHORITY

One point must be emphasized: The board has no authority or ability to settle ongoing controversies over particular projects, some of which have been in dispute for years. The board's function is to advise the Corps on how it can avoid such controversies in the future. To that end, we have so far made 26 recommendations. The Corps has accepted most of them, indicating that some represent existing Corps policies. Discussion continues on their implementation.

Those accepted so far include a forthcoming Corps statement on environmental quality with emphasis on the value of free-flowing streams; evaluation of all proposed projects by environmental teams representing the social and natural sciences; in-house training programs to educate all personnel in environmental matters; professional environmentalists as full-time staff members at all levels; evaluation of non-structural solutions in all cases (such as flood-plain zoning or purchase instead of channelization); alternative solutions to include an assumption of zero population growth in the project area; selection of the least environmentally damaging alternative in the case of divided scientific opinion; no requirements that environmental costs be financed locally; no limitations of Corps recommendations to the lowest-cost solutions; research on modification of benefit-cost analysis to include environmental values; pilot programs in waste water recycling.

FURTHER DISCUSSION

Discussion also continues on the recommendations not yet accepted including proposals for local environmental advisory boards or similar methods of regular contact with environmental organizations (some Corps districts, including those in California, already have such arrangements); for statewide environmental inventories; for a requirement that all Corps projects conform to local or regional land-use plans; for Corps notification that no flood-control projects be constructed to protect buildings subsequently constructed on designated flood plains; for a special appeals procedure for review of controversial cases that cannot be settled at the local level.

The Corps does not believe it has legal authority to carry out some of these proposals, and new legislation may be needed.

The board welcomes public suggestions for further recommendations. It will of course do no good for any recommendations to be adopted in Washington unless they are diligently applied at the local level. Here is where local environmental groups must go into action, monitoring Corps studies, offering advice and cooperation in applying these policies. The national board can only help provide the environmental tools. The rest must be done at the grass roots.

THE WINDING DOWN OF THE WAR IN SOUTH VIETNAM

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. BOB WILSON. Mr. Speaker, I include the following editorial from the Washington Post of November 29, 1971. The editorial follows:

THE WINDING DOWN OF THE WAR IN SOUTH VIETNAM

(By R. W. Komer)

It is depressing but unsurprising that our Vietnam trauma should still cause controversy even over such largely factual issues as to whether that tragic war is declining in intensity, with Saigon at least temporarily out ahead. On the one hand Secretary Laird affirms after his latest visit to Saigon that with the war winding down the Nixon administration has achieved its goal of giving South Vietnam a reasonable chance to survive. On the other hand Sanford Gottlieb of SANE tells a war protest rally that contrary to common belief the war "is not winding down." Is the tempo of conflict actually declining, or, as Herbert Mitgang told us in The New York Times a few months ago, is it merely the "biggest public relations triumph of the administration thus far?"

Who is right? What are the facts, insofar as they are discernible? Whatever the rights or wrongs of our Vietnam intervention, or whether the Thieu regime even deserves to survive, the question of whether its prospects have improved seems of more than passing moment.

As a one-time participant I may be a biased witness. And what has passed for fact on Vietnam has often proved irrelevant if not illusory. But surely it should be possible to shed more light on whether the shooting war is as intense as ever, and whether the Saigon government's position is stronger than it was three years ago. Much open evidence is available to anyone who asks for it, though few seem interested enough to inquire any more. Such is the still enormous credibility gap.

The fact is that by almost every conceivable measure the intensity of conflict has dropped sharply from 1968–69 levels, and even 1970. Of course, it has dropped off more in some respects than in others, leading some to say that all that's really happened is that the Americans are turning the war over to the Vietnamese.

But let's take the most obvious measure of conflict intensity—the grim casualty toll. The Pentagon says U.S. casualties are down about 90 per cent from early 1969. If this was attributable only to U.S. troop withdrawal, then presumably South Vietnamese casualties would rise.

Instead of rising, however, these are down modestly over the same period too, despite the fact that the Vietnamese have taken over much of the burden and have been fighting in Cambodia since mid-1970. Their casualties were quite high in the first quarter of this year because of the major raid into Laos and heavy fighting in Cambodia. But during the most recent five-month period for which figures are available, April–August 1971, Vietnamese casualties are down 11 per cent from the same period in 1970.

Indeed regular ARVN troops, who are most comparable to the departing U.S. forces, took 26 per cent fewer casualties during April–August 1971. As has been the case since mid-1969, the bulk of Vietnamese losses has been taken by the neglected South Vietnamese militiamen.

What's happened to the war? The news media naturally focus all the more on what fighting remains, which distorts the picture.

Actually, the level of enemy attacks, shellings, harassments, and terror incidents has been declining since 1968. In the last few months they seem to be running less than half of what they were in the peak war months during 1968.

Almost all the remaining large-scale combat is taking place in remote northern frontier areas or in Laos and Cambodia, not in most populated areas of South Vietnam. So by the only available count Vietnamese civilian casualties have fallen greatly too.

One obvious retort is that the war has simply been exported to Cambodia and Laos, with undiminished intensity. This too falls down in fact of the facts. Even Southeast Asia-wide the shooting, the killing, and the destruction are sharply down during 1971. To date the 1971 level of casualties and bombing sorties in Cambodia seem to be lower than in 1970 (Laos may be an exception but only because of the ill-fated ARVN incursion of last April which seems unlikely to be repeated on any such scale).

What about the argument that though ground combat has declined, the slack has been taken up by intensified air war? This too hardly squares with available facts. By whatever measure—sorties flown, bombs dropped, number of aircraft involved—the allied air effort in Southeast Asia as a whole has dropped substantially since 1968–69.

While recent press stories cite a new Cornell University study as saying that more bombs have been dropped in the three Nixon years 1969–71 than in the last three Johnson years 1966–68, this obscures the fact that bomb tonnage actually peaked in 1968 and has been going down every year since.

And to those who equate bombs dropped with genocidal tendencies, it's only fair to note that the great bulk of the current air effort is in practically unpopulated areas like the Ho Chi Minh Trail, another notable change from earlier years.

It stands to reason that U.S. war costs, which go mostly for U.S. forces with their immense firepower, have been dropping rapidly too. They are already less than half the 1968 spending peak, and are now dropping more rapidly than before. We may even be shipping a larger volume of military material out of Vietnam these days than we are shipping in.

As for the current picture in the Vietnamese countryside, let me eschew any comparison based on "computerized" statistics, since even using a computer as an adding machine seems to bother the press. We have plenty of eyewitness accounts from those who have visited Vietnam both before and after Tet 1968, two recent examples being Secretary Laird and columnist Joseph Kraft—the latter hardly a raging hawk on Vietnam. While neither seemed willing to stick his neck out as to their permanence, both seemed struck by the at least short-term gains made by the Saigon regime. And these are not exclusively military by any means.

For a program declared "dead" in an article in The Washington Post right after Tet 1968, the U.S.-backed South Vietnamese pacification effort has proved a lively corpse. One result of improved security is that, while the ghastly refugee burden is still far too high, far more refugees have returned to their villages over the last few years than new ones have emerged.

While some critics still talk of "ecocide," South Vietnam also recently brought in the largest rice crop in its history.

Or take land reform, lack of which was a favorite U.S. complaint before the GVN finally passed a radical law in 1970 but which has hardly been mentioned in our media since. From the figures available, some 750,000 acres have already been distributed to small farmers in little over one year—no mean accomplishment even for a country at peace, and surely impossible if Vietnam's countryside were still engulfed in war.

One does not have to accept Thieu's suspiciously overwhelming mandate in what passed for an election last October to speculate that improved security, control of inflation, land redistribution, higher crop output, and the like might have contributed to Thieu's capture of a still predominantly rural vote.

Of course the war's winding down to date reflects more than the impact of U.S. firepower, ARVN prowess, or pacification gains. Indeed it's interesting that the war has wound down despite U.S. withdrawal of over 350,000 troops since mid-1969. This almost suggests that all those Americans might not have been so necessary in the first place as many of us used to think.

It also reflects the way Hanoi has been husbanding its resources by reverting to a protracted war. But it is too simple to ascribe this wholly to a Machiavellian strategy of waiting out U.S. withdrawal and then crushing the Saigon regime.

To a great extent this strategy has been forced on Hanoi by its own great losses—especially of irreplaceable Vietcong cadre in its three abortive Tet and post-Tet offensives of 1968—plus ARVN incursions into the formerly privileged enemy sanctuaries in Cambodia and Laos. Unfortunately, our tactical intelligence is still so feeble that we don't have enough detailed feel for how strong (or weak) the enemy now is. Yet even the worst calamity howlers in Saigon seem to have ceased talking up another countryside Tet-type offensive as a live possibility for the next year at least.

Indeed, as Mr. Kraft recently pointed out, critics of the war may need to update their thinking. This is not to say that the war was justified whatever its current state, or to deny that the horrendous costs involved were out of all proportion to any gains. Nor is it to excuse all the errors and excesses. It is simply to say that in the short term at least Saigon's position seems to be far stronger than at any time since 1962 or so.

But what of the future? The tempo of conflict may rise temporarily again during the annual winter-spring campaign season. After all, Hanoi can still infiltrate thousands of troops and keep the pot boiling indefinitely—even if the U.S. keeps bombing and strafing the Ho Chi Minh Trail. Moreover, Saigon's record in dealing with the underlying causes of the Vietcong revolution is still spotty at best. But those who look for new Hanoi offensives to cause early Saigon collapse ignore the tremendous changes in the nature of the conflict within South Vietnam itself.

Up through 1967 most of the forces arrayed against Saigon were southern Vietcong, not regular troops from the North. Today the VC recruiting base is attenuated, VC guerrillas have been decimated, the VC main forces were crippled at Tet 1968, and the bulk of the troops now arrayed against the GVN are Hanoi's regular troops. Thus the VC revolution may have shot its bolt.

Granted that so long as its key politico-administrative cadre remains intact it could make a comeback—especially if Saigon fails to consolidate its short-run gains. Unless this happens, however, why should Hanoi keep sending troops year after year down the Trail? Better perhaps to count on waiting till the Saigon regime's own "internal contradictions" again create a ripe revolutionary situation in South Vietnam.

So those like Cabot Lodge who predicted that this ghastly war would eventually fade away may prove right after all. One may take little comfort in this prospect, given the war's traumatic impact on both Vietnam and the United States. Yet whether the war fades away or periodically heats up again, there's no blinking the overwhelming evidence that it has wound down a long way from what it was in 1968 or even 1969.

It is hard to divine this from TV or the daily prints, but even Mr. Nixon's war is a far cry from what it used to be.

CIVIL RIGHTS STILL DENIED LARGE GROUP OF AMERICANS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. BIAGGI. Mr. Speaker, this body has always shown great concern for civil and human rights. In 1964 and 1965, Congress approved landmark legislation guaranteeing basic civil and voting rights to all citizens. In recent months, many Members have protested the denial of human and civil rights to the Soviet Jews and the citizens of Northern Ireland.

However, right here in the United States there is a large segment of our population that is consistently denied the basic civil rights we have all presumed to be guaranteed by the U.S. Constitution. That group is the law enforcement officers of this Nation, the men we call on to assure the rights of others.

Mr. Speaker, I am going to insert in the RECORD at the end of this statement two articles on court cases which clearly show that a police officer today does not enjoy the rights of due process afforded all other citizens.

In the first case, the Federal District Court for Northern Illinois said a police officer was not entitled to legal counsel at a departmental hearing—a hearing that could result in the loss of one's job or in being charged with a crime. The judge ruled that—

> If every officer who appeared before the Panel were to invoke the full panoply of judicial process, serious impairment of the disciplinary processes of the Chicago Police Department could occur.

Is this equal justice? Not since before the *Miranda* and *Escobido* cases has the judiciary been concerned with order. When a mob threatens to tear up the city of Washington, the courts require full due process for those arrested—regardless of the consequences to the city and its citizens. However, our policemen enjoy a special status: they are only entitled to enforce the law, not enjoy its benefits.

In the second case, the court ruled that a lieutenant was not entitled to reinstatement on the force because he sued the police chief. This was a challenge to the authority of the police chief and could result in "internal dissention." What policeman will resort to the courts for settlement of grievances if he knows the courts will automatically rule against him on the grounds he is challenging the authority of the chief?

The policeman today is truly a second-class citizen. He is frustrated by the contradiction of his position—enforce the law, but the law is not for you. To correct this shameful situation, I have introduced legislation to guarantee civil rights to all law enforcement officers. Over 100 of my colleagues have cosponsored this measure. I will again reintroduce the measure and hope that more of those who serve in this Chamber will see the urgent necessity of extending civil rights to law enforcement officers. What a tremendous burden we place on these men. We require them to enforce the law with due

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respect for the accused, to treat every criminal with kindness, to be completely honest in their every dealing, to never take even a cup of coffee for free and to do without the protection of the laws they are required to enforce. I hope the 92d Congress will mark the end of this hypocrisy. The articles referred to follow:

[From the International Association of Chiefs of Police Law Enforcement Legislation and Litigation Report, April 1971]

FEDERAL COURT RULES CHICAGO POLICE OFFICERS NOT ENTITLED TO COUNSEL AT DEPARTMENT DISCIPLINE HEARING

Two Chicago police officers brought an action under 1983 of the Civil Rights Act contending that they have a constitutional right to counsel during a polygraph examination and to have an attorney present at a hearing before the Complaint Review Panel. The officers were charged with brutality and refused to submit to a polygraph examination unless they could have an attorney present. The officers were suspended for 15 days upon the recommendation of the disciplinary panel of the police department.

The defendants argued that the hearing was only a "departmental hearing" as opposed to an "administrative hearing," and that the requirements of due process were more easily satisfied in the former.

The Federal district court for Northern Illinois noted that a law enforcement officer is in a peculiar and unusual position of public trust and responsibility, and because of this the public has an important interest in expecting the officer to give frank and honest replies to questions relevant to his fitness to hold public office. The court considered the small maximum penalty the Panel could recommend (less than 31 days suspension) and found neither a denial of right to counsel nor a violation of procedural due process. The court recognized that if every officer who appeared before the Panel were to invoke the full panoply of judicial process, serious impairment of the disciplinary processes of the Chicago Police Department could occur. In other words, the granting of such rights would be impractical to carry out. The court's decision was based additionally on a combination of the following factor:

(2) the importance of the governmental function of maintaining proper discipline among police officers and proper enforcement of the Department's regulations;

(4) the fact that the plaintiffs were informed of the nature of the charges against them and were provided with an administrative hearing wherein they were presented an opportunity to present any statements they desired and (5) the fact that the functions of the Complaint Review Panel are investigatory in nature rather than adjudicatory with its recommendations sent to the Superintendent of Police for final disposition.

[From Labor Litigation, August 1971]

POLICE LIEUTENANT DENIED REINSTATEMENT PARTIALLY BECAUSE OF SUITS AGAINST POLICE CHIEF

A former city police lieutenant, who was dismissed for violation of departmental rules and regulations, sued for reinstatement and was denied. The court stated his dismissal was based, at least in part, on lawsuits the lieutenant had brought against the police chief for libel and slander; these constituted a personal vendetta and a direct challenge to the authority of the chief to manage and supervise his department, the effect of which was to create internal dissention on a grand scale if allowed to continue. However the court rules the plaintiff lieutenant was not denied his constitutional right of access to the courts. (Norton v. City of Santa Ana, 93 Cal. Reptr. 37. 1971.)

OPERATION SKYRIVER

HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. BEGICH. Mr. Speaker, one of the major problems in Alaska today is lack of adequate communication. Villages throughout the State are separated by hundreds and thousands of miles with no more than a radio phone to be used on an emergency basis only.

Because radio and television are virtually nonexistent in the bush, news, information, and education become scarce—almost nonexistent.

As a State legislator, I pressed for greater educational opportunities and facilities for Alaska citizens. Unfortunately, education facilities are so scarce in certain parts of the State that Native students on the high school level are transferred to schools thousands of miles away. It is not unusual for high school students who live in the bush in Alaska to be sent to Bureau of Indian Affairs schools in Oklahoma.

Despite these hardships, I believe real progress has been made through innovation and funds from the Federal Government. The Sunday, November 28, 1971, editorial in the New York Times reported one such program.

The village of Emmonak near the lower Yukon River is beginning a program to upgrade the political awareness of the villagers. Operation Skyriver, as it is called, if successful, will be a major step in educating Alaskan citizens and putting them well on the road to self-determination. At this time, I include in the RECORD the article that appeared in the New York Times:

AN ESKIMO VILLAGE IN ALASKA USES TELEVISION TO GAGE THE POLITICAL CLIMATE

ANCHORAGE, November 27.—An Eskimo village 400 miles west of here has turned to television to influence the political processes that affect the lives of its 500 residents.

Although no commercial television penetrates the lower Yukon River village of Emmonak, six miles from the Bering Sea, its people are becoming increasingly familiar with film and videotape through a community organizer's program called Skyriver.

Skyriver, funded for the next two years by a $220,000 grant from the Office of Economic Opportunity, is designed to allow Eskimos to record their culture, feelings and political desires on film and videotape.

After selecting an issue such as schooling, the villagers interview one another, review the rough film clips, edit the film, and then present the final print to the community for a vote. Individuals also have the right to edit films or videotapes of themselves.

If the people decide that the film represents a consensus of the community, it becomes the official position of the village. The films are then circulated to other villages and often become a regional position, representing dozens of bush communities.

"The Children Are Going," a stark 15-minute film that records the exodus to school of several dozen of Emmonak's young, quickly became a regional consensus.

DEPARTING STUDENTS

About 200 children attend grade school in the village, but after completing the seventh grade, they must go elsewhere to continue their education. Last year, more than 50 teen-agers were sent to state-operated schools or Bureau of Indian Affairs schools as far away as Oklahoma.

In the film, intercut with scenes of children boarding a bush plane for a year at distant schools, William Trader is depicted mending his fish net. He speaks of his daughter Martina, who is leaving for Wrangell, 900 miles southeast:

"She only learned to read, how to talk English and do arithmetic. Before she went out to Wrangell, she never had to be told to do her homework [housework]. When they're out there in other states, they forget completely about their home. We have to tell them to do this and that.

"They should learn Eskimo ways and white ways. If she learned both ways, that would be really good, not just for her, but for everybody."

The village unanimously sided with Mr. Trader's filmed opinion that the only answer was to move schools closer to Emmonak "so the kids could come home for the weekend."

Some observers say the widely circulated film spurred the State Board of Education to adopt a policy for regional high schools, a reversal of its previous plans.

One concrete indication is the recent plan to construct a regional school at Mountain Village, a community of 1,500 that is about 40 miles by snowmobile from Emmonak.

GUIDING GOVERNMENT POLICY

Tim Kennedy, the white organizer who began Skyriver in July, 1970, under the O.E.O.-funded Community Enterprise Development Corporation, believes the people of Emmonak can use "the inherent power of the media" to guide government policy.

He contends that state and Federal programs designed villages sprinkled on 586,412 square miles, often miss the mark. He explained:

"The film and videotapes will provide information that government officials never could get on their own. When an official visits an Eskimo village, he travels on his own terms, brings his own environment with him, the people are intimidated."

Bureaucrats customarily arrive in Emmonak by bush plane, spend a few hours touring and depart for other villages, he said, and continued:

"A chaos of misinformation complicates the problems of rural Alaska considerably. In the past, white government officials held meetings on their terms with people who had Western civilization credentials being regarded as community leaders. That meant they talked to any villager who owned a briefcase."

The brevity of bureaucracy complicates the problems and "incomplete information, rumor and innuendo" make dealings between white officials and Eskimos arduous and laced with mistrust, according to Mr. Kennedy.

"There are all kinds of regulations the people don't understand," he said. "It's a real infringement of their rights."

He believes that film and videotape explicitly document problems without the tangled curtain of contract language and administrative procedures, adding that the peoples' desires and suggestions for solutions focus simply and graphically.

WILLARD EDWARDS BEGINS HIS SECOND 50 YEARS OF REPORTING

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. ASHBROOK. Mr. Speaker, on November 30, 1921, just 50 years ago today, Willard Edwards, whose news stories, feature articles and columns are a byword in the Chicago Tribune, began what

was to be an outstanding career of service both to the public and the journalistic field. On many occasions, by insertions in the CONGRESSIONAL RECORD, I have called to the attention of Congress and the public, issues, cases, and current developments which Willard unearthed through his persistent digging in the complex area of Washington politics. In this respect I am indebted to him and his efforts far more than some other Members of Congress.

It must be remembered that when a journalist lets the chips fall where they may, when he does not hesitate to criticize an administration, be it Democrat or Republican, his sources are likely to dry up. When Washington is his beat, he must rely even more so on his own initiative and ingenuity.

This, in brief, explains, I believe, why Willard Edwards has championed the causes of the underdog, and especially the Federal worker who does battle with the monstrous Federal juggernaut. It also explains why so many of such workers have beaten a path to his door in search of a channel to the public. His concern for the welfare of our Nation far outweighs any prospect of a journalistic coup, the everyday goal of any worthwhile reporter.

As Willard was well underway in his career before I first saw the light of day, I cannot begin to list the contributions he has made in the field of the fourth estate. Suffice it is to say, that I have found his efforts invaluable in the field of national politics where the multiplicity of issues, personalities and developments are overwhelming.

I realize that here is a wealth of superlatives and stock phrases to commend outstanding service, but I think it is best said by offering my sincere congratulations to Mr. Willard Edwards on beginning his second 50 years of reporting.

As an illustration of why many Federal bureaucrats, especially in the State Department, hate to see Willard Edwards commence his second half-century of investigative reporting, I insert at this point in the RECORD Willard's column of today, November 30, in which he updates developments in the case of former Foreign Service Officer John Hemenway, who, I am sure, the State Department hopes will emigrate to New Caledonia "so he would not be dangling our dirty linen in other people's yards."

The article follows:

CAPITOL VIEWS: BUREAUCRATIC NUANCES PERIL CAREERS

(By Willard Edwards)

WASHINGTON, November 30.—The confidential memo from Donald C. Tice, special assistant to the director general of the foreign service, was entitled "Whether John Hemenway?"

Dated Feb. 11, 1969, and directed to Howard P. Mace, the State Department's personnel director, it dealt with the dismissal a month earlier of Hemenway, a veteran foreign service officer with a brilliant record, in the last days of the Johnson administration.

Hemenway had charged that he was fired on the basis of false and malicious accusations concocted by two superiors with whom he had engaged in policy disputes, related to dealings with Communist nations.

How, asked Tice in the memo, could Hemenway be kept quiet? He toyed with the idea of finding some other government position for the ousted diplomat "so he would not be dangling our dirty linen in other people's yards." But Hemenway, he speculated, could not be bought off in that manner.

"No matter what we do, we must expect him to raise a stink about it," Tice reported to Mace. "At the worst, he could go to the Hill [Congress] and bring in influence.

"The other danger is that he might get a hearing in the new front office [the new secretary of state, William P. Rogers]. I would assume, however, that we could short-circuit such a move."

The assumption was well-founded. Hemenway never got a hearing from Rogers. Nearly three years later, Hemenway still is battling at hearings before a State Department Grievance Committee to secure removal from the files of the falsehoods he says were placed there to justify his dismissal.

The Time-Mace memo was uncovered at these hearings which are documenting in chilling detail the manner in which bureaucratic holdovers run the government in arrogant disdain of elected and appointed officials in succeeding administrations.

As the memo disclosed, these subordinates can keep a new Cabinet head ignorant of injustices demanding correction.

The testimony of John C. Chester, a former foreign service officer, also revealed how a government official, in disfavor with his superiors, can be destroyed by "subtle nuances" in his annual efficiency report. Chester described the code words in these reports that can bring an outstanding career to a halt.

The report might note, for example that an official's work was, on the surface, outstanding. But it would then remark that he was "prolix" or "imprecise" or had "difficulty in drafting." The phrase "is said to lack objectivity," was particularly damning. "Aggressive" and "abrasive" were adjectives with meaning to the inner circle. All such phrases and words signaled that the individual was refusing to conform to the prevailing ideology, displaying a regrettable independence of judgment.

If any official dared to question such criticism and filed a rebuttal, his career was ended. Chester said that in 13 years in the State Department he never knew a foreign service officer who protested an unfair rating and thereafter received a promotion. Lack of promotion over a specified period automatically means dismissal.

"Subtlety" was discarded, the hearings revealed, when stronger methods of character assassination were deemed necessary. When Hemenway did appeal to Congress, a senator called the State Department for information on his complaint.

"Hemenway has Birchite tendencies, he sees a Communist under every bed," the senator was told. Not for years did Hemenway discover that this entirely untrue and unsupported insinuation had caused the senator to lose interest in his case.

LONGSHOREMEN RETURN TO WORK

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. ANDERSON of Illinois. Mr. Speaker, today most east and gulf coast ports are expected to be back in full operation as a result of temporary, 10-day back-to-work orders issued by Federal courts on Friday and Saturday in response to Justice Department petitions. In the meantime, the Government will continue to press for a preliminary injunction to be in effect for the full 80-day cooling-off period specified in the Taft-Hartley Act.

I wish to commend the administration on taking this action to at least temporarily end the 57-day east and gulf coast strikes by some 45,000 longshoremen. As the Government has correctly pointed out, these strikes have had a devastating impact on our domestic economy, and I know this is especially true for farmers in my own State of Illinois who have been denied access to export facilities for their commodities during this crucial postharvest period. I have received a flood of mail from farmers in my district and State who were understandably distressed by the potentially disastrous financial impact a continuation of this strike would have on them. On three occasions I have written to the President, urging him to invoke Taft-Hartley. I am therefore extremely relieved that this action has finally been taken.

HON. THOMAS J. MURRAY

HON. RAY BLANTON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, November 29, 1971

Mr. BLANTON. Mr. Speaker, it saddens me to announce to my colleagues that Thomas Jefferson Murray, a Representative to Congress for 24 years, passed away in his hometown of Jackson, Tenn., Sunday.

Tom Murray served in this body from January 3, 1943, to January 3, 1967. For 12 years he was chairman of the Post Office and Civil Service Committee.

He will be remembered as one of the foremost legislators the State of Tennessee has ever produced.

Tom's life was dedicated to public service. Born in Jackson on August 1, 1894, he launched his public career upon graduating from Cumberland Law College in 1917. He taught school for 2 years and then entered World War I service with the 5th Army Corps as an enlisted man.

After the war he came back to his beloved Jackson to practice law for 2 years. He then reentered public life, this time for 50 years in various capacities.

He became district attorney general for the 12th Judicial Circuit of Tennessee in 1922 at the youthful age of 28 years. He held this post for 11 years, until he joined the Office of the Solicitor of the U.S. Post Office Department in Washington.

Tom served in the legal office of the postal service until 1942, when he decided to return to Tennessee to run for Congress from the Seventh District. He was successful, and took his seat in the 78th Congress as a Democrat. The grateful people of Tennessee reelected him to 11 succeeding Congresses.

Tom quickly established himself as an expert in the field of Government employee legislation, perhaps due to his years with the Post Office Department, but no doubt because he was genuinely interested in people, and in good government. He rose to the ranks of chairman of the Post Office Committee, and for

years was regarded as one of the most powerful men in Washington.

He was an affable Member of Congress, highly respected and popular with his colleagues. His reserved manner, his quiet but firm speech, and his courtly appearance endeared him to the rural constituency he served, and he never forgot those people. He was a virtual one-man chamber of commerce for west Tennessee, and "Mr. Tom" helped our region progress in numerous fields.

We are deeply saddened that he is no longer with us. But we are fully cognizant that we were privileged to have had such a man in the highest legislative body of the land. His living memorial is the memories thousands of Tennesseeans hold of him.

I extend my deepest sympathy to his family.

FRANCIS BATOR OFFERS SOME SENSIBLE ADVICE ON INTERNATIONAL MONETARY NEGOTIATIONS

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. REUSS. Mr. Speaker, Francis M. Bator, professor of political economy at Harvard University and former Deputy Special Assistant to the President for National Security Affairs—1965 to 1967—offers some sensible advice on how to end the present impasse on currency realinement and to pull back from the brink of a trade war in two articles appearing in the New York Times on November 29 and November 30.

If Mr. Bator's advice is followed, this week's group of ten meeting of finance ministers in Rome could produce a good package agreement including new exchange rates among the dollar and other leading currencies, removal of our surcharge and the "Buy American" provision in our investment tax credit, and agreement in principle on a small increase in the "bookkeeping" price of gold. We can then get on with the pressing business of international monetary reform, trade liberalization, and burden sharing, where "progress will require," as Mr. Bator points out, "a dependable as well as energetic American policy that is sensitive to the problems of others."

I include Mr. Bator's articles and commend them to my colleagues:

MR. CONNALLY'S WAR: I

(By Francis M. Bator)

CAMBRIDGE, MASS.—On Aug. 15, Mr. Nixon declared economic war on the rest of the world. So far it's been a phony war—the U.S. has done all the shooting. But if Secretary of the Treasury John Connally does not change course soon, the other side will start shooting back. Control over events will shift to the war parties in all the capitals, and Aug. 15 will be a turning point in postwar Atlantic and U.S.-Japan history.

To be sure, in economic wars people don't get killed. But jobs and livelihoods are at risk. So are the habits and practices, the rules and institutions that we and our friends have so painstakingly built up to protect the world from jungle economics and its twin, jungle politics.

Judging by what he has said, Mr. Connally doesn't agree. He seems confident that with the dollar cut loose from gold, and the U.S. market protected by the surcharge and the "buy America" provision of the investment credit, we can afford to wait. The others, after all, have more at stake than we; they dare not retaliate. When they become convinced that the Administration will stick to its guns, they'll come up with a plan that will assure a $13-billion turnaround in U.S. payments, relieve us of some of the burdens of defense and promise "fairer" treatment of American exports. Or so the Secretary seems to believe. (All this may be a tactful bluff; a formidable politician, he is not in the habit of tipping his hand. But until there is evidence to the contrary, it is safer to assume that he means what he says.)

Mr. Connally may well be right. But are the odds good enough to risk the consequences in case he is wrong? Indeed, would a victory won in such a brutal way be worth the price?

I think not. Our tactics have been recklessly dangerous. What's more, they are unnecessary. There exists a strategy that is both safer and more likely to achieve the President's Aug. 15 international purposes. (A second article will sketch its elements.)

The core of the tactical problem is the surcharge and "buy America," and not, I think, the uncertainty due to floating exchange rates as such. As long as the surcharge is on, the strain on foreign politicians' self-restraint is bound to grow, and the President's freedom of maneuver will shrink. Time, as Wilbur Mills, chairman of the House Ways and Means Committee, and Arthur F. Burns, chairman of the Federal Reserve System, have pointed out, is on no one's side.

In combination with the increase since May in the dollar cost of foreign exchange, in itself a good thing, the surcharge is like addictive dope to many of our most susceptible industries. In a large number of Congressional districts, stopping it cold turkey in an election year will become more painful with each passing week. By next spring, with unemployment still 5.7 to 6 per cent, it may be too painful for any President, no matter how brave.

The surcharge is also contagious. The proposition that—because a trade war will hurt them more than it will hurt us—the others will not fight back is untenable. There exists no measure of relative national pain. One wonders, for instance, how our farmers would reckon it, or our large corporations, with $25 billion of their assets hostage in Europe. Moreover, for Europeans the question is one of "compared to what?" If they have to choose between calling the U.S. hand, and economic civil war within Europe, even cool calculation might favor the first.

But that is not where the main danger lies. Cool calculation is not the natural response of governments that feel damaged by an outsized friend. As perceived abroad, Washington is using the surcharge as blackmail, demanding the moon and refusing to signal what reasonable terms it might accept. We have baffled our friends. They cannot believe that we really expect them to advocate surrender (tantamount to political suicide, in an environment of recession). Yet in the absence of a quiet American lead, they are unable to move constructively. And we have strengthened those whose stock in trade is anti-American posturing.

The longer we remain on our present course, the greater the chance that others will be forced to take defensive steps: export subsidies, capital controls, multiple exchange dates, import restrictions—a jumble of tit-for-tat that will destroy the rules of the game. Angry rhetoric will drive out statesmanship. No one's politics would be immune, nor would escalation be confined to economics. If things go badly during the next few weeks, the result may be irreversible damage to the U.S.-Japan and the Atlantic connection.

The question remains: Is there a way out?

MR. CONNALLY'S OPPORTUNITY: II

(By Francis M. Bator)

CAMBRIDGE, MASS.—It is not enough to suggest, as I did in this space yesterday, that Mr. Nixon's Aug. 15 international moves, and especially Mr. Connally's follow-up, have brought us to the brink of economic war. The deficit in U.S. payments, and the dollar hemorrhage triggered by divergent monetary policies here and abroad, confronted Washington with a condition, and one theory too many. Mr. Connally's task has been to treat the condition without taking undue risk. The charge against him is that he has chosen a reckless course, while a safe solution has been ready at hand.

The meeting in Rome of finance ministers this week will be critical. The Secretary should stop demanding more for the surcharge than others can pay, and take a constructive lead. His best move by far would be to announce that the President will immediately lift the surcharge and "buy America" in the investment credit on the assumption that an acceptable bargain on exchange rates will be quickly reached, and that all governments would be prepared to negotiate on more complicated issues: trade, money, burden sharing, investment, during a second stage.

A bold stroke—one that should appeal to a politician with Mr. Connally's flair—it would clear the atmosphere, give our friends in capitals abroad the upper hand and please American exporters. (The surcharge is an indirect tax on them, and they are vulnerable to retaliation.) It would also remove a significant barrier to the further depreciation of the dollar in exchange markets.

The cost of such a unilateral U.S. move would be nil. With the dollar no longer linked to gold, and most of the major currencies afloat and up—the mark has risen almost as much as it should—there is no risk.

Alternatively, if this goes against the grain, Mr. Connally could offer instead to trade the surcharge and "buy America" for firm agreement on dollar exchange rates and a commitment to a Stage II. On exchange rates, there is a virtual consensus among experts: the dollar/yen rate should increase by 14 to 16 per cent above its old parity; the mark, 11 to 12 per cent; the franc, 5 to 6 per cent, etc. New Parities, a legal matter, need not be fixed in any hurry, unless the others care. If they do, the range of fluctuation should be widened to plus or minus 3 per cent.

Both proposals would make moot the price of gold. Unfortunately, the others won't leave it at that. Faced by the blatant American show of force, the Europeans had to produce a common front on something. The gold price issue was a natural, though it matters only to the French.

We should yield gracefully, and negotiate whatever small rise in the nominal gold price would make it easiest to agree on what really counts: exchange rates among currencies. Since Paris will not revalue against gold, and Bonn cannot afford a franc-mark change greater than 6 to — per cent, a 6 per cent rise to $37.10 should do the job. Foresighted education by Messrs. Javits and Reuss has reduced the danger that Congress would balk.

At the same time, we should make it plain that only the nominal gold price is negotiable. We must not undertake to sell or buy gold at any price, or to sell any other reserve asset, at least until Stage II has produced workable rules covering exchange parities, and solved some other problems as well. The need is for rules that will induce governments to make frequent, small changes in parities, and thus avoid prolonged deficits and surpluses. The rules should have teeth,

and bear as hard on governments in surplus as on those in deficit. But that is for Stage II, as is the full replacement of gold by the new man-made reserve, S.D.R.'s and the phasing out of the dollar as a reserve currency.

The principle behind all this is to disconnect what is urgent and quickly soluble from what is complicated and will take months or years. But the principle won't work for long if governments are not serious about Stage II. The monetary system does require reform. Antiprotectionist rules on trade need strengthening. (On trade, we all live in glass houses; Washington should quit throwing stones.) Other problems abound: e.g., roles and fair shares in defense; national control and the international corporation; more development aid to the poor countries.

Progress will require a dependable as well as energetic American policy that is sensitive to the problems of others. Brow-beating will not do. Nor will moralizing about all we have done for the world in the past. If, as I believe, a benign cooperative Atlantic and U.S.-Japanese politics is a cardinal American interest—a politics that makes problem-solving among interdependent nations possible if not easy—then we must change our recent course, and take a more constructive tack.

TELEVISION

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. SPRINGER. Mr. Speaker, Martin Mayer, who was television critic for Harper's magazine in 1959–60, has written a reportorial study, "About Television," which will be published this spring and from which the following article is excerpted.

The following article has a good analysis of the citation on the "Selling of the Pentagon" which was before the House some months ago. This is the only article I have seen written in detail which analyzes the problem and presents it fairly. The most important thing in the article is that CBS was forced by the citation to change its rules and regulations with reference to documentation so that the errors and mistakes contained in that program cannot occur again. Those of us who were committed to fight on a correction of the system have been successful, and that is far more important than the question of the citation of Frank Stanton as the president of CBS.

I quote from the last paragraph of the article:

Of course the Pentagon did not come to the Congress with clean hands, but the defense of "you're another" is a confession of editorial irresponsibility and a guaranteed long-term disaster. No doubt the CBS lawyers were to blame: the first rule of legal advice, especially in situations where libel suits are a possibility, is "Never admit nuttin." What the television news division must ask themselves is whether they are healthy enough to withstand infection from the adversary system, whether they can afford to let their public reputation for impartiality and probity sink to that of the lawyers.

The article follows:

TELEVISION: FREEDOM OF THE PRESS CAN BE A MATTER OF SELF-INTERESTED DEFINITION

(By Martin Mayer)

Few episodes in the tangled history of news broadcasting have been so generally discreditable to so high a proportion of the participants as the fuss attendant on the CBS documentary, *The Selling of the Pentagon*, in the spring of 1971. The subject—the abuse of funds and discretion in the PR programs of the Department of Defense—was moderately daring; and given the Nixon Administration's reaction to Joe McGinniss' book, *The Selling of the President*, the title guaranteed negative reactions at 1600 Pennsylvania Avenue. But most people, even some in the military, would be willing to agree that pushing weaponry and war is an activity scarcely more defensible than pushing drugs. The key scenes in the documentary, the introduction of children and businessmen to the pleasures of putting little fingers on big triggers, were legitimately horrifying, and there were details here and there in the show that were not part of the fund of common knowledge. Still, said Perry Wolff, the CBS News executive producer whose unit was responsible for the program, "This wasn't supposed to be our fast ball for this season. It was just one show in the continuing *CBS News Hour*."

In fact, what appeared on the air was a considerably slower ball than the first cut that had been prepared for viewing by CBS News senior executives. The problem was in part that CBS itself was heavily involved in some of the activities the program criticized. (Wolff, in fact, had been the producer of the CBS series on *Air Power* back in the 1950s.) One of the sillier bursts of anti-Communism in Defense Department promotion films had been uttered by Walter Cronkite as narrator; and the Cronkite film, though dating back to 1962, was the most popular thing in the Pentagon catalogue, with more than a thousand showings at Kiwania affairs and the like in fiscal 1970. Cronkite is a multi-million-dollar property for CBS, and while he was willing to be criticized, there were limits. Producer Peter G. Davis was angry about the war, the military, and much else, and here and there he had forgotten about limits.

Wolff screened the show first for his immediate superior, Bill Leonard, then for Richard Salant, president of CBS News, vice president Burton Benjamin, and Cronkite, and there followed a snow of memos. The one from Salant included thirty "review points," things in the show that ought to be made to conform to policy. The reediting process stretched out, and the program missed its first air date.

Among the pieces of machinery set in motion when the show did air, on February 23, was the bank of video tape duplicating machines at the Pentagon. CBS estimates that Defense made thirty copies of the show and distributed them about to members of the military who might be able to find demonstrable fault. Within a week, the Pentagon had a brief attacking the show in the hands of every major newspaper, and in print in the *Air Force Journal*. As an attack on the show, the Pentagon effort was easy to brush off, because there really wasn't anything seriously wrong with the show. But in investigating CBS News' procedures, the Defense analysts had come up with several embarrassing errors, two of which should be sufficiently disturbing to trouble people who liked the show and hate the Pentagon.

One was the presentation of excerpts from a speech by Col. John McNeil at a military "seminar" sponsored by a local business group in May 1970 in Peoria, a city much benefited by defense contracts. The episode began with a statement by CBS reporter Roger Mudd: 'The Army has a regulation stating, 'Personnel should not speak on the foreign-policy implications of U.S. involvement in Vietnam.'" Colonel McNeil was then shown saying the following six sentences, apparently one right after the other: "Now we're coming to the heart of the problem—Vietnam. Now the Chinese have clearly and repeatedly stated that Thailand is next on their list after Vietnam. If South Vietnam becomes Communist it will be difficult for Laos to exist. The same goes for Cambodia, and the other countries of Southeast Asia. I think if the Communists were to win in South Vietnam, the record in the North—what happened in Tet of '68—makes it clear there would be a bloodbath in store for a lot of the population in the South. The United States is still going to remain an Asian power."

The first of these sentences was from page 55 of Colonel McNeil's text; the second, from page 36; the third and fourth (quotes from Prince Souvanna Phouma of Laos, though the CBS excerpt did not indicate that), from page 48; the fifth, from page 73; the sixth, from page 38. They were made to appear continuous by a standard film-editing technique, in which shots of the speaker are alternated with shots of the listening crowd.

Now, there is simply no question that this sort of thing is illegitimate. There is also not much question that CBS could have taken a continuous paragraph from the speech that would have served its purpose *almost* as well. From a public point of view, producer Peter Davis and/or his film editor stand convicted of improving a good story just a little, which deserves a mild rebuke and an injunction to go and sin no more. Even the most sober and responsible reporters (*mea culpa! o mea maxima culpa!*) do this sort of thing every once in a while. From Colonel McNeil's point of view, the situation may be somewhat different, for CBS did show him deliberately and consciously violating a Defense Department directive, while the full text of his speech could be held to leave him at least a loincloth of self-image that he was obeying the rules. He is suing CBS for $6 million, and presumably a court and jury will decide whether or not CBS violated his rights by stripping him of this self-protecting belief.

The other matter was considerably more serious as a question of reporting practice (though quite trivial in terms of the message of the program). Roger Mudd had interviewed at length Daniel Z. Henkin, Assistant Secretary of Defense for Public Affairs. With his tape recorder rolling in the background (the Defense Department requires officials to make tapes of interviews), Henkin ran down some of the divisions reporting to his department, ending with the "Directorate of Community Relations," which he described as a service that arranged meetings, sent speakers, etc. Mudd then asked, "But aside from your meetings in which you disseminate information, what about your public displays of military equipment at state fairs and shopping centers? What purpose does that serve?"

Henkin replied, "Well, I think it serves the purpose of informing the public about their armed forces. It also has the ancillary benefit, I would hope, of stimulating interest in recruiting as we move or try to move to zero draft calls and increased reliance on volunteers for our armed forces. I think it is very important that the American youth have an opportunity to learn about the armed forces."

On the air, this sequence appeared as follows:

MUDD: What about your public displays of military equipment at state fairs and shopping centers? What purpose does that serve?

HENKIN: Well, I think it serves the purpose of informing the public about their armed forces. I believe the American public has the right to request information about the armed forces; to have speakers come before them, to ask questions and to understand the need for our armed forces, why we ask for the funds that we ask for, how we spend these funds, what we are doing about such problems as drugs—and we do have a drug problem in the armed forces; what are we doing about the racial prob-

lem—and we do have a racial problem. I think the public has a valid right to ask us these questions.

Henkin's reference to recruiting as a purpose in displaying military equipment at state fairs, a reasonable enough reply, had been deleted; and in its place CBS had inserted, from a subsequent section of the interview, some statements from Henkin's answer to a question Mudd had asked him about "the instant availability of military speakers at Kiwanis and Rotary and so forth." This question was not presented on the program; and the result was to make Henkin seem like a weaseler and a fool.

Mudd's next question, as the show ran, was, "Well, is that sort of information about the drug problem you have and the racial problem you have and the budget problems you have, is that the sort of information that gets passed out at state fairs by sergeants who are standing next to rockets?"

Henkin's actual reply was: "No, I didn't—wouldn't limit that to sergeants standing next to any kind of exhibits. I knew—I thought we were discussing speeches and all."

On the program, Henkin's reply was presented as: "No, I wouldn't limit that to sergeants standing next to any kind of exhibit. Now, there are those who contend that this is propaganda. I do not agree with this."

The second sentence of the reply had been lifted from the context of an answer to an earlier question. And, of course, Henkin looked confused, because he had thought he was answering a question about speakers at meetings; and the look of confusion is not unlike a look of guilt.

This episode shows at least subconscious malice, a desire by the producers of the program that the man in charge of the Pentagon selling apparatus look bad on the home screen. (To the contrary, incidentally, Henkin appears from the record as one of very few heroes in this story. He told the House committee that what had happened to him was unique in his long experience with CBS.

(Asked whether he thought CBS would "do any violence or damage to the First Amendment" by supplying to the committee its notes and records and film "outtakes" not used on the show, he said, "I do want to be candid with this committee and anyone else who may read its record, sir, and I must say that as a newsman on such a matter as this—I would, of course, first want to consult with my counsel—but my inclinations would be not to provide my notes or source material." This drew from Congressman J. J. Pickle of Texas a mock-sympathetic aside about his understanding of why Henkin might wish to "hedge just a little bit for the 'brothers.' ")

Nobody in or out of the news business should condone the manipulation of the filmed interview with Henkin. John Tisdall, chief assistant to the editor for news and current affairs at the BBC, says that "anyone here who was discovered to have presented as the answer to a question an answer that in fact had been given to another question would be deprived of his authority to exercise discretion in the production of programs."

How much of this sort of thing there is on American television nobody really knows. Producers and film editors are disgusted by the whole controversy because, in the overwhelming majority of the cases where they wield their scissors, the purpose is to make some tongue-tied clown sound like a fluent statesman. But some Congressmen, and some others who are regularly interviewed on film for documentary programs, do believe that deception is commonplace. There have been problems, for example, about the technique of "reverses." Where possible, naturally, television news divisions like to send out only one camera, which is trained on the man answering the questions.

After the interview is over, the reporter is separately photographed asking his questions, so both parties to the conversation can be shown on screen. There undoubtedly have been instances in which reporters have rephrased their questions subsequent to the interview, to give a more favorable impression of their work and perhaps a less favorable impression of their respondents' replies. Other editing devices create an apparent dialogue between two respondents at different interviews. The two are shown contradicting each other's statements, and one side or the other can easily be shown to be "winning" this artificial argument—an especially vicious tactic, because both sides can be said to have had equal time to present their case.

On April 7, 1971, Congressman Harley O. Staggers, chairman of the House Committee on Interstate and Foreign Commerce, and of its Special Subcommittee on Investigation, issued subpoenas to CBS, demanding the record of the production of *The Selling of the Pentagon*, and to NBC, for the record of the production of a conservation-oriented documentary called *Say Goodbye*, which had shown men in a helicopter shooting and apparently killing a mother polar bear.

"At home in a hostile climate," said the show's narrator, "the polar bear for centuries has taken for granted its freedom in the Arctic. But no more . . ." The cubs of the apparently dead polar bear were shown wandering disconsolately on the ice, and the narrator intoned, "Grieve for them . . . and for us." But the men in the helicopter had merely shot an anesthetic into the animal so it could be tagged for research purposes, and in the original film, not shown on the air, the bear had later been seen lurching to its feet and walking off.

NBC had no trouble with the Staggers subpoena, because the program in question had been produced by David Wolper rather than by the network, and had simply been slotted into a time period purchased for the purpose by Quaker Oats. All inquiries were passed on to Wolper, who supplied, without raising any constitutional questions, the material demonstrating the deceptive nature of this relatively brief section of his film.

At CBS, however, the subpoena was big trouble. There were a few men at the Pentagon who had given information on a confidential basis, and the producers had a moral obligation not to reveal their names, which were, of course, part of the documentation in the files. Also in the files were the reams of internal memoranda the show had generated. Some of the comments from senior executives would be ammunition for the enemy.

Other comments would be upsetting to Cronkite, because it had been quite impossible for the memo-writers to avoid having some fun with "Walter's" involvement. And the details of how the show had been softened before airing, while they would certainly protect the network against some of the loonier charges launched by the Radical Right, would be embarrassing both to network executives and to the larger world of journalism. Staggers' subpoena was a little vague in its delimiting of what CBS was required to produce; at its worst, it was a fishing expedition that would yield many brightly colored fish, few of them of any conceivable relevance to the law-making powers of the Congress. On April 20, by appearance of counsel, CBS refused to honor the subpoena.

Some of the internal problems at CBS seem to have come to Staggers' attention, because five weeks later he amended his subpoena to apply only to the film and tape from which the material actually broadcast on the program had been selected. "All we want," said Staggers, a pink cherub with white hair, one of those country-bumpkin Congressmen who are always foxing city slickers, "is the films from which they took something, from which they eliminated. We think the people ought to know. The government gives them a license, protects them against anybody else who wants to broadcast on those frequencies. That gives us the right to find out whether they're telling the truth or not; we're elected by the people to find out." And his committee counsel, Daniel Manelli, small, black-haired, much more urban, added, "The truth is not always complicated."

The Selling of the Pentagon was by no means the first CBS program for which Congress had issued subpoenas, and the others had been obeyed. A House Appropriations Committee had investigated charges against *Hunger in America*, and Staggers' own committee had subpoenaed the complete records both of a show on marijuana produced by WBBM–TV, a CBS-owned station in Chicago, and of a projected but never produced show on an abortive invasion of Haiti.

These two had been rather harebrained operations, involving a pot party at Northwestern staged for the cameras, and what amounted to a marginal CBS subsidy to Haitian revolutionaries. In addition, all the networks had made available without subpoena their outtakes (i.e., the portions of film not used on the air) on the riots that accompanied the 1968 Democratic Convention in Chicago.

In response to Staggers' second subpoena, Stanton came to the hearing room himself, and declared that CBS would not provide outtakes and he would not "under compulsory process" answer any questions about *The Selling of the Pentagon*. He distinguished the current case from the pot party and Haitan matters with the explanation that those had involved criminal or possibly criminal activity.

Moreover, there had been no question of investigating editing activities in the Haiti case because nothing had been aired at all. In any event, one cannot waive First Amendment rights; the fact that CBS had yielded to subpoenas before did not mean the network was obliged to do so again. Circumstances had changed: the executive branch had been leaning hard on broadcasting and on the press. In this case the government itself was investigating the probity of a broadcast critical of the government; it was hard to think of anything more likely to have a "chilling effect" on the necessary freedom of the press to criticize government activity.

By then, a large community had rallied round CBS. The network had circularized broadcasters, newspapers, and schools of journalism and secured large numbers of supporting statements, not to mention letters and telephone calls to Congressmen. Breaking their own rules about when programs had to be broadcast to be eligible for certain prizes, several universities and the Emmy committee had given awards to *The Selling of the Pentagon*.

The most serious weakness in the CBS position was the evidence of what had been done in the Henkin interview. When it became clear that Staggers was indeed prepared to force the issue with a contempt citation against Stanton and CBS, the network moved to repair its self-inflicted damage by promulgating new rules to govern editing. To prohibit what had been done in the Henkin incident would confess something CBS was not prepared to confess, so the new rules did not specifically forbid the splicing in of answers to questions other than the one asked on the air.

Instead, they required that should such things occur, "the broadcast will so indicate, either in lead-in narration, bridging narration lines during the interview, or appropriate audio lines." This is in effect, of course, a prohibition: even the most imaginative reader will find it hard to conjure up the image of a television narrator saying, "The interview you are about to hear presents as answers to our reporter's questions answers Mr. X in fact made to other questions."

Unfortunately, the Henkin dilemma went a little deeper than that. Congressmen were disturbed by the possibility that what had happened to Henkin could happen to them, and they would never be able to prove it. CBS in the past had consistently refused to provide anyone with the full transcripts of interviews from which excerpts had been aired, and other interviewees would not have Henkin's resources. The new CBS rules therefore provided that "transcripts of the entire interview will be made available to the interviewee after broadcast, upon request of the interviewee."

Later, during the Congressional debate on the issuance of the Stanton subpoena, letters from several CBS newsmen and news executives would be introduced into the record. "Examination of film outtakes," William J. Small, manager of the CBS News Washington Bureau, wrote, "even by fellow professionals can frequently be a poor judge of the actual editing without much more information." Daniel Schorr wrote that "to try to compare an edited product with the raw material in retrospect without realization of the pressures and needs of the moment is to invite over-simplified and erroneous judgments. To have to live with the constant prospect of such judgments being made would be to live with a form of subtle but real coercion." Burton Benjamin added that "it would, in my view, eliminate the appetite for investigative reporting. Much of the investigation has traditionally involved the government. The proposed system would involve a review by the very people you are investigating."

But by the time these letters were sent, CBS had already given away most of the game. There is, of course, a ponderable difference between automatically giving the government outtakes of interviews with people hostile to government policy and giving only those involving the government's own people. But the opposition expressed by Small, Schorr, and Benjamin to permitting the government to look over the editor's shoulder had already been overridden within CBS.

Assuming that the new rules are for real and not merely part of a tactic to ride out a storm, anyone who feels himself aggrieved by the use made of his filmed or taped interview will have guaranteed access to the transcript, and a free field for second-guessing the editors.

CBS was now ready to challenge Staggers in the forum where he was most likely to be beaten—the House itself. Despite brave words from counsel, CBS News, headed by a lawyer, housed no serious hope that the courts would refuse to enforce Staggers' subpoena if the House voted contempt. Staggers' position was weak on two fronts. The first, and most important to the public, was that *The Selling of the Pentagon* had been, after all, a true and fairly important public service—and among those who would vote for a contempt citation against Stanton were a number who wished to punish CBS not for contempt of Congress but for airing this particular show. Even those who were angry at what had been done to Henkin understood well enough that many of their colleagues strongest in denunciation of CBS would not have been much upset at similar treatment of, say, Bobby Seale.

More important in the House itself, however, was the narrowness of the ultimate subpoena Stanton had refused to honor, and the trivial significance of the information it could produce. Thanks to Henkin's tape recorder and Defense Department investigations, the subcommittee already had nearly everything that CBS had been ordered to produce. To exert the contempt powers of Congress to compel the production of documents that were already known seemed unwise to thirteen members of the parent Commerce Committee (out of thirty-eight who voted on the issuance of the citation). Despite press reports to the contrary, however, the thirteen who voted against citing Stanton did not line up behind CBS. "Some of the general criticism leveled against broadcast news reporting these days is well-founded," their report said. "Our dissent is not an endorsement of the past conduct of broadcast journalism. In fact, we feel that the physical and technical limitations of the medium and the questionable practices of the past may force Congress at some future date to formulate a more effective national policy in this area to safeguard the public's interest. However, this is not at issue here except that we might lose some of our authority to act properly in the future by acting improperly here." With friends like these, CBS would never be in need of enemies.

In the end, the cogency of the minority report—plus pressure from the broadcast and newspaper fraternity all over the country—convinced the House not to act on the Commerce Committee's request for a contempt citation. On July 13, a motion to recommit the matter was carried by a standing vote of 151 to 147; when Staggers demanded a roll call, the vote became 226 to 181, and the episode was over.

Except that such episodes are never over: their echoes resound. At the Corporation for Public Broadcasting, for example, the new CBS rules for editing speeches and interviews, and for supplying interviewees with full transcripts, have provoked a management crisis. Whatever First Amendment rights CBS may have, CPB has none: its charter from the Congress requires its service to be "fair, objective, and balanced." Clearly, any grants from CPB passed through the Public Broadcasting Service to local noncommercial stations that produce documentaries would have to be conditioned on the use of procedures at least as self-effacing as those now announced by CBS. But many of the producers of documentaries at the noncommercial stations see themselves as crusaders, and the imposition of the new CBS rules seems to them the hand of Big Brother clutching at their throats.

Big Brother is in fact loose, and looking around. In the works at the House is a Truth in News Broadcasting Bill (submitted, incidentally, by a Congressman who voted to recommit the contempt citation), which would write into law a slightly tougher version of the new CBS rules and would hold *licensees* responsible for its violation, so that each network might have to perform a considerable song and dance for its affiliates before they would clear time for any documentary. The chance that something wrongheaded will be done has been greatly increased by an almost desperate erosion of trust occasioned by the handling of this trivial dispute about the editing of *The Selling of the Pentagon*.

Except for the *Washington Post* and maybe *Time*, none of the major news media even attempted to examine what was troubling some of the better men on the Hill. (The *New York Times Magazine* carried a flip and ignorant denunciation of Staggers in particular and government in general from the "committed" correspondent Robert Sherrill.) Congressmen looking at a record that demonstrated an instance of clear wrongdoing were told by broadcasters and journalists that the Henkin interview had been (in testimony from Stanton) "fairly edited" and (in a letter from Salant) "in accordance with customary journalistic practice." The proposition that these guys are all fundamentally untrustworthy, never far from the surface of a Congressman's mind, gained increasing authority as the dispute wore on. At least a third of the Congressmen who spoke in the House *against* citing Stanton for contempt also spoke about the news media in terms of irritated distaste.

"The hidden issue here," says Hartford Gunn, president of the Public Broadcasting Service, "is editorial responsibility." In the end, there is no substitute for a professional, objective job of reporting, editing, and documentary construction. "Equal time" to reply, that favorite slogan of government, court, broadcaster, and critic, is in reality, as Gilbert Seldes once wrote, "an empty formula." Seldes challenged "the idea that a stranger appearing on a program to answer an attack delivered by the master of that program inherits the program's audience, prestige, and hold on the affections of the audience. Quite the reverse is true: he is psychologically an interruption that may be resented. He is attacking someone who has enjoyed the favor of the audience, and he is depriving them of what they are accustomed to have."

"I am as tired of being Caesar's only wife as you are," NBC News president Reuven Frank told his staff in a memo written in the aftermath of *The Selling of the Pentagon*, reminding everyone of NBC rules against "deceptive practice." But broadcast news and public affairs really must be Caesar's wife, even at the loss of some vivacity. A reply to a documentary, given inevitably by someone personally concerned or committed to one side of an argument, can never answer the statements of a news broadcaster who has built an image of impartiality and public service.

Hope that public opinion can police deceptive news practice is an obvious casualty of the *Pentagon* affair. Far from expressing concern about the distortions in the Henkin interview, the university and intellectual communities presumably most attentive to these matters gave the show every award in the book. A man who agrees passionately with the point of view he believes he finds in a television program is no more likely to examine the technical background of its production than a lover is to inquire into the use of cosmetics by his beloved. David Brinkley observed that nobody ever accuses a news service of bias on *his* side. Because interest in substance is so much greater than interest in technique, nobody has ever successfully defined "editorial responsibility" or figured out a way to guarantee its presence.

CBS showed great courage in fighting off the Staggers subpoena. If the contempt citation had gone through the House, it is more than possible that the FCC would have felt itself constrained to deny regular three-year license renewals to the CBS-owned stations, because people and organizations convicted of contempt of Congress for actions related to their broadcasting activities are dubious licensees. But a little more courage, properly placed, would have avoided the whole sordid dispute. What CBS News should have done when the Defense Department brief surfaced was to send to Henkin and probably to Colonel McNeil letters of apology from producer Davis, executive producer Wolff, vice president Leonard and president Salant, who were the chain of command on the show. The statement announcing the dispatch of such letters could have stressed the difficulties of editing under time pressure and the obvious unimportance to the show of the matters on which CBS editing had been unfair. What got the best Congressmen angry and what was discreditable to CBS News was not the editing of the Henkin interview—even Caesar's wife can be allowed erasers on the ends of her pencils—but the subsequent defense of something indefensible. If the normal standard of CBS editorial responsibility was indeed demonstrated by the Henkin episode, then there was something horribly wrong about the operations of CBS News.

Of course the Pentagon did not come to Congress with clean hands, but the defense of "you're another" is a confession of editorial irresponsibility and a guaranteed long-term disaster. No doubt the CBS lawyers were to blame: the first rule of legal advice, especially in situations where libel suits are a possibility, is, "Never admit nuttin'." What the television news divisions must ask them-

selves is whether they are healthy enough to withstand infection from the adversary system, whether they can afford to let their public reputation for impartiality and probity sink to that of the lawyers.

JOHNSON TELLS HIS STORY

HON. JOHN YOUNG

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. YOUNG of Texas. Mr. Speaker, I am pleased to share with my colleagues the excellent review of President Johnson's books, "The Vantage Point." Kara and Cecil Burney, reviewers of the book, have had a unique opportunity spanning many years to know and appreciate the author and his work. I commend this fine review which appeared in the Corpus Christi Caller Times of November 14, 1971, to the attention of the Members of the House:

JOHNSON TELLS HIS STORY

(By Kara and Cecil Burney)

(EDITOR'S NOTE.—Mr. and Mrs. Cecil Burney are long-time close friends of former President Lyndon B. Johnson. Burney was co-chairman of a volunteer citizens group supporting the president's nomination for a second full term before he announced he would not be a candidate in 1968. Mrs. Burney was advance coordinator for Mrs. Johnson's famed "whistle-stop" campaign tour through the South in 1964. Both have visited in the White House on several occasions.)

The Vantage Point: Perspectives of the Presidency, 1963–1969. By Lyndon Baines Johnson. Holt, Rinehart and Winston. $15.

Lyndon Baines Johnson has lived to tell his story as he saw it. Readily admitting that others may have seen the events of his presidency in different ways, he explains that this is how it appeared from his particular vantage point. No matter what its critics may say, the good words and the bad ones, The Vantage Point is an important contribution to the history of our time.

This book, then, will become the handbook of the Johnson presidency. However deeply future scholars may delve into those five floors of crimson boxes of the presidential papers at the Lyndon Baines Johnson Library in Austin, always they will come back to this book to see what the man himself chose to say—or not to say—about an event of those times.

Millions of words have been written about Lyndon Johnson. In all of his four decades in public life he was analyzed, scrutinized, dissected; his motives screened, his complex character assailed or praised. Now he has stated his own case. The Vantage Point is the result of three years of painstaking effort.

The former President chronicles well the story of his sojourn in the White House. As one reads the book, one remembers the silence of the presidential mansion. It is quiet, so very quiet, in the family living quarters on the second floor—with only the President talking. Always talking. A friendly call to thank a congressman for his support of the education bill. Next a check with the Situation Room about a world event. Then a telephone visit with the nurse at the bedside of his old comrade, Richard Russell, and you feel he is back in Johnson City leaning over the fence at the home of a sick neighbor, offering a word of encouragement to the family and suggesting that "the kinfolks come over here and stay with us—we've got plenty of room."

Much of what he records here was done with the help of the telephone. President Johnson is Bell's greatest exponent. A small white telephone is never more than an arm-length away. One instrument is mounted under the table in the family dining room, and you are startled to realize that some casual remark during the meal has given him an idea and that already he is calling an aide to put it into action.

The record of the tragedy of Vietnam—that ghastly war so far away and yet so very much right here—covers nearly 200 pages of the book's 600 pages. It reports but does not measure the effect on Lyndon B. Johnson, the commander-in-chief. One cannot forget the look on his face when he put down the telephone late one evening in early 1965 to announce dejectedly—as if they were his own sons—that "17 of our boys didn't make it back tonight." His agony was constant.

As one reads the story of the enlargement of the war, one remembers the commander-in-chief gently placing toothpicks on the shining surface of the dining-room table to explain in simple but all-encompassing detail the military situation at that moment. On one particularly fateful day, Feb. 28, 1968, you see that group of McNamara, Wheeler, Humphrey, Clifford, Rusk and Taylor in the family sitting room as you pass down the hall and wonder what is being discussed in such serious tones. You learn the secret when you read the account in The Vantage Point.

The happy chapters are those chronicling the good things that were done. In these pages, you live again the passage of the Civil Rights Act of 1964, medical care for the aged, the measures to provide aid to both secondary and higher education, the act insuring the right of all citizens to vote and the War on Poverty. Through him—and the First Lady—the nation learned a new word—ecology—as water and air pollution legislation was adopted and as "environmental beautification" became the policy of the federal government. These and a hundred other things the former President proposed and passed through the Congress, many that had been talked about for a hundred years but which one without his flair for dealing with the Congress could not have accomplished.

The references to people are all favorable. In fact, Johnson says not an unkind word about any person, living or dead. Even Robert F. Kennedy. As he recalls the politics of 1964, the former President does not relate the fears of his friends about the then attorney general's ambitions. But one cannot help but remember the precautions that he ordered when there were rumors of a Kennedy takeover at Atlantic City—how a group of old friends spent six weeks in the convention city gaining firm control over the convention machinery lest the rumors be reality.

This book is practically devoid of humor in sharp contrast to the man himself who can tell a good story better than almost anyone.

There are those who refer to the author as being a "politician" as if that were bad. "Politics," he writes, "is the art and craft of dealing with people. It is the art of making possible what seems impossible." This man who made things happen by virtue of his faith in people, voices his special hope that the Lyndon B. Johnson School of Public Affairs will train men and women for statesmanship, for politics.

MEXICAN-AMERICAN RELATIONS

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. LUJAN. Mr. Speaker, in this era of realinements of balance of power in the world, the United States necessarily must realize that its own security depends, in large part, on the understanding, friendship, and cooperation that it receives from its two great natural allies, Mexico and Canada.

In the specific case of Mexico, its importance is greater since our border with this country is the mirror in which more than 250 million Latin Americans see themselves. Fortunately for us, the destiny of Mexico is controlled by a statesman, Licenciado Luis Echeverria Alvarez, who is not only committed to a gigantic program of dynamic progress for the Mexican revolution, but also understands the importance of his country's relations with ours.

His points of view of national as well as international affairs for us ought to be of paramount importance inasmuch as they reflect an independent criteria that in his constructive criticisms involve a sentiment for profound hemispherical solidarity that we ought to admire and listen to.

For this reason, I think it should be of interest to all if I introduce in the CONGRESSIONAL RECORD the speech given at the United Nations by one of the greatest leaders of America, Licenciado Luis Echeverria Alvarez:

SPEECH BY LICENCIADO LUIS ECHEVERRIA ALVAREZ

Mr. Secretary-General:

Representatives:

Mr. Chairman, in the name of the people and the Government of Mexico, I wish to express our warmest congratulations for your well-merited election which ensures the impartiality and efficiency necessary to discharge properly the matters to be considered at this session.

Despite the setbacks our Organization has suffered, Mexico's faith in it remains unshaken since it continues to contribute in an even greater measure than is usually acknowledged, to the evolution of the international community, and because it fosters permanent dialogue among the nations of the world at equitable juridic level and despite ideological or economic differences.

Mexico is the product of a broad ethnic and cultural mixture through which we share in a variety of civilizations. Our independent life began 150 years ago during a period characterized by a world realignment of spheres of domination. For more than a century after, we lived through constant threats to our territory, foreign invasions, the loss of large portions of our land and the systematic depletion of our resources.

To a great extent, the history of our republic is a reflection of the Mexican people's unflagging struggle to break with the heritage of colonialism and to prevent outside interference in domestic affairs. Due to our origins and the difficult conditions under which we have developed, we are a country jealous of our freedom and of the freedom of all the peoples of the earth.

This is why the principles that invariably guide our foreign policy are the proscription of the use of force, the peaceful solution of disputes, nonintervention, the juridical equity of states and the free self-determination of peoples.

Our enthusiastic participation in the work of the United Nations from its inception and our strict compliance with the commitments entered into in a spirit of loyal adherence to the ideals upon which the Organization's existence rests, are not a mere coincidence.

My presence at this Assembly reaffirms Mexico's adherence to the principles of the United Nations and expresses its faith in the rapid advent of a true international democracy, both political and economic.

The items on the agenda of this twenty-sixth session are particularly significant for the present and the future.

Mexico's recollection of its own war of independence causes us deep concern for the fate of millions of human beings in different parts of the world who have not yet won their freedom.

Inasmuch as we have, since 1945, favored our Organization's growing universality, our feeling of satisfaction at the increase of its membership from 51 to 130 nations, with the admittance of Bhutan, Oatar y Bahrein, may well be understood.

A highly important advance toward this principle of universality would be to welcome, during this session, the representatives of a nation inhabited by a fourth of the world's population: The People's Republic of China, and to give it its rightful place in the Security Council.

At the same time, it will be necessary to recognize that the sovereignty and territorial integrity of the Chinese nation are juridically indivisible.

The absolute need to disarm—beginning with nuclear weapons—arises from the concept of peace as paramount among the values of human coexistence.

Mexico has given its decided cooperation to the work for disarmament at all the forums in which it has participated and most particularly at this Assembly and within the specialized committee on this subject.

Furthermore, in the belief that it is well to practice what one preaches, we put forth our most determined efforts to bring the task of banning atomic weapons in Latin America to a successful conclusion. The Tlatelolco Treaty was the culmination of this undertaking. Thanks to this Latin American instrument, there is now a denuclearized area of 7 million square kilometers, encompassing a population of approximately 120 million inhabitants. We wish to express our gratitude to U Thant who in this year's proceedings appealed once again to all the atomic powers, asking them to provide guarantees against the nuclear violation of the area covered by the Treaty of Tlatelolco by signing and ratifying Additional Protocol II of that instrument, a justified request which my country has been making and which I now reiterate most firmly.

The armed struggle that broke out in the Middle East in the spring of 1967 has created a critical situation. Its quick settlement is incumbent not only on the parties directly affected, but on all other members of the international community, since there is a sound basis to believe that this conflict constitutes the most alarming potential threat of confrontation between the so-called "superpowers." We continue to believe that resolution 242, approved unanimously by the Security Council on November 22, 1967, is the proper instrument to end this highly charged conflict.

As regards the serious situation posed by the presence of several million Pakistani refugees in India, Mexico asks that the international community make every effort to find a prompt solution that will allow these defenseless people to return to their homes.

The oceans that separate us geographically should unite us juridically. We should, therefore, strive to formulate a systematic, uniform and equitable code in this field.

Perhaps the two outstanding problems to be settled at the next conference on Maritime Law are the establishment of a regime governing seabeds and an agreement on the extension of territorial waters. The approach to the first of these matters should be guided by the fifteen principles approved by the General Assembly last year, particularly the one that characterizes seabeds as mankind's common property.

We recognize the valid concern of several sister Latin American nations who claim territorial waters beyond the 12-mile limit on the grounds of their legitimate need to use the resources that are increasingly vital to their subsistence for the benefit of their own people and in order to prevent their exploitation by fishermen from distant lands. The time has come to define the special interest of coastal countries in maintaining the productivity of resources lying off their coasts and as a logical corollary, their sovereign right to establish exclusive or potential fishing zones.

Environmental and development problems cannot be solved by the isolated action of any one country, or even by the joint action of a group of countries. General mobilization is required since in the final analysis, it is a question of protecting man himself, the true protagonist of the drama we are living.

The conference on human environment to be held next year in Stockholm is therefore of transcendental importance. Aside from analyzing the possibility to coordinate efforts, the conference will have to confront the inescapable fact that most of the earth's surface and air space is outside the jurisdiction of nations and their conservation, in consequence, demands international agreements.

The problems involved vary according to region and even from city to city; the solutions, therefore, must always be adapted to specific needs. Industrialization often produces pollution; yet it is evident that the development process cannot be curbed, nor can any measure be accepted that hinders the industrial progress of developing countries.

There has been a radical change in the political structure of the world in the last quarter of a century. The liberation process of many nations living under the yoke of colonialism was accelerated, even under the shadow of armed peace and in a time of uncertainty and fear.

It is my hope that this ear of political liberation from colonial rule will be followed by another of economic liberation, in which progress is shared among nations and the problems that concern us all are solved through solidarity and effective action.

The unbalanced stratification of the world community is the result of an historical process in which one group of nations had earlier access to the benefits of modern civilization. The struggle for power among the more developed countries was accomplished by a distribution of the benefits they derived from their positions of strength and the establishment of systems of exploitation that have survived into our times.

In the search for a new balance, we now run the danger that partisan interests of limited vision will prevail over a more far-sighted will for cooperation. The only possible way to prevent this is through reason, and this is its forum; through truth, and this must be its tribune.

United, the poor nations must establish the bases and the limits upon, and not beyond, which they will participate with dignity in the world community; for them, international relations are not a matter of domination but of autonomy and development. They reject anachronistic theories of power and hold that the independence of nations will lead to the repudiation of oligarchical systems and the establishment of an international democratic society.

There will be no peace in the world until there has been a basic readjustment of the economic relations among nations. The menace of increasing inequality between the rich countries and the poor is as serious today as the threat of atomic war.

Notions of time and space have been changed by the communications media and peoples of all races and regions are at last learning the language of universal civilization. Contrasts are thus sharpened, poverty becomes more intolerable, the injustice of wars of aggression and the offenses committed against international cooperation become more evident.

We must reflect upon the negative effects of continued prejudices which hold races and cultures different from those of the powerful nations in contempt. We must give thought to the extent to which the lack of solidarity that negates the patient work of the United Nations, is but a different expression of the same motives that lead to war.

One of the great virtues of the United Nations is that it looks upon many peoples not as they were up to some years ago, but as they may be in the future.

We must fight for the advent of an era of economic, social and political equality and we must break the bonds of serfdom so that all peoples may soon fulfill their creative potential. Just aspirations to freedom, health, food, housing, education and full employment must be guided along peaceful roads.

The demands of the world majority must not go unheeded. Our peoples seek answers and solutions to centuries-old problems and they now want to find them quickly. The nature and trend of the changes taking place over the face of vast continents depend in large measure on the attitude of the powerful nations towards those demands and on the efficacy of the mechanisms of cooperation.

Postwar hostilities are dissolving. But frustration and reaction against unfair treatment must be prevented from provoking a new and racial schism in the world between the affluent nations and those struggling to surmount underdevelopment.

No country or group of countries, powerful as they may be, may take upon themselves the exclusive guidance of world affairs and even less, the guardianship of other nations.

We are today suffering the negative results of systems that were not designed to provide a long-term solution to the true needs of the international community.

The profound crisis now manifest in world economic conditions reflects the shortcomings of the regulatory mechanisms established at the end of World War II, which conciliated the interests of the stronger countries and set up a financial system notoriously favorable to a dominant economy.

General concern with underdevelopment was then far from occupying a position of priority in the organizations responsible for ensuring peace. It was, above all, a matter of rebuilding the economies of the more highly developed countries, reestablishing international relations and defining spheres of political influence.

The ideas of the great majority were absent from the decisions made to create a world tailored to suit the more powerful nations, so much so that the trouble we now experience is the result of a substantial alteration in the relative economic levels among the rich countries.

Fortunately, solidarity among developing nations now constitutes a political force in the formulation of new strategies. We know that each of the principles set forth in the Latin American Consensus of Vina del Mar, the Charter of Tequendama, the Algiers Charter and Resolution 2626 of the General Assembly, has the backing of the millions who make up the bulk of humanity.

Liberalization of world trade took years of arduous negotiation. Adoption of the general system of preferences made us view the future with relative optimism, despite the fact that only tariff barriers were reduced, while the quantitative restrictions contained in import quotas remained unaffected.

The principle by which industrialized nations grant tariff concessions to the poorer ones to enable them to sell their manufacters under competitive conditions, represents a step forward in offsetting existing imbalance among countries at varying stages of development. On the other hand, developing countries, in fact, grant tariff concessions on the import of products from the industrial-

ized nations since they cannot do without the capital goods, machinery and equipment needed for their progress.

We have recently been subjected to events that tend to nullify the modest, but positive advances made up to now.

It is a source of satisfaction to us that the General Assembly, upon convening the Third World UNCTAD, should have expressed its deep concern with the trend in certain countries toward intensification of protectionism, which damages the vital interests of the less developed nations and hampers fulfillment of the goals set up for the Second United Nations Decade of Development.

I consider it my duty to point out that application of a 10 percent ad valorem surtax on U.S. imports hurts my country's interests and those of all developing nations.

A protectionist race must not come on the heels of an armaments race. We already suffer the effects of inflation exported by the great powers; now they shift onto us the results of their balance of payments deficit and unemployment.

The industrialized countries should bear in mind that temporary or permanent tariff barriers levied against poor countries are not only unjustified and unnecessary, but self-defeating.

Most of the developing countries already had a trade deficit that will now become more acute; their manufacturers were just beginning to enter industrialized country markets and such measures will only force us to reduce our imports.

Furthermore, the developing world has long extended its cooperation to the industrialized nations by permitting them to make investments and obtain high profits, by becoming important customers for their exports and suppliers of raw materials which they then process and sell to other economic powers.

Mexico reaffirms the principles set forth in the "Manifesto of Latin America," which is the unanimous stand adopted by the member nations of the Special Latin American Coordinating Committee vis-a-vis the dilemma posed unilaterally by the United States on August 15.

It also reiterates its support of the theses that constitute the international strategy for the Second United Nations Decade of Development, which contain most of the principles sustained by the countries of the "Group of 77", whose number has grown considerably.

Special heed should be given to the opinions and needs of the developing countries in the reorganization of the international monetary system. The agreement of all is necessary to ensure its effectiveness and the unobstructed abiding by its rules. It should not be conceived as an instrument at the service of the more powerful economies, but rather as a factor for the expansion of economic activity to assure an increasing flow of capital, in optimum terms and interest rates, into countries that need it.

Our country gives special importance to the exchange of scientific and technological know-how. In consequence, we observe the work of the Intergovernmental Group on Technology Transference with close attention. We feel sure that the content of its report will contribute to the formulation of national and international policies to surmount the obstacles in the way of public and multilateral action.

Although spectacular results were not produced by advances in the field of economic cooperation, and these met with the serious obstacles I referred to, there is no doubt that they have wrought a change in the principles upon which international trade theory was based. We trust that the next World Conference, to be held next year in Chile, will at last crystallize the main points upon which the hopes of the developing world now rest.

If multilateral cooperation can be a factor of progress, the growth of each country will be primarily the outcome of its own effort and responsibility.

Like all the countries of Latin America, Mexico is engaged in a race against time to provide higher standards of general well-being for its people.

Its goals are centered mainly around productivity and modernization of the agricultural economy, reorientation of industrial policy, redistribution of income, training of human resources, reorganization of public finance and educational opportunities for all.

Economic integration is a collective instrument to speed up Latin American progress. Its attainment should be one of the national policy objectives of every country of the region. Integration is an irreversible process since our peoples are aware that they cannot ignore the trend toward the creation of larger economic areas. It is for this reason that Mexico is especially interested in maintaining closer and more dynamic economic relations with all its sister nations.

To this end, it will be necessary to give greater importance to industrial complementation agreements among LAFTA members, to increase existing margins of preference, create truly Latin American multinational companies, seek to supplement our farm commodity shortages with products from the region and improve regional financing mechanisms to facilitate the export of manufactured and semifinished goods to third countries.

Mexico, on this occasion, reaffirms its support of the Latin American integration process and manifests its desire to see it become a broad-scoped reality.

There is nothing at the present time to justify great optimism regarding the immediate future. But we find hope and encouragement in the knowledge that there are men of all races and ideologies who devote their best efforts to establish a just order. One of the most illustrious of these men is our Secretary General, U Thant, who has dedicated his intelligence and determination to the cause of peace, as well as his unlimited capacity to persuade and conciliate.

As he has already announced, this will be the last session of the Assembly at which he will act in his distinguished post. Once again, on behalf of Mexico, I wish to pay homage at this time to U Thant for the incalculable services he has rendered the United Nations over the past decade.

With the brevity the occasion demands, I have reviewed the matters which I believe to be of greatest importance among the many on our program. I offer these reflexions for your consideration. No better repository for them than this forum, representative par excellence of world opinion and of the aspirations of the human race.

In taking my leave of you and expressing my appreciation for your kind willingness to hear me, I would like to conclude by reaffirming my confidence and that of my people in the future of the United Nations. Our Organization is humanity's guide and mirror and our faith in its future runs parallel to our faith in man and his destiny.

The course of history is traced in advances and retreats, victories and defeats but in the final analysis, there is always an irreversible gain. What has been attained at internal level through the establishment of government by law must be achieved in the sphere of the international community we are all pledged to build. Its structure is ideally shaped in our Charter and each of its principles and aims represents a daily challenge to which, day by day, we must respond.

R. F. K. CALLED $1 CHECKOFF PLAN DANGEROUS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. STEIGER of Wisconsin. Mr. Speaker, during 1967 we heard a good deal of strong and persuasive criticism of the $1-per-person tax checkoff plan for presidential campaigns that had been enacted in the closing days of the 89th Congress. Among the most forceful critics of the $1 checkoff was Senator Robert F. Kennedy.

In reviewing the several days debate on the Pastore amendment this past week I am disappointed to note that Members of the other body have failed to recall the admonition of Senator Kennedy of New York in early 1967.

For the benefit of my colleagues I include as part of my remarks a news report by David S. Broder, which appeared in the Washington Post, January 19, 1967.

The current $1 checkoff plan differs somewhat from the one enacted in 1966. The current proposal contains stricter requirements for candidate reporting and payment eligibility, and it requires the Comptroller General to draw up rules and definitions for "qualified campaign expenses." But several features that troubled the late Senator Kennedy still remain in the current plan.

It does not restrict payments to such easily audited expenditures as the purchase of television and advertising time. And it grants to the authorized political committees of the presidential candidates fully as much power as the 1966 legislation had granted to the party national chairmen.

Accordingly, Mr. Speaker, I believe that the strong reservations Senator Robert Kennedy expressed about the Long amendment apply equally to the Pastore amendment that is now before the House and Senate conferees. Today's proposal is an improvement, but it is every bit the temptation that Senator Kennedy perceived.

The article follows:

[From the Washington Post, Jan. 19, 1967]

R. F. K. CALLS $1-PER-PERSON TAX PLAN FOR POLITICAL CONTRIBUTION DANGEROUS

(By David S. Broder)

Sen. Robert F. Kennedy (D-N.Y.) said last night that the $1-per-person tax checkoff plan for presidential campaign contributions approved by Congress last year contains an "extremely dangerous" grant of power to the heads of the national political parties.

Kennedy, in an interview with the National Educational Television network, said it was "imperative" that the new law be changed to put "very tight restrictions" on the authority of the party chairmen to use the estimated $30 million each party will receive from the taxpayers.

Otherwise, Kennedy said, each party chairman "is going to have an immense amount of money freely at his disposal to use all across the United States . . . in any way he sees fit in a manner that I think is very dangerous."

The Kennedy interview was broadcast last night in New York and will be seen tonight at 8 o'clock on Channel 26 in Washington.

The target of Kennedy's criticism was an amendment sponsored by Sen. Russell B. Long (D-La.) permitting each taxpayer to indicate by a check on his income tax form that he wants $1 of his income tax used to finance the next presidential campaign. The money would be divided equally between the two major parties, with special provisions for a share to a minor party that received more than five million votes.

Long appended the amendment to the so-called "Christmas tree" bill closing foreign tax loopholes. President Johnson signed it with a statement saying "presidential candidates will no longer have to rely on special interest groups to meet the heavy financial burden of a campaign.

Kennedy told NET interviewer Paul Niven that he, too, favored public financing of presidential campaigns but added that the Long amendment "puts too much money without any restraints in the hands of political organizations."

Kennedy told Niven: "Say you were my friend here in the city of New York and I was head of the Democratic Party, I'd say to you, 'Here's $500,000, I hope you can work for the candidate in 1968' . . . And if you have a struggle for the nomination, you know that the money is going to go to the head of the national committee . . . He can easily indicate to various parts of the country that they will receive large amounts of money if they vote in a way that meets his wishes."

Kennedy suggested that the law be changed to require public accounting of the fund's use and perhaps to restrict use to easily audited expenditures such as purchase of television time and advertising.

SPEECH BY MR. M. O. LEE, CHAIRMAN OF VF CORP., TO ALABAMA CHAMBER OF COMMERCE, NOVEMBER 18, 1971

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. NICHOLS. Mr. Speaker, on November 18, Mr. M. O. Lee, chairman of the VF Corp., addressed the Alabama Chamber of Commerce meeting in Montgomery. I believe Mr. Lee has a number of very important and thought provoking remarks in his speech and I include it in the RECORD at this point:

SPEECH BY MR. M. O. LEE, CHAIRMAN OF VF CORP., TO ALABAMA CHAMBER OF COMMERCE, NOVEMBER 18, 1971

My sincere thanks for your very kind welcome. Alabamians have set a tradition for gracious treatment of their guests and I am delighted to be a beneficiary of your hospitality.

I would not violate that hospitality by commenting on the Alabama-Auburn football game. The sports writers say the winner will probably play No. 1—Nebraska—in one of the bowl games. I must tell you I was born and grew up in Nebraska. So on behalf of the Cornhuskers from New Jersey, Pennsylvania, and Ohio who have been attracted to Nebraska by the good weather, high educational standards, and other factors of interest to athletes, may I ask you—and particularly the Alabama and the Auburn football squad—to treat our poor little Nebraskans kindly and gently and with real Southern hospitality.

While we share a common interest in football and the ball games, more important is the common intereat we *share* for what happens to American business and workers here in Alabama and throughout the nation. I, as a representative of one of the nation's largest apparel manufacturers, you, as a leader of Alabama industry, our destinies are linked and I welcome this chance to discuss the problem . . . and opportunities we share jointly.

Despite the success of Nebraska, Alabama, and Auburn on the football field, 1971 has been a pretty tough year. We can point to a lot of things that happened which we do not approve.

But the truth is: 1971 was not all negative. I believe that in the future it can be said of this year that it was a 12 months when the people of this nation rejected mod rule and the hippy philosophy of something for nothing . . . a period when the leaders of this nation—in Washington, in industry, and in labor—finally said *enough* to the tidal wave of unrestricted imports that have been engulfing us;

Enough to monumental trade deficits;

Enough to discrimination against American capital good abrond;

And *enough* to inflation, the silent thief that has been robbing us of our savings and sapping our will to work.

I am very much concerned with the apparent stand of international trade and its repercussion upon our apparel industry. Today I would like to discuss with you the matter of imports that have already destroyed portions of our industry; that has helped raise unemployment in our country to unacceptable levels, that has cut unduly low margins of profit in many companies, and that threatens to turn our nation into a dumping ground for products that we will eventually be unable to pay for.

Alabama is a State vitally dependent upon apparels and textiles. Some 229 apparel plants in your State employ over 41,000 workers. The textile industry in Alabama adds another 43,000 workers operating 129 plants. Twenty-six out of every 100 manufacturing workers here in Alabama depend upon textiles and apparel for a livelihood.

VF Corporation has 16 plants in Southeastern United States and employs 18,000 people of which 8,000 are employed in Alabama.

How can our workers compete with those in Japan who average 39c an hour in the apparel industry; with those in Hong Kong where the average hourly wage for clothing workers is 26c; with Taiwan and its 15c an hour scale; and with Korea which pays its workers an average of 9c an hour. Try to compete with them.

Here in Alabama, your steel industry and your chemical industry and your textile industry have also been undercut by imports from nations whose wage scales are sharply below yours. We would like to compete with foreign producers but would like to do so on equal terms. We are handcuffed by wage scales, tax laws, policies, and regulations that most foreign producers do not have to put up with.

Alabama, then, is a State that knows first hand the effect of unfair competition from abroad.

How did this situatiol. ar'se? How did we lose our preeminence in international trade? Five years after World War II ended, we were the undisputed number one industrial power in the world. We still are. But our position is fast slipping. In the past two decades, the growth rate of our gross national product has ranked three from the bottom among the 21 leading nations of the globe.

Two decades ago the American dollar was the world's most respected currency—that standard by which all others were measured. It no longer is. It was a shocking experience for Americans this past summer to have their dollar rejected by Europeans.

In 1950, mills in Pittsburgh, in Chicago, and in Alabama produced almost one-half of the world's steel production. Today, these mills actually have a merc one-fifth of all steel production.

Two decades ago, Detroit produced ¾ of all automobiles in the world, and we had a sizeable export trade in automobiles. Today our share of the world's market of automobiles has shrunk to just ⅓. Thirty-five percent of new car registrations in California are foreign.

After World War II, our ship yards were the largest and finest in the world. Last year, they produced only 2% . . . 2% of the world's merchant ships.

Our machine tool industry was once the pride of the world. We have backed into *fourth* place.

Now the industry with which I am intimately concerned—textiles and apparels—have been short nothing of a disaster area as a consequence of our over-liberal trade policy.

A respected figure in the American footwear industry has estimated that imported footwear has wiped out 76,250 job opportunities in this category alone by 1969. By 1975; the figure could reach 169,200. Four years ago, footwear imports were 22% of the U.S. market. This year they were around 36% and heading for the 42% zone.

Another respected figure, this one in the textile industry, has estimated that to produce the 1969 volume of imported textile and apparel products would have required about 250,000 textile and apparel jobs.

Today, the American Apparel Manufacturing Association estimates, one out of every two women's sweaters sold in this country is imported; one out of three men's dress shirts sold is imported; and ⅓ of all women's blouses consumed in the United States is imported.

If you want to see how fast imports can penetrate a market, one need only look at the panty hose market where imports went from virtually nothing to 10% of domestic production in 18 months.

Textiles, particularly hard hit, have been suffering a trade deficit since 1958. Last year 1.6 billion dollars more textile and apparel products were imported into this country than exported.

The United States practically "invented" the man-made fibers industry. Imports of man-made fibers have risen from less than 1 billion equivanlent square yards in 1967 to a current annual rate of nearly 4.4 billion.

This appalling state of affairs has had a direct effect on the American industry. Among textile mill product companies, after tax profits to sales have tumbled from an average of 3.6% to 1.9% in a five year span (1966–1970).

Bankruptcies are as common in the textile and apparel industries as the boll weevil in the cotton field.

My company, the VF Corporation, has campaigned against this general trend. There are several reasons for this. Our emphasis has been on man-made fibers. This is an area in which foreign competitors have only recently zeroed in. In addition, we have stressed quality and fashion and price levels that place us in the competitive battle and I might add Vanity Fair has had the financial resources and commitment that have enabled us to make technological and management advances—not really common in our industry. We are confident we can continue to grow and prosper and that our industry can recover—if people—first, begin to understand the problem, then respond in attitudes, in conviction, in buying practices.

People must recognize that the problem is not caused simply by differences in labor costs between the United States and foreign

countries—not by our inflation, nor by the effects of U.S. business investments abroad—nor by the Viet Nam war and military expenditures. Despite the over-simplified explanation you often hear for our plight, I believe that like everything in human affairs, there is no single factor behind this appalling state of affairs. Nor can we place the blame on external causes for all our economic distress.

Part of the decline in the American prestige, in American influence, our share of the world market was inevitable . . . it was bound to happen in the normal course of events. We could not remain king pin and dominate every single aspect of the world's economic fever . . . as much as some of us would like to, other countries have the same aspirations and drive and high technical skill that we do, although they may not have the same resources.

But, of course, there is no need to deliberately throw away both our preeminence or our market by short-sighted action.

Other countries don't.

Compare the United States with most of the countries of the world which are interested in trade. Compare tax policies. Take a look at the depreciation and incentive system. See who protects domestic producers. Examine the attitude of labor and government. You will begin to understand that world trade and practice by our competitors is neither free or fair. And we go into the battle with one arm tied behind our back!

A comparison of the American and of the Japanese experience over the recent past illustrates the attitude of Japanese labor leaders in fostering Japan's superior growth rate.

Japanese labor took the position that what is best for their nation and for their company is best for them. This attitude is engrained in them. Unions participate in helping the company overcome obstacles, achieve efficiency, meet competition. Japanese labor and management work as a team. Japanese unions often postpone wage increases, realizing that wages can be increased only as the company grows.

Such common labor practices as featherbedding, cooping, limiting production, the closed shops are virtually unknown in Japan and incidentally, this is true in many other foreign countries.

In America, we have some labor leaders—and this has been particularly true in the apparel industry—who I regard as enlightened. They recognize the need for craftsmanship and productivity. They understand the peril of unfair, disorderly competition from abroad but this has not been universally true by a long shot. And too often, labor and management have operated on an antagonism principal—and adversary costly in confrontation. You know the results.

Since the end of World War II, wages have been rising 4.5% each year and two years ago reached a 7.5% annual rate—3½ times the overall gain in productivity.

As a consequence, despite extraordinary refinements in production techniques and widespread adoption of automation in this country, output of the the American workers has only gained 35% in the past decade. Japan's output has soared 189% in the same time.

As a further consequence, the gap between the U.S. and Japanese hourly employment costs widened during the decade from $2.43 to $3.23 per hour. Whereas, American manufacturers now pay an average total labor cost of $4.18 per hour including fringe benefits. Japanese manufacturers pay their laborers an average of 95¢ per hour.

As bad as inflation is, as bad as our labor costs and productivity might be, they are not the only culprits in outpricing ourselves in the world markets. I believe that most of the blame must be placed on laws that hamper efficiency and productivity, and hamstrings modernization and automation.

Fred Borch, Chairman of General Electric Company, put it this way in a recent speech: "What is the real reason for the serious U.S. trade situation? It boils down to the fact that other countries have placed international trade as a top national priority and have adopted structural policies to promote their sales and balance of payments."

What does Mr. Borch mean by structural policies?

It is very basic. We must restructure our laws and policies in order to intensify capital investments in modernization and automation. We must encourage investments in research and development. And industry must be rewarded, not penalized, for doing what is so obviously in the interest of the American public.

The Japanese and West Germany governments understand the necessity for having the most modern machinery and actually foster new construction and modernization. The American government, committed to fantastically high levels of government spending, makes unrealistic and inadequate tax concession for new plants and replacement of equipment.

In the decade just ended, investment in new plants and equipment, Japan reported somewhere around ⅓ of the gross national product. In West Germany, the comparable figure was 25%. Among large countries, the United States stood last in new investments in plants and equipment as a percentage of gross national product . . . only 16%.

Despite recent improvement in depreciation guide-lines and improved first year writeoffs, the United States continues to have the poorest capital recovery system among the world's industrial nations. After 7 years, the average total recovery for capital expenditures by American corporations is still only 76%—or 4 percentage points below the first year writeoffs of U.K. Corporation.

The need for improved depreciation policies has been heightened by our growing ecological concern. I am for fighting pollution and protecting our environment. But I think it is also important to look at the cost. For example, the Industrial Conference Board, a non-profit, fact-finding group, have estimated that by 1975, public and private spending for air and water pollution alone will total $61.7 billion. This amount of money, if invested in new plants and equipment, would create jobs for 2/3 of the nation's 4.8 million unemployed.

Incidentally, other nations have not yet assumed such responsibilities and accompanying cost burden, nor are there any signs that they will. Hence, American corporations are operating under another large burden.

The handicaps under which American corporations operate are compounded by aggressive policies of foreign government in subsidizing exports direct or indirect, and by restrictions placed on American investments abroad.

In Japan, most industry is closed to majority U.S. participation. And direct investment is restricted largely to new firms when imports, fairly stiff quotas are imposed in 40 categories of goods including coal, computers, oil and shoes and other leather products. Major tariff barriers include duties of up to 40% on value of canned fruits and vegetables, up to 25% on cosmetics, up to 25% on computers. A commodity tax is added to the cost of such items as automobiles, air conditioners, cosmetics, and film. Even where there are no quota restrictions such as with apparel, Japan has found ways to keep out most U.S. apparel products.

Controls on capital investments and quotas are only two of a host of known tariff barriers that are used by many countries to effectively control the flow of imported products. These barriers have become more important since the Kennedy realm which reduced tariffs by as much as 50% and thus limited the ability of tariffs to regulate trade in many products.

Known tariff barriers take many forms. For example, France and Belgium have very high taxes on large automobiles which fall almost exclusively on U.S. automobiles. Italy virtually excludes imports of Japanese automobiles. This has increased the pressure to market Japanese automobiles in other countries, particularly the United States. In the power generator field which is mostly government controlled in Europe, purchase of generator equipment is usually made domestically or at least within the economic trade block.

In the electronics equipment field, France, West Germany, and the U.K. have a tripartite accord on quality certification which, according to the Department of Commerce, could be detrimental to U.S. products. Basically speaking, these specific items have turnover taxes. These taxes are levied on all imports but *rebated* on exports. This helps the European manufacturer since it reduces his price. What a contrast to the way American manufacturers are treated—and taxed!!

Let me make one thing clear. I am not an isolationist opposed to world trade.

The VF Corporation is an intimate apparel complex. We have plants now or will have shortly in Spain, Belgium, Scotland, Ireland, Greece, South Africa, Rhodesia, Colombia, and Canada.

But we invest our own money in those countries and take the same risks as everyone else. We create jobs and compete in every market. If foreign countries want to invest in America on the same basis, I have no objection. I welcome them. Just let them play by the same rules, with the same wage scale, the same taxes, and the same opportunities as we do.

I've suggested, I agree with General Electric and Mr. Borch: We need new structural policies and we need to understand the importance of world trade to our national interest.

We also need some other things—like getting back to basics and working from the premise that "Patrotism" is not a four letter word. We should give preferential treatment to our own citizens, to our own country, by buying goods of American manufacture whenever they are available. By "Buy American" we are giving employment to American citizens, upgrading American skill, reducing unemployment rolls, and contributing to the maintenance of our schools and other civic enterprises, contributing to the strength of our balance of payments, strengthening the American dollar.

A dollar invested in goods of American manufacture, whether it be textile or apparel or automobiles or steel, has a multiplier effect. It goes round and round our economy, benefiting everyone.

I am not saying buy a product of lesser quality just because it is made in America. I am saying the American consumer should at least be given the option of buying products made in the U.S., and many retailers do not even provide that option today.

Somehow we have been blinded by the mystique of foreign labor. We have been taught to believe that if goods are made in France, Turkey, or Hong Kong or Mesopotania, they are exotic and more desirable. Foreign labels carry a certain snob appeal. Yet, no country on earth produces wares as fine as those made in America. I have been going around the country preaching the gospel of "Buy American" and the response that I have been receiving has just been tremendous. People have been telling me that a "Buy American" movement is long over due so, look for the "made in America" label. You will be benefiting your neighbor as well as yourself.

"Buy American" is not enough. Even an effective "Buy American" campaign coupled with the existing tariff rate on imports cannot cope with the unrestricted market of foreign products in this country.

What is needed is a program for series of mod multi lateral agreements which would put exports-imports on a rational, orderly basis. One of the goals of such multi-lateral agreements would be to help developing nations market their excess products through the world. Yet, these exports must not be detrimental to the importing countries. It is one thing to share our market. It is quite another to lose it! Nevertheless, I favor working for multi-national arrangement that would also serve as a basis for further negotiations of truly reciprocal trade by eliminating barriers to export trade, particularly the barriers faced by American producers.

Recent agreements negotiated by President Nixon with four countries—Japan, Hong Kong, Korea, Taiwan—on wool and man-made fibers apparel—are a step in the right direction. These should be used as a step to a multi lateralized agreement covering the trade of all textile-apparel products. Within this, a forum could be set up to police the operation of the arrangement and help reduce existing barriers in trade in these products. Multilateral agreements of this type could logically be expanded to the steel, automotive, electronics, and other sectors of our economy suffering from indiscriminate imports.

Coincidental with these agreements, an equitable monetary agreement should be developed so world trade can be resumed in an orderly manner. While these multi lateral agreements are being hammered out, we should work for a lowering of trade restrictions and barriers to investment of American capital abroad.

While we are bargaining for our exports on a quid pro quo basis with foreign nations, we must continue to put our economic house in order. We have suggested not pricing ourselves out of new markets with a prolonged wage-price spiral. The President has announced a temporary halt to this self defeating practice. Now we have gained breathing time to make positive moves toward expanding our export market.

Phase 2 should give us the opportunity to begin to build a more rational, logical economy.

During Phase 2, we should also seek to regain our technological leadership in areas where we have lost it and to extend our leadership where we are ahead.

Outstandingly superior technology may be the one enduring, our prime weapon, in our struggle for economic vitality—against unfair foreign competition. Again here is an instance where tax incentive—national commitments—are required.

My personal hope is that the period of Phase 2 will provide an opportunity for national reexamination.

We need in this country an infusion of pride—pride in ourselves as people, pride in the work we do, the pride we make, the country we are constantly remolding.

Recessions are no fun. But they are educational!

Perhaps out of the recession, we are learning a concern for people here in the United States who need jobs. We are learning that it is in our own interest when American business profits and reinvest and create new jobs. We are learning that retail sales do not come from low priced merchandise, produced abroad. Retail sales come from American workers who have jobs and confidence and money to spend.

You business man here today—what kind of car do you drive? What kind of camera do you use? Where are your clothes manufactured? What are you doing to let Congress and the President know how you stand on adding fairness to our out-of-kilter world trade position? What are you doing to explain the importance of this whole issue to your employees and suppliers and friends? None of us have done enough.

Let us all hope for a world where there is a free, fair flow of trade. Let us hope that trade restrictions and barriers can eventually be removed. But until there is fairness, until there is orderliness, until relative stability and equilibrium can be restored and foreign obstacles to free trade be removed, let us do what we must to protect American jobs . . . sustain American industry . . . and stimulate American capacity to do the things required to assure our people a better life.

There is no nation or culture on the face of this earth that has produced more goods for more people in as short a period of time as the United States of America. And I believe it is high time that all of us, the press, radio, TV—stop whipping the United States of America and point with pride to her accomplishments.

PAN AM LOOKS AT THE SPACE SHUTTLE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. FUQUA. Mr. Speaker, it has been my privilege, over the last few years, to study our national space program, particularly the low-cost transportation system known as the space shuttle.

During the debate on the NASA authorization bill, I said that the development of a low-cost transportation system to space is feasible.

Therefore, it was with great interest that I read a speech delivered by Najeeb E. Halaby, chairman and chief executive officer of Pan American World Airways, titled "A Commercial Airline Looks at the Space Shuttle," delivered at the Society of Experimental Test Pilot's symposium, in Los Angeles.

In my opinion, there are few in the field of aviation today as well qualified to speak on this subject as Mr. Halaby, about whom President John F. Kennedy said, when he appointed him FAA Administrator:

We have looked for the best qualified and professionally competent man. We have found him in "Jeeb" Halaby.

What better team than this man and this company, Pan Am, with its depth of experience and talent in the space field, to evaluate the space shuttle.

In his speech Mr. Halaby said he does not consider it at all inappropriate to discuss today a time not far ahead when men will be going routinely from earth to outer space in a space shuttle.

"Some may question the assumption that a shuttle through space is not far off. But in historic context, it is imminent." He pointed out that progress in man's locomotion has accelerated and telescoped, and in this respect, we cannot consider a space shuttle far away. "We see this progress linked closely to the commercial airline."

Mr. Halaby told how Pan Am began dreaming the dream of space in 1953 when it organized what is now called its Aerospace Services Division to help develop, then to support the Air Force's Eastern Test Range, and what is now known as Cape Kennedy.

He feels airlines should play an integral role in the space shuttle program and indicated that NASA has already shown that it appreciates the contributions the airlines can make to the program, by having airlines participate with space contractors in the development of the space shuttle.

Mr. Halaby explained that Pan Am has been working on the space shuttle for the past 2½ years and is now teamed with McDonnel Douglas and Aerojet General on this project, with its specific, if not exactly precise role, to make the eventual space shuttle work more like a standard airliner than a quarterly experiment.

The key to practical application of the space shuttle is basically the same as the key to developing commercial aircraft: reduction of the cost per pound of payload. Since it takes much less energy to put an object in earth orbit than to fly the same object across the United States, there is no reason why the cost of space shuttle operations should not become as low as or lower than that of jets. The main costs, however, are the same for the space shuttle as they are for commercial airliners: it is not the energy, but rather the vehicle, operating personnel, and the logistic support, that eat up the budget. Here the airline has a great value. Commercial airlines have great depth in operations and logistic support with that other reusable space vehicle, the airplane.

Mr. Halaby explained that as presently visualized, between 1980 and 2000 a space shuttle will evolve from a reusable vehicle that will put a 60,000-pound payload into a 250-mile earth orbit at a cost of about $100 a pound, into one that could carry a payload of up to 150,000 pounds into higher orbits at costs of $10 a pound, and with lower G-forces on take-off.

He said the present forecast is that the space shuttle will be used to support space stations by transporting crews and supplies, to launch and service satellites, and to serve as a rescue and emergency vehicle.

As costs come down, though, applications may multiply. Some scientists predict that manufacturing in space will become a commercial venture worth hundreds of billions of dollars by the end of this century.

They say this is because the unique environment in space could make possible new and vastly improved manufacturing techniques for many valuable products. Satellites could become the sentinels that will alert us of dangerous storms, of rotting but remote forests, of drought and rain in farming areas, of invisibly deteriorating crops, of river and ocean pollution, of earth faults, of geological properties like mineral and fuel resources. They will revolutionize even further communication and navigation. They will become the sensors—the eyes and ears of all those concerned with environment, ecology, and earth resources.

Mr. Halaby stated that these and other activities will call for a fleet of space shuttles, transferring and supplying crews on space stations, servicing navigation, communications, and earth

resources satellites, supporting this entire elaborate space community.

A commercial airline, with its depth of experience and talent in the field, could be the most efficient and economical agency to operate, under contract to the Government, a Space Shuttle airline between earth and space.

Just as Pan Am teams at Cape Kennedy have maintained the spaceport, launched vehicles, manned the weather and communications operations, he visualizes commercial airline teams operating the space shuttleport.

And since the shuttle, unlike today's unique space vehicles, will be working vehicles, he sees no reason why the men at the controls should not be commercial captains, taking off somewhat more steeply perhaps, but then navigating and maneuvering to their destinations in space much as they do in the air, then reentering the atmosphere, and landing the vehicle like an airplane.

In discussing Pan Am's most glamorous vision, Mr. Halaby said:

The "Impossible Dream" we insist on dreaming is that of the Space Shuttle as an air transport, carrying passengers from New York to Tokyo—in 45 minutes, or from Los Angeles to Rome in 40.

He can visualize a rocket-powered vehicle with 100 passengers—not counting stewardesses—launched vertically in a suborbital trajectory at the precise azimuth for its intended destination, reentering the atmosphere without excess g-forces, gliding unpowered to an altitude where its conventional jet engines will be started, then landing on a runway like a conventional airliner. Obviously this dream is a long way down the line, and many inventions remain to be invented before it occurs.

In conclusion, he pointed out that in the past the fact that technology was capable of building a better vehicle was generally sufficient to justify going ahead and producing it, however, we learned that this is not enough any more.

The public by and large has assumed a new set of values, and these values have to do not with speed and scientific accomplishment, but rather with tranquility, fresh air, and value-received-for-cost-paid.

And we have learned—or we had better have learned—that from here on out, our future will depend not on a few leaders, but on a concerned and aroused public at large. So our design criteria for a space shuttle are not related simply to its efficiency, its speed, its fuel consumption, its payload, and all those other traditional concerns. Superimposed on these already-difficult specifications is the requirement that the Space Shuttle fulfill a real need of people; that it operate at a cost the public can afford; and that it operate within parameters of social acceptability.

H.R. 6834

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. WALDIE. Mr. Speaker, I am most appreciative of the opportunity to speak on behalf of H.R. 6834, to provide Federal financial assistance for the reconstruction or repair of private nonprofit medical care facilities damaged or destroyed by disaster.

I am sure we are all aware of the millions of dollars damage done to such installations by the earthquake which occurred in Southern California earlier this year.

Mr. Speaker, that earthquake was only of medium intensity. There are a number of communities built on little known earthquake fault lines in California which may sometime feel the effects of another quake of the dimensions of the one cited above. We may, although I most assuredly hope not, sustain a quake of major proportions in the future. I would be more confident of our ability to rebuild vital medical installations if H.R. 6834 were passed into law.

Again, Mr. Speaker, thank you for the opportunity to present my views on this legislation.

THE SUBURBS HAVE TO OPEN THEIR GATES

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 30, 1971

Mr. REID of New York. Mr. Speaker, I direct the attention of my colleagues to the thoughtful article which I am inserting today in the RECORD. The article, entitled "The Suburbs Have To Open Their Gates," is authored by the distinguished and able urban planners Paul Davidoff, Linda Davidoff, and Neil Gold who are working to open up housing, and thereby other opportunities including education and public services, to minorities in the suburbs. Mr. and Mrs. Davidoff and Mr. Gold work with the Suburban Action Institute located in White Plains, N.Y.

As this article points out, the issues of substandard housing, exclusionary zoning laws and other problems that we consider "urban problems" are far from that. They are urban and suburban and above all they are national and should be recognized as such. This article merits our attention and our study, and I commend it to the attention of the Members.

The article follows:

THE SUBURBS HAVE TO OPEN THEIR GATES

(By Linda and Paul Davidoff and Neil N. Gold)

A few years ago, socially conscious residents of the New York suburbs joined in a project that occupied several spring weekends: they chose blocks in the East Harlem and Bedford-Stuyvesant ghettos and traveled to them in teams, equipped with paint, brushes, buckets and mops, for cooperative clean-up, fix-up sessions with the residents. This was a way for middleclass people to experience and, at the same time, try to help solve the neighborhood problems of the ghettos.

A few weekends and some paint had little effect on the crumbling structures and festering economic and social problems of the ghetto neighborhoods. But these efforts, worthy enough in themselves, skirted the reality: that it is the exclusionary practices of the suburbs themselves that help create the poverty and ugliness of the slums, and that well-motivated suburbanites could do more for poor and working-class people trapped in the inner cities by opening up their land, job markets and tax resources to them.

The 1970 Census revealed what had begun to dawn on urbanists in the nineteen-sixties: that the suburbs contain the largest share of America's population. In 1970, 36 per cent of the people lived in suburban parts of metropolitan regions, 30 per cent in the central cities and 34 per cent in rural areas. Some time in the current decade, more people will be employed in the suburbs than in either the cities or rural areas. And according to all predictions, the suburbs will continue to have the largest number of Americans for a long time.

Although the suburbs have provided housing and jobs for millions of new families since 1950, many suburban communities have maintained controls over the kinds of families who can live in them. Suburban values have been formed by reaction against crowded, harassed city life and fear of threatening, alien city people. As the population, the taxable income and the jobs have left the cities for the suburbs, the "urban crisis" of substandard housing, declining levels of education and public services, and dried-up employment opportunities has been created. The crisis is not urban at all, but national, and in part a product of the walls that have been built by the suburbs to discourage outward movement by the poor and blacks in the cities.

Opening the suburbs will not only reduce race and class tensions in our society but bring economic gains to all our people—through better use of the resources these communities have to offer: *land* for housing (and with it the opportunity for a decent public education), *jobs* and *tax revenues*. To bring this about, we need *action* to convince the communities—as well as Federal and state courts and legislators—that change must come, plus imaginative *planning* for an era of housing construction that will meet the needs of an expanding suburban population.

LAND

The new ecological consciousness in America and the cityward movement of our population have led to a widespread belief that we are exhausting our most precious resource: the land. Nothing could be further from the truth. America is land rich. "Megalopolis," the concentration of population along the Eastern seaboard from Boston south to Washington, consists largely of unbroken expanses of open space. Settlements along the Boston-Washington corridor are mostly thin strips along major roads and railroads; off the beaten path, woods and farms predominate. Outside the great metropolitan complexes, the land is open and unused, and places that once were farm land or villages are losing their populations and returning to the wilds. Out of 3,000 counties in the U.S., 1,000 have had a net loss in population during the last 30 years; the move from country to city, and the mechanization of agricultural production, are leaving larger and larger portions of the continent's land to open space.

Within metropolitan areas, population growth has exhausted the supply of developable open land only within the older inner cities. Vacant land is plentiful within 20 to 30 miles of the centers of every major city in the nation. Without restrictive laws, it would be possible to develop commercial and industrial properties at relatively low land costs in the outer suburbs of metropolitan regions. Moreover, only restrictive zoning, building codes and other antidevelopment legislation prevent the construction of

a large number of housing units in these same areas.

The zoning laws cover a large proportion of vacant developable land in the suburbs. In the New region, 90 per cent of all such land is zoned for single-family residential use; in eight counties of New Jersey, 82 per cent of it is zoned for lots of a half-acre or more; in the portion of Connecticut closest to New York City, three-fourths of the open residential land is zoned for an acre or more. While many older suburban towns either have no significant tracts of vacant land or already have a large population of working-class and minority families, the communities that control the bulk of the vacant land have enacted exclusionary laws.

If housing could be built in an open-market situation in the suburbs, the structure of the housing market in metropolitan America would change sharply. It would be possible to build many more houses on quarter- and half-acre lots, the accepted pattern of construction in the nation since World War II. And it would be possible to build row houses and garden apartments, the least expensive form of housing for families of moderate means.

The land supply in metropolitan areas is being kept off the market not by private acts, but by public enactment. In creating private preserves for the wealthy, law has become the instrument of those who want to keep out moderate- and low-income families. This leads to a paradox that has been called "Ivy League Socialism": excessive government intervention, on behalf of not the poor but the rich. The protected property owners are precisely those most able to protect themselves from undesired neighbors by their own wealth. They can buy large tracts of land, build high fences around them and put their houses in the middle of their estates at the end of long driveways. They do not need the help of the law.

The exclusionary laws are not completely explicit: there are no zoning maps divided into racially or economically restricted areas, so labeled. But there are thousands of zoning maps which say, in effect: "Upper Income Here"; "Middle-to-Upper Income Here"; No Lower-Income Permitted Except as Household Employees"; "No Blacks Permitted." The practical effect of the maps and codes is to prohibit all but the most costly forms of housing development.

Why do we call the result de jure segregation? Because the racial consequences have been understood for a decade or more by anyone familiar with patterns of population movement. It is a certainty that the planners and public officials who draft and enact zoning ordinances restricting land development to single-family, detached structures on plots of an acre or more do so in full awareness that, as a consequence, almost all blacks will be excluded from such zones.

In many areas, acreage zoning is the preferred exclusionary device. The bulk of the land in a municipality is held off the market except for purchasers who are able to afford a house on a tract of one, two, three or more acres of land. Since a single-family home on an acre or more of land cannot be constructed in most suburban areas for less than $35,000, including the lot, families with incomes under $17,000 cannot afford to buy a house built on this land (under the generally accepted rule of thumb that a family can afford to buy a house that costs twice the annual household income). Thus the housing market in the community is effectively closed to the 80 per cent of the population which earns under $17,000—and to 90 per cent of the blacks.

In other areas—and in some communities that also have acreage-zoning regulations—housing-construction codes have been devised which require extremely expensive forms of residential development: wide lot frontages, costly materials and equipment, square-footage requirements for house interiors—all beyond what is needed for health and safety.

In almost all suburban municipalities tax laws undergird the structure of land-use controls and provide a rationale for exclusion. The real-property tax pays the bulk of local costs for public education, the biggest item in the budget and a major factor in maintaining the status of the community. If a dozen houses are built at costs within the reach of low-income or moderate-income families, the entire community suffers because the taxes realized from the new houses will tend to be below the additional expense to the school system of educating the children from the new families.

(In New Castle, a Northern Westchester community, a 1968 League of Women Voters study showed that local school costs were so high that a new house would have to cost $58,500 in order to yield enough taxes to educate the average number of children per household—$1,688 in taxes for 1.6 children.)

As expenses for education have become the last straw on the suburban taxpayer's back, the impetus toward ever-higher barriers to moderate-cost housing construction has been almost irresistible. Even if motivated by the best and most democratic public instincts, a community must finance its schools; and the easiest way to make the burden bearable is to keep the community costly and exclusive.

What would happen if the exclusionary land-use controls were eliminated? In the private market, the effect would be to dramatically increase the supply of building lots, both for single-family homes and for garden apartments and row houses. The increase in supply would lower the price per lot; the result would be a sharp reduction in the cost of a new home and an increase in the number of families that could afford one. The construction industry would boom, and lower-cost housing could be produced as the market demands.

Putting aside for the moment the moral questions raised by suburban exclusion, another argument against the regulations adopted over the past decade or more by suburban communities is that they have stifled the natural development of the homebuilding industry. Today, most of the vacant residential land around New York and in other metropolitan areas is zoned for homes on lots 5 to 10 times larger than Levittown's. Zoning has operated to slow down and spread out development. In a nation that has highly valued growth, it is strange to find growth disdained as a matter of policy. Particularly at a time of recession, the multiplier effect of a sustained form of new community development—which would require large capital investment—cannot be ignored. A reinvigorated residential building industry would not only create jobs for unemployed construction workers but lead to enlarged investment in all industries required to serve new suburban developments—and to other urgently needed jobs.

Even if a construction boom produced mostly middle-class or luxury housing, it would help to ease the pressures throughout the housing market that keep moderate-income housing consumers bottled up in city neighborhoods. This is because the "filtering" process—lower-income consumers moving into housing left behind by more affluent consumers moving into bigger and better homes—could begin to operate again. The result would be some improvement in the housing situation for low-income families. The favorite argument of real-estate operators against Government housing subsidies to the poor used to be that "filtering" would satisfy this group's needs. In fact, filtering alone will never provide enough used housing to meet the needs of the lowest-income families. But the current virtual halt in the construction of new, moderately priced housing in suburbia has made the absence of a normal used-house, or "filtered," market acutely noticeable to moderate-income families who would normally be able to afford such homes.

When, in the late nineteen-forties and fifties, it was possible for a family earning a moderate income to buy a new small house in Levittown or its equivalent, the houses and apartments these families vacated went on the market at reduced prices to families earning below the median level. Now that no Levittowns are being built, mobility in the housing market has been sharply reduced and families that should have been able to move are stying put. Obsolescent housing that should have been torn down decades ago is still in use, often at exorbitant prices; city neighborhoods that should have been torn down for urban renewal are still desperately needed for families that have nowhere else to go. It is as true as it ever was that the private market in housing, whether in new or used units, cannot provide housing for the families at the bottom of the income ladder. Subsidies, either in the form of cash to families or Government outlays for housing construction, must be provided. But the costs of such programs has become exorbitant because the private construction market for new housing has been closed off in the suburbs by artificial means.

Since the Industrial Revolution began dumping rural families into big-city slums, housing planners have recognized that public subsidy is needed to enable working-class families to live decently. Every industrial nation provides some form of subsidy for workers' housing; the United States has been in the housing business on a large scale since the thirties.

The 19th-century English garden-city movement laid down the principle that the cheapest—and most wholesome—form of housing for working-class families was the attached cottage, or row house, built so that each unit would have access to common open space. But in America, housing built for low-income and moderate-income families has generally been "projects" in the central cities: massive apartment towers built on the sites of destroyed ghettos, on land that is close to the city's hub and therefore so expensive that building at lower densities is not possible. In the nineteen-thirties the housing pioneers Henry Wright and Lewis Mumford decried the trend to housing for the poor in the inner cities; they pointed out that cheap housing at livable densities requires cheap land, and they urged public-housing authorities to build at the city's fringes. Urban-Renewal experts in the Federal Government and city authorities ignored the experts. Suburban land was locked up, and housing for the poor built at choking densities on the sites of the old ghettos.

Opening up suburban land would mean that Federal money, rather than being used to build absurdly expensive high-rise structures in inner cities, could be spread to a far larger number of units. In New York City, it costs more than $30,000 per unit in Federal and local funds to build public housing. Row houses and garden apartments could be built in the suburbs for well under $20,000 per dwelling unit, if the land costs were reasonable and if lot-size and square-footage requirements were not excessive. Not the least of the savings in time and money would come from working through the manageable governments of the towns, instead of the tangled and near-paralyzed bureaucracies of the cities.

JOBS

If the growth of the suburbs in sheer numbers of people has not yet been fully recognized as a fact of national life, suburban dominance of the metropolitan—and national—job markets has been barely noticed.

XUM

Yet in "bedroom" suburbs like Westchester County in New York, as many workers now commute into the county each day as travel to the city in the customary pattern.

The service sectors of the job market—the shopping centers and colleges, for instance—have followed the roads and the population. One example is the Cherry Hill Mall shopping center in Philadelphia, which employs 2,000 workers and occupies 80 acres of land about eight miles from the center of the city (accessible via three major highway bridges).

The demand for cheaper land for single-floor assembly-line and warehousing operations has brought more companies—and jobs—to the suburbs. The long, low building requires land; parking lots for employes' cars and for truck storage require land; and land that is far from the streets of the central city costs less. In Mahwah, N.J., for example, the Ford Motor Company purchased about 200 acres just off a New York State Thruway interchange, about 25 miles from the center of New York City and about the same distance from downtown Newark, for a plant which now employs 4,200 workers.

Traditionally, companies that are prestige-conscious or need a communications network near their headquarters have occupied space in downtown skyscrapers. Increasingly, however, they have been able to enhance their prestige and satisfy the residential preferences of their executives by moves to long, low buildings in parklike settings in far-out suburbia. For instance, Pepsico, Inc., has just completed a corporate headquarters in Purchase, N.Y., which employs 1,250 people on a 112-acre site.

The decentralization of the metropolitan job market means that the working population must be permitted to decentralize too, if workers are to be matched with jobs. The unemployment rate in this recession period may be hovering around 6 per cent for the society at large, but inside the urban ghettos it has been at the Depression level of 12 per cent for years. To end the acute problem of unemployment and underemployment, ghetto workers must be permitted to follow the blue-collar jobs out of the central cities.

The remoteness of the job market for relatively low-skilled workers from the ghetto areas aggravates the employment problem. So does the lack of coordination between job-finding agencies in the cities and the suburbs, which makes it difficult for the low-skilled worker living in the ghettos to find out about and apply for low-skilled but decently paid jobs in suburban manufacturing plants. The United States Employment Service and other job-finding agencies must be reorganized along metropolitan lines, so that information about openings can be transmitted to the unemployed in the ghettos. But this will not be enough. Workers must be able to travel to the jobs, which means in the case of blue-collar jobs that they must be permitted to find homes near enough to the jobs so that commuting does not take an excessive bite out of their incomes.

If the ghettos are viewed as underdeveloped areas—an approach that became fashionable in the sixties—the need for movement of workers to jobs in suburbia is even more sharply evident. Economists who were once captivated by the notion of pouring capital investment into depressed regions in order to create new factory jobs are now beginning to recognize that by far the cheapest solution to the problem is to give unemployed workers information about jobs in thriving industrial areas, help them to learn about the unfamiliar customs and housing patterns of the new area, pay them resettlement allowances and get them moved. Only in rare cases does it pay to invest heavily in declining areas rather than help families left behind by changing patterns of industrialization to move into the economic mainstream.

TAXES

Of the 4,200 workers employed at the Ford plant in Mahwah, many live in Newark and New York, and only 88, or 2 per cent, in the town where they work. Despite the important role that this factory plays in the metropolitan economy, the local property taxes paid by Ford benefit only Mahwah residents. Taxes on industrial and commercial property that are paid to suburban communities are another example of a metropolitan resource that could be—but is not—used to help solve inner-city problems.

The tax rate on business property reflects the needs only of the suburban jurisdiction that levies it. If the suburb has a relatively small public-school enrollment, and few low- and moderate-income families, its local tax rate will be much lower than the rate that would be necessary if the business property were situated in a poverty-ridden central city. The tax rate is further reduced when, as in the case of Mahwah, the suburb uses its zoning powers to keep out children and to exclude low- and moderate-income households, including those whose breadwinners work in the plant.

Mahwah's successful effort to lure new companies and to exclude the companies' employes has resulted in a 1970 tax rate on industrial and commercial property of 1.55 per cent of full value. By comparison, the city of Newark, which houses and educates nearly 1,000 of Ford's black workers and their families, is compelled to tax business property at the rate of 7.14 per cent of full value.

Mahwah's tax base included $104,000,000 of business property and yielded $1,612,000 in revenues. If this $104,000,000 were taxed at the rate levied on similar property in Newark, it would bring $7,426,000 in added funds to the city. The comparison, of course, is a rough one, since a bigger tax base in Newark might permit the city to lower its rate somewhat. But it does demonstrate the fiscal gains that induce corporations to relocate from poverty-ridden central cities to restrictively zoned suburbs.

Suburban towns and cities use the taxes generated by the coming of large new business properties to reduce residential property taxes or to increase the quality of public services, or both. On the other side of the coin, the movement of industry to the suburbs weakens the tax bases of central cities, requires an increase in their tax rate and cripples their capacity to respond to the social and educational needs of the disadvantaged groups, many of whose members are forced to commute at great cost in money and time to the very suburban plants which are no longer on the city's tax rolls.

ACTION

The movement to open the suburbs has begun. The thorny legal, financial and moral questions will be settled not only by debate but by legislative and court action and by economic pressure.

The first step may well be the establishment of a clear connection, in the public mind and in public law, between jobs and housing for workers. The decentralization of the job market is, as we have noted, one of the least appreciated phenomena of metropolitan life; it is time that voters and public officials became aware of it and acted accordingly. Rather than assuming that a corporation moving its plant or offices from the central city to the suburbs is a tax bonanza for the lucky municipality that succeeds in attracting it, we must require that the company have a clear policy of relating jobs to workers' housing and commuting patterns. The rule must therefore be: no corporation hiring a significant number of workers can move to a location in a suburban community where the housing market is closed to families earning what the workers in the plant will earn.

In effect, this will mean that the tax benefits to a town which welcomes new industry will be balanced by the costs to that community of educating the workers' children, policing their neighborhoods, providing them with municipal services. If a community has all its vacant land zoned for single-family houses on five acres of land, then if it permits a zoning variance for the construction of Jones Corporation's new international headquarters, it must also rezone land for sufficient new garden apartments to house Jones's 300 janitorial, service and lower-level clerical workers; create sufficient quarter-acre plots so that Jones's 250 executive secretaries and junior managerial personnel have a chance of buying homes, and make sure that land and construction costs do not make housing prohibitively expensive in the five-acre zones for its 100 middle-management people.

Both state and Federal action will be needed to promote the rule. In Washington, Senator Abraham Ribicoff is working for just such an approach by reintroducing the proposed Government Facilities Location Act of 1970, which provides that no Federal installation may move to a community which refuses to provide land for workers' housing. Though it does not cover private industry, the bill would have significant impact on communities bidding for Federal largess in the form of shipyards, research facilities and other economic jackpots. (The bill did not emerge from committee last year; this year hearings are scheduled for late fall.)

If a community enforces zoning laws which in effect keep out blacks, can the Federal Government continue to provide water and sewer grants, open-space acquisition loans and other forms of aid to them? Does not such aid violate the antidiscrimination guidelines imposed by the Civil Rights Act of 1964? The clamor against suburban exclusion has led to sharp questioning of the President on this point, and a now-famous statement issued by the Administration last June was meant to answer the questions by establishing a distinction between economic and racial discrimination. A community cannot be punished, in the Administration's view, for keeping out the poor, only for overtly keeping out the black. This distinction is, to say the least, far from firmly established; and lawsuits will soon be brought to challenge the point. The suits will argue that the racial discrimination in the suburbs is the direct and calculated result of zoning laws.

In New York State, Assemblyman Franz Leichter has introduced a package of anti-exclusionary bills which include a prohibition against establishing state facilities in exclusionary communities. Such a prohibition would affect the location plans of state university branches, hospitals, state schools and other major service installations, as well as—under some interpretations of the bill—state-assisted elementary and secondary schools (meaning all schools, now that the barriers to state aid to parochial schools have largely fallen).

Massachusetts enacted in 1969 its "anti-snob zoning law," which provided that at least 0.3 per cent of every community's vacant land must be made available for the construction of low- and moderate-cost housing in each of five years. Other states, including New York, New Jersey and Connecticut, are considering similar legislation to exempt at least a portion of suburban land from the exclusionary regulations.

Our own organization, Suburban Action Institute, is seeking to induce Federal regulatory agencies to act against corporations planning moves to exclusionary suburbs. We have filed complaints with three agencies—the Federal Equal Employment Opportunity Commission, the Federal Communications Commission and the Office of Federal Contract Compliance—against

R.C.A., American Telephone and Telegraph and General Electric, for taking steps to relocate to the acreage-zoned communities of New Canaan, Conn., Bernards Township, N.J., and Fairfield, Conn.

By moving to communities within which their minority-group employes cannot find housing, we charge, these corporations are creating conditions of employment discrimination. We believe that they are not simply acquiescing in a discriminatory situation, but affirmatively aiding the creation of segregated employment. (Because of the complaint against RCA before the Equal Employment Opportunity Commission, the company has temporarily withdrawn its proposal to build offices in New Canaan for 1,000 people.)

Making laws to restrict corporations from moving jobs to exclusionary communities will not remove the basic incentive for such moves: the tax laws. As long as the costs of educating suburban children are borne by the local real property tax, a community will try to enhance its tax base by luring industry, and will try to keep out housing developments that attract families with children. A radical restructuring of the tax system for financing education is needed, both to end exclusion and to assure every child, whether born in a rich or a poor community, equal educational opportunity.

A statewide income tax for education is the remedy now advocated by the Regional Plan Association of New York, by the Lindsay administration, and even by suburban taxpayers who can no longer pay educational costs in newly developing communities. Gov. William G. Milliken of Michigan, a Republican, has moved to establish a statewide tax for education. New York State's Fleischman Commission is about to conclude a study of school financing by calling for "full state assumption" of the cost of educating children. Political pressure to relieve local property owners of the burden of school costs is building up around the country as record numbers of local school budgets are defeated.

A recent decision in the California Supreme Court may signal the beginning of the end of the present system of financing local schools. In *Serrano v. Priest*, the court said that the local property tax "invidiously discriminates against the poor because it makes the quality of a child's education a function of the wealth of his parents and neighbors. Recognizing, as we must, that the right to an education in our public schools is a fundamental interest which cannot be conditioned on wealth, we can discern no compelling state purpose necessitating the present method of financing."

The Supreme Court has not ruled on the fundamental issues raised by zoning since 1926 when, in the case of *Euclid v. Ambler*, it declared that comprehensive zoning ordinances are a reasonable and constitutional method of controlling land use. But the lower courts have begun to rule on the contention that the zoning frequently denies racial minorities the equal protection of the law guaranteed by the 14th Amendment. In one recent Pennsylvania Supreme Court case, the justices declared:

"We fully realize that the over-all solution to [housing and growth] problems lies with greater regional planning; but until the time comes that we have such a system, we must confront the situation as it is. The power currently resides in the hands of each local governing unit, and we will not tolerate their abusing that power in attempting to zone out growth at the expense of neighboring communities."

The Justice Department and the American Civil Liberties Union have raised questions of suburban-exclusion with their suit against Black Jack, Mo., on behalf of a group of black residents in St. Louis who wanted to build housing in the town. The group charged that Black Jack incorporated itself into a municipality for the purpose of denying the needed zoning change.

Court cases challenging exclusionary laws are in preparation against a number of suburban communities around the nation and the biggest initial victory has just been won in New Jersey. Judge David Furman of the Middlesex County Supreme Court 10 days ago declared invalid an ordinance in Madison Township, N.J., that called for one- and two-acre lots, required a minimum floor-area that was excessive and placed limitations on multifamily dwellings. The ordinance, the judge said, had the effect of preventing 90 per cent of the people in the area from living in the township, and directly contributed to the ghettoization of neighboring cities. (The suit was brought in behalf of a group of black and Spanish-speaking residents of Elizabeth, Plainfield and New Brunswick.)

The judge did not reach the constitutional questions, basing his ruling instead on the state zoning law, which says that localities must zone for the public welfare. Under this law, he said, a community when it passes land-use regulations must in the future take into account not only its own needs but those of the region.

The direction the U.S. Supreme Court may take has been hinted at in recent rulings on the need for school busing to achieve integration. Despite the negative decision in the recent Valtierra case in California, which dealt with a referendum that was designed to prevent construction of housing for an *economic* minority, the record of the court on matters relating to *racial* discrimination has been quite uncompromising. It is fair to expect that proof of the racially discriminatory effects of exclusionary zoning will carry great weight with the court.

PLANNING

The massive spurt in suburban housing construction which followed World War II occurred at a time when new young families were desperate for homes—in a full-employment economy and following the end of war-related restraints on building. The decade of the seventies has brought the beginnings of another market of this kind (as those born in the postwar baby boom come into their own child-rearing years), but without the economic conditions which made the housing surge possible after the war.

Housing construction is now at a low ebb. Even if the vise of exclusionary zoning is removed, government subsidies and controls will be required to see to it that the combined public-private housing market actually produces the needed housing. The Kaiser Commission has called for the construction of 600,000 units of Federally-assisted housing each year for the next decade, at a cost of $2.8-billion per year. Aid to the housing market of this magnitude, *combined with* the opening up of vast acreages of suburban land, can insure the construction of the housing that is needed to eliminate the slums and ghettos of the central cities and to permit rebuilding on their land at decent densities.

If suburban land resources do become available, new residential development can be of a far higher quality than that of the nineteen-fifties, which gave rise to fears about "urban sprawl," Levittowns and endless identical rows of shoddily built bungalows. Critics of America's suburbs have led us to fear the terrible sterility of look-alike suburbs. But the suburbs have offered a very satisfactory form of life to those who live in developments that do look alike in many respects. Suburbanites in Levittown and Scarsdale have found that despite the similarities of dwellings and ways of life in their communities, they still like to live there. Of course, suburbs have many problems; what form of human community does not?

We should not prohibit development because it may have some undesirable aspects, unless we develop alternatives that provide suitable housing for all classes of the population.

The garden-city movement and the new towns of Europe as well as the best examples of new development in this country—Columbia, Md., and Reston, Va.—have demonstrated that amenable communities open to all classes can be constructed at far higher standards than those of today's expensive suburban developments, in which each house sits on a plot of one, two or more acres. Present acreage development saves no open space for the public. It calls for cookie-cutter development writ large. It demands that every inch of space be devoted to a private lot—even land not suitable for development.

But if new housing in the suburbs need not follow the pattern of Levittown, it also need not conform entirely to the rules of the garden-city movement in Europe and America. Housing can be built in small developments in existing towns, or in new towns, or in larger developments around highway interchanges and commercial projects. Towns, moreover, can assure the preservation of large amounts of open space through such devices as "cluster zoning" and "planned-unit development," which permit higher densities on portions of a tract if a certain amount of acreage is set aside for public recreational use. Nor would elimination of suburban exclusion prevent those who wish to own large amounts of land from doing so—a privilege guaranteed them by our economic system.

As the prospect of intensified development of the suburbs comes closer, private groups, sniffing profits, are investing in land for eventual massive building. One hopes that these developers will be guided by the principles of balancing industrial and commercial growth with new housing, and of a wide mixture of housing types and costs in open neighborhoods.

Nonprofit groups and public agencies should also be preparing for the future by negotiating for tracts of suburban land, on the theory that when the exclusionary laws are struck down, they had better be ready with plans for construction of low- and moderate-cost housing, or they will risk leaving the whole ball game to the private developers.

AMENDMENT TO BE OFFERED BY MR. MIKVA TO H.R. 11932, DISTRICT OF COLUMBIA APPROPRIATIONS BILL

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 1, 1971

Mr. MIKVA. Mr. Speaker, during the consideration of H.R. 11932, appropriating funds for the District of Columbia, at the appropriate time I plan to offer the following amendment:

On page 4, at line 22, strike out "$169,167,000" and insert in lieu thereof "$171,884,600".

On page 2 beginning on line 3, strike out "$162,000,000" and insert in lieu thereof "$164,717,600."

This amendment would restore $2.7 million which the committee proposes to cut from the operating budget of the Department of Corrections.

These funds are urgently needed. The jails and prisons of the District of Columbia are so badly overcrowded at present that there is little chance for rehabilitative programs to succeed. Youthful offenders are incarcerated with hardened adult criminals, due to lack of space in the Youth Center.

The District of Columbia is being squeezed through the fiscal wringer just like every other city in America. Funds are scarce and the needs are immense. But the place to scrimp and save is not on prisons. There is little point in expending massive energy and resources catching and convicting criminals, if all we are able to do is warehouse them for a short while in finishing schools for crime. It costs money to provide the kind of individualized supervision and treatment which is required to help an inmate and to insure that he will not return to a life of crime after being released. I hope my colleagues will join this effort to restore the needed funds to the Department of Corrections.